



2011 LIFE REINSURANCE SURVEY RESULTS

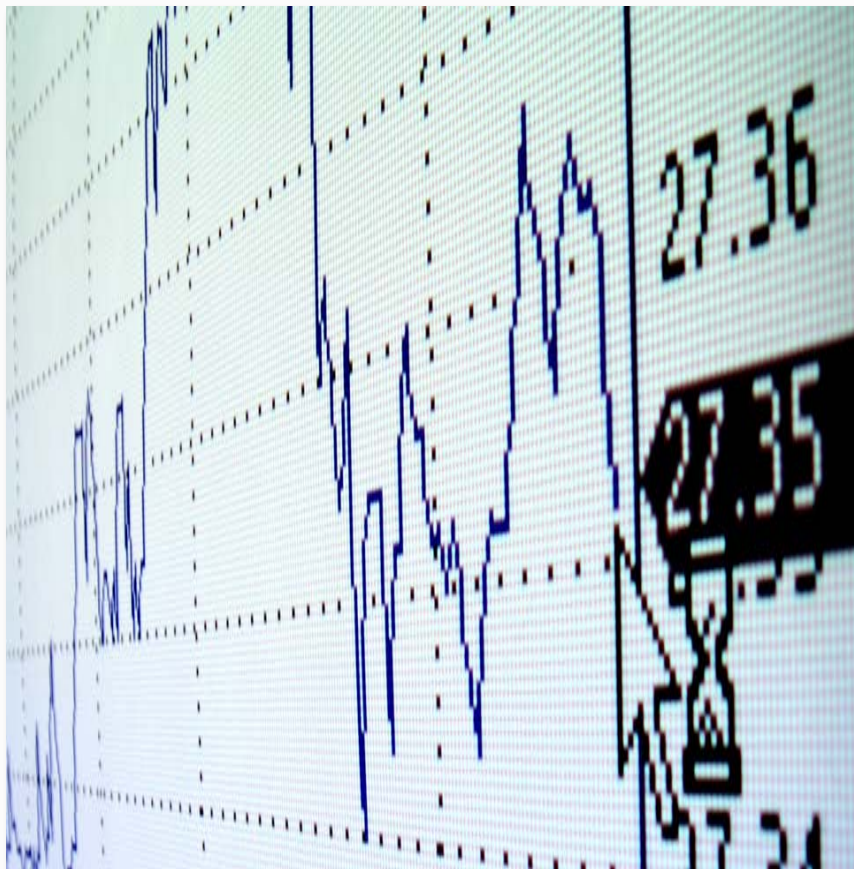
David Bruggeman, FSA, MAAA
May 15, 2012

Munich Re prepared the survey on behalf of the Society of Actuaries Reinsurance Section as a service to section members. The contributing companies provide the numbers in response to the survey. These numbers are not audited and Munich Re, the Society of Actuaries and the Reinsurance Section take no responsibility for the accuracy of the figures.



- Who: Top US & Canadian reinsurers
- What: Individual & group new business (assumed) and in force
- Definitions
 - **Recurring:** issued in same year as reinsured
 - **Portfolio:** issued prior to year reinsured
 - **Retrocession:** reinsurance not directly written by ceding company

The economy



The reinsurance market

- SCOR Global Life Re acquires Transamerica Re
- Pacific Life acquires Manufacturers Life's retrocession business
- Hannover acquired a portion of Scottish Re's life reinsurance business

US RECURRING



Annual percentage change in US recurring new business

US individual recurring reinsurance



US Recurring by company

US ordinary recurring reinsurance (\$US Millions)

