

Debt Investor Presentation Q1-3/2015

OP Financial Group and issuing entities

Pohjola Bank plc (to be renamed OP Corporate Bank plc in April 2016)

and OP Mortgage Bank

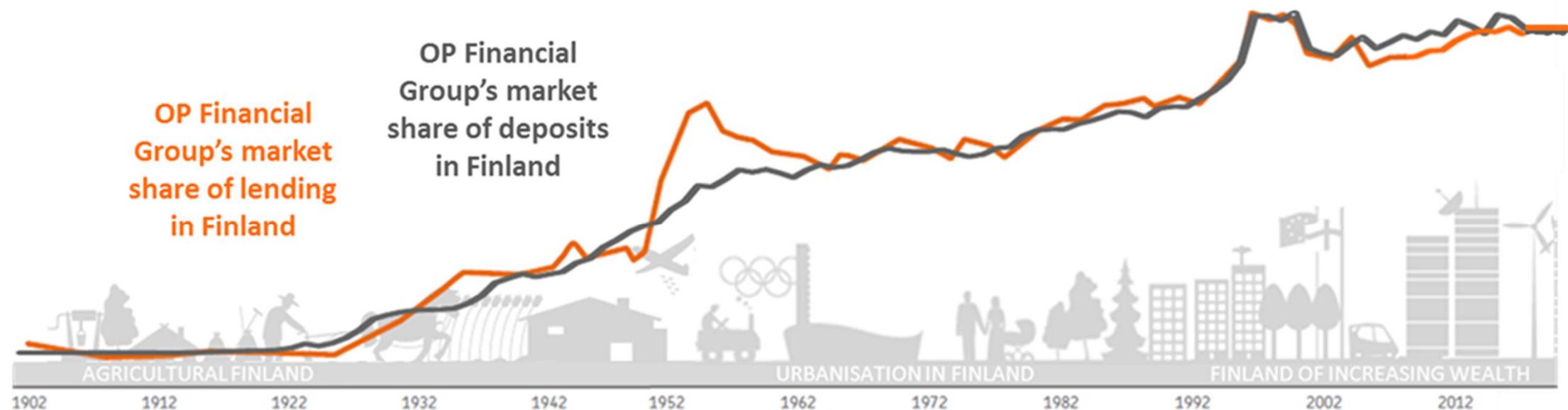
www.pohjola.com > Investor Relations > Debt Investors

YE2014:

36.4%

YE2014:

34.2%



Disclaimer

Certain statements in this presentation are based on the beliefs of our management as well as assumptions made by and information currently available to the management. All forward-looking statements in this presentation expressing the management's expectations, beliefs, estimates, forecasts, projections and assumptions are based on the current view of the future development in the operating environment and the future financial performance of Pohjola Group and its various functions. No assurance can be given that such expectations will prove to have been correct. Accordingly, results may differ materially from those set out in the forward-looking statements as a result of various factors. Pohjola has used sources of information which it considers to be reliable, and the accuracy and reliability of which it has sought to establish to the best of its ability, but it can nevertheless not guarantee their accuracy or reliability.

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Past performance is no guide to future performance. Persons needing advice should consult an independent financial, legal or tax adviser.

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Leading financial group in Finland

Issuing entities: Pohjola Bank plc and OP Mortgage Bank

€118 bn Total assets as of 30 Sept. 2015

SOLID CAPITAL POSITION

18.6%

CET1 as of 30 Sept. 2015

MARKET LEADER IN FINLAND

>30%

Market share in loans, deposits and non-life insurance

FINNISH RISK EXPOSURE

96%

of retail and corporate exposures in Finland as of 31 Dec. 2014

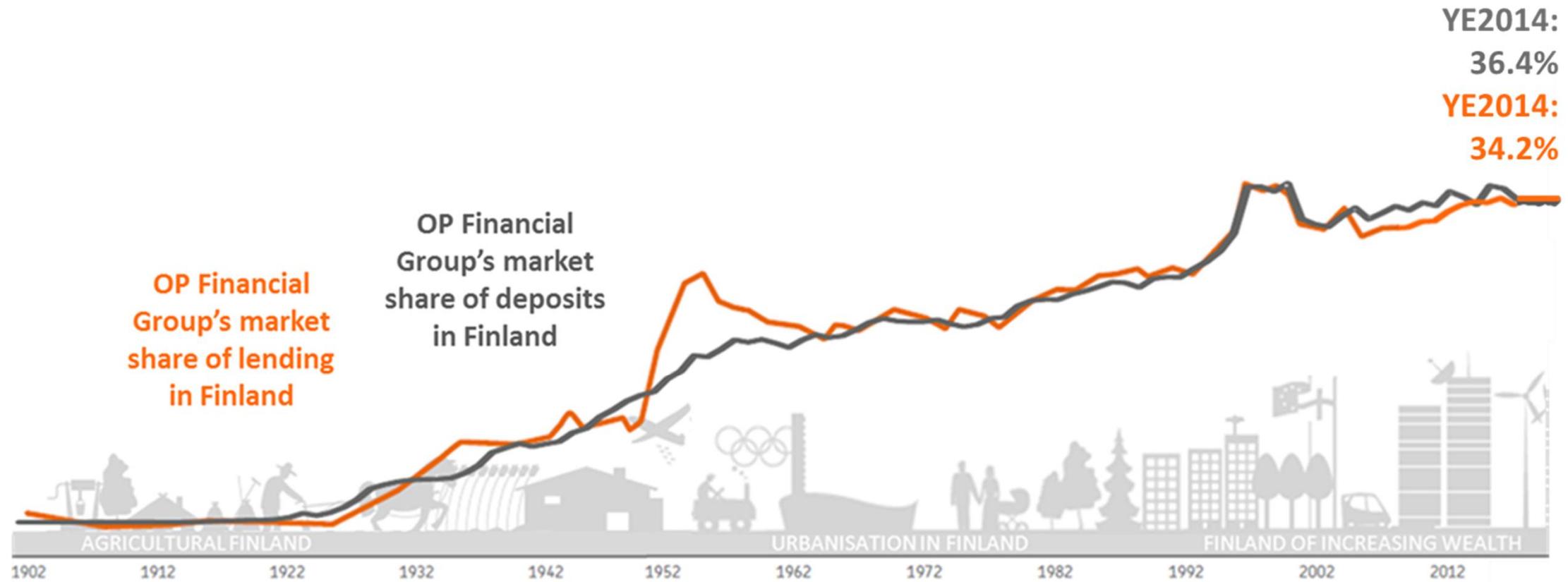
HIGH CREDIT RATINGS

Moody's Aa3 / S&P AA- / Fitch A+

Pohjola Bank plc

Moody's Aaa / S&P AAA

OP Mortgage Bank



Finnish Economy

Factors that form the basis for Finnish Economy

High level of education

Working-age population highly educated in terms of tertiary-level degrees as well as technical expertise and know-how

More diversified industry structure than earlier and new innovations

More balanced exports breakdown by commodity group and new openings eg. within bioeconomy

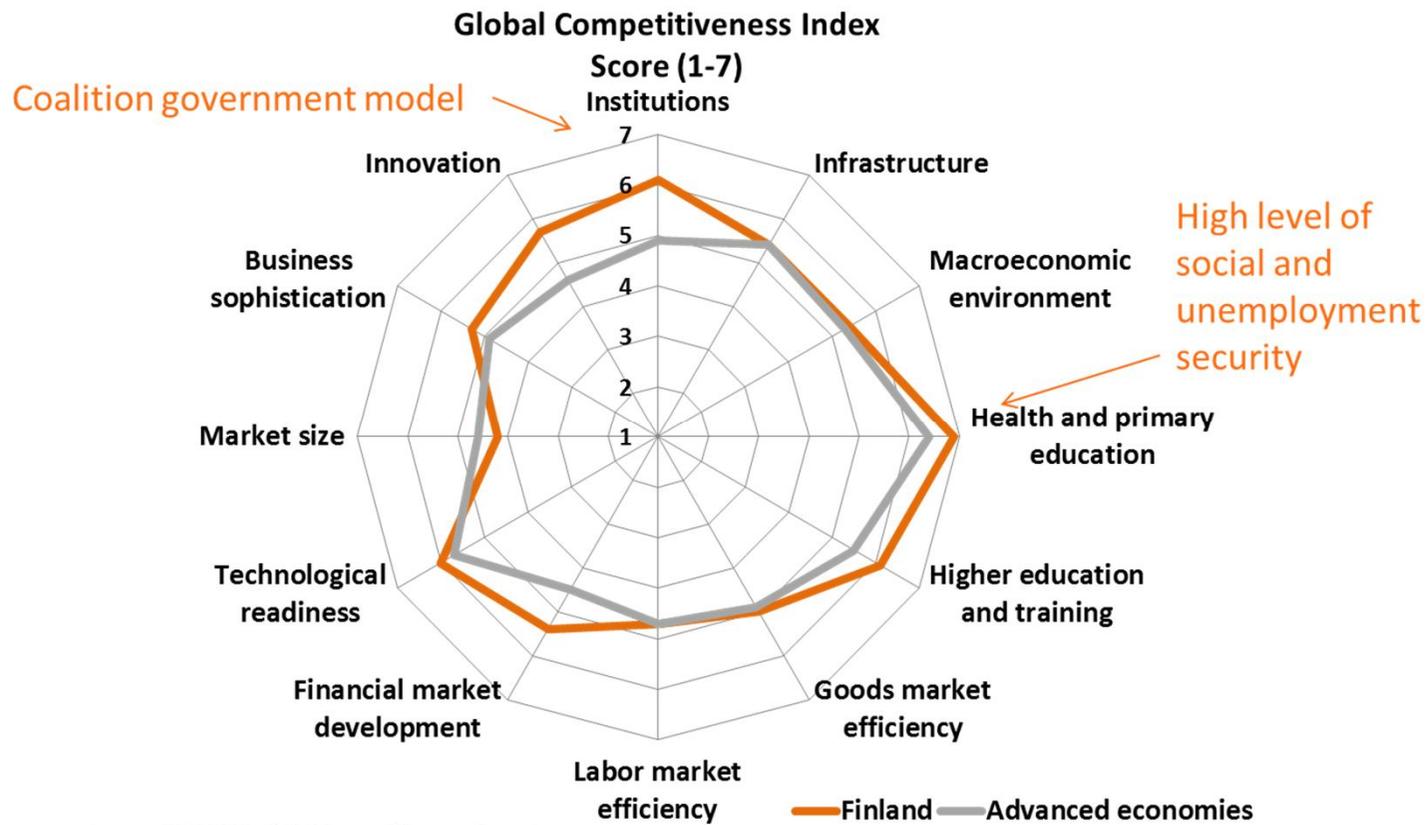
Stable, transparent and effective society and administrative infrastructure

Stable consensus-based political framework through center-right coalition government model and well-functioning social security system

Wealthy and balanced economy

Modest government debt, consistent macroeconomic policy and sound fiscal policy management

Ample human capital and strong innovation basis for future success



Source: WEF 2015, Global Competitiveness Report

Bioeconomy as one of the new growth areas

- Branch of the economy using biological natural resources to produce products, energy, food and services.
- Clean, environment saving technologies and efficient recycling are typical to bioeconomy.
- The significance of the forestry sector in Finland has been and will be great, as over one half of Finland's bioeconomy today relies on forests.
- The objective of the Bioeconomy Strategy is to push bioeconomy output up to €100 bn by 2025 and to create 100,000 new jobs.

16% of the total Finnish economy (i.e. turnover of €60 bn)

13% of total employment in Finland (i.e. 300,000 persons)

26% of total Finnish exports (i.e. €14 bn)

Sluggish growth but improving economic balance

GDP growth



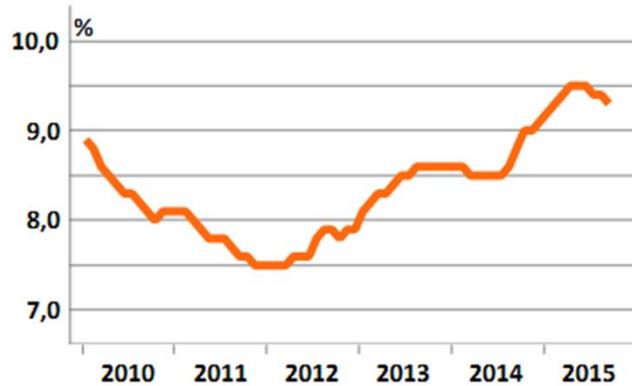
Source: Macrobond, OP

Inflation



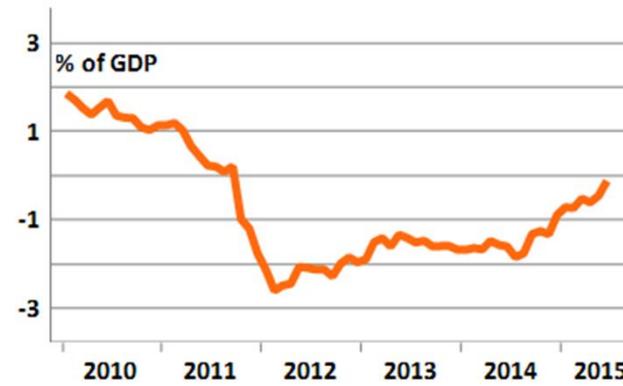
Source: Macrobond, OP

Unemployment rate



Source: Macrobond, OP

Current account



Source: Macrobond, OP

Forecasts for the Finnish Economy

Published 24 August 2015

	2014 € bn	2013 Volume, % change on previous year	2014	2015f	2016f
GDP	205.2	-1.1	-0.4	-0.3	0.8
Imports	79.4	0.0	0.0	0.3	2.1
Exports	77.8	1.1	-0.7	0.0	2.0
Consumption	164.5	0.0	0.3	0.5	0.5
Private consumption	113.6	-0.3	0.5	0.8	0.8
Public consumption	50.9	0.8	-0.2	-0.2	-0.3
Fixed investment	41.6	-4.8	-3.3	-2.2	3.0

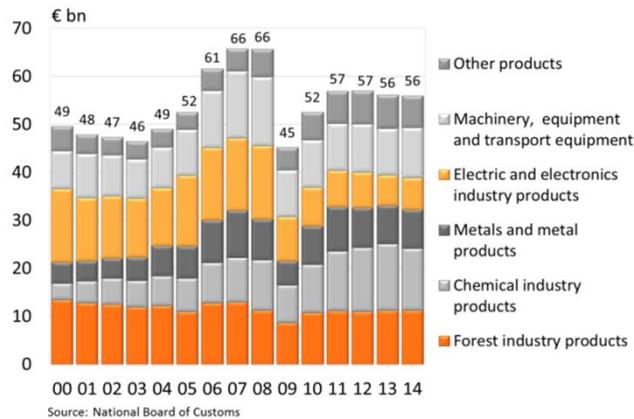
Other key indicators

	2013	2014	2015f	2016f
Consumer price index, % change y/y	1.5	1.0	-0.2	0.6
Unemployment rate, %	8.2	8.7	9.4	9.4
Current account balance, % of GDP	-1.8	-1.9	-0.3	-0.3
General government debt, % of GDP	55.8	59.3	63.0	66.1
General government deficit, % of GDP	-2.5	-3.2	-3.2	-2.8

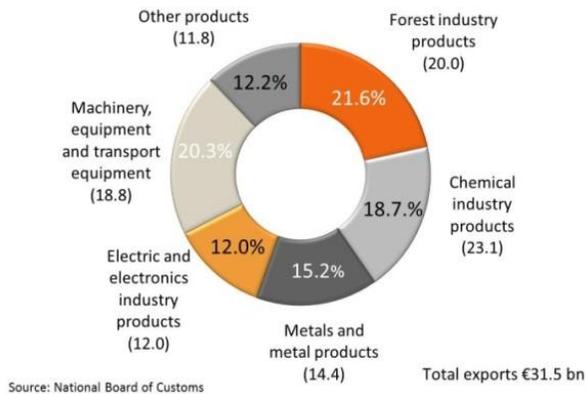
Sources: Statistics Finland and OP

Goods exports by product group and by country**

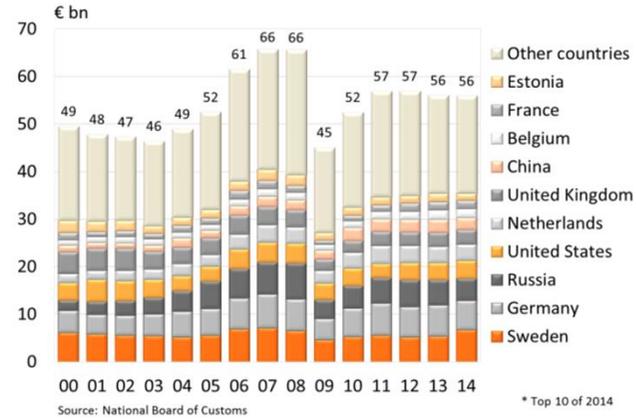
Exports by commodity group



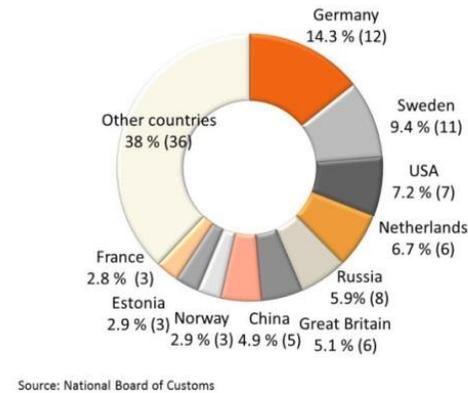
Goods exports by product group
January-July 2015 (2014 in brackets)



