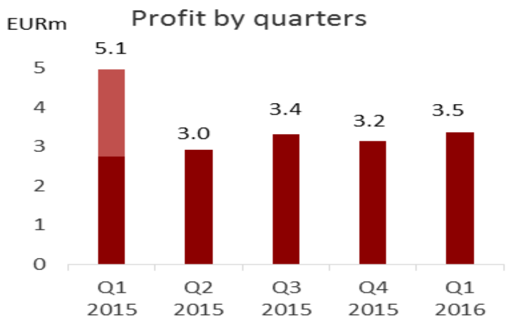
Interim Report January – March 2016
Summary of Results

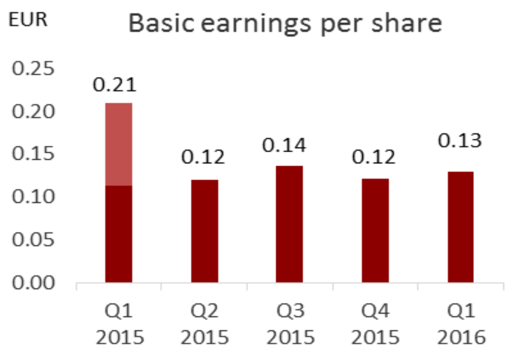
Q1 2016 in comparison with Q4 2015

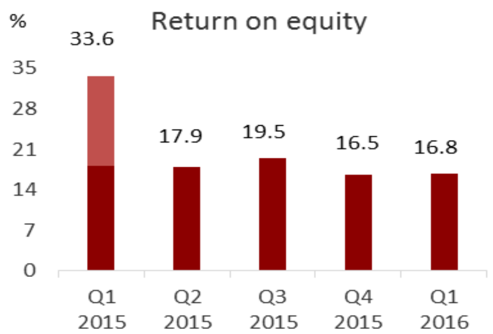
- Net profit EUR 3,5 m (EUR 3,2 m), of which EUR 3,0 m (EUR 2,8 m) is attributable to owners of the parent
- Earnings per share EUR 0,13 (EUR 0,12)
- Net income EUR 10,6 m (EUR 10,4 m)
- Operating expenses EUR 6,8 m (EUR 7,0 m)
- Loan provisions EUR 0,3 m (EUR 0,04 m)
- Return on equity 16,8% (16,5%)
- Capital adequacy 21,7% (23,4%)

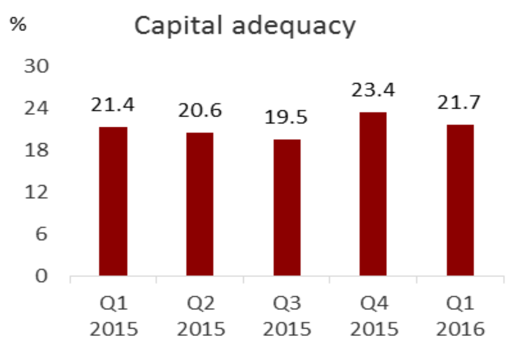
Q1 2016 in comparison with Q1 2015

- Net profit EUR 3,5 m (EUR 5,1 m, including profit from discontinued operations in the amount of EUR 2,3 m), of which EUR 3,0 m (EUR 4,9 m, including profit from discontinued operations in the amount of EUR 2,3 m) is attributable to owners of the parent
- Earnings per share EUR 0,13 (EUR 0,21)
- Net income EUR 10,6 m (EUR 9,0 m)
- Operating expenses EUR 6,8 m (EUR 5,4 m)
- Loan provisions EUR 0,3 m (EUR 0,7 m)
- Return on equity 16,8% (33,6%)
- Capital adequacy 21,7% (21,4%)









Earnings per share and return on equity ratios are based on the profit attributed to the shareholders and equity of AS LHV Group and do not include non-controlling interest.

Managing Director's Statement

The global economy has seen no major changes at the beginning of 2016, but is ripe with anticipation. We can already see numerous major events on the horizon, bound to affect economic life. But we can also expect unforeseen events to emerge from beyond. The year 2016 will see the presidential election in the United States, the EU membership referendum in the UK, the persistent refugee crisis in the EU, a collapse in raw material prices, a deceleration of economic growth in China, further tensions with regard to Russia and a global economic slowdown. All of these dynamics are wide-based and liable to bring aftershocks and unforeseen spill-overs. On the other hand, a noticeable rise is evident in the level of optimism, assuring that wide-scale negative developments have now largely been mapped and we will learn to overcome them. Such an environment could nurture a growth in self-confidence, daring companies to make investments into the future. The upcoming quarters will reveal how these dynamics will play out.

The economic environment in Estonia has remained stable. In 2015, the economy grew by 1.1 %. The Ministry of Finance is forecasting a 2 % growth for 2016 and a 3 % growth in 2017. Above all, the key to acceleration of the economic growth lies in Estonia's trade partners. Against the backdrop of a rise in income levels, domestic demand has remained strong for quite some time. This trend is not expected to change in 2016. Record-low interest rates are not expected to rise, further contributing to good credit quality. The portion of overdue loans in Estonian banks is gradually shrinking.

LHV's consolidated profit for Q1 2016 amounted to EUR 3.5 million, which is EUR 0.2 million more than in Q4 2015 and EUR 1.6 million less than in Q1 2015 (comprised extraordinary revenue). We have had an excellent start in 2016 but the momentum is not fully and directly evident in the profit figures. We continue to witness new customer flows into both the Bank and Asset Management. We were standing ready for a spirited start, but the reality has surpassed our expectations.

The group's consolidated loan portfolio grew by EUR 22 million during the quarter (+ EUR 14 million in Q4) and deposits by EUR 28 million (+ EUR 27 million in Q4). The volume of funds managed by LHV grew by EUR 27 million in the quarter (+ EUR 27 million in Q4).

The bank posted EUR 2.9 million in profit in Q1, which is EUR 0.7 million more than in the previous quarter. The increase in interest income can be attributed to the growth in the loan portfolio. Deposit interest expenses are expected to drop, with the interest rates of term deposits lowered in March. Net fee and commission income remained on par with the previous quarter. Overheads were seasonally lower, but contained higher one-off personnel expenses related to the termination of operations in the Latvian branch.

The bank's loan portfolio grew by EUR 22 million in Q1, amounting to a total of EUR 430 million. Credit quality has remained strong. Write-down of loans remained on par with last quarter. As evident from the last quarters, the credit quality is currently in a positive cycle. However, the low volume of write-downs does not mean that the loan portfolio contains no credit risk. A separate risk assets department was established in order to prepare for any changes in the credit cycle and take account of the ever-growing loan portfolio. The team is only engaged in high-risk loan transactions, playing an active role in restructuring and transformation processes.

Deposits of customers grew by EUR 26 million during the quarter and reached EUR 655 million by the end of the quarter. The growth was especially evident in term deposits, despite the lowering of the deposit interest rates. We are very glad to see that the total volume of major deposits has not decreased, and that the volume of smaller and consequently more stable deposits is growing.

The Bank received various recognitions at the beginning of the year. In January, Nasdaq declared LHV Bank the Baltic Member of the Year. In February, the survey company Dive declared LHV Bank the bank with the best service in Estonia. In the annual Most Valuable Employer poll conducted by CV-Keskus, LHV Bank advanced from last year's 17th position to the 8th position, succumbing only to Estonia's largest companies and ranking second among banks.

LHV Asset Management posted a profit of EUR 0.6 million in Q1, falling EUR 0.4 million short of the result for the last quarter. The profit decrease can be attributed to the excellent, long-awaited sales results, and the relevant increase in marketing expenses. LHV's position as the provider of best yields on the market, achieved in the second half of 2015, has also been maintained in 2016. When it comes to investing, result is all that matters. With the future pensioners now acknowledging LHV Asset Management as the provider of best yields, we are witnessing a record number of new customers. By the end of Q1, the number of active Pillar 2 customers of LHV Asset Management reached 135,000, breaking the all-time record. Active customer numbers grew by nearly 5,000 during the quarter. Upon purchase of Danske Capital, the number of active customers is expected to rise to 177,000, making LHV Asset Management the second-largest pension fund manager in Estonia.

The volume of funds grew by EUR 27 million during the quarter, with Pillar 2 pension funds growing by EUR 28 million. The volume of the SEF-LHV Persian Gulf Fund decreased by EUR 1 million.

Mokilizingas' profit for Q1 amounted to EUR 0.3 million, falling EUR 0.2 million short of last quarter's result. The weaker result can be attributed to a larger write-down of loans, partially due to technical reasons. The overall loan quality remains strong. The loan portfolio showed no major changes from last quarter. Considering the seasonal nature of consumer financing, this can be considered a good result.

As stated above, we have had a good momentum in 2016. The new customer numbers demonstrate the persistent growth in LHV's prominence. The quality of our work has been acknowledged by various organisations engaged in the evaluation of the financial sector. LHV now stands ready to take another step and list its shares on the Tallinn Stock Exchange. The proposals have been submitted to the general meeting of the shareholders. If approved by the shareholders, LHV will proceed with the IPO and the listing of its shares. We have also fine-tuned our long-term objectives. The mission of becoming a publicly traded company has now transformed into a mission of becoming Estonia's most valued publicly traded company.

Erkki Raasuke

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Financial Summary

Income statement EUR million	Q1 2016	Q1 2015	Year over year	3M 2016	3M 2015	Year over year
Net interest income	6,79	5,22	30%	6,79	5,22	30%
Net fee and commission income	3,65	3,34	9%	3,65	3,34	9%
Other financial income	0,20	0,47	-57%	0,20	0,47	-57%
Total net operating income	10,64	9,03	18%	10,64	9,03	18%
Other income	-0,02	0,00	-	-0,02	0,00	-
Operating expenses	-6,83	-5,45	25%	-6,83	-5,45	25%
Loan losses	-0,26	-0,66	-61%	-0,26	-0,66	-61%
Income tax expenses	-0,08	-0,07	14%	-0,08	-0,07	14%
Discontinued operations	0,00	2,26	-100%	0,00	2,26	-100%
Net profit	3,45	5,11	-32%	3,45	5,11	-32%
including attributable to owners of the parent	3,02	4,90	-38%	3,02	4,90	-38%

Business volumes EUR million	Q1 2016	Q4 2015	Quarter over quarter	Q1 2015	Year over year
Loan portfolio*	431,8	410,0	5%	326,8	32%
Financial investments	98,7	110,1	-10%	146,8	-33%
Deposits of customers	644,9	617,2	4%	489,4	32%
Equity (including minority interest)	77,5	73,2	6%	63,2	23%
Equity (owners' share)	73,8	70,0	5%	60,8	21%
Volume of funds managed	596,9	570,2	5%	525,0	14%
Assets managed by bank**	752,4	1 213,0	-38%	582,4	29%

*Data for 2015 includes assets which are on custody account temporarily in connection with one single takeover transaction.

