

Debt Investor Presentation



OP-Pohjola Group and Issuing entities
Pohjola Bank plc and OP Mortgage Bank

www.pohjola.com

OP-Pohjola Group

Issuing entities are Pohjola Bank plc and OP Mortgage Bank

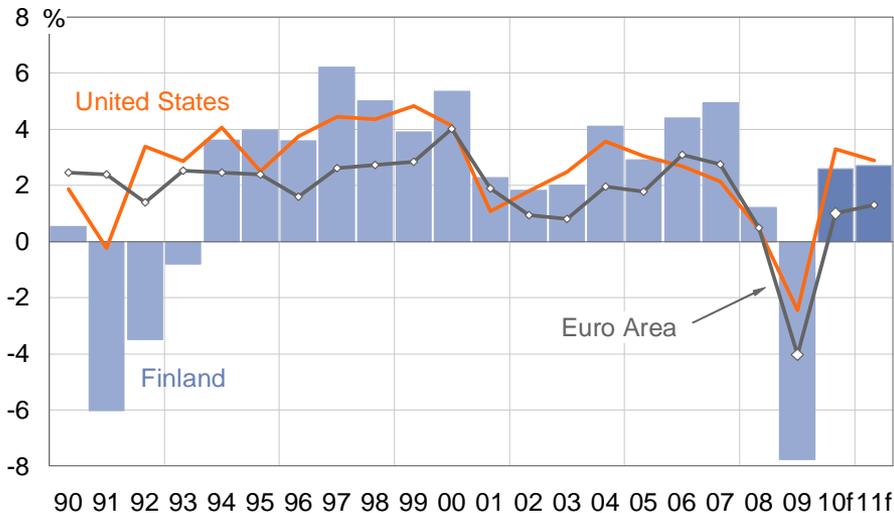
- Leading financial services provider in Finland
- Pohjola Bank is rated double A by all three Rating Agencies
- Strong capital position and deposit funding base
- Liquidity buffer to cover 24 months of maturing wholesale funding
- Finnish risk exposure
- OP-Pohjola Group's stress test results: The group ranks 9th out of the 91 European banks on capital adequacy. Earnings and capital base remain strong even in the adverse scenarios (Tier 1 ratio at lowest 12.3% end 2011).



Finnish Economy

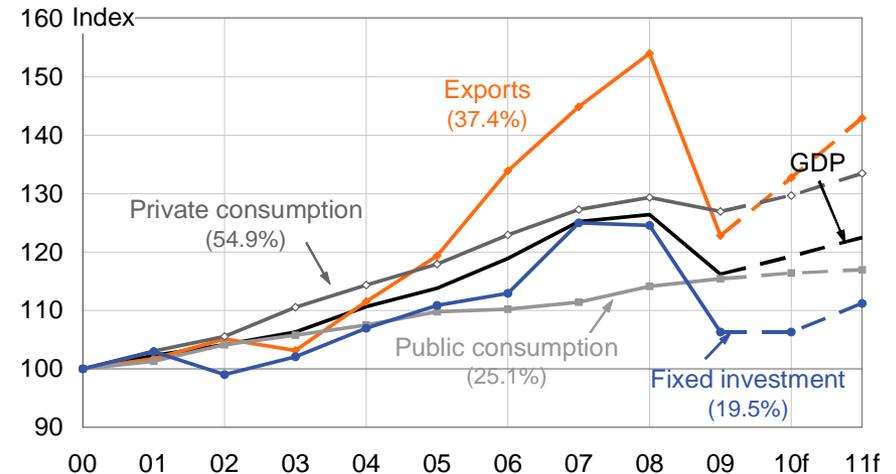
GDP volume, demand components

Change in GDP volume



Sources: Reuters EcoWin, forecasts OP-Pohjola Group (August 2010) and IMF (July 2010)

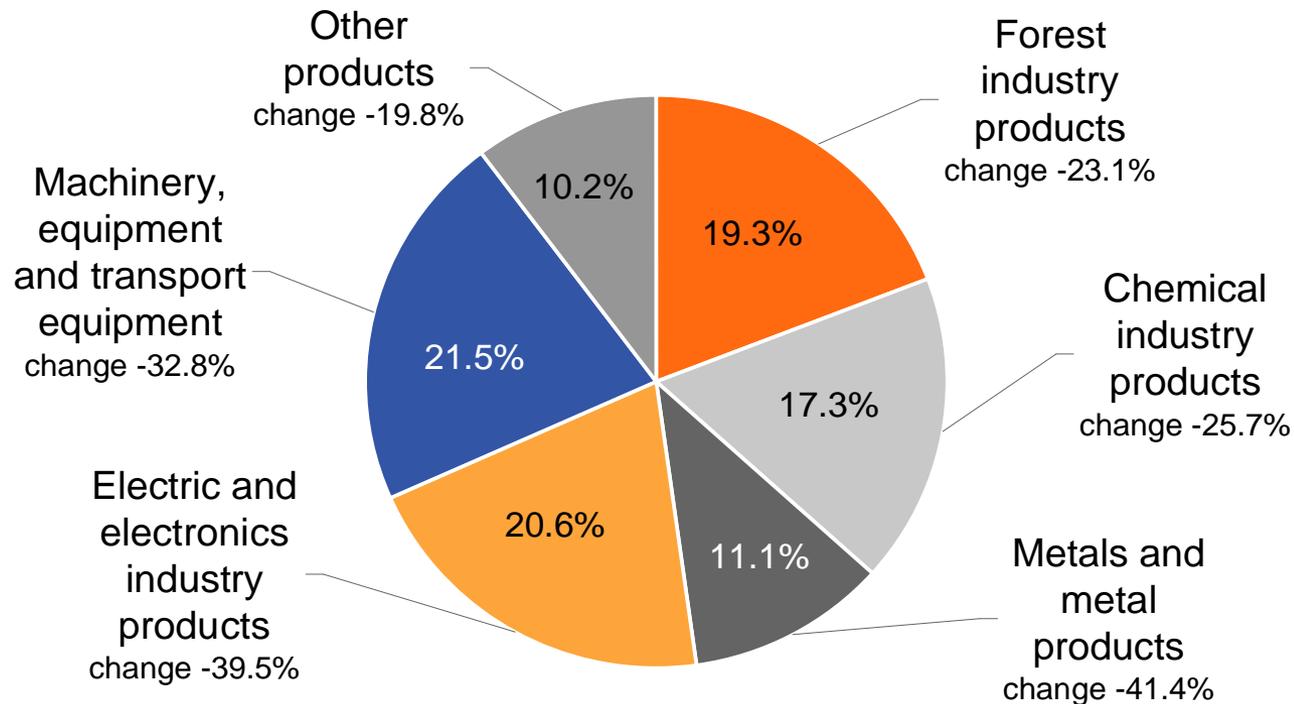
GDP shares in 2009 in brackets



Sources: Statistics Finland, forecasts OP-Pohjola Group, August 2010

Finland's export

Goods exports by product group
Share of total exports and annual change 2009

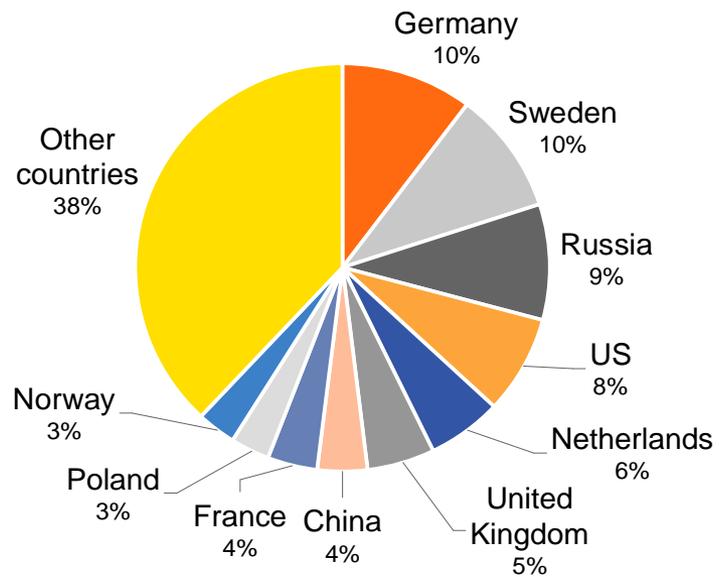


Source: National Board of Customs

Total exports 44.9 EUR Billion (change, -31.5%)

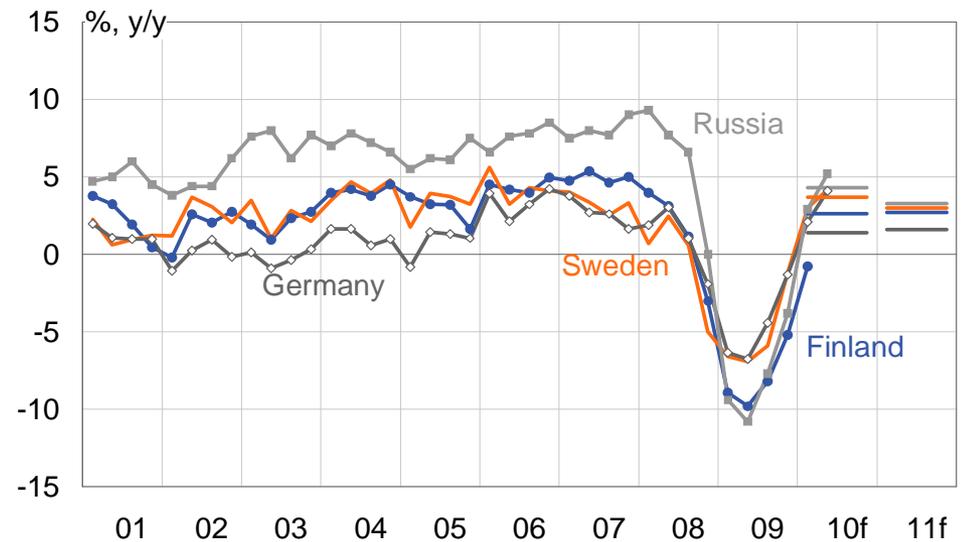
Finland's Main Trading Partners

Goods exports by country 2009



Source: National Board of Customs

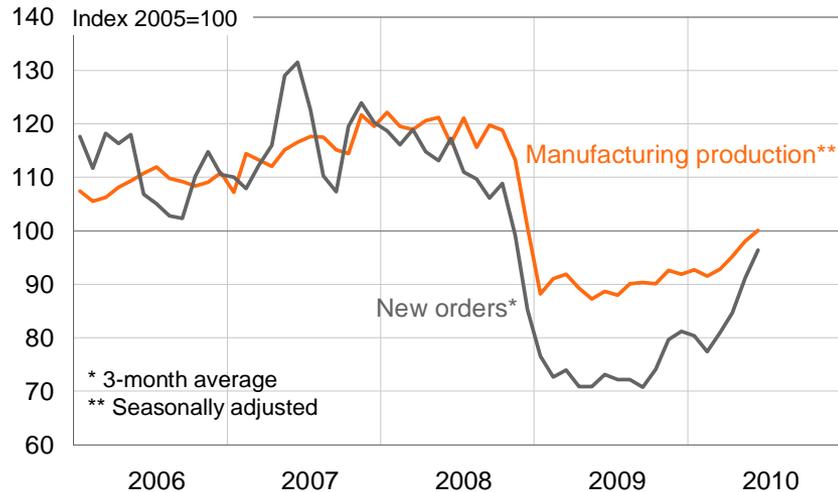
GDP growth



Sources: Reuters EcoWin, IMF (WEO Update, July 2010), OP-Pohjola Group (August 2010), National Institute of Economic Research (Sweden) June 2010

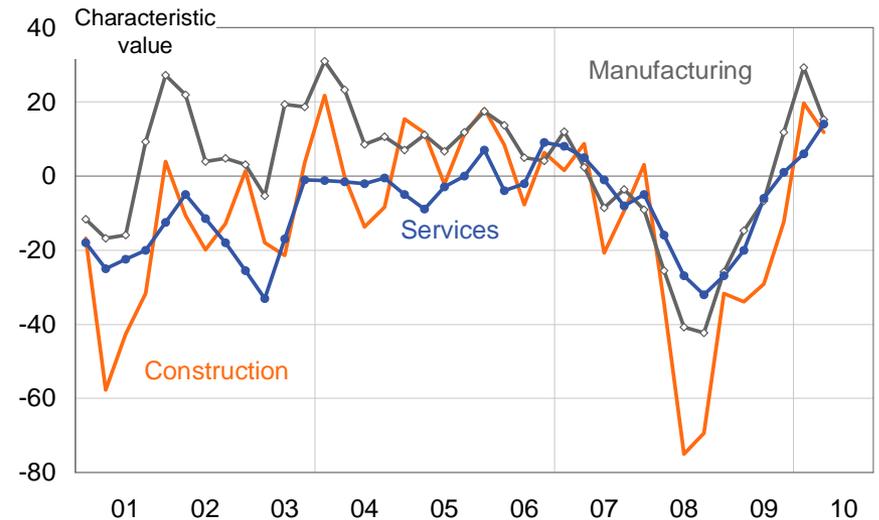
Manufacturing production and Business outlook

