

# Press Release



1 November 2001

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## **INTERIM REPORT**

**For the period January – September 2001<sup>\*)</sup>**

- Sales amounted to SEK 107 billion (158)
- New sales of unit linked assurance decreased by 19 per cent
- New sales outside the USA increased by 2 per cent
- The operating result for the core businesses before financial effects was SEK 2,746 million (4,149)
- The operating result as per September was SEK –5,701 million (5,423)
- Assets under management decreased by 5 per cent, to SEK 939 billion, compared with the start of the year

### **Comments by Lars-Eric Petersson, President and CEO:**

The continued decline in the world's stock markets and the tragic events in New York on September 11 are having a significant impact on the insurance industry: many reinsurance and insurance companies, which offer property insurance, face massive claims. Skandia has no such liabilities. Nevertheless, the disruption of the markets and the subsequent loss of confidence, especially in the USA, has affected Skandia's sales and assets under management, as it has affected many other financial services companies.

However, the global spread of Skandia's sales has insulated the company from the worst effects of the rapid decline in the U.S. market. New sales in our key product segment, unit linked assurance, have decreased by only 19 per cent compared with last year, which was Skandia's best sales year ever. In markets outside the USA, sales have risen by 2 per cent.

Our rapid-response business model is our strength in turbulent times. We have launched new products especially in the USA and established new sales outlets in a number of markets. We have made substantial product investments ahead of additional launches slated for the rest of the year. All this, together with a positive result for the ongoing activities, means that the group's shareholders' equity and net asset value have increased compared with a year ago.

The ongoing process of refining our business activities, product development and distribution strength creates solid opportunities for the future.

<sup>\*)</sup> Does not include Livförsäkringsaktiebolaget Skandia, which is run on a mutual basis. All return measurements for shareholders' equity and net asset value as per September 2001 pertain to moving twelve-month figures. All comparison figures pertain to September 2000 unless stated otherwise.

## OVERVIEW

The group's operating result was SEK –5,701 million (5,423), and the return on the group's adjusted net asset value, after tax, was –4 per cent on a moving twelve-month basis (21 per cent for the full year 2000).

The stock market decline during the first nine months of the year, and especially during the third quarter, has had a negative impact on sales, assets under management and the result. In addition, the stock markets in the USA were closed for nearly a week in September, which entailed that no trading was conducted in funds containing American stocks. Trading volume was low even after the markets reopened.

Investment of unit linked assurance capital is determined by the policyholders. Therefore, Skandia has no direct investment or market risk. Since contracts in force span long periods of time, sharp swings in the financial markets during a short period of time affect the present value of future fees. As a consequence of this, the negative financial effects on the result amounted to SEK –7.4 billion (+1.2), of which SEK –4.3 billion arose during the third quarter.

Sales of single-premium products have been affected the most by the stock market climate. Sales of unit linked assurance decreased during the first nine months of the year by 34 per cent, to SEK 72 billion (109). However, new sales decreased by only 19 per cent, due to strong development for annual-premium products. Outside the USA new sales rose 2 per cent. Sales of mutual fund savings products decreased to SEK 28 billion (44).

The result for newly written unit linked assurance business decreased to SEK 1,112 million (1,912). The profit margin was negatively affected, as lower volumes give rise to poorer cost coverage. This entails continuous adaptation of cost levels. At the same time, product development is being further intensified.

For the core businesses, the operating result before financial effects was SEK 2,746 million (4,149) and the return on net asset value before taxes and financial effects was 14 per cent on a moving twelve-month basis (20 per cent for the full year 2000).

Skandia's share of If's result amounted to SEK –1,015 million (–200). The decline is attributable to a poorer investment return.

Despite the stock market decline, assets under management decreased by only 5 per cent since the start of the year due to a positive net inflow. Assets amounted to SEK 939 billion (SEK 992 billion at year-end 2000).

The group's net asset value increased by 3 per cent during the last twelve months, and shareholders' equity increased by 7 per cent.

## **INSURANCE AND SAVINGS PRODUCTS**

### **Market and Sales**

#### ***Unit Linked Assurance***

The impact of trends in individual markets is reduced through geographical diversification. New sales during the first nine months of the year rose by 2 per cent outside the USA (new sales defined by the industry-wide definition as periodic premiums recalculated to full-year figures plus 1/10 of single premiums during the period). Due to the focus on pension products, new sales of annual-premium products increased by 28 per cent. Measured in terms of new sales, the markets in the USA, the UK and Sweden each represent between 24 and 33 per cent of total, and New Markets increased from 10 per cent to 14 per cent of total.

Sales in the USA consist mainly of single-premium variable annuities, which have been strongly affected by the stock market decline. New sales decreased by 55 per cent in local currency. New products were successfully launched during the period.

In the UK, new sales decreased by 14 per cent in local currency. However, a 34 per cent drop in sales of single-premium policies was offset in large part by a 27 per cent rise in sales of annual-premium policies – mainly pension plans.

New sales in Sweden rose 9 per cent, thanks to successful sales of pension products – mainly in the collectively bargained pensions segment.

In New Markets, new sales rose 13 per cent.

In Germany, new sales rose 51 per cent in local currency at the same time that the market position is strengthening. A number of new distribution agreements have been signed. Skandia's sales success is continuing in Japan, as evidenced by a 53 per cent rise in new sales, among other things. Sales in Italy and Denmark were hurt by the turbulence in the stock markets, however, sales rose in both Austria and Switzerland. Sales in Spain showed a recovery during the third quarter.

Assets under management decreased by 8 per cent from the start of the year, to SEK 460 billion. Payments to policyholders are well within underlying assumptions and amounted to 9.5 per cent in the preceding year, expressed as a percentage of assets under management at the start of the year. The corresponding figure expressed on a moving twelve-month basis was 8.7 per cent as per 30 September 2001. Surrenders accounted for 7.4 percentage points of this total, compared with 8.0 percentage points in 2000.

### ***Mutual Fund Savings Products***

Sales were strongly affected by the stock market decline and decreased to SEK 27,856 million (43,509).

Sales totalled USD 1,666 million (3,303) in the USA and GBP 440 million (762) in the UK. Net inflows amounted to SEK 10,957 million and continued to be positive during the third quarter, totalling SEK 1,783 million. Germany continues to show strong growth in sales volumes.

Assets under management have decreased during the year by only 3 per cent, despite a decline of 12 per cent during the third quarter to SEK 105 billion.

