

Pension Plan "Dynamics"



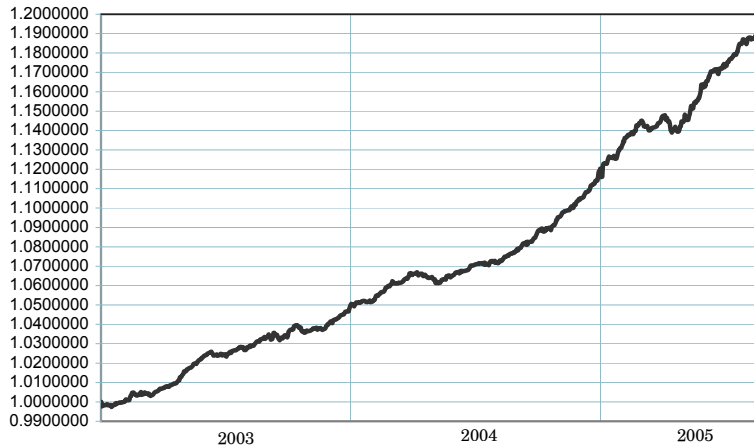
Investment Principles

The investment policy of the Plan is balanced, as assets of the Plan are disposed in financial instruments with fixed income and equities. Not less than 70 % of assets of the Plan are invested in securities with fixed income and in term-deposits in banks and no more than 30 % - in the equities. The investment policy of the Plan provides to invest not less than 50 % of assets in Latvia. Investments in foreign currencies can't exceed 30 % of assets of the Plan.

General information

Plan Management Company	AS IPS Hansa Fondi
Plan Manager	Kristians Mikelsons
Inception	2002
Applications are accepted in:	Branch offices of AS Hansabanka; 7024555 www.hanzanet.lv State Social Insurance Agency
Net Asset Value (NAV)	1.2154557 LVL
Net Assets	26916477 LVL
Management Fee per annum	1.4%
Weighted average rating	A2
Weighted average modified duration, years	3.6

Performance of Plan



	YTD	1 month	3 months	6 months	1 year	2 years	Inception*
Performance	9.10%	1.54%	2.30%	5.06%	10.32%	17.13%	21.55%
Annualized**						8.10%	6.86%

	2003	2004				
Performance	4.65%	6.46%				

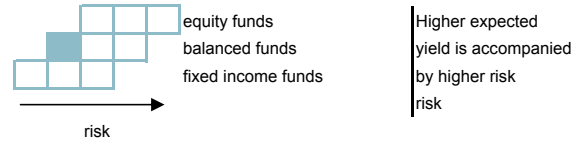
* - since launch

** - the annual interest rate of yield is calculated, using ACT/360 method

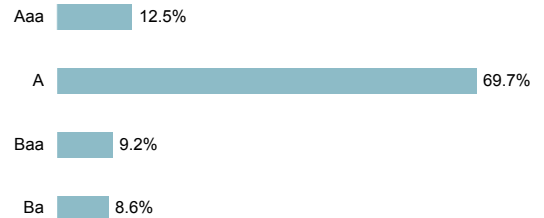
Manager Comment

This month the stock prices rise was lead by developing markets (up 8.3%) with Japan a closer follower (up 7.2%). The European stock market grew by 3.3%, while the US market – by 4.1%. The Eastern European stock portfolio swelled by 2.7% and the Baltic stock index Baltix surged by 2.7%, too. The euro 10-year bond rate rose from 3.38% to 3.45%, whereas six-month rate was up from 2.28% to 2.60%. Concerns about long-term inflation rise in Europe have subdued, making long-term rates steady. To curb inflation next year, the ECB raised its base interest rate from 2.00% to 2.25. Interest rates on lats investments surged as well - the Latvian year 2014 bond rate rose from 3.45% to 3.63%. The Latvian government debt securities index calculated by Hansabanka dropped by 0.21% this month with bond prices shrinking as interest rates climb up.

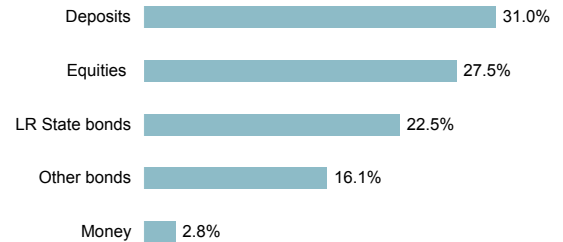
Risk level



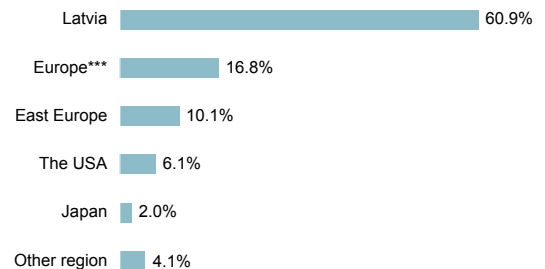
Portfolio by ratings



Portfolio by instruments



Portfolio by countries



*** - without East Europe

Larger investments

Larger investments	Weight
LR 5-year bonds 04.02.2010	10.0%
LR 10-year bonds 14.02.2013	9.2%
France bonds 25.04.2019	5.0%
Balzac USA Index Fund	3.3%
T.Rowe Global Emerging Markets Fund	3.3%
Balzac Europe Index Fund	3.2%
streetTRACKS MSCI Europe ETF	2.9%
iShares S&P 500	2.8%
Hansa Venemaa Aktsiafondi	2.1%
Hansa Ida-Euroopa Aktsiafondi	2.1%