OKO BANK PLC

Company Release
10 May 2007 at 8.00 a.m.

OKO BANK PLC INTERIM REPORT 1 JANUARY – 31 MARCH 2007 AND THE PRESIDENT AND CEO'S COMMENTS

The President and CEO's comments:

"In the first quarter of the year, consolidated earnings before tax stood at EUR 65 million. The earnings were good although they included EUR 10 million in liquidated damages plus interest to be paid by OKO Bank on the basis of the ruling by the Arbitral Tribunal.

In Banking and Investment Services, performance and growth continued to be strong. In the first quarter, the loan portfolio increased by 5%. In the last 12 months, the growth was 18%. The risk exposure remained favourable in the first quarter of the year.

In Non-life Insurance, the balance on technical account was in line with our expectations in January-March. Return on investments was good. Growth in insurance premium revenue and the number of new customers continued to be brisk, boosted by cooperation with OP Bank Group member cooperative banks. Cost synergies related to insurance operations increased by EUR 3 million in the first quarter of the year.

The Group has a good basis for achieving the earnings improvements targeted for the year 2007."

Helsinki, 10 May 2007

Mikael Silvennoinen

OKO BANK PLC INTERIM REPORT 1 JANUARY – 31 MARCH 2007

- Earnings before tax amounted to EUR 65 million (69). 1)

- Excluding the effect of one-off items, consolidated net earnings increased by 9% and expenses remained at the same level as in the comparative period.

- Earnings per share were EUR 0.25 (0.26). Equity per share was EUR 8.65 (8.99). 1)

- Return on equity stood at 13.7% (8.5).

- The loan and guarantee portfolio of Banking and Investment Services increased by 3% and 21% in a year.

- Insurance premium revenue increased by 9%. The net number of Pohjola's loyal customers increased by 8 900 in January-March.

- The liquidated damages of EUR 10 million related to the termination of the cooperation agreement between Pohjola Group plc and savings banks was entered as an expense in the earnings for the review period.

- The Arbitral Tribunal's decision of 2 May 2007 to increase the redemption price payable to Pohjola Group plc's minority shareholders by EUR 1.00 to EUR 14.35 per share will be recognised for the second quarter of the year. The decision will have no material effect on earnings.

The figures in this release are unaudited.

Key figures	**1-3/ 2007**	**1-3/ 2006**	**1-12/ 2006**
			31 Dec.
Earnings before tax, EUR million	65	69	223
Profit for the period, EUR million	50	53	180
Return on equity, %	13.7	8.5	9.5
Balance sheet total, EUR billion	26.5	23.1	24.2
Risk-weighted items, EUR billion	12.2	10.9	11.6
Loan portfolio, EUR billion	8.3	7.1	7.9
Assets under management, EUR billion	31.3	28.9	31.3
Capital adequacy, %	12.7	11.7	12.9
Tier 1 ratio, %	8.0	8.8	8.2
Proportion of problem receivables to loans and guarantees, %	0.2	0.3	0.2
Earnings per share, EUR	0.25	0.26	0.89
Earnings per share including change in fair value, EUR	0.30	0.19	0.89
Earnings per share, diluted, EUR	0.25	0.26	0.89
Equity per share, EUR	8.65	8.33	8.99
Market capitalisation (Series A and K shares), EUR million	2 595	2 698	2 583
Average personnel	2 932	3 113	3 030

1) Year 2006 figures for the corresponding periods are used as comparative figures. The end of year 2006 figure is used when comparing balance sheet and other cross-sectional items.

Earnings by quarter	2006				2007
EUR million	1-3	4-6	7-9	10-12	1-3
Net interest income	26	25	22	23	26
Impairment losses on receivables	-1	0	2	0	0
Net interest income after impairment losses	**27**	**25**	**20**	**23**	**26**
Net income from Non-life Insurance	86	90	68	84	94
Net commissions and fees	26	23	25	29	28
Net trading income	3	2	6	9	7
Net investment income	20	9	2	7	10
Other operating income	12	13	11	13	13
Total net income	**173**	**163**	**131**	**165**	**179**
Personnel costs	42	45	36	42	41
IT expenses	11	11	10	10	11
Amortisation and depreciation	15	14	14	15	15
Other expenses	37	35	32	41	47
Total expenses	**104**	**105**	**92**	**108**	**114**
Share of associates' profits/losses	0	0	0	0	0
Earnings before tax	**69**	**57**	**40**	**57**	**65**
Income tax	16	15	-4	15	15
Profit for the period	**53**	**42**	**44**	**41**	**50**
Change in fair value reserve	**-15**	**-33**	**36**	**12**	**11**
Earnings for the period at fair values	**38**	**9**	**80**	**53**	**61**
Return on equity, %	8.5	2.1	18.3	11.7	13.7
Tier 1 ratio, %	8.8	8.2	8.2	8.2	8.0

CONSOLIDATED EARNINGS

The OKO Bank Group's earnings before tax amounted to EUR 65 million (69) in the first quarter of 2007. The earnings of the first quarter were impaired by the liquidated damages of EUR 10 million related to the termination of the cooperation agreement between Pohjola Group plc and savings banks. Excluding the effect of one-off items, consolidated net earnings increased by 9% but expenses remained at the same level as in the corresponding period.

The capital adequacy ratio at the end of the review period was 12.7% (12.9) and the Tier 1 ratio was 8.0% (8.2).

Earnings per share were EUR 0.25 (0.26). Equity per share was EUR 8.65 (8.99).

Annualised return on equity stood at 13.7% (8.5).

EARNINGS BY BUSINESS LINE

Earnings before tax, EUR million	**2006**				**2007**
	1-3	**4-6**	**7-9**	**10-12**	**1-3**
Banking and Investment Services	47	37	35	43	45
Non-life Insurance	23	24	11	20	31
Other Operations	-1	-4	-7	-7	-11

In Banking and Investment Services, earnings before tax amounted to EUR 45 million (47). The earnings for the comparative period included a capital gain of EUR 8 million recognised on the sale of the OMX shares. The loan portfolio of Corporate Banking increased by 5% and stood at EUR 8.3 billion at the end of March. The risk exposure remained good. The level of margins decreased from 0.87% to 0.81% in the first quarter of the year.

In Non-life Insurance, earnings before tax stood at EUR 31 million (23). Insurance premium revenue increased by 9% to EUR 204 million (187). Investment income entered in the income statement increased to EUR 48 million (36). Investment income at fair values totalled EUR 64 million (32).

Earnings before tax from Other Operations was EUR 11 million negative (1 million negative). The earnings before tax from Other Operations included the effect of liquidated damages totalling EUR 10 million, which were ruled by the Arbitral Tribunal on 2 April 2007 and which were entered under integration expenses. The earnings for the comparative period included a capital gain of EUR 2 million recognised on the sale of Eurocard shares.

INTEGRATION

The combining of OKO Bank's and Pohjola's business operations proceeds according to plan. The results so far support earlier estimates of income and cost synergies, the annual amount of which is estimated to increase to a good EUR 50 million before tax by 2010.

Decisions made thus far result in annual savings of approximately EUR 28 million, of which decisions worth EUR 3 million were taken in the first quarter of 2007. New cost savings are mainly gained from ICT functions in Non-life Insurance. Of the annual cost savings of EUR 28 million, EUR 13 million were gained in 2006. The cost savings for 2007 are estimated to total EUR 26 million and the cost savings as of year 2008 EUR 28 million. The materialisation of cost savings decided in the first quarter of 2007 requires that investments of around EUR 3 million be made in 2008.

In Non-life Insurance, the number of loyal customers increased by 8 900 households, which was almost entirely gained through cooperation within the OP Bank Group. At the end of March, the number of loyal customers was over 376 000, while the target by 2010 is 500 000. The average annual premiums written per loyal customer household are over EUR 600.

The integration expenses allocated to the review period totalled around EUR 11 million, of which the most significant impact was the liquidated damages of EUR 10 million paid to savings banks. In the period from September 2005 to March 2007, the integration expenses pertaining to the acquisition of Pohjola totalled around EUR 21 million.

PERSONNEL

At the end of March, the Group had 2 967 employees, which is 41 employees more than at the end of 2006. A total of 734 employees (718) worked for Banking and Investment Services and a total of 2 182 employees (2 154) for Non-life Insurance. The Group Administration employed a total of 52 people (54).

