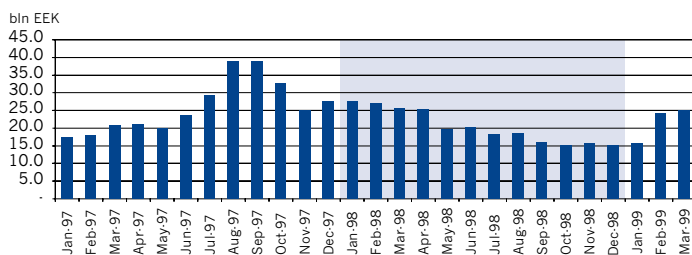




## ESTONIAN SECURITIES MARKET IN 1998

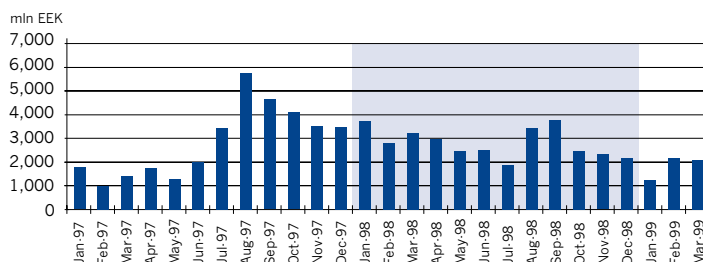
**Market Capitalisation of Estonian Securities Market**



**TALSE index**



**Estonian Securities Market Monthly Turnover**



The 1998 statistics of the Estonian securities market reflect the turbulent times, which prevailed in the emerging markets since the Asian crisis broke out in the autumn of 1997, amplified by the Russian meltdown and financial problems in Brazil in late 1998. Year-to-date losses in emerging markets ranged from 24% in Hungary, 33% in Brazil, to 72% in Latvia and 42% in Lithuania in 1998.

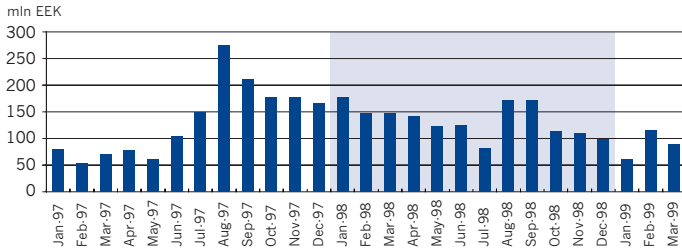
The main index of Estonian stock market, TALSE, fell by 65% during 1998 to close at 90.74, while the equity market capitalisation decreased by 53% to EEK 7.1 billion (\$0.5 billion). Equity market capitalisation accounted for 9.5% of Estonia's GDP at the end of 1998.

Total Estonian securities market turnover was EEK 33.8 billion (\$2.5 billion) compared to EEK 34.1 billion during the previous year.

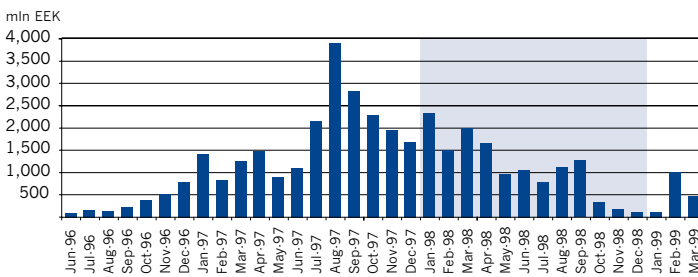
The turnover of the Tallinn Stock Exchange was EEK 13.3 billion (\$1 billion), down from EEK 21.8 billion the year before.

The total Estonian securities market capitalisation decreased to EEK 15.3 billion compared to EEK 27.6 billion at the beginning of 1997.

### Estonian Securities Market Average Daily Turnover

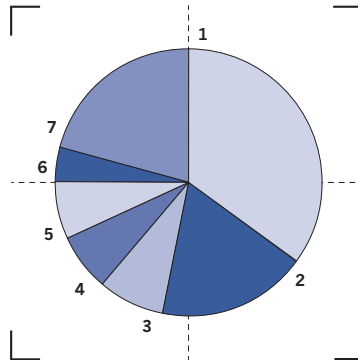


### TSE Monthly Turnover

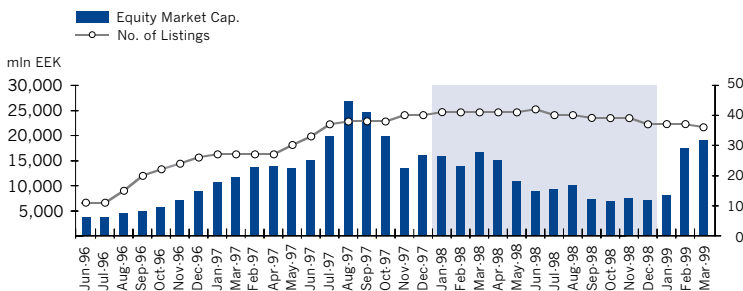


### Brokers' Activity by Turnover 1998

- 1 Hansapank 35%
- 2 Eesti Ühispank 18%
- 3 Cresco Väärtpaberid 8%
- 4 TSS 7%
- 5 Optiva Pank 7%
- 6 AMG Investeeringud 4%
- 7 Others 21%



### TSE Equity Market Capitalisation vs No of Listings



### Secondary Market Trends and Developments

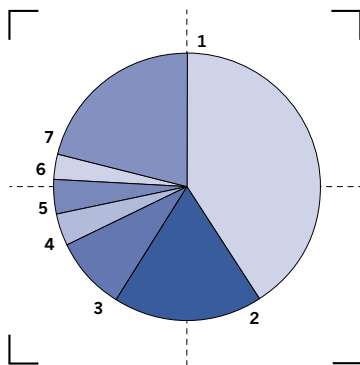
The performance of the banking sector dominated the market direction, as the banking stocks account for about two thirds of total market capitalisation. Initial merger plan announcements in the banking sector made the market mood optimistic during the first months of the year. But the failure to quickly complete the merger deals and reported losses from securities trading brought pessimism back to the market.

Deepening macroeconomic worries due to the Russian crisis and an overall worsening of the external environment ruled investor expectations in the second half of the year, overshadowing many positive events.

The summer witnessed the climax of the consolidation process in the banking sector as four major Estonian banks completed their merger deals. These deals gave birth to the two leading financial services groups in the Baltics - Hansapank and Eesti Hoiupank merged into Hansapank, Eesti Ühispank and Tallinna Pank merged into Eesti Ühispank. These deals were followed by the merger of Eesti Forekspank and Eesti Investeeringuspank into Optiva Pank in October.

