OKO BANK PLC

Stock Exchange Release
9 November 2006, 8.30 am

OKO BANK PLC'S INTERIM REPORT 1 JULY – 30 SEPTEMBER 2006 AND THE PRESIDENT'S COMMENTS

The President's comments:

"Consolidated earnings before tax in July–September amounted to EUR 40 million, which is less than in the first and second quarters. Earnings declined owing to an exceptionally unfavourable incidence of major losses in Non-life Insurance at this time of the year. Following good performance in investment operations, the Group's return on equity at fair values in the third quarter was 18.3 per cent, which is clearly better than the corresponding rate in the first and second quarters.

In the third quarter, the capital adequacy ratio strengthened from 10.5 per cent to 12.7 per cent when OKO Bank launched an issue of USD 325 million under lower Tier 2 own funds. The Tier 1 ratio of OKO Bank's own funds on risk-weighted items remained unchanged at 8.2 per cent.

The profitability of Banking and Investment Services remained good. In the third quarter, the loan and guarantee portfolio increased by 4 per cent, or by 27 per cent in a year. Despite strong growth, credit risk exposure remained good. Owing to new net subscriptions and changes in market prices, the amount of assets under management increased by 4 per cent in the review period and totalled EUR 29.7 billion at the end of September.

In the third quarter, one year had elapsed from the acquisition of the majority holding in Pohjola. After one year, I am delighted to say that the integration of OKO Bank's and Pohjola's operations has proceeded as planned. In the third quarter, the number of loyal customer households in Non-life Insurance increased by 7 200 households and by over 27 000 households from the beginning of the year. Of the growth, almost 90 per cent was obtained through cooperation within the OP Bank Group. Annual cost synergies are estimated to total EUR 24 million starting from 2007."

Helsinki, 9 November 2006

Mikael Silvennoinen

OKO BANK PLC'S INTERIM REPORT 1 JULY – 30 SEPTEMBER 2006

- Earnings before tax amounted to EUR 40 million (29) in July-September and EUR 166 million (80) in January-September. 1)

- Earnings per share for continuing operations were EUR 0.22 (0.15) in July-September and EUR 0.69 (0.43) in January-September. Equity per share was EUR 8.75 (8.37). 2)

- Return on equity stood at 18.3 per cent (15.4) in July-September and 9.1 per cent (14.6) in January-September. 3)

- The capital adequacy ratio was 12.7 per cent (10.5) and the Tier 1 ratio 8.2 per cent (8.2).

- The loan and guarantee portfolio of Banking and Investment Services increased by 4 per cent in July-September, 18 per cent in January-September and 27 per cent in a year.

- The integration of OKO Bank and Pohjola proceeded as planned. The net number of Pohjola's loyal customer households increased by 7 200 in July-September and by over 27 000 households from the beginning of the year.

- The exceptionally unfavourable trend in major and medium-size claims impaired the balance on technical account by EUR 22 million compared to the corresponding period in 2005. To cover claims incurred of major losses, the level of reinsurance protection was raised in the last quarter.

1) The comparative figures used are the figures for continuing operations for the corresponding periods in 2005, unless otherwise noted. The growth figures for July-September have been calculated on the situation at the end of June 2006, unless otherwise noted. For balance sheet and other cross-sectional items, the point of comparison is the figure at the end of the previous quarter, unless otherwise noted. All Interim Report figures are rounded figures. Therefore, the total of individual figures may deviate from the total presented.

2) The key figures per share are share issue adjusted.

3) Return on equity has been calculated at fair values. Earnings and change in fair value are annualised figures. IFRS accounting entails strong fluctuations in quarter-specific figures.

Key figures	***7-9/ 2006***	***7-9/ 2005***	***1-9/ 2006 30 Sept.***	***1-9/ 2005 30 Sept.***	***1-12/ 2005 31 Dec.***
Earnings before tax, EUR million	40	29	166	80	120
Profit for the period, EUR million	44	19	139	56	93
Return on equity, %	18.3	15.4	9.1	14.6	22.3
Balance sheet total, EUR billion			25.3	19.7	22.3
Risk-weighted items, EUR billion			11.9	12.2	10.5
Loan portfolio, EUR billion			7.7	9.2	6.8
Assets under management, EUR billion			29.7	13.6	27.5
Capital adequacy, %			12.7	8.7	12.8
Tier 1 ratio, %			8.2	6.9	9.6
Proportion of problem receivables to loans and guarantees, %			0.2	0.4	0.3
Earnings per share, EUR	0.22	0.15	0.69	0.43	0.65
Earnings per share incl. change in fair value, EUR	0.39	0.17	0.63	0.43	0.85
Earnings per share, diluted, EUR	0.22	0.15	0.69	0.42	0.65
Equity per share, EUR			8.75	6.41	8.76
Market capitalisation (A and K), EUR million			2 547	1 376	2 386
Average personnel	3 098	1 349	3 107	1 349	1 668

Earnings by quarter

OKO Bank's quarterly earnings are shown in the table below. The year 2005 comparative figures concern the OKO Bank Group's continuing operations.

	2005				2006		
EUR million	1-3	4-6	7-9	10-12	1-3	4-6	7-9
Net interest income	20	22	21	23	26	25	22
Impairment losses on receivables	1	1	-	2	-1	-	2
Net interest income after impairment losses	**20**	**21**	**21**	**22**	**27**	**25**	**20**
Net income from Non-life Insurance	-	-	-	69	86	90	68
Net commissions and fees	16	17	17	21	26	23	25
Net trading income	3	-1	7	6	3	2	6
Net investment income	11	7	3	-2	20	9	2
Other operating income	2	3	2	14	12	13	11
Total net income	**52**	**48**	**50**	**130**	**173**	**163**	**131**
Personnels costs	10	9	9	36	42	45	36
IT expenses	4	5	4	8	11	11	10
Amortisation and depreciation	2	2	2	10	15	14	14
Other expenses	8	8	7	35	37	35	32
Total expenses	**24**	**25**	**21**	**89**	**104**	**105**	**92**
Share of associates' profits/losses	-	1	-	-	-	-	-
Earnings before tax	**28**	**24**	**29**	**41**	**69**	**57**	**40**
Income tax	7	7	9	3	16	15	-4
Profit for the period	**20**	**17**	**19**	**37**	**53**	**42**	**44**
Change in fair value reserve	**0**	**-2**	**2**	**34**	**-15**	**-33**	**36**
Earnings for the period at fair values	**20**	**15**	**21**	**71**	**38**	**9**	**80**

July-September

The OKO Bank Group's earnings before tax amounted to EUR 40 million (29) in the third quarter of 2006.

The capital adequacy ratio at the end of the review period was 12.7 per cent (10.5) and the Tier 1 ratio was 8.2 per cent (8.2).

In Banking and Investment Services, earnings before tax amounted to EUR 35 million (38). The comparative earnings for the third quarter of 2005 included net capital gains from property investments. In the review period, the loan portfolio of Corporate Banking increased by 4 per cent and stood at EUR 7.7 billion at the end of the period. Unused standby credit facilities increased by 2 per cent, while the amount of loan and other guarantees increased by 17 per cent. The level of margins remained stable and the risk exposure good. In Asset Management, the amount of assets under management increased by 4 per cent to EUR 29.7 billion.

In Non-life Insurance, earnings before tax stood at EUR 11 million (–). Insurance premium revenue increased as expected, to EUR 196 million (–). The exceptionally unfavourable trend at this time of the year in major and medium-size claims impaired the balance on technical account by EUR 22 million and the combined ratio by 11 percentage points compared to the corresponding period in 2005. Return on investments was 2.5 per cent (–).

Continuously tightened cooperation with the OP Bank Group's retail banks increased the number of household customers in non-life business. In the review period, the net number of loyal customer households increased by 7 200 new households of which 6 400 households were obtained through cooperation within the OP Bank Group.

Other Operations showed a negative result of EUR 7 million (EUR 4 million negative), consisting of Group administrative expenses, cost of financing the acquisition of the Pohjola shares and of net income from investments and services sold by Pohjola Group plc to related party companies.

In the third quarter of 2006, earnings per share were EUR 0.22 (0.15). On 30 June 2006, the Group's deferred tax assets not entered in the balance sheet totalled around EUR 14.5 million, which mainly resulted from the dissolution of a subsidiary. In the review period, the tax receivable was entered in the profit and loss account after the Appeals Board of the Tax Office for Major Corporations had rejected the tax agent's claim for rectification regarding the allocation of the dissolution loss. The effect of this one-off item on earnings per share was EUR 0.07.

Shareholders' equity was EUR 8.75 per share (8.37) after the distribution of EUR 0.59 dividend in March.

The annualised return on equity was 18.3 per cent (15.4).

January-September

The Group's earnings before tax in January-September amounted to EUR 166 million (80). Earnings per share increased to EUR 0.69. A year earlier the respective figure was EUR 0.43. The annualised return on equity was 9.1 per cent (14.6).

In Banking and Investment Services, earnings before tax amounted to EUR 120 million (106) in January–September.

In Non-life Insurance, earnings before tax in January-September totalled EUR 58 million. Return on investments was 3.6 per cent.

Other Operations, before tax, showed a negative result of EUR 12 million (EUR 9 million negative).

Outlook for the remainder of the year

The operating environment for Banking and Investment Services is estimated to remain similar to that in the nine-month period. The annual growth of the corporate loan market is estimated to continue at the same level. The interest rate level will probably increase slightly but remain low. The financial situation of companies is estimated to remain good. Lending margins are not expected to decrease. However, competition may lower service fees.

OKO Bank's corporate loan portfolio is expected to grow faster than the market. The risk exposure is forecast to remain good and the amount of impairment losses on receivables at a very low level.

The development of the equity and fixed income markets will have an impact on the earnings of Banking and Investment Services. Growth in asset management is expected to continue. The growth in lending of the OP Bank Group's retail banks is expected to exceed the growth in deposits, which will increase the banks' funding need from OKO Bank.

Retail Banking, which was divested in the autumn of last year, is no longer included in OKO Bank's Banking and Investment Services. Adjusted by the earnings of Retail Banking, the earnings of Banking and Investment Services before tax amounted to EUR 137 million in 2005. The corresponding earnings before tax are expected to increase this year.

In Non-life Insurance, price competition is expected to remain unchanged. Cooperation with the other parts of the OP Bank Group will open up new opportunities for Pohjola, especially in increasing the number of household customers. Because of the changes in reserving bases last year and the rate decreases in statutory workers' compensation insurance effective as of the beginning of 2006, the growth in insurance premium revenue is expected to remain at 3 to 4 per cent this year. In 2006, comparable growth in insurance premium revenue is forecast to outperform the growth of GNP, as in the previous year. Operating expenses will increase due to an increased insurance portfolio and the implementation of new basic systems, when maintenance and application costs and amortisation expenses increase before the removal of old systems from production. Owing to the unfavourable incidence of loss in the third quarter of the year, the combined ratio for the entire year excluding changes in calculation bases and the amortisation of intangible assets arising from the acquisition is expected to be 93.0 to 95.0 per cent (previous estimate from 90.0 to 95.0). The changes in the calculation bases allocated to the last quarter of the year are, at this point, estimated to improve the balance on technical account to some extent.

The trends in the equity and fixed income markets will have a significant impact on the return on investments at fair values in Non-life Insurance. The overall return on the investment portfolio is expected to be 3 to 5 per cent in 2006.

Other Operations are expected to show a smaller loss than in 2005. Earnings are increased by the investment income to be consolidated from Pohjola Group.

The management of the Group has no influence on the general operating environment of business. However, the management may influence the effects of interest rate changes and the equity market on investments and trading by investing assets securely and diversifying risks and by ensuring the professional skill of its personnel and 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 Interim Report are based on the current understanding of the financial development of the Group and its different operations; actual performance may vary significantly.

Integration progressing as planned

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

Decisions made thus far are expected to result in savings of approximately EUR 10 million in 2006 and approximately EUR 24 million annually starting from 2007. A decision on EUR 1 million savings was taken in the third quarter of the year. Proactive decisions on savings which can be carried out quickly have mainly been taken. The amount of savings comprises EUR 5 million from Asset Management, EUR 6 million from Non-life Insurance and EUR 13 million from Pohjola Group plc and reorganisation of the corporate structure. The achieved savings do not yet include much of the synergies from information management, which are estimated to materialise in 2 to 4 years.