Ratios EUR million	Q1 2016	Q1 2015	Year over year	3M 2016	3M 2015	Year over year
Average equity (attributable to owners of the parent)	71,9	58,4	13,5	71,9	58,4	13,5
Return on equity (ROE), %	16,8	33,6	-16,8	16,8	33,6	-16,8
Interest-bearing assets, average	763,5	559,4	204,1	763,5	559,4	204,1
Net interest margin (NIM) %	3,56	3,73	-0,17	3,56	3,73	-0,17
Price spread (SPREAD) %	3,48	3,66	-0,18	3,48	3,66	-0,18
Cost/income ratio %	64,3	60,3	4,0	64,3	60,3	4,0

Explanations to ratios (quarterly ratios have been expressed on an annualised basis)

Average equity (attributable to owners of the parent) = (equity as at the end of the reporting period + equity as at the end of the previous reporting period) / 2

Return on equity (ROE) = net profit for the quarter (share of owners of the parent) / average equity (attributable to owners of the parent) *100

Net interest margin (NIM) = net interest income / interest-bearing assets, average * 100

Price spread (SPREAD) = interest yield from interest-bearing assets – cost of external capital

Interest yield from interest-bearing assets = interest income / interest-bearing assets, average * 100

Cost of external capital = interest expenses / interest-bearing liabilities, average * 100

Cost/income ratio = total operating cost / total income * 100

Operating Environment

The year 2016 is to be approached with delicate optimism. Balancing the pursuit of growth with risk management endeavours remains the primary task for both single ventures and entire economic regions. According to the IMF forecast, published in April, the global economic growth is expected to accelerate to a modest 3.2 %. At the same time, the economic activity in developed markets is clearly weakening and the fragile growth in the euro area further decelerating.

The global economy remains affected by the slowdown in China – the 6.9 % economic growth in China in 2015 is the lowest indicator in the past twenty-five years. With the direct impact evident in the plummeting prices of raw materials, which further add to deflationary pressures, the eroding import volumes are thwarting global demand. This year, the Chinese government has established the growth target at a range of 6.5-7 %, instead of a specific numeric value.

The US economic indicators have appeared strong, encouraging the Federal Reserve to hike interest rates in December, after seven years of standstill. The beginning of 2016, however, has lowered the expectations of further growth. In addition to employment and inflation targets, further attention will be paid to global dynamics in the decision-making processes.

The stimulative measures applied by the European Central Bank (ECB) in Q1 2015 have failed to yield the desired results with regard to consumer price dynamics. According to Eurostat preliminary data, consumer prices did not change in March, year-over-year, with the ECB forecasting a meagre 0.1 % rise in 2016. This is clearly inadequate. To address the problem, the already-negative interest rates were further lowered by the ECB in March, while simultaneously expanding the asset purchase programme. Despite expansion of the money supply, the ECB's actions have failed to lower the EUR exchange rate against major currencies, thwarting the stimulus to the competitive ability of exporters.

The EU economy grew by a total of 1.6 % in Q4 and in 2015, year-over-year. Even though the growth rate has accelerated, compared to the previous period, these trends are not expected to continue in 2016. The ECB is forecasting a growth of 1.4 % in 2016, thwarted by the slowdown in global economy and the strength of the euro.

As regards the major trade partners of Estonia, the Swedish economy grew by 4.5 % in Q4 (a total of 4.1 % in 2015), year-over-year. The quick growth is expected to continue in 2016. On a negative note, the shortage of residential space and quick growth in real estate prices is raising concerns in Sweden. Consequently, the mortgage conditions have been reviewed, along with plans of applying further measures.

The Finnish economy grew by 0.6 % in Q4 (a total of 0.4 % in 2015). Even though this cannot be considered a significant growth, it is somewhat of a relief from the three years of economic decline. Economic activity in Finland is expected to retain the current level in 2016.

The Estonian economic growth is expected to accelerate, compared to the 0.7 % in Q4 and 1.1 % in 2015. According to the spring forecast of the Ministry of Finance, Estonia is increasingly dependent on the external environment. The inflation rate is expected to recover in the second half of the year, against the backdrop of a quick rise in income. With the import demand of the key trade partners expected to improve, export will remain the main engine for growth in the upcoming periods.

LHV's expectations of the twelve-month horizon are similar. The economic growth is expected to pick up and the volume of investments to grow. With the real wages and private consumption expected to assume a slower pace, the dynamics on Estonia's key export markets will play an ever-increasing role, along with dispersion of the export-related concentration risk. The growth in export volumes is of utmost importance and is eagerly anticipated to reverse the downward trends in corporate profits as a result of a quick increase in wages.

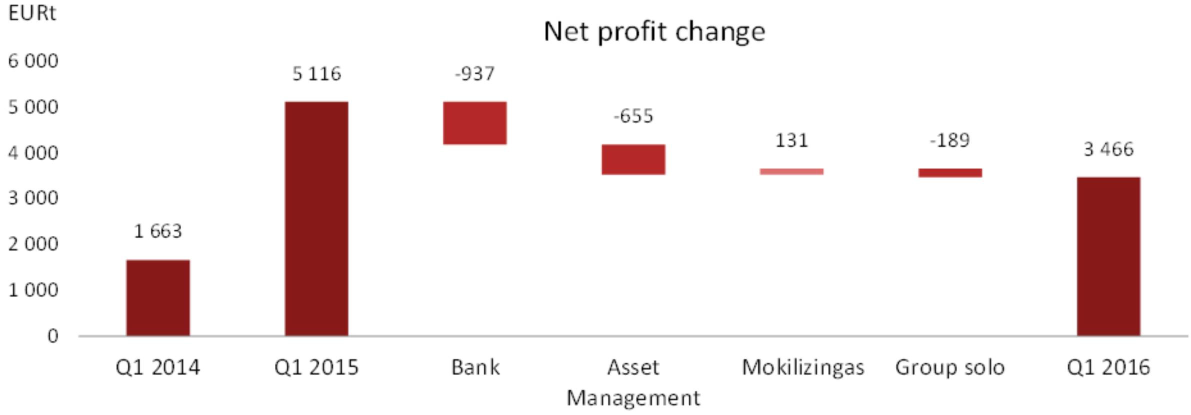
In terms of economic sectors, higher-than-average risks are evident in the agriculture, transport and tourism sectors. A fundamental drop in the price of oil, which has mainly echoed in favourable energy prices for the local industry and private consumers, is now forcing the Estonian energy industry to address serious problems. LHV is also taking a more conservative approach to the real estate market, carefully monitoring the dynamics on the local and Scandinavian markets. Supply has increased with regard to both residential space and rental properties, but the number of transactions has remained high.

On a positive note, the financing environment remains favourable. The balance of loans taken from credit institutions grew by 8 % in 2015, and is expected to remain on a similar level in 2016. The loan to deposit ratio and overdue loans have maintained their post-crisis lows.. The record-low interest rates and tight interbank competition has had a positive effect on local entrepreneurs, providing excellent financing options. LHV stands ready to boldly and efficiently contribute to the search of new sources of growth, offering a long-term partnership to enterprises and making an effort to create additional value.

Financial Results of the Group

Compared to Q4, the Group's net interest income grew in Q1 by 7%, standing at EUR 6,8 (Q4: 6,4) million. Net fee and commission income decreased by 4% and stood at EUR 3,7 (Q4: 3,8) million. Financial income increased by 5% and stood at EUR 0,2 (Q4: 0,2) million. In total, the net income of the Group increased by 3% in Q1, compared to Q4, amounting to EUR 10,6 (Q4: 10,4) million, with expenses increasing by 2% and amounting to EUR 6,8 (Q4: 7,0) million. The Group's operating profit for Q1 amounted to EUR 3,8 (Q4: 3,4) million. Impairments amounted to EUR 0,3 (Q4: 0,04) million in Q1. The Group's total profit for Q1 amounted to EUR 3,5 million (Q4: 3,3). Compared to Q1 2015, the Group's net interest income increased by 30% and net fee and commission income by 9%, with financial income decreasing by 57%.

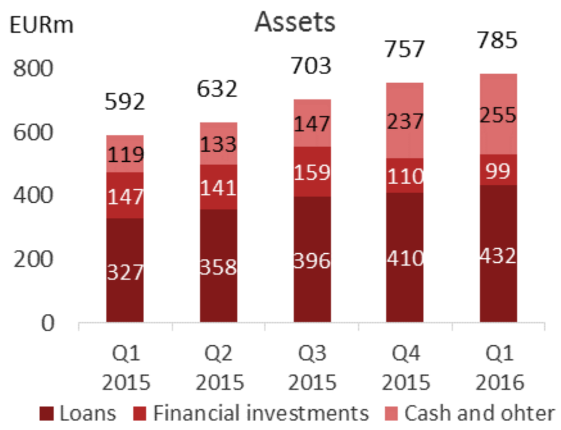
In terms of business entities, AS LHV Pank posted a consolidated profit of EUR 2,9 million, AS LHV Varahaldus a profit of EUR 0,6 million and UAB Mokilizingas a profit of EUR 0,3 million. The LHV Group separately posted a loss of EUR 0,3 million, as it does not have a separate revenue generating unit and the main type of expense of the Group is interest expense from subordinated liabilities.



The Group's volume of deposits as at the end of Q1 amounted to EUR 645 (Q4: 617) million, of which demand deposits formed EUR 442 (Q4: 432) million and term deposits EUR 203 (Q4: 184) million.

As at the end of Q1, the volume of loans granted by the Group amounted to EUR 432 (Q4: 410) million, increasing in Q1 by 5%.

Compared to Q1 2015, the volume of the Group's deposits has increased by 32% and the volume of loans by 32%.



