

Orion Capital Markets Presentations

On-demand video webcast
22 November 2006



Orion Corporation

Communications 22.11.2006

1

Opening remarks

Jukka Viinanen
President and CEO
Orion Corporation



Orion Corporation

Communications 22.11.2006

2

Presentations

Topic	Presenter
Opening remarks Orion after the demerger Outlook based on Q3 results	Jukka Viinanen President and CEO
Highlights of Orion's strategy	
Orion R&D review	Reijo Salonen Senior Vice President, R&D
Stalevo® in the treatment of Parkinson's Disease	Timo Lappalainen Senior Vice President, Proprietary Products and Animal Health



Orion after the demerger as of 1 July 2006

Jukka Viinanen
President and CEO
Orion Corporation



History

- 'Osakeyhtiö Orion' was founded in 1917 to "manufacture, sell and distribute chemical substances for pharmaceutical and hygienic purposes".
- Over its long history, Orion has been engaged in numerous lines of business other than healthcare.



- In recent years Orion has intentionally proceeded to the present company structure.
- The demerger on 1 July 2006 led to the birth of two separate listed companies, the new Orion and Oriola-KD.

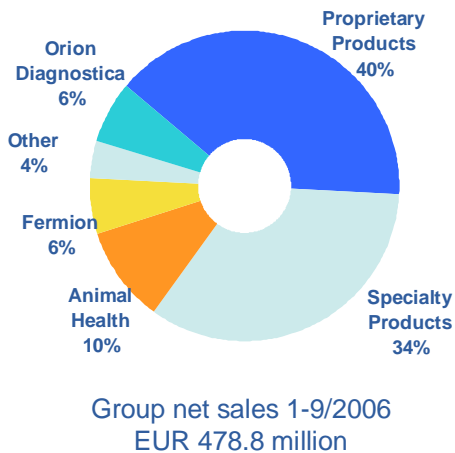


Orion Corporation

Communications 22.11.2006

5

Orion Group starting from 1 July 2006



Orion's Businesses

Pharmaceuticals

- Proprietary Products
 - patented prescription products
- Specialty Products
 - off-patent prescription products and OTC
- Animal Health
- Fermion

Diagnostics

- Orion Diagnostica



Orion Corporation

Communications 22.11.2006

6

Orion key figures 1-9/2006 vs 1-9/2005

	1-9/2006 Proforma	1-9/2005 Proforma	Change %	2005 Proforma
Net sales, EUR million	478.8	438.4	+9.2%	585.6
Operating profit, EUR million	160.1	129.3	+23.8%	155.2
% of net sales	33.4%	29.5%		26.5%
Profit before taxes, EUR million	160.2	128.5	+24.7%	154.3
Earnings per share, EUR	0.85	0.71	+19.0%	0.83
R&D expenses, EUR million	59.9	55.8	+7.5%	80.1
ROCE, %	52.0%	44.1%		40.7%
ROE, %	38.9%	38.4%		32.9%
Equity ratio %	74.6%	65.1%		65.6%
Gearing, %	-16.4%	-15.5%		-28.7%
Personnel at end of period, persons	3,052	2,989	+2.1%	3,003



Orion Corporation

Communications 22.11.2006

7

Group Income Statement for 1-9/2006

EUR million	1-9/2006 Proforma	1-9/2005 Proforma	Change	2005 Proforma
Net sales	478.8	438.4	+9.2%	585.6
Cost of goods sold	-150.7	-140.2	+7.5%	-188.9
Gross profit	328.1	298.2	+10.0%	396.7
Other operating income	12.8	9.8	+30.8%	11.4
Selling and distribution costs	-93.2	-93.6	-0.4%	-129.3
R&D expenses	-59.9	-55.8	+7.5%	-80.1
Administrative expenses	-27.6	-29.3	-5.7%	-43.4
Operating profit, EBIT	160.1	129.3	+23.8%	155.2
Profit before taxes	160.2	128.5	+24.7%	154.3
Profit for the period	118.8	97.7	+21.6%	113.9



Orion Corporation

Communications 22.11.2006

8

Net sales and EBIT 1-9/2006 by business segments

	Net sales Proforma		EBIT Proforma	
	EUR m	Change	EUR m	Change
Pharmaceuticals	449.1	+9.6%	150.4	+18.5%
Diagnostics	31.1	+2.6%	6.0	+15.3%
Group items	-1.4	-10.0%	3.7	-231.5%
Group total	478.8	+9.2%	160.1	+23.8%

