

OP-Pohjola Group
and
Pohjola Bank plc

www.pohjola.com



OP-Pohjola Group

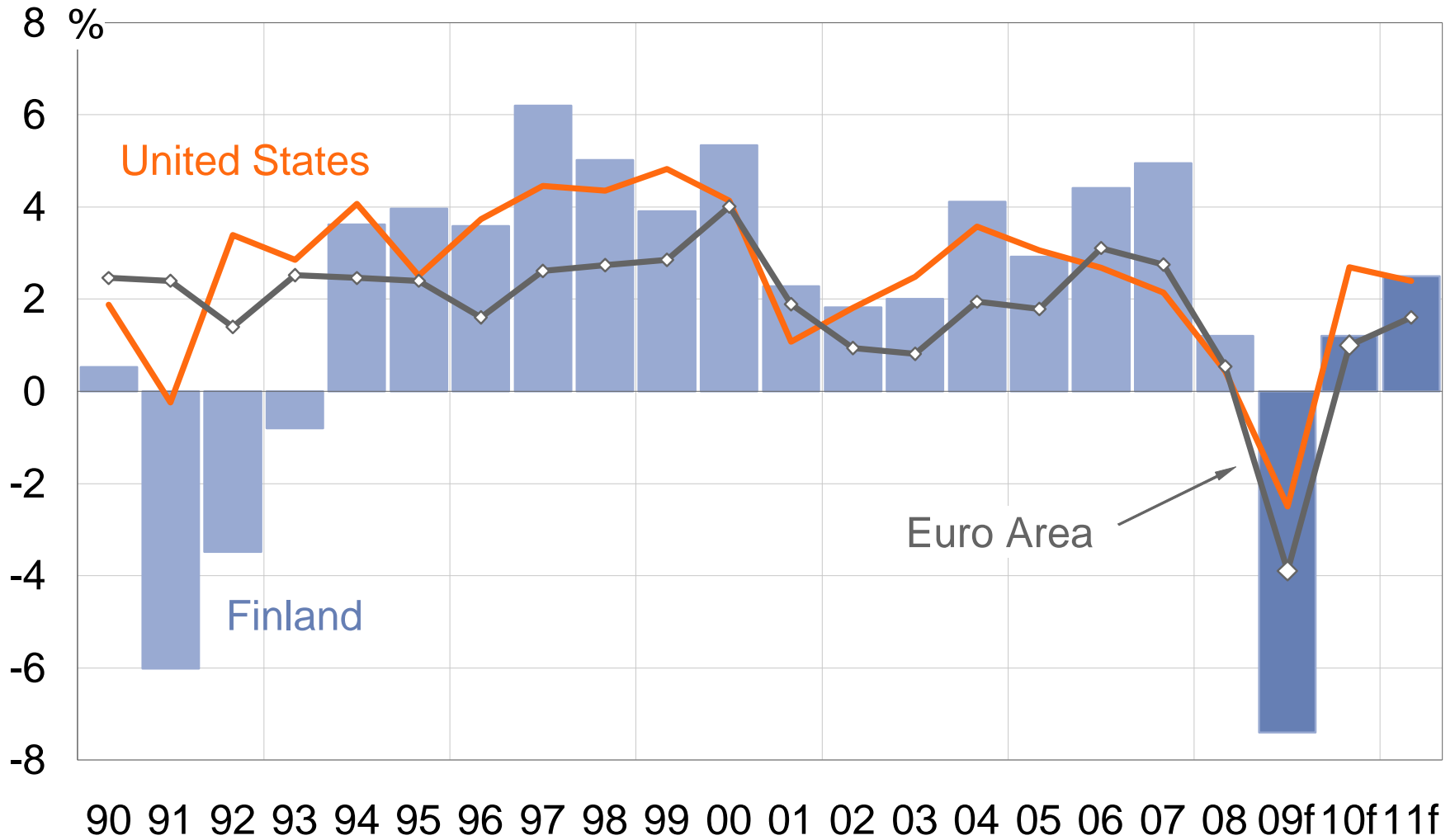
Issuing entities Pohjola Bank plc and OP Mortgage Bank

- **Leading financial services provider in Finland**
- **One of the strongest capital bases in the Nordic area**
- **The strongest funding base in the Nordic area**
- **Liquidity buffer to cover 24 months ahead**
- **Finnish risk exposure**
- **AA rating from all three Rating Agencies**

Finnish Economy



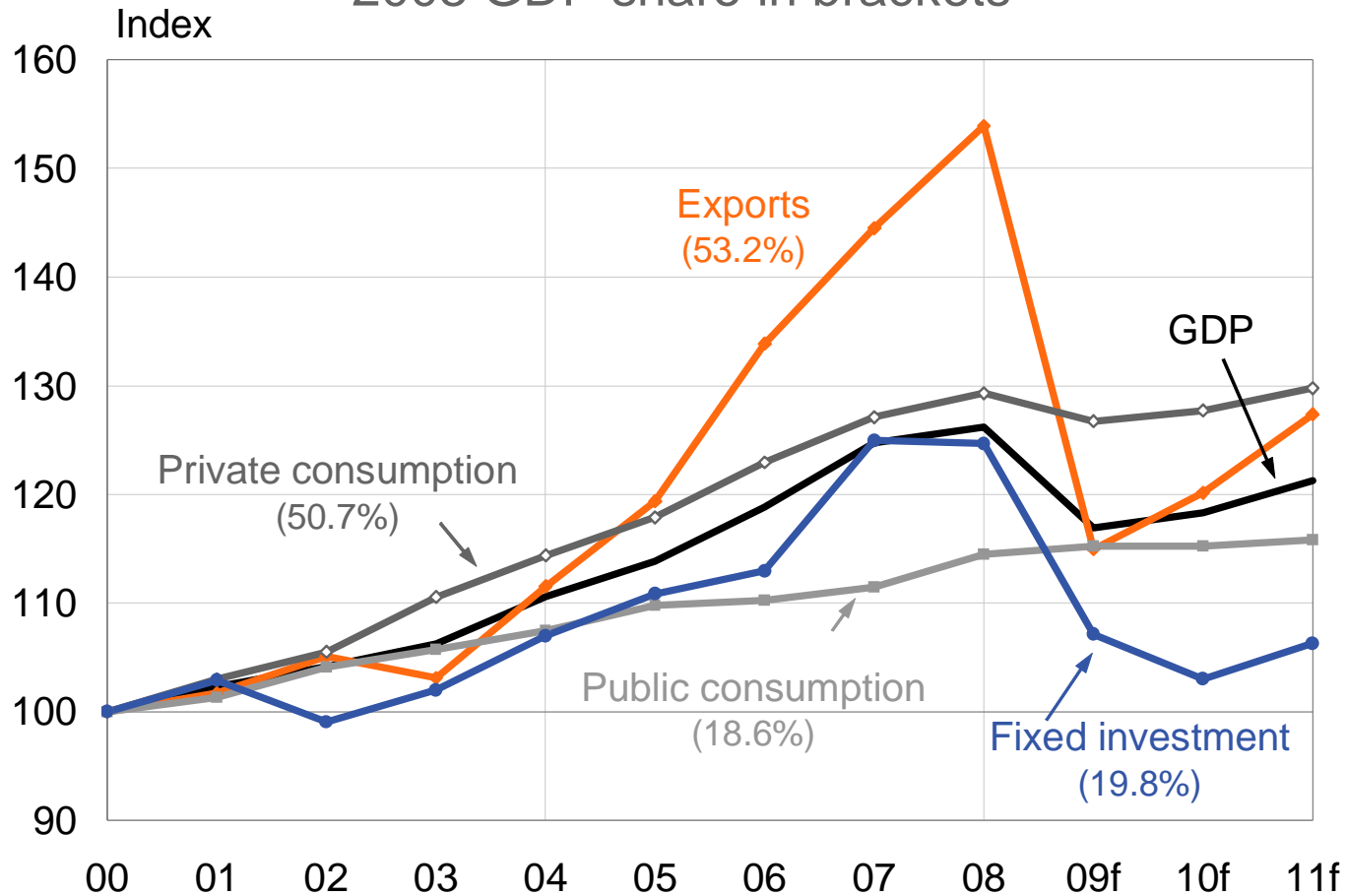
Change in GDP volume



Sources: Reuters EcoWin, forecasts OP-Pohjola Group (February 2010) and IMF (January 2010)

Strong Export-led Boom-bust Cycle in Recent Years

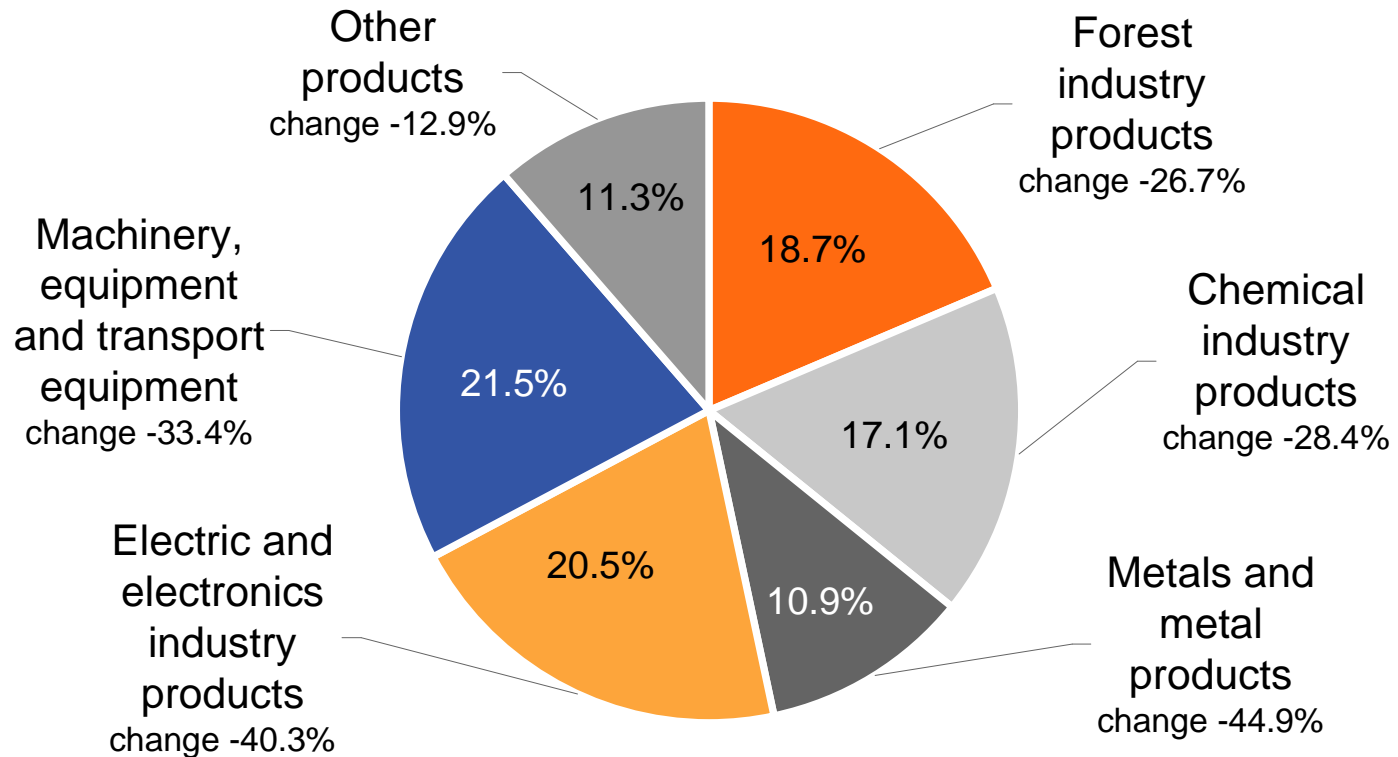
2008 GDP share in brackets



Finnish Goods Exports

Goods exports by product group

Share of total exports and annual change
Jan.-Nov. 2009



Total exports 41.3 EUR Billion (change, -32.7%)

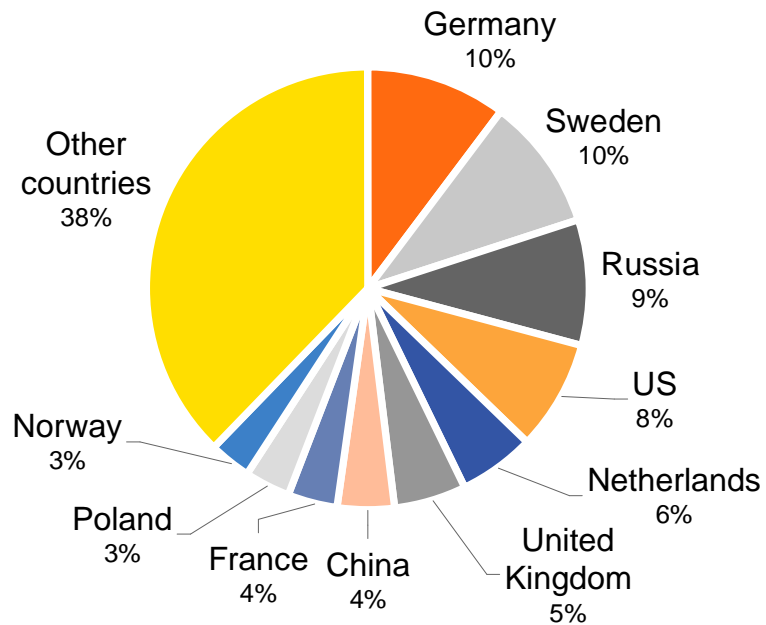
Source: National Board of Customs

Pohjola/IR

Finland's Main Trading Partners

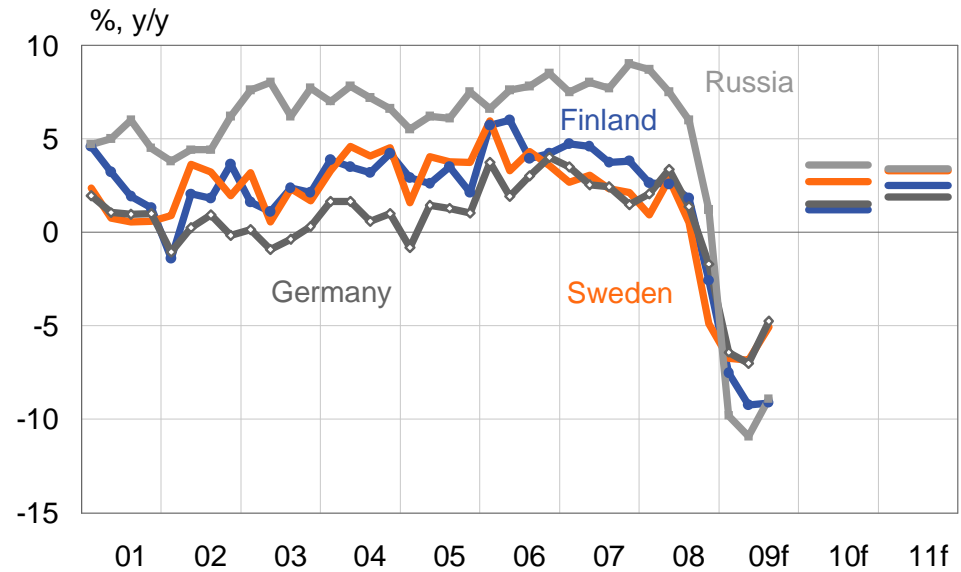
Goods exports by countries

Jan.-Nov. 2009



Source: National Board of Customs

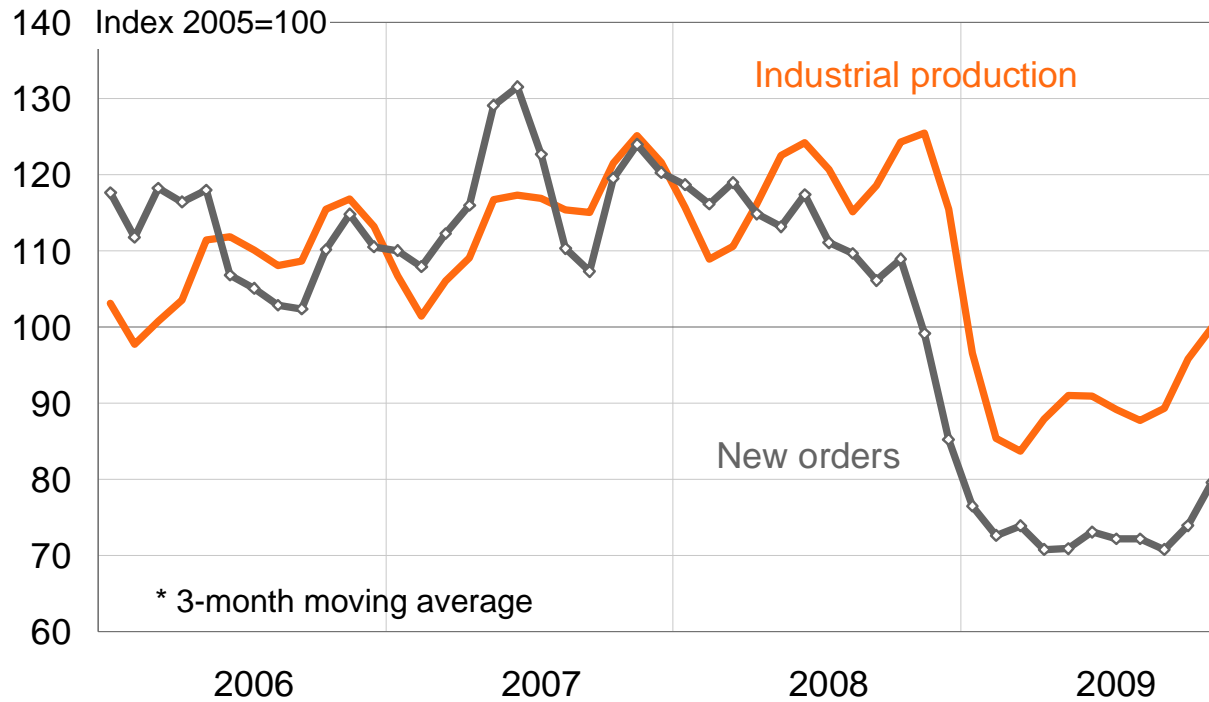
GDP growth



Sources: Reuters EcoWin, IMF (WEO, January 2010), OP-Pohjola Group (February 2010), National Institute of Economic Research (Sweden) December 2009

