

Swedbank Pension Fund K2 (Balanced Strategy)

March 31, 2009

Investment Principles

Swedbank Pension Fund K2 (Balanced 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 will be invested in bonds, shares, money market instruments and other assets of either Estonian or foreign origin. The Fund's assets may be invested in shares or in the investment funds dealing with investments in shares to the extent of 25% of the market value of the Fund's assets.

General information

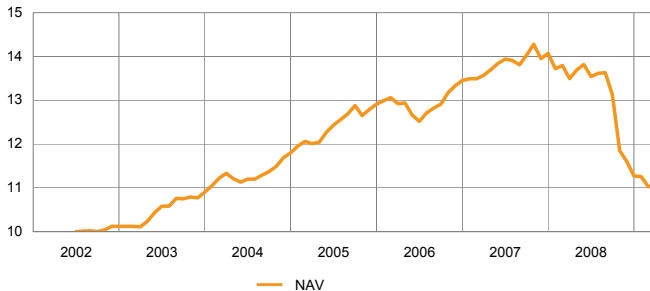
Fund Management Company	Swedbank Investeerimisfondid AS
Fund Manager	Kristjan Tamla
Inception	2002
Contact	Swedbank offices and tel. 6 310 310 www.swedbank.ee/funds

Net Asset Value (NAV)	11.03 EEK
Net Assets	1 856 603 715 EEK
Management Fee per annum	1.49%
Subscription Fee	1.5%
Redemption Fee	1.0%
Benchmark	EPI75

Statistics (computed over 3 years)

Standard Deviation	7.6%
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Fund performance



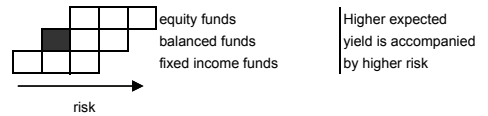
	YTD	1 month	3 months	1 year	3 years	5 years	Inception
Performance	-2.1%	0.0%	-2.1%	-18.3%	-14.6%	-2.6%	10.3%
Annualized				-18.3%	-5.1%	-0.5%	1.5%

	2003	2004	2005	2006	2007	2008	2009
Performance	7.7%	8.3%	9.4%	4.2%	4.6%	-19.9%	

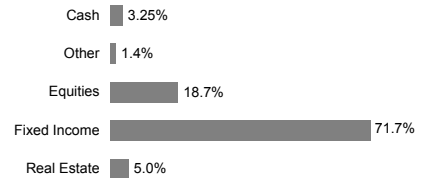
Manager Commentary

Over a long time equity markets showed signs of revival and many analysts are now already forecasting that the worst times seen in last 1.5 years are soon over. Investments into Russian stock market, which was up almost 25% in a month measured in USD, most positively affected Fund's performance. Only negative factor influencing Fund's performance was the decision to reevaluate some Baltic companies bonds - bond prices were adjusted as more conservative long term solvency estimations were assigned. In March over a long time we added again positions in Central and Eastern European stock markets and continued investing into these countries' government bonds nominated in Euro or in currencies pegged to Euro. As an example, we bought one-year Lithuanian Government bond denominated in EEK and yielding more than 11%.

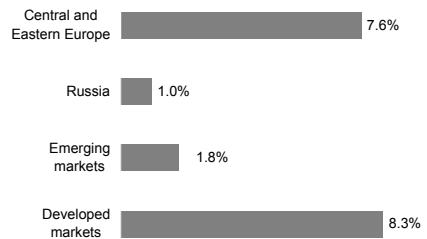
Risk level



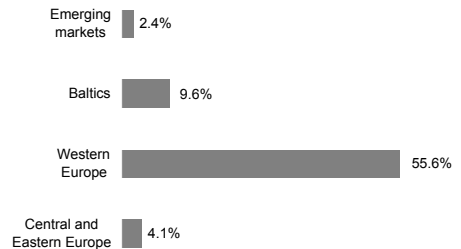
Portfolio by instruments



Equity portfolio by regions



Fixed Income portfolio by regions



Largest investments

Stocks	Weight
SSGA USA Index Equity Fund	2.8%
Hansa CEE Fund of Funds	2.3%
SSGA Tracks Pan Euro	1.7%
SSGA Europe Index Equity Fund	1.7%
Accession Mezzanine Capital II	1.2%
Bonds	Weight
Bluebay Inv Grad Bd	6.5%
SSGA Euro Corp. Bd	5.9%
DWS Euro Bond Fund	5.2%
Swedbank Private Debt Fond	4.9%
Pimco Euro Bond Fund	4.2%

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.