



Oriola-KD Corporation

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Key Figures Q1 2012

Income Statement	Q1 2012	Q1 2011	2011
Net sales, Me	591	530	2146
Operating result excluding one-off costs and impairment charges, Me	5.4	5.0	13.2
Net result, Me	1.5	2.1	-24.1
Earnings/share, Euro	0.01	0.01	-0.16

Balance Sheet	31.3.2012	31.3.2011	31.12.2011
Equity, Me	303	362	299
Operative working capital, Me	-35	-34	-83
Interest-bearing net debt, Me	52	17	19
Balance sheet, total, Me	1218	1228	1273
Equity ratio, %	25%	30%	24%
Net gearing, %	17%	5%	6%
ROE	2.0%	2.4%	-7.4%

Net Sales and Operating Result Q1 2012

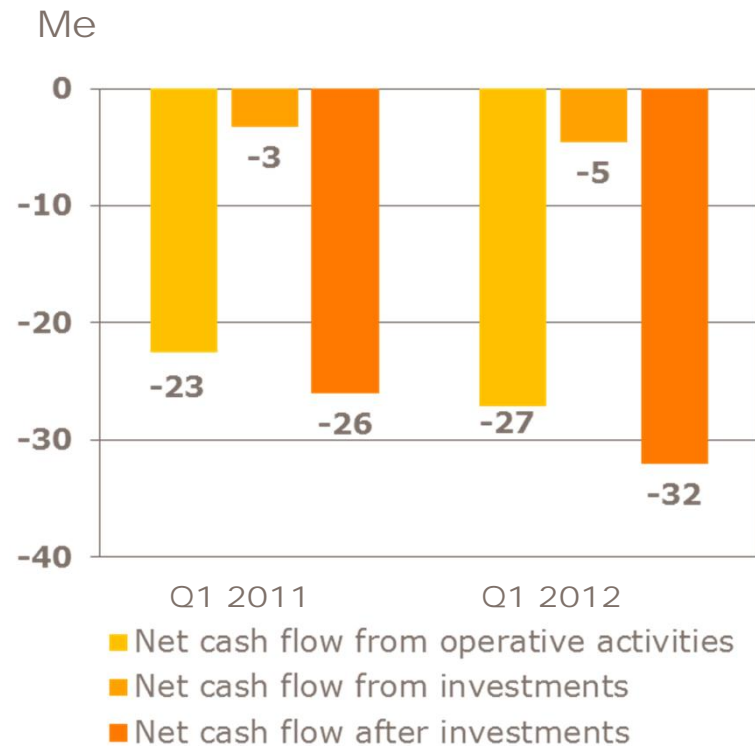
	Net Sales, Me			Operating Result, Me		
	Q1 2012	Q1 2011	2011	Q1 2012	Q1 2011	2011
Pharmaceutical Trade Finland	117	103	415	4.8	5.6	20.6
Pharmaceutical Trade Sweden	259	265	1042	3.4	2.3	10.6
Pharmaceutical Trade Russia	215	162	689	-1.1	-1.6	-12.6
Group administration	-	-		-1.8	-1.2	-5.5
Total, excluding one-off costs and impairment charges	591	530	2146	5.4	5.0	13.2





Finance and Cash Flow

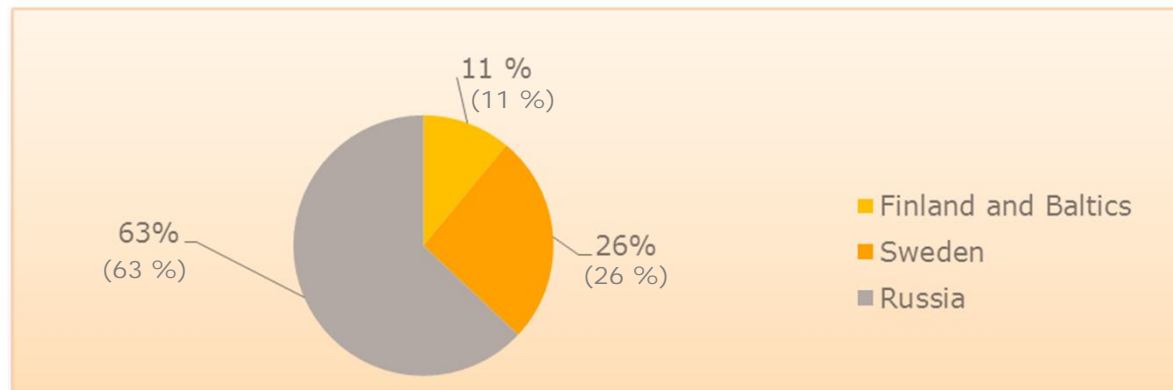
- In February 2012, Oriola-KD renewed all long-term external loan agreements
 - 100.0 Me multi-currency revolving credit agreement
 - Maturity April 2014
 - Financial covenants are based on ratio of net debt to EBITDA and on the gearing ratio
 - The terms of the financial covenants were met with a wide margin at the end of March 2012
- New committed long-term revolving credit facility of 100 Me and short-term credit account facilities of 43 Me stood unused at the end of March 2012
- Of the 150 Me commercial paper programme 86 Me (0 Me) was used at the end of March 2012



