



## To 2012 and onwards

Orion Capital Markets Day  
1 December 2009 in Helsinki

## To 2012 and onwards Orion CMD 2009

9:05	Orion in change	Timo Lappalainen	CEO
	Targeting selected therapy areas	Liisa Hurme	SVP, Proprietary Products
	Opportunities opening up in Nordic markets	Markku Huhta-Koivisto	SVP, Specialty Products
10:00	Q&A		
	Coffee break		
11:00	Efficiency is everything	Jari Karlson	CFO
	Lessons learned from recent market entries	Pekka Kaivola	SVP, Global Sales
	Partnering provides more possibilities	Reijo Salonen	SVP, R&D
12:00	Q&A		
	Lunch		
13:30	Transportation to Espoo and tour of Orion's production and R&D facilities		
16:00	Coffee and transportation back to Helsinki city centre and/or airport		



This presentation contains forward-looking statements which involve risks and factors of uncertainty. 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, and they 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.

Orion Group changed its accounting policy regarding product development costs as of 1 January 2009. Costs relating to the support of products already on the market (mainly generic products) are now recognised in cost of goods sold instead of R&D expenses in the Statement of Comprehensive Income. This change has no effect on reported key figures, operating profit and Statement of Financial Position, but it reduces the R&D expenses previously reported for 2008 by EUR 13.4 million and correspondingly increases the cost of goods sold.

On 1 January 2009, the Easyhaler® business was transferred from the Specialty Products to Proprietary Products division. At the same time hormone replacement products, such as the Divina® range, and toremifene products, such as Fareston®, were transferred to Specialty Products.



**Orion in change**

Timo Lappalainen,  
CEO

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## Estimated annual growth 4–7% through 2013

- Estimated global pharma market growth 4–6 % in 2010 <sup>1)</sup>
  - sales to exceed USD 825 billion in 2010
- Sales to exceed USD 975 billion by 2013 <sup>1)</sup>
- Generic market ca. USD 80 billion, down by 4% <sup>2)</sup>
  - top 8 countries cover 84% of the total generics sales
  - market increased in volume, but declined in value due to heavy price competition
  - OTC markets opportunities still attractive
- Stronger near-term growth in the USA than the previous estimate<sup>1)</sup>
- Emerging markets sustain strong growth up to 15% during the next 5 years <sup>1)</sup>

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1) Source: IMS Health Oct 2009  
2) Source: IMS Health Dec 2008



## Innovations and funding under intensifying pressure

### Consumer

- Population aging
- Health consciousness intensifying
- Demand for personalised therapy increasing
- Service concept approaches broadening
- New distribution channels emerging
- Private spend on medicines increasing

### Technology

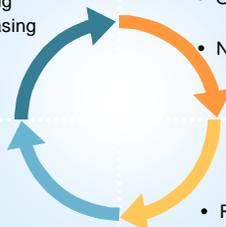
- R&D productivity declining
- Role of biologicals increasing
- Alternative technologies emerging
- Industry consolidation intensifying
- E-commerce opportunities broadening

### Socio-economic

- Economic downturn still influencing
- Role of innovations as the major growth driver increasing
  - Number of generic launches increasing
  - Growth in emerging markets intensifying
    - Competition increasing
- Numerous market specific payer actions emerging

### Regulatory

- Price regulations emerging
- Reimbursement requirements increasing
- Scrutiny on drug efficacy and safety intensifying
- Time span of regulatory processes extending

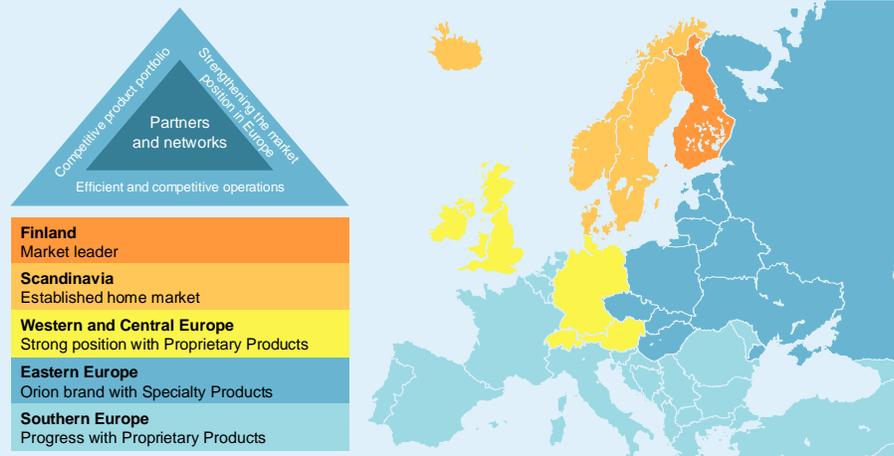


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## Profitable growth and increased shareholder value, whilst keeping business risks under control

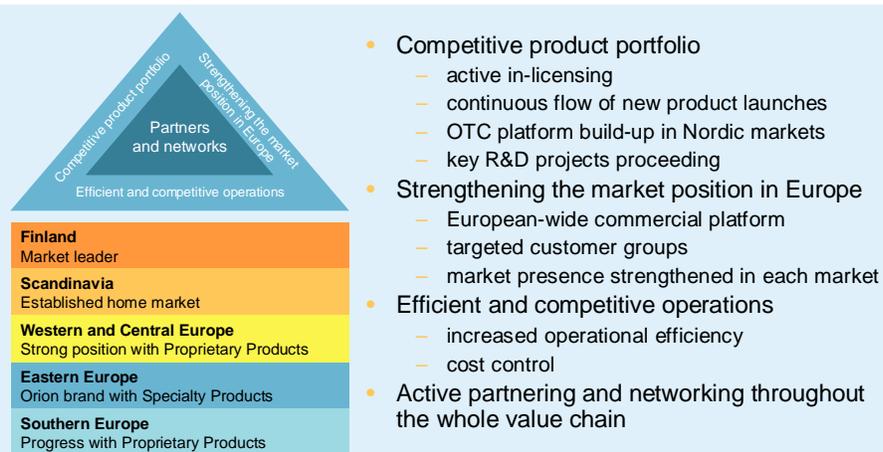


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## Orion's main strategic initiatives to key industry challenges



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## Orion's financial objectives revised

Net sales and profitability in next few years depend on rate of:

- decline in sales of Parkinson's drugs
- growth in sales of other products

## Orion's revised financial objectives

1. Ensuring financial stability
2. Creating foundation for long-term profitable growth

Principal means of achieving objectives:

- improving organic growth of net sales and operating profit through product, product portfolio and company acquisitions
- increasing efficiency of operations and cost control
- maintaining stable financial position, with equity ratio at least 50%

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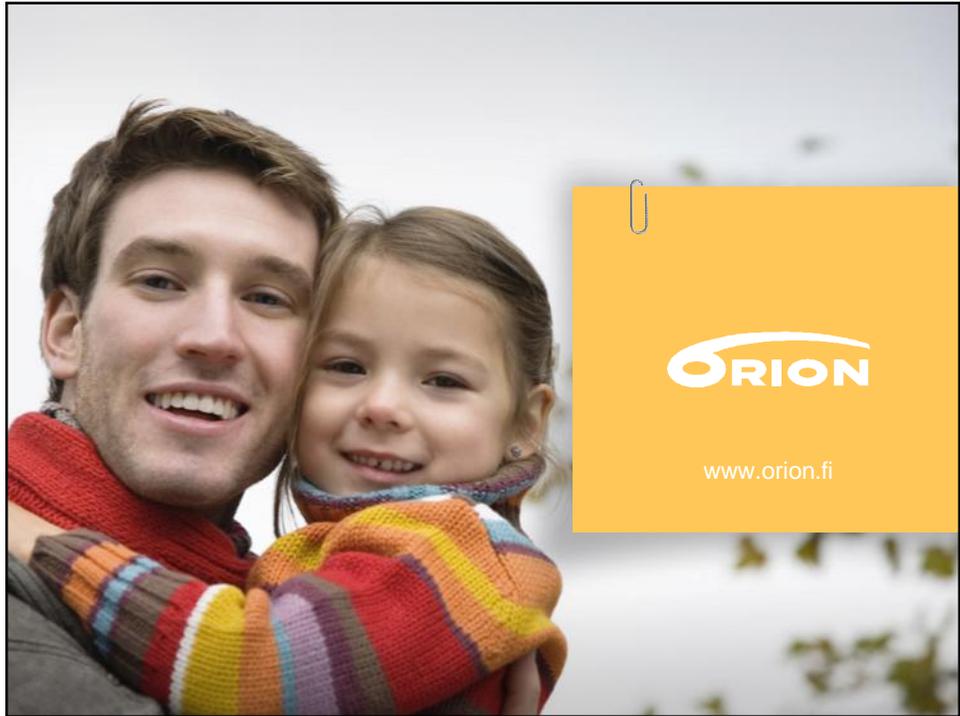
## Outlook for 2009

