

Swedbank Pension Fund K3 (Growth Strategy)

September 30, 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

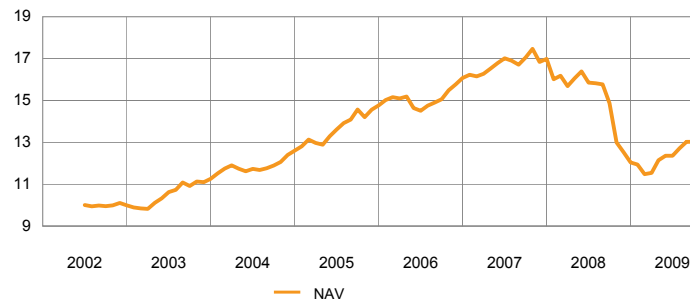
| | |
|-------------------------|--|
| Fund Management Company | Swedbank Investeerimisfondid AS |
| Fund Manager | Jelena Fedotova |
| Inception | 2002 |
| Contact | Swedbank offices and tel. 6 310 310 www.swedbank.ee/funds |

| | |
|--------------------------|-------------------|
| Net Asset Value (NAV) | 13.02 EEK |
| Net Assets | 4 781 339 170 EEK |
| Management Fee per annum | 1.59% |
| Subscription Fee | 1.5% |
| Redemption Fee | 1.0% |
| Benchmark | EPI50 |

Statistics (computed over 3 years)

| | |
|--------------------|-------|
| Standard Deviation | 11.5% |
|--------------------|-------|

Fund performance



| | YTD | 1 month | 3 months | 1 year | 3 years | 5 years | Inception |
|-------------|------|---------|----------|--------|---------|---------|-----------|
| Performance | 8.1% | 0.0% | 5.4% | -12.4% | -13.5% | 9.5% | 30.2% |
| Annualized | | | | -12.4% | -4.7% | 1.8% | 3.7% |

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

Manager Commentary

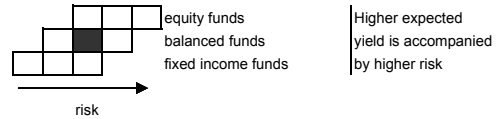
With the exception of Japan all major equity markets where the fund invests in posted a positive return in September. Fund benefited the most by being invested in the Russian equity market, which was up by over 10% in a month. The biggest negative contribution came from the downward valuation on Baltic corporate bonds, which were devalued to the price we consider them being possible to offload. This subtracted approximately 1% from the September performance, but despite of this fund still managed to post a non negative return.

Fund entered the Q4 with close to maximum (50%) allowed equity allocation. We see that global business cycle and market technical indicators are still supportive for equities. In addition, there are signs that Q3 earnings season has a potential to surprise on the upside.

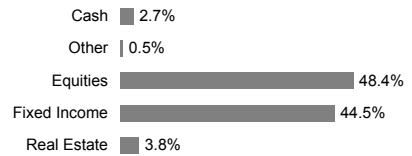
In fixed income we added positions to double digit yielding Lithuanian EEK denominated bonds. We also continue working hard on Baltic corporate bonds with the aim of realising their execution value at the higher level. In the Euro market the fund made good profits from exploiting misruled yield curves within the EMU area. For instance the 10 year Greece bond was very cheap compared to the 7 year and the 15 year bond. The fund was also overweight in peripheral EMU that rallied at the end of the month.

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.

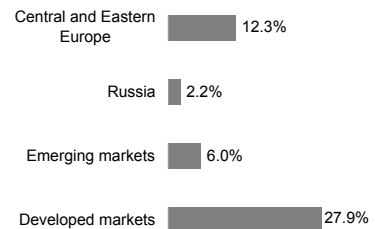
Risk level



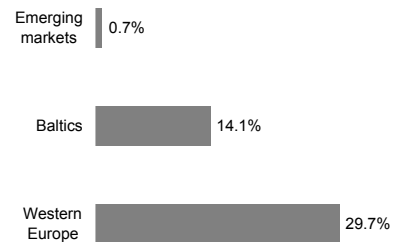
Portfolio by instruments



Equity portfolio by regions



Fixed Income portfolio by regions



Largest investments

| Stocks | Weight |
|---------------------------------|--------|
| SSGA USA Index Equity Fund | 7.1% |
| SSGA Europe Index Equity Fund | 6.6% |
| SSGA Tracks Pan Euro | 4.8% |
| Aviva CEE Equity Fund | 2.8% |
| SSGA Japan Index Equity Fund | 2.8% |
| Bonds | Weight |
| SSGA Euro Corp. Bond Index Fund | 3.1% |
| Italy 5% 08.01.2039 | 2.5% |
| Swedbank Private Debt Fond | 2.4% |
| Italy 3.75% 15.12.2013 | 1.9% |
| France 4.25% 25.04.2019 | 1.8% |