



# Investor Day 2017

Jeff 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") (which we may refer to in the follow paragraphs as "we," "us" or "our"). The words "intend," "expect," "project," "estimate," "predict," "anticipate," "should," "believe," and other similar expressions also are intended to identify forward-looking statements. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Future events and actual results, performance, and achievements could differ materially from those set forth in, contemplated by, or underlying the forward-looking statements.

Numerous important factors could cause actual results and events to differ materially from those expressed or implied by forward-looking statements including, without limitation, (1) adverse 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 U.S. 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. 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 Annual Report on Form 10-K for the year ended December 31, 2016.

# Use of Non-GAAP Financial Measures

RGA uses a non-GAAP financial measure called “adjusted 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 adjusted 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 effects 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, adjusted 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 adjusted operating income can vary by company and is not considered a substitute for GAAP net income. RGA uses a second non-GAAP financial measure called “adjusted operating revenues” as a basis for measuring performance. This measure 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 stockholders’ 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 excluding the effect of AOCI since the net unrealized gains or losses included in AOCI primarily relate to changes in interest rates, changes in credit spreads on 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 exclude the effects of unrealized amounts primarily associated with mark-to-market adjustments on investments and foreign currency translation.

Adjusted operating income per diluted share is a non-GAAP financial measure calculated as adjusted operating income divided by weighted average diluted shares outstanding. Adjusted operating return on equity is a non-GAAP financial measure calculated as adjusted 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	Jeff Hopson, Senior Vice President, Investor Relations
Introduction and Overview	Anna Manning, President and Chief Executive Officer
Geographic Overview	Alain Néemeh, Senior Executive Vice President and Chief Operating Officer
Global Acquisitions	Scott Cochran, Executive Vice President, Corporate Development and Acquisitions
<b>15-Minute Break</b>	
Global Financial Solutions	John Laughlin, Executive Vice President, Global Financial Solutions
Financial Overview	Todd Larson, Senior Executive Vice President and Chief Financial Officer
Q&A	Anna Manning, President and Chief Executive Officer



# Introduction and Overview

Anna Manning

President and Chief Executive Officer

# Key Messages



Well-positioned

- Strong brand, reputation, and market prominence
- Only global pure-play life and health reinsurer
- Valuable global platform
- Experienced management team



Proven strategy

- Deep knowledge and expertise
- Best-in-class capabilities, services, and solutions
- Consistent and disciplined approach



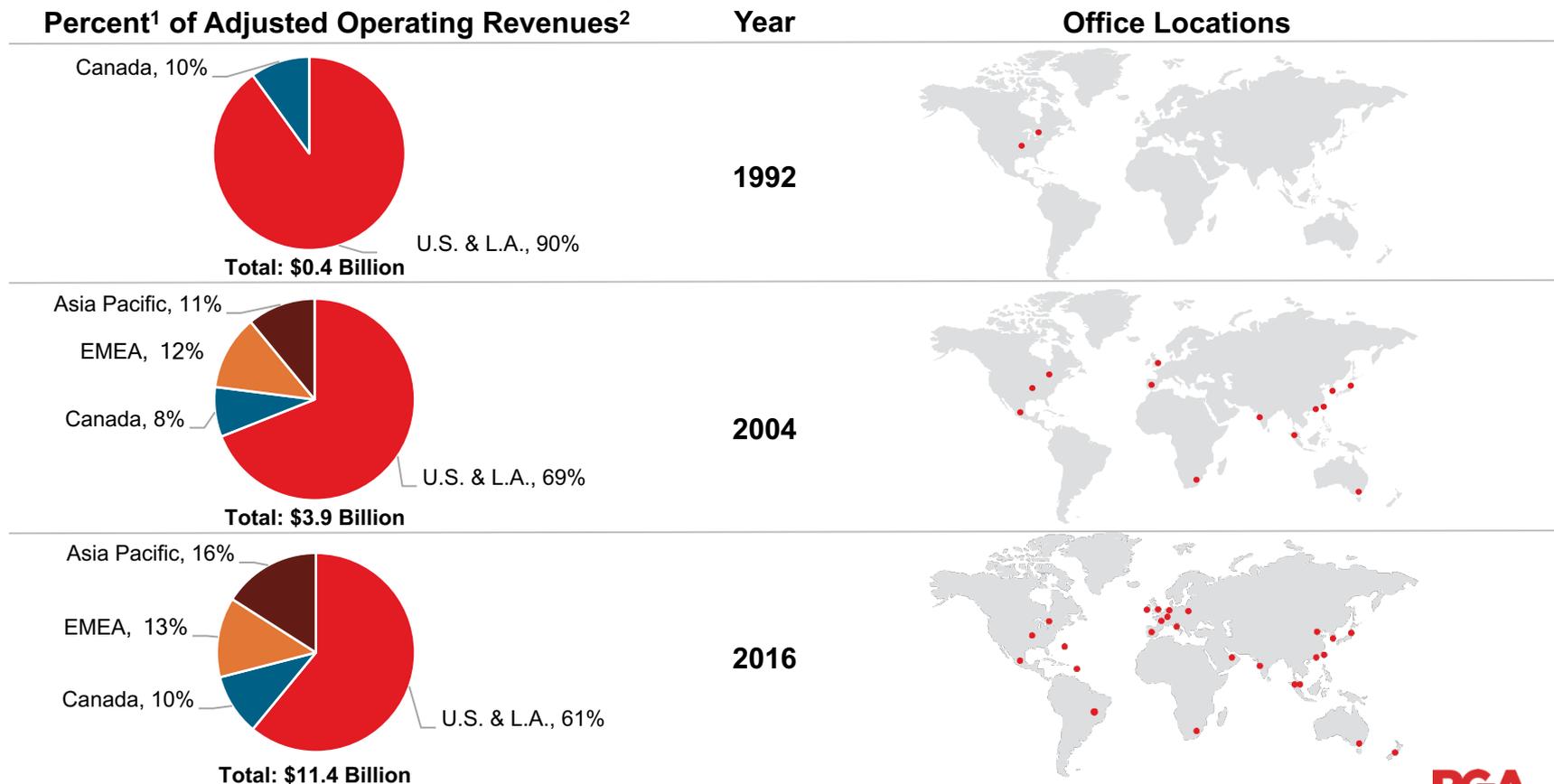
Attractive financial prospects

- Diversified and balanced portfolio of risks
- Robust organic growth in core business and in-force block opportunities
- Effective capital management

# Industry Outlook

- Global life **insurance** industry is facing several challenges
  - Shifting demographics
  - Changing consumer needs
  - Regulatory and macroeconomic uncertainty
  - Relatively low interest rates
  - Increasing global volatility
- Life **reinsurance** industry dynamics are generally stable
  - Concentrated sector
  - Clients now seeking more than just capacity
  - High barriers to entry

# Evolution of Our Geographic Platform

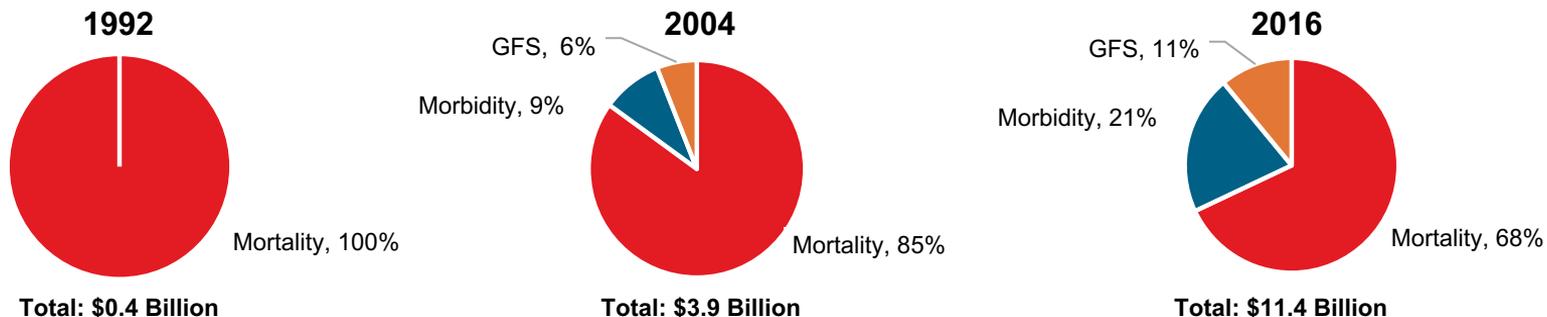


<sup>1</sup> Percentages exclude Corporate.

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

# Evolution of Our Products

## Percent of Adjusted Operating Revenues<sup>1</sup>



Year	Product	Year	Product
1995	Entered capital-motivated reinsurance business	2008	First longevity transaction in the U.K.
1997	First asset-intensive business in the U.S.	2009	Acquired U.S. group reinsurance business from ING
1998	First capital-motivated reinsurance treaty in Japan	2010	First longevity treaty in Canada
1999	Whole life medical products in Taiwan	2011	Early critical illness product in Indonesia
2000	Critical illness business in the U.K.	2013	Cancer medical reimbursement product in Hong Kong
2001	Co-insurance of indexed annuities	2014	First longevity “shock absorber” in the Netherlands
2002	Critical illness business in South Korea	2016	First-of-its-kind longevity transaction in France
2007	LTC in the U.S. market	2016	Mass lapse “shock absorbers” in the Netherlands and Finland

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

# RGA Is Well-Positioned

## Global life and health reinsurers ranked by 2016 revenues

\$ in millions as of December 31, 2016

Rank	Reinsurer	Revenues
		2016
1	Swiss Reinsurance Company	13,058
2	Munich Re <sup>1</sup>	12,409
<b>3</b>	<b>Reinsurance Group of America<sup>2</sup></b>	<b>11,394</b>
4	SCOR Global Life Re	8,578
5	Hannover Re	7,453
6	China Life Re	4,393
7	General Re <sup>3</sup>	3,959
8	Pacific Life Re	1,767
9	PartnerRe Ltd.	1,185

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

<sup>2</sup> Adjusted operating revenues.

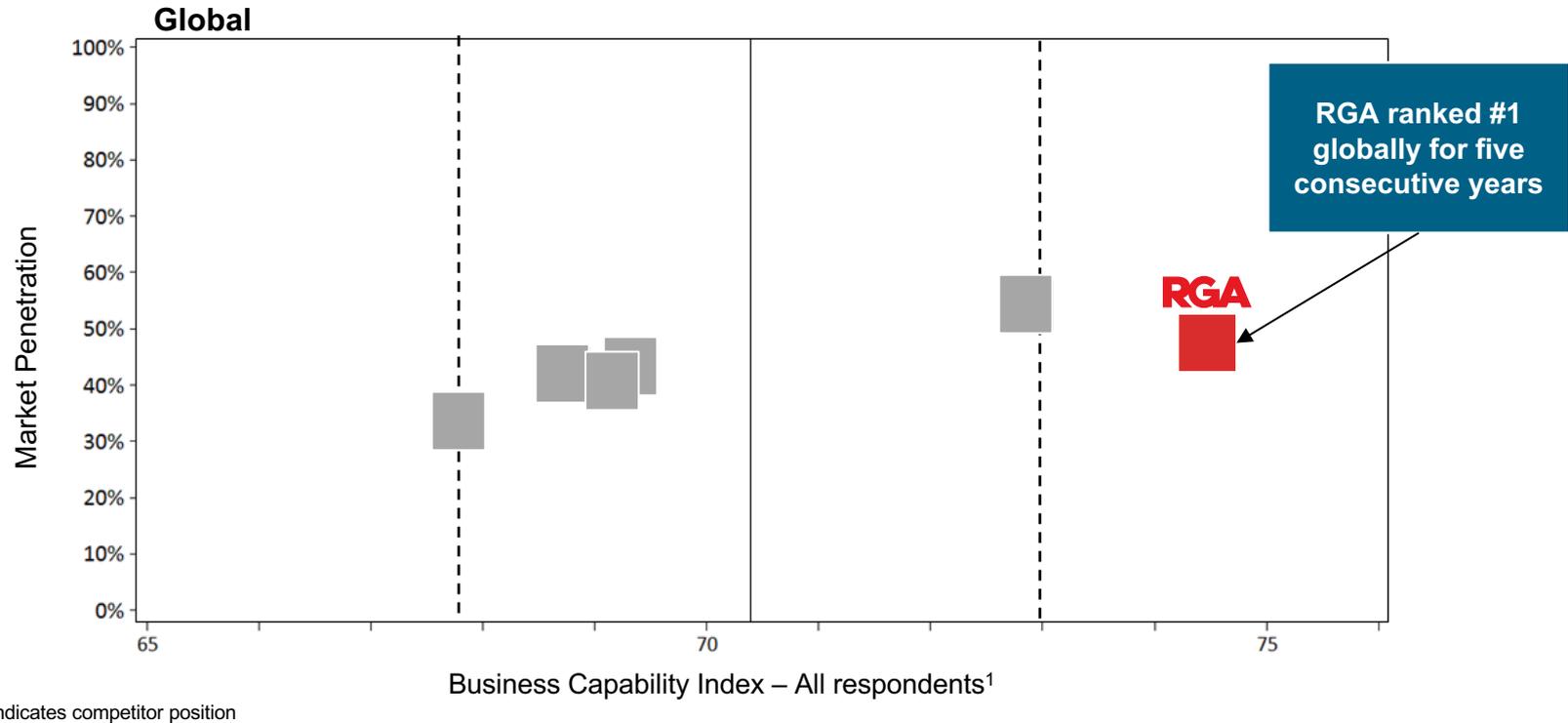
<sup>3</sup> Does not include BHRG. Revenues as of 12/31/2015.

# RGA Is Well-Positioned

- Strong brand, reputation, and market prominence
- Top positions in new business market shares
- Well-established and valuable global platform
- Full range of capabilities and solutions
- Consistent and disciplined approach with focus on long-term value creation
- Balanced business portfolio, less sensitivity to financial market volatility
- Experienced management team, investing for the future, developing talent

# RGA Has Best-In-Class Capabilities

NMG Consulting Studies, Business Capability Index (BCI) – 2016



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

# Experienced Management Team, An Exceptional Strength

Name	Position	Years of Experience	
		In Industry <sup>1</sup>	With RGA <sup>2</sup>
Anna Manning	President and CEO	36	10
Todd Larson	Sr. EVP, Chief Financial Officer	23	22
Alain Néemeh	Sr. EVP, Chief Operating Officer	20	20
Gay Burns	EVP, Chief HR Officer	16	6
Tony Cheng	EVP, Head of Asia	22	20
Scott Cochran	EVP, Corporate Development and Acquisitions	21	12
Olav Cuiper	EVP, EMEA Markets	31	10
Michael Emerson	EVP, Head of U.S., Latin and South American Markets	32	7
Alka Gautam	President and CEO, RGA Canada	16	16
John Laughlin	EVP, Global Financial Solutions	36	22
Timothy Matson	EVP, Chief Investment Officer	23	3
Paul Nitsou	EVP, Global Accounts	31	20
Jonathan Porter	EVP, Chief Risk Officer	24	9
Suzy Scanlon	EVP, Chief Information Officer	8	8
Mark Stewart	Managing Director, Australia	22	10
David Wheeler	EVP, Head of U.S. Mortality Markets	36	36

<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's Proven Strategy with Exceptional Strengths

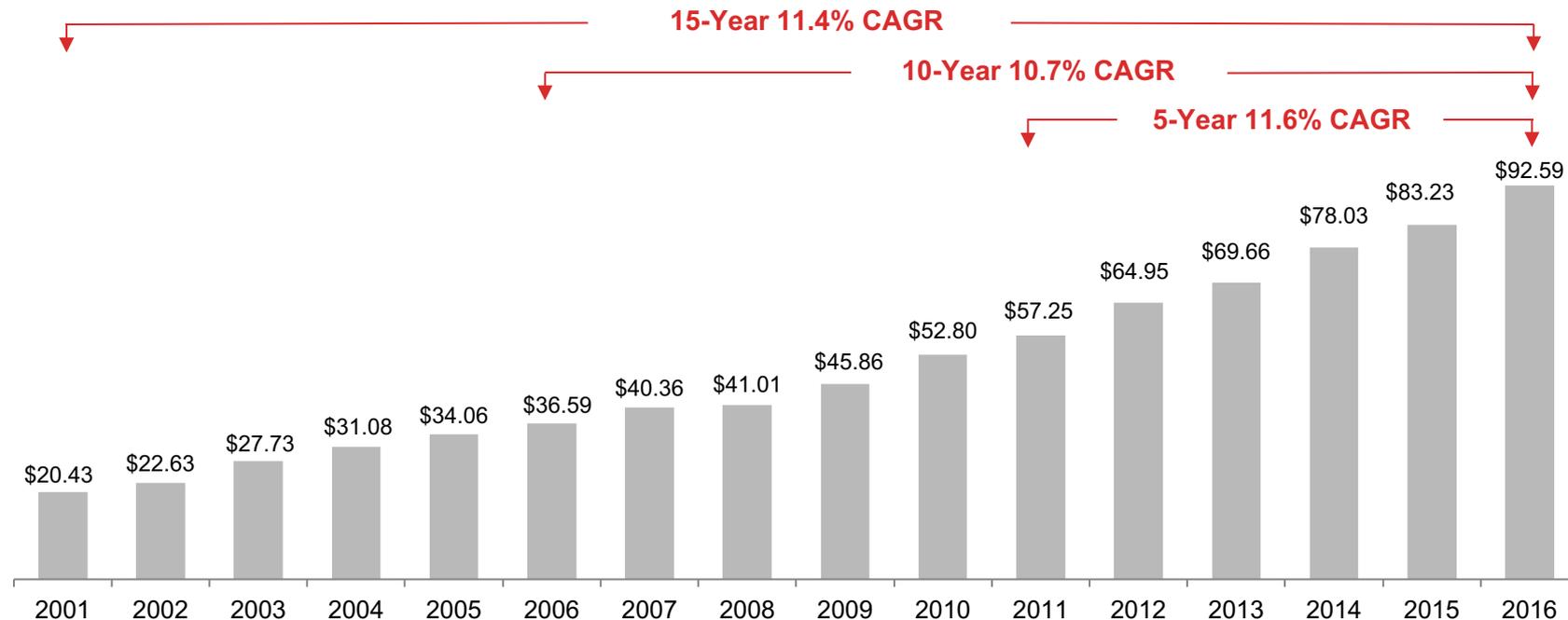
## Key Messages

- RGA's DNA
  - Client-centric
  - Deep and broad technical expertise
  - Collaborative culture
  - Innovative and creative mindset
  - Entrepreneurial orientation
- Only pure-play global life and health reinsurer
  - Comprehensive solutions provider
  - Capabilities leveraged across geographies
  - Nimble, flexible, and agile
  - Disciplined focus on execution



