



Review by the President and CEO

Timo Lappalainen

Annual General Meeting of Orion
Corporation 20 March 2012

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.

Strong year for Orion

- Further growth in net sales and operating profit
- Developments significant for our future
 - *dexdor*[®] gained centralised marketing authorisation in Europe
 - Novel collaboration on research with Endo Pharmaceuticals
 - Collaboration agreement with Nycomed for co-marketing of Easyhaler[®] combination products
 - Orion Diagnostica strengthened its research and product development base by acquiring new early-phase technology
- The fire at Turku manufacturing plant did not cause injuries and financial effects of the fire expected to remain relatively small

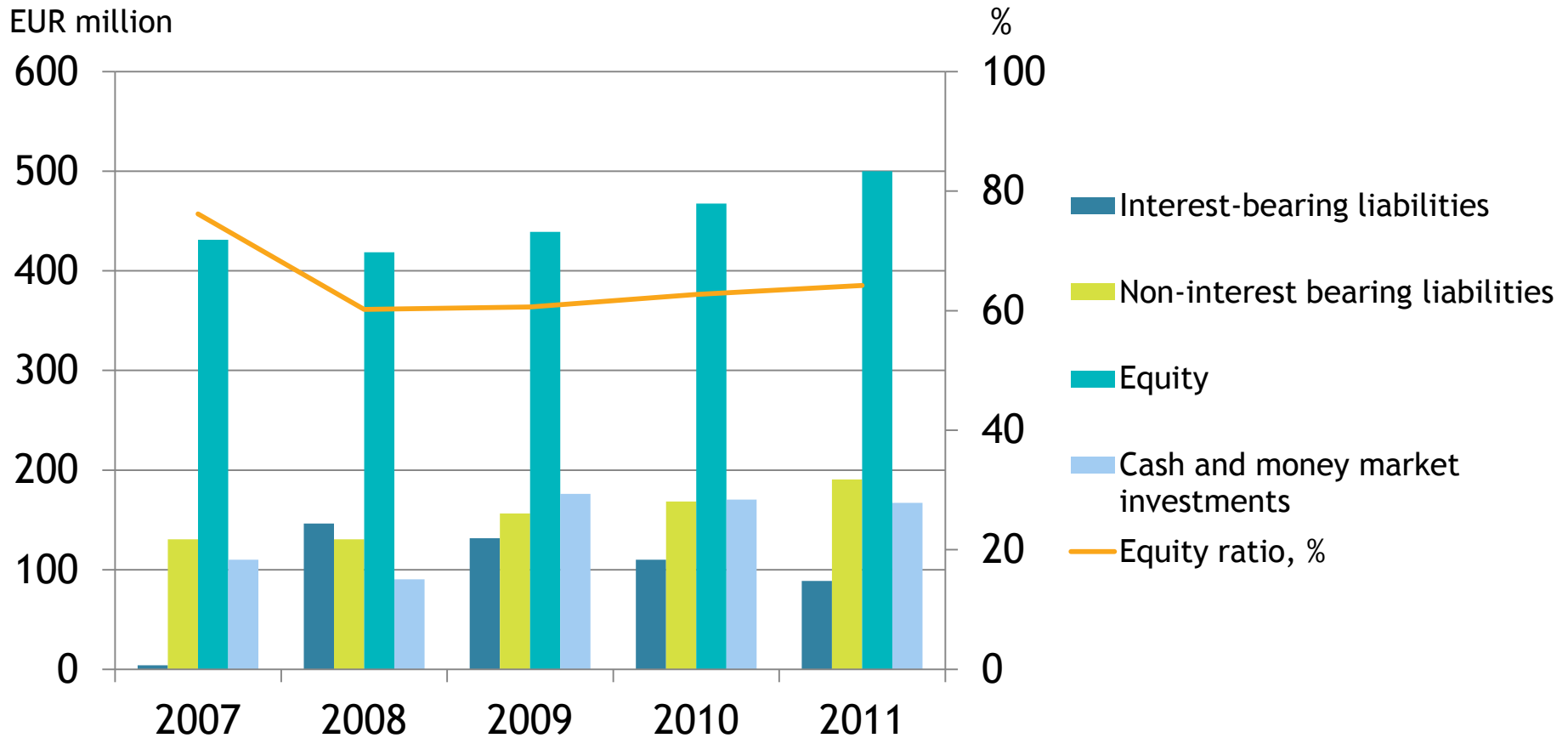
Key figures

Orion's key figures	2010	2011	Change %
Net sales, EUR million	849.9	917.9	+8.0%
Operating profit, EUR million	254.2	282.9	+11.3%
R&D expenses, EUR million	85.5	87.5	+2.3%
Equity ratio, %	62.7%	64.2%	
Basic earnings per share, EUR	1.31	1.49	+13.5%
Cash flow per share before financial items, EUR	1.26	1.10	-13.0%
Dividend per share, EUR	1.20 + 0.06 ¹⁾	1.30 + 0.12 ²⁾	+8.3%

¹⁾ A capital repayment of EUR 0.06 per share was paid for 2010.

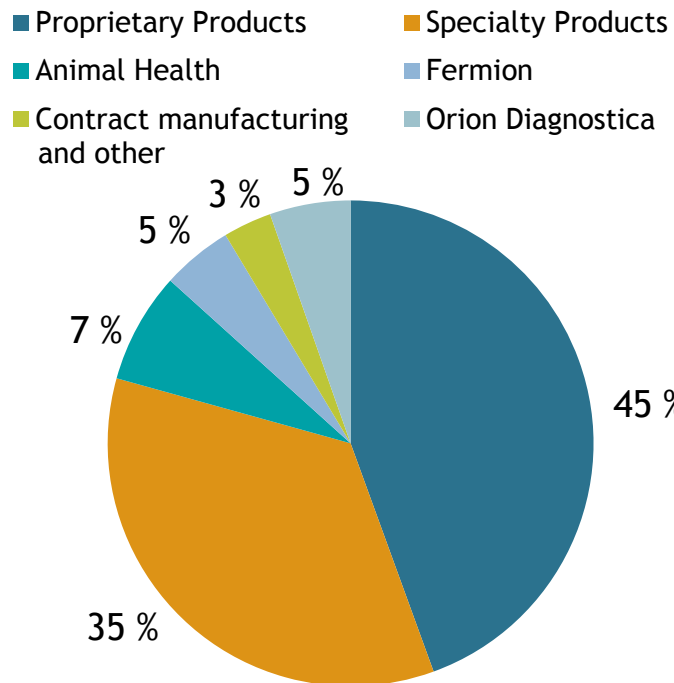
²⁾ Board proposes to AGM that EUR 1.30 dividend per share and EUR 0.12 capital repayment per share be distributed.