INVESTMENTS

Aggregate investments totalled EUR 5 million (5), of which EUR 3 million (1) corresponded to investments made in Banking and Investment Services and EUR 2 million (1) to investments made in Non-life Insurance. Of the investments, IT investments accounted for EUR 3 million (4) which were used for developing network services and streamlining internal processes.

CAPITAL ADEQUACY

The capital adequacy ratio impaired slightly owing to strong growth. The capital adequacy ratio as per the Act on Credit Institutions was 12.7% (12.9), whereas the statutory minimum requirement is 8%. The Tier 1 ratio of OKO Bank's own funds on risk-weighted items was 8.0% (8.2). The risk-weighted items increased from EUR 11 627 million to EUR 12 239 million, i.e. 5.3% mainly as a result of growth in the loan portfolio and in notes and bonds.

Own funds grew from EUR 1 504 million to EUR 1 550 million mainly owing to an increase in earnings and the fair value reserve in the review period. Tier 1 own funds totalled EUR 975 million (948). Capital loans accounted for EUR 224 million of Tier 1 own funds, i.e. 22.9% (23.6). The requirement of own funds related to the coverage of market risks was EUR 104 million (81).

The Arbitral Tribunal appointed by the Central Chamber of Commerce decided on 2 May 2007 to set the redemption price of Pohjola shares at EUR 14.35 per share for those former minority shareholders of Pohjola who did not accept OKO Bank's redemption offer. The acquisition price of these shares in the accounts and capital adequacy calculations as at 31 March 2007 was the price as per OKO Bank's purchase offer (EUR 13.35 per share). The arbitral award will have no material impact on the consolidated earnings. The additional purchase price will be entered in the balance sheet in the second quarter of the year. According to preliminary estimates, taking into account of the arbitral award in capital adequacy calculation as at 31 March 2007 would have decreased the Tier 1 ratio of OKO Bank's own funds on risk-weighted items to 7.8%.

RISK EXPOSURE

Banking and Investment Services

In Banking and Investment Services, the risk exposure continued to be good despite strong growth. Total exposure grew by EUR 1.7 billion to EUR 28.0 billion.

The relative share of investment-grade exposure – that is, ratings 1 to 4, excluding private customers – in total exposures increased to 76% (75), the share of ratings 11 to 12 was 0.2% (0.3) and that of non-rated exposure was 2% (3). Of the corporate exposure, the share of investment-grade corporate exposure remained unchanged, at 51%. The corporate exposure of the two lowest rating classes was EUR 64 million (64), i.e. 0.6% of the corporate exposure.

The amount of significant customer exposure declined from EUR 3.0 billion to EUR 2.8 billion. The proportion of problem receivables of the loan and guarantee portfolio remained low, at 0.2%. Loan and guarantee losses and impairment losses did not have any impact on earnings. Market risks were kept at a moderate level despite growth in the amount of notes and bonds and growth in the volumes of derivatives trading. The amount of liquidity reserves totalled EUR 6.5 billion (5.3) at the end of March. The effect of operational risks impairing the amount of earnings was EUR 0.4 million (less than 0.1 million).

Non-life Insurance

In Non-life Insurance, there were 51 (32) major or medium-sized losses in excess of EUR 0.1 million. The claims incurred of these losses retained for own account totalled EUR 18 million (11).

Of the investment portfolio, bonds and bond funds accounted for 70% (72) and equities for 18% (18). The duration of the fixed-income portfolio was lowered during the first quarter of the year from 4.8 years to 3.5 years. In fixed-income investments, the amount of investment-grade commercial paper holdings issued by banks and corporations was raised. Consequently, the average Standard & Poor's credit rating for the fixed-income portfolio decreased from AA to AA-. Owing to a favourable trend in the capital markets, positive performance in investment returns continued and the return on investments at fair values was 2.4%.

Credit ratings

OKO Bank's credit ratings are as follows:

Credit rating agency	Short-term funding	Long-term funding
Standard & Poor's	A-1+	AA-
Moody's	P-1	Aa1
Fitch	F1+	AA-

In April, Moody's updated the credit rating of OKO Bank's long-term funding to Aa1 (Aa2 on 31 December 2006). The credit rating outlook for OKO Bank is stable according to all of the above credit rating agencies.

RESOLUTIONS PASSED BY THE ANNUAL GENERAL MEETING

The Annual General Meeting of OKO Bank plc, held on 27 March 2007, adopted the company's Financial Statements for 2006, granted discharge from liability for those accountable, and passed a resolution on the divided payout of EUR 0.65 for Series A share and EUR 0.62 for Series K share. The number of members of the Board of Directors was confirmed at ten. In addition, the AGM approved the proposal by the Board of Directors for the amendment of the company's Articles of Association. The AGM also approved the authorisation to be granted to the Board for the issuance of new shares.

KPMG Oy Ab, Authorised Public Accountants, with Mr Sixten Nyman, Authorised Public Accountant, (as reported by KPMG) as the chief auditor, and Mr Raimo Saarikivi, Authorised Public Accountant, were elected as the company's auditors.

ADMINISTRATION

The Annual General Meeting of OKO Bank plc, held on 27 March 2007, elected the following persons to the company's Board of Directors until the closing of the next AGM: Ms Merja Auvinen, Managing Director; Mr Erkki Böös, Senior Executive Vice President; Mr Eino Halonen, President and CEO; Mr Simo Kauppi, Deputy Managing Director; Ms Satu Lähteenmäki, Professor; Mr Harri Nummela, Executive Vice President; Mr Heikki Vitie, Deputy to the President; and Mr Tom von Weymarn. Of those elected, Mr Nummela has not previously been a member of the company's Board of Directors.

On the basis of their duties as per the Articles of Association, the OKO Bank Board of Directors also includes as the Chairman of the Board Mr Reijo Karhinen, Executive Chairman of the OP Bank Group and Chairman of the Executive Board of the OP Bank Group Central Cooperative, and as the Vice Chairman of the Board Mr Tony Vepsäläinen, President of the Central Cooperative and Vice Chairman of the Executive Board of the Central Cooperative.

In its organising meeting held after the AGM of OKO Bank plc on 27 March 2007, the Board of Directors elected members for the Board committees.

The members of the Audit Committee are Mr Tom von Weymarn (Chairman); Ms Merja Auvinen, Managing Director; Mr Erkki Böös, Senior Executive Vice President and Mr Harri Nummela, Executive Vice President.

The members of the Risk Management Committee are Mr Tony Vepsäläinen, President (Chairman); Mr Eino Halonen, President and CEO; Mr Simo Kauppi, Deputy Managing Director, and Mr Heikki Vitie, Deputy to the President.

The members of the Compensation Committee are Mr Reijo Karhinen, Executive Chairman (Chairman); Mr Tony Vepsäläinen, President and Ms Satu Lähteenmäki, Professor.

The Board of Directors has assessed the independence of its members and concluded that Ms Satu Lähteenmäki and Mr Tom von Weymarn are independent of the company and its major shareholders.

SHARE CAPITAL AND SHAREHOLDERS

At the end of March, there were a total of 159.4 million Series A shares quoted on the Helsinki Stock Exchange. Series A shares represented 78.4% of all shares and 42% of votes. The number of Series K shares totalled around 44.0 million.

At the end of the review period, the Series A share price was EUR 12.76 while the share-issue adjusted price was EUR 13.38 a year earlier. In January-March, the share price reached a high of EUR 14.20 and a low of EUR 12.62. Around 38 million shares changed owners during the first quarter of the year. In the first quarter of 2006, the corresponding number was 40.7 million.

At the end of March, OKO Bank had around 33 000 shareholders. The number increased by 700 shareholders from the turn of the year. Around 95% of the shareholders were private individuals. No significant changes occurred in the holdings of the major shareholders. The largest shareholder was the OP Bank Group Central Cooperative, which held 30% of OKO Bank's shares and 56.9% of the votes. The number of nominee registered shares in proportion to all Series A shares decreased from the year-end level of 19.7% to 18.7%.

EVENTS AFTER THE REVIEW PERIOD

In its ruling of 2 April 2007, the Arbitral Tribunal obligated OKO Bank to pay 32 savings banks a total of around EUR 8.8 million in liquidated damages, plus interest and expenses. The impact of the Arbitral Tribunal ruling on the OKO Bank first quarter consolidated earnings before tax was around EUR 10 million. In accordance with the ruling of the Arbitral Tribunal, Pohjola Group plc had substantially violated provisions in the shareholder agreement on Nooa Savings Bank Ltd.

