



Company presentation for investors

Q1/2013

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.

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Results & Outlook

Q1/2013

First quarter as anticipated

- Net sales similar to comparative period of previous year
- Operating profit slightly lower than in previous year as expected
- In March Orion submitted a marketing authorisation application for a budesonide-formoterol combined formulation in the Easyhaler® product family in Europe
- After the review period Orion Diagnostica commenced negotiations to streamline company operations and improve profitability

Key figures for Q1/2013 and FY 2012

	Q1/13	Q1/12*	Change %	2012*	2011	Change %
Net sales, EUR million	249.4	247.4	+0.8%	980.4	917.9	+6.8%
Operating profit, EUR million	74.1	78.6	-5.7%	278.3	282.9	-1.6%
% of net sales	29.7%	31.8%		28.4%	30.8%	
R&D expenses, EUR million	24.6	23.1	+6.7%	105.8	87.5	+20.9%
% of net sales	9.9%	9.3%		10.8%	9.5%	
Basic earnings per share, EUR	0.39	0.42	-6.1%	1.47	1.49	-1.3%
Cash flow per share before financial items, EUR	0.07	0.27	-73.5%	1.23	1.10	+12.1%

Key figures by business areas

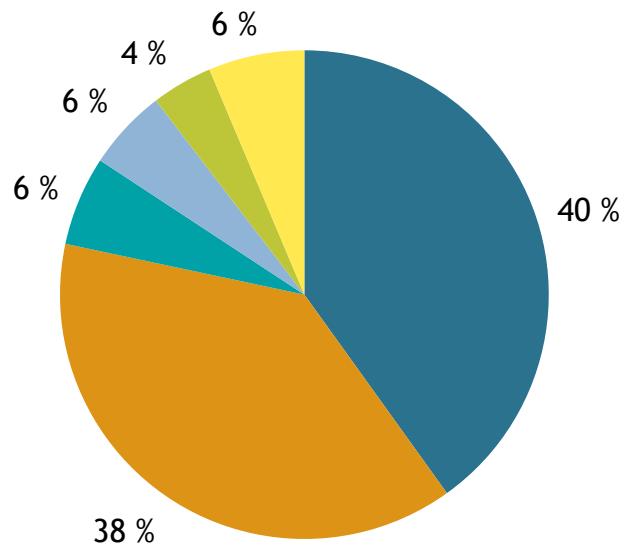
Key figures for Pharmaceuticals business	Q1/13	Q1/12*	Change %	2012*	2011	Change %
Net sales of Pharmaceuticals, EUR million	234.2	232.5	+0.7%	928.9	870.6	+6.7%
Proprietary Products	100.3	99.0	+1.4%	403.7	408.9	-1.3%
Specialty Products	95.7	90.2	+6.1%	367.2	320.8	+14.4%
Animal Health	14.8	18.2	-19.0%	69.2	67.8	+2.0%
Fermion	13.4	16.0	-16.4%	48.4	43.3	+11.7%
Contract manufacturing and other ¹⁾	10.1	9.2	+9.9%	40.5	29.7	+36.1%
Pharmaceuticals operating profit, EUR million	73.9	78.8	-6.3%	286.5	287.6	-0.4%
Key figures for Diagnostics business						
Net sales, EUR million	15.9	15.5	+2.3%	54.1	49.5	+9.3%
Operating profit, EUR million	2.3	2.5	-8.1%	2.3	4.9	-51.9%

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.

Net sales originate mainly in Europe

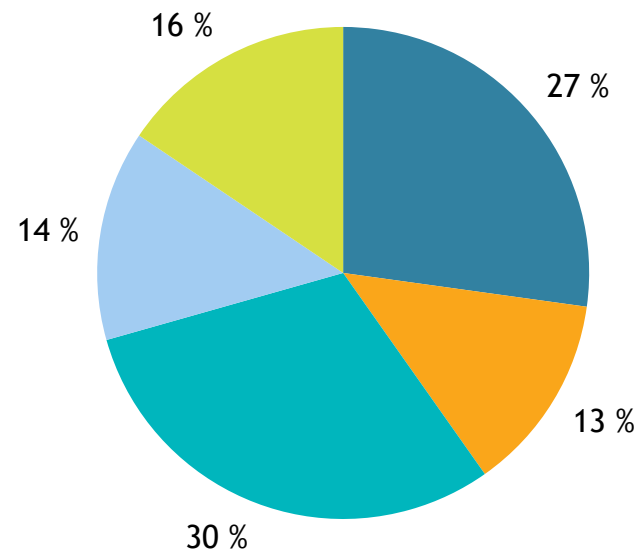
Breakdown of EUR 249 million net sales in Q1/2013

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

Orion's best-selling pharmaceuticals, EUR million

	Business Division	Q1/2013	Q1/2012	Change %	2012
1. Stalevo®, Comtess® and Comtan® (Parkinson's disease)	PP	60.3	63.2	-4.7%	250
2. Precedex® (intensive care sedative)	PP	12.0	10.3	+16.3%	45
3. Simdax® (acute decompensated heart failure)	PP	10.8	10.4	+4.4%	44
4. Easyhaler® product family (asthma, COPD)	PP	6.2	7.0	-11.2%	27
5. Burana® (inflammatory pain)	SpP	5.8	5.8	+0.4%	23
6. dexdor® (intensive care sedative)	PP	5.7	2.2	+156.2%	13
7. Dexdomitor®, Domitor®, Domosedan® and Antisedan® (animal sedatives)	AH	4.9	6.4	-23.1%	23
8. Fareston® (breast cancer)	SpP	4.7	3.5	+35.5%	12
9. Marevan® (anticoagulant)	SpP	4.0	4.4	-7.4%	16
10. Divina® range (menopausal symptoms)	SpP	3.5	3.8	-9.6%	16
Total		117.8	116.9	+0.8%	468
Share of Pharmaceuticals net sales		50%	50%		50 %

= Products based on Orion's inventions

PP = Proprietary Products
SpP = Specialty Products
AH = Animal Health

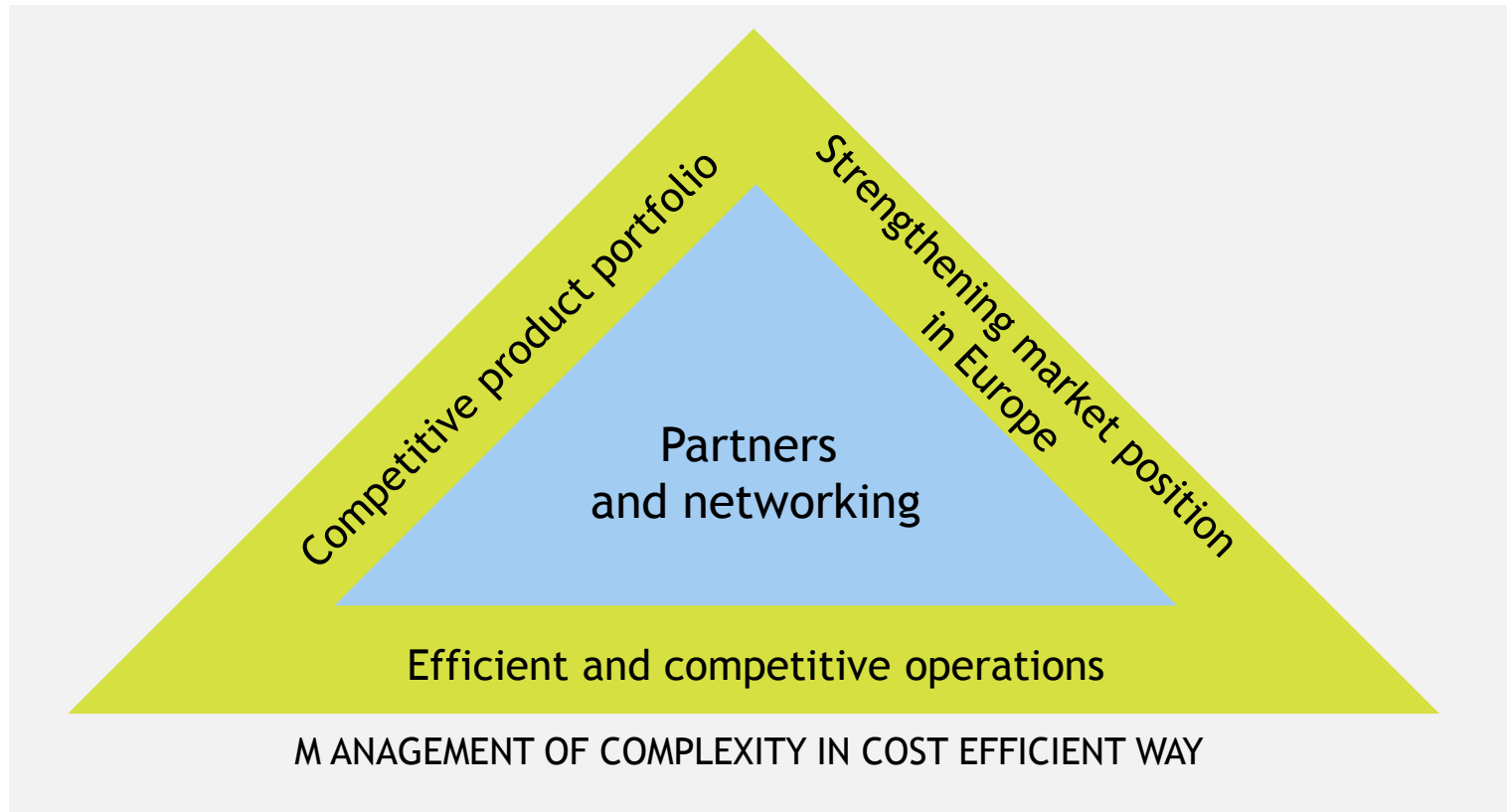
Outlook for 2013

- **Net sales** will be at similar level to 2012 (net sales in 2012 were EUR 980 million)
- **Operating profit** will be slightly lower than in 2012 (operating profit in 2012 was EUR 278 million*)
- **Group's capital expenditure** will be about EUR 80 million excluding substantial corporate or product acquisitions (Group's capital expenditure in 2012 was EUR 47 million)

