

Swedbank Pension Fund K4 (Equity Strategy)

June 30, 2011

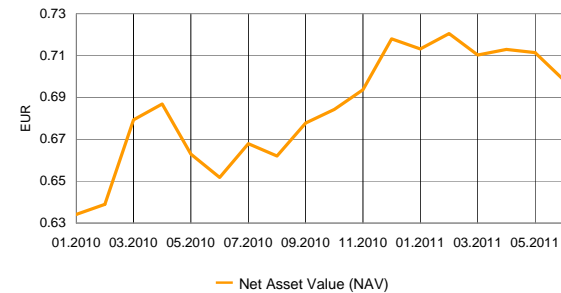
Investment Principles

Swedbank Pension Fund K4 (Equity 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 75% of the market value of the Fund's assets.

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	2010
Net Asset Value (NAV)	0.69838 EUR
Net Assets	4 886 819 EUR
Management Fee per annum	1.59%
Subscription Fee	0.0%
Redemption Fee	1.0%

Fund performance*



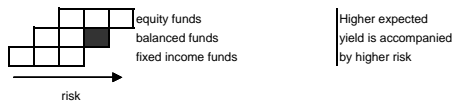
	YTD	1 month	3 months	1 year	2 years	3 years	5 years	Inception
Performance*	-2.7%	-1.8%	-1.7%	7.1%				9.3%
Annualized				7.1%				6.1%

	2010	2011	2012	2013	2014	2015	2016	2017
Performance*	12.3%							

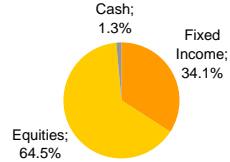
Manager Commentary

Swedbank Pension Fund K4 returned -1.8% in June with YTD performance of -2.7%. The sentiment on the financial markets was nervous in June, which is not characteristic of summer. The markets were kept turbulent both by continuingly unresolved Greek debt crisis and the slowdown of global economic growth. The former had a strong impact on the investors' risk appetite and induced the flight-to-quality flows (e.g. into German government bonds). The month ended in a positive mood, however, with the Greek parliament showing trust in the government and approving the new austerity measures. Major French and German banks also helped to take a step closer to the agreement on private sector participation in the new rescue package. Thus, there are no more direct obstacles to the granting of further financial aid to Greece by the so-called troika (the ECB, the European Commission and the IMF). The economic growth outlook was weakened by the unexpected rise in US unemployment, although some relief was brought by the fall oil price in last few months and the US ISM index which rebounded at the end of the month. The markets reflected these events clearly – the equity prices which had fallen from the beginning of the month rebounded to a strong growth in the last week of the month. The best gains were in Japan (+0.46% in euros), where the equity market was supported by a faster than expected recovery of the industrial sector after the earthquake. The Russian market (0.98%) also performed quite well thanks to relatively low valuations. The poorest performance was shown by the Swedish equities (6.23%). The performance of other major equity markets was ca. 3%. The dynamics of the euro was similar: the fall in the beginning of the month turned to a rise and the month ended in the positive territory. In June, initially the core eurozone bond markets were clearly a safe haven for investors but at the end of the month investors started to gradually withdraw from these, still the monthly returns remained in the positive territory. The credit premiums of euro area peripheral government debt and corporate bonds increased quite significantly due to the events in Greece and came down only somewhat. Emerging market government bonds were outperforming slightly. We slightly reduced the underweight of equities in the portfolio of the fund. We also participated in the Elering bond issue. We expect the weakness of the equity markets to persist in the near future. Although valuations are rather attractive, the analysts' expectations are too optimistic in the light of the slowing economic growth and a downgrade in these markets could be expected.

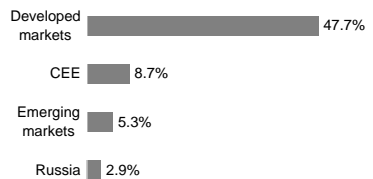
Risk level



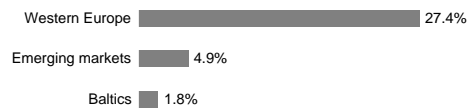
Portfolio by instruments



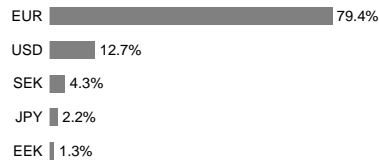
Equity portfolio by regions



Fixed Income portfolio by regions



Portfolio by currencies



Largest investments

Equities	Weight
DB x-Trackers MSCI USA Index ETF	8.4%
SSGA USA Index Equity Fund	7.3%
SSGA Tracks Pan Euro	6.0%
DB x-Trackers MSCI Europe Index ETF	5.5%
Lyxor Eastern Europe Index ETF	4.8%
Bonds	Weight
PIMCO Global Inv Grade Credit Fund	6.5%
DB x-Trackers iBoxx € Sov 3-5Y TR Index ETF	6.0%
iShares iBoxx Euro Corporate Bond	4.9%
DB x-Trackers iBoxx € Sov 1-3Y Index ETF	4.0%
Bluebay Inv Grade Bond Fund	3.4%

* 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.