

SCOR Global Life

Embedded Value 2015 results

SCOR Global Life MCEV reaches EUR 5.6 billion (EUR 30.0 per share), continuing to provide the SCOR group with significant earnings and strong capital repatriation

Notice

Methodology. Details of the Embedded Value approach used by SCOR Global Life, including analysis of Embedded Value from 2014 to 2015, as well as details of the methodology used, analysis of sensitivities to certain key parameters and reconciliation of the Embedded Value to the IFRS equity of SCOR, can be found in the document entitled "SCOR Global Life Market Consistent Embedded Value 2015 – Supplementary Information" and the "SCOR Global Life" slide show presentation, both of which are available at www.scor.com.

The Embedded Value has been calculated in accordance with the European Insurance CFO Forum Market Consistent Embedded Value Principles (Copyright© Stichting CFO Forum Foundation 2008) published in June 2008 and October 2009 by the CFO Forum.

This MCEV disclosure should not be viewed as a substitute for SCOR's primary financial statements.

Willis Towers Watson has been engaged to review the methodology and assumptions used and the results of the calculations made by SCOR to determine the Embedded Values. The scope of their review and opinion is presented in "SCOR Global Life Market Consistent Embedded Value 2015 – Supplementary Information".

Forward-looking statements. 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.

Risks and uncertainties. As a result of the extreme and unprecedented volatility and disruption related to the financial crisis, SCOR is exposed to significant financial, capital market and other risks, including movements in interest rates, credit spreads, equity prices, currency movements, changes in government or regulatory practices, changes in rating agency policies or practices, and the lowering or loss of financial strength or other ratings.

Additional information regarding risks and uncertainties that may affect SCOR's business is set forth in the 2015 reference document filed 4 March 2016 under number D.16-0108 with the French Autorité des marchés financiers (AMF) posted on SCOR's website www.scor.com. SCOR undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

Rounding. Numbers presented throughout this report may not add up precisely to the totals in the tables and text. Percentages and percent changes are calculated based on rounded figures displayed on the tables and text and may not precisely reflect the percentages and percent changes that would be derived based on figures that would not be rounded. Therefore the presentation might contain immaterial differences in sums and percentages and between slides due to rounding.

SCOR Global Life Embedded Value 2015 results

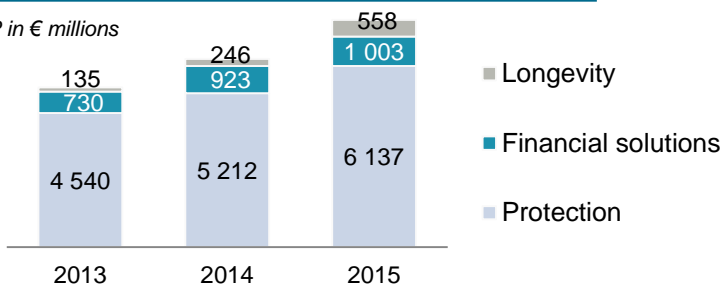
1 SCOR Global Life continues to deepen its franchise

2 Strong Embedded Value 2015 development: SCOR Global Life continues to provide a stable source of earnings and strong dividends to the SCOR group

A strong €7.7 billion portfolio at the end of 2015

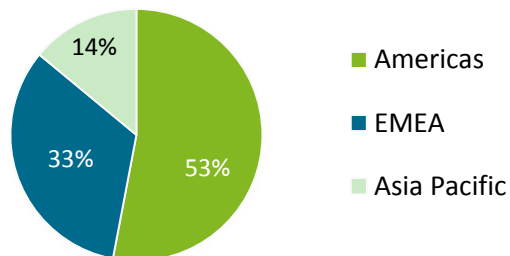
Growing life base with biometric focus¹⁾

