



Company presentation for investors

2014 Q1

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 2014 Q1 & Outlook

First marketing authorisations in Europe for Bufomix Easyhaler®

- Net sales similar to comparative period
- Operating profit slightly lower than in previous year as anticipated
- Bufomix Easyhaler® gained first marketing authorisations in Europe
- Generic competition to Precedex not yet started in USA
- First marketing authorisations for generic competitors to Stalevo granted in Germany
- Capital expenditure programme proceeding: first packaging line operational at Salo plant

Key figures for 2014 Q1

	2014 Q1	2013 Q1	Change %	2013
Net sales, EUR million	245.0	249.4	-1.8%	1 006.9
Operating profit, EUR million	67.4	74.1	-9.1%	267.7
% of net sales	27.5%	29.7%		26.6%
R&D expenses, EUR million	26.3	24.6	+6.8%	101.9
% of net sales	10.7%	9.9%		10.1%
Basic earnings per share, EUR	0.37	0.39	-5.1%	1.46
Cash flow per share before financial items, EUR	0.30	0.07	+319.4%	1.02

Key figures by business areas

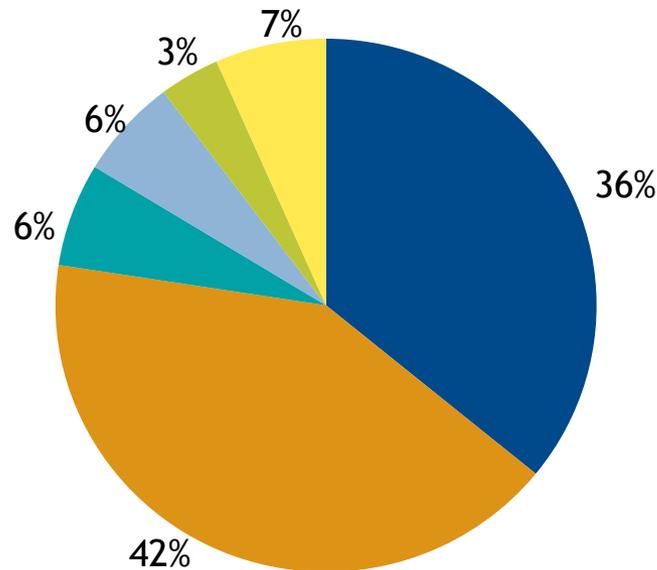
Key figures for Pharmaceuticals business	2014 Q1	2013 Q1	Change %	2013
Net sales of Pharmaceuticals, EUR million	229.5	234.2	-2.0%	953.0
Proprietary Products	88.2	100.3	-12.1%	390.4
Specialty Products	102.1	95.7	+6.7%	384.9
Animal Health	15.4	14.8	+4.4%	70.8
Fermion	14.9	13.4	+11.3%	63.5
Contract manufacturing and other ¹⁾	8.9	10.1	-11.7%	43.3
Pharmaceuticals operating profit, EUR million	66.7	73.9	-9.7%	272.9
Key figures for Diagnostics business				
Net sales, EUR million	16.3	15.9	+2.8%	57.1
Operating profit, EUR million	2.6	2.3	+14.0%	4.6

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

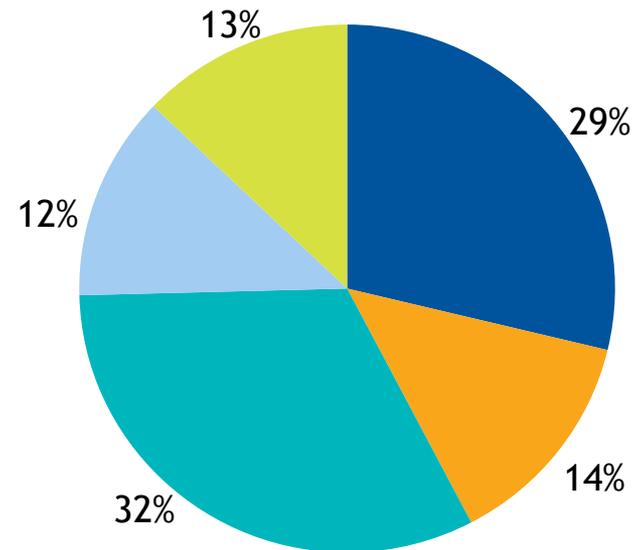
Breakdown of EUR 245 million net sales in 2014 Q1

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	Q1/2014	Q1/2013	Change %	2013
1. Stalevo [®] , Comtess [®] and Comtan [®] (Parkinson's disease)	PP	47.2	60.3	-22%	207
2. Simdax [®] (acute decompensated heart failure)	PP	10.7	10.8	-2%	46
3. Precedex [®] (intensive care sedative)	PP	9.0	12.0	-25%	59
4. dexdor [®] (intensive care sedative)	PP	8.0	5.7	+40%	25
5. Easyhaler [®] product family (asthma, COPD)	PP	7.8	6.2	+27%	29
6. Generic entacapone products (Parkinson's disease)	SpP	6.8	2.6	+165%	10
7. Burana [®] (inflammatory pain)	SpP	5.5	5.8	-5%	23
8. Marevan [®] (anticoagulant)	SpP	4.9	4.0	+21%	16
9. Dexdomitor [®] , Domitor [®] , Domosedan [®] and Antisedan [®] (animal sedatives)	AH	4.9	4.9	-1%	25
10. Trexan [®] (rheumatoid arthritis, cancer)	SpP	3.4	2.9	+15%	11
Total		108.1	115.2	-6%	452
Share of Pharmaceuticals net sales		47%	49%		47 %

Products based on Orion's inventions in blue

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

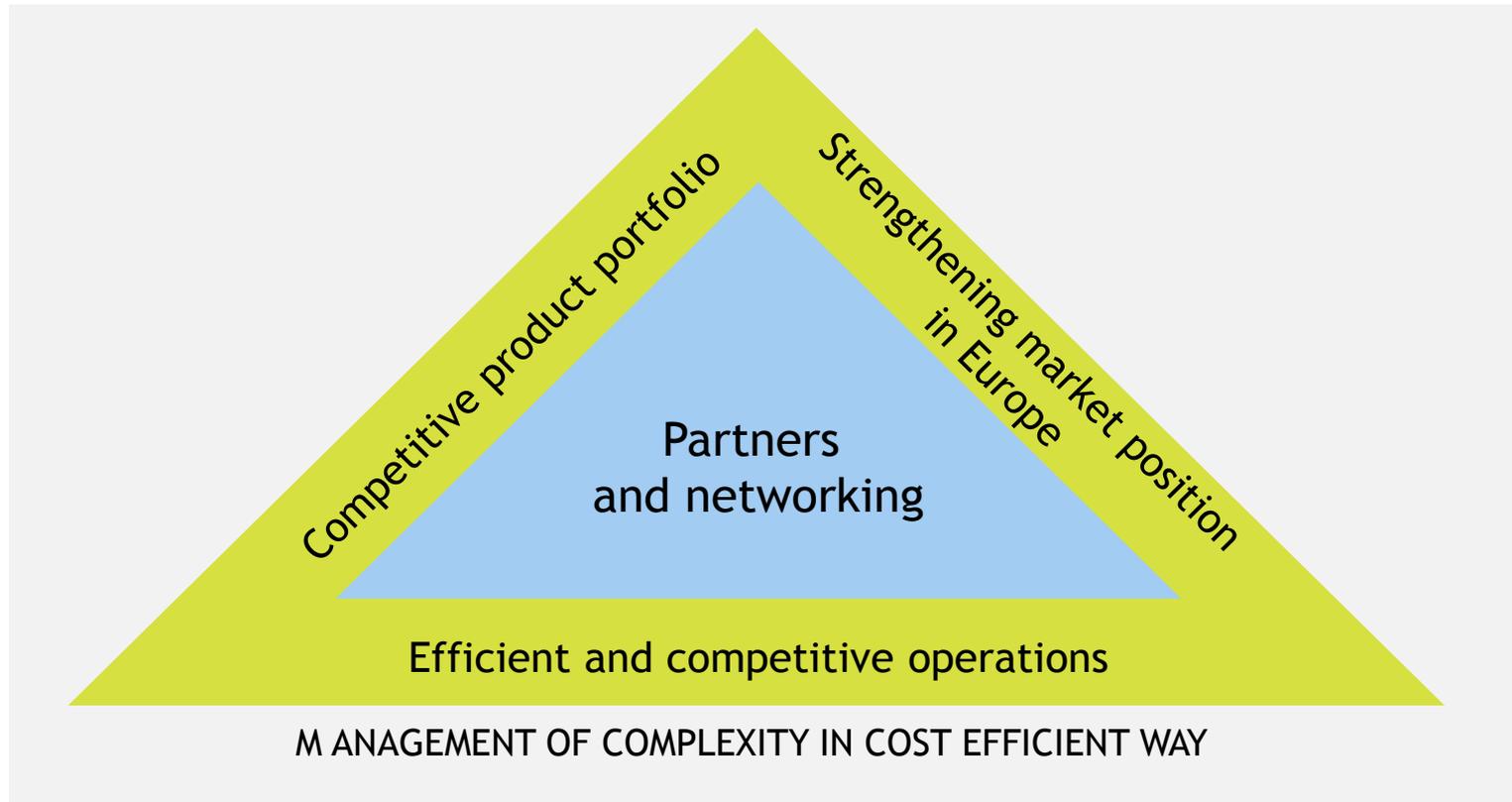
Outlook for 2014

- **Net sales** will be at similar level to 2013 (net sales in 2013 were EUR 1,007 million)
- **Operating profit** will be slightly lower than in 2013 (operating profit in 2013 was EUR 268 million)
- **Group's capital expenditure** will be about EUR 60 million excluding substantial corporate or product acquisitions (Group's capital expenditure in 2013 was EUR 78 million)