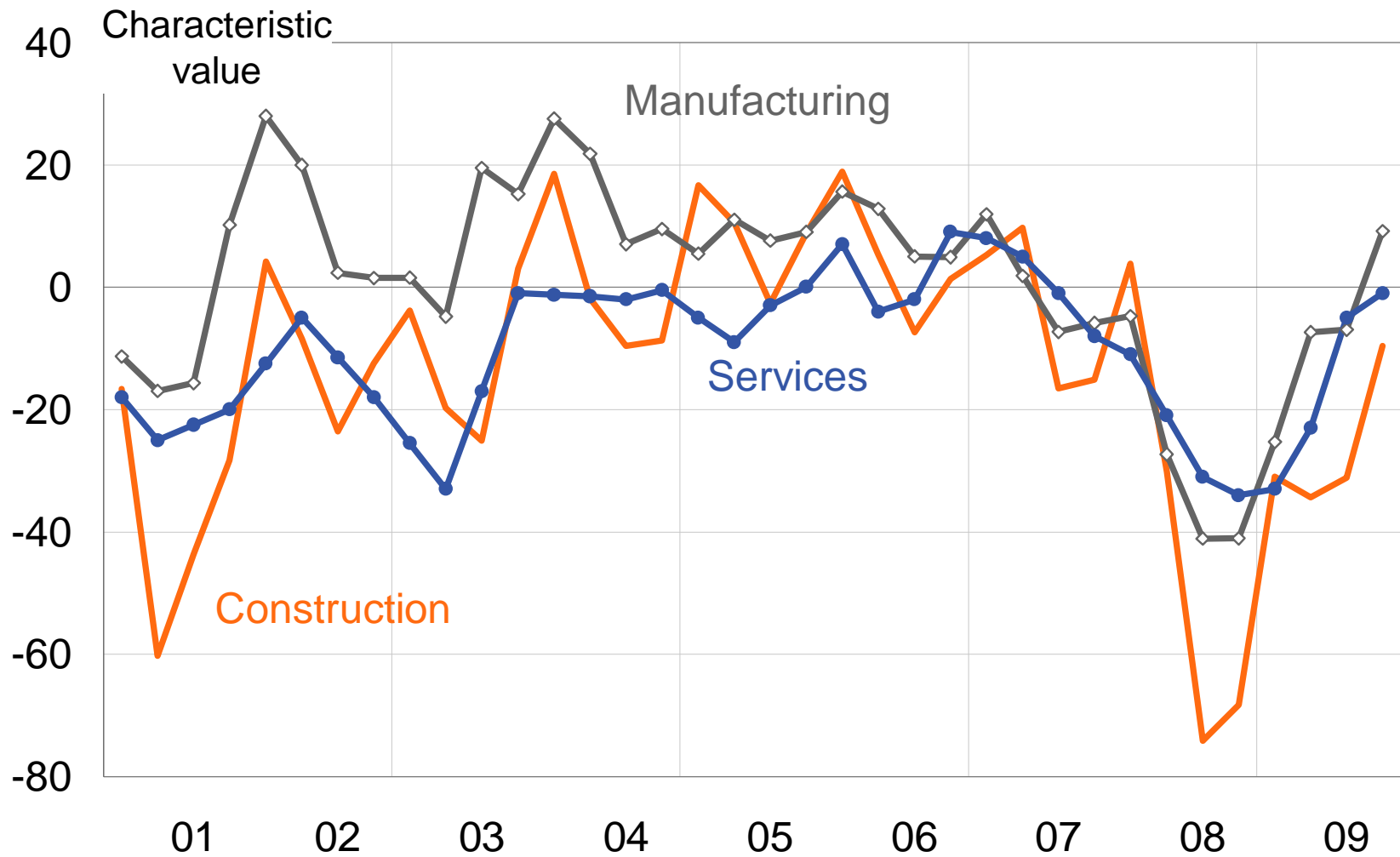
Industrial Production is gaining strength

Industrial production and new orders*



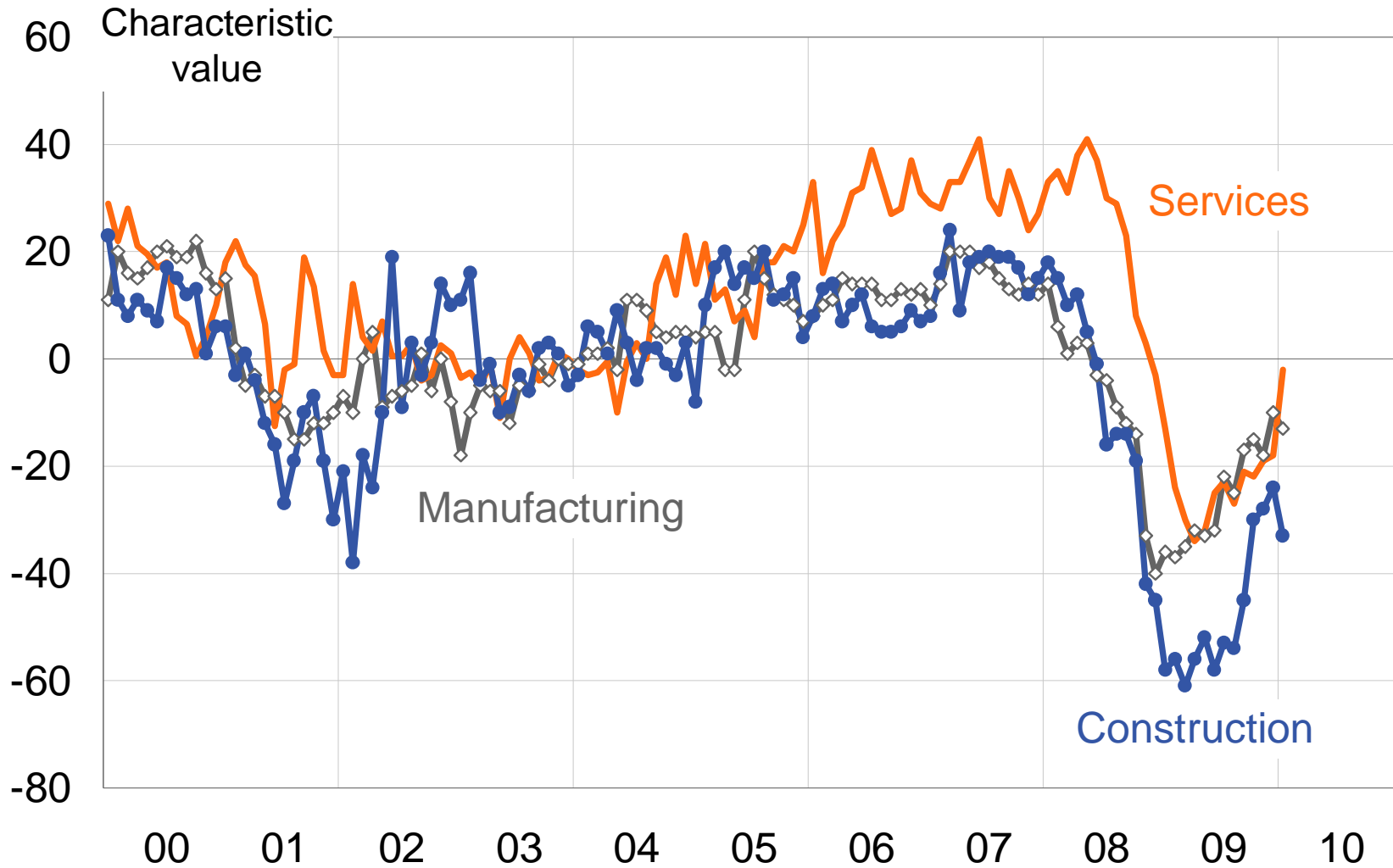
Source: Statistics Finland

Business outlook survey



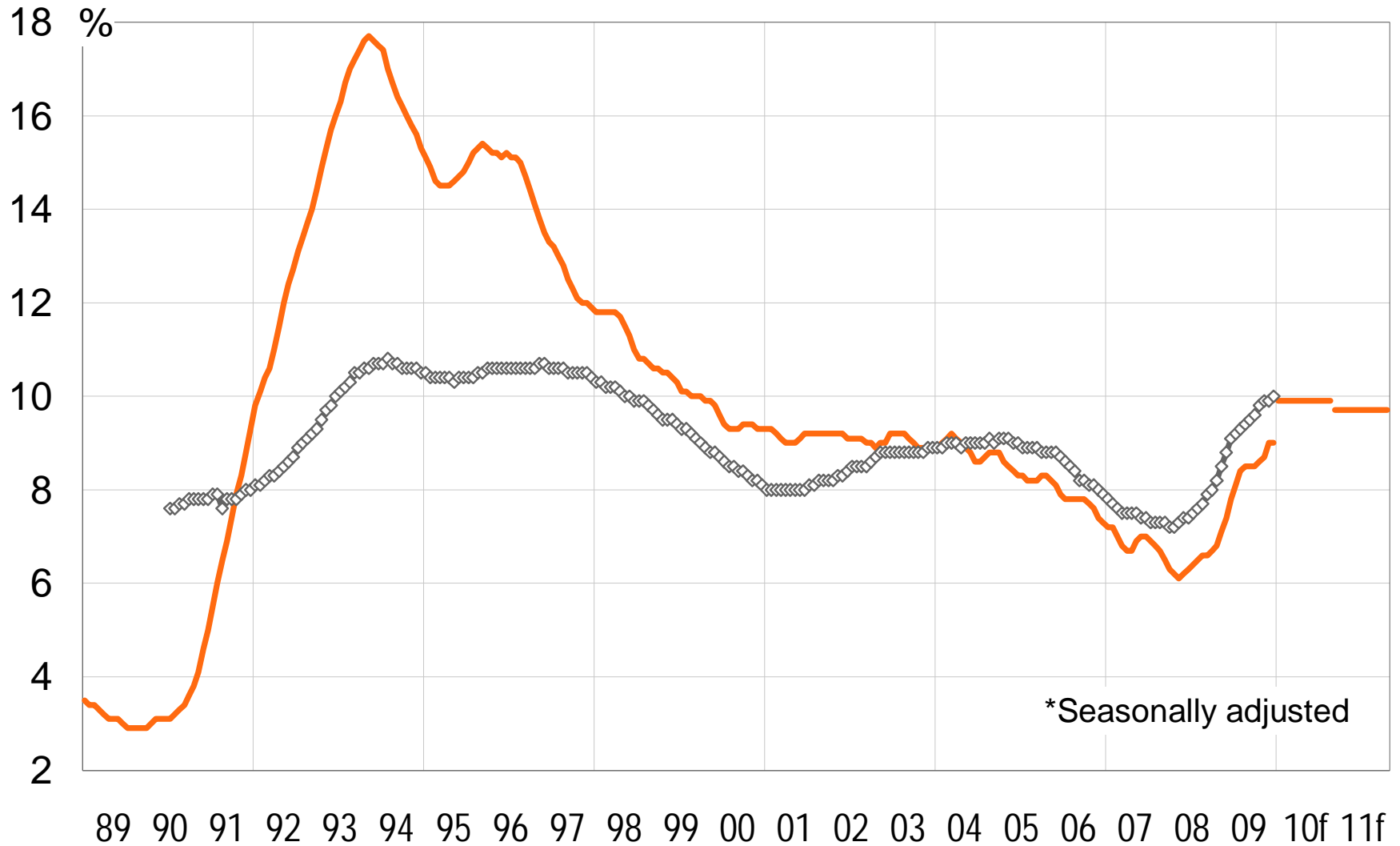
Source: Confederation of Finnish Industries EK (4 February 2010)

Confidence indicators



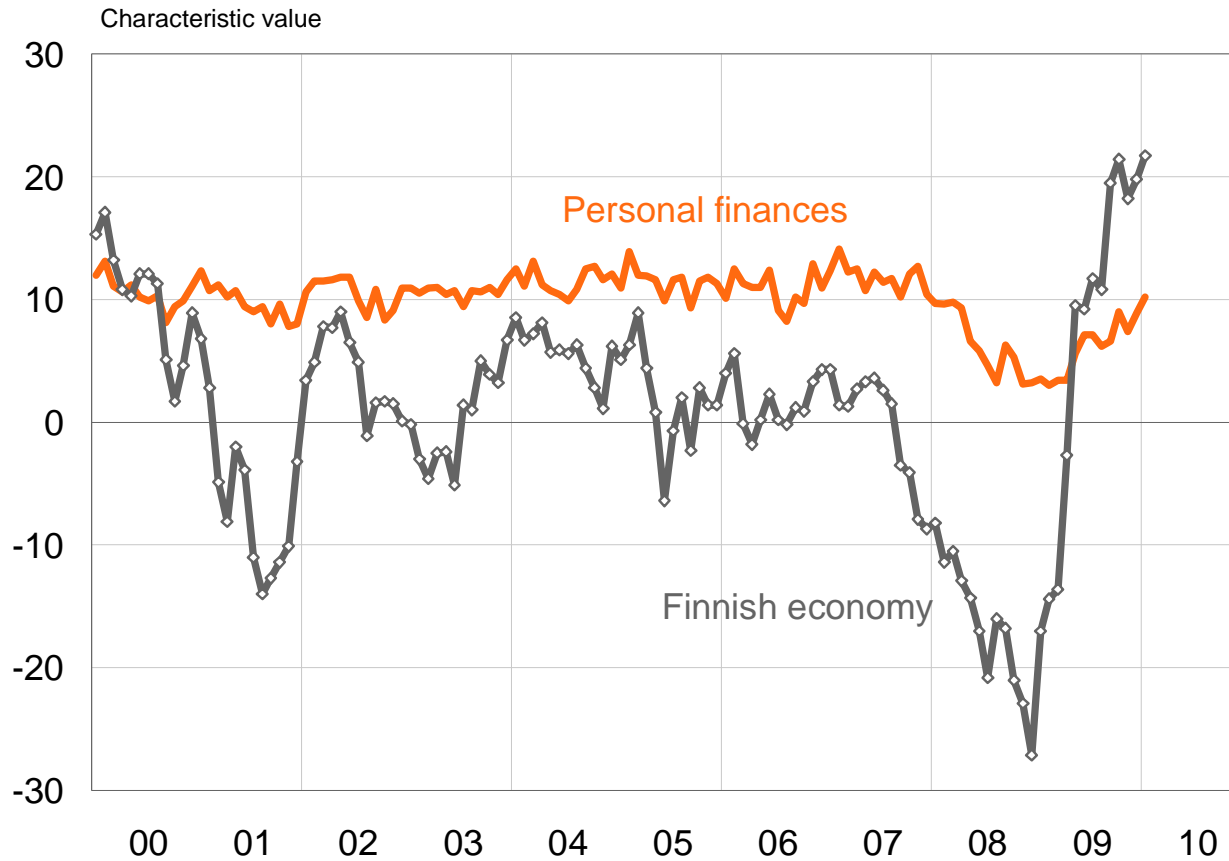
Source: Confederation of Finnish Industries EK

