

OP-Pohjola Group's
Interim Report
1 January – 30 September 2011



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- Year-on-year results
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- Capital adequacy
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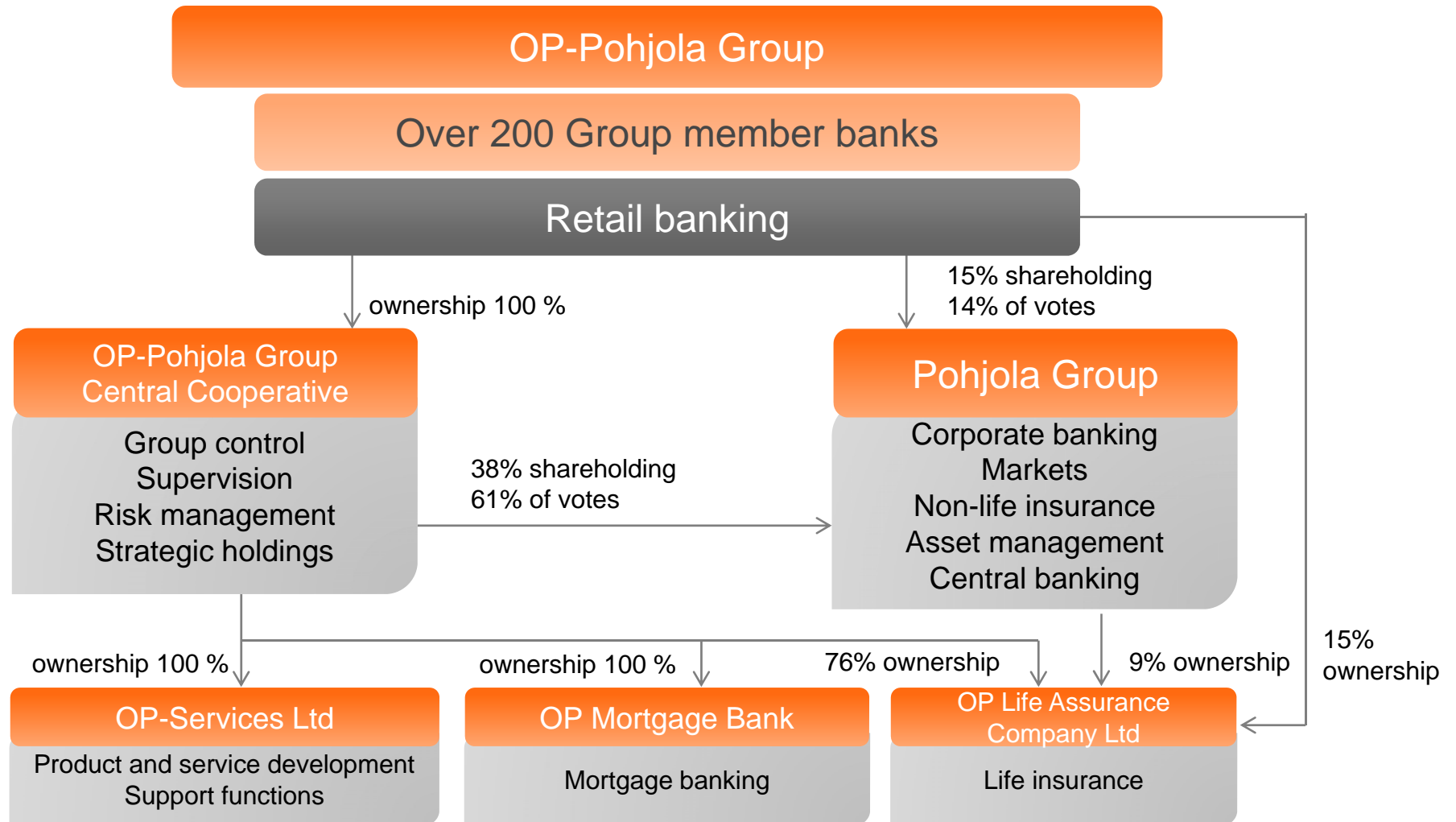


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OP-Pohjola Group



OP-Pohjola Group Structure, Ownership Base and Division of Responsibilities



Credit institutions within OP-Pohjola Group are liable for each other's debts and commitments. OP-Pohjola Group is supervised by FSA on a consolidated basis.

OP-Pohjola Group Business Segments

Banking

- Cooperative banks, Helsinki OP Bank Plc, OP-Kotipankki Oyj, OP Mortgage Bank and OP Fund Management Company Ltd.
- Pohjola Group's Banking and Asset Management segments
- OP Bank Group Mutual Insurance Company

Non-life Insurance

- Pohjola Insurance Ltd, Eurooppalainen Insurance Company Ltd, A-Insurance Ltd and Seesam insurance companies in the Baltic countries

Life Insurance

- OP Life Assurance Company Limited

Other operations

- OP-Pohjola Group Central Cooperative, OP-Services Ltd and Pohjola's Group management



OP-Pohjola Group

Key Indicators

	Q1-Q3/2011	Q1-Q3/2010	Change, %	Q1-Q4/2010
Earnings before tax, €million	482	438	10.2	575
Banking	357	267	33.5	367
Non-life Insurance	71	84	-16.0	83
Life Insurance	36	23	54.5	43
Returns to owner-members and OP-bonus customers, €million	132	122	8.7	163
	30/09/2011	30/09/2010	Change, %	31/12/2010
Ratio of capital base to minimum of capital base	1.49	1.70	-0.21 *	1.70
Tier 1 ratio, %	11.6	12.7	-1.06 *	12.8
Non-performing receivables/ loan and guarantee portfolio	0.53	0.44	0.09 *	0.34
Joint banking and insurance customers (1000)	1,264	1,178	7.3	1,197

*Change in ratio



Joint Liability, Deposit Insurance and Investors' Compensation

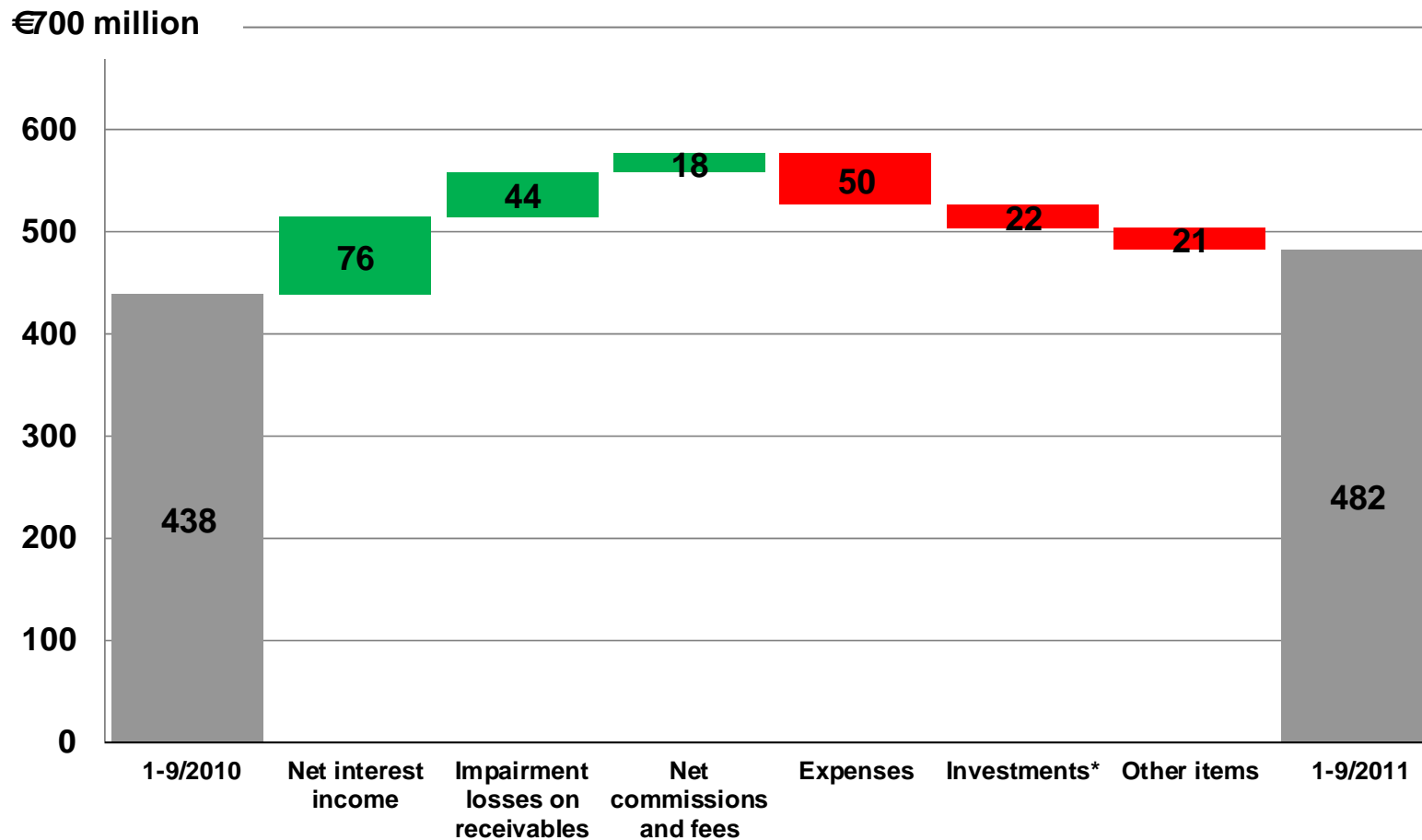
- Under the Laki talletuspankkien yhteenliittymästä Act (the Act on the Amalgamation of Deposit Banks), the amalgamation of the cooperative banks comprises the organisation's central institution (OP-Pohjola Group Central Cooperative), its member credit institutions and the companies belonging to their consolidation groups as well as credit and financial institutions and service companies in which the above-mentioned entities together hold more than half of the total votes.
- The central institution's members at the end of the report period comprised OP-Pohjola Group's member cooperative banks as well as Pohjola Bank plc, Helsinki OP Bank Plc, OP Mortgage Bank and OP-Kotipankki Oyj. OP-Pohjola Group's insurance companies and OP-Services Ltd do not fall within the scope of joint liability.
- By virtue of the Act on the Amalgamation of Deposit Banks, the central institution has both the right to control its credit institutions and the obligation to supervise their operations. The amalgamation of deposit banks is supervised on a consolidated basis. As laid down in applicable law, the member credit institutions and OP-Pohjola Group Central Cooperative are ultimately jointly and severally liable for each other's debts and commitments
- Deposit banks belonging to OP-Pohjola Group, i.e. its member cooperative banks, Pohjola Bank plc, Helsinki OP Bank Plc and OP-Kotipankki Oyj, are regarded as a single bank with respect to deposit insurance. Under legislation governing the Investors' Compensation Fund, OP-Pohjola Group is also considered a single entity in respect of investors' compensation.

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Year-on-year Results



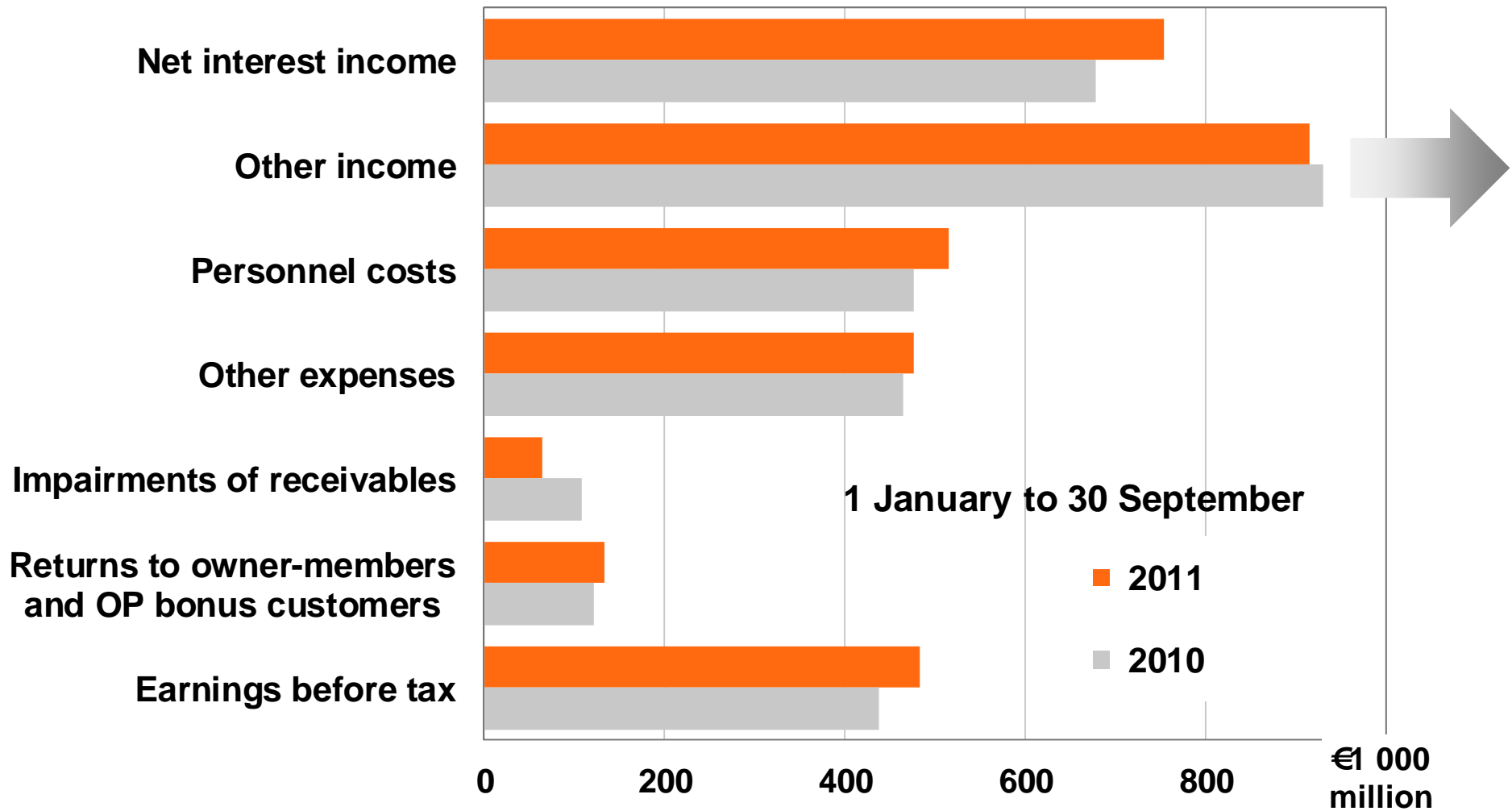
OP-Pohjola Group Earnings before Tax

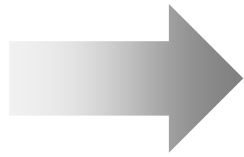


*) Investments = Life insurance's investment income ((excl. derivatives hedging technical provisions) and Non-life insurance investment income + Net trading and investment income

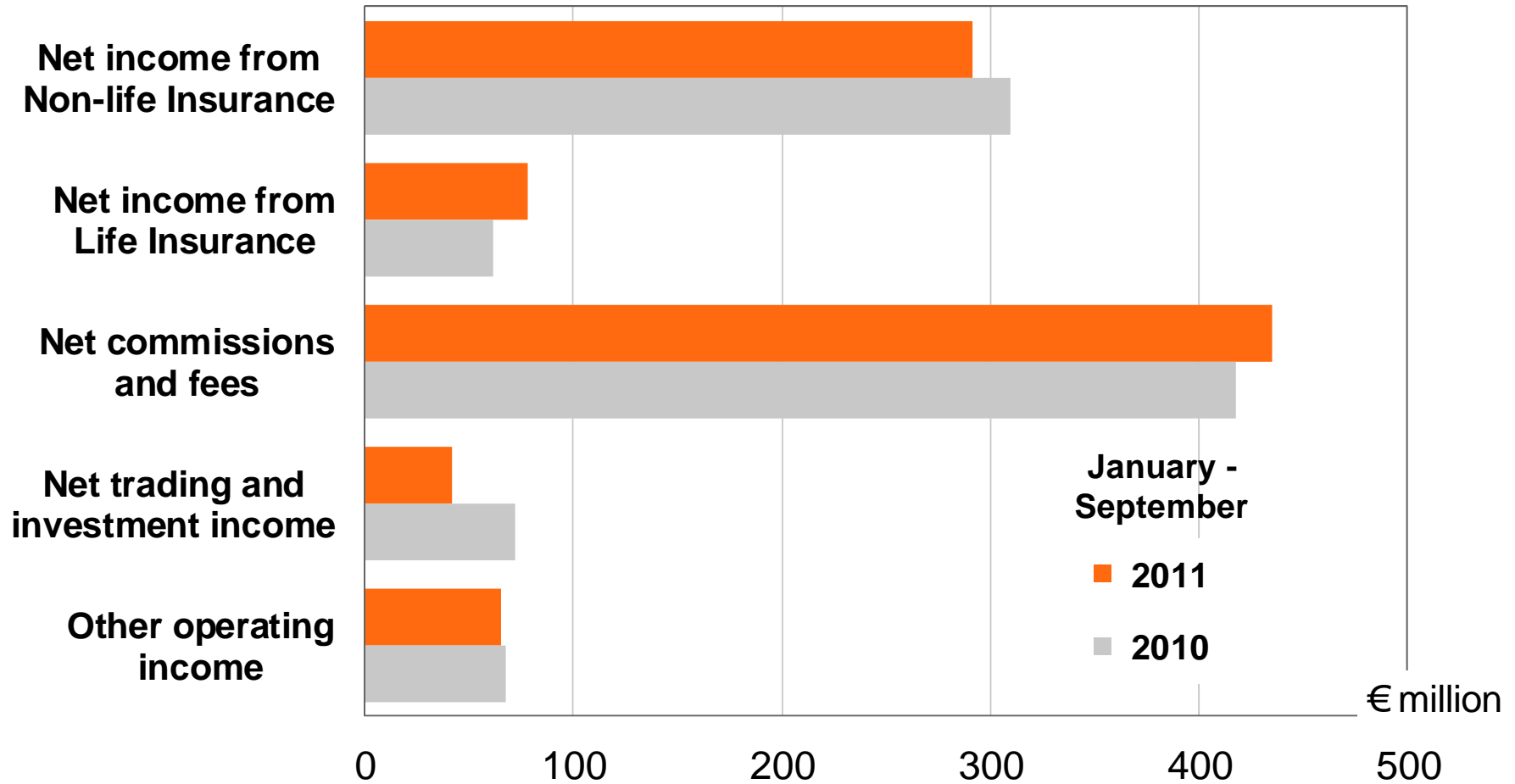


OP-Pohjola Group Income Statement





OP-Pohjola Group Other Income



OP-Pohjola Group Income Statement

€million			Change	
1 January to 30 September	2011	2010	€million	%
Interest income	2,367	1,771	596	33.7
Interest expenses	1,612	1,093	520	47.6
Net interest income	755	679	76	11.2
Impairments of receivables	64	108	-44	-40.4
Net interest income after impairment losses	690	571	120	21.0
Net income from Non-life Insurance operations	291	309	-18	-5.8
Net income from Life Insurance operations	78	62	16	26.1
Net commissions and fees	435	417	18	4.3
Net trading income	-13	38	-51	
Net investment income	55	34	21	63.5
Other operating income	66	68	-2	-3.3
Personnel costs	514	477	37	7.8
Other administrative expenses	248	225	23	10.1
Other operating expenses	229	239	-10	-4.1
Returns to owner-members and OP bonus customers	132	122	11	8.7
Share of associates' profits/losses	3	2	2	96.3
Earnings before tax	482	438	44	10.2