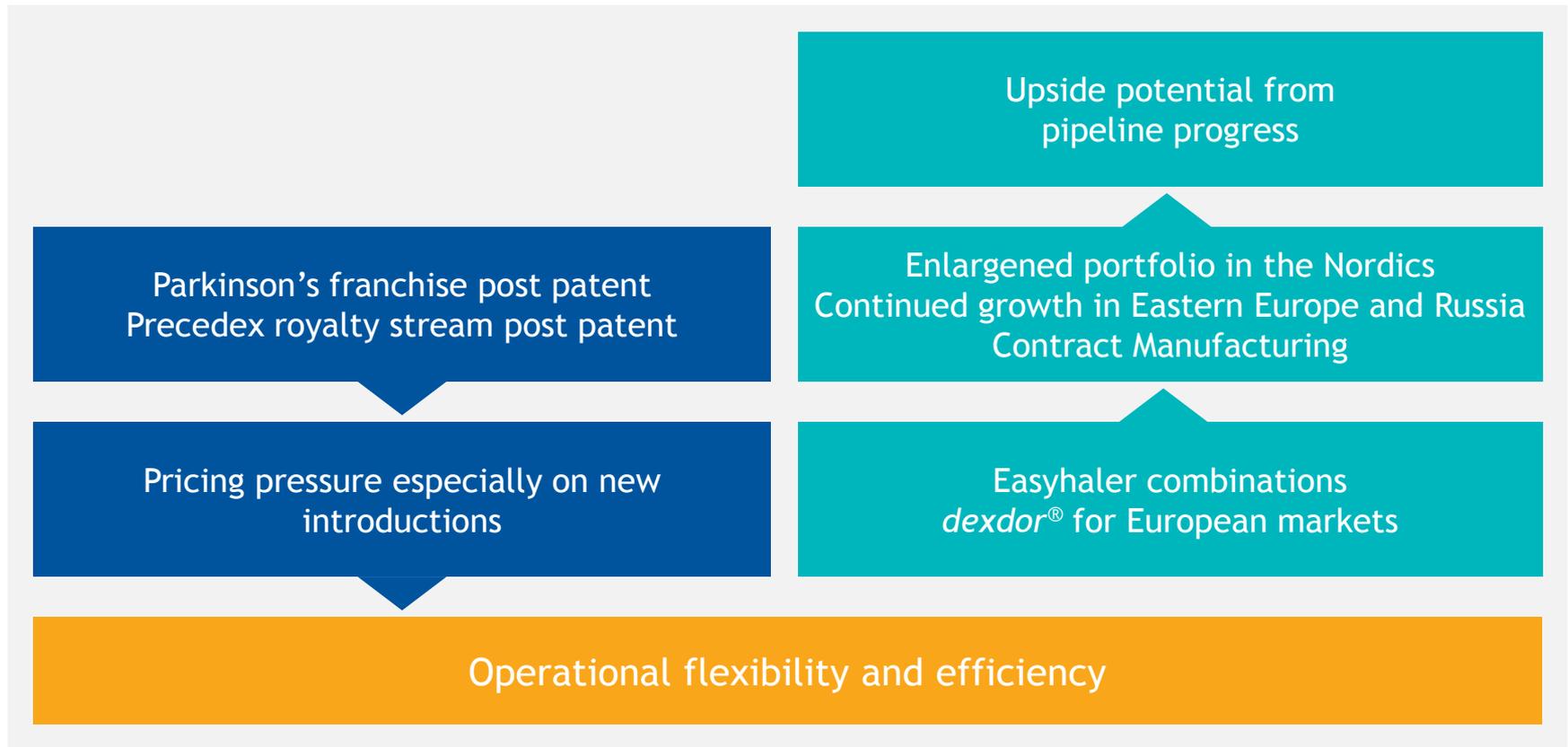


Orion's strategy and financial targets

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



Balancing mid-term – building long-term



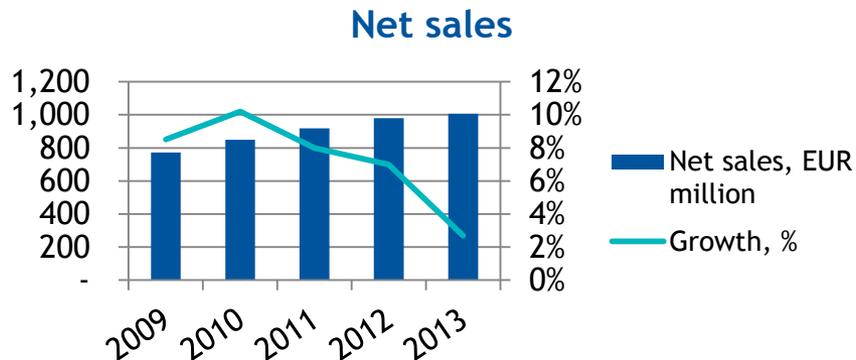
Orion's financial objectives

Orion's financial objectives are:

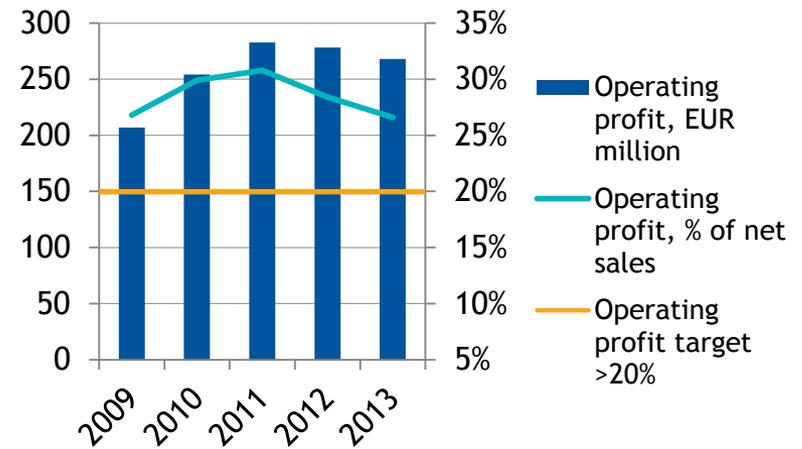
- Ensuring financial stability
- Profitable growth

The objectives are achieved through:

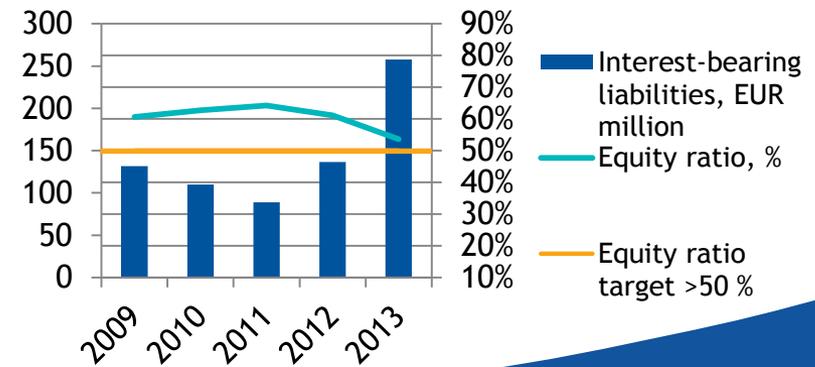
- Increasing net sales. Achievement of this objective requires continuous investment in development of the product portfolio.
- Maintaining profitability at a good level, the aim being operating profit that exceeds 20% of net sales.
- Keeping the equity ratio at least 50%.



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

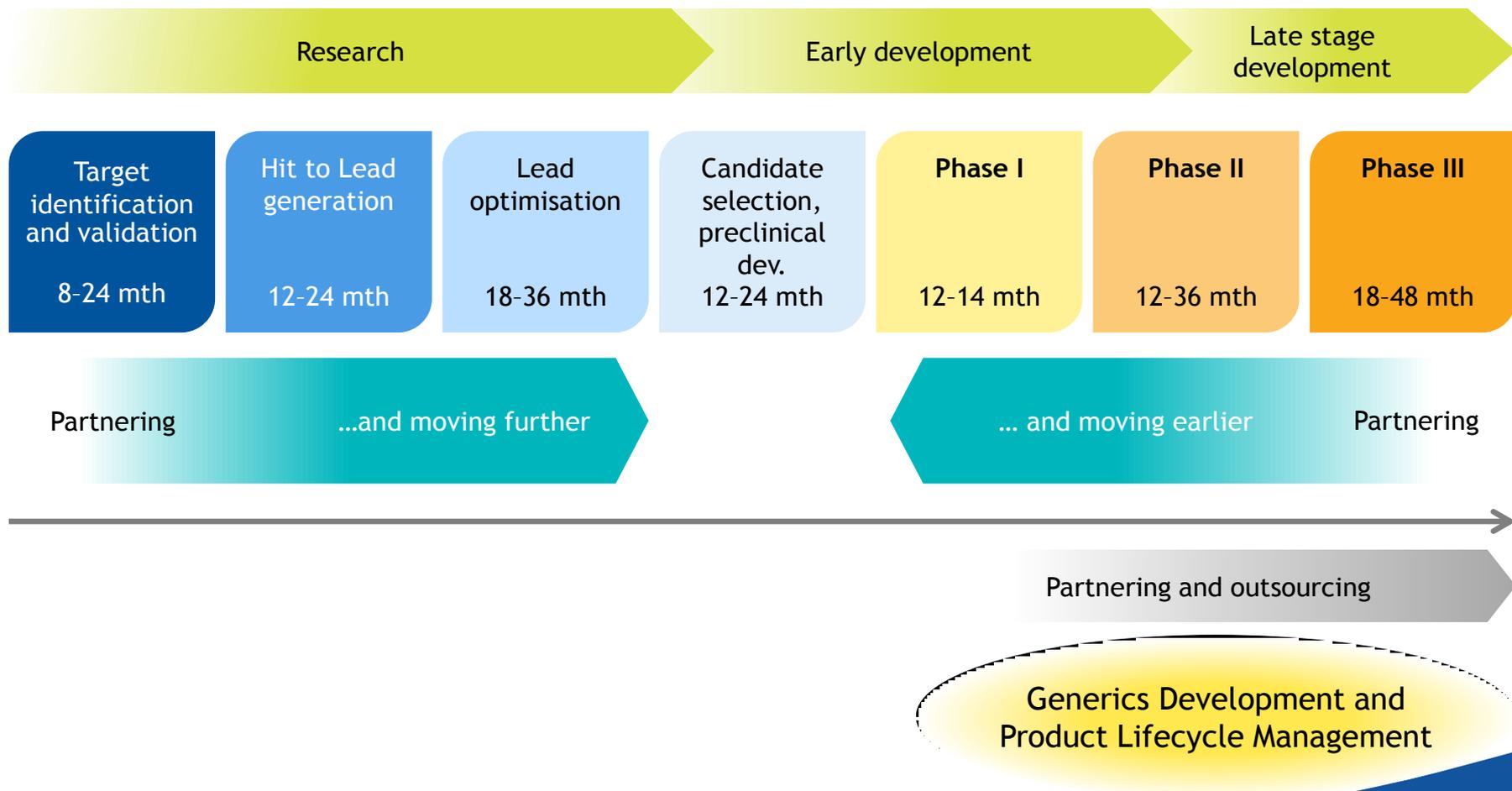
Constant strive to

- 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



Key clinical pharmaceutical development projects

Project	Indication	PHASE			Registration
Easyhaler® budesonide-formoterol	Asthma, COPD	I	II	III	Registration
Stalevo® for Japanese markets ¹⁾	Parkinson's disease	I	II	III	Registration
Easyhaler® salmeterol-fluticasone	Asthma, COPD	I	II	III	
ORM-12741 (alpha-2c adrenoceptor antagonist) ²⁾	Alzheimer's disease	I	IIa		
ODM-201 (androgen receptor inhibitor)	Prostate cancer	I	II		
Levosimendan ³⁾	Low Cardiac Output Syndrome	I	II		
ODM-103 (more effective COMT inhibitor)	Parkinson's disease	I			
ODM-104 (more effective COMT inhibitor)	Parkinson's disease	I			