- Net sales slightly higher than 2008
  - higher marketing expenditure
  - slightly higher R&D expenses
  - higher patent litigation costs than in 2008
- Operating profit excluding non-recurring items slightly higher than 2008
  - in addition, EUR 4 million non-recurring payment expected from Pfizer this year
- R&D expenses about EUR 95 million
  - in addition, about EUR 10 million to support products already in market
- Group capital expenditure about EUR 65 million
  - including repurchase of Simdax but excluding other new substantial corporate or product acquisitions

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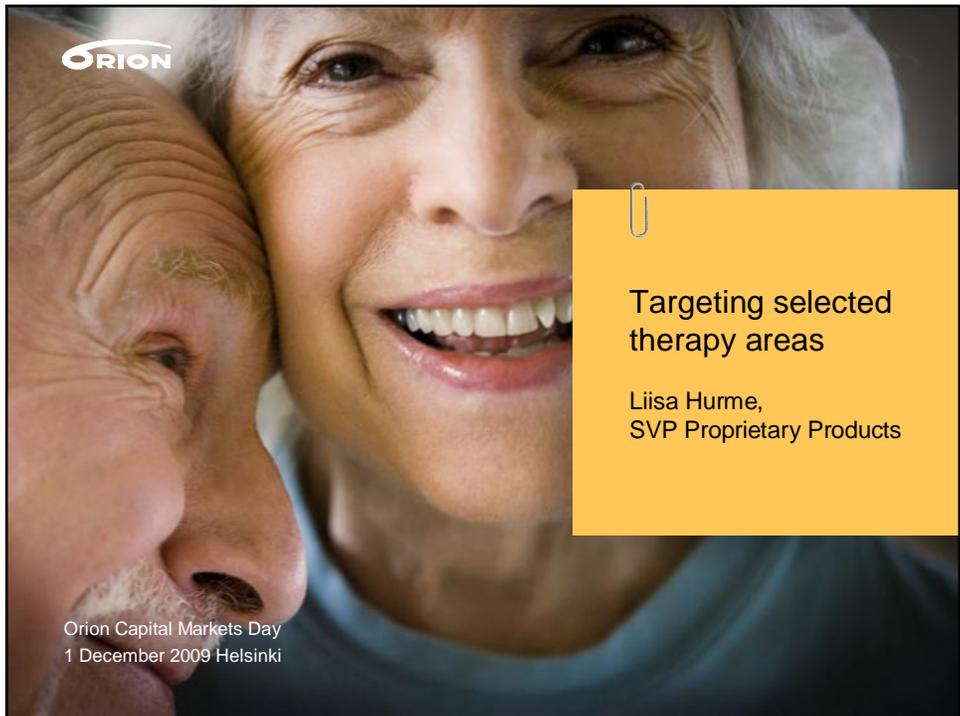
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[www.orion.fi](http://www.orion.fi)



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Targeting selected  
therapy areas

Liisa Hurme,  
SVP Proprietary Products

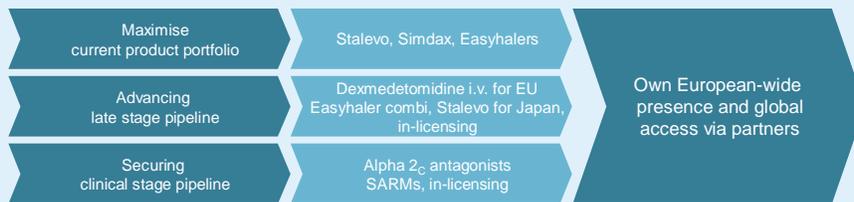
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## Innovative treatments worldwide

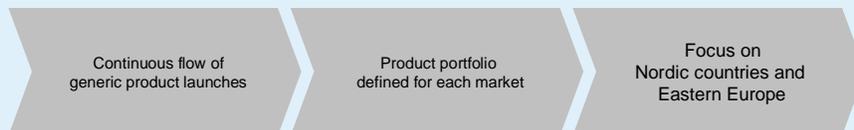


## Growth is based on competitive product portfolio

### Specialist care



### Generic and Over-the-Counter (OTC) products



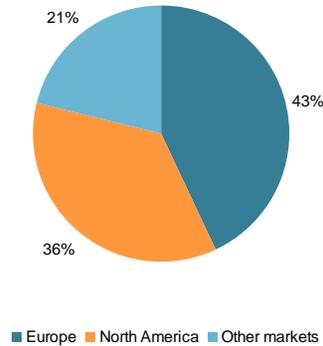
## Parkinson's disease – one of the most common progressive neurological diseases

Neurology

- Affects globally more than 6 million people
  - over 1 million patients in Europe <sup>1)</sup>
  - 1–1.5 million patients in the USA
- Average age at disease onset 55–60 years
- Symptoms may include
  - tremor, slowness of movement, balance problems and stiffness and rigidity of limbs
- Cause is due to the dopaminergic cells are degenerating in a part of the brain that controls and modulates movement

### Global Parkinson's drug market in 2007 <sup>2)</sup>

USD million / Total N4A market split



1) Source: P. Andlin-Sobocki et al, European Journal of Neurology 12 (Suppl 1) June 2005  
2) Source: IMS Health, Jun 2008

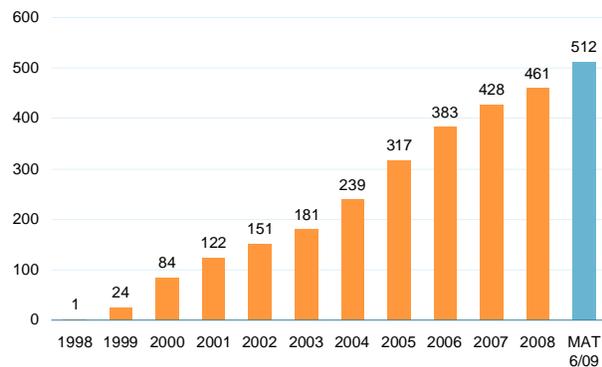


## Stalevo – established treatment for Parkinson's

Neurology

### Combined global in-market sales of Stalevo®, Comtess® and Comtan®

EUR million / TRD

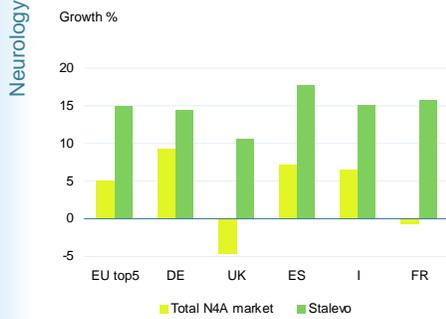


Source: IMS Health, Oct 2009

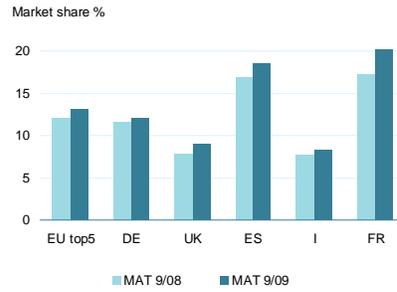


## Stalevo's market shares still growing

Growth of Stalevo® vs. total N4A market  
MAT 9/08 vs. MAT 9/09



Market share of Stalevo®



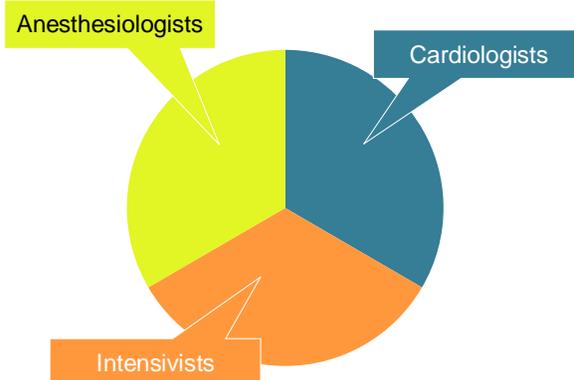
- Currently, the combined market share of Stalevo® and Comtess® / Comtan® in the five largest European markets is 16%
- In USA, the market share is 17%
- In France, Stalevo® is the market leader with 20% market share

