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REINSURANCE GROUP OF AMERICA INC
Form 8-K
November 03, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): November 3, 2003

REINSURANCE GROUP OF AMERICA, INCORPORATED
(Exact Name of Registrant as Specified in its Charter)

MISSOURI (State or Other Jurisdiction of Incorporation)	1-11848 (Commission File Number)	43-1627032 (IRS Employer Identification Number)
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1370 Timberlake Manor Parkway, Chesterfield, Missouri 63017
(Address of Principal Executive Office)
Registrant's telephone number, including area code: (636) 736-7000

ITEM 5. OTHER EVENTS

This Current Report on Form 8-K is being filed by Reinsurance Group of America, Incorporated ("RGA") solely to provide (i) certain historical financial results of RGA, by segment and sub-segment, (ii) certain historical financial information concerning RGA's consolidated stockholders' equity, (iii) certain additional third quarter 2003 information and (iv) certain supplemental data. The financial information provided below should be read in conjunction with and is qualified in its entirety by reference to "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the related notes contained in RGA's Annual Report on Form 10-K for the year ended December 31, 2002, Quarterly Reports on Form 10-Q for the quarters ended March 31, and June 30, 2003 and Current Report on Form 8-K which RGA filed with the Securities and Exchange Commission on August 25, 2003.

KEY COMPONENTS OF PRE-TAX OPERATING EARNINGS AND PRE-TAX OPERATING EARNINGS PER SHARE

RGA announces its results using a non-GAAP financial measure RGA calls "operating earnings," which RGA has previously referred to as "operating

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income." Management believes that operating earnings, on a pre-tax and after-tax basis, better measures the ongoing profitability of RGA's continuing operations by excluding from operating income the effect of net realized capital gains and losses and related deferred acquisition costs, which tend to be highly variable, any net gain or loss from discontinued operations and specified other items, which management believes are not indicative of ongoing operations. However, the definition of operating earnings can vary by company and is not considered a substitute in all applications for GAAP net income.

The following are the key components of RGA's consolidated pre-tax operating earnings for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
Income from continuing operations					
before income taxes.....	\$138.8	\$92.1	\$175.1	\$66.2	\$194.0
Realized investment (gains) losses.	(3.1)	75.3	28.6	68.4	14.6
Goodwill writeoff.....	-	-	-	-	0.8
Deferred acquisition cost offset ..	-	-	-	1.3	(0.8)

The following are the key components of pre-tax operating earnings for RGA's total U.S. Operations segment for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
Income from continuing operations					
before income taxes.....	\$127.8	\$72.3	\$167.4	\$124.6	\$175.8
Realized investment (gains) losses..	(2.4)	83.2	13.3	29.6	10.4
Deferred acquisition cost offset....	-	-	-	1.3	(0.8)

The following are the key components of pre-tax operating earnings for RGA's U.S. traditional operations for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002

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Income from continuing operations						
before income taxes.....	\$114.0	\$109.8	\$148.1	\$101.1	\$152.2	\$
Realized investment (gains) losses.	(1.7)	17.4	12.3	30.8	6.3	

The following are the key components of pre-tax operating earnings for RGA's U.S. asset-intensive operations for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
	-----	-----	-----	-----	-----
Income (loss) from continuing operations before income taxes....	\$9.1	\$ (41.2)	\$11.7	\$15.0	\$14.3
Realized investment (gains) losses...	(0.7)	65.8	1.0	(1.2)	4.1
Deferred acquisition cost offset.....	-	-	-	1.3	(0.8)

The following are the key components of pre-tax operating earnings for RGA's U.S. financial reinsurance operations for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
	-----	-----	-----	-----	-----
Income from continuing operations before income taxes.....	\$4.7	\$3.7	\$7.6	\$8.5	\$9.3

The following are the key components of pre-tax operating earnings for RGA's Canadian operations for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
	-----	-----	-----	-----	-----
Income from continuing operations before income taxes.....	\$22.8	\$37.9	\$39.9	\$51.5	\$38.6
Realized investment (gains) losses..	(0.7)	(5.9)	1.2	(9.1)	0.2

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The following are the key components of pre-tax operating earnings for RGA's Asia-Pacific operations for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
Income (loss) from continuing operations before income taxes...	\$(3.1)	\$(6.8)	\$1.2	\$3.0	\$6.3
Realized investment (gains) losses..	-	-	0.2	(0.1)	0.3