Manufacturing production and new orders



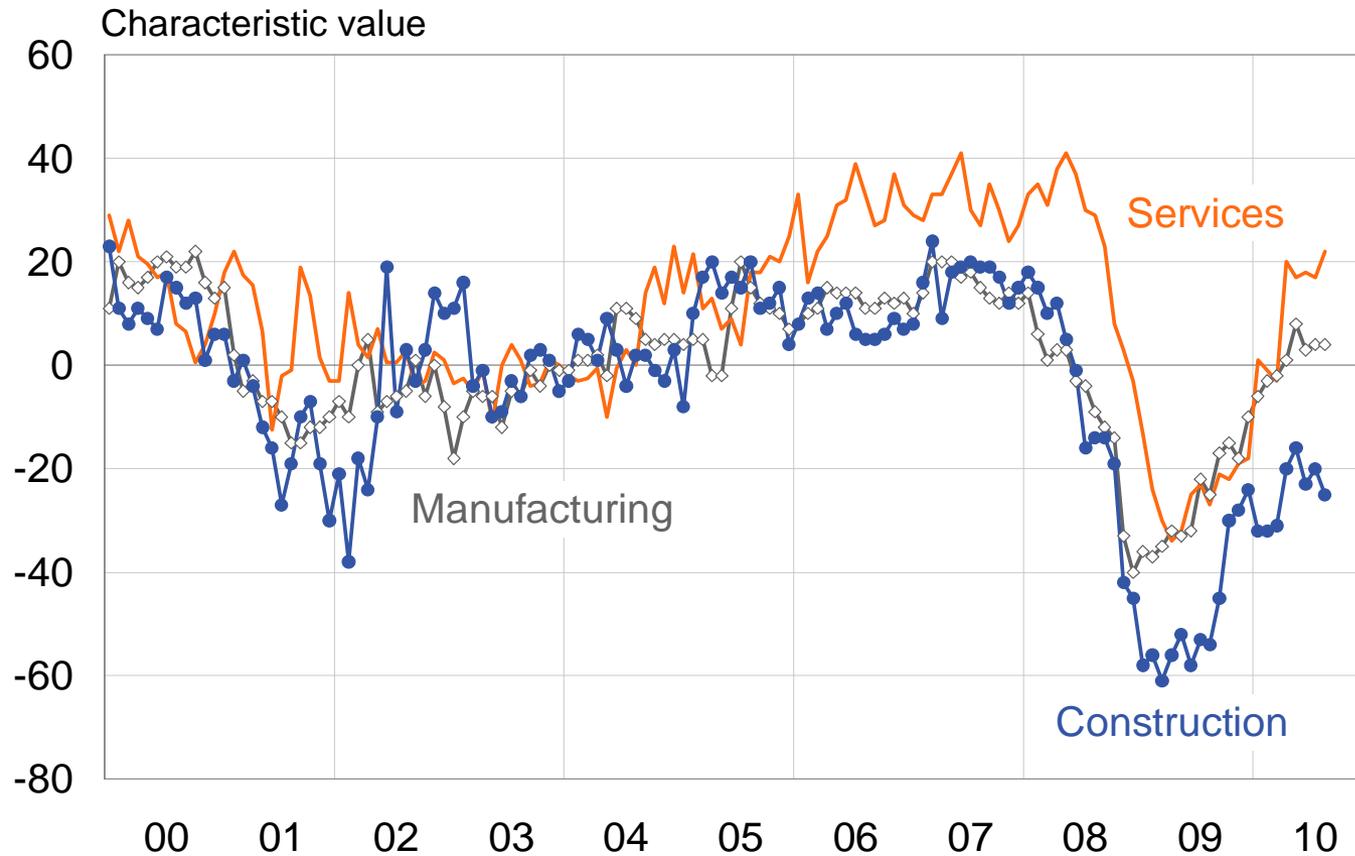
Source: Statistics Finland

Business outlook survey



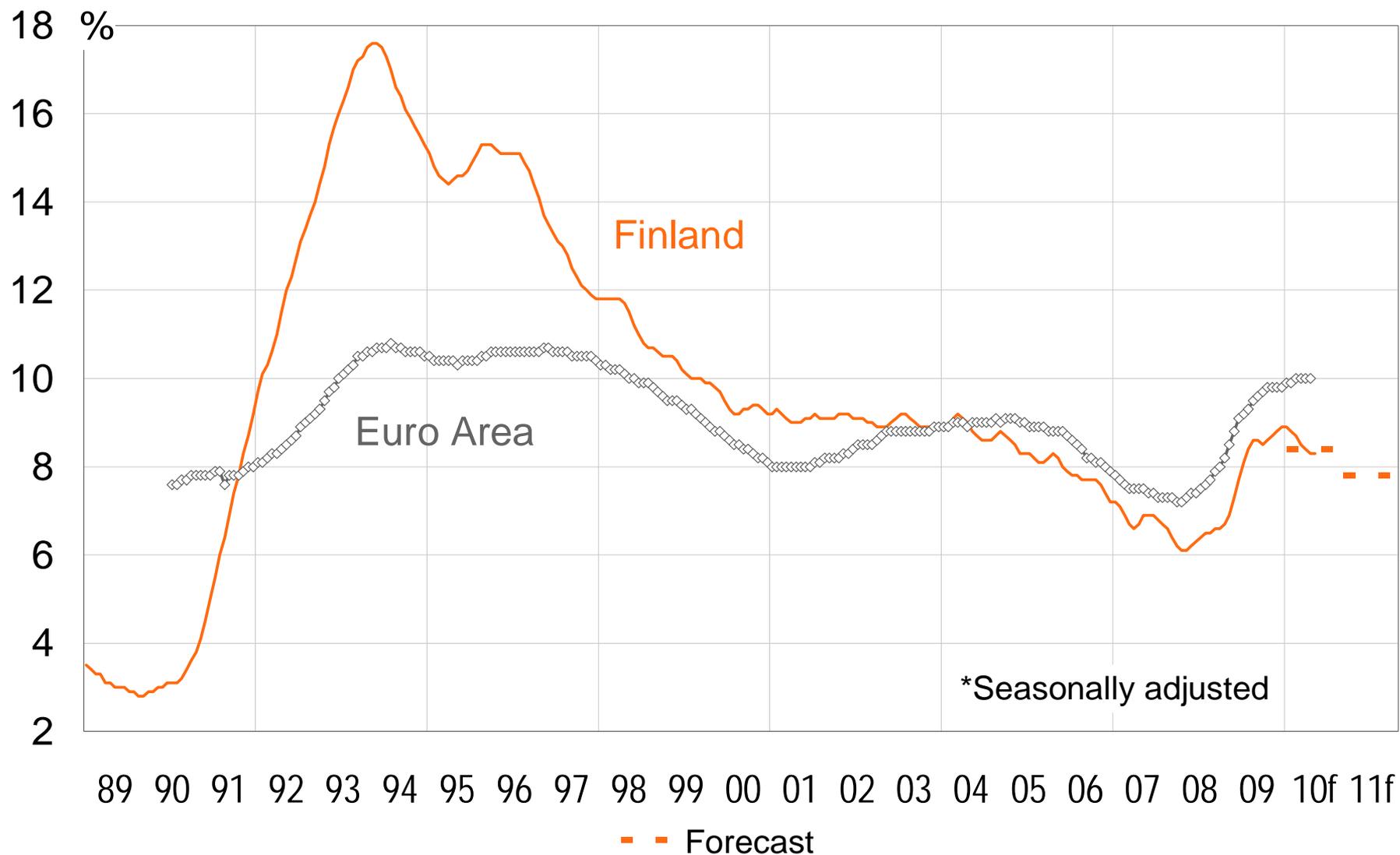
Source: Confederation of Finnish Industries EK (5 August 2010)

Confidence indicators in Finland



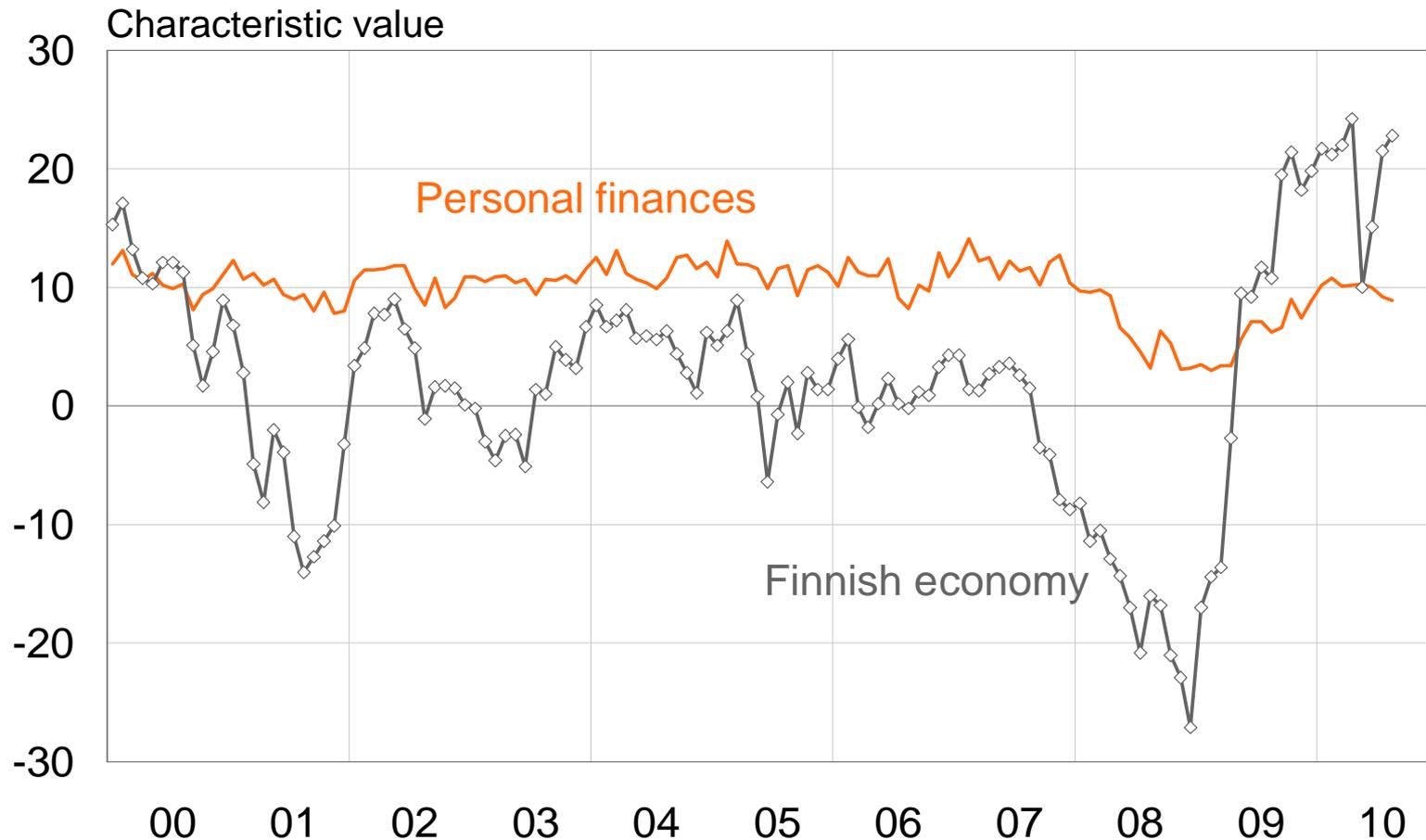
Source: Condeferation of Finnish Industries EK

Unemployment rate* in Finland and Euro Area



Sources: Statistics Finland, Eurostat, forecasts OP-Pohjola Group, August 2010

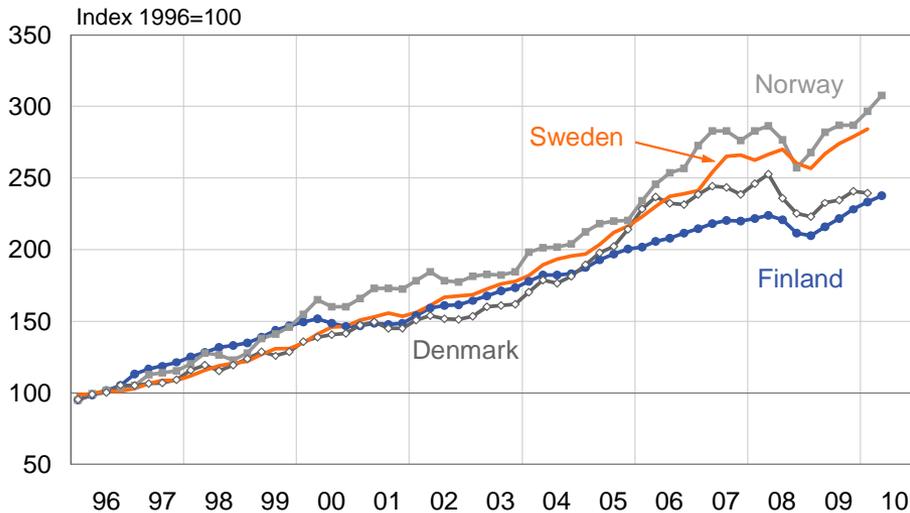
Consumer confidence indicator



Source: Statistics Finland

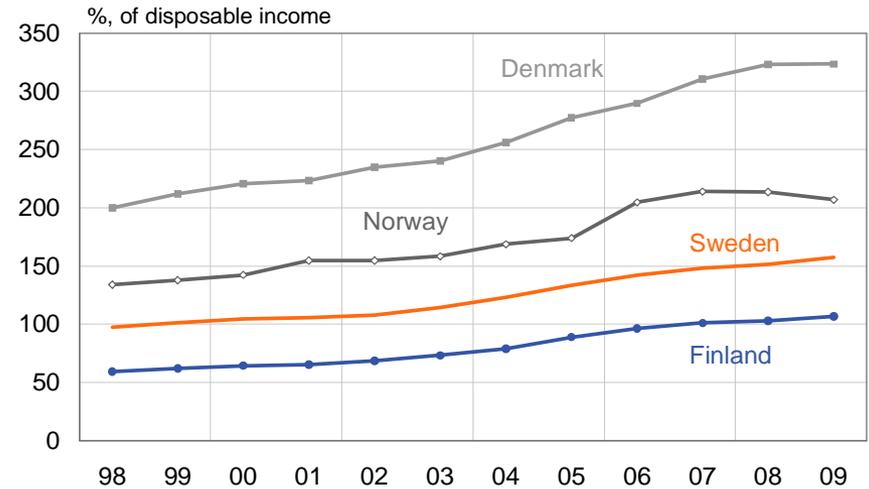
Average house prices and Households' debt ratio