- Changes in working capital -33.1 Me (-26.2 Me)
- Depreciations 4.4 Me (3.5 Me)
- Gross investments 4.3 Me (5.6 Me)
 - Pharmacy establishment
 - Information systems
 - Improvements in logistics efficiency



Personnel 31 March 2012



Operating segment	31.3.2012	31.3.2011	Change, %
Pharmaceutical Wholesale Finland and Baltics	503	486	+3%
Pharmaceutical Retail Sweden	991	1022	-3%
Pharmaceutical Wholesale Sweden	241	282	-15%
Pharmaceutical Retail Russia	1381	1582	-13%
Pharmaceutical Wholesale Russia	1666	1549	+8%
Total	4783	4921	-3%



Reporting Segments



Finland

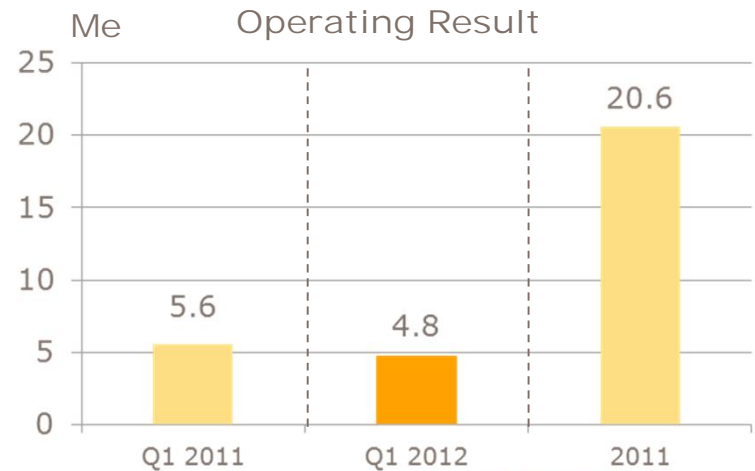
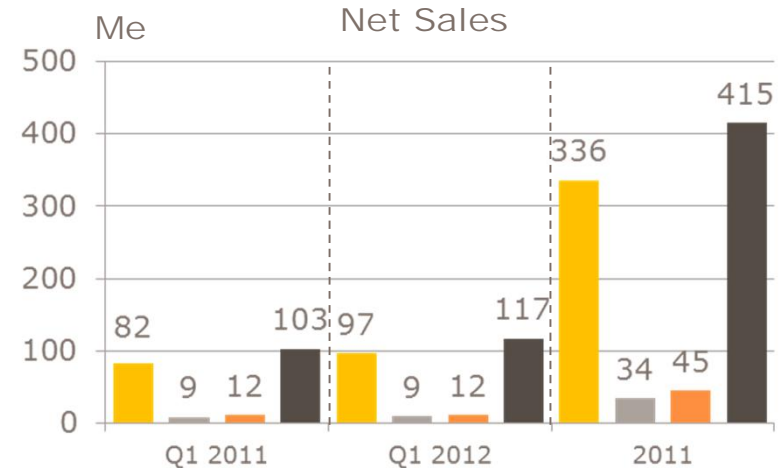


Pharmaceutical Trade Finland and Baltics Q1 2012

- Pharmaceutical market grew by 3.9% (declined 1.7%)*



- Wholesale Finland
 - Invoicing 256 Me (241 Me)
 - Market share 47.1% (46.1%)*
 - Main distribution agreements
 - Abbott as of January 2012, market share some 3%
- First-quarter operating profit declined mainly as a result of personnel costs related to the start-up of pharmaceutical wholesale Finland's new picking automation line and the decrease in the net sales in the Baltics



