

## OP Mortgage Bank: Half-year Financial Report for 1 January–30 June 2020

OP Mortgage Bank (OP MB) is part of OP Financial Group and its role is to raise, together with OP Corporate Bank plc, funding for OP from money and capital markets. OP MB is responsible for the Group's funding for the part of covered bond issuance.

### Financial standing

The intermediary loans and loan portfolio of OP MB totalled EUR 15,315 million (14,335)\* on 30 June 2020. OP MB issued a 1 billion-euro fixed-rate covered bond with a maturity of 8.25 years in international capital markets in January. Out of the proceeds of the bond, EUR 984 million were intermediated to 77 OP cooperative banks in the form of intermediary loans in April. In February, a new extension of an intermediary loan model was performed on a bond issued in February 2019 that will mature in 2029. As part of this extension, seven OP cooperative banks applied for an intermediary loan from OP MB at a total amount of EUR 185 million.

In April, OP MB issued a 500 million-euro retained covered bond with a maturity of two years. Out of the proceeds of the bond, EUR 100 million was intermediated to an OP cooperative bank in the form of an intermediary loan in June. In April, OP MB also issued a 300 million-euro retained covered bond with a maturity of eight years. The proceeds of the bond were intermediated in full to five OP cooperative banks in the form of intermediary loans. The bond issues in April were performed as internal issues within OP Financial Group.

On 30 June 2020, 122 OP cooperative banks had a total of EUR 10,255 million (8,706) in intermediary loans from OP MB.

Impairment loss on receivables increased to EUR 1.4 million (0.1). As a result of the coronavirus crisis, customers have actively applied for repayment holidays on their loans. Combined with the changes in macroeconomic parameters applied in the calculation of expected credit losses, this increased the amount of expected credit losses. The new definition of default adopted in March also increased the amount of expected credit losses.

The company's financial standing remained stable throughout the reporting period. Earnings before tax amounted to EUR 4.0 million (8.4).

\*The comparatives for 2019 are given in brackets. For income statement and other aggregated figures, January–June 2019 figures serve as comparatives. For balance-sheet and other cross-sectional figures, figures at the end of the previous financial year (31 December 2019) serve as comparatives.

### Collateralisation of bonds issued to the public

On 30 June 2020, loans as collateral in security of the covered bonds issued under the Euro Medium Term Covered Note programme worth EUR 20 billion established on 12 November 2010 under the Act on Mortgage Credit Banks (Laki kiinnityspankkitoiminnasta (688/2010)) totalled EUR 15,656 million.

### Capital adequacy

OP MB's Common Equity Tier 1 (CET1) ratio stood at 55.2% (69.8) on 30 June 2020. The lower ratio was affected in particular by the rise in risk weights caused by the adoption of the new definition of default. The minimum CET1 capital requirement is 4.5% and the requirement for the capital conservation buffer is 2.5%, i.e. the total CET1 capital requirement is 7%. The minimum total capital requirement is 8% and 10.5% with increased capital conservation buffer. Earnings for the financial year were not included in CET1 capital.

OP MB uses the Internal Ratings Based Approach (IRBA) to measure its capital adequacy requirement for credit risk. OP MB uses the Standardised Approach to measure its capital adequacy for operational risk.

OP MB has presented its capital base and capital adequacy in accordance with the EU Capital Requirements Regulation (EU 575/2013).

<b>Capital base and capital adequacy, TEUR</b>	<b>30 June 2020</b>	<b>31 Dec 2019</b>
Shareholders' equity	367,910	376,616
<b>Common Equity Tier 1 (CET1) before deductions</b>	<b>367,910</b>	<b>376,616</b>
Excess funding of pension liability	-69	-69
Share of unaudited profits	-3,185	-11,892
Shortfall of ECL minus expected losses	-4,530	-5,589
<b>Common Equity Tier 1 (CET1)</b>	<b>360,126</b>	<b>359,066</b>
<b>Tier 1 capital (T1)</b>	<b>360,126</b>	<b>359,066</b>
<b>Tier 2 Capital (T2)</b>	<b>0</b>	<b>0</b>
<b>Total capital base</b>	<b>360,126</b>	<b>359,066</b>
<b>Total risk exposure amount</b>		
Credit and counterparty risk	617,979	476,138
Operational risk	34,748	38,237
<b>Total</b>	<b>652,727</b>	<b>514,375</b>
<b>Key ratios, %</b>		
CET1 capital ratio	55.2	69.8
Tier 1 capital ratio	55.2	69.8
Capital adequacy ratio	55.2	69.8
<b>Capital requirement</b>		
Capital base	360,126	359,066
Capital requirement	68,536	54,012
Buffer for capital requirements	291,589	305,055

