



If P&C Insurance  
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## Press release

August 14, 2002

### Capital contribution from owners

The owners of If have today committed to inject in total the equivalent of SEK 1.6 billion into If, whereof SEK 1.0 billion as equity capital to If P&C Holding Ltd. (publ) and the equivalent of SEK 0.6 billion as subordinated debt to If P&C Insurance Company Ltd.

The background is the weak development on equity markets, which has deteriorated the group's capital position, despite recent improvements in underwriting performance.

The owners making the commitment are Sampo PLC, Storebrand, Skandia, Varma Sampo and Skandia Liv. The contribution of equity capital and underwriting of subordinated debt will be made pro rata based on ownership and without changes to the shares of votes.

The capital thus committed will be paid into If as soon as practicable. The hybrid capital issuer, If P&C Insurance Company Ltd, is rated A-minus (insurer financial strength) by Standard & Poor's and A2 (insurance financial strength) by Moody's Investors' Service.

As a result of the capital contributions, the solvency ratio of the Group, pro forma as of June 30, and including hybrid capital, increases from 57.5 per cent to 62.5 per cent.

### Comments from Torbjörn Magnusson, CEO:

"I am of course very pleased that the owners have made this commitment. With the new capital, we can focus solely on continuing the work of improving long-term profitability by achieving fair pricing, good risk selection and cost efficiency."

Solna, Sweden, August 14, 2002

Torbjörn Magnusson  
President and CEO

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*If P&C Insurance is the leading property & casualty insurance company in the Nordic area with an annual turnover in 2001 of SEK 35 billions (pro forma) and 8000 employees.*