



Orion Capital Markets Day 2019

Welcome!

Disclaimer

This presentation contains forward-looking statements which involve risks and uncertainty factors. These statements are not based on historical facts but relate to the Company's future activities and performance. They include statements about future strategies and anticipated benefits of these strategies.

These statements are subject to risks and uncertainties. Actual results may differ substantially from those stated in any forward-looking statement. This is due to a number of factors, including the possibility that Orion may decide not to implement these strategies and the possibility that the anticipated benefits of implemented strategies are not achieved. Orion assumes no obligation to update or revise any information included in this presentation.

Your hosts today



Timo Lappalainen
President and CEO



Satu Ahomäki
Commercial Operations,
Global Sales &
Proprietary Products



**Markku
Huhta-Koivisto**
Growth Projects



Olli Huotari
Corporate Functions



Liisa Hurme
Supply Chain



Jari Karlson
CFO, Animal Health



Virve Laitinen
Specialty Products



Christer Nordstedt
R&D



**Prof.
Heikki Joensuu**
R&D

Our agenda

Timo Lappalainen President & CEO	Welcome Orion 2025: Paths towards the growth target
Jari Karlson CFO	Ambitious growth target with high profitability
Christer Nordstedt , SVP, Research & Development Prof. Heikki Joensuu , Vice President, Oncology, R&D	R&D - The key engine for profitable growth
<i>Break</i>	
Satu Ahomäki SVP, Commercial Operations	Proprietary Products driving growth
Virve Laitinen SVP, Specialty Products	Specialty Products - Solid profitability supports Orion's growth
Timo Lappalainen President & CEO	Orion beyond 2025 Wrap-up & closing remarks
<i>Lunch</i>	



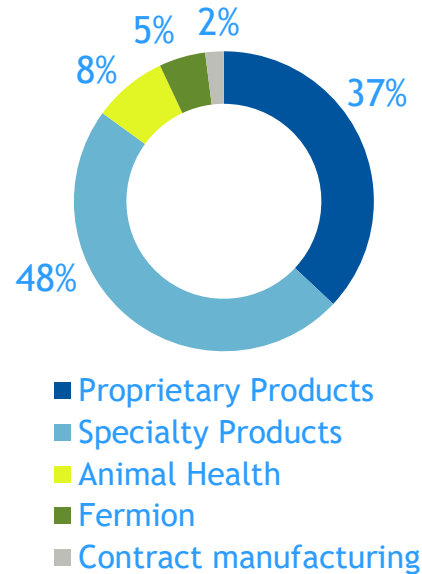
Orion 2025: Paths towards the growth target

Timo Lappalainen
President and CEO

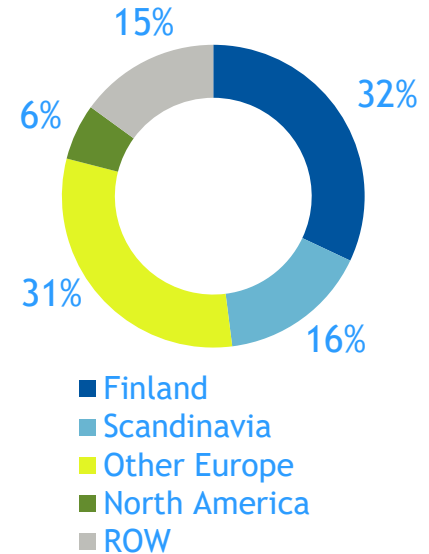
Orion at a glance (2018 figures)

	Net sales 977 MEUR
	Operating profit 253 MEUR
	Personnel 3,154
	R&D investments 104 MEUR
	6 production sites in Finland
	Own sales unit in 26 European countries

Sales by business



Sales by market area



On 21 April 2018, Orion signed an agreement on the sale of all shares in Orion Diagnostica Oy (i.e. the Orion Diagnostica business division). Following the transaction, that was completed on 30 April 2018, Orion Diagnostica business is reported as discontinued operation. All figures in this presentation are for continuing operations, if not otherwise stated.

Key strategic target: Growing more rapidly than the market

- Increasing investments to support growth

Net sales target
in 2025

1.5

billion EUR

Capital gain from
the sale of Orion
Diagnostics,
EUR 128 million,
supports growth
opportunities.



