

SCOR

Presentation of P&C renewals  
at January 1st, 2007

Conference Call  
Monday February 12th, 2007

# Notice

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*Certain statements contained in this presentation are forward-looking statements, of necessity provisional, that are based on risks and uncertainties that could cause actual results, performance or events to differ materially from those in such statements.*

*Additional information regarding risks and uncertainties is set forth in the **2005** annual report of the company.*

*SCOR undertakes no obligation to publicly revise or update any forward-looking statements. These forward-looking statements should not be considered as a forecast of income.*

*This presentation is based on underwriting year data and not calendar year data.*

*Data are at constant foreign exchange rates.*

# Highlights

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- **The renewals were fully in keeping with SCOR's underwriting policy**, which is characterised by its discipline and selectiveness.
- In a competitive environment, where terms & conditions were nevertheless kept at satisfactory levels, the renewals took place **in accordance with the underwriting plan**
- **SCOR benefited from the successive rating upgrades** to an "A" level during the second half and has largely **recovered its shares of business** lost in 2002-2003
- On renewable business for the three non-life divisions (Treaty, Specialties and Business Solutions), **gross written premium volume** recorded an **increase of around 10%** at constant exchange rates compared to 2006
- **SCOR is expanding across practically all of the markets in the Europe zone**, particularly in the United Kingdom and Scandinavia. The zone was up by around 7% in the average.
- **Group business up for renewal in the Asia zone was up by around 22%**
- **The three mainly Treaty-based Specialties** (Credit & Surety, Inherent Defects and Agricultural Risks) **were up by around 18%**

# Renewals were fully in keeping with SCOR's underwriting policy

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- Renewals at 1 January 2007 were conducted in full accordance with the underwriting plan.
- The plan was set in June 2006
- It was then adjusted in the second half of 2006 in accordance with market tendencies, the influence of a limited major claims activity in 2006 and the evolving needs of cedants
- Renewals adhered to the underwriting rules and profitability criteria fixed by the Group, **characterised by discipline and selectiveness**

# Underwriting criteria have been maintained and respected

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**SCOR has ensured that its underwriting conditions are maintained and respected in a competitive environment**

- Cedant retention levels are rising, notably due to the pressure of their budgetary constraints
- The choice of reinsurance is moving towards non-proportional cover.
- Purchase of cover is becoming centralised with the concentration of the primary insurance sector

**→ The Group has deliberately not renewed 3 to 4% of the renewable premium volume, because the terms & conditions did not meet underwriting criteria, or did not correspond to the level of profitability required**

# MATRIX : a successful implementation of a Group pricing tool as part of SCOR's Enterprise Risk Management

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**As part of SCOR's Enterprise Risk management, during the 2007 renewals, SCOR used the MATRIX pricing tool for the vast majority of the markets & lines of business :**

- A unique pricing tool for P&C treaties, implementing comprehensive actuarial models and parameters, validated by Group Risk Control
- Implemented for the most part in 2006, Matrix provides “state-of-the-art” data sharing, security and peer-reviews
- In use throughout the Group, Matrix is key to the Group risk management culture

# SCOR Global P&C is structured around three Units

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**The 2007 renewals are hereby presented in accordance with the organisational structure of SCOR Global P&C as follows:**

- Property & Casualty reinsurance business is based on three main Business Units : Treaty, Specialties and Business Solutions (Facultatives).
- “Specialties” incorporates Credit & Surety, Inherent Defects, Space & Aviation and Agricultural Risks.
- The “Americas” zone now incorporates Latin America, Central America, Mexico, the Caribbean, the United States and Canada.