The following are the key components of pre-tax operating earnings for RGA's Europe and South Africa operations for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
Income (loss) from continuing operations before income taxes...	\$(5.0)	\$(3.8)	\$(2.4)	\$(1.0)	\$3.4
Realized investment (gains) losses..	(0.1)	(0.1)	(0.3)	0.2	(0.9)

The following are the key components of pre-tax operating earnings for RGA's Corporate and Other operations for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
Loss from continuing operations before income taxes.....	\$(3.7)	\$(7.5)	\$(31.0)	\$(111.9)	\$(30.1)
Realized investment (gains) losses..	0.1	(1.9)	14.2	47.8	4.6
Goodwill writeoff.....	-	-	-	-	0.8

The following are the key components of pre-tax operating earnings for RGA's total Other International operations segment for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003 (amounts in millions):

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	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
Income (loss) from continuing operations before income taxes...	\$ (8.1)	\$ (10.6)	\$ (1.2)	\$ 2.0	\$ 9.7
Realized investment (gains) losses..	(0.1)	(0.1)	(0.1)	0.1	(0.6)

The following are the key components of RGA's consolidated diluted operating earnings per share for the years ended December 31, 1998, 1999, 2000, 2001 and 2002 and for the nine-months ended September 30, 2002 and 2003:

	FISCAL YEAR ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002
Diluted earnings per share.....	\$1.48	\$0.88	\$1.56	\$0.66	\$2.47
Realized investment (gains) losses..	(0.04)	1.07	0.43	0.93	0.22
Goodwill writeoff.....	-	-	-	-	0.01
Deferred acquisition cost offset....	-	-	-	0.02	(0.01)
Loss from discontinued operations...	0.60	0.26	0.56	0.14	0.11

For additional financial information about RGA's operational segments, see Note 17 to RGA's financial statements for the year ended December 31, 2002 contained in the Current Report on Form 8-K filed by RGA with the Securities and Exchange Commission on August 25, 2003.

EFFECTS OF SFAS 115 ON TOTAL STOCKHOLDERS' EQUITY

RGA has traditionally evaluated its stockholders' equity position excluding the impact of Statement of Financial Accounting Standards No. 115, Accounting for Certain Investments in Debt and Equity Securities ("SFAS 115"). This is considered a non-GAAP measure. RGA believes it is important to evaluate its stockholders' equity position to exclude the effect of the net unrealized gains or losses required by SFAS 115 since the net unrealized gains or losses primarily relate to changes in interest rates and credit spreads on investment securities that are not permanent and can fluctuate significantly from period to period.

At December 31, 1998, 1999, 2000, 2001 and 2002, RGA's total stockholders' equity was \$748.5 million, \$732.9 million, \$862.9 million, \$1.0 billion and \$1.2 billion, respectively. At September 30, 2002 and 2003, RGA's total stockholders' equity was \$1.2 billion and \$1.4 billion, respectively.

At December 31, 1998, 1999, 2000, 2001 and 2002, the effects of SFAS 115 on our total stockholders' equity was \$45.3 million, \$(131.3) million, \$(42.0) million, \$0 and \$102.8 million, respectively. At September 30, 2002 and 2003,

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the effects of SFAS 115 on our total stockholders' equity was \$90.2 million and \$173.3 million, respectively.

CERTAIN ADDITIONAL THIRD QUARTER INFORMATION

On October 23, 2003, RGA issued a press release announcing its earnings for the three and nine months ended September 30, 2003 and providing certain additional information. Tables showing RGA's condensed consolidated statements of income and the results of operations for each of the U.S., Canadian, other international and corporate and other segments have been included in this Current Report. See "Selected Financial Data" below. The following is additional information related to RGA's third quarter results:

Information related to net premiums and income (loss) from continuing operations before income taxes for each reportable segment are summarized below (amounts in \$ millions):

	THREE MONTHS ENDED SEPTEMBER 30,		
	2002	2003	2
NET PREMIUMS:			
U.S.....	\$320.3	\$369.3	\$1,
Canada.....	41.9	53.1	
Other International.....	95.0	149.8	
Corporate and Other.....	(1.4)	0.8	
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES:			
U.S.....	\$55.3	\$45.3	\$
Canada.....	8.7	19.5	
Other International.....	4.1	9.6	
Corporate and Other.....	(14.0)	(11.5)	

For the nine months ended or at September 30, 2003, approximately 34% of our premiums, 34% of our income from continuing operations before income taxes, and 32% of our fixed maturity securities available for sale were denominated in currencies other than the U.S. dollar.