Finlands' largest* export countries

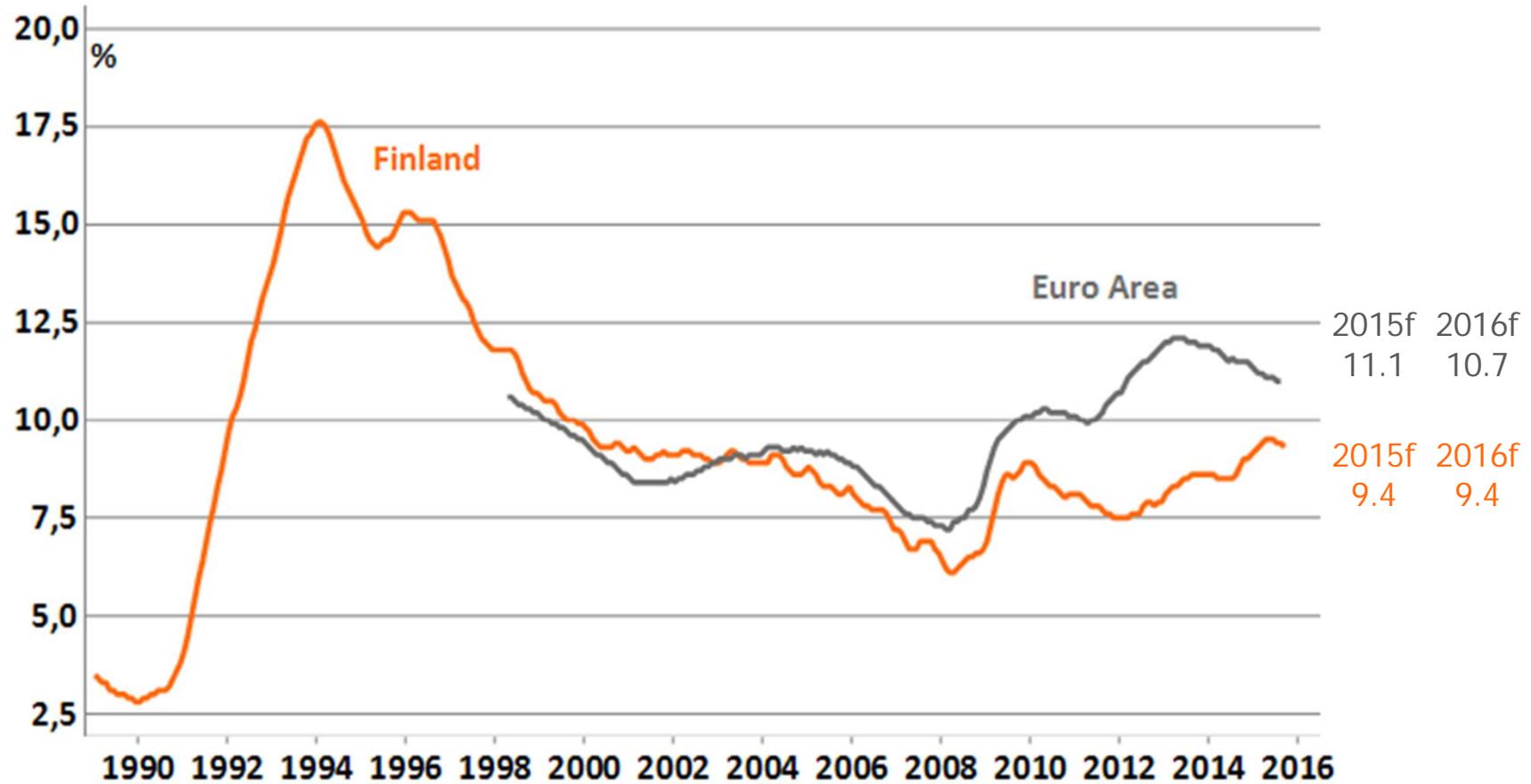


Goods exports by country
January-July 2015 (2014 in brackets)



** In January-July 2015, EU member countries' share of goods exports was 58.1%

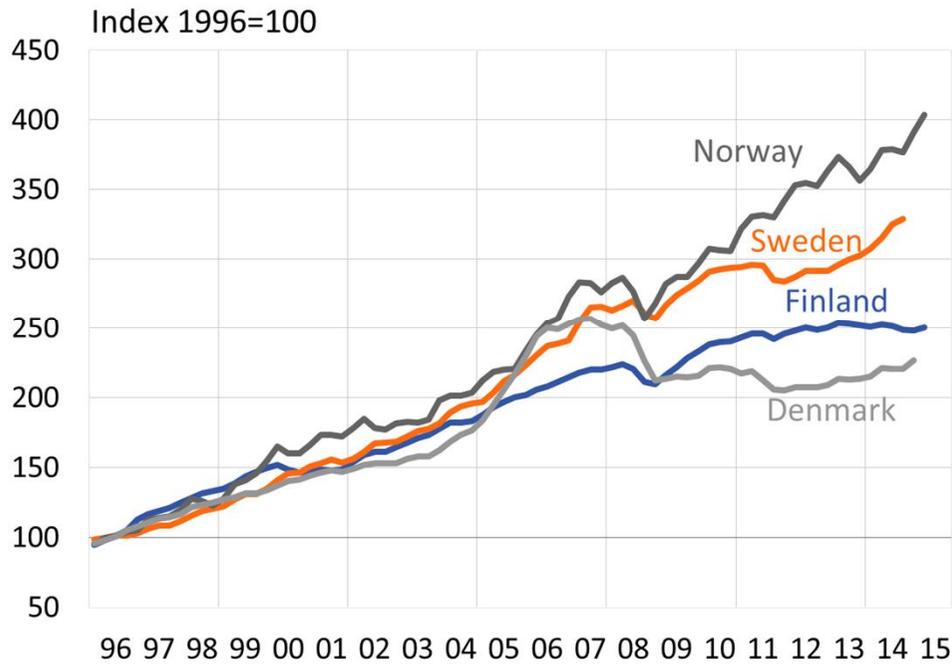
Unemployment rate* in Finland and Euro area



Lähde: Macrobond, OP

Average house prices and households' debt

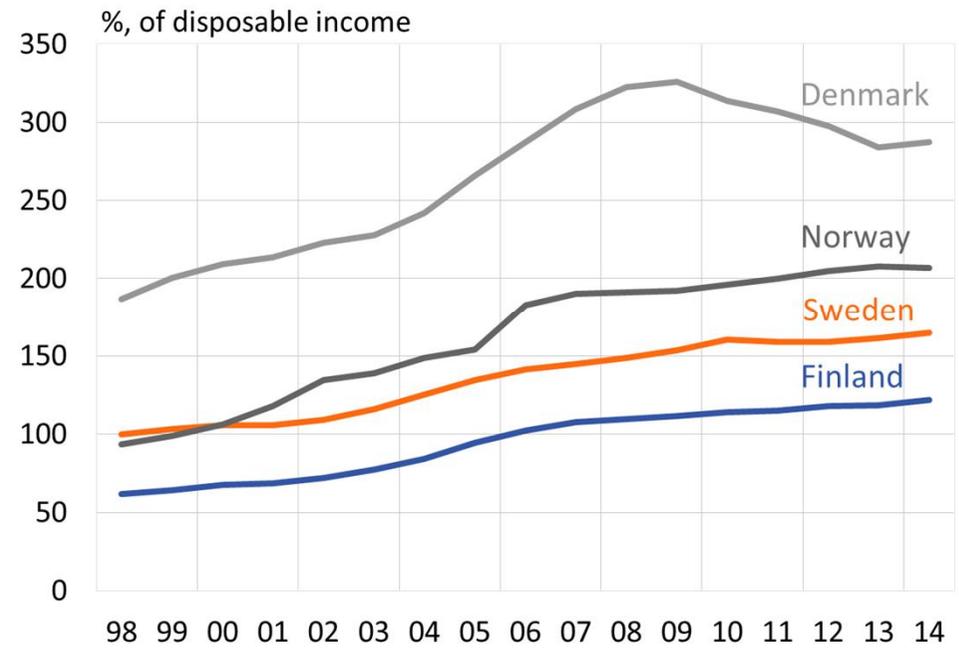
Average house prices



Sources: Macrobond, Statistics Sweden

Latest values: Finland and Norway Q2/2015, Denmark Q1/2015 and Sweden Q4/2014.

Households' debt ratio



Sources: Central Banks, Statistics Finland

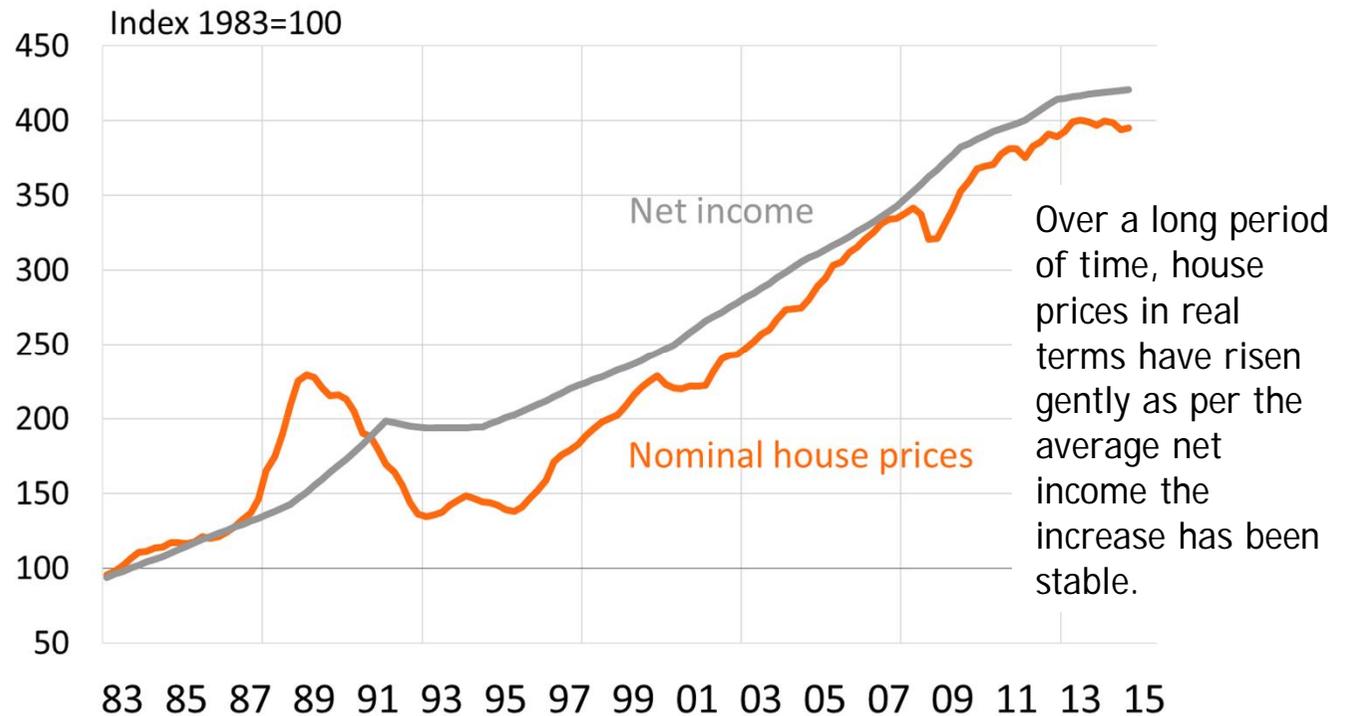
Latest value: 2014

Stable outlook in the Finnish housing market

Characteristics of Finnish housing market

- Ownership ratio of households around 69%
- Average size of homes 80.0 m²
- Typical maturity of new loans 16.9 years
- Variable interest rates: around 94% of loans to households
- Fully-amortizing market
- Interest relief in taxation (max. €3,600 / household)
- Capital gains tax-exempt after 2 years

Changes in house prices and net income



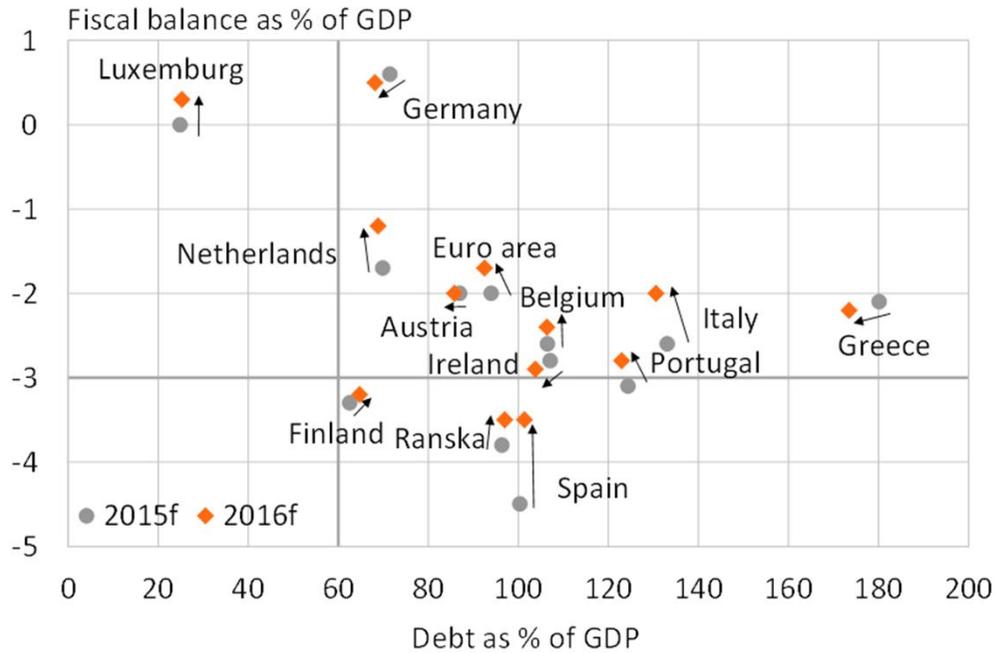
As of 25 October 2015

Sources: Statistics Finland, Bank of Finland and Finnish Tax Administration

Source: Statistics Finland

Fiscal balance and sovereign credit ratings for Euro area

Fiscal Balance, Forecasts for 2015 and 2016



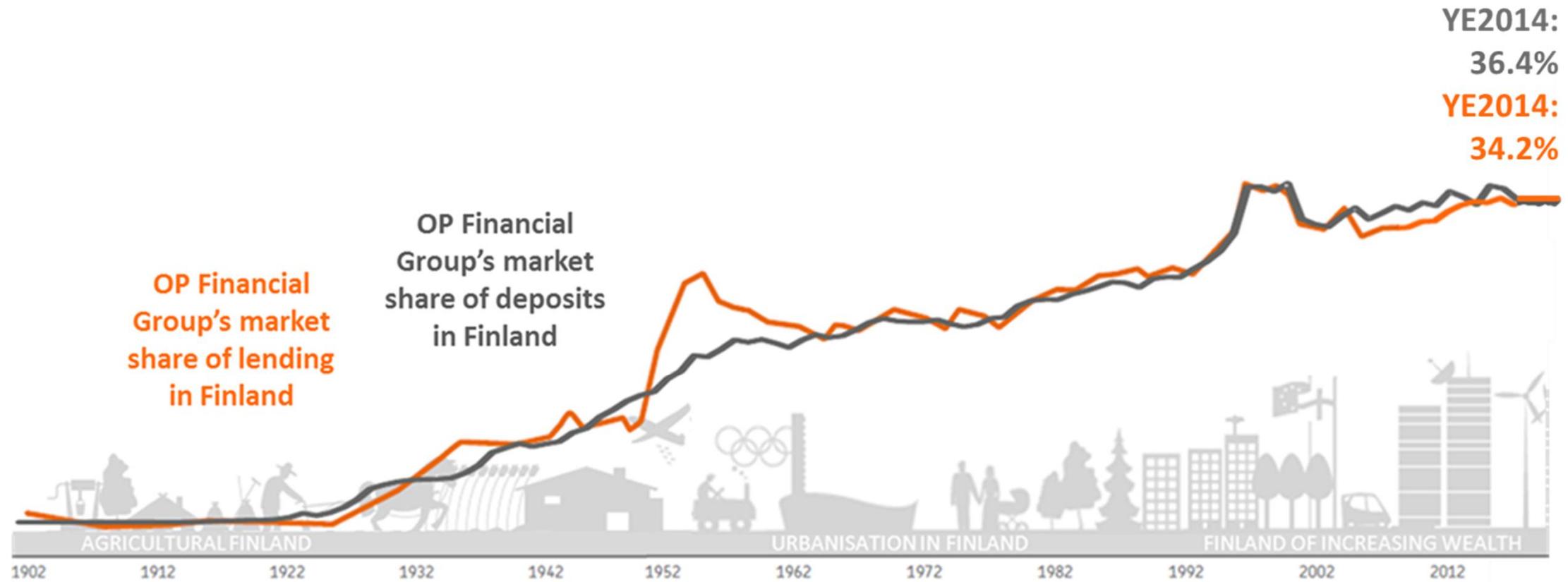
Sources: Statistics Finland, European Commission, May 2015

Long-term sovereign credit ratings for Euro area
25 October 2015

	Moody's	S&P	Fitch
Germany	Aaa	AAA	AAA
Luxembourg	Aaa	AAA	AAA
Netherlands	Aaa	AA+**	AAA
Finland	Aaa*	AA+*	AAA*
Austria	Aaa*	AA+	AA+
France	Aa2	AA*	AA
Belgium	Aa3	AA	AA*
Estonia	A1	AA-	A+
Slovakia	A2	A+	A+
Malta	A3	BBB+**	A
Latvia	A3	A-	A-
Ireland	Baa1**	A+	A-**
Lithuania	A3	A-	A-
Spain	Baa2**	BBB+	BBB+
Slovenia	Baa3	A-**	BBB+**
Italy	Baa2	BBB-	BBB+
Portugal	Ba1	BB+	BB+**
Cyprus	B3	BB-**	B+**
Greece	Caa3	CCC+	CCC

* Negative outlook
** Positive outlook

Sources: Rating agencies' websites



OP Financial Group

OP Financial Group

1.4 million customer-owners,
of which 90% households



Some 180 OP Financial Group member cooperative banks



OP Cooperative

Central institution of the Group in charge of overall supervision and steering

Banking

- Retail banking
- Corporate banking
- Markets
- Baltic States
- Mortgage banking

Non-life Insurance

- Private customers
- Corporate customers
- Baltic States
- Health & well-being

Wealth Management

- Private banking
- Institutional asset management
- Life insurance
- Mutual fund management

- Finance & Treasury (incl. central bank)
- Risk Management
- Group Steering
- etc.