## Joint and several liability of amalgamation

Under the Act on the Amalgamation of Deposit Banks, the amalgamation of the cooperative banks comprises the organisation's central cooperative (OP Cooperative), the central cooperative's 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 together hold more than half of the total votes. This amalgamation is supervised on a consolidated basis. On 30 June 2020, OP Cooperative's member credit institutions comprised 141 OP cooperative banks as well as OP Corporate Bank plc, OP MB and OP Card Company Plc.

The central cooperative is responsible for issuing instructions to its member credit institutions concerning their internal control and risk management, their procedures for securing liquidity and capital adequacy as well as for compliance with harmonised accounting policies in the preparation of the amalgamation's consolidated financial statements.

As a support measure referred to in the Act on the Amalgamation of Deposit Banks, the central cooperative is liable to pay any of its member credit institutions an amount that is necessary to prevent the credit institution from being placed in liquidation. The central cooperative is also liable for the debts of a member credit institution which cannot be paid using the member credit institution's assets.

Each member bank is liable to pay a proportion of the amount which the central cooperative has paid to either another member bank as part of support action or to a creditor of such member bank in payment of an amount overdue which the creditor has not received from the member bank. Furthermore, in the case of the central cooperative's default, a member bank has unlimited refinancing liability for the central cooperative's debts as referred to in the Co-operatives Act.

Each member bank's liability for the amount the central cooperative has paid to the creditor on behalf of a member bank is divided between the member banks in proportion to their last adopted balance sheets. OP Financial Group's insurance companies do not fall within the scope of joint and several liability.

According to section 25 of the Act on Mortgage Credit Banks, the holder of a covered bond has the right to receive a payment for the entire term of the bond from the assets entered as collateral before receivables without this being prevented by OP MB's liquidation or bankruptcy.

## Personnel

On 30 June 2020, OP MB had six employees. OP MB has been digitising its operations and purchases all the most important support services from OP Cooperative and its Group members, reducing the need for its own personnel.

## Management

The Board composition is as follows:

Chair	Vesa Aho	Chief Financial Officer, OP Cooperative
Members	Kaisu Christie Lauri Iloniemi	Director, Mortgages and Housing-related Services, OP Cooperative Head of Treasury and Asset and Liability Management, OP Corporate Bank plc

OP MB's Managing Director is Sanna Eriksson. Until 30 June 2020, the deputy Managing Director was Pekka Moisio, Head of Funding and Liquidity Management. As of 1 July 2020, the deputy Managing Director is Tuomas Ruotsalainen, Senior Covered Bonds Manager at OP MB.

## Risk exposure

When entering 2020, OP MB had a strong capital base, capital buffers and risk-bearing capacity. The coronavirus pandemic that spread widely in early 2020 had a global effect on societies, which has further affected economic development and operating conditions in the financial sector. This is the case in Finland, too.

The pandemic may especially affect risks associated with lending, liquidity maintenance and business processes. OP MB's capital base is sufficient to secure business continuity.

The most typical types of risks related to OP MB are credit risk, structural funding risk, liquidity risk and interest rate risk. The key credit risk indicators in use show that OP MB's credit risk exposure is stable and the limit for liquidity risk set by the Board of Directors has not been exceeded. The liquidity buffer for OP Financial Group, managed by OP Corporate Bank, is exploitable by OP MB. OP MB has used interest rate swaps to hedge against its interest rate risk. Interest rate swaps have been used to swap home loan interest, intermediary loan interest and interest on issued bonds into the same basis rate. OP MB has concluded all derivative contracts for hedging purposes, with OP Corporate Bank plc being their counterparty. The interest rate risk of OP MB may be considered low and it has been within the set limit.

## Outlook

Due to the coronavirus pandemic, the global economy declined sharply in the second quarter. However, it began to recover already in early summer as restrictions were eased. The financial market picked up during the second quarter as well, helped by central banks' sizeable support measures. However, uncertainties in the financial market may increase rapidly if the pandemic outbreak worsens again. It is expected that OP MB's capital adequacy will remain extremely strong and the overall quality of the loan portfolio good. This will make it possible to issue new covered bonds in the future as well.

