



# Oriola-KD Corporation January-March 2007

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Eero Hautaniemi, President and CEO  
24 April 2007



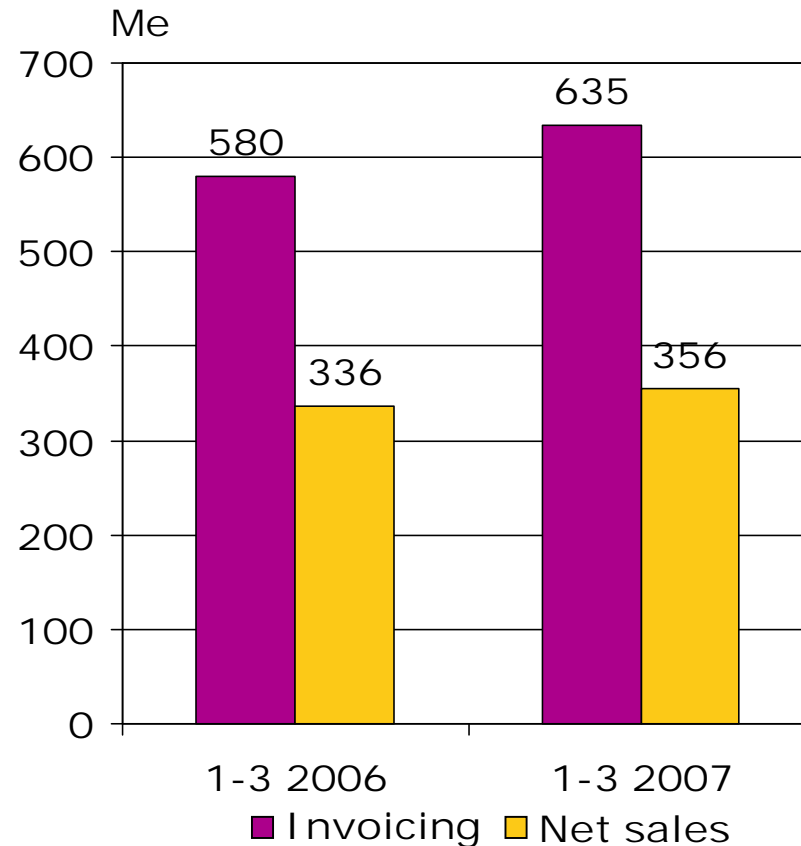
# January-March 2007

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- Invoicing EUR 634.9 million (EUR 579.4 million)
- Net sales EUR 355.8 million (EUR 336.2 million )
- Operating profit excluding one-off items EUR 7.8 million (EUR 5.4 million )
- Operating profit including one-off items EUR 7.8 million (EUR 3.4 million)
- Earnings per share EUR 0.04 (EUR 0.02)
- ROCE 16.4 % (6.4 %)
- Dividend paid for 2006 EUR 0.06 per share

