

# SCOR Group 2007 First Half Results

29 August 2007

# Summary

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- ▶ Summary  
P. 4
- ▶ Group business  
P. 11
- ▶ Results by line of business  
P. 21
- ▶ Appendices  
P. 38

# Notice

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Certain statements contained in this presentation are forward-looking statements, of necessity provisional, that are based on risks and uncertainties that could cause actual results, performance or events to differ materially from those in such statements.

Additional information regarding risks and uncertainties is set forth in the **2006** annual report of the company.

The Group's financial information is prepared on the basis of IFRS and interpretations issued and approved by the European Union.

# SUMMARY

## 2007 First Half Results

# A great set of results for the First Half 2007

- ▶ **Gross written premiums: €2,124m (+55%\*)**
  - **Non-Life gross written premiums: €943m (+12%\*)**
  - **Life gross written premiums: €1,181m (+124%\*)**
- ▶ **Operating income: €255m (+36%\*)**
- ▶ **Net income after tax: €181 m (+77%\*)**
- ▶ **Shareholders' equity (excluding minority interests): €2,644m at 30 June 2007 (+17% compared to 31 December 2006 and 58% compared to 30 June 2006)**
- ▶ **Annualized Return On weighted average Equity (ROE): 15.4 % (compared to 12.3% for First Half 2006 and 16.9% for the Full Year 2006)**
- ▶ **Net Income Per Share: €1.49 (+39%\*) \*\***
- ▶ **Net Book Value Per Share: €19.83 (+14%\*) \*\***

*(\*): the First Half Year 2007 results take account of the acquisition of Revios on 21 November 2006. The First Half Year 2006 results did not include Revios. See table in appendices for the results on a like-for-like basis and at constant exchange rates. All comparisons in parentheses are to the First Half 2006. All the data on these slides are at current exchange rates unless stated otherwise*

*(\*\*): Please refer to appendix B for data on the Earnings Per Share and Net Book Value Per Share calculations*

# as shown by the Key Performance Indicators

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- ▶ **Non-Life Reinsurance operating profit: €177m**
- ▶ **Life Reinsurance operating profit: €79m**
- ▶ **Combined ratio for Non-Life business: 98.8%**  
(compared to 98.2% in First Half 2006)
- ▶ **Margin on net earned premiums in Life reinsurance: 7.4%**  
(compared to 7.2% in First Half 2006)
- ▶ **Investment income: €364m (+52%\*)**
- ▶ **Annualized Return On Investment (ROI): 5.0%**  
(compared to 4.9% in First Half year 2006)\*

*(\*): the First Half Year 2007 results take account of the acquisition of Revios on 21 November 2006. The First Half Year 2006 results did not include Revios. See table in appendices for the results on a like-for-like basis and at constant exchange rates. All comparisons in parentheses are to the First Half 2006. All the data on these slides are at current exchange rate unless stated otherwise*

## Significant events since 1 January 2007: SCOR finalized the Converium acquisition (1/4)

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- ▶ **Acquisition of 32.9% of the capital of Converium:**
  - SCOR announces on 19 February 2007 the acquisition of 32.9 % of the capital of Converium
  - SCOR's shareholders give their full support to the combination of SCOR and Converium on 26 April 2007. The acquisition is financed for 80% by the issuance on 26 April 2007 of 17,837,210 new SCOR shares
- ▶ On 10 May 2007, SCOR and Converium announce that they have reached a **friendly agreement**
- ▶ On 12 June 2007, SCOR announces the **opening of its mixed public tender and exchange offer** for the shares of Converium

## Significant events since 1 January 2007: SCOR finalized the Converium acquisition... (2/4)

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- ▶ On 27 June 2007, the Swiss Federal Office of Private Insurance (FOPI) authorises **the combination between SCOR and Converium**
- ▶ **Great success of the Offer:** on 2 August 2007, SCOR announces results: ownership of 96.32% of Converium
- ▶ **Settlement and Delivery of the Offer** takes place on 8 August 2007. As part of this exchange, SCOR issues 46,484,676 new shares
- ▶ On 30 August 2007, the **EGM of Converium** will take place to change the name to SCOR Switzerland and to nominate the new Board of Directors and the new Executive Committee



# Significant events since 1 January 2007: ...and continued to develop its business successfully (3/4)

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- ▶ **The first version of « Dynamic Lift », the new strategic plan covering the period from mid-2007 to mid-2010**, is published on 4 April 2007: it lays out the growth and profitability prospects of the combined Group resulting from the merger of SCOR and Converium, on the basis of realistic market assumptions, an optimal diversification and the application of a rigorous underwriting policy centered on profitability requirements. The second version of Dynamic Lift will be presented to the markets on 3 September 2007
- ▶ SCOR American Depositary Shares (ADS) delisted on 14 June 2007 from the New-York Stock Exchange
- ▶ On 8 August, the SCOR group announces that it is now listed on the **SWX Swiss Exchange**
- ▶ SCOR owns on 98.67% of **ReMark**, a global insurance direct-marketing company, through a series of successive purchases between January and June 2007
- ▶ On 25 June 2007, SCOR officially becomes an “**SE**” (**Societas Europaea**). On 25 July 2007, SCOR Global Life officially becomes an SE. On 3 August, SCOR Global P&C officially becomes an SE
- ▶ On 2 July 2007, SCOR Global Life announces its 31 December 2006 **European Embedded Value: €1,513m**

## Significant events since 1 January 2007: ...and continued to develop its business successfully (4/4)

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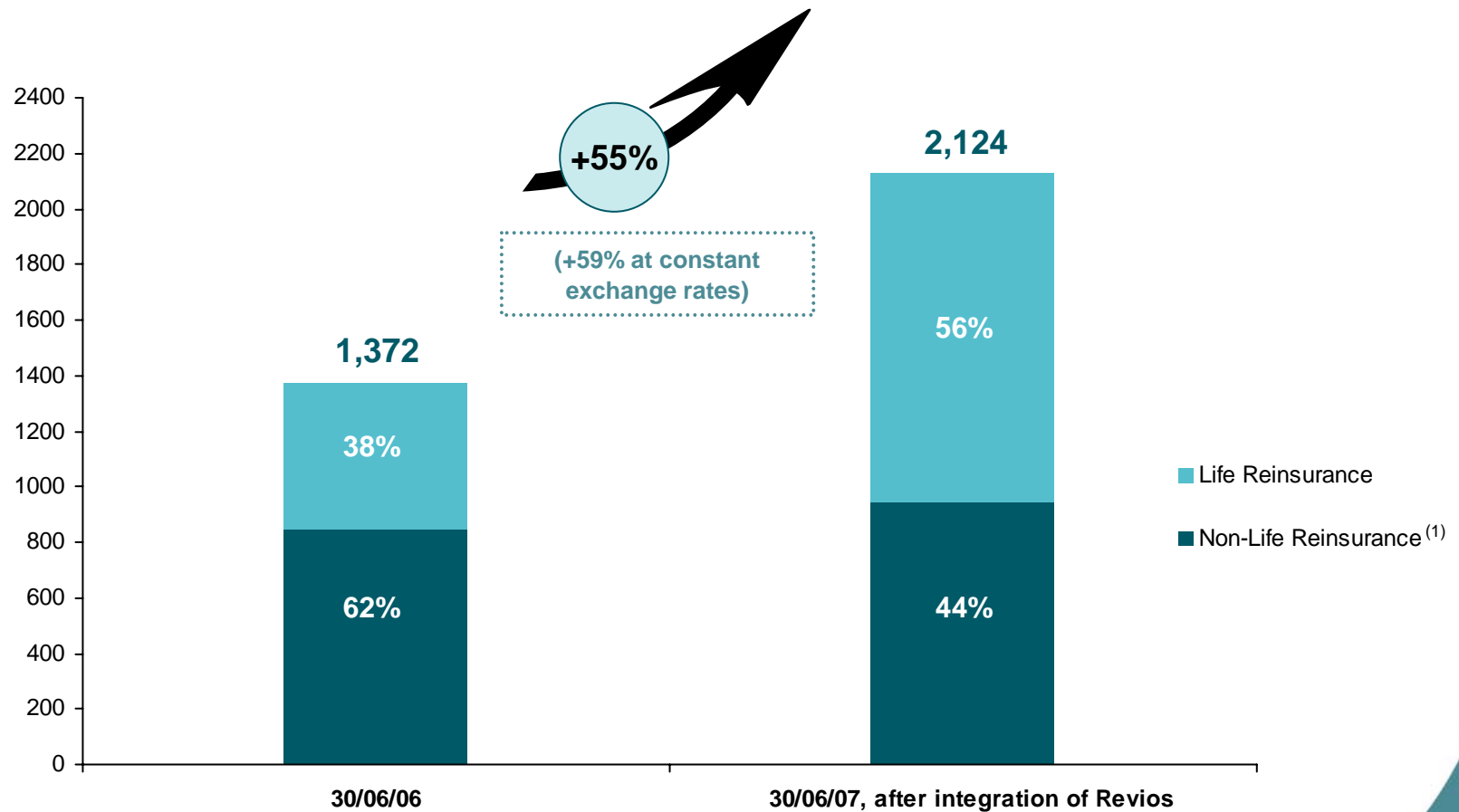
- ▶ Non-Life reinsurance treaties in Japan, Korea and India were up for **renewal on 1 April 2007**. These treaties represent around 65% of SCOR's portfolio in the Asia-Pacific zone. During the 1 April 2007 renewals, written premiums in Japan reached EUR 41.1 million, down 8% compared to 2006 at constant exchange rates. During the 1 April 2007 renewals, written premiums in Korea reached EUR 25.6 million, up 10% at constant exchange rates compared to 2006. In India, written premiums reached EUR 19.5 million, an increase of 23% at constant exchange rates compared to 2006.
- ▶ On 21 August, SCOR announces that its **Non-Life Treaty renewals at 1 July 2007** were **up 19%**, mainly in Asia (up 69%), the Middle East (up 30%) and the United States (up 19%)
- ▶ On 20 August, **AM BEST affirms the rating of SCOR and upgrades the rating of Converium to "A-, stable outlook"**. On 24 August, **Fitch affirms the rating of SCOR and upgrades the rating of Converium to "A-, stable outlook"**. All of the rating agencies now rank SCOR and Converium in the "A" category with a stable outlook.

