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N° 30 – 2012

SCOR records net income of EUR 318 million for the first nine months of 2012, confirming the strength of its business model

SCOR overcomes a tough macro environment, delivering a strong performance for the first nine months of 2012 founded on robust and improving operational profitability:

- Gross written premiums from both business engines increase sharply to EUR 7,214 million, up by 13% on a pro forma basis (+33% on a published basis[1]), driven by increased visibility in the industry:
  - high growth of 18.0% for SCOR Global P&C gross written premiums, to EUR 3,517 million;
  - growth of 8.0% on a pro forma basis for SCOR Global Life gross written premiums, to EUR 3,697 million.
- Net combined ratio reaches 93.7%, with SCOR Global P&C exceeding Strong Momentum V1.1 profitability assumptions and confirming ongoing positive trend.
- Life technical margin is 7.3%, with SCOR Global Life continuing to deliver a technical performance in line with Strong Momentum V1.1 assumptions.
- SCOR Global Investments achieves solid returns while maintaining a prudent and defensive strategy (ongoing return on invested assets before equity impairments of 3.4%, and return on invested assets after equity impairments of 2.8%).
- Operating cash flow stands at EUR 556 million, already above its full-year level of 2011.
- The Group continues its cost control policy, with a cost ratio of 5.1%, alongside active investment in the future with more than 25 ongoing projects.
- SCOR delivers a strong net income of EUR 318 million, compared to EUR 228 million in the first nine months of 2011 on a published basis (+39.5%). Consistent ROE stands at 1,045 basis points above the risk-free rate excluding equity impairments (924 basis points including impairments), demonstrating clear capacity to deliver strong results in spite of a challenging environment.
- Shareholders' equity increases to EUR 4,734 million at 30 September 2012, compared to EUR 4,410 million at 31 December 2011, after the distribution of EUR 203 million in dividends for 2011 (EUR 1.10 per share). Book value per share stands at EUR 25.73 at 30 September 2012, compared to EUR 23.83 at 31 December 2011.

[1] For more information on pro forma data (related to the acquisition of Transamerica Re), please refer to page 5 of this press release and page 3 of the financial presentation, available at www.scor.com.

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- SCOR financial leverage stands at 16.3% at 30 September 2012, excluding the CHF 315 million perpetual subordinated placement, as this was closed on October 8, 2012 (the leverage ratio stands at 19.9% including the effect of this placement), with peer group at around 20%[2]. In addition, SCOR actively managed its liabilities, buying back an existing debt for 80% of its EUR 50 million par value.

In spite of a difficult economic and financial environment, SCOR has continued to record robust double-digit growth since the beginning of the year. "Season 3" of the three-year Strong Momentum plan, presented at the beginning of September, reaffirms the Group's ability to achieve the objectives set by its strategic plan, managing to combine growth, profitability and solvency.

This success has been unanimously recognized by industry professionals, who have presented the Group with a large number of prestigious awards that simultaneously reward the quality and performance of SCOR's business model, and the effectiveness of its management.

The excellent conditions of the CHF 315 million perpetual subordinated placement, launched in September and closed on 8 October, also demonstrate the continued acknowledgement of the strengths of SCOR's business model by the financial markets.

Denis Kessler, Chairman and CEO of SCOR, comments: "*The excellent results recorded by the Group for the first nine months of 2012 once again demonstrate the pertinence and robustness of its business model, in spite of a global economic environment that remains at half-mast. SCOR is actively preparing its next renewal campaign in January, being well positioned to continue to progress thanks notably to its series of rating upgrades in 2012. A very strict and consistent enterprise risk management policy will continue to support the Group's strong growth ability, providing highly efficient protection against the main risks faced, in a financial and economic environment that remains particularly uncertain"*.

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In the first 9 months of 2012, SCOR Global P&C (SGPC) continues to deliver high growth, coupled with technical profitability above the objectives of the Strong Momentum V1.1 plan.

