



Company presentation for investors

FY 2014

Forward-looking statements

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.

Contents

- 4 Results 2014 and Outlook 2015
- 10 Strategy and financial objectives
- 15 Orion R&D - long term opportunities
- 29 Proprietary Products and Specialty Products update
- 36 Key financials
- 43 General info

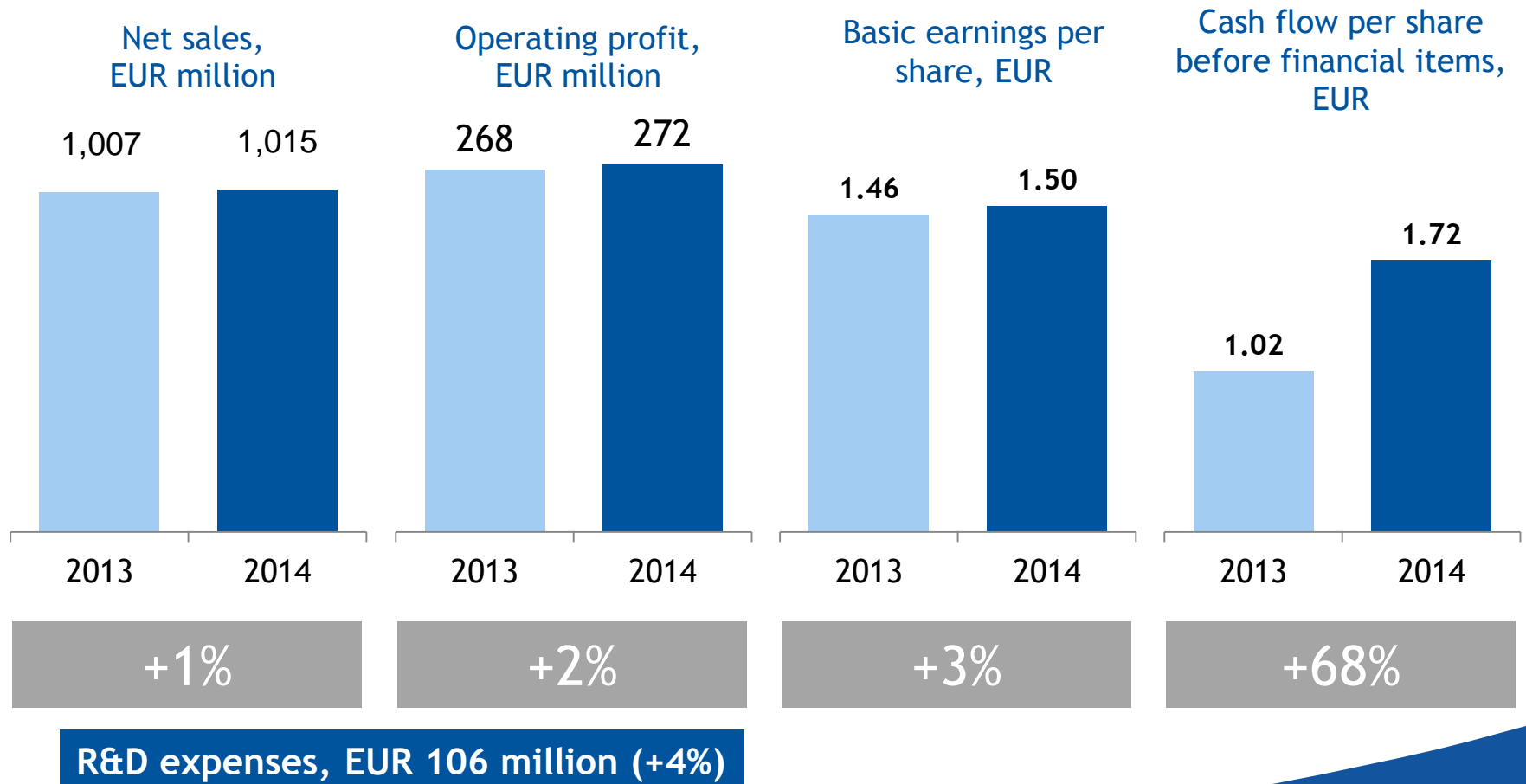


Good year in pharmaceutical development and commercialisation projects

- Marketing authorisations for Bufomix Easyhaler in Europe and Stalevo in Japan
- Worldwide collaboration with Bayer on ODM-201 development and commercialisation
- Early phase clinical development pipeline boosted
- Specialty Products sales grew well
- Commencement of generic competition to Precedex in USA and to Stalevo in Germany
- Net sales and operating profit include EUR 39 million of milestone payments
- Board's proposal for dividend per share is EUR 1.30



Key figures

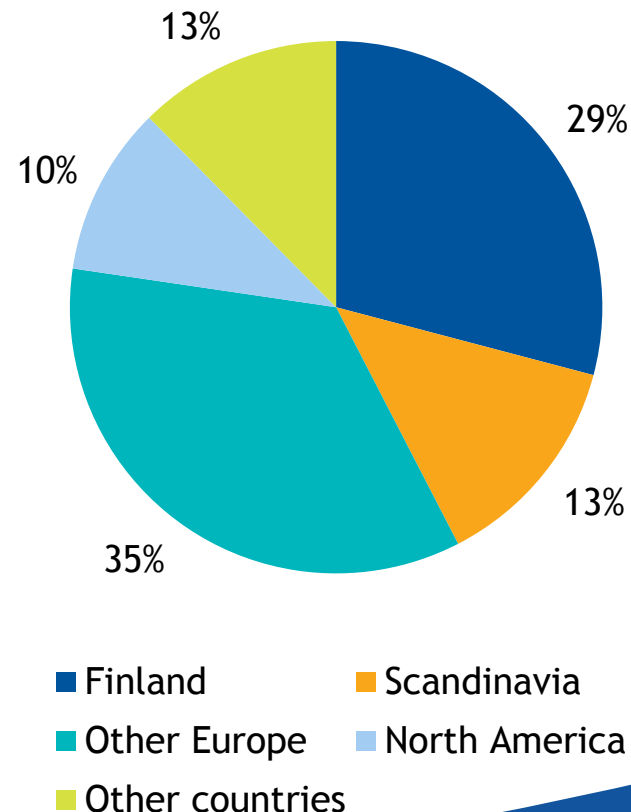


Net sales originate mainly in Europe

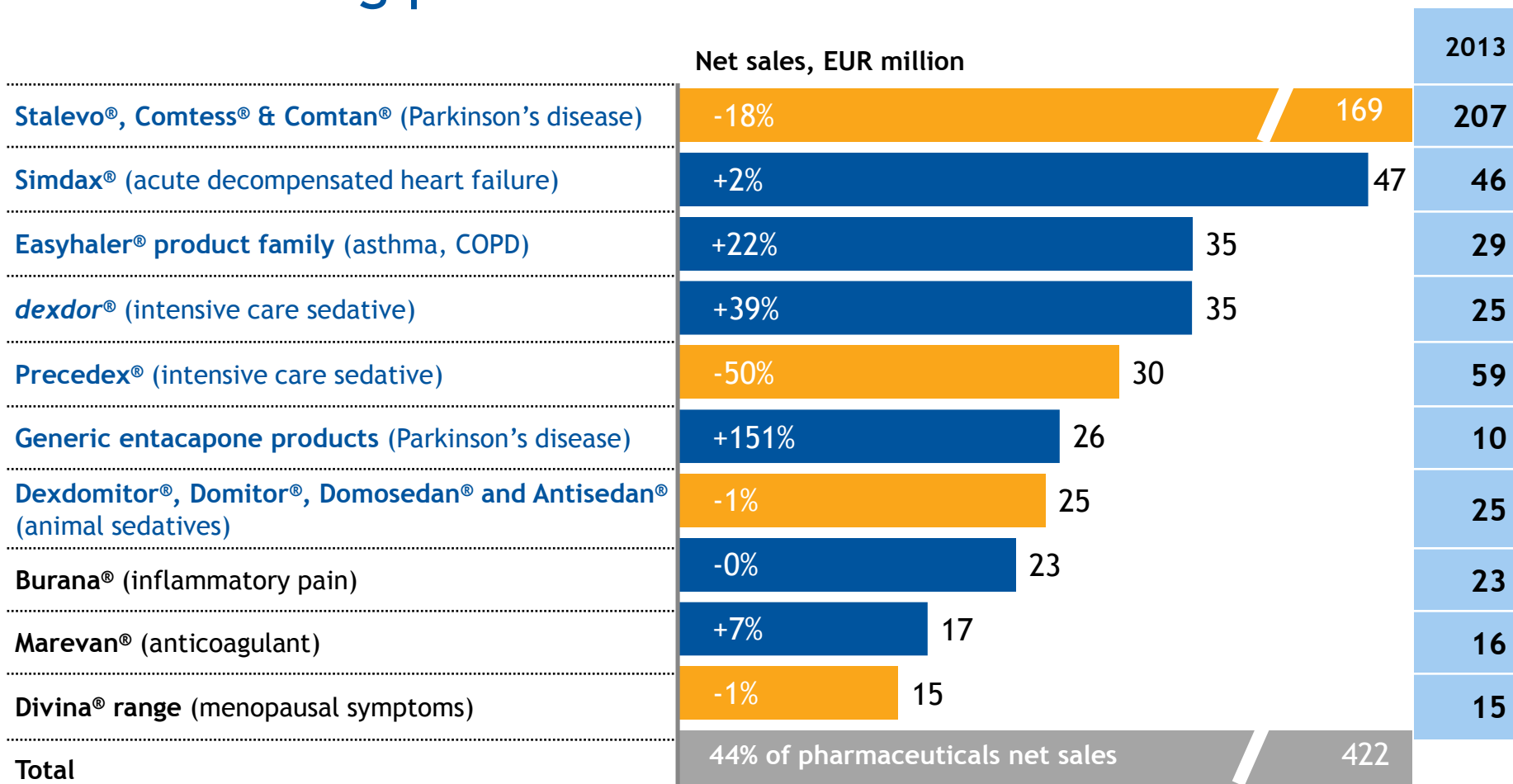
Breakdown of EUR 1,015 million net sales in 2014

Key figures by business divisions	2014	Change %
Net sales of Pharmaceuticals, EUR million	962	+1%
Proprietary Products	373	-4%
Specialty Products	427	+11%
Animal Health	70	-1%
Fermion	57	-10%
Contract manufacturing & other	34	-21%
Pharmaceuticals operating profit, EUR million	276	+1%
Net sales of Diagnostics business, EUR million	56	-1%
Operating profit of Diagnostics business, EUR million	6.4	+38%

