



Review by the
President & CEO

Timo Lappalainen

Annual General Meeting of Orion
Corporation 24 March 2015

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.

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

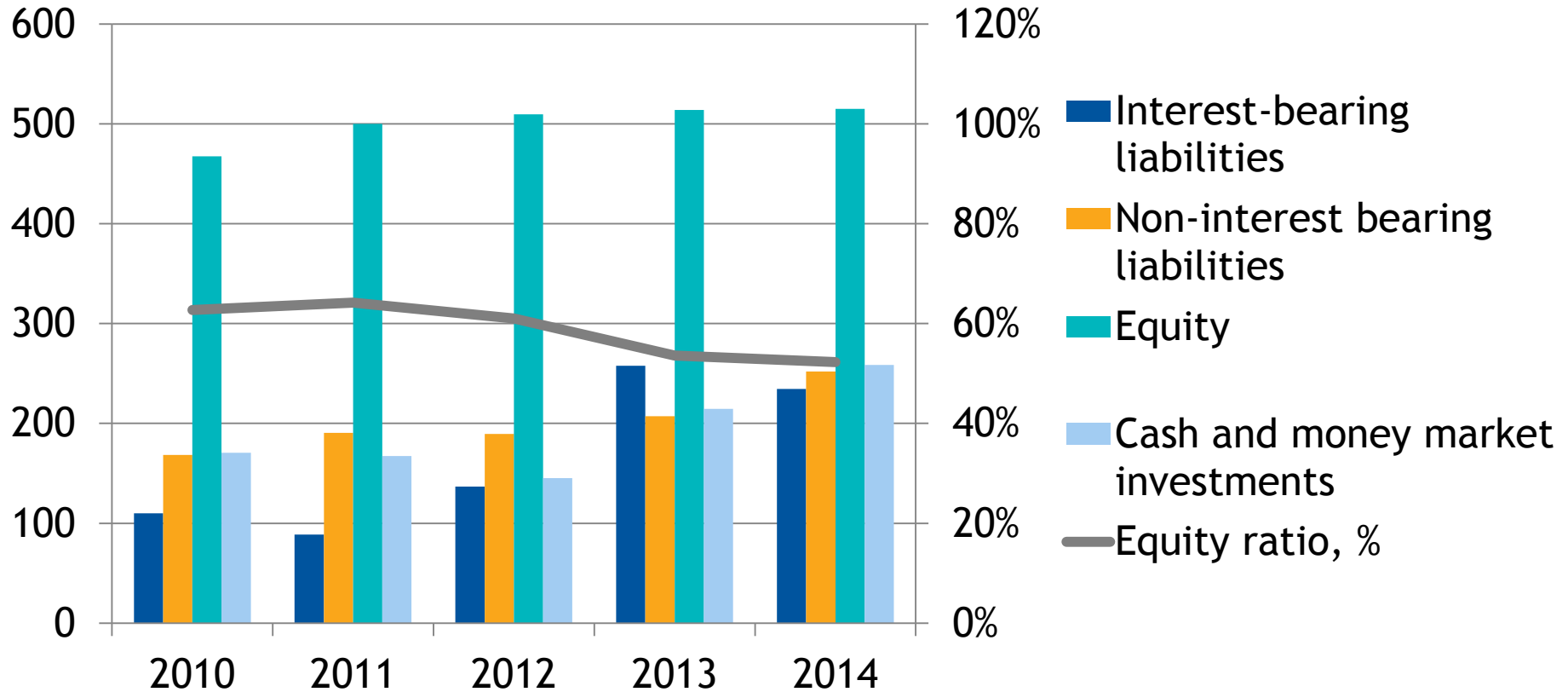
Development of key figures

Orion's key figures	2014	2013	Change %
Net sales, EUR million	1 015.3	1 006.9	+0.8%
Operating profit, EUR million	272.4	267.7	+1.8%
R&D expenses, EUR million	106.2	101.9	+4.2%
Equity ratio, %	52.3%	53.6%	
Basic earnings per share, EUR	1.50	1.46	+2.7%
Cash flow before financial items, EUR	1.72	1.02	+68.4%
Dividend per share, EUR	1.30 ¹⁾	1.25	+4.0%

