

Swedbank Pension Fund V3 (Equity Strategy)

May 31, 2011

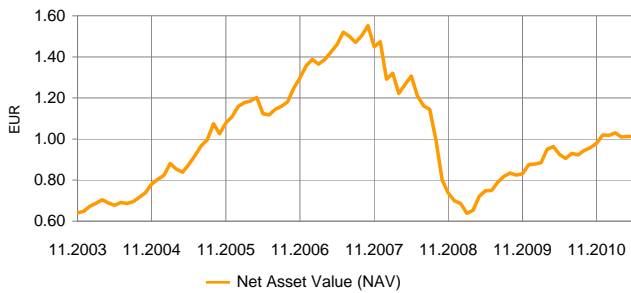
Investment Principles

The purpose of the fund is to provide investors with additional income for their retirement. The principal objective of the fund's investment strategy is to maximize long-term capital growth. The fund's assets are invested in both Estonian and foreign bonds, shares, money market instruments and other 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	2003
Net Asset Value (NAV)	1.01231 EUR
Net Assets	32 613 121 EUR
Management Fee per annum	1.4%
Subscription Fee	1.0%
Redemption Fee	1.0%
Standard deviation (computed over 3 years)	19.3%

Fund performance*



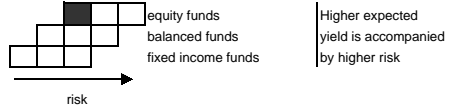
	YTD	1 month	3 months	1 year	2 years	3 years	5 years	Inception
Performance*	-0.8%	0.0%	-1.7%	9.6%	35.4%	-22.6%	-9.8%	56.2%
Annualized				9.6%	16.3%	-8.2%	-2.1%	6.2%

	2004	2005	2006	2007	2008	2009	2010	2011
Performance*	24.0%	38.0%	22.4%	8.6%	-52.5%	25.1%	16.6%	

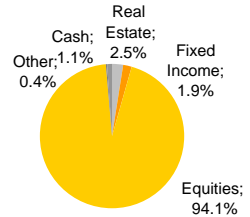
Manager Commentary

Swedbank Pension Fund V3 returned 0% in May with YTD performance of -0.8%. In May, the performance of financial markets was affected, on the one hand, by developments in Greece re-emerging strongly and, on the other hand, by warning signals on the possible slowdown of the US economic growth. The former mostly affected the investors' risk appetite, its decrease vividly resulting in a generally negative month on equity markets and pressure on buying in the base rate markets of the eurozone despite relatively unattractive interest rate levels. Moreover, the euro currency weakened by 2.8%. However, the overseas newsfeed should rather have a supporting impact on the euro in the future since the monetary policies of two major economic zones – USA and eurozone – are increasingly growing out of sync, whereas the former continues to incline towards a rectifying policy and the latter towards a tightening policy, referring to threatening inflation pressure. Yet, in the last month, the expectations of the markets with regard to a base rate increase became considerably more reserved. A decrease in oil price was also a little bit of a relief for pressure on consumer pocket. For the fund equity portfolio, due to currency movements the month was the most positive in non-euro markets – in the USA +2.0% (measured in euros), in developing Asia +2.14% and in Japan +1.51%. The most negative return was demonstrated by the Baltic equity markets -5.6%, alongside with Russia -2.4% and broader CEE -1.5%. European and Swedish equity markets slightly slid to a negative side, -0.21% and -0.37% respectively. In the nearest future, we expect equity markets to underperform fixed income markets. Yet, global liquidity flows have improved, and the decrease in oil prices during the month exerts less pressure on the prospects of economic growth than before. However, the equity price momentum has weakened and the investors' risk tolerance has decreased. The key risk is the slowdown of the global economic growth. In regional terms, we prefer US equity markets the most and European ones the least.

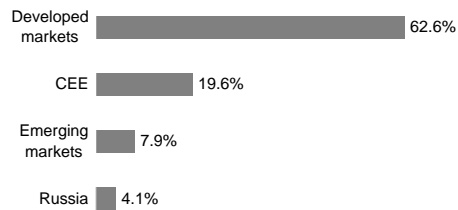
Risk level



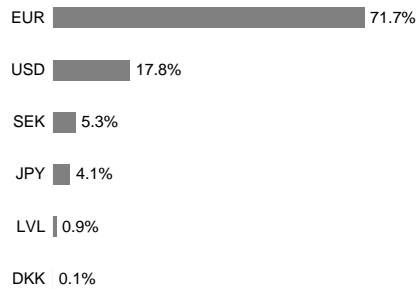
Portfolio by instruments



Equity portfolio by regions



Portfolio by currencies



Largest investments

	Weight
Equities	
SSGA USA Index Equity Fund	8.4%
DB x-Trackers MSCI Europe Index ETF	8.0%
SSGA Tracks Pan Euro	7.9%
GAM Star US All Cap Fund	7.8%
SSGA Europe Index Equity Fund	6.4%
Bonds	
Lyxor Euro Corporate Bond ETF	1.9%

* 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.