Sales split by market area



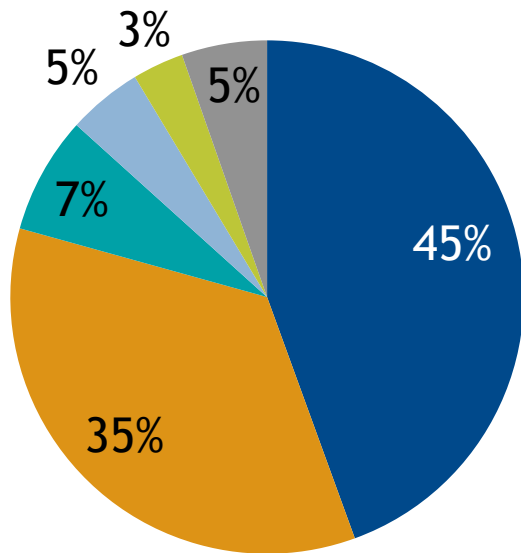
Best-selling pharmaceuticals 2014



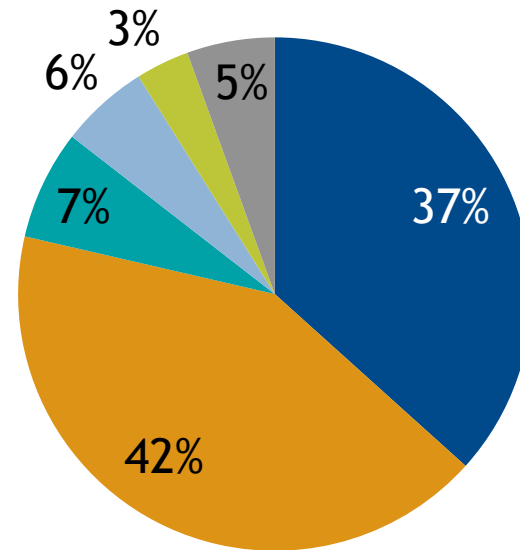
Products based on Orion's inventions in blue font

Product mix is changing

Sales split by business
2011



Sales split by business
2014



- Proprietary Products
- Animal Health
- Contract Manufacturing & other

- Specialty Products (generics+OTC)
- Fermion
- Orion Diagnostica

Outlook for 2015

Net sales	Net sales will be slightly lower than in 2014 (net sales were EUR 1,015 million in 2014).
Operating profit	Operating profit is estimated to exceed EUR 200 million.
Group's capital expenditure	The Group's capital expenditure will be about EUR 50 million excluding substantial corporate or product acquisitions (The Group's capital expenditure was EUR 57 million in 2014).



Orion's strategy and financial targets

Orion's strategy - Mission to build well-being



Orion's financial objectives

Increasing net sales.

Achievement of this objective requires continuous investment in development of the product portfolio.

Maintaining profitability at a good level.

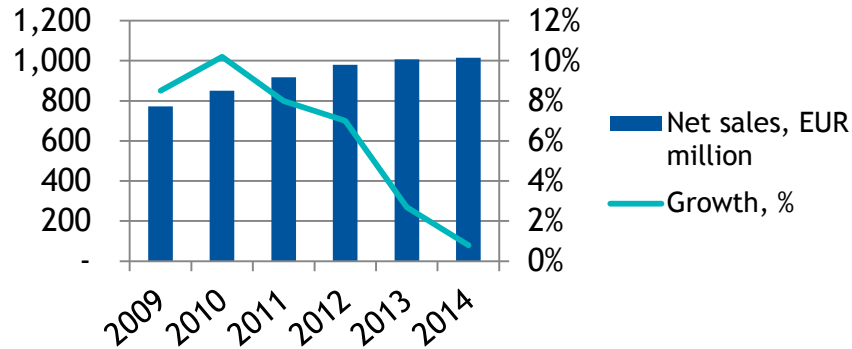
The aim is operating profit that exceeds 20% of net sales.

Keeping the equity ratio at least 50%.

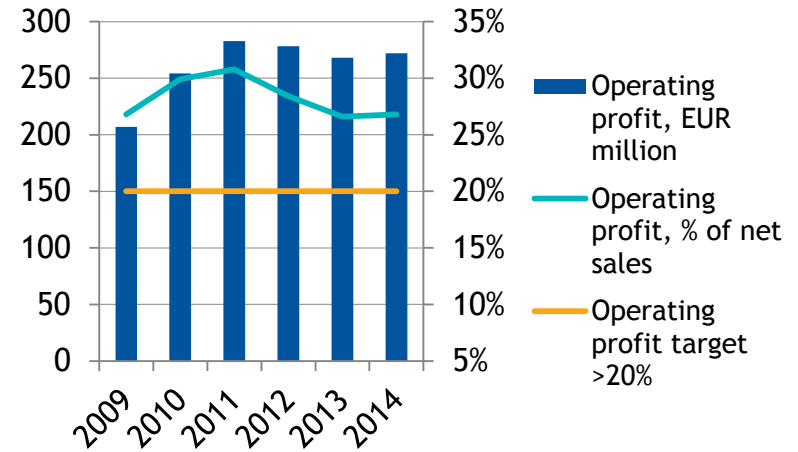
Distributing an annual dividend that in the next few years will be at least EUR 1.20 per share, and increasing the dividend in the long term.

Orion's financial objectives

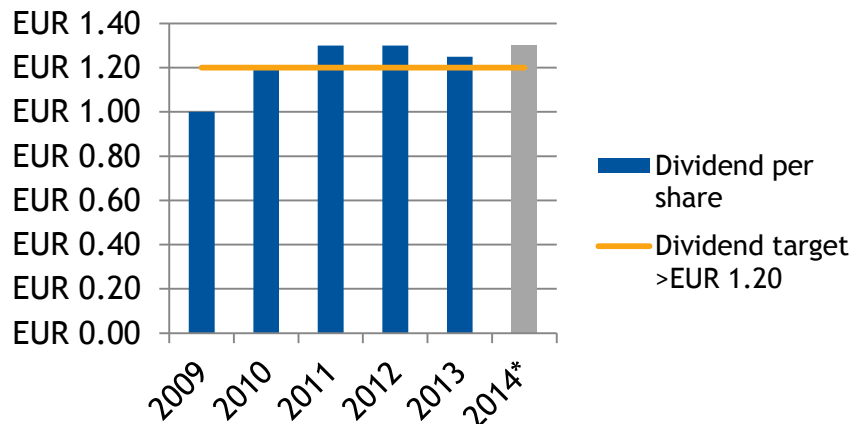
Net sales



Operating profit

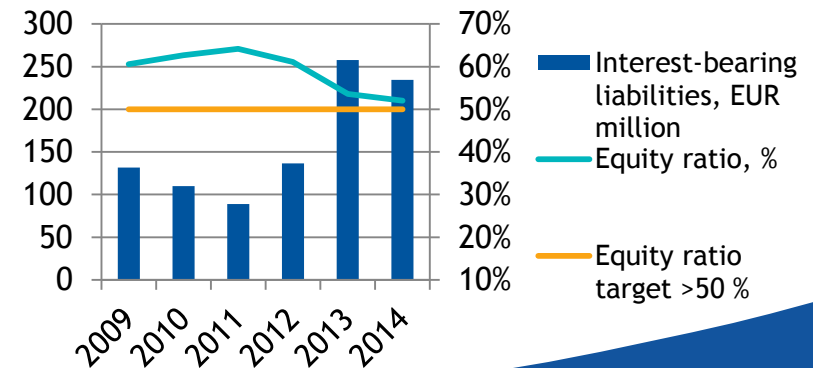


Dividend



*) Dividend proposal by the Board of Directors

Equity ratio and interest-bearing liabilities



Balancing mid-term – building long-term

Generic competition for Parkinson's franchise and Precedex.

Timing of milestone payments.

Global pricing pressure, especially on new products.

Long-term growth opportunities from R&D pipeline. Milestone payments.

Generic drugs and self-care products.

Easyhaler[®] combinations and *dexdor*[®] for European markets.

Operational flexibility and efficiency.



Orion R&D - long term opportunities

Orion's R&D strategy

Increased productivity

R&D operational model renewed in 2009

Focused therapy areas

Focus on three core therapy areas + generics

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

Shared risks and rewards

Emphasis on collaboration and partnerships

- Clinical studies are performed globally, Orion's focus on Europe
- Partnerships are usually sought for clinical phase III at the latest
- Partners are important in marketing authorisation cases in countries outside Europe
- Orion holds the rights for further develop and market the candidate compounds

Focus on strengths

In-house R&D covers mainly late-stage research and early-stage development phases