## **Operating Result and Profitability**

### ***Unit Linked Assurance***

Investment of unit linked assurance capital is determined by the policyholders. Therefore, Skandia has no direct investment or market risk. Since contracts in force span long periods of time, sharp swings in the financial markets during a short period of time affect the present value of future fees. The sensitivity analysis presented in the half-year interim report shows that a one per cent increase or decrease in the stock market affects the result by +/- SEK 213 million, respectively.

The negative trend in the stock markets during the first half of the year entailed that the trend for the indexes that are relevant for Skandia amounted to minus 15 per cent, compared with assumed fund growth of 3.0 per cent. The negative trend for the stock indexes that are relevant for Skandia was 19 per cent during the third quarter, compared with assumed fund growth of 1.5 per cent. As a result of this, the negative financial effects amounted to SEK -7.4 billion (+1.2), of which SEK -4.3 billion arose during the third quarter.

The negative financial effects on the operating result are primarily caused by the impact of the stock market trend on the present value of future fees compared with Skandia's fund growth assumption of approximately 6 per cent per year. However, the unit linked assurance operation is long-term, and therefore the result effect described above will be permanent only under the condition that the stock markets do not recover.

The operating result before financial effects was SEK 2,962 million (4,412) for the first nine months of the year. The result was indirectly affected by the stock market decline through lower sales volumes. The result for new business during the year thereby decreased to SEK 1,112 million (1,912), but the profit margin was also negatively affected. Lower volumes give rise to poorer cost coverage, which explains the margin decline from 10.0 per cent during the first half of the year to 9.6 per cent during the first nine months of the year. In a number of markets, measures are being taken to adjust the cost level and thereby improve profit margins.

The outcome compared with operative assumptions and the change in operative assumptions decreased somewhat on the whole during the third quarter. An improvement in surrenders was offset by, among other things, a poorer outcome concerning the mortality assumptions. Over time these result items should not have any material impact on the operating result.

#### ***Mutual Fund Savings Products***

The negative result trend is attributable to a decrease in assets under management during the third quarter following the stock market decline and substantial investments in infrastructure and new product development. The result was SEK –10 million (53).

#### ***Life Assurance***

The result was SEK 86 million (29).

#### ***Return on Net Asset Value, Insurance and Savings Products***

The return on adjusted net asset value, before financial effects and after standard tax, was 13 per cent (22) on a moving twelve-month basis.

#### ***Asset Management***

Assets under management, consisting of assets from companies in the Skandia group, external clients, and fund management, amounted to SEK 341 billion (SEK 361 billion at year-end 2000). Assets under management include SEK 36 billion in managed mutual fund assets (SEK 37 billion at year-end 2000). Skandia Asset Management shows good growth in discretionary management assignments.

Commissions from asset management are partly fixed and partly performance-related, the latter being ultimately determined in proportion to the achieved annual return. The result amounted to SEK 66 million (78) after interest expenses and goodwill amortization.

***Investment Income***

Investment assets in the parent company amounted to SEK 3.4 billion. The return on these assets was SEK 16 million (332).

***Businesses******SkandiaBanken***

SkandiaBanken's operating result was SEK 33 million (59). The result was charged with costs for IT infrastructure and stepped-up marketing in connection with establishment in new markets. Deposits in SkandiaBanken increased to SEK 28.8 billion. The bank has a total of 575,000 customers, an increase of 44 per cent since the start of the year, including 30,000 customers from the acquisition of Din Bank AS in Denmark. The number of online customers has risen by 103 per cent, to 290,000.

***Skandia Netline***

Skandia Netline provides products in the areas of Health Care, Group Insurance, Pension Administration and Knowledge Management. The result was charged with product development costs and decreased to SEK –2 million (39).

***Skandia Marketing***

Skandia Marketing distributes savings and insurance products for Skandia and If in the Swedish, Danish and Norwegian markets. The result amounted to SEK 22 million (59) and was charged with costs for investments in the operation's expansion, primarily in Norway.

***Other Companies***

The operating result for other companies in the group was SEK –96 million (17). The result was charged with approximately SEK 120 million in development costs for the banking operation in Switzerland, which was granted a licence in July.

***Group Expenses***

Group expenses comprise management and structural costs, and goodwill amortization.

### ***Exchange Rate Effects***

After recalculation to higher average exchange rates compared with the preceding year, sales increased by SEK 10,298 million, and the operating result for the group decreased by SEK 715 million. Total assets have increased by SEK 52 billion since the start of the year.

## **PROPERTY & CASUALTY INSURANCE**

Skandia owns 56 per cent of the Nordic property and casualty insurance company If. Skandia's share of If's result was SEK –1,015 million (–200). Investment income was negatively affected by the continued decline in the stock markets. Cash flow has developed favourably, while the technical result deteriorated during the third quarter, mainly due to a higher claims frequency. During the second quarter it was announced that an agreement has been reached with Sampo under which Sampo's property & casualty insurance operation will be merged with If. The deal was contingent upon Sampo acquiring the Norwegian company Storebrand. In September Sampo withdrew its offer for Storebrand. However, talks with Sampo on the transfer of its property & casualty insurance business to If continue.

## **BALANCE SHEET AND NET ASSET VALUE**

Total assets decreased by SEK 28.5 billion, compared with year-end 2000, to SEK 560.7 billion. Unit linked assurance and mutual fund savings products accounted for a decrease of SEK 40.5 billion. External borrowings, including the parent company's subordinated loan, increased by SEK 3.2 billion (including an exchange rate effect of SEK 0.8 billion), to SEK 12.3 billion. Liquidity and the group's financing ability are good. A new USD 500 million credit facility with a five-year maturity was signed on 20 July 2001, replacing an existing USD 350 million facility. Unutilized credit amounts to SEK 13 billion, which exceeds the total outstanding amount of debt.

Net asset value amounted to SEK 34,920 million (SEK 37,031 million at year-end 2000). Capital employed in the group, which in addition to net asset value consists of borrowings to finance investments in subsidiaries, amounted to SEK 46.7 billion (45.6). Of these funds, SEK 42.6 billion (41.4) pertains to the core businesses, while SEK 4.1 billion pertains to the financing of Skandia's share of the P&C insurance operations in If.

