

Swedbank Pension Fund K1 (Conservative Strategy)

April 30, 2009

Investment Principles

Swedbank Pension Fund K1 (Conservative Strategy) is a contractual investment fund founded for providing mandatory funded pension. The objective of the Fund's investment activity is to achieve long-term, stable capital growth. The Fund's assets shall be invested in the bonds, money market instruments and other similar assets of either Estonian or foreign origin. The Fund's assets shall not be invested in equities or investment funds which invest in equities.

General information

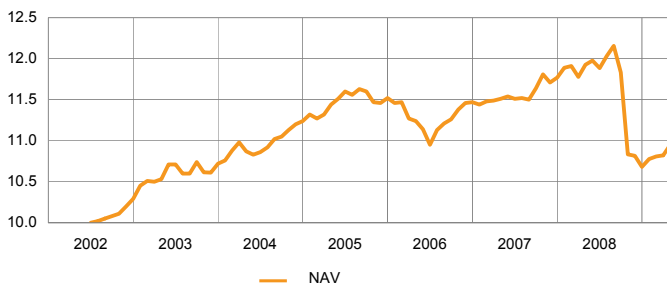
Fund Management Company: Swedbank Investeerimisfondid AS
 Fund Manager: Kristjan Tamla
 Inception: 2002
 Contact: Swedbank offices and tel. 6 310 310
 www.swedbank.ee/funds

Net Asset Value (NAV): 10.95 EEK
 Net Assets: 380 039 371 EEK
 Management Fee per annum: 1.19%
 Subscription Fee: 1.5%
 Redemption Fee: 1.0%
 Benchmark: EPI100

Weighted average rating: A
 Weighted average modified duration, years: 4.1

Statistics (computed over 3 years)
 Standard Deviation: 6.0%

Fund performance



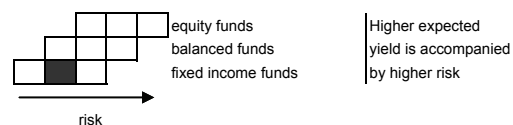
	YTD	1 month	3 months	1 year	3 years	5 years	Inception
Performance	2.5%	1.2%	1.6%	-8.2%	-2.6%	0.7%	9.5%
Annualized				-8.2%	-0.9%	0.1%	1.3%

	2003	2004	2005	2006	2007	2008	2009
Performance	4.2%	4.9%	2.5%	-0.4%	2.6%	-9.3%	

Manager Commentary

April was a favorable month for investments into credit markets. With the first signs of global economy reaching its bottom and with halt in companies' financial indicators worsening, risk premiums declined broadly. Our strategy concerning pension fund K1 has turned out to be successful this year – we have constantly increased our positions in investment grade corporate bonds and Central and Eastern Europe governments' bonds. Those asset classes were strong also in April and as a result NAV of the fund increased 1.2% in a month, which is one of the best returns among conservative pension funds. In near future we plan to continue increasing the allocation mainly in investment grade corporate bonds.

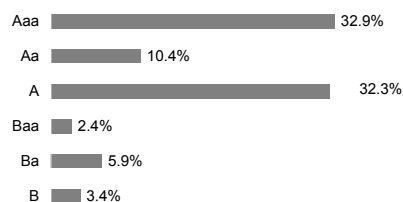
Risk level



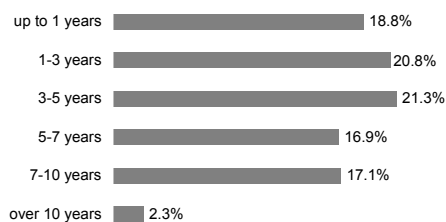
Portfolio by instruments



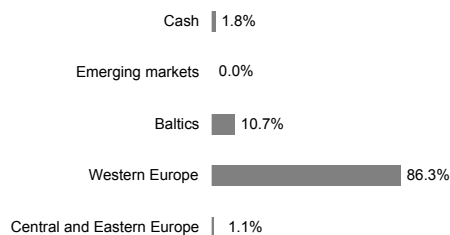
Portfolio by ratings



Portfolio by modified duration



Portfolio by regions



Largest investments

Bonds	Weight
Bluebay Inv Grad Bd	9.4%
Pimco Euro Bond Fund	6.4%
SSGA Euro Corp. Bd	6.3%
Swedbank Private Debt Fond	5.9%
DWS Euro Bond Fund	5.5%
Prantsusmaa 5% 25.10.16	4.5%
Hispaania 4.1% EUR 30.07.2018	4.4%
Deposiit - Nordea Pank (EEK)	4.0%
Holland 4% 15.07.18	3.9%
SEB Cp EEK 14.06.2010	3.4%

The value of the Fund's unit can either grow or decrease in time. The current return of the Fund shall not guarantee the same return in the future. Funds investing in foreign markets are vulnerable to monetary movements, which may lead to a growth or decrease of the net asset value of the Fund's unit. Pension Funds are founded on the basis of Funded Pensions Act. The following payment which conditionally consists of two parts - tax (4% portion of the social tax) and contribution (2% contribution of the state funded pension, withheld by the employer on the employee's gross wages) - shall be transferred to the mandatory funded pension account for a person who has joined the funded pension system.