- i.e. discovery, preclinical phase and clinical phases I and II

Diversification

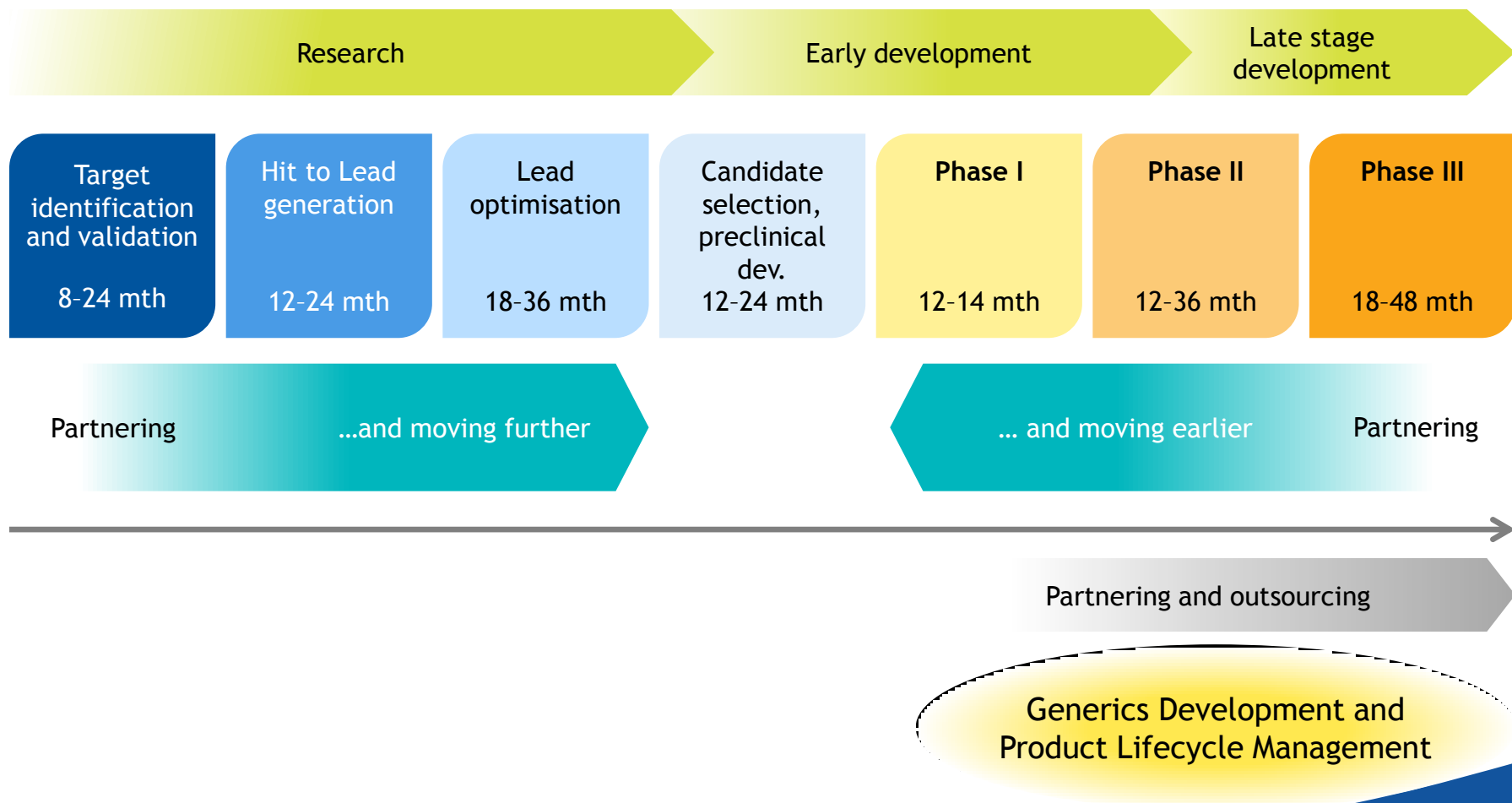
Constant strive to

- Increase the overall number of programmes
- Balance the risks of individual projects
- Acquire new early research molecules
- Improve the life-cycle management of own innovative treatments

M&As

Active in-licensing of drug candidates or products

Collaborative networks across the R&D value chain



Key clinical pharmaceutical development projects

Project	Indication	PHASE			Registration
Bufomix Easyhaler® (budesonide-formoterol) ¹⁾	Asthma, COPD	I	II	III	
Easyhaler® salmeterol-fluticasone	Asthma, COPD	I	II	III	
ODM-201 (androgen receptor inhibitor) ²⁾	Prostate cancer	I	II	III	
Levosimendan ³⁾	Low Cardiac Output Syndrome	I	II	III	
ORM-12741 (alpha-2c adrenoceptor antagonist) ⁴⁾	Alzheimer's disease	I	IIa		
Dexmedetomidine (intranasal) ⁵⁾	Treatment of pain	I	IIb		
ODM-104 (more effective COMT inhibitor)	Parkinson's disease	I			
ODM-203 (targeted FGFR+VEGFR inhibitor)	Solid tumours	I			
ODM-204 (CYP17 enzyme and androgen receptor inhibitor)	Prostate cancer	I			
ODM-106 (GABA-B receptor positive allosteric modulator)	Essential tremor	I			

¹⁾ Aim is to obtain marketing authorisation for product in at least some European countries not included in decentralised marketing authorisation application process.

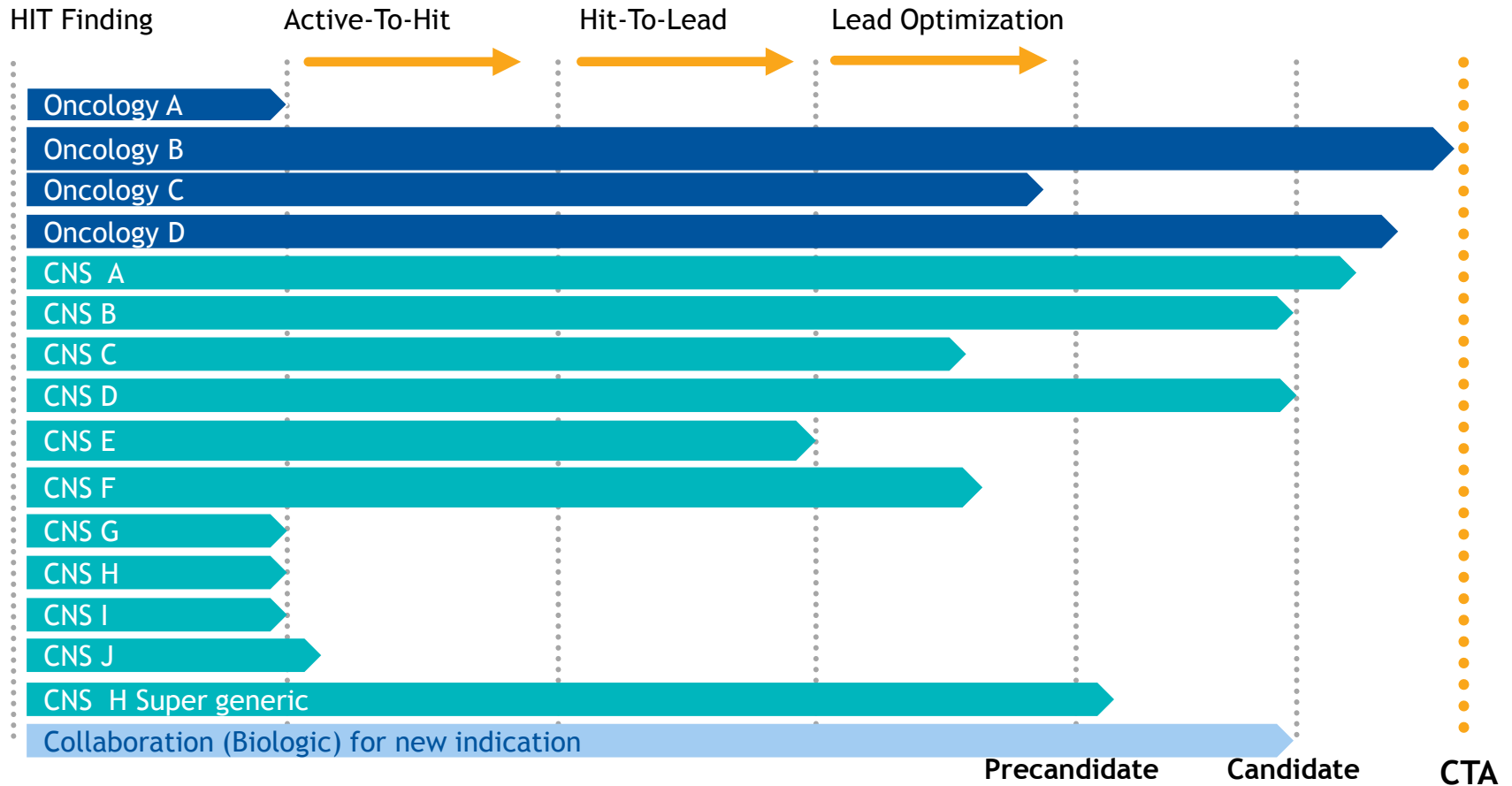
²⁾ In collaboration with Bayer ³⁾ Partner: Tenax Therapeutics, Inc.

⁴⁾ In collaboration with Janssen Pharmaceuticals ⁵⁾ Partner: Recro Pharma, Inc.

 = Phase completed

 = Phase ongoing

Research projects 2013 (16)

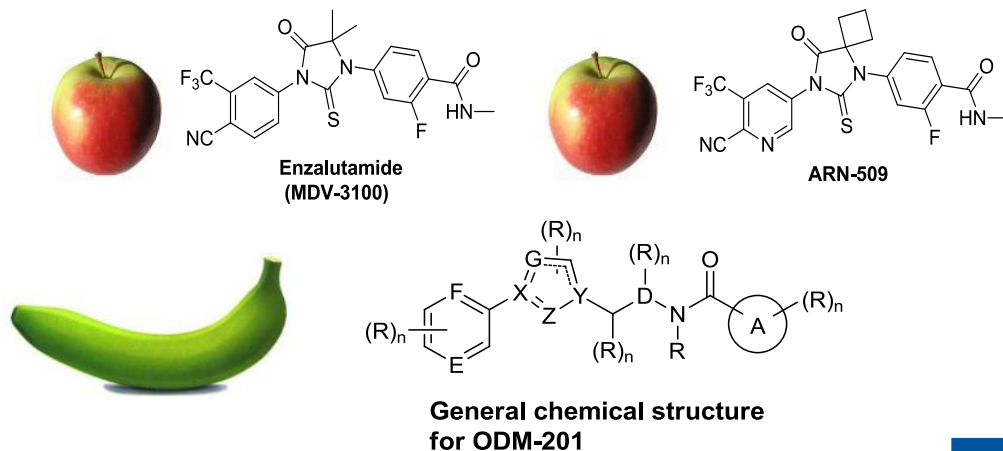


Snapshot of Orion's preclinical pipeline presented at Orion Capital Markets Day on 20 November 2013.

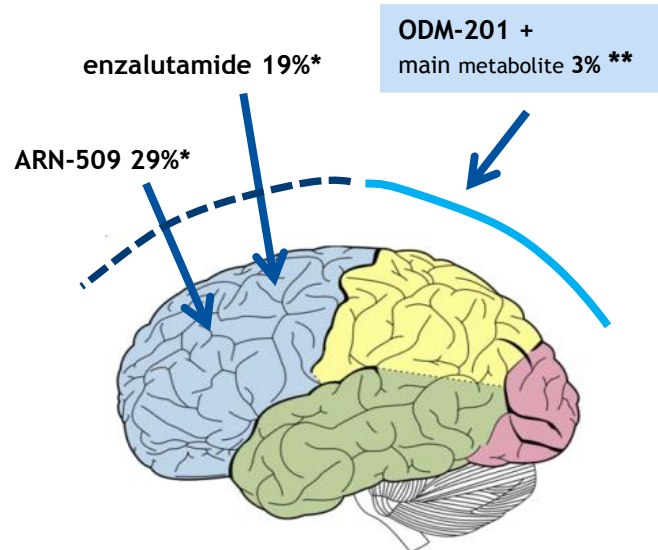
ODM-201: Partnership with Bayer - Financial terms

- Orion and Bayer will jointly develop ODM-201, with Bayer contributing a major share of the costs of future development
- Bayer will commercialize ODM-201 globally and Orion has the option to co-promote ODM-201 in Europe
- Orion is eligible to receive milestone payments from Bayer upon achievement of certain development, tech transfer and commercialization milestones
- Orion will receive substantial royalties on future sales
- Orion will be responsible for manufacturing of the product

ODM-201 has a unique profile



- No brain entry
- No CYP inhibition or induction expected with therapeutic doses
- M0 prostate cancer market: no approved therapies



Compound	AR affinity Ki (nM)	Antagonism WT AR IC50 (nM)	Proliferation VCaP IC50 (nM)
enzalutamide	78	155	400
ARN-509	53	168	300
ODM-201	9	65	500
ORM-15341 (main metabolite)	8	25	600

*Refs. Clegg et al, Cancer Research 2012; Forster et al, Prostate 2011
 ** Rat autoradiography (QWBA confirms brain/plasma ratio of 14C-ODM-201 related radioactivity was 0.04-0.06, indicating negligible penetration to the brain
 Source: ECC2013 poster E17-2119

ODM-201: Phase 3 study ongoing

- Phase 3 study in non-metastatic castration resistant prostate cancer (nm-CRPC) patients who are at high risk for developing metastatic disease
- Primary endpoint
 - ODM-201 over placebo in metastasis-free survival (MFS)
- Secondary endpoints
 - Overall survival, time to first symptomatic skeletal event (SSE), time to first initiation of cytotoxic chemotherapy, time to pain progression, and to characterize the safety and tolerability of ODM-201.

