



Orion Group Interim Report Q1–Q3/2007

24 October 2007

Q3–Q4/2006 was the first financial accounting period of the present Orion Corporation. The figures for the periods prior to the demerger on 1 July 2006, have been carved out from the financial statements of the demerged Orion.



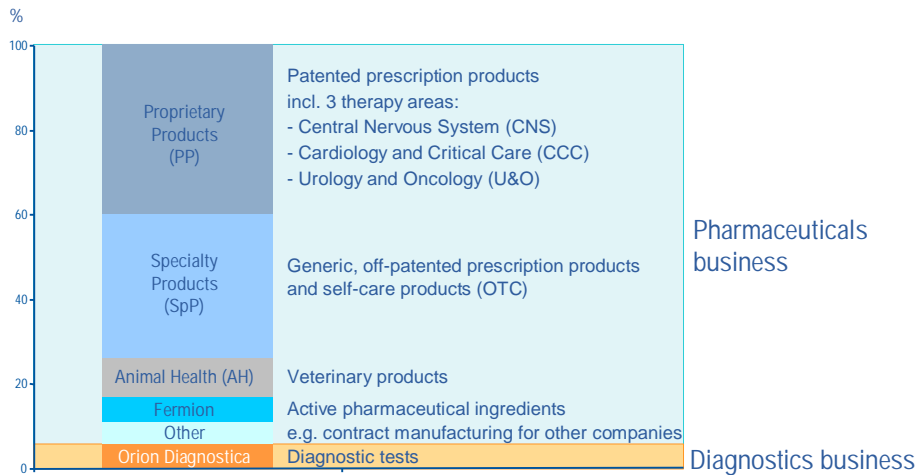
This presentation includes forward-looking statements (statements that are not historical facts and relate to the future activities and performance) that involve risks and uncertainties. These forward-looking statements include statements about future strategies and the anticipated benefits of these strategies, and they are subject to risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of factors, including the possibility that Orion may decide not to implement these strategies, and the possibility that, even if the strategies are implemented, their anticipated benefits are not achieved. Orion assumes no obligation to update or revise any information contained in this presentation.

Former Orion Corporation demerged on 1 July 2006 into two new companies, Orion Corporation and Oriola-KD Corporation. All financial information before that date presented here is based on information that has been carved-out from the financial statements of the demerged Orion Corporation. This historical financial information has, however, been prepared for illustrative purposes only and does not necessarily describe what the results of the Orion Group, or its financial position, changes in equity and cash flows would have been if the Orion Group had operated as a separate legal entity before 1 July 2006.