# GROUP BUSINESS

## 2007 First Half Results

# The scale and scope of the company is developing as evidenced by the 55% increase in group premium income\*

Gross written premiums, in €m

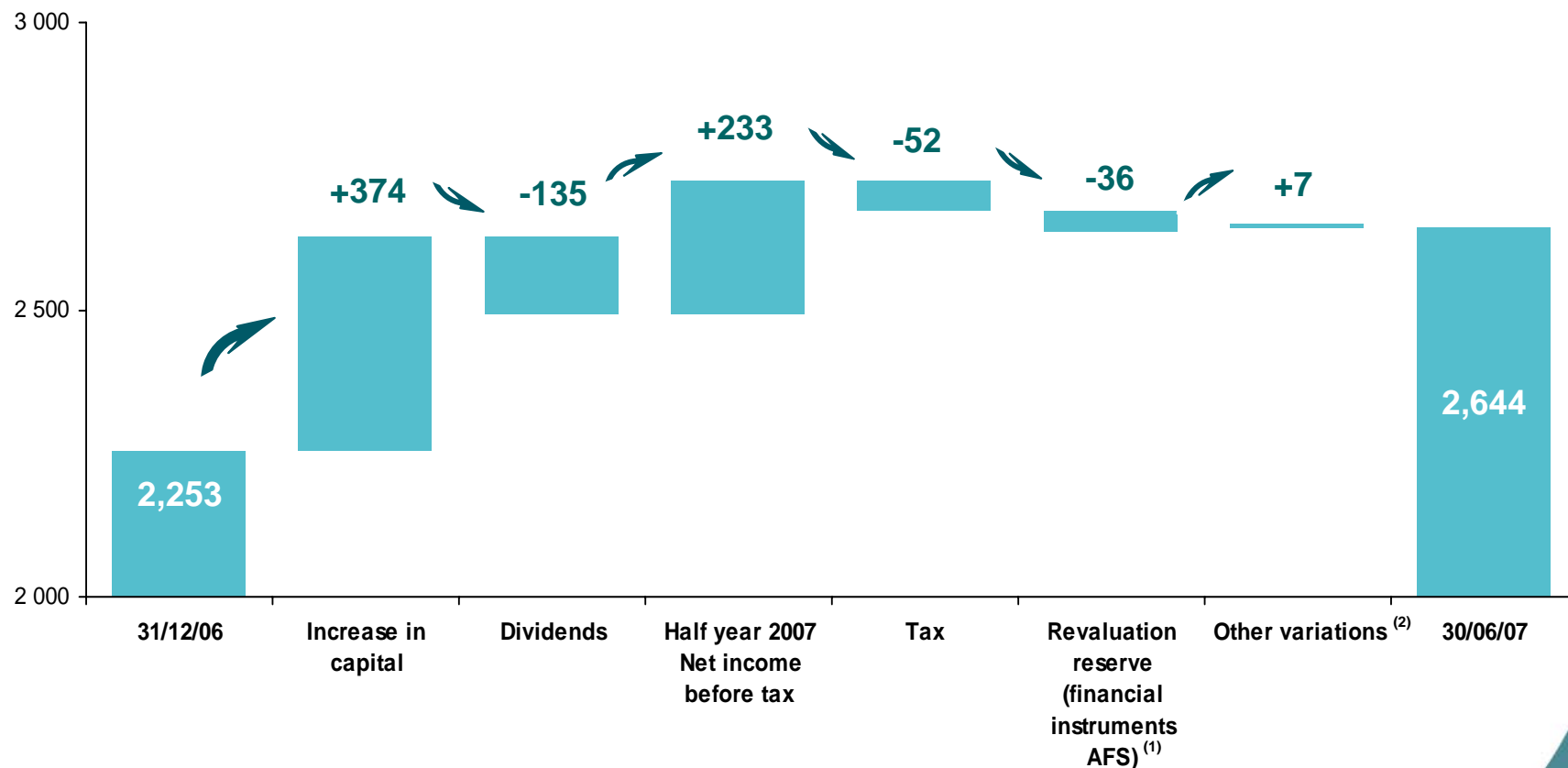


<sup>(\*)</sup> All the data on these slides are at current exchange rates unless stated otherwise

<sup>(1)</sup> (Treaty + Specialties + Business Solutions)

# The group's capital base is growing...

Shareholders' equity, in €m



(1): variation of capital gains on AFS securities, net of shadow accounting and taxes

(2): share-based payments and other

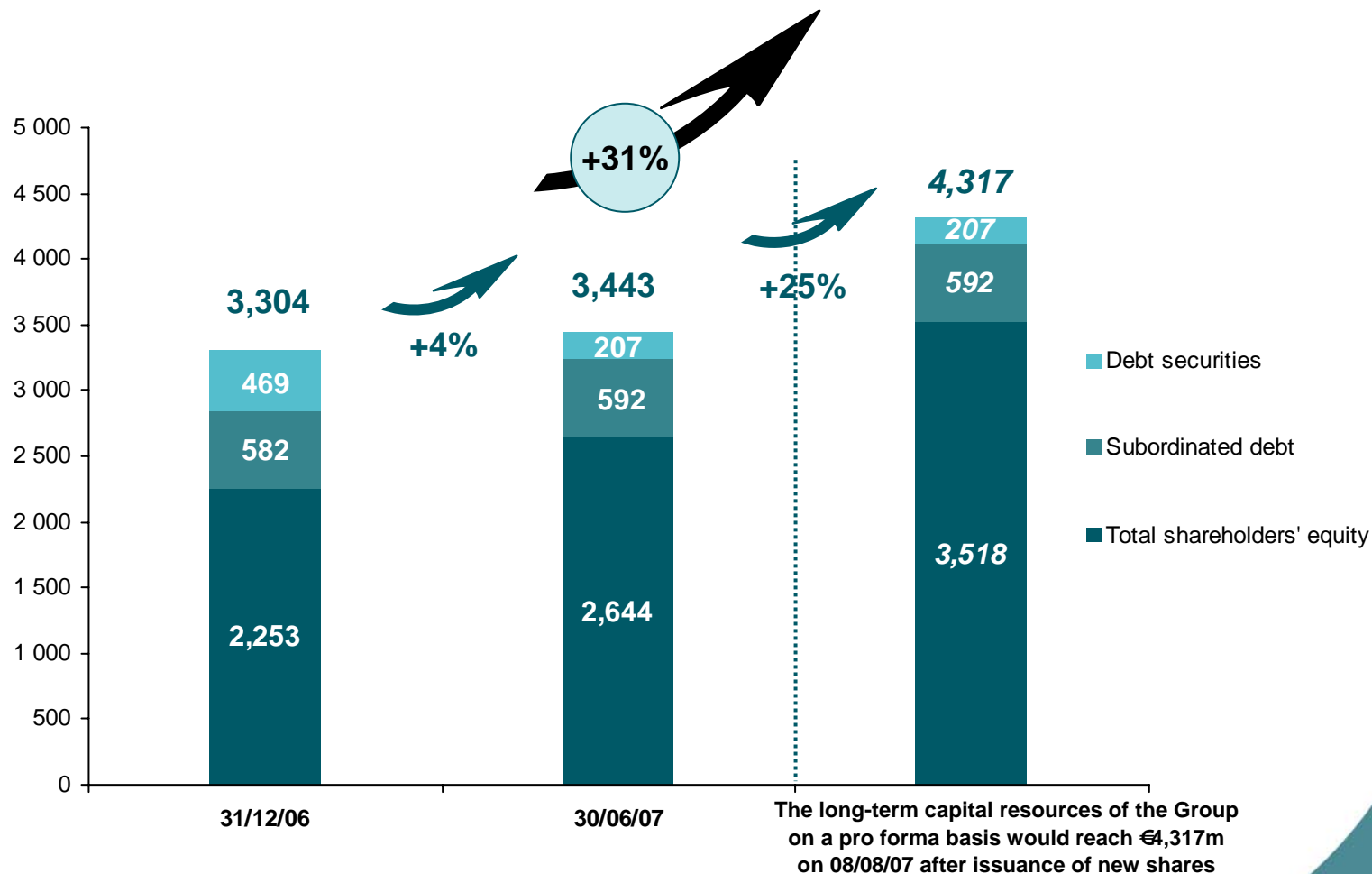
# ...as is the post-tax Return On Equity (ROE): 15.4% on an annualized basis for the First Half 2007

