

Hansa Pension Fund



**Balanced
strategy**



31-jaan-2004

Fund manager: Robert Kitt

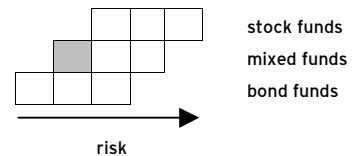
Transactions with fund units:

Hansabank offices, tel. 6310310
Telebanking, tel. 6133133
www.hanza.net

AS Hansa Investeeringisfondid
Liivalaia 8
15038 Tallinn
Ph: 613 1336
Fax: 613 1636
www.hansa.ee/fondid

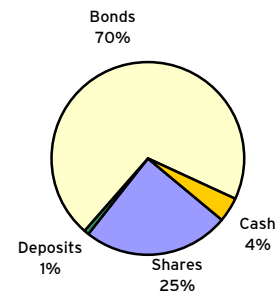
Investment principles

Hansa Pension Fund K2 (Balanced Strategy) is a contractual investment fund founded for providing mandatory funded pension. The objective of the Fund's investment activity is to achieve long-term, stable capital growth. The Fund's assets will be invested in bonds, shares, money market instruments and other assets of either Estonian or foreign origin. The Fund's assets may be invested in shares or in the investment funds dealing with investments in shares to the extent of 25% of the market value of the Fund's assets.



Higher anticipated yield is accompanied by higher risk

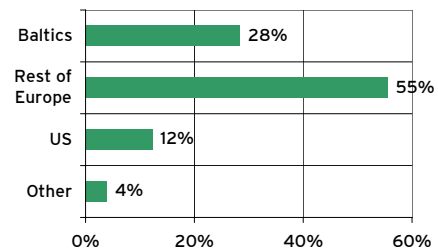
Portfolio by instrument



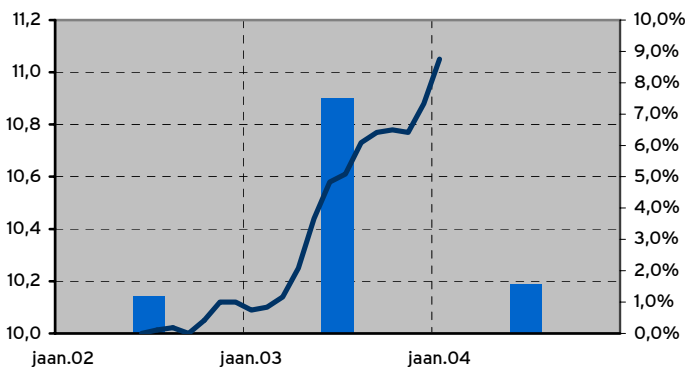
General data

Net Asset Value (NAV) of fund unit:	11,05 EEK
Net value of fund assets:	199 325 368,16 EEK
Founding year:	2002
Management fee:	1.49% per annum
Issue fee:	1.5%
Redemption fee:	1%

Portfolio by region



NAV and performance of fund unit



Fund performance

	from beginning of year	1 year	3 years	5 years	since foundation
Fund	1,56%	9,51%			10,50%
On annual basis	18,40%	9,51%			6,46%

Larger investments

Bonds	Proportion
Netherlands 5% 2011	4,20%
Italy 5.5% 2010	3,91%
Germany 2% 2005	3,44%
France 8,5% 2008	2,55%

Shares	Proportion
Vanguard Total Stock market	1,96%
iShares S&P500	1,95%
SPDR S&P500	1,95%

The value of the Fund's unit can either grow or decrease in time. The current return of the Fund shall not guarantee the same return in the future. Funds investing in foreign markets are vulnerable to monetary movements, which may lead to a growth or decrease of the net asset value of the Fund's unit. Pension Funds are founded on the basis of Funded Pensions Act. The following payment which conditionally consists of two parts - tax (4% portion of the social tax) and contribution (2% contribution of the state funded pension, withheld by the employer on the employee's gross wages) - shall be transferred to the mandatory funded pension account for a person who has joined the funded pension system.