GWP in € millions



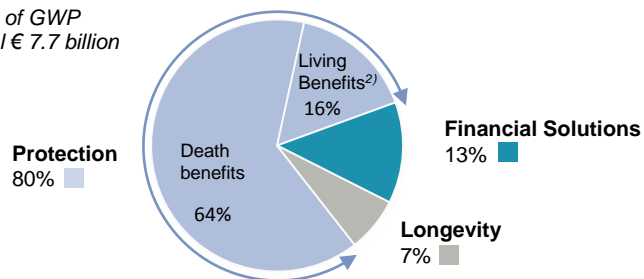
Geographically balanced book

in % of GWP
Total € 7.7 billion



Mortality-based portfolio

in % of GWP
Total € 7.7 billion



- ❑ Leading global franchise with a strict biometric focus in an attractive industry
- ❑ Focuses on underlying death benefits and, to a lesser extent, on living benefits, providing stability of results, with no underwriting of savings products (variable or fixed annuities)
- ❑ Offers three product lines: traditional and innovative protection business, longevity covers, and a strong financial solutions offering
- ❑ Benefits from Life reinsurance's high barriers of entry, which deters new entrants, including alternative capital
- ❑ Is optimally positioned to deliver relevant, tailor-made solutions to clients by combining:
 - Strong local presence: on-the-ground teams, focusing on long-term relationships
 - Global centers of excellence: actuarial, assessment and structuring expertise to understand and price biometric risks
- ❑ Benefits from a healthy in-force portfolio delivering significant cash flow and self-financing future growth (more than € 2.4 billion between 2010-2014³⁾)

1) In 2015, SCOR Global Life's individual treaties have been reallocated based on review of product line definition. The gross written premiums in Protection and Financial Solutions previously reported were respectively EUR 5 088 million and EUR 1 047 million respectively for the year ended December 31, 2014 and EUR 4 407 million and EUR 863 million for the year ended December 31, 2013

2) Disability, Critical Illness, Personal Accident, Long-term care, Health

3) Please refer to page 59 of the 2015 IR day presentation

SCOR Global Life Embedded Value 2015 results

1 SCOR Global Life continues to deepen its franchise

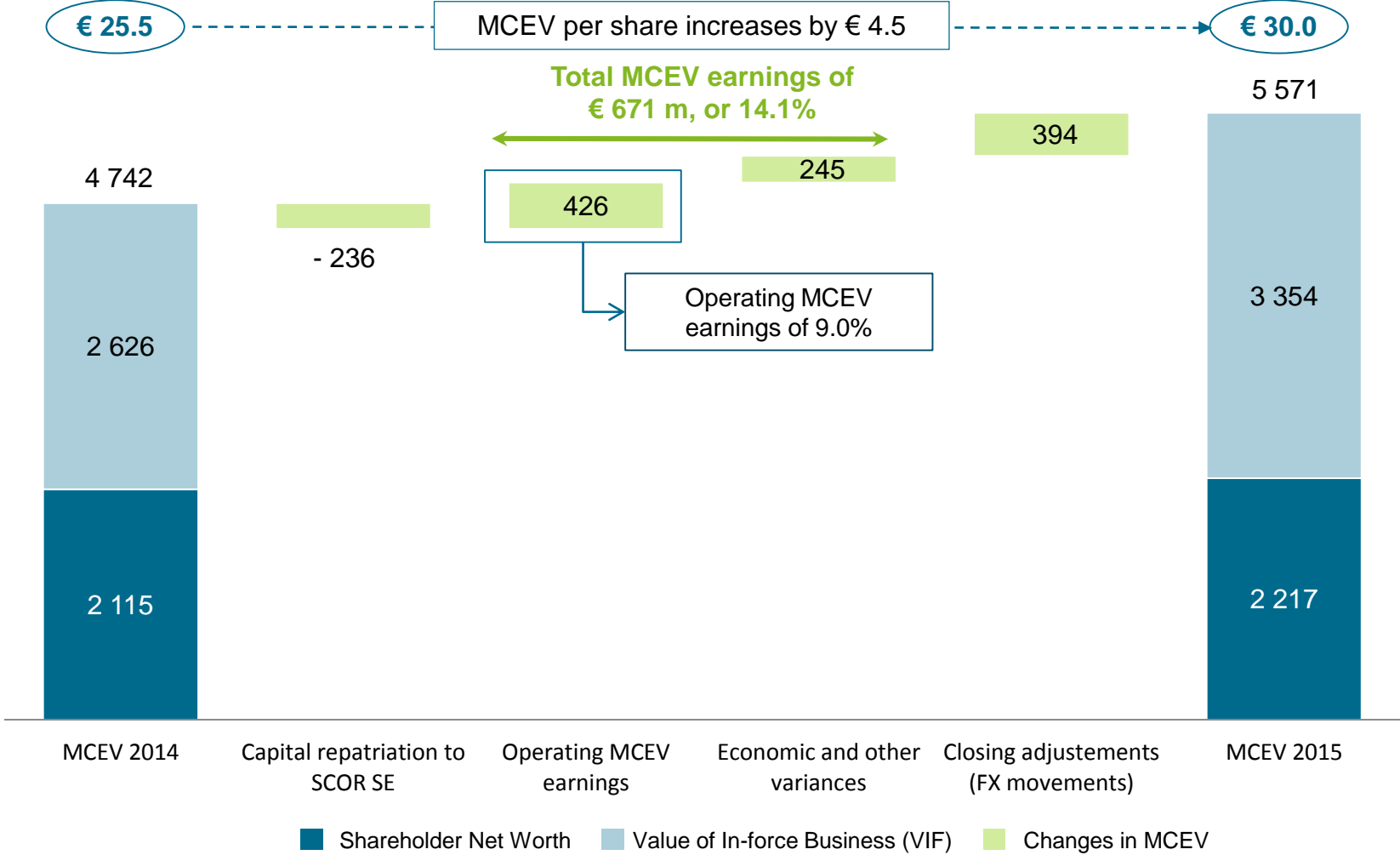
2 Strong Embedded Value 2015 development: SCOR Global Life continues to provide a stable source of earnings and strong dividends to the SCOR group