# Renewed business was up by around 10% at constant exchange rates

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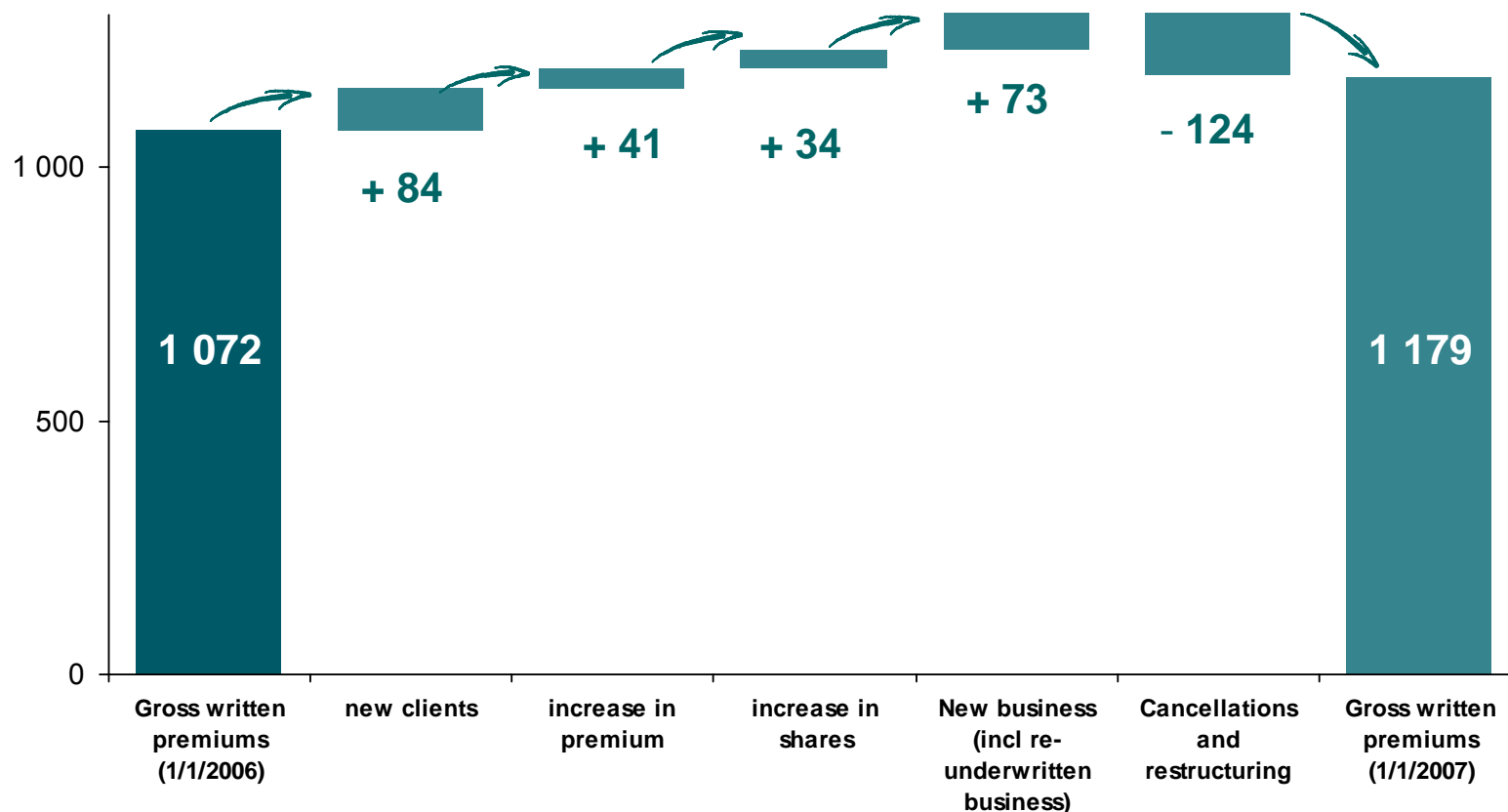
**Renewals of overall renewable business at 1 January 2007 within the three SCOR Global P&C's Units (Treaty, Specialties and Business Solutions) were up by around 10% compared to 1 January 2006 due to :**

- Recapturing shares of business that had been reduced during previous years
- The upgrade of the Group's rating to an "A" level of solvency by AM Best, Moody's and Fitch during the second half of 2006
- The reinforcement of SCOR Global P&C's underwriting teams in 2006, particularly in the Specialties
- The increase of around 15% in the number of Treaty and Specialties clients