Mortality experience for the quarter ended September 30, 2003 was approximately \$6.0 million unfavorable on a pre-tax basis when compared with expectations. This differs from the first two quarters of 2003 in which RGA experienced positive mortality variances. Mortality experience does fluctuate from quarter to quarter. For 2003, on a year-to-date basis, U.S. mortality experience remained favorable. In the third quarter of 2003, RGA also reflected a \$3.0 million, pretax, reduction in the reserves associated with the terrorist attacks on September 11, 2001.

At September 30, 2003, RGA had assets of \$10.5 billion, stockholders' equity of \$1.4 billion and assumed reinsurance in force of \$893 billion.

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The following is a summary of RGA's unaudited consolidated capitalization as of September 30, 2003 (dollars in thousands):

LONG-TERM DEBT:

Borrowings under \$175 million credit agreement.....	\$50,000
Other net borrowings.....	44,650
7.25% senior notes due 2006.....	99,641
6.75% senior notes due 2011.....	199,872

Total long-term debt.....	394,163
 5.75% Cumulative Trust Preferred Securities(2).....	 158,262

STOCKHOLDERS' EQUITY:

Preferred stock, par value \$.01 per share; 10,000,000 shares authorized; no shares issued or outstanding.....	--
Common stock, par value \$.01 per share; 75,000,000 shares authorized, 51,053,273 shares issued; 61,553,273 shares issued as adjusted(1).....	511
Warrants(2).....	66,915
Additional paid-in capital.....	613,916
Retained earnings.....	588,413
Accumulated other comprehensive income.....	206,676
Treasury stock (1,141,138 shares, at cost).....	(32,736)

Total stockholders' equity.....	1,443,695
Total capitalization.....	\$1,996,120
	=====

- (1) The number of issued shares of our common stock as of September 30, 2003 excludes:
- an aggregate of 4,975,455 shares of our common stock issuable under our equity incentive plans, of which 2,891,556 shares were subject to outstanding stock options as of September 30, 2003, at a weighted average exercise price of \$27.68 per share; and
 - 5,628,600 shares of our common stock issuable upon exercise of outstanding warrants at an exercise price of \$39.98 per share, subject to certain antidilution adjustments, which expire on December 15, 2050.
- (2) The 5.75% cumulative trust preferred securities, stated liquidation amount \$50 per security, and warrants to purchase shares of our common stock at an exercise price of \$50 per warrant at maturity, subject to adjustment, were issued as part of Trust Preferred Income Equity Redeemable Securities Units in December 2001.

Under the terms of RGA's Flexible Stock Plan, RGA may issue up to a maximum of 6,260,077 shares of its common stock in the form of stock options, stock appreciation rights, restricted stock, performance shares or other stock-based awards to its officers and key employees and those of its subsidiaries. Options to purchase 2,804,708 shares of common stock have been granted and remain outstanding, 1,491,358 shares of common stock have been issued pursuant to or awarded under the plan and 1,964,011 shares of common stock are available for future grants, as of September 30, 2003. Under the terms of the plan, the number of authorized shares is increased each year by 5% of the number then allocated to the plan, effective each January 1.

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Under the terms of RGA's Flexible Stock Plan for Directors, RGA may issue up to a maximum of 212,500 shares of its common stock in the form of stock options, restricted stock, performance units or other stock-based awards only to non-employee directors. Options to purchase 86,848 shares of common stock have been granted and remain outstanding, 5,764 shares of common stock have been exercised by or awarded under the plan and 119,888 shares of common stock are available for future grants, as of September 30, 2003.

Under our Management Incentive Plan, RGA may award eligible participants up to \$2,500,000 upon the attainment of certain pre-established goals relating to RGA's performance or that of its divisions, business units or employees. Awards under the Management Incentive Plan may be made in cash or, pursuant to the Executive Performance Share Plan or Flexible Stock Plan, performance shares, restricted stock or other stock-based awards.