*) Source: IMS Health



Sweden

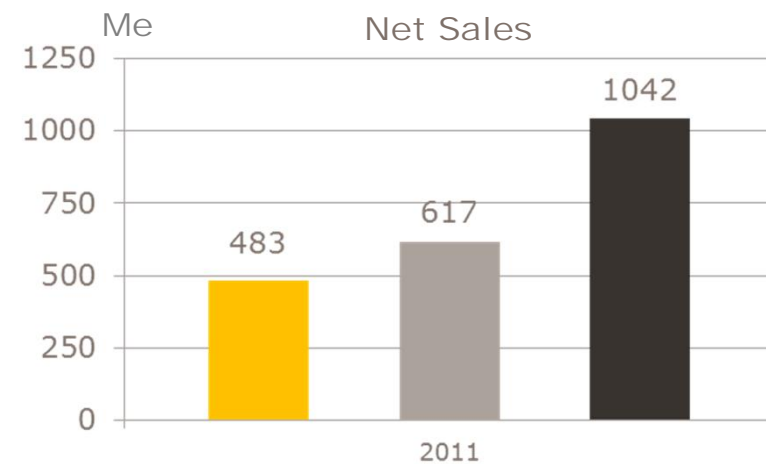
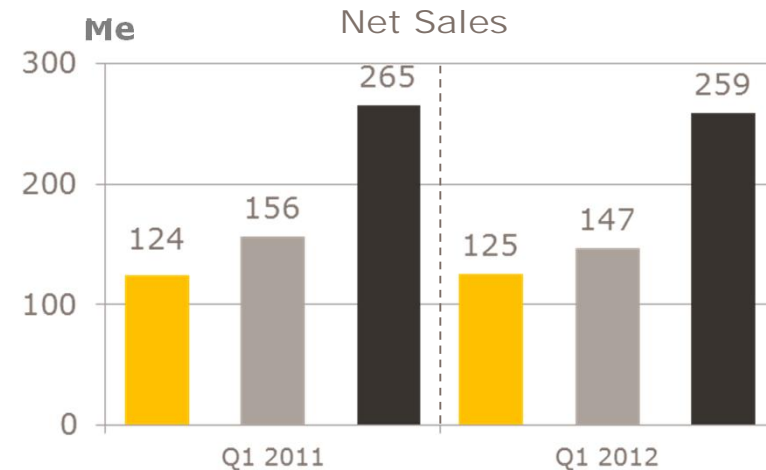


Pharmaceutical Trade Sweden Market Development and Net Sales Q1 2012

- Pharmaceutical market grew by 2.0 % (3.1 %)*



- Retail
 - Market share 13.5% (~14%)
 - Pharmacies 212 (191)
 - 3 pharmacies were opened (2) during Q1
- Wholesale
 - Market share 36.9% (39.9%)*
 - Invoicing 339 Me (372 Me)



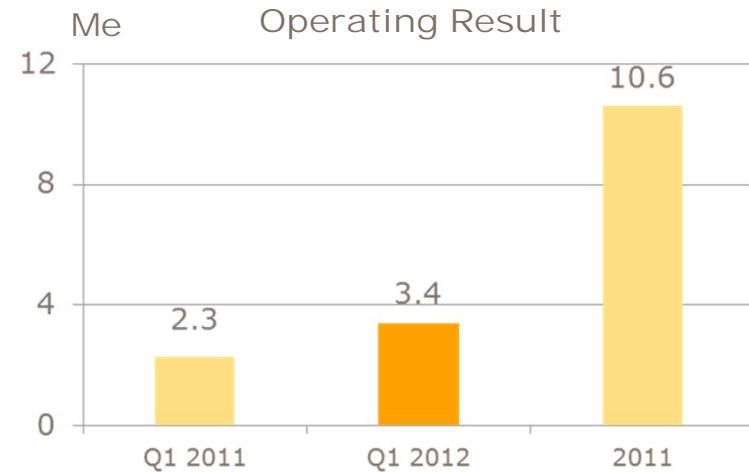
*) Source: IMS Health





Pharmaceutical Trade Sweden Operating Result Q1 2012

- Retail
 - The rapid establishment of new pharmacies in Sweden over the years 2010 and 2011 has reduced pharmacies average sales
 - Sales of traded goods and OTC assortment increased its share of total sales by about one percentage unit and this improved the gross margin
 - Operations at pharmacies has further intensified and reduced the costs of individual pharmacies
 - IT system has been taken successfully in use



