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for the future



## Investor Day 2016

J. Jeffrey Hopson

*Senior Vice President, Investor Relations*

# Safe Harbor

This presentation 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 strategies, earnings, revenues, income or loss, ratios, future financial performance and growth potential of Reinsurance Group of America, Incorporated and its subsidiaries (the "Company"). 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 capital and credit market conditions and their impact on the Company's liquidity, access to capital and cost of capital, (2) the impairment of other financial institutions and its effect on the Company's business, (3) requirements to post collateral or make payments due to declines in market value of assets subject to the Company's collateral arrangements, (4) the fact that the determination of allowances and impairments taken on the Company's investments is highly subjective, (5) adverse changes in mortality, morbidity, lapsation or claims experience, (6) changes in the Company's financial strength and credit ratings and the effect of such changes on the Company's future results of operations and financial condition, (7) inadequate risk analysis and underwriting, (8) general economic conditions or a prolonged economic downturn affecting the demand for insurance and reinsurance in the Company's current and planned markets, (9) the availability and cost of collateral necessary for regulatory reserves and capital, (10) market or economic conditions that adversely affect the value of the Company's investment securities or result in the impairment of all or a portion of the value of certain of the Company's investment securities, that in turn could affect regulatory capital, (11) market or economic conditions that adversely affect the Company's ability to make timely sales of investment securities, (12) risks inherent in the Company's risk management and investment strategy, including changes in investment portfolio yields due to interest rate or credit quality changes, (13) fluctuations in U.S. or foreign currency exchange rates, interest rates, or securities and real estate markets, (14) adverse litigation or arbitration results, (15) the adequacy of reserves, resources and accurate information relating to settlements, awards and terminated and discontinued lines of business, (16) the stability of and actions by governments and economies in the markets in which the Company operates, including ongoing uncertainties regarding the amount of United States sovereign debt and the credit ratings thereof, (17) competitive factors and competitors' responses to the Company's initiatives, (18) the success of the Company's clients, (19) successful execution of the Company's entry into new markets, (20) successful development and introduction of new products and distribution opportunities, (21) the Company's ability to successfully integrate acquired blocks of business and entities, (22) action by regulators who have authority over the Company's reinsurance operations in the jurisdictions in which it operates, (23) the Company's dependence on third parties, including those insurance companies and reinsurers to which the Company cedes some reinsurance, third-party investment managers and others, (24) the threat of natural disasters, catastrophes, terrorist attacks, epidemics or pandemics anywhere in the world where the Company or its clients do business, (25) interruption or failure of the Company's telecommunication, information technology or other operational systems, or the Company's failure to maintain adequate security to protect the confidentiality or privacy of personal or sensitive data stored on such systems, (26) changes in laws, regulations, and accounting standards applicable to the Company, its subsidiaries, or its business, (27) the effect of the Company's status as an insurance holding company and regulatory restrictions on its ability to pay principal of and interest on its debt obligations, and (28) other risks and uncertainties described in this document and in the Company's 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. For a discussion of the risks and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements, you are advised to review the risk factors in our most recent Form 10-K.

# Use of Non-GAAP Financial Measures

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 substantially all of the effect of net investment related gains and losses, as well as changes in the fair value of certain embedded derivatives and related deferred acquisition costs. These items can be volatile, 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, the cumulative effect of any accounting changes, and other items that 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. A second non-GAAP financial measure called “operating revenues” is used as a basis for measuring performance and excludes the effects of net realized capital gains and losses, and changes in the fair value of certain embedded derivatives. This financial measure is not considered a substitute for GAAP revenues.

Additionally, the Company evaluates its stockholder equity position excluding the impact of accumulated other comprehensive income (AOCI). This is also a non-GAAP financial measure. The Company believes it is important to evaluate its stockholders’ equity position to exclude the effect of AOCI since the net unrealized gains or losses included in AOCI primarily relate to changes in interest rates, credit spreads on its investment securities and foreign currency fluctuations that are not permanent and can fluctuate significantly from period to period.

Book value per share before the impact of AOCI is a non-GAAP financial measure that management believes is 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.

Operating income per diluted share is a non-GAAP financial measure calculated as operating income divided by weighted average diluted shares outstanding. Operating return on equity is a non-GAAP financial measure calculated as operating income divided by average shareholders’ equity excluding AOCI.

Reconciliations of non-GAAP financial measures to the nearest GAAP financial measures are provided in the Appendix at the end of this presentation.

# Agenda

Opening Remarks	J. Jeffrey Hopson, Senior Vice President, Investor Relations
Introduction and Overview	A. Greig Woodring, Chief Executive Officer
Review and Outlook	Anna Manning, President
Global Financial Solutions	John P. Laughlin, Executive Vice President, Global Financial Solutions
Global Acquisitions	Scott D. Cochran, Executive Vice President, Global Acquisitions
<b>10-Minute Break</b>	
Geographic Overview	Alain P. Néemeh, Senior Executive Vice President, Global Life and Health Markets
U.S. Markets	Michael Emerson, Executive Vice President, Head of U.S., L/S American Markets
Investments	Timothy Matson, Executive Vice President, Chief Investment Officer
Financial Overview	Jack B. Lay, Senior Executive Vice President
Financial Preview	Todd C. Larson, Senior Executive Vice President, Chief Financial Officer
Q&A	A. Greig Woodring, Chief Executive Officer



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## Introduction and Overview

A. Greig Woodring  
*Chief Executive Officer*

# Key messages



**RGA** is unique



**RGA** is successfully executing its strategy



**RGA** is well-positioned for continued success



**RGA** is optimistic about the future



# High-level observations

- Global life insurance industry is in flux
  - Regulatory and macroeconomic uncertainty are spurring change
- Life reinsurance industry dynamics are stable
  - Concentrated sector with “responsible” competition
- Favorable mortality trends are a nice tailwind over time
  - Medical advances and health trends are likely to remain constructive
  - RGA remains “long” on mortality risk, but has taken selective opportunities in longevity risk
- RGA has a balanced portfolio of business
  - Mortality is a long-term business with natural fluctuations in the short term
  - Geographic and product diversity provide offsets to short-term fluctuations
- RGA management team is a key strength
  - Strong, deep team has been developed over time
  - Natural transition at the top; timing is right

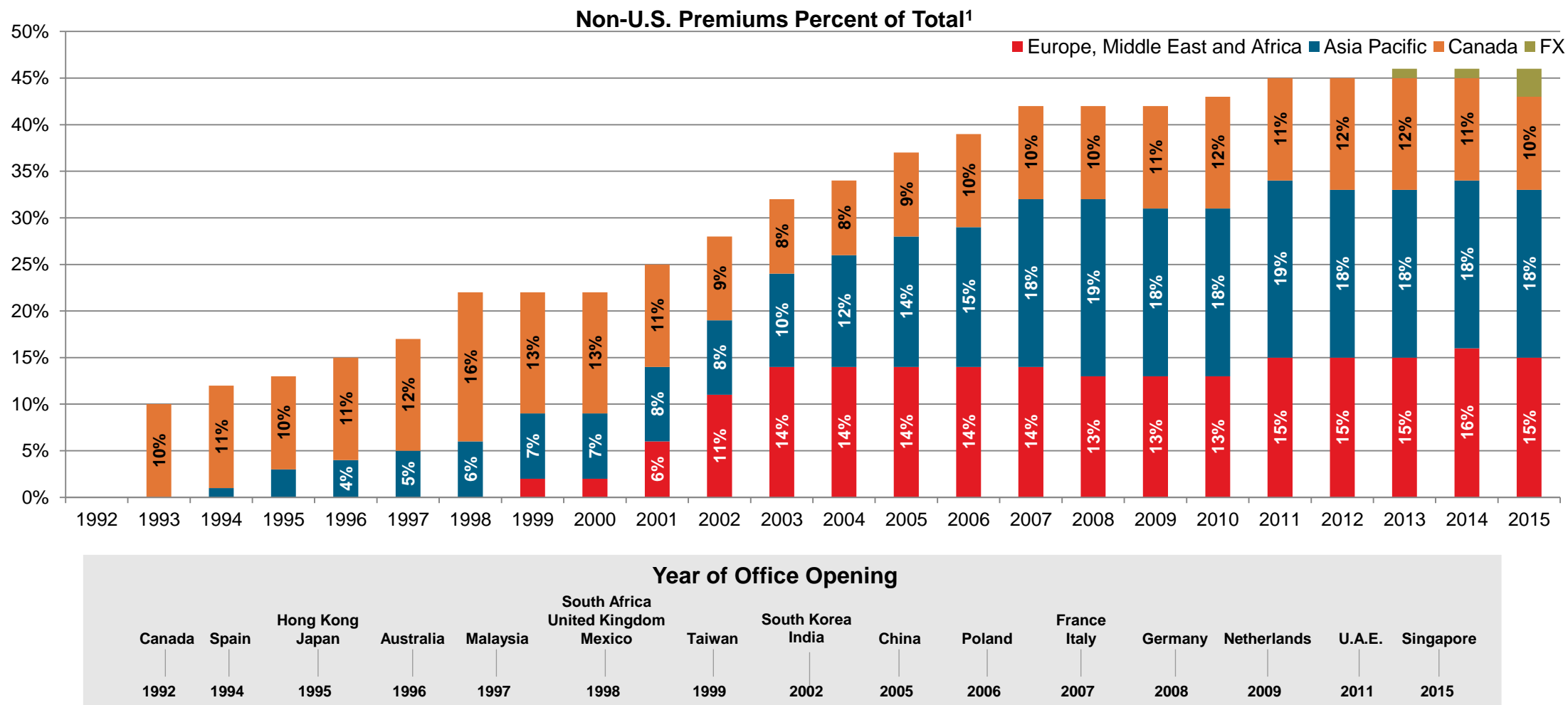
# The evolution of RGA

- RGA has evolved over time, but core principles endure
  - Consistent management team leads to consistent approach and results
  - Disciplined decision making reflects the long-term nature of the business
- RGA has expanded geographically and added capabilities over 20+ years
  - Global platform is well-established
  - RGA's recent growth areas are the result of efforts and preparation over time
- RGA has exported its approach to newer markets and products
  - Client focus, innovation, collaboration, deep knowledge and technical expertise
  - Best practices are now imported *and* exported across the organization



# Geographic expansion executed over time

## A key component of growth



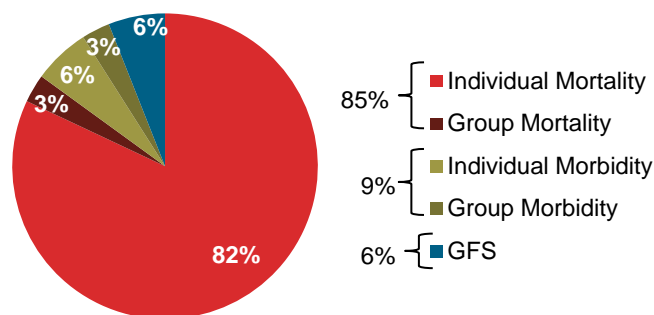
<sup>1</sup> 2013-2015 have been adjusted for foreign currency effect.

# Product expansion executed over time

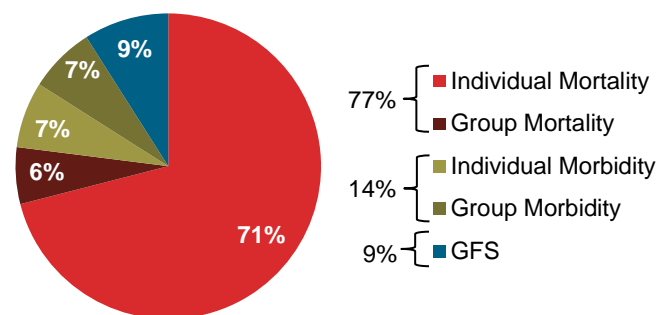
## Balance and diversity by product

### Percent of Revenues

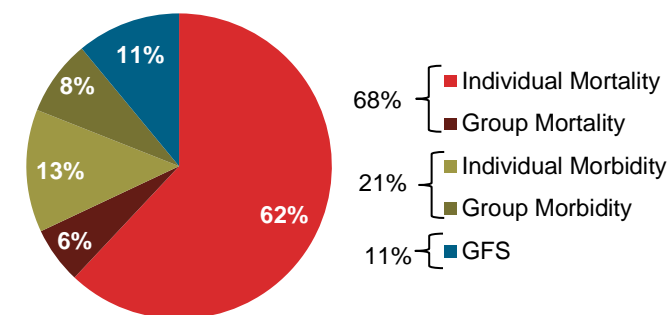
2005



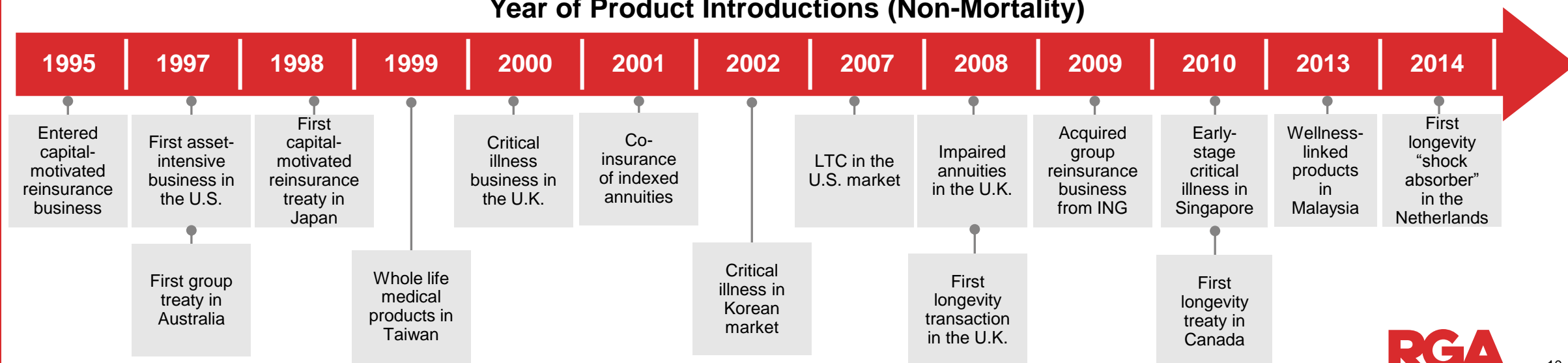
2010



2015



### Year of Product Introductions (Non-Mortality)



# Global life and health reinsurers

## Ranked by 2015 net earned premiums

\$ in millions as of December 31, 2015

Rank	Reinsurer	Net Earned Premiums
		2015
1	Munich Re <sup>1</sup>	10,928
2	Swiss Reinsurance Company	10,914
3	Reinsurance Group of America <sup>2</sup>	8,571
4	SCOR Global Life Re	7,580
5	Hannover Re	7,094
6	London Life	3,832
7	China Life Re	3,518
8	General Re <sup>3</sup>	3,170
9	Pacific Life Re	1,384
10	PartnerRe Ltd.	1,209

<sup>1</sup> Does not include Munich Health.

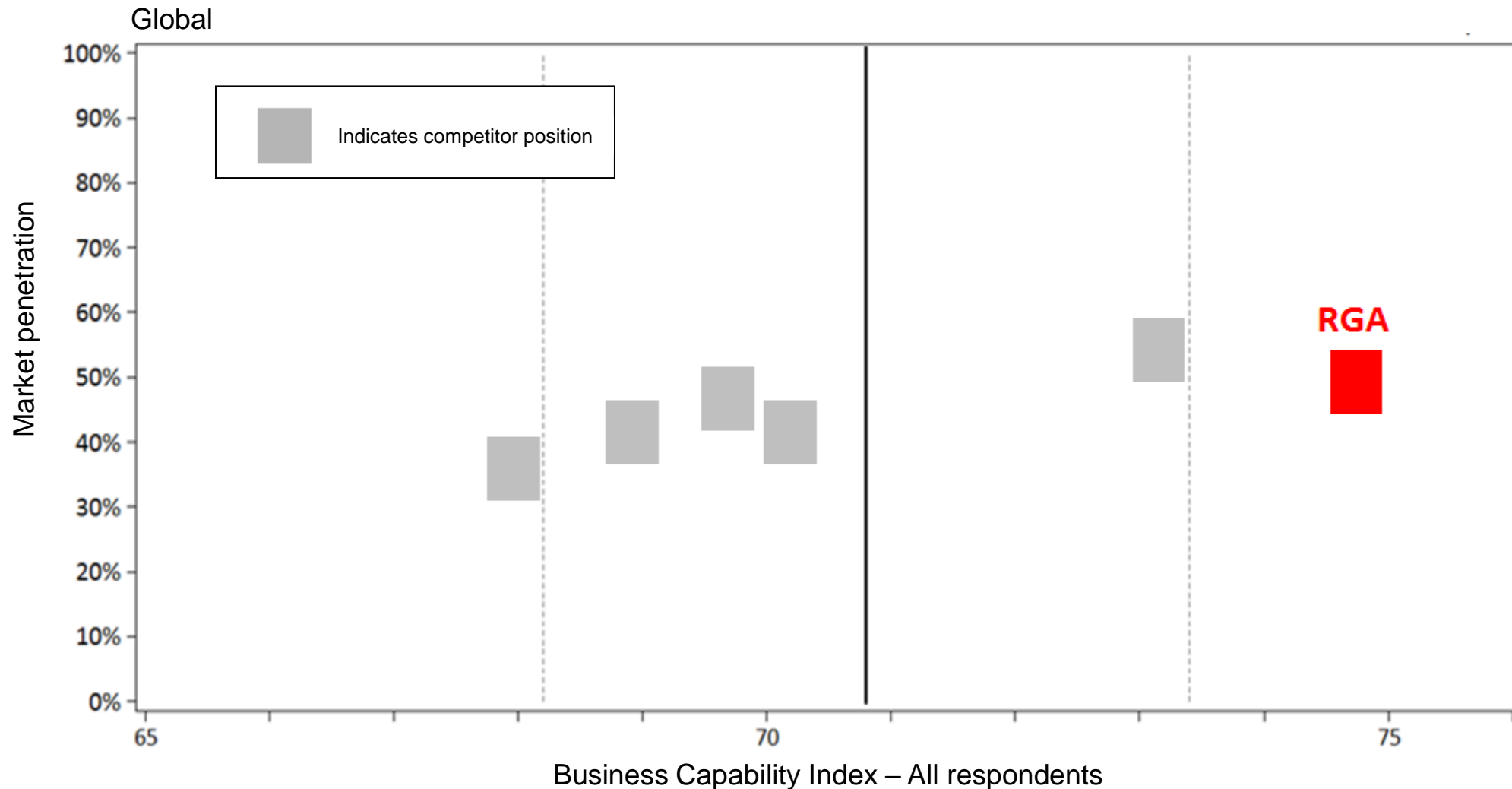
<sup>2</sup> Net premiums.

<sup>3</sup> Does not include BHRG.

Please note, exchange rate conversions are based on currency rates provided by each company in their Annual Reports.  
Source: Annual filings for each reinsurer.

# RGA's unique strengths

## NMG Consulting Studies, Business Capability Index (BCI) – 2015



# RGA's unique strengths

## Experienced executive management team

Name	Position	Years of Experience	
		In Industry <sup>1</sup>	With RGA <sup>2</sup>
A. Greig Woodring	Chief Executive Officer	41	36
Anna Manning	President	35	9
Jack B. Lay	Sr. EVP	24	24
Todd C. Larson	Sr. EVP, Chief Financial Officer	22	21
Donna H. Kinnaird	Sr. EVP, Chief Operating Officer	32	4
Alain P. Néemeh	Sr. EVP, Global Life and Health Markets	19	19
Tony Cheng	EVP, Asian Markets	21	19
Scott D. Cochran	EVP, Global Acquisitions	20	11
Olav Cuiper	EVP, EMEA Markets	30	9
Michael Emerson	EVP, Head of U.S., Latin and South American Markets	31	6
John P. Laughlin	EVP, Global Financial Solutions	35	21
Timothy Matson	EVP, Chief Investment Officer	22	2
Paul Nitsou	EVP, Global Accounts	30	19
Allan O'Bryant	EVP, Head of Asia	28	6
David Wheeler	EVP, Head of U.S. Mortality Markets	35	35

<sup>1</sup> Includes experience in life insurance and life reinsurance industries.

<sup>2</sup> Includes experience with RGA's predecessor, the reinsurance division of General American Life Insurance Company.

# RGA is unique

- Only publicly traded reinsurer focused solely on life and health industry
- RGA is focused on finding solutions to client needs – staying nimble, flexible, responsive
- Open-minded, creative, “can do” attitude
  - New ideas
  - Disciplined applications
- “Build-it” mentality – most expansion has been “de novo”
- Thoughtful, value-added approach
- Operating model is less sensitive to financial market volatility

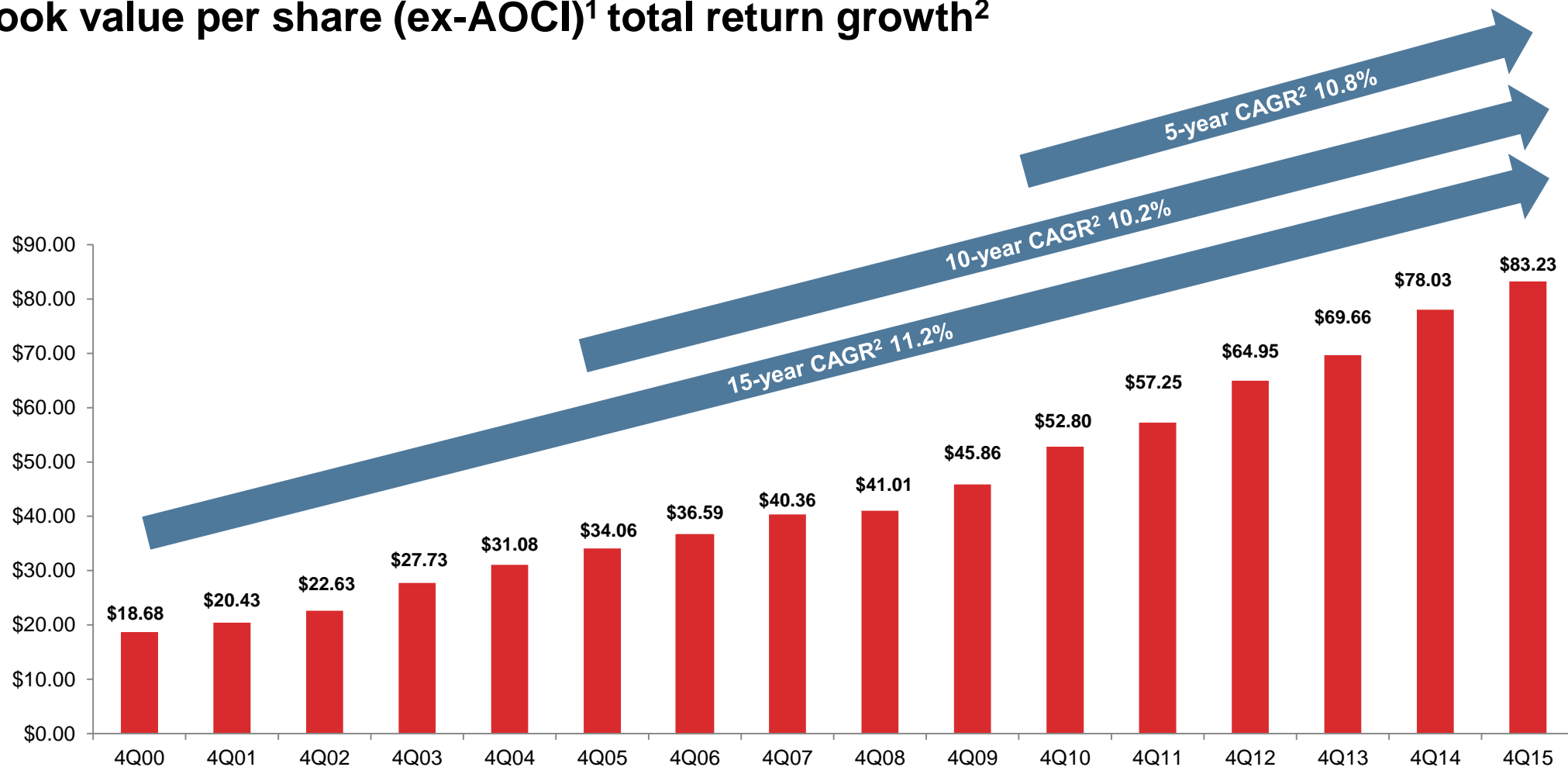
# Our strategy is effective

- Global operating model is performing well, with good balance and diversity
- Experienced management team has a consistent approach
- Solid organic growth, transactional opportunities, effective capital management
  - Strong growth in emerging markets
  - Steady growth in mature markets
  - Transactional opportunities – good recent success
- Proud track record of success over a considerable period of time
  - Strong EPS and book value growth
  - Strong stock price performance and total returns



# Long-term track record is the best measure of success

Book value per share (ex-AOCI)<sup>1</sup> total return growth<sup>2</sup>

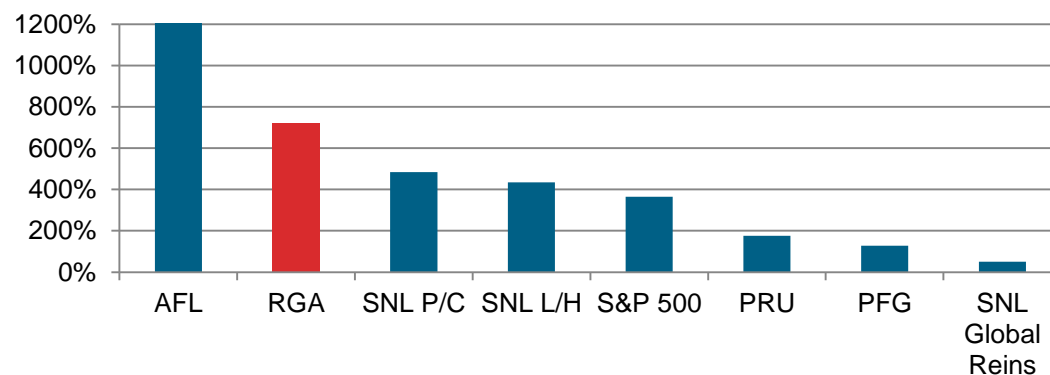


<sup>1</sup>Book value excludes other comprehensive income. Periods prior to 4Q06 not restated for 2012 DAC accounting change. Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

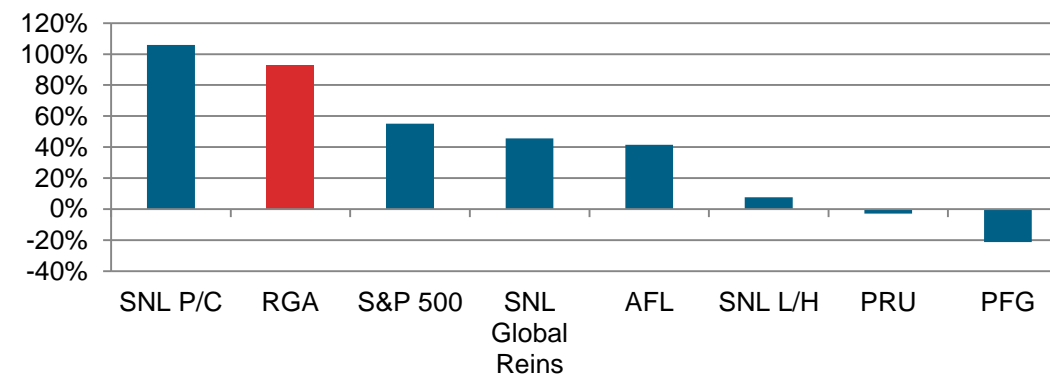
<sup>2</sup>CAGR growth of book value plus dividends