The amount of income synergies in the review period was minor so far. In Non-life Insurance, the number of loyal customer households in July -September increased by 7 200 households (6 400 households as a result of cooperation within the OP Bank Group) and in January-September by over 27 000 households (24 500 households as a result of cooperation within the OP Bank Group). At the end of September, the number of loyal customer households was over 360 000, while the target by 2010 is 500 000.

By the end of September, the operations of 67 Pohjola branch offices had been transferred to the branches of OP Bank Group member banks, and the operations of one member bank service point had been transferred to a Pohjola branch office. By the end of the year, the number of combined branch offices will be approximately 70. By the end of September, Pohjola had also established 80 new insurance agent outlets at member bank branches. Of the insurance agent outlets, 33 were established in the third quarter of the year.

Integration expenses allocated to the review period amounted to approximately EUR 1 million. In January-September, integration expenses totalled around EUR 3 million.

Personnel

At the end of September, the Group had 3 004 employees, which is 110 employees less than at the end of June and 250 employees less than at the end of 2005. The figure does not include seasonal employees. The reduction in the number of personnel in the review period is due to the outsourcing of Group administrative functions to the OP Bank Group Central Cooperative.

Group restructuring

On 13 June 2006, the Arbitral Tribunal appointed by the Redemption Committee of the Central Chamber of Commerce confirmed OKO Bank's right to gain possession of Pohjola Group plc's minority shares against collateral. OKO Bank provided collateral on the same day, after which the quotation of Pohjola shares and option rights on the Helsinki Stock Exchange ceased. The undisputed part of the redemption price for the shares (EUR 13.35 per share plus interest) was paid to the minority shareholders on 30 June 2006. The court of arbitration will decide on the final redemption price for those former minority shareholders of Pohjola who did not accept OKO Bank's redemption offer. In the accounts and capital adequacy calculations, the above-mentioned price (EUR 13.35 per share) has been used as the acquisition cost of these shares.

On 17 August 2006, the Boards of Directors of OKO Bank plc and Pohjola Group plc approved a plan under which Pohjola, a wholly-owned subsidiary of OKO Bank plc, will merge with its parent company by the end of 2006. The merger aims at streamlining the corporate structure of the OKO Bank Group, to increase the efficiency of business and to decrease administrative costs. Since the merger is a subsidiary merger, no merger consideration will be paid. The merger is planned to take effect on 31 December 2006.

The merger of Opstock Ltd with its parent company OKO Bank plc was entered in the Finnish Trade Register on 30 September 2006. Following the entry into force of the merger, OKO Bank will take over Opstock Ltd's former operations – securities brokerage and investment analysis.

Capital adequacy strengthened

In the third quarter, the capital adequacy ratio strengthened from 10.5 per cent to 12.7 per cent following a bond issue of USD 325 million which is included in lower Tier 2 own funds. The statutory minimum requirement for the capital adequacy ratio is 8 per cent. The Tier 1 ratio of OKO Bank's own funds on risk-weighted items was 8.2 per cent. The strong growth in risk-weighted items in the first half of the year slowed down in the third quarter when they increased from EUR 11 753 million to EUR 11 873 million. From the beginning of 2006, the risk-weighted items increased by 13.2 per cent. The amount of own funds required for covering the market risk totalled EUR 96 million. In capital adequacy calculations, own funds include profit for the review period which has been reduced by a technical dividend distribution using a 50 per cent dividend payout ratio.

Own funds amounted to EUR 1 508 million (1 231), and Tier 1 funds amounted to EUR 968 million (958). Capital loans accounted for EUR 224 million of Tier 1 funds, i.e. 23.1 per cent. Own funds increased by EUR 277 million in the third quarter mainly due to the issue classified under lower Tier 2 funds and to an increase of EUR 36 million in the fair value reserve. At the end of the review period, the amount of the fair value reserve was EUR 35 million.

The Arbitral Tribunal appointed by the Redemption Committee of the Central Chamber of Commerce will take a decision on the redemption price of Pohjola shares for those former minority shareholders of Pohjola who did not accept OKO Bank's redemption offer. The acquisition price of these shares used in the accounts and capital adequacy calculations is the price as per OKO Bank's redemption offer (EUR 13.35 per share).

Risk exposure

In the third quarter of the year, there were no significant changes in the risk exposure of Banking and Investment Services. The amount of past due payments and problem receivables continued to remain low. Credit and impairment losses decreased earnings by EUR 1.6 million. In the third quarter of the year, the number of major losses increased in Non-life Insurance. On the other hand, investment income showed a positive trend owing to a decrease in long-term interest rates and to an increase in share prices. To cover claims incurred of major losses, the level of reinsurance protection was raised in the last quarter. On 7 September 2006, Standard & Poor's revised the credit rating outlook of OKO Bank plc from negative to stable. The attachment entitled 'Risk exposure' contains a review of the development of risk exposure by business line.

Share capital and shareholders

From June to August, a total of 727 600 Series A shares were subscribed using the A/B stock options of the 1999 stock option plan. These shares were entered in the Trade Register on 12 September 2006. Following the registration, OKO Bank's share capital increased by EUR 1.5 million to EUR 425.8 million. The share subscription price was EUR 4.0525 per share. In September, stock options were used to subscribe for 30 500 shares which will be entered in the Trade Register on 10 November 2006. At the end of September, unexercised stock options totalled 231 760 which provide the right to subscribe for 927 040 shares.

At the end of September, the number of Series A shares quoted on the Helsinki Stock Exchange totalled 158.5 million shares which accounted for 78.3 per cent of all OKO Bank shares and 41.9 per cent of the votes. The number of Series K shares totalled around 44 million shares.

At the end of September, the price of the OKO Bank Series A share was EUR 12.58 while the price adjusted for share issues a year earlier was EUR 10.66. The share price reached a high of EUR 12.81 and a low of EUR 11.30 from July to September. Around 15.8 million shares changed ownership during the third quarter of the year. The number was 13.9 million shares in the corresponding period of 2005.

The number of shareholders at the end of September was over 31 000. The number was almost the same as at the end of June. Around 95 per cent 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 per cent of OKO Bank's shares and 56.9 per cent of the votes. The number of nominee registered shares in proportion to all Series A shares increased from 20.5 per cent at the end of June to 20.9 per cent.

Events after the review period

Trading in OKO Bank's year 1999 A/B stock options on the Helsinki Stock Exchange terminated on 23 October 2006. The period for share subscriptions with the stock options ended on 30 October 2006.

Business operations

The table below presents the actual earnings of the Group and its business lines before tax, as well as the strategic objectives and their actuals. The calculation of operative key ratios has been presented on page 26.

	1-3/2006	***4-6/2006***	***7-9/2006***	***1-9/2006***	***Target 2009***
OKO Bank Group					
Earnings before tax, EUR million	69	57	40	166	
Return on equity, %	8.5	2.1	18.3	9.1	13.0
Tier 1 ratio, %	8.8	8.2	8.2	8.2	8.0
Banking and Investment Services					
Earnings before tax, EUR million	47	37	35	120	
Operative return on equity (ROE), %	18.9	14.0	16.1	17.3	> 18
Operative cost/income ratio, %	37.9	43.1	40.9	40.5	40
Non-life Insurance					
Earnings before tax, EUR million	23	24	11	58	
Operative return on equity (ROE), %	23.8	-14.4	44.1	18.8	> 20
Operative combined ratio, %	98.2	91.6	96.7	95.4	< 94
Other Operations					
Earnings before tax, EUR million	-1	-4	-7	-12	

Banking and Investment Services

Banking and Investment Services cover the following divisions:

- Corporate Banking
- Capital Markets
- Group Treasury
- Asset Management

	2005				2006		
	1-3	*4-6*	*7-9*	*10-12*	*1-3*	*4-6*	*7-9*
Income statement, EUR million							
Net interest income	26	29	28	29	30	28	27
Impairment losses on receivables	1	1	0	2	-1	0	2
Net interest income after impairment losses	25	28	28	27	30	28	25
Net commissions and fees	16	17	17	28	23	22	26
Net trading income	3	0	7	6	3	2	6
Net investment income	9	7	3	-3	14	8	2
Other operating income	2	3	2	5	7	7	4
Total net income	56	55	57	62	76	67	62
Total operating expenses	22	22	19	32	29	29	27
Amortisation on intangible assets from acquisition	-	-	-	0	1	1	1
Earnings before tax	34	33	38	30	47	37	35
Change in fair value reserve	0	-3	3	2	-4	-7	2
Earnings before tax at fair values	34	30	42	32	43	30	37
Key figures and ratios, %							
Operative return on equity (ROE) p.a.					18.9	14	16.1
Operative cost/income ratio					37.9	43.1	40.9
Proportion of problem receivables to receivables from customers and guarantees	0.21	0.26	0.4	0.21	0.25	0.24	0.17
	31 March	*30 June*	*30 Sept.*	*31 Dec.*	*31 March*	*30 June*	*30 Sept.*
Information on volumes, EUR billion							
Receivables from customers	6.1	6.4	6.3	6.8	7.1	7.4	7.7
Unused standby credit facilities	2.4	2.7	2.8	2.6	2.7	3.1	3.1
Guarantees	1.2	1.4	1.2	1.4	1.5	1.8	1.9
Assets under management	11.8	12.8	13.6	27.5	28.9	28.5	29.7
Notes and bonds	3.2	3.0	3.3	3.7	4.9	4.1	5.2
Receivables from member cooperative banks	3.9	3.9	4.5	3.7	4.1	4.1	4.6
Liabilities to member cooperative banks	3.1	3.1	3.4	1.6	1.4	1.4	1.4
Risk-weighted items	8.7	9.0	9.3	9.5	9.9	10.7	11.1
Debt securities issued to the public	7.6	7.3	8.7	9.1	11.7	12.2	12.9
Average personnel	637	691	653	752	730	778	750
Average margins, %							
Margin on corporate loan stock	0.87	0.85	0.87	0.91	0.88	0.79	0.89
Margin on institutional loan stock	0.31	0.30	0.30	0.28	0.27	0.26	0.25
Margin on member cooperative banks' loan stock	0.15	0.16	0.14	0.15	0.15	0.15	0.14
Margin on member cooperative banks' deposits	0.33	0.35	0.36	0.19	0.21	0.13	0.13

July–September

Performance in line with expectations

In Banking and Investment Services, earnings before tax stood at EUR 35 million (38). Income grew by EUR 5 million and expenses by EUR 8 million in comparison with the respective period a year earlier.

Net interest income before impairment losses totalled EUR 27 million (28). The abolishment of the cash reserve deposit system in November 2005 and the allocation of interest expenses of capital loans to business lines, which corresponded to the strategy confirmed in the spring of 2006, impaired the net interest income by a total of around EUR 4 million. The net interest income, adjusted by these factors, increased mainly owing to the strong growth in the loan portfolio. The impairment losses on receivables amounted to EUR 1.6 million (0.3).

Net commission income increased to EUR 26 million (17). The growth in commission income was mainly due to the doubling of the volume in Asset Management following the Pohjola acquisition. Net investment income amounted to EUR 2 million (3). The net income for the comparison period in 2005 included a total of EUR 3 million in net capital gains from property investments.

Operative return on equity was 16.1 per cent and the cost/income ratio 40.9 per cent.

Strong growth in commitments portfolio continued

OKO Bank's market position as the corporate lender strengthened further.

In Corporate Banking, the aggregate amount of loans, binding standby credit facilities and guarantees increased by 7 per cent to EUR 11.7 billion from the end of June. The annual growth was 23 per cent.