Structure of the balance sheet

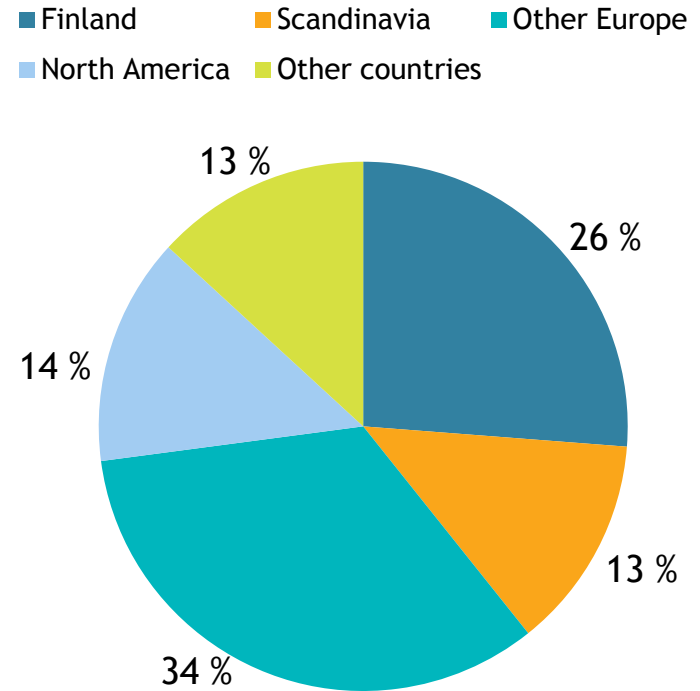


Net sales originate mainly in Europe

By business divisions



By market area



Orion clear market leader in Finland

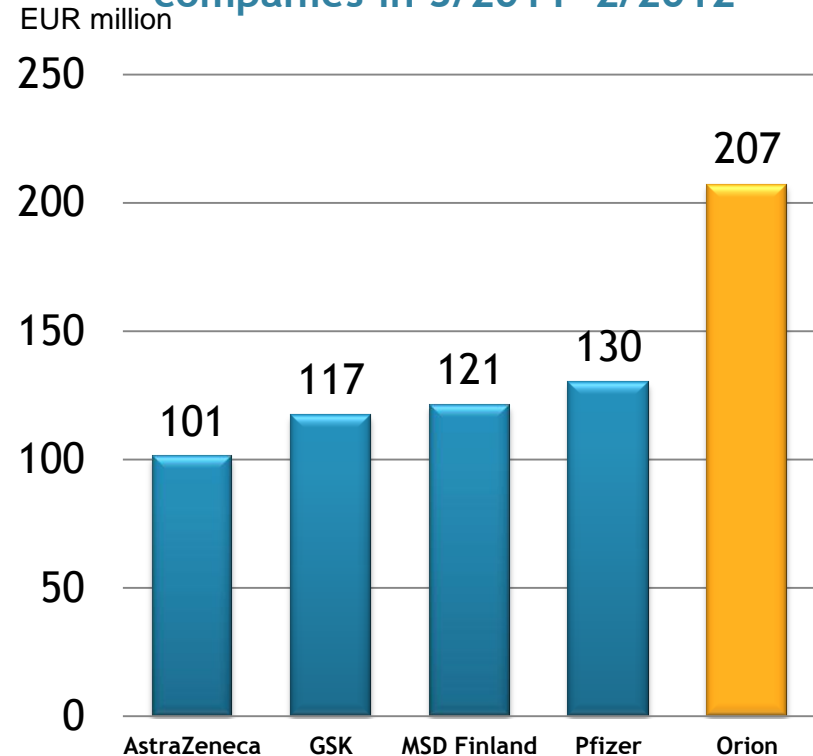
Finnish human pharmaceuticals market in 3/2011–2/2012

- Wholesale EUR 1,995 million (+3%)

Orion in Finnish human pharmaceuticals market in 3/2011–2/2012

- Sales growth 7%
- Orion again clear market leader
 - Market share 10%
- Orion especially strong in self-care products and substitutable prescription drugs

