

A man and a woman in business attire are looking at a tablet together. The man is on the left, wearing a dark suit and a striped tie, and is pointing at the screen. The woman is on the right, wearing a grey blazer and a patterned scarf, and is leaning in to look at the screen. They are both smiling. The background is a bright, modern office setting with a large window and a white desk.

**OP-Pohjola Group's
Interim Report for 1 January–30 September 2014**

Contents

- **OP-Pohjola Group**
- **Year-on-year results**
- **Quarterly figures**
- **Capital adequacy**
- **Balance sheet**
- **Loans and customer funds**
- **Customers, owner-members etc.**
- **5-year trends**



OP-Pohjola Group

1.4 million customer-owners

180 cooperative banks



Banking

Non-Life Insurance

**Wealth
Management**



OP-Pohjola Group Business Segments

Banking

- Cooperative banks, Helsinki OP Bank Plc, OP Card Company Plc and OP Mortgage Bank.
- Pohjola Group's Banking segment
- OP Bank Group Mutual Insurance Company

Non-life Insurance

- Pohjola Insurance Ltd, Eurooppalainen Insurance Company Ltd, A-Insurance Ltd, Seesam Insurance AS, Omasairaala Oy and Pohjola Health Ltd

Wealth Management

- Pohjola Group's Asset Management segment
- OP Life Assurance Company Ltd, OP Fund Management Company Ltd and Aurum Investment Insurance Ltd

Other operations

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



OP-Pohjola Group Key Indicators

OP-Pohjola Group's Key Figures

	Q1-3/2014	Q1-3/2013	Change, %	Q1-Q4/2013
Earnings before tax, EUR million	739	610	21.1	701
Banking	468	317	47.5	404
Non-life Insurance	190	162	17.7	166
Wealth Management	140	98	43.0	113
Returns to owner-members and OP bonus customers	147	145	1.5	193
	30 Sep 2014	31 Dec 2013	Change, %	
Common Equity Tier 1 (CET1) ratio, % / Core Tier 1**	13.6	17.1	-3.5 *	
Ratio of capital base to minimum amount of capital base (under the Act on the Supervision of Financial and Insurance Conglomerates) **	1.79	2.19	-0.40 *	
Ratio of receivables more than 90 days overdue to loan and guarantee portfolio, %	0.46	0.42	0.04 *	
Joint banking and insurance customers (1,000)	1,570	1,518	3.4	

** Change in ratio

** The comparatives are presented based on the regulatory framework that came into effect on 1 January 2014

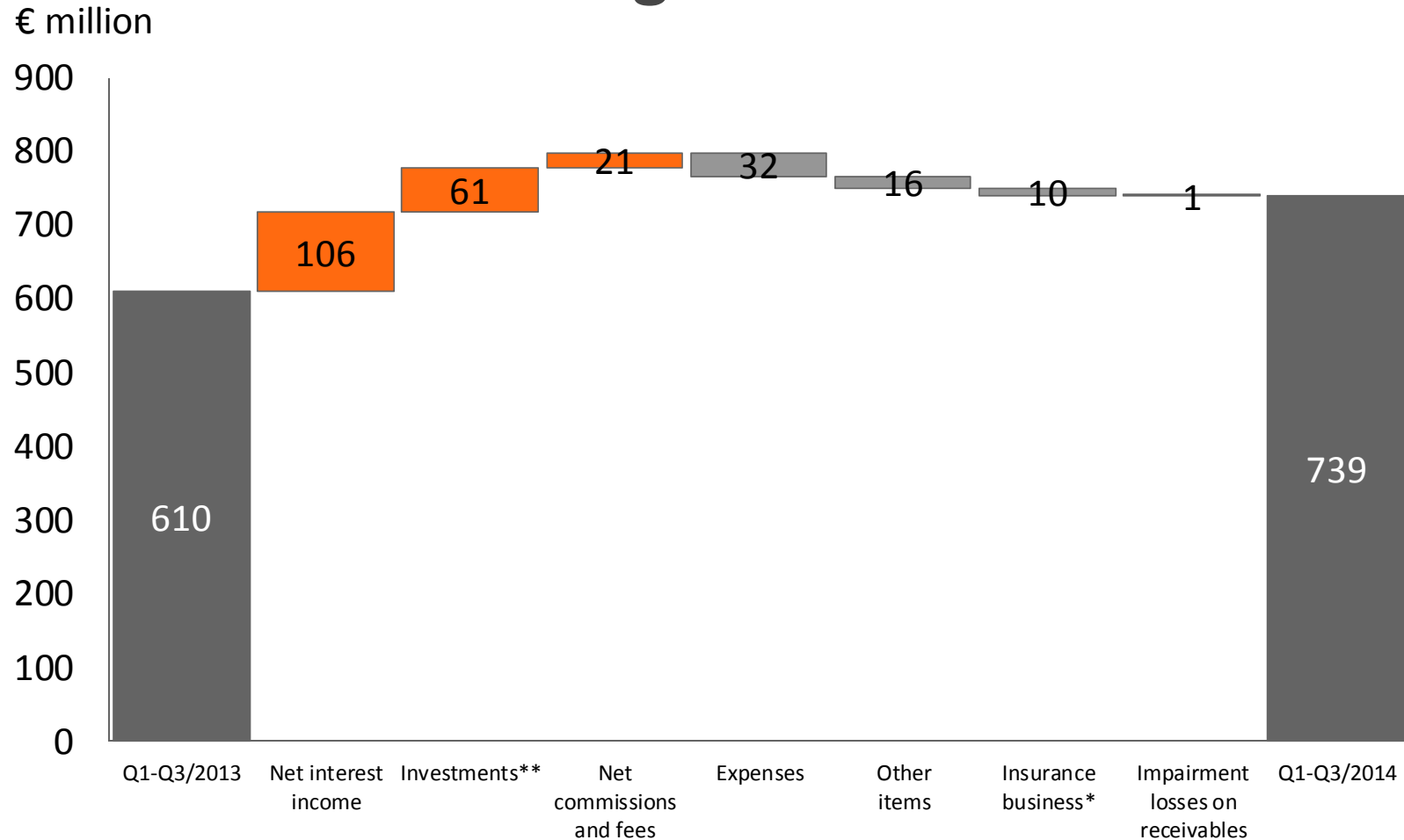
Joint Liability, Deposit Insurance and Investors' Compensation

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



Year-on-year Results

OP-Pohjola Group Earnings before Tax



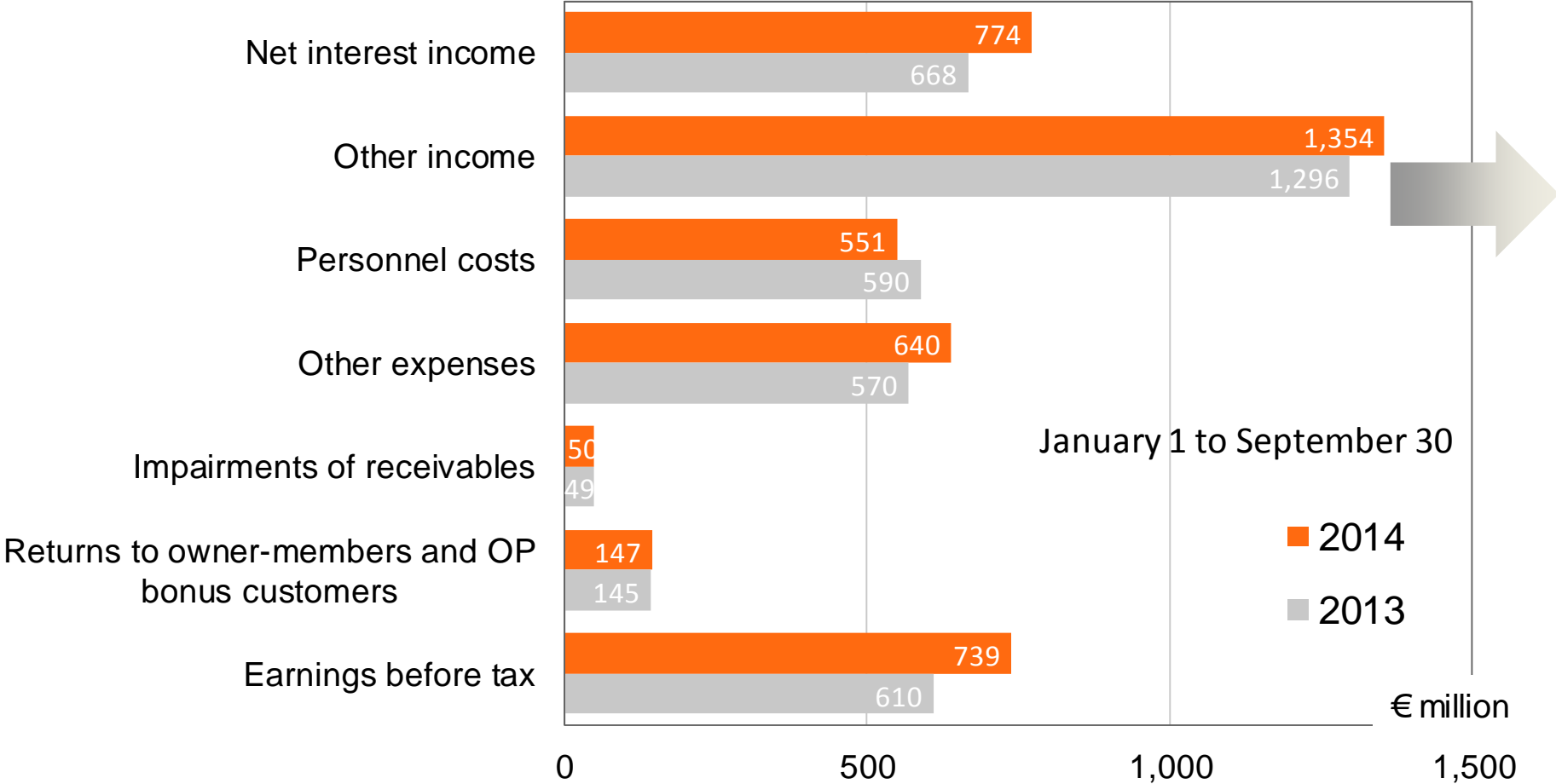
© OP-Pohjola

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

OP-Pohjola

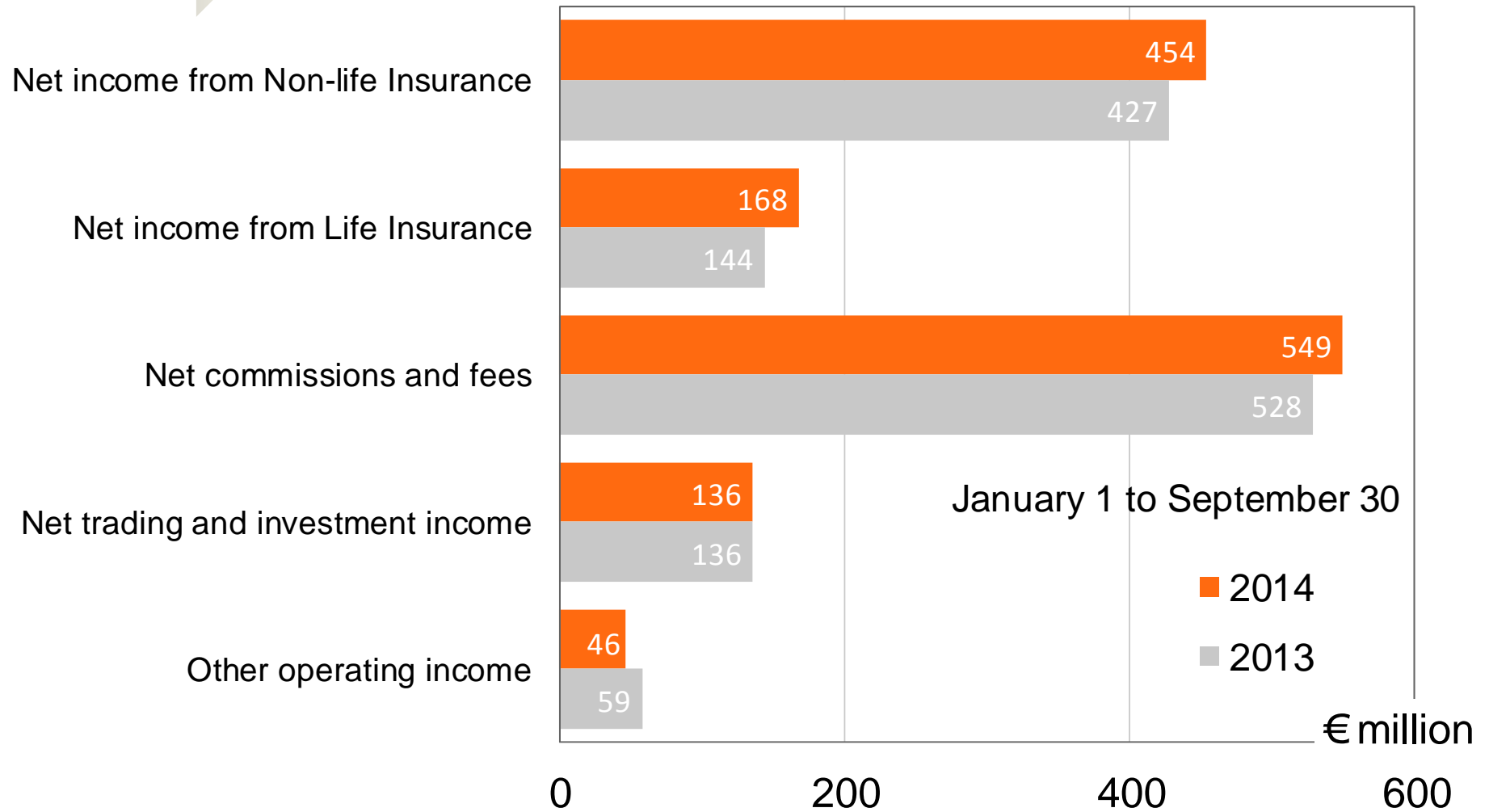


OP-Pohjola Group Income statement





OP-Pohjola Group Other Income



OP-Pohjola Group

Income statement

January 1 to September 30			Change	
€ million	2014	2013	€ million	%
Interest income	2,026	1,871	155	8.3
Interest expenses	1,252	1,203	49	4.1
Net interest income	774	668	106	15.9
Impairments of receivables	50	49	1	1.2
Net interest income after impairment losses	724	618	106	17.1
Net income from Non-life Insurance operations	454	427	27	6.2
Net income from Life Insurance operations	168	144	24	16.7
Net commissions and fees	549	528	21	4.0
Net trading income	83	80	3	3.4
Net investment income	53	56	-3	-5.2
Other operating income	46	59	-12	-21.0
Personnel costs	551	590	-39	-6.5
Other administrative expenses	312	267	46	17.1
Other operating expenses	328	303	25	8.2
Returns to owner-members and OP bonus customers	147	145	2	1.5
Share of associates' profits/losses	1	2	-1	-68.4
Earnings before tax	739	610	129	21.1



OP-Pohjola Group

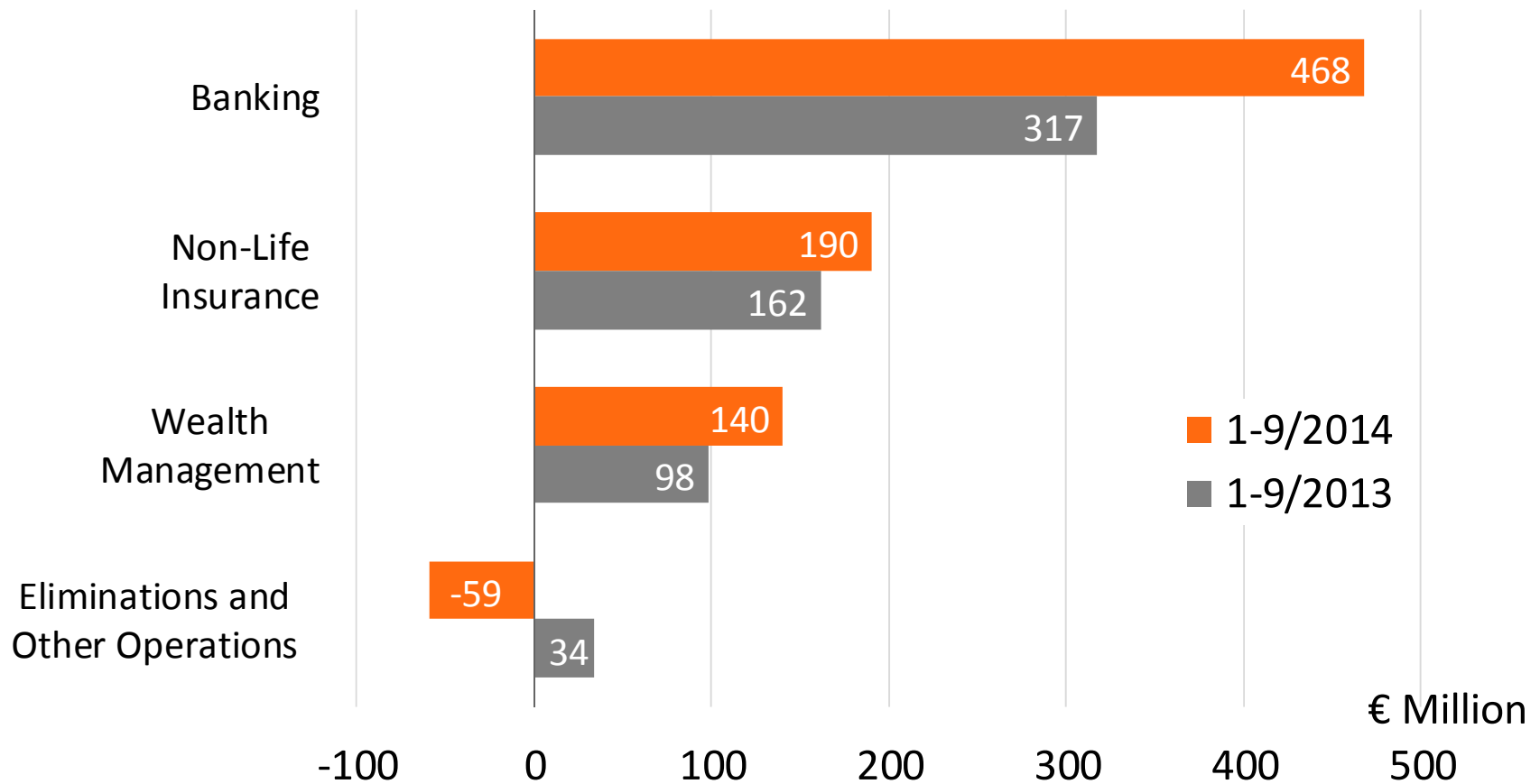
Income Statement by Business Segment

1 January to 30 September 2014

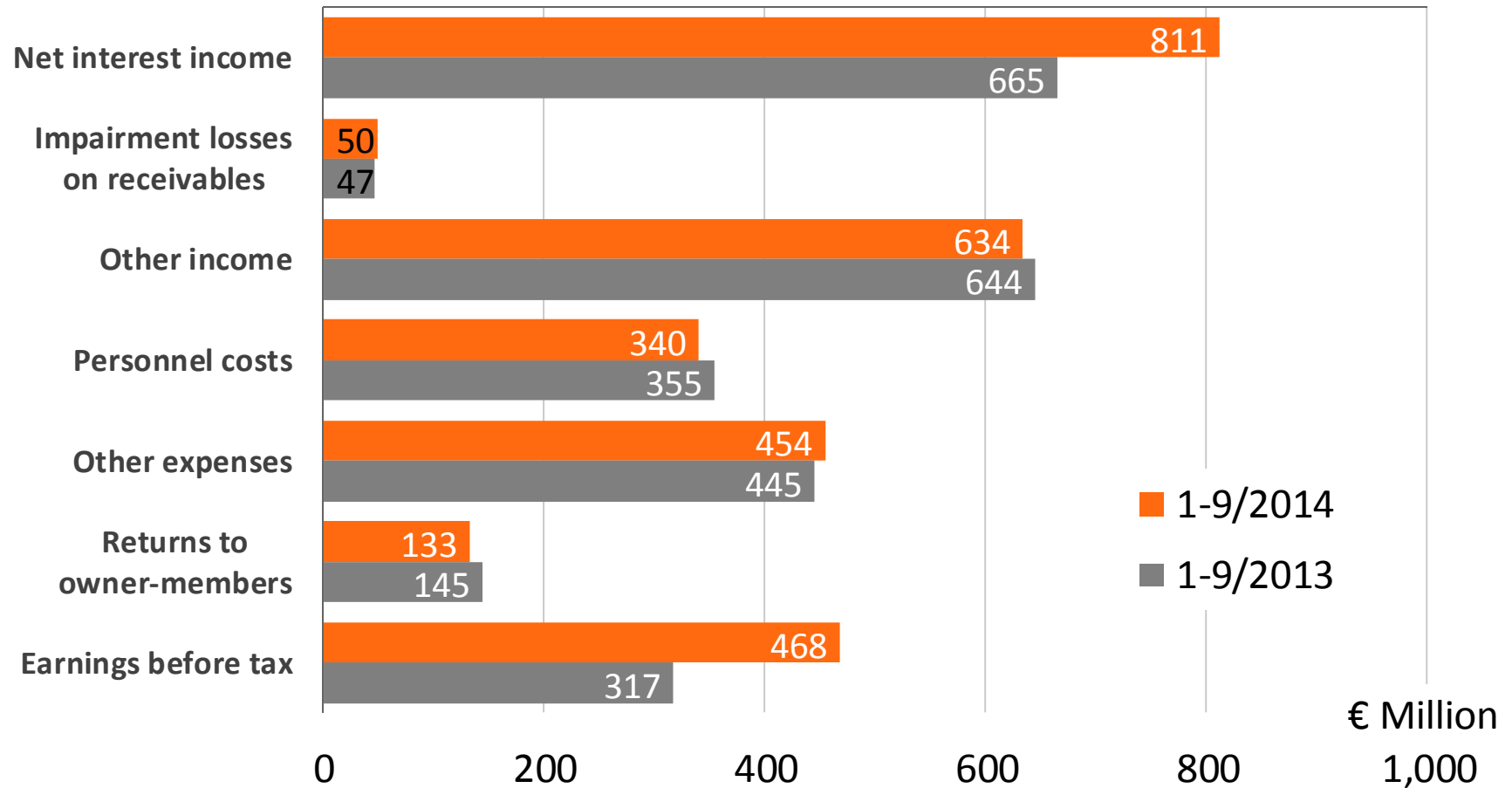
€ million	Banking	Non-Life Insurance	Wealth Management	Eliminations and Other Operations	Total
Net interest income	811	-19	1	-20	774
Net income from non-life insurance	0	459	0	-5	454
Net income from life insurance	0	0	77	91	168
Other income	133	8	9	33	183
Total income	1,445	461	212	10	2,128
Personnel costs	340	76	17	118	551
Other expenses	454	194	54	-62	640
Total expenses	794	270	72	56	1,192
Impairment losses on receivables	50	0	0	0	50
Returns to owner-members	133	0	0	14	147
Earnings before tax	468	190	140	-59	739
Cost /income ratio, %	55				