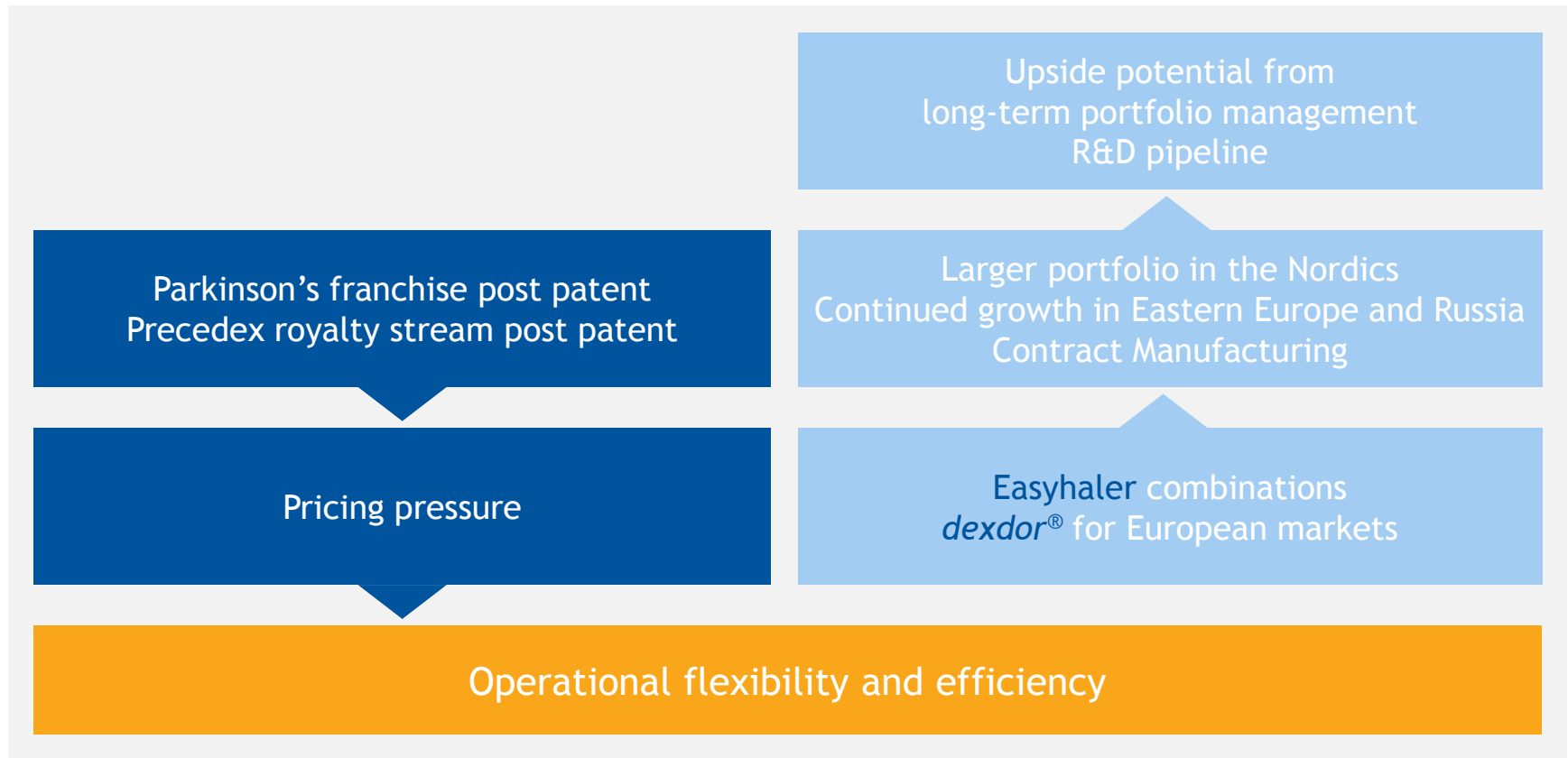


Orion's strategy and financial targets

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



Balancing mid-term – building long-term



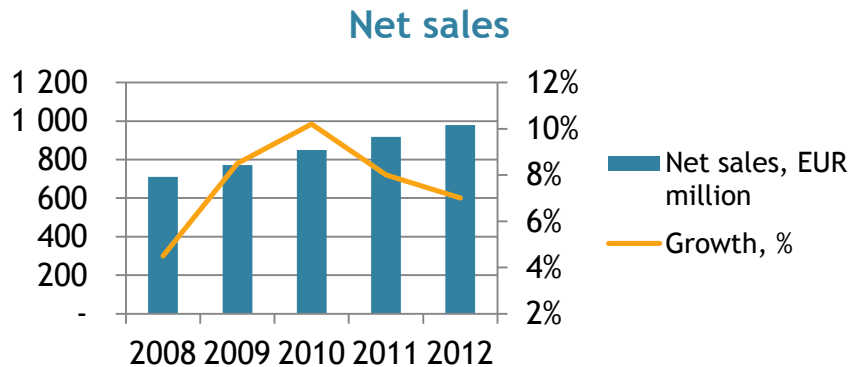
Orion's financial objectives

Orion's financial objectives are:

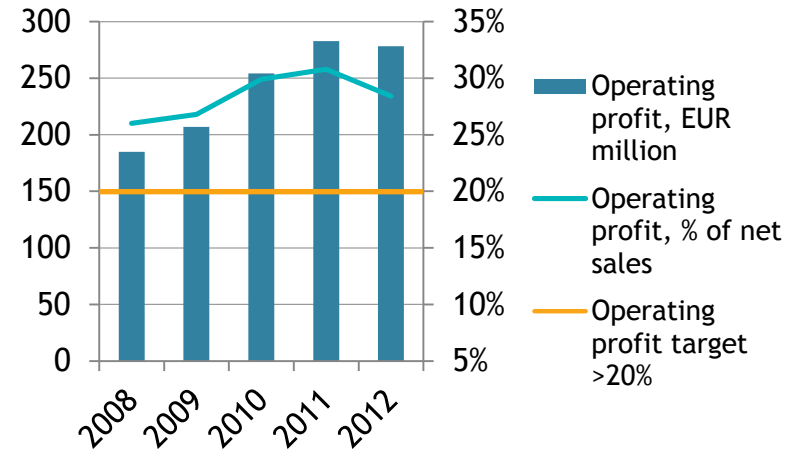
- Ensuring financial stability
- Profitable growth

The objectives are achieved through:

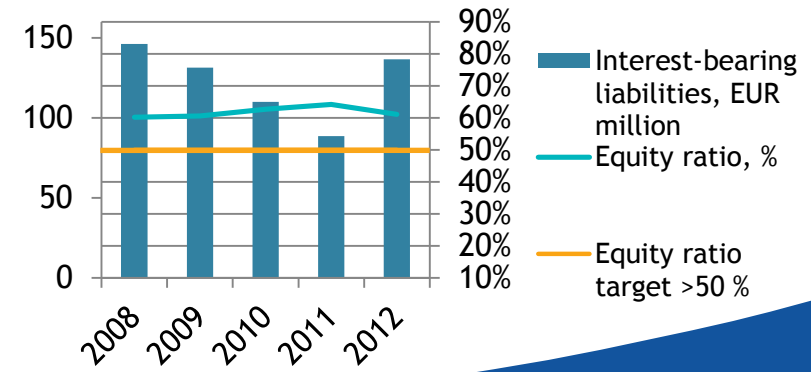
- Increasing net sales. Achievement of this objective requires continuous investment in development of the product portfolio.
- Maintaining profitability at a good level, the aim being operating profit that exceeds 20% of net sales.
- Keeping the equity ratio at least 50%.



