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REINSURANCE GROUP OF AMERICA INC
Form 8-K
May 05, 2006

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):
April 24, 2006

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
(I.R.S. Employer Identification No.)

1370 Timberlake Manor Parkway, Chesterfield, Missouri 63017-6039
(Address of principal executive offices) (zip code)

(636) 736-7000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

1

ITEM 2.02 - RESULTS OF OPERATIONS AND FINANCIAL CONDITION

As disclosed in the Company's quarterly report on Form 10-Q for the period ending March 31, 2006, during the first quarter of 2006, the Company changed its

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method of allocating capital to its reportable segments from a method based upon regulatory capital requirements ("RBC") to one based on underlying economic capital ("EC") levels. The economic capital model is an internally developed risk capital model, the purpose of which is to measure the risk in the business and to provide a basis upon which capital is deployed. The economic capital model considers the unique and specific nature of the risks inherent in RGA's businesses. This is in contrast to the standardized regulatory risk based capital formula, which is not as refined in its risk calculations with respect to each of the Company's businesses. As a result of the economic capital allocation process, a portion of investment income and investment related gains (losses) is credited or charged to the reportable segments based on the level of allocated equity. In addition, the reportable segments are charged for excess capital utilized above the allocated economic capital basis. This charge is included in policy acquisition costs and other insurance expenses.

Management believes that the change from the RBC to EC basis of allocating capital is considered a change in measurement of segment results, not composition. The Company's segment results by quarter for 2005 and 2004 have been revised in this report giving effect to this change. The consolidated financial statements are not affected by this change. See "Non-GAAP Financial Measures" below.

The information in Item 2.02 of this Current Report on Form 8-K shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

ITEM 7.01 - REGULATION FD DISCLOSURE

As disclosed in the Company's quarterly report on Form 10-Q for the period ending March 31, 2006, during the first quarter of 2006, the Company changed its method of allocating capital to its reportable segments from a method based upon RBC requirements to one based on underlying EC levels. The economic capital model is an internally developed risk capital model, the purpose of which is to measure the risk in the business and to provide a basis upon which capital is deployed. The economic capital model considers the unique and specific nature of the risks inherent in RGA's businesses. This is in contrast to the standardized regulatory risk based capital formula, which is not as refined in its risk calculations with respect to each of the Company's businesses. As a result of the economic capital allocation process, a portion of investment income and investment related gains (losses) is credited or charged to the reportable segments based on the level of allocated equity. In addition, the reportable segments are charged for excess capital utilized above the allocated economic capital basis. This charge is included in policy acquisition costs and other insurance expenses.

Management believes that the change from the RBC to EC basis of allocating capital is considered a change in measurement of segment results, not composition. The Company's segment results by quarter for 2005 and 2004 have been revised in this report giving effect to this change. The consolidated financial statements are not affected by this change. See "Non-GAAP Financial Measures" below.

The information in Item 7.01 of this Current Report on Form 8-K shall not be deemed to be "filed" for the purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

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NON-GAAP FINANCIAL MEASURES

The segment results include information on operating income before income taxes which is considered a non-GAAP financial measure. Management uses this measure to analyze financial results and establish target levels and awards under RGA's management incentive programs. Management believes that operating income, on a pre-tax and after-tax basis, better measures the ongoing profitability and underlying trends of the Company's continuing operations, primarily because that measure excludes the effect of net realized capital gains and losses, as well as changes in the fair value of embedded derivatives and related deferred acquisition costs. These items tend to be highly variable, primarily due to the credit market and interest rate environment and are not necessarily indicative of the performance of the Company's underlying businesses. Additionally, operating income excludes any net gain or loss from discontinued operations and the cumulative effect of any accounting changes, which management believes are not indicative of the Company's ongoing operations. The definition of operating income can vary by company and is not considered a substitute for GAAP net income.

