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PRESS RELEASE

Trygg-Hansa Non-Life sold to Codan SEB expands strongly in Denmark

Today, SEB has signed an agreement with Danish insurer Codan and its parent company, British insurance company Royal & SunAlliance ("RSA"). The agreement comprises several elements: Codan acquires Trygg-Hansa Non-Life; SEB breaks into the Danish asset management market through acquisitions and agreements; in addition, a strategic partnership has been formed between the companies with regards to distribution of products from the respective companies. SEB will launch an Internet-bank in Denmark with Codan Bank as a platform.

In summary, the agreement means:

- **SEB sells Trygg-Hansa Non-Life** to Codan for SEK 4.3 billion. As a part of this process, SEB has also previously received a tax-free dividend of SEK 2.7 billion. In addition to the cash consideration, the agreement with Codan creates substantial value for SEB.
- **SEB expands strongly in Denmark**
 - ⇒ SEB enters into a number of long-term asset management agreements totalling approximately SEK 70 billion*. A custody services agreement has also been entered into.
 - ⇒ SEB acquires Codan Bank in Denmark with 135 employees for a price corresponding to stated book value DKK 750 million (SEK 885 million),.
 - ⇒ SEB acquires 49 percent of Codan Link, a unit-linked company for DKK 25 million (SEK 30 million).
 - ⇒ SEB acquires Codan's 15.8 per cent shareholding in Amagerbanken, at current market price corresponding to DKK 80 million (SEK 94 million).

SEB and Codan establish a strategic partnership

- ⇒ SEB maintains the asset management contract for Trygg-Hansa's portfolio in Sweden, approximately SEK 12 billion.
- ⇒ SEB enters into extensive distribution agreements with Codan regarding life-, savings- and banking products in Denmark, and with Trygg-Hansa regarding non-life products in Sweden.
- ⇒ The transfers will take place once the required permissions have been obtained.

*) Calculated at the exchange rate of DKK 1 = SEK 1.18

The SEB Group's investment in the Danish market is a strategic venture, and is in line with the objective of SEB becoming the leading provider of financial services in Northern Europe. Simultaneously, SEB becomes one of the leading players on the Danish asset management market, and also establishes a stronger platform for further expansion in Denmark, especially in the area of asset management. SEB Securities Services will, through the asset-management agreement, become a large player on the Danish custody market.

The acquisition of Codan Bank provides SEB with strategic opportunities on the Danish market and also provides a platform for further development of banking- and savings services. SEB is one of Europe's leading Internet banks and will, with Codan Bank as a platform, take advantage of its know-how and its leading position in order to expand in Denmark.

The Danish unit-linked market is still relatively limited, but is growing strongly. Through Codan's competence and customer base in Denmark, and with SEB Trygg Liv's leading position in the unit-linked area, the partners expect to gain a substantial market share.

In co-operation with Trygg-Hansa Non-Life, SEB will continue distributing non-life insurance products via existing distribution channels, and to develop combination products (financing and insurance) in Sweden. In addition, SEB has entered into an exclusive distribution agreement with Trygg-Hansa Non-Life regarding distribution of life- and savings products through Trygg-Hansa Non-Life's call-centres. The Trygg-Hansa trademark will be licensed to Codan for non-life insurance products without any cost or time limit. Thus, marketing of the company's non-life insurance products in Sweden will continue under the name Trygg-Hansa *.

In Denmark, the distribution agreement will be introduced in the same manner as in Sweden. Codan's strong market positions in Denmark combined with its customer base of 450,000 clients make up valuable elements.

Mr. Lars H Thunell, SEB President and Group Chief Executive, says:

"This is a strategically important partnership. Now, SEB has a co-operation partner in the Nordic region, and a platform in Denmark, which facilitates continued expansion in the important savings- and investment markets. Codan is, besides being an interesting partner, also a good owner for Trygg-Hansa Non-Life, which is beneficial for both clients and staff."

