

# Carl Eric Stålberg's address to Swedbank's Annual General Meeting in Stockholm on April 25, 2008

Esteemed Shareholders, Ladies and Gentlemen,

I warmly welcome you to Swedbank's Annual General Meeting 2008.

Today Swedbank is holding its Annual General Meeting at a time of financial volatility. Still, Swedbank stands strong. Profit for the first quarter of the year, which was presented yesterday, clearly shows this. But standing strong does not mean that we are unaffected by the situation in the financial markets and by developments in the U.S. economy and their ripple effects. Naturally the Board of Directors is carefully following developments in the market in all its dimensions.

The work of the Board is described in the annual report's comprehensive corporate governance report on page 113. I can briefly tell you that the Board was organized in three committees in 2007: the Credit Committee, Audit Committee and Compensation Committee. The Credit Committee held 21 meetings, the Audit Committee held six and the Compensation Committee held four. Only the Credit Committee has decision-making authority. The Board of Directors convened 16 meetings during the year, including one in-depth meeting in connection with a study visit to Tokyo and two meetings per capsulam.

Among the issues dealt with in 2007 were a review of the strengths and weaknesses of our strategic business units, market analyses, succession planning, the capital market's view of Swedbank and an analysis of the impact of climate change on the bank. Major decisions during the year included to acquire TAS-Kommerzbank in Ukraine and to manage Folksam's asset management operations, including a cooperation to distribute non-life insurance.

Despite the financial turbulence overshadowing 2007, the Board would note that Nordic banks managed well. However, a revised outlook for certain growth markets, including the Baltic economies, has affected the market's attitude toward the financial sector, which in turn has impacted Swedbank's share price. The turbulence is not over yet and is likely to continue through the remainder of the year. And the downturn in the U.S. is expected to continue into 2009.

As in all financial crises, the map will be redrawn this time as well. Acquisitions and mergers have taken place and will continue. The Nordic region is also likely to be affected by further consolidation. It is important to note, however, that if this proves true it would be the result of a general trend rather than sub-par performance.

The strong position of the Nordic banks is partly a consequence of the financial crisis of the early 1990s, when proper efficiencies, strong credit, risk management and a focus on core businesses were an important lesson. Swedbank has a growth strategy, where the focus is to create value for shareholders by expanding from our Swedish base and extensive experience to establish a leading presence in selected markets with high growth potential. At the same time we are very clearly a retail bank. Against this backdrop, I feel very confident in Swedbank and our operations.

In my letter in the annual report, I touch upon our tradition of commitment to the communities where we are active locally and nationally. During the year I was involved in the debate in Sweden on the importance of a strong, internationally competitive financial sector. In the Baltics, we have an open dialogue with politicians and decision-makers on the importance of sound economic policies to pursue the region's dynamic development.

In accordance with Swedbank's strategy, management was assigned three overall duties by the Board last year:

- Continue to develop and strengthen our position in Sweden.
- Develop operations in the Baltics and ensure expansion and profitability growth while maintaining a satisfactory risk level.
- Use experience from the Baltics to create future growth with good profitability in Russia and Ukraine.

In addition, the Board has stressed the importance of accelerating the integration of the various parts of the Group with the goal of creating a uniform brand. In his address, President Jan Lidén will tell you how these duties were performed.

We can state that Swedbank had a good year and is well-prepared for the future at a time of financial concern and turbulence. On behalf of the entire Board, I would like to thank Swedbank's shareholders, management and employees for last year.

Having said this, I would like to again welcome you to Swedbank's Annual General Meeting.

We will now turn to the formal part of the meeting.