ORM-12741 - collaboration with Janssen

- Licence agreement announced on 19 December 2013 (includes ORM-12741 and other compounds)
- Orion received USD 31 million upfront payment which will mainly be used against additional Phase IIa study costs
- Orion is eligible to receive milestone payments from Janssen upon successful completion of certain development and commercialization events, as well as royalties on future sales
- Orion has exclusive commercialization rights in Europe
- Janssen has worldwide exclusive license to develop ORM-12741 and an exclusive right to commercialize it outside Europe
- Orion and Janssen will co-fund the development after an additional Phase IIa study is completed successfully by Orion

ORM-12741, first Phase 2a Study in AD

- Objective
 - To evaluate safety and efficacy of ORM-12741 in treatment of cognitive and behavioral symptoms of Alzheimer's disease
- Design and Methodology
 - Randomised, double-blind, placebo-controlled, parallel-group Phase 2a study in 100 patients
 - Patients with moderately severe Alzheimer's disease (MMSE 12 - 21)
 - Behavioural and psychological symptoms present (NPI \geq 15)
 - All on stable dose of donepezil, rivastigmine or galantamine for at least 3 months
 - 2 dose levels of ORM-12741 and placebo for 12 weeks as an add-on therapy
- Main Endpoints
 - A battery of computerized neurocognitive tests (CDR System)
 - Pre-specified primary emphasis on composite scores for Quality of Episodic Memory, Quality of Working Memory, Speed of Memory and Power of Attention
 - Neuropsychiatric inventory (NPI)
 - Safety: AEs, vital signs, safety lab, ECG

ORM-12741 first Phase 2a Study – Conclusions

- Clear positive effects on memory measures on active treatment groups as compared to placebo
 - Clear and statistically significant positive treatment effect on Quality of Episodic Memory (*p=0.03)
 - Clear and statistically significant positive treatment effect on Quality of Memory (*p=0.013)
- Clear and statistically significant positive treatment effect on Neuropsychiatric Inventory (NPI) Caregiver Distress score (*p=0.034)
- Trend for positive treatment effect in Neuropsychiatric Inventory (NPI) total score for the low dose group (*p=0.12)
- ORM-12741 was generally well tolerated

*Main treatment effect (used doses: 30-60mg and 100-200 mg)

ORM-12741 — Next Steps

- A new formulation study followed by
- An additional Phase 2a in AD patients focusing on
 - Confirmation of the first Phase 2a results - especially on NPI
 - Dosing
- Development options for Phase 3

Cognition

- ✓ Pros': Several compound shown to work, clear study designs, endpoints & regulatory path
- ✓ Cons': Old generic drugs on market, new competitors in pipeline, lower price expectation than for the latter

Neuropsychiatric symptoms

- ✓ Pros': Huge unmet need, less competition, high value
- ✓ Cons': Endpoints & regulatory path less clear - need clarification before Phase 3

ODM-104 and ODM-106

ODM-104 is a new molecule that enhance the therapeutic effects of levodopa used to treat Parkinson's disease by blocking the COMT enzyme. The pre-clinical study results indicated that ODM-104 is more effective than the COMT inhibitor entacapone, which is already in the markets.

ODM-106 is an investigational GABA-B positive allosteric modulator (PAM) that enhances the effect of the naturally occurring agonist GABA, but has a low side-effect potential in preclinical studies due to low efficacy and potency as a GABA-B agonist. Preclinical studies indicate that ODM-106 has the potential to alleviate essential tremor (ET), parkinsonian tremor and levodopa-induced dyskinesia in patients with Parkinson's disease, without causing sedation.

ODM-203 and ODM-204

ODM-203 is an investigational targeted Fibroblast Growth Factor Receptor (FGFR) + Vascular Endothelial Growth Factor Receptor (VEGFR) inhibitor that is designed to block growth of FGFR signaling dependent tumours. ODM-203 is unique as it is a selective and equally potent inhibitor against both the FGFR and VEGFR family kinases. In accordance ODM-203 shows strong antitumour activity in both FGFR and VEGFR dependent nonclinical tumour models.

ODM-204 is a unique, investigational dual inhibitor of CYP17 enzyme and androgen receptor (AR) designed to block the growth of castration-resistant prostate cancer (CRPC). Similar to enzalutamide, ODM-204 binds to AR with high affinity and inhibits receptor function by blocking the activity as well as the nuclear translocation of AR. In addition, similar to abiraterone, ODM-204 inhibits CYP17 enzyme required for testosterone synthesis in males. Both CYP17 and AR are key mechanisms in the growth of CRPC.



Proprietary Products and Specialty Products update

Product protection situation of key products

Key patents or data protection expire

Molecule	Product	Indication	Europe	USA	Japan
Entacapone	Stalevo [®] , Comtess [®] and Comtan [®]	Parkinson's disease	November 2012 October 2013 ¹⁾	October 2013	January 2015 ²⁾
Levosimendan	Simdax [®]	Acute decompensated heart failure	September 2015	Not marketed	Not marketed
Dexmedetomidine	Precedex [®] <i>dexdor</i> [®]	Intensive care sedative	July 2013 September 2021 ³⁾	January 2014 ⁴⁾	June 2012

¹⁾ Stalevo data protection expired

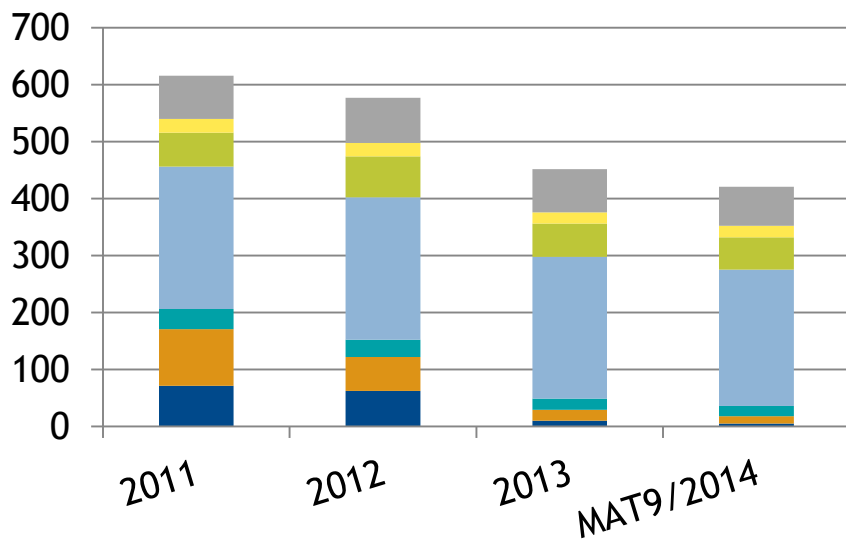
²⁾ Data protection of Comtan expires;

³⁾ *dexdor*[®] data protection expires

⁴⁾ Six months paediatric exclusivity granted for Precedex in the United States expired

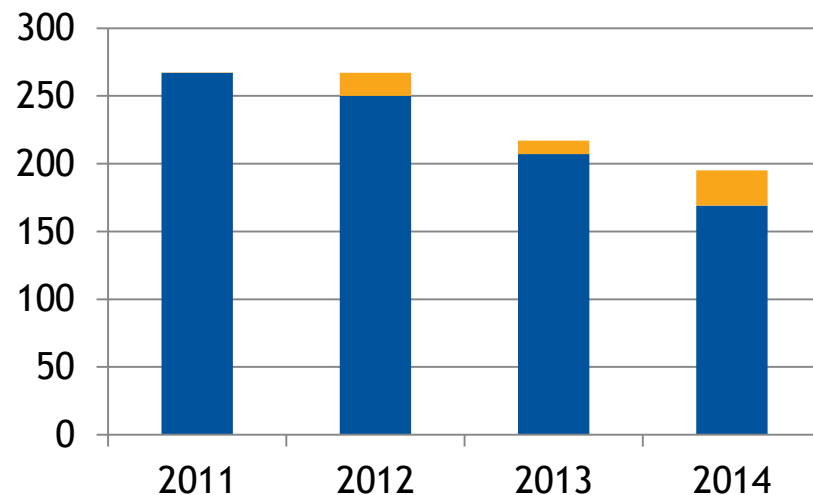
Turning points of Parkinson's franchise

Annual in-market sales, EUR million*



- Comtan USA
- Comtess/Comtan Europe
- Comtan Japan
- Stalevo ROW
- Stalevo USA
- Stalevo Europe
- Comtan ROW

Orion sales, EUR million

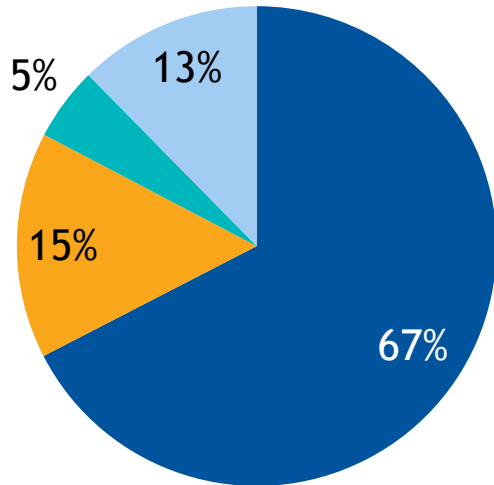


- Generic entacapone
- Stalevo, Comtess & Comtan

	USA	EUROPE	JAPAN
STALEVO	First generics in April 2012	First generics in Q2/2014	
COMTESS/COMTAN	First generics in October 2012	First generics in Q4/2012	Data protection ended in January 2015