OP-Pohjola Group

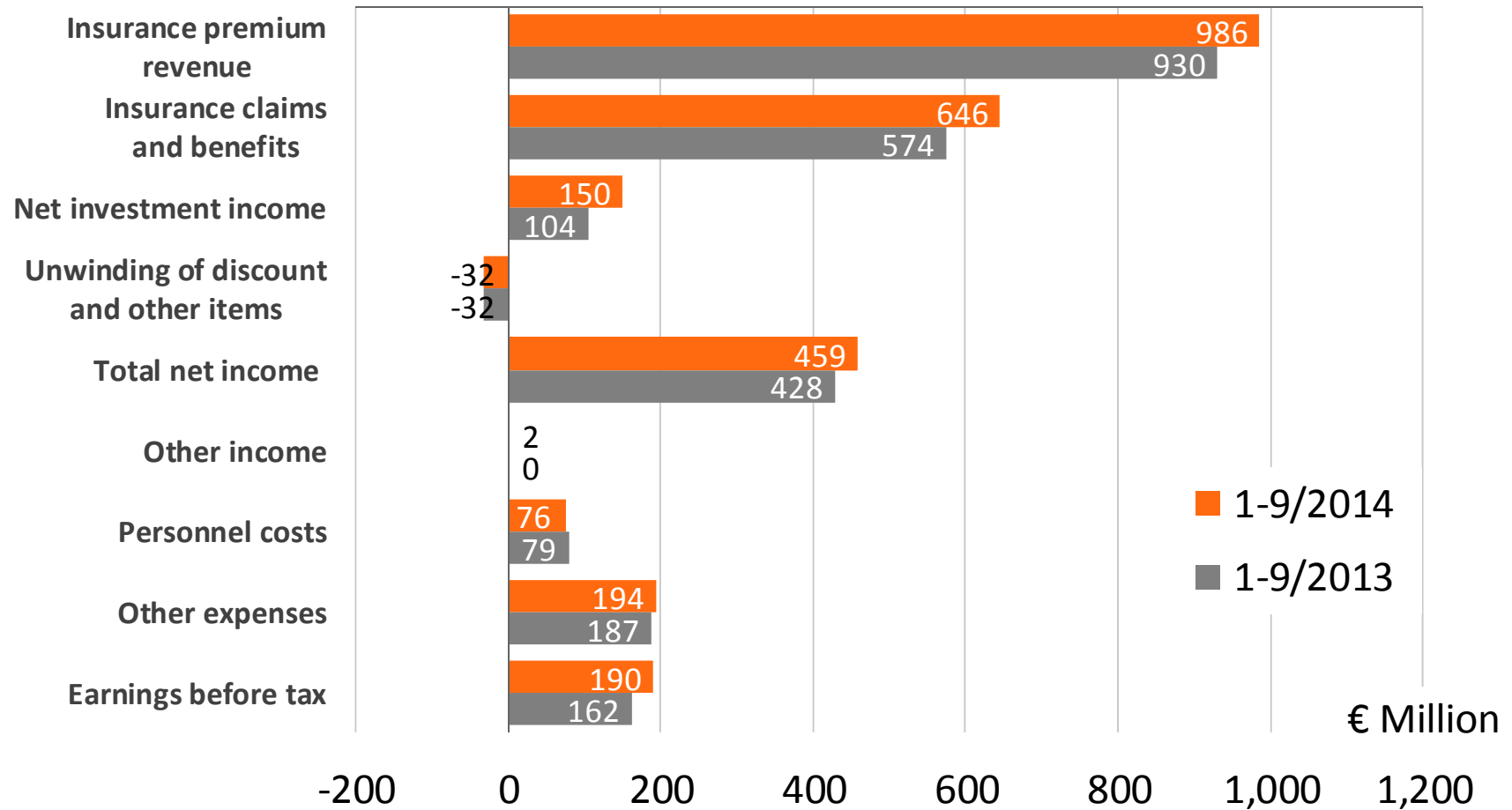
Earnings before tax by Business Segment



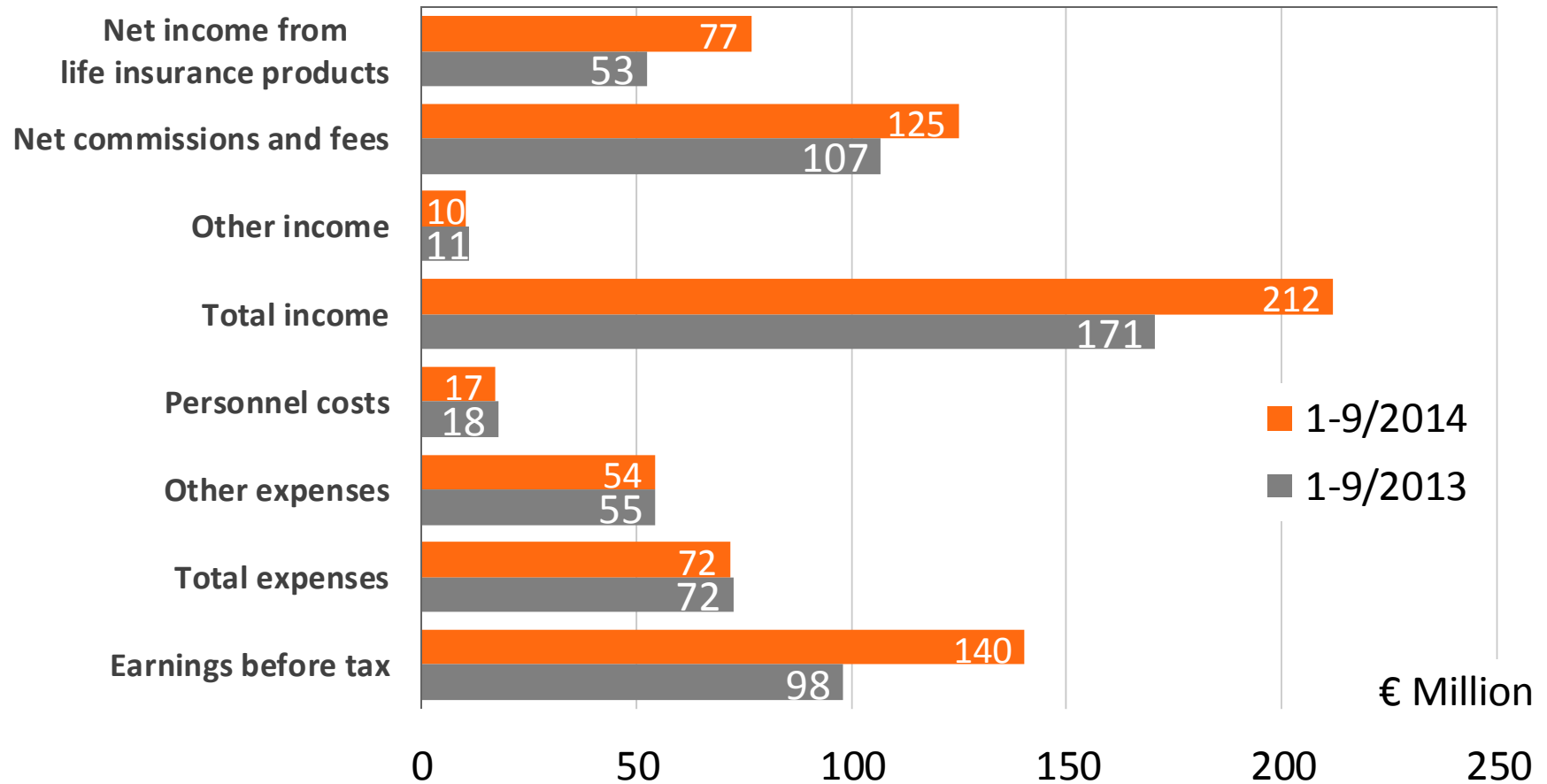
OP-Pohjola Group Banking



OP-Pohjola Group Non-Life Insurance



OP-Pohjola Group Wealth Management





Quarterly Figures

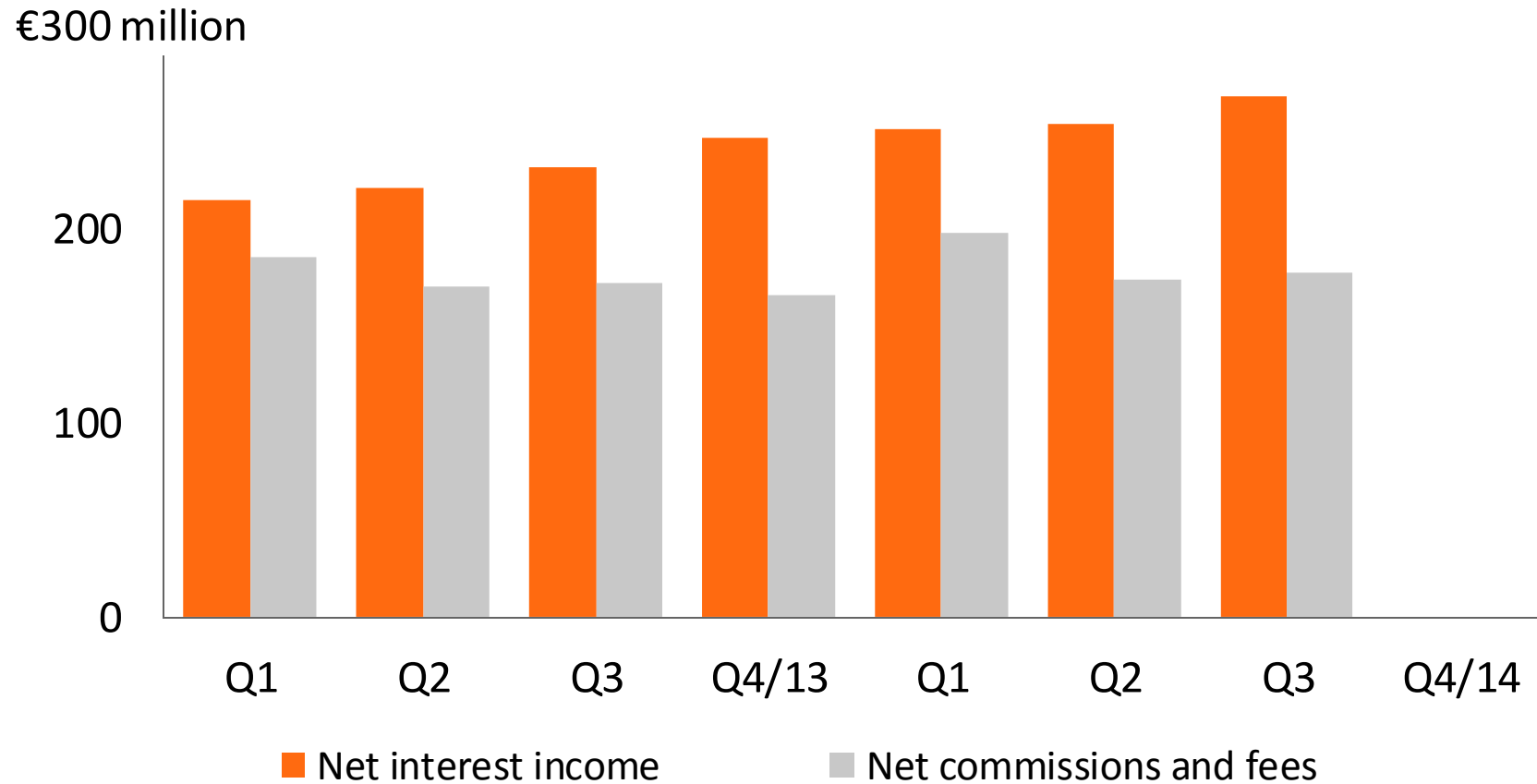
OP-Pohjola Group
Quarterly Performance

€ million	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net interest income	215	221	232	247	251	254	269	
Other income	473	413	410	364	485	449	420	
Total income	688	634	642	611	737	703	688	
Personnel costs	211	203	176	202	195	190	166	
Other expenses	187	199	184	236	225	210	205	
Total expenses	398	402	360	438	420	401	371	
Impairments of receivables	9	23	17	34	10	23	17	
Returns to owner-members and OP bonus customers	48	48	49	49	49	49	49	
Earnings before tax	234	161	216	90	257	231	251	

OP-Pohjola Group
Other Income by Quarter

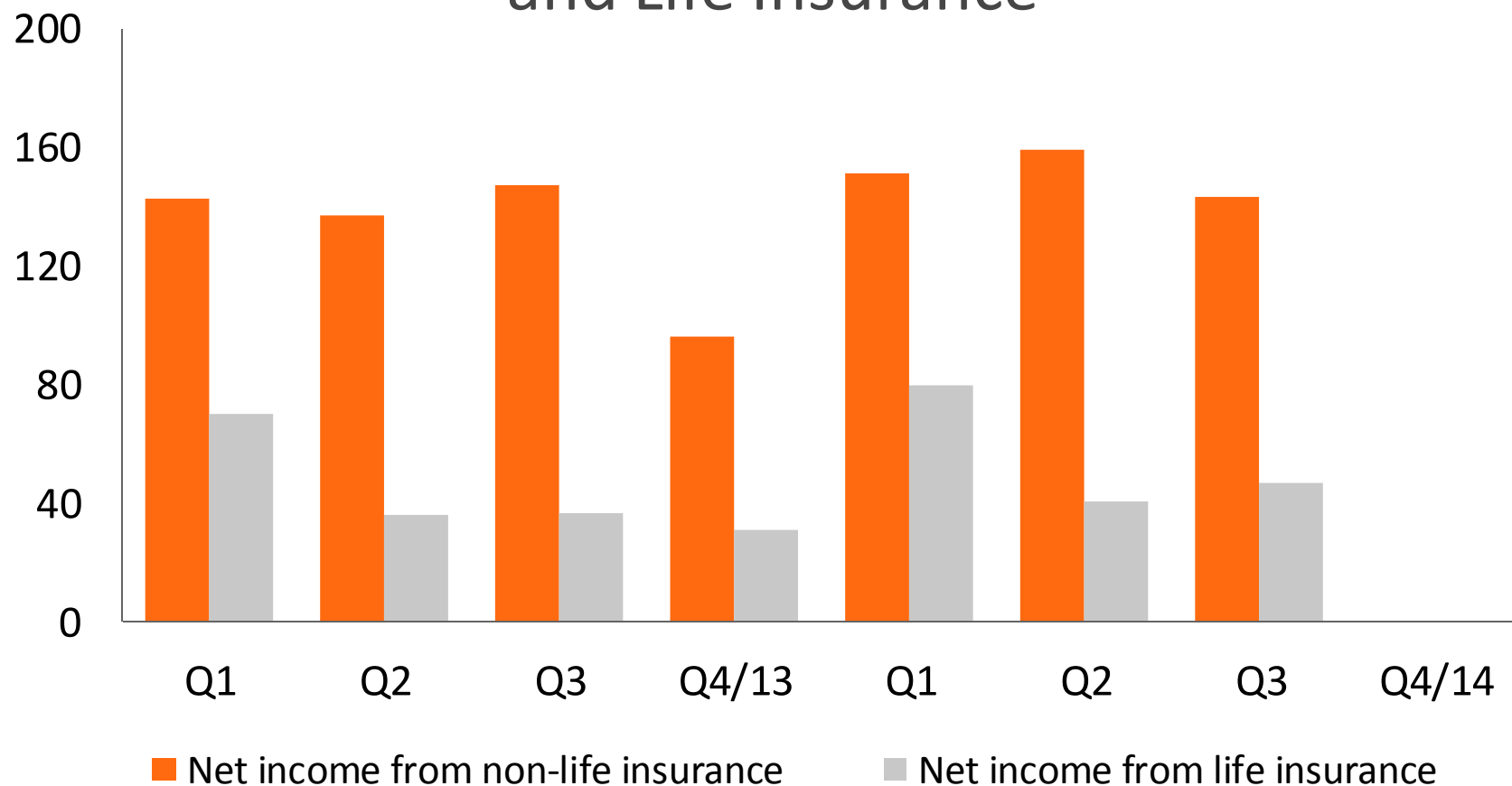
€ million	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net income from non-life insurance	143	137	147	96	151	159	143	
Net income from life insurance	70	36	37	31	80	41	47	
Net commissions and fees	185	171	172	166	198	174	177	
Net income from trading and investments	55	46	35	46	43	58	34	
Other income	20	23	18	25	13	17	17	
Total	473	413	410	364	485	449	420	