Source: IMS Health, Oct 2009



## One operational environment – numerous specialists

Intensive care



Dexmedetomidine  
i.v. in the EU

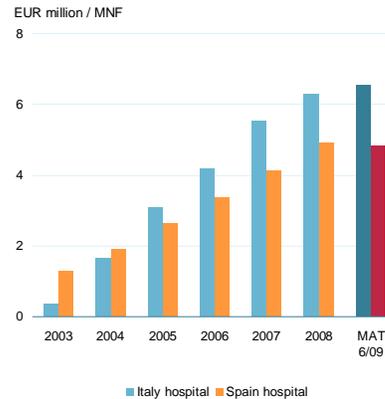


## Simdax – platform for European Intensive Care portfolio

Intensive care

- **Simdax®** for acute heart failure treatment with rapid and sustained symptomatic, haemodynamic and neurohormonal improvement
  - marketed in 53 countries
  - Orion present in 21 European countries
  - several marketing partners incl. Abbott
- **Aggrastat®** for acute coronary syndrome
  - tirofiban developed by Merck
  - marketing rights in-licensed from Iroko covering Nordic markets, Belgium and Luxemburg
- **Precedex®** and intravenously administered **dexmedetomidine** for sedation of initially intubated and mechanically ventilated patients during treatment in intensive care setting
  - including sedation of non-intubated patients prior to and/or during surgical and other procedures
  - product registered in 46 countries incl. USA and Japan
  - marketed and distributed by Hospira
  - Orion has phase III studies for Europe ongoing

Simdax® hospital sales in Italy and Spain



Source: IMS Health, Jun 2009

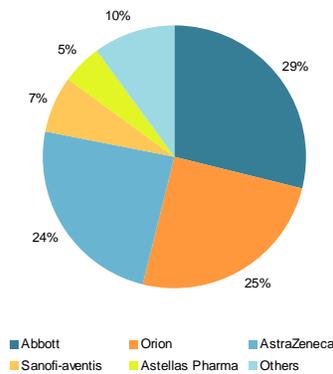


## Orion's strong position in prostate cancer markets in Nordic region

Urology

- Prostate cancer is currently the most frequent cancer diagnosed in men in Europe
- Estimated 350 000 cases diagnosed each year <sup>1)</sup>

Orion's market position in urology markets <sup>2)</sup> (Finland, Sweden, Norway)



1) Source: Ferlay et. al. Annals of Oncology 18; 581–592, 2007  
 2) L2A3 cyto gonad hormone analog market  
 2) Source: IMS Health, Oct 2009



## From Nordic leader to European player

Urology

- **Enanton®** for advanced prostate cancer
  - flagship product in the Nordic region
  - broad portfolio with 1 month, 3 month and 6 month treatments
- **Vantas®** for advanced prostate cancer
  - new implant formulation
  - Orion's experience in urology
  - platform for European urology portfolio
- **Kentera®** for overactive bladder
  - marketing rights cover the Nordic countries and Switzerland

ENANTON® Depot  
topotecan

ORION-TRIMBY  
**VANTAS**  
(histrelin implant)

**Kentera**

Pacical®

ORION

## Asthma and COPD – major chronic respiratory diseases

Respiratory diseases

- Both asthma and Chronic Obstructive Pulmonary Disease (COPD) each affects 5–10% of the population
  - market size over USD 20 billion annually and expected to grow
- COPD globally ranked #4 as the main cause of death
  - smoking is a major risk factor
- Asthma is the most common chronic disease among children

Easyhaler® net sales



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## Global coverage with well-known Easyhaler device

Respiratory

- Winning concept with **Easyhaler®**
  - simple and easy to use and therefore suitable especially for children and elderly
  - preferred by patients
  - broad product offering
- Strong growth continues
  - global sales ca. EUR 40 million in 2008
  - products authorised in 30 countries and coverage expanding
  - targeting the pulmonologists and general practitioners
- Solid partnerships to cover the main markets
  - e.g. Hexal, Abdi Ibrahim, Berlin Chemie
- Latest news on **Easyhaler®**
  - sales in the UK, Hungary and partly in Germany transferred back to Orion
  - Budesonide/formoterol -combination under development

Salbutamol  
Easyhaler®



Beclomethasone  
Easyhaler®



Budesonide  
Easyhaler®



Formoterol  
Easyhaler®



Development of  
budesonide/  
formoterol  
combination

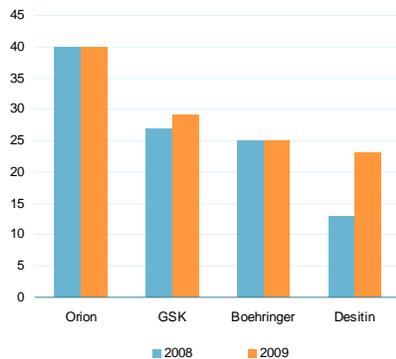


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## Orion is focusing on four customer segments

### Companies' service ranked by neurologists in Germany

% of customers that think the company has outstanding services

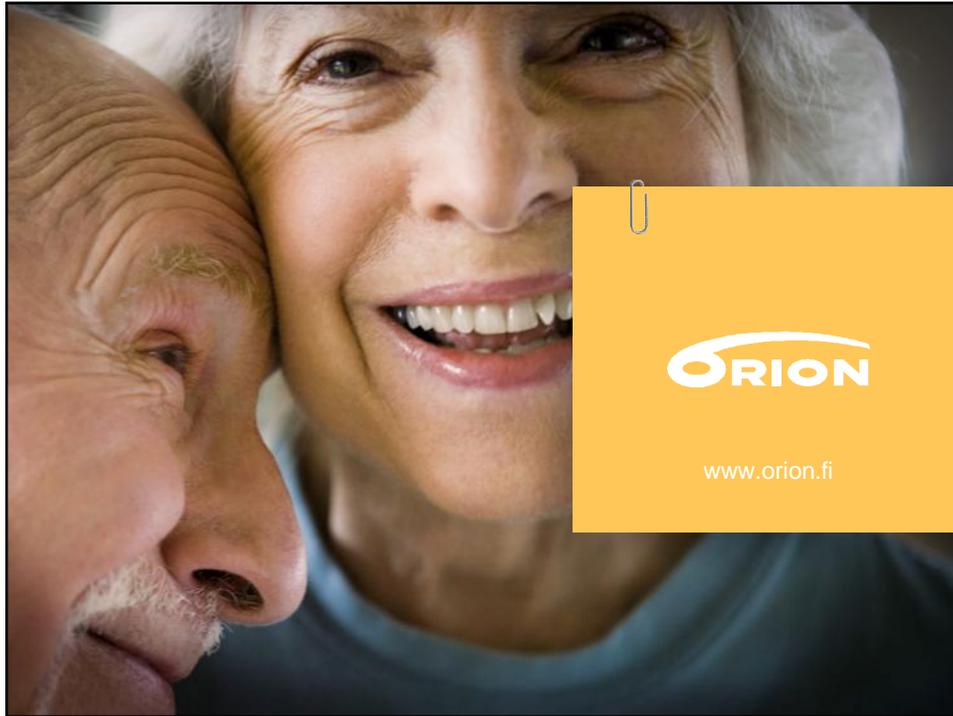


Orion is

- focusing on four therapy areas and targeting those selected specialist groups
- broadening the current product portfolio through in-house R&D and in-licensing
- close to the customer and therefore preferred by the customers

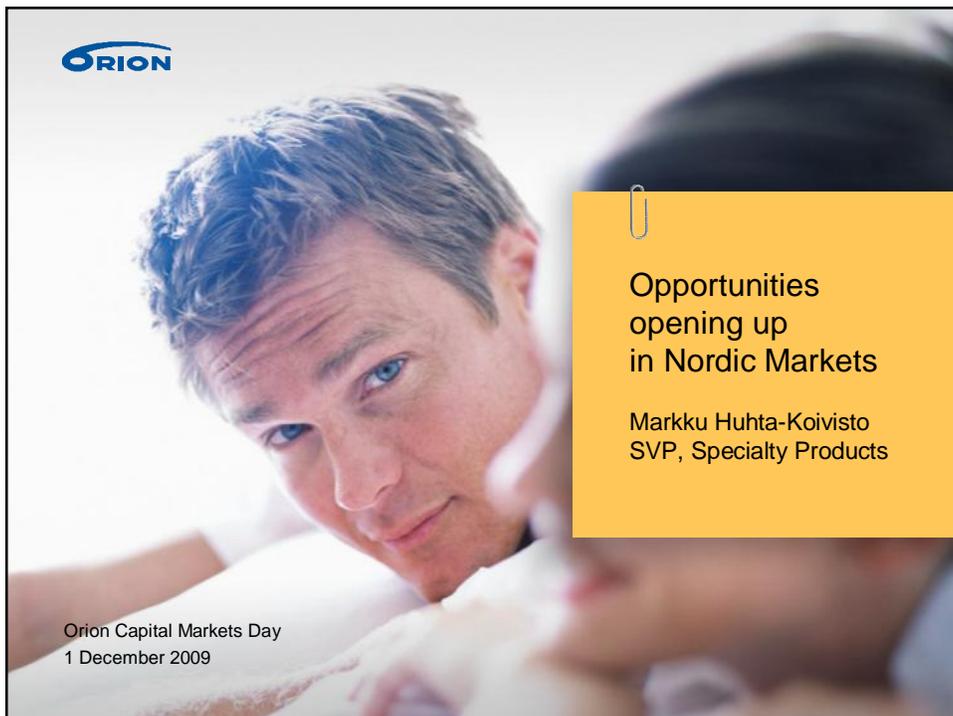
Source: Medupha-analysis, Parkinson 2009