Average house prices



Sources: Reuters EcoWin, Statistics Sweden

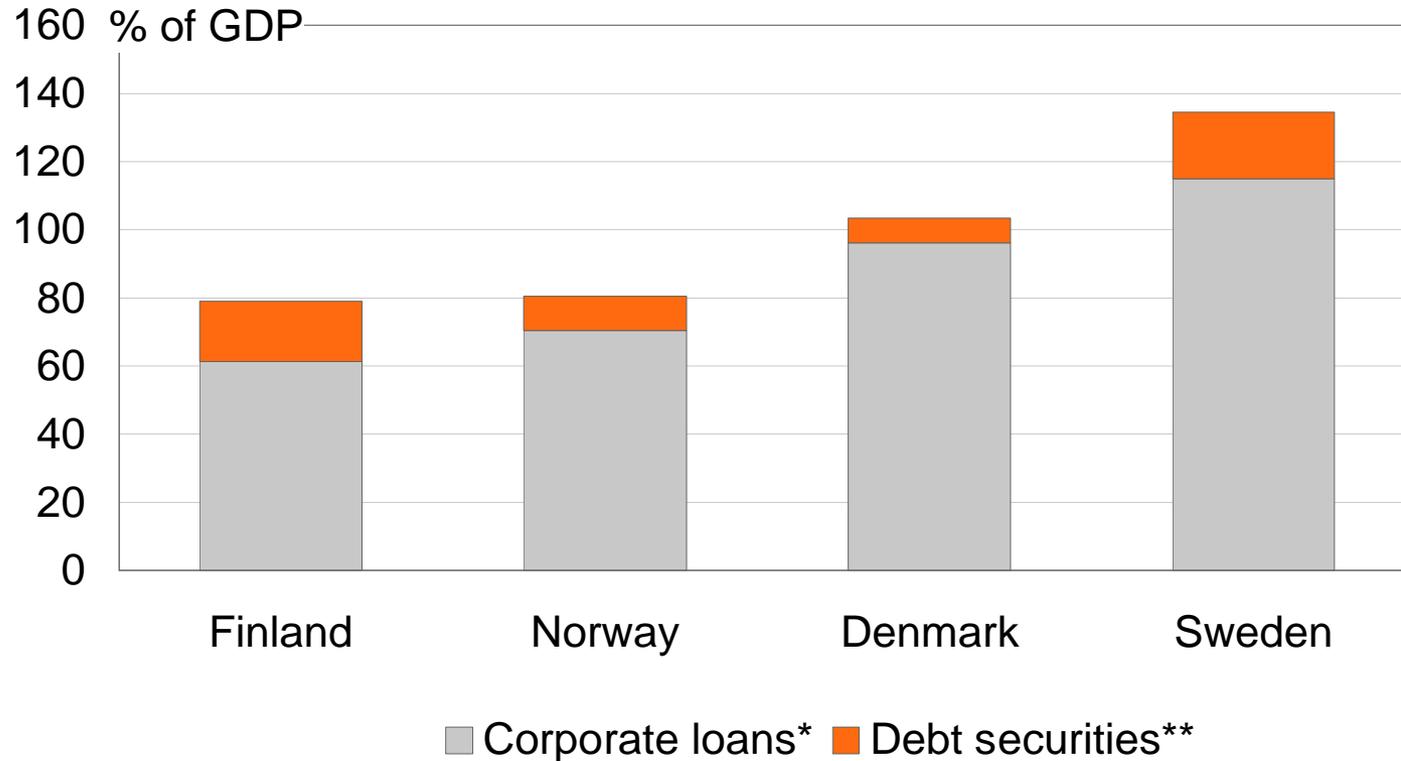
Households' debt ratio



Sources: Central Banks, Statistics Finland

Corporate debt

Year 2009



* Excl. loans between Finnish companies

** Commercial papers, corporate bonds and financial derivatives

Source: Eurostat, Consolidated Financial Accounts, Norway year 2008

Forecast for the Finnish economy

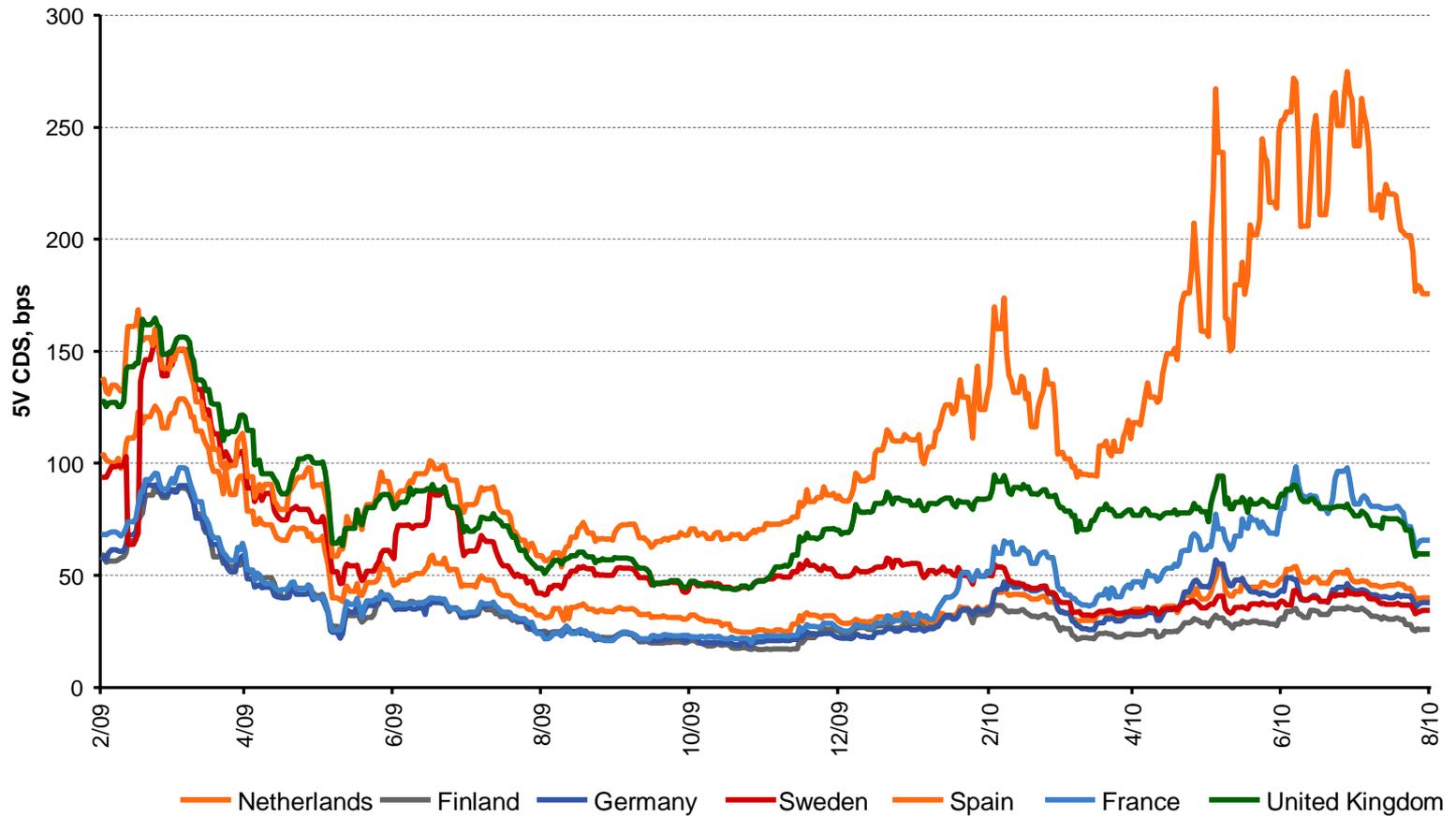
Published on 30 August, 2010

| | 2009 EUR bn | 2009 Volume, % change on previous year | 2010f | 2011f |
|---------------------------------|----------------|---|-------|-------|
| GDP | 171,3 | -8,0 | 2,6 | 2,7 |
| Imports | 59,8 | -18,1 | 6,6 | 7,9 |
| Exports | 64,0 | -20,3 | 8,1 | 7,7 |
| Private consumption | 94,0 | -1,9 | 2,2 | 2,9 |
| Public consumption | 43,0 | 1,2 | 0,8 | 0,5 |
| Private fixed investment | 28,6 | -17,4 | 0,1 | 5,0 |
| Public fixed investment | 4,8 | 6,1 | -0,1 | 2,5 |

Other key indicators

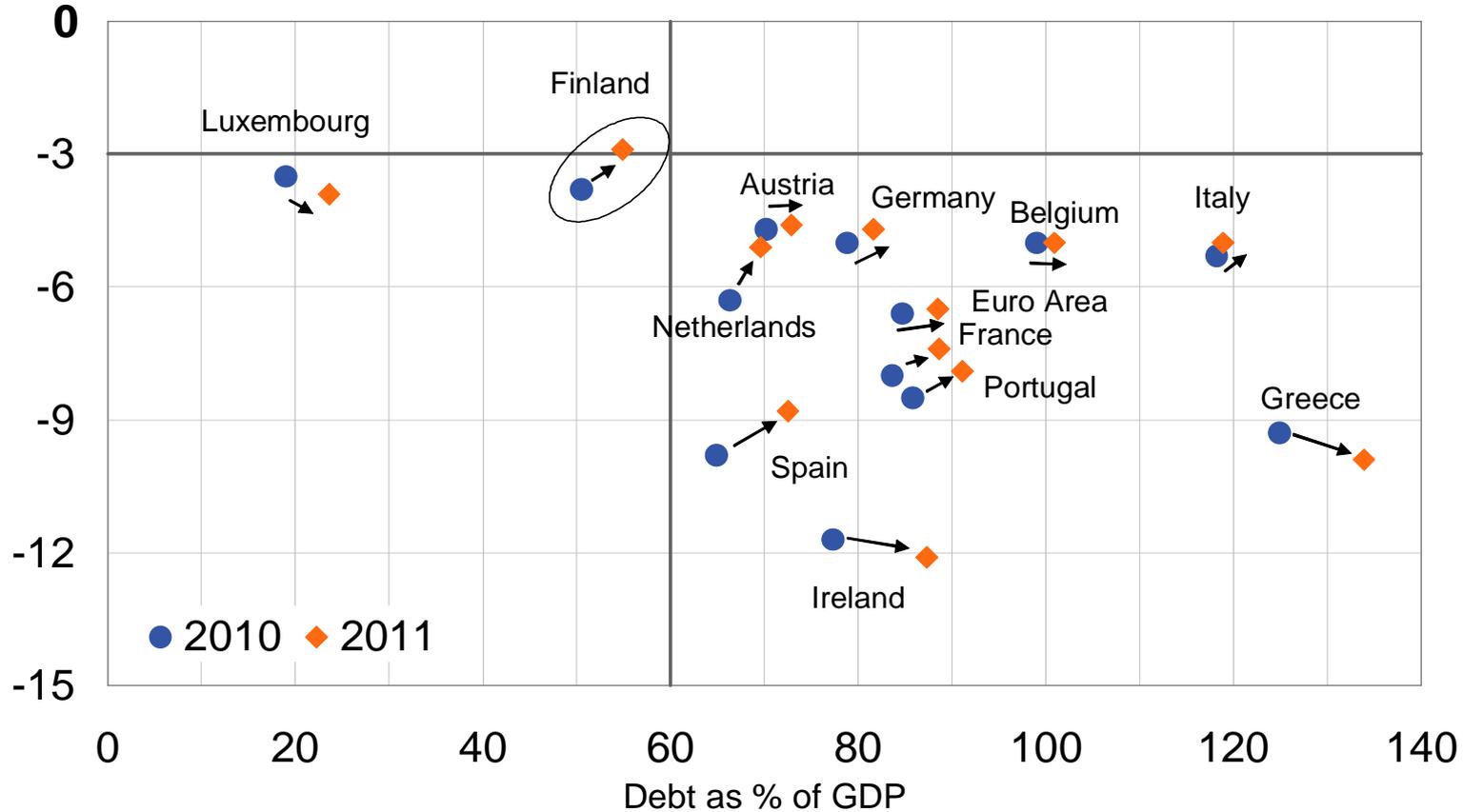
| | 2009 | 2010f | 2011f |
|---|------|-------|-------|
| Consumer price index, % change y/y | 0,0 | 1,1 | 2,1 |
| Wage and salary earnings, % change y/y | 3,9 | 2,7 | 2,5 |
| Unemployment rate, % | 8,2 | 8,4 | 7,8 |
| Current account balance, % of GDP | 1,3 | 1,4 | 1,1 |
| General government debt, % of GDP | 44 | 49,8 | 52,4 |
| General government net lending, % of GDP | -2,2 | -4,3 | -2,0 |

5 year sovereign CDS 02/09-08/10



Fiscal balance and government debt

Fiscal balance as % of GDP



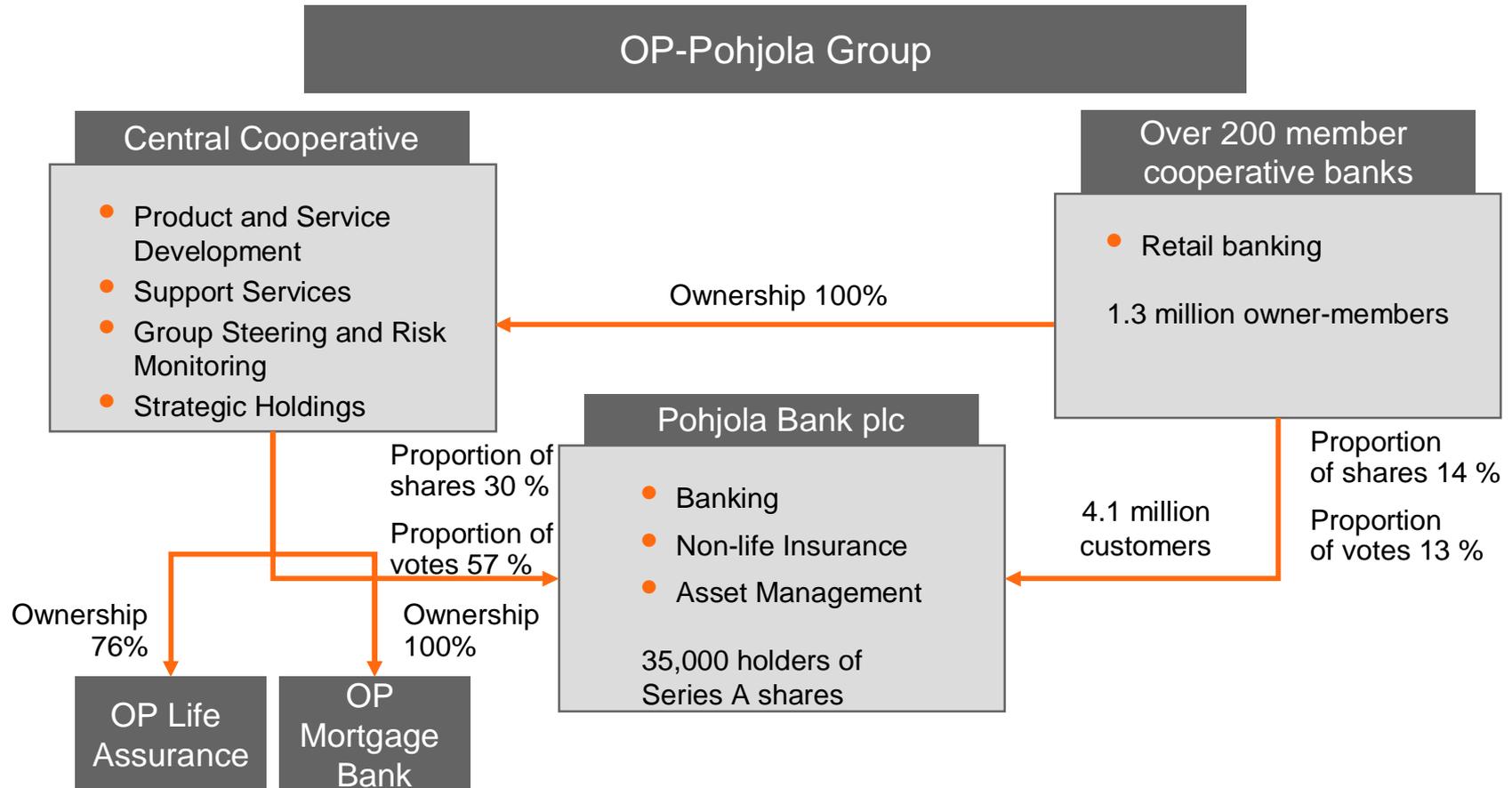
Source: European Commission, May 2010



OP-Pohjola Group

Structure of OP-Pohjola and Roles of Group Entities

The issuing entities are Pohjola Bank and OP Mortgage Bank



The Central Cooperative and the member banks are liable for each other's debts and commitments.