# Historical stock price change

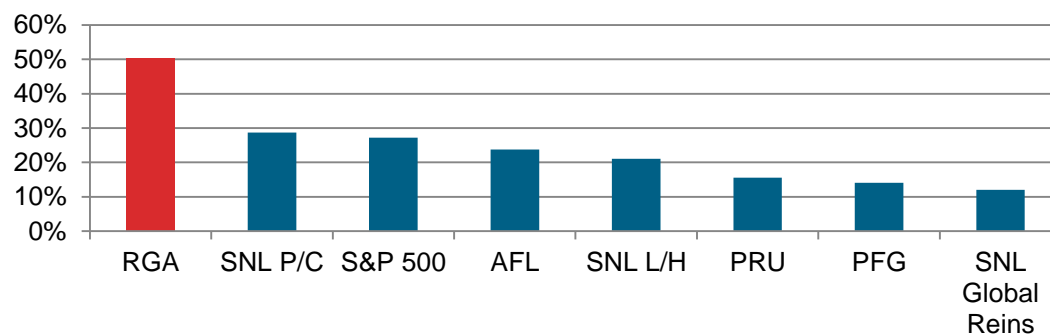
RGA IPO (1993) to Date



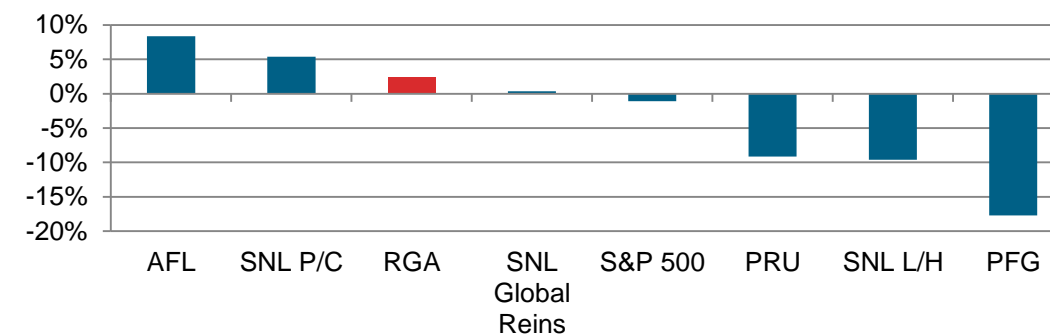
10 Years



3 Years



1 Year



# Well-positioned for continued success

- RGA is in all key markets, with strong positions and market share
- Global life and health industry faces significant challenges
  - Regulatory changes and economic uncertainty
  - Clients face challenges: RGA has solutions
  - Solvency II presents a particular opportunity
- Emerging opportunities
  - Longevity
  - Living benefits
  - Alternative distribution
  - Data and analytics

# RGA is optimistic about the future

- Confidence in the team, the culture
- Continuity of approach
- Regulatory changes present challenges, but more opportunities
- Mortality and morbidity trends are constructive overall to RGA
  - Life expectancies still increasing, demographics changing
  - Positive medical and health care trends
- RGA has what it takes to succeed



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## Review and Outlook

Anna Manning  
*President*

# Key messages



**RGA** is unique



**RGA** is successfully executing its strategy



**RGA** is well-positioned for continued success



**RGA** is optimistic about the future

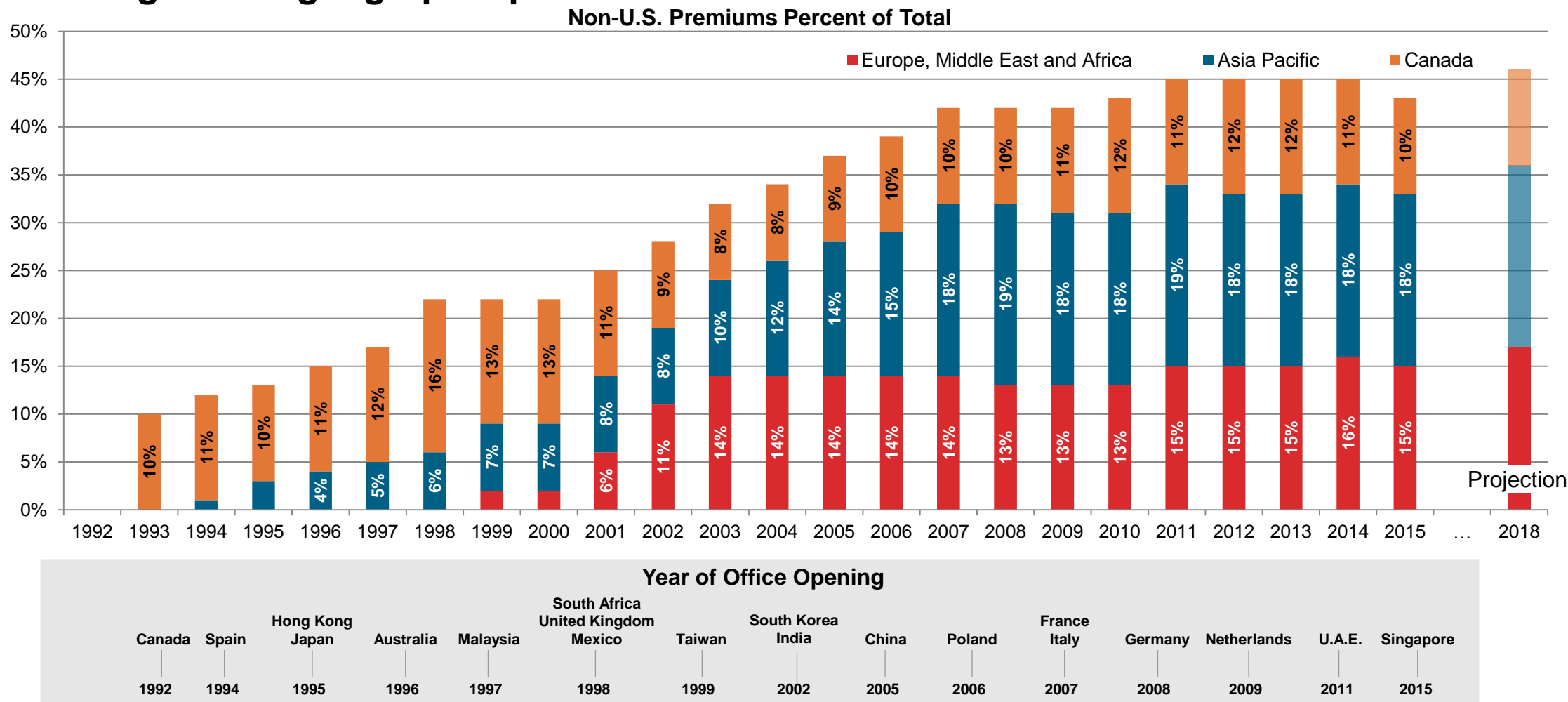
# RGA is unique

- Only pure-play life and health reinsurer
- Strong and well-established brand
- Emphasis on client centricity
- Leader in insights, skills, technical expertise
- Collaborative culture fostering innovation
- Nimble and flexible



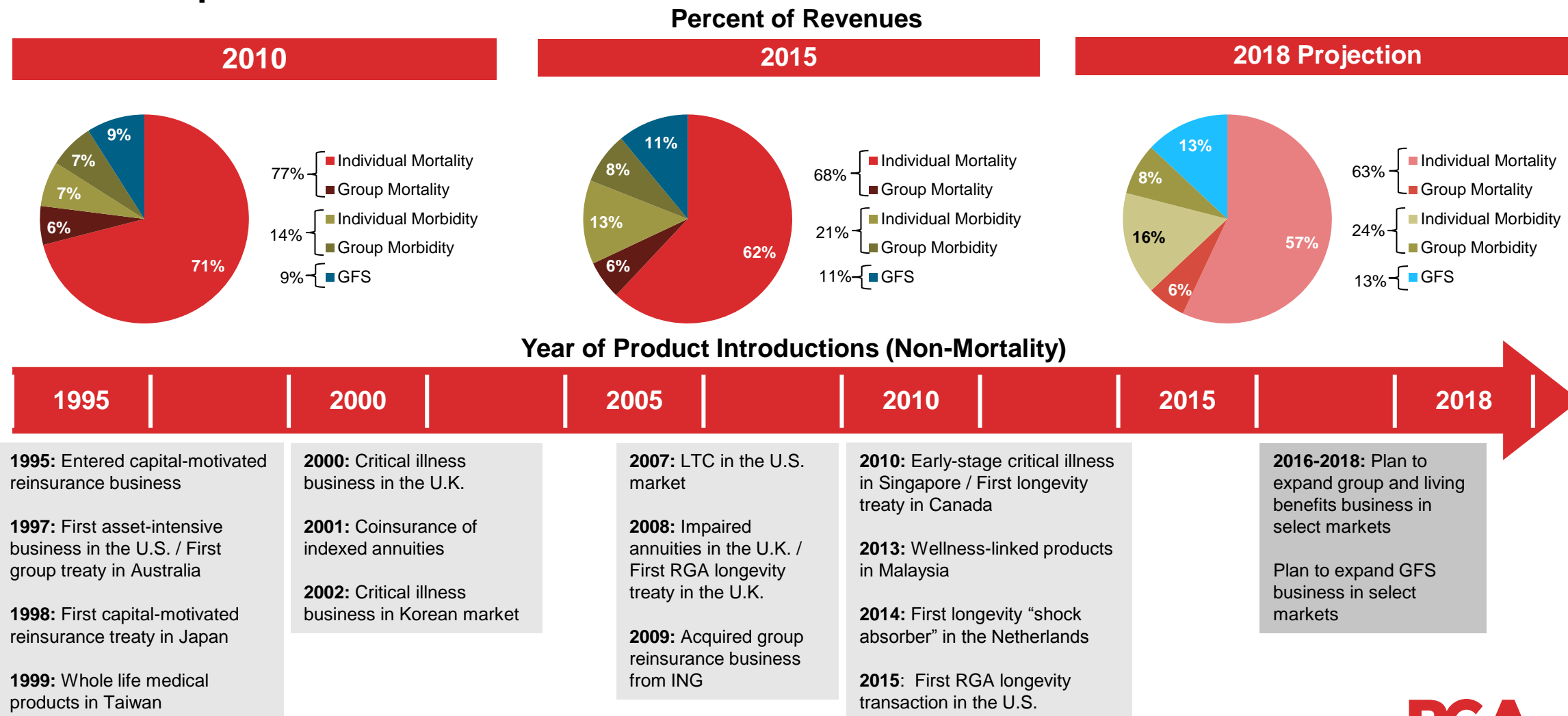
# RGA is successfully executing its strategy

## Building on our geographic platform



# RGA is successfully executing its strategy

## Product expansion over time



# RGA is successfully executing its strategy

## Delivering favorable results

- Executing in a disciplined manner by balancing profitable growth and risk management
- Generating diversified sources of earnings by both geography and product
- Applying best practices and leveraging best-of-class skills and capabilities across markets
- Continually developing, enhancing, and refining solutions
- Delivering favorable results despite macroeconomic headwinds

# RGA is well-positioned for continued success

## Growing, prepared, global

- Growing
  - Steady growth in mature markets
  - Strong growth in developing markets
  - Attractive and robust pipeline of transactional opportunities
- Prepared
  - Best-in-class risk selection, structuring and capital management capabilities
  - Longstanding and deep partnerships across client organizations
  - Attracting, developing and retaining talent
- Global and diversified platform

# RGA is optimistic about the future

## People, opportunities, performance

- Deep and experienced management team
  - Assures a smooth transition and consistent approach going forward
  - Continues to focus on execution, leveraging skills and capabilities across markets
- Strong global franchise in attractive markets
  - Leading market shares in most products and regions
  - Significant GFS and in-force block opportunities
- A resilient performer
  - Diversified source of earnings
  - Less sensitive to financial market volatility
  - Committed to effective capital management
- Building on our practice of looking forward, anticipating and adapting

# What to expect from RGA

- We will be intently focused on execution
- We will be disciplined and selective across markets and risks
- We will pursue opportunities with the strongest fit with our capabilities and risk framework
- We will leverage our considerable strengths to create competitive advantage
- We will deliver on commitments





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## Global Financial Solutions

John P. Laughlin

*Executive Vice President, Global Financial Solutions*



# Key messages

**GFS has delivered stable, high-quality earnings and superior returns since 1995**



Environmental change is driving growth

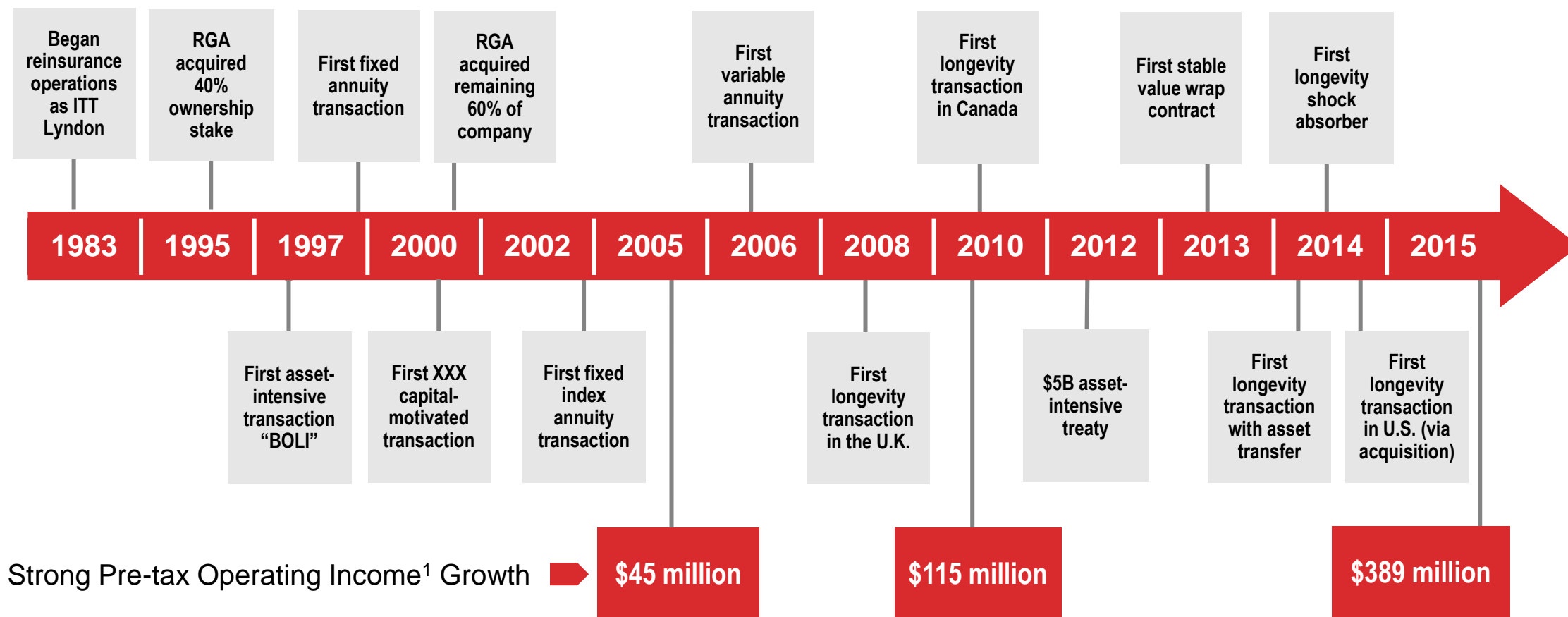


Unique strengths support sustainable competitive advantage



Well-defined strategies and strong execution produce earnings growth and stability

# History of GFS growth



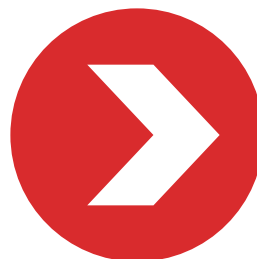
Strong Pre-tax Operating Income<sup>1</sup> Growth

<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Environmental change driving growth

## Growth opportunities triggered by changing environment

- Regulatory changes
- Solvency and accounting changes
- Low interest rate environment
- Longer lifespans



- New opportunities for innovative reinsurance solutions
- Need for more capital and more stability of capital
- Demand for long-term biometric protection

# Unique strengths support sustainable competitive advantage

## Client Focus

- Long, deep partnerships across client organizations
- Historical understanding of clients' products and objectives
- Strong collaboration and integration across RGA global footprint

## Robust Solution Set

- Ability to accept and retain biometric and investment risks
- Consistent, disciplined approach
- Thorough product and counterparty analysis

## Reputation

- Long track record of credibility with clients and regulators
- Execution certainty
- Dependability
- Long-term partnership
- Recognized leader in large and complex transactions

## Expertise

- Seasoned experience across all regions and products
- High degree of intellectual capital – risk assessment, risk transfer, structuring, and investments
- Insurance and structuring expertise is valued by clients and is reflected in margins

# Experienced management team

## Difficult to replicate

Name	Position	Years of Experience	
		In Industry <sup>1</sup>	With RGA <sup>2</sup>
John P. Laughlin	EVP, Global Financial Solutions	35	21
David G. Boettcher	EVP, Chief Operating Officer	33	18
Lawrence S. Carson	SVP, Chief Actuary	23	17
Dustin J. Hetzler	SVP, Chief Pricing Actuary	23	22
Jeffrey G. Nordstrom	SVP, Chief Risk Officer	28	1
Gary A. Seifert	SVP, North America	26	21
Gaston P. Nossiter	SVP, Asia Pacific	24	8
Paul M. Sauvé	SVP, Europe, Middle East, Africa	24	10
James A. Galloway	SVP, United Kingdom	28	16

<sup>1</sup> Includes experience in life insurance and life reinsurance industries.

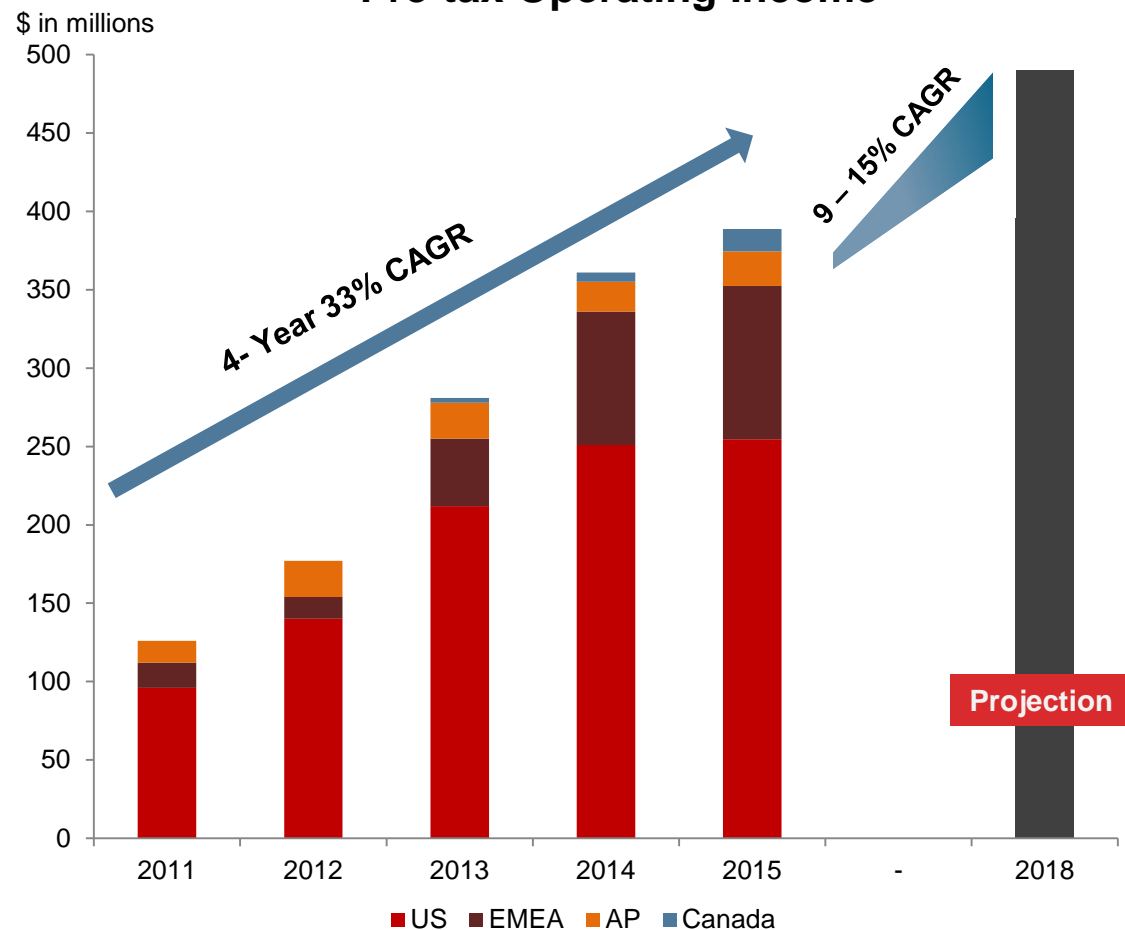
<sup>2</sup> Includes experience with RGA's predecessor, the reinsurance division of General American Life Insurance Company.

# Financial results

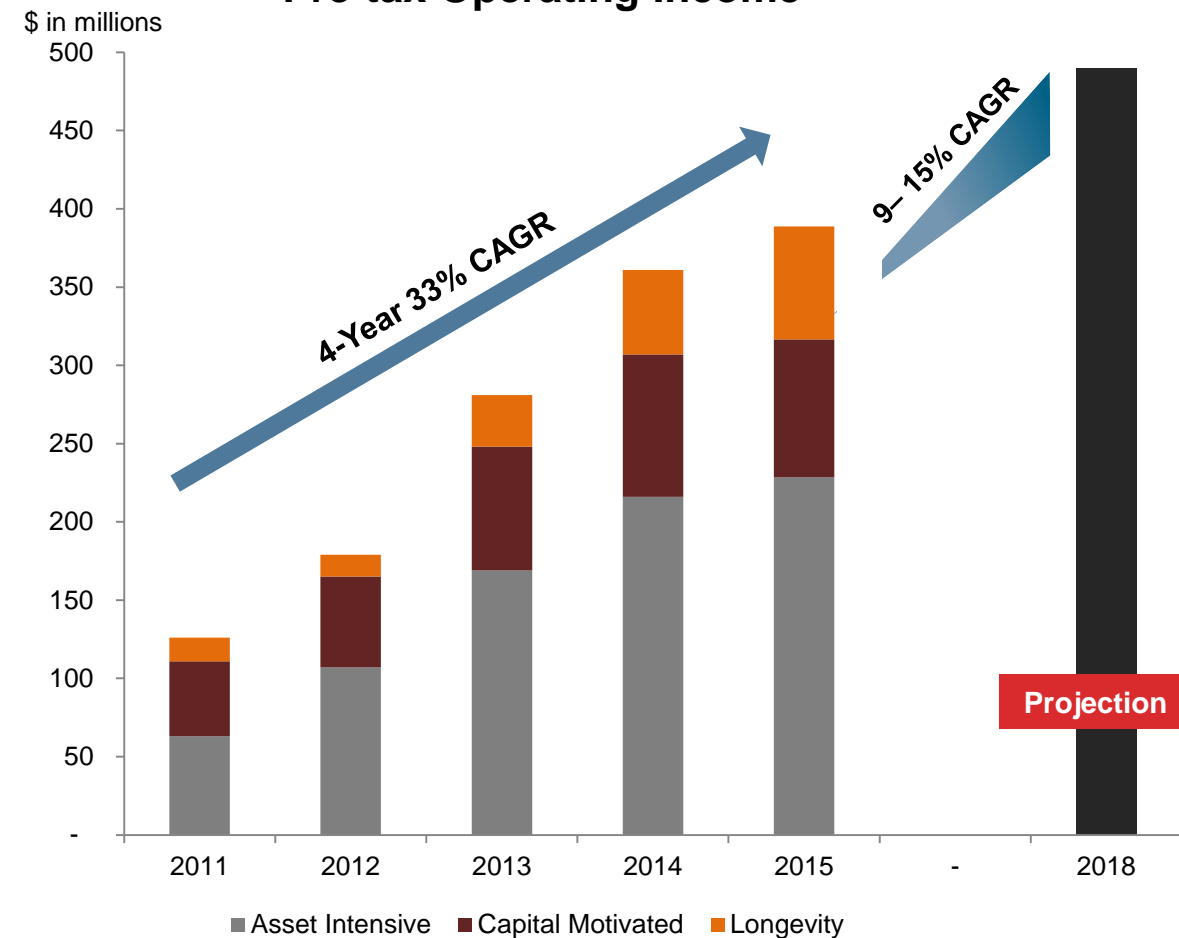
- Strong operating income growth; important contributor to RGA's results
- Proven track record of consistent and dependable earnings
- Above-average returns
- Balanced mix of business across products and regions
- Good diversification of earnings and risks
- Insurance and structuring expertise is valued by clients

# Financial results

**All Regions  
Pre-tax Operating Income<sup>1</sup>**



**All Products  
Pre-tax Operating Income<sup>1</sup>**



<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.



