REINSURANCE GROUP OF AMERICA INC
Form 10-Q
May 05, 2009

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

þ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2009

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 1-11848
REINSURANCE GROUP OF AMERICA, INCORPORATED
(Exact name of Registrant as specified in its charter)

MISSOURI	**43-1627032**
(State or other jurisdiction of incorporation or organization)	**(IRS employer identification number)**

1370 Timberlake Manor Parkway
Chesterfield, Missouri 63017
(Address of principal executive offices)

(636) 736-7000
(Registrant s telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes þ **No** o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o **No** o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer þ	**Accelerated filer o**	**Non-accelerated filer o (Do not check if a smaller reporting company)**	**Smaller reporting company o**

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o **No** þ

As of April 30, 2009, 72,763,398 shares of the registrant s common stock were outstanding.

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
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REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	March 31, 2009	December 31, 2008
	(Dollars in thousands)	
Assets		
Fixed maturity securities:		
Available-for-sale at fair value (amortized cost of $9,873,449 and $9,382,848 at March 31, 2009 and December 31, 2008, respectively)	$ 8,831,920	$ 8,531,804
Mortgage loans on real estate	764,038	775,050
Policy loans	1,081,030	1,096,713
Funds withheld at interest	4,505,054	4,520,398
Short-term investments	54,552	58,123
Other invested assets	582,784	628,649
Total investments	15,819,378	15,610,737
Cash and cash equivalents	586,542	875,403
Accrued investment income	118,140	87,424
Premiums receivable and other reinsurance balances	657,647	640,235
Reinsurance ceded receivables	746,736	735,155
Deferred policy acquisition costs	3,602,857	3,610,334
Other assets	103,014	99,530
Total assets	$ 21,634,314	$ 21,658,818
Liabilities and Stockholders Equity		
Future policy benefits	$ 6,636,919	$ 6,431,530
Interest-sensitive contract liabilities	7,613,489	7,690,942
Other policy claims and benefits	1,956,834	1,923,018
Other reinsurance balances	197,695	173,645
Deferred income taxes	251,261	310,360
Other liabilities	577,909	585,199
Long-term debt	917,913	918,246
Collateral finance facility	850,019	850,035
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely junior subordinated debentures of the Company	159,081	159,035
Total liabilities	19,161,120	19,042,010
Commitments and contingent liabilities (See Note 8)		
Stockholders Equity:		
Preferred stock (par value $.01 per share; 10,000,000 shares authorized; no shares issued or outstanding)		
Common stock (par value $.01 per share; 140,000,000 shares authorized; 73,363,398 shares issued at March 31, 2009 and December 31, 2008)	734	734

Warrants	66,912	66,914
Additional paid-in-capital	1,455,022	1,450,041
Retained earnings	1,691,292	1,682,087
Accumulated other comprehensive income:		
Accumulated currency translation adjustment, net of income taxes	(3,050)	19,794
Unrealized depreciation of securities, net of income taxes	(695,070)	(553,407)
Pension and postretirement benefits, net of income taxes	(14,456)	(14,658)
Total stockholders equity before treasury stock	2,501,384	2,651,505
Less treasury shares held of 600,125 and 740,195 at cost at March 31, 2009 and December 31, 2008, respectively	(28,190)	(34,697)
Total stockholders equity	2,473,194	2,616,808
Total liabilities and stockholders equity	$ 21,634,314	$ 21,658,818

See accompanying notes to condensed consolidated financial statements (unaudited).

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REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three months ended March 31, 2009	2008
	(Dollars in thousands, except per share data)	
Revenues:		
Net premiums	$ 1,346,047	$ 1,298,065
Investment income, net of related expenses	223,196	199,526
Investment related losses, net	(72,262)	(155,260)
Other revenues	33,859	17,936
Total revenues	1,530,840	1,360,267
Benefits and Expenses:		
Claims and other policy benefits	1,169,744	1,119,512
Interest credited	36,909	73,897
Policy acquisition costs and other insurance expenses	198,801	16,262
Other operating expenses	66,749	63,340
Interest expense	22,117	23,094
Collateral finance facility expense	2,314	7,474
Total benefits and expenses	1,496,634	1,303,579
Income from continuing operations before income taxes	34,206	56,688
Provision for income taxes	10,916	20,099
Income from continuing operations	23,290	36,589
Discontinued operations:		
Loss from discontinued accident and health operations, net of income taxes		(5,084)
Net income	$ 23,290	$ 31,505
Basic earnings per share:		
Income from continuing operations	$ 0.32	$ 0.59
Discontinued operations		(0.08)
Net income	$ 0.32	$ 0.51
Diluted earnings per share:		
Income from continuing operations	$ 0.32	$ 0.57
Discontinued operations		(0.08)
Net income	$ 0.32	$ 0.49
Dividends declared per share	$ 0.09	$ 0.09

See accompanying notes to condensed consolidated financial statements (unaudited).

