

Press release

Stockholm, 1 September 2005

Continued good return

The occupational pensions company Alecta's total return for the first half of 2005 was 8.3 per cent. This outperformed the industry average for the same period. At the same time, funding is satisfactory.

Alecta achieved a total return of 8.3 per cent for the first half of 2005. During the same period last year the total return was 4.9 per cent. The total return is 1.2 percentage points better than the average for Swedish life insurance companies during the first half of 2005.

Favourable investment returns enable Alecta to index the benefits of the ITP Plan. Premiums paid by employers are calculated on the basis, among other things, of assumptions regarding mortality, future returns and expenses.

Alecta's president, Tomas Nicolin, comments: "It is we here at Alecta who can influence returns and expenses. That is why it is gratifying that when we went through last year's annual reports we could see that we have lower costs and higher returns than the rest of the industry. This means that employers get more for their money if they pay premiums to Alecta rather than to other insurance providers."

Alecta's collective funding ratio was 129 per cent in June. The market value of Alecta's portfolio in June amounted to SEK 375 billion. Most of the portfolio, 61 per cent, comprised fixed-income instruments. Equities accounted for almost 33 per cent.

Access the complete interim report at www.alecta.com

For further information, please contact:

Tomas Nicolin, President, Alecta, telephone +46 8 441 60 50

Cecilia Schön Jansson, Senior Vice President, Communications, Alecta,
telephone +46 8 441 93 50, +46 70 526 93 50

The occupational pensions company Alecta handles the major part of the ITP occupational pension plan on assignment from the Confederation of Swedish Enterprise and the Federation of Salaried Employees in Industry and Services (PTK). Alecta has assets under management of approximately SEK 370 billion and provides service to 27,000 client companies and 1.6 million insured individuals. Alecta's cost-effective solutions enable client companies to provide their employees with financial security as long as they live. Through the disability insurance included in ITP, Alecta can also increase client companies' awareness of the correlation between health and profitability.