



## WARNING: 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 report should not be held as corresponding to such profit forecasts. Information in this report 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

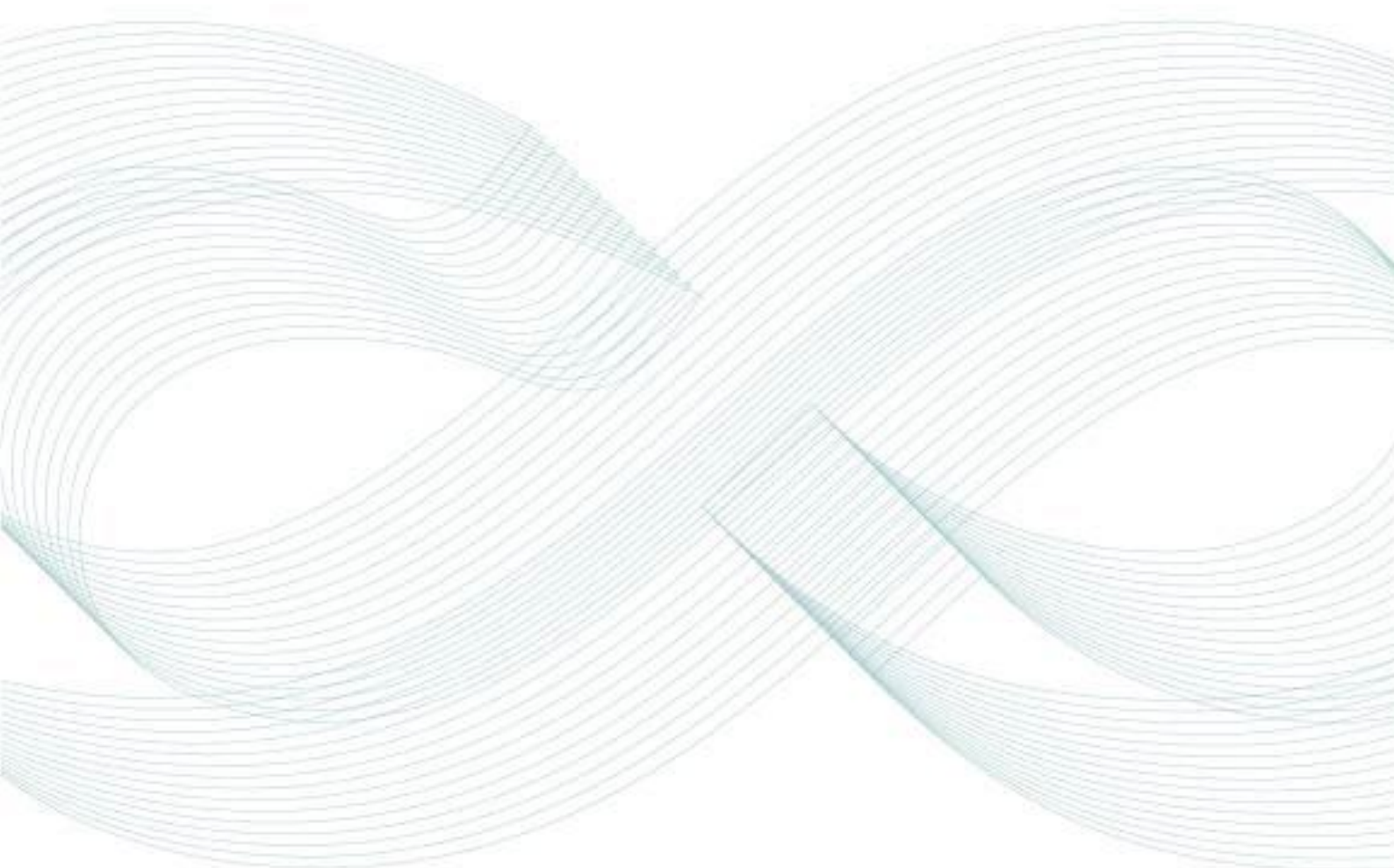
subject to known and unknown risks, uncertainties and other factors, which may cause actual results, on the one hand, to differ from any results expressed or implied by the present communication, on the other hand.

Please refer to SCOR's Document de Référence filed with the AMF on 8 March 2011 under number D.11-0103 (the "**Reference Document**"), 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.

---

<b>1</b>	<b>Business review</b>	<b>3</b>
1.1	Group key figures	4
1.2	Group consolidated results	5
1.3	Group financial position	7
1.4	SCOR Global P&C	8
1.5	SCOR Global Life	8
1.6	Related party transactions	9
1.7	Risk factors	9
1.8	Future developments	9
<b>2</b>	<b>Interim condensed consolidated financial statements 30 June 2011</b>	<b>11</b>
2.1	Consolidated balance sheets	12
2.2	Interim condensed consolidated statements of income	14
2.3	Interim condensed consolidated statements of comprehensive income	15
2.4	Interim condensed consolidated statements of cash flows	16
2.5	Interim consolidated statements of changes in shareholders' equity	17
<b>3</b>	<b>Notes to interim condensed consolidated financial statements 30 June 2011</b>	<b>19</b>
3.1	General information	20
3.2	Basis of preparation and accounting policies	20
3.3	Sale of US Fixed Annuity Business	21
3.4	Segment information	22
3.5	Other financial assets and financial liabilities	25
3.6	Tax	30
3.7	Earnings per share	30
3.8	Litigation matters	31
3.9	Subsequent events	31
<b>4</b>	<b>Statutory auditors' review report</b>	<b>33</b>
<b>5</b>	<b>Statement by the person responsible for the interim financial report</b>	<b>35</b>

This page is intentionally left blank



# Business Review

## 1.1 Group key figures

SCOR SE, and its consolidated subsidiaries ("SCOR" or the "Group"), is the world's 5<sup>th</sup> largest reinsurer<sup>(1)</sup> serving more than 4,000 clients from its organisational Hubs located in Cologne, London, New York, Paris, Singapore and Zurich.

The 2011 half-year results and balance sheet strength demonstrate the effectiveness of SCOR's strategy which is based on high business and geographical

diversification and focuses on traditional reinsurance activity.

The current financial strength ratings of the Group are "A" positive outlook from Standard & Poors "S&P", "A2" positive outlook from Moody's, "A" positive outlook from Fitch and "A" from AM Best.

In EUR million	Six months ended 30 June 2011	Year ended 31 December 2010	Six months ended 30 June 2010
<b>Consolidated SCOR Group</b>			
Gross written premiums	3,400	6,694	3,258
Net earned premiums	2,967	6,042	2,913
Operating income <sup>(2)</sup>	45	490	183
Net income	40	418	156
Investment income (gross of expenses)	358	690	357
Net return on investment	3.6%	3.2%	3.4%
Return on equity <sup>(4)</sup>	1.9%	10.2%	7.7%
Basic earnings per share <sup>(5)</sup> (in EUR)	0.22	2.32	0.87
Book value per share (in EUR)	21.97	23.96	23.23
Share price (in EUR)	19.60	19.00	15.69
Operating cash flow	384	656	208
Average invested assets <sup>(6)</sup>	12,131	12,802	12,499
Total Assets	29,035	28,722	30,157
Liquidity <sup>(7)</sup>	2,368	1,266	1,374
Shareholders' equity	4,009	4,352	4,216
Claims supporting capital <sup>(8)</sup>	5,035	4,831	4,715
<b>SCOR Global P&amp;C Division</b>			
Gross written premiums	1,944	3,659	1,764
Net combined ratio <sup>(3)</sup>	113.1%	98.7%	102.5%
<b>SCOR Global Life Division</b>			
Gross written premiums	1,456	3,035	1,494
SCOR Global Life operating margin <sup>(3)</sup>	7.2%	7.4%	6.5%

(1) Source: "S&P Global Reinsurance Highlights 2010" (excluding Lloyd's of London)

(2) Operating income is defined as result before financial expenses, share in results of associates, negative goodwill and taxes.

(3) The net combined ratio and Life operating margin calculations changed compared to the 2010 publications due to the new expense allocation methodology (see section 3.4). The net combined ratio now includes all costs allocated to SCOR Global P&C. Prior year figures in the table above were adjusted for comparative purposes.

- Published net combined ratio was 98.9% for the year ended 2010 and 102.8% for the six months ended 30 June 2010.
- Published Life operating margin was 7% for the year ended 2010 and 6% for the six months ended 30 June 2010.

(4) Return on equity is based on the Group's share of net income divided by average shareholders' equity (calculated as shareholders' equity at the beginning of the period adjusted for the linear effect of all movements during the period).

(5) Earnings per share is calculated as net income divided by basic number of shares. The basic number of shares includes the average number of closing shares, shares issued during the period and time-weighted treasury shares.

(6) Average invested assets comprise of total insurance business investments net of funds withheld and cash and cash equivalents, adjusted for (in EUR millions) net unrealized gains and losses on real estate (HY 2011: 118; YE 2010: 115; HY 2010: 107); real estate related debt (HY 2011: (258); YE 2010: (191); HY 2010: (195)); accrued interest on fixed income (HY 2011: 85; YE 2010: 115; HY 2010: 114); and derivative instruments (HY 2011: 108; YE 2010: 94; HY 2010: 132).

(7) Liquidity is defined as cash and cash equivalents and short term investments comprised primarily of government bonds maturing less than 12 months from date of purchase.

(8) Claims supporting capital is defined as the sum of IFRS shareholders' equity and subordinated debt.

## 1.2 Group consolidated results

### 1.2.1 GROSS WRITTEN PREMIUM

Gross written premium for the six months ended 30 June 2011 amounted to EUR 3,400 million, an increase of 4.4 % compared to EUR 3,258 million for the same period in 2010. The overall increase in gross written premium of EUR 142 million in the six month period in 2011 is due to an increase for SCOR Global P&C of EUR 180 million, partially offset by a decrease for SCOR Global Life of EUR 38 million mainly due to the planned reduction of premiums from equity indexed annuity business in the US and unfavourable foreign currency exchange effects mainly relating to the US dollar.

### 1.2.2 NET EARNED PREMIUM

Net earned premium for the period ended 30 June 2011 amounted to EUR 2,967 million, an increase of 1.9% compared to EUR 2,913 million for the same period in 2010. The overall increase of EUR 54 million comprises a EUR 90 million increase in net earned premium for SCOR Global P&C partially offset by a EUR 36 million decrease for SCOR Global Life.