Under RGA's Phantom Stock Plan for Directors, RGA may grant up to 100,000 performance units to non-employee directors in lieu of retainer and meeting fees. A performance unit is a hypothetical share of RGA's common stock based upon the fair market value at the time of grant. RGA may, at its option, elect to issue cash or shares of its common stock in payment for the performance units granted under the plan. 24,195 performance units have been granted and remain outstanding and 47,025 performance units are available for future grants, as of September 30, 2003.

Under the terms of RGA's Executive Performance Share Plan, RGA may issue up to 500,000 performance shares to its employees and those of its subsidiaries. A performance share is a hypothetical share of RGA's common stock based upon the fair market value at the time of grant. RGA may, at its option, elect to issue cash or shares of its common stock in payment for the performance shares issued under the plan. 124,123 performance shares have been issued and remain outstanding and 289,720 performance shares are available for future issuance, as of September 30, 2003.

RGA has reinsurance agreements with certain affiliates of MetLife, Inc. Under these agreements, RGA had net premiums of approximately \$115.3 million for the first nine months of 2003. The net premiums reflect the net of business assumed from and ceded to such affiliates of MetLife, Inc. The pre-tax income on this business was approximately \$23.9 million for the first nine months of 2003.

SUPPLEMENTAL INFORMATION

Based on a survey conducted on behalf of the Reinsurance Section of the Society of Actuaries (the "SOA"), as of December 31, 2002, we had a 10.9% share of the North American life reinsurance market, with approximately \$624.9 billion of life reinsurance in force, and Allianz had a 4.0% share with \$231.5 billion of life reinsurance in force. Allianz had approximately \$231.4 billion of U.S. life reinsurance in force. The survey estimated the total amount of life reinsurance in force in North America was approximately \$5.7 trillion as of that date.

According to surveys conducted on behalf of the Reinsurance Section of the SOA, the amount of life reinsurance in force was estimated to be approximately \$5.7 trillion as of December 31, 2002, which represented a compound annual growth rate of approximately 19% since December 31, 1998.

According to surveys conducted on behalf of the Reinsurance Section of the SOA, the total amount of U.S. reinsurance in force, the amount was estimated to be approximately \$2.6 trillion as of December 31, 1998, \$3.1 trillion as of December 31, 1999, \$3.8 trillion as of December 31, 2000, \$4.5 trillion as of December 31, 2001 and \$5.2 trillion as of December 31, 2002. According to an A.M. Best report, the total amount of U.S. life insurance in force was estimated to be approximately \$13.0 trillion as of December 31, 1998, \$14.4 trillion as of

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December 31, 1999, \$15.9 trillion as of December 31, 2000, \$17.4 trillion as of December 31, 2001 and \$18.8 trillion as of December 31, 2002.

According to surveys conducted on behalf of the Reinsurance Section of the SOA, with respect to U.S. ordinary recurring life reinsurance, the amount reinsured was estimated to be approximately \$679 billion as of December 31, 1998, \$811 billion as of December 31, 1999, \$985 billion as of December 31, 2000, \$947 billion as of December 31, 2001 and \$1.1 trillion as of December 31, 2002. According to a publication by the American Council of Life Insurers (the "ACLI"), the total amount of life insurance production was estimated to be approximately \$1.3 trillion as of December 31, 1998, \$1.4 trillion as of December 31, 1999, \$1.6 trillion as of December 31, 2000, \$1.6 trillion as of December 31, 2001 and \$1.8 trillion as of December 31, 2002.

An A.M. Best article dated September 2002 estimated the aggregate net premiums generated by life reinsurers in 2001 as approximately \$35.5 billion worldwide. Based on its net premiums, RGA would have had a 4.7% share of the global market.

The SOA surveys indicate that the authors obtained information from participating or responding companies and do not guarantee the accuracy and completeness of their information. Additionally, the surveys do not survey all reinsurance companies, but RGA believes most of its principal competitors are included. While RGA believes these surveys to be generally reliable, RGA has not independently verified their data.

The ACLI indicated that it obtains information from various sources, including participating or responding companies and that the ACLI does not guarantee the accuracy and completeness of the information. The ACLI does not survey all life insurance companies, although RGA believes that most of the principal life insurers are included. While RGA believes the information is generally reliable, RGA has not independently verified the data.

While RGA believes information published by A.M. Best is generally reliable, RGA has not independently verified the data. A.M. Best does not guarantee the accuracy and completeness of the information.

