

Swedbank Pension Fund K3 (Growth Strategy)

August 31, 2009

Investment Principles

Swedbank Pension Fund K3 (Growth Strategy) is a contractual investment Fund founded for providing mandatory funded pension. The objective of the Fund's investment activity is to achieve as long-term and stable growth of the capital gain as possible. The Fund's assets shall 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 50% of the market value of the Fund's assets.

General information

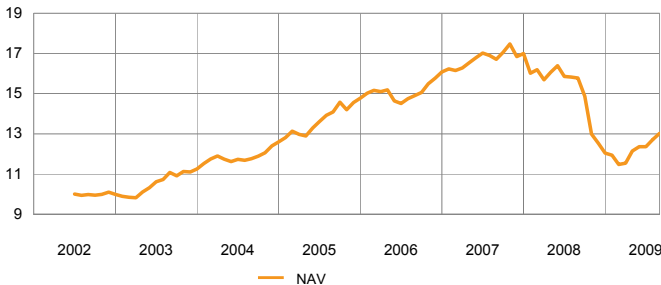
Fund Management Company: Swedbank Investeerimisfondid AS
 Fund Manager: Jelena Fedotova
 Inception: 2002
 Contact: Swedbank offices and tel. 6 310 310
 www.swedbank.ee/funds

Net Asset Value (NAV): 13.02 EEK
 Net Assets: 4 774 316 686 EEK
 Management Fee per annum: 1.59%
 Subscription Fee: 1.5%
 Redemption Fee: 1.0%
 Benchmark: EPI50

Statistics (computed over 3 years)

Standard Deviation: 11.6%

Fund performance



	YTD	1 month	3 months	1 year	3 years	5 years	Inception
Performance	8.2%	2.4%	5.4%	-17.4%	-12.6%	10.7%	30.2%
Annualized				-17.4%	-4.4%	2.1%	3.8%

	2003	2004	2005	2006	2007	2008	2009
Performance	12.7%	11.9%	17.2%	8.9%	5.7%	-29.1%	

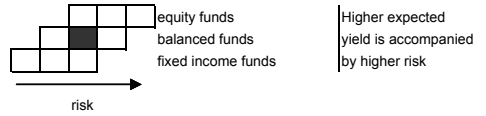
Manager Commentary

After strong July, most global equity markets continued their upturn in August. With the exception of the Emerging Asia region, where China's equity market tumbled on liquidity concerns, all markets where the fund invests in posted a positive return. First signs have emerged that after many quarters investors have started to allocate some funds also to smaller and less liquid equity markets. As a result, fund benefited the most by being invested to the Baltic region where both equities (up 35% in August) and high quality bonds showed a double digit return.

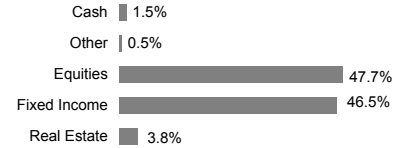
Despite a strong equity market rally over July and August, we have maintained and even slightly increased our positions to equities. We see that market technical indicators do not still show that most equity markets have been over bought. This coupled with continuous favourable liquidity environment (all major central banks have reiterated their policy support) and improving business cycle in developed markets will help to maintain a positive sentiment. Regionally we still favour emerging markets (notably the CEE region) and developed Europe over Japan and the USA.

In fixed income universe our overweight positioning in credit has been slightly decreased after massive spread tightening over summer months. The fund has bought government guaranteed bank papers during the month to receive a yield pickup with the same risk. We have also bought Spain, Belgium, France, Portugal, and Italy government bonds during the month in order to balance the fund.

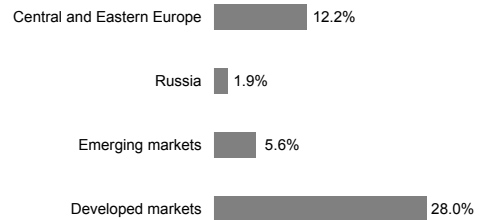
Risk level



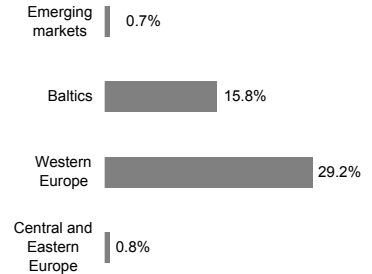
Portfolio by instruments



Equity portfolio by regions



Fixed Income portfolio by regions



Largest investments

Stocks	Weight
SSGA USA Index Equity Fund	7.0%
SSGA Europe Index Equity Fund	6.9%
SSGA Tracks Pan Euro	4.7%
SSGA Japan Index Equity Fund	3.0%
Luxor Eastern Europe Index Fund	2.9%
Bonds	Weight
Germany 3.75% Due 04.01.2019	3.6%
Swedbank Private Debt Fond	3.1%
SSGA Euro Corp. Bond Index Fund	3.1%
Italy Treasury 5% 08.01.2039	2.5%
Italy Treasury 3.75% 15.12.2013	1.9%

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.