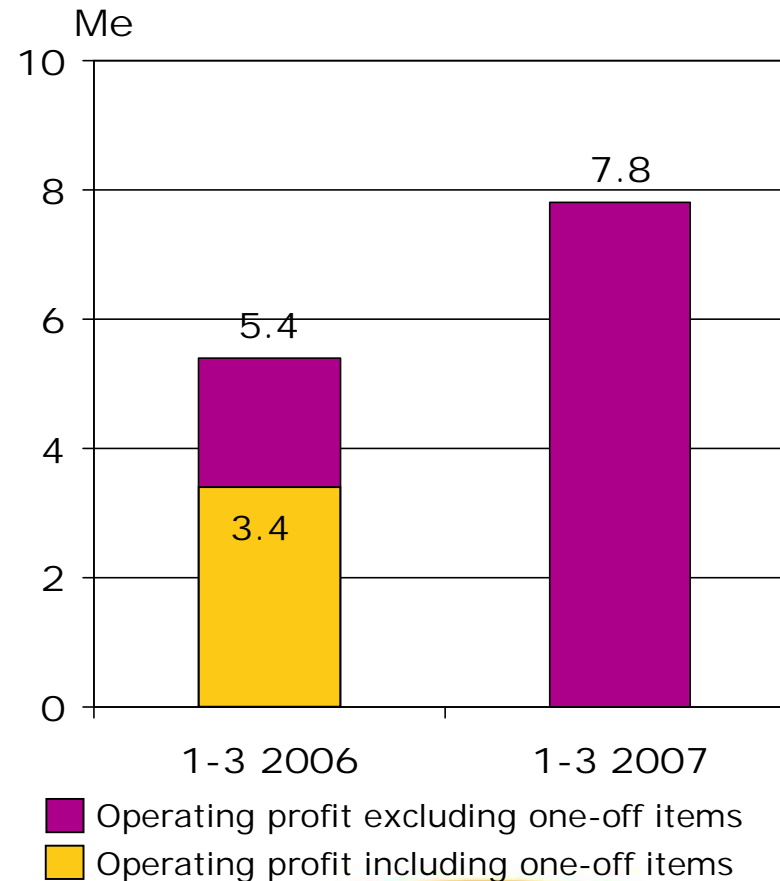
# Invoicing and Net Sales

- Invoicing increased by 9.6 % and net sales increased by 5.9 %
  - Invoicing of Pharmaceutical Trade increased by 10.8 %
  - Invoicing of Healthcare and dental trade increased by 0.7 %



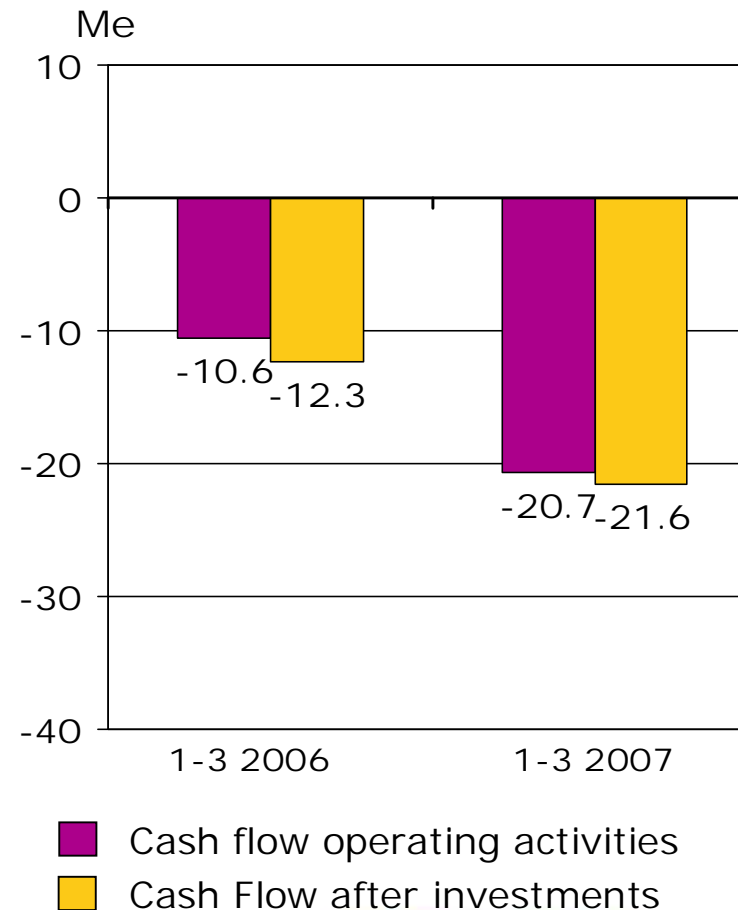
# Operating Profit

- Operating profit excluding one-off items
  - Pharmaceutical Trade EUR 5.1 million (EUR 2.7 million)
  - Healthcare and dental trade EUR 3.7 million (EUR 2.8 million)
  - Oriola-KD Corporation's head office and Group administration EUR -1.0 million (EUR -0.2 million)
- One-off items EUR 0.0 million (EUR -2.0 million)