¹⁾ Board of Directors' proposal to the AGM that dividend per share would be EUR 1.30

Structure of the balance sheet

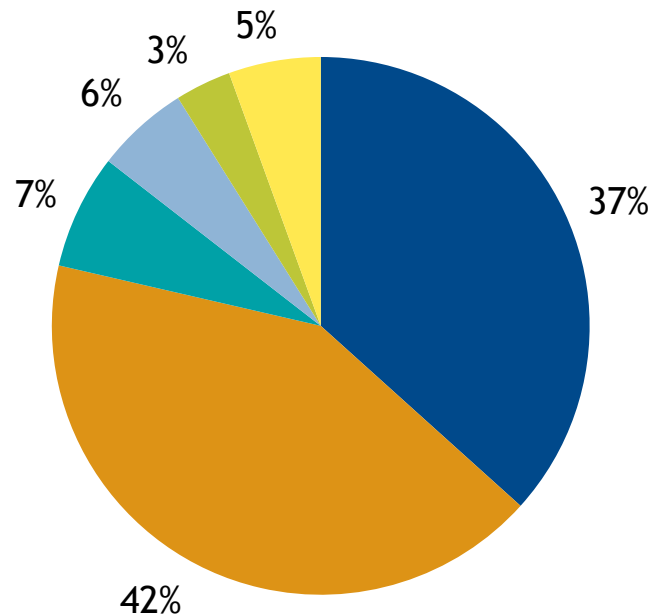
EUR million



Breakdown of net sales

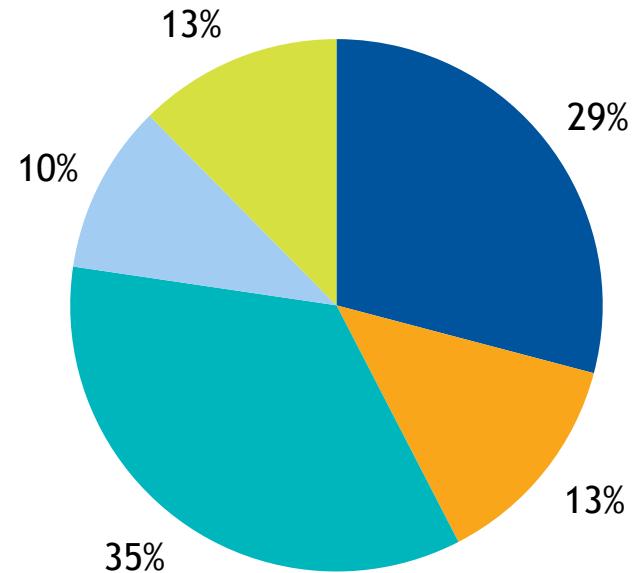
Group's net sales in 2014 were EUR 1,015 million