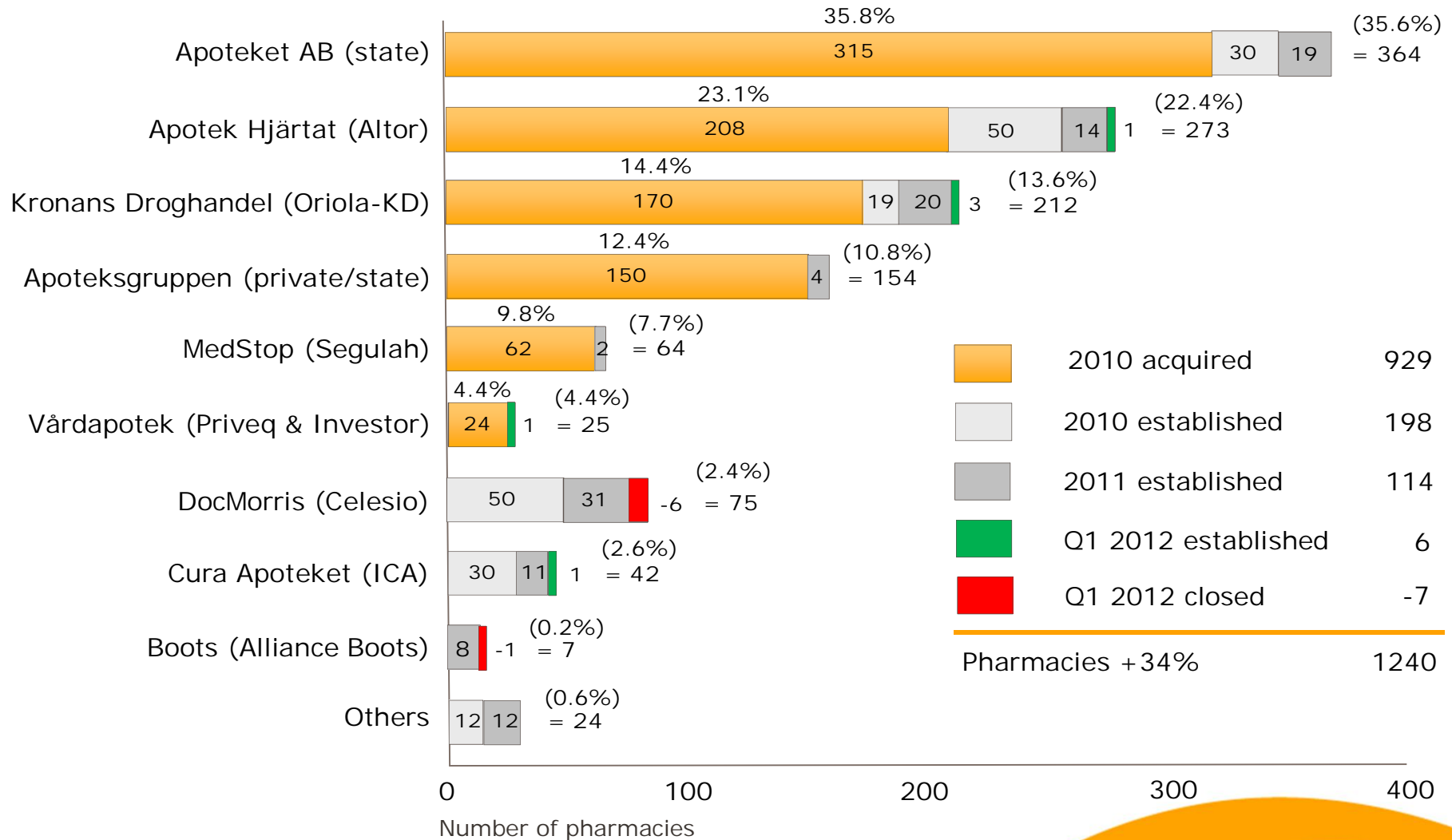
- Wholesale
 - Profitability was weakened by a low invoicing which was a result of the increase in the share of parallel imports and generic medicines





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Pharmacies in Sweden





New Pharmacy Supply Chain Structure for OTC Products and Traded Goods in Sweden

- Oriola AB has signed a letter of intent on purchasing, warehousing and pharmacy distribution of OTC products and traded goods for four pharmacy chains in Sweden
 - Apoteksgruppen, DocMorris, Medstop and Vårdapoteket
 - Combined market share of some 25 percent
 - Estimated purchases ~1 200 MSEK in twelve months
 - Full assortment distribution of OTC products and traded goods to all ~320 pharmacies within the collaboration
- Timetable
 - Letter of intent signed 9 May 2012
 - Signing of the co-operation agreement during Q2/2012
 - Co-operation estimated to start gradually in the autumn of 2012
- Oriola AB will continue to provide and develop high quality services for pharmaceutical companies and pharmacies in Sweden

