

Hansa Pension Fund K2 (Balanced Strategy)



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

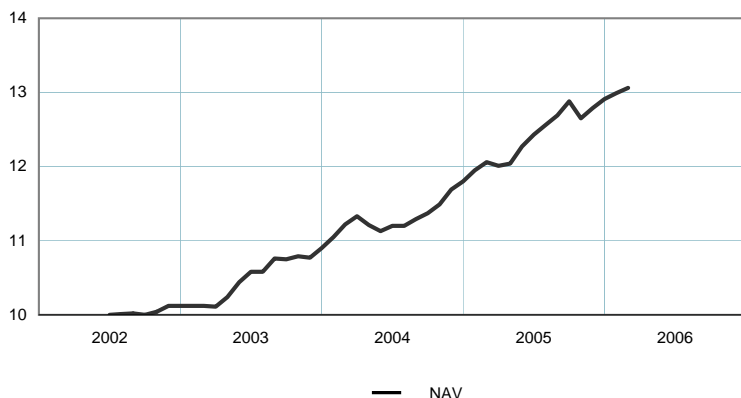
Fund Management Company: Hansa Investment Funds
 Fund Manager: Robert Kitt
 Inception: 2002
 Contact: Hansapank offices and tel. 631 0310
www.hansa.ee/funds

Net Asset Value (NAV): 13,06 EEK
 Net Assets: 912 273 315 EEK
 Management Fee per annum: 1,49%
 Subscription Fee: 1,5%
 Redemption Fee: 1,0%
 Benchmark: EPI75

Statistics (computed over 3 years)

Standard Deviation: 2,9%

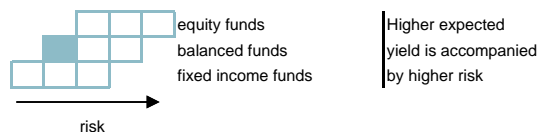
Fund performance



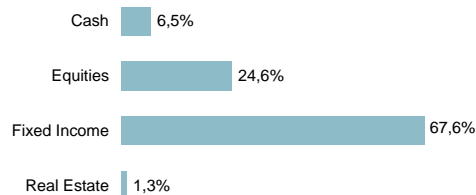
| | YTD | 1 month | 3 months | 1 year | 3 years | 5 years | Inception |
|-------------|------|---------|----------|--------|---------|---------|-----------|
| Performance | 1,2% | 0,5% | 2,1% | 8,3% | 29,1% | | 30,6% |
| Annualized | | | | 8,3% | 8,9% | | 7,6% |

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|-------------|------|------|------|------|------|------|------|
| Performance | 7,7% | 8,3% | 9,4% | | | | |

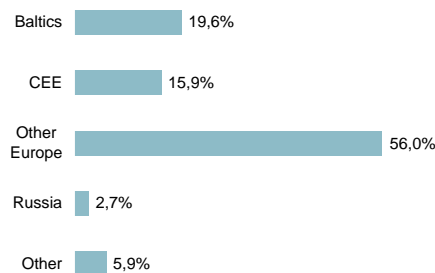
Risk level



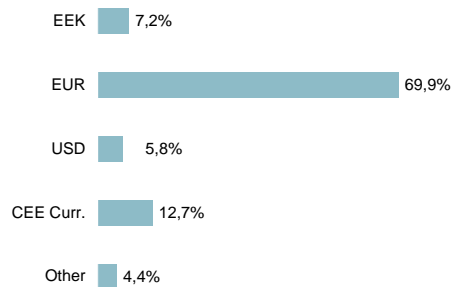
Portfolio by instruments



Portfolio by regions



Portfolio by currencies



Largest investments

| Stocks | Weight |
|---|--------|
| Balzac Europe Index Fund | 4,0% |
| Balzac USA Index Fund | 2,1% |
| T. Rowe Price Global Emerging Markets Eq Fund | 1,7% |
| LC Sofia Property Fund | 1,4% |
| Bulgarian Real Estate Fund | 1,3% |
| Bonds | Weight |
| T. Rowe Price Euro Corp Fund | 7,3% |
| T. Rowe Price Global Emerging Markets Fund | 5,4% |
| France 3.5% 07.2009 | 3,6% |
| Hansa Eastern Europe Bond Fund | 2,8% |
| Poland 6.0% 11.2010 | 2,7% |

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.