### 1.2.3 INVESTMENT INCOME

Investment income for the six month period ended 30 June 2011 amounted to EUR 358 million compared to EUR 357 million for the period ended 30 June 2010. This result was driven by lower recurring returns because of the low yields environment partially offset by SCOR Global Investments' active portfolio management, which resulted in net realised gains of EUR 84 million in the first six months of 2011 compared to EUR 108 million in the same period in 2010. At the same time, the Group benefited from lower impairments of EUR 1 million during the first half of 2011, compared to EUR 52 million in the same period in 2010. The Group had average invested assets of EUR 12.1 billion in 2011 as compared to EUR 12.8 billion as at 31 December 2010. The return on invested assets excluding funds withheld by ceding companies was 4.3% in 2011 compared to 4.0% as in the first six months of 2010, partly negatively impacted by the U.S. fixed annuity business disposal for approximately 20 basis points. Of the 2011 ratio, net capital gains and losses on investments, net of write downs was 1.4% in 2011 compared to 0.9% for the same period in 2010.

### 1.2.4 NET INCOME

SCOR generated net income of EUR 40 million in the first six months of 2011, compared to EUR 156 million for the period ended 30 June 2010.

The first six months of 2011, particularly the first quarter, was impacted by a series of exceptionally serious natural catastrophes, with cyclones and floods in Australia, a major earthquake in New Zealand in

February, and the historic catastrophe in Japan on 11 March 2011. The results however benefit from the improving technical operating performance of SCOR Global Life and lower impairments, as well as an improved return on invested assets due to an active portfolio management.

The net profit for the period ended 30 June 2011 also benefited from the final settlement on the subrogation action that the World Trade Center property insurers had launched against aviation insurers for EUR 47 million (pre-tax and net of retrocession) as well as a low tax rate mainly due to the geographical distribution of the first quarter natural catastrophes losses. In the period ended 30 June 2010, following internal restructuring of operations within the US during 2010, deferred tax assets were reactivated, generating a tax credit of EUR 29 million during the period ended 30 June 2010.

### 1.2.5 RETURN ON EQUITY

Return on equity was 1.9 % and 7.7 % for the six month periods ended 30 June 2011 and 2010, respectively. Basic earnings per share was EUR 0.22 for the first six months of 2011 and EUR 0.87 for the same period in 2010.

### 1.2.6 OPERATING CASH FLOWS

Positive operating cash flows amounted to EUR 384 million in the six months ended 30 June 2011. Operating cash flows for the same period in 2010 amounted to EUR 208 million. Of the increase, EUR 76 million relates to SCOR Global P&C due to the payment received in the settlement of the World Trade Center subrogation action, gross of future payments to retrocessionaires.

### 1.2.7 SIGNIFICANT EVENTS – GROUP

#### SCOR enters agreement to purchase the mortality risk reinsurance business of Transamerica RE

On 26 April 2011, SCOR announced it entered into a definitive agreement with AEGON, pursuant to which SCOR will acquire the mortality risk reinsurance business of Transamerica Re, a part of AEGON. The business to be acquired relates solely to biometric risks. Transamerica Re is part of AEGON, but not as a legal entity. Therefore, the acquisition includes a series of retrocession agreements from AEGON to SCOR Global Life US entities. As part of the acquisition, SCOR will also purchase from AEGON one Irish legal entity, which underwrites Transamerica Re business. AEGON will transfer to SCOR approximately EUR 1.2 billion<sup>(1)</sup> (USD 1.8 billion) of liabilities and corresponding assets in cash and/or securities. The total

<sup>(1)</sup> On the basis of a USD/EUR exchange rate as of 30 June 2011



consideration for the acquired business amounts to approximately EUR 631 million<sup>(2)</sup> (USD 912.5 million). It includes an estimated statutory capital of around EUR 343 million<sup>(2)</sup> (USD 497 million) for the Irish entity. The transaction is expected to close during the third quarter of 2011.

The Group's results for the six months ended 30 June 2011 do not include the operations of Transamerica Re due to the transaction being expected to close during the third quarter of 2011.

#### **Sale of US Fixed Annuity Business**

On 16 February 2011, SCOR entered into an agreement to sell to Athene Holding Ltd, for USD 55 million, its US fixed annuity business through the sale of its wholly owned subsidiary Investors Insurance Corporation. The disposal of Investors Insurance Corporation was completed on 18 July 2011.

#### **Placement of CHF 650 million perpetual subordinated notes**

On 2 February 2011, SCOR issued CHF 400 million fixed rate perpetual subordinated notes with a first call date of 2 August 2016. The notes are classified as a financial debt.

SCOR has entered into a cross-currency swap which exchanges the principal into EUR and exchanges the coupon on the notes to 6.98% and matures on 2 August 2016.

On 11 May 2011, SCOR reopened its existing CHF perpetual subordinated notes placement by issuing an additional amount of CHF 225 million. The placement was increased to CHF 250 million at the settlement date of 3 June 2011, given the market appetite. The notes rank pari-passu to those issued on 2 February 2011. The conditions and the accounting treatment are similar to the first placement.

SCOR has entered into a cross-currency swap which exchanges the principal into EUR and exchanges the coupon on the notes to 6.93% and matures on 2 August 2016.

#### **Opening of Australian Subsidiary**

In May 2011, SCOR opened a new subsidiary in Australia covering the Australian and New Zealand life reinsurance markets.

#### **Launch of Channel Lloyd's Syndicate**

Pursuant to the Lloyd's Market Franchise Board "in principle" approval, the Channel Syndicate (Syndicate 2015) successfully started to underwrite business on 5 January 2011. SCOR provides 100% of the capital for this syndicate.

#### **World Trade Center**

In Q2 2011, SCOR recognized a gain of EUR 47 million net of retrocession (EUR 31 million after-tax) relating to the final settlement of the World Trade Center subrogation action undertaken by the World Trade Center property insurers against aviation insurers.

There have been no other significant accounting events during the six months ended 30 June 2011.

---

<sup>(2)</sup> On the basis of a USD/EUR exchange rate as of 30 June 2011 of 0.691898



## 1.3 Group financial position

### 1.3.1 SHAREHOLDER'S EQUITY

The total shareholders' equity decreased by 7.88% from EUR 4,352 million at 31 December 2010 to EUR 4,009 million at 30 June 2011.

For the six months ended 30 June 2011, SCOR recorded foreign exchange rate translation adjustments to total consolidated shareholders' equity amounting to EUR (102) million for the six month period compared to EUR 272 million for the same period in 2010.

SCOR's Combined General Meeting of 4 May 2011 resolved to distribute, for the 2010 fiscal year, a dividend of one euro and ten cents (EUR 1.10) per share, being an aggregate amount of dividend paid of EUR 201 million, calculated on the basis of the number of shares eligible for dividend as of the payment date.

### 1.3.2 ASSETS AND LIQUIDITY MANAGEMENT

Since the second quarter of 2009, SCOR started an investment inflection program in order to take into account, in the medium term, the expected return of inflation, higher interest rates and a fundamentally changed economic landscape, while seizing market opportunities in the short-term. Consequently, given the steepening of the yield curves and a favourable market environment, SCOR's medium term strategy is to reduce its investable cash and short-term investments in order to profit from existing market opportunities, and to continue to apply a fixed income rollover strategy in order to maintain the availability of significant streams of financial cash flows to invest, should interest rates suddenly spike. SCOR is particularly attentive to sovereign risks and does not have, as at 30 June 2011, within its fixed income portfolio, any exposure to government bonds of Italy, Greece, Spain, Portugal, Ireland or to U.S. municipal bonds.

In addition, from the beginning of 2009, the Group has significantly invested in inflation-linked securities, which totalled approximately EUR 0.9 billion at the end of June 2011.

The Group's short term liquidity position, which continues to be well diversified across banks, government securities and short-term investments maturing in less than 12 months, stands at EUR 2.4 billion as at 30 June 2011 compared to EUR 1.3 billion at the end of 2010. The temporary increase in liquidity for the period ended 30 June 2011 will be used to finalize the acquisition of the Transamerica Re mortality business, and the purchase of real estate investments. The Group's liquidity position also benefited from the final settlement of the World Trade Center subrogation undertaken by the World Trade Center property insurers against aviation insurers for approximately EUR 76 million gross of future payments to retrocessionaires.

As the majority of investments are carried at fair value, impairments had little effect on the net asset value of the Group. SCOR maintains a simple balance sheet with less than 1% of investments accounted for at fair value determined using a technique not based on market data.

As at 30 June 2011, in line with SCOR's prudent investment policy, the Group's invested assets (excluding funds withheld by ceding companies) were distributed as follows: 67.0% in fixed income securities and fixed income investment funds of which 59.4% in AAA rated securities (59.1% as at 31 December 2010), 19.6% in cash and short-term investments (2010 year end: 9.7%), 7.4% in equities (2010 year end: 7.4%), 2.2% in alternative investments (2010 year end: 1.9%), and 3.8% in real estate (2010 year end: 2.8%). Net invested assets including cash and cash equivalents, amounted to EUR 12.4 billion at 30 June 2011, as compared to EUR 13.2 billion at 31 December 2010. This decrease is mainly driven by the US fixed annuity business asset portfolio, reclassified to assets held for sale. Including funds withheld by ceding companies, total investments amounted to EUR 19.9 billion at 30 June 2011, compared to EUR 20.9 billion at 31 December 2010.

The Group has a financial debt leverage position of 19.9% (compared to 9.9% at 31 December 2010). This ratio is calculated as the percentage of debt securities issued and subordinated debt<sup>(3)</sup> compared to total shareholders' equity. The increase in the financial debt leverage ratio comes from the successful placement of perpetual subordinated notes on 20 January 2011 and issued on 2 February 2011, with a first call date in August 2016, for an aggregate total amount of CHF 400 million. On 11 May 2011, SCOR reopened its existing perpetual subordinated notes placement by issuing an additional amount of CHF 250 million.

<sup>(3)</sup> In respect of the CHF 650 million subordinated debt issuance, SCOR entered into cross-currency swaps which exchanges the CHF principal and coupon into EURO, and matures on 2 August 2016. The calculation of the ratio includes the effect of these swaps.

## 1.4 SCOR Global P&C

### 1.4.1 GROSS WRITTEN PREMIUM

The 2011 gross written premium of EUR 1,944 million represents an increase of 10.2% compared to EUR 1,764 million during first half-year 2010.

### 1.4.2 NET COMBINED RATIO

SCOR Global P&C had a net combined ratio of 113.1% for the six months ended 30 June 2011, compared to a net combined ratio of 102.5% for the six months ended 30 June 2010. The net combined ratio published for the six months ended 30 June 2010 was 102.8%. The difference is due to a new segment presentation (see section 3.4). The deterioration of the net combined ratio is attributable to the exceptional impact of natural catastrophes particularly during the first quarter 2011. Natural catastrophes had a 25.7%<sup>(4)</sup> impact on the Group net combined ratio for the six months ended 30

June 2011 compared to 13.1% for the same period last year.