Own investments in
new clinical trials:

E.g. EUR 60 million
investment in
Phase III trial on ALS
(REFALS).

Investments in sales
and marketing:

E.g. strengthening
the Easyhaler
product family
sales force in Germany.

In-licensing and
product acquisitions:

E.g. reacquisition of
Stalevo sales rights
in Europe.

Investments
supporting growth
estimated
at EUR 30 million
in 2019.

Value creation by business



Proprietary Products

- IPR & patents
- Sharpened focus of competencies
- Investment in R&D
- In-licensing



Specialty Products

- Strong market position & economies of scale
- Focused markets
- Orion brand
- Cost-efficient operating model



Animal Health

- Treatment of companion animals supported by megatrend
- Orion's assets set up for human health can be utilized, starting from R&D
- Market pricing

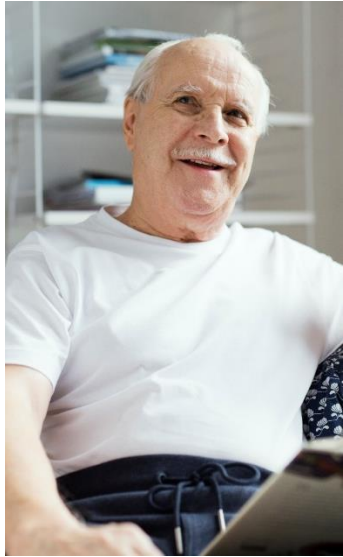


Fermion

- Integrated supply chain including API gives Orion control of the entire supply
- Fermion is also world leader in certain generic API's