Stockholm, 1 November 2001  
Lars-Eric Petersson  
President and CEO

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This interim report has been prepared in conformity with the guidelines of the Swedish Financial Supervisory Authority and Recommendation RR20 of the Swedish Financial Accounting Standards Council. The interim report has been prepared in accordance with the same accounting principles as in the 2000 Annual Report.

Financial calendar for Skandia:

13 November 2001, October sales release

13 February 2002, year-end report 2001

Skandia's published financial reports are available on the Internet: [www.skandia.com](http://www.skandia.com) and [www.skandia.se](http://www.skandia.se). Skandia's websites also provide links to the audiocast of the teleconference on Thursday, 1 November 2001.



## GROUP OVERVIEW

					Moving 12-month figures
SEK million	2001 Sept.	2000 Sept.	2001 Q 3	2000 Q 3	2001 Sept.
<b>Sales</b>					
Unit linked assurance	71,794	108,779	20,522	31,891	103,239
Mutual funds <sup>1)</sup>	27,856	43,509	7,031	10,585	40,159
Premiums written, life assurance	895	710	238	200	1,373
Direct sales of funds	5,999	4,653	1,134	1,631	10,645
Businesses	308	237	93	65	415
<b>Total sales</b>	<b>106,852</b>	<b>157,888</b>	<b>29,018</b>	<b>44,372</b>	<b>155,831</b>
<b>Result summary</b>					
Result unit linked assurance	2,962	4,412	736	1,393	4,576
Financial effects unit linked assurance	-7,432	1,160	-4,342	303	-8,446
Mutual funds	-10	53	-42	32	-51
Life assurance	86	29	28	13	140
Asset Management <sup>2)</sup>	66	78	-6	29	162
Investment income <sup>2)</sup>	16	332	-21	28	-84
Businesses <sup>2)</sup>	-38	197	33	29	-20
Group expenses <sup>3)</sup>	-336	-952	-124	-120	-474
<b>Operating result, core businesses</b>	<b>-4,686</b>	<b>5,309</b>	<b>-3,738</b>	<b>1,707</b>	<b>-4,197</b>
Operating result, P&C insurance <sup>4)</sup>	-1,015	-200	-654	12	-1,369
Items affecting comparability <sup>5)</sup>	-	314	-	-	2,471
<b>Operating result</b>	<b>-5,701</b>	<b>5,423</b>	<b>-4,392</b>	<b>1,719</b>	<b>-3,095</b>
Net asset value, SEK billion <sup>6) 7)</sup>	35	34			
Shareholders' equity, SEK billion <sup>6)</sup>	21	19			
Assets under management, SEK billion <sup>6)</sup>	939	1,036			
Total assets, SEK billion <sup>6)</sup>	561	625			
Return on net asset value, % <sup>8)</sup>	-5	31			
Return on adjusted net asset value, % <sup>8)</sup>	-4	28			
Return on shareholders' equity, % <sup>8)</sup>	6	20			
<b>Per-share data</b>					
Operating result per share before dilution, SEK	-5.57	5.30	-4.29	1.68	-3.02
Operating result per share after dilution, SEK <sup>9)</sup>	-5.57	5.29	-4.29	1.68	-3.02
Earnings per share before dilution, SEK <sup>10)</sup>	-0.22	1.33	-0.50	0.39	1.20
Earnings per share after dilution, SEK <sup>9) 10)</sup>	-0.22	1.33	-0.50	0.39	1.20
Net asset value per share, SEK <sup>6)</sup>	34.12	33.09			
Shareholders' equity per share, SEK <sup>6)</sup>	20.07	18.81			

<sup>1)</sup> Including discretionary management in Spain.

<sup>2)</sup> With effect from 1 July 2001, SkandiaBanken also includes the businesses Skandia Asset Management and Skandia Marketing. To facilitate comparisons with previous periods, the results of these businesses are reported separately.

<sup>3)</sup> Group expenses include costs of profit-sharing plans, totalling SEK 620 million as per Sept. 00.

<sup>4)</sup> The operating result for P&C insurance includes 56% of If's result.

<sup>5)</sup> Items affecting comparability include the result of sales of operations, totalling SEK 314 million as per Sept. 00, and repayment of surplus funds from Skandia's occupational pension plans with Skandia Liv, totalling SEK 2,471 million on a moving 12-month basis.

<sup>6)</sup> Figures as per closing date.

<sup>7)</sup> See table on p. 17.

<sup>8)</sup> All return measurements for shareholders' equity and net asset value pertain to moving twelve-month figures.

<sup>9)</sup> According to recommendation RR18 of the Swedish Accounting Standards Council, the dilutive effect should only be calculated if it leads to a deterioration of the key ratio Earnings per share.

<sup>10)</sup> Earnings per share are calculated as the result for the period divided by the average number of shares outstanding.

## GROUP OVERVIEW - QUARTERLY ANALYSIS

SEK million	2001 Q 3	2001 Q 2	2001 Q 1	2000 Q 4	2000 Q 3	2000 12 mos.
<b>Sales</b>						
Unit linked assurance	20,522	25,445	25,827	31,445	31,891	140,224
Mutual funds	7,031	9,824	11,001	12,303	10,585	55,812
Premiums written, life assurance	238	313	344	478	200	1,188
Direct sales of funds	1,134	3,408	1,457	4,646	1,631	9,299
Businesses	93	108	107	107	65	344
<b>Total sales</b>	<b>29,018</b>	<b>39,098</b>	<b>38,736</b>	<b>48,979</b>	<b>44,372</b>	<b>206,867</b>
<b>Result summary</b>						
Unit linked assurance	736	1,349	877	1,614	1,393	6,026
Financial effects unit linked assurance	-4,342	257	-3,347	-1,014	303	146
Mutual funds	-42	19	13	-41	32	12
Life assurance	28	24	34	54	13	83
Asset Management <sup>1)</sup>	-6	70	2	96	29	174
Investment income <sup>1)</sup>	-21	58	-21	-100	28	232
Businesses <sup>1)</sup>	33	-71	0	18	29	215
Group expenses	-124	-111	-101	-138	-120	-1,090
<b>Operating result, core businesses</b>	<b>-3,738</b>	<b>1,595</b>	<b>-2,543</b>	<b>489</b>	<b>1,707</b>	<b>5,798</b>
Operating result, P&C insurance	-654	84	-445	-354	12	-554
Items affecting comparability	-	-	-	2,471	-	2,785
<b>Operating result</b>	<b>-4,392</b>	<b>1,679</b>	<b>-2,988</b>	<b>2,606</b>	<b>1,719</b>	<b>8,029</b>

<sup>1)</sup> With effect from 1 July 2001, SkandiaBanken also includes the businesses Skandia Asset Management and Skandia Marketing. To facilitate comparisons with previous periods, the results of these businesses are reported separately.