Upcoming changes in company names under OP brand



Now

Pohjola Bank plc

Pohjola Insurance Ltd

Pohjola Asset Management Ltd

Helsinki OP Bank Ltd



April 2016

OP Corporate Bank plc

OP Insurance Ltd

OP Asset Management Ltd

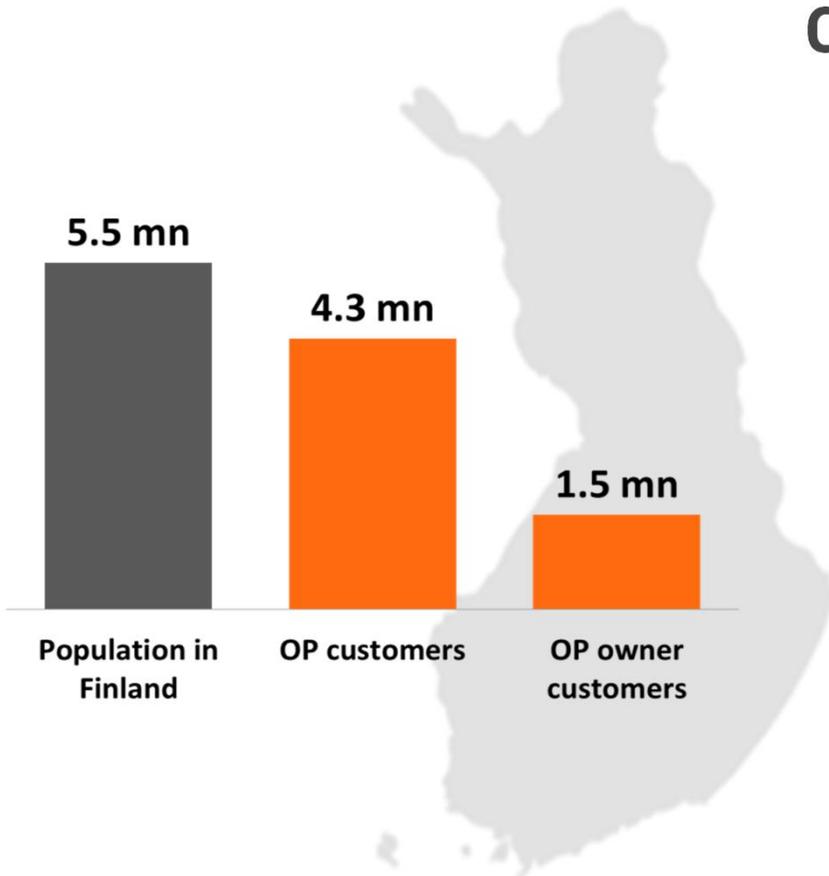
Helsinki Area Cooperative Bank
(OP Helsinki)

Joint liability within OP Financial Group

- Under the Act on the Amalgamation of Deposit Banks (Laki talletuspankkien yhteenliittymästä 599/2010), OP Cooperative and the member credit institutions are jointly liable for each others' debts.
- If a creditor has not received payment from a member credit institution on a due debt, the creditor may demand payment from OP Cooperative.
- The member credit institutions must pay proportionate shares of the amount OP Cooperative has paid, and upon insolvency of OP Cooperative they have an unlimited liability to pay the debts of OP Cooperative.
- OP Cooperative and the member credit institutions are under an obligation to take support actions to prevent a member credit institution's liquidation.
- The member credit institutions include Pohjola Bank plc, Helsinki OP Bank Ltd, OP Mortgage Bank, OP Card Company Plc, OP Process-Services Ltd and the member cooperative banks. Insurance companies or other group entities do not fall within the scope of joint liability.
- Further information on the joint liability is available in the EMTN Base Prospectus.

Customer-owned OP Financial Group

– over 120 years of stable growth together with customers



- ✓ Comprehensive financial services offering under strong and well-known OP brand
- ✓ Best loyalty benefits, OP bonuses, supporting cross-selling
- ✓ Close to customers through the most extensive service network
 - 181 member cooperative banks
 - In H1/15, 5 POP Group banks became OP Financial Group member cooperative banks and 1 POP Group bank merged into a member cooperative bank
 - 445 branches, of which ca. 350 providing both banking and non-life insurance services
 - 12,092 employees and around 270 tied insurance agents

Strategic focus areas within business segments

Group-level emphasis on digitalisation, integration between business segments, capital adequacy, cost-efficiency and profitable growth

Banking

Retail banking

- Leading position in the Helsinki metropolitan area by 2025

Corporate banking

- Increasing market share among medium-sized companies through regional banks

Leading the way in home-related services and consumer finance

Non-life Insurance

Maintaining the market leadership

- Cross-selling and growth potential among private and SME customers
- Renewal of products and pricing
- Claims handling as competitive advantage

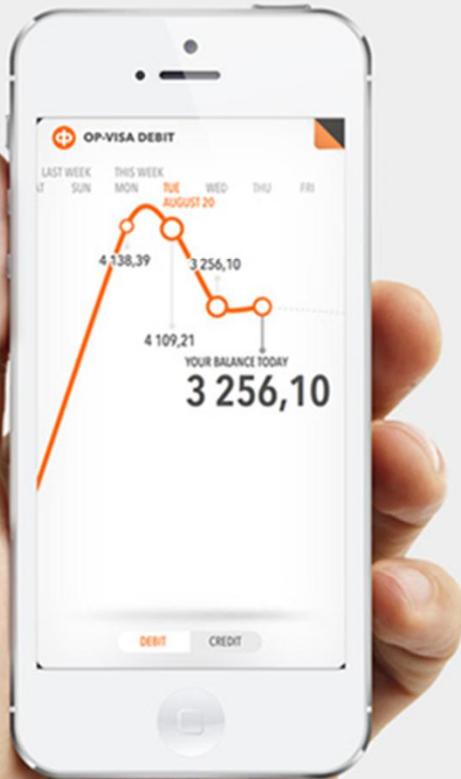
Wealth Management

Intensified efforts to become leading wealth manager

- Growth at a rate above the market in unit-linked policies
- Improved customer satisfaction
- Increased number of customers

Strategic initiatives require investments in product and service development, technology and expertise

New digital OP Financial Group



- 94% of OP's daily service encounters take already place in digital service channels
 - More than 8 mn visits to OP Mobile App (September 2015)
 - 674,000 OP Mobile App users (as of 30 September 2015)
 - Almost 2 mn visits to Pivo Mobile Wallet (September 2015)
 - Around 10 mn visits to op.fi (September 2015)
- 1.6 mn eServices agreements as of 30 September 2015
- Over 529,000 customers receiving their insurance-related mail electronically as of 30 September 2015 (365,291 as of 30 September 2014)
- 40% of mutual fund subscriptions took place in electronic channels in Q1-3/15 (25% in Q1-3/14)
- In 2015, OP has eg.
 - introduced fingerprint authentication on OP Mobile App and contactless payment for the Pivo Mobile Wallet App
 - launched a new loss report service on OP Mobile App with successful results: up to 50% of all loss reports and up to 75% of loss reports on personal injuries under voluntary insurance are filed online

Providing financial services through local presence and digital channels



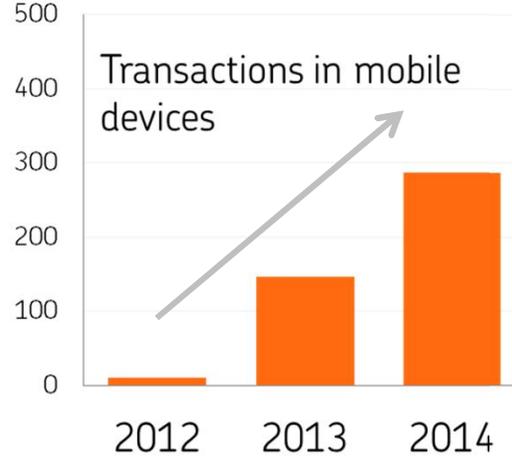
181

OP member cooperative banks with

445

branches all over Finland

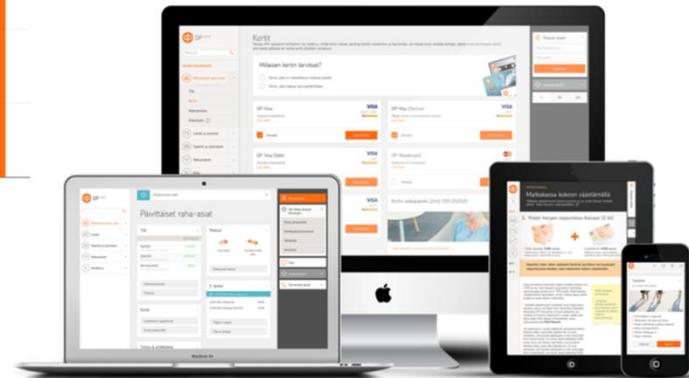
Number of transactions (mn)



OP Mobile App



Pivo Mobile Wallet



New op.fi

Strategic initiatives require investments in product and service development, technology and expertise

Expansion of health and wellbeing business

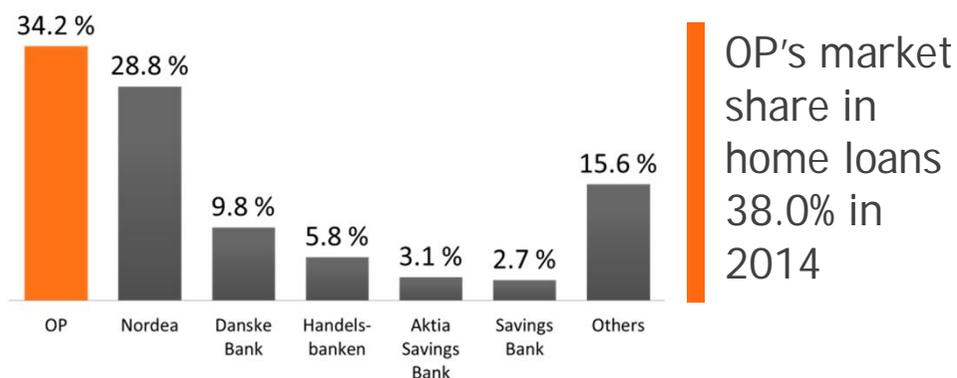
- New innovative services, new fields of specialised medicine and occupational health
- Incomparable customer satisfaction thanks to effective clinical pathway
- Omasairaala was founded in Helsinki in 2013 and four new hospitals will be opened: in Tampere in summer 2016 and later on in Oulu, Kuopio and Turku
- Omasairaala to be renamed Pohjola Health Ltd in summer 2016



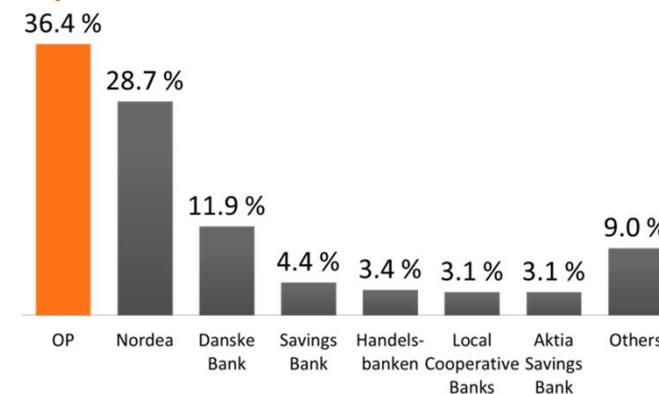
OP Financial Group – Market shares and growth potential

OP – Leading Financial Group in Finland

Loans 2014 (Finland: €206 bn)

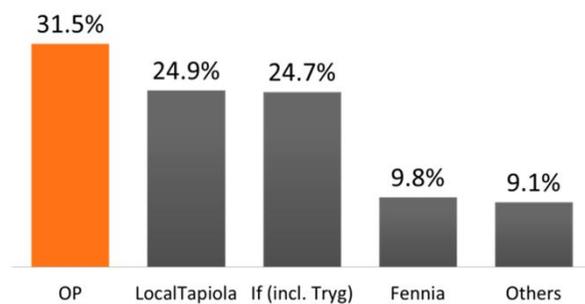


Deposits 2014 (Finland: €133 bn)



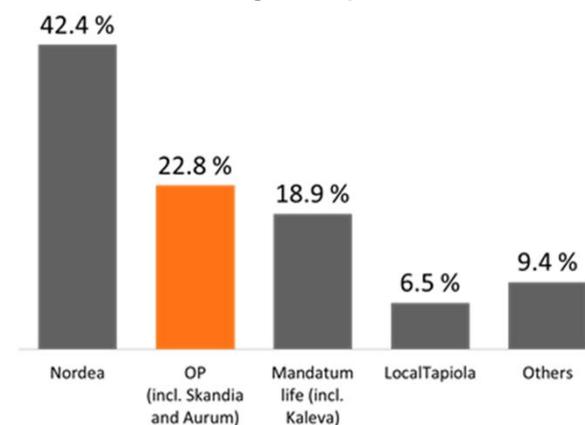
Non-life Insurance 2014 (Finland: €4.4 bn)

Market share of premiums written under Finnish direct insurance

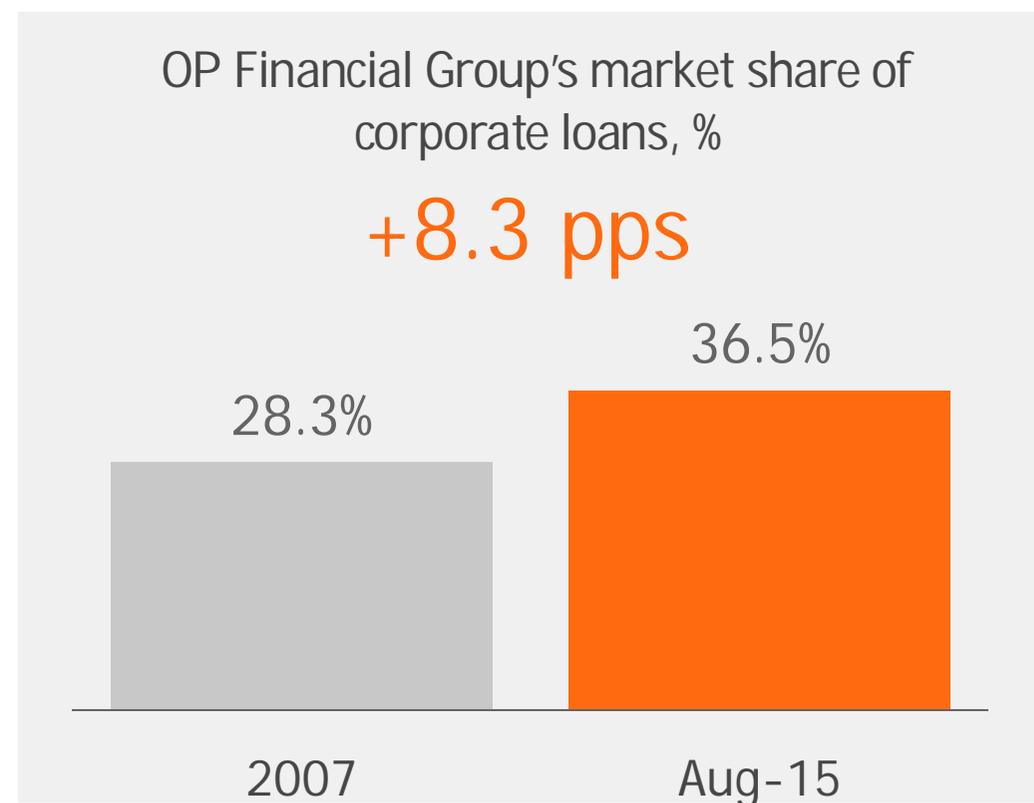


Life Insurance 2014 (Finland: €6.0 bn)

Market share of gross premiums written



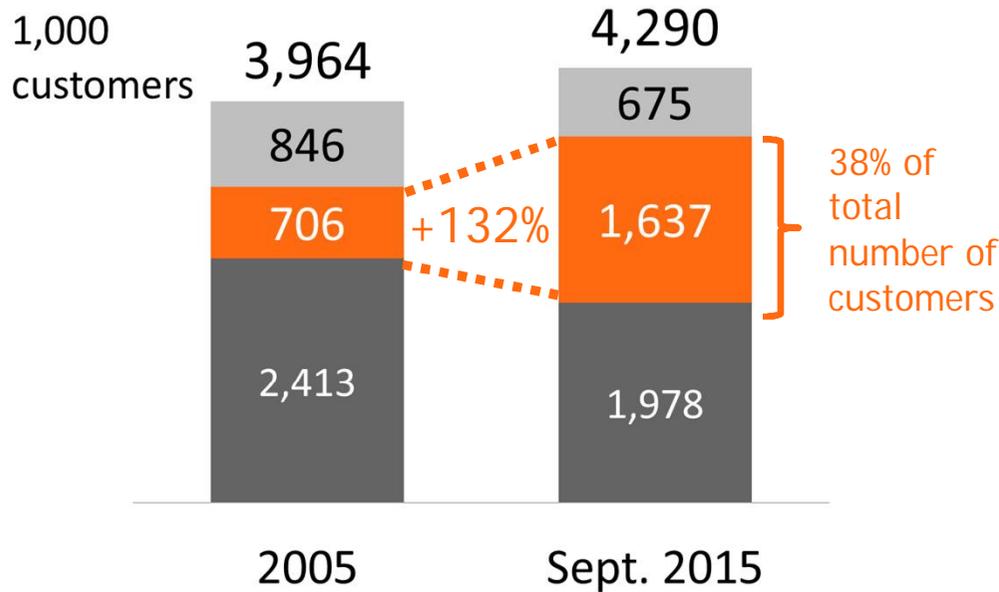
Putting Finland on a new growth path – OP exists to serve its customers



Significant Customer Potential

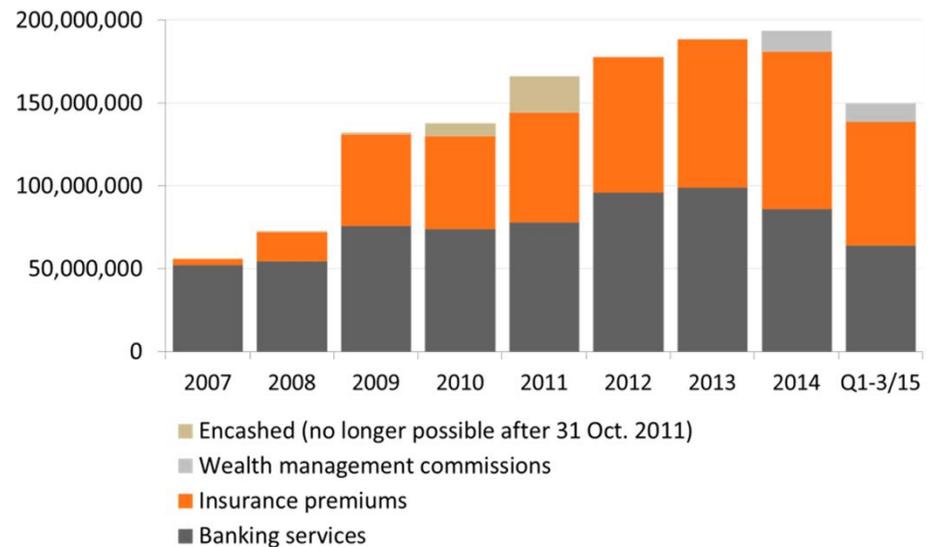
Cross-selling between OP Financial Group member cooperative banks and Non-life Insurance based on strong bancassurance business model

Number of customers shared by Banking and Non-life Insurance increased by 47,000 in Q1-3/15



- Non-life insurance customers
- Banking and non-life insurance customers
- Banking customers

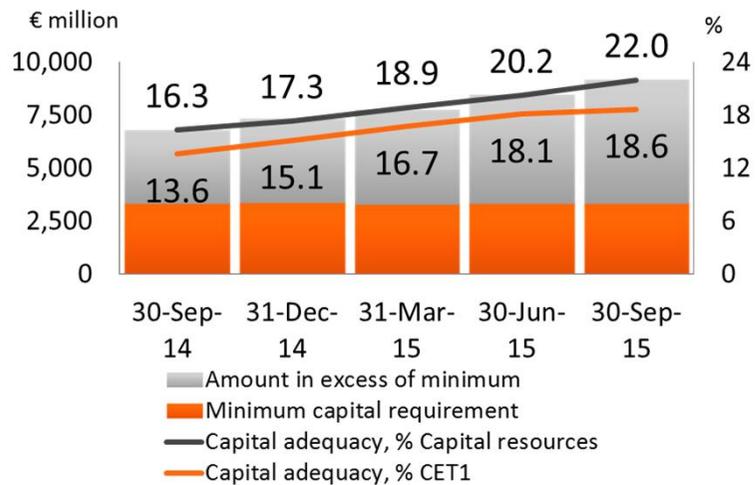
In 2014, OP bonuses to customers €189 mn (2005: €42 mn). In Q1-3/15, OP bonuses to customers €147 mn and use of bonuses €150 mn.