The dispute on the shareholder agreement was related to the transaction through which OKO Bank, on 12 September 2005, acquired the majority shareholding in Pohjola from Suomi Mutual Life Assurance Company and Ilmarinen Mutual Pension Insurance Company. After the transaction, cooperation between the savings banks and Pohjola regarding Nooa Savings Bank came to an end. Pohjola later merged with OKO Bank at the end of 2006.

On 19 April 2007, the 24 savings banks which had a majority shareholding in Nooa Savings Bank Ltd acquired the shareholding of OKO Bank in Nooa Savings Bank at a redemption price of EUR 6.3 million. OKO Bank had a 25% shareholding in Nooa Savings Bank.

OKO Bank obtained possession of Nooa Savings Bank shares at the end of 2006 once the earlier holder of the shares, Pohjola Group plc, had been merged with OKO Bank. In accordance with the Articles of Association of Nooa Savings Bank, the other shareholders of the company, in that connection, became entitled to redeem the shares transferred to OKO Bank. The redemption does not have any impact on the OKO Bank Group earnings.

The Arbitral Tribunal appointed by the Central Chamber of Commerce decided on 2 May 2007 to set the redemption price of the shares in Pohjola Group plc at EUR 14.35 per share. The Tribunal confirmed the annual interest payable on the redemption price from 13 June to 30 June 2006 at 5.5% and from 1 July 2006 at 6.0%. The redemption price set by the Tribunal is EUR 1.00 higher than the redemption price of EUR 13.35 per share offered by OKO Bank.

On 29 June 2006, OKO Bank paid the former minority shareholders of Pohjola entitled to redemption (15 215 137 shares) EUR 13.35 per share in redemption price and, on this amount, an interest of 2.50% as of 13 June 2006.

The remainder of the redemption price and interest will be paid to those entitled to it no later than within a month from the effective date of the arbitral award. OKO Bank will consider separately the option of submitting the validity of the arbitral award to the district court. The Finnish Companies Act provides that action must be brought within two months from the date when the interested party received a copy of the arbitral award. The arbitral award will have no material impact on the consolidated earnings. The additional purchase price will be entered in the balance sheet in the second quarter of the year.

Pohjola Non-Life Insurance Company Ltd (Pohjola), a subsidiary of OKO Bank plc, will sell its marine hull insurance portfolio to Codan Forsikring A/S. An agreement was signed on the deal on 21 March 2007. The transaction is expected to materialise in the second quarter of the current year. When materialised, the transaction will have a slightly positive impact on earnings. The completion of the transaction is conditional on obtaining the regulatory approval of the authorities. Premiums written from the Pohjola marine hull insurance portfolio were EUR 18 million in 2006.

OUTLOOK FOR THE REMAINDER OF THE YEAR

In Banking and Investment Services, growth in the corporate loan market is estimated to continue but at a slower pace than in 2006. Lending margins are not expected to decrease significantly. OKO Bank's corporate loan portfolio is forecast to grow faster than the market. The risk exposure is estimated to remain good and the amount of impairment losses on receivables at a lower level than normally. OKO Bank's commission income is expected to increase especially as a result of growing demand for asset management services and structured product and service packages.

Provided that the operating environment remains as expected, the year 2007 earnings before tax of Banking and Investment Services are estimated to be better than in 2006 (the same or better earnings according to the previous estimate).

In addition to the market growth, tight cooperation with OP Bank Group member cooperative banks, which is estimated to improve Pohjola's market share in the household customer base in particular, will have an impact on the upward trend in the insurance premium revenue in Non-life Insurance. Growth in Pohjola's insurance premium revenue is forecast to exceed the GDP growth this year despite the sale of the marine hull insurance portfolio. The unfavourable trend in major losses in the latter half of 2006 is expected to normalise.

In Non-life Insurance, the combined ratio excluding changes in reserving bases and the amortisation of intangible assets arising from the acquisition is estimated to be under 94.0%, as targeted. The long-term return expectation for the investment portfolio in Non-life Insurance is 5.2%.

Earnings from Other Operations, excluding the liquidated damages of EUR 10 million ruled by the Arbitral Tribunal, are estimated to be on a par with the earnings in 2006.

Despite the liquidated damages of EUR 10 million ruled by the Arbitral Tribunal, OKO Bank is estimated to have good opportunities to improve earnings before tax at fair values by at least 10% in 2007, provided that no radical changes take place in equity and interest rate markets.

The main risks related to the materialisation of the near-future outlook stated above concern the general operating environment of the business and the development of interest rates and share prices. The management of the Group has no influence on the general operating environment of the business. However, the management may influence the effects of interest rate changes and the equity market on investments and trading by investing assets securely, by diversifying risks, by ensuring the professional skills of its personnel, and by effective risk management. In addition, the management may influence the appropriate pricing of customer-specific risk and consequently the financial performance of the Group.

All of the forecasts and estimates presented in this report are based on the current understanding of the financial development of the Group and its different operations; actual performance may vary significantly.

BUSINESS OPERATIONS

The table below presents the actual earnings of the Group and its business lines before tax, as well as the strategic targets and their actuals. The calculation of operative key ratios has been presented on page 17.

	2006				**2007**	**Target 2009**
	1-3	**4-6**	**7-9**	**10-12**	**1-3**	
Banking and Investment Services						
Earnings before tax, EUR million	47	37	35	43	45	
Operative return on equity (ROE), %	18.9	14.0	16.1	19.2	17.6	> 18
Operative cost/income ratio, %	38.0	43.1	40.9	44.0	39.1	40
Non-life Insurance						
Earnings before tax, EUR million	23	24	11	20	31	
Operative return on equity (ROE), %	23.8	-14.4	44.1	27.6	35.0	> 20
Operative combined ratio, %	98.2	91.6	96.7	95.3	100.8	< 94
Other Operations						
Earnings before tax, EUR million	-1	-4	-7	-7	-11	

BANKING AND INVESTMENT SERVICES

Banking and Investment Services comprises the following divisions:
Corporate Banking, Markets, Group Treasury and Asset Management

	2006				2007
	1-3	**4-6**	**7-9**	**10-12**	**1-3**
Income statement, EUR million					
Net interest income	30	28	27	29	29
Impairment losses on receivables	-1	0	2	0	0
Net interest income after impairment losses	**30**	**28**	**25**	**28**	**29**
Net commissions and fees	23	22	26	29	26
Net trading income	3	2	6	9	7
Net investment income	14	8	2	6	5
Other operating income	7	7	4	7	7
Total net income	**76**	**67**	**62**	**79**	**74**
Total operating expenses	**29**	**29**	**27**	**36**	**30**
Amortisation on intangible assets from acquisition	1	1	1	1	1
Earnings before tax	**47**	**37**	**35**	**43**	**45**
Change in fair value reserve	-4	-7	2	2	-2
Earnings at fair values before tax	**43**	**30**	**37**	**45**	**43**
Key figures and ratios, %					
Operative return on equity (ROE) p.a.	18.9	14.0	16.1	19.2	17.6
Operative cost/income ratio	38.0	43.1	40.9	44.0	39.1
Proportion of problem receivables to receivables from customers and guarantees, %	0.3	0.2	0.2	0.2	0.2
	31 March	**30 June**	**30 Sept.**	**31 Dec.**	**31 March**
Information on volumes, EUR billion					
Receivables from customers	7.1	7.4	7.7	7.9	8.3
Unused standby credit facilities	2.7	3.1	3.1	3.6	3.4
Guarantees	1.5	1.8	1.9	1.9	1.8
Assets under management	28.9	28.5	29.7	31.3	31.3
Notes and bonds	4.9	4.1	5.2	4.9	5.5
Receivables from member cooperative banks	4.1	4.1	4.6	4.7	3.9
Liabilities to member cooperative banks	1.4	1.4	1.4	1.3	1.3
Risk-weighted items	9.9	10.7	11.1	11.1	11.8
Debt securities issued to the public	11.7	12.2	12.9	13.9	15.1
Average personnel	730	778	750	718	734
Average margins, %					
Margin on corporate loan stock	0.88	0.79	0.89	0.87	0.81
Margin on institutional loan stock	0.27	0.26	0.25	0.24	0.24
Margin on member cooperative banks' loan stock	0.15	0.15	0.14	0.12	0.12
Margin on member cooperative banks' deposits	0.21	0.13	0.13	0.11	0.11

Earnings

In Banking and Investment Services, earnings before tax stood at EUR 45 million (47).