OP-Pohjola Group is monitored on a consolidated basis by FSA.

Joint Responsibility

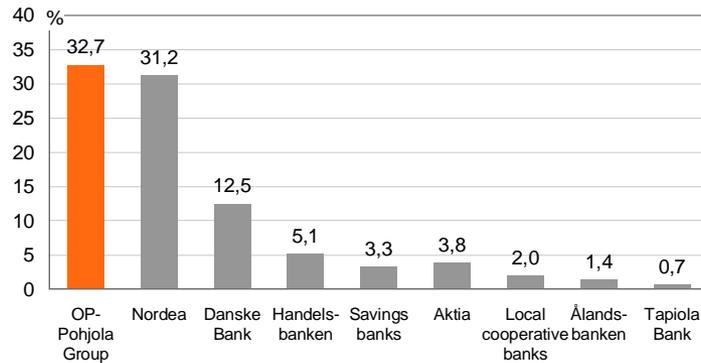
- Under the Act on Amalgamations of Deposit Banks (*Laki talletuspankkien yhteenliittymästä 599/2010*) the member credit Institutions continue to be jointly responsible for each others' liabilities
- If a creditor has not received payment from a member credit institution on a due debt, the creditor may demand payment from the Central Cooperative.
- The member credit institutions are the Central Cooperative, Pohjola Bank, Helsinki OP Bank plc, OP-Kotipankki Oyj, OP Mortgage Bank and the Member Cooperative Banks
- The insurance companies of the group are not participants in the joint responsibility

* Further information on the joint responsibility is available on the EMTN Base Prospectus of Pohjola Bank

OP-Pohjola

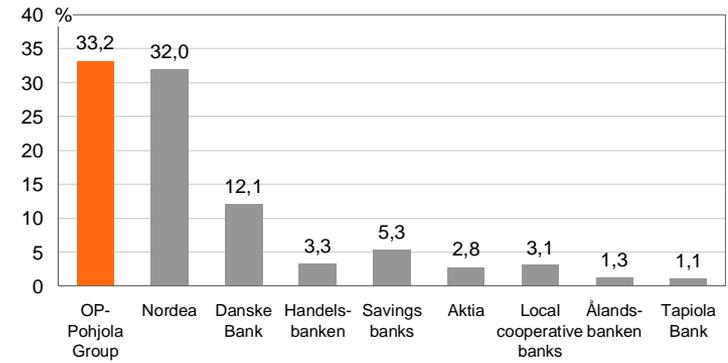
The leading financial services provider in Finland

Market Share in Loans
31 December 2009



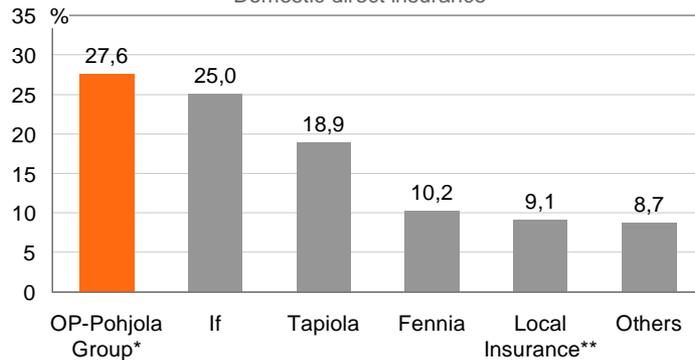
Source: Federation of Finnish Financial Services

Market Share in Deposits
31 December 2009



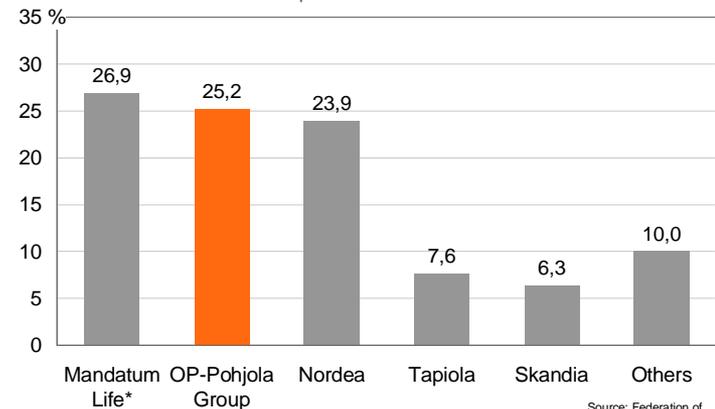
Source: Federation of Finnish Financial Services

Market share in non-life insurance
premiums written 2009
Domestic direct insurance



Source: Federation of Finnish Financial Services
*Pohjola Non-Life, A-Insurance, Eurooppalainen
**incl. Palonvara

Market shares in life insurance
Gross premiums written 2009



* Mandatum Life and Kaleva

Source: Federation of Finnish Financial Services

OP-Pohjola Group and Pohjola

Key figures

| | OP-Pohjola Group H1/10 | Pohjola Bank H1/10 | OP-Pohjola Group 2009 | Pohjola Bank 2009 |
|--|------------------------------|-----------------------|-----------------------------|----------------------|
| Total assets, € million | 84 524 | 38 609 | 80 430 | 35 510 |
| Receivables from customers, € million | 54 882 | 11 680 | 52 992 | 11 323 |
| Deposits, € million | 35 398 | 4 932 | 34 617 | 4 133 |
| Equity capital, € million | 6 370 | 2 239 | 6 187 | 2 267 |
| Tier 1, % | 12.4 | 12.0 | 12.6 | 11.8 |
| Doubtful receivables, € million | 251 | 39 | 223 | 44 |
| Doubtful receivables and zero-interest bearing receivables of loans and guarantees, % | 0.4 | 0.28 | 0.4 | 0.32 |
| Loan and guarantee portfolio, € bn | 57.6 | 13.9 | 55,6 | 13.3 |
| Impairments of receivables, € million | 77 | 62 | 179 | 129 |
| Impairments of receivables / loan and guarantee portfolio, % | 0.13 | 0.43 | 0.32 | 0.94 |
| Personnel | 12 468 | 2 999 | 12 504 | 2 966 |

OP-Pohjola Group and Pohjola

Income Statement, € million

| | OP-Pohjola Group H1/10 | Pohjola Bank H1/10 | OP-Pohjola Group 2009 | Pohjola Bank 2009 |
|---|---------------------------|-----------------------|--------------------------|----------------------|
| Net interest income | 452 | 127 | 1 070 | 241 |
| Net income from Non-Life insurance | 190 | 193 | 396 | 402 |
| Net income from Life Insurance | 46 | | -120 | |
| Net commissions and fees | 283 | 81 | 496 | 143 |
| Other income | 96 | 52 | 208 | 108 |
| Total income | 990 | 453 | 1 872 | 895 |
| Total expenses | 643 | 253 | 1 248 | 501 |
| Earnings before impairments of receivables | 343 | 200 | 643 | 394 |
| Impairments of receivables | 77 | 62 | 179 | 129 |
| Returns to owner-members and OP-bonus customers | 81 | | 160 | |
| Earnings before tax | 266 | 139 | 464 | 265 |
| Change in fair value reserve | 75 | -31 | 677 | 243 |
| Earnings/loss before tax at fair value | 341 | 108 | 1 140 | 508 |

OP-Pohjola Group and Pohjola

Key ratios

| | OP-Pohjola Group H1/10 | Pohjola Bank H1/10 | OP-Pohjola Group 2009 | Pohjola Bank 2009 |
|--|------------------------------|-----------------------|-----------------------------|----------------------|
| Net interest margin, % | 1.1* | 1.38** | 1.4* | 1.33** |
| Cost / Income ratio, % | 59 | 35*** | 53 | 35*** |
| Return on equity (ROE) at fair value, % | 8.1 | 7.1 | 14.7 | 19.2 |
| Return on assets, (ROA) at fair value, % | 0.6 | | 1.1 | |
| Non-Life Insurance, Solvency ratio, % | 91 | 91 | 88 | 88 |
| Life Insurance, Solvency ratio, %**** | 15.1 | | 13.3 | |
| Operating Combined ratio, % | | 91.6 | | 87.7 |

* Net interest income as a percentage of average total assets

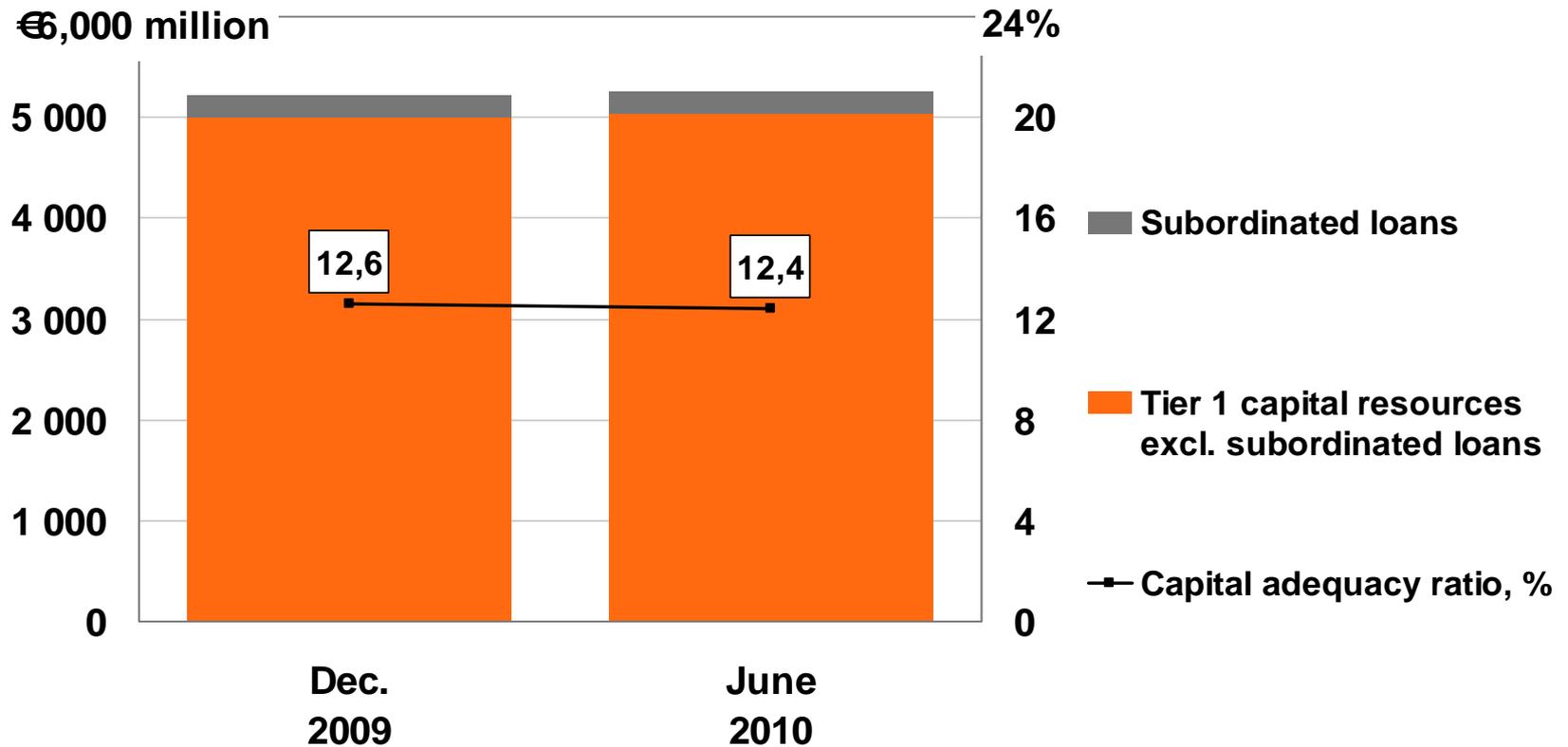
** Average margin for corporate lending

*** Cost / Income ratio in Banking

**** Solvency capital / (net technical provisions at own liability - equalization provision - 0,75 * technical provisions on unit-linked insurances) * 100

