



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.

A successful year

- Growth in net sales and operating profit later in the year better than forecast
 - sales grew in almost all business divisions and geographic regions
 - position as market leader in Finland remains strong
 - one-time payment from Pfizer at end of year
- Transfer of Simdax proceeded according to plan and sales progressed well
 - new sales organisations already operational
- We estimate net sales and operating profit slightly higher than in 2009

3

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Net sales and operating profit better than forecast

Group key figures	Q4/09	Q4/08	Change %	2009	2008	Change %
Net sales, EUR million	193.3	179.9	+7.4%	771.5	710.7	+8.5%
Operating profit, EUR million	43.9	32.8	+33.8%	207.0	185.0	+11.9%
Earnings per share, EUR	0.23	0.18	+33.8%	1.07	0.97	+11.1%
Cash flow per share before financial items, EUR	0.34	0.23	+48.1%	1.03	0.66	+56.9%
Board's proposed dividend per share, EUR ¹⁾				1.00	0.95	+5.3%

1) The Board of Directors proposes to the AGM that EUR 0.10 per share be distributed from the expendable fund in the distributable equity as a repayment of capital.

- Net sales grew by nearly 9%
 - products based on in-house R&D very successful
 - sales of generic drugs and self-care products also growing
 - reference price system intensified price competition in Finland
- Operating profit grew by about 12%
 - clear growth in sales
 - higher fixed costs
 - one-time payment from Pfizer at end of year 2009

4

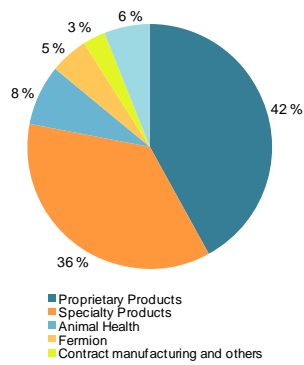
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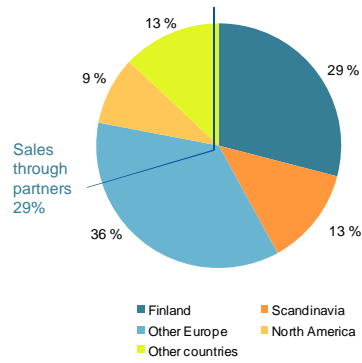
Net sales originate mainly in Europe

Breakdown of EUR 771.5 million net sales in 2009

By business



By region



5

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Business reviews

Further strong growth in pharmaceuticals sales

Key figures for Pharmaceuticals business	2009	2008	Change %
Net sales of Pharmaceuticals	728.5	667.6	+9.1%
Proprietary Products	324.0	278.1	+16.5%
Specialty Products	274.8	260.5	+5.5%
Animal Health	62.1	67.2	-7.5%
Fermion	41.4	36.1	+14.5%
Contract manufacturing and others	26.2	25.7	+1.9%
Operating profit of Pharmaceuticals	210.7	188.5	+11.8%

- 48% of Pharmaceuticals net sales from in-house R&D products, which grew 12.7%
- 32% of Pharmaceuticals net sales from Parkinson's drugs, which grew 12.7%
 - deliveries of Parkinson's drugs to Novartis up 16.7%
 - sales of Parkinson's drugs through own sales network up 7.5%
- Generic product range updated and expanded in Finland, Scandinavia and Eastern Europe

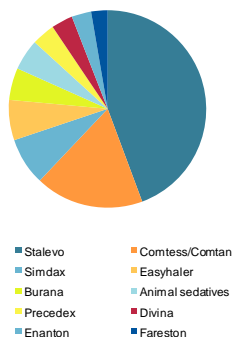
7

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Best-selling products performed well

Orion's best-selling pharmaceuticals	2009	2008	Change %
Stalevo® (Parkinson's disease)	167.6	141.0	+18.8%
Comtess®/Comtan® (Parkinson's disease)	67.3	67.4	-0.1%
Simdax® (heart failure)	29.4	17.3	+69.6%
Easyhaler® product family (asthma, COPD)	24.9	22.2	+12.2%
Burana® (inflammatory pain)	19.9	19.4	+2.4%
Dexdomitor®, Domitor®, Domosedan® and Antisedan® (animal sedatives)	19.3	24.6	-21.4%
Precedex® (sedative for patients in intensive care)	14.6	9.6	+51.0%
Divina® range (menopausal symptoms)	13.2	14.7	-10.8%
Enanton® (prostate cancer)	11.9	12.7	-6.8%
Fareston® (breast cancer)	10.2	10.5	-2.8%
Total	378.3	339.7	+11.4%
Share of Pharmaceutical net sales	52%	51%	