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REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31,	
	2009	2008
	(Dollars in thousands)	
Cash Flows from Operating Activities:		
Net income	$ 23,290	$ 31,505
Adjustments to reconcile net income to net cash provided by operating activities:		
Change in operating assets and liabilities:		
Accrued investment income	(30,900)	(26,493)
Premiums receivable and other reinsurance balances	(47,375)	(49,386)
Deferred policy acquisition costs	(26,277)	(204,731)
Reinsurance ceded balances	(11,581)	(36,664)
Future policy benefits, other policy claims and benefits, and other reinsurance balances	384,229	330,732
Deferred income taxes	35,531	43,762
Other assets and other liabilities, net	(1,633)	(48,290)
Amortization of net investment premiums, discounts and other	(34,342)	(23,199)
Investment related losses, net	72,262	155,260
Excess tax benefits from share-based payment arrangement	(1,442)	(3,547)
Other, net	(9,277)	19,566
Net cash provided by operating activities	352,485	188,515
Cash Flows from Investing Activities:		
Sales of fixed maturity securities available-for-sale	423,107	575,587
Maturities of fixed maturity securities available-for-sale	9,476	53,521
Purchases of fixed maturity securities available-for-sale	(965,271)	(832,146)
Cash invested in funds withheld at interest	(23,100)	(26,946)
Net increase on securitized lending activities		21,267
Principal payments on mortgage loans on real estate	8,065	18,799
Principal payments on policy loans	15,684	19,975
Change in short-term investments and other invested assets	772	(76,318)
Net cash used in investing activities	(531,267)	(246,261)
Cash Flows from Financing Activities:		
Dividends to stockholders	(6,537)	(5,585)
Purchases of treasury stock	(1,607)	(3,093)
Excess tax benefits from share-based payment arrangement	1,442	3,547
Exercise of stock options, net	250	1,489
Change in securities sold under agreements to repurchase and cash collateral for derivative positions	(52,955)	31,912
Excess payments on universal life and other investment type policies and contracts	(44,496)	(70,750)

Net cash used in financing activities	(103,903)	(42,480)
Effect of exchange rate changes on cash	(6,176)	(42)
Change in cash and cash equivalents	(288,861)	(100,268)
Cash and cash equivalents, beginning of period	875,403	404,351
Cash and cash equivalents, end of period	$ 586,542	$ 304,083
Supplementary information:		
Cash paid for interest	$ 13,390	$ 20,824
Cash paid for income taxes, net of refunds	$ 3,847	$ 12,095

See accompanying notes to condensed consolidated financial statements (unaudited).

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REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Organization and Basis of Presentation

Reinsurance Group of America, Incorporated (RGA) is an insurance holding company that was formed on December 31, 1992. The accompanying unaudited condensed consolidated financial statements of RGA and its subsidiaries (collectively, the Company) have been prepared in conformity with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments, consisting of normal recurring accruals, considered necessary for a fair presentation have been included. Operating results for the three-month period ended March 31, 2009 are not necessarily indicative of the results that may be expected for the year ending December 31, 2009. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company s 2008 Annual Report on Form 10-K (2008 Annual Report) filed with the Securities and Exchange Commission on March 2, 2009.

The accompanying unaudited condensed consolidated financial statements include the accounts of Reinsurance Group of America, Incorporated and its subsidiaries. All intercompany accounts and transactions have been eliminated. The Company has reclassified the presentation of certain prior-period information to conform to the current presentation.

2. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share on income from continuing operations (*in thousands, except per share information*):

	Three months ended March 31, 2009	Three months ended March 31, 2008
Earnings:		
Income from continuing operations (numerator for basic and diluted calculations)	$23,290	$ 36,589
Shares:		
Weighted average outstanding shares (denominator for basic calculation)	72,710	62,146
Equivalent shares from outstanding stock options	174	2,084
Denominator for diluted calculation	72,884	64,230
Earnings per share:		
Basic	$ 0.32	$ 0.59
Diluted	$ 0.32	$ 0.57

The calculation of common equivalent shares does not include the impact of options or warrants having a strike or conversion price that exceeds the average stock price for the earnings period, as the result would be antidilutive. The calculation of common equivalent shares also excludes the impact of outstanding performance contingent shares, as the conditions necessary for their issuance have not been satisfied as of the end of the reporting period. For the three months ended March 31, 2009, approximately 1.5 million stock options and approximately 0.6 million performance contingent shares were excluded from the calculation. For the three months ended March 31, 2008, approximately 0.7 million stock options and approximately 0.4 million performance contingent shares were excluded from the calculation.

