

## **Press Release**

13 February 2015

## Swedbank's issuance of Additional Tier 1 Capital confirms the bank's strong position

Swedbank issues Additional Tier 1 Capital to optimize its capital structure. The instrument size amounts to USD 750 million and has a coupon of 5.5 per cent. The loan is perpetual with a call option after 5 years. The issuance is in the form of debt instruments that convert into ordinary shares if the regulatory capital of the bank decreases to a certain level. The instrument fulfils the new European capital regulations that aim to avoid tax payers having to support the banks in stressed situations. As a result of the transaction, Swedbank's Tier 1 capital ratio is strengthened by 1.5 percentage points to 24 percent, as per 31 December 2014.

"We are very satisfied with the transaction. Despite a turbulent market we successfully achieved a price at the same level as the lowest in the market for equivalent instruments. This demonstrates Swedbank's strong position and high confidence in the investor community", says Göran Bronner, Chief Financial Officer.

The issuance has been targeted to institutional investors mainly in Europe and will be listed on the Global Exchange Market regulated by the Irish Stock Exchange.

## For further information, please contact:

Gregori Karamouzis, Head of Investor Relations, Swedbank, telephone: +46 72 740 63 38 Anna Sundblad, Press Manager, Swedbank, telephone: +46 70 321 39 95

Swedbank AB (publ) is required to disclose this information pursuant to the Swedish Securities Markets Act (2007:528), the Swedish Financial Instruments Trading Act (1991:980) and/or the regulatory framework of Nasdaq Stockholm). This information was sent to be published on 13 February 2015 at 10.30 CET.

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 8 million retail customers and around 600 000 corporate customers and organisations with 314 branches in Sweden and 156 branches in the Baltic countries. The group is also present in other Nordic countries, the US and China. As of 31 December 2014 the group had total assets of SEK 2 121 billion. Read more at www.swedbank.com