OP-Pohjola Group

Income Statement by Business Segment

1 January to 30 September 2011

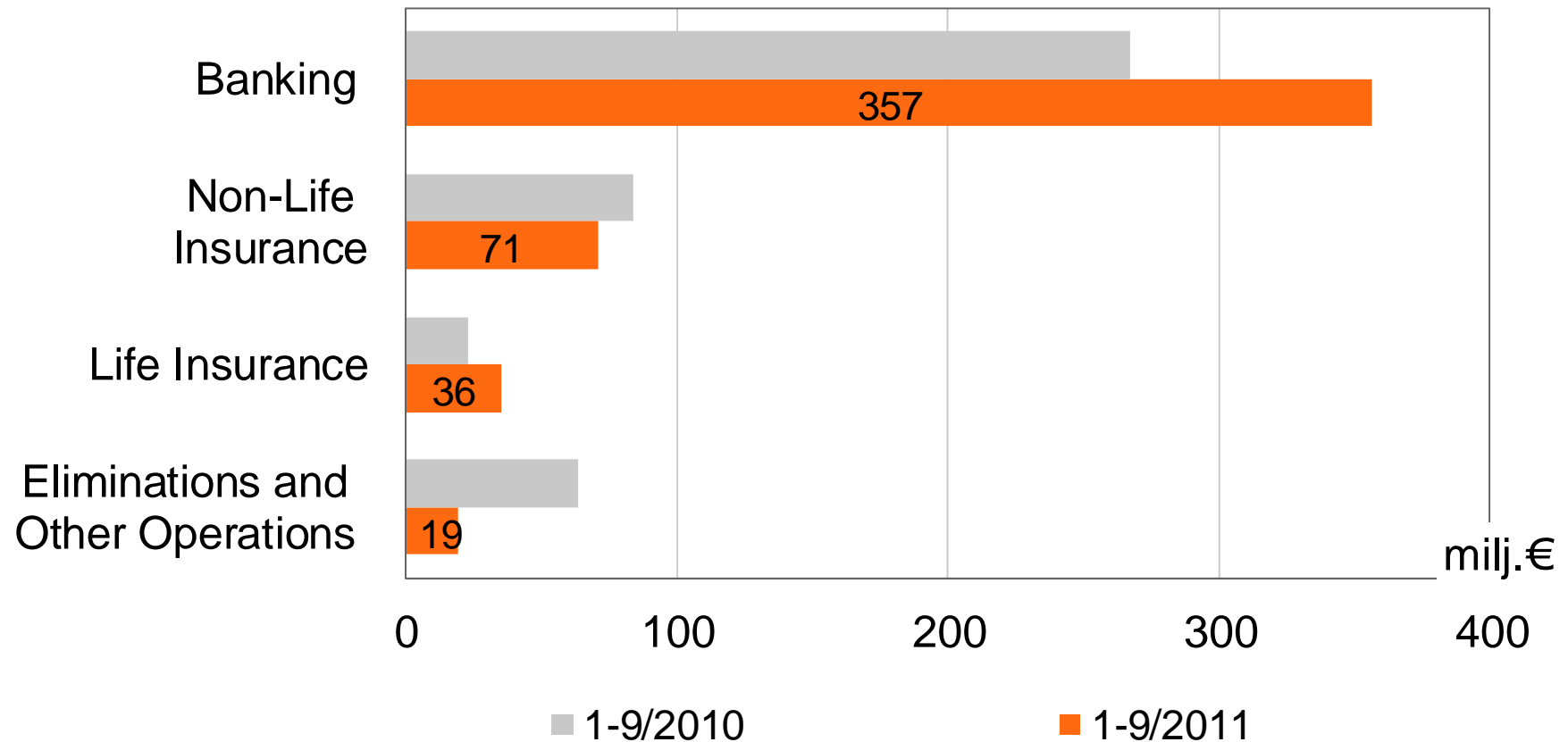
€million	Banking	Non-Life Insurance	Life Insurance	Eliminations and Other Operations	Total
Net interest income	724	0	0	24	9
Net income from non-life insurance	0	295	0	0	-3
Net income from life insurance	0	0	91	0	-13
Other income	533	19	14	280	846
Total income	1,256	314	14	738	2,323
Personnel costs	318	92	8	97	0
Other expenses	389	149	62	176	-299
Total expenses	707	241	70	273	1,290
Impairment losses on receivables	61	0	0	3	0
Returns to owner-members	2,579	630	202	744	701
Earnings before tax	357	71	36	27	-8

Cost /income ratio, %

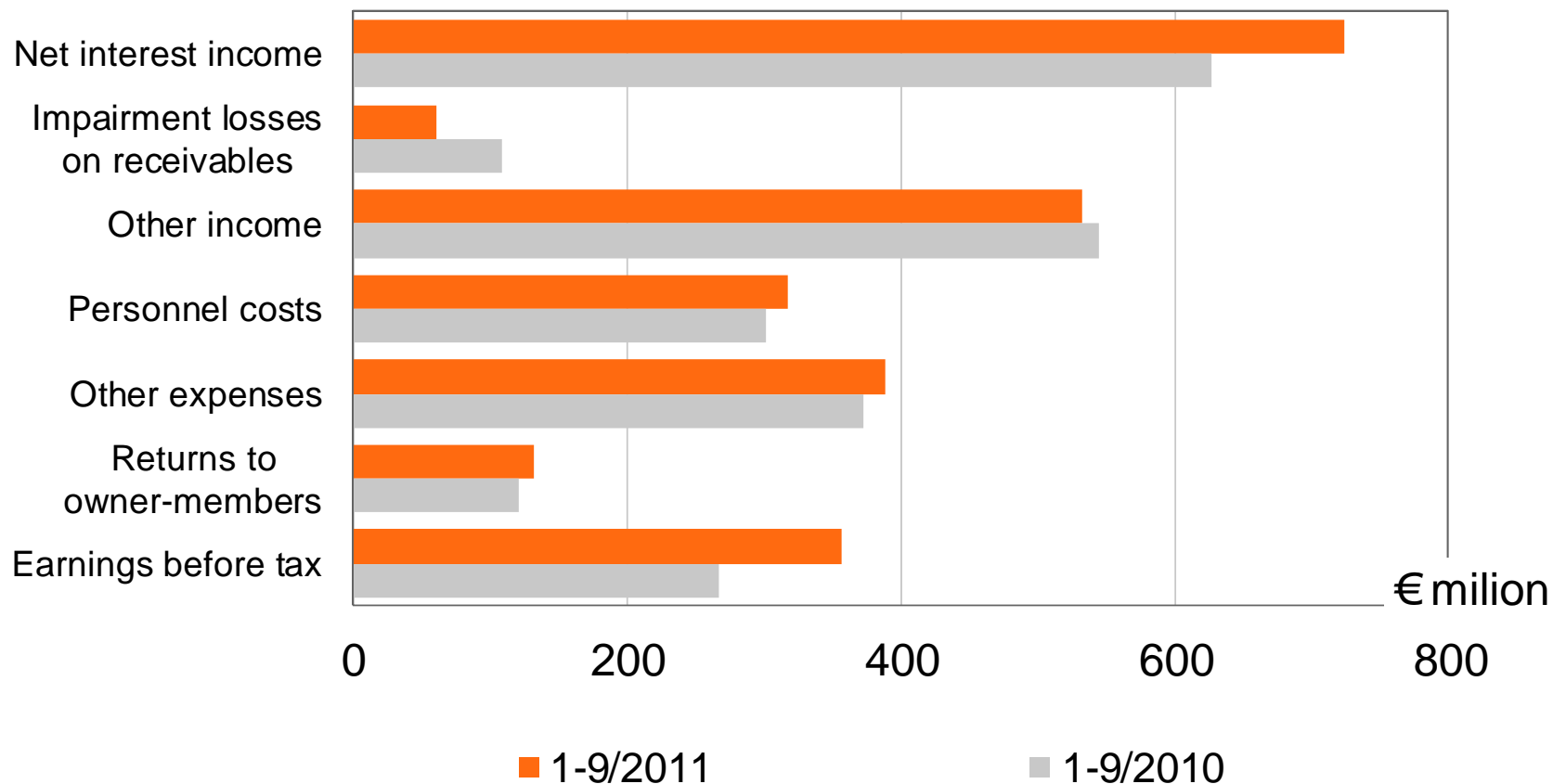
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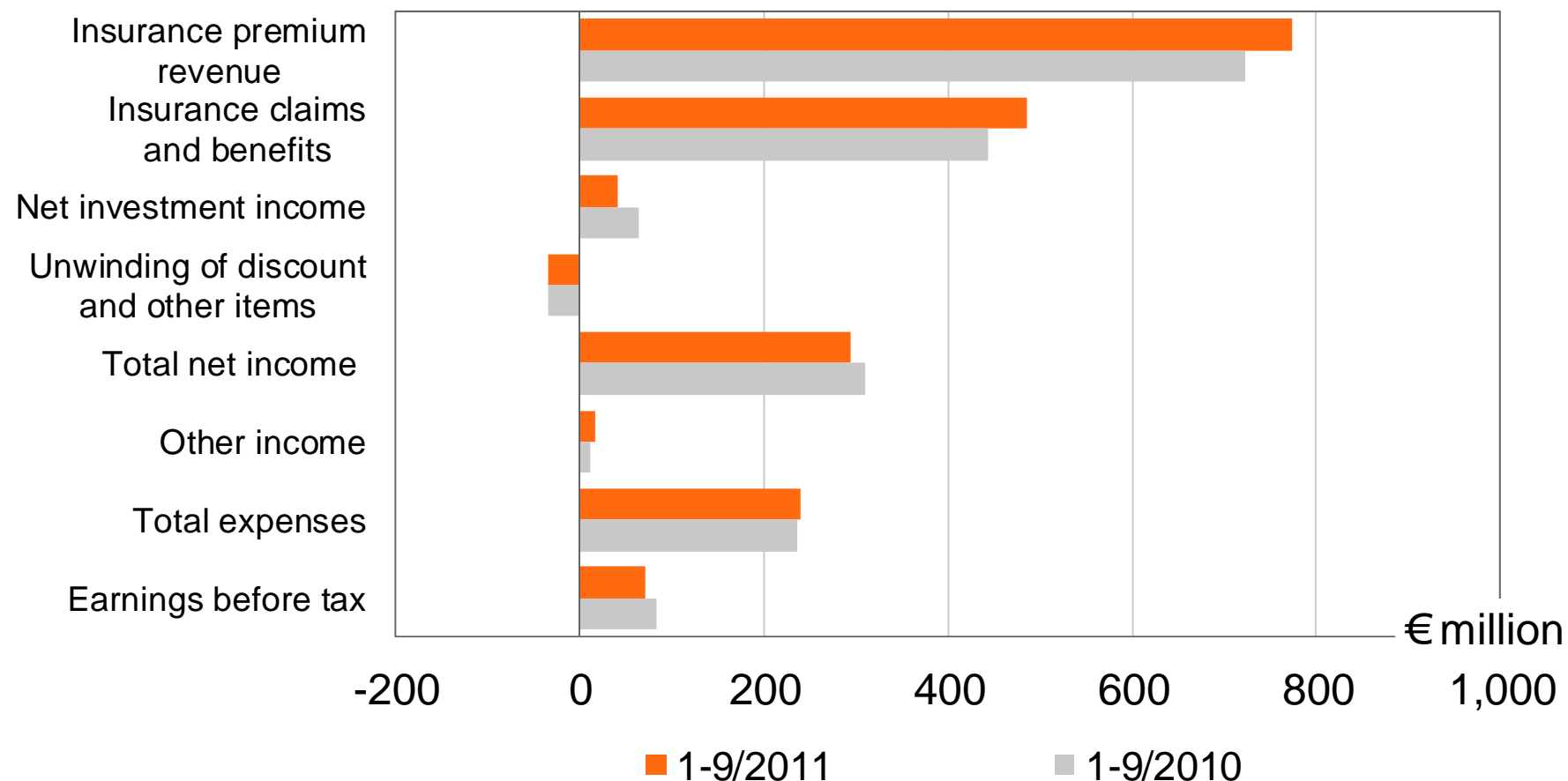
OP-Pohjola Group
Income Statement by Business Segment



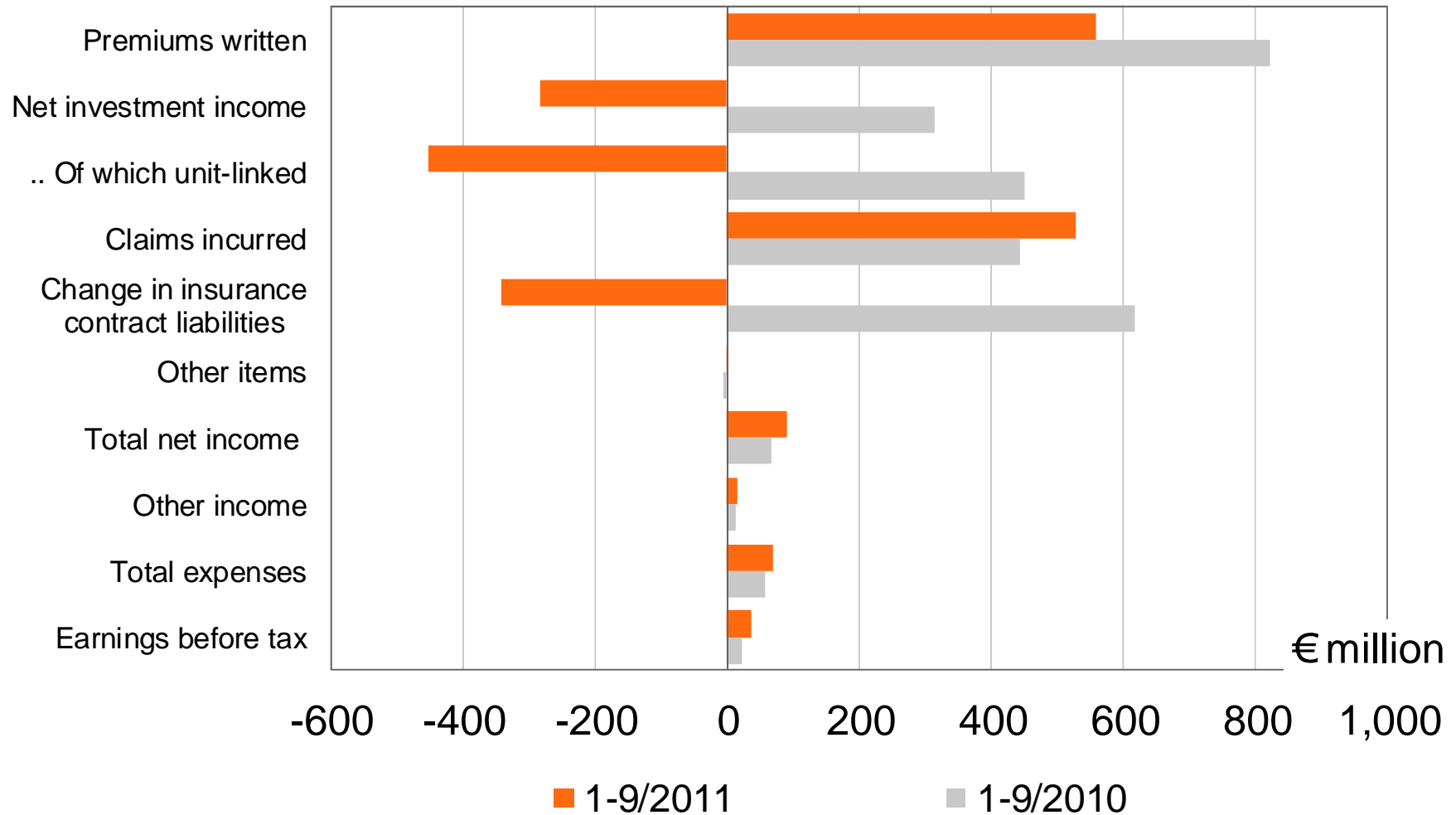
OP-Pohjola Group Banking



OP-Pohjola Group Non-life Insurance



OP-Pohjola Group Life Insurance



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Quarterly Figures



OP-Pohjola Group Quarterly Performance

€million	2010				2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net interest income	224	228	226	238	238	255	261	
Other income	298	316	315	326	371	330	214	
Total income	523	545	541	564	609	585	476	
Personnel costs	164	171	142	166	178	188	149	
Other expenses	153	155	156	179	158	165	154	
Total expenses	317	326	298	345	336	352	303	
Impairments of receivables	38	40	31	41	23	31	10	
Returns to owner-members and OP bonus customers	39	42	41	42	42	47	43	
Earnings before tax	128	137	172	137	208	155	120	

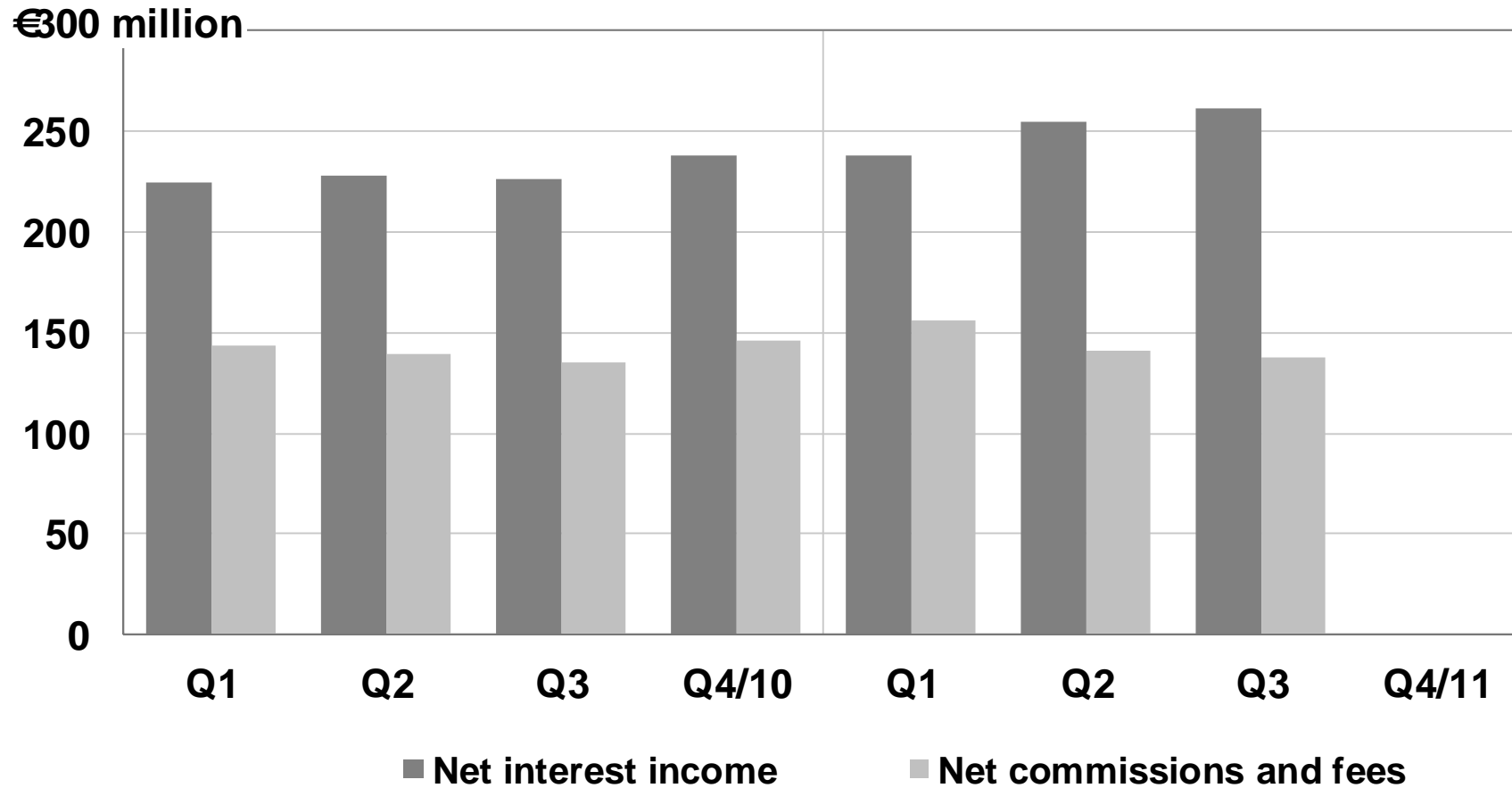


OP-Pohjola Group Other Income by Quarter

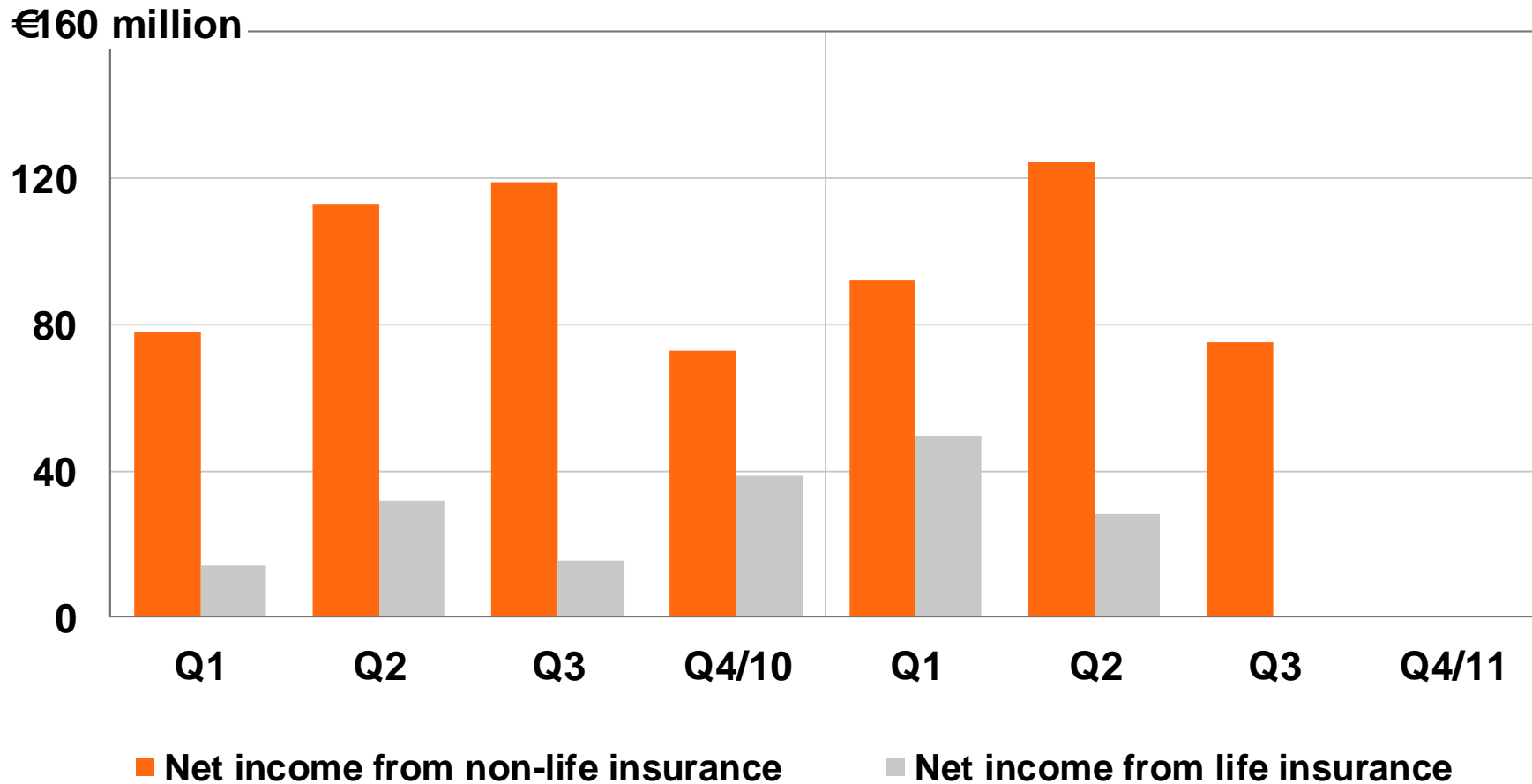
€million	2010				2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net income from non-life insurance	78	113	119	73	92	124	75	
Net income from life insurance	14	32	15	39	50	28	0	
Net commissions and fees	143	139	135	146	156	141	138	
Net income from trading and investments	37	10	26	37	46	15	-19	
Other income	26	23	20	32	27	22	20	
Total	298	316	315	326	371	330	214	