## EXCHANGE RATES

SEK	2001 30 Sept.	2001 30 June	2001 31 Mar.	2000 31 Dec.	2000 30 Sept.
EUR Closing rate	9.72	9.22	9.15	8.86	8.52
EUR Average rate	9.22	9.08	9.00	8.45	8.39
GBP Closing rate	15.68	15.31	14.82	14.22	14.16
GBP Average rate	14.91	14.69	14.22	13.86	13.71
USD Closing rate	10.67	10.89	10.39	9.54	9.68
USD Average rate	10.37	10.26	9.74	9.17	8.92
JPY Closing rate	0.090	0.087	0.083	0.083	0.090
JPY Average rate	0.086	0.085	0.083	0.085	0.083

Average rates indicate the average rates for the period 1 January through the respective book-closing dates in 2001 and 2000.

## SALES

SEK million	Unit linked assurance			Mutual funds <sup>1)</sup>			Life assurance			Total		
	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 9 mos.	2000 12 mos.
USA	31,048	61,254	75,357	17,276	29,480	36,365				48,324	90,734	111,722
UK	25,067	31,282	42,980	6,554	10,449	13,349				31,621	41,731	56,329
Sweden	7,706	7,505	10,145	410	551	638				8,116	8,056	10,783
Spain	930	1,397	1,632	992	691	2,237	802	666	1,058	2,724	2,754	4,927
Italy	2,119	3,554	4,707							2,119	3,554	4,707
Colombia				1,705	1,770	2,328	44	44	70	1,749	1,814	2,398
Germany	1,155	807	1,216	360	93	204				1,515	900	1,420
Switzerland	1,025	1,022	1,383	474	475	691				1,499	1,497	2,074
Japan	1,204	649	1,049							1,204	649	1,049
Austria	697	529	724							697	529	724
Mexico	499	439	571							499	439	571
Denmark	295	324	432				49		60	344	324	492
Other	49	17	28	85						134	17	28
<b>Sales</b>	<b>71,794</b>	<b>108,779</b>	<b>140,224</b>	<b>27,856</b>	<b>43,509</b>	<b>55,812</b>	<b>895</b>	<b>710</b>	<b>1,188</b>	<b>100,545</b>	<b>152,998</b>	<b>197,224</b>

<sup>1)</sup> The business in Spain pertains to discretionary management.

## SALES, MUTUAL FUNDS

SEK million	Sales			Withdrawals			Net deposits		
	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 9 mos.	2000 12 mos.
USA	17,276	29,480	36,365	-13,045	-6,621	-9,461	4,231	22,859	26,904
UK	6,554	10,449	13,349	-1,505	-901	-1,262	5,049	9,548	12,087
Other	4,026	3,580	6,098	-2,349	-1,842	-2,444	1,677	1,738	3,654
<b>Mutual funds</b>	<b>27,856</b>	<b>43,509</b>	<b>55,812</b>	<b>-16,899</b>	<b>-9,364</b>	<b>-13,167</b>	<b>10,957</b>	<b>34,145</b>	<b>42,645</b>

## NEW SALES, UNIT LINKED ASSURANCE

SEK million	Single premium			Annual premium <sup>1)</sup>			Total annualized new sales <sup>2)</sup>		
	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 9 mos.	2000 12 mos.
USA	30,865	61,102	75,145	183	152	212	3,270	6,262	7,727
UK	19,653	27,367	37,505	1,907	1,381	1,984	3,872	4,118	5,734
Sweden	2,879	3,990	5,115	2,552	2,198	3,167	2,840	2,597	3,679
Spain	917	1,399	1,614	45	57	84	137	197	245
Italy	2,072	3,554	4,707	77			284	355	471
Germany	9	8	8	386	232	385	387	233	386
Switzerland	711	847	1,109	124	78	113	195	163	224
Japan	933	485	815	111	81	117	204	130	199
Austria	135	170	222	243	163	218	257	180	240
Mexico	499	439	571				50	44	57
Denmark	113	234	289	77	110	162	88	133	191
Other	16	12	18	20	4	9	22	5	10
<b>New sales</b>	<b>58,802</b>	<b>99,607</b>	<b>127,118</b>	<b>5,725</b>	<b>4,456</b>	<b>6,451</b>	<b>11,606</b>	<b>14,417</b>	<b>19,163</b>

<sup>1)</sup> Periodic premiums recalculated to full-year figures.

<sup>2)</sup> Periodic premiums recalculated to full-year figures plus 1/10 of single premiums during the period.

## ASSETS UNDER MANAGEMENT, INSURANCE AND SAVINGS PRODUCTS

SEK million	Unit linked assurance		Mutual funds <sup>1)</sup>		Investments in unit linked and mutual fund companies		Life assurance		Total	
	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
	30 Sept.	31 Dec.	30 Sept.	31 Dec.	30 Sept.	31 Dec.	30 Sept.	31 Dec.	30 Sept.	31 Dec.
USA	254,564	283,134	54,231	60,452	5,306	4,187			314,101	347,773
UK	143,819	155,865	30,322	30,134	855	933			174,996	186,932
Sweden	34,621	36,397	1,068	951	742	654			36,431	38,002
Spain	3,203	3,055	9,951	8,457	12	12	15,709	15,125	28,875	26,649
Italy	9,898	9,579			356	320			10,254	9,899
Colombia			7,116	5,855	132	109	324	301	7,572	6,265
Germany	2,365	2,134	631	419	154	196			3,150	2,749
Switzerland	6,749	6,955	1,349	1,323	119	87			8,217	8,365
Japan	1,887	1,150			701	547			2,588	1,697
Austria	1,814	1,634			157	130			1,971	1,764
Mexico	662	392			47	40			709	432
Denmark	849	677			83	124		5	932	806
Other	42	21	92		143	25			277	46
<b>Total assets</b>	<b>460,473</b>	<b>500,993</b>	<b>104,760</b>	<b>107,591</b>	<b>8,807</b>	<b>7,364</b>	<b>16,033</b>	<b>15,431</b>	<b>590,073</b>	<b>631,379</b>

<sup>1)</sup> The business in Spain pertains to discretionary management.