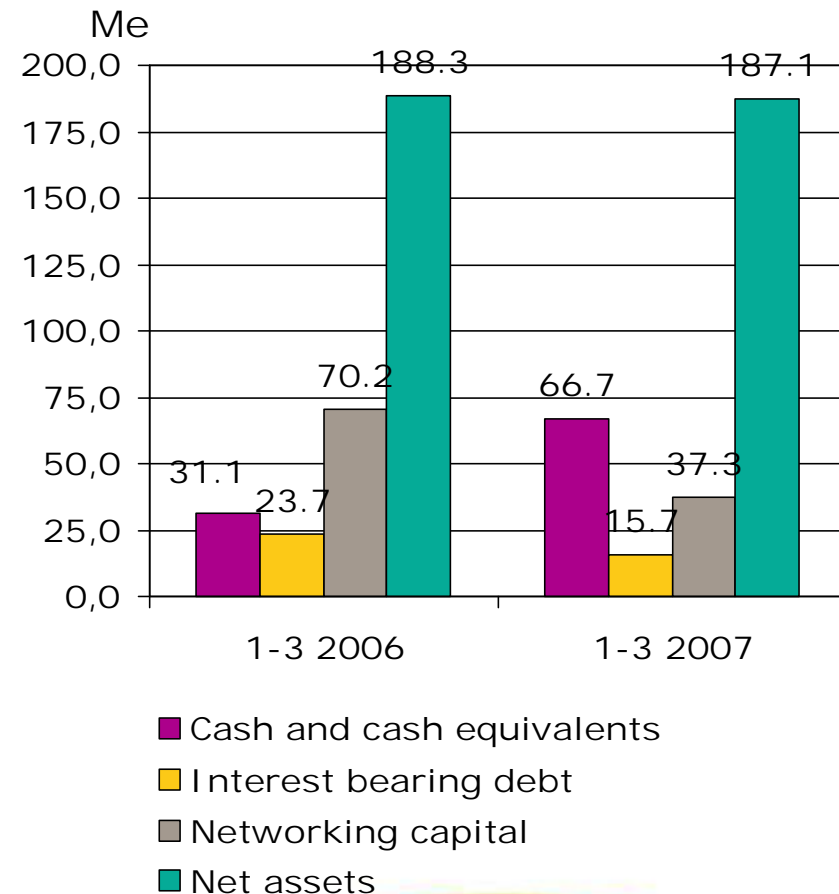
# Cash Flow from Operations

- Changes in working capital EUR -28.8 million (EUR -15.5 million)
  - Seasonal change of pharmacies' advance payments in Finland
  - Seasonal increase of working capital in Sweden
- Cash flow from investments EUR -0.9 million (EUR -1.8 million)
  - Investments EUR 1.8 million (EUR 2.3 million)
- Cash flow from financing activities lower due to paid dividend



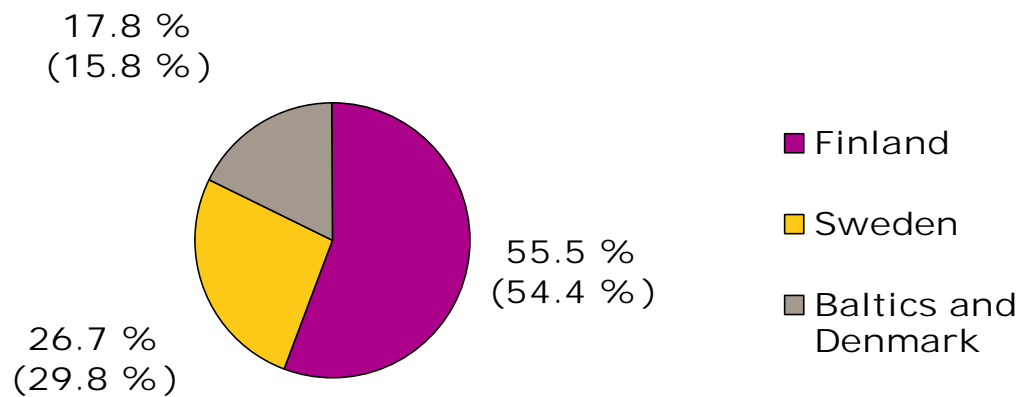
# Balance Sheet on 31 March 2007

- Total assets EUR 583 million (EUR 568 million)
- Equity ration 32.9 % (34.0 %)
- Net gearing -27.2 % (-3.9 %)
- Investments EUR 1.8 million (EUR 2.3 million)
- In the balance sheet for 2006, deposits by Orion Corporation's Wholesale and Distribution Division into the Group account of the demerging Orion were treated as other receivables
- Interest-bearing debt at end of March 2007 consisted mainly of pharmacies' advance payments in Finland