€m	30/06/06	31/12/06	30/06/07
Net income	102	306	181
Opening shareholders' equity	1,719	1,719	2,253
Weighted net income <sup>(1)</sup>	51	153	91
Payment of dividends <sup>(2)</sup>	(11)	(30)	(27)
Increase in weighted capital <sup>(3)</sup>	-	19	135
Translation differential <sup>(1)</sup>	(17)	(28)	(1)
Revaluation reserve and other <sup>(1)</sup>	(34)	(18)	(14)
Weighted average shareholders' equity	1,708	1,814	2,437
Annualised ROE	<b>12.3%</b>	<b>16.9%</b>	<b>15.4%</b>

- (1) Prorata of 50%: linear acquisition throughout the period  
 (2) Prorata : payment date of 19/05/2006 and of 25/05/2007  
 (3) Prorata : completion date of 26/04/2007

# The financial structure is evolving positively...

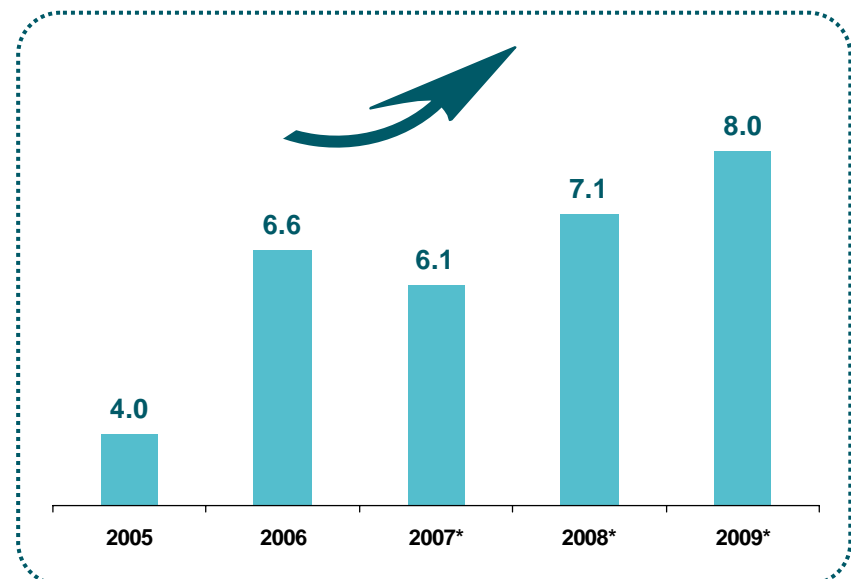
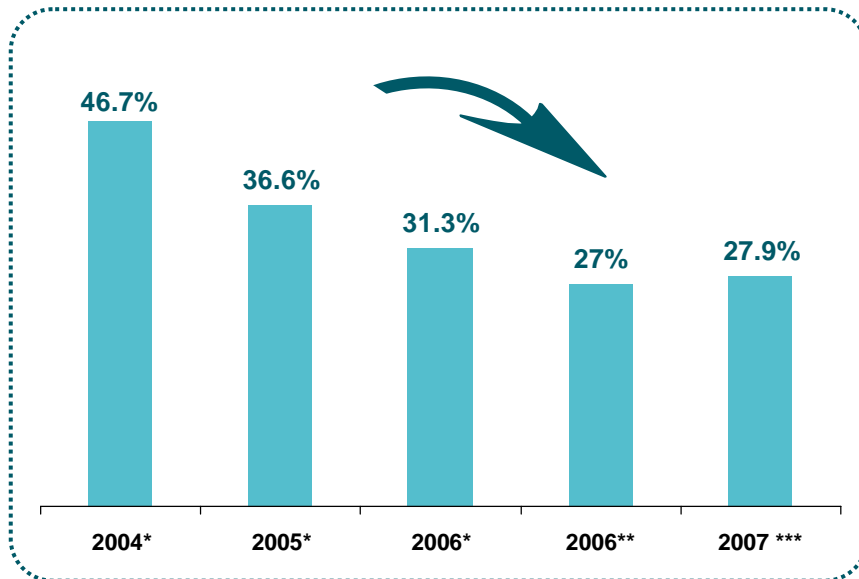
Long-term capital resources, in €m



# ...and there continues to be a dramatic improvement in the financial leverage and financing costs...

## An optimised financial leverage

## Fixed charge coverage ratios into the A range



\* SCOR financial leverage based on Moody's publication

\*\* SCOR financial leverage excluding the Senior Debt maturing June 07

\*\*\* 2007 year end after refinancing and estimated shareholder's funds according to Dynamic lift V1

\* calculations according to dynamic Lift V1 plan

NB: Financial leverage is defined as debt over debt + equity. The fixed charge coverage ratio is defined as operating income over financial expenses

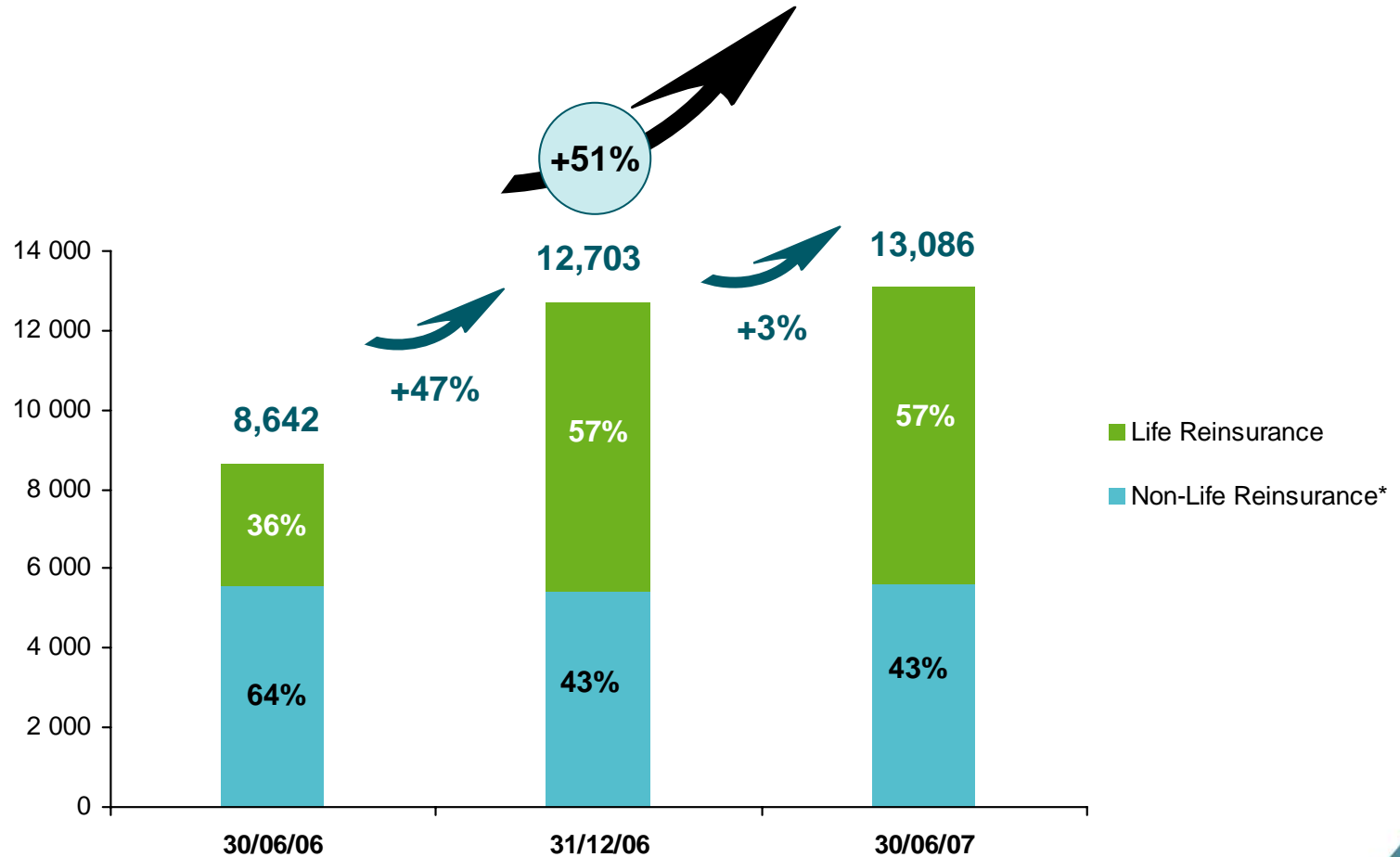


# ...while operating cash flow reaches a record €362m in the First Half of 2007

€m	30/06/07
Net cash flow from operating activity of which realised commutations	+ 362 (30)
Net cash flow from investment activity	(192)
Net cash flow from financing activity	(43)
Effect of exchange rate variations on cash flow	(6)
Cash flow	+ 121

