

Press Release

September 17, 2009

Swedbank announces intention to reduce outstanding subordinated debt

Swedbank has, over the course of the last year received offers from investors to buy back some of its outstanding subordinated debt instruments. As a service to its debt investors, and as a part of managing its capital base, Swedbank has applied for, and been granted, approval from the SFSA to buy back up to SEK 3bn of certain of its Tier 2 debt instruments (please see full list of issues affected by this statement below). The current approval from the SFSA is valid through October 2009.

The buy backs will be handled by Swedbank Markets, which will publish weekly updates on Bloomberg of the remaining outstanding amount under each issue.

Furthermore, it is Swedbank's current intention to call its outstanding subordinated debt instruments which are subject to issuer call during 2010, including the USD 300m "Tier 1 bond" (Non-cumulative Perpetual Step-up Capital Securities) which may be called by the issuer in March 2010. The final decision will be made prior to the call expiration date, and will be subject to SFSA approval.

Swedbank has at this point no intention of launching tender offers in the market for any of its outstanding subordinated debt.

It is Swedbank's view that the continued ability to support the bank's balance sheet should be secured by its core Tier 1 capital. Over the last year, Swedbank has increased its core Tier 1 ratio by 1.3%, to 9.8% in June 2009. Furthermore, Swedbank's recently announced rights issue would, on a pro-forma basis, take its core Tier 1 to 12.1%. Swedbank does not at this point plan to issue any new subordinated debt instruments.

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The issues affected by this statement, please see attachment.

Attachment

ISIN	Currency	Notional amount
XS0069782406	JPY	10 000 000 000
XS0216216845	USD	300 000 000
XS0257529296	GBP	250 000 000
XS0269222591	USD	75 000 000
XS0276165346	EUR	150 000 000
SE0000226466	SEK	1 258 770 000
SE0001659665	SEK	1 935 000 000
SE0001800905	SEK	250 000 000
SE0001800913	SEK	2 100 000 000
SE0001877739	SEK	1 100 000 000