3. Comprehensive Income

The following schedule reflects the change in accumulated other comprehensive income *(dollars in thousands)*:

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	Three months ended March 31, 2009	March 31, 2008
Net income	$ 23,290	$ 31,505
Accumulated other comprehensive income (loss), net of income tax:		
Unrealized losses, net of reclassification adjustment for losses included in net income	(141,663)	(145,996)
Currency translation adjustments	(22,844)	(18,325)
Unrealized pension and postretirement benefit adjustment	202	152
Comprehensive loss	$(141,015)	$(132,664)

4. Fair Value Disclosures

The following table presents the carrying amounts and estimated fair values of the Company s financial instruments at March 31, 2009 and December 31, 2008. Fair values have been determined by using available market information and the valuation methodologies described in Note 6 of the consolidated financial statements accompanying the 2008 Annual Report. Considerable judgment is often required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented herein may not necessarily be indicative of amounts that could be realized in a current market exchange. The use of different assumptions or valuation methodologies may have a material effect on the estimated fair value amounts (dollars in thousands):

	March 31, 2009		December 31, 2008	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Assets:				
Fixed maturity securities	$8,831,920	$ 8,831,920	$8,531,804	8,531,804
Mortgage loans on real estate	764,038	691,745	775,050	755,383
Policy loans	1,081,030	1,081,030	1,096,713	1,096,713
Funds withheld at interest	4,505,054	4,390,353	4,520,398	4,494,716
Short-term investments	54,552	54,552	58,123	58,123
Other invested assets	582,784	571,401	628,649	638,087
Cash and cash equivalents	586,542	586,542	875,403	875,403
Accrued investment income	118,140	118,140	87,424	87,424
Reinsurance ceded receivables	118,156	48,315	115,445	11,233
Liabilities:				
Interest-sensitive contract liabilities	$5,580,634	$ 5,401,722	$5,664,488	$ 4,890,669
Long-term and short-term debt	917,913	531,484	918,246	606,890
Collateral finance facility	850,019	357,000	850,035	493,000
Company-obligated mandatorily redeemable preferred securities	159,081	174,948	159,035	186,082

Publicly traded fixed maturity securities are valued based upon quoted market prices or estimates from independent pricing services, independent broker quotes and pricing matrices. Private placement fixed maturity securities are valued based on the credit quality and duration of marketable securities deemed comparable by the Company s investment advisor, which may be of another issuer. The fair value of mortgage loans on real estate is estimated using discounted cash flows. Policy loans typically carry an interest rate that is adjusted annually based on a market index and therefore carrying value approximates fair value. The carrying value of funds withheld at interest approximates fair value except where the funds withheld are specifically identified in the agreement. When funds withheld are specifically identified in the agreement, the fair value is based on the fair value of the underlying assets which are held by the ceding company. The carrying values of cash and cash equivalents and short-term investments approximates fair values due to the short-term maturities of these instruments. Common and preferred equity investments and derivative financial instruments included in other invested assets are reflected at fair value on the consolidated balance sheets based primarily on quoted market prices, while limited partnership interests are carried at cost. The fair value of limited partnerships is based on net asset values. The carrying value for accrued investment income approximates fair value.

The carrying and fair values of interest-sensitive contract liabilities exclude contracts with significant mortality risk. The fair value of the Company s interest-sensitive contract liabilities and related reinsurance ceded receivables is based on the cash surrender value of the liabilities, adjusted for recapture fees. The fair value of the Company s long-term debt is estimated based on either quoted market prices or quoted market prices for the debt of corporations with similar credit quality. The fair values of the Company s collateral finance facility and company-obligated mandatorily redeemable preferred securities are estimated using discounted cash flows.