# Asset-intensive reinsurance: Executing strategies

## Strategies

- Build a balanced portfolio of income and risks through:
  - Assuming in-force blocks with the ability to re-price
  - Selectively participating in profitable flow deals
- Target well-designed products from quality insurers
- Expand in established markets: U.S., U.K. and Japan; move into new markets in Asia and Continental Europe

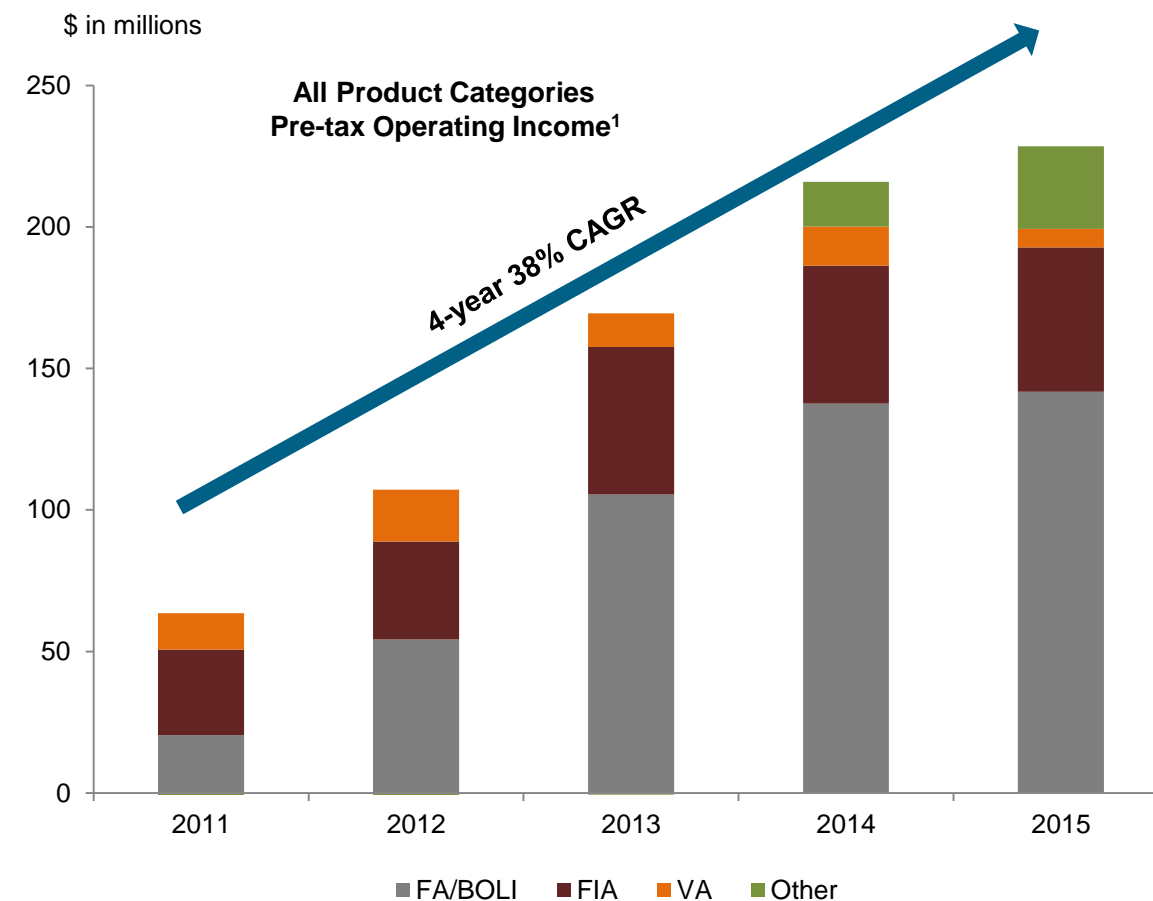
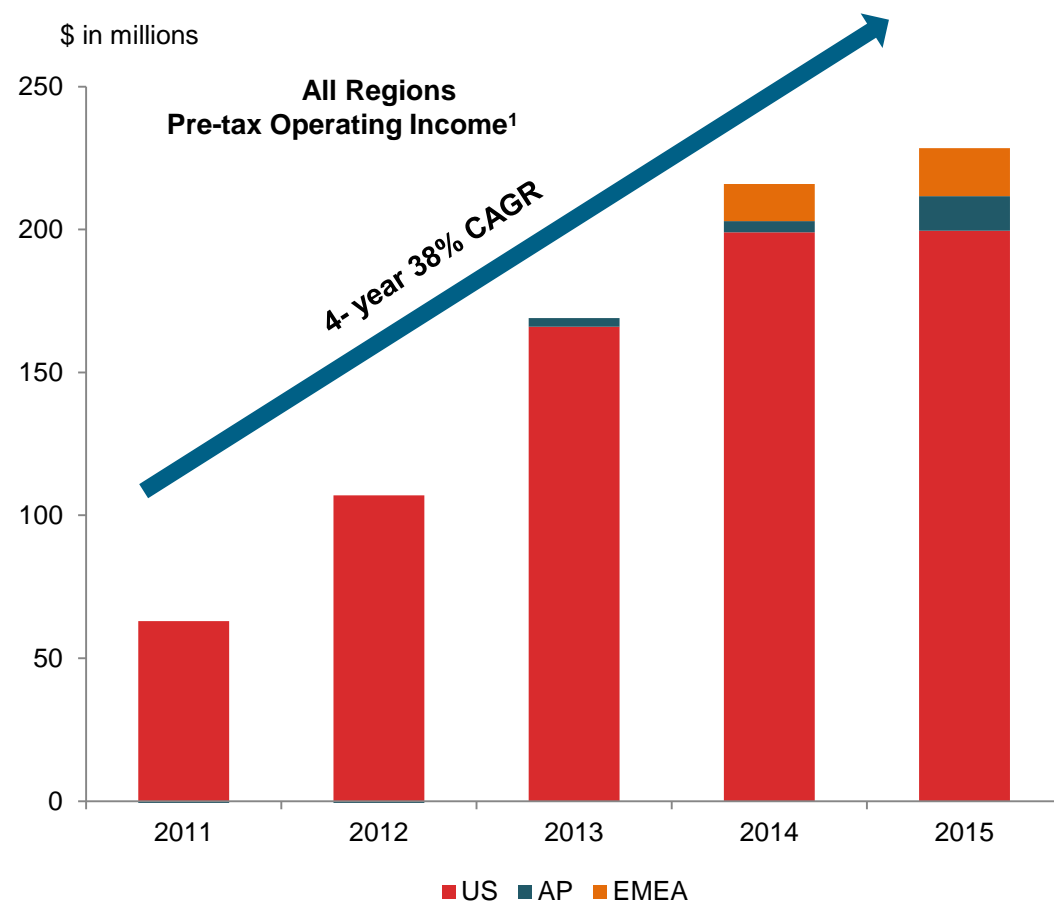
## Advantages

- Strong pricing and risk management skills
- These opportunities don't require a distribution force or fixed administration expenses
- Defined appetite allows selective participation in profitable opportunities
- Flexibility as economics change
- Strong counterparty, market credibility, and reputation for execution certainty

## Execution

- Very selective participation in well-designed products
- Liabilities are well-matched with low sensitivities to market and policyholder behavior risks
- Balanced portfolio of products and risks
- Strong in-force management maximizes profits
- 27 active transactions with 22 clients, \$17.6B AUM

# Asset-intensive reinsurance results

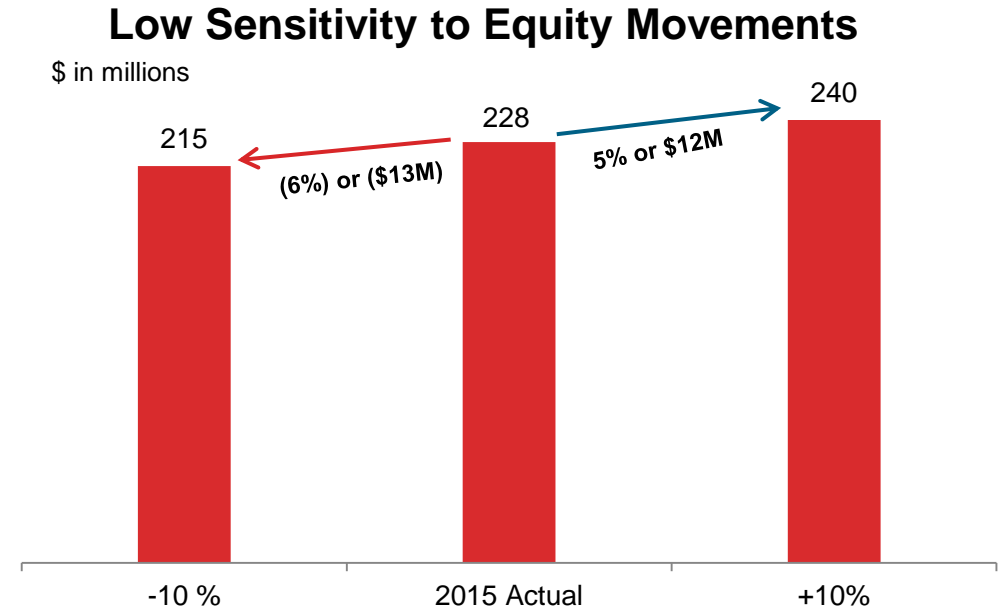
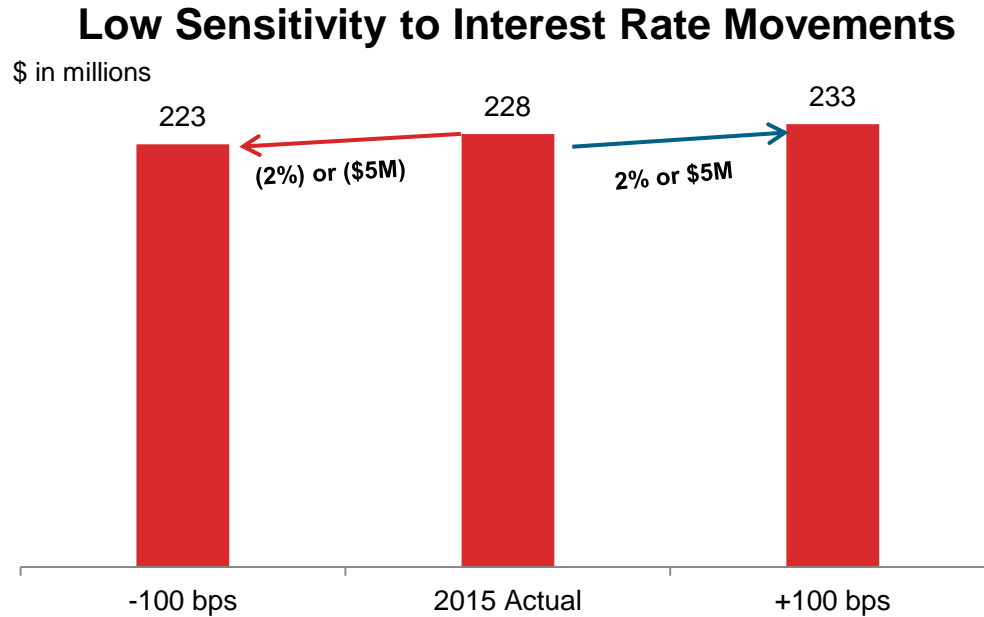


FA/BOLI – Fixed Annuities/Bank Owned Life Insurance FIA – Fixed Indexed Annuities  
VA – Variable Annuities Other – Includes Asset Transfer Longevity

<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Asset-intensive business: Stable earnings under market movements

## Impact on 2015 pre-tax operating income<sup>1</sup>



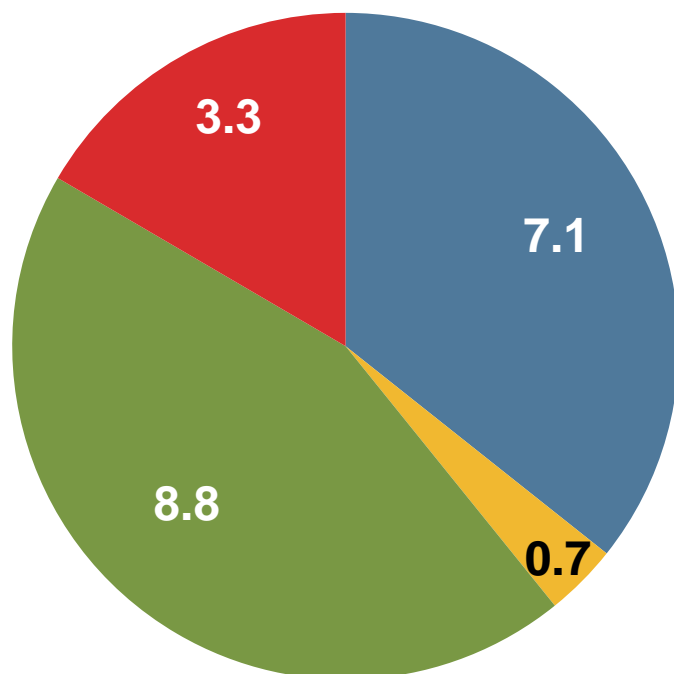
- Interest rate shocks have immaterial effect on pre-tax operating income<sup>1</sup>
- Equity shocks are manageable
- All shocks are instantaneous as of the start of the year and markets are then held constant for the entire year

<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Asset-intensive optionality profile

## Low policyholder behavior risk

Breakdown by 12/31/2015 Reserves  
\$ in billions



### Significant portion of asset-intensive business is stable:

No policyholder behavior risk:	Longevity
Limited policyholder behavior risk:	BOLI
Lower policyholder behavior risk:	Fixed and indexed annuity business with: <ul style="list-style-type: none"><li>• High guarantees (typically 3-4%),</li><li>• Surrender charges, and/or</li><li>• Market-value adjustment (MVA) provisions</li></ul>
Higher policyholder behavior risk:	Fixed and indexed annuity business with: <ul style="list-style-type: none"><li>• Little or no surrender charge protection,</li><li>• Low guarantees, or</li><li>• No MVA</li></ul> Variable annuities

# Capital-motivated reinsurance: Executing strategies

Strategies	Advantages
<ul style="list-style-type: none"><li>▪ Combine financial structuring expertise with strong local client relationships to create efficient capital solutions</li><li>▪ Expand strategic accounts in developed markets: U.S., Japan and Canada</li><li>▪ Continue to lead innovation in Europe (Solvency II) and developing Asian markets</li><li>▪ Leverage expertise to address changing regulations</li></ul>	<ul style="list-style-type: none"><li>▪ Seasoned experts well-positioned in North America, Asia and Europe</li><li>▪ Deep understanding of clients' products from decades of reinsuring</li><li>▪ Not subject to Solvency II nor IFRS</li><li>▪ In-depth knowledge of local regulation</li><li>▪ Execution track record</li></ul>

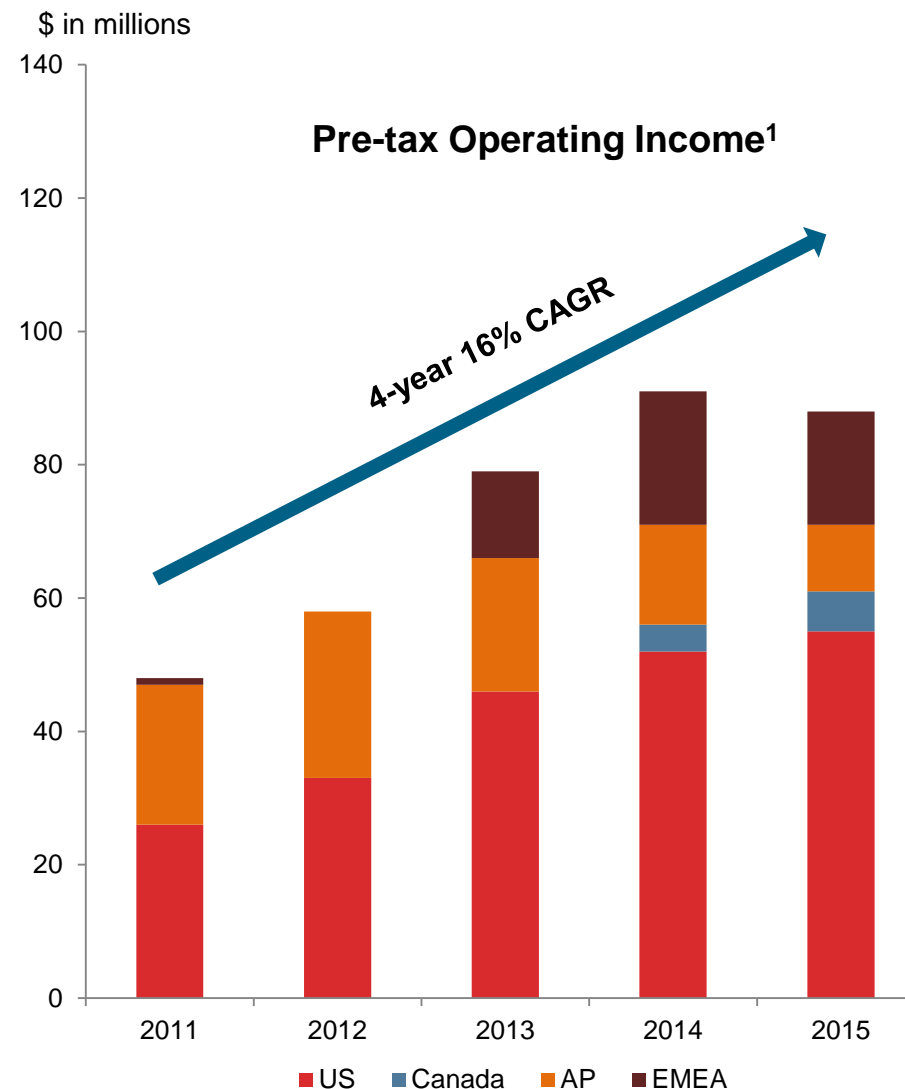
## Execution

- Leading presence in U.S., Japan and Europe
- Executed Solvency II-driven solutions in the U.K. and Netherlands
- Executed broad variety of solutions in the U.S. including XXX/AXXX
- Ranked best in class for financial reinsurance in Asia for two years running (NMG survey)
- Balanced earnings across products and regions
- 80 active deals with 46 clients

# Capital-motivated reinsurance results

## Key Messages

- Broad income growth, balanced across regions
- Established presence in U.S., EMEA and AP
- Recognized leader in this highly specialized market
- Significant opportunities for growth in all regions
- AP and EMEA lower in 2015 due to expected recaptures as regulations changed



<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Longevity: Executing strategies

## Strategies

- Position RGA to be recognized expert at assessing longevity risk through leveraging mortality expertise
- Deliver negatively correlated risk at above target returns
- Focus on markets where good underlying experience data exists
- Target older average ages to minimize risk of medical advances
- Diversify structures and geographies

## Advantages

- Unique structures and solutions differentiate us
- Strong mortality expertise is distinct advantage in pricing longevity
- Ability to be very selective in risks and returns
- Strong reputation for execution

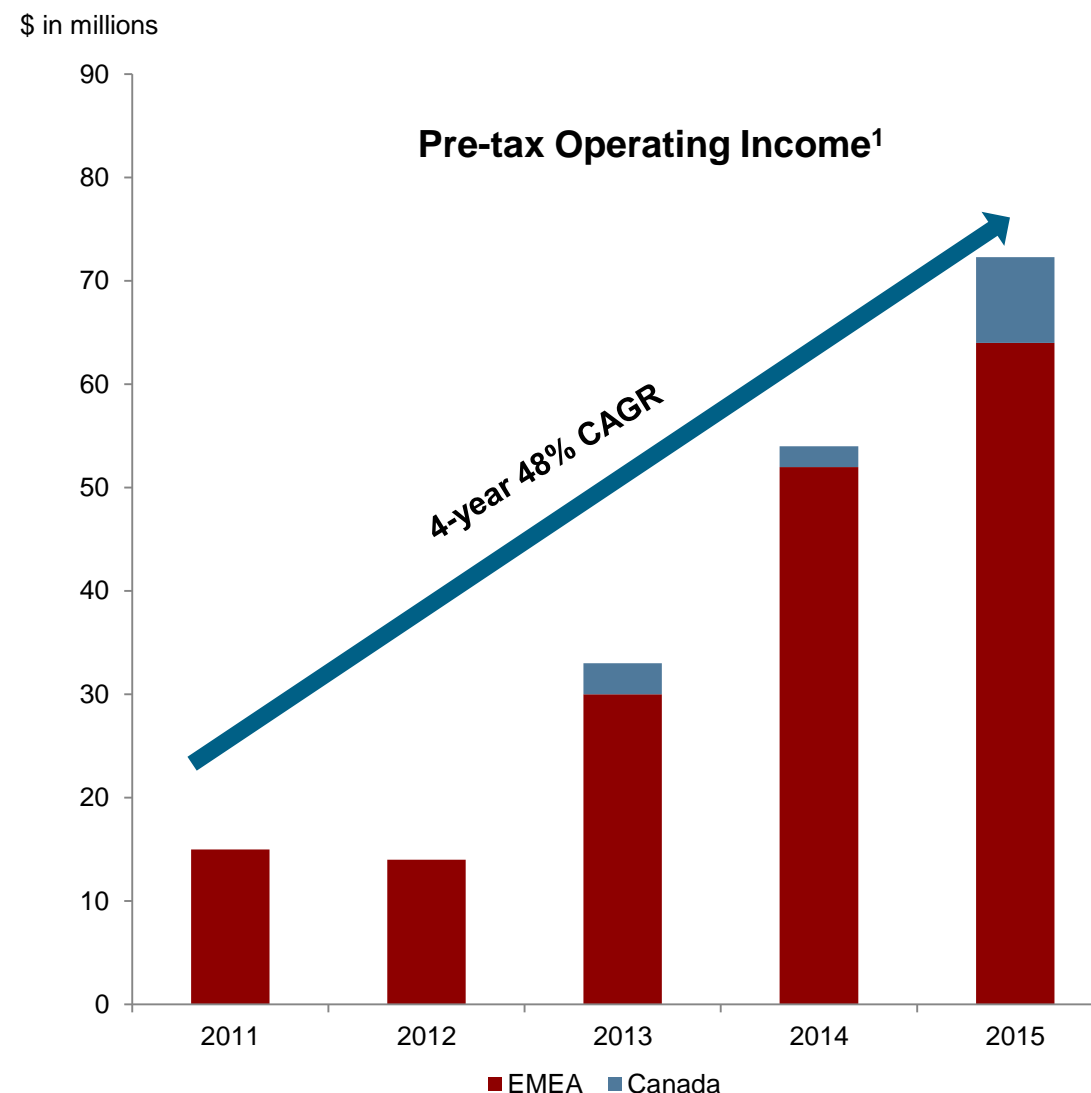
## Execution

- Transacted in U.K., Canada, Netherlands; targeting U.S. and continental Europe
- Executed swaps, asset transfer, indexed and stop-loss solutions
- Average age  $\approx 74$
- Inception to date, experience has been better than priced
- 29 active transactions with 15 clients

# Longevity results

## Key Messages

- Continued strong income growth from new business and favorable experience
- Provided first longevity-only solution for a North America pension plan
- Selective participation in targeted markets
- Strong demand expected to continue



<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.



# Looking ahead: Strong opportunities

- Regulatory and capital changes will continue to drive demand
  - Increasing demand for efficient capital solutions in Europe (Solvency II) and in Asian markets
  - Continued demand for efficient capital on term and UL products as next-generation solutions evolve
- Market demand for longevity risk transfer is expected to exceed capacity
- Strong momentum in established and developing markets
- Strong pipeline for repeat transactions with current clients

# Summary

- Environmental changes generate continued demand across products and geographies
- Seasoned expertise and strong client relationships create advantages
- Strong structuring and biometric capabilities enable broad solutions
- Continued discipline and selective participation in high-return opportunities where clients value expertise and counterparty strength
- Clear strategies and strong execution producing earnings growth and stability



Proven execution,  
strong vision  
for the future



## Global Acquisitions

Scott D. Cochran

*Executive Vice President, Global Acquisitions*

# Key messages

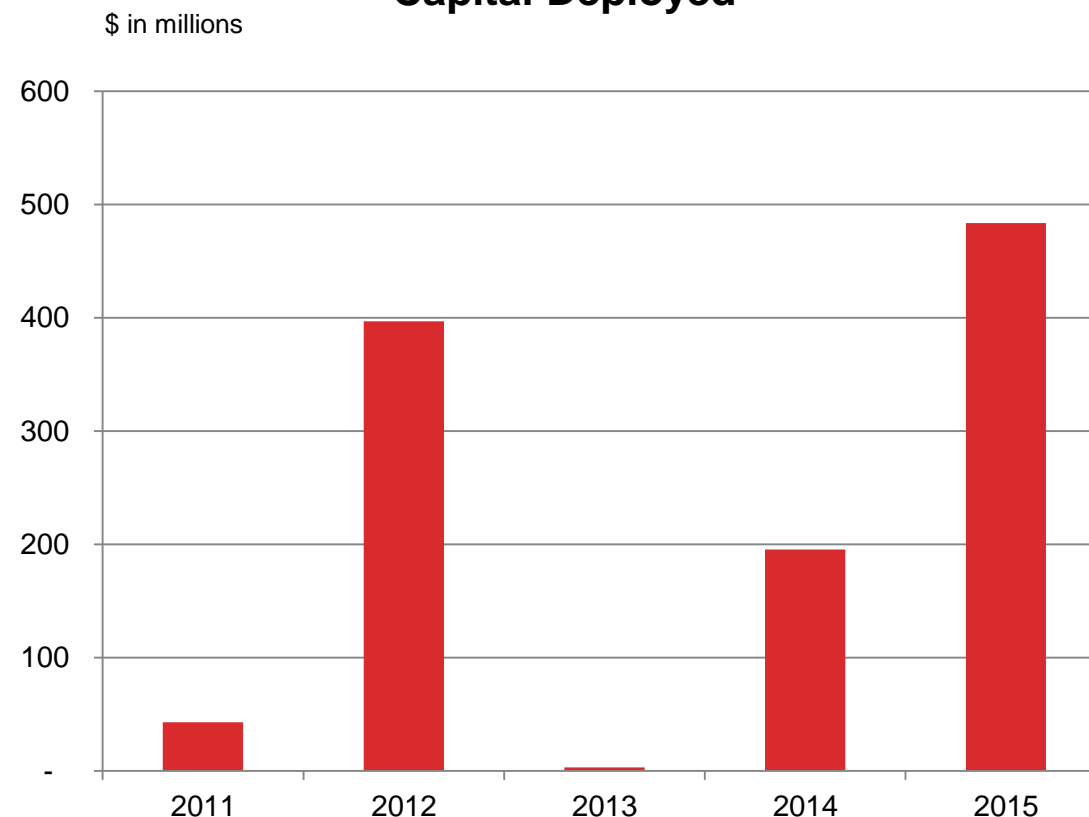
- RGA has leveraged its considerable strengths to create a unique and flexible position in a competitive, dynamic marketplace
- We are a preferred buyer and/or partner with a broad range of solutions and high-quality reputation
- Environment points to continued restructurings and a range of financial transactions, suggesting that opportunities will be abundant well into the future
- Acquisition strategy has been successful to date and will continue to be a key focus going forward

# Solid track record

## Key Messages

- Launched in 2011 to deploy capital in attractive in-force blocks
  - \$1.1 billion capital deployed since inception
  - Strong financial performance inception to date
- Acquisition of seasoned blocks allows for use of fresh assumptions
- Diversity of transactions
  - Life, asset-intensive and longevity products
  - U.S., U.K. and continental Europe
  - Stock purchase, reinsurance and portfolio transfer
  - With and without transfer of direct policy administration
- Successful operational integration of multiple in-force blocks
  - Aurora National (U.S.)
  - European life and annuity block
- Repeat transactions with partner-oriented client

## Capital Deployed<sup>1</sup>



<sup>1</sup> Data shown in year transactions closed.

# Unique market positioning

- We are selective: pursue only those opportunities with the strongest fit to RGA capabilities, competitive positioning and risk philosophies
- RGA's global credibility and relationships lead to competitive advantage
- We are flexible in pursuing opportunities alone or with a strategic partner
- Customized transaction structures benefit seller and RGA
- Broad geographic reach provides larger opportunity set
- We are willing to walk away if we cannot reach an attractive risk/reward proposition

# Market disruptions continue to create opportunities

- Attractive and diverse pipeline expected to persist for the foreseeable future, driven by:
  - Regulatory change (e.g., Solvency II, SIFI, G-SII)
  - Economic pressures
  - Strategic realignments
- North American and European opportunities predominate, including life and annuity blocks
- Competitive universe varies considerably by market



# Summary: Solid contributions and strong outlook

- Established track record: past transactions fully integrated and performing well
- Well positioned to take advantage of ongoing market dislocations
- Strong current momentum although difficult to predict size and timing of future transactions
- Acquisition strategy expected to continue to contribute to future growth





Proven execution,  
strong vision  
for the future



## Geographic Overview

Alain P. Néemeh

*Senior Executive Vice President,  
Global Life and Health Markets*

Michael Emerson

*Executive Vice President,  
Head of U.S., Latin and South American Markets*

# Leading life and health franchise

- Well-established brand
- Steady growth in mortality
- Opportunities to leverage our global platform
- Strong leadership

# Well-established brand

Best-in-class capabilities leading to solid market share

Region	2015 Business Capability Ranking <sup>1</sup>	2015 New Business	
		Individual (Premium <sup>3</sup> /Sum Assured <sup>4</sup> )	Group Premium <sup>5</sup>
United States	#2 / #1 <sup>2</sup>	#3 / #1	#2
Canada	#1	#2 / #1	#2
EMEA	#1	#2 / NA	#4
Asia Pacific	#1	#1 / NA	#2

<sup>1</sup> NMG Consulting's Business Capability Index (Globally).

<sup>2</sup> "Best Overall Life Reinsurer" – 2015 Flaspöhler Survey.

<sup>3</sup> Ceded premiums of newly issued policies (excluding block transactions) as provided by NMG Consulting's study of 55 countries.

<sup>4</sup> Recurring and in-force production result as provided by the SOA survey.

<sup>5</sup> Total ceded premiums of group policies as provided by NMG Consulting's study of 55 countries.