# SCOR is pursuing its prudent reserving policy...

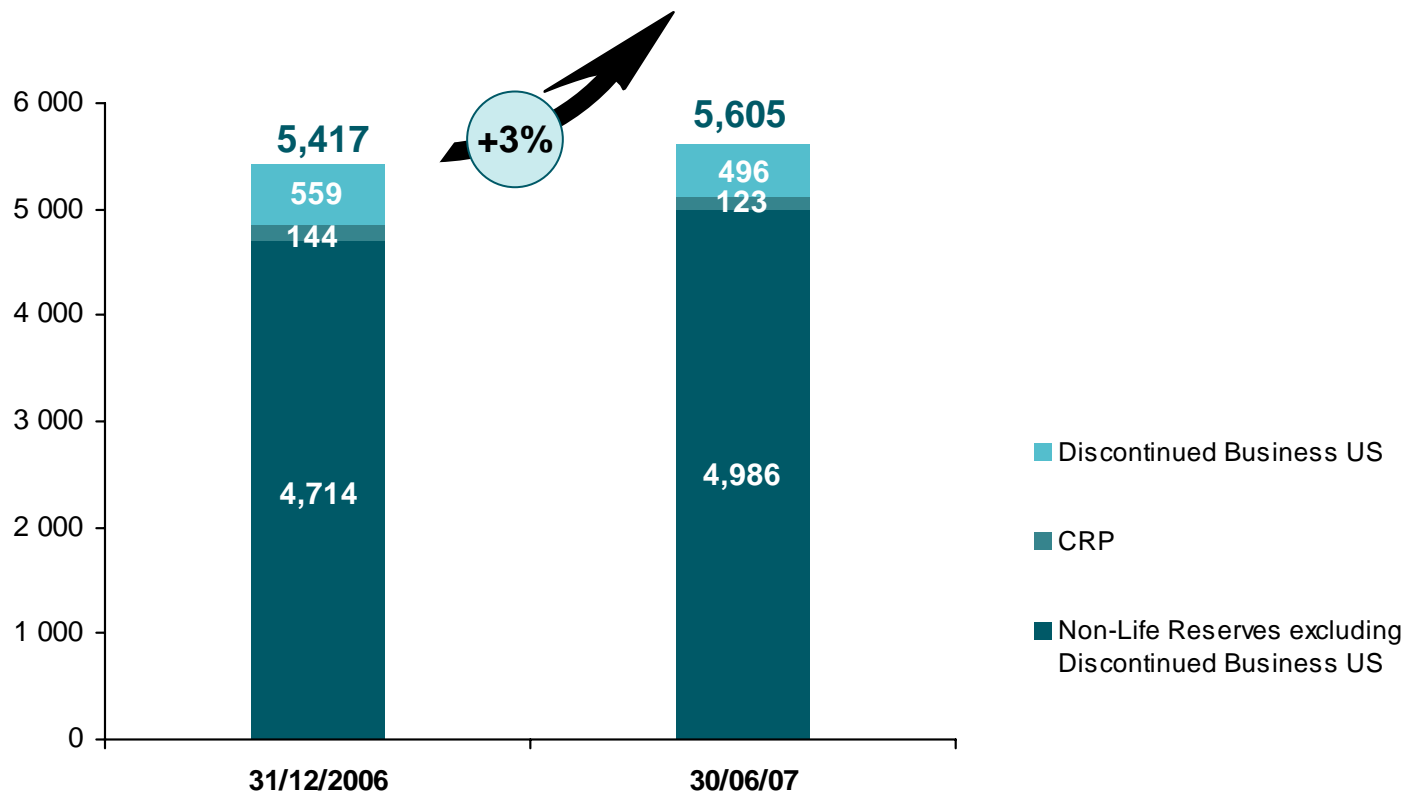
Net liabilities relating to contracts, in €m (at current exchange rates)



\* (Treaty + Specialties + Business Solutions)

# ...with Non-Life reserves up 3% (and up 6% excluding Discontinued Business)

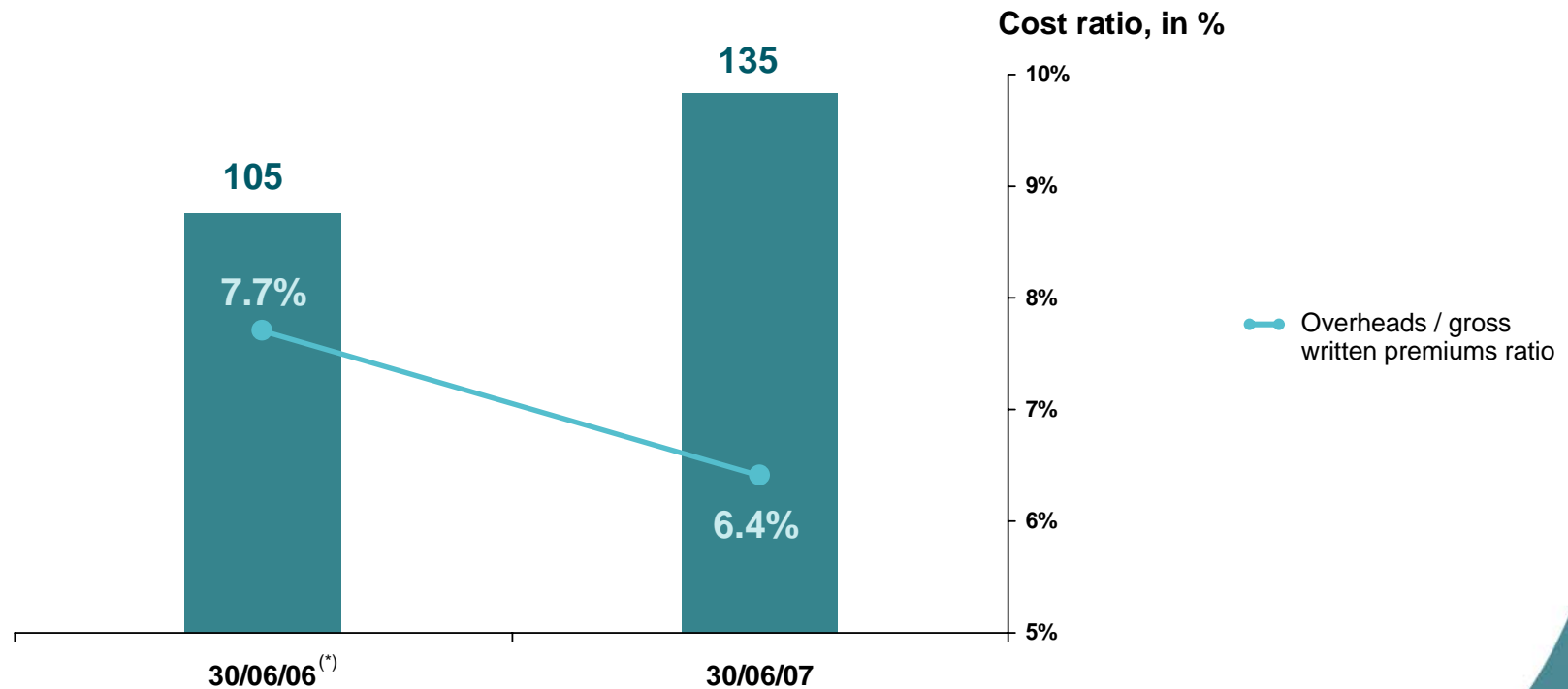
Net liabilities relating to contracts in Non-Life reinsurance, in €m



*N.B: All the data on these slides are at current exchange rates unless stated otherwise*