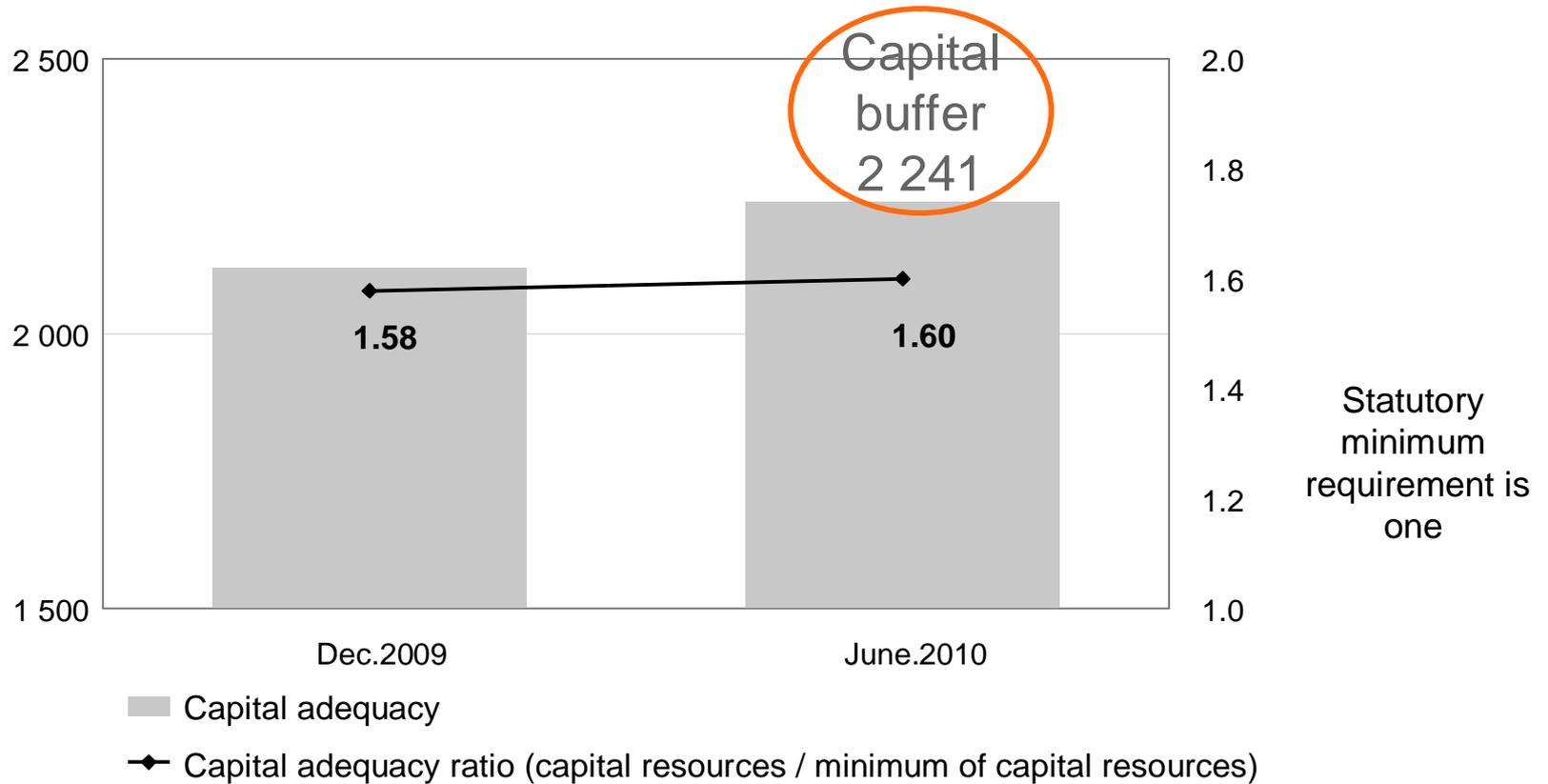
OP-Pohjola Group

Capital resources and capital adequacy

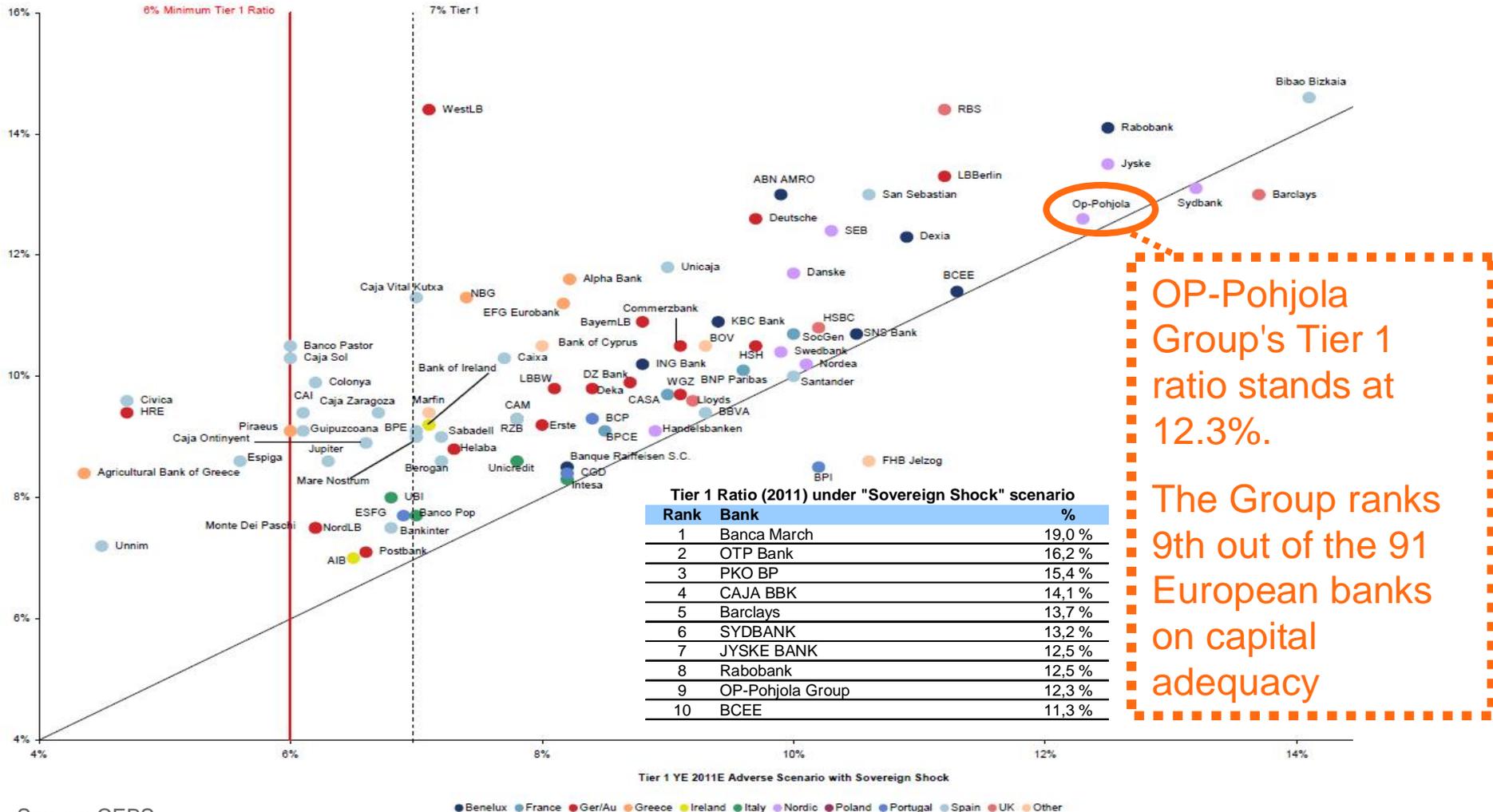


OP-Pohjola Group

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



EU stress tests proved OP-Pohjola Group's Strong Capitalisation



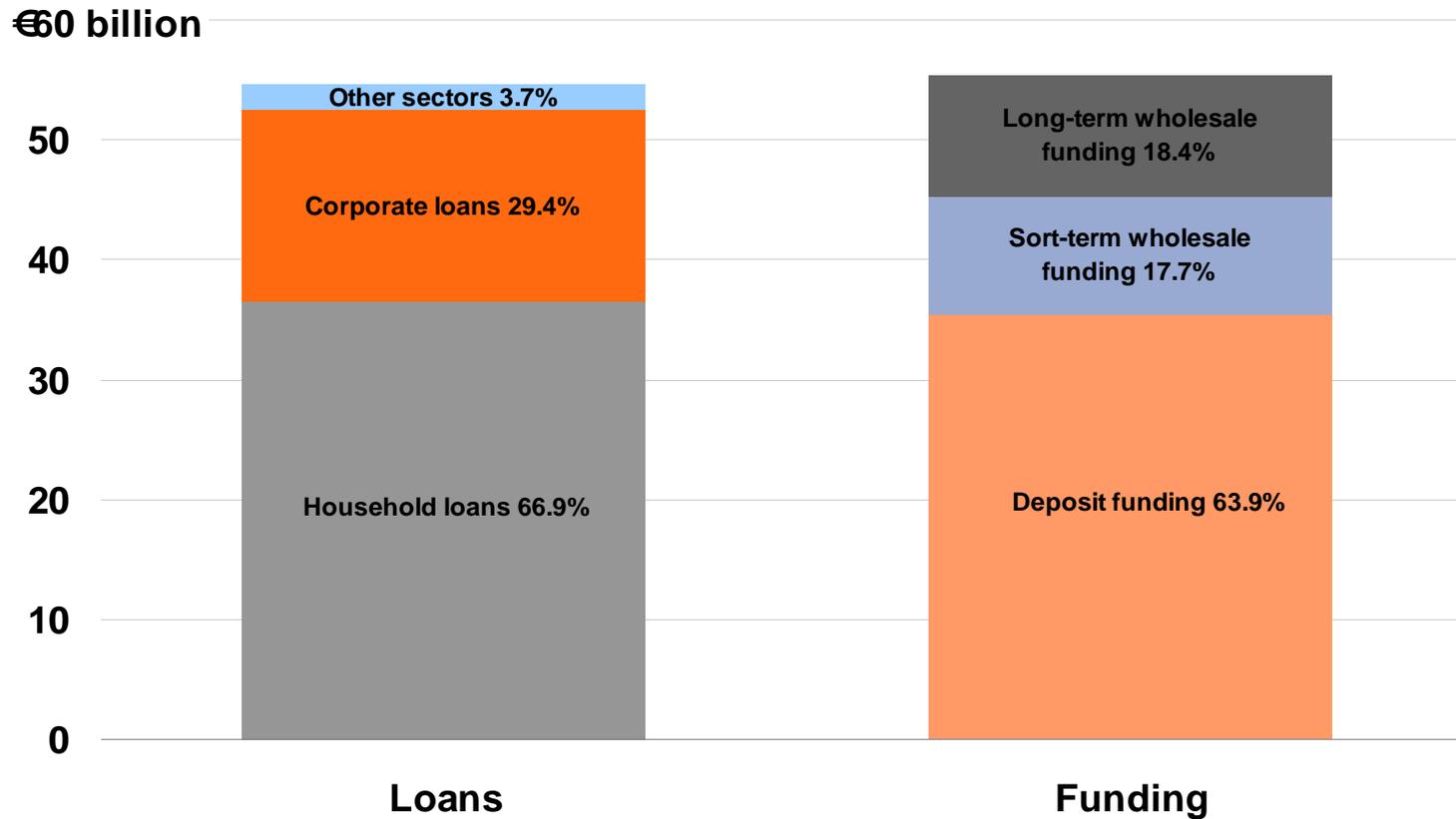
OP-Pohjola Group's Tier 1 ratio stands at 12.3%.

The Group ranks 9th out of the 91 European banks on capital adequacy

Source: CEBS

OP-Pohjola Group

Loans and funding structure (30 June 2010)



OP-Pohjola Group

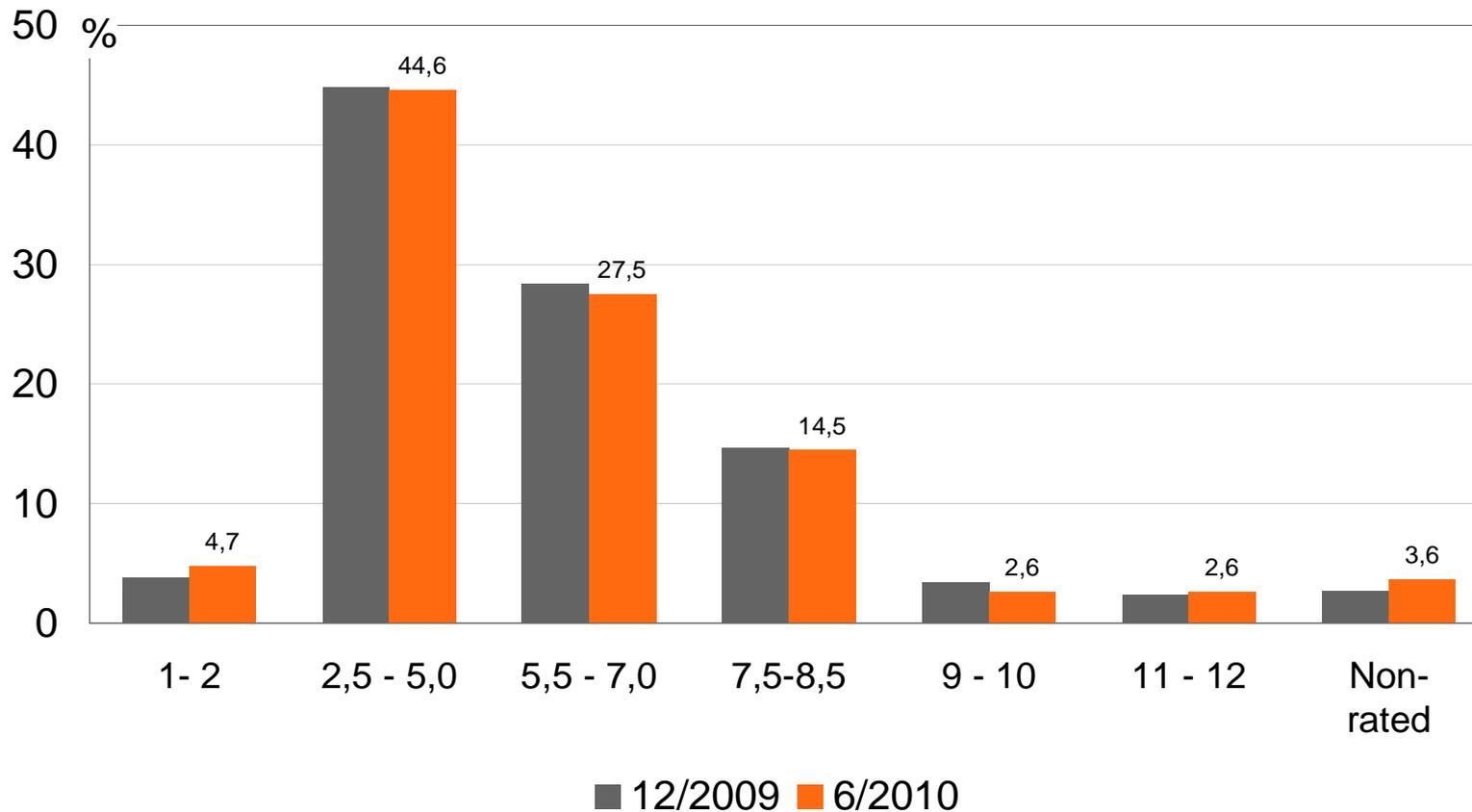
Corporate exposure by sector Q2/2010

| | |
|---|---------|
| 1 Renting and operating of residential real estate | 17,4 % |
| 2 Wholesale and retail trade | 10,1 % |
| 3 Renting and operating of other real estate | 10,1 % |
| 4 Services | 7,1 % |
| 5 Construction | 7,0 % |
| 6 Manufacture of machinery and equipment (incl. services) | 6,9 % |
| 7 Transportation and storage | 6,1 % |
| 8 Metal Industry | 4,4 % |
| 9 Forest Industry | 4,4 % |
| 10 Buying and selling of own real estate | 4,2 % |
| 11 Chemical Industry | 3,8 % |
| 12 Energy | 3,6 % |
| 13 Food Industry | 3,0 % |
| 14 Other manufacturing | 2,6 % |
| 15 Agriculture, forestry and fishing | 2,6 % |
| 16 Information and communication | 2,5 % |
| 17 Financial and insurance activities | 2,3 % |
| 18 Water supply, sewerage and waste management | 0,7 % |
| 19 Mining and quarrying | 0,7 % |
| 20 Other industries | 0,4 % |
| | 100,0 % |



