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SCOR combines growth and profitability to generate a net income of EUR 278 million in the first nine months of 2009, with shareholders' equity increasing to EUR 3.8 billion (EUR 20.84 per share)

SCOR generates a robust net income for the first nine months of 2009, with both Life and P&C units providing solid contributions and strongly expanding their franchises. The asset management returns reflect the defensive character of the portfolio, which is increasingly profiting from its investment program, mainly oriented towards government bonds and investment grade corporate bonds.

Key items of the first nine months 2009:

- Total gross written premiums YTD reach EUR 4,883 million, up 12.9% against the same period in 2008 (+11.4% at constant exchange rates);
- Net income year-to-date stands at EUR 278 million, stable compared to the same period in 2008. Annualized return on equity (ROE) reaches 10.5%, exceeding SCOR's target of 900 bps above risk-free rate. Nine months' earnings per share (EPS) stand at EUR 1.55. In the third quarter of 2009 a net income of EUR 94 million is generated, an increase of 147.4% compared to the third quarter of 2008, driven by robust performances from all business units;
- SCOR Global P&C reports a combined ratio of 97.4%, with natural catastrophe claims accounting for 5.3 points, primarily driven by Q1'09 losses related to European climate events, notably storm Klaus in France and Spain;
- SCOR Global Life delivers an operating margin of 5.2% (or 5.7% excluding net investment losses);
- SCOR Global Investments continues its investment program by reducing the Group liquidity position to EUR 1.8 billion at 30 September 2009 (from EUR 3.8 billion at the end of the second quarter) and by investing in high-quality bonds, producing a Net Return on Investments of 3.5% in the third quarter 2009, compared to 3.0% in the second quarter 2009;
- Shareholders' equity continues to grow by 9.8% (EUR 335 million) compared to year-end 2008. It has now reached EUR 3.8 billion; book value per share stands at EUR 20.84;

Denis Kessler, Chairman and Chief Executive Officer of SCOR, comments: “The first nine months of 2009 once again demonstrate the strength of the Group, which has recorded steady growth in its Life and Non-Life business as well as very positive operating cash flows, whilst maintaining a cautious asset management strategy. SCOR continues to reinforce its positions in the reinsurance industry, both in Life and Non-Life, maintaining an extremely rigorous risk management policy to secure its future profitability.”

The Group shows a solid net result of EUR 278 million over 9 months, with book value per share of EUR 20.84

SCOR records a net income of EUR 278 million in the first nine months of 2009, stable from EUR 280 million in last year’s published figures for the first nine months, despite a significant drop (27%) in investment income driven mainly by a cautious asset management strategy. Earnings per share (EPS) stand at EUR 1.55 compared to EUR 1.56 for the same period in 2008. Annualized return on equity (ROE) remains on the same level as in the first six months of 2009 and stands at 10.5%.

The results for the first nine months of 2009 have been positively affected by the provision of liquidity to the Group’s outstanding subordinated debts through the acquisition of a total of EUR 99 million at an average price of 46.5% to par value (mostly in the first half of 2009), and by the reactivation of EUR 100 million in deferred tax assets relating to US operations in Q1’09. At the same time, the first nine months of 2009 results were negatively impacted by impairments on the asset side of EUR 197 million.

SCOR shareholders’ equity increases by 9.8% to EUR 3,751 million at 30 September 2009, compared to EUR 3,416 million at the end of 2008, with a corresponding third quarter book value per share standing at EUR 20.84, compared to EUR 19.01 at the end of 2008.

Total gross written premiums for P&C and Life business reach EUR 4,883 million year-to-date, representing a strong growth of 12.9% against the EUR 4,325 million recorded in the first nine months of 2008.

SCOR Global P&C (SGPC) records a combined ratio of 97.4%, in line with its performance target; the Group remains optimistic for its 2010 renewals

SCOR Global P&C reports gross written premiums of EUR 2,530 million for the first nine months of 2009, compared to EUR 2,371 million in the first nine months of 2008, representing an increase of 6.7%. At constant exchange rates, the volume increases by 6.2%.

The net combined ratio stands at 97.4% for the first nine months of 2009, a marginal improvement compared to the first half 2009 ratio. Natural catastrophe losses make up 5.3% of the combined ratio against 5.6% recorded for the first six months of 2009, impacted in the third quarter by significant losses, notably from hailstorms in Austria and Switzerland (EUR 16 million pre-tax) and by several other nat cat losses amounting to EUR 18 million (pre-tax).

For the 2010 renewals, given that the crisis has had more of an impact on the equity capital of insurers than on that of their reinsurance partners, SCOR expects the demand for capacity to remain high in the face of a relatively stable offer from reinsurers.

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As a consequence of the financial crisis, cedants are also encouraged to diversify and better balance the placement of their programs and to speed up the process of redistributing shares between their reinsurers, which will be to the benefit of stable players such as SCOR that have demonstrated stability in terms of continuity of presence in the markets and underwriting policy.

