



Reinsurance Group Of America Reports Increases In First-Quarter Premiums And Earnings

April 29, 2004

ST. LOUIS, Apr 29, 2004 (BUSINESS WIRE) -- Reinsurance Group of America, Incorporated (NYSE:RGA), one of North America's leading providers of life reinsurance, reported net income for the first quarter of \$61.7 million, or \$0.98 per diluted share, compared with net income of \$32.7 million, or \$0.66 per diluted share in the prior-year quarter, a 48 percent increase on a diluted per-share basis. First-quarter net premiums increased 49 percent, to \$813.9 million from \$545.2 million in 2003. Net realized capital gains totaled \$18.4 million on a pre-tax basis versus net realized capital losses of \$9.8 million the year before.

RGA uses a non-GAAP financial measure called operating income as a basis for analyzing financial results. This measure also serves as a basis for establishing target levels and awards under RGA's management incentive programs. Management believes that operating income, on a pre-tax and after-tax basis, better measures the ongoing profitability and underlying trends of the company's continuing operations, primarily because that measure excludes the effect of net realized capital gains and losses, changes in the fair value of embedded derivatives and related deferred acquisition costs. These items tend to be highly variable primarily due to the credit market and interest rate environment and are not necessarily indicative of the performance of our underlying businesses. Additionally, operating income excludes any net gain or loss from discontinued operations and the cumulative effect of accounting changes, which management believes are not indicative of the company's ongoing operations. The definition of operating income can vary by company and is not considered a substitute for GAAP net income. Reconciliations of GAAP net income to operating income are provided in the tables immediately following the text of this press release.

Operating income for the quarter increased 6 percent on a per-share basis and totaled \$52.1 million, or \$0.83 per diluted share compared to \$38.9 million, or \$0.78 per diluted share in the year-ago quarter. A. Greig Woodring, president and chief executive officer, commented, "We are pleased with the rate of growth in operating earnings per share, considering we are comparing to a very strong first quarter in 2003 and we issued an additional 12.1 million common shares late last year. Our results reflect strong premium and earnings growth across all operating segments of our business.

"Pre-tax net income in the U.S. for the quarter totaled \$70.2 million compared with \$42.6 million in the prior-year quarter, primarily because of much higher net premium levels and net realized capital gains. Pre-tax operating income for the quarter totaled \$65.3 million compared with \$50.2 million in the prior-year quarter, a 30 percent increase. Segment-wide mortality experience in the current quarter was somewhat higher than the expected level, primarily due to the number of large claims. Our Asset Intensive and Financial Reinsurance business segments posted solid results as well. Net premiums in the U.S. increased \$162.5 million, or 44 percent over the prior-year quarter. The transaction with Allianz that we closed in the fourth quarter of 2003 contributed approximately \$118.5 million of net premiums to the current quarter. That block performed well and the integration remains on schedule.

"Our Canada operations reported another good quarter, with pre-tax net income of \$15.9 million compared with \$10.6 million in the prior-year quarter. Pre-tax operating income totaled \$14.6 million, up 34 percent from \$10.9 million in the prior-year quarter. Mortality experience was slightly favorable. Net premiums increased \$11.6 million, or 24 percent for the quarter. Approximately \$7.6 million of the increase in net premiums and approximately \$1.6 million of the increase in pre-tax operating income was the result of the continued strength of the Canadian dollar.

"Other International operations, which exclude Canada, continued their strong growth, with net premiums increasing 75 percent to \$220.7 million in the quarter. Stronger foreign currencies contributed approximately \$31.4 million, or 14 percent of the current quarter. Pre-tax net income totaled \$13.1 million compared with \$3.8 million in the prior-year quarter. Pre-tax operating income for the quarter totaled \$9.6 million, a significant increase over the \$3.3 million result in the prior-year period. Approximately \$1.2 million of that increase was the result of foreign currency strength. Segment-wide mortality experience for the quarter was consistent with expectations. We are pleased with the profit expansion from these operations as reinsurance in force increases; however, we anticipate that results may be more volatile than our more established operations in North America due to the smaller relative size and lack of maturity of this segment's base of business."

During the quarter, the company adopted Statement of Position 03-1, Accounting and Reporting by Insurance Enterprises for Certain Nontraditional Long-Duration Contracts and for Separate Accounts (SOP 03-1). The cumulative impact of this new accounting standard was limited to a \$361,000 after-tax charge since the company does not provide significant reinsurance support for the product risks covered under SOP 03-1.

