

Final Terms dated 16 September 2011

SWEDBANK MORTGAGE AB (publ)

Issue of SEK 1,000,000,000 Fixed Rate S.O. Bonds due 22 September 2036

under the €25,000,000,000 Programme for the
Issuance of Debt Instruments and S.O. Bonds

guaranteed by Swedbank AB (publ) pursuant
to a Guarantee dated 17 December 2009

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 19 May 2011 (the “Prospectus”) and the supplemental Prospectus dated 21 July 2011 which together constitute a base prospectus for the purposes of Directive 2003/71/EC (the “Prospectus Directive”). This document constitutes the Final Terms of the S.O. Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus as so supplemented. Full information on Swedbank Mortgage AB (publ) (the “Company”), Swedbank AB (publ) (the “Guarantor”) and the offer of the S.O. Bonds is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the supplemental Prospectus are available for viewing at www.nasdaqomxnordic.com and copies may be obtained from Swedbank Mortgage AB, SE-106 11 Stockholm, Sweden.

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| 1. | (i) Company: | Swedbank Mortgage AB (publ) |
| | (ii) Guarantor: | Swedbank AB (publ) |
| 2. | (i) Series Number: | 895 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | Swedish Krona (“SEK”) |
| 4. | Aggregate Nominal Amount: | SEK 1,000,000,000 |
| | (i) Series: | SEK 1,000,000,000 |
| | (ii) Tranche: | SEK 1,000,000,000 |
| 5. | Issue Price: | 99.572 per cent of the Aggregate Nominal Amount |
| 6. | (i) Specified Denomination(s): | SEK 1,000,000 |
| | (ii) Calculation Amount: | SEK 1,000,000 |
| 7. | (i) Issue Date: | 20 September 2011 |
| | (ii) Interest Commencement Date: | 20 September 2011 |
| 8. | Maturity Date: | 22 September 2036 |

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| 9. | Interest Basis: | 3.125 per cent Fixed Rate |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest Basis or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | (i) Status of the S.O. Bonds: | The S.O. Bonds are unsubordinated obligations issued in accordance with the Swedish Act (2003:1223) on Issuance of Covered Bonds (Sw: <i>Lagen (2003:1223) om utgivning av säkerställda obligationer</i>) |
| | [(ii)] Date Board approval for issuance of S.O. Bonds obtained: | Not Applicable |
| 14. | Method of distribution: | Non-syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate S.O. Bond Provisions (Condition 4A): | Applicable |
| | (i) Rate(s) of Interest: | 3.125 per cent per annum payable annually in arrear |
| | (ii) Interest Payment Date(s): | 22 September in each year up to and including the Maturity Date

There will be a long first coupon from 20 September 2011 up to and including 22 September 2012 |
| | (iii) Fixed Coupon Amount(s): | SEK 31,250 per Calculation Amount |
| | (iv) Broken Amount(s): | SEK 31,424 per Calculation Amount payable on the Interest Payment Date falling on 22 September 2012 |
| | (v) Day Count Fraction: | 30/360 |
| | (vi) Determination Dates: | Not Applicable |
| | (vii) Other terms relating to the method of calculating interest for Fixed Rate S.O. Bonds: | Not Applicable |
| 16. | Floating Rate S.O. Bond Provisions (Condition 4B) | Not Applicable |

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| 17. | Zero Coupon S.O. Bond Provisions | Not Applicable |
| 18. | Index-Linked Interest S.O. Bond/ other variable-linked interest S.O. Bond Provisions | Not Applicable |
| 19. | Dual Currency Interest S.O. Bond Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 20. | Company Call | Not Applicable |
| 21. | Investor Put | Not Applicable |
| 22. | Final Redemption Amount: | SEK 1,000,000 per Calculation Amount/ |
| 23. | Early Redemption Amount: | Not Applicable |

Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5.05):

GENERAL PROVISIONS APPLICABLE TO THE S.O. BONDS

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| 24. | Form of S.O. Bonds: | |
| | (i) Form: | Temporary Global S.O. Bond exchangeable for a Permanent Global S.O. Bond on and after the Exchange Date which is exchangeable for definitive S.O. Bonds upon 45 days written notice (expiring after the Exchange Date) only upon the occurrence of an Exchange Event. |
| | (ii) New Global S.O. Bonds: | No |
| 25. | Financial Centre(s) or other special provisions relating to Payment Days: | Stockholm |
| 26. | Talons for future Coupons or Receipts to be attached to Definitive S.O. Bonds (and dates on which such Talons mature): | No |
| 27. | Details relating to Partly Paid S.O. Bonds: | Not Applicable |
| 28. | Details relating to Instalment S.O. Bonds: | |
| | (i) Instalment Amount(s): | Not Applicable |
| | (ii) Instalment Date(s): | Not Applicable |

29. Redenomination, renominatisation and reconventioning provisions: Not Applicable
30. Consolidation provisions: Not Applicable
31. Other final terms: Not Applicable

DISTRIBUTION

32. (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable
33. If non-syndicated, name of Dealer: Swedbank AB (publ)
SE-105 34 Stockholm
Sweden
34. Whether TEFRA D rules applicable or TEFRA D TEFRA rules not applicable:
35. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on NASDAQ OMX Stockholm AB of the S.O. Bonds described herein pursuant to the €25,000,000,000 Programme for the Issuance of Debt Instruments and S.O. Bonds of Swedbank Mortgage AB (publ).

RESPONSIBILITY

The Company and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Company:

By:

Duly authorised

Angela Frank

Martin Rydén

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Stockholm
- (ii) Admission to trading: Application has been made for the S.O. Bonds to be admitted to trading on NASDAQ OMX Stockholm AB with effect from 20 September 2011.
- (iii) Estimate of total expenses related to admission to trading:

2. RATINGS

Ratings: The S.O. Bonds to be issued are expected to be rated AAA by Standard & Poor's and Aaa by Moody's.

Both Standard & Poor and Moody's are established in the European Union and have applied for registration under Regulation (EC) No. 1060/2009, although notification of the corresponding registration decisions have not yet been provided by the relevant competent authority.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Dealers, so far as the Company is aware, no person involved in the offer of the S.O. Bonds has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Not Applicable

5. YIELD

Indication of yield: 3.15 per cent.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

Not Applicable

7. PERFORMANCE OF RATE OF EXCHANGE

Not Applicable

8. OPERATIONAL INFORMATION

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| (i) ISIN Code: | XS0679425230 |
| (ii) Common Code: | 067942523 |
| (iii) Swiss Security Number: | Not Applicable |
| (iv) Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, société anonyme and SIX SIS Ltd (together with the address of such clearing system) and the relevant identification number(s): | Not Applicable |
| (v) Settlement procedures: | Not Applicable |
| (vi) Delivery: | Delivery against payment |
| (vii) Names and addresses of additional Paying Agent(s) (including, in the case of Swiss Domestic Instruments or S.O. Bonds, the Principal Swiss Paying Agent and any other Swiss Paying Agents) (if any): | Not Applicable |
| (viii) Intended to be held in a manner which would allow Eurosystem eligibility: | No |

9. ADDITIONAL INFORMATION

Not Applicable