# SCOR continues to curb its costs: Cost Ratio of 6.4% during the First Half 2007

Overheads, in €m



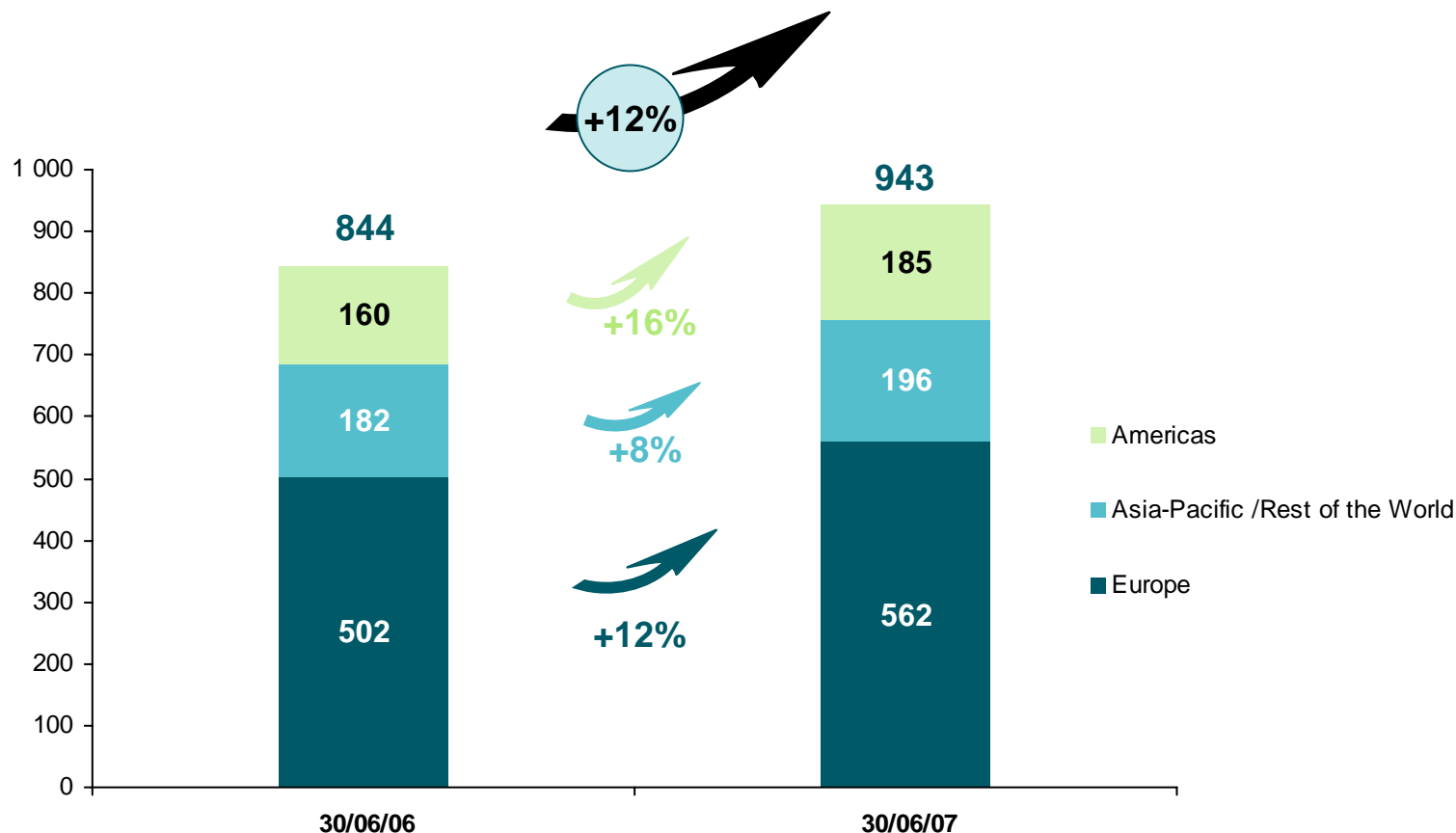
(\*) Figures for the First Half 2006 do not include Revios

# RESULTS BY LINE OF BUSINESS 2007 First Half Results

## NON-LIFE REINSURANCE

# The Non-Life business grew a very robust 12% compared to the same period of last year...

Gross written premiums, in €m



*N.B: At constant exchange rates, Non-Life premium income is up 15 %*

*N.B: From now on, the Americas regroup the US, Canada, the Caribbean, Central and South America*

...while the Non-Life operating result was up by even more: +16% compared to the same period of last year

€m	30/06/2006	30/06/2007	Variation
Gross written premiums	844	943	+12%
Net earned premiums	691	813	+18%
Net underwriting income	69	63	-9%
Technical management costs	(56)	(53)	-5%
Current net investment income <sup>(1)</sup>	141	182	+29%
Operating income before FVI <sup>(2)</sup>	135	170	+26%
FVI <sup>(2)</sup> investment income	18	7	-61%
Operating income	153	177	+16%
<b>Net combined ratio<sup>(3)</sup></b>	<b>98.2%</b>	<b>98.8%</b>	<b>+0.6 pts</b>

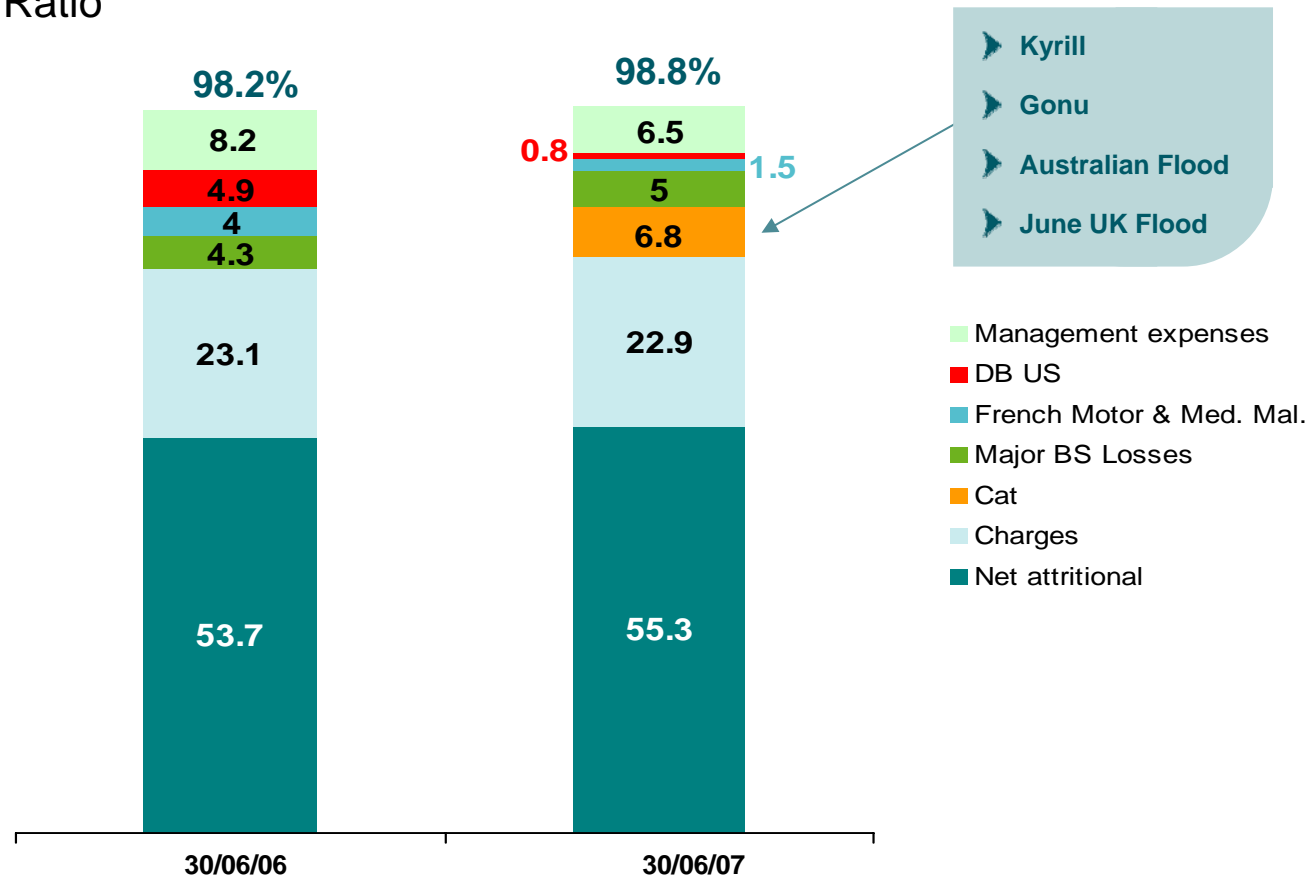
(1) Current investment income net of asset management costs, currency gains and realised capital gains net of writedowns

(2) Fair value by income

(3) Net combined ratio: (losses incurred + commissions + overheads) / net earned premiums

# These are the main events affecting P&C accounts during the First Half of 2007

## Combined Ratio



- ▶ Kyrill
- ▶ Gonu
- ▶ Australian Flood
- ▶ June UK Flood

- Management expenses
- DB US
- French Motor & Med. Mal.
- Major BS Losses
- Cat
- Charges
- Net attritional

- ▶ 8.9% of combined in 2006 to get closer to best estimate on DB/Latent/Motor/Med. Mal.
- ▶ No Cat
- ▶ 2.3 % of combined in 2007 to get closer to best estimate on DB/Latent/Motor/Med.Mal.
- ▶ 6.8% Cat impact



