

# Hansa Pension Fund K2



## Investment Principles

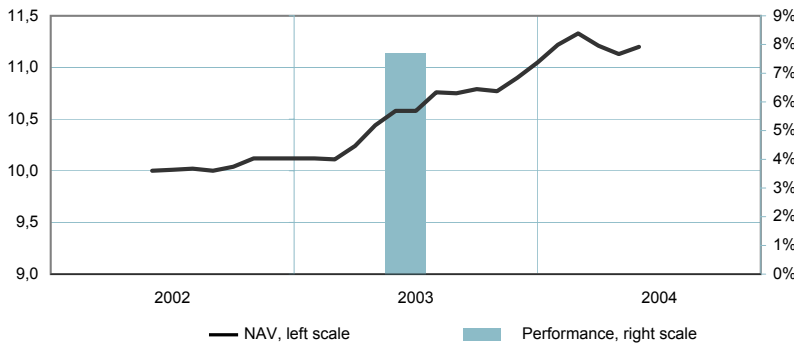
Hansa Pension Fund K2 (Balanced Strategy) is a contractual investment fund founded for providing mandatory funded pension. The objective of the Fund's investment activity is to achieve long-term, stable capital growth. The Fund's assets will be invested in bonds, shares, money market instruments and 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.

## General information

Fund Management Company: Hansa Investment Funds  
 Fund Manager: Robert Kitt  
 Inception: 2002  
 Transactions: Hansapank offices and tel. 631 0310

Internet: [www.hansa.ee/fondid](http://www.hansa.ee/fondid)  
 Net Asset Value (NAV) of fund unit: 11,20 kr  
 Net Assets: 307 849 786 kr  
 Management Fee per annum: 1,49%  
 Subscription Fee: 1,5%  
 Redemption Fee: 1,0%  
 Benchmark: EPI75

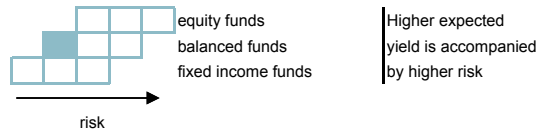
## Fund performance



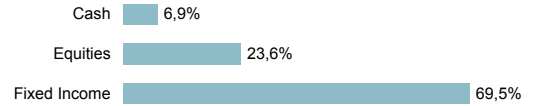
|             | YTD  | 1 month | 3 months | 1 year | 3 years | 5 years | Inception |
|-------------|------|---------|----------|--------|---------|---------|-----------|
| Performance | 2,8% | 0,6%    | -1,1%    | 5,9%   |         |         | 12,0%     |
| Annualized  |      |         |          | 5,9%   |         |         | 5,8%      |

|             | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|-------------|------|------|------|------|------|------|------|
| Performance |      |      |      |      |      |      | 7,7% |

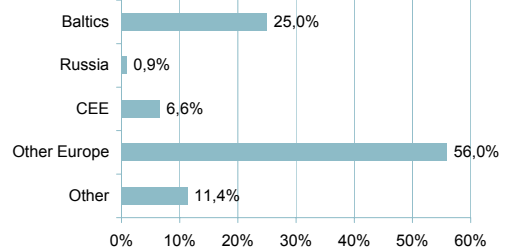
## Risk level



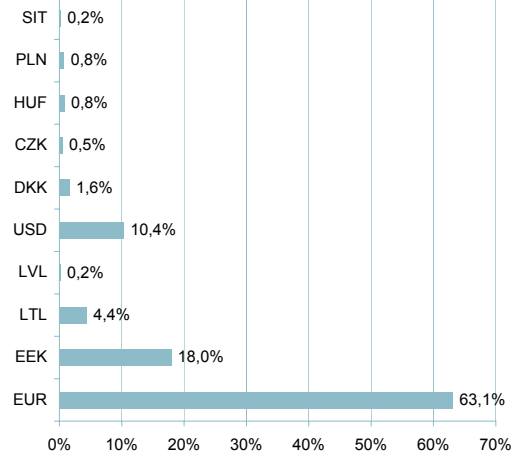
## Portfolio by instruments



## Portfolio by regions



## Portfolio by currencies



## Larger investments

| Investment                     | Weight |
|--------------------------------|--------|
| <b>Stocks</b>                  |        |
| T. Rowe Price GEM Fund I-class | 1,9%   |
| Vanguard Total Stock market    | 1,7%   |
| iShares S&P 500                | 1,7%   |
| Baltic Property Trust Secura   | 1,6%   |
| State Street Tracks Pan Euro   | 1,4%   |
| <b>Bonds</b>                   |        |
| Finland 5% 2007                | 4,9%   |
| Eurhypo AG 5% 2006             | 4,1%   |
| Ireland 5% 2013                | 3,0%   |
| Holland 5% 2011                | 2,8%   |
| Italy 5.5% 2010                | 2,5%   |

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.