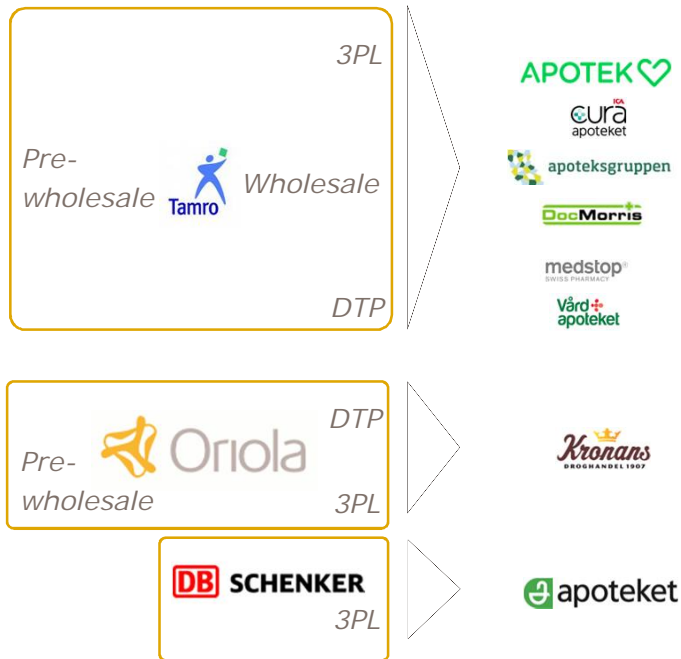




New Pharmacy Supply Chain Structure for OTC Products and Traded Goods in Sweden

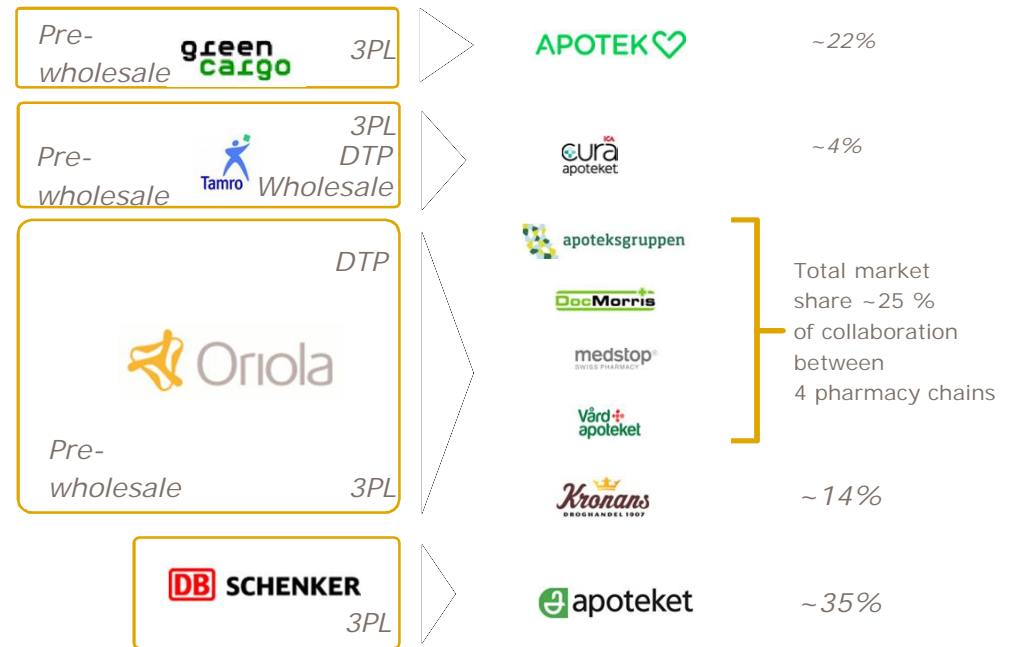
Current structure

Pharmaceutical distributors Pharmacy chains



Future structure *)