Unemployment rate* in Finland and Euro Area



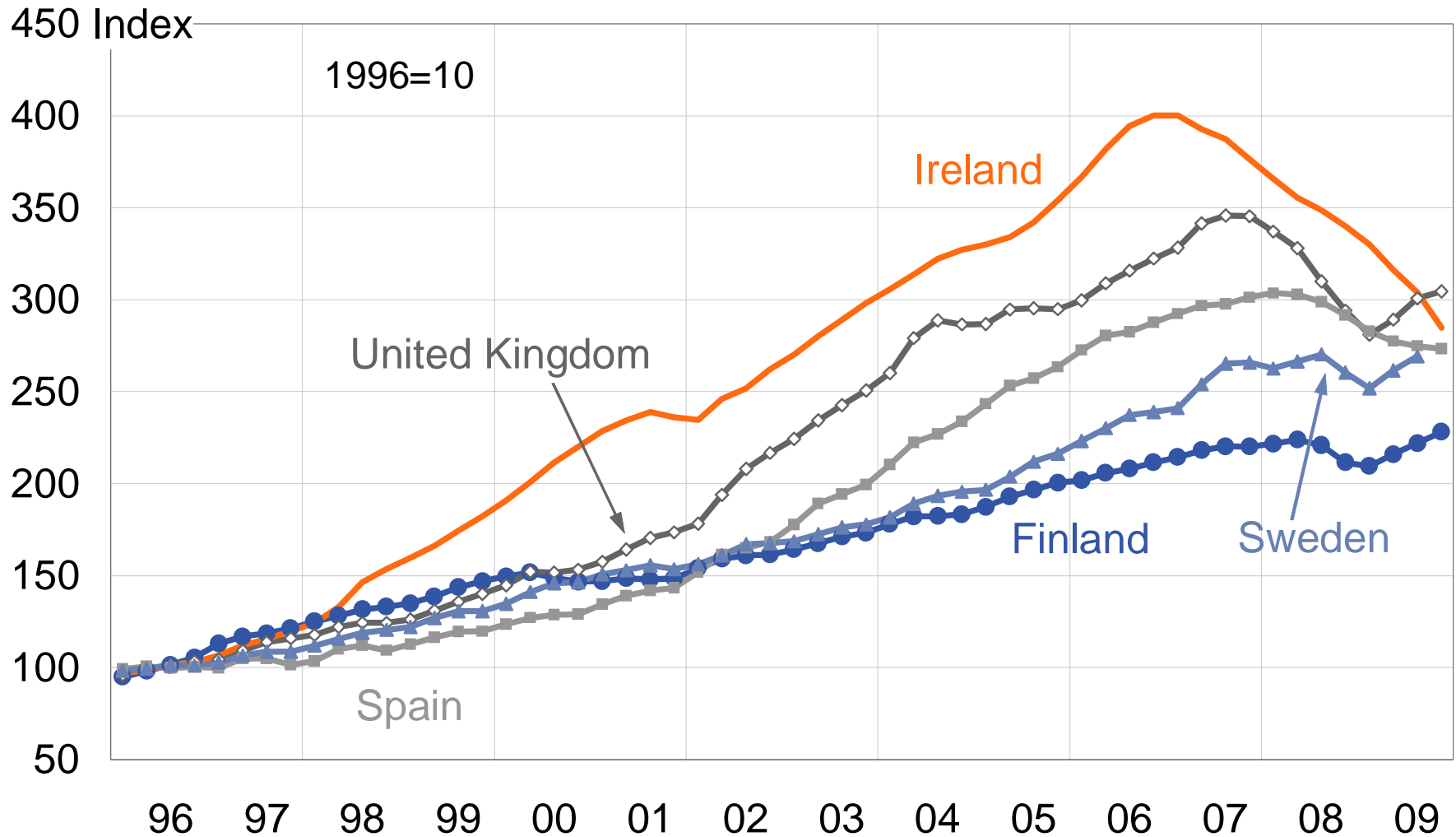
Sources: Statistics Finland, Eurostat

Consumer Confidence Strengthens



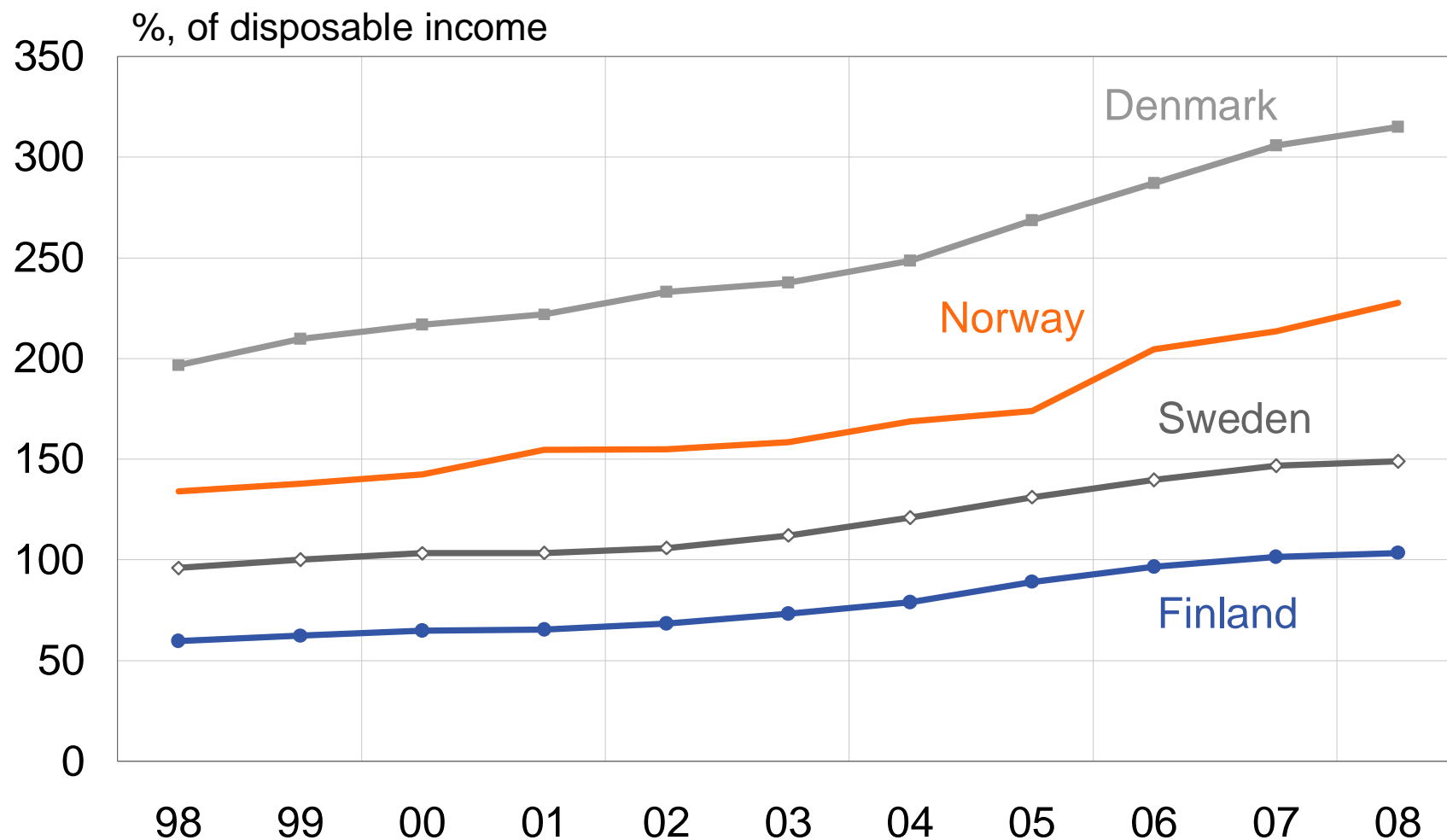
Source: Statistics Finland

Average house prices



Pohjola/IR
Source: Reuters EcoWin

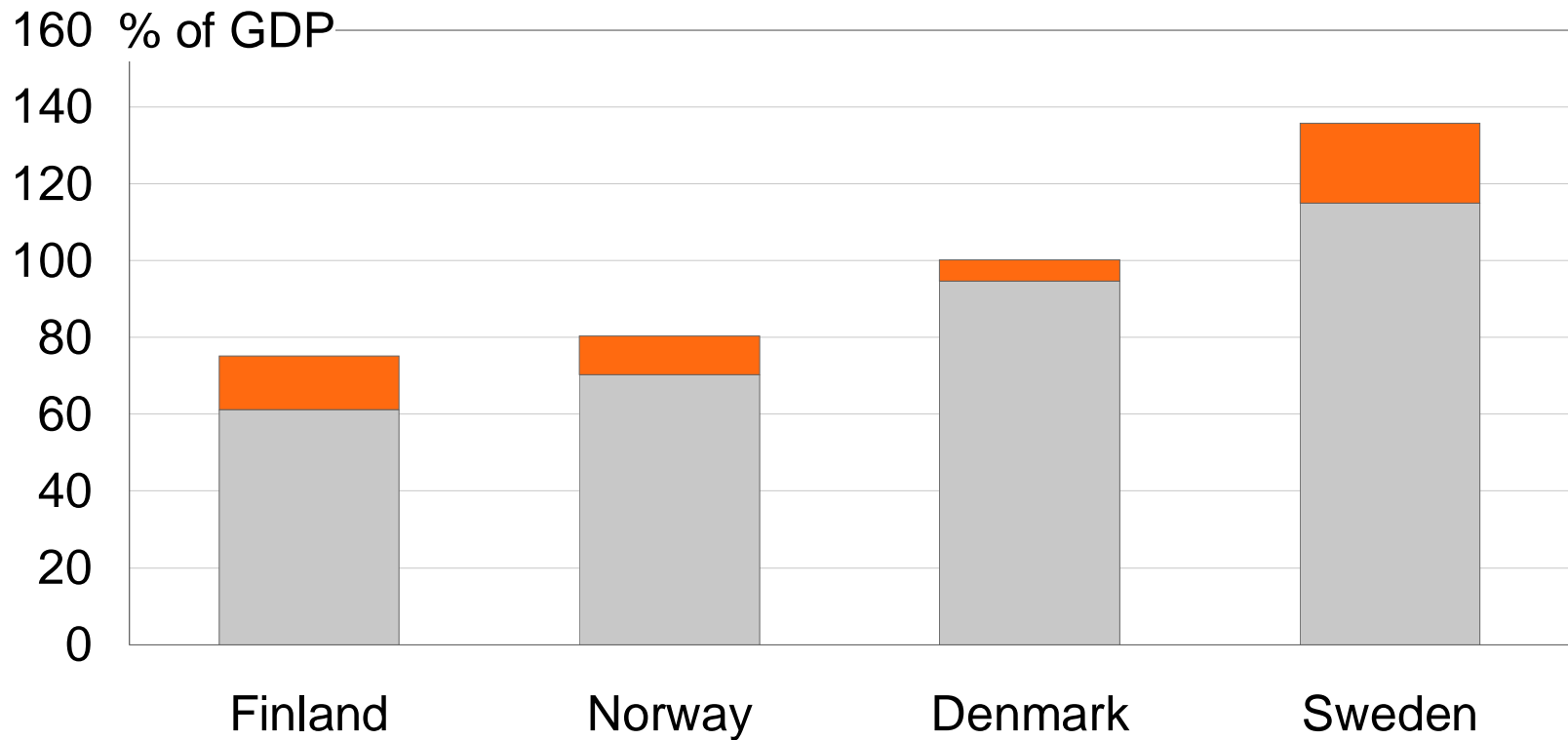
Households' debt ratio



Sources: Central Banks, Statistics Finland
Pohjola/IR

Corporate debt

Year 2008



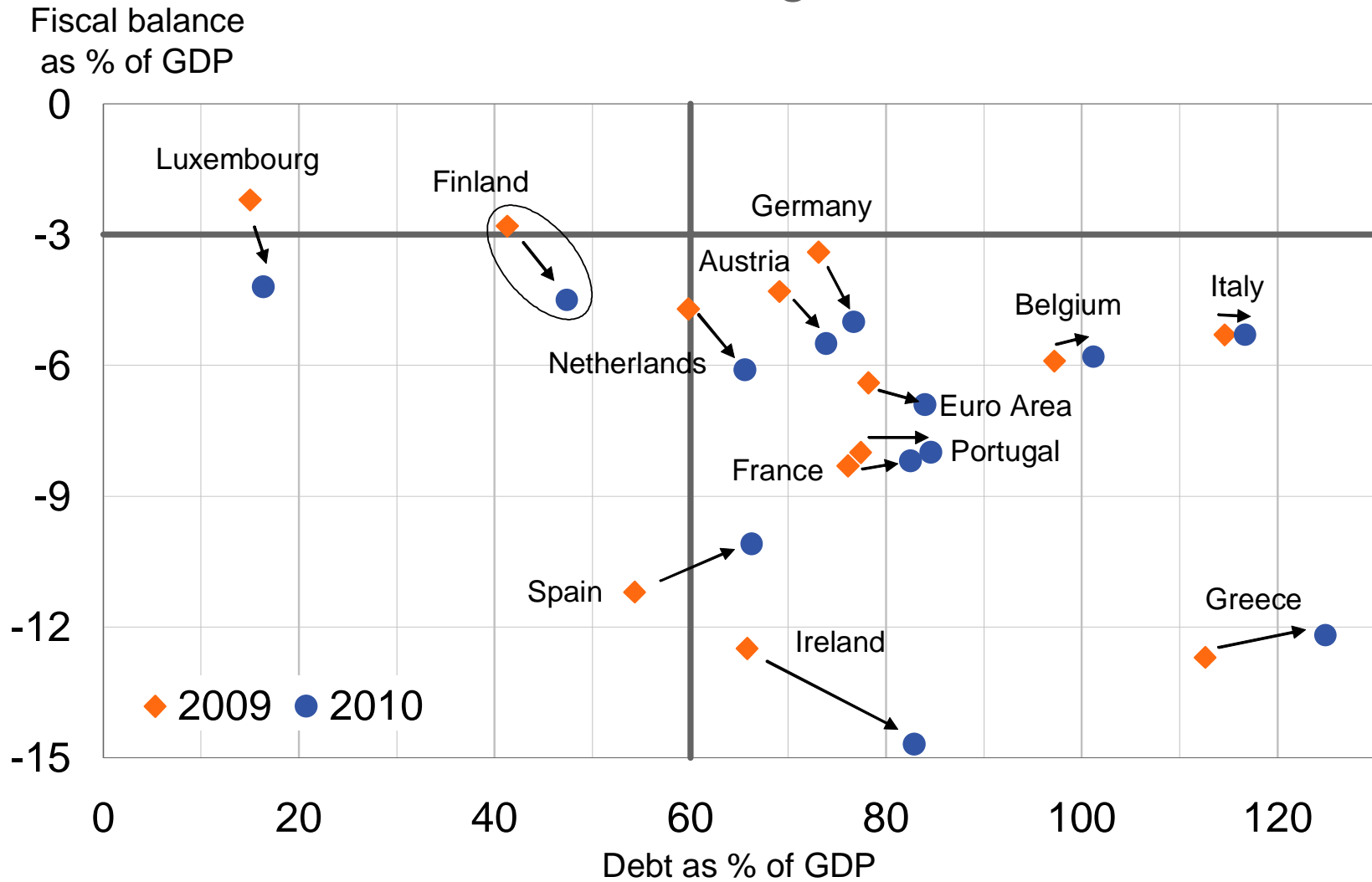
■ Corporate loans* ■ Debt securities**

* Excl. loans between Finnish companies

** Commercial papers, corporate bonds and financial derivatives

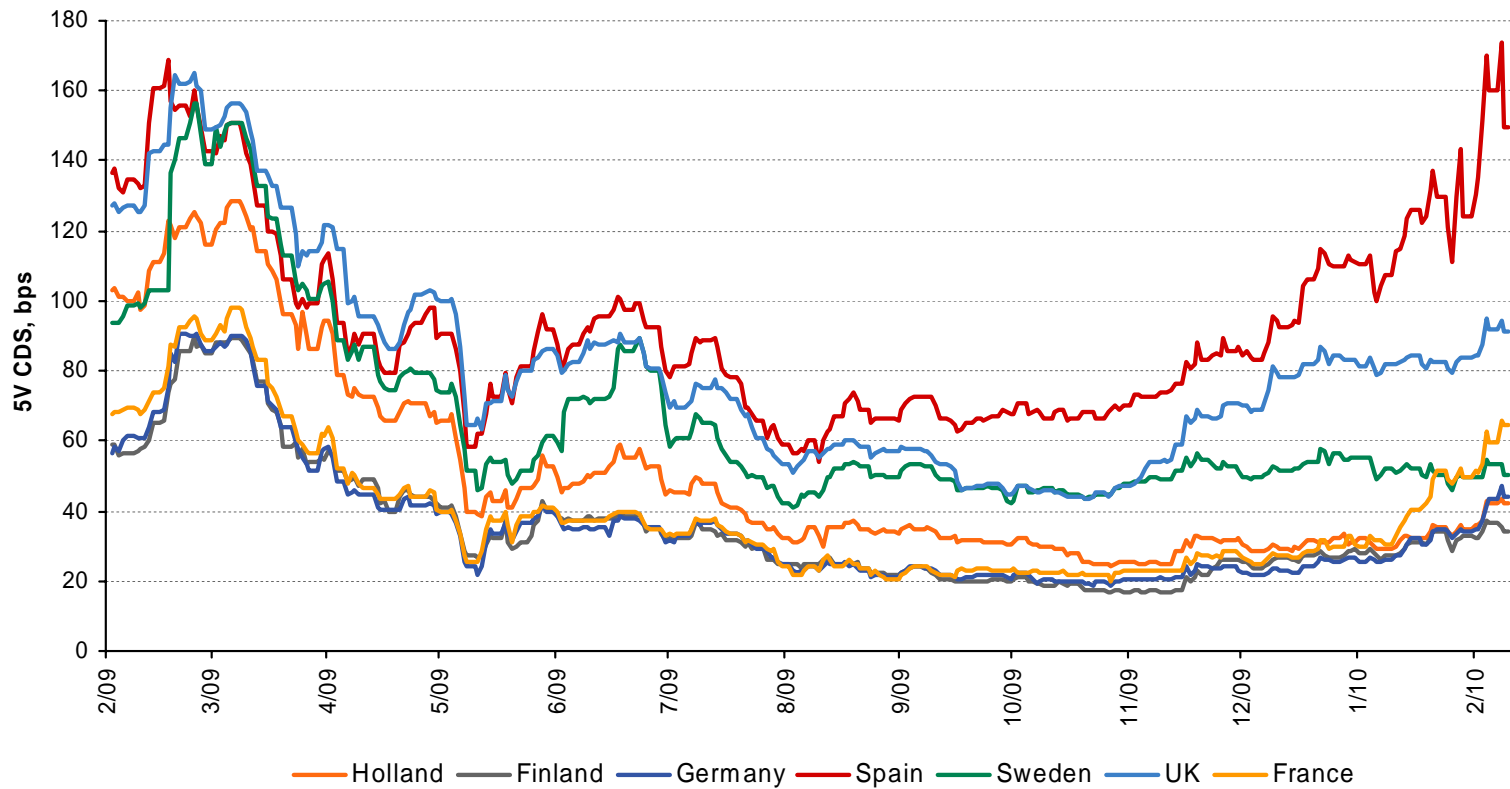
Source: Eurostat, Consolidated Financial Accounts
Pohjola/IR