2

U.S. OPERATIONS SEGMENT (000's)

| | YEAR ENDED DECEMBER 31, 2017 | | | |
|--|------------------------------|-------------------|------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| REVENUES: | | | | |
| Net premiums | \$568,018 | \$575,812 | \$611,389 | \$678,018 |
| Investment income, net of related expenses | 120,049 | 107,305 | 128,944 | 127,000 |
| Investment related gains (losses), net | 2,483 | (4,520) | (459) | (7,000) |
| Change in value of embedded derivatives | 22,561 | (19,917) | 3,536 | 1,000 |
| Other revenue | 8,251 | 9,949 | 8,955 | 11,000 |
| | ----- | ----- | ----- | ----- |
| Total revenues | 721,362 | 668,629 | 752,365 | 811,000 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 481,580 | 501,952 | 485,356 | 544,000 |
| Interest credited | 54,258 | 38,033 | 59,381 | 54,000 |
| Policy acquisition costs and other insurance expenses | 89,286 | 102,367 | 105,360 | 115,000 |
| Change in DAC associated with change in value of embedded derivatives | 15,708 | (13,604) | 3,858 | 1,000 |
| Other operating expenses | 12,034 | 12,619 | 12,619 | 13,000 |
| | ----- | ----- | ----- | ----- |
| Total benefits and expenses | 652,866 | 641,367 | 666,574 | 729,000 |
| Income before income taxes | \$ 68,496 | \$ 27,262 | \$ 85,791 | \$ 82,000 |
| | ----- | ----- | ----- | ----- |
| Investment related (gains) losses, net (1) | (1,956) | 4,198 | 621 | 6,000 |
| Change in value of embedded derivatives, net (2) | (6,853) | 6,313 | 322 | (1,000) |
| | ----- | ----- | ----- | ----- |
| Operating income before income taxes | \$ 59,687 | \$ 37,773 | \$ 86,734 | \$ 88,000 |
| | ----- | ----- | ----- | ----- |

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- (1) U.S. Operations is net of DAC offsets of \$527, \$(322), \$162 and \$(485) for the four quarters of 2005, respectively.
- (2) U.S. Operations is net of DAC offsets included in change in deferred acquisition cost associated with change in value of embedded derivative of \$15,708, \$(13,604), \$3,858 and \$1,010 for the four quarters of 2005, respectively.

| | YEAR ENDED DECEMBER 31 | | | |
|---|------------------------|-------------------|------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| REVENUES: | | | | |
| Net premiums | \$532,381 | \$531,331 | \$539,750 | \$600,000 |
| Investment income, net of related expenses | 103,288 | 103,548 | 110,618 | 130,000 |
| Investment related gains (losses), net | 14,417 | 4,225 | (1,192) | (1,000) |
| Change in value of embedded derivatives | 1,522 | 17,472 | (18,610) | 2,000 |
| Other revenue | 9,249 | 9,429 | 9,776 | 1,000 |
| Total revenues | 660,857 | 666,005 | 649,342 | 770,000 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 429,855 | 432,684 | 422,946 | 480,000 |
| Interest credited | 46,572 | 43,821 | 46,725 | 50,000 |
| Policy acquisition costs and other insurance expenses | 89,454 | 86,649 | 100,677 | 120,000 |
| Change in DAC associated with change in value of embedded derivatives | 4,200 | 13,293 | (13,209) | 1,000 |
| Other operating expenses | 14,582 | 13,598 | 14,179 | 1,000 |
| Total benefits and expenses | 584,663 | 590,045 | 571,318 | 690,000 |
| Income before income taxes | \$ 76,194 | \$ 75,960 | \$ 69,024 | \$ 70,000 |
| Investment related (gains) losses, net (1) | (14,360) | (4,658) | 299 | (1,000) |
| Change in value of embedded derivatives, net (2) (3) | 2,678 | (4,179) | 5,434 | (1,000) |
| Operating income before income taxes | \$ 64,512 | \$ 67,123 | \$ 74,757 | \$ 68,000 |

- (1) U.S. Operations is net of DAC offsets of \$57, \$(433), \$(893) and \$1,419 for the four quarters of 2004, respectively.
- (2) U.S. Operations is net of DAC offsets included in change in deferred acquisition cost associated with change in value of embedded derivative of \$4,200, \$13,293, \$(13,209) and \$18,612 for the four quarters of 2004, respectively.
- (3) U.S. Operations is net of DAC offsets included in policy acquisition costs and other insurance expenses of \$(20,782) for the fourth quarter of 2004 and investment income offsets of \$33 and \$25,911 for the third and fourth quarters of 2004, respectively.