¹⁾ Partner: Novartis

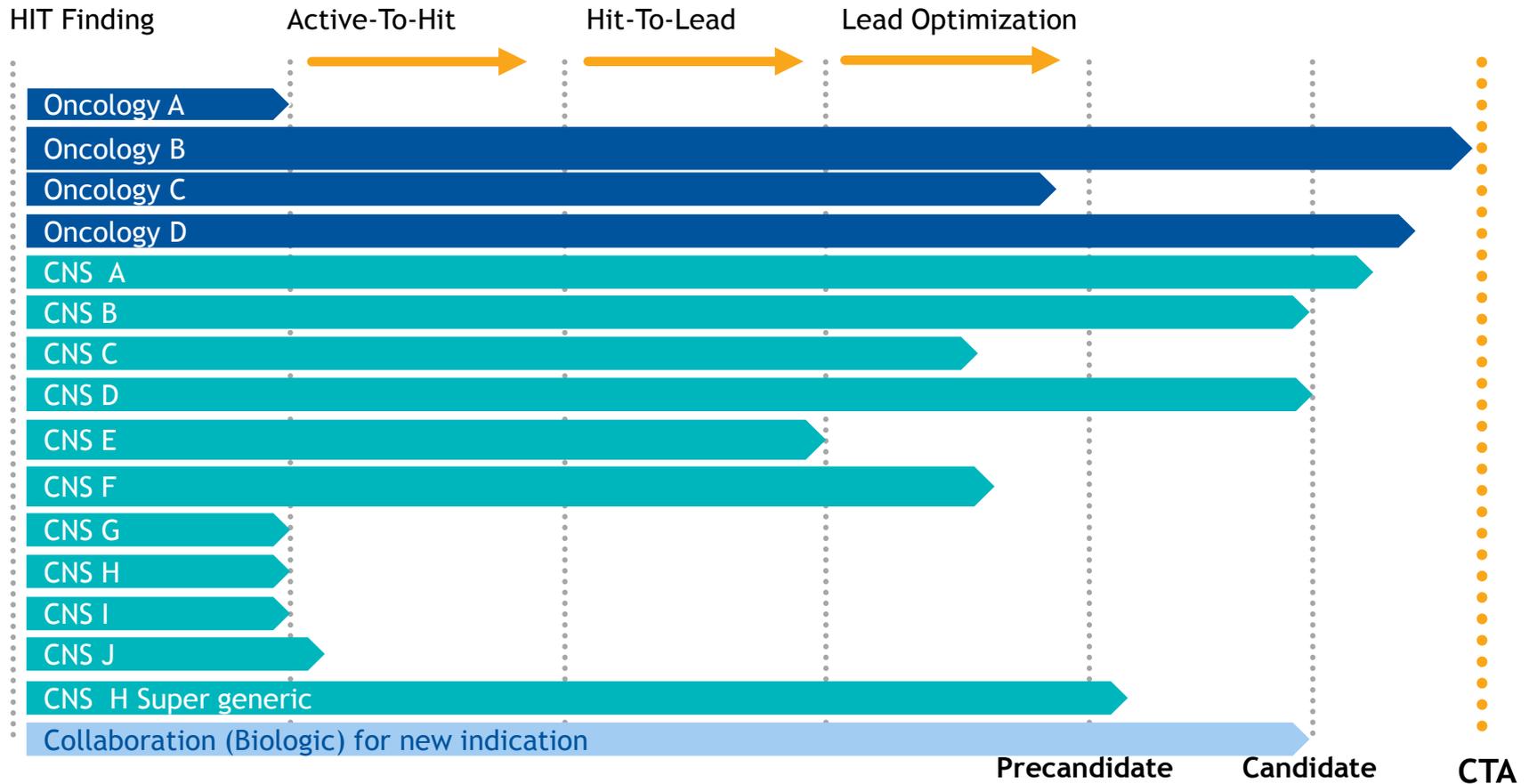
²⁾ In collaboration with Janssen Pharmaceuticals

³⁾ Partner: Oxygen Biotherapeutics, Inc. is preparing to commence Phase III

 = Phase completed

 = Phase ongoing

Research projects 2013 (16)



Snapshot of Orion's preclinical pipeline presented at Orion Capital Markets Day on 20 November 2013.



ORM-12741,
alpha-2c
adrenoceptor
antagonist

ORM-12741 - collaboration with Janssen

- Licence agreement announced on 19 December 2013 (includes ORM-12741 and other compounds)
- Orion received USD 31 million upfront payment which will mainly be used against additional Phase IIa study costs
- Orion is eligible to receive milestone payments from Janssen upon successful completion of certain development and commercialization events, as well as royalties on future sales
- Orion has exclusive commercialization rights in Europe
- Janssen has worldwide exclusive license to develop ORM-12741 and an exclusive right to commercialize it outside Europe
- Orion and Janssen will co-fund the development after an additional Phase IIa study is completed successfully by Orion

ORM-12741, first Phase 2a Study in AD

- Objective
 - To evaluate safety and efficacy of ORM-12741 in treatment of cognitive and behavioral symptoms of Alzheimer's disease
- Design and Methodology
 - Randomised, double-blind, placebo-controlled, parallel-group Phase 2a study in 100 pts
 - Patients with moderately severe Alzheimer's disease (MMSE 12 - 21)
 - Behavioural and psychological symptoms present (NPI \geq 15)
 - All on stable dose of donepezil, rivastigmine or galantamine for at least 3 months
 - 2 dose levels of ORM-12741 and placebo for 12 weeks as an add-on therapy
- Main Endpoints
 - A battery of computerized neurocognitive tests (CDR System)
 - Pre-specified primary emphasis on composite scores for Quality of Episodic Memory, Quality of Working Memory, Speed of Memory and Power of Attention
 - Neuropsychiatric inventory (NPI)
 - Safety: AEs, vital signs, safety lab, ECG

ORM-12741 first Phase 2a Study – Conclusions

- Clear positive effects on memory measures on active treatment groups as compared to placebo
 - Clear and statistically significant positive treatment effect on Quality of Episodic Memory (*p=0.03)
 - Clear and statistically significant positive treatment effect on Quality of Memory (*p=0.013)
- Clear and statistically significant positive treatment effect on Neuropsychiatric Inventory (NPI) Caregiver Distress score (*p=0.034)
- Trend for positive treatment effect in Neuropsychiatric Inventory (NPI) total score for the low dose group (*p=0.12)
- ORM-12741 was generally well tolerated

*Main treatment effect (used doses: 30-60mg and 100-200 mg)

ORM-12741 – Next Steps

- A new formulation study followed by
- An additional Phase 2a in AD patients focusing on
 - Confirmation of the first Phase 2a results - especially on NPI
 - Dosing
- Development options for Phase 3

Cognition

- ✓ Pros': Several compound shown to work, clear study designs, endpoints & regulatory path
- ✓ Cons': Old generic drugs on market, new competitors in pipeline, lower prize expectation than for the latter

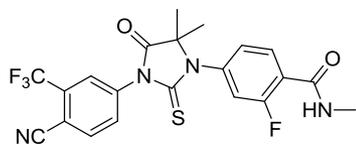
Neuropsychiatric symptoms

- ✓ Pros': Huge unmet need, less competition, high value
- ✓ Cons': Endpoints & regulatory path less clear - need clarification before Phase 3

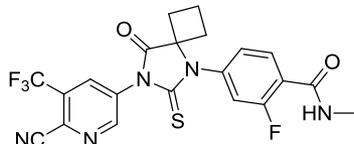


ODM-201
a new generation
androgen receptor
(AR) inhibitor for
prostate cancer

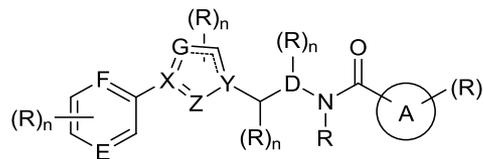
ODM-201 has a unique profile



Enzalutamide
(MDV-3100)



ARN-509



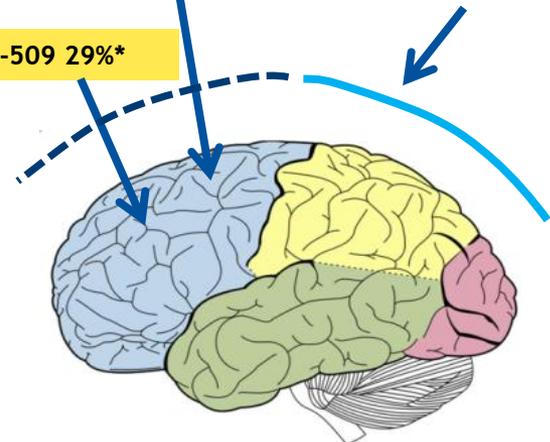
General chemical structure
for ODM-201



enzalutamide 19%*

ODM-201 +
main metabolite 3% **

ARN-509 29%*



Compound	AR affinity Ki (nM)	Antagonism WT AR IC50 (nM)	Proliferation VCaP IC50 (nM)
enzalutamide	78	155	400
ARN-509	53	168	300
ODM-201	9	65	500
ORM-15341 (main metabolite)	8	25	600

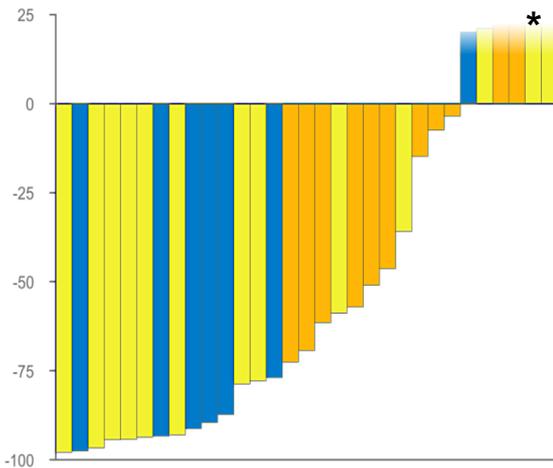
*Refs. Clegg et al, Cancer Research 2012; Forster et al, Prostate 2011

** Rat autoradiography (QWBA confirms brain/plasma ratio of 14C-ODM-201 related radioactivity was 0.04-0.06, indicating negligible penetration to the brain

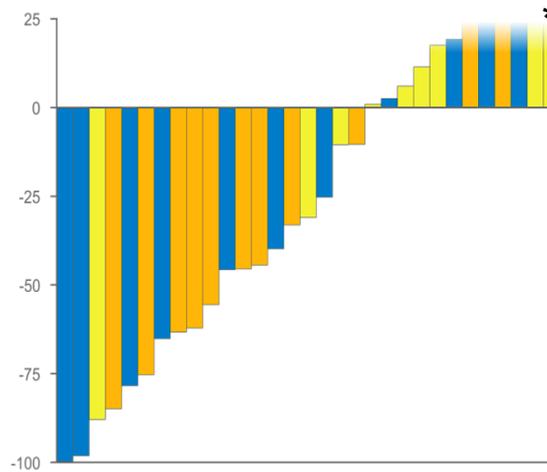
- No brain entry
- No CYP inhibition or induction expected with therapeutic doses

In ARADES I/II study 12 wk PSA response was most pronounced in Chemo-/CYP17i naïve patients

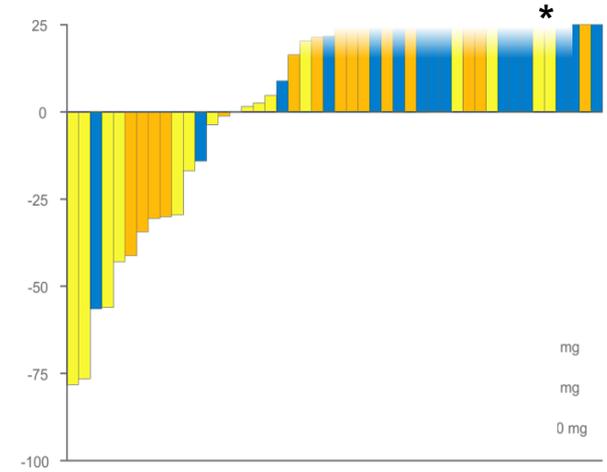
Chemo-/CYP17i-naïve



Post-chemo/CYP17i naïve



Post-CYP17i



**≥ 50% PSA response rate
86% at 700mg bid**

■ 100 mg bid ■ 200 mg bid ■ 700 mg bid

*Data truncated at +25%

Most common (>10%) adverse events in ARADES study by grade

Follow-up until week 12	N of patients (%) (N=124)		
	Grade 1-2	Grade 3	Grade 4
Fatigue /Asthenia	30 (24%)	1 (1%)	-
Back pain	17 (14%)	1 (1%)	-
Constipation	16 (13%)	-	-
Nausea	13 (10%)	1 (1%)	-
Pain	13 (10%)	1 (1%)	-
Decreased appetite	12 (10%)	-	-

