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Corporate Communications  
S-103 50 Stockholm, Sweden  
Telephone +46-8-788 10 00  
Telefax +46-8-788 23 80  
[www.skandia.com](http://www.skandia.com)

Office:  
Sveavägen 44

## **Skandia and Ulf Spång reach settlement in ongoing arbitration process**

All disputes between the parties have thereby been resolved, and the parties have agreed to withdraw and discontinue the ongoing arbitration proceedings.

The settlement entails that Ulf Spång will abstain from SEK 45 million in pension benefits.

Skandia has recalled its formal dismissal of Ulf Spång from 1 December 2003. This entails the withdrawal by Skandia of its nullification of the severance agreement that was made in connection with Spång's resignation, and that severance pay and other benefits will be paid out under the agreement.

As a result of Skandia's ongoing legal analysis of the Investigative Report from November 2003, and taking into account developments arising thereafter, Skandia has come to the conclusion that it lacks grounds to direct claims against Spång with respect to the Sharetracker and Wealthbuilder bonus programmes.

Skandia's opinion is that the settlement that has now been reached serves Skandia's interests. In this context it should be noted that the renovation that was made of apartments granted to Spång's children have not entailed any expense for Skandia or the property owner, Diligentia. Further, Skandia ascertains that the apartment on Strandvägen that was intended for Spång is currently being rented out at a rent that compensates Skandia for the renovation costs expended on the apartment.

As part of the settlement, Skandia has agreed to cover Spång's legal costs for the arbitration proceedings.

"It is good for Skandia's shareholders that we have reached a settlement," says Björn Björnsson, Vice Chairman of Skandia's board. "This marks the conclusion of Skandia's dispute with Ulf Spång."

"I appreciate the effort by Skandia's current board to take these matters up for consideration and resolve the dispute that had arisen," comments Ulf Spång.

Questions for Skandia will be responded to by Björn Björnsson, Vice Chairman of Skandia's board, tel. +46-8-788 25 00.

Questions for Ulf Spång will be responded to by attorney Mats Willman, tel. +46-708-783 783.