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U.S. OPERATIONS SEGMENT
SUBSEGMENT - TRADITIONAL REINSURANCE
(000's)

| | YEAR ENDED DECEMBER 31, | | | |
|---|-------------------------|-------------------|------------------|--------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOUR QUAR |
| REVENUES: | | | | |
| Net premiums | \$566,794 | \$574,695 | \$610,242 | \$677, |
| Investment income, net of related expenses | 63,325 | 66,172 | 69,011 | 70, |
| Investment related losses, net | (1,031) | (2,633) | (861) | (4, |
| Other revenue | 566 | 145 | 185 | |
| Total revenues | 629,654 | 638,379 | 678,577 | 743, |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 483,262 | 497,019 | 484,493 | 543, |
| Interest credited | 14,007 | 14,303 | 13,553 | 12, |
| Policy acquisition costs and other insurance expenses | 73,638 | 87,817 | 90,696 | 102, |
| Other operating expenses | 9,259 | 10,038 | 10,159 | 10, |
| Total benefits and expenses | 580,166 | 609,177 | 598,901 | 669, |
| Income before income taxes | \$ 49,488 | \$ 29,202 | \$ 79,676 | \$ 74, |
| Investment related losses, net | 1,031 | 2,633 | 861 | 4, |
| Change in value of embedded derivatives, net | -- | -- | -- | |
| Operating income before income taxes | \$ 50,519 | \$ 31,835 | \$ 80,537 | \$ 78, |

| | YEAR ENDED DECEMBER 31, | | | |
|---|-------------------------|-------------------|------------------|--------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOUR QUAR |
| REVENUES: | | | | |
| Net premiums | \$531,199 | \$530,140 | \$538,524 | \$607, |
| Investment income, net of related expenses | 58,587 | 56,680 | 58,702 | 63, |
| Investment related gains (losses), net | 14,301 | 5,028 | (443) | (|
| Other revenue | 1,281 | 651 | 704 | |
| Total revenues | 605,368 | 592,499 | 597,487 | 670, |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 430,875 | 430,303 | 414,249 | 486, |
| Interest credited | 12,078 | 12,117 | 12,073 | 14, |
| Policy acquisition costs and other insurance expenses | 79,119 | 75,517 | 91,459 | 95, |
| Other operating expenses | 12,001 | 11,041 | 11,691 | 9, |
| Total benefits and expenses | 534,073 | 528,978 | 529,472 | 604, |
| Income before income taxes | \$ 71,295 | \$ 63,521 | \$ 68,015 | \$ 66, |

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| | | | | |
|--|-----------|-----------|-----------|--------|
| Investment related (gains) losses, net | (14,301) | (5,028) | 443 | |
| Change in value of embedded derivatives, net | -- | -- | -- | |
| Operating income before income taxes | \$ 56,994 | \$ 58,493 | \$ 68,458 | \$ 67, |

4

U.S. OPERATIONS SEGMENT
SUBSEGMENT - ASSET-INTENSIVE REINSURANCE
(000's)

