

Statement of the Board of Directors of Swedbank AB according to Chapter 19 Section 22 of the Companies Act with reference to the proposals according to item 18 (acquisition of own shares pursuant to the Securities Market Act) and item 19 (authorisation on acquisition of own shares) of the proposed Agenda for the AGM 2012

With reference to the Board of Directors' proposals as per above, the Board of Directors hereby submits the following statement.

The financial position of the bank and the Group as per 31 December 2011 is presented in the Annual Report for the financial year 2011. The principles used for valuation of assets and liabilities are also found therein.

Swedbank financial companies group's core Tier 1 capital ratio according to Basel 2 as per 31 December 2011 was 15.7 percent¹. The new capital Basel requirements, Basel 3, and its implementation in Europe, CRD IV will have an estimated negative effect of the core Tier I capital ratio with approximately 1 percentage point as from 2013. In addition, the assumed changes in the accounting standard IAS 19 will affect the bank's pensions obligations, which will have an estimated negative effect of the core Tier I capital ratio with approximately 0.4 percentage point as from 2013. Swedbank financial companies group's capital base exceeded the legal capital requirement by SEK 32 632m as of year-end 2011. Excess capital in Swedbank AB, the parent company, was SEK 44 543m.

The nature and scope of the business are set out in the Articles of Association and the submitted Annual Report for the financial year 2011. The business conducted in the bank and the Group involves no risks beyond what occur and are assumed to occur in the industry or the risks which are associated with conducting business activities.

¹ Swedish capital adequacy regulation was updated at year end affecting, among other things, how preference shares are calculated in Tier I capital but does not change the view on their loss-absorbing capacity. The preference shares the bank issued in 2008 are included in core Tier I capital in the amount of SEK 8.8bn, corresponding to 1.8 percentage points of the core Tier 1 capital ratio as of 31 December 2011. The bank's preference shares will be converted to common shares no later than the first half of 2013.

The Board of Directors has considered the bank's and the Group's need for consolidation by a comprehensive assessment of the bank's and the Group's financial position and the bank's and the Group's ability to meet its long-term obligations. The financial position of the bank and the Group does not give rise to any assessment other than that the bank and the Group can continue their business and that the bank and the Group can be expected to meet their liabilities both in the short and long-term perspective as well as having the ability to make the investments deemed necessary. It is the assessment of the Board of Directors that the size of the equity, even after the proposed measures, is reasonable in relation to the scope of the bank's and the Group's business and the risks associated with conducting the business.

With reference to the above, and what has otherwise come to the attention of the Board of Directors, it is the assessment of the Board of Directors that the resolution regarding acquisition of own shares pursuant to the Securities Market Act and the proposed authorization are justifiable considering the demands with respect to the size of the bank's and the Group's equity which are imposed by the nature, scope and risks associated with the bank's and the Group's business, and the bank's and the Group's need to strengthen their balance sheets, liquidity and financial positions in general. In this respect, the proposed dividend of SEK 5.30 for each preference share and SEK 5.30 for each ordinary share and the effects of the bank's total performance and share based remuneration programs have also been considered.

Stockholm in February 2012

Swedbank AB (publ)

The Board of Directors