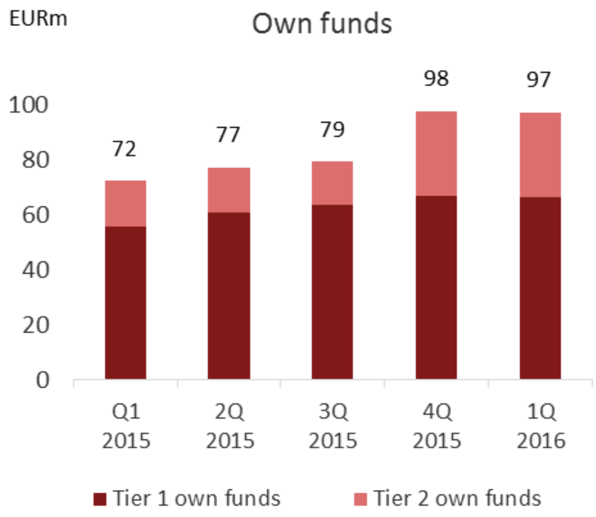
The Group's Liquidity, Capitalisation and Asset Quality

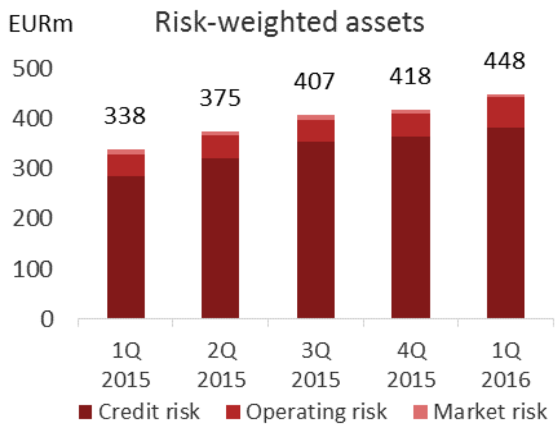
As at 31 March 2016, the Group's own funds stood at EUR 97,2 million (31 December 2015: EUR 97,7 million). Group own funds remained in Q1 on same level compared to Q4 2015, as Annual General Meeting has not approved Group's annual consolidated financial statement yet, after which Q4 profit will be included into own funds.

The Group is well capitalised as at the end of the reporting period, with the capital adequacy ratio amounting to 21,7% (31 December 2015: 23,4%).

The Group's liquidity coverage ratio (LCR), as defined by the Basel Committee, stood at 288,9% as at the end of March (31 December 2015: 271,6%). The Group recognises cash and bond portfolios as liquidity buffers. These accounted for 43% of the balance sheet (31 December 2015: 44%). The ratio of loans to deposits stood at 66% as at the end of the first quarter (31 December 2015: 66%). Group's maturity structure is presented in Note 5.

The Group's credit quality was good. As at the end of March, provisions for estimated loan losses amounted to EUR 4,8 million in the balance sheet, i.e. approximately 1,1% of the loan portfolio (31 December 2015: EUR 4,7 million, 1,1%). Estimated loan losses make up 261,4% of the portfolio of loans overdue for more than 90 days.





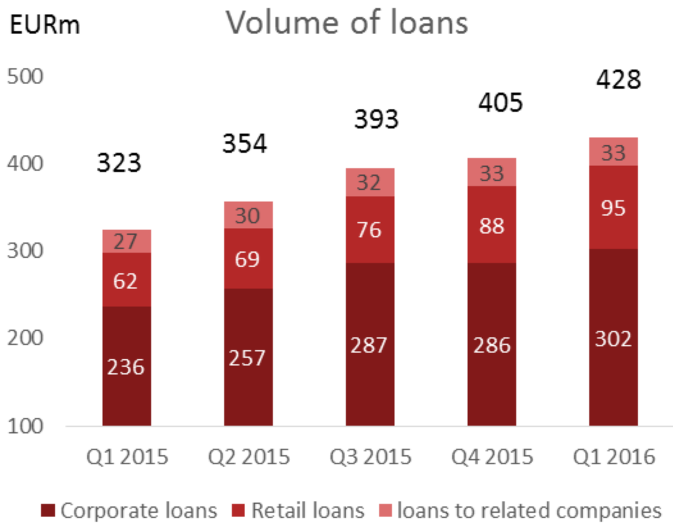
EUR thousand	31.03.2016	Proportion	31.12.2015	Proportion
Loans to customers	436 673		414 677	
including overdue loans:	13 750	3,1%	10 460	2,5%
1-30 days	5 632	1,3%	5 621	1,4%
31-60 days	4 203	1,0%	2 085	0,5%
61-90 days	2 062	0,5%	1 171	0,3%
91 and more days	1 853	0,4%	1 581	0,4%
Impairment of loans	-4 842	-1,1%	-4 680	-1,1%
Impairment % of loans overdue for more than 90 days	261,4%		296,0%	

Capital base	31.03.2016	31.12.2015
Paid-in share capital	23 356	23 356
Share premium	33 992	33 992
Statutory reserves transferred from net profit	895	895
Other reservs	-25	-23
Accumulated deficit	8 375	-2 503
Intangible assets (subtracted)	-1 817	-1 734
Net profit for the reporting period	0	10 879
Non-controlling interest	1 476	1 937
Total Tier 1 capital	**66 252**	**66 799**
Subordinated debt	30 900	30 900
Total Tier 2 capital	**30 900**	**30 900**
Net own funds for capital adequacy	**97 152**	**97 699**
Capital requirements		
Credit institutions and investment companies under standard method	4 670	5 949
Companies under standard method	241 759	232 779
Retail claims under standard method	116 054	106 445
Overdue claims under standard methods	7 473	7 758
Investment funds' shares under standard method	6 397	6 369
Other assets under standard method	4 578	5 712
Total capital requirements for covering the credit risk and counterparty credit risk	**380 931**	**365 012**
Capital requirement against foreign currency risk under standard method	3 162	6 527
Capital requirement against interest position risk under standard method	2 440	2 342
Capital requirement against equity portfolio risks under standard method	87	87
Capital requirement for operational risk under base method	61 811	44 367
Total capital requirements for adequacy calculation	**448 431**	**418 334**

Capital adequacy (%)	**21,66**	**23,35**
Tier 1 capital ratio (%)	**14,77**	**15,97**

Overview of AS LHV Pank Consolidation Group

- (Net) growth in deposit volume in Q1 – EUR 27 million
- (Net) growth in loan volume in Q1 – EUR 23 million (Q4: EUR 12 million)
- Good profitability in Q1
- Increase in number of clients
- Latvian branch was shut down



EUR million	Q1 2016	Q4 2015	Change %	Q1 2015	Change %	From the beginning of 2016	From the beginning of 2015	Change %
Net interest income	5,68	5,26	8%	4,17	36%	5,68	4,17	36%
Net fee and commission income	1,35	1,39	-2%	1,01	34%	1,35	1,01	34%
Other financial income	0,16	0,05	202%	0,24	-32%	0,16	0,24	-32%
Total net operating income	7,19	6,70	7%	5,42	33%	7,19	5,42	33%
Other income	0,13	0,02	529%	0,01	1220%	0,13	0,01	1220%
Operating expenses	-4,35	-4,56	-4%	-3,45	26%	-4,35	-3,45	26%
Loan losses	-0,10	-0,03	246%	-0,43	-77%	-0,10	-0,43	-77%
Discontinued operations	0,00	0,00	-	2,26	-100%	0,00	2,26	-100%
Net profit	2,87	2,14	34%	3,81	-25%	2,87	3,81	-25%
Loan portfolio	428	405	6%	323	33%			
Financial investments	92	103	-11%	140	-34%			
Deposits of customers	656	629	4%	495	43%			
Subordinated liabilities	15	15	0%	12	158%			
Equity	65	61	7%	49	33%			

In the overview of financial results, the revenue, expenses and loan portfolio of the Finnish branch - a now discontinued operation - are listed separately.

Q1 was successful both in terms of business volumes and profitability. LHV Bank generated EUR 5,7 million in net interest income and EUR 1,4 million in net fee and commission income. In total, the bank's net income amounted to EUR 7,2 million, expenditure to EUR 4,4 million and loan provisions to EUR -0,1 million. The net profit of LHV Bank amounted to EUR 2,9 million in Q4. This constitutes an 34% increase from Q4 2015 (2,1) and a 25% decrease from Q1 2015 (3,8, which included profit form discontinued operations in the amount EUR 2,3 million). Net interest income grew by86% during the quarter, and net fee and commission income decrease by 2%, compared to Q4. Net operating income increased by 7%.

Securities brokerage fees, transaction fees and fees from cards are greatest contributor to fee and commission income.

The ncrease in net interest income stems from the growth in business volumes. By the end of Q1, the total volume of the bank's loan portfolios amounted to EUR 428 million (2015: EUR 405 million). The volume of portfolios grew 6% over the quarter. The first quarter saw a continued growth in the number of new bank accounts opened. More than 6,800 new customers opened a bank account with LHV in Q1, with the total number of customers thus reaching 89,000. The customer's use of payment services as well as initiation and acceptance of card payments

reached record levels. LHV ranked fourth among Estonian banks in terms of the volume of securities kept on accounts opened with the Estonian Central Register of Securities.
The corporate credit portfolio that contains loans and guarantees grew by EUR 71.7 million on an annualised basis (+29 %) and EUR 17.7 million on a quarterly basis (+6 %). The largest source of growth is real estate management, which has traditionally been well-financed by commercial banks. Compared to the previous year, loans for real estate purposes grew by EUR 35.7 million (+45 %). Financial activities, which also include the activities of holding companies, ranked second. These activities often involve financing of corporate buyouts. This sector grew by EUR 16.4 million, year over year (+43 %).

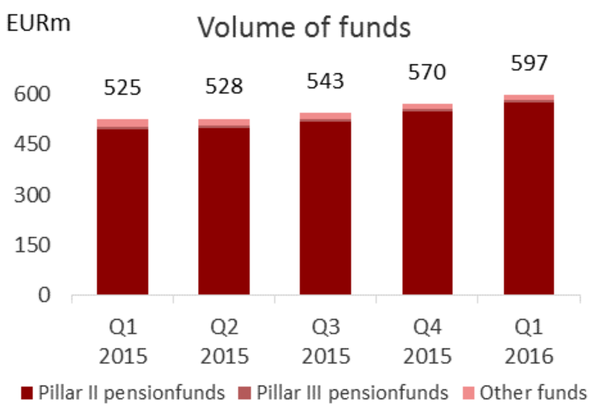
Compared to last quarter, the greatest volume of loans and guarantees were provided in real estate management (EUR 14.7 million; +15 %), financial activities (EUR 4.4 million; +9 %) and information and communication (EUR 2.9 million, +59 %).

The largest amount of corporate loans was granted to the real estate sector, which accounts for 36 % of the bank's total portfolio of corporate loans. A bulk of the real estate loans have been issued for projects with a high-quality rent flow. Real estate development ranks second. A majority of the real estate developments financed are located in Tallinn, with a few also in Tartu. LHV's market share in the financing of new developments in Tallinn was approximately 20 % at the end of Q1 2016. LHV's real estate development portfolio is well-positioned for potential changes in market trends – the financed projects have a good location, with major projects nearing completion and the average risk to price ratio standing at 50 %.