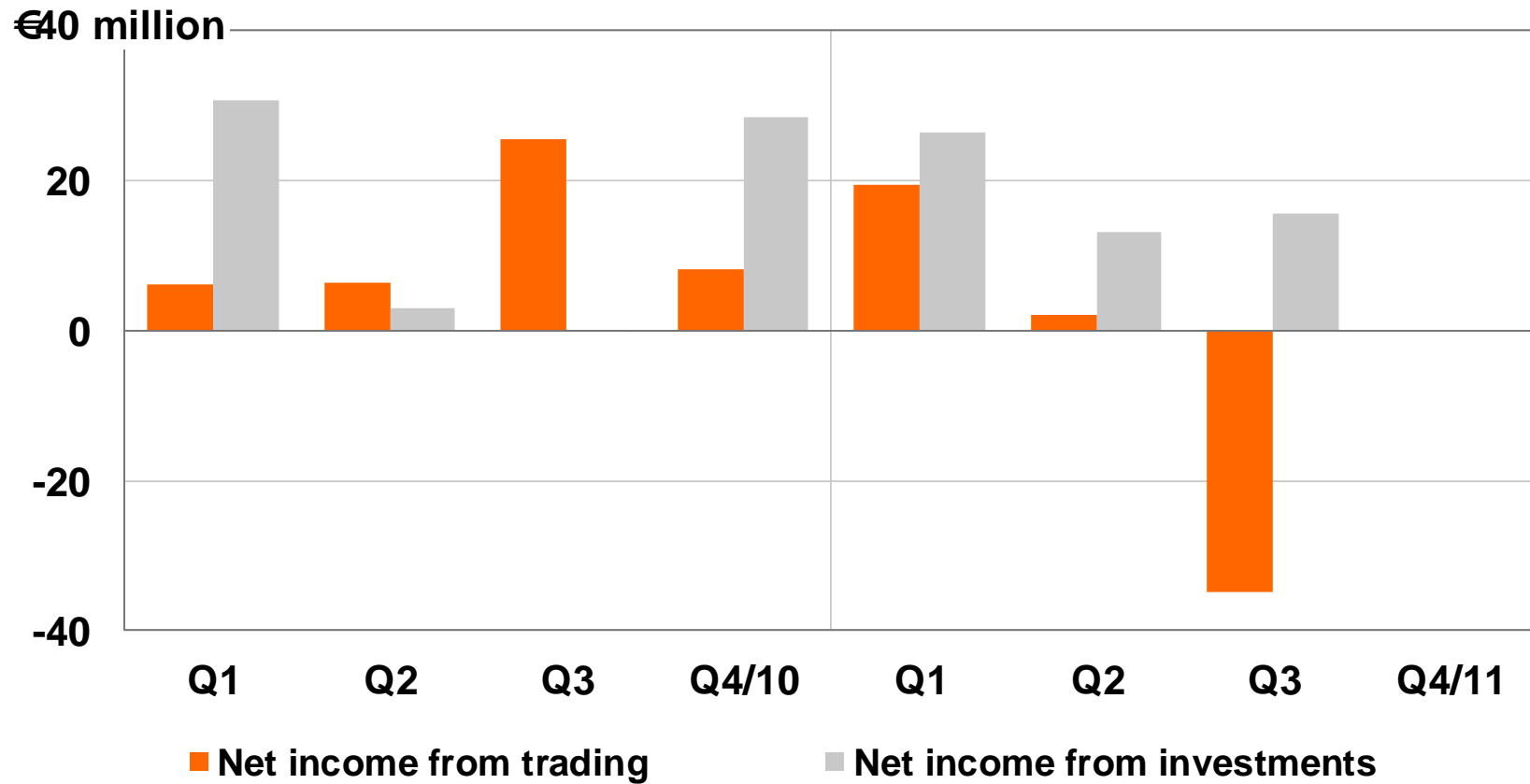
OP-Pohjola Group Net Interest Income and Net Commissions and Fees



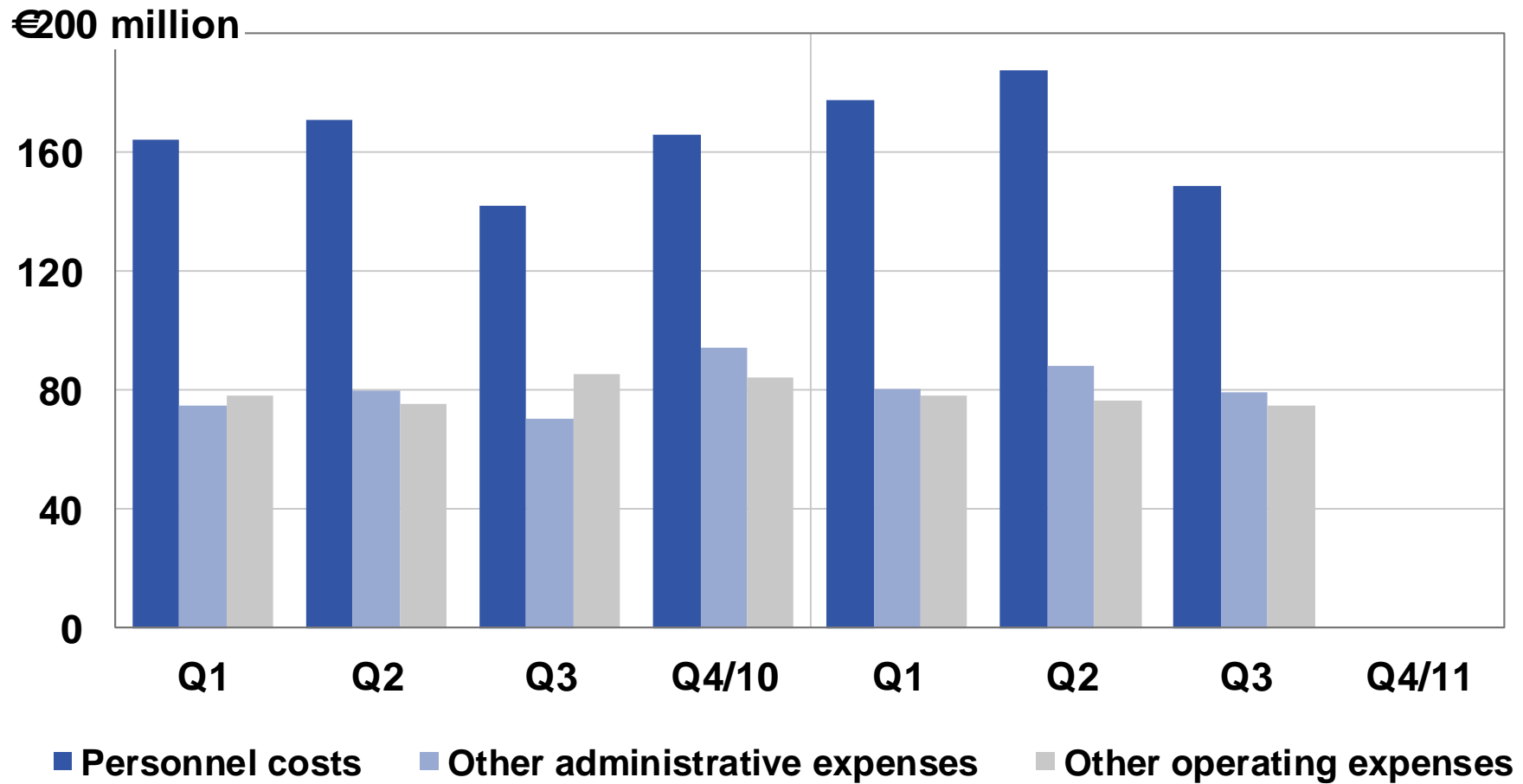
OP-Pohjola Group Net Income from Non-life and Life Insurance