Fiscal balance and government debt



Source: European Commission, November 2009
Pohjola/IR

5 year sovereign CDS 1.2.2009 - 9.2.2010



Forecast for the Finnish Economy

Published on February, 2010

	2008 EUR bn	2009f Volume, % change on previous year	2010f	2011f
GDP	184.2	-7.4	1.2	2.5
Imports	79.3	-23.2	2.0	4.5
Exports	86.7	-25.3	4.5	6.0
Private consumption	95.5	-2.0	0.8	1.6
Public consumption	41.6	0.7	0.0	0.5
Private fixed investment	35.2	-16.5	-4.5	4.0
Public fixed investment	4.6	5.1	0.5	-2.0

Other key indicators

	2009f	2010f	2011f
Consumer price index, % change y/y	0.0	0.8	1.6
Unemployment rate, %	8.2	9.9	9.7
Current account balance, % of GDP	1.5	2.2	2.5
General government debt, % of GDP	41.6	47.5	51.0
General government net lending, % of GDP	-2.5	-4.0	-3.5

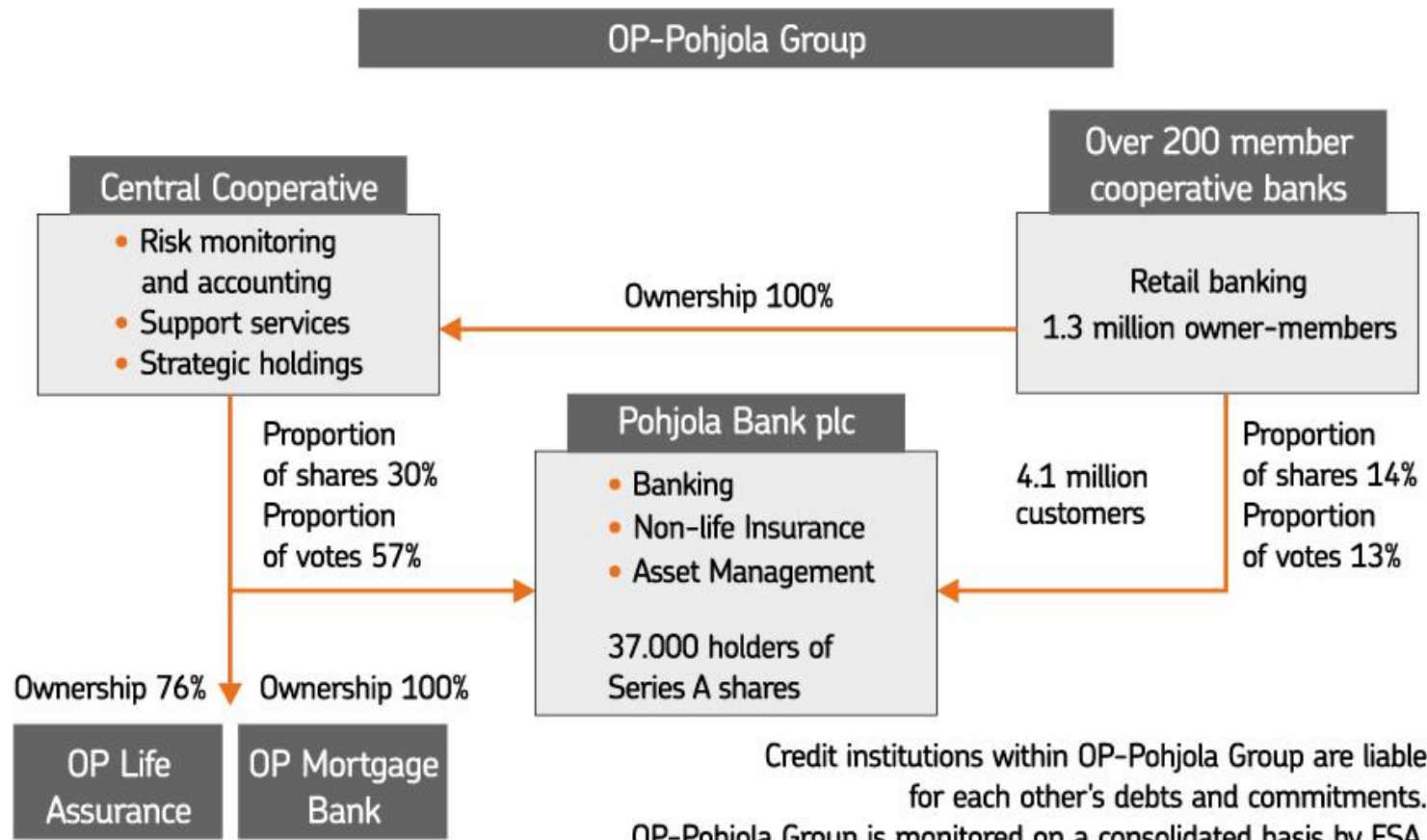
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OP-Pohjola Group



Structure of OP-Pohjola and Roles of Group Entities

The issuing entities are Pohjola Bank and OP Mortgage Bank



Joint Responsibility within OP-Pohjola Group

- Joint responsibility within OP-Pohjola Group is based on the Cooperative Banks Act. OP-Pohjola Group Central Cooperative and its member credit institutions are liable for each other's debts and commitments in accordance with the Act.
 - On the basis of this joint responsibility, the Central Cooperative and the member credit institutions are jointly and severally responsible for the debts of the central institution or a member credit institution which is in liquidation or in bankruptcy in the event that these debts cannot be paid from its funds.
 - The liability is apportioned among the Central Cooperative and the member credit institutions in proportion to the total assets in the most recently adopted balance sheets.
- OP-Pohjola Group's insurance companies do not fall within the scope of joint responsibility.

OP-Pohjola Group

Balance sheet items

	OP-Pohjola Group 2009	Pohjola 2009	OP-Pohjola Group 2008	Pohjola 2008
Total assets, € million	80 430	35 510	75 746	32 448
Receivables from customers, € million	52 992	11 323	51 708	12 279
Deposits, € million	34 617	4 133	34 533	3 508
Equity capital, € million	6 187	2 267	5 215	1 640
Tier 1, %	12,6	11,8	12,6	9,4
Non-performing claims, € million	223	44	203	35
Non-performing and zero-interest bearing receivables of loans and guarantees, %	0,4	0,32	0,4	0,25
Loan and guarantee portfolio, € bn	55,6	13,3	53,9	14,1
Impairments of receivables, € million	179	129	58	28
Impairments of receivables / loan and guarantee portfolio, %	0,32	0,94	0,11	0,20
Personnel	12 504	2 966	12 752	3 085

OP-Pohjola Group

Income statement

Eur million	OP-Pohjola Group 2009	Pohjola 2009	OP-Pohjola Group 2008	Pohjola 2008
Net interest income	1070	241	1189	174
Impairments of receivables	179	129	58	28
Net interest income after impairments	891	112	1131	146
Net income from non-life insurance	396	402	345	353
Net income from life insurance	-120		-139	
Net commissions and fees	496	143	433	122
Other income	208	108	-5	-33
Total net income	1872	766	1764	589
Personnel costs	622	190	598	178
Other expenses	625	311	640	292
Total expenses	1248	501	1238	470
Returns to owner-members and OP-bonus customers	160		154	
Earnings before tax	464	265	372	119
Change in fair value reserve	677	243	-737	-252
Earnings/loss before tax at fair value	1140	507	-365	-133

OP-Pohjola Group and Pohjola

Key ratios

	OP-Pohjola Group 2009	Pohjola 2009	OP-Pohjola Group 2008	Pohjola 2008
Net interest margin, %	1,4*	1,33**	1,7*	0,94**
Cost / Income ratio, Banking, %	53	35***	54	46***
Return on equity (ROE) at fair value, %	14,7	19,2	-6,0	-5,6
Return on assets, (ROA) at fair value, %	1,1	1,1	-0,5	-0,3
Non-Life Insurance, Solvency ratio, %	88	88	66	66
Life Insurance, Solvency ratio, %	13,3****		6,2****	

* Net interest income as a % of average total assets

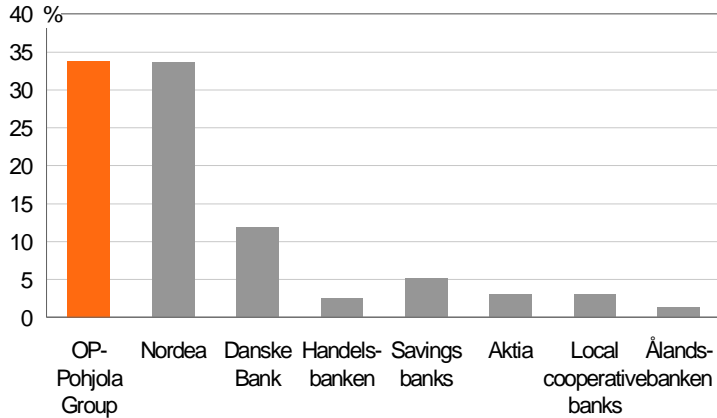
** Average margin for corporate lending

*** Cost / Income ratio, Banking

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

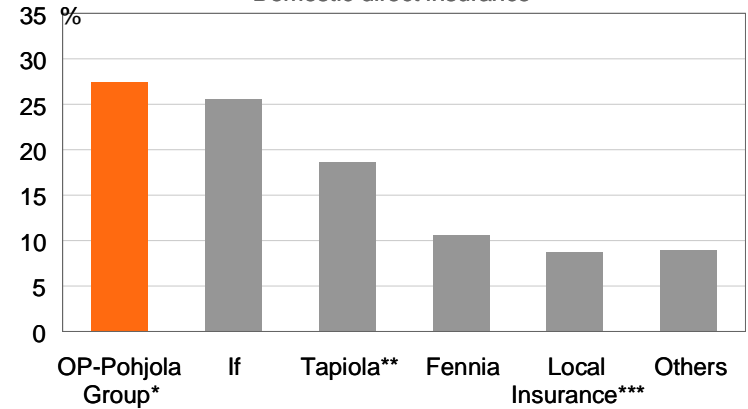
OP-Pohjola – The leading financial services provider in Finland

Market share in deposits
31 December 2008



Source: Federation of Finnish Financial Services

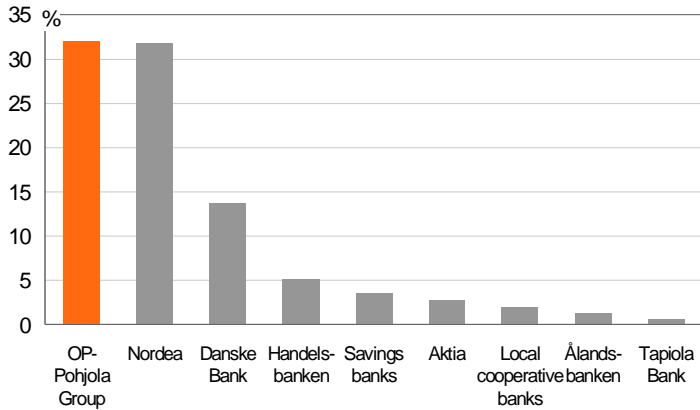
Market share in non-life insurance premiums written 2008
Domestic direct insurance



*Pohjola Non-Life, A-Insurance, Eurooppalainen, OVI **incl. Turva ***incl. Palonvara

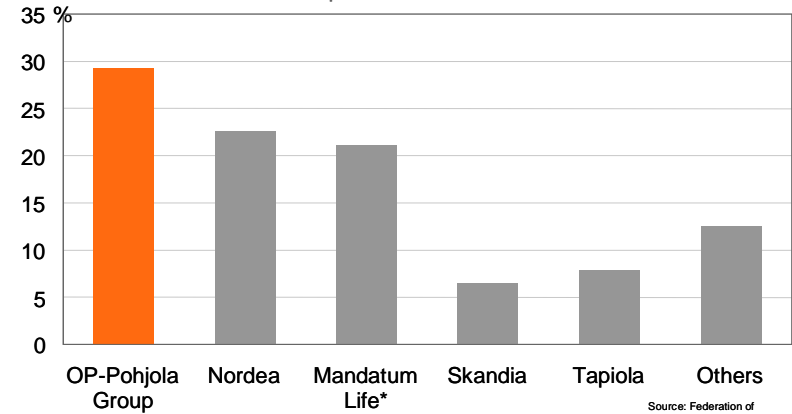
Source: Federation of Finnish Financial Services

