



MARFIN PANK EESTI AS

(Marfin Bank Estonia Ltd.)

Public Interim Report III Quarter 2008

Translation from original in Estonian

Registration code:	10586461
Address:	Pärnu mnt 12, 10148 Tallinn, Estonia
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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	30.09.2008
Report period	01.01.2008 – 30.09.2008
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 III 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	816,260	52,169
Net profit / loss	-8,708	-557
Return on equity (ROE)	-4.57%	-4.57%
Assets utilisation (AU)	7.42%	7.42%
Overdue claims and loans	19,480	1,245
Loan loss provisions	19,404	1,240
Net own funds	187,627	11,992
Capital adequacy	28.75%	28.75%

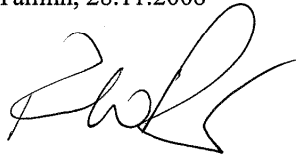
“Public Interim Report III Quarter 2008” of MARFIN PANK EESTI AS is available in the office of MARFIN PANK EESTI in Tallinn, Pärnu mnt 12 and on the bank's web page www.marfinbank.ee from 28.11.2008.

DECLARATION OF THE MANAGEMENT BOARD

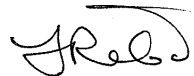
The Management Board of MARFIN PANK EESTI AS is, after examining the information presented in this Public Interim Report, of opinion that:

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.

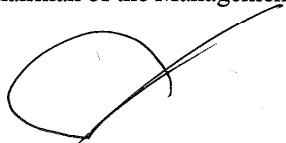
In Tallinn, 28.11.2008



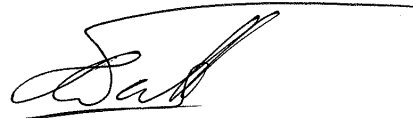
Riho Rasmann
Chairman of the Management Board



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 is a credit institution, established in 1999 and operating in Estonia. MARFIN PANK EESTI AS (hereinafter: the Bank) holds 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 uses 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 11 countries with more than 450 branches. 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).

Koumbas Holdings S.A. sold and Marfin Popular Bank Public Company Ltd. bought 544,000 Bank shares (2.7132% of total shares) after the balance sheet date, on 10 November 2008. As a result Koumbas Holdings S.A. stepped out of owners of the Bank and the shareholding of Marfin Popular Bank Public Company Ltd. increased to 52.8379% of the share capital of the Bank.

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 the Bank has 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 owns 16% of business development company European Business Development AS.

Major Economic Developments

Year 2008 has been a year of fast growth for the Bank, both in terms of customer numbers as well as volumes of loans and deposits. Total assets of the Bank grew 1.4 times from beginning of the year, reaching 816.3 million kroons (52.2 million euros) as of 30.09.2008, growing 7.7% compared with the volume at 30.06.2008. Gross loan portfolio (excluding deposits with financial institutions) comprised 691.4 million kroons (44.2 million euros), growing 1.5 times from beginning of the year and forming 84.7% of total assets. Gross loan portfolio stood at 625.4 million kroons i.e. 40.0 million euros as of 30.06.2008.

The growth rate of deposit volumes quickened in the III quarter despite of the events in the financial markets. Client (excluding credit institutions) deposits with the Bank totalled 360.0 million kroons i.e. 23.0 million euros at the end of the III quarter, growing 1.3 times from the beginning of the year. Deposits totalled 339.5 million kroons i.e. 21.7 million euros at the end of the II quarter. Bank continues to pay higher than Estonian average market interest rates to time deposits.

Significant increase in conservative loan loss provisions caused the net loss of the Bank in the III quarter, although no loans were directly written off. Net loss of the III quarter 2008 comprised 0.9 million kroons i.e. 0.1 million euros (net profit of the III quarter 2007 was 2.4 million kroons i.e. 0.2 million euros). The result was still significantly better than in the II quarter of this year, when the net loss totalled 9.6 million kroons (0.6 million euros). Net interest income of the reporting period was 12.5 million kroons (0.8 million euros), earned mostly on loans. Net fees and commissions income totalled 0.5 million kroons (0.03 million euros). 1.3 million kroons (0.1 million euros) was earned as dealing profits from FX and securities' transactions. Total operating income from banking activities comprised 13.9 million kroons i.e. 0.9 million euros in the III quarter 2008. Administrative expenses of the same period totalled 8.9 million kroons (0.6 million euros). Net loss of 9 months 2008 comprised 8.7 million kroons (0.6 million euros).