*The life-insurance company will remain within the SEB Group under its present name SEB Trygg Liv

Mr. Jens Erik Christensen, Managing Director RSA Europe and CEO Codan, says:

"There are very few countries in Europe where, overnight, it is possible to **acquire** a market share of 16 per cent **or more, in addition to the 13 percent market share we have in Denmark today**. Besides, we get access to one of Sweden's strongest trademarks, since Trygg-Hansa's logo, the life-buoy, is known by almost the entire Swedish population. Such a trademark gives us some fantastic opportunities on which to build."

"We view SEB as a very dynamic financial group, and our expectations are, therefore, great when it comes to this partnership, not least in Denmark, where electronic commerce and Internet banking have only just started. Codan is at the forefront, and together with SEB's substantial experience in Internet-banking, it is twice as interesting, since we can provide our clients a collection of really attractive, well-tested services," says Mr. Christensen.

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Invitation to press conferences:

Copenhagen, Codans Hus, Gammel Kongevej 60, 10.30 a.m.

Stockholm, Trygg-Hansa Building, Fleminggatan 18, 14.30 p.m.

Annex 1

Key facts on companies

***The Codan Group**, has 2,600 employees. 72 per cent is owned by the British insurer Royal & Sun Alliance ("RSA") and conducts business in Denmark, Sweden, Norway and Lithuania. The core business embraces accident- and life insurance activities. In Sweden, Codan is the owner of the insurance company Holmia.*

***Royal & SunAlliance (RSA)**, which has 44,000 employees world-wide, is Great Britain's largest non-life insurance company and one of the world's leading, international insurance companies. RSA conducts business in 55 countries and has co-operation agreements in 130 countries. RSA's non-life fee income was GBP 6.9 billion in 1998.*

***The SEB Group** is one of the largest financial groups in the Nordic region, with assets under management amounting to SEK 550 billion and total assets of SEK 720 billion. SEB offers a wide choice of banking- and insurance services. The Group is represented in some 20 countries, and has approximately 3 million customers. SEB has about 13,000 employees (including Trygg-Hansa).*

***Trygg-Hansa Non-Life**, which has 1,300 employees, offers non-life insurance products to private individuals and to small- and medium-sized enterprises. In addition to Trygg-Hansa, the company does business through its subsidiary Aktsam (car insurance), Trygg-Hansa Denmark, Trygg-Hansa Norway as well as through Partner and Garda Life in Poland.*

SEB in Denmark, already before this agreement with 230 employees. Main business lines: SEB Kort (Diners and others), with a 20 per cent market share; Merchant Banking, 11 per cent market share in bond trading; Enskilda Securities, 7 per cent market share in equity trading. Recently established activities in Asset Mangement, SEB Trygg Liv, Securities Services and SEB Finans.

Annex 2

Key facts on agreement

	<u>SEK M</u>	<u>DKK M</u>
<u>The selling of Trygg-Hansa Försäkrings AB</u>	4,300	3,600
Includes: Non-Life company excl. Run-Off division Approx. 1,300 employees, 14 % market share in Sweden, 800,000 clients, subsidiary Aktsam and others, licensing of trademark Trygg-Hansa regarding non-life insurance products in Sweden		
<u>Acquisition of Codan Bank</u>	885	750
135 employees 17,000 clients		
<u>Acquisition of 49 % in Codan Link</u>	30	25
Unit-linked company Codan owns 51 %		
<u>Acquisition of 15.8 % in Amagerbanken</u>	94	80
<u>Asset management agreements</u>	about 70,000	about 60,000
Codan Forsikring in Denmark, Codan Bank, Holmia in Sweden. In addition, custody services.		
<u>Maintained asset management agreement</u>		
Trygg-Hansa in Sweden	about 12,000	about 10,200
<u>Gross premium income, accident 1998</u>		
Codan Group	5,262	4,469
Trygg-Hansa	4,348	3,693
<u>Employees</u>		
	<u>Sweden</u>	<u>Denmark</u>
Codan Forsikring/Holmia	266	2,150
Trygg-Hansa	1,240	60
SEB incl. Trygg-Hansa	13,000	230
	(incl. 2,000 abroad)	
<u>Market shares non-life 1998</u>	<u>Sweden</u>	<u>Denmark</u>
Codan Group	2 %	13 %
Trygg-Hansa	14 %	0 %

(1 DKK = 1.18 SEK)