

Press Release

10 May, 2017

Swedbank acquires PayEx

Swedbank acquires the payment provider PayEx. Through the acquisition Swedbank enters a new market and add services to meet customers' needs of digital solutions for payments.

The market for payment solutions has undergone major changes in recent years by greatly increased on-line purchases and development of invoicing solutions. Payment Service Providers (PSP), as PayEx, has been established with the purpose to improve the purchase experience.

The acquisition creates good prerequisites to continue to develop long term and attractive payment solutions for retail businesses and its customers.

- PayEx is a unique company and we are glad to make this acquisition. There is great competence and knowledge in the company and we will continue the positive development of the company together, says Birgitte Bonnesen, President and CEO at Swedbank.

PayEx is a private owned Group comprising of a number of companies in Sweden, Norway, Denmark and Finland. PayEx offers payment solutions for internet, mobile and physical commerce and administrative services within billing, account management and debt collection. The company also offers financial services such as factoring, instalment and loans.

- We look forward to rapidly increase the customer value for the customers of both parties in cooperation with Swedbank. Swedbank invests in the company that Max Hansson has built for 45 years, says Raymond Klavestad, President and CEO at PayEx.

The company will be a fully owned subsidiary to Swedbank, with headquarters in Visby, acting on an open market with both existing and new customers.

For 2016, PayEx total operating income amounted to SEK 541m, total operating costs to SEK 460m and profit before tax to SEK 78m. At the end of 2016, PayEx total risk exposure amount was SEK 1.7bn. The acquisition will have a minor negative impact on the common equity tier 1 ratio of the Swedbank group. More information regarding the financial effects for the Swedbank group will be communicated in connection with closing of the acquisition.

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 651 000 corporate customers and organisations with 241 branches in Sweden and 141 branches in the Baltic countries. The group is also present in other Nordic countries, the US and China. As of 31 March 2017 the group had total assets of SEK 2 488 billion. Read more at www.swedbank.com

The acquisition is financed with Swedbank's internal resources and is subject to customary approvals from regulatory authorities, including the Swedish Financial Supervisory Authority and the Swedish Competition Authority.

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Information about PayEx

PayEx was founded 1972 by Max Hansson, who has owned the company since then. The company has more than 10 000 customers and approximately 500 employees in Sweden, Norway, Denmark and Finland. PayEx processes more than SEK 250 bn per year in their home markets on their customers' behalf. PayEx has AAA-rating and is a credit market company, approved by the Swedish FSA.

This announcement involves the disclosure of inside information

Swedbank AB (publ) is required to disclose this information pursuant to Regulation (EU) No 596/2014 on market abuse, the Swedish Securities Markets Act (2007:528), the Swedish Financial Instruments Trading Act (1991:980) and the regulatory framework of Nasdaq Stockholm. This information was sent to be published on 10th of May 2017 at 08.00 CET.

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