The loan portfolio of Corporate Banking increased by 4 per cent and stood at EUR 7.7 billion. The annual growth was 22 per cent. At the end of August, OKO Bank's market share in corporate loans increased to 17.4 per cent, whereas a year earlier the respective figure was 16.0 per cent. The amount of binding standby credit facilities increased by 2 per cent to EUR 2.2 billion. Their amount increased by almost 8 per cent in a year. In the review period, the guarantee portfolio increased by 17 per cent and in one year by over 50 per cent to EUR 1.8 billion. New long-term funding totalling EUR 1.0 billion was arranged for customers. In addition, OKO Bank acted as a manager in customers' four bond issues, which generated funds totalling over EUR 210 billion.

The level of margins in the corporate loan portfolio, on average, was the same as in the first half of the year. At the end of September, the margin of the loan portfolio was 10 basis points higher than at the end of the second quarter. The margin went up as a result of funding arranged for certain M&A transactions. The margins of institutional loans continued to decline slightly.

Despite long-lasting and brisk growth in the loan portfolio, the risk exposure is still considered to be good.

The growth in funding of retail banks within the OP Bank Group accelerated. OKO Bank's net receivables from these banks increased by 19 per cent to EUR 3.2 billion from the end of June. Net receivables almost tripled in a year.

Trading and investments

The turnover of trading in fixed income, derivative and currency products amounted to EUR 49 billion, which was 24 per cent lower than in the second quarter but at the same level as in the corresponding period in 2005. The decline in the turnover was due to a decrease in the amount of loans and deposits with a maturity of less than 12 months, taken out by the OP Bank Group's retail banks from OKO Bank, as retail banks transferred to use cheque accounts for liquidity purposes. The volume of equity trading was 42 per cent lower than in the second quarter of the year.

Net income from trading and investments totalled EUR 8 million, which represented a decrease of EUR 2 million from the second quarter, when OKO Bank sold OMX AB shares and recognised on them a capital gain totalling EUR 4.3 million. Compared to the corresponding period a year earlier, net income decreased by 20 per cent.

Growth in long-term funding

Growth in the loan portfolio was mainly financed from the markets. In the Group, the amount of debt securities issued to the public grew to EUR 12.9 billion (12.2). In mid September, OKO Bank launched a bond issue of USD 325 million which is included in lower Tier 2 funds with a par value of EUR 257 million.

Assets under management totalled EUR 29.7 billion

In Asset Management, net sales continued to be positive in the review period. Assets under management increased by 4 per cent to EUR 29.7 billion in July–September. Of the amount, EUR 11.1 billion were assets of OP mutual funds under management. The combination of the asset management businesses of Pohjola and OKO Bank doubled the amount of assets under management from the level in the previous year.

January–September

In Banking and Investment Services, earnings before tax amounted to EUR 120 million (106). Earnings increased by EUR 37 million and expenses by EUR 23 million.

Operative return on equity was 17.3 per cent and the cost/income ratio 41 per cent.

Non-life Insurance

The insurance companies owned by Pohjola Group plc are in charge of Non-life Insurance within OKO Bank. Non-life Insurance consists of the following divisions: Private Customers, Corporate Customers and Baltics.

The year 2005 comparative figures for Non-life Insurance are data on Pohjola's non-life insurance segment before the company was included in OKO Bank Group consolidated figures.

				Non-life Insurance at Pohjola group of companies before inclusion in OKO Bank Group consolidated figures			
		2006			***2005***		
	1-3	***4-6***	***7-9***	***1-3***	***4-6***	***7-9***	***10-12***
Income statement, EUR million							
Insurance premium revenue	187	200	196	175	185	190	194
Claims incurred	129	129	141	136	126	112	116
Loss adjustment expenses	10	11	10	11	11	9	11
Operating expenses	45	43	39	37	38	37	43
Amortisation / adjustment on intangible assets related to acquisition	7	6	6	0	0	0	0
Balance on technical account	**-4**	**11**	**0**	**-9**	**10**	**33**	23
Net investment income	36	28	23	35	33	31	52
Fee income and expenses, net	1	-4	1	19	-2	1	-4
Operating profit	**33**	**35**	**24**	**45**	**41**	**66**	71
Unwinding of discount	9	9	9	9	9	9	10
Finance costs	1	2	3	0	1	0	-1
Earnings before tax	**23**	**24**	**11**	**35**	**31**	**57**	61
Change in fair value reserve	5	-47	46	17	54	23	-41
Earnings at fair values before tax	**28**	**-23**	**58**	**52**	**85**	**80**	20
Key figures, %							
Operative return on equity	23.8	-14.4	44.1				
Return on equity at fair values	0.0	0.0	0.0	14.5	39.5	35.0	10.6
Loss ratio	74.3	70.0	76.8	83.9	74.1	63.3	65.7
Expense ratio	23.8	21.6	19.9	21.3	20.5	19.1	22.4
Operative combined ratio	98.2	91.6	96.7	0.0	0.0	0.0	0.0
Combined ratio	102.2	94.4	99.9	105.1	94.6	82.5	88.1
Return on investments	1.5	-0.5	2.5	2.1	3.4	2.2	0.5
	31 March	***30 June***	***30 Sept.***	***31 March***	***30 June***	***30 Sept.***	***31 Dec.***
Volume data, EUR million							
Insurance contract liabilities							
Discounted insurance contract liabilities	1 184	1 194	1207	1 113	1 128	1 137	1172
Other insurance contract liabilities	914	857	818	953	916	840	711
Investment portfolio							
Bonds	1 790	1 825	1802	1 578	1 764	1 774	1697
Money market investments	379	266	397	427	164	305	195
Shares	422	392	378	439	452	473	407
Investment property	60	58	53	55	56	57	55
Alternative investments	65	43	75	50	58	53	65
Average personnel	2 099	2 134	2 204	2 024	2 068	2 072	2063

Number of private customers continued to grow rapidly

At the end of September, the number of loyal customer households that had pooled their insurance with Pohjola was over 360 000, showing a growth of over 27 000 from the beginning of the year. In the third quarter, the number of loyal customer households increased by 7 200 households. Growth in the number of customers has been record high after cooperation was launched with member cooperative banks in the first quarter of the year. In 2005, the aggregate growth was 16 000 customer households. The target is to obtain 500 000 loyal customer households by the year 2010. The target is supported by tight cooperation with OP Bank Group member retail banks and by their comprehensive nationwide sales network.

July–September

Growth in insurance premium revenue as expected

In July–September, Pohjola's insurance premium revenue grew by over 3 per cent to EUR 196 million (190) compared to the corresponding period in 2005.

In domestic non-life business, insurance premium revenue grew by 1 per cent to EUR 183 million (181). Following the OP Bank Group cooperation and revised service provision, growth in premium revenue of comprehensive motor vehicle and motor liability insurance in the private customer segment clearly exceeded the market growth. In the corporate customer segment, property insurance grew the most. Premium revenue in statutory workers' compensation insurance declined owing to premium rate adjustments carried out at the beginning of 2006. In addition, the favourable trend in statutory workers' compensation claims in the third quarter lowered the premium revenue of insurance contracts with deductibles by EUR 4 million compared to the corresponding period a year earlier. Premium revenue generated by the Baltic business increased by 43 per cent to EUR 13 million (9).

Exceptionally unfavourable incidence of major losses

The operative combined ratio was 96.7 per cent (82.5), of which claims incurred represented 71.0 percentage points (58.0) and operating expenses and loss adjustment expenses (cost ratio) 25.7 percentage points (24.5).

Claims incurred (excluding loss adjustment expenses) increased to EUR 141 million (112). Claims incurred from small losses (losses of less than EUR 0.1 million) grew in the proportion of the increase in the insurance portfolio. The claims trend in major and medium-size losses (losses of more than EUR 0.1 million) was exceptionally unfavourable at this time of the year. Retention in claims incurred of these losses was EUR 29 million (7). The number of major losses of over EUR 2 million retained for own account was 5 (0).

Operating expenses and loss adjustment expenses increased by EUR 3 million and stood at EUR 50 million (47). Operating expenses were EUR 39 million (37) and loss adjustment expenses EUR 10 million (9). Sales and marketing measures, the introduction of new basic systems, and growth in the Baltic business increased expenses.

Investment environment more favourable than in the previous quarter

At the end of September, the fair value of investments in Non-life Insurance was EUR 2.7 billion, of which equities accounted for 14 per cent (15).

Return on investments at fair values was 2.5 per cent. Net investment income entered in earnings was EUR 23 million. Net investment income at fair values was EUR 69 million.

January–September

Compared to January–September 2005, insurance premium revenue in Non-life Insurance grew by over 6 per cent and stood at EUR 584 million (550). Premium revenue grew, in particular, as a result of an increase in the insurance portfolio.

The operative combined ratio was 95.4 per cent (93.8), of which the cost ratio accounted for 28.0 percentage points (26.6) and the risk ratio for 67.4 percentage points (67.2). Operating expenses grew as expected owing to increased volumes, the introduction of new basic systems, and growth in the Baltic business. The risk ratio (claims to insurance premium revenue) was impaired by the exceptionally unfavourable claims trend in major and medium-size losses in the third quarter of the year.

Return on investments at fair values was 3.6 per cent (7.9). The net investment income entered in the earnings of the OKO Bank Group was EUR 87 million. Net investment income at fair values was EUR 91 million.

Operative return on equity was 18.8 per cent.

Other Operations

The earnings of Other Operations consist of Group administrative expenses, funding costs of Pohjola shares, net income from the operations of Pohjola Group and Group eliminations.

	2005				**2006**		
EUR million	**1-3**	**4-6**	**7-9**	**10-12**	**1-3**	**4-6**	**7-9**
Net interest income	0	0	-2	-5	-3	-1	-3
Other net income	1	-1	-1	-3	7	3	0
Net income	1	-1	-2	-9	4	2	-3
Expenses	3	3	2	8	5	6	4
Earnings before tax	-1	-3	-4	-16	-1	-4	-7

July-September

Earnings before tax showed a loss of EUR 7 million (EUR 4 million negative). Earnings were burdened by financing costs of just under EUR 9 million for the acquisition of Pohjola shares. On the other hand, earnings were improved by the net investment income of EUR 5 million from Pohjola Group.

January–September

Earnings before tax showed a loss of EUR 12 million (EUR 9 million negative). Earnings were decreased by financing costs of EUR 20 million for the acquisition of Pohjola shares and earnings were increased by net investment income of EUR 8 million.

The earnings for the first quarter of 2006 included EUR 6 million in capital gains and dividends and the second quarter included EUR 3 million in capital gains.