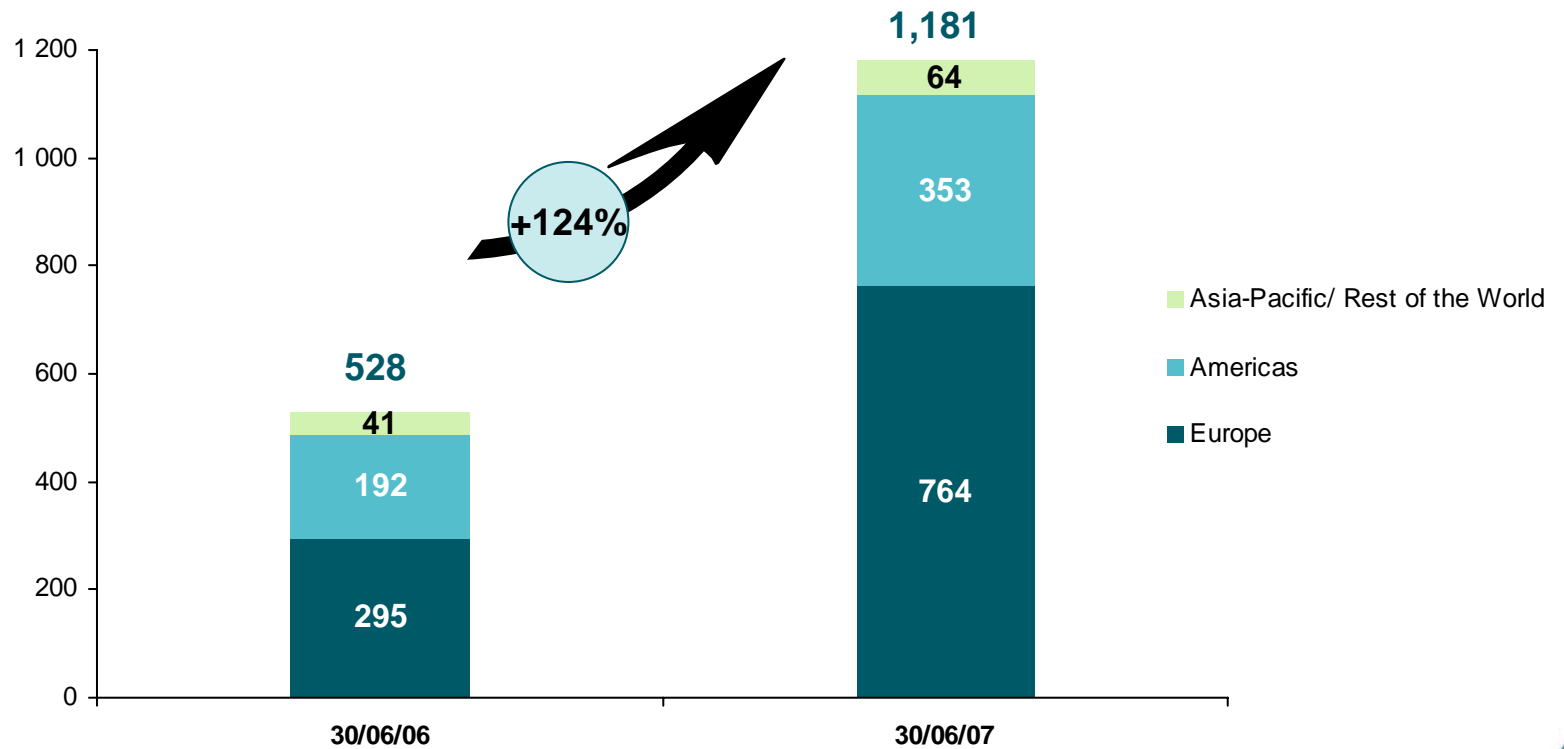
# RESULTS BY LINE OF BUSINESS

## 2007 First Half Results

### LIFE REINSURANCE

# The Group continues to expand its Life business...

Gross written premiums, in €m



# ...as the technical profitability in the Life reinsurance business remains strong

€m	30/06/2006	30/06/2007	Variation
Gross written premiums	528	1,181	+124%
Net earned premiums	485	1,061	+119%
Technical management costs	(30)	(54)	+80%
Current investment income <sup>(1)</sup>	76	174	+129%
Operating income before FVI <sup>(2)</sup>	31	79	+155%
FVI <sup>(2)</sup> investment income	4	0	n/a
Current operating income	35	79	+126%
Operating income	35	79	+126%
<b>Margin on net earned premiums</b>	<b>7.2%</b>	<b>7.4%</b>	<b>+0.2 pts</b>

(1) Current investment income, currency gains and realised capital gains net of writedowns

(2) Fair value by income

N.B: All the data on these slides are at current exchange rates unless stated otherwise

# Here is a brief update on the status of the Revios integration...

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## Most important areas of integration

- ▶ Creation of SCOR Global Life SE
- ▶ Integration Business Unit 1 (Paris)
- ▶ Integration Business Unit 2 (Cologne)
- ▶ Integration Business Unit 3 (Dallas)
- ▶ Integration Business Unit 4 (London)
- ▶ Integration of central functions
- ▶ IT-Integration

# ...which is proceeding according to schedule

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## Integration Central Functions

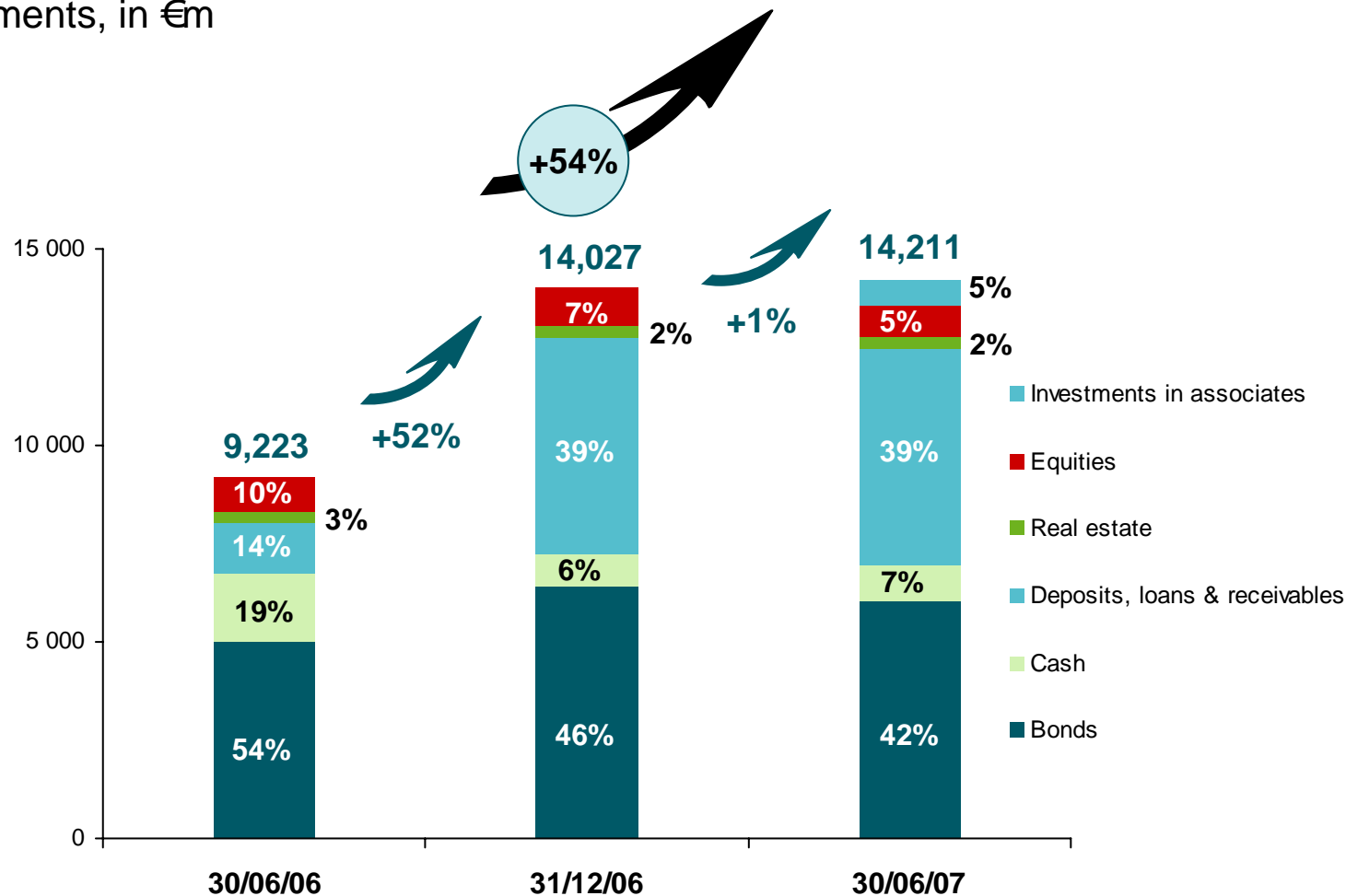
- ▶ Revios has complied with SCOR closing requirements and schedules
- ▶ Joint Embedded Value guideline in place since early 2007
- ▶ Approaches to Economic capital model unified
- ▶ Risk Committee set up, consisting of CFO, CRO, Chief Actuary to develop underwriting and pricing guidelines, decide on non-standard business, risk appetite, setup and develop ERM