OP-Pohjola Group Net Income from Trading and Investments

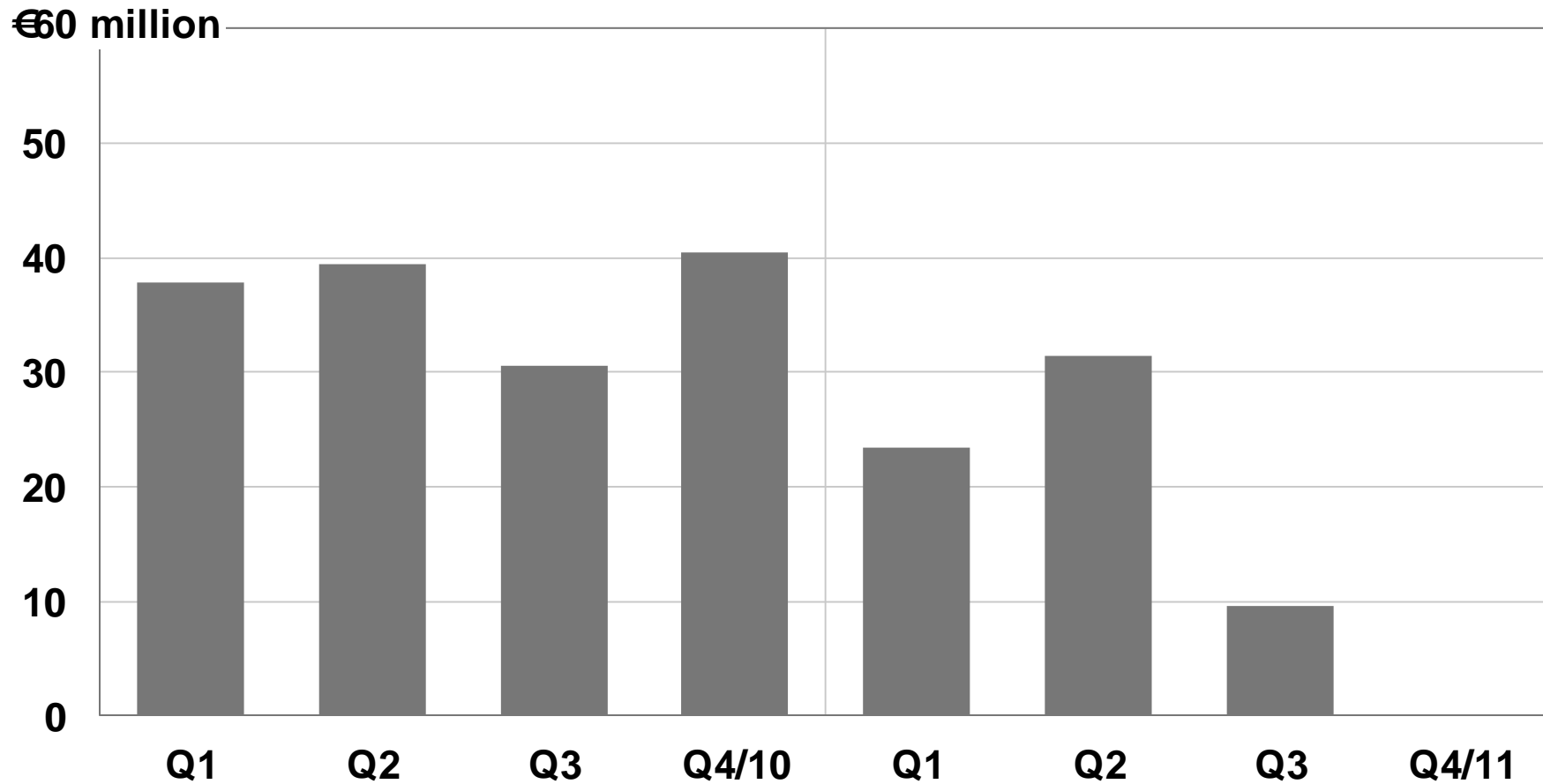


OP-Pohjola Group Expenses

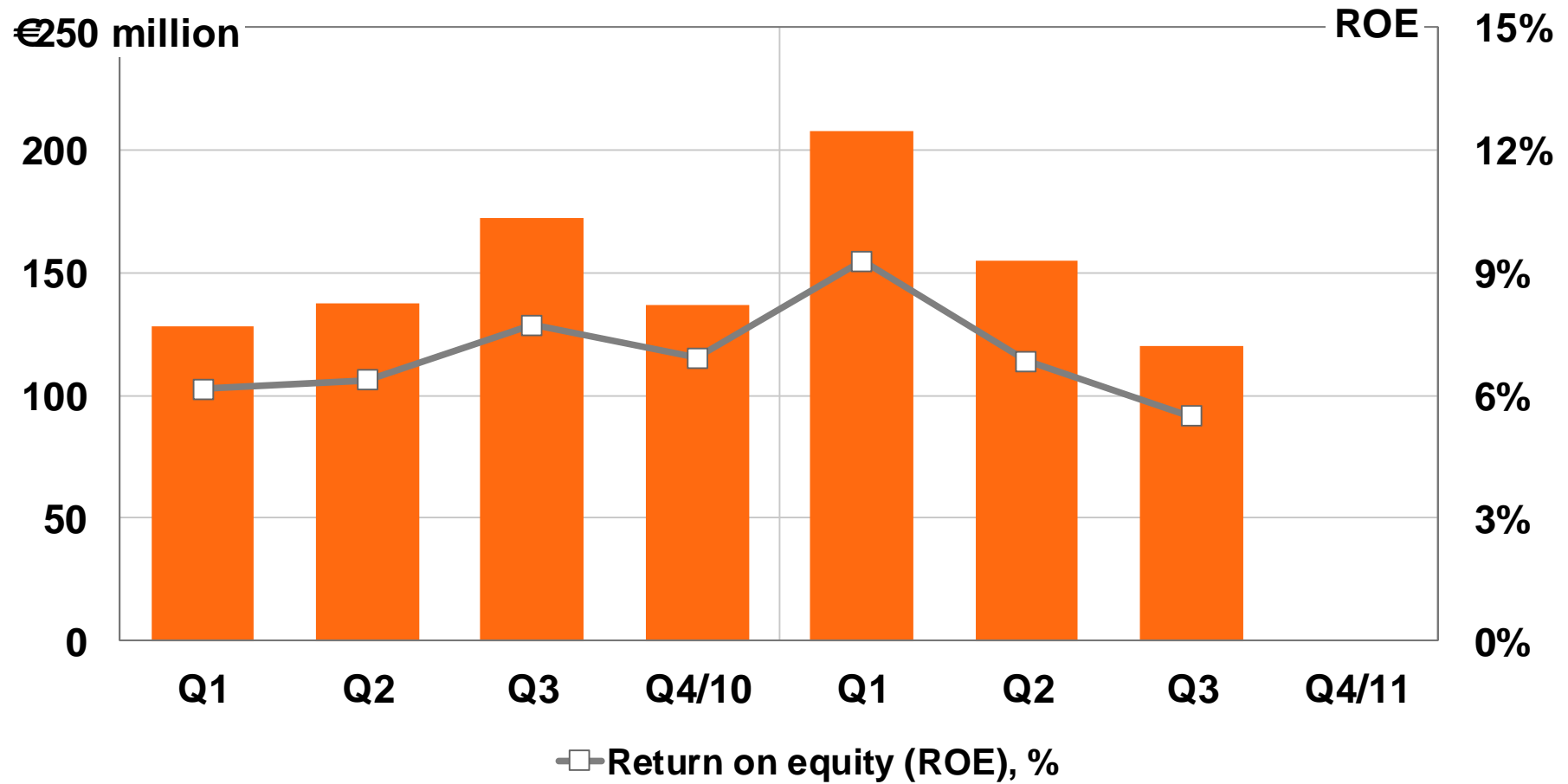


OP-Pohjola Group

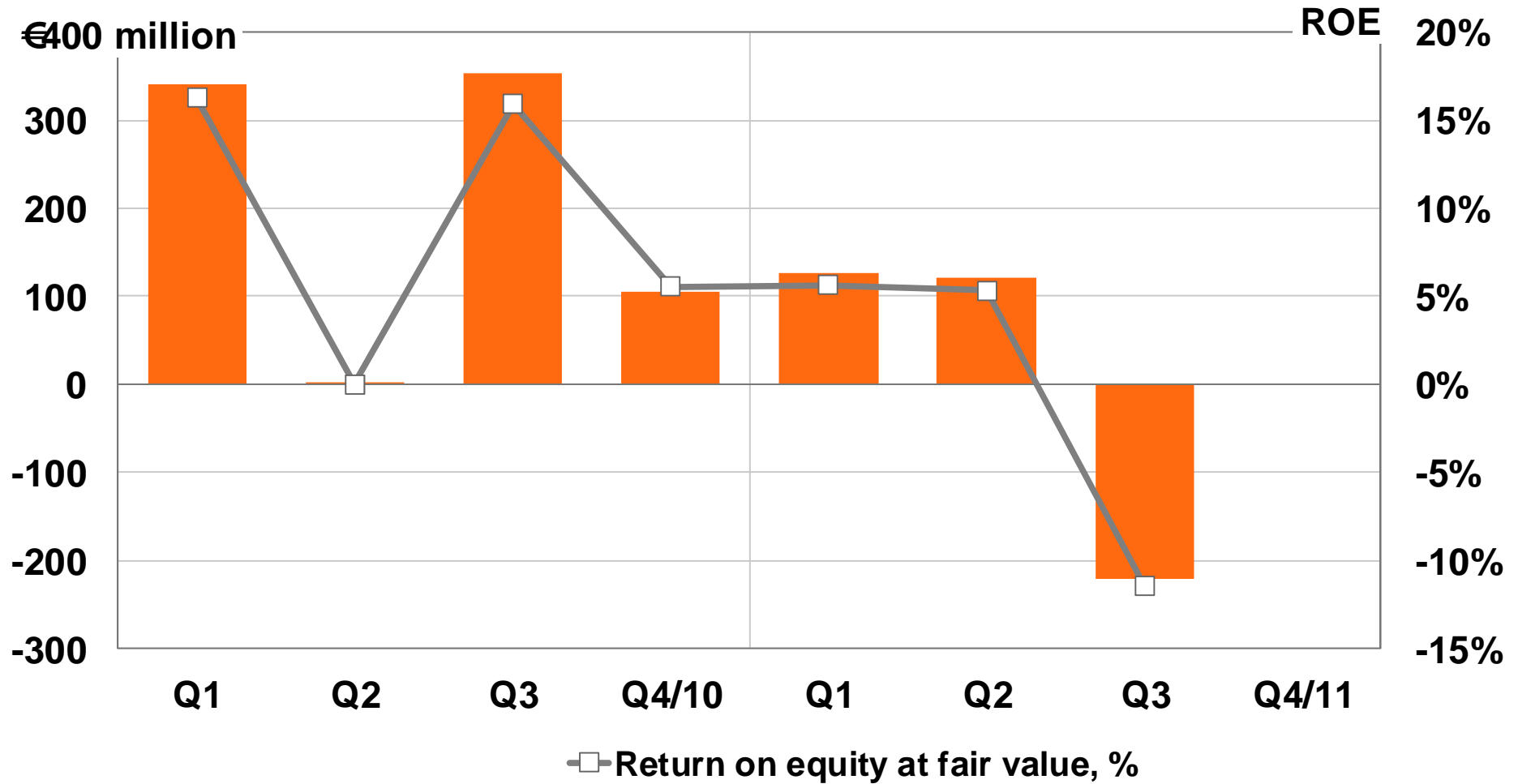
Quarterly Impairments of Receivables



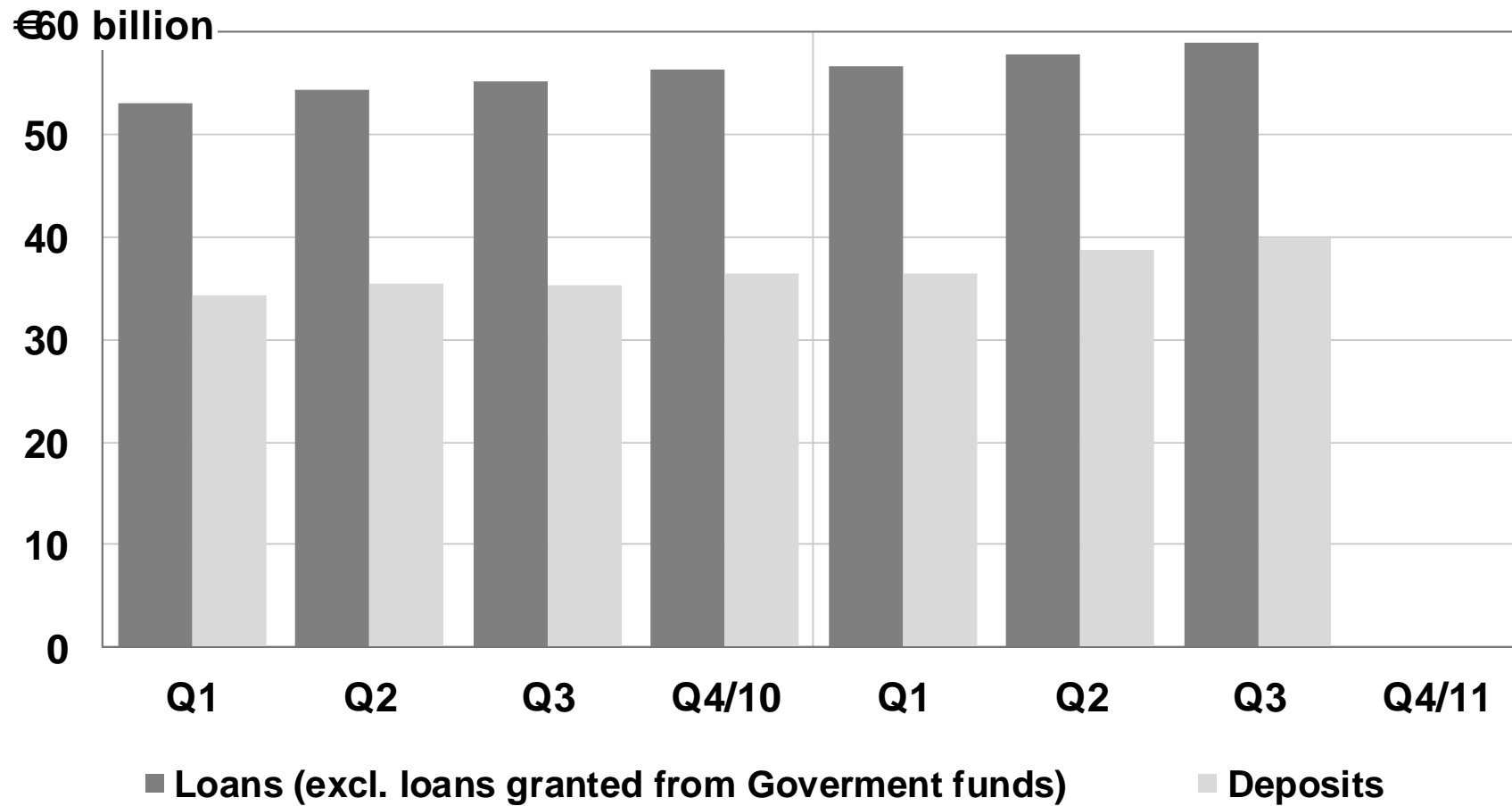
OP-Pohjola Group Earnings before Tax



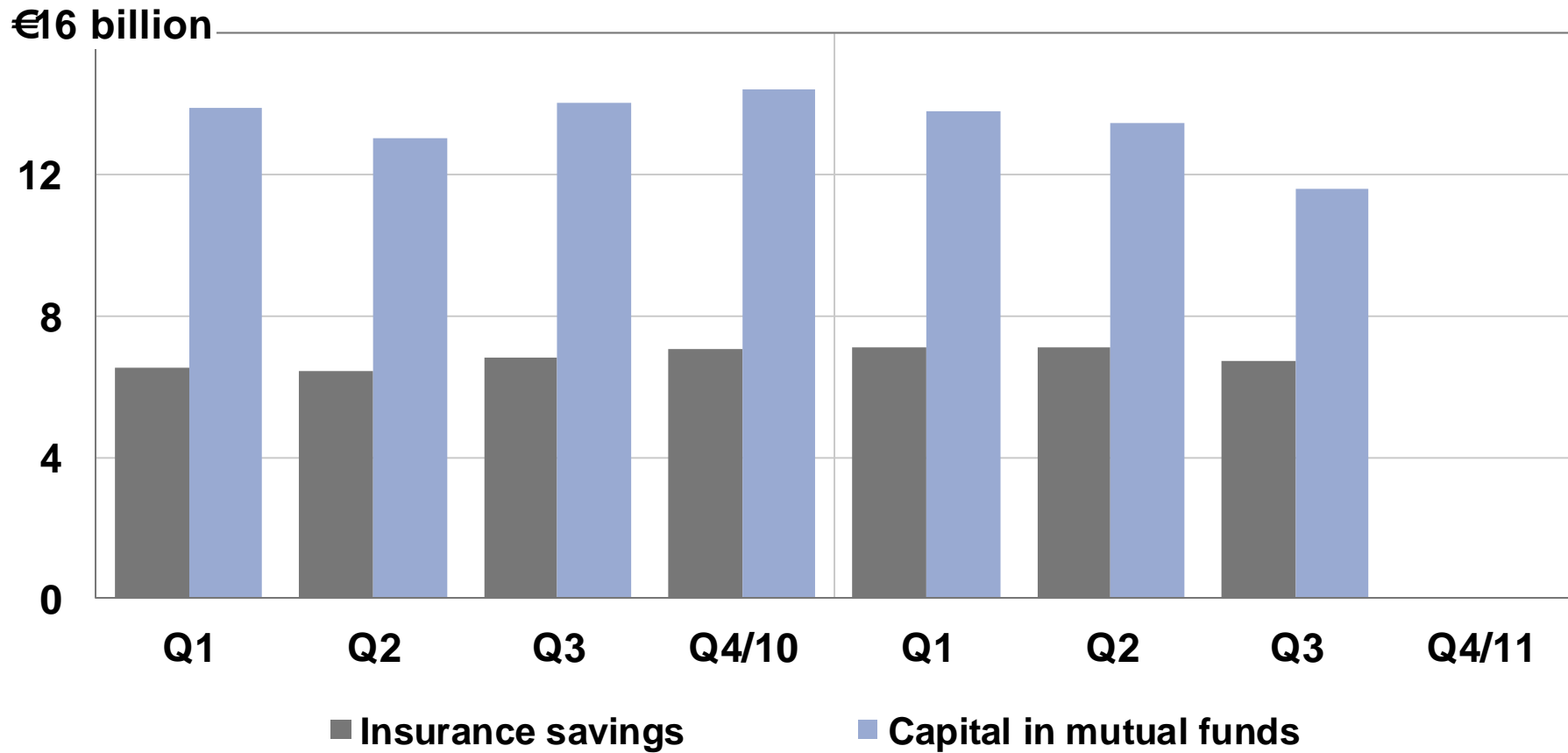
OP-Pohjola Group Earnings before Tax at Fair Value



OP-Pohjola Group Loans and Deposits

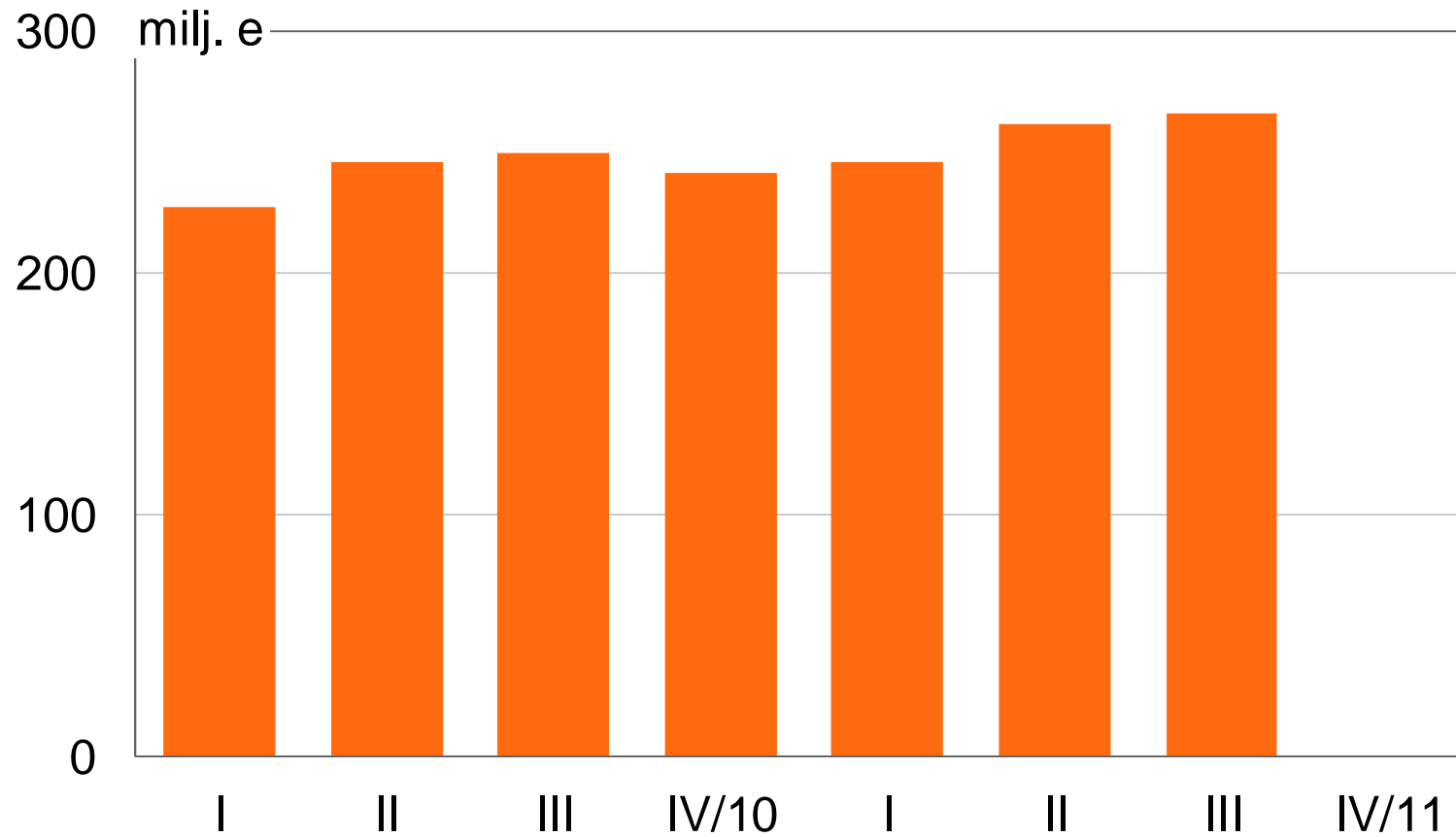


OP-Pohjola Group Life Insurance Savings and Capital in Mutual Funds



OP-Pohjola-ryhmä

Vahinkovakuutuksen vakuutusmaksutuotot vuosineljänneksittäin (IFRS)



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Capital Adequacy



Two Capital Adequacy Ratios

Consolidated capital adequacy = capital adequacy of the amalgamation of cooperative banks

- The Group's operations are based on the Act on the Amalgamation of Deposit Banks that came into effect on 1 July 2010. In the first half of 2010, the Group's operations were still regulated by provisions in the Act on Cooperative Banks and Other Cooperative Institutions.
- The Act on the Amalgamation of Deposit Banks prescribes a minimum capital requirement for an amalgamation of cooperative banks. This is calculated using the provisions in the Act on Credit Institutions.
- The amalgamation of cooperative banks consists of the amalgamation's central institution (OP-Pohjola Group Central Cooperative), its member credit institutions and the companies belonging to their consolidation groups. Although OP-Pohjola Group's insurance companies do not belong to the amalgamation of the cooperative banks, investments made in them have a major impact on capital adequacy calculated in accordance with the capital adequacy regulations for credit institutions.

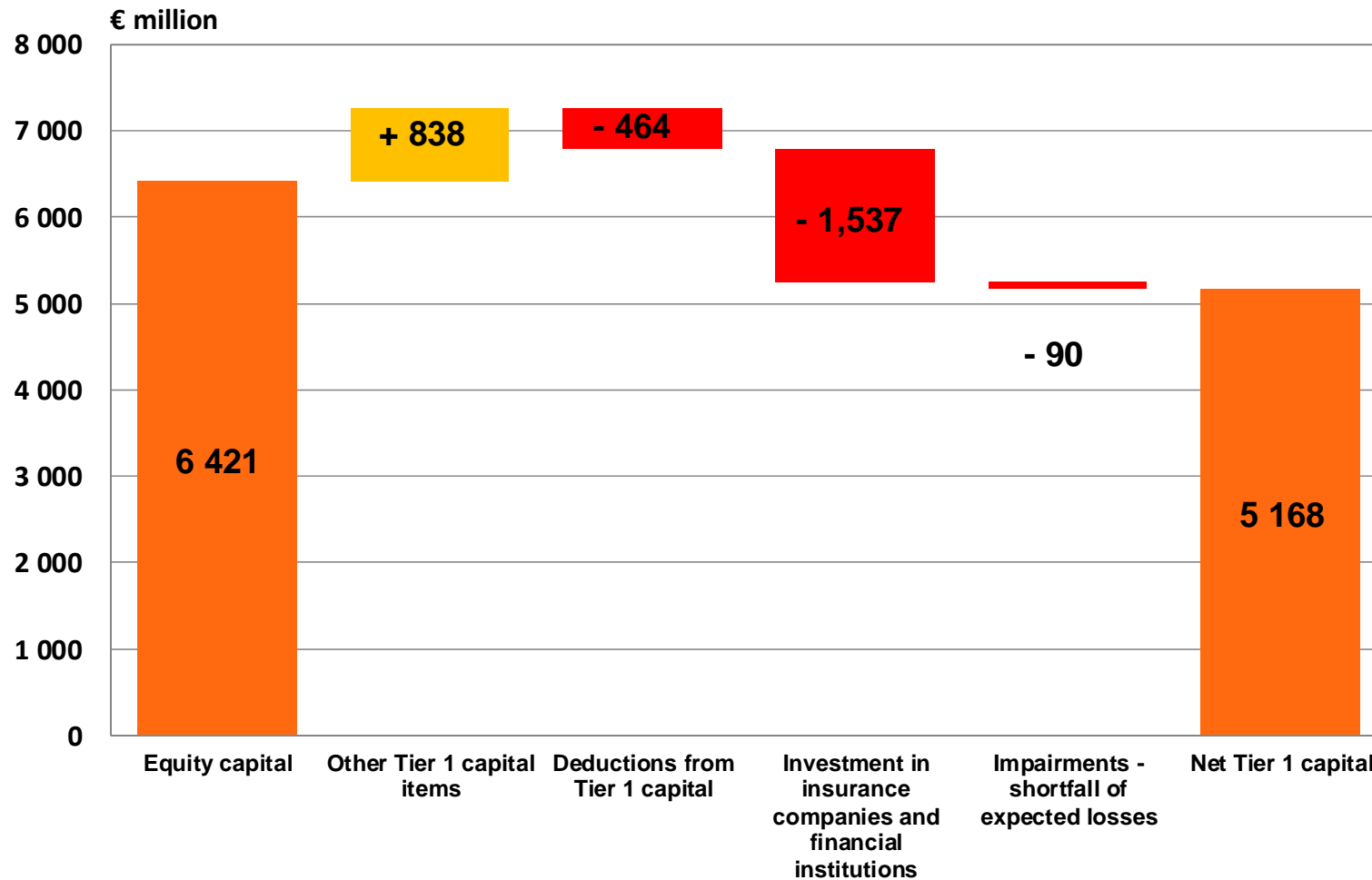
Capital adequacy ratio (under the Act on the Supervision of Financial and Insurance Conglomerates) = OP-Pohjola Group's capital adequacy

- OP-Pohjola Group is a financial and insurance conglomerate, pursuant to the Act on the Supervision of Financial and Insurance Conglomerates. The conglomerate is governed by specific provisions of the capital adequacy requirement.
- OP-Pohjola Group's capital adequacy pursuant to the Act on the Supervision of Financial and Insurance Conglomerates is calculated using the consolidation method, whereby assets included in capital resources but not included in equity capital, under the regulations for the banking or insurance industry, are added to the equity capital in the conglomerate's balance sheet.
 - Capital resources may not include items not available for covering the losses of other companies belonging to the conglomerate.
- The financial and insurance conglomerate's minimum capital requirement consists of the credit institutions' consolidated minimum capital requirement and the insurance companies' joint minimum operating capital.

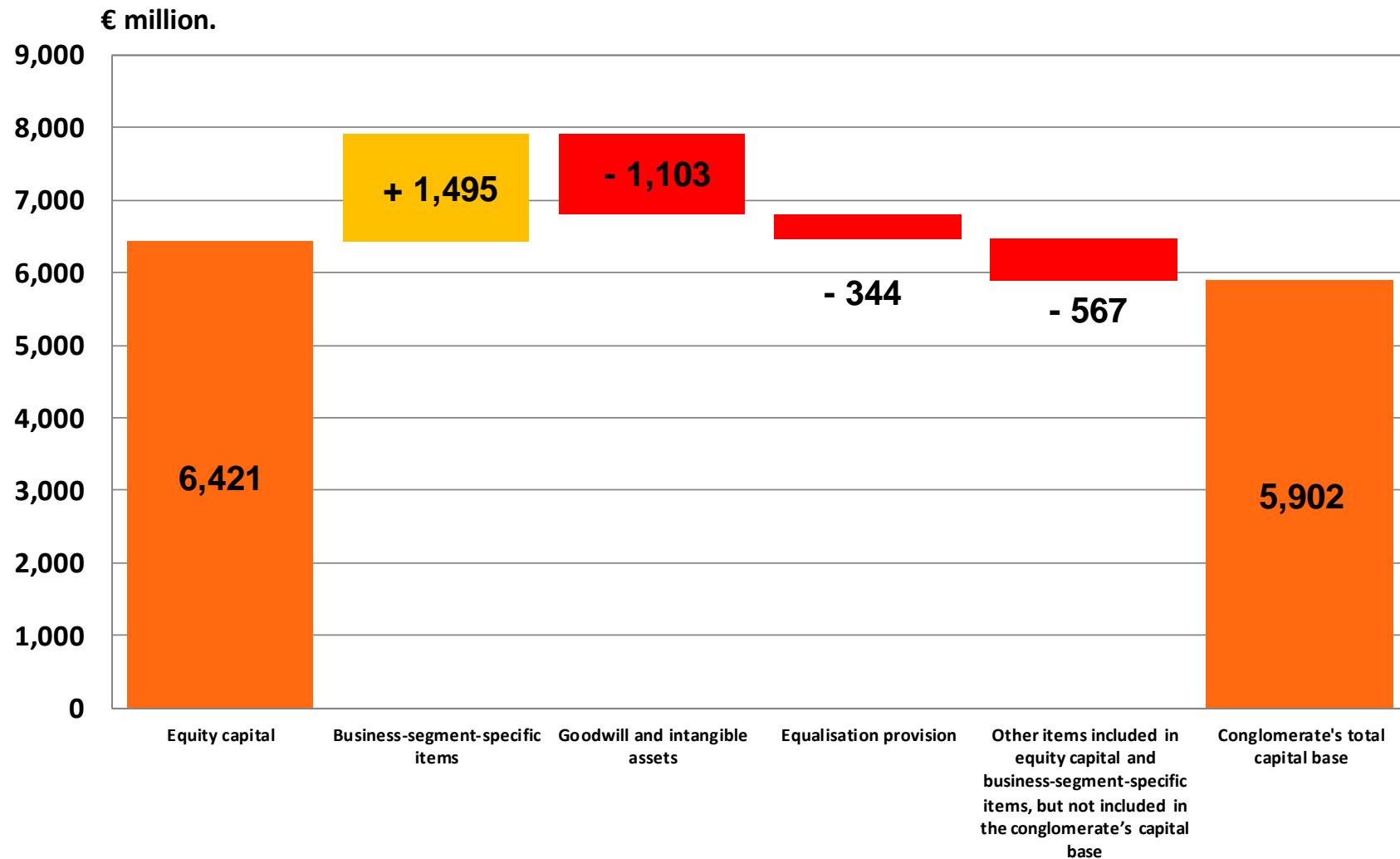
In view of both capital adequacy requirements,
OP-Pohjola Group's risk-bearing capacity is strong.



