

Swedbank Pension Fund K1 (Conservative Strategy)

April 30, 2010

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
 Contact: Swedbank offices and tel. 6 310 310
 www.swedbank.ee/funds

Inception: 2002
 Net Asset Value (NAV): 11.53 EEK
 Net Assets: 391 335 787 EEK

Management Fee per annum: 1.19%
 Subscription Fee: 0.0%
 Redemption Fee: 1.0%

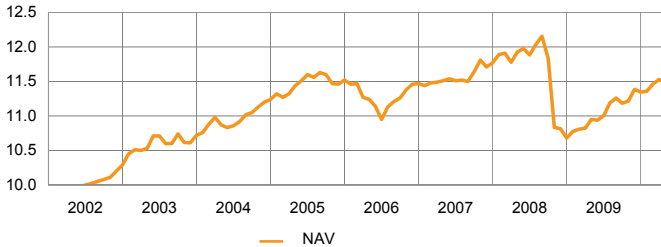
Benchmark: EPI100

Weighted average rating: A
 Weighted average modified duration, years: 1.9

Statistics (computed over 3 years)

Standard Deviation: 5.9%

Fund performance



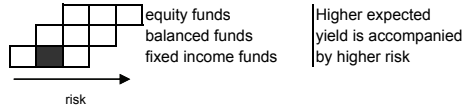
	YTD	1 month	3 months	1 year	3 years	5 years	Inception
Performance	1.3%	-0.3%	1.2%	5.0%	-0.1%	0.5%	14.9%
Annualized				5.0%	0.0%	0.1%	1.8%

	2003	2004	2005	2006	2007	2008	2009
Performance	4.2%	4.9%	2.5%	-0.4%	2.6%	-9.3%	6.2%

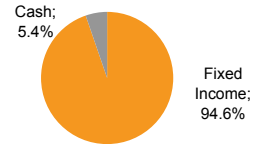
Manager Commentary

In eurozone, the largest sovereign positions of the fund are Germany, France and Italy on an absolute basis, both regarding duration risk and market weight. These countries outperformed during the month. Portugal, Ireland, Greece and Spain underperformed in April. The market gave up waiting for a rescue package for Greece, resulting in a new selloff and contagion effect in Portugal, Spain and Ireland, which all performed poorly. The Greek market was basically shut down at the end of the month, with very high bid offer spreads. On a duration basis, the fund was neutral to Ireland and Greece, and in mid-April the fund went short in Portugal and Spain compared to benchmark. At the end of the month, the Funds repositioned themselves so that they are neutral in all eurozone government bonds both on a duration and market weight basis. The spread on credit bonds went up a little during the month. The largest credit exposure lies in funds, which still managed to outperform the market and post a positive return on the month.

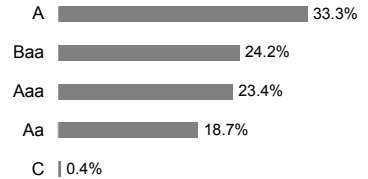
Risk level



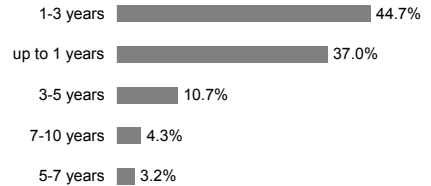
Portfolio by instruments



Portfolio by ratings



Portfolio by modified duration



Portfolio by regions



Largest investments

Bonds	Weight
Bluebay Inv Grad Bond Fund	8.7%
Germany 4.25% 12.10.2012	7.7%
Lithuania EEK 07.07.2011	6.6%
France 4.5% 12.07.2012	6.0%
Italy 5% 01.02.2012	6.0%
Deposit - Swedbank (EEK)	5.0%
Spain 2.75% 30.04.2012	4.6%
Lithuania EEK 10.06.2010	3.3%
Lithuania EEK 14.10.2010	3.3%
Netherlands 5% 15.07.2011	2.9%

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.