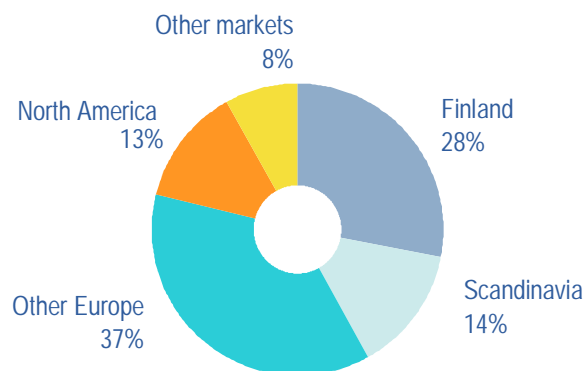


Orion Corporation

Communications 22.11.2006

9

Net sales by geographic segments in 1-9/2006



Net sales total EUR 478.8 million

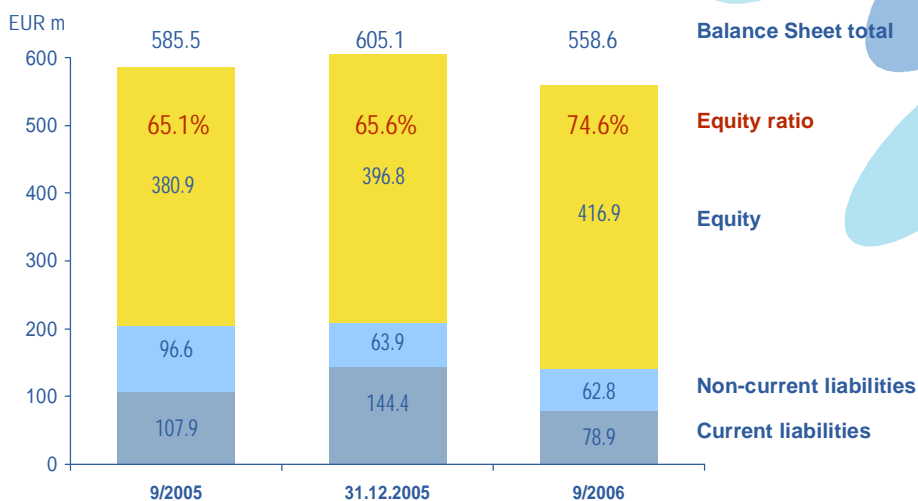


Orion Corporation

Communications 22.11.2006

10

Balance Sheet



Orion Corporation

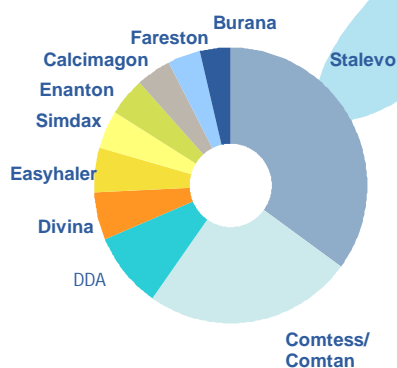
Communications 22.11.2006

11

10 best-selling drugs of Orion

Net sales, EUR million	1-9/2006 Proforma	Change on comp. period
Stalevo (Parkinson's Disease)	80.2	+38.1%
Comtess / Comtan (Parkinson's)	57.0	+4.1%
Domitor, Domosedan and Antisedan (animal sedatives)	20.2	-0.3%
Divina-series (menopause)	12.4	-2.7%
Easyhaler (asthma)	12.3	+54.9%
Simdax (heart failure)	10.3	+2.1%
Enanton (prostate cancer)	10.0	-2.2%
Calcimagon (osteoporosis)	9.9	+32.2%
Fareston (breast cancer)	8.6	-9.0%
Burana (inflammatory pain)	8.4	-25.1%
Total	229.2	+13.4%

EUR 229.2 million,
51% of total pharmaceutical net sales

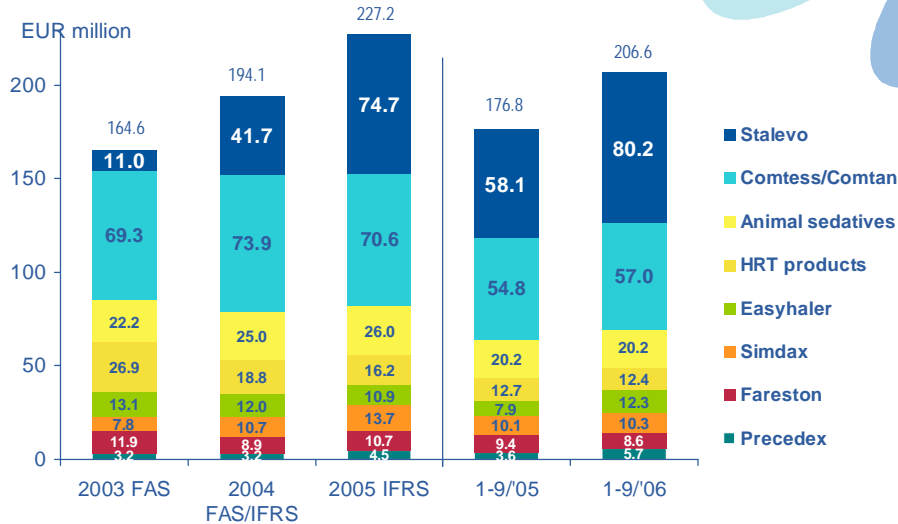


Orion Corporation

Communications 22.11.2006

12

Net sales from the proprietary franchise, by product



Orion Corporation

Communications 22.11.2006

13

Outlook for full-year 2006 (Proforma) 1 (2)

Pharmaceuticals business

- **Net sales** are estimated to increase, thanks to the entacapone product franchise especially. In the first half and especially in the first months of the year, the deliveries to the marketing partner Novartis were exceptionally high. The sales of pharmaceuticals in Finland will be lower than in the previous year.
- The full-year **operating profit** is estimated to improve from the comparative year in the same proportion as in 1-9/2006. The operating expenses will remain on the same level as in 2005.

Diagnostics business

- Net sales and operating profit will improve from the previous year.



Orion Corporation

Communications 22.11.2006

14

Outlook for full-year 2006 (Proforma) 2 (2)

Orion Group

- Due to one-off earnings items, the operating profit resulting from the Group items is anticipated to be better than in 2005.
- The Group's **R&D expenditure** will be about EUR 80 million.
- **Capital expenditure** is estimated to be about EUR 25 million.
- The consolidated **net sales and operating profit** are estimated to grow from the previous year at the same rate as in 1-9/2006.