Several global megatrends are boosting the demand

Ageing
population



Cost burden in
health care



Advancement
in science



Increased personal
responsibility
for health

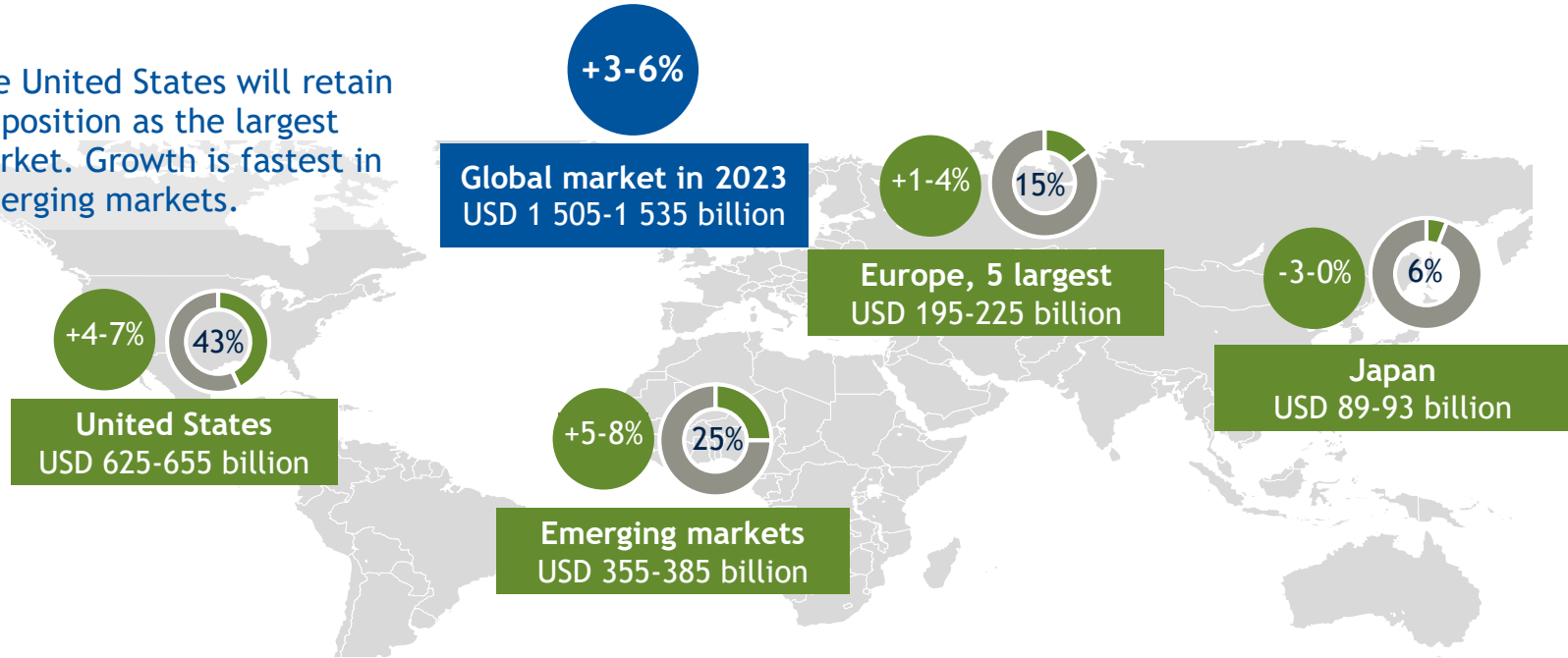


Sustainability



Global operating environment: The average growth of the pharmaceutical market is 3-6% annually

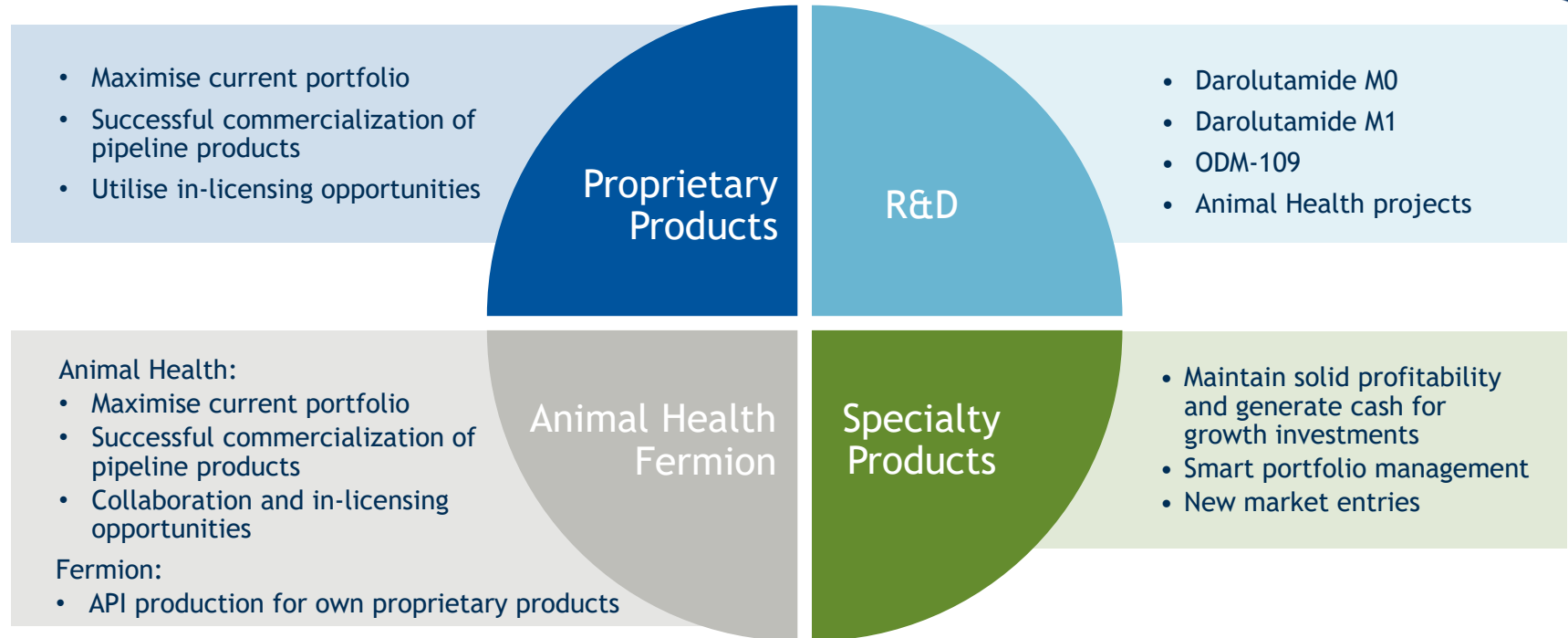
The United States will retain its position as the largest market. Growth is fastest in emerging markets.



