

Swedbank Pension Fund V2 (Growth Strategy)

July 31, 2011

Investment Principles

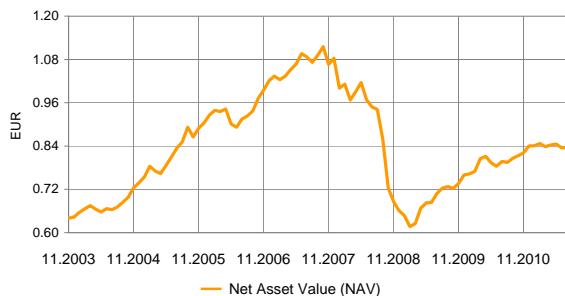
The purpose of the fund is to provide investors with additional income for their retirement. The principal objective of the fund's investment strategy is to achieve stable capital appreciation over a long-term time horizon. The fund's assets are invested in both Estonian and foreign bonds, shares, money 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)	0.83530 EUR
Net Assets	16 167 915 EUR
Management Fee per annum	1.3%
Subscription Fee	1.0%
Redemption Fee	1.0%

Standard deviation (computed over 3 years) 13.3%

Fund performance*



	YTD	1 month	3 months	1 year	2 years	3 years	5 years	Inception
Performance*	-0.7%	0.0%	-0.9%	4.7%	17.8%	-12.0%	-8.7%	30.6%
Annualized				4.7%	8.5%	-4.2%	-1.8%	3.5%

	2004	2005	2006	2007	2008	2009	2010	2011
Performance*	14.7%	22.5%	12.9%	6.1%	-39.0%	15.0%	10.5%	

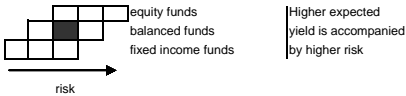
Manager Commentary

Swedbank Pension Fund V2 returned 0% in July with YTD performance of -0.7%. The financial markets remained highly anxious in July and there were winners and losers on both the equity and bond markets. The mood in the first twenty days of the month was dominated by the simmering crisis in Greece/the Eurozone, which was temporarily mitigated by the measures for managing the debt crisis adopted by the leaders of the Eurozone. However, the fleeting optimism disappeared by the end of the month and the cash flows once again moved to the core bond markets of the Eurozone (Germany, France), leading to an increase in the credit premiums of Italy and Spain, and a more complicated situation in servicing government debt. Pessimism increased due to the threat that the US Government might exceed its effective debt limit by 2 August and negotiations about a new limit might fail. Fortunately, these fears proved to be premature. The strongest performance on the equity markets was achieved in Japan (+4.5% in euro basis) as the country's recovery after the earthquake was faster than expected and the yen grew in strength. The positive season in the quarterly results of companies injected some optimism into the equity markets of the US, but the threat of economic growth decelerating and the confusion about the debt limit weakened the markets (-1.1%). The month was negative for Europe (-2.5%), which is struggling with debt problems, and its important trade partner Eastern Europe (-3.5%). Russian equity market (+3.4%), however, increased alongside Emerging Asia (+2.4%).

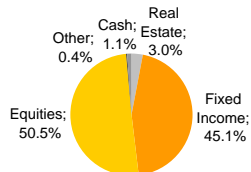
On bond markets, the month was very positive for the core Eurozone. Interest rates in Germany dropped to the extent of approximately 50 bp for all terms. The risk premiums of both investment grade and lower quality corporate bonds suffered alongside the increase in the credit premiums of the countries struggling in debt crises, but the large decrease in basic interest rates meant that the month ended on the plus side for the investment grade corporate asset class (+1.5%) and the asset class of emerging market bonds was only slightly on the minus side (-0.1%).

In the fund portfolio, we reduced the underweight of investment grade corporate bonds in the fund portfolio. We are still cautious about equity markets in the short term as global economic growth is showing signs of slowing down and liquidity flow has weakened. The price levels are attractive, but technical indicators alone are not sufficient to make the markets rise again.

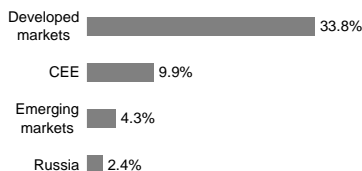
Risk level



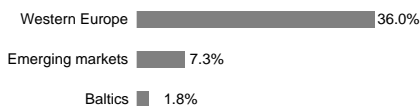
Portfolio by instruments



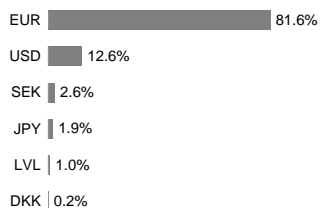
Equity portfolio by regions



Fixed Income portfolio by regions



Portfolio by currencies



Largest investments

Equities	Weight
SSGA USA Index Equity Fund	7.4%
GAM Star US All Cap Fund	4.5%
SSGA Tracks Pan Euro	4.2%
DB x-Trackers MSCI Europe Index ETF	3.7%
Lyxor ETF Eastern Europe Index	3.0%
Bonds	Weight
PIMCO Global Inv Grade Credit Fund	7.5%
DB x-Trackers iBoxx € Sov 3-5Y TR Index ETF	6.5%
Bluebay Inv Grade Bond Fund	5.1%
iShares iBoxx Euro Corporate Bond	4.7%
DB x-Trackers iBoxx € Sov 1-3Y Index ETF	3.7%

* 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.