Tier 1 Capital under the Act on Credit Institutions 30 September 2011

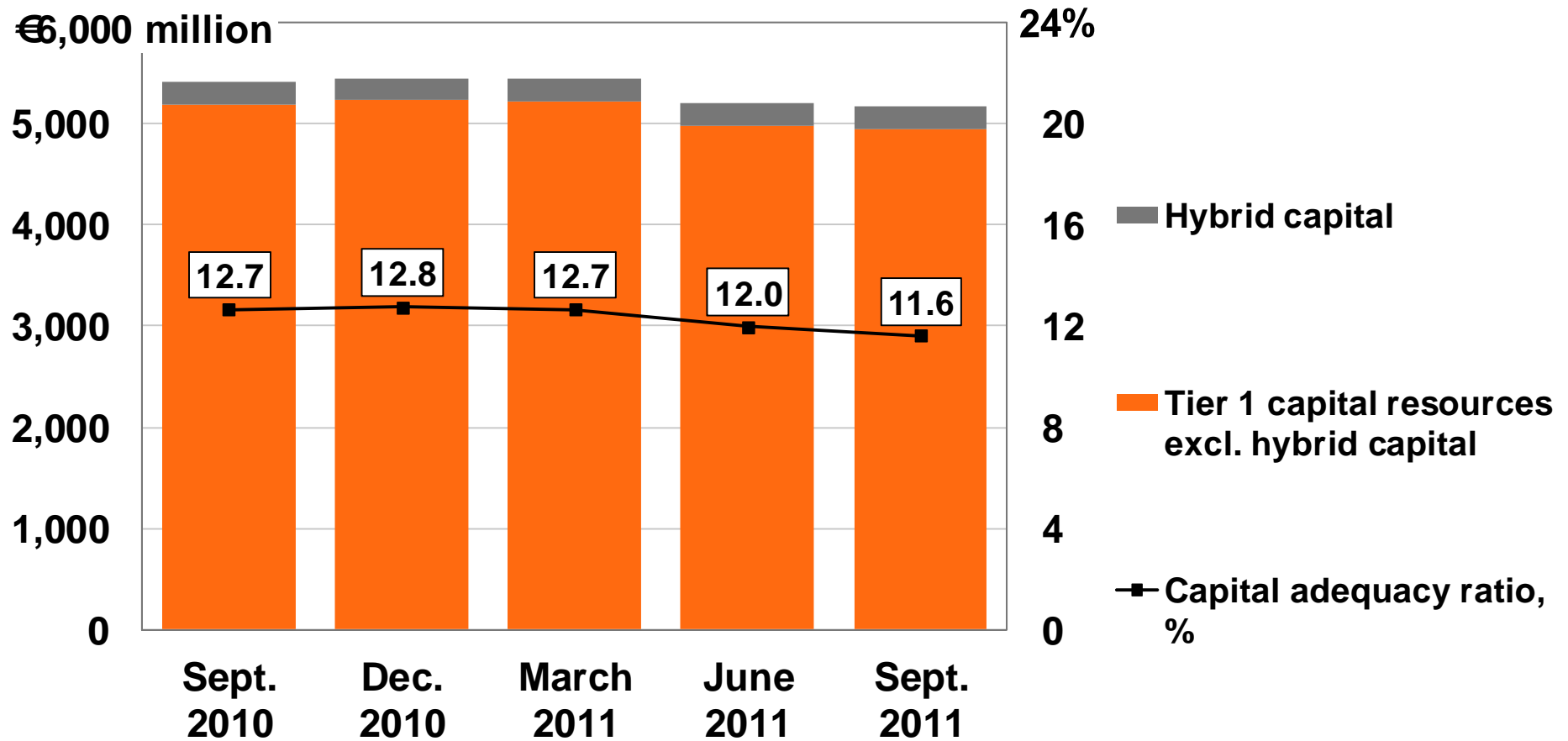


Total Capital Base under the Act on the Supervision of Financial and Insurance Conglomerates 30 September 2011



The amalgamation of the cooperative banks

Capital Resources and Capital Adequacy



Adopting the Internal Ratings Based Approach

- In its calculation of capital requirement for credit risk, OP-Pohjola Group will phase in the Internal Ratings Based Approach (IRBA).
 - The Internal Ratings Based Approach (IRBA) as already used in the capital adequacy measurement of Pohjola Bank plc's corporate and institutional customers' credit risks.
 - As to other liabilities, the Internal Ratings-based Approach (IRBA) will be adopted in December 2011, while at the end of this report period the capital requirement for the credit risk of these items was still calculated using the Standardised Approach.
- The capital requirement for credit risk concerning state and central banks will continue to be calculated using the Standardised Approach.
- The same will apply to market risks.
- The use of the Internal Ratings Based Approach reduces the Group's capital requirement, but makes it more susceptible to market fluctuations.
- Adoption of IRBA is estimated to improve capital adequacy under the Act on Credit Institutions by 2.6 percentage points.

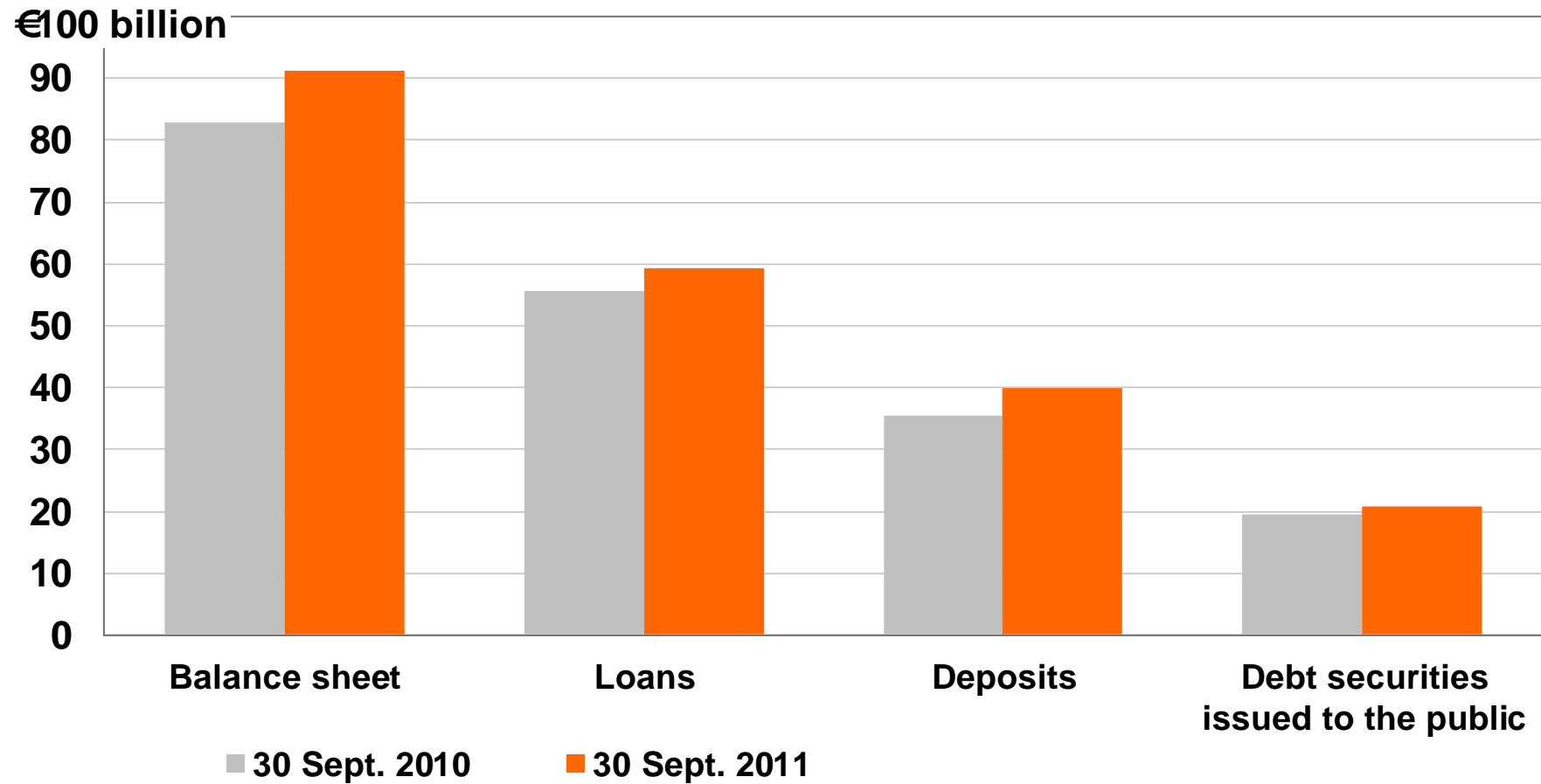


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Balance Sheet



OP-Pohjola Group Key Balance Sheet Items



OP-Pohjola Group Balance Sheet

€ million	30 Sept. 2011	30 Sept. 2010	Change € million	%
Receivables from credit institutions	3,678	1,147	2,530	
Financial assets at fair value through profit or loss	350	1,060	-710	-67.0
Receivables from customers	59,387	55,705	3,682	6.6
Non-life Insurance assets	3,168	3,281	-113	-3.5
Life Insurance assets	6,900	7,049	-148	-2.1
Investment assets	8,274	7,531	743	9.9
Other items	9,434	7,202	2,232	31.0
Total assets	91,191	82,974	8,216	9.9
Liabilities to credit institutions	1,972	1,543	428	27.8
Liabilities to customers	43,836	38,467	5,369	14.0
Non-life Insurance liabilities	2,624	2,518	106	4.2
Life Insurance liabilities	6,970	6,900	70	1.0
Debt securities issued to the public	20,732	19,456	1,276	6.6
Other liabilities	8,636	7,457	1,179	15.8
Equity capital	6,421	6,632	-211	-3.2
Total liabilities and equity capital	91,191	82,974	8,216	9.9



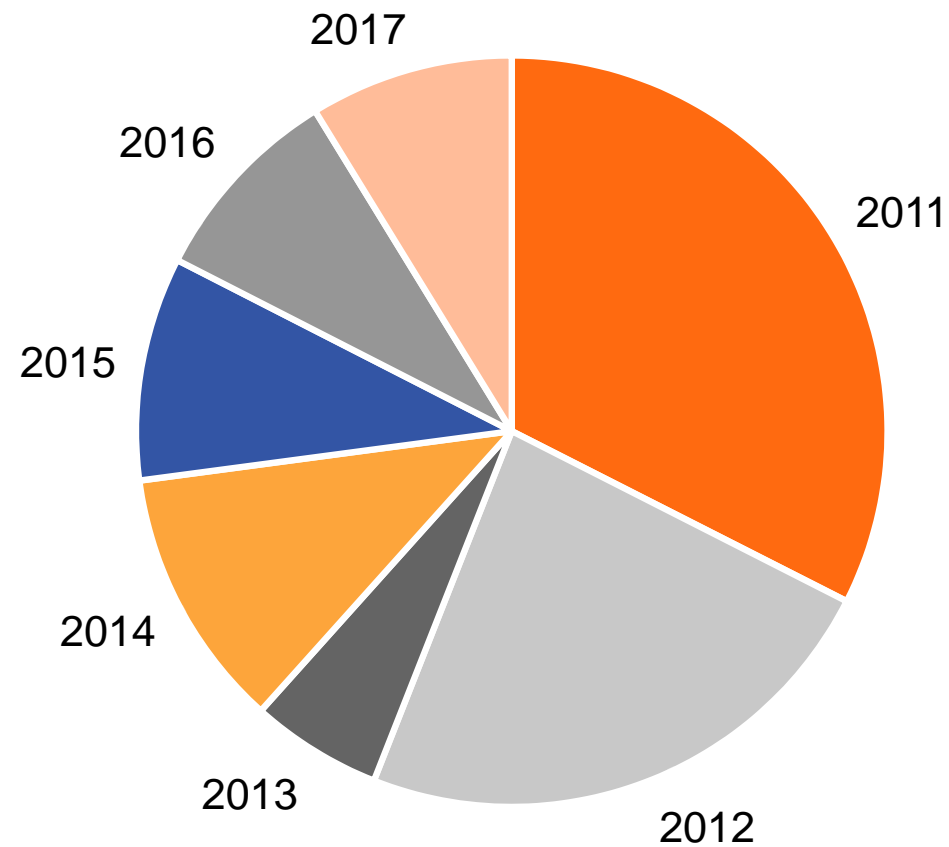
OP-Pohjola Group

Equity Capital and Cooperative Capital

€ million	30 Sept. 2011	30 Sept. 2010	Change € million	%
Share of OP-Pohjola Group's owners				
Share capital	202	228	-26	-11.4
Cooperative capital	131	131	1	0.5
Fair value reserve	-225	135	-361	
Other reserves	2,619	2,663	-44	-1.6
Retained earnings	3,694	3,475	218	6.3
Minority interest	0	0	0	-7.9
Total equity capital	6,421	6,632	-211	-3.2
Cooperative capital not included in equity capital				
	615	632	-17	-2.7



OP-Pohjola Group
Debt Securities Issued to the Public
Maturity 30 September 2011
total of €20.7 billion

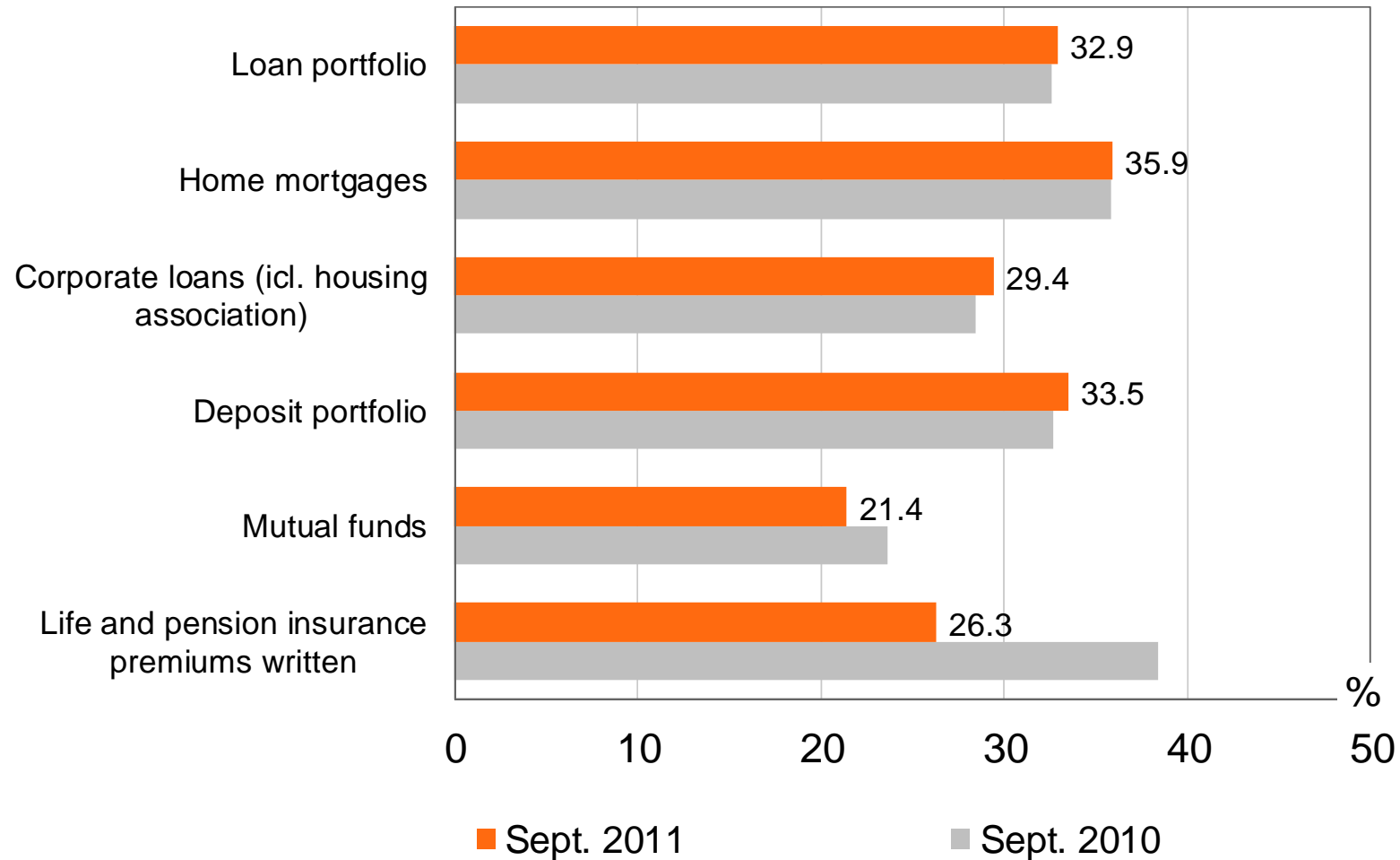


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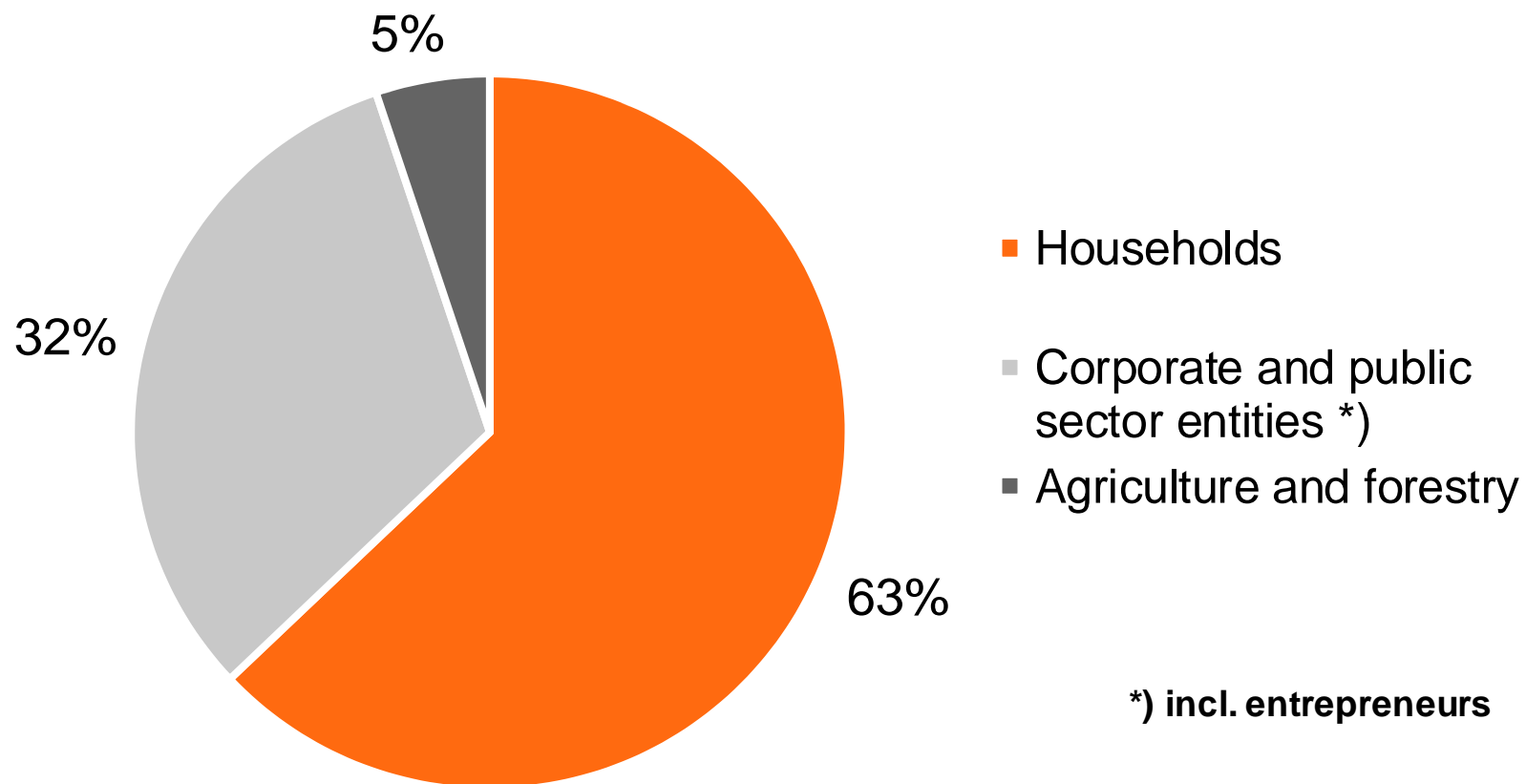
Loans and Customer Funds



