Reinsurance Group of America, Incorporated – Q1 2018

Financial Results and Business Highlights

On April 26, 2018, Reinsurance Group of America, Incorporated (NYSE: RGA) reported financial results for the first quarter of 2018. “Our operating results were below our expectations this quarter, but this reflects normal volatility of claims that is inherent in our business,” said Anna Manning, President and Chief Executive Officer, RGA. “As we have pointed out in the past, the nature of our business is such that we can experience some volatility of claims, in both directions, in the short term. However, any volatility tends to even out over longer periods, and our diversified global platform has helped mitigate overall relative volatility in recent periods. We tend to see the highest claims in our first quarters when winter weather and influenza seasons can cause higher claims experience.

“In this quarter, the biggest source of variability was in our U.S. Individual Mortality business where we had elevated claims, influenced by a severe influenza season and a difficult winter. We also experienced some volatility in the Asia Pacific Traditional segment, attributable to modest swings in underwriting results in a few different countries. Our operations in EMEA and Canada performed well overall. Again, we view the claims experience in the quarter to be a normal part of our business and not indicative of any systemic issues.

“Reported premium growth was 9 percent, favorably influenced by foreign currency, representing a solid quarter and continued good momentum.

“We had a fairly active quarter as we deployed approximately $90 million of capital into in-force and other transactions, and we remain well-positioned and optimistic about the environment and our pipeline. We ended the quarter with an excess capital position of approximately $1.3 billion, down from the previous quarter. We continue to pursue a balanced approach to capital management through deployment of capital into in-force and other attractive transactions, share repurchases and shareholder dividends.

“Although our first-quarter earnings were below our expectations, our view of the underlying business fundamentals and intermediate-term financial outlook remain unchanged. Looking forward, we are excited about our ability to serve clients, execute on our strategies and deliver attractive financial returns.”

The RGA Board of Directors declared a regular dividend of $0.50, payable May 29, 2018 to shareholders of record as of May 8, 2018.

Q1 2018 Financial Results*

- Net income for the quarter totaled $100.2 million, or $1.52 per diluted share, versus $145.5 million, or $2.22 per diluted share, in the prior-year quarter.
- Adjusted operating income** totaled $105.7 million, or $1.61 per diluted share, compared with $122.1 million, or $1.86 per diluted share, the year before.
- Consolidated net premiums totaled $2.6 billion, up 9 percent from last year's first quarter of $2.4 billion, with favorable net foreign currency effects of $79.3 million.
- Book value per share was $139.64 including accumulated other comprehensive income (AOCI), and $117.49 excluding AOCI.**

* All figures in U.S. dollars.
** See "Use of Non-GAAP Financial Measures" at end of this document.

Q1 2018 News and Highlights

- For the sixth consecutive year, RGA was ranked #1 on NMG Consulting's 2017 Global All Respondent Business Capability Index (BCI), based on feedback from insurance executives in more than 50 countries.

- In 2017, RGA also ranked #1 on NMG's All Respondent BCI in Canada, Germany, Hong Kong, Japan, Malaysia, Mexico, Philippines, Singapore, South Africa, South Korea, Taiwan, Thailand, and the United States, as well as in regional aggregates in Asia, Central and Eastern Europe, EMEA, and the Middle East region, respectively.

- In a deal finalized in January 2018, RGA and RenaissanceRe partnered to launch Langhorne Re, a global reinsurer targeting large in-force life and annuity blocks.

- On January 8, RGAx, a subsidiary of RGA, announced that it had agreed to acquire LOGiQ^3 Inc., a group of companies that provides technology, consulting, and outsourcing solutions to the North American life insurance and reinsurance industry.

Financial strength ratings for RGA's principal operating subsidiaries remained unchanged, and are shown in the following chart:

	RGA Reinsurance Company	RGA Americas Reinsurance Company, Ltd.	RGA Life Reinsurance Company of Canada	RGA International Reinsurance Company dac	RGA Global Reinsurance Company, Ltd.	RGA Reinsurance Company of Australia Limited	RGA Atlantic Reinsurance Company Ltd.
S&P Global Ratings	**AA-**	**AA-**	**AA-**	**AA-**	**AA-**	**AA-**	(not rated)
A.M. Best Company	**A+**	**A+**	**A+**	(not rated)	(not rated)	(not rated)	**A+**
Moody's Investors Service	**A1**	(not rated)	(not rated)	(not rated)	(not rated)	(not rated)	(not rated)

For more complete information and the full text of RGA's announcement of first-quarter financial results, please refer to RGA's Investor Relations site at www.rgare.com.

About RGA

Reinsurance Group of America, Incorporated (RGA), a Fortune 500 company, is among the leading global providers of life reinsurance and financial solutions, with approximately $3.4 trillion of life reinsurance in force and assets of $61.0 billion as of March 31, 2018. Founded in 1973, RGA today is recognized for its deep technical expertise in risk and capital management, innovative solutions, and commitment to serving its clients. With headquarters in St. Louis, Missouri, and operations around the world, RGA delivers expert solutions in individual life reinsurance, individual living benefits reinsurance, group reinsurance, health reinsurance, facultative underwriting, product development, and financial solutions. To learn more about RGA and its businesses, visit the company's website at www.rgare.com.

** 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 the effect 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 and the cumulative effect of any accounting changes, which 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.

Book value per share excluding the impact of AOCI is a non-GAAP financial measure that management believes is important in evaluating the balance sheet in order to ignore 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. Similar to adjusted operating income, management believes this non-GAAP financial measure better reflects the ongoing profitability and underlying trends of the Company's continuing operations. It also serves as a basis for establishing target levels and awards under RGA's management incentive programs.

Reconciliations from GAAP net income, book value per share, and net income per diluted share are provided in the accompanying tables. Additional financial information can be found in the Quarterly Financial Supplement on RGA's Investor Relations website at www.rgare.com in the "Financial Information" section.

[See tables on next page]

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
Reconciliation of Consolidated Net Income to Adjusted Operating Income
(Dollars in thousands, except per share data)

(Unaudited)	Three Months Ended March 31,			
	2018		2017	
		Diluted Earnings Per Share		Diluted Earnings Per Share
Net income	$ 100,230	$ 1.52	$ 145,512	$ 2.22
Reconciliation to adjusted operating income:				
Capital (gains) losses, derivatives and other, included in investment related gains/losses, net	25,477	0.39	20,253	0.31
Capital (gains) losses on funds withheld, included in investment income, net of related expenses	8,131	0.12	(425)	(0.01)
Embedded derivatives:				
Included in investment related gains/losses, net	(22,433)	(0.34)	(59,192)	(0.90)
Included in interest credited	(22,565)	(0.34)	(18,173)	(0.28)
DAC offset, net	16,846	0.26	34,021	0.52
Investment (income) loss on unit-linked variable annuities	2,095	0.03	(2,673)	(0.04)
Interest credited on unit-linked variable annuities	(2,095)	(0.03)	2,673	0.04
Non-investment derivatives	60	-	69	-
Adjusted operating income	$ 105,746	$ 1.61	$ 122,065	$ 1.86

Reconciliation of Book Value Per Share to Book Value Per Share
Excluding Accumulated Other Comprehensive Income ("AOCI")

	At March 31,	
	2018	2017
Book value per share outstanding	$ 139.64	$115.24
Less effect of AOCI:		
Accumulated currency translation adjustments	(1.36)	(3.02)
Unrealized appreciation of securities	24.29	24.20
Pension and postretirement benefits	(0.78)	(0.66)
Book value per share outstanding, before impact of AOCI	$ 117.49	$ 94.72