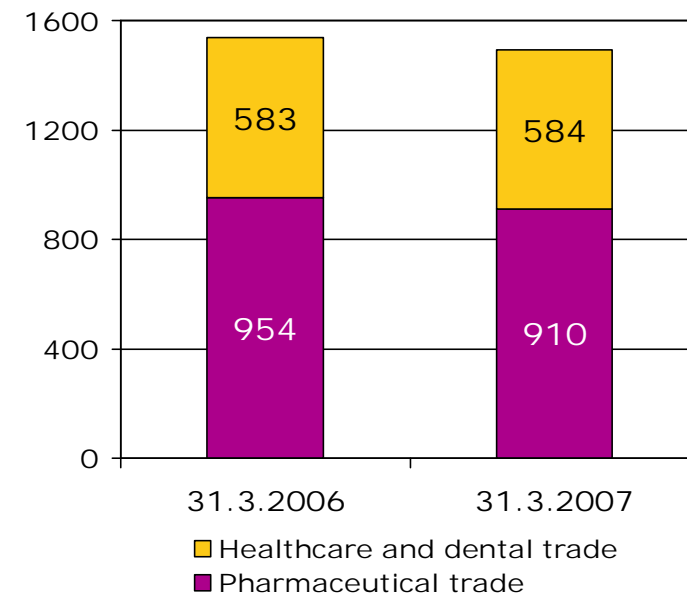


# Personnel 31 March 2007

Personnel by country



Personnel by Business Segment





# Business Segments

- Pharmaceutical Trade
  - Healthcare and Dental Trade
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# Pharmaceutical Trade: January-March 2007

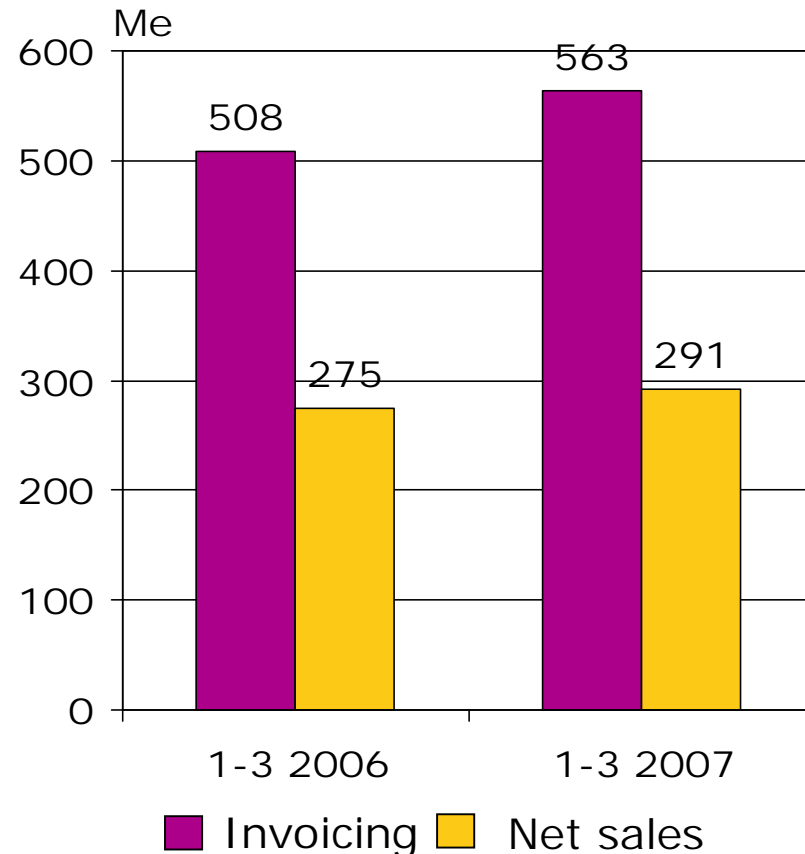
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- Pharmaceutical market growth in January-March 2007 \*)
  - Finland 4.8 % (2.7 %)
  - Sweden 6.8 % (6.8 %)
- Oriola-KD's market share in pharmaceutical distribution in January-March 2007 \*)
  - Finland 47.6 % (41.9 %)
  - Sweden 41.5 % (43.4 %)
- Changes in principals
  - New pharmaceutical distribution agreements
    - No new remarkable agreements either in Finland and in Sweden
  - Pharmaceutical distribution agreements transferring from Oriola-KD
    - Amgen AB's Finnish subsidiary in Finland as of 1 April 2007 and Schering Nordiska in Sweden as of 1 July 2007
    - The pharmaceutical principals transferring from Oriola-KD hold a total share of some 1.5 % of the Finnish pharmaceutical market and of some 2.0 % of Swedish market
  - According the end of March 2007 situation the market share for Oriola-KD in 2007 is estimated to be in Finland about 46 % and in Sweden about 43 %
- Focus on developing further the pharmacy business in Latvia
- Shutting down the Pharmaceutical Distribution's packing line in Mölnlycke, Sweden

