

4 February 2003

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## **Financial effects 2002**

Skandia's result is affected by various external factors, such as changes in the stock market and interest rates. Future revenues that are based on fund values increase or decrease as a result of these changes. In certain cases, decreases in fund values also affect the tax situation. Altogether these factors cause a one-time effect on the operating result. During the fourth quarter of 2002 the aggregate negative financial effect on the operating result outside the USA is estimated to be in the range of SEK 0.4 billion to SEK 0.6 billion.

Up until the third quarter, financial effects outside the USA were negative in the amount of SEK 1.8 billion. The aggregate result charge in 2002 outside the USA is thus estimated to be in the range of SEK 2.2 billion to SEK 2.4 billion.

## **Effects of the sale of American Skandia**

On 20 December 2002 an agreement was reached with Prudential Financial, Inc. (USA), under which Prudential Financial will acquire American Skandia. In connection with this, a SEK 6.1 billion charge will be taken against the operating result for the fourth quarter of 2002, while the result after tax will be negatively affected by SEK 4.1 billion. To facilitate comparison, in connection with the year-end report, the group overview will be presented in accordance with the appended table.

## **Information to the stock market**

Starting in 2003, Skandia's reporting of sales information will be adapted to conform to current practice in the savings market. Accordingly, Skandia will discontinue its monthly reporting of sales. Skandia will continue to issue the usual quarterly information on financial effects that arise as a result of the trend in the financial markets. This information will be provided approximately one week before the respective quarterly reports.

Skandia's 2002 year-end report will be released on 12 February 2003.

For further information, please contact:  
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## Format for group overview in future year-end reports

### GROUP OVERVIEW - QUARTERLY ANALYSIS

| SEK million  | 2002<br>9 mos. | 2002<br>Q 3   | 2002<br>Q 2   | 2002<br>Q 1   | 2001<br>12 mos. |
|--|----------------|---------------|---------------|---------------|-----------------|
| <b>Sales</b>   |                |               |               |               |                 |
| Unit linked assurance  | 40 576         | 13 185        | 13 638        | 13 753        | 53 494          |
| Mutual funds   | 13 213         | 4 147         | 5 220         | 3 846         | 14 012          |
| Life assurance   | 928            | 408           | 273           | 247           | 1 276           |
| Direct sales of funds  | 1 919          | 591           | 264           | 1 064         | 3 781           |
| Businesses   | 339            | 95            | 118           | 126           | 414             |
| <b>Total sales excluding USA</b>   | <b>56 975</b>  | <b>18 426</b> | <b>19 513</b> | <b>19 036</b> | <b>72 977</b>   |
| USA  | 35 331         | 10 981        | 12 436        | 11 914        | 60 827          |
| <b>Total sales including USA</b>   | <b>92 306</b>  | <b>29 407</b> | <b>31 949</b> | <b>30 950</b> | <b>133 804</b>  |
| <b>Total annualized new sales,<br/>unit linked assurance excluding USA <sup>1)</sup></b> | <b>6 858</b>   | <b>2 064</b>  | <b>2 361</b>  | <b>2 433</b>  | <b>10 819</b>   |
| Total annualized new sales,<br>unit linked assurance including USA <sup>1)</sup>         | 9 657          | 2 980         | 3 338         | 3 339         | 15 038          |
| <b>Result summary</b>  |                |               |               |               |                 |
| Unit linked assurance  | 2 232          | 724           | 733           | 775           | 3 397           |
| Mutual funds   | -201           | -56           | -87           | -58           | -105            |
| Life assurance   | 114            | 35            | 20            | 59            | 111             |
| Businesses   | -141           | -85           | -69           | 13            | 41              |
| Group expenses   | -390           | -122          | -159          | -109          | -469            |
| <b>Result of operations excluding USA</b>  | <b>1 614</b>   | <b>496</b>    | <b>438</b>    | <b>680</b>    | <b>2 975</b>    |
| Financial effects unit linked assurance  | -1 810         | -898          | -792          | -120          | -525            |
| Items affecting comparability  | 2 016          | -             | 2 016         | -             | -               |
| <b>Operating result excluding USA</b>  | <b>1 820</b>   | <b>-402</b>   | <b>1 662</b>  | <b>560</b>    | <b>2 450</b>    |
| USA  | -4 129         | -2 267        | -1 472        | -390          | -3 539          |
| <b>Operating result including USA</b>  | <b>-2 309</b>  | <b>-2 669</b> | <b>190</b>    | <b>170</b>    | <b>-1 089</b>   |

<sup>1)</sup> Periodic premiums recalculated to full-year figures plus 1/10 of single premiums during the period.