

PRESS RELEASE

Länsförsäkringar and ABN AMRO enter into cooperation and services agreement in asset management

The goal of the cooperation and services arrangement is to further improve the potential for high and stable investment returns for Länsförsäkringar's (the "LF Insurance Group") policyholders.

- According to the asset management agreement ABN AMRO will take over the day-to-day management of most of the LF Insurance Group's investment assets on behalf of approximately 600,000 life policyholders and 200,000 mutual fund customers.
- The assets under management of the agreement represents approximately SEK 115 billion. The majority of these assets are sourced from the LF Insurance Group's life insurance company and mutual fund company.
- The LF Insurance Group retains ownership responsibility for all investments, including decisions on investment orientation and the voting rights of all shares.
- Asset management fees will be lower than today. The fees will contain a higher element of performance-related incentives.

"Through this agreement with ABN AMRO, our customers will gain access to world-class asset management expertise", says Tommy Persson, CEO of Länsförsäkringar AB.

The Swedish savings market is undergoing rapid change and managers of pension funds are increasing the proportion of international investments to improve their possibilities of achieving high and stable investment returns. Swedish mutual fund customers are also increasingly selecting funds that invest in foreign securities and if Sweden joins the EMU, the market for Swedish fixed income securities will diminish.

"The demand for an international research and fund management capability for asset managers has increased dramatically. Today, it is a necessity to have the ability and resources to evaluate all available investment alternatives in the international financial markets. With our relatively small size, we have limited possibilities to retain such investment activities at acceptable cost levels," says Tommy Persson.

"Through the cooperation with ABN AMRO, we are now creating better conditions for future high and stable investment returns for our customers," says Hans Benndorf, CEO of the LF Insurance Group's life insurance company.

The overall responsibility for the customers' investment return remains with the LF Insurance Group. The LF Insurance Group's Board of Directors will continue to define the strategic investment allocation, including the mix between equities and fixed-income securities. ABN AMRO's asset management assignment is to be handled within pre-defined investment return requirements and risk levels. LF Insurance Group can terminate

the ten-year asset management agreement prematurely if the required levels of return are not met.

Customer contact remains with the 24 LF Insurance Group regional companies and policyholders and investment services will therefore not be affected by the asset management cooperation with ABN AMRO.

The cooperation with ABN AMRO leads to LF Insurance Group's customers gaining access to several international mutual funds, including both mutual fund savings and unit-linked insurance savings. The trend is that increasing numbers of customers select pension insurance schemes that enable personal control of their savings allocations. During the next few years, the LF Insurance Group's offering will also be expanded to include mutual funds from other external players.

In total, some 30 of the world's leading asset management firms were included in a selection process that the LF Insurance Group initiated last autumn. The decisive selection criterion has been the partner's ability to deliver sustainable high and stable returns at an acceptable cost level.

Länsförsäkringar Kapitalförvaltning, the unit currently responsible for the day-to-day asset management, will be discontinued. A number of key personnel will be offered employment within ABN AMRO's Swedish unit, Alfred Berg Kapitalförvaltning in Stockholm. ABN AMRO's ambition is to gain full benefit from the high expertise within the LF Insurance Group, particularly within Swedish equity mutual funds and fixed-income mutual funds.

ABN AMRO is paying SEK 1.3 billion to Länsförsäkringar AB for the rights within the cooperating and services agreement to take over the day-to-day asset management services.

The cooperation is scheduled to launch in June 2002 assuming all regulatory approvals have been granted.

"We are proud that the LF Insurance Group has chosen to cooperate with ABN AMRO. ABN AMRO is truly a global asset manager, which gives us the possibility to meet the LF Insurance Group's high demands for international capacity, quality and product offering," says Tom Cross Brown, CEO of ABN AMRO Asset Management.

ABN AMRO Asset Management currently has approximately SEK 1,500 billion in assets under management.

Merrill Lynch and Lenner & Partners have been financial advisors to the LF Insurance Group. Alfred Berg has been the financial advisor to ABN AMRO Asset Management.

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Länsförsäkringar, with 24 independent regional insurance companies and the jointly owned Länsförsäkringar AB, is Sweden's only customer-owned locally established banking and insurance group. Länsförsäkringar offers a broad range of policies and financial services for companies and private individuals. Länsförsäkringar is a leader in the Swedish market for non-life insurance. Its share of the market amounts to slightly more than 28 percent. Its share of the market for life insurance and pension insurance amounts to approximately 8 percent, with a 2.5 percent of the bank market. Länsförsäkringar includes Agria Djurförsäkring (Animal Insurance). The Alliance manages assets totaling SEK 170 billion. Premium income in 2001 amounted to slightly more than SEK 19 billion.