

INTERIM FINANCIAL RESULTS OF HANSABANK GROUP Q1 2007

FINANCIAL HIGHLIGHTS*

	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
For the period (EUR in millions)					
Net profit	109	103	94	61	66
Estonia	57	54	49	37	36
Latvia	25	26	26	19	19
Lithuania	23	18	17	15	12
Russia	5	7	3	-9	-1
At the end of period (EUR in millions)					
Loans	16,161	14,890	13,212	11,800	10,464
Estonia	6,455	6,032	5,466	4,952	4,424
Latvia	4,896	4,457	3,770	3,281	2,793
Lithuania	4,023	3,685	3,311	3,004	2,721
Russia	787	716	666	563	527
Deposits	9,608	9,330	8,407	8,143	7,612
Estonia	4,208	4,096	3,738	3,610	3,356
Latvia	2,234	2,210	1,980	1,868	1,748
Lithuania	3,070	2,940	2,564	2,536	2,416
Russia	98	84	126	130	95
Ratios (%)					
Return on shareholders' equity	30.2%	29.7%	29.2%	20.5%	23.7%
Estonia**	40.7%	42.0%	41.6%	36.7%	42.3%
Latvia**	28.3%	32.8%	36.9%	31.8%	37.0%
Lithuania**	31.1%	27.6%	27.7%	26.5%	24.7%
Russia**	25.9%	40.8%	19.5%	-60.2%	-5.6%
Cost-income ratio	40.2%	44.6%	40.5%	53.0%	47.2%
Estonia	36.1%	39.2%	36.2%	41.6%	38.8%
Latvia	40.5%	44.5%	38.6%	46.3%	43.3%
Lithuania	46.7%	52.4%	47.9%	50.3%	59.9%
Russia	44.6%	45.6%	54.0%	179.4%	76.9%
Number of employees***	8,874	8,442	8,205	7,976	7,541
Number of bank branches	302	298	294	293	287
Internet banking customers, mil	2.06	1.94	1.87	1.79	1.72

* Country results do not sum to total group results as eliminations and group units are excluded

** Return on allocated equity – starting from 2007 equity capital is allocated to the business units based on 8% capital adequacy in the Baltic countries and 9% in Russia. In 2006 equity capital was allocated based on 8% capital adequacy in the Baltic countries and 11% capital adequacy in Russia. For the Group ROE is calculated based on actual equity.

*** Full time equivalent of employees

CHANGES IN REPORTING PRINCIPLES

There have been a few changes to reporting principles from the beginning of 2007.

ALLOCATION AND COST OF EQUITY

In 2006 Hansabank used Swedbank's internal capital allocation principles. Due to the changed economic environment, Hansabank revised capital allocation principles and cost of equity for its business units. Starting from January 2007, Hansabank Group is using the following Tier I capitalization and cost of equity levels.

	2006		2007	
	Baltic units	Russia	Baltic units	Russia
Cost of equity		8%	10%	11%
Tier I capital*	8%	11%	8%	9%

* % of business unit's risk-weighted assets

OPERATING RESULTS, Q107

- Loans increased by 9% qoq and 54% yoy
- Deposits increased by 3% qoq and 26% yoy
- Net interest margin stood at 2.96%, +2bp qoq and +12bp yoy
- Net profit was EUR 109m, +7% qoq, +66% yoy
- Return on equity 30.2%
- Revenues EUR 222m, +4% qoq, +51% yoy
- Expenses were EUR 89m, -7% qoq, +29% yoy
- Cost-income ratio was 40.2%

First quarter of 2007 proved to be the strongest for Hansabank Group with quarterly net income reaching EUR 109m. The Group's first quarter net profit increased 66% yoy while the EVA result improved by 69% yoy. The core ratios were strong in the first quarter: ROE (on total equity) was 30.2% and the cost-income ratio was low 40.2%.

Group's loan portfolio increased 54% to EUR 16.2bn from the same period last year. However, first quarter showed small decline in the growth rate of the portfolio (annual growth +59% in Q406, +61% in 3Q06). We expect this slowing trend to continue also in the coming quarters, particularly in Estonia and Latvia.

ECONOMY AND BANKING MARKET

After years of very strong development Baltic economies have started to show signs of imbalanced growth. This is particularly true for Latvia and Estonia.

In 2006, Estonia and Latvia reached the highest GDP growth rates in recent years (11.4% and 11.9% respectively). Lithuanian economy grew by 7.5% in 2006. The economic growth was mostly based on domestic demand: both private consumption and investments grew strongly. The current account deficit reached 12.3% in Estonia and 9.7% in Lithuania. In Latvia, the deficit climbed to 19.9%. Inflation in all three countries is speeding up; March inflation reached 4.6% in Lithuania, 5.7% in Estonia and an extensive 8.5% in Latvia.

After a continuing worsening of macro indicators, the Latvian Ministry of Finance together with the Central Bank and Banking Association on 6 March 2007 published a set of measures to cool down the economy.

The measures are set to cut down inflation by enforcing changes in budgetary policies, taxation and lending. The changes are expected to support real estate and labour market improvements, boost productivity and competition.

The following initiatives make up the core of the plan:

1. Reach zero-deficit budget in 2007 and the state budget for 2008 will be planned without any deficit.

2. Change in taxation policy regarding real estate transactions (for example, impose a tax on income from the sale of real estate, differentiate real estate duties).
3. Set measures to control the growth in lending. Especially improve the control over the purchasing power of customers.
4. Minimize the effect of the expected price increase in energy sector.
5. Provide measures to raise economic activity, boost productivity and stimulate competition.

Despite recent negative trends, economic developments in all three Baltic countries are expected to remain good in 2007-2008. However, economic growth is forecasted to slow down. The overall expectation is that in Estonia and Latvia consumer price growth in 2007 will remain approximately on the level of 2006 and will slightly increase in Lithuania. In March, the confidence indices of Estonia and Latvia showed first signs of cool-down, while in Lithuania the confidence is still rising. The critical question is how the economy adjusts with changing situation, especially growing labour costs. If companies lose competitiveness because of higher production costs both in domestic and external foreign markets the instability of economy may worsen.

Hansabank is very well aware of the increasing imbalances in the economy and is monitoring the situation closely. Sectors that have seen the highest growth (real-estate development, retail/wholesale) have been taken under closer scrutiny. We are

constantly monitoring our portfolio and have seen no deterioration in asset quality.

Hansabank has tightened its credit policy both for corporate as well as retail loans through higher risk pricing in certain products and segments as well as higher requirements for collateral or debt servicing capability.

REVENUES

Total revenues reached EUR 222m in the first quarter of 2007. This is 51% higher than the comparable result in 2006 and 4% above the fourth quarter result. Annual growth has stabilized compared to earlier quarters. All major revenue items show improvement on annual bases: interest income, fee income and trading income. On Q1 vs Q4 comparison, the numbers are influenced by a very strong Q4 result – a reoccurring seasonal trend. Absolute growth of revenues was EUR 8m in quarterly comparison (net interest income grew EUR 11m and trading was down by EUR 2m from Q407).

NET INTEREST INCOME

Net interest income remains the strongest performing revenue item. The volume of net interest income rose by 56% yoy and 8% qoq to EUR 145m in Q1 2007. On the business unit level the annual growth rates of net interest income were as follows:

Estonia 54%, Latvia 61%, Lithuania 58%, and 47% in Russia.

The result is driven by two key trends – strong volume growth and stable client margins. Client margins on loans were relatively stable in Q1, showing a slight annual decline. Deposit margins have increased considerably during the quarter due to higher base rates. Latvian deposit margin improved by 108bp in Q1. The main reason is the increase in 1m RIGIBOR (from 3.5% in Q4 06 to 9.25% in Q1 07). Net interest margin for Q107 was 2.96%, an increase of 2bp from the previous quarter. The net interest margin has been climbing steadily over the past six quarters.