OKO Bank Group income statement, 1 July to 30 September 2006

	1 July to 30 September 2006			1 July to 30 September 2005		
EUR million	Continuing operations	Discon-tinued operations	Total	Continuing operations	Discon-tinued operations	Total
Interest income	338	-	338	167	23	190
Interest expenses	316	-	316	146	5	151
Net interest income (Note 1)	22	-	**22**	21	18	**39**
Impairment losses on receivables (Note 2)	2	-	2	-	-	1
Net interest income after impairment losses	20	-	**20**	21	18	**38**
Net income from Non-life Insurance (Note 3)	68	-	68	-	-	-
Net commissions and fees (Note 4)	25	-	25	17	7	24
Net trading income (Note 5)	6	-	6	7	-	7
Net investment income (Note 6)	2	-	2	3	-	3
Other operating income (Note 7)	11	-	11	2	-	2
Total net income	131	-	**131**	50	25	**74**
Personnel costs (Note 8)	36	-	36	9	6	14
Other administrative expenses (Note 9)	29	-	29	7	5	12
Other operating expenses (Note 10)	26	-	26	6	3	8
Total expenses	92	-	**92**	21	13	**35**
Earnings before tax	40	-	**40**	29	11	**40**
Income tax	-4	-	-4	9	1	11
Profit for the period	44	-	**44**	19	10	**29**
Basic earnings per share, EUR						
Series A	0.22	-	0.22	0.15	0.08	0.23
Series K	0.22	-	0.22	0.15	0.08	0.22
Diluted earnings per share, EUR						
Series A	0.22	-	0.22	0.15	0.08	0.22
Series K	0.22	-	0.22	0.15	0.07	0.22

OKO Bank Group income statement, 1 January to 30 September 2006

	1 January to 30 September 2006			1 January to 30 September 2005		
EUR million	Continuing operations	Discon-tinued operations	Total	Continuing operations	Discon-tinued operations	Total
Interest income*)	883	-	883	472	70	542
Interest expenses	810	-	810	409	15	424
Net interest income (Note 1)	73	-	**73**	63	54	**118**
Impairment losses on receivables (Note 2)	1	-	1	2	-	2
Net interest income after impairment losses	72	-	**72**	62	54	**116**
Net income from Non-life Insurance (Note 3)	244	-	244	-	-	-
Net commissions and fees (Note 4)	74	-	74	50	22	72
Net trading income (Note 5)*)	10	-	10	9	-	10
Net investment income (Note 6)	30	-	30	21	-	21
Other operating income (Note 7)	37	-	37	7	-	7
Total net income	467	-	**467**	149	77	**226**
Personnel costs (Note 8)	123	-	123	28	19	47
Other administrative expenses (Note 9)	95	-	95	25	15	40
Other operating expenses (Note 10)	83	-	83	17	8	26
Total expenses	301	-	**301**	70	42	**112**
Share of associates' profits/losses	-	-	-	1	-	1
Earnings before tax	166	-	**166**	80	35	**115**
Income tax	27	-	27	24	4	28
Profit for the period	139	-	**139**	56	31	**87**
Attributable to:						
Equity holders of the parent	139	-	139	55	31	86
Minority interest	-	-	-	1	-	1
Total	139	-	**139**	56	31	**87**
Basic earnings per share, EUR						
Series A	0.69	-	0.69	0.43	0.25	0.68
Series K	0.68	-	0.68	0.43	0.24	0.67
Diluted earnings per share, EUR						
Series A	0.69	-	0.69	0.43	0.24	0.67
Series K	0.68	-	0.68	0.42	0.24	0.66

*) In January-September 2006 figures, the interest rate spread, totalling EUR 7 million, of forward exchange agreements related to foreign-currency funding has been adjusted from net income from foreign exchange operations to net interest income.

OKO Bank Group balance sheet

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Liquid assets	1 412	1 173	956	479
Receivables from financial institutions	5 423	4 777	4 584	4 617
Financial assets for trading (Note 11)	5 128	5 234	4 943	3 692
Derivative contracts	257	281	176	123
Receivables from customers	7 647	7 407	7 039	6 759
Non-life Insurance assets (Note 12)	3 123	2 932	3 101	2 742
Investment assets (Note 13)	274	427	412	326
Investments in associates	8	8	8	7
Intangible assets (Note 14)	1 025	1 032	1 030	942
Tangible assets	92	94	92	89
Other assets	842	625	635	508
Deferred tax assets	33	40	33	33
Life insurance assets classified as held for sale	-	-	-	1 873
Other asset items classified as held for sale (Note 15)	-	-	60	81
Total assets	**25 263**	**24 031**	**23 070**	**22 270**
Liabilities to financial institutions	3 941	4 417	3 364	3 563
Financial liabilities for trading	-	-	3	4
Derivative contracts	253	286	176	123
Liabilities to customers	2 304	1 779	1 830	2 058
Non-life Insurance liabilities (Note 16)	2 305	2 141	2 292	1 926
Debt securities issued to the public (Note 17)	12 278	11 740	11 275	9 033
Provisions and other liabilities	1 120	934	1 336	827
Deferred tax liabilities	350	361	375	371
Subordinated liabilities (Note 18)	939	683	694	749
Life insurance liabilities classified as held for sale	-	-	-	1 609
Liabilities related to other asset items classified as held for sale (Note 19)	-	-	46	48
Total liabilities	**23 491**	**22 342**	**21 391**	**20 310**
Shareholders' equity				
Share of parent company's owners				
Share capital	426	424	424	423
Share issue account	-	-	-	1
Reserves	780	743	776	791
Retained earnings	566	522	479	548
Minority interest	**-**	**-**	**-**	**199**
Total shareholders' equity	**1 772**	**1 689**	**1 679**	**1 961**
Total liabilities and shareholders' equity	**25 263**	**24 031**	**23 070**	**22 270**

Changes in shareholders' equity, 1 July to 30 September

EUR million	Attributable to equity holders of the parent: Share capital	Translation differences	Fair value reserve	Other reserves	Retained earnings	Total	Minority interest	Total shareholders' equity
Shareholders' equity, 1 July 2005	**211**	**-**	**11**	**235**	**339**	**796**	**2**	**797**
Transition to IAS 32/39 standards	-	-	-	-	-	-	-	-
Adjusted shareholders' equity on 1 July	211	-	11	235	339	796	2	797
Available-for-sale financial assets								
Valuation gains and losses	-	-	3	-	-	3	-	3
Share transferred to the income statement	-	-	-	-	-	-	-	-
Translation differences from foreign units	-	-	-	-	-	-	-	-
Deferred taxes	-	-	-1	-	-	-1	-	-1
Net income recognised under shareholders' equity	-	-	2	-	-	2	-	2
Profit for the period	-	-	-	-	29	29	-	29
Total income and expenses for the period	-	-	2	-	29	31	-	32
Share issue	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Reserve transfers	-	-	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-	-	-
Acquisitions of subsidiaries	-	-	-	-	-	-	-	-
Shareholders' equity, 30 September 2005	**211**	**-**	**13**	**235**	**368**	**828**	**2**	**830**

Changes in shareholders' equity, 1 July to 30 September, continues

EUR million	Share capital	Translation differences	Fair value reserve	Other reserves	Retained earnings	Total	Minority interest	Total shareholders' equity
	Attributable to equity holders of the parent							
Shareholders' equity, 1 July 2006	**424**	**-**	**-1**	**743**	**522**	**1 689**	**-**	**1 689**
Changes in accounting policies	-	-	-	-	-	-	-	-
Adjusted shareholders' equity on 1 July	424	-	-1	743	522	1 689	-	1 689
Available-for-sale financial assets								
Valuation gains and losses	-	-	48	-	-	48	-	48
Share transferred to the income statement	-	-	-	-	-	-	-	-
Translation differences from foreign units	-	-	-	-	-	-	-	-
Deferred taxes	-	-	-12	-	-	-12	-	-12
Net income recognised under shareholders' equity	-	-	36	-	-	36	-	36
Profit for the period	-	-	-	-	44	44	-	44
Total income and expenses for the period	-	-	36	-	44	80	-	80
Share issue	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-
Share options exercised	2	-	-	2	-	3	-	3
Dividends paid	-	-	-	-	-	-	-	-
Reserve transfers	-	-	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-	-	-
Acquisitions of subsidiaries	-	-	-	-	-	-	-	-
Shareholders' equity, 30 September 2006	**426**	**-**	**35**	**745**	**566**	**1 772**	**-**	**1 772**

Changes in shareholders' equity, 1 January to 30 September

	Attributable to equity holders of the parent							
EUR million	Share capital	Tran-slation differences	Fair value reserve	Other reserves	Retained earnings	Total	Minority interest	Total share-holders' equity
Shareholders' equity, 1 January 2005	**206**	**-**	**-**	**237**	**332**	**775**	**2**	**777**
Transition to IAS 32/39 standards	-	-	13	-	2	14	-	14
Adjusted shareholders' equity on 1 January	206	-	13	237	334	790	2	791
Available-for-sale financial assets								
Valuation gains and losses	-	-	7	-	-	7	-	7
Share transferred to the income statement	-	-	-6	-	-	-6	-	-6
Translation differences from foreign units	-	-	-	-	-	-	-	-
Deferred taxes	-	-	-	-	-	-	-	-
Net income recognised under shareholders' equity	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	86	86	1	87
Total income and expenses for the period	-	-	-	-	86	87	1	88
Share issue	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-
Share options exercised	5	-	-	-2	-	3	-	3
Dividends paid	-	-	-	-	-52	-52	-1	-53
Reserve transfers	-	-	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-	-	-
Acquisitions of subsidiaries	-	-	-	-	-	-	-	-
Shareholders' equity, 30 September 2005	**211**	**-**	**13**	**235**	**368**	**828**	**2**	**830**

Changes in shareholders' equity, 1 January to 30 September, continues

EUR million	Attributable to equity holders of the parent: Share capital	Translation differences	Fair value reserve	Other reserves	Retained earnings	Total	Minority interest	Total shareholders' equity
Shareholders' equity, 1 January 2006	**423**	**-1**	**48**	**744**	**549**	**1 762**	**199**	**1 961**
Changes in accounting policies	-	-	-	-	-	-	-	-
Adjusted shareholders' equity on 1 January	423	-1	48	744	549	1 762	199	1 961
Available-for-sale financial assets								
Valuation gains and losses	-	-	-	-	-	-1	-	-1
Share transferred to the income statement	-	-	-16	-	-	-16	-	-16
Translation differences from foreign units	-	1	-	-	-	1	-	1
Deferred taxes	-	-	4	-	-	4	-	4
Net income recognised under shareholders' equity	-	1	-12	-	-1	-12	-	-12
Profit for the period	-	-	-	-	139	139	-	139
Total income and expenses for the period	-	1	-12	-	138	127	-	127
Share issue	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-1	-	-1	-	-1
Share options exercised	3	-	-	2	-	5	-	5
Dividends paid	-	-	-	-	-121	-121	-	-121
Reserve transfers	-	-	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-	-	-
Acquisitions of subsidiaries	-	-	-	-	-	-	-198	-198
Shareholders' equity, 30 September 2006	**426**	**-**	**35**	**745**	**566**	**1 772**	**-**	**1 772**

Own funds and capital adequacy

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Own funds				
Shareholders' equity	1 772	1 689	1679	1961
Minority interest	-	-	-	-197
Capital loans *)	224	224	224	224
Intangible assets	-859	-862	-857	-794
Fair value reserve, excess funding of pension liability, change in equalisation provisions and change in fair value of properties	-99	-45	-58	-72
Dividend distribution proposed by the Executive Board	-	-	-	-120
Planned dividend distribution	-70	-48	-26	-
Tier 1	**968**	**958**	**964**	**1 002**
Fair value reserve	35	-1	33	48
Subordinated liabilities considered upper Tier 2 funds	200	200	200	200
Subordinated liabilities considered lower Tier 2 funds	484	247	248	302
Tier 2, total	**719**	**446**	**481**	**550**
Investments in insurance institutions	-171	-166	-166	-202
Other mandatory adjustments	-8	-8	-1	-11
Mandatory adjustments, total	**-179**	**-174**	**-167**	**-213**
Own funds, total **)	**1 508**	**1 231**	**1 278**	**1 339**
Risk-weighted receivables, investments and off-balance sheet items				
Loan and guarantee portfolios excl. inter-group items OP Bank Group	7 276	7 066	6 458	6 233
Binding standby credit facilities	1 302	1 282	1 105	1 149
Intergroup items OP-Bank Group	1 264	1 149	1 088	1 105
Market risk	1 200	1 278	1 148	867
Other items (equities incl. Pohjola, properties, other assets etc.)	830	978	1 106	1 135
Risk-weighted receivables, investments and off-balance sheet items, total	11 873	11 753	10 904	10 489
Capital adequacy ratio, % *)**	12.7	10,5	11,7	12,8
Tier 1 ratio, % *)**	8.2	8,2	8,8	9,6
Capital adequacy ratio under the Act on Supervision of Financial and Insurance Conglomerates	1.14	1.10	1.18	1.23

The capital adequacy ratio of the OP Bank Group under the Credit Institutions Act was 14.0 per cent (12.9) and the Tier 1 ratio 12.4 per cent (12.2). Calculated by the consolidation mehtod in accordance with the Act on Supervision of Financial and Insurance, the capital adequacy ratio of the OP Bank Group was 1.53 (1.69). The OP Bank Group has published its Interim Report for January-September 2006 on 9 November 2006.