# Demonstrated Success in Continually Growing Book Value Per Share

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

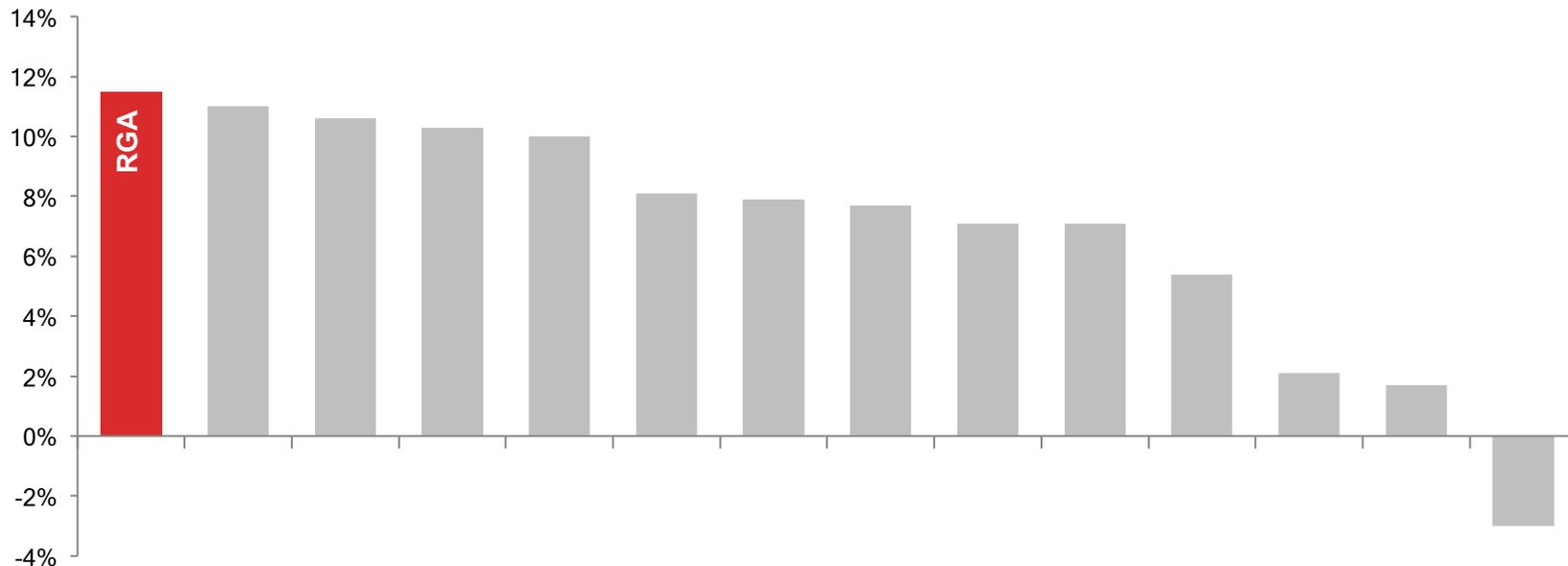


<sup>1</sup> Periods prior to 4Q06 not restated for 2012 DAC accounting change. Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

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

# Five-Year Book Value Growth<sup>1</sup> Highest Among Peers

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



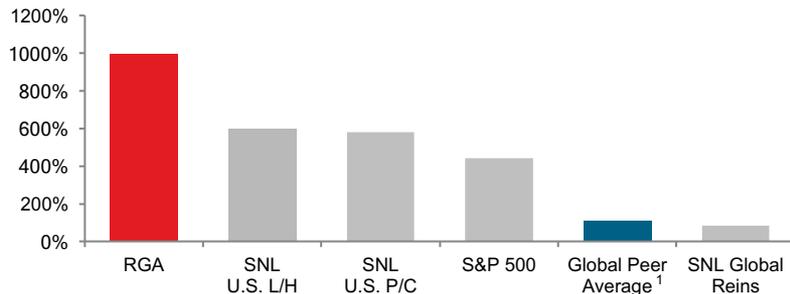
<sup>1</sup> CAGR growth of book value plus dividends. 2011-2016.

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, TMK, UNM.

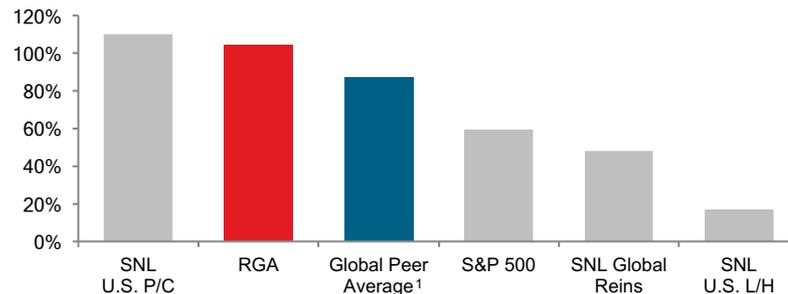
<sup>2</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# RGA Shares Have Performed Well Historically

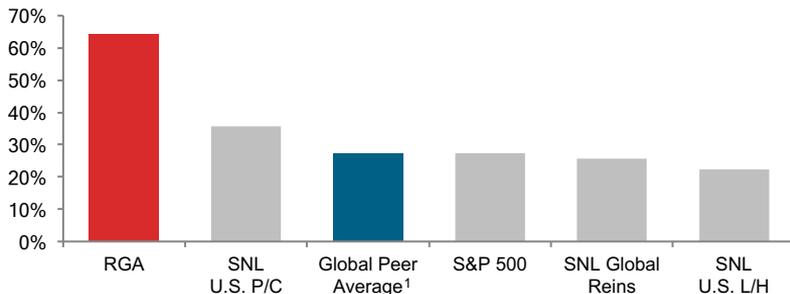
## RGA IPO (1993) to Date



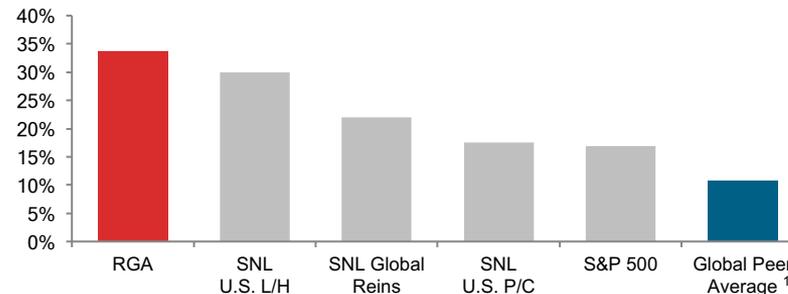
## 10 Years



## 3 Years



## 1 Year



Source: SNL, price change percent.  
Information as of 5/5/17.

<sup>1</sup> Global Peer Average includes Hannover Re, Munich Re, SCOR Re and Swiss Re.

# Vision for the Future

**RGA has what it takes to succeed**

- Robust organic growth and transactional opportunities
- Full range of capabilities and solutions
- Strong teams, consistent approach, focused on execution
- High-performing global model, with good balance and diversity
- Mortality and morbidity trends constructive overall to RGA
- Innovative mindset, focused on long-term value creation

# Key Messages



Well-positioned

- Strong brand, reputation, and market prominence
- Only global pure-play life and health reinsurer
- Valuable global platform
- Experienced management team



Proven strategy

- Deep knowledge and expertise
- Best-in-class capabilities, services, and solutions
- Consistent and disciplined approach



Attractive financial prospects

- Diversified and balanced portfolio of risks
- Robust organic growth in core business and in-force block opportunities
- Effective capital management



## Geographic Overview

Alain Néemeh

Senior Executive Vice President and Chief Operating Officer

# Key Messages



Well-positioned

- Established global brand
- Strong local franchises
- Global facultative underwriting leader
- Culture of innovation



Proven strategy

- Consistent leader in business capability rankings
- Top 3 market share in key markets
- Locally managed, globally guided
- Disciplined and bottom-line focused



Attractive financial prospects

- Well-diversified business
- Steady growth in mortality
- Attractive opportunities in morbidity
- Asian success story

# Established Global Brand

Best-in-class capabilities leading to solid market share

	 <b>United States</b>	 <b>Canada</b>	 <b>EMEA</b>	 <b>Asia Pacific</b>
2016 Business Capability Ranking (BCI) <sup>1</sup>	#1	#1	#1	#1
2016 New Business Individual Premiums <sup>2</sup> / Sum Assured <sup>3</sup>	#2 / #3	#2 / #1	#2 / NA	#1 / NA
2016 New Business Group Premiums <sup>4</sup>	#3	#2	#3	#2

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

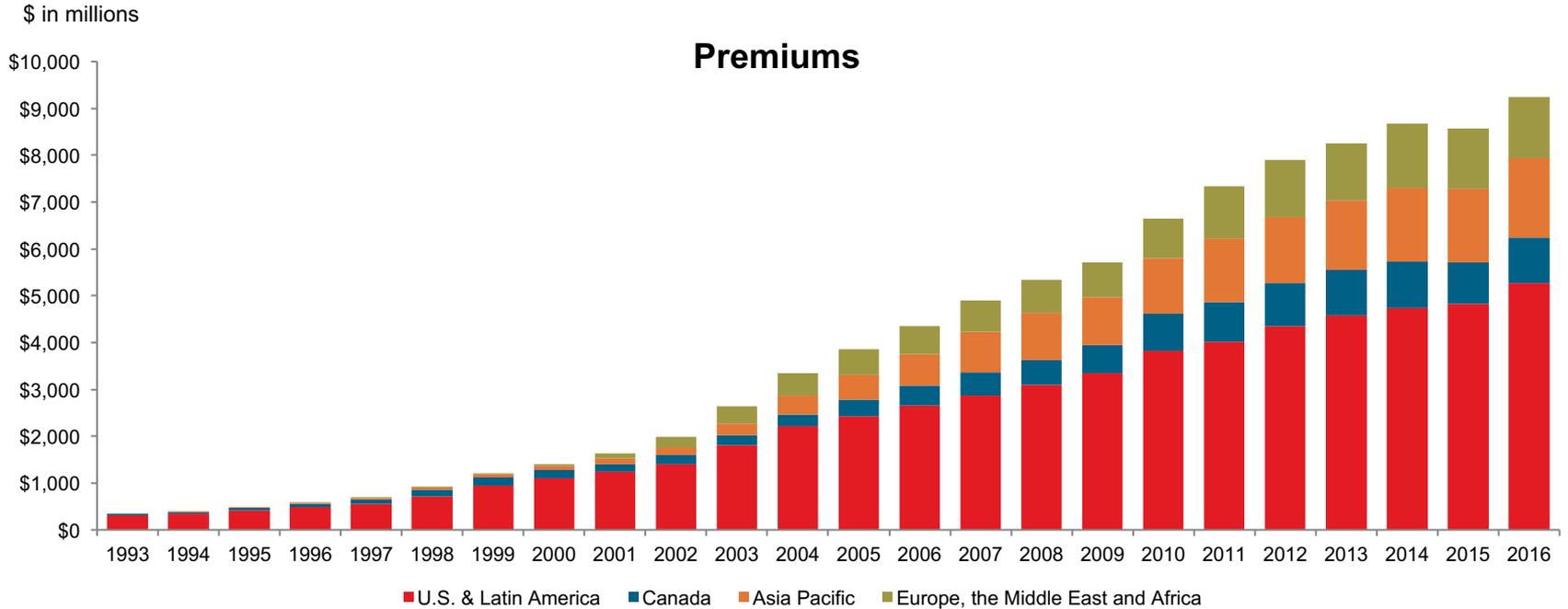
<sup>2</sup> Ceded premiums of newly issued policies (excluding block transactions) as provided by NMG Consulting's study of 50 countries.

<sup>3</sup> Recurring production result as provided by the SOA survey.

<sup>4</sup> Total ceded premiums of group policies as provided by NMG Consulting's study of 50 countries.

# Diversified Global Platform

## Consistent growth across regions



# Global Facultative Underwriting Leader

## 2016 highlights

- RGA consistently ranked #1 by our clients' underwriters in industry surveys
- Assessed over 660,000 cases globally through our facultative and strategic underwriting programs
- Achieved a 24-hour turnaround average on 90% of facultative cases worldwide
- RGA's Global Underwriting Manual recorded over 605,000 client logins
- Processed over 4 million applications through our AURA e-Underwriting system

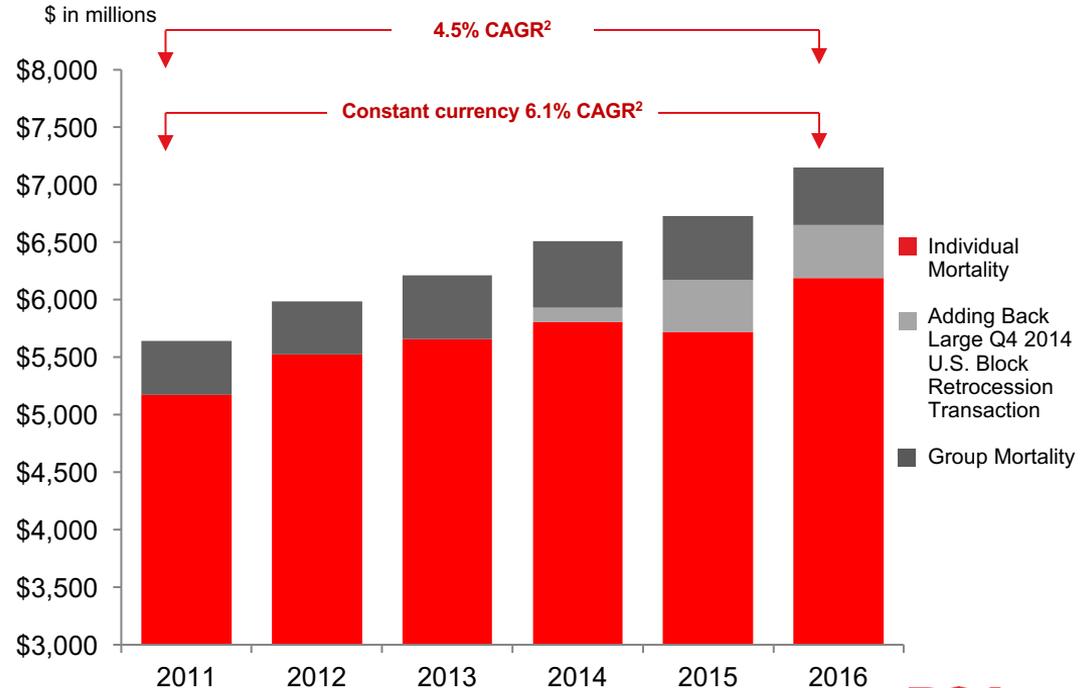
# Steady Growth in Mortality

RGA's global footprint supports growth

## Key Messages

- Strong recurring production coupled with in-force opportunities results in steady growth in mature markets
- Wealth creation in emerging markets driving demand for life insurance
- Innovation key to reaching the middle market and millennials
- Better and lower-cost offerings closing the protection gap
- Clients seek solutions to changing regulatory environment

Net Premiums  
Individual and Group Mortality<sup>1</sup>



<sup>1</sup> Net premiums have been adjusted for retrocessions.

<sup>2</sup> 4.3% and 2.8% in local currency and USD CAGRs, respectively, reflecting retrocession transaction.