8

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Market leadership in Finland still strong

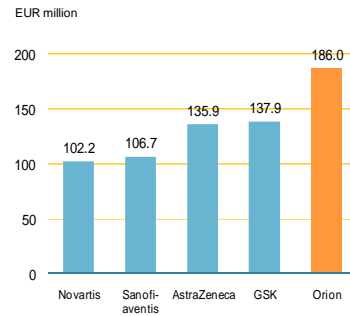
Finnish pharmaceutical market

- Finnish wholesale of human pharmaceuticals down 0.5% on previous year
- Packages sold down by 2.3%
- According to Statistics Finland, pharmaceutical prices in Finland decreased by 3.6% in 2009

Orion in Finnish pharmaceutical market

- Orion's sales grew by 3.2%
- Orion market leader with 9.6% market share
- Orion especially strong in self-care and substitutable prescription drugs

Finland's biggest pharmaceutical companies in 2009



9

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Source: Finnish Pharmaceutical Data



Market for Parkinson's drugs still growing

Overall market for Parkinson's drugs

- United States ³⁾ USD 981 million (-7.2%)
- Five largest European markets ¹⁾³⁾ EUR 895 million (+5.1%)

Market for Orion's Parkinson's drugs

- Total ²⁾ EUR 492 million (+15.3%)
- United States ³⁾ USD 171 million (+10.9%)
- Five largest European markets ¹⁾³⁾ EUR 147 million (+6.3%)
- Japan ²⁾ EUR 31 million (+126%)

Market shares of Orion's Parkinson's drugs

	Sep 2009	Sep 2008
Finland ²⁾	29%	30%
Sweden ²⁾	17%	17%
Norway ²⁾	16%	19%
Denmark ²⁾	15%	16%
Germany ³⁾	15%	16%
UK ³⁾	13%	13%
United States ^{3) 4)}	17%	15%
Japan ^{2) 4)}	8%	6%

(1) Germany, UK, France, Spain and Italy
 (2) including sales to hospitals and retail distributors
 (3) sales to retail distributors only
 (4) Novartis sales area

10

9 February 2010

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Source: IMS Health sales statistics for Oct/08–Sep/09



Pharmaceutical research pipeline

Project	Indication	Pre-clinical	Clinical phases			Registration
			I	II	III	
Histrelin implant (Vantas®)	advanced prostate cancer	Endo Pharmaceuticals Solutions				
Dexmedetomidine (intravenous) for European markets	sedative for patients in intensive care					
Easyhaler® combined formulation	asthma, COPD					
Stalevo®, development for Japanese market	Parkinson's disease					
Toremifene	prostate cancer, osteoporosis	GTx				
Paclitaxel for human use (Paical®)	ovarian cancer	Oasmia				
Paclitaxel for dogs (Pacca®)	mastocytoma (skin cancer)	Oasmia				
Alpha 2 _c receptor pharmacology	Alzheimer's disease, schizophrenia					
Dexmedetomidine (non-intravenous)	pain management	Récro Pharma				
In early research phase	SARM, prostate cancer etc.					

11

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Own proprietary drug research
Developed by a partner



Diagnostics focused on new products

Key figures for Diagnostics business	2009	2008	Change %
Net sales	45.2	45.0	+0.4%
Operating profit	5.6	6.1	-9.1%

- Euro-denominated sales slowed by weakening Nordic currencies
- Sales to China and Czech Republic higher than previous year
- Main products still QuikRead® tests
 - reagent and equipment sales continued to grow strongly
 - growth in equipment creates future demand for reagents
- Fall in industrial capacity utilisation rates decreased sales of hygiene tests for industry
- Operating profit down due to investments in product development

12

9 February 2010

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Orion's financial objectives

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 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 corporate acquisitions
- Increasing efficiency of operations and cost control
- Maintaining stable financial position; equity ratio at least 50%

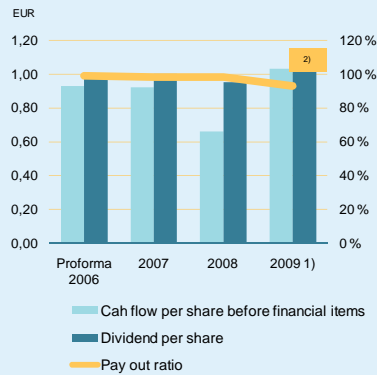
Dividend distribution

- Board proposes dividend of EUR 1.00 per share, payout ratio would be 93.5%
- Board proposes to the AGM also that EUR 0.10 per share be distributed from the expendable fund in the distributable equity as a repayment of capital

Dividend 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 distributions



15

9 February 2010

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The Board proposes to the AGM that
 1) Dividend per share would be EUR 1.00 and
 2) that EUR 0.10 per share be distributed from the expendable fund in the distributable equity as a repayment of capital.