Company	2010		2011		Change in Production
	Assumed Business	Market Share	Assumed Business	Market Share	
RGA Re. Company	132,936	26.3%	103,108	22.4%	-22.4%
SCOR Global/Transam.	92,574	18.3%	77,505	16.8%	-16.3%
Swiss Re	70,599	14.0%	75,912	16.5%	7.5%
Generali USA Life Re	77,782	15.4%	74,993	16.3%	-3.6%
Munich Re (US)	59,157	11.7%	61,922	13.4%	4.7%
Hannover Life Re	24,971	4.9%	29,275	6.3%	17.2%
Canada Life	19,698	3.9%	15,543	3.4%	-21.1%
General Re Life	10,041	2.0%	12,695	2.8%	26.4%
Optimum Re (US)	5,034	1.0%	5,002	1.1%	-0.6%
Wilton Re	5,264	1.0%	4,826	1.0%	-8.3%
RGA Re (Canada)	428	0.1%	392	0.1%	-8.4%
Ace Tempest	6,478	1.3%	DNR	0.0%	0.0%
TOTAL	504,962	100%	461,173	100%	-8.7%

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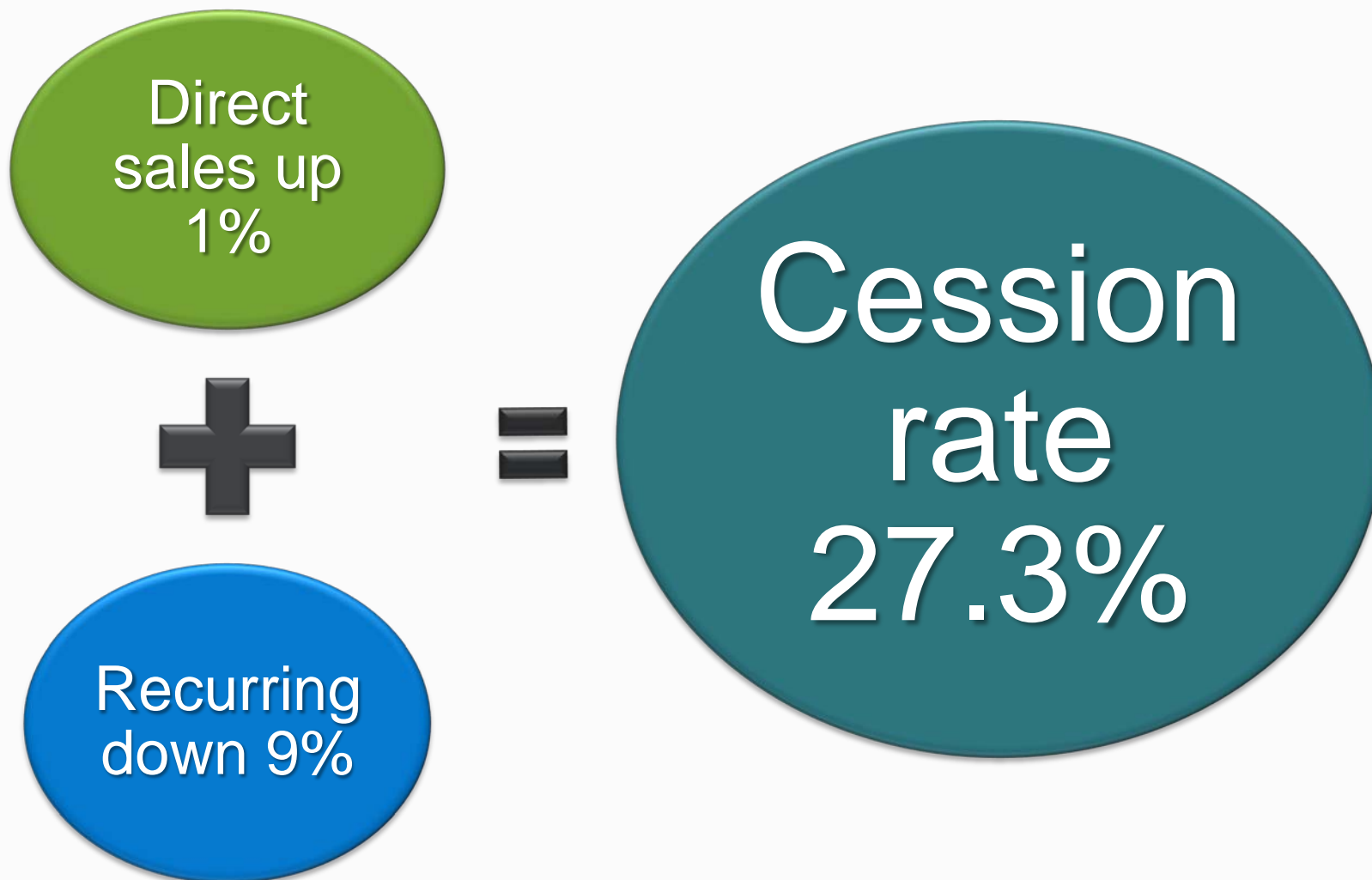
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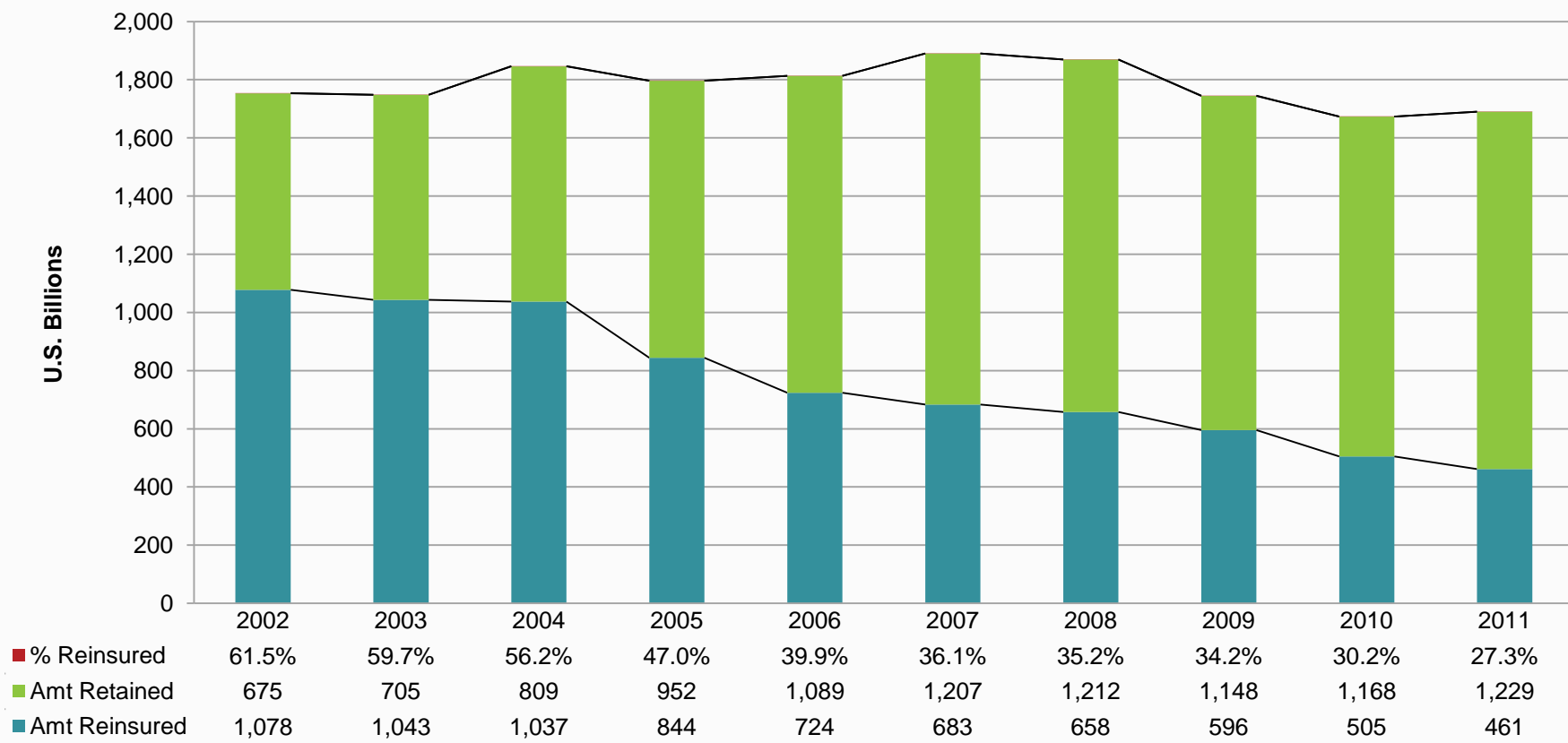
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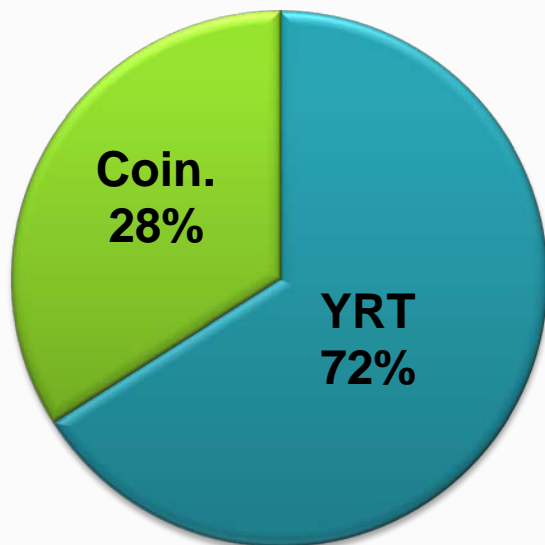


