



## Reinsurance Group Of America Reports Earnings Down In Fourth Quarter Due To Adverse Mortality; Premiums In U.S. Up 27 Percent

January 27, 2000

ST. LOUIS, January 27, 2000 – Reinsurance Group of America, Incorporated (NYSE:RGA) reported operating earnings from continuing operations of \$0.59 per diluted share for the fourth quarter, down 18 percent from \$0.72 per diluted share reported in the prior year. Operating earnings from continuing operations totaled \$28.2 million, down 14 percent from the prior year total of \$32.8 million. Net income for the quarter, including capital gains and losses and discontinued operations, totaled \$15.4 million, or \$0.32 per diluted share, compared to earnings of \$6.3 million, or \$0.14 per diluted share, the prior year.

Earnings were down in the fourth quarter primarily due to adverse mortality experience in the Company's U.S. operating segment. As was reported earlier this month, RGA's U.S. operating segment sustained unusually high claims levels in the last two months of the year. Although earnings were down in that segment because of that claims experience, net premium revenues for the U.S. segment increased 27 percent for the quarter, to \$253.4 million from \$200.3 million in the prior year.

President and Chief Executive Officer A. Greig Woodring commented, "We are obviously disappointed to close the year with a substandard result in the U.S. operating segment. It has been several years since we had a quarter affected so significantly by poor mortality experience. However, mortality experience can fluctuate over short periods of time, even on a relatively large base of business. Although we continue to analyze the claims activity of the fourth quarter, we have identified nothing that causes us to believe this is anything other than the type of aberration that can occasionally occur. We do not feel this experience is indicative of any type of ongoing shift in expected mortality levels over time."

Woodring continued, "We are quite pleased to have the disruption associated with the sale of our parent company behind us. MetLife completed its acquisition of GenAmerica Corporation in early January, and the various rating agencies reacted immediately with respect to RGA's ratings. Our ratings have been restored to levels that should allow us to continue operating effectively as we serve the life reinsurance markets, and our business volumes have continued to grow at attractive rates. For the year, premiums in our U.S. segment grew at a 33 percent rate, and premiums in the Canada segment increased 12 percent. Premiums in the Canada segment for the quarter totaled \$42.8 million, in line with expectations, even though that premium level was well below the \$69.7 million reported in the fourth quarter of 1998, when we processed two large in-force transactions that dramatically increased that quarter's reported premiums."

Woodring concluded, "RGA's other international operations, which are still in their early growth stages, reported a modest operating profit for the quarter on premiums of slightly more than \$50 million. These operations should grow and add to the value of the company's portfolio of business over time. "Regarding the new year, we are looking forward to serving our markets and addressing the many opportunities we feel will be part of the operating environment going forward."

For the year, operating earnings from continuing operations totaled \$102.4 million, up 17 percent from the \$87.7 million reported for 1998. That represents \$2.21 per diluted share, an increase of 8 percent over \$2.04 per diluted share in the prior year. Net income for the year, including discontinued operations and securities gains and losses, totaled \$40.9 million, or \$0.88 per diluted share, down from \$62.1 million, or \$1.48 per diluted share, reported for the prior year. Consolidated premiums totaled \$1,315.6 million, up 29 percent over the prior year total of \$1,016.4 million.

The company announced that its board of directors declared a regular quarterly dividend of \$0.06 per share. The dividend is payable February 25 to shareholders of record as of February 4.

Reinsurance Group of America, Incorporated, through its subsidiaries, RGA Reinsurance Company and RGA Life Reinsurance Company of Canada, is among the largest providers of life reinsurance in North America. In addition to its North American operations, Reinsurance Group of America, Incorporated has subsidiary companies or branch offices in Argentina, Australia, Barbados, Bermuda, Chile, Hong Kong, Japan, Taiwan, South Africa and the United Kingdom. Worldwide, the Company has approximately \$447 billion of life reinsurance in force, and assets in excess of \$5.0 billion. Metropolitan Life Insurance Company owns approximately 58 percent of RGA's outstanding shares.

Statements in this press release regarding the business of Reinsurance Group of America, Incorporated which are not historical facts, including, without limitation, statements and information relating to the company's future financial performance and growth potential, the effect of mortality rates and experience, claims levels, and other statements related to the company's business are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements should be evaluated together with the many risks and uncertainties that affect our business, including those mentioned in this document and the cautionary statements described in the periodic reports filed by the company with the Securities Exchange Commission. For a discussion of these risks and uncertainties, which could cause actual results to differ materially from those contained in the forward-looking statements, you are advised to consult the sections named "Cautionary Statement Regarding Forward Looking Statements" in the Company's report on Form 10-Q for the quarter ending September 30, 1999, and "Forward-Looking and Cautionary Statements" in the Company's Annual Report on Form 10-K for year ended December 31, 1998, which discussions are incorporated by reference into this document.