| | YEAR ENDED DECEMBER 31, | | | |
|--|-------------------------|-------------------|------------------|--------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOUR QUAR |
| REVENUES: | | | | |
| Net premiums | \$ 1,224 | \$ 1,117 | \$ 1,147 | \$ 1,1 |
| Investment income, net of related expenses | 56,654 | 41,041 | 59,776 | 57,4 |
| Investment related gains (losses), net | 3,516 | (1,882) | 405 | (3,0 |
| Change in value of embedded derivatives | 22,561 | (19,917) | 3,536 | 1,2 |
| Other revenue | 1,047 | 2,797 | 2,116 | 2,6 |
| Total revenues | 85,002 | 23,156 | 66,980 | 59,4 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | (1,684) | 4,933 | 860 | 7 |
| Interest credited | 40,251 | 23,730 | 45,828 | 42,1 |
| Policy acquisition costs and other insurance expenses | 13,687 | 12,437 | 12,559 | 10,7 |
| Change in DAC associated with change in value of embedded derivatives | 15,708 | (13,604) | 3,858 | 1,0 |
| Other operating expenses | 1,338 | 1,236 | 1,173 | 1,3 |
| Total benefits and expenses | 69,300 | 28,732 | 64,278 | 55,9 |
| Income (loss) before income taxes | \$15,702 | \$ (5,576) | \$ 2,702 | \$ 3,4 |
| Investment related (gains)/losses, net (1) | (2,989) | 1,560 | (243) | 2,6 |
| Change in value of embedded derivatives, net (2) | (6,853) | 6,313 | 322 | (2 |
| Operating income before income taxes | \$ 5,860 | \$ 2,297 | \$ 2,781 | \$ 5,8 |

(1) Asset Intensive is net of DAC offsets of \$527, \$(322), \$162 and \$(485) for the four quarters of 2005, respectively.

(2) Asset Intensive is net of DAC offsets included in change in deferred acquisition cost associated with change in value of embedded derivative of \$15,708, \$(13,604), \$3,858 and \$1,010 for the four quarters of 2005, respectively.

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| | YEAR ENDED DECEMBER 31, | | | |
|--|-------------------------|-------------------|-------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| REVENUES: | | | | |
| Net premiums | \$ 1,182 | \$ 1,191 | \$ 1,226 | \$ 1,226 |
| Investment income, net of related expenses | 44,628 | 46,700 | 51,738 | 68,828 |
| Investment related gains (losses), net | 87 | (824) | (748) | (5,724) |
| Change in value of embedded derivatives | 1,522 | 17,472 | (18,610) | 25,722 |
| Other revenue | 1,670 | 1,906 | 2,645 | 3,522 |
| Total revenues | 49,089 | 66,445 | 36,251 | 93,600 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | (1,021) | 3,248 | 7,829 | (3,000) |
| Interest credited | 34,494 | 31,704 | 34,652 | 45,622 |
| Policy acquisition costs and other insurance expenses | 8,050 | 8,883 | 7,599 | 25,322 |
| Change in DAC associated with change in value of embedded derivatives | 4,200 | 13,293 | (13,209) | 18,612 |
| Other operating expenses | 1,159 | 1,029 | 1,294 | 1,222 |
| Total benefits and expenses | 46,882 | 58,157 | 38,165 | 90,486 |
| Income (loss) before income taxes | \$ 2,207 | \$ 8,288 | \$ (1,914) | \$ 3,114 |
| Investment related (gains)/losses, net (1) | (30) | 391 | (145) | 7,122 |
| Change in value of embedded derivatives, net (2) (3) | 2,678 | (4,179) | 5,434 | (1,911) |
| Operating income before income taxes | \$ 4,855 | \$ 4,500 | \$ 3,375 | \$ 8,335 |

- (1) Asset Intensive is net of DAC offsets of \$57, \$(433), \$(893) and \$1,419 for the four quarters of 2004, respectively.
- (2) Asset Intensive is net of DAC offsets included in change in deferred acquisition cost associated with change in value of embedded derivative of \$4,200, \$13,293, \$(13,209) and \$18,612 for the four quarters of 2004, respectively.
- (3) Asset Intensive is net of DAC offsets included in policy acquisition costs and other insurance expenses of \$(20,782) for the fourth quarter of 2004 and investment income offsets of \$33 and \$25,911 for the third and fourth quarters of 2004, respectively.