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**Opportunities  
opening up  
in Nordic Markets**

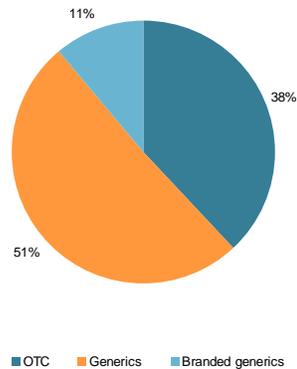
**Markku Huhta-Koivisto  
SVP, Specialty Products**

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## Off-patent, prescription and self-care products for GPs, specialists, pharmacists, hospitals and consumers

- Branded generics market value and potential is growing
  - products with added value
  - products under limited patent protection
- Generic markets are expanding
  - price competition tough, but volumes and value increasing
  - securing availability also important
- Self care (SC), over-the-counter (OTC) and non-medical products distribution through pharmacies
  - Orion the market leader in Finland
  - few products available in Scandinavia, Eastern Europe and Russia
  - build-up on chosen platforms in Scandinavia initiated

Specialty Products net sales in 2008



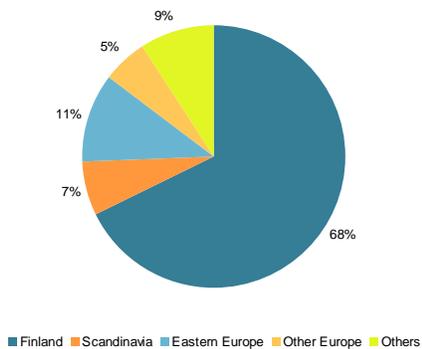
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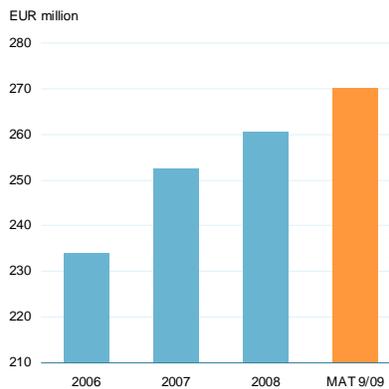


## Steady growth during recent years – Finland dominates, Scandinavia growing

Specialty Products net sales by geographical area (MAT 9/09)



Specialty Products sales development



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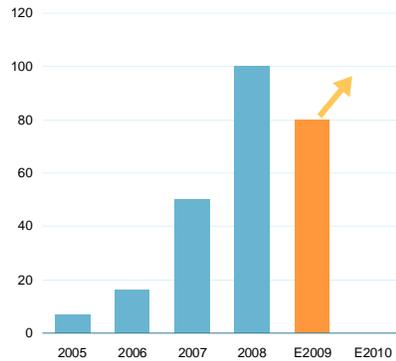
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## Launches for Specialty Products expanded

### Launches for Specialty Products

Number of product/country combinations annually



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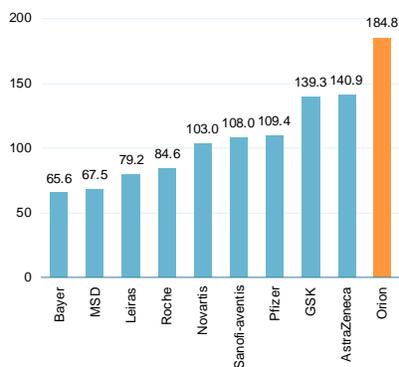


## Orion's market leadership in Finland strengthened

- Finnish wholesales of human pharmaceuticals totalled EUR 1,958.8 million
  - market growth of 2.0%
- Orion's share was EUR 184.8 million
  - growth of 6.0%
- Orion is the market leader with 9.4% market share
- Orion is especially strong in self-care products (with markets share of 25.5%) and prescription drugs (Rx)

### Leading pharmaceutical companies in Finland (MAT 9/09)

EUR million



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Source: Finnish Pharmaceutical Data Oct 2009



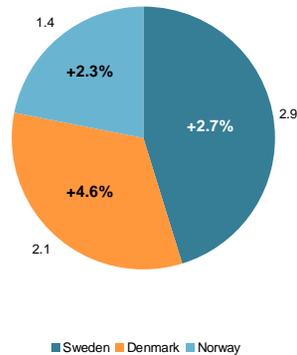
## Orion establishing home market in Scandinavia

- Self-care market in Scandinavia covers 8–12% of the total pharma market
- Generics market in Scandinavia covers
  - 10–15% of the total pharma markets in value and
  - ca. 40% of the total pharma market in volume



### Human Pharmaceuticals market in Scandinavia (MAT 09/09)

EUR billion



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## Orion's latest key actions in Scandinavia

### Self care products (OTC)

- Relaunch of Danatekt in Denmark 2006 for medical skincare
- Launch of Pronaxen (naproxen) in Sweden 2007 for pain management
- Relaunch of Sebamed in Norway 2009 for skincare
- Launch of Oriptan (sumatriptan) in Sweden 2009



### Prescription drugs (Rx)

- Launch of 6 generics in Sweden and Denmark in 2008
- Launch of 5 generics in Sweden and Denmark in 2009
  - excluding Pivmecillinam
- Launch of Pivmecillinam in Sweden, Denmark, Norway and Finland 2009



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## Strong growth in Scandinavia

### Specialty Products net sales in Scandinavia (MAT 09/09)

	Sales (EUR million)	Growth % in local currency
<b>Sweden</b>		
Rx	3.7	+51%
HRT	1.4	-10%
Self-care	2.0	+4%
Total	7.0	+20%
<b>Denmark</b>		
Rx	6.8	+40%
HRT	0.3	- 8%
Self-care	2.5	+3%
Total	9.6	+26%
<b>Norway</b>		
Rx	1.6	+70%
HRT	0.0	0%
Self-care	1.5	+210%
Total	3.2	+113%



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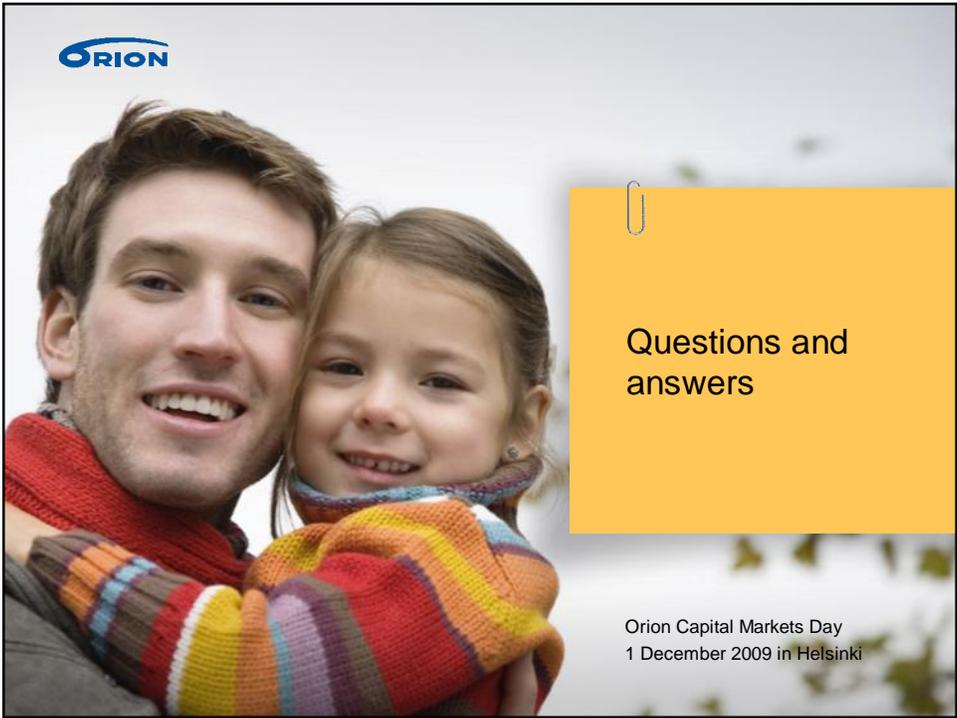
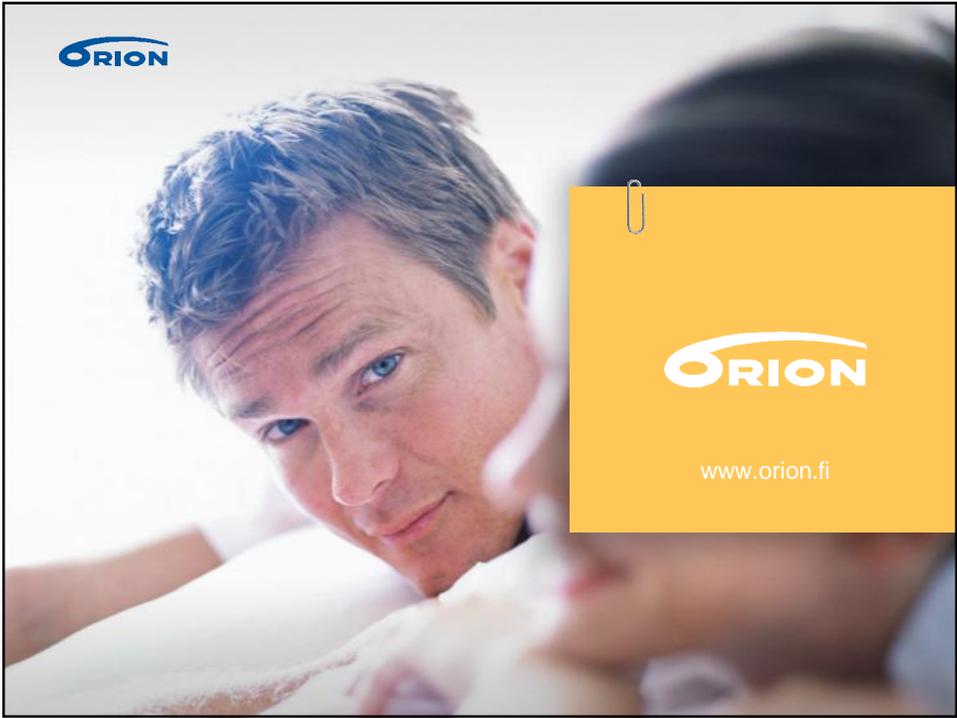
## Finnish market synergies are maximised in Scandinavia