\*) Source: IMS Health

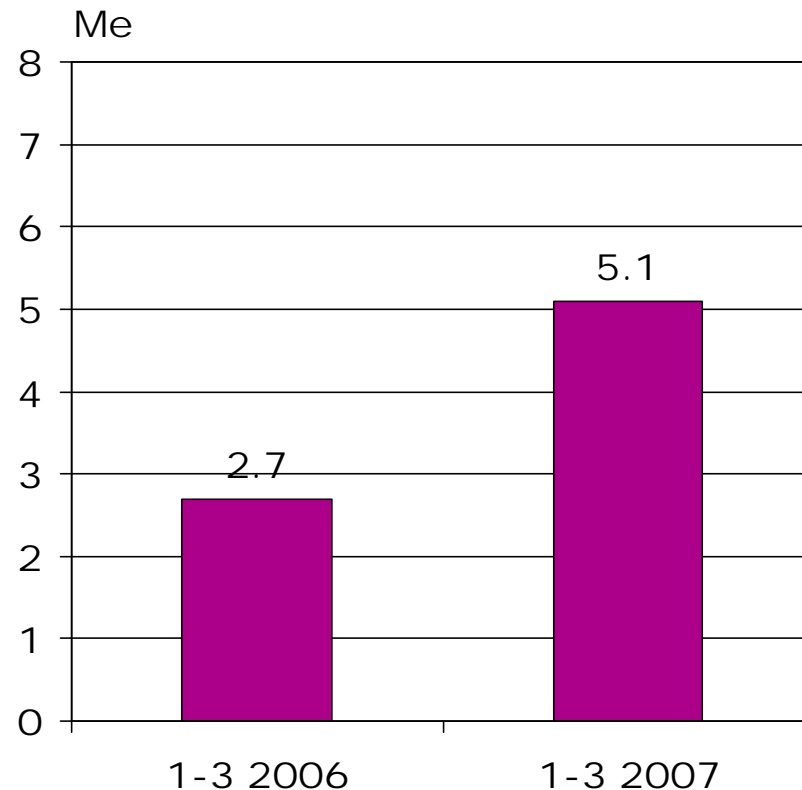
# Pharmaceutical Trade: Invoicing and Net Sales

- Invoicing increased by 10.8 %
- Net sales increased by 5.9 %
  - Share of consignment sales of agreement base increased
- New distribution agreements
  - Roche and Schering-Plough as of 1 January 2007 in Finland
  - Pfizer Rx as whole from Q2 2007 onwards in Sweden
- Pharmaceutical markets grew in Finland, Sweden and the Baltic Countries in Q1 2007 compared to Q1 2006