# Well-established brand

## Leading global underwriting franchise – 2015 snapshot

- Consistently highest-rated in industry surveys
- Over 615,000 facultative cases globally
- 24-hour turnaround on 95% of U.S. cases
- \$21 billion+ in North American facultative production
- AURA e-underwriting systems processed over 4 million applications
- RGA's global underwriting manual widely used – over 960,000 client logins

# Well-established brand

## Developing and delivering innovative solutions – sample initiatives

### U.S. ASAP<sup>®</sup>

- Immediate decisions on facultative cases
- > 100,000 cases processed since 2002

### U.S. ROSE<sup>®</sup>

- Multifaceted cost-savings program
- > \$100M in client savings since 2011

### U.K. MOBILE DISTRIBUTION

- Mobile app aimed at digital life insurance
- Microinsurance product with U.K. market leader

### SOLVENCY II SOLUTIONS

- Capital-motivated solutions completed in the U.K. and the Netherlands

### ASIA

- Product development differentiates RGA
- High net worth products

### AUSTRALIA

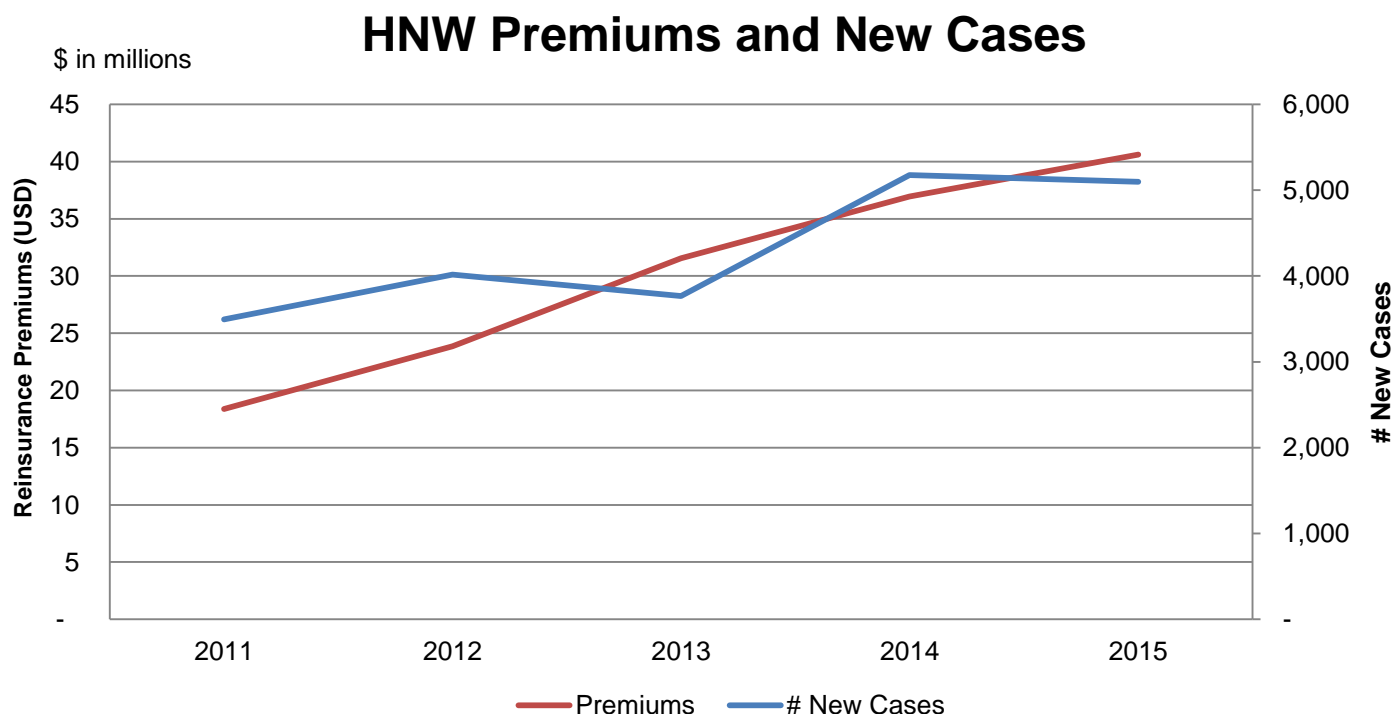
- Improved group benefit design
- Improving claims adjudication

# Well-established brand

## Delivering innovative solutions – illustrative example

### Example: High Net Worth (HNW) in Asia

- Pioneered product and leveraged into a leading market share
- Underwriting and pricing of mortality are key components
- Led the evolution and expansion of this product across the region

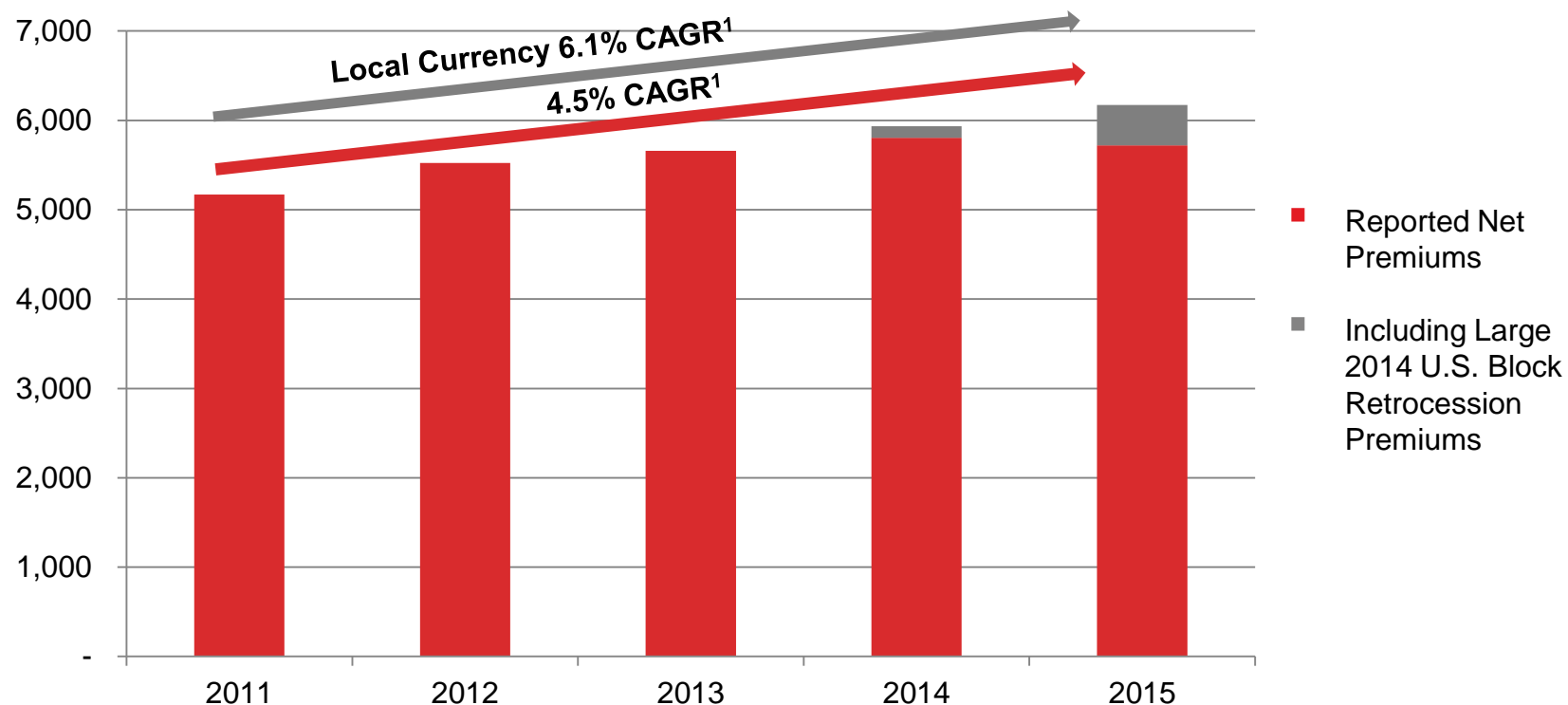


# Steady growth in mortality

## RGA's global footprint supporting growth

### Consolidated Individual Mortality Net Premiums

\$ in millions



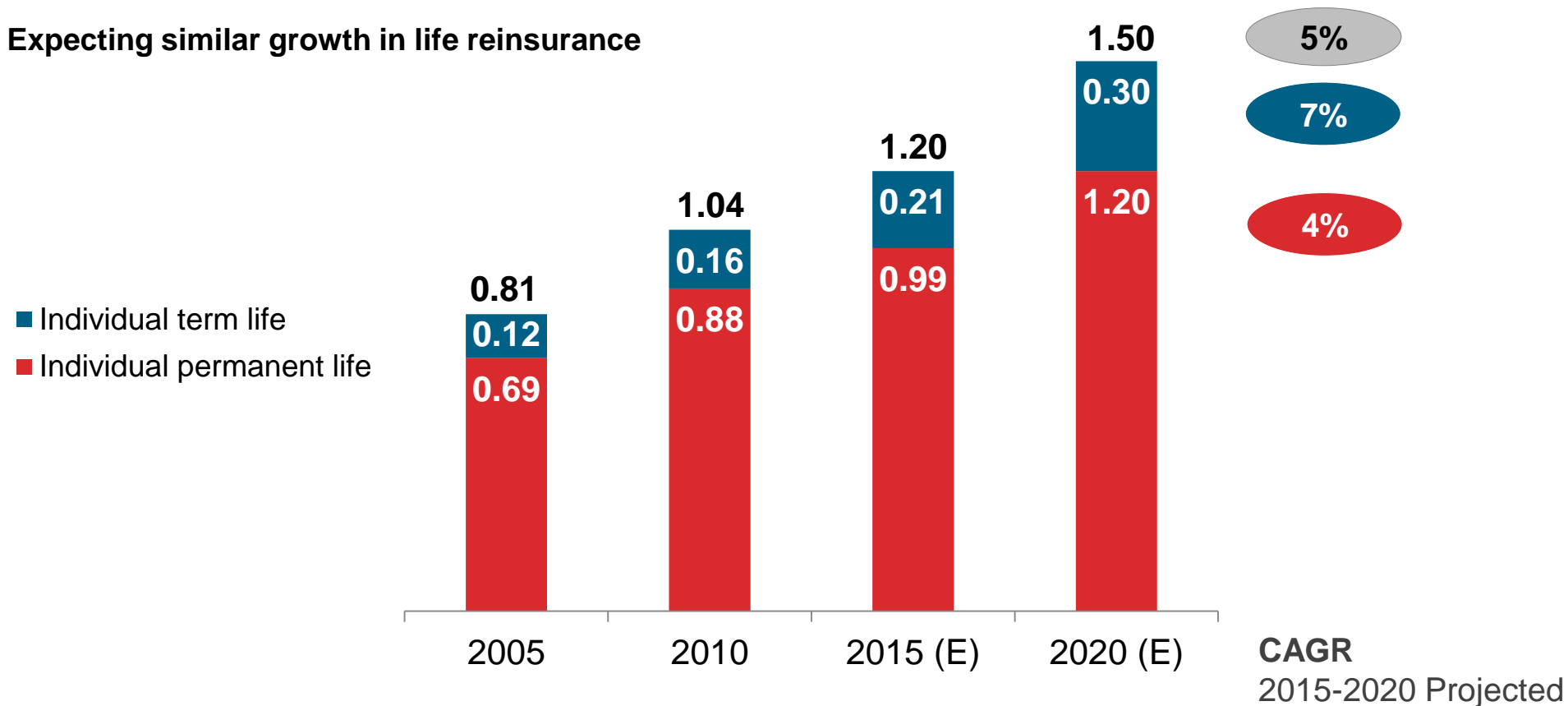
<sup>1</sup> 4.1% and 2.6% in local currency and USD excluding retrocession transaction.

# Steady growth in mortality

## Global primary life insurance gross premiums

\$ in trillions

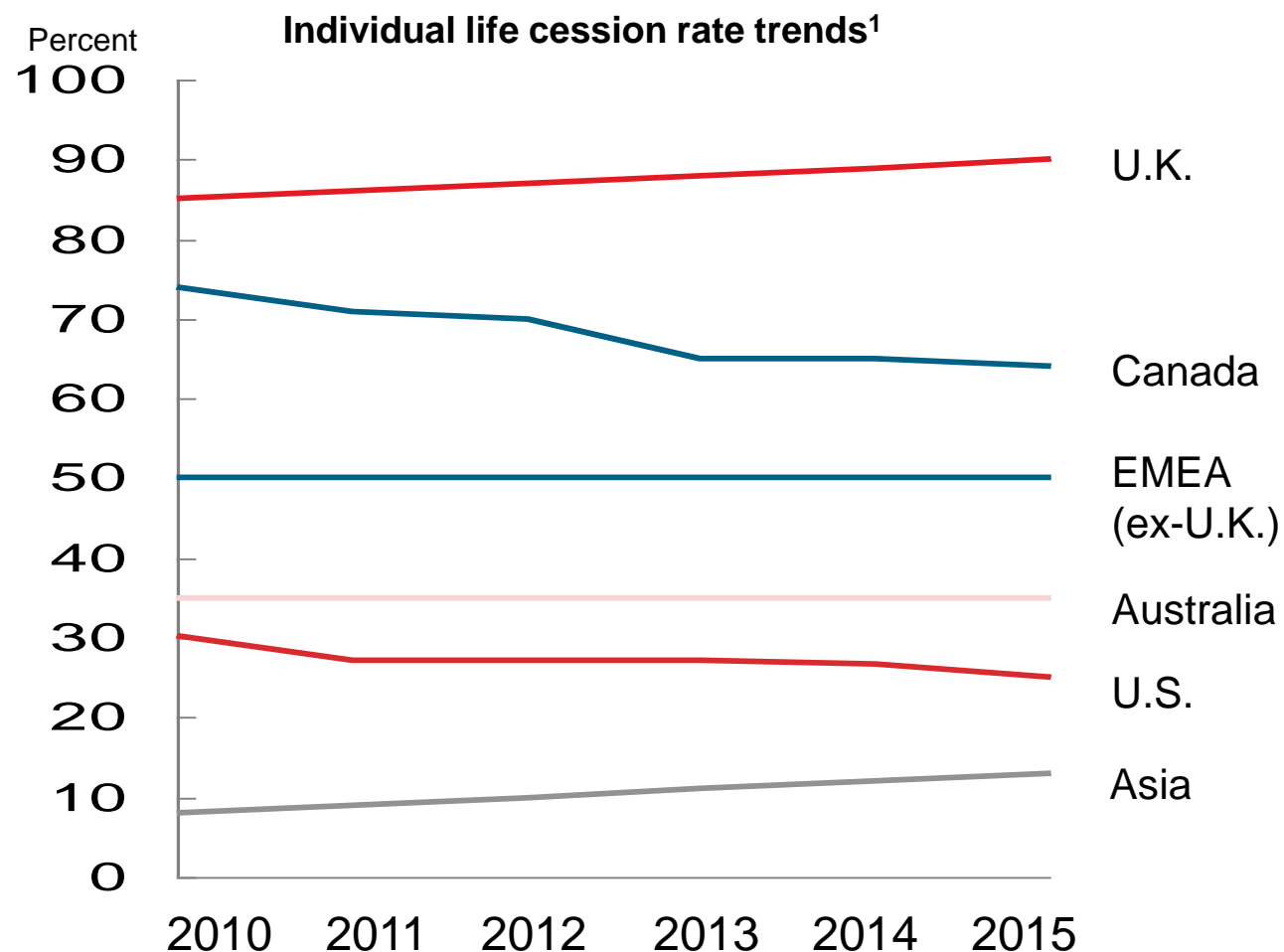
Expecting similar growth in life reinsurance





# Steady growth in mortality

Generally stable cession rates support continued reinsurance growth



<sup>1</sup> Numbers in chart are recurring production published in SOA survey (Canada, U.S.) and are illustrative of directional trends only (U.K., EMEA, Australia, Asia).

# Opportunities to leverage our global platform

## Macro industry trends driving geographic and product growth

RGA's global platform is well-positioned to take advantage of opportunities as middle classes develop in emerging markets and are reached in mature markets through digital distribution and new products

**1**

**Aging population**

**2**

**Government finances under pressure**

**3**

**Rising middle class in emerging markets**

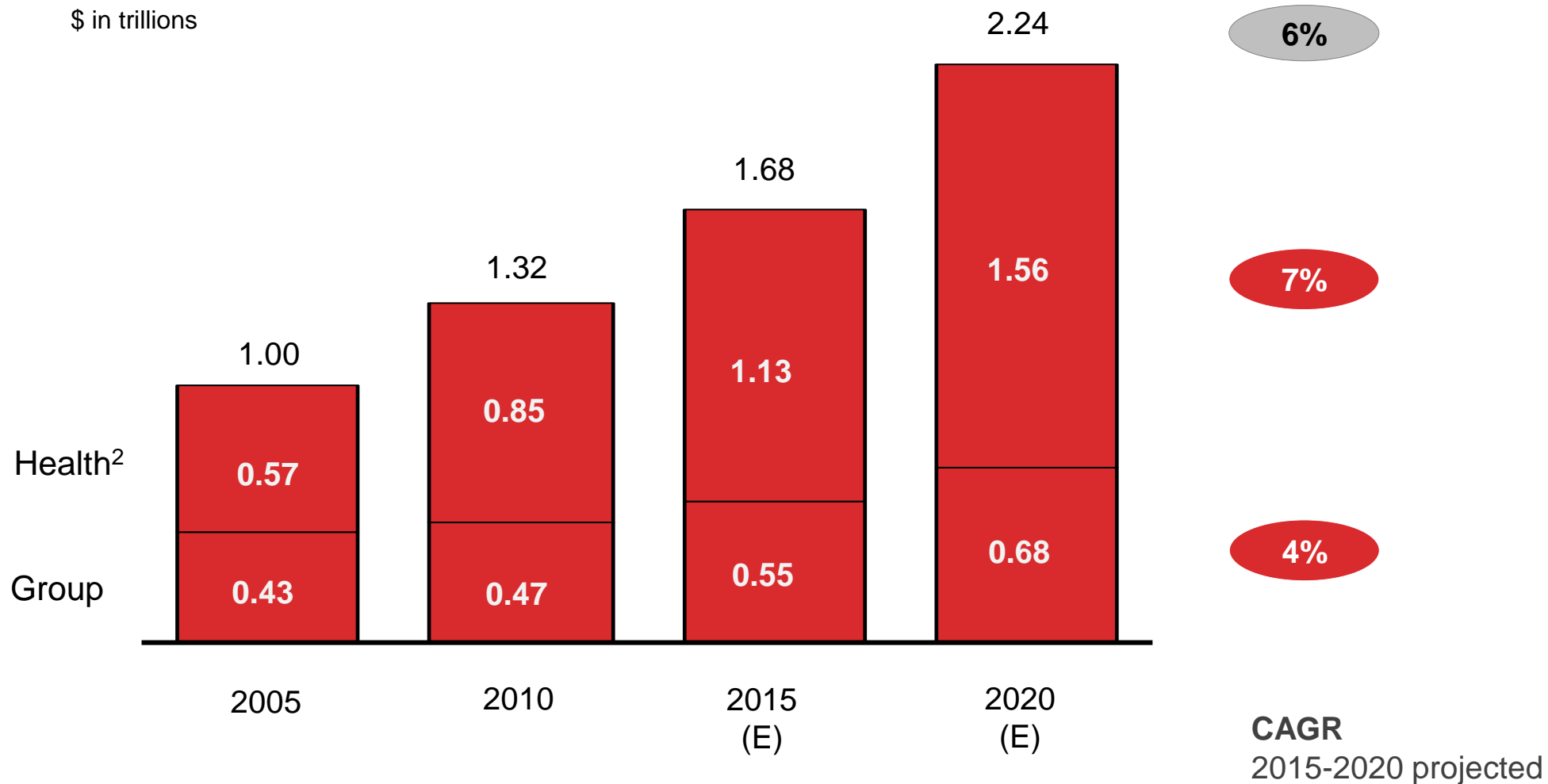
**4**

**Evolving digital distribution has potential to reach millennials and middle class in mature markets**

# Opportunities to leverage our global platform

## Global primary health and group gross premiums<sup>1</sup>

\$ in trillions

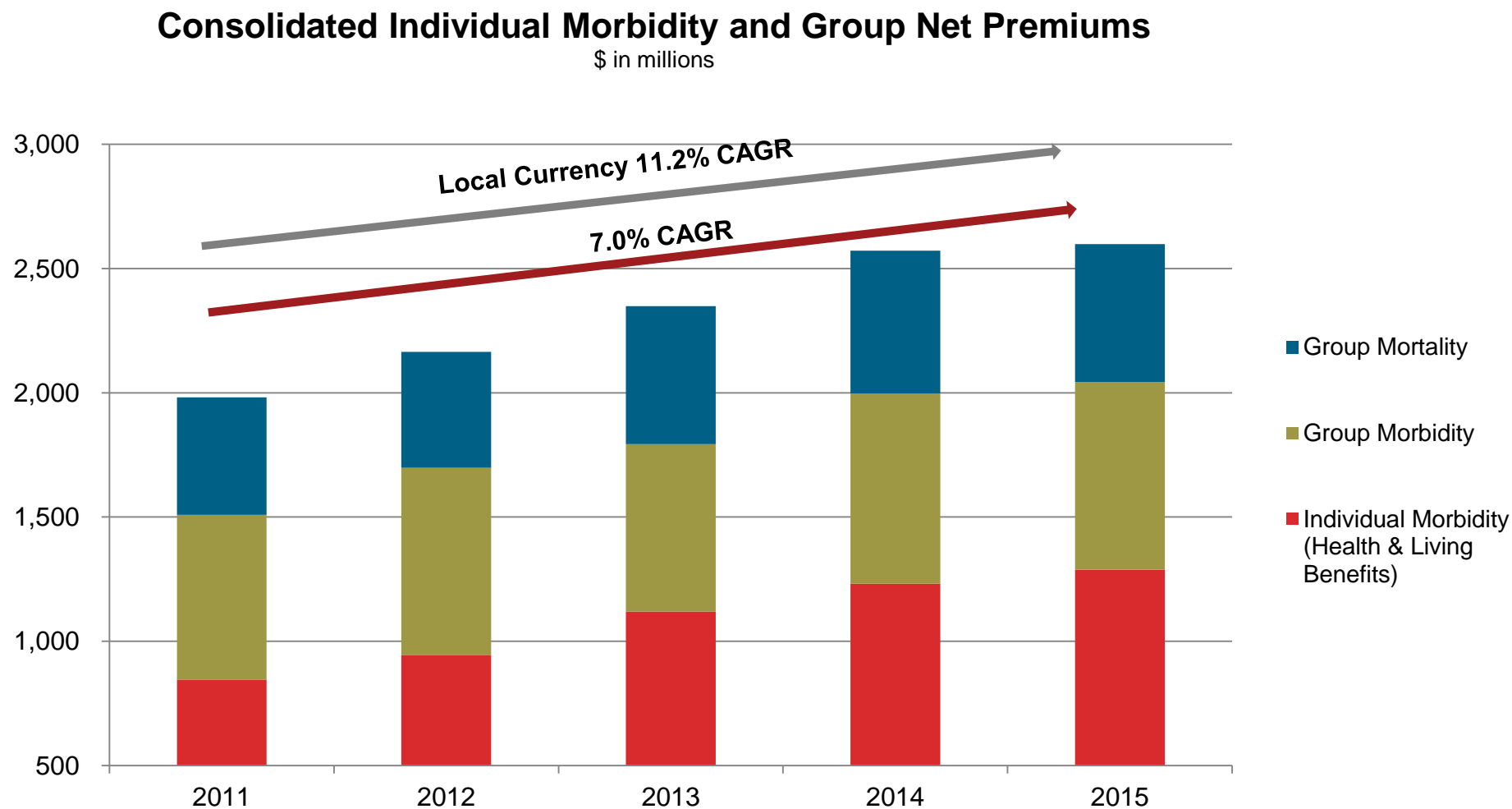


<sup>1</sup> Source: McKinsey Global Insurance Pools.

<sup>2</sup> Health includes all healthcare-related products not supported by government programs (e.g., excludes Medicare and Medicaid in the U.S.) and living benefits.

# Opportunities to leverage our global platform

## Delivering attractive growth



# Strong leadership

## Experienced life and health executive team

Name	Position	Years of Experience	
		In Industry <sup>1</sup>	With RGA <sup>2</sup>
Allan O'Bryant	EVP, Head of Asia	27	5
Michael Emerson	EVP, Head of U.S., Latin and South American Markets	31	6
Tony Cheng	EVP, Asian Markets	21	19
Olav Cuiper	EVP, EMEA Markets	30	9
Simon Wainwright	SVP, Head of U.K.	14	4
Alka Gautam	SVP, Head of Canada	15	15
Mark Stewart	SVP, Head of Australia	21	9
Douglas Knowling	SVP, Head of Global Support Team	30	15

<sup>1</sup> Includes experience in life insurance and life reinsurance industries.

<sup>2</sup> Includes experience with RGA's predecessor, the reinsurance division of General American Life Insurance Company.