By business division



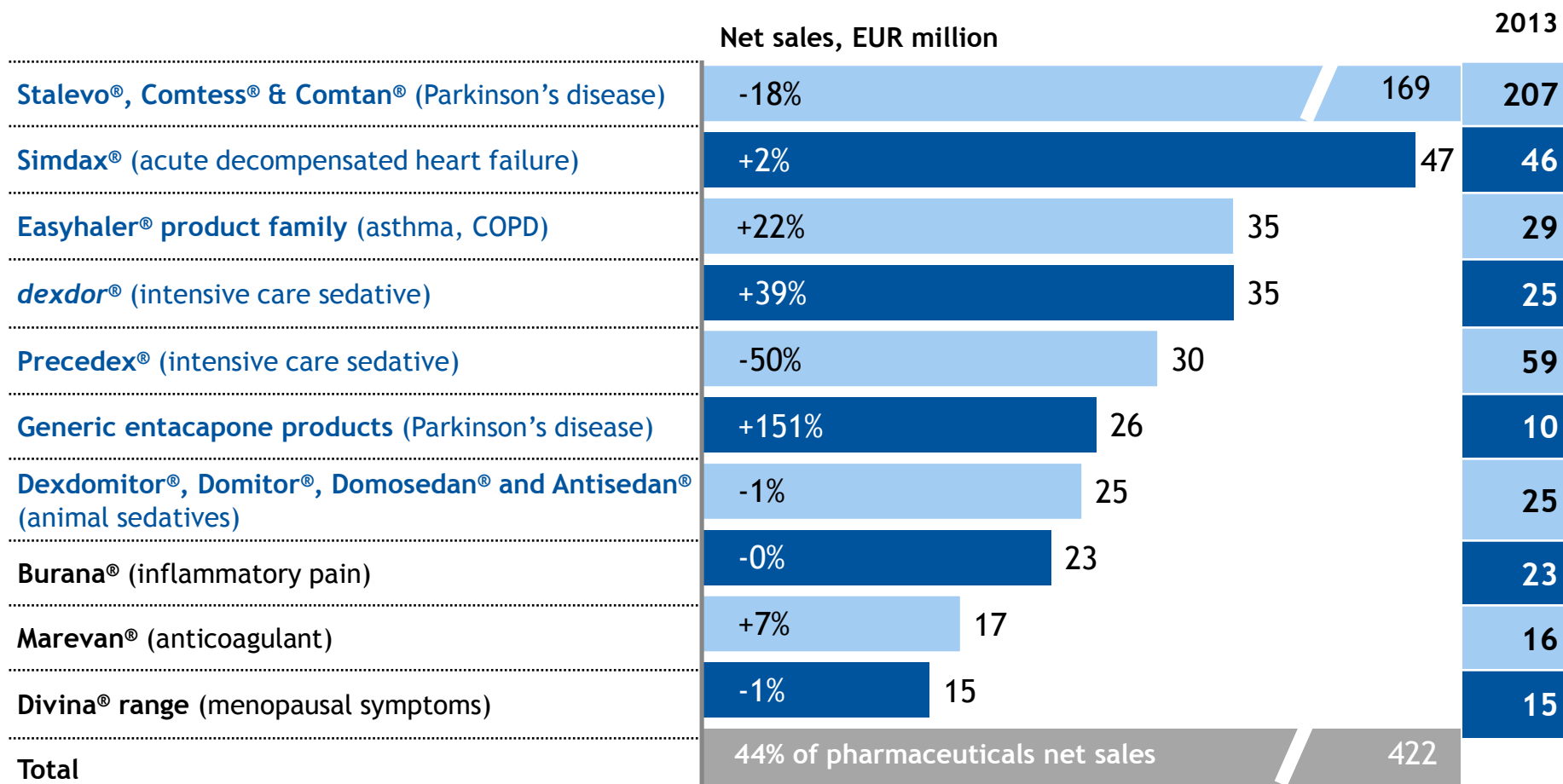
- Proprietary Products
- Specialty Products
- Animal Health
- Fermion
- Contract manufacturing & other
- Orion Diagnostica

