

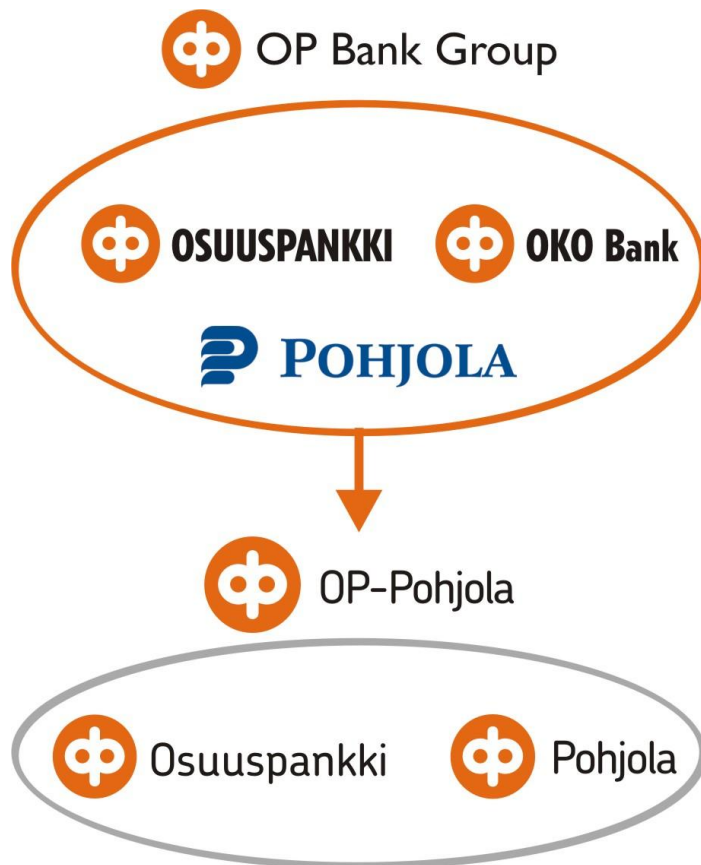
# OKO Bank Presentation

- I Finnish Economy
- II Finnish Financial Industry
- III OP-Pohjola Group
- IV OKO Bank
- V Funding Strategy

## OP Bank Group changed name to OP-Pohjola Group, and OKO Bank to Pohjola Bank

- The name of OP Bank Group has been changed to OP-Pohjola Group.
- The name of OKO Bank Plc will change to Pohjola Bank plc
  - The names of OKO Bank's major subsidiaries will also be changed to conform with the Pohjola brand.
  - OKO Bank's new name is scheduled to be adopted on 1 March 2008.
- The name changes of OP Bank Group and OKO Bank will not affect the names of member cooperative banks in any way.
- The new names will combine banking, investment and non-life insurance operations and two strong Finnish brands with strong traditions.

## Final step of integration



- The structural reorganisations have been made– the corporate structure is ready.
- The decision to keep the Pohjola brand was made already in connection with the acquisition.

### Objective:

- to describe the reform – and create a functionally new group
  - to simplify the nomenclature
  - to speed up mental integration within the financial services group
  - to brighten the corporate image further.
- The new name, OP-Pohjola, will be systematically built into a new brand.
  - The names of member cooperative banks will remain unchanged.

# This is our foundation

	 OP-Pohjola	
	 Osuuspankki	 Pohjola
Basic duty	We promote the sustainable prosperity, well-being and safety of the owner-members, customers and the operating environment.	We create economic added value to our customers and shareholders.
Values	People-first approach, responsibility, prospering together.	
What are we?	A unique combination of bank and insurance services that is convenient for customers and supports corporate customers' business operations.	
	A reliable Finnish pioneer, prospering together with its customers, the top expert.	

# I Finnish Economy

# Nordic countries in a nutshell

## Iceland

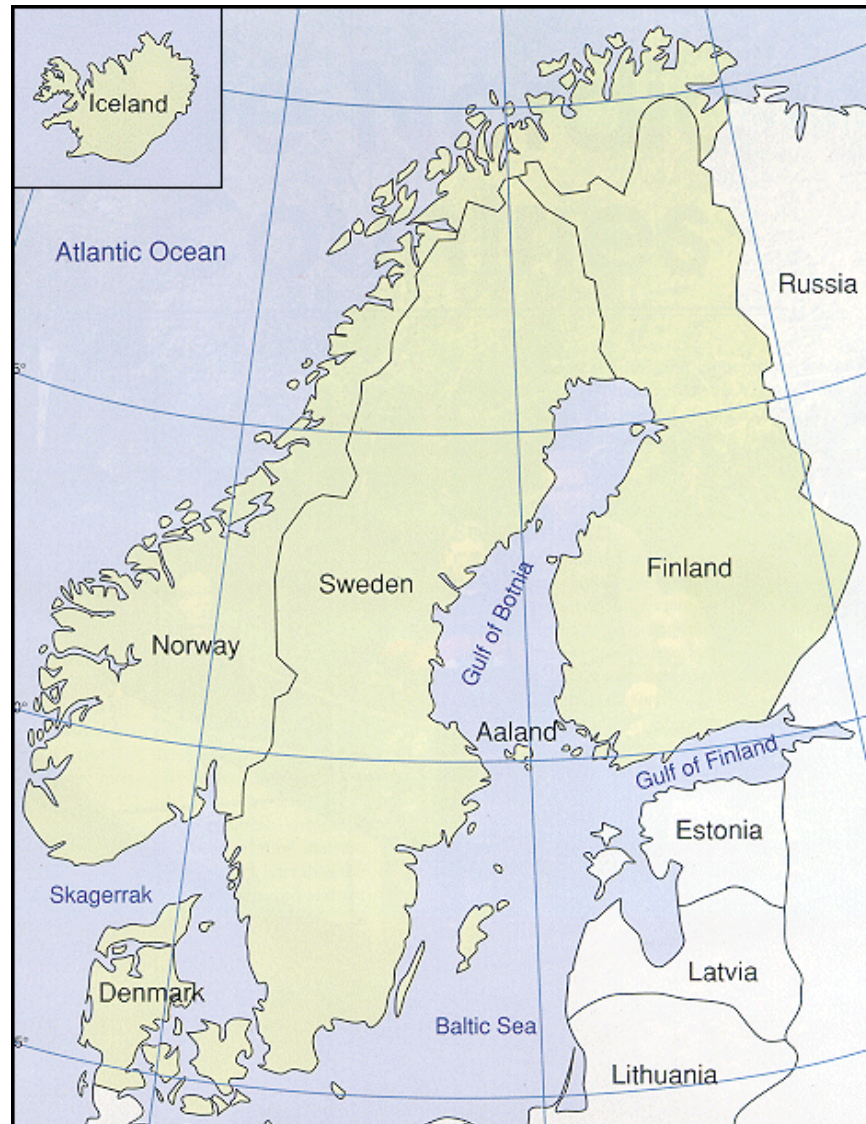
Population: 0.3 million  
Memberships:  
OECD, NATO

## Norway

Population: 4.5 million  
Memberships:  
OECD, NATO

## Denmark

Population: 5.4 million  
Memberships:  
EU, OECD, NATO



## Sweden

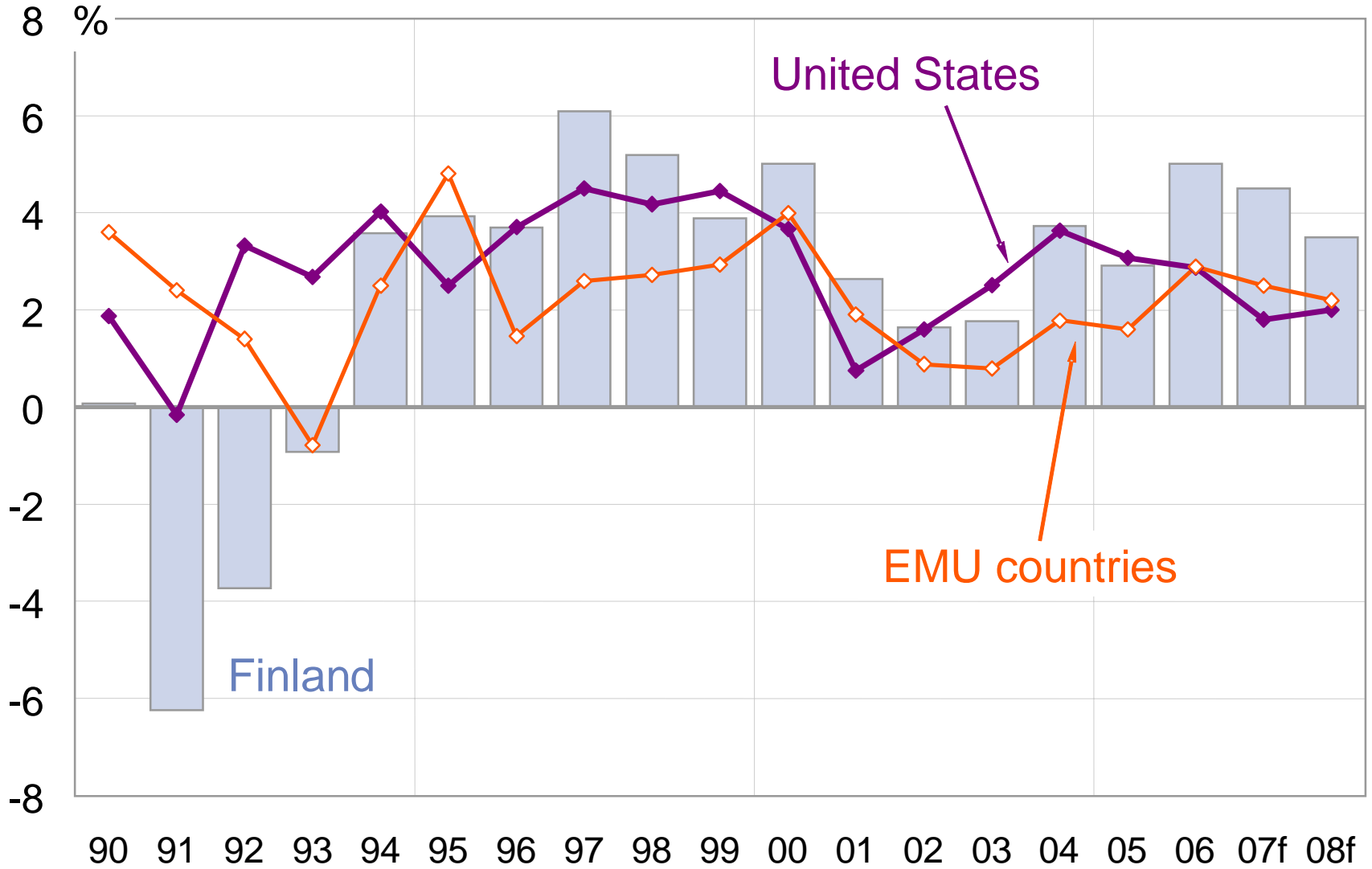
Population: 8.9 million  
Memberships:  
EU, OECD