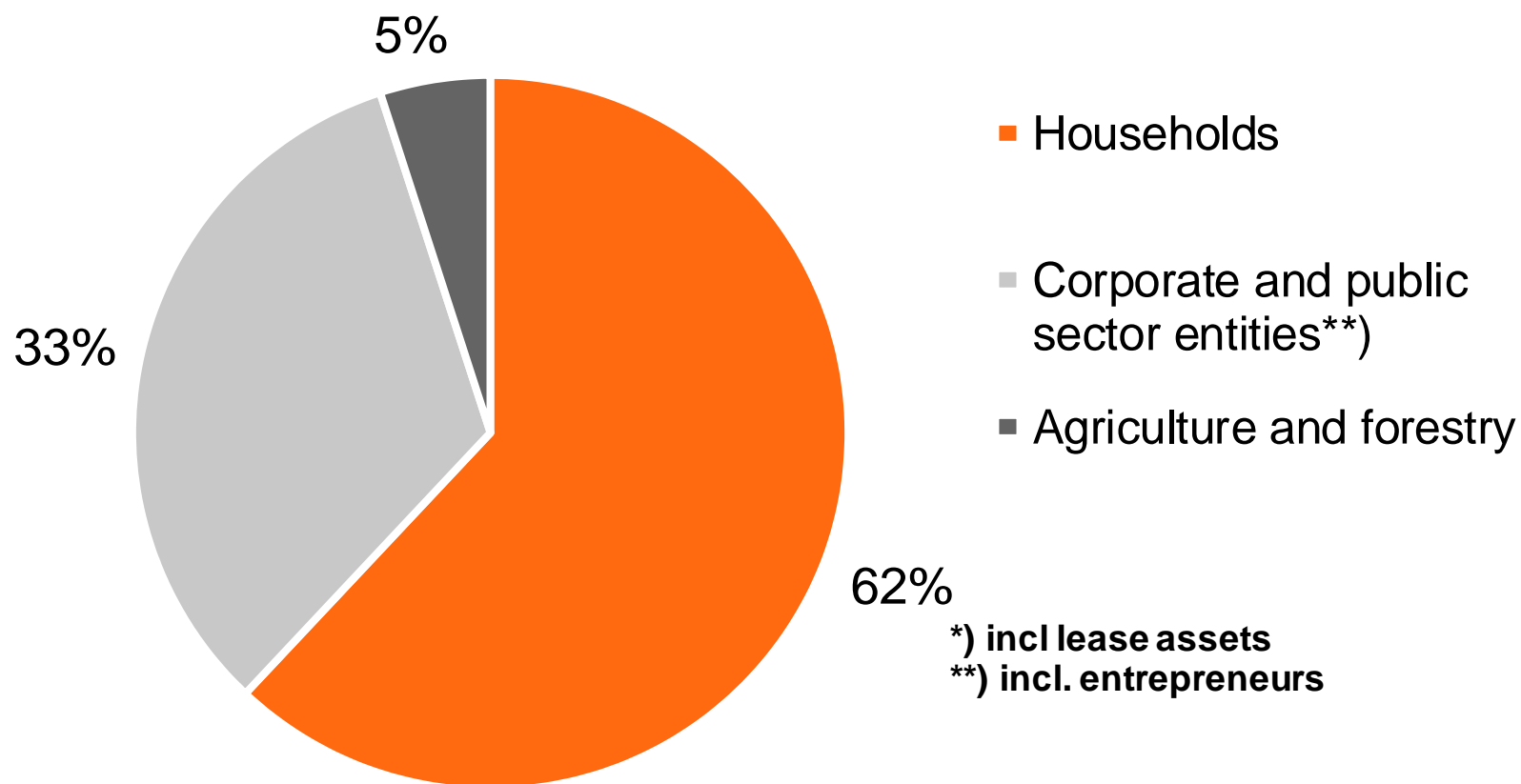
OP-Pohjola Group Market share



OP-Pohjola Group Deposits by Customer Sector 30 September 2011



OP-Pohjola Group Loans* by Customer Sector 30 September 2011



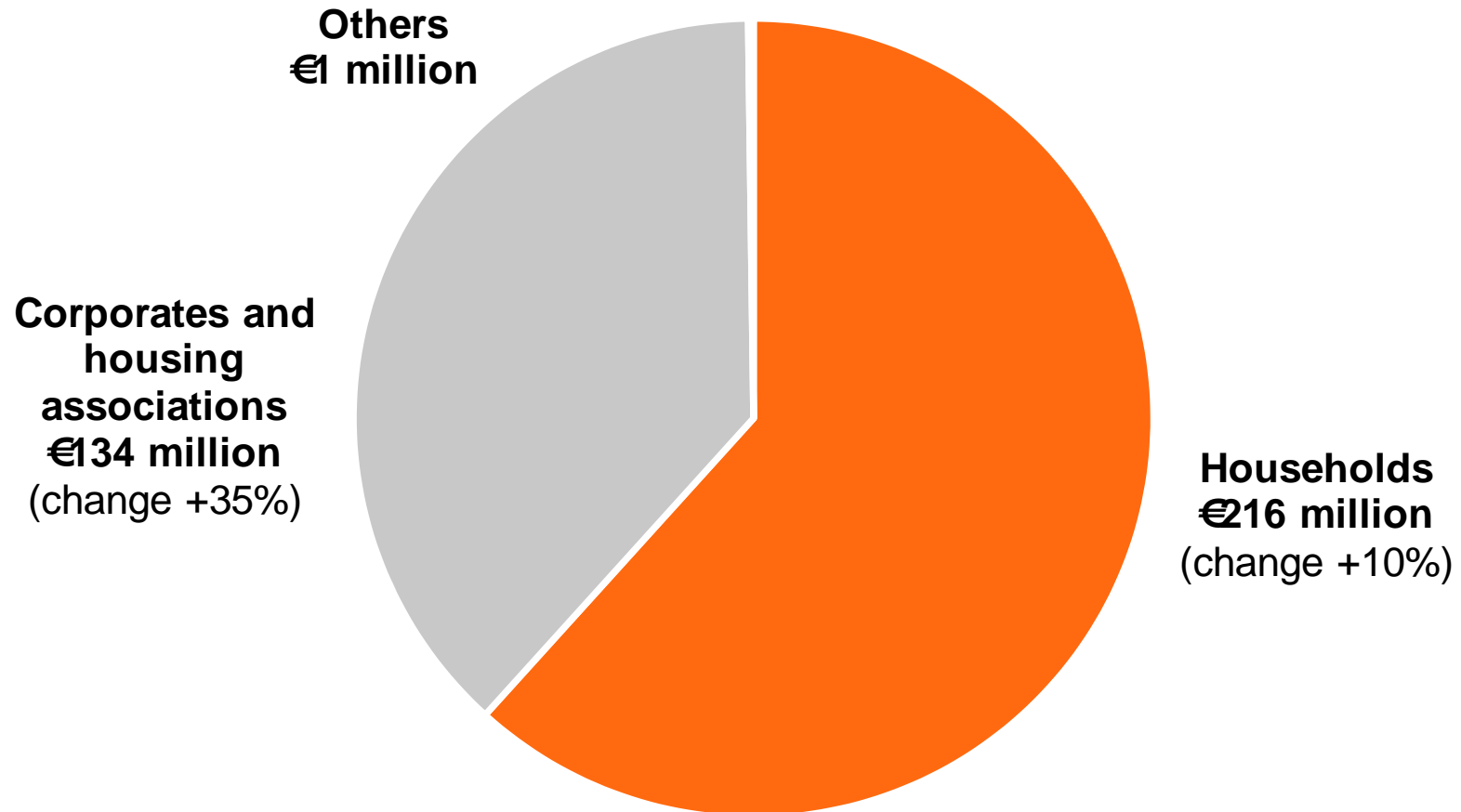
OP-Pohjola Group

Loan and Guarantee Portfolio by Sector

€million	30 Sept. 2011	30 Sept. 2010	€million	Change, %	Non-performing and zero-interest loans	
					€million	% of loan and guarantee portfolio
Enterprises and housing associations	21,412	19,887	1,525	7.7	134	0.6 %
Renting and operation of residential real estate						
incl. housing associations	4,058	3,772	286	7.6	8	0.2 %
Other renting and operating of real estate	2,668	2,357	312	13.2	5	0.2 %
Wholesale and retail trade	2,272	2,052	221	10.8	14	0.6 %
Construction	1,649	1,524	125	8.2	18	1.1 %
Services	1,545	1,538	8	0.5	16	1.1 %
Transportation and storage	1,390	1,342	48	3.6	8	0.5 %
Manufacture of machinery and and equipment (incl. services)	1,239	1,083	156	14.5	17	1.3 %
Buying and selling of own real estate	1,046	923	123	13.3	1	0.1 %
Forest Industry	773	746	27	3.6	17	2.2 %
Financial and insurance services	690	585	106	18.1	1	0.1 %
Agriculture, forestry and fishing	683	608	74	12.2	6	0.8 %
Food Industry	647	584	63	10.8	7	1.1 %
Metal Industry	642	641	1	0.2	7	1.1 %
Energy	480	506	-26	-5.1	0	0.0 %
Other manufacturing	474	476	-2	-0.4	6	1.2 %
Chemical Industry	410	521	-111	-21.3	1	0.1 %
Other industries	744	630	114	18.1	3	0.4 %
Public corporations and non-profit organisations	1,110	1,023	87	8.5	5	0.4 %
Households	39,431	37,367	2,064	5.5	216	0.5 %
Adjustments	-19	-4	-15	363.9	-26	
Total	61,934	58,273	3,661	6.3	329	0.5 %

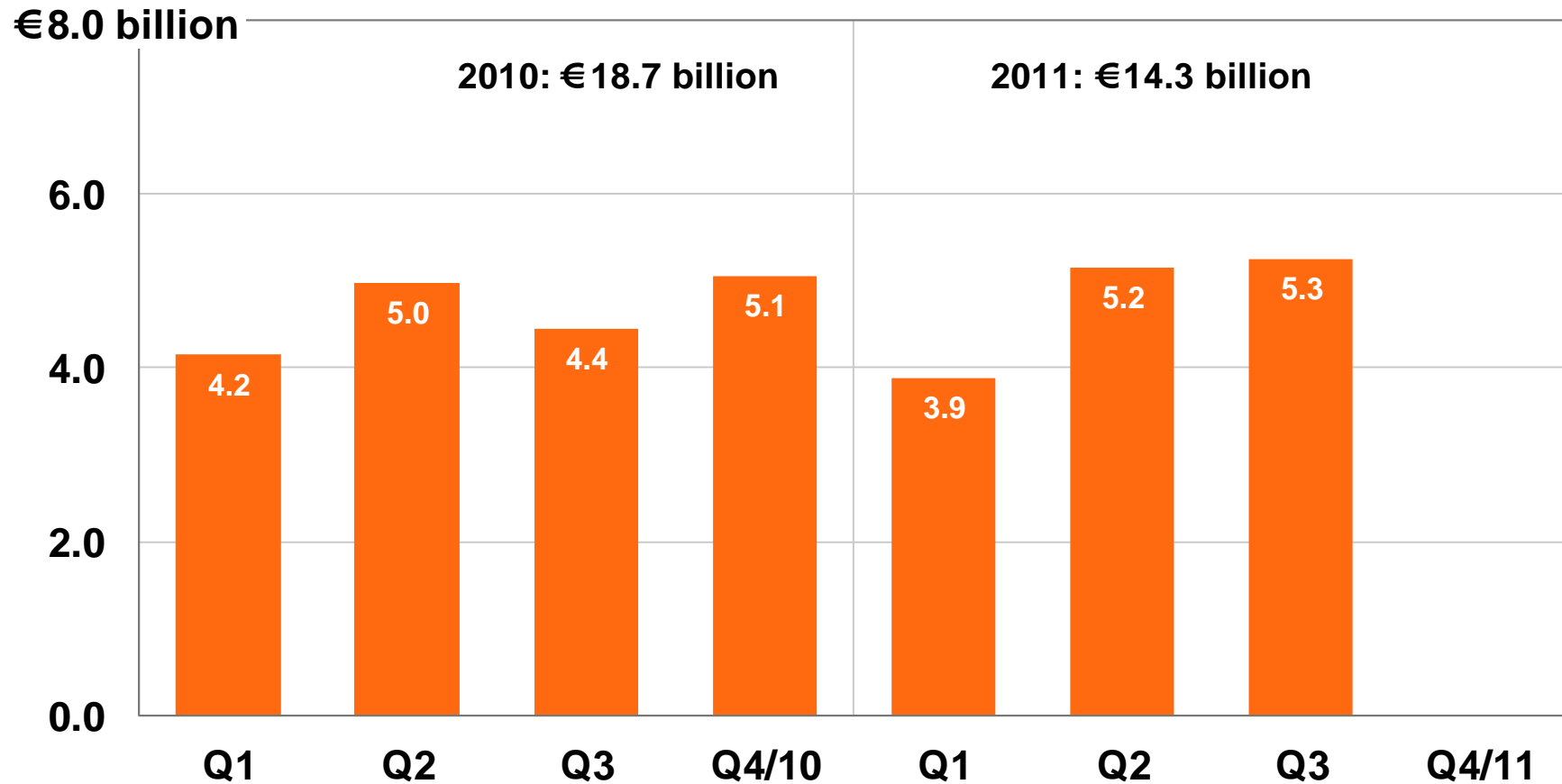


OP-Pohjola Group
Non-performing and Zero-interest Receivables
September 30 2011
€329 million (12-month change +27.1%)

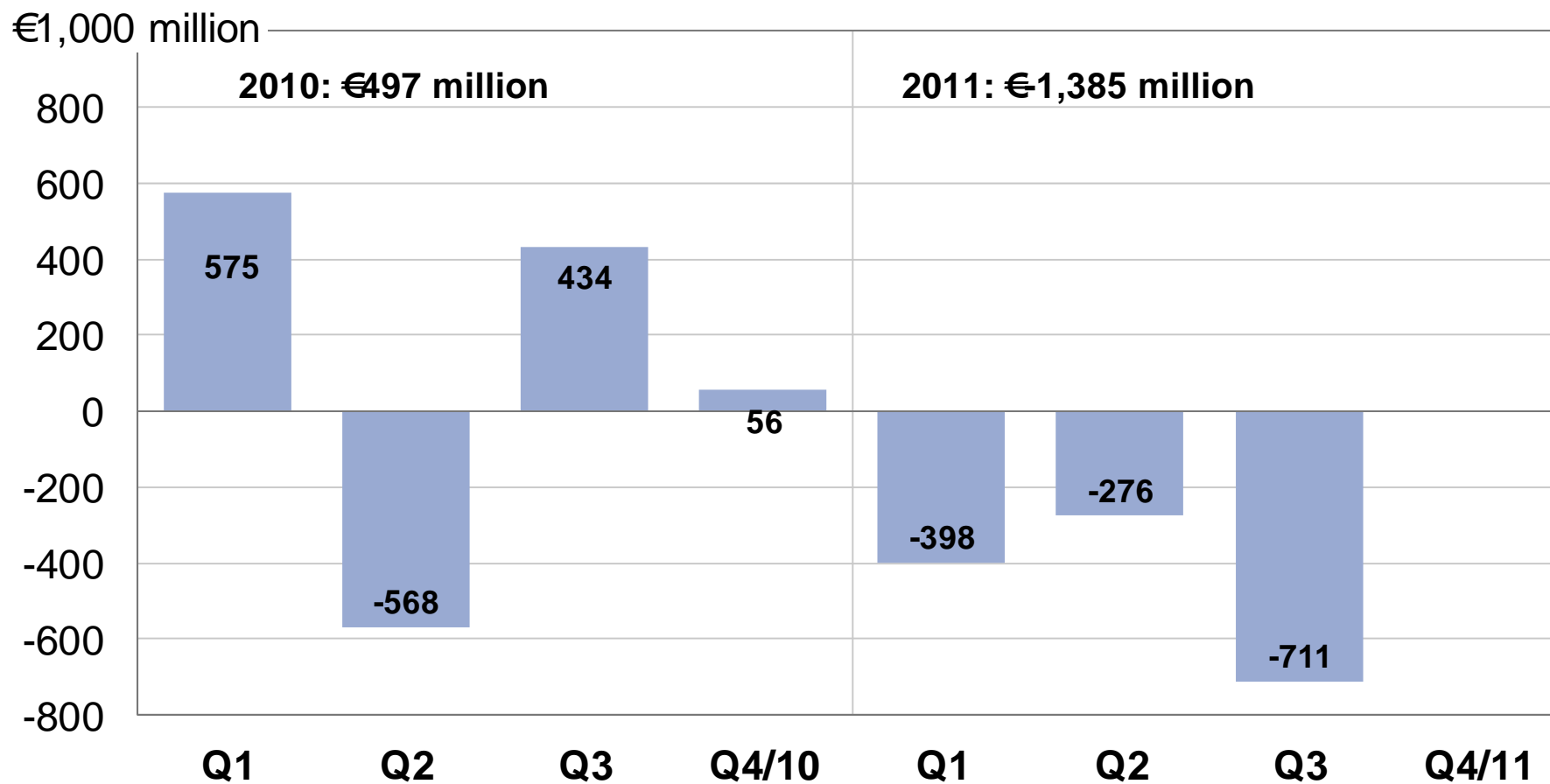


Collectively assessed impairments are not included in the graph

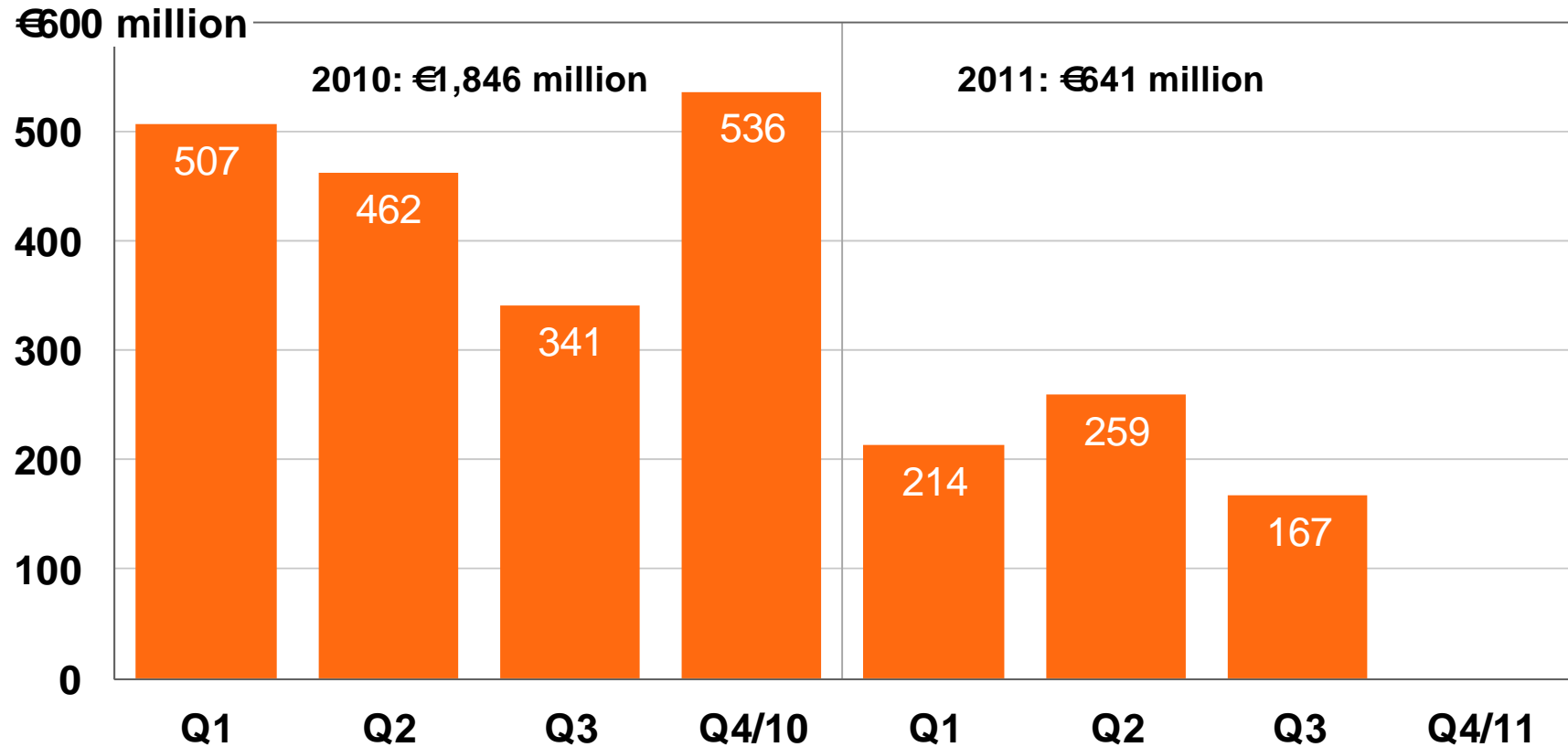
OP-Pohjola Group New Loans by Quarter



OP-Pohjola Group Net Sales Inflow of Mutual Funds by Quarter



OP-Pohjola Group Life and Pension Insurance Premiums Written by Quarter



Employees group life insurance
included only at 31 Dec.