Highlights of Orion's Strategy

Jukka Viinanen
President and CEO



Orion's strategy

- profitable growth and risk management

- Orion is a European, R&D-based, business-driven pharmaceuticals and diagnostics company with a special emphasis on developing innovative treatments and diagnostic tests for global markets.
- Orion has five distinct businesses that jointly have a balanced risk profile:
 - Pharmaceuticals
 - Proprietary Products (patented prescription products)
 - Specialty Products (off-patent prescription products and OTC)
 - Animal Health
 - Fermion (active pharmaceutical ingredients)
 - Diagnostic tests
 - Orion Diagnostica



Financial objectives and Dividend policy

Financial objectives

- The moderate organic growth of the net sales in the next few years is accelerated via product, portfolio and company acquisitions.
- Operating profit will be increased.
- Equity ratio is maintained at the level of at least 50%.

Dividend policy

- In the dividend distribution Orion takes into account the distributable funds as well as the medium-long and long-term needs of capital expenditure and other financial needs required for the achievement of the financial objectives.



Orion's growth strategy: Building European presence

Discovery networking & partnering → Development → Supply Chain → Sales - increased presence in Europe

MID-LONG TERM

- Long-term future is seen in the Proprietary Products business
- R&D focus on discovery, preclinical and ph I-II
- Networking and partnering to enhance pipeline
- Life cycle management of own innovative treatments especially entacapone (Stalevo)
- As a general rule, we will not take the lead of global phase III development, but will share the costs and risks with partners
- Partnering especially for markets outside Europe

SHORT TERM

- Strengthening of operations in current territories; lean and agile organizations
- Working with alliances in new territories
- Sales of the current Specialty Products portfolio maximized European-wide
- New Specialty Products sales via in-licensing of products, and product portfolio acquisitions
- Secure sales in Finland
- Synergy benefit between Specialty Products and Proprietary Products businesses:
 - European sales coverage for own new future proprietary products
 - European sales coverage to enable successful in-licensing of developmental molecules and/or products



Orion Corporation

Communications 22.11.2006

19

Pharmaceutical business in Finland



Net sales

EUR 175 million (2005)

Sales personnel

ca. 110

Therapy areas

All principal therapy areas

Most important customer groups

General physicians, specialist doctors and pharmacy staff

Most important products

Comprehensive product portfolio (ca 250 products)

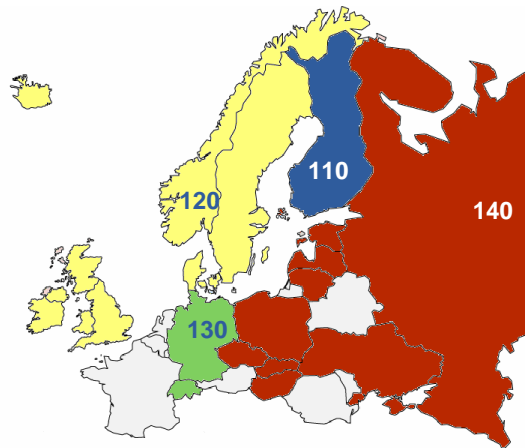


Orion Corporation

Communications 22.11.2006

20

Own sales force of ca 500 persons



■ Sales to these countries are managed via alliances



Orion Corporation

Communications 22.11.2006

21

Strategic partners

- **Strategic Partners** are important to Orion
- Collaboration with strategic partners is versatile and reciprocal. Orion has numerous joint projects in research and development, marketing and manufacturing in cooperation with our strategic partners.



Orion Corporation

Communications 22.11.2006

22



Orion R&D review

Reijo Salonen
Senior Vice President
Research and Development



Orion Corporation

Communications 22.11.2006

24

Previous career of Dr. Salonen

- **MD, PhD in Neuroimmunology, 1983**
- Vice President and Worldwide Therapeutic Area Head Neurosciences, Worldwide Development, Pfizer (NYC and Groton, CT), 2005-2006
- Vice President, Neurology, Psychiatry and Ophthalmology, Worldwide Medical, Pfizer (NYC) 2004-2005
- Vice President, Clinical Development and Medical Affairs, Neurosciences, GlaxoSmithKline (RTP, NC) 2002-2004
- Vice President, Clinical Development, Neurology and GI, GlaxoSmithKline (RTP, NC) 2001-2002
- Director, Medical Strategy and Communications, Neurosciences Therapeutic Development Group, GlaxoWellcome (RTP, NC) 1999-2001
- Principal Medical Strategy Head, Neurology and Psychiatry, GlaxoWellcome (RTP, NC) 1998-1999
- Senior Medical Strategy Head, Neurology, GlaxoWellcome (RTP, NC) 1997-1998
- Medical Director, Finland, GlaxoWellcome (Helsinki, Finland) 1995-1997
- Teaching positions in Neurology in University Hospitals in Finland 1989-1999

Current positions of trust

- Member of the Board of American Society for Experimental Neurotherapeutics



Orion Corporation

Communications 22.11.2006

25

Pharmaceutical R&D

- Over its long history, Orion has invented and been the first to introduce many new products to the pharmaceutical market. Since the 1980's, e.g. the following Proprietary Products have been launched:

Product	Launch year	Indication
Stalevo	2003	Parkinson's Disease
Simdax	2000	Acute Heart Failure
Precedex	1999	Intensive care sedatives
Comtan/ Comtess	1998	Parkinson's Disease
Indivina, Divina, Diviseq, Divigel	1980-1990	Menopause
Fareston	1988	Breast cancer
Antisedan, Domitor & Domosedan	1989 1987 1983	Animal sedatives