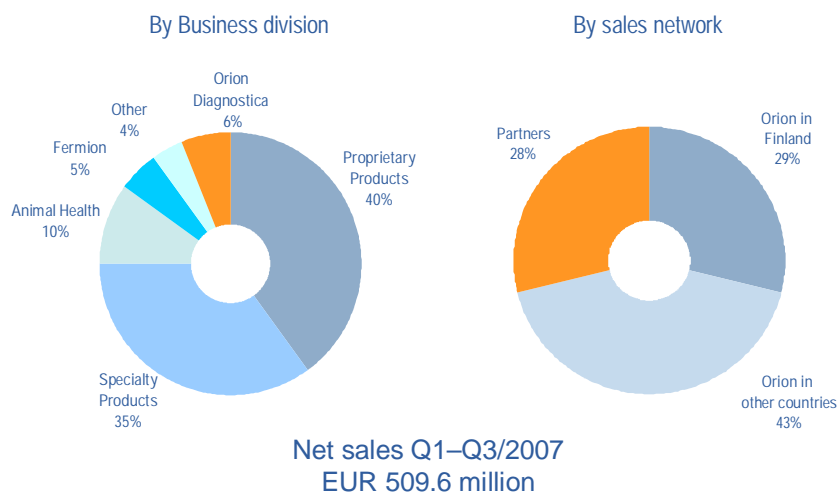


Group structure

Businesses and business divisions



Breakdown of sales



Main events in Q1–Q3/2007

- Net sales increased by over 6%
 - sales of Parkinson's Disease medicines via own sales network up by 14%
 - deliveries to Novartis grew by 10%
 - sales of generic prescription medicines as well as self-care and veterinary products continued to develop well
- Expenditure continued to increase as planned
 - broadening the sales network and new product launches continued
 - three new clinical study programmes started during 2007
- Abbreviated New Drug Applications (ANDA) for generic versions of Comtan and Stalevo have been submitted to the FDA in the USA
 - Orion has initiated legal actions with regard to the first application submitted by Wockhardt
- President and CEO of Orion Corporation Jukka Viinanen will retire on 29 Feb 2008 and will as of 1 Jan 2008 act as a Senior Advisor to the Board of Directors of the company
 - Timo Lappalainen has been appointed as the new President and CEO of Orion Corporation as of 1 Jan 08



Key figures Q1–Q3/2007



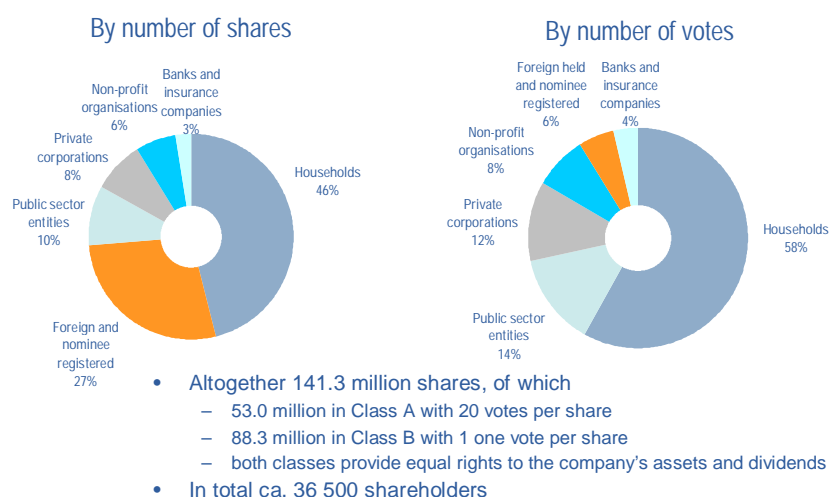
Orion key figures

	Q1-Q3/07	Q1-Q3/06 Proforma	Change %	2006 Proforma
Net sales, EUR million	509.6	478.8	+6.4%	641.1
Operating profit (EBIT), EUR million	154.9	160.1	-3.2%	196.7
% of net sales	30.4%	33.4%		30.7%
Profit before taxes, EUR million	155.8	160.2	-2.7%	197.3
Earnings per share, EUR	0.81	0.85	-4.4%	1.03
R&D expenses, EUR million	69.1	59.9	+15.3%	84.1
ROCE, %	47.7%	52.0%		46.5%
ROE, %	35.4%	38.9%		34.5%
Equity ratio, %	75.7%	74.6%		75.4%
Gearing, %	-11.9%	-16.4%		-22.6%
Personnel at end of the period, persons	3 149	3 052	+3.2%	3 061



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Ownership base on 30 September 2007



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Orion B-share

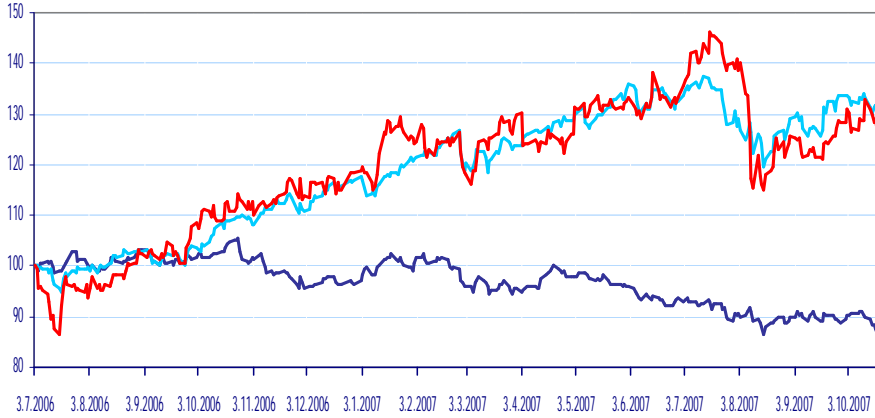
in relation to OMXH Portfolio and Europe Pharmaceuticals -indexes