**TSE Market Capitalisation by Securities as of 31-Dec-98**

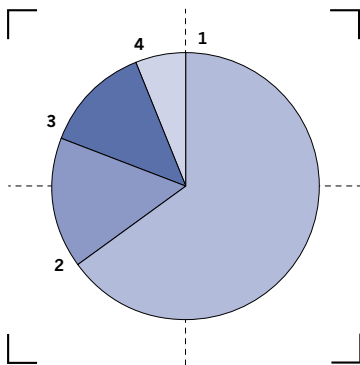
- 1 Hansapank 41%
- 2 Eesti Ühispank 18%
- 3 Pro Kapital 9%
- 4 Optiva Pank 4%
- 5 Saku Õlletehas 4%
- 6 Harju Elekter 3%
- 7 Others 21%



More positive news for the banking sector came in the autumn when two leading Scandinavian banks, Swedbank and SEB, became strategic investors in Hansapank and Eesti Ühispank, respectively. The battle between these two to acquire a stake in Hansapank caused a short-term rally on the Tallinn Stock Exchange in August and September. According to the Bank of Estonia, the consolidation process and the entry of new strategic foreign owners have left the Estonian banking sector stronger than ever before.

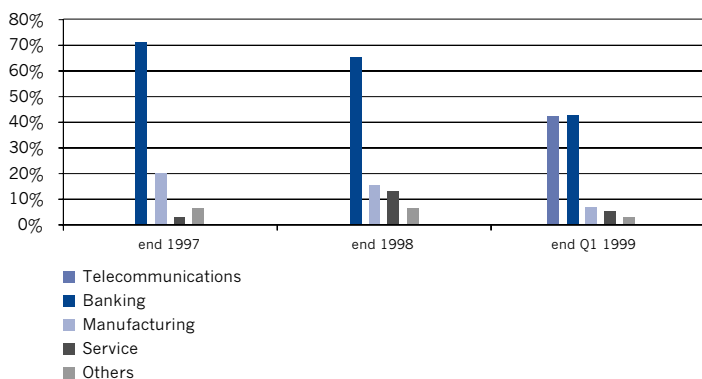
**TSE Market Capitalisation by Sectors as of 31-Dec-98**

- 1 Banking 65%
- 2 Manufacturing 16%
- 3 Service 13%
- 4 Others 6%



1998 was a record year in terms of foreign direct investment inflow. Some EEK 7.9 billion (\$0.6 billion) came to Estonia, lifting the total sum of FDI to EEK 24.3 billion (\$1.8 billion). Apart from the banking sector, investments into manufacturing enterprises were strong, including the takeover of leading meat producer Rakvere Lihakombinaat by Finnish HK Ruokatalo. The takeover by Danish Falck of the security services company ESS decreased the percentage of publicly traded shares under the required float requirement. Consequently, ESS was delisted from the Exchange in November after it had bought back 8.4 percent of the remaining shares held by small investors.

**TSE Market Capitalisation by Sectors 1997-1999**

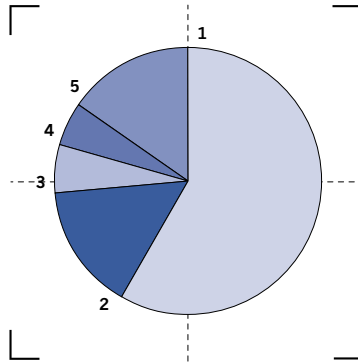


The purchasing of strategic stakes in listed companies was reflected by the growth in the share of foreign holdings of listed securities, which grew from 45% in 1997 to 62% in 1998.

The year brought five new companies to the Stock Exchange. Hotel service company Reval Hotelligrupp and real estate company Pro Kapital were newly listed on the Exchange, while brewery Saku Õlletehas, meat producer Rakvere Lihakombinaat and confectionery Kalev came to the official list from the free market.

### TSE Turnover by Securities 1998

- 1 Hansapank 58%
- 2 Eesti Ühispank 15%
- 3 Optiva Pank 6%
- 4 Norma 5%
- 5 Others 21%

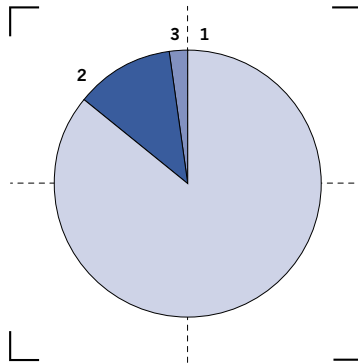


The total number of securities listed was 37 at the end of 1998, compared to 11 at the opening of the Exchange.

Estonian telecommunications giant, Eesti Telekom, listed in February 1999, was the first infrastructure giant to become a public company. The successful IPO and flotation on the Tallinn and London bourses should be an important benchmark to the decision makers when it comes to the privatisation of other infrastructure conglomerates.

### TSE Turnover by Lists 1998

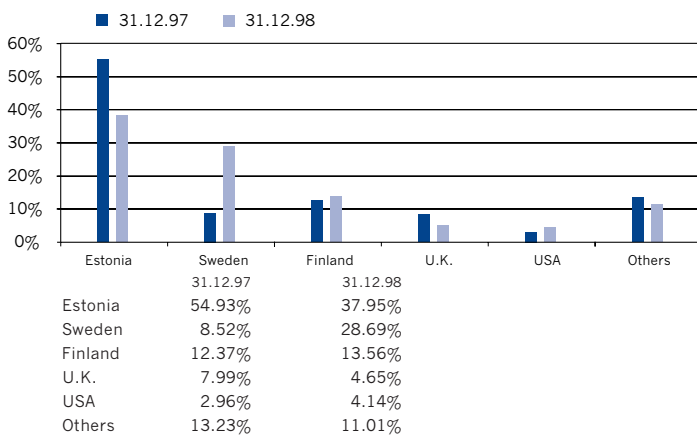
- 1 Main list 86%
- 2 Secondary list 12%
- 3 Free market 2%



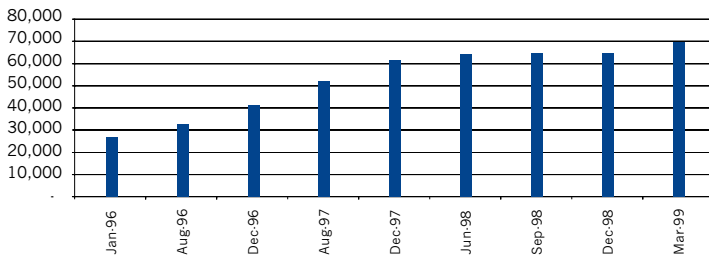
Despite macroeconomic worries, the year ended relatively successfully for the Estonian economy, as fallout from the Russian crisis remained substantially below earlier expectations. Exports to Russia decreased by 20%, but exporters rapidly reoriented to new markets—sales to EU countries were up by 25%. As of the end of 1998, only about 15% of Estonian foreign trade was with the CIS countries.