Alongside the real estate sector, the greatest volume of credit was provided to companies pursuing financial activities (share: 17 %), as well as the processing industry (share: 12 %). As regards sectors with a higher-than-average risk conditioned by the economic and geopolitical situation, agriculture contributes 2 %, transport 2 %, accommodation and catering 1 % and energy 1 % of the total volume of the portfolio.
The European Central Bank continued to lower the key interest rates, triggering an increase in the bank's liquid asset maintenance costs. In March, the bank therefore lowered its term deposit interest rates and discontinued the benefits awarded to deposits of major customers.
In order to keep the service centre's focus on new accounts and customer consulting rather than daily bank transactions, LHV decided to raise the fees for bank transactions effected in the service centre or by phone, as of June.
The Bank also decided to join the EBA Clearing Instant Payments pilot project. EBA Clearing is currently in the process of implementing a system which allows real-time interbank transfers of EUR payments. EBA Clearing is planning to launch the pilot project within 12 months, with the system scheduled to be opened to customers by the end of 2017.
In recent years, financial supervisors of different countries have started paying special attention to prevention of money-laundering within the financial sector, imposing significant fines on major international banks. As a result, international banks have downsized the provision of the correspondent banking service, especially with regard to mediation of USD payments. Consequently, LHV will be unable to provide USD payments to its customers as of Q3. Nonetheless, USD payments to the United States of America can still be made via the TransferWise payment option launched in the mobile bank and internet bank at the beginning of the year.
In order to keep the focus of banking and credit analysis on major loan customers, loans of up to EUR 100 thousand will be transferred from corporate banking to the retail banking financing division in Q2, with loans of up to EUR 250 thousand to be transferred in Q3. In the future, smaller loan applications will be subjected to an automated scoring process, rather than individual analysis. Corporate loans of up to EUR 250 thousand currently make up 50 % of the total corporate loan portfolio in terms of transaction numbers, but only 10% in terms of volume.
The Latvian branch was shut down at the end of the quarter. The bank's operations in Latvia have been small-scale. In its business pursuits, the bank has been governed, above all, by the business interests of its customers and endeavours to keep pace with the customers. Estonian enterprises currently need more services and support on the Western European front. These trends should be taken into account, when advancing the bank's activities and services.
The Bank received various recognitions at the beginning of the year. In January, Nasdaq declared LHV Bank the Baltic Member of the Year. In February, the survey company Dive declared LHV Bank the bank with the best service in Estonia. In the annual Most Valuable Employer poll conducted by CV-Keskus, LHV Bank advanced from last year's 17th position to the 8th position, succumbing only to Estonia's largest companies and ranking second among banks.

Overview of AS LHV Varahaldus

- On 29 January 2016, a contract of sale of shares was concluded with Danske Bank A/S and Danske Bank A/S Estonian Branch, under which LHV Asset Management would purchase 100% of the shares Danske Capital AS
- Total volume of Pillar 2 funds: EUR 576 million (as at the end of 2015: EUR 549 million)
- Very good external sale of Pillar 2 funds



EUR million	Q1 2016	Q4 2015	Change %	Q1 2015	Change %	From the beginning of 2016	From the beginning of 2015	Change %
Net fee and commission income	2,15	2,25	-4%	2,19	-2%	2,15	2,19	-2%
Net financial income	0,0	0,11	-100%	0,23	-100%	0,0	0,23	-100%
Operating expenses	-1,56	-1,36	15%	-1,17	33%	-1,56	-1,17	33%
Profit	0,59	1,00	-41%	1,25	-53%	0,59	1,25	-53%
Financial investments	7,1	7,1	0%	6,97	2%			
Subordinated liabilities	2,1	1,5	40%	1,50	40%			
Equity	18,0	9,15	97%	7,77	132%			
Assets under management	596,9	570,2	5%	525	14%			

On 29 January 2016, LHV Asset Management entered into a contract of sale of shares with Danske Bank A/S and Danske Bank A/S Estonia Branch, under which LHV Asset Management would purchase 100 % of the shares of Danske Capital AS. The purpose of the transaction is to expand the business operations of LHV Asset Management, and provide Pillar 2 pension fund customers with the best investment services on the long-term horizon. Upon completion of the transaction, LHV Asset Management's market share in mandatory pension funds will rise to nearly 30%. Completion of the transaction requires the previous approval of the Financial Supervision Authority and the authorisation for concentration by the Competition Board. The transaction is scheduled to be completed in the first half of the year, subject to the fulfilment of all preconditions. The final price of the transaction will be established as at the time of completion of the transaction. Upon completion of the transaction, Danske Capital AS will be merged with LHV Asset Management.

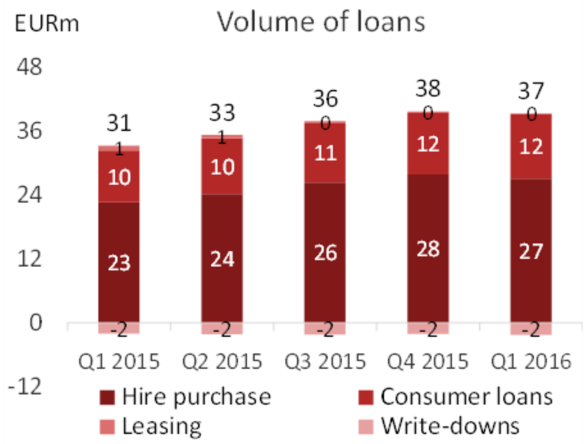
In order to finance the purchase of Danske Capital AS, the share capital of LHV Asset Management was increased by EUR 8.243 million to EUR 12,0 million on 18 February 2016.

LHV Asset Management generated EUR 2.15 million in operating income in Q1 (EUR 2,25 million in Q4). Operating income consisted mainly of the management fee for Pillar 2 pension funds, which showed a minimum growth, compared to the previous quarter (EUR 0,02 million), albeit the (annually calculated) multiplier for the management fee was lowered by 2.6 %. The decrease in total operating income can be attributed to the redemption fees for Pillar 2 shares.

Total operating expenses for Q1 amounted to EUR 1,56 million (EUR 1,35 million in Q4). Similarly to the previous quarter, the increase in operating expenses can be attributed to the enhanced external sales of Pillar 2 funds. The volume of funds grew by EUR 27 million (on par with the last quarter) to EUR 597 million. As a result of successful sales of Pillar 2 funds, the number of active customers grew by nearly 5 thousand during the quarter.

LHV's Pillar 2 pension funds showed the best yields for the beginning of 2016. LHV's funds ranked first in all risk categories in terms of Q1 yields. LHV's pension funds endured the major stock market decline at the beginning of the year better than its competitors. The Q1 yields of LHV's Pillar 2 funds ranged from +0,03 % to +1,83 %.

Overview of UAB Mokilizingas



EUR million	Q1 2016	Q4 2015	Change %	Q1 2015	Change %	From the beginning of 2016	From the beginning of 2015	Change %
Net interest income	1,4	1,3	8%	1,1	27%	1,4	1,1	27%
Net fee and commission income	0,2	0,2	0%	0,2	0%	0,2	0,2	0%
Operating expenses	-1,0	-0,9	11%	-0,8	25%	-1,0	-0,8	25%
Loan losses	0,2	0,0	-	-0,2	0%	0,2	-0,2	0%
Income tax expenses	-0,1	-0,1	0%	-0,1	0%	-0,1	-0,1	0%
Profit	0,3	0,5	-40%	0,2	50%	0,3	0,2	50%
Loan portfolio	39,0	40,0	-3%	31,3	25%			
Equity	5,3	4,9	8%	4,1	29%			

In Hire-Purchase segment Mokilizingas continues to work in a strong collaboration with Bite Lietuva and Senukai, launching seasonal campaigns and supporting the sales. A notably large campaign is taking place with gardening equipment retailer Ginalas both in Lithuania and Latvia. Q1 2016 HP sales amounted to €8.2M and were at Q1 2015 levels. The number of contracts signed decreased by 8%, but was compensated by a 9% rise in average contract amount. Margins remained stable with a slight increase compared to Q1 2015.

Consumer Loan sales continued to grow steadily in Q1 2016. CL sales amounted to €2.6M and broke the long term trend of a weak Q1 sales and increased by 41% y-o-y. The number of contracts signed increased even more, by 57%.

The main event for Consumer Credit segment in Lithuania in 2016 Q1 was a change of regulation in February. Bank of Lithuania, which ir the regulating institution, shows signs that irresponsible lending practices widespread among fast credit companies will not be tolerated. The focus shifted from valuation of personal to valuation of family income and liabilities. This required the thorough revision of systems and processes for a number of market players, Mokilizingas included. It will also cause a short-to-medium term turbulence in sales, but the new regulation should bring more order in the market and likely to shut down smaller competitors. On the other hand, there are new entrants in the market such as Citadele bank, which started providing loans at Paypost, or Medicinos bankas, which began cooperation with one of the payday loan providers Moment Credit.

The market stays very competitive and current plans for Mokilizingas is to launch a renewed self-service website for Consumer Loan. ERP integration with Paypost should also positively affect the sales there, planned to be launched in May 2016.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

(in thousands of euros)	Note	Q1 2016	3 months 2016	Q1 2015	3 months 2015
Continuing operations					
Interest income		7 923	7 923	6 214	6 214
Interest expense		-1 135	-1 135	-992	-992
Net interest income	9	**6 788**	**6 788**	**5 222**	**5 222**
Fee and commission income		4 513	4 513	3 737	3 737
Fee and commission expense		-859	-859	-395	-395
Net fee and commission income	10	**3 654**	**3 654**	**3 342**	**3 342**
Net gains/losses from financial assets measured at fair value		194	194	482	482
Foreign exchange gains/losses		5	5	-17	-17
Net gains from financial assets		**199**	**199**	**465**	**465**
Other income		2	2	10	10
Other expense		-17	-17	-9	-9
Staff costs	11	-3 225	-3 225	-2 585	-2 585
Administrative and other operating expenses	11	-3 604	-3 604	-2 863	-2 863
Profit before impairment losses on loans and advances		**3 797**	**3 797**	**3 582**	**3 582**
Share of result of associates		1	1	0	0
Impairment losses on loans and advances		-255	-255	-656	-656
Profit before tax		**3 543**	**3 543**	**2 926**	**2 926**
Income tax expense		-77	-77	-69	-69
Net profit for the reporting period from continuing operations		**3 466**	**3 466**	**2 857**	**2 857**
Profit from discontinued operations	12	**0**	**0**	**2 258**	**2 258**
Net profit for the reporting period	2	**3 466**	**3 466**	**5 115**	**5 115**
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Available-for-sale investments:					
Revaluation of available-for-sale financial assets		641	641	-8	-8
Total profit and other comprehensive income for the reporting period		**4 107**	**4 107**	**5 107**	**5 107**
Total profit of the reporting period attributable to:					
Owners of the parent		3 019	3 019	4 903	4 903
Non-controlling interest		447	447	212	212
Total profit for the reporting period	2	**3 466**	**3 466**	**5 115**	**5 115**
Total comprehensive income attributable to:					
Owners of the parent		3 660	3 660	4 895	4 895
Incl. continuing operations		*3 660*	*3 660*	*2 637*	*2 637*
Incl. discontinued operations		*0*	*0*	*2 258*	*2 258*
Non-controlling interest		447	447	212	212
Total comprehensive income for the reporting period		**4 107**	**4 107**	**5 107**	**5 107**
Basic earnings per share (in euros)	17	0,13	0,13	0,21	0,21
Diluted earnings per share (in euros)	17	0,13	0,13	0,21	0,21

The Notes on pages 18 to 30 are an integral part of the consolidated interim financial statements.