23 Oct 07 Orion B 126.62

OMXH Portfolio 131.14

Europe Pharmaceutical 86.54

3 July 2006 = 100



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Segment reviews



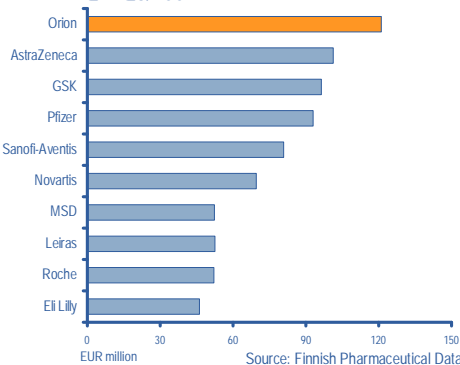
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Finnish pharmaceutical market

- Pharmaceutical wholesales in Finland during Q1–Q3/07 were EUR 1 338 million, +5%
 - Sales of self-care products +12%
 - Sales to hospital +10%
- Wholesales of Orion's products were EUR 121.1 million, +8%
- Orion continues to be the clear market leader with 9% market share
 - The second biggest marketer is 1.4 %-points behind

Top 10 pharma marketers in Finland Q1–Q3/2007



Market for the Parkinson's Disease products

Moving annual total (MAT) 7/06–6/07

- Total sales of Parkinson's Disease medicines, MAT 7/06–6/07
 - in the USA USD 1 131 (924) million, +22% compared to previous 12 months
 - exceptionally rapid market growth is mainly a result of the broadened indication of one product
 - Top 5 European markets were in total EUR 772 (713) million, +8% average growth

Market shares of Orion's Parkinson's products vs. the total sales of PD medicines

%	MAT 12 mth 7/06–6/07	MAT pre. 12 mth 7/05–6/06
Finland	31%	32%
Denmark	24%	26%
Sweden	18%	19%
Germany	16%	15%
UK	12%	11%

Source: IMS Health



Pharmaceuticals business

EUR million	Q1-Q3/07	Q1-Q3/06 Proforma	Change %	2006 Proforma
Proprietary Products	203.5	191.0	+6.6%	256.6
Specialty Products	178.4	163.4	+9.1%	218.7
Animal Health	51.4	47.9	+7.3%	63.3
Fermion	26.7	28.6	-6.6%	38.5
Other	19.4	18.2	+6.6%	24.2
Pharmaceutical net sales in total	479.4	449.1	+6.7%	601.4
Pharmaceutical EBIT	156.9	150.4	+4.3%	189.9

- Favourable profit development continued

- The net sales of the products from own pipeline were EUR 220.0 (206.6) million, +6.5%. Their share of the Pharmaceuticals business' net sales was 46% (46%).
- The net sales of Parkinson's disease medicines were EUR 152.6 (137.2) million, +11.3%. Their share of the Group net sales continued to be one-third.
- The net sales from the deliveries of Stalevo and Comtan to Novartis were EUR 91.9 (83.7) million, +9.8%.
- The net sales generated from Stalevo and Comtess by Orion's own sales organisation were EUR 60.7 (53.5) million, +13.6%.
- R&D expenses were EUR 66.4 (56.9) million, accounting for 13.9% (12.7%) of the Pharmaceuticals business's net sales.