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
Condensed Consolidated Statements of Income  
(Dollars in thousands, except per share data)

(Unaudited)	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	1999	1998	1999	1998

Revenues:

Net premiums	\$350,035	\$311,068	\$1,315,638	\$1,016,420
Net investment income	76,049	95,600	340,280	301,780
Realized capital gains/ (losses), net	(13,564)	(266)	(75,308)	3,092
Other income	15,904	6,529	26,472	23,200
Total revenue	428,424	412,931	1,607,082	1,344,492

Benefits and expenses:

Claims and other policy benefits	290,348	245,486	1,067,111	797,901
Interest credited	25,977	42,069	153,118	153,247
Policy acquisition costs and other insurance expenses	63,081	57,905	218,314	188,471
Other expenses	13,285	16,845	64,447	58,021
Interest expense	4,316	2,365	11,020	8,805
Total benefits and expenses	397,007	364,670	1,514,010	1,206,445

Income from continuing operations before taxes and minority interest

31,417	48,261	93,072	138,047
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Income taxes	11,893	16,776	39,059	49,055
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Income from continuing operations before minority interest

19,524	31,485	54,013	88,992
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Minority interest	167	(1,174)	968	(717)
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Net income from continuing operations	19,357	32,659	53,045	89,709
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Discontinued operations:

Loss from discontinued operations, net of taxes	(3,983)	(26,362)	(12,187)	(27,628)
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Net income	\$ 15,374	\$ 6,297	\$ 40,858	\$ 62,081
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REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
Condensed Consolidated Statements of Income  
(Dollars in thousands, except per share data)

(Unaudited)	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	1999	1998	1999	1998

Earnings per share from continuing operations:

Basic earnings per share	\$ 0.41	\$ 0.72	\$ 1.16	\$ 2.11
Diluted earnings per share	\$ 0.41	\$ 0.71	\$ 1.15	\$ 2.08

Diluted earnings before realized investment gains/ (losses)

\$ 0.59	\$ 0.72	\$ 2.21	\$ 2.04
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Earnings per share from				
net income:				
Basic earnings per share	\$ 0.33	\$ 0.14	\$ 0.89	\$ 1.50
Diluted earnings per share	\$ 0.32	\$ 0.14	\$ 0.88	\$ 1.48
Weighted average number of				
common and common equivalent				
shares outstanding				
(in thousands)	47,483	45,818	46,246	42,559

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
Condensed Consolidated Business Summary

(Unaudited)	At or For the Twelve Months Ended December 31,	
	1999	1998
Gross life reinsurance in force (in billions)		
North American business	\$ 391.5	\$ 291.2
International business	55.5	39.4
Gross life reinsurance written (in billions)		
North American business	130.7	115.5
International business	34.2	9.4
Consolidated cash and invested assets		
(in millions)	3,873.8	5,145.5
Invested asset yield	6.88%	6.86%
Investment portfolio mix		
Cash and short-term investments	6.85%	6.43%
Fixed maturity securities	48.90%	71.94%
Mortgage loans	5.56%	4.21%
Policy loans	17.21%	9.99%
Funds withheld at interest	20.80%	6.99%
Other invested assets	0.68%	0.44%
Book value per share outstanding	\$ 14.68	\$ 16.52
Book value per share outstanding, before		
impact of FAS 115	17.31	15.52
Treasury stock	1,112,820	1,178,270

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
U.S. OPERATIONS  
(Dollars in thousands)  
(Unaudited)

Twelve Months Ended December 31, 1999				
	Traditional	Non-traditional		Total U.S.
		Asset- Intensive	Financial Reinsurance	
Revenues:				
Net premiums	\$ 949,054	\$ 1,380	\$ --	\$ 950,434
Investment income, net of related				
expenses	125,745	124,713	--	250,458
Realized investment gains/ (losses),				

net	(17,043)	(65,844)	--	(82,887)
Other revenue	(597)	12,655	13,180	25,238
Total revenues	1,057,159	72,904	13,180	1,143,243
Benefits and expenses:				
Claims and other policy benefits	740,339	1,009	--	741,348
Interest credited	40,240	109,644	--	149,884
Policy acquisition costs and other insurance expenses	145,529	2,850	9,370	157,749
Other operating expenses	23,002	623	100	23,725
Total benefits and expenses	949,110	114,126	9,470	1,072,706
Income before income taxes and minority interest	\$ 108,049	\$ (41,222)	\$ 3,710	\$ 70,537