# Mortality Improvement Over the Past 50 Years

## Key Messages

- Population mortality continues to improve despite short-term volatility
- Over a shorter timeframe, population mortality trends are complex and cannot be easily generalized
- Medical and health advances should continue to drive mortality improvement

## Average annual improvement rates, ending in 2015

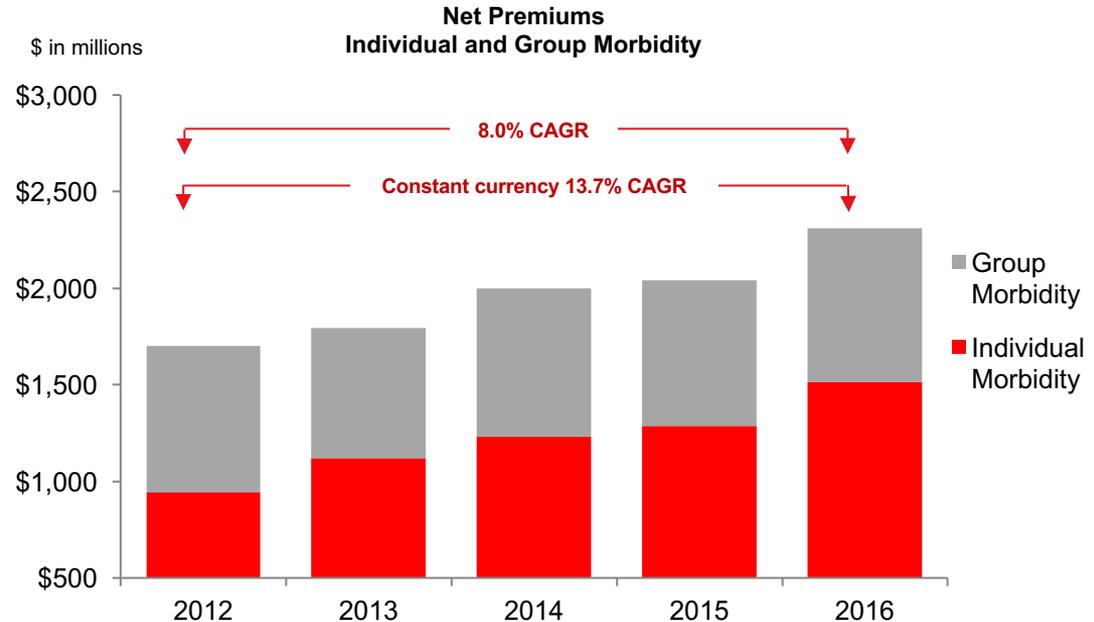
Averaging period	U.S.	Canada	England & Wales
10	1.1%	1.6%	1.6%
20	1.4%	1.9%	2.1%
30	1.2%	1.6%	1.9%
40	1.1%	1.5%	1.7%
50	1.2%	1.4%	1.5%

# Attractive Opportunities in Morbidity

Well-positioned to benefit from favorable macro trends

## Key Messages

- Aging population and growing middle class heighten the need for morbidity products
- Greater pressure on government finances and increase in treatment cost drive private solutions
- RGA is well-positioned given its leading product development capabilities



# A Culture of Innovation

Innovation is at the heart of what we do

## NORTH AMERICA

Data, underwriting analytics, online, risk assessment

- 24-hour FAC turnaround
- TrueRisk® Life
- ROSE®
- First longevity transaction in Canada
- AURA®
- Online creditor product for students

## EMEA

Capital-efficient solutions

- Asset-intensive transaction – U.K.
- Longevity risk protection solutions – Netherlands
- First longevity swap transaction – France
- Mass lapse shock absorbers – Netherlands & Nordics

## ASIA

Product development

- High Net Worth products
- Comprehensive early critical illness (CI) solutions
- New diabetes protection product
- Bucket CI products

## AUSTRALIA

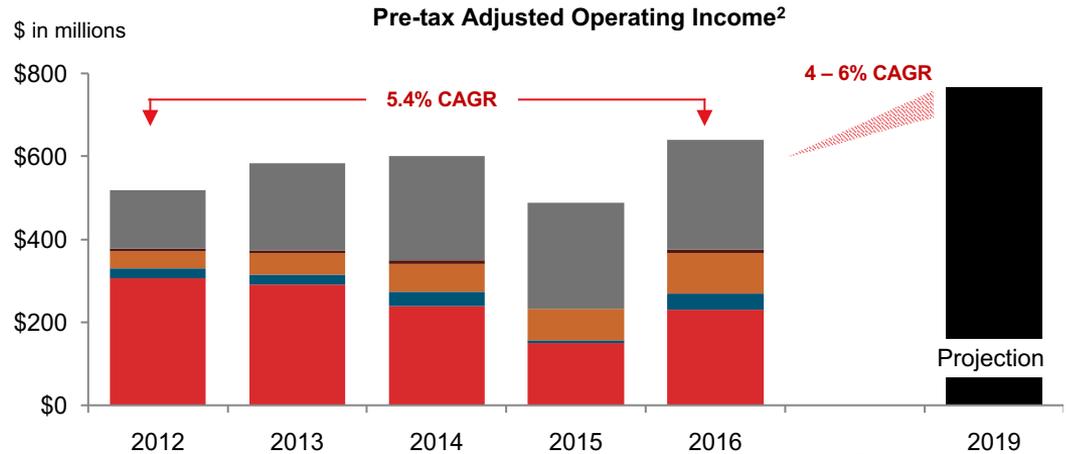
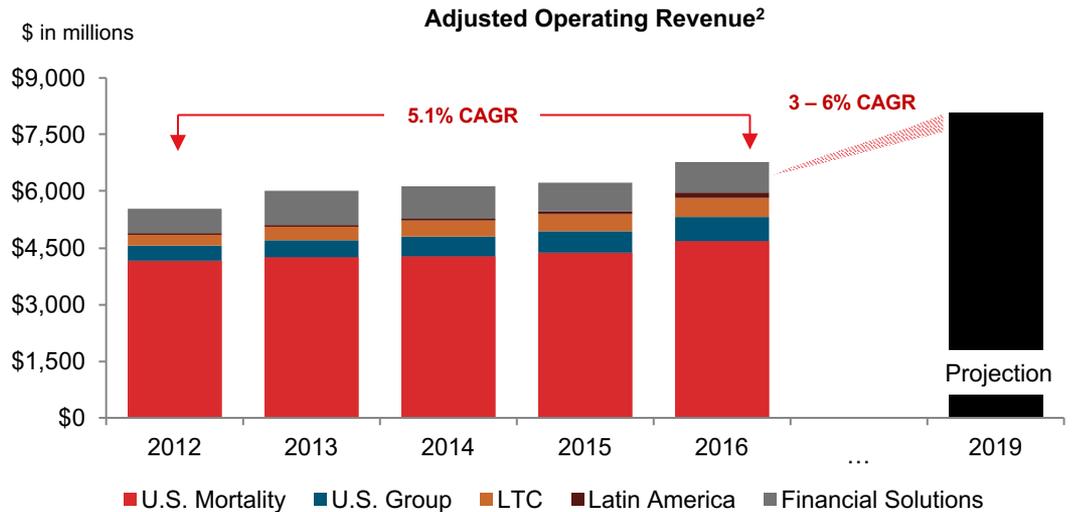
Product design changes

- First severity-based trauma product
- Group superannuation products

# U.S. & Latin America

## Key Messages

- A leading franchise<sup>1</sup>
  - #1 U.S. Individual Mortality BCI ranking
  - #1 “premier facultative underwriting” and #1 for “most innovative”
  - #1 U.S. Group Life & LTD
  - #1 Mexico BCI ranking
  
- Well-diversified and sustainable long-term profit stream
  
- Disciplined expansion in Latin America supported by U.S. operations
  
- Significant value embedded in in-force

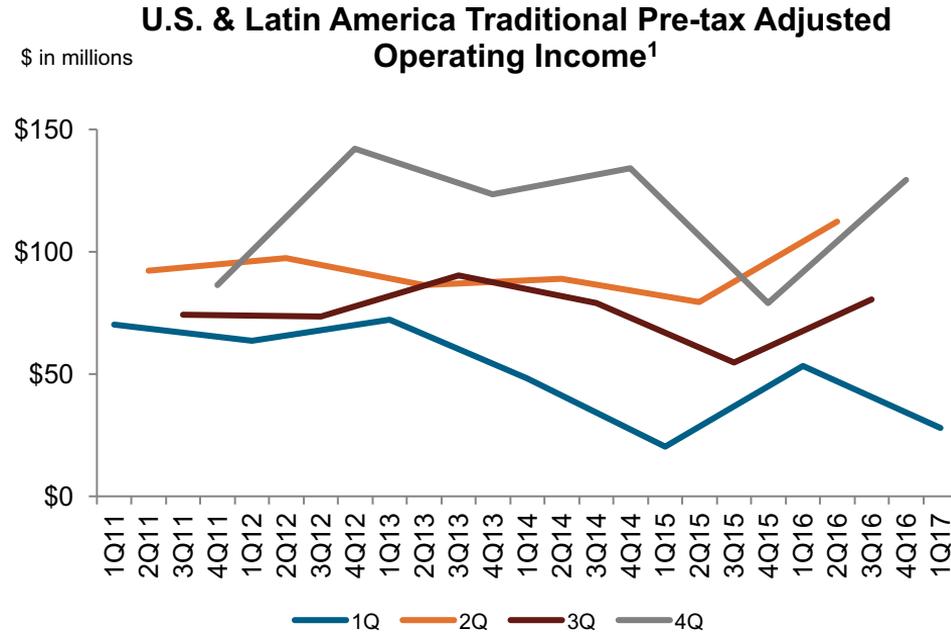


<sup>1</sup> NMG Consulting Global Life & Health Reinsurance Programme – 2016.

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

# U.S. & Latin America Traditional

Long-term stability despite quarterly volatility



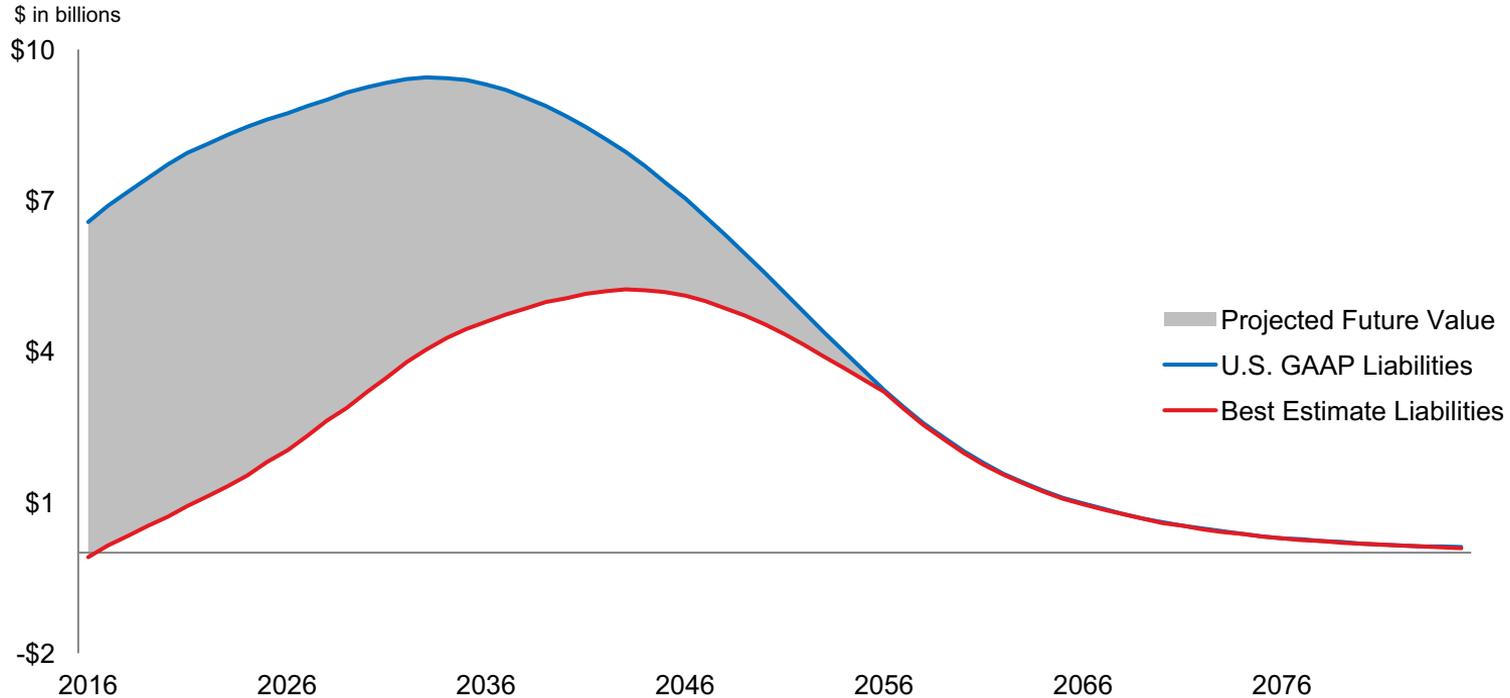
## Annual Pre-tax Adjusted Operating Income<sup>1</sup>

Year	\$ in millions
2011	\$323.0
2012	\$376.7
2013	\$372.7
2014	\$350.3
2015	\$233.5
2016	\$375.3

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

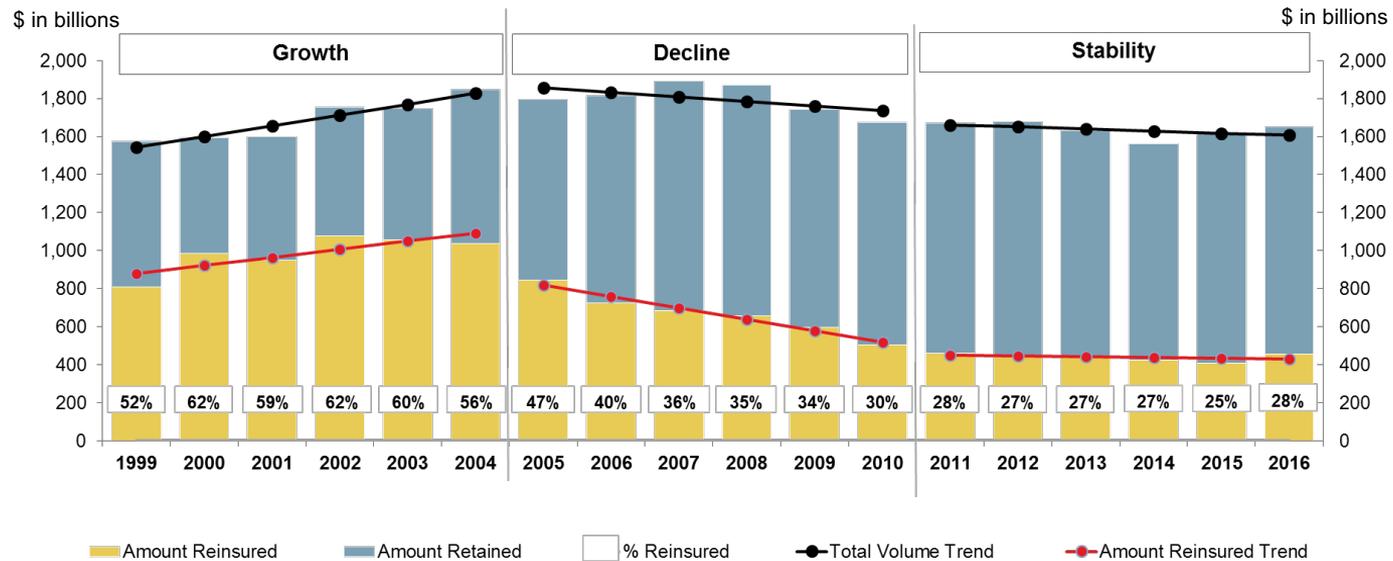
# Value Embedded in U.S. & Latin America Traditional In-Force

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



# U.S. – Reinsurance Cession Rates

Stable market environment



# Canada

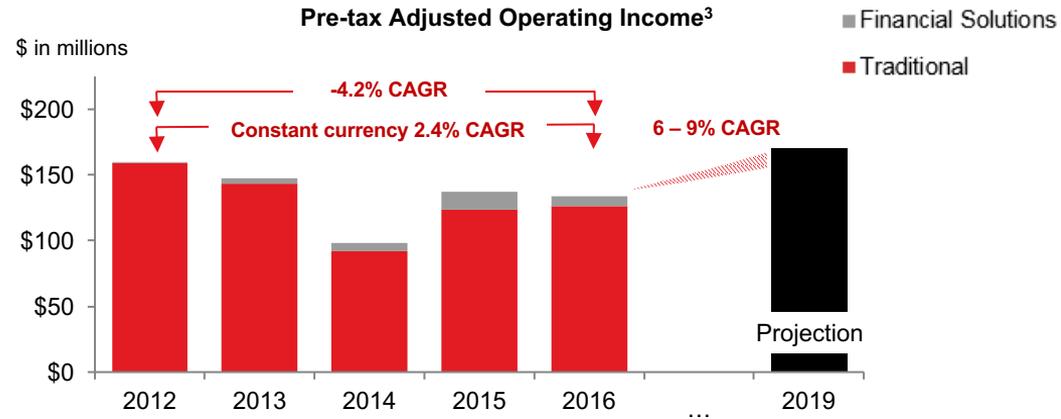
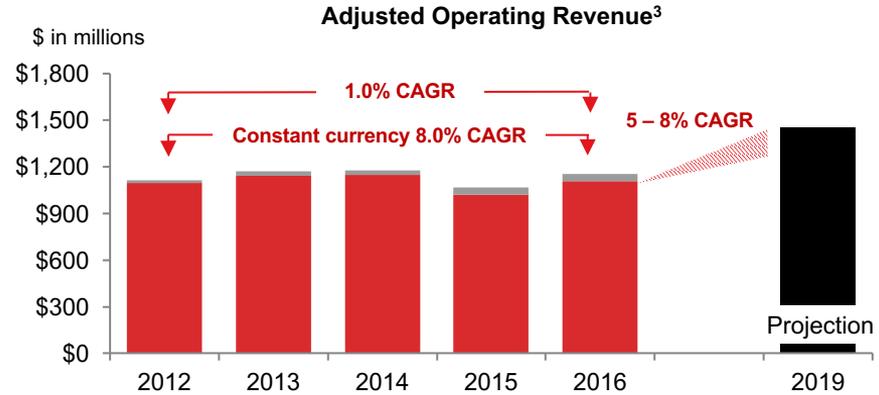
## Key Messages

- A leading franchise
  - New business recurring production leader since 2007<sup>1</sup>
  - BCI leader since 2008<sup>2</sup>
- Strong local currency revenue growth
- Stable stream of earnings
- 2012 results include \$24M of non-recurring items due to creditor reserve release and recapture fees

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

<sup>2</sup> NMG Consulting Global Life & Health Reinsurance Programme – 2016.