Total of 0.2 million kroons (0.01 million euros) of membership fees were calculated to the Supervisory Board members in the III 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 0.9 million kroons (0.06 million euros), of employees 2.9 million kroons (0.2 million euros) in the III quarter 2008. Average number of employees was 48 (29 a year earlier), number of employees at the end of quarter was 47.

Bank's equity totalled 188.7 million kroons (12.1 million euros) as of 30 September 2008 and the capital adequacy stood at 28.75%.

Bank filed an application to join international card organisation Visa Europe Limited in August 2008, with the intention to start issuing international debit cards in the second half of the next year, later followed by credit cards.

Management Board of Financial Supervision Authority decided on September 10, 2008, to issue additional activity license to the Bank to provide provision of advice upon investment in securities in accordance with § 43 subsection 1 clause 5 of the Securities Market Act.

Ratios

		01.07.2008 - 30.09.2008	01.07.2007 - 30.09.2007
Return on equity	ROE	-4.57%	4.06%
Equity multiplier	EM	4.15	2.72
Profit margin	PM	-14.84%	15.20%
Asset utilization	AU	7.42%	9.82%
Return on assets	ROA	-1.10%	1.05%
Net interest margin	NIM	4.42%	6.90%
Basic earnings per share	Basic EPS	-0.43	0.13
Diluted earnings per share	Diluted EPS	-0.43	0.13
Spread	SPREAD	3.70%	5.65%
Yield on interest-earning assets	YIEA	6.75%	9.03%
Cost of interest-bearing liabilities	COL	3.05%	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 has submitted one statement of claim to the Harju County Court as of 30 September 2008, where the first hearing has not yet been determined. Execution proceedings are taking place against three claims, where repertory auction is in progress for transfer of immovable property in one claim and two execution proceedings are against private persons having time-to-time payments to the bank.

Balance Sheet

	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
ASSETS				
Cash & balances with central banks	85,656	109,346	5,474	6,989
Due from credit institutions	47,353	12,143	3,026	776
Financial assets held for trading	5,977	931	382	59
Avail.-for-sale financial assets	21,842	28,328	1,396	1,810
Loans and other similar claims (incl. capital lease)	693,577	456,965	44,328	29,205
Due from customers	710,016	458,763	45,378	29,320
Claims to financial institutions	67,420	28,249	4,309	1,805
Deposits with financial institutions	18,658	8,428	1,192	539
Loans to other financial institutions	48,761	19,821	3,116	1,267
Loans to other enterprises	551,586	383,082	35,253	24,483
Loans to private person	91,010	47,432	5,817	3,031
Total loan portfolio	691,357	450,335	44,186	28,782
A incl. provisions (-)	-19,404	-3,940	-1,240	-252
B incl. interes	2,965	2,142	190	137
Fixed assets	4,860	4,931	311	315
Intangible assets	1,059	1,312	68	84
Other assets	3,289	3,763	210	240
TOTAL ASSETS	816,260	599,726	52,169	38,329
LIABILITIES AND SHAREHOLDERS' EQUITY				
LIABILITIES				
Financial liabilities held for trading	837	0	54	0
Financial liabilities at amortised cost	610,688	394,429	39,030	25,209
Deposits of credit institution	250,688	114,251	16,022	7,302
Int. payable on deposits of credit institutions	241	0	15	0
Other deposits	359,999	280,177	23,008	17,907
Amounts owed to governem	1	10	0	1
Amounts owed to financial institutions	19,245	7,127	1,230	456
Amounts owed to other enterprises	183,460	139,745	11,725	8,931
Amounts owed to non-profit organisations	6,539	3,925	418	251
Amounts owed to pr. persons	141,457	129,370	9,041	8,268
Interest payable on deposits	4,298	0	275	0
Taxes	709	1,041	45	67
Other liabilities	15,341	4,550	980	291
TOTAL LIABILITIES	627,575	400,020	40,109	25,566
SHAREHOLDERS				
Share capital	200,500	200,500	12,814	12,814
Statutory legal reserve	559	446	36	29
Revaluation reserve	-1,370	942	-88	60
Retained earnings and other reserves	-2,296	-4,424	-147	-283
Profit/loss for the year (+/-)	-8,708	2,242	-557	143
TOTAL SHAREHOLDERS' EQUITY	188,685	199,706	12,059	12,764
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	816,260	599,726	52,169	38,329