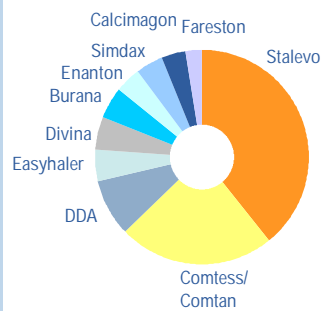


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Orion's top 10 pharma brands

Moving annual total (MAT) 10/06–9/07

EUR million		MAT 12 mth	MAT pre 12 mth	Change %
Stalevo	Parkinson's Disease	125.7	96.3	+31%
Comtess/Comtan	Parkinson's Disease	75.7	73.0	+4%
Domitor, Domosedan and Antisedan	animal sedatives	27.6	25.9	+7%
Easyhaler	asthma	15.7	15.3	+3%
Divina series	menopause	15.3	15.8	-3%
Burana	inflammatory pain	15.2	14.5	+5%
Enanton	prostate cancer	13.0	13.3	-3%
Simdax	heart failure	13.0	14.0	-7%
Calcimagon	osteoporosis	11.9	12.7	-6%
Fareston	breast cancer	7.9	9.8	-20%
In total		321.1	290.7	+10%
Share of pharmaceutical net sales		51%	50%	



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R&D projects and research portfolio



Orion's R&D programmes

- **STRIDE-PD** with Stalevo in 747 patients with Parkinson's Disease
 - in clinical Phase 3
 - the results are expected at the turn of 2008–2009
- **Dexmedetomidine** (Precedex®) is studied as a long-term infusion in sedation of patient in intensive care
 - progressing in clinical Phase 3
 - the study is estimated to be completed in about two years
- Development of a new **COMT enzyme inhibitor** for Parkinson's Disease
 - progressing in clinical Phase 1
- **LEVET-programme** with levosimendan in the treatment of heart diseases in dogs
 - recruitments in Europe and USA started in August 2007
- **In early research**, among others
 - molecules affecting alpha-2 receptors in the central nervous system
 - selective androgen receptor modulators (SARM)



Pharmaceutical R&D portfolio

■ Orion's R&D for PP business
■ Developed by partner
■ Orion's R&D for SpP business

Project	Indication	Preclinical phase	Clinical phase			Registration
			1	2	3	
<i>Central nervous system research:</i>		<i>Note: The right end of each bar represents the status of current developments</i>				
Alpha-2 receptor pharmacology	Schizophrenia	[Bar: Orion's R&D for PP business]				
COMT inhibition	Parkinson's Disease	[Bar: Orion's R&D for PP business]				
Life cycle-management (LCM) of Stalevo	Parkinson's Disease	[Bar: Orion's R&D for PP business]				
<i>Cardiology and critical care research:</i>						
Calcium handling in myocardium	heart failure	[Bar: Orion's R&D for PP business]				
Dexmedetomidine (European development)	sedation in intensive care	[Bar: Orion's R&D for PP business]				
Intravenous levosimendan (Simdax)	acute heart failure	[Bar: Developed by partner]				
<i>Urology and oncology research:</i>						
Steroid receptor pharmacology	prostate cancer, SARM	[Bar: Orion's R&D for PP business]				
Toremifene (Acapodene)	prostate cancer, osteoporosis	[Bar: Developed by partner]				
<i>Veterinary research:</i>						
Oral levosimendan	heart diseases of dogs	[Bar: Orion's R&D for PP business]				
<i>Specialty Products:</i>						
Easyhaler	Asthma	[Bar: Orion's R&D for SpP business]				
Several products (ca. 20) in LCM development	several indications	[Bar: Orion's R&D for SpP business]				
Several in-licensed products (> 30/a)	several indications	[Bar: Orion's R&D for SpP business]				



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Diagnostics business

EUR million	Q1-Q3/07	Q1-Q3/06 Proforma	Change %	2006 Proforma
Net sales	31.5	31.1	+1.3%	41.5
EBIT	6.4	6.0	+6.8%	6.6

- The net sales of Orion Diagnostica were at the level of the comparative period
 - QuikRead® CRP infection tests continued to show the best growth
 - In the export markets the best growth was achieved in China, Czech, Spain and Slovakia
 - The declined sales of the old product portfolio slowed down the development of the total net sales



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Outlook and objectives

Outlook for 2007

- **Net sales**
 - Net sales will grow slightly from those of 2006.
 - Sales of pharmaceuticals via Orion's own sales network will grow moderately in Finland and the markets outside Finland will continue showing growth.
 - In-market sales of Parkinson's disease medicines will continue showing steady, although slower growth than in the previous years. Deliveries to Novartis are anticipated to be slightly higher than in 2006.
- **Operating profit**
 - Operating profit, excluding non-recurring items, is estimated to grow slightly from 2006, despite increased investments in marketing and research.
 - Marketing expenses will grow especially due to product launches by Orion's own European marketing units outside Finland.
- **Research and development**
 - R&D expenditure will be about EUR 95 million, of which pharmaceutical R&D will account for about EUR 90 million.
 - The higher R&D expenditure is mainly caused by the new clinical studies that have been started in 2007.
- **Capital expenditure** will be about EUR 35 million.