MCEV development in 2015 continues SCOR Global Life's solid track-record of value creation

- ❑ 2015 MCEV increased by 17% to € 5.6 billion or €30.0 per share thanks to total MCEV earnings of € 671 million and positive FX impact of € 394 million
- ❑ MCEV operating profit driven by Value of New Business of € 354 million, further improving on 2014
- ❑ SCOR Global Life generates substantial excess free cash flow and returns € 236 million of cash to the Group of which €100 million in dividends
- ❑ SGL business model's strength is confirmed, with biometric focus providing low MCEV sensitivity to interest rates and financial markets compared to most primary life insurers

SCOR Global Life MCEV reaches € 5.6 billion in 2015 (€30.0 per share)

After tax, in € millions (rounded)



Strong operating MCEV earnings of € 426 million

Operating EV earnings		
in € millions (rounded)	2014	2015
	MCEV	MCEV
Value of New Business	325	354
Expected existing business contribution	95	122
Experience variances	17	35
Assumption changes and other operating variances	-75	-86
Operating EV earnings	362	426

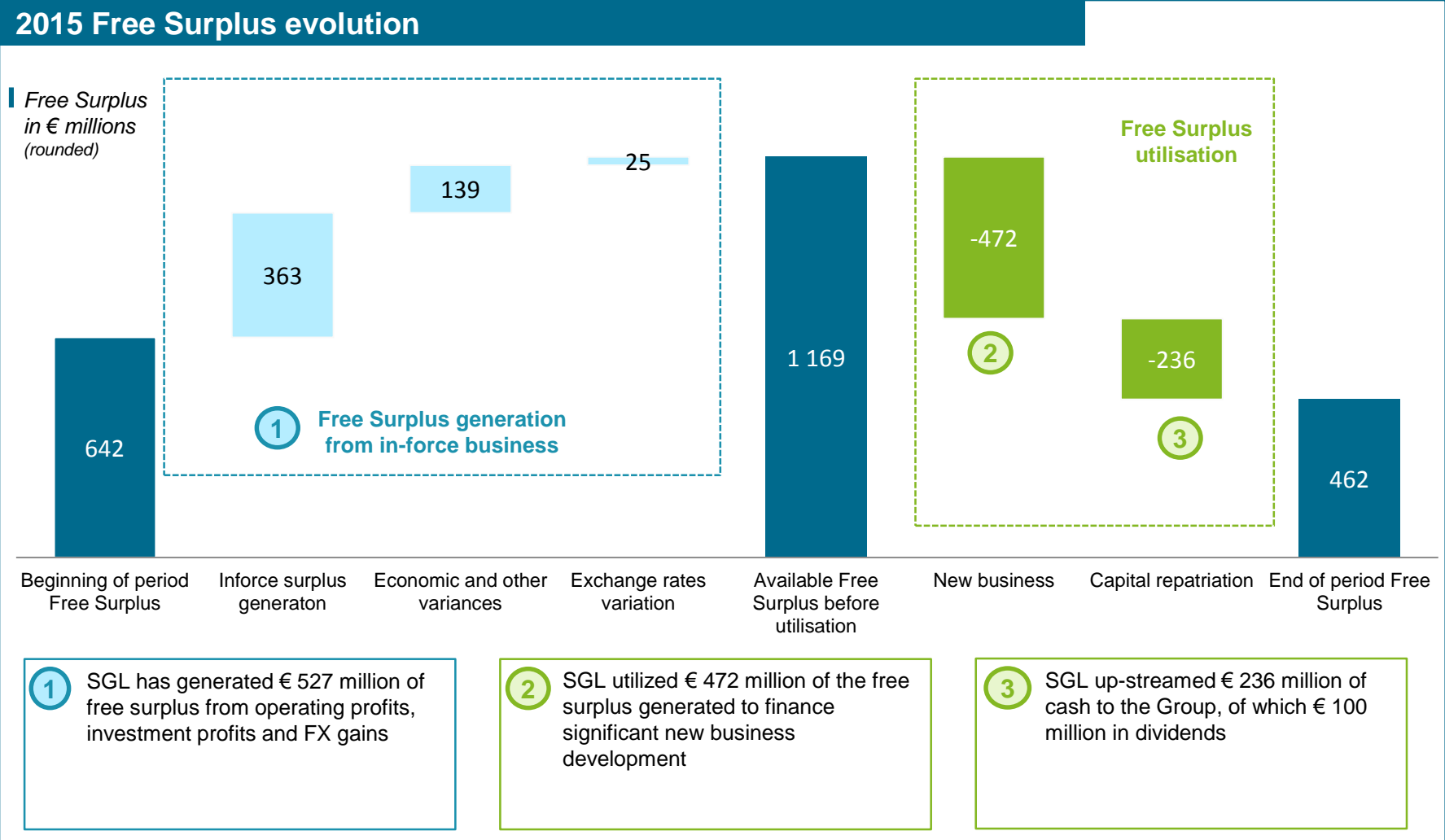
- ❑ Strong operating EV earnings of € 426 million, an increase of 16% on 2014
- ❑ 2015 new business value, € 354 million, up on 2014
- ❑ New business margin¹⁾ of 3.3% (after tax, expenses and cost of capital) compared to 4.3% in 2014. Decrease driven by substantial growth in longevity business
- ❑ Continued positive experience variances, supported by active in-force management
- ❑ Assumption changes and other operating variances driven by modelling improvements

MCEV earnings at € 671 million driven by strong technical performance and strong gains from economic and other variances

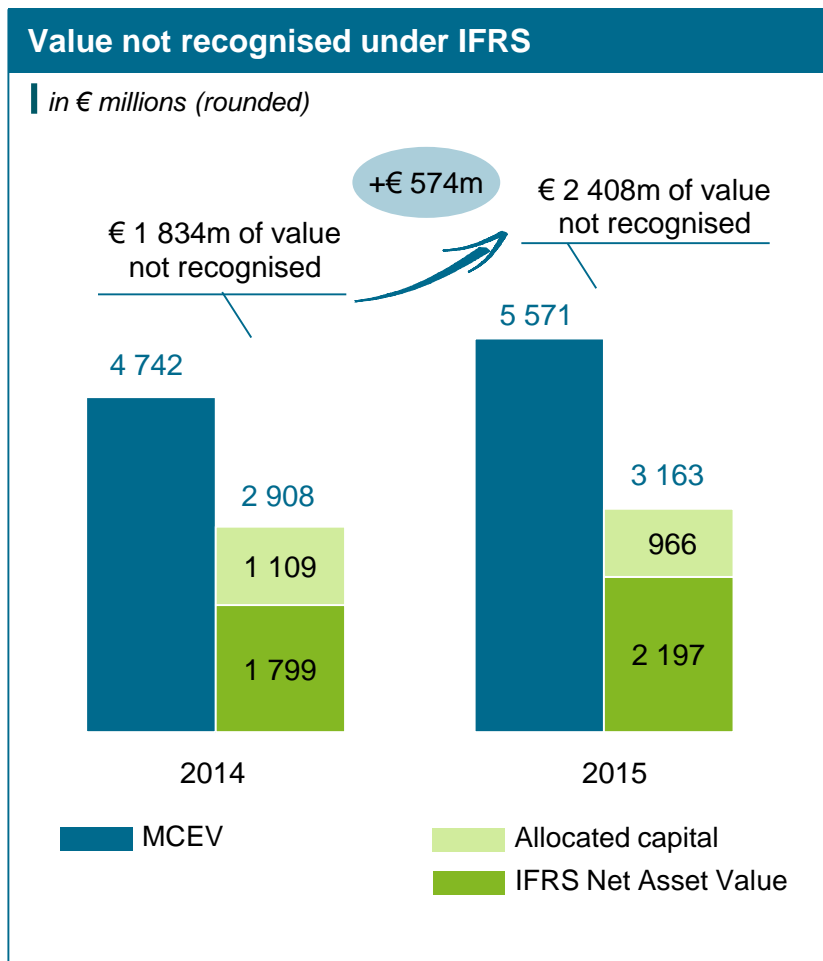
Total EV earnings		
<i>in € millions (rounded)</i>		
	MCEV 2014	MCEV 2015
EV operating profit	362	426
Economic and other variances	-41	245
Total EV earnings	321	671