5

U.S. OPERATIONS SEGMENT
SUBSEGMENT - FINANCIAL REINSURANCE
(000's)

| YEAR ENDED DECEMBER 31, 2005 | | | |
|------------------------------|-------------------|------------------|-------------------|
| FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |

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| | ----- | ----- | ----- | ----- |
|---|---------|---------|---------|---------|
| REVENUES: | | | | |
| Investment income, net of related expenses | 70 | 92 | 157 | 148 |
| Investment related losses, net | (2) | (5) | (3) | (11) |
| Other revenue | 6,638 | 7,007 | 6,654 | 8,094 |
| | ----- | ----- | ----- | ----- |
| Total revenues | 6,706 | 7,094 | 6,808 | 8,231 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 2 | 0 | 3 | 1 |
| Policy acquisition costs and other insurance expenses | 1,961 | 2,113 | 2,105 | 2,179 |
| Other operating expenses | 1,437 | 1,345 | 1,287 | 1,342 |
| | ----- | ----- | ----- | ----- |
| Total benefits and expenses | 3,400 | 3,458 | 3,395 | 3,522 |
| Income before income taxes | \$3,306 | \$3,636 | \$3,413 | \$4,709 |
| | ----- | ----- | ----- | ----- |
| Investment related losses, net | 2 | 5 | 3 | 11 |
| Change in value of embedded derivatives, net | -- | -- | -- | -- |
| | ----- | ----- | ----- | ----- |
| Operating income before income taxes | \$3,308 | \$3,641 | \$3,416 | \$4,720 |
| | ----- | ----- | ----- | ----- |

YEAR ENDED DECEMBER 31, 2004

| | ----- | ----- | ----- | ----- |
|---|---------|---------|---------|---------|
| | FIRST | SECOND | THIRD | FOURTH |
| | QUARTER | QUARTER | QUARTER | QUARTER |
| | ----- | ----- | ----- | ----- |
| REVENUES: | | | | |
| Investment income, net of related expenses | 73 | 168 | 178 | 170 |
| Investment related gains (losses), net | 29 | 21 | (1) | (3) |
| Other revenue | 6,298 | 6,872 | 6,427 | 6,664 |
| | ----- | ----- | ----- | ----- |
| Total revenues | 6,400 | 7,061 | 6,604 | 6,831 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 1 | (867) | 868 | -- |
| Policy acquisition costs and other insurance expenses | 2,285 | 2,249 | 1,619 | 2,139 |
| Other operating expenses | 1,422 | 1,528 | 1,194 | 1,322 |
| | ----- | ----- | ----- | ----- |
| Total benefits and expenses | 3,708 | 2,910 | 3,681 | 3,461 |
| Income before income taxes | \$2,692 | \$4,151 | \$2,923 | \$3,370 |
| | ----- | ----- | ----- | ----- |
| Investment related (gains) losses, net | (29) | (21) | 1 | 3 |
| Change in value of embedded derivatives, net | -- | -- | -- | -- |
| | ----- | ----- | ----- | ----- |
| Operating income before income taxes | \$2,663 | \$4,130 | \$2,924 | \$3,373 |
| | ----- | ----- | ----- | ----- |

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(000's)

| | YEAR ENDED DECEMBER 31, 2003 | | | |
|---|------------------------------|-------------------|------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| REVENUES: | | | | |
| Net premiums | \$73,756 | \$ 76,854 | \$ 89,074 | \$103,4 |
| Investment income, net of related expenses | 22,537 | 22,372 | 22,728 | 25,3 |
| Investment related gains, net | 635 | 1,667 | 678 | 5 |
| Other revenue | 34 | 19 | (319) | (|
| Total revenues | 96,962 | 100,912 | 112,161 | 129,3 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 68,645 | 74,252 | 73,810 | 91,2 |
| Interest credited | 357 | 252 | 266 | 2 |
| Policy acquisition costs and other insurance expenses | 8,838 | 11,992 | 22,474 | 21,6 |
| Other operating expenses | 3,460 | 3,619 | 3,921 | 4,1 |
| Total benefits and expenses | 81,300 | 90,115 | 100,471 | 117,2 |
| Income before income taxes | \$15,662 | \$ 10,797 | \$ 11,690 | \$ 12,0 |
| Investment related gains, net | (635) | (1,648) | (618) | (4 |
| Change in value of embedded derivatives, net | -- | -- | -- | |
| Operating income before income taxes | \$15,027 | \$ 9,149 | \$ 11,072 | \$ 11,5 |