# An active management of the portfolio led to a 10% growth of renewable premium income

Gross written premiums (GWP) in Treaty and Specialties, in EUR millions



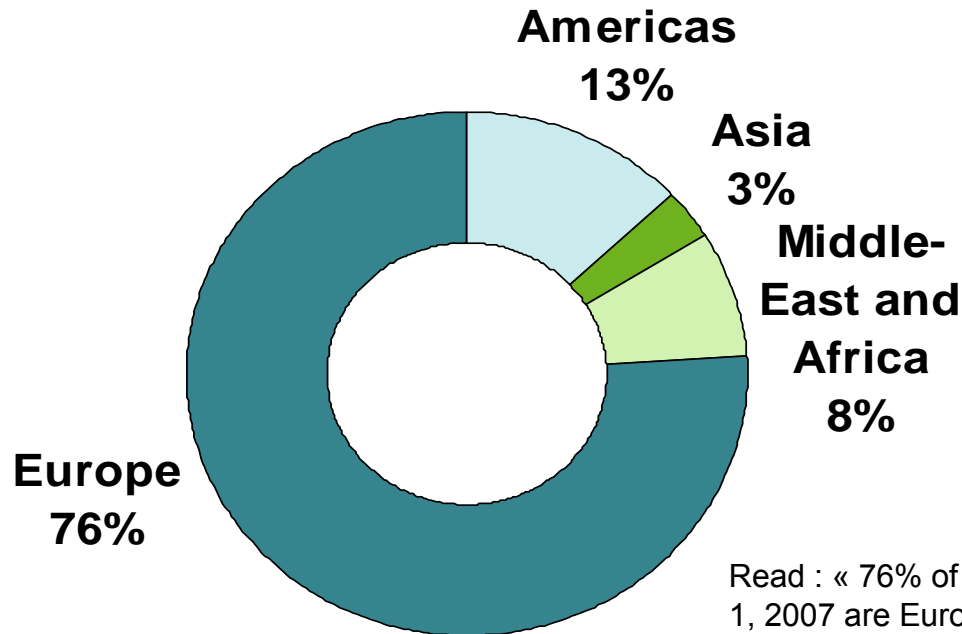
# Favourable growth prospects of P&C activity in 2007

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- In the “Treaty” and “Specialties” Business Units, around 80% of portfolios were up for renewal. At constant exchange rates, the volume of premiums written in Treaty was up by around 9% and in Specialties up by around 18%
  - ➔ *At the end of this campaign, SCOR estimates a gross written premium volume for “Treaty” and “Specialties” at 1 January 2007 of around **EUR 1.2 billion***
- At the end of 2006, 33% of renewable premiums of “Business Solutions” division were up for renewal. At constant exchange rates, the volume of premiums written during the renewal period was up by around 10%
  - ➔ *SCOR anticipates a premium income for the “Business Solutions” of around **EUR 400 million** in 2007*