Market share in loans
31 December 2008



OP-Pohjola Group
Source: Federation of Finnish Financial Services

Market share in life insurance
Gross premiums written 2008



* Mandatum Life and Kaleva

Source: Federation of Finnish Financial Services

OP-Pohjola Group

The Leading Financial Services Provider in Finland

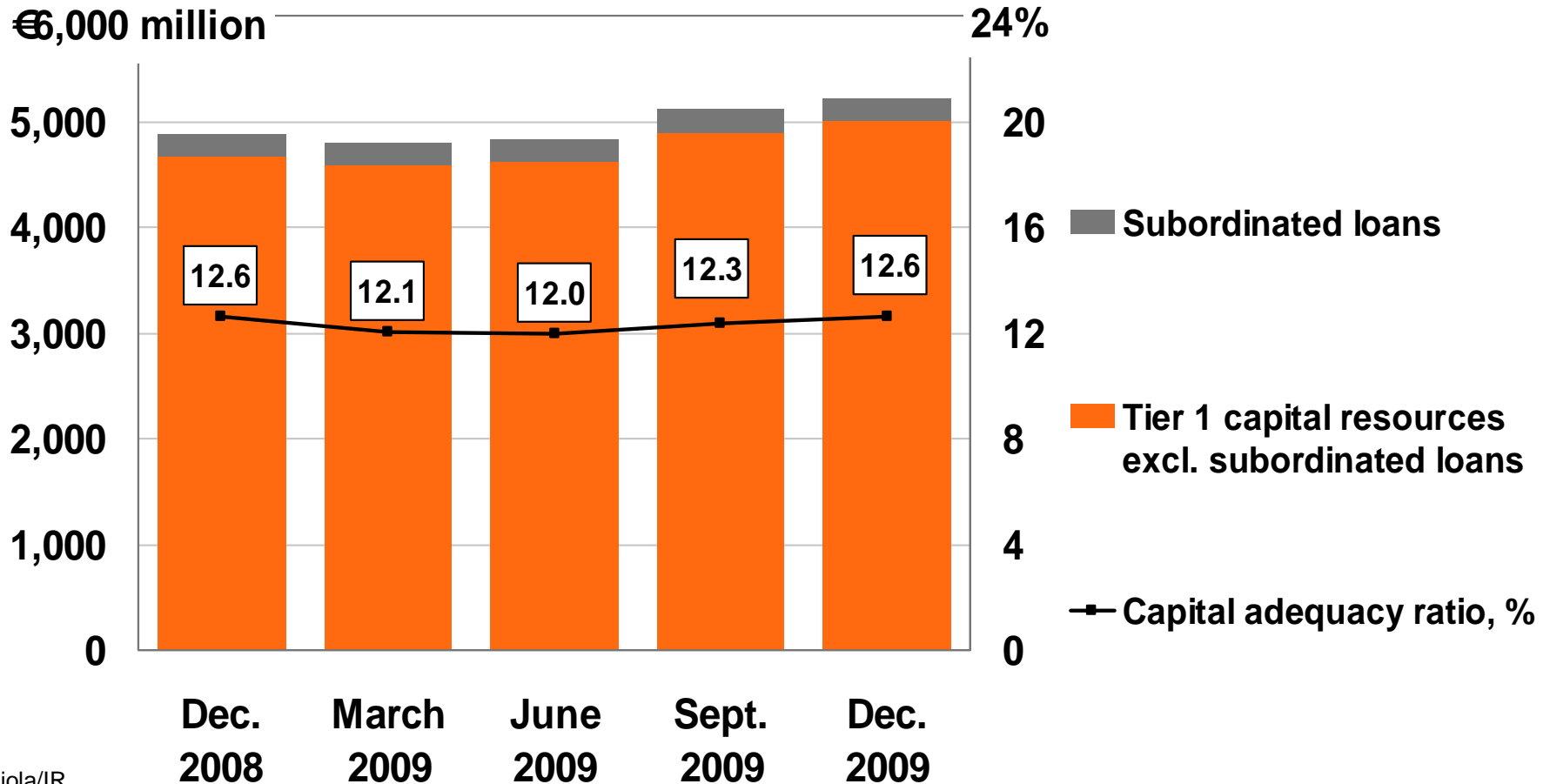
Market share 2009



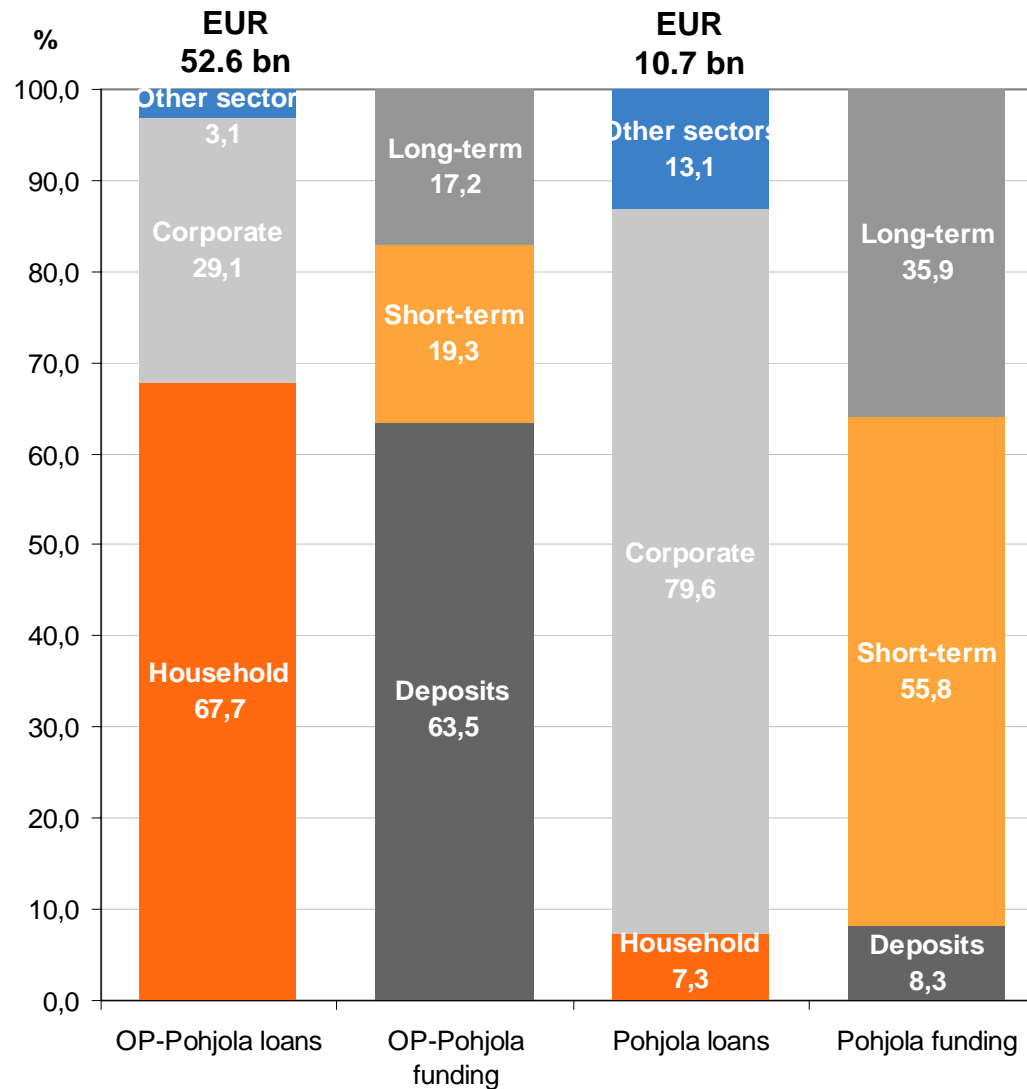
Pohjola/IR *Moving 12-month average

The amalgamation of the cooperative banks

Capital resources and capital adequacy



OP-Pohjola Group's and Pohjola's Loan and funding structure 2009

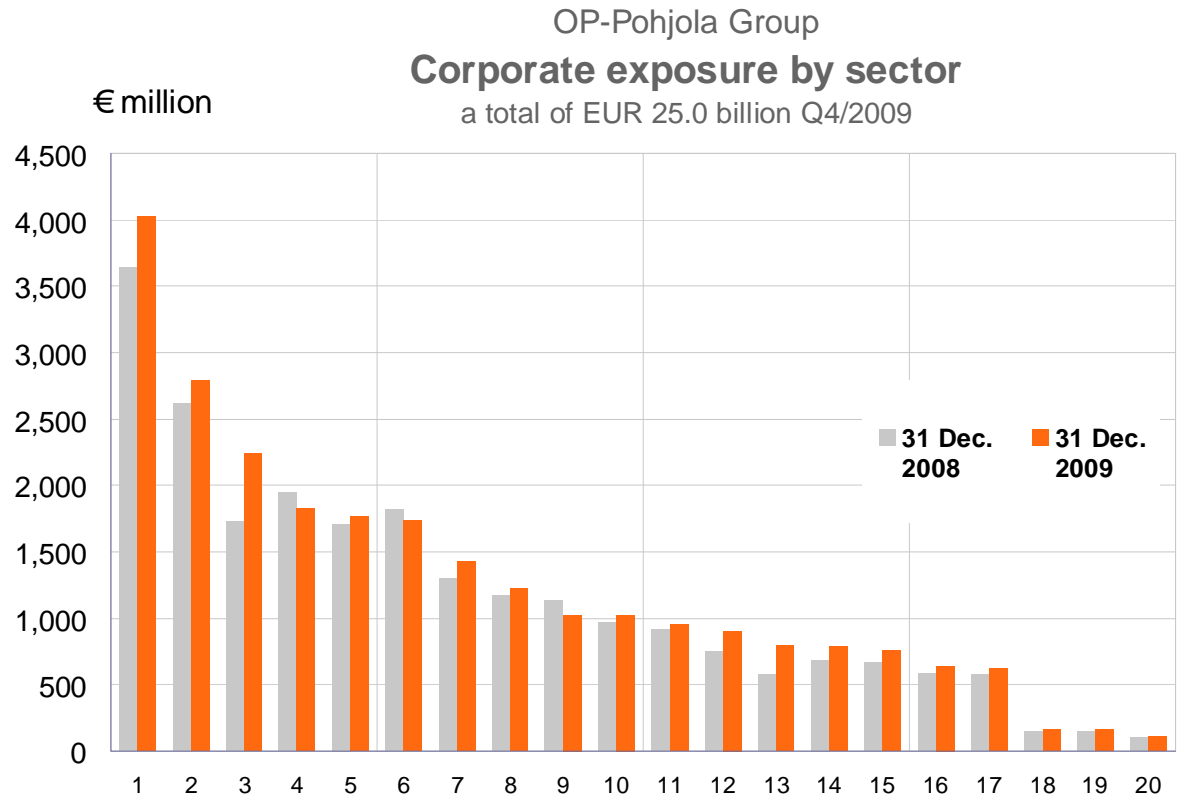


OP-Pohjola Group

Corporate exposure* by sector Q4/2009

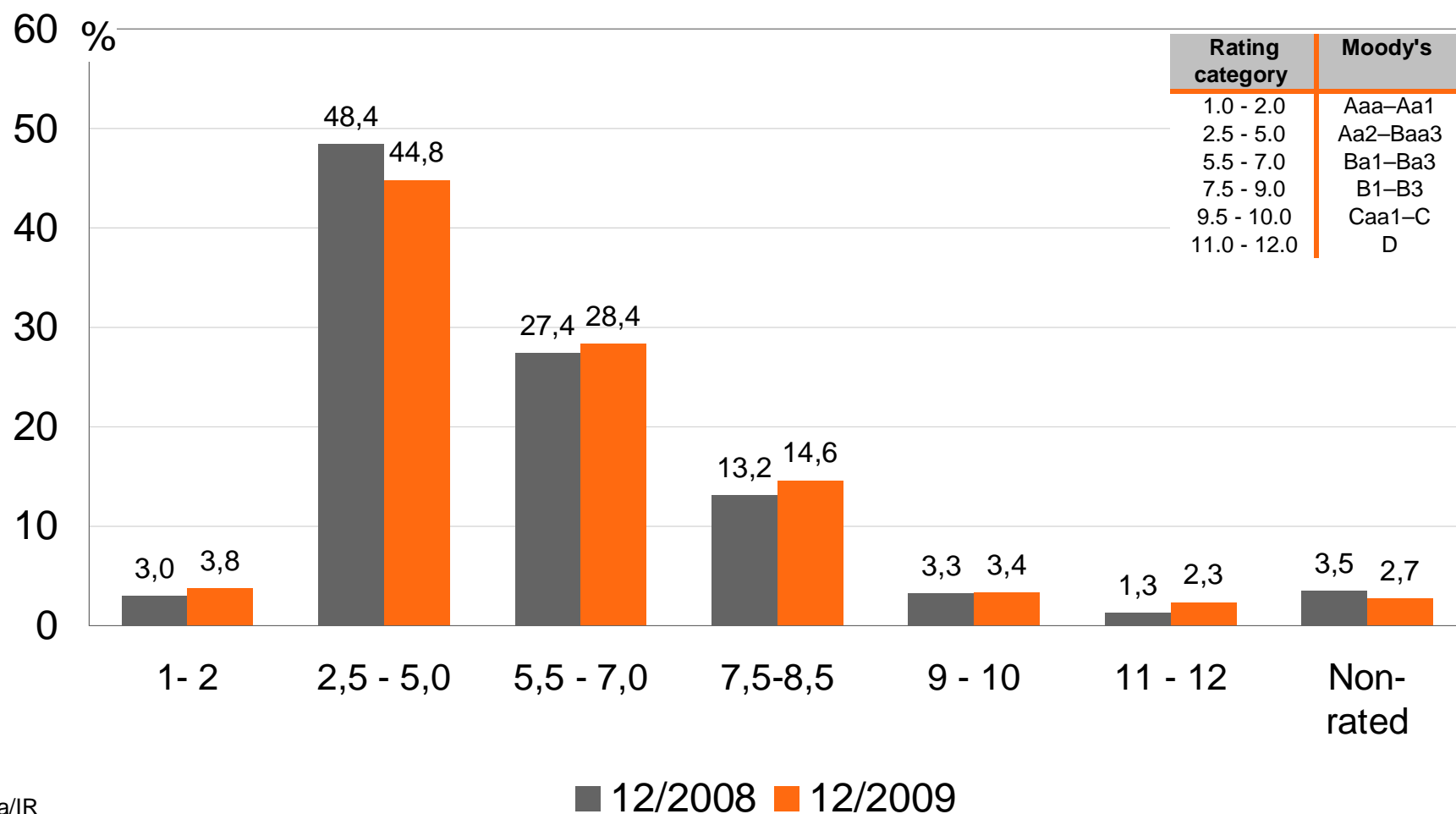
1	Renting and operation of residential real estate	16.1 %
2	Wholesale and retail trade	11.2 %
3	Other renting and operating of real estate	9.0 %
4	Construction	7.3 %
5	Services	7.1 %
6	Manufacture of machinery and equipment (incl. services)	7.0 %
7	Transportation and storage	5.7 %
8	Forest Industry	4.9 %
9	Buying and selling of own real estate	4.1 %
10	Metal Industry	4.1 %
11	Chemical Industry	3.8 %
12	Energy	3.6 %
13	Financial and insurance services	3.2 %
14	Food Industry	3.1 %
15	Other manufacturing	3.0 %
16	Agriculture, forestry and fishing	2.6 %
17	Information and communication	2.5 %
18	Water supply, sewerage and waste management	0.7 %
19	Mining and quarrying	0.7 %
20	Other industries	0.4 %
		100.0 %

Pohjola/IR



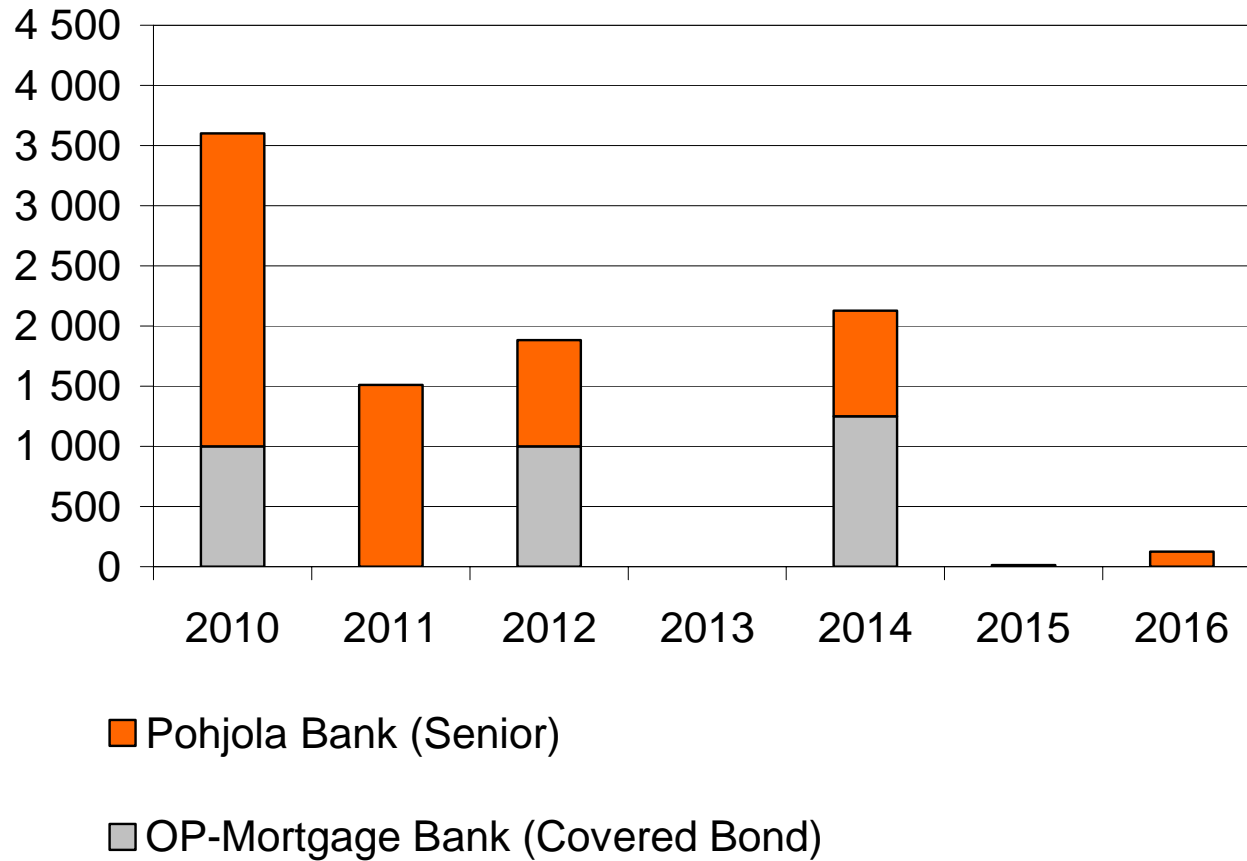
* loans and leasing assets to the public and public corporations, guarantee receivables, notes and bonds (incl. reclassified notes and bonds, excl. those eligible for central bank refinancing) and off-balance-sheet commitments

OP-Pohjola Group Corporate exposure by credit rating category



OP-Pohjola Group

Issued senior debt and covered bonds by maturity



Pohjola Bank

Liquidity portfolio

Financial assets included in liquidity reserve
by maturity and credit rating on 31 December 2009

EUR million

Year	0-1	1-3	3-5	5-7	7-10	10-	Total	%
AAA	3 468	1 701	1 826	417	224	104	7 740	66 %
AA	1 028	731	668	72	10	3	2 511	22 %
A	133	486	175	16	2	0	812	7 %
BBB	22	46	45	3	10	0	126	1 %
BB+ or lower	8	20	24	25	10	0	88	1 %
rated	100	151	115	11	10	0	386	3 %
Total	4 758	3 135	2 853	544	266	107	11 663	100 %

Credit rating*

Target for rating: AA rating issued by at least two credit rating agencies

	Moody's	Standard	Fitch
Pohjola Handelsbanken Nordea	Aa2**	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

*****) Credit watch negative

*****) Financial strength rating

OP Mortgage Bank in Brief



The Finnish Housing Market – an Overview

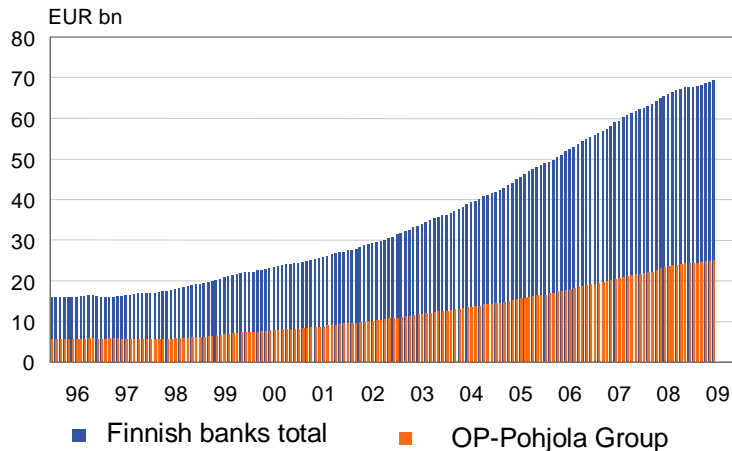
- Ownership ratio of households around 65%.
- Average size of dwellings 79 m².
- Floor space per occupant 38,3m²
- Typical maturity in new loans 18-25 years.
- Variable interest rates: over 95% of all loans.
- Average annual housing starts around 30,000.
- 28% interest relief in taxation (limited).
- Capital gains exempt after 2 years.