Woodring concluded, "We are off to a good start in 2004 across all segments. We continue to see more business opportunities and believe consolidated net premium growth has a good chance of reaching 20 percent for the year, slightly ahead of our previous guidance of 15 to 18 percent. However, premium growth is always difficult to project. Our previous earnings per share guidance range of \$3.40 to \$3.65 is unchanged as any incremental new premium would not be expected to contribute to the bottom line in a meaningful way until future years."

The company announced that its board of directors declared a regular quarterly dividend of \$0.06 per share, payable June 1 to shareholders of record as of May 10.

A conference call to discuss the company's fourth-quarter results will begin at 9 a.m. Eastern Time on Friday, April 30. Interested parties may access the call by dialing 800-210-9006 (domestic) or 719-457-2621 (international). The access code is 182033. A live audio webcast of the conference call will be available on the company's investor relations web page at www.rgare.com. A replay of the conference call will be available at the same address for three months following the conference call. A replay of the conference call will also be available via telephone through May 7 at 888-203-1112 (domestic) or 719-457-0820, access code 182033.

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 U.S. and Canadian operations, Reinsurance Group of America, Incorporated has subsidiary companies or offices in Australia, Barbados, Hong Kong, India, Ireland, Japan, Mexico, South Africa, South Korea, Spain, Taiwan, and the United Kingdom. Worldwide, the company has approximately \$1.3 trillion of life reinsurance in force, and assets of \$12.7 billion. MetLife, Inc. is the beneficial owner of approximately 52 percent of RGA's outstanding shares.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others, statements relating to projections of the earnings, revenues, income or loss, future financial performance and growth potential of Reinsurance Group of America, Incorporated and its subsidiaries (which we refer to in the following paragraphs as "we," "us" or "our"). The words "intend," "expect," "project," "estimate," "predict," "anticipate," "should," "believe," and other similar expressions also are intended to identify forward-looking statements. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Future events and actual results, performance and achievements could differ materially from those set forth in, contemplated by or underlying the forward-looking statements.

Numerous important factors could cause actual results and events to differ materially from those expressed or implied by forward-looking statements including, without limitation, (1) adverse changes in mortality, morbidity or claims experience, (2) changes in our financial strength and credit ratings or those of MetLife, Inc. ("MetLife"), the beneficial owner of a majority of our common shares, or its subsidiaries, and the effect of such changes on our future results of operations and financial condition, (3) general economic conditions affecting the demand for insurance and reinsurance in our current and planned markets, (4) market or economic conditions that adversely affect our ability to make timely sales of investment securities, (5) changes in investment portfolio yields due to interest rate or credit quality changes, (6) fluctuations in U.S. or foreign currency exchange rates, interest rates, or securities and real estate markets, (7) adverse litigation or arbitration results, (8) the stability of governments and economies in the markets in which we operate, (9) competitive factors and competitors' responses to our initiatives, (10) the success of our clients, (11) successful execution of our entry into new markets, (12) successful development and introduction of new products, (13) our ability to successfully integrate and operate reinsurance business that we acquire, including without limitation, the traditional life reinsurance business of Allianz Life, (14) regulatory action that may be taken by state Departments of Insurance with respect to us, MetLife, or its subsidiaries, (15) changes in laws, regulations, and accounting standards applicable to us, our subsidiaries, or our business, and (16) other risks and uncertainties described in this document and in our other filings with the Securities and Exchange Commission.

Forward-looking statements should be evaluated together with the many risks and uncertainties that affect our business, including those mentioned in this document and described in the periodic reports we file with the Securities and Exchange Commission. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date on which they are made. We do not undertake any obligations to update these forward-looking statements, even though our situation may change in the future. We qualify all of our forward-looking statements by these cautionary statements.

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES Reconciliation of Income From Continuing Operations to Operating Income (Dollars in thousands, except per share data)

	Three Months Ended March, 31	
	2004	2003
GAAP net income-continuing operations	\$62,994	\$33,160
Realized investment (gains)/losses	(12,684)	6,082
Change in value of embedded derivatives	1,741(1)	--
DAC offset for realized investment (gains)/losses, net	37	(378)
Operating income	\$52,088	\$38,864

(1) Net of DAC offset of \$2,730, after tax

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES Reconciliation of Pre-tax Net Income From Continuing Operations to Pre-tax Operating Income (Dollars in thousands, except per share data)

Three Months Ended March 31, 2004

	Pre-tax net income	Realized investment (gains)/ losses, net	Change in value of embedded derivative	Pre-tax operating income
U.S. Operations:				
Traditional	\$64,032	\$(7,558)	\$ --	\$ 56,474
Asset Intensive	3,508	(87)(1)	2,678	6,099
Financial Reinsurance	2,707	--	--	2,707
Total U.S.	70,247	(7,645)	2,678	65,280