Net interest income before impairment losses was EUR 29 million (30). The net amount of impairment losses did not burden the earnings.

Net commission income increased to EUR 26 million (23). Growth in commission income was mainly due to an increase in commission income in Corporate Banking.

Net trading income was EUR 7 million (3). Earnings increased as a result of growth in earnings related to notes and bonds.

Net investment income amounted to EUR 5 million (14). In the comparative period, net investment income included a capital gain of EUR 8 million recognised on the sale of OMX shares.

Operative return on equity was 17.6% (18.9) and the cost/income ratio was 39.1% (38.0).

Corporate Banking

OKO Bank's market position in Corporate Banking strengthened further.

In Corporate Banking, the aggregate amount of loans, binding standby credit facilities and guarantees increased by 3% to EUR 12.3 billion from the end of 2006.

In January-March, the loan portfolio of Corporate Banking increased by 5% and stood at EUR 8.3 billion. The annual growth was EUR 1.3 billion or 18%. At the end of March, OKO Bank's market share in corporate loans went up to 17.3%, which represented a growth of 0.1 percentage point from the year end.

In Corporate Banking, net interest income increased by 13% to EUR 24 million (21).

The level of margins in the corporate loan portfolio was lower (0.81%) than at the end of 2006 (0.87%). The margins of institutional loans remained unchanged in the first quarter of the year.

Despite long-lasting and brisk growth in the loan portfolio, the risk exposure is still considered to be good. The net amount of impairment losses did not burden the earnings.

In Corporate Banking, earnings before tax went up to EUR 26 million (21).

Markets

The turnover of customer trading in fixed income, derivative and currency products increased by a total of EUR 3.9 billion or 7%. In Markets, earnings before tax increased to EUR 7 million (3), which is mainly explained by growth in earnings generated by customer trading in derivatives, by growth in interest rate margins and by growth in net trading income.

In January-March, OKO Bank acted as manager in four bond issues totalling EUR 455 million. In 2006, OKO Bank was the largest manager measured by volume in bond issues launched by Finnish companies.

Central Banking

At the end of March, OKO Bank's net receivables from OP Bank Group member cooperative banks totalled EUR 2.6 billion, which was EUR 0.8 billion less than at the end of 2006. In February, OP Mortgage Bank acquired a mortgage loan portfolio of EUR 1.3 billion from OP Bank Group member cooperative banks, which used the proceeds from the sale to pay back loans totalling around EUR 1.1 billion to OKO Bank.

OP Mortgage Bank financed the acquisition of the loan portfolio by taking out a temporary loan from OKO Bank. In the long run, it will finance loan portfolio acquisitions through direct loans from the capital markets.

In Group Treasury, earnings before tax were at the same level as in the previous year, at EUR 5 million (5).

Group Treasury

Growth in the loan portfolio was mainly funded from the markets. The amount of debt securities issued to the public grew to EUR 15.1 billion (13.9). In January-March, five long-term issues totalling EUR 412 million were launched in the international markets.

The earning before tax of Group Treasury declined to EUR 3 million (15), of which net investment income totalled EUR 5 million (14). In the corresponding period a year earlier, the earnings included a capital gain of EUR 8 million recognised on the sale of the OMX Group shares.

Asset Management

In Asset Management, the amount of assets under management stood at the year-end level of EUR 31.3 billion. The merger of Pohjola Group with OKO Bank plc decreased the amount of assets under management by around EUR 1.1 billion in the first quarter of the year. In the review period, the majority of the growth in customer assets was gained from net sales. Of the amount, institutional customers accounted for EUR 16.8 billion (17.6), OP mutual funds for EUR 13.1 billion (12.4) and OKO Private for EUR 0.7 billion (0.7). In Asset Management, earnings went up by 16% to EUR 4 million (3) as a result of increased management fees and materialised cost synergies.

NON-LIFE INSURANCE

Non-life Insurance includes the following divisions:
- Corporate Customers
- Private Customers
- Baltic States

	2006				2007
	1-3	4-6	7-9	10-12	1-3
Income statement, EUR million					
Insurance premium revenue	187	200	196	204	204
Claims incurred	129	129	141	137	147
Loss adjustment expenses	10	11	10	12	12
Operating expenses	45	43	39	45	47
Amortisation/adjustment of intangible assets related to acquisition	7	6	6	6	6
Balance on technical account	**-4**	**11**	**0**	**3**	**-8**
Net investment income	36	28	23	28	48
Other income and expenses	1	-4	1	0	3
Operating profit	**33**	**35**	**24**	**32**	**42**
Unwinding of discount	9	9	9	9	10
Finance costs	1	2	3	2	2
Earnings before tax	**23**	**24**	**11**	**20**	**31**
Change in fair value reserve	-5	-38	46	14	16
Earnings at fair values before tax	**18**	**-14**	**58**	**34**	**47**
Key figures, %					
Operative return on equity	23.8	-14.4	44.1	27.6	35.0
Loss ratio	74.3	70.0	76.8	73.1	78.0
Expense ratio	23.8	21.6	19.9	22.1	22.9
Operative combined ratio	98.2	91.6	96.7	95.3	100.8
Combined ratio	102.2	94.4	99.9	98.3	103.9
Return on investments	1.5	-0.5	2.5	1.5	2.4
	31 March	**30 June**	**30 Sept.**	**31 Dec.**	**31 March**
Volume data, EUR million					
Insurance contract liabilities					
Discounted insurance contract liabilities	1 184	1 194	1207	1 223	1 241
Other insurance contract liabilities	914	857	818	746	954
Investment portfolio					
Bonds	1 790	1 825	1802	1 752	1 697
Money market investments	379	266	397	22	19
Equities	422	392	378	447	489
Investment property	60	58	53	56	60
Alternative investments	65	43	75	87	133
Average personnel	2 099	2 134	2 204	2 154	2 182

Earnings

Earnings before tax stood at EUR 31 million (23).

Insurance premium revenue

Insurance premium revenue increased by 9% to EUR 204 million (187).

The growth was strongest in the Private Customers division where insurance premium revenue increased to EUR 80 million (73) as a result of cooperation within the OP Bank Group and of revised service supply. In the Corporate Customers division, premium revenue of comprehensive motor vehicle and motor liability insurance generated the largest monetary and proportional growth. Premium revenue generated by the Baltic business increased by 32% to EUR 13 million (10).

Claims incurred and operating expenses

The operative combined ratio was 100.8% (98.2), of which claims incurred represented 71.1 percentage points (67.8). Operating expenses and loss adjustment expenses (cost ratio) declined to 29.7 percentage points (30.3) owing to an increase in insurance premium revenue and to savings decisions implemented in 2006.

Claims incurred (excluding loss adjustment expenses) increased to EUR 147 million (129), of which major and medium-sized losses (in excess of EUR 0.1 million) accounted for EUR 18 million (EUR 11 million in 2006, EUR 23 million in 2005). The number of major losses of over EUR 2 million retained for own account was 2 (–). Claims incurred from small losses (of less than EUR 0.1 million) went up in proportion to the increasing insurance portfolio in all other lines except for motor liability and comprehensive motor vehicle insurance. Despite the mild winter, the number of road accidents in Finland increased in the first quarter of the year. In addition, the increase in repair shop prices was more rapid than estimated.

Operating expenses and loss adjustment expenses grew to EUR 59 million (55). Operating expenses were EUR 47 million (45) and loss adjustment expenses EUR 12 million (10). Operating expenses include integration expenses of EUR 1 million (1)

Investment operations

In Non-life Insurance, the fair value of investments at the end of March was EUR 2.4 billion (2.4). Of the amount, equities accounted for 18% (18) and money market instruments for 1% (1).

Return on investments at fair values was 2.4%. Net investment income entered under earnings was EUR 48 million (36). Net investment income at fair values was EUR 64 million.

The discount rate for the EUR 1.2 billion pension liabilities was 3.3% (3.3). The unwinding of discount is entered as a post-balance-on-technical-account item.