## Alternative Performance Measures

Key ratios	H1/2020	H1/2019	Q2/2020	Q2/2019	Q1-4/2019
Return on equity (ROE), %	1.7	3.6	1.9	3.6	3.2
Cost/income ratio, %	36	25	35	24	30

The Alternative Performance Measures are presented to illustrate the financial performance of business operations and to improve comparability between reporting periods.

The formulas for the used Alternative Performance Measures are presented below.

Return on equity (ROE), % = Annualised profit for the period / Equity capital (average equity capital at the beginning and end of the period) × 100

Cost/income ratio, % = (Personnel costs + Depreciation/amortisation and impairment loss + Other operating expenses) / (Net interest income + Net commission and fees + Net investment income + Other operating income) × 100

## Half-year Financial Report 1 January–30 June 2020

### Primary statements

Income statement, TEUR	H1/2020	H1/2019	Q2/2020	Q2/2019	Q1-4/2019
Net interest income	25,355	32,079	12,569	15,664	61,521
Interest income	8,452	20,359	4,784	9,949	33,996
Interest expenses	-16,903	-11,721	-7,785	-5,715	-27,525
Net commissions and fees	-17,076	-20,901	-8,408	-10,274	-40,055
Net investment income	1	1	0	0	1
Other operating income	0	0	0	0	1
<b>Total income</b>	<b>8,281</b>	<b>11,180</b>	<b>4,161</b>	<b>5,390</b>	<b>21,468</b>
Personnel costs	232	170	122	88	399
Depreciation/amortisation and impairment loss	0	105	0	53	123
Other operating expenses	2,740	2,499	1,320	1,151	5,865
<b>Total expenses</b>	<b>2,972</b>	<b>2,774</b>	<b>1,442</b>	<b>1,292</b>	<b>6,387</b>
Impairment loss on receivables	-1,328	-56	-583	43	-217
<b>Earnings before tax</b>	<b>3,981</b>	<b>8,350</b>	<b>2,135</b>	<b>4,141</b>	<b>14,865</b>
Income tax expense	796	1,670	427	828	2,973
<b>Profit for the period</b>	<b>3,185</b>	<b>6,680</b>	<b>1,708</b>	<b>3,313</b>	<b>11,892</b>

Statement of comprehensive income, TEUR	H1/2020	H1/2019	Q2/2020	Q2/2019	Q1-4/2019
Profit for the period	3,185	6,680	1,708	3,313	11,892
Items that will not be reclassified to profit or loss					
Gains/(losses) arising from remeasurement of defined benefit plans					3
Income tax on gains/(losses) on arising from remeasurement of defined benefit plans					-1
<b>Total comprehensive income</b>	<b>3,185</b>	<b>6,680</b>	<b>1,708</b>	<b>3,313</b>	<b>11,894</b>

Balance sheet, TEUR	30 June 2020	30 June 2019	31 Dec 2019
Receivables from credit institutions	10,886,307	7,875,641	9,144,571
Derivative contracts	403,192	346,060	291,146
Receivables from customers	5,059,254	6,295,149	5,628,716
Investments assets	40	40	40
Intangible assets	0	17	0
Property, plant and equipment	0	13	0
Other assets	26,489	32,305	31,605
Tax assets	1,589	263	908
<b>Total assets</b>	<b>16,376,871</b>	<b>14,549,489</b>	<b>15,096,986</b>
Liabilities to credit institutions	1,900,000	2,916,000	2,516,000
Derivative contracts	13,678	14,461	14,470
Debt securities issued to the public	14,042,809	11,187,492	12,135,974
Provisions and other liabilities	52,410	60,060	53,861
Tax liabilities	64	74	64
<b>Total liabilities</b>	<b>16,008,961</b>	<b>14,178,086</b>	<b>14,720,370</b>
Shareholders' equity			
Share capital	60,000	60,000	60,000
Reserve for invested unrestricted equity	245,000	245,000	245,000
Retained earnings	62,910	66,402	71,616
Total equity	367,910	371,402	376,616
<b>Total liabilities and shareholders' equity</b>	<b>16,376,871</b>	<b>14,549,489</b>	<b>15,096,986</b>

Off-balance-sheet commitments, TEUR	30 June 2020	30 June 2019	31 Dec 2019
Irrevocable commitments given on behalf of customers	2	2	2

