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SCOR to acquire Generali U.S. and become U.S. Life reinsurance market leader

- SCOR Global Life Americas Holding Inc., a subsidiary of SCOR Global Life SE, and Assicurazioni Generali S.p.A. ("**Generali**") have entered into a definitive agreement pursuant to which SCOR will acquire 100% of Generali U.S. Holdings, Inc. ("**Generali U.S.**"), the holding company of Generali's U.S. life reinsurance operations, for a total cash consideration of EUR 579 million¹ (USD 750 million) plus a 2013 earnings adjustment through the closing date. This price represents a significant discount to SCOR's preliminary estimated Embedded Value of the Generali U.S. portfolio.
- The transaction encompasses (a) the stock purchase of Generali U.S. and its operating subsidiaries, including Generali USA Life Reassurance Company ("**Generali USA**"), which employs a staff of approximately 120 in Kansas City; and (b) the recapture of the retrocession agreements between Generali USA and Generali.
- Generali U.S.'s 2012 net earned premiums amounted to approximately EUR 700 million (approximately USD 900 million), all underwritten in the U.S. and all focused on biometric risks, similar to SCOR Global Life Americas ("**SGLA**") existing business. Generali U.S. ranked as the fourth largest Life reinsurer in the U.S. on 2012 recurring new business volume².
- The acquisition of Generali U.S. will add a well-established and highly regarded franchise, client relationships, skills and infrastructure for the benefit of SCOR's U.S. and worldwide Life business.
- The transaction will be financed by SCOR through the use of own funds and a potential limited debt issuance, without the issuance of new shares.
- The transaction is fully in line with the "Strong Momentum V1.1" profitability and solvency targets, while it is not expected to impact the Group's ratings.
- The transaction is expected to enhance shareholder value and provide SGLA with the unique opportunity of becoming the leader in the U.S. Life reinsurance market in terms of new business and in-force². The transaction is expected to generate an immediate profit from a bargain purchase (badwill) and is expected to be accretive on an EPS and ROE basis.
- SCOR expects cash distributions from the acquired companies which would allow for significant capital optimisation following the closing.
- The transaction is subject to regulatory approvals and other customary conditions and is expected to close in the second half of 2013.

¹ On the basis of an exchange rate as of 31/05/2013 of 1 EUR = 1.2960 USD

² Source: Preliminary 2012 SOA Munich survey

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Denis Kessler, Chairman & Chief Executive Officer of SCOR SE, comments: *“The acquisition of Generali U.S. reinforces our leadership in the Life reinsurance market. The combination of SCOR Global Life Americas and Generali U.S. will become the market leader in the U.S. with a franchise focused on mortality risks. The transaction meets our strategic criteria and will be accretive for our shareholders whilst maintaining SCOR’s overall solvency. Thanks to this acquisition, we continue to build on our acquisitions of Revios in 2006 and the mortality business of Transamerica Re in 2011, in order to provide the best possible product and service offering to our Life insurance clients worldwide.”*

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1 – SCOR’s acquisition of Generali U.S. is an enhancement of the already strong U.S. Life platform built following the Transamerica Re ("TaRe") acquisition

- As a result of the acquisition, SGLA would rank #1 both in terms of new business and in-force² volume.
- The TaRe acquisition enhanced SGLA’s franchise mainly in coinsurance and individual term Life lines of business. Generali U.S.’s portfolio brings further capabilities to SGLA through its yearly renewable term (YRT) expertise, group Life operations and facultative underwriting.
- As part of the TaRe acquisition, SCOR created an efficient capital and organisational structure, both in the U.S. and Europe. SCOR will leverage this existing structure to efficiently implement the transaction.
- SGLA benefited from the integration of TaRe, which brought significant client relationships, underwriting expertise and an extensive mortality database. SGLA will further benefit from the highly experienced Generali U.S. management team, its U.S. market reach and further client data and relationships.