In Q1-3/15, insurance premiums paid using bonuses totaled €75 mn and OP bonuses were used to pay 1,517,000 insurance premiums, with 202,000 paid in full using bonuses only.

CET1 ratio 18.6% thanks to strong EBT

Capital base and CET1 ratio (CRR/CRD4)



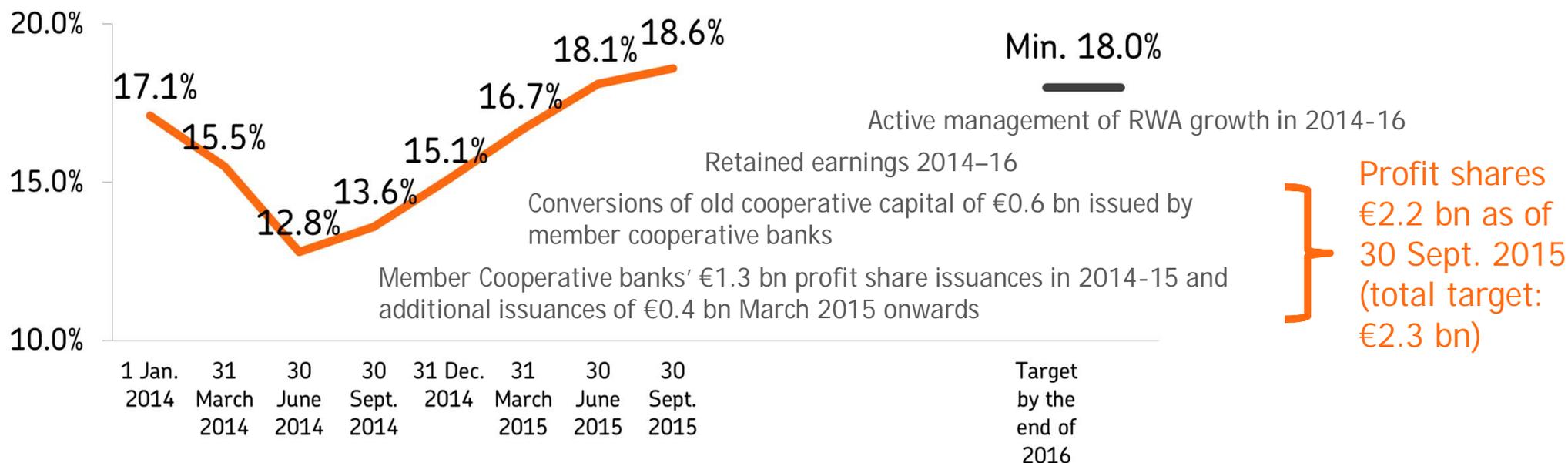
- Leverage ratio of banking operations is, according to the current interpretations of the new regulations, 7.2% as of 30 September 2015 (6.4 as of 31 Dec. 2014), while the minimum requirement under regulation drafts is 3.0%.
- At YE2014, average risk weight for retail exposures was 8.5% (8.8) and for corporate exposures 70.7% (74.0). Internal Ratings Based Approach (IRBA) applied to retail and some corporate and credit institution exposures since December 2011. Foundations Internal Ratings Based Approach (FIRBA) applied to corporate and credit institution exposures.

- In October 2015, OP Financial Group received permission from the ECB to treat insurance holdings within the conglomerate as RWA (RW approx. 280%) according to the previous practice. However, the ECB has the option of cancelling the permission as part of the harmonisation of supervisory options. OP Financial Group's CET1 ratio would decrease by no more than 0.8 pps if the permission was cancelled and OP Financial Group transferred to the deduction treatment of insurance holdings.
- Since the beginning of 2015, the capital conservation buffer requirement has been 2.5% of RWA. In July 2015, Fin-FSA set the requirement for the O-SII buffer for OP Financial Group at 2%, effective as of 7 Jan. 2016. In September 2015, Fin-FSA decided not for the time being to impose a countercyclical capital buffer requirement on banks nor other macroprudential measures.

Actions to maintain strong capital adequacy and strengthen profitability

In Q1-3/15, CET1 ratio was improved by profit share issuances (+1.7 pps), adoption of updated PD model (+0.8 pps) and gains arising from the remeasurement of defined benefit pension plans (IAS19, +0.4 pps)

CET1 capital adequacy, target 18.0%



Return on economic capital*, target 20.0% (12-mth rolling): 21.2% as of 30 Sept. 2015

Maintaining the target level requires EBT of more than €1 billion within the next few years

* Return on economic capital, % = (Earnings + customer bonuses after tax (value rolling 12 month)) / Average economic capital * 100

EBT improved by 25% to €926 mn (739) in Q1-3/15

Income were up by 6% and expenses down by 5% in Q1-3/15

Banking

EBT, € mn	531 (+16%) Q1-3/14: 459
Net interest income, € mn	822 Q1-3/14: 811
Net commissions and fees, € mn	511 Q1-3/14: 484
Impairments of receivables, € mn	47 Q1-3/14: 48
Loan portfolio, € bn	74.2 31 Dec. 2014: 70.7
Deposits, € bn	51.6 31 Dec. 2014: 48.8
Cost/Income ratio, %	51.7 Q1-3/14: 55.1

Non-Life Insurance

EBT, € mn	218 (+15%) Q1-3/14: 190
Insurance premium revenue, € mn	1,037 Q1-3/14: 986
Operating combined ratio, %	86.3 Q1-3/14: 89.4
Operating expense ratio, %	17.4 Q1-3/14: 17.4
Return on investments at fair value, %	1.0 Q1-3/14: 4.9
Solvency II ratio*, %	152 31 Dec. 2014: 117

Wealth Management

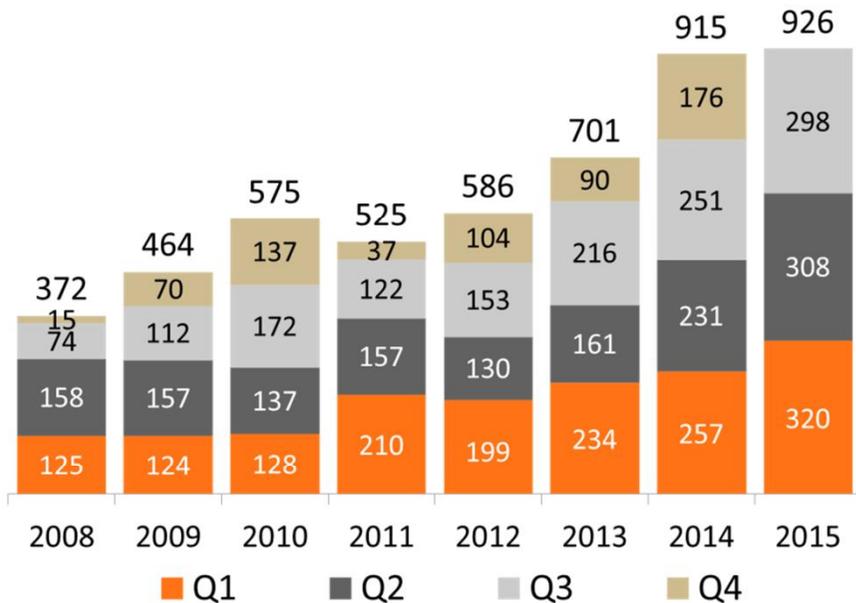
EBT, € mn	168 (+16%) Q1-3/14: 145
Net commissions and fees, € mn	150 Q1-3/14: 149
Assets under management, € bn	64.2 31 Dec. 2014: 61.3
Cost/Income ratio, %	45.7 Q1-3/14: 46.8
Return on investments at fair value within Life Insurance, %	1.1 Q1-3/14: 4.8
Solvency II ratio* within Life Insurance, %	152 31 Dec. 2014: 100

* According to the Solvency II draft (EU 138/2009), excl. effects of transitional provisions. Use of transitional provisions is subject to permission from the Finnish FSA.

Upgraded outlook following steadily improved EBT: OP Financial Group’s EBT for 2015 are expected to be markedly higher than in 2014 (previously: higher)

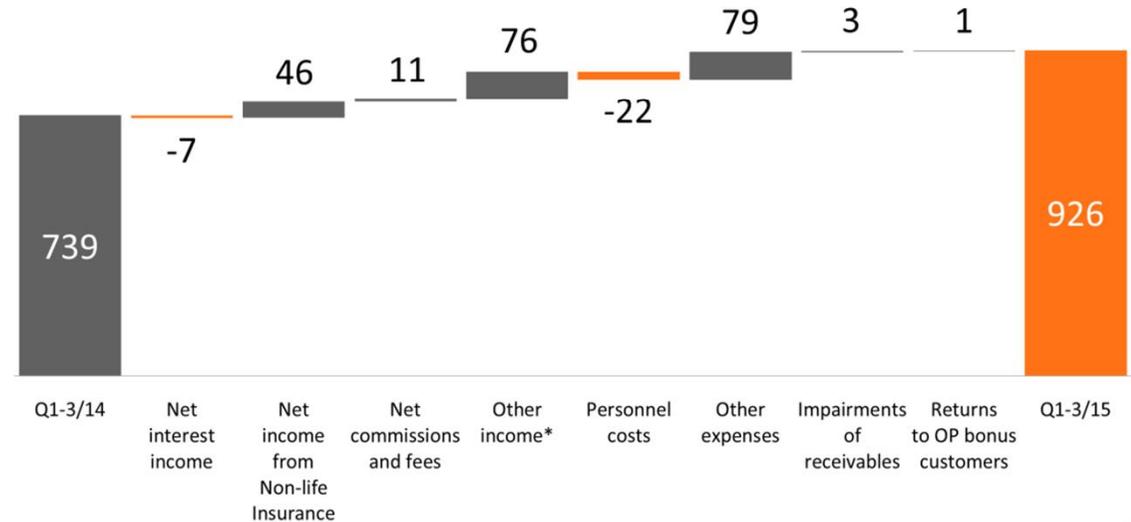
EBT in Q1-3/15 exceeded that recorded in FY/2014

EBT by quarter 2008–15, € mn



EBT, y-o-y change Q1-3/15 vs. Q1-3/14, € mn

Thanks to improved profitability net income from Non-life and Life Insurance was up by 10% and 25%, respectively. Net trading and net investment income improved by 25% thanks to capital gains. Total expenses decreased by 5%.

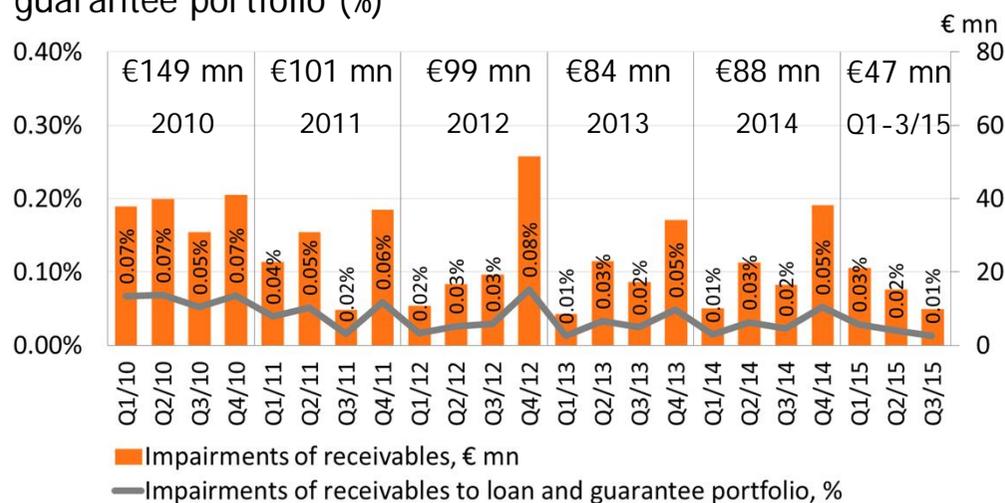


* Other income includes net income from Life Insurance, net trading income, net investment income and other operating income

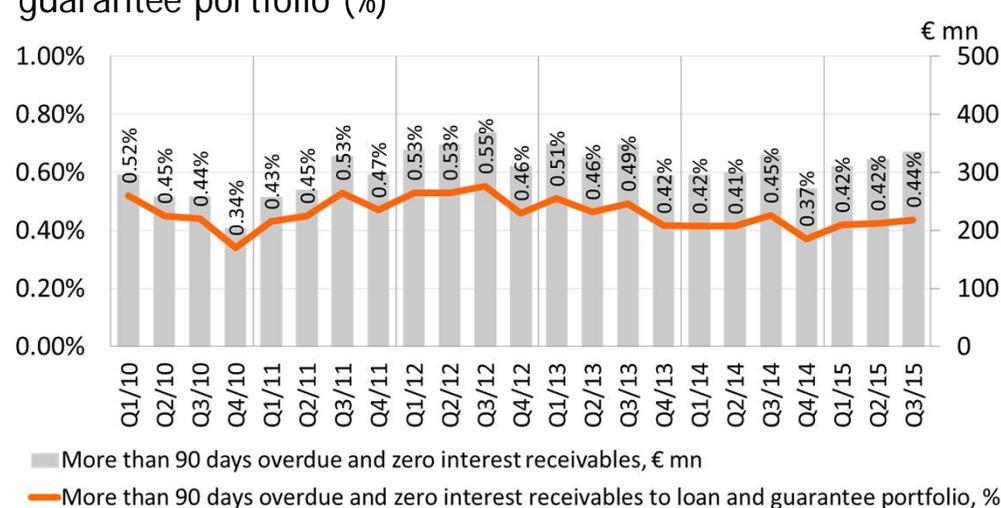
Q1-3/15 impairment loss on receivables 0.08% to loan and guarantee portfolio (0.09)

More than 90 days overdue receivables (€336 mn as of 30 Sept. 2015)
0.44% to loan and guarantee portfolio (0.37)

Impairment loss on receivables (€ mn) to loan and guarantee portfolio (%)



More than 90 days overdue receivables (€ mn) to loan and guarantee portfolio (%)



As of 30 September 2015, ratio of exposures individually assessed for impairment to doubtful receivables*

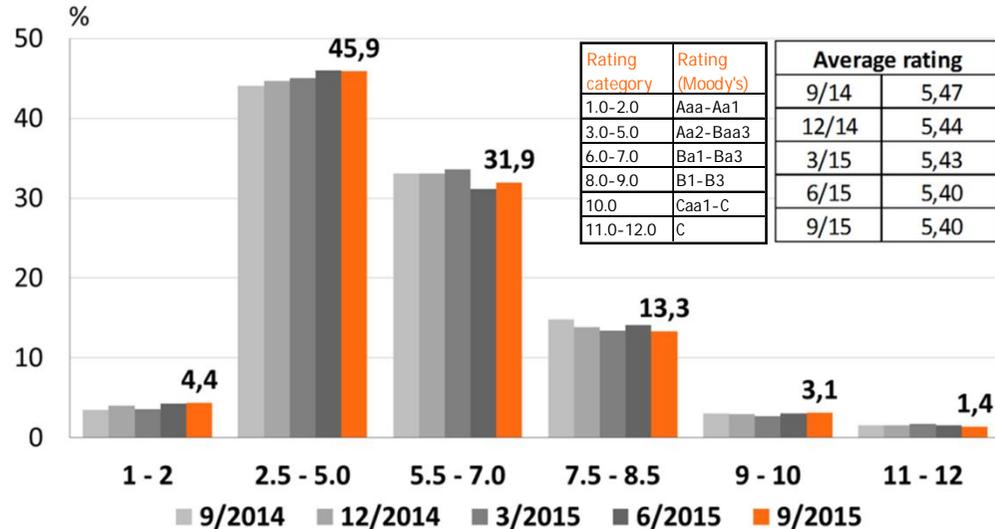
17.9% (20.3)

*) Doubtful receivables refer to receivables that are more than 90 days overdue, other receivables classified as risky and forbore receivables. Definitions of non-performing and renegotiated receivables correspond with the EBA's guidelines on forbore and non-performing receivables since Financial Statements of 2014 and the comparative information has been restated accordingly ever since. According to the new definition, for example, the probation period of forbore receivables was extended considerably, increasing the level of doubtful receivables compared to the previous definition. Additionally, comparative figures related to doubtful receivables have been restated as a result of the adoption of IFRS 10 Consolidated Financial Statements.