Total economic growth was a moderate 4% according to initial estimates, down from 11.4% in 1997. The annual inflation figure, measured by the growth of CPI, was in single-digits for the first time since independence—at 8.2% versus 11.2% in 1997. Foreign direct investments hit a new record and the current account deficit showed a substantial decrease from 12% of GDP in 1997 to 8% in 1998. The strength of the Estonian economy was confirmed by independent rating agencies: Standard & Poor's affirmed Estonia's BBB+ rating in October 1998 and Moody's assigned Estonia a single A1 issuer rating for domestic currency obligations in February 1999.

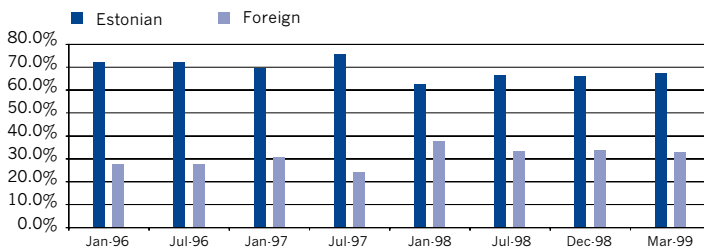
### Holdings in Listed Securities



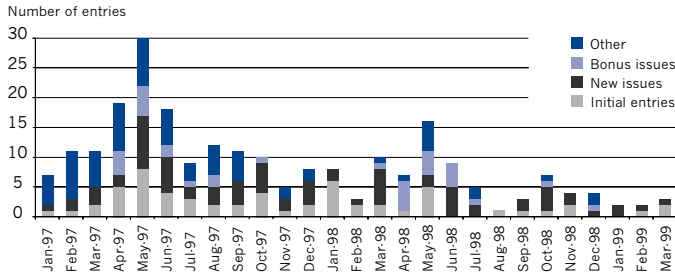
### Number of Securities Accounts at ECDS



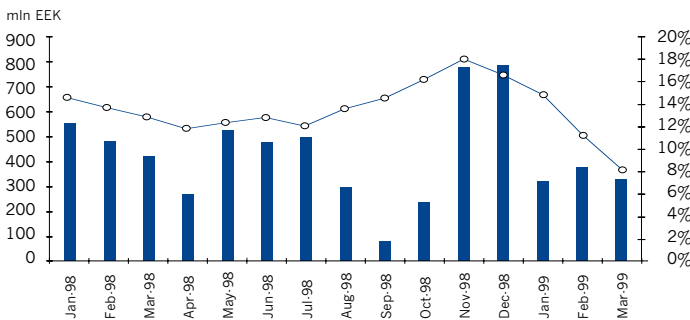
### Investments to the Estonian Securities Market



### Registry Entries Related to Share Capital



### Volumes and Interest Rates of Debt Instruments



### Primary Market Trends and Developments

Although the TSE saw decreased turnovers in 1998, the activity on the primary market was high—the volume of new debt instrument and share issues exceeded the levels reached in 1997. In 1998, the Estonian Central Depository for Securities registered 170 issues of debt instruments in the nominal value of EEK 5.6 billion, slightly higher than the EEK 5.3 billion level reached the year before.

Turmoil in the world financial markets, increasing the risk premium required by investors from emerging markets' issuers, was reflected in the average yield on debt instruments, which rose to 14% from 10% recorded the year before.

The yields started coming down in the middle of the year as the market stabilised. However, negative news from Russia and Brazil increased the perceived risks again towards the end of the summer, pushing yields up to earlier levels.

The most active issuers of commercial papers, the most widely used fixed income instruments in Estonia, were municipalities, infrastructure and leasing companies. In addition, foreign issuers, hedging their local currency exposure, were active borrowers in this market.

The activity of share issues rose by over two times. In total, 34 new share issues in the volume of EEK 3.2 billion at the offer price were registered, compared to EEK 1.5 billion the year before. The largest share issues were made by the leading banks: the EEK 709 million GDR issue of Eesti Ühispank in March and the EEK 1.5 billion issue of Hansapank in November, which was underwritten by its majority owner, Swedbank. During the previous year, 24 new companies registered their shareholders' lists at the ECDS, increasing the number of shareholders' lists to 124. In addition, the ECDS database included 145 issues of debt instruments outstanding (132 in 1997), out of which 67 were the issues of commercial papers (43 in 1997) and 12 issues of Huvitusfond (Compensation Fund) bonds (10 in 1997).

## Investments to the Estonian Securities Market

### Jan-96

| Investor type | Residency     |               | Total          |
|---------------|---------------|---------------|----------------|
|               | Estonian      | Foreign       |                |
| Corporates    | 66.80%        | 27.52%        | 94.32%         |
| Individuals   | 5.39%         | 0.28%         | 5.68%          |
| <b>Total</b>  | <b>72.20%</b> | <b>27.80%</b> | <b>100.00%</b> |

### Jul-96

| Investor type | Residency     |               | Total          |
|---------------|---------------|---------------|----------------|
|               | Estonian      | Foreign       |                |
| Corporates    | 65.21%        | 26.39%        | 91.61%         |
| Individuals   | 7.24%         | 1.16%         | 8.39%          |
| <b>Total</b>  | <b>72.45%</b> | <b>27.55%</b> | <b>100.00%</b> |

### Jan-97

| Investor type | Residency     |               | Total          |
|---------------|---------------|---------------|----------------|
|               | Estonian      | Foreign       |                |
| Corporates    | 60.82%        | 29.55%        | 90.37%         |
| Individuals   | 8.70%         | 0.93%         | 9.63%          |
| <b>Total</b>  | <b>69.52%</b> | <b>30.48%</b> | <b>100.00%</b> |

### Jul-97

| Investor type | Residency     |               | Total          |
|---------------|---------------|---------------|----------------|
|               | Estonian      | Foreign       |                |
| Corporates    | 67.31%        | 23.36%        | 90.67%         |
| Individuals   | 8.62%         | 0.70%         | 9.33%          |
| <b>Total</b>  | <b>75.93%</b> | <b>24.07%</b> | <b>100.00%</b> |

### Jan-98

| Investor type | Residency     |               | Total          |
|---------------|---------------|---------------|----------------|
|               | Estonian      | Foreign       |                |
| Corporates    | 52.13%        | 36.92%        | 89.06%         |
| Individuals   | 10.33%        | 0.61%         | 10.94%         |
| <b>Total</b>  | <b>62.46%</b> | <b>37.54%</b> | <b>100.00%</b> |