Condensed Consolidated Interim Statement of Financial Position

(in thousands of euros)	Note	31.03.2016	31.12.2015
Assets			
Due from central bank	4, 5, 6, 13	231 416	199 844
Due from credit institutions	4, 5, 6, 13	9 340	14 735
Due from investment companies	4, 6, 13	8 256	15 922
Available-for-sale financial assets	4, 6, 7	1 244	3 508
Financial assets at fair value through profit or loss	4, 6, 7	97 454	106 608
Loans and advances to customers	4, 6, 8	431 831	409 997
Receivables from customers		1 629	2 026
Other financial assets		858	940
Other assets		486	1 128
Tangible assets		808	685
Intangible assets		773	689
Goodwill		1 044	1 044
Total assets	2	**785 139**	**757 126**
Liabilities			
Deposits of customers and loans received	14	660 139	632 760
Financial liabilities at fair value through profit or loss	6	64	89
Accounts payable and other liabilities	15	16 540	20 137
Subordinated debt	6	30 900	30 900
Total liabilities	2	**707 643**	**683 886**
Owner's equity			
Share capital		23 356	23 356
Share premium		33 992	33 992
Statutory reserve capital		895	895
Other reserves		1 341	551
Retained earnings / accumulated deficit		14 224	11 205
Total equity attributable to owners of the parent		**73 808**	**69 999**
Non-controlling interest		3 688	3 241
Total equity		**77 496**	**73 240**
Total liabilities and equity		**785 139**	**757 126**

The Notes on pages 18 to 30 are an integral part of the consolidated interim financial statements.

Condensed Consolidated Interim Statement of Cash Flows

(in thousands of euros)	Note	Q1 2016	3M 2016	Q1 2015	3M 2015
Cash flow from operating activities					
Interest received		7 862	7 862	7 051	7 051
Interest paid		-1 151	-1 151	-1 097	-1 097
Fees and commissions received		4 495	4 495	4 013	4 013
Fees and commissions paid		-859	-859	-395	-395
Staff costs paid		-3 132	-3 132	-2 509	-2 509
Administrative and other operating expenses paid		-3 489	-3 489	-2 468	-2 468
Cash flow from operating activities before change in operating assets and liabilities		**3 726**	**3 726**	**4 595**	**4 595**
Net increase/decrease in operating assets:					
Net acquisition/disposal of trading portfolio		14	14	4	4
Loans and advances to customers		-21 756	-21 756	-12 546	-12 546
Mandatory reserve at central bank		-299	-299	-305	-305
Security deposits		82	82	-107	-107
Other assets		745	745	213	213
Net increase/decrease in operating liabilities:					
Demand deposits of customers		9 431	9 431	2 336	2 336
Term deposits of customers		18 288	18 288	29 032	29 032
Repayments of loans received		-308	-308	-396	-396
Financial liabilities held for trading at fair value through profit and loss		-25	-25	-18	-18
Other liabilities		-3 626	-3 626	334	334
Net cash generated/used in operating activities from continuing operations		**6 272**	**6 272**	**23 142**	**23 142**
Cash generated from/ used in operating activities from discontinued operations		0	0	2 858	2 858
Net cash generated from/used in operating activities		**6 272**	**6 272**	**26 000**	**26 000**
Cash flow from investing activities					
Purchase of non-current assets		-302	-302	-187	-187
Acquisition and disposal of associates		1	1	0	0
Proceeds from disposal and redemption of investment securities available for sale		2 905	2 905	17	17
Net change of investments at fair value through profit or loss		9 331	9 331	3 226	3 226
Net cash flow from investing activities		**11 935**	**11 935**	**3 056**	**3 056**
Effect of exchange rate changes on cash and cash equivalents	**6**	**5**	**5**	**-17**	**-17**
Net decrease/increase in cash and cash equivalents		**18 212**	**18 212**	**29 039**	**29 039**
Cash and cash equivalents at the beginning of the period		224 363	224 363	79 632	79 632
Cash and cash equivalents at the end of the period	**13**	**242 575**	**242 575**	**108 671**	**108 671**

The Notes on pages 18 to 30 are an integral part of the consolidated interim financial statements

Condensed Consolidated Interim Statement of Changes in Equity

	Attributable to owners of LHV Group							
(in thousands of euros)	Share capital	Share premium	Statutory reserve capital	Other reserves	Accumulated deficit/ retained earnings	Total	Non-controlling interest	**Total equity**
Balance as at 01.01.2015	**23 356**	**33 992**	**435**	**132**	**-2 041**	**55 874**	**2 159**	**58 033**
Share options	0	0	0	69	0	69	0	**69**
Profit for the year	0	0	0	0	4 903	4 903	212	**5 115**
Other comprehensive loss	0	0	0	-8	0	-8	0	**-8**
Total profit and other comprehensive income for the reporting period	0	0	0	-8	4 903	4 895	212	**5 107**
Balance as at 31.03.2015	**23 356**	**33 992**	**435**	**193**	**2 862**	**60 838**	**2 371**	**63 209**
Balance as at 01.01.2016	**23 356**	**33 992**	**895**	**551**	**11 205**	**69 999**	**3 241**	**73 240**
Share options	0	0	0	149	0	149	0	**149**
Profit for the year	0	0	0	0	3 019	3 019	447	**3 466**
Other comprehensive loss	0	0	0	641	0	641	0	**641**
Total profit and other comprehensive income for the reporting period	0	0	0	641	3 019	3 660	447	**4 107**
Balance as at 31.03.2016	**23 356**	**33 992**	**895**	**1 341**	**14 224**	**73 808**	**3 688**	**77 496**

The Notes on pages 18 to 30 are an integral part of the consolidated interim financial statements

Notes to the Condensed Consolidated Interim Financial Statements

NOTE 1 Accounting Policies

The interim financial statements have been prepared in accordance with the international financial reporting standard IAS 34 "Interim Financial Reporting", as adopted in the European Union and accordance with International Financial Reporting Standards as adopted by European Union. The interim financial statements should be read in conjunction with the group's annual financial statements as at 31 December 2015.

The accounting policies adopted are consistent with those of the previous financial year. Specification has been added to cash and cash equivalents accounting policy:

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, demand deposits with central bank and other banks and investment companies, term deposits with original maturities of three months or less, that are available for use without any significant restrictions and which are subject to an insignificant risk of changes in value.

These condensed consolidated interim financial statements are not audited and do not contain the entire range of data required for the preparation of the financial statements.

The financial figures of the interim financial statements have been presented in thousands of euros, unless otherwise indicated. The interim financial statements have been consolidated and include the results of AS LHV Group and its subsidiaries AS LHV Varahaldus (100% interest), AS LHV Pank (100% interest), OÜ Cuber Tehnology (100% interest), AS LHV Finance (65% interest) and UAB Mokilizingas (50% interest + 1 share).

NOTE 2 Business Segments

The Group divides its business activities into segments according to its legal structure. The business segments form a part of the Group, with a separate access to financial data and which are subject to regular monitoring of operating profit by the Group's decision-maker. The Management Board of AS LHV Group has been designated as the decision-maker responsible for allocation of funds and assessment of the profitability of the business activities. The result posted by a segment includes revenue and expenditure directly related to the segment.

The revenue of a reported segment includes gains from transactions between the segments, i.e. loans granted by AS LHV Pank to other group companies. The division of interest income and fee and commission income by customer location has been presented in Notes 9 and 10. The breakdown of interest income by customer location does not include the income from current accounts, deposits and investments in securities. The Group does not have any customers, whose income would account for more than 10% of the corresponding type of revenue.

31.03.2016	Retail banking	Private banking	Corporate banking	Asset manage-ment	Hire-purchase and consumer finance in Estonia	Hire-purchase and consumer finance in Lithuania	Treasury activities	Intra-segment elimi-nations	Total
Interest income	1 002	201	3 919	0	1 543	1 699	682	-1 123	7 923
Interest expense	0	0	-991	-36	-261	-315	-655	1 123	-1 135
Net interest income	**1 002**	**201**	**2 928**	**-36**	**1 282**	**1 384**	**27**	**0**	**6 788**
Fee and commission income	1 771	228	139	2 154	6	166	49	0	4 513
Fee and commission expense	-683	0	-23	0	-85	-17	-51	0	-859
Net fee and commission income	**1 088**	**228**	**116**	**2 154**	**-79**	**149**	**-2**	**0**	**3 654**
Net income	**2 090**	**429**	**3 044**	**2 118**	**1 203**	**1 533**	**25**	**0**	**10 442**
									0
Net gains from financial assets	-12	0	0	36	0	0	175	0	199
Administrative and other operating expenses, staff costs	-2 139	-210	-1 001	-1 559	-336	-959	-640	0	-6 844
									0
Operating profit	**-61**	**219**	**2 043**	**595**	**867**	**574**	**-440**	**0**	**3 797**
Income/loss from associates	0	0	0	0	0	0	1	0	1
Impairment losses on loans and advances	128	0	-151	0	-75	-157	0	0	-255
Income tax	0	0	0	0	0	-77	0	0	-77
Discontinued operations	0								0
Net profit	**67**	**219**	**1 892**	**595**	**792**	**340**	**-439**	**0**	**3 466**
Total assets	**251 487**	**105 923**	**378 081**	**11 038**	**25 366**	**39 558**	**84 246**	**-138 573**	**757 126**
Total liabilities	**326 715**	**210 255**	**139 030**	**1 891**	**23 164**	**34 611**	**31 232**	**-83 012**	**683 886**

31.03.2015	Retail banking	Private banking	Corporate banking	Asset manage-ment	Hire-purchase and consumer finance in Estonia	Hire-purchase and consumer finance in Lithuania	Treasury activities	Intra-segment elimi-nations	Total
Interest income	917	151	3 260	17	808	1 380	720	-1 039	6 214
Interest expense	0	0	-1 089	-11	-136	-260	-535	1 039	-992
Net interest income	**917**	**151**	**2 171**	**6**	**672**	**1 120**	**185**	**0**	**5 222**
Fee and commission income	1 063	134	76	2 187	9	156	114	-2	3 737
Fee and commission expense	-377	0	-4	0	-3	-10	-1	0	-395
Net fee and commission income	**686**	**134**	**72**	**2 187**	**6**	**146**	**113**	**-2**	**3 342**
Net income	**1 603**	**285**	**2 243**	**2 193**	**678**	**1 266**	**298**	**-2**	**8 564**
Net gains from financial assets	-8	0	0	222	0	1	250	0	465

Administrative and other operating expenses, staff costs	-1 543	-236	-910	-1 165	-313	-763	-517	0	-5 447
Operating profit	**52**	**49**	**1 333**	**1 250**	**365**	**504**	**31**	**-2**	**3 582**
Income/loss from associates	0	0	0	0	0	0	0	0	0
Impairment losses on loans and advances	-67	0	-302	0	-56	-226	-5	0	-656
Income tax	0	0	0	0	0	-69	0	0	-69
Discontinued operations	2 258	0	0	0	0	0	0	0	2 258
Net profit	**2 243**	**49**	**1 031**	**1 250**	**309**	**209**	**26**	**-2**	**5 115**

Total assets	**196 835**	**82 904**	**295 919**	**9 874**	**14 215**	**32 463**	**70 222**	**-109 958**	**592 475**
Total liabilities	**254 860**	**164 013**	**108 453**	**2 103**	**13 237**	**28 402**	**16 738**	**-58 539**	**529 266**

NOTE 3 Risk Management

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's annual financial statements as at 31 December 2015.