Finland's biggest pharmaceutical companies in 3/2011–2/2012



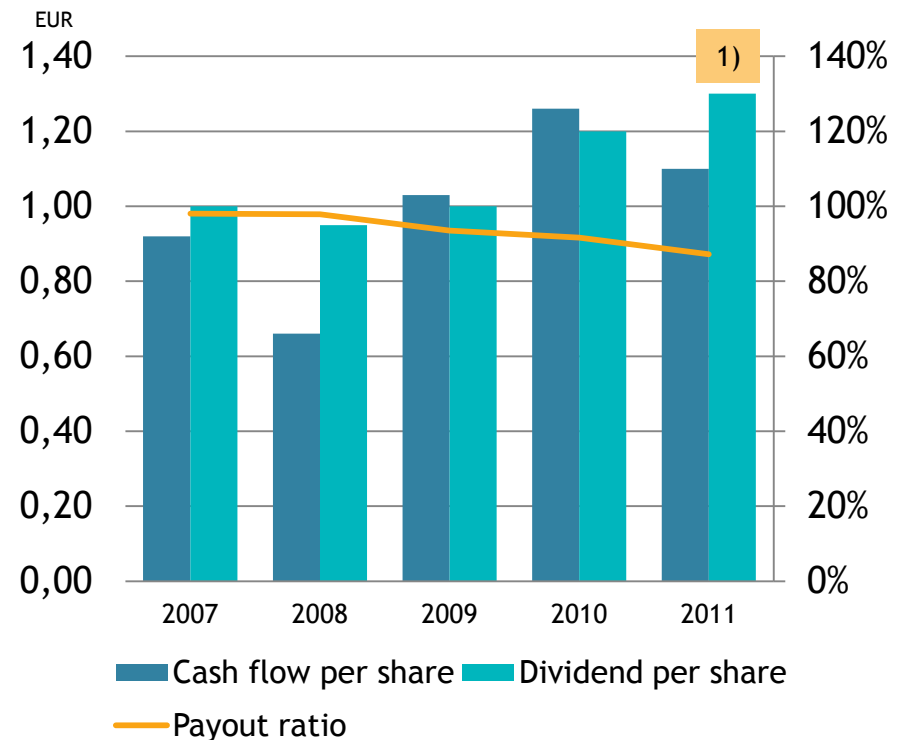
Dividend distribution

- ¹⁾ The Board of Directors proposes that a dividend of EUR 1.30 per share be paid; the payout ratio would be 87.2%
- In addition, the Board proposes that EUR 0.12 per share be distributed as a repayment of capital.

Dividend distribution policy

Orion's dividend distribution takes into account distributable funds and capital expenditure and other financial requirements in medium and long term to achieve the financial objectives

Dividend distribution history



The Executive Management Board

Timo Lappalainen

President and CEO

Satu Ahomäki

Global Sales

Markku Huhta-Koivisto

Specialty Products and Fermion

Olli Huotari

Corporate Functions

Liisa Hurme

Proprietary Products

Jari Karlson

Chief Financial Officer, Animal Health

Virve Laitinen

Supply Chain

Reijo Salonen

Research and Development

Liisa Remes is the employee representative in the Executive Management Board.



Research and Development

Orion's R&D in brief

R&D expenses EUR 87.2 million (in 2011)

Personnel Ca. 550

The core therapy areas

- Central nervous system drugs
- Oncology and critical care drugs
- Easyhaler® pulmonary drugs