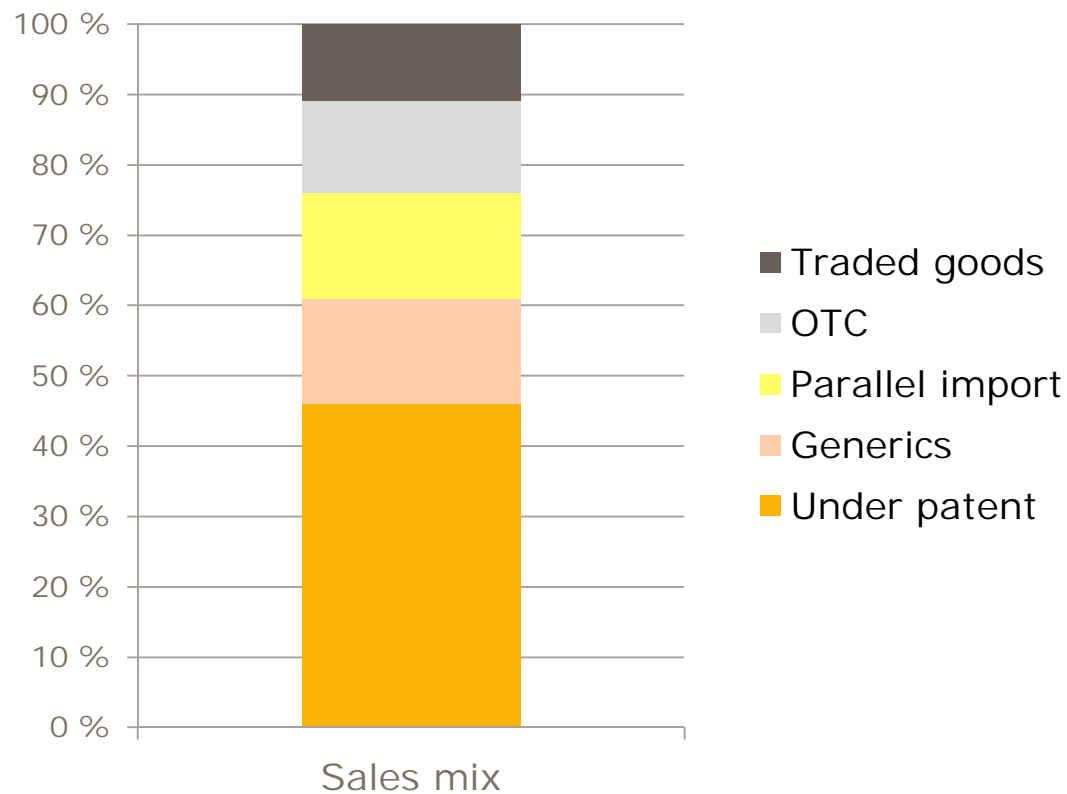
Pharmaceutical distributors Pharmacy chains Approximate market shares



*) Including purchasing, warehousing and pharmacy distribution of OTC products and traded goods