*) OKO Bank has four capital loans which are allowed to be included in own funds:

Capital loan of 10 billion Japanese yen, EUR 74 million of which is considered Tier 1 funds. Interest on the loan is fixed at 4.23 per cent until 2034 and thereafter variable 6-month Yen LIBOR + 1.58 per cent. 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 per cent. Thereafter, the interest rate will be CMS 10 years + 0.1 per cent. 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 per cent until 2015 and thereafter variable 3-month EURIBOR +1.65 per cent. 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 per cent. 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 firs 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 9 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 of 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	1-9/ 2006	1-9/ 2005
Cash flows from operating activities		
Profit for the period	139	86
Adjustments to reconcile profit for the period to cash used in operating activities	189	17
Increase (+) or decrease (-) in operating assets	**-3 844**	**-1 242**
Receivables from financial institutions	-700	-476
Financial assets for trading	-1 446	-194
Derivative contracts	-28	-
Receivables from customers	-902	-520
Non-life Insurance assets	-421	-
Investment assets	41	146
Other assets	-388	-198
Increase (+) or decrease (-) in operating liabilities	**1221**	**473**
Liabilities to financial institutions	378	938
Financial liabilities for trading	-4	3
Derivative contracts	35	-
Liabilities to customers	246	-720
Non-life Insurance liabilities	239	-
Provisions and other liabilities	326	252
Income taxes paid	-34	-16
Dividends received	29	8
A. Net cash provided by (used in) operating activities	**-2 299**	**-673**

Cash flows from investing activities		
Acquisition of subsidiaries net of cash acquired	-303	-1 334
Disposal of subsidiaries net of cash disposed of	218	16
Acquisition of tangible and intangible assets	-14	-11
Disposal of tangible and intangible assets	2	10
B. Net cash provided by (used in) investing activities	**-97**	**-1 319**
Cash flows from financing activities		
Increase in subordinated loans	407	60
Decrease in subordinated loans	-164	-9
Increase in debt securities issued to the public	23 488	16 986
Decrease in debt securities issued to the public	-20 228	-14 398
Increase in share capital	2	2
Dividends paid	-120	-52
Other monetary increases in shareholders' equity	2	-
C. Net cash provided by (used in) financing activities	**3 387**	**2 589**
Net increase/decrease in cash and cash equivalents (A+B+C)	**990**	**597**
Cash and cash equivalents at the beginning of the period	**614**	**350**
Cash and cash equivalents at the end of the period	**1 604**	**947**
Interest received	**733**	**496**
Interest paid	**-694**	**-348**
Adjustments to profits for the period		
Items not associated with payment		
Impairment losses on receivables	1	2
Unrealised net earnings in Non-life Insurance	169	-
Change in fair value for trading	-9	12
Unrealised net gains on foreign exchange operations	-10	-22
Change in fair value of investment properties	-1	-
Scheduled amortisation /depreciation	43	8
Share of associates' profits/losses	-	-1
Other	-2	19
Items presented outside cash flows from operating activities		
Capital gains, share of cash flow from investing activities	-3	-2
Capital losses, share of cash flow from investing activities	1	-
Adjustments, total	**189**	**17**

The share of cash flow from the discontinued retail banking operations in the comparison period 1 January to 30 September 2005

Cash flow statement EUR million	1-9/05
Liquid assets on 1 January	**45**
Cash flows from operating activities	72
Cash flows from investing activities	-3
Cash flows from financing activities	-96
Liquid assets on 30 September	**18**

Segment information

The business divisions were reorganised as of the beginning of 2006. The segment Banking and Investment Services includes the following divisions: Corporate Banking, Capital Markets, Group Treasury (Central Banking and Treasury) and Asset Management. Areas reported separately for Non-life Insurance include Corporate Customers, Private Customers and the Baltic States, whose earnings are followed up to the balance on technical account. The comparison data have been adjusted to correspond to the new grouping.

The most important change from the viewpoint of Corporate Banking was the transfer of money market, debt capital market and foreign exchange services to the new Capital Markets division.

Investment Banking reported for 2005 has been divided into Capital Markets and Asset Management.

The Capital Markets division comprises the securities brokerage, investment research and corporate finance operations of Opstock, which used to form the Investment Banking division, OKO Bank's money market, debt capital market and foreign exchange services, as well as OKO Capital East Ltd and its subsidiary ZAO OKO Capital Vostok. The latter offers services related to corporate arrangements and structured financing to Finnish companies.

There were no changes in Central Banking. A new company allocated to Treasury is Conventum Venture Finance Ltd, which engages in venture capital investing.

The Asset Management division is composed of OKO Asset Management Limited and Pohjola Property Management Ltd.

The name of Group Administration was changed to Other Operations. The income, expenses, investments and capital that have not been allocated to the divisions are presented under Other Operations. The most significant change in Other Operations was that Pohjola Group plc, Pohjola IT Procurement Ltd, which rents out machinery and equipment, and associated company Nooa Savings Bank Ltd were allocated to Other Operations. The earnings of Other Operations consist of the earnings of the above companies, capital gains and dividends from investment operations, Group administration expenses, and shares of associates' profits and losses.

Capital allocated to the Banking and Investment Services division amounts to 7 per cent of the risk-weighted commitments increased by the amount of intangible assets and goodwill related to the acquisition of Pohjola Asset Management Limited. Capital allocated to Non-life Insurance amounts to 70 per cent of insurance premiums revenue increased by the amount of intangible assets and goodwill related to business acquisition; however, at least the minimum capital required by the authorities.

When calculating the operative return on equity of business lines, amortisation on intangible assets related to the Pohjola transaction is not taken into account in earnings. In the calculation of operative shareholders' equity, the capital allocated to business lines is reduced by intangible assets and goodwill related to the Pohjola acquisition and by the parent's capital loans allocated to business lines in proportion to the capital tied by them.

Retail Banking sold in 2005 has been presented under discontinued operations.

Changes in the calculation of key ratios

Return on equity at fair values, %

Group:

+ Profit for the period
+ Change in fair value reserve after tax *100
Shareholders' equity (average of the beginning and end of the period)

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 Ltd
- Capital loans allocated to business lines
  (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 effects
+ Change in fair value reserve after tax *100
+ 70% solvency ratio
- Capital loans allocated to business lines
  (average of the beginning and end of the period)
  or
  minimum capital required by the authorities, whichever is larger

Operative cost/income ratio

+ Personnel costs
+ Other administrative expenses
+ Other operating expenses excl. amortisation and write-downs
  on intangible assets and goodwill related to Pohjola acquisition

---

+ 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 excl. amortisation and write-downs on intangible assets and goodwill related to acquisition of non-life insurance operations

Financial performance from July to September	**Banking and Investment Services**											
EUR million	Corporate Banking		Capital Markets		Group Treasury				Asset Management		**Banking and Investment Services, total**	
					Central Banking		Treasury					
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net interest income	21	19	3	1	2	5	1	3	0	0	27	28
Impairment losses on receivables	2	0	0	0	0	0	0	0	0	0	2	0
Net interest income after impairment losses	20	18	3	1	2	5	1	3	0	0	25	28
Net income from Non-life Insurance											0	0
Net commissions and fees	10	9	5	4	0	0	0	0	11	4	26	17
Net trading income	1	2	3	5	0	0	1	0	0	0	6	7
Net investment income	0	0	0	0	0	0	2	3	0	0	2	3
Other operating income	3	1	0	0	2	0	0	0	-1	0	4	2
Total income	**34**	**31**	**11**	**11**	**5**	**6**	**4**	**6**	**9**	**4**	**62**	**57**
of which inter-segment income	0		0	0	0	0	0	1	1			
Personnel costs	-5	-4	-3	-3	0	0	0	0	-3	-1	-12	-8
IT expenses	-1	-2	-1	-1	0	0	0	0	0	0	-3	-3
Amortisation on intangible assets from acquisition									-1		-1	0
Other amortisation and depreciation	-3	-2	0	0	0	0	0	0	0	0	-4	-2
Other expenses	-4	-3	-2	-1	0	0	-1	0	-1	0	-8	-5
Total expenses	**-13**	**-10**	**-6**	**-5**	**-1**	**-1**	**-1**	**-1**	**-5**	**-2**	**-27**	**-19**
Share of associates' profits/losses	0	0	0	0	0	0	0	0	0	0	0	0
Earnings before tax	**20**	**21**	**5**	**5**	**4**	**5**	**2**	**5**	**4**	**2**	**35**	**38**
Income tax												
Profit for the period												

Key figures, %												
Operative cost/income ratio											41	
Operative return on equity											16.1	
Return on equity at fair values					12.7	17.6						

Financial performance July to September EUR million	**Non-life Insurance**		**Discontinued operations**		**Other Operations**		**Eliminations**		**OKO Bank Group**	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net interest income	-2	0	0	12	-4	-2	1	0	22	39
Impairment losses on receivables	0	0	0	0	0	0	0	0	2	1
Net interest income after impairment losses	-2	0	0	12	-4	-2	1	0	20	38
Net income from Non-life Insurance	69				0	0	-1	0	68	0
Net commissions and fees	1	0	0	7	0	0	-1	0	25	24
Net trading income	0	0	0	0	0	0	0	0	6	7
Net investment income	0	0	0	0	0	0	0	0	2	3
Other operating income	4	0	0	0	9	0	-6	0	11	2
Total income	**72**	**0**	**0**	**19**	**4**	**-2**	**-7**	**0**	**131**	**74**
of which inter-segment income	0			-1	5		-6		-	-
Personnel costs	-22	0	0	-5	-2	-1	0	0	-36	-14
IT expenses	-3	0	0	-2	-3	-1	0	0	-10	-6
Amortisation on intangible assets from acquisition	-8							0	-9	-
Other amortisation and depreciation	0	0	0	-1	-1	0	0	0	-5	-3
Other expenses	-26	0	0	-5	-5	-1	7	0	-32	-11
Total expenses	**-61**	**0**	**0**	**-13**	**-12**	**-3**	**7**	**0**	**-92**	**-35**
Share of associates' profits/losses	0	0	0	0	0	0	0	0	0	0
Earnings before tax *)	**11**	**0**	**0**	**6**	**-7**	**-4**	**0**	**0**	**40**	**40**
Income tax									4	-11
Profit for the period									**44**	**29**

Key figures, %										
Operative cost/income ratio										
Operative return on equity										
Return on equity at fair values									18.3	15.4

Non-life Insurance by division,	*Private Customers*		*Corporate Customers*		*Baltic States*		***Non-life Insurance, total***	
July-September	*2006*	*2005*	*2006*	*2005*	*2006*	*2005*	*2006*	*2005*
Balance on technical account, EUR million								
Insurance premium revenue	**75**		**109**		**13**		**196**	
Claims incurred	53		91		6		151	
Amortisation on intangible assets from acquisition	3		3		0		6	
Operating expenses	20		17		3		39	
Total expenses	**75**		**111**		**10**		**196**	
Balance on technical account	**-1**		**-2**		**3**		**0**	
Key figures, %								
Operative return on equity							44.1	
Loss ratio	70.9		83.8		50.6		76.8	
Expense ratio	26.4		15.3		22.1		19.9	
Operative combined ratio	97.3		99.1		72.7		96.7	
Combined ratio	101.0		102.2		75.1		99.9	

Financial performance from January to September EUR million	**Banking and Investment Services**											
	Corporate Banking		Capital Markets		Group Treasury				Asset Management		**Banking and Investment Services, total**	
					Central Banking		Treasury					
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net interest income	63	55	10	3	9	16	3	8	0	0	85	83
Impairment losses on receivables	1	2	0	0	0	0	0	-1	0	0	1	2
Net interest income after impairment losses	62	53	10	3	9	16	3	9	0	0	84	81
Income from Non-life Insurance												
Net commissions and fees	26	26	16	13	0	0	0	0	29	11	70	50
Net trading income	2	1	5	9	1	1	2	0	0	0	10	10
Net investment income	0	0	0	0	0	0	23	19	0	0	23	19
Other operating income	10	4	0	0	7	1	1	2	0	0	18	8
Total income	**99**	**84**	**31**	**24**	**17**	**19**	**29**	**30**	**29**	**11**	**205**	**168**
of which inter-segment income	0		0	0	0	0	0	2	1			
Personnel costs	-15	-13	-9	-7	-1	-1	-1	-1	-11	-3	-38	-27
IT expenses	-5	-5	-4	-4	-1	-1	-1	-1	-1	-1	-11	-11
Amortisation on intangible assets from acquisition									-2	0	-2	0
Other amortisation and depreciation	-9	-4	-1	-1	0	0	0	0	0	0	-11	-6
Other expenses	-11	-10	-5	-4	-2	-2	-2	-1	-5	-1	-24	-18
Total expenses	**-40**	**-33**	**-19**	**-16**	**-4**	**-4**	**-4**	**-4**	**-19**	**-6**	**-86**	**-62**
Share of associates' profits/losses	0	0	0	0	0	0	0	0	0	0	0	0
Earnings before tax *)	**60**	**51**	**12**	**8**	**13**	**15**	**25**	**27**	**10**	**5**	**120**	**106**
Income tax												
Profit for the period												

