

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 19 (acquisition of own shares pursuant to the Securities Market Act) and item 20 (authorisation on acquisition of own shares) of the proposed agenda for the AGM 2018

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

The financial position of the bank and the Group as per 31 December 2017 is presented in the Annual Report for the financial year 2017. The principles used for valuation of assets and liabilities are also found therein.

The capital requirement for Swedbank's consolidated situation, calculated as of 31 December 2017 corresponds to a Common Equity Tier 1 capital ratio of 21.9 per cent and a total capital requirement of 27.7 per cent. The Common Equity Tier 1 capital ratio for Swedbank's consolidated situation was 24.6 per cent and the total capital ratio was 30.7 per cent as of 31 December 2017. At the same time, the Common Equity Tier 1 capital ratio was 25.2 per cent and the total capital ratio was 33.1 per cent for Swedbank AB. Swedbank also meets the requirements related to the so-called Basel-1 floor with a surplus of capital for Swedbank's consolidated situation of SEK 50,037m and for Swedbank AB of SEK 75,997m, as of 31 December 2017.

The nature and scope of the business are set out in the Articles of Association and the submitted Annual Report for the financial year 2017. 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.

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 be expected to meet their liabilities both in the short and long-term perspective as well as having the ability to make necessary investments. It is the assessment of the Board of Directors that the size of the equity, even after the proposed measures, is more than enough 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 13.00 for each share and the effects of the bank's total performance and share based remuneration programs have also been considered.

Stockholm in February 2018
Swedbank AB (publ)
The Board of Directors