Exposures by Credit Rating Category

IG exposure to total exposure from the Non-financial Corporations and Housing Associations Sector was 50% as of 30 September 2015 (49)

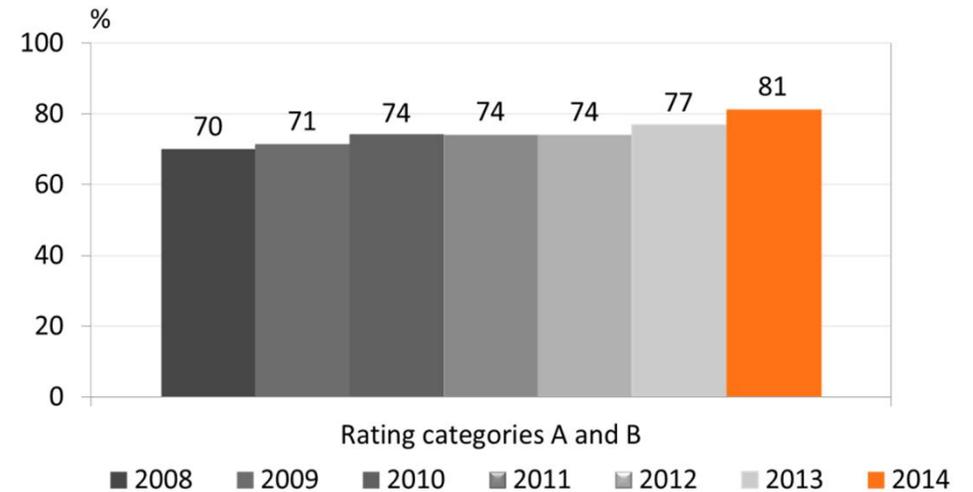
Exposures from the Non-financial Corporations and Housing Corporations Sector by credit rating category (€34.4 bn as of 30 Sept. 2015)



Largest single counterparty-related customer risk to Group's own funds covering customer risk at year-end 2014

6.6% (5.8)

Private Customer exposures of credit rating categories A and B (€39.8 bn, total private customer exposures €49.1 bn as of 31 Dec. 2014)



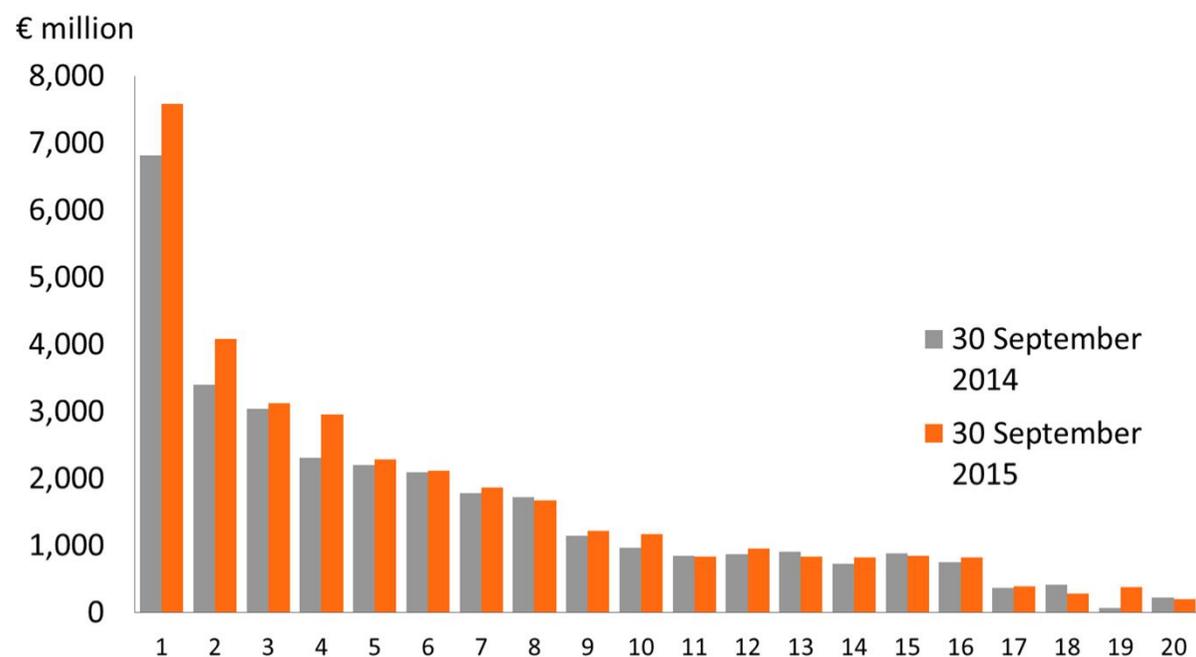
At year-end 2014, average PD of private customer exposures (Pillar III) with a credit rating of A and B a maximum of

0.1% (0.1)

Exposures from the Non-financial Corporations and Housing Associations Sector by Industry

€34.4 billion as of 30 September 2015

	30 September 2014	30 September 2015
1 Renting and operating of residential real estate	21.6%	22.0%
2 Renting and operating of other real estate	10.8%	11.8%
3 Wholesale and retail trade	9.7%	9.1%
4 Energy	7.3%	8.6%
5 Services	7.0%	6.6%
6 Construction	6.6%	6.1%
7 Manufacture of machinery and equipment (incl. services)	5.6%	5.4%
8 Transportation and storage	5.4%	4.9%
9 Forest Industry	3.6%	3.5%
10 Agriculture, forestry and fishing	3.0%	3.4%
11 Real estate investments	2.7%	2.4%
12 Food Industry	2.7%	2.8%
13 Information and communication	2.9%	2.4%
14 Chemical Industry	2.3%	2.4%
15 Metal Industry	2.8%	2.5%
16 Financial and insurance services	2.4%	2.4%
17 Water supply, sewerage and waste management	1.1%	1.1%
18 Other manufacturing	1.3%	0.8%
19 Other industries	0.2%	1.1%
20 Mining and quarrying	0.7%	0.6%



Renting and operating of residential real estate sector (as of 30 Sept. 2015)

- 90% of the exposure is housing association loans
- 16% of the exposure is guaranteed by government, cities or municipalities

Funding Based on Strong Credit Ratings

Rating target: AA rating affirmed by at least 2 credit rating agencies
(or at least at the main competitors' level)

	Moody's	S&P	Fitch
Pohjola Bank plc	Aa3	AA-*	A+
Handelsbanken	Aa2	AA-*	AA-
Nordea	Aa3	AA-*	AA-
DNB	Aa2	A+*	-
SEB	Aa3	A+*	A+**
Swedbank	Aa3	A+	A+**
Danske Bank	A2	A	A
OP Mortgage Bank***	Aaa	AAA	-
Pohjola Insurance Ltd	A3	AA-*	-
If	A2**	A	-
Finnish government	Aaa*	AA+*	AAA*

* Outlook is negative

** Outlook is positive

*** Covered bond rating

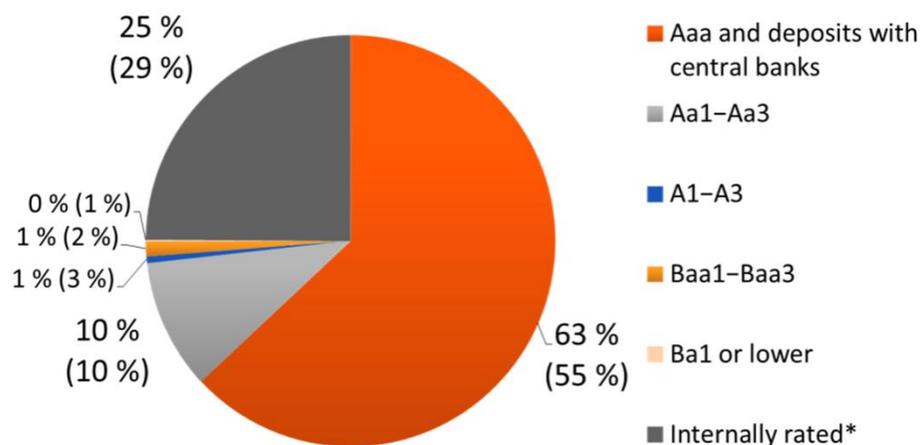
Updated: 20 October 2015

- S&P affirmed AA- rating with negative outlook for Pohjola Bank plc on 29 September 2015 and for Pohjola Insurance Ltd in July 2015. AAA rating with stable outlook for OP Mortgage Bank was affirmed in July 2015.
- Moody's affirmed Aa3 rating with stable outlook for Pohjola Bank plc on 29 June 2015 and A3 rating with stable outlook for Pohjola Insurance Ltd on 15 May 2015.
- Fitch affirmed A+ rating with stable outlook for OP Financial Group and Pohjola Bank plc on 9 June 2015.

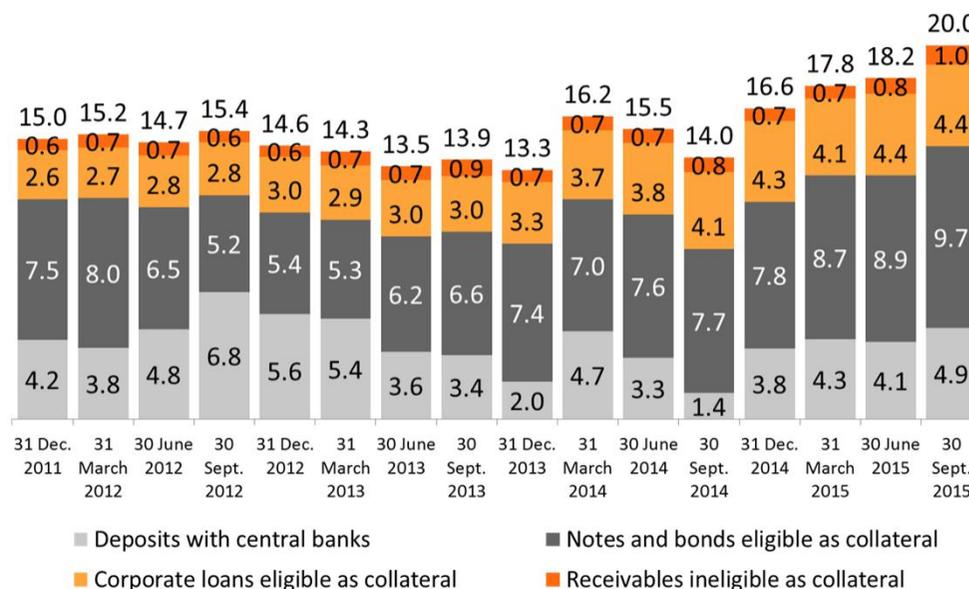
Liquidity buffer

According to the transitional provisions, the LCR must be at least 60% during the fourth quarter of 2015 and at least 100% as of the beginning of 2018. In accordance with the European Commission Liquidity Delegated Act, OP Financial Group's LCR ratio was 98% as of 30 September 2015.

Liquidity buffer (€20.0 bn) by credit rating as of 30 September 2015 (31 Dec. 2014)



Liquidity buffer by product**, € bn

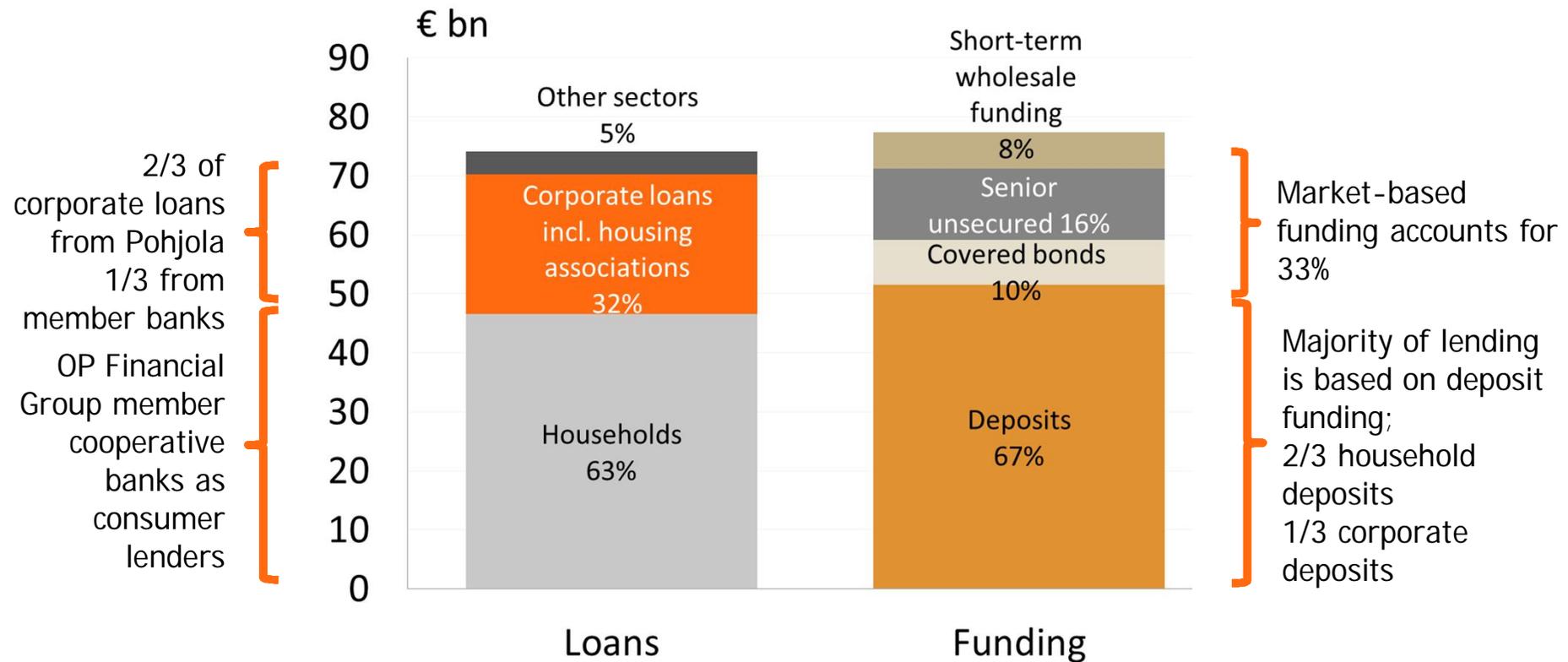


*) Internally rated: corporate loans (88%) and the remainder externally non-rated notes and bonds issued by public-sector entities and companies, both eligible as ECB collateral.

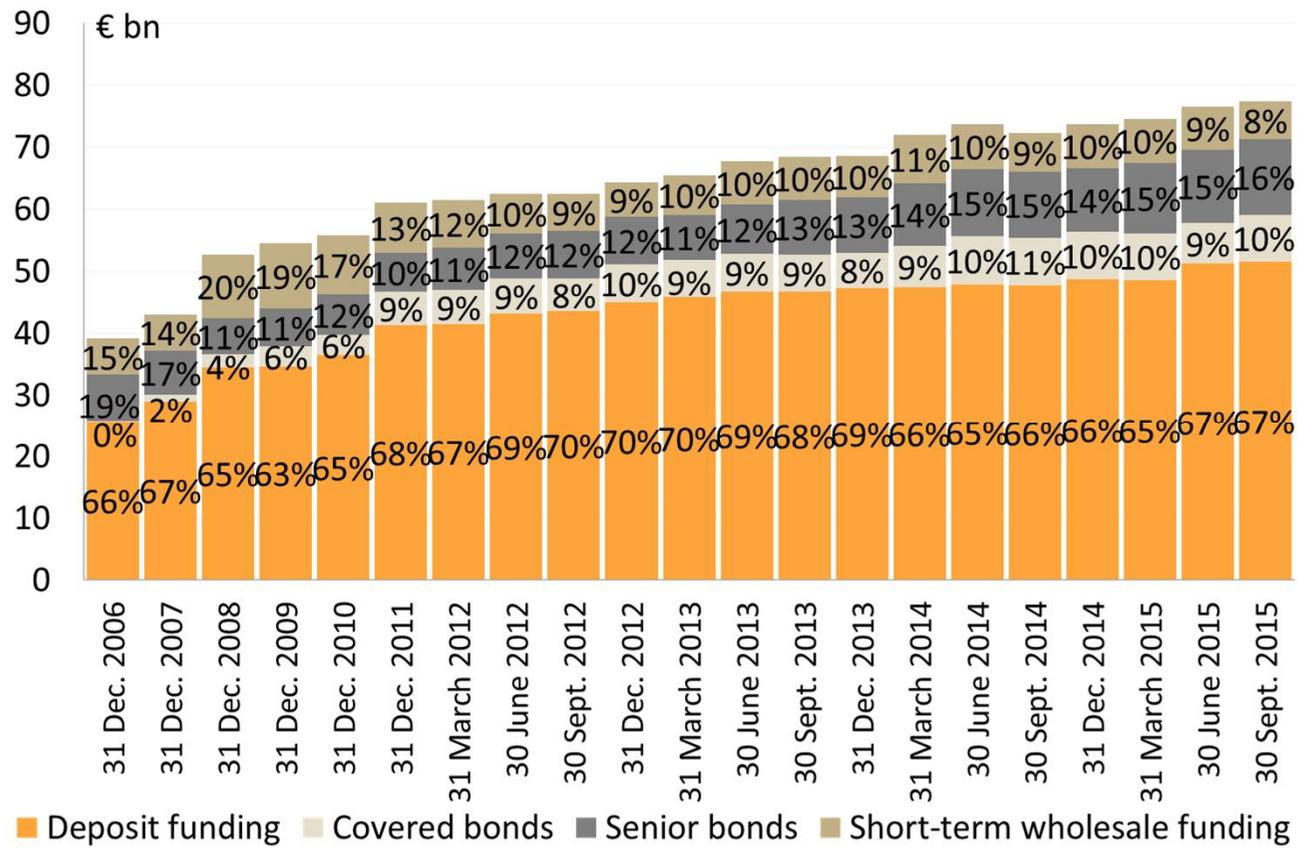
**) The liquidity buffer plus other items based on OP Financial Group's contingency funding plan can be used to cover the Group's maturing wholesale funding for at least 24 months.