Key figures, %												
Operative cost/income ratio											41	
Operative return on equity											17.3	
Return on equity at fair values					14.0	17.4						

Financial performance from January to September EUR million	**Non-life Insurance**		**Discontinued Operations**		**Other Operations**		**Eliminations**		**OKO Bank Group**	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net interest income	-6	0	0	37	-9	-3	2	1	73	118
Impairment losses on receivables	0	0	0	0	0	0	0	0	1	2
Net interest income after impairment losses	-6	0	0	37	-9	-3	2	1	72	116
Income from Non-life Insurance	246				0	0	-2	0	244	0
Net commissions and fees	6	0	0	23	-1	0	-1	0	74	72
Net trading income	0	0	0	0	0	0	0	-1	10	10
Net investment income	-1	0	0	0	8	2	0	0	30	21
Other operating income	13	0	0	0	34	0	-28	-1	37	7
Total income	**258**	**0**	**0**	**60**	**33**	**-1**	**-29**	**-2**	**467**	**226**
of which inter-segment income	0			-2	25		-26		-	-
Personnel costs	-76	0	0	-17	-10	-3	0	0	-123	-47
IT expenses	-10	0	0	-7	-11	-2	0	0	-32	-20
Amortisation on intangible assets from acquisition	-25								-27	0
Other amortisation and depreciation	-1	0	0	-2	-3	0	0	0	-15	-8
Other expenses	-88	0	0	-16	-21	-4	29	2	-104	-37
Total expenses	**-200**	**0**	**0**	**-42**	**-45**	**-9**	**29**	**2**	**-301**	**-112**
Share of associates' profits/losses	0	0	0	0	0	1	0	0	0	1
Earnings before tax *)	**58**	**0**	**0**	**18**	**-12**	**-9**	**0**	**0**	**166**	**115**
Income tax									-27	-28
Profit for the period									**139**	**87**

Key figures, %										
Operative cost/income ratio										
Operative return on equity										
Return on equity at fair values									9.1	14.6

Non-life Insurance by division,	*Private Customers*		*Corporate Customers*		*Baltic States*		**Non-life Insurance, total**	
January-September	*2006*	*2005*	*2006*	*2005*	*2006*	*2005*	*2006*	*2005*
Balance on technical account, EUR million								
Insurance premium revenue	**229**		**321**		**34**		**584**	
Claims incurred	156		255		19		430	
Amortisation on intangible assets from acquisition	8		10		1		20	
Operating expenses	61		57		9		127	
Total expenses	**225**		**322**		**29**		**577**	
Balance on technical account	**4**		**-1**		**5**		**7**	
Key figures, %								
Operative return on equity							18.8	
Loss ratio	68.1		79.4		56.7		73.7	
Expense ratio	26.6		17.9		25.5		21.8	
Operative combined ratio	94.7		97.3		82.2		95.4	
Combined ratio	98.4		100.5		84.9		98.8	

Balance sheet on 30 September 2006	Banking and Investment Services					Banking and Investment Services, total	Non-life Insurance	Other Operations	Eliminations	OKO Bank Group
	Corporate Banking	Capital Markets	Group Treasury		Asset Management					
EUR million			Central Banking	Treasury						
Receivables from customers	7 579	5	108	9	0	7 701	0	0	-54	7 647
Receivables from financial institutions	120	98	5 942	686	42	6 889	0	40	-94	6 834
Non-life Insurance assets	0	0	0	0	0	0	3 177	0	-54	3 123
Financial assets for trading and investment assets	352	1 162	2 287	1 500	16	5 316	0	698	-612	5 402
Investments in associates	0	0	0	0	0	0	2	7	0	8
Other assets	170	713	55	77	125	1 139	901	215	-7	2 249
Total assets	**8 230**	**1 979**	**8 392**	**2 261**	**183**	**21 045**	**4 079**	**960**	**-822**	**25 263**
Liabilities to customers	335	23	1 081	856	0	2 295	0	140	-131	2 304
Liabilities to financial institutions	5	314	2 764	884	0	3 967	0	0	-26	3 941
Non-life Insurance liabilities						0	2 305			2 305
Debt securities issued to the public	0	0	0	12 869	0	12 869	0	0	-590	12 278
Subordinated liabilities	0	0	0	939	0	939	40	0	-40	939
Other liabilities	285	754	37	197	44	1 317	34	405	-32	1 724
Total liabilities	**625**	**1 064**	**3 881**	**15 771**	**44**	**21 386**	**2 379**	**545**	**-819**	**23 491**
Shareholders' equity										1 772
Total liabilities and shareholders' equity										**25 263**

Balance sheet on 30 September 2005 EUR million	**Banking and Investment Services** Corporate Banking	 Capital Markets	 Group Treasury Central Banking	 Treasury	 Asset Management	**Banking and Investment Services, total**	**Non-life Insurance**	**Other Operations**	**Eliminations**	**Discontinued Operations**	**OKO Bank Group**
Receivables from customers	6 241	4	37	45	0	6 327	0	0	-2	2 862	9 187
Receivables from financial institutions	90	928	4 855	0	0	5 873	0	0	-1 098	143	4 918
Non-life Insurance assets											0
Financial assets for trading and investment assets	300	2 614	0	581	0	3 495	0	1 351	0	7	4 852
Investments in associates	0	0	0	0	0	0	0	11	0	0	11
Other assets	113	460	23	68	2	666	0	19	-9	69	745
Total assets	**6 744**	**4 006**	**4 915**	**694**	**2**	**16 361**	**0**	**1 380**	**-1 109**	**3 080**	**19 712**
Liabilities to customers	245	624	230	380	0	1 479	0	0	-1	1 873	3 352
Liabilities to financial institutions	0	1 999	3 219	167	0	5 386	0	0	-1 076	939	5 249
Non-life Insurance liabilities							0	0	0		0
Debt securities issued to the public	0	0	0	8 683	0	8 683	0	0	0	13	8 696
Subordinated liabilities	0	0	0	508	0	508	0	0	-23	23	508
Other liabilities	313	460	43	118	0	934	0	109	-9	44	1 078
Total liabilities	**558**	**3 083**	**3 493**	**9 856**	**0**	**16 990**	**0**	**109**	**-1 109**	**2 893**	**18 883**
Shareholders' equity											830
Total liabilities and shareholders' equity											**19 712**

Notes

1) Net interest income

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Interest income				
From receivables from financial institutions	47	28	122	80
From receivables from customers	80	46	194	162
From others*)	211	92	567	230
From continuing operations	338	167	883	472
From discontinued operations	-	23	-	70
Total	**338**	**190**	**883**	**542**
*) In January-September 2006 figures, the interest rate spread, totalling EUR 7 million, of forward exchange agreements related to foreign-currency funding has been adjusted from net income from foreign exchange operations to net interest income.				
Interest expenses				
From liabilities to financial institutions	30	24	78	69
From liabilities to customers	13	9	36	24
From others	273	114	696	315
From continuing operations	316	146	810	409
From discontinued operations	-	5	-	15
Total	**316**	**151**	**810**	**424**
Net interest income from continuing operations	22	21	73	63
Net interest income from discontinued operations	-	18	-	54
Net interest income, total	**22**	**39**	**73**	**118**

2) Impairment losses on receivables

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Loan and guarantee losses of the period	1	-	2	2
Impairment loss provision of the period	2	2	3	4
Revaluation of impairment loss provisions recognised earlier	-1	-2	-3	-4
Impairment losses from continuing operations	2	-	1	2
Impairment losses from discontinued operations	-	-	-	-
Impairment losses on receivables, total	**2**	**1**	**1**	**2**

3) Net income from Non-life Insurance

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Net insurance premium revenue				
Premiums written	143	-	732	-
Insurance premiums ceded to reinsurers	-9	-	-44	-
Change in provision for unearned premiums	66	-	-111	-
Reinsurers' share	-4	-	7	-
Total	**196**	**-**	**584**	**-**
Net Non-life Insurance claims				
Claims paid	112	-	347	-
Insurance claims recovered from reinsurers	7	-	18	-
Change in provision for unpaid claims	32	-	41	-
Reinsurers' share	-10	-	-8	-
Total	**141**	**-**	**399**	**-**
Net investment income, Non-life Insurance				
Interest rates	19	-	55	-
Net realised gains and realised fair value gains and losses				
Notes and bonds	-5	-	-9	-
Shares and participations	3	-	12	-
Investment properties	1	-	1	-
Other	2	-	7	-
Unrealised fair value gains and losses				
Notes and bonds	-	-	-1	-
Investment properties	-	-	-1	-
Other	-	-	-1	-
Dividend income	2	-	22	-
Total	**21**	-	**86**	-
Unwinding of discount	-9	-	-28	-
Other	-	-	1	-
Net income from Non-life Insurance, total	**68**	-	**244**	-

4) Net commissions and fees

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Commission income from				
Lending	5	5	13	14
Payment transfers	3	3	9	9
Securities brokerage	4	6	15	17
Securities issuance	2	1	5	5
Asset management and legal services	10	4	36	11
Insurance operations	1	-	4	-
Guarantees	2	1	4	3
Other	1	1	3	2
Commission income from continuing operations	27	21	89	61
Commission income from discontinued operations	-	8	-	24
Total	**27**	**29**	**89**	**86**
Commission expenses on				
Payment transfers	1	1	2	2
Securities brokerage	1	2	6	5
Securities issuance	-	-	1	2
Asset management and legal services	3	1	5	2
Other	-3	-	1	1
Commission expenses from continuing operations	2	4	15	11
Commission expenses from discontinued operations	-	1	-	2
Total	**2**	**4**	**15**	**14**
Net commissions and fees from continuing operations	25	17	74	50
Net commissions and fees from discontinued operations	-	7	-	22
Net commissions and fees, total	**25**	**24**	**74**	**72**

5) Net trading income

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Financial assets and liabilities held for trading				
Capital gains, losses and realised changes in value				
Notes and bonds	1	2	-6	8
Shares and participations	-	-	1	-1
Derivatives	-3	1	6	-6
Unrealised changes in value				
Notes and bonds	19	-7	-19	1
Shares and participations	-1	-	-1	-
Derivatives	-15	10	22	3
Net income from hedge accounting *)	3	2	8	6
Net trading income from continuing operations	6	7	10	9
Net trading income from discontinued operations	-	-	-	-
Net trading income, total	**6**	**7**	**10**	**10**

*) In January-September 2006 figures, the interest rate spread, totalling EUR 7 million, of forward exchange agreements related to foreign-currency funding has been adjusted from net income from foreign exchange operations to net interest income.