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

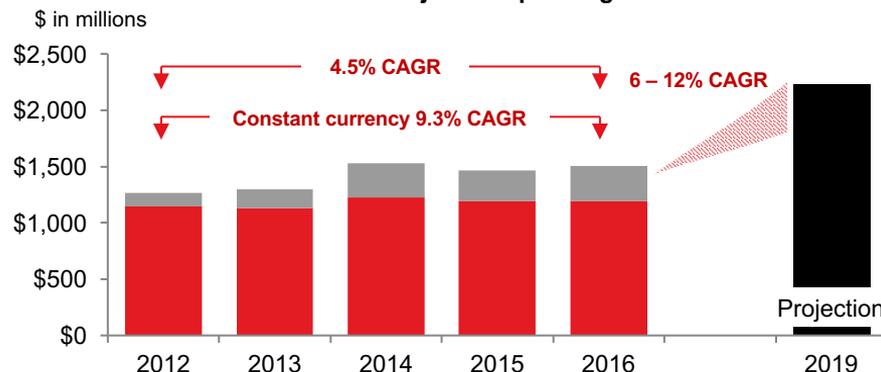


# Europe, the Middle East and Africa

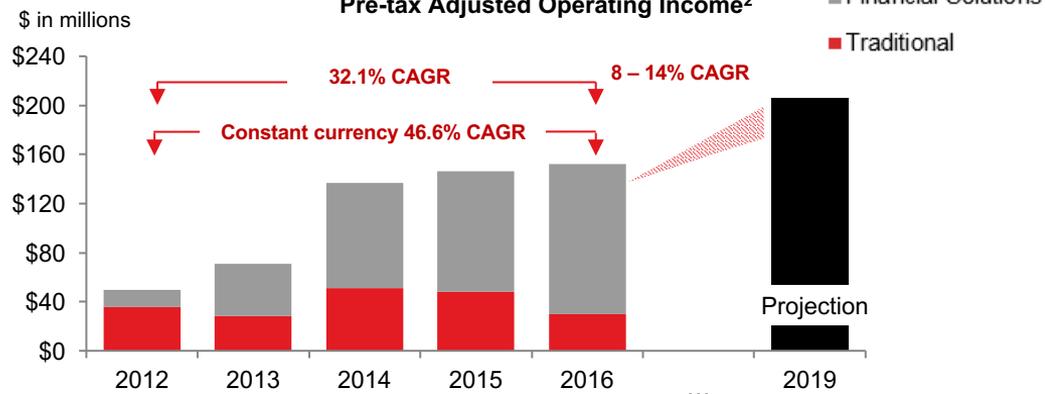
## Key Messages

- A leading franchise<sup>1</sup>
  - #1 in 2016 BCI ranking
  - #2 in new business individual premiums
- Attractive revenue growth
- Strong earnings growth
- Strong demand for capital-motivated reinsurance, driven by Solvency II
- Integrating Traditional and Financial Solutions expertise

Adjusted Operating Revenue<sup>2</sup>



Pre-tax Adjusted Operating Income<sup>2</sup>



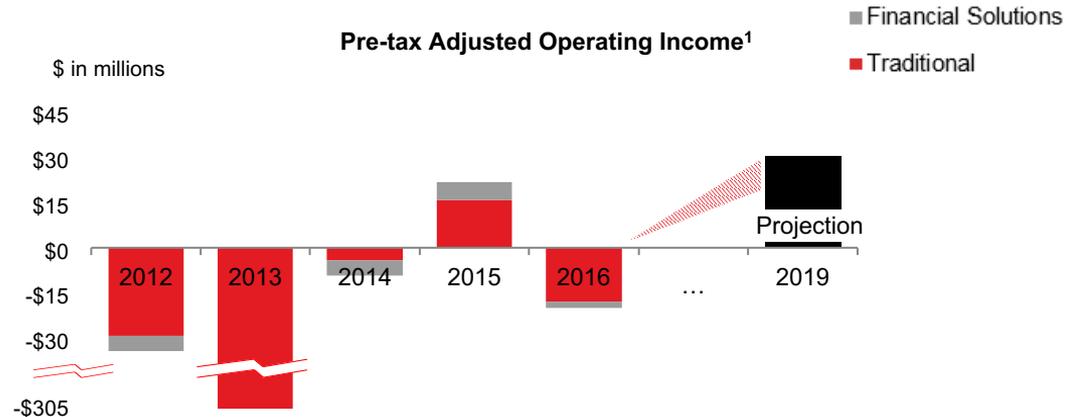
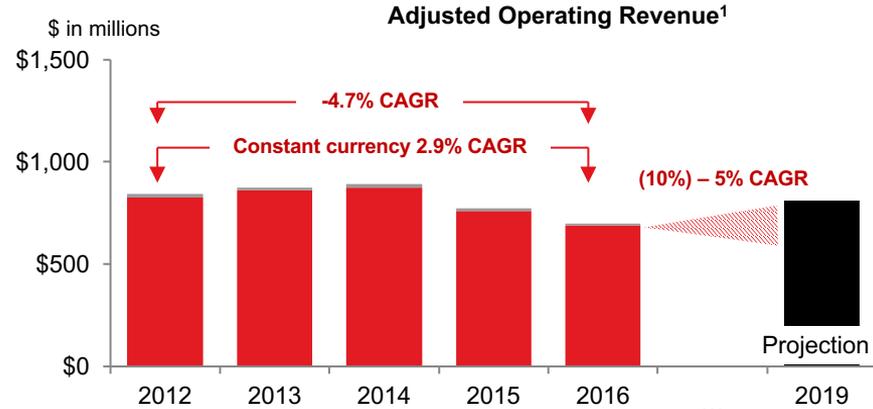
<sup>1</sup> NMG Consulting Global Life & Health Reinsurance Programme – 2016.

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

# Australia

## Key Messages

- Large and important reinsurance market, challenged by market conditions
- Group turnaround on track
- Disappointing individual disability (DI) performance in 2016
- Continued repricing and other actions to improve profitability
- Prudent participation in new business opportunities

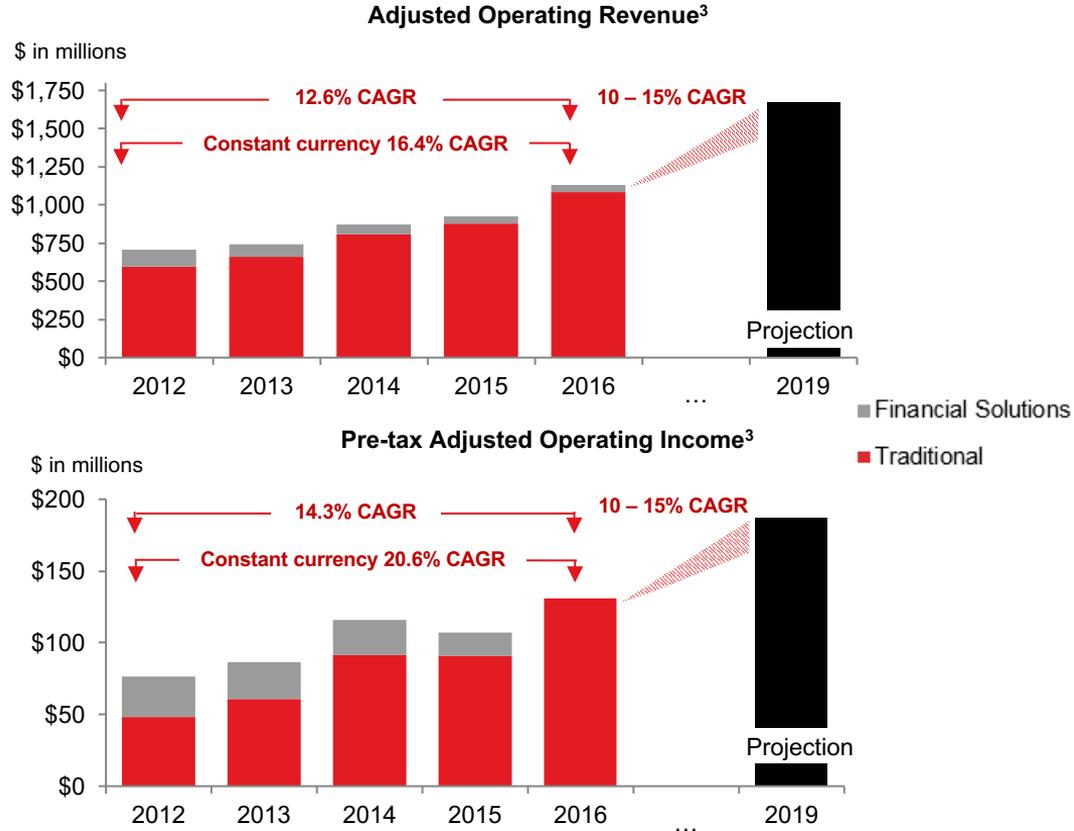


<sup>1</sup> Actual results shown (except for projections). Refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Asia<sup>1</sup>

## Key Messages

- A leading franchise<sup>2</sup>
  - #1 in BCI for the 5th consecutive year
  - #1 in new business individual premiums for the 5th consecutive year
  - #1 in both underwriting and product development solutions
  
- Strong growth in revenues and earnings
  
- "Employer of the Year," 2016 Asia Insurance Industry Awards



<sup>1</sup> Asia excluding Australia.

<sup>2</sup> NMG Consulting Global Life & Health Reinsurance Programme – 2016.

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

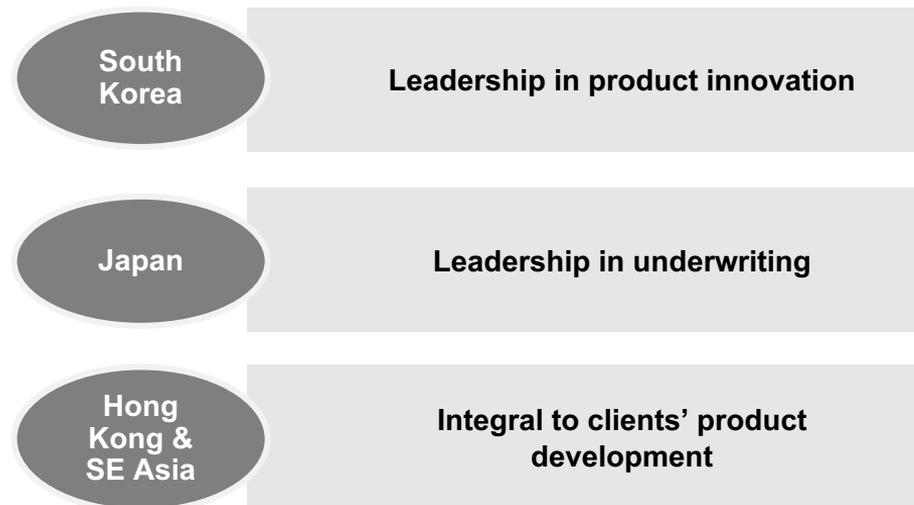
# Asia – A Significant Opportunity

## Strong growth dynamics

### Key Messages

- Growing middle class increasing demand for insurance products
- Aging population driving the need for health and living benefits
- Greater recognition of the benefits of reinsurance should augment its utilization
- Changes in the regulatory environment will lead to additional use of financial solutions

### Select market- and product-driven opportunities



# Asia – A Significant Opportunity

## Summary

- Leading life reinsurance franchise in the region
- Leadership in product development and underwriting solutions
- Reputation for strong execution and leading-edge innovations
- Leveraging RGA's global strengths into local markets
- Integrating Traditional and Financial Solutions expertise
- Favorable demographic trends driving growth opportunities

# Key Messages



Well-positioned

- Established global brand
- Strong local franchises
- Global facultative underwriting leader
- Culture of innovation



Proven strategy

- Consistent leader in business capability rankings
- Top 3 market share in key markets
- Locally managed, globally guided
- Disciplined and bottom-line focused



Attractive financial prospects

- Well-diversified business
- Steady growth in mortality
- Attractive opportunities in morbidity
- Asian success story



# Global Acquisitions

Scott Cochran

Executive Vice President, Corporate Development and Acquisitions

# Key Messages



Well-positioned

- Strong brand, reputation, market prominence
- Benefiting from a unique position in the runoff market
- Expecting continued diversity of opportunities and solutions



Proven strategy

- Flexible and nimble global operating platform with deep technical expertise
- Capitalizing on market dislocations
- Consistent and disciplined approach



Attractive financial prospects

- Strong contributions to date
- Continued optimistic outlook for meaningful financial contributions

# Well-Positioned in the Runoff Market

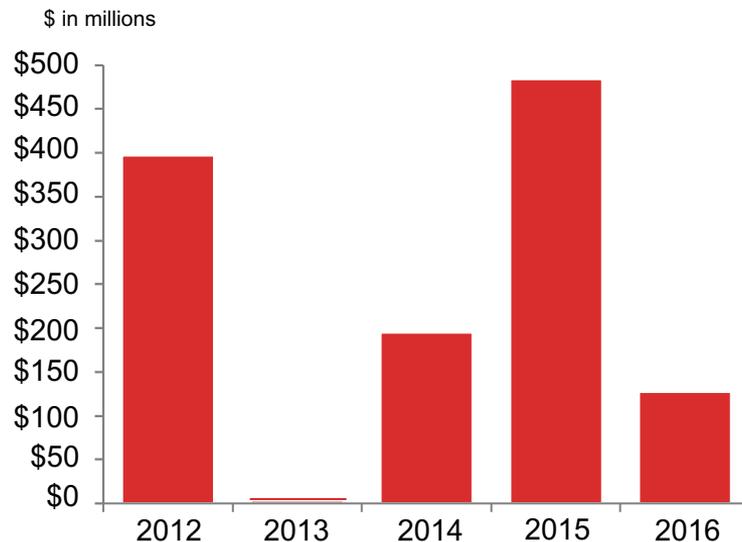
- Numerous differentiators available for each opportunity
  - Exceptional “deal certainty” for clients resulting from creative solutions, credibility, and strong relationships
  - Use of enterprise-wide expertise in capital management, actuarial, and investments
  - Flexible solutions to meet clients’ needs
- A preferred buyer and/or partner with a broad range of solutions
- Selective in pursuing only those opportunities with the strongest fit to RGA capabilities, competitive positioning, and risk philosophies
- Competitive positioning varies for each transaction depending on market and product structure

# Strong Contributions to Date

## Key Messages

- RGA's transaction teams have deployed over \$1.2 billion of capital during the last 5 years
  - Includes life, annuity, and longevity runoff blocks in the U.S., U.K., Canada, and Continental Europe
- Overall, transactions have performed in line with or above expectations
  - Key assumptions met or exceeded, demonstrating depth of RGA expertise
  - Asset portfolios have been repositioned to better align with our investment strengths and risk philosophies
  - Operational integration and administration performing well

## Capital Deployed



# Optimistic Outlook

- Regulatory change, economic pressures, and changes to clients' strategic plans all point toward continual runoff opportunities
- RGA's broad geographic reach and flexible approach provide many opportunities
- Developing new solutions to further meet client needs and market opportunities
- A diverse range of opportunities exist
  - Multiple product lines within life, asset-intensive, and longevity segments
  - Transaction size and market location will vary
  - With and without transfer of direct policy administration
  - Stock purchase, reinsurance, and/or portfolio transfer

# Summary

- Strong financial contributions to date
- Macro/regulatory conditions are conducive to continued opportunities
- Pipeline remains active, but pace of execution is difficult to predict
- Will continue to align activities with capital management, and retain the discipline that has proven effective over our history
- Expecting continued growth contributions from acquisition strategy

# Key Messages



Well-positioned

- Strong brand, reputation, market prominence
- Benefiting from a unique position in the runoff market
- Expecting continued diversity of opportunities and solutions



Proven strategy

- Flexible and nimble global operating platform with deep technical expertise
- Capitalizing on market dislocations
- Consistent and disciplined approach



Attractive financial prospects

- Strong contributions to date
- Continued optimistic outlook for meaningful financial contributions



## **Global Financial Solutions (GFS)**

John Laughlin

Executive Vice President, Global Financial Solutions

# Key Messages



Well-positioned

- Strong brand, reputation, market prominence
- Changing landscape creates opportunities
- Unique strengths create competitive advantages



Proven strategy

- A recognized leader in large and complex transactions
- Experienced management team, disciplined approach
- Strong and stable financial results over many years

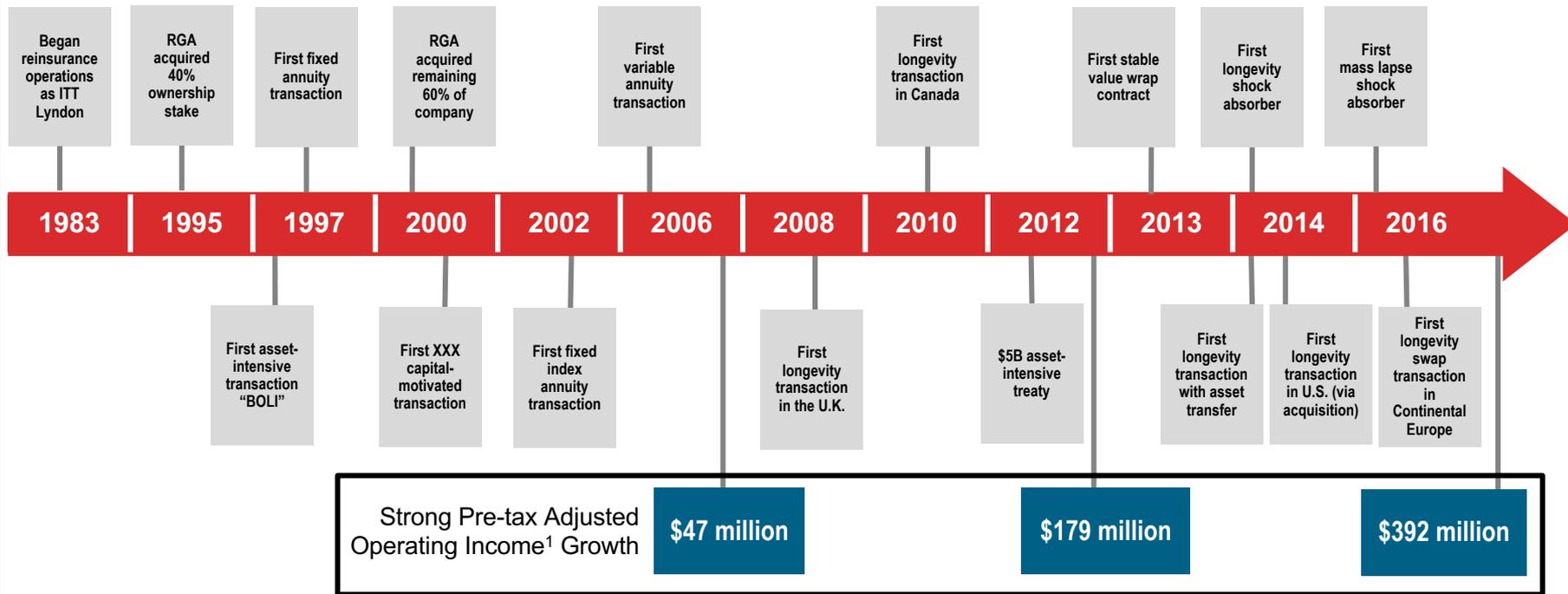


Attractive financial prospects

- Good diversification of earnings and risk
- An important contributor to consolidated results
- Expect continued strong financial results