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

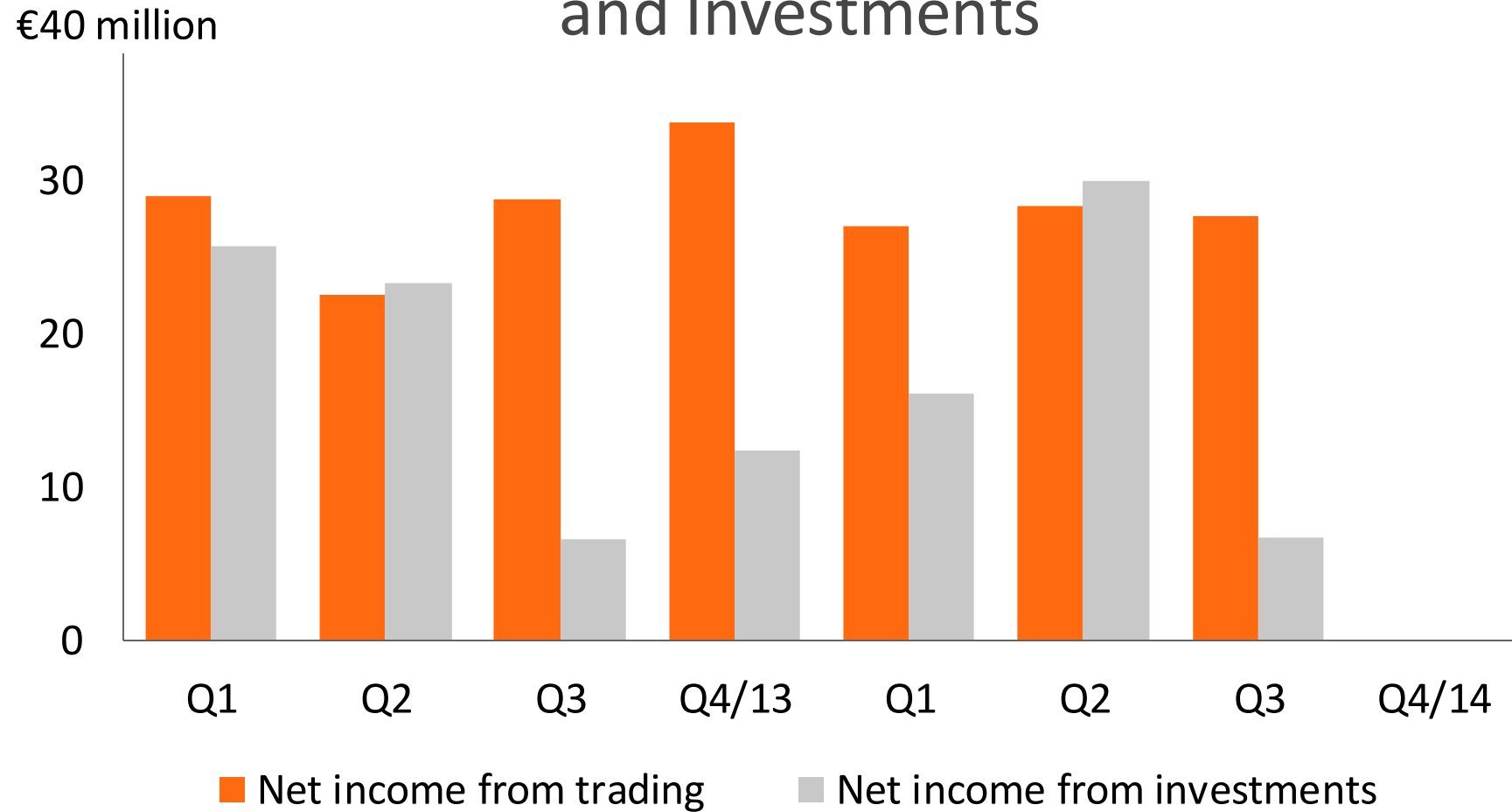


OP-Pohjola Group Net Income from Non-life and Life Insurance

€ million

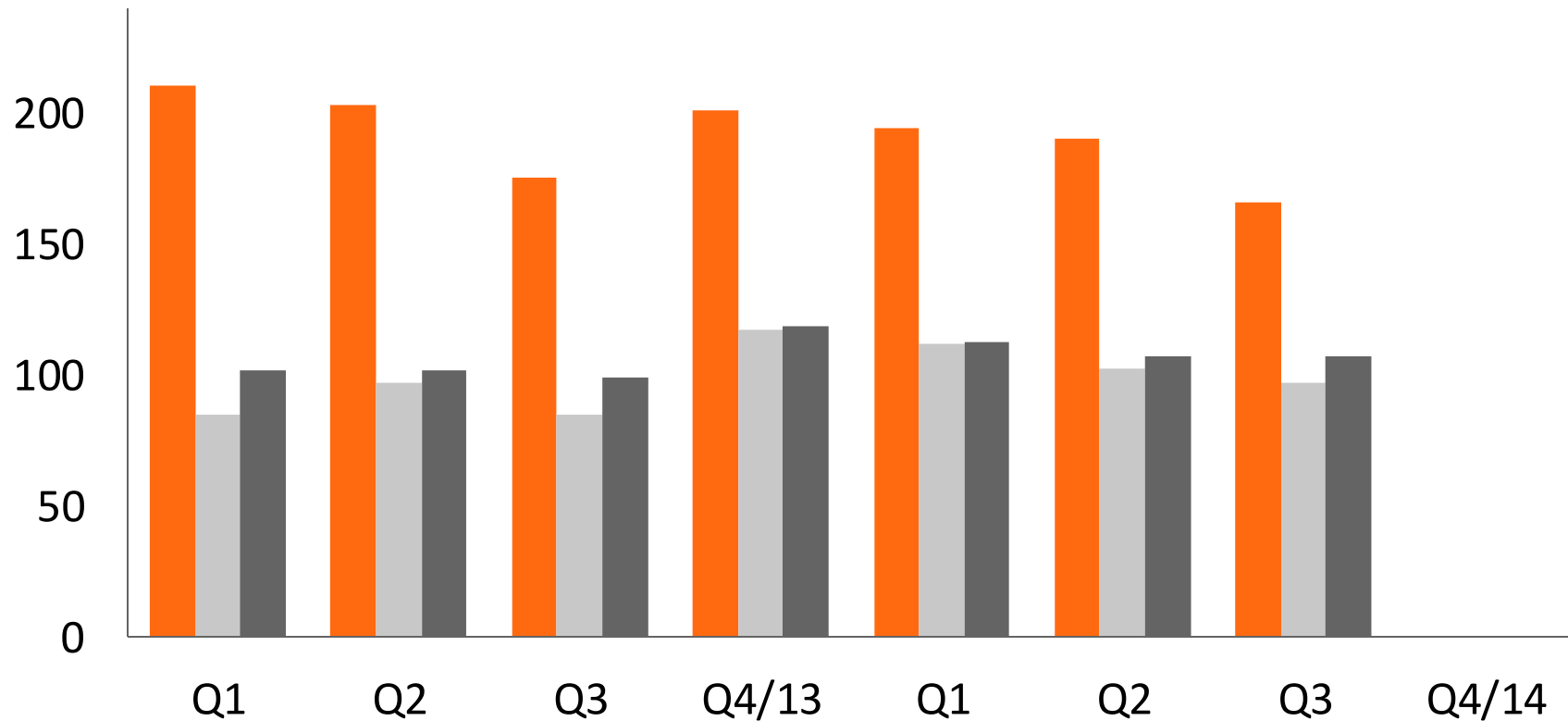


OP-Pohjola Group Net Income from Trading and Investments



OP-Pohjola Group Expenses

€250 million



Personnel costs

Other administrative expenses

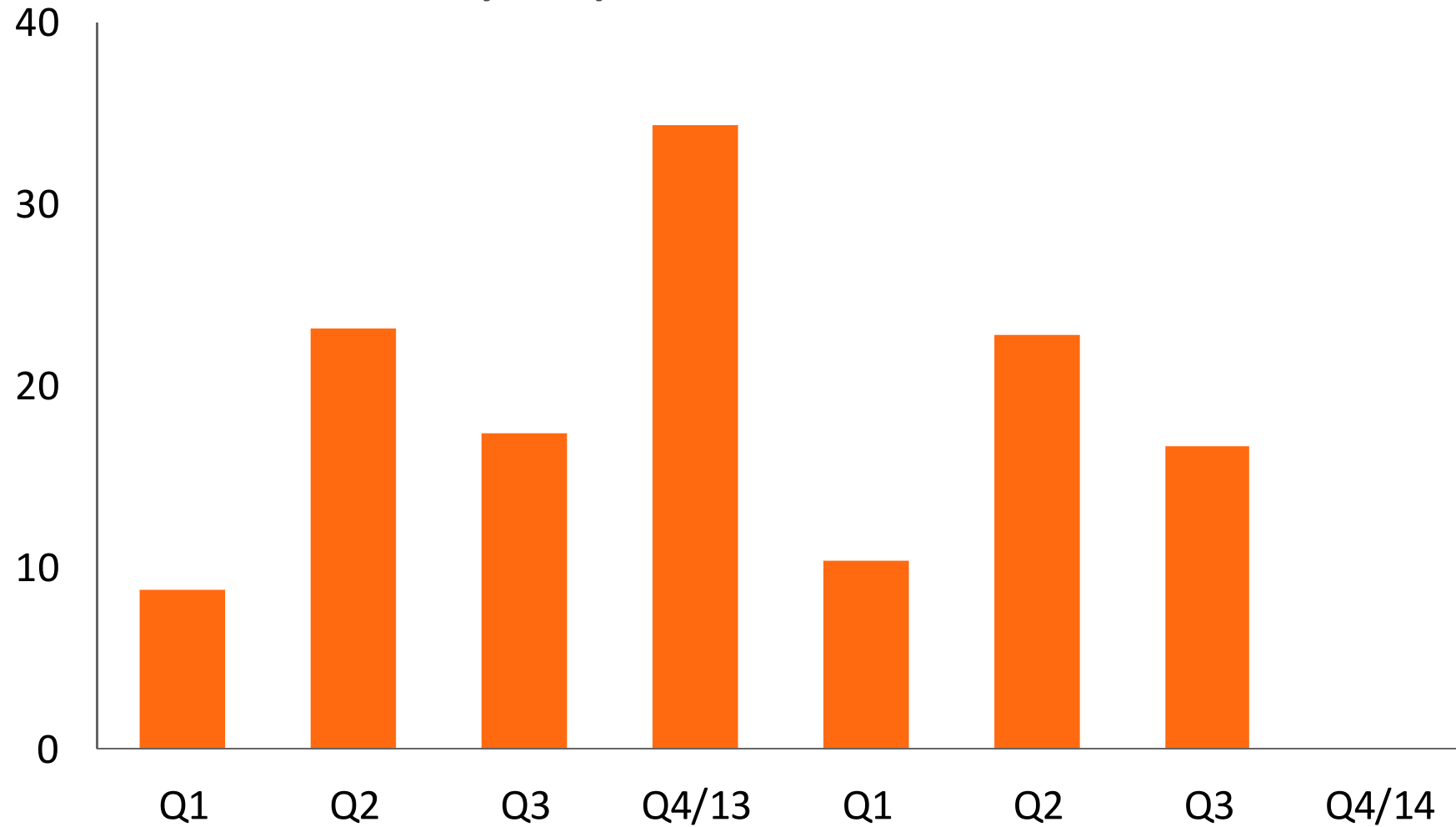
Other operating expenses



OP-Pohjola Group

Quarterly Impairments of Receivables

€ million

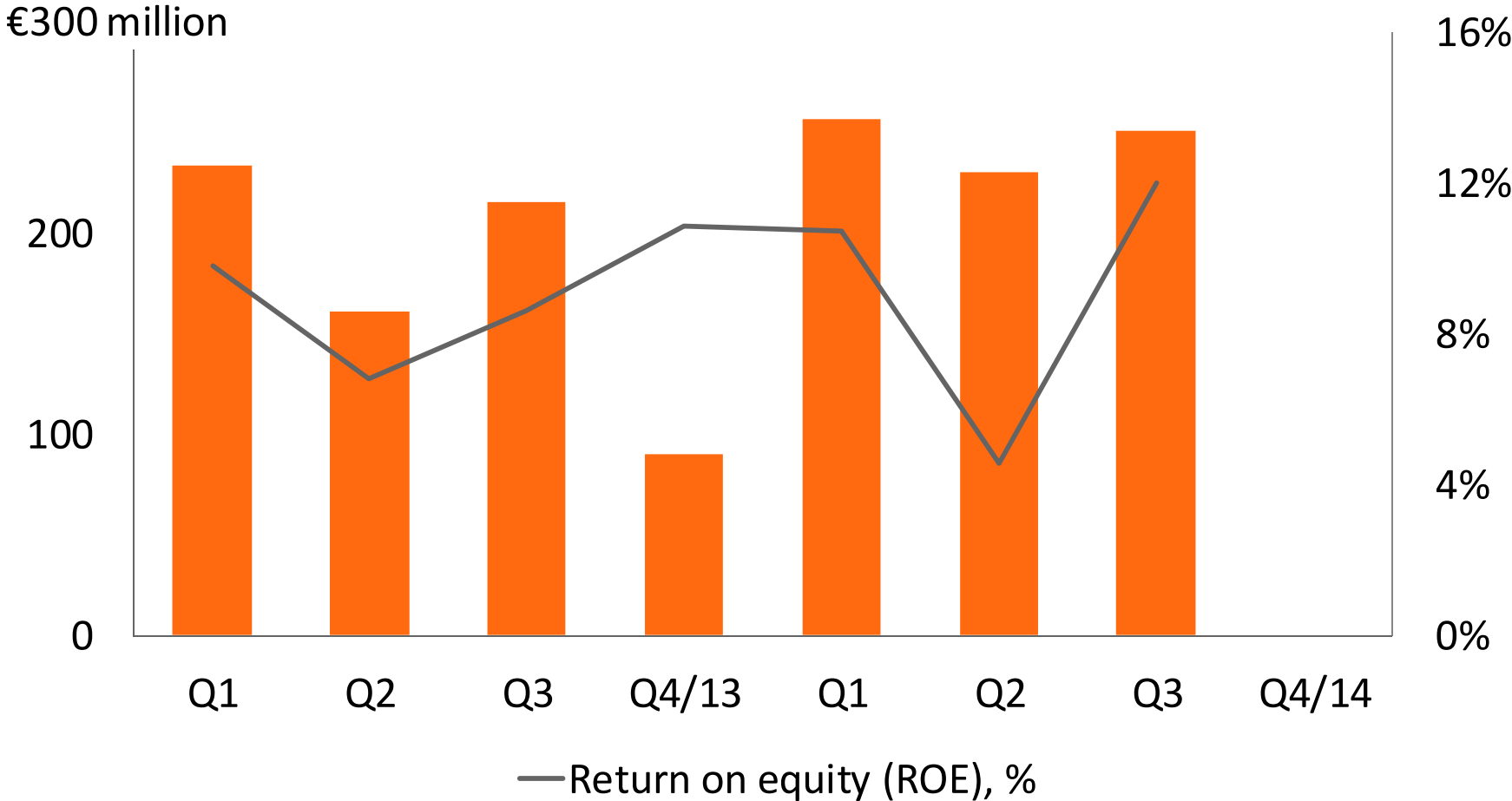


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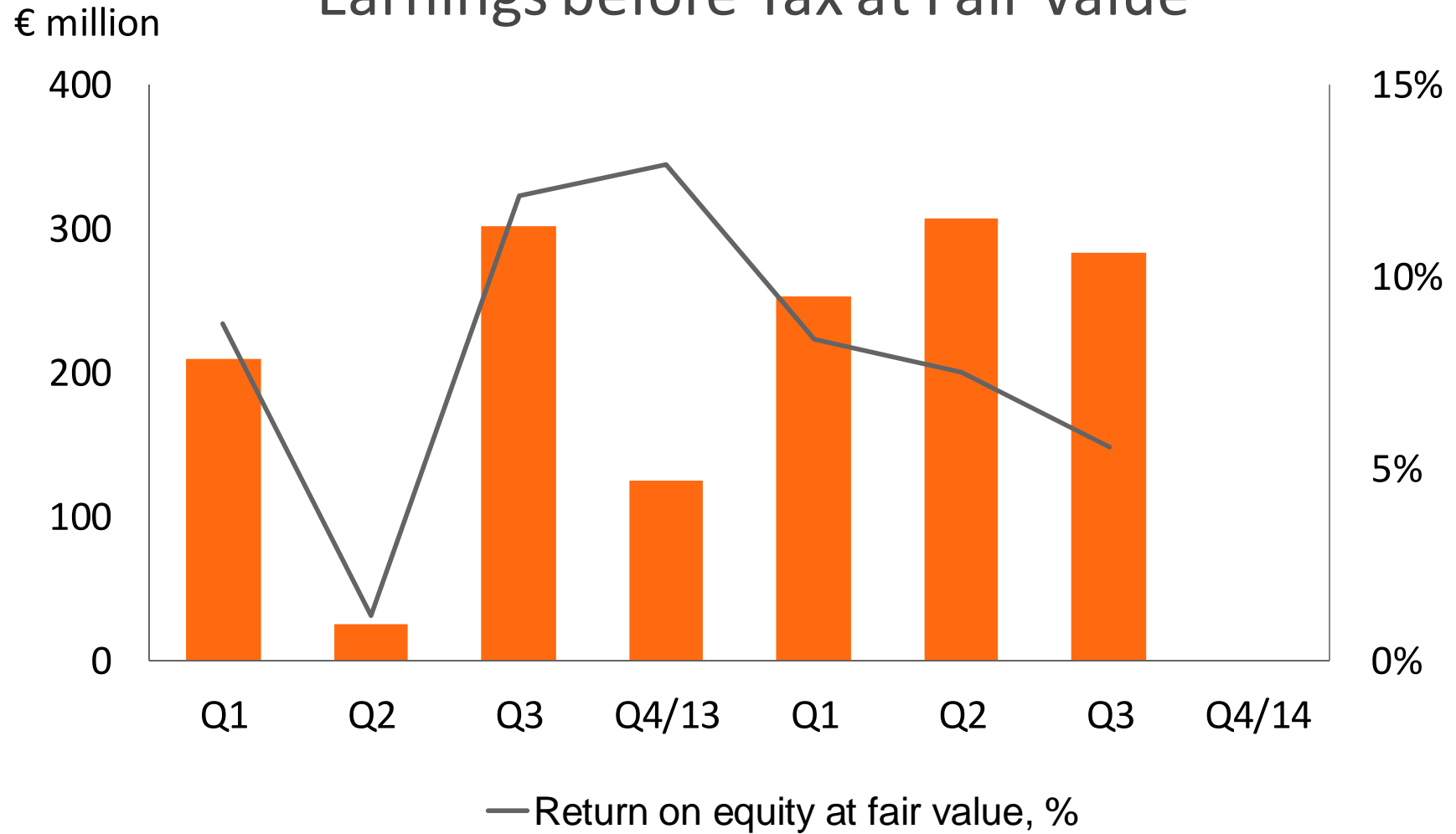
OP-Pohjola