MARGIN OF LOANS AND DEPOSITS

	Q1 2007	Q4 2006	Q1 2006
Loans			
Estonia	2.66%	2.67%	2.77%
Latvia	2.09%	2.22%	2.36%
Lithuania	1.87%	1.84%	1.94%
Deposits			
Estonia	1.55%	1.12%	0.73%
Latvia	2.54%	1.40%	1.46%
Lithuania	2.12%	1.93%	1.08%

Deposit margin=(FTP-interest expense)/average deposits
 Loan margin=(interest income-FTP)/average loans

INTEREST INCOME, NET

(in millions of euros)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Interest income					
Loans	190.4	169.4	140.7	116.2	96.7
Bank deposits and loans	7.2	6.2	5.6	6.2	4.6
Correspondent accounts	13.0	11.3	9.9	9.3	8.1
Securities portfolio	7.6	7.0	6.2	5.4	5.3
Leasing	43.7	40.1	36.5	32.8	30.6
Factoring	6.1	5.8	5.4	4.9	4.6
Derivatives, hedging	4.4	3.8	3.4	2.9	3.4
Total interest income	272.4	243.6	207.7	177.7	153.3
Interest expenses					
Deposits	45.5	42.5	36.9	34.3	28.1
Demand deposits	17.8	17.2	14.5	12.8	9.7
Time deposits	20.3	18.4	15.9	15.2	13.6
Deposit Guarantee Fund	7.4	6.9	6.5	6.3	4.8
Bank deposits and loans	69.7	55.1	39.7	29.6	19.9
Securities	9.0	9.0	9.7	7.3	9.2
Derivatives, hedging	3.2	2.7	2.4	2.4	3.1
Total interest expense	127.4	109.3	88.7	73.6	60.3
Interest income, net	145.0	134.3	119.0	104.1	93.0
Net interest margin %	2.96%	2.94%	2.90%	2.85%	2.83%

FEE INCOME

Net fees and commissions totalled EUR 47m in Q107.

Net fee income grew by 25% yoy. The three major groups within the fee revenues are: payment-related fees, investment & trading related fees and lending-related fees, each of them amounting to 58%, 19% and 11% of the total fee revenues in Q107, respectively. Other fees account for 12% of the total fee revenues.

Payment-related fees include revenues from bank cards, transfers and cash services. Fee income from these services increased 27% yoy. The income from bank cards increased by 35% yoy to EUR 20m. The number of cards issued (both debit and credit) increased 14% yoy. The issuing turnover increased by 52% yoy with strong growth rates in all three countries. Acquiring turnover grew by 50% yoy with

particularly strong growth in Lithuania (89% yoy) and Latvia (54% yoy).

Investment & trading related fees include fees from brokerage & investment services together with custody. Fee income from these areas grew by 49% yoy as asset management and pension savings products continue to develop at a fast pace. Total assets gathered amounted to EUR 2.1bn at the end of March. Annual growth of assets gathered was 56%.

Lending-related fees include primarily factoring and consumer financing fees and minor fee income also from leasing. Lending-related fees increased by 39% yoy.

Fee income was supported by wealth management success fees on 2006 performance (EUR 1.5m, shown under other fees).

FEES AND COMMISSIONS, NET

(in millions of euros)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Fee and commission income					
Transfers	10.6	11.5	10.1	9.8	9.0
Cash services	3.3	3.7	3.4	3.2	2.8
Loan management and guarantees	5.0	4.5	4.1	5.0	3.5
Leasing and factoring	2.1	2.1	2.3	1.8	1.6
Bank cards	20.0	20.2	19.1	17.3	14.8
Other e-channels	1.8	1.8	1.6	1.6	1.5
Custody	6.5	5.9	5.0	4.6	4.2
Brokerage and investment services	5.6	4.5	3.6	4.3	3.9
Insurance brokerage	1.2	2.4	1.8	2.1	1.9
Other	6.0	4.2	3.4	3.5	5.0
Total fee and commission income	62.1	60.8	54.4	53.2	48.2
Fee and commission expense					
Settlements	1.7	1.8	1.5	1.7	1.5
Loan management and guarantees	0.7	0.6	0.5	0.5	0.4
Card services	6.4	5.8	6.2	5.2	4.4
Securities transaction fees	2.2	1.9	1.5	1.6	1.2
Encashment and cash services	2.0	2.1	2.0	2.0	1.7
Other	2.0	2.1	1.6	1.6	1.4
Total fee and commission expense	15.0	14.3	13.3	12.6	10.6
Fees and commissions, net	47.1	46.5	41.1	40.6	37.6

TRADING INCOME

Trading income was strong in Q107. Income from trading increased by 85% yoy to EUR 23m. The result was supported by increased client trading activity. On qoq comparison, there was a slight decrease due to one-off gains in Q406.

EXPENSES

Operating expenses increased by 29% yoy to EUR 89m. Growth rate is affected by the higher base due to EUR 3.1m VAT provision in the Russian unit in Q106. Excluding the provision, operating expenses growth would have been 35%. On a country level, Latvia led with the highest expense growth of 37% yoy. Estonian expenses grew by 36% and Lithuanian costs by 31% yoy. Compared to Q406, operating expenses are down by EUR 6m or 7%, caused by seasonally higher marketing expenses in Q406.

Starting from 2007, in order to unify reporting inside Swedbank Group training expenses are classified as personnel expenses (previously other expenses). Group's personnel expenses increased by 38% yoy. The growth rate was pushed up by higher

performance pay reserve allocations as the Group's EVA result has improved considerably over the year. Salary and tax growth was 31% compared to Q106. In comparison to Q406, personnel expenses decreased by EUR 0.5m related to smaller group bonus provisions.

The number of employees (FTE) grew by 18% over the past year amounting to 8,874 employees at the end of March. In the last 3 months 431 employees were added and the breakdown is as follows: 142 in Latvia, 122 in Lithuania, 92 in Estonia, 31 in Russia and 44 in IT and group units. In business units most of the growth came from retail banking operations (branch network). The bank has opened 15 new branches during the past year: 7 in Lithuania, 6 in Latvia, and one both in Estonia as well as Russia.

PERSONNEL EXPENSES

(in millions of euros)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	yoy	qoq
Salaries and compensations	29.7	27.7	22.7	23.3	22.7	31%	7%
Performance pay reserve	13.0	16.0	11.5	9.3	8.0	63%	-19%
Social insurance charges	8.0	7.2	6.5	6.4	6.1	31%	11%
Training	1.1	1.4	1.0	1.4	0.7	57%	-21%
Total personnel expenses	51.8	52.3	41.7	40.4	37.5	38%	-1%
Number of employees, end of period	8,874	8,442	8,212	7,976	7,541	18%	5%
Number of employees, average of the period	8,674	8,346	8,122	7,759	7,376	18%	4%

Administrative expenses increased by 32% yoy. The growth was relatively equal in all major sub-items. Almost 50% of administrative expenses are office expenses which grew by 39% yoy.

Growth in administrative expenses is very much related to increasing business volumes and the bank's investments to organization and distribution capabilities.

ADMINISTRATIVE EXPENSES

(in millions of euros)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	yoy	qoq
Office expenses	7.9	7.1	6.1	5.6	5.7	39%	11%
Transportation, car lease	0.6	0.8	0.6	0.6	0.5	20%	-25%
Supplies	1.5	1.9	1.6	1.5	1.0	50%	-21%
Communications	1.6	2.1	1.6	1.7	1.5	7%	-24%
Professional services	3.0	3.2	2.6	3.4	2.3	30%	-6%
Insurance	0.4	0.3	0.4	0.3	0.4	0%	33%
Security	1.1	1.0	0.9	0.9	0.8	38%	10%
Other	0.1	0.1	0.1	0.1	0.1	0%	0%
Total administrative expenses	16.2	16.5	13.9	14.1	12.3	32%	-2%

Other expenses remained almost unchanged in annual comparison. However, Q106 expenses include a by the EUR 3.1m VAT provision in the Russian unit. Excluding this item, annual growth

was 33%. In comparison to Q406, marketing and PR related costs are down explained by seasonality of these cost items.

OTHER EXPENSES

(in millions of euros)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	yoy	qoq
Business trips	0.8	1.1	0.8	1.0	0.6	33%	-27%
Marketing	2.3	5.4	2.5	4.1	2.3	0%	-57%
Promotion	1.3	2.4	1.1	1.0	0.8	63%	-46%
Other	4.9	5.8	5.1	16.3	6.3	-22%	-16%
Total other expenses	9.3	14.7	9.5	22.4	10.0	-7%	-37%

ASSET QUALITY

The Group's asset quality is on a very good level. Loans overdue more than 60 days total EUR 49m on 31 March 2007, or 0.47% of total loans (12-month old portfolio). Based on internal risk measurement principles the Group uses 12-month old portfolio volume for calculating this ratio since it gives a more adequate picture of the portfolio's quality. Actual loan write-offs amounted to EUR 1.8m in Q107. The share of lowest rated loans

(rating classes 6-7 - "entities under close watch or default companies") was 0.22% at the end of Q107 (0.33% at the end of 2006).