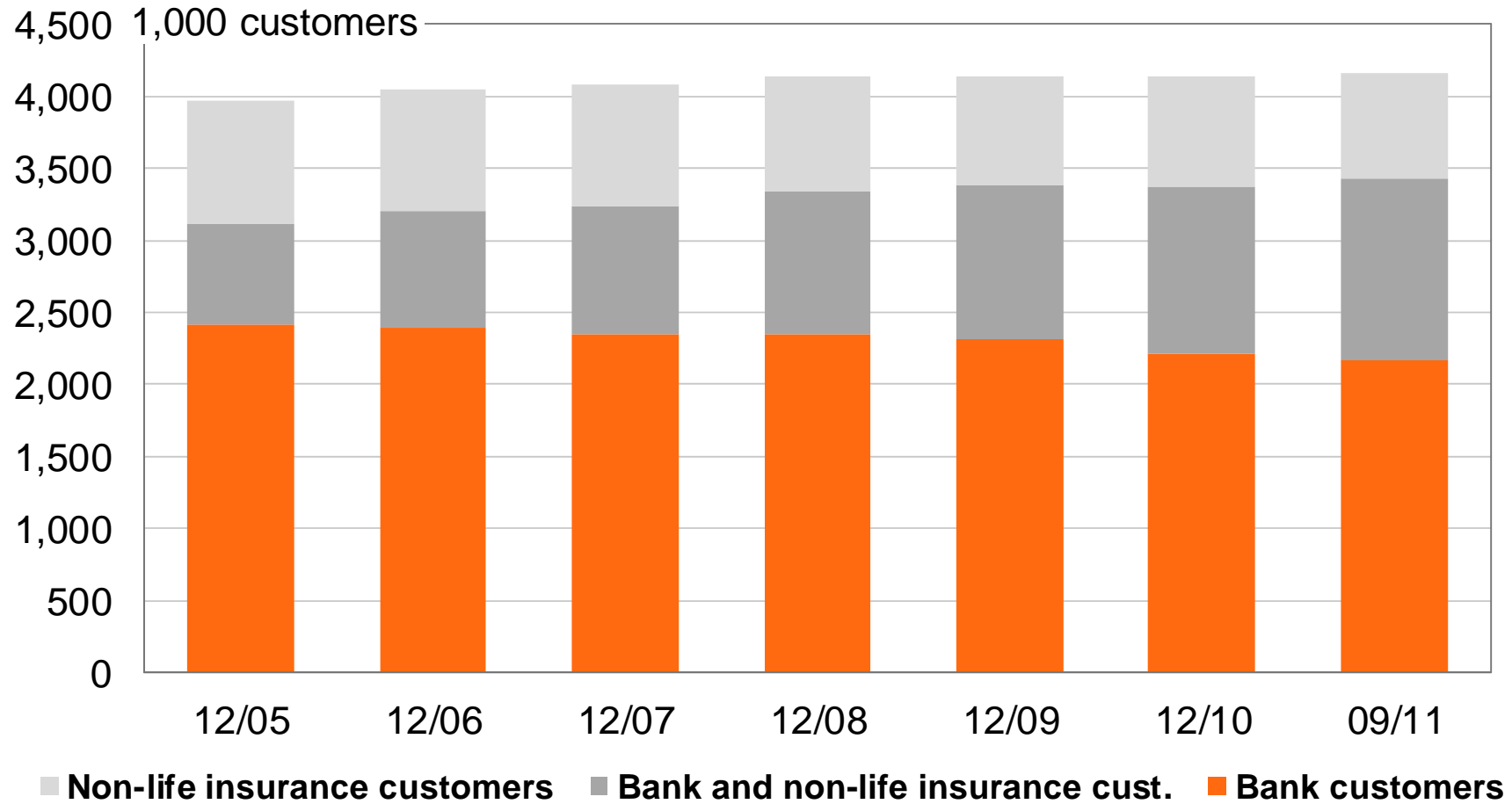


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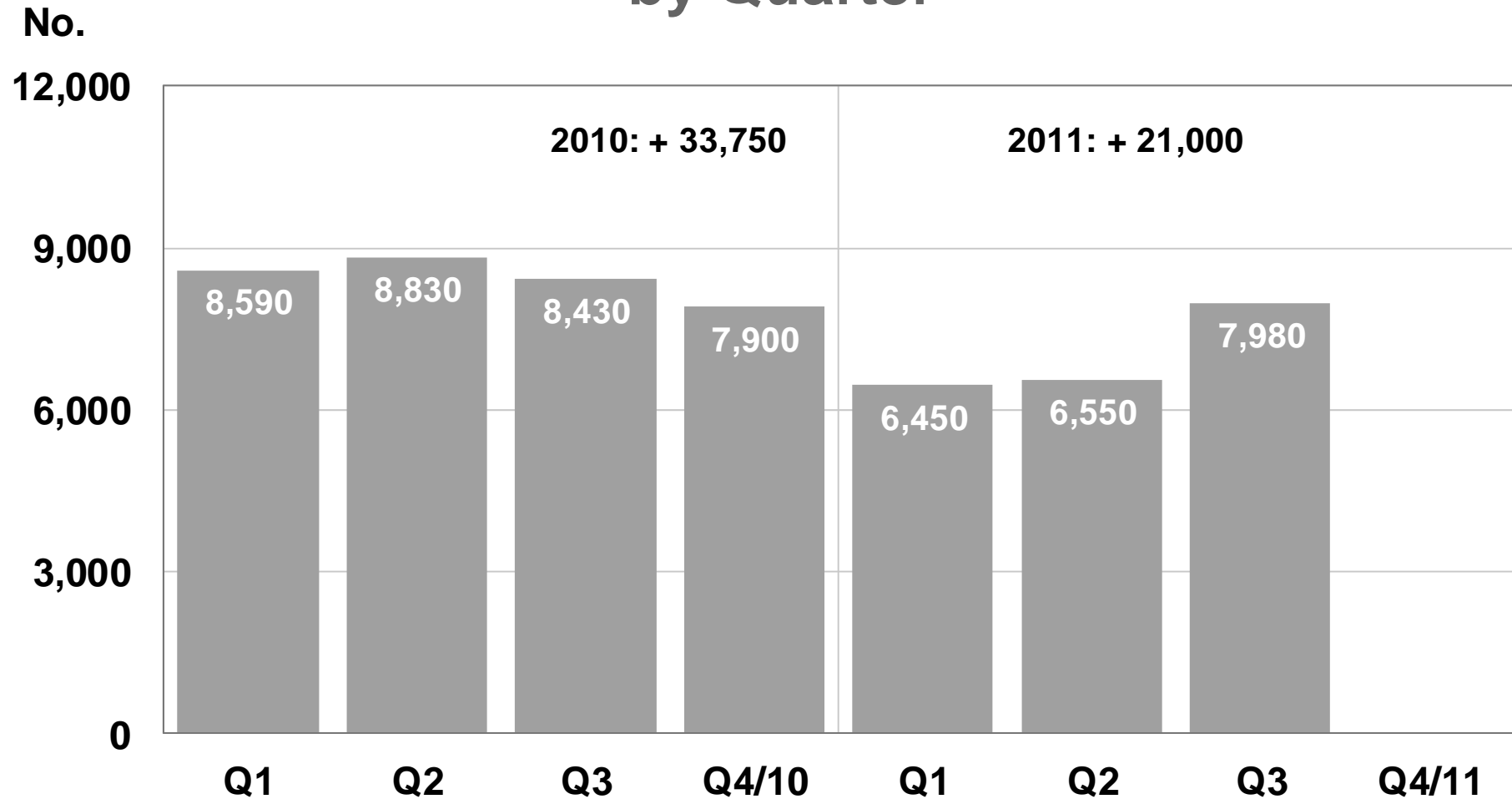
Customers, Owner-members etc.



OP-Pohjola Group Breakdown of Customer Base



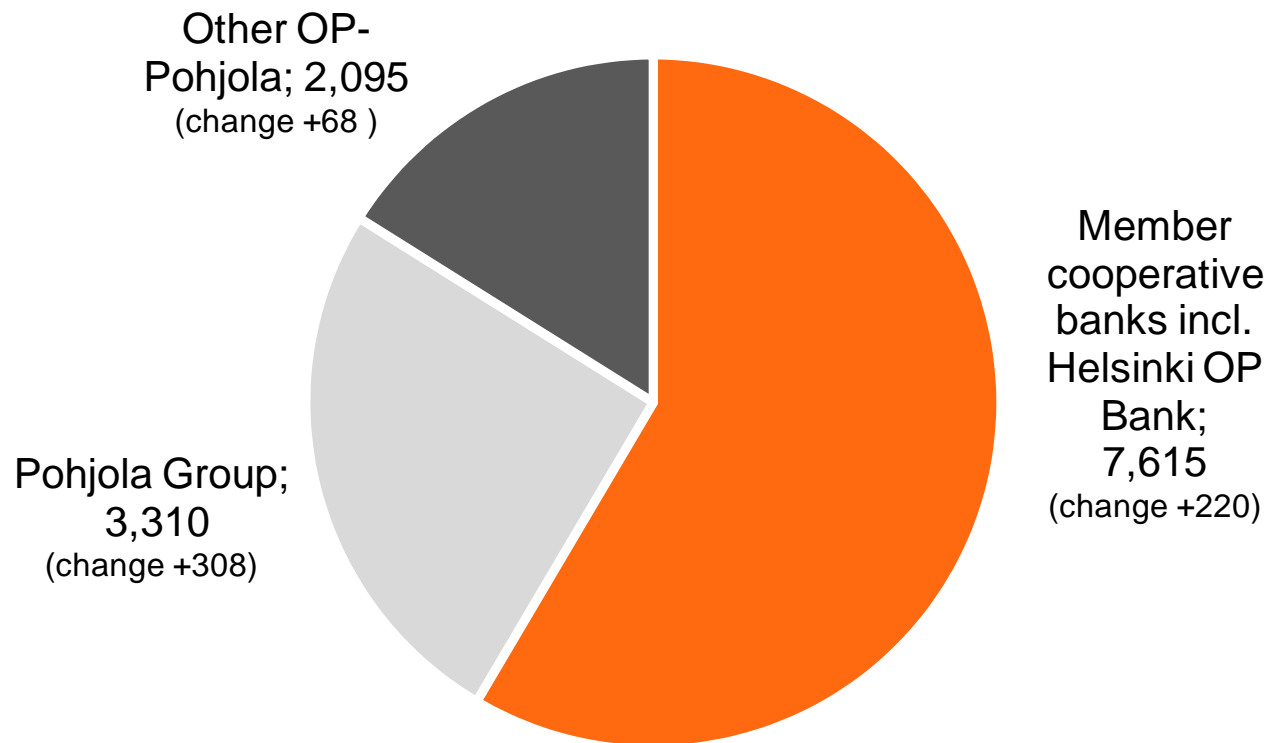
OP-Pohjola Group Net Increase in Owner-members by Quarter



OP-Pohjola Group's Personnel

30 September 2011

13,020 (+ 596 within 12 months)



OP-Pohjola Group Service Network

	30 Sept. 2011	Change from year- end	12-month change
eServices Agreements	1,550,000	70,000	100,000
Locations	537	-17	-21
providing both banking and insurance services	337	14	15
Private banking locations	34	1	3
OP-Kiinteistökeskus estate agents	168	-4	-3
Online customer terminals	549	11	11

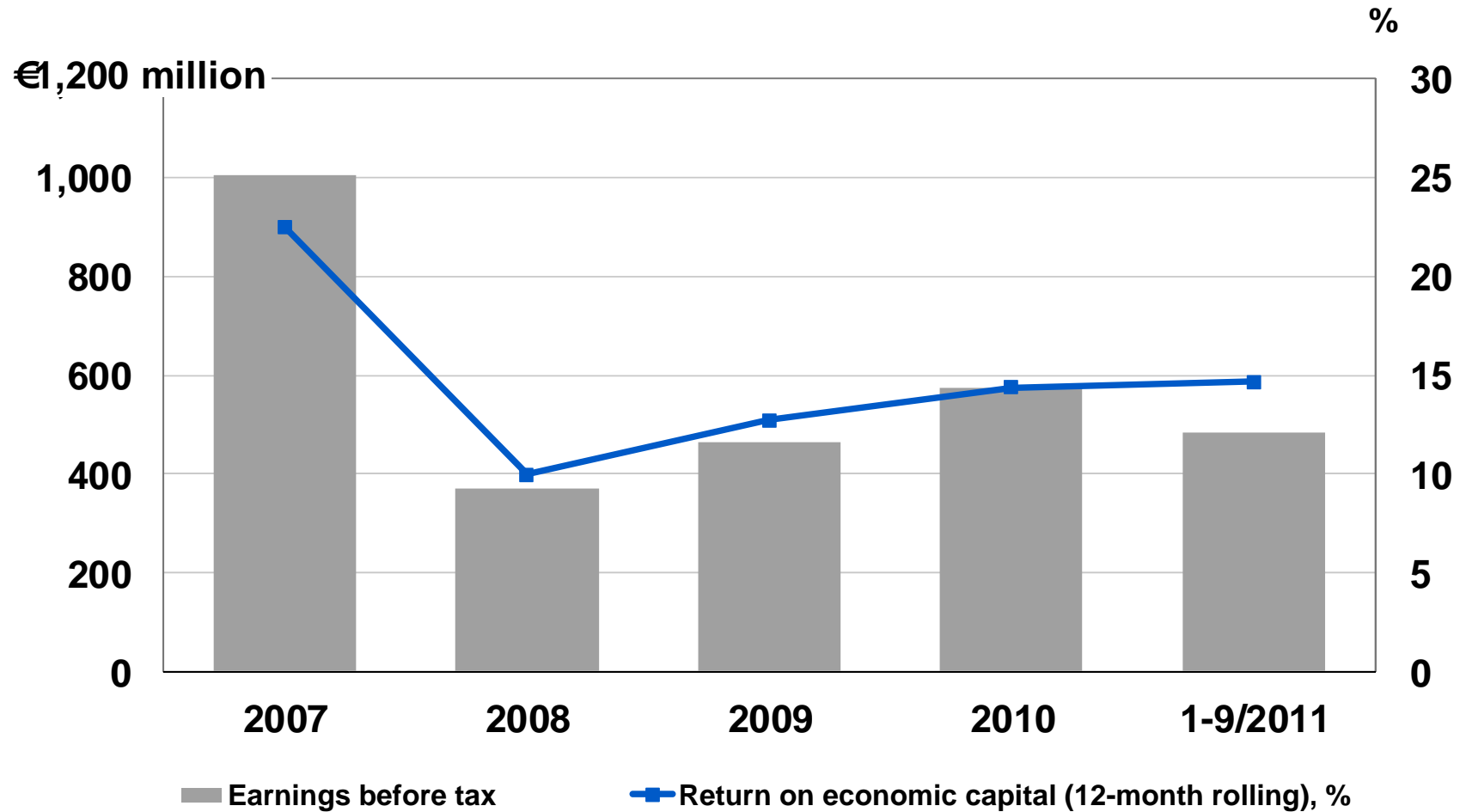


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5-year Trends



OP-Pohjola Group Earnings before Tax and Return on Economic Capital



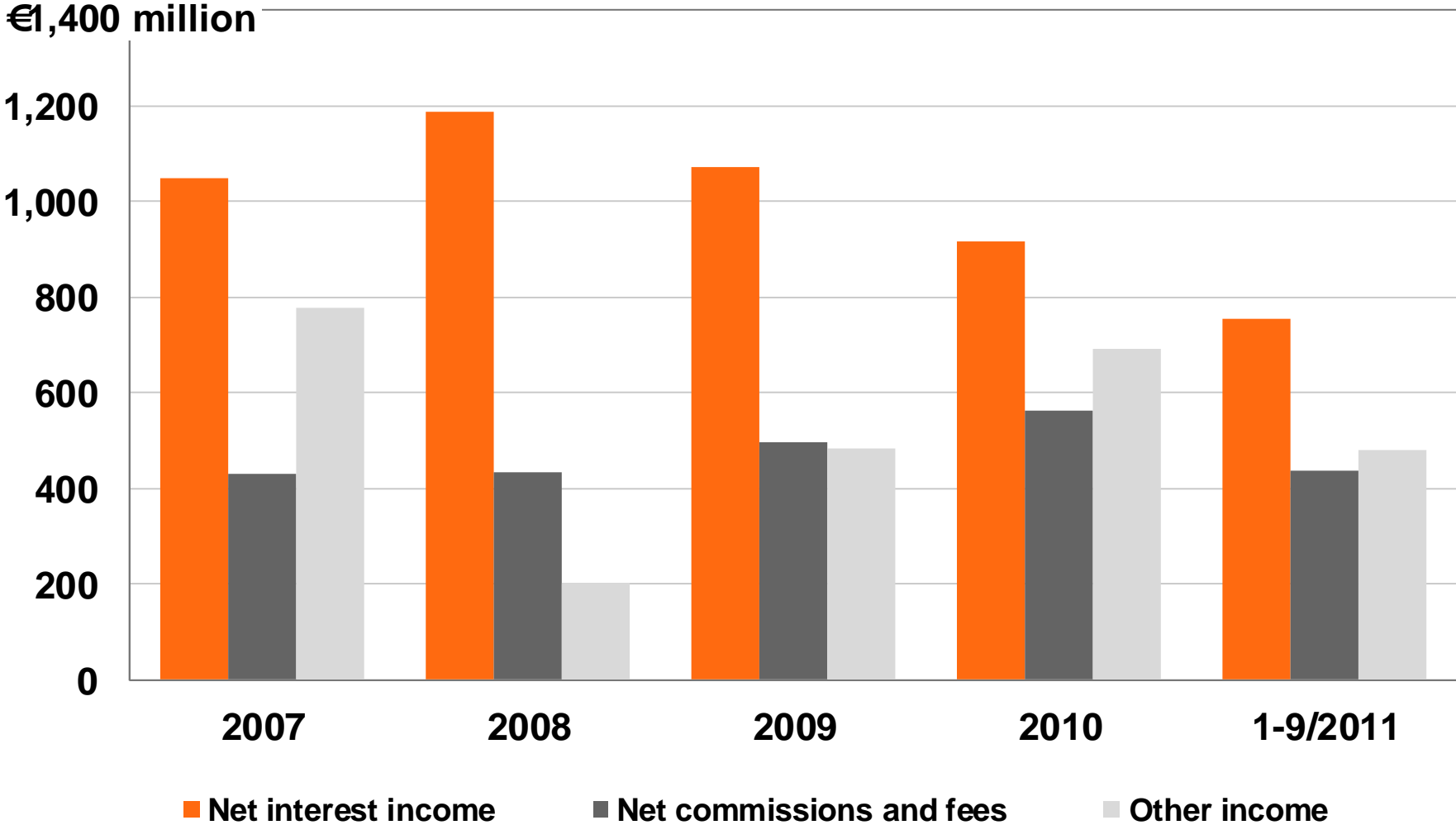
Calculation principles of economic capital have been changed between 2007 and 2008