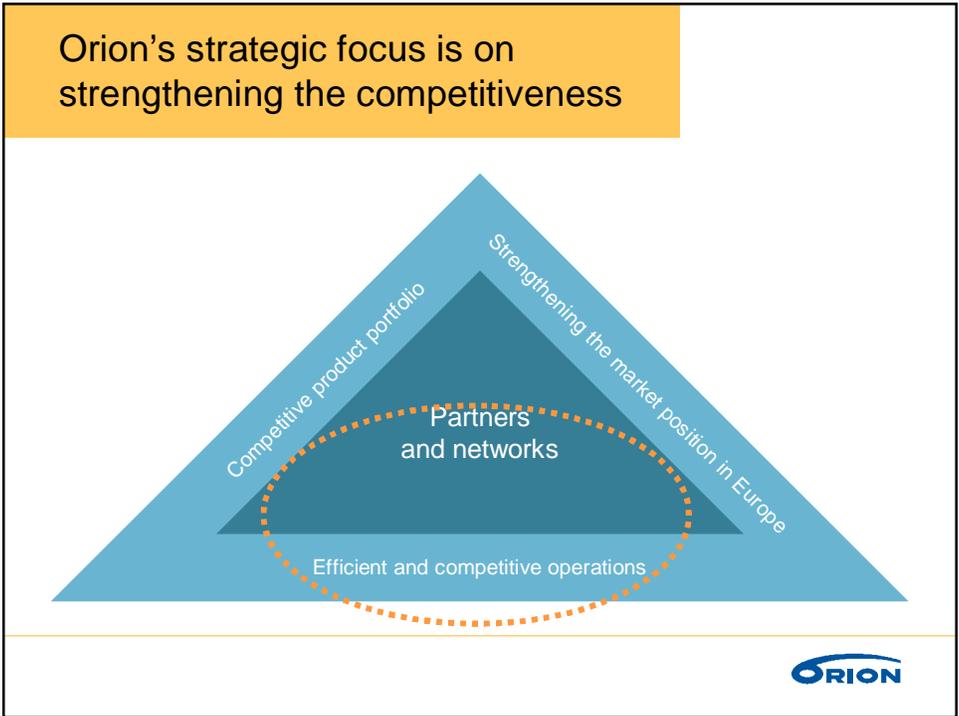
- Orion has broad product portfolio and strong market position in Finland
- Presence in Scandinavia has been build step by step
  - long experience from the market
- Existing operations will be strengthened with broader portfolio and Orion brand
  - focus on building the OTC portfolio
- Orion's position as a generic player will be strengthened
  - synergies between Rx and OTC products
- Retail stores as one of the distribution channels in Scandinavia

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## Why efficiency matters?

Pharma industry is facing major structural changes

- Global health care cost containment
- Continuous price cuts especially in generics due to competition and regulatory actions
- High prices even for new proprietary products no longer self evident
- High obligatory costs in pharmaceutical business
  - quality control, drug safety, GXP, audits, regulatory, etc.
- Higher demand volatility in the market than earlier
  - reference pricing and generic substitution mechanisms, centralised buying, etc.
- Challenges in new product development time and cost
- Generic companies aggressively challenging the patents
- Financial crisis highlighted the importance of cash flow management
  - working capital, capital expenditure
- ....
- Additionally Orion is facing the expiry of key entacapone patents during 2012–2013



## What is efficiency?

It's much more than having a competitive cost structure

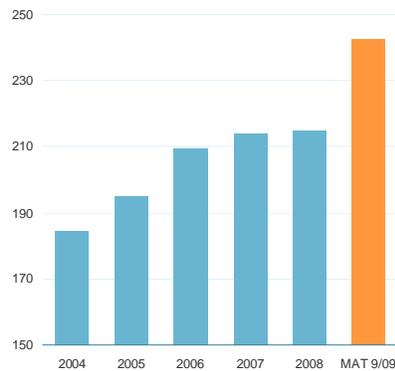
- Therefore managing the costs is very important
- Agility and flexibility are as important than low cost structure in the future
  - increasingly volatile markets
  - changing operating environment
  - often better to improve capability to react than to try to anticipate the uncertain future
  - Orion needs to be able to react faster than competitors in order to stay competitive due to its small size



## Orion's overall productivity has steadily improved

### Sales per person

(in thousands of euros)



	2004	9/2009*	Change %
Net sales (EUR million)	553	758	+37%
Personnel	2,997	3,125	+4%
Sales/person (EUR thousand)	184	243	+31%

\* Net sales as a rolling 12 months 10/08 – 9/09



## Partnerships and networking are important throughout the entire chain of operations

- R&D partnerships and networks cover all phases from preclinical to product registration
  - balances risks and enables an increasing number of new research projects
- Supply Chain operations are global and partnerships cover the whole chain of operations
  - “make or buy” decisions
- Marketing and sales partners ensure a broad coverage of distribution channels
  - in-licensed products broadens Orion's product portfolio
  - out-licensing of in-house developed products secures global presence to Orion's products
- Outsourcing of selected support and administrative activities



## Flexibility in R&D operations and cost structure

- Emphasis on R&D collaborations and partnerships
  - from fixed to variable cost structure
  - reduction of close to 200 persons from internal R&D during 2009
  - risk sharing models also in early research and partnering usually for clinical phase III at the latest to share risk and cost
  - generics development increasingly via partnerships
- Increase in the number of research programs = efficiency improvement
  - balancing of risks of individual projects
  - in-licensing of molecules to compliment own early research
  - life-cycle management of own innovative treatments
- Synergies between human pharmaceuticals and Animal Health business
  - utilisation of human pharmaceuticals research
  - product maintenance, development and in-licensing operations



## Supply chain improvement program

– challenging mix of goals

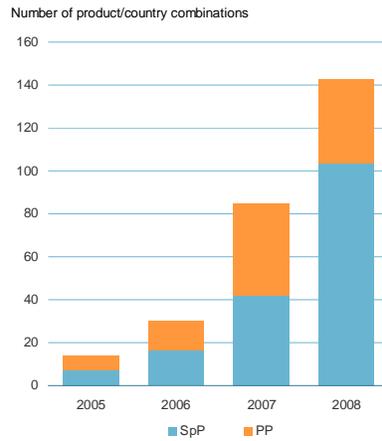
- Margin improvement
  - decreasing operational cost in own manufacturing
  - outsourcing to reach scale advantages
  - efficient procurement incl. in-direct purchases
- Better agility and flexibility
  - improvements in both forecasting and capability to react fast
  - lead time improvements in manufacturing
  - outsourcing to improve flexibility
- Better cash conversion
  - inventory reduction
    - from all time high EUR 141 million in 6/2008 to EUR 122 million in 9/2009
  - efficient procurement
    - prices, payment terms, delivery terms
  - management of capital expenditure
    - process improvements, outsourcing
- Excellent customer service