- No clear evidence that any observed toxicity is drug related
- No related seizures - one case of convulsion was reported 27 days after stopping treatment
- Safety profile after longer treatment period remains similar

Conclusions from clinical studies and next steps

- ODM-201 is a safe and well tolerated treatment
 - Adverse events were mostly mild, and seemed to be related to prostate cancer or concomitant diseases
- High response rate in chemo-/CYP17i-naïve patients
 - 700 mg bid has the best responses in chemo-/CYP17i-naïve patients. High dose further supported by efficacy data of the formulation bridging study (data to be presented in 2014)
- A Phase 3 study in nmCRPC patients is scheduled to start recruitment in Q2/2014
 - Patients at high risk for developing metastasis as assessed by PSA doubling time
 - To demonstrate the efficacy of ODM-201 for delaying progression to metastatic disease
 - Over 300 sites in more than 20 countries
 - The study was discussed with EMA and FDA as part of end of phase 2 advice process
- Discussions ongoing with partner candidates about other studies (phase 2 and 3)



ODM-103 and
ODM-104 for
Parkinson's
disease

ODM-103 and -104 for Parkinson's disease

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 since summer 2012

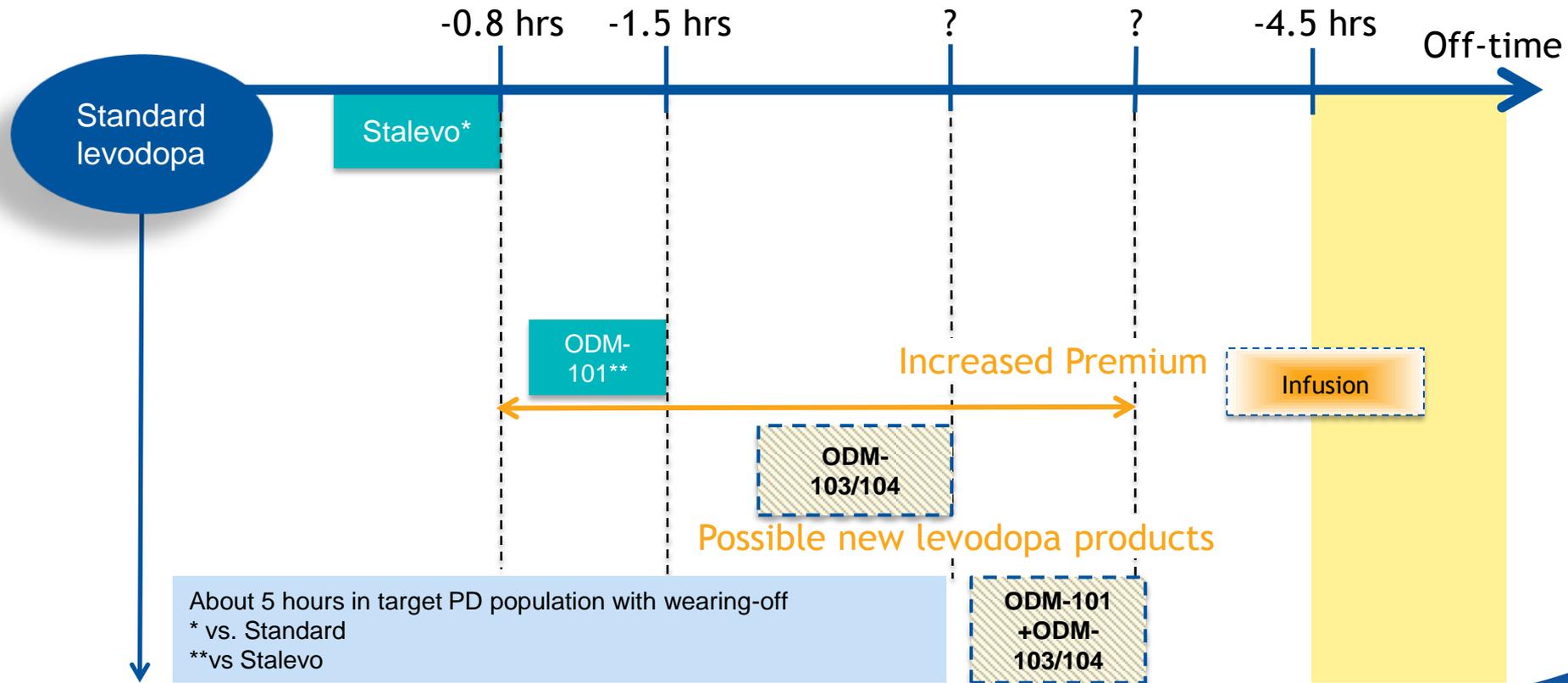
ODM-104, more effective COMT-inhibitor

Pre-clinical study

- Pre-clinical study results indicated that ODM-104 is more effective than entacapone

Phase I Safety study ongoing in Europe since summer 2013

Target is to develop the best possible peroral levodopa product to increase premium for market access - improved efficacy / reduced OFF-time





Proprietary Products and Specialty Products update

Product protection situation of key products

Key patents or data protection expire

Molecule	Product	Indication	Europe	USA	Japan
Entacapone	Stalevo [®] , Comtess [®] and Comtan [®]	Parkinson's disease	November 2012 October 2013 ¹⁾	October 2013	January 2015 ²⁾
Levosimendan	Simdax [®]	Acute decompensated heart failure	September 2015	Not marketed	Not marketed
Dexmedetomidine	Precedex [®] <i>dexdor</i> [®]	Intensive care sedative	July 2013 September 2021 ³⁾	January 2014 ⁴⁾	June 2012

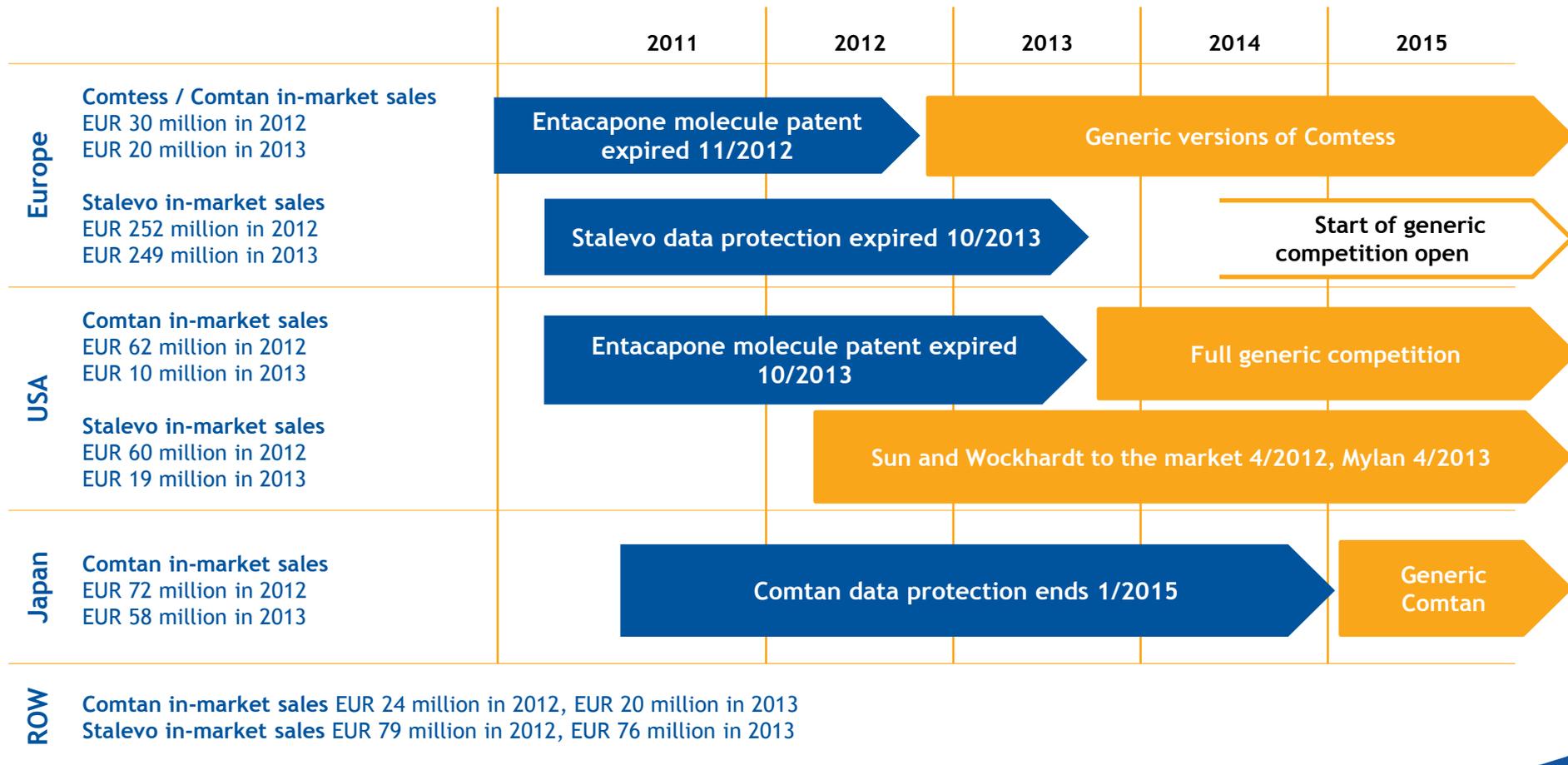
¹⁾ Stalevo data protection expired

²⁾ Data protection expires; currently only Comtan available, project to develop Stalevo for Japanese markets ongoing

³⁾ Dexdor data protection expires

⁴⁾ Six months paediatric exclusivity granted for Precedex in the United States expired