# GFS – Established Core Business Lines

## A history of growth and innovation



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

# Environmental Change Continues

## Opportunities triggered by changing environment

- Regulatory changes
  - Solvency and accounting changes
  - Low (but improving) 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

## Solvency II

- Client and regulatory positions are settling; internal models and regulatory acceptance gaining clarity
- Demand continues for long-term guarantee and market risk solutions
- Good fit for RGA: U.S.-based, expertise in market and biometric risks
- Longevity transactions (with and without asset transfers) are effective solutions
- We expect:
  - Continued innovation and execution of longevity, lapse, and market risk solutions
  - Move from initial solutions to larger transactions based on similar methodologies
  - Continued solutions for European multinationals in regions outside of Europe
  - Demand from clients for new business solutions

# Well-Defined Strategies Lead to Strong Execution

## 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



## Reputation

- Long track record of credibility with clients and regulators
- Execution certainty
- A recognized leader in large and complex transactions
- High degree of intellectual capital – risk assessment, risk transfer, structuring, and investments
- Insurance and structuring expertise valued by clients and reflected in margins

# Experienced Management Team, An Exceptional Strength

Name	Position	Years of Experience	
		In Industry <sup>1</sup>	With RGA <sup>2</sup>
John Laughlin	EVP, Global Financial Solutions	36	22
David Boettcher	EVP, Chief Operating Officer	34	19
Lawrence Carson	SVP, Chief Actuary	24	18
Dustin Hetzler	SVP, Chief Pricing Actuary	24	23
Jeffrey Nordstrom	SVP, Chief Risk Officer	30	2
René Cotting	SVP, Product Development	20	8
Gary Seifert	SVP, North America	28	22
Gaston Nossiter	SVP, Asia Pacific	24	8
Paul Sauvé	SVP, Europe, Middle East, Africa	26	11
Hamish Galloway	SVP, United Kingdom	31	19

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

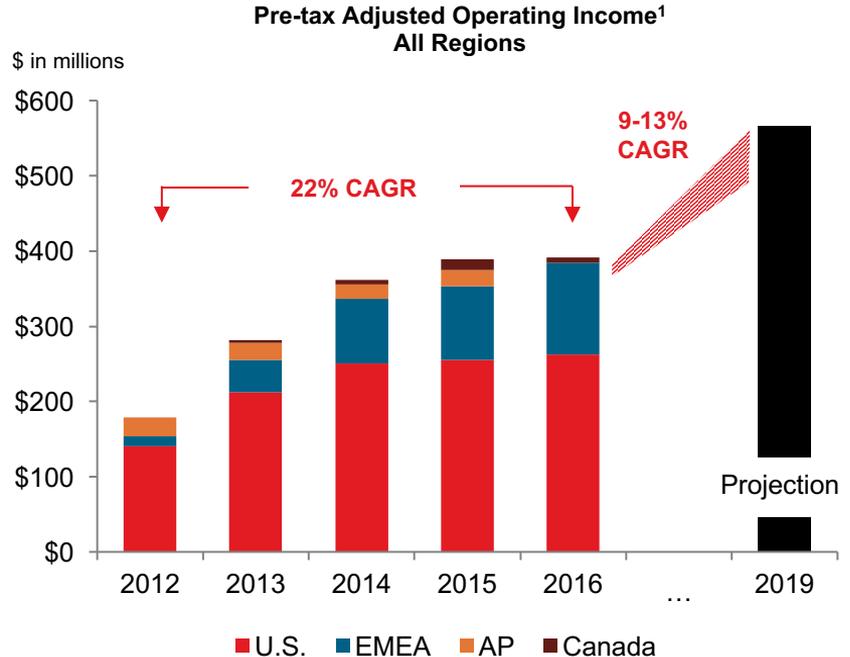
<sup>2</sup> Includes experience with RGA's predecessor, the reinsurance division of General American Life Insurance Company.

# GFS Results by Region

## Consistent and dependable

### Key Messages

- Strong adjusted operating income; important contributor to RGA's results
- Proven track record of consistent and dependable earnings
- Attractive returns
- Strong growth in U.S. and EMEA
- Runoff treaty in Asia Pacific had adverse results in 2016
- Foreign currency negatively affected 2016 results by \$17M



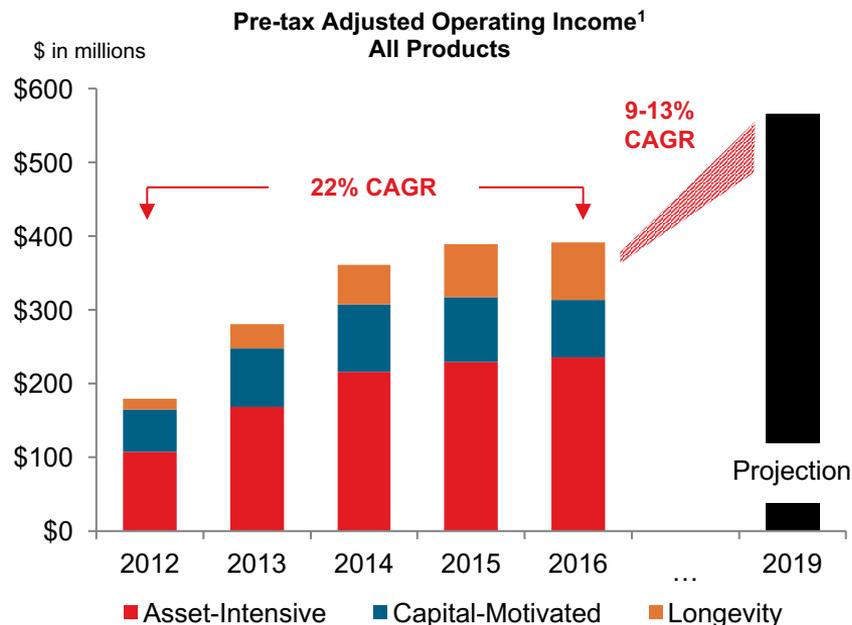
<sup>1</sup> Actual results shown (except for projections). Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# GFS Results by Product Line

Good diversification of earnings and risk; balanced mix across products

## Key Messages

- Insurance and structuring expertise is valued by clients
- Highly valued reputation for execution
- Asset-Intensive is growing and has low sensitivity to market movements
- Capital-Motivated is fee-based, less capital intensive
- Longevity growth continues
- Foreign currency negatively affected 2016 results by \$17M



<sup>1</sup> Actual results shown (except for projections). 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 priced at current market conditions
  - 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
- No fixed administration expenses or individual distribution system required
- Flexibility as economics change
- Strong counterparty, market credibility
- Reputation for execution certainty

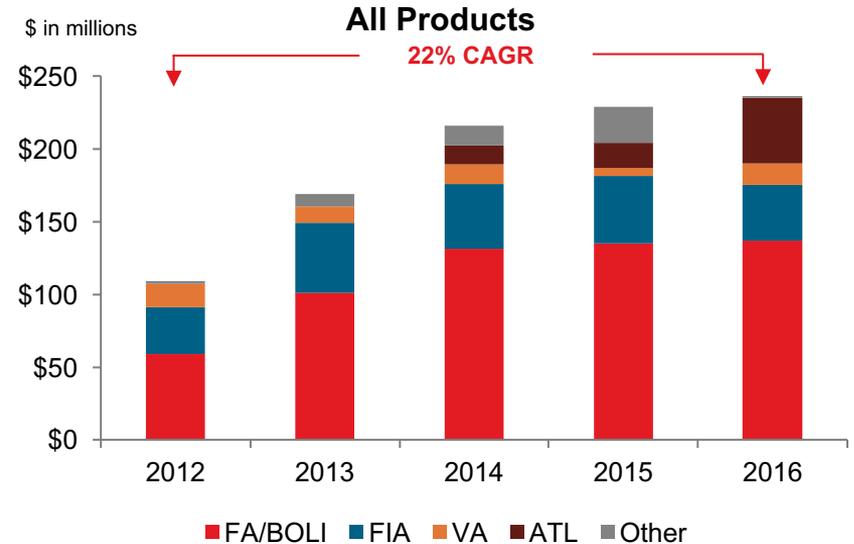
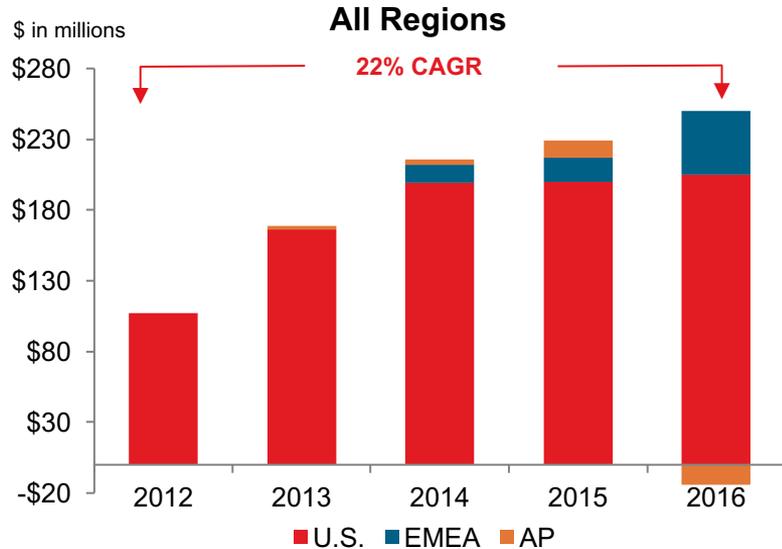
## Execution

- 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

# Asset-Intensive Reinsurance

Consistent, stable earnings; low sensitivity to market and policyholder behavior risks

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



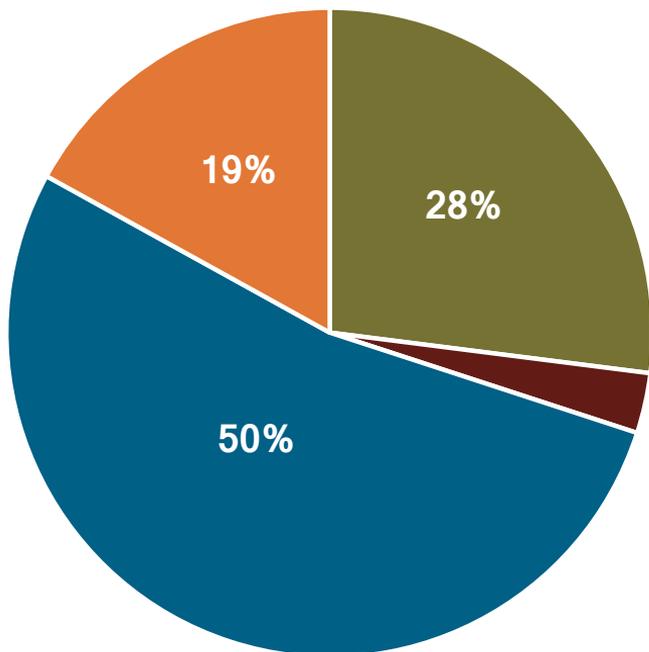
FA/BOLI – Fixed Annuities/Bank-Owned Life Insurance  
 FIA – Fixed Indexed Annuities  
 VA – Variable Annuities  
 ATL – Asset Transfer Longevity

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

# Asset-Intensive Reinsurance – Optionality Profile

Significant portion of asset-intensive business has low policyholder behavior risk

Reserves Profile  
March 31, 2017

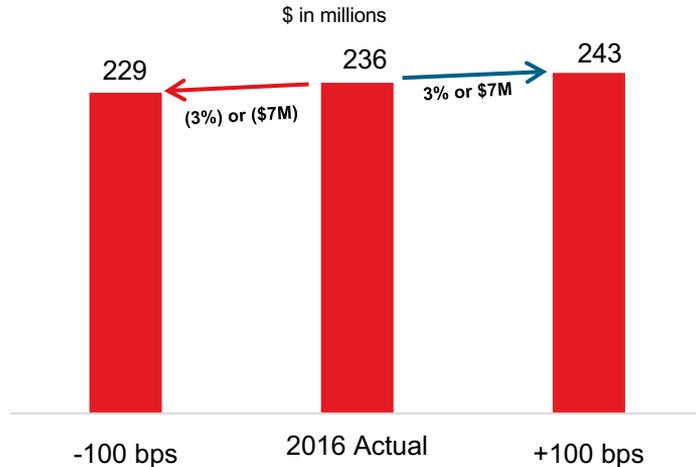


No policyholder behavior risk:	Locked-in longevity in payout
Very low policyholder behavior risk:	BOLI
Lower policyholder behavior risk:	Fixed and indexed annuity business with: <ul style="list-style-type: none"><li>• High guarantees (typically 3-4%)</li><li>• Surrender charges, and/or</li><li>• Market-value 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

# Asset-Intensive Reinsurance – Stable Earnings Under Market Movements

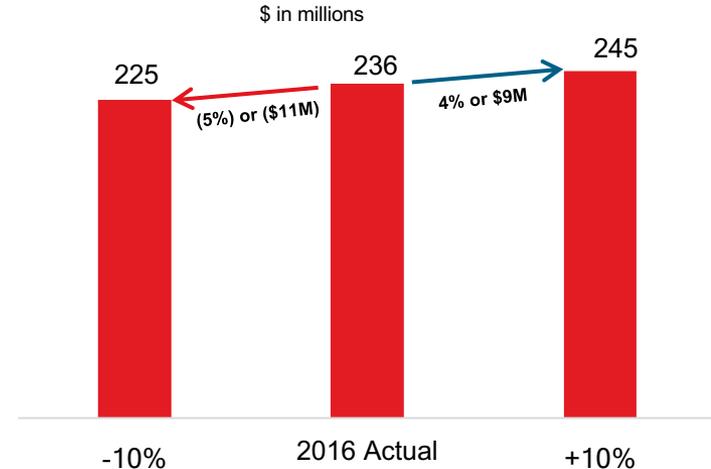
Illustrative sensitivities for 2016 pre-tax adjusted operating income<sup>1</sup>

## Low Sensitivity to Interest Rate Movements



- Interest rate shocks have immaterial effect on pre-tax adjusted operating income
- All shocks are instantaneous and then held constant for the entire year

## Low Sensitivity to Equity Movements



- Equity shocks are manageable
- All shocks are instantaneous and then held constant for the entire year

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

# Longevity – Executing Strategies

## Strategies

- Leverage mortality expertise to establish position as longevity expert
- Deliver non-correlated risk and diversify profit stream
- Focus on markets where good underlying experience data exists
- Target older average ages to minimize risk of medical advances
- Diversify by structures and by geographies

## Advantages

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

## Execution

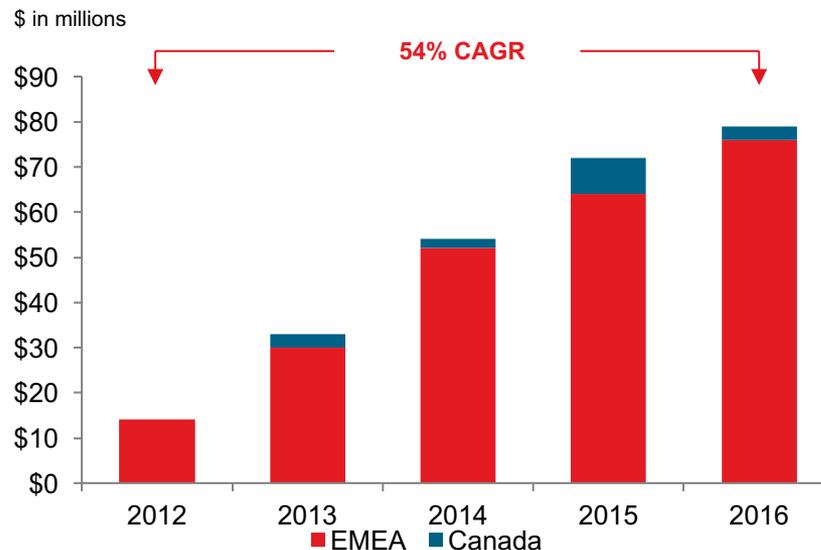
- Transacted in U.K., Canada, Netherlands, France; targeting U.S. and elsewhere in Continental Europe
- Executed swaps, asset transfer, and stop-loss solutions
- Focused on advanced ages
- Inception to date, performance has been at or above expectations

# Longevity Reinsurance

## Key Messages

- Continued strong income growth from new business and favorable experience
- Selective participation in targeted markets
- Provided first longevity-only solution for a North America pension plan in 2015
- Strong demand expected to continue

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



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

# Capital-Motivated Reinsurance – Executing Strategies

## Strategies

- Combine financial structuring expertise with strong local client relationships
- Expand strategic accounts in developed markets
- Lead innovation in Europe and developing Asian markets
- Leverage expertise to address changing regulations
- Apply Solvency II solutions in regions outside of Europe to help European multinationals

## Advantages

- Seasoned experts well-positioned in all regions
- Deep understanding of clients' products from decades of reinsuring
- Not subject to Solvency II nor IFRS at a consolidated level
- In-depth knowledge of local regulations
- Execution track record