There have been no changes in the risk management department or in any risk management policies since the year end.

NOTE 4 Breakdown of Financial Assets and Liabilities by Countries

31.03.2016	Estonia	Latvia	Lit-huania	Finland	The Nether-lands	Ger-many	Other EU	USA	Other	Total
Due from banks and investment companies	234 383	0	3 082	0	374	0	1 685	8 129	1 359	**249 012**
Financial assets at fair value	8 175	4 329	11 048	0	0	33 766	41 379	1	0	**98 698**
Loans and advances to customers	383 879	146	37 708	220	9	47	9 246	55	521	**431 831**
Receivables from customers	1 393	2	232	0	0	0	1	0	1	**1 629**
Other financial assets	108	0	0	0	0	0	0	750	0	**858**
Total financial assets	**627 938**	**4 477**	**52 070**	**220**	**383**	**33 813**	**52 311**	**8 935**	**1 881**	**782 028**
Deposits of customers and loans received	578 190	1 535	1 560	1 548	253	261	37 181	2 226	37 385	**660 139**
Subordinated dept	30 900	0	0	0	0	0	0	0	0	**30 900**
Accounts payable and other financial liabilities	13 431	0	87	27	0	0	13	3	0	**13 561**
Financial liabilities at fair value	64	0	0	0	0	0	0	0	0	**64**
Total financial liabilities	**622 585**	**1 535**	**1 647**	**1 575**	**253**	**261**	**37 194**	**2 229**	**37 385**	**704 664**

Unused loan commitments in the amount of EUR 125 882 thousand are for the residents of Estonia.

31.12.2015	Estonia	Latvia	Lit-huania	Finland	The Nether-lands	Ger-many	Other EU	USA	Other	Total
Due from banks and investment companies	209 268	0	1 784	0	874	0	1 081	15 786	1 708	**230 501**
Financial assets at fair value	7 501	3 838	3 327	0	0	36 944	47 454	11 051	1	**110 116**
Loans and advances to customers	362 002	585	38 223	20	7	1	9 139	0	20	**409 997**
Receivables from customers	1 784	2	240	0	0	0	0	0	0	**2 026**
Other financial assets	108	0	0	0	0	0	0	832	0	**940**
Total financial assets	**580 663**	**4 425**	**43 574**	**20**	**881**	**36 945**	**57 674**	**27 669**	**1 729**	**753 580**
Deposits of customers and loans received	539 478	2 406	1 776	625	29	302	40 024	2 211	45 909	**632 760**
Subordinated dept	30 900	0	0	0	0	0	0	0	0	**30 900**
Accounts payable and other financial liabilities	16 606	0	639	27	0	0	13	3	0	**17 288**
Financial liabilities at fair value	89	0	0	0	0	0	0	0	0	**89**
Total financial liabilities	**587 073**	**2 406**	**2 415**	**652**	**29**	**302**	**40 037**	**2 214**	**45 909**	**681 037**

Unused loan commitments in the amount of EUR 118 696 thousand are for the residents of Estonia.

NOTE 5 Breakdown of Assets and Liabilities by Contractual Maturity Dates

31.03.2016	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Liabilities by contractual maturity dates						
Deposits from customers and loans received	451 587	39 790	154 300	14 762	658	**661 097**
Subordinated debt	0	532	1 596	8 511	39 278	**49 917**
Accounts payable and other financial liabilities	0	13 561	0	0	0	**13 561**
Unused loan commitments	0	125 882	0	0	0	**125 882**
Financial guarantees by contractual amounts	0	5 934	0	0	0	**5 934**
Foreign exchange derivatives (gross settled)	0	27 871	0	0	0	**27 871**
Financial liabilities at fair value	0	37	27	0	0	**64**
Total liabilities	**451 587**	**213 607**	**155 923**	**23 273**	**39 936**	**884 326**
Financial assets by contractual maturity dates						
Due from banks and investment companies	249 012	0	0	0	0	**249 012**
Financial assets at fair value (debt securities)	0	97	75 616	8 912	7 306	**91 931**
Loans and advances to customers	0	54 501	109 525	294 750	24 378	**483 154**
Receivables from customers	0	1 629	0	0	0	**1 629**
Other financial assets	858	0	0	0	0	**858**
Foreign exchange derivatives	0	27 906	0	0	0	**27 906**
Total financial assets	**249 870**	**56 227**	**185 141**	**303 662**	**31 684**	**854 490**
Maturity gap from financial assets and liabilities	**-201 717**	**-157 380**	**29 218**	**280 389**	**-8 252**	**-29 836**

31.12.2015	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Liabilities by contractual maturity dates						
Deposits from customers and loans received	433 027	66 578	110 230	23 284	716	**633 835**
Subordinated debt	0	532	1 596	8 511	39 810	**50 449**
Accounts payable and other financial liabilities	0	17 288	0	0	0	**17 288**
Unused loan commitments	0	118 696	0	0	0	**118 696**
Financial guarantees by contractual amounts	0	5 369	0	0	0	**5 369**
Foreign exchange derivatives (gross settled)	0	14 487	0	0	0	**14 487**
Financial liabilities at fair value	0	26	63	0	0	**89**
Total liabilities	**433 027**	**222 976**	**111 889**	**31 795**	**40 526**	**840 213**
Financial assets by contractual maturity dates						
Due from banks and investment companies	230 501	0	0	0	0	**230 501**
Financial assets at fair value (debt securities)	0	19 250	69 590	12 136	2 977	**103 953**
Loans and advances to customers	0	43 364	114 515	280 732	19 297	**457 908**
Receivables from customers	0	2 026	0	0	0	**2 026**
Other financial assets	940	0	0	0	0	**940**
Foreign exchange derivatives	0	14 487	0	0	0	**14 487**
Total financial assets	**231 441**	**79 127**	**184 105**	**292 868**	**22 274**	**809 815**
Maturity gap from financial assets and liabilities	**-201 586**	**-143 849**	**72 216**	**261 073**	**-18 252**	**-30 398**

It is possible to take a short-term loan from the central bank against the security of the majority of instruments in the bond portfolio.
All cashflows from financial assets and –liabilities except derivatives include all contractual cash flows.

NOTE 6 Open Foreign Currency Positions

31.03.2016	EUR	CHF	GBP	SEK	USD	Other	Total
Assets bearing currency risk							
Due from banks and investment companies	237 870	1 756	1 625	634	5 532	1 596	**249 012**
Financial assets at fair value	70 794	0	0	3	27 900	1	**98 698**
Loans and advances to customers	430 318	0	0	79	1 412	21	**431 831**
Receivables from customers	1 533	0	3	0	17	77	**1 629**
Other financial assets	182	0	0	0	676	0	**858**
Total assets bearing currency risk	**740 698**	**1 756**	**1 627**	**716**	**35 537**	**1 696**	**782 028**
Liabilities bearing currency risk							
Deposits from customers and loans received	600 234	1 708	3 061	544	53 387	1 205	**660 139**
Financial liabilities at fair value	64	0	0	0	0	0	**64**
Accounts payable and other financial liabilities	3 757	45	2 370	163	6 326	900	**13 561**
Subordinated debt	30 900	0	0	0	0	0	**30 900**
Total liabilities bearing currency risk	**634 955**	**1 753**	**5 431**	**707**	**59 713**	**2 105**	**704 664**
Open gross position derivative assets at contractual value	0	0	3 807	0	24 099	0	**27 906**
Open gross position derivative liabilities at contractual value	27 871	0	0	0	0	0	**27 871**
Open foreign currency position	**77 871**	**2**	**3**	**9**	**-77**	**-409**	**77 399**

31.12.2015	EUR	CHF	GBP	SEK	USD	Other	Total
Assets bearing currency risk							
Due from banks and investment companies	218 849	1 638	1 101	587	7 338	988	**230 501**
Financial assets at fair value	71 894	0	0	1	38 213	8	**110 116**
Loans and advances to customers	408 804	0	0	79	1 070	44	**409 997**
Receivables from customers	1 945	0	0	0	81	0	**2 026**
Other financial assets	233	0	0	0	707	0	**940**
Total assets bearing currency risk	**701 725**	**1 638**	**1 101**	**667**	**47 409**	**1 040**	**753 580**
Liabilities bearing currency risk							
Deposits from customers and loans received	579 117	1 605	2 549	353	48 279	857	**632 760**
Financial liabilities at fair value	89	0	0	0	0	0	**89**
Accounts payable and other financial liabilities	4 015	45	2 902	308	9 219	799	**17 288**
Subordinated debt	30 900	0	0	0	0	0	**30 900**
Total liabilities bearing currency risk	**614 121**	**1 650**	**5 451**	**661**	**57 498**	**1 656**	**681 037**
Open gross position derivative assets at contractual value	0	0	4 360	0	10 127	0	**14 487**
Open gross position derivative liabilities at contractual value	14 487	0	0	0	0	0	**14 487**
Open foreign currency position	**73 117**	**-12**	**10**	**6**	**38**	**-616**	**72 543**

NOTE 7 Fair Value of Financial Assets and Liabilities

The Management Board of the Group has determined the fair value of assets and liabilities recognised at amortised cost in the balance sheet. To determine the fair value, future cash flows are discounted based on the market interest curve.