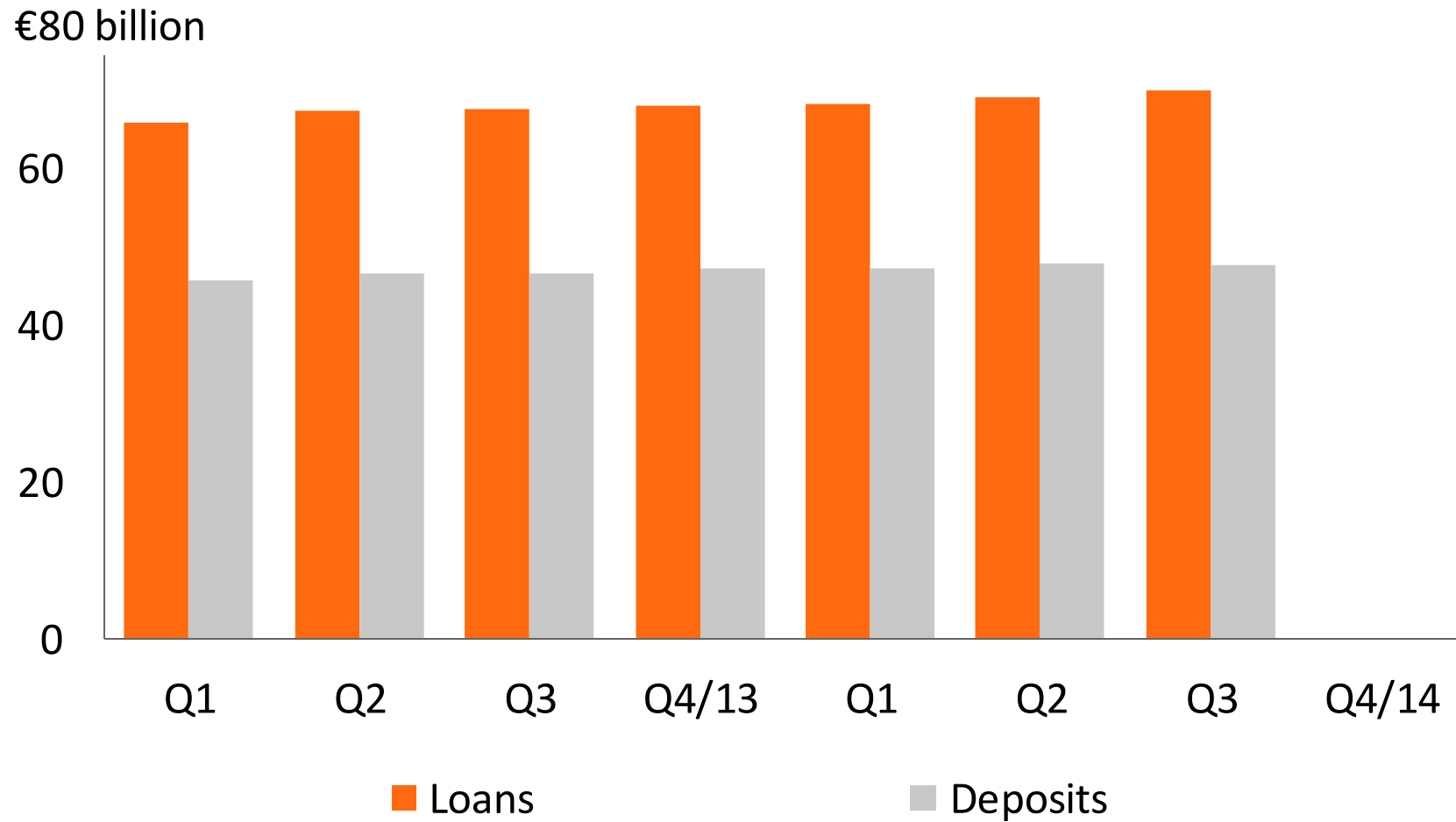
OP-Pohjola Group Earnings before Tax



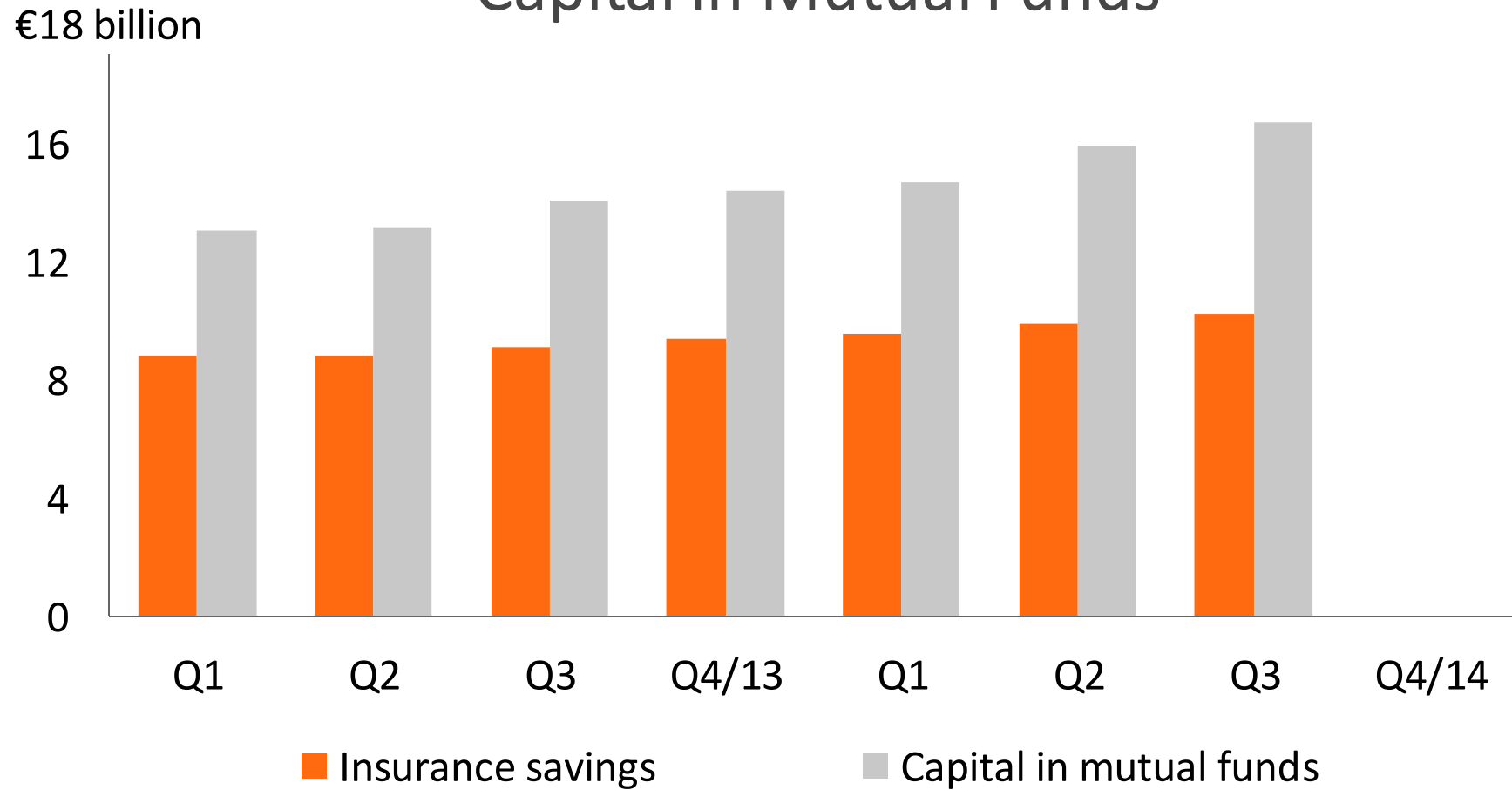
OP-Pohjola Group Earnings before Tax at Fair Value



OP-Pohjola Group Loans and Deposits

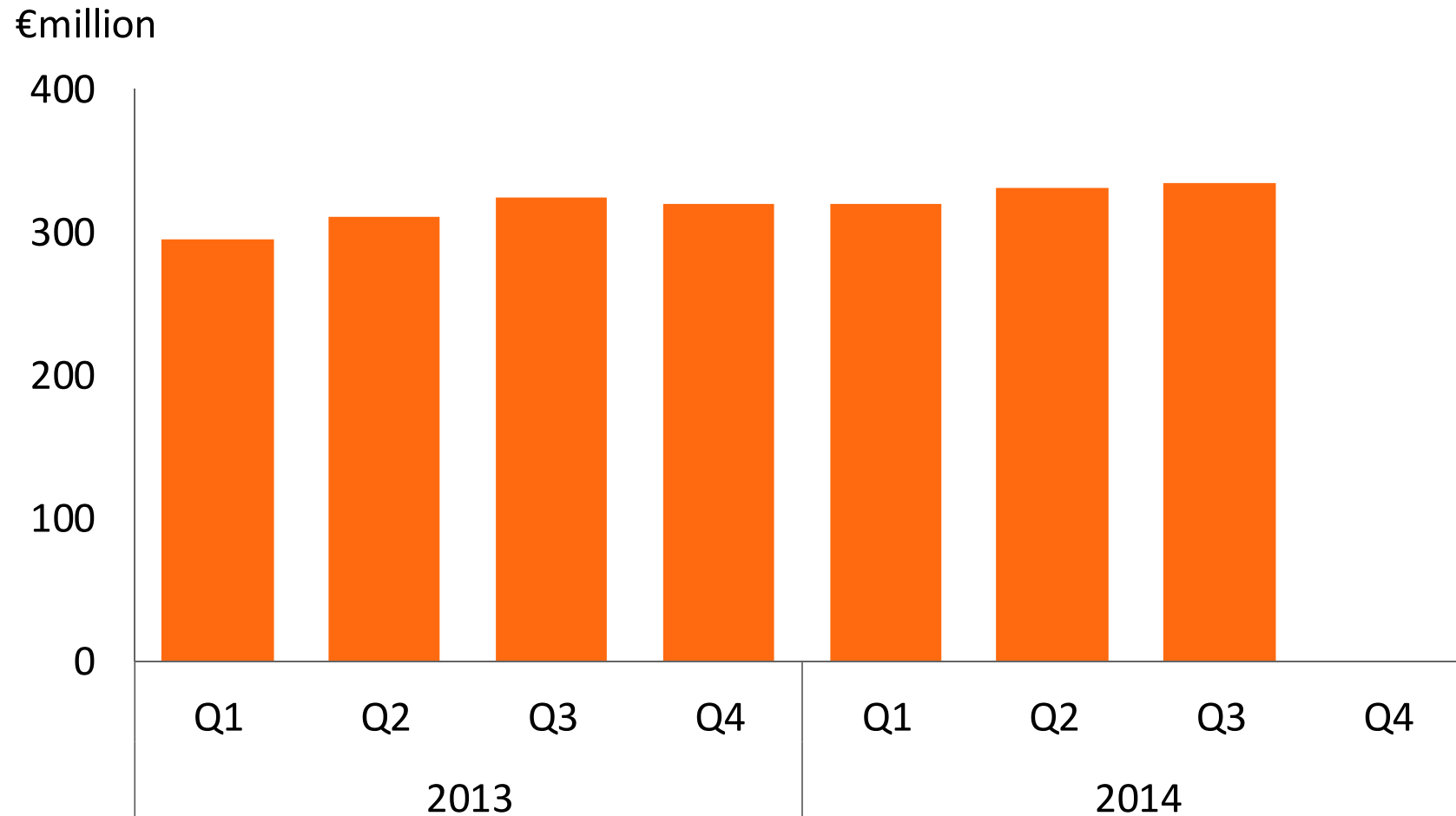


OP-Pohjola Group Life Insurance Savings and Capital in Mutual Funds



OP-Pohjola Group

Non-life Insurance Premium Revenue (IFRS)





Capital Adequacy

Two Capital Adequacy Ratios

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

- The Group's operations are based on the Act on the Amalgamation of Deposit Banks
- The Act on the Amalgamation of Deposit Banks sets the minimum capital for the amalgamation of cooperative banks, which is calculated according to the CRR rules.
- The Act on the Amalgamation of Deposit Banks prescribes a minimum capital requirement for an amalgamation of cooperative banks. This is calculated using the provisions in the Act on Credit Institutions.
- The amalgamation of cooperative banks consists of the amalgamation's central institution (OP-Pohjola Group Central Cooperative), its member credit institutions and the companies belonging to their consolidation groups. Although OP-Pohjola Group's insurance companies do not belong to the amalgamation of the cooperative banks, investments made in them have a major impact on capital adequacy calculated in accordance with the capital adequacy regulations for credit institutions.

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

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

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

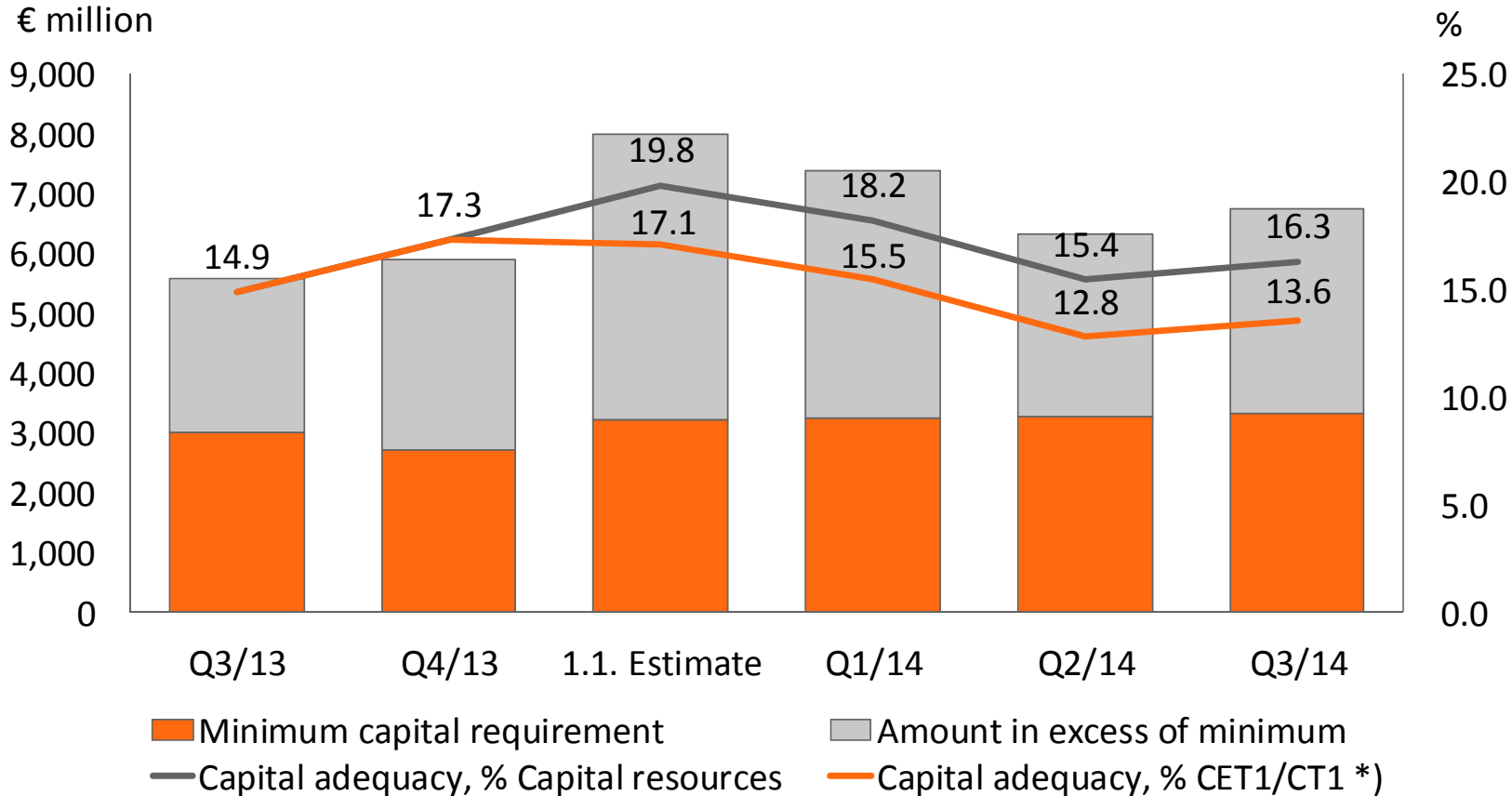
The credit risk of the capital adequacy of the Amalgamation of the Cooperative Banks is calculated using the Internal Ratings Based Approach (IRBA)

- The Internal Ratings Based Approach (IRBA) is applied to the following types of exposure
 - Retail exposure
 - Corporate exposure (FIRB)
 - Credit institution exposure (FIRB)
- The Standardised Approach (SA) is applied to government exposure
- A simple and PD/LGD method are applied to equity investments



The amalgamation of the cooperative banks

Capital Resources and Capital Adequacy

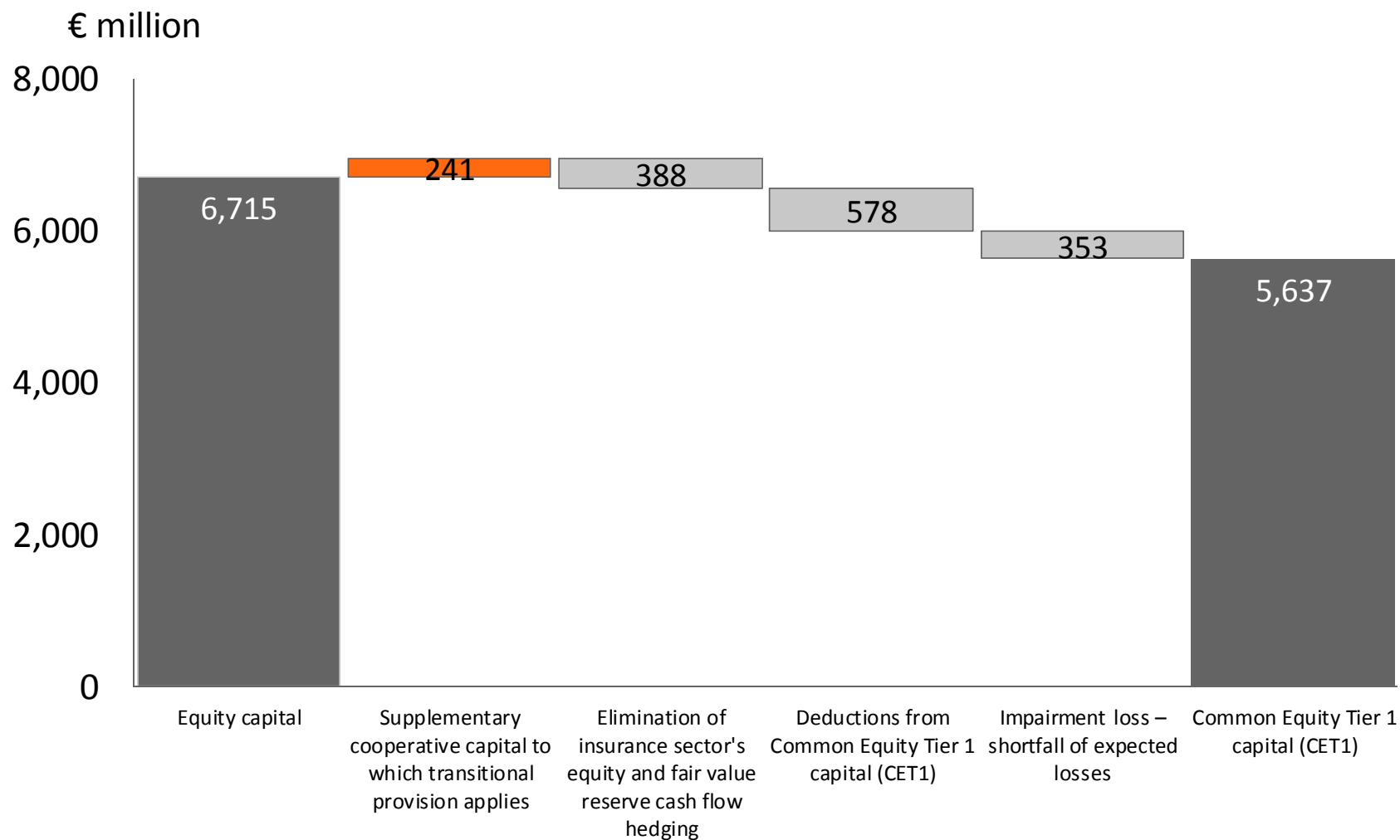


Until Q4/13 according to CRD3 before IRBA transitional provisions (Basel I floor)

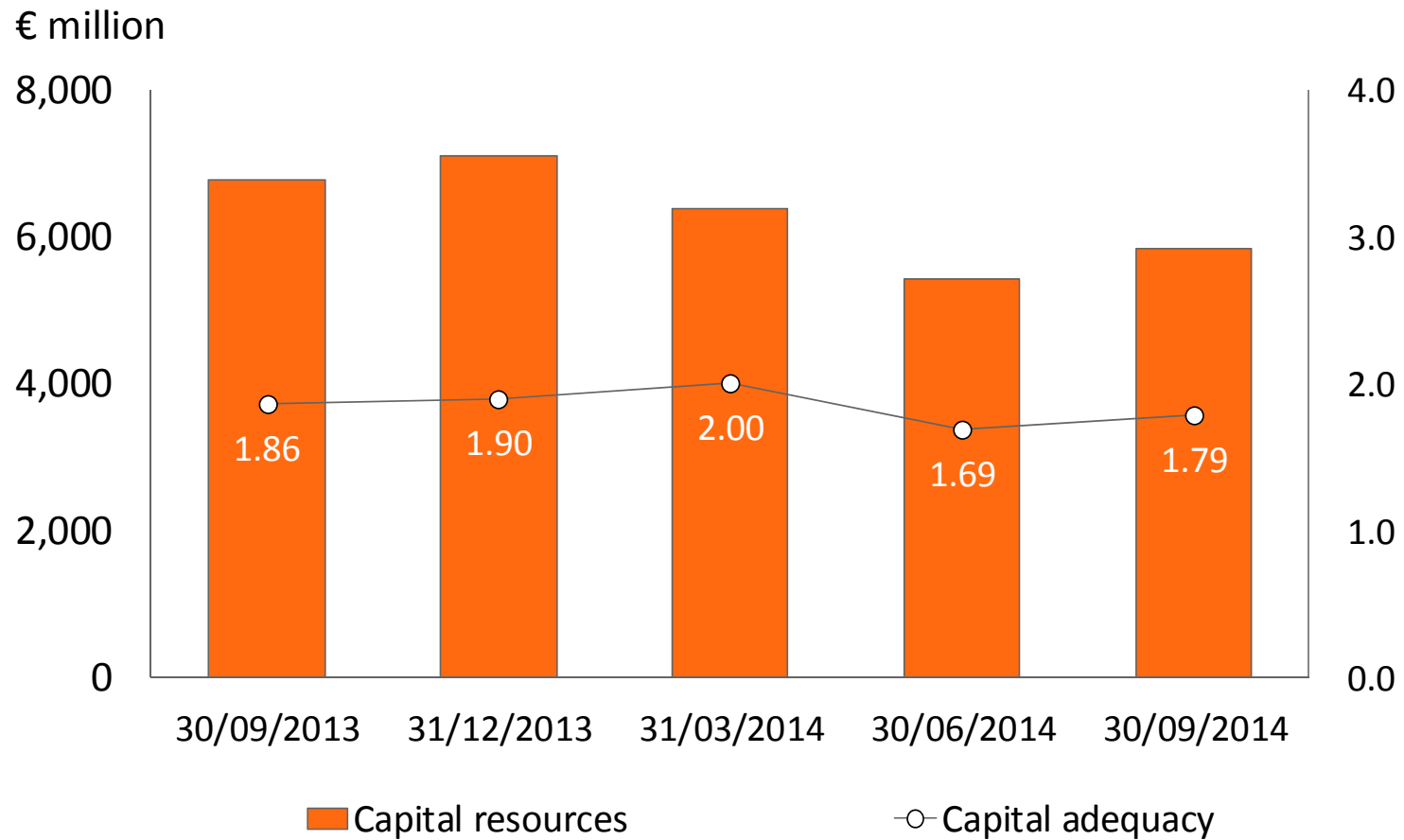


Common Equity Tier 1 (CET1)