Loans and Funding Structure

30 September 2015

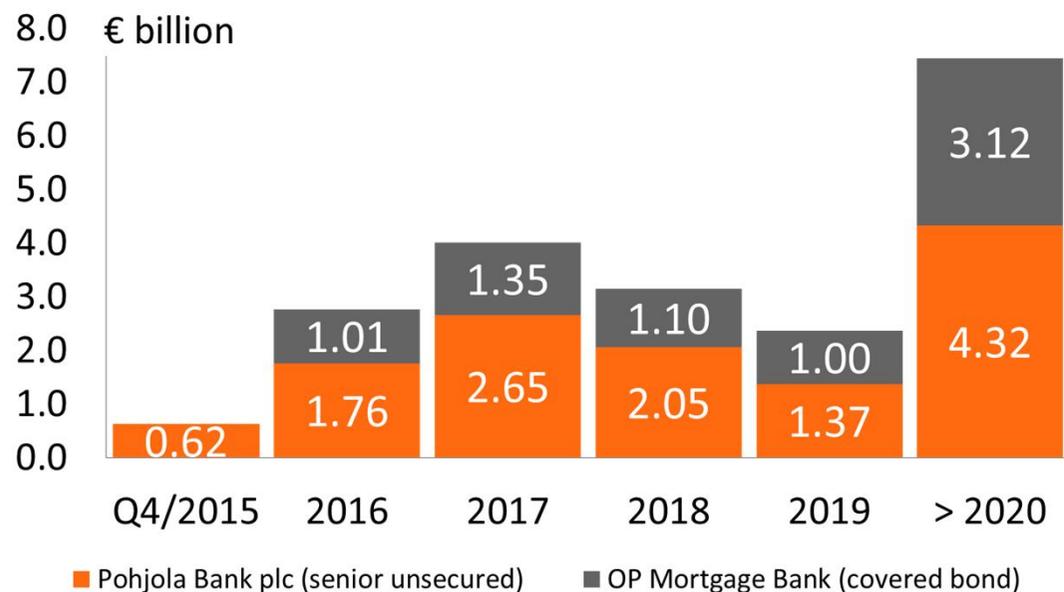


Funding Structure Development 2006–15



Issued Senior Unsecured and Covered Bonds

Issued senior unsecured and covered bonds by maturity, 30 September 2015



Pohjola Bank plc's senior unsecured benchmark bonds 2014–15

Year	Month	Amount	Maturity	Interest rate
2015	May	GBP300 mn	3 yrs	Eb3 + 16 bps
2015	May	GBP400 mn	7 yrs	Eb3 + 58 bps
2015	March	€1 bn	7 yrs	m/s + 33 bps
2014	June	CHF300 mn	7 yrs	CHFm/s + 30 bps
2014	June	¥60 bn (€432 mn)	3-5 yrs	m/s + 28.6-48.4 bps
2014	June	€750 mn	5 yrs	m/s + 48 bps
2014	March	€750 mn	7 yrs	m/s + 67 bps
2014	March	€750 mn	3 yrs	Eb3 + 36 bps

OP Mortgage Bank's covered bonds 2014–15

Year	Month	Amount	Maturity	Interest rate
2015	September	€ 1 bn	7 yrs	m/s - 1 bps
2014	November	€1 bn	10 yrs	m/s + 4 bps
2014	June	€1 bn	5 yrs	m/s + 5 bps
2014	March	€1 bn	7 yrs	m/s + 14 bps

YE2014:

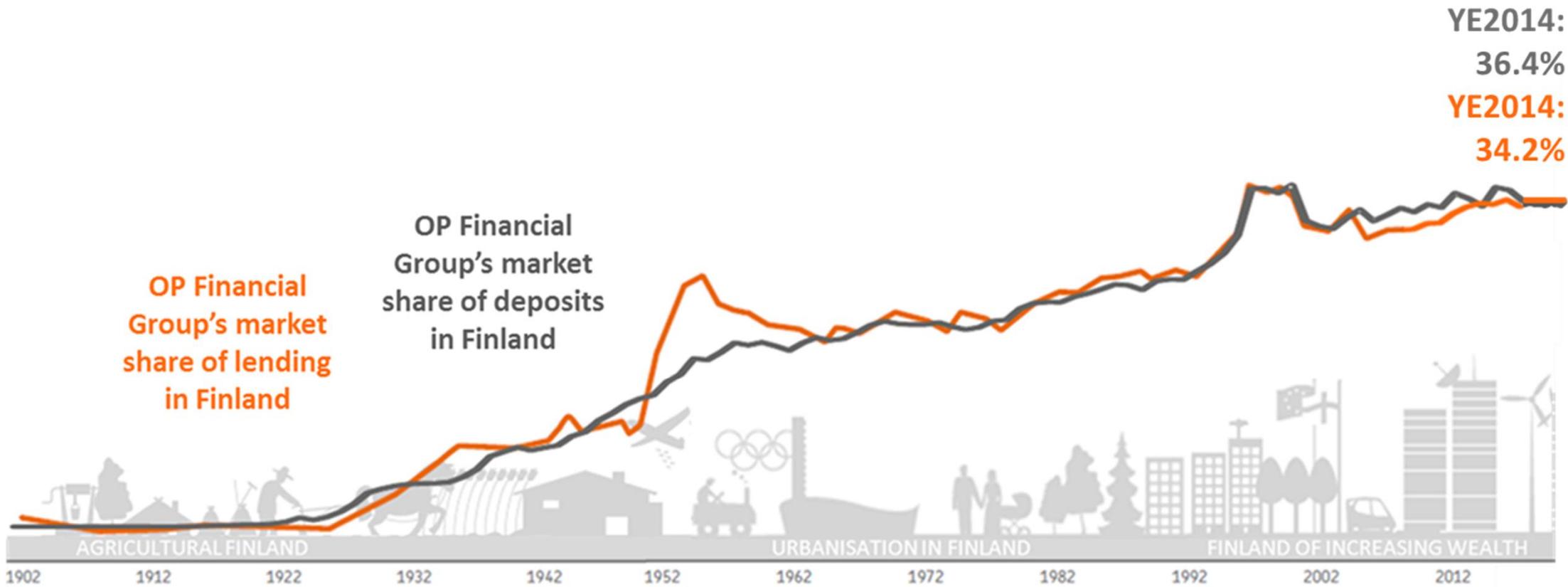
36.4%

YE2014:

34.2%

OP Financial
Group's market
share of deposits
in Finland

OP Financial
Group's market
share of lending
in Finland



OP Mortgage Bank

Highlights of the Act on Mortgage Credit Bank Operations

- Segregation of assets in Covered Register
- Tight LTV restrictions on eligible assets (70% LTV on housing loans)
- Over-collateralisation requirement of 2%
- Continuity of Cover Pool and Covered Bonds in the event of liquidation and bankruptcy of the issuer
- Regulated by Finnish FSA and the ECB

OP Mortgage Bank (OPMB) in Brief

- OP Mortgage Bank is a special-purpose bank operating under the Act on Mortgage Credit Bank Operations.
- OP Mortgage Bank's sole purpose is to raise funds for OP Financial Group member banks by issuing covered bonds with mortgage collateral.
- The outstanding covered bonds of OP Mortgage Bank are rated AAA by S&P and Aaa by Moody's.
- OP Mortgage Bank is a wholly-owned subsidiary of OP Cooperative.
- OP Mortgage Bank fully benefits from the joint liability based on the Act on the Amalgamation of Deposit Banks. However, since assets in its Cover Asset Pool are ring-fenced, the noteholders have the right to receive what is due to them before all other creditors.

OP Mortgage Bank's covered bond programme qualifies for the European Covered Bond Council's (ECBC) Covered Bond Label.

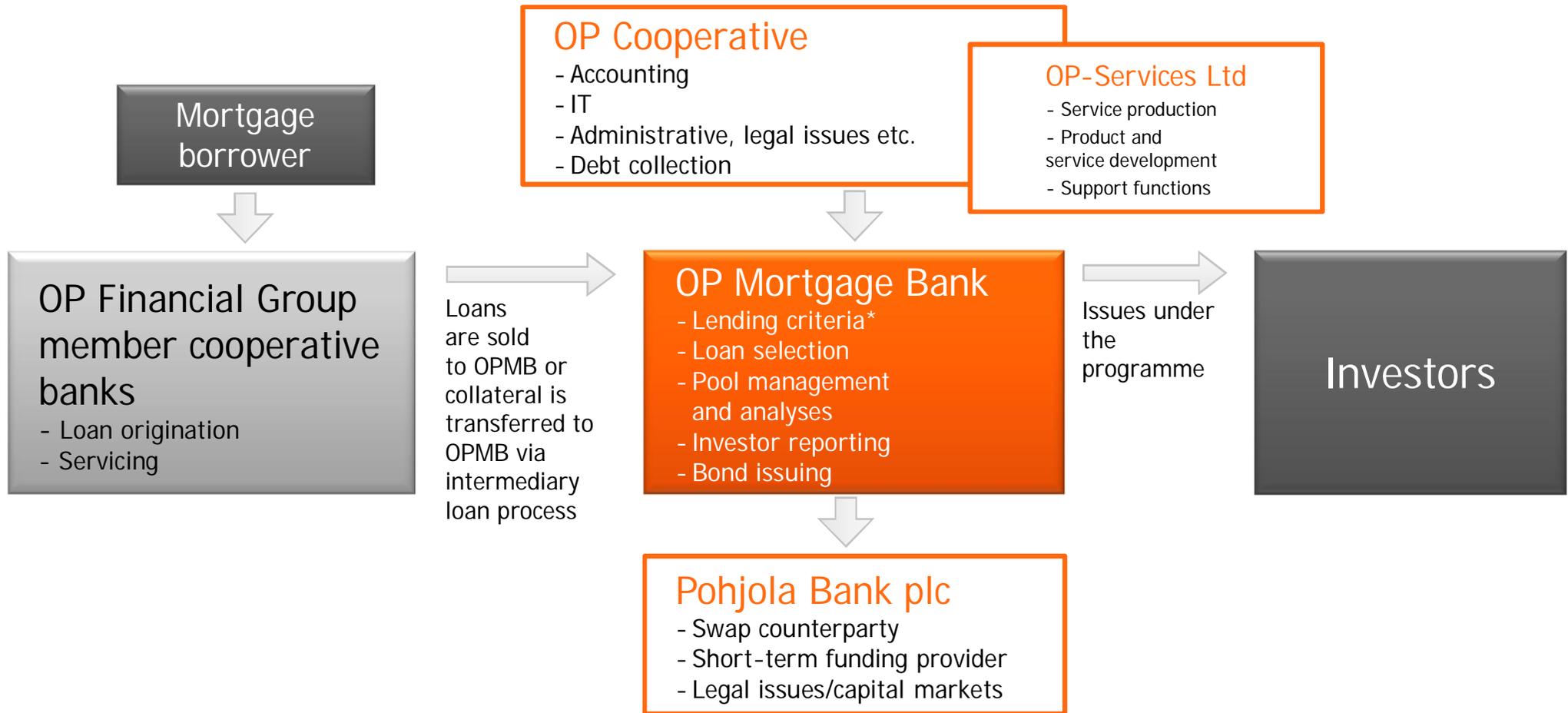


Read more about ECBC's covered bond label at www.coveredbondlabel.com

OPMB Operating Model

- OPMB is a funding vehicle for the member banks:
 - Subject to strict eligibility criteria:
 - Existing loans may be sold from member banks to OPMB.
 - Collateral may be transferred to OPMB via intermediary loan process.
 - Member cooperative banks may originate directly into OPMB's balance sheet acting as a broker agent.
- OPMB utilises the structure of OP Cooperative and outsources for example:
 - origination and servicing of assets to member cooperative banks
 - risk management, IT services, accounting etc. to OP Cooperative
 - has organised interest rate risk management in cooperation with Pohjola Bank plc

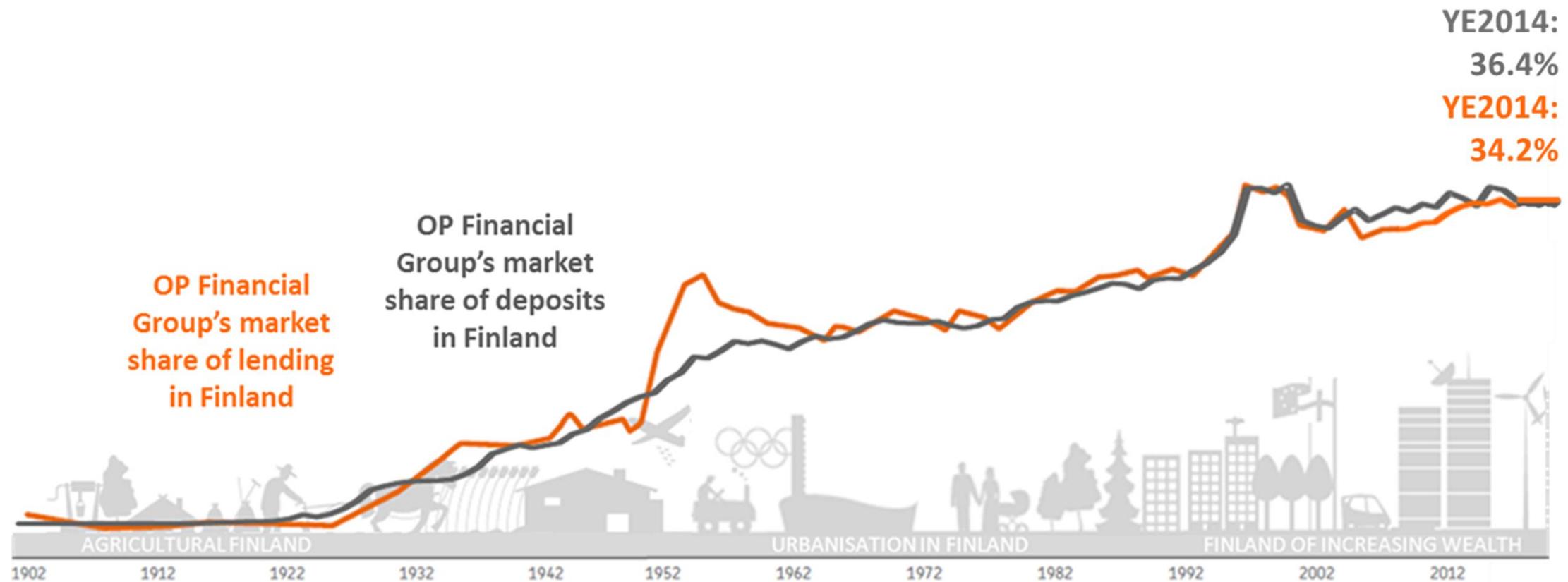
Operating Model and Roles



*) Basic lending criteria for the Group are set by OP Cooperative. OP Mortgage Bank can set additional limits.

Intermediary Loans

- The Finnish Covered Bond Act (2010) enables granting intermediary loans
 - The member cooperative banks are granted the opportunity to indirectly participate in the issuing of a covered bond
 - Intermediary loans are the third way for the member banks to utilize OPMB along with selling loans and granting loans from OPMB
- The intermediary loan contract is made between the member cooperative bank and OPMB
 - The amount of loan, interest margin/fixed interest rate and maturity of the loan are indicative during the contracting phase of the intermediary loan
 - The member bank commits to preserving adequate intermediary loan worthy loan portfolio for the maturity of the intermediary loan, and accepts that OPMB subscribes the loans as collateral in the cover pool
 - OPMB monitor's the adequacy of the loans daily
 - The OC is provided by OPMB
- Once the mortgage loans are registered in the covered register, whether they are entered via intermediary loan process or true sales, they serve as collateral for the covered bonds for the benefit of the noteholders.



OPMB Cover Asset Pool Characteristics

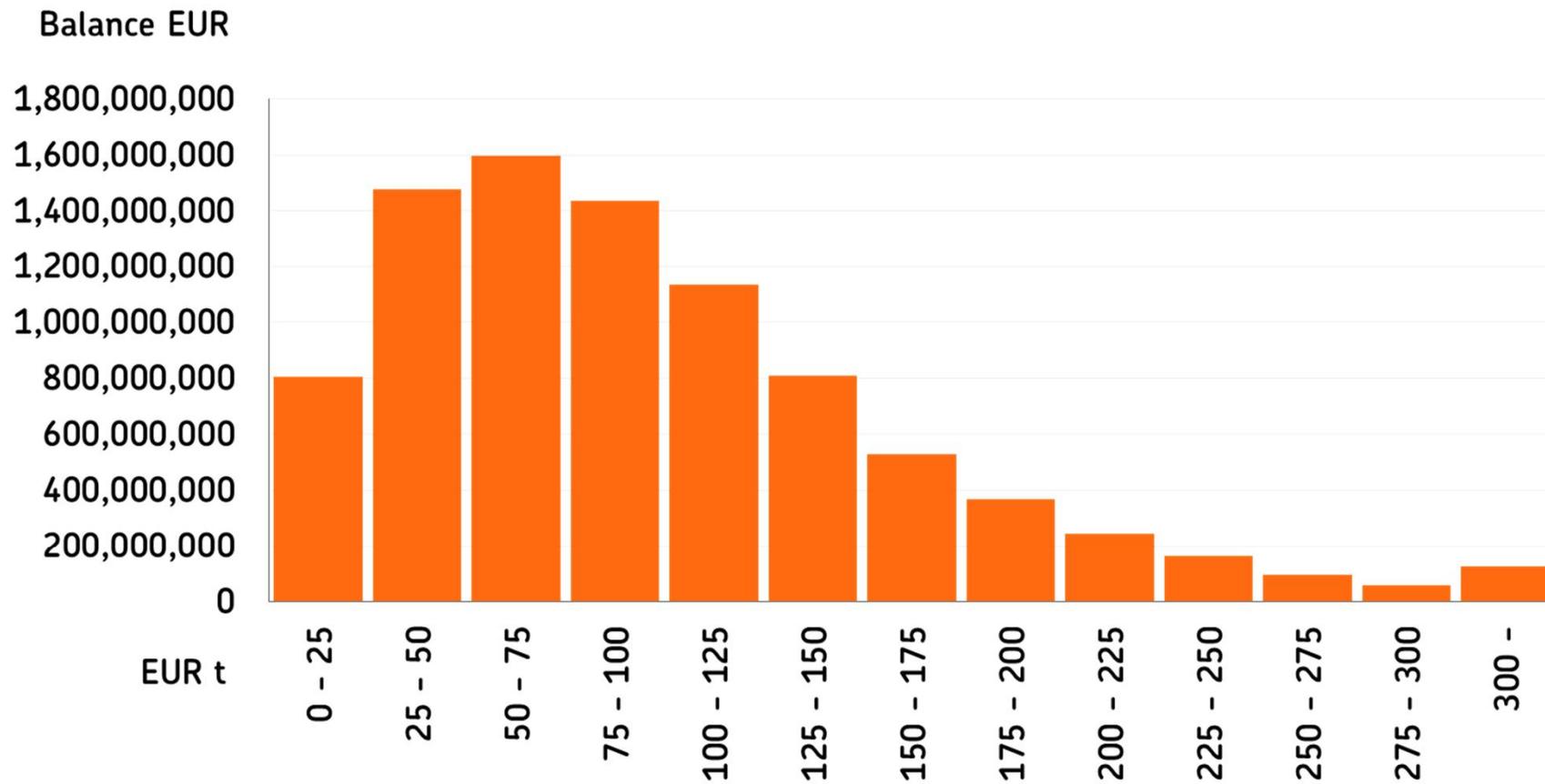
Covered bonds issued after 1 Aug. 2010,
under the Finnish Act on Mortgage Credit Banks 680/2010

Main Features of OP Mortgage Bank's Cover Asset Pool as of 30 September 2015

- Collateralized by Finnish mortgages
- Current balance EUR 8.82 billion
- Weighted Average indexed LTV of 47%
- Average loan size of approximately EUR 51,854
- No loans over 90 days in arrears ongoing
- Variable interest rates: over 95% of all loans
- Hedging agreements in place in order to mitigate interest rate risk
- Total amount of covered bonds issued EUR 7.595 billion