Income Statement

	EEK ths. 01.01.2008 - 30.09.2008	EEK ths. 01.07.2008 - 30.09.2008	EEK ths. 01.01.2007 - 30.09.2007	EEK ths. 01.07.2007 - 30.09.2007
Int. income	54,047	19,984	36,381	13,076
Cash & balances with centr. bank	2,666	1,104	1,998	867
Available-for-sale fin. assets	4,005	1,439	1,742	930
Periodised income debt securities	2,352	2,352	696	696
Loans (incl. capital lease)	47,248	17,748	32,641	11,280
Guarantee fees	503	503	429	429
From derivatives hedging interest rate risk	128	-307	0	0
Int. expense (-)	-19,468	-7,488	-8,650	-3,730
From financial liabilities at amortised cost	-18,622	-7,140	-8,650	-3,730
From demand deposit	-1,672	-1,672	-1,799	-1,799
Time and savings deposits	-16,950	-16,950	-5,689	-5,689
From debt securities and other fixed income securities	0	0	-1,162	-1,162
From derivatives hedging interest rate risk	-845	-347	0	0
Net interest income/expense (+/-)	34,579	12,496	27,730	9,346
Dividend inc.	9	0	6	0
Fees income	1,560	874	1,130	368
Fee income on accounts	225	86	269	82
Securities' transactions fee inc.	199	107	354	84
Cash transactions fees	17	5	16	5
Payments fee income	1,084	662	469	190
Intermediation of bank cards	16	4	21	7
Other fees income	20	8	2	1
Fees expense (-)	-1,947	-389	-656	-212
SWIFT exp.	-229	-101	-226	-75
Nostro & other fees expenses	-461	-242	-285	-100
Cash fee expenses	0	0	-2	-1
Securities' transactions fees	-76	-46	-141	-36
Other fees and commissions expense	-1,180	-1,180	0	0
Net fee income	-386	485	474	149
Net gain/loss (+/-):				
On financial assets and liabilities not measured at fair value	0	0	40	1
Ont financial assets and liabilities held for trading	-28	-2	30	0
On derivative instruments - hedging	57	0	0	0
From exchange differences	3,049	1,270	2,047	699
Other oper. expense	-2,053	-355	-1,284	-481
Finantsinspeksioon	-629	-210	-537	-204
Tagatisfond	-855	-4	-557	-216
Stock exchange	-140	-47	-127	-42
Other oper.expenses	-429	-94	-62	-18
Operating income	35,228	13,894	29,044	9,722
Admin expenses	-26,488	-8,905	-21,314	-6,876
Salaries	-16,095	-5,414	-12,044	-3,877
Gen. & admin. exp.	-10,393	-3,491	-9,271	-2,999
Depreciation (-)	-1,956	-783	-1,381	-494
Operatingprofit	6,783	4,206	6,349	2,352
Value adjustments (+/-)	-15,492	-5,104	-510	0
PROFIT / LOSS FROM CONTINUING OPERATIONS (+/-)	-8,708	-898	5,839	2,352
NET PROFIT / LOSS	-8,708	-898	5,839	2,352