Average annual growth 2019-2023
 Market share in 2023

Europe, 5 largest countries
 = Germany, France, Italy, United Kingdom, Spain

Growth driven by R&D and Proprietary Products



Key themes of corporate responsibility

Ensure patient
safety and
availability of
medicines

Responsibility
for the environment
- production according
to the principles
of sustainable
development

Taking care of
Orionees

Ethics and
transparency of
operations

This is how we are building well-being responsibly



WE PRODUCE
1/3 OF THE
GLOBAL SUPPLY
OF
METHOTREXATE



~200-300
AUDITS
ANNUALLY



NUMBER OF
CUSTOMER
COMPLAINTS IN
2018
56 (ppm)

ORION'S FOCUS ON QUALITY THROUGHOUT THE LIFECYCLE



PATIENT
NEEDS

R&D

RAW
MATERIALS

MANUFACTURING

PACKING

DELIVERY

SALES

PATIENT
USE

RECYCLING

REDUCING
PHARMACEUTICAL
RESIDUES E.G. BY
RENEWING WASTE
WATER SYSTEMS



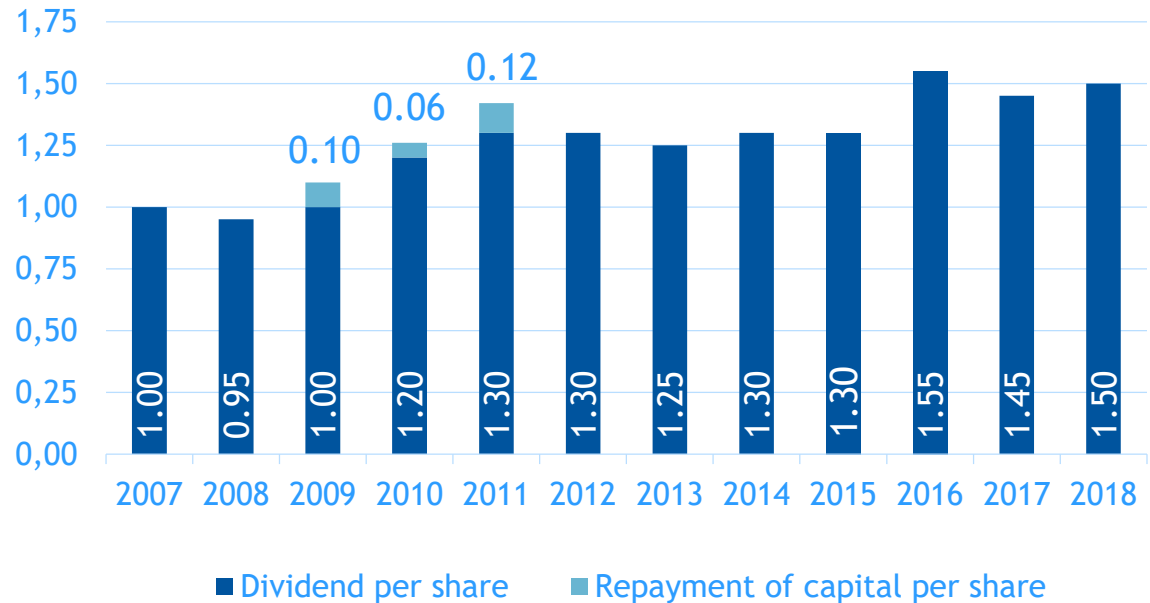
ACTIONS ON
SERIALISATION
AND ANTI-
TAMPERING



CO₂e
REDUCTION
TARGET FOR
2025
-75%
FROM 2016

Orion creates shareholder value also through dividends

- While Orion invests in growth, we will also highly value the ability to pay dividends.
- Orion's financial objective is to distribute an annual dividend that in the next few years will be at least EUR 1.30 per share, and increasing the dividend in the long term.



...with a healthy total return for shareholders

Last 5 years*

TSR for the last 5 years +70%
+50% stock price increase
+19% dividend return

Average annual TSR is +11.1%

Last 10 years*

TSR for the last 10 years +365%
+214% stock price increase
+151% dividend return

Average annual TSR is +16.6%

*)All TSR figures are calculated for Orion's B stock to end of Q1/19 (31 March 2019)



Thank you!