Orion Corporation

Communications 22.11.2006

26

Highlights of Orion's strategy

- Long-term future is seen in the Proprietary Products business
 - Focus on discovery, preclinical and clinical phases I-II
 - Global phase III development generally with partners
- Networking and partnering to enhance pipeline
- Life cycle management of own innovative treatments
 - Especially entacapone (Stalevo)
- R&D expenditure ca EUR 80 million in 2006
 - Target 15% of net sales in 2007
- R&D headcount ca 650 in 2006
- Increased R&D efforts to support Specialty Products business



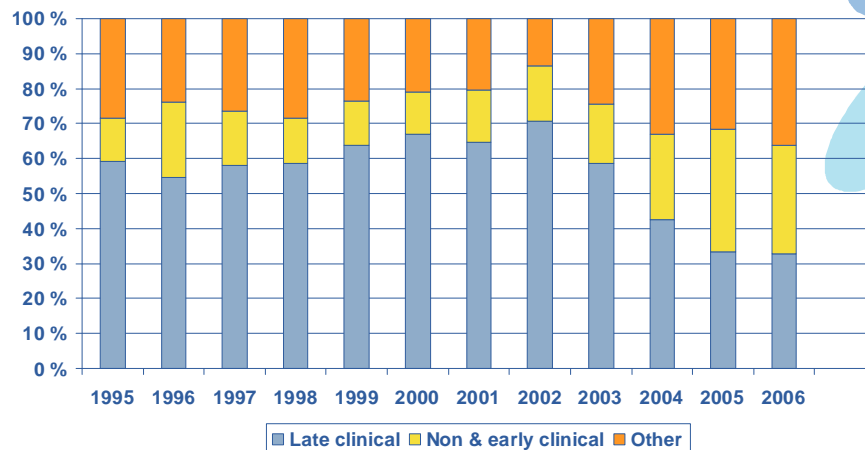
Orion Corporation

Communications 22.11.2006

27

Breakdown of R&D expenses

Average annual growth +5%



Orion Corporation

Communications 22.11.2006

28

Highlights of R&D projects

- **STRIDE-PD** with Stalevo in 740 patients with Parkinson's Disease
 - Progressing in Phase 3 as planned
 - Results will be reported in 2008
- **Dexmedetomidine** (Precedex) is studied as a long-term infusion in the sedation of patients in intensive care
 - Encouraging results from Phase 2
 - Goal: European marketing approvals
- The **LEVET** programme with **levosimendan** in the treatment of heart diseases in dogs
 - Progressing to the last research phase with an aim to receive marketing authorisations
- **In early research**
 - A new COMT enzyme inhibitor for Parkinson's Disease
 - Molecules affecting alpha 2 receptors in the central nervous system
 - Selective androgen receptor modulators (SARM)



Pharmaceutical R&D portfolio

Name	Indication	Discovery and pre-clinical	Clinical phase I	Clinical phase II	Clinical phase III	Regulatory
CNS research COMT inhibition Alpha-2 receptor pharmacology	Parkinson's Disease Schizophrenia	■				
CCC research Calcium handling in myocardium	Heart failure Sedation in ICU	■				
HTU research Steroid receptor pharmacology	Prostate cancer SARM	■				
Oral levosimendan (human and animal health)	Chronic heart failure	■	■	■	■	
Dexmedetomidine (European development)	Sedation in ICU	■	■	■	■	
Entacapone LCM (Stalevo)	Parkinson's Disease	■	■	■	■	
Toremifene (Acapodene)	Prostate cancer	■	■	■	■	
I.v. levosimendan (Simdax)	Acute heart failure	■	■	■	■	
HRT (Divigel, US and Japan)	HRT	■	■	■	■	
Easyhaler	Asthma	■	■	■	■	
Several products in LCM development (ca 20)	Several indications	■	■	■	■	
Several in-licensed (ready) products (> 30/ annum)	Several indications	■	■	■	■	

Note: The right end of each bar represents the status of current development.

■ Orion R&D/PP business ■ Developed by partner ■ Orion R&D/ SpP business



Situation of the Simdax (i.v. levosimendan) project

- Orion and Abbott Laboratories are continuing discussions concerning a possible additional Phase 3 clinical study with the heart failure drug **levosimendan** and its financing.
- Orion will inform about the solutions as soon as reached.



Orion Corporation

Communications 22.11.2006

31



Stalevo in the treatment of Parkinson's Disease

Timo Lappalainen
Senior Vice President
Proprietary Products, Animal Health



Orion Corporation

Communications 22.11.2006

33

Facts about Parkinson's Disease (PD)

- One of the most common progressive disabling neurological diseases
- Affects more than 6 million people worldwide
- Slightly more common in men
- Average age at disease onset 55-60 years