By market area



- Finland
- Scandinavia
- Other Europe
- North America
- Other countries

Best-selling pharmaceuticals



Products based on Orion's inventions in blue font

Orion clear market leader in Finland

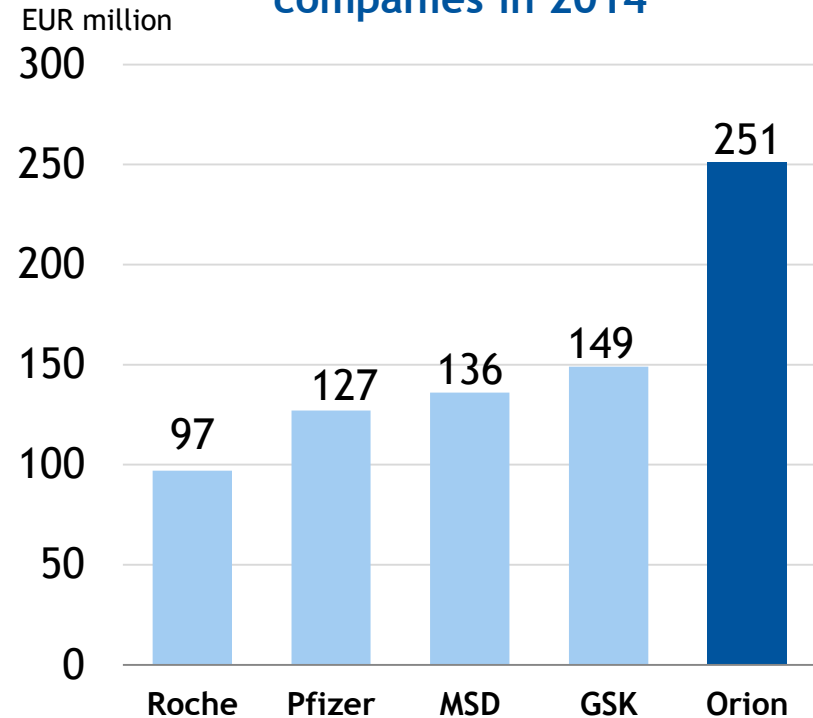
Finnish human pharmaceuticals market in 2014

- Wholesale EUR 2,167 million (+5%)

Orion in Finnish human pharmaceuticals market

- Sales growth +8%
- Orion clear market leader
 - Market share 12%
- Orion especially strong in self-care products and substitutable prescription drugs

Finland's biggest pharmaceutical companies in 2014

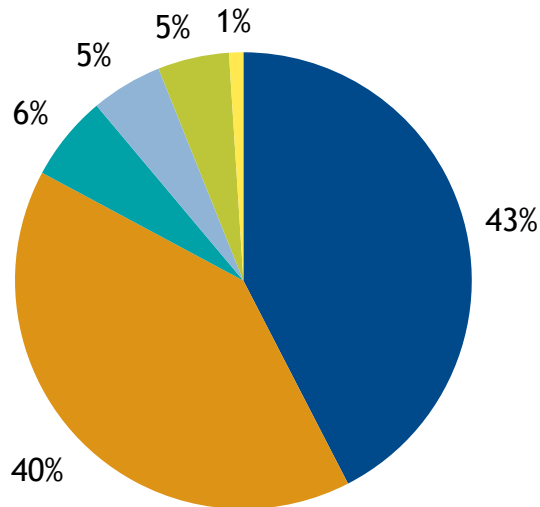


Outlook for 2015

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).