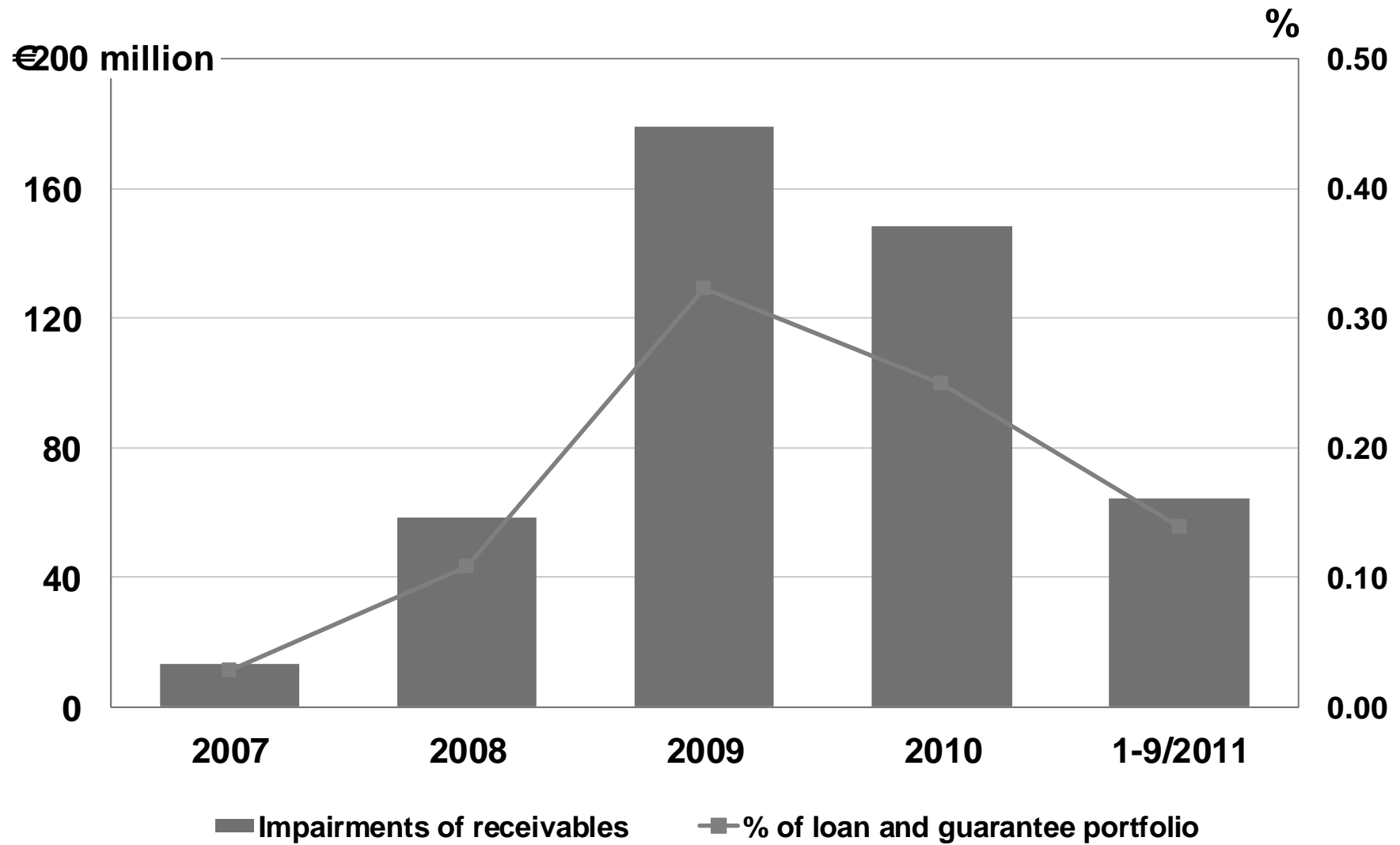
OP-Pohjola Group Earnings before Tax



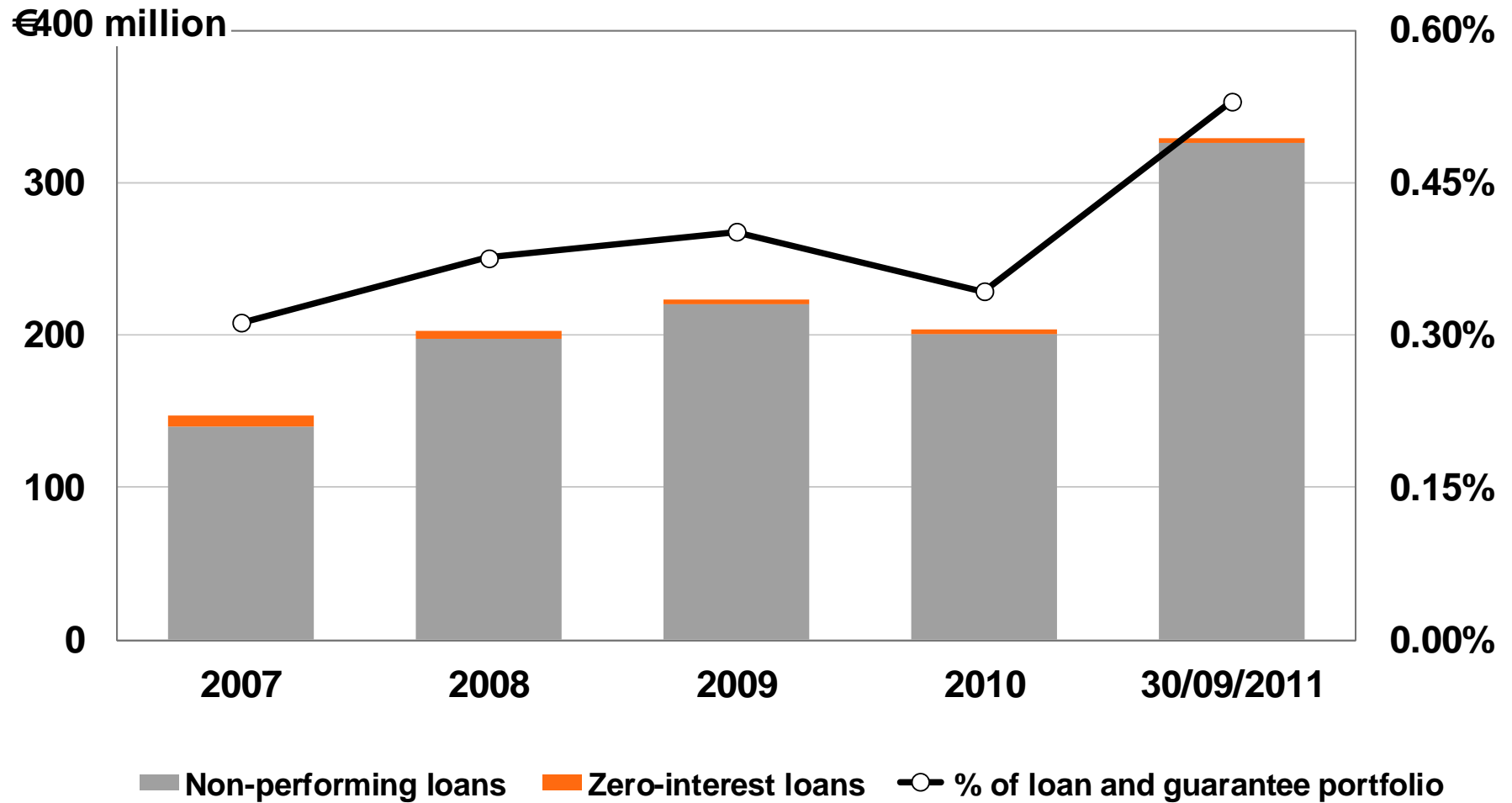
OP-Pohjola Group Income



OP-Pohjola Group Impairments of Receivables

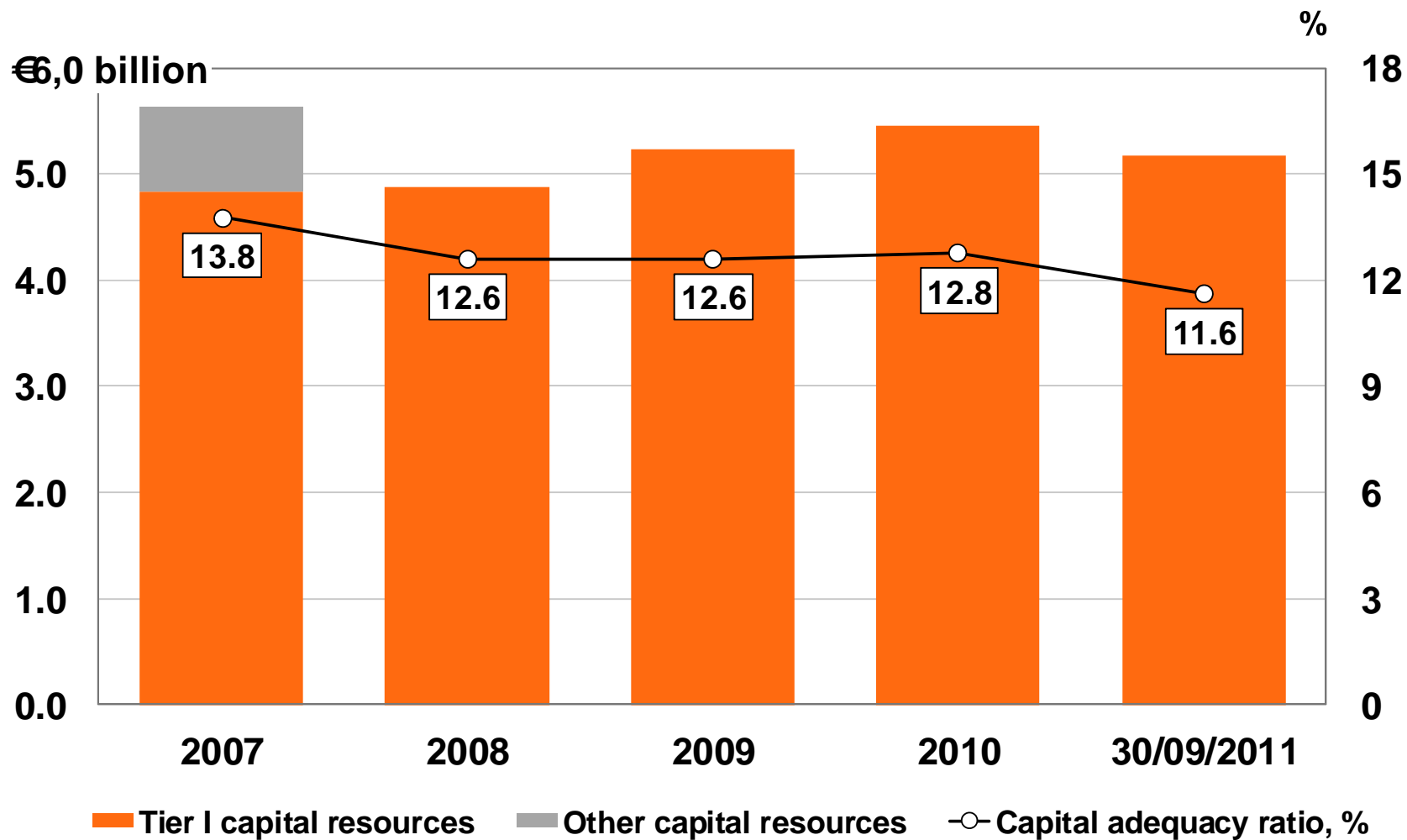


OP-Pohjola Group Non-performing Loans

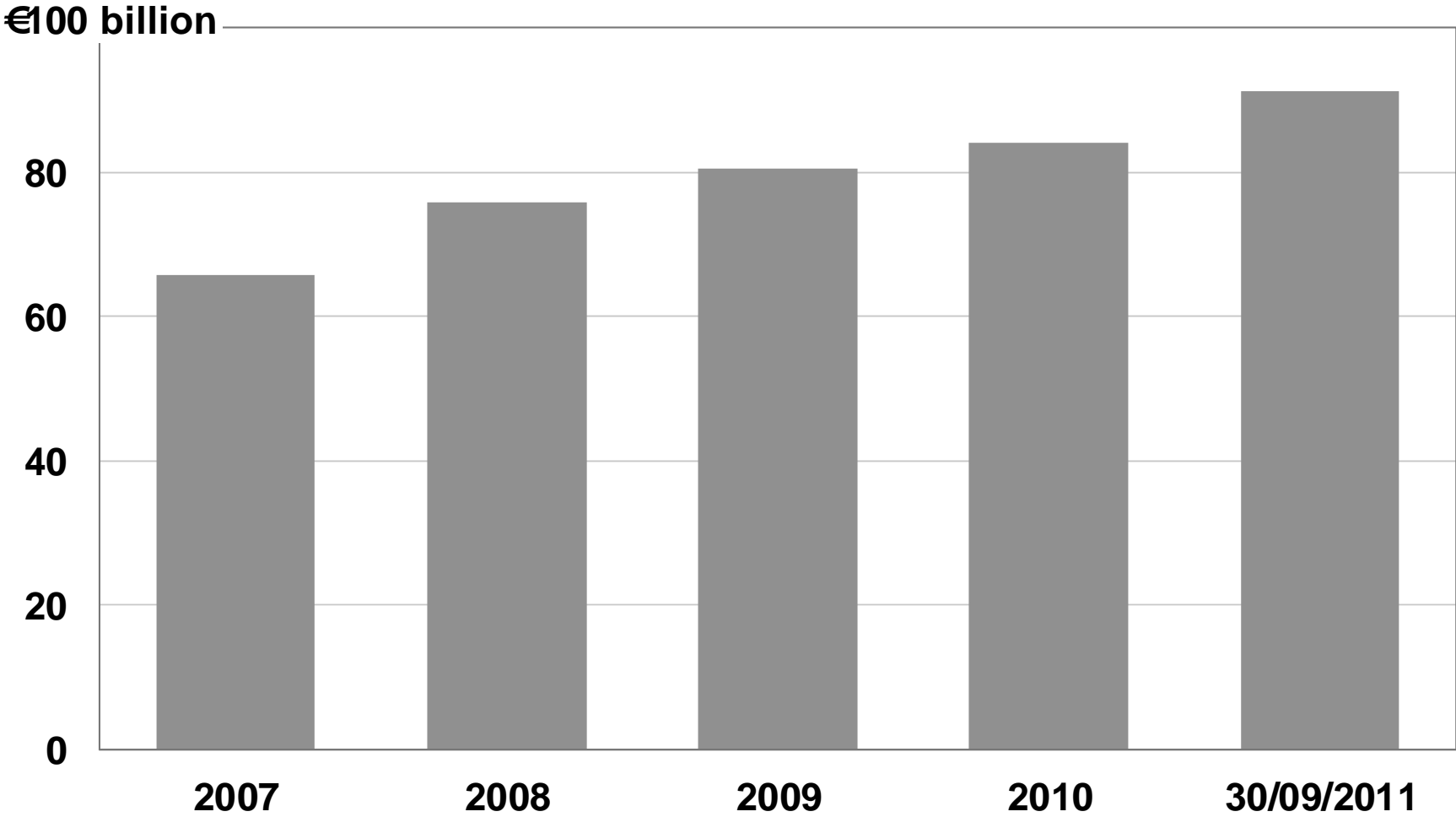


The amalgamation of the cooperative banks

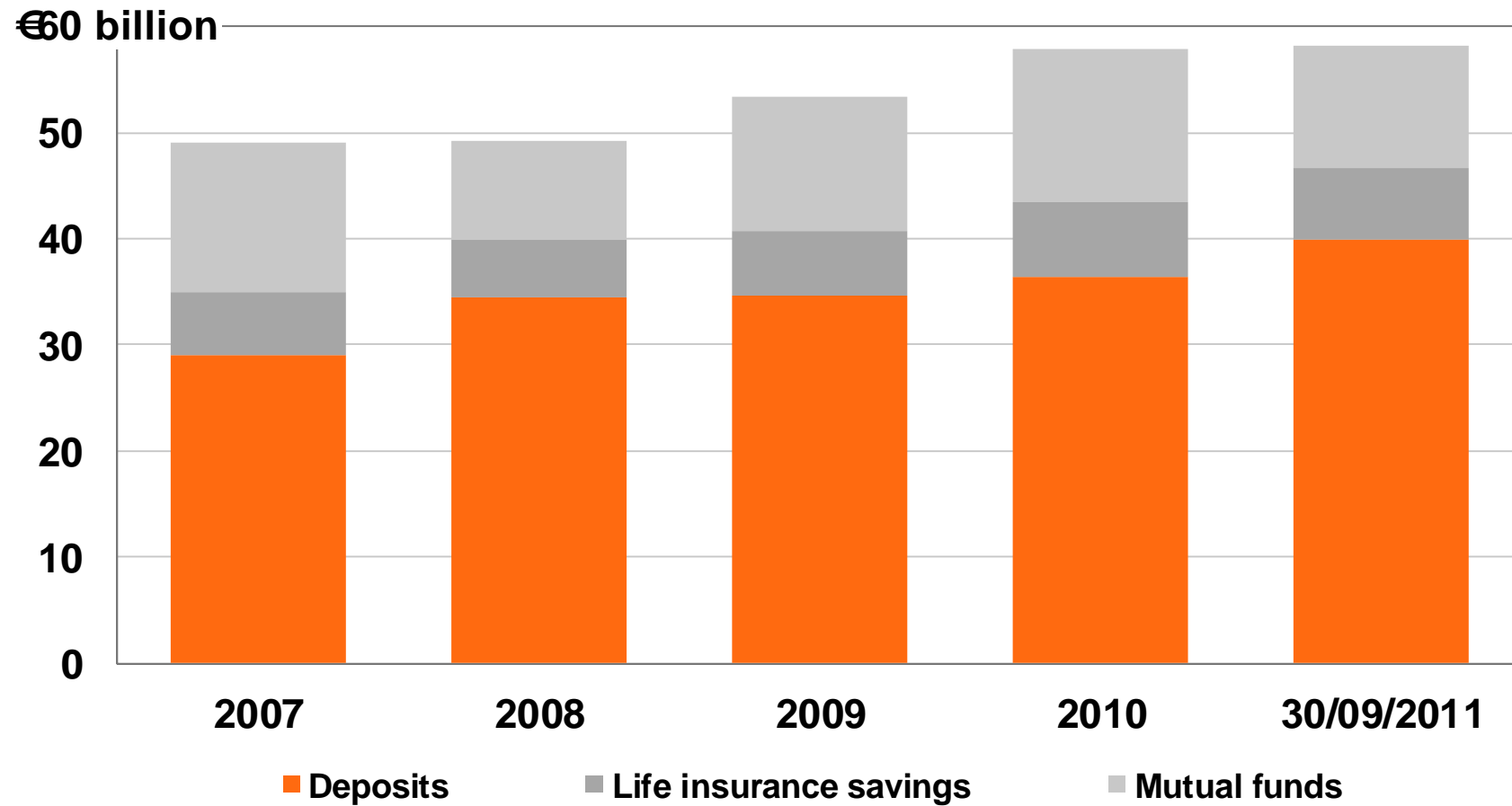
Capital Base and Capital Adequacy Ratio



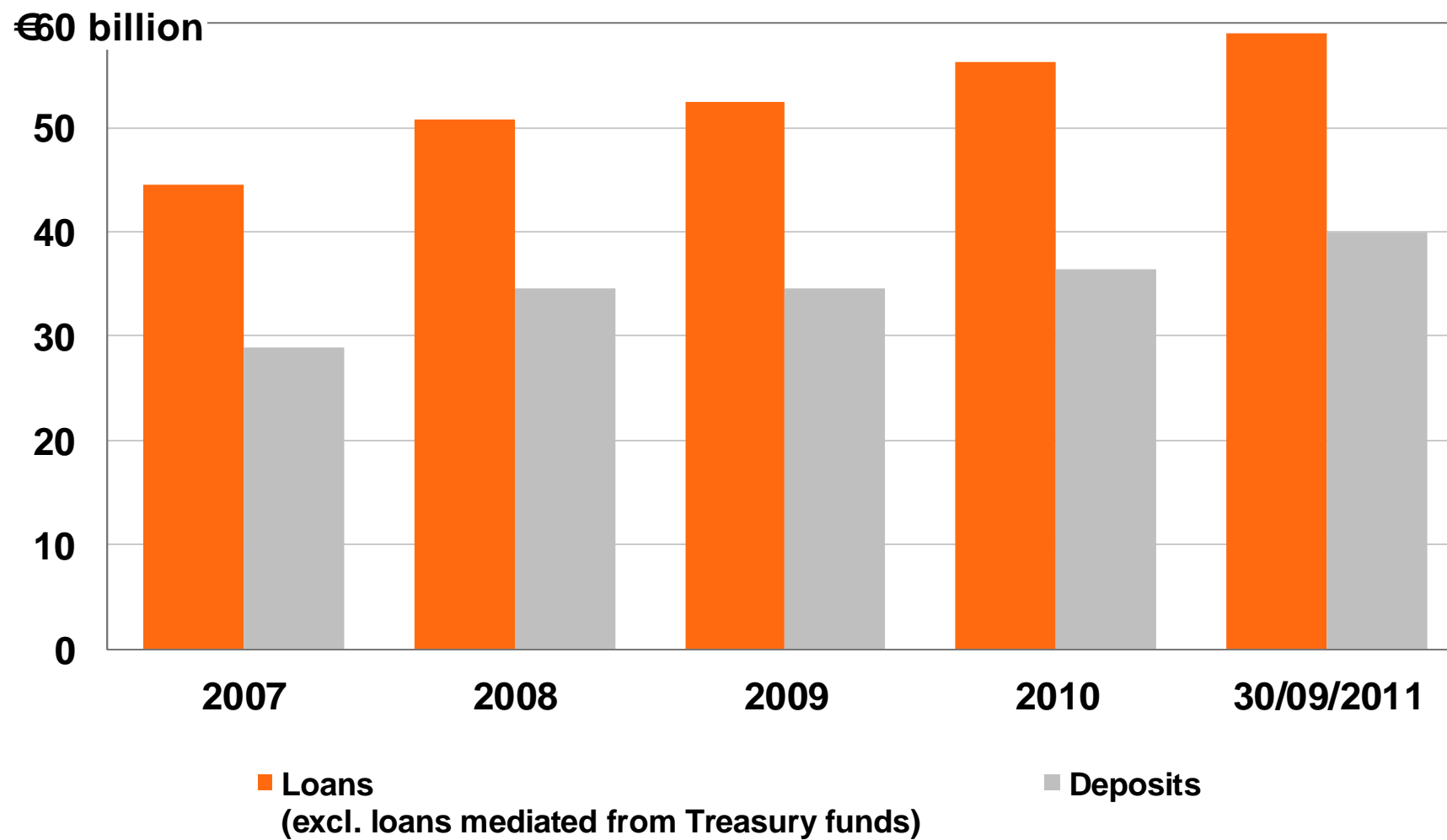
OP-Pohjola Group Balance Sheet



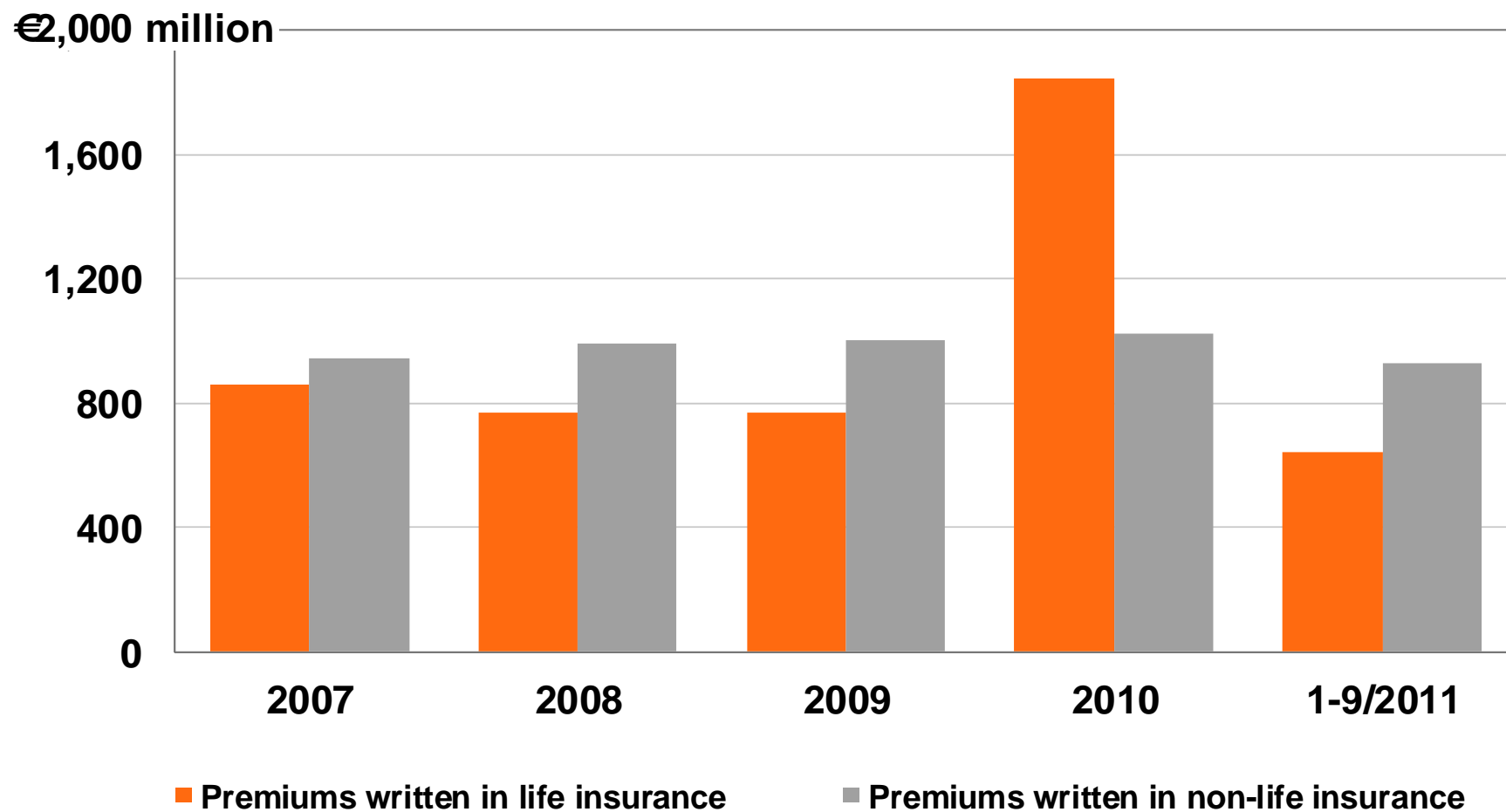
OP-Pohjola Group Customer Funds



OP-Pohjola Group Loans and Deposits



OP-Pohjola Group Premiums Written in Life and Non-life Insurance



Thank you