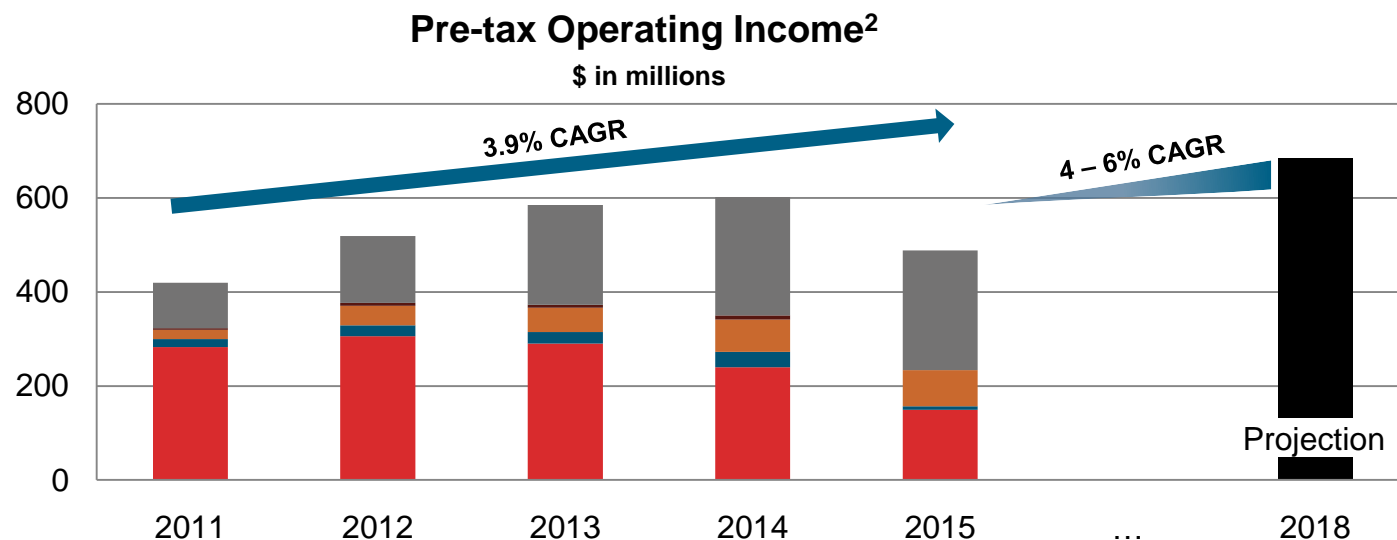
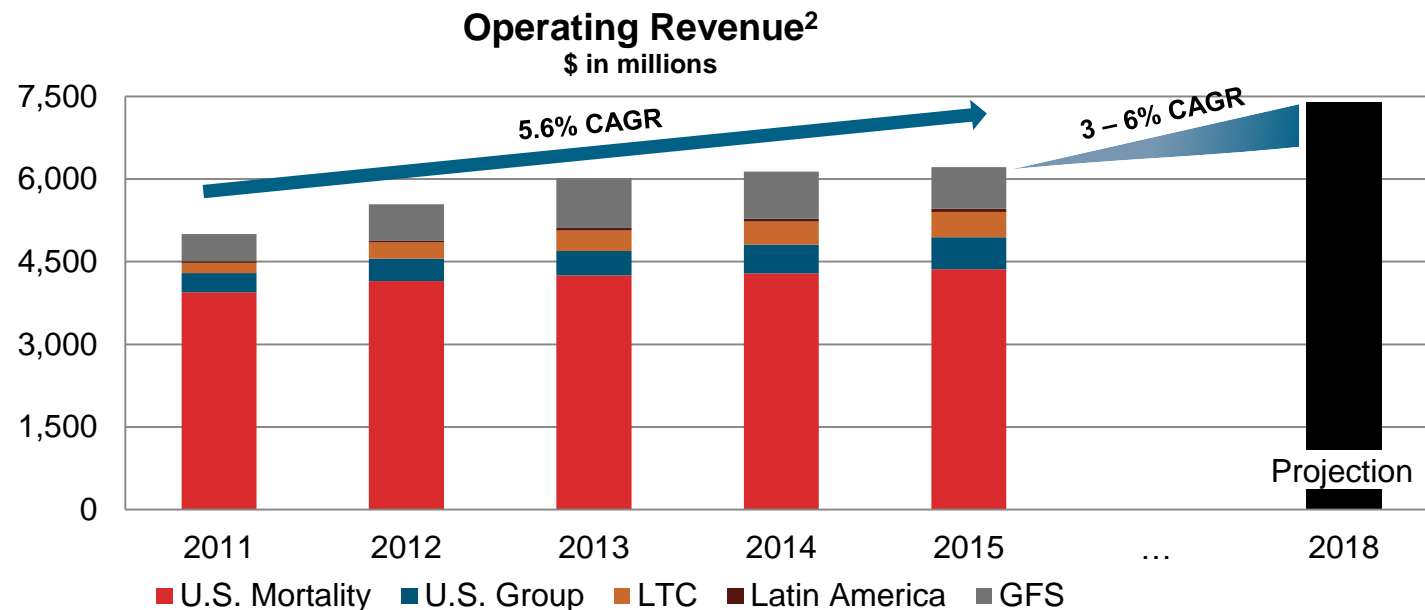
# U.S. Markets

## Key Messages

- “Best Overall Life Reinsurer” in U.S. Mortality in Flaspöhler survey – retained #1 rank for six consecutive biennial surveys
- Strong market position in all business lines
- Total individual production leader in 2015<sup>1</sup>
- Well-diversified and sustainable long-term profit stream
- First-quarter claims in line with expectations
- Lower investment yields continue to impact earnings growth

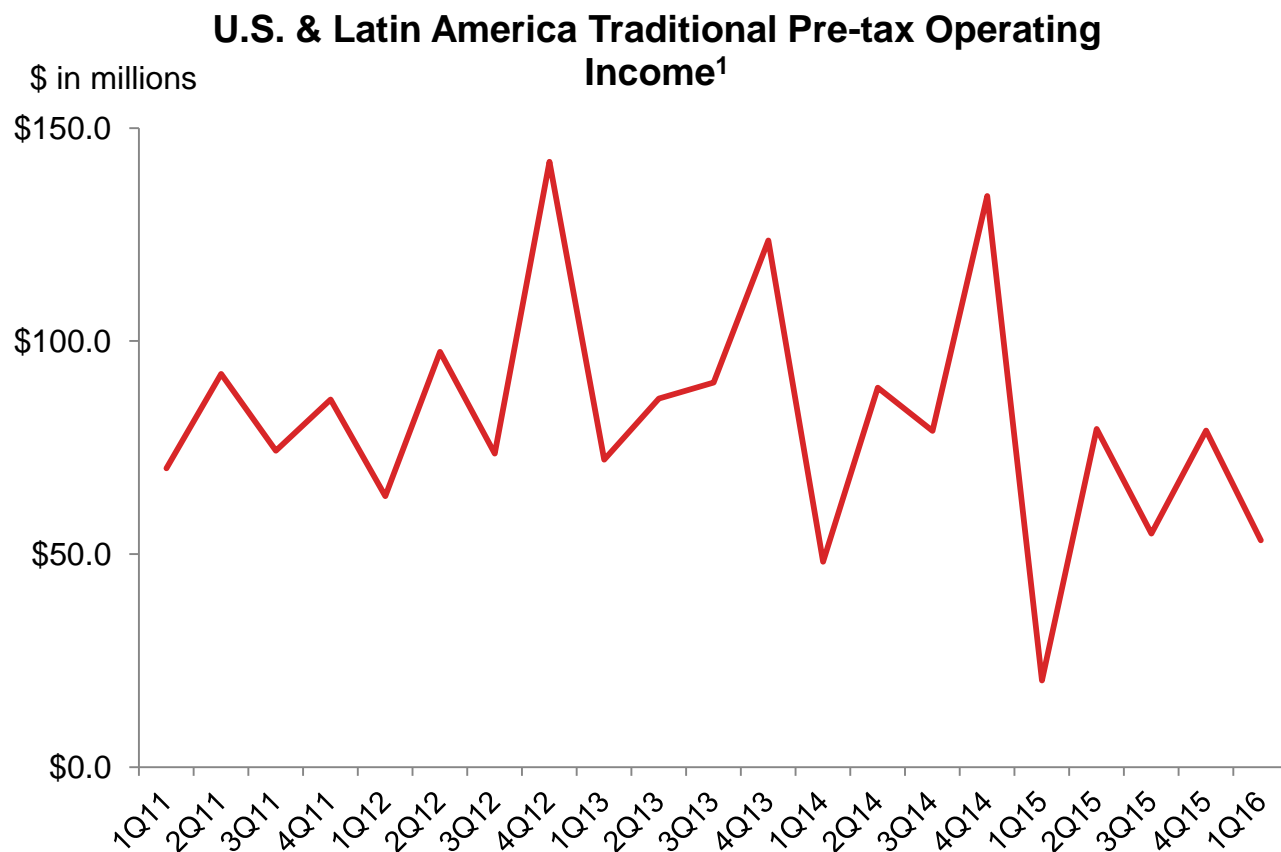
<sup>1</sup> Recurring and in-force production result as provided by the SOA survey.

<sup>2</sup> Actual results shown (except for projections). Refer to “Reconciliations of Non-GAAP Measures” in the Appendix.



# Long-term stability – Quarterly volatility

## 2015 results beyond typical volatility



### Annual Pre-tax Operating Income<sup>1</sup>

Year	Amount
2011	\$323.0M
2012	\$376.7M
2013	\$372.7M
2014	\$350.3M
2015	\$233.5M
Quarter	Amount
1Q 2015	\$20.3M
1Q 2016	\$53.2M

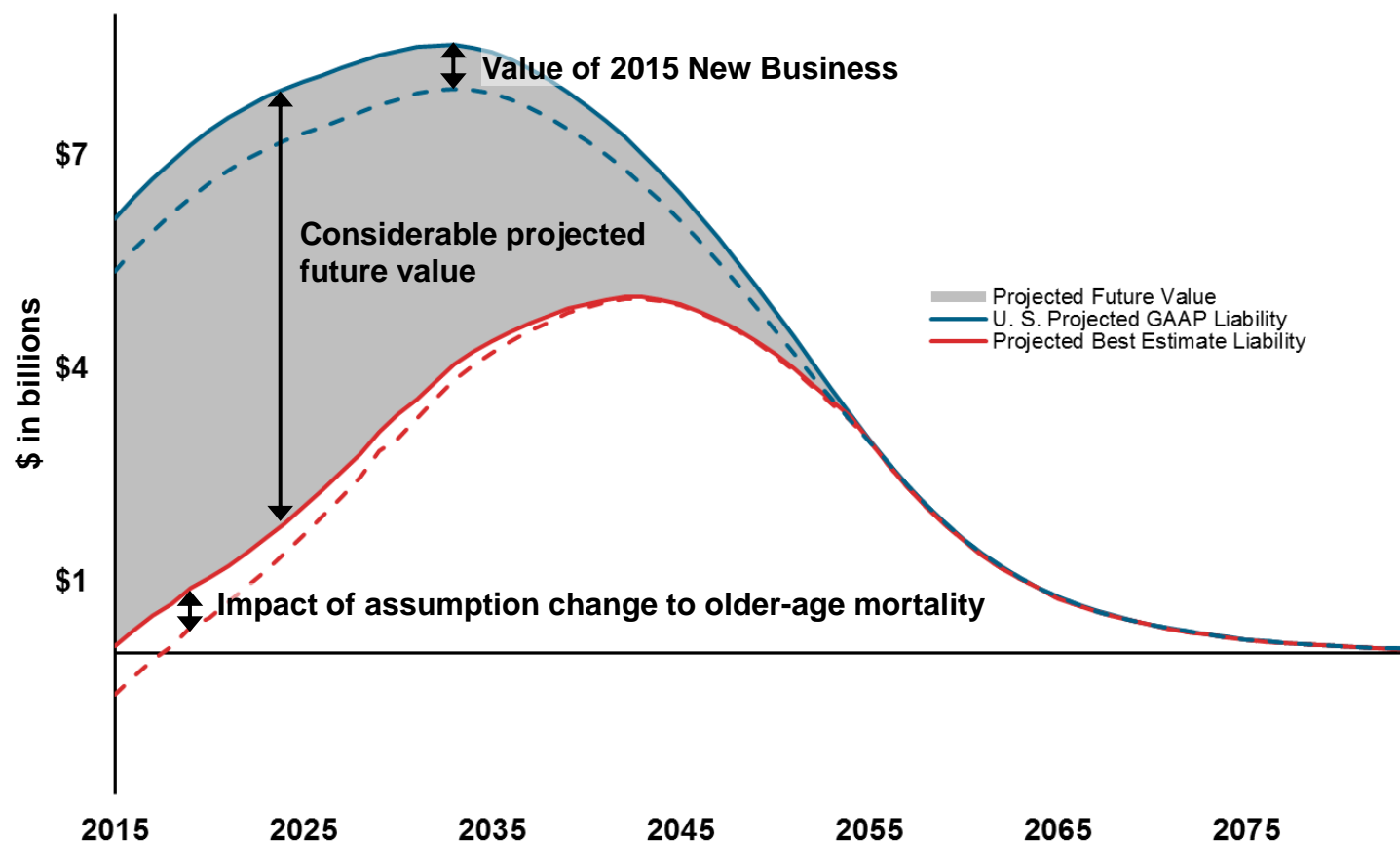
<sup>1</sup>Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Value embedded in U.S. in-force

## Key Messages

- Significant projected value embedded in in-force (excludes future new business)
- Value of 2015 new business in excess of 2015 assumption change to older-age mortality

## Actuarial Liabilities – U.S. GAAP vs. Best Estimate





# U.S. mortality outlook

## RGA is finding new opportunities

Life insurance sales rose in 2015, with LIMRA and MIB reporting six consecutive quarters of growth, with an increasing share of sales to the middle-market and younger demographic

**1**

**Sizable share of recurring production**

**2**

**Continued focus on in-force opportunities**

**3**

**Building on RGA's strengths**

**4**

**Leading the underwriting evolution**

# Leading the underwriting evolution

Recently introduced, TransUnion TrueRisk Life® (TRL) adds to our portfolio of automated underwriting services, with further investments in predictive analytics that will enhance the customer journey



# U.S. group market outlook

## Group growth opportunities fueled by ACA

The Affordable Care Act (ACA) has created growth in the health market, and has also impacted traditional group and voluntary products

**1**

**Capitalizing on our strong U.S. medical business**

**2**

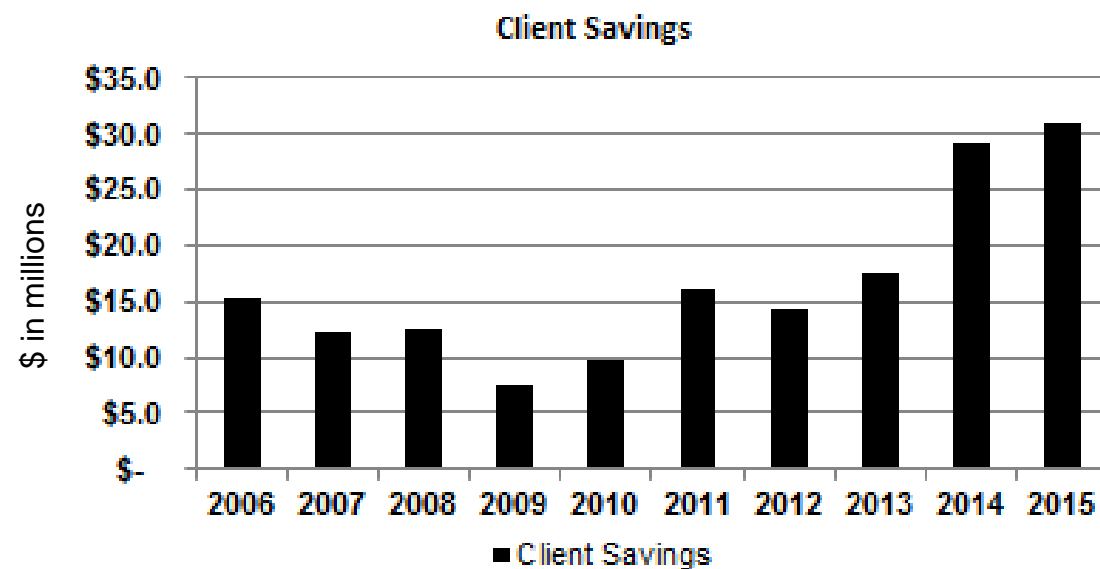
**Expanding in the voluntary market**

**3**

**Building upon our value proposition**

# Building upon our value proposition

## ROSE® Annual Savings



**Client savings from ROSE®  
averaged 10% of  
reinsurance premium in  
2015**

# U.S. individual health market outlook

## Primary long-term care market is evolving

Primary market for stand-alone LTC sales has been declining, as carriers are dealing with issues created by legacy blocks of business

**1**

**Focusing on business issued after 2007**

**2**

**Comfortable with our reserve levels**

**3**

**Continuing to evaluate emerging products**

# Canada

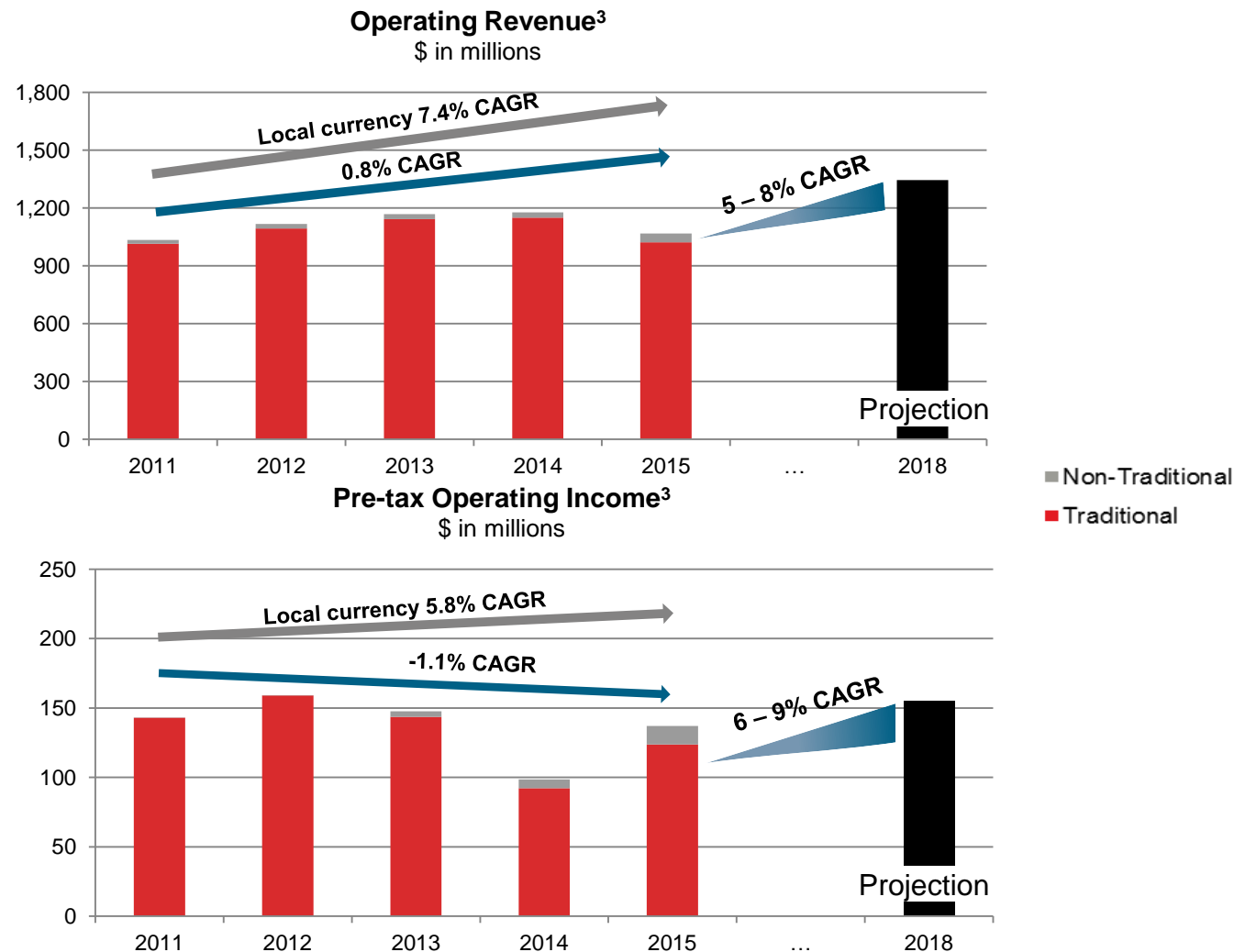
## Key Messages

- New business recurring production leader since 2007<sup>1</sup> and Business Capability Index leader since 2008<sup>2</sup>
- Solid earnings rebound in 2015 following high claims in 2014
- Potential growth opportunities:
  - Developing longevity market
  - Reaching the millennials and middle market

<sup>1</sup> Recurring production result as provided by the SOA survey.

<sup>2</sup> NMG Consulting Global Life & Health Reinsurance Programme – 2015.

<sup>3</sup> Actual results shown (except for projections). Refer to “Reconciliations of Non-GAAP Measures” in the Appendix.

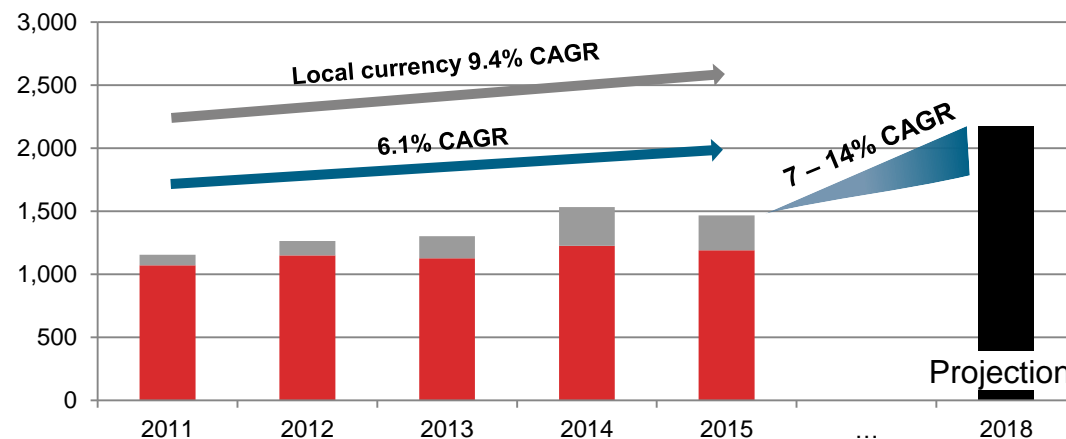


# Europe, the Middle East and Africa

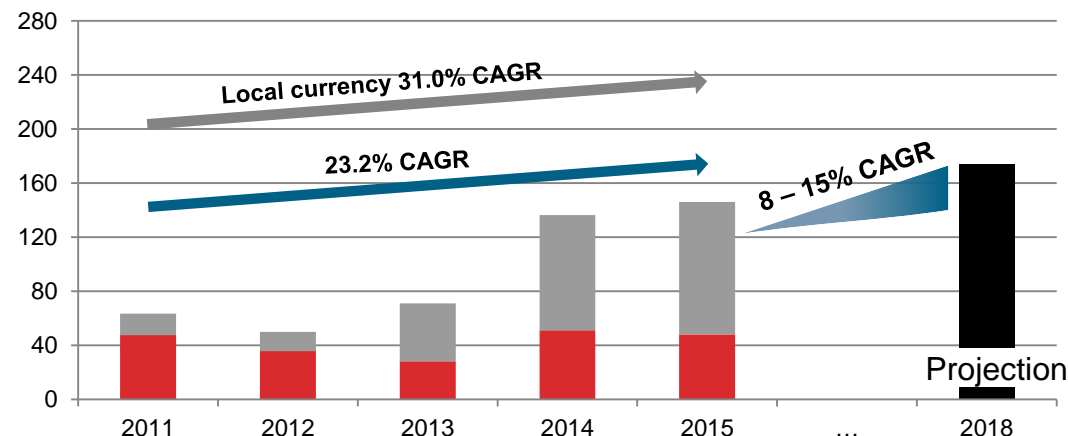
## Key Messages

- A leading franchise<sup>1</sup>
  - #1 in Business Capability Index in 2015
  - #2 in new business individual premium in 2015
- Proven track record in non-traditional business and healthy outlook with Solvency II
- Stable outlook for traditional business

Operating Revenue<sup>2</sup>  
\$ in millions



Pre-tax Operating Income<sup>2</sup>  
\$ in millions



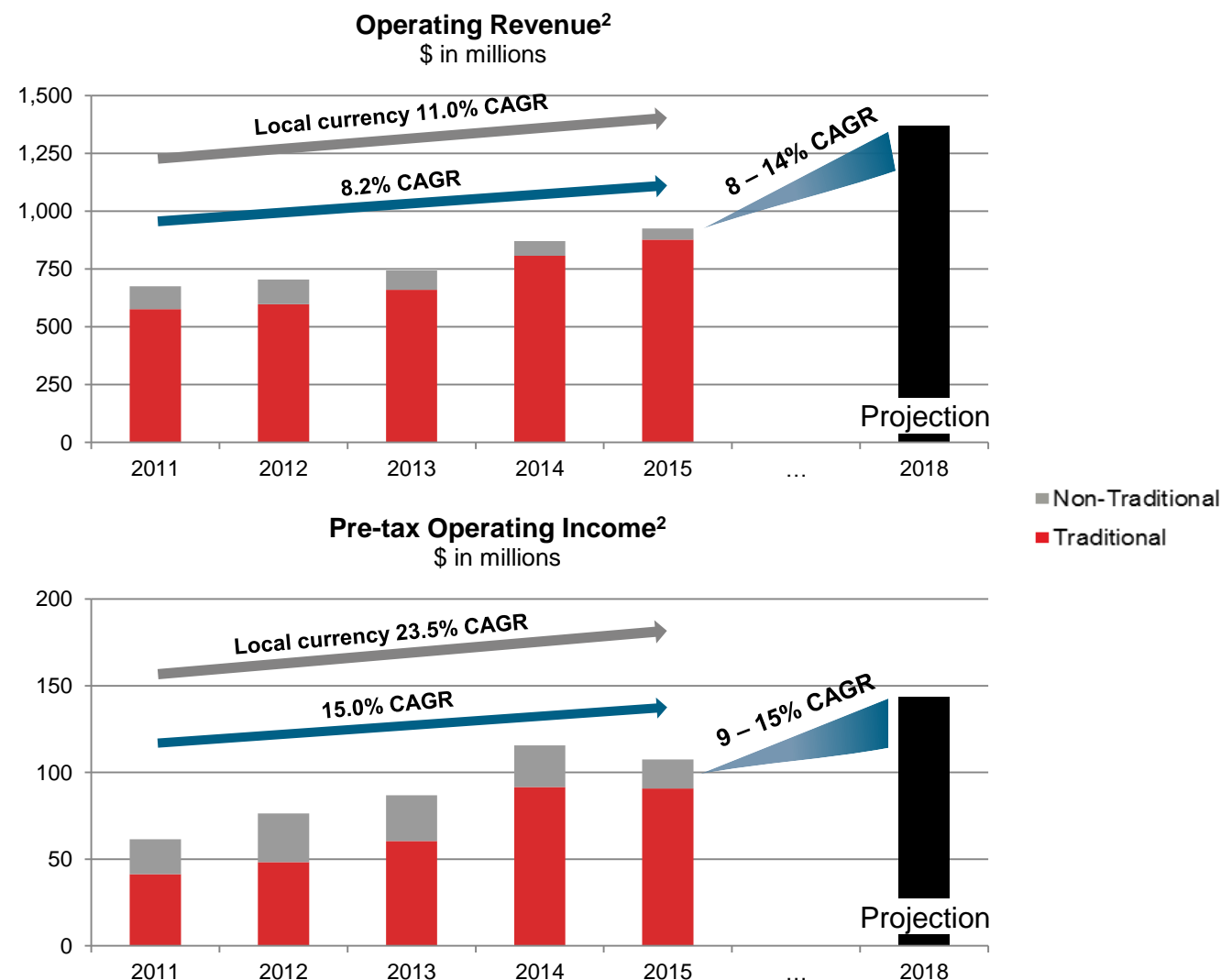
<sup>1</sup> EMEA regions in aggregate, NMG Consulting Global Life & Health Reinsurance Programme – 2015.

<sup>2</sup> Actual results shown (except for projections). Refer to “Reconciliations of Non-GAAP Measures” in the Appendix.

# Asia Pacific (excluding Australia)

## Key Messages

- A leading franchise<sup>1</sup>
  - #1 in Business Capability Index in 2015
  - #1 in new business individual premium
  - Top-rated facultative underwriting in aggregate, including both capabilities for HNW and substandard cases
- Product development and innovative solutions are key drivers
- Solid outlook for organic growth
- Growth opportunities include GFS expansion



<sup>1</sup> NMG Consulting Global Life & Health Reinsurance Programme – 2015.

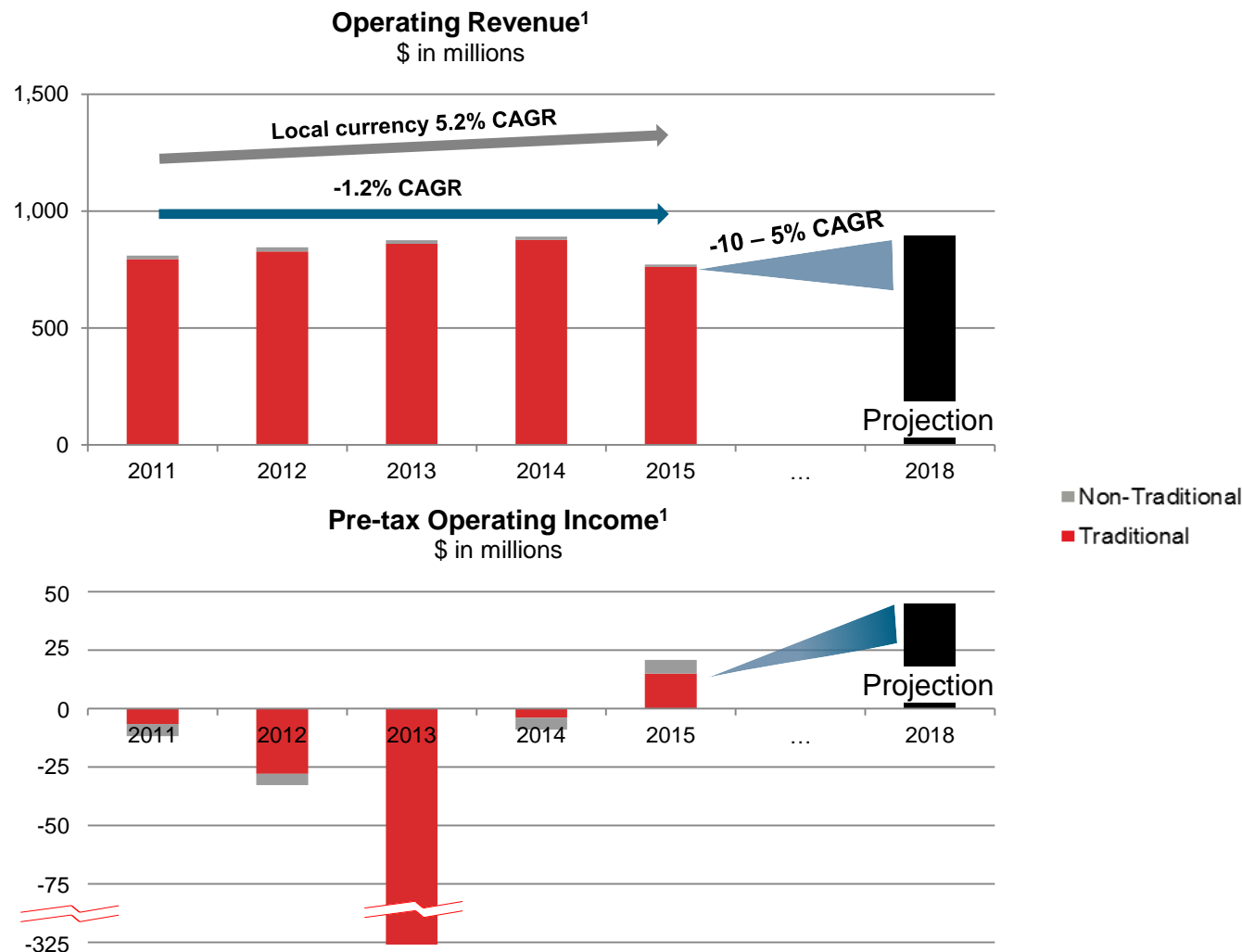
<sup>2</sup> Actual results shown (except for projections). Refer to “Reconciliations of Non-GAAP Measures” in the Appendix.