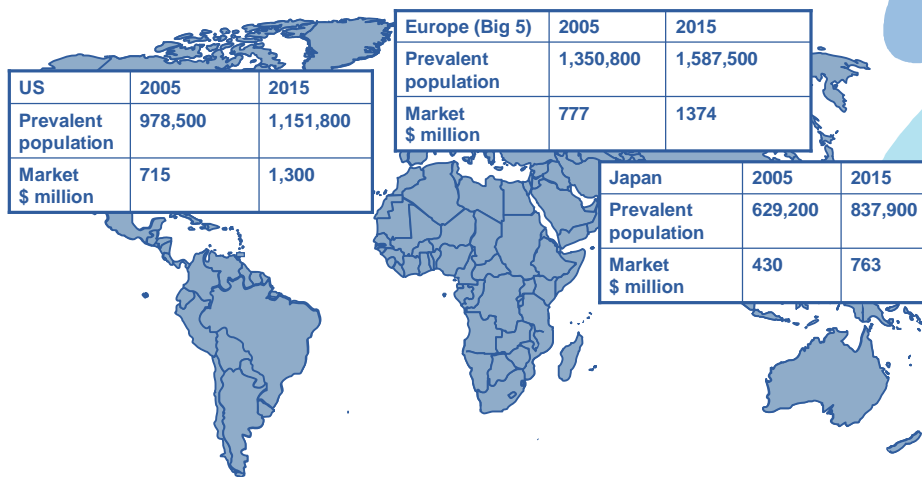


Orion Corporation

Communications 22.11.2006

34

The PD market 2005-2015



Source: Decision Resources, Inc. 2006



Orion Corporation

Communications 22.11.2006

35

Orion is a leading company in PD



- Orion has an excellent track record in PD drug development
 - Established in the field since 1982
 - Stalevo® (levodopa/carbidopa/entacapone)
 - Comtess®/Comtan® (entacapone)
 - Eldepryl®/Movergan® (selegiline)
- Stalevo and Comtess/Comtan continue to be successful in the market
 - Focus on Stalevo, enhanced levodopa therapy
- Orion has an excellent reputation among neurologists



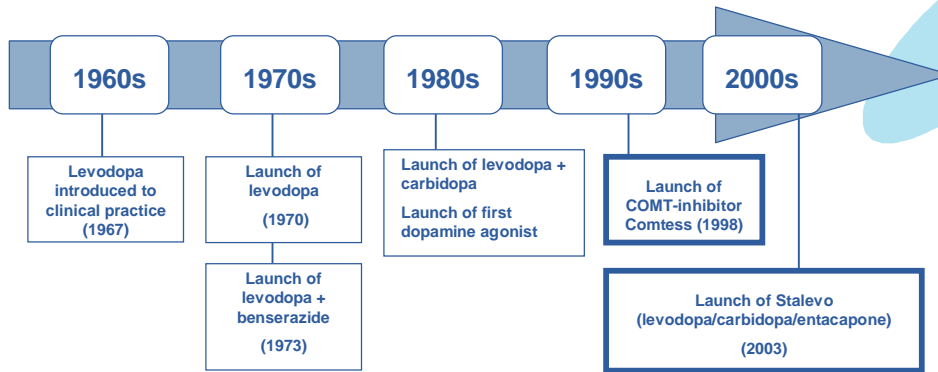
Orion Corporation

Communications 22.11.2006

36

Development of PD treatment

Levodopa has continued to be the mainstay of therapy for PD since its discovery in 1960s.



Source: Datamonitor 2004



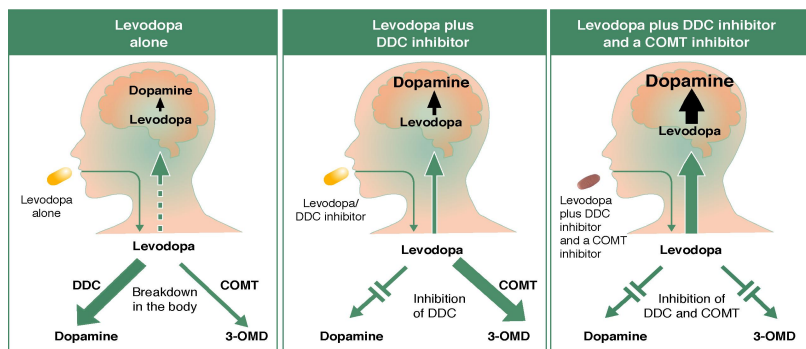
Orion Corporation

Communications 22.11.2006

37

Optimising levodopa delivery

The use of DDC-inhibition shifts the metabolism of levodopa to the COMT metabolic pathway



Dual inhibition leads to increased access of levodopa to the brain

Nutt et al 1994, Gordin et al 2002, Stalevo PI 2003

DDC = Dopa decarboxylase



Orion Corporation

Communications 22.11.2006

38

Comtess®/Comtan®

COMTan®
(entacapone) tablets

Comtess®
entacapone

- Comtess® / Comtan® (**entacapone**) is a powerful supplementary medicine for later stage PD patients treated with complicated standard or controlled release levodopa treatment regimens



- Comtess/Comtan was introduced to the global pharmaceutical markets in 1998–1999 and became quickly the leading COMT-enzyme inhibitor

ORION

Orion Corporation

Communications 22.11.2006

39

Stalevo®

- enhanced levodopa therapy

Stalevo

Stalevo® is an enhanced levodopa therapy containing **levodopa**, a DDC inhibitor **carbidopa** and a COMT inhibitor **entacapone** (Orion's own discovery) in a single formulation

- Stalevo is indicated for PD patients with end-of-dose motor fluctuations (wearing-off)
- In Stalevo, the optimised pharmacokinetic profile translates into enhanced clinical benefits to the patient, especially increased 'ON' time and improvement in motor function and Activities of Daily Living



