

The Company adopted the RGA Flexible Stock Plan (the “Plan”) in February 1993 and the Flexible Stock Plan for Directors (the “Directors Plan”) in January 1997 (collectively, the “Stock Plans”). The Stock Plans provide for the award of benefits (collectively “Benefits”) of various types, including stock options, stock appreciation rights (“SARs”), restricted stock, performance shares, cash awards, and other stock-based awards, to key employees, officers, directors and others performing significant services for the benefit of the Company or its subsidiaries. In general, options granted under the Plan become exercisable over vesting periods ranging

from one to eight years while options granted under the Directors Plan become exercisable after one year. As of December 31, 2003, shares authorized for the granting of Benefits under the Plan and the Directors Plan totaled 6,260,077 and 112,500, respectively. Options are generally granted with an exercise price equal to the stock's fair value at the date of grant and expire 10 years after the date of grant. Information with respect to option grants under the Stock Plans follows.

2002

2003
2001

	OPTIONS	WEIGHTED-AVERAGE EXERCISE PRICE	OPTIONS	WEIGHTED-AVERAGE EXERCISE PRICE	OPTIONS	WEIGHTED-AVERAGE EXERCISE PRICE
Balance at beginning of year	2,700,333	\$26.36	2,326,808	\$24.42	2,065,731	\$22.03
Granted	735,654	\$27.29	554,233	\$31.90	493,037	\$30.05
Exercised	(627,822)	\$18.51	(147,927)	\$15.59	(224,892)	\$14.00
Forfeited	(113,512)	\$29.10	(32,781)	\$29.63	(7,068)	\$34.37
Balance at end of year	2,694,653	\$28.34	2,700,333	\$26.36	2,326,808	\$24.42

	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
	OUTSTANDING AS OF 12/31/2003	WEIGHTED- AVERAGE REMAINING CONTRACTUAL LIFE	WEIGHTED- AVERAGE EXERCISE PRICE	EXERCISABLE AS OF 12/31/2003	WEIGHTED- AVERAGE EXERCISE PRICE
RANGE OF EXERCISE PRICES					
\$10.00 – \$14.99	5,481	1.0	\$12.22	5,481	\$12.22
\$15.00 – \$19.99	30,522	2.0	\$15.61	30,522	\$15.61
\$20.00 – \$24.99	524,325	4.9	\$22.27	379,400	\$21.91
\$25.00 – \$29.99	1,315,228	7.7	\$28.04	356,358	\$28.19
\$30.00 – \$34.99	527,401	7.8	\$31.90	137,711	\$31.87
\$35.00 – \$39.99	291,696	4.7	\$35.81	257,856	\$35.78
Totals	2,694,653	6.7	\$28.34	1,167,328	\$27.86

The per share weighted-average fair value of stock options granted during 2003, 2002, and 2001 was \$9.91, \$11.74, and \$11.87 on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions: 2003-expected dividend yield of .95%, risk-free interest rate of 2.79%, expected life of 6.0 years, and an expected rate of volatility of the stock of 35% over the expected life of the options; 2002-expected dividend yield of 0.8%, risk-free interest rate of 5.00%, expected life of 5.0 years, and an expected rate of volatility of the stock of 35% over the expected life of the options; 2001-expected dividend yield of 0.8%, risk-free interest rate of 5.04%, expected life of 5.8 years, and an expected rate of volatility of the stock of 35% over the expected life of the options.

Prior to January 1, 2003, the Company applied APB Opinion No. 25 in accounting for its Stock Plans and, accordingly, no compensation cost was recognized for its stock options in the financial statements. Had the Company determined compensation cost based on the fair value at the grant date for its stock options