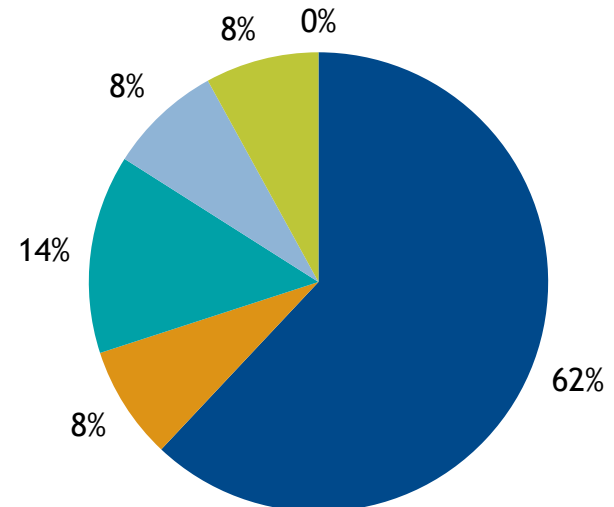
Orion shares are broadly held

By number of shares on 28 Feb



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

By number of votes on 28 Feb

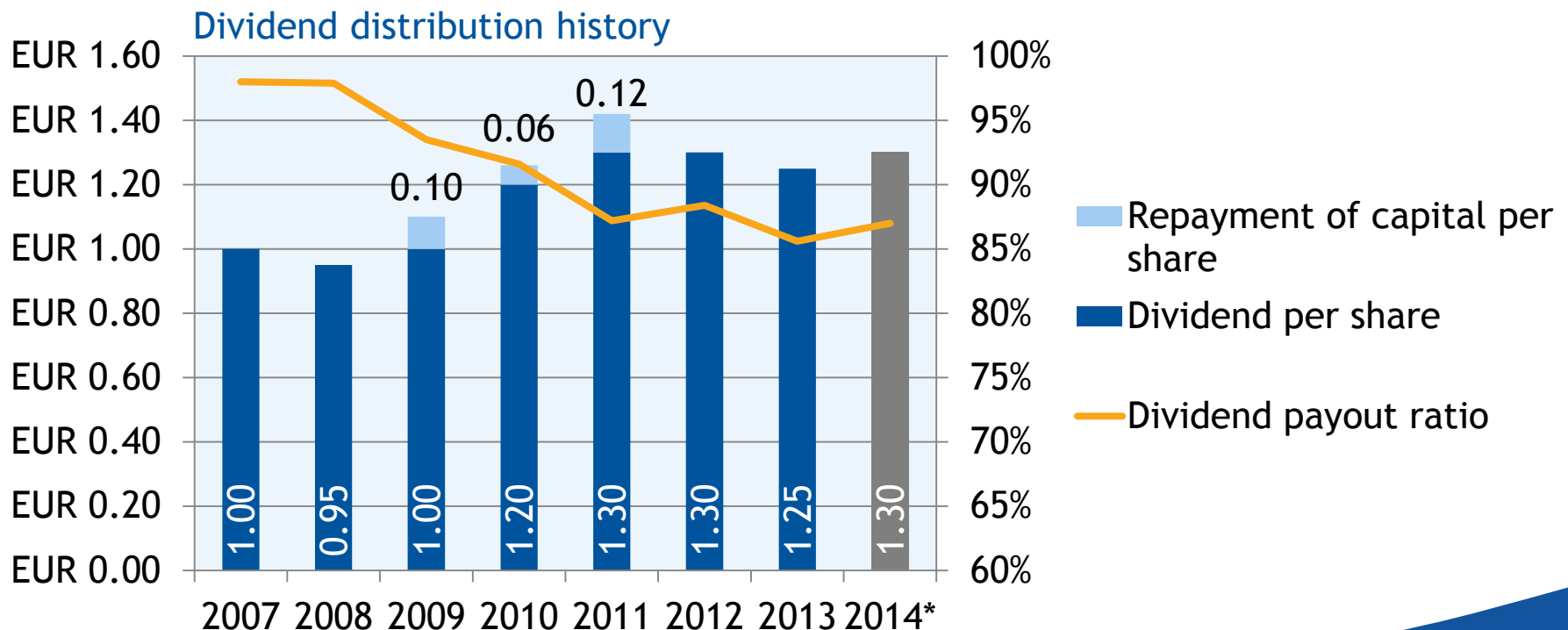


- Households
- Non-Finnish holders and nominee registered
- Private corporations
- Public sector
- Non-profit institutions
- Financial and insurance corporations

Altogether 141.3 million shares and 51,735 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.

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.

