



MARFIN PANK EESTI AS
(Marfin Bank Estonia Ltd.)

**Public Interim Report
I Quarter 2008**

Translation from original in Estonian

Registration code:	10586461
Address:	Pärnu mnt 12, 10148 Tallinn, Estonia
Telephone:	(+372) 6802 500
Fax:	(+372) 6802 501
e-mail:	info@marfinbank.ee
Internet home page:	www.marfinbank.ee

SUMMARY INFORMATION

General Data of Credit Institution

Business name	MARFIN PANK EESTI AS
Location and address	Pärnu mnt 12, 10148 Tallinn, Estonia
Country of registration	Republic of Estonia
Registration date	14.10.1999
Registration code	10586461 (Estonian Commercial Register)
Telephone	(+372) 6 802 500
Fax	(+372) 6 802 501
S.W.I.F.T. BIC code	SBMBEE22
E-mail	info@marfinbank.ee
Internet home page	http://www.marfinbank.ee

Auditor

Business name of auditor	Aktsiaselts PricewaterhouseCoopers
Registration code of auditor	1187696
Auditor's location and address	Pärnu mnt 15, 10141 Tallinn, Estonia
Engagement partner	Chris Butler
Report balance sheet date	31.03.2008
Report period	01.01.2008 – 31.03.2008
Report currency and units	Estonian kroon (EEK), in thousands of kroons
Comparison currency and units	Euro (EUR), in thousands of euros

Bank has not been rated by international rating agencies.

Public Interim Report I Quarter 2008 of MARFIN PANK EESTI AS is unaudited. Only the credit institution data and figures are disclosed in the report.

	EEK ths.	EUR ths.
Total assets	793,016	50,683
Net profit / loss	1,761	113
Return on equity (ROE)	0.88%	0.88%
Assets utilisation (AU)	1.97%	1.97%
Overdue claims and loans	34,179	2,184
Loan loss provisions	3,929	251
Net own funds	197,362	12,614
Capital adequacy	33.55%	33.55%

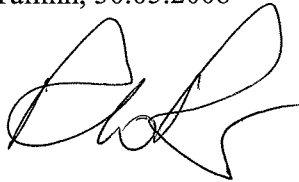
“Public Interim Report I Quarter 2008” of MARFIN PANK EESTI AS is available in the office of MARFIN PANK EESTI in Tallinn, Pärnu mnt 12 and on the bank's web page www.marfinbank.ee from 30.05.2008.

DECLARATION OF THE MANAGEMENT BOARD

The Management Board of MARFIN PANK EESTI AS is, after examining the information presented in this Public Interim Report, of opinion that:

1. Public Interim Report, consisting of summary information, declaration of the Management Board, management report and financial statements, discloses information meeting the requirements set by the rules of "Public Interim Report".
2. The data and additional information presented in the Public Interim Report is true and complete.
3. Nothing is missing or omitted from the data and information presented in the Public Interim Report, which could influence their content or meaning.
4. Financial statements have been compiled in accordance with International Financial Reporting Standards as adopted by the European Union, and give a true and fair view of the financial position of the bank and of the results of its operations and its cash flows.
5. MARFIN PANK EESTI AS is operating on a going concern basis.

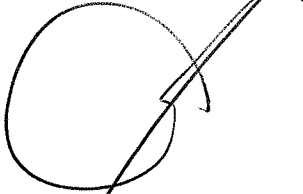
In Tallinn, 30.05.2008



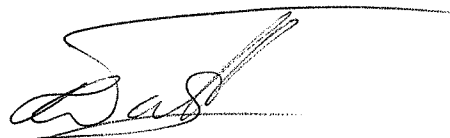
Riho Rasmann
Chairman of the Management Board



Sven Raba
Member of the Management Board



Mart Veskimägi
Member of the Management Board



Roul Tutt
Member of the Management Board

MANAGEMENT REPORT

Description of Credit Institution and Management Bodies

MARFIN PANK EESTI AS (former business name AS SBM Pank) is a credit institution, established in 1999 and operating in Estonia. Name change of the bank was registered on 14 May 2008 and means bigger integration of the bank to the banking group structures of its main shareholder Marfin Popular Bank. MARFIN PANK EESTI AS (hereinafter: the Bank) has the activity license issued by Estonian Central Bank (the Bank of Estonia), which allows the Bank to engage in all banking operations. Bank has an account manager status of Estonian Central Depository for Securities and is the member of SWIFT and pan-Baltic member of Baltic stock exchanges. Bank has joined SEPA (Single Euro Payments Area) systems as an indirect member and on 19 May 2008 also the cross-border clearing system TARGET2-Eesti.