# Australia

## Key Messages

- Encouraging 2015 and 2016 Q1 profitability
- Lumpy claims and IBNR lead to quarterly volatility
- Repricing continues where necessary
- Pursuing selective business opportunities
- Committed to shifting the claims paradigm



<sup>1</sup> Actual results shown (except for projections). Refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Summary

- RGA's brand has never been stronger
- Mortality business continues to add value
- Global platform will enable us to capitalize on attractive growth opportunities
- Strong leadership and industry-leading expertise



Proven execution,  
strong vision  
for the future



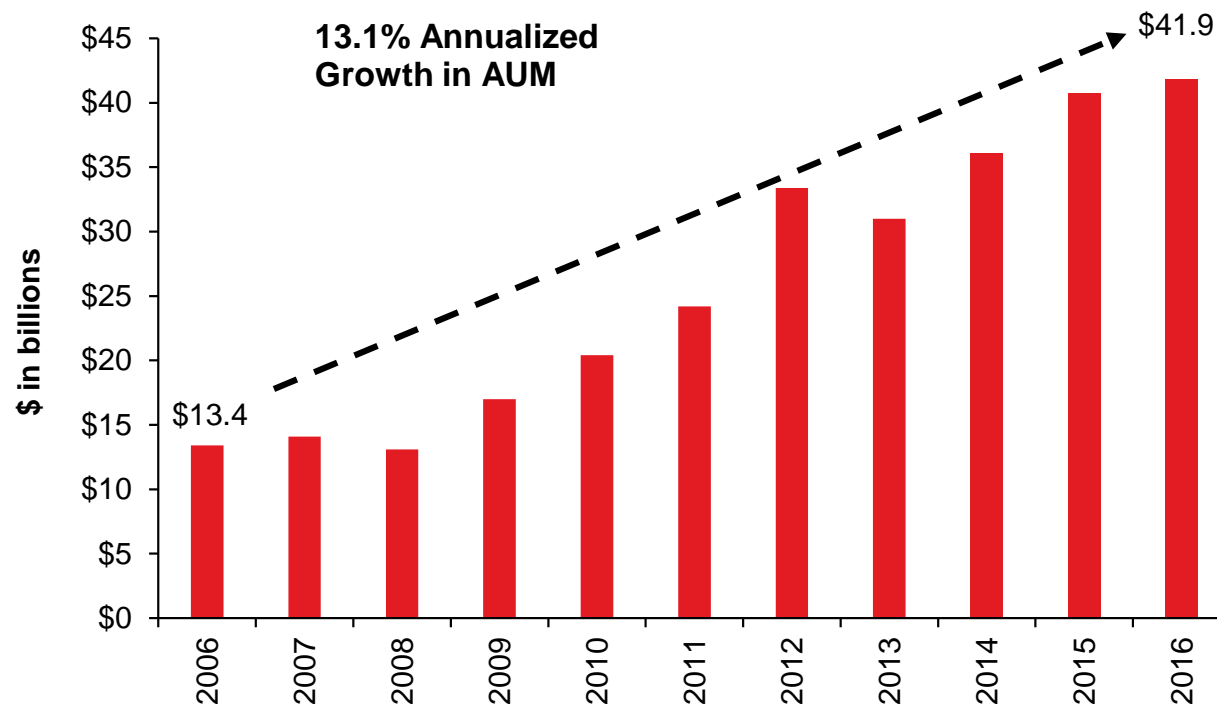
## Investments

Timothy Matson

*Executive Vice President, Chief Investment Officer*

# Key messages

- Growth in assets under management over 13% per annum
- Investment groups in St. Louis and London; mortgage origination offices in seven U.S. cities and Toronto
- Presence in Asia Pacific region
- Managing USD, CAD, GBP, EUR, AUD, and JPY assets
- Expect low interest rate environment to persist
- Focus on finding new sources of risk-appropriate yield
- Investment platform uses both internal and external managers; in-source when economics and skill-set align



# Portfolio management overview

- Assets: \$41.9 billion
- Portfolio management
  - 41 investment professionals
  - Cover Core and Core Plus strategies, credit, risk and trading
- Key Core Plus strategies
  - High yield corporate and emerging market bonds
  - Senior bank loans
  - Non-agency RMBS
  - Mezzanine debt and private equity
  - Equity real estate joint ventures
- External asset managers
  - Employed where lacking internal expertise
  - Performance evaluated on a frequent basis
- Operational platform
  - Use best-in-class portfolio management and risk analysis tools

# Investments senior management team

Name	Position	Years of Experience	
		In Industry <sup>1</sup>	With RGA <sup>2</sup>
Timothy Matson, CFA	EVP, Chief Investment Officer	29	2
Michael McLellan	SVP, Real Estate	33	5
Brian Butchko, CFA	VP, Portfolio Management	19	17
David Clayton	VP, Private Transactions / Operations	25	6
William Fields	VP, Real Estate	26	8
Daniel Furtwengler, CFA	VP, Investment Solutions	15	12
Amy Gibson, CFA	VP, Credit and Trading	24	7
Gang Ma, FSA, CFA, FRM	VP, Risk	21	5

<sup>1</sup> Includes experience in the investments industry.

<sup>2</sup> Includes experience with RGA's predecessor, the reinsurance division of General American Life Insurance Company.

# Functional groups

## Portfolio Management

- Portfolio Construction
- Income Targets
- Tactical Asset Allocation
- External Managers

## Real Estate

- Proprietary CML
- Third-party CML
- Real Estate Equity

## Public Bonds

- Credit Analysis
- Sector Management
- Trading
- Security Selection

## Investment Solutions

- Support Transactions
- Oversee ALM And SAA

## Transactions

- Direct Mezzanine
- Private Equity
- Yield Enhancement

## Investment Operations

- Security Operations
- Trade Operations
- Compliance
- Risk / Quant Analysis
- Reporting

# Investment objectives

- Manage investment income and balance sheet strength for in-force portfolios
  - Take an appropriate amount of credit and liquidity risk
  - Invest in assets that meet the cash flow characteristics of our liabilities
- Partner with RGA's business units to develop investment strategies that contribute to new business opportunities
- Continually improve our investment platform to ensure readiness to meet the ongoing needs of RGA's businesses



# Manage income and balance sheet strength

- Portfolio Management oversees internal and external managers
  - Responsible for investment performance for in-force business
  - Determine appropriate amount of credit and liquidity risk
  - Develop yield enhancement opportunities
- Public Bonds team has responsibility for credit and structured fixed income investments
  - Ongoing review of new and existing credit positions
  - Security selection and trade execution
  - Maintain overall portfolio quality
- Commercial Real Estate Group
  - Commercial mortgage team originating/servicing loans in the U.S. and Canada
  - Invest in equity commercial real estate joint ventures
- External managers for domestic and international portfolios
  - Utilize top-tier third-party managers for specialty asset classes
  - 15 managers covering high yield, senior bank loans, non-agency RMBS, and local currencies

# Partner with RGA business segments

- Investment Solutions group works closely with business units to develop investment strategies that contribute to new business development
  - Global Acquisitions
  - Global Financial Solutions
- Investment Solutions focuses on enabling block transactions
  - Design portfolios with attractive risk-adjusted yields
  - Establish asset liability management and strategic asset allocation guidelines for new block assets
  - Keen awareness of capital constraints/regulatory changes (e.g. Solvency II)
- Investment Solutions group in close contact with Portfolio Management to inform investment views
  - Expected returns and capital markets outlook
  - Development of yield-enhancing asset classes

# Improve investment platform

- Continue to build platform for future growth
  - Ensure that Investments is operating at third-party asset manager skill level
  - Platform should have capability to manage \$100 billion plus AUM
- Augment operations/systems to achieve best-in-class capability
  - Update systems for alternative investments and derivatives
  - Improve data management and analysis through comprehensive data warehouse
- Build out investment team in Asia Pacific region for business support and asset management

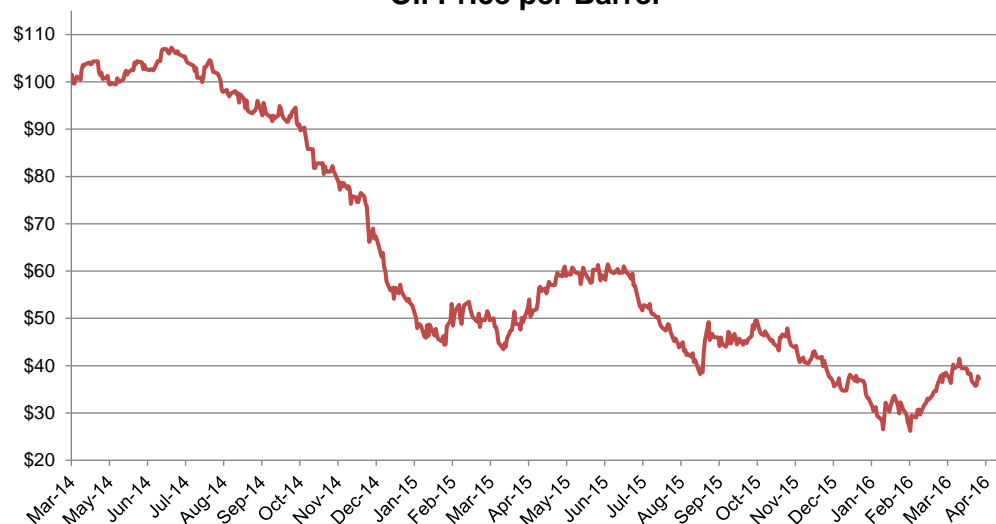
# Asset allocation

Assets	March 31, 2016 \$ in thousands
Market Value	\$ 41,853,917
Book Value	\$ 38,851,623
<b>Cash &amp; Short Term</b>	<b>2.2%</b>
<b>Investment Grade</b>	<b>90.5%</b>
Corporate Bonds and Bank Loans	44.9%
Government Bonds	19.5%
Structured Bonds	13.5%
Commercial Mortgage Loans	8.9%
Emerging Market Debt	3.7%
<b>High Yield</b>	<b>5.4%</b>
Corporate Bonds and Bank Loans	2.6%
Structured Bonds	0.9%
Commercial Mortgage Loans	0.3%
Emerging Market Debt	1.6%
<b>Private Debt/Equity</b>	<b>1.9%</b>
Mezzanine Debt & Real Estate JVs	1.9%
<b>Total</b>	<b>100%</b>

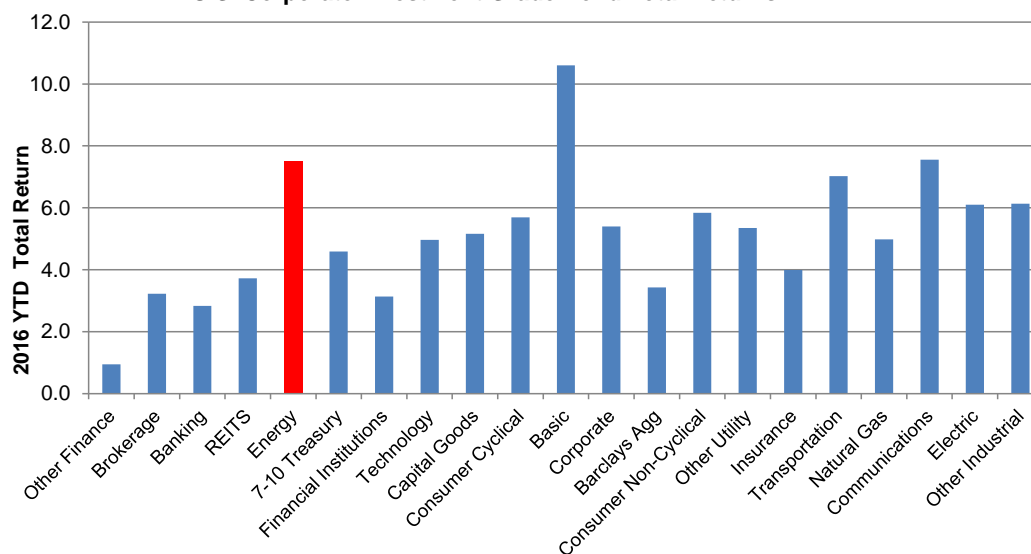
- Managed internally
  - Investment grade corporate bonds
  - Mortgage- and asset-backed securities
  - Commercial mortgage loans
  - Private equity and mezzanine debt
- Managed by external managers
  - Corporate high yield bonds
  - Emerging market high yield bonds
  - Middle-market bank loans
  - Higher risk mortgage-backed securities
  - Private placements
- 69% internal / 31% external

# Energy prices and RGA's exposure

Oil Price per Barrel



U.S. Corporate Investment Grade Bond Total Returns



- RGA's total energy exposure is \$2.54 billion (book value) / \$2.53 (market value)
  - 85% of total energy exposure is investment grade
  - 40% is in the midstream sector (pipeline/infrastructure companies) with less commodity price exposure
  
- The oil field services sector is most affected by the energy industry downturn
  - RGA's exposure is \$194 million; 80% is investment grade with low default risk
  - \$2.2 million unrealized loss
  - Although energy prices have firmed since the lows experienced in mid-February, we do not foresee significant appreciation over the next year. We expect to opportunistically reduce exposure to the energy sector

Note: Values as of April 29, 2016

# Rating distribution

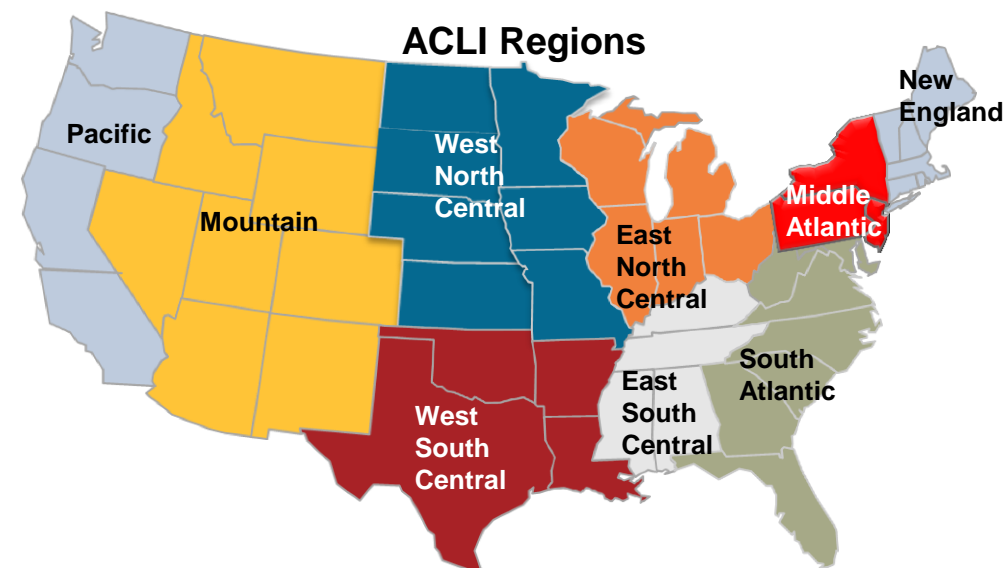
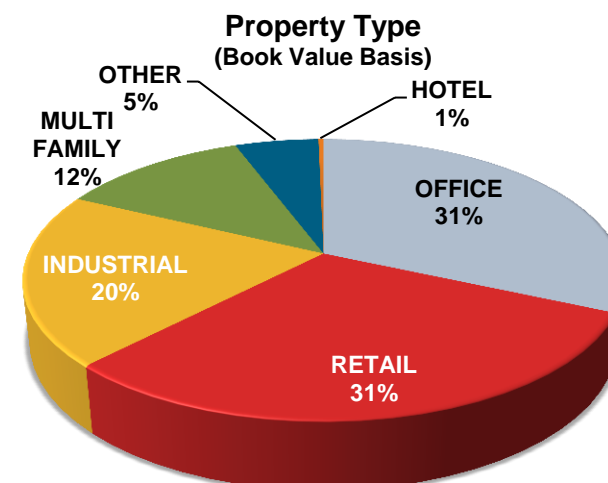
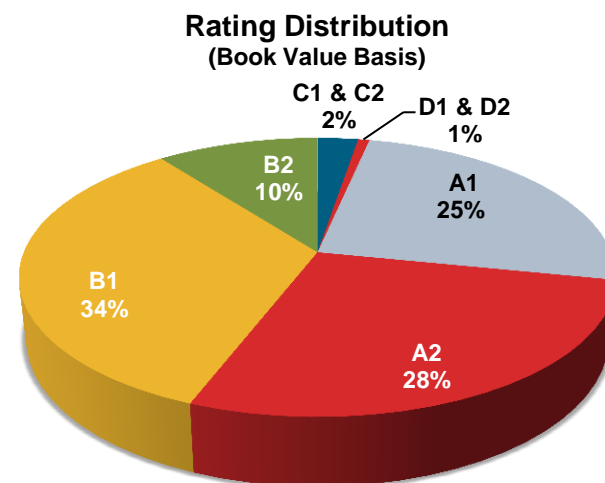
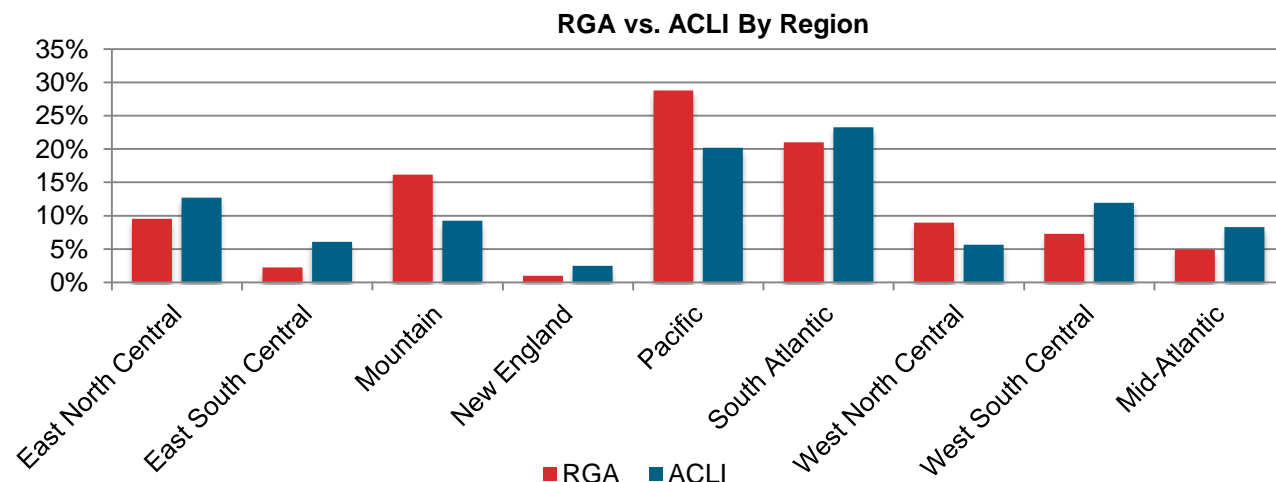
Rating	March 31, 2016	
	Market Value \$ in thousands	%
AAA-AA	\$ 13,455,103	32.2%
A	13,586,727	32.5%
BBB	11,809,440	28.2%
< BBB	2,067,577	4.9%
Not Rated	935,070	2.2%
<b>Total</b>	<b>\$ 41,853,917</b>	<b>100%</b>

- Credit rating distribution
  - Average credit rating has been stable
  - Rating distribution has been stable
- Credit distribution similar to life industry peers

# Commercial mortgage portfolio

As of March 31, 2016	
Total Book Value, net allowances (\$ in thousands)	\$ 3,292,496
Wtd. Avg. Coupon	4.65%
Wtd. Avg. Loan to Value	53%
Wtd. Avg. Debt Service Coverage Ratio	1.91x
Wtd. Avg. Internal Rating	A2/B1 (A- to BBB+)

(\$ in thousands)		
Portfolio performance	Balance	Percent
Current:	\$ 3,290,609	99.94%
60 Days:	1,887	0.06%
90 Days:	-	0%
>90 Days:	-	0%
In foreclosure:	-	0%
Total	\$ 3,292,496	100%



# Private investments

Category	Book Value \$ in thousands	% of Total	Estimated Market Value \$ in thousands	% of Total
Private Equity Funds	\$188,885	31.7%	\$221,760	33.0%
Private Debt Funds	105,465	17.7%	98,536	14.7%
Direct Private Debt & Equity	129,165	21.6%	125,148	18.6%
Real Estate Joint Ventures	172,859	29.0%	226,789	33.7%
<b>Total</b>	<b>\$596,374</b>	<b>100%</b>	<b>\$672,233</b>	<b>100%</b>

- Concentrate yield enhancement on areas of expertise: credit and real estate
- No exposure to hedge funds



# Governance

- Consolidated Investment Committee (CIC)
  - Members include the Executive Council and other senior executives
  - Meets quarterly to review investment activity and performance
  - Approves significant changes in investment strategy or risk position
- Investment Management Committee
  - Investment policy and process guidelines
  - Comprised of senior members of RGA Investments and Head of Investment Risk
  - Approves Investment Policy Statements, new investment strategies
- Alternative Investments Committee
  - Subcommittee for approval of private debt and equity transactions
  - Subcommittee for approval of equity real estate transactions

# Investment risk and compliance

## ■ Investments Risk Management Team

- Headed by mathematics Ph.D. with CFA / FSA / FRM designations
- Equipped with BlackRock's Aladdin risk and analytics systems and supported with proprietary risk analysis, monitoring, and reporting tools
- Produce monthly risk dashboard with standard risk measures (e.g., WARF, spread VAR, PBEC, key rate durations)
- Actively monitor emerging risks, engage in risk discussions across the investment team, and think “out of the box” to find unexpected correlations

## ■ Compliance

- Manage compliance rules and reporting
- Utilize BlackRock's Compliance Workbench
- Check pre-trade and post-trade compliance daily

# Looking forward

- Headwinds from low interest rates
  - Continue to seek additional sources of income
  - Balance need for yield with sound risk assessment
- Partnership with business units
  - Play integral role in new transaction activity
  - Bring expertise in portfolio design, asset liability management, and regulatory issues
- Investment platform development
  - Target third-party asset manager skill level
  - Add investment presence in Asia



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## Financial Overview

Jack B. Lay

*Senior Executive Vice President*

# Key messages

- Experienced Finance and ERM teams
- Strong financial results over an extended period of time; stable financial condition
- Prudent and effective capital management
- Attractive operating model
  - Less sensitive to financial market volatility
  - Conventional life insurance company investment portfolio
  - Balance and diversity of profits by geography and product

# Experienced executive management team

Name	Position	Years of Experience	
		In Industry <sup>1</sup>	With RGA <sup>2</sup>
Todd C. Larson	Sr. EVP, Chief Financial Officer	22	21
Jack B. Lay	Sr. EVP	24	24
Timothy Matson	EVP, Chief Investment Officer	22	2
Brad Barks	SVP, Global Asset Liability Management	35	2
John Hayden	SVP, Controller	27	20
Brian Haynes	SVP, Corporate Treasurer	18	4
Mark Hopfinger	SVP, Structured Finance	33	16
Jim Kellett	SVP, Valuation & Financial Analysis	32	8
Robert Lamarche	SVP, Global Risk Services	34	15
Paul Smith	SVP, Global Audit Services	21	5
Kent Zimmerman	SVP, Global Tax Director	32	24

<sup>1</sup> Includes experience in life insurance and life reinsurance industries.

<sup>2</sup> Includes experience with RGA's predecessor, the reinsurance division of General American Life Insurance Company.



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## **RGA's Track Record – Strong Financial Results**

# Strong financial history

**5-Year Average  
Operating ROE<sup>1</sup>**

**10.8%**

**5-Year Operating  
EPS<sup>1</sup> CAGR**

**6.5%**

**5-Year Operating  
Revenues<sup>1</sup> CAGR**

**4.7%**  
**6.7%**  
(in constant currencies)

**5-Year BVPS  
(ex-AOCI)<sup>1</sup> CAGR**

**9.8%**

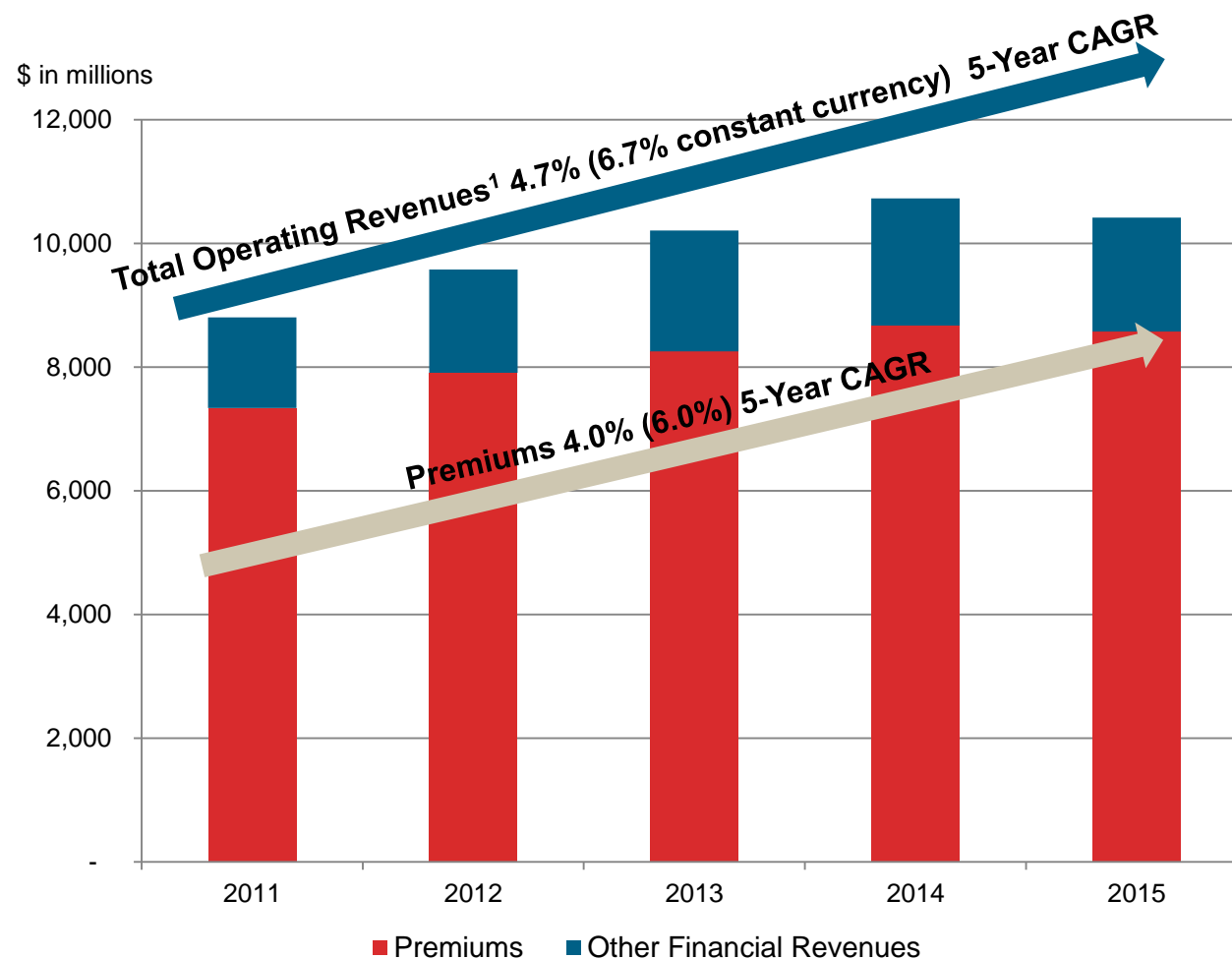
<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.