RGA believes that some of the factors affecting the direct insurance market include consolidation; focus on distribution and asset management and outsourcing mortality to reinsurers; slower growth; the entrance of new competitors; the establishment of alternative means of distribution; and recent capital pressures, including investment losses and reserve increases. RGA believes some of the factors affecting the life reinsurance market include a strong trend of outsourcing mortality risk to reinsurers; the creation of opportunities as a result of merger and acquisition activity in the life insurance industry; consolidation among life reinsurers; and low reinsurance penetration in select international markets.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This document contains a number of forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 relating to, among others, matters relating to future or anticipated events. The words "intend," "expect," "project," "estimate," "predict," "anticipate," "should," "believe" and other similar expressions also are intended to identify forward-looking statements.

These 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

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those set forth in, contemplated by or underlying the forward-looking statements.

Important factors that could cause actual results to differ materially from estimates or forecasts contained in the forward-looking statements include, among others:

- adverse changes in mortality, morbidity and claims experience;
- risks related to RGA being controlled by MetLife, Inc.;
- the effect of RGA's status as a holding company and regulatory restrictions on its ability to pay principal of and interest on its debt obligations;

- changes in the financial strength, claims payment ability and credit ratings of RGA and its subsidiaries or those of MetLife or its subsidiaries, and the effect of such changes on RGA's future results of operations and financial condition;
- market or economic conditions that adversely affect RGA's ability to make timely sales of investment securities in response to policyholder withdrawals, recaptures of reinsurance treaties or other events;
- regulatory action that may be taken by State Departments of Insurance with respect to RGA, MetLife or its or our subsidiaries;
- risks inherent in RGA's risk management and investment strategy, including changes in investment portfolio yields or values due to interest rate or credit quality changes;
- the effect of changes in tax laws or a prolonged economic downturn in the demand for insurance products;
- fluctuations in U.S. or foreign currency exchange rates, interest rates or securities and real estate markets;
- competitive factors and competitors' responses to RGA's initiatives;
- RGA's dependence on third parties, including insurance companies from which it assumes business and reinsurers to which it cedes some reinsurance, third-party investment managers and others;
- inadequate risk analysis and underwriting;
- the adequacy of resources relating to settlements, awards and discontinued lines of business;
- general economic conditions affecting the demand for insurance and reinsurance in RGA's current and planned markets;
- the stability of governments and economies in the markets in which RGA operates;
- adverse litigation or arbitration results;

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- the success of RGA's clients;
- successful execution of RGA's entry into new markets;
- successful development and introduction of new product and distribution opportunities;
- changes in laws, regulations and accounting standards applicable to RGA, its subsidiaries or its business;
- RGA's ability to successfully integrate and operate reinsurance business that it acquires, including, without limitation, the business that it has agreed to acquire from Allianz Life Insurance Company of North America; and
- other risks and uncertainties described under the "Risk Factors" captions in RGA's preliminary prospectus supplement dated November 3, 2003 and in the attached prospectus dated October 16, 2003 and in RGA's other filings with the Securities and Exchange Commission.

If one or more of these risks or uncertainties materializes, or if underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated.

Investors should not place undue reliance on those statements, which speak only as of the date on which they are made. RGA may not update these forward-looking statements, even though its situation may change in the future. RGA qualifies all of its forward-looking statements by these cautionary statements.

SELECTED FINANCIAL DATA

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES

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

(Unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Revenues:				
Net premiums	\$572,970	\$455,750	\$1,700,746	\$1,390,113
Investment income, net of related expenses	122,153	82,499	345,234	260,779
Realized investment gains/ (losses), net	6,560	1,066	776	(10,951)
Other revenues	10,819	10,839	33,670	27,734
	712,502	550,154	2,080,426	1,667,675
Total revenues				
Benefits and expenses:				
Claims and other policy benefits	457,844	342,301	1,334,081	1,096,797

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Interest credited	46,251	22,156	130,914	79,777
Policy acquisition costs and other insurance expenses	111,334	96,303	330,903	252,606
Other operating expenses	24,683	26,358	77,275	67,734
Interest expense	9,383	9,006	27,384	26,475
	-----	-----	-----	-----
Total benefits and expenses	649,495	496,124	1,900,557	1,523,389
	-----	-----	-----	-----
Income from continuing operations before income taxes	63,007	54,030	179,869	144,286
Provision for income taxes	20,783	19,307	60,899	51,603
	-----	-----	-----	-----
Income from continuing operations	42,224	34,723	118,970	92,683
Discontinued operations: Loss from discontinued accident and health operations, net of income taxes	(473)	(1,135)	(1,918)	(3,264)
	-----	-----	-----	-----
Net income	\$ 41,751	\$ 33,588	\$ 117,052	\$ 89,419
	=====	=====	=====	=====

