



Reinsurance Group of America Reports Increases in Revenues and Earnings

October 24, 2002

ST. LOUIS, Oct 24, 2002 (BUSINESS WIRE) -- Reinsurance Group of America, Incorporated (NYSE:RGA), one of North America's leading providers of life reinsurance, reported net income for the third quarter, including capital gains and losses and related deferred acquisition costs and discontinued operations, of \$33.6 million, or \$0.68 per diluted share, compared with \$9.0 million, or \$0.18 per diluted share in the prior year. Operating earnings from continuing operations totaled \$35.2 million, or \$0.71 per diluted share, and excluded \$0.5 million, after tax, in net capital losses and related deferred acquisition costs and a \$1.1 million after-tax loss associated with the company's discontinued accident and health segment. Operating earnings from continuing operations in the prior year totaled \$25.7 million, or \$0.52 per diluted share, and excluded \$16.7 million, after tax, in net capital losses and related deferred acquisition costs.

Third-quarter net premiums increased 18 percent, to \$455.7 million from \$387.8 million the year before. Consolidated net investment income decreased 9 percent, to \$82.5 million from \$90.7 million. This decrease is primarily a result of reduced investment performance on spread-based annuity business. The reduced investment performance is largely offset by a decrease in the interest credited on the business.

"We are pleased to report a strong third quarter," said A. Greig Woodring, president and chief executive officer. "On a consolidated basis, our results exceeded our expectations on both a top and bottom line basis. Our consolidated results continue to reflect good growth in our largest segment, the U.S., augmented by strong growth in certain international markets, primarily the UK and Asia Pacific."

Woodring continued, "Net premiums for the U.S. segment increased to \$318.3 million, or 14 percent, from \$280.0 million in the prior-year quarter, driven by production in our traditional business. On a year-to-date basis, net premiums in the U.S. have increased 15 percent. Pre-tax operating income for the quarter was \$53.5 million compared with \$35.9 million a year ago. The prior-year result includes \$16 million in pretax loss associated with the September 11 terrorist attacks. Mortality results were better relative to our expectations and the comparable prior-year quarter, excluding the effect of the terrorist attacks. Somewhat offsetting the good mortality was a \$3.0 million pretax loss on an annuity treaty due primarily to higher than expected lapse experience.

"Premiums in Canada totaled \$41.9 million, approximately 5 percent ahead of a year ago. As expected, we have experienced a slowdown in growth in the Canadian market. Pre-tax operating income for the quarter was \$8.5 million compared with \$8.8 million a year ago.

"Our operations in Asia Pacific, Europe and South Africa continue to grow at a strong pace. For the quarter, these operations reported net premiums of \$95.0 million, an increase of 62 percent from the prior-year quarter. We continue to experience particularly strong premium growth in the UK market, where we have several large treaties in place. Pre-tax operating income for Asia Pacific, Europe and South Africa totaled \$4.0 million for the quarter compared with \$2.2 million a year ago.

"We continue to see diminished business levels in our Latin America operations. For the quarter, the Latin America operations reported a pre-tax operating loss of \$1.2 million, as premiums diminished to less than \$1.0 million. We do not expect these operations to meaningfully affect future results."

Woodring concluded, "We are encouraged by the results for the third quarter and year-to-date, particularly given the difficult economic environment. The fundamentals of our business remain intact and we are executing a business plan that we believe will further our growth in the years to come."

For the first nine months of 2002, the company reported net income of \$89.4 million compared with \$61.1 million in the prior year. Operating earnings from continuing operations for the first nine months of 2002 totaled \$101.4 million and excluded \$8.0 million, after tax, in net capital losses and related deferred acquisition costs, goodwill write-off of \$0.7 million and a \$3.3 million after-tax loss associated with the company's discontinued accident and health segment. Operating earnings from continuing operations in the prior year totaled \$84.9 million, and excluded \$23.8 million, after tax, in net capital losses and related deferred acquisition costs. Operating earnings per diluted share from continuing operations totaled \$2.04 compared with \$1.70 the year before. Net premiums totaled \$1,390.1 million compared with \$1,179.7 million the year before.

The company announced that its board of directors declared a regular quarterly dividend of \$0.06 per share, payable November 26 to shareholders of record as of November 5.

A conference call to discuss the company's third quarter results will begin at 9:00 a.m. Eastern Time on Friday October 25. Interested parties may access the call by dialing 800-967-7140 (domestic) or 719-457-2629 (international). The access code is 771464. A live audio webcast of the conference call will be available on the company's investor relations web page at www.rgare.com. A replay of the conference call will be available at the same address for ten days following the conference call. A replay of the conference call will also be available via telephone through November 1 at 888-203-1112, access code 771464.

