Dear Shareholders,

The SCOR group has entered a new dimension

Thanks to the acquisition of Revios on 21 November 2006, followed by the acquisition of Converium on 8 August 2007, SCOR is now a Top 5 global multi-line reinsurer, with a pro forma written premium volume of EUR 5.9 billion in 2007, i.e. double the turnover achieved in 2006 (on the basis of the published accounts). The combination of SCOR, Revios and Converium has led to the creation of a powerful Group driven by the two business engines of SCOR Global P&C, a top-tier property and casualty reinsurer, and SCOR Global Life, the fifth largest global Life reinsurer in the world. Your Group now has a global and multicultural platform from which it serves more than 3,500 clients through its 49 offices located across five continents. The Group’s global dimension is reinforced by the fact that SCOR was the first listed French company to adopt Societas Europaea status.

This new dimension is accompanied by record 2007 results

In 2007, taking account of the consolidation of Converium since 1 January 2007, SCOR delivers a record pro forma net annual result of EUR 450 million. On the basis of the published accounts, net income stands at EUR 407 million, representing an increase of 62% (excluding badwill linked to the acquisition of Revios) compared to 2006. This means that net income has more than tripled since 2005! All business drivers have contributed positively to this record performance. On a published basis, Non-Life reinsurance shows a combined ratio of 97.3%, whilst the operating margin for Life reinsurance has reached 7.6% (99.3% and 7.7% respectively on a pro forma basis). This excellent profitability reflects the quality and prudence of the underwriting policy implemented as part of the strict risk management practiced throughout the underwriting process.

The 2007 net income is all the more remarkable for having been achieved in a weakened financial environment. Bearing witness to its underwriting policy and the efficiency of its Enterprise Risk Management policy (ERM), SCOR has no commitments to US monoliners or guarantors, nor any direct exposure with regard to Directors and Officers liability insurance (“D&O”) underwritten by financial institutions in the United States. Similarly, thanks to its prudent and conservative asset management policy, SCOR has very limited exposure to the subprime crisis (0.27% of total invested assets) and very limited risks on its portfolio from US monoliner or guarantor credit-enhanced securities (just 0.42% of total invested assets). On the basis of the published accounts, this prudent investment strategy delivers a stable return of 4.4% on a total investment portfolio of EUR 19.1 billion (4.3% pro forma).

At the end of this 2007 financial year, the SCOR group has an even stronger level of solvency, with shareholder equity at EUR 3,627 million and greatly improved financial leverage. Book value per share has reached EUR 20.0 compared to EUR 19.5 in 2006. We are offering you a dividend of EUR 0.80 per share, subject to the
approval of the General Meeting of Shareholders scheduled to take place at the Group’s Paris headquarters on 7 May 2008. EUR 0.80 represents a distribution rate of 36.2%.

SCOR has adopted a pioneering organisational structure for the new Group

With the integration of Revios and Converium, SCOR has implemented an organisational structure centred around six platforms or “hubs” (in Paris, Zurich, London, Cologne, New York and Singapore), thereby drawing the maximum benefit from the scope of its network. The main advantage of these hubs is that they enable the Group to provide customised, value-added products whilst maintaining a strong local presence. Each hub has local, regional and global responsibilities both at the Divisional level (Global P&C and Global Life) and the Group level.

This new organisational structure will enable SCOR to further streamline its central functions. In this context, the pre-tax annual synergy targets of EUR 68 million by 2009 have been confirmed. Synergies of EUR 51 million on a run-rate basis have already been identified to materialize by the end of 2009 and EUR 35 million will be achieved by the end of 2008.

SCOR has the means to achieve the objectives fixed for 2010

Thanks to its prudent asset management policy, its rigorous and diverse underwriting policy and a franchise that proved loyal during the 1 January 2008 renewals, the SCOR group is ready to face a more competitive market environment, as well as financial markets that have been unstable since the beginning of the year. The Group’s twin-engine strategy is a major advantage, with Life reinsurance business – which has benefited from the sharp growth in Life insurance – being totally disconnected from the Non-Life reinsurance cycles. Similarly, the global coverage offered by the new Group, along with the local presence that forms the heart of its strategy, enable SCOR to develop in rapidly-expanding markets such as China, Brazil and South Africa. Finally, 2007 justified the Group’s limited risk appetite, which resulted notably in very low exposure to the subprime and monoliner crisis. The year also justified SCOR’s desire to reduce the impact of acute risks on its balance sheet through extreme risk securitisation transactions (e.g. CAT bond issued in December 2007, mortality swap conducted in February 2008).

You can be sure that SCOR is working at maximum capacity to achieve the objectives fixed in the Dynamic Lift V2 plan of 3 September 2007, namely to create value for its shareholders with a guaranteed return on equity (ROE) of 900 basis points above the risk-free rate and to offer its clients an optimal “A+” level of security by the end of 2010.

Our next meeting will be the General Meeting of Shareholders on 7 May 2008. The 2008 First Quarter results will also be published on this date.

Yours faithfully

Denis Kessler
Chairman & Chief Executive Officer