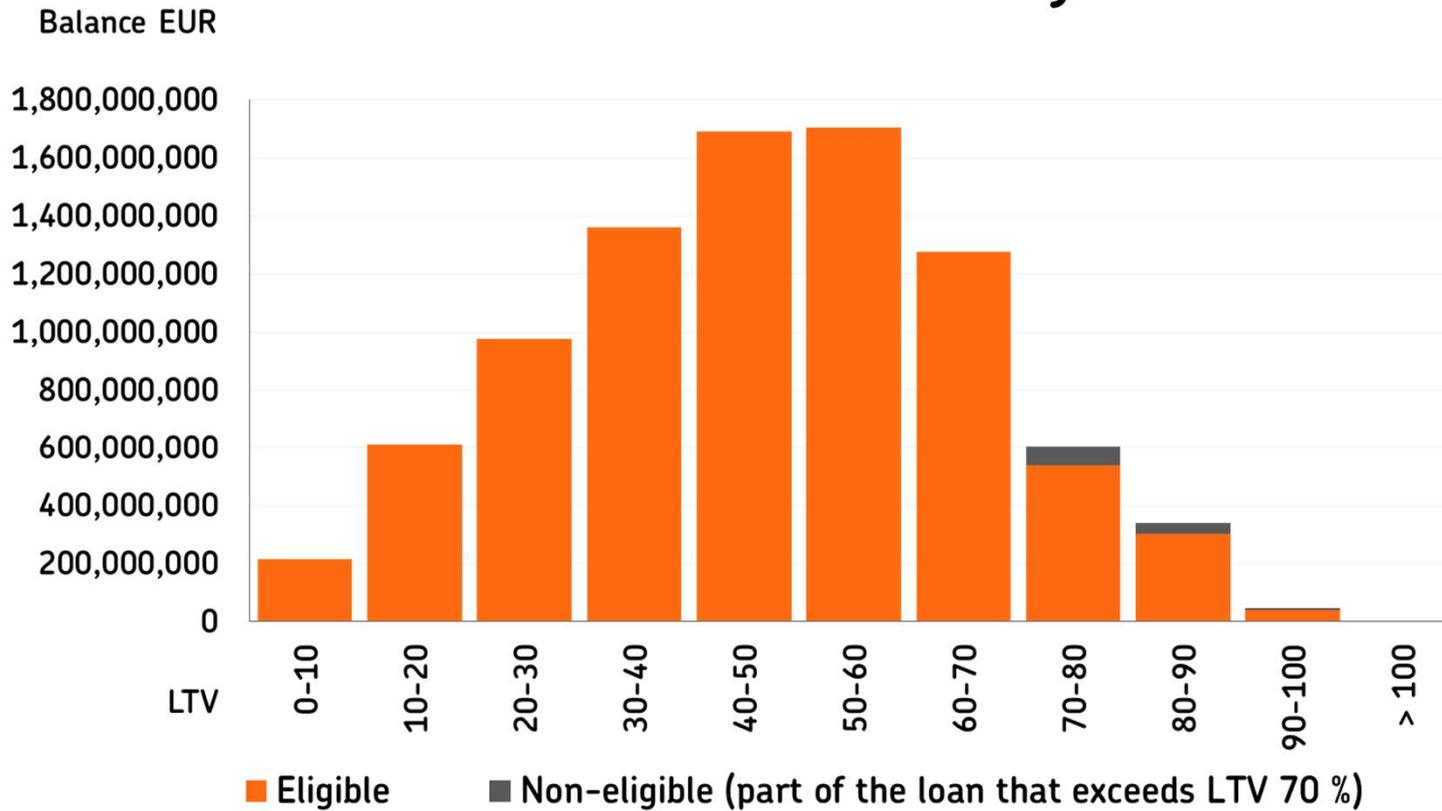
OPMB Cover Asset Pool Characteristics

Loans by size



OPMB Cover Asset Pool Characteristics

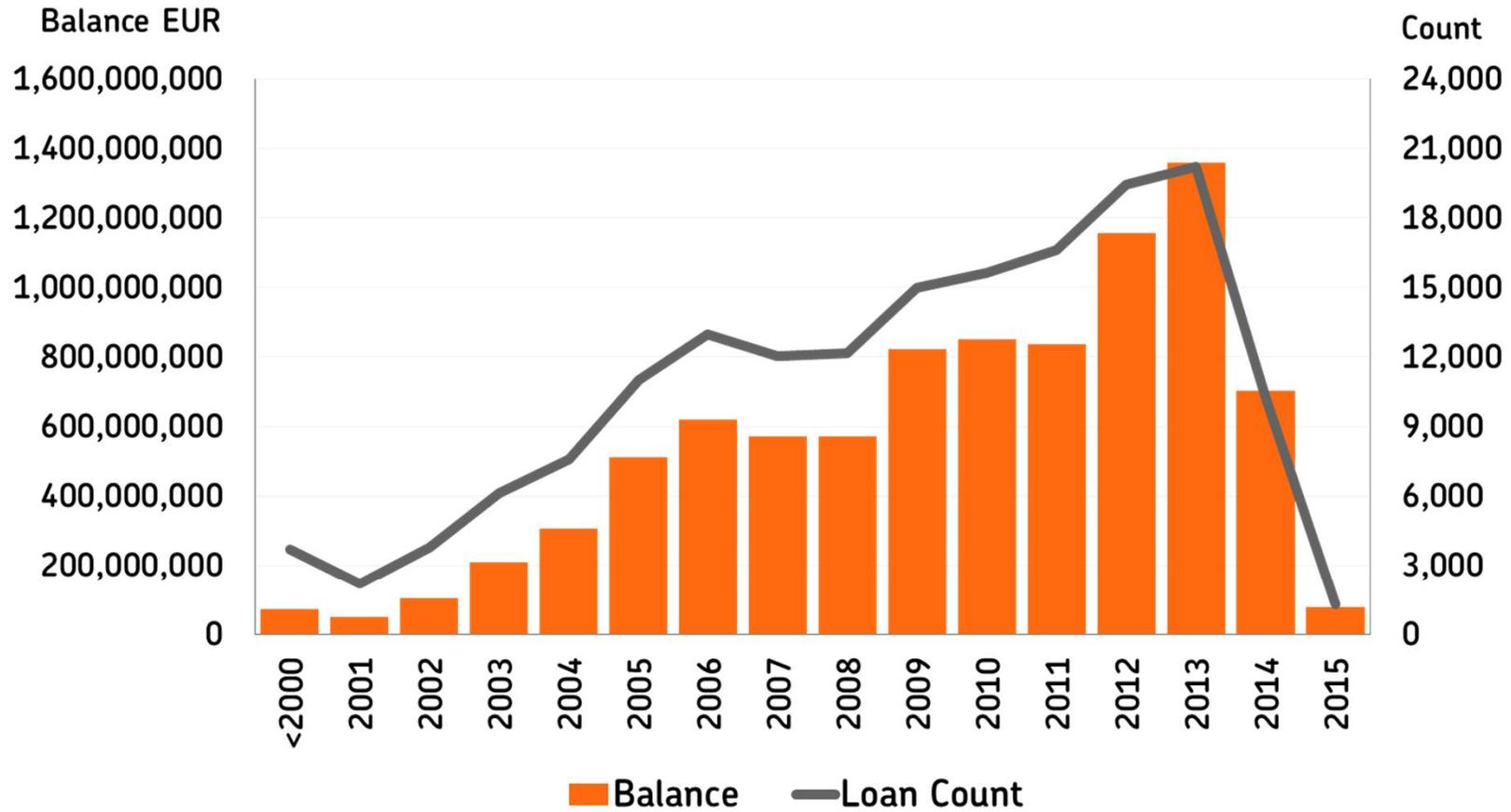
Loans by LTV



- Total assets EUR 8.8 billion
- Eligible Cover Pool assets EUR 8.7 billion
- Weighted average indexed LTV of 47%
- Over-collateralisation 16.1%

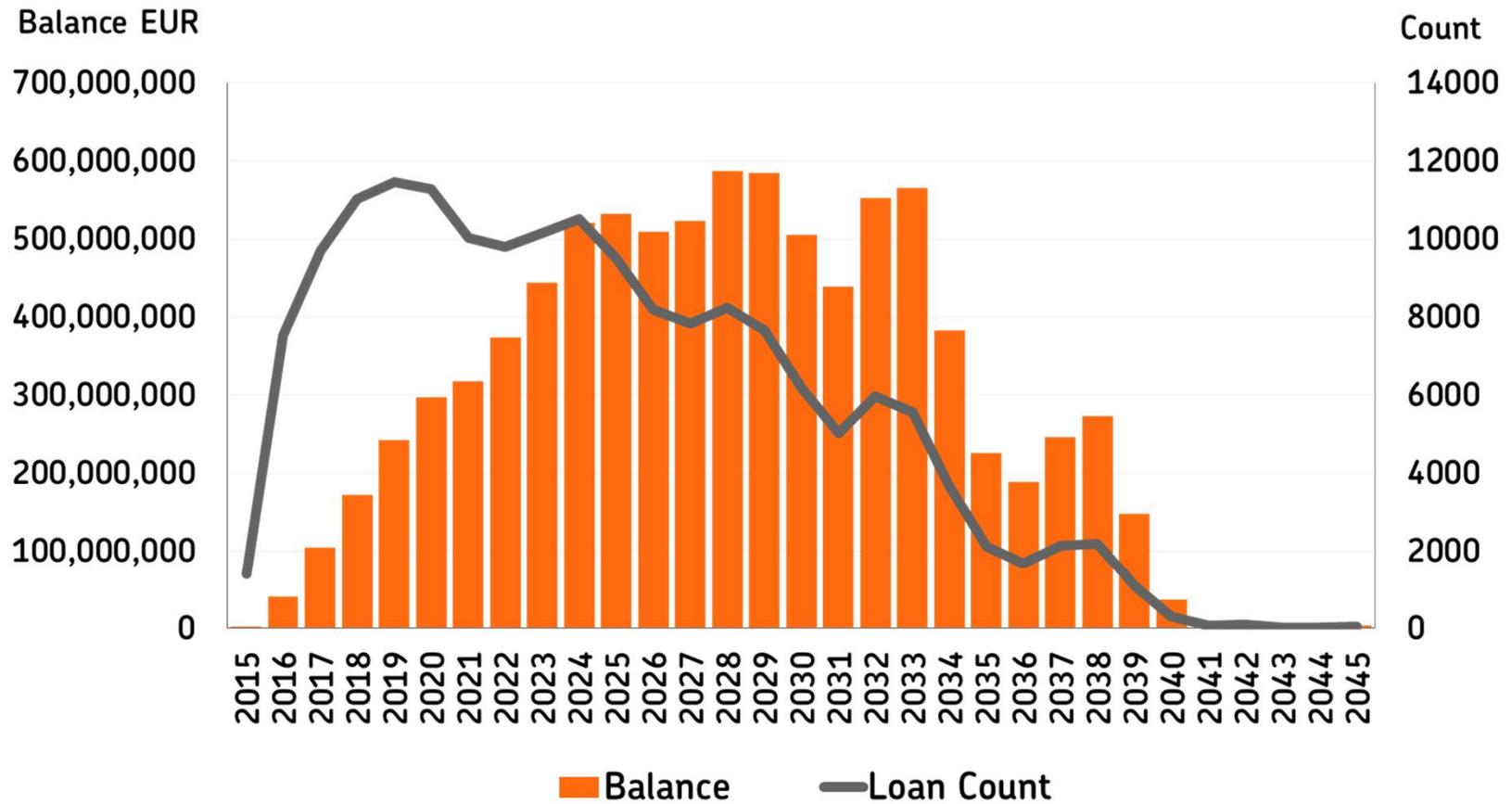
OPMB Cover Asset Pool Characteristics

Loans by origination year



OPMB Cover Asset Pool Characteristics

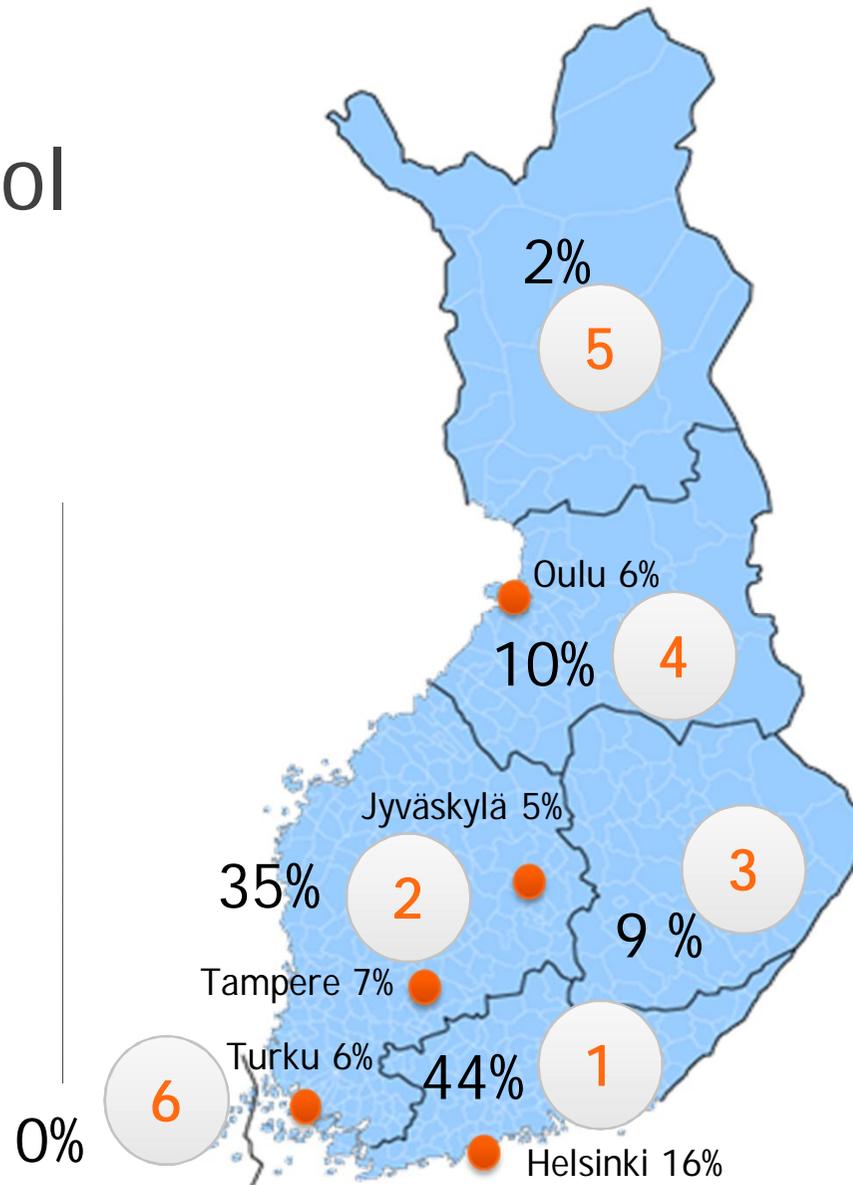
Loans by maturity



OPMB Cover Asset Pool Characteristics

Geographical distribution

- 1 Southern Finland
- 2 Western Finland
- 3 Eastern Finland
- 4 Oulu region
- 5 Lapland
- 6 Åland



OPMB Cover Asset Pool as of 30 Sept. 2015

Issuer and rating

Issuer:	OP Mortgage Bank	CRD-compliant
Owner:	OP Cooperative	Yes
Pool ID:	OP Mortgage Bank, Cover Asset Pool	
Supervisory authority:	ECB, FFSA	
Reporting date:	30/09/2015	

Long Term Rating	S&P	Moody's	Fitch
Covered bond issuer	AAA	Aaa	
Owner	AA-	Aa3	A+

Outstanding covered bonds

Outstanding benchmark covered bonds*

ISIN	MEUR	Currency	Issue date	Maturity	Coupon	Fix/FRN
XS0611353086	1,000	EUR	01/04/2011	01/04/2016	3.25%	Fix
XS0646202407	1,000	EUR	11/07/2011	11/07/2018	3.50%	Fix
XS0785351213	1,250	EUR	23/05/2012	23/05/2017	1.63%	Fix
XS1045726699	1,000	EUR	17/03/2014	17/03/2021	1.50%	Fix
XS1076088001	1,000	EUR	11/06/2014	11/06/2019	0.75%	Fix
XS1144844583	1,000	EUR	28/11/2014	28/11/2024	1.00%	Fix
XS1285892870	1,000	EUR	04/09/2015	04/09/2022	0.63%	Fix

	MEUR	*) All benchmark covered bonds issued by OP Mortgage Bank fulfill the eligibility criteria for their classification as a Level 1 or Level 2 asset in accordance with Chapter 2 of the LCR delegated act.
Non-benchmark bonds	345	
Total of outstanding bonds of which repos	7,250 0	

Bond redemptions (MEUR)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025-	Sum
Total		1,010	1,350	1,100	1,000	20	1,000	1,000		1,115		7,595

OPMB Cover Asset Pool as of 30 Sept. 2015

Cover Pool

Cover pool assets (MEUR)	Volume	%	Cover pool items	Type of loan collateral (MEUR)	Volume	%
Loans (up to LTV limit)	8,821	100%	Number of loans	Single-family housing	4,882	55%
Substitute assets			Number of clients	Flats	3,939	45%
Other	0	0	Number of properties	Multi-family housing	0	%
Eligible assets*	8,612	98%	Average loan size (EUR)	Commercial	0	%
Other eligible assets	0	0		Forest & agricultural	0	%
Total assets	8,821			Public sector	0	0%
				Sum	8,821	100%

*) calculated according to section 16 in MCBA

Volumes in stratification tables are presented as: LTV Distribution - whole loans. Other sections - Loans up to LTV limit / Total assets

Interest rate type on loans, MEUR	Volume	%	Repayments, MEUR	Volume	%
Floating	8,763	99%	Amortizing	8,807	100%
Fixed	58	1%	Interest only*	14	0%
Sum	8,821	100%	Sum	8,821	100%

*) Contract-level information, not customer-level information

LTV distribution (indexed)	<=10%	10-20%	20-30%	30-40%	40-50%	50-60%	60-70%	Eligible assets	>70% up to 100%	Total loans
Loan volume, MEUR	217	608	978	1,360	1,692	1,703	1,277	7,834	987	8,821
Percentage	2%	7%	11%	15%	19%	19%	14%	89%	11%	100%

OPMB Cover Asset Pool as of 30 Sept. 2015

Cover Pool

Loan maturity MEUR	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025-	Sum
Contractual amortizations	252	916	876	822	736	662	599	534	487	439		6,322
Percentage	3.99%	14.49%	13.86%	13.00%	11.64%	10.48%	9.47%	8.44%	7.70%	6.94%		100%
Seasoning			0-12 M	12-24 M	24-36 M	36-60 M			> 60 M			Sum
Loan volume, MEUR			242	883	1,413	1,825			4,458			8,821
Percentage			3%	10%	16%	21%			51%			100%
Credit quality												
Past due			31-60 d	60-90 d	>90 d	Sum						
Loan volume, MEUR			0	0	0	0						
Percentage			0.00%	0.00%	0.00%	100.00%						
Impaired Loans												
Impaired loans, %*												

OPMB Cover Asset Pool as of 30 Sept. 2015

Key ratios

Key ratios		Calculated according to:
OC, accounting	14.7%	Eligible assets, section 16 in Mortgage Credit Bank Act
OC, nominal	16.1%	Total assets, including loan balances up to 100% LTV limit
OC, NPV	39.6%	Eligible assets, section 16 in Mortgage Credit Bank Act
WALTV (indexed)	46.5%	Eligible assets, section 16 in Mortgage Credit Bank Act
WALTV total (indexed)	46.9%	Total assets, including loan balances up to 100% LTV limit
<u>Remaining average maturity (MCBA)</u>		Calculated according to:
	Years	Section 17 in Mortgage Credit Bank Act
Assets	6.4	Section 5.4.3 Finnish FSA regulation and guidelines 6/2012 Mortgage bank authorisation procedure and risk management
Liabilities	4.2	

Currency risk	Before hedges		Hedges		After hedges	
	Pool assets	Covered bonds	Pool assets	Covered bonds	Pool assets	Covered bonds
SEK						
EUR						
USD						
Other						
Sum	0	0	0	0	0	0

According to Section 13 of the MCBA, collateral entered in the register of covered bonds must be in the same currency as the covered bond.