## Increasing number of product launches

- Increase has required major improvements in the launch process and smooth cooperation between most functions within the company
- Overall launch process has become significantly more complex
  - larger number of countries and therapy areas than earlier

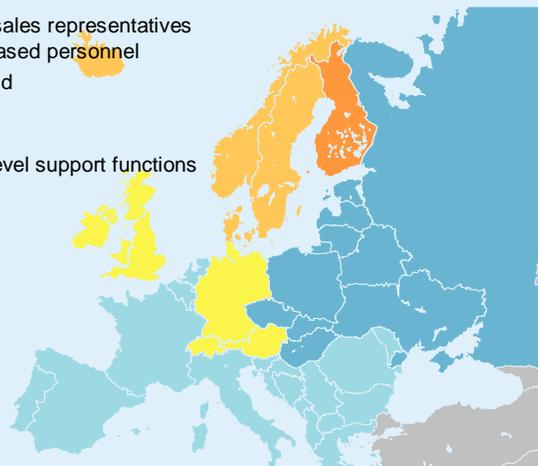
### Orion's product launches of human pharmaceuticals

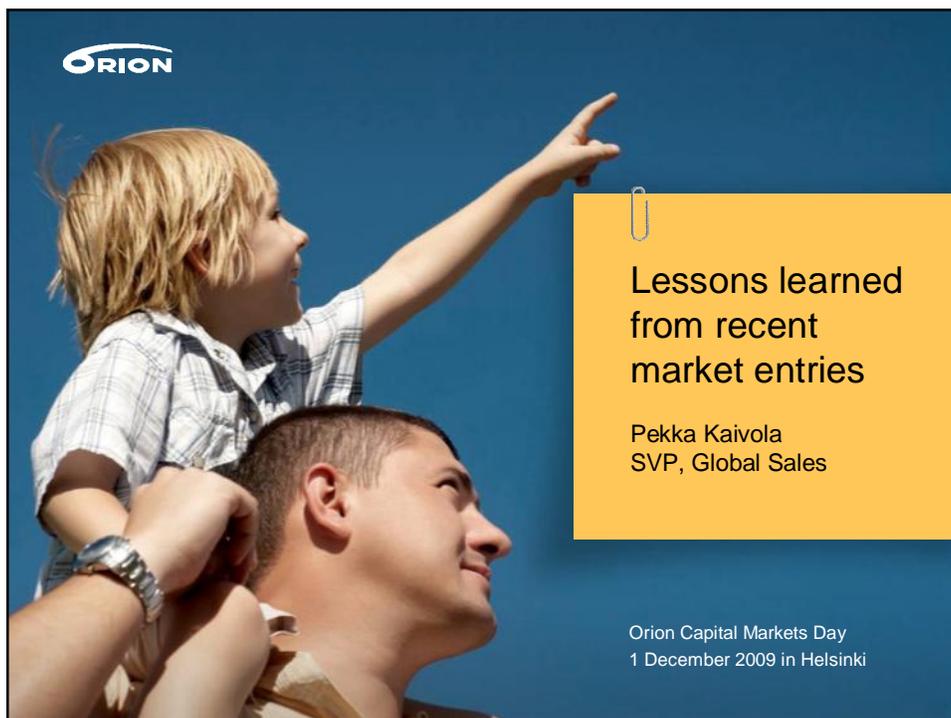


## Focused sales operations

- Clear focus by region
- Local operations consist mainly of sales representatives with very limited number of office based personnel
- Flexibility in resource allocations and use of contract sales forces
  - e.g. during new product launches
- Efficient use of centralised Group level support functions

<b>Finland</b>	Market leader
<b>Scandinavia</b>	Established home market
<b>Western and Central Europe</b>	Strong position with Proprietary Products
<b>Eastern Europe</b>	Orion brand with Specialty Products
<b>Southern Europe</b>	Progress with Proprietary Products





## Orion is building European presence

2005 Orion Pharma is a **North European**, R&D based, ...

2007 Orion is a **European**, R&D-based, ...

- European sales coverage for new proprietary products
- European sales coverage to enable successful in-licensing

2009 Orion is an **innovative, European**, R&D-based, ...

- European sales coverage for new proprietary products
- European sales coverage to enable successful in-licensing
- Regional approaches:
  - Finland** – Market leader
  - Scandinavia** – Established home market
  - Western and Central Europe** – Strong position with Proprietary Products
  - Eastern Europe** – Orion brand with Specialty Products
  - Southern Europe** – Progress with Proprietary Products

2010 We continue to strengthen our European presence

■ Orion's presence in 2004

■ Additional countries, status in 2009

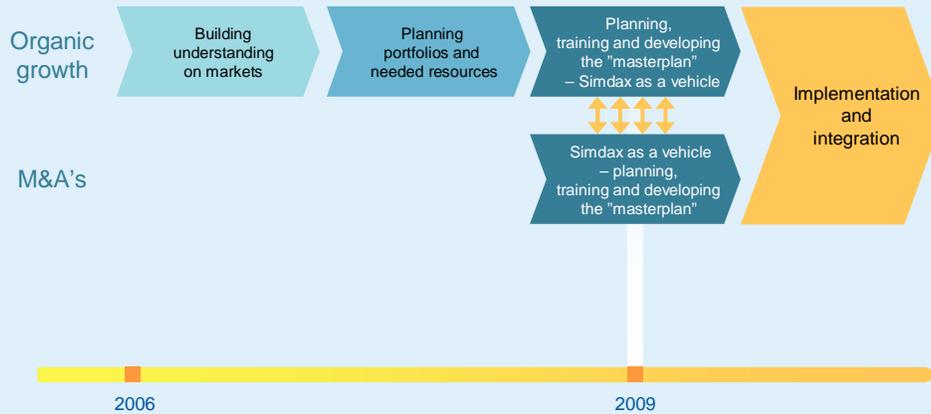


## Cornerstones of the European presence

- Accelerate the development of pipeline
  - in-licensing of products
  - M&A (products, portfolios, etc.)
- Minimise the financial impact of parallel trade
  - strategic assets (M&A, pricing, distribution) in the ownership of Orion
- Focus on people
  - retention and development of excellent performers is crucial for the future success



## Roadmap for European presence



## Building understanding on local markets

- Each market is different as EU is not fully harmonised
  - regulatory process
  - pharmacovigilance
  - pricing
  - reimbursement
  - distribution
  - service providers, etc
- Orion's older products were distributed through partners and used as vehicles when studying the local environment
  - *selegine* in Spain, *tamoxifen* in Italy, *warfarin* in Slovenia, *Easyhaler®* in Spain and Greece



## Planning portfolios and sales resources

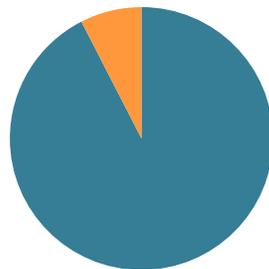
- Focus on customers, who diagnose and initiate the treatment with products where price holds
  - dexmedetomidine
  - old cash cows: selegiline, tamoxifene, warfarin, HRT's
  - Vantas® (histrelin)
  - Easyhaler® portfolio
  - Simdax® (levosimendan)
- Resources
  - small scale operations
  - establishment only after certainty of portfolio development

Evolution of Portfolio



## Integration of Simdax almost completed

Share of Simdax® net sales



■ Transferred ■ Transfer still pending

- Acquisition took place in May 2009
- New sales operations and companies established during 2009
  - Austria, Greece, Italy, Portugal and Spain
- Recent market entries are based on Simdax®



## Operational model at country level

– case Italy



- Purely sales driven organisation focused on key customers
  - 1 marketing & sales manager
  - 7 sales representatives
- All other **local** functions outsourced
- **Headquarter** support in medical, legal, controlling, accounting, etc.