### Jul-98

| Investor type | Residency     |               | Total          |
|---------------|---------------|---------------|----------------|
|               | Estonian      | Foreign       |                |
| Corporates    | 55.57%        | 32.85%        | 88.41%         |
| Individuals   | 11.18%        | 0.41%         | 11.59%         |
| <b>Total</b>  | <b>66.74%</b> | <b>33.26%</b> | <b>100.00%</b> |

### Dec-98

| Investor type | Residency     |               | Total          |
|---------------|---------------|---------------|----------------|
|               | Estonian      | Foreign       |                |
| Corporates    | 53.56%        | 33.23%        | 86.78%         |
| Individuals   | 12.60%        | 0.62%         | 13.22%         |
| <b>Total</b>  | <b>66.16%</b> | <b>33.84%</b> | <b>100.00%</b> |

### Mar-99

| Investor type | Residency     |               | Total          |
|---------------|---------------|---------------|----------------|
|               | Estonian      | Foreign       |                |
| Corporates    | 61.39%        | 32.42%        | 93.81%         |
| Individuals   | 5.97%         | 0.22%         | 6.19%          |
| <b>Total</b>  | <b>67.36%</b> | <b>32.64%</b> | <b>100.00%</b> |

## KEY FIGURES OF THE TALLINN STOCK EXCHANGE

|        | TALSE<br>index<br>at end of<br>period | Change  | Turnover<br>mln EEK | mln USD* | Trades  | No. of<br>days | Average<br>daily<br>turnover<br>mln EEK | mln USD | Equity<br>market<br>cap.<br>mln EEK      | mln USD | No of<br>listed<br>securities |
|--------|---------------------------------------|---------|---------------------|----------|---------|----------------|---|---------|--|---------|-------------------------------|
| Jun-96 | 93.81                                 | -6.19%  | 89                  | 6.1      | 1,210   | 19             | 5                                       | 0.3     | 3,530                                    | 241.9   | 11                            |
| Jul-96 | 95.26                                 | 1.54%   | 149                 | 10.2     | 1,329   | 23             | 6                                       | 0.4     | 3,588                                    | 245.9   | 11                            |
| Aug-96 | 97.00                                 | 1.83%   | 135                 | 9.3      | 1,470   | 22             | 6                                       | 0.4     | 4,375                                    | 299.9   | 15                            |
| Sep-96 | 96.77                                 | -0.24%  | 228                 | 15.6     | 1,974   | 21             | 11                                      | 0.7     | 4,873                                    | 334.0   | 20                            |
| Oct-96 | 104.98                                | 8.48%   | 382                 | 26.2     | 4,107   | 23             | 17                                      | 1.1     | 5,539                                    | 379.6   | 22                            |
| Nov-96 | 131.18                                | 24.96%  | 523                 | 35.8     | 4,402   | 21             | 25                                      | 1.7     | 6,932                                    | 475.1   | 24                            |
| Dec-96 | 160.32                                | 22.21%  | 787                 | 53.9     | 5,345   | 20             | 39                                      | 2.7     | 8,765                                    | 600.8   | 26                            |
| Jan-97 | 186.85                                | 16.55%  | 1,423               | 97.5     | 9,479   | 22             | 65                                      | 4.4     | 10,604                                   | 726.8   | 27                            |
| Feb-97 | 200.08                                | 7.08%   | 842                 | 57.7     | 5,561   | 19             | 44                                      | 3.0     | 11,600                                   | 795.1   | 27                            |
| Mar-97 | 256.54                                | 28.22%  | 1,256               | 86.1     | 7,737   | 20             | 63                                      | 4.3     | 13,540                                   | 928.0   | 27                            |
| Apr-97 | 261.39                                | 1.89%   | 1,478               | 101.3    | 9,874   | 22             | 67                                      | 4.6     | 13,848                                   | 949.1   | 27                            |
| May-97 | 251.48                                | -3.79%  | 906                 | 62.1     | 5,758   | 21             | 43                                      | 3.0     | 13,384                                   | 917.3   | 30                            |
| Jun-97 | 276.24                                | 9.85%   | 1,102               | 75.6     | 5,611   | 19             | 58                                      | 4.0     | 14,950                                   | 1,024.7 | 33                            |
| Jul-97 | 356.60                                | 29.09%  | 2,153               | 147.6    | 9,333   | 23             | 94                                      | 6.4     | 19,757                                   | 1,354.1 | 37                            |
| Aug-97 | 492.97                                | 38.24%  | 3,904               | 267.6    | 15,858  | 21             | 186                                     | 12.7    | 26,790                                   | 1,836.2 | 38                            |
| Sep-97 | 444.42                                | -9.82%  | 2,836               | 194.4    | 13,965  | 22             | 129                                     | 8.8     | 24,563                                   | 1,683.6 | 38                            |
| Oct-97 | 355.22                                | -20.00% | 2,295               | 157.3    | 13,274  | 23             | 100                                     | 6.8     | 19,792                                   | 1,356.5 | 38                            |
| Nov-97 | 226.55                                | -36.22% | 1,949               | 133.6    | 17,070  | 20             | 97                                      | 6.7     | 13,307                                   | 912.1   | 40                            |
| Dec-97 | 265.35                                | 17.13%  | 1,693               | 116.1    | 11,715  | 21             | 81                                      | 5.5     | 15,805                                   | 1,083.3 | 40                            |
| Jan-98 | 262.28                                | -1.16%  | 2,332               | 159.8    | 14,464  | 21             | 111                                     | 7.6     | 15,745                                   | 1,079.2 | 41                            |
| Feb-98 | 227.17                                | -13.39% | 1,515               | 103.8    | 7,423   | 19             | 80                                      | 5.5     | 13,798                                   | 945.7   | 41                            |
| Mar-98 | 257.61                                | 13.40%  | 2,005               | 137.4    | 11,076  | 22             | 91                                      | 6.2     | 16,555                                   | 1,134.7 | 41                            |
| Apr-98 | 233.46                                | -9.37%  | 1,660               | 113.8    | 9,121   | 21             | 79                                      | 5.4     | 14,957                                   | 1,025.2 | 41                            |
| May-98 | 164.94                                | -29.35% | 964                 | 66.0     | 8,315   | 20             | 48                                      | 3.3     | 10,761                                   | 737.6   | 41                            |
| Jun-98 | 132.75                                | -19.51% | 1,063               | 72.9     | 8,966   | 20             | 53                                      | 3.6     | 8,825                                    | 604.9   | 42                            |
| Jul-98 | 139.58                                | 5.14%   | 784                 | 53.8     | 8,896   | 23             | 34                                      | 2.3     | 9,169                                    | 628.4   | 40                            |
| Aug-98 | 150.64                                | 7.92%   | 1,125               | 77.1     | 7,192   | 20             | 56                                      | 3.9     | 9,862                                    | 675.9   | 40                            |
| Sep-98 | 103.02                                | -31.61% | 1,270               | 87.0     | 7,758   | 22             | 58                                      | 4.0     | 7,232                                    | 495.7   | 39                            |
| Oct-98 | 96.21                                 | -6.61%  | 337                 | 23.1     | 6,101   | 22             | 15                                      | 1.1     | 6,831                                    | 468.2   | 39                            |
| Nov-98 | 102.45                                | 6.48%   | 183                 | 12.5     | 2,872   | 21             | 9                                       | 0.6     | 7,362                                    | 504.6   | 39                            |
| Dec-98 | 90.74                                 | -11.42% | 114                 | 7.8      | 1,988   | 22             | 5                                       | 0.4     | 6,928                                    | 474.8   | 37                            |
| Jan-99 | 94.13                                 | 3.73%   | 113                 | 7.7      | 1,541   | 20             | 6                                       | 0.4     | 7,986                                    | 547.4   | 37                            |
| Feb-99 | 107.37                                | 14.06%  | 1,023               | 70.1     | 7,682   | 19             | 54                                      | 3.7     | 17,402                                   | 1,192.7 | 37                            |
| Mar-99 | 117.50                                | 9.44%   | 469                 | 32.1     | 5,370   | 23             | 20                                      | 1.4     | 18,914                                   | 1,296.4 | 36                            |
|        |                                       |         |                     |          |         |                |   |         | Average equity<br>market cap.<br>mln EEK |         |                               |
| 1996** | 160.32                                | 60.32%  | 2,291               | 157.0    | 19,837  | 149            | 15.38                                   | 1.1     | 5,372                                    | 368.2   |                               |
| 1997   | 265.35                                | 65.51%  | 21,837              | 1,496.7  | 125,235 | 253            | 86.31                                   | 5.9     | 16,495                                   | 1,130.6 |                               |
| 1998   | 90.74                                 | 65.80%  | 13,352              | 915.1    | 34,807  | 253            | 52.77                                   | 3.6     | 10,669                                   | 731.2   |                               |