Statement of changes in equity, TEUR	Share capital	Other reserves	Retained earnings	Total equity
<b>Shareholders' equity 1 Jan. 2020</b>	<b>60,000</b>	<b>245,000</b>	<b>71,616</b>	<b>376,616</b>
Reserve for invested unrestricted equity				
Profit for the period			3,185	3,185
Other comprehensive income for the period			0	0
Other changes			-11,891	-11,891
<b>Shareholders' equity 30 June 2020</b>	<b>60,000</b>	<b>245,000</b>	<b>62,910</b>	<b>367,910</b>
<b>Shareholders' equity 1 Jan. 2019</b>	<b>60,000</b>	<b>245,000</b>	<b>72,720</b>	<b>377,720</b>
Reserve for invested unrestricted equity				
Profit for the period			6,680	6,680
Other comprehensive income for the period			0	0
Other changes			-12,998	-12,998
<b>Shareholders' equity 30 June 2019</b>	<b>60,000</b>	<b>245,000</b>	<b>66,402</b>	<b>371,402</b>

<b>Cash flow from operating activities, TEUR</b>	<b>H1/2020</b>	<b>H1/2019</b>
Profit for the financial year	3,185	6,680
Adjustments to profit for the financial year	5,865	6,261
<b>Increase (-) or decrease (+) in operating assets</b>	<b>-1,480,890</b>	<b>-294,388</b>
Receivables from credit institutions	-2,053,673	-1,000,000
Receivables from the public and public-sector entities	567,663	705,391
Other assets	5,120	221
<b>Increase (+) or decrease (-) in operating liabilities</b>	<b>-617,452</b>	<b>28,420</b>
Liabilities to credit institutions and central banks	-616,000	20,000
Other liabilities	-1,452	8,420
Income tax paid	-1,477	-1,933
Dividends received	1	1
<b>A. Net cash from operating activities</b>	<b>-2,090,768</b>	<b>-254,958</b>
<b>B. Net cash used in investing activities</b>	<b>0</b>	<b>0</b>
<b>Cash flow from financing activities</b>		
Increases in debt securities issued to the public	1,810,722	1,233,863
Decreases in debt securities issued to the public	-20,000	-1,000,000
Dividends paid and interest on cooperative capital	-11,891	-12,998
<b>C. Net cash used in financing activities</b>	<b>1,778,831</b>	<b>220,864</b>
<b>D. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>0</b>	<b>0</b>
<b>Net change in cash and cash equivalents (A+B+C+D)</b>	<b>-311,937</b>	<b>-34,094</b>
<b>Cash and cash equivalents at year-start</b>	<b>438,702</b>	<b>133,460</b>
<b>Cash and cash equivalents at year-end</b>	<b>126,765</b>	<b>99,472</b>
<b>Change in cash and cash equivalents</b>	<b>-311,937</b>	<b>-33,989</b>
Interest received	13,731	20,482
Interest paid	-15,804	-20,979
<b>Adjustments to profit for the financial year</b>		
Impairment losses on receivables	1,330	56
Price difference recognised on debt securities issued to the public	3,743	4,536
Other	791	1,668
<b>Total adjustments</b>	<b>5,865</b>	<b>6,261</b>
<b>Cash and cash equivalents</b>		
Receivables from credit institutions payable on demand	126,765	99,472
<b>Total cash and cash equivalents</b>	<b>126,765</b>	<b>99,472</b>

## Accounting policies

The Half-year Financial Report 1 January–30 June 2020 has been prepared in accordance with IAS 34 (Interim Financial Reporting).

This Half-year Financial Report is based on unaudited figures. Given that all figures have been rounded off, the sum total of individual figures may deviate from the presented sums.

The Half-year Financial Report is available in Finnish and English. The Finnish version is official and will be used if there is any discrepancy between the language versions.

OP MB's related parties include the parent company OP Cooperative and its subsidiaries, the OP Financial Group pension insurance companies OP Bank Group Pension Fund and OP Bank Group Pension Foundation, and key management personnel and their close family members. Standard loan terms and conditions are applied to loans granted to related parties. Loans are tied to generally used reference interest rates. The reporting period saw no major changes in related-party transactions.