| | YEAR ENDED DECEMBER 31, 2004 | | | |
|---|------------------------------|-------------------|------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| REVENUES: | | | | |
| Net premiums | \$60,147 | \$61,831 | \$59,230 | \$72,645 |
| Investment income, net of related expenses | 19,055 | 18,636 | 19,583 | 21,489 |
| Investment related gains, net | 414 | 5,219 | 2 | 2,464 |
| Other revenue | 38 | 31 | (31) | (6) |
| Total revenues | 79,654 | 85,717 | 78,784 | 96,592 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 59,366 | 59,499 | 59,568 | 72,109 |
| Interest credited | 377 | 418 | 530 | 515 |
| Policy acquisition costs and other insurance expenses | 9,268 | 10,528 | 8,049 | 10,094 |
| Other operating expenses | 2,728 | 2,761 | 2,719 | 2,952 |
| Total benefits and expenses | 71,739 | 73,206 | 70,866 | 85,670 |
| Income before income taxes | \$ 7,915 | \$12,511 | \$ 7,918 | \$10,922 |
| Investment related gains, net | (414) | (5,219) | (2) | (2,464) |

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| | | | | |
|--|----------|----------|----------|----------|
| Change in value of embedded derivatives, net | -- | -- | -- | -- |
| Operating income before income taxes | \$ 7,501 | \$ 7,292 | \$ 7,916 | \$ 8,458 |

7

ASIA-PACIFIC SEGMENT
(000's)

| | YEAR ENDED DECEMBER 31, 20 | | | |
|---|----------------------------|-------------------|------------------|--------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOUR QUAR |
| REVENUES: | | | | |
| Net premiums | \$118,208 | \$145,018 | \$135,336 | \$136, |
| Investment income, net of related expenses | 4,740 | 5,269 | 5,409 | 6, |
| Investment related gains (losses), net | (47) | 101 | 21 | (|
| Other revenue | (187) | 2,135 | 699 | 1, |
| Total revenues | 122,714 | 152,523 | 141,465 | 144, |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 90,660 | 110,617 | 114,059 | 104, |
| Policy acquisition costs and other insurance expenses | 24,470 | 23,371 | 18,758 | 15, |
| Other operating expenses | 4,674 | 7,159 | 7,232 | 8, |
| Total benefits and expenses | 119,804 | 141,147 | 140,049 | 128, |
| Income before income taxes | \$ 2,910 | \$ 11,376 | \$ 1,416 | \$ 15, |
| Investment related (gains) losses, net | 47 | (101) | (21) | |
| Change in value of embedded derivatives, net | -- | -- | -- | |
| Operating income before income taxes | \$ 2,957 | \$ 11,275 | \$ 1,395 | \$ 15, |

| | YEAR ENDED DECEMBER 31, 20 | | | |
|--|----------------------------|-------------------|------------------|--------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOUR QUAR |
| REVENUES: | | | | |
| Net premiums | \$103,539 | \$84,178 | \$103,363 | \$108, |
| Investment income, net of related expenses | 2,802 | 2,404 | 3,343 | 3, |
| Investment related gains (losses), net | 216 | (193) | 190 | |
| Other revenue | 635 | 2,950 | (423) | 1, |
| Total revenues | 107,192 | 89,339 | 106,473 | 114, |