## Finland

Population: 5.2 million  
Memberships:  
EU, EURO, OECD

Picture: The Nordic Book -  
A Professional Introduction of the Nordic Countries

# Change in GDP volume

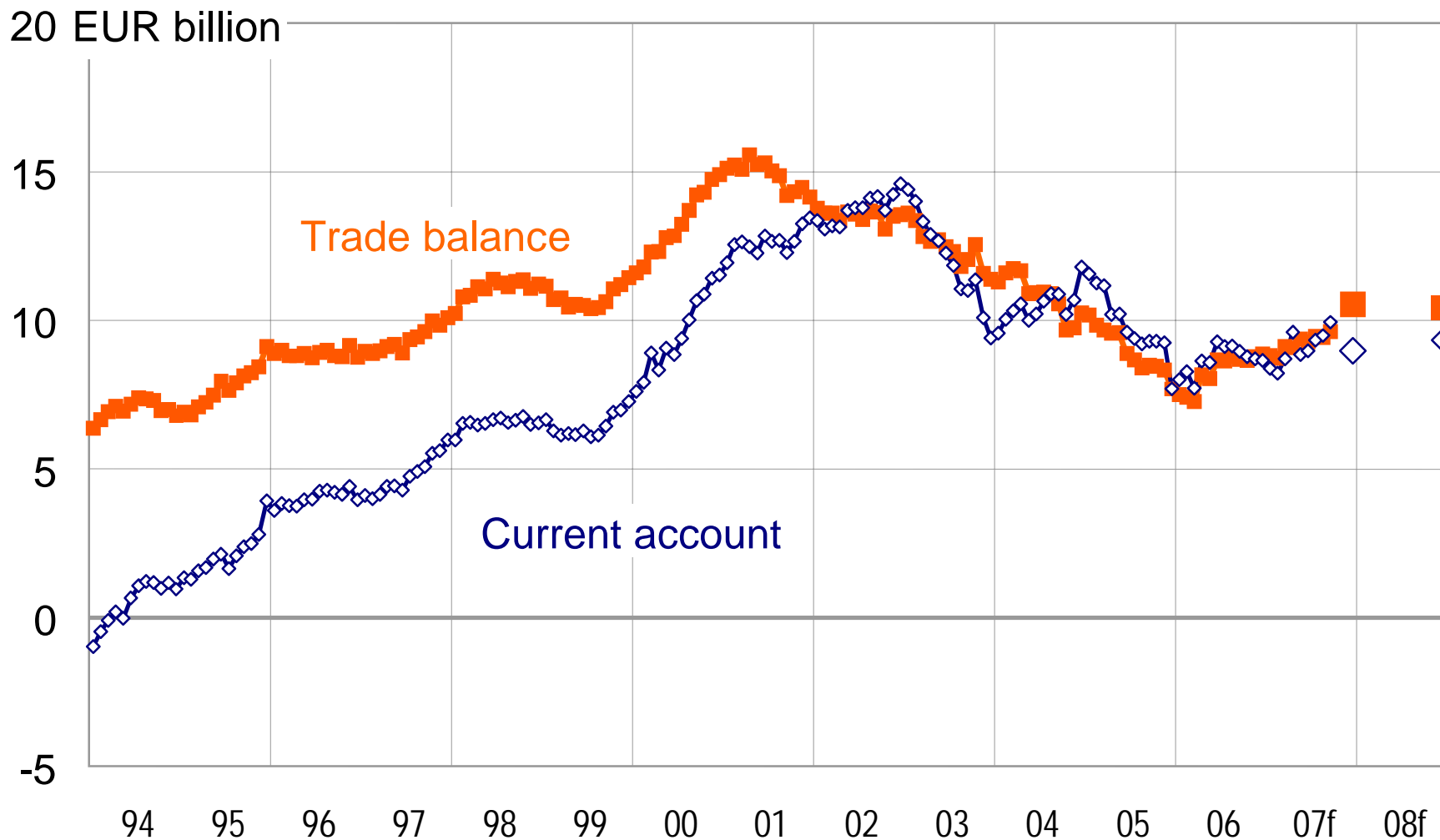


Source: OECD



# Trade balance and current account in Finland

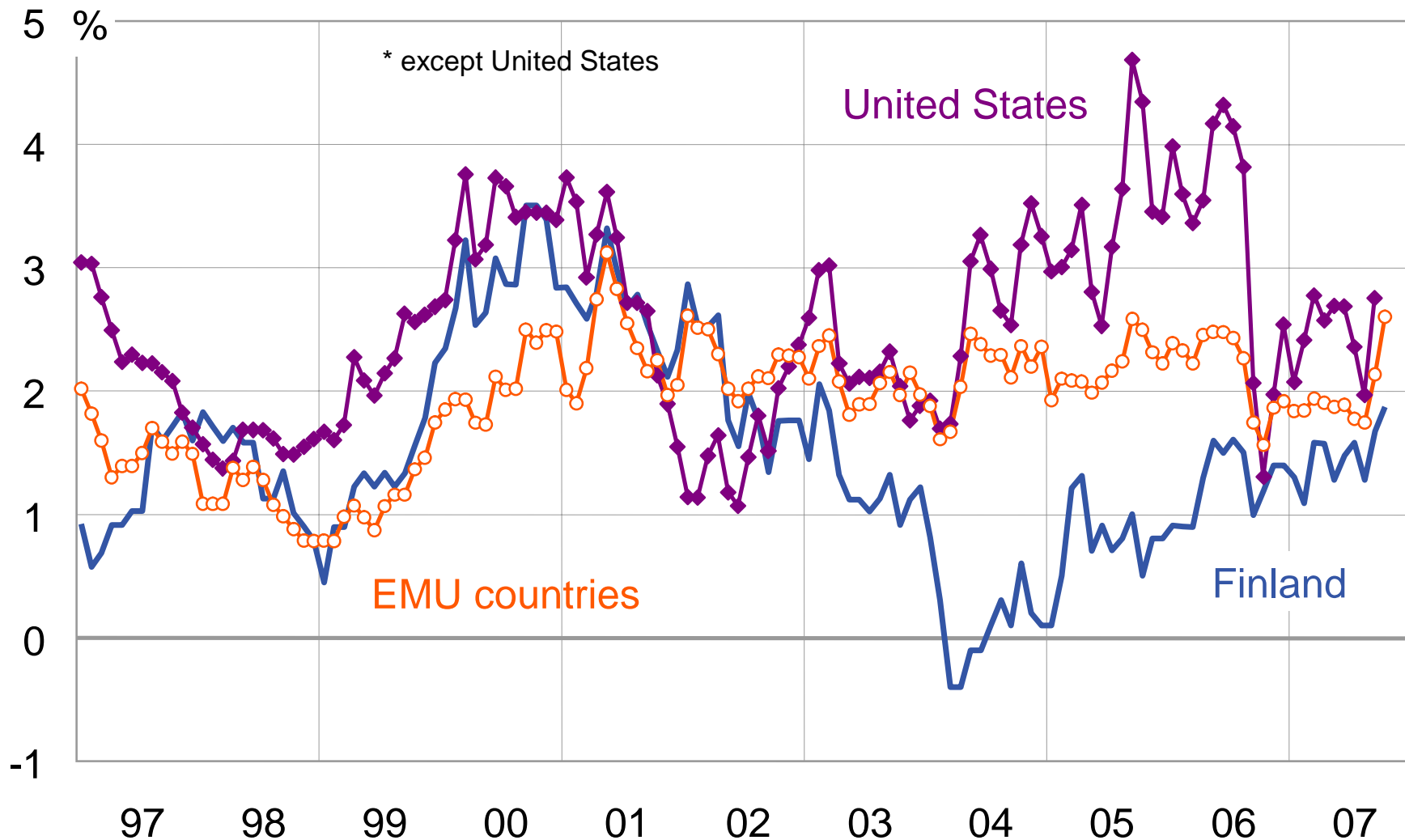
## 12-month moving total



Source: Bank of Finland

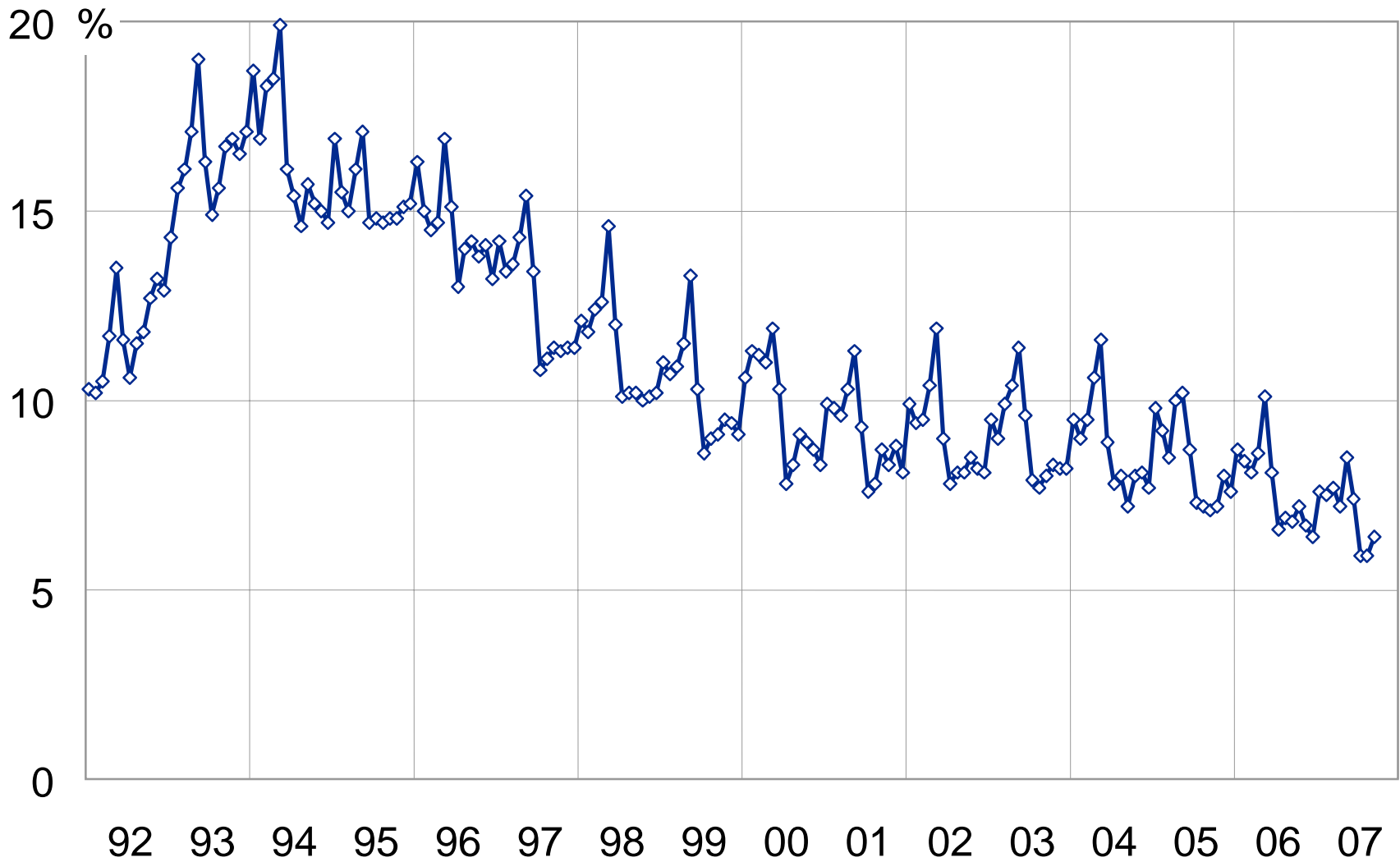


# Harmonized index\* of consumer prices annual change



Source: Reuters

# Unemployment rate in Finland



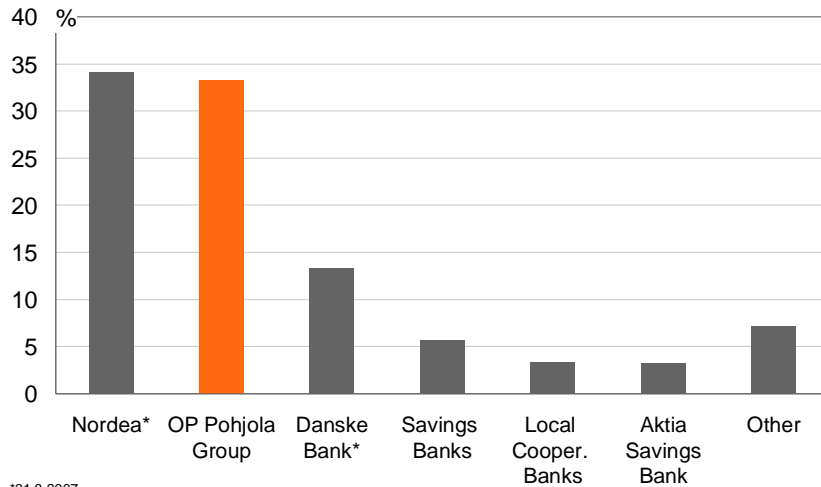
Source: Statistics Finland