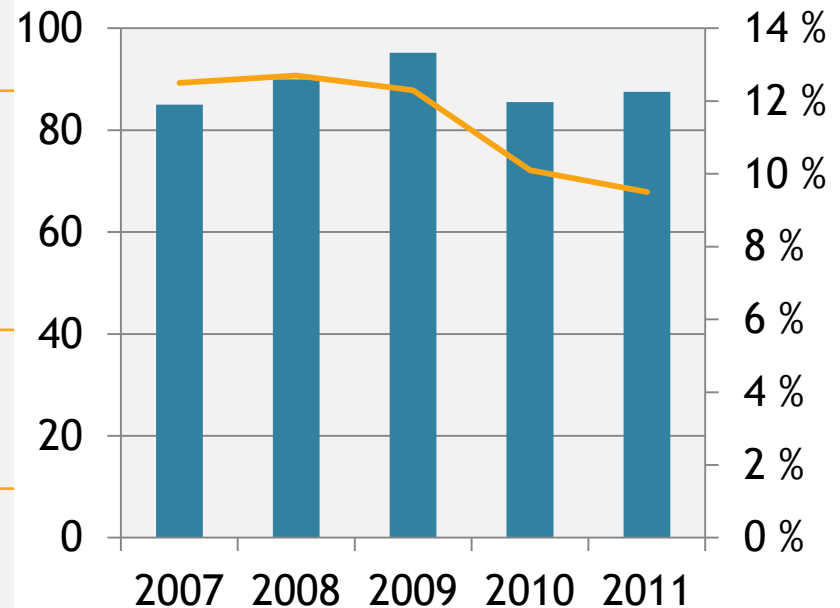
Other pharmaceutical research

- The generics development
- The development of drugs for animals

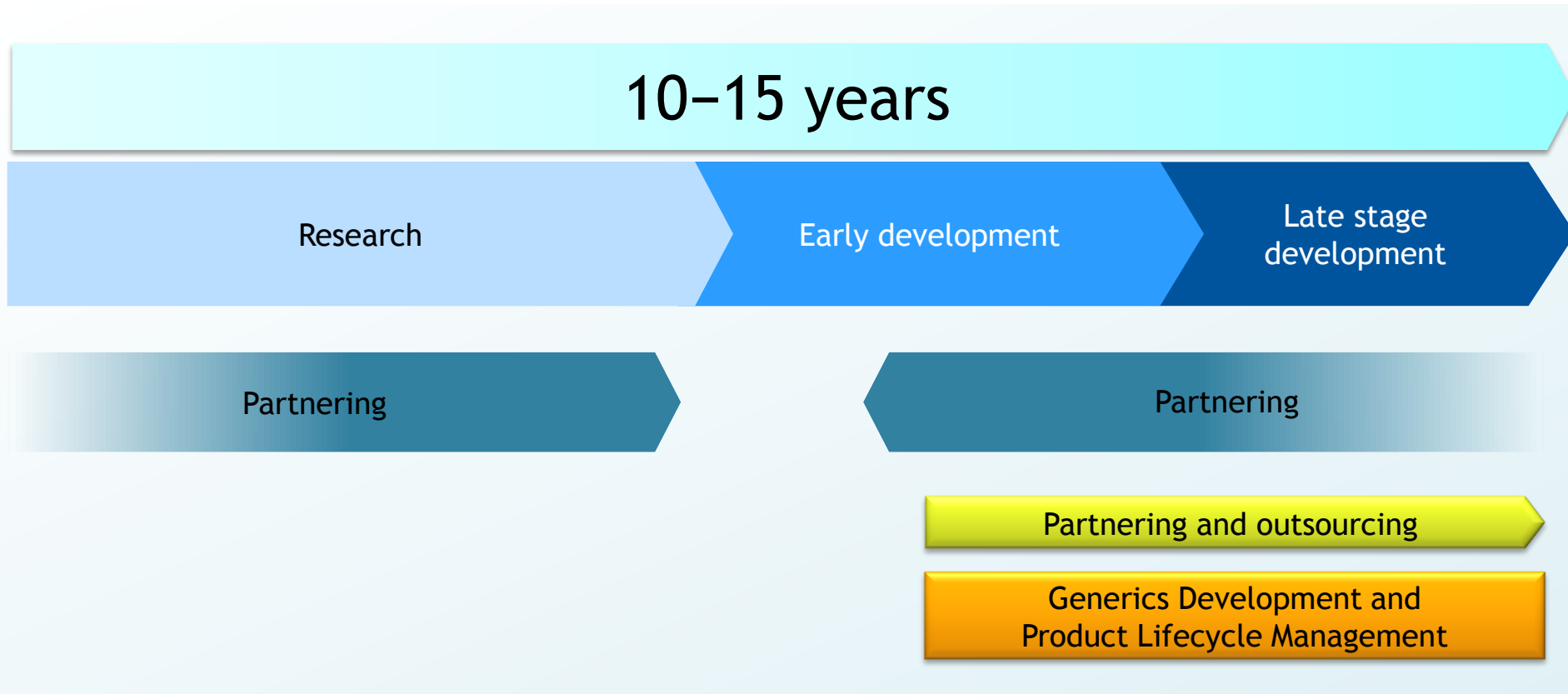
Orion Diagnostica The development of diagnostic tests and test systems

Orion's R&D expenses

■ R&D expenses, EUR million
— % of the net sales



Orion's R&D focuses on own strengths and active partnering



Orion's pharmaceutical research pipeline

Project	Indication	Pre-clinical	Clinical phases			Regis- tration
			I	II	III	
Easyhaler® combined formulations	Asthma, COPD					
Stalevo® for Japanese market	Parkinson's disease					
Androgen receptor antagonist	Advanced prostate cancer	Partner: Endo Pharmaceuticals				
Alpha 2 _c receptor antagonist	Alzheimer's disease					
More effective levodopa product	Parkinson's disease					
Dexmedetomidine (non-intravenous)	Pain management	Partner: Récro Pharma				
Androgen receptor antagonist and alpha 2 _c receptor antagonist	Ready for transfer to clinical phase trials if required					
Many projects in early research phase	Prostate cancer, neuropathic pain, Parkinson's disease, Alzheimer's disease					