## Key lessons from recent expansions

- Every country is unique → takes time to develop expertise
- Practical/banal items take time
- Leaders are crucial!
- Study what you plan to acquire
  - Simdax is our own baby, for us it's in the focus
  - thorough understanding (science, sales)
- Integration requires preparation
  - plan in advance
  - utilise earlier lessons from "launch processes"
  - prioritise
  - act cross-functionally
- Nothing beats doing
  - excellent learning / training lesson for more than hundred Orion people

Helps to maximise the value and minimise the risks

→ **Increased competence and self-confidence to manage future exercises**



## Further development of operations

– case Orion Pharma UK

- From red figures in 2004 to one of the most profitable operations today
  - focus on customers, exclude everything else
  - do what you can afford
  - high customer satisfaction, strong development in sales and profit
- Transformation from one customer group to three
  - Central Nervous System (*Stalevo*<sup>®</sup> and *Comtess*<sup>®</sup>) as the backbone
  - asthma (*Easyhaler*<sup>®</sup>), development of future strategies according to current experiences
    - *Easyhaler*<sup>®</sup> marketing rights transferred to Orion in 2009
  - urology (*Vantas*<sup>®</sup>)
  - development of critical care platform

• Learning and lean organisation  
• Competencies developed through concrete actions

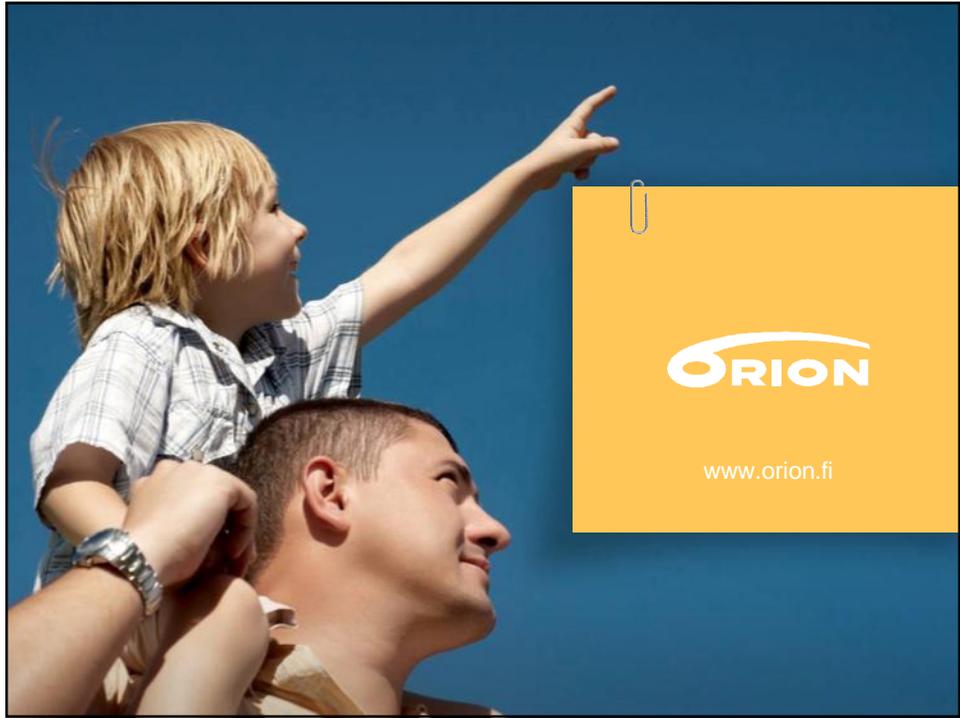


## Build operations based on the existing strengths

- Appreciate the competitors
  - learn from them but do not copy
- Plan in advance (70–80% certainty)
  - exploit previous experiences of managing small operations
- Select the personnel carefully
  - thorough process when recruiting the country heads
  - need for passionate sales people
  - train them for Orion values and substance
- Implement decisively
- Gather feedback and control activities
  - revisit the performance and actions and repair immediately
- Have fun at work and sell like hell!

**IT'S PEOPLE WHO MAKE IT HAPPEN!**





**ORION**

[www.orion.fi](http://www.orion.fi)

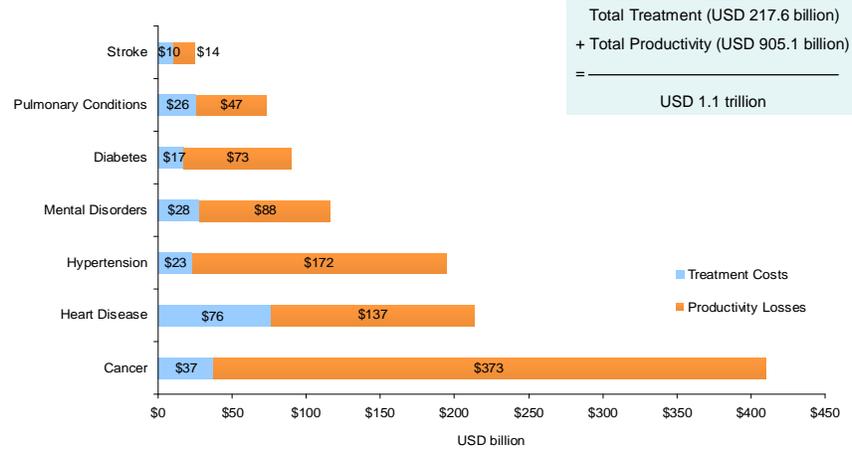


**Partnering  
provides more  
possibilities**

Reijo Salonen  
SVP, R&D

Orion Capital Markets Day  
1 December 2009 in Helsinki

## Pharmaceuticals are high return investments for societies



Source: R. DeVol and A. Bedroussian, Oct 2007



## Orion as a partner in R&D

### Orion's core competences in proprietary drug development

- IPR creation skills
- strategic and scientific thinking and planning
- thorough understanding on drug development
- lead optimisation skills
- networking skills
- excellent regulatory negotiation skills

→ Orion has discovered and developed 7 original proprietary products

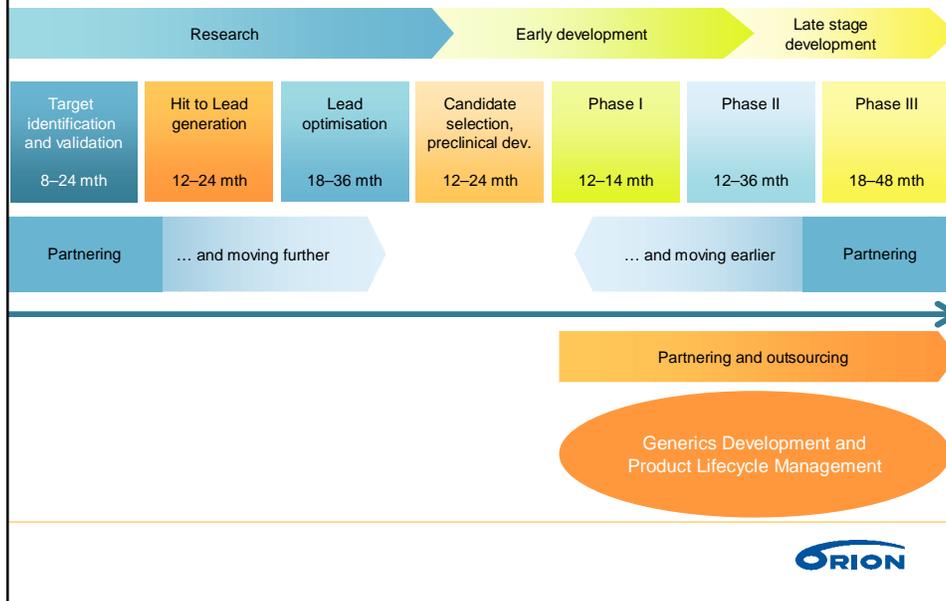
### Orion's core competences in generic drug development

- cost efficiency
- agility and speed
- complexity management skills
  - increasing nro of products, drugs, non-drugs, CE marked medical devices
- quality
- constant product availability in the chosen markets

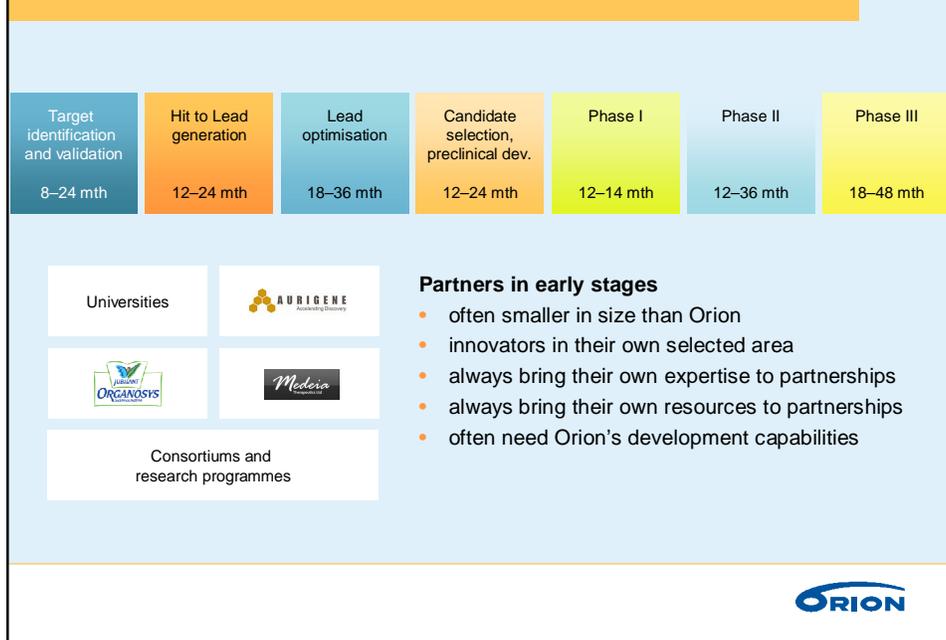
→ Orion has developed over 100 generic products