OP-Pohjola Group

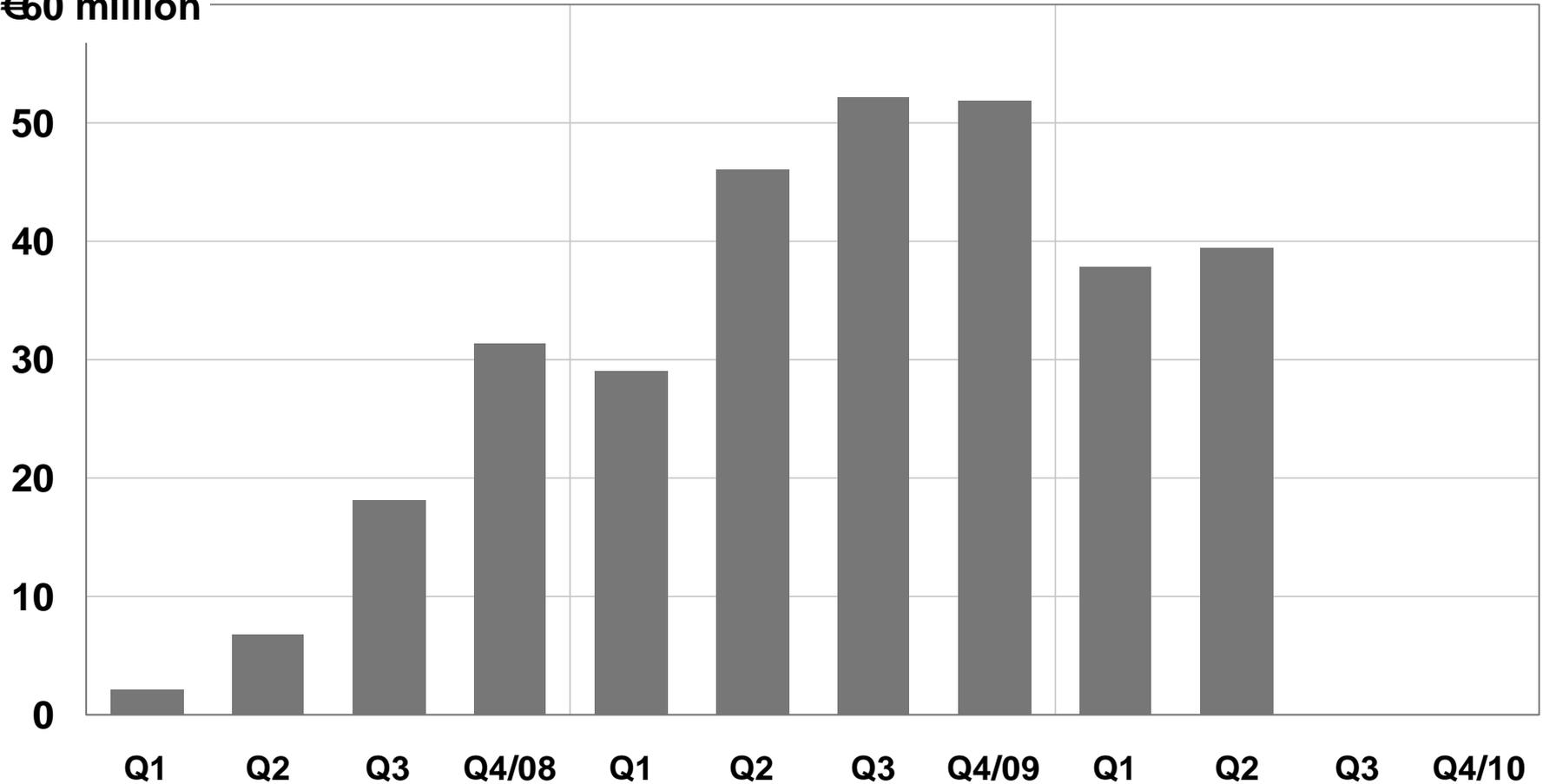
Corporate exposure by credit rating category



OP-Pohjola Group

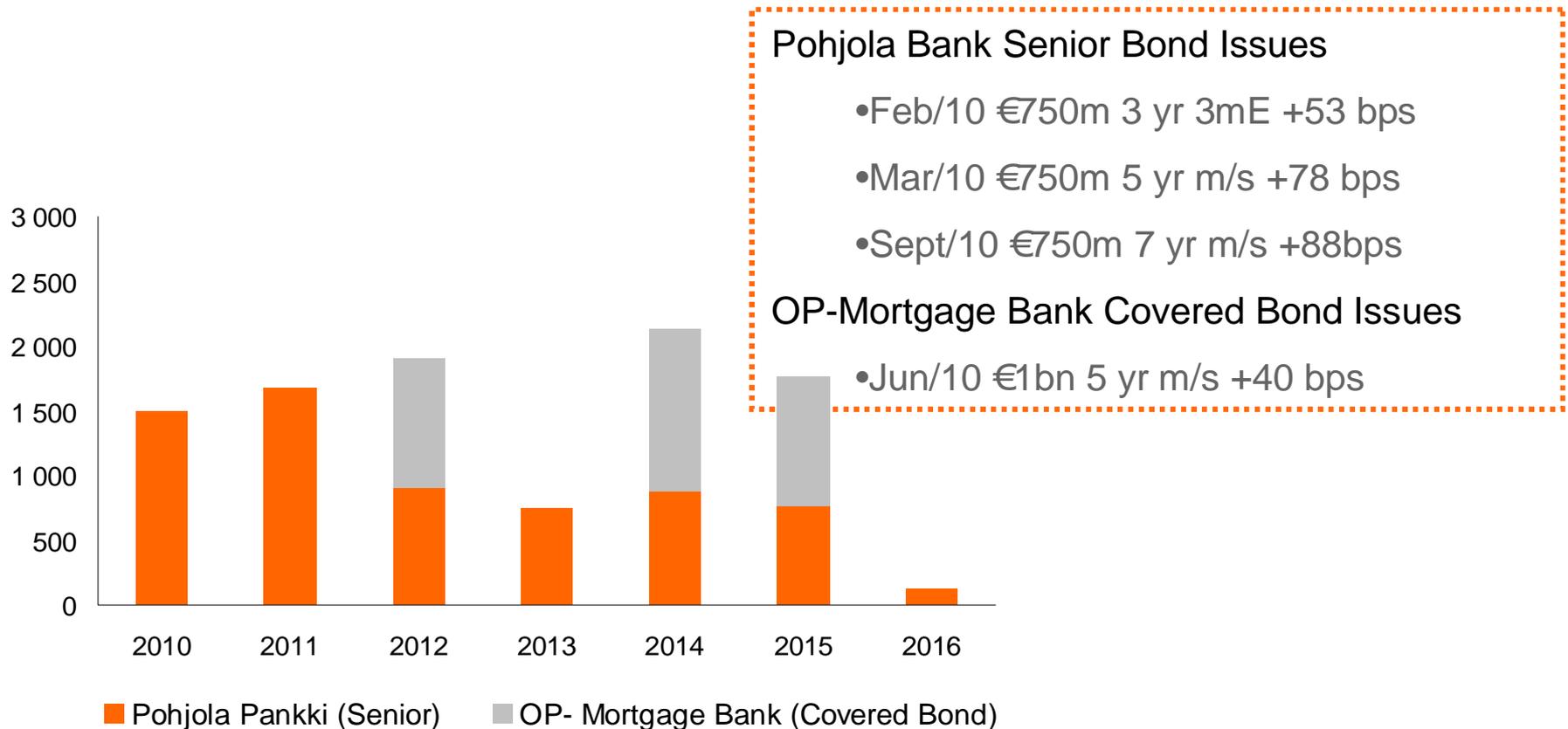
Quarterly impairments of receivables

€60 million



OP-Pohjola Group

Issued Senior Debt and Covered Bonds by Maturity



OP-Pohjola Group

The liquidity portfolio totalled €12.5 billion (9.6)

Liquidity portfolio by maturity and credit rating as of 30 June 2010

| Year | 0 - 1 | 1 - 3 | 3 - 5 | 5 - 7 | 7 - 10 | 10 - | Total | % |
|-----------------------|--------------|--------------|--------------|--------------|------------|------------|---------------|------------|
| Aaa | 4 380 | 955 | 1 929 | 955 | 615 | 33 | 8 868 | 71 |
| Aa1 – Aa3 | 191 | 1 091 | 607 | 93 | 110 | 103 | 2 194 | 18 |
| A1 – A3 | 128 | 587 | 205 | 19 | 2 | | 942 | 8 |
| Baa1 – Baa3 | 0 | 76 | 31 | 5 | | | 111 | 1 |
| Ba1 or lower | 0 | 20 | 44 | 33 | 12 | | 110 | 1 |
| Internally rated | 89 | 70 | 85 | 26 | | | 270 | 2 |
| Total €million | 4 789 | 2 800 | 2 900 | 1 131 | 739 | 135 | 12 494 | 100 |

The residual term to maturity averages 3.7 years

Credit rating

Rating target: AA rating issued by at least two credit rating agencies

| | Moody's* | S & P* | Fitch* |
|---|----------------------------|---------------------|---------------------|
| Pohjola Bank Handelsbanken Nordea | Aa2** Aa2 Aa2 | AA- AA- AA- | AA-** AA- AA- |
| DnB NOR Danske Bank SEB Swedbank | Aa3 Aa3 A1** A2** | A+ A** A A | A+ A+ A+ - |
| OP-Mortgage Bank*** | Aaa | AAA | - |
| Pohjola Insurance Ltd If | A2** A2 | A+ A | - - |
| Finnish government | Aaa | AAA | AAA |

*) Long-term debt

***) The credit rating outlook is negative

***) Covered bond rating



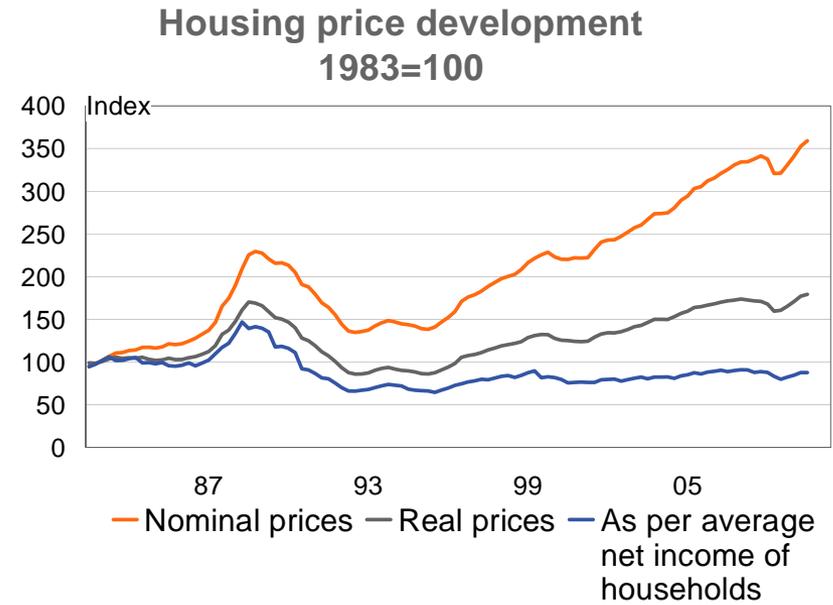
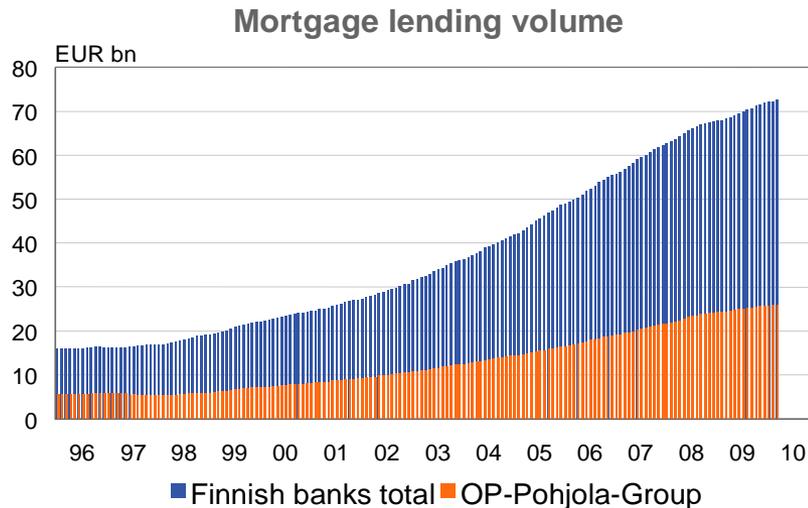
OP Mortgage Bank in Brief

The Finnish Housing Market – an Overview

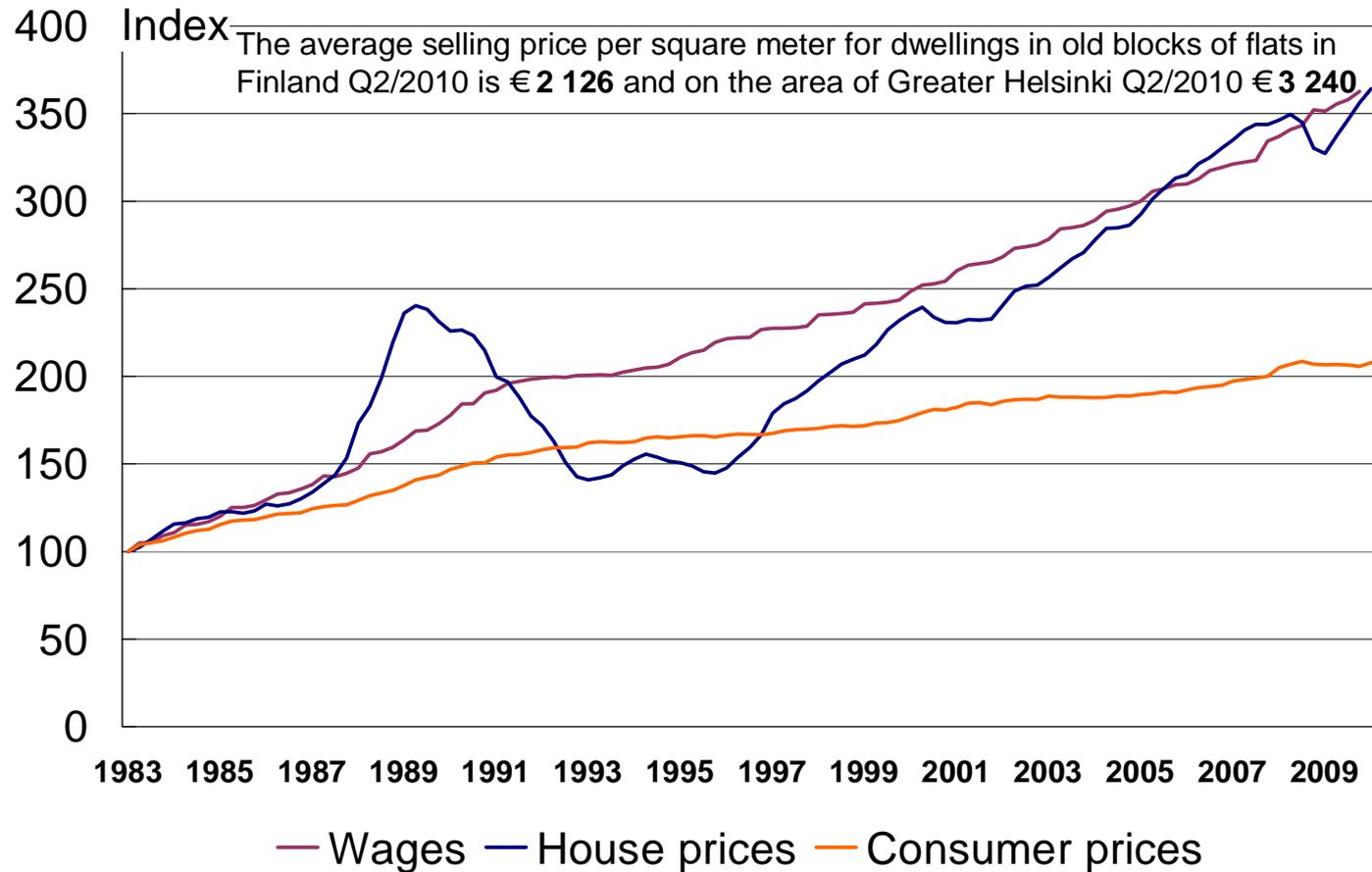
- Ownership ratio of households around 66%.
- Average size of dwellings 79 m².
- Floor space per occupant 38,6m²
- Typical maturity in new loans 20 years.
- Variable interest rates: over 95% of all loans.
- Average annual housing starts around 25,000.
- 28 % interest relief in taxation (limited).
- Capital gains exempt after 2 years.

Mortgage Market and House Price Growth

- The lending volume in the Finnish mortgage market has increased a lot over the past years, which has driven up the nominal house prices.
- In real terms, house price development has been more muted and as per the average net income the increase in house prices have been very stable over a long period of time.



Changes in House prices, Wages and Consumer prices



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).
- Overcollateralisation requirement of 2%.
- Continuity of Cover Pool and Covered Bonds in the event of liquidation and bankruptcy of the issuer.
- Regulated by Finnish FSA.

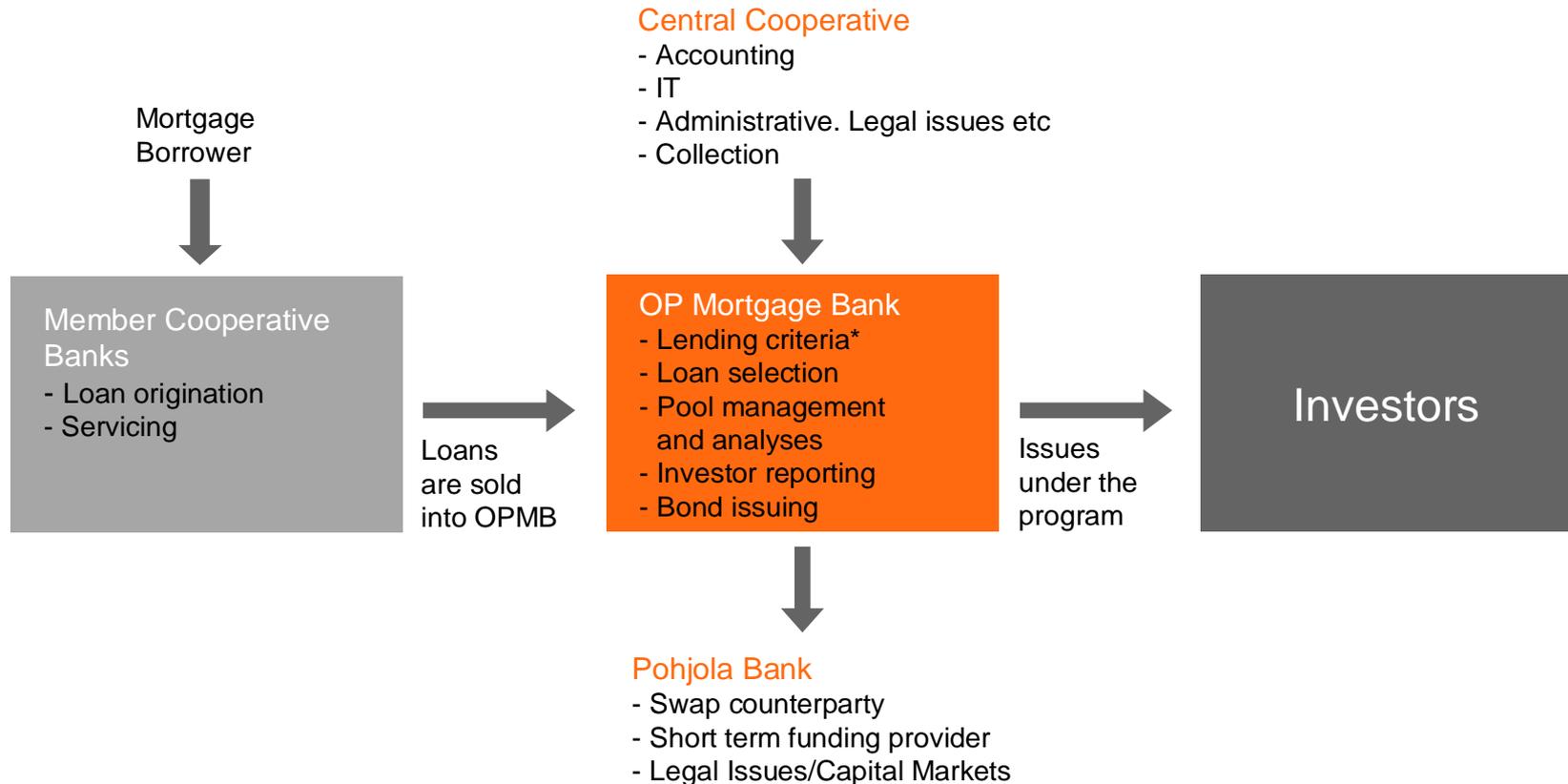
OP Mortgage Bank in Brief

- OP Mortgage Bank is a special purpose bank operating under the Act on Mortgage Credit Bank Operations.
- The sole purpose of the bank is to raise funds for the member banks of the OP-Pohjola Group 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 100% owned subsidiary of the OP-Pohjola Group Central Cooperative.
- OP Mortgage Bank fully benefits from the joint responsibility based on the Act on Amalgamations of Deposit Banks. However since assets in its Cover Asset Pool are ring-fenced the noteholders have a right to receive what is due to them before all other debtors.

OPMB Operational Model

- OPMB is a funding vehicle for the Member Banks:
 - Subject to strict eligibility criteria:
 - Existing loans may be transferred from member banks into OPMB.
 - Origination can be done directly into OPMB where the Member Cooperative Bank will act as a broker agent.
- OPMB utilises the current structure of the cooperative and outsource inter alias:
 - Origination and servicing of assets to the Member Cooperative Banks.
 - Risk management, IT-services, accounting etc. to Central Cooperative.
 - Interest rate risk management to Pohjola Bank.

Operational Model and Roles



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



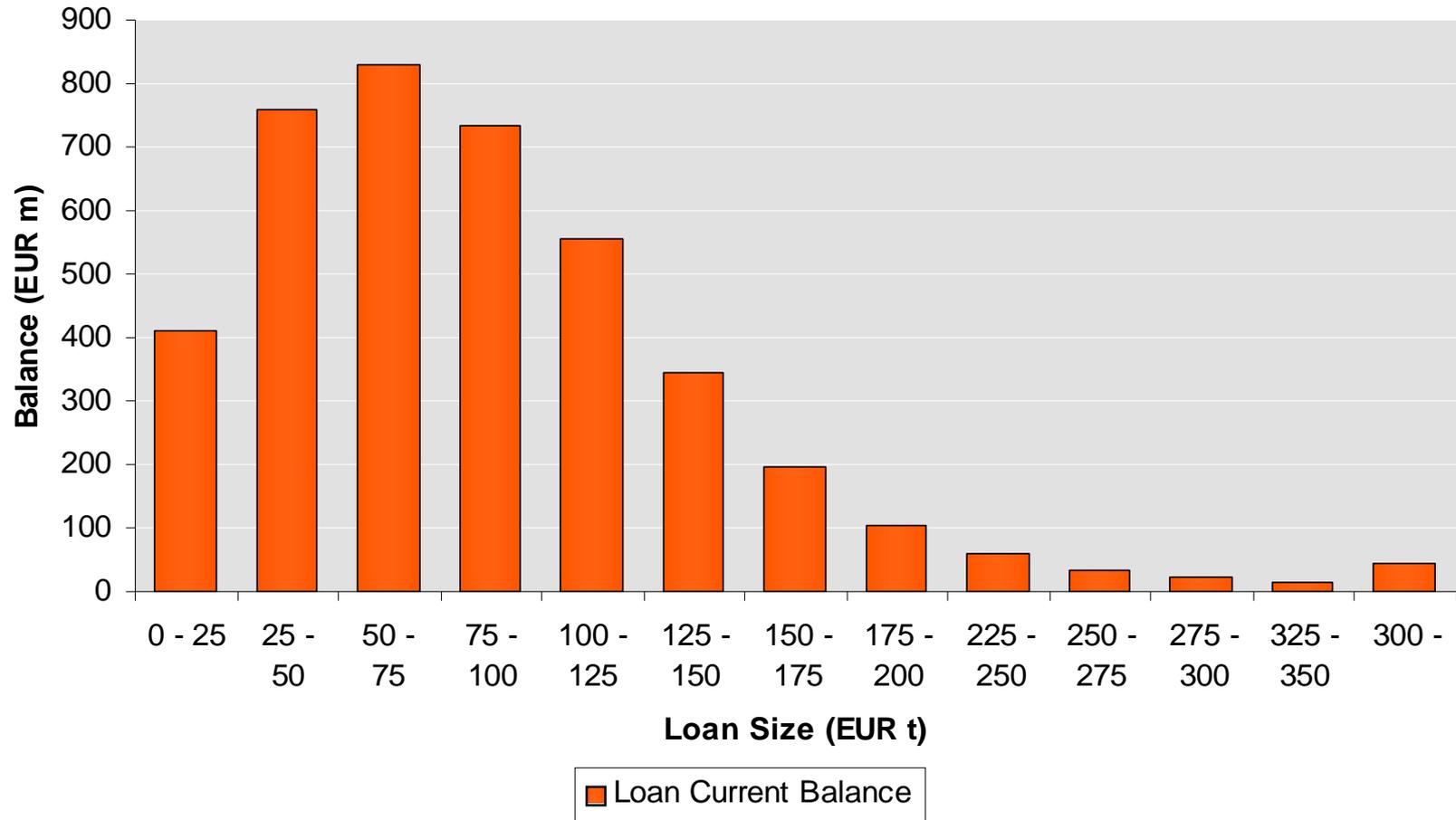
OPMB Asset Pool Characteristics

Main Features of OP Mortgage Bank cover asset pool as of June 2010

- Collateralized by first ranking Finnish mortgages.
- Current balance EUR 4,1 billion.
- Weighted Average unindexed LTV of 47 %
- Average loan size of approximately EUR 48.000
- 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 3.25 billion.