Operating profit



Equity ratio and interest-bearing liabilities





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

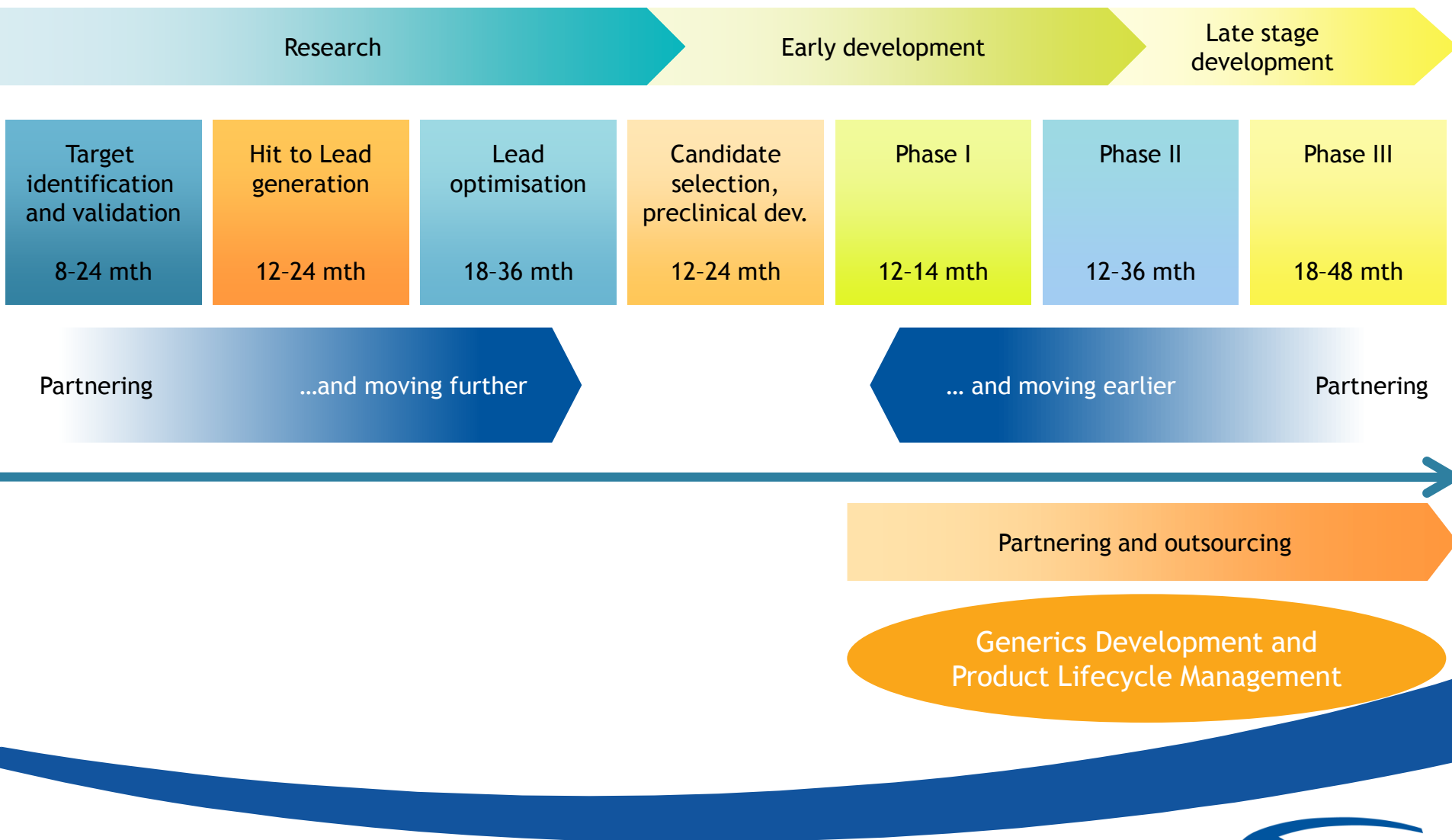
Constant strive to

- 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

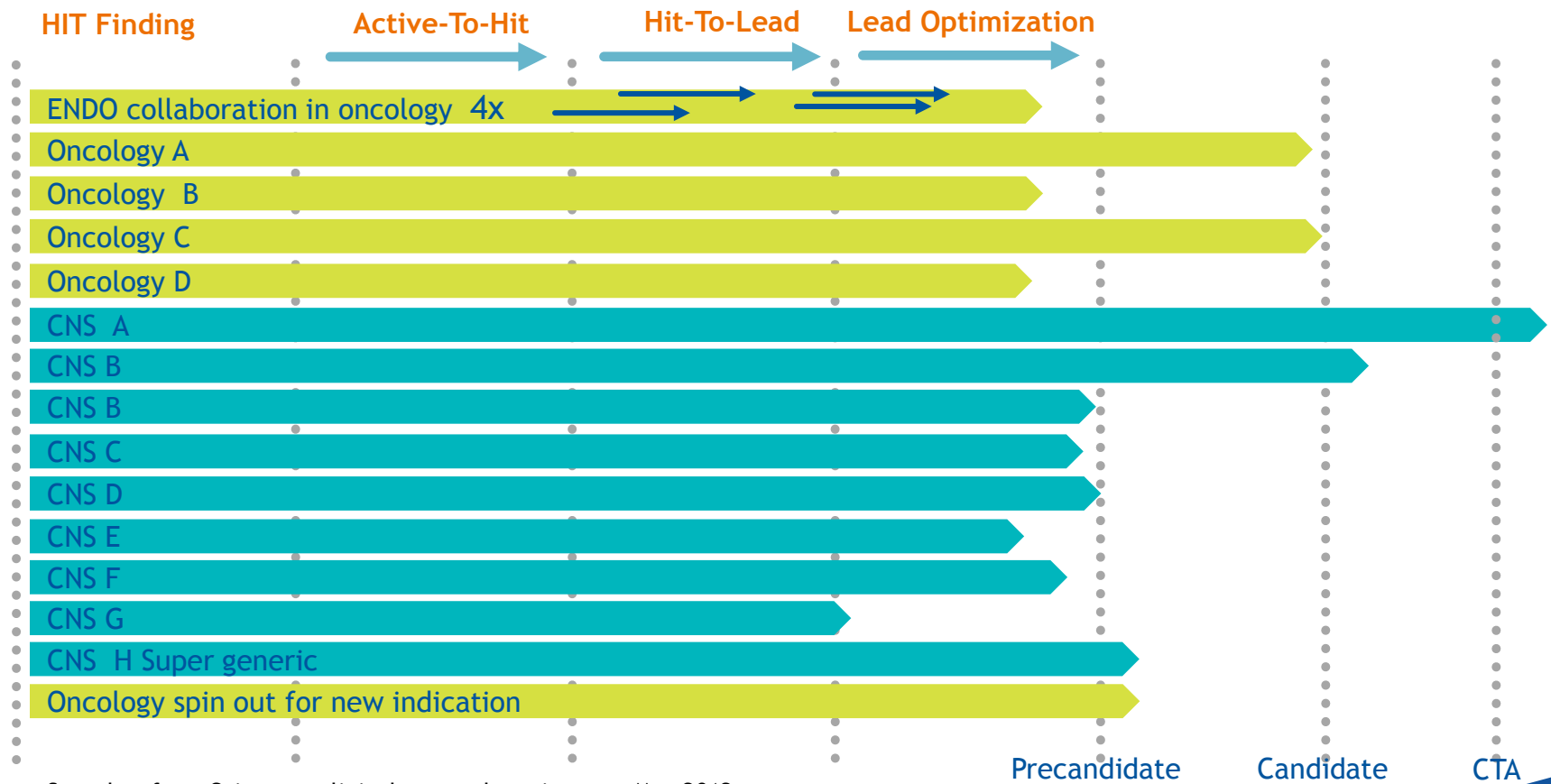
M&As

Active in in-licensing of drug candidates or products

Collaborative networks across the R&D value chain



Number of pre-clinical research projects has tripled since 2006



Snapshot from Orion pre-clinical research projects on May 2012
(presented at CMD on 24 May 2012)

Key clinical pharmaceutical development projects

Project	Indication	Clinical phases			Registration
		I	II	III	
Easyhaler® budesonide-formoterol	Asthma, COPD				
Easyhaler® salmeterol-fluticasone	Asthma, COPD				
Stalevo® for Japanese market ¹⁾	Parkinson's disease				
ODM-101 (more effective levodopa product)	Parkinson's disease				
ORM-12741 (alpha-2c adrenoceptor antagonist)	Alzheimer's disease		IIa		
ODM-201 ²⁾ (androgen receptor antagonist)	Advanced prostate cancer				
ODM-103 (COMT-inhibitor)	Parkinson's disease				
Androgen receptor antagonist and alpha-2c adrenoceptor antagonist	Molecule ready for transfer to clinical phase trials if required				
			= Phase completed		
			= Phase ongoing		

ORM-12741, alpha-2c adrenoceptor antagonist

- Background: ORM-12741 is a highly potent and selective alpha-2c adrenoceptor (AR) antagonist that has demonstrated efficacy in rodent models
- Indication: Cognitive and behavioral symptoms in patients with Alzheimer's disease
- Promising results from phase II safety, tolerability and efficacy study presented at AAN Annual Meeting 2013
 - Press release: <http://www.orion.fi/en/News-and-media/Press-releases2/Archive/2013/2/>
 - Study poster: <http://www.orion.fi/en/Research-and-development/Congress-publications/>
- **Next step:** Negotiations to find a suitable partner for next development phase are ongoing

ODM-201, androgen receptor antagonist

- A novel antiandrogen intended for patients with progressive metastatic castration-resistant prostate cancer mCRPC
- Joint collaboration with Endo Pharmaceuticals
 - more about the collaboration at www.orion.fi/orion-and-endo
- Phase I/II study results published at Esmo in September 2012 and at ASCO GU in February 2013
 - Unlike other antiandrogens does not enter the brain
 - Showed good tolerability and high anti-tumor activity
 - Read the ARADES trial study posters and abstract at: www.orion.fi/congress-publications
- Phase II study ongoing with 100+ patients

ODM-101 and ODM-103 for Parkinson's disease

ODM-101, more effective levodopa product

Phase II Proof of Concept study

- Over 100 patients in Europe
- Key results indicate that ODM-101 is more efficacious than Stalevo
- ODM-101 reduced time periods during the day when patients do not have adequate treatment response
- Press releases: <http://www.orion.fi/ODM-101-PII-press-release>
- <http://www.orion.fi/en/News-and-media/Press-releases2/Archive/2013/3/>

Next step

- Search for a suitable collaboration approach for the next development phase is ongoing