## ASSETS UNDER MANAGEMENT, GROUP

SEK million	Managed by SAM <sup>1)</sup>		Managed by other group companies		External management		Total management	
	2001	2000	2001	2000	2001	2000	2001	2000
	30 Sept.	31 Dec.	30 Sept.	31 Dec.	30 Sept.	31 Dec.	30 Sept.	31 Dec.
Unit linked assurance	17,257	18,043			443,216	482,950	460,473	500,993
Mutual funds			17,067	14,312	87,693	93,279	104,760	107,591
Investment in unit linked and mutual fund companies	4,495	650	4,312	6,714			8,807	7,364
Life assurance			16,033	15,431			16,033	15,431
<b>Insurance and savings products</b>	<b>21,752</b>	<b>18,693</b>	<b>37,412</b>	<b>36,457</b>	<b>530,909</b>	<b>576,229</b>	<b>590,073</b>	<b>631,379</b>
Skandia Liv	245,782	271,443	250	641			246,032	272,084
Parent company	3,368	4,923					3,368	4,923
Fund management	20,070	18,859					20,070	18,859
Discretionary management	49,905	47,209	962	1,921			50,867	49,130
Bank deposits from the general public			28,849	15,129			28,849	15,129
Index-linked bonds				47				47
<b>Managed assets</b>	<b>340,877</b>	<b>361,127</b>	<b>67,473</b>	<b>54,195</b>	<b>530,909</b>	<b>576,229</b>	<b>939,259</b>	<b>991,551</b>

<sup>1)</sup> SAM = Skandia Asset Management.

## TRADING ANALYSIS, UNIT LINKED ASSURANCE

SEK million	2001	2000	2000
	9 mos.	9 mos.	12 mos.
Total annualized new sales <sup>1)</sup>	11,606	14,417	19,163
Present value of new business for the year	1,112	1,912	2,243
Return on value of contracts in force from previous years	2,294	1,882	2,629
Outcome compared with operative assumptions	185	713	174
Change in operative assumptions	162	441	1,809
<b>Value-added from operations</b>	<b>3,753</b>	<b>4,948</b>	<b>6,855</b>
Business start-ups and other overheads	-100	20	-10
Financial effects <sup>3)</sup>	-7,432	1,160	-892
Market adjustment of discount rate	-	-	1,038
Financing costs	-691	-556	-819
<b>Operating result, unit linked assurance</b>	<b>-4,470</b>	<b>5,572</b>	<b>6,172</b>
<b>Profit margin, new sales <sup>2)</sup></b>	<b>9.6%</b>	<b>13.3%</b>	<b>11.7%</b>

<sup>1)</sup> Periodic premiums recalculated to full-year figures plus 1/10 of single premiums during the period.

<sup>2)</sup> Present value of new business for the year in relation to total annualized new sales.

<sup>3)</sup> The effect on the present value of future fees caused by the deviation of the financial market trend from assumptions on fund growth.

## NEW SALES AND PROFIT MARGIN, UNIT LINKED ASSURANCE PER GEOGRAPHIC AREA

SEK million	Annualized new sales			Present value of new business for the year			Profit margin, new sales		
							new assumptions <sup>1)</sup>	old assumptions <sup>2)</sup>	
	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 9 mos.	2000 12 mos.	2001 9 mos.	2000 12 mos.	2000 12 mos.
USA	3,270	6,262	7,727	-25	1,109	1,260	-0.8%	13.6%	16.3%
UK	3,872	4,118	5,734	398	344	425	10.3%	15.7%	7.4%
Sweden	2,840	2,597	3,679	503	216	329	17.7%	12.5%	8.9%
New Markets	1,624	1,440	2,023	236	243	229	14.5%	14.8%	11.3%
<b>Total</b>	<b>11,606</b>	<b>14,417</b>	<b>19,163</b>	<b>1,112</b>	<b>1,912</b>	<b>2,243</b>	<b>9.6%</b>	<b>14.2%</b>	<b>11.7%</b>

<sup>1)</sup> Assumptions used starting in 2001 for calculating the present value of new business for the year.

<sup>2)</sup> Assumptions used in 2000 for calculating the present value of new business for the year.

## ASSUMPTIONS, UNIT LINKED ASSURANCE

%	Discount rate		Fund growth assumptions <sup>1)</sup>		Inflation assumptions	
	2001	2000	2001	2000	2001	2000
	30 Sept.	31 Dec.	30 Sept.	31 Dec.	30 Sept.	31 Dec.
USA	8.25	8.75	5.25	6.00	2.50	2.50
UK	8.50	8.50	5.75	5.75	3.75	3.75
Sweden	8.75	8.50	6.25	6.00	3.25	2.50

<sup>1)</sup> After management fees.

## SENSITIVITY ANALYSIS, UNIT LINKED ASSURANCE

Effect on operating result for unit linked assurance (before tax) of a one percentage point increase in interest-rate, growth and inflation assumptions

<u>Effect on operating result (before tax)</u>					
SEK million	Exposure VBIF <sup>1)</sup>	Discount rate	Fund	Inflation	Total effect <sup>2)</sup>
			growth assump- tions	assump- tions	
USA	6,191	-368	437	-66	3
UK	9,510	-483	215	-16	-284
Sweden	4,251	-405	356	-47	-96
New markets	3,424	-170	123	-58	-105
<b>Total</b>	<b>23,376</b>	<b>-1,426</b>	<b>1,131</b>	<b>-187</b>	<b>-482</b>

One-time effect of a 1% increase/decrease in stock market

**Total** **+/- 192**

<sup>1)</sup> Before deduction of taxes and deferred acquisition costs.

<sup>2)</sup> Before equalization of financial effects.

