

Press release

25 October, 2017

Obligation of Swedbank AB regarding Swedbank Mortgage AB

The Board of Directors of Swedbank AB has decided to cease guaranteeing future debt instruments issued by Swedbank Mortgage AB since this is no longer necessary from a rating perspective. The decision has no effect on the rating of Swedbank Mortgage (rated Aa3/AA-) or its issued debt instruments.

The decision only affects debt instruments issued from 14 days after this press release. According to the guarantee conditions, the guarantee will remain in effect with respect to already issued debt instruments until they have been repaid.

Swedbank Mortgage is a fully owned subsidiary of Swedbank AB responsible for all of Swedbank's mortgage lending in Sweden. The distribution of the products of the mortgage company is conducted through the branch networks of Swedbank AB and the Savings Banks. The mortgage company is operationally fully integrated with Swedbank AB, through an agreement among other things that gives the mortgage company access to the liquidity it needs to fulfill its payments obligations and regulatory liquidity requirements.

In 2009 Swedbank AB issued a guarantee to maintain Moody's rating of the mortgage company, in accordance with the methodology then used by Moody's. For some time Moody's has been making a different assessment, which, given the close integration of the two companies, means the guarantee is superfluous to the rating. Therefore, in the future, like other market participants, the debt instruments issued by Swedbank Mortgage, will not be guaranteed by the parent company. This will affect neither the rating of the mortgage company nor its debt instruments.

Future increases (tap issues) on currently outstanding debt instruments under the SEK unlimited domestic mortgage bond programme will continue to be guaranteed (see attachment 1).

A full description of the guarantee is available on www.swedbank.se/mortgage.

For more information, contact:

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Attachment 1

The following ISIN under Swedbank Mortgage SEK unlimited domestic bond programme may be increased and thereby covered by the guarantee:

Swedbank promotes a sound and sustainable financial situation for the many people, households and companies. Our vision is to contribute to development "Beyond Financial Growth". As a leading bank in the home markets of Sweden, Estonia, Latvia and Lithuania, Swedbank offers a wide range of financial services and products. Swedbank has over 7 million retail customers and around 647 000 corporate customers and organisations with 220 branches in Sweden and 134 branches in the Baltic countries. The group is also present in other Nordic countries, the US and China. As of 24 October, 2017 the group had total assets of SEK 2 460 billion. [Read more at www.swedbank.com](http://www.swedbank.com)