# RESULTS BY LINE OF BUSINESS 2007 First Half Results

## ASSET MANAGEMENT

# The Group's investments are keeping pace with the growth of the business...

Investments, in €m

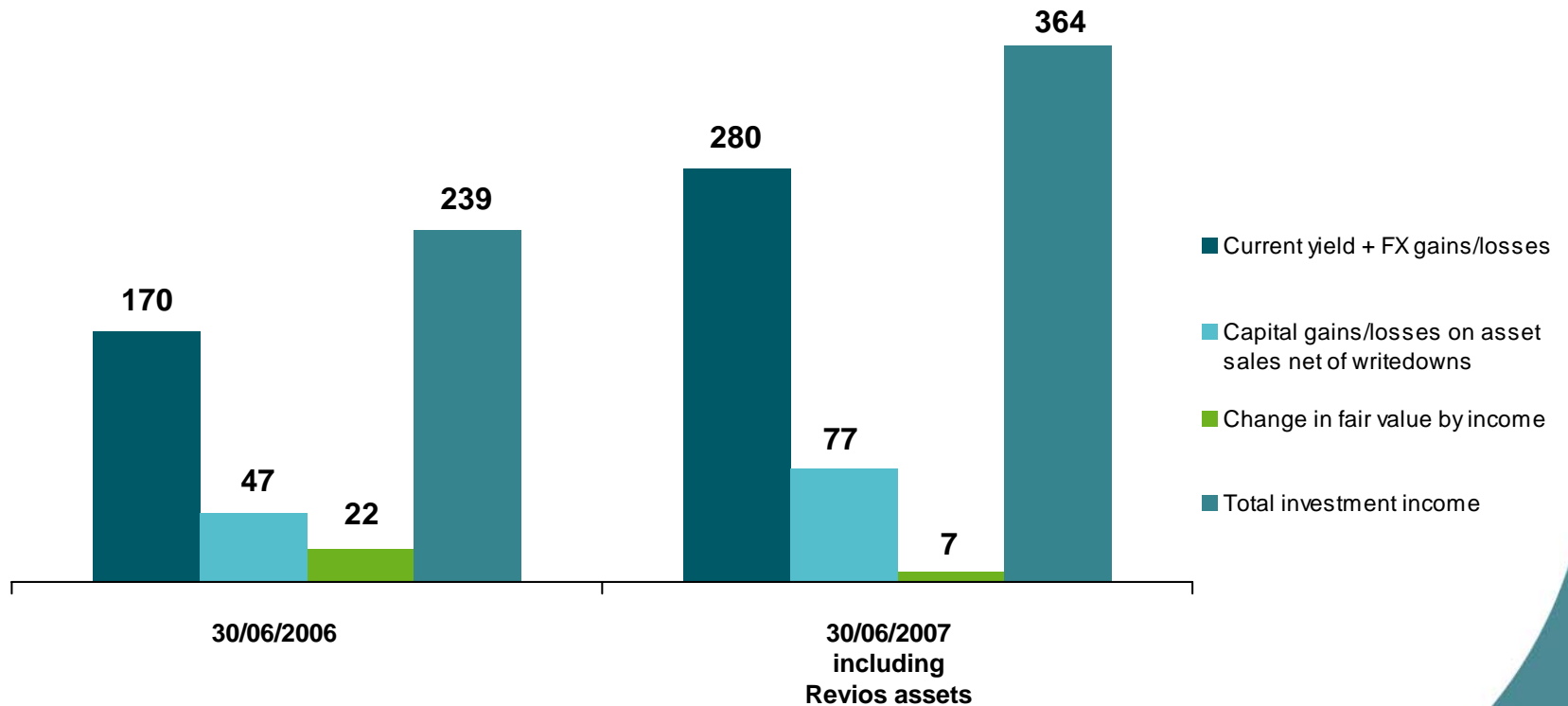


N.B: All the data on these slides are at current exchange rate unless stated otherwise

# ...while SCOR continues its efforts to increase the performance of asset management

Investment income, in €m

**2007 First Half Year annualized Return On Investment: 5.0%**  
(vs. 4.9% in First Half 2006)



*N.B: All the data on these slides are at current exchange rates unless stated otherwise*



# Given the very high quality of the assets, the Return On Investment (ROI) of 5.0% is an appreciable performance

	30/06/2006	30/06/2007
<b>€m</b>		
Average investments over the period	9,555	13,931
<b>In %</b>		
Current yield	3.6%	4.1%
Capital gains/losses on investments net of writedowns	1.21%	1.1%
Currency gains/losses	(0.1%)	(0.0)%
Change in FVI <sup>(1)</sup>	0.5%	0.1%
Overheads allocated to asset management	(0.2%)	(0.3%)
Return on net invested assets	4.9%	5.0%

(1) Fair value by income

# Our investment principles are disciplined (1/2)

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- ▶ **Mission statement:** optimizing the risk/return profile of our investment portfolio in order to support the results of the reinsurance business
  
- ▶ **Four investment principles :**
  1. **Dynamic currency matching of assets and liabilities**
    - assets and liabilities are currency matched :
      - assets and liabilities are invested in the same currency
      - currency variations with euro are hedged with forward contracts
    - shareholders' equity of our entities are not hedged and remain exposed to original currency
  2. **Asset & liability management:** disciplined duration matching
  3. **Quality of assets:**
    - investment policy based on strict guidelines with regard to liquidity, rating and credit
    - Fixed income portfolio focus on high quality, liquid « high grade » bonds
  4. **Cash management:**
    - Minimum cash position to cope with payments of expenses and claims settlement, except for exceptional events
    - Exceptional events could be covered by a credit facility

# Asset Management is tailored and reactive to developments in the financial markets

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## Asset Management main drivers:

- ▶ Efficient bond portfolio management in a context of rate increase – Limited credit exposure
- ▶ Active minimisation of the Group's cash investments, in order to improve the return on the portfolio
- ▶ Some profit taking on the equity exposure given strong performance

# No compromising on quality of investment assets

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- ▶ 95% of the bonds are of the highest credit ratings:
  - 73% in the AAA category
  - 11% in the AA category
  - 11% in the A category
- ▶ The equity portfolio consists mostly of European blue chips
- ▶ Minimal unlisted equities (0.2% of total assets)
- ▶ Exposure to the subprime area is very marginal:
  - at 0.4% of assets (\$96m)
  - 97% are rated AAA
  - 3% are AA
  - all investments are senior layers
  - of older and higher quality vintages (no 2006)
  - 1/3rd is fully wrapped
  - Only fixed rate mortgages
  - No downgrading
  - Marked to market does not lead to impairment
  - SCOR has both the ability and the intent to hold these securities until principal is received or they recover their unrealized loss

# SCOR Group Results 2007 First Half Results

29 August 2007

# APPENDICES

Appendix A: Key Figures

Appendix B: Detail of Earnings Per Share Calculation

Appendix C: Detail of Net Asset Value Per Share Calculation

Appendix D: Balance Sheet (SCOR standalone and Pro Forma balance sheet SCOR + Converium)

Appendix E: Investment portfolio by IFRS accounting classification

Appendix F: The SCOR group's rating

# Appendix A: Key Figures

€m, current exchange rates	30/06/2006	30/06/2007	Variation
Gross written premiums	1,372	2,124	+55%
Net earned premiums	1,177	1,873	+59%
Current net investment income (1)	217	357	+65%
Operating income before FVI (2)	166	249	+50%
FVI (2) investment income	22	7	-68%
Other income and expenses	0	(1)	n/a
Operating income	188	255	+36%
Net income	102	181	+77%

€	30/06/2006	30/06/2007	Variation
Net income per new share <sup>(3)</sup>	1.07	1.49	+39%
Net Book value per share <sup>(4)</sup>	17.46	19.83	+14%

(1) Current investment income net of asset management costs, currency gains and realised capital gains net of writedowns

(2) Fair value by income

(3) Net income per share is calculated pro rata of the number of shares in circulation over the period

(4) Net book value per share is calculated as at 31 March based on the number of shares in circulation on this date

# Appendix A: Key Figures at constant exchange rates

<b>€m, constant exchange rates</b>	<b>30/06/2006</b>	<b>30/06/2007</b>	<b>Variation</b>
Gross written premiums	1,372	2,180	+59%
Net earned premiums	1,177	1,902	+62%
Operating income	188	262	+39%
Net income	102	188	+84%
Net liabilities relative to contracts	8,642	13,121	+52%
Total investments	9,223	14,255	+54%



# Appendix A: Key Figures on a like-for-like basis (excluding Revios)

€m, current exchange rates	30/06/2006	30/06/2007	Variation
Gross written premiums	1,372	1,465	+7%
Net earned premiums	1,177	1,303	+11%
Operating income	188	209	+11%
Net income	102	148	+45%
Net liabilities relative to contracts	8,642	8,873	+3%
Total investments	9,223	10,252	+11%