OPMB Asset pool characteristics - loans by size

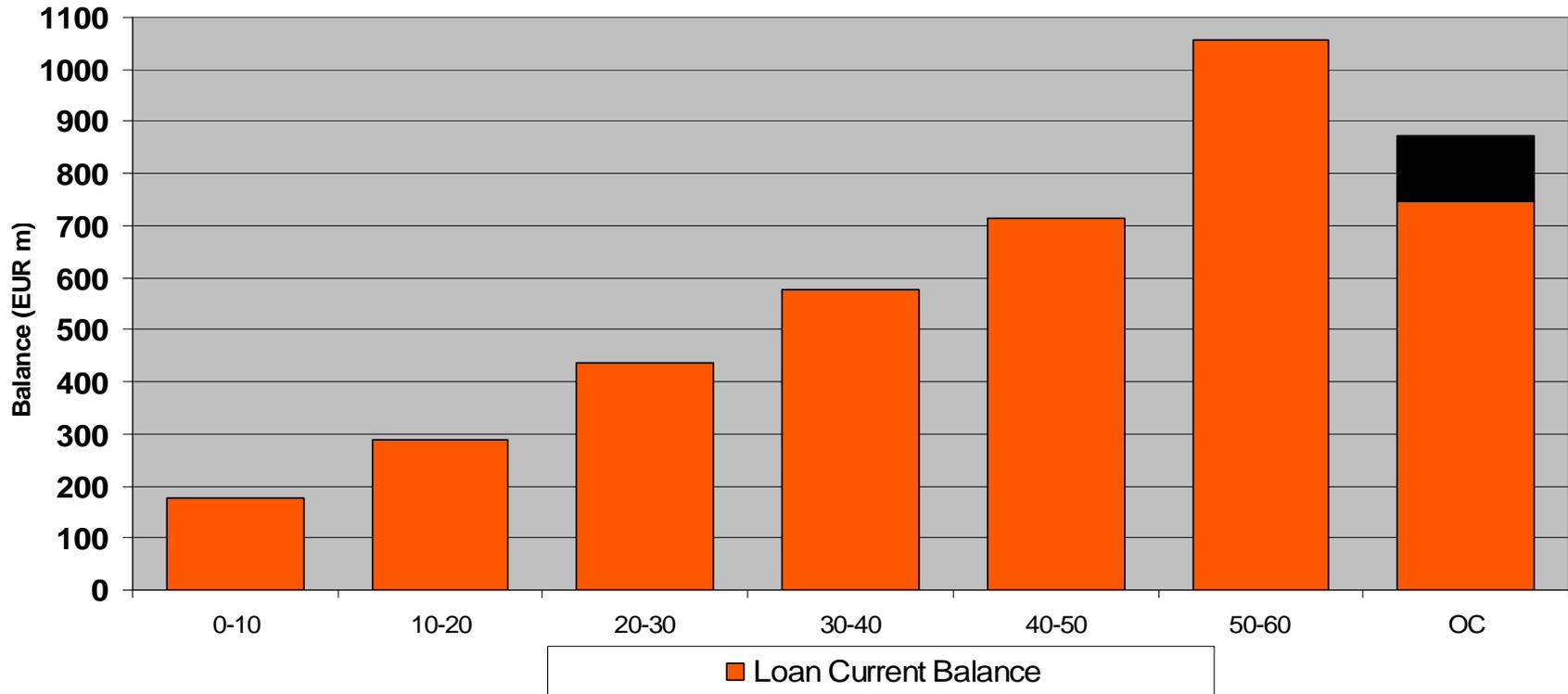
Loan Current Balance



OPMB Asset pool characteristics

- loans by LTV

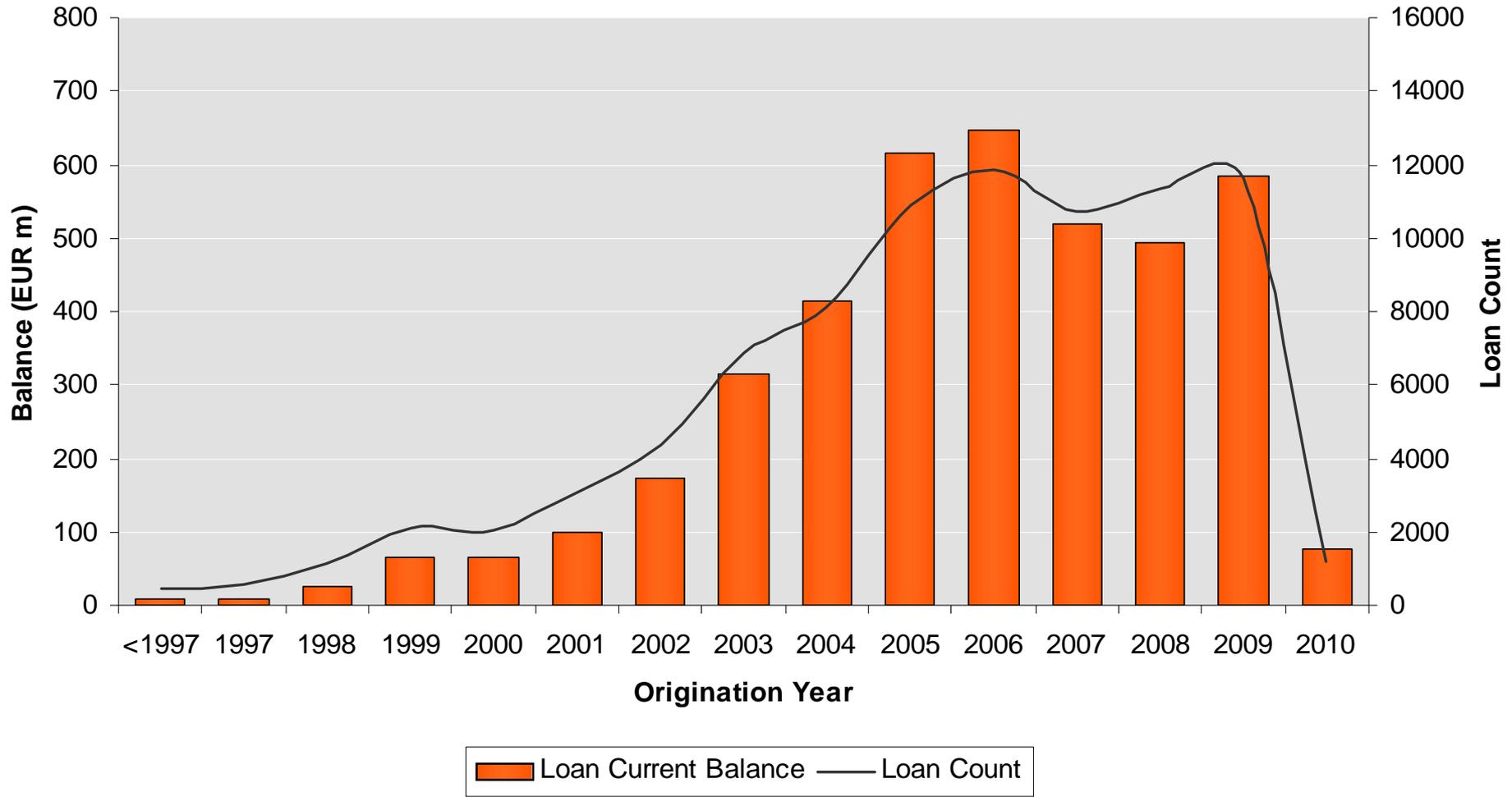
EFFECTIVE LTV



*) the black portion of the OC presents the parts of loans in the LTV range of 60-85

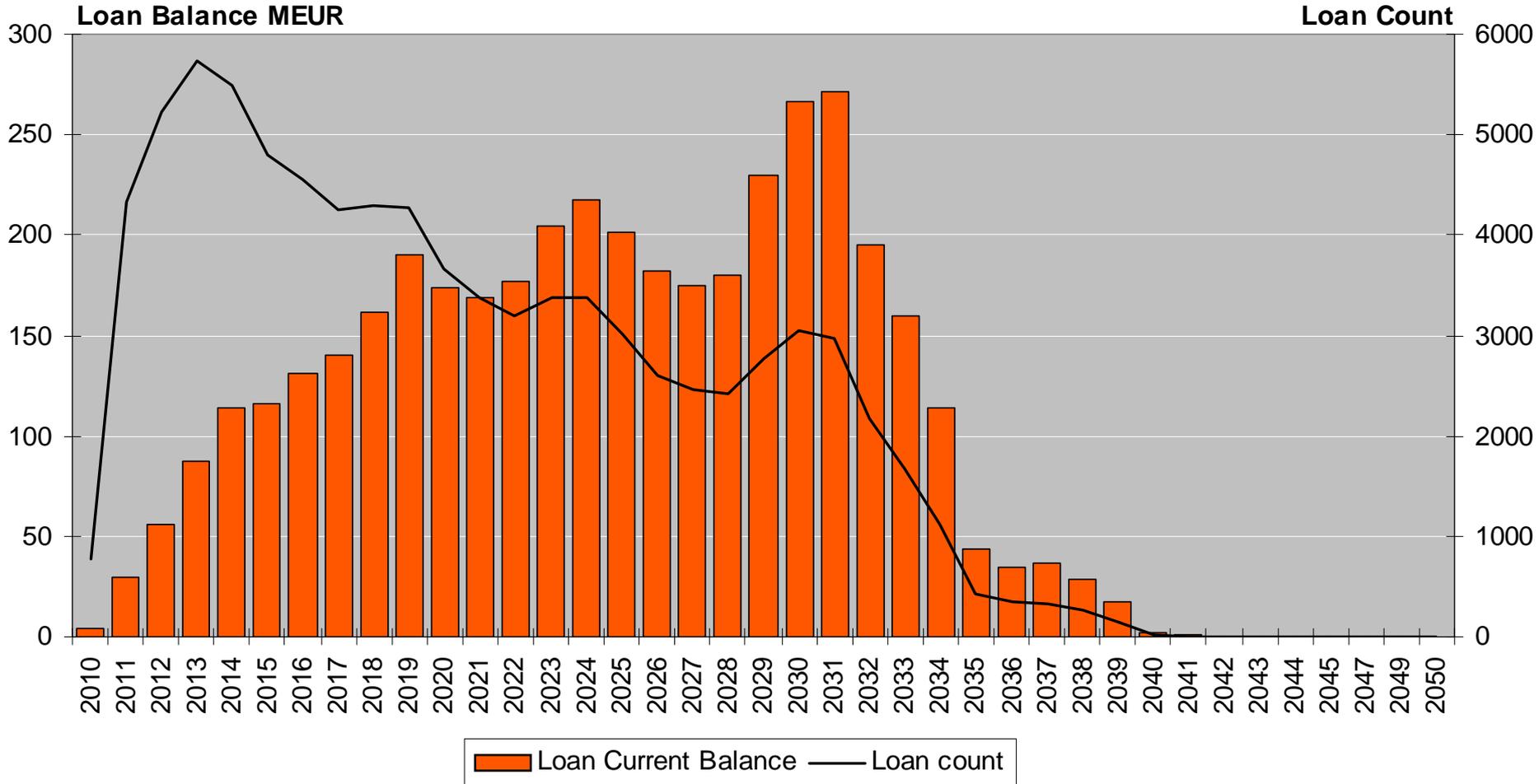
OPMB Asset pool characteristics

- loans by origination year



OPMB Asset pool characteristics

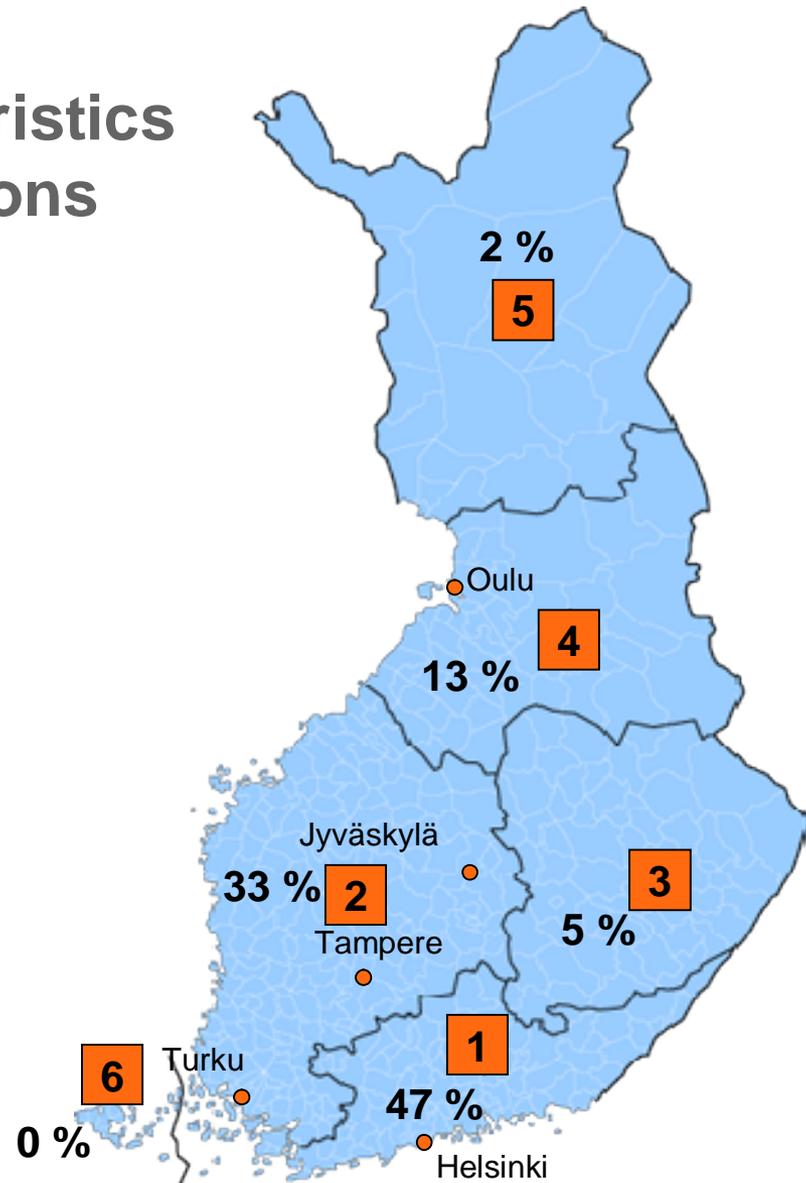
- loans by maturity



OPMB Asset pool characteristics

-Geographical distributions

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



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OP-Pohjola Group

Thank you for your attention