Outlook for 2010

- Net sales slightly higher than 2009
 - higher marketing expenditure
 - slightly lower R&D expenses
 - patent litigation costs in USA similar to 2009
- Operating profit excluding non-recurring items slightly higher than 2009
- Group capital expenditure about EUR 40 million

16

9 February 2010

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Dates in Orion Calendar 2010

- Annual Report 2009 will be published In week beginning 1 March 2010
- Deadline for registering for AGM 19 March 2010 at 10:00
- Annual General Meeting in Helsinki 24 March 2010 at 14:00

Dividend payment

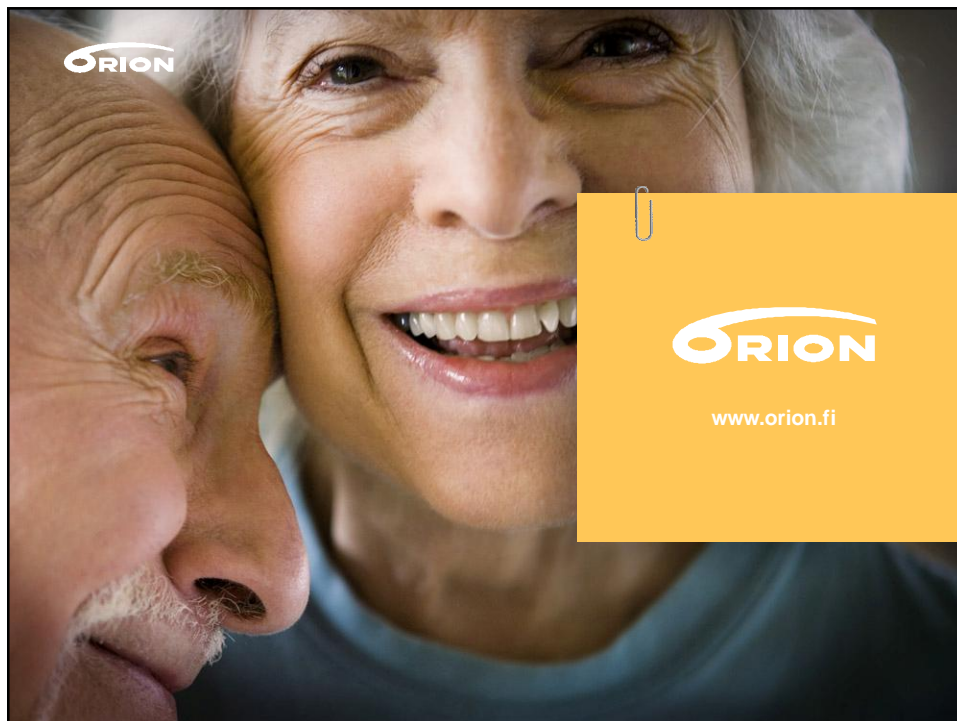
- Record date 29 March 2010
- Dividend payment date 7 April 2010

Interim Reports

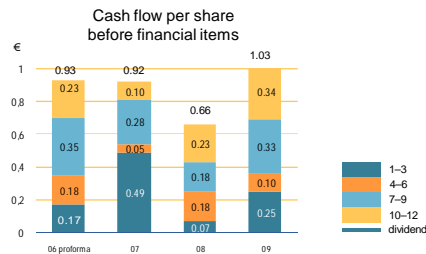
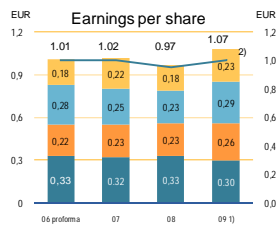
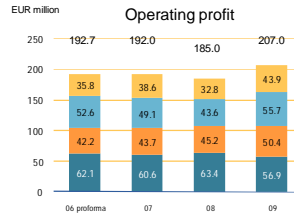
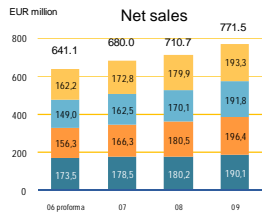
- January–March 2010 27 April 2010
- January–June 2010 10 August 2010
- January–September 2010 26 October 2010

17

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Key figures by quarter



19

9 February 2010

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The Board proposes to the AGM that
 1) dividend per share would be EUR 1.00 and
 2) that EUR 0.10 per share be distributed from the expendable fund in the distributable equity as a repayment of capital.