Canada Operations	15,920	(1,309)	--	14,611
Asia Pacific Operations	6,797	(347)	--	6,450
Europe & South Africa	6,260	(3,159)	--	3,101
Other Intl Operations	13,057	(3,506)	--	9,551
Corporate & Other	(4,409)	(5,899)	--	(10,308)
Consolidated	\$94,815	\$(18,359)	\$2,678	\$79,134

(1)Net of DAC offset \$57

Three Months Ended March 31, 2003

	Pre-tax income	Realized investment (gains)/ losses, net	Pre-tax operating income
U.S. Operations:			
Traditional	\$39,772	\$5,244	\$ 45,016
Asset Intensive	(82)	2,279 (1)	2,197
Financial Reinsurance	2,948	--	2,948
Total U.S. Operations	42,638	7,523	50,161
Canada Operations	10,627	263	10,890
Asia Pacific Operations	1,368	387	1,755
Europe & South Africa	2,409	(825)	1,584
Other Intl Operations	3,777	(438)	3,339
Corporate & Other	(7,189)	1,898	(5,291)
Consolidated	\$49,853	\$ 9,246	\$59,099

(1)Net of DAC offset \$582

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

	Three Months Ended March 31,	
(Unaudited)	2004	2003
Revenues:		
Net premiums	\$813,874	\$545,215
Investment income, net of related expenses	133,560	107,145
Realized investment gains/(losses), net	18,416	(9,828)
Change in value of embedded derivatives, net of DAC offset of \$4,200 in 2004	(2,678)	--
Other revenues	11,850	11,017
Total revenues	975,022	653,549
Benefits and expenses:		
Claims and other policy benefits	647,054	423,605
Interest credited	47,018	40,796
Policy acquisition costs and other insurance expenses, excluding \$4,200 allocated to embedded derivatives in 2004	143,068	104,581
Other operating expenses	33,529	25,755
Interest expense	9,538	8,959
Total benefits and expenses	880,207	603,696

Pre-tax net income from continuing

operations	94,815	49,853
Provision for income taxes	31,821	16,693
Income from continuing operations	62,994	33,160
Discontinued operations:		
Loss from discontinued accident and health operations, net of income taxes	(894)	(418)
Cumulative effect of change in accounting principle	(361)	--
Net income	\$ 61,739	32,742

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

(Unaudited)	Three Months Ended	
	March 31, 2004	2003
Earnings per share from continuing operations:		
Basic earnings per share	\$ 1.01	\$ 0.67
Diluted earnings per share	\$ 1.00	\$ 0.67
Diluted earnings before realized investment gains/(losses), change in value of embedded derivatives, and related deferred acquisition costs	\$ 0.83	\$ 0.78
Earnings per share from net income:		
Basic earnings per share	\$ 0.99	\$ 0.66
Diluted earnings per share	\$ 0.98	\$ 0.66
Weighted average number of common and common equivalent shares outstanding (in thousands)	62,708	49,731

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

(Unaudited)	At or For the Three Months Ended	
	March 31, 2004	2003
Gross life reinsurance in force (in billions)		
North American business	\$1,003.0	\$ 627.4
International business	310.5	170.0
Gross life reinsurance written (in billions)		
North American business	47.3	28.4
International business	30.5	15.3
Consolidated cash and invested assets (in millions)	9,607.7	7,197.3
Invested asset book yield - trailing three months excluding funds withheld	5.83%	6.67%

Investment portfolio mix		
Cash and short-term investments	2.88%	1.90%
Fixed maturity securities	50.53%	51.09%
Mortgage loans	5.25%	3.68%
Policy loans	9.40%	11.69%
Funds withheld at interest	29.79%	29.89%
Other invested assets	2.15%	1.75%
Book value per share outstanding	\$ 33.11	\$ 25.18
Book value per share outstanding, before impact of FAS 115(a)	29.44	23.42
Treasury stock	883,067	1,415,276

(a) Book value per share outstanding, before impact of FAS 115, is a non-GAAP financial measure that management believes is important in evaluating the balance sheet ignoring the effect of mark-to-market adjustments that primarily relate to changes in interest rates and credit spreads on investment securities since they were acquired.