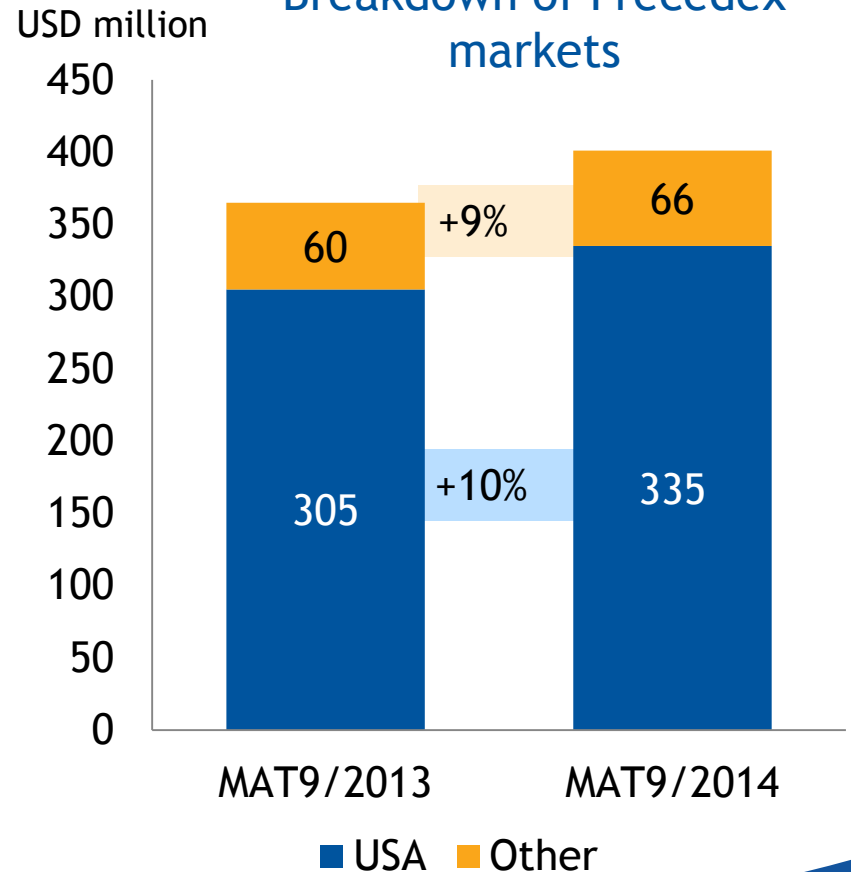
Precedex[®] and dexdor[®] intensive care sedatives

European sedative market MAT9/2014
 Total market value EUR 490 million (+3%)

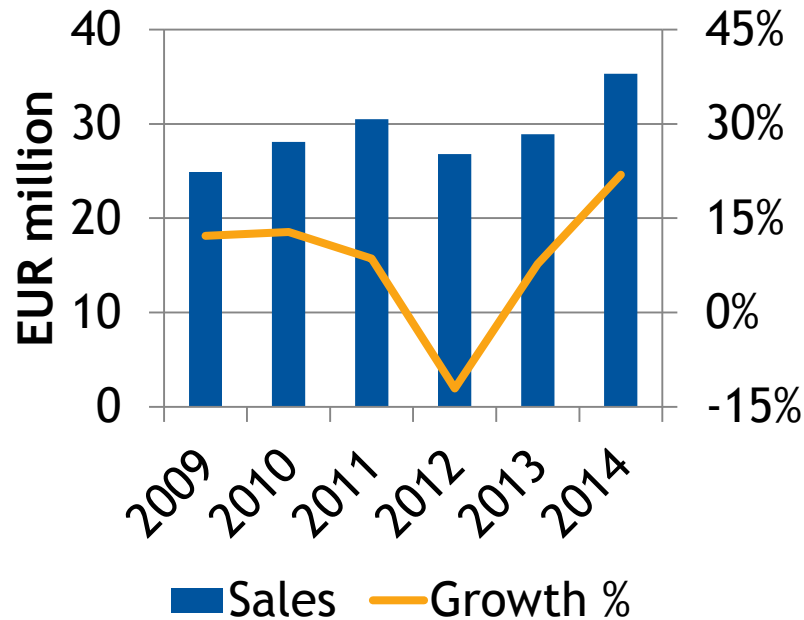


- Propofol EUR 330 million (+4%)
- Midazolam EUR 74 million (-3%)
- Dexmedetomidine EUR 26 million (+29%)
- Remifentanyl EUR 61 million (-3%)

Breakdown of Precedex markets



Easyhaler® for asthma and COPD



- Easyhaler® is authorised in 30 countries and coverage expanding, excl. USA and Japan
- Rights to Easyhaler® products repatriated in various European countries in 2012

1993 Buventol Easyhaler® (salbutamol)



1994 Beclomet Easyhaler® (beclomethasone)



2002 Buventol Easyhaler® (budesonide)



2004 Formoterol Easyhaler® (formoterol)



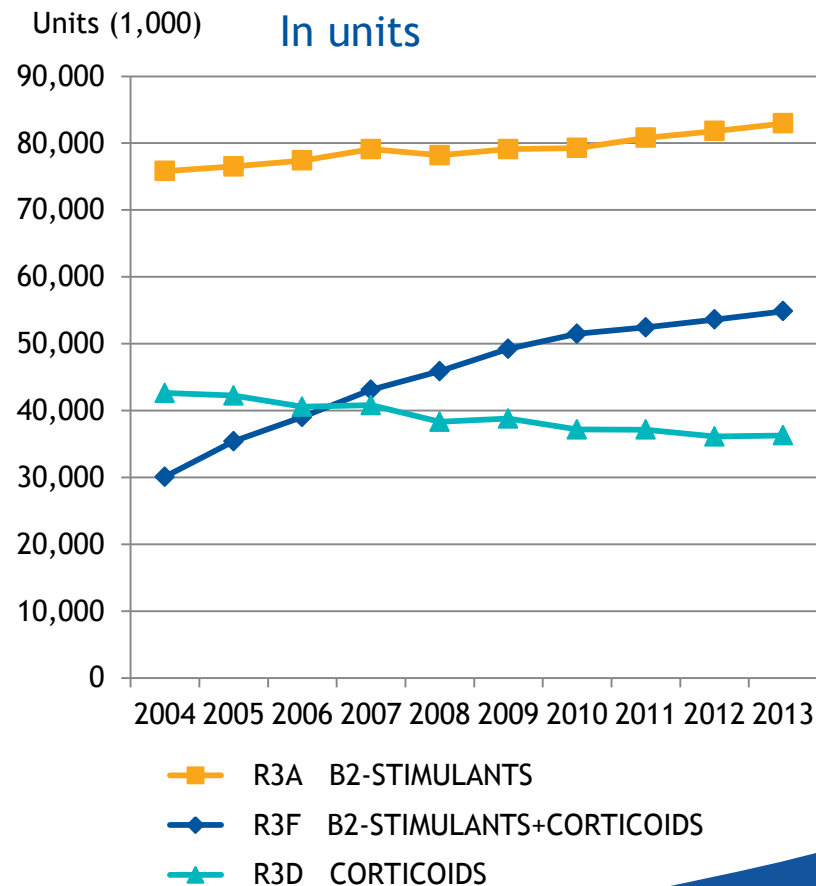
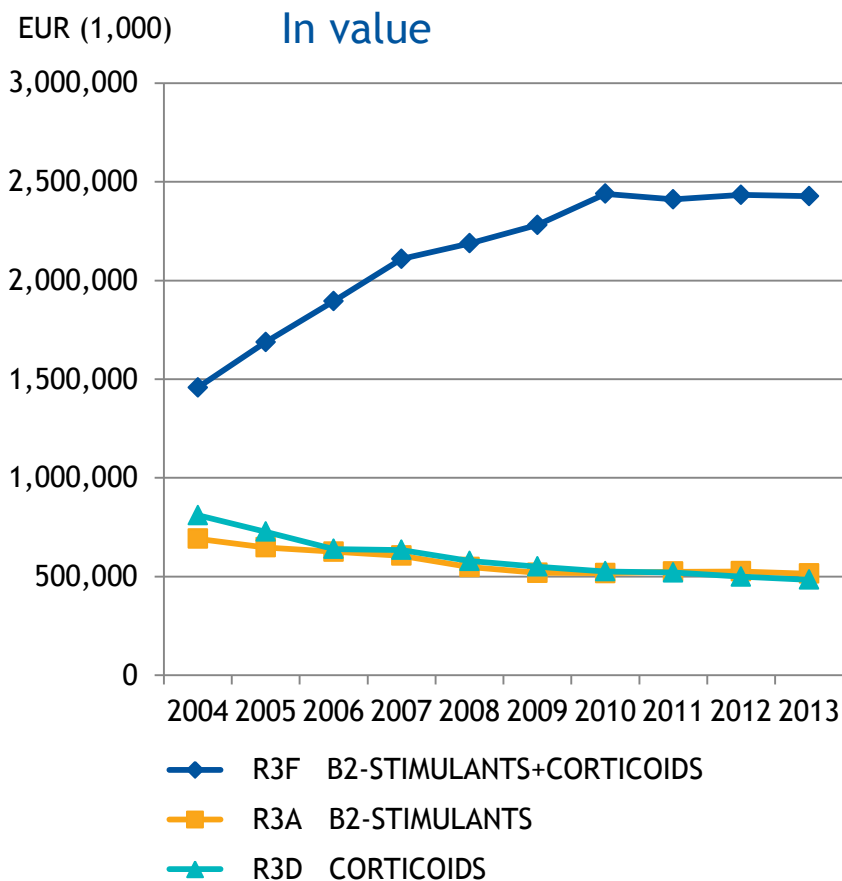
2014 Bufomix Easyhaler® (budesonide-formoterol)