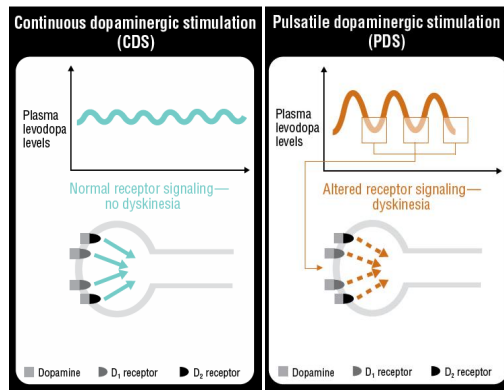
ORION

Orion Corporation

Communications 22.11.2006

40

Traditional levodopa has superior efficacy but pulsatile delivery causes concerns



- Levodopa is the golden standard therapy in PD
- However, pulsatile stimulation with traditional levodopa leads to development of motor complications
- These effects are reduced or avoided when dopaminergic therapies are delivered in a more continuous and physiologic manner

Reference: Olanow C.W., Obeso J.A. and Stocchi F. Drug Insight: continuous dopaminergic stimulation in the treatment of Parkinson's disease. *Nature Clinical Practice Neurology* 2006;2:382-392.



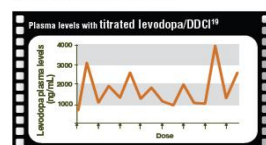
Orion Corporation

Communications 22.11.2006

41

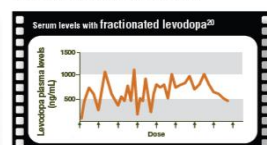
Traditional levodopa modification strategies fail to address pulsatility

Increasing the dose



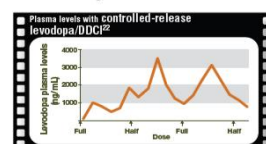
- Does nothing to improve the short, 1.5-hour half-life of levodopa

Fractionating the dose



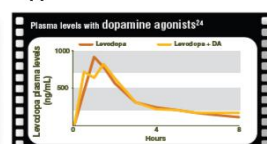
- Often results in levodopa levels below the therapeutic threshold²¹ and makes dosing inconvenient

CR delivery



- Leads to erratic absorption of levodopa²³

Dopamine agonist (DA) supplementation



- Does not affect the pharmacokinetics of levodopa

References: Quinn N. *BMJ* 1995;310:575-579; Nutt JG. *Advances in Neurology* 1996:493-396; Lewitt and Nyholm. *Neurology* 2004;62:S9-17; Fariello RG. *Drugs* 1998;55:S10-16; Olanow et al. 1996. *Movement Disorders* 2004;18:997-1005.



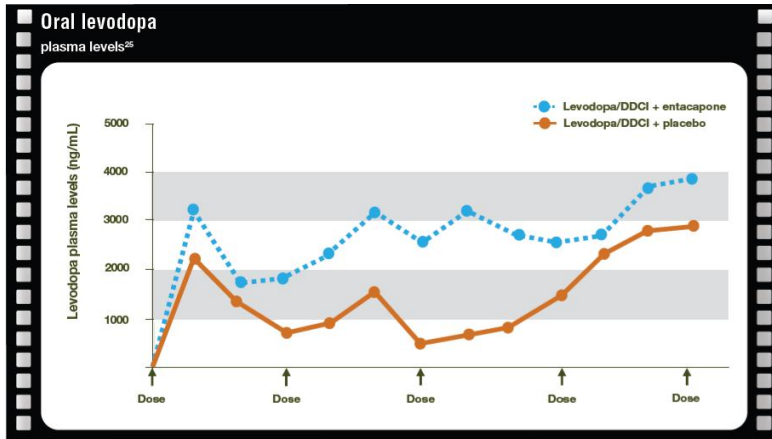
Orion Corporation

Communications 22.11.2006

42

Stalevo®

- enhanced levodopa that addresses pulsatility



Reference: Olanow C.W., Obeso J.A. and Stocchi F. *Nature Clinical Practice Neurology* 2006;2:382-392.

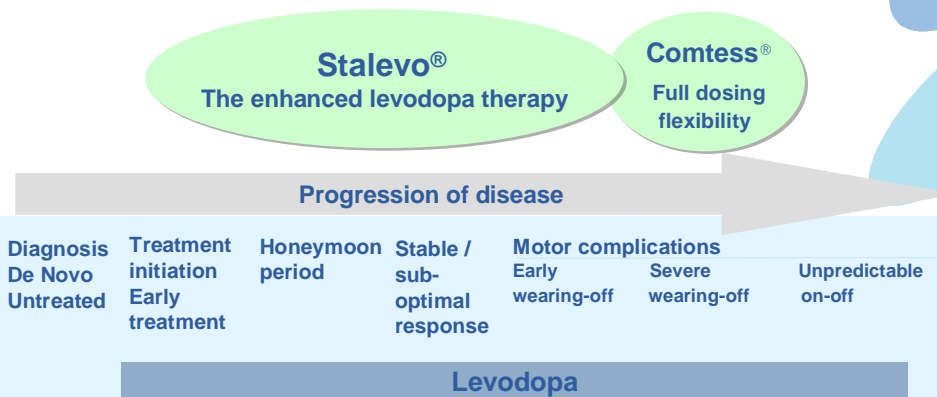


Orion Corporation

Communications 22.11.2006

43

Parkinson's Disease treatment vision



Orion Corporation

Communications 22.11.2006

44

STRIDE-PD and FIRST-STEP studies

STRIDE-PD = Stalevo Reduction In Dyskinesia Evaluation

- Randomised double-blind study
- 740 patients; 77 centres in 14 countries in Europe, the US and Canada
- Stalevo vs. levodopa/carbidopa (q.i.d), each patient treated for 2 years
- Patients with early PD requiring initiation of levodopa
- Primary endpoint: time to onset of dyskinesias
- Enrolment completed in early 2006, results expected to be reported in 2008