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

(Unaudited)				
	Three Months Ended March 31, 2004			
		Asset-	Financial	Total
	Traditional	Intensive	Reinsurance	U.S.
Revenues:				
Net premiums	\$531,211	\$ 1,182	\$ --	\$532,393
Investment income, net of related expenses	54,053	45,467	43	99,563
Realized investment gains, net	7,558	144	--	7,702
Change in value of embedded derivatives	--	(2,678)	--	(2,678)
Other revenues	1,334	1,670	6,380	9,384
Total revenues	594,156	45,785	6,423	646,364
Benefits and expenses:				
Claims and other policy benefits	430,891	(1,021)	--	429,870
Interest credited	12,078	34,494	--	46,572
Policy acquisition costs and other insurance expenses	75,431	7,645	2,294	85,370
Other operating expenses	11,724	1,159	1,422	14,305
Total benefits and expenses	530,124	42,277	3,716	576,117
Pre-tax net income	\$ 64,032	\$ 3,508	\$ 2,707	\$ 70,247

(Unaudited)				
	Three Months Ended March 31, 2003			
		Asset-	Financial	Total
	Traditional	Intensive	Reinsurance	U.S.
Revenues:				
Net premiums	\$368,807	\$ 1,098	\$ --	\$ 369,905
Investment income, net of related expenses	42,701	36,334	--	79,035
Realized investment losses, net	(5,244)	(2,861)	--	(8,105)
Other revenues	1,813	1,247	6,911	9,971
Total revenues	408,077	35,818	6,911	450,806

Benefits and expenses:

Claims and other policy benefits	293,726	1,619	--	295,345
Interest credited	15,319	25,141	--	40,460
Policy acquisition costs and other insurance expenses	50,805	8,028	2,520	61,353
Other operating expenses	8,455	1,112	1,443	11,010
Total benefits and expenses	368,305	35,900	3,963	408,168
Pre-tax net income/(loss)	\$ 39,772	\$ (82)	\$ 2,948	\$ 42,638

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

(Unaudited)	Three Months Ended	
	2004	March 31, 2003
Revenues:		
Net premiums	\$ 60,148	\$ 48,586
Investment income, net of related expenses	23,980	19,766
Realized investment gains/(losses), net	1,309	(263)
Other revenues	38	(65)
Total revenues	85,475	68,024
Benefits and expenses:		
Claims and other policy benefits	59,366	49,130
Interest credited	377	289
Policy acquisition costs and other insurance expenses	7,083	5,593
Other operating expenses	2,729	2,385
Total benefits and expenses	69,555	57,397
Pre-tax net income	\$ 15,920	\$ 10,627

Europe & South Africa
(Dollars in thousands)

(Unaudited)	Three Months Ended	
	2004	March 31, 2003
Revenues:		
Net premiums	\$117,203	\$ 83,877
Investment income, net of related expenses	1,544	840
Realized investment gains, net	3,159	825
Other revenues	438	(176)
Total revenues	122,344	85,366
Benefits and expenses:		
Claims and other policy benefits	81,997	53,783
Policy acquisition costs and other insurance expenses	29,031	25,534
Other operating expenses	4,682	3,440
Interest expense	374	200
Total benefits and expenses	116,084	82,957
Pre-tax net income	\$ 6,260	\$ 2,409

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
Asia Pacific
(Dollars in thousands)

(Unaudited)	Three Months Ended March 31,	
	2004	2003
Revenues:		
Net premiums	\$103,539	\$ 42,410
Investment income, net of related expenses	3,735	2,727
Realized investment gains/(losses), net	347	(387)
Other revenues	635	200
Total revenues	108,256	44,950
Benefits and expenses:		
Claims and other policy benefits	74,845	27,264
Policy acquisition costs and other insurance expenses	21,530	11,522
Other operating expenses	4,742	4,527
Interest expense	342	269
Total benefits and expenses	101,459	43,582
Pre-tax net income	\$ 6,797	\$ 1,368

CORPORATE AND OTHER
(Dollars in thousands)

(Unaudited)	Three Months Ended March 31,	
	2004	2003
Revenues:		
Net premiums	\$ 591	\$ 437
Investment income, net of related expenses	4,738	4,777
Realized investment gains/(losses), net	5,899	(1,898)
Other revenues	1,355	1,087
Total revenues	12,583	4,403
Benefits and expenses:		
Claims and other policy benefits	976	(1,917)
Interest credited	69	47
Policy acquisition costs and other insurance expenses	54	579
Other operating expenses	7,071	4,393
Interest expense	8,822	8,490
Total benefits and expenses	16,992	11,592
Pre-tax net income	\$ (4,409)	\$ (7,189)

SOURCE: Reinsurance Group of America, Incorporated

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