2010→ Development of fluticasone-salmeterol

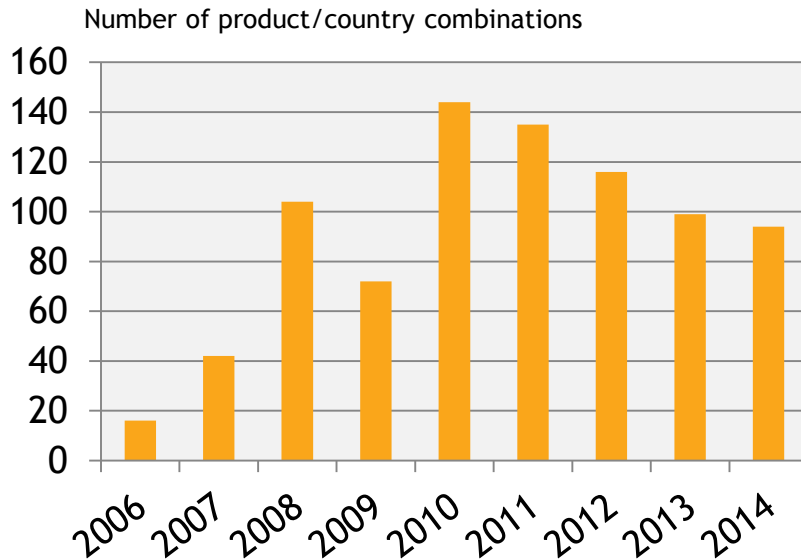


Retail sales of inhaled respiratory drugs market in Top 5 Europe



Launches are basis for future growth in SpP

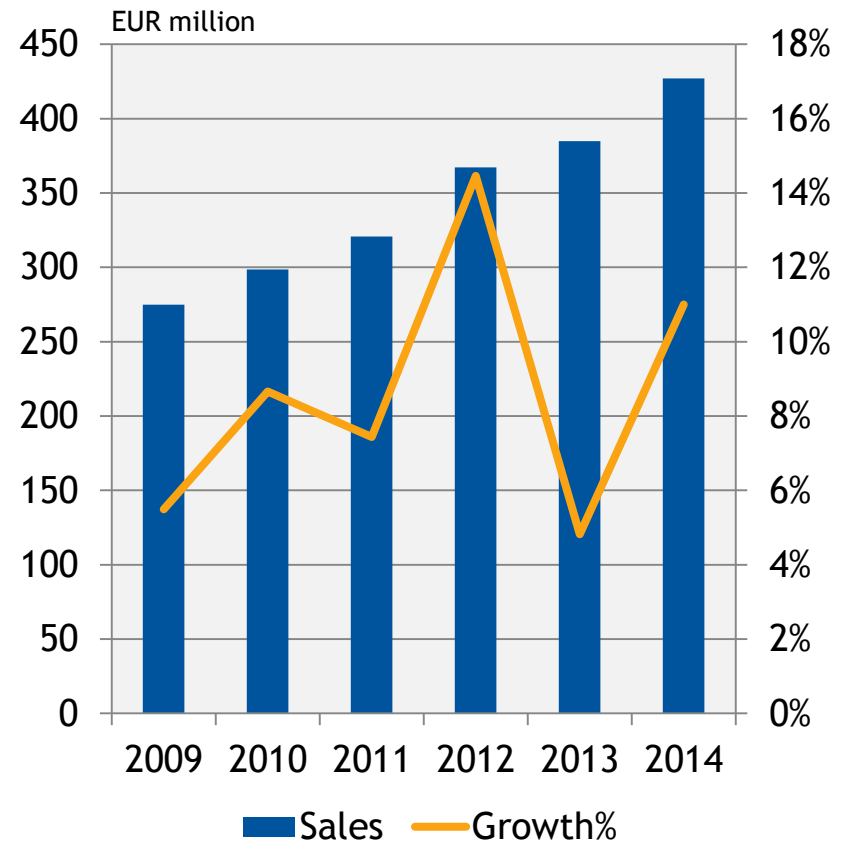
Specialty Products launches



SpP launches in 2014

By geographic area

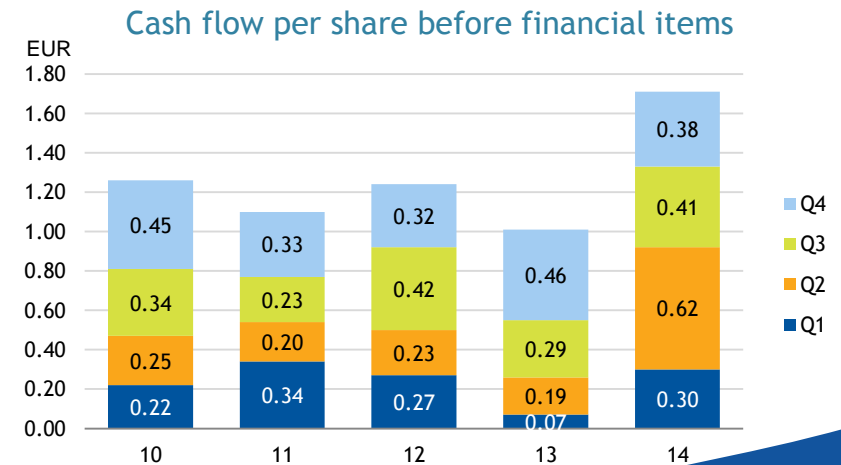
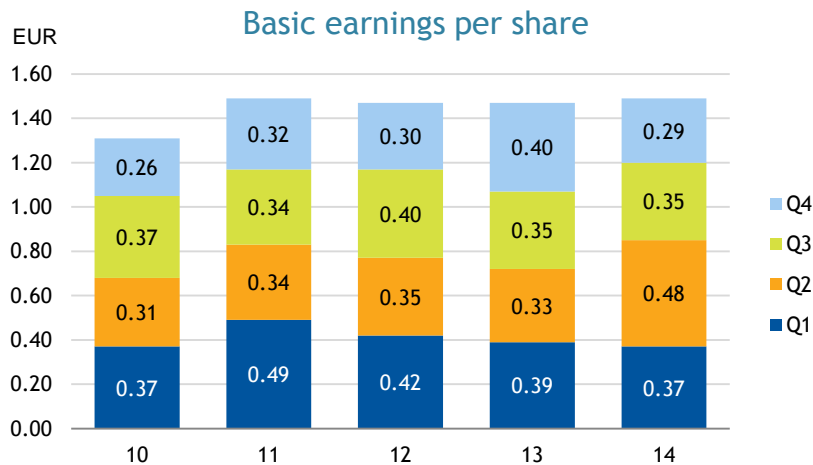
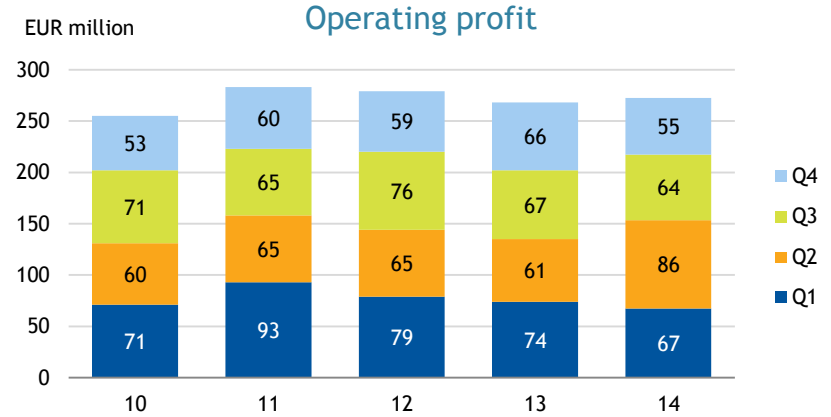
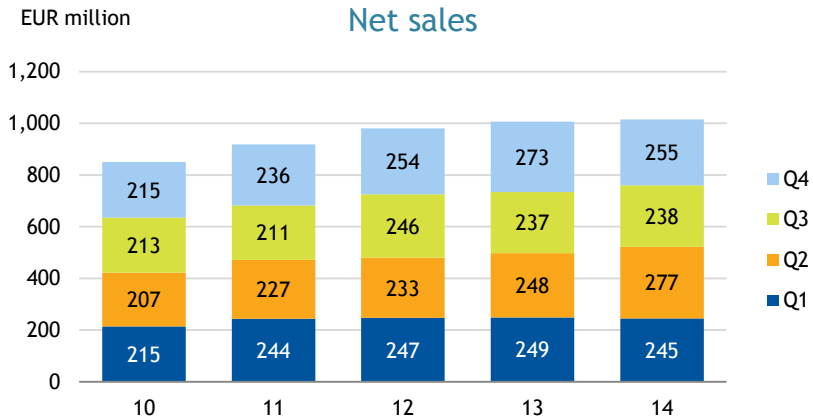
Eastern Europe	26
Scandinavia	35
Finland	27
Other	6





Key financials

Key figures by quarter



Key figures for 2010–2014

Orion's key figures	2010	2011	2012	2013	2014	Change %
Net sales, EUR million	849.9	917.9	980.4	1,006.9	1,015.3	+0.8%
Operating profit, EUR million	254.2	282.9	278.3	267.7	272.4	+1.8%
Profit before taxes, EUR million	252.6	282.0	276.6	264.0	267.8	+1.4%
R&D expenses, EUR million	85.5	87.5	105.8	101.9	106.2	+4.2%
Equity ratio, %	62.7%	64.2%	61.0%	53.6%	52.3%	
Gearing, %	-12.2%	-6.9%	-1.7%	8.4%	-4.7%	
ROCE (before taxes), %	45.0%	49.4%	45.9%	38.5%	36.6%	
Return on equity, %	40.7%	43.3%	41.0%	40.3%	41.1%	
Basic earnings per share, EUR	1.31	1.49	1.47	1.46	1.50	+2.7%
Cash flow per share before financial items, EUR	1.26	1.10	1.23	1.02	1.72	+68.4%
Dividend per share, EUR	1.20	1.30	1.30	1.25	1.30*	
Capital repayment per share, EUR	0.06	0.12				

*) Dividend proposal by the Board of Directors

Income Statement 2010–2014

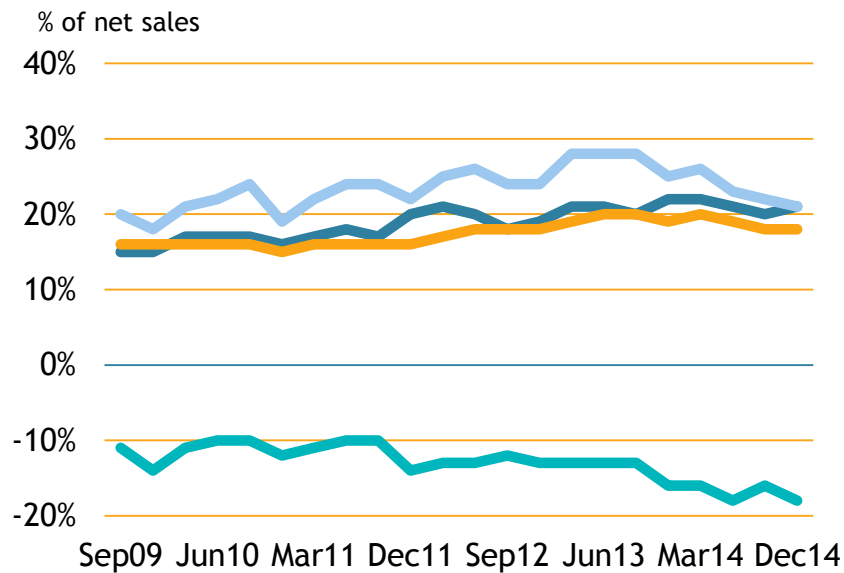
Formation of profits, EUR million	2010	2011	2012	2013	2014	Change %
Net sales	849.9	917.9	980.4	1,006.9	1,015.3	+0.8%
Cost of goods sold	-283.2	-305.1	-350.8	-393.5	-401.7	+2.1%
Gross profit	566.8	612.8	629.6	613.4	613.6	
Other operating income and expenses	1.2	3.0	6.3	5.6	1.7	-68.8%
Sales and marketing expenses	-188.9	-204.8	-206.1	-204.9	-193.4	-5.6%
R&D expenses	-85.5	-87.5	-105.8	-101.9	-106.2	+4.2%
Administrative expenses	-39.3	-40.6	-45.7	-44.5	-43.3	-2.7%
Operating profit	254.2	282.9	278.3	267.7	272.4	+1.8%
Profit before taxes	252.6	282.0	276.6	264.0	267.8	+1.4%
Profit for the period	184.7	209.5	206.9	206.2	211.3	+2.5%