ODM-103, more effective COMT-inhibitor

Pre-clinical study

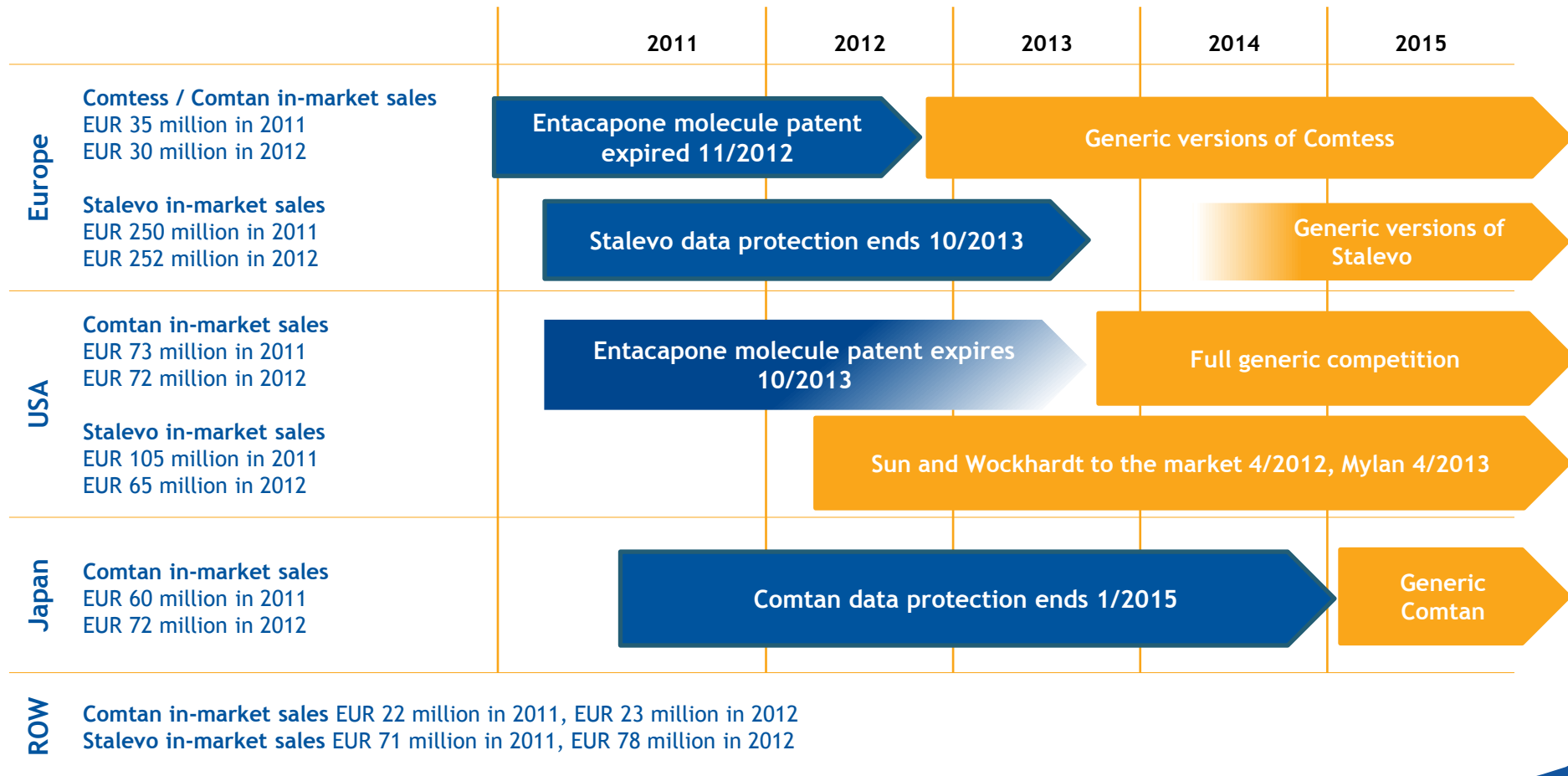
- Pre-clinical study results indicated that ODM-103 is more effective than entacapone

