

Swedbank Pension Fund K4 (Equity Strategy)

July 31, 2010

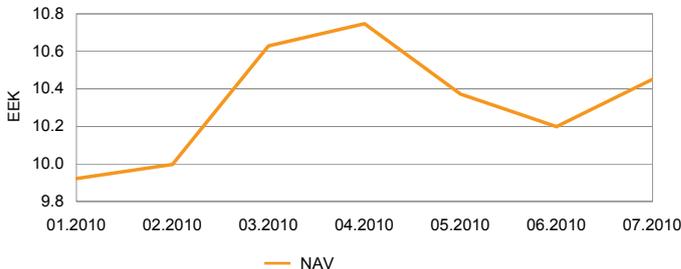
Investment Principles

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 Investeeringimisfondid AS
Fund Manager	Kristjan Tamla
Inception	2010
Contact	Swedbank offices and tel. 6 310 310 www.swedbank.ee/funds
Net Asset Value (NAV)	10.45 EEK
Net Assets	39 786 313 EEK
Management Fee per annum	1.59%
Subscription Fee	0.0%
Redemption Fee	1.0%

Fund performance



	1 month	3 months	6 months	1 year	3 years	5 years	Inception
Performance	2.5%	-2.8%	5.3%				4.2%
Annualized							

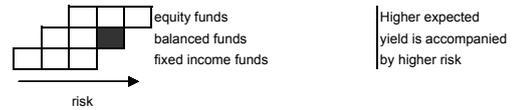
Manager Commentary

As the half-year has passed, the major global equity markets and riskier bond markets have rebounded strongly. This was partly a correction to the negative May and June. Fundamentally the equity markets have been supported by better than expected economic indicators (particularly in the euro area) and the publication of the Q2 earnings results. The largest growth in the fund's portfolio has been shown by equity investments in our nearby countries in the Central and Eastern Europe, in Sweden, Russia and the euro area, with monthly performances of almost up to 10%. Swedbank Pension Fund K4 performance in July was +2.5% with performance since inception of +4.2%.

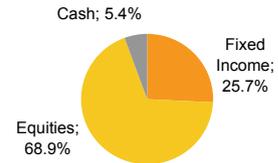
In the last week of July we reduced the equity positions in the fund's portfolio by a couple of percent. Regardless of the last month's predominantly positive signals we think that the recovery of the global economy will still be slow. The major central banks will keep the base interest rates at record lows also in the near future, but the fiscal policy stimuli will be gradually phased out in most major economies. The fund's currency positions have been affected most in July by the adoption of the final decision on the exchange rate of the Estonian kroon and the euro upon Estonia's accession to the euro area.

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.

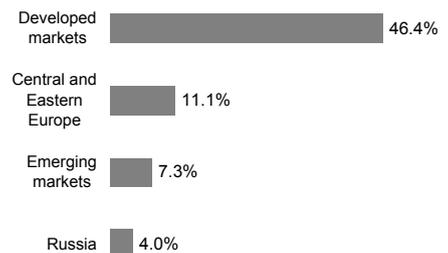
Risk level



Portfolio by instruments



Equity portfolio by regions



Fixed Income portfolio by regions



Largest investments

Stocks	Weight
DB x-Trackers MSCI USA Index ETF	7.8%
SSGA USA Index Equity Fund	7.7%
SSGA Europe Index Equity Fund	7.6%
SSGA Tracks Pan Euro	6.9%
DB x-Trackers MSCI Europe Index ETF	6.6%
Bonds	Weight
Deposit - Swedbank (EEK)	4.8%
iShares Barclays € Gov Bond 1-3Y Index ETF	4.3%
Bluebay Inv Grade Bond Fund	3.7%
Lyxor EuroMTS 1-3Y Index ETF	3.2%
DB x-Trackers iBoxx € Sov 1-3Y Index ETF	3.0%