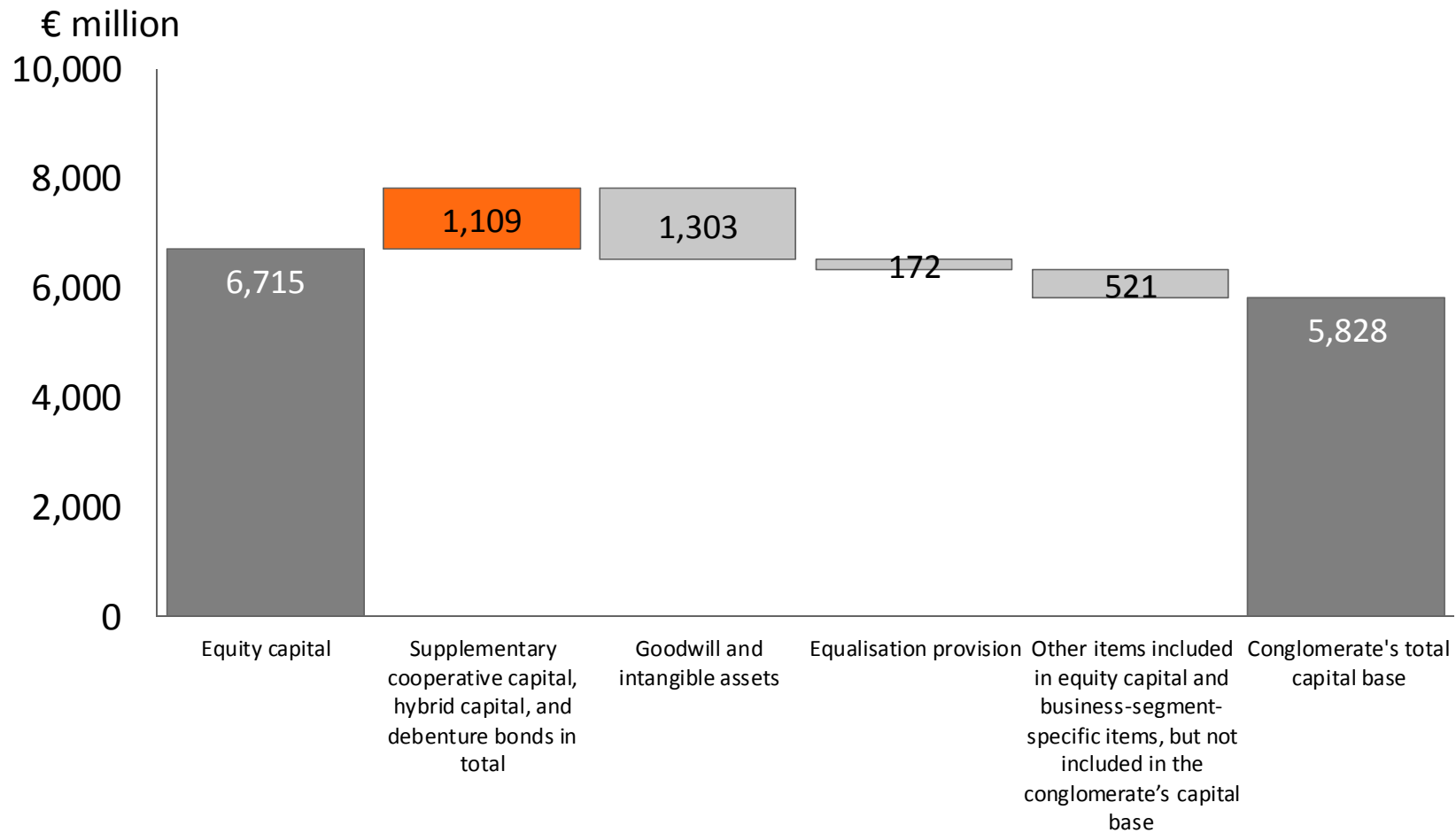
30 September 2014



OP-Pohjola Group Conglomerate's Capital Adequacy



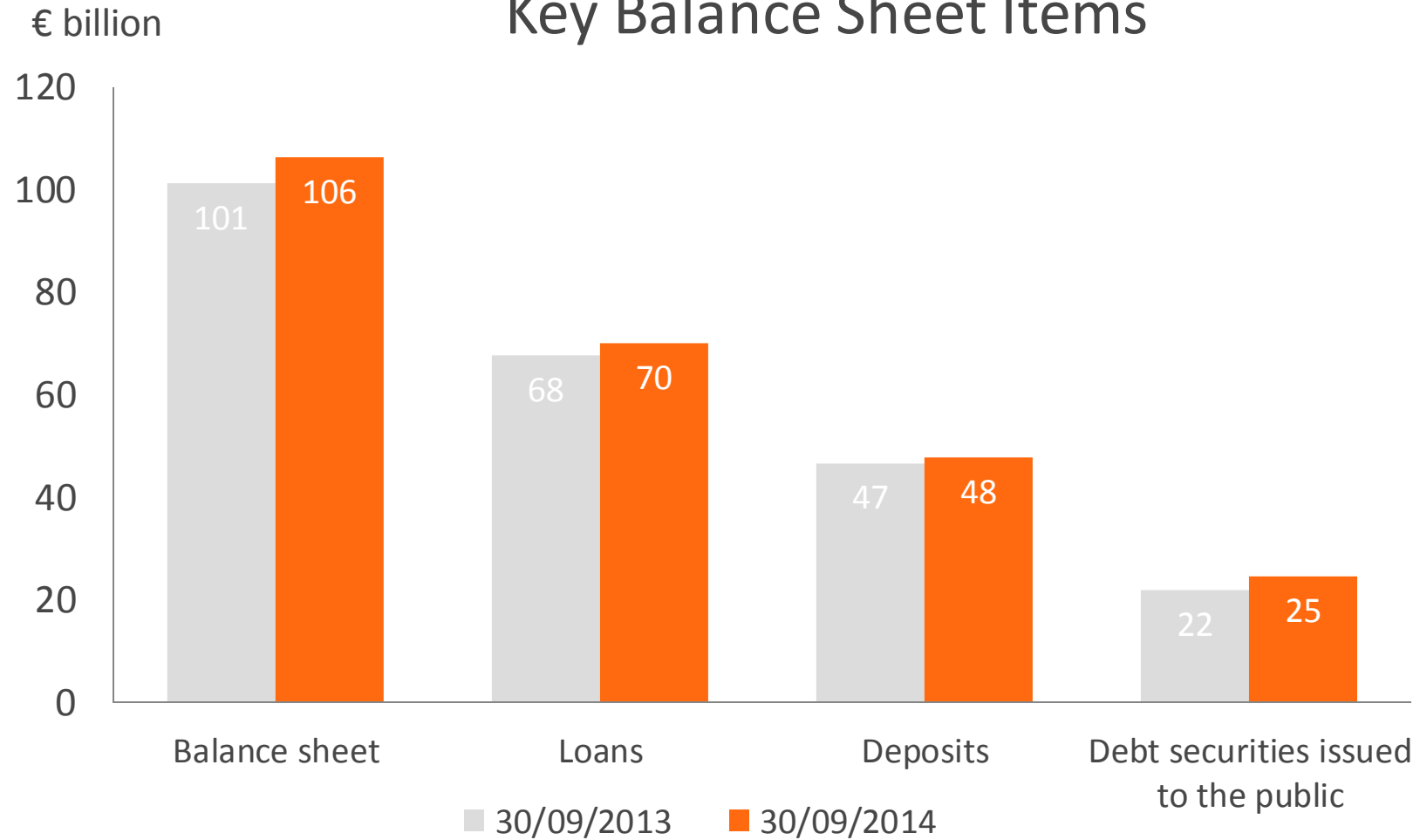
Total Capital Base under the Act on the Supervision of Financial and Insurance Conglomerates 30 September 2014





Balance Sheet

OP-Pohjola Group Key Balance Sheet Items



OP-Pohjola Group Balance Sheet

€ million	30/09/2014	30/09/2013	Change	
			€ mill.	%
Receivables from credit institutions	706	3,267	-2,561	-78.4
Financial assets at fair value through profit or loss	492	417	75	18.0
Receivables from customers	70,003	67,756	2,248	3.3
Non-life Insurance assets	3,922	3,574	347	9.7
Life Insurance assets	10,694	9,488	1,206	12.7
Investment assets	9,383	8,185	1,198	14.6
Other items	11,065	8,532	2,534	29.7
Total assets	106,265	101,219	5,047	5.0
Liabilities to credit institutions	737	1,680	-943	-56.1
Liabilities to customers	49,434	49,114	320	0.7
Non-life Insurance liabilities	3,222	2,811	411	14.6
Life Insurance liabilities	11,016	9,472	1,544	16.3
Debt securities issued to the public	24,651	21,845	2,806	12.8
Other liabilities	10,490	8,817	1,673	19.0
Equity capital	6,715	7,480	-765	-10.2
Total liabilities and equity capital	106,265	101,219	5,047	5.0

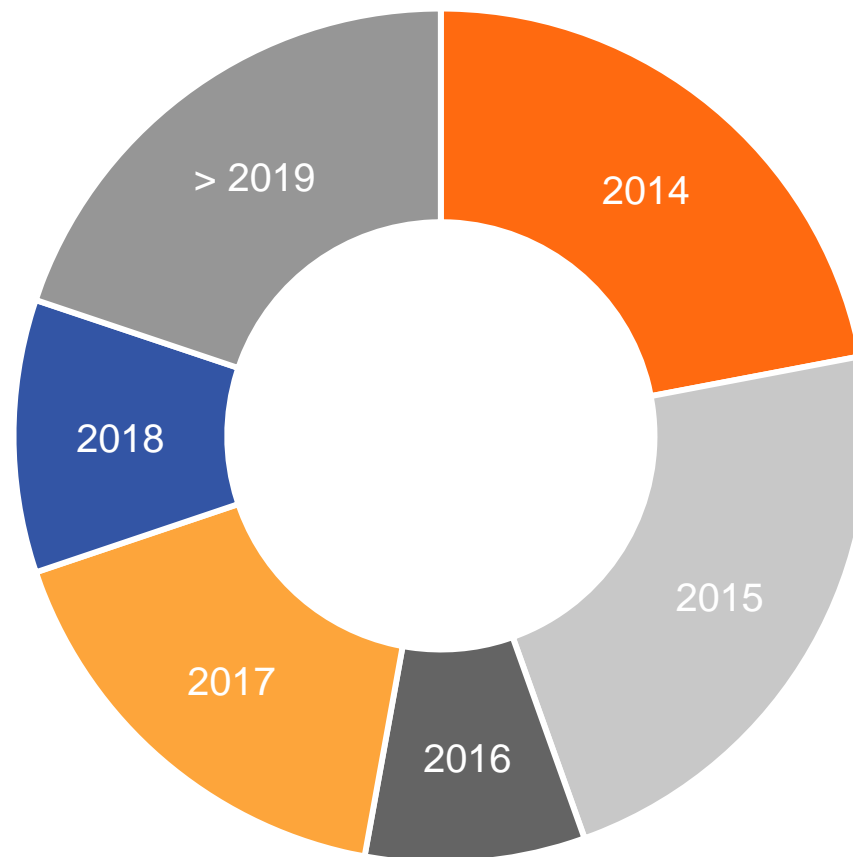


OP-Pohjola Group

Equity Capital and Cooperative Capital

€ million	30 September 2014	30 September 2013	Change € million	%
Share of OP-Pohjola Group's owners	6,636	7,390	-754	-10.2
Share and cooperative capital	1,259	340	920	270.7
Share capital	0	200	-200	
Membership capital contributions	146	140	7	4.9
Profit shares	1,113	0	1,113	0.0
Fair value reserve	382	283	99	34.9
Other reserves	2,179	2,731	-552	-20.2
Retained earnings	2,817	4,037	-1,220	-30.2
Non-controlling interests	78	90	-11	-12.7
Total equity capital	6,715	7,480	-765	-10.2
Supplementary cooperative capital	241	601	-361	-60.0

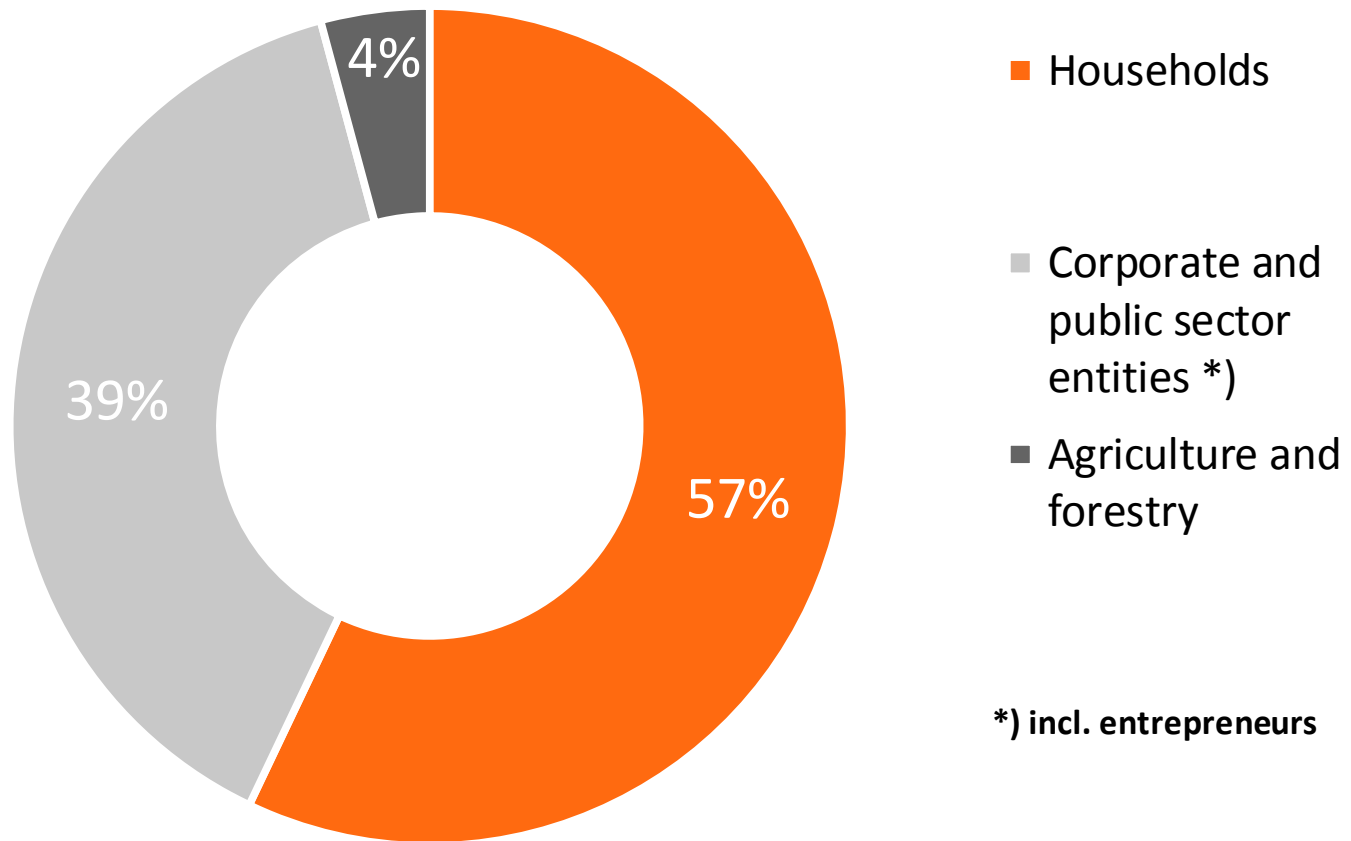
OP-Pohjola Group
Debt Securities Issued to the Public
Maturity 30 September 2014
total of €24.7 billion





Loans and Customer Funds

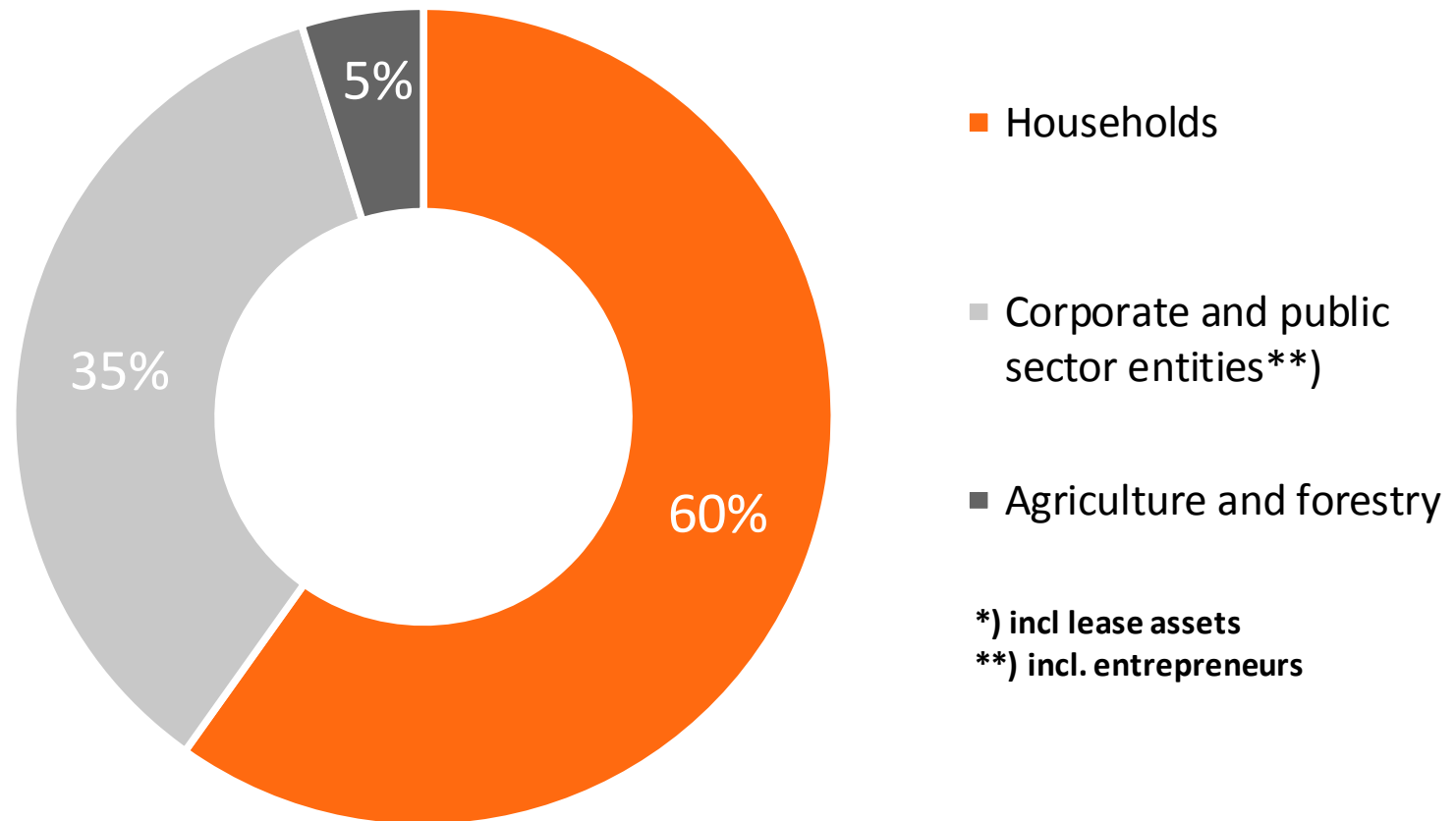
OP-Pohjola Group Deposits by Customer Sector 30 September 2014