## II Finnish Financial Industry

# Market Shares

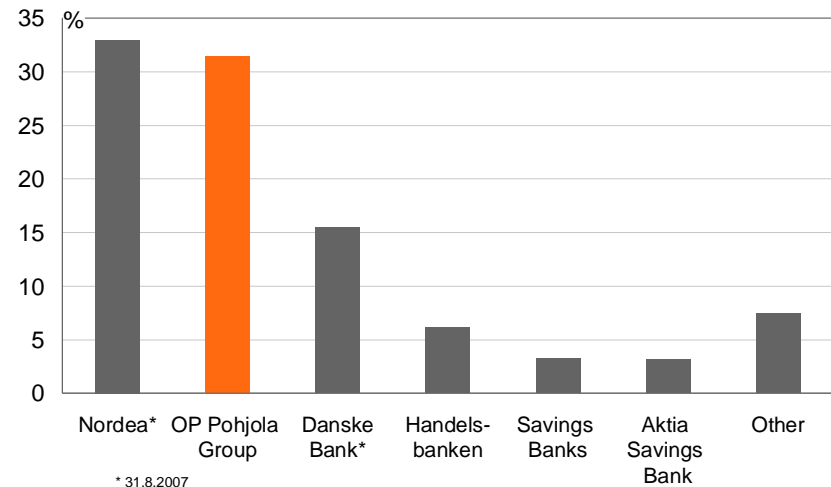
## September 30, 2007

### Deposits



\*31.8.2007

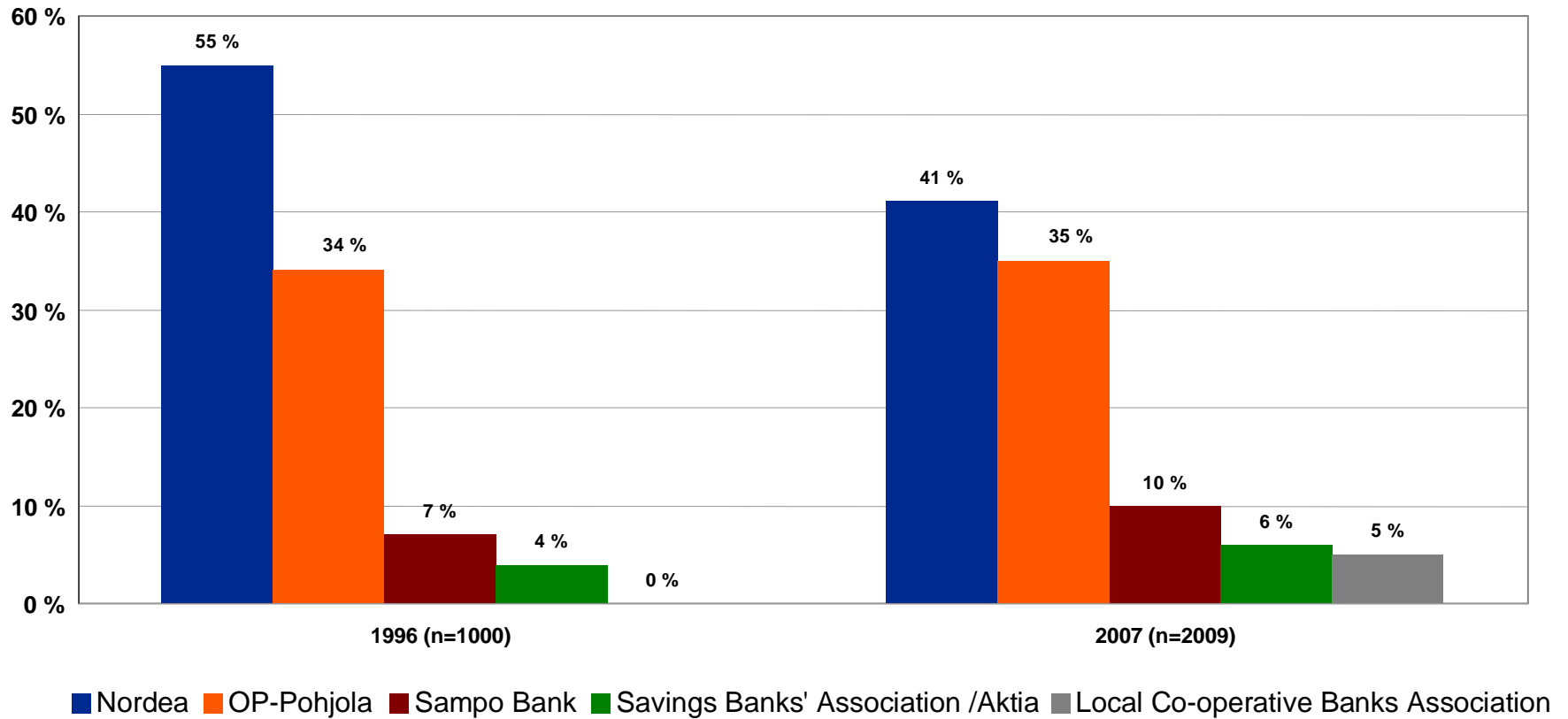
### Loans



\* 31.8.2007

# Customer market share in SMEs <sup>\*)</sup>

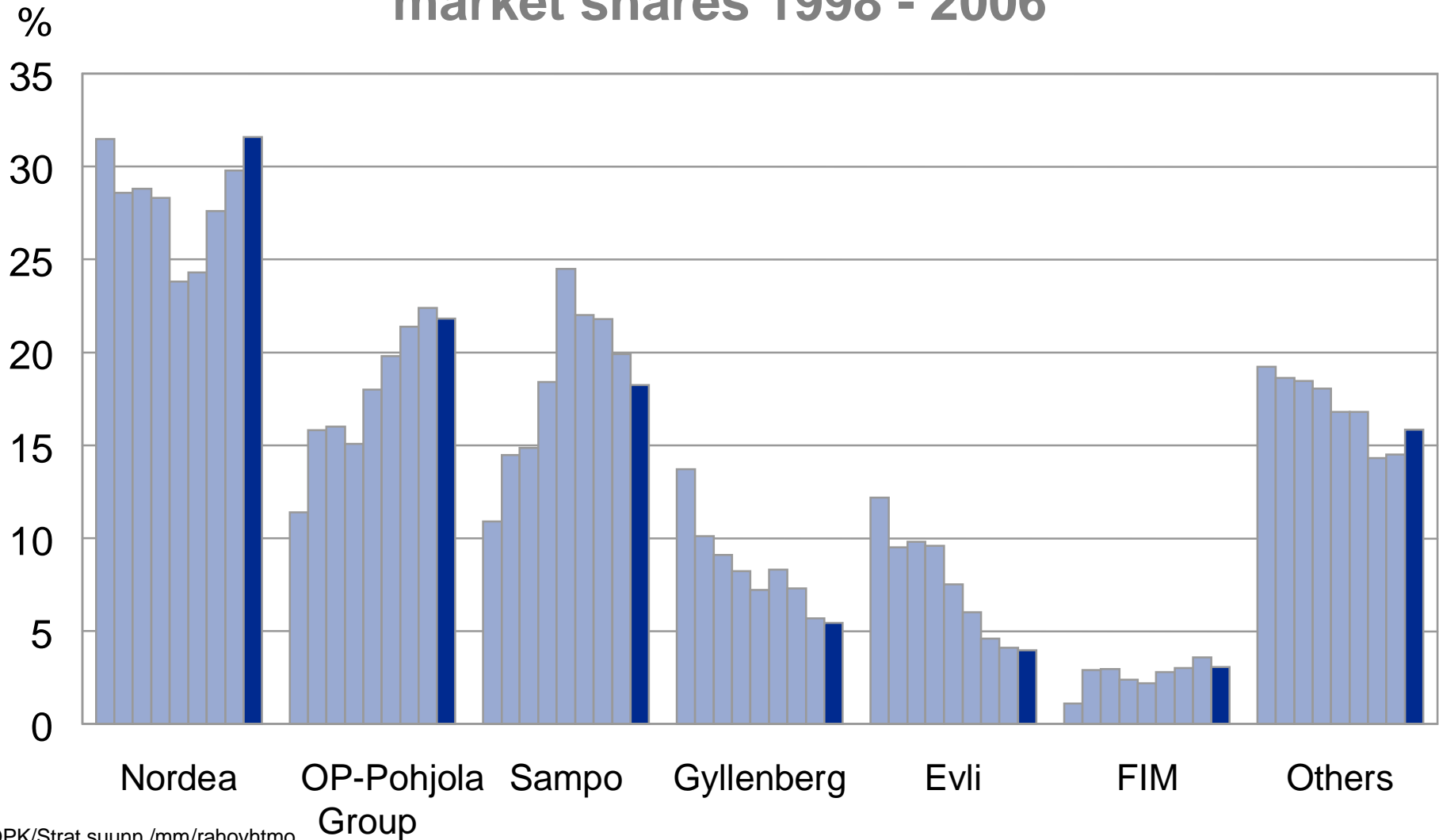
## Principal bank



Nationwide study of small and medium-sized enterprises  
Tietoykkönen Oy (1996-2003)  
Add Value Oy (2004-2007)

\*) The market share of the number of customers

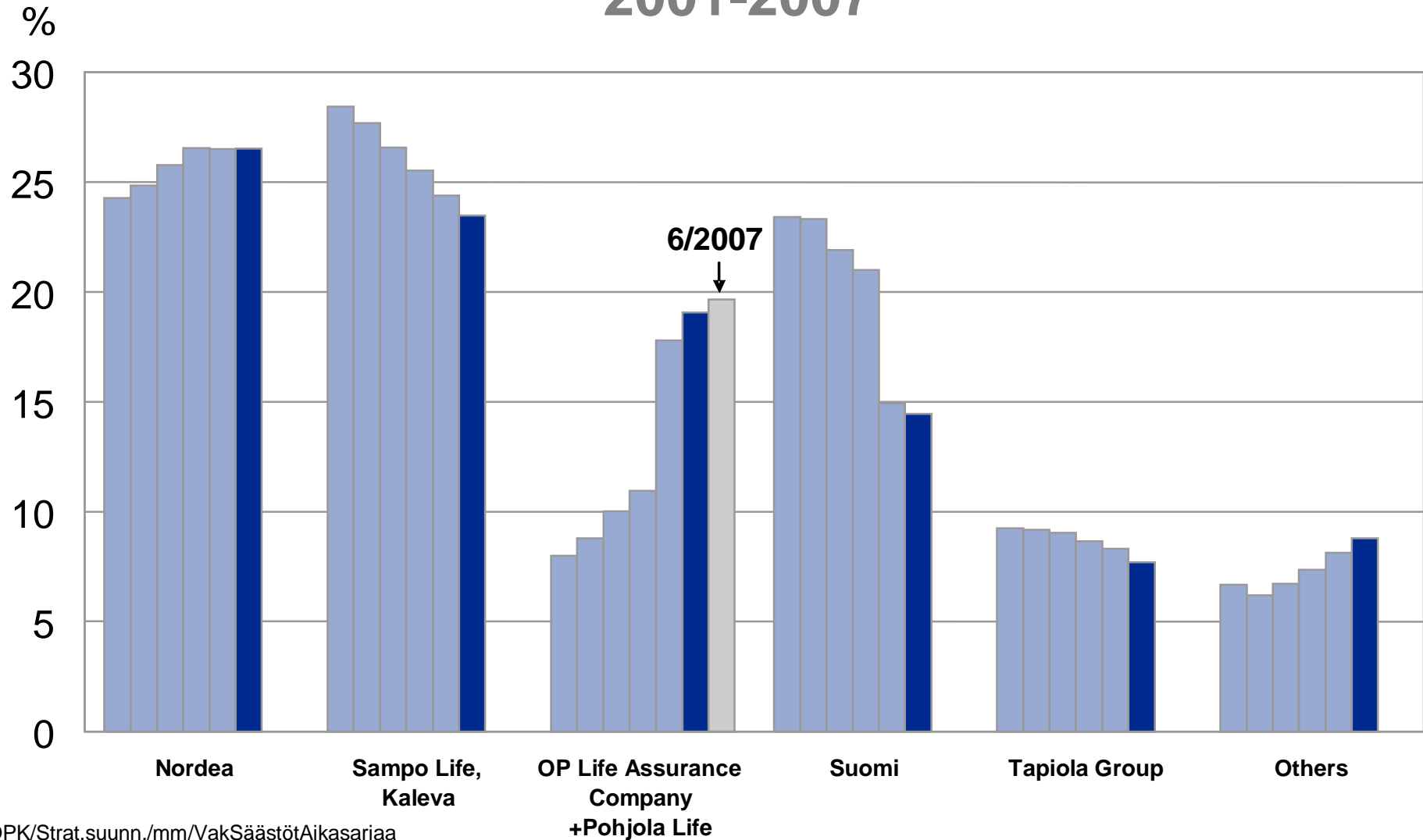
# Mutual fund companies' market shares 1998 - 2006



