



## Reinsurance Group of America Reports First-Quarter Results

April 23, 2007

ST. LOUIS--(BUSINESS WIRE)--April 23, 2007--Reinsurance Group of America, Incorporated (NYSE:RGA), a leading global provider of life reinsurance, reported net income for the first quarter of \$76.3 million, or \$1.19 per diluted share, compared to \$69.1 million, or \$1.10 per diluted share, in the prior-year quarter. RGA uses a non-GAAP financial measure called operating income as a basis for analyzing financial results. The definition of operating income and reconciliations to GAAP net income are provided in the following tables. Operating income increased 20 percent to \$82.1 million, or \$1.28 per diluted share, from \$68.5 million, or \$1.09 per diluted share in the year-ago quarter, reflecting solid contributions from all segments. First-quarter net premiums rose 13 percent, to \$1,125.5 million, from \$992.4 million a year ago. Net investment income totaled \$215.7 million versus \$186.9 million the year before.

A. Greig Woodring, president and chief executive officer, commented, "We reported solid results across all segments, with notably strong results in our two largest mortality markets, the U.S. and the UK. The U.S. segment reported pre-tax net income totaling \$93.2 million for the quarter versus \$80.3 million the year before. Pre-tax operating income increased 13 percent to \$93.5 million from \$82.5 million the year before. Mortality experience benefited from a lower-than-expected level of large claims. Net premiums were up 9 percent to \$671.0 million from \$613.3 million in the prior-year quarter.

"Our Canada operations reported pre-tax net income of \$15.0 million compared to \$8.4 million a year ago. Pre-tax operating income totaled \$12.5 million, up 45 percent from \$8.6 million a year ago, when claims were higher-than-expected. Claims flow during the current quarter returned to expected levels. Net premiums increased 5 percent to \$99.5 million from \$94.4 million in the prior year. We expect that rate of growth to pick up as the year progresses. Net premiums for the first quarter of 2007 were adversely affected by currency exchange rates relative to the prior year by approximately \$1.5 million, as the Canadian dollar weakened slightly. The impact of foreign currency fluctuations on income was not significant.

"Asia Pacific reported pre-tax net income of \$10.3 million compared with \$6.6 million in the year-ago quarter. Pre-tax operating income totaled \$10.4 million compared with \$6.6 million a year ago. Segment-wide claims experience was within the expected range for the current quarter, while the year-ago quarter reflected poor mortality in our South Korean operations. Net premium flow was good, increasing 34 percent to \$186.8 million from \$139.2 million. Foreign currency fluctuations favorably affected net premiums by approximately \$5.5 million, primarily due to the strength of the Australian dollar. The impact of foreign currency fluctuations on operating income was not significant.

"Europe and South Africa results were exceptionally strong due primarily to favorable UK claims experience, with pre-tax net income rising to \$21.1 million from \$14.8 million a year ago. Pre-tax operating income increased 44 percent to \$21.3 million versus \$14.8 million last year, which was also a strong quarter. Net premiums increased 16 percent to \$167.8 million. Foreign currency exchange fluctuations favorably affected reported net premiums and pre-tax operating income by approximately \$9.2 million and \$0.7 million, respectively, due to relatively strong British pound and euro currencies.

"Net realized investment losses totaled \$8.5 million for the quarter as we recognized a \$10.5 million foreign currency translation loss related to our decision to sell our small direct insurance operation in Argentina. We do not expect the ultimate sale of that subsidiary to generate a material financial impact. Interest expense included \$4.3 million, pretax, for the adoption of new reporting guidance on income taxes. That interest expense was a non-cash item and represented the current-quarter interest expense on liabilities for various tax positions. The ultimate payment, if any, of this interest expense will depend on the resolution of these various tax positions. The initial adoption of this new tax reporting guidance also resulted in a \$22.6 million decrease to shareholders' equity."

Woodring concluded, "We are off to a strong start in 2007, largely due to favorable claims experience during the quarter. As our history has shown, mortality results can fluctuate significantly from quarter to quarter and we don't expect that pattern to change going forward. However, when measured over longer periods of time, mortality volatility is significantly reduced and most importantly, we expect to continue our long-term track record of producing stable returns on our mortality business."

The company also announced that its board of directors declared a regular quarterly dividend of \$0.09, payable May 25 to shareholders of record as of May 4.

A conference call to discuss the company's first-quarter results will begin at 9 a.m. Eastern Time on Tuesday, April 24. Interested parties may access the call by dialing 800-210-9006 (domestic) or 719-457-2621 (international). The access code is 6320400. A live audio webcast of the conference call will be available on the company's investor relations web page at [www.rgare.com](http://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 2 at 888-203-1112 (domestic) or 719-457-0820, access code 6320400.