\*1 EEK = 14.59 USD as of 31.03.99

\*\*June - December 1996

## SECURITIES LISTED ON THE TALLINN STOCK EXCHANGE AS OF 31-DEC-98

| Issuer                                  | Translation                        | Short name |
|---|------------------------------------|------------|
| <b>MAIN LIST</b>                        |                                    |            |
| Eesti Ühispank                          | Union Bank of Estonia              | EYP        |
| Hansapank                               | Hansabank                          | HP         |
| Merko Ehitus                            | Merko Construction                 | MERKO      |
| Norma                                   | Norma                              | NORMA      |
| Optiva Pank                             | Optiva Bank                        | OPT        |
| Tallinna Kaubamaja                      | Tallinn Department Store           | TKM        |
| <b>SECONDARY LIST</b>                   |                                    |            |
| ASA Kindlustus                          | ASA Insurance                      | ASA        |
| Baltika                                 | Baltika                            | BAL        |
| Eesti Näitused                          | Estonian Fairs                     | EN         |
| EMV                                     | EMV                                | EMV        |
| Estiko                                  | Estiko                             | ESTIK      |
| EVEA Pank                               | EVEA Bank                          | EVEA       |
| Fakto                                   | Fakto                              | FAKTO      |
| Harju Elekter                           | Harju Electricity                  | HELEK      |
| Kalev                                   | Kalev                              | KALEV      |
| Klementi                                | Klementi                           | KLM        |
| Leks Kindlustus                         | Leks Insurance                     | LEKS       |
| Pennu Computer Technology Group         | Pennu Computer Technology Group    | PENNU      |
| Pro Kapital                             | Pro Kapital                        | PRO        |
| Rakvere Lihakombinaat                   | Rakvere Meat Processing Plant      | RLK        |
| Reval Hotelligrupp                      | Reval Hotel Group                  | REVAL      |
| Saku Õlletehas                          | Saku Brewery                       | SAKU       |
| Tallinna Farmaatsiatehas                | Tallinn Pharmaceutical Plant       | FARMA      |
| Tallinna Külmoone                       | Tallinn Cold Store                 | KYLM       |
| Viisnurk                                | Viisnurk                           | VN         |
| <b>FUNDS' LIST</b>                      |                                    |            |
| Balti Kasvufond                         | Baltic Growth Fund                 | BKF        |
| Hoiupanga Investeerimisfond             | Savings Bank's Investment Fund     | HPIF       |
| <b>BONDS' LIST</b>                      |                                    |            |
| Hüvitusfondi I seeria obligatsioonid    | State Compensation Fund Bonds I    | HF-1       |
| Hüvitusfondi II seeria obligatsioonid   | State Compensation Fund Bonds II   | HF-2       |
| Hüvitusfondi III seeria obligatsioonid  | State Compensation Fund Bonds III  | HF-3       |
| Hüvitusfondi IV seeria obligatsioonid   | State Compensation Fund Bonds IV   | HF-4       |
| Hüvitusfondi V seeria obligatsioonid    | State Compensation Fund Bonds V    | HF-5       |
| Hüvitusfondi VI seeria obligatsioonid   | State Compensation Fund Bonds VI   | HF-6       |
| Hüvitusfondi VII seeria obligatsioonid  | State Compensation Fund Bonds VII  | HF-7       |
| Hüvitusfondi VIII seeria obligatsioonid | State Compensation Fund Bonds VIII | HF-8       |
| Hüvitusfondi IX seeria obligatsioonid   | State Compensation Fund Bonds IX   | HF-9       |
| <b>FREE MARKET</b>                      |                                    |            |
| Erastamisväärtpaber                     | Estonian Privatization Voucher     | EVP        |