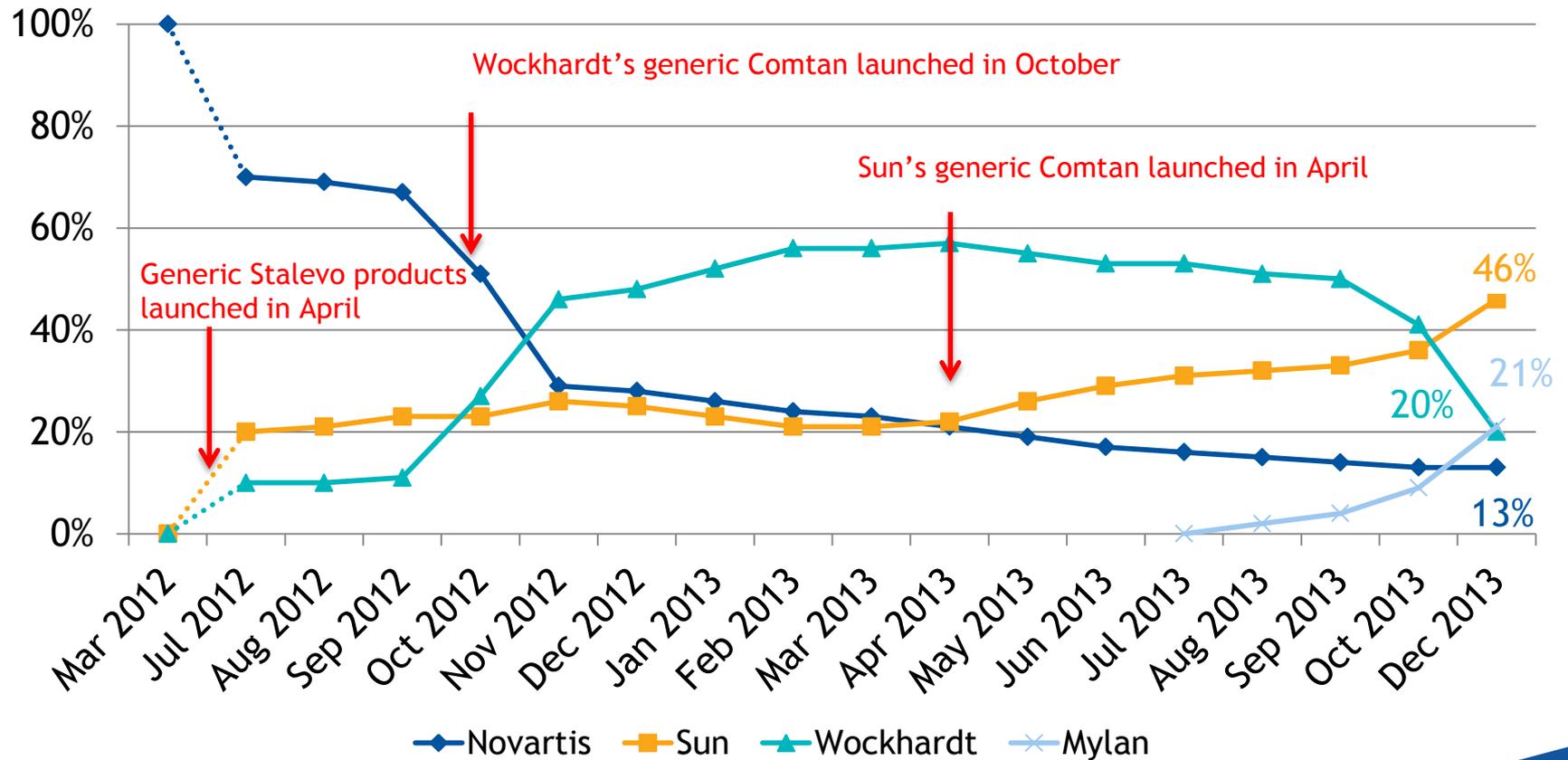
Turning points of Parkinson's franchise



Source: IMS Health 2013

Rx value shares in USA after generic launches

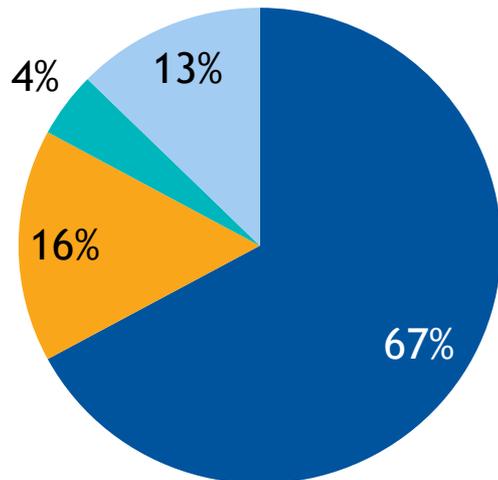
Total Rx value in USA - all entacapone products



Precedex[®] and dexdor[®] intensive care sedatives

European sedative market 2013

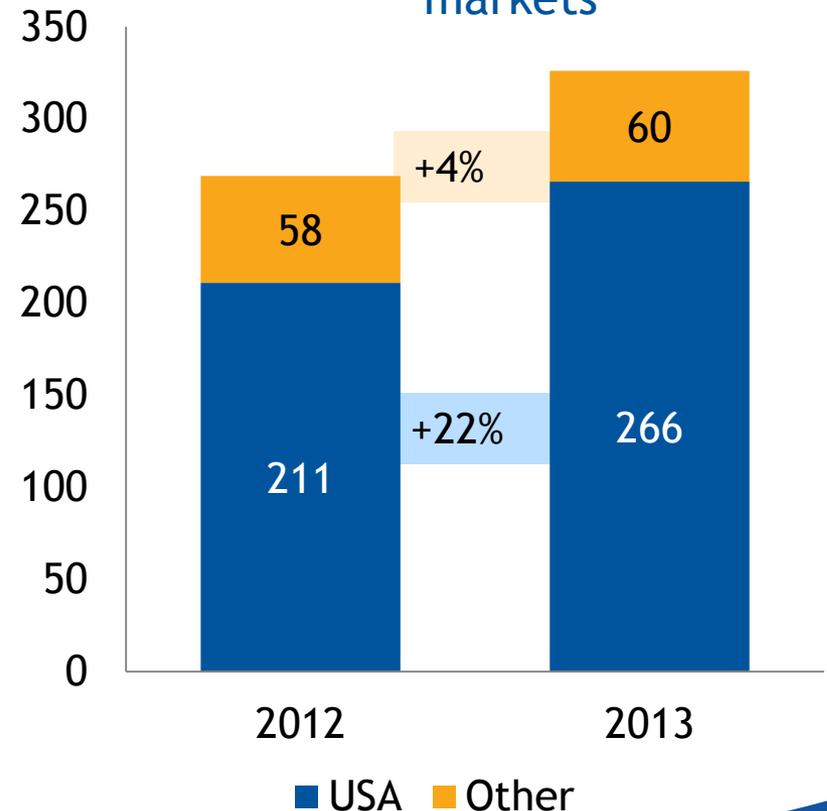
Total market value EUR 475 million (+0.4%)



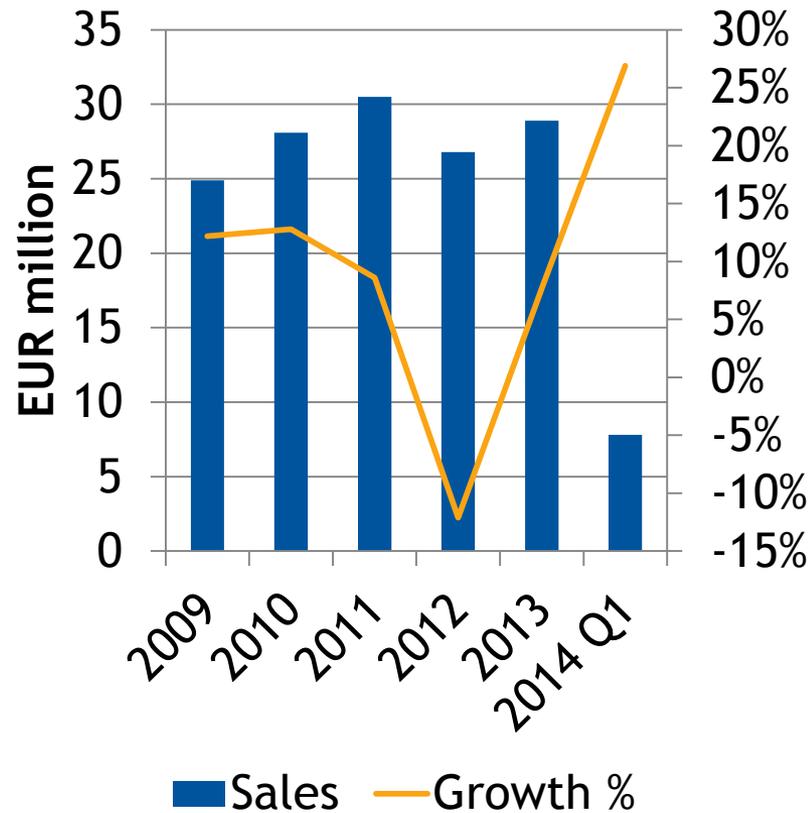
- Propofol EUR 318 million (+2%)
- Midazolam EUR 75 million (-7%)
- Dexmedetomidine EUR 21 million (+82%)
- Remifentanyl EUR 60 million (-13%)

Breakdown of Precedex markets

USD million



Easyhaler® for asthma and COPD



1993 Buventol Easyhaler® (salbutamol)



1994 Beclomet Easyhaler® (beclomethasone)



2002 Buventol Easyhaler® (budesonide)



2004 Formoterol Easyhaler® (formoterol)



2014 Bufomix Easyhaler® (budesonide-formoterol)

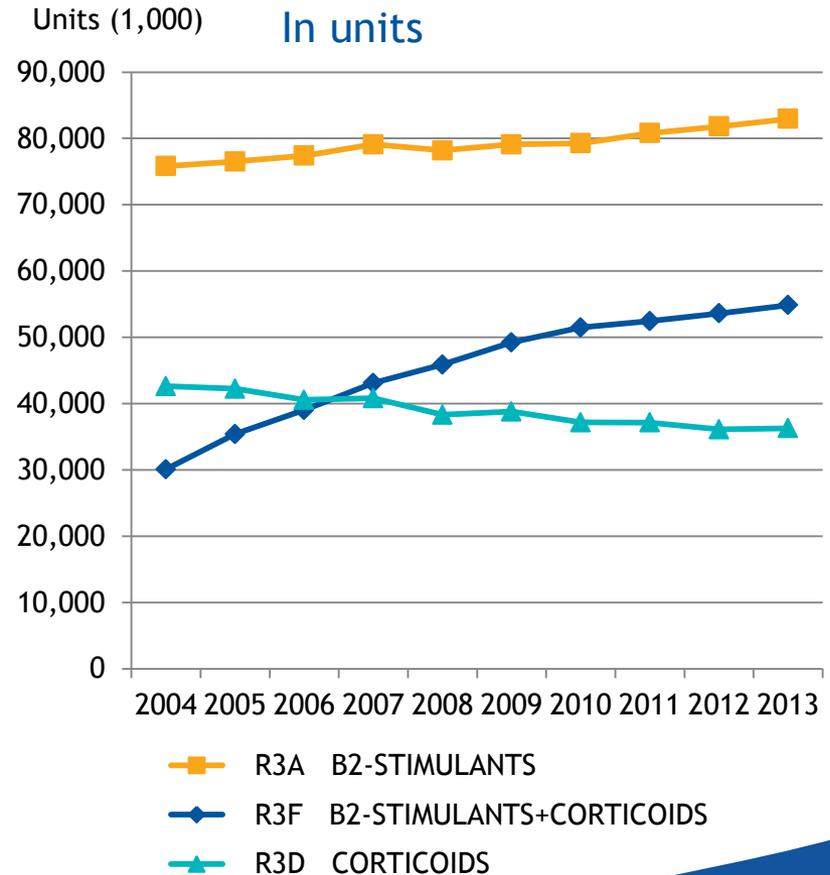
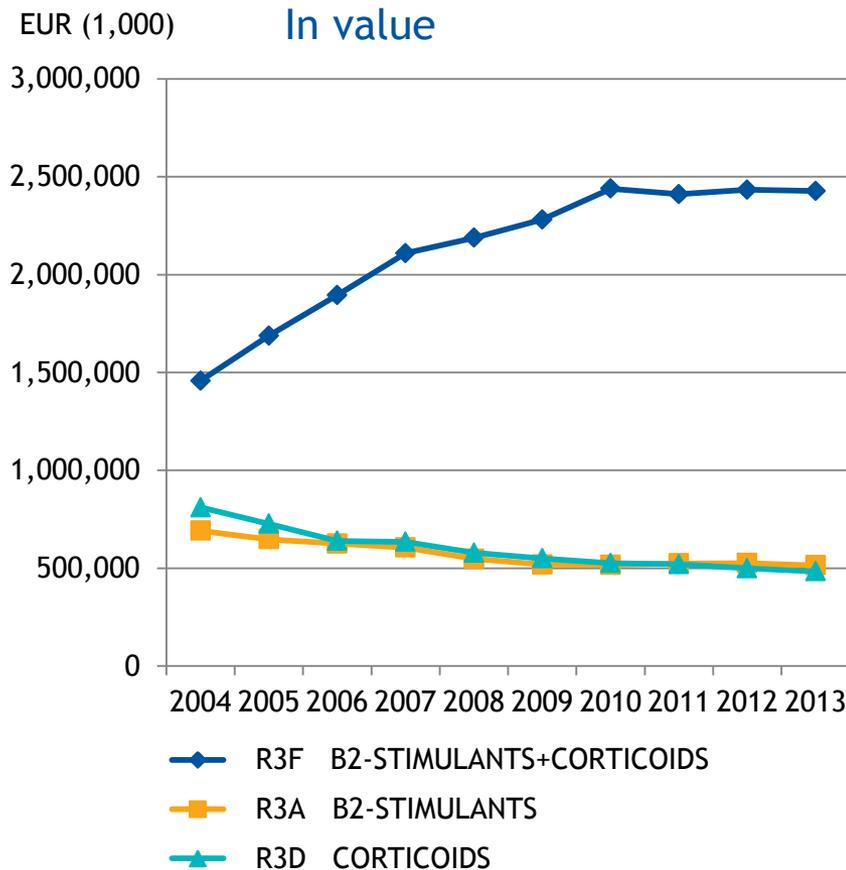