### 1.4.3 IMPACT OF NATURAL CATASTROPHES

SCOR suffered a number of exceptional natural catastrophe losses in the six month period to 30 June 2011 totalling EUR 423 million<sup>(4)</sup>, of which the most significant includes the earthquakes in Japan and in New Zealand, the floods and cyclone Yasi in Australia and the tornadoes in the United States. Although there were major natural catastrophes during first 2011 half-year, these events had no material impact on SCOR's financial strength or solvency position.

There has been no significant movement of 2010 losses compared to the amounts previously disclosed within the 2010 Reference Document.

## 1.5 SCOR Global Life

### 1.5.1 GROSS WRITTEN PREMIUM

In the first six months of 2011, SCOR Global Life's gross written premiums were EUR 1,456 million compared to EUR 1,494 million for the same period in 2010, a decrease of 2.6%. Premiums increased in different markets, primarily in the Middle East, France and Asia. However, these increases were offset by the deliberate reduction in US annuity business premiums due to the planned sale of this line of business, and unfavourable foreign currency exchange effects mainly relating to the US dollar.

### 1.5.2 SCOR GLOBAL LIFE OPERATING MARGIN

SCOR Global Life achieved an operating margin for the first six months ended 30 June 2011 of 7.2%, compared to 6.5% in 2010 for the same period. The Life operating margin published for the six months ended 30 June 2010 was 6.0%. The difference is due to a new segment presentation (see section 3.4).

The operating margin increase of 0.7% is due to the stronger performance of our life reinsurance portfolio. In particular the US portfolio of SCOR Global Life recognised a positive mortality experience and other beneficial factors from non-recurring items.

Lower investment revenues and higher expenses were mainly driven by the disposal of the US annuity business influencing SCOR Global Life's net results.

### 1.5.3 MARKET CONSISTENT EMBEDDED VALUE

SCOR Global Life moved from the European Embedded Value ("EEV") to the Market Consistent Embedded Value ("MCEV") principles, resulting in an immaterial restatement (0.18%) of the 2009 Embedded Value under EEV. The MCEV of the SCOR Global Life business for the year ended 31 December 2010 increased by 17.9% to EUR 2.2 billion (2009: EUR 1.9 billion) supported by a significant MCEV operating profit of EUR 179 million.

The value of new business is EUR 57 million in 2010 compared to EUR 95 million in 2009 (EUR 113 million under EEV), with a new business margin of 2.4%, down from 3.2% in 2009 (5.2% under EEV), mainly due to a large block transaction in 2009.

Details of the Embedded Value approach used by SCOR Global Life, including an analysis of Embedded Value movements from 2009 to 2010, as well as details of the methodology used, can be found in the documents entitled "SCOR Global Life Market Consistent Embedded Value 2010 – Supplementary Information" and the "SCOR Global Life" slide show presentation, available at [www.scor.com](http://www.scor.com).

<sup>(4)</sup>Excluding EUR 15 million of natural catastrophe losses related to Lloyd's corporate capital participations

## 1.6 Related party transactions

During the six months ended 30 June 2011 there were no material changes to the related-party transactions as described in Section 19 of the 2010 Reference

Document, or new related party transactions, which had a material effect on the financial position or on the performance of SCOR.

## 1.7 Risk factors

The main risks and uncertainties the Group faced as at 31 December 2010 are described in Section 4 of the 2010 Reference Document. SCOR has not identified

any additional material risks or uncertainties arising in the six months ended 30 June 2011.

## 1.8 Future developments

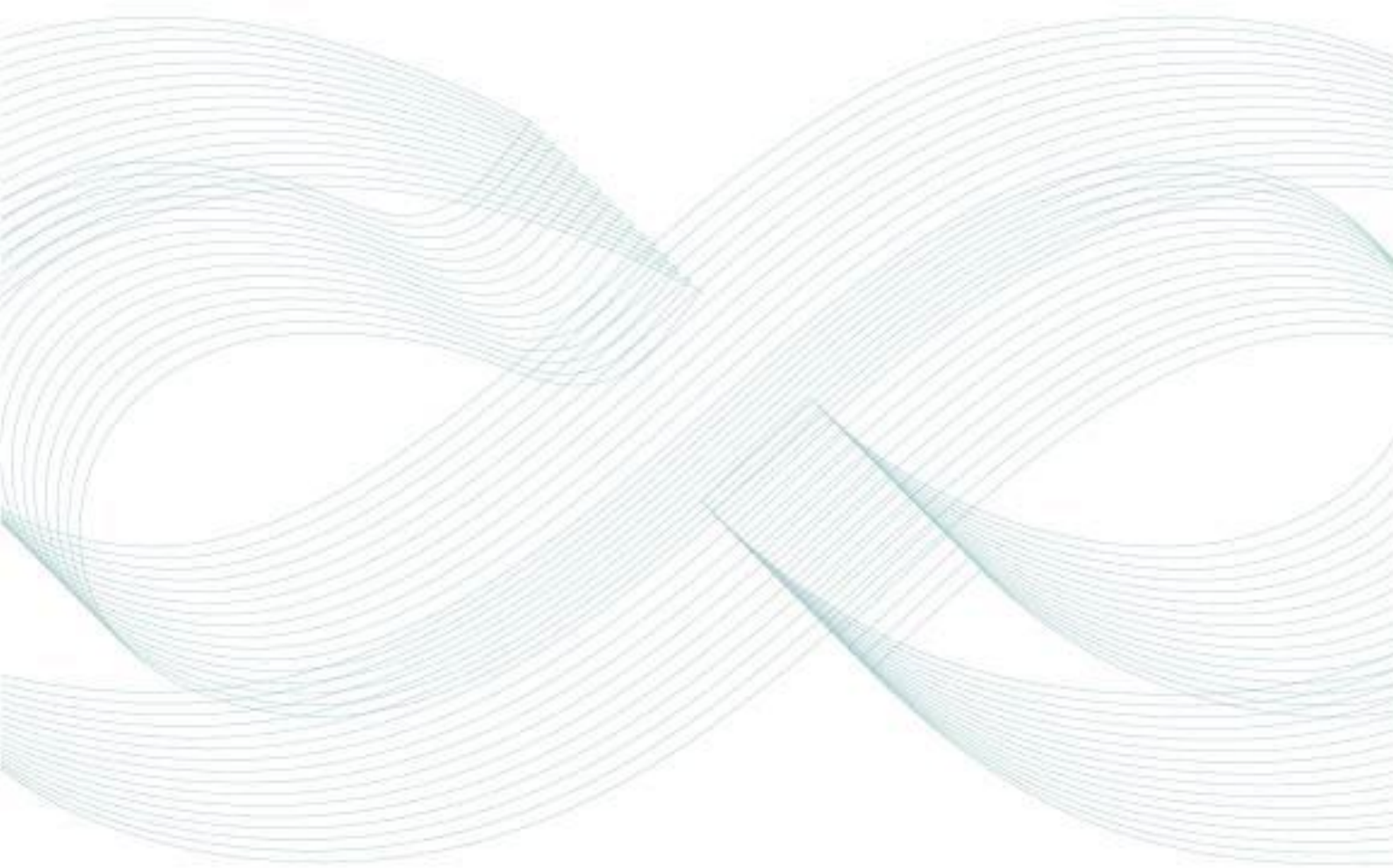
There are currently substantial uncertainties in the global economy and financial markets with the timing and extent, and even shape of the recovery from the financial and economic crisis under much debate.

SCOR considers that the main risks in the short term are a worsening of the European public debt crisis, continued and even an increase of pressures (economic, financial, fiscal, social) on the corporate sector and high volatility in the financial markets. In the longer term there is a risk of inflationary tensions

resulting from the massive injection of liquid assets by the central banks in 2008-2009.

The current financial market turmoil may affect the performance of the Group's investment portfolio in 2011. SCOR is closely monitoring financial markets during the coming months and will consider selective opportunities to re-invest and adjust its liquidity in line with strategy, if the conditions allow it.

This page is intentionally left blank



**Interim  
condensed  
consolidated  
financial  
statements  
30 June 2011**

## 2.1 Consolidated balance sheets

In EUR million		
ASSETS	30 JUNE 2011	31 DECEMBER 2010
<b>Intangible assets</b>	<b>1,381</b>	<b>1,404</b>
Goodwill	788	788
Value of business acquired	492	521
Other intangible assets	101	95
<b>Tangible assets</b>	<b>60</b>	<b>52</b>
<b>Insurance business investments</b>	<b>17,791</b>	<b>19,871</b>
Real estate investments	518	378
Available-for-sale investments	9,361	11,461
Investments at fair value through income	71	40
Loans and receivables	7,733	7,898
Derivative instruments	108	94
<b>Investments in associates</b>	<b>82</b>	<b>78</b>
<b>Share of retrocessionaires in insurance and investment contract liabilities</b>	<b>1,198</b>	<b>1,114</b>
<b>Other assets</b>	<b>5,255</b>	<b>5,196</b>
Deferred tax assets	544	475
Assumed insurance and reinsurance accounts receivable	3,506	3,514
Receivables from ceded reinsurance transactions	147	131
Taxes receivable	54	50
Other assets	366	263
Deferred acquisition costs	638	763
<b>Cash and cash equivalents</b>	<b>2,101</b>	<b>1,007</b>
<b>Assets classified as held for sale</b>	<b>1,167</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>29,035</b>	<b>28,722</b>

In EUR million		
LIABILITIES	30 JUNE 2011	31 DECEMBER 2010
<b>Shareholders' equity – Group share</b>	<b>4,002</b>	<b>4,345</b>
Share capital	1,479	1,479
Additional paid-in capital	797	796
Revaluation reserves	(22)	56
Retained earnings	1,663	1,540
Net income for the year	40	418
Equity based instruments	45	56
<b>Non-controlling interest</b>	<b>7</b>	<b>7</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>4,009</b>	<b>4,352</b>
<b>Financial debt</b>	<b>1,289</b>	<b>675</b>
Subordinated debt	1,026	479
Other financial debt	263	196
<b>Contingency reserves</b>	<b>88</b>	<b>88</b>
<b>Contract liabilities</b>	<b>20,967</b>	<b>21,957</b>
Insurance contract liabilities	20,819	21,806
Investment contract liabilities	148	151
<b>Other liabilities</b>	<b>1,565</b>	<b>1,650</b>
Deferred tax liabilities	178	192
Derivative instruments	25	8
Assumed insurance and reinsurance payables	216	230
Accounts payable on ceded reinsurance transactions	806	906
Taxes payable	87	92
Other liabilities	253	222
<b>Liabilities classified as held for sale</b>	<b>1,117</b>	<b>-</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>29,035</b>	<b>28,722</b>