FIRST-STEP = Favorability of Immediate Release carbidopa/levodopa vs. Stalevo®; Short Term Comparison in Early Parkinson's Disease

- Randomised, double-blind, 9-month study
- 424 patients, 53 centres in the US, Canada, EU, Turkey and Israel
- Stalevo® vs. levodopa/carbidopa (t.i.d)
- Patients with early PD requiring initiation of levodopa
- Primary endpoint: change from baseline to week 39 on UPDRS parts II (ADL) plus III (motor)
- Last Patient Last Visit (LPLV) expected in August 2007*

*Based on data published in the EFNS congress; Glasgow in Sept 2006



Orion Corporation

Communications 22.11.2006

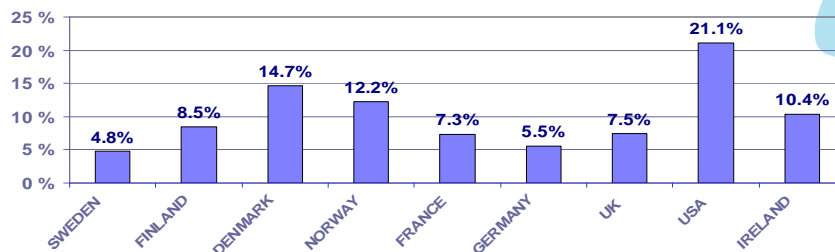
45

Total PD market growth

Ex-factory sales of PD medicines YTD 06/2006

- USA: USD 489 million, +21%
- Top 5 European markets: EUR 363 million, +7%

Sales growth YTD 06/2006 vs. 06/2005



Source: IMS

Note: USA includes sales for RLS



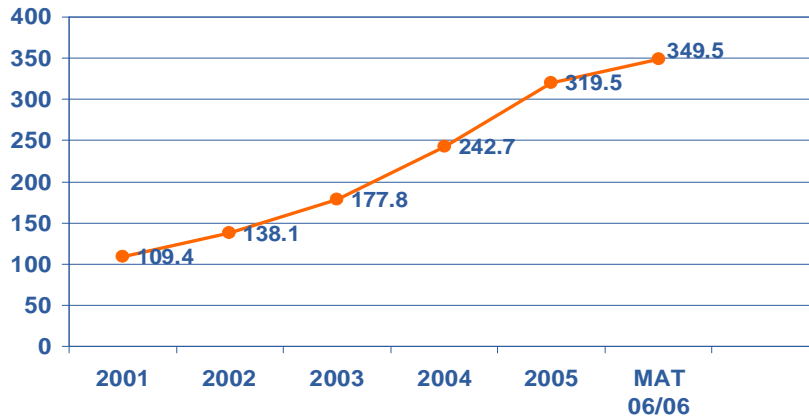
Orion Corporation

Communications 22.11.2006

46

Stalevo and Comtess/Comtan worldwide in-market sales

EUR million/trade



Source: IMS



Orion Corporation

Communications 22.11.2006

47

Stalevo and Comtess/Comtan market share is substantial

Share of PD market in value

	August 2003	August 2006
Finland	23%	32%
Sweden	19%	21%
Norway	12%	20%
Denmark	18%	26%
UK	6%	12%
Ireland	14%	27%
Germany	9%	16%
USA	13%	16%