Financial position

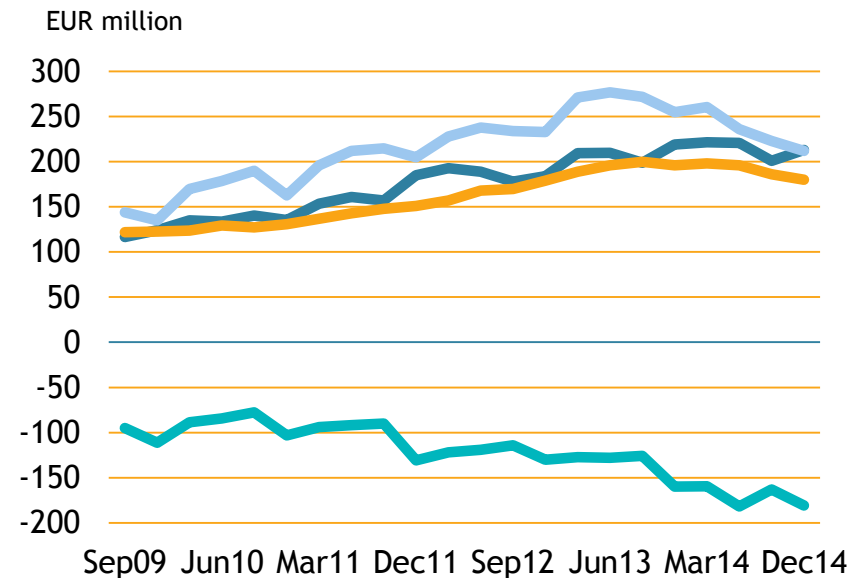
EUR million	12/14	12/13	Change%
Non-current assets total	349.1	349.2	
Inventories	178.7	195.5	-8.6%
Trade receivables	174.0	169.9	+2.4%
Other receivables	41.2	49.7	-17.1%
Cash & cash equivalents & money market investments	258.5	214.7	+20.4%
Current assets total	652.4	629.8	+3.6%
Assets total	1,001.5	979.0	+2.3%

EUR million	12/14	12/13	Change%
Equity total	514.9	513.9	+0.2%
Interest-bearing non-current liabilities	210.0	233.3	-10.0%
Non-current liabilities total	271.8	267.6	+1.6%
Current liabilities total	196.5	165.3	+18.8%
Liabilities total	486.5	465.1	-0.3%
Equity and liabilities total	1,001.5	979.0	+2.3%

Development of Net working capital



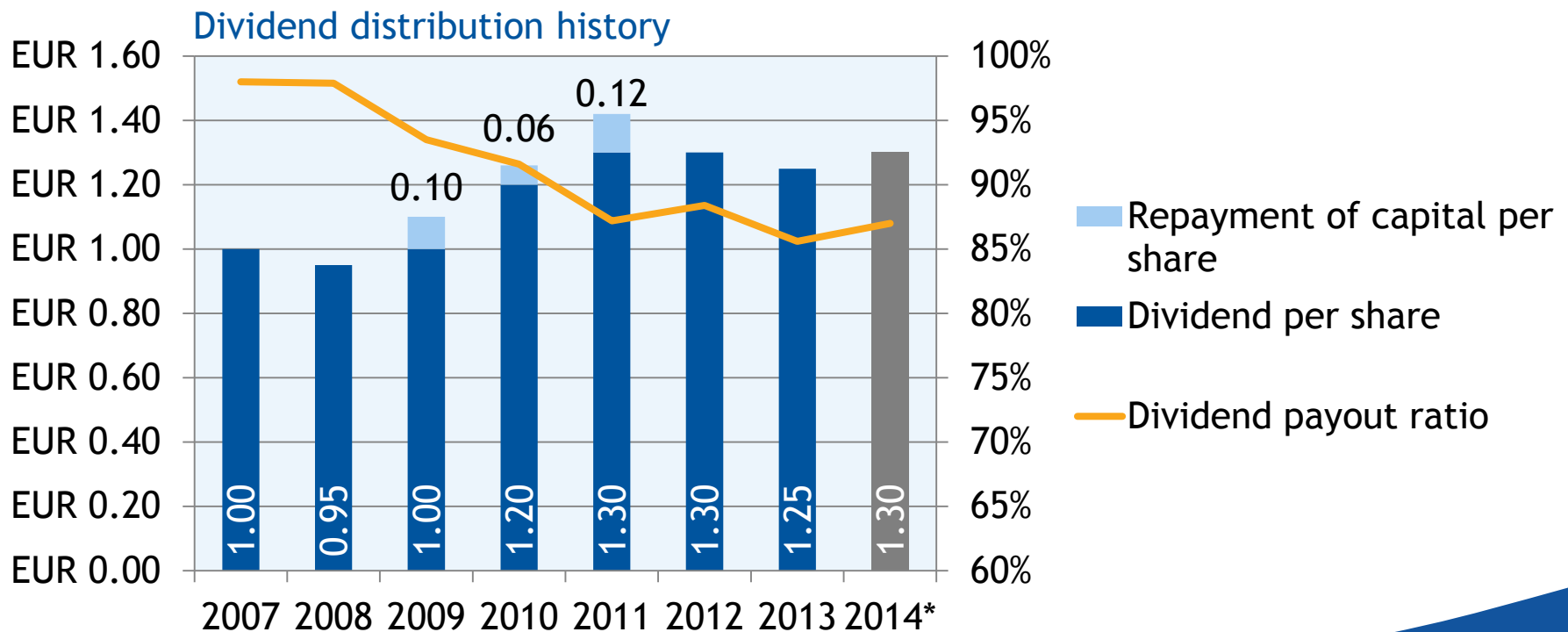
- Receivables
- Inventories
- Short-term non-interest bearing liabilities
- Net Working Capital



- Receivables
- Inventories
- Short-term non-interest bearing liabilities
- Net Working 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.



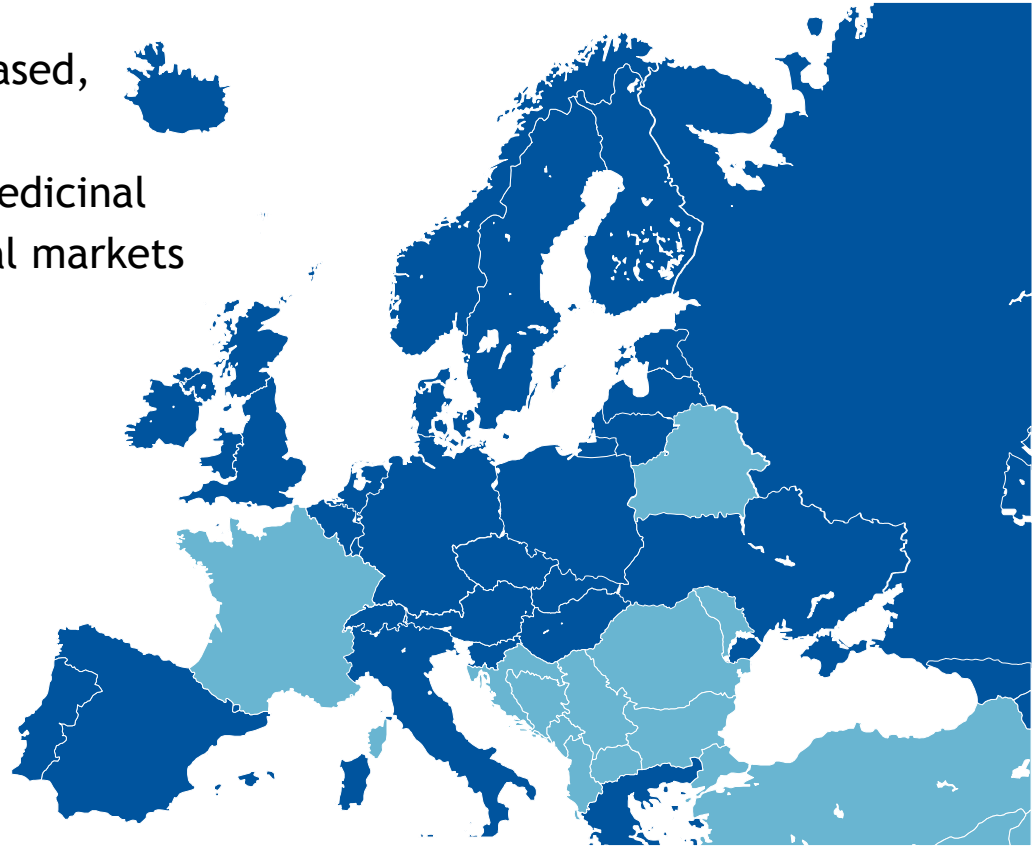
*) Dividend proposal by the Board of Directors



General info

Building well-being since 1917

Orion is an innovative, European, R&D-based, pharmaceutical and diagnostic company with a special emphasis on developing medicinal treatments and diagnostic tests for global markets



Orion in brief

2014

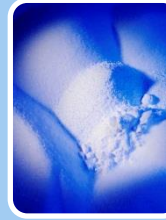
Net sales	EUR 1 015 million
Operating profit	EUR 272 million
R&D expenses	EUR 106 million
No. of personnel (at end of)	3,450
in Finland	2,769
in other countries	681

Business units



Proprietary Products

- Patented prescription drugs
- CTAs: CNS, oncology & critical care, Easyhaler pulmonary drugs
- Net sales in 2014 EUR 373 million



Fermion

- Active pharmaceutical ingredients (API's) for Orion and other companies
- Net sales in 2014 EUR 57 million (excluding supplies for own use)



Specialty Products

- Generic prescription drugs
- Self-care products
- Net sales in 2014 EUR 427 million



Contract Manufacturing & Other¹⁾

- Pharmaceutical manufacturing for other companies
- Net sales in 2014 EUR 34 million



Animal Health

- Veterinary medicines and care products for pets and production animals
- Net sales in 2014 EUR 70 million



Orion Diagnostica

- Diagnostic test systems for point-of-care testing in healthcare and hygiene testing for industry
- Net sales in 2014 EUR 56 million

¹⁾ Contract manufacturing and other is included in the Pharmaceuticals business segment but is not a separate business division. It is part of the Group's Supply Chain organisation.

