

Press information August 27th 2002

Financial uncertainty demands long-term and focused approach

The Second Swedish National Pension Fund/AP2 reports a return on invested assets of – 9.3% for the six months ending June 30th 2002, which is in line with the Fund's reference index. This result is attributable to the continuing decline on global stock markets.

The Fund's combined pension assets amounted to SEK 124.3 billion at the close of the report period. At the start of the year, the worth of these assets was estimated at SEK 133.5 billion. This decline in value is largely unrealised, however.

“It is naturally less than pleasing to have to report a negative return for the first six months of the year, due to the decline in market rates. Nevertheless, it is important to note that the Fund operates with an investment horizon of ten years or more.

The potential impact of a single very weak year should therefore be relatively limited. In today's excessively turbulent market, it is now more important than ever to focus on the long-term management strategy we have already determined. It is perfectly natural that this strategy should involve investment in a relatively high proportion of equities, when experience suggests that equities generate a better return than fixed-income instruments in the longer term,” says CEO Lars Idermark, Second Swedish National Pension Fund/AP2.

For further information, please call CEO Lars Idermark, or Lennart Jonsson, Head of Communications, on +46 (0)31-704 29 00.

The half-year report of the Second AP Fund may be downloaded from the Fund's website at www.ap2.se