## 2.2 Interim condensed consolidated statements of income

In EUR million	SIX MONTHS ENDED 30 JUNE	
	2011	2010
Gross written premiums	3,400	3,258
Change in unearned premiums	(151)	(81)
<b>Gross earned premiums</b>	<b>3,249</b>	<b>3,177</b>
Other income from reinsurance operations	(32)	(10)
Investment income	358	357
<b>Total income from ordinary activities</b>	<b>3,575</b>	<b>3,524</b>
Gross benefits and claims paid	(2,578)	(2,339)
Gross commission on earned premiums	(750)	(718)
Net results of retrocession	20	(84)
Investment management expenses	(12)	(16)
Acquisition and administrative expenses	(133)	(116)
Other current operating expenses	(69)	(63)
Other current operating income	-	-
<b>Total other current operating income and expense</b>	<b>(3,522)</b>	<b>(3,336)</b>
<b>CURRENT OPERATING RESULTS</b>	<b>53</b>	<b>188</b>
Other operating expenses	(8)	(5)
Other operating income	-	-
<b>OPERATING RESULTS</b>	<b>45</b>	<b>183</b>
Financing expenses	(36)	(25)
Share in results of associates	6	7
Negative goodwill	-	-
Corporate income tax	25	(9)
<b>CONSOLIDATED NET INCOME</b>	<b>40</b>	<b>156</b>
Attributable to:		
Non-controlling interests	-	-
Group share	40	156
In EUR		
Earnings per share	0.22	0.87
Earnings per share (Diluted)	0.21	0.85

## 2.3 Interim condensed consolidated statements of comprehensive income

In EUR million	SIX MONTHS ENDED 30 JUNE	
	2011	2010
<b>Consolidated net income</b>	<b>40</b>	<b>156</b>
<b>Other comprehensive income</b>	<b>(181)</b>	<b>284</b>
Revaluation - Assets available for sale	(103)	81
Shadow accounting	4	(59)
Effect of changes in foreign exchange rates	(102)	272
Taxes recorded directly in or transferred to equity	23	(10)
Actuarial gains/(losses) not recognised in income	(2)	2
Other changes	1	(2)
Changes related to assets classified as held for sale	(2)	-
<b>COMPREHENSIVE INCOME, NET OF TAX</b>	<b>(141)</b>	<b>440</b>
Attributable to:		
Non-controlling interests	-	-
Group share	(141)	440

## 2.4 Interim condensed consolidated statements of cash flows

In EUR million	SIX MONTHS ENDED 30 JUNE	
	2011	2010
Net cash flow provided by (used in) SCOR Global Life operations	115	82
Net cash flow provided by (used in) SCOR Global P&C operations	269	126
<b>Net cash flow provided by (used in) operations</b>	<b>384</b>	<b>208</b>
(Acquisitions)/disposals of real estate investments	(146)	(82)
(Acquisitions)/disposals or reimbursements of other insurance business investments	590	(169)
(Acquisitions)/disposals of tangible and intangible assets	(24)	(6)
<b>Cash flows provided by (used in) investing activities</b>	<b>420</b>	<b>(257)</b>
Issuance of equity instrument	3	(2)
Treasury share transactions	(14)	2
Dividends paid	(201)	(137)
Cash generated by issuance of financial debt	599	68
Cash used to reimburse financial debt	(23)	(201)
Interest paid on financial debt	(3)	(14)
<b>Cash flows generated by (used in) financing activities</b>	<b>361</b>	<b>(284)</b>
Effect of change in foreign exchange rates on cash and cash equivalents	(28)	59
<b>TOTAL CASH FLOW</b>	<b>1,137</b>	<b>(274)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>1,007</b>	<b>1,325</b>
Net cash flows from operations	384	208
Net cash flows from investing activities	420	(257)
Net cash flows from financing activities	361	(284)
Effect of change in foreign exchange rates on cash and cash equivalents	(28)	59
Cash flow from assets held for sale	(43)	-
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>2,101</b>	<b>1,051</b>

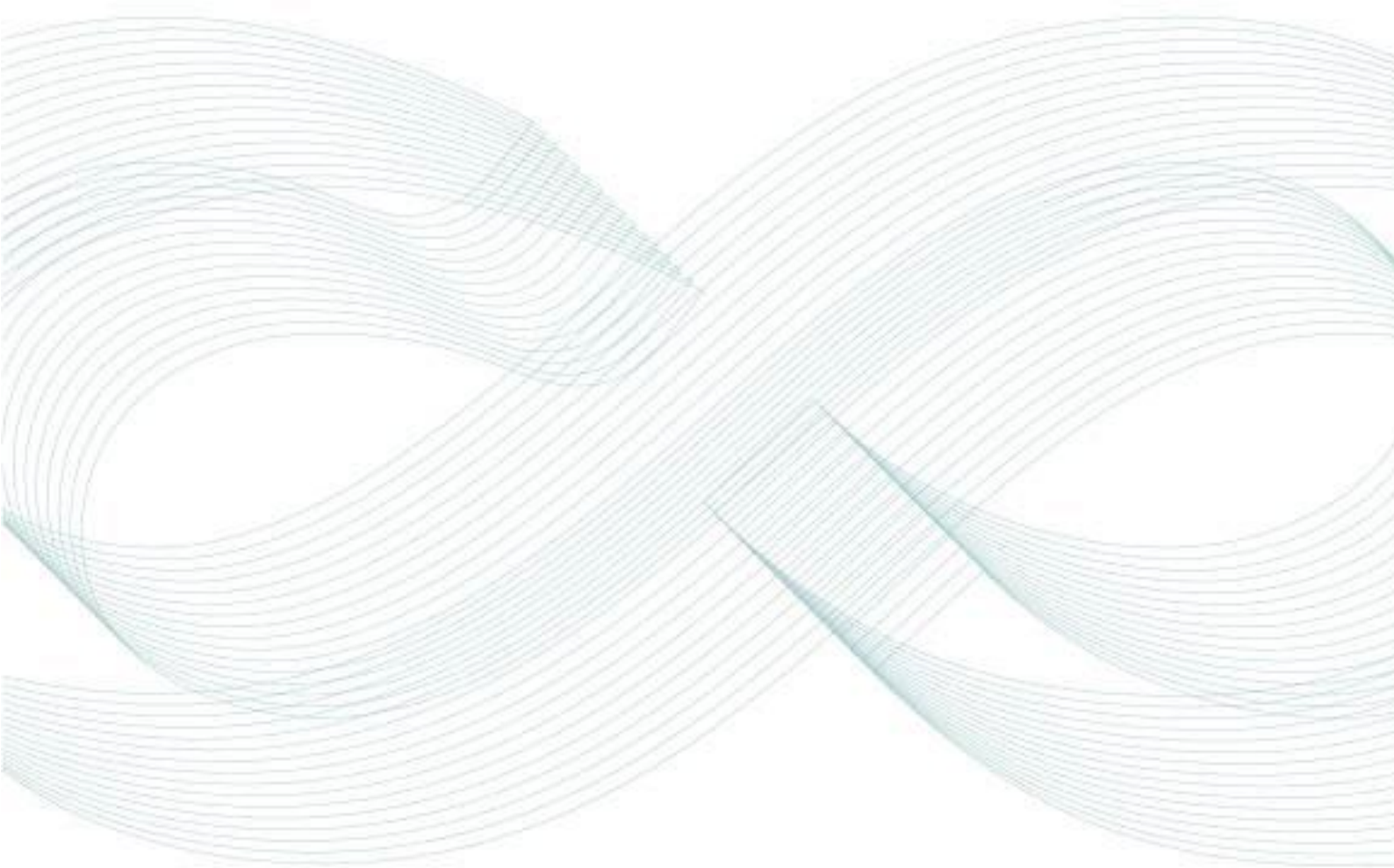
## 2.5 Interim consolidated statements of changes in shareholders' equity

In EUR million	Share capital	Additional paid-in capital	Consolidated reserves (including net income) <sup>(1)</sup>	Revaluation reserves	Treasury shares <sup>(1)</sup>	Share-based payments	Non controlling interests	Total
<b>Shareholders' equity at 1 January 2011</b>	<b>1,479</b>	<b>796</b>	<b>2,061</b>	<b>56</b>	<b>(103)</b>	<b>56</b>	<b>7</b>	<b>4,352</b>
<b>Net income for the six months ended 30 June 2011</b>	-	-	<b>40</b>	-	-	-	-	<b>40</b>
<b>Other comprehensive income, net of tax</b>	-	-	<b>(103)</b>	<b>(78)</b>	-	-	-	<b>(181)</b>
Revaluation – Assets available for sale	-	-	-	(103)	-	-	-	(103)
Shadow accounting	-	-	-	4	-	-	-	4
Effect of change in foreign exchange rates	-	-	(102)	-	-	-	-	(102)
Taxes recorded directly in or transferred to equity	-	-	-	23	-	-	-	23
Actuarial gains/(losses) not recognised in income	-	-	(2)	-	-	-	-	(2)
Other changes	-	-	1	-	-	-	-	1
Changes related to assets classified as held for sale	-	-	-	(2)	-	-	-	(2)
<b>Total comprehensive income, net of tax</b>	-	-	<b>(63)</b>	<b>(78)</b>	-	-	-	<b>(141)</b>
Share-based payment	-	-	-	-	10	(11)	-	(1)
Other	-	-	-	-	-	-	-	-
Capital transactions	-	1	(1)	-	-	-	-	-
Dividends distributed	-	-	(201)	-	-	-	-	(201)
<b>SHAREHOLDERS' EQUITY AT 30 JUNE 2011</b>	<b>1,479</b>	<b>797</b>	<b>1,796</b>	<b>(22)</b>	<b>(93)</b>	<b>45</b>	<b>7</b>	<b>4,009</b>

In EUR million	Share capital	Additional paid-in capital	Consolidated reserves including net income <sup>(1)</sup>	Revaluation reserves	Treasury shares <sup>(1)</sup>	Share-based payments	Non controlling interests	Total
<b>Shareholders' equity at 1 January 2010</b>	<b>1,459</b>	<b>774</b>	<b>1,694</b>	<b>37</b>	<b>(107)</b>	<b>37</b>	<b>7</b>	<b>3,901</b>
<b>Net income for the six months ended 30 June 2010</b>	-	-	<b>156</b>	-	-	-	-	<b>156</b>
<b>Other comprehensive income, net of tax</b>	-	-	<b>272</b>	<b>12</b>	-	-	-	<b>284</b>
Revaluation – Assets available for sale	-	-	-	81	-	-	-	81
Shadow accounting	-	-	-	(59)	-	-	-	(59)
Effect of change in foreign exchange rates	-	-	272	-	-	-	-	272
Taxes recorded directly in or transferred to equity	-	-	-	(10)	-	-	-	(10)
Actuarial gains/(losses) not recognised in income	-	-	2	-	-	-	-	2
Other changes	-	-	(2)	-	-	-	-	(2)
<b>Total comprehensive income, net of tax</b>	-	-	<b>428</b>	<b>12</b>	-	-	-	<b>440</b>
Share-based payment	-	-	-	-	2	11	-	13
Other	-	-	-	-	-	-	-	-
Capital transactions	20	22	(1)	-	-	-	-	41
Dividends distributed	-	-	(179)	-	-	-	-	(179)
<b>SHAREHOLDERS' EQUITY AT 30 JUNE 2010</b>	<b>1,479</b>	<b>796</b>	<b>1,942</b>	<b>49</b>	<b>(105)</b>	<b>48</b>	<b>7</b>	<b>4,216</b>

(1) Treasury shares and consolidated reserves are presented net within Retained Earnings on the Balance Sheet.

