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September sales SEK 8.9 billion¹⁾

Sales in September

Sales outside the USA amounted to SEK 5.7 billion (4.9). In August sales outside the USA amounted to SEK 6.1 billion. The continued uncertainty and decline in the world's stock markets in September have had an effect on the insurance industry in general as well as on demand for equity-related products. Total sales amounted to SEK 8.9 billion (8.3). Total sales in August 2002 were SEK 9.9 billion. Sales in the USA are dominated by single-premium products, which have been affected by the stock market decline to a greater extent.

New sales of unit linked assurance

Total new sales of unit linked assurance for the period January–September 2002 decreased by 17% compared with the same period in 2001.

Sales through September

Sales outside the USA increased to SEK 57.0 billion (55.7). In several markets, the drop in payments toward single-premium products is being compensated by a greater portion of annually recurring premiums.

Total sales amounted to SEK 92.3 billion (104.1). Sales are reported exclusive of paid-in premiums to Skandia Liv, totalling SEK 10.0 billion (10.9). Of total sales, SEK 67.4 billion (71.8) pertain to unit linked assurance, SEK 21.7 billion (27.9) to mutual fund savings products, and SEK 1.9 billion (3.2) to direct sales of funds.

¹ All comparison figures pertain to the corresponding period a year earlier, unless otherwise indicated.

Sales of variable annuities in the USA through September amounted to SEK 26.9 billion (31.0), and sales of mutual funds totalled SEK 8.5 billion (17.3). American Skandia's market share in variable annuities has been rising gradually in recent quarters and was 3.3% for the second quarter of 2002 according to the most recently available statistics.

Sales in the UK are stable and amounted to SEK 30.7 billion (31.6). In Sweden, SkandiaLink's sales amounted to SEK 7.4 billion (8.1). SkandiaLink increased its market share during the first half of 2002 to 33.1%, according to the most recently available statistics. Sales in other markets continue to rise and amounted to SEK 16.6 billion (12.5).

Compared with the average exchange rates that applied for the full-year 2001, sales through September decreased by approximately 3% as a result of exchange rate movements.

Other matters

In the sensitivity analysis provided in connection with the interim report for the second quarter of 2002, it was described that a 1 percentage point increase/decrease in the stock market indexes that are relevant for Skandia would affect the result by +/- SEK 170 million. On 23 October 2002 Skandia will be presenting information about financial effects and the impact these have had on the operating result through the third quarter of 2002. These financial effects are caused primarily by changes in the financial markets during the period.

Despite the decline in the financial markets, the group's solvency margin is still more than adequate. Consequently, Skandia confirms that there is no need for a new issue.

The interim report for the third quarter will be released on 30 October 2002.

Sales figures for the month of October will be released on 13 November 2002.

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Definitions of sales

Sales

Sales pertain to paid-in premiums and deposits in funds from Skandia's customers.

New sales

New sales pertain to single and regular premiums from unit linked contracts entered into in 2002, recalculated to full-year figures. According to industry practice, new sales are defined as regular premiums recalculated to full-year figures plus 1/10 of single premiums during the period.

Sales per month	2002	2001
January	10.6	12.6
February	9.7	11.7
March	10.7	13.6
April	11.9	12.9
May	11.1	12.4
June	8.9	12.4
July	10.6	10.6
August	9.9	9.6
September	8.9	8.3
Subtotal	92.3	104.1
October		9.5
November		9.4
December		10.8
Total		133.8

Comparison figures for 2001 have been recalculated to take into account the sale of parts of the mutual fund activities in Skandia Asset Management to Den norske Bank.

UK pertains to businesses domiciled in the UK and thus also includes Royal Skandia, the branch offices in Finland and Norway, and sales of Critical Illness insurance in Germany.

Exchange rates		2002 30 Sept.	2002 31 Aug.	2002 30 June	2001 31 Dec.	2001 30 Sept.	2001 31 Aug.	2001 30 June
SEK								
EUR	Closing rate	9.16	9.21	9.08	9.33	9.72	9.49	9.22
EUR	Average rate	9.17	9.17	9.14	9.29	9.22	9.16	9.08
GBP	Closing rate	14.58	14.52	14.01	15.32	15.68	15.16	15.31
GBP	Average rate	14.71	14.72	14.73	15.01	14.91	14.81	14.69
USD	Closing rate	9.27	9.39	9.19	10.58	10.67	10.45	10.89
USD	Average rate	9.94	10.02	10.18	10.43	10.37	10.33	10.26
JPY	Closing rate	0.076	0.079	0.077	0.081	0.090	0.088	0.087
JPY	Average rate	0.079	0.079	0.079	0.086	0.086	0.085	0.085