## Different partners for NCEs and generic products



## Partners at early stages offers cost efficiency



## Partners at late stages share risks and profits

Target identification and validation 8–24 mth	Hit to Lead generation 12–24 mth	Lead optimisation 18–36 mth	Candidate selection, preclinical dev. 12–24 mth	Phase I 12–14 mth	Phase II 12–36 mth	Phase III 18–48 mth
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### Partners in late stages

- often bigger in size than Orion
- bring their large resources to share the risk and the profit
- are experts outside Europe, particularly the USA
- are experts in large scale, multi-continental clinical trials and global registration

 NOVARTIS

 Pfizer

 Hospira

 ORION

## In-licensing partners secure consistent product flow

Target identification and validation 8–24 mth	Hit to Lead generation 12–24 mth	Lead optimisation 18–36 mth	Candidate selection, preclinical dev. 12–24 mth	Phase I 12–14 mth	Phase II 12–36 mth	Phase III 18–48 mth
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### Partners in in-licensing

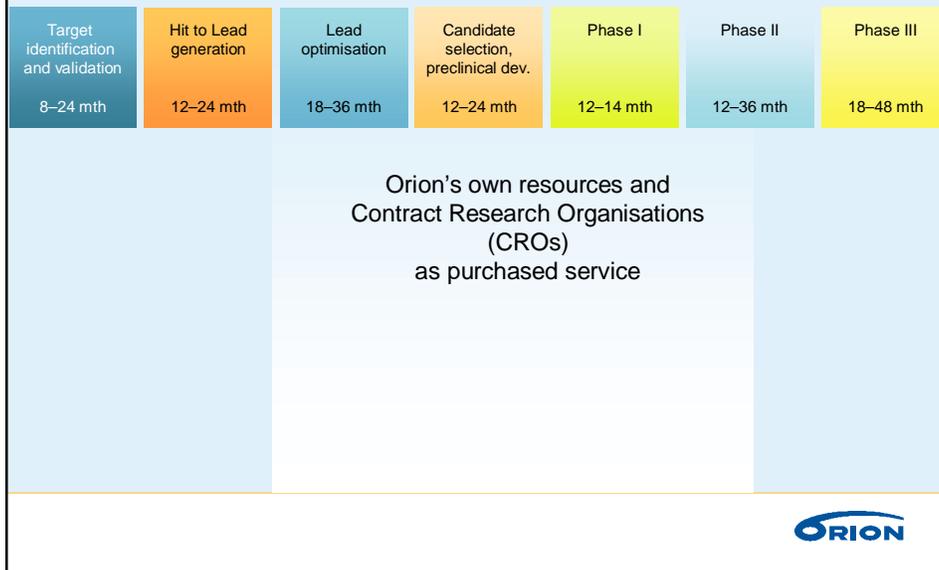
- usually in late clinical phases
- in-licensing regional or European-wide marketing rights for Orion
- use of Orion's development capabilities varies

 oasmia

 ENDO  
PHARMACEUTICALS

 ORION

## Orion's own expertise is focused on selected areas



## Important networks within the pharma industry

- Whole pharmaceutical industry shares the same problems associated with productivity and attrition
  - joining forces makes a lot of sense
- Orion is active in several networks
  - EFPIAn Research Directors' Group
  - Innovative Medicines Initiative (IMI)
  - Other EFPIA working groups
  - Mid-Pharma Network
  - Bilateral contacts (several hundreds)



## Orion's pharmaceutical research pipeline

Project	Indication	Pre-clinical	Clinical phases			Registration
			I	II	III	
Histrelin implant (Vantas®)	advanced prostate cancer	Endo Pharmaceuticals				
Toremifene	prostate cancer, osteoporosis	GTx				
Dexmedetomidine (i.v.) for Europe	sedative for patients in intensive care					
Easyhaler® combination	asthma, COPD					
Stalevo® for Japan	Parkinson's disease					
Paclitaxel for human use (Paclical®)	ovarian cancer	Oasmia				
Levosimendan for dogs (oral)	dogs' heart disease					
Paclitaxel for dogs (Paccal®)	mastocytoma (skin cancer)	Oasmia				
Alpha 2 <sub>c</sub> receptor pharmacology	schizophrenia, Alzheimer's					
Dexmedetomidine (non-intravenous)	pain management	Récro Pharma				
Pharmacology of steroid receptors	SARM, prostate cancer					

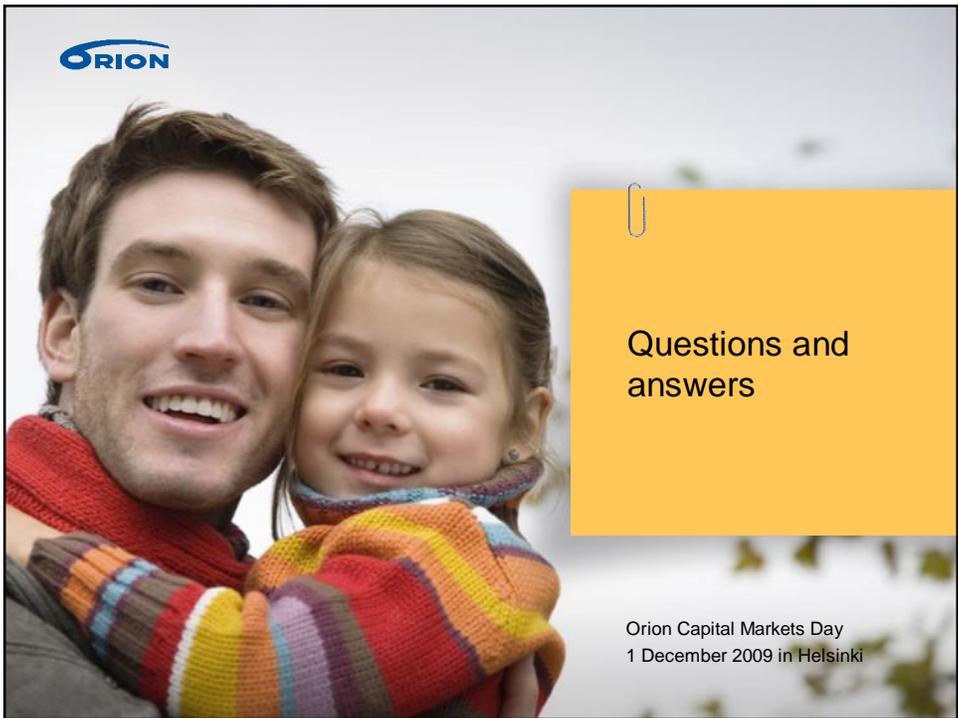
■ Own proprietary drug research  
■ Developed by a partner



## Optimal R&D strategy simultaneously focuses and diversifies

Increase productivity	Orion renewed its R&D model in late 2008
Focus on selected therapy areas	Orion's focuses on three core therapy areas + generics
Share the risks and rewards	Orion emphasises R&D collaboration and partnerships
Focus on strengths	Orion's in-house research covers mainly late research and early development phases
Diversify	Orion constantly strives to <ul style="list-style-type: none"> <li>• increase the overall number of programmes</li> <li>• balance the risks of individual projects</li> <li>• acquire new early research molecules</li> <li>• improve the life-cycle management of own innovative treatments</li> </ul>
M&As	Orion is active in in-licensing





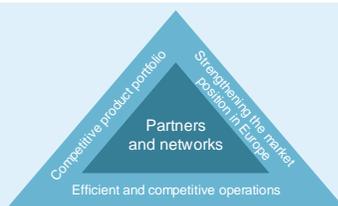


## Closing remarks

Timo Lappalainen  
CEO

Orion Capital Markets Day  
1 December 2009 in Helsinki

## Orion as a European partner – what we have achieved?



<b>Finland</b> Market leader
<b>Scandinavia</b> Established home market
<b>Western and Central Europe</b> Strong position with Proprietary Products
<b>Eastern Europe</b> Orion brand with Specialty Products
<b>Southern Europe</b> Progress with Proprietary Products

- Value added products acquired to selected therapy areas
- Close to 150 launches (product/market) of human pharmaceuticals annually
- OTC portfolio in Nordic markets broadening
- Market position in Finland strengthened
- Coverage expanded in Europe through new subsidiaries
- Operational efficiency improving
  - R&D operational model restructured
  - supply chain efficiency improved
  - lean sales operations