The below table provides an overview of the assessment techniques, which depend on the hierarchy of assets and liabilities measured at fair value:

	Level 1	Level 2	Level 3	31.03.2016	Level 1	Level 2	Level 3	31.12.2015
Financial assets at fair value through profit and loss								
Shares and fund units*	340	6 377**	0	**6 717**	352	6349**	0	**6 701**
Available-for-sale bonds and shares	1 244	0	0	**1 244**	3 508	0	0	**3 508**
Bonds at fair value through profit and loss	90 737	0	0	**90 737**	99 907	0	0	**99 907**
Total financial assets	**92 321**	**6 377**	**0**	**98 698**	**103 767**	**6349**	**0**	**110 116**
Financial liabilities at fair value through profit and loss								
Interest rate swaps	0	**64**	0	**64**	0	**89**	0	**89**
Total financial liabilities	**0**	**64**	**0**	**64**	**0**	**89**	**0**	**89**

*Shares and fund units include the Group companies' AS LHV Varahaldus investment into pension fund units in the amount of EUR 6 377 (31.12.2015: 6 349) thousand. Pursuant to the Investment Funds Act, the mandatory shares of LHV Varahaldus as the management company is 1% of the number of units in each of the mandatory pension fund managed by it.

Hierarchy levels:

1. Level 1 – the price quoted on active market
2. Level 2 – a technique which uses market information as input (rates and interest curves of arms-length transactions)
3. Level 3 – other methods (e.g. discounted cash flow method) with estimations as input

Interest rate swaps are instruments, where the fair value is determined via the model-based approach by using the inputs available on the active market. The fair value of such non-market derivatives is calculated as a theoretical net present value (NPV), by using independent market parameters and without assuming the presence of any risks or uncertainties. The NPV is discounted by using the risk-free profitability rate available on the market.

AS at 31.03.2016 the fair value of corporate loans and overdraft is EUR 2 081 thousand (0,69%) higher than their carrying amount (31.12.2015: 297 thousand, 0,2% higher) . Loans are issued in the bank's business segments on market conditions. Therefore, the fair value of loans does not materially differ from their carrying amount as at 31 March 2016 and 31 December 2015. In determining the fair value of loans, considerable management judgements are used (discounted cash flow method with current market interest is used for the valuation). Loans issued are thus categorised under hierarchy level 3.

Lease interest rates offered to customers generally correspond to interest rates prevailing in the market for such products. Considering that the interest rate environment has been relatively stable since the Group started to provide leasing, consequently the fair value of lease agreements does not materially differ from their carrying amount. As significant management judgment is required to determine fair value, leases are classified as level 3 in the fair value hierarchy. Leveraged loans, hire-purchase and credit cards granted to customers are of sufficiently short-term nature and they have been issued at market terms, therefore the fair market rate of interest and also the fair value of loans do not change significantly during the loan term. The effective interest rate of consumer loans issued is at the same level as the interest rate of the loan product offered in the market and it can be stated that the carrying amount of loans does not significantly differ from their fair value. The fair value level of leveraged loans, hirepurchase, credit cards and consumer loans is 3 as significant judgmental assumptions are used for the valuation process.

Other receivables from customers, along with accrued expenses and other current receivables have been generated in the course of ordinary business and are subject to payment over a short period of time. Their fair value does not thus differ from the carrying amount. These receivables and payables do not bear any interest. The fair value of accounts payable, accrued expenses and other payables is determined based on hierarchy level 3.

Customer deposits with fixed interest rates are mostly short-term with the deposits priced pursuant to market conditions. The fair value of the deposits determined via discounting future cash flows does not thus materially differ from the carrying amount. In determining the fair value of customer deposits, considerable management judgements are used. Customer deposits are thus categorised under hierarchy level 3.

From all the subordinated loans received, EUR 15 000 thousand were received in October 2015 and the rest in 2014. Subodinated loans were issued on market terms and considering the movements in loan and interest market, we can say that the market conditions are similar as they were when issuing the subordinated loans so that the fair value of the loans does not materially differ from their net book value. In determining the fair value of loans, considerable management judgements are used. Loans issued are thus categorised under hierarchy level 3.

NOTE 8 Breakdown of Loan Portfolio by Economic Sectors

	31.03.2016	%	31.12.2015	%
Individuals	98 381	22,5%	91 793	22,1%
Real estate activities	117 827	27,0%	106 836	25,8%
Manufacturing	37 347	8,6%	36 919	8,9%
Arts and entertainment	26 643	6,1%	25 724	6,2%
Financial activities	45 454	10,4%	46 887	11,3%
Wholesale and retail trade	14 528	3,3%	16 563	4,0%
Administrative and support service activities	3 201	0,7%	11 355	2,7%
Transportation and storage	15 389	3,5%	14 706	3,6%
Agriculture	9 326	2,1%	8 836	2,1%
Other service activities	21 083	4,8%	23 184	5,6%
Construction	10 583	2,4%	6 637	1,6%
Information and communication	7 927	1,8%	4 791	1,2%
Professional, scientific and technical activities	10 516	2,4%	2 482	0,6%
Education	1 585	0,4%	1 618	0,4%
Other sectors	16 883	3,9%	16 346	3,9%
Total	**436 673**	**100%**	**414 677**	**100%**
Provision	-4 842		-4 680	
Total loan portfolio	**431 831**	**100%**	**409 997**	**100%**

NOTE 9 Net Interest Income

Interest income	**Q1 2016**	**3M 2016**	**Q1 2015**	**3M 2015**
Balances with credit institutions and investment companies	32	32	20	20
Balances with the central bank	-146	-146	-31	-31
Bonds	109	109	115	115
Leasing	365	365	307	307
Leverage loans and lending of securities	118	118	211	211
Consumer loans	1 134	1 134	556	556
Hire purchase	1 995	1 995	1 536	1 536
Business loans	3 924	3 924	3 262	3 262
Creditcard loans	120	120	93	93
Other loans	272	272	145	145
Total	**7 923**	**7 923**	**6 214**	**6 214**
Interest expense				
Deposits of customers and loans received	-605	-605	-695	-695
Subordinated liabilities	-530	-530	-297	-297
including loans between related parties	-114	-114	-100	-100
Total	**-1 135**	**-1 135**	**-992**	**-992**
Net interest income	**6 788**	**6 788**	**5 222**	**5 222**

Interest income on loans by customer location (interest on bank balances and bonds excluded):	**Q1 2016**	**3M 2016**	**Q1 2015**	**3M 2015**
Estonia	6 199	6 199	4 701	4 701
Latvia	11	11	10	10
Lithuania	1 718	1 718	1 399	1 399
Total	**7 928**	**7 928**	**6 110**	**6 110**

NOTE 10 Net Fee and Commission Income

Fee and commission income	Q1 2016	3M 2016	Q1 2015	3M 2015
Security brokerage and commissions paid	633	633	589	589
Asset management and similar fees	2 548	2 548	2 408	2 408
Currency conversion revenues	274	274	160	160
Fees from cards and payments	772	772	321	321
Fees related to collection of debts	0	0	2	2
Fee from Snoras's portfolio management*	45	45	84	84
Other fee and commission income	241	241	173	175
Total	**4 513**	**4 513**	**3 737**	**3 737**
Fee and commission expense				
Security brokerage and commissions paid	-176	-176	-149	-149
Expenses related to cards	-200	-200	-130	-130
Expenses related to acquiring	-295	-295	-15	-15
Other fee and commission expense	-188	-188	-101	-101
Total	**-859**	**-859**	**-395**	**-395**
Net fee and commission income	**3 654**	**3 654**	**3 342**	**3 342**

* Mokilizingas is providing portfolio administration services to Snoras Bank, to whom the portfolio was sold in 2011.

Fee and commission income by customer location:	Q1 2016	3M 2016	Q1 2015	3M 2015
Estonia	4 216	4 216	3 403	3 403
Finland	0	0	5	5
Latvia	17	17	23	23
Lithuania	233	233	247	247
Sweden	0	0	59	59
Luxembourg	47	47	0	0
Total	**4 513**	**4 513**	**3 737**	**3 737**

NOTE 11 Operating Expenses

	Q1 2016	3M 2016	Q1 2015	3M 2015
Wages, salaries and bonuses	2 445	2 445	1 970	1 970
Social security and other taxes*	780	780	615	615
Total personnel expenses	**3 225**	**3 225**	**2 585**	**2 585**
IT expenses	443	443	340	340
Information services and bank services	175	175	163	163
Marketing expenses	1 088	1 088	840	840
Office expenses	145	145	128	128
Transportation and communication expenses	56	56	50	50
Staff training and business trip expenses	92	92	87	87
Other outsourced services	689	689	620	620
Other administrative expenses	419	419	261	261
Depreciation of non-current assets	205	205	153	153
Operational lease payments	238	238	217	217
Other operating expenses	54	54	34	34
Total other operating expenses	**3 604**	**3 604**	**2 863**	**2 863**
Total operating expenses	**6 829**	**6 829**	**5 448**	**5 448**

*

NOTE 12 Discontinued operations

Profit from discontinued operations	Q1 2016	3M 2016	Q1 2015	3M 2015
Other financial income	0	0	2 936	2 936
Total expenses	0	0	-678	-678
Net profit from discontinued operations	**0**	**0**	**2 258**	**2 258**

NOTE 13 Balances with the Central Bank, Credit Institutions and Investment Companies

	31.03.2016	31.12.2015
Term deposits w ith maturity less than 3 months*	23 967	30 657
Legal reserve with the central bank	6 437	6 138
Other receivables from central bank*	218 608	193 706
Total	**249 012**	**230 501**
*Cash and cash equivalents in the Statement of Cash Flow s	242 575	224 363

The breakdow n of receivables by countries has been presented in Note 4. Demand deposits include receivables from investment companies in the total amount of EUR 8 256 thousand (31 December 2015: EUR 15 922 thousand). All other demand and term deposits are held w ith credit institutions and the central bank. The minimum reserve requirement as at 31 March 2016 w as 1% (31 December 2015: 1%) of all financial resources (customer deposits and loans received). The reserve requirement is to be fulfilled as a monthly average in euros or in the foreign financial assets approved by the central bank.

NOTE 14 Deposits of Customers and Loans Received

Deposits/loans by type	Individuals	Legal entities	Public sector	31.03.2016
Demand deposits	138 614	293 314	10 316	442 244
Term deposits	82 616	118 367	973	201 956
Loans received	0	13 000	2 201	15 201
Accrued interest liability	354	352	32	738
Total	**221 584**	**425 033**	**13 522**	**660 139**

Deposits/loans by type	Individuals	Legal entities	Public sector	31.12.2015
Demand deposits	127 084	303 153	2 573	432 810
Term deposits	81 949	98 242	3 478	183 669
Loans received	0	13 000	2 510	15 510
Accrued interest liability	322	424	25	771
Total	**209 355**	**414 819**	**8 586**	**632 760**

Loans received include loans granted by the Estonian Rural Development Foundation in the amount of EUR 2 201 thousand (31 December 2015: EUR 2 510 thousand) for the purpose of financing loans to small companies in rural areas, overdraft received, and the loan from the European Central Bank in the amount of EUR 13 000 thousand (31 December 2015: EUR 13 000 thousand). As a rule, the nominal interest rate of the deposits of customers and loans granted equals to their effective interest rate, as no other significant fees hav e been paid.