Net provisions increased to EUR 13m in Q107 caused by the one time trade finance related provision in Latvian unit of EUR 3.9m. Net provisions to average portfolio were 0.34% in Q107.

ALLOWANCE FOR CREDIT LOSSES

(in millions of euros)	Group	Estonia	Latvia	Lithuania	Russia
Balance, as of 31.12.06	108.1	37.6	26.0	35.9	8.6
Write-offs	-1.8	-0.6	-0.7	-0.5	-
Loan losses	13.0	3.5	6.7	1.9	0.9
Effect of exchange rate changes	-0.2	-	-0.2	-	-
Reclassification	-	-	-	-	-
Balance, as of 31.03.07	119.1	40.5	31.8	37.3	9.5

LOANS OVERDUE

(in millions of euros)	Group	Estonia	Latvia	Lithuania	Russia
Total loans overdue, 31.12.06	877.6	262.6	262.5	352.5	-
Up to 30 days	1,099.6	264.4	352.8	482.4	-
31 to 60 days	60.7	18.5	24.4	17.8	-
Over 60 days*	48.7	18.4	14.1	16.2	-
Total loans overdue, 31.03.07	1,209.0	301.3	391.3	516.4	-

*non-performing loans

Loan portfolio as at the end of period*	16,161.2	6,440.8	4,946.7	4,023.4	750.3
Average loan portfolio*	14,453.5	5,903.2	4,321.5	3,596.8	632.0
Net provisions**	0.01%	0.01%	0.02%	0.01%	0.00%
Allowance for credit losses / loan portfolio*	0.74%	0.63%	0.64%	0.93%	1.27%
Loans overdue / loan portfolio*	7.48%	4.68%	7.91%	12.83%	0.00%
Over 60 days / loan portfolio***	0.47%	0.41%	0.50%	0.59%	0.00%
Recoveries during Q4 2006 (in millions of euros)	1.4	0.5	0.5	0.4	-

* Excluded loans to consolidated companies and the distribution of loans is based on the origin of customer

** net provisions equals to (provisions+write-offs – recoveries) / average loan portfolio

*** Over 60 days / Loan portfolio ratio is calculated based on one year old portfolio volume

DISTRIBUTION OF RISK PORTFOLIO* BY RATING CLASSES

(in millions of euros, except ratios)	31.03.07	%	31.12.06	%
1 Highest rating class. Companies in this class are assumed to have virtually no credit risk.	146.6	0.8%	148.2	0.8%
1- Top investment grade. Companies in this class have very small credit risk. The company may default only in the event of a severe economic crisis or force major.	67.7	0.3%	56.1	0.3%
2 Top investment grade. The short and medium-term creditworthiness of the company is beyond any doubt.	470.9	2.4%	364.5	2.0%
2- Investment grade. The short and medium-term creditworthiness of the company is strong.	402.1	2.1%	304.6	1.7%
3 Investment grade. The current creditworthiness of the company is very good. Reasonable adverse shocks on the market (economy in general) are not likely to have a material impact on the financial strength of the company.	1,120.3	5.7%	1,278.7	7.2%
3- Investment grade. The current creditworthiness of the company is good. Moderate adverse shocks on the market (economy in general) are not likely to have a material impact on the financial strength of the company.	1,262.3	6.5%	1,133.4	6.3%
4 Investment grade. The company short-term creditworthiness is normal, and long-term creditworthiness is more than acceptable.	2,405.8	12.3%	2,228.1	12.5%
4- Investment grade. The company short-term creditworthiness is normal, and long-term creditworthiness is acceptable with certain reservations.	1,501.9	7.7%	1,170.7	6.6%
5 Investment grade. Both the short-term and the long-term creditworthiness of the company are weak.	704.4	3.6%	679.6	3.8%
5- Lowest investment grade. Both the short-term and the long-term creditworthiness of the company are very weak.	203.2	1.0%	178.7	1.0%
6 Speculative grade. Creditworthiness of the company is sub-standard.	30.9	0.2%	44.8	0.3%
6- The company is close to default.	-	0.0%	1.8	0.0%
7 The borrower has defaulted.	9.7	0.0%	12.2	0.1%
Not individually rated*	11,165.2	57.3%	10,269.6	57.5%
Total	19,491.0	100.0%	17,871.0	100.0%

* Highly diversified private and SME mass lending (incl. private mortgages)

ESTONIA

(in millions of euros)	Q1 2007	Q1 2006	Change
Total income	93.2	64.0	46%
Operating expenses	33.7	24.7	36%
Operating profit before provisions	59.5	39.3	51%
Net profit	56.5	35.9	57%
EVA**	42.4	29.2	45%
Return on allocated equity*	40.7%	42.3%	
Cost-income ratio	36.1%	38.8%	
Net provisions***	0.21%	-0.17%	
Net interest margin	2.78%	2.32%	
Loans	6,454.5	4,423.7	46%
Deposits	4,208.3	3,355.9	25%
Allocated equity*	579.0	350.5	65%
Assets	8,464.0	6,629.3	28%
Number of employees (full-time equivalent)	3,062	2,707	13%

* based on 8% capital adequacy for 2006 and 2007

** Cost of equity used for EVA calculation was 8% in 2006 and 10% in 2007

***net provisions equals to (provisions+write-offs – recoveries) / average loan portfolio

The net profit of the Estonian business unit amounted to EUR 57m in Q1 2007, an increase of 57% yoy. The results of Hansabank Estonia are supported by strong but stabilizing volume growth, steady client margins and good trading gains.

REVENUES

Total revenue of the Estonian business unit grew by 46% yoy, totalling EUR 93m in Q1 07. Estonian loan portfolio increased by EUR 422m or 7% during the first quarter. Of this EUR 165m came from corporate lending and EUR 185m from mortgage loans. Annual growth of the portfolio was 46% yoy. At the end of 2006 annual growth rate was 50%.

Client deposit growth slowed down in Q107 vs Q406 with total increase of EUR 112m (3%). At the same time assets gathered increased by strong EUR 174m during Q107. Annual growth of deposits was 25% and growth of assets gathered was 55% at the end of March.

Estonian net interest margin was 2.78%, almost flat compared to Q406. The net interest margin has been supported by stable client margins on lending side and rising client deposit margins as main base rates have been increasing.

EXPENSES

Hansabank Estonia's total operating expenses increased by 36% yoy to EUR 34m. Personnel expenses increased by 38% yoy. Similarly to the Group, above average growth was caused by higher performance pay reserve expense (+64%). Number of employees grew by 122 people in Estonia to 3,062 people (including IT and group level employees working in Estonia) in the first quarter of 2007. Annual employee growth was 13%.

Estonian unit's cost-income ratio was the lowest in the Group - 36.1% in Q107.

ASSET QUALITY

Asset quality has been stable. Net credit losses totalled EUR 3.1m in the first quarter. Net provisions formed 0.20% of the average portfolio in Q107. Non-performing loans (over 60 days overdue) to loan portfolio (12-month old portfolio) was 0.41% at the end of March 2007.