Phase I Safety study ongoing in Europe



Proprietary Products and Specialty Products update

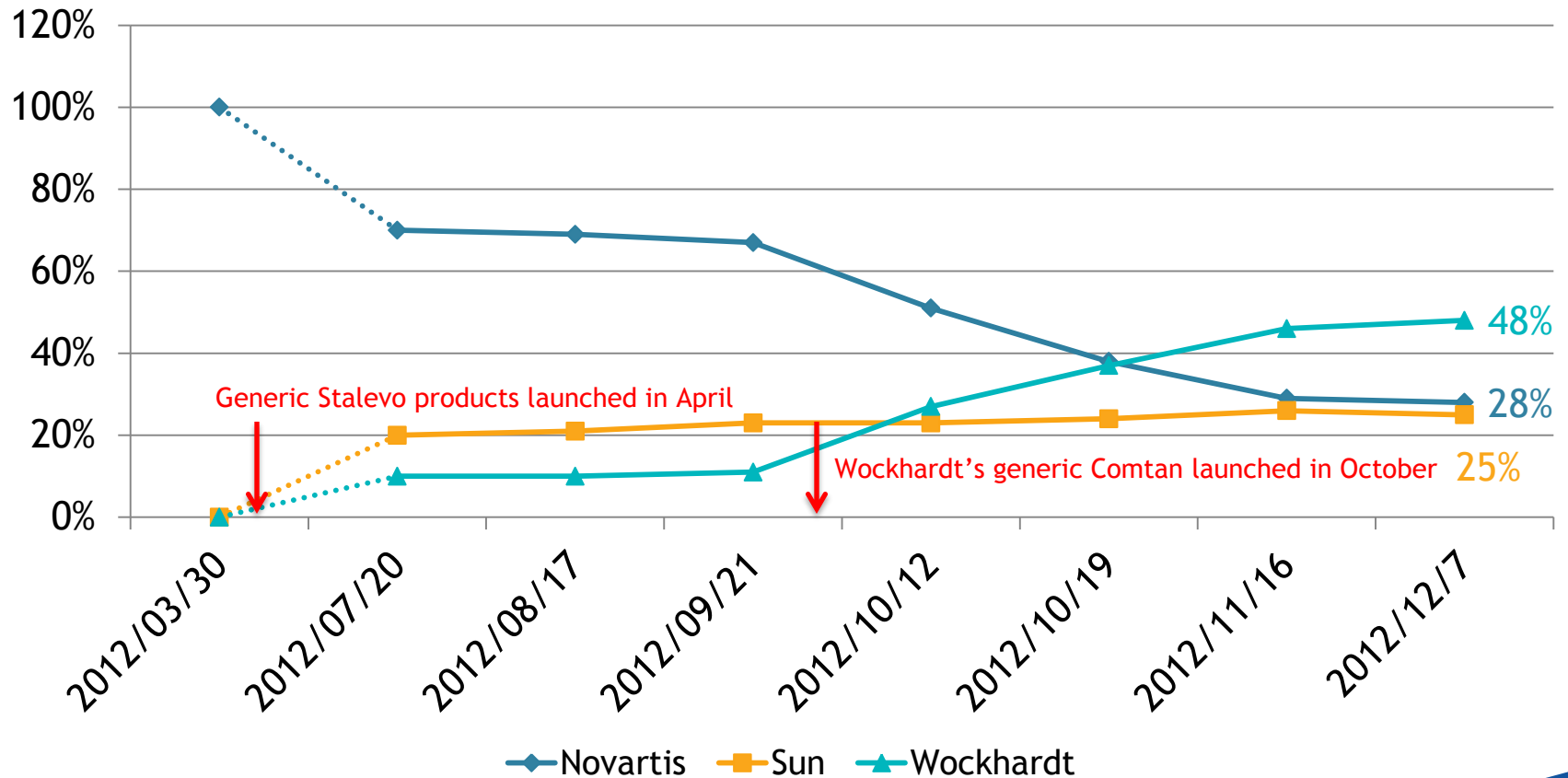
Turning points of Parkinson's franchise



Source: IMS Health 2012

Rx value shares in USA after generic launches

Total Rx value in USA - all entacapone products

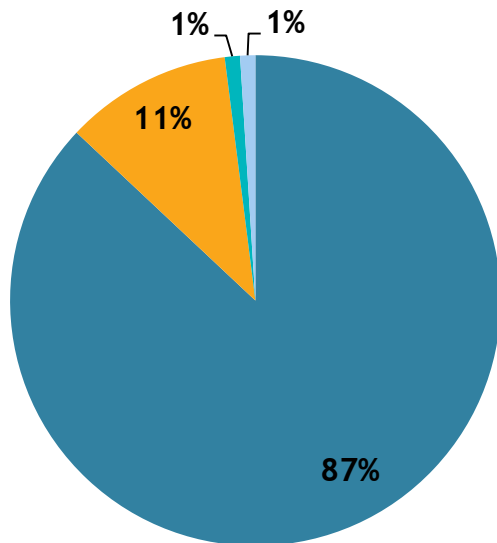


Precedex has captured a significant market share in the USA

Sedation market in USA in 2003

Total market value USD 594 million in 2003

- Propofol
- Midazolam
- Dexmedetomidine
- Remifentanyl

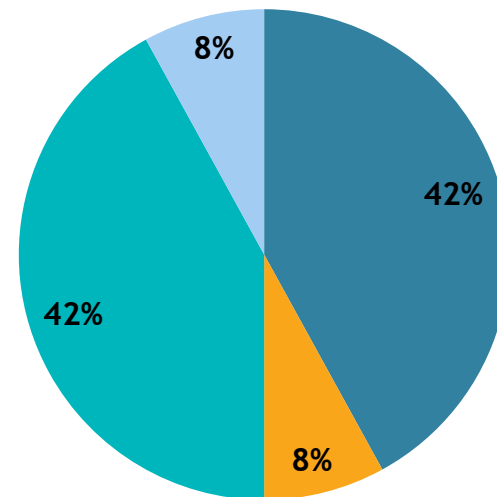


Source: IMS Health 2012

Sedation market in USA in MAT9/2012

Total market value USD 459 million in 2011

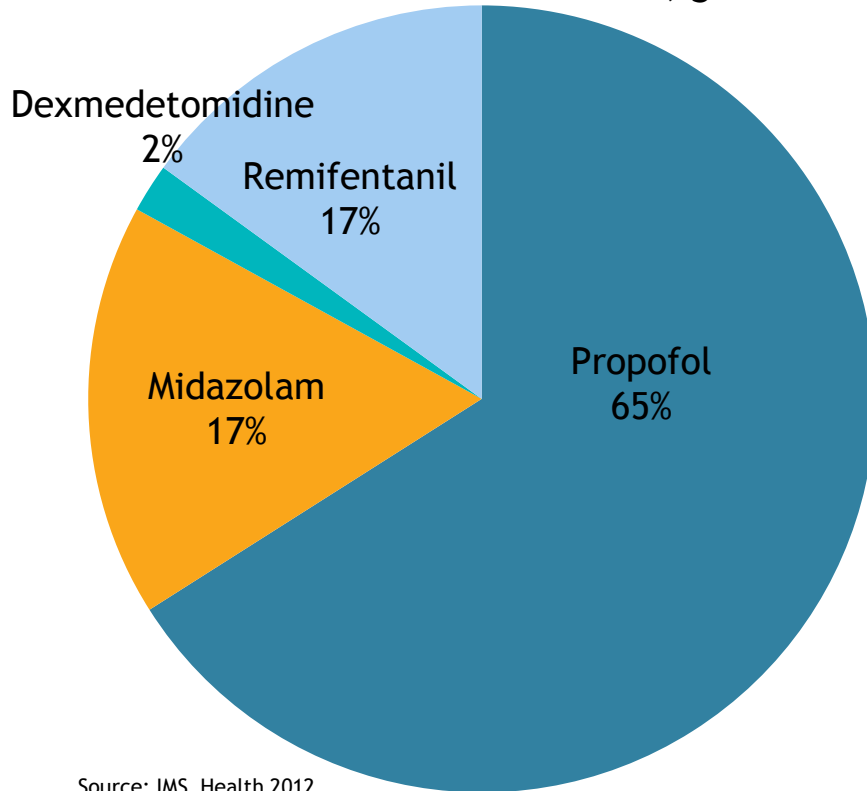
- Propofol
- Midazolam
- Dexmedetomidine
- Remifentanyl



dexdor® has growth potential in Europe

European sedation market 2012

Total market value EUR 474 million, growth -3%



Precedex® and *dexdor*® in brief

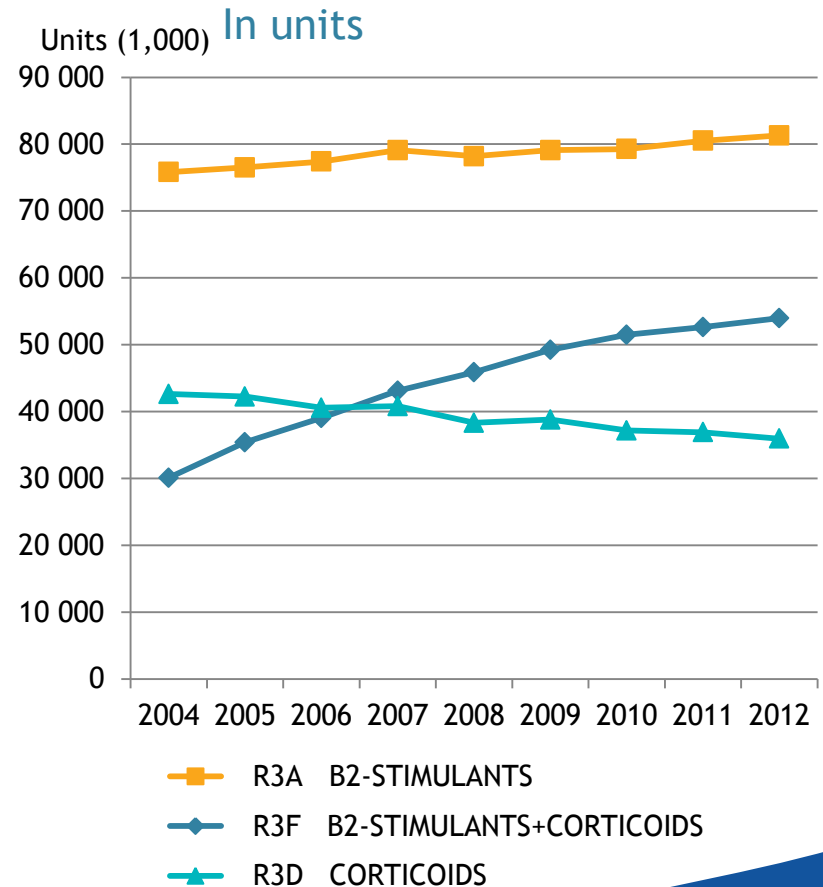
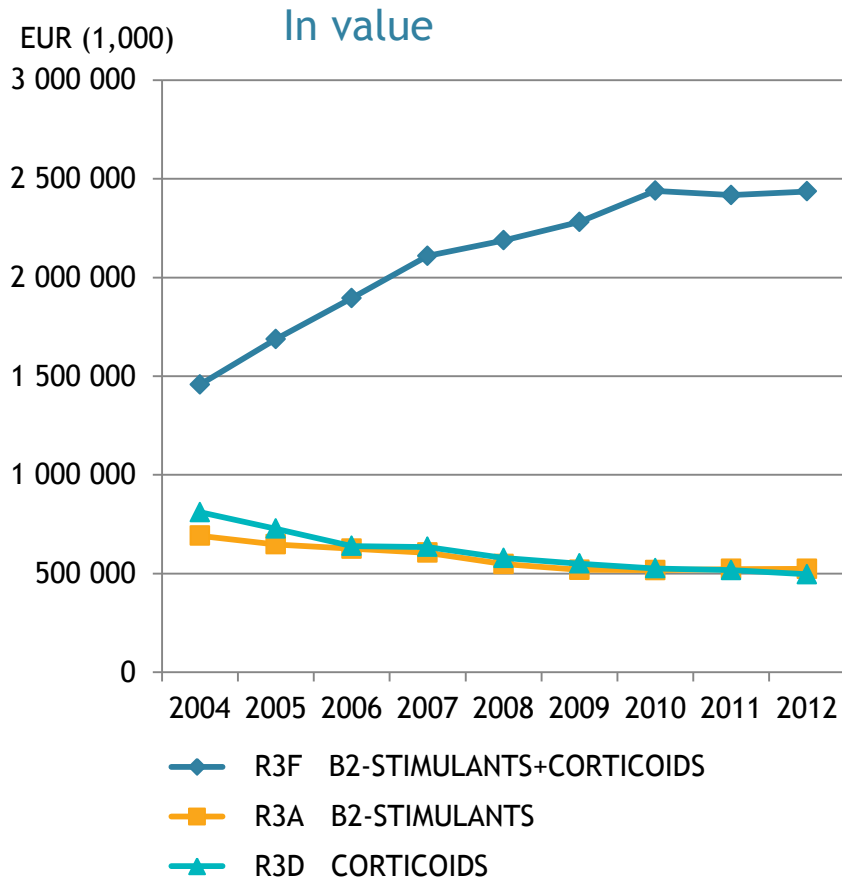
- API is dexmedetomidine which is a sedative agent originated by Orion's R&D
- Precedex available in more than 30 countries
 - In USA since 2000
 - In Japan since 2004
 - In-market sales USD 270 million in 2012 (+31% YoY)
- *dexdor*® received European marketing authorisation on 16th September 2011
 - Launches ongoing
 - Available in 15+ countries
 - Estimated peak sales potential EUR 100 million a year

Global coverage with well-known Easyhaler device

- Easyhaler® is authorised in 30 countries and coverage expanding, excl. USA and Japan
- Targeting the pulmonologists and general practitioners
- Favorable results from budesonide/formoterol combination development study. Marketing authorisation application submitted in Europe in Q1/2013.
- Fluticasone/salmeterol combination in clinical development (pharmacokinetics)
- Indication in both combinations is asthma (adults and children) and COPD (chronic obstructive pulmonary disease)
- Rights to Easyhaler products repatriated in various European countries