Income Statement

	EUR ths. 01.01.2008 - 30.09.2008	EUR ths. 01.07.2008 - 30.09.2008	EUR ths. 01.01.2007 - 30.09.2007	EUR ths. 01.07.2007 - 30.09.2007
Int. income	3,454	1,277	2,325	836
Cash & balances with centr. bank	170	71	128	55
Available-for-sale fin. assets	256	92	111	59
Periodised income debt securities	150	150	44	44
Loans (incl. capital lease)	3,020	1,134	2,086	721
Guarantee fees	32	32	27	27
From derivatives hedging interest rate risk	8	-20	0	0
Int. expense (-)	-1,244	-479	-553	-238
From financial liabilities at amortised cost	-1,190	-456	-553	-238
From demand deposit	-107	-107	-115	-115
Time and savings deposits	-1,083	-1,083	-364	-364
From debt securities and other fixed income securities	0	0	-74	-74
From derivatives hedging interest rate risk	-54	-22	0	0
Net interest income/expense (+/-)	2,210	799	1,772	597
Dividend inc.	1	0	0	0
Fees income	100	56	72	24
Fee income on accounts	14	6	17	5
Securities' transactions fee inc.	13	7	23	5
Cash transactions fees	1	0	1	0
Payments fee income	69	42	30	12
Intermediation of bank cards	1	0	1	0
Other fees income	1	1	0	0
Fee expense (-)	-124	-25	-42	-14
SWIFT exp.	-15	-6	-14	-5
Nostro & other fees expenses	-29	-15	-18	-6
Cash fee expenses	0	0	0	0
Securities' transactions fees	-5	-3	-9	-2
Other fees and commissions expense	-75	-75	0	0
Net fee income	-25	31	30	10
Net gain/loss (+/-):	0	0	0	0
On financial assets and liabilities not measured at fair value	0	0	3	0
On financial assets and liabilities held for trading	-2	0	2	0
On derivative instruments - hedging	4	0	0	0
From exchange differences	195	81	131	45
Other oper. expense	-131	-23	-82	-31
Finantsinspeksioon	-40	-13	-34	-13
Tagatisfond	-55	0	-36	-14
Stock exchange	-9	-3	-8	-3
Other oper.expenses	-27	-6	-4	-1
Operating income	2,251	888	1,856	621
Admin expenses	-1,693	-569	-1,362	-439
Salaries	-1,029	-346	-770	-248
Gen. & admin. exp.	-664	-223	-592	-192
Depreciation (-)	-125	-50	-88	-32
Operatingprofit	434	269	406	150
Value adjustments (+/-)	-990	-326	-33	0
PROFIT / LOSS FROM CONTINUING OPERATIONS (+/-)	-557	-57	373	150
NET PROFIT / LOSS	-557	-57	373	150

Statement of Cash Flows

	EEK ths. 01.01.2008 - 30.09.2008	EEK ths. 01.01.2007 - 30.09.2007	EUR ths. 01.01.2008 - 30.09.2008	EUR ths. 01.01.2007 - 30.09.2007
Cash flows from operating activities	-40,036	-41,018	-2,559	-2,622
Interests received	54,047	36,381	3,454	2,325
Interests paid	-19,468	-8,650	-1,244	-553
Fees and commissions received	1,560	1,089	100	70
Fees and commissions paid	-1,947	-644	-124	-41
General administrative expenses	-26,488	-20,991	-1,693	-1,342
Net trading income	3,088	2,123	197	136
Other operating expenses	-2,053	-1,284	-131	-82
Change in assets and liabilities connected with operating activities				
Other claims on banks	-23,743	-48,137	-1,517	-3,077
Available-for-sale and trading financial assets	1,439	-15,237	92	-974
Due from customers of credit institutions	-241,022	-103,764	-15,404	-6,632
Other assets connected with operating activities	-13,004	5,505	-831	352
Financial liabilities held for trading	837	0	54	0
Amounts owed to credit institutions	136,437	57,216	8,720	3,657
Amounts owed to customers of credit institution	79,822	82,134	5,102	5,249
Debt certificate liabilities	0	-30,720	0	-1,963
Other liabilities connected with operating activities	10,459	3,961	668	253
			0	0
Cash flows from investing activities	-1,547	-1,903	-99	-122
Purchase of tangible fixed assets	-1,444	-1,402	-92	-90
Purchase of intangible assets	-103	-501	-7	-32
Net change in cash and cash equivalents	-41,583	-42,921	-2,658	-2,743
Cash and cash equivalents at beginning of year	46,317	44,301	2,960	2,831
Cash and cash equivalents at the end of III quarter	4,734	1,380	303	88

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

	EEK ths. 30.09.2008	EEK ths. 30.09.2007	EUR ths. 30.09.2008	EUR ths. 30.09.2007
Cash	2,326	980	149	63
Change in mandatory reserve with Eesti Pank	-44,945	-3,408	-2,873	-218
Current accounts and overnight deposits with credit institutions	47,353	3,808	3,026	243
Total	4,734	1,380	303	88

Statement of Changes in Equity

	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	01.01.2008- 30.09.2008	01.01.2007 - 30.09.2007	01.01.2008- 30.09.2008	01.01.2007 - 30.09.2007
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	-1,370	0	-88	0
Statutory legal reserve	113	175	7	11
Balance at end of period	-811	446	-52	29
Retained earnings				
Balance at beginning of period	-2,296	-4,424	-147	-283
Profit / loss for the financial year	-8,708	6,133	-750	392
Balance at end of period	-11,004	1,709	-897	109
Total shareholder's equity:				
at beginning of period	202,655	196,522	12,952	12,560
at end of period	188,685	202,655	11,866	12,952

