

Swedbank Pension Fund K1 (Conservative Strategy)

April 30, 2011

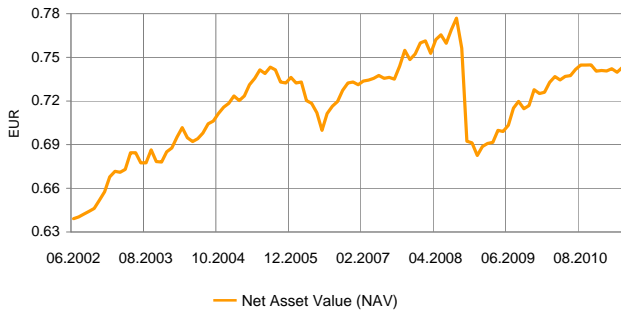
Investment Principles

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	Katrin Rahe
Contact	Swedbank offices and tel. +372 613 1606 www.swedbank.ee/funds
Inception	2002
Net Asset Value (NAV)	0.74294 EUR
Net Assets	25 085 292 EUR
Management Fee per annum	1.19%
Subscription Fee	0.0%
Redemption Fee	1.0%
Weighted average rating	A
Weighted average modified duration, years	3.1
Standard deviation (computed over 3 years)	5.7%

Fund performance*



	YTD	1 month	3 months	1 year	2 years	3 years	5 years	Inception
Performance*	0.3%	0.4%	0.3%	1.1%	6.2%	-2.5%	3.4%	16.0%
Annualized				1.1%	3.0%	-0.8%	0.7%	1.7%

	2003	2004	2005	2006	2007	2008	2009	2010
Performance*	4.2%	4.9%	2.5%	-0.4%	2.6%	-9.3%	6.2%	2.2%

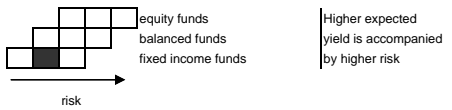
Manager Commentary

Swedbank Pension Fund K1 returned 0.4% in April with YTD performance of 0.3%. The monetary policies of the US Federal Reserve and the European Central Bank had the biggest impact on the dynamics of financial markets in April. At the start of April, the ECB raised the base interest rates by 0.25% as expected, referring to the pressure exerted by inflation, and even though Mr. Trichet refused to confirm that this is the first step in a longer series, we have grounds to believe that the implementation of a tighter monetary policy in the euro zone has started. When and how much interest rates will be increased is another question. At the same time, the Federal Reserve decided not to rush with the implementation of a tightening policy, although QE3 (quantitative easing) is no longer part of the plans. This means that the interest cycles of the US and the euro zone are no longer in sync, which was also clearly evident in the strengthening of the euro in the second half of the month. Interest rates decreased slightly in core euro zone fixed income markets and were led by longer maturities (Germany 2yrs -2bp and 10yrs -15bp). However, the problems of the euro periphery countries are still far from a sustainable solution. Segmentation has recently been occurring not only between the peripheral and core, but also among peripheral countries of the euro zone. Portugal, Ireland and Greece were under pressure to restructure their loan burdens and the risk premiums of these countries increased considerably. Still, investors are not prepared to purchase the 2-year bonds of the Greek Government, even from the +25% interest level achieved by the end of April. The situation in Italy and Spain was considerably more stable. For the fund portfolio, the month was positive both for government bonds as well as for investment-grade corporate bonds. Risk premiums for latter decreased somewhat. In our investment market preview, we still expect interest rates to increase in the wake of the shorter sectors. At the same time, we believe that a significant increase in risk premiums (except the peripheral countries of the euro zone) is not very likely at the moment.

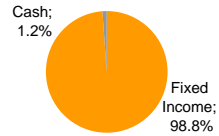
* The value of fund units may rise or fall over time. The fund's historical performance does not promise or offer any indications regarding future performance. Investments in foreign markets are sensitive to changes in foreign currency exchange rates, which may cause a rise or a fall in the net value of the fund unit.

Please read fund's rules and prospectuses available on the web-site www.swedbank.ee/fondid or visit a Swedbank office. If necessary, consult with a teller or an investment consultant.

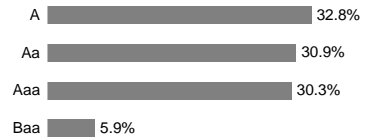
Risk level



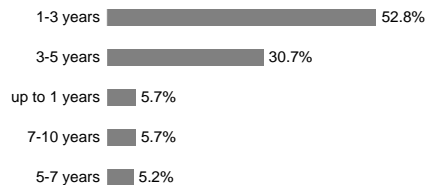
Portfolio by instruments



Portfolio by ratings



Portfolio by modified duration



Portfolio by regions



Portfolio by currencies



Largest investments

Bonds	Weight
France 4.5% 12.07.2013	6.0%
France 2.5% 12.01.2014	4.9%
France 3% 12.07.2014	4.2%
France 3.75% 12.01.2013	4.2%
Italy 3.75% 15.12.2013	4.1%
Italy 3.5% 01.06.2014	4.1%
France 2.5% 15.01.2015	4.0%
Italy 3% 15.04.2015	3.9%
Credit Suisse EUR 6.125% 05.08.2013	2.8%
Royal Bank of Scotland EUR 5.25% 15.05.2013	2.5%