2010→ Development of fluticasone-salmeterol



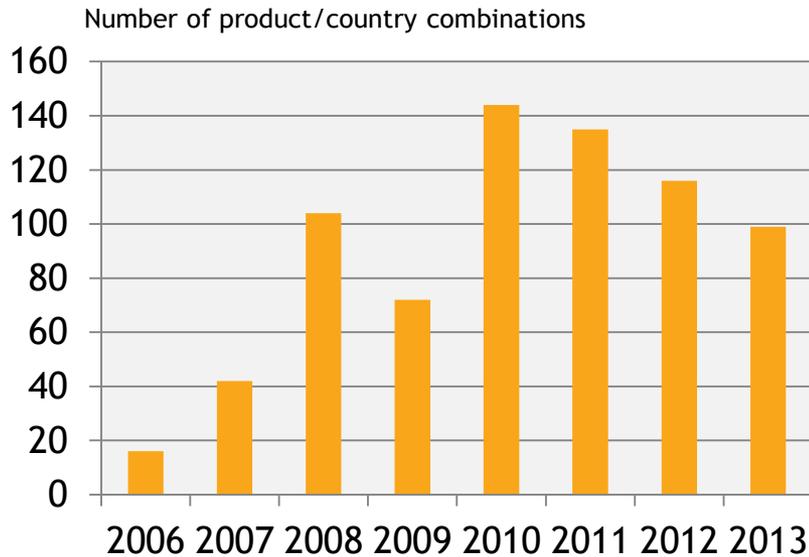
- Easyhaler® is authorised in 30 countries and coverage expanding, excl. USA and Japan
- Rights to Easyhaler® products repatriated in various European countries in 2012

Retail sales of inhaled respiratory drugs market in Top 5 Europe



Launches are basis for future growth in SpP

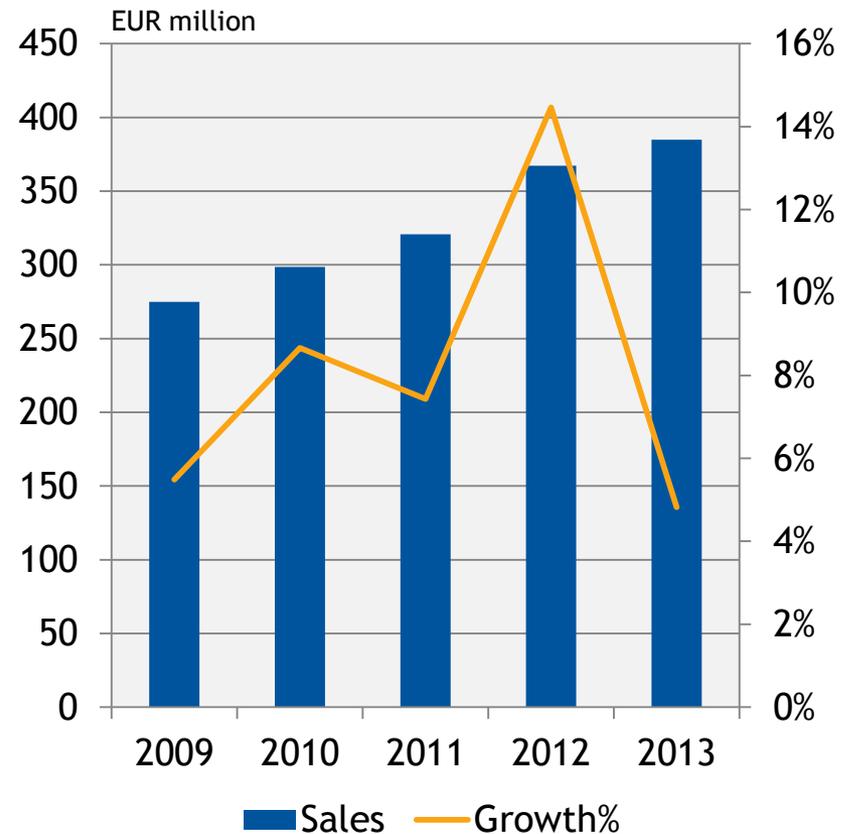
Specialty Products launches



SpP launches in 2013

By geographic area

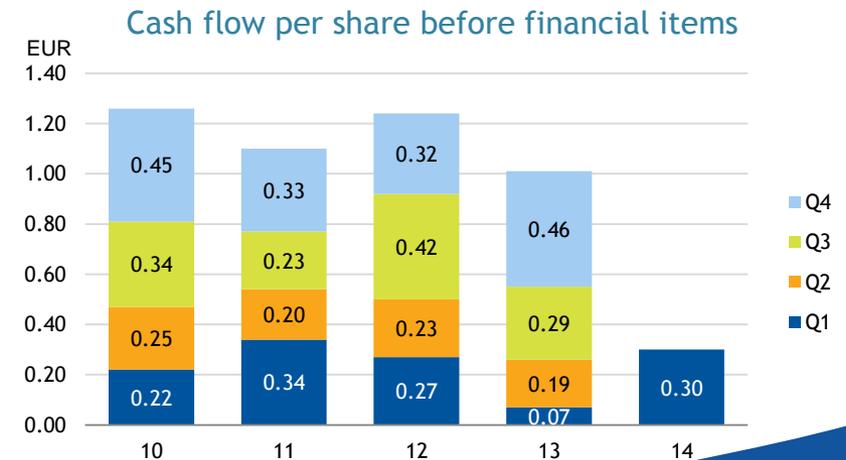
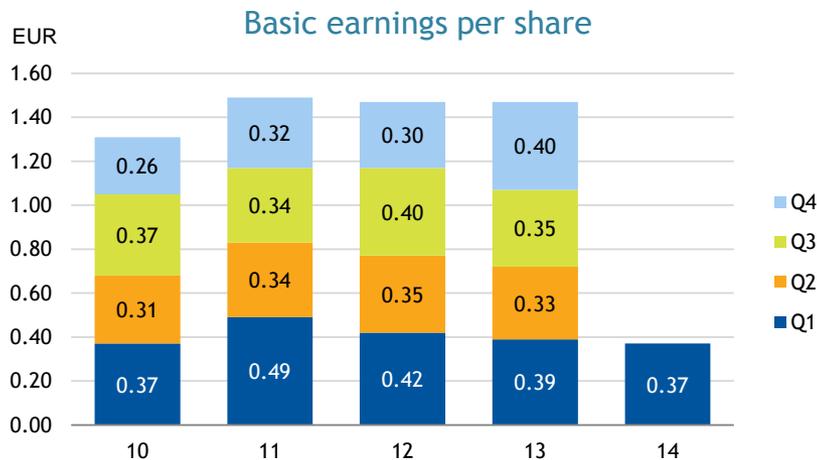
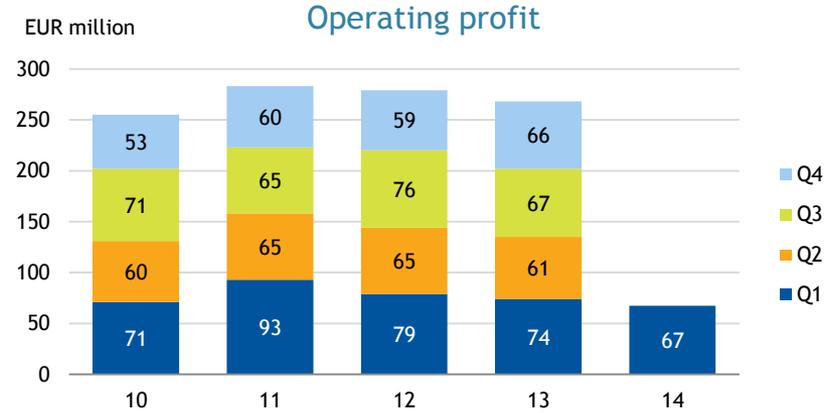
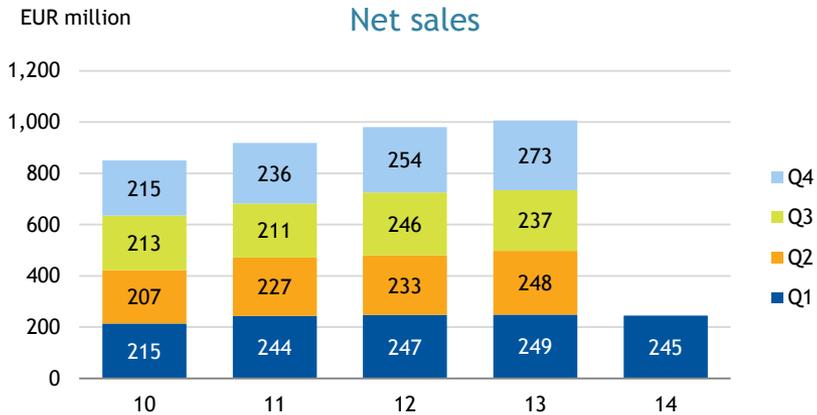
Eastern Europe	27
Scandinavia	37
Finland	26
Other	9





