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Skandia Real Estate plans to form asset management company

Skandia and the international real estate consultant Jones Lang LaSalle are currently planning a cooperation effort. The companies are examining the benefits of creating a new property asset management company for real estate in the Nordic region.

Through the new company, Skandia's aim is to raise the return on its property assets and gain better opportunities for strategic reallocations in the real estate portfolio. Initially the new company will manage real estate belonging to Skandia Life Insurance Company Ltd. (publ.). The company will be run by existing employees from Skandia Real Estate together with employees from Jones Lang LaSalle's property asset management operation.

Skandia and Jones Lang LaSalle have both declared their respective interest in creating such a company and are currently undertaking a due diligence review, which will be completed by 1 September 1999. The intention is that the new company will be operating as a separate entity from 1 January 2000.

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