

**Final Terms dated 31 May 2011**

**SWEDBANK MORTGAGE AB (publ)**

Issue of CHF 150,000,000 2.50 per cent. S.O. Bonds due 3 June 2022

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

The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of S.O. Bonds in any Member State of the European Economic Area (each, a "Relevant Member State") which has implemented Directive 2003/71/EC (the "Prospectus Directive") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the S.O. Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of the S.O. Bonds may only do so in circumstances in which no obligation arises for the Company or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Company nor any Dealer has authorised, nor do they authorise, the making of any offer of S.O. Bonds in any other circumstances.

**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") which constitutes 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 and must be read in conjunction with the Prospectus. 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. The Prospectus is available for viewing at [www.londonstockexchange.com](http://www.londonstockexchange.com) and copies may be obtained from Credit Suisse AG, Uetlibergstrasse 231, CH-8070 Zurich, Switzerland.

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|----|-----------------------------------|--|
| 1. | (i) Company:                      | Swedbank Mortgage AB (publ)  |
|    | (ii) Guarantor                    | Swedbank AB (publ)   |
|    |                                   | The S.O. Bonds are guaranteed by Swedbank AB (publ) pursuant to a Guarantee dated 17 December 2009 |
| 2. | (i) Series Number:                | 883  |
|    | (ii) Tranche Number:              | 1  |
| 3. | Specified Currency or Currencies: | Swiss Francs ("CHF")   |
| 4. | Aggregate Nominal Amount:         |  |
|    | (i) Series:                       | CHF 150,000,000  |

	(ii) Tranche:	CHF 100,000,000 ("Tranche 1a S.O. Bonds") CHF 50,000,000 ("Tranche 1b S.O. Bonds")
5.	Issue Price:	100.655 per cent. of the Aggregate Nominal Amount in respect of the Tranche 1a S.O. Bonds and 101.323 per cent. of the Aggregate Nominal Amount in respect of the Tranche 1b S.O. Bonds
6.	(i) Specified Denominations:	CHF 5,000
	(ii) Calculation Amount:	CHF 5,000
7.	(i) Issue Date:	3 June 2011
	(ii) Interest Commencement Date:	3 June 2011
8.	Maturity Date:	3 June 2022
9.	Interest Basis:	2.50 per cent. Fixed Rate (further particulars specified below)
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**

15.	Fixed Rate S.O. Bond Provisions (Condition 4A):	Applicable
	(i) Rate(s) of Interest:	2.50 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	3 June in each year up to and including the Maturity Date
	(iii) Fixed Coupon Amount(s): <i>(Applicable to S.O. Bonds in definitive form)</i>	CHF 125.00 per Calculation Amount

(iv) Broken Amount(s): <i>(Applicable to S.O. Bonds in definitive form)</i>	Not Applicable
(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
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
<b>PROVISIONS RELATING TO REDEMPTION</b>	
20. Company Call	Not Applicable
21. Investor Put	Not Applicable
22. Final Redemption Amount:	CHF 5,000 per Calculation Amount
23. Early Redemption Amount:	
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 Conditions 5.05):	Not Applicable
<b>GENERAL PROVISIONS APPLICABLE TO THE S.O. BONDS</b>	
24. Form of S.O. Bonds:	
(i) Form:	<b>Bearer S.O. Bonds:</b> Swiss Global S.O. Bond
(ii) New Global S.O. Bonds:	No
25. Financial Centre(s) or other special provisions relating to Payment Days:	Zurich and TARGET
26. Talons for future Coupons or Receipts to be attached to Definitive S.O. Bonds (and dates on which such Talons mature):	No

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|-----|--|----------------|
| 27. | Details relating to Partly Paid S.O. Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Company to forfeit the S.O. Bonds and interest due on late payment: | Not Applicable |
| 28. | Details relating to Instalment S.O. Bonds:   |                |
|     | (i) Instalment Amount(s):  | Not Applicable |
|     | (ii) Instalment Date(s):   | Not Applicable |
| 29. | Redenomination, renominalisation and reconventioning provisions:   | Not Applicable |
| 30. | Consolidation provisions:  | Not Applicable |
| 31. | Other final terms:   | Not Applicable |

#### DISTRIBUTION

- |     |  |   |
|-----|--|---|
| 32. | (i) If syndicated, names and addresses of Managers and underwriting commitments: | Not Applicable  |
|     | (ii) Date of Subscription Agreement:   | Not Applicable  |
|     | (iii) Stabilising Manager(s) (if any):   | Not Applicable  |
| 33. | If non-syndicated, name and address of Dealer:                                   | Credit Suisse AG<br>Paradeplatz 8<br>CH-8001 Zurich<br>Switzerland  |
| 34. | Total (underwriting and placing) commission and concession:                      | 1.00 per cent. of the Aggregate Nominal Amount  |
| 35. | Whether TEFRA D rules applicable or TEFRA rules not applicable:                  | TEFRA D in accordance with usual Swiss practice (the S.O. Bonds shall be issued pursuant to the exemptions from the certification requirements under the TEFRA rules) |
| 36. | Non-exempt Offer:  | Not Applicable  |
| 37. | Additional selling restrictions:   | Not Applicable  |

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the SIX Swiss Exchange 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).