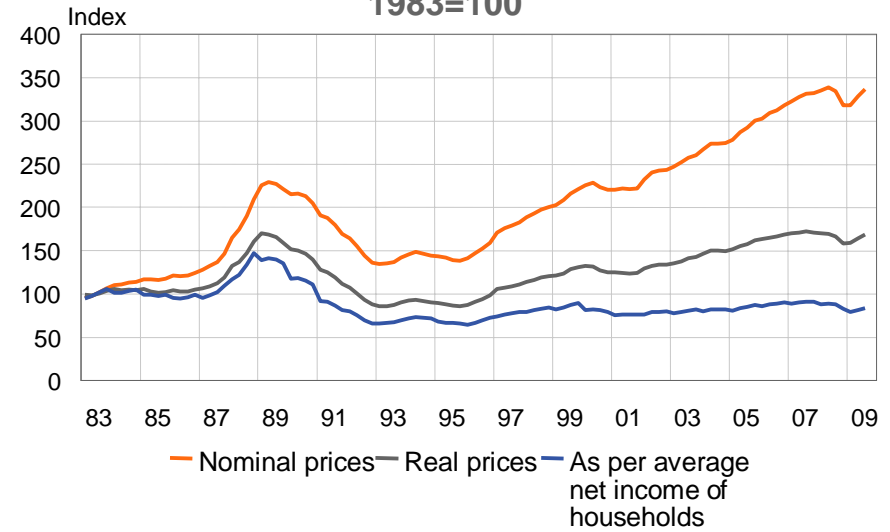
Mortgage Market and House Price Growth

- 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.

Mortgage lending volume

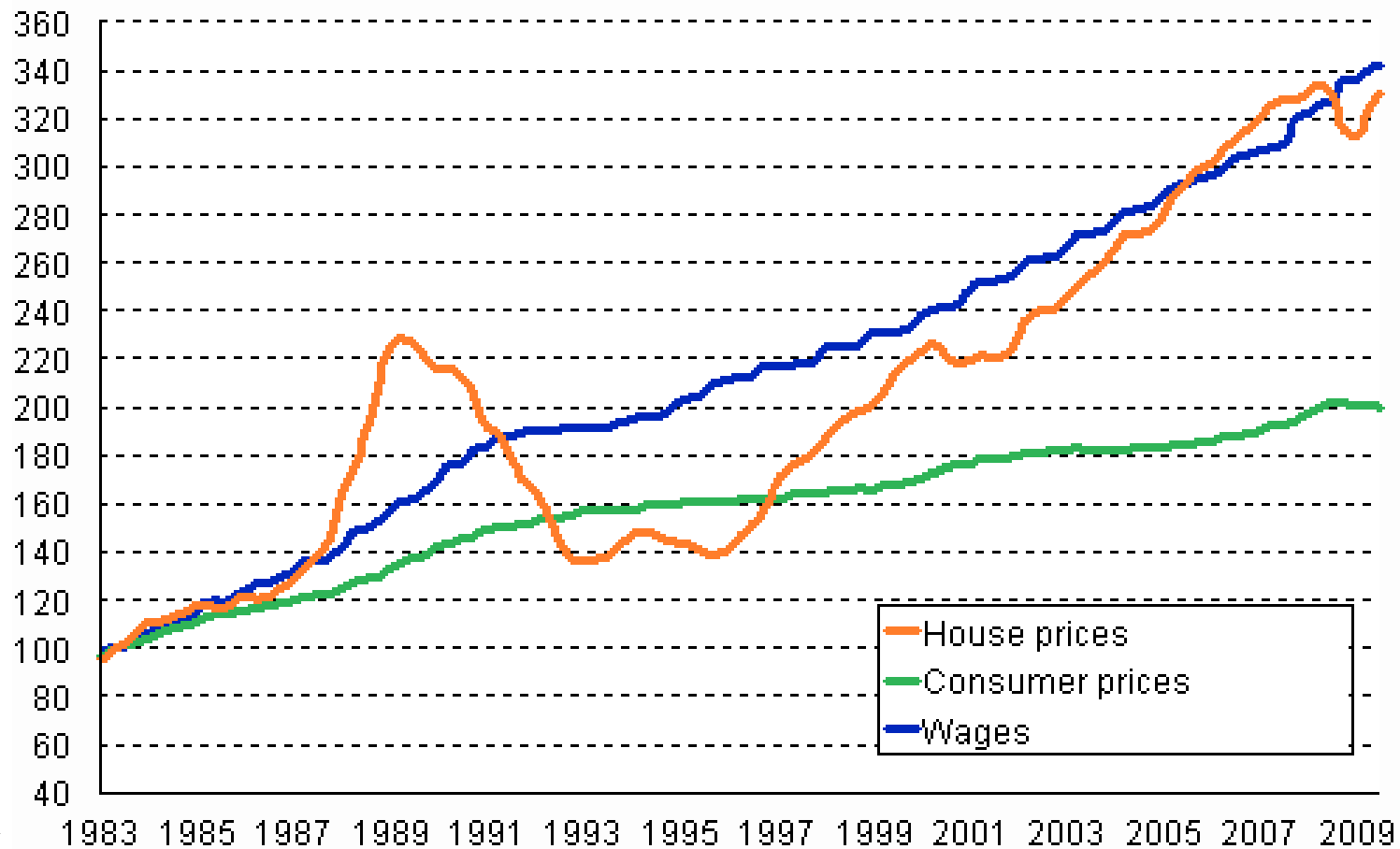


Housing price development 1983=100



Changes in House prices, Wages and Consumer prices

(Statistic Finland)



Pohjola/IR

Preliminary data for year 2009

Pohjola



Highlights of the Act on Mortgage Credit Banks

- Special Banking principle.
- Segregation of assets in Cover Register.
- Tight LTV restriction on eligible assets at 60%.
- OC protected by law*
- Continuity of Cover Pool and Covered Bonds at issuer default.
- Regulated by Finnish FSA.

*Overcollateralisation

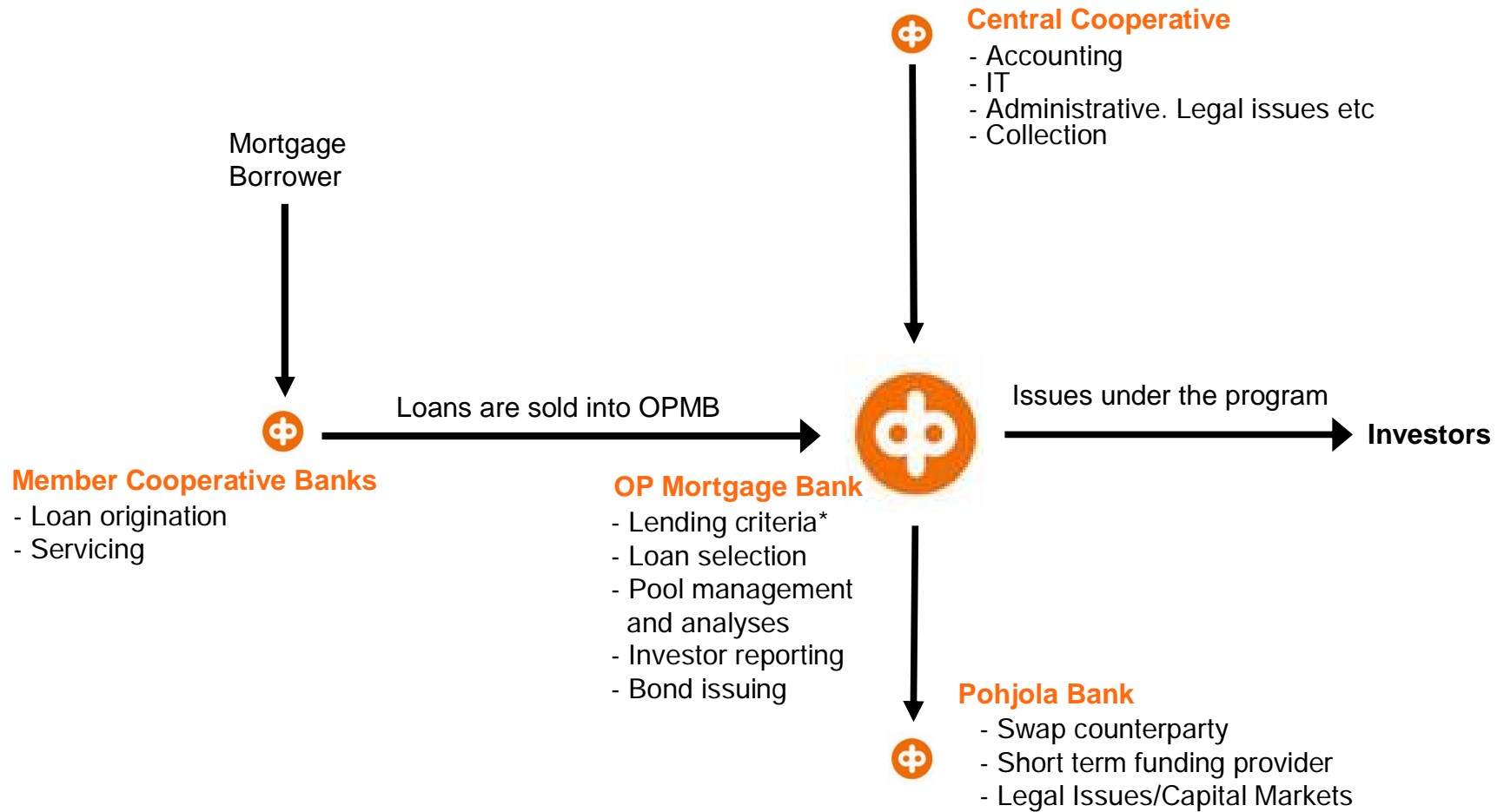
OP Mortgage Bank in Brief

- OP Mortgage Bank is a special purpose bank operating under the Act on Mortgage Credit Banks
- 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 and several liability based on the Cooperative Bank Act. 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

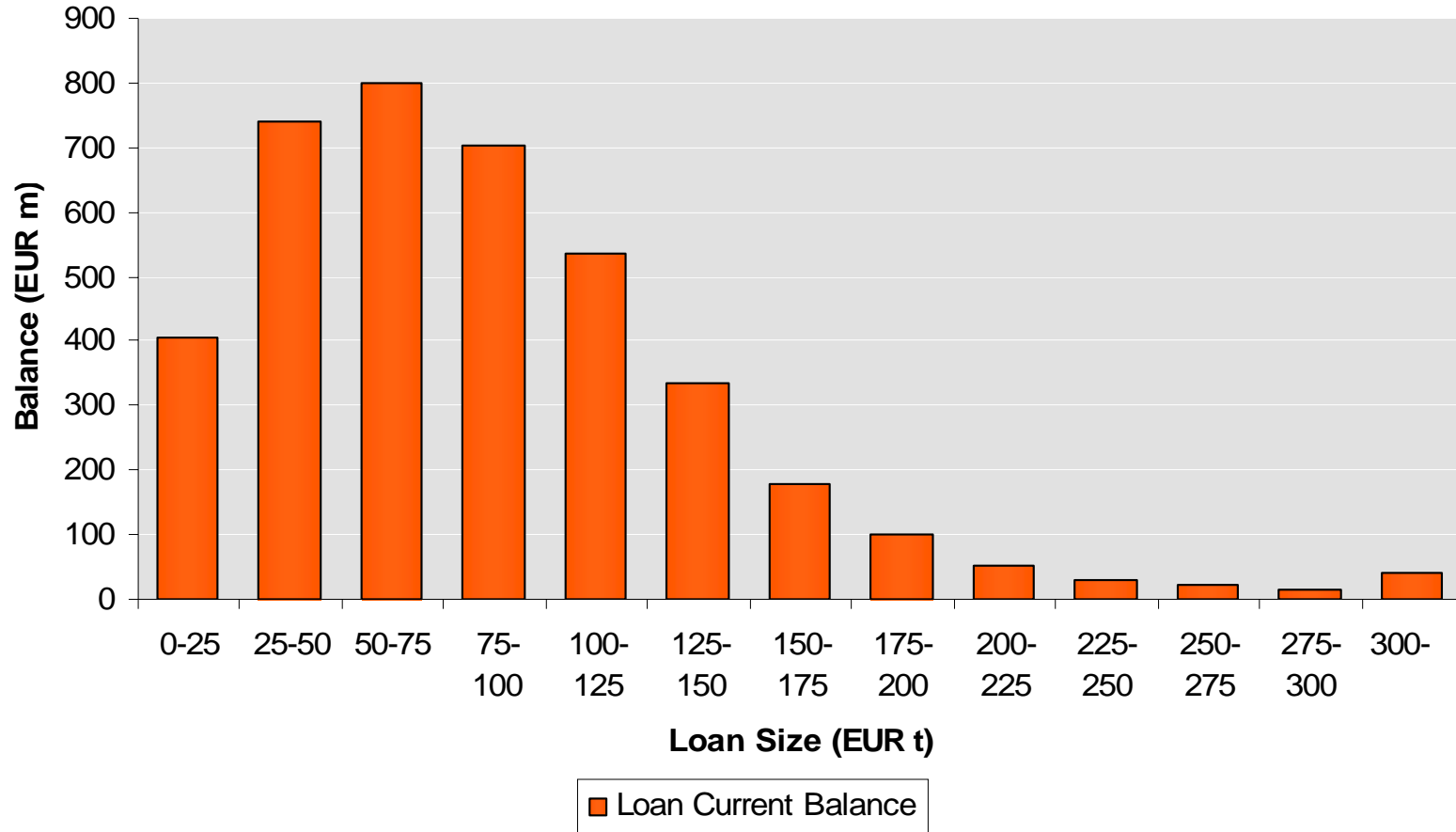


Main Features of OP Mortgage Bank cover asset pool as of December 2009

- Collateralized by first ranking Finnish mortgages.
- Current balance EUR 4,0 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.