Statement of Financial Accounting Standard (SFAS) No. 157, Fair Value Measurements (SFAS 157) defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In accordance with SFAS 157, valuation techniques utilized by management for invested assets and embedded derivatives reported at fair value are generally categorized into three types:

Market Approach. Market approach valuation techniques use prices and other relevant information from market transactions involving identical or comparable assets or liabilities. Valuation techniques consistent with the market approach include comparables and matrix pricing. Comparables use market multiples, which might lie in ranges with a different multiple for each comparable. The selection of where within the range the appropriate multiple falls requires judgment, considering both quantitative and qualitative factors specific to the measurement. Matrix pricing is a mathematical technique used principally to value certain securities without relying exclusively on quoted prices for the specific securities but comparing the securities to benchmark or comparable securities.

Income Approach. Income approach valuation techniques convert future amounts, such as cash flows or earnings, to a single present amount, or a discounted amount. These techniques rely on current expectations of future amounts. Examples of income approach valuation techniques include present value techniques, option-pricing models and binomial or lattice models that incorporate present value techniques.

Cost Approach. Cost approach valuation techniques are based upon the amount that, at present, would be required to replace the service capacity of an asset, or the current replacement cost. That is, from the perspective of a market participant (seller), the price that would be received for the asset is determined based on the cost to a market participant (buyer) to acquire or construct a substitute asset of comparable utility.

The three approaches described within SFAS 157 are consistent with generally accepted valuation methodologies. While all three approaches are not applicable to all assets or liabilities reported at fair value, where appropriate and possible, one or more valuation techniques may be used. The selection of the valuation method(s) to apply considers the definition of an exit price and the nature of the asset or liability being valued and significant expertise and judgment is required. The Company performs regular analysis and review of the various methodologies utilized in determining fair value to ensure that the valuation approaches utilized are appropriate and consistently applied, and that the various assumptions are reasonable. The Company also utilizes information from third parties, such as pricing services and brokers, to assist in determining fair values for certain assets and liabilities; however, management is ultimately responsible for all fair values presented in the Company s financial statements. The Company performs analysis and review of the information and prices received from third parties to ensure that the prices represent a reasonable estimate of the fair value. This process involves quantitative and qualitative analysis and is overseen by the Company s investment and accounting personnel. Examples of procedures performed include, but are not limited to, initial and ongoing review of third party pricing services and methodologies, review of pricing trends and monitoring of recent trade information. In addition, the Company utilizes both internal and external cash flow models to analyze the reasonableness of fair values utilizing credit spread and other market assumptions, where appropriate. As a result of the analysis, if the Company determines there is a more appropriate fair value based upon the available market data, the price received from the third party is adjusted accordingly.

For invested assets reported at fair value, when available, fair values are based on quoted prices in active markets that are regularly and readily obtainable. Generally, these are very liquid investments and the valuation does not require management judgment. When quoted prices in active markets are not available, fair value is based on the market valuation techniques described above, primarily a combination of the market approach, including matrix pricing and the income approach. The assumptions and inputs used by management in applying these methodologies include, but are not limited to: interest rates, credit standing of the issuer or counterparty, industry sector of the issuer, coupon rate, call provisions, sinking fund requirements, maturity, estimated duration and assumptions regarding liquidity and future cash flows.

The significant inputs to the market standard valuation methodologies for certain types of securities with reasonable levels of price transparency are inputs that are observable in the market or can be derived principally from or corroborated by observable market data. Such observable inputs include benchmarking prices for similar assets in active, liquid markets, quoted prices in markets that are not active and observable yields and spreads in the market. When observable inputs are not available, the market standard valuation methodologies for determining the estimated fair value of certain types of securities that trade infrequently, and therefore have little or no price transparency, rely on inputs that are significant to the estimated fair value that are not observable in the market or cannot be derived principally from or corroborated by observable market data. These unobservable inputs can be based in large part on management judgment or estimation, and cannot be supported by reference to market activity. Even though unobservable, these inputs are based on assumptions deemed appropriate given the circumstances and are consistent with what other market participants would use when pricing such securities.

The use of different methodologies, assumptions and inputs may have a material effect on the estimated fair values of the Company s securities holdings.

For embedded derivative liabilities associated with the underlying products in reinsurance treaties, primarily equity-indexed and variable annuity treaties, the Company utilizes a market standard method, which includes an estimate of future equity option purchases and an adjustment for the Company s own credit risk that takes into consideration the Company s financial strength rating, also commonly referred to as a claims paying rating. The capital market inputs to the model, such as equity indexes, equity volatility, interest rates and the Company s credit adjustment, are generally observable. However, the valuation models also use inputs requiring certain actuarial assumptions such as future interest margins, policyholder behavior, including future equity participation rates, and explicit risk margins related to non-capital market inputs, that are generally not observable and may require use of significant management judgment. Changes in interest rates, equity indices, equity volatility, the Company s own credit risk, and actuarial assumptions regarding policyholder behavior may result in significant fluctuations in the value of embedded derivatives liabilities associated with equity-indexed annuity reinsurance treaties.