MARFIN PANK EESTI AS will use the trademark MARFIN BANK, which is globally used by Marfin Popular Bank group in all international markets.

MARFIN PANK EESTI AS belongs to the banking group of Marfin Popular Bank, registered in Cyprus, and operating in 14 countries – Cyprus, Greece, United Kingdom, Romania, Serbia, Ukraine, Russia, Malta, Estonia, Australia, Guernsey, USA, Republic of South Africa, and Canada. Group has more than 8000 employees. Last year's net profit of the Marfin Popular Bank group totalled 563.4 million euros and total assets 30.3 billion euros. Marfin Popular Bank has a BBB+ credit rating by Standard & Poor's.

The owners of MARFIN PANK EESTI AS as of the report date are:

50.1247% of shares are owned by Marfin Popular Bank Public Company Ltd. (location Nicosia, Cyprus);

32.4229% of shares are owned by Mr. Nikolaos Sarros (place of residence Athens, Greece);

4.8883% of shares are owned by Sigma Real Estate OÜ (location Tallinn, Estonia), a private limited company under control of Mr. Nikolaos Sarros;

4.8883% is owned by Frösundaviksparken AB (location Ängelholm, Sweden), under control of Mr. Ulrich John;

2.7132% is owned by Koumbas Holdings S.A. (location Athens, Greece);

2.4938% of shares are owned by Mirage Investments OÜ (location Tallinn, Estonia) and 2.4688% is owned by Mr. Emmanouil Karavelakis (place of residence Athens, Greece).

The Supervisory Board of the Bank has seven members. Mr. Fotios Karatzenis (Chairman of the Supervisory Board), Mr. Nikolaos Sarros (Vice-Chairman of the Supervisory Board), Mr. Efthymios Bouloutas, Mr. Achillefs Giannisis, Mr. Frank Ulrich John, Mr. Emmanouil Karavelakis and Mr. Christos Stylianides were the members of the Supervisory Board as of report date.

The Management Board of SBM Bank consists of four members. Mr. Riho Rasmann is the Chairman of the Management Board, and the members of the Management

Board are Mr. Sven Raba, Mr. Mart Veskimägi and Mr. Roul Tutt. The Chairman of the Management Board and the members of the Management Board do not own shares neither hold options to acquire shares of the Bank. There were no changes in the Management Board in the year 2008.

The Bank has neither subsidiaries nor participating interests, exceeding 20% shareholding in any company. Bank has participated in the establishment of European Business Development AS, where the Bank owns 16% of share capital. This business development company was entered into Estonian Commercial Register on 27.01.2005.

Major Economic Developments

The most important event of the current year so far has been the name change of the Bank, registered on 14 May 2008. The new business name of AS SBM Pank is **MARFIN PANK EESTI AS**. Business registration code is the same, also the Bank's SWIFT code (BIC) is still SBMBEE22 and all contact data remained unchanged. Internet page has a new address www.marfinbank.ee and we kindly ask to use @marfinbank.ee at the end of e-mail addresses.

Year 2008 started with fast growth of the Bank, both in terms of customer numbers and volumes of deposits and loans. Total assets of the Bank grew 1.3 times from beginning of the year, reaching 793.0 million kroons (50.7 million euros) as of 31 March 2008. Loan portfolio (excluding deposits in financial institutions) comprised 539.2 million kroons i.e. 34.5 million euros (growth 1.2 times from beginning of year), forming 68.0% of total assets.

While the growth rate of the loan portfolio has slowed down a little compared with 2007, the growth rate of deposit volumes has been fast. Client (excluding credit institutions) deposits with the Bank totalled 399.9 million kroons i.e. 25.6 million euros at the end of the I. quarter (growth from beginning of the year 1.4 times). The Bank is continuing to pay higher than average interest rates in Estonian market to ordinary time deposits.

Net profit of the I. quarter 2008 comprised 1.8 million kroons i.e. 0.1 million euros (I. quarter of 2007: 1.3 million kroons i.e. 0.1 million euros). Net interest income of the reporting period was 9.7 million kroons (0.6 million euros), earned mostly on loans. Net fee income totalled 0.1 million kroons (0.01 million euros). 0.6 million kroons (0.04 million euros) was earned as dealing profits from FX and securities' transactions. Total operating income from banking activities comprised 9.7 million kroons i.e. 0.6 million euros in the I. Quarter 2008. Administrative expenses of the same period totalled 7.4 million kroons (0.4 million euros).