Market position strengthened in Europe

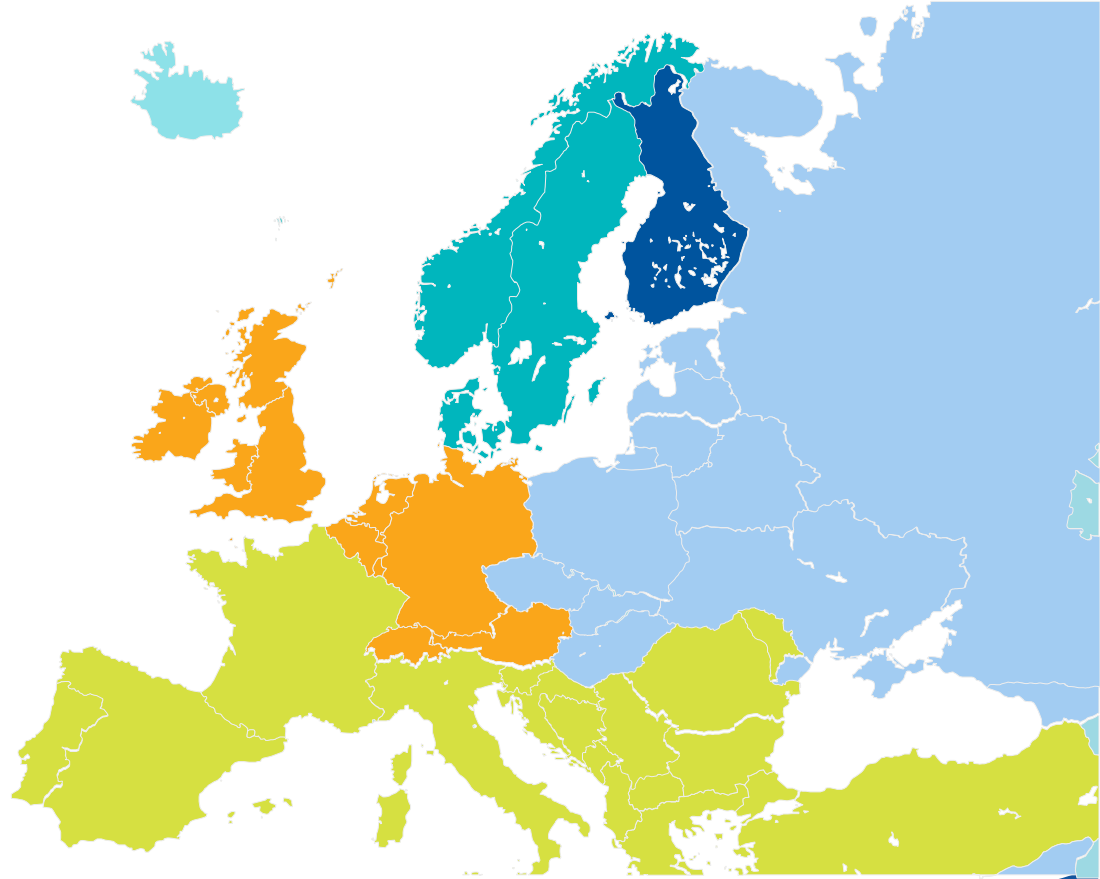
Finland
Market leader

Scandinavia
Strong domestic market position

Eastern Europe
Generics

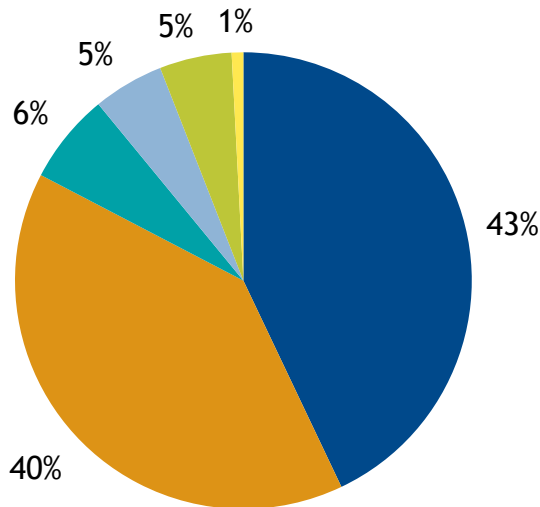
Western and Central Europe
Strong position with proprietary products

Southern Europe
Progress with proprietary products in hospital markets



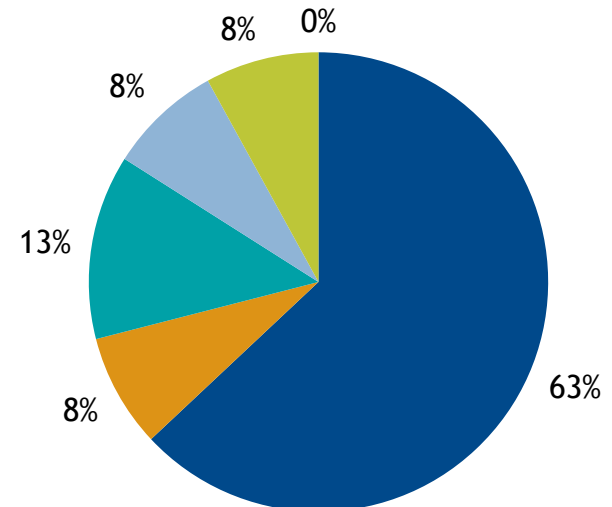
Orion shares are broadly held

By number of shares on 31 Dec



- Households
- Non-Finnish holders and nominee registered
- Private corporations
- Public sector
- Non-profit institutions
- Financial and insurance corporations

By number of votes on 31 Dec



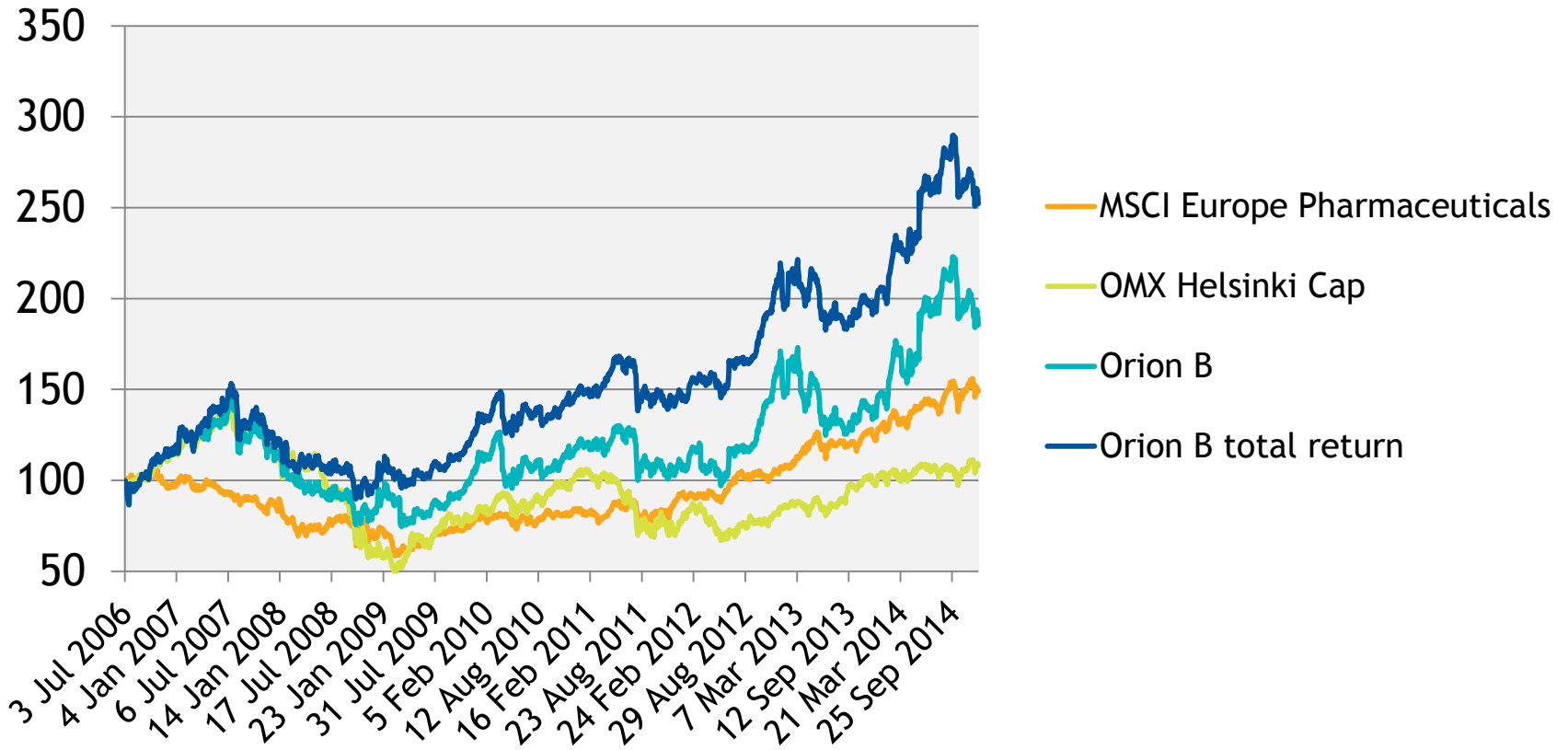
- Households
- Non-Finnish holders and nominee registered
- Private corporations
- Public sector
- Non-profit institutions
- Financial and insurance corporations

Altogether 141.3 million shares and ca. 52,000 shareholders. Both share classes, A and B, are listed on NASDAQ OMX Helsinki since 1 July 2006. A share (ORNAV) has 20 votes/share and B share (ORNBV) has 1 vote/share in the AGM, but they have equal rights to assets and dividends.

Orion B share performance

3 July 2006— 31 Dec 2014

Index 3 July 2006 = 100



Jari Karlson

CFO

jari.karlson@orion.fi

+358 10 426 2883

Tuukka Hirvonen

Communications Manager

Financial Communications & Investor Relations

tuukka.hirvonen@orion.fi

+358 10 426 2721

Heidi Ahti

Executive Assistant (Investor meeting requests)

heidi.ahti@orion.fi

+358 10 426 2169

www.orion.fi/EN/Investors

twitter.com/OrionCorpIR



Orion Investor Relations