Reinsurance Group of America, Incorporated, through its various operating subsidiaries, is among the largest global providers of life reinsurance. Reinsurance Group of America, Incorporated has subsidiary companies or offices in Australia, Barbados, Bermuda, Canada, China, Germany, Hong Kong, India, Ireland, Japan, Mexico, Poland, South Africa, South Korea, Spain, Taiwan, the United Kingdom and the United States. Worldwide, the company has approximately \$2.0 trillion of life reinsurance in force, and assets of \$19.8 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) inadequate risk analysis and underwriting, (4) general economic conditions or a prolonged economic downturn affecting the demand for insurance and reinsurance in our current and planned markets, (5) the availability and cost of collateral necessary for regulatory reserves and capital, (6) market or economic conditions that adversely affect our ability to make timely sales of investment securities, (7) risks inherent in our risk management and investment strategy, including changes in investment portfolio yields due to interest rate or credit quality changes, (8) fluctuations in U.S. or foreign currency exchange rates, interest rates, or securities and real estate markets, (9) adverse litigation or arbitration results, (10) the adequacy of reserves, resources and accurate information relating to settlements, awards and terminated and discontinued lines of business, (11) the stability of and actions by governments and economies in the markets in which we operate, (12) competitive factors and competitors' responses to our initiatives, (13) the success of our clients, (14) successful execution of our entry into new markets, (15) successful development and introduction of new products and distribution opportunities, (16) our ability to successfully integrate and operate reinsurance business that we acquire, (17) regulatory action that may be taken by state Departments of Insurance with respect to us, MetLife, or its subsidiaries, (18) our dependence on third parties, including those insurance companies and reinsurers to which we cede some reinsurance, third-party investment managers and others, (19) the threat of natural disasters, catastrophes, terrorist attacks, epidemics or pandemics anywhere in the world where we or our clients do business, (20) changes in laws, regulations, and accounting standards applicable to us, our subsidiaries, or our business, (21) the effect of our status as a holding company and regulatory restrictions on our ability to pay principal of and interest on our debt obligations, and (22) 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. These forward-looking statements 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.

#### Operating Income

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 investment related gains and losses, as well as 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 the company's underlying businesses. Additionally, operating income excludes any net gain or loss from discontinued operations and the cumulative effect of any 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.

#### REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES Reconciliation of Net Income From Continuing Operations to Operating Income (Dollars in thousands)

(Unaudited)	Three Months Ended	
	March 31,	
	2007	2006
GAAP net income-continuing operations	\$76,936	\$70,580
Investment related (gains)/losses	5,655	(561)
Change in value of embedded derivatives	(1,845)	(2,959)
DAC offsets for embedded derivatives and investment related losses, net	1,338	1,394
Operating income	\$82,084	\$68,454

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

(Unaudited)		Three Months Ended March 31, 2007		
	Pre-tax net income (loss)	Investment related (gains) losses, net	Change in value of embedded derivatives, net	Pre-tax operating income (loss)
U.S. Operations:				
Traditional	\$ 86,011	\$ 338	\$ --	\$ 86,349

Asset Intensive	4,462	734(1)	(731)(2)	4,465
Financial Reinsurance	2,704	--	--	2,704
Total U.S.	93,177	1,072	(731)	93,518
Canada Operations	15,034	(2,526)	--	12,508
Europe & South Africa	21,124	224	--	21,348
Asia Pacific Operations	10,332	71	--	10,403
Corporate and Other	(20,437)	9,852	--	(10,585)
Consolidated	\$119,230	\$ 8,693	\$(731)	\$127,192

(1) Asset Intensive is net of \$(49)DAC offset.

(2) Asset Intensive is net of DAC offsets of \$2,107 included in change in deferred acquisition cost associated with change in value of embedded derivative.

(Unaudited)

Three Months Ended March 31, 2006

	Pre-tax net income (loss)	Investment related (gains)/ losses, net	Change in value of embedded derivatives, net	Pre-tax operating income (loss)
U.S. Operations:				
Traditional	\$ 69,399	\$ 1,229	\$ --	\$ 70,628
Asset Intensive	7,283	2,720 (1)	(1,795)(2)	8,208
Financial Reinsurance	3,654	--	--	3,654
Total U.S.	80,336	3,949	(1,795)	82,490
Canada Operations	8,431	199	--	8,630
Europe & South Africa	14,797	(34)	--	14,763
Asia Pacific Operations	6,614	(15)	--	6,599
Corporate and Other	(1,978)	(5,344)	--	(7,322)
Consolidated	\$108,200	\$(1,245)	\$(1,795)	\$105,160

(1) Asset Intensive is net of \$(613) DAC offset.