COUNTRY-BASED BALANCE SHEETS – ESTONIA

(in millions of euros, unaudited)	31.03.07	31.12.06	30.09.06	30.06.06	31.03.06
Assets					
Cash, dues from central bank and other banks	1,558.9	1,639.0	1,378.5	1,852.8	1,873.7
Securities	308.6	284.2	229.9	196.8	181.6
Loans	6,454.5	6,032.4	5,466.1	4,952.3	4,423.7
- Allowances for credit losses	-41.1	-38.2	-35.4	-33.3	-29.2
Net loans	6,413.4	5,994.2	5,430.7	4,919.0	4,394.5
Other assets	183.1	186.6	183.7	190.6	179.5
Total assets	8,464.0	8,104.0	7,222.8	7,159.2	6,629.3
Liabilities					
Deposits	4,208.3	4,096.2	3,738.1	3,609.9	3,355.9
Demand deposits	3,036.4	2,946.2	2,768.6	2,640.3	2,403.4
Time deposits	1,171.9	1,150.0	969.5	969.6	952.5
External funding	3,377.1	3,309.3	2,861.5	3,033.9	3,042.4
Other liabilities and internal funding adjustment	299.6	157.8	135.1	70.5	-119.5
Equity	579.0	540.7	488.1	444.9	350.5
Total liabilities and equity	8,464.0	8,104.0	7,222.8	7,159.2	6,629.3

COUNTRY-BASED INCOME STATEMENTS – ESTONIA

(in millions of euros, unaudited)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Interest income	109.9	98.9	84.2	73.6	63.6
Interest expense	-53.2	-45.2	-38.3	-31.9	-26.9
Interest income, net	56.7	53.7	45.9	41.7	36.7
Fee and commission income	31.0	29.9	26.4	26.8	25.2
Fee and commission expense	-6.8	-6.1	-5.8	-5.7	-4.9
Fees and commissions, net	24.2	23.8	20.6	21.1	20.3
Net result from financial operations	9.0	10.6	8.9	2.4	3.6
Net income from insurance activities	1.8	1.1	1.0	2.0	2.3
Other income	1.5	4.3	2.3	1.1	1.1
Total income	93.2	93.5	78.7	68.3	64.0
Operating expenses					
Personnel expenses	15.3	14.8	11.8	12.2	11.0
Data network expenses	6.5	7.2	5.8	6.3	5.1
Administrative expenses	5.2	5.1	4.4	4.0	3.8
Other expenses	3.1	5.4	3.0	3.2	2.7
Depreciation	0.7	0.6	0.8	0.7	0.6
Group overhead adjustment	2.9	3.5	2.7	1.9	1.5
Total operating expenses	33.7	36.6	28.5	28.3	24.7
Operating profit before provisions	59.5	56.9	50.2	40.0	39.3
Losses on loans and guarantees	-3.6	-3.7	-2.4	-4.1	-4.0
Recovered loans	0.5	0.5	0.7	1.2	0.6
Income from associated companies	0.1	0.3	0.2	0.2	-
Profit before income tax	56.5	54.0	48.7	37.3	35.9
Income tax	-	-	-	-	-
Profit after income tax	56.5	54.0	48.7	37.3	35.9
Minority interest	-	-	-	-	-
Net profit	56.5	54.0	48.7	37.3	35.9

LATVIA

(in millions of euros)	Q1 2007	Q1 2006	Change
Total income	61.0	41.3	48%
Operating expenses	24.7	18.0	37%
Operating profit before provisions	36.3	23.3	56%
Net profit	25.3	18.8	35%
EVA**	16.2	14.7	10%
Return on allocated equity*	28.3%	37.0%	
Cost-income ratio	40.5%	43.3%	
Net provisions***	0.34%	0.10%	
Net interest margin	2.95%	3.13%	
Loans	4,896.3	2,793.1	75%
Deposits	2,233.7	1,748.4	28%
Allocated equity*	380.0	216.9	75%
Assets	5,835.8	3,524.4	66%
Number of employees (full-time equivalent)	2,387	1,968	21%

** based on 8% capital adequacy for 2006 and 2007

** Cost of equity used for EVA calculation was 8% in 2006 and 10% in 2007

***net provisions equals to (provisions+write-offs – recoveries) / average loan portfolio

Net profit of the Latvian business unit increased by 35% yoy to EUR 25m in the first quarter of 2007. The results were primarily driven by strong volume growth and improving scale effect on the one hand and one-off trade finance related provisions on the other.

REVENUES

Total revenue of the Latvian business unit increased by 48% yoy to EUR 61m. Revenue growth decelerated slightly compared to last three quarters. The loan growth and deposits growth were 75% and 28% yoy, respectively. Latvia had the highest lending growth in the Group in the first quarter - the portfolio increased by EUR 440m. Strongest growth was in mortgages (EUR 200m), followed by corporate lending (EUR 124m) and asset based financing (EUR 94m). Similarly to other Baltic countries, annual growth rate has started to decrease gradually. At the end of December 2006 annual growth of loans was 83%. At the same time deposit growth was very low in the first quarter - only EUR 24m.

Latvian net interest margin dropped in the first quarter to 2.95%. Net interest income grew by 61% yoy. Non-interest income (net fees, trading, etc) growth was up 26% yoy, supported by the increased foreign exchange income. Deposit margins have increased considerably during the quarter. The main reason is the increase in 1m RIGIBOR (from 3.5% in Q4 06 to 9.25% in Q1 07). Latvian deposit margin improved by 108bp in Q1.

EXPENSES

Latvian operating expenses grew by 37% yoy. This was well below the growth in business volumes and revenues. Latvian cost-income ratio improved by 3 percentage points from 43.3% in Q106 to 40.5% in Q107.

Fastest growth was among other expenses, which increased by 66% yoy. This was mainly driven by higher sponsorship expenses. Personnel costs grew by 36% yoy. Number of employees (incl Group and IT) increased by 146 during Q1 and 21% on an annual comparison.

ASSET QUALITY

Net loan losses for the Latvian business unit totalled EUR 6.9m in the first quarter. High net loan losses were primarily due to 100% provisions for two trade finance deals in March (EUR 3.9m). Non performing loans amounted to 0.51% of the total loan portfolio (12-month old portfolio) which is slightly less than one year ago.

COUNTRY-BASED BALANCE SHEETS – LATVIA

(in millions of euros, unaudited)	31.03.07	31.12.06	30.09.06	30.06.06	31.03.06
Assets					
Cash, dues from central bank and other banks	648.3	772.1	585.6	527.6	415.4
Securities	215.9	202.1	228.0	221.7	243.7
Loans	4,896.3	4,456.8	3,769.6	3280.5	2,793.1
- Allowances for credit losses	-31.8	-26.0	-22.6	-19.8	-16.9
Net loans	4,864.5	4,430.8	3,747.0	3,260.7	2,776.2
Other assets	107.1	106.0	97.3	97.4	89.1
Total assets	5,835.8	5,511.0	4,657.9	4,107.4	3,524.4
Liabilities					
Deposits	2,233.7	2,210.1	1,979.6	1868.0	1,748.4
Demand deposits	1,623.4	1,640.8	1,442.8	1,383.4	1,251.8
Time deposits	610.3	569.3	536.8	484.6	496.6
External funding	2,966.3	2,657.0	2,104.9	1,715.2	1,458.5
Other liabilities and internal funding adjustment	255.8	303.9	283.4	269.7	100.6
Equity	380.0	340.0	290.0	254.5	216.9
Total liabilities and equity	5,835.8	5,511.0	4,657.9	4,107.4	3,524.4

COUNTRY-BASED INCOME STATEMENTS – LATVIA

(in millions of euros, unaudited)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Interest income	79.9	71.0	58.8	48.8	40.6
Interest expense	-38.5	-31.0	-23.9	-19.3	-14.9
Interest income, net	41.4	40.0	34.9	29.5	25.7
Fee and commission income	15.7	15.5	14.3	13.1	11.4
Fee and commission expense	-4.3	-4.8	-4.1	-3.8	-3.0
Fees and commissions, net	11.4	10.7	10.2	9.3	8.4
Net result from financial operations	7.2	7.2	5.8	5.8	5.9
Net income from insurance activities	-	-	-	-	-
Other income	1.0	1.0	1.4	1.4	1.3
Total income	61.0	58.9	52.3	46.0	41.3
Operating expenses					
Personnel expenses	11.4	11.2	9.1	8.8	8.4
Data network expenses	4.7	4.1	3.5	4.0	3.4
Administrative expenses	3.9	4.4	3.5	4.2	3.2
Other expenses	2.8	4.1	2.4	3.3	1.7
Depreciation	0.8	0.9	0.8	0.7	0.7
Group overhead adjustment	1.1	1.5	0.9	0.5	0.6
Total operating expenses	24.7	26.2	20.2	21.5	18.0
Operating profit before provisions	36.3	32.7	32.1	24.5	23.3
Losses on loans and guarantees	-7.4	-3.9	-3.1	-3.8	-1.6
Recovered loans	0.5	0.4	0.7	0.3	0.3
Income from associated companies	-	-	-	-	-
Profit before income tax	29.4	29.2	29.7	21.0	22.0
Income tax	-4.1	-3.2	-4.2	-2.5	-3.2
Profit after income tax	25.3	26.0	25.5	18.5	18.8
Minority interest	-	-	-	-	-
Net profit	25.3	26.0	25.5	18.5	18.8

LITHUANIA

(in millions of euros)	Q1 2007	Q1 2006	Change
Total income	55.6	32.9	69%
Operating expenses	26.0	19.8	31%
Operating profit before provisions	29.6	13.1	126%
Net profit	22.5	12.0	88%
EVA**	15.1	8.1	86%
Return on allocated equity*	31.1%	24.7%	
Cost-income ratio	46.7%	59.9%	
Net provisions***	0.21%	1.04%	
Net interest margin	2.76%	2.53%	
Loans	4,023.3	2,720.6	48%
Deposits	3,069.8	2,415.5	27%
Allocated equity*	312.2	202.9	54%
Assets	5,359.8	3,813.4	41%
Number of employees (full-time equivalent)	3,159	2,724	16%

** based on 8% capital adequacy for 2006 and 2007

** Cost of equity used for EVA calculation was 8% in 2006 and 10% in 2007

***net provisions equals to (provisions + write-offs – recoveries) / average loan portfolio

Lithuanian net income reached EUR 22.5m in Q107. Cost income ratio is decreasing and was down by 13 percentage points on an annual comparison (46.7% in Q107). Annual comparison with Q1 06 results is influenced by higher insurance technical reserves in Q1 06 (EUR 2.8m) which reduced Lithuanian business unit's revenues and profitability.

REVENUES

Total revenue increased by 69% to EUR 56m in Q107. Growth was equally good in net interest as well as non-interest side. Net interest income grew by 58% yoy to EUR 35m while non-interest income improved by 92% to EUR 20m. Main growth drivers remained demand deposits and higher base interest rates. Net interest margin has been recovering throughout the year and reached 2.76% in Q107 (+23bp yoy and +6bp qoq).

Lithuanian business unit's loan portfolio increased by 48% yoy. In the first quarter loan portfolio grew by EUR 338m. Strongest growth was in mortgages EUR +119m, followed by asset based financing EUR +109m and corporate lending EUR +90m.

Client deposits increased by EUR 129m in Q107.

In the first quarter Hansabankas issued index-linked deposit in the amount of EUR 58.5m that helped trading income. Compared to Q106, trading income increased by EUR 3.7m or 152%.

EXPENSES

Lithuanian business unit's operating expenses grew by 31% yoy. The growth was primarily driven by

higher personnel costs which increased by 35% yoy. Performance pay reserve increased by 60% yoy as the EVA result has improved significantly. The number of employees increased by 132 in Q107. Annual growth in employee numbers was 16%.

ASSET QUALITY

Net loan losses amounted to EUR 1.6m in Q107. They formed 0.17% of the average portfolio during the quarter. Non-performing loans (overdue more than 60 days) to loan portfolio were 0.59% at the end of March 2007, down significantly from 1.06% in Q106.

COUNTRY-BASED BALANCE SHEETS – LITHUANIA

(in millions of euros, unaudited)	31.03.07	31.12.06	30.09.06	30.06.06	31.03.06
Assets					
Cash, dues from central bank and other banks	503.2	691.2	488.9	594.9	613.3
Securities	718.3	616.9	522.0	407.0	397.0
Loans	4,023.3	3,685.2	3,311.2	3,003.6	2,720.6
- Allowances for credit losses	-37.3	-35.9	-36.9	-34.0	-30.2
Net loans	3,986.0	3,649.3	3,274.3	2,969.6	2,690.4
Other assets	152.3	129.7	131.7	120.6	112.7
Total assets	5,359.8	5,087.1	4,416.9	4,092.1	3813.4
Liabilities					
Deposits	3,069.8	2,940.4	2,563.8	2,536.4	2,415.5
Demand deposits	2,099.2	2,073.3	1,749.6	1,739.4	1,665.6
Time deposits	970.6	867.1	814.2	797.0	749.9
External funding	1,550.9	1,426.5	1,206.8	1,000.7	926.2
Other liabilities and internal funding adjustment	426.9	442.8	394.1	323.6	268.8
Equity	312.2	277.4	252.2	231.4	202.9
Total liabilities and equity	5,359.8	5,087.1	4,416.9	4,092.1	3813.4

COUNTRY-BASED INCOME STATEMENTS – LITHUANIA

(in millions of euros, unaudited)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Interest income	61.7	55.0	47.4	41.0	36.2
Interest expense	-26.3	-22.8	-18.7	-16.0	-13.8
Interest income, net	35.4	32.2	28.7	25.0	22.4
Fee and commission income	15.0	14.8	13.5	13.3	11.6
Fee and commission expense	-4.2	-3.6	-3.4	-3.0	-2.7
Fees and commissions, net	10.8	11.2	10.1	10.3	8.9
Net result from financial operations	6.1	6.1	3.9	2.3	2.4
Net income from insurance activities	1.6	1.9	1.8	3.1	-2.6
Other income	1.7	1.1	1.5	1.7	1.8
Total income	55.6	52.5	46.0	42.4	32.9
Operating expenses					
Personnel expenses	13.7	14.0	11.3	11.5	10.2
Data network expenses	5.0	4.9	4.4	4.1	3.8
Administrative expenses	4.3	4.2	3.5	3.2	3.4
Other expenses	1.2	2.5	1.5	1.5	1.2
Depreciation	0.7	0.7	0.6	0.6	0.6
Group overhead adjustment	1.1	1.3	0.8	0.5	0.6
Total operating expenses	26.0	27.6	22.1	21.4	19.8
Operating profit before provisions	29.6	24.9	23.9	21	13.1
Losses on loans and guarantees	-2.0	-2.2	-3.7	-3.9	-2.4
Recovered loans	0.4	0.4	0.4	1.7	2.0
Income from associated companies	-	-	-	-	-
Profit before income tax	28.0	23.1	20.6	18.8	12.7
Income tax	-5.5	-4.7	-3.7	-4.4	-0.7
Profit after income tax	22.5	18.4	16.9	14.4	12.0
Minority interest	-	-	-	-	-
Net profit	22.5	18.4	16.9	14.4	12.0

RUSSIA

(in millions of euros)	Q1 2007	Q1 2006	Change
Total income	13.3	9.1	46%
Operating expenses	5.9	7.0	-16%
Operating profit before provisions	7.4	2.1	252%
Net profit	4.6	-0.7	n.m
EVA**	2.6	-1.8	n.m
Return on allocated equity*	25.9%	-5.6%	
Cost-income ratio	44.6%	76.9%	
Net provisions***	0.66%	0.76%	
Net interest margin	5.27%	5.38%	
Loans	787.1	526.9	49%
Deposits	97.9	95.1	3%
Allocated equity*	77.6	56.8	37%
Assets	958.2	684.5	40%
Number of employees (full-time equivalent)	264	141	87%

* based on 11% capital adequacy for 2006 and 9% for 2007

** Cost of equity used for EVA calculation was 8% in 2006 and 11% in 2007

***net provisions equals to (provisions + write-offs – recoveries) / average loan portfolio

Russian business unit had a strong quarter with net income of EUR 4.6m. The result was supported by growing business volumes and resulting growth in net interest income along with solid commission and trading income.

REVENUES AND EXPENSES

Total revenue increased by 46% yoy to EUR 13m in Q107. Revenue growth is largely supported by net interest income which increased by 47% yoy. The net interest margin has been fluctuating slightly above 5% level during the past 12 months. The margin was 5.33% in Q107 which is 4bp higher than in Q406 and 5bp lower than in Q106.

Russian units operating costs were down by 16% yoy to EUR 5.9m. Q106 expenses include EUR 3.1m VAT provision. Excluding the provision,

operating expense growth would have been 52%. The number of employees has grown by 87% yoy. During Q1 2007 additional 31 people were employed.

ASSET QUALITY

The Russian unit has no overdues in its portfolio and asset quality remains excellent. Net provisions totalled EUR 1 million in Q107 forming 0.77% of the average portfolio.

CONSOLIDATED BALANCE SHEETS

(in millions of euros, unaudited)	31.03.07	31.12.06	31.03.06
Assets			
Cash	203.7	236.2	168.8
Due from Central Bank	1,311.7	1,304.6	798.6
Due from other financial institutions	1,147.4	1,488.6	1,332.5
Trading securities	232.2	830.3	570.6
Fin.assets design. at fair value through P/L	894.4	177.7	130.5
Held-to-maturity securities	131.6	122.0	117.0
Investments in associates	3.1	3.0	1.9
Available for sale securities	0.1	0.1	0.7
Loans	16,161.2	14,890.3	10,464.3
- Allowances for credit losses	-119.1	-108.0	-82.1
Net loans	16,042.1	14,782.3	10,382.2
Tangible assets	119.2	114.9	109.6
Intangible assets	28.8	28.6	27.4
Prepayments and accrued interest	258.1	239.8	225.4
Other assets	59.1	63.7	56.4
Total assets	20,431.5	19,391.8	13,921.6
Liabilities			
Due to Central Bank and government	18.3	5.2	33.0
Due to other financial institutions	7,079.8	6,445.8	3,316.3
Deposits	9,608.0	9,330.2	7,612.2
Demand deposits	6,852.6	6,736.6	5,412.6
Time deposits	2,755.4	2,593.6	2,199.6
Debt securities issued	946.4	1,024.0	1,202.8
Accrued liabilities	318.6	317.8	188.8
Other reserves	321.2	294.1	228.3
Deferred tax liability	2.5	2.5	2.4
Other liabilities	221.1	261.5	177.6
Total liabilities	18,515.9	17,681.1	12,761.4
Subordinated Loan	400.0	300.0	-
Equity attributable to equity holders of parent			
Common stock	202.8	202.8	202.8
Share premium	32.2	32.2	32.2
Reserves	55.0	49.7	49.7
Other restricted equity	6.4	6.4	6.4
Currency translation reserve	-20.4	-16.1	-9.2
Retained earnings	1,239.6	1,135.7	878.0
Total equity attributable to equity holders of parent	1,515.6	1,410.7	1,159.9
Minority interest	-	-	0.3
Total shareholders' equity	1,515.6	1,410.7	1,160.2
Total liabilities and shareholders' equity	20,431.5	19,391.8	13,921.6

CONSOLIDATED INCOME STATEMENTS

(in millions of euros, unaudited)	Q1 2007	FYE 2006	Q1 2006
Interest income	272.4	782.3	153.3
Interest expense	-127.4	-331.9	-60.3
Interest income, net	145.0	450.4	93.0
Fee and commission income	62.1	216.6	48.2
Fee and commission expense	-15.0	-50.8	-10.6
Fees and commissions, net	47.1	165.8	37.6
Net result from financial operations	22.8	67.0	12.3
Net income from insurance activities	3.4	10.6	-0.3
Other income	4.2	19.5	4.4
Total income	222.5	713.3	147.0
Operating expenses			
Personnel expenses	51.8	167.4	36.8
Data network expenses	7.3	25.0	5.4
Administrative expenses	16.2	56.8	12.3
Other expenses	9.3	61.1	10.7
Depreciation	4.8	18.0	4.2
Total operating expenses	89.4	328.3	69.4
Operating profit before provisions	133.1	385.0	77.6
Losses on loans and guarantees	-14.5	-42.2	-9.0
Recovered loans	1.4	9.7	2.9
Share of profit of associates	0.1	0.7	-
Profit before income tax	120.1	353.2	71.5
Income tax	-10.9	-29.7	-5.7
Profit for the period	109.2	323.5	65.8

CONSOLIDATED CASH FLOW STATEMENTS

(in millions of euros, unaudited)	31.03.07	31.12.06	31.03.06
Profit before income tax	120.1	353.2	71.5
Adjustments to profit before income tax			
Loan losses	11.4	28.4	4.3
Interest income	-272.4	-782.3	-153.3
Interest expense	127.4	331.9	60.3
Depreciation and amortisation	4.8	18.0	4.2
Profit from sales of tangible assets		-0.6	-0.2
Book value of tangible assets written-off	0.4	0.5	-
Total adjustments to operating profit	-128.4	-404.1	-84.7
Changes in operating assets and liabilities			
Net change in prepayments	-13.3	-32.4	-34.4
Net change in accrued liabilities	-6.4	86.8	-5.0
Net change in deposits placed with other financial institutions	168.7	94.4	236.1
Net change in financial assets held for trading	-41.5	-138.9	-19.8
Net change in loans to financial institutions	-9.5	-108.5	-64.5
Net change in compulsory reserve to Central Bank	-14.8	-90.6	-37.2
Net change in loans	-1,270.9	-5,519.1	-1,093.1
Net change in other assets	4.6	-6.8	0.5
Net change in short-term liabilities due to other banks	-30.7	521.8	161.0
Net change in demand deposits	116.1	1,641.0	317.0
Net change in time deposits	161.7	448.4	54.4
Net change in other liabilities	-28.9	177.7	24.9
Total adjustments to operating assets and liabilities	-964.9	-2,926.2	-460.1
Interest received	267.4	763.9	151.2
Interest paid	-120.3	-301.1	-62.6
Income tax paid	-5.2	-10.6	-
Net cash used in operating activities	-831.3	-2,524.9	-384.7
Cash from investing activities			
Net change in securities held for investment	-9.6	-7.5	-1.4
Acquisition of tangible assets	-10.9	-29.5	-6.3
Sale of tangible assets	1.0	6.7	1.7
Acquisition of intangible assets	-0.5	-1.5	-
Sale of intangible assets	-	-	-
Net cash provided by/used in investing activities	-20.0	-31.8	-6.0
Cash from financing activities			
Credit lines of Central Bank and government received	13.3	-	-
Credit lines of Central Bank and government paid	-0.2	-28.7	-0.9
Long-term loans received from other financial institutions	1,128.4	6,541.6	1,041.7
Long-term loans paid back to other financial institutions	-463.7	-3,049.5	-318.3
Issue of debt securities	-91.2	-353.4	-363.2
Net change in subordinated liabilities	100.0	300.0	200.0
Net cash provided by financing activities	686.6	3,410.0	559.3
Effect of the change in exchange rate from foreign subsidiaries	-4.3	-5.4	1.5
Net increase in cash and cash equivalents	-169.0	847.9	170.1
Cash and cash equivalents at the beginning of the year	2,471.9	1,624.0	1,624.0
Cash and cash equivalents at the end of the period	2,302.9	2,471.9	1,794.1

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions of euros, unaudited)	31.03.07	31.12.06	31.03.06
Equity attributable to equity holders of parent			
Share capital			
Balance at the beginning of the year	202.8	202.8	202.8
Balance at the end of the period	202.8	202.8	202.8
Share premium			
Balance at the beginning of the year	32.2	32.2	32.2
Balance at the end of the period	32.2	32.2	32.2
Reserves-general banking reserve			
Balance at the beginning of the year	21.8	21.8	21.8
Balance at the end of the period	21.8	21.8	21.8
Reserves-statutory reserve			
Balance at the beginning of the year	27.9	25.0	25.0
Appropriations to statutory reserve	5.3	2.9	2.9
Balance at the end of the period	33.2	27.9	27.9
Other reserves - stock dividends of subsidiaries			
Balance at the beginning of the year	6.4	6.4	6.4
Balance at the end of the period	6.4	6.4	6.4
Revaluation reserves			
Balance at the beginning of the year	-16.1	-10.8	-10.8
Net change in revaluation reserves	-4.3	-5.3	1.6
Balance at the end of the period	-20.4	-16.1	-9.2
Retained earnings			
Balance at the beginning of the year	1,135.7	815.1	815.1
Net income	109.2	323.5	65.8
Appropriations to reserves	-5.3	-2.9	-2.9
Balance at the end of the period	1,239.6	1,135.7	878.0
Total equity attributable to equity holders of parent	1,515.6	1,410.7	1,159.9
Minority interests			
Balance at the beginning of the year	-	0.4	0.4
Acquisition of subsidiaries	-	-0.4	-0.1
Minority share of net profit of subsidiaries	-	-	-
Balance at the end of the period	-	-	0.3
Total equity	1,515.6	1,410.7	1,160.2

REVENUES BY BUSINESS SEGMENTS

(in millions of euros, for the period)	Q1 2007	share	2006	share
Banking	200.5	90%	610.9	86%
Leasing	31.1	14%	112.1	16%
Insurance	4.8	2%	12.7	2%
Other	2.1	1%	9.6	1%
Eliminations	-16.0	-7%	-32.0	-4%
Total income	222.5	100%	713.3	100%

NET PROFIT BY BUSINESS SEGMENTS

(in millions of euros, for the period)	Q1 2007	share	2006	share
Banking	88.3	81%	269.3	83%
Leasing	18.3	17%	47.5	15%
Insurance	3.3	3%	7.2	2%
Other	-0.7	-1%	-0.5	0%
Total net profit	109.2	100%	323.5	100%

ASSETS BY BUSINESS SEGMENTS

(in millions of euros)	31.03.07	share	31.12.06	share
Banking	18,119.8	89%	17,236.5	89%
Leasing	3,584.2	18%	3,304.3	17%
Insurance	340.7	2%	311.1	2%
Other	43.6	0%	42.7	0%
Eliminations	-1,656.8	-8%	-1,502.8	-8%
Total assets	20,431.5	100%	19,391.8	100%

DISTRIBUTION OF LOANS BY PRODUCT

(in millions of euros)	31.03.07	31.12.06
Loans	12,397.4	11,523.9
Finance leases	2,691.0	2,506.1
Overdraft	687.3	486.3
Factoring	369.4	358.0
Repos	16.1	16.0
Gross lending to customers	16,161.2	14,890.3
Specified loan-loss allowance	-119.1	-108.0
Net lending to customers	16,042.1	14,782.3

GEOGRAPHIC DISTRIBUTION OF LOANS*

(in millions of euros)	31.03.07	31.12.06
Estonia	6,434.9	6,023.7
Latvia	4,930.0	4,486.8
Lithuania	4,025.1	3,687.0
OECD	20.6	21.0
Other	750.6	671.8
Gross lending to customers	16,161.2	14,890.3
Specified loan-loss allowance	-119.1	-108.0
Net lending to customers	16,042.1	14,782.3

* The distribution of loans is based on the origin of customer

LOAN PORTFOLIO BY SECTORS

(in millions of euros)	31.03.07	%	31.12.06	%
Individuals	6,411.2	39.7%	5,794.8	38.9%
Student Loans	169.1	1.1%	171.2	1.2%
Wholesale and retailing	1,563.8	9.7%	1,508.6	10.1%
Industry	1,581.7	9.8%	1,434.4	9.6%
Real estate management and other business services	2,633.6	16.3%	2,408.6	16.2%
Transport and communications	1,024.3	6.3%	957.8	6.4%
Energy	137.5	0.9%	169.6	1.1%
Municipalities and government	72.9	0.5%	60.3	0.4%
Agriculture and forestry	359.5	2.2%	335.1	2.3%
Construction	576.5	3.6%	530.7	3.6%
Hotels and restaurants	325.2	2.0%	306.4	2.1%
Finance and insurance	47.5	0.3%	51.1	0.3%
Other business services	1,071.5	6.6%	981.8	6.6%
Other	186.9	1.2%	179.9	1.2%
Total	16,161.2	100.0%	14,890.3	100.0%

GEOGRAPHIC DISTRIBUTION

(in millions of euros)	Assets		Liabilities and shareholders equity		Derivative fin. instruments, fin. commitments and guarantees		Profit before income tax	
	31.03.07	31.12.06	31.03.07	31.12.06	31.03.07	31.12.06	31.03.07	31.12.06
Estonia	7,525.0	7,039.9	5,779.0	5,421.4	1,590.3	1,626.6	49.1	173.2
Latvia	5,502.3	5,111.3	2,464.9	2,405.4	1,377.1	970.0	30.3	104.9
Lithuania	4,616.1	4,230.3	3,484.3	3,390.1	1,263.3	1,143.0	29.0	78.5
CIS	848.7	841.6	301.3	366.6	186.8	108.6	0.8	-3.4
OECD	1,914.7	2,130.9	8,108.8	7,457.3	7,622.9	5,462.6	-	-
Other	24.7	37.8	293.2	351.0	117.4	44.8	-	-
Total	20,431.5	19,391.8	20,431.5	19,391.8	12,157.8	9,355.6	109.2	353.2

TANGIBLE ASSETS

(in millions of euros, March 31, 2007)	Land	Buildings	Equipment and other*	Construction	Total
Cost					
Balance at the beginning of the year	4.4	91.3	109.2	2.3	207.2
Additions	-	4.0	6.4	0.5	10.9
Reclassification	-	-	-0.6	0.6	-
Disposals	-	-0.5	-3.2	-	-3.7
Write-offs	-	-	-0.8	-	-0.8
Effect of movements in foreign exchange	-	-0.6	-0.6	-	-1.2
Balance at the end of the period	4.4	94.2	110.4	3.4	212.4
Depreciation					
Balance at the beginning of the year	-	22.7	69.6	-	92.3
Depreciation charge for the year	-	1.0	3.5	-	4.5
Disposals	-	-	-2.7	-	-2.7
Write-offs	-	-	-0.4	-	-0.4
Effect of movements in foreign exchange	-	-0.2	-0.3	-	-0.5
Balance at the end of the period	-	23.5	69.7	-	93.2
Net book value					
Balance at the beginning of the period	4.4	68.6	39.6	2.3	114.9
Balance at the end of the period	4.4	70.7	40.7	3.4	119.2
Balance at the end of the period	4.4	91.3	109.2	2.3	207.2

* Equipment and other tangible assets also include fixed assets under operating lease

DEPOSITS DIVIDED BY CLIENT TYPE

(in millions of euros)	Estonia		Latvia		Lithuania		Russia		Group	
	31.03.07	31.12.06	31.03.07	31.12.06	31.03.07	31.12.06	31.03.07	31.12.06	31.03.07	31.12.06
Demand deposits										
Public sector	15.1	14.1	19.5	19.6	278.3	357.8	-	-	312.9	391.5
Corporate customers	727.9	741.8	545.3	583.8	360.1	403.4	34.5	25.1	1,667.8	1,754.1
Private individuals	1,116.2	1,072.0	729.4	707.9	1,313.9	1,175.2	6.5	2.5	3,166.0	2,957.6
Total demand deposits	1,859.2	1,827.9	1,294.2	1,311.3	1,952.3	1,936.4	41.0	27.6	5,146.7	5,103.2
Overnight deposits*										
Public sector	47.7	57.7	0.5	0.6	25.9	29.0	-	-	74.1	87.3
Corporate customers	1,102.2	1,040.6	269.4	269.8	121.1	107.9	-	-	1,492.7	1,418.3
Private individuals	79.9	68.8	59.2	59.0	-	-	-	-	139.1	127.8
Total overnight deposits	1,229.8	1,167.1	329.1	329.4	147.0	136.9	-	-	1,705.9	1,633.4
Time deposits										
Public sector	30.1	63.2	2.7	0.3	4.1	3.0	-	-	36.9	66.5
Corporate customers	439.5	447.6	93.6	88.9	53.2	45.6	2.0	5.5	588.3	587.6
Private individuals	702.3	640.6	514.0	480.0	913.3	818.5	0.6	0.4	2,130.2	1,939.5
Total time deposits	1,171.9	1,151.4	610.3	569.2	970.6	867.1	2.6	5.9	2,755.4	2,593.6
Total deposits	4,260.9	4,146.4	2,233.6	2,209.9	3,069.9	2,940.4	43.6	33.5	9,608.0	9,330.2

*In the balance sheet overnight deposits are recorded as part of demand deposits

DERIVATIVE FINANCIAL INSTRUMENTS

(in millions of euros)	31.03.07			31.12.06		
	Contractual/ notional amount Total**	Fair values		Contractual/ notional amount Total**	Fair values	
		Assets	Liabilities		Assets	Liabilities
Foreign exchange derivatives						
Forward exchange contracts	339.3	1.9	-0.9	195.4	0.8	-0.5
Currency swaps	5,775.5	16.6	-1.9	4,627.0	5.0	-3.1
incl.hedges	441.7	7.7	-	-	-	-
OTC* options bought and sold	157.1	0.2	-0.1	312.6	0.9	-0.8
Other	168.3	0.1	-0.2	143.4	0.2	-0.1
Total FX derivatives	6,440.2	18.8	-3.1	5,278.4	6.9	-4.5
Interest rate derivatives						
Swaps	1,122.2	0.7	-2.6	149.6	0.9	-1.2
incl.hedges	1,066.5	0.5	-2.2	73.5	0.8	-
OTC options bought and sold	6.5	0.1	-0.1	16.6	0.1	-0.1
Other	337.7	0.3	-0.3	320.2	0.1	-0.1
Total interest rate derivatives	1,466.4	1.1	-3.0	486.4	1.1	-1.4
Equity and other derivatives						
Futures	504.8	12.2	-12.4	338.2	6.6	-6.0
OTC options bought and sold	400.6	22.6	-22.7	249.0	13.3	-15.4
Total equity and other derivatives	905.4	34.8	-35.1	587.2	19.9	-21.4
Total derivatives	8,812.0	54.7	-41.2	6,352.0	27.9	-27.3

* Over the counter

** Includes the sum of long and short notional amounts

The bank has designed a fair value hedge to eliminate the interest risk from fixed rate leasing and loan contracts, which are funded from short-term deposits. The hedging instruments are interest rate swaps (IRS) that transform fixed rate assets to variable rate assets, which is naturally hedged with short-term deposits. The hedging period is intended to match the maturity of the last hedging instrument.

CAPITAL STRUCTURE

(in millions of euros)	31.03.07	31.12.06
Primary capital (Tier 1)		
Share capital	202.8	202.8
Share premium	32.2	32.2
Reserves	61.4	56.1
Retained earnings from previous periods	1,130.4	812.2
Retained earnings from current period	-	323.5
Minority ownership	-	-
Revaluation reserves	-20.4	-16.1
Less: Intangible assets	-28.8	-28.6
Treasury shares	-	-
Total Tier 1	1,377.6	1,382.1
Supplementary capital (Tier 2)	400.0	300.0
Own funds, total	1,777.6	1,682.1
Deductions from own funds	-	-
Own funds, net	1,777.6	1,682.1
Own funds for covering trading portfolio's market risk (Tier 3)	-	-

CAPITAL RATIOS

(per cent) (unaudited)	31.03.07	31.12.06
Tier 1 capital ratio ¹	7.94%	8.66%
Tier 2 capital ratio ²	2.31%	1.88%
Total capital ratio	10.25%	10.54%
Tier 1 Leverage Ratio ³	6.74%	7.13%
Common Stock to Total Assets	1.05%	1.46%
Common Shareholders' Equity to Total Assets	7.27%	8.33%

¹ Tier 1 capital divided by total risk-weighted on and off balance sheet items

² Tier 2 capital divided by total risk-weighted on and off balance sheet items

³ Tier 1 capital divided by assets

MATURITY STRUCTURE

March 31, 2006 (in millions of euros)	Under 1 month	1...3 months	3...12 months	1...2 years	2...5 years	Over 5 years	Other (without maturity)	Non- financial assets	Total
Assets									
Cash and due from Central Bank	1,515.4	-	-	-	-	-	-	-	1,515.4
Due from other financial institutions	778.8	366.1	2.5	-	-	-	-	-	1,147.4
Securities	175.0	209.1	317.8	38.8	216.0	120.7	184.0	-	1,261.4
Loans	462.5	1,077.4	2,419.2	2,009.4	3,396.1	6,796.6	-	-	16,161.2
- Allowance for credit losses	-17.9	-9.7	-24.1	-17.8	-27.6	-22.0	-	-	-119.1
Tangible and intangible assets	-	-	-	-	-	-	-	148.0	148.0
Other assets	202.9	24.0	35.8	2.2	4.3	10.9	-	37.1	317.2
Total assets	3,116.7	1,666.9	2,751.2	2,032.6	3,588.8	6,906.2	184.0	185.1	20,431.5
Liabilities									
Due to Central Bank and Government	14.5	0.4	1.3	0.9	1.0	0.2	-	-	18.3
Due to other financial institutions	506.2	206.2	1,038.0	1,198.4	3,767.6	363.4	-	-	7,079.8
Deposits	7,900.9	554.0	943.3	170.1	18.6	1.1	-	-	9,588.0
Debt securities issued to the public	2.8	59.0	10.8	78.3	753.4	-	-	-	904.3
Other liabilities	398.7	53.4	123.2	38.9	62.3	191.4	-	37.6	905.5
Subordinated liabilities	-	-	-	-	-	400.0	-	-	400.0
Shareholders' equity	-	-	-	-	-	-	-	1,515.6	1,515.6
Total liabilities	8,823.1	873.0	2,116.6	1,486.6	4,602.9	956.1	-	1,553.2	20,411.5
Balance sheet maturity gap	-5,706.4	793.9	634.6	546.0	-1,014.1	5,950.1	184.0	-1,368.1	20.0
Off balance sheet items									
Guarantees, letters of credit and undisbursed loans	-321.2	-330.2	-1,449.5	-691.2	-304.5	-249.2	-	-	-3,345.8
Derivatives, assets	852.0	684.1	201.6	1,090.1	27.1	31.4	-	-	2,886.3
Derivatives, liabilities	-3,952.9	-1,316.4	-555.8	-90.6	-8.0	-	-	-	-5,923.7
Off balance sheet maturity gap	-3,422.1	-962.5	-1,803.7	308.3	-285.4	-217.8	-	-	-6,383.2
Net maturity gap	-9,128.5	-168.6	-1,169.1	854.3	-1,299.5	5,732.3	184.0	-1,368.1	-6,363.2

OPEN CURRENCY POSITIONS

March 31, 2006							
(in millions of euros)	EEK	LVL	LTL	EUR	USD	Others	Total
Assets							
Cash and due from Central Bank	693.3	468.5	282.2	22.5	11.0	37.9	1,515.4
Due from other financial institutions	7.0	17.0	33.1	725.6	222.8	140.9	1,146.4
Securities	117.2	24.6	123.9	832.3	120.9	42.6	1,261.5
Loans	887.1	965.5	1,530.0	11,861.7	819.9	97.0	16,161.2
- Allowance for credit losses	-10.1	-11.3	-15.7	-68.6	-11.0	-2.5	-119.2
Tangible and intangible assets	46.8	45.1	52.8	-	-	3.3	148.0
Other assets	66.4	13.3	30.2	168.6	6.9	31.8	317.2
Total assets	1,807.7	1,522.7	2,036.5	13,542.1	1,170.5	351.0	20,430.5
Liabilities							
Due to Central Bank and Government	2.5	14.2	1.5	0.1	-	-	18.3
Due to other financial institutions	10.1	30.5	19.3	6,560.1	450.4	9.4	7,079.8
Deposits	2,945.9	1,131.5	2,501.5	2,039.8	842.7	146.6	9,608.0
Debt securities issued to the public	1.9	2.2	2.7	896.7	0.8	-	904.3
Other liabilities	188.4	70.0	180.5	318.8	88.8	59.0	905.5
Total liabilities	3,148.8	1,248.4	2,705.5	9,815.5	1,382.7	215.0	18,515.9
Shareholders' equity							-
Net balance sheet position	-1,341.1	274.3	-669.0	3,726.6	-212.2	136.0	1,914.6
Off balance sheet net notional position	3,028.9	-213.6	714.3	-3,699.8	204.3	-26.8	7.3

RATINGS

MOODY'S INVESTORS SERVICE

	01.06.06	15.11.05	12.12.02	29.07.02	29.01.02	02.05.00
Long-term deposit	A1	A1	A1	Baa1	Baa1	Baa1
Short-term deposit	Prime 1	Prime 1	Prime 1	Prime 2	Prime 2	Prime 2
Financial strength	C+	C+	C	C	C-	C-
Senior-debt	Aa3	A1	A1	A2	A2	

International rating agency Moody's has increased Hansabank's senior-debt rating from level Aa3 to level Aa2. The outlook of long-term deposits' rating A1 was also changed from stable to positive. Other main ratings remained unchanged. The developments took place in connection with changes in the methodology of Moody's bank ratings.

Hansabank Group's annual reports are published on the Group's internet home page: www.hansagroup.com

HANSABANK'S FINANCIAL CALENDAR FOR 2007:

Q1 2007	April 25
Q2 2007	August 7
Q3 2007	October 24