OTHER OPERATIONS

The earnings of Other Operations consist of Group administrative expenses and funding costs of Pohjola shares.

	2006				2007
	1-3	4-6	7-9	10-12	1-3
Income statement, EUR million					
Net interest income	-3	-1	-4	-4	-3
Other net income	19	15	8	6	11
Net income	16	13	4	2	8
Expenses	17	17	12	8	19
Earnings before tax	-1	-4	-7	-7	-11

Earnings

Earnings before tax showed a loss of EUR 11 million (EUR 1 million negative). Earnings were burdened by the liquidated damages ruled by the Arbitral Tribunal on 2 April 2007 for OKO Bank concerning the shareholder agreement dispute over Nooa Savings Bank Ltd. The effect of the decision amounted to EUR 10 million, which was entered as an expense in the earnings for the first quarter of the year. The earnings for the comparative period included a capital gain of EUR 2 million recognised on the sale of Eurocard shares.

CALCULATION OF OPERATIVE KEY RATIOS

Operative return on equity, %

Banking and Investment Services:

+ Profit for the period
+ Amortisation and write-downs on intangible assets and goodwill
  related to acquisition of Pohjola Asset Management and their tax effect
+ Change in fair value reserve after tax *100
+ 7% of risk-weighted commitments
+ Shareholders' equity of OKO Asset Management and Pohjola Property Management
- Capital loans allocated to business line
  (average of the beginning and end of the period)

Non-life Insurance:

+ Profit for the period
+ Amortisation and write-downs on intangible assets and goodwill
  related to acquisition of non-life business and their tax effect
+ Change in fair value reserve after tax*100
+ 70% solvency ratio
- Capital loans allocated to business line
  (average of the beginning and end of the period)
  or
  minimum capital requirement set by the authorities, whichever is larger

Operative cost/income ratio

+ Personnel costs
+ Other administrative expenses
+ Other operating expenses excluding amortisation and write-downs
  on intangible assets and goodwill related to Pohjola acquisition *100
+ Net interest income
+ Net income from Non-life Insurance
+ Net commissions and fees
+ Net trading income
+ Net investment income
+ Other operating income

Operative combined ratio

Loss ratio + expense ratio excluding amortisation and write-downs on intangible assets and goodwill related to acquisition of non-life insurance business

OKO Bank Group income statement, 1 January to 31 March 2007

EUR million	1 January to 31 March 2007	1 January to 31 March 2006
Interest income	438	248
Interest expenses	411	222
Net interest income (Note 1)	26	**26**
Impairment losses on receivables (Note 2)	0	-1
Net interest income after impairment losses	26	**27**
Net income from Non-life Insurance (Note 3)	94	86
Net commissions and fees (Note 4)	28	26
Net trading income (Note 5)	7	3
Net investment income (Note 6)	10	20
Other operating income (Note 7)	13	12
Total net income	179	**173**
Personnel costs (Note 8)	41	42
Other administrative expenses (Note 9)	34	32
Other operating expenses (Note 10)	39	30
Total expenses	114	**104**
Earnings before tax	65	**69**
Income tax	15	16
Profit for the period	50	**53**
Basic earnings per share, EUR		
Series A	0.25	0.26
Series K	0.24	0.26
Diluted earnings per share, EUR		
Series A	0.25	0.26
Series K	0.24	0.26

OKO Bank Group balance sheet		
EUR million	31 March 2007	31 Dec. 2006
Liquid assets	1 125	907
Receivables from financial institutions	5 969	5 546
Financial assets for trading (Note 11)	5 389	4 801
Derivative contracts	380	320
Receivables from customers	8 268	7 864
Non-life Insurance assets (Note 12)	2 984	2 766
Investment assets (Note 13)	209	225
Investments in associates	8	8
Intangible assets (Note 14)	1 013	1 020
Tangible assets	97	95
Other assets	1 082	633
Deferred tax assets	12	12
Total assets	**26 536**	**24 196**
Liabilities to financial institutions	1 944	2 390
Financial liabilities for trading	0	-
Derivative contracts	394	331
Liabilities to customers	2 340	1 994
Non-life Insurance liabilities (Note 15)	2 515	2 099
Debt securities issued to the public (Note 16)	14 851	13 263
Provisions and other liabilities	1 475	1 010
Deferred tax liabilities	363	355
Subordinated liabilities (Note 17)	897	924
Total liabilities	**24 778**	**22 368**
Shareholders' equity		
Share of parent company's owners		
Share capital	428	428
Reserves	809	793
Retained earnings	522	607
Minority interest	**0**	**0**
Total shareholders' equity	**1 758**	**1 828**
Total liabilities and shareholders' equity	**26 536**	**24 196**

Segment information

Changes in shareholders' equity, 1 January to 31 March

EUR million	Attributable to equity holders of the parent				Minority interest	Total share-holders' equity
	Share capital	Fair value reserve	Other reserves	Retained earnings		
Shareholders' equity, 1 January 2006	**423**	**48**	**744**	**549**	**199**	**1 961**
Adjusted shareholders' equity on 1 January	423	48	744	549	199	1 961
Available-for-sale financial assets						
Valuation gains and losses		-9				-9
Share transferred to the income statement		-12				-12
Translation differences from foreign units						0
Deferred taxes		5				5
Net income recognised under shareholders' equity		-15				-15
Profit for the period				53	0	53
Total income and expenses for the period		-15		53	0	38
Share issue expenses			-1			-1
Stock options exercised	1		1			2
Dividends paid				-121		-121
Share-based payment				0		0
Acquisitions of subsidiaries					-198	-198
Shareholders' equity, 31 March 2006	**424**	**33**	**743**	**480**	**0**	**1 679**

EUR million	Attributable to equity holders of the parent				Minority interest	Total share-holders' equity
	Share capital	Fair value reserve	Other reserves	Retained earnings		
Shareholders' equity, 1 January 2007	**428**	**47**	**747**	**607**	**0**	**1 828**
Adjusted shareholders' equity on 1 January	428	47	747	607	0	1 828
Available-for-sale financial assets						
Valuation gains and losses		17		0		17
Share transferred to the income statement		-3				-3
Translation differences from foreign units				0		0
Deferred taxes		-4				-4
Net income recognised under shareholders' equity		11		0		11
Profit for the period				50	0	50
Total income and expenses for the period		11		50	0	61
Dividends paid				-131		-131
Reserve transfers			4	-4		
Share-based payment				0		0
Shareholders' equity, 31 March 2007	**428**	**57**	**750**	**522**	**0**	**1 758**

Own funds and capital adequacy		
EUR million	31 March 2007	31 Dec. 2006
Own funds		
Shareholders' equity	1758	1 828
Minority interest	0	1
Capital loans *)	224	224
Intangible assets	-855	-859
Fair value reserve, excess funding of pension liability, change in equalisation provision and change in fair value of properties	-127	-115
Dividend distribution proposed by Board of Directors	-	-131
Planned dividend distribution	-25	-
Tier 1 own funds	**975**	**948**
Fair value reserve	57	47
Subordinated liabilities considered upper Tier 2 funds	200	200
Subordinated liabilities considered lower Tier 2 funds	488	474
Tier 2 own funds	**745**	**721**
Investments in insurance institutions	-163	-157
Other mandatory adjustments	-8	-8
Mandatory adjustments, total	**171**	**-165**
Own funds, total **)	**1 550**	**1 504**

Risk-weighted receivables, investments and off-balance sheet items

Loan and guarantee portfolio excl. inter-group items of OP Bank Group	7 995	7 635
Binding standby credit facilities	1 322	1 408
Inter-group items of OP Bank Group	1 230	1 169
Market risk	1 302	1 007
Other items (equities incl. Pohjola, properties, other assets etc.	389	407
Risk-weighted receivables, investments and off-balance sheet items, total	12 239	11 627
		0
Capital adequacy ratio, % *)**	12.7	12.9
Tier 1 ratio, % *)**	8.0	8.2
Capital adequacy ratio under the Act on Supervision of Financial and Insurance Conglomerates	1.12	1.13

The capital adequacy ratio of the OP Bank Group as per the Credit Institutions Act was 14.3% (14.3) and the Tier 1 ratio was 12.8% (12.7). The capital adequacy ratio of the OP Bank Group calculated by the consolidation method as per the Act on the Supervision of Financial and Insurance Conglomerates was 1.56 (1.56).