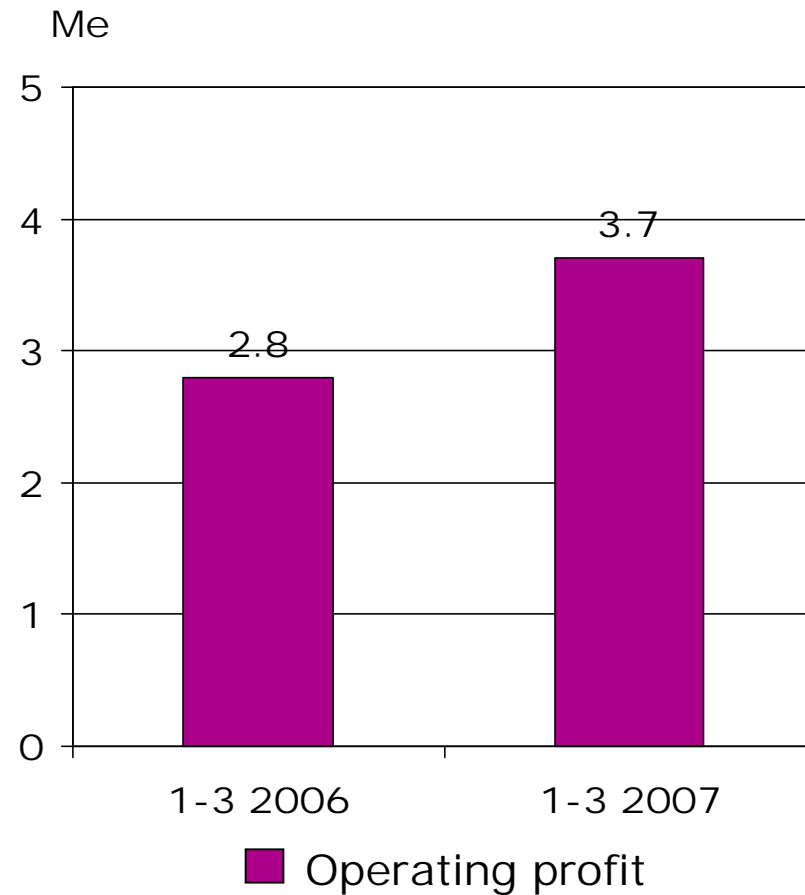
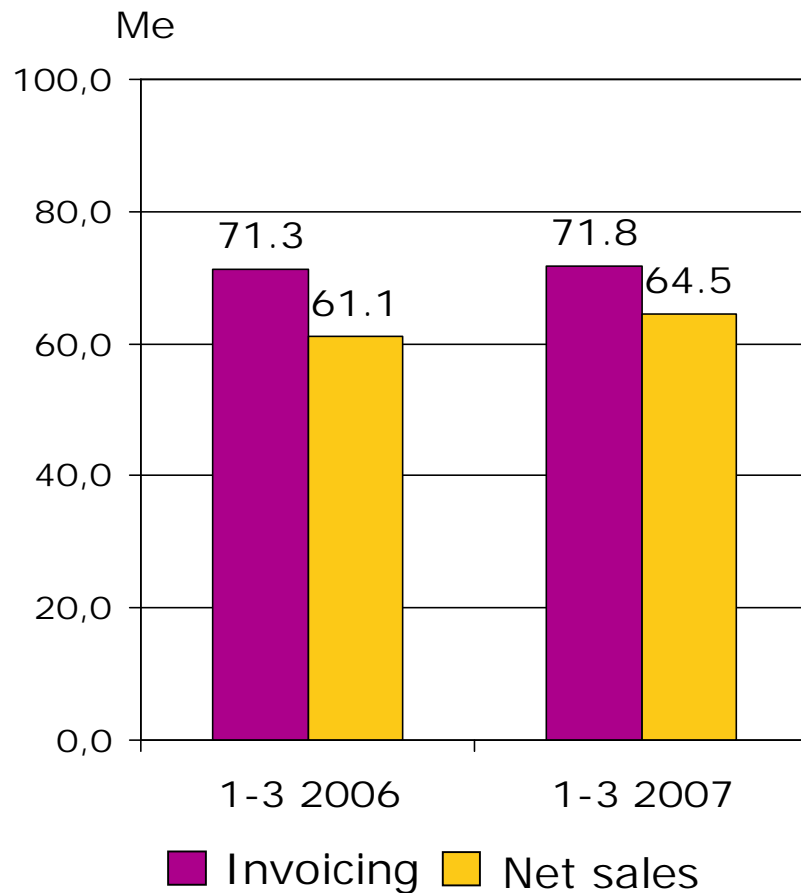