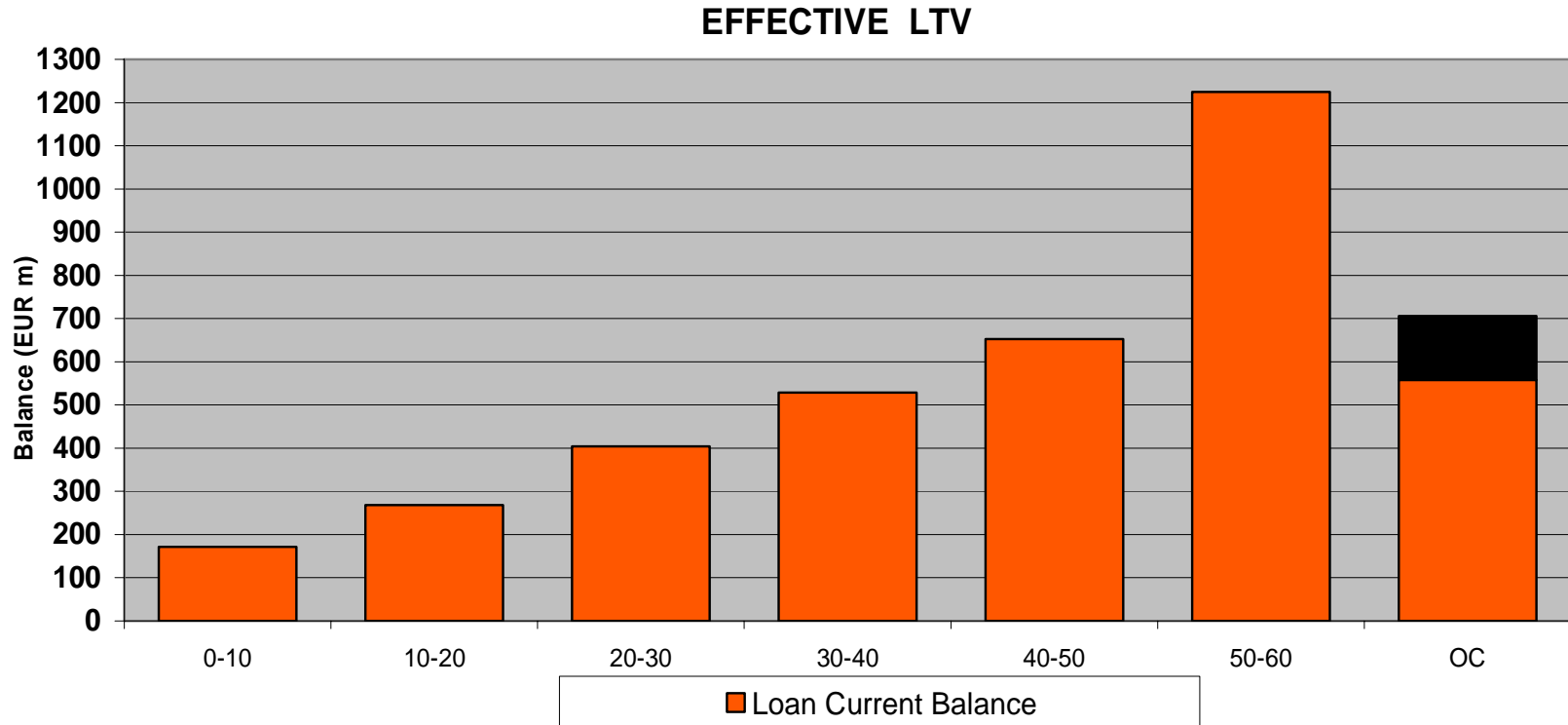
OPMB Asset pool characteristics - loans by size

Loan Current Balance



OPMB Asset pool characteristics

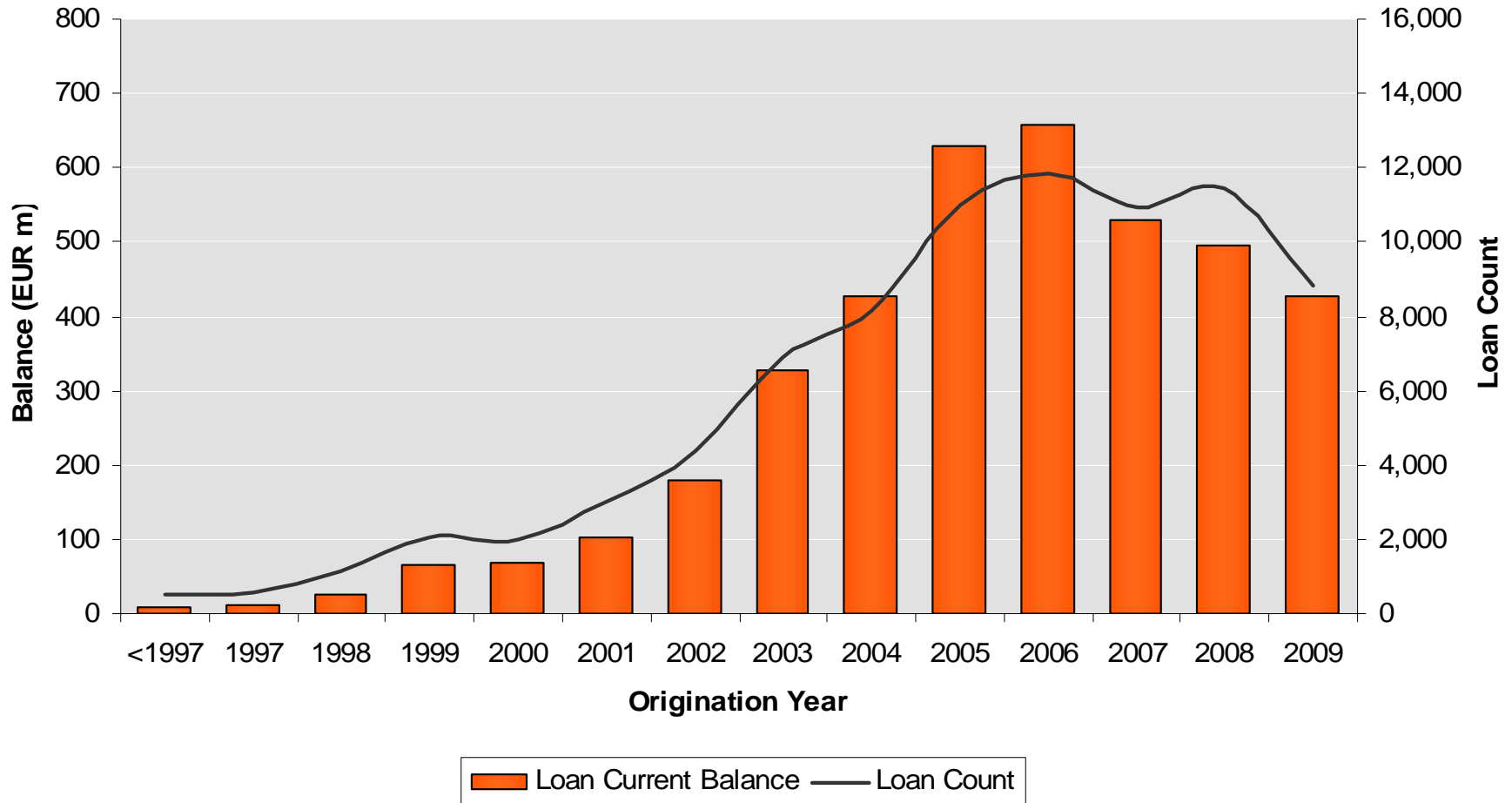
- loans by LTV



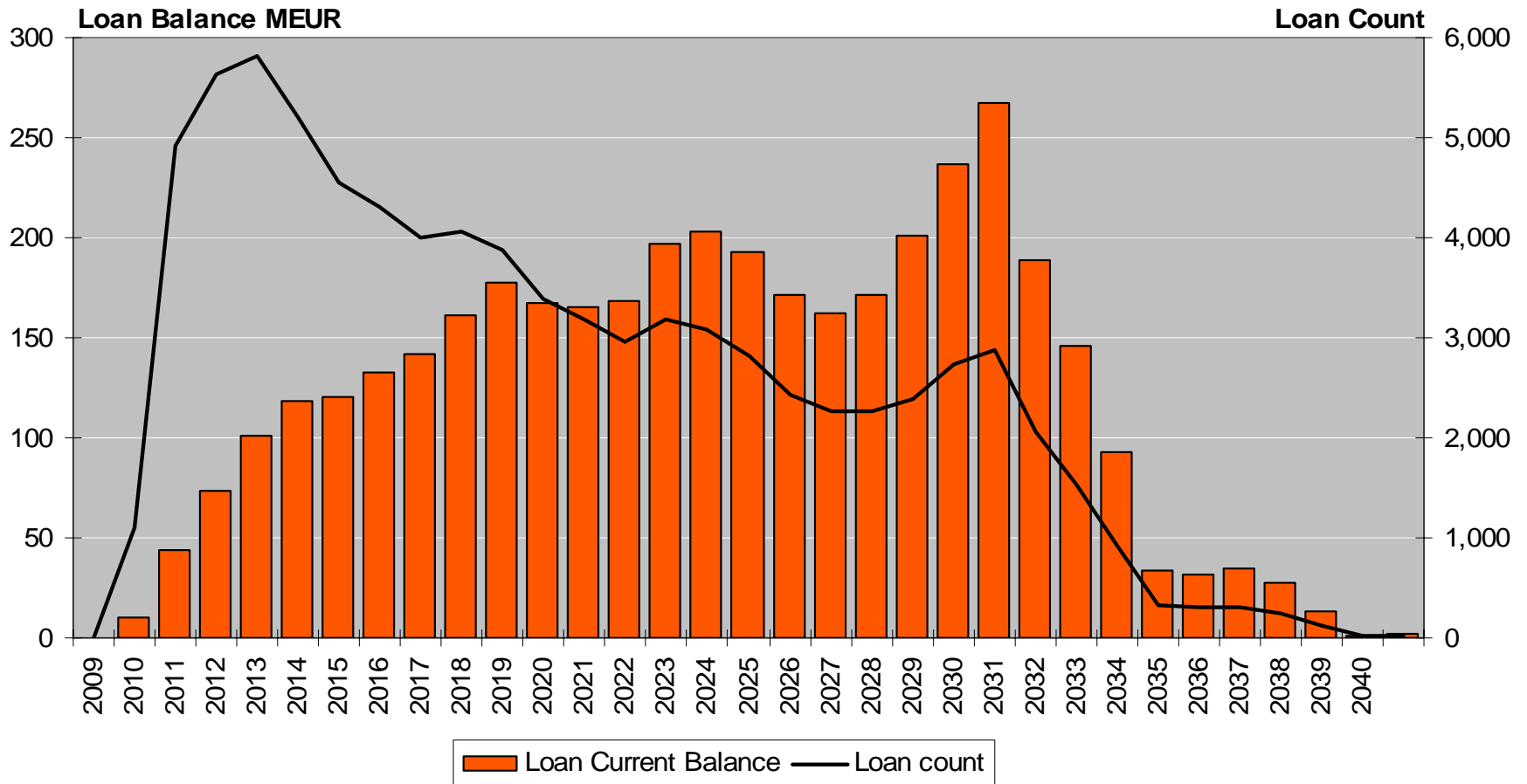
*) the black portion of the OC presents the parts of loans in the LTV range of 60-85

OPMB Asset pool characteristics

- loans by origination year



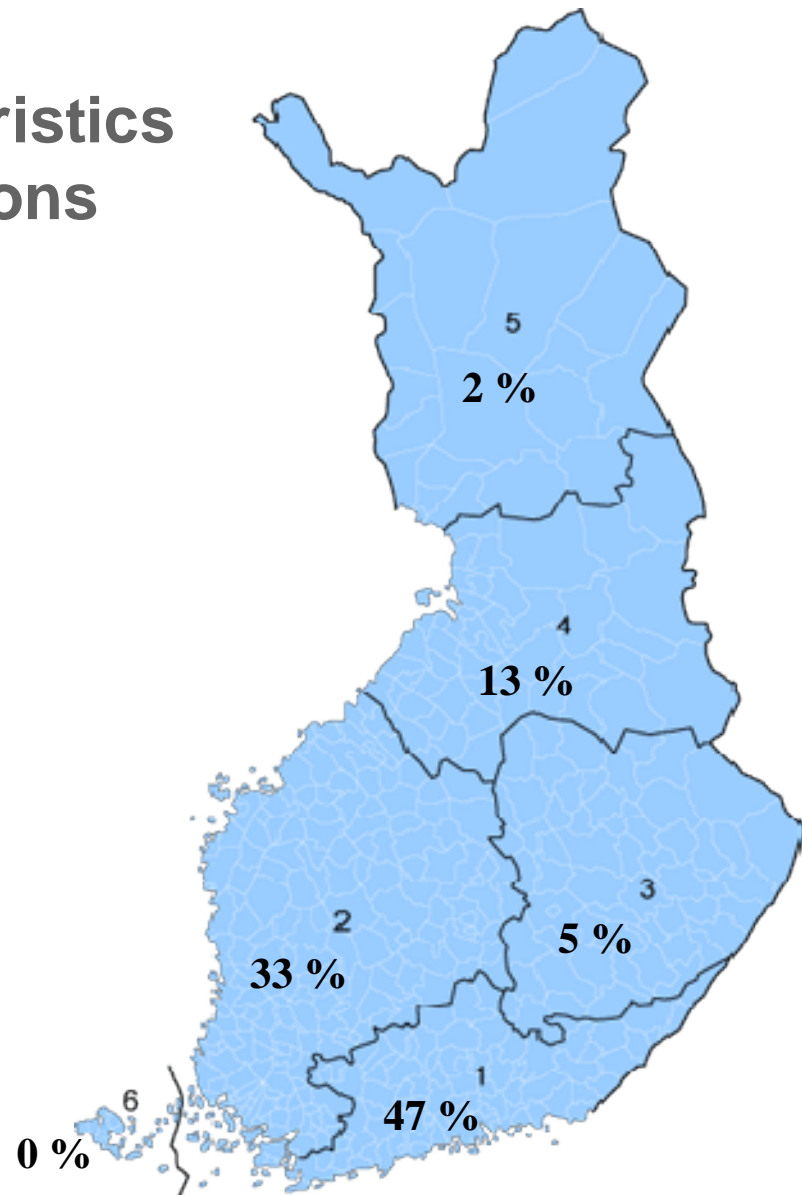
OPMB Asset pool characteristics - loans by maturity



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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Appendix 1
Pohjola Bank plc
in Brief



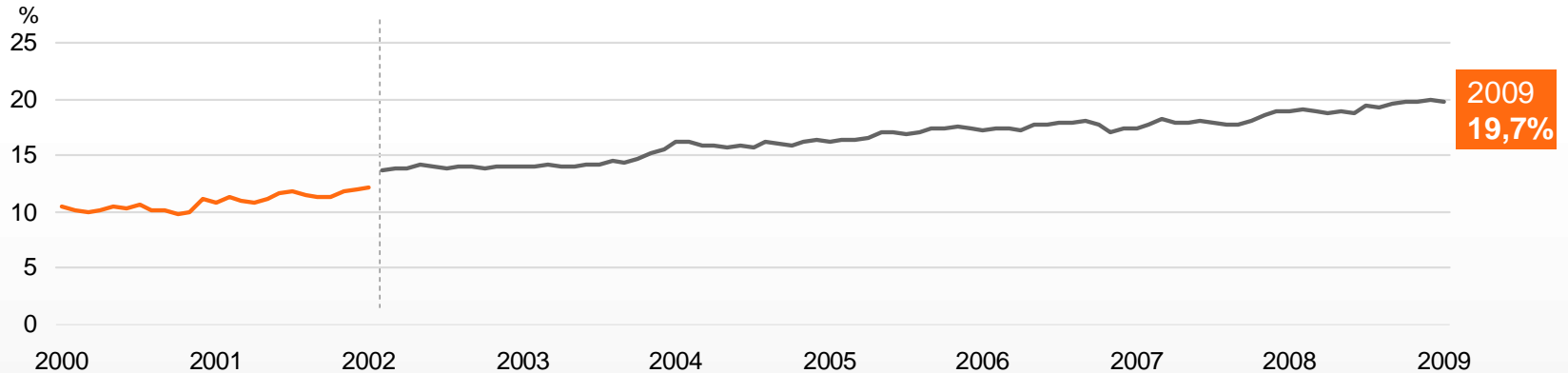
Pohjola in Brief

- Pohjola Group provides banking, non-life insurance and asset management services. It ranks among the leading players in the Finnish financial sector.
- Serving businesses, institutions and private individuals, the Group provides an extensive package of banking and insurance services which are convenient for customers while supporting corporate customers' business.
- With over 37.000 shareholders, Pohjola Bank plc Series A shares are quoted on the NASDAQ OMX Helsinki.
- Pohjola aims to grow through all of its business divisions and strengthen its market position further. The company places a strong emphasis on profitability throughout its operations and is also committed to strong capitalisation and a shareholder-friendly dividend policy.
- Pohjola is part of OP-Pohjola Group, the leading financial services group in Finland with over four million customers.