Total of 0.2 million kroons (0.01 million euros) of membership fees were calculated to the Supervisory Board members in the I. Quarter 2008. No membership fees have been paid to the members of the Management Board. Calculated salaries of the members of the Management Board totalled 0.8 million kroons (0.05 million euros), of employees 3.0 million kroons (0.2 million euros) in the I. Quarter 2008. Average number of employees was 44 (27 year earlier), number of employees at the end of quarter was 45.

Bank's equity totalled 200.3 million kroons (12.8 million euros) as of 31 March 2008 and the capital adequacy stood at 33.55%.

Ratios

		<u>01.01.2008 -</u> <u>31.03.2008</u>	<u>01.01.2007 -</u> <u>31.03.2007</u>
Return on equity	ROE	3.52%	2.87%
Equity multiplier	EM	13.16	2.50
Profit margin	PM	44.89%	11.76%
Asset utilisation	AU	9.53%	9.78%
Return on assets	ROA	1.07%	1.15%
Net interest margin	NIM	4.99%	7.03%
Basic earnings per share	Basic EPS	0.35	0.07
Diluted earnings per share	Diluted EPS	0.35	0.07
Spread	SPREAD	4.00%	5.85%
Yield on interest-earning assets	YIEA	7.54%	8.81%
Cost of interest-bearing liabilities	COL	3.54%	3.64%

Explanations to ratios

ROE	Net profit (loss) / Average equity * 100
EM	Average assets / Average equity
PM	Net profit (loss) / Total income * 100
AU	Total income / Average assets * 100
ROA	Net profit (loss) / Average assets * 100
NIM	Net interest income / Average interest earning assets * 100
Basic EPS	Net profit (loss) / Average number of shares
Diluted EPS	Net profit (loss) / Average number of shares (incl. all convertible securities)
SPREAD	Yield on interest earning assets (YIEA) – Cost of interest bearing liabilities (COL)
YIEA	Interest income / Average interest earning assets * 100
COL	Interest expense / Average interest bearing liabilities * 100

Ratings

MARFIN PANK EESTI AS has not been rated by international rating agencies. Marfin Popular Bank has BBB+ credit rating from Standard & Poors.

Legal Disputes

The Bank is not participating as of 31.03.2008 in any court cases where the bank could sustain substantial losses in the future. One court case is expected to end with a compromise between the parties. Execution proceedings are taking place against two loan customers, one of which is executed monthly and for the second customer the third, successful auction took place on 12.05.2008.

Balance Sheet

	EEK ths.	EEK ths.
	31.03.2008	31.12.2007
ASSETS		
Cash and balances with the central banks	207,183	109,346
Due from credit institutions	170,724	12,143
Financial assets held for trading	9,737	931
Available-for-sale financial assets	22,978	28,328
Loans and other similar claims (incl. capital lease)	542,426	456,965
Due from customers	543,837	458,763
Claims to financial institutions	24,568	28,249
Deposits with financial institutions	4,680	8,428
Loans to other financial institutions	19,887	19,821
Loans to other enterprises	462,148	383,082
Loans to private persons	57,122	47,432
Total loan portfolio	539,157	450,335
A incl. provision (-)	-3,929	-3,940
B incl. interests	2,518	2,142
Fixed assets	4,672	4,931
Intangible assets	1,210	1,312
Other assets	4,809	3,763
TOTAL ASSETS	793,016	599,726
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Financial liabilities at amortised cost	556,629	394,429
Deposits of credit institutions	156,466	114,251
Interest payable on deposits of credit institutions	277	0
Other deposits	399,886	280,177
Amounts owed to government	3	10
Amounts owed to financial institutions	7,139	7,127
Amounts owed to other enterprises	230,541	139,745
Amounts owed to non-profit organisations	7,891	3,925
Amounts owed to private persons	152,840	129,370
Interest payable on deposits	2,471	0
Taxes	956	1,041
Other liabilities	35,097	4,550
TOTAL LIABILITIES	592,682	400,020
SHAREHOLDERS' EQUITY		
Share capital	200,500	200,500
Statutory legal reserve	446	446
Revaluation reserve	-191	942
Retained earnings and other reserves	-2,183	-4,424
Profit/loss for the year (+/-)	1,761	2,242
TOTAL SHAREHOLDERS' EQUITY	200,333	199,706
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	793,016	599,726

