

# Press Release from Swedbank Mortgage AB (publ)



## Proposal by Swedbank Mortgage AB (publ)

*(incorporated with limited liability in the Kingdom of Sweden)*

(the Company)

to the holders of its

- €500,000,000 4.375 per cent. Notes due 2009 (ISIN: XS0097020910) (the Series 159 Notes)
- ¥2,000,000,000 1.870 per cent. Notes due 2010 (ISIN: XS01111067523) (the Series 182 Notes)
- NOK180,000,000 7.050 per cent. Notes due 2010 (ISIN: XS0145766498) (the Series 294 Notes)
- NOK110,000,000 6.910 per cent. Notes due 2012 (ISIN: XS0150887536) (the Series 324 Notes)
- SEK205,000,000 Index Linked Notes due 2008 (ISIN: XS0159688265) (the Series 371 Notes)
- HKD80,000,000 4.000 per cent. Notes due 2008 (ISIN: XS0165898882) (the Series 402 Notes)
- HKD80,000,000 3.950 per cent. Notes due 2008 (ISIN: XS0166934132) (the Series 407 Notes)
- HKD80,000,000 3.900 per cent. Notes due 2008 (ISIN: XS0167255107) (the Series 410 Notes)
- U.S.\$10,000,000 3.150 per cent. Notes due 2008 (ISIN: XS0169110110) (the Series 418 Notes)
- HKD95,000,000 3.075 per cent. Notes due 2008 (ISIN: XS0170522766) (the Series 420 Notes)
- ¥1,000,000,000 Multi-Callable Powered Reverse Dual Currency Instruments due 2033 (ISIN: XS0170186554) (the Series 424 Instruments)
- ¥500,000,000 Fixed Rate/FX-Linked Callable Notes due 2023 (ISIN: XS0171857997) (the Series 430 Notes)
- HKD100,000,000 3.560 per cent. Notes due 2008 (ISIN: XS0173166645) (the Series 431 Notes)
- ¥500,000,000 Callable Hyper Reverse Dual Note due 2018 (ISIN: XS0172798745) (the Series 433 Notes)
- HKD80,000,000 3.850 per cent. Notes due 2008 (ISIN: XS0173596221) (the Series 437 Notes)
- ¥1,000,000,000 Callable Hyper Reverse Dual Note due 2033 (ISIN: XS0174053909) (the Series 443 Instruments)
- ¥1,000,000,000 Callable CMS Spread Linked Note due 2023 (ISIN: XS0174882950) (the Series 448 Notes)
- ¥1,000,000,000 Fixed Rate/FX-Linked Callable Notes due 2023 (ISIN: XS0175209385) (the Series 450 Notes)
- AUD51,000,000 Floating Rate Notes due 2008 (ISIN: XS0178148770) (the Series 461 Notes)
- AUD19,000,000 Floating Rate Notes due 2008 (ISIN: XS0178509542) (the Series 462 Notes)
- AUD34,000,000 Floating Rate Notes due 2008 (ISIN: XS0180910621) (the Series 464 Notes)
- ¥10,000,000,000 2.300 per cent. Notes due 2034 (ISIN: XS0187452676) (the Series 488 Notes)
- SEK500,000,000 Index Linked Interest Notes due 2015 (ISIN: XS0190092469) (the Series 498 Notes)  
(each a Series and together, the Notes)

---

Swedbank Mortgage AB (publ) (the Company) is inviting holders of each Series of Notes (together, the Noteholders) to approve, by separate extraordinary resolutions (the **Extraordinary Resolutions**) pursuant to the terms and conditions of such Notes (the **Conditions**) and the Agency Agreements (as defined below) relating to such Notes, the insertion of a new condition into the Conditions (the **New Condition**) such that the Company may, upon giving notice to the Noteholders in accordance with the New Condition, modify the Conditions to conform the Conditions to the terms and conditions of the Company's covered bonds (the **S.O. Bonds** and **S.O. Bond Conditions** respectively) but without changing the economic terms of such Notes, on the terms described in this Consent Solicitation Memorandum (the **Proposals**).

Full details of the Proposals are set out in a Consent Solicitation Memorandum to be dated 20 November 2007 (the **Consent Solicitation Memorandum**).

## **Background to the Proposals**

On 14 September 2007, the Company received approval from *Finansinspektionen* (the Swedish Financial Supervisory Authority) to issue covered bonds in accordance with The Swedish Act (2003:1223) on Issuance of Covered Bonds (*lagen (2003:1223) om utgivning av säkerställda obligationer*) (the **S.O. Act**). The Company plans to issue its first covered bond in the second quarter of 2008, and to convert its then outstanding long term unsubordinated debt instruments into covered bonds. The Company is making the Proposals in order to be able to convert the Notes into covered bonds in the same way, at the same time and on the same conditions as other outstanding debt instruments.

At the date hereof, the unsecured, unsubordinated debt of the Company is rated Aa1 by Moody's Investor Services. Based on this, and given the quality of the Company's credit portfolio, its financial risk profile, the features of the Swedish covered bond legislation and credit ratings assigned to covered bonds issued by other Swedish issuers, the Company believes (although it cannot and will not make any representation or undertaking in this respect) that any covered bonds issued by it will be rated Aaa or AAA, as the case may be, by at least one rating agency.

## **General**

The Consent Solicitation Memorandum is available from the Tabulation Agent or the Solicitation Agent, whose contact details are provided below.

Meetings of Noteholders to consider and if thought fit, to pass an Extraordinary Resolution in respect of each series of Notes, has been convened by the Company to be held on 18 December 2007 at the offices of Allen & Overy LLP, One Bishops Square London E1 6AO. The first Meeting will be held at 10.00am in respect of series 159, with Meetings taking place at 15 minute intervals in respect of subsequent series, in the order set out above.

The deadline for giving voting instructions is 10.00am on Friday 14 December 2007. Noteholders should refer to the Consent Solicitation Memorandum for the procedures which must be followed in order to accept the Proposals.

## ***Requests for information in relation to the Proposals should be directed to:***

**Swedbank Mortgage AB (publ)**  
Regeringsgatan 13  
S-10611 Stockholm  
Attention: Finance Administration  
+46 8 107 207  
Sweden

## **Solicitation Agent**

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom  
For information by telephone:  
+44 207 595 8668  
Attention: Debt Restructuring Group  
Email: [debt.restructuring@bnpparibas.com](mailto:debt.restructuring@bnpparibas.com)

## ***Requests for information in relation to the procedures for delivering Electronic Voting Instructions should be directed to:***

## **Tabulation Agent**

**Deutsche Bank**  
Deutsche Bank AG London  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
For information by telephone:  
+44 207547 5000  
Email: [exchange.offer@db.com](mailto:exchange.offer@db.com)

**DISCLAIMER:** This announcement must be read in conjunction with the Consent Solicitation Memorandum. The Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with

respect to the Proposal. If any Noteholder is in doubt as to the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to vote in respect of the Proposal. None of the Company, the Solicitation Agent, the Tabulation Agent or any of the Paying Agents for the Notes makes any recommendation as to whether or not or how holders of Notes should vote in respect of the Proposal.

The distribution of this announcement and the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law and persons into whose possession this announcement and the Consent Solicitation Memorandum comes are requested to inform themselves about, and to observe, any such restrictions.