## Execution

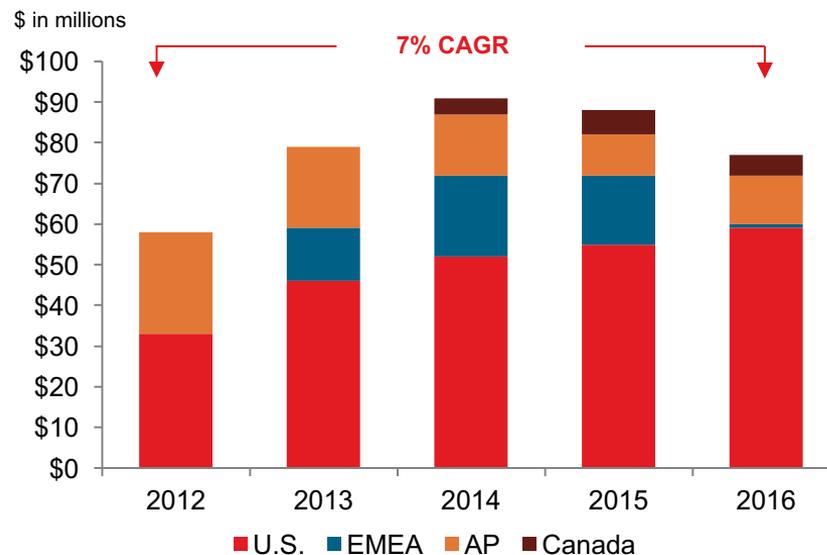
- Leading presence in U.S., Japan, and Europe
- Broad variety of solutions in the U.S. including XXX/AXXX
- Solvency II-driven solutions in the U.K. and Continental Europe

# Capital-Motivated Reinsurance

## Key Messages

- Stable, fee-based contributor to income
- Established presence in U.S., Europe, and Asia
- Recognized leader in this highly specialized market
- Significant opportunities for growth in select regions
- Europe lower in 2016 due to Solvency I recaptures

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



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

# Vision for the Future

**RGA has what it takes to succeed**

- Regulatory and capital changes will continue to drive demand
- Clients continue to value expertise and counterparty strength
- Market demand for longevity risk transfer may ultimately exceed capacity
- Seasoned expertise and strong client relationships create advantages
- Innovation and biometric capabilities enable broad solutions
- Clear strategies and strong execution will continue to produce high-quality, stable earnings

# Key Messages



Well-positioned

- Strong brand, reputation, market prominence
- Changing landscape creates opportunities
- Unique strengths create competitive advantages



Proven strategy

- A recognized leader in large and complex transactions
- Experienced management team, disciplined approach
- Strong and stable financial results over many years



Attractive financial prospects

- Good diversification of earnings and risk
- An important contributor to consolidated results
- Expect continued strong financial results



# Financial Overview

Todd Larson

Senior Executive Vice President and Chief Financial Officer

# Key Messages



Proven strategy

- Strong financial track record
- Continued organic growth and in-force transactions
- Effective capital management
- Conventional investment portfolio



Well-positioned

- Less sensitivity to financial markets
- Stable liability structure
- Strong ratings
- Well-established Enterprise Risk Management framework



Attractive financial prospects

- Well-diversified business model
- Balance and diversity of profits
- Intermediate guidance unchanged
- Confident and optimistic about the future

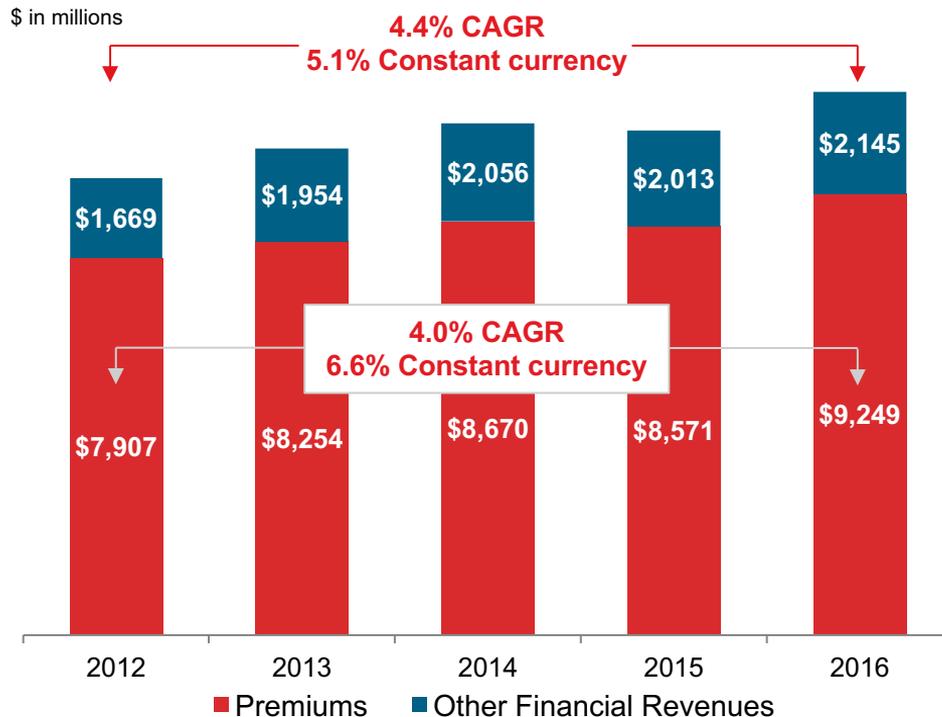


**Strong Financial Track Record**

# Solid Growth of Adjusted Operating Revenues<sup>1</sup>

## Key Messages

- Consistent growth delivered over time
- Growth rates muted by weak foreign currencies
- Good balance across mature and higher-growth markets, products
- GFS produces a combination of premiums, fees, and net investment income
- 2014 mortality retrocession reduced premiums CAGR by 1.3%

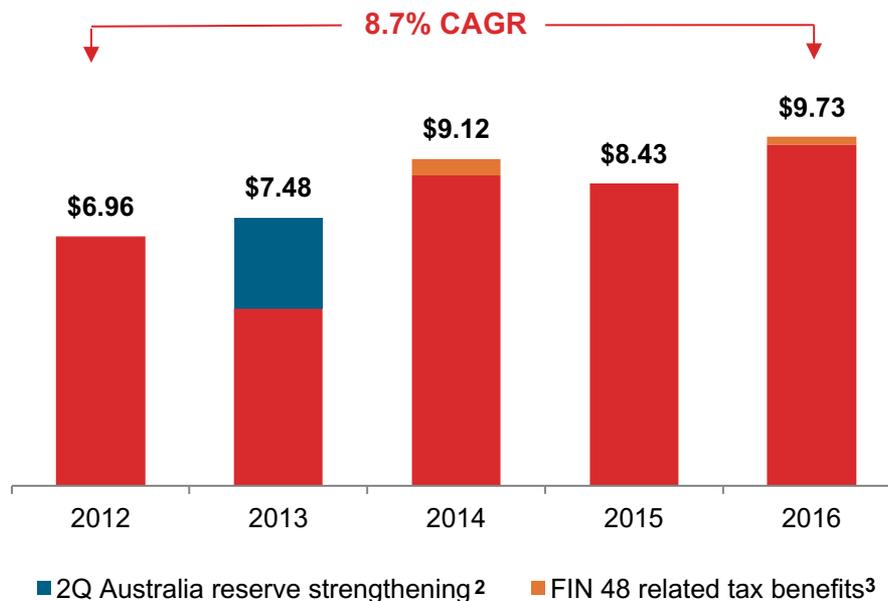


<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

# Attractive Growth Rate of Adjusted Operating EPS<sup>1</sup>

## Key Messages

- Strong track record
- Influences:
  - Foreign currencies -2.6%
  - Interest rates -2.5% to -3.5%
  - Capital management +3.5%



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

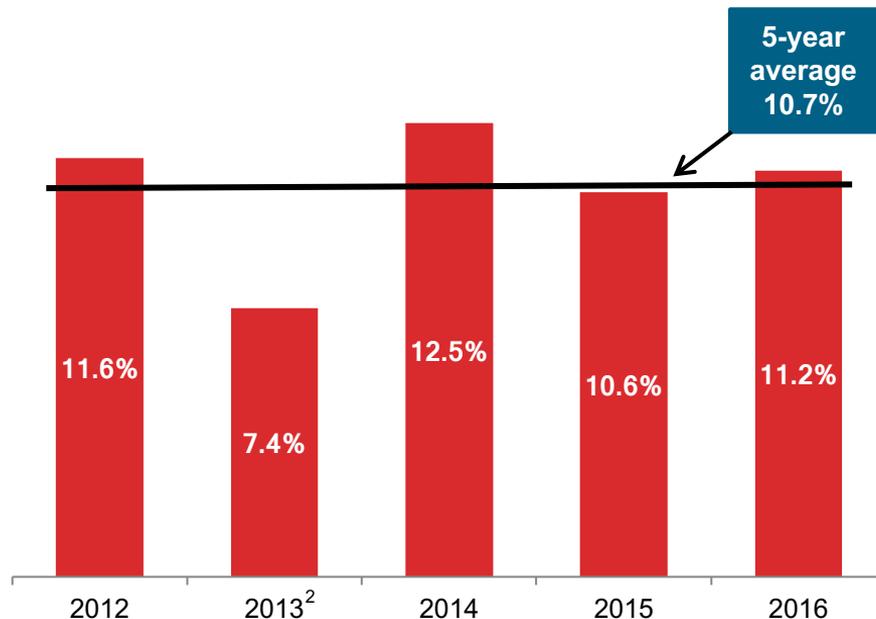
<sup>2</sup> 2Q13 Australia reserve strengthening impact adjusted operating EPS by \$2.53.

<sup>3</sup> 2014 includes \$0.47 of FIN 48 related tax benefits associated with closing five years of IRS examinations. 2016 includes \$0.22 of FIN 48 related tax benefits associated with closing two years of IRS examinations.

# Solid Adjusted Operating ROE<sup>1</sup> Despite Macro Environment Headwinds

## Key Messages

- Favorable results in the face of lower interest rates and foreign currencies
- 5-year average is 11.3% without Australia charge

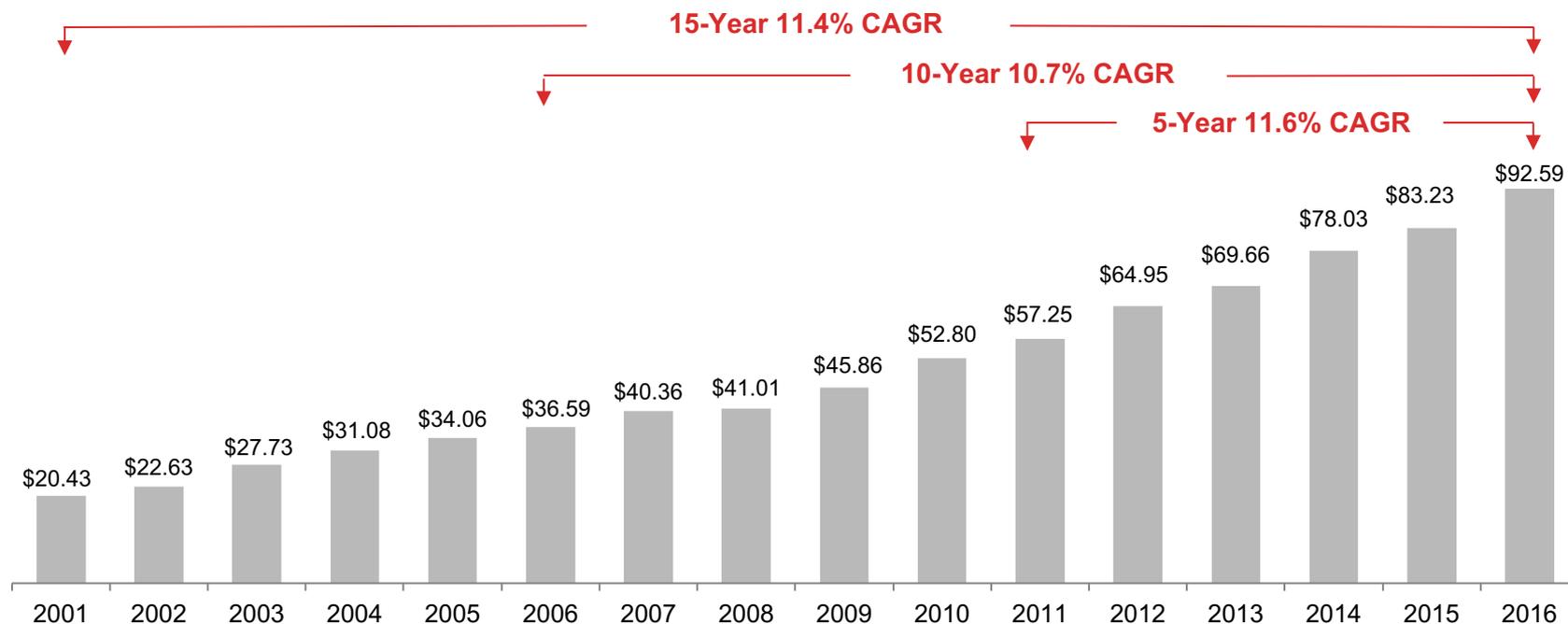


<sup>1</sup> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix.

<sup>2</sup> 2013 results reflect charge for reserve strengthening in Australia.

# 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> Please refer to "Reconciliations of Non-GAAP Measures" in the Appendix. Periods prior to 4Q06 not restated for 2012 DAC accounting change.

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



## Effective Capital Management

# Effective Capital Management

## Strong Capital Position

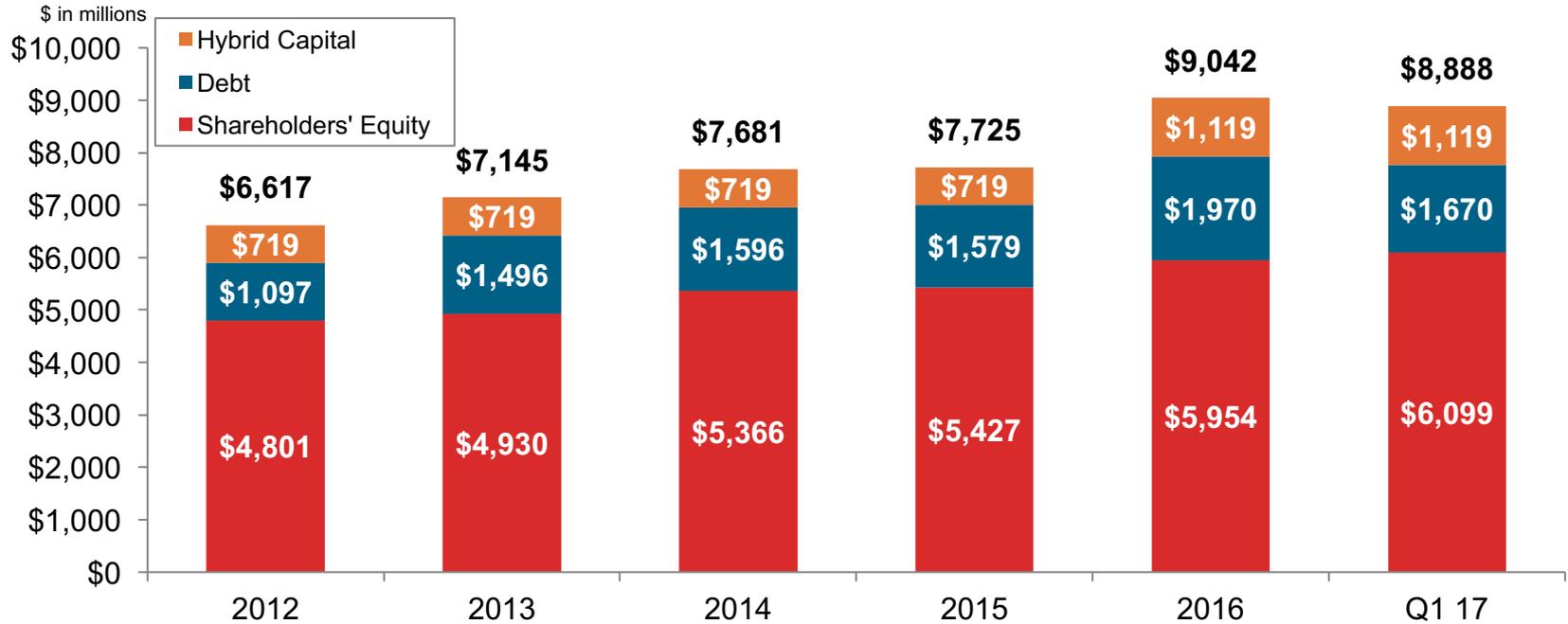
- Excess capital position: \$1.2 billion at March 31, 2017; target excess cushion: \$300 to \$500 million
- Maintain an efficient, appropriate mix of capital
- Continue to balance the capital-related expectations of shareholders, bondholders, clients, regulators, and rating agencies
- Maintain ratings, maintain coverage, and leverage ratios within target limits
- Additional flexibility available through various in-force management transactions

## Balanced Capital Management Approach

- Proven ability to raise capital in a variety of ways and multiple liquidity sources
- Preference to deploy capital in support of attractive business opportunities/block acquisitions
- Track record of returning excess capital to shareholders through share repurchases and increasing dividends over time
- Excess capital at entity level used for organic growth, acquisitions