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

	30.09.2008		30.09.2008	
	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	Claims Commitments		Claims Commitments	
Irrevocable transactions	0	35,036	0	2,239
Guarantees and other similar irrevocable transactions	0	25,495	0	1,629
Unused amount of credit lines and overdraft limits	0	9,541	0	610
Derivatives	541,397	536,417	34,602	34,283
Currency-related derivatives	518,807	513,827	33,158	32,840
Other base asset related derivatives	22,590	22,590	1,444	1,444

	31.12.2007		31.12.2007	
	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	Claims Commitments		Claims Commitments	
Irrevocable transactions	0	58,140	0	3,716
Guarantees and other similar irrevocable transactions	0	25,056	0	1,601
Unused amount of credit lines and overdraft limits	0	33,084	0	2,114
Derivatives	993,683	992,796	63,508	63,451
Currency-related derivatives	976,827	975,940	62,431	62,374
Other base asset related derivatives	16,856	16,856	1,077	1,077

Currency Risk

	30.09.2008				
Joint EEK and EUR position	Balance sheet position		Off-balance sheet position		Net position
	long	short	long	short	
Position, EEK ths.	724 509	249 715	76 358	67 170	483 982
Position, EUR ths.	46 305	15 960	4 880	4 293	30 932

	31.12.2007				
Joint EEK and EUR position	Balance sheet position		Off-balance sheet position		Net position
	long	short	long	short	
Position, EEK ths.	551 256	149 623	161 410	133 693	429 350
Position, EUR ths.	43 779	211 213	329 768	451 232	-288 899

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

Capital Adequacy

	EEK ths.	EUR ths.
	30.09.2008	30.09.2008
Paid-in share capital	200,500	12,814
Reserves from profit	559	36
Retained profit / loss from previous period	-2,296	-147
Intangible assets	-1,059	-68
Loss for period	-8,708	-557
First tier equity total	188,996	12,079
Available-for-sale financial assets	-617	-39
Second tier equity total	-617	-39
Minimum equity amount	188,380	12,040
First tier equity after deductions	188,996	12,079
Second tier equity after deductions	-617	-39
Own funds for capital adequacy calculations	188,996	12,079
Credit institutions and investm. companies under standard method	3,963	253
Companies under stand. method	20,170	1,289
Mass claims under stand.method	32,082	2,050
Claims backed by mortgages under standard method	2,974	190
Overdue claims unders standard method	1,606	103
Other assets under stand. method	825	53
Total capital requirement for credit risk and counterparty credit risk	61,619	3,938
Operational risk base method	4,116	263
Total capital requirement for operat. risk	4,116	263
Capital requirements for adequacy calculations	65,735	4,201
Capital adequacy	28.75%	28.75%

	EEK ths.	EUR ths.
	30.09.2007	30.09.2007
First tier equity	195,205	12,476
Paid-in share capital	200,500	12,814
Other reserves	446	29
Retained profit / loss from previous years	-4,424	-283
Intangible assets (minus)	-1,317	-84
Total gross own funds	195,205	12,476
Total net own funds	195,205	12,476
Risk weighted assets	418,445	26,744
I category (risk adjustment 0%)	72,503	4,634
II category (risk adj. 20%)	5,902	377
III category (risk adj. 50%)	24,741	1,581
IV category (risk adjustment 100%)	404,894	25,877
Risk weighted off-balance sheet transactions	25,156	1,608
Group I	25,156	1,608
Capital requirement for currency risk	989	63
Capital requirement for trading portfolio risks	695	44
Capital requirement to cover interest position risk	667	43
Capital requirement to cover stock position risk	28	2
Capital adequacy	42.24%	42.24%
Capital adequacy	42.24%	42.24%

New capital adequacy calculation directive Basel II is in force from 01.01.2008. Interim report III 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

30.09.2008

	No.	EEK ths.	EUR ths.	% from net own funds
Number of customers with high risk concentration (client groups)	13			
Due from customers with high risk concentration		370,299	23,666	197.36%
Due from persons connected with credit institution		8,949	572	4.77%

31.12.2007

	No.	EEK ths.	EUR ths.	% from net own funds
Number of customers with high risk concentration (client groups)	6			
Due from customers with high risk concentration		237,816	15,199	121.83%
Due from persons connected with credit institution		189	12	0.10%