### Changes in the Listed Companies in 1998

| Issuer                   | Event                                     | Date      |
|--------------------------|---|-----------|
| Reval Hotelligrupp       | Listing on the Secondary List             | 27-Jan-98 |
| Saku Õlletehas           | Listing on the Secondary List             | 27-Jan-98 |
| Eesti Näitused           | Transfer from Main List to Secondary List | 7-May-98  |
| Baltika                  | Transfer from Main List to Secondary List | 7-May-98  |
| Rakvere Lihakombinaat    | Listing on the Secondary List             | 21-Jul-98 |
| Kalev                    | Listing on the Secondary List             | 28-Jul-98 |
| Pro Kapital              | Listing on the Secondary List             | 1-Sep-98  |
| Viru Rand                | Removal from the Free Market              | 8-Sep-98  |
| Tallinna Külmoone        | Listing on the Secondary List             | 13-Oct-98 |
| EMV                      | Transfer from Main List to Secondary List | 27-Oct-98 |
| Tallinna Farmaatsiatehas | Transfer from Main List to Secondary List | 27-Oct-98 |
| ESS                      | Delisting                                 | 18-Dec-98 |

| ISIN         | Profile                          | Free Market trading | Listing date |
|--------------|----------------------------------|---------------------|--------------|
| EE3100001793 | banking                          |                     | 3-Jun-96     |
| EE0000001063 | banking                          |                     | 3-Jun-96     |
| EE3100003559 | construction                     |                     | 22-Jul-97    |
| EE3100001850 | vehicle components               | 12-Aug-96           | 5-Aug-97     |
| EE0000001162 | banking                          |                     | 3-Jun-96     |
| EE0000001105 | retailer                         | 6-Sep-96            | 19-Aug-97    |
| EE3100003690 | insurance                        |                     | 25-Nov-97    |
| EE3100003609 | textiles                         |                     | 5-Jun-97     |
| EE3100001843 | fairs                            | 21-Oct-96           | 20-May-97    |
| EE3100002320 | construction                     | 4-Nov-96            | 25-Jul-97    |
| EE3100001702 | retailer, diversified industrial | 3-Sep-96            | 4-Nov-97     |
| EE3100002874 | banking                          |                     | 30-Dec-96    |
| EE3100003211 | automotive dealer                |                     | 22-Jul-97    |
| EE3100004250 | electrical equipment             |                     | 30-Sep-97    |
| EE3100002460 | food & grocery products          | 12-Aug-96           | 28-Jul-98    |
| EE3100001751 | textiles                         |                     | 20-May-97    |
| EE3100002965 | insurance                        |                     | 22-Jul-97    |
| EE3100002395 | computer manufacturing           |                     | 3-Oct-96     |
| EE3100006040 | real estate                      |                     | 1-Sep-98     |
| EE3100002486 | food & grocery products          | 30-Sep-96           | 21-Jul-98    |
| EE3100003666 | hotel                            |                     | 27-Jan-98    |
| EE0000001287 | beverages - beer                 | 12-Aug-96           | 27-Jan-98    |
| EE3100001744 | pharmaceuticals                  | 15-Aug-96           | 19-Aug-97    |
| EE3100001991 | food & grocery products          | 27-Jun-97           | 13-Nov-98    |
| EE3100003443 | wood processing                  |                     | 5-Jun-97     |
| EE0000001113 | open-end fund                    |                     | 7-Nov-96     |
| EE3600001681 | open-end fund                    |                     | 25-Nov-96    |
| EE0000001055 | investment services              |                     | 3-Jun-96     |
| EE0000001121 | investment services              |                     | 3-Jun-96     |
| EE0000001261 | investment services              |                     | 3-Jun-96     |
| EE1300001613 | investment services              |                     | 3-Jun-96     |
| EE1300001621 | investment services              |                     | 3-Jun-96     |
| EE1300001886 | investment services              |                     | 3-Jun-96     |
| EE1300002249 | investment services              |                     | 7-Aug-96     |
| EE1300002850 | investment services              |                     | 30-Dec-96    |
| EE1300003569 | investment services              |                     | 17-Jun-97    |
| EE1300003577 | privatisation vouchers           | 26-May-97           |              |