- ❑ Strong gains from economic and other variances, mainly resulting from market value gains on investments and the discounting effects of modest falls in long term USD and CAD interest rates in 2015
- ❑ SCOR's investment portfolio slightly short on an economic basis
- ❑ The biometric portfolio without interest rate guarantees limits the impact of the low yield environment compared to primary insurers

SCOR Global Life generates significant free surplus, demonstrating the strength and maturity of the franchise



Significant growth in value not recognized under IFRS



- ❑ Embedded value is more suitable for capturing the economic value of life business than IFRS accounting
- ❑ SCOR Global Life has increased its off-balance sheet value by € 574 million, to € 2 408 million
- ❑ Increase in value not recognised is driven mainly by the new business written in 2015 and foreign exchange movements

SCOR Global Life: a consistently strong contributor to SCOR's profitability and earnings diversification

- ❑ SCOR Global Life (SGL) has a strong franchise with top positions in Europe, North America and Emerging Markets
- ❑ MCEV increased to €5.6 billion in 2015 up from €4.7 billion in 2014 (or from €25.5 to €30.0 per share), supported by:
 - A traditional life portfolio strategy which delivers strong 2015 MCEV results, once again validating the diversified business model of SCOR
 - A biometric book, that benefits from low sensitivity to interest rates and the financial markets, as demonstrated by robust EV creation even during the financial crisis and in sharp contrast to primary insurer sensitivities
- ❑ SCOR Global Life repatriates € 236 million in 2015 to the Group, of which €100 million in dividends

APPENDICES

Appendix A	Methodology
Appendix B	Key economic assumptions
Appendix C	Foreign exchange rates
Appendix D	Sensitivity of MCEV 2015 and VNB 2015 to main assumptions

Appendix A: Methodology

- ❑ MCEV principles applied for the first time in 2010
- ❑ No material changes in methodology in 2015 compared to prior years
 - Consistent approach since 2010, except change in method of extrapolating very long term reference rates introduced in 2012 with very small impact on MCEV
- ❑ SCOR complies with CFO Forum's MCEV Principles, except
 - No disclosure of analysis of change in Group MCEV
 - Permit negative interest rate in interest rate sensitivities
- ❑ Economic assumptions
 - Risk-free discounting using reference rates, based on swap yield curve, with no liquidity premium, including an allowance for credit risk, and extrapolating to an ultimate forward rate at very long terms¹⁾
 - Implied volatilities are derived from market data just prior to the valuation date
 - Embedded financial options and guarantees are valued on a market consistent basis
- ❑ Cost of residual non hedgeable risks (CoRNHR) allows for the cost of risks not already allowed for elsewhere in the calculation
 - These costs include operational risk, cedant credit risk, unavoidable market risk, the effect of the asymmetric influence of tax, the effect of asymmetries in risk distributions or asymmetries in the impact of risks on treaties of the portfolio, and an allowance for uncertainty in the best estimate of shareholder cash flows
 - CoRNHR calculated by applying 3.2% cost of capital charge to non hedgeable risk based capital (NHRBC) without any allowance for diversification with the non-covered business
- ❑ The MCEV report has been prepared making no allowance for the impact of Solvency II regulatory requirements.
- ❑ More details are available in the "SCOR Global Life Market Consistent Embedded Value 2015 – Supplementary Information"

Appendix B: Key economic assumptions

Assumptions on risk-free rates (swap rates)