# Geography of the “Treaty” and “Specialty” portfolio renewable on January 1st

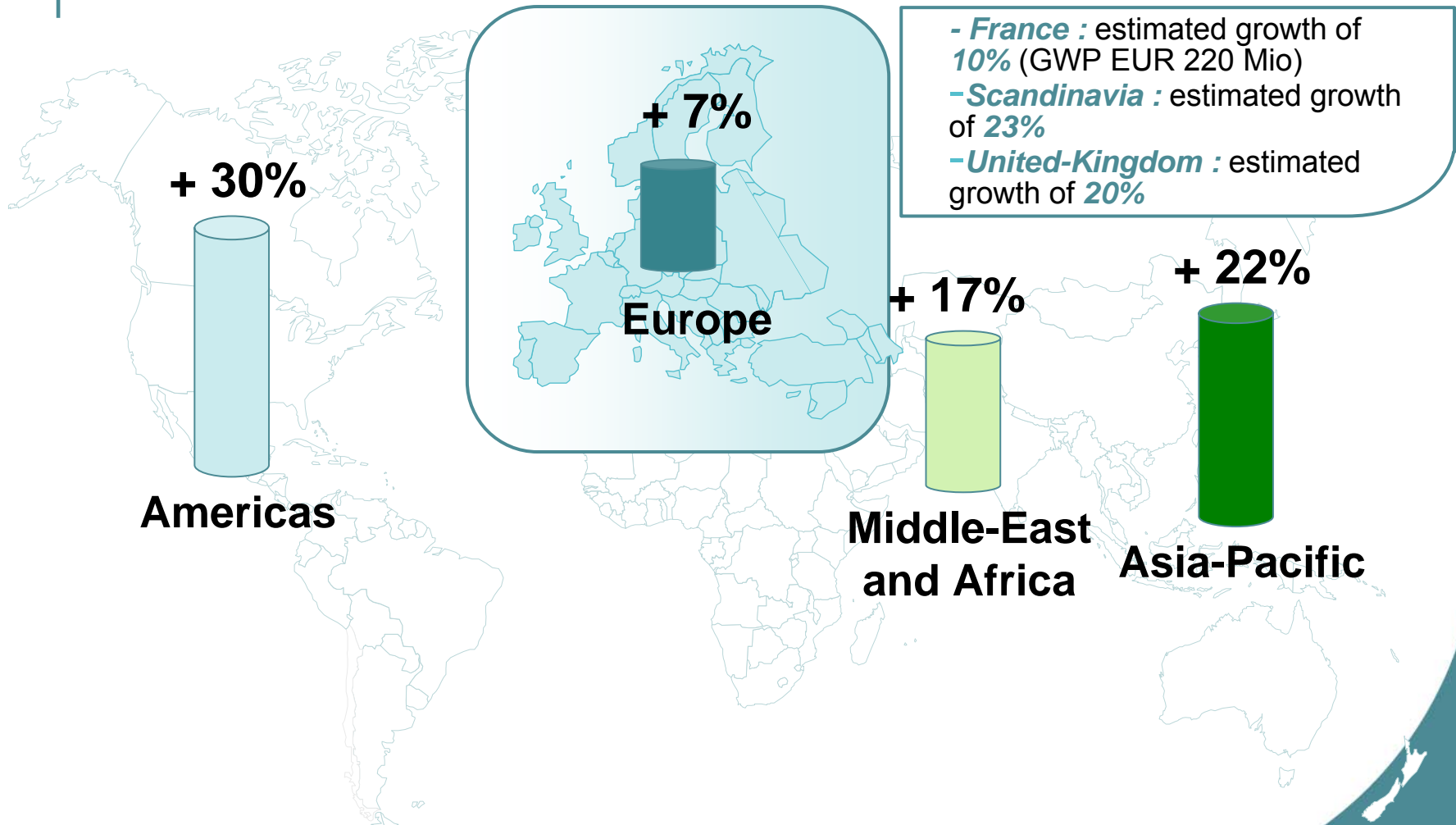
% by geographical zone of the global portfolio renewable on January 1st



- Japan, Korea and India renewals take place on April 1, 2007
- For half of the Treaty portfolio of the « Americas » zone, renewals take place on July 1, 2007

# Growth rates by geography on “Treaty” and “Specialties” portfolio renewable on January 1st

Estimated Growth of GWP on Treaty and Specialties renewed (%)



# Significant geographical trends by market

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- Europe :
  - SCOR's business has increased in all countries in the Europe zone, with the exception of Belgium, Spain and Portugal
  - SCOR has regained numerous lead underwriting positions and played a deciding role in quoting and setting terms and conditions
- Asia-Pacific :
  - 30% of the portfolio was up for renewal.
  - significant development in China consistent with SCOR's recently obtained reinsurance licence
- The Americas :
  - Strong contribution of Caribbean, Mexico, Central and Latin American markets
  - In the United States, 55% of the Treaty portfolio (excluding Specialties) was up for renewal and, in limited volumes, business was up by around 24%
  - Business expansion in Canada has been very satisfactory, with an increase of around 13%

# The 1 January 2007 renewals confirm the underwriting plan of SCOR Global P&C

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The success of the 1 January 2007 renewals campaign together with the positive outlook on the business environment for the rest of the year, lead the Group to anticipate **total gross written premium in line with the underwriting plan in the EUR 1.9 to 1.95 billion range for its Non-Life operations in 2007**