Split of Sales Mix by Pharmacies in Sweden



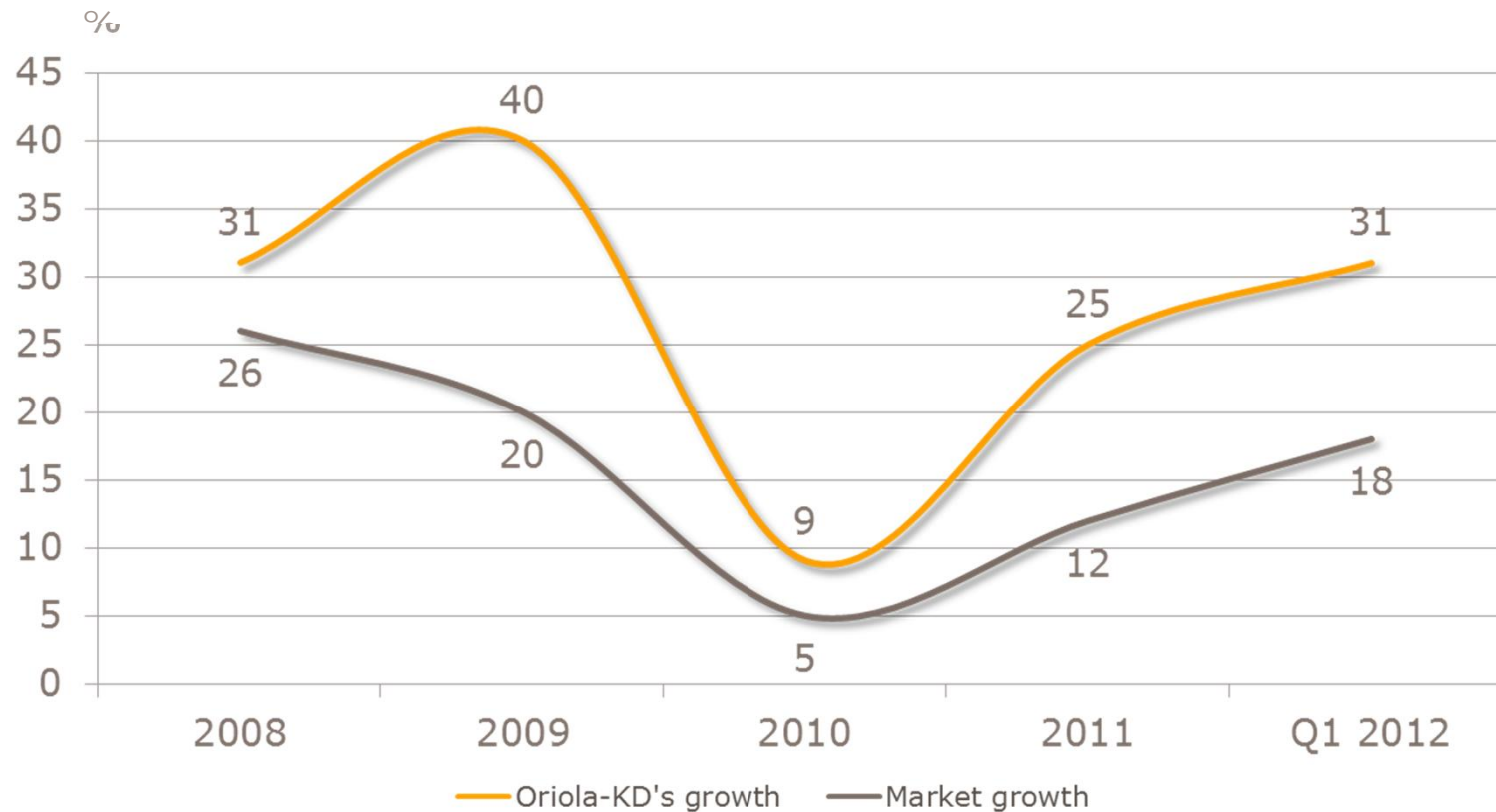
Russia





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Pharmaceutical Market Growth and Oriola-KD's Net Sales Growth in Russia



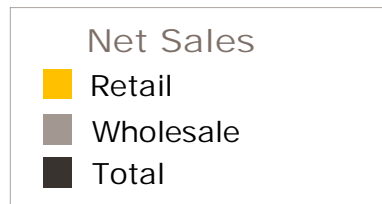
*) Oriola-KD's net sales in April-December 2008



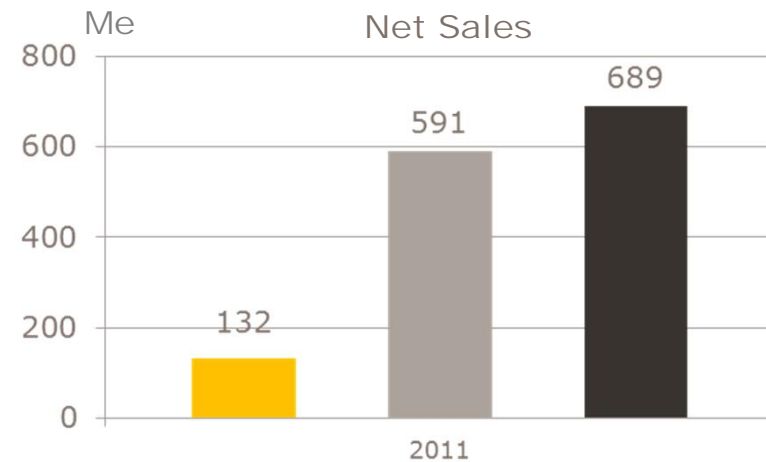
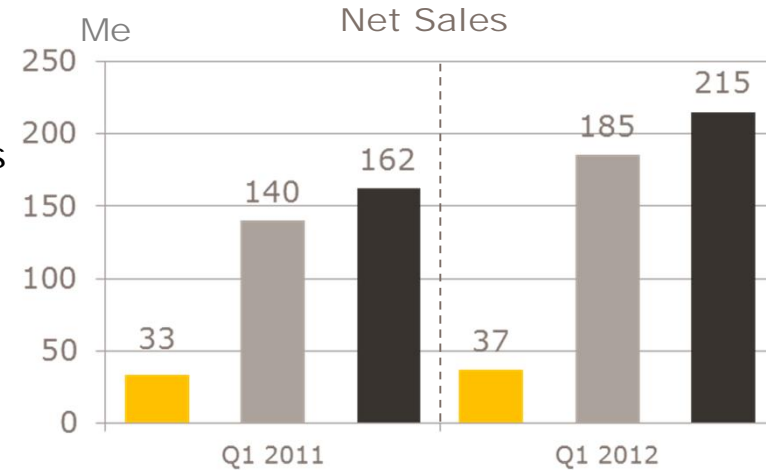
Pharmaceutical Trade Russia

