



PRESS RELEASE

LHV Bank

September 20, 2010

LHV Bank establishes Institutional Equities division

Tallinn, September 20, 2010 – LHV Bank announced today it has signed an agreement with Emerging Nordic Research (ENR), the Baltic region's leading institutional equity research company, to acquire its operations in order to establish an Institutional Equities division. The agreement has support from ENR's shareholders, Ivars Bergmanis and the NASDAQ OMX Baltic exchanges who established ENR in May 2009. Ivars Bergmanis will become the Head of LHV Bank's Institutional Equities Division

Indars Aščuks, the Head of NASDAQ OMX's Baltic market development unit said: "We invested in ENR with the aim to provide the Baltic markets with comprehensive analysis of Baltic listed companies and we are happy that we were able to maintain institutional interest towards the Baltics in a turbulent 2009-2010. The recent decision of LHV to intensify institutional coverage of our stock markets proves that our objectives have now been met. As market research is not our core business we are happy to have signed this agreement with LHV Bank."

"We have now expanded our product offering with the top institutional equities research available in the Baltics today, ENR, and also added the co-operation of industry veteran Mr. Lauri Lind with our corporate finance and ECM division," says Erki Kert, a member of the management board of LHV Bank. "This creates a new force in Baltic investment banking. Combining all of the personalities involved in the project means that LHV Bank has directly or indirectly participated in every significant Baltic equities market transaction since 2004."

Ivars Bergmanis said: "ENR saw a growing necessity to be able to offer a direct execution platform and establish closer links with exchange members as part of its service offering. LHV Bank's undertaking to maintain the highest of standards in independent research combined with the desire to increase the overall size and deepen the liquidity of the Baltic equity market is a mutually attractive solution for everyone involved – investors and corporates."

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About LHV Bank

LHV Bank is a bank based on Estonian capital that was founded in 1999 and operates in Estonia, Latvia and Lithuania. LHV Bank has been holding the credit institution license that allows it to provide all banking services since 6 May 2009.

Ivars Bergmanis, the newly appointed head of LHV Bank's Institutional Equities Division has more than twenty years of global financial market experience in Australia and the United Kingdom with HSBC Investment Bank. Since 2004 he has focused on the Baltics as a senior team member of SEB Enskilda and Suprema Securities / Evli and presently Managing director of ENR.

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