Balance Sheet

	EUR ths.	EUR ths.
	31.03.2008	31.12.2007
ASSETS		
Cash and balances with the central banks	13,241	6,989
Due from credit institutions	10,911	776
Financial assets held for trading	622	59
Available-for-sale financial assets	1,469	1,810
Loans and other similar claims (incl. capital lease)	34,667	29,205
Due from customers	34,758	29,320
Claims to financial institutions	1,570	1,805
Deposits with financial institutions	299	539
Loans to other financial institutions	1,271	1,267
Loans to other enterprises	29,537	24,483
Loans to private persons	3,651	3,031
Total loan portfolio	34,458	28,782
A incl. provision (-)	-251	-252
B incl. interests	161	137
Fixed assets	299	315
Intangible assets	77	84
Other assets	307	240
TOTAL ASSETS	50,683	38,329
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Financial liabilities at amortised cost	35,575	25,209
Deposits of credit institutions	10,000	7,302
Interest payable on deposits of credit institutions	18	0
Other deposits	25,557	17,907
Amounts owed to government	0	1
Amounts owed to financial institutions	456	456
Amounts owed to other enterprises	14,734	8,931
Amounts owed to non-profit organisations	504	251
Amounts owed to private persons	9,768	8,268
Interest payable on deposits	158	0
Taxes	61	67
Other liabilities	2,243	291
TOTAL LIABILITIES	37,879	25,566
SHAREHOLDERS' EQUITY		
Share capital	12,814	12,814
Statutory legal reserve	29	29
Revaluation reserve	-12	60
Retained earnings and other reserves	-139	-283
Profit/loss for the year (+/-)	113	143
TOTAL SHAREHOLDERS' EQUITY	12,804	12,764
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	50,683	38,329

Income Statement

	EEK ths.	EEK ths.
	01.01.2008 - 31.03.2008	01.01.2007 - 31.03.2007
Interest income	14,800	10,650
From demand and time deposits with banks	552	394
From available-for-sale financial assets	1,784	182
From loans (incl. capital lease)	12,201	10,074
From derivatives hedging interest rate risk	264	0
Interest expense (-)	-5,137	-2,157
From financial liabilities at amortised cost	-4,921	-2,157
From derivatives hedging interest rate risk	-216	0
Net interest income/expense (+/-)	9,664	8,493
Fees and commissions income	257	400
Fees and commissions income on accounts	55	81
Securities' transactions fee income	35	102
Cash transactions fee income	8	4
Payments fee income	150	150
Intermediation fee of bank cards	4	2
Other fees and commissions income	4	61
Fees and commissions expense (-)	-147	-208
SWIFT expenses	-52	-60
Fees and commissions expense on accounts etc.	-84	-84
Securities' transactions fee expense	-11	-50
Other fees and commissions expense	0	-14
Net fees and commissions income	109	192
Net gain/loss on financial assets and liabilities, not measured at fair value (+/-)	0	38
Net gain/loss on financial assets and liabilities, held for trading (+/-)	0	12
Net gain/loss on derivative instruments – hedging (+/-)	57	0
Net gains/losses from exchange differences (+/-)	575	649
Other operating expense (-)	-653	-391
Financial Supervisory Authority	-210	-204
Guarantee Fund	-341	-119
Stock Exchange annual fee	-47	-42
Other operating expenses	-56	-26
Operating income	9,753	8,993
Administrative expenses (-)	-7,435	-7,155
Salaries, social taxes	-4,965	-4,334
General and administrative expenses	-2,470	-2,821
Depreciation of tangible assets (-)	-567	-423
Value adjustment of assets (+/-)	11	-160
PROFIT / LOSS FROM CONTINUING OPERATIONS (+/-)	1,761	1,255
PROFIT / LOSS FOR THE PERIOD	1,761	1,255