Market Development and Net Sales Q1 2012

- Pharmaceutical market grew by 18.7% in January-March in Russian Rubles (approx. 9%)*
- Net sales grew by 31% (29%) in Russian Rubles



- Retail
 - Pharmacies 243 (258) in Moscow
 - Stary Lekar 174 (185)
 - O3 Apteka 69 (73)
 - 3 pharmacies were opened and 9 closed during Q1
 - Sales increased and number of pharmacies decreased
 - Sales of traded goods and sales per pharmacy increased
- Wholesale
 - Sales of the regional distribution centres outside Moscow increased by some 85%
 - During 2011 started sales to hospitals increased strongly





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Pharmaceutical Trade Russia

Operating Result Q1 2012

- Retail
 - Cost structure became more efficient
 - Profitability was weakened by the low gross margin in January-February and the costs arising from the closures of unprofitable pharmacies
- Wholesale
 - Efficiency of the distribution centres in Moscow and of regional distribution centres improved
 - The stock of the wholesale business declined by almost a third during Q1

Operating result *)



*) Year 2011: Impairment charge of 33.4 Me excluded



Risks

- Oriola-KD has identified the following principal strategic and operational risks in its business
 - Growth in number of pharmacies outperforms growth in the market, leading to intense competition
 - Competition for market share in pharmaceutical wholesale in a consolidating market
 - Ensuring cost efficiency, flexibility and quality
 - Development of processes and infrastructure required by strategic expansion
 - Requirements and restrictions on pharmaceutical retail and wholesale imposed by the authorities, especially price regulation
 - Commitment of key employees
- The major financial risks for Oriola-KD involve currency rate, liquidity, interest rate and credit risks
 - Expansion of operations into new business areas and new markets has increased the financial risks
 - Currency risks are the most significant financial risks in Russia and Sweden
 - Changes in the value of the Russian Ruble or the Swedish Krona will have an impact on Oriola-KD's financial performance and equity
- Goodwill and intangible rights are subject to impairment testing made at least once a year
 - Changes in cash flow forecasts based on strategic plans, or in the discount rate or perpetuity growth rate, can cause a goodwill write-down, which would weaken Oriola-KD's profit
 - Especially the impairment test of the goodwill of the Russian cash-generating unit is more sensitive than before to changes in the discount rate or cash-flow forecasts
- Near-term risks and uncertainty factors
 - Intense competition and the number of new pharmacies to be established will have an impact on the profitability of Oriola-KD's pharmacy business in Sweden and Russia
 - Changes in the exchange rate of the Russian Ruble, a potential increase in credit risks concerning customers and changes in the competitive environment may have an impact on the profitability of the wholesale business in Russia



Outlook 2012

Market Development

- Oriola-KD's outlook for 2012 is based on external market forecasts, supplier and customer agreements and management assessments
- In the period 2012-2016, the pharmaceutical market is expected to grow annually in average by 0.5 per cent in Finland, 1 per cent in Sweden, and 11.5 per cent in Russia, measured in local currencies (source: IMS Health 04/2012)
- Competition is expected to remain very tough in the Russian pharmaceutical retail and wholesale business and the Swedish pharmaceutical retail business





Outlook 2012

- Outlook for 2012 unchanged
 - Oriola-KD's net sales are expected to increase 10–15 per cent and operating profit excluding one-off items is expected to be EUR 23–33 million in 2012



Focus Areas in 2012

Wholesale

Finland

- New picking automation line taken in use increases efficiency of logistics

Sweden

- Development of new logistics services for pharmacy chains

Russia

- Increase of regional and hospital sales
- Implementation of new warehouse management system at the start of 2013
- Investigate opportunities to establish a new automated main logistics centre in Moscow

Retail

Sweden

- Opening some 15 new pharmacies
- Improving the competitiveness of individual pharmacies
- Purchasing
- Increase of traded goods and OTC assortment

Russia

- Development of pharmacy portfolio
- Improving the competitiveness of individual pharmacies
- Strengthening the product assortment





- The assumptions, opinions, estimates and views expressed in this presentation are solely the opinions and views of the company unless a reference to the source of the information is stated
- They reflect the current view of the company with regard to the discussed issues
- Several factors can however cause changes to these opinions and views
- Neither the company nor its management can answer for any future accuracy of the opinions or views expressed in this presentation or the actual occurrence of any forecasts