This page is intentionally left blank



Notes to  
interim  
condensed  
consolidated  
financial  
statements  
30 June 2011

## 3.1 General information

The interim condensed consolidated financial statements (the "Financial Statements") reflect the financial position of SCOR and its consolidated subsidiaries (the "Group") as well as the interests in associated companies for the six months ended 30 June 2011.

The principal activities of the Group are described in Section 6 of the 2010 Reference Document.

The Board of Directors met on 27 July 2011 to approve the Financial Statements.

## 3.2 Basis of preparation and accounting policies

### 3.2.1 BASIS OF PREPARATION

The Group's Financial Statements for the six months ended 30 June 2011 have been prepared in accordance with IAS 34 "Interim Financial Reporting" and with applicable standards adopted by the European Union as at 30 June 2011 ([http://ec.europa.eu/internal\\_market/accounting/ias/index\\_en.htm](http://ec.europa.eu/internal_market/accounting/ias/index_en.htm)).

The Group's Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2010 included in section 20.1 of the 2010 Reference Document. The accounting policies, principles and methods applied in the preparation of the Financial Statements are consistent with those applied for the consolidated financial statements for the year ended 31 December 2010 unless otherwise stated.

Certain reclassifications and revisions have been made to prior year financial information to conform to the presentation within the financial statements.

The Group's consolidated financial statements are presented in Euros (EUR) and all values are rounded to the nearest EUR million except where stated otherwise. The other key currencies in which the Group conducts business and the exchange rates used for the preparation of the Financial Statements are as follows:

	Average	Closing
<b>USD</b>	0.702850	0.691898
<b>GBP</b>	1.140323	1.107972
<b>CAD</b>	0.722711	0.716795

### 3.2.2 IFRS STANDARDS EFFECTIVE DURING THE PERIOD AND IFRS STANDARDS PUBLISHED BUT NOT YET EFFECTIVE

The Group has adopted the following new and amended International Financial Reporting Standard and interpretations as adopted by the European Union applicable within 2011:

Amendment to IAS 32 – Financial instruments: presentation, "Classification of Rights Issue" issued in

October 2009, for annual periods beginning on or after 1 February 2011, requires rights issues within the scope of the amendment to be classified as equity. The scope is quite narrow and applies only to pro-rata rights issues to all existing shareholders in a class. The application of this Amendment has not resulted in any material impact on the Group's consolidated financial statements.

Amendment to IAS 24 – Related party transactions, issued in November 2009 aims to simplify the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. In addition, it provides a partial exemption from the disclosure requirement for government-related entities. The application of this Amendment has not resulted in any material impact on the Group's consolidated financial statements.

Amendments to IFRIC 14 – Prepayments of a minimum funding requirement interpretation issued in November 2009 sought to remove an unintended consequence arising from the treatment of prepayments in some circumstances when there is a minimum funding requirement. The application of this Amendment has not resulted in any material impact on the Group's consolidated financial statements.

Amendment to IFRIC 19 – Extinguishing financial liabilities with equity instruments issued in November 2009 clarified the treatment of debt equity extinguishments to enhance consistency between entities. An entity is now required to initially measure equity instruments issued to a creditor to extinguish all or part of a financial liability at the fair value of the equity instruments issued or the fair value of the liability extinguished, whichever is more reliably determinable. The difference between the carrying amount of the financial liability extinguished and the initial measurement amount of the equity instruments issued is recognised in profit or loss. The application of this Amendment has not resulted in any material impact on the Group's consolidated financial statements.

The improvements to International Financial Reporting Standards published in May 2010 and applicable in part for annual periods beginning on or after 1 July 2010, comprise non-urgent, minor amendments to International Financial Reporting Standards. They are presented in a single document rather than as a series



of isolated changes. They include both amendments that result in accounting changes for presentation, recognition or measurement purposes, and amendments that are terminology or editorial changes only, expected to have no or minimal effect on accounting. Following EU endorsement on 18 February 2011, the application of these amendments has not resulted in any material impact on the Group's consolidated financial statements.

The following standards have been issued by International Financial Reporting Standards Board during the period but are not yet effective or have not been adopted by the European Union:

Amendments to IAS 19 – Employee Benefits were issued in June 2011, which make significant changes

to the recognition and measurement of defined benefit pension expense and termination benefits, and to disclosures for all employee benefit plans. The Group has not yet assessed the impact of these amendments. These amendments are applicable for annual periods beginning on or after 1 January 2013, with earlier adoption permitted.

Amendment to IAS 1 – Presentation of Financial Statements was issued in June 2011 and requires entities to separate items presented in Other Comprehensive Income into two groups based on whether or not they are able to be recycled to profit or loss in the future. The application of this amendment is not expected to have a material impact on the Group's consolidated financial statements.

### 3.3 Sale of US Fixed Annuity Business

On 16 February 2011, the Group entered into an agreement to sell its US Fixed Annuity business through the sale of its wholly owned subsidiary Investors Insurance Corporation to Athene Holding Ltd. Investors Insurance Corporation is including in the SCOR Global Life operating segment. With this sale SCOR will substantially exit the Fixed Annuity business. The disposal of Investors Insurance Corporation was completed on 18 July 2011, see section 3.9 Subsequent events for further details. The US fixed

annuity business has been classified as held for sale, in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. The results for the period comprise of an operating loss of EUR 0.2 million and a loss due to the fair value remeasurement of the business of EUR 7.6 million, and are reported in other income from reinsurance operations. The major classes of assets and liabilities of Investors Insurance Corporation, are as follows:

As at 30 June 2011	
In EUR million	
<b>Assets</b>	
Insurance business investments	946
Deferred acquisition costs	95
Other assets	83
Cash and cash equivalents	43
<b>Total assets classified as held for sale</b>	<b>1,167</b>
<b>Liabilities</b>	
Contract liabilities	1,098
Other liabilities	19
<b>Total liabilities directly associated with assets classified as held for sale</b>	<b>1,117</b>

## 3.4 Segment information

The primary activities of the Group are described in Section 6 of the 2010 Reference Document.

For management purposes, the Group's operations are organised into the following two business segments: SCOR Global P&C which refers to the activities included in and under the responsibility of the management of the SCOR Global P&C Division (also referred to as "Non-Life") and SCOR Global Life which refers to all operations included in and under the responsibility of the SCOR Global Life Division (also referred to as "Life"). The Group underwrites different types of risks for each segment and responsibilities and reporting within the Group are established on the basis of this structure.

Each segment offers different products and services which are marketed via separate channels. The SCOR Global P&C segment offers four product groups being: Property and Casualty Treaties; Specialty Treaties (including Credit & Surety, Ten-Year Inherent Defects Insurance, Aviation, Space, Marine, Engineering, Agriculture and Structured Risk Transfer); Business Solutions (facultative); and Joint Venture and Partnerships.

The SCOR Global Life division offers products for: Life (treaties with mainly mortality risks); Financing reinsurance; Critical illness; Disability; Long term care; Annuities; Health; and Personal accident.

During the period the cost allocation methodology of the Group was refined in the preparation of segment information, resulting in a new reporting unit being created, Group Functions. Group Functions is not a reportable operating segment and does not generate revenues. The costs in Group Functions are Group related costs that are not directly attributable to either the Non-Life or Life segments. The Group Functions costs are included in the subsequent table in which prior year amounts have been adjusted in accordance with IFRS 8 for comparative purposes.

Management reviews the operating results of the SCOR Global P&C and Life segments individually for the purpose of assessing the operational performance of the business and to allocate resources. No operating segments have been aggregated to form the SCOR Global P&C and Life reportable operating segments.

## 3.4.1 OPERATING SEGMENTS

The following tables set forth the operating income for each of the Group's business segments as well as certain assets and liabilities for the six month periods ended 30 June 2011 and 30 June 2010.