SGPC records good performances in the first nine months of 2012, with gross written premiums rising by +18.0% (+11.5% at constant exchange rates) to EUR 3,517 million, compared to EUR 2,981 million in the first nine months of 2011. This robust growth, fuelled by strong renewals (2011 July renewals and 2012 January, April and July renewals), confirm the assumptions of 9% growth per annum of SGPC premiums, as set out in the strategic plan.

SGPC records an excellent combined ratio of 93.7% thanks to:

- A consistent net attritional loss ratio, in line with the 60% strategic plan assumption, in spite of the EUR 15 million impact from US drought.

[2] See details on page 8 of the financial presentation, available at www.scor.com

- A below-budget Nat Cat net loss ratio of 4.8 points in the first 9 months of 2012. In the third quarter 2012 alone, the Nat Cat net loss ratio stands at 5.4%, including upward revisions of the 2012 earthquakes in Italy (+EUR 27 million) and of the 2011 floods in Thailand (+EUR 18 million, thereby reaching SCOR's maximum loss threshold net of retrocession).

The normalized net combined ratio[3] stands at 94.9% in the first nine months of 2012, i.e. in the low range of the net combined ratio assumption set out in the Strong Momentum V1.1 plan (95-96%).

SCOR Global Life (SGL) continues its positive momentum with a strong and stable technical margin

In the first nine months of 2012, SGL gross written premiums reach EUR 3,697 million, compared to EUR 3,424 million over the same period in 2011, representing an increase of 8.0% (+1.2% at constant exchange rates), supported by the successful integration of ex-TaRe operations. Decreases in the Middle East have been offset by significant increases in SGL business in emerging markets (such as Latin America, Asia/Australia), in Central and Eastern Europe, Canada and the UK/Ireland. In the third quarter alone, gross written premiums increase by 13% compared to the third quarter 2011, notably thanks to strong progress from emerging markets. Furthermore, SGL has a healthy pipeline of business opportunities.

Business has also been supported by double-digit growth in the life financing, critical illness, disability and longevity lines.

SGL's technical margin of 7.3% is strong and in line with the assumptions of the Strong Momentum V1.1 plan and the pro-forma technical margin for the third quarter 2011 (8.1%), which contained 0.7 percentage points of non-recurring items (GMDB run-off portfolio reserve release).

As required by IFRS, SCOR formally finalises in the third quarter 2012 the accounting of the Transamerica Re acquisition. The Gain on bargain purchase ("Badwill") is unchanged from the figure of EUR 126.7 million reported at 31 December 2011.

SCOR Global Investments (SGI) delivers a solid ongoing return on invested assets of 3.4% (excluding equity impairments) for the first nine months of 2012 in a record low-yield environment

In an economic and financial context marked by historically low interest rates in the major currency zones and by a deterioration of all main leading indicators across the globe, SGI maintains a prudent and defensive investment strategy.

The so-called "rollover" strategy, which consists of maintaining a relatively short duration of the fixed income portfolio and generating recurring financial cash flows, whilst actively managing the invested assets portfolio, has been maintained. At 30 September 2012, expected cash flows on the fixed income portfolio over the next 24 months stand at EUR 5.7 billion (including cash and short-term investments), the duration of the fixed income portfolio having been kept relatively short and stable at 2.8 years (excluding cash).

Having identified the risk of sovereign debt as early as 2008, SGI still has no exposure to the sovereign debt of Greece, Ireland, Italy, Portugal or Spain. Throughout the quarter, the equity portfolio has been further reduced by EUR 116 million (-1 point). Over the same period, the invested assets

[3] See definition on page 10 of the financial presentation, available at www.scor.com.

portfolio has been mainly reinvested in covered bonds and agency MBS. The fixed income portfolio (including short-term investments) is of a high quality, with a stable average rating of AA-.

For the first nine months of 2012, the invested assets portfolio generates a financial contribution of EUR 282 million. The active management policy practised by SGI has enabled the Group to record EUR 117 million YTD of realised capital gains. The Group has rigorously applied an unchanged depreciation and impairment policy to its investment portfolio, for a total amount of EUR 69 million YTD, of which EUR 58 million on equities which are NAV neutral.