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BENEFITS AND EXPENSES:

| | | | | |
|---|----------|----------|------------|----------|
| Claims and other policy benefits | 74,845 | 67,380 | 84,612 | 103,742 |
| Policy acquisition costs and other insurance expenses | 22,261 | 12,602 | 18,196 | 2,672 |
| Other operating expenses | 4,742 | 5,672 | 6,476 | 7,128 |
| | ----- | ----- | ----- | ----- |
| Total benefits and expenses | 101,848 | 85,654 | 109,284 | 112,542 |
| | ----- | ----- | ----- | ----- |
| Income (loss) before income taxes | \$ 5,344 | \$ 3,685 | \$ (2,811) | \$ 1,128 |
| | ----- | ----- | ----- | ----- |
| Investment related (gains) losses, net | (216) | 193 | (190) | (128) |
| Change in value of embedded derivatives, net | -- | -- | -- | -- |
| | ----- | ----- | ----- | ----- |
| Operating income (loss) before income taxes | \$ 5,128 | \$ 3,878 | \$ (3,001) | \$ 1,128 |
| | ----- | ----- | ----- | ----- |

8

EUROPE & SOUTH AFRICA SEGMENT (000's)

| | YEAR ENDED DECEMBER 31, 2012 | | | |
|---|------------------------------|-------------------|------------------|-------------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOURTH QUARTER |
| REVENUES: | | | | |
| Net premiums | \$141,358 | \$132,972 | \$137,145 | \$141,358 |
| Investment income, net of related expenses | 2,528 | 2,502 | 3,184 | 3,184 |
| Investment related gains (losses), net | 14 | (180) | (16) | (16) |
| Other revenue | 101 | 69 | 88 | 88 |
| | ----- | ----- | ----- | ----- |
| Total revenues | 144,001 | 135,363 | 140,401 | 144,001 |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 96,332 | 112,117 | 97,039 | 99,039 |
| Interest credited | 363 | 190 | 109 | 109 |
| Policy acquisition costs and other insurance expenses | 27,133 | 22,782 | 20,262 | 24,262 |
| Other operating expenses | 5,660 | 7,118 | 7,264 | 7,264 |
| | ----- | ----- | ----- | ----- |
| Total benefits and expenses | 129,488 | 142,207 | 124,674 | 132,674 |
| | ----- | ----- | ----- | ----- |
| Income (loss) before income taxes | \$ 14,513 | \$ (6,844) | \$ 15,727 | \$ 12,327 |
| | ----- | ----- | ----- | ----- |
| Investment related (gains) losses, net | (14) | 180 | 16 | 16 |
| Change in value of embedded derivatives, net | -- | -- | -- | -- |
| | ----- | ----- | ----- | ----- |
| Operating income (loss) before income taxes | \$ 14,499 | \$ (6,664) | \$ 15,743 | \$ 12,343 |
| | ----- | ----- | ----- | ----- |

YEAR ENDED DECEMBER 31, 2011

| | FIRST | SECOND | THIRD | FOURTH |
|--|-------|--------|-------|--------|
|--|-------|--------|-------|--------|

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| | QUARTER | QUARTER | QUARTER | QUAR |
|---|-----------|-----------|-----------|--------|
| | ----- | ----- | ----- | ----- |
| REVENUES: | | | | |
| Net premiums | \$117,203 | \$118,951 | \$116,872 | \$125, |
| Investment income, net of related expenses | 1,171 | 1,534 | 1,751 | 2, |
| Investment related gains, net | 1,294 | 676 | 150 | |
| Other revenue | 412 | 399 | 627 | |
| | ----- | ----- | ----- | ----- |
| Total revenues | 120,080 | 121,560 | 119,400 | 127, |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 81,997 | 73,811 | 76,088 | 82, |
| Interest credited | 0 | 0 | 0 | |
| Policy acquisition costs and other insurance expenses | 29,585 | 30,122 | 28,253 | 35, |
| Other operating expenses | 4,682 | 5,524 | 5,479 | 5, |
| | ----- | ----- | ----- | ----- |
| Total benefits and expenses | 116,264 | 109,457 | 109,820 | 123, |
| | ----- | ----- | ----- | ----- |
| Income before income taxes | \$ 3,816 | \$ 12,103 | \$ 9,580 | \$ 4, |
| | ----- | ----- | ----- | ----- |
| Investment related gains, net | (1,294) | (676) | (150) | (|
| Change in value of embedded derivatives, net | -- | -- | -- | |
| | ----- | ----- | ----- | ----- |
| Operating income before income taxes | \$ 2,522 | \$ 11,427 | \$ 9,430 | \$ 3, |
| | ----- | ----- | ----- | ----- |