*) incl. entrepreneurs



OP-Pohjola Group Loans* by Customer Sector 30 September 2014

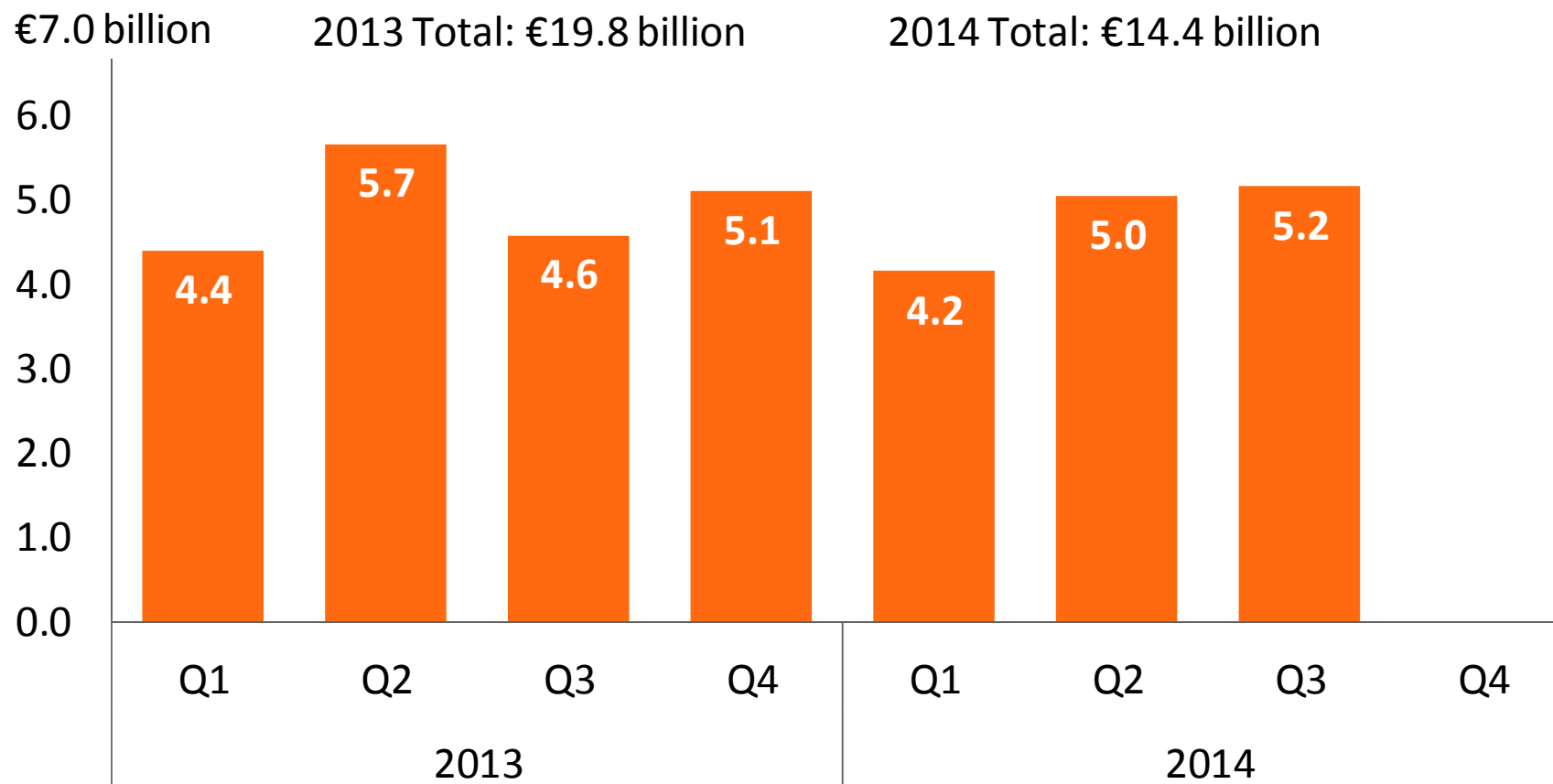


OP-Pohjola Group

Loan and Guarantee Portfolio by Sector

€ million	30 Sep 2014	30 Sep 2013	€ million	Change, %
Enterprises and housing associations	25,829	25,420	409	1.6
Renting and operating of residential real estate	6,042	5,369	673	12.5
Renting and operating of other real estate	3,166	3,128	38	1.2
Wholesale and retail trade	2,711	2,698	13	0.5
Services	1,864	1,746	118	6.7
Energy	1,845	1,401	443	31.6
Construction	1,744	1,817	-73	-4.0
Transportation and storage	1,483	1,533	-50	-3.3
Manufacture of machinery and equipment (incl. services)	1,388	1,347	41	3.1
Agriculture, forestry and fishing	845	895	-50	-5.5
Forest Industry	729	766	-36	-4.7
Financial and insurance services	704	967	-263	-27.2
Real estate investments	593	929	-337	-36.2
Metal Industry	538	594	-56	-9.4
Food Industry	531	569	-38	-6.7
Chemical Industry	331	363	-32	-8.8
Other manufacturing	214	310	-96	-30.9
Other industries	1,101	987	113	11.5
Public corporations and non-profit organisations	1,303	1,300	3	0.2
Households	45,241	44,221	1,020	2.3
Adjustments	677	-120	796	0.0
Total	73,049	70,821	2,228	3.1

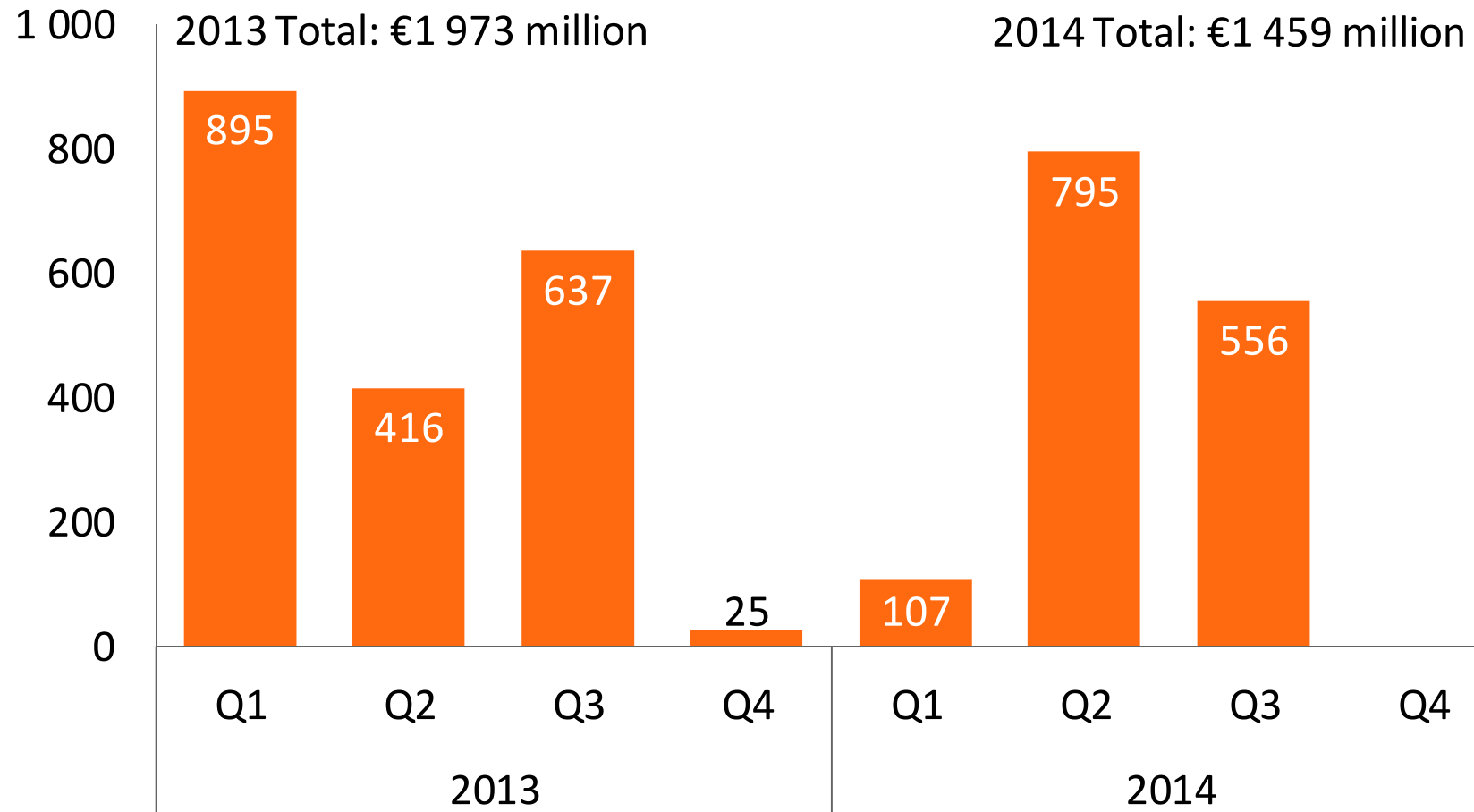
OP-Pohjola Group New Loans by Quarter



OP-Pohjola Group

Net Sales Inflow of Mutual Funds by Quarter

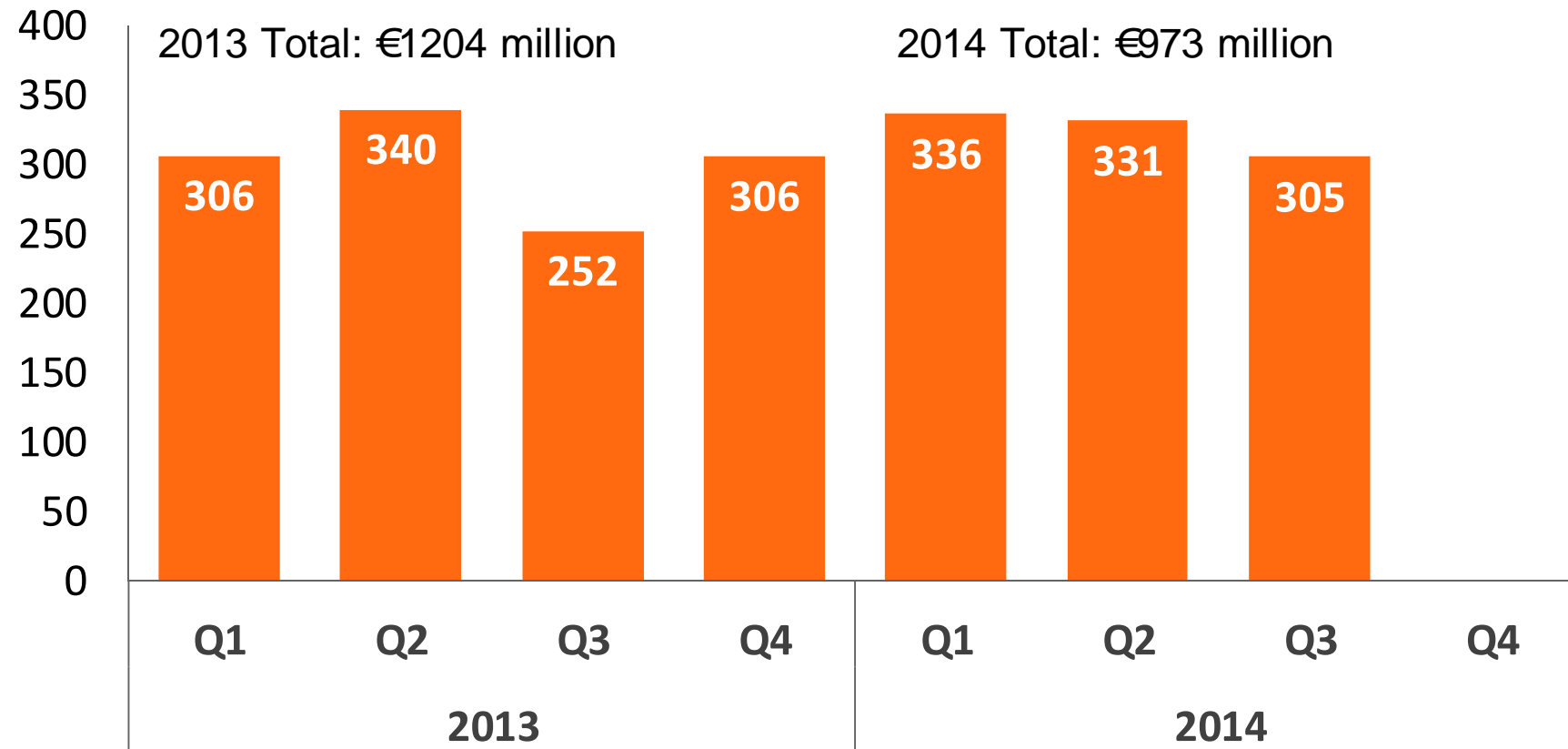
€million



OP-Pohjola Group

Life and Pension Insurance Premiums Written by Quarter

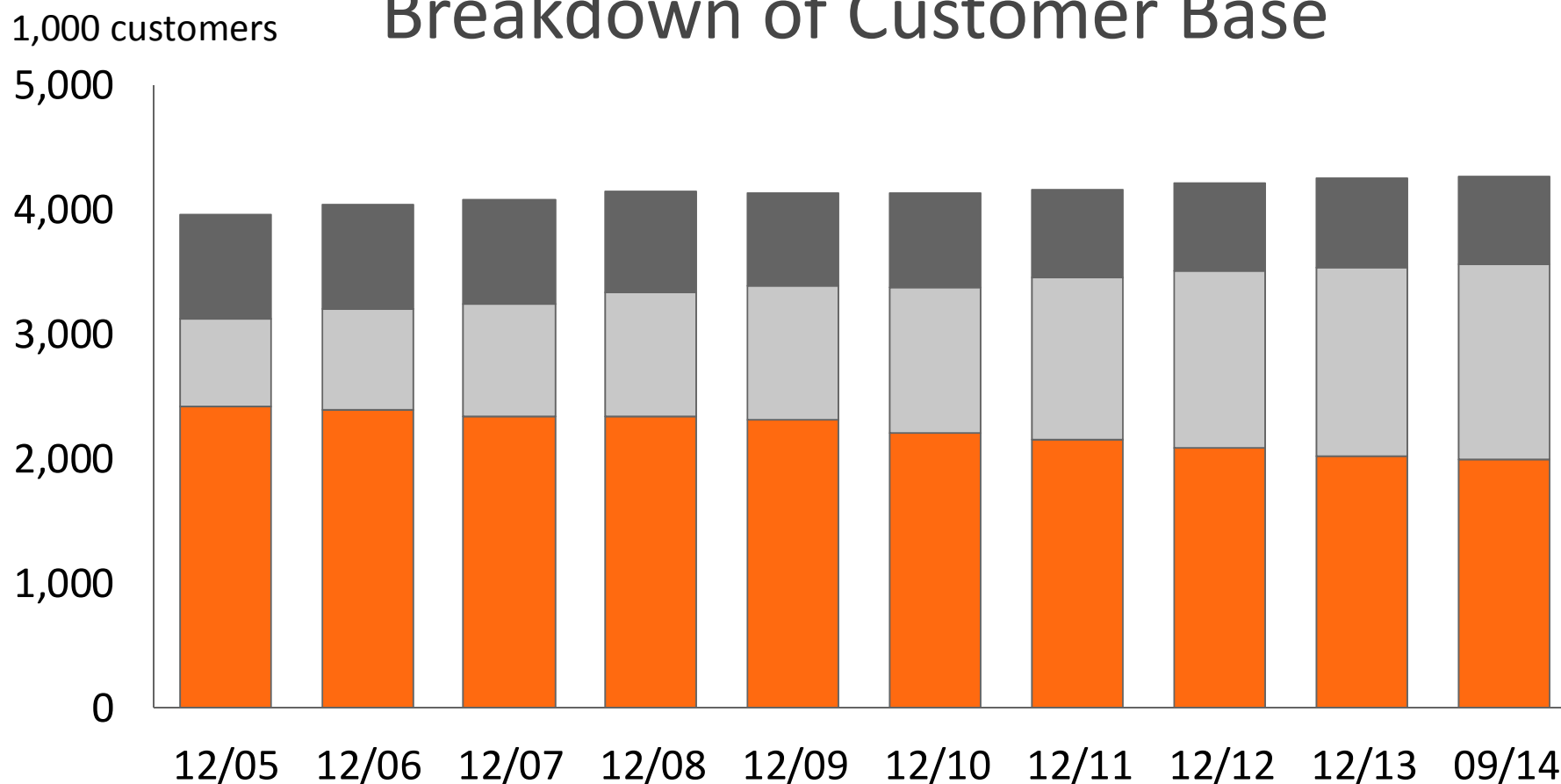
€million





Customers, Owner-members, etc.