## TSE TRADING STATISTICS BY SECURITIES 1998

| Security                           | Turnover, EEK*        | Pct of total   | Volume             | Trades        | Pct of total   | High, EEK | Low, EEK | Close, EEK |
|------------------------------------|-----------------------|----------------|--------------------|---------------|----------------|-----------|----------|------------|
| <b>MAIN LIST</b>                   |                       |                |                    |               |                |           |          |            |
| Eesti Ühispank                     | 2,066,607,753         | 15.48%         | 50,385,537         | 18,616        | 19.77%         | 81.00     | 18.20    | 19.30      |
| Hansapank                          | 7,738,665,043         | 57.96%         | 101,481,573        | 37,685        | 40.02%         | 170.50    | 39.75    | 50.25      |
| Merko Ehitus                       | 106,198,594           | 0.80%          | 3,031,688          | 1,242         | 1.32%          | 103.00    | 9.70     | 10.20      |
| Norma                              | 672,156,866           | 5.03%          | 16,472,685         | 6,064         | 6.44%          | 83.85     | 9.20     | 12.60      |
| Optiva Pank                        | 856,184,577           | 6.41%          | 15,640,977         | 9,172         | 9.74%          | 154.46    | 4.30     | 7.00       |
| Tallinna Kaubamaja                 | 106,389,157           | 0.80%          | 3,021,450          | 873           | 0.93%          | 42.00     | 11.00    | 17.10      |
| <b>Total</b>                       | <b>11,546,201,990</b> | <b>86.48%</b>  | <b>190,033,910</b> | <b>73,652</b> | <b>78.21%</b>  |           |          |            |
| <b>SECONDARY LIST</b>              |                       |                |                    |               |                |           |          |            |
| ASA Kindlustus                     | 16,405,785            | 0.12%          | 1,311,308          | 634           | 0.67%          | 63.00     | 1.50     | 4.00       |
| Baltika                            | 62,882,678            | 0.47%          | 3,052,798          | 1,159         | 1.23%          | 27.00     | 7.80     | 9.50       |
| Eesti Näitused                     | 25,801,945            | 0.19%          | 837,319            | 512           | 0.54%          | 57.00     | 6.50     | 6.50       |
| EMV                                | 228,747,136           | 1.71%          | 5,678,755          | 1,700         | 1.81%          | 55.00     | 15.40    | 17.50      |
| ESS                                | 40,659,633            | 0.30%          | 506,738            | 292           | 0.31%          | 100.00    | 51.00    | 70.00      |
| Estiko                             | 56,059,825            | 0.42%          | 2,824,862          | 580           | 0.62%          | 29.15     | 4.50     | 4.70       |
| EVEA Pank                          | 11,086,193            | 0.08%          | 703,672            | 384           | 0.41%          | 20.00     | 12.00    | 15.50      |
| Fakto                              | 24,862,233            | 0.19%          | 713,974            | 182           | 0.19%          | 47.00     | 26.00    | 34.50      |
| Harju Elekter                      | 162,147,698           | 1.21%          | 1,368,152          | 950           | 1.01%          | 177.50    | 73.00    | 115.90     |
| Kalev                              | 118,454,813           | 0.89%          | 2,111,760          | 696           | 0.74%          | 71.00     | 14.25    | 18.25      |
| Klementi                           | 55,995,364            | 0.42%          | 4,394,590          | 1,423         | 1.51%          | 18.80     | 4.30     | 6.20       |
| Leks Kindlustus                    | 44,534,193            | 0.33%          | 1,994,263          | 837           | 0.89%          | 52.50     | 8.00     | 10.00      |
| Pennu Computer Technology Group    | 91,064,299            | 0.68%          | 2,248,218          | 1,096         | 1.16%          | 64.50     | 5.00     | 9.00       |
| Pro Kapital                        | 23,704,036            | 0.18%          | 501,667            | 82            | 0.09%          | 52.00     | 46.00    | 46.25      |
| Rakvere Lihakombinaat              | 200,286,398           | 1.50%          | 22,397,518         | 1,486         | 1.58%          | 11.00     | 2.40     | 2.55       |
| Reval Hoteligrupp                  | 42,296,405            | 0.32%          | 648,689            | 473           | 0.50%          | 196.50    | 12.00    | 23.00      |
| Saku Õlletehas                     | 106,086,378           | 0.79%          | 3,256,307          | 1,187         | 1.26%          | 40.20     | 23.00    | 32.20      |
| Tallinna Farmaatsiatehas           | 162,658,548           | 1.22%          | 3,473,522          | 1,613         | 1.71%          | 86.00     | 1.70     | 5.00       |
| Tallinna Külmoone                  | 15,064,910            | 0.11%          | 501,733            | 223           | 0.24%          | 48.00     | 8.50     | 11.60      |
| Viisnurk                           | 50,185,188            | 0.38%          | 1,796,482          | 701           | 0.74%          | 213.00    | 9.00     | 18.00      |
| <b>Total</b>                       | <b>1,538,983,659</b>  | <b>11.53%</b>  | <b>60,322,327</b>  | <b>16,210</b> | <b>17.21%</b>  |           |          |            |
| <b>FUNDS' LIST</b>                 |                       |                |                    |               |                |           |          |            |
| Hansa Erastamise Investeerimisfond | 21,765,516            | 0.16%          | 993,655            | 329           | 0.35%          | 29.00     | 16.00    | 19.00      |
| <b>Total</b>                       | <b>21,765,516</b>     | <b>0.16%</b>   | <b>993,655</b>     | <b>329</b>    | <b>0.35%</b>   |           |          |            |
| <b>BONDS' LIST</b>                 |                       |                |                    |               |                |           |          |            |
| Hüvitusfond I                      | 810,037               | 0.01%          | 10,593             | 59            | 0.06%          | 97.50     | 62.00    | 79.50      |
| Hüvitusfond II                     | 5,647,002             | 0.04%          | 67,489             | 163           | 0.17%          | 88.25     | 52.00    | 75.00      |
| Hüvitusfond III                    | 1,898,636             | 0.01%          | 24,976             | 163           | 0.17%          | 95.60     | 51.00    | 72.00      |
| Hüvitusfond IV                     | 5,601,534             | 0.04%          | 59,883             | 24            | 0.03%          | 96.00     | 67.00    | 81.00      |
| Hüvitusfond V                      | 2,867,052             | 0.02%          | 39,492             | 369           | 0.39%          | 92.40     | 45.00    | 66.00      |
| Hüvitusfond VI                     | 1,057,860             | 0.01%          | 15,015             | 118           | 0.13%          | 85.50     | 50.50    | 65.00      |
| Hüvitusfond VII                    | 1,153,501             | 0.01%          | 17,453             | 180           | 0.19%          | 93.40     | 48.00    | 60.00      |
| Hüvitusfond VIII                   | 2,434,898             | 0.02%          | 31,747             | 226           | 0.24%          | 84.25     | 20.00    | 35.00      |
| Hüvitusfond IX                     | 243,568               | 0.00%          | 3,498              | 39            | 0.04%          | 90.00     | 40.00    | 40.00      |
| <b>Total</b>                       | <b>21,714,087</b>     | <b>0.16%</b>   | <b>270,146</b>     | <b>1,341</b>  | <b>1.42%</b>   |           |          |            |
| <b>FREE MARKET</b>                 |                       |                |                    |               |                |           |          |            |
| Erastamisväärtpaber                | 161,757,933           | 1.21%          | 529,453,730        | 1,890         | 2.01%          | 0.38      | 0.19     | 0.28       |
| Viru Rand                          | 61,159,421            | 0.46%          | 3,632,260          | 750           | 0.80%          | 24.95     | 4.00     | 5.70       |
| <b>Total</b>                       | <b>222,917,354</b>    | <b>1.67%</b>   | <b>533,085,990</b> | <b>2,640</b>  | <b>2.80%</b>   |           |          |            |
| <b>TOTAL</b>                       | <b>13,351,582,606</b> | <b>100.00%</b> | <b>784,706,028</b> | <b>94,172</b> | <b>100.00%</b> |           |          |            |