Income Statement

	EUR ths.	EUR ths.
	01.01.2008 - 31.03.2008	01.01.2007 - 31.03.2007
Interest income	946	681
From demand and time deposits with banks	35	25
From available-for-sale financial assets	114	12
From loans (incl. capital lease)	780	644
From derivatives hedging interest rate risk	17	0
Interest expense (-)	-328	-138
From financial liabilities at amortised cost	-314	-138
From derivatives hedging interest rate risk	-14	0
Net interest income/expense (+/-)	618	543
Fees and commissions income	16	26
Fees and commissions income on accounts	3	5
Securities' transactions fee income	2	7
Cash transactions fee income	1	0
Payments fee income	10	10
Intermediation fee of bank cards	0	0
Other fees and commissions income	0	4
Fees and commissions expense (-)	-9	-13
SWIFT expenses	-3	-4
Fees and commissions expense on accounts etc.	-5	-5
Securities' transactions fee expense	-1	-3
Other fees and commissions expense	0	-1
Net fees and commissions income	7	12
Net gain/loss on financial assets and liabilities, not measured at fair value (+/-)	0	2
Net gain/loss on financial assets and liabilities, held for trading (+/-)	0	1
Net gain/loss on derivative instruments – hedging (+/-)	4	0
Net gains/losses from exchange differences (+/-)	37	41
Other operating expense (-)	-42	-25
Financial Supervisory Authority	-13	-13
Guarantee Fund	-22	-8
Stock Exchange annual fee	-3	-3
Other operating expenses	-4	-2
Operating income	623	575
Administrative expenses (-)	-475	-457
Salaries, social taxes	-317	-277
General and administrative expenses	-158	-180
Depreciation of tangible assets (-)	-36	-27
Value adjustment of assets (+/-)	1	-10
PROFIT / LOSS FROM CONTINUING OPERATIONS (+/-)	113	80
PROFIT / LOSS FOR THE PERIOD	113	80

Statement of Cash Flows

	EEK ths. 01.01.2008 - 31.03.2008	EEK ths. 01.01.2007 - 31.03.2007	EUR ths. 01.01.2008 - 31.03.2008	EUR ths. 01.01.2007 - 31.03.2007
Cash flows from operating activities	108,574	-13,445	6,939	-859
interests received	13,785	10,650	881	681
interests paid	-2,388	-2,157	-153	-138
fees and commissions received	257	341	16	22
fees and commissions paid	-147	-194	-9	-12
general administrative expenses	-7,435	-6,947	-475	-444
net trading income	632	697	40	45
other operating expenses	-653	-391	-42	-25
net increase/decrease in operating assets (-/+)				
loan portfolio	-85,074	-60,515	-5,437	-3,868
due from other banks	-885	-6,168	-57	-394
other assets	-5,714	-6,071	-365	-388
securities	5,281	121	338	8
net increase/decrease in operating liabilities (+/-)				
due to credit institutions	42,215	0	2,698	0
due to customers	118,238	10,093	7,557	645
debt certificate liabilities	0	47,450	0	3,033
other liabilities	30,462	-354	1,947	-23
			0	0
Cash flows from investing activities	-207	-469	-13	-30
purchase of tangible fixed assets	-207	-316	-13	-20
purchase of intangible assets	0	-152	0	-10
Net change in cash and cash equivalents	108,367	-13,914	6,926	-889
Cash and cash equivalents at beginning of year	46,317	44,301	2,960	2,831
Cash and cash equivalents at the end of I quarter	154,684	30,387	9,886	1,942

*Cash and cash equivalents at the end of period comprise:

	EEK ths. 31.03.2008	EEK ths. 31.03.2007	EUR ths. 31.03.2008	EUR ths. 31.03.2007
cash	1,190	480	76	31
change in mandatory reserve with Eesti Pank	-17,230	22,878	-1,101	1,462
current accounts and overnight deposits with credit institutions	170,724	7,029	10,911	449
Total	154,684	30,387	9,886	1,942

Statement of Changes in Equity

	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	01.01.2008- 31.03.2008	01.01.2007 - 31.03.2007	01.01.2008- 31.03.2008	01.01.2007 - 31.03.2007
Share capital				
Balance at beginning of period	200,500	200,500	12,814	12,814
Balance at end of period	200,500	200,500	12,814	12,814
Other reserves				
Balance at beginning of period	446	271	29	17
Revaluation reserve	-191	0	-12	0
Statutory legal reserve	0	175	0	11
Balance at end of period	255	446	16	29
Retained earnings				
Balance at beginning of period	-2,183	-4,424	-140	-283
Profit / loss for the financial year	1,761	1,416	113	90
Balance at end of period	-422	-3,009	-27	-192
Total shareholder's equity:				
at beginning of period	196,522	196,522	12,560	12,560
at end of period	200,333	197,937	12,804	12,650

Share capital is divided into 20,500,000 common shares with nominal value of 10 Estonian kroons each, and has been paid-in in cash. The number of shares has not changed in reporting period. According to the articles of association, the minimum share capital of the Bank is 100,000,000 Estonian kroons and maximum share capital is 400,000,000 Estonian kroons. Common share gives its owner a right to participate in the management of the Bank and in distribution of the profit and in case of liquidation in distribution of remaining assets, also other rights as stipulated in the law and articles of association.