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES

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

(Unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Earnings per share from continuing operations:				
Basic earnings per share	\$ 0.85	\$ 0.70	\$ 2.39	\$ 2.39
Diluted earnings per share	\$ 0.84	\$ 0.70	\$ 2.38	\$ 2.38
Earnings per share from net income:				
Basic earnings per share	\$ 0.84	\$ 0.68	\$ 2.36	\$ 2.36
Diluted earnings per share	\$ 0.83	\$ 0.68	\$ 2.34	\$ 2.34

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Weighted average number of common and common equivalent shares outstanding (in thousands)	50,267	49,639	49,943	49
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REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
Condensed Consolidated Business Summary

(Unaudited)	At or For the Nine Months Ended September 30,	
	2003	2002
Gross life reinsurance in force (in billions)		
North American business	\$674.0	\$584.0
International business	219.0	130.0
Gross life reinsurance written (in billions)		
North American business	103.5	110.0
International business	65.7	50.0
Consolidated cash and invested assets (in millions)	7,925.0	5,934.0
Invested Asset book yield - trailing three months excluding funds withheld	6.66%	6.00%
Investment portfolio mix		
Cash and short-term investments	2.26%	2.00%
Fixed maturity securities	49.13%	56.00%
Mortgage loans	5.48%	3.00%
Policy loans	10.73%	13.00%
Funds withheld at interest	30.68%	22.00%
Other invested assets	1.72%	2.00%
Book value per share outstanding	\$28.92	\$23.00
Treasury stock	1,141,138	1,686,300

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
U.S. OPERATIONS
(Dollars in thousands)

Three Months Ended September 30, 2003
Non-traditional
Asset- Total

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	Traditional	Intensive	Financial	U.S.
	-----	-----	-----	-----
Revenues:				
Net premiums	\$ 368,171	\$ 1,093	\$ --	\$ 369,264
Investment income, net of related expenses	47,370	44,385	97	91,852
Realized investment losses, net	(1,059)	(367)	--	(1,426)
Other revenues	489	2,022	6,613	9,124
	-----	-----	-----	-----
Total revenues	414,971	47,133	6,710	468,814
Benefits and expenses:				
Claims and other policy benefits	297,654	776	--	298,430
Interest credited	14,919	30,703	--	45,622
Policy acquisition costs and other insurance expenses	56,738	10,861	2,206	69,805
Other operating expenses	7,515	891	1,248	9,654
	-----	-----	-----	-----
Total benefits and expenses	376,826	43,231	3,454	423,511
Income before income taxes	\$ 38,145	\$ 3,902	\$ 3,256	\$ 45,303
	=====	=====	=====	=====

	Three Months Ended September 30, 2002			
	Non-traditional			Total
	Traditional	Asset-	Financial	U.S.
	-----	-----	-----	-----
Revenues:				
Net premiums	\$319,485	\$ 803	\$ --	\$320,288
Investment income, net of related expenses	43,430	17,495	28	60,953
Realized investment gains / (losses), net	1,880	(295)	--	1,585
Other revenues	740	2,515	5,940	9,195
	-----	-----	-----	-----
Total revenues	365,535	20,518	5,968	392,021
Benefits and expenses:				
Claims and other policy benefits	231,890	9,298	--	241,188
Interest credited	13,422	6,642	--	20,064
Policy acquisition costs and other insurance expenses	60,265	1,697	1,679	63,641
Other operating expenses	8,850	358	2,613	11,821
	-----	-----	-----	-----
Total benefits and expenses	314,427	17,995	4,292	336,714

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Income before income taxes	\$ 51,108	\$ 2,523	\$ 1,676	\$ 55,307
	=====	=====	=====	=====

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
U.S. OPERATIONS
(Dollars in thousands)