*) OKO Bank has four capital loans that can be considered Tier I funds:

Capital loan of 10 billion Japanese yen of which EUR 74 million has been regarded as Tier 1 funds. Interest on the loan is fixed at 4.23% until 2034 and thereafter variable 6-month Yen LIBOR + 1.58%. If interest cannot be paid for a given interest period, the obligation to pay interest will lapse. The loan may be called in at the earliest in 2014.

Capital loan of EUR 50 million, which is a perpetual loan without interest rate step-ups, but with an 8 per cent interest rate cap. The loan was issued on 31 March 2005, and the interest rate for the first year is 6.5%. Thereafter, the interest rate will be CMS 10 years + 0.1%. Interest payments are annual. The loan may be called in for the first time in 2010, subject to authorisation by the Financial Supervision Authority.

Capital loan of EUR 60 million, which is a perpetual loan. The loan was issued on 30 November 2005, and the interest rate is variable 3-month EURIBOR + 0.65% until 2015 and thereafter variable 3-month EURIBOR +1.65%. Interest payments are quarterly. If interest cannot be paid for a given interest period, the obligation to pay interest will lapse. The loan may be called in for the first time in 2015, subject to authorisation by the Financial Supervision Authority.

Capital loan of EUR 40 million, which is a perpetual loan. The loan was issued on 30 November 2005, and the interest rate is variable 3-month EURIBOR + 1.25%. Interest payments are quarterly. If interest cannot be paid for a given interest period, the obligation to pay interest will lapse. The loan may be called in for the first time in 2010, subject to authorisation by the Financial Supervision Authority. The capital loans have been hedged against the interest rate and currency risk by interest rate and currency swaps at the date of issue.

**) The following investments in venture capital funds, totalling EUR 6 million and managed by OKO Venture Capital Ltd, have not been deducted from own funds according to the exception provided by the Financial Supervision Authority in line with the order in §75, clause 5 o the Act on Credit Institutions: Promotion Equity I Ky, Promotion Capital I Ky, Promotion Rahasto II Ky and Promotion Bridge I Ky.

***) Percentage points

Cash flow statement		
EUR million	31 March 2007	31 March 2006
Cash flow from operating activities		
Profit for the period	50	53
Adjustments to reconcile profit for the period to cash used in operating activities	198	196
Increase (-) or decrease (+) in operating assets	**-2 022**	**-2 085**
Receivables from financial institutions	-422	43
Financial assets for trading	-578	-1 259
Derivative contracts	-16	-14
Receivables from customers	-407	-291
Non-life Insurance assets	-196	-322
Investment assets	13	-112
Other assets	-416	-130
Increase (+) or decrease (-) in operating liabilities	**566**	**47**
Liabilities to financial institutions	-446	-200
Financial liabilities for trading	0	-1
Derivative contracts	22	15
Liabilities to customers	347	-228
Non-life Insurance liabilities	216	169
Provisions and other liabilities	427	292
Income taxes paid	-12	-11
Dividends received	23	18
A. Net cash provided by (used in) operating activities	**-1 197**	**-1 782**
Cash flow from investing activities		
Acquisition of subsidiaries net of cash and cash equivalents acquired	-	-97
Disposal of subsidiaries net of cash and cash equivalents disposed of	-	216
Acquisition of tangible and intangible assets	-5	-9
Disposal of tangible and intangible assets	3	-
B. Net cash provided by (used in) investing activities	**-2**	**110**
Cash flow from financing activities		
Increase in subordinated loans	0	150
Decrease in subordinated loans	-28	-157
Increase in debt securities issued to the public	8 905	10 317
Decrease in debt securities issued to the public	-7 313	-8 060
Dividends paid	-133	-120
C. Net cash provided by (used in) financing activities	**1 431**	**2 130**
Net increase/decrease in cash and cash equivalents (A+B+C)	**232**	**458**

Cash and cash equivalents at the beginning of the period	**1107**	**614**
Cash and cash equivalents at the end of the period	**1 339**	**1 072**
Interest received	**400**	**193**
Interest paid	**-372**	**-186**
Adjustments to profit for the period		
Items not associated with payment		
Impairment losses on receivables	0	-1
Unrealised net earnings in Non-life Insurance	209	210
Change in fair value for trading	4	16
Unrealised net gains on foreign exchange operations	-12	-18
Scheduled amortisation /depreciation	15	15
Share of associates' profits	0	0
Other	-18	-24
Items presented outside cash flow from operating activities		
Capital gains, share of cash flow from investing activities	0	-2
Adjustments, total	**198**	**196**

Financial performance from January to March EUR million	**Banking and Investment Services**											
	Corporate Banking		Markets		Group Treasury				Asset Management		Total	
					Central Banking		Treasury					
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Net interest income	24	21	4	4	3	3	-1	1	0	0	29	30
Impairment losses on receivables	0	-1									0	-1
Net interest income after impairment losses	24	22	4	4	3	3	-1	1	0	0	29	30
Net income from Non-life Insurance												
Net commissions and fees	10	8	6	5	0	0	0	0	10	10	26	23
Net trading income	2	1	5	0	0	0	0	2			7	3
Net investment income	0			0			5	14	0	0	5	14
Other operating income	4	3	0	0	2	2	0	0	0	1	7	7
Total income	**40**	**34**	**14**	**9**	**6**	**6**	**4**	**16**	**10**	**11**	**74**	**76**
of which inter-segment income		0		0		0		0		0		0
Personnel costs	-5	-5	-4	-3	-0	-0	0	0	-4	-4	-13	-13
IT expenses	-2	-2	-2	-1	-0	-0	0	0	-1	0	-4	-3
Amortisation on intangible assets from acquisitions									-1	-1	-1	-1
Other amortisation and depreciation	-3	-3	0	-0	0	0	0	0	0	0	-5	-4
Other expenses	-3	-4	-2	-1	0	-1	0	-1	-1	-2	-7	-8
Total expenses	**-14**	**-13**	**-7**	**-6**	**-1**	**-1**	**-1**	**-1**	**-6**	**-7**	**-30**	**-29**
Share of associates' profits/losses												
Earnings before tax *)	**26**	**21**	**7**	**3**	**5**	**5**	**3**	**15**	**4**	**3**	**45**	**47**
Income tax												
Profit for the period												

Key figures, %												
Operative cost/income ratio									54	61	39	38
Operative return on equity											17.6	18.9
Return on equity at fair values					14.0	14.9						

Financial performance from January to March EUR million	**Non-life Insurance**		**Other operations**		**Eliminations**		**OKO Bank Group**	
	2007	2006	2007	2006	2007	2006	2007	2006
Net interest income	-2	-1	-3	-3	1	1	26	26
Impairment losses on receivables							0	-1
Net interest income after impairment losses	-2	-1	-3	-3	1	1	26	27
Net income from Non-life Insurance	95	86			-1	-1	94	86
Net commissions and fees	4	3	0	0	-1	0	28	26
Net trading income			0	0	0	0	7	3
Net investment income			4	6		0	10	20
Other operating income	4	4	6	13	-4	-11	13	12
Total income	**101**	**92**	**8**	**16**	**-4**	**-11**	**179**	**173**
of which inter-segment income			0				-	-
Personnel costs	-26	-24	-1	-4	0	0	-41	-42
IT expenses	-3	-3	-3	-4	0		-11	-11
Amortisation on intangible assets from acquisitions	-8	-8					-9	-9
Other amortisation and depreciation	-1	-1	-1	-1			-6	-6
Other expenses	-31	-32	-13	-7	4	11	-47	-37
Total expenses	**-70**	**-69**	**-19**	**-17**	**4**	**12**	**-114**	**-104**
Share of associates' profits/losses	0	0	0	0			0	0
Earnings before tax	**31**	**23**	**-11**	**-1**	**0**	**0**	**65**	**69**
Income tax							-15	-16
Profit for the period							**50**	**53**

Key ratios, %								
Operative cost/income ratio								
Operative return on equity								
Return on equity at fair values							13.7	8.5