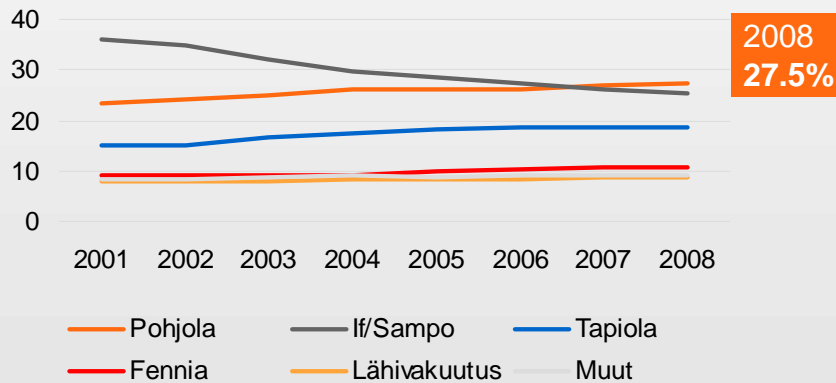
Pohjola's Competitive Business Model

Banking

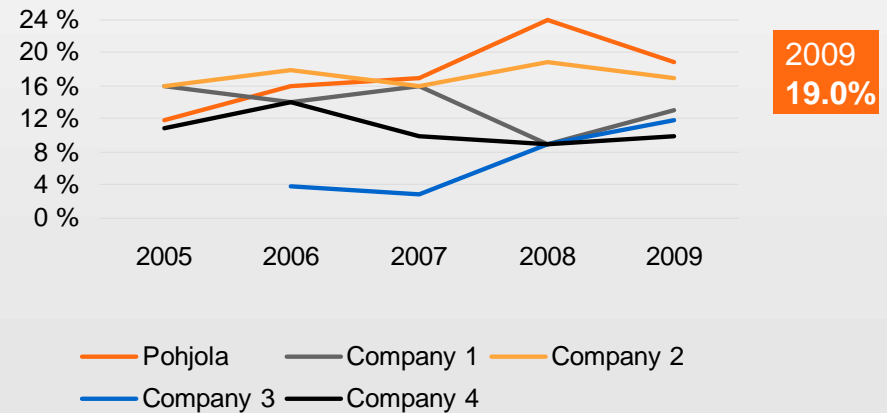
has proved successful across business segments



Non-life Insurance



Asset Management



Lähde: Federation of Finnish Insurance Companies, SFR. Based on interviews and answers by institutional investors with disclosed investment size

Pohjola Group

Business Structure as of 1 January 2010

Pohjola Group

Banking

- Corporate Banking
- Markets
- Baltic States

Non-life
Insurance

- Private Customers
- Corporate Customers
- Baltic States

Asset Management

- Institutional Clients
- Private

Group
Functions

- Finance
- Risk Management
- HR Services
- Corporate Communications

Customer segments

Major corporate and
institutional customers

Private customers and
corporate customers

Consolidated Earnings

€million	Q4/09	Q4/08	2009	2008
Net interest income	63	54	241	174
Impairments of receivables	34	21	129	28
Net interest income after impairments	29	33	112	146
Net income from Non-life Insurance	96	74	402	353
Net commissions and fees	41	31	143	122
Net trading income	11	-9	71	-81
Net investment income	-5	-3	-13	6
Other operating income	17	12	50	42
Total income	190	139	766	589
Total expenses	135	134	501	470
Earnings before tax	55	5	265	119
Change in fair value reserve	30	-71	243	-252
Earnings/loss before tax at fair value	84	-66	508	-133
Earnings per share, €	0.12	0.02	0.66	0.36

Financial Targets over the economic cycle

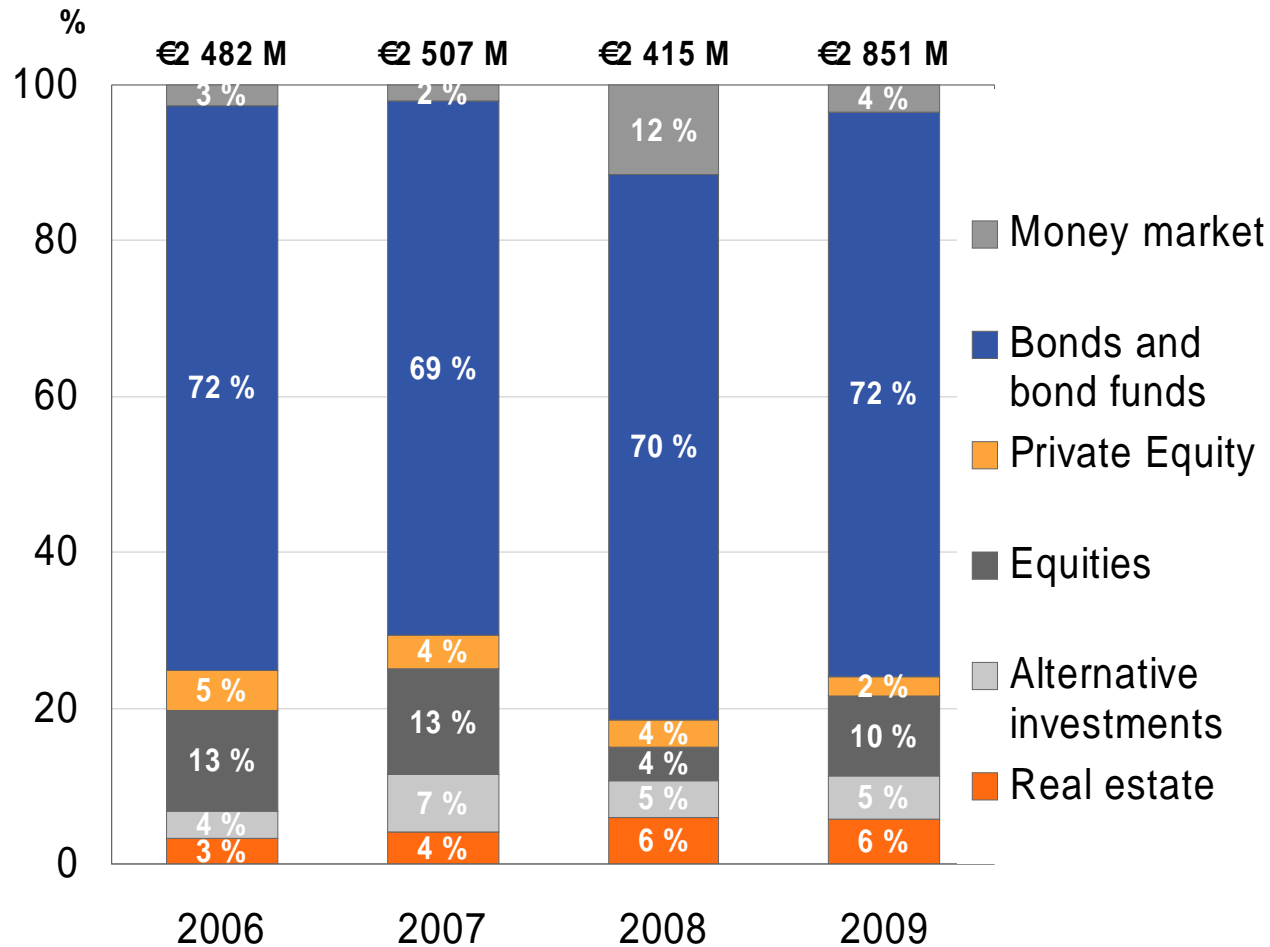
€million	Target	2009	2008
Group			
Return on equity at fair value, %	13	19.2	-5.6
Tier 1 ratio, %	> 9.5	11.8	9.4
Banking			
Operating cost/income ratio, %	< 40	35	46
Non-life Insurance			
Operating combined ratio, %	92	87.7	91.5
Operating expense ratio, %	< 20	22.2	21.9
Solvency ratio, %	70	88	66
Asset Management			
Operating cost/income ratio, %	< 50	53	57

Appendix 2
Non-life and Life
insurance investment income
and portfolios



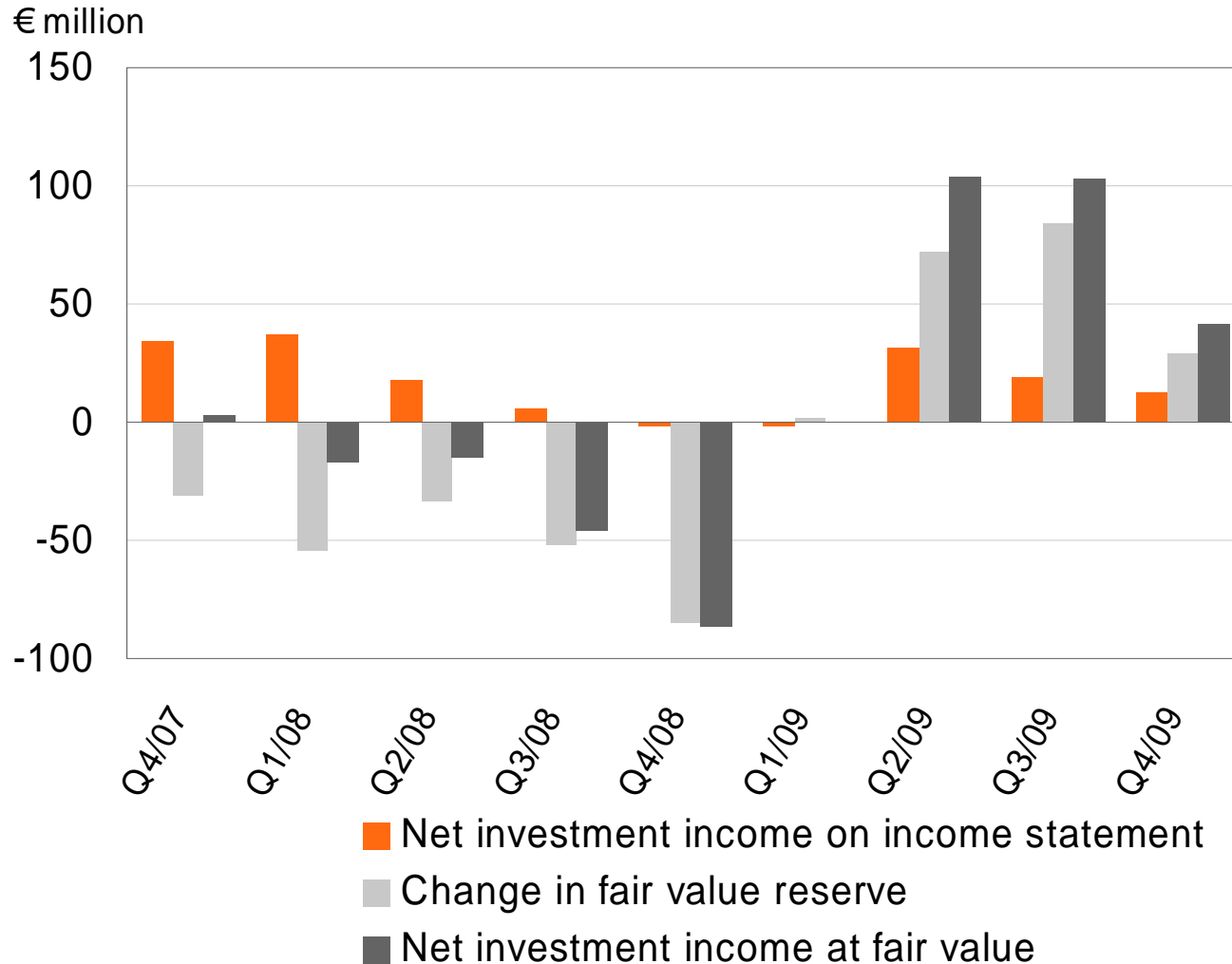
Non-life Insurance

Higher equity prices and dehedging increased the proportion of equity investments



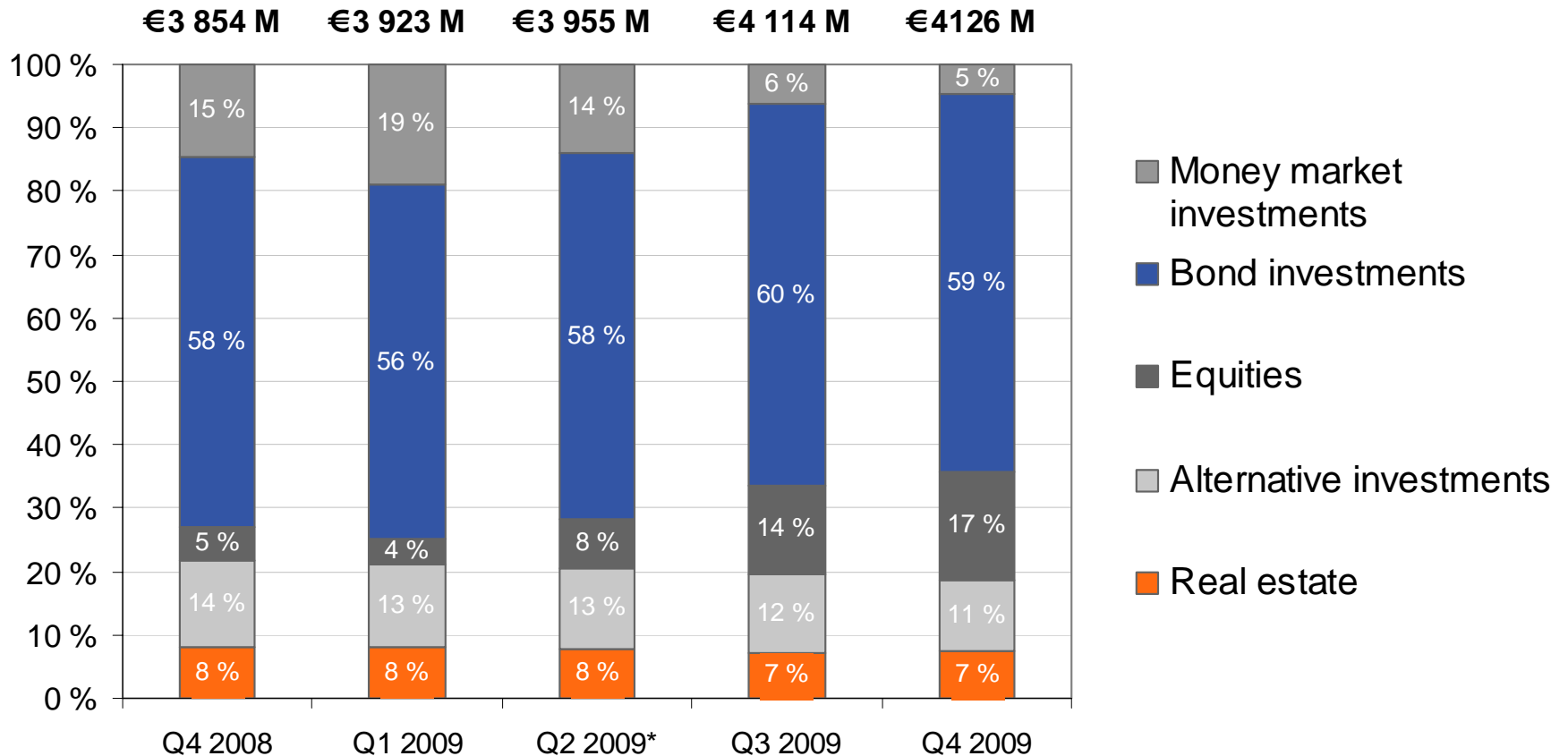
Non-life Insurance

Return on investments at fair value stood at 10.7% (-7)
 Reported net investment income totalled EUR 61 million (59)



OP Life Assurance

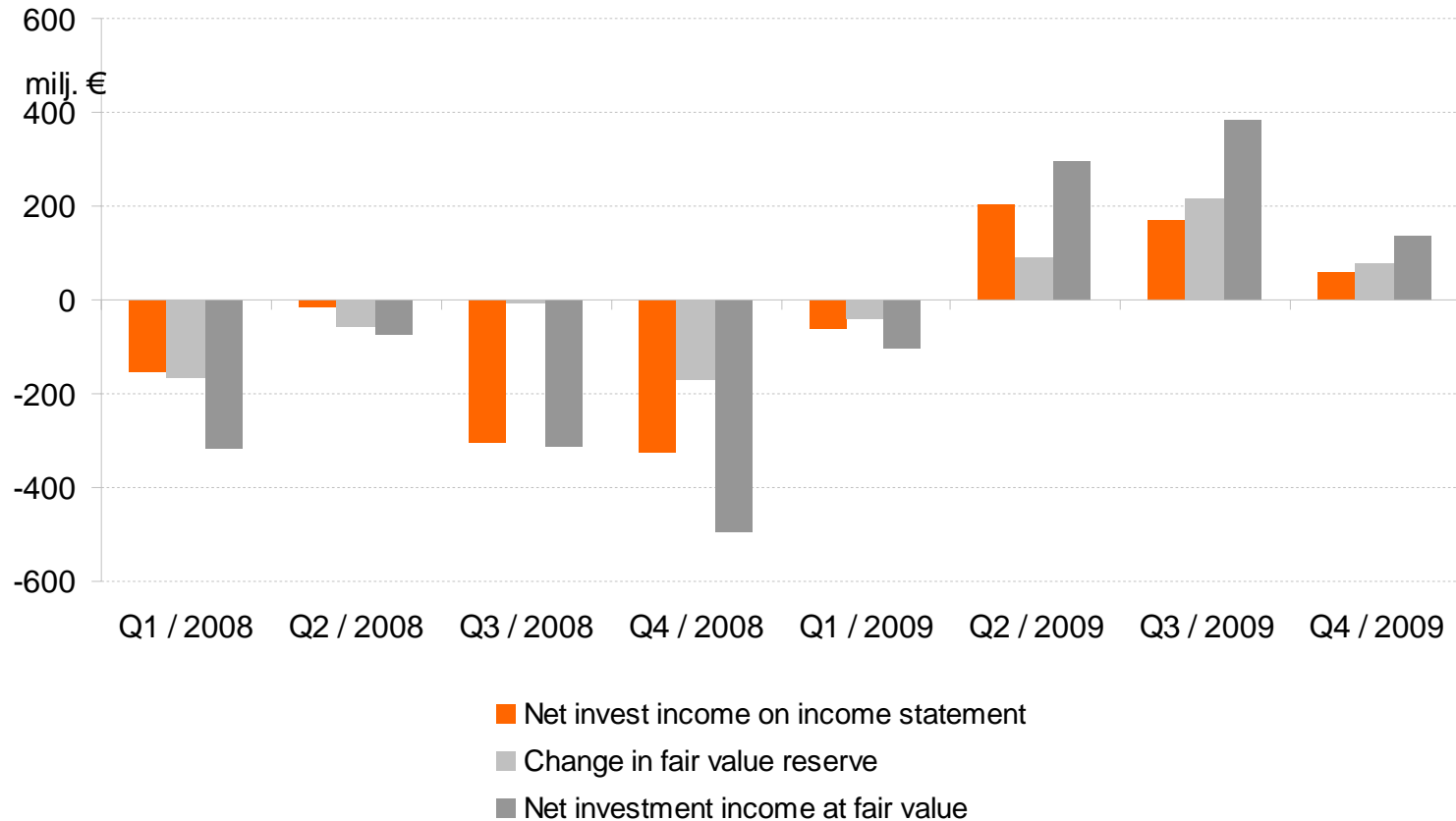
Allocation of investment portfolio



Pohjola/IR * Indirect real property investments reclassified out of Alternative investments into Real property asset class, according to a new investment plan

OP Life Assurance

Net investment income and change in fair value reserve



Thank you
for your
attention