Steady growth in net sales

Orion's key figures (1)	Pro forma 2006	2007	2008	2009	Change %
Net sales, EUR million	641.1	680.0	710.7	771.5	+8.5%
Operating profit, EUR million	192.7	192.0	185.0	207.0	+11.9%
Profit before taxes, EUR million	193.3	193.4	184.2	203.7	+10.6%
R&D expenses, EUR million	73.1	85.0	90.0	95.2	+5.7%
Equity ratio, %	75.5%	76.2%	60.2%	60.6%	
Gearing, %	-23.4%	-20.0%	-7.1%	-8.9%	
ROCE (before taxes), %	47.1%	44.8%	38.5%	37.4%	
Return on equity, %	34.9%	33.5%	32.1%	35.3%	
Earnings per share, EUR	1.01	1.02	0.97	1.07	+11.1%
Cash flow per share before financial items, EUR	0.93	0.92	0.66	1.03	+56.9%
Dividend per share, EUR	1.00	1.00	0.95	1.00 ²⁾	+5.3%

(1) On 1 July 2006, former Orion Corporation demerged into two new companies, Orion Corporation and Orinda-KD Corporation

(2) The Board's proposal to AGM that dividend would be EUR 1.00 per share and that EUR 0.10 per share be distributed from the expendable fund in the distributable equity as a repayment of capital.

20

9 February 2010

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Continued growth in best-selling proprietary products

Net sales of proprietary products, EUR million		2009	2008	Change %
Stalevo®	Parkinson's disease	167.6	141.0	+18.8%
Comtess®/Comtan®	Parkinson's disease	67.3	67.4	-0.1%
Simdax®	heart failure	29.4	17.3	+69.6%
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Dexdomitor®, Domitor®, Domosedan® and Antisedan®	animal sedatives	19.3	24.6	-21.4%
Precedex®	sedative for patients in intensive care	14.6	9.6	+51.0%
Divina® range	menopausal symptoms	13.2	14.7	-10.8%
Fareston®	breast cancer	10.2	10.5	-2.8%
Total		346.5	307.5	+12.7%
% of pharmaceutical net sales		48%	46%	

21

9 February 2010 Financial Statement Release 2009



Focus on sales and R&D continued

Formation of profits, EUR million	Pro forma				Change %
	2006	2007	2008	2009	
Net sales	641.1	680.0	710.7	771.5	+8.5%
Cost of goods sold	-218.8	-232.8	-243.4	-265.2	+9.0%
Gross profit	422.3	447.2	467.4	506.3	+8.3%
Other operating income and expenses	13.4	12.0	3.1	6.0	+96.7%
Sales and marketing expenses	-129.6	-143.4	-143.9	-160.0	+11.2%
R&D expenses	-73.1	-85.0	-90.0	-95.2	+5.7%
Administrative expenses	-40.4	-38.8	-51.5	-50.2	-2.6%
Operating profit	192.7	192.0	185.0	207.0	+11.9%
Profit before taxes	193.3	193.4	184.2	203.7	+10.6%

22

9 February 2010 Financial Statement Release 2009



Clear growth in intangible assets

Changes in intangible assets, (excluding goodwill), EUR million	2009	2008
Carrying amount at the beginning of the period	40.4	23.0
Additions	35.2	24.0
Disposals	-0.3	-0.0
Depreciation	-8.3	-6.6
Carrying amount at the end of the period	67.0	40.4

- Main individual addition was Simdax repurchase for EUR 26.2 million in May 2009

Orion's research programmes in brief

- Clinical Phase III studies of **dexmedetomidine** as sedative for prolonged infusion (over 24 hours) for patients in intensive care
 - comparison with midazolam and propofol; 500 patients recruited for both studies
 - results from research programmes expected at latest in summer 2010
- Development of **Easyhaler** product family with new **product combining** budesonide and formoterol for treatment of asthma and COPD
- Orion and Novartis to develop **Stalevo for Japanese market**
- **Alpha 2c receptor antagonist** in clinical Phase I
 - possible indications include treatment of Alzheimer's disease and schizophrenia
- Early-phase studies include
 - selective androgen receptor modulators (SARM), prostate cancer, neuropathic pain, Parkinson's disease and various possible indications within intensive care

Key patent expiries in next few years

Molecule	Indication	Key patents expire	
		Europe	USA
Entacapone	Parkinson's disease	November 2012	October 2013
Levosimendan	For example, acute heart failure	September 2015	October 2013
Dexmedetomidine	Sedative for humans and animals	July 2013	July 2013

25

9 February 2010

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