OPK/Strat.suunn./mm/rahoyhtmo

Source: Finnish Association of Mutual Funds

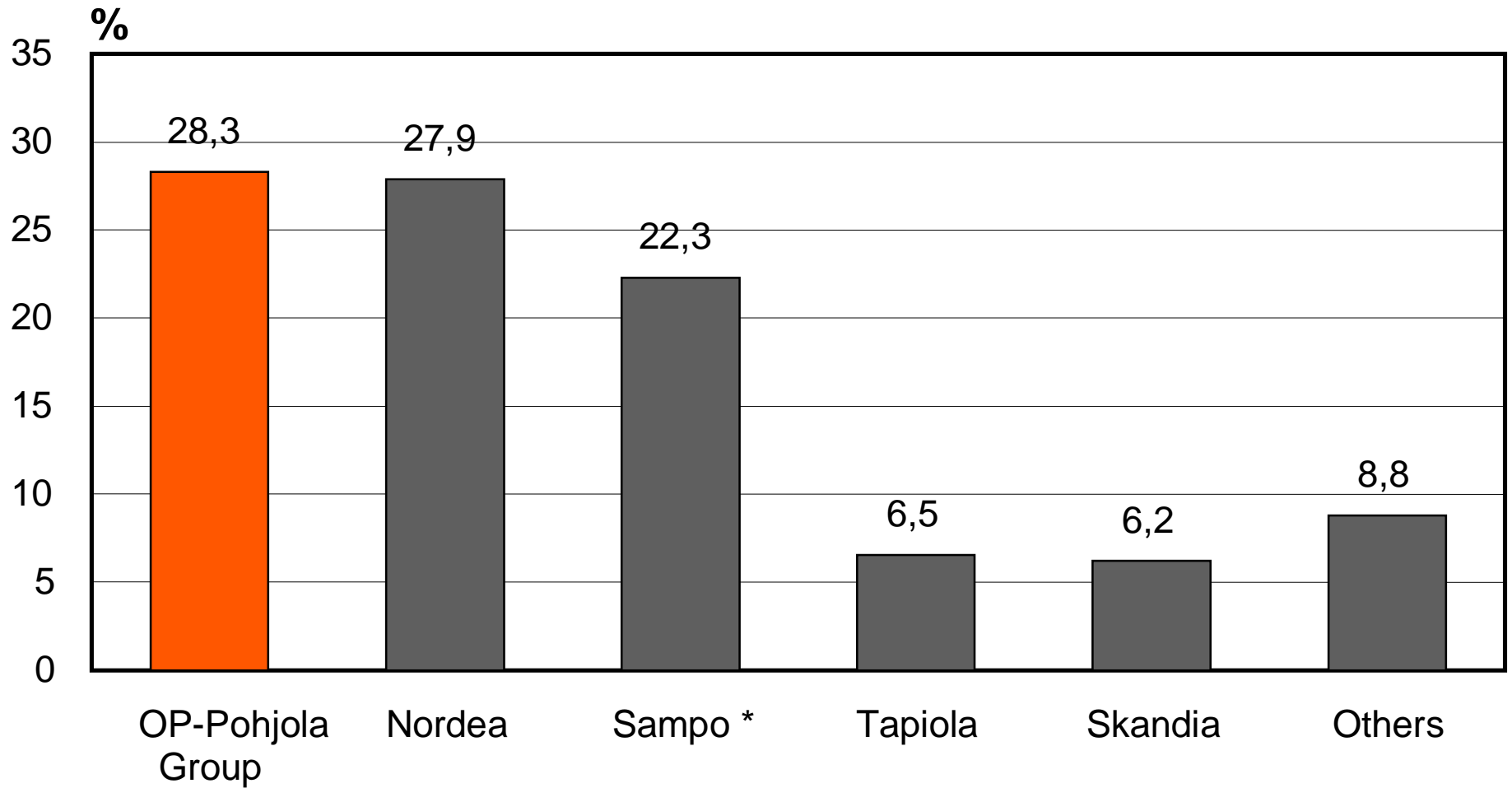
# Market shares in life insurance assets 2001-2007



OPK/Strat.suunn./mm/VakSäästötAikasarjaa  
Source: Federation of Finnish Financial Services

# Market shares in life insurance

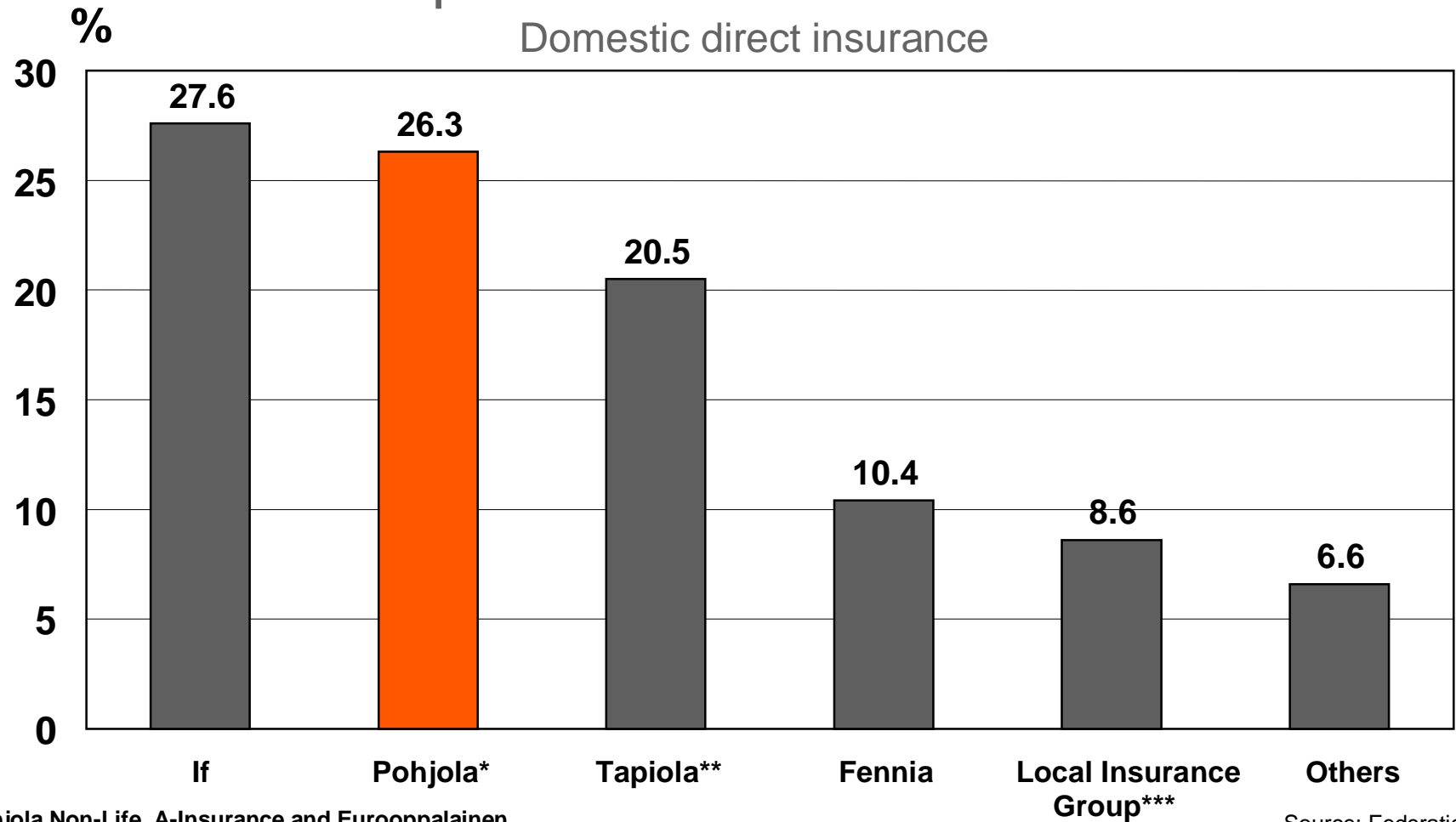
Gross premiums written 2006



\* Sampo Life and Kaleva



# Market shares of non-life insurance premiums written 2006



\* Pohjola Non-Life, A-Insurance and Eurooppalainen

\*\* incl. Turva

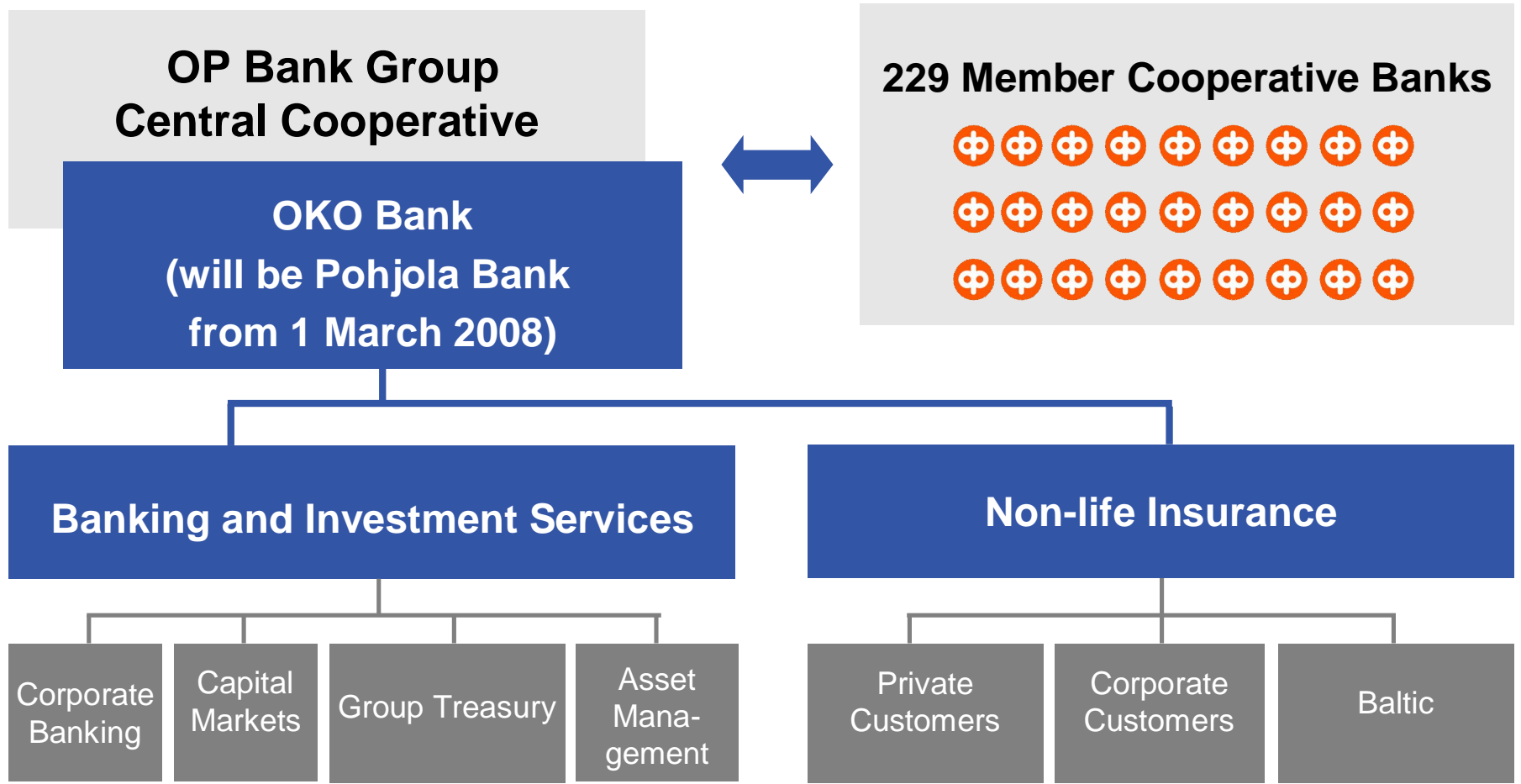
\*\*\* incl. Palonvara

Source: Federation of Finnish Insurance Companies

## III OP-Pohjola Group

Structure, strategies and financial performance

# The Structure of OP-Pohjola Group and OKO Bank Group

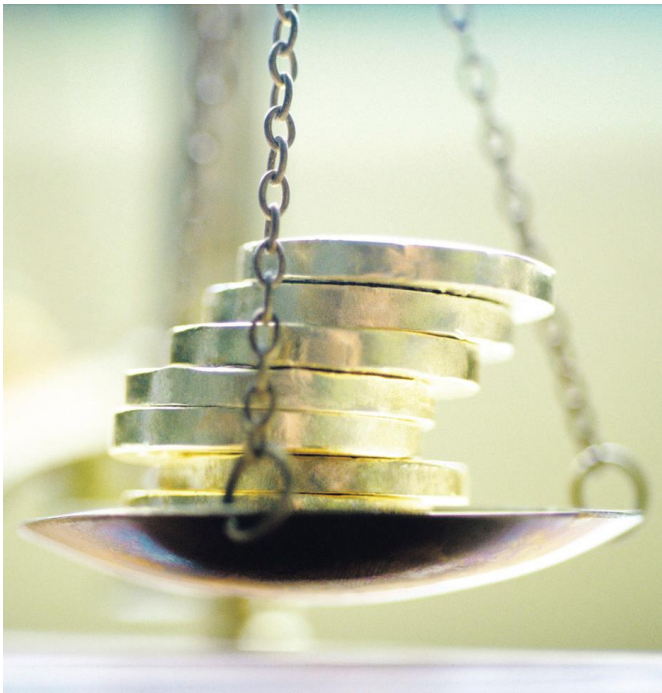


Legal structure: OP-Pohjola Group has joint and several liability for each others commitments.