Zero coupon yields	EUR		USD		GBP		CAD	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Term								
5 Years	0.23%	0.26%	1.66%	1.70%	1.48%	1.36%	1.04%	1.69%
10 Years	0.92%	0.72%	2.15%	2.24%	1.92%	1.77%	1.78%	2.22%
15 Years	1.34%	1.08%	2.39%	2.49%	2.10%	2.02%	2.27%	2.61%
20 Years	1.53%	1.27%	2.52%	2.61%	2.13%	2.15%	2.45%	2.74%
25 Years	1.80%	1.59%	2.58%	2.67%	2.09%	2.18%	2.45%	2.74%
30 Years	2.09%	1.93%	2.61%	2.70%	2.05%	2.20%	2.56%	2.82%




Assumptions on tax rates

Entity	Tax rate 2015	Tax rate 2014
France	34.4%	34.4% ¹⁾
Germany	32.5%	32.5%
US	35.0%	35.0%
UK	20.0%	21.0%
Ireland	12.5%	12.5%

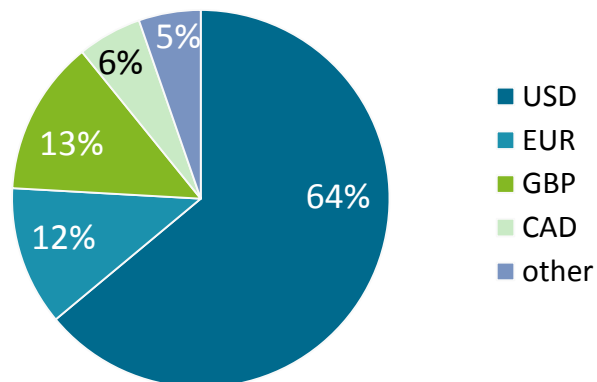
1) Long-term tax rate applicable. The initial tax rate assumed for France is 38% in 2015 for MCEV 2014

Appendix C: Foreign exchange rates

Foreign exchange rates

1 foreign currency = ... EUR	31 Dec. 2015	31 Dec. 2014	Variation
 USD	0.9215	0.8081	+14.03%
 GBP	1.3871	1.2664	+9.53%
 CAD	0.6819	0.7057	-3.37%

Estimated split of the MCEV by main currencies



Appendix D: Main sensitivities of MCEV 2015¹⁾

<i>after tax, in € millions</i>	2015 MCEV	Δ from base case	2015 Variation	2014 Variation
Base case	5 571.1			
Mortality/Morbidity -5% (life insurance)	8 168.3	+2 597.2	+46.6%	+46.7%
No mortality improvements (life insurance)	1 548.5	-4 022.6	-72.2%	-70.7%
Mortality/Morbidity -5% (annuities)	5 356.5	-214.6	-3.9%	-3.7%
Lapse rates -10%	5 814.1	+243.0	+4.4%	+3.6%
Maintenance expenses -10%	5 698.0	+126.9	2.3%	+2.4%
Interest rates +100 bps	5 494.3	-76.7	-1.4%	-2.5%
Interest rates -100 bps	5 549.0	-22.1	-0.4%	+0.7%
Equity and property capital values -10%	5 567.2	-3.9	-0.1%	-0.3%
Equity and property implied volatility + 25%	5 567.3	-3.8	-0.1%	-0.1%
Swaption implied volatility + 25%	5 571.0	-0.1	0.0%	0.0%

Appendix D: Main sensitivities of VNB 2015¹⁾

<i>after tax, in € millions</i>	2015 VNB	Δ from base case	2015 Variation	2014 Variation
Base case	354.3			
Mortality/Morbidity -5% (life insurance)	478.9	+124.6	+35.2%	+30.5%
No mortality improvements (life insurance)	180.0	-174.3	-49.2%	-50.9%
Mortality/Morbidity -5% (annuities)	281.0	-73.3	-20.7%	-13.2%
Lapse rates -10%	405.5	+51.3	+14.5%	+5.5%
Maintenance expenses -10%	363.9	+9.6	+2.7%	+2.6%
Interest rates +100 bps	332.0	-22.3	-6.3%	-11.5%
Interest rates -100 bps	374.8	+20.5	+5.8%	+11.7%
Equity and property capital values -10%	354.3	0.0	0.0%	0.0%
Equity and property implied volatility + 25%	354.3	+0.1	0.0%	0.0%
Swaption implied volatility + 25%	354.3	+0.1	0.0%	0.0%