## New standards and interpretations

As part of OP Financial Group, OP MB adopted the European Banking Authority's (EBA) guidelines on the definition of default (Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013) in the first quarter. The Guidelines harmonise the definition of default applied by European banks on their customers. The new process in accordance with the Guidelines recognises defaulted customers earlier, for example, based on information in external credit registers. As regards retail customers, the new process extends the default to cover all exposures of an individual obligor. This change increased the number of observations of default and weakened the parameters of credit risk.

As part of OP Financial Group, OP MB applies a so-called Two-Step Approach. The first step involved the change of the definition of default during the first quarter of 2020. The second step to be taken later involves the calibration of credit risk parameters. The supervisory obligation related to the adoption of the new definition of default increased the average risk weights of OP MB's loan portfolio at the first step. Growth in the expected credit losses (ECL) in the income statement caused by the change in the definition of default has been taken into account in the effect on capital adequacy. OP MB applied the new definition of default to expected credit losses as a change in the accounting estimate. Consequently, impairment loss on receivables in the income statement increased by TEUR 637 in the first quarter of 2020.

## Notes

Net commissions and fees, TEUR	H1/2020	H1/2019	Q2/2020	Q2/2019	Q1-4/2019
<b>Commission income</b>					
Lending	2,090	2,492	969	1,283	4,891
<b>Total</b>	<b>2,090</b>	<b>2,492</b>	<b>969</b>	<b>1,283</b>	<b>4,891</b>
<b>Commission expenses</b>					
From lending to OP cooperative banks	2,001	2,402	929	1,234	4,703
Loan management fee to OP cooperative banks	17,051	20,893	8,398	10,307	40,018
Issue of bonds	111	95	49	15	220
Other	3	3	2	2	6
<b>Total</b>	<b>19,166</b>	<b>23,392</b>	<b>9,378</b>	<b>11,557</b>	<b>44,946</b>
<b>Net commissions and fees</b>	<b>-17,076</b>	<b>-20,901</b>	<b>-8,408</b>	<b>-10,274</b>	<b>-40,055</b>

Classification of financial assets and liabilities 30 June 2020, TEUR				
	Amortised cost	Recognised at fair value through profit or loss	Recognised at fair value through other comprehensive income	Total
<b>Financial assets</b>				
Receivables from credit institutions and central banks	10,886,307			10,886,307
Derivative contracts		403,192		403,192
Receivables from customers	5,059,254			5,059,254
Investment assets			40	40
Other receivables	26,644			26,644
<b>Financial assets</b>	<b>15,972,205</b>	<b>403,192</b>	<b>40</b>	<b>16,375,437</b>
Other than financial assets				1,434
<b>Total</b>	<b>15,972,205</b>	<b>403,192</b>	<b>40</b>	<b>16,376,871</b>
		Recognised at fair value through profit or loss	Amortised cost	Total
<b>Financial liabilities</b>				
Liabilities to credit institutions			1,900,000	1,900,000
Derivative contracts		13,678		13,678
Debt securities issued to the public			14,042,809	14,042,809
Other liabilities			49,159	49,159
<b>Financial liabilities</b>		<b>13,678</b>	<b>15,991,968</b>	<b>16,005,646</b>
Other than financial liabilities				3,315
<b>Total</b>		<b>13,678</b>	<b>15,991,968</b>	<b>16,008,961</b>
Valuation difference of debt securities issued to the public (difference between fair value and carrying amount) 30 June 2020			431,768	431,768

<b>Classification of financial assets and liabilities 31 Dec 2019, TEUR</b>				
	<b>Amortised cost</b>	<b>Recognised at fair value through profit or loss</b>	<b>Recognised at fair value through other comprehensive income</b>	<b>Total</b>
<b>Financial assets</b>				
Receivables from credit institutions and central banks	9,144,571			9,144,571
Derivative contracts		291,146		291,146
Receivables from customers	5,628,716			5,628,716
Investment assets			40	40
Other receivables	31,340			31,340
<b>Financial assets</b>	<b>14,804,627</b>	<b>291,146</b>	<b>40</b>	<b>15,095,813</b>
Other than financial assets				1,173
<b>Total</b>	<b>14,804,627</b>	<b>291,146</b>	<b>40</b>	<b>15,096,986</b>
		<b>Recognised at fair value through profit or loss</b>	<b>Amortised cost</b>	<b>Total</b>
<b>Financial liabilities</b>				
Liabilities to credit institutions			2,516,000	2,516,000
Derivative contracts		14,470		14,470
Debt securities issued to the public			12,135,974	12,135,974
Other liabilities			50,295	50,295
<b>Financial liabilities</b>		<b>14,470</b>	<b>14,702,269</b>	<b>14,716,739</b>
Other than financial liabilities				3,631
<b>Total</b>		<b>14,470</b>	<b>14,702,269</b>	<b>14,720,370</b>
Valuation difference of debt securities issued to the public (difference between fair value and carrying amount) 31 Dec. 2019			297,338	<b>297,338</b>