Key financials

Key figures by quarter



Key figures for 2010–Q1/2014

Orion's key figures	2010	2011	2012	2013	Q1/2014	Q1/2013	Change %
Net sales, EUR million	849.9	917.9	980.4	1,006.9	245.0	249.4	-1.8%
Operating profit, EUR million	254.2	282.9	278.3	267.7	67.4	74.1	-9.1%
Profit before taxes, EUR million	252.6	282.0	276.6	264.0	66.5	73.8	-9.9%
R&D expenses, EUR million	85.5	87.5	105.8	101.9	26.3	24.6	+6.8%
Equity ratio, %	62.7%	64.2%	61.0%	53.6%	38.9%	41.2%	
Gearing, %	-12.2%	-6.9%	-1.7%	8.4%	-0.1%	-4.6%	
ROCE (before taxes), %	45.0%	49.4%	45.9%	38.5%	38.9%	50.6%	
Return on equity, %	40.7%	43.3%	41.0%	40.3%	46.5%	49.8%	
Basic earnings per share, EUR	1.31	1.49	1.47	1.46	0.37	0.39	-5.1%
Cash flow per share before financial items, EUR	1.26	1.10	1.23	1.02	0.30	0.07	+319.4%
Dividend per share, EUR	1.20	1.30	1.30	1.25			
Capital repayment per share, EUR	0.06	0.12					

Income Statement 2010–Q1/2014

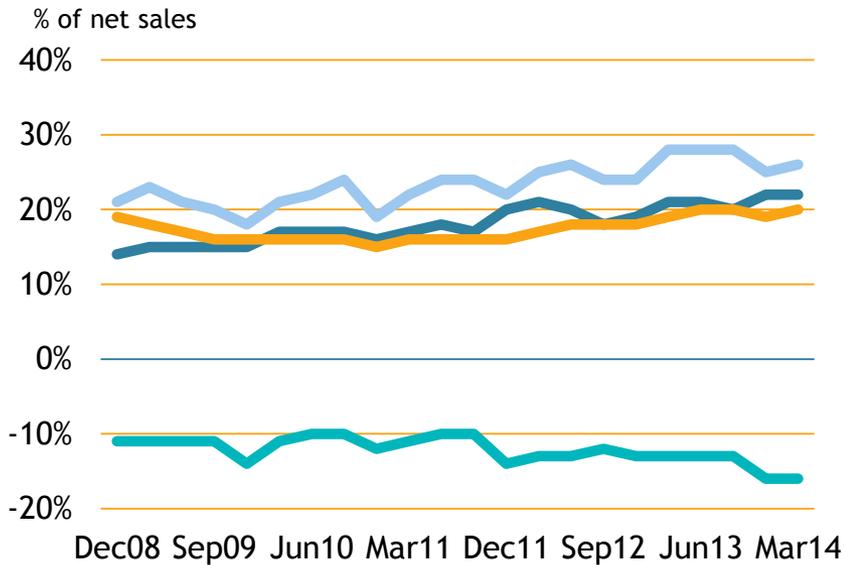
Formation of profits, EUR million	2010	2011	2012	2013	Q1/2014	Q1/2013	Change %
Net sales	849.9	917.9	980.4	1,006.9	245.0	249.4	-1.8%
Cost of goods sold	-283.2	-305.1	-350.8	-393.5	-95.8	-91.8	+4.4%
Gross profit	566.8	612.8	629.6	613.4	149.2	157.6	-5.3%
Other operating income and expenses	1.2	3.0	6.3	5.6	0.2	0.3	-38.9%
Sales and marketing expenses	-188.9	-204.8	-206.1	-204.9	-46.3	-48.5	-4.6%
R&D expenses	-85.5	-87.5	-105.8	-101.9	-26.3	-24.6	+6.8%
Administrative expenses	-39.3	-40.6	-45.7	-44.5	-9.4	-10.6	-12.0%
Operating profit	254.2	282.9	278.3	267.7	67.4	74.1	-9.1%
Profit before taxes	252.6	282.0	276.6	264.0	66.5	73.8	-9.9%
Profit for the period	184.7	209.5	206.9	206.2	52.6	55.6	-5.3%

Financial position

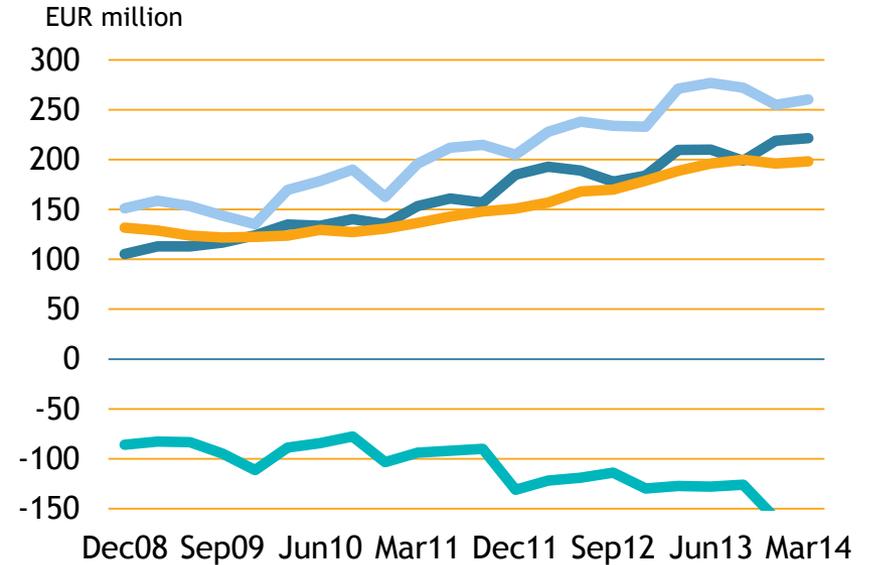
EUR million	3/14	3/13	Change%
Non-current assets total	354.0	334.2	+5.9%
Inventories	198.0	189.2	+4.6%
Trade receivables	168.3	164.4	+2.4%
Other receivables	52.4	48.2	+8.8%
Cash and cash equivalents	254.3	192.7	+31.9%
Current assets total	673.0	594.5	+13.2%
Assets total	1,026.9	928.7	+10.6%

EUR million	3/14	3/13	Change%
Equity total	392.0	382.4	+2.5%
Interest-bearing non-current liabilities	229.3	103.4	+121.6%
Non-current liabilities total	261.4	147.0	+77.8%
Current liabilities total	373.5	399.4	-6.5%
Liabilities total	634.9	546.4	+16.2%
Equity and liabilities total	1,026.9	928.7	+10.6%

Development of Net working capital



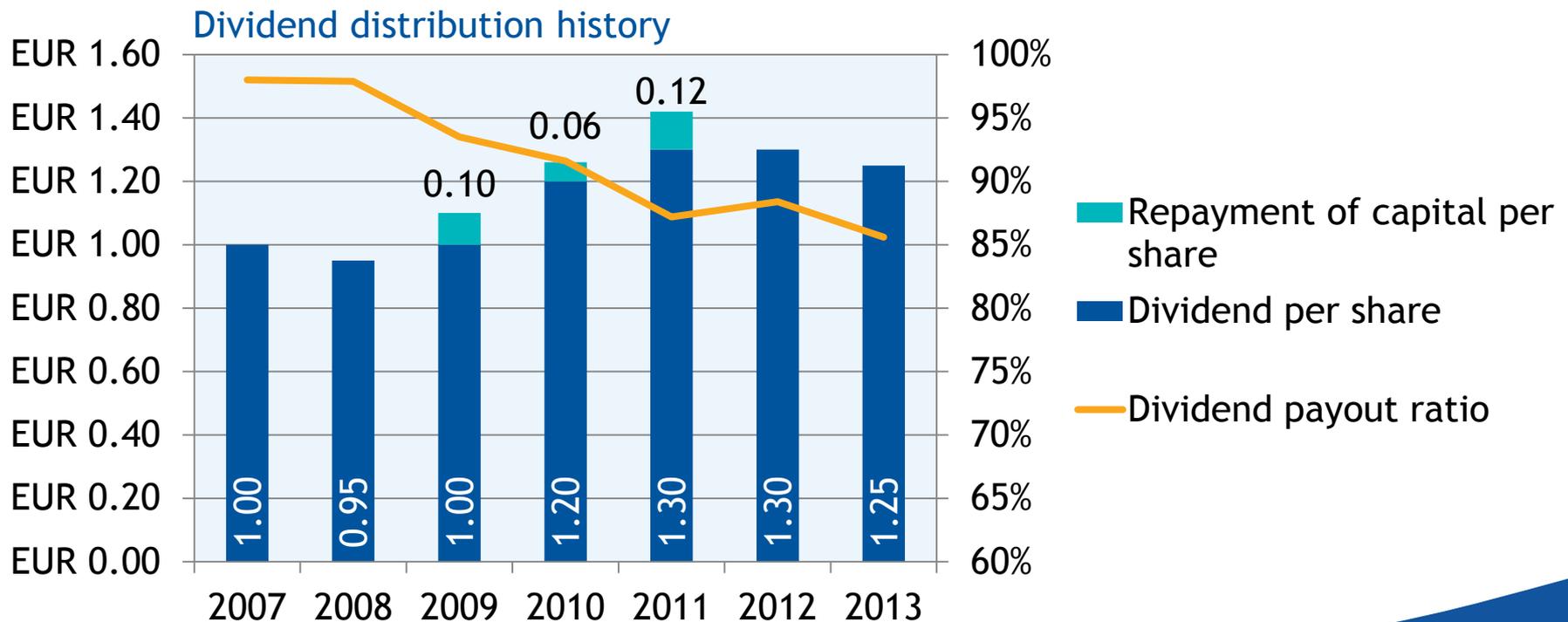
- Receivables
- Inventories
- Short-term non-interest bearing liabilities
- Net Working Capital



- Receivables
- Inventories
- Short-term non-interest bearing liabilities

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.

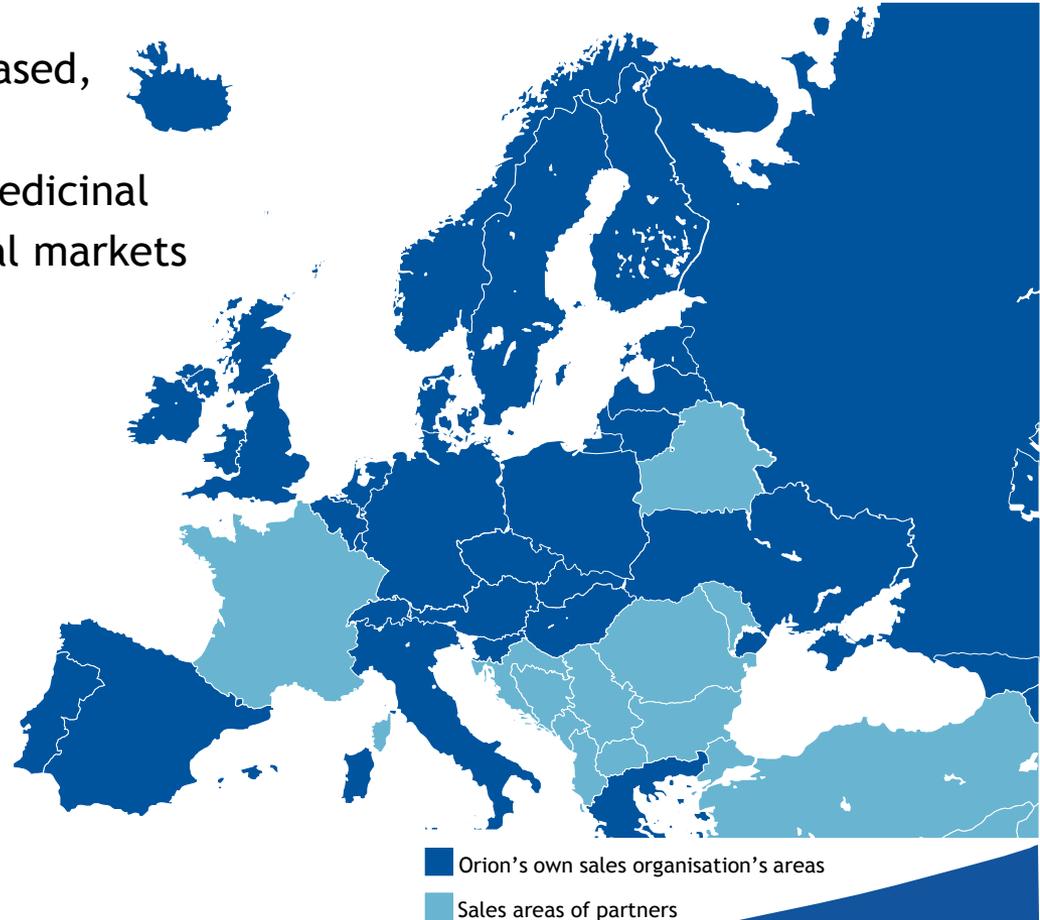




General info

Building well-being since 1917

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

2013

Net sales	EUR 1 007 million
Operating profit	EUR 268 million
R&D expenses	EUR 102 million
No. of personnel (at end of)	3,519
in Finland	2,816
in other countries	703
Market cap on 31 Mar 2014	EUR 3.1 billion