## OPERATING RESULT EXCLUDING FINANCIAL EFFECTS <sup>5)</sup>

SEK million	Unit linked assurance			Mutual funds <sup>1)</sup>			Life assurance			Total		
	2001	2000	2000	2001	2000	2000	2001	2000	2000	2001	2000	2000
	9 mos.	9 mos.	12 mos.	9 mos.	9 mos.	12 mos.	9 mos.	9 mos.	12 mos.	9 mos.	9 mos.	12 mos.
USA	704	1,821	1,907	63	57	72				767	1,878	1,979
UK	1,133	1,379	2,363	21	-22	-38				1,154	1,357	2,325
Sweden	1,007	779	1,252	-10	-8	-9				997	771	1,243
Spain	2	24	-5	-4	8	0	76	41	67	74	73	62
Italy	112	114	117							112	114	117
Colombia				42	43	43	6	-9	4	48	34	47
Germany	177	149	210	-35	-11	-21				142	138	189
Switzerland	36	80	148	2	2	-2				38	82	146
Japan	-54	-23	-33							-54	-23	-33
Austria	18	67	81	-2	-1	-3				16	66	78
Mexico	-25	-12	-23							-25	-12	-23
Denmark	-8	-38	-4				4	-3	12	-4	-41	8
Other	-140	72	13	-87	-15	-30				-227	57	-17
<b>Operating result, excluding financial effects</b>	<b>2,962</b>	<b>4,412</b>	<b>6,026</b>	<b>-10</b>	<b>53</b>	<b>12</b>	<b>86</b>	<b>29</b>	<b>83</b>	<b>3,038</b>	<b>4,494</b>	<b>6,121</b>

## OPERATING RESULT INCLUDING FINANCIAL EFFECTS <sup>5)</sup>

SEK million	Unit linked assurance			Mutual funds <sup>1)</sup>			Life assurance			Total		
	2001	2000	2000	2001	2000	2000	2001	2000	2000	2001	2000	2000
	9 mos.	9 mos.	12 mos.	9 mos.	9 mos.	12 mos.	9 mos.	9 mos.	12 mos.	9 mos.	9 mos.	12 mos.
USA	-5,545	2,812	988	63	57	72				-5,482	2,869	1,060
UK	933	1,458	2,471	21	-22	-38				954	1,436	2,433
Sweden	397	917	1,277	-10	-8	-9				387	909	1,268
Spain	-12	18	-17	-4	8	0	76	41	67	60	67	50
Italy	-37	107	63							-37	107	63
Colombia				42	43	43	6	-9	4	48	34	47
Germany	129	138	197	-35	-11	-21				94	127	176
Switzerland	-27	43	115	2	2	-2				-25	45	113
Japan	-94	-13	-24							-94	-13	-24
Austria	-3	70	78	-2	-1	-3				-5	69	75
Mexico	-25	-12	-23							-25	-12	-23
Denmark	-19	-38	-4				4	-3	12	-15	-41	8
Other	-167	72	13	-87	-15	-30				-254	57	-17
Market adjustment of discount rate <sup>2)</sup>			1,038									1,038
<b>Operating result, including financial effects <sup>3)</sup></b>	<b>-4,470</b>	<b>5,572</b>	<b>6,172</b>	<b>-10</b>	<b>53</b>	<b>12</b>	<b>86</b>	<b>29</b>	<b>83</b>	<b>-4,394</b>	<b>5,654</b>	<b>6,267</b>
<b>Return on adjusted net asset value (moving 12-month figures) <sup>4)</sup></b>										<b>-15</b>	<b>32</b>	<b>18</b>

<sup>1)</sup> The business in Spain pertains to discretionary management.

<sup>2)</sup> In 2000 the discount rate used to calculate the operating result was adjusted to bring it nearer to interest rates prevailing in the industry. This adjustment resulted in a positive one-time effect on the operating result of SEK 1,038 million.

<sup>3)</sup> Of which, financing costs:

USA	-675	-546	-778							-675	-546	-778
UK	-4	-3	-10	-5						-9	-3	-10
Colombia						0		-1	-1	0	-1	-1
Germany	-12	-7	-10							-12	-7	-10
Other			-21	-1						-1		-21
<b>Total</b>	<b>-691</b>	<b>-556</b>	<b>-819</b>	<b>-6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-1</b>	<b>-697</b>	<b>-557</b>	<b>-820</b>

<sup>4)</sup> Excluding effects of market adjustment of discount rate.

<sup>5)</sup> Financial effects relate only to unit linked assurance, as the present value of future fees is not recognized for mutual funds or life assurance.

## INVESTMENT INCOME

SEK million	2001 9 mos.	2000 9 mos.	2000 12 mos.
Changes in value			
Bonds and short-term investments	38	-30	-19
Equities	-133	140	-71
Real estate	0	13	14
Loans	0	13	17
<b>Total changes in value</b>	<b>-95</b>	<b>136</b>	<b>-59</b>
Direct investment income	74	130	222
Foreign exchange gains/losses	44	101	122
<b>Investment income</b>	<b>23</b>	<b>367</b>	<b>285</b>
Allocated investment return transferred to other operations	-7	-35	-53
<b>Investment income, net</b>	<b>16</b>	<b>332</b>	<b>232</b>
Direct yield, %	1.7	2.7	4.4
Total return, %	-0.9	7.9	3.8

## TOTAL RETURN

%	2001 9 mos.	2000 9 mos.	2000 12 mos.
Bonds and short-term investments	3.1	3.4	4.9
Equities	-11.9	14.9	-1.7
Real estate	*	*	*
<b>Total</b>	<b>-0.9</b>	<b>7.9</b>	<b>3.8</b>

\* Not applicable due to sale of real estate portfolio.

## OPERATING RESULT, BUSINESSES

SEK million	2001 9 mos.	2000 9 mos.	2000 12 mos.
SkandiaBanken	33	59	63
Skandia Marketing	22	59	46
Netline <sup>1)</sup>	-2	39	52
Finance companies	5	23	23
Other <sup>2)</sup>	-96	17	31
<b>Total</b>	<b>-38</b>	<b>197</b>	<b>215</b>

<sup>1)</sup> Comparison figures for 2000 pertain to Lifeline.

<sup>2)</sup> Includes start-up costs for Skandia Finanz, Skandia's new bank in Switzerland.

A banking licence was received in July 2001, and business is scheduled to commence during 2002.