# Total operating revenues<sup>1</sup>

## Key Messages

- Consistent growth over time
- Good balance across mature and higher growth markets, products
- Weak foreign currencies have been a significant headwind in recent periods

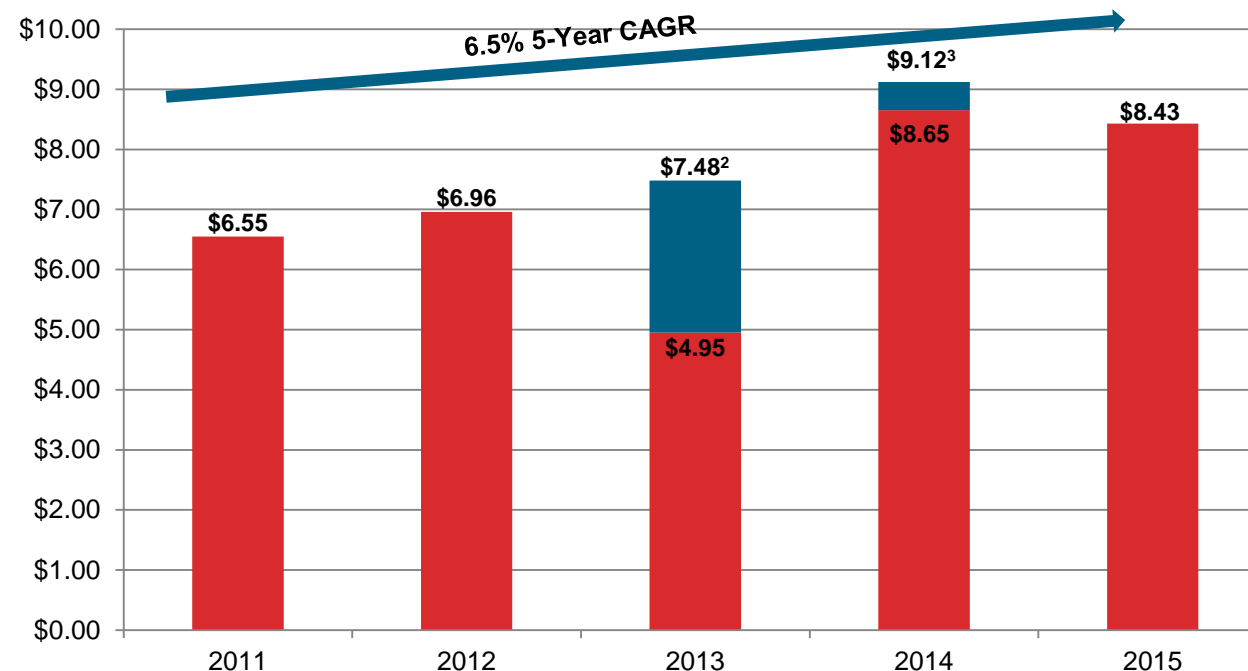


<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Operating income per diluted share<sup>1</sup>

## Key Messages

- Long track record of producing strong earnings
- 2013 results reflect charge for reserve strengthening in Australia
- 2014 results were unusually strong in part due to FIN 48 tax effects
- FX reduced earnings in 2013 (\$0.03), 2014 (\$0.17), and 2015 (\$0.53) compared to the previous year



Operating ROE <sup>1</sup>	12%	12%	7%	13%	11%
----------------------------	-----	-----	----	-----	-----

<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

<sup>2</sup> Full bar excludes 2Q13 Australia reserve strengthening.

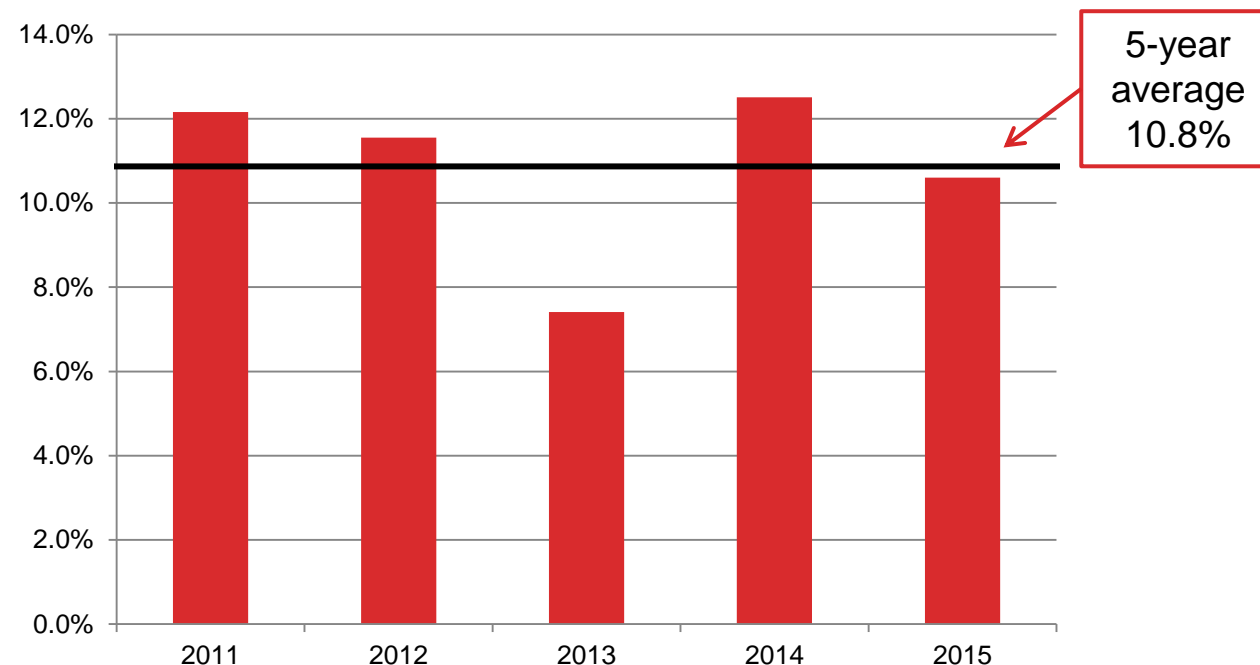
<sup>3</sup> Full bar includes \$0.47 of FIN 48 related tax benefits associated with closing five years of IRS examinations.

# Operating return on equity<sup>1</sup>

Successful track record despite macro headwinds

## Key Messages

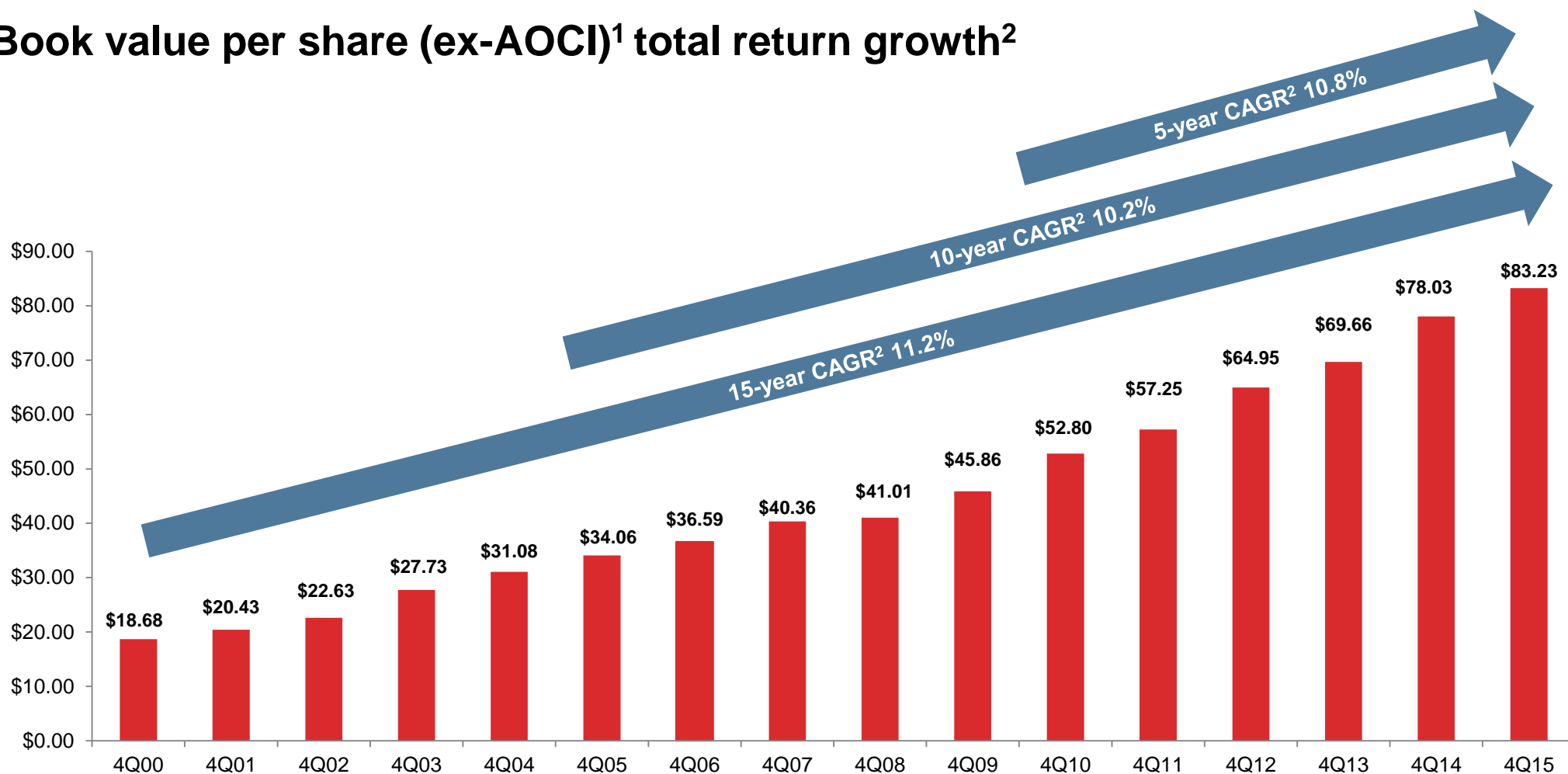
- 2013 results reflect charge for reserve strengthening in Australia
- Reflects ongoing headwinds from lower interest rates and stronger U.S. dollar



<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Long-term track record is the best measure of success

Book value per share (ex-AOCI)<sup>1</sup> total return growth<sup>2</sup>



<sup>1</sup>Book value excludes other comprehensive income. Periods prior to 4Q06 not restated for 2012 DAC accounting change. Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

<sup>2</sup>CAGR growth of book value plus dividends

# Book value growth ranking – last five years<sup>1</sup>

Book value per share (ex-AOCI) total return growth<sup>2</sup>



<sup>1</sup> CAGR growth of book value plus dividends. 2010-2015.

Source: SNL. This group represents all companies in the SNL U.S. Life/Health index that were publicly traded over the period and which represent at least 1% of the index, and includes (in alphabetical order): AEL, AFL, AIZ, CNO, GNW, HIG, LNC, MET, PFG, PRI, PRU, SYA, SFG, TMK, UNM.

<sup>2</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Excess capital – 2015 roll-forward

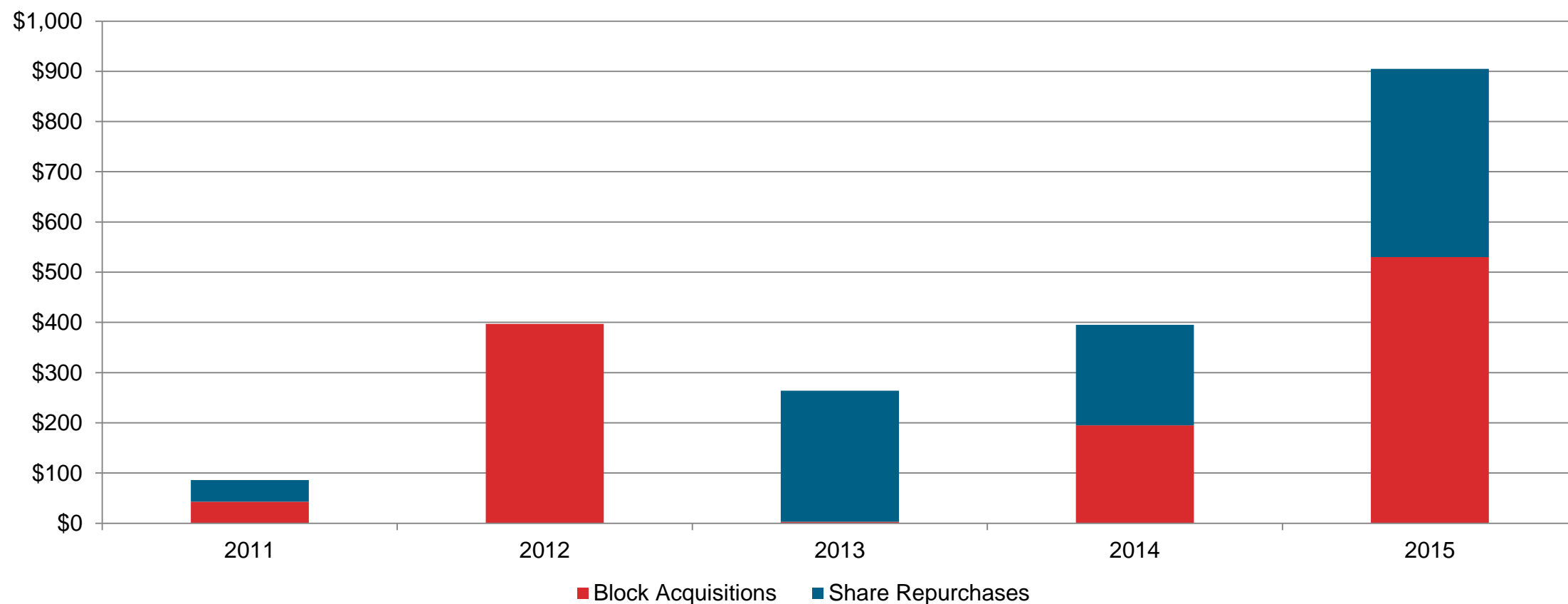
\$ in millions



<sup>1</sup> Deployed capital includes block acquisitions and organic growth.

# Deployment of excess capital

\$ in millions

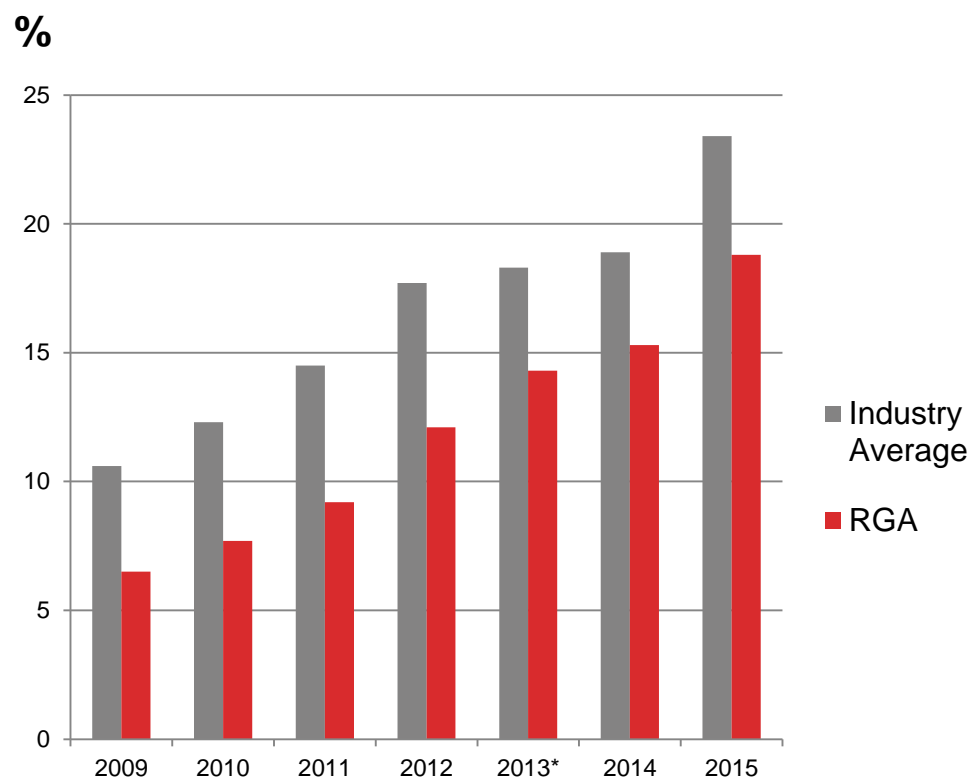


2011: Excludes shares repurchased in association with the redemption of convertible securities.  
2015: Includes acquisition of Aurora National, which closed April 1, 2015.

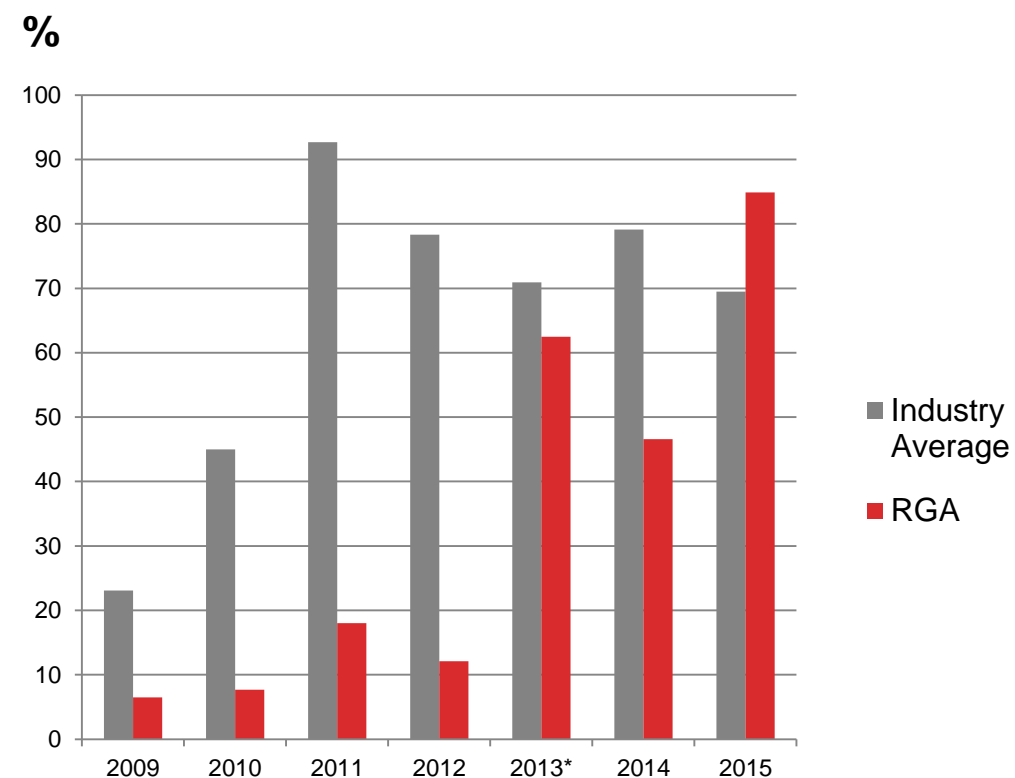
# Capital management

Five-year dividend per share CAGR = 13%

## Dividend Payout Ratio<sup>1</sup>



## Total Payout Ratio<sup>2</sup>



Source: SNL.

\* Based upon normalized earnings in 2013 before charge for strengthening reserves in Australia.

<sup>1</sup> Calculated as dividends divided by operating earnings.

<sup>2</sup> Calculated as the dividend payout ratio plus buyback payout ratio.





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## Financial Preview

Todd C. Larson

*Senior Executive Vice President, Chief Financial Officer*

# Financial preview

- Capital management philosophy
- Enterprise risk management
- Financial outlook
- Concluding thoughts

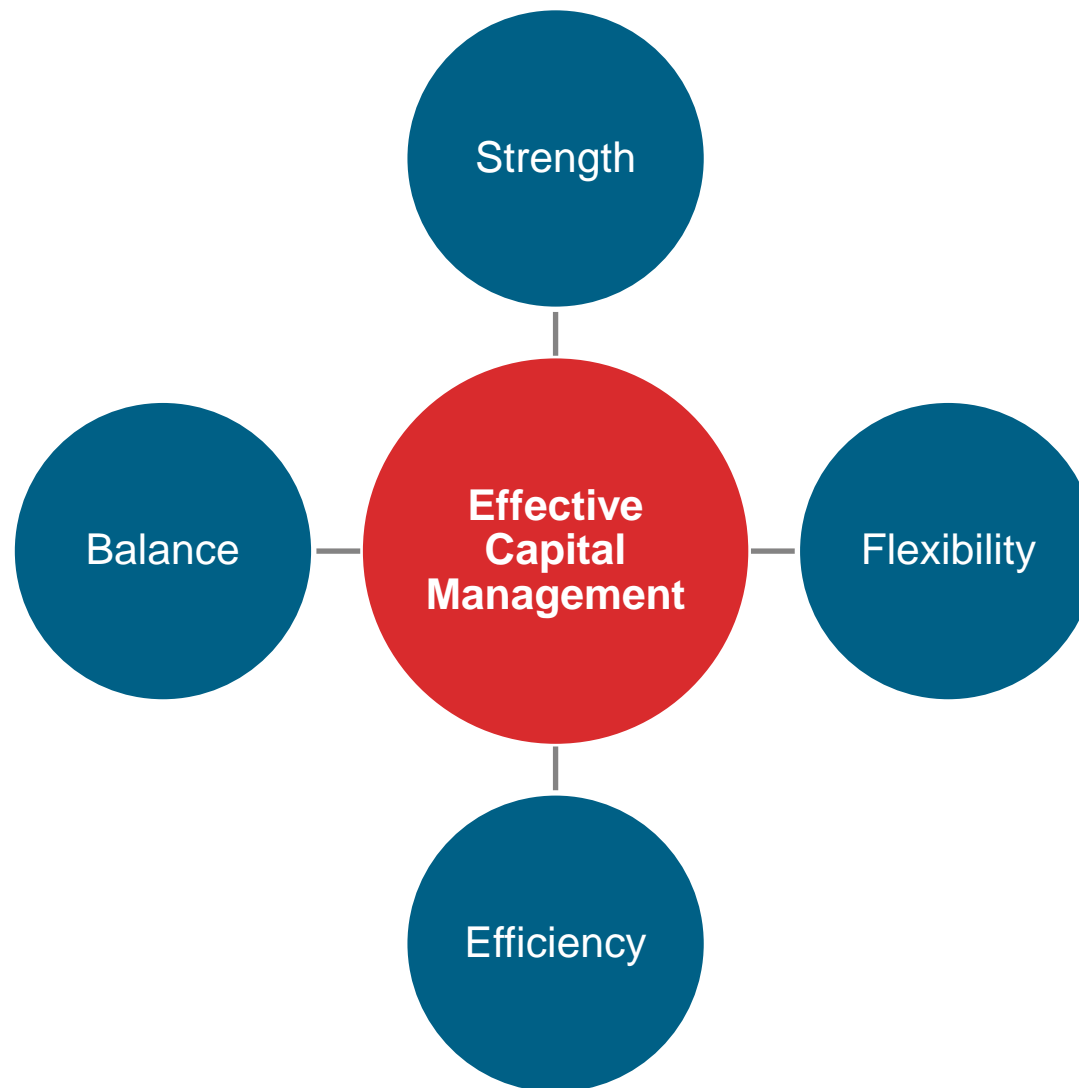


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## Capital Management Philosophy

# Capital management principles



# Capital management: Strength

- Consolidated excess capital position
  - Expected to generate \$300-\$400 million in excess capital on an annual basis
  - Target cushion: \$300-\$500 million; current level: \$500 million
  - Willing to tap into excess capital cushion to fund attractive opportunities
- Excess capital generation
  - Mature markets and entities are generating excess capital
  - Embedded capital at entity level is used for organic growth, acquisitions
- Solvency/liquidity
  - Strong credit and financial strength ratings
  - Holding company funds: approximately \$500 million at March 31, 2016

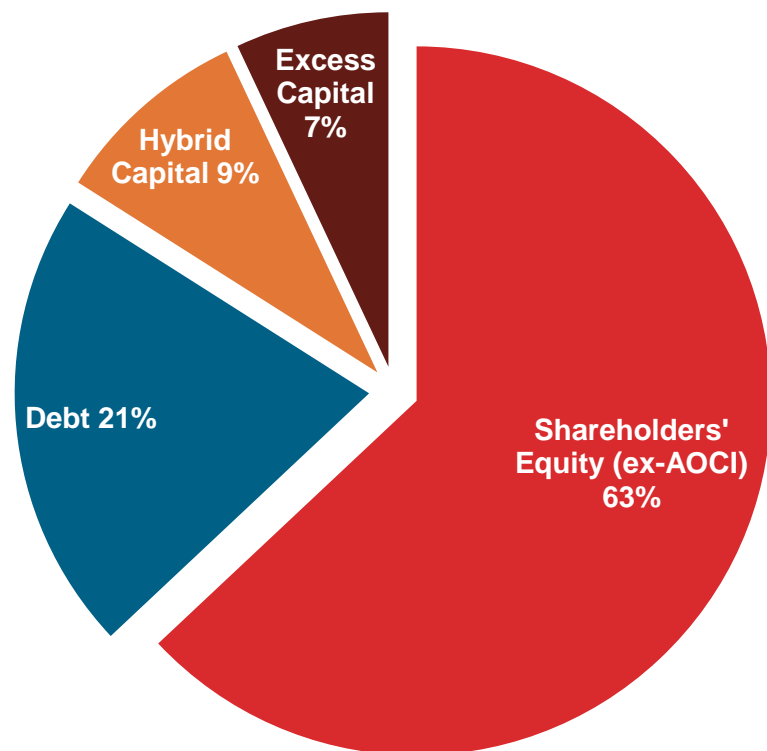
# Capital management: Flexibility

- Proven ability to raise capital in a variety of ways
  - Strong track record of accessing traditional capital markets
  - Executed embedded-value securitization and mortality retrocession transactions in 2014
  - Continue to explore alternative capital sources
- Ongoing, dynamic process
  - Consistent dividend increases
  - Ongoing assessment of in-force transaction pipeline
  - Share repurchases as appropriate

# Capital management: Efficiency

March 31, 2016 capitalization: \$7.7 billion<sup>1</sup>

## Current Capital Structure

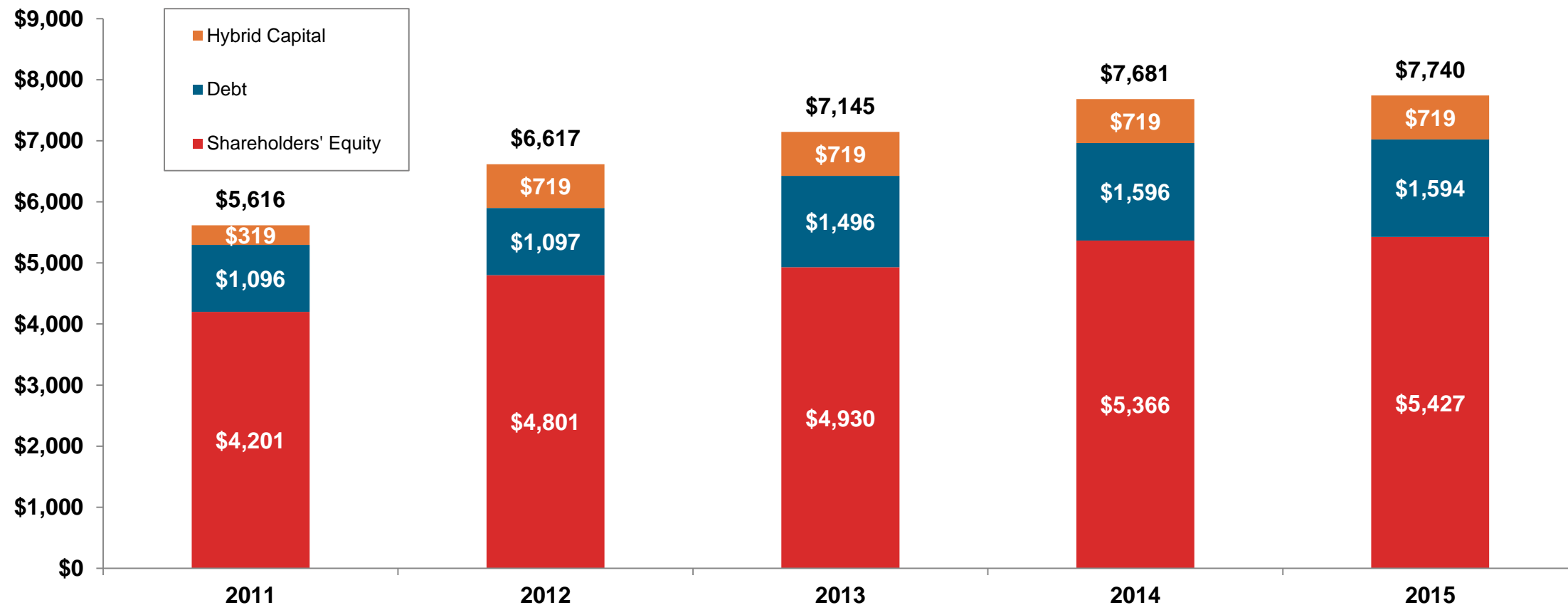


## Strategy

- Maintain an efficient, appropriate mix of capital
- Access debt and hybrid markets periodically to ladder maturities, minimize cost of capital and increase liquidity
- Deploy capital in a disciplined manner over time
- Maintain coverage and leverage ratios within target limits
- Consider various in-force management transactions

<sup>1</sup> Excludes accumulated other comprehensive income.