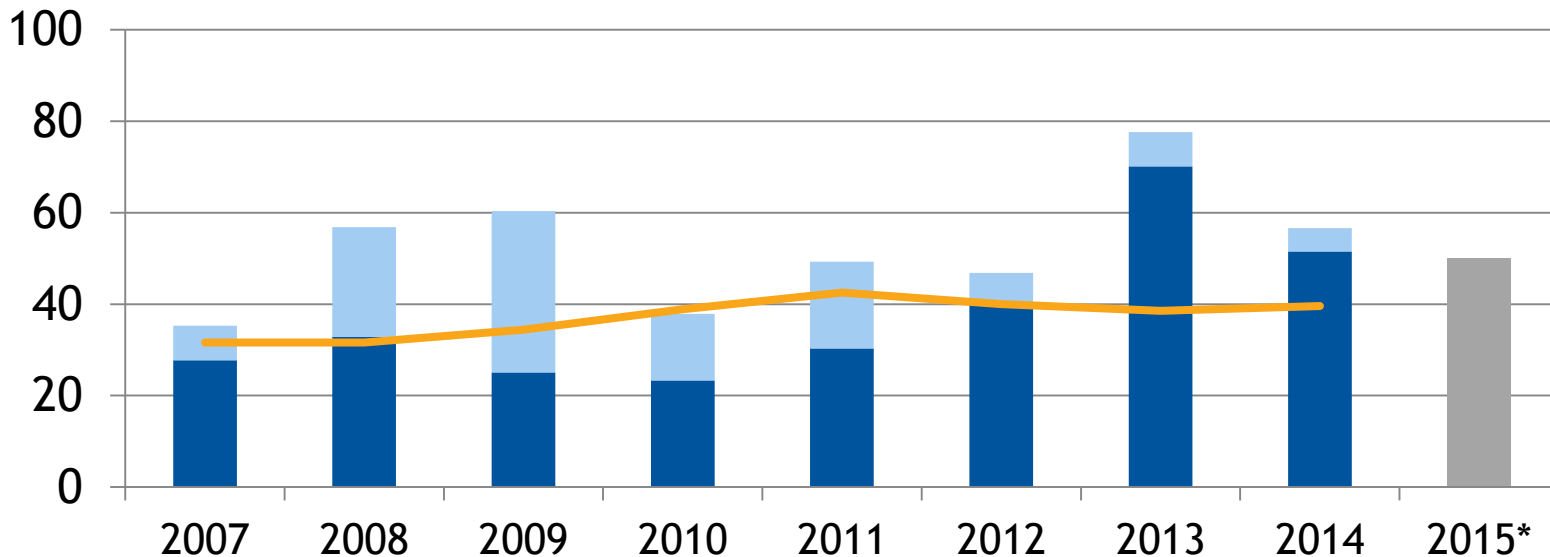


*) Dividend proposal by the Board of Directors

Capex normalising after investment program

Orion Capex

EUR million



Intangible assets

Property, plant and equipment

Depreciation, amortisation and impairment

*) Estimate for 2015

Orion is responsible member of the Finnish society

EUR million	2010	2011	2012	2013	2014
Income taxes paid in Finland from operating profit	59	67	62	55	45
Tax deductions from salaries in Finland	33	35	37	39	41
Tax deductions from dividends paid to Finnish shareholders	18	22	27	26	27
TOTAL	110	124	126	120	113



Orion's strategy and financial objectives

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.

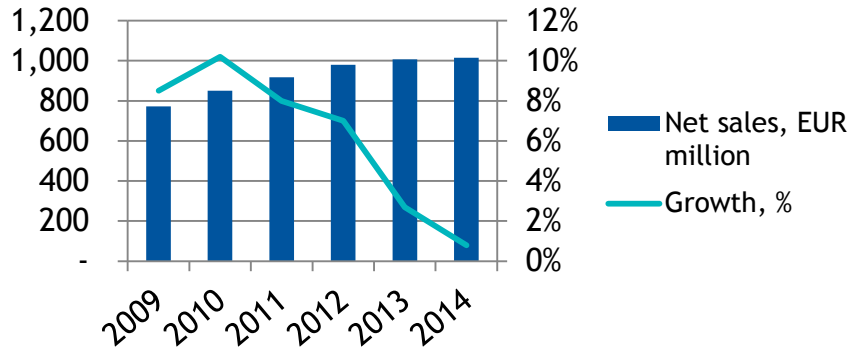
The aim is operating profit that exceeds 20% of net sales.

Keeping the equity ratio at least 50%.