9

CORPORATE & OTHER SEGMENT
(000's)

| | YEAR ENDED DECEMBER 31, 2 | | | |
|---|---------------------------|---------|---------|-------|
| | FIRST | SECOND | THIRD | FOUR |
| | QUARTER | QUARTER | QUARTER | QUAR |
| | ----- | ----- | ----- | ----- |
| REVENUES: | | | | |
| Net premiums | \$ 480 | \$ 698 | \$ 588 | \$ |
| Investment income, net of related expenses | 7,199 | 8,836 | 6,191 | 6, |
| Investment related gains, net | 894 | 15,882 | 2,435 | 1, |
| Other revenue | 2,604 | 8,489 | 2,811 | |
| | ----- | ----- | ----- | ----- |
| Total revenues | 11,177 | 33,905 | 12,025 | 9, |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 836 | 28,992 | 4,072 | 7, |
| Interest credited | 75 | 140 | 163 | |
| Policy acquisition costs and other insurance expenses | (5,751) | (2,657) | (8,156) | (9, |
| Other operating expenses | 7,178 | 7,517 | 6,956 | 11, |
| Interest expense | 9,885 | 9,895 | 10,052 | 11, |
| | ----- | ----- | ----- | ----- |
| Total benefits and expenses | 12,223 | 43,887 | 13,087 | 21, |

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| | | | | |
|--|------------|-------------|------------|---------|
| Loss before income taxes | \$ (1,046) | \$ (9,982) | \$ (1,062) | \$ (12, |
| Investment related gains, net (1) | (894) | (12,834) | (2,435) | (1, |
| Change in value of embedded derivatives, net | -- | -- | -- | |
| Operating loss before income taxes | \$ (1,940) | \$ (22,816) | \$ (3,497) | \$ (13, |

- (1) Corporate & Other is net of DAC offsets of \$3,048 included in policy acquisition costs and other insurance expenses for the second quarter of 2005.

| | YEAR ENDED DECEMBER 31, 2 | | | |
|---|---------------------------|-------------------|------------------|--------------|
| | FIRST QUARTER | SECOND QUARTER | THIRD QUARTER | FOUR QUAR |
| REVENUES: | | | | |
| Net premiums | \$ 604 | \$ 1,017 | \$ 239 | \$ 1, |
| Investment income, net of related expenses | 7,244 | 8,063 | 9,287 | 8, |
| Investment related gains, net | 2,075 | 2,764 | 1,514 | 1, |
| Other revenue | 1,516 | 1,950 | 3,425 | 2, |
| Total revenues | 11,439 | 13,794 | 14,465 | 13, |
| BENEFITS AND EXPENSES: | | | | |
| Claims and other policy benefits | 991 | 1,428 | (1,596) | 11, |
| Interest credited | 69 | 93 | 81 | |
| Policy acquisition costs and other insurance expenses | (7,500) | (5,744) | (7,085) | (4, |
| Other operating expenses | 6,795 | 7,341 | 8,015 | 6, |
| Interest expense | 9,538 | 9,542 | 9,655 | 9, |
| Total benefits and expenses | 9,893 | 12,660 | 9,070 | 23, |
| Income (loss) before income taxes | \$ 1,546 | \$ 1,134 | \$ 5,395 | \$ (9, |
| Investment related gains, net | (2,075) | (2,764) | (1,514) | (1, |
| Change in value of embedded derivatives, net | -- | -- | -- | |
| Operating income (loss) before income taxes | \$ (529) | \$ (1,630) | \$ 3,881 | \$ (10, |

10

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

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Date: May 5, 2006

By: /s/ Jack B. Lay

Jack B. Lay
Executive Vice President and Chief
Financial Officer