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Sales increase for 22nd consecutive quarter ^{*)}

Skandia's sales for the period January through September 2000 rose 62 per cent, to SEK 154.1 billion (95.0). Sales of unit linked assurance increased to SEK 108.8 billion (65.8), and sales of mutual fund savings products to SEK 42.8 billion (25.7). Sales increased for the twenty-second consecutive quarter, on a moving 12-month basis.

Skandia's goal is to pursue global expansion and thereby reduce the dependence on individual markets. Third-quarter sales increased by 32 per cent, to SEK 43.0 billion (32.6). The UK, Sweden, Germany, Switzerland, Austria and Japan made the main contribution to the sales increase. Sales during the first quarter are characteristically higher than during the second and third quarters due to seasonal fluctuations and cyclical factors.

In September sales amounted to SEK 14.0 billion (10.1). Compared with the corresponding months last year, the rate of growth increased successively to 39 per cent in September, from 35 per cent in August and 23 per cent in July.

New sales, measured by the industry-wide definition as periodic premiums recalculated to full-year figures plus 1/10 of single premiums during the period, grew faster than sales measured by inflows. This is attributable to the high rate of growth in the UK and Sweden, where a substantial portion of sales consist of periodic, recurring annual premiums, while in the USA, for example, sales consist mainly of single-premium payments.

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

In the USA, sales increased to USD 10.2 billion (7.2), broken down into variable annuities (unit linked assurance), USD 6.9 billion (5.0), and mutual funds, USD 3.3 billion (2.2). Sales were affected during the third quarter by adverse market conditions which favour products with fixed rates of interest. American Skandia's product offering is based primarily on equity-related variable annuity and savings products, which meet our required rate of return over the long term.

In the UK, sales doubled to GBP 3.0 billion (1.5). As a result of sales growth that considerably exceeded the rate of growth for the overall market, Skandia Life's share of the group's total sales rose to 31 per cent during the third quarter, compared with 21 per cent for the full year 1999. In Sweden, SkandiaLink grew its sales to SEK 8.1 billion (4.1), which exceeded growth for the overall market.

Only a small portion of Skandia's sales are in Swedish kronor. After conversion to average exchange rates for the period, sales were positively affected by 8 per cent compared with the same period a year ago.

Financial calendar:

1 November 2000, interim report January–September

10 November 2000, October sales

11 December 2000, November sales

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Appendix: Sales per month in 1999 and 2000

Sales per month (SEK billion)	2000	1999
January	16.8	7.1
February	18.7	8.6
March	24.0	11.6
April	18.6	12.0
May	17.4	11.4
June	15.6	11.7
July	14.2	11.5
August	14.8	11.0
September	14.0	10.1
October		10.0
November		12.5
December		16.4

Sales per month