Financial objectives and dividend policy

- **Financial objectives**

- The moderate organic growth of the net sales in the next few years is accelerated via product, product portfolio and company acquisitions.
- Operating profit will be increased.
- Equity ratio is maintained at the level of at least 50%.

- **Dividend policy**

- In the dividend distribution Orion takes into account the distributable funds as well as the medium-long and long-term needs of capital expenditure and other financial needs required for the achievement of the financial objectives.



Orion's calendar for investors

Capital Markets Day in London Wed 21 November 2007

Result for 2007 Thu 7 February 2008

Interim Report Q1/2008 Fri 25 April 2008

Interim Report Q1–Q2/2008 Tue 5 August 2008

Interim Report Q1–Q3/2008 Tue 28 October 2008

Annual Report 2007 will be published during week 10/2008

The Annual General Meeting is planned to be held in Helsinki on Tuesday, 25 March 2008, at 14.00 EET.

For more information on Orion and Orion's calendar for investors, please visit:
www.orion.fi/english/investors





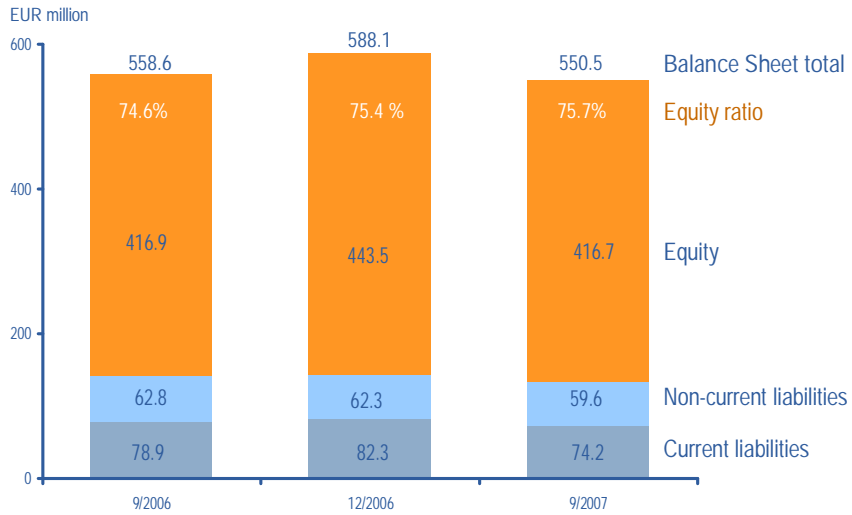
**BUILDING WELL-BEING
SINCE 1917**



Appendixes



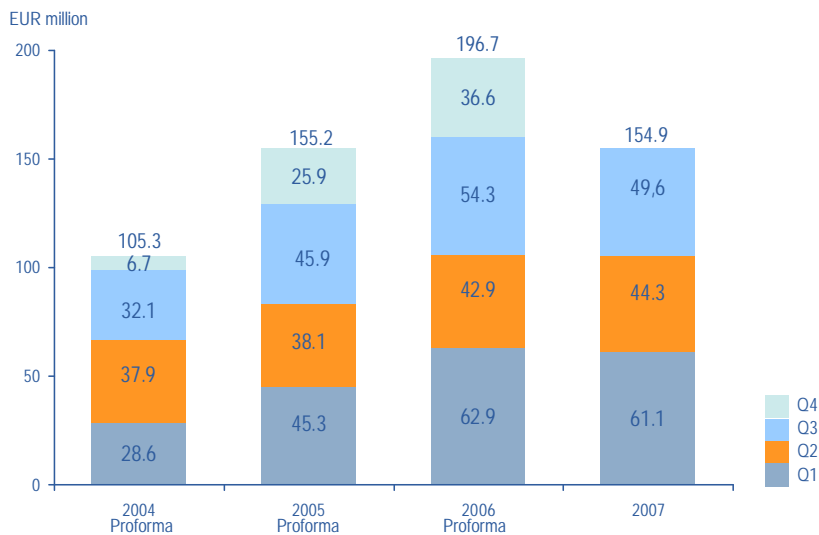
Balance Sheet



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EBIT by annual quarters



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Income statement

EUR million	Q1-Q3/07	Q1-Q3/06 Proforma	Change %	2006 Proforma
Net sales	509.6	478.8	+6.4%	641.1
Cost of goods sold	-160.1	-150.7	+6.2%	-205.2
Gross profit	349.6	328.1	+6.5%	435.8