Off-Balance Sheet Transactions

	EEK ths.		EUR ths.	
	Claims	Commitments	Claims	Commitments
31.03.2008				
Irrevocable transactions	0	82,771	0	5,290
Guarantees and other similar irrevocable transactions	0	25,495	0	1,629
Unused amount of credit lines and overdraft limits	0	57,276	0	3,661
Derivatives	1,094,837	1,085,212	69,973	69,358
Currency-related derivatives	1,072,247	1,062,622	68,529	67,914
Other base asset related derivatives	22,590	22,590	1,444	1,444

	EEK ths.		EUR ths.	
	Claims	Commitments	Claims	Commitments
31.03.2007				
Irrevocable transactions	0	29,537	0	1,888
Guarantees and other similar irrevocable transactions	0	2,656	0	170
Unused amount of credit lines and overdraft limits	0	26,881	0	1,718
Derivatives	510,646	510,349	32,636	32,617
Currency-related derivatives	510,646	510,349	32,636	32,617

Currency Risk

	31.03.2008				
Joint EEK and EUR position	Balance sheet position		Off-balance sheet position		Net position
	long	short	long	short	
Position, EEK ths.	732,351	493,496	535,788	647,629	127,014
Position, EUR ths.	46,806	31,540	34,243	41,391	8,118

	31.03.2007				
Joint EEK and EUR position	Balance sheet position		Off-balance sheet position		Net position
	long	short	long	short	
Position, EEK ths.	513,691	301,130	247,842	291,990	168,413
Position, EUR ths.	32,831	19,246	15,840	18,662	10,764

Net position of other currencies does not exceed 1% of own funds.

Capital Adequacy

	EEK ths.	EUR ths.
	31.03.2008	31.03.2008
Paid-in share capital	200,500	12,814
Reserves from profit	446	29
Retained profit / loss from previous years	-2,183	-140
Intangible assets	-1,210	-77
First tier equity total	197,553	12,626
Minimum equity amount	197,553	12,626
First tier equity after deductions	197,553	12,626
Own funds for capital adequacy calculations	197,553	12,626
Credit institutions and investment companies under standard method	4,816	308
Other companies under standard method	15,000	959
Mass claims under standard method	28,061	1,793
Claims backed with real estate under standard method	1,753	112
Overdue claims under standard method	4,187	268
Other assets under standard method	958	61
Total capital requirement for credit risk and counterparty credit risk	54,774	3,501
Operational risk base method	4,116	263
Total capital requirement for operational risk	4,116	263
Capital requirements for adequacy calculation	58,889	3,764
Capital adequacy	33.55%	33.55%

	EEK ths.	EUR ths.
	31.03.2007	31.03.2007
First tier equity	195,380	12,487
Paid-in share capital	200,500	12,814
Other reserves	446	29
Retained profit / loss from previous years	-4,424	-283
Intangible assets (minus)	-1,142	-73
Total gross own funds	195,210	12,476
Total net own funds	195,380	12,487
Risk weighted assets	429,906	27,476
I category, risk adjustment 0%	61,539	3,933
II category, risk adjustment 20%	7,029	449
III category, risk adjustment 50%	21,594	1,380
IV category, risk adjustment 100%	417,703	26,696
Capital requirement for trading portfolio risks	342	22
Capital requirement to cover interest position risk	262	17
Capital requirement to cover stock position risk	80	5
Capital adequacy	44.73%	44.73%

New capital adequacy calculation directive Basel II is in force from 01.01.2008. Interim report I Quarter 2008 has been calculated in accordance with the valid directive. Bank uses standard method for calculating capital requirements for credit risk and base method for calculating capital requirement for operational risk.

Financial Supervisory Authority has made an exemption freeing the Bank from capital requirement to cover trading portfolio risks as per credit institutions act § 79 clause 2 sub-clauses 2 and 3 from 01.01.2008.

Minimum capital adequacy rate required by Eesti Pank is 10%.

Risk Concentration

				31.03.2008
	no.	EEK ths.	EUR ths.	% from net own funds
Number of customers with high risk concentration (client groups)	11			
Due from customers with high risk concentration		309,777	19,798	156.96%
Due from persons connected with credit institution		10,080	644	5.11%

				31.03.2007
	no.	EEK ths.	EUR ths.	% from net own funds
Number of customers with high risk concentration (client groups)	10			
Due from customers with high risk concentration		228,993	14,635	117.20%
Due from persons connected with credit institution		189	12	0.10%