# Efficient Capital Management

Capital structure includes equity, debt, hybrid securities

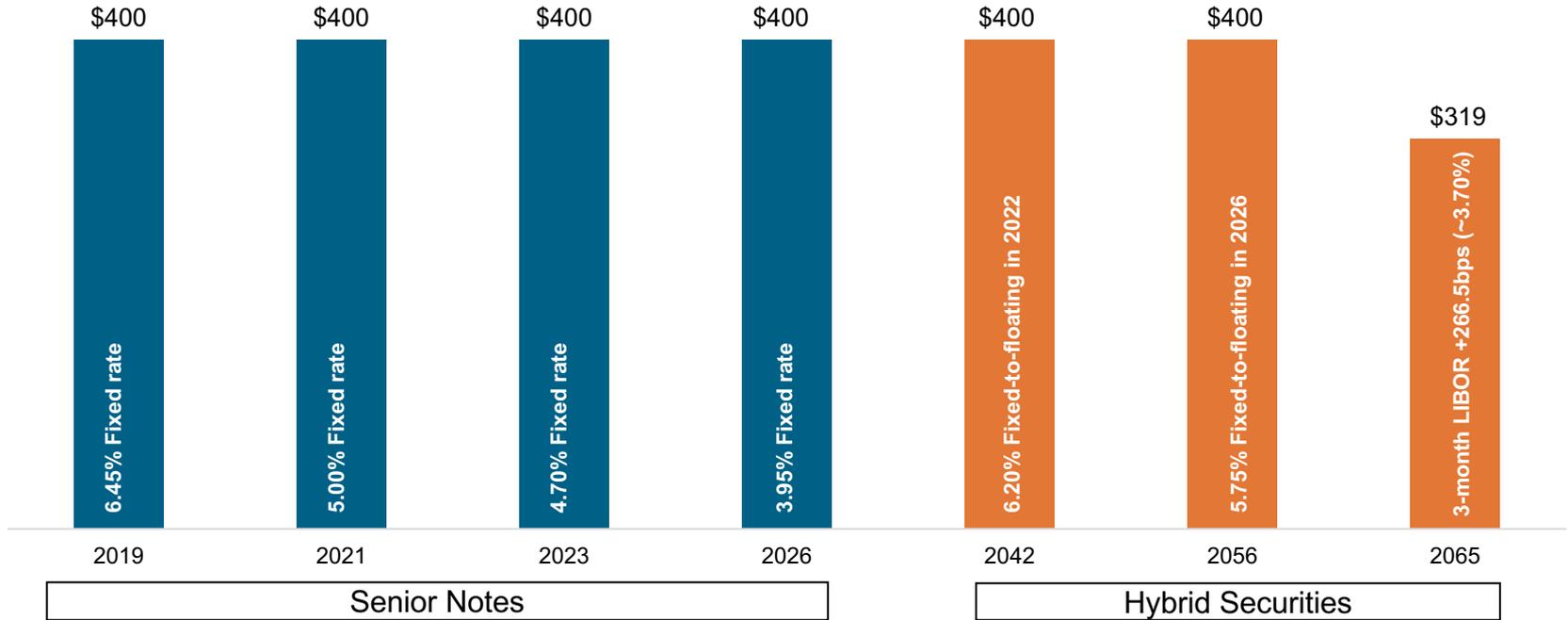


Debt to Total Capital	16.6%	20.9%	20.8%	20.4%	21.8%	18.8%
Hybrid to Total Capital	10.9%	10.1%	9.4%	9.3%	12.4%	12.6%

# Efficient Capital Management

## Prudent laddering of debt and hybrid securities

\$ in millions



Other financing:

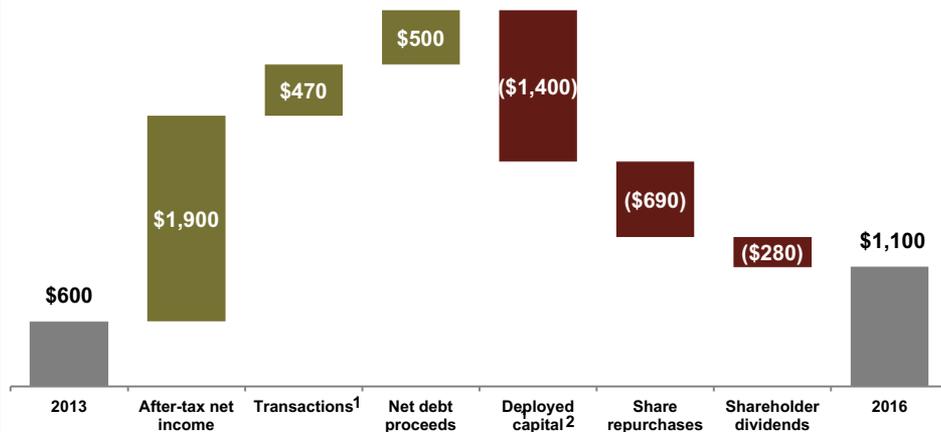
- Timberlake: \$480 million at Libor + 29 bps matures 2036.
- Embedded value securitization: \$282 million at 4.50% amortizes down by 2024.

# Effective Capital Management

## Balanced capital management approach

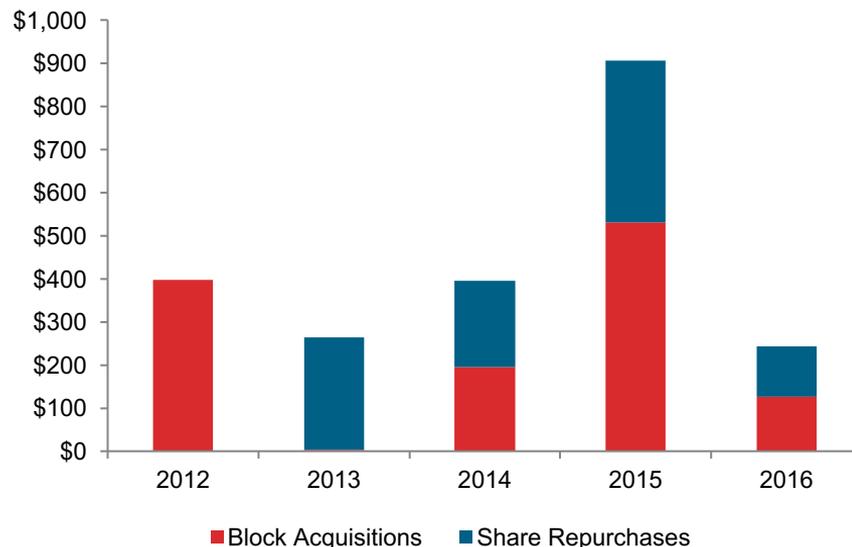
### 3-year excess capital roll-forward

\$ in millions



### Balanced approach toward excess capital deployment

\$ in millions



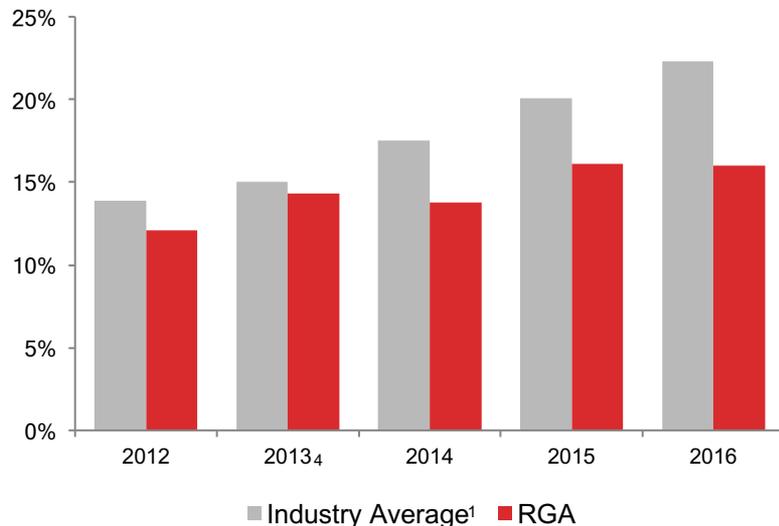
<sup>1</sup> Transactions include embedded value securitization (\$300 million) and mortality retrocession (\$170 million) in 2014.

<sup>2</sup> Deployed capital includes block acquisitions and organic growth.

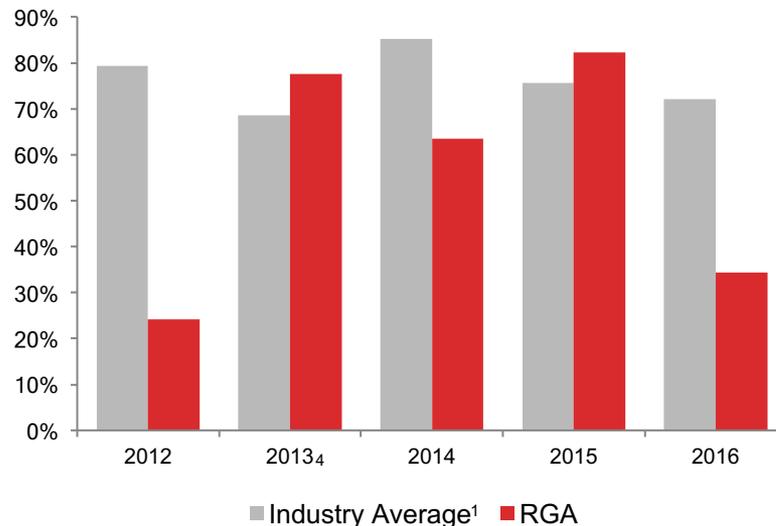
# Five-Year Dividend Per Share CAGR = 14%

Consistent double-digit dividend increases

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



### Total Payout Ratio<sup>3</sup>



Source: SNL & Company Filings.

<sup>1</sup> Industry Average includes AFL, AIZ, CNO, GNW, HIG, LNC, MET, PFG, PRI, PRU, TMK, UNM.

<sup>2</sup> Calculated as dividends divided by after-tax adjusted operating income.

<sup>3</sup> Calculated as the dividend payout ratio plus buyback payout ratio.

<sup>4</sup> Based upon normalized earnings in 2013 before charge for strengthening reserves in Australia.

**RGA**

**Attractive Operating Model**

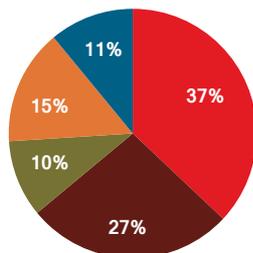
## RGA Has an Attractive Operating Model

- Balance and diversity of profits by geography and product
- High-quality earnings, less sensitivity to financial market volatility
- Considerable projected value embedded in the in-force business
- Stable liability structure
- Conventional investment portfolio
- Well-established ERM process

# Global Platform Delivers Balance and Diversity

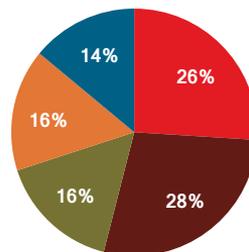
Earnings diversity by geography and product has reduced the impact of natural claims volatility

2014 Pre-tax Adjusted  
Operating Income<sup>1</sup>  
(excl. Corporate)



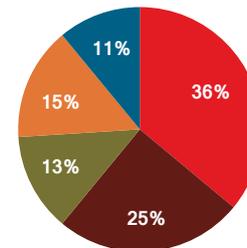
Total: \$941.9 Million

2015 Pre-tax Adjusted  
Operating Income<sup>1</sup>  
(excl. Corporate)



Total: \$848.1 Million

2016 Pre-tax Adjusted  
Operating Income<sup>1</sup>  
(excl. Corporate)



Total: \$948.8 Million

■ U.S. and Latin America Traditional ■ U.S. and Latin America Financial Solutions ■ Canada ■ EMEA ■ Asia Pacific

Percentages exclude Corporate.

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

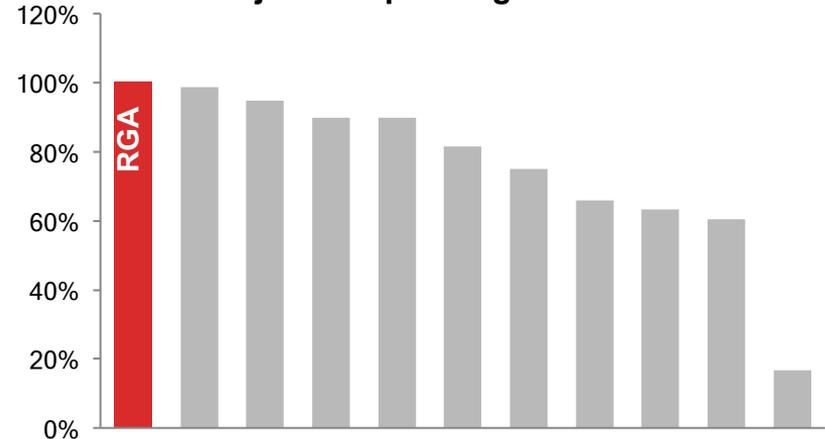
# RGA Produces High-Quality Earnings

## High ranking relative to peers

### Key Messages

- “Adjusted operating income” = net income over time
- Hedging and other “below”-the-line items equalize over time
- Less sensitivity to equity market volatility (less than 5% of pre-tax profits)

10-Year Net Income Divided by Adjusted Operating Income

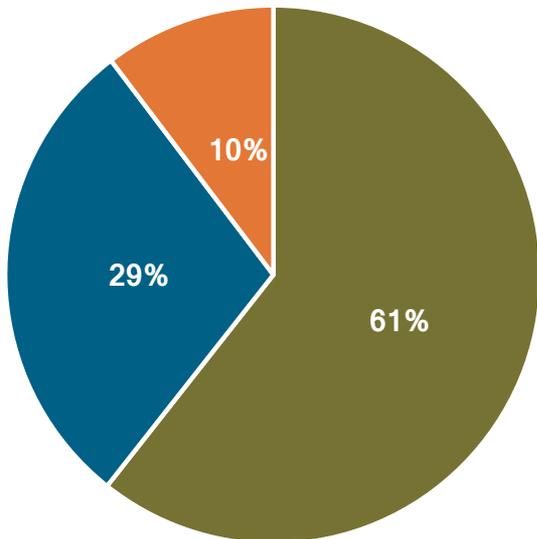


Source: Autonomous Research US LP.  
Peer Companies include: AEL, AFL, AMP, CNO, LNC, MET, PFG, PRU, TMK, UNM.

# Stable Liability Profile

Relatively low liquidity risk due to liability profile

**Reserves Profile  
March 31, 2017**



<b>Very low policyholder behavior risk:</b>	Mortality, LTC, Longevity, BOLI
<b>Lower policyholder behavior risk:</b>	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>
<b>Higher policyholder behavior risk:</b>	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

**RGA**

**Investments**



# RGA Investment Management

## Support RGA's Business

- Maintain conventional life insurance investment portfolio
- Manage balance sheet strength and investment income
- Dedicated investment associates to support Global Financial Solutions and Global Acquisitions
- Balance internally managing portfolio with outsourcing certain asset classes

## Investment Strategy

- Take a moderate amount of credit and illiquidity risk by investing in assets that meet the cash flow characteristics of liabilities
- Limited exposure to higher-risk asset classes
- Well-established investment risk measurement and management
- High-quality commercial mortgage loan portfolio – no exposure to traditional retail malls

# Investment Portfolio Is Conventional

## Asset allocation

	March 31, 2017
Market Value	\$ 43.3B
Book Value	\$ 40.4B
<b>Cash &amp; Short Term</b>	<b>0.5%</b>
<b>Investment Grade</b>	<b>92.6%</b>
Corporate Bonds and Bank Loans	46.1%
Government Bonds	19.0%
Structured Bonds	13.3%
Commercial Mortgage Loans	9.8%
Emerging Market Debt	4.4%
<b>High-Yield</b>	<b>4.7%</b>
Corporate Bonds and Bank Loans	2.3%
Structured Bonds	0.4%
Commercial Mortgage Loans	0.4%
Emerging Market Debt	1.6%
<b>Private Debt/Equity</b>	<b>2.2%</b>
Mezzanine Debt & Real Estate JVs	2.2%
<b>Total</b>	<b>100.0%</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
  - Private placements

# Investment Portfolio Is Conventional

## Rating distribution

Rating	March 31, 2017	
	Market Value	%
AAA-AA	\$ 13.7B	31.6%
A	14.4	33.4%
BBB	12.2	28.1%
< BBB	2.0	4.6%
Not Rated	1.0	2.3%
<b>Total<sup>1</sup></b>	<b>\$ 43.3B</b>	<b>100.0%</b>

- Credit rating distribution
  - Average rating has been stable
  - Rating distribution has been stable
- RGA's total energy exposure is \$2.0 billion (book value)
  - 90% of total energy exposure is investment grade
  - 51% is in the midstream sector (pipeline/infrastructure companies) with less commodity price exposure

<sup>1</sup> Includes asset-intensive funds-withheld assets. Excludes policy loans, other funds-withheld assets, affiliated securities, and liability derivative portfolios.



# Enterprise Risk Management

# Well-Established Enterprise Risk Management Framework

- Well-defined ERM framework
  - Identify, assess, measure, and monitor risks quarterly
  - Quarterly risk reporting at all levels of management including to the Board
  - Clear risk tolerances and limits control risk exposures
  - Stress-testing identifies potential threats to strategy
- Risk profile has become more diversified over time
- Insurance liability profiles are diversified and well-understood
- Demonstrated ability to manage 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 longer time periods

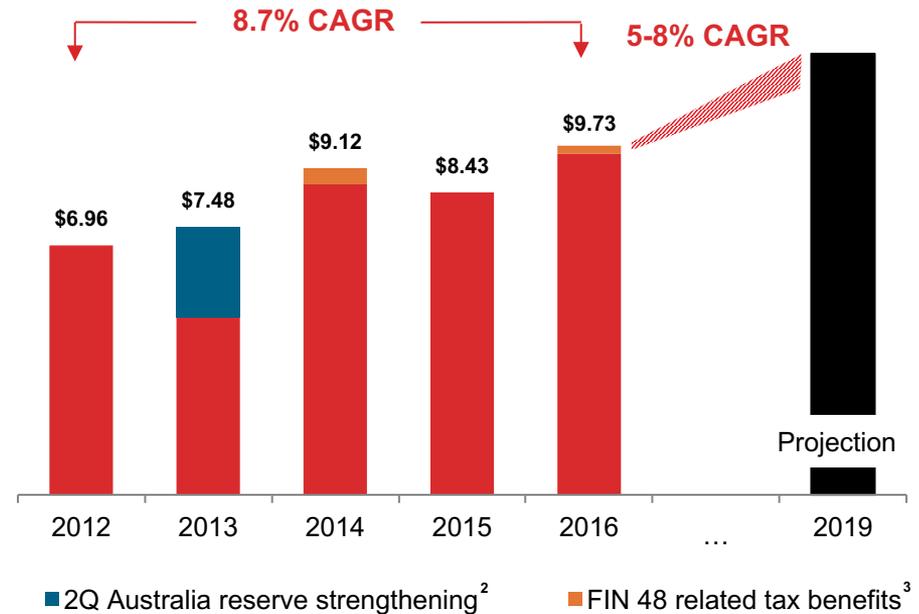


## Financial Outlook

# Attractive Growth Rate of Adjusted Operating EPS<sup>1</sup>

## Key Messages

- Intermediate guidance of 5% - 8%
- Headwinds are ongoing but manageable
- Expect:
  - Solid organic growth
  - Transactional opportunities
  - Effective capital management



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

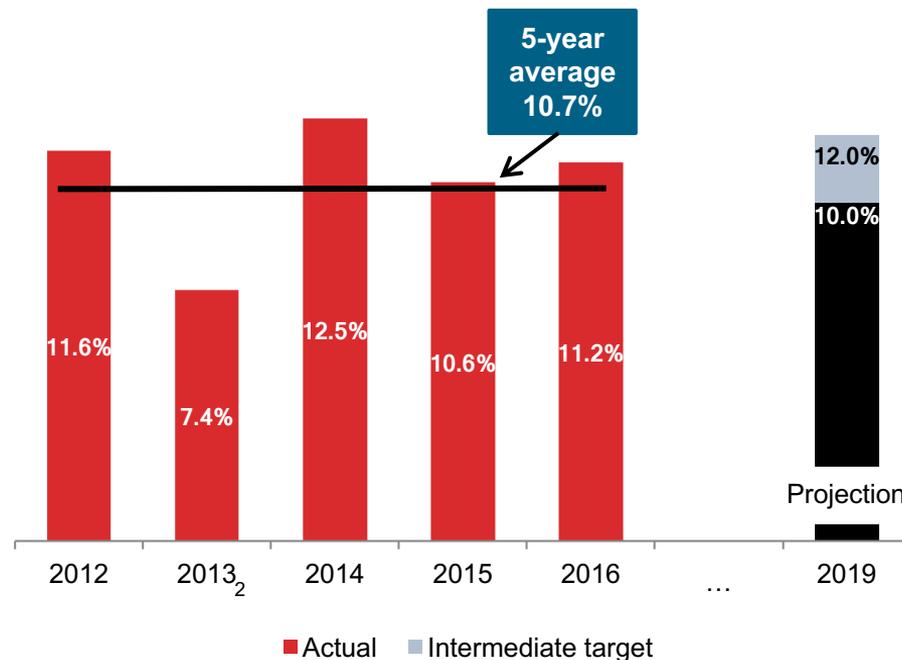
<sup>2</sup> 2Q13 Australia reserve strengthening impact adjusted operating EPS by \$2.53.