US ordinary individual life insurance sales (2002-2011)

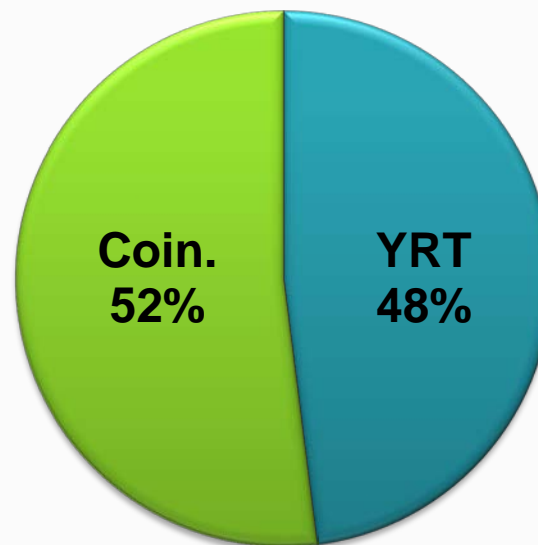


The percentage of coinsurance new business has dropped from 37% in 2009 to 34% in 2010 to 28% in 2011.

2011 New Business



2011 In Force

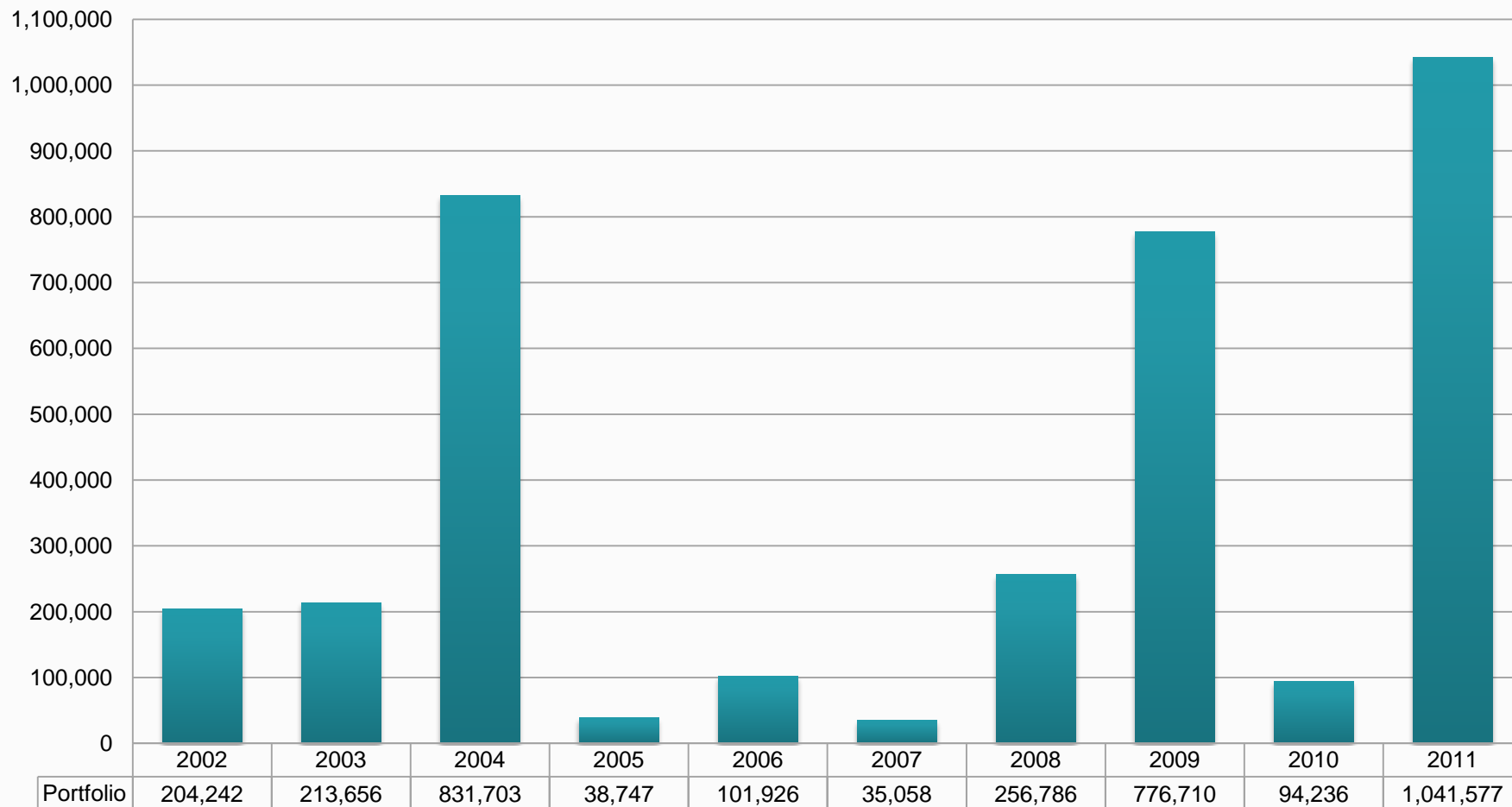


US PORTFOLIO AND RETROCESSION



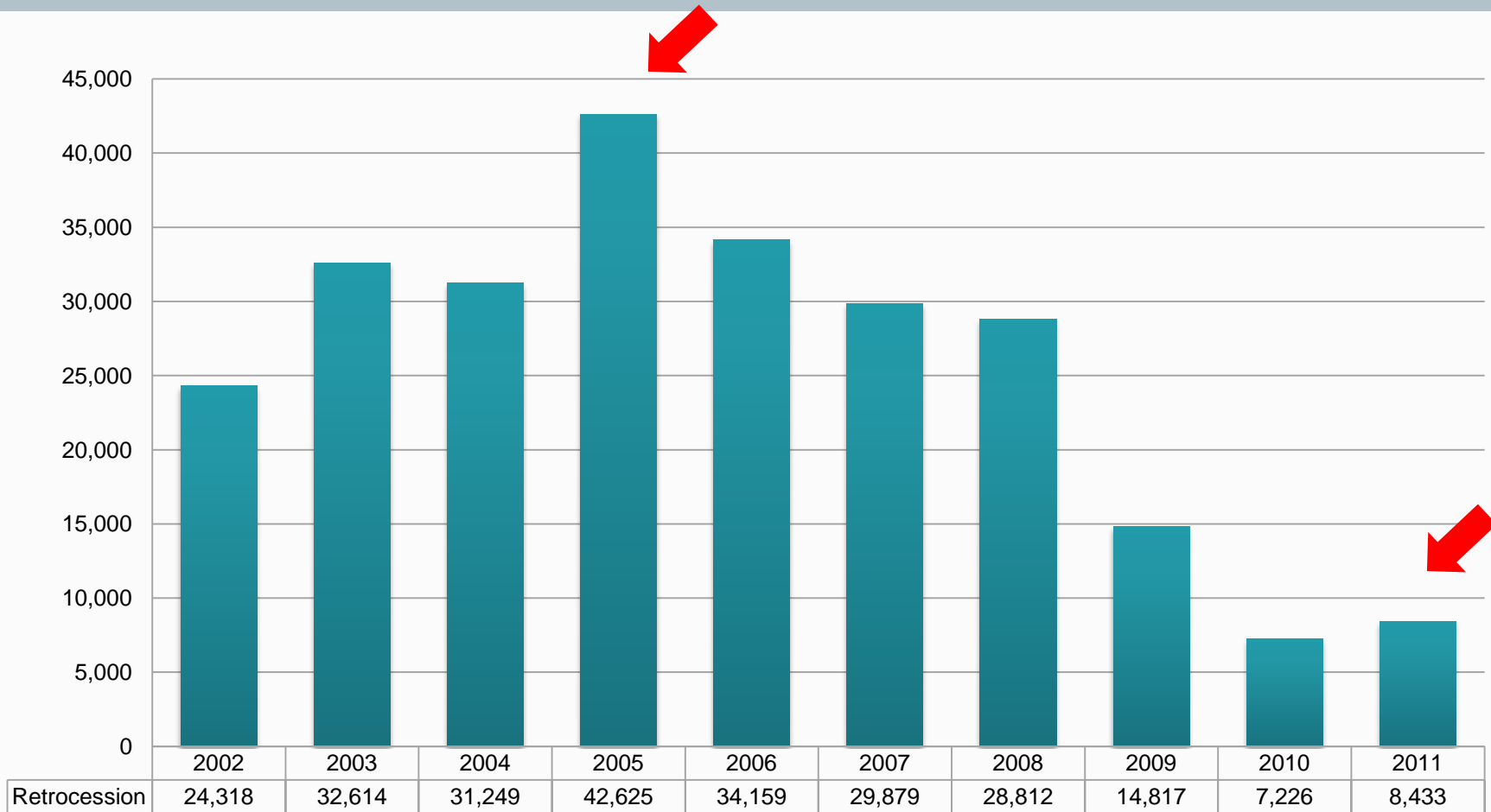
US portfolio (2002 – 2011)

Portfolio (\$US Millions)



U.S. retrocession (2002-2011)

Retrocession (\$US Millions)



CANADA RECURRING



-
- Recurring up 0.8% (\$154.3 billion)
 - LIMRA estimates Canadian direct sales were stable in 2011
 - No change in Canadian cession rate: Still much higher than US
 - 97.5% reinsured on a YRT basis, only 2.5% coinsured.

Canada recurring by company

Canada ordinary recurring reinsurance (\$CAN Millions)

Company	2010		2011		Change in Production
	Assumed Business	Market Share	Assumed Business	Market Share	
RGA Re (Canada)	52,623	34.4%	50,349	32.6%	-4.3%
Munich Re (Canada)	48,324	31.6%	48,131	31.2%	-0.4%
Swiss Re	35,208	23.0%	33,762	21.9%	-4.1%
SCOR Global Life (Canada)	7,773	5.1%	10,814	7.0%	39.1%
Optimum Re (Canada)	4,903	3.2%	5,791	3.8%	18.1%
Aurigen	4,201	2.7%	5,465	3.5%	30.1%
TOTALS	153,032	100%	154,312	100.0%	0.8%



