Reinsurance Group of America Announces Pricing of Subordinated Debentures

September 15, 2022

ST. LOUIS--(BUSINESS WIRE)--Sep. 15, 2022-- Reinsurance Group of America, Incorporated (NYSE: RGA) (the "Company") announced today that it has priced an aggregate principal amount of $700 million of 7.125% fixed-rate reset subordinated debentures due 2052 (the "2052 Debentures") pursuant to a public offering. Wells Fargo Securities, LLC, BofA Securities, Inc., HSBC Securities (USA) Inc., J.P. Morgan Securities LLC, MUFG Securities Americas Inc. and RBC Capital Markets, LLC are acting as the joint book-running managers for the offering, and KeyBanc Capital Markets Inc., Mizuho Securities USA LLC and SMBC Nikko Securities America, Inc. are serving as co-managers.

The 2052 Debentures have a 30-year maturity, an issue price of $25 per debenture and feature an initial fixed-rate coupon of 7.125 percent, payable quarterly in arrears commencing on, and including, September 23, 2022, to, but excluding October 15, 2027 (the "First Reset Date"). Commencing on the First Reset Date, the interest rate resets at each five-year reset period to the five-year treasury rate plus 3.456 percent, payable quarterly in arrears to the maturity date unless earlier redeemed or repaid. The Company expects to complete the offering of the 2052 Debentures on or about September 23, 2022, subject to customary closing conditions.

The Company intends to use the net proceeds from the offering to repurchase all $400 million aggregate principal amount of the Company's 6.20% fixed-to-floating rate subordinated debentures due 2042 ("2042 Debentures") validly tendered (and not validly withdrawn) and accepted for purchase pursuant to a cash tender offer announced separately today, to redeem any remaining 2042 Debentures in accordance with the indenture governing the 2042 Debentures and to pay any related fees and expenses in connection with the cash tender offer and redemption. Completion of the tender offer is contingent on completion of this offering. The Company intends to use the remaining net proceeds from the offering for general corporate purposes. The foregoing does not constitute a notice of redemption or an obligation to issue a notice of redemption for the 2042 Debentures, which notice would be issued pursuant to the requirements set forth in the indenture governing the 2042 Debentures.

This offering is being conducted as a public offering by means of a prospectus supplement filed as part of a shelf registration statement previously filed with the Securities and Exchange Commission ("SEC") on Form S-3. This news release does not constitute an offer to sell or the solicitation of an offer to buy the 2052 Debentures nor shall there be any sale of the 2052 Debentures in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. This offering is being made solely by means of a prospectus and prospectus supplement.

Copies of the prospectus and final prospectus supplement, when available, relating to the offering may be obtained by contacting: Wells Fargo Securities, LLC, 608 2nd Avenue South, Suite 1000, Minneapolis, Minnesota 55402, Attention: WFS Customer Service, by telephone at (800) 645-3751 or by e-mail at wfscustomerservice@wellsfargo.com; BofA Securities, Inc., 200 North College Street, NC1-004-03-43, Charlotte, North Carolina, 28255, Attention: Prospectus Department, by telephone at 1-800-294-1322 or by e-mail at dg.prospectus_requests@bofa.com; HSBC Securities (USA) Inc., 452 Fifth Avenue, New York, New York 10018, Attention: Transaction Management, by telephone at (866) 811-8049; J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179, Attention: Investment Grade Syndicate Desk, by telephone at (212) 834-4533 or by fax at (212) 834-6081; MUFG Securities Americas Inc., 1221 Avenue of the Americas, 6th Floor, New York, New York 10020, Attention: Capital Markets Group, by telephone at (877) 649-6848; or RBC Capital Markets, LLC, 200 Vesey Street, 8th Floor, New York, New York 10281, Attention: Transaction Management, by telephone at 1-866-375-6829. Before you invest, you should read the prospectus and the final prospectus supplement, when available, and the documents which are incorporated by reference therein for more complete information about the offering. Investors may also obtain these documents for free by visiting the EDGAR system on the SEC's website at www.sec.gov or by contacting the underwriters with your request.