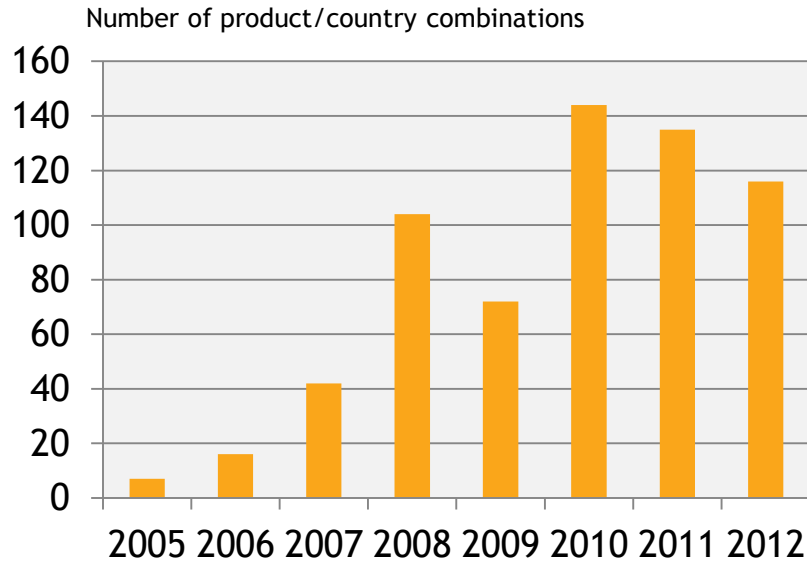


Retail sales of inhaled respiratory drugs market in Top 5 Europe



Launches are basis for future growth in SpP

Specialty Products launches



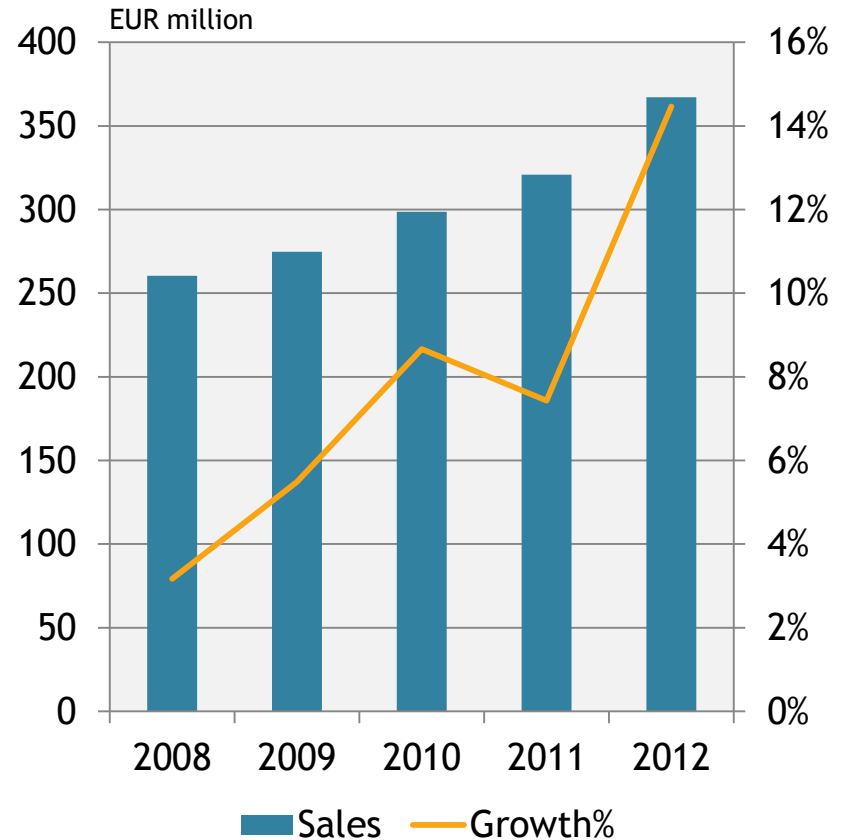
SpP launches in 2012

By geographic area

Eastern Europe	34
Scandinavia	45
Finland	18
Other	19

By product type

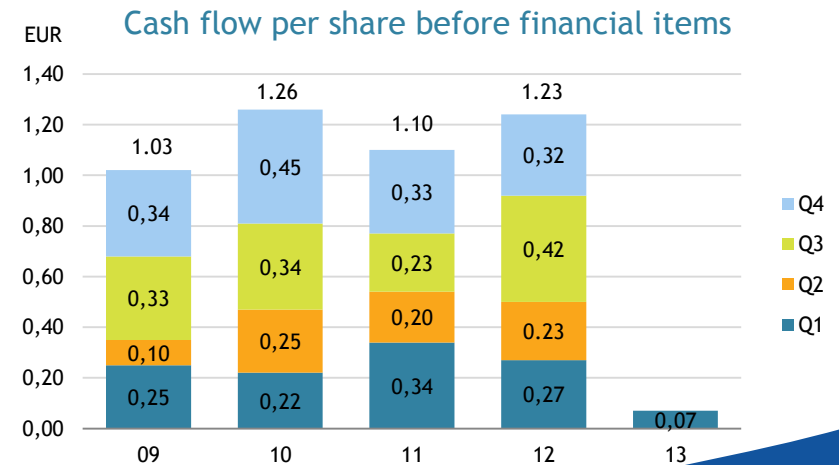
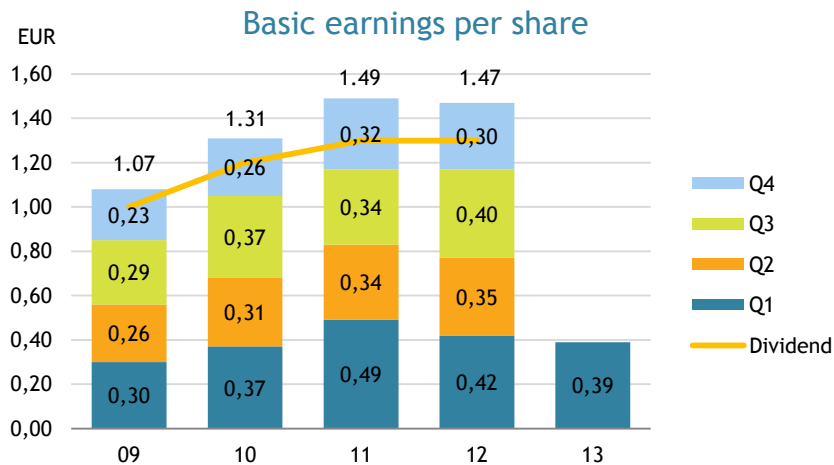
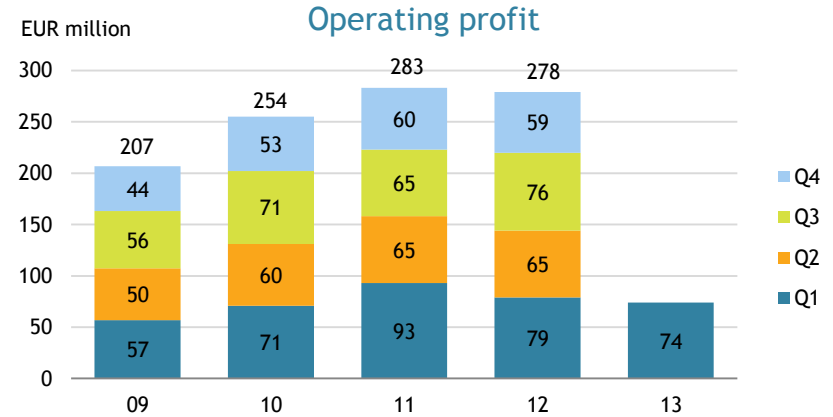
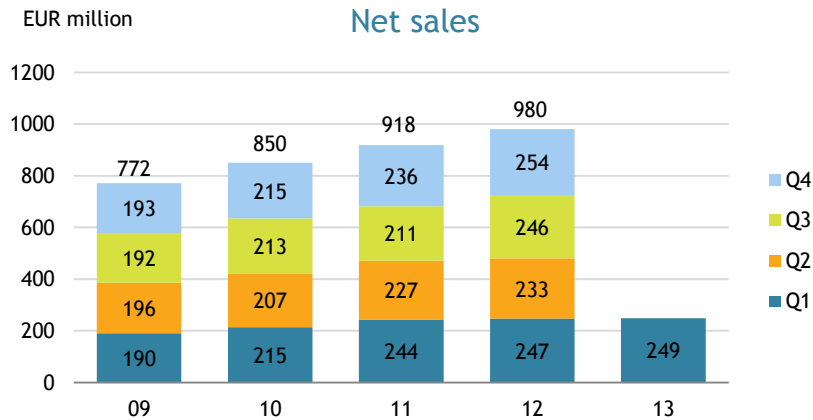
Rx	109
OTC/SeCa	7





Key financials

Key figures by quarter*



Key figures for 2009–Q1/2013

Orion's key figures	2009	2010	2011	2012*	Q1/2013	Q1/2012*	Change %
Net sales, EUR million	771.5	849.9	917.9	980.4	249.4	247.4	+0.8%
Operating profit, EUR million	207.0	254.2	282.9	278.3	74.1	78.6	-5.7%
Profit before taxes, EUR million	203.7	252.6	282.0	276.6	73.8	78.7	-6.2%
R&D expenses, EUR million	95.2	85.5	87.5	105.8	24.6	23.1	+6.7%
Equity ratio, %	60.6%	62.7%	63.6%*	61.0%	41.2%	38.8%	
Gearing, %	-8.9%	-12.2%	-7.2%*	-1.7%	-4.6%	-21.2%	
ROCE (before taxes), %	37.4%	45.0%	50.5%*	46.8%	50.4%	59.7%	
Return on equity, %	35.3%	40.7%	44.5%*	42.0%	49.8%	58.0%	
Basic earnings per share, EUR	1.07	1.31	1.49	1.47	0.39	0.42	-6.1%
Cash flow per share before financial items, EUR	1.03	1.26	1.10	1.23	0.07	0.27	-73.5%
Dividend per share, EUR	1.00	1.20	1.30	1.30			
Capital repayment per share, EUR	0.10	0.06	0.12				

Income Statement 2009—Q1/2013

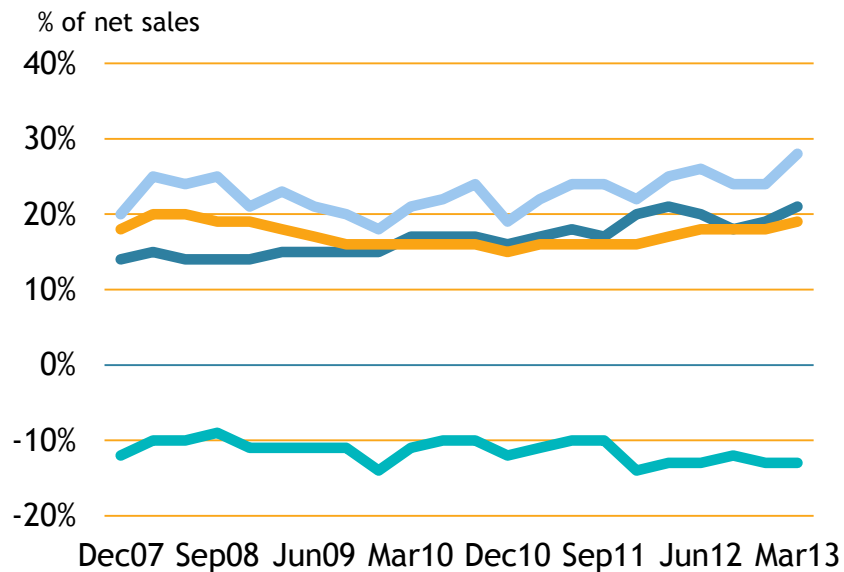
Formation of profits, EUR million	2009	2010	2011	2012*	Q1/2013	Q1/2012*	Change %
Net sales	771.5	849.9	917.9	980.4	249.4	247.4	+0.8%
Cost of goods sold	-265.2	-283.2	-305.1	-350.8	-91.8	-86.8	+5.8%
Gross profit	506.3	566.8	612.8	629.6	157.6	160.6	-1.9%
Other operating income and expenses	6.0	1.2	3.0	6.3	0.3	1.5	-78.3%
Sales and marketing expenses	-160.0	-188.9	-204.8	-206.1	-48.5	-49.3	-1.5%
R&D expenses	-95.2	-85.5	-87.5	-105.8	-24.6	-23.1	+6.7%
Administrative expenses	-50.2	-39.3	-40.6	-45.7	-10.6	-11.2	-5.0%
Operating profit	207.0	254.2	282.9	278.3	74.1	78.6	-5.7%
Profit before taxes	203.7	252.6	282.0	276.6	73.8	78.7	-6.2%
Profit for the period	151.4	184.7	209.5	206.9	55.6	59.1	-6.0%