Reinsurance Group of America, Incorporated, through its subsidiaries, RGA Reinsurance Company and RGA Life Reinsurance Company of Canada, is among the largest providers of life reinsurance in North America. In addition to its North American operations, Reinsurance Group of America, Incorporated has subsidiary companies or branch offices in Argentina, Australia, Barbados, Spain, Mexico, Hong Kong, India, Japan, Korea, Taiwan, South Africa and the United Kingdom. Worldwide, the Company has approximately \$715 billion of life reinsurance in force, and assets of \$7.7 billion. Metropolitan Life Insurance Company is the beneficial owner of approximately 59 percent of RGA's outstanding shares.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995,

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

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

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

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

(Unaudited)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2002	2001	2002	2001
Revenues:				
Net premiums	\$455,750	\$387,825	\$1,390,113	\$1,179,746
Investment income, net				
of related expenses	82,499	90,693	260,779	251,058
Realized investment gains/				
(losses), net	1,066	(26,324)	(10,951)	(35,356)
Other revenues	10,839	5,922	27,734	21,850
Total revenues	550,154	458,116	1,667,675	1,417,298
Benefits and expenses:				
Claims and other policy				
benefits	342,301	314,882	1,096,797	954,652
Interest credited	22,156	32,639	79,777	79,590
Policy acquisition costs				
and other insurance				
expenses	96,303	70,672	252,606	203,947
Other operating expenses	26,358	22,802	67,734	66,880
Interest expense	9,006	4,431	26,475	13,719
Total benefits				
and expenses	496,124	445,426	1,523,389	1,318,788
Income from continuing				
operations before				
income taxes	54,030	12,690	144,286	98,510
Provision for income				
taxes	19,307	3,705	51,603	37,369
Income from continuing				
operations	34,723	8,985	92,683	61,141
Discontinued operations:				
Loss from discontinued				
accident and health				
operations, net of				
income taxes	(1,135)	-	(3,264)	-
Net income	\$ 33,588	\$ 8,985	\$ 89,419	\$ 61,141

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Condensed Consolidated Statements of Income
(Dollars in thousands, except per share data)

(Unaudited)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2002	2001	2002	2001
Earnings per share from continuing operations:				
Basic earnings per share	\$ 0.70	\$ 0.18	\$ 1.88	\$ 1.24
Diluted earnings per share	\$ 0.70	\$ 0.18	\$ 1.87	\$ 1.22
Diluted earnings before realized investment gains/ (losses) and related deferred acquisition costs and goodwill writeoff	\$ 0.71	\$ 0.52	\$ 2.04	\$ 1.70
Earnings per share from net income:				
Basic earnings per share	\$ 0.68	\$ 0.18	\$ 1.81	\$ 1.24
Diluted earnings per share	\$ 0.68	\$ 0.18	\$ 1.80	\$ 1.22
Weighted average number of common and common equivalent shares outstanding (in thousands)				
	49,639	49,970	49,683	49,922

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES

Condensed Consolidated Business Summary

(Unaudited)	At or For the Nine Months Ended September 30,	
	2002	2001
Gross life reinsurance in force (in billions)		
North American business	\$ 584.0	\$ 519.2
International business	130.8	66.6
Gross life reinsurance written (in billions)		
North American business	110.4	78.1
International business	50.0	36.3
Consolidated cash and invested assets (in millions)		
	5,934.0	4,931.1
Invest Asset book yield - trailing three months excluding funds withheld		
	6.59%	6.99%
Investment portfolio mix		
Cash and short-term investments	2.28%	4.83%
Fixed maturity securities	56.43%	54.30%
Mortgage loans	3.35%	3.16%
Policy loans	13.14%	14.52%
Funds withheld at interest	22.78%	21.86%
Other invested assets	2.02%	1.33%
Book value per share outstanding	\$ 23.91	\$ 18.57
Book value per share outstanding, before impact of FAS 115		
	22.09	19.14
Treasury stock	1,686,313	1,578,280

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES

U.S. OPERATIONS

(Dollars in thousands)