Other operating income	2.3	12.8	-82.1%	13.8
Selling and marketing expenses	-101.2	-93.2	+8.6%	-128.9
R&D expenses	-69.1	-59.9	+15.3%	-84.1
Administrative expenses	-26.6	-27.6	-3.8%	-39.9
Operating profit, EBIT	154.9	160.1	-3.2%	196.7
Profit before taxes	155.8	160.2	-2.7%	197.3
Profit for the period	114.3	118.8	-3.7%	145.1



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Net sales by business divisions

EUR million	Q1-Q3/07	Q1-Q3/06 Proforma	Change %	2006 Proforma
Pharmaceuticals business	479.4	449.1	+6.7%	601.4
Proprietary Products	203.5	191.0	+6.6%	256.6
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Other	19.4	18.2	+6.6%	24.2
Diagnostics business	31.5	31.1	+1.3%	41.5
Group items	-1.3	-1.4	-9.6%	-1.8
Group total	509.6	478.8	+6.4%	641.1



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Net sales from proprietary franchise

By products

EUR million		Q1-Q3/07	Q1-Q3/06 Proforma	Change %	2006 Proforma
Stalevo	Parkinson's Disease	94.6	80.2	+18.0%	111.3
Comtess/Comtan	Parkinson's Disease	58.0	57.0	+1.8%	74.7
Domitor, Domosedan and Antisedan	animal sedatives	21.8	20.2	+8.2%	26.0
Easyhaler	asthma	12.1	12.3	-1.2%	15.9
Divina series	hormone replacement therapy	11.6	12.4	-6.8%	16.2
Simdax	heart failure	10.2	10.3	-1.2%	13.2
Fareston	breast cancer	6.2	8.6	-28.0%	10.3
Precedex	sedation in intensive care	5.5	5.7	-3.6%	7.5
In total		220.0	206.6	+6.5%	274.9

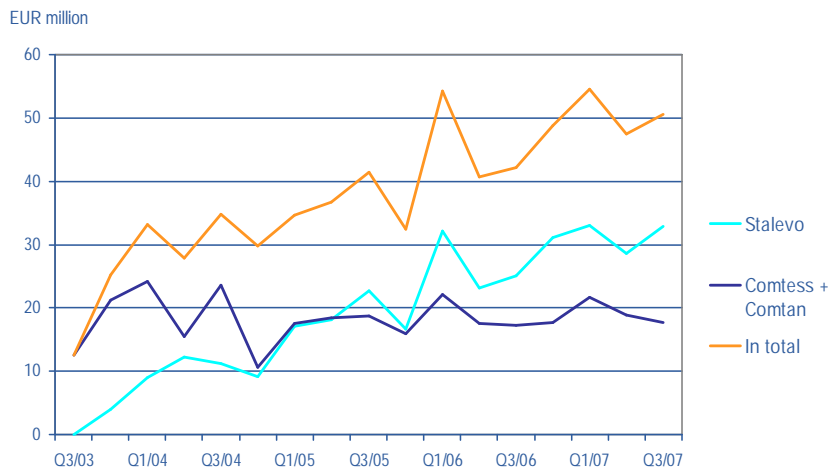


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Quarterly net sales of Parkinson's medicines

By products



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