SCOR Global Life (SGL) operating margin increases to 5.4% in the third quarter 2009, standing at 5.2% year-to-date

SCOR Global Life gross written premiums for the first nine months of 2009 increase sharply by 20.4% to EUR 2,353 million, compared to EUR 1,954 million for the same period in 2008. At constant exchange rates, the volume rises strongly by 17.8%. This sharp increase comes from new contracts in Europe and the Middle East and from the acquisition of Prévoyance Re in 2008, coupled with a spike in one-off activity in our US equity-indexed annuity (EIA) business that has been driven by a surge in demand.

SCOR Global Life reports an operating margin of 5.4% for the third quarter 2009, bringing the year-to-date return to 5.2%. Excluding net investment losses, the year-to-date Life operating margin is 5.7%. The year-to-date operating margin of 5.2% is affected by the US EIA growth: whilst meeting internal profitability targets thanks to low capital needs, EIA produces a lower operating margin than other SGL business. Excluding EIA the year-to-date operating margin stands at 6.5%.

SCOR Global Investments (SGI) continues to implement its investment program while seizing short-term opportunities

Total investments, including cash, stand at EUR 19,699 million at 30 September 2009, against EUR 19,542 million at 30 June 2009 and EUR 19,051 million at 31 March 2009.

At 30 September 2009, investments consist of fixed income (44%), funds withheld by cedants (40%), cash and short-term investments (9%), equities (4%), real estate (2%) and alternative investments (1%).

During the third quarter of 2009, SCOR continues to consistently implement its investment policy (as communicated during the July'09 Investors' Day) in order to take account, in the medium term, from an expected come-back of inflation, higher interest rates and a fundamentally changed economic landscape, while seizing market opportunities in the short-run.

As a result of this investment strategy, given the steepening of the yield curves and a favorable market environment, SCOR reduced its cash and short-term investments rapidly in order to profit from existing market opportunities in equities and fixed income. During Q3'09, EUR 2.0 billion of liquidity was rebalanced towards government bonds and corporate bonds, of which EUR 1.3 billion of treasury bills previously classified as short-term investments were rebalanced to medium-term government bonds to increase their duration.

The high-quality fixed income portfolio (88% rated A or above) remains with a relatively short duration of 3.9 years (excluding cash and short-term investments), stable compared to the second quarter of 2009. Inflation-linked bonds stand at EUR 687 million at the end of the quarter.

The Group's liquidity position is EUR 1.8 billion as of end Q3'09, down from EUR 3.8 billion in Q2'09.

Supported by this investment strategy and by active portfolio management, which led to net realized gains of EUR 52 million during the third quarter of 2009, the net Return on Investments rises to 3.5% in the third quarter 2009 compared to 3.0% in the second quarter 2009. Excluding funds withheld by cedants, return on invested assets stands at 4.3% in Q3'09 compared to 3.6% in Q2'09.

Due to the voluntary de-risking strategy of previous quarters and the recovery of the financial markets, which continued in the third quarter of 2009, the impact of impairments in Q3'09 is limited to EUR 13 million, compared to EUR 184 million for the first half of 2009.

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Key Figures (in EUR millions)

	2009 9 months (unaudited)	2008 9 months (unaudited and adjusted[1])	2009 3[rd] quarter (unaudited)	2008 3[rd] quarter (unaudited and adjusted[1])
Gross written premiums	4,883	4,325	1,629	1,577
Non-Life gross written premiums	2,530	2,371	831	884
Life gross written premiums	2,353	1,954	798	693
Operating income	270	334	142	59
Net income	278	280	94	38
Investment income	325	445	176	97
Net Return on Investments	2.1%	3.0%	3.5%	1.9%
Non-Life combined ratio	97.4%	99.2%	97.3%	100.8%
Non-Life technical ratio	90.8%	93.3%	90.5%	95.8%
Non-Life expense ratio	6.6%	5.9%	6.8%	5.0%
Life operating margin	5.2%	6.5%	5.4%	5.1%
Return on Equity (ROE)	10.5%	10.7%	10.6%	4.4%
Basic EPS (EUR)	1.55	1.56	0.52	0.21

	2009 9 months (unaudited)	2009 1[st] half (unaudited)
Investments (excl. participations)	19,699	19,542
Reserves (gross)	20,756	20,848
Shareholders' equity	3,751	3,635
Book value per share (EUR)	20.84	20.21

1) Comparative figures have been adjusted for the completion of the initial acquisition accounting of the Converium acquisition.

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.

Additional information regarding risks, uncertainties and pending litigations is set forth in the 2008 reference document registered with the AMF under number D.09-0099 ("Document de Référence") and subsequently updated in the half year report, both available on SCOR website www.scor.com. 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.

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