6) Net investment income

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Available-for-sale financial assets				
Capital gains and losses				
Shares and participations	2	-	22	12
Dividend income	-	-	7	4
Impairment losses	-	-	-1	-
Total	**1**	**-**	**29**	**16**
Investment properties	-	3	2	5
Net investment income, continuing operations	2	3	30	21
Net investment income, discontinued operations	-	-	-	-
Net investment income, total	**2**	**3**	**30**	**21**

7) Other operating income

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Central bank service fee	2	-	7	-
Realisation of repossessed items	-	-	1	1
Rental income from assets rented under operating lease	3	1	8	3
Other	7	1	22	3
Other operating income, continuing operations	11	2	37	7
Other operating income, discontinued operations	-	-	-	-
Other operating income, total	**11**	**2**	**37**	**7**

8) Personnel costs

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Salaries and remunerations	29	8	99	26
Pension costs	5	-	16	-
Other indirect personnel costs	2	1	7	2
Personnel costs, continuing operations	36	9	123	28
Personnel costs, discontinued operations	-	6	-	19
Personnel costs, total	**36**	**14**	**123**	**47**

9) Other administrative expenses

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Office expenses	12	1	35	4
IT expenses	10	4	32	13
Telecommunications expenses	2	-	8	1
Marketing expenses	2	1	9	3
Other administrative expenses	3	1	10	4
Other administrative expenses, continuing operations	29	7	95	25
Other administrative expenses, discontinued operations	-	5	-	15
Other administrative expenses, total	**29**	**12**	**95**	**40**

10) Other operating expenses

EUR million	7-9/06	7-9/05	1-9/06	1-9/05
Expenses from properties and business premises in own use	5	1	17	4
Expenses from realisation of repossessed items	-1	-	-2	-1
Scheduled amortisation and depreciation				
Amortisation on intangible assets due to acquisition	9	-	27	-
Other	5	2	15	6
Other	8	2	25	8
Other operating expenses, continuing operations	26	6	83	17
Other operating expenses, discontinued operations	-	3	-	8
Other operating expenses, total	**26**	**8**	**83**	**26**

11) Financial assets for trading

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Notes and bonds	5 122	5 228	4 940	3 686
Shares and participations	6	7	4	6
Total	**5 128**	**5 234**	**4 943**	**3 692**

12) Non-life Insurance assets

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Money market investments, money market funds and deposits	397	233	344	207
Bonds and bond funds	1 802	1 815	1 779	1 675
Shares and participations	378	392	427	407
Alternative investments	75	43	65	65
Investment properties	53	58	60	63
Other	418	392	426	324
Total	**3 123**	**2 932**	**3 101**	**2 742**

13) Investment assets

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Available-for-sale financial assets				
Notes and bonds	120	274	244	140
Shares and participations	125	125	140	150
Investment properties	29	28	28	35
Total	**274**	**427**	**412**	**326**

14) Intangible assets

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Goodwill	494	494	487	392
Brands	179	179	179	179
Customer relations pertaining to insurance contracts and policy acquisition costs	280	286	291	297
Other	72	73	72	73
Total	**1 025**	**1 032**	**1 030**	**942**

15) Other assets held for sale

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Run-off companies *)				
Non-life Insurance assets	-	-	60	81
Deferred tax assets	-	-	-	1
Total	-	-	60	81
Total	**-**	**-**	**60**	**81**

*) Bothnia International Insurance Company Ltd and Moorgate Insurance Company Ltd

16) Non-life Insurance liabilities

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Insurance contract liabilities				
Provision for unearned premiums	361	427	456	249
Provision for unpaid claims	1 665	1 624	1 604	1 595
Total	**2 025**	**2 051**	**2 060**	**1 844**
Other	280	90	231	82
Total	**2 305**	**2 141**	**2 292**	**1 926**

17) Debt securities issued to the public

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Bonds	6 584	6 474	5 496	4 508
Certificates of deposit	5 574	5 142	6 053	4 400
Other	121	123	-274	125
Total	**12 278**	**11 740**	**11 275**	**9 033**

18) Subordinated liabilities

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Capital loans	202	203	211	215
Other	737	480	484	534
Total	**939**	**683**	**694**	**749**

19) Liabilities related to other assets held for sale

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Run-off companies *)				
Non-life Insurance liabilities	-	-	43	47
Provisions and other liabilities	-	-	2	1
Total	**-**	**-**	**46**	**48**

*) Bothnia International Insurance Company Ltd and Moorgate Insurance Company Ltd

Off-balance sheet items

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Guarantees	515	476	359	310
Guarantee liabilities	1 402	1 446	1 199	1 108
Loan commitments	3 129	3 113	2 651	2 643
Commitments related to short-term sale transactions	143	164	122	130
Other	411	424	421	475
Off-balance sheet items, total	**5 600**	**5 623**	**4 752**	**4 666**

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

EUR million	30 Sept. 2006	30 June 2006	31 March 2006	31 Dec. 2005
Accounts receivable	73	85	156	98
Accounts payable	73	88	158	126

Derivative contracts

Derivatives held for trading on 30 September 2006

EUR million	Nominal values/remaining term to maturity			Total	Fair values		Potential future exposure
	<1 year	1-5 years	>5 years		Assets	Liabilities	
Interest rate derivatives							
Interest rate swaps	15 493	10 456	2 395	28 344	109	113	197
Forward rate agreements	420	-	-	420	-	-	-
Interest rate options	15 511	5 526	2 388	23 425	47	44	77
Interest rate futures	3 961	900	-	4 861	1	1	-
Total	**35 385**	**16 881**	**4 783**	**57 049**	**157**	**158**	**274**
Currency derivatives							
Forward exchange agreements	4 608	79	-	4 688	27	18	79
Interest rate and currency swaps	-	25	-	25	1	1	2
Currency options	426	-	-	426	1	1	4
Currency futures	-	-	-	-	-	-	-
Total	**5 035**	**104**	**-**	**5 139**	**30**	**19**	**84**
Equity and index derivatives	37	129	-	166	26	-	38
Credit derivatives	-	121	-	121	-	1	1
Other derivatives	8	15	-	22	1	-	2
Derivatives held for trading, total	**40 464**	**17 251**	**4 783**	**62 498**	**213**	**178**	**400**

Derivatives held for trading on 30 September 2005

EUR million	Nominal values/remaining term to maturity <1 year	1-5 years	>5 years	Total	Fair values Assets	Liabilities	Potential future exposure
Interest rate derivatives							
Interest rate swaps	7 065	4 971	1 436	13 472	88	122	134
Forward rate agreements	2 857	-	-	2 857	2	1	2
Interest rate options	6 100	3 630	700	10 431	14	15	26
Interest rate futures	2 366	-	-	2 366	2	1	-
Total	**18 388**	**8 601**	**2 137**	**29 125**	**106**	**138**	**162**
Currency derivatives							
Forward exchange agreements	2 451	64	-	2 515	17	21	45
Interest rate and currency swaps	-	-	-	-	-	-	-
Currency options	68	-	-	68	-	-	1
Currency futures	-	-	-	-	-	-	-
Total	**2 519**	**64**	**-**	**2 584**	**17**	**21**	**46**
Equity and index derivatives	-	96	-	96	13	-	20
Credit derivatives	-	100	-	100	1	-	4
Other derivatives	-	17	-	17	-	-	1
Derivatives held for trading, total	**20 907**	**8 879**	**2 137**	**31 923**	**138**	**159**	**233**

Derivatives held for hedging – fair value hedging on 30 September 2006

EUR million	Nominal values/remaining term to maturity <1 year	1-5 years	>5 years	Total	Fair values Assets	Liabilities	Potential future exposure
Interest rate derivatives							
Interest rate swaps	543	780	273	1 596	8	12	16
Forward rate agreements	-	-	-	-	-	-	-
Interest rate options	-	-	-	-	-	-	-
Interest rate futures	-	-	-	-	-	-	-
Total	**543**	**780**	**273**	**1 596**	**8**	**12**	**16**
Currency derivatives							
Forward exchange agreements	-	-	-	-	-	-	-
Interest rate and currency swaps	44	908	357	1 310	8	41	80
Currency options	-	-	-	-	-	-	-
Currency futures	-	-	-	-	-	-	-
Total	**44**	**908**	**357**	**1 310**	**8**	**41**	**80**
Equity and index derivatives	-	-	-	-	-	-	-
Credit derivatives	-	-	-	-	-	-	-
Other derivatives	-	-	-	-	-	-	-
Derivatives held for hedging, total	**587**	**1 689**	**630**	**2 906**	**16**	**52**	**97**

Derivatives held for hedging – fair value hedging on 30 September 2005

EUR million	Nominal values/remaining term to maturity <1 year	1-5 years	>5 years	Total	Fair values Assets	Liabilities	Potential future exposure
Interest rate derivatives							
Interest rate swaps	1 410	738	144	2 291	7	27	13
Forward rate agreements	-	-	-	-	-	-	-
Interest rate options	-	-	-	-	-	-	-
Interest rate futures	-	-	-	-	-	-	-
Total	**1 410**	**738**	**144**	**2 291**	**7**	**27**	**13**
Currency derivatives							
Forward exchange agreements	-	-	-	-	-	-	-
Interest rate and currency swaps	26	533	242	800	34	5	79
Currency options	-	-	-	-	-	-	-
Currency futures	-	-	-	-	-	-	-
Total	**26**	**533**	**242**	**800**	**34**	**5**	**79**
Equity and index derivatives	-	-	-	-	-	-	-
Credit derivatives	-	-	-	-	-	-	-
Other derivatives	-	-	-	-	-	-	-
Derivatives held for hedging, total	**1 435**	**1 271**	**386**	**3 092**	**41**	**32**	**92**

Total derivatives held for trading and hedging on 30 September 2006

EUR million	Nominal values/remaining term to maturity <1 year	1-5 years	>5 years	Total	Fair values Assets	Liabilities	Potential future exposure
Interest rate derivatives	35 928	17 662	5 056	58 646	165	170	291
Currency derivatives	5 078	1 013	357	6 448	37	60	165
Equity and index-linked derivatives	37	129	-	166	26	-	38
Credit derivatives	-	121	-	121	-	1	1
Other derivatives	8	15	-	22	1	-	2
Total derivatives	**41 051**	**18 940**	**5 413**	**65 404**	**229**	**231**	**497**

Total derivatives held for trading and hedging on 30 September 2005

EUR million	Nominal values/remaining term to maturity <1 year	1-5 years	>5 years	Total	Fair values Assets	Liabilities	Potential future exposure
Interest rate derivatives	19 798	9 338	2 281	31 417	114	165	176
Currency derivatives	2 545	597	242	3 384	51	26	124
Equity and index-linked derivatives	-	96	-	96	13	-	20
Credit derivatives	-	100	-	100	1	-	4
Other derivatives	-	17	-	17	-	-	1
Total derivatives	**22 343**	**10 149**	**2 522**	**35 014**	**179**	**192**	**325**

Other contingent liabilities and commitments

On 30 September 2006, OKO Bank’s commitments to venture capital funds amounted to EUR 10.0 million, Pohjola Group plc's commitments to EUR 5.7 million and Pohjola Non-Life's commitments to EUR 49.8 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 30 September 2006: Nooa Savings Bank Ltd, Autovahinkokeskus Oy and Vahinkopalvelu Oy. On 30 September 2005, the OKO Bank Group's associate was OP-Kotipankki Oyj.

The administrative personnel of the OKO Bank Group includes OKO Bank's President and deputy to the President, members and deputy members of the Board of Directors and their close family members. Information on the members and deputy members of the Supervisory Board as well as their close family members is included in related party transactions until 30 March 2006 when the Supervisory Board was abolished. Normal loan terms and conditions are applied to loans granted to the management. The loans are tied to generally applied reference rates. The loans are repaid according to agreed repayment plans and they have normal collateral.

Other related party entities include OP Bank Group Pension Fund, OP Bank Group Pension Foundation and their sister companies within OP Bank Group Central Cooperative Consolidated.