In EUR million	30 June 2011					For the six months ended 30 June 2010				
	SCOR Global Life	SCOR Global P&C	Group Function s	Adjustmen ts and elimin- ations <sup>(1)</sup>	Total	SCOR Global Life	SCOR Global P&C	Group Function s	Adjustme nts and elimin- ations <sup>(1)</sup>	Total
Gross written premiums	1,456	1,944	-	-	3,400	1,494	1,764	-	-	3,258
Change in unearned premiums	(21)	(130)	-	-	(151)	1	(82)	-	-	(81)
<b>Gross earned premiums</b>	<b>1,435</b>	<b>1,814</b>	<b>-</b>	<b>-</b>	<b>3,249</b>	<b>1,495</b>	<b>1,682</b>	<b>-</b>	<b>-</b>	<b>3,177</b>
Gross benefits and claims paid	(1,023)	(1,554)	-	(1)	(2,578)	(1,141)	(1,202)	-	4	(2,339)
Gross commission expense	(370)	(380)	-	-	(750)	(378)	(340)	-	-	(718)
<b>GROSS TECHNICAL RESULT</b>	<b>42</b>	<b>(120)</b>	<b>-</b>	<b>(1)</b>	<b>(79)</b>	<b>(24)</b>	<b>140</b>	<b>-</b>	<b>4</b>	<b>120</b>
Ceded gross written premiums	(115)	(201)	-	-	(316)	(140)	(142)	-	-	(282)
Change in ceded unearned premiums	(1)	35	-	-	34	-	18	-	-	18
<b>Ceded earned premiums</b>	<b>(116)</b>	<b>(166)</b>	<b>-</b>	<b>-</b>	<b>(282)</b>	<b>(140)</b>	<b>(124)</b>	<b>-</b>	<b>-</b>	<b>(264)</b>
Ceded claims	82	164	-	1	247	78	41	-	-	119
Ceded commissions	41	14	-	-	55	55	6	-	-	61
<b>Net income from reinsurance operations</b>	<b>7</b>	<b>12</b>	<b>-</b>	<b>1</b>	<b>20</b>	<b>(7)</b>	<b>(77)</b>	<b>-</b>	<b>-</b>	<b>(84)</b>
<b>NET TECHNICAL RESULT</b>	<b>49</b>	<b>(108)</b>	<b>-</b>	<b>-</b>	<b>(59)</b>	<b>(31)</b>	<b>63</b>	<b>-</b>	<b>4</b>	<b>36</b>
<b>Other operating revenues</b>	<b>(22)</b>	<b>(8)</b>	<b>-</b>	<b>(2)</b>	<b>(32)</b>	<b>-</b>	<b>(8)</b>	<b>-</b>	<b>(2)</b>	<b>(10)</b>
Investment revenues	48	129	-	2	179	81	121	-	(10)	192
Interests on deposits	76	16	-	0	92	92	15	-	-	107
Realised capital gains/(losses) on investments	16	68	-	1	85	20	90	-	(2)	108
Change in fair value of investments	(3)	4	-	1	2	1	(2)	-	-	(1)
Change in investment impairment	(1)	-	-	-	(1)	(19)	(33)	-	-	(52)
Foreign exchange gains/(losses)	(3)	4	-	-	1	5	(2)	-	-	3
<b>Net investment income</b>	<b>133</b>	<b>221</b>	<b>-</b>	<b>4</b>	<b>358</b>	<b>180</b>	<b>189</b>	<b>-</b>	<b>(12)</b>	<b>357</b>
Investment management expenses	(3)	(6)	(3)	-	(12)	(3)	(6)	(2)	(5)	(16)
Acquisition and administrative expenses	(45)	(82)	(6)	-	(133)	(46)	(78)	(7)	15	(116)
Other current operating expenses	(17)	(17)	(34)	(1)	(69)	(13)	(16)	(30)	(4)	(63)
Other current operating income	-	-	-	-	-	-	-	-	-	-
<b>CURRENT OPERATING RESULTS</b>	<b>95</b>	<b>-</b>	<b>(43)</b>	<b>1</b>	<b>53</b>	<b>87</b>	<b>144</b>	<b>(39)</b>	<b>(4)</b>	<b>188</b>
Other operating expenses	-	(8)	-	-	(8)	-	(5)	-	-	(5)
Other operating income	-	-	-	-	-	-	-	-	-	-
<b>OPERATING RESULTS</b>	<b>95</b>	<b>(8)</b>	<b>(43)</b>	<b>1</b>	<b>45</b>	<b>87</b>	<b>139</b>	<b>(39)</b>	<b>(4)</b>	<b>183</b>

(1) Inter-segment recharges of expenses are eliminated on consolidation. The net combined ratio and life operating margin calculations changed compared to the 2010 publications due to new expense methodology.

**3.4.2 GROSS WRITTEN PREMIUMS BY GEOGRAPHIC REGION**

The gross written premiums by geographic region based on the location of the ceding company, are as follows:

In EUR million	Six months ended 30 June			
	SCOR Global Life		SCOR Global P&C	
	2011	2010	2011	2010
<b>Gross written premiums</b>	<b>1,456</b>	<b>1,494</b>	<b>1,944</b>	<b>1,764</b>
Europe	850	840	1,021	951
Americas	376	441	455	415
Asia Pacific / Rest of world	230	213	468	398

**3.4.3 ASSETS AND LIABILITIES SEGMENTS**

Key balance sheet captions<sup>(1)</sup> by segment are estimated as follows:

In EUR million	As at 30 June 2011			As at 31 December 2010		
	SCOR Global Life <sup>(2)</sup>	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Goodwill	45	743	788	45	743	788
Value of business acquired	492	-	492	521	-	521
Insurance business investments	7,376	10,415	17,791	8,950	10,921	19,871
Cash and cash equivalents	685	1,416	2,101	320	687	1,007
Share of retrocessionaires in insurance and investment contract liabilities	605	593	1,198	653	461	1,114
<b>Total assets</b>	<b>10,981</b>	<b>16,887</b>	<b>27,868</b>	<b>12,602</b>	<b>16,120</b>	<b>28,722</b>
<b>Contract liabilities</b>	<b>(9,395)</b>	<b>(11,572)</b>	<b>(20,967)</b>	<b>(10,796)</b>	<b>(11,161)</b>	<b>(21,957)</b>

(1) Amounts presented above represent specific balance sheet line items reviewed at the segment level, as such some balance sheet items are excluded from this table.

(2) The balances above for 2011 exclude the assets classified as held for sale, see section 3.3.

**3.4.4 CASH FLOW BY SEGMENT**

Operating cash flows, by segment, are disclosed on the face of the cash flow statement.

## 3.5 Other financial assets and financial liabilities

The insurance business investments of the Group can be analysed as follows:

### 3.5.1 ANALYSIS BY FINANCIAL INVESTMENT CATEGORY

In EUR million	Net book value as at <sup>(1)</sup>	
	30 June 2011	31 December 2010
<b>Real estate investments</b>	<b>518</b>	<b>378</b>
Equities	1,288	1,273
Fixed income	8,073	10,188
<b>Available-for-sale investments</b>	<b>9,361</b>	<b>11,461</b>
Equities	31	31
Fixed income	40	9
<b>Investments at fair value through income– designated upon initial recognition</b>	<b>71</b>	<b>40</b>
<b>Loans and receivables</b>	<b>7,733</b>	<b>7,898</b>
<b>Derivative instruments <sup>(2)</sup></b>	<b>108</b>	<b>94</b>
<b>TOTAL INSURANCE BUSINESS INVESTMENTS</b>	<b>17,791</b>	<b>19,871</b>

(1) Net book value is equal to fair value except for real estate investments and certain loans and receivable as detailed in Section 20.1.6 – Notes to the consolidated financial statements, Note 5 and Note 7, respectively in the 2010 Reference Document.

(2) Liabilities of EUR 25 million arising from derivative financial instruments are disclosed in the liability section of the consolidated balance sheet (2010: EUR 8 million).

### 3.5.2 VALUATION METHODS

Analysis of insurance business investments carried at fair value by valuation method:

In EUR millions	Investments and cash as at 30 June 2011					Cost or amortised cost
	Total	Level 1	Level 2	Level 3		
<b>Real estate</b>	<b>518</b>					<b>518</b>
Equities	1,288	1,009	197	-		82
Fixed income	8,073	7,262	802	9		-
<b>Available-for-sale investments</b>	<b>9,361</b>	<b>8,271</b>	<b>999</b>	<b>9</b>		<b>82</b>
Equities	31	1	30	-		-
Fixed income	40	10	30	-		-
<b>Investments at fair value through income</b>	<b>71</b>	<b>11</b>	<b>60</b>	<b>-</b>		<b>-</b>
<b>Loans and receivables</b>	<b>7,733</b>	<b>268</b>	<b>-</b>	<b>-</b>		<b>7,465</b>
<b>Derivative instruments - assets</b>	<b>108</b>	<b>-</b>	<b>56</b>	<b>52</b>		<b>-</b>
<b>Total insurance business investments</b>	<b>17,791</b>	<b>8,550</b>	<b>1,115</b>	<b>61</b>		<b>8,065</b>
<b>Cash and equivalents</b>	<b>2,101</b>	<b>2,101</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Investments and cash as at 30 June 2011</b>	<b>19,892</b>	<b>10,651</b>	<b>1,115</b>	<b>61</b>		<b>8,065</b>
<b>Percentage</b>	<b>100%</b>	<b>53%</b>	<b>6%</b>	<b>0%</b>		<b>41%</b>

In EUR million	Investments and cash as at 31 December 2010				
	Total	Level 1	Level 2	Level 3	Cost or amortised cost
<b>Real estate</b>	<b>378</b>	-	-	-	<b>378</b>
Equities	1,273	1,025	161	-	87
Fixed income	10,188	9,048	1,126	14	-
<b>Available-for-sale investments</b>	<b>11,461</b>	<b>10,073</b>	<b>1,287</b>	<b>14</b>	<b>87</b>
Equities	31	1	30	-	-
Fixed income	9	9	-	-	-
<b>Investments at fair value through income</b>	<b>40</b>	<b>10</b>	<b>30</b>	-	-
<b>Loans and receivables</b>	<b>7,898</b>	<b>259</b>	-	-	<b>7,639</b>
<b>Derivative instruments - assets</b>	<b>94</b>	-	<b>33</b>	<b>61</b>	-
<b>Total insurance business investments</b>	<b>19,871</b>	<b>10,342</b>	<b>1,350</b>	<b>75</b>	<b>8,104</b>
<b>Cash and equivalents</b>	<b>1,007</b>	<b>1,007</b>	-	-	-
<b>Investments and cash as at 31 December 2010</b>	<b>20,878</b>	<b>11,349</b>	<b>1,350</b>	<b>75</b>	<b>8,104</b>
<b>Percentage</b>	<b>100%</b>	<b>55%</b>	<b>6%</b>	<b>0%</b>	<b>39%</b>

Fair value of a financial instrument is defined by IAS 39 as the amount for which a financial asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Financial instruments measured at fair value are categorized in accordance with the fair value hierarchy.

The level in which an investment is categorised within the three-level hierarchy is determined on the basis of the lowest level of input that is significant to the fair value measurement of that instrument. The significance of an input is therefore assessed against the fair value measurement in its entirety. Assessing the significance of a particular input into the fair value measurement requires judgment, considering factors specific to the instrument.

#### Level 1: Investments at fair value based on prices published in an active market

Included within this category are financial investments that are measured by direct reference to published quotes within an active market. Financial instruments are included within this category if quoted prices or rates represent actual and regularly occurring transactions that are available from an exchange, dealer or broker. These primarily comprise of listed equities, most government, covered and agency bonds as well as short term investments.

#### Level 2: Investments at fair value determined using valuation techniques based on observable market data

The Group has certain investments which are valued based on observable market inputs as well as models prepared by external third parties using market inputs. These are primarily comprised of structured products, other than agencies for which the market is considered active, private placements, inflation linked government assimilated bonds and specific alternative investments. Similarly, the Group values certain derivative investments, namely the mortality and real estate swaps and S&P options, using internal valuation techniques based on observable market inputs.

#### Level 3: Investments at fair value determined using valuation technique not (or partially) based on market data

Included within this category are those instruments whose fair value is not based on observable market inputs. These instruments are neither supported by prices from observable current market transactions in the same instrument, nor are they based on available market data. The main asset class within Level 3 fair value measurement category as at 30 June 2011 consist of derivative instruments primarily relating to the Atlas catastrophe agreements.