# Joint Responsibility for Liability

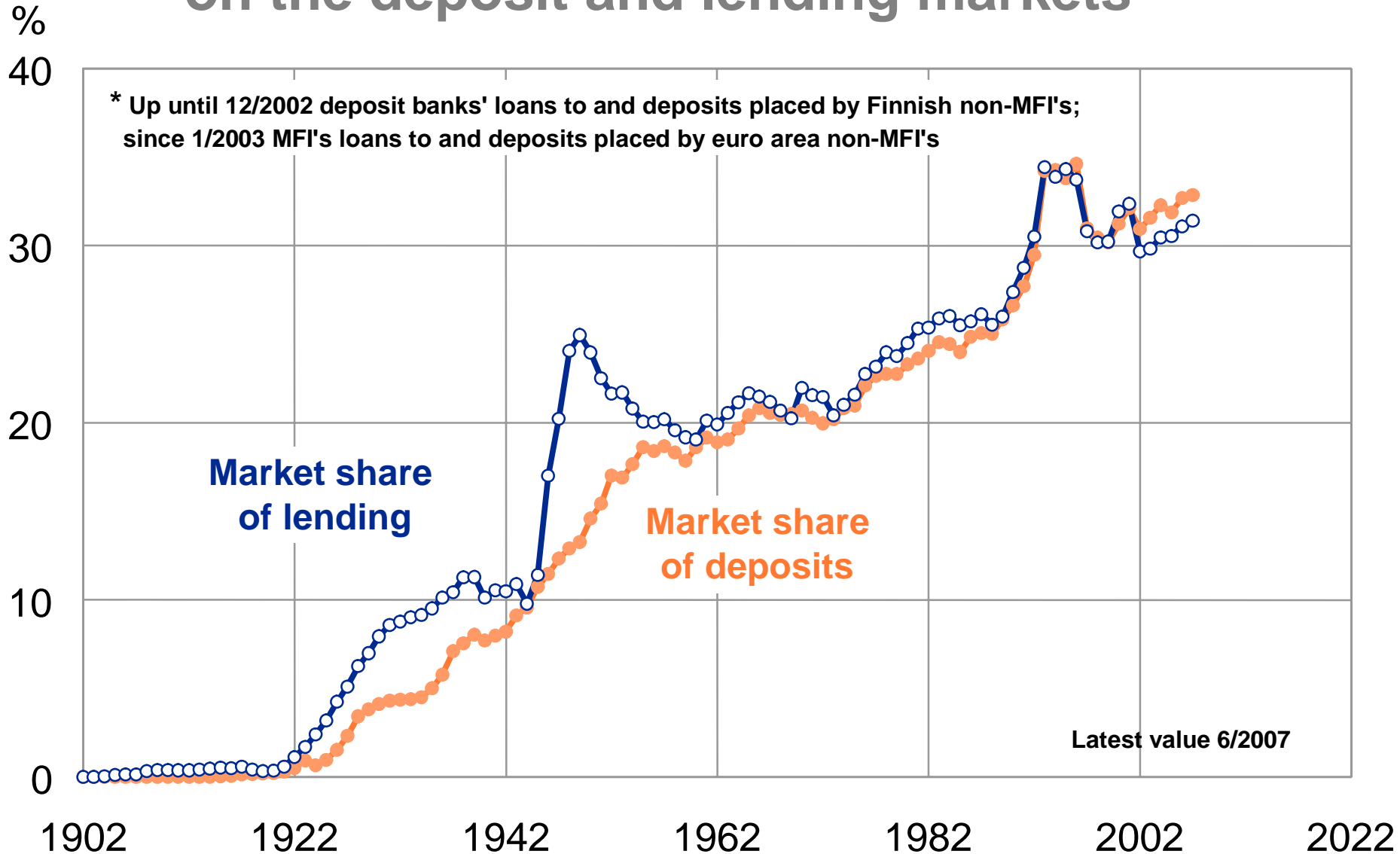
- Joint responsibility within the OP-Pohjola Group is based on the Cooperative Bank Act and the Member Credit Institutions are committed to the joint responsibility in their articles of association (commercial banks) or statutes (Member Cooperative Banks)
  - In the event that a Member Credit Institution or the Central Cooperative is unable to pay any debts owed the other Member Credit Institutions/ Central Cooperative are jointly and severally responsible for paying that debt
    - The outstanding debt is apportioned among the Central Cooperative and the Member Credit Institutions in proportion to their assets as a percentage of the total group assets from the most recently adopted balance sheets
- The joint responsibility under the cooperative system includes the Central Cooperative and its Member Credit Institutions
  - The Member Cooperative Banks of the OP-Pohjola Group, OKO Bank Plc, (Pohjola Bank plc from 1 March, 2008) Helsinki OP Bank Plc, OP-Kotipankki Oyj and OP Mortgage Bank
- Insurance companies within the OP-Pohjola Group are not included in the cooperative joint responsibility

# OP-Pohjola Group's vision



**We are the market leader in all our core business areas and the leading financial services group in Finland.**

# OP-Pohjola Group on the deposit and lending markets\*



## OP-Pohjola Group

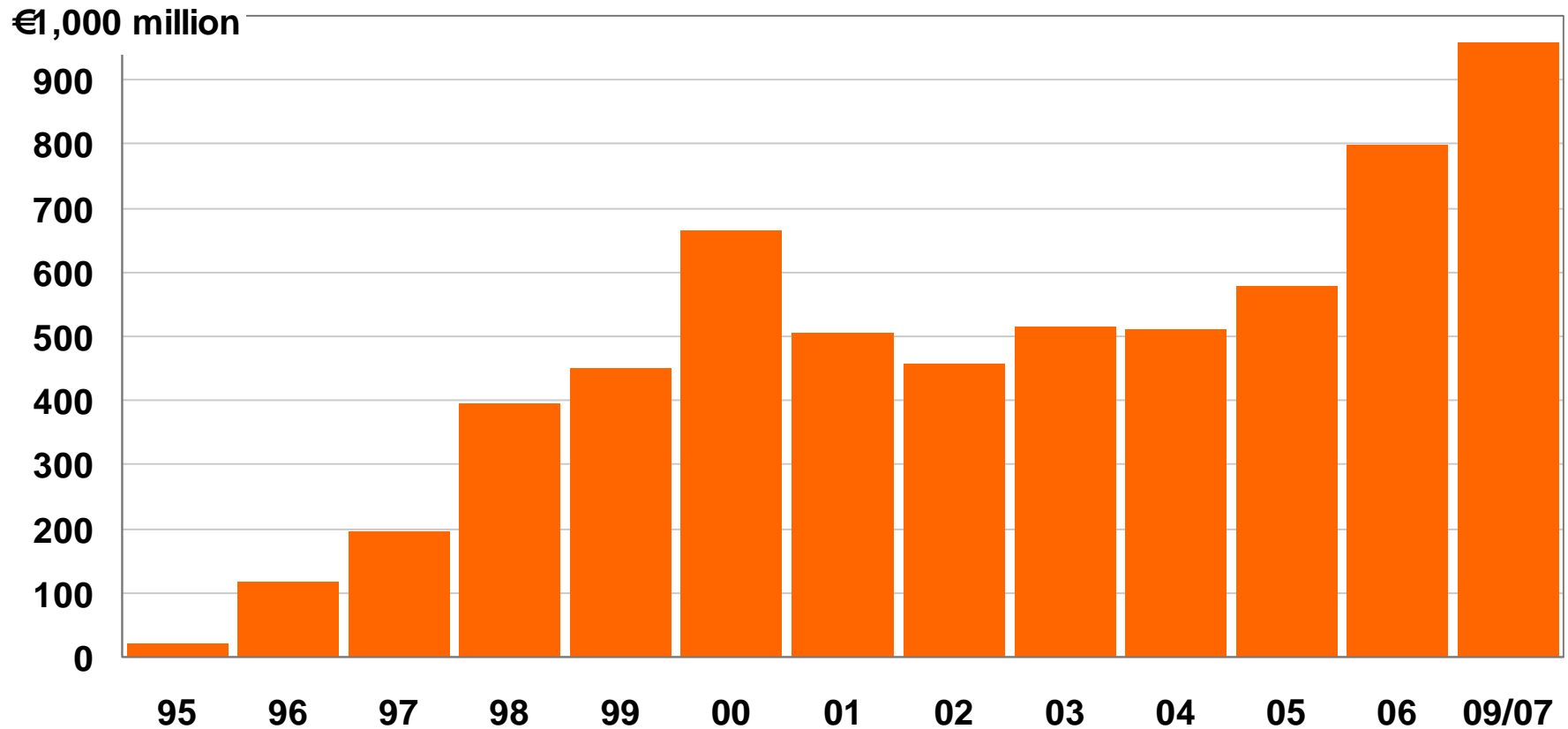
# Income statement

€ million	Change			
1 January to 30 September	2007	2006	€ million	%
Net interest income	771	642	129	20
Other income	895	795	100	13
<b>Total income</b>	<b>1,666</b>	<b>1,437</b>	<b>229</b>	<b>16</b>
Personnel costs	407	378	29	8
Other expenses	419	411	8	2
<b>Total expenses</b>	<b>826</b>	<b>789</b>	<b>37</b>	<b>5</b>
Impairment losses on receivables	10	4	5	
Returns to owner-members	74	46	28	60
<b>Earnings before tax</b>	<b>757</b>	<b>598</b>	<b>159</b>	<b>27</b>

# OP-Pohjola Group

## Earnings before tax, 12 month moving total

1995-2003 FAS





## OP-Pohjola Group

# Ratios

	09/2007	09/2006
<b>Net interest margin, % *</b>	<b>1.7</b>	<b>1.5</b>
<b>Cost/ income ratio, Banking and Investment Services, %</b>	<b>48</b>	<b>52</b>
<b>Return on equity (ROE), %</b>	<b>14.4</b>	<b>12.3</b>
<b>Return on equity at fair value, %</b>	<b>12.2</b>	<b>11.3</b>
<b>Return on assets (ROA), %</b>	<b>1.23</b>	<b>1.06</b>
<b>Non-performing and zero-interest bearing receivables of loans and guarantees, %</b>	<b>0.4</b>	<b>0.4</b>
<b>Tier 1 ratio, %</b>	<b>12.7</b>	<b>12.4</b>
<b>Capital adequacy ratio, %</b>	<b>14.1</b>	<b>14.0</b>