Debt securities issued to the public are carried at amortised cost. The fair value of these debt instruments has been measured using information available in markets and employing commonly used valuation techniques. The difference between the fair value and carrying amount is presented as valuation difference in the "Classification of financial assets and liabilities" note.

Derivative contracts 30 June 2020, TEUR	Nominal values/residual term to maturity			
	Less than 1 year	1-5 years	More than 5 years	Total
Interest rate derivatives				
Hedging	4,132,425	8,301,622	5,935,750	18,369,797
<b>Total</b>	<b>4,132,425</b>	<b>8,301,622</b>	<b>5,935,750</b>	<b>18,369,797</b>

	Fair values		Credit equivalent
	Assets	Liabilities	
Interest rate derivatives			
Hedging	403,192	13,678	572,675
<b>Total</b>	<b>403,192</b>	<b>13,678</b>	<b>572,675</b>

Derivative contracts 31 Dec 2019, TEUR	Nominal values/residual term to maturity			
	Less than 1 year	1-5 years	More than 5 years	Total
Interest rate derivatives				
Hedging	2,314,788	10,518,873	4,410,800	17,244,461
<b>Total</b>	<b>2,314,788</b>	<b>10,518,873</b>	<b>4,410,800</b>	<b>17,244,461</b>

	Fair values		Credit equivalent
	Assets	Liabilities	
Interest rate derivatives			
Hedging	291,146	14,470	449,628
<b>Total</b>	<b>291,146</b>	<b>14,470</b>	<b>449,628</b>

Financial instruments classification, grouped by valuation technique, TEUR				
30 June 2020	Fair value measurement at year end			
	Balance sheet value	Level 1	Level 2	Level 3
<b>Recurring fair value measurements of assets</b>				
Derivate contracts	403,192		403,192	
<b>Total</b>	<b>403,192</b>	<b>0</b>	<b>403,192</b>	<b>0</b>
<b>Recurring fair value measurements of liabilities</b>				
Derivate contracts	13,678		13,678	
<b>Total</b>	<b>13,678</b>	<b>0</b>	<b>13,678</b>	<b>0</b>
<b>Financial liabilities not measured at fair value</b>				
Debt securities issued to the public	14,042,809	12,481,349	1,025,306	968,054
<b>Total</b>	<b>14,042,809</b>	<b>12,481,349</b>	<b>1,025,306</b>	<b>968,054</b>

31 Dec. 2019	Fair value measurement at year end			
	Balance sheet value	Level 1	Level 2	Level 3
<b>Recurring fair value measurements of assets</b>				
Derivate contracts	291,146		291,146	
<b>Total</b>	<b>291,146</b>	<b>0</b>	<b>291,146</b>	<b>0</b>
<b>Recurring fair value measurements of liabilities</b>				
Derivate contracts	14,470		14,470	
<b>Total</b>	<b>14,470</b>	<b>0</b>	<b>14,470</b>	<b>0</b>
<b>Financial liabilities not measured at fair value</b>				
Debt securities issued to the public	12,135,974	9,744,711	2,548,311	140,290
<b>Total</b>	<b>12,135,974</b>	<b>9,744,711</b>	<b>2,548,311</b>	<b>140,290</b>

Valuation techniques whose input parameters involve uncertainty (Level 3)

<b>Opening balance 1 January 2020</b>	<b>140,290</b>
Transfers to level 3	0
Transfers from level 3	0
Other change	827,764
<b>Closing balance 30 June 2020</b>	<b>968,054</b>

Transfers between the levels of the fair value hierarchy are considered to take place on the date when an event causes such transfer or when circumstances change. Transfers between the levels are mainly due to the number of available market quotes.

## Schedule for Interim Reports in 2020

Interim Report Q1–3/2020

22 October 2020

Helsinki, 21 July 2020

OP Mortgage Bank  
Board of Directors

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