#### Transfers and classification of investments

The movement in Level 3 investments since 31 December 2010 is mainly due to foreign exchange impacts and the amortization of Atlas vehicles. During the six-month period ended 30 June 2011, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

**Available-for-sale investments measured at cost**

Available for sale investments included approximately EUR 82 million which are measured at cost (2010: EUR 87 million). These investments include primarily unlisted equity securities as well as real estate funds. During the period, there were no material gains or losses realised on the disposal of available for sale investments which were previously carried at cost.

**3.5.3 UNREALISED LOSSES AND IMPAIRMENT – EQUITY SECURITIES**

The Group analyses its unrealised losses on equity securities as follows:

In EUR million	As at 30 June 2011			Total
	Duration of decline in months			
Magnitude of decline	< 12	12-18	> 18	
31-40%	(2)	(4)	-	(6)
41-50%	-	(2)	-	(2)
≥ 51%	-	-	-	-
<b>Total unrealised losses on available-for-sale equity securities analysed on a line-by-line basis</b>	<b>(2)</b>	<b>(6)</b>	<b>-</b>	<b>(8)</b>
Unrealised losses < 30%	-	-	-	(60)
Unrealised gains and other <sup>(1)</sup>	-	-	-	11
<b>Net unrealised loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(57)</b>

In EUR million	As at 31 December 2010			Total
	Duration of decline in months			
Magnitude of decline	< 12	12-18	> 18	
31-40%	(4)	-	-	(4)
41-50%	-	-	-	-
≥ 51%	-	-	-	-
<b>Total unrealised losses on available-for-sale equity securities analysed on a line-by-line basis</b>	<b>(4)</b>	<b>-</b>	<b>-</b>	<b>(4)</b>
Unrealised losses < 30%	-	-	-	(49)
Unrealised gains and other <sup>(1)</sup>	-	-	-	51
<b>Net unrealised loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2)</b>

(1) Other also includes investments in shares of funds and one listed investment with an unrealised loss of EUR 8 million (2010: EUR 9 million) judged not impaired given the strategic nature of the investment.

**Impairment**

The Group recorded equity impairment expense of EUR 5 million for the six months period ended 30 June 2011 in accordance with its impairment policies as defined in the 2010 Reference Document (2010: EUR 31 million for the equivalent period). The Group did not record any foreign exchange loss on securities impaired over the period (2010: EUR 13 million for the equivalent period).



**3.5.4 UNREALISED LOSSES AND IMPAIRMENT – FIXED INCOME SECURITIES**

The following table summarises the fixed income securities and unrealised losses by class of fixed income security:

In EUR million	As at 30 June 2011		As at 31 December 2010	
	Book value	Net unrealised gains / (losses)	Book value	Net unrealised gain / (losses)
Government bonds	3'792	20	4,853	38
Corporate bonds	1'592	(15)	3,934	64
Structured products	2'689	33	1,401	(4)
<b>Total available-for-sale fixed income securities</b>	<b>8'073</b>	<b>38</b>	<b>10,188</b>	<b>98</b>

**Impairment**

The Group recorded fixed income impairment reversals of EUR 8 million for the six months ended 30 June 2011 in accordance with its impairment policies as defined in the 2010 Reference Document (2010: EUR 15 million allowance for the equivalent period).

**3.5.5 CREDIT RATINGS – FIXED INCOME SECURITIES**

An analysis of the credit ratings of fixed income securities is as follows:

In EUR million	AAA	AA	A	BBB	< BBB	Not rated	Total
<b>As at 30 June 2011</b>							
Available-for-sale	4,832	698	1,386	818	258	81	8,073
Fair value through income	-	30	9	-	-	1	40
<b>Total fixed income securities as at 30 June 2011</b>	<b>4,832</b>	<b>728</b>	<b>1,395</b>	<b>818</b>	<b>258</b>	<b>82</b>	<b>8,113</b>
<b>As at 31 December 2010</b>							
Available-for-sale	6,042	838	1,717	1,093	302	196	10,188
Fair value through income	-	9	-	-	-	-	9
<b>Total fixed income securities as at 31 December 2010</b>	<b>6,042</b>	<b>847</b>	<b>1,717</b>	<b>1,093</b>	<b>302</b>	<b>196</b>	<b>10,197</b>

The decrease in the value of fixed income securities is driven by the reclassification of EUR 946 million of fixed income securities to the held for sale category due to the sale of the US Fixed annuity business (refer to section 3.3). Additionally, there were significant net sales due to SCOR Global Investments' active portfolio management, which generated net realised gains and provided cash to finance planned building acquisitions and the purchase of Transamerica Re.

**3.5.6 FINANCIAL DEBT**

The following table sets out an overview of the debt issued by the Group:

In EUR million	Maturity	As at 30 June 2011 Net book value	As at 31 December 2010 Net book value
<b>Subordinated debt</b>			
USD 100 million	06/06/2029	69	74
EUR 100 million	05/07/2020	94	94
EUR 50 million	Perpetual	50	50
EUR 350 million	Perpetual	270	261
CHF 650 million	Perpetual	543	-
<b>Total subordinated debt</b>		<b>1,026</b>	<b>479</b>
<b>Other financial debt</b>			
Financial leases		-	2
Other		263	194
<b>Total other financial debt</b>		<b>263</b>	<b>196</b>
<b>TOTAL FINANCIAL DEBT</b>		<b>1,289</b>	<b>675</b>

**3.5.7 FINANCIAL DEBT AND CAPITAL MANAGEMENT****Contingent Capital Arrangement**

On 1 January 2011, SCOR's contingent capital arrangement program with UBS became effective. SCOR issued 9,521,424 warrants to UBS (each warrant commits UBS to subscribe for two new SCOR shares). The issuance of the shares will be automatically triggered when the aggregated amount of the estimated ultimate net losses resulting from natural catastrophes incurred by the Group (in its capacity as an insurer/reinsurer) reaches certain thresholds in any given calendar year between 1 January 2011 and 31 December 2013 or SCOR's share price drops below EUR 10. Under the transaction, SCOR will benefit from a contingent capital equity line for a maximum amount of EUR 150 million (including issuance premium), which depending on the level of ultimate net losses will either be available in full or in two separate tranches of EUR 75 million each (including issuance premium). In the absence of any triggering event, no shares will be issued under the facility. The annual fee for the facility is EUR 3 million. On 5 July 2011, SCOR notified UBS that it had triggered the conversion of the contingent capital equity line due to the level of natural catastrophe losses, see section 3.9.

**Placement of CHF 650 million perpetual subordinated debt**

On 2 February 2011, SCOR issued CHF 400 million fixed rate perpetual subordinated notes with a first call date of 2 August 2016. The notes are classified as a financial debt.

SCOR has entered into a cross-currency swap which exchanges the principal into EUR and exchanges the

coupon on the notes to 6.98% and matures on 2 August 2016.

On 11 May 2011, SCOR reopened its existing CHF perpetual subordinated notes placement by issuing an additional amount of CHF 225 million. The placement was increased to CHF 250 million at the settlement date of 3 June 2011, given the market appetite. The notes rank pari-passu to those issued on 2 February 2011. The conditions and the accounting treatment are similar to the first placement.

SCOR has entered into a cross-currency swap which exchanges the principal into EUR and exchanges the coupon on the notes to 6.93% and matures on 2 August 2016.

**2010 Dividend Paid**

SCOR's Combined General Meeting of 4 May 2011 resolved to distribute, for the 2010 fiscal year, a dividend of one euro and ten cents (EUR 1.10) per share, being an aggregate amount of dividend paid of EUR 201 million, calculated on the basis of the number of shares eligible for dividend as of the payment date.

The ex-dividend date was 25 May 2011 and the dividend was paid on 30 May 2011.

## 3.6 Tax

For the six months ended 30 June 2011 Corporate income tax was an income of EUR 25 million, compared to a charge of EUR 9 million for the same period in 2010. The improvement of EUR 34 million is due to a substantial reduction in pre-tax income from EUR 165 million in 2010 to EUR 15 million in 2011 as well as a series of one-off impacts in both years.

Non-recurring net benefits totalling EUR 10.4 million in the six months ended 30 June 2011 were mainly due

to the reactivation of deferred tax assets in the US and Swiss operations, compared to EUR 29 million of deferred tax benefit in 2010, driven by an internal restructuring of operations within the US.

2011 also benefited from a favourable geographical tax rate mix, whereby the impact of Catastrophe losses were mainly incurred in jurisdictions with higher tax rates.

## 3.7 Earnings per share

Basic and diluted earnings per share are calculated as follows for the six month period ended 30 June 2011 and 2010.

In EUR million	At 30 June 2011			At 30 June 2010		
	Net income (numerator)	Shares <sup>(1)</sup> (denominator) (thousands)	Net income per share (EUR)	Net income (numerator)	Shares <sup>(1)</sup> (denominator) (thousands)	Net income per share (EUR)
<b>Basic earnings per share</b>						
Net income attributable to ordinary shareholders	40	181,900	0.22	156	178,964	0.87
<b>Diluted earnings per share</b>						
Dilutive effects:						
Stock options and share-based compensation	-	3,860	-	-	4,232	-
Net income attributable to ordinary shareholders and estimated conversions	40	185,760	0.21	156	183,196	0.85

(1) Average number of shares during the period, excluding treasury shares

## 3.8 Litigation matters

The Group describes the litigation matters in more detail in section 20.1.6.27 of the Reference Document.

During the six months ended 30 June 2011 there were no material changes to the litigation matters as

described in the Reference Document, or new litigation matter, which had a significant impact on the financial position or on the performance of SCOR during this time period.

## 3.9 Subsequent events

### Acquisition of a building in Paris

On 1 July 2011, SCOR finalised the purchase of a company whose primary asset is a building. This transaction should result in an increase of the Group's fixed assets of EUR 344.2 million, and financial debts of EUR 170 million in the third quarter 2011.

### Acquisition of a building in London

On 6 July 2011, SCOR finalised the purchase of a company whose primary asset is a building located in London. This transaction should result in an increase of the Group's fixed assets of EUR 53 million (GBP 47 million) in the third quarter 2011.