	Nine Months Ended September 30, 2003			Total U.S.
	Traditional	Asset- Intensive	Financial	
	-----	-----	-----	-----
Revenues:				
Net premiums	\$ 1,115,360	\$ 3,197	\$ --	\$ 1,118,557
Investment income, net of related expenses	135,246	122,923	97	258,266
Realized investment losses, net	(7,017)	(2,080)	--	(9,097)
Other revenues	3,186	5,035	20,179	28,400
	-----	-----	-----	-----
Total revenues	1,246,775	129,075	20,276	1,396,126
Benefits and expenses:				
Claims and other policy benefits	888,905	4,166	--	893,071
Interest credited	45,169	84,424	--	129,593
Policy acquisition costs and other insurance expenses	164,257	26,892	7,447	198,596
Other operating expenses	24,454	2,829	3,881	31,164
	-----	-----	-----	-----
Total benefits and expenses	1,122,785	118,311	11,328	1,252,424
Income before income taxes	\$ 123,990	\$ 10,764	\$ 8,948	\$ 143,702
	=====	=====	=====	=====

Nine Months Ended September 30, 2002

	Non-traditional			Total U.S.
	Traditional	Asset- Intensive	Financial	
	-----	-----	-----	-----

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Revenues:				
Net premiums	\$ 1,002,741	\$ 2,796	\$ --	\$ 1,005,537
Investment income, net of related expenses	120,039	63,943	155	184,137
Realized investment losses, net	(1,151)	(4,255)	--	(5,406)
Other revenues	1,546	5,684	17,795	25,025
	-----	-----	-----	-----
Total revenues	1,123,175	68,168	17,950	1,209,293
Benefits and expenses:				
Claims and other policy benefits	785,756	17,014	--	802,770
Interest credited	41,517	35,453	--	76,970
Policy acquisition costs and other insurance expenses	153,760	8,126	5,517	167,403
Other operating expenses	22,145	744	7,005	29,894
	-----	-----	-----	-----
Total benefits and expenses	1,003,178	61,337	12,522	1,077,037
Income before income taxes	\$ 119,997	\$ 6,831	\$ 5,428	\$ 132,256
	=====	=====	=====	=====

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
CANADIAN OPERATIONS
(Dollars in thousands)

	Three Months Ended	
	September 30,	September 30,
	2003	2002
	-----	-----
Revenues:		
Net premiums	\$53,144	\$41,894
Investment income, net of related expenses	22,244	18,752
Realized investment gains, net	8,596	164
Other revenues	50	118
	-----	-----
Total revenues	84,034	60,928
Benefits and expenses:		
Claims and other policy benefits	56,132	46,278
Interest credited	536	345
Policy acquisition costs and other insurance expenses	5,257	2,880
Other operating expenses	2,580	2,747
	-----	-----
Total benefits and expenses	64,505	52,250

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Income before income taxes	\$19,529	\$ 8,678
	=====	=====

	Nine Months Ended September 30,	
	2003	2002
	-----	-----
Revenues:		
Net premiums	\$ 153,747	\$ 132,571
Investment income, net of related expenses	63,519	52,133
Realized investment gains/(losses), net	12,158	(22)
Other revenues	(191)	40
	-----	-----
Total revenues	229,233	184,722
Benefits and expenses:		
Claims and other policy benefits	161,411	137,104
Interest credited	1,089	733
Policy acquisition costs and other insurance expenses	15,714	12,142
Other operating expenses	7,434	7,315
	-----	-----
Total benefits and expenses	185,648	157,294
Income before income taxes	\$ 43,585	\$ 27,428
	=====	=====

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
OTHER INTERNATIONAL
(Dollars in thousands)

	Three Months Ended September 30, 2003		
	Asia Pacific	Europe & South Africa	Total Inter- national
	-----	-----	-----
Revenues:			
Net premiums	\$ 57,261	\$ 92,502	\$ 149,763
Investment income, net of related expenses	3,050	1,329	4,379
Realized investment gains/ (losses), net	(104)	1,040	936
Other revenues	(11)	(105)	(116)
	-----	-----	-----
Total revenues	60,196	94,766	154,962
Benefits and expenses:			
Claims and other policy benefits	41,101	60,435	101,536

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Interest credited	--	--	--
Policy acquisition costs and other insurance expenses	8,873	27,293	36,166
Other operating expenses	3,370	3,682	7,052
Interest expense	323	258	581
	-----	-----	-----
Total benefits and expenses	53,667	91,668	145,335
Income before income taxes	\$ 6,529	\$ 3,098	\$ 9,627
	=====	=====	=====