Financial position

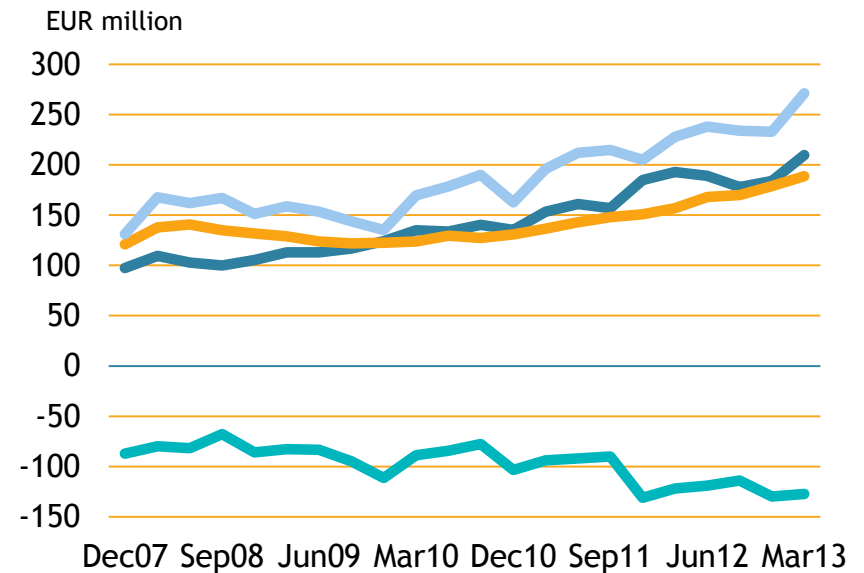
EUR million	3/13	3/12	Change%
Non-current assets total	334.2	292.9	+14.1%
Inventories	189.2	156.9	+20.6%
Trade receivables	164.4	165.1	-0.4%
Other receivables	48.2	29.3	+64.6%
Cash and cash equivalents	192.7	235.9	-18.3%
Current assets total	594.5	587.2	+1.3%
Assets total	928.7	880.1	+5.5%

EUR million	3/13	3/12	Change%
Equity total	382.4	341.1	+12.1%
Interest-bearing non-current liabilities	103.4	134.0	-22.8%
Non-current liabilities total	147.0	171.1	-14.1%
Current liabilities total	399.4	367.8	+8.6%
Liabilities total	546.4	539.0	+1.4%
Equity and liabilities total	928.7	880.1	+5.5%

Development of Net working capital



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



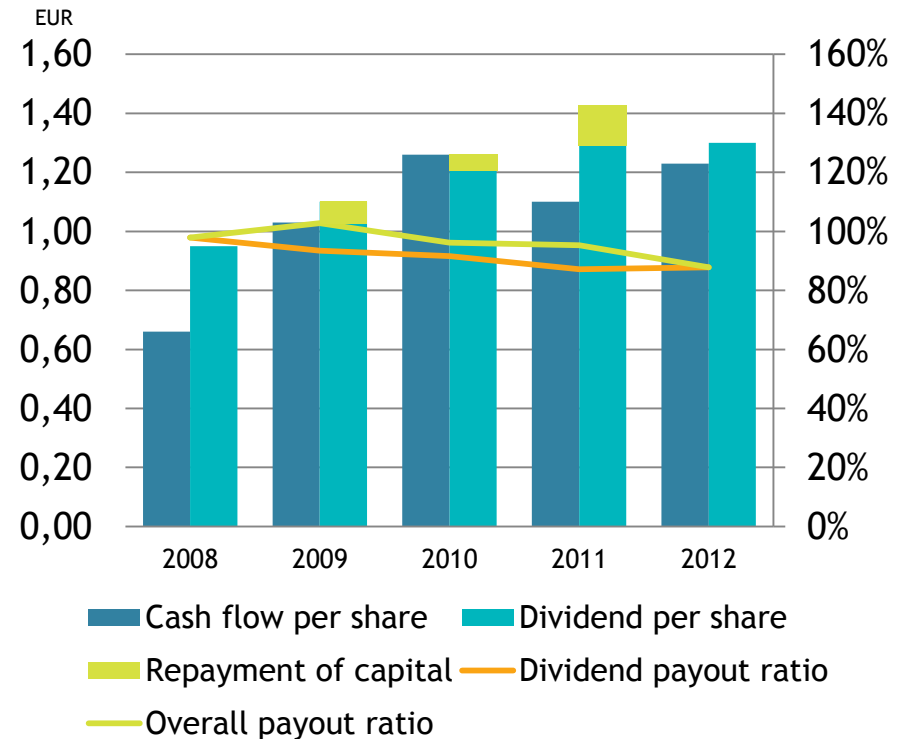
- Receivables
- Inventories
- Short-term non-interest bearing liabilities
- Net Working Capital

Dividend distribution

Dividend distribution policy

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

Dividend distribution history



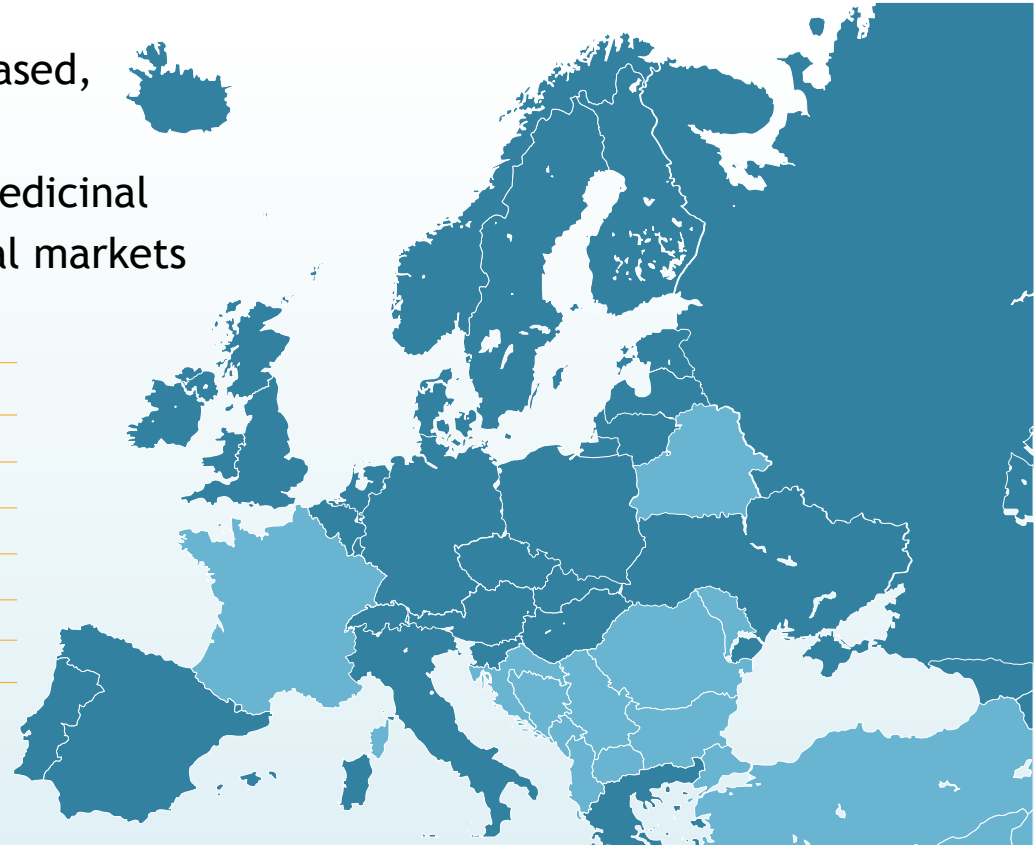


General info

Building well-being is Orion's Mission

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	2012
Net sales	EUR 980 million
Operating profit	EUR 278 million
R&D expenses	EUR 106 million
No. of personnel (at end of)	3,486
in Finland	2,783
in other countries	703
Market cap on 31 Dec 2012	EUR 3.1 billion



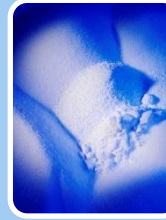
■ Orion's own sales organisation's areas
■ Sales areas of partners

Business divisions



Proprietary Products

- Patented prescription drugs
- CTAs: CNS, oncology & critical care, Easyhaler pulmonary drugs
- Net sales in 2012 EUR 404 million



Fermion

- Active pharmaceutical ingredients (API's) for Orion and other companies
- Net sales in 2012 EUR 48 million (excluding supplies for own use)



Specialty Products

- Generic prescription drugs
- Self-care products
- Net sales in 2012 EUR 367 million



Contract Manufacturing & Other¹⁾

- Pharmaceutical manufacturing for other companies
- Net sales in 2012 EUR 41 million