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
U.S. OPERATIONS  
(Dollars in thousands)  
(Unaudited)

Twelve Months Ended December 31, 1998				
	Traditional	Non-traditional Asset- Intensive	Financial Reinsurance	Total U.S.
Revenues:				
Net premiums	\$714,876	\$ 1,368	\$ --	\$ 716,244
Investment income, net of related expenses	106,664	124,808	--	231,472
Realized investment gains/ (losses), net	1,716	655	--	2,371
Other revenue	644	4	17,800	18,448
Total revenues	823,900	126,835	17,800	968,535
Benefits and expenses:				
Claims and other policy benefits	538,775	2,258	--	541,033
Interest credited	44,053	107,948	--	152,001
Policy acquisition costs and other insurance expenses	112,964	6,790	12,942	132,696
Other operating expenses	15,904	740	132	16,776
Total benefits and expenses	711,696	117,736	13,074	842,506
Income before income taxes and minority interest	\$112,204	\$ 9,099	\$ 4,726	\$ 126,029

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
CANADIAN OPERATIONS  
(Dollars in thousands)  
(Unaudited)

	Twelve Months Ended December 31,	
	1999	1998
Revenues:		
Net premiums	\$162,482	\$144,784
Investment income, net of related expenses	52,767	38,857
Realized investment gains/(losses), net	5,923	617
Other revenue	(38)	482
Total revenues	221,134	184,740
Benefits and expenses:		
Claims and other policy benefits	154,194	127,821
Interest credited	1,799	1,059
Policy acquisition costs and other insurance expenses	19,970	26,163
Other operating expenses	7,292	6,943
Total benefits and expenses	183,255	161,986
Income before income taxes and minority interest	\$ 37,879	\$ 22,754

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
OTHER INTERNATIONAL  
(Dollars in thousands)  
(Unaudited)

	Twelve Months Ended December 31, 1999				
	Latin America				Total
	Direct	Rein- surance	Asia Pacific	Other Markets	Inter- national
Revenues:					
Net premiums	\$38,449	\$65,718	\$73,887	\$24,668	\$202,722
Investment income, net of related expenses	17,608	6,145	2,182	775	26,710
Realized investment gains/ (losses), net	128	(33)	(3)	101	193
Other revenue	(98)	(126)	1,263	105	1,144
Total revenues	56,087	71,704	77,329	25,649	230,769
Benefits and expenses:					
Claims and other policy benefits	49,436	62,043	46,785	13,305	171,569
Interest credited	306	1,129	--	--	1,435
Policy acquisition costs and other insurance expense	1,486	854	29,860	8,388	40,588
Other operating expenses	6,176	3,033	6,983	7,810	24,002
Interest expense	--	--	491	--	491
Total benefits and expenses	57,404	67,059	84,119	29,503	238,085

Income before income taxes and minority interest	\$ (1,317)	\$ 4,645	\$ (6,790)	\$ (3,854)	\$ (7,316)
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REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
OTHER INTERNATIONAL  
(Dollars in thousands)  
(Unaudited)

	Twelve Months Ended December 31, 1998				
	Latin America	Rein-	Asia	Other	Total
	Direct	surance	Pacific	Markets	Inter-national
Revenues:					
Net premiums	\$48,354	\$50,325	\$53,072	\$ 3,641	\$155,392
Investment income, net of related expenses	13,926	3,859	2,545	479	20,809
Realized investment gains/(losses), net	4	--	23	81	108
Other revenue	242	1	3,089	938	4,270
Total revenues	62,526	54,185	58,729	5,139	180,579
Benefits and expenses:					
Claims and other policy benefits	49,238	45,224	31,900	2,685	129,047
Interest credited	187	--	--	--	187
Policy acquisition costs and other insurance expenses	4,814	2,067	21,775	923	29,579
Other operating expenses	7,466	3,892	7,660	6,540	25,558
Interest expense	--	--	454	--	454
Total benefits and expenses	61,705	51,183	61,789	10,148	184,825
Income before income taxes and minority interest					
	\$ 821	\$ 3,002	\$ (3,060)	\$ (5,009)	\$ (4,246)