(2) Asset Intensive is net of DAC offsets of \$2,757 included in change in deferred acquisition cost associated with change in value of embedded derivative.

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

(Unaudited)

Three Months Ended  
March 31,  
2007                      2006

Revenues:

Net premiums	\$1,125,450	\$ 992,442
Investment income, net of related expenses	215,743	186,941
Investment related gains (losses), net	(8,484)	632
Change in value of embedded derivatives	2,838	4,552
Other revenues	19,102	14,530
Total revenues	1,354,649	1,199,097

Benefits and expenses:

Claims and other policy benefits	902,810	811,513
Interest credited	61,066	61,529
Policy acquisition costs and other insurance expenses	180,874	151,804
Change in deferred acquisition cost associated with change in value of embedded derivatives	2,107	2,757
Other operating expenses	55,422	46,527

Collateral finance facility expense	12,687	--
Interest expense	20,453	16,767
Total benefits and expenses	1,235,419	1,090,897
Income from continuing operations before income taxes	119,230	108,200
Provision for income taxes	42,293	37,620
Income from continuing operations	76,937	70,580
Discontinued operations:		
Loss from discontinued accident and health operations, net of income taxes	(685)	(1,510)
Net income	\$ 76,252	\$ 69,070

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

(Unaudited)	Three Months Ended	
	March 31,	
	2007	2006
Earnings per share from continuing operations:		
Basic earnings per share	\$ 1.25	\$ 1.15
Diluted earnings per share	\$ 1.20	\$ 1.13
Diluted earnings before investment related gains/(losses), change in value of embedded derivatives, and related deferred acquisition costs	\$ 1.28	\$ 1.09
Earnings per share from net income:		
Basic earnings per share	\$ 1.24	\$ 1.13
Diluted earnings per share	\$ 1.19	\$ 1.10
Weighted average number of common and common equivalent shares outstanding	63,895	62,617

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

(Unaudited)	At or For the	
	Three Months Ended	
	March 31,	
	2007	2006
Gross life reinsurance in force (in billions)		
U.S.	\$ 1,178.5	\$ 1,110.1
Canada	\$ 164.1	\$ 134.1
Europe & South Africa	\$ 349.7	\$ 286.0
Asia Pacific	\$ 312.0	\$ 242.1
Gross life reinsurance written (in billions)		
U.S.	\$ 40.2	\$ 47.9
Canada	\$ 9.8	\$ 9.3
Europe & South Africa	\$ 8.1	\$ 20.0
Asia Pacific	\$ 3.7	\$ 3.1

Balance sheet information (in millions,  
except share and per share figures)

Consolidated cash and invested assets	\$15,523.8	\$12,708.0
Invested asset book yield - trailing three months excluding funds withheld	5.93%	5.78%
Investment portfolio mix		
Cash and short-term investments	3.31%	3.74%
Fixed maturity securities	56.30%	53.37%
Mortgage loans	4.84%	5.27%
Policy loans	6.54%	7.66%
Funds withheld at interest	27.46%	28.42%
Other invested assets	1.55%	1.54%
Collateral finance facilities	\$ 850.4	\$ --
Short-term debt	\$ 29.5	\$ 100.0
Long-term debt	\$ 944.1	\$ 699.7
Company-obligated mandatorily redeemable preferred securities of subsidiary	\$ 158.7	\$ 158.6
Total stockholders' equity	\$ 2,889.3	\$ 2,484.9
Less: Accumulated other comprehensive income "AOCI" (a)	452.1	330.3
Total stockholders' equity, before impact of AOCI (a)	\$ 2,437.2	\$ 2,154.6
Treasury shares	1,403,514	1,948,936
Common shares outstanding	61,724,759	61,179,337
Book value per share outstanding	\$ 46.81	\$ 40.62
Book value per share outstanding, before impact of AOCI (a)	\$ 39.49	\$ 35.22

(a) Book value per share outstanding and total stockholders' equity, before impact of AOCI, are non-GAAP financial measures that management believes are important in evaluating the balance sheet in order to ignore the effects of unrealized amounts primarily associated with mark-to-market adjustments on investments and foreign currency translation.

# REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES

U.S. Operations  
(Dollars in thousands)

(Unaudited)	Three Months Ended March 31, 2007			
	Traditional	Asset- Intensive	Financial Reinsurance	Total U.S.
Revenues:				
Net premiums	\$669,419	\$ 1,626	\$ --	\$671,045
Investment income, net of related expenses	84,928	67,952	20	152,900
Investment related losses, net	(338)	(783)	--	(1,121)
Change in value of embedded derivatives	--	2,838	--	2,838
Other revenues	106	7,424	5,889	13,419
Total revenues	754,115	79,057	5,909	839,081
Benefits and expenses:				
Claims and other policy benefits	542,586	4,523	1	547,110
Interest credited	14,270	46,158	--	60,428
Policy acquisition costs and other insurance				

expenses	99,380	20,186	2,194	121,760
Change in deferred acquisition cost associated with change in value of embedded derivatives	--	2,107	--	2,107
Other operating expenses	11,868	1,621	1,010	14,499
Total benefits and expenses	668,104	74,595	3,205	745,904
Income before income taxes	\$ 86,011	\$ 4,462	\$2,704	\$ 93,177

(Unaudited)	Three Months Ended March 31, 2006			
		Asset-	Financial	Total
Revenues:	Traditional	Intensive	Reinsurance	U.S.
Net premiums	\$611,837	\$ 1,474	\$ --	\$613,311
Investment income, net of related expenses	71,042	70,897	(3)	141,936
Investment related losses, net	(1,229)	(3,333)	--	(4,562)
Change in value of embedded derivatives	--	4,552	--	4,552
Other revenues	(320)	3,289	7,346	10,315
Total revenues	681,330	76,879	7,343	765,552
Benefits and expenses:				
Claims and other policy benefits	508,146	(869)	1	507,278
Interest credited	11,487	49,537	--	61,024
Policy acquisition costs and other insurance expenses	82,172	16,395	2,334	100,901
Change in deferred acquisition cost associated with change in value of embedded derivatives	--	2,757	--	2,757
Other operating expenses	10,126	1,776	1,354	13,256
Total benefits and expenses	611,931	69,596	3,689	685,216
Income before income taxes	\$ 69,399	\$ 7,283	\$3,654	\$ 80,336

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
Canada Operations  
(Dollars in thousands)

(Unaudited)	Three Months Ended	
	March 31,	
	2007	2006
Revenues:		
Net premiums	\$ 99,492	\$ 94,402
Investment income, net of related expenses	26,432	25,305
Investment related gains (losses), net	2,784	(199)
Other revenues	86	--
Total revenues	128,794	119,508
Benefits and expenses:		
Claims and other policy benefits	91,148	89,079
Interest credited	186	205
Policy acquisition costs and other insurance expenses	18,476	17,820
Other operating expenses	3,950	3,973
Total benefits and expenses	113,760	111,077
Income before income taxes	\$ 15,034	\$ 8,431

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
Europe & South Africa  
(Dollars in thousands)

(Unaudited)	Three Months Ended March 31,	
	2007	2006
Revenues:		
Net premiums	\$167,796	\$145,151
Investment income, net of related expenses	5,774	3,392
Investment related gains (losses), net	(224)	34
Other revenues	131	91
Total revenues	173,477	148,668
Benefits and expenses:		
Claims and other policy benefits	114,154	105,646
Interest credited	452	190
Policy acquisition costs and other insurance expenses	26,060	19,257
Other operating expenses	11,687	8,778
Total benefits and expenses	152,353	133,871
Income before income taxes	\$ 21,124	\$ 14,797

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

(Unaudited)	Three Months Ended March 31,	
	2007	2006
Revenues:		
Net premiums	\$186,838	\$139,213
Investment income, net of related expenses	8,663	6,496
Investment related gains (losses), net	(71)	15
Other revenues	1,827	1,910
Total revenues	197,257	147,634
Benefits and expenses:		
Claims and other policy benefits	150,483	110,356
Policy acquisition costs and other insurance expenses	24,614	22,005
Other operating expenses	11,828	8,659
Total benefits and expenses	186,925	141,020
Income before income taxes	\$ 10,332	\$ 6,614

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES  
Corporate and Other  
(Dollars in thousands)

(Unaudited)	Three Months Ended March 31,	
	2007	2006
Revenues:		
Net premiums	\$ 279	\$ 365
Investment income, net of related expenses	21,974	9,812
Investment related gains (losses), net	(9,852)	5,344
Other revenues	3,639	2,214
Total revenues	16,040	17,735
Benefits and expenses:		
Claims and other policy benefits	(85)	(846)

Interest credited	--	110
Policy acquisition costs and other insurance expenses	(10,036)	(8,179)
Other operating expenses	13,458	11,861
Collateral finance facilities expense	12,687	--
Interest expense	20,453	16,767
Total benefits and expenses	36,477	19,713
Loss before income taxes	\$(20,437)	\$ (1,978)

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SOURCE: Reinsurance Group of America, Incorporated