\*1 EEK = 15.6466 EUR

\*\*Adjustments for Stock Splits, Dividends and Stock Dividends are included

| Previous close, EEK | Change from previous period | Adjusted close**, EEK | Change from adjusted previous close | Market cap. as of 31-Dec '98, mln EEK | Pct of total   | Weighted average no. of securities | Cons. net profit (loss) in 1998, th EEK | EPS 1998, EEK | P/E 1998 |
|---------------------|-----------------------------|-----------------------|-------------------------------------|---------------------------------------|----------------|------------------------------------|---|---------------|----------|
| 58.75               | -67.15%                     | -                     | -                                   | 1,277                                 | 17.94%         | 45,110,000                         | (383,400)                               | -8.50         | neg.     |
| 140.40              | -64.21%                     | 139.70                | -64.03%                             | 2,956                                 | 41.54%         | 49,660,000                         | (60,500)                                | -1.22         | neg.     |
| 70.00               | -85.43%                     | 21.58                 | -52.73%                             | 90                                    | 1.27%          | 6,943,000                          | 38,483                                  | 5.54          | 1.84     |
| 81.50               | -84.54%                     | 73.50                 | -82.86%                             | 166                                   | 2.34%          | 13,200,000                         | 47,578                                  | 3.60          | 3.50     |
| 114.66              | -93.89%                     | -                     | -                                   | 289                                   | 4.06%          | 7,900,000                          | (253,167)                               | -32.05        | neg.     |
| 39.30               | -56.49%                     | 38.30                 | -55.35%                             | 116                                   | 1.63%          | 6,788,000                          | 8,180                                   | 1.21          | 14.19    |
|                     |                             |                       |                                     | <b>4,895</b>                          | <b>68.77%</b>  |                                    |   |               |          |
| 65.00               | -93.85%                     | 59.38                 | -93.26%                             | 14                                    | 0.20%          | 3,411,000                          | (29,172)                                | -8.55         | neg.     |
| 24.50               | -61.22%                     | 24.00                 | -60.42%                             | 46                                    | 0.64%          | 4,800,000                          | 1,945                                   | 0.41          | 23.44    |
| 38.50               | -83.12%                     | 16.25                 | -60.00%                             | 21                                    | 0.29%          | 2,560,000                          | 9,526                                   | 3.72          | 1.75     |
| 39.90               | -56.14%                     | 39.40                 | -55.58%                             | 83                                    | 1.17%          | 4,740,000                          | 183                                     | 0.04          | 453.28   |
| 80.00               | -12.50%                     | -                     | -                                   | -                                     | -              | -                                  | -                                       | -             | -        |
| 26.90               | -82.53%                     | 12.45                 | -62.25%                             | 28                                    | 0.39%          | 3,917,000                          | 6,792                                   | 1.73          | 2.71     |
| 15.90               | -2.52%                      | -                     | -                                   | 116                                   | 1.63%          | -                                  | -                                       | -             | -        |
| 28.25               | 22.12%                      | 27.60                 | 25.00%                              | 57                                    | 0.80%          | 1,650,000                          | 5,290                                   | 3.21          | 10.76    |
| 82.90               | 39.81%                      | 81.40                 | 42.38%                              | 209                                   | 2.93%          | 1,800,000                          | 16,146                                  | 8.97          | 12.92    |
| 60.00               | -69.58%                     | 58.75                 | -68.94%                             | 144                                   | 2.02%          | 7,878,000                          | (73,417)                                | -9.32         | neg.     |
| 8.40                | -26.19%                     | -                     | -                                   | 15                                    | 0.21%          | 2,425,000                          | 1,609                                   | 0.66          | 9.34     |
| 42.25               | -76.33%                     | -                     | -                                   | 75                                    | 1.05%          | 6,058,000                          | (67,229)                                | -11.10        | neg.     |
| 34.00               | -73.53%                     | -                     | -                                   | 14                                    | 0.00           | 1,600,000                          | 4,211                                   | 2.63          | 3.42     |
| -                   | -                           | -                     | -                                   | 624                                   | 0.09           | 12,364,384                         | 830                                     | 0.07          | 688.82   |
| 9.95                | -74.37%                     | -                     | -                                   | 96                                    | 0.01           | 37,722,000                         | (96,016)                                | -2.55         | neg.     |
| -                   | -                           | -                     | -                                   | 94                                    | 1.32%          | 3,148,000                          | 25,826                                  | 8.20          | 2.80     |
| 32.00               | 0.63%                       | 30.00                 | 7.33%                               | 258                                   | 3.62%          | 8,000,000                          | 42,269                                  | 5.28          | 6.09     |
| 80.75               | -93.81%                     | -                     | -                                   | 19                                    | 0.26%          | 3,770,000                          | (92,826)                                | -24.62        | neg.     |
| 46.00               | -74.78%                     | -                     | -                                   | 39                                    | 0.55%          | 3,387,000                          | 10,866                                  | 3.21          | 3.62     |
| 179.00              | -89.94%                     | 25.57                 | -29.61%                             | 81                                    | 1.14%          | 3,627,000                          | 17,589                                  | 4.85          | 3.71     |
|                     |                             |                       |                                     | <b>2,033</b>                          | <b>28.56%</b>  |                                    |   |               |          |
| 22.00               | -13.64%                     | 12.85                 | 47.86%                              | -                                     | -              |                                    |   |               |          |
| 83.40               | -4.68%                      | 75.22                 | 5.69%                               | 9                                     | 0.12%          |                                    |   |               |          |
| 85.25               | -12.02%                     | 75.44                 | -0.58%                              | 23                                    | 0.32%          |                                    |   |               |          |
| 83.00               | -13.25%                     | 73.10                 | -1.50%                              | 29                                    | 0.40%          |                                    |   |               |          |
| 91.55               | -11.52%                     | 82.57                 | -1.90%                              | 20                                    | 0.28%          |                                    |   |               |          |
| 77.25               | -14.56%                     | 69.67                 | -5.27%                              | 26                                    | 0.37%          |                                    |   |               |          |
| 81.60               | -20.34%                     | 72.51                 | -10.36%                             | 26                                    | 0.37%          |                                    |   |               |          |
| 73.95               | -18.86%                     | 65.08                 | -7.81%                              | 24                                    | 0.34%          |                                    |   |               |          |
| 69.70               | -49.78%                     | 63.21                 | -44.63%                             | 15                                    | 0.21%          |                                    |   |               |          |
| -                   | -                           | -                     | -                                   | 18                                    | 0.26%          |                                    |   |               |          |
|                     |                             |                       |                                     | <b>190</b>                            | <b>2.67%</b>   |                                    |   |               |          |
| 0.35                | -21.43%                     | -                     | -                                   | -                                     | -              |                                    |   |               |          |
| 17.00               | -66.47%                     | -                     | -                                   | -                                     | -              |                                    |   |               |          |
|                     |                             |                       |                                     | <b>7,118</b>                          | <b>100.00%</b> |                                    |   |               |          |

## CHANGES IN THE RULES AND REGULATIONS OF THE TSE

The Rules and Regulations of the TSE came into effect in 1996.

The Rules and Regulations are available on the Exchange's web-site and they consist of the following parts:

- I Listing Rules
- II Listing Particulars for Admission of Shares
- III Listing Particulars for Admission of Bonds
- IV Requirements for Issuers
- V Membership Rules
- VI Trading Rules
- VII Rules For Clearing and Settlement of Stock Exchange Transactions
- VIII Rules of Arbitration Court

### Significant changes made to the Rules and Regulations during 1998.

#### Requirements of Issuers as of 15 January 1998

The information disclosure requirements for issuers were supplemented. Reports must now be compiled according to IAS and a detailed list of information which should be in the annual reports was specified. Disclosure rules for transactions with related parties were added.

Disclosure rules regarding different types of transactions to acquire or dispose of a holding were further defined. These changes were approved by the Supervisory Board on 15 December 1997 and became effective on 15 January 1998.

#### Membership Rules as of 1 June 1998

Changes to the membership rules tightened the requirements for bourse membership applicants and for existing members. Amendments include a rise in minimum requirement of the share capital of a member firm to EEK 1,000,000 from earlier EEK 400,000 (effective from 1 January 1999). Significant changes also included the establishment of internal audit and bylaws requirements for a member firm (effective from 1 September 1998), supplements to information disclosure requirements, such as consolidation and IAS as well as the establishment of supervision of the activities of member firms. These changes were approved by the Supervisory Board on 22 April 1998 and became effective as of 1 June 1998.

#### Trading Rules as of 15 April 1998

Changes supplement the trading rules of the bourse, specifying the procedures for transactions, trading models, clearing and settlement and trade reporting. These changes were approved by the Supervisory Board on 3 March 1998 and became effective as of 15 April 1998.