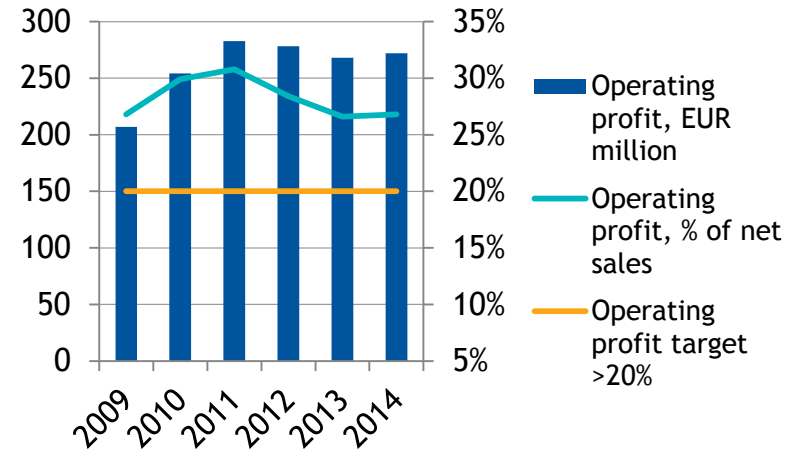
Distributing an annual dividend that in the next few years will be at least EUR 1.20 per share, and increasing the dividend in the long term.

Orion's financial objectives

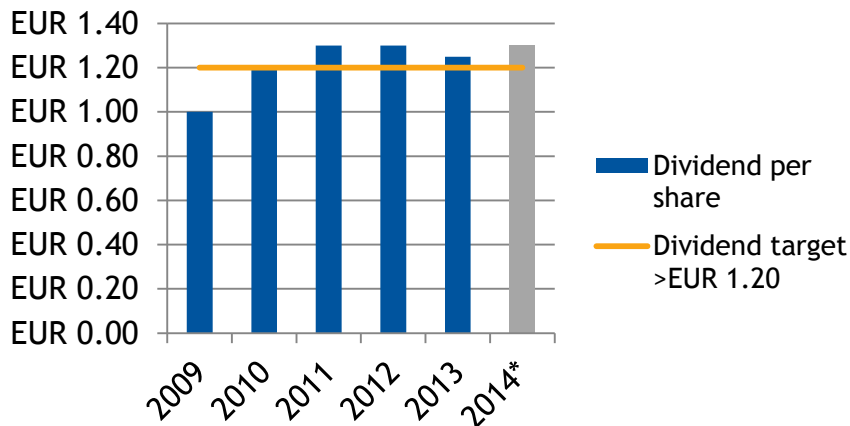
Net sales



Operating profit

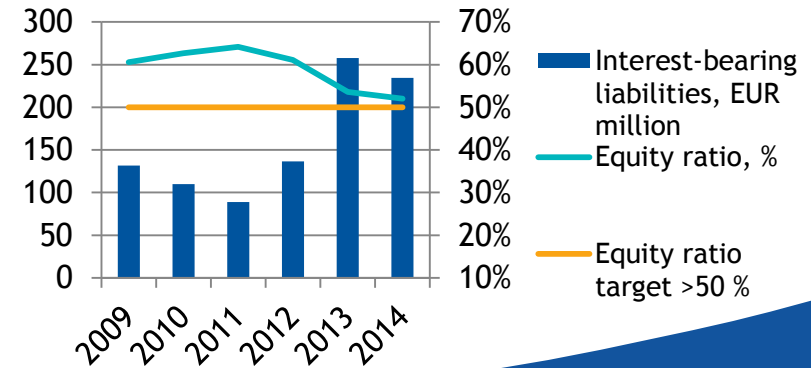


Dividend



*) Dividend proposal by the Board of Directors

Equity ratio and interest-bearing liabilities



The Executive Management Board

Timo Lappalainen	President and CEO
Satu Ahomäki	Global Sales
Markku Huhta-Koivisto	Proprietary Products
Olli Huotari	Corporate Functions
Liisa Hurme	Specialty Products and Fermion
Jari Karlson	Chief Financial Officer, Animal Health
Virve Laitinen	Supply Chain
Reijo Salonen	Research and Development