### Closing of the sale of US Fixed Annuity Business

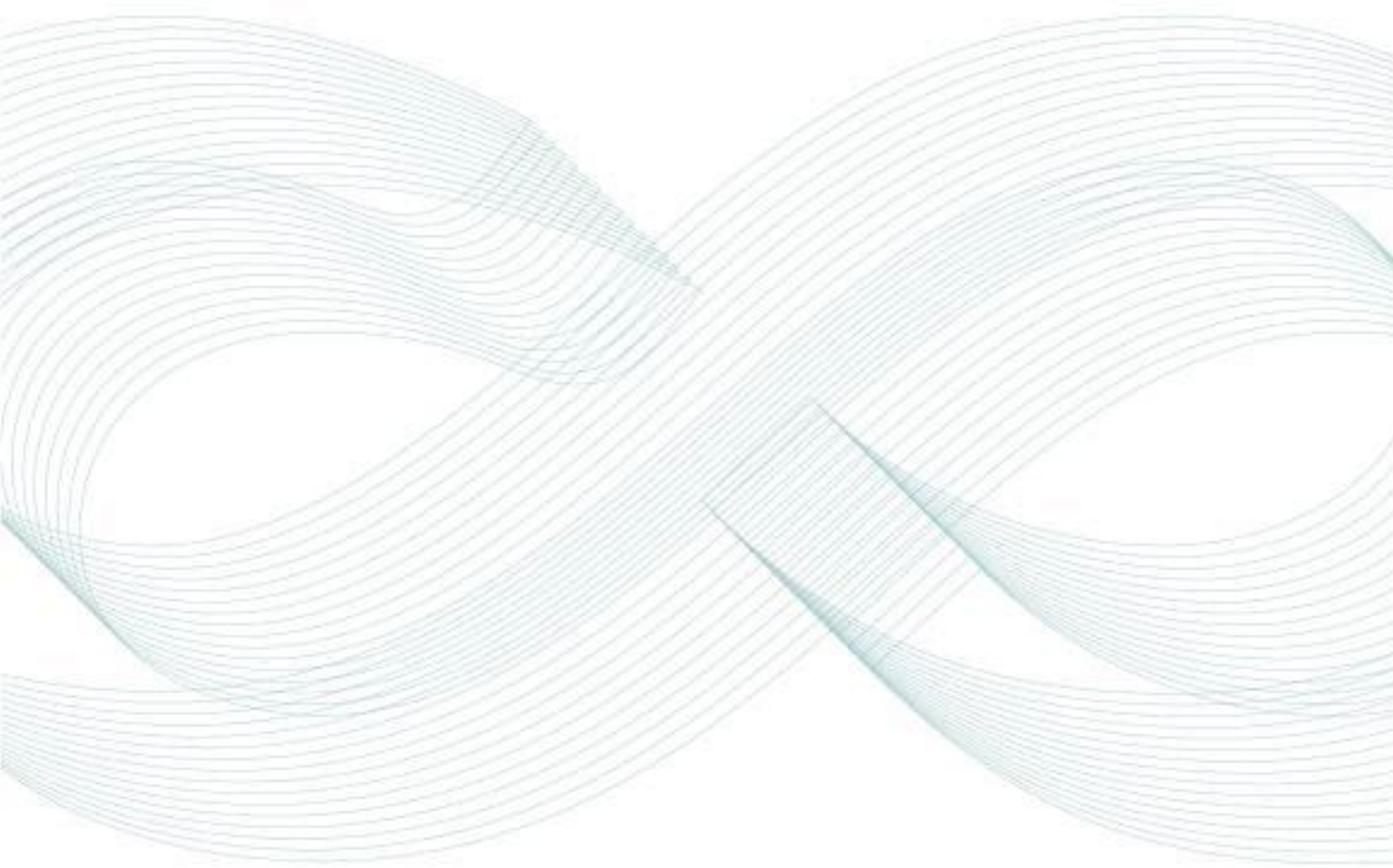
On 18 July 2011, SCOR completed the sale of its US fixed annuity business through the sale of its wholly owned subsidiary Investors Insurance Corporation. As a result of the sale, SCOR has recognized a loss of EUR 7.6 million after-tax for consideration of USD 55 million received.

### Contingent Capital

On 5 July 2011, SCOR issued a EUR 75 million drawdown notice under the contingent capital facility. Based on the information received regarding the exceptional year to date natural catastrophe events, SCOR reached the threshold for activating the contingent capital. UBS exercised the number of warrants required for the issuance and subscription by it of new SCOR shares in an aggregate amount of EUR 75 million and informed SCOR that it had placed the corresponding shares with investors in a private placement.

SCOR issued 4,250,962 new ordinary shares on 11 July 2011 at an issuance price of EUR 17.643 per share (the exercise price of the warrants). These shares have been subscribed in full by UBS. Had the warrants been exercised in Q2 2011, the impact on earnings per share would have been a dilution of 2.3% per share.

This page is intentionally left blank



# Statutory auditors' Review report

This is a free translation into English of the statutory auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting and in accordance with article L. 451-1-2 III of the French monetary and financial code (Code Monétaire et Financier), we hereby report to you on:

- our review of the accompanying condensed half-yearly consolidated financial statements of SCOR SE, for the period from January 1 to June 30, 2011, and
- the verification of the information contained in the interim management report.

These condensed half-yearly consolidated financial statements are the responsibility of the board of directors in an economical and financial crisis context defined by high volatility on active financial markets, reduction of transactions on inactive financial markets and lack of visibility on economic future environment, which already prevailed at December 31, 2010, as described in notes 1.3 and 1.8 of the interim condensed financial report. Our role is to express a conclusion on these financial statements based on our review.

## 1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that the financial statements, taken as a whole, are free from material misstatements, as we would not become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that these condensed half-yearly consolidated financial statements are not prepared in all material respects in accordance with IAS 34 – IFRS as adopted by the European Union applicable to interim financial information.

## 2. Specific verification

We have also verified the information provided in the interim management report in respect of the condensed half-yearly consolidated financial statements that were the object of our review.

We have no matters to report on the fairness and consistency of this information with the condensed half-yearly consolidated financial statements.

La Défense, July 27, 2011

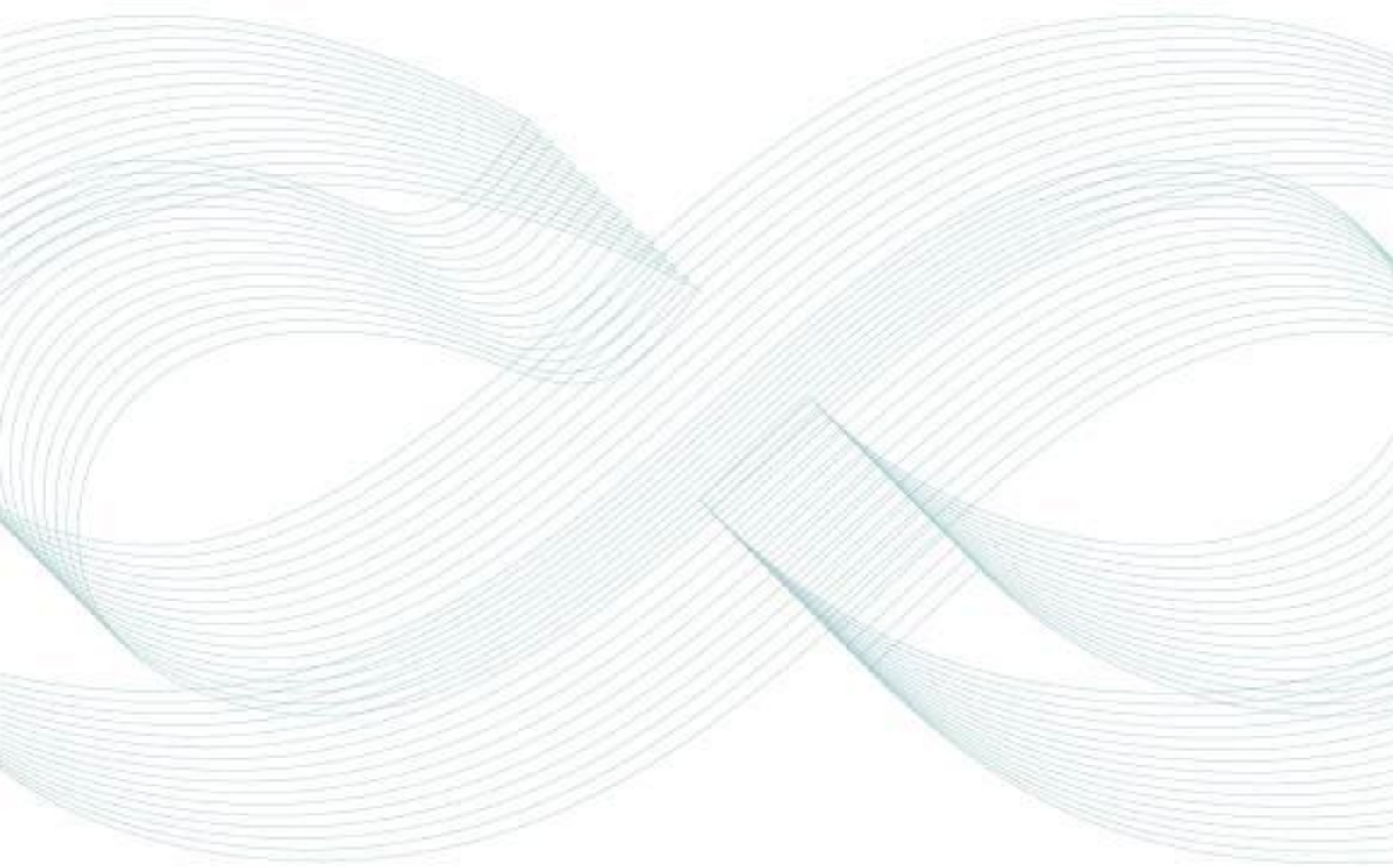
The statutory auditors  
*French original signed by*

MAZARS

Michel Barbet-Massin Antoine Esquieu

ERNST & YOUNG Audit

Guillaume Fontaine



Statement by  
the person  
responsible for  
the interim  
financial report



I declare that, to the best of my knowledge, the condensed half-year consolidated financial statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company and of all consolidated companies, and that the business review presented on pages 4 to 9 gives a true and fair view of the significant developments during the period and their impact on the financial statements, of the main related party transactions as well as a description of the main risks and uncertainties faced by all of these entities for the six remaining months of the fiscal year.

Paris-La Défense, 27 July 2011

Denis Kessler

---

**Chairman and Chief Executive Officer**

This page is intentionally left blank



**SCOR**

Societas Europaea  
EUR 1,478,740,032.00  
RCS Nanterre B 562 033 357

**Headquarters**

1, avenue du Général de Gaulle  
92800 Puteaux  
France

**Postal address**

1, avenue du Général de Gaulle  
92074 Paris La Défense Cedex  
France

**Telephone** : +33 (0) 1 46 98 70 00  
**Fax** : +33 (0) 1 47 67 04 09