<sup>3</sup> 2014 includes \$0.47 of FIN 48 related tax benefits associated with closing five years of IRS examinations. 2016 includes \$0.22 of FIN 48 related tax benefits associated with closing two years of IRS examinations.

# Attractive Adjusted Operating ROE<sup>1</sup> Despite Macro Environment Headwinds

## Key Messages

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



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

<sup>2</sup> 2013 results reflect charge for reserve strengthening in Australia.

# Financial Outlook: Attractive Investment Opportunity

- Strong strategic position leads to solid organic growth
- Continue to pursue in-force and transactional opportunities
- Effective capital management adds to shareholder returns
- RGA's operating model is attractive
- Intermediate guidance is unchanged
  - 5%-8% EPS annual growth
  - 10%-12% annual operating ROE
- Solid organic growth + transactional opportunities + capital management  
**= Attractive EPS Growth and Shareholder Returns**

# Key Messages



## Proven strategy

- Strong financial track record
- Continued organic growth and in-force transactions
- Effective capital management
- Conventional investment portfolio



## Well-positioned

- Less sensitivity to financial markets
- Stable liability structure
- Strong ratings
- Well-established Enterprise Risk Management framework



## Attractive financial prospects

- Well-diversified business model
- Balance and diversity of profits
- Intermediate guidance unchanged
- Confident and optimistic about the future



## **Appendix Reconciliations of Non-GAAP Measures**



# Reconciliations of Non-GAAP Measures

\$ in millions

## U.S. & LATIN AMERICA TRADITIONAL OPERATIONS

	2011	2012	2013	2014	2015	2016
GAAP Pre-Tax Income - Cont Ops	\$ 367.2	\$ 374.4	\$ 377.6	\$ 351.6	\$ 235.8	\$ 371.1
Realized Capital (Gains) / Losses	(41.8)	0.3	(3.0)	(4.5)	0.2	(0.3)
Change in MV of Embedded Derivatives <sup>(1)</sup>	(2.4)	2.0	(1.9)	3.1	(2.5)	4.5
Pre-tax Adjusted Operating Income	\$ 323.0	\$ 376.7	\$ 372.7	\$ 350.2	\$ 233.5	\$ 375.3

	QTD 1Q11	QTD 2Q11	QTD 3Q11	QTD 4Q11	QTD 1Q12	QTD 2Q12	QTD 3Q12	QTD 4Q12	QTD 1Q13	QTD 2Q13	QTD 3Q13	QTD 4Q13	QTD 1Q14	QTD 2Q14	QTD 3Q14	QTD 4Q14	QTD 1Q15	QTD 2Q15	QTD 3Q15	QTD 4Q15	QTD 1Q16	QTD 2Q16	QTD 3Q16	QTD 4Q16	QTD 1Q17
GAAP Pre-Tax Income - Cont Ops	\$ 79.0	\$ 92.5	\$ 79.4	\$ 116.4	\$ 50.5	\$ 98.3	\$ 71.7	\$ 153.9	\$ 79.5	\$ 90.2	\$ 85.0	\$ 122.8	\$ 51.0	\$ 94.0	\$ 77.8	\$ 128.9	\$ 17.8	\$ 82.8	\$ 55.7	\$ 79.5	\$ 51.1	\$ 111.4	\$ 77.1	\$ 131.5	\$ 30.0
Realized Capital (Gains) / Losses	(8.9)	(0.2)	(3.7)	(29.1)	13.1	(0.7)	2.5	(14.5)	(7.2)	(2.3)	6.5	0.1	(4.3)	(5.9)	1.4	4.2	-	-	-	0.2	0.1	-	(0.1)	(0.3)	-
Change in MV of Embedded Derivatives <sup>(1)</sup>	-	-	(1.4)	(1.0)	-	(0.1)	(0.6)	2.7	(0.1)	(1.4)	(1.2)	0.7	1.5	0.9	(0.3)	1.0	2.5	(3.4)	(1.0)	(0.7)	2.0	0.9	3.5	(1.9)	(2.0)
Pre-tax Adjusted Operating Income	\$ 70.1	\$ 92.3	\$ 74.3	\$ 86.3	\$ 63.6	\$ 97.5	\$ 73.6	\$ 142.1	\$ 72.2	\$ 86.5	\$ 90.3	\$ 123.6	\$ 48.2	\$ 89.0	\$ 78.9	\$ 134.1	\$ 20.3	\$ 79.4	\$ 54.7	\$ 79.0	\$ 53.2	\$ 112.3	\$ 80.5	\$ 129.3	\$ 28.0

## US & LATIN AMERICA OPERATIONS SEGMENT

	2012	2013	2014	2015	2016
GAAP Revenue	\$ 5,758.1	\$ 6,078.8	\$ 6,297.4	\$ 6,108.9	\$ 6,805.4
Realized Capital (Gains) / Losses	3.7	154.1	(95.3)	(25.9)	27.8
Change in MV of Embedded Derivatives	(219.6)	(212.2)	(69.1)	132.0	(62.0)
Adjusted Operating Revenue	\$ 5,542.2	\$ 6,020.7	\$ 6,133.0	\$ 6,215.0	\$ 6,771.2

	2012	2013	2014	2015	2016
GAAP Pre-Tax Income - Cont Ops	\$ 642.7	\$ 623.2	\$ 654.6	\$ 443.7	\$ 654.4
Realized Capital (Gains) / Losses <sup>(1)</sup>	(80.3)	128.3	56.6	(37.7)	(53.1)
Change in MV of Embedded Derivatives <sup>(1)</sup>	(43.7)	(167.1)	(109.6)	82.0	38.2
Pre-tax Adjusted Operating Income	\$ 518.7	\$ 584.4	\$ 601.6	\$ 488.0	\$ 639.5

## CANADA OPERATIONS

	2012	2013	2014	2015	2016
GAAP Revenue	\$ 1,140.3	\$ 1,185.0	\$ 1,181.9	\$ 1,068.0	\$ 1,164.9
Realized Capital (Gains) / Losses	(27.6)	(16.6)	(3.2)	(0.3)	(9.1)
Change in MV of Embedded Derivatives	-	-	-	-	-
Adjusted Operating Revenue	\$ 1,112.7	\$ 1,168.4	\$ 1,178.7	\$ 1,067.7	\$ 1,155.8

	2012	2013	2014	2015	2016
GAAP Pre-Tax Income - Cont Ops	\$ 187.0	\$ 164.3	\$ 101.7	\$ 138.1	\$ 142.6
Realized Capital (Gains) / Losses	(27.7)	(16.6)	(3.2)	(0.4)	(9.1)
Pre-tax Adjusted Operating Income	\$ 159.3	\$ 147.7	\$ 98.5	\$ 137.7	\$ 133.5

(1) Net of DAC offset

# Reconciliations of Non-GAAP Measures

## \$ in millions

### EMEA OPERATIONS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Revenue	\$ 1,275.1	\$ 1,305.0	\$ 1,557.8	\$ 1,477.4	\$ 1,535.7
Realized Capital (Gains) / Losses	(11.1)	(3.5)	(24.7)	(10.5)	(13.5)
Investment income on unit-linked variable annuities	-	-	-	-	(13.1)
Non-investment Derivatives	-	-	(0.5)	(0.2)	(2.1)
Adjusted Operating Revenue	<u>\$ 1,264.0</u>	<u>\$ 1,301.5</u>	<u>\$ 1,532.6</u>	<u>\$ 1,466.7</u>	<u>\$ 1,507.0</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Pre-Tax Income - Cont Ops	\$ 61.0	\$ 74.6	\$ 161.6	\$ 156.9	\$ 168.1
Realized Capital (Gains) / Losses	(11.1)	(3.5)	(24.7)	(10.5)	(13.5)
Non-investment derivatives	-	-	(0.5)	(0.2)	(2.1)
Pre-tax Adjusted Operating Income	<u>\$ 49.9</u>	<u>\$ 71.1</u>	<u>\$ 136.4</u>	<u>\$ 146.2</u>	<u>\$ 152.5</u>

### AUSTRALIA OPERATIONS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Revenue	\$ 854.3	\$ 876.1	\$ 894.5	\$ 772.6	\$ 699.5
Realized Capital (Gains) / Losses	(9.6)	(0.7)	(4.1)	(0.2)	(0.8)
Adjusted Operating Revenue	<u>\$ 844.7</u>	<u>\$ 875.4</u>	<u>\$ 890.4</u>	<u>\$ 772.4</u>	<u>\$ 698.7</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Pre-Tax Income - Cont Ops	\$ (23.1)	\$ (301.8)	\$ (4.8)	\$ 21.0	\$ (18.1)
Realized Capital (Gains) / Losses	(9.6)	(0.7)	(4.1)	(0.2)	(0.8)
Pre-tax Adjusted Operating Income	<u>\$ (32.7)</u>	<u>\$ (302.5)</u>	<u>\$ (8.9)</u>	<u>\$ 20.8</u>	<u>\$ (18.9)</u>

### ASIA-PACIFIC (EXCLUDING AUSTRALIA) OPERATIONS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Revenue	\$ 703.0	\$ 734.5	\$ 862.2	\$ 922.3	\$ 1,135.0
Realized Capital (Gains) / Losses	1.2	9.0	8.5	3.1	(5.7)
Adjusted Operating Revenue	<u>\$ 704.2</u>	<u>\$ 743.5</u>	<u>\$ 870.7</u>	<u>\$ 925.4</u>	<u>\$ 1,129.3</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Pre-Tax Income - Cont Ops	\$ 75.1	\$ 75.2	\$ 107.1	\$ 104.3	\$ 136.1
Realized Capital (Gains) / Losses	1.2	9.0	8.5	3.1	(5.7)
Pre-tax Adjusted Operating Income	<u>\$ 76.3</u>	<u>\$ 84.2</u>	<u>\$ 115.6</u>	<u>\$ 107.4</u>	<u>\$ 130.4</u>

# Reconciliations of Non-GAAP Measures

\$ in millions

## GFS - ASSET INTENSIVE REINSURANCE

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Pre-Tax Income - Cont Ops	\$ 231.9	\$ 192.5	\$ 274.9	\$ 189.1	\$ 274.8
Realized Capital (Gains) / Losses <sup>(1)</sup>	(79.0)	142.3	53.7	(45.2)	(72.7)
Change in MV of Embedded Derivatives <sup>(1)</sup>	(45.7)	(165.2)	(112.7)	84.5	33.7
Pre-tax Adjusted Operating Income	<u>\$ 107.2</u>	<u>\$ 169.6</u>	<u>\$ 215.9</u>	<u>\$ 228.4</u>	<u>\$ 235.8</u>

## GFS - CAPITAL-MOTIVATED REINSURANCE

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Pre-Tax Income - Cont Ops	\$ 57.3	\$ 78.5	\$ 90.9	\$ 88.3	\$ 77.0
Realized Capital (Gains) / Losses	0.2	0.4	0.3	-	-
Pre-tax Adjusted Operating Income	<u>\$ 57.5</u>	<u>\$ 78.9</u>	<u>\$ 91.2</u>	<u>\$ 88.3</u>	<u>\$ 77.0</u>

## GFS - LONGEVITY

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Pre-Tax Income - Cont Ops	\$ 14.4	\$ 32.9	\$ 55.6	\$ 72.6	\$ 81.5
Realized Capital (Gains) / Losses <sup>(1)</sup>	(0.6)	(0.1)	(1.2)	-	(0.1)
Non-investment derivatives	-	-	(0.5)	(0.2)	(2.1)
Pre-tax Adjusted Operating Income	<u>\$ 13.8</u>	<u>\$ 32.8</u>	<u>\$ 53.9</u>	<u>\$ 72.4</u>	<u>\$ 79.3</u>

## TOTAL GFS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Pre-Tax Income - Cont Ops	\$ 303.6	\$ 303.9	\$ 421.4	\$ 350.0	\$ 433.3
Realized Capital (Gains) / Losses <sup>(1)</sup>	(79.5)	142.6	52.8	(45.2)	(72.8)
Change in MV of Embedded Derivatives <sup>(1)</sup>	(45.7)	(165.2)	(112.7)	84.5	33.7
Non-investment derivatives	-	-	(0.5)	(0.2)	(2.1)
Pre-tax Adjusted Operating Income	<u>\$ 178.4</u>	<u>\$ 281.3</u>	<u>\$ 361.0</u>	<u>\$ 389.1</u>	<u>\$ 392.1</u>

(1) Net of DAC offset

# Reconciliations of Non-GAAP Measures

\$ in millions

RG A CONSOLIDATED

## CONSOLIDATED EPS RECONCILIATION

Per Diluted Share Basis

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP After-Tax Income - Cont Ops	\$ 8.52	\$ 5.78	\$ 9.78	\$ 7.46	\$ 10.79
Realized Capital (Gains) / Losses <sup>(1)</sup>	(1.18)	1.09	0.36	0.18	(1.42)
Change in MV of Embedded Derivatives <sup>(1)</sup>	(0.38)	(1.50)	(1.02)	0.79	0.38
Gain on Debt Repurchase	-	(0.42)	-	-	-
Non-Investment Derivatives	-	-	-	-	(0.02)
Adjusted Operating EPS from Cont. Operations	\$ 6.96	\$ 4.95	\$ 9.12	\$ 8.43	\$ 9.73

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Revenue	\$ 9,840.9	\$ 10,318.3	\$ 10,904.2	\$ 10,418.2	\$ 11,521.5
Realized Capital (Gains) / Losses	(45.6)	148.7	(108.5)	33.2	(50.3)
Change in MV of Embedded Derivatives	(219.6)	(212.2)	(69.1)	132.0	(62.0)
Gain on Debt Repurchase	-	(46.5)	-	-	-
Investment income on unit-linked variable annuities	-	-	-	-	(13.1)
Non-investment Derivatives	-	-	(0.4)	(0.1)	(2.1)
Adjusted Operating Revenue	\$ 9,575.7	\$ 10,208.3	\$ 10,726.2	\$ 10,583.3	\$ 11,394.0

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Stockholders' Equity	\$ 6,910.2	\$ 5,935.5	\$ 7,023.5	\$ 6,135.4	\$ 7,093.1
FAS 115 Equity Adjustment	1,877.6	820.2	1,624.8	935.7	1,355.0
Foreign Currency Adjustment	267.5	207.1	81.8	(181.1)	(172.5)
Unrealized Pension	(36.2)	(21.7)	(49.5)	(46.3)	(43.2)
Equity Excluding AOCI	\$ 4,801.3	\$ 4,929.9	\$ 5,366.4	\$ 5,427.1	\$ 5,953.8

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GAAP Stockholders' Average Equity	\$ 6,328.0	\$ 6,308.9	\$ 6,515.7	\$ 6,606.6	\$ 7,104.3
FAS 115 Average Equity Adjustment	1,636.9	1,290.2	1,282.3	1,362.4	1,656.4
Foreign Currency Adjustment	252.3	216.8	158.5	(53.7)	(134.5)
Unrealized Pension	(31.2)	(32.4)	(26.6)	(47.6)	(46.8)
Average Equity Excluding AOCI	\$ 4,470.0	\$ 4,834.3	\$ 5,101.5	\$ 5,345.5	\$ 5,629.2

Adjusted Operating ROE - Excluding AOCI

12% 7% 13% 11% 11%

(1) Net of DAC offset

# Reconciliations of Non-GAAP Measures

	<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>2016</u>	<u>1Q17</u>
Book value per share	\$ 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	\$ 102.13	\$ 94.09	\$ 110.31	\$ 115.24
Less: effect of FAS 115	(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	21.07	24.20
Less: effect of CTA	(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)	(2.68)	(3.02)
Less: effect of Pension Benefit	-	-	-	-	-	(0.18)	(0.14)	(0.20)	(0.22)	(0.20)	(0.42)	(0.50)	(0.31)	(0.72)	(0.71)	(0.67)	(0.66)
Book value per share excluding AOCI	\$ 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	\$ 92.59	\$ 94.72

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

**RGIA**