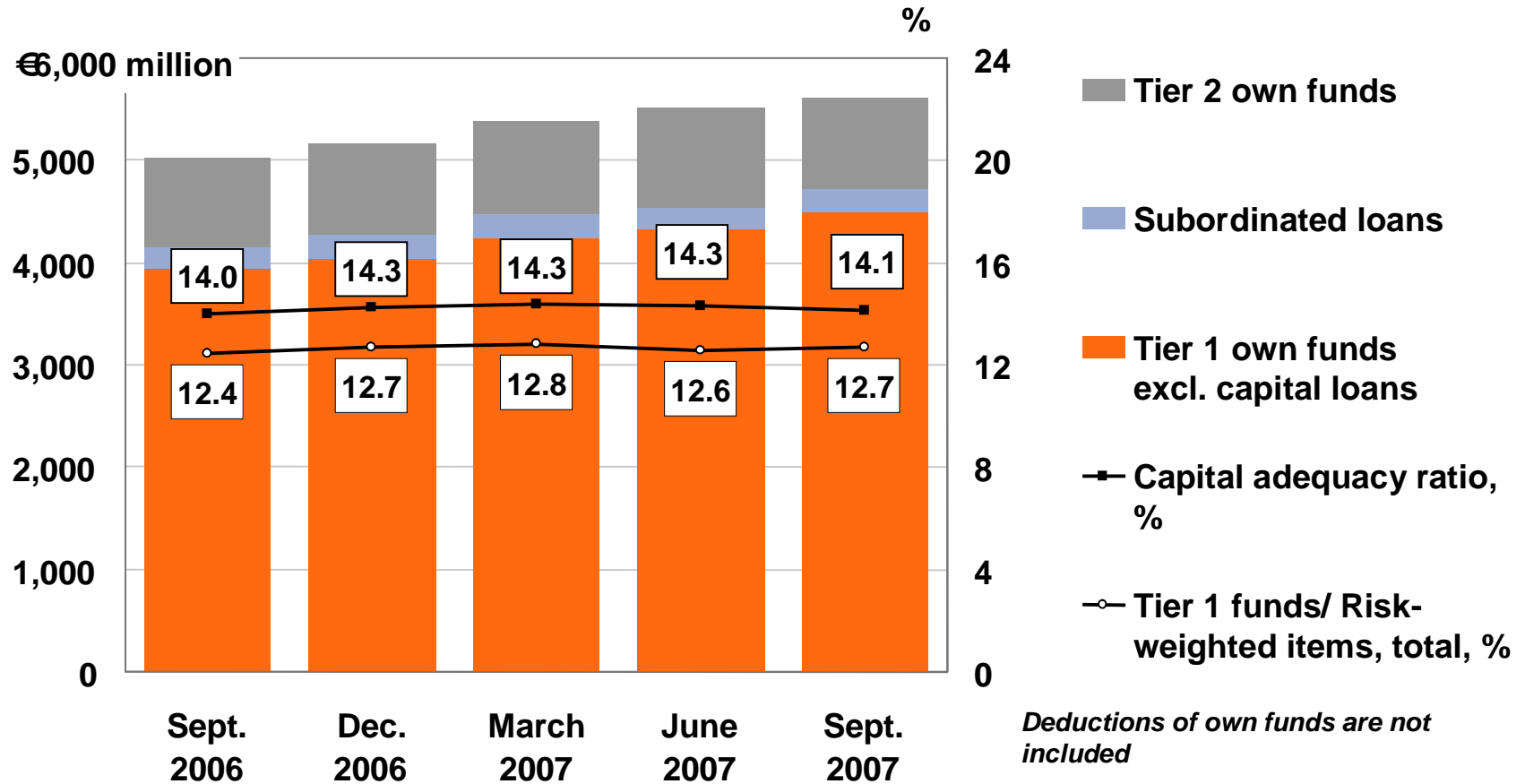
\* Net interest income as a % of average total assets

# OP-Pohjola Group

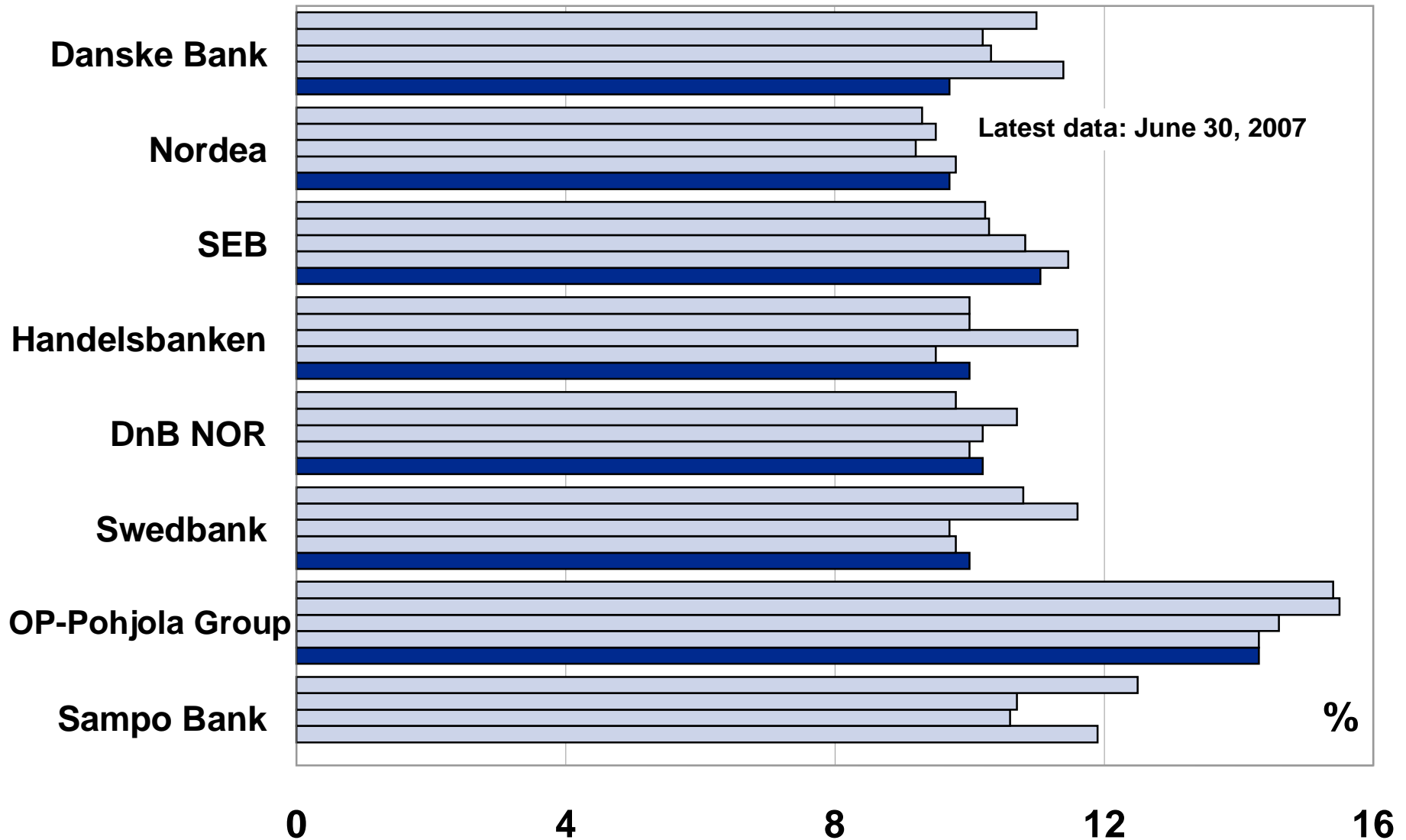
## Balance sheet items

€million	09/2007	09/2006
<b>Total assets</b>	<b>64 900</b>	<b>59 878</b>
<b>Credit stock</b>	<b>43 587</b>	<b>38 581</b>
<b>Non-performing and zero-interest claims</b>	<b>192</b>	<b>172</b>
<b>Deposits</b>	<b>28 193</b>	<b>25 419</b>
<b>Equity capital</b>	<b>5 557</b>	<b>4 950</b>

# OP-Pohjola Group Own funds and capital adequacy



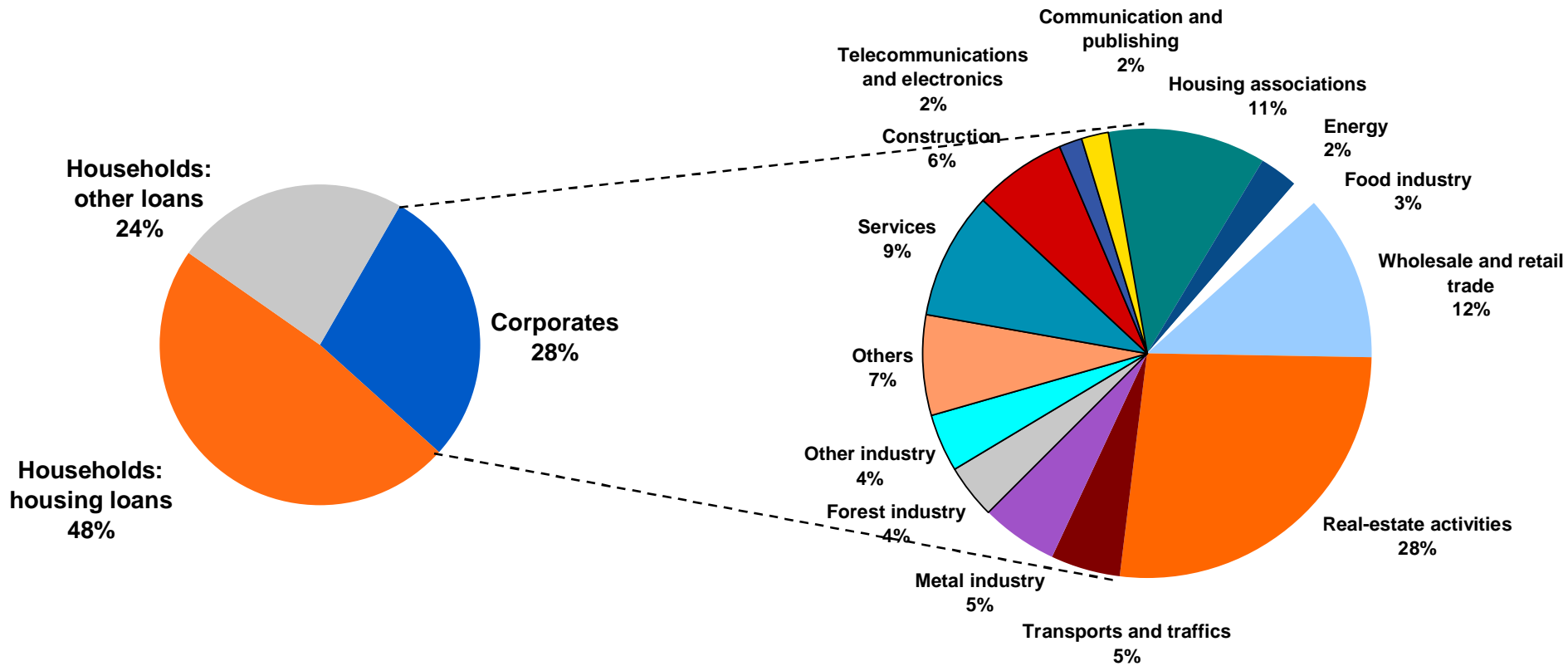
# Nordic banks: Total capital ratio 2003-2007



# Asset Mix OP-Pohjola Group

## Loans and leasing assets by sector

September 30, 2007



## OP-Pohjola Group

# Loan portfolio by sector

€million	30 Sept. 2007		30 Sept. 2006		Change		Non-performing and zero-interest loans	
					€million	%	30 Sept. 2007	Of loans
<b>Non-banking corporate sector and housing corporations</b>	<b>12,334</b>	<b>28%</b>	<b>10,905</b>	<b>28%</b>	<b>1,430</b>	<b>13%</b>	<b>74</b>	<b>0.6%</b>
Industry	2,346	5%	2,292	6%	55	2%	11	0.5%
Construction	799	2%	672	2%	127	19%	7	0.9%
Trade and catering	1,669	4%	1,447	4%	223	15%	13	0.8%
Property investment	3,280	8%	2,711	7%	570	21%	17	0.5%
Other companies	2,830	6%	2,567	7%	263	10%	19	0.7%
Housing corporations	1,410	3%	1,217	3%	193	16%	7	0.5%
<b>Finance and insurance</b>	<b>47</b>	<b>0%</b>	<b>96</b>	<b>0%</b>	<b>-49</b>	<b>-51%</b>	<b>0</b>	<b>0.0%</b>
<b>Public corporations and non-profit organisations</b>	<b>820</b>	<b>2%</b>	<b>746</b>	<b>2%</b>	<b>74</b>	<b>10%</b>	<b>1</b>	<b>0.2%</b>
<b>Households</b>	<b>29,942</b>	<b>69%</b>	<b>26,679</b>	<b>69%</b>	<b>3,263</b>	<b>12%</b>	<b>117</b>	<b>0.4%</b>
Home mortgages	20,952	48%	18,376	48%	2,576	14%	53	0.3%
<b>Foreign</b>	<b>498</b>	<b>1%</b>	<b>317</b>	<b>1%</b>	<b>181</b>	<b>57%</b>	<b>0</b>	<b>0.0%</b>
<b>Other items, net</b>	<b>-57</b>	<b>0%</b>	<b>-163</b>		<b>107</b>			
<b>Total</b>	<b>43,584</b>	<b>100%</b>	<b>38,578</b>	<b>100%</b>	<b>5,006</b>	<b>13%</b>	<b>192</b>	<b>0.4%</b>