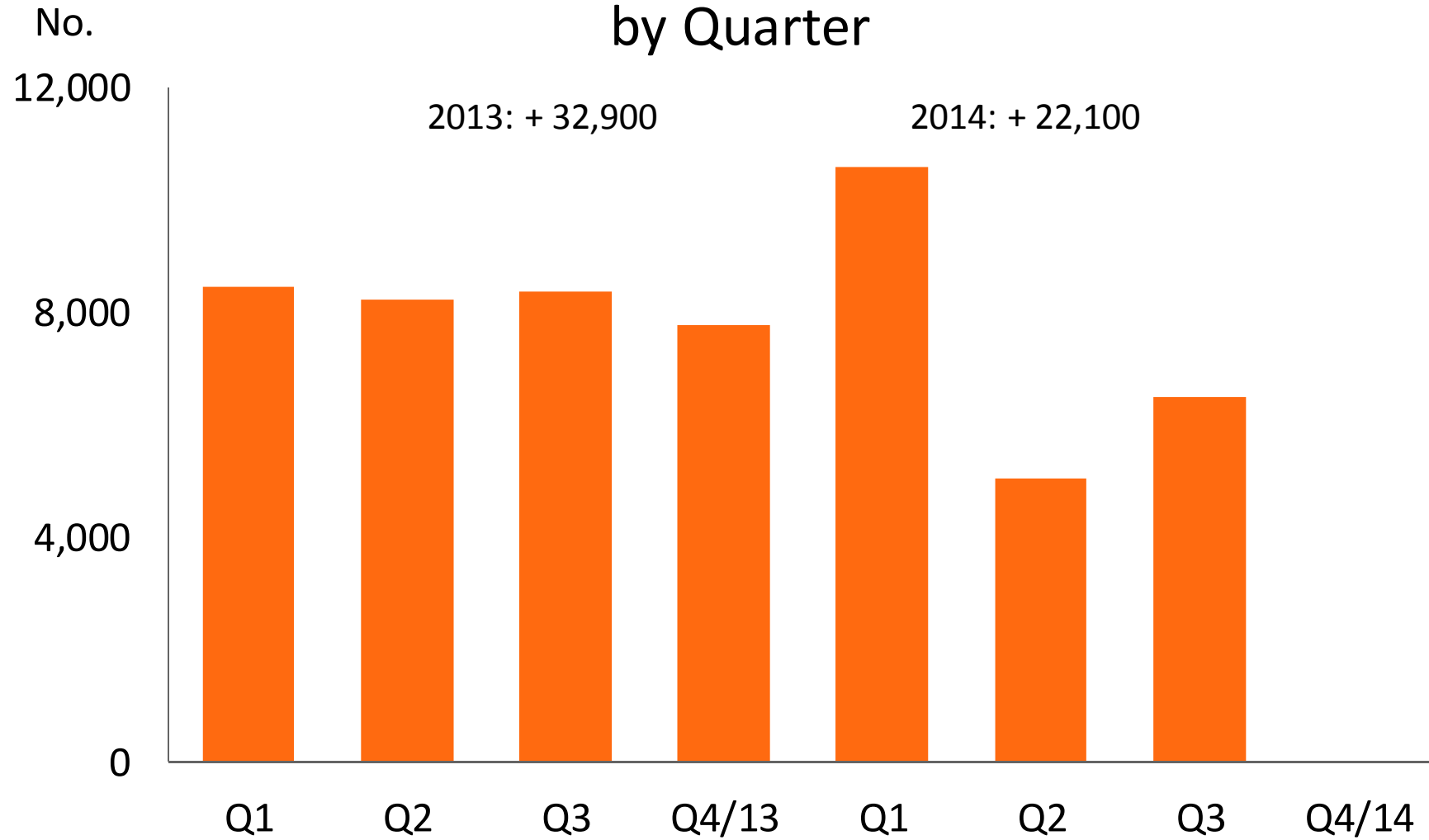
OP-Pohjola Group Breakdown of Customer Base



■ Bank customers ■ Bank and non-life insurance cust. ■ Non-life insurance customers



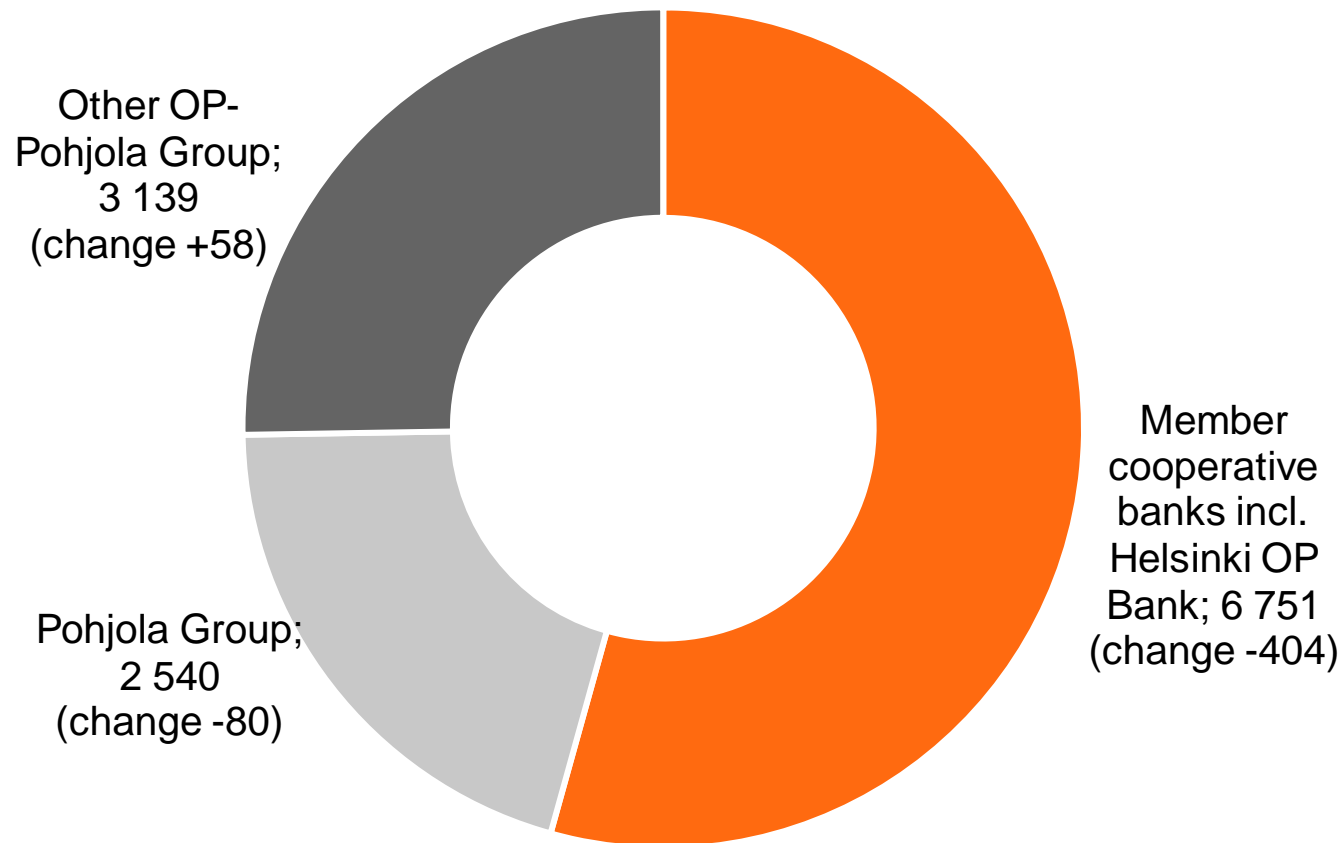
OP-Pohjola Group Net Increase in Owner-members by Quarter



OP-Pohjola Group's Personnel

30 September 2014

12,430 (-426 within 12 months)



OP-Pohjola Group's service network

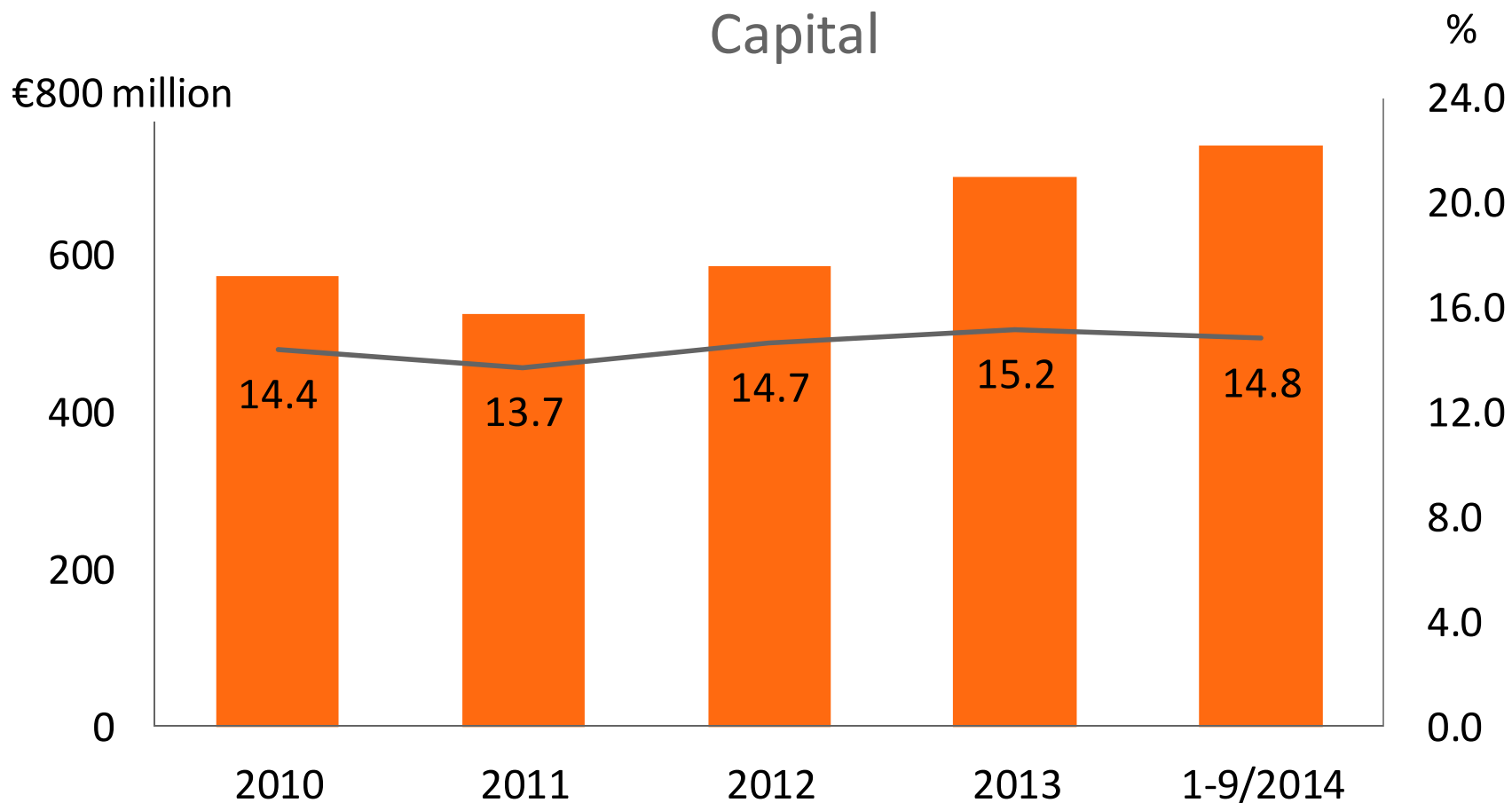
	September 2014	12-month change
Visits to op.fi	10,505,656	+2.9%
No. of OP-Mobile users	490,500	n/a
Pivo application uploads (1–9/2014)	over 300,000	about +500%
eServices Agreements	1,621,067	39,591
Bank branches	457	-39
Providing both non-life insurance and banking services	349	-6
Private Banking branches	40	+2
OP-Kiinteistökeskus real estate agencies	162	-8
Online customer terminals	440	-16
Followers of Facebook (OP-Pohjola Group and OP-Pohjola Group cooperative banks)	136,815	+78,019
Followers on Twitter	6,162	+ 4,780
Followers on LinkedIn (OP-Pohjola Group and Pohjola in total)	6,105	+2,569
Customer contacts in telephone service in September 2014	234,431	+ 7,041