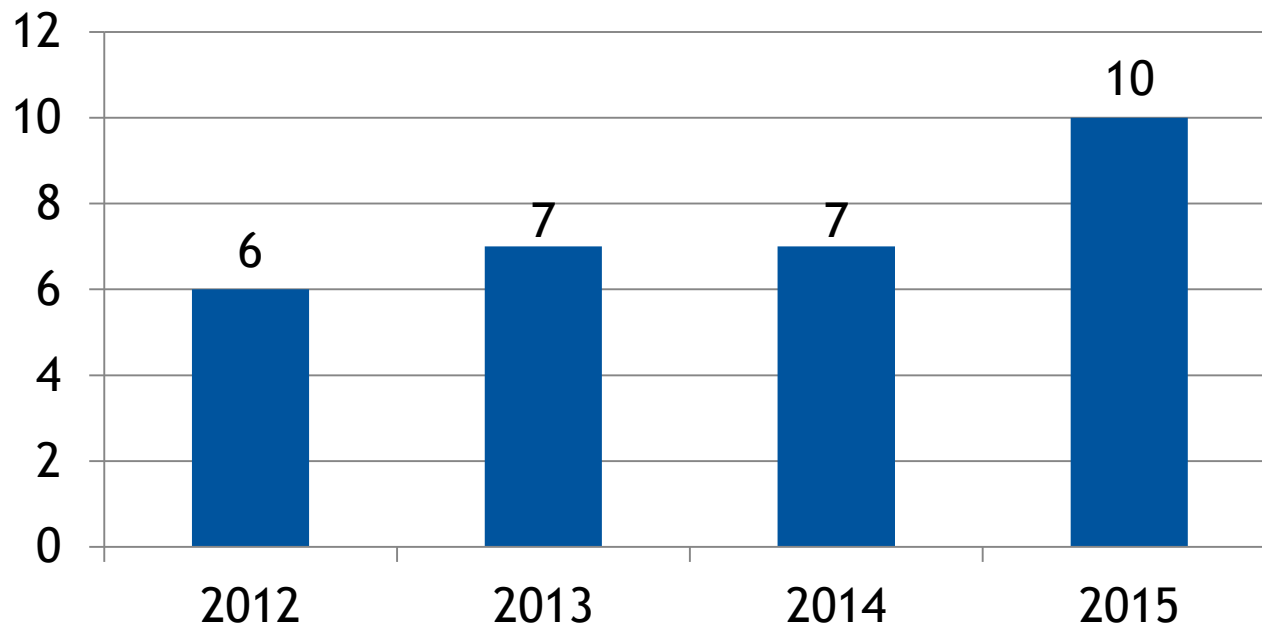
Marko Torppala is the employee representative in the Executive Management Board.



Towards the
world's best R&D



Strong development in the R&D pipeline

Number of clinical development projects



Key clinical pharmaceutical development projects at the time of AGM 2014

Project	Indication	PHASE			Registration
Bufomix Easyhaler® (budesonide-formoterol)	Asthma, COPD	I	II	III	Registration
Stalevo® for Japanese market ¹⁾	Parkinson's disease	I	II	III	Registration
Easyhaler® salmeterol-fluticasone	Asthma, COPD	I	II	III	
ORM-12741 (alpha-2c adrenoceptor antagonist) ⁴⁾	Alzheimer's disease	I	IIa		
ODM-201 (androgen receptor inhibitor) ²⁾	Prostate cancer	I	II		
ODM-103 (more effective COMT inhibitor)	Parkinson's disease	I			
ODM-104 (more effective COMT inhibitor)	Parkinson's disease	I			



 = Phase completed
 = Phase ongoing

¹⁾ Partner: Novartis

²⁾ In collaboration with Janssen Pharmaceuticals

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			

 = Phase completed
 = Phase ongoing

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.

Core therapy areas of Orion



CNS

- ORM-12741 (Alzheimer's disease)
- ODM-104 (Parkinson's disease)
- ODM-106 (essential tremor)



Easyhaler® - respiratory diseases

- Bufomix Easyhaler® (asthma & COPD)
- Easyhaler® salmeteroli-flutikasoni (asthma & COPD)



Oncology - solid tumours

- ODM-201 (prostate cancer)
- ODM-203 (solid tumours)
- ODM-204 (prostate cancer)



Opportunities in other therapy areas with partners

- Levosimendan (Low Cardiac Output Syndrome) Partner: Tenax Therapeutics
- Dexmedetomidine (treatment of pain) Partner: Recro Pharma

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

ORION
Building well-being