Related party transactions on 30 September 2006

	Parent company	Consoli-dated associates	Adminis-trative personnel	Others
Loans	50	-	-	1 615
Other receivables	3	-	-	67
Deposits	9	-	-	127
Other liabilities	2	-	-	58
Interest income	1	-	-	36
Interest expenses	3	-	-	8
Dividend income	-	-	-	3
Commission income	-	-	-	15
Commission expenses	2	-	-	1
Other operating income	1	-	-	9
Impairments on loans	-	-	-	-
Impairments on loans at the end of the period	-	-	-	-
Off-balance sheet commitments				
Guarantees	-	-	-	37
Irrevocable commitments	8	-	-	59
Other off-balance sheet commitments	-	-	-	-
Salaries and remuneration and performance-related pay				
Salaries and remuneration	-	-	2	-
Performance-related pay	-	-	-	-
Holdings of related parties				
Number of share options	-	-	-	-
Number of shares	60 825 897	-	49 728	4 205 946
Number of participations	-	-	-	-

Related party transactions on 30 September 2005

	Parent company	Consoli- dated associates	Adminis- trative personnel	Others
Loans	13	237	1	78
Other receivables	1	1	-	44
Deposits	9	-	1	24
Other liabilities	2	-	-	46
Interest income	-	4	-	3
Interest expenses	3	-	-	3
Dividend income	-	1	-	2
Commission income	-	2	-	12
Commission expenses	3	-	-	-
Other operating income	-	-	-	-
Impairments on loans	-	-	-	-
Impairments on loans at the end of the period	-	-	-	-
Off-balance sheet commitments				
Guarantees	-	2	-	5
Irrevocable commitments	8	2	-	-
Other off-balance sheet commitments	-	-	-	-
Salaries and remuneration and performance-related pay				
Salaries and remuneration	-	-	2	-
Performance-related pay	-	-	-	-
Holdings of related parties				
Number of share options	-	-	31 000	-
Number of shares	38 586 064	-	39 808	2 100 000
Number of participations	-	-	-	-

Credit ratings

OKO Bank has the following credit ratings:

Credit rating agency	Short-term funding	Long-term funding
Standard & Poor's	A-1+	AA-
Moody's	P-1	Aa2
Fitch	F1+	AA-

Standard & Poor's changed its evaluation of the outlook for OKO Bank plc from negative to stable on 7 September 2006. According to the rating agency, the change in outlook reflects the notable progress in the merger of Pohjola Group plc (A+, stable). The credit rating outlook of Moody's for OKO Bank continues to be negative.

Risk exposure

Risk exposure of Banking and Investment Services

Credit risk exposure

When reviewing credit risks, the focus is on the development of total exposure and customers' creditworthiness. Total exposure means the total amount of off-balance sheet items and receivables vulnerable to credit risk. Total exposure includes both the interest and the principal, adjusted by receivable-specific impairments.

Total exposure, EUR billion	*30 Sept. 2006*	*30 June 2006*	*31 March 2006*	*31 Dec. 2005*
Receivables from customers	7.5	7.2	7.2	6.9
Receivables from credit institutions and central banks	7.1	6.2	5.5	5.1
Notes and bonds	5.1	5.3	5.0	3.8
Unused standby credit facilities	3.5	3.4	3.0	2.9
Guarantees and letters of credit	2.0	2.1	1.7	1.5
Derivative contracts	0.5	0.6	0.4	0.4
Other off-balance sheet items	0.3	0.4	0.3	0.3
Total	26.2	25.1	23.2	20.9

Total exposure by counterparty, EUR billion	*30 Sept. 2006*	*30 June 2006*	*31 March 2006*	*31 Dec. 2005*
Corporates	10.2	10.1	9.3	8.6
Finance and insurance	7.0	6.7	6.0	5.0
Member cooperative banks and OP Bank Group Central Cooperative	5.9	5.3	5.0	4.6
Non-profit institutions	1.7	1.7	1.6	1.6
Public entities	1.0	0.9	0.9	0.7
Private customers	0.5	0.4	0.4	0.4
Total	26.2	25.1	23.2	20.9

Growth in exposure evened out in third quarter and risk position remained unchanged

Total exposure increased by 4 per cent in the third quarter of the year. The increase in total exposure was attributable to the highest ratings. Compared to the beginning of the year, total exposure grew by 25 per cent. The relative share of investment-grade exposure – that is, ratings 1 to 4, excluding private customers – in total exposure was 76 per cent (75), the share of ratings 11 to 12 was 0.3 per cent (0.3) and that of non-rated exposure 3 per cent (3).

*Total exposure by rating class, EUR billion *)*	*30 Sept. 2006*	*30 June 2006*	*31 March 2006*	*31 Dec. 2005*
1–2	13.9	12.9	11.9	10.2
3–4	5.8	5.6	5.2	4.7
5–6	2.7	2.6	2.4	2.4
7–8	2.2	2.4	2.2	2.1
9–10	0.4	0.4	0.4	0.5
11–12	0.1	0.1	0.1	0.1
Non-rated	0.8	0.7	0.7	0.7
Total	25.7	24.7	22.8	20.5

*) excl. private customers

The rating distribution of corporate exposure improved. The relative share of investment-grade corporate exposure in corporate exposure was 53 per cent (51) or almost five percentage points higher than at the end of 2005. The share of exposures in the two lowest rating classes was 0.7 per cent (0.8) of corporate exposure.

Corporate exposure by rating class, EUR million	*30 Sept. 2006*	*30 June 2006*	*31 March 2006*	*31 Dec. 2005*
1–2	501	461	418	373
3–4	4 874	4 699	4 265	3 770
5–6	2 171	2 333	2 129	2 135
7–8	1 996	1 941	1 790	1 718
9–10	257	269	281	328
11–12	76	78	88	80
Non-rated	347	305	302	228
Total	10 221	10 086	9 273	8 632

The largest sector at the end of September was the metal industry, which accounted for 16 per cent of corporate exposure. Three other sectors where exposure exceeded 10 per cent of corporate exposure were trade, forest industry and construction industry.

The relative share of problem receivables remained small

The amount of past due payments at the end of September was EUR 12 million (12). Their share of the loan and guarantee portfolio was on a par with that for the end of June, at 0.1 per cent. Problem receivables, or non-performing, interest-free and underpriced receivables, amounted to EUR 22 million (23), and their share of the loan and guarantee portfolio remained minor, at 0.2 per cent (0.2).

In the third quarter of the year, credit and impairment losses weakened earnings by EUR -1.6 million. A total of 4.6 million of new loan and guarantee impairments were booked from January to September. The total amount of credit loss recoveries and impairment loss reversals was EUR 3.8 million, resulting in a negative net earnings effect of EUR 0.8 million.

Moderate market risks

Market risks, EUR million	*30 Sept. 2006*	*30 June 2006*	*31 March 2006*	*31 Dec. 2005*
Interest rate risk *)	3	3	11	10
Net currency exposure	8	6	4	6
Equity investments and venture capital funds **)	63	57	64	80
Capital invested in real estate holdings	52	58	59	68

*) Effect of 1 percentage point change on present value of cash flows (aggregate absolute values of currencies)
**) Market value of equity investments and venture capital funds including investment commitments

The market risks of Banking and Investment Services were kept at a moderate level in the third quarter of the year. Therefore, the changes in the interest rate level and the fluctuations in the equity market did not have any major effect on OKO Bank's earnings.

Earnings effect of operational risks was very slight

Operational risks impaired earnings by less than EUR 0.1 million during the third quarter of the year.

Risk exposure of insurance operations

Risk carrying capacity remained unchanged

The risk carrying capacity of Non-life Insurance equals the amount of solvency capital. In general, the risk carrying capacity is presented in proportion to insurance premium revenue or insurance contract liabilities.

At the end of the third quarter of 2006, the solvency capital of Non-life Insurance was EUR 874 million (867) or, in proportion to insurance premium revenue, 112 per cent (112). The Pohjola Board of Directors has set the credit rating class A as the target for Non-life Insurance. The insurance financial strength rating affirmed by Standard & Poor's for Pohjola Non-Life is A+.

Insurance risk exposure

The reinsurance of Non-life Insurance has been arranged on a centralised basis. Retention in risk-specific reinsurance at Pohjola is a maximum of EUR 5 million and retention in cumulative risks EUR 7.5 million. The capacity of catastrophe reinsurance providing cumulative cover totals EUR 80 million. To cover the claims expenditure for major losses, the level of reinsurance protection was raised for the last quarter of the year.

The effect of a one-year increase in the average life expectancy on the aggregate amount of insurance contract liabilities for annuities was EUR 28 million at the end of September (27), and the lowering effect on the combined ratio 4 percentage points (4).

Normal fluctuation in business operations causes variation in earnings and solvency capital. The below table shows the effect of various risk parameters on earnings and solvency capital.

Risk parameter	*Aggregate amount rolling 12 months 30 Sept. 2006, EUR million*	*Change in risk parameter*	*Effect, EUR million 1)*	*Effect on combined ratio*
Insurance portfolio or premiums written	778	increases by 1%	+ 8	improves by 1 % -point
Increase in claims incurred 1%	558	increases by 1%	- 6	declines by 1 % -point
Major loss		1 major loss	- 5	declines by 1 % -point
Personnel costs	100	increases by 8%	- 8	declines by 1 % -point
Function-specific expenses 2)	219	increases by 4%	- 9	declines by 1 % -point

1) Effect on technical results and solvency
2) Function-specific expenses in Non-life Insurance without investment management expenses and expenses related to the provision of other services

In the third quarter of 2006, there were 44 major and medium-size losses in excess of EUR 0.1 million, which resulted in a total of EUR 29 million in net claims incurred. A year earlier, there were 32 corresponding losses which resulted in EUR 7 million in net claims incurred. In January-September, retention in claims incurred of major and medium-size losses was EUR 55 million. A year earlier, the corresponding figure was EUR 43 million.

In the third quarter of 2006, there was a greater number of major losses than in the previous year.

No notable changes in investment allocation

The investment portfolio includes the investments covering both the insurance contract liabilities and the solvency capital. The largest asset class consisted of bonds, which accounted for 65 per cent (71) of the investment portfolio of Non-life Insurance. The proportion of shares declined to 13 per cent.

Allocation of investment portfolio in Non-life Insurance, EUR million

Allocation	Fair value 30 Sept. 2006, EUR million	Fair value 30 June 2006, EUR million	Fair value 31 March 2006, EUR million	Fair value 31 Dec. 2005, EUR million
Money market	443	256	396	213
Bonds and bond funds	1 841	1 863	1 856	1 788
Equities	378	392	422	407
Alternative investments	75	43	65	65
Properties	86	85	87	88
Total	2 823	2 639	2 825	2 562

The average credit rating of the fixed-income portfolio of Non-life Insurance in accordance with Standard & Poor's was AA, which was the same as at the end of June. At the end of September, the average duration of the fixed-income portfolio was 4.1 years (4.7).The aggregate return on the investment portfolio of Non-life Insurance in the third quarter was 2.6 per cent.

At the end of the period under review, the open currency position of Non-life Insurance was EUR 45 million (8).

The Interim Report for 1 July to 30 September 2006 has been prepared in accordance with IAS 34 (Interim Financial Reporting).

The accounting policies applied are described in the 2005 financial statements. As a departure from the information given in them, IFRS 7, which concerns the presentation of financial instruments, will be adopted by the OKO Bank Group on 1 January 2007, instead of on 1 January 2006, as previously stated.

The figures in this Interim Report are unaudited. All figures in this Interim Report have been expressed in round numbers. Consequently, the sum of single figures may differ from the presented total sum.

Financial reporting 2007

The OKO Bank Annual Report Bulletin for 2006 will be released on 15 February 2007. The Interim Reports will be disclosed on 10 May 2007, 9 August 2007 and 8 November 2007.

Helsinki, 9 November 2006

OKO Bank plc
Board of Directors and President

This stock exchange release and its background material are available at the Internet address www.oko.fi/english > Press.

Meeting for analysts, conference call and webcasting

An English-language presentation by Mr Mikael Silvennoinen, President, on the third-quarter results will be videoed and the taped presentation can be viewed on the Internet at www.oko.fi/english > Equity Investors from 10.00 a.m.

A Finnish-language meeting for analysts will be held on Thursday 9 November 2006 at 10.00 a.m. on the OKO Asset Management premises at Lönnrotinkatu 5, Helsinki

An English-language conference call will be arranged at 3.00 p.m. on +358 9 8248 5312, participant's PIN code 2244. The background material will be available on the Internet at www.oko.fi/english > Equity Investors from 10.00 a.m.

Further information:
Mr Mikael Silvennoinen, President, tel. +358 10 252 2549
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 July to 30 September 2006

To the Board of Directors of OKO Bank

We have performed a review of the OKO Bank interim report for the period 1 July to 30 September 2006. 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 2 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, 9 November 2006

KPMG OY AB

Hannu Niilekselä
Authorised Public Accountant

Raimo Saarikivi
Authorised Public Accountant