Non-life Insurance by division	Private Customers		Corporate Customers		Baltic States		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
Balance on technical account, EUR million								
Insurance premium revenue	**80**	**73**	**111**	**105**	**13**	**10**	**204**	**187**
Claims incurred	57	51	93	82	9	6	159	139
Amortisation on intangible assets from acquisitions	3	3	3	4	0	0	6	7
Operating expenses	23	20	20	21	3	3	47	45
Total expenses	**83**	**75**	**117**	**107**	**12**	**9**	**212**	**191**
Balance on technical account	**-3**	**-2**	**-6**	**-2**	**1**	**1**	**-8**	**-4**
Key ratios, %								
Operative return on equity							35.0	23.8
Loss ratio	71.7	70.9	83.9	78.0	65.4	60.8	78.0	74.3
Expense ratio	29.3	28.0	18.2	20.5	23.5	26.9	22.9	23.8
Operative combined ratio	100.9	98.9	102.1	98.5	89.0	87.7	100.8	98.2
Combined ratio	104.3	103.3	105.0	102.2	91.2	90.7	103.9	102.2

Balance sheet 1 March 2007 EUR million	Banking and Investment Services Corporate Banking	 Markets	 Group Treasury Central Banking	 Treasury	 Asset Management	Banking and Investment Services, total	Non-life Insurance, total	Other Operations, total	Eliminations	OKO Bank Group
Receivables from customers	8 198	18	59	7		8 282		53	-67	8 268
Receivables from financial institutions	178	42	6 384	503	2	7 108		11	-25	7 094
Non-life insurance assets							3 199		-215	2 984
Financial assets for trading and investment assets	349	1 201	2 440	1 559	12	5 561	137	-94	-8	5 596
Investments in associates							2	7		8
Other assets	231	1 015	48	80	130	1 503	898	185	-2	2 584
Total assets	**8 956**	**2 275**	**8 931**	**2 149**	**144**	**22 455**	**4 236**	**162**	**-318**	**26 536**
Liabilities to customers	317	115	987	843		2 261		144	-65	2 340
Liabilities to financial institutions	0	225	1 472	246		1 942		2	0	1 944
Non-life insurance liabilities							2 515			2 515
Debt securities issued to the public				15 049		15 049			-199	14 851
Subordinated liabilities				897		897	40		-40	897
Other liabilities	343	918	164	329	13	1 766	84	395	-14	1 891
Total liabilities	**660**	**1 258**	**2 622**	**17 364**	**13**	**21 917**	**2 639**	**541**	**-318**	**24 778**
Shareholders' equity										1 758
Total liabilities and shareholders' equity										**26 536**

Balance sheet 31 March 2007	Banking and Investment Services					Banking and Investment Services, total	Non-life Insurance, total	Other Operations, total	Elimi-nations	OKO Bank Group
EUR million	Cor-porate Bank-ing	Markets	Group Treasury		Asset Manage-ment					
			Central Banking	Treasury						
Receivables from customers	6 965	1	85	0		7 051			-12	7 039
Receivables from financial institutions	118	56	4 446	907	14	5 561		22	-43	5 541
Non-life Insurance assets							3 153		-52	3 101
Financial assets for trading and investment assets	321	2 364	1 399	1 043	6	5 133	203	486	-468	5 355
Investments in associates							2	7		8
Other assets	162	590	46	62	128	987	900	91	-6	1 966
Assets classified as held for sale							60			60
Total assets	**7 565**	**3 011**	**5 996**	**2 012**	**149**	**18 732**	**4 318**	**606**	**-578**	**23 070**
Liabilities to customers	340	46	741	748		1 874		13	-57	1 830
Liabilities to financial institutions	1	186	2 432	758		3 376			-12	3 364
Non-life Insurance liabilities							2 292			2 292
Debt securities issued to the public				11 720		11 720			-446	11 275
Subordinated liabilities				694		694	40		-40	694
Other liabilities	325	601	136	156	16	1 235	252	427	-23	1 891
Liabilities related to assets classifies as held for sale							46			46
Total liabilities	**666**	**833**	**3 309**	**14 076**	**16**	**18 900**	**2 629**	**440**	**-578**	**21 391**
Shareholders' equity										1 679
Total liabilities and shareholders' equity										**23 070**
Investments	1	0	0	0	0	1	3	1		5

Notes

1) Net interest income
EUR million

	1-3/2007	1-3/2006
Interest income		
From receivables from financial institutions	64	34
From receivables from customers	89	51
From others	284	162
Total	**438**	**248**
Interest expenses		
From liabilities to financial institutions	20	23
From liabilities to customers	19	11
From others	373	188
Total	**411**	**222**
Net interest income	**26**	**26**

2) Impairment losses on receivables
EUR million

	1-3/2007	1-3/2006
Receivables amortised as loan or guarantee losses	1	1
Recoveries from receivables amortised as loan or guarantee losses	0	0
Increase in impairment loss provisions	0	1
Decrease in impairment loss provisions	-1	-2
Impairment losses on receivables, total	**0**	**-1**

3) Net income from Non-life Insurance
EUR million

	1-3/2007	1-3/2006
Net insurance premium revenue		
Premiums written	433	405
Insurance premiums ceded to reinsurers	-29	-28
Change in provision for unearned premiums	-216	-206
Reinsurers' share	15	16
Total	**204**	**187**
Net Non-life Insurance claims		
Claims paid	149	119
Insurance claims recovered from reinsurers	-1	6
Change in provision for unpaid claims	-2	0
Reinsurers' share	2	4
Total	**147**	**129**

Net investment income, Non-life Insurance

Interest rates	17	18
Net realised gains and realised fair value gains and losses		
Notes and bonds	-24	-1
Shares and participations	32	4
Investment properties	0	1
Other	3	2
Unrealised fair value gains and losses		
Notes and bonds	0	0
Shares and participations	0	0
Investment properties	0	0
Other	1	0
Dividend income	18	14
Total	**46**	**36**
Unwinding of discount	-10	-9
Other	1	0
Net income from Non-life Insurance, total	**94**	**86**

4) Net commissions and fees
EUR million

	1-3/2007	1-3/2006
Commission income from		
Lending	6	4
Payment transfers	3	3
Securities brokerage	7	8
Securities issuance	0	1
Asset management and legal services	12	11
Insurance operations	3	2
Guarantees	1	1
Other	2	1
Total	**34**	**31**
Commission expenses on		
Payment transfers	1	1
Securities brokerage	2	3
Securities issuance	1	0
Asset management and legal services	2	1
Other	0	0
Total	**6**	**5**
Net commissions and fees, total	**28**	**26**

5) Net trading income
EUR million

	1-3/2007	1-3/2006
Financial assets and liabilities held for trading		
Capital gains and losses and realised changes in value		
Notes and bonds	0	-3
Shares and participations	0	0
Derivatives	-1	4
Unrealised changes in value		

Notes and bonds	-3	-27
Shares and participations	0	1
Derivatives	9	24
Net income from foreign exchange operations *)	3	3
Total	**7**	**3**

6) Net investment income
EUR million

	1-3/2007	1-3/2006
Available-for-sale financial assets		
Capital gains and losses		
Notes and bonds	0	0
Shares and participations	4	15
Dividend income	5	4
Total	**9**	**19**
Investment properties	1	1
Net investment income, total	**10**	**20**

7) Other operating income
EUR million

	1-3/2007	1-3/2006
Central bank service fee	2	2
Realisation of repossessed items	0	0
Rental income from assets rented under operating lease	-1	3
Other	11	7
Total	**13**	**12**

8) Personnel costs
EUR million

	1-3/2007	1-3/2006
Salaries and remunerations	34	35
Pension costs	5	5
Other indirect personnel costs	2	2
Personnel costs, total	**41**	**42**

9) Other administrative expenses
EUR million

	1-3/2007	1-3/2006
Office expenses	15	11
IT expenses	11	11
Telecommunications expenses	2	3
Marketing expenses	2	3
Other administrative expenses	4	4
Other administrative expenses, total	**34**	**32**

10) Other operating expenses
EUR million

	1-3/2007	1-3/2006

Expenses from properties and business premises in own use	6	6
Expenses from realisation of repossessed items	0	0
Scheduled amortisation and depreciation		
Amortisation on intangible assets due to acquisition	9	9
Other	6	6
Other*)	18	9
Other operating expenses, total	**39**	**30**

*) The item includes EUR 10 million in liquidated damages, with interest and expenses, paid by OKO Bank to savings banks on the basis of an arbitral award. The liquidated damages were due to the ceasing of cooperation between Pohjola and savings banks in consequence of combining the operations of OP Bank Group and Pohjola.