# Capital management: Efficiency



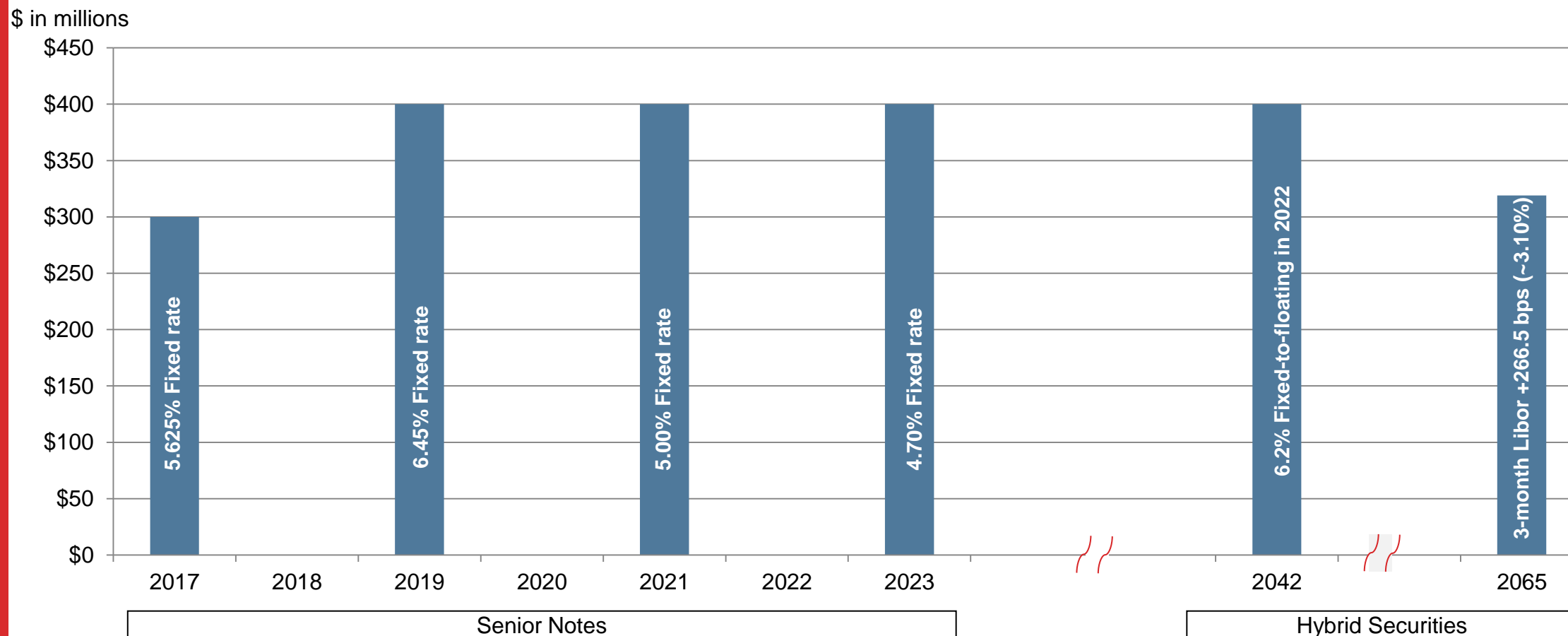
Debt to Total Capital	19.5%	16.6%	20.9%	20.8%	20.6%
Hybrid to Total Capital	5.7%	10.9%	10.1%	9.4%	9.3%

\$914 million Collateral finance and securitization notes not included in figures above.  
Shareholders' equity excludes AOCI.



# Capital management: Efficiency

## Efficient laddering of debt and hybrid securities



Other financing:

- Timberlake: \$480 million at Libor + 29 bps matures 2036.
- Embedded value securitization: \$282 million at 4.50% amortizes down by 2024.

# Capital management: Balance

- Well demonstrated capital management strategy affords balanced approach
  - Dividend payout of \$181 million over two years
  - Capital deployed into in-force block and other transactions: approximately \$700 million over two years
  - Share repurchases: approximately \$500 million over two years
  - Preference to deploy capital in support of *attractive* business opportunities/block acquisitions
- Multiple liquidity sources for holding company and operating entity needs
- Continue to balance the capital-related expectations of shareholders, bondholders, regulators and rating agencies



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## Enterprise Risk Management

# Enterprise Risk Management

- Well-established ERM function
  - Quarterly risk reporting at all levels of management including to the Board
  - Clear risk tolerances and limits control the company's risk exposures
  - Stress-testing identifies potential threats to company strategy
- RGA's risk profile has become more diversified over time
  - GFS and other non-traditional business are effective risk diversifiers
  - Newer risks are evaluated carefully
- Insurance liability profiles are diversified and well-understood
- Regulatory risk – RGA has demonstrated its ability to adapt to regulatory changes
- Quarterly earnings volatility by product line is not uncommon given the nature of our business
  - Tempered by enterprise-wide diversification
  - Tends to even out over the longer time periods



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## Financial Outlook

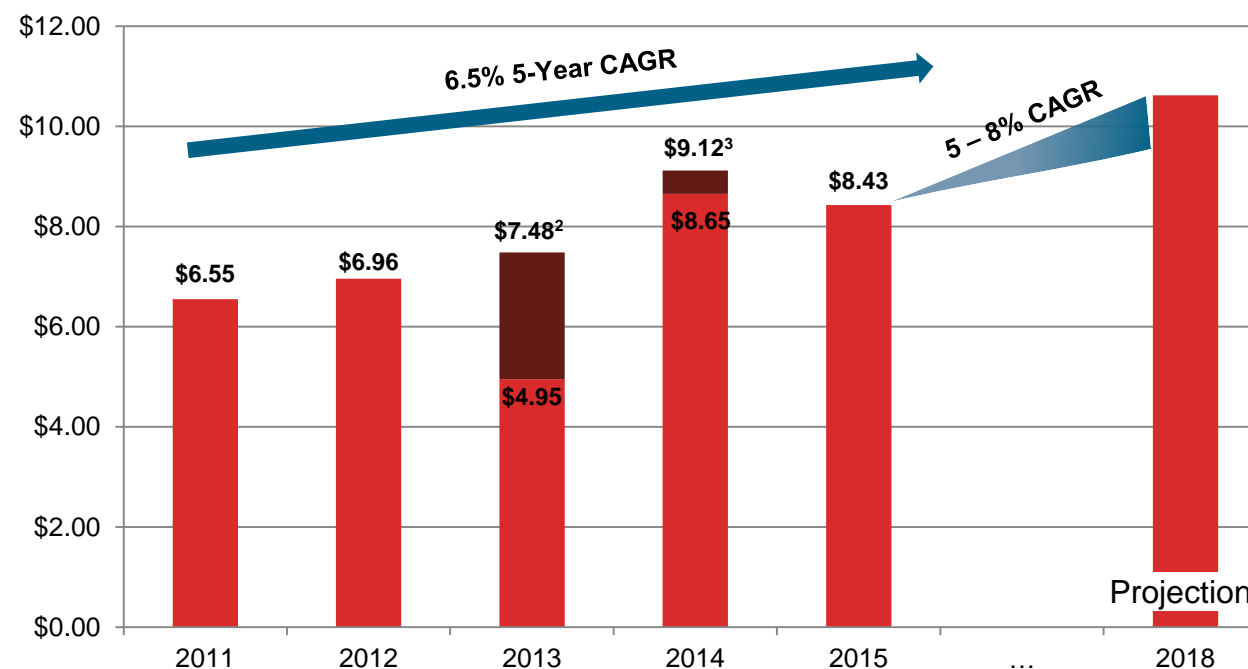
# Financial outlook: Key points

- Consistent approach going forward
- Solid organic growth + transactional opportunities + capital management
- Operating model is less sensitive to financial market volatility
- Headwinds from lower interest rates and foreign exchange are ongoing
- Intermediate guidance
  - 5%-8% EPS annual growth, based upon “normalized” results
  - 10%-12% annual operating ROE
- Excess capital position allows for flexibility

# Operating income per diluted share<sup>1</sup>

## Key Messages

- Solid organic growth
- Ongoing transactional opportunities
- Effective capital management
- Headwinds from low interest rates and FX are manageable over time
- Expect strong results to continue into the future



Operating ROE <sup>1</sup>	12%	12%	7%	13%	11%
----------------------------	-----	-----	----	-----	-----

<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

<sup>2</sup> Full bar excludes 2Q13 Australia reserve strengthening.

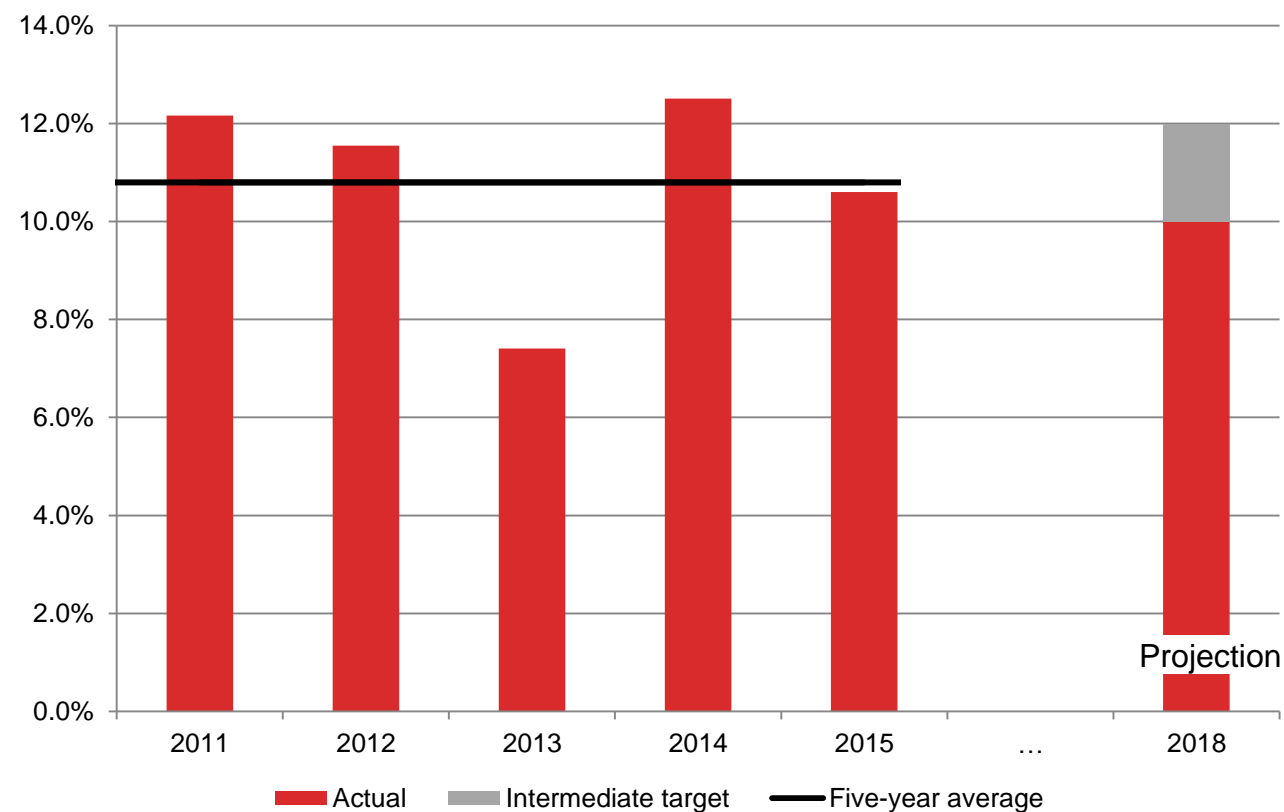
<sup>3</sup> Full bar includes \$0.47 of certain one-time tax benefits as tax liabilities for the recent five-year period were deemed unnecessary.

# Operating return on equity<sup>1</sup>

## Macro headwinds are manageable

### Key Messages

- Intermediate target: 10%-12%
- Potential positive influences
  - Higher interest rates
  - Growth of international businesses
  - Effective capital management
  - Continued execution of in-force blocks
  - Industry recovery in Australia
  - Weaker U.S. dollar



<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix. 2013 results reflect charge for reserve strengthening in Australia.





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## Concluding Thoughts

# What it means for investors

## RGA is an attractive investment opportunity

- Attractive strategic positioning leads to solid organic growth
- Strong financial results over time, excess capital generation, balanced approach to capital management
- Strong and flexible balance sheet, operating income is less sensitive to financial markets
- Solid organic growth + transactional opportunities + capital management

**= Attractive EPS Growth Potential, Total Returns**

# Key messages



**RGA** is unique



**RGA** is successfully executing its strategy



**RGA** is well-positioned for continued success



**RGA** is optimistic about the future



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## Appendix Non-GAAP Reconciliations

# Non-GAAP Reconciliations

\$ in millions

## U.S. & Latin America Traditional

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Revenue	4,553.4	4,882.0	5,115.9	5,283.3	5,465.0
Realized Capital (Gains) / Losses	(41.8)	0.3	(3.0)	(4.5)	0.2
Change in MV of Embedded Derivatives	(2.4)	2.0	(1.9)	3.1	(2.5)
Operating Revenue	<u>4,509.2</u>	<u>4,884.3</u>	<u>5,111.0</u>	<u>5,281.9</u>	<u>5,462.7</u>

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	367.2	374.4	377.6	351.6	235.8
Realized Capital (Gains) / Losses	(41.8)	0.3	(3.0)	(4.5)	0.2
Change in MV of Embedded Derivatives	(2.4)	2.0	(1.9)	3.1	(2.5)
Pre-tax Operating Income	<u>323.0</u>	<u>376.7</u>	<u>372.7</u>	<u>350.2</u>	<u>233.5</u>

## Total U.S. & Latin America

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Revenue	4,945.7	5,758.1	6,078.8	6,297.4	6,108.9
Realized Capital (Gains) / Losses	(253.2)	3.7	154.1	(95.3)	(25.9)
Change in MV of Embedded Derivatives	311.4	(219.6)	(212.2)	(69.1)	132.0
Operating Revenue	<u>5,003.9</u>	<u>5,542.2</u>	<u>6,020.7</u>	<u>6,133.0</u>	<u>6,215.0</u>

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	428.9	642.7	623.2	654.6	443.7
Realized Capital (Gains) / Losses <sup>(1)</sup>	(84.0)	(80.3)	128.3	56.6	(37.7)
Change in MV of Embedded Derivatives <sup>(1)</sup>	74.7	(43.7)	(167.1)	(109.6)	82.0
Pre-tax Operating Income	<u>419.6</u>	<u>518.7</u>	<u>584.4</u>	<u>601.6</u>	<u>488.0</u>

## GFS - Asset Intensive

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	26.8	231.9	192.5	274.9	189.1
Realized Capital (Gains) / Losses <sup>(1)</sup>	(4.5)	(67.3)	23.1	(14.1)	(9.9)
Change in MV of Embedded Derivatives <sup>(1)</sup>	41.1	(57.5)	(46.0)	(44.9)	49.3
Pre-tax Operating Income	<u>63.4</u>	<u>107.1</u>	<u>169.6</u>	<u>215.9</u>	<u>228.5</u>

<sup>(1)</sup> Net of DAC offset

# Non-GAAP Reconciliations

\$ in millions

## GFS - Capital Motivated Reinsurance

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	48.4	57.3	78.5	90.9	88.3
Realized Capital (Gains) / Losses	0.1	0.2	0.4	0.3	-
Pre-tax Operating Income	48.5	57.5	78.9	91.2	88.3

## GFS - Longevity Reinsurance

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	15.8	14.4	32.9	55.6	72.6
Realized Capital (Gains) / Losses <sup>(1)</sup>	(0.4)	(0.6)	(0.1)	(1.7)	(0.2)
Pre-tax Operating Income	15.4	13.8	32.8	53.9	72.4

## Total GFS

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	91.0	303.6	303.9	421.4	350.0
Realized Capital (Gains) / Losses <sup>(1)</sup>	(4.8)	(67.7)	23.4	(15.5)	(10.1)
Change in MV of Embedded Derivatives <sup>(1)</sup>	41.1	(57.5)	(46.0)	(44.9)	49.3
Pre-tax Operating Income	127.3	178.4	281.3	361.0	389.2

## Canada Operations

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Revenue	1,056.0	1,140.3	1,185.0	1,181.9	1,068.0
Realized Capital (Gains) / Losses	(21.8)	(27.6)	(16.6)	(3.2)	(0.3)
Operating Revenue	1,034.2	1,112.7	1,168.4	1,178.7	1,067.7

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	165.0	187.0	164.3	101.7	138.1
Realized Capital (Gains) / Losses	(21.8)	(27.7)	(16.6)	(3.2)	(0.4)
Pre-tax Operating Income	143.2	159.3	147.7	98.5	137.7

<sup>(1)</sup> Net of DAC offset

# Non-GAAP Reconciliations

\$ in millions

## Europe, Middle East & Africa Operations

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Revenue	1,161.5	1,275.1	1,305.0	1,557.8	1,477.4
Realized Capital (Gains) / Losses	(5.9)	(11.1)	(3.5)	(24.7)	(10.5)
Loss on Non-investment Derivatives	-	-	-	(0.5)	(0.2)
Operating Revenue	1,155.6	1,264.0	1,301.5	1,532.6	1,466.7

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	69.3	61.0	74.6	161.6	156.9
Realized Capital (Gains) / Losses	(5.9)	(11.1)	(3.5)	(24.7)	(10.5)
Non-investment Derivatives	-	-	-	(0.5)	(0.2)
Pre-tax Operating Income	63.4	49.9	71.1	136.4	146.2

## Asia-Pacific Operations

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Revenue	1,488.1	1,557.3	1,610.6	1,756.7	1,694.9
Realized Capital (Gains) / Losses	(3.1)	(8.4)	8.3	4.4	2.9
Operating Revenue	1,485.0	1,548.9	1,618.9	1,761.1	1,697.8

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	52.7	52.0	(226.6)	102.3	125.3
Realized Capital (Gains) / Losses	(3.2)	(8.4)	8.3	4.4	2.9
Pre-tax Operating Income	49.5	43.6	(218.3)	106.7	128.2

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Australia Operating Revenue	810.2	844.7	875.4	890.4	772.4
Asia (excl. Australia) Operating Revenue	674.8	704.2	743.5	870.7	925.4
Asia-Pacific Operating Revenue	1,485.0	1,548.9	1,618.9	1,761.1	1,697.8

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Australia Pre-tax Operating Income	(11.8)	(32.7)	(302.5)	(8.9)	20.8
Asia (excl. Australia) Pre-tax Operating Income	61.3	76.3	84.2	115.6	107.4
Asia-Pacific Pre-tax Operating Income	49.5	43.6	(218.3)	106.7	128.2

# Non-GAAP Reconciliations

\$ in millions

## Corporate & Other Segment

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Revenue	178.1	110.2	138.8	110.4	68.9
Realized Capital (Gains) / Losses	13.3	(2.1)	6.5	10.3	67.0
Gain on Debt Repurchase	(65.6)	-	(46.5)	-	-
Loss on Non-investment Derivatives	-	-	-	0.1	0.1
Operating Revenue	125.8	108.1	98.8	120.8	136.0

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	47.7	(23.5)	(0.2)	(11.7)	(119.1)
Realized Capital (Gains) / Losses	13.4	(2.0)	6.4	10.3	67.0
Gain on Debt Repurchase	(65.6)	-	(46.5)	-	-
Loss on Retirement of PIERS	4.4	-	-	-	-
Non-investment Derivatives	-	-	-	0.1	0.1
Pre-tax Operating Income	(0.1)	(25.5)	(40.3)	(1.3)	(52.0)

## RGA Consolidated

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Revenue	8,829.5	9,840.9	10,318.3	10,904.2	10,418.2
Realized Capital (Gains) / Losses	(270.8)	(45.6)	148.7	(108.5)	33.2
Change in MV of Embedded Derivatives	311.4	(219.6)	(212.2)	(69.1)	132.0
Gain on Debt Repurchase	(65.6)	-	(46.5)	-	-
Loss on Non-investment Derivatives	-	-	-	(0.4)	(0.1)
Operating Revenue	8,804.5	9,575.7	10,208.3	10,726.2	10,583.3

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Pre-Tax Income - Cont Ops	763.6	919.2	635.3	1,008.5	744.8
Realized Capital (Gains) / Losses <sup>(1)</sup>	(101.5)	(129.5)	122.9	43.4	21.4
Change in MV of Embedded Derivatives <sup>(1)</sup>	74.7	(43.7)	(167.1)	(109.6)	82.0
Gain on Debt Repurchase	(65.6)	-	(46.5)	-	-
Loss on Retirement of PIERS	4.4	-	-	-	-
Non-investment Derivatives	-	-	-	(0.4)	(0.1)
Pre-tax Operating Income	675.6	746.0	544.6	941.9	848.1

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP After-Tax Income - Cont Ops	546.0	631.9	418.8	684.0	502.2
Realized Capital (Gains) / Losses <sup>(1)</sup>	(69.2)	(87.1)	78.4	25.5	11.7
Change in MV of Embedded Derivatives <sup>(1)</sup>	48.6	(28.4)	(108.6)	(71.2)	53.3
Gain on Debt Repurchase	(42.6)	-	(30.2)	-	-
Loss on Retirement of PIERS	2.8	-	-	-	-
Non-investment Derivatives	-	-	-	(0.3)	(0.1)
After-tax Operating Income	485.6	516.4	358.4	638.0	567.1

<sup>(1)</sup> Net of DAC offset



# Non-GAAP Reconciliations

\$ in millions

## Consolidated EPS Reconciliation

Per Diluted Share Basis

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Net Income	\$ 7.37	\$ 8.52	\$ 5.78	\$ 9.78	\$ 7.46
Realized Capital (Gains) / Losses	(0.94)	(1.18)	1.09	0.36	0.18
Change in MV of Embedded Derivatives	0.65	(0.38)	(1.50)	(1.02)	0.79
Gain on Debt Repurchase	(0.57)	-	(0.42)	-	-
Loss of Retirement of PIERS	0.04	-	-	-	-
Operating EPS from Cont. Operations	\$ 6.55	\$ 6.96	\$ 4.95	\$ 9.12	\$ 8.43

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Stockholders' Equity	\$ 5,818.7	\$ 6,910.2	\$ 5,935.5	\$ 7,023.5	\$ 6,135.4
FAS 115 Equity Adjustment	1,419.3	1,877.6	820.2	1,624.8	935.7
Foreign Currency Adjustment	229.8	267.5	207.1	81.8	(181.1)
Unrealized Pension	(31.0)	(36.2)	(21.7)	(49.5)	(46.3)
Equity Excluding AOCI	\$ 4,200.6	\$ 4,801.3	\$ 4,929.9	\$ 5,366.4	\$ 5,427.1

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GAAP Stockholders' Average Equity	\$ 5,140.1	\$ 6,328.0	\$ 6,308.9	\$ 6,515.7	\$ 6,606.6
FAS 115 Average Equity Adjustment	914.6	1,636.9	1,290.2	1,282.3	1,362.4
Foreign Currency Adjustment	249.1	252.3	216.8	158.5	(53.7)
Unrealized Pension	(17.4)	(31.2)	(32.4)	(26.6)	(47.6)
Average Equity Excluding AOCI	\$ 3,993.8	\$ 4,470.0	\$ 4,834.3	\$ 5,101.5	\$ 5,345.5

Operating ROE - GAAP Stockholders' Equity	9%	8%	6%	10%	9%
Operating ROE - Excluding AOCI	12%	12%	7%	13%	11%

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>1Q16</u>
Book value per share	\$ 17.51	\$ 20.30	\$ 24.72	\$ 31.33	\$ 36.50	\$ 41.38	\$ 43.64	\$ 48.70	\$ 33.54	\$ 49.87	\$ 64.96	\$ 79.31	\$ 93.47	\$ 83.87	\$ 102.53	\$ 94.09	\$ 104.88
Less: effect of FAS 115	(0.85)	(0.01)	2.08	2.74	3.92	5.92	5.46	5.05	(7.62)	1.43	8.88	19.35	25.40	11.59	23.63	14.35	23.15
Less: effect of CTA	(0.32)	(0.12)	0.01	0.86	1.50	1.40	1.77	3.43	0.35	2.80	3.48	3.13	3.62	2.93	1.19	(2.78)	(1.61)
Less: effect of Pension Benefit	-	-	-	-	-	-	(0.18)	(0.14)	(0.20)	(0.22)	(0.20)	(0.42)	(0.50)	(0.31)	(0.32)	(0.71)	(0.77)
Book value per share excluding AOCI	\$ 18.68	\$ 20.43	\$ 22.63	\$ 27.73	\$ 31.08	\$ 34.06	\$ 36.59	\$ 40.36	\$ 41.01	\$ 45.86	\$ 52.80	\$ 57.25	\$ 64.95	\$ 69.66	\$ 78.03	\$ 83.23	\$ 84.11

Periods prior to 2006 not restated for 2012 DAC accounting change.

# RGIA