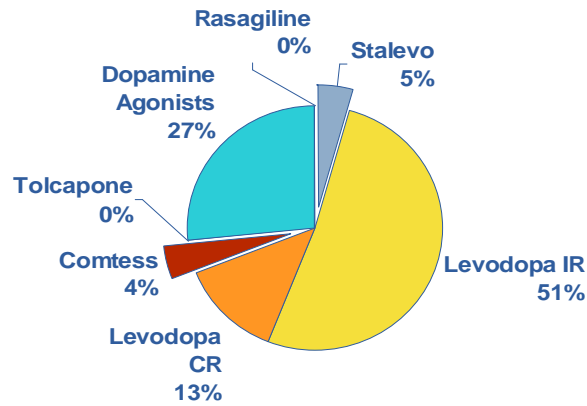
Orion Corporation

Communications 22.11.2006

48

Levodopa represents almost 70% of PD market in volume

US and EU Big 5, 2005



Source: IMS

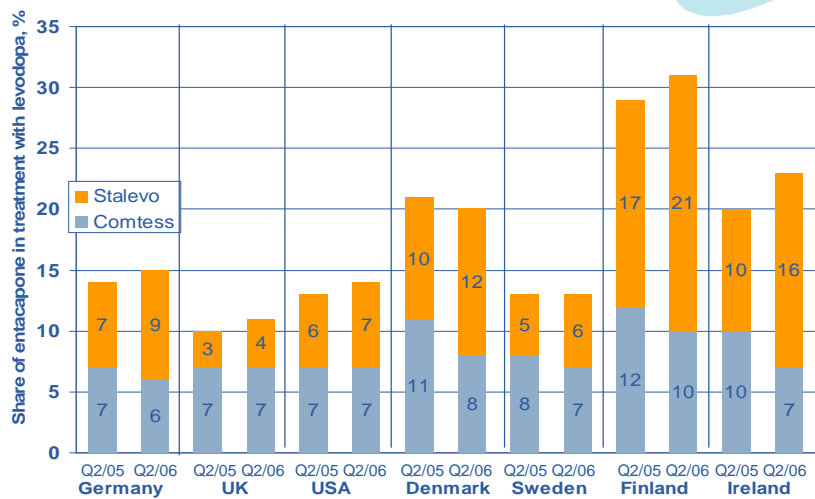


Orion Corporation

Communications 22.11.2006

49

Stalevo and Comtess/Comtan share of levodopa tablets Q2/2006 vs. Q2/2005



Source: IMS

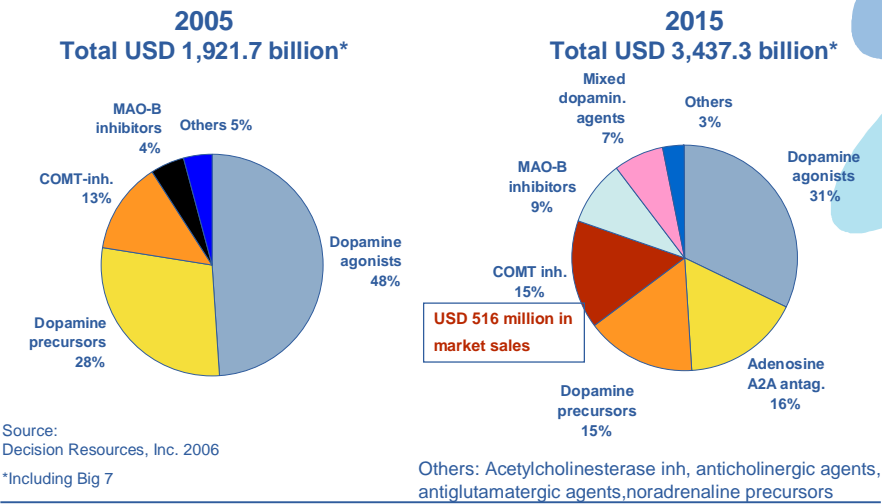


Orion Corporation

Communications 22.11.2006

50

Market growth of Orion's PD products is expected to continue

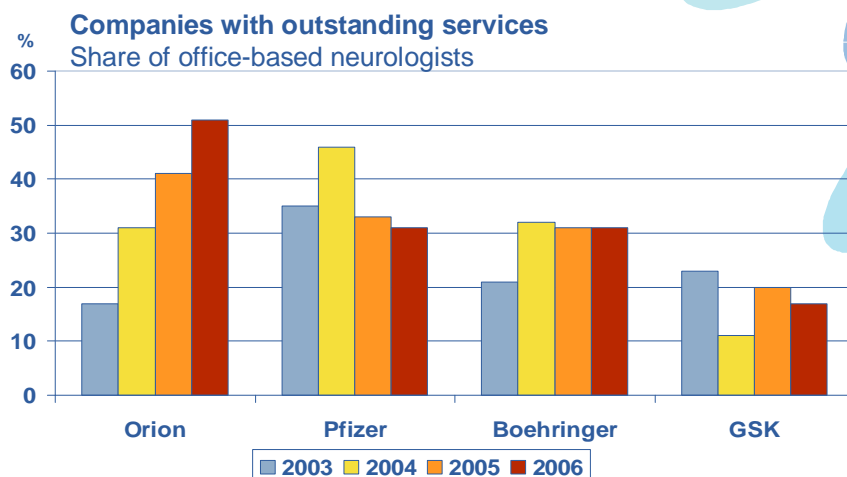


Orion Corporation

Communications 22.11.2006

51

Orion has excellent reputation in PD market Example from Germany



Source: Medupha-analysis: "Morbus Parkinson"



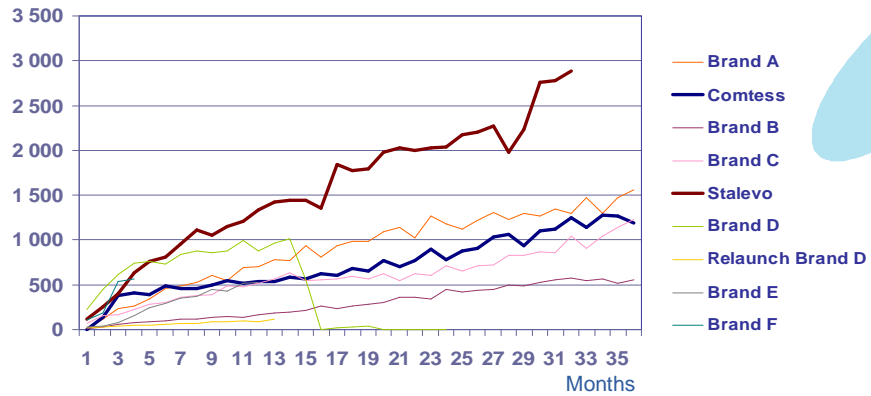
Orion Corporation

Communications 22.11.2006

52

Stalevo has outperformed competition in PD market

Sales in Germany since launch
EUR million



Source: DPM, July 2006



Orion Corporation

Communications 22.11.2006

53



Closing remarks

Jukka Viinanen
President and CEO



Orion Corporation

Communications 22.11.2006

55

Orion's reporting schedule in 2007

Due to the demerger on 1 July 2006, the first accounting period of Orion Corporation is 1 July – 31 December 2006

Proforma Financial Review of 2006 and Financial Statements for 7-12/2006	Tuesday 6 February 2007
Annual Report	Week 10/2007
AGM	Monday 2 April 2007
Interim Report 1-3/2007	Wednesday 25 April 2007
Interim Report 1-6/2007	Monday 6 August 2007
Interim Report 1-9/2007	Wednesday 24 October 2007



Orion Corporation

Communications 22.11.2006

56