Animal Health

- Veterinary medicines and care products for pets and production animals
- Net sales in 2012 EUR 69 million



Orion Diagnostica

- Diagnostic test systems for point-of-care testing in healthcare and hygiene testing for industry
- Net sales in 2012 EUR 54 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

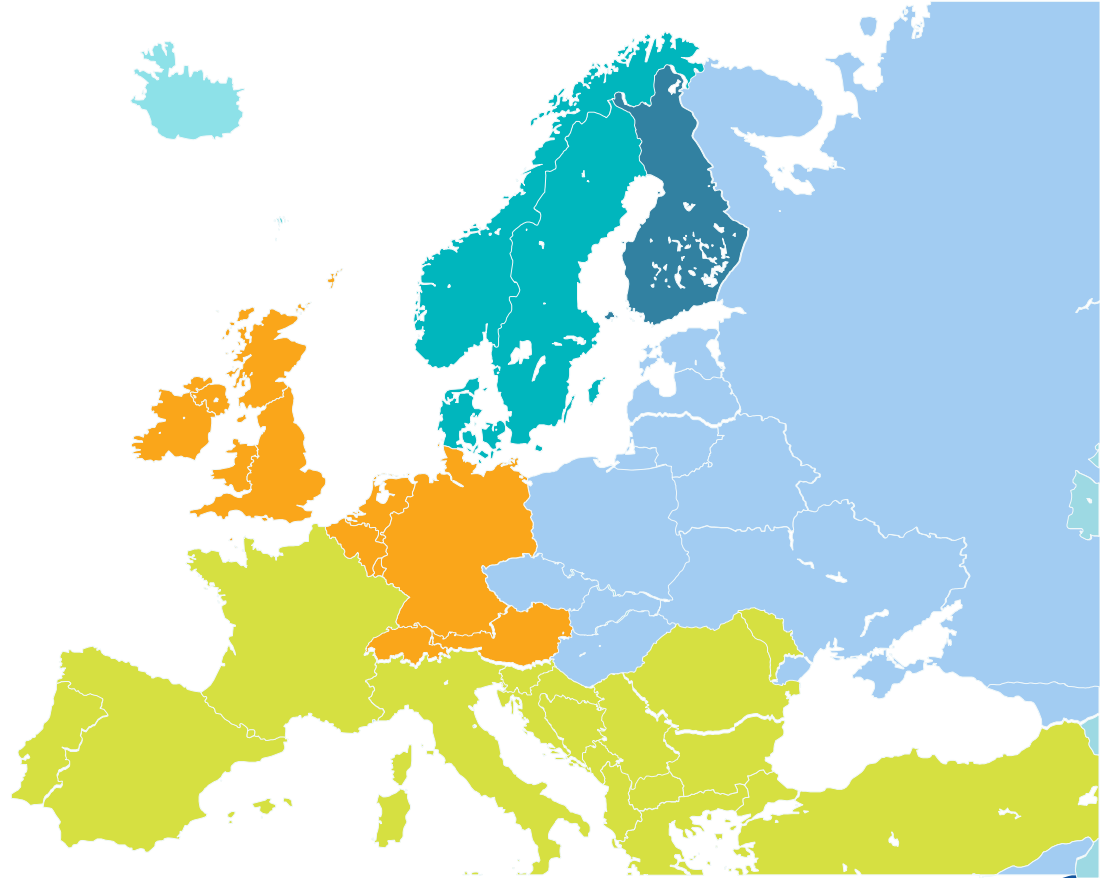
Finland
Market leader

Scandinavia
Strong domestic market position

Eastern Europe
Branded generics

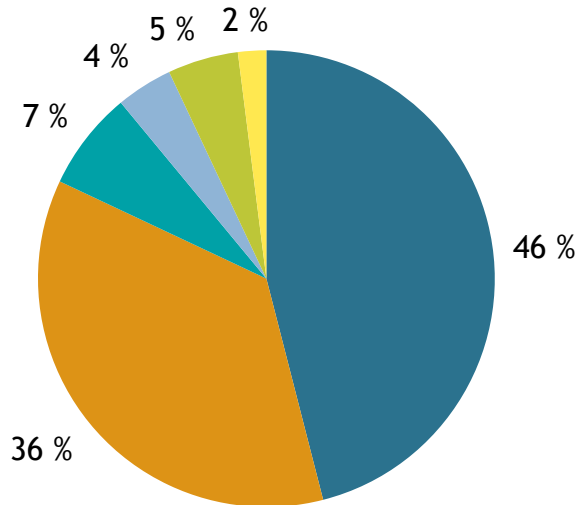
Western and Central Europe
Strong position with proprietary products

Southern Europe
Progress with proprietary products in hospital markets



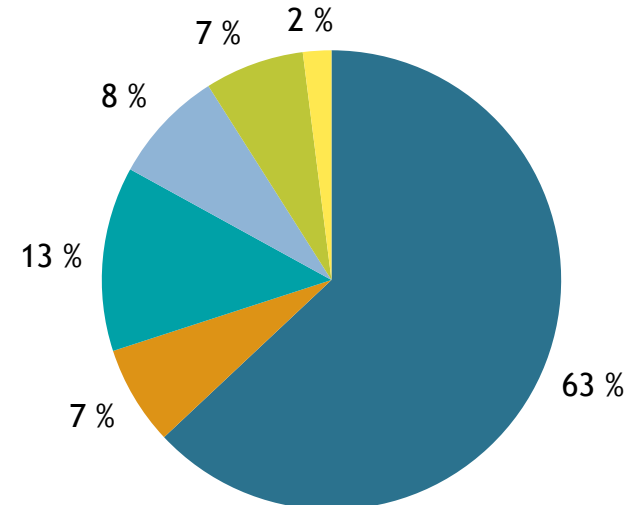
Orion shares are broadly held

By number of shares on 31 Mar



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

By number of votes on 31 Mar



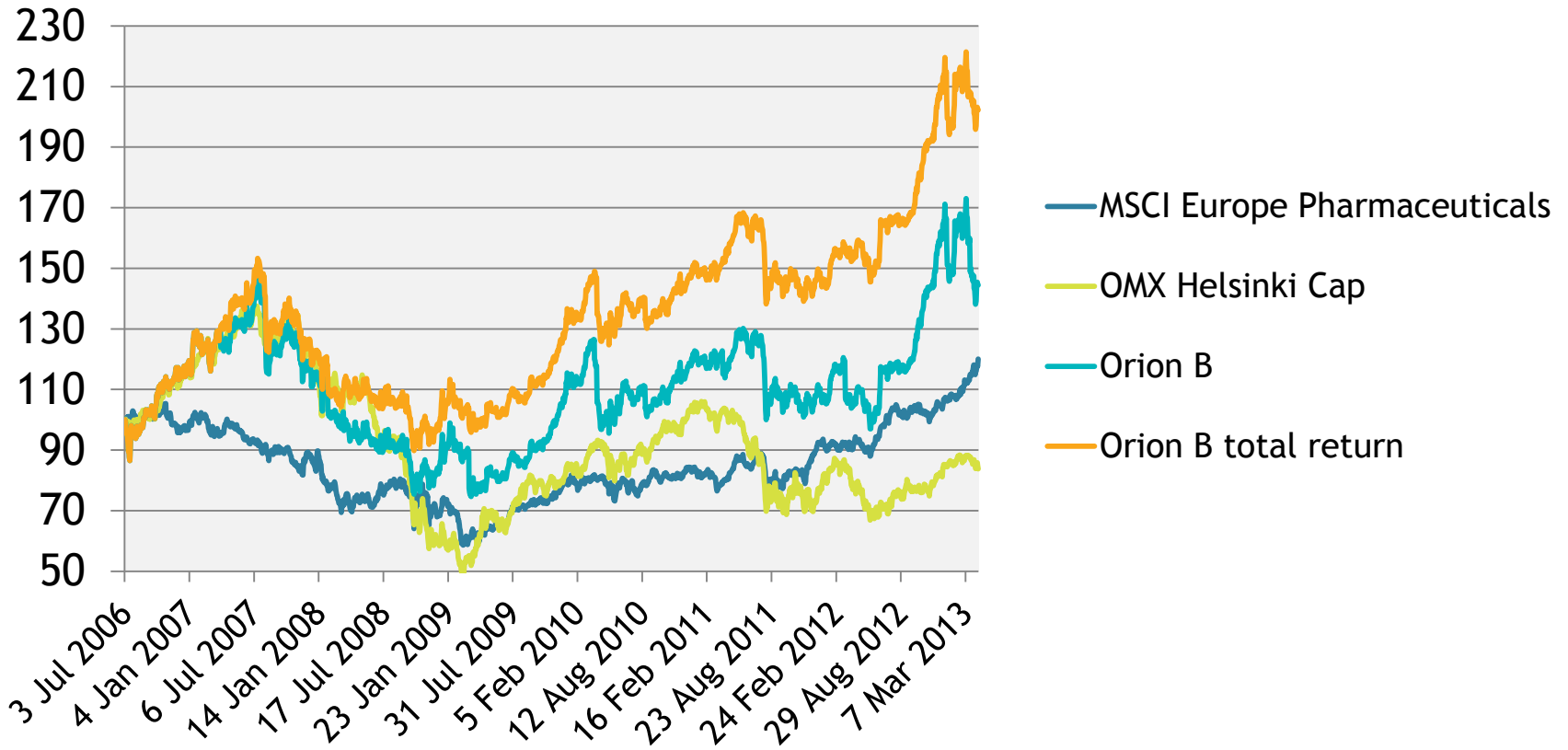
- Households
- Non-Finnish holders and nominee registered
- Private corporations
- Public sector
- Non-profit institutions
- Financial and insurance corporations

Altogether 141.3 million shares and ca. 55,000 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— 15 April 2013

Index 3 July 2006 = 100



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