## GROUP EXPENSES

SEK million	2001 9 mos.	2000 9 mos.	2000 12 mos.
Amortization of goodwill	-34	-14	-42
Structural costs	-69	-79	-136
Joint-group management expenses	-233	-239	-292
<b>Total excluding profit-sharing plans</b>	<b>-336</b>	<b>-332</b>	<b>-470</b>
Profit-sharing plans	-	-620	-620
<b>Total including profit-sharing plans</b>	<b>-336</b>	<b>-952</b>	<b>-1,090</b>



## STATEMENT OF CASH FLOWS

SEK billion	2001 9 mos	2000 9 mos	2000 12 mos.
Cash flow from operating activities <sup>1)</sup>	-0.6	-1.3	-0.1
Cash flow from investments in operations <sup>2)</sup>	-0.4	3.8	1.5
Cash flow from financing activities	0.7	-2.2	-1.5
<b>Net cash flow for the period</b>	<b>-0.3</b>	<b>0.3</b>	<b>-0.1</b>
<b>Liquid assets at the start of the period</b>	<b>3.1</b>	<b>3.0</b>	<b>3.0</b>
<b>Exchange rate differences in liquid assets</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>
<b>Liquid assets at the end of the period</b>	<b>3.1</b>	<b>3.5</b>	<b>3.1</b>

<sup>1)</sup> Cash flow from the operating activities was negatively affected by new sales of unit linked assurance products. This gives rise to an initial net outflow for Skandia, which is offset by the revenues the company receives during the term of the insurance. Cash flow in 2000 was positively affected by a repayment of surplus funds from Skandia's pension insurance plans with Skandia Liv.

<sup>2)</sup> Purchases and sales of investment assets, which are a natural element of an insurance company's operations, are reported as cash flow from investments in operations. Cash flow has been affected by the direct yield from investments, but not by the changes in value these have had.

## NET ASSET VALUE

SEK million	2001 30 Sept.	2000 31 Dec.
Shareholders' equity	20,545	20,749
Deferred taxes, net	4,565	4,148
Surplus value of unit linked business in force after deferred tax	9,696	12,019
Other surplus values	114	115
<b>Net asset value</b>	<b>34,920</b>	<b>37,031</b>
Subordinated loans	223	1,443
<b>Risk-bearing capital</b>	<b>35,143</b>	<b>38,474</b>

## CHANGE IN NET ASSET VALUE AND SHAREHOLDERS' EQUITY

	Net asset value	Shareholders' equity	
SEK million	2001 30 Sept.	2001 30 Sept.	2000 30 Sept.
<b>Opening balance at the beginning of the year</b>	<b>37,031</b>	<b>20,749</b>	<b>18,058</b>
Result before taxes	-5,701	-282	2,021
Income taxes	832	61	-651
Change in surplus value of bonds	-9	-	-
Deferred tax on surplus value on unit linked business in force	2,249	-	-
Dividend	-614	-614	-512
Translation differences	1,141	640	339
Minority interests	-9	-9	-6
<b>Closing balance</b>	<b>34,920</b>	<b>20,545</b>	<b>19,249</b>

## OPERATING RESULT

SEK million

	Unit linked assurance	Mutual funds	Life assurance	Asset Managem.	Investm. income	Busi- nesses	Group admin. exp.	P&C insur- ance	Items affect. comp.	Operating result
<b>2001</b>										
<b>9 mos.</b>										
<i>Technical result</i>										
P&C insurance						23		31		54
Life assurance	1,239		86							1,325
<i>Non-technical result</i>										
Investment income	401			-41	-131	48		-31		246
Investment income, share in result of If								-1,015		-1,015
Financing costs	-691	-6		-37	147	-3				-590
Change in surplus value of unit linked business in force	-5,419									-5,419
Mutual funds		-4								-4
Other businesses				188		-101				87
Amortization of goodwill				-44		-5	-34			-83
Provision to profit- sharing plans										-
Structural costs							-69			-69
Group expenses							-233			-233
<b>Operating result</b>	<b>-4,470</b>	<b>-10</b>	<b>86</b>	<b>66</b>	<b>16</b>	<b>-38</b>	<b>-336</b>	<b>-1,015</b>	<b>-</b>	<b>-5,701</b>
Of which, change in surplus value of unit linked business in force	5,419									5,419
<b>Pre-tax result</b>	<b>949</b>	<b>-10</b>	<b>86</b>	<b>66</b>	<b>16</b>	<b>-38</b>	<b>-336</b>	<b>-1,015</b>	<b>-</b>	<b>-282</b>
<b>2000</b>										
<b>9 mos.</b>										
<i>Technical result</i>										
P&C insurance						10		31		41
Life assurance	2,470		29							2,499
<i>Non-technical result</i>										
Investment income	257			2	254	28		-31		510
Investment income, share in result of If								-200		-200
Financing costs	-557			-30	78	-2				-511
Change in surplus value of unit linked business in force	3,402									3,402
Mutual funds		53								53
Other businesses				143		164			314	621
Amortization of goodwill				-37		-3	-14			-54
Provision to profit- sharing plans							-620			-620
Structural costs							-79			-79
Group expenses							-239			-239
<b>Operating result</b>	<b>5,572</b>	<b>53</b>	<b>29</b>	<b>78</b>	<b>332</b>	<b>197</b>	<b>-952</b>	<b>-200</b>	<b>314</b>	<b>5,423</b>
Of which, change in surplus value of unit linked business in force	-3,402									-3,402
<b>Pre-tax result</b>	<b>2,170</b>	<b>53</b>	<b>29</b>	<b>78</b>	<b>332</b>	<b>197</b>	<b>-952</b>	<b>-200</b>	<b>314</b>	<b>2,021</b>