The fair value of embedded derivatives associated with funds withheld reinsurance treaties is determined based upon a total return swap methodology with reference to the fair value of the investments held by the ceding company that support the Company s funds withheld at interest asset. The fair value of the underlying assets is generally based on market observable inputs using market standard valuation methodologies. However, the valuation also requires certain significant inputs based on actuarial assumptions about policyholder behavior, which are generally not observable.

For the quarter ended March 31, 2009, the application of valuation methodologies applied to similar assets and liabilities has been consistent.

SFAS 157 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities. The Company s Level 1 assets and liabilities include investment securities and derivative contracts that are traded in exchange markets.

Level 2 Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or market standard valuation methodologies and assumptions with significant inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Such observable inputs include benchmarking prices for similar assets in active, liquid markets, quoted prices in markets that are not active and observable yields and spreads in the market. The Company s Level 2 assets and liabilities include investment securities with quoted prices that are traded less frequently than exchange-traded instruments and derivative contracts whose values are determined using market standard valuation methodologies. This category primarily includes U.S. and foreign corporate securities, Canadian and Canadian provincial government securities, and residential and commercial mortgage-backed securities, among others. Management values most of these securities using inputs that are market observable.

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the related assets or liabilities. Level 3 assets and liabilities include financial instruments whose

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value is determined using market standard valuation methodologies described above. When observable inputs are not available, the market standard methodologies for determining the estimated fair value of certain securities that trade infrequently, and therefore have little transparency, rely on inputs that are significant to the estimated fair value and that are not observable in the market or cannot be derived principally from or corroborated by observable market data. These unobservable inputs can be based in large part on management judgment or estimation and cannot be supported by reference to market activity. Even though unobservable, management believes these inputs are based on assumptions deemed appropriate given the circumstances and consistent with what other market participants would use when pricing similar assets and liabilities. For the Company s invested assets, this category generally includes U.S. and foreign corporate securities (primarily private placements), asset-backed securities (including those with exposure to subprime mortgages), and to a lesser extent, certain residential and commercial mortgage-backed securities, among others. Additionally, the Company s embedded derivatives, all of which are associated with reinsurance treaties, are classified in Level 3 since their values include significant unobservable inputs associated with actuarial assumptions regarding policyholder behavior. Embedded derivatives are reported with the host instruments on the condensed consolidated balance sheet.

As required by SFAS 157, when inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest priority level input that is significant to the fair value measurement in its entirety. For example, a Level 3 fair value measurement may include inputs that are observable (Levels 1 and 2) and unobservable (Level 3). Therefore, gains and losses for such assets and liabilities categorized within Level 3 may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3).

Assets and liabilities measured at fair value on a recurring basis as of March 31, 2009 and December 31, 2008 are summarized below *(dollars in thousands).*

	March 31, 2009			
		Fair Value Measurements Using:		
	Total	Level 1	Level 2	Level 3
Assets:				
Fixed maturity securities available-for-sale:				
U.S. corporate securities	$3,102,270	$	$2,295,713	$ 806,557
Canadian and Canadian provincial governments	1,807,262		1,802,479	4,783
Residential mortgage-backed securities	1,207,289		1,128,362	78,927
Foreign corporate securities	1,148,472	1,703	871,432	275,337
Asset-backed securities	385,205		137,163	248,042
Commercial mortgage-backed securities	721,992		670,017	51,975
U.S. government and agencies securities	3,771	3,718	53	
State and political subdivision securities	34,581	5,759		28,822
Other foreign government securities	421,078	85,951	247,504	87,623
Total fixed maturity securities available-for-sale	8,831,920	97,131	7,152,723	1,582,066
Funds withheld at interest embedded derivatives	(553,313)			(553,313)
Short-term investments	11,863		10,158	1,705
Other invested assets equity securities	126,156	75,117	33,704	17,335
Other invested assets derivatives	173,086		173,086	
Reinsurance ceded receivable embedded derivatives	61,544			61,544
Total	$8,651,256	$172,248	$7,369,671	$1,109,337

Liabilities:				
Interest sensitive contract liabilities embedded derivatives	$ (733,864)	$	$	$ (733,864)
Other liabilities derivatives	(18,940)		(18,940)	
Total				