Business units



Proprietary Products

- Patented prescription drugs
- CTAs: CNS, oncology & critical care, Easyhaler pulmonary drugs
- Net sales in 2013 EUR 390 million



Fermion

- Active pharmaceutical ingredients (API's) for Orion and other companies
- Net sales in 2013 EUR 64 million (excluding supplies for own use)



Specialty Products

- Generic prescription drugs
- Self-care products
- Net sales in 2013 EUR 385 million



Contract Manufacturing & Other¹⁾

- Pharmaceutical manufacturing for other companies
- Net sales in 2013 EUR 43 million



Animal Health

- Veterinary medicines and care products for pets and production animals
- Net sales in 2013 EUR 71 million



Orion Diagnostica

- Diagnostic test systems for point-of-care testing in healthcare and hygiene testing for industry
- Net sales in 2013 EUR 57 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

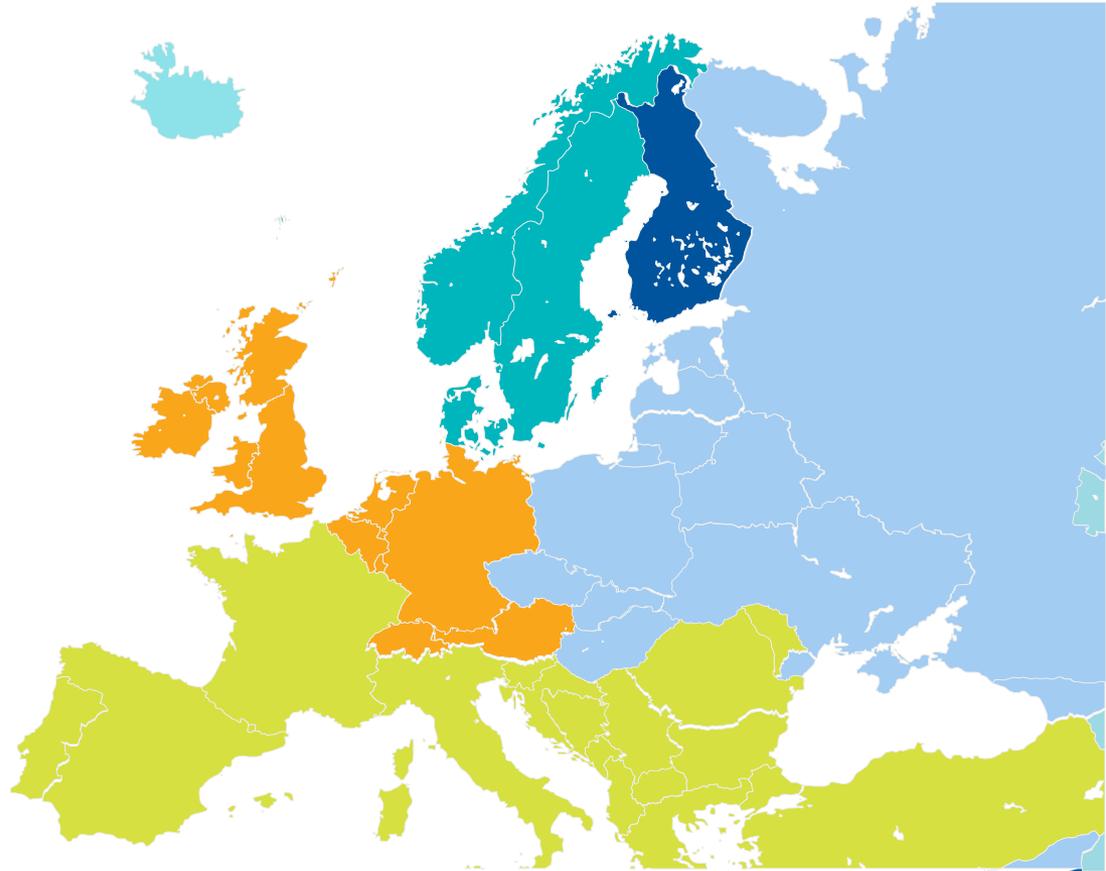
Finland
Market leader

Scandinavia
Strong domestic market position

Eastern Europe
Generics

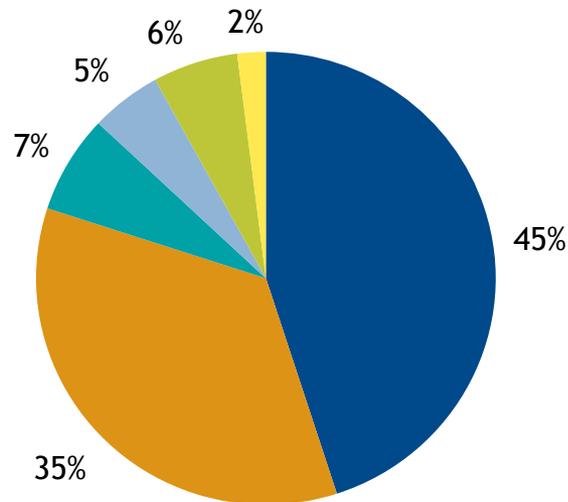
Western and Central Europe
Strong position with proprietary products

Southern Europe
Progress with proprietary products in
hospital markets



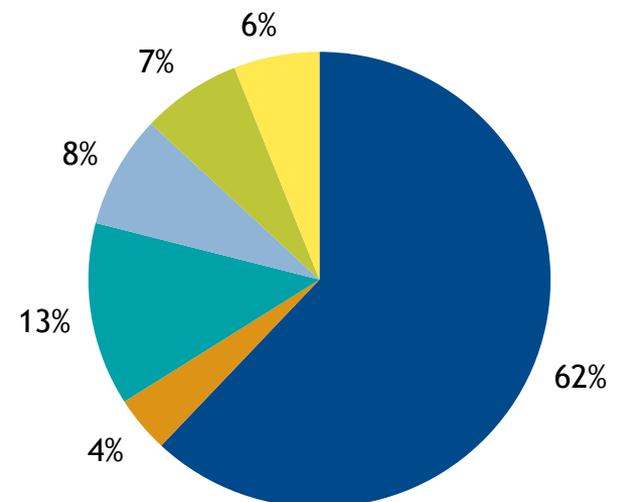
Orion shares are broadly held

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



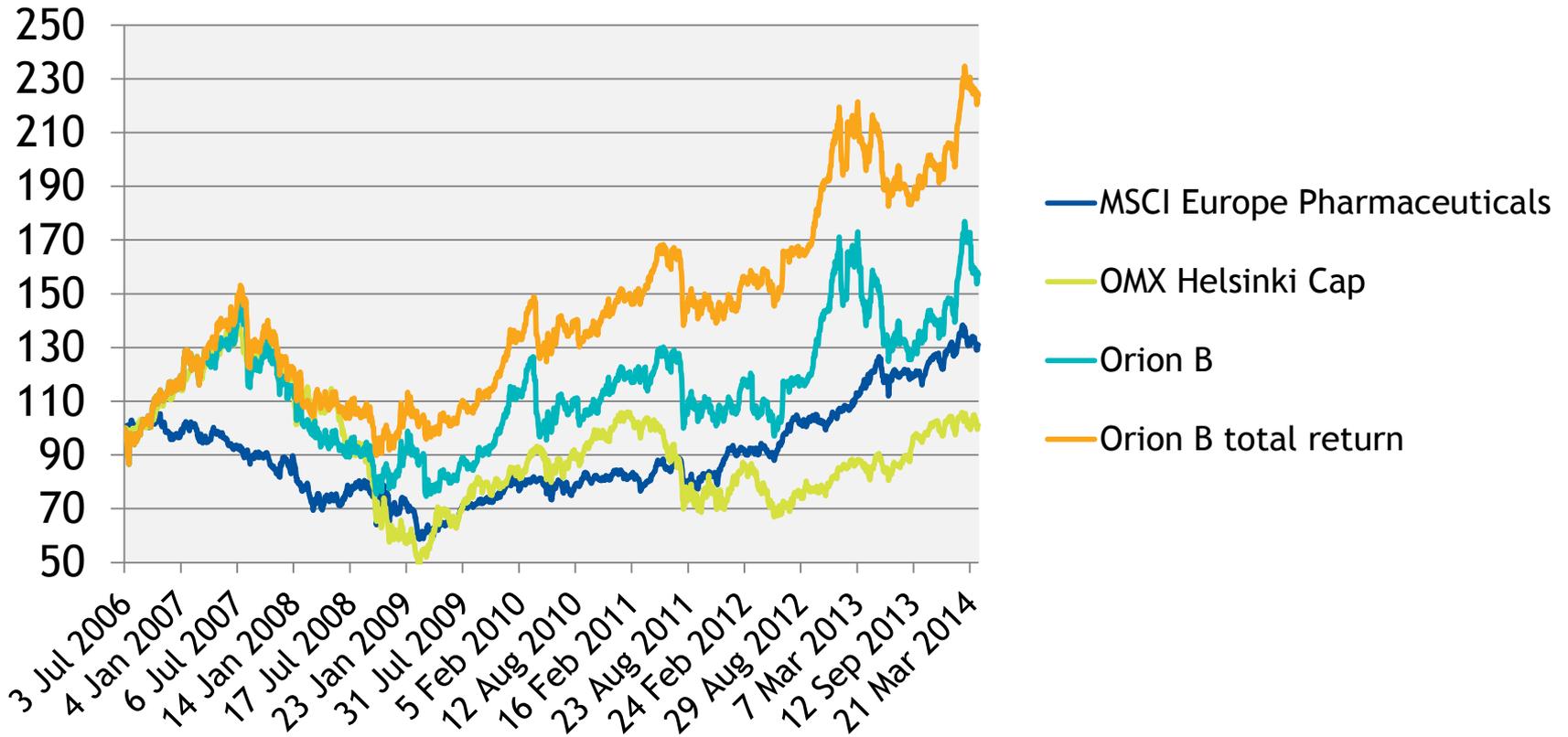
- Households
- Non-Finnish holders and nominee registered
- Private corporations
- Public sector
- Non-profit institutions
- Financial and insurance corporations

Altogether 141.3 million shares and ca. 55,500 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— 17 April 2014

Index 3 July 2006 = 100



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Orion Investor Relations