

Hansa Pension Fund K2



Investment Principles

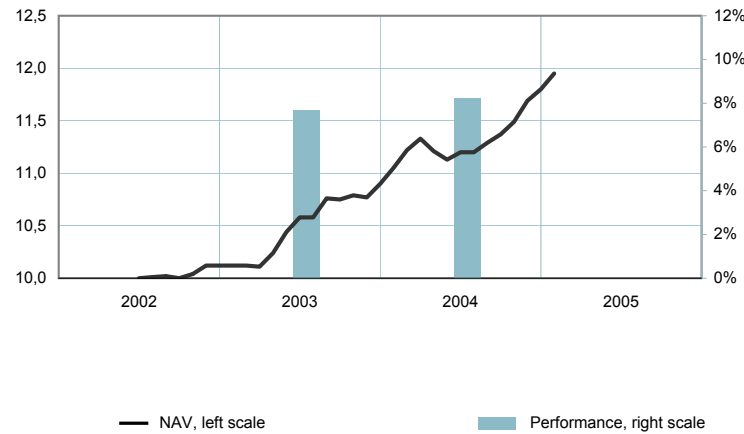
Hansa Pension Fund K2 (Balanced Strategy) is a contractual investment fund founded for providing mandatory funded pension. The objective of the Fund's investment activity is to achieve long-term, stable capital growth. The Fund's assets will be invested in bonds, shares, money market instruments and 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
 Net Asset Value (NAV): 11,95 EEK
 Net Assets: 500 057 910,73 EEK
 Management Fee per annum: 1,49%
 Subscription Fee: 1,5%
 Redemption Fee: 1,0%
 Benchmark: EPI75

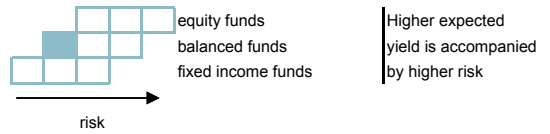
Fund performance



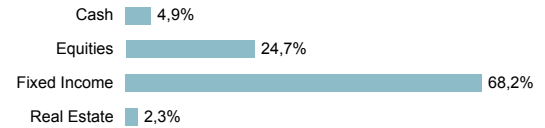
| | YTD | 1 month | 3 months | 1 year | 3 years | 5 years | Inception |
|-------------|------|---------|----------|--------|---------|---------|-----------|
| Performance | 1,3% | 1,3% | 4,0% | 8,1% | | | 19,5% |
| Annualized | | | | 8,1% | | | 7,1% |

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|-------------|------|------|------|------|------|------|------|
| Performance | 7,7% | 8,3% | | | | | |

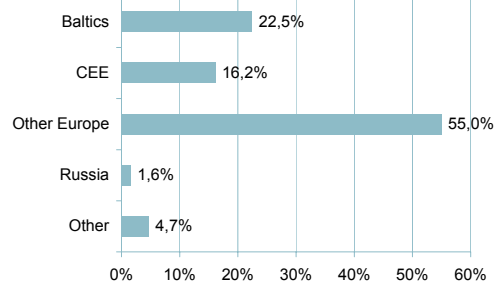
Risk level



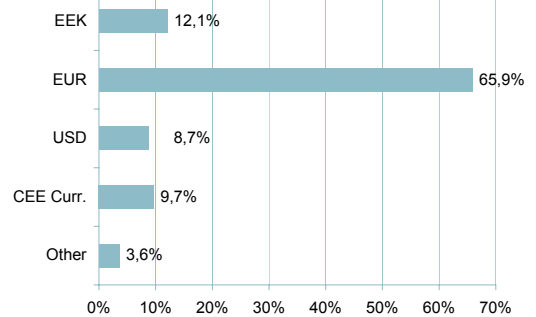
Portfolio by instruments



Portfolio by regions



Portfolio by currencies



Larger investments

| Investment | Weight |
|------------------------------|--------|
| Stocks | |
| Balzac Europe Index Fund | 4,6% |
| T. Rowe Price GEM Fund | 2,1% |
| Baltic Property Trust Secura | 1,5% |
| Vanguard Total Stock market | 1,2% |
| iShares S&P 500 | 1,2% |
| Bonds | |
| Croatia 5% 2014 | 5,4% |
| Julius Baer EUR Corp Fund | 5,0% |
| Belgium 5.75% 2008 | 4,5% |
| T. Rowe Price Euro Corp Fund | 4,4% |
| Hungary 4.5% 2014 | 4,2% |

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.