This also applies to derivatives contracts concluded to hedge against risks relating to covered bonds and the assets placed as collateral for them.

OPMB Cover Asset Pool as of 30 Sept. 2015

Key ratios

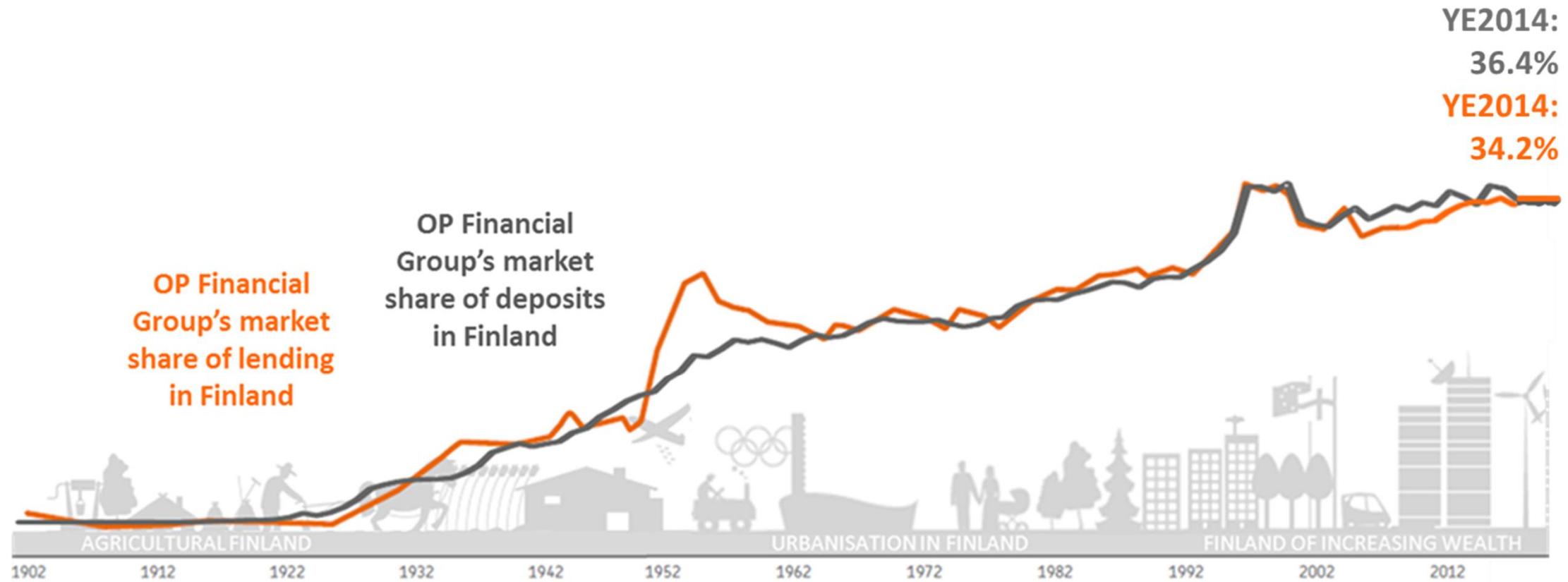
	Before hedges		Hedges		After hedges	
	Pool assets	Covered bonds	Pool assets	Covered bonds	Pool assets	Covered bonds
Interest rate risk						
Floating	8,547	200	8,585	7,595	8,605	7,595
Fixed	58	7,395			0	0
Capped floating	216		236		216	
Sum	8,821	7,595	8,821	7,595	8,821	7,595

Accrued interest cash flows, MEUR	1Y	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y
Interest income	91	83	84	88	91	91	90	85	78	71
Interest expense	20	20	26	32	32	36	37	32	21	26
Net	70	63	58	56	58	56	53	53	57	44

Calculation method used: Contractual maturities

Calculated according to:
Section 17 in Mortgage Credit Bank Act

Section 5.4.4 Finnish FSA regulation and guidelines 6/2012 Mortgage bank authorisation procedure and risk management



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Debt Investor Relations Contacts



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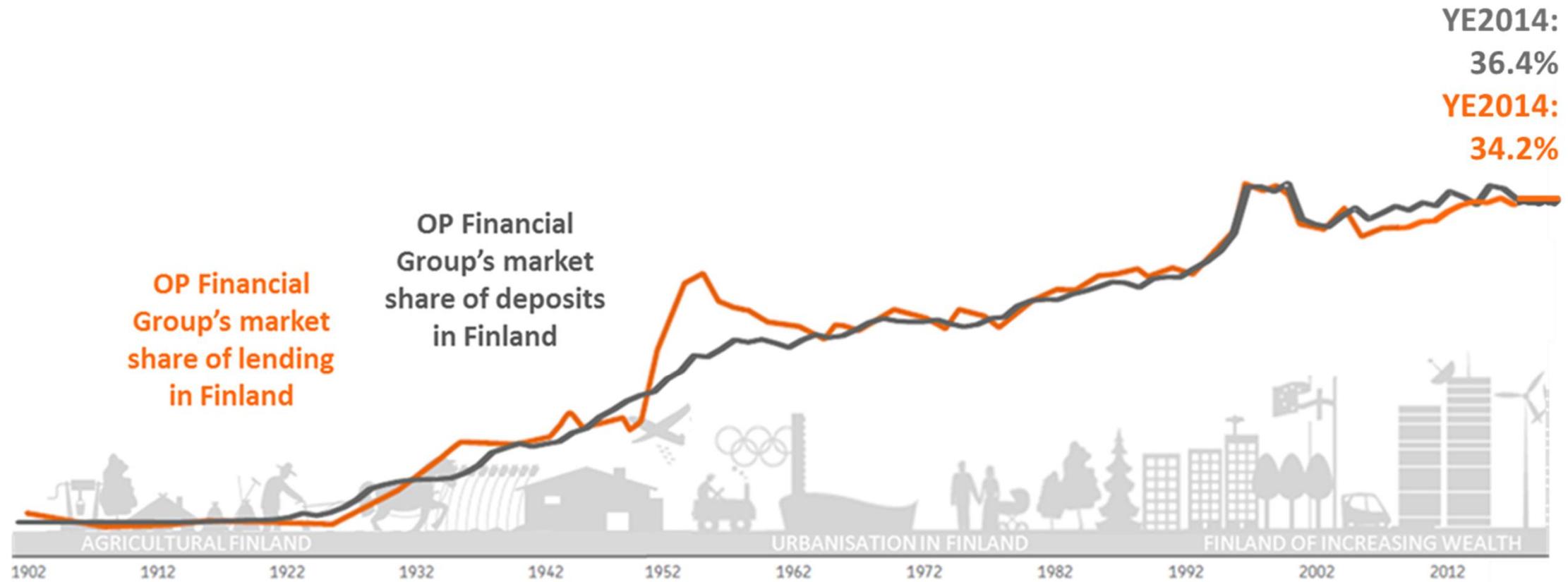
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Financial reports and background material online

- OP Financial Group: www.op.fi (English) > OP Financial Group > Media > Material service > OP Financial Group publications
- Pohjola Bank plc: www.pohjola.com > Media > Material Service
- OP Mortgage Bank: www.op.fi (English) > OP Financial Group > Media > Material service > Subsidiaries' publications



Appendices

Structure of OP Financial Group incl. OP Cooperative's main subsidiaries

1.4 million customer-owners, of which 90% households



Some 180 OP Financial Group member cooperative banks

OP Cooperative

Banking

- Pohjola Bank plc*
(OP Corporate Bank plc)
- Helsinki OP Bank Ltd*
(OP Helsinki)
- OP Mortgage Bank*
- OP Card Company Plc**

Non-life Insurance

- Pohjola Insurance Ltd***
(OP Insurance Ltd) with its subsidiaries

Wealth Management

- Pohjola Asset Management Ltd*** (OP Asset Management Ltd)
- OP Life Assurance Company Ltd*
- OP Fund Management Company Ltd*

- Finance & Treasury
- Risk Management
- Group Steering
- etc.

* OP Cooperative's ownership 100%

** OP Cooperative's ownership 22.5%

*** Planned to be transferred to OP Cooperative's direct ownership in the future as a result of the completion of OP Cooperative's public voluntary bid for Pohjola Bank plc

OP Financial Group's long-term financial targets

	Target	Q1-3/2015	2014	2013	2012
Group level					
Capital adequacy ratio under the Act on the Supervision of Financial and Insurance Conglomerates, %	≥ 160	197	189	219*	190
Common Equity Tier 1 ratio (CET1), %	18.0 by the end of 2016	18.6	15.1	17.1*	14.1**
Return on economic capital, %****	20.0	21.2	16.5	15.2	14.7
Growth differential between income and expenses, pps***	> 0	26.3	13.8	-2.8	-4.2****
Rating: AA rating affirmed by at least 2 credit rating agencies (or at least at the main competitors' level)	2	2	2	2	2
Banking					
Growth differential between income and expenses, pps****	> 0	6.2			
Wealth Management					
Growth differential between income and expenses, pps****	> 0	10.7			
Non-life Insurance					
Operating combined ratio, %	< 92	86.3	89.4	86.9	90.5

* As of 1 Jan. 2014

** Core Tier 1 capital adequacy

*** During 3 years

**** 12 mth rolling

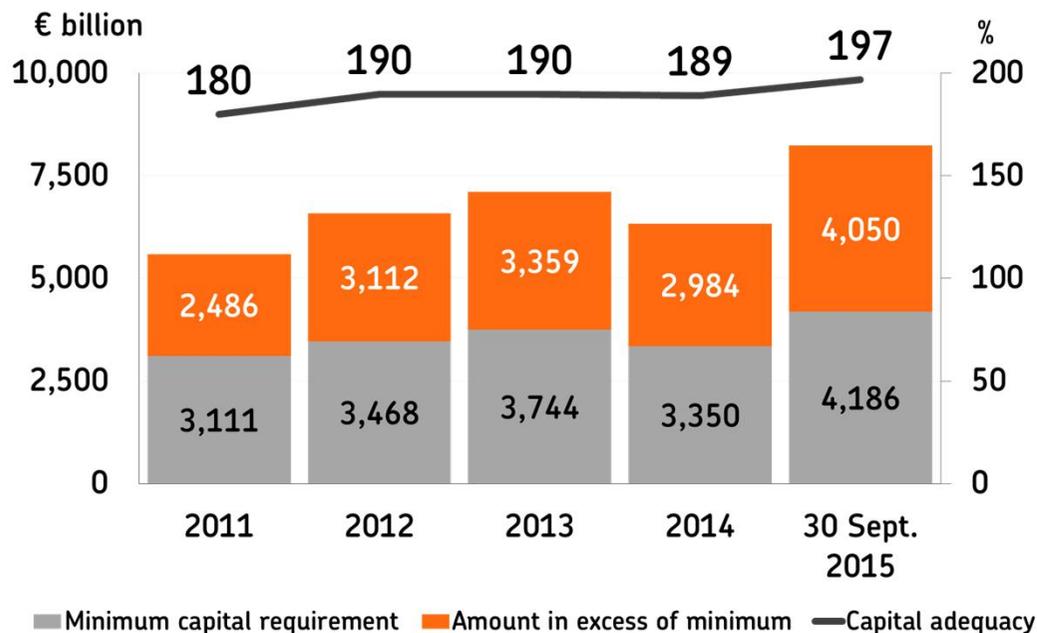
Profit Share Issuances by OP Financial Group Member Cooperative Banks

- To achieve and maintain OP Financial Group's minimum CET1 target of 18%, OP Financial Group member cooperative banks began to issue profit shares* in March 2014.
- In March 2015, OP Cooperative's Executive Board decided to continue profit share issuances until the target level of €2.3 billion is achieved.
- **Issuance supported by nationwide marketing campaign**
 - Profit share issuances by 30 September 2015 totalled €2.2 billion, which constitutes 97% of new total target of €2.3 billion.
- **Issuance capacity**
 - Profit shares are sold in almost all 181 OP Financial Group member cooperative banks.



*) A profit share is, as stated in the OP Financial Group Bylaws, an customer-owner's voluntary capital contribution to the Group cooperative bank's equity.

Capital Adequacy under the Act on the Supervision of Financial and Insurance Conglomerates



- Statutory minimum requirement for capital adequacy under the Act on the supervision of FICOs is 100%, while OP Financial Group's minimum target is 160%
- In Q1-3/15, capital adequacy buffer was increased by earnings, profit share issuances and decreased RWA and, on the other hand, decreased by 52 pps by the capital conservation buffer of 2.5% adopted in consolidated capital adequacy in Finland at the beginning of 2015.
- The capital conservation buffer increased the consolidated capital adequacy requirement from 8% to 10.5%, calculated as percentage of risk-weighted assets.
- Upon entry into force as of 7 Jan. 2016, the O-SII buffer will reduce the capital adequacy ratio under the Act on the Supervision of FICOs by around 22 pps.

CSR at OP Financial Group

Corporate social responsibility is responsibility for the economic, social and environmental impacts of business operations. Financial sector plays a key role in promoting the stability of the whole society.

OP's corporate social responsibility programme



International commitments



CARBON DISCLOSURE PROJECT

Pohjola Asset Management Ltd and OP Fund Management Ltd signed the UN Principles for Responsible Investment (UNPRI) in 2009, among the first Finnish asset managers.

CSR reporting



OP Financial Group has prepared its Corporate Social Responsibility Report in compliance with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines.

OP Financial Group's earnings analysis

€ million	Q1-3/2015	2014	2013	2012	2011	2010
Net interest income	767	1 043	915	1 002	1 030	917
Net income from Non-Life insurance	496	589	524	433	312	382
Net income from Life Insurance	210	197	175	108	72	100
Net commissions and fees	543	707	694	584	574	563
Other income	208	217	267	243	173	210
Total income	2 224	2 753	2 575	2 371	2 160	2 172
Total expenses	1 105	1 555	1 598	1 494	1 358	1 286
Returns to OP bonus customers	146*	195*	193*	192*	176*	163*
Earnings before impairment loss on receivables	973	1 003	784	684	626	723
Impairment loss on receivables	47	88	84	99	101	149
Earnings before tax	926	915	701	586	525	575
Change in fair value reserve	-229	152	-39	698	-400	225
Earnings before tax at fair value	697	1 067	662	1 283	125	800

* Returns to customer-owners and OP bonus customers

OP Financial Group's key figures

	30 Sept. 2015	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	31 Dec. 2011	31 Dec. 2010
Total assets, € million	118 242	110 427	100 991	99 769	91 905	83 969
Receivables from customers, € million	74 186	70 683	68 142	65 161	60 331	56 834
Liabilities to customers, € million	55 598	51 163	50 157	49 650	41 304	36 443
Equity capital, € million	8 690	7 213	7 724	7 134	6 242	6 726
CET1 ratio, %	18.6	15.1	17.1 ^a	14.1 ^b	14.0 ^b	12.6 ^b
Capital adequacy ratio, %	22.0	17.3	19.8 ^a	14.1	14.0	12.8
More than 90 days overdue receivables, € million	336	273	295	311	296	204
Ratio of more than 90 days overdue receivables to loan and guarantee portfolio, %	0.44	0.37	0.42	0.46	0.47	0.34
Loan and guarantee portfolio, € billion	76.9	73.6	71.0	67.7	62.8	59.4
Impairment loss on receivables, € million	47 ^d	88 ^c	84 ^c	99 ^c	101 ^c	149 ^c
Impairment loss on receivables / loan and guarantee portfolio, %	0.08 ^d	0.12 ^c	0.12 ^c	0.15 ^c	0.16 ^c	0.25 ^c
Personnel	12 092	12 356	12 856	13 290	13 229	12 504

a) As of 1 January 2014

b) Core Tier 1 ratio

c) January-December

d) January-September

OP Financial Group's key ratios

	Q1-3/2015	2014	2013	2012	2011	2010
Average corporate loan margin, % ^a	1.38	1.44	1.57	1.52	1.34	1.36
Cost/income ratio, %	50	56	62	63	63	59
Return on equity (ROE), %	12.0	8.1	8.9	7.0	6.8	6.9
Return on assets (ROA), %	0.8	0.6	0.7	0.5	0.5	0.5
Solvency ratio (Solvency II), Non-life Insurance, % ^b	152	117	125	n/a	n/a	n/a
Solvency ratio (Solvency II), Life Insurance, % ^b	152	100	99	n/a	n/a	n/a
Operating combined ratio, Non-life Insurance, %	86.3	89.4	86.9	90.5	89.8	89.7

a) Pohjola Bank's corporate loan portfolio

b) According to Solvency II draft (EU 138/2009) excl. effects of transitional provisions. Use of transitional provisions is subject to permission from the Finnish FSA.