Nine Months Ended September 30, 2002

		Non-traditional		
	Traditional	Asset- Intensive	Financial Reinsurance	Total U.S.
Revenues:				
Net premiums	\$ 995,490	\$ 2,796	\$ --	\$ 998,286
Investment income, net of related expenses	119,301	63,943	155	183,399
Realized investment gains/(losses), net	(1,110)	(4,255)	--	(5,365)
Other revenues	1,540	5,684	17,795	25,019
Total revenues	1,115,221	68,168	17,950	1,201,339
Benefits and expenses:				
Claims and other policy benefits	781,745	17,014	--	798,759
Interest credited	41,507	35,453	--	76,960
Policy acquisition costs and other insurance				

expenses	151,629	8,126	5,517	165,272
Other operating expenses	19,767	744	7,005	27,516
Total benefits and expenses	994,648	61,337	12,522	1,068,507
Income before income taxes	\$ 120,573	\$ 6,831	\$ 5,428	\$ 132,832
Nine Months Ended September 30, 2001				
	Traditional	Non-traditional Asset- Intensive	Financial Reinsurance	Total U.S.
Revenues:				
Net premiums	\$ 864,105	\$ 2,127	\$ --	\$ 866,232
Investment income, net of related expenses	112,334	64,698	462	177,494
Realized investment gains/(losses), net	(16,460)	1,802	--	(14,658)
Other revenues	787	1,720	16,217	18,724
Total revenues	960,766	70,347	16,679	1,047,792
Benefits and expenses:				
Claims and other policy benefits	691,184	4,095	--	695,279
Interest credited	37,890	40,256	--	78,146
Policy acquisition costs and other insurance expenses	121,971	13,486	5,744	141,201
Other operating expenses	21,826	567	6,199	28,592
Total benefits and expenses	872,871	58,404	11,943	943,218
Income before income taxes	\$ 87,895	\$ 11,943	\$ 4,736	\$ 104,574
REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES				
CANADIAN OPERATIONS				
(Dollars in thousands)				

	Nine Months Ended September 30, 2002		September 30, 2001	
Revenues:				
Net premiums		\$132,571	\$126,689	
Investment income, net of related expenses		52,133	48,739	
Realized investment gains/(losses), net		(22)	8,015	
Other revenues		40	179	
Total revenues		184,722	183,622	
Benefits and expenses:				
Claims and other policy benefits		137,104	126,259	
Interest credited		733	248	
Policy acquisition costs and other insurance expenses		12,142	10,163	
Other operating expenses		7,315	6,508	
Total benefits and expenses		157,294	143,178	
Income before income taxes		\$ 27,428	\$ 40,444	
REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES				
OTHER INTERNATIONAL				
(Dollars in thousands)				

	Nine Months Ended September 30, 2002			
		Latin America	Asia Pacific	Europe & South Africa Total Inter- national
Revenues:				
Net premiums	\$ 7,098	\$97,831	\$154,327	\$259,256
Investment income, net of related expenses	3,649	4,876	591	9,116
Realized investment gains / (losses), net	(3,954)	(125)	(288)	(4,367)

Other revenues	167	1,706	776	2,649
Total revenues	6,960	104,288	155,406	266,654
Benefits and expenses:				
Claims and other policy				
benefits	1,802	63,849	95,283	160,934
Interest credited	2,084	--	--	2,084
Policy acquisition costs and				
other insurance expenses	2,439	24,260	48,493	75,192
Other operating expenses	4,779	10,086	7,883	22,748
Interest expense	--	613	499	1,112
Total benefits and				
expenses	11,104	98,808	152,158	262,070
Income before income taxes	\$(4,144)	\$5,480	\$ 3,248	\$ 4,584
Nine Months Ended September 30, 2001				
			Europe	Total
	Latin	Asia	& South	Inter-
	America	Pacific	Africa	national
Revenues:				
Net premiums	\$41,567	\$85,774	\$59,484	\$186,825
Investment income,				
net of related expenses	10,992	3,279	1,110	15,381
Realized investment gains				
/ (losses), net	(20,568)	76	(61)	(20,553)
Other revenues	297	2,234	581	3,112
Total revenues	32,288	91,363	61,114	184,765
Benefits and expenses:				
Claims and other policy				
benefits	42,760	54,252	36,102	133,114
Interest credited	1,196	--	--	1,196
Policy acquisition costs and				
other insurance expenses	8,777	26,350	17,455	52,582
Other operating expenses	6,341	7,989	7,371	21,701
Interest expense	--	683	471	1,154
Total benefits and				
expenses	59,074	89,274	61,399	209,747
Income before income taxes	\$(26,786)	\$ 2,089	\$ (285)	\$(24,982)

SOURCE: Reinsurance Group of America, Incorporated

CONTACT: Reinsurance Group of America, Incorporated
Jack B. Lay, 636/736-7439
www.rgare.com

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