## PROFIT AND LOSS ACCOUNT

SEK million	2001 9 mos.	2000 9 mos.	2001 Q 3	2000 Q 3	2000 12 mos.
<b>Technical account, property &amp; casualty insurance business</b>					
Premiums earned, net of reinsurance	296	234	104	82	321
Allocated investment return transferred from the non-technical account	31	31	10	12	41
Claims incurred, net of reinsurance	-191	-164	-54	-48	-209
Operating expenses	-82	-57	-31	-32	-67
Other technical income and charges	-	-3	-	-	-
Repayment of surplus funds in Skandia Liv	-	-	-	-	2,471
<b>Technical result, property &amp; casualty insurance business</b>	<b>54</b>	<b>41</b>	<b>29</b>	<b>14</b>	<b>2,557</b>
<b>Technical account, life assurance business</b>					
Premiums written, net of reinsurance	71,392	107,165	20,375	31,595	138,483
Investment income, including unrealized changes in value	-108,863	-1,085	-70,831	-879	-46,209
Claims incurred, net of reinsurance	-35,731	-29,492	-11,049	-9,921	-40,306
Change in other technical provisions where the investment risk is borne by the life assurance policyholders	76,876	-68,735	62,216	-18,187	-41,337
Operating expenses <sup>1)</sup>	-4,782	-6,818	-1,063	-2,255	-9,430
Other technical provisions	2,433	1,464	483	387	1,522
<b>Technical result, life assurance business</b>	<b>1,325</b>	<b>2,499</b>	<b>131</b>	<b>740</b>	<b>2,723</b>
<b>Non-technical account</b>					
Investment income, including unrealized changes in value and share in result of If	-769	310	-548	142	-194
Financing costs	-590	-511	-192	-176	-720
Mutual funds	-4	53	-39	32	12
Asset Management	188	143	42	67	274
Other operations	-101	478	3	15	445
Amortization of goodwill	-83	-54	-31	-28	-98
Provision to profit-sharing plans	-	-620	-	-	-620
Structural costs	-69	-79	-37	-34	-136
Group expenses	-233	-239	-73	-82	-292
<b>Pre-tax result</b>	<b>-282</b>	<b>2,021</b>	<b>-715</b>	<b>690</b>	<b>3,951</b>
Paid and deferred tax	61	-651	202	-288	-1,118
Minority interests in result for the period	-9	-6	-3	-2	-7
<b>Result for the period</b>	<b>-230</b>	<b>1,364</b>	<b>-516</b>	<b>400</b>	<b>2,826</b>
<b>Per-share data</b>					
Average number shares before dilution, millions	1,024	1,024	1,024	1,024	1,024
Average number shares after dilution, millions <sup>2)</sup>	1,024	1,024	1,024	1,024	1,024
Earnings per share before dilution, SEK <sup>4)</sup>	-0.22	1.33	-0.50	0.39	2.76
Earnings per share after dilution, SEK <sup>3) 4)</sup>	-0.22	1.33	-0.50	0.39	2.76

<sup>1)</sup> Net change in DAC	2,746	2,284	1,325	558	3,307
of which change in CARVM offset*	2,473	-1,607	1,434	-351	-1,523

\* In the US operations, DAC is carried net of the "CARVM offset", representing the approximate present value of surrender charges which could be payable if all contracts were surrendered today. Surrender charges, and consequently the CARVM offset, are primarily affected by account values, and thus a reduction in account value reduces the CARVM offset. The accounting policies for DAC are unchanged for all reporting periods covered by this report. This note shows the net decrease (+) or increase (-) in operating expenses resulting from the net change in DAC, including the amount caused by changes in the CARVM offset.

<sup>2)</sup> Data on the number of shares after dilution takes into account Skandia's stock option programme for the years 2000-2002.

<sup>3)</sup> According to recommendation RR18 of the Swedish Accounting Standards Council, the dilutive effect should only be calculated if it leads to a deterioration of the key ratio Earnings per share.

<sup>4)</sup> Earnings per share are calculated as the result for the period divided by the average number of shares outstanding.

## BALANCE SHEET SUMMARY

SEK billion	2001	2000	Shareholders' equity,	2000	2000
Assets	30 Sept.	31 Dec. <sup>1)</sup>	provisions and liabilities	30 Sept.	31 Dec. <sup>1)</sup>
Goodwill	1.3	1.3	Shareholders' equity	20.5	20.7
Investment in If etc.	4.1	4.2	Minority interests	0.0	0.0
Investments <sup>4)</sup>	24.2	24.3	Subordinated loans <sup>3)</sup>	0.2	1.4
Investments, unit linked	460.5	501.0	Technical provisions <sup>2)</sup>	22.6	21.1
Reinsurers' share of technical provisions <sup>2)</sup>	16.7	22.7	Provisions, unit linked <sup>2)</sup>	443.5	481.7
Assets in bank operations and finance companies	32.1	17.6	Liabilities in bank operations <sup>3)</sup>	30.2	16.3
Debtors	3.9	4.6	Deferred tax liability	4.7	4.4
Tangible assets	0.7	0.7	Borrowings <sup>3)</sup>	12.0	7.6
Cash at bank and in hand	3.1	3.1	Deposits from reinsurers	17.9	24.2
Other assets	0.1	0.0	Creditors	5.9	8.4
Deferred acquisition costs <sup>2) 5)</sup>	12.0	7.9	Reinsurers' share of deferred acquisition costs <sup>2)</sup>	0.5	0.1
Other prepayments and accrued income	2.0	1.8	Other accruals and deferred income	2.7	3.3
<b>Assets</b>	<b>560.7</b>	<b>589.2</b>	<b>Shareholders' equity, provisions and liabilities</b>	<b>560.7</b>	<b>589.2</b>

<sup>1)</sup> Comparison figures for 2000 have been recomputed to take into account the transfer of operations from Skandia Marketing to SkandiaBanken.

### <sup>2)</sup> Technical provisions, net, after deducting deferred acquisition costs

Life assurance	14.3	13.8
Unit linked assurance	422.6	457.6
Property & casualty insurance	1.0	0.9
<b>Total</b>	<b>437.9</b>	<b>472.3</b>

### <sup>3)</sup> Group borrowings, excl. subordinated loans in Skandia Insurance Company Ltd.

Borrowings as per balance sheet, including subordinated loans	12.2	9.0
Additional borrowings by finance companies and bank operations	0.1	0.1
<b>Borrowings gross</b>	<b>12.3</b>	<b>9.1</b>
Less: subordinated loans in Skandia Insurance Company Ltd.	-0.2	-1.4
<b>Borrowings net</b>	<b>12.1</b>	<b>7.7</b>

### <sup>4)</sup> Investments, current value

Investments as per balance sheet	24.2	24.3
Recalculation to current value	0.8	0.8
Cash at bank and in hand	3.1	3.1
Securities settlement claims, net	0.1	0.0
Accrued interest income	0.6	0.6
Debt derivatives	-0.1	-0.1
<b>Total</b>	<b>28.7</b>	<b>28.7</b>

Of which:

Investments, life assurance	16.0	15.4
Investments, unit linked assurance	8.2	6.8
Investments, mutual funds	0.6	0.6
Investments, parent company	3.4	4.9
Currency derivatives	0.5	1.0
Deposits with ceding undertakings	0.0	0.0
<b>Total</b>	<b>28.7</b>	<b>28.7</b>

### <sup>5)</sup> Deferred acquisition costs

Deferred acquisition costs before CARVM offset	21.7	19.1
CARVM offset*	-9.7	-11.2
<b>Total</b>	<b>12.0</b>	<b>7.9</b>

\* See page 19, note 1 for explanation.