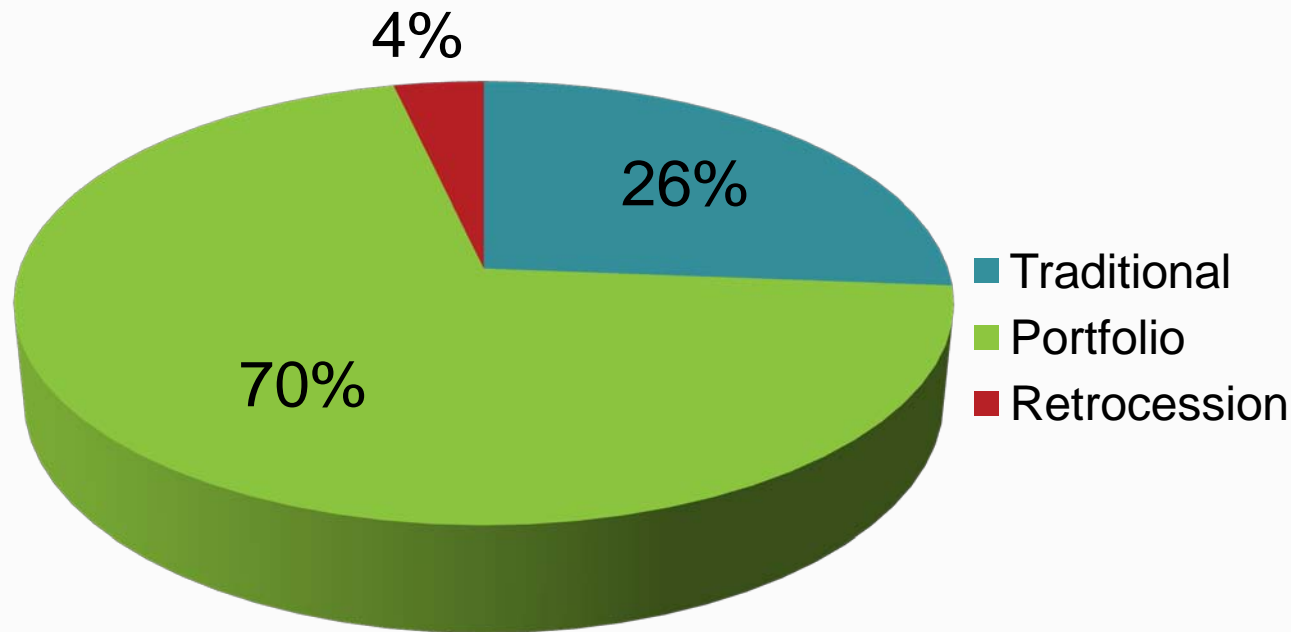
- Portfolio up (Munich Re):
\$56.3 billion
- Retrocession holds steady:
\$1.41 billion.

US GROUP





Total US group in force premium rose fell 3.6% in 2011. (22.4% in 2010)



Type	Premium	Share	Ann. Change
Traditional	478,320	26.2%	14.7%
Portfolio	1,279,392	70.2%	-9.0%
Retrocession	65,699	3.6%	-1.8%
Total	1,823,411	100.0%	-3.6%

Company	Group Reinsurance New Business (Premium)							
	2010				2011			
	Trad	Port	Retro	Total	Trad	Port	Retro	Total
Generali USA Life Re	2,158	6,352	0	8,510	841	0	0	841
Group Reinsurance Plus (Hartford)	6,487	0	0	6,487	3,869	0	0	3,869
Hannover Life Re	0	0	0	0	401	0	0	401
Manufacturers Life	0	0	66	66	Acquired by Pacific Life			
Munich Re (US)	13,719	0	0	13,719	4,964	0	0	4,964
Optimum Re (US)	5,454	0	0	5,454	4,889	0	0	4,889
Pacific Life	0	0	0	0	0	0	15	15
RGA Re. Company	14,951	0	0	14,951	1,600	0	0	1,600
Swiss Re	102,617	0	0	102,617	128,676	0	0	128,676
TOTALS	145,386	6,352	66	151,804	145,240	0	15	145,255