11) Financial assets for trading

EUR million	31 March 2007	31 Dec. 2006
Notes and bonds	5388	4795
Shares and participations	1	6
Total	**5389**	**4801**

12) Non-life Insurance assets

EUR million	31 March 2007	31 Dec. 2006
Money market investments, money market funds and deposits	19	22
Bonds and bond funds	1 697	1 752
Shares and participations	489	447
Alternative investments	133	87
Investment properties	60	56
Other	587	400
Total	**2 984**	**2 766**

13) Investment assets

EUR million	31 March 2007	31 Dec. 2006
Available-for-sale financial assets		
Notes and bonds	95	94
Shares and participations	85	101
Investment properties	29	29
Total	**209**	**225**

14) Intangible assets

EUR million	31 March 2007	31 Dec. 2006
Goodwill	494	494
Brands	179	179
Customer relations pertaining to insurance contracts and policy acquisition costs	268	274
Other	72	73

Total	**1 013**	**1 020**

15) Non-life Insurance liabilities

EUR million	31 March 2007	31 Dec. 2006
Insurance contract liabilities		
Provision for unearned premiums	501	285
Provision for unpaid claims	1 694	1 683
Total	**2 195**	**0**
Other	320	130
Total	**2 515**	**2 099**

16) Debt securities issued to the public

EUR million	31 March 2007	31 Dec. 2006
Bonds	7 599	7 630
Certificates of deposit	7 138	5 519
Other	114	115
Total	**14 851**	**13 263**

17) Subordinated liabilities

EUR million	31 March 2007	31 Dec. 2006
Capital loans	199	198
Other	697	727
Total	**897**	**924**

Collateral given
EUR million

Given on behalf of own liabilities and commitments	31 March 2007	31 Dec. 2006
Mortgages	1	1
Pledges	695	2520
Other	37	31
Total collateral given	**732**	**2552**

Off-balance sheet items

EUR million	31 March 2007	31 Dec. 2006
Guarantees	522	534
Guarantee liabilities	1 273	1 384
Loan commitments	3 384	3 563
Commitments related to short-term sale events	184	165
Other	475	421
Off-balance sheet items, total	**5 838**	**6 066**

Accounts receivable and payable from sale or purchase of assets on behalf of customers

EUR million	31 March 2007	31 Dec. 2006
Accounts receivable	161	71
Accounts payable	177	70

Derivative contracts

Derivatives held for trading and hedging on 31 March 2007

EUR million		Nominal values/ remaining term to maturity		Total	Fair Values	
	<1 year	1-5 years	>5 years		Assets	Liabilities
Interest rate derivatives	39 989	20 683	8 621	69 292	268	263
Currency derivatives	8 651	1 670	882	11 202	53	169
Equity and index-linked derivatives	75	167		242	34	-1
Credit derivatives		131		131	0	1
Other derivatives	8	7		15	1	
Total derivatives	**48 722**	**22 658**	**9 503**	**80 882**	**356**	**431**

Derivatives held for trading and hedging on 31 March 2006

EUR million		Nominal values/ remaining term to maturity		Total	Fair Values	
	<1 year	1-5 years	>5 years		Assets	Liabilities
Interest rate derivatives	28 378	14 470	4 088	46 937	167	169
Currency derivatives	4 512	687	372	5 571	43	53
Equity and index-linked derivatives	151	111		262	23	
Credit derivatives		150		150	0	1
Other derivatives	79	15		94	6	
Total derivatives	**33 120**	**15 434**	**4 460**	**53 015**	**240**	**224**

Other contingent liabilities and commitments

On 31 March 2007, OKO Bank’s commitments to venture capital funds amounted to EUR 7 million and Pohjola Non-Life's commitments to EUR 43 million. They are included in the section 'Off-balance sheet commitments'.

Related party transactions

The related parties of the OKO Bank Group comprise its parent, associates and administrative personnel, as well as other related party companies. The parent of the OKO Bank Group is Osuuspankkikeskus Osk (OP Bank Group Central Cooperative).

The OKO Bank Group had the following associates on 31 March 2007 and 31 March 2006: Nooa Savings Bank Ltd, Autovahinkokeskus Oy and Vahinkopalvelu Oy.

The administrative personnel of the OKO Bank Group includes the President and CEO of OKO Bank, the deputy to the President and CEO, and the members and deputy members of the Board of Directors and their close family members. Information on the members of the Supervisory Board and their close family members was included in the related party transactions until 30 March 2006, when the Supervisory Board was abolished.

Normal credit terms apply to the loans granted to the management. The loans are tied to generally applied benchmark interest rates and the loans are repaid in accordance with the agreed repayment schedule. The loans have normal collateral.

The other related party entities include OP Pension Fund, OP Pension Foundation and sister companies in OP Bank Group Central Cooperative Consolidated.

Related party transactions
on 31 March 2007

	Parent company	Consolidated associates	Administrative personnel	Others
Loans	27			2 488
Other receivables	12			68
Deposits	4			113
Other liabilities	43			38
Interest income	1			30
Interest expenses	1			11
Dividend income				4
Commission income			0	7
Commission expenses			0	0
Other operating income	2			2
Operating expenses	14			1
Off-balance sheet commitments				
Guarantees				27
Irrevocable commitments	8			81
Salaries and remuneration and performance-related pay				
Salaries and remuneration			0	
Holdings of related parties				
Number of shares	60 825 897		67 778	4 205 946

Related party transactions
on 31 March 2006

	Parent company	Consolidated associates	Administrative personnel	Others
Loans	53			1 333
Other receivables	5			62
Deposits	4			72
Other liabilities	36			8

Interest income			10
Interest expenses	1		2
Commission income	2		3
Commission expenses	1		
Other operating income			2
Operating expenses	4		8
Off-balance sheet commitments			
Guarantees			7
Irrevocable commitments	8		
Salaries and remuneration and performance-related pay			
Salaries and remuneration		1	
Holdings of related parties			
Number of shares	60 825 897	49 728	3 680 793

The Interim Report 1 January to 31 March 2007 has been prepared in accordance with IAS 34 (Interim Financial Reporting). The accounting policies and the principles of segment reporting are described in the 2006 financial statements. The figures in this Interim Report are unaudited. All figures in the Report have been expressed in round numbers. Consequently, the sum of single figures may differ from the presented total sum.

Financial reporting in 2007

The Interim Report of the OKO Bank Group for January-June will be disclosed on 9 August 2007 and for January-September on 8 November 2007

Helsinki 10 May 2007

OKO Bank plc
Board of Directors

This Interim Report is available on the Internet at www.oko.fi/english > Press. Background information on the Report can also be found at the same address.

Meeting for analysts

A meeting for analysts will be held in Finnish on 10 May 2007 at 10.00 am, and an English-language conference call will be arranged the same day at 3.30 pm, telephone +358 9 8248 5222 (PIN code 4745).

For additional information, please contact
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Mr Ilkka Salonen, CFO, tel. +358 10 252 3146
Ms Marja Huhta, Senior Vice President, Head of IR, tel. +358 10 252 2037

(Translation)

Statement on the review of the OKO Bank interim report for the period 1 January to 31 March 2007

To the Board of Directors of OKO Bank

We have performed a review of the OKO Bank interim report for the period 1 January to 31 March 2007. The interim report has been prepared by, and is the responsibility of, the Board of Directors and the President, as defined under chapter 2, section 5 of the Finnish Securities Markets Act. Based on our review, and at the request of the Board of Directors, we issue our statement on the interim report in line with chapter 2, section 5, subsection 7 of the Finnish Securities Markets Act.

Our review was conducted in accordance with practice statement "910 Review" issued by the Finnish Institute of Authorised Public Accountants. The review was planned and conducted in order to obtain reasonable assurance about whether the interim report is free of material misstatement. The review was limited in scope and mainly consisted of enquiries of company personnel and analytical procedures, and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that would cause us to believe that the interim report, in all material respects, would not have been prepared in accordance with relevant rules and regulations, and that it would not fairly present the result of operations and financial position of the OKO Bank Group, as defined in the Finnish Securities Markets Act.

Helsinki, 10 May 2007

KPMG OY AB

Sixten Nyman	Raimo Saarikivi
Authorised Public Accountant	Authorised Public Accountant