The strategy and the outlook

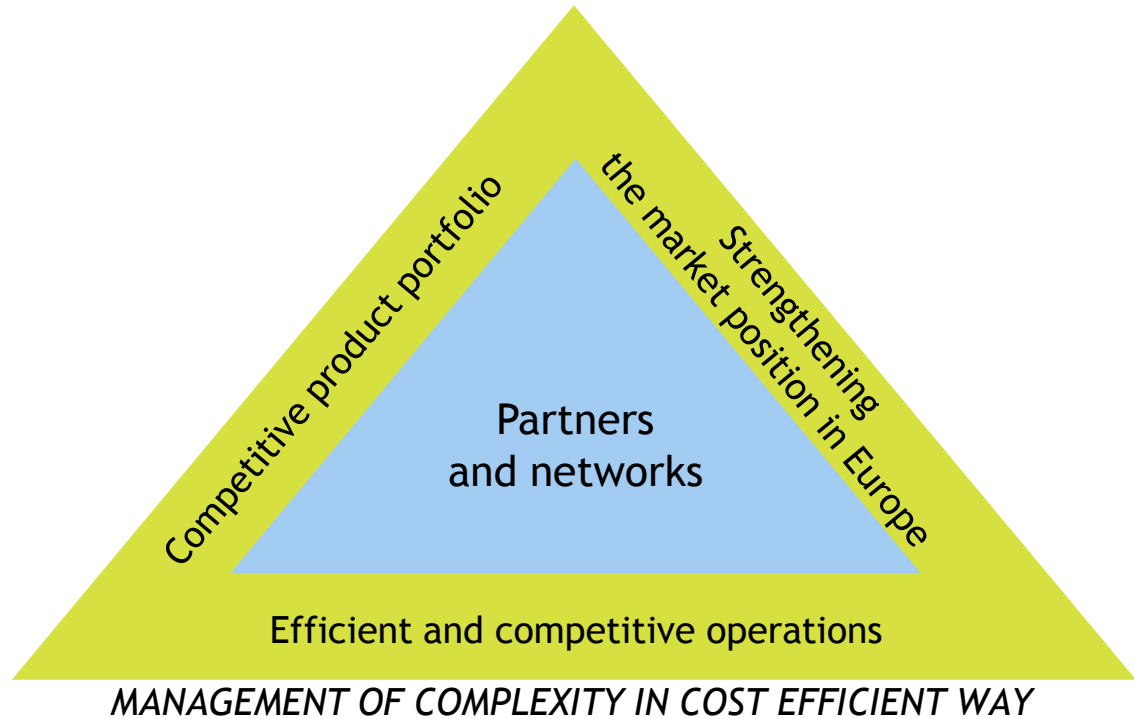
Pharmaceutical market continues to grow

- The austerity measures of governments slow down the pharma market growth
- In 2011, the global pharma market amounted to ca. EUR 600 billion
- In 2012–2015, the global pharma market is estimated to grow 3–6%
 - Sales expected to exceed EUR 780 billion by the end of 2015
- In 2012–2015, the generic pharma market is estimated to grow 11–12%
 - The share of the generic drugs of the total value is 27%

Source : IMS Health 5/2011

Orion's strategy

ORION'S VALUES



Balancing mid-term – building long-term

Parkinson's franchise
post patent gap

Global pricing pressure

Upside potential from
long-term portfolio
management
- R&D and product acquisitions

Larger portfolio in the Nordic
markets
Continued growth in
Eastern Europe and Russia

Easyhaler[®] combinations
dexdor[®] for European markets

Flexible and efficient operations

Outlook for 2012

- **Net sales** will be at similar level to 2011
- **Operating profit** will be at similar level to 2010
- **The Group's capital expenditure** will be about EUR 50 million excluding substantial corporate or product acquisitions

Orion Calendar

Dividend payment

- Record date for dividend distribution 23 March 2012
- Dividend payment date 4 April 2012

Interim Reports

- Interim Report January-March 2012 24 April 2012
- Interim Report January-June 2012 31 July 2012
- Interim Report January-September 2012 23 October 2012



ORION