Company	Group Reinsurance In Force (Premium)							
	2010				2011			
	Trad	Port	Retro	Total	Trad	Port	Retro	Total
Berkshire Hathaway Group (Sun)	0	0	66,676	66,676	0	0	65,699	65,699
Canada Life	2,499	815,013	0	817,512	9,262	761,460	0	770,722
Employers Re. Corp.	740	0	0	740	0	0	0	0
General Re Life	17,469	0	0	17,469	23,672	0	0	23,672
Generali USA Life Re	14,932	43,954	0	58,886	14,213	40,646	0	54,859
Group Reinsurance Plus (Hartford)	33,685	0	0	33,685	32,142	0	0	32,142
Hannover Life Re	2,455	494,781	0	497,236	2,856	474,269	0	477,125
Manufacturers Life	0	0	0	0	Acquired by Pacific Life			
Munich Re (US)	59,330	0	250	59,580	63,979	0	0	63,979
Optimum Re (US)	7,447	0	0	7,447	12,335	0	0	12,335
RGA Re. Company	58,600	49,500	0	108,100	55,100	0	0	55,100
Scottish Re	0	3,219	0	3,219	0	3,017	0	3,017
Swiss Re	220,079	0	0	220,079	264,761	0	0	264,761
TOTALS	417,236	1,406,467	66,926	1,890,629	478,320	1,279,392	65,699	1,823,411

CANADA GROUP



Premium in \$CAN

- 2011 new business premium: \$657 million
- 2011 in force premium: \$1.4 billion
- Top Writers: Munich Re, SCOR, Swiss Re and RGA

Company	Group Reinsurance New Business (Premium)							
	2010				2011			
	Trad	Port	Retro	Total	Trad	Port	Retro	Total
Munich Re (Canada)	6,157	0	0	6,157	4,755	635,710	0	640,465
RGA Re (Canada)	0	0	0	0	2,958	0	0	2,958
SCOR Global Life	8,620	0	0	8,620	9,051	0	0	9,051
Swiss Re	3,449	0	0	3,449	4,208	0	0	4,208
TOTALS	18,226	0	0	18,226	20,972	635,710	0	656,682

Company	Group Reinsurance In Force (Premium)							
	2010				2011			
	Trad	Port	Retro	Total	Trad	Port	Retro	Total
Berkshire Hathaway Group (Sun)	0	0	331	331	0	0	376	376
Munich Re (Canada)	52,563	573,653	0	626,216	49,962	1,253,911	0	1,303,873
Optimum Re (Canada)	9,563	0	0	9,563	9,659	0	0	9,659
RGA Re (Canada)	6,216	0	0	6,216	14,754	0	0	14,754
SCOR Global Life	44,139	0	0	44,139	31,534	0	0	31,534
Swiss Re	22,905	0	0	22,905	25,128	0	0	25,128
TOTALS	135,386	573,653	331	709,370	131,037	1,253,911	376	1,385,324

SUMMARY



Individual life reinsurance new business production

US figures in \$US Millions, Canadian figures in \$CD Millions

	U.S.			Canadian		
	2010	2011	Change	2010	2011	Change
Ordinary Life						
Recurring	\$504,962	\$461,173	-8.7%	\$153,032	\$154,312	0.8%
Portfolio	94,236	1,041,577	1005.3%	1,437	56,270	3815.8%
Retrocession	7,226	8,433	16.7%	1,380	1,405	1.8%
Total Ordinary	606,424	1,511,183	149.2%	155,849	211,987	36.0%



2012 AND BEYOND

For more information

- Complete results: www.marclife.com under “Publications”
- Contact the author: dbruggeman@munichre.com



THANK YOU