5-year Trends

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

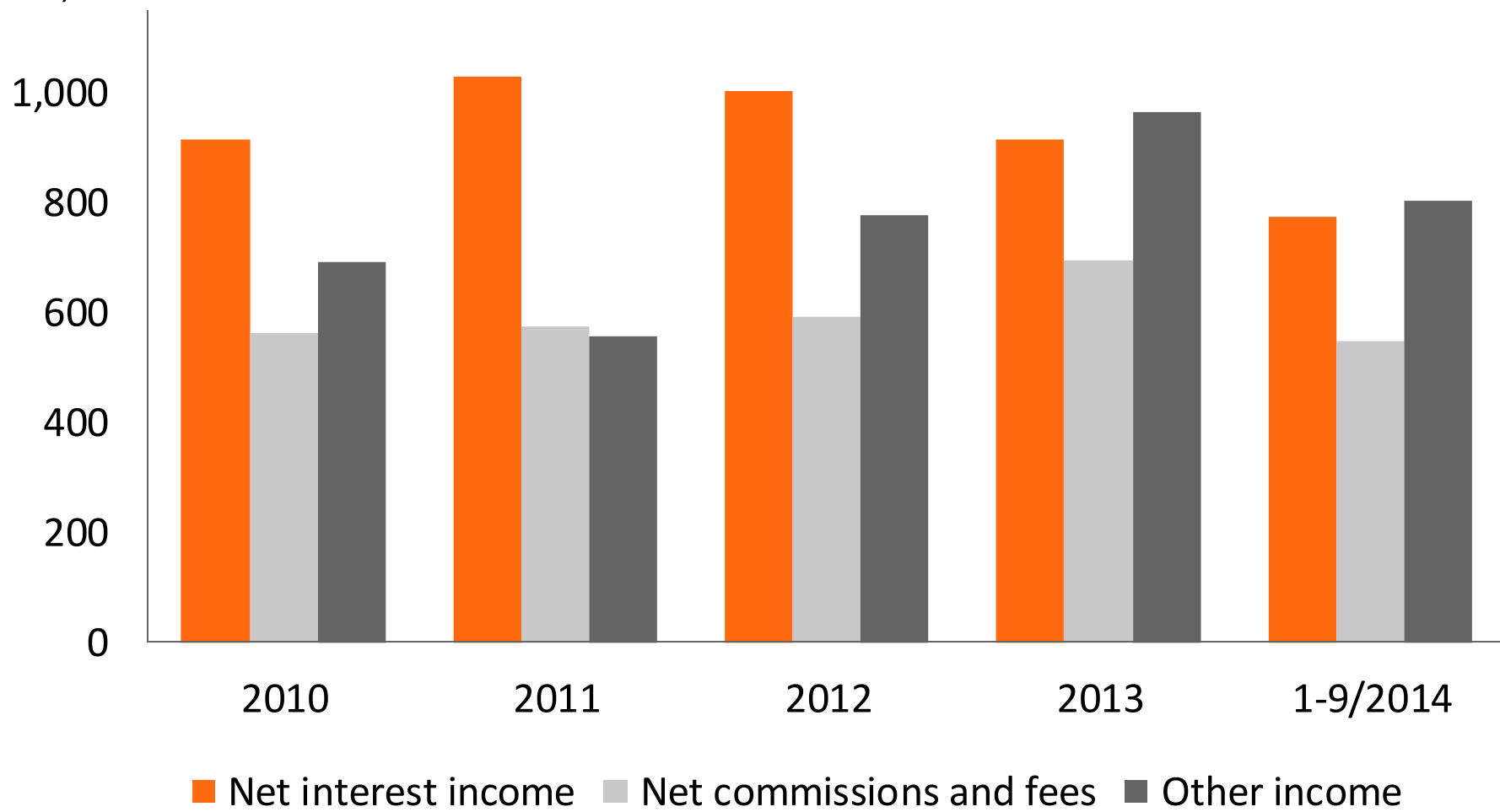


OP-Pohjola Group Earnings before Tax



OP-Pohjola Group Income

€1,200 million

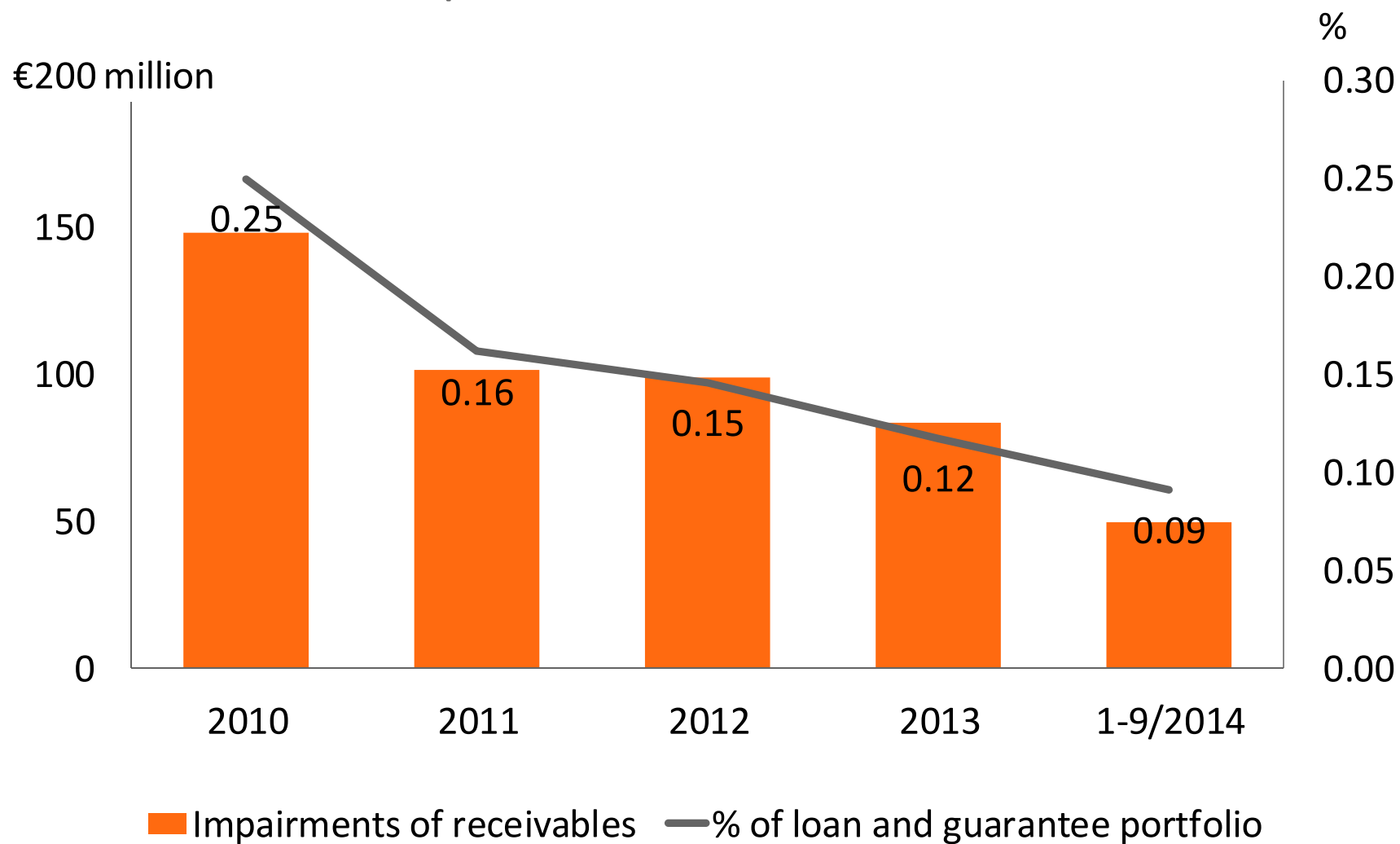


© OP-Pohjola

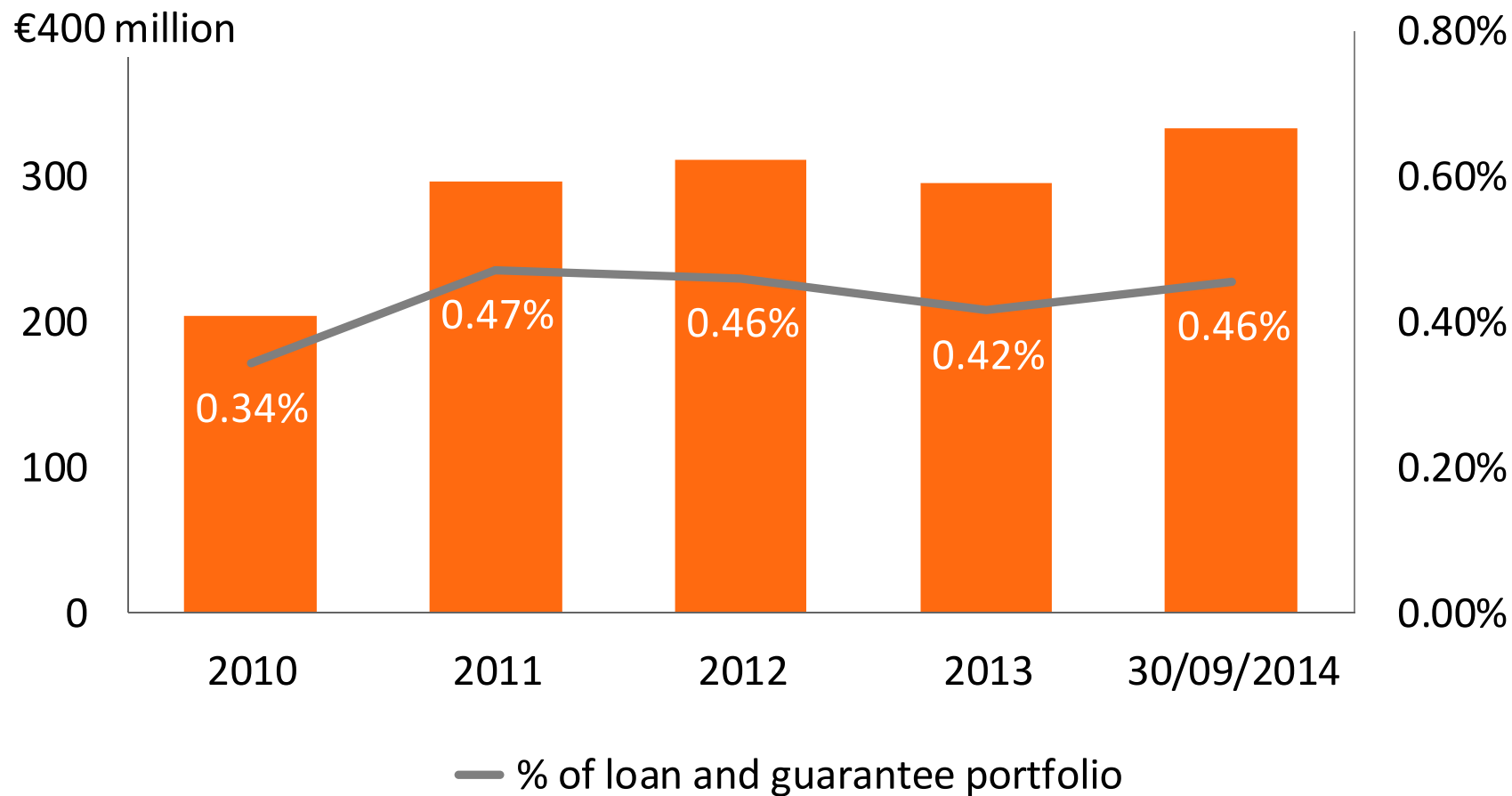
OP-Pohjola



OP-Pohjola Group Impairments of Receivables

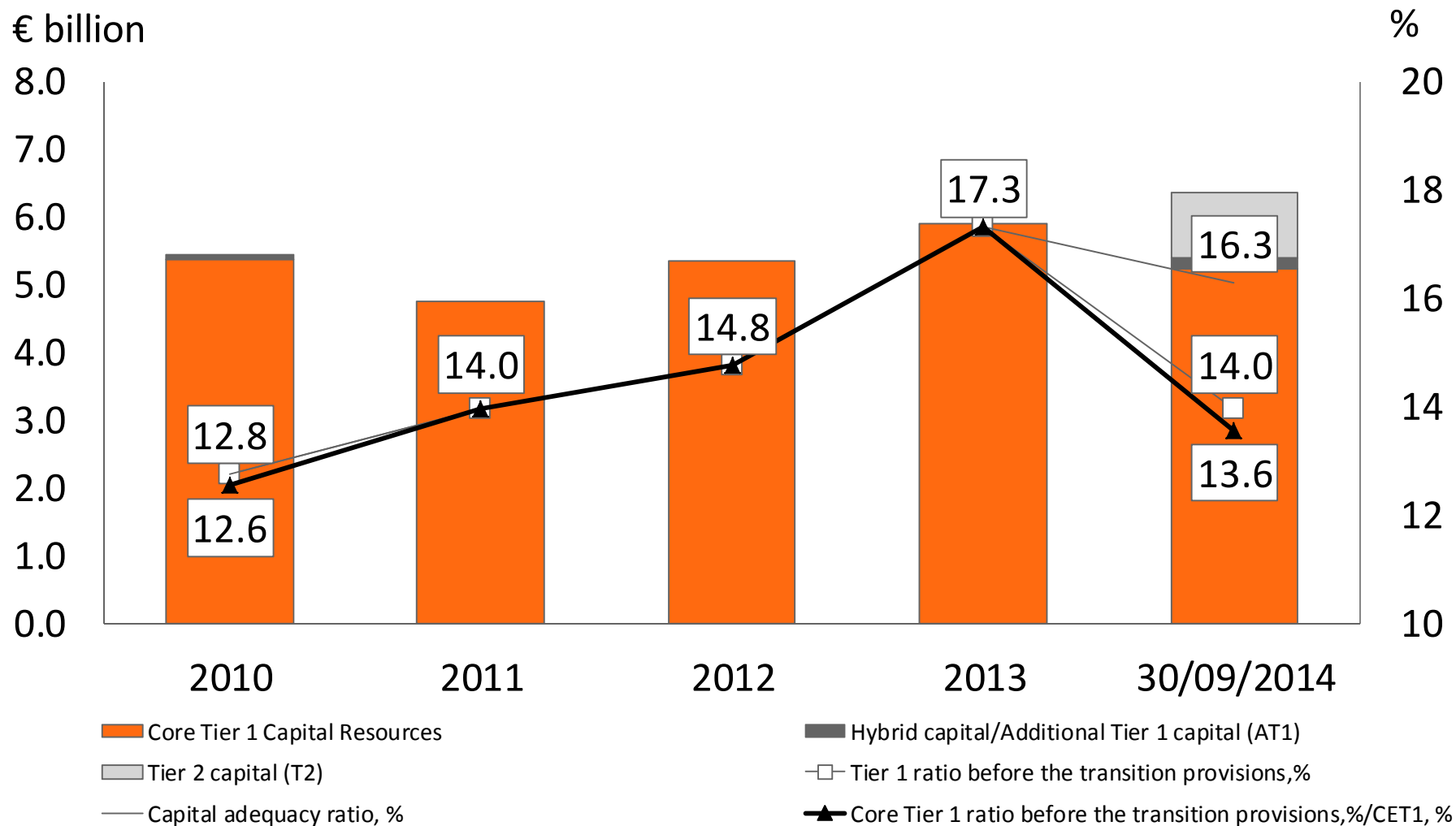


OP-Pohjola Group Receivables over 90 days overdue



The Amalgamation of the cooperative banks

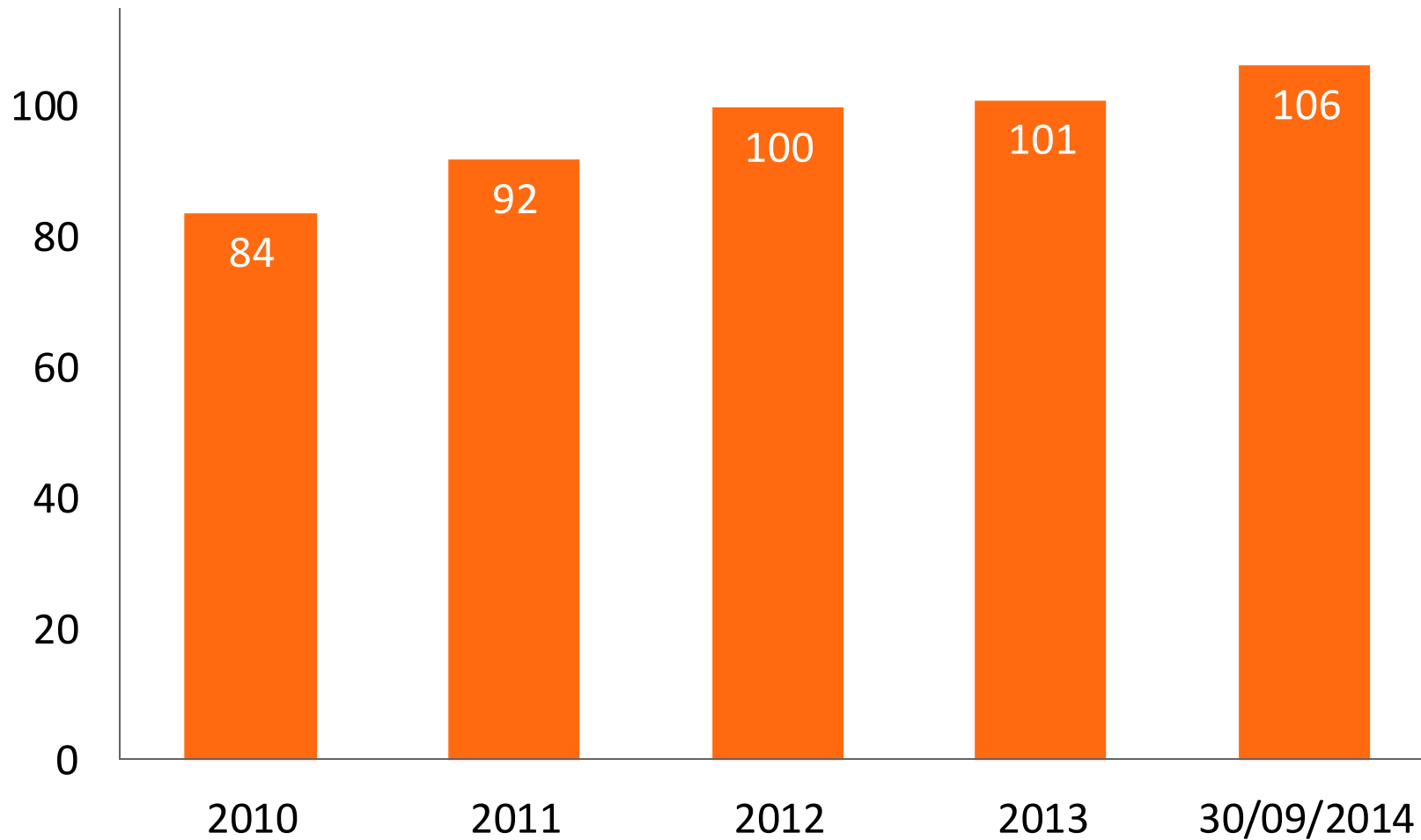
Capital base and Capital Adequacy Ratio



Until 2013 according to CRD3 before IRBA transitional provisions (Basel I floor)

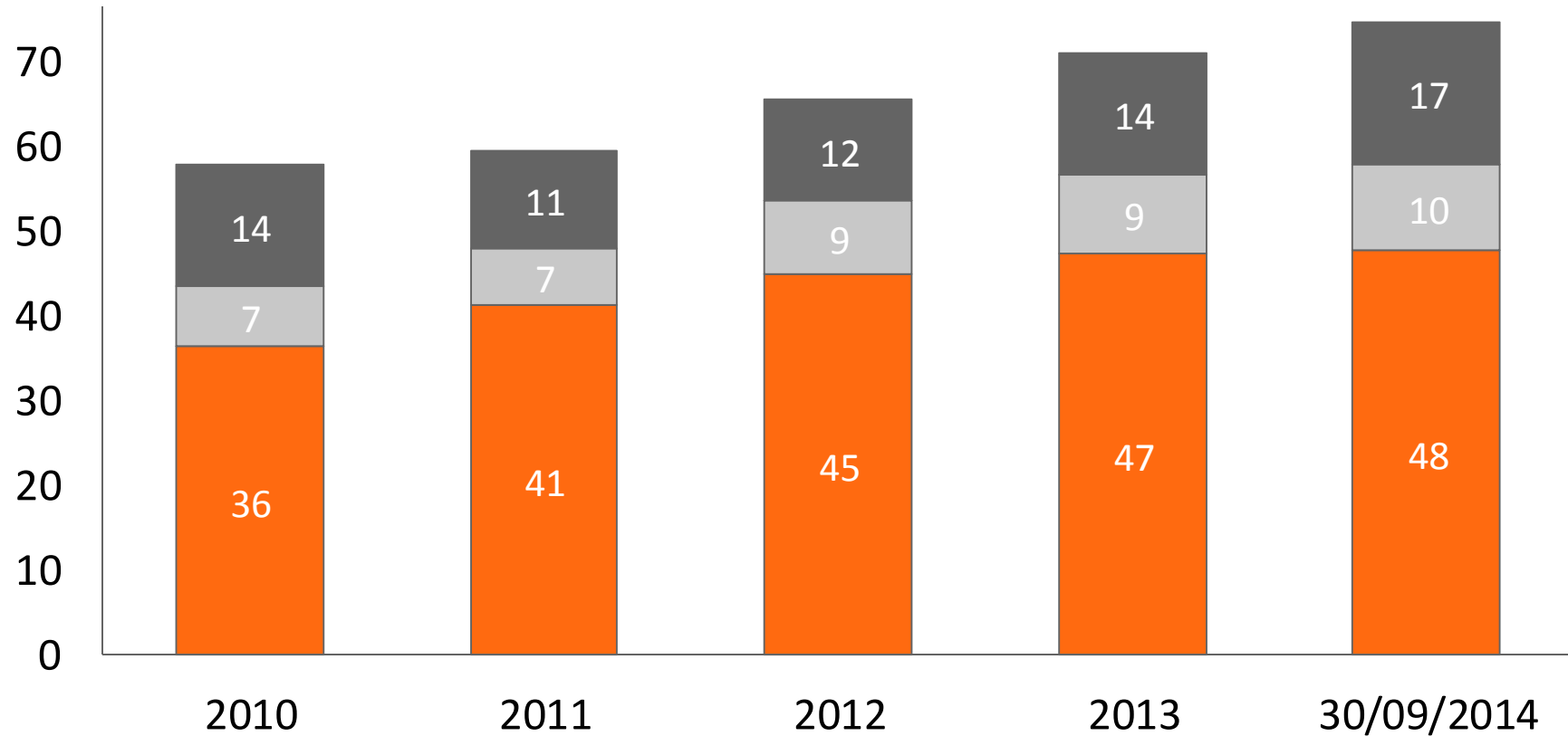
OP-Pohjola Group Balance Sheet

€120 billion



OP-Pohjola Group Customer Funds

€80 billion



■ Deposits

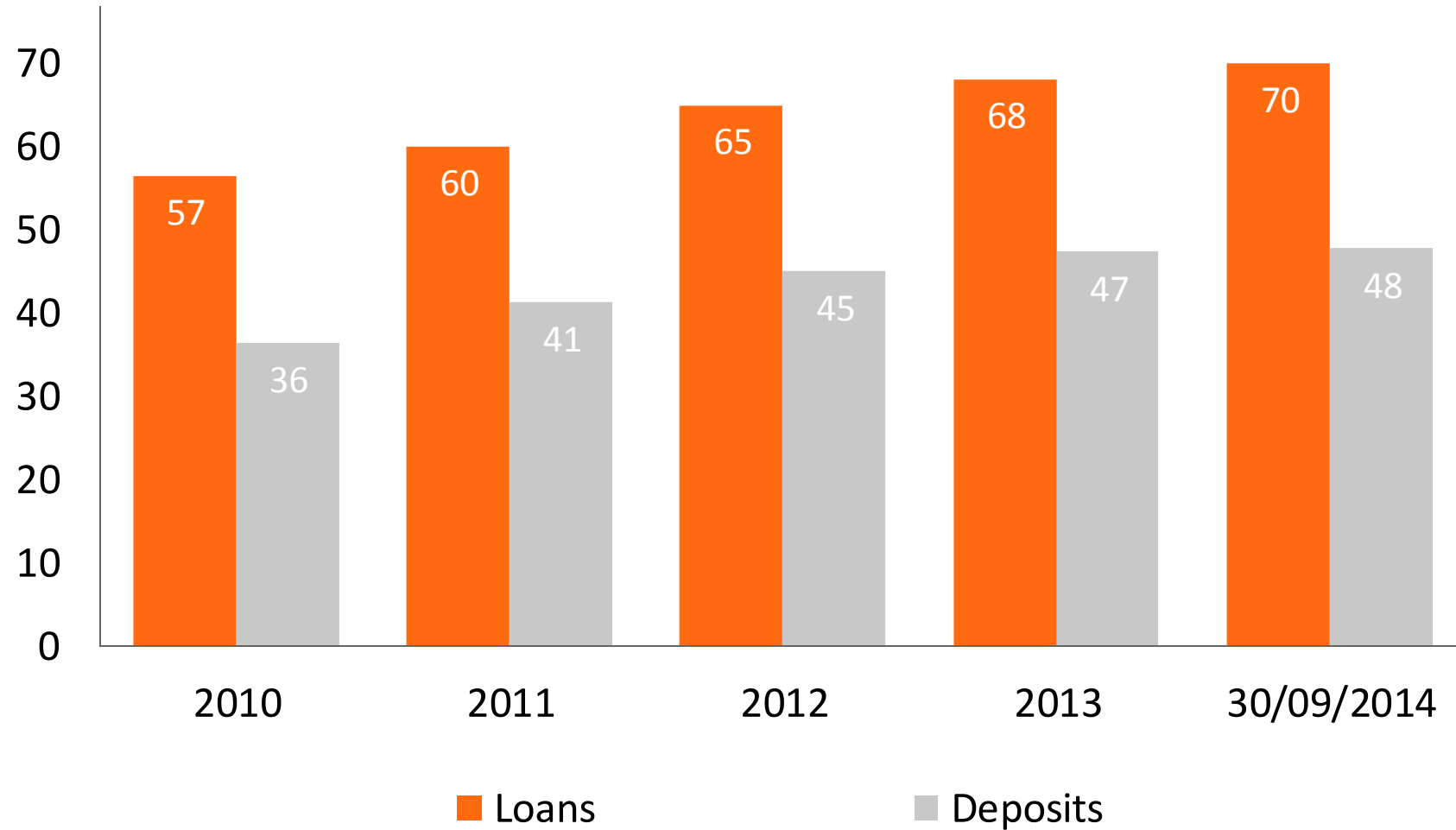
■ Life insurance savings

■ Mutual funds

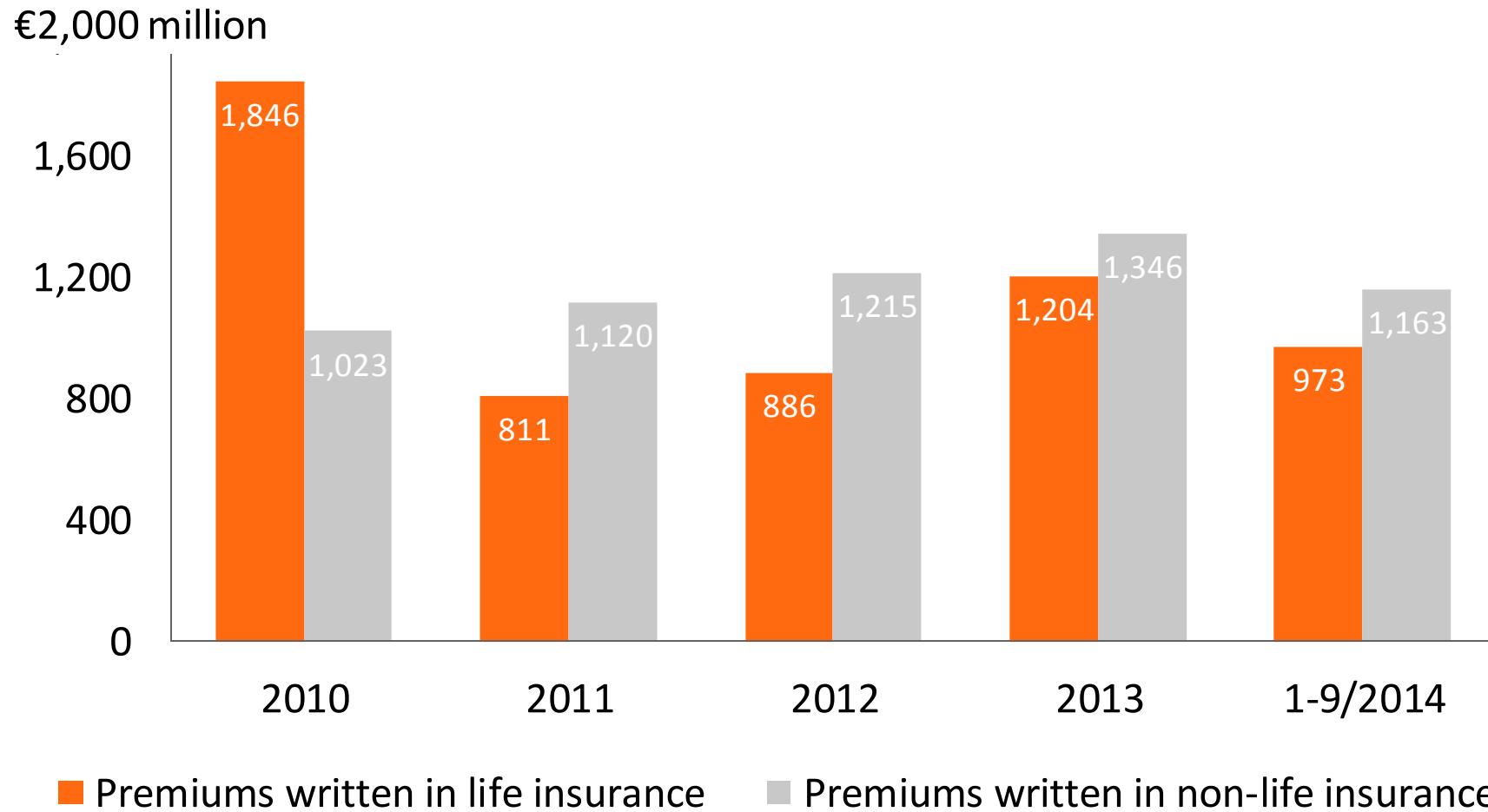


OP-Pohjola Group Loans and Deposits

€80 billion



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





Thank you