## OP-Pohjola Group

### Corporate loans and leasing assets by industry

€million	30.9.2007		Non-performing and zero- interest loans	
Housing associations	1,410	11%	7	10%
Food industry	344	3%	1	2%
Energy	248	2%	0	0%
Wholesale and retail trade	1,466	12%	10	14%
Real-estate activities	3,280	27%	17	22%
Transports and traffics	629	5%	10	13%
Metal industry	664	5%	4	5%
Forest industry	501	4%	1	2%
Other industry	491	4%	3	4%
Others	913	7%	2	2%
Services	1,128	9%	9	12%
Construction	799	6%	7	10%
Telecommunications and electronics	219	2%	1	2%
Communication and publishing	241	2%	2	2%
<b>Total</b>	<b>12,334</b>	<b>100%</b>	<b>74</b>	<b>100%</b>

## OP-Pohjola Group

# Non-performing and zero-interest loans

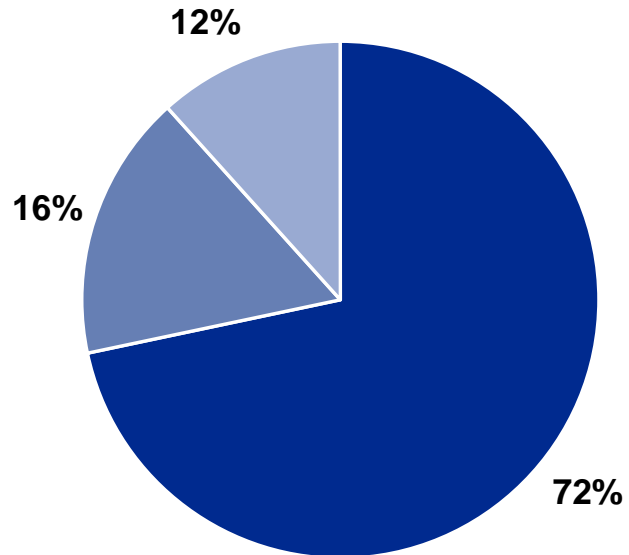
€million	30 Sept. 2007	30 Sept. 2006	Change, %	31 Dec. 2006
Households	117	106	10.7	78
Companies	67	62	6.5	47
Housing corporations and others	9	4		3
<b>Total</b>	<b>192</b>	<b>172</b>	<b>11.9</b>	<b>128</b>
Non-performing loans of loan and guarantee portfolio, %	0.4	0.4	0.0*	0.3

\* Percentage points



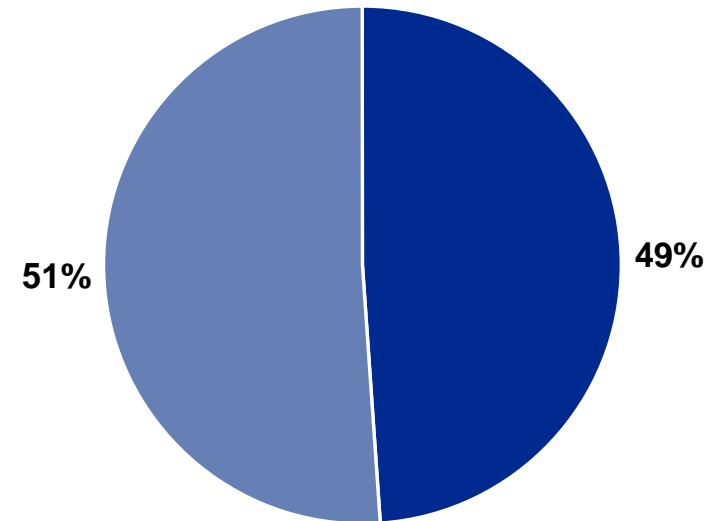
# Diversified business mix

**OP-Pohjola Group -  
Earnings before tax, 1-9/2007**



- Banking and Investment Services
- Non-Life Insurance
- Life Insurance

**OKO Bank Group -  
earnings before tax, 1-9/2007**



- Banking and Investment Services
- Non-Life Insurance

# IV OKO Bank

(Pohjola Bank plc from 1 March, 2008)

# Strategic targets

- Leading market position
- ROE at fair value 15 %
- Banking and Investment Services Operating cost/income ratio < 40%
- Non-life Insurance Operating combined ratio 92%

# Quarterly key figures

	1-3/2006	4-6/2006	7-9/2006	10-12/2006	1-3/2007	4-6/2007	7-9/2007
	31 March 2006	30 June 2006	30 Sept 2006	31 Dec 2006	31 March 2007	30 June 2007	30 Sept 2007
Earnings before tax, € million	69	57	40	100	65	100	56
Return on equity at fair values, % *)	8,5	2,1	18,3	11,7	13,7	12,2	7,1
Tier 1 ratio, %	8,8	8,2	8,2	8,2	8,0	8,0	7,9
Solvency ratio,%	11,7	10,5	12,7	12,9	12,7	13,3	13,0
Earnings per share, €	0,26	0,21	0,22	0,20	0,25	0,36	0,20
Equity per share, € ***)	8,33	8,37	8,75	8,99	8,65	8,91	9,07

\*) Return on equity has been calculated at fair values since 2006. Income has been annualised

# Financial objectives

## – high profitability the main objective

	1-3/2007 31 March 2007	4-6/2007 30 June 2007	7-9/2007 30 Sept 2007	Target 2009
<b>Banking and Investment Services</b>				
Operative return on equity, %	17.6	17.7	7.7	>18
Operative cost/income ratio, %	39.1	38.2	54.0	40
<b>Non-life Insurance</b>				
Operative return on equity, %	35.0	26.9	23.7	> 20
Operative combined ratio, %	100.8	89.3	89.5	< 94
<b>Group</b>				
Return on equity at fair values, %	13.7	12.2	7.1	13.0
Tier 1 ratio, %	8.0	8.0	7.9	8.0

# Quarterly Income statement

€ million	1-3/07	4-6/06	7-9/06	10-12/06	1-3/07	4-6/07	7-9/07
Net interest income	26	25	22	23	26	32	27
Impairment losses on receivables	-1	0	2	0	0	1	1
Net interest income after impairment losses	27	25	20	23	26	31	26
Net income from non-life insurance	86	90	68	84	94	113	103
Net commissions and fees	26	23	25	29	28	31	24
Net trading income	3	2	6	9	7	3	-16
Net investment income	20	9	2	7	10	13	5
Other operating income	12	13	11	13	13	24	15
Total income	173	163	132	165	179	214	157
Personnel costs	42	45	36	42	41	45	37
IT expenses	11	11	10	10	11	11	10
Amortisation on intangible assets from acquisition	9	9	9	9	9	9	9
Other depreciation and amortisation	6	5	5	6	6	7	6
Other expenses	37	35	32	41	47	43	38
Total expenses	104	105	92	108	114	114	100
Share of associates' profits/losses	0	0	0	0	0	0	0
Earnings before tax	69	57	40	57	65	100	56

# V Funding Strategy

# Long-term credit ratings \*)

	Moody's Investors Service	Standard & Poor's	Fitch Ratings
OKO Bank	Aa1	AA-	AA-
Danske Bank	Aa1	AA-	AA-
Handelsbanken	Aa1	AA-	AA-
Nordea	Aa1	AA-	AA-
Swedbank	Aa1	A+	A+
DnB NOR	Aa1	A+	-
SEB	Aa2	A+	A+

Pohjola **)	A2	A+	-
If **)	A2	A	-

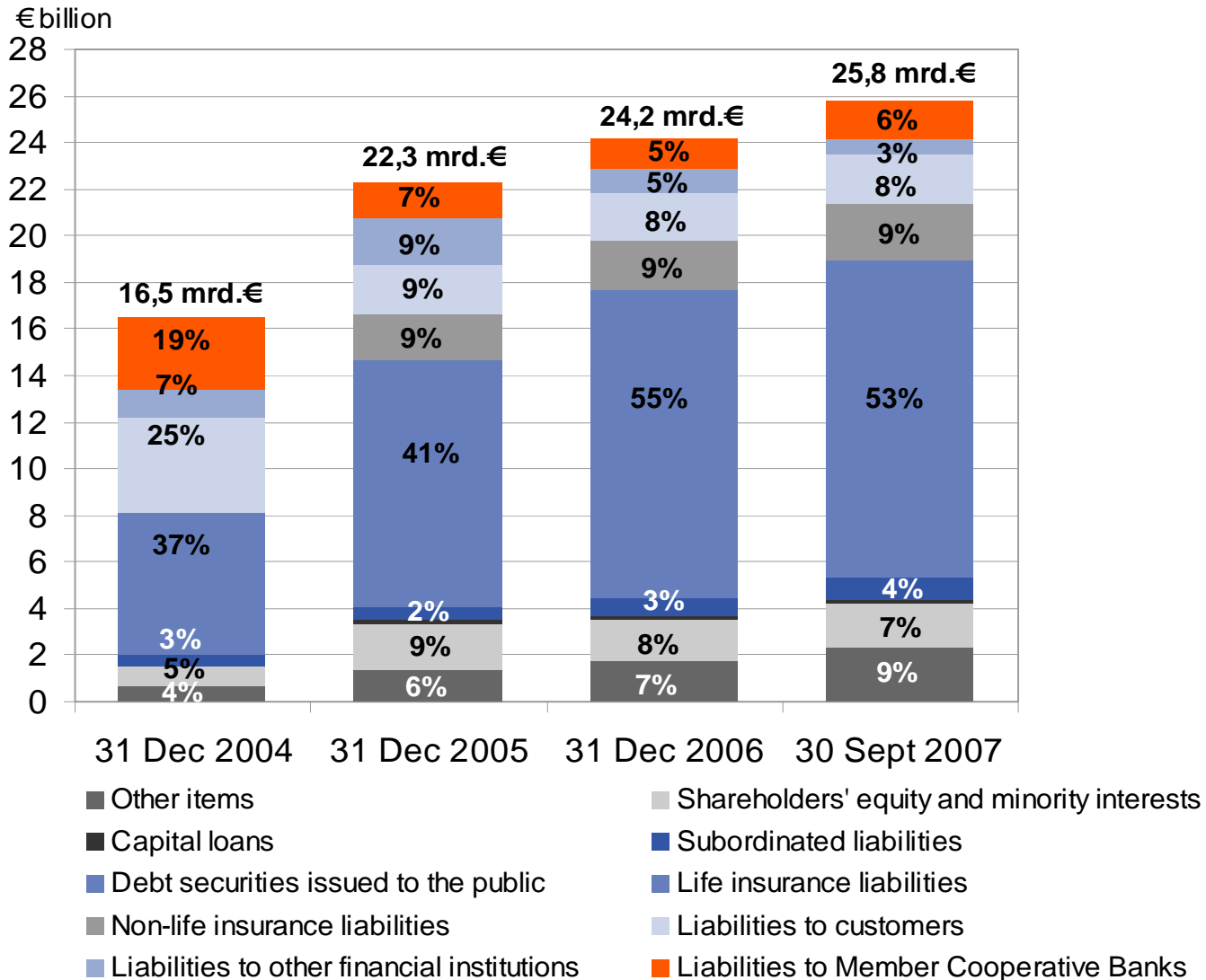
Finnish Sovereign	Aaa	AAA	AAA
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\*) Long-term funding