About RGA

Reinsurance Group of America, Incorporated (NYSE: RGA) is a global industry leader specializing in life and health reinsurance and financial solutions that help clients effectively manage risk and optimize capital. Founded in 1973, RGA is one of the world's largest and most respected reinsurers and is guided by a fundamental purpose: to make financial protection accessible to all. RGA is widely recognized for superior risk management and underwriting expertise, innovative product design, and dedicated client focus. RGA serves clients and partners in key markets around the world and has approximately $3.4 trillion of life reinsurance in force and assets of $84.6 billion as of June 30, 2022.

Cautionary Note 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 future operations, strategies, earnings, revenues, income or loss, ratios, financial performance and growth potential of the Company. Forward-looking statements often contain words and phrases such as "believe," "expect," "anticipate," "may," "could," "intend," "intent," "belief," "estimate," "project," "plan," "predict," "foresee," "likely," "will" and other similar expressions. Forward-looking statements are based on management's current expectations and beliefs concerning future developments and their potential effects on the Company. Forward-looking statements are not a guarantee of future performance and are 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.

The effects of the COVID-19 pandemic and the response thereto on economic conditions, the financial markets and insurance risks, and the resulting effects on the Company's financial results, liquidity, capital resources, financial metrics, investment portfolio and stock price, could cause actual results and events to differ materially from those expressed or implied by forward-looking statements. Further, any estimates, projections, illustrative scenarios or frameworks used to plan for potential effects of the pandemic are dependent on numerous underlying assumptions and estimates that may not materialize. Additionally, numerous other important factors (whether related to, resulting from or exacerbated by the COVID-19 pandemic or otherwise) could also cause results and events to differ materially from those expressed or implied by forward-looking statements, including, without limitation: (1) adverse changes in mortality, morbidity, lapsation or claims experience, (2) inadequate risk analysis and underwriting, (3) adverse capital and credit market conditions and their impact on the Company's liquidity, access to capital and cost of capital, (4) 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, (5) the availability and cost of collateral necessary for regulatory reserves and capital, (6) requirements to post collateral or make payments due to declines in market value of assets subject to the Company's collateral arrangements, (7) action by regulators who have authority over the Company's reinsurance operations in the jurisdictions in which it operates, (8) the effect of the Company parent's status as an insurance holding company and regulatory restrictions on its ability to pay principal of and interest on its debt obligations, (9) general economic conditions or a prolonged economic downturn affecting the demand for insurance and reinsurance in the Company's current and planned markets, (10) the impairment of other financial institutions and its effect on the Company's business, (11) fluctuations in U.S. or foreign currency exchange rates, interest rates, or securities and real estate markets, (12) 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, (13) market or economic conditions that adversely affect the Company's ability to make timely sales of investment securities, (14) 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, (15) the fact that the determination of allowances and impairments taken on the Company's investments is highly subjective, (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 U.S. sovereign debt and the credit ratings thereof, (17) 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, (18) financial performance of the Company's clients, (19) the threat of natural disasters, catastrophes, terrorist attacks, epidemics or pandemics anywhere in the world where the Company or its clients do business, (20) competitive factors and competitors' responses to the Company's initiatives, (21) development and introduction of new products and distribution opportunities, (22) execution of the Company's entry into new markets, (23) integration of acquired blocks of business and entities, (24) 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 and intellectual property stored on such systems, (25) adverse litigation or arbitration results, (26) the adequacy of reserves, resources and accurate information relating to settlements, awards and terminated and discontinued lines of business, (27) changes in laws, regulations, and accounting standards applicable to the Company or its business, including Long Duration Targeted Improvement accounting changes and (28) other risks and uncertainties described in the Company's other filings with the SEC.

Forward-looking statements should be evaluated together with the many risks and uncertainties that affect the Company's business, including those mentioned in this document and described in the periodic reports the Company files with the SEC. These forward-looking statements speak only as of the date on which they are made. The Company does not undertake any obligation to update these forward-looking statements, even though the Company's situation may change in the future. For a discussion of these risks and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements, you are advised to see Item 1A - "Risk Factors" in the Company's 2021 Annual Report on Form 10-K, as may be supplemented by Item 1A - "Risk Factors" in the Company's subsequent Quarterly Reports on Form 10-Q.

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Source: Reinsurance Group of America, Incorporated