Three Months Ended September 30, 2002

	Asia Pacific	Europe & South Africa	Total Inter- national
	-----	-----	-----
Revenues:			
Net premiums	\$32,839	\$62,172	\$95,011
Investment income, net of related expenses	1,722	343	2,065
Realized investment gains, net	48	8	56
Other revenues	431	440	871
	-----	-----	-----
Total revenues	35,040	62,963	98,003
Benefits and expenses:			
Claims and other policy benefits	19,689	37,087	56,776
Interest credited	--	--	--
Policy acquisition costs and other insurance expenses	10,244	20,213	30,457
Other operating expenses	3,809	2,534	6,343
Interest expense	225	148	373
	-----	-----	-----
Total benefits and expenses	33,967	59,982	93,949
Income before income taxes	\$ 1,073	\$ 2,981	\$ 4,054
	=====	=====	=====

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
OTHER INTERNATIONAL
(Dollars in thousands)

Nine Months Ended September 30, 2003
Europe Total

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	Asia Pacific -----	& South Africa -----	Inter- national -----
Revenues:			
Net premiums	\$ 165,836	\$ 259,829	\$ 425,665
Investment income, net of related expenses	8,198	2,808	11,006
Realized investment gains/ (losses), net	(622)	1,888	1,266
Other revenues	896	18	914
Total revenues	----- 174,308	----- 264,543	----- 438,851
Benefits and expenses:			
Claims and other policy benefits	115,555	161,668	277,223
Policy acquisition costs and other insurance expenses	33,401	81,516	114,917
Other operating expenses	12,086	11,228	23,314
Interest expense	842	722	1,564
Total benefits and expenses	----- 161,884	----- 255,134	----- 417,018
Income before income taxes	\$ 12,424 =====	\$ 9,409 =====	\$ 21,833 =====

	Nine Months Ended September 30, 2002		
	Asia Pacific -----	Europe & South Africa -----	Total Inter- national -----
Revenues:			
Net premiums	\$ 97,831	\$ 154,327	\$ 252,158
Investment income, net of related expenses	4,876	591	5,467
Realized investment losses, net	(125)	(288)	(413)
Other revenues	1,706	776	2,482
Total revenues	----- 104,288	----- 155,406	----- 259,694
Benefits and expenses:			
Claims and other policy benefits	63,849	95,283	159,132
Policy acquisition costs and other insurance expenses	24,260	48,493	72,753
Other operating expenses	10,086	7,883	17,969
Interest expense	613	499	1,112
Total benefits and expenses	----- 98,808	----- 152,158	----- 250,966

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Income before income taxes	\$ 5,480	\$ 3,248	\$ 8,728
	=====	=====	=====

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
CORPORATE AND OTHER
(Dollars in thousands)

	Three Months Ended September 30,	
	2003	2002
	-----	-----
Revenues:		
Net premiums	\$ 799	\$ (1,443)
Investment income, net of related expenses	3,678	729
Realized investment losses, net	(1,546)	(739)
Other revenues	1,761	655
	-----	-----
Total revenues	4,692	(798)
Benefits and expenses:		
Claims and other policy benefits	1,746	(1,941)
Interest credited	93	1,747
Policy acquisition costs and other insurance expenses	106	(675)
Other operating expenses	5,397	5,447
Interest expense	8,802	8,633
	-----	-----
Total benefits and expenses	16,144	13,211
Loss before income taxes	\$ (11,452)	\$ (14,009)
	=====	=====

	Nine Months Ended September 30,	
	2003	2002
	-----	-----
Revenues:		
Net premiums	\$ 2,777	\$ (153)
Investment income, net of related expenses	12,443	19,042
Realized investment losses, net	(3,551)	(5,110)
Other revenues	4,547	187
	-----	-----
Total revenues	16,216	13,966
Benefits and expenses:		
Claims and other policy benefits	2,376	(2,209)
Interest credited	232	2,074
Policy acquisition costs and other		

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insurance expenses	1,676	308
Other operating expenses	15,363	12,556
Interest expense	25,820	25,363
	-----	-----
Total benefits and expenses	45,467	38,092
Loss before income taxes	\$ (29,251)	\$ (24,126)
	=====	=====

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

REINSURANCE GROUP OF AMERICA,
INCORPORATED

Date: November 3, 2003

By: /s/ Jack B. Lay

Jack B. Lay
Executive Vice President and Chief
Financial Officer