# Appendix A: Key Figures on a like-for-like basis (excluding Revios) and at constant exchange rate

<b>€m, constant exchange rates</b>	<b>30/06/2006</b>	<b>30/06/2007</b>	<b>Variation</b>
Gross written premiums	1,372	1,506	+10%
Net earned premiums	1,177	1,322	+12%
Operating income	188	215	+14%
Net income	102	155	+52%
Net liabilities relative to contracts	8,642	8,907	+3%
Total investments	9,223	10,288	+12%

# Appendix B: detail of Earnings Per Share calculation

## Earnings Per Share

€	30/06/2006	30/06/2007	Variation
Net Income (A)	102,219,009	181,289,312	+77%
Number of opening shares (1)(*)	96,876,907	118,405,108	-
Impact of the 17 837 210 shares issued 26/04/07 (2)	-	6,405,628	-
Time Weighted Treasury Shares (3)	1,085,276	2,830,510	-
Basic Number of Shares (B) = (1)+(2)+(3)	95,791,631	121,980,226	+27%
<b>Basic EPS (A)/(B)</b>	<b>1.07</b>	<b>1.49</b>	<b>+39%</b>

(\*): On 12, Décembre 2006, SCOR issued 21,528,201 shares for Revios Acquisition

# Appendix C: detail of Net Asset Value Per Share calculation

## Net Asset Value Per Share

€	30/06/2006	30/06/2007	Variation
Net Equity (A)	1,671,933,251	2,644,361,677	+58%
Number of closing shares (1) (*) (**)	96,876,907	136,242,318	
Closing Treasury Shares (2)	1,085,276	2,911,144	
Basic Number of Shares (B) = (1)+(2)	95,791,631	133,331,174	+39%
<b>Basic NAV PS (A)/(B)</b>	<b>17.5</b>	<b>19.8</b>	<b>+14%</b>

(\*): On 12, Décembre 2006, SCOR issued 21 528 201 shares for Revios Acquisition

(\*\*): On 26 April 2007, SCOR issued 17 837 210 New Shares in exchange for the Alecta, Patinex Blocks of Converium

# Appendix D: SCOR standalone balance sheet

30/06/2007 SCOR standalone, €m

<b>Assets</b>	<b>30/06/07</b>	<b>Liabilities</b>	<b>30/06/07</b>
Intangible Assets	854	Shareholder's Equity	2,651
Investments	13,255	Debt	922
Retrocessionaires' Share of Technical Reserves	1,090	Reserves	14,176
Other Assets	3,061	Other Liabilities	1,470
Cash and cash equivalents	959		
<b>TOTAL ASSETS</b>	<b>19,219</b>	<b>TOTAL LIABILITIES</b>	<b>19,219</b>

# Appendix D: Pro-Forma balance sheet: SCOR + Converium

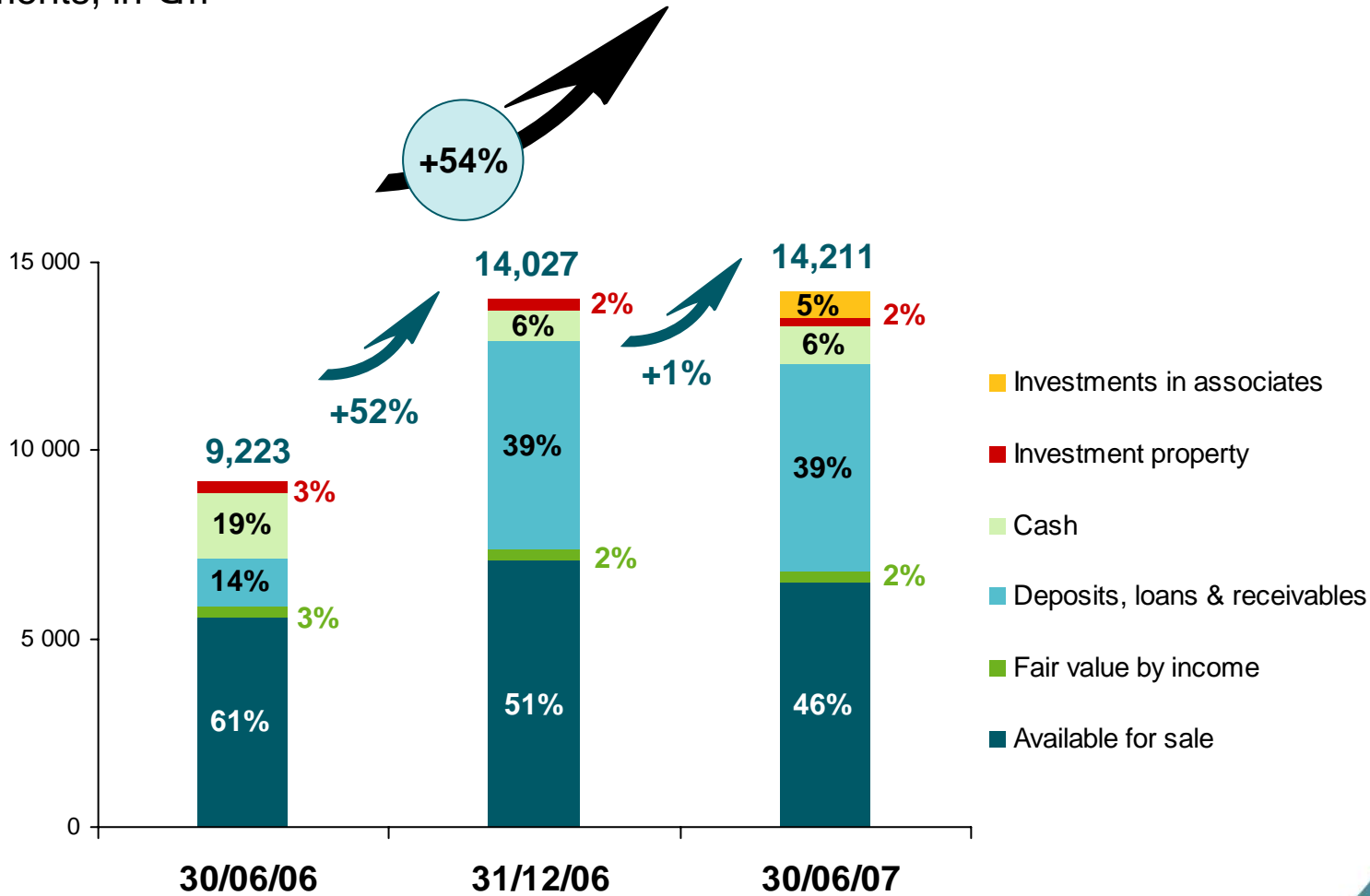
30/06/2007 Pro Forma Balance  
Sheet: SCOR and Converium, €m

<b>Assets</b>	<b>30/06/07</b>	<b>Liabilities</b>	<b>30/06/07</b>
Intangible Assets	1,261	Shareholder's Equity	3,568
Investments	18,615	Debt	1,067
Retrocessionaires' Share of Technical Reserves	1,408	Reserves	19,973
Other Assets	4,242	Other Liabilities	1,898
Cash and cash equivalents	981		
<b>TOTAL ASSETS</b>	<b>26,506</b>	<b>TOTAL LIABILITIES</b>	<b>26,506</b>

The Methodology for this Pro-Forma Balance Sheet is that of the Offering Document, on the basis of the 30/06/2007 US GAAP accounts of Converium, with the assumption that SCOR holds 100% of Converium (Acquisition of the remaining 3.7% at the same price as the Tender Offer)

# Investment portfolio by IFRS accounting classification

Investments, in €m



# All of the rating agencies now rank SCOR and Converium in the “A” category

	Insurer Financial Strength	Senior Debt	Subordinated Debt
<b>S &amp; P</b> 1 August 2005	<b>A-</b> stable outlook	<b>A-</b>	<b>BBB</b>
<b>AM Best</b> 08 September 2006	<b>A-</b> stable outlook	<b>a-</b>	<b>bbb+ / bbb</b>
<b>Moody's</b> 13 October 2006	<b>A3</b> stable outlook	<b>A3</b>	<b>Baa2</b>
<b>Fitch</b> 20 November 2006	<b>A-</b> stable outlook	<b>A-</b>	<b>BBB</b>

- ▶ **11 May 2007:** Standard & Poor's and Moody's announce that they have maintained SCOR's financial strength ratings (“FSR”) following the conclusion of a friendly agreement between SCOR and Converium with regard to their combination.
- ▶ **20 August 2007:** AM BEST affirms the FSR of SCOR at “A-, stable outlook” and upgrades the FSR of Converium to “A-, stable outlook”
- ▶ **24 August 2007:** FITCH affirms the Insurer financial strength (“IFS”) rating of SCOR at “A-, stable outlook” and upgrades the IFS of Converium to “A-, stable outlook”



# SCOR Group Results 2007 First Half Results

29 August 2007