## SIGNIFICANT OR MATERIAL ADVERSE CHANGE

Since 31 December 2010, there has been no significant change in the financial or trading position of the Company or the Company Group and no material adverse change in the financial position or prospects of the Company or the Company Group.

There has been no significant change in the financial or trading position of the Guarantor or the Group since 31 March 2011. There has been no material adverse change in the financial position or prospects of the Guarantor or the Group since 31 December 2010.

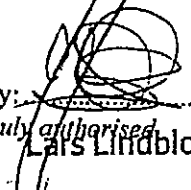
## LITIGATION

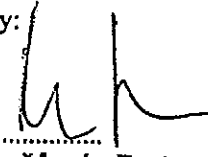
Neither the Company, the Guarantor nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company or the Guarantor is aware) in the 12 months preceding the date of these Final Terms which may have or have in the recent past had a significant effect on the financial position or profitability of the Company, the Guarantor or the Group.

## RESPONSIBILITY

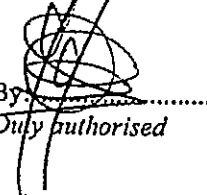
The Company and the Guarantor accept responsibility for the information contained in these Final Terms and confirm, to the best of the knowledge of the Company and the Guarantor, the information contained in these Final Terms is correct and that no material facts or circumstances have been omitted.


Signed on behalf of the Company:

  
By: .....  
Duly authorised  
Lars Lindblom

  
Martin Rydin

Signed on behalf of the Guarantor:

  
By: .....  
Duly authorised  
Lars Lindblom

  
Martin Rydin

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: SIX Swiss Exchange
- (ii) Admission to trading: Application has been made for the S.O. Bonds to be admitted to trading on the standard for bonds of the SIX Swiss Exchange with effect from 31 May 2011 until 31 May 2022.

Application for definitive listing on the standard for bonds of the SIX Swiss Exchange will be made as soon as practicable and, if granted, will only be granted after the Issue Date.

#### *Representation*

In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, Credit Suisse AG has been appointed by the Company as representative to lodge the listing application with SIX Exchange Regulation.

#### *Documents Available*

Copies of these Final Terms and the Prospectus are available at Credit Suisse AG, Uetlibergstrasse 231, CH-8070 Zurich, Switzerland.

### 2. RATINGS

- Ratings: The S.O. Bonds have been assigned the following ratings:

S&P: AAA  
Moody's: Aaa

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

Save for any fees payable to the Dealer, 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

- (i) Reasons for the offer: The net proceeds of the issue of S.O. Bonds will be applied by the Company for its general business purposes.
- (ii) Estimated net proceeds: CHF 149,691,500

(iii) Estimated total expenses: CHF 125,000

**5. Fixed Rate S.O. Bonds only – YIELD**

Indication of yield: 2.432 per cent. per annum in respect of the Tranche 1a S.O. Bonds and 2.364 per cent. per annum in respect of the Tranche 1b S.O. Bonds

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

**6. OPERATIONAL INFORMATION**

(i) ISIN Code: CH0129918071 (Tranche 1a S.O. Bonds until Issue Date)  
CH0130130989 (Tranche 1b S.O. Bonds until Issue Date)  
CH0129918071 (after Issue Date)

(ii) Common Code: 062661500 (Tranche 1a S.O. Bonds until Issue Date)  
063031437 (Tranche 1b S.O. Bonds until Issue Date)  
062661500 (after Issue Date)

(iii) Swiss Security Number: 12991807 (Tranche 1a S.O. Bonds until Issue Date)  
13013098 (Tranche 1b S.O. Bonds until Issue Date)  
12991807 (after Issue Date)

(iv) Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, société anonyme and SIX SIS AG (together with the address of such clearing system) and the relevant identification number(s): Not Applicable

(v) Settlement procedures: Customary Swiss market settlement and payment procedures apply.

(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): Principal Swiss Paying Agent:  
Credit Suisse AG  
Paradeplatz 8  
CH-8001 Zurich  
Switzerland

(viii) Intended to be held in a manner which would allow Eurosystem eligibility: No

**7. Swiss Domestic S.O. Bonds only – ADDITIONAL INFORMATION**

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|-------------------------------|--|
| (i) Authorisation:            | Pursuant to the Programme and agreements made between the Company and the Dealer, the Company has decided to issue 2.50 per cent. S.O. Bonds due 3 June 2022 in the aggregate nominal amount of CHF 150,000,000. |
| (ii) Use of Net Proceeds:     | The net proceeds of the issue of the S.O. Bonds in the amount of CHF 149,691,500 will be used by the Company for its general purposes.   |
| (iii) No Material Change:     | There has been no material change in the Company's assets and liabilities, financial position and profit and loss since 31 December 2010.  |
| (iv) Taxation in Switzerland: | Not Applicable   |