NOTE 15 Accounts payable and other liabilities

Financial liabilities	31.03.2016	31.12.2015
Trade payables	1 818	3 022
Payables to merchants	442	473
Other short-term liabilities	202	205
Payments in transit	10 963	13 455
Financial guarantee contracts issued	135	133
Subtotal	**13 561**	**17 288**
Non-financial liabilities		
Tax liabilities	165	158
Payables to employees	915	933
Other short-term liabilities	1 171	1 083
Performance guarantee contracts issued	728	675
Subtotal	**2 979**	**2 849**
Total	**16 540**	**20 137**

Payables to employees consist of unpaid salaries; bonus accruals and vacation pay accrual for the reporting period and the increase in liabilities is caused by the increase in the number of employees during the year. Payments in transit consist of foreign payments and payables to customers related to intermediation of securities transactions. All liabilities, except for financial guarantees, are payable within 12 months and are therefore recognised as current liabilities.

NOTE 16 Contingent Liabilities

Irrevocable transactions	Performance guarantees	Financial guarantees	Unused loan commitments	Total
Liability in the contractual amount as at 31 March 2016	9 103	5 934	125 882	**140 919**
Liability in the contractual amount as at 31 December 2015	7 853	5 369	118 696	**131 918**

NOTE 17 Basic Earnings and Diluted Earnings Per Share

In order to calculate basic earnings per share, net profit has been divided by the weighted average number of shares issued. For calculation of diluted earnings per share for 2015 the annual average potential shares from subordinated bonds is used, although the last convertible bonds were redeemed in October 2015 and as at 31 December 2015 no convertible bonds were outstanding.

	Q1 2016	3M 2016	Q1 2015	3M 2015
Total profit (incl. discontinued operations) attributable to owners of the parent (EUR thousand)	3 019	3 019	4 903	4 903
Weighted average number of shares (in thousands of units)	23 356	23 356	23 356	23 356
Basic earnings per share (EUR)	0,13	0,13	0,21	0,21
Weighted average number of shares used for calculating the diluted earnings per shares (in thousands of units)	23 836	23 836	23 974	23 974
Diluted earnings per share (EUR)	0,13	0,13	0,21	0,21

NOTE 18 Capital Management

The goal of the Group's capital management is to:

- ✓ ensure continuity of the Group's business and ability to generate return for its shareholders;
- ✓ maintain a strong capital base supporting the development of business;
- ✓ comply w ith capital requirements as established by supervision authorities.

The amount of capital that the Group managed as of 31.03.2016 w as 97 152 thousand euros (31.12.2015: 97 699 thousand euros), calculated based on CRRIV directive. The goals of the Group's capital management are set based on both the regulative requirements and additional internal buffer.

The Group follow s the general principles in its capital management:

- The Group must be adquatly capitalized at all times, ensuring the necessary capital to ensure economic preservation and enables financing of new profitable grow th opportunities;
- The main focus of the capital management is on tier 1 ow n funds, because only tier 1 ow n funds can absorbe losses. All other capital layers in use are dependent of tier 1 ow n funds volume;
- Capital of the Group can be divided in tw o: 1) regulative minimum capital and 2) capital buffer held by the Group. In order to reach its long-term economic goals the Group must on one hand strive tow ards proportional lowerinf of the regulative minimumcapital (through minimizing risks and high transparency). On the other hand, the Group must strive tow ards sufficient and conservative capital reserve, w hich w ill esure economic preservation even in the event of severe negative risk scenario;
- The risk appetite set by the Group is an important input to capital management planning and capital goal setting. Higher risk appetite requires marinating higher capital buffer.

Capital base	**31.03.2016**	**31.12.2015**
Paid-in share capital	23 356	23 356
Share premium	33 992	33 992
Reserves	895	895
Other reserves	-25	-23
Accumulated loss	8 375	-2 503
Intangible assets (subtracted)	-1 817	-1 734
Profit for the reporting period	0	10 879
Non-controlling interest	1 476	1 937
Total Tier 1 capital	**66 252**	**66 799**
Subordinated liabilities	30 900	30 900
Total Tier 2 capital	**30 900**	**30 900**
Total net own funds	**97 152**	**97 699**

The Group has complied w ith all capital requirements during the financial year and in previous year.

NOTE 19 Transactions with related parties

In preparing the financial statements of the Group, the follow ing entities have been considered related parties:

- ow ners that have significant impact on the Group and the entities related to them;
- members of the management board and legal entities controlled by them (together referred to as management);
- members of the supervisory board;
- close relatives of the persons mentioned above and the entities related to them.

Transactions	3M 2016	3M 2015
Interest income	**15**	**13**
incl. management	4	1
incl. shareholders and their related entities that have significant influence	11	12
Fee and commission income	**0**	**16**
incl. shareholders and their related entities that have significant influence	0	1
Interest expenses from deposits	0	15
incl. management	**114**	**100**
incl. shareholders and their related entities that have significant influence	7	5
Interest expenses from subordinated loans	107	95
incl. management	4	1
incl. shareholders and their related entities that have significant influence	11	12

Balances	31.03.2016	31.12.2015
Loans and receivablesas at the year-end	**2 524**	**2 458**
incl. management	637	641
incl. shareholders and their related entities that have significant influence	1 887	1 817
Deposits as at the year-end	**12 724**	**13 409**
incl. management	621	764
incl. shareholders and their related entities that have significant influence	12 103	12 645
Subordinated loans as at the year-end	**6 113**	**6 113**
incl. management	397	397
incl. shareholders and their related entities that have significant influence	5 716	5 716

The table provides an overview of the material balances and transactions involving related parties. All other transactions involving the close relatives and the entities related to members of the management board and supervisory board and the minority shareholders of the parent company AS LHV Group have occurred according to the overall price list.

Loans granted to related parties are issued at market conditions.

In Q1, salaries and other compensations paid to the management of the parent AS LHV Group and its subsidiaries totalled EUR 286 thousand (Q1 2015: EUR 227 thousand), including all taxes. As at 31.03.2016, remuneration for March and accrued holiday pay in the amount of EUR 94 thousand (31.12.2015: EUR 100 thousand) is reported as a payable to management (Note 15). The Group did not have any long-term payables or commitments to the members of the Management Board and the Supervisory Board as at 31.03.2016 and 31.12.2015 (pension liabilities, termination benefits, etc.). In Q1 2016, the remuneration paid to the members of the Group's Supervisory Board totalled EUR 15 thousand (Q1 2015: EUR 10 thousand).

Management is related to the share-based compensation plan. In Q1 2016 the share-based compensation to management amounted to EUR 33 thousand (Q1 2015: EUR 11 thousand).

The Group has signed contracts with the members of the Management Board, which do not provide for severance benefits upon termination of the contract. In any matters not regulated by the contract, the parties adhere to the procedure specified in the legislation of the Republic of Estonia.

Shareholders of AS LHV Group

AS LHV Group has a total of 23 356 005 ordinary shares, with a nominal value of 1 euro.

As at 31 March 2016, AS LHV Group has 272 shareholders:

- 12 962 004 shares (55,5%) were held by members of the Supervisory Board and Management Board, and related parties.
- 9 604 178 shares (39,4%) were held by Estonian entrepreneurs and investors, and related parties.
- 789 823 shares (3,4%) was held by LHV's current and former employees, and related parties.

Top ten shareholders as at 31 March 2016:

Number of	Participation	Name of shareholder
3 357 920	14,4%	AS Lõhmus Holdings
2 938 367	12,6%	Rain Lõhmus
1 637 897	7,0%	Andres Viisemann
1 418 000	6,1%	Ambient Sound Investments OÜ
1 210 215	5,2%	OÜ Krenno
995 000	4,3%	AS Genteel
931 978	4,0%	AS Amalfi
696 297	3,0%	OÜ Kristobal
653 165	2,8%	SIA Krugmans
576 667	2,5%	Bonaares OÜ

Shares held by members of the Management Board and Supervisory Board

Erkki Raasuke holds 80 000 shares.
Rain Lõhmus holds 2 938 367 shares, AS Lõhmus Holdings 3 357 920 shares and OÜ Merona Systems 200 000 shares.
Andres Viisemann, Viisemann Investment AG and Viisemann Holdings OÜ hold a total of 2 472 822 shares.
Tauno Tats does not hold shares. Ambient Sound Investments OÜ holds 1 418 000 shares.
Tiina Mõis does not hold shares. AS Genteel holds 995 000 shares.
Heldur Meerits does not hold shares. AS Amalfi holds 931 978 shares.
Raivo Hein does not hold shares. OÜ Kakssada Kakskümmend Volti holds 536 651 shares.
Sten Tamkivi does not hold shares. OÜ Seikatsu holds 1 266 shares.

Supervisory Boards and Management Boards of AS LHV Group and its Subsidiaries

AS LHV Group
Supervisory board: Raivo Hein, Rain Lõhmus, Heldur Meerits, Tiina Mõis, Tauno Tats, Andres Viisemann, Sten Tamkivi
Management board: Erkki Raasuke

AS LHV Varahaldus
Supervisory board: Erki Kilu, Erkki Raasuke, Andres Viisemann
Management board: Mihkel Oja, Joel Kukemelk

AS LHV Pank
Supervisory board: Raivo Hein, Rain Lõhmus, Heldur Meerits, Tiina Mõis, Erkki Raasuke, Andres Viisemann, Sten Tamkivi
Management board: Jüri Heero, Erki Kilu, Andres Kitter, Meelis Paakspuu, Indrek Nuume, Martti Singi

AS LHV Finance
Supervisory board: Erki Kilu, Rain Lõhmus, Veiko Poolgas, Jaan Koppel
Management board: Kalev Karus

OÜ Cuber Tehnology
Management board: Rain Lõhmus

UAB Mokilizingas
Supervisory board: AS LHV Group, AS LHV Pank, UAB „K2Z", KŪB „RAZFin
Management board: Erki Kilu, Jurgis Rubazevicius, Benas Pavlauskas, Mantas Jonuška
CEO: Benas Pavlauskas

Signatures of the Management Board to the Condensed Consolidated Interim Report

The Management Board has prepared the summary of results for January to March 2016 period the condensed consolidated interim financial statements of AS LHV Group for the 3-month period ended 31 March 2016.

The management board confirms that according to their best knowledge the interim report presents a fair view of LHV Group AS's assets, liabilities, financial position and profit or loss of the issuer and the entities involved in the consolidation as a whole according to the International Financial Reporting Standards as they are adopted by the European Union and contains a description of the main risks and doubts.

18.04.2016

Erkki Raasuke