Excluding equity impairments, the ongoing return on invested assets reaches 3.4% for the first nine months of 2012 (2.8% including equity impairments). Taking account of funds withheld by cedants, the net rate of return on investments is 2.6% over the period.

Invested assets (excluding funds withheld by cedants) stand at EUR 13,525 million at 30 September 2012, composed as follows: 9% cash, 81% fixed income (of which 10% are short-term investments), 4% equities, 4% real estate and 2% other investments. Total investments, including EUR 8,392 million of funds withheld, stand at EUR 21,917 million at 30 September 2012, compared to EUR 21,053 million at 31 December 2011.

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In the 2012 9 months results presentation and in this press release, two sets of financial data are used, published accounts & pro-forma information:

1- <u>Unaudited published 9 months accounts and 3rd quarter accounts</u>

The unaudited published accounts of Q3 2011 did include Transamerica Re figures since it was acquired on 9 August 2011.

<u>2- Unaudited pro-forma information: 9 months information & quarterly information</u>

- Following IFRS 3 guidance, an acquirer shall disclose information that enables users of its financial statements to evaluate the nature and financial impact of business combinations that were effected during the period.

- The unaudited pro-forma financial information as of 30 September 2011 is presented to illustrate the effect on the Group's income statement of the Transamerica Re acquisition as if the acquisition had taken place on 1 January 2011. These illustrative figures are based upon estimates and may not comply with generally accepted accounting principles.

- As a reminder, the disclosure of pro-forma gross written premiums and pro-forma net income for the period ending 31 December 2011 is included in 2011 "*Document de référence*".

P&L Key figures (in EUR millions)

	2012 9 months (unaudited*)	2011 9 months (unaudited*)	Variation (%)	2011 9 months (pro-forma) (unaudited)	Variation (%)
Gross written premiums	7 214	5 421	33.1%	6 405	12.6%
P&C gross written premiums	3 517	2 981	18.0%	2 981	18.0%
Life gross written premiums	3 697	2 440	51.5%	3 424	8.0%
Investment income	411	464	(11.3)%	492	(16.4)%
Operating income	475	279	F	351	F
Net income	318	228	39.5%	280	13.6%
Earnings Per Share (EUR)	1.73	1.25	38.2%	1.53	12.9%
Net income excluding impairments on the equity portfolio	359	251	43.0%	303	18.5%

F: favourable

* The presented Q3 2012 financial results have been subject to a limited review by SCOR's auditors

P&L Key ratios

	2012 9 months (unaudited*)	2011 9 months (unaudited*)	2011 9 months (pro-forma) (unaudited)
Net return on investments[1]	2.6%	3.2%	3.2%
Return on invested assets[1,2]	2.8%	3.8%	3.9%
P&C net combined ratio[3]	93.7%	106.6%	106.6%
Life operating margin[4]	4.9%	6.9%	6.7%
Life technical margin[5]	7.3%	8.4%	8.1%
Group cost ratio[6]	5.1%	5.5%	5.2%
Return on equity (ROE)	9.4%	7.2%	8.8%

1: annualized; 2: excluding funds withheld by cedants; 3: Combined ratio is the sum of the total claims, the total commissions and the total P&C management expenses, divided by the net earned premiums of SGPC; 4: The Life operating margin is the sum of the technical results, the total investment income from SGL and the total SGL expenses, divided by the net earned premium of SGL; 5: The technical margin for SGL is the technical result divided by the net earned premiums of SGL; 6: Cost ratio is the total management expenses divided by the gross written premiums

Balance sheet Key figures (in EUR millions)

	2012 9 months (unaudited*)	**2011 9 months (unaudited*)**	**Variation (%)**
Total investments[1]	21 917	20 525	6.8%
Technical reserves (gross)	23 846	22 659	5.2%
Shareholders' equity	4 734	4 224	12.1%
Book value per share (EUR)	25.73	22.77	13.0%

1: total investment portfolio includes both invested assets and funds withheld by cedants

* The presented Q3 2012 financial results have been subject to a limited review by SCOR's auditors

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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.

Please refer to SCOR's Document de référence filed with the AMF on 8 March 2012 under number D.12-0140 (the "Document de référence"), 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.

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