\*\*) Insurance financial strength

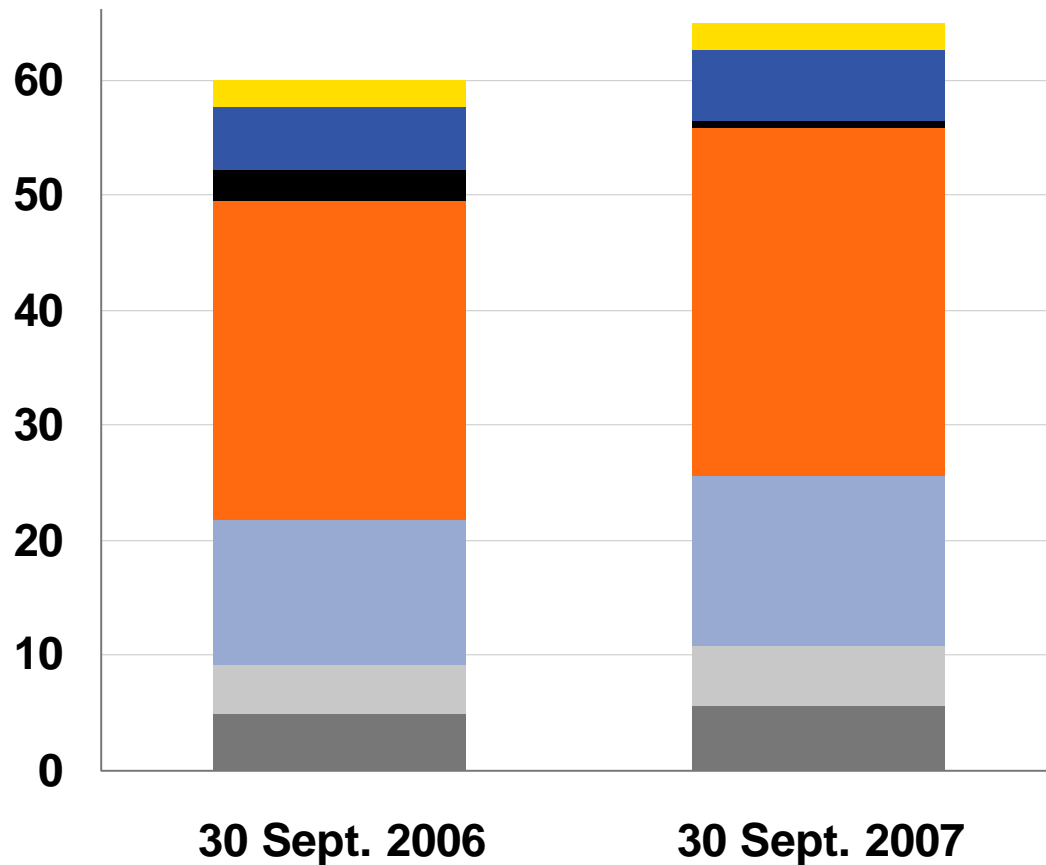


# Balance sheet – Funding



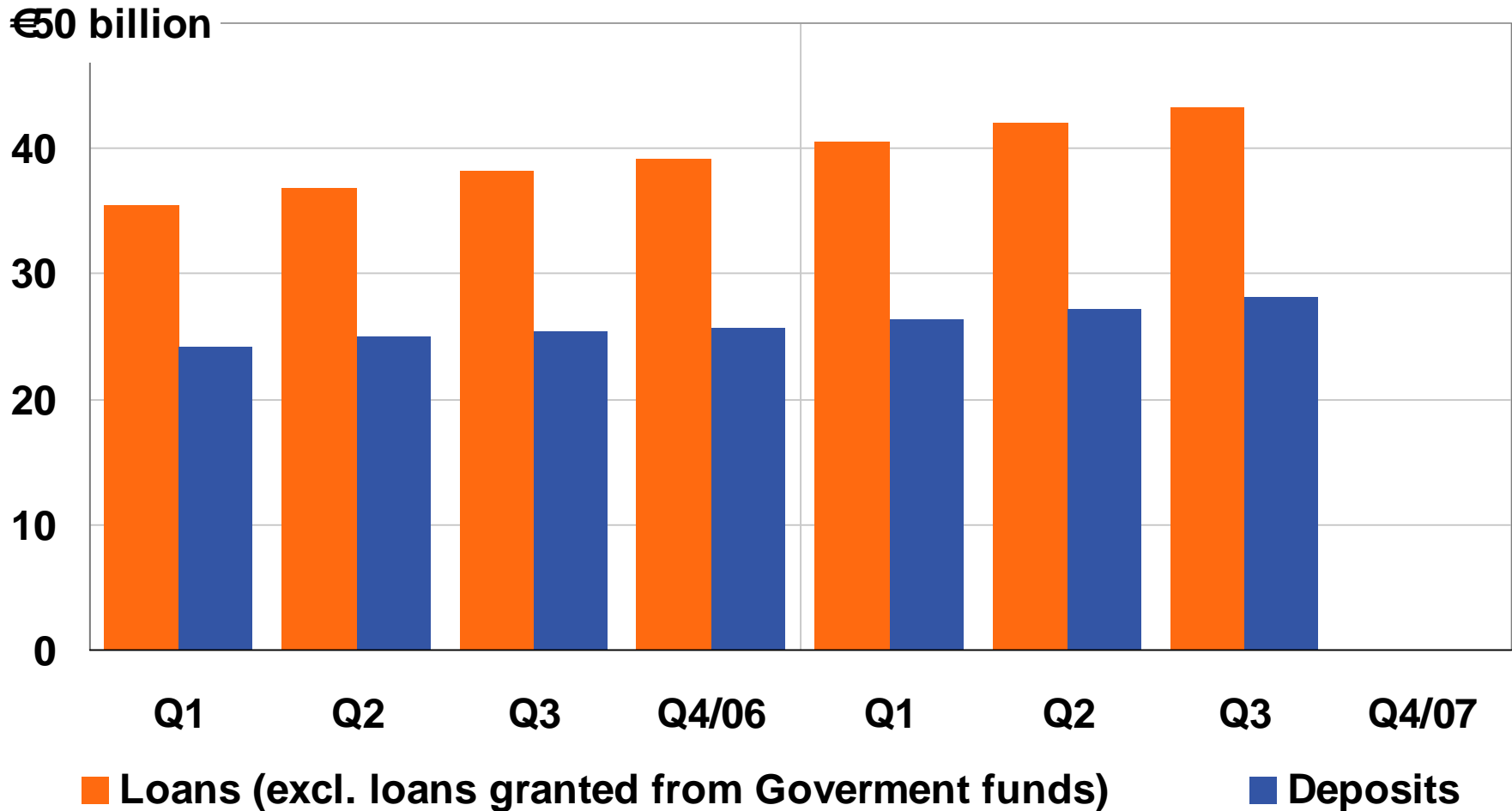
# OP-Pohjola Group Funding Profile

€10 billion

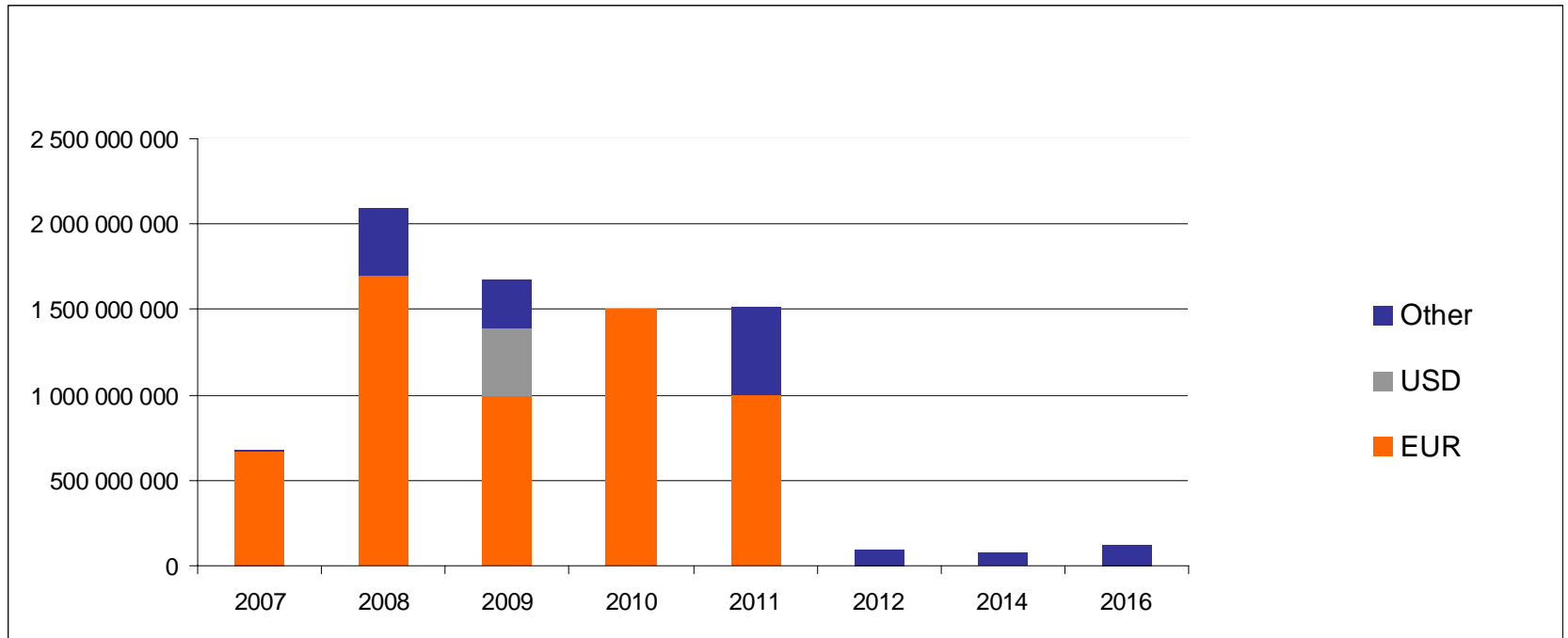


- Non-life insurance liabilities
- Life insurance liabilities
- Liabilities to financial institutions
- Liabilities to customers
- Debt securities issued to the public
- Other liabilities
- Equity capital

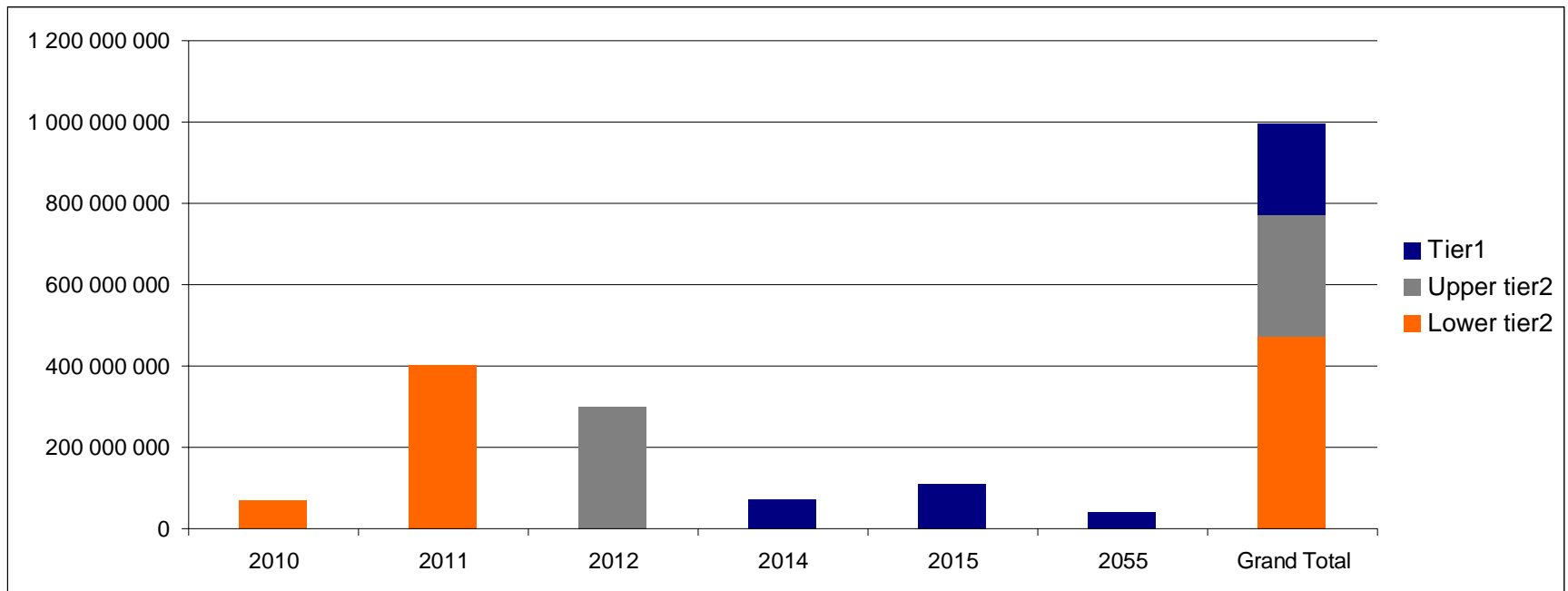
## OP-Pohjola Group Loans and deposits



# Issued Senior Debt by Maturity



# LT2, UT2 and Tier1 by Call date



## Contact persons at OKO Bank for debt investor relations

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