2 – The acquisition of Generali U.S. demonstrates SCOR’s capacity to seize unique growth opportunities while respecting the “Strong Momentum V1.1” plan strategy

This acquisition fits SCOR’s cornerstones:

- **Strong Franchise:** SCOR will be joined by a highly experienced management team. The acquisition brings additional clients and cross-selling opportunities with limited attrition risk, and expands SCOR’s strong product offering.
- **High Diversification:** The post-acquisition business mix is consistent with SCOR’s twin-engine strategy: 55% Life vs. 45% P&C³, strengthens the Group’s product diversification, and benefits from Generali U.S.’s prominent YRT expertise, group Life operations and facultative underwriting capabilities.

² Source: Preliminary 2012 SOA Munich survey

³ On a 2012 pro-forma basis

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- **Controlled Risk Appetite:** Generali U.S.'s business is in line with SCOR's biometric focus and "Strong Momentum V1.1" profitability targets. The investment portfolio is liquid and conservative, with a slight increase in asset risk and a marginally longer duration. SCOR reviewed the terms and mortality assumptions of more than 90% of Generali USA's treaties (by volume and premium) to properly value the acquisition.
- **Robust Capital Shield:** The Generali U.S. acquisition generates limited incremental solvency needs given SCOR's existing strong solvency position, the conservative risk profile of its investment portfolio and the efficient structuring of the transaction. SCOR will maintain its capital shield strategy and implement appropriate risk mitigation actions as necessary.

The Generali U.S. acquisition respects the profitability and solvency targets set out in "Strong Momentum V1.1".

3 – Limited execution risk thanks to "plug and play" approach and SCOR's proven integration principles and experience

SCOR is proactively developing the optimal organisational structure for the combined entities. Generali U.S.'s team will play a key role in the newly expanded SGLA:

- Generali U.S. was run as a highly autonomous entity of its European parent company; this will facilitate integration into SCOR's platform similar to the TaRe transaction.
- SGLA will be able to leverage the acquired expertise and advanced systems. The common focus on biometric risk, from both SGLA and Generali U.S., will further help to smooth out integration.
- SCOR intends to build SGLA upon both locations (Charlotte and Kansas City).

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SCOR and Generali, along with their relevant subsidiaries, are now initiating all actions and procedures necessary for the completion of this acquisition, which is subject to regulatory approvals and other customary conditions. The transaction is expected to close during the second half of 2013.

On this transaction, BNP Paribas and Deutsche Bank are acting as financial advisers to SCOR SE, and Skadden, Arps, Slate, Meagher & Flom LLP as legal adviser.

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SCOR does not communicate "profit forecasts" in the sense of Article 2 of (EC) Regulation n°809/2004 of the European Commission. Thus, any forward-looking statements contained in this communication should not be held as corresponding to such profit forecasts. Information in this communication may include "forward-looking statements", including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions and include any statement which does not directly relate to a historical fact or current fact. Forward-looking statements are typically identified by words or phrases such as, without limitation, "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase" and "may fluctuate" and similar expressions or by future or conditional verbs such as, without limitations, "will", "should", "would" and "could." Undue reliance should not be placed on such statements, because, by their nature, they are subject to known and unknown risks, uncertainties and other factors, which may cause actual results, on the one hand, to differ from any results expressed or implied by the present communication, on the other hand.

Please refer to SCOR's Document de référence filed with the AMF on 6 March 2013 under number D.13-0106 (the "Document de référence"), for a description of certain important factors, risks and uncertainties that may affect the business of the SCOR Group. As a result of the extreme and unprecedented volatility and disruption of the current global financial crisis, SCOR is exposed to significant financial, capital market and other risks, including movements in interest rates, credit spreads, equity prices, and currency movements, changes in rating agency policies or practices, and the lowering or loss of financial strength or other ratings.

The Group's financial information is prepared on the basis of IFRS and interpretations issued and approved by the European Union. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting".