

Interim financial results of Hansabank Group Q3 2005

Financial highlights	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	Increase
						(Decrease)
						Q3 05/ Q3 04
For the period (EUR in millions)						
Net profit	68.2	59.0	54.3	48.7	48.7	40.0%
Estonia	37.2	35.6	29.1	33.8	26.2	36.8%
Latvia	16.7	12.5	11.4	8.9	13.5	24.6%
Lithuania	12.4	8.5	10.2	6.1	6.6	93.8%
Russia	2.0	3.1	4.3	1.3	2.4	-4.8%
At the end of period (EUR in millions)						
Loans	8,205	7,237	6,418	5,924	5,462	50.2%
Estonia	3,657	3,305	2,973	2,790	2,612	40.2%
Latvia	2,019	1,748	1,507	1,366	1,273	58.6%
Lithuania	2,149	1,900	1,683	1,569	1,400	53.5%
Russia	381	284	264	203	178	109.3%
Deposits	6,318	6,113	5,369	4,972	4,770	32.5%
Estonia	2,755	2,722	2,329	2,172	2,118	30.1%
Latvia	1,476	1,381	1,170	1,125	1,065	38.6%
Lithuania	2,027	1,928	1,749	1,633	1,506	34.6%
Russia	62	83	121	44	82	-25.4%
Ratios (%)						
Return on shareholders' equity	27.1%	25.0%	25.7%	24.4%	25.5%	
Estonia*	46.2%	49.9%	45.3%	54.0%	46.7%	
Latvia*	40.9%	35.4%	36.3%	31.9%	47.9%	
Lithuania*	28.4%	21.7%	29.0%	16.2%	21.1%	
Russia*	20.1%	38.6%	83.0%	36.6%	52.8%	
Cost-income ratio**	42.3%	45.0%	44.9%	50.4%	42.9%	
Estonia	36.3%	39.3%	37.6%	40.5%	38.7%	
Latvia	42.7%	47.7%	48.8%	58.0%	39.5%	
Lithuania	54.2%	54.7%	59.9%	60.2%	57.8%	
Russia	40.9%	30.9%	15.7%	28.9%	19.9%	
Number of employees***	6,855	6,699	6,347	6,213	6,005	14.2%
Number of bank branches	282	281	281	283	281	0.4%
Internet banking customers	1,546,000	1,468,000	1,420,000	1,343,000	1,292,000	19.7%

The sum of the country results does not equal the group total, because of Ukrainian leasing activities and intra-group eliminations.

* Return on allocated equity - equity capital is allocated to the business units based on 9% capital adequacy

** excluding goodwill amortisation

***Full time equivalent of employees

OPERATING RESULTS, Q3 2005

- Loan growth 13% qoq, 50% yoy
- Deposit growth 3% qoq, 33% yoy
- Net interest margin 2.88%, -16bp qoq, -42bp yoy
- Net profit EUR 68.2 million, +16% qoq, +40% yoy
- Return on equity 27.1%
- Revenues EUR 137.1 million, +6% qoq, +27% yoy
- Expenses EUR 58.0 million, -1% qoq, +20% yoy
- Cost-income ratio 42.3%

Hansabank Group had a very strong quarter in Q3 2005. Annual lending growth reached 50% and net profit increased by 40% to EUR 68.2 million in Q3 2005.

The Group's results are influenced by two main trends. On the one hand competition among banks and other financial service companies is putting pressure on margins.

On the other hand favourable economic environment is spurring growth. Economic developments are very strong in the three Baltic countries and they are expected to remain so for several years. Thanks to strong foreign and domestic demand, low interest rates and high investments, all three Baltic countries will achieve 7-9% GDP growth in 2005.

In the first 9 months of 2005 the Group earned EUR 181.5 million, which is 35% more than during the same period last year and just EUR 1.3 million short of the full-year result in 2004.

All Baltic countries recorded above 20% annual growth rates of net profit in Q3 2005. The Lithuanian business unit achieved the highest growth – its net profit increased by 94% to EUR 12.4 million. However, the very good result was partially due to one-off factors. After changes to IFRS, goodwill is no longer amortised on a monthly basis. Net profit growth would have been 41% without this change.

Net profit in Estonia increased by 37% yoy to EUR 37.2 million and net profit in Latvia was up by 25% yoy to EUR 16.7 million.

Russian operations are still very much at the start-up stage, which means that one-off items have a strong impact on the results. Tax on interest payments to foreign entity reduced net profit by EUR 0.5 million in Q3. Quarterly net profit in Russia decreased by 5% yoy to EUR 2.0 million.

Revenues

Revenue growth slowed down in Q3 on quarter-on quarter basis, due to seasonality. Total revenues increased by 6% q-o-q to EUR 137.1 million in the third quarter of 2005, y-o-y growth increased to 27%.

Net Interest Income

The revenue drivers have remained the same as in the previous two quarters. Growth of the credit portfolio reached 50% yoy at the end of Q3. This growth volume has increased two major income groups: interest and fee income. Net interest income amounted to EUR 76.0 million, which was 4% more than in Q2 2005 and 23% more than in Q3 2004.

Credit portfolio increased by 13% q-o-q or EUR 968 million to EUR 8.2 billion at the end of September 2005.

The impact of lower lending margins can be seen from the comparison of annual lending growth of 50% and annual interest income growth of 27%. Average loan yield decreased to 5.23% in Q3. This was 71bp lower than in Q3 a year ago.

Quarterly net interest margin (NIM) decreased below 3% first time, amounting to 2.88% in Q3. It was down 16bp qoq and 43bp yoy.

Deposit growth slowed down in Q3 compared to Q2 figures. Growth of deposits amounted to EUR 204 million in the 3rd quarter (EUR 745 million in the 2nd quarter), which represents 3% increase qoq and 33% increase yoy.

Loans/deposits ratio moved up from 118% to 130% in Q3. The difference of lending and deposits volumes amounted to EUR 763 million in the last 3 months.

The average cost of deposits amounted to 1.42% in Q3 and it was 1.42% in 9 months of 2005. Quarterly cost of deposits has moved within the

narrow range of 1.39-1.44% since the beginning of the year.

Trading income

Trading income was 38% better than the average of the past 4 quarters. Trading income amounted to EUR 15.2 million in Q3. Although improved results have been seen in several areas (stocks, FX, interest-bearing securities) and in different business units, the strongest contributors at group level have been the well performing Russian and Baltic stock markets.

Interest income, net	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	<i>Change</i>	
(in millions of euros, for the period)						<i>yoy</i>	<i>qoq</i>
Interest income							
Loans	70.1	65.7	59.0	54.4	48.4	45%	7%
Bank deposits and loans	3.4	3.3	2.7	2.5	1.7	100%	3%
Correspondent accounts	4.2	4.5	3.4	2.5	2.4	75%	-7%
Securities portfolio	5.4	4.6	5.1	4.7	5.3	2%	17%
Leasing	28.0	26.3	26.3	25.4	25.8	9%	6%
Factoring	3.7	3.5	3.2	3.7	4.3	-14%	6%
Derivatives, hedging	3.6	3.9	4.6	4.8	5.5	-35%	-8%
Other	-	-	-	0.1	-	-	-
Total interest income	118.4	111.8	104.3	98.1	93.4	27%	6%
Interest expenses							
Deposits	22.3	20.6	17.6	16.7	15.3	46%	8%
Demand deposits	7.6	7.1	5.6	5.6	4.8	58%	7%
Time deposits	10.2	9.4	8.3	7.6	7.1	44%	9%
Deposit Guarantee Fund	4.5	4.1	3.7	3.5	3.4	32%	10%
Bank deposits and loans	7.1	2.7	3.1	3.3	3.1	129%	163%
Securities	9.3	11.4	11.0	8.8	7.4	26%	-18%
Derivatives, hedging	3.7	4.1	4.5	4.6	5.3	-30%	-10%
Other	-	-	-	0.2	0.3	-100%	-
Total interest expense	42.4	38.8	36.2	33.6	31.4	35%	9%
Interest income, net	76.0	73.0	68.1	64.5	62.0	23%	4%
Net interest margin %	2.88%	3.04%	3.17%	3.22%	3.30%		

Fee income

Net fees and commissions totalled EUR 42.2 million in Q3 2005. Net fee income growth has remained strong – 41% yoy in Q3 2005 (28% yoy in Q2 2005). The sharp increase in growth rates was due to the low basis from Q3 2004. Net fee income decreased in Q3 2004 compared to Q2, but in Q3 2005 net fee income grew 4% qoq.

Among the most important fee revenue drivers payment-related and lending-related revenues showed strong growth rates.

Among payment-related fees bankcard revenues grew by 27% yoy and 12% qoq together with revenues from transfers (19% yoy, 2% qoq).

Lending related fees increased by 58% yoy and 4% qoq in Q3 2005. Two factors increase lending related fee income: firstly, the growth of new lending and secondly, the refinancing of old loans,

which is supported by historically low interest margins.

Fees from brokerage & investment services continue to show high yoy growth rates. In Q3 yoy growth rate amounted to 156%. Custody services continue to show high growth as well with an increase of 47% yoy.

Group is also seeing stable increase in fees from asset management and pension savings products. 849 thousand clients had selected one of Hansabank's II pillar pension funds for their retirement savings at the end of Q3. Annual growth rate of pension fund clients amounted to 29%. The Group's total assets under management amounted to EUR 0.75 billion, growing by 45% over the past year.

Fees and commissions, net	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	Change	
						yoy	qoq
(in millions of euros, for the period)							
Fee and commission income							
Transfers	8.8	8.6	7.5	8.2	7.4	19%	2%
Cash services	2.8	2.7	2.2	2.5	2.3	22%	4%
Loan management and guarantees	10.0	9.5	6.7	6.4	5.5	82%	5%
Leasing	2.8	2.7	2.3	2.4	2.1	33%	4%
Factoring	1.7	1.7	1.5	1.8	1.6	6%	0%
Bank cards	14.9	13.3	11.3	12.0	11.7	27%	12%
Other e-channels	1.3	1.3	1.2	1.3	1.2	8%	0%
Custody	2.8	2.6	2.5	2.1	1.9	47%	8%
Brokerage and investment services	2.3	2.9	2.2	1.5	0.9	156%	-21%
Insurance brokerage	1.8	1.7	1.5	1.5	1.4	29%	6%
Other	2.9	2.9	3.0	3.1	2.7	7%	0%
Total fee and commission income	52.1	49.9	41.9	42.8	38.7	35%	4%
Fee and commission expense							
Settlements	1.4	1.2	1.2	1.5	1.7	-18%	17%
Loan management and guarantees	0.3	0.3	0.3	0.7	0.2	50%	0%
Card services	4.3	3.9	2.9	3.3	3.2	34%	10%
Securities transaction fees	0.8	1.1	1.0	0.9	0.5	60%	-27%
Encashment and cash services	1.6	1.5	1.4	1.4	1.4	14%	7%
Other	1.5	1.5	1.4	2.2	1.7	-12%	0%
Total fee and commission expense	9.9	9.5	8.2	10.0	8.7	14%	4%
Fees and commissions, net	42.2	40.4	33.7	32.8	30.0	41%	4%

Expenses

Operating expenses increased by 20% yoy and decreased by 1% qoq to EUR 58.0 million in Q3 2005. The quarterly decrease from 2nd to 3rd quarter is seasonal – as many employees are on vacation and the overall expense decreases due to lower economic activity.

Personnel costs increased by 27% yoy and 7% qoq. Two factors have almost equal impact on the increase of personnel costs:

1) The increase in the average number of employees. The average number of employees grew by 13% yoy and 4% qoq in Q3.

2) The increase in performance pay reserve. A significant part of the annual growth came from an increase in the employee performance pay reserve, which increased by 42% yoy and 26% qoq. The growth of the performance pay reserve is directly related to the financial results of the group.

Personnel expenses	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	Change	
						yoy	qoq
(in millions of euros, for the period)							
Salaries and compensation	16.9	17.1	16.7	14.5	13.9	22%	-1%
Performance pay reserve	8.8	7.0	6.3	8.0	6.2	42%	26%
Social insurance charges	5.2	4.9	4.7	4.6	4.3	21%	6%
Total personnel expenses	30.9	29.0	27.7	27.1	24.4	27%	7%
No. of employees, end of period*	6,855	6,699	6,347	6,213	6,005	14%	2%
No. of employees, average of the period*	6,822	6,573	6,292	6,026	6,026	13%	4%

* full-time equivalent

Administrative expenses increased by 21% yoy, 1% qoq to EUR 11.4 million. Administrative

expenses remained relatively stable compared to the previous quarter in all cost groups.

Administrative expenses	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	Change	
						yoy	qoq
(in millions of euros, for the period)							
Office expenses	5.0	4.7	4.6	4.6	3.9	28%	6%
Transportation, car lease	0.5	0.5	0.5	0.4	0.5	0%	0%
Supplies	1.2	1.1	0.8	1.3	0.9	33%	9%
Communications	1.4	1.4	1.3	1.5	1.2	17%	0%
Professional services	2.2	2.4	1.6	2.9	1.8	22%	-8%
Insurance	0.3	0.3	0.3	-	0.3	0%	0%
Security	0.8	0.8	0.7	0.8	0.7	14%	0%
Other	-	0.1	0.1	-	0.1	-100%	-100%
Total administrative expenses	11.4	11.3	9.9	11.5	9.4	21%	1%

Other expenses increased by 8% yoy and decreased by 26% qoq to EUR 6.7 million. Excluding the effect of stopping goodwill amortisation (IFRS rules) yoy growth of other expenses would have been 60%. Quarterly

reduction of other expenses was largely created by lower marketing costs, which dropped 44% qoq. On yoy basis marketing costs slightly increased (+11%).

Other expenses	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	Change	
						yoy	qoq
<i>(in millions of euros, for the year)</i>							
Business trips	0.6	0.6	0.4	0.6	0.3	100%	0%
Training	0.8	0.9	0.4	0.8	0.3	167%	-11%
Marketing	2.0	3.6	1.9	2.7	1.8	11%	-44%
Promotion	0.9	0.9	1.1	2.3	1.3	-31%	0%
Amortisation of goodwill	-	-	-	1.9	2.0	-100%	-
Other	2.4	3.0	2.1	2.3	0.5	380%	-20%
Total other expenses	6.7	9.0	5.9	10.6	6.2	8%	-26%

Ratios

The Group was able to reduce cost/income ratio from 45.0% in the 2nd quarter to 42.3% in the 3rd quarter. It was mainly helped by stable operating costs in Q3 at the time, when revenues continued to grow at a fast pace. If the cost/income ratio is compared with the same period last year, then the difference was smaller. In Q3 2004 cost/income ratio amounted to 42.9%.

In the 2nd quarter report we highlighted our Lithuanian unit's achievement as they managed to decrease the cost income ratio from 60% to 55%. The Lithuanian unit has managed to maintain this level in Q3 and improve the ratio to 54%. However, the best performance in this respect in Q3 was in Latvia where the cost-income ratio improved from 48% in Q2 to 43% in Q3.

At the end of 2004 the Group set a target to keep the cost/income ratio below 45%. In 9 months of 2005 the Group has reached average cost/income ratio of 44%. The results of the last 2 years show that cost/income ratios are the highest in the 4th quarter. Therefore it is quite likely that cost/income ratio will be above 45% in the last quarter.

Return on equity improved from 25.0% in the 2nd quarter of 2005 to 27.1% in the 3rd quarter. Some increase of ROE numbers was also expected, because of high credit losses in the 2nd quarter, which reduced net profit figures. In 9 months of 2005 ROE has been 26.1%, which is well above the Group's target of 20%.

Asset quality

The Group's asset quality indicators improved slightly in the third quarter. Loans overdue for more than 60 days totalled EUR 34.6 million at the end of September, ie 0.4% of total loans. Quarterly increase amounted to EUR 3.2 million, but it was in line with the growth of loan portfolio.

The Group's risk cost ratio was -0.10% in Q3 2005 with write-offs amounting to EUR -0.3 million and recoveries to EUR 1.7 million.

Net credit losses totalled EUR 6.8 million in the third quarter, which was a better result than EUR 9.0 million in Q2.

The ratio of loan loss allowance to total loans remained almost unchanged, amounting to 0.88% of the loan portfolio at the end of September (0.87% at the end of June).

Allowance for credit losses	Group	Estonia	Latvia	Lithuania	Russia	Ukraine
(in millions of euros)						
Balance, as of 30.09.04	71.1	37.7	15.9	15.2	2.2	0.1
Write-offs	-2.9	-1.5	-0.1	-1.3	-	-
Loan losses*	6.6	0.3	2.7	3.1	0.4	0.1
Effect of exchange rate changes	-0.7	-	-0.7	-	-	-
Loan provisions transferred from due from other instrument	-	0.2	-	-0.2	-	-
Balance, as of 31.12.04	74.1	36.7	17.8	16.8	2.6	0.2
Write-offs	-3.5	-1.2	-1.8	-0.5	-	-
Loan losses	6.9	2.8	2.5	1.7	-	-0.1
Effect of exchange rate changes	-	-	-	-	-	-
Loan provision write backs due to IAS 39	-25.5	-11.9	-6.3	-5.4	-1.9	-
Balance, as of 31.03.05	52.0	26.4	12.2	12.6	0.7	0.1
Write-offs	-0.5	-0.4	-	-0.1	-	-
Loan losses	11.3	1.7	2.4	7.0	0.2	-
Effect of exchange rate changes	0.2	-	0.2	-	-	-
Loan provisions transferred from due from other instrument	0.1	-	-	0.1	-	-
Balance, as of 30.06.05	63.1	27.7	14.8	19.6	0.9	0.1
Write-offs	0.3	-0.2	0.6	-0.1	-	-
Loan losses	7.4	2.8	0.8	2.2	1.6	-
Effect of exchange rate changes	-0.1	-	-0.1	-	-	-
Loan provisions transferred from due from other instrument	0.1	-	-	0.1	-	-
Loan provision write backs due to IAS 39	1.5	-	-	-	1.5	-
Balance, as of 30.09.05	72.3	30.3	16.1	21.8	4.0	0.1

Loans overdue						
	Group	Estonia	Latvia	Lithuania	Russia	Ukraine
(in millions of euros)						
Up to 30 days	378.2	82.4	59.5	236.3	-	-
31 to 60 days	23.6	9.9	6.3	7.3	-	0.1
Over 60 days*	22.1	11.9	7.5	2.6	-	0.1
Total loans overdue, 30.09.04	423.9	104.2	73.3	246.2	-	0.2
Up to 30 days	417.2	94.5	98.7	224.0	-	-
31 to 60 days	27.8	10.9	13.1	3.8	-	-
Over 60 days*	17.0	9.1	6.8	1.1	-	-
Total loans overdue, 31.12.04	462.0	114.5	118.6	228.9	-	-
Up to 30 days	495.2	83.5	137.4	274.3	-	-
31 to 60 days	46.6	21.1	17.6	7.8	-	0.1
Over 60 days*	19.4	8.9	8.5	1.9	-	0.1
Total loans overdue, 31.03.05	561.2	113.5	163.5	284.0	-	0.2
Up to 30 days	500.3	126.4	81.1	292.8	-	-
31 to 60 days	32.7	17.0	10.2	5.5	-	-
Over 60 days*	31.4	15.6	12.0	3.8	-	-
Total loans overdue, 30.06.05	564.4	159.0	103.3	302.1	-	-
Up to 30 days	612.8	153.8	118.5	340.5	-	-
31 to 60 days	59.3	26.1	11.0	22.2	-	-
Over 60 days*	34.6	21.3	10.8	2.5	-	-
Total loans overdue, 30.09.05	706.7	201.2	140.3	365.2	-	-

*non-performing loans

	Group	Estonia	Latvia	Lithuania	Russia	Ukraine
Loan portfolio as at the end of period*	8,205.0	3,656.6	2,027.1	2,173.9	347.4	0.0
Average loan portfolio*	7,698.8	3,483.6	1,877.4	2,043.8	294.0	0.0
Risk cost**	-0.10%	-0.08%	-0.20%	-0.06%	0.00%	0.00%
Allowance for credit losses / loan portfolio*	0.88%	0.83%	0.79%	1.01%	1.16%	0.00%
Loans overdue / loan portfolio*	8.6%	5.5%	6.9%	16.8%	0.0%	0.0%
Over 60 days / loan portfolio*	0.4%	0.6%	0.5%	0.1%	0.0%	0.0%
Recoveries during Q3 2005 (in millions of euros)	1.7	0.9	0.4	0.5	0.0	-

*(excluded loans to consolidation companies)

** (write offs - recoveries) / average loan portfolio

Distribution of risk portfolio* by rating classes

(in millions of euros, except ratios)	30.09.05	%	31.12.04	%	30.09.04	%
1 - Virtually no credit risk	145.9	1.4%	75.6	1.0%	104.0	1.6%
2 - Strong entities, good financial stability	587.4	5.8%	526.3	7.3%	479.6	7.2%
3 - Above-average entities that offer good financial security	1,519.1	14.9%	1,185.9	16.4%	1,070.7	16.1%
4 - Adequate entities, may be vulnerable in the medium term	2,054.5	20.1%	1,521.9	21.1%	1,367.9	20.5%
5 - Acceptable entities, however good collateral is required	288.4	2.8%	266.6	3.7%	250.3	3.8%
6 - Entities under close watch	37.4	0.4%	43.3	0.6%	42.6	0.6%
7 - Defaulted companies	37.0	0.4%	14.5	0.2%	17.2	0.3%
Not individually rated*	5,538.8	54.3%	3,583.3	49.6%	3,332.5	50.0%
Total	10,208.4	100.0%	7,217.4	100.0%	6,664.8	100.0%

* Highly diversified private and SME masslending (incl. private mortgages)

ESTONIA

- Loan growth 11% qoq, 40% yoy
- Deposit growth 1% qoq, 30% yoy
- Net interest margin 2.77%, +6bp qoq, -55bp yoy
- Net profit EUR 37.2 million, +4% qoq, +37% yoy
- Return on equity 46%
- Revenues EUR 62.7 million, +5% qoq, +28% yoy
- Expenses EUR 22.7 million, -3% qoq, +19% yoy
- Cost-income ratio 36%

Estonia (in millions of euros)	Q3 2005	Q3 2004	Change
Total income	62.7	49.1	28%
Operating expenses	22.7	19.1	19%
Operating profit before provisions	40.0	30.0	33%
Net profit	37.2	22.4	37%
EVA	29.5	18.6	59%
Return on allocated equity*	46.2%	46.7%	
Cost-income ratio	36.3%	38.7%	
Risk cost	-0.08%	0.09%	
Net interest margin	2.77%	3.32%	
Loans	3,656.5	2,607.7	40%
Deposits	2,755.1	2,118.3	30%
Allocated equity*	333.4	234.0	42%
Assets	4,860.1	3,504.4	39%
Number of employees (full-time equivalent)	2,459	2,281	8%

* based on 9% capital adequacy

The net profit of the Estonian business unit amounted to EUR 37.2 million in Q3 2005, which represented an increase of 37% yoy.

Revenues

Revenues of the Estonian business unit grew by 28% yoy and 5% qoq, totalling EUR 62.7 million in the 3rd quarter. Although net fee income remained flat compared to the 2nd quarter, it is still the main source of income growth on yoy basis. Net fee income was up 40% yoy.

In Q3 2005 net interest margin is not probably the best ratio for describing the changes in loan margins, because average yield of loan portfolio dropped by 86bp in Q3 yoy, but NIM lost only 55bp. The difference seems even more remarkable, if compared to the change of loan yield on qoq basis. Yield of loan portfolio lost 26bp qoq, while NIM increased by 6bp.

Such differences were caused by the increase of loans/assets ratio. Average loans/assets ratio

amounted to 75% in Q3, which was much higher than 70% in Q2.

There were several reasons, why loans increased faster than assets. Firstly the large amount of funds in transit in relation to the buyout of Hansabank Group increased total assets extraordinarily in Q2 and secondly direct financing of the parent company (Swedbank) has allowed the reduction of the part of liquid assets in Hansabank group's assets in Q3.

Despite sharply lower yields of lending portfolio interest income grew by 16% yoy and 3% qoq. Negative effect from reducing margins was offset by fast volume growth. Loan portfolio increased by 40% yoy and 11% qoq.

Mortgage lending continues to be the single most important volume growth driver for the Group. Hansabank signed nearly 5,800 new loan contracts with real estate collateral in Estonia in the second quarter, taking the total number of private customers with real estate loans to 52,000.

Expenses

The Estonian business unit's operating expenses increased by 19% yoy and decreased 3% qoq to EUR 22.7 million in Q3.

Personnel expenses grew by 26% yoy and other expenses grew by 32%. If the increase of bonus reserve were excluded, then yoy growth rate of personnel expenses would have been 15%. Among other expenses increase of marketing costs accounted for 2/3 of the total increase of other expenses.

The Estonian unit's cost/income ratio decreased to 36% in Q3.

Asset quality

Net loan losses increased to EUR 2.8 million in Q3 2005, which was higher compared to EUR 0.8 million in Q2, but equal to the level of net credit losses in Q3 2004.

Although the volume of non-performing loans (over 60 days overdue) increased to EUR 21.2 million or 0.6% of the loan portfolio during the 3rd quarter, this was only temporary and the overall asset quality has remained very good.

Country-based balance sheets – Estonia

(in millions of euros, unaudited)

	30.09.05	30.06.05	31.03.05	31.12.04	30.09.04	yoy	qoq
Assets							
Cash	52.3	54.8	45.5	55.6	45.8	14%	-5%
Due from Central Bank	346.5	365.0	415.9	228.9	256.4	35%	-5%
Due from other financial institutions	527.6	473.1	747.9	562.8	391.2	35%	12%
Trading securities	50.0	44.8	42.6	56.5	47.9	4%	12%
Fin.assets design. at fair value through P/L	60.7	47.2	38.6	31.4	27.1	124%	29%
Held-to-maturity securities	29.7	29.5	28.7	22.3	26.9	10%	1%
Investments in associates	1.7	1.6	1.6	1.5	1.4	21%	6%
Available for sale securities	0.4	0.3	0.4	0.4	0.7	-43%	33%
Loans	3,656.5	3,305.1	2,973.3	2,789.5	2,607.7	40%	11%
- Allowances for credit losses	-30.2	-27.7	-26.3	-36.6	-37.4	-19%	9%
Net loans	3,626.3	3,277.4	2,947.0	2,752.9	2,570.3	41%	11%
Tangible assets	25.9	26.7	26.5	26.6	27.3	-5%	-3%
Intangible assets	6.2	6.4	6.4	2.2	1.7	265%	-3%
Prepayments and accrued interest	91.6	96.1	68.6	69.3	71.0	29%	-5%
Other assets	41.2	74.2	355.4	39.3	36.7	12%	-44%
Total assets	4,860.1	4,497.1	4,725.1	3,849.7	3,504.4	39%	8%
Liabilities							
Due to Central Bank and government	2.5	2.7	3.0	3.3	3.6	-31%	-7%
Due to other financial institutions	1,103.3	797.3	580.5	408.8	381.3	189%	38%
Deposits	2,755.1	2,722.4	2,329.4	2,171.5	2,118.3	30%	1%
Demand deposits	2,032.8	2,006.2	1,685.8	1,643.1	1,618.2	26%	1%
Time deposits	722.3	716.2	643.6	528.4	500.1	44%	1%
Debt securities	1,364.9	1,485.6	2,027.6	1,527.1	1,074.9	27%	-8%
Accrued liabilities	83.4	78.3	61.6	78.2	71.7	16%	7%
Appropriations	93.4	81.2	72.2	65.5	59.5	57%	15%
Other liabilities	85.3	107.8	203.1	61.9	74.3	15%	-21%
Subordinated liabilities	-	-	-	-	15.3	-100%	-
Internal funding adjustments	-961.2	-1,073.2	-824.5	-716.7	-525.5	83%	-10%
Shareholders' equity	333.4	295.0	272.2	250.1	233.2	43%	13%
Total liabilities and shareholders' equity	4,860.1	4,497.1	4,725.1	3,849.7	3,504.4	39%	8%

Country-based income statements - Estonia

(in millions of euros, unaudited)

	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	yoy	qoq
Interest income	52.5	50.9	48.5	47.3	45.2	16%	3%
Interest expense	-19.8	-19.8	-18.8	-17.8	-16.1	23%	0%
Interest income, net	32.7	31.1	29.7	29.5	29.1	12%	5%
Fee and commission income	25.4	25.5	21.5	21.4	19.0	37%	0%
Fee and commission expense	-4.3	-4.5	-3.6	-4.5	-3.9	10%	-4%
Fees and commissions, net	21.1	21.0	17.9	16.9	15.1	40%	0%
Net result from financial operations	7.2	6.6	4.2	4.4	3.6	100%	9%
Net income from insurance activities	0.9	0.4	0.7	0.8	0.4	125%	125%
Other income	0.8	0.8	0.3	1.2	0.9	-11%	0%
Total income	62.7	59.9	52.8	52.8	49.1	28%	5%
Operating expenses							
Personnel expenses	9.3	9.8	9.0	8.7	7.4	26%	-5%
Data network expenses	4.4	4.7	4.2	4.8	4.6	-4%	-6%
Administrative expenses	3.8	3.4	3.1	3.0	3.2	19%	12%
Other expenses	2.5	3.8	1.7	3.2	1.9	32%	34%
incl. goodwill amortisation	-	-	-	0.1	0.1	-100%	-
Depreciation	0.5	0.6	0.4	0.6	0.5	0%	-17%
Group overhead adjustment	2.2	1.2	1.4	1.2	1.5	47%	83%
Total operating expenses	22.7	23.5	19.8	21.5	19.1	19%	-3%
Operating profit before provisions	40.0	36.4	33.0	31.3	30.0	33%	10%
Losses on loans and guarantees	-3.7	-2.0	-3.5	0.6	-4.6	-20%	85%
Recovered loans	0.8	1.1	1.0	1.9	1.7	-53%	-27%
Income from associated companies	0.1	0.1	-	-	0.1	0%	0%
Profit before income tax	37.2	35.6	30.5	33.8	27.2	37%	4%
Income tax	-	-	-1.7	-	-		
Profit after income tax	37.2	35.6	28.8	33.8	27.2	37%	4%
Minority interest	-	-	0.3	-	-		
Net profit	37.2	35.6	29.1	33.8	27.2	37%	4%

LATVIA

- Loan growth 16% qoq, 59% yoy
- Deposit growth 7% qoq, 39% yoy
- Net interest margin 3.06%, -44bp qoq, -48bp yoy
- Net profit EUR 16.7 million, +34% qoq, +25% yoy
- Return on equity 41%
- Revenues EUR 35.1 million, +9% qoq, +15% yoy
- Expenses EUR 15.1 million, -1% qoq, +23% yoy
- Cost-income ratio 43%

Latvia (in millions of euros)	Q3 2005	Q3 2004	Change
Total income	35.1	30.4	15%
Operating expenses	15.1	12.3	23%
Operating profit before provisions	20.0	18.1	10%
Net profit	16.7	13.4	25%
EVA	12.8	10.4	23%
Return on allocated equity*	40.9%	47.9%	
Cost-income ratio	42.7%	39.5%	
Risk cost	-0.20%	0.78%	
Net interest margin	3.06%	3.54%	
Loans	2,019.2	1,273.1	59%
Deposits	1,476.1	1,064.7	39%
Allocated equity*	172.5	114.8	50%
Assets	2,638.0	1,816.3	45%
Number of employees (full-time equivalent)	1,761	1,441	22%

* based on 9% capital adequacy

Latvian net profit increased by 25% yoy and 34% qoq to EUR 16.7 million in Q3 of 2005. Excluding the effect of goodwill amortization from the results of 2004, annual net profit growth was 21% yoy.

Quarterly growth was high in Q3, because of net loan losses in P&L statement of Latvian unit were the lowest of last 5 quarters and amounted to EUR 0.4 million. In Q2 2005 net loan losses amounted to EUR 2.2 million and in Q3 2004 EUR 2.3 million.

Revenues

Revenues in the Latvian business unit increased by 15% yoy and 9% qoq to EUR 35.1 million.

Fee income in Latvia has sharply grown in Q2 and Q3. Net fee income amounted to EUR 10.5 million in Q3, which resulted in 36% growth yoy and 17% growth qoq.

Net interest income has suffered similarly to Estonian figures. Net interest income grew by 23% yoy and 1% qoq. Growth of net interest

income was much lower than loan volume growth, which recorded 59% growth yoy and 16% qoq.

Expenses

Operating expenses in Latvia amounted to EUR 15.1 million in Q3. Expenses were 1% lower than the previous quarter. Annual growth rate stood at 23%.

Number of employees continues to grow fast in Latvia. The full time equivalent (FTE) of employees increased by 22% yoy.

The Latvian cost/income ratio increased slightly over the past year. It amounted to 43% in Q3, which was more than 40% in Q3 2004.

Asset quality

The ratio of non-performing loans (overdue more than 60 days) to total loans improved significantly compared to the end of the previous quarter, from 0.7% to 0.5%. As was said earlier, net credit losses were very low.

Country-based balance sheets - Latvia

(in millions of euros, unaudited)

	30.09.05	30.06.05	31.03.05	31.12.04	30.09.04	yoy	qoq
Assets							
Cash	65.1	42.0	43.0	41.5	43.4	14%	18%
Due from Central Bank	188.7	109.4	115.9	64.1	44.0	55%	-38%
Due from other financial institutions	245.8	212.2	99.5	62.8	102.9	72%	-16%
Trading securities	186.4	140.4	178.0	259.6	283.4	-8%	86%
Fin.assets design. at fair value through P/L	7.6	0.2	0.2	0.2	0.3	-33%	0%
Held-to-maturity securities	128.5	-	-	-	-	-	-
Investments in associates	-	-	-	-	-	-	-
Available for sale securities	-	-	-	-	-	-	-
Loans	2,148.6	1,748.0	1,507.3	1,366.0	1,273.1	59%	16%
- Allowances for credit losses	-21.9	-14.7	-12.2	-17.7	-15.8	1%	9%
Net loans	2,126.7	1,733.3	1,495.1	1,348.3	1,257.3	59%	16%
Tangible assets	36.8	43.5	44.3	44.7	43.5	-2%	-2%
Intangible assets	20.2	1.0	1.1	1.3	1.6	-44%	-10%
Prepayments and accrued interest	56.5	25.6	27.3	20.4	25.7	-2%	-2%
Other assets	6.4	6.1	4.0	6.4	14.2	-32%	57%
Total assets	3,068.7	2,313.7	2,008.4	1,849.3	1,816.3	45%	14%
Liabilities							
Due to Central Bank and government	2.7	0.4	0.5	0.4	77.6	-62%	7225%
Due to other financial institutions	633.5	614.3	539.6	443.6	385.8	106%	29%
Deposits	2,026.8	1,381.4	1,170.2	1,125.3	1,064.7	39%	7%
Demand deposits	1,383.4	987.9	822.9	789.8	740.4	42%	6%
Time deposits	643.4	393.5	347.3	335.5	324.3	32%	9%
Debt securities	-	22.7	21.8	21.2	22.4	1%	0%
Accrued liabilities	67.4	34.0	33.1	30.9	29.7	8%	-5%
Appropriations	86.0	1.9	1.8	2.7	2.5	-16%	11%
Other liabilities	24.8	54.6	49.9	46.7	58.7	-1%	6%
Subordinated liabilities	-	12.1	12.1	12.1	10.4	16%	0%
Internal funding adjustments	44.9	41.2	46.3	44.3	47.9	-22%	-6%
Shareholders' equity	182.6	151.1	133.1	122.1	116.6	50%	14%
Total liabilities and shareholders' equity	3,068.7	2,313.7	2,008.4	1,849.3	1,816.3	45%	14%

Country-based income statements - Latvia

(in millions of euros, unaudited)

	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	yoy	qoq
Interest income	29.1	27.6	25.5	24.6	23.2	25%	5%
Interest expense	-10.2	-8.9	-7.9	-7.9	-7.8	31%	15%
Interest income, net	18.9	18.7	17.6	16.7	15.4	23%	1%
Fee and commission income	13.4	11.5	9.5	10.1	9.7	38%	17%
Fee and commission expense	-2.9	-2.5	-2.0	-2.5	-2.0	45%	16%
Fees and commissions, net	10.5	9.0	7.5	7.6	7.7	36%	17%
Net result from financial operations	5.0	3.8	4.0	3.8	4.3	16%	32%
Net income from insurance activities	-	-	-	-	-	-	-
Other income	0.7	0.6	0.5	0.2	3.0	-77%	17%
Total income	35.1	32.1	29.6	28.3	30.4	15%	9%
Operating expenses							
Personnel expenses	5.9	5.7	5.9	6.2	5.2	13%	4%
Data network expenses	2.9	3.0	2.8	3.0	2.5	16%	-3%
Administrative expenses	3.1	3.0	2.9	3.4	2.7	15%	3%
Other expenses	1.5	2.3	1.9	2.6	0.9	67%	-35%
incl. goodwill amortisation	-	-	-	0.2	0.3	-100%	-
Depreciation	0.7	0.7	0.7	0.6	0.4	75%	0%
Group overhead adjustment	1.0	0.6	0.4	0.8	0.6	67%	67%
Total operating expenses	15.1	15.3	14.6	16.6	12.3	23%	-1%
Operating profit before provisions	20.0	16.8	15.0	11.7	18.1	10%	19%
Losses on loans and guarantees	-0.8	-2.7	-2.5	-2.2	-3.2	-75%	-70%
Recovered loans	0.4	0.5	0.6	1.0	0.8	-50%	-20%
Income from associated companies	-	-	-	-	-	-	-
Profit before income tax	19.6	14.6	13.1	10.5	15.7	25%	34%
Income tax	-2.9	-2.1	-1.7	-1.6	-2.3	26%	38%
Profit after income tax	16.7	12.5	11.4	8.9	13.4	25%	34%
Minority interest	-	-	-	-	-	-	-
Net profit	16.7	12.5	11.4	8.9	13.4	25%	34%

LITHUANIA

- Loan growth 13% qoq, 54% yoy
- Deposit growth 5% qoq, 35% yoy
- Net interest margin 2.57%, -31bp qoq, -18bp yoy
- Net profit EUR 12.4 million, +46% qoq, +94% yoy
- Return on equity 28%
- Revenues EUR 32.4 million, +1% qoq, +29% yoy
- Expenses EUR 17.6 million, 0% qoq, +9% yoy
- Cost-income ratio 54%

Lithuania (in millions of euros)	Q3 2005	Q3 2004	Change
Total income	32.4	25.2	29%
Operating expenses	17.6	16.1	9%
Operating profit before provisions	14.8	9.1	63%
Net profit	12.4	6.4	94%
EVA	8.2	3.8	-35%
Return on allocated equity*	28.4%	21.1%	
Cost-income ratio	54.2%	57.8%	
Risk cost	-0.06%	0.00%	
Net interest margin	2.57%	2.75%	
Loans	2,148.6	1,399.7	54%
Deposits	2,026.8	1,505.8	35%
Allocated equity*	182.6	123.6	48%
Assets	3,068.7	2,129.9	44%
Number of employees (full-time equivalent)	2,519	2,271	11%

* based on 9% capital adequacy

The Lithuanian business unit had good quarterly result. Net profit amounted EUR 12.4 million, which was up 94% yoy and 46% qoq. The remarkable increase of net profit compared to previous quarter was due to high net credit losses in Q2 2005.

Operating profit before credit losses amounted to EUR 14.8 million, which was only marginally up (+1%) from the previous quarter.

Loan volumes grew by 54% yoy and 13% qoq. Deposits have grown by 35% yoy and 5% qoq. Loans/deposits ratio increased from 99% to 106% during the quarter.

Revenues

Revenues increased by 29% yoy and 1% qoq to EUR 32.4 million in Q3 2005. Two major income groups, net interest income and net fee income have performed very similarly. Net interest income amounted to EUR 18.7 million in Q3 with yoy increase of 31% and qoq

decrease of 1%. Net fee income amounted to EUR 9.8 million over the same period, showing yoy growth of 36% and qoq fall of 3%.

Lithuanian net interest margin has historically been the lowest of the three countries since lending margins converged with the EU levels well before the other two Baltic countries. In Q3 net interest margin dropped to 2.57%, which was 18bp below the level of Q3 2004 after being relatively stable in the previous 12 months.

Expenses

The changes to IFRS have had the biggest impact on Lithuanian operating expenses compared to the other countries. Operating expenses increased by 9% yoy and totalled EUR 17.6 million in Q3 2005. If the effect of stopped goodwill amortisation is excluded, then expense growth was 21% yoy. Operating expenses remained flat qoq.

Cost growth is primarily driven by higher personnel expenses, which increased by 33% yoy and 4% qoq. The FTE of employees has increased by 11% yoy.

Asset quality

Net credit losses in Lithuania amounted to EUR 1.5 million in Q3, which marked a sharp drop

from the extraordinarily high net credit losses of EUR 5.7 million in Q2.

Non-performing loans (overdue more than 60 days) totalled EUR 2.6 million at the end of Q3, which was 0.1% of the total credit portfolio. The amount of non-performing loans and the ratio to the total portfolio was the lowest since April 2005.

Country-based balance sheets - Lithuania

(in millions of euros, unaudited)

	30.09.05	30.06.05	31.03.05	31.12.04	30.09.04	yoy	qoq
Assets							
Cash	65.1	62.7	57.1	64.7	55.3	18%	4%
Due from Central Bank	188.7	115.7	100.0	102.6	87.4	116%	63%
Due from other financial institutions	245.8	257.3	279.9	259.1	160.7	53%	-4%
Trading securities	186.4	237.9	212.5	155.8	219.2	-15%	-22%
Fin.assets design. at fair value through P/L	7.6	6.2	5.2	4.5	3.5	117%	23%
Held-to-maturity securities	128.5	123.1	128.4	128.5	125.5	2%	4%
Investments in associates	-	-	-	-	-	-	-
Available for sale securities	-	-	-	-	-	-	-
Loans	2,148.6	1,900.4	1,683.5	1,565.8	1,399.6	54%	13%
- Allowances for credit losses	-21.9	-19.7	-12.7	-16.9	-15.2	43%	11%
Net loans	2,126.7	1,880.7	1,670.8	1,548.9	1,384.4	54%	13%
Tangible assets	36.8	38.1	36.8	38.1	40.0	-8%	-3%
Intangible assets	20.2	20.1	20.2	20.3	21.9	-8%	0%
Prepayments and accrued interest	56.5	39.3	22.3	23.3	21.9	158%	44%
Other assets	6.4	13.4	7.3	6.4	10.1	-37%	-52%
Total assets	3,068.7	2,794.5	2,540.5	2,352.2	2,129.9	44%	10%
Liabilities							
Due to Central Bank and government	2.7	3.0	3.2	3.4	3.4	-21%	-10%
Due to other financial institutions	633.5	487.8	451.0	404.7	323.2	96%	30%
Deposits	2,026.8	1,927.5	1,748.5	1,633.3	1,505.8	35%	5%
Demand deposits	1,383.4	1,328.5	1,189.3	1,117.3	1,012.4	37%	4%
Time deposits	643.4	599.0	559.2	516.0	493.4	30%	7%
Debt securities	-	-	-	-	-	-	-
Accrued liabilities	67.4	49.6	35.5	36.6	30.7	120%	36%
Appropriations	86.0	79.0	71.9	66.6	60.9	41%	9%
Other liabilities	24.8	32.6	24.1	19.3	24.9	0%	-24%
Subordinated liabilities	-	-	-	-	-	-	-
Internal funding adjustments	44.9	51.1	57.1	31.4	34.6	-22%	-12%
Shareholders' equity	182.6	163.9	149.2	156.9	146.4	48%	11%
Total liabilities and shareholders' equity	3,068.7	2,794.5	2,540.5	2,352.2	2,129.9	44%	10%

Country-based income statements - Lithuania

(in millions of euros, unaudited)

	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	yoy	qoq
Interest income	29.0	27.7	24.6	22.2	21.3	36%	5%
Interest expense	-10.3	-8.9	-8.3	-7.0	-7.0	47%	16%
Interest income, net	18.7	18.8	16.3	15.2	14.3	31%	-1%
Fee and commission income	12.2	12.4	10.2	11.0	9.6	27%	-2%
Fee and commission expense	-2.4	-2.3	-2.3	-2.7	-2.4	0%	4%
Fees and commissions, net	9.8	10.1	7.9	8.3	7.2	36%	-3%
Net result from financial operations	2.4	2.6	2.2	2.2	1.7	41%	-8%
Net income from insurance activities	0.3	-0.2	-0.5	1.1	0.9	-67%	-250%
Other income	1.2	0.9	0.8	0.6	1.1	9%	33%
Total income	32.4	32.2	26.7	27.4	25.2	29%	1%
Operating expenses							
Personnel expenses	8.4	8.1	7.3	6.4	6.3	33%	4%
Data network expenses	3.5	3.4	3.2	3.3	2.9	21%	3%
Administrative expenses	3.0	2.9	2.9	3.0	2.6	15%	3%
Other expenses	1.1	1.9	1.6	3.7	3.0	-63%	-42%
incl. goodwill amortisation	-	-	-	1.5	1.6	-100%	-
Depreciation	0.7	0.7	0.7	0.7	0.7	0%	0%
Group overhead adjustment	0.9	0.6	0.4	0.9	0.6	50%	50%
Total operating expenses	17.6	17.6	16.1	18.0	16.1	9%	0%
Operating profit before provisions	14.8	14.6	10.6	9.4	9.1	63%	1%
Losses on loans and guarantees	-2.0	-6.9	-1.4	-3.7	-2.9	-31%	-71%
Recovered loans	0.5	1.2	1.4	1.0	0.6	-17%	-58%
Income from associated companies	-	-	-	-	-	-	-
Profit before income tax	13.3	8.9	10.6	6.7	6.8	96%	49%
Income tax	-0.9	-0.4	-0.4	-0.5	-0.4	125%	125%
Profit after income tax	12.4	8.5	10.2	6.2	6.4	94%	46%
Minority interest	-	-	-	-0.1	-	-	-
Net profit	12.4	8.5	10.2	6.1	6.4	94%	46%

RUSSIA

- Loan growth +34% qoq, +109% yoy
- Deposit growth -26% qoq, -25% yoy
- Net interest margin 5.10%, -49bp qoq, -128bp yoy
- Net profit EUR 2.0 million, -35% qoq, -5% yoy
- Return on equity 20%
- Revenues EUR 7.4 million, +30% qoq, +111% yoy
- Expenses EUR 3.0 million, +76% qoq, +329% yoy
- Cost-income ratio 41%

Russia (in millions of euros)	Q3 2005	Q3 2004	Change
Total income	7.4	3.5	111%
Operating expenses	3.0	0.7	329%
Operating profit before provisions	4.4	2.8	57%
Net profit	2.0	2.1	-5%
EVA	0.8	2.1	-62%
Return on allocated equity*	20.1%	52.8%	
Cost-income ratio	40.9%	19.9%	
Risk cost	0.0%	0.0%	
Net interest margin	5.10%	6.38%	
Loans	380.9	182.0	109%
Deposits	61.5	82.4	-25%
Allocated equity*	46.4	24.4	90%
Assets	501.2	203.8	146%

Number of employees (full-time equivalent) 114 10 1040%

* based on 11% capital adequacy in 2005 and on 13% capital adequacy in 2004

As an important step Hansabank opened its first official branch in Moscow on 6 September. The Group's strategy in Russia is to offer corporate banking and trade finance services. The Group will concentrate on serving Baltic, Scandinavian and existing Russian corporate customers. Hansabank already has leasing offices in all three regions.

The Group employed 114 people in Russia at the end of September, which was 38 people increase compared to 3 months ago.

Revenues and expenses

Russian credit portfolio increased by 109% yoy and 34% qoq to EUR 381 million. This corresponds to 5% of the Group's total portfolio. The Russian unit's revenues increased by 111% yoy to EUR 7.4 million. Quarterly operating expenses have increased to EUR 3.0 million, which is up 329% yoy.

Russian results are still very volatile due to one-off items related to the setting up of operations and hiring of new employees. Russian net profit amounted to EUR 2.0 million in Q3, which was 5% down yoy. One of the reasons was tax on paid interest, which amounted to EUR 0.5 million in Q3 2005.

Consolidated balance sheets

(in millions of euros, unaudited)

	30.09.05	31.12.04	30.09.04	yoy	qoq
Assets					
Cash	167.4	161.8	144.6	16%	5%
Due from Central Bank	632.5	395.6	387.7	63%	-6%
Due from other financial institutions	945.9	854.0	653.1	45%	6%
Trading securities	495.3	465.0	540.8	-8%	19%
Fin.assets design. at fair value through P/L	68.5	36.1	30.9	122%	28%
Held-to-maturity securities	158.2	150.8	152.4	4%	4%
Investments in associates	1.7	1.5	1.5	13%	6%
Available for sale securities	0.4	0.4	0.6	-33%	33%
Loans	8,204.9	5,924.0	5,461.8	50%	13%
- Allowances for credit losses	-72.3	-74.1	-71.1	2%	15%
Net loans	8,132.6	5,849.9	5,390.7	51%	13%
Tangible assets	106.4	109.6	111.0	-4%	-2%
Intangible assets	27.3	23.8	25.2	8%	-1%
Prepayments and accrued interest	203.2	124.4	128.3	58%	15%
Other assets	51.8	46.4	56.1	-8%	-40%
Total assets	10,991.2	8,219.3	7,622.9	44%	11%
Liabilities					
Due to Central Bank and government	34.5	7.1	84.6	-59%	466%
Due to other financial institutions	1,710.9	487.9	490.6	249%	103%
Deposits	6,317.8	4,972.0	4,769.7	32%	3%
Demand deposits	4,522.7	3,577.9	3,451.0	31%	3%
Time deposits	1,795.1	1,394.1	1,318.7	36%	5%
Debt securities issued	1,364.9	1,527.1	1,074.9	27%	-8%
Accrued liabilities	185.6	143.9	130.3	42%	18%
Other reserves	179.7	132.9	121.9	47%	12%
Deferred tax liability	2.2	2.0	1.2	83%	5%
Other liabilities	166.1	122.0	147.5	13%	-13%
Total liabilities	9,961.7	7,394.9	6,820.7	46%	11%
Subordinated liabilities	-	-	18.6	-100%	-
Shareholders' equity					
Common stock	202.8	202.8	202.8	0%	0%
Share premium	32.2	30.2	29.4	10%	0%
Treasury stock	-	-0.2	-0.2	-100%	-
Reserves	46.9	29.8	29.9	57%	0%
Other restricted equity	6.4	6.4	6.4	0%	0%
Currency translation reserve	-13.1	-15.8	-7.4	77%	14%
Retained earnings	753.9	561.8	513.0	47%	10%
Minority interest	0.4	9.4	9.7	-96%	0%
Total shareholders' equity	1,029.5	824.4	783.6	31%	7%
Total liabilities and shareholders' equity	10,991.2	8,219.3	7,622.9	44%	11%

Consolidated income statements

(in millions of euros, unaudited)

	9m 2005	2004	9m 2004
Interest income	334.5	362.7	264.6
Interest expense	-117.4	-121.9	-88.3
Interest income, net	217.1	240.8	176.3
Fee and commission income	143.8	155.6	112.8
Fee and commission expense	-27.6	-34.8	-25.0
Fees and commissions, net	116.2	120.8	87.8
Net result from financial operations	39.0	39.3	28.7
Net income from insurance activities	1.7	5.8	3.9
Other income	7.1	14.1	12.0
Total income	381.1	420.8	308.7
Operating expenses			
Personnel expenses	87.6	97.5	70.4
Data network expenses	13.6	16.1	11.1
Administrative expenses	32.7	38.7	27.0
Other expenses	21.6	30.4	19.8
incl. goodwill amortisation	-	7.9	6.0
Depreciation	12.5	18.1	14.0
Total operating expenses	168.0	200.8	142.3
Operating profit before provisions	213.1	220.0	166.4
Losses on loans and guarantees	-27.8	-34.2	-28.6
Recovered loans	7.5	13.2	9.3
Profit from associates under the equity method	0.2	0.2	0.2
Profit before income tax	193.0	199.2	147.3
Income tax	-11.5	-14.3	-11.6
Profit after income tax	181.5	184.9	135.7
Minority interest	-	-2.1	-1.6
Net profit	181.5	182.8	134.1

Consolidated income statements - quarterly

(in millions of euros, unaudited)

	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004	yoy	qoq
Interest income	118.4	111.8	104.3	98.1	93.4	27%	6%
Interest expense	-42.4	-38.8	-36.2	-33.6	-31.4	35%	9%
Interest income, net	76.0	73.0	68.1	64.5	62.0	23%	4%
Fee and commission income	52.1	49.9	41.9	42.8	38.7	35%	4%
Fee and commission expense	-9.9	-9.5	-8.2	-10.0	-8.7	14%	4%
Fees and commissions, net	42.2	40.4	33.7	32.8	30.0	41%	4%
Net result from financial operations	15.2	13.2	10.6	10.6	9.6	58%	15%
Net income from insurance activities	1.2	0.2	0.2	1.9	1.3	-8%	500%
Other income	2.5	2.7	1.9	2.1	5.0	-50%	-7%
Total income	137.1	129.5	114.5	111.9	107.9	27%	6%
Operating expenses							
Personnel expenses	30.9	29.0	27.7	27.1	24.4	27%	7%
Data network expenses	4.9	4.9	3.9	5.0	3.9	26%	0%
Administrative expenses	11.4	11.3	9.9	11.5	9.4	21%	1%
Other expenses	6.7	9.0	5.9	10.6	6.2	8%	-26%
incl. goodwill amortisation	-	-	-	1.9	2.0	-100%	-
Depreciation	4.1	4.2	4.2	4.1	4.4	-7%	-2%
Total operating expenses	58.0	58.4	51.6	58.3	48.3	20%	-1%
Operating profit before provisions	79.1	71.1	62.9	53.6	59.6	33%	11%
Losses on loans and guarantees	-8.5	-11.8	-7.5	-5.6	-10.7	-21%	-28%
Recovered loans	1.7	2.8	3.0	3.9	3.1	-45%	-39%
Profit from associates	0.1	0.1	-	-	0.1	0%	0%
Profit before income tax	72.4	62.2	58.4	51.9	52.1	39%	16%
Income tax	-4.2	-3.2	-4.1	-2.7	-2.9	45%	31%
Profit after income tax	68.2	59.0	54.3	49.2	49.2	39%	16%
Minority interest	-	-	-	-0.5	-0.5	-100%	-
Net profit	68.2	59.0	54.3	48.7	48.7	40%	16%

Consolidated Cash Flow Statements

(in millions of euros, for the period)

	9m 2005	2004	9m 2004
Profit before income tax	193.0	199.2	147.3
Adjustments to profit before income tax			
Loan losses	29.4	13.0	9.2
Interest income	-334.5	-362.7	-264.6
Interest expense	117.4	121.9	88.3
Depreciation and amortisation	12.5	26.0	20.0
Impairment charge	0.7	1.1	0.8
Profit from sales of tangible assets	-0.2	-3.3	-3.3
Book value of tangible assets written-off	0.4	1.5	0.4
Total adjustments to operating profit	-174.3	-202.5	-149.2
Changes in operating assets and liabilities			
Net change in prepayments	-68.3	40.2	36.1
Net change in accrued liabilities	38.5	4.0	-4.2
Net change in deposits placed with other financial institutions	73.5	-124.5	1.3
Net change in trading securities	-37.4	30.1	14.6
Net change in loans to financial institutions	-92.8	-128.2	-30.5
Net change in compulsory reserve to Central Bank	-54.4	-52.4	-33.0
Net change in loans	-2,247.6	-1,511.7	-1,066.2
Net change in other assets	-1.3	11.2	7.6
Net change in short-term liabilities due to other banks	-6.3	22.3	15.0
Net change in demand deposits	914.0	687.2	560.3
Net change in time deposits	401.0	208.1	132.7
Net change in other liabilities	68.0	6.7	34.3
Total adjustments to operating assets and liabilities	-1,013.1	-807.0	-332.0
Interest received	324.0	357.4	261.8
Interest paid	-114.3	-116.9	-88.7
Income tax paid	-1.8	-8.2	-8.3
Net cash used in operating activities	-786.5	-578.0	-169.1
Cash from investing activities			
Acquisition of subsidiaries	-14.7	-19.5	-18.4
Dividends received	-	2.7	2.6
Net change in securities held for investment	-7.6	9.3	12.9
Acquisition of tangible assets	-14.3	-32.1	-25.2
Sale of tangible assets	5.8	23.6	21.7
Acquisition of intangible assets	-0.5	-1.3	-0.6
Net cash provided by/used in investing activities	-31.3	-17.3	-7.0
Cash from financing activities			
Credit lines of Central Bank and government received	28.7	83.4	82.9
Credit lines of Central Bank and government paid	-1.2	-126.3	-48.3
Long-term loans received from other financial institutions	1,261.8	80.6	50.6
Long-term loans paid back to other financial institutions	-32.5	-76.1	-36.0
Issue of debt securities	-162.2	751.8	299.6
Issued capital and net change in share premium	2.0	1.3	0.5
Net change in subordinated liabilities	-	-44.0	-25.4
Dividends paid	-	-35.5	-35.5
Net change in treasury shares	0.2	0.3	0.3
Net cash provided by financing activities	1,096.8	635.5	288.7
Effect of the change in exchange rate from foreign subsidiaries	2.8	-4.1	3.8
Net increase in cash and cash equivalents	281.8	36.1	116.4
Cash and cash equivalents at the beginning of the period	1,064.0	1,027.9	1,027.9
Cash and cash equivalents at the end of the period	1,345.8	1,064.0	1,144.3

Consolidated statements of changes in shareholders' equity and minority interests

(in millions of euros)	9m 2005	2004	9m 2004
Share capital			
Balance at the beginning of the year	202.8	50.7	50.7
Issue of common stock	-	152.1	152.1
Balance at the end of the period	202.8	202.8	202.8
Share premium			
Balance at the beginning of the year	30.2	181.0	181.0
Bonus issue	-	-152.1	-152.1
Profit from sales of shares	2.0	1.3	0.5
Balance at the end of the period	32.2	30.2	29.4
Treasury shares			
Balance at the beginning of the year	-0.2	-0.5	-0.5
Net change in treasury shares	0.2	0.3	0.3
Balance at the end of the period	-	-0.2	-0.2
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	8.0	7.7	7.7
Appropriations to statutory reserve	17.1	0.3	0.4
Balance at the end of the period	25.1	8.0	8.1
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
Currency translation reserve			
Balance at the beginning of the year	-15.8	-11.2	-11.2
Net change in currency translation reserve	2.7	-4.6	3.8
Balance at the end of the period	-13.1	-15.8	-7.4
Retained earnings			
Balance at the beginning of the year	561.8	414.8	414.8
Net income	181.5	182.8	134.1
Appropriations to reserves	-17.1	-0.3	-0.4
Reclassification *	-	-	-
Provision release	27.7	-	-
Dividends paid	-	-35.5	-35.5
Balance at the end of the period	753.9	561.8	513.0
Total shareholders' equity	1,029.1	815.0	773.9
Minority interests			
Balance at the beginning of the year	9.4	8.3	8.3
Acquisition of subsidiaries	(9.0)	(1.0)	(0.2)
Minority share of net profit of subsidiaries	-	2.1	1.6
Balance at the end of the period	0.4	9.4	9.7
Total shareholders' equity and minority interests	1,029.5	824.4	783.6

*Related to a change in the minority holding in Hansabankas

Revenues by business segments

(in millions of euros, for the period)	9m 2005	<i>share</i>	2004	<i>share</i>	9m 2004	<i>share</i>
Banking	304.6	80%	319.7	76%	236.4	77%
Leasing	76.2	20%	92.6	22%	69.4	22%
Insurance	8.2	2%	9.9	2%	6.9	2%
Other	7.0	2%	6.6	2%	4.7	2%
Eliminations	-14.9	-4%	-8.0	-2%	-8.5	-3%
Total income	381.1	100%	420.8	100%	308.9	100%

Net profit by business segments

(in millions of euros, for the period)	9m 2005	<i>share</i>	2004	<i>share</i>	9m 2004	<i>share</i>
Banking	129.6	71%	113.1	62%	84.4	63%
Leasing	46.9	26%	63.2	35%	45.2	34%
Insurance	5.8	3%	5.7	3%	3.6	3%
Other	-0.8	0%	0.8	0%	0.9	1%
Total net profit	181.5	100%	182.8	100%	134.1	100%

Assets by business segments

(in millions of euros, end of period)	30.09.05	<i>share</i>	31.12.04	<i>share</i>	30.09.04	<i>share</i>
Banking	10,421.7	95%	8,228.6	100%	7,146.8	94%
Leasing	2,499.8	23%	2,054.3	25%	1,999.0	26%
Insurance	196.3	2%	140.9	2%	127.6	2%
Other	35.6	0%	7.0	0%	33.0	0%
Eliminations	-2,162.2	-20%	-2,211.5	-27%	-1,683.5	-22%
Total assets	10,991.2	100%	8,219.3	100%	7,622.9	100%

Distribution of Loans by Product

(in millions of euros)	30.09.05	30.06.05	31.03.05	31.12.04	30.09.04
Loans	5,591.7	4,892.3	4,124.4	3,674.4	3,330.9
Finance leases	1,887.6	1,782.8	1,643.1	1,600.3	1,548.6
Overdraft	437.7	289.5	401.7	356.1	316.0
Factoring	270.7	252.6	227.1	269.7	235.3
Repos	17.2	19.9	22.0	23.4	30.9
Assignment	-	-	0.1	0.1	0.1
Gross lending to customers	8,204.9	7,237.1	6,418.4	5,924.0	5,461.8
Specified loan-loss allowance	-72.3	-63.1	-52.0	-74.1	-71.1
Net lending to customers	8,132.6	7,174.0	6,366.4	5,849.9	5,390.7

Geographic distribution of loans

(in millions of euros)	30.09.05	30.06.05	31.03.05	31.12.04	30.09.04
Estonia	3,654.5	3,294.5	2,973.0	2,773.9	2,598.4
Latvia	2,031.7	1,759.3	1,514.5	1,364.3	1,270.5
Lithuania	2,182.7	1,928.2	1,710.5	1,590.6	1,423.7
OECD	1.6	5.5	13.0	4.6	6.3
Other	334.4	249.6	207.4	190.6	162.9
Gross lending to customers	8,204.9	7,237.1	6,418.4	5,924.0	5,461.8
Specified loan-loss allowance	-72.3	-63.1	-52.0	-74.1	-71.1
Net lending to customers	8,132.6	7,174.0	6,366.4	5,849.9	5,390.7

Loan portfolio by sectors

(in millions of euros)	30.09.05	%	31.12.04	%	30.09.04	%
Individuals	2,874.6	35.0%	1,878.4	31.7%	1,684.0	30.8%
Student Loans	150.7	1.8%	148.9	2.5%	142.2	2.6%
Wholesale and retailing	1,000.8	12.2%	838.6	14.2%	801.5	14.7%
Industry	905.3	11.0%	714.0	12.1%	682.9	12.5%
Real estate management and other business services	1,546.4	18.8%	923.3	15.6%	819.4	15.0%
Transport and communications	593.2	7.2%	512.4	8.6%	506.4	9.3%
Energy	114.8	1.4%	122.4	2.1%	115.2	2.1%
Municipalities and government	43.0	0.5%	48.3	0.8%	66.2	1.2%
Agriculture and forestry	224.3	2.7%	142.1	2.4%	129.4	2.4%
Construction	317.7	3.9%	185.9	3.1%	190.5	3.5%
Hotels and restaurants	160.2	2.0%	132.5	2.2%	121.6	2.2%
Finance and insurance	25.3	0.3%	16.1	0.3%	16.1	0.3%
Other	248.6	3.0%	261.1	4.4%	186.4	3.4%
Total	8,204.9	100.0%	5,924.0	100.0%	5,461.8	100.0%

Geographic Distribution

(in millions of euros)	Assets		Liabilities and shareholders equity		Derivative fin. instruments, fin. commitments and guarantees		Profit before income tax	
	30.09.05	2004	30.09.05	2004	30.09.05	2004	9m 2005	2004
Estonia	4,705.0	3,564.5	3,393.9	2,705.1	1,047.2	725.8	103.3	115.4
Latvia	2,246.0	1,547.0	1,444.2	1,153.9	580.0	399.2	47.3	50.2
Lithuania	2,231.8	1,721.9	2,238.8	1,748.7	666.1	738.7	32.8	28.8
CIS	499.7	184.2	410.7	226.1	65.1	16.2	9.7	4.8
OECD	1,290.5	1,169.7	3,292.6	2,164.7	3,830.6	1,173.0	-	-
Other	18.2	32.0	211.0	220.8	7.8	4.3	-0.1	-
Total	10,991.2	8,219.3	10,991.2	8,219.3	6,196.8	3,057.2	193.0	199.2

Tangible assets

September 30 2005

(in millions of euros)	Land	Buildings and other*	Equipment Construction	Total
Cost				
Balance at the beginning of the year	0.5	90.4	91.7	183.3
Additions	0.1	0.6	11.8	14.8
Reclassification	-	0.5	-0.1	-
Disposals	-	-1.5	-8.0	-9.5
Write-offs	-	-	-0.7	-0.7
Effect of movements in foreign exchange	-	-	0.1	0.1
Balance at the end of the period	0.6	90.0	94.8	188.0
Depreciation				
Balance at the beginning of the year	-	16.7	57.0	73.7
Depreciation charge for the year	-	2.8	8.7	11.5
Impairment charge**	-	-	0.7	0.7
Disposals	-	-0.4	-3.6	-4.0
Write-offs	-	-	-0.3	-0.3
Effect of movements in foreign exchange	-	-	-	-
Balance at the end of the period	-	19.1	62.5	81.6
Net book value				
Balance at the beginning of the year	0.5	73.7	34.7	109.6
Balance at the end of the year	0.6	70.9	32.3	106.4

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

** Impairment charge includes the impairment charges of rental assets of car lease companies

Deposits divided by client type

(in millions of euros)	Estonia		Latvia		Lithuania		Russia		Group	
	30.09.05	31.12.04	30.09.05	31.12.04	30.09.05	31.12.04	30.09.05	31.12.04	30.09.05	31.12.04
Demand deposits										
Public sector	26.8	27.4	12.4	9.6	302.6	196.8	-	-	341.8	233.8
Corporate customers	503.7	435.2	423.7	317.4	278.2	227.3	2.6	-	1,208.2	979.9
Private individuals	794.5	644.3	410.9	270.6	740.8	625.3	-	-	1,946.2	1,540.2
Total demand deposits	1,325.0	1,106.9	847.0	597.6	1,321.6	1,049.4	2.6	-	3,496.2	2,753.9
Overnight deposits*										
Public sector	29.3	28.0	-	-	17.1	3.5	-	-	46.4	31.5
Corporate customers	687.1	501.4	171.6	178.6	44.3	64.3	-	-	903.0	744.3
Private individuals	46.3	34.5	30.4	13.7	0.4	-	-	-	77.1	48.2
Total overnight deposits	762.7	563.9	202.0	192.3	61.8	67.8	-	-	1,026.5	824.0
Time deposits										
Public sector	82.2	18.9	0.1	0.4	2.3	2.2	-	-	84.6	21.5
Corporate customers	179.1	140.6	103.1	96.3	50.5	26.1	0.4	-	333.1	263.0
Private individuals	462.8	383.1	323.9	238.8	590.7	487.7	-	-	1,377.4	1,109.6
Total time deposits	724.1	542.6	427.1	335.5	643.5	516.0	0.4	-	1,795.1	1,394.1
Total deposits	2,811.8	2,213.4	1,476.1	1,125.4	2,026.9	1,633.2	3.0	-	6,317.8	4,972.0

Derivative financial instruments

(in millions of euros)	30.09.05			31.12.04		
	Contractual/ notional amount Total**	Fair values		Contractual/ notional amount Total**	Fair values	
		Assets	Liabilities		Assets	Liabilities
Foreign exchange derivatives						
Forward exchange contracts	40.7	0.4	-0.3	246.7	2.5	-4.2
Spots	136.6	0.1	-0.1	878.7	11.3	-5.5
Currency swaps	2,758.4	6.6	-3.2	31.0	2.7	-
OTC* options bought and sold	5.2	-	-	20.7	0.1	-
Other	0.3	-	-	-	-	-
Total FX derivatives	2,941.2	7.1	-3.6	1,177.1	16.6	-9.7
Interest rate derivatives						
Swaps	337.4	3.9	-3.0	371.0	4.3	-5.3
incl.hedges	117.4	0.9	1.4	150.0	3.9	-
OTC options bought and sold	29.2	0.2	-0.2	31.8	0.1	-0.1
Other	571.2	0.1	-	13.6	-	-
Total interest rate derivatives	937.8	4.2	-3.2	416.4	4.4	-5.4
Equity and other derivatives						
Futures	155.7	2.1	-1.8	106.3	1.1	-1.0
OTC options bought and sold	141.5	4.1	-5.2	71.5	4.1	-4.8
Total equity and other derivatives	297.2	6.2	-7.0	177.8	5.2	-5.8
Total derivatives	4,176.2	17.5	-13.8	1,771.3	26.2	-20.9

* 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)	30.09.05	31.12.04
Primary capital (Tier 1)		
Share capital	202.8	202.8
Share premium	32.2	30.2
Reserves	46.9	29.8
Other reserves	6.4	6.4
Retained earnings from previous periods	574.0	379.0
Retained earnings from current period	113.3	142.2
Minority ownership	0.4	9.5
Currency translation reserve	-13.1	-15.8
Less: Intangible assets	-27.3	-23.8
Treasury shares	0.0	-0.2
Total Tier 1	935.6	760.1
Supplementary capital (Tier 2)	-	-
Own funds, total	935.6	760.1
Deductions from own funds	-0.2	-0.3
Own funds, net	935.4	759.8
Own funds for covering trading portfolio's market risk (Tier 3)	-	-

Capital Ratios

(per cent) (unaudited)	30.09.05	31.12.04
Tier 1 capital ratio ¹	11.06%	11.79%
Tier 2 capital ratio ²	0.00%	0.00%
Total capital ratio	11.06%	11.79%
Tier 1 Leverage Ratio ³	8.51%	9.25%
Common Stock to Total Assets	1.85%	2.47%
Common Shareholders' Equity to Total Assets	9.37%	10.03%

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

September 30, 2005 (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	799.9	-	-	-	-	-	-	-	799.9
Due from other financial institutions	747.3	186.4	12.1	-	-	0.1	-	-	945.9
Securities	58.0	33.6	119.5	39.2	171.0	300.7	2.1	-	724.1
Loans	401.2	544.5	1,458.1	1,077.2	1,745.1	2,978.8	-	-	8,204.9
- Allowance for credit losses	-10.7	-6.8	-13.7	-10.0	-13.7	-17.4	-	-	-72.3
Tangible and intangible assets	-	-	-	-	-	-	-	133.7	133.7
Other assets	175.0	26.6	11.9	1.5	2.3	6.2	-	31.5	255.0
Total assets	2,170.7	784.3	1,587.9	1,107.9	1,904.7	3,268.4	2.1	165.2	10,991.2
Liabilities									
Due to Central Bank and Government	29.5	0.3	1.3	1.6	1.6	0.3	-	-	34.6
Due to other financial institutions	63.5	364.2	136.9	246.7	665.8	233.8	-	-	1,710.9
Deposits	5,115.6	438.1	697.6	45.8	20.0	0.7	-	-	6,317.8
Debt securities issued to the public	-	30.0	375.5	137.9	815.9	5.6	-	-	1,364.9
Other liabilities	225.9	55.0	74.2	13.7	65.1	91.0	-	8.6	533.5
Shareholders' equity	-	-	-	-	-	-	-	1,029.5	1,029.5
Total liabilities	5,434.5	887.6	1,285.5	445.7	1,568.4	331.4	-	1,038.1	10,991.2
Balance sheet maturity gap	-3,263.8	-103.3	302.4	662.2	336.3	2,937.0	2.1	-872.9	-
Off balance sheet items									
Guarantees, letters of credit and undisbursed loans	-202.4	-209.0	-810.0	-297.6	-176.9	-324.7	-	-	-2,020.6
Derivatives, assets	290.9	360.8	257.4	170.0	53.9	-	-	-	1,133.0
Derivatives, liabilities	-2,497.6	-434.0	-80.9	-13.0	-17.7	-	-	-	-3,043.2
Off balance sheet maturity gap	-2,409.1	-282.2	-633.5	-140.6	-140.7	-324.7	-	-	-3,930.8
Net maturity gap	-5,672.9	-385.5	-331.1	521.6	195.6	2,612.3	2.1	-872.9	-3,930.8

Open Currency Positions

September 30, 2005

(in millions of euros)

	EEK	LVL	LTL	EUR	USD	Others	Total
Assets							
Cash and due from Central Bank	389.6	105.5	242.9	14.8	11.9	35.2	799.9
Due from other financial institutions	5.3	28.0	61.0	489.0	236.5	126.1	945.9
Securities	50.6	32.7	135.4	352.5	142.6	10.3	724.1
Loans	593.0	550.1	682.0	5,640.9	733.4	5.5	8,204.9
- Allowance for credit losses	-18.8	-16.0	-8.9	-24.4	-4.2	-	-72.3
Tangible and intangible assets	40.3	42.9	50.0	-	-	0.5	133.7
Other assets	108.7	15.0	29.7	81.6	11.0	9.0	255.0
Total assets	1,168.7	758.2	1,192.1	6,554.4	1,131.2	186.6	10,991.2
Liabilities							
Due to Central Bank and Government	2.5	27.3	2.6	2.2	-	-	34.6
Due to other financial institutions	24.4	13.5	5.5	1,477.7	189.7	0.1	1,710.9
Deposits	2,057.7	668.0	1,663.1	992.0	866.6	70.4	6,317.8
Debt securities issued to the public	21.4	-	-	1,275.6	2.2	65.7	1,364.9
Other liabilities	161.6	39.7	83.9	174.2	57.0	17.1	533.5
Total liabilities	2,267.6	748.5	1,755.1	3,921.7	1,115.5	153.3	9,961.7
Shareholders' equity	1,029.5	-	-	-	-	-	1,029.5
Net balance sheet position	-2,128.4	9.7	-563.0	2,632.7	15.7	33.3	0.0
Off balance sheet net notional position	1,676.8	30.6	599.3	-2,350.2	-8.0	57.2	5.7

Ratings

Moody's Investors Service

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

Fitch Ratings

	29.04.04	06.11.03	02.05.02	28.02.02
Long-term	A	A-	A-	A-
Short-term	F-1	F-1	F-2	F-2
Individualrating	B/C	B/C	C	C

Hansabank Group published the 2004 annual report on 21 March 2005. The report is available on Hansabank's internet home page: www.hansagroup.com

Hansabank's financial calendar for 2005:

Q1 2005 April 28
Q2 2005 August 18
Q3 2005 October 27

Further information is available:

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