# Pharmaceutical Trade: Operating Profit excluding One-off Items

- Operating profit increased due to
  - Efficiency program in 2006
  - New pharmaceutical distribution agreements in Finland
  - Growing pharmaceutical markets both in Finland and Sweden
- Negative effect on the operating profit by some EUR 0.5 million
  - Damages to shipments of pharmaceuticals in Sweden and the settlement of a claim related to a Norwegian transfer of business by Kronans Droghandel AB in 2002



# Healthcare and Dental Trade: Invoicing , Net Sales and Operating Profit excluding One-off Items



# Healthcare and Dental Trade: January-March 2007

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- Healthcare trade
  - Healthcare equipment and supplies business developed favourably
    - Removal of non-profit product categories improved gross margin
    - Meteko business operations in Sweden
    - Acquisition of Medith in Finland as of 1 March 2007
  - Slower growth of invoicing due to
    - Transferring Västra Götaland's home distribution business in Sweden from Oriola-KD in 2006 (invoicing of some EUR 6 million in 2006)
    - No remarkable equipment deliveries under review period
  - Sold of Skåne's home distribution business in Sweden to Schenker Dedicated Service AB in Sweden during Q2 2007
    - Deal closed on 16 April 2007
- Dental Trade
  - Remarkable increase of profitability
    - Positive equipment business in all market areas
    - Improved profitability in Sweden and in Denmark

# Trade Volume of Shares

## 1 January – 31 March 2007

- Market capitalisation at 31 March 2007 was EUR 458 million
- The traded volume of Oriola-KD's total outstanding shares amounted to 18.8 %
  - Traded volume of A-shares amounted to 6.8 % of total outstanding shares
  - Traded volume of B-shares amounted to 26.3 % of total outstanding shares
- At the end of the period
  - Number of A-shares  
54,222,540
  - Number of B-shares  
87,035,288

Trading of shares January-March 2007

	<b>Class A</b>	<b>Class B</b>
Trading volume, millions	3.7	22.8
Trading volume, EUR million	12.1	74.7
High, EUR	3.57	3.60
Low, EUR	2.84	2.87
Close on 31 March 2006, EUR	3.21	3.26
Traded volume, %	6.8 %	26.3 %

# Resolutions Passed by Oriola-KD Corporation's Annual General Meeting

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- The dividend for 2006 EUR 0.06 per share
- The Board of Directors was given an authorised of purchase and consignment of own shares to execute the share-based incentive plan
  - 650,000 + 800,000 B-shares
- The number of Board members confirmed to be seven
  - As Board members were re-elected Mr. Pauli Kulvik, Ms. Outi Raitasuo, Mr. Antti Remes (Vice Chairman), Mr. Olli Riikkala (Chairman), Mr. Jaakko Uotila and Mr. Mika Vidgrén and as a new member Mr. Harry Brade
- Auditor
  - Ernst & Young

# Events after Review Period

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- The decisions of Oriola-KD Corporation's Annual General Meeting of 13 March 2007 to authorise the Board of Directors to decide on certain share issues by 13 March 2011 have been registered in the trade register on 5 April 2007. The content of the decisions has been published in the stock exchange release on 13 March 2007
- After the review period 827,129 A-shares have been converted into 827,129 B-shares. The conversion has been entered into the Trade Register on 13 April 2007. After the conversion there are 53,395,411 A-shares and 87,862,417 B-shares in the company



# Risk Factors

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- Oriola-KD's risks are classified as strategic, operative and financial
  - Changes in market structure constitute the central strategic risks
  - Sales and business risks, property loss and business interruption, risks relating to product liability and equipment deliveries and risks relating to information systems are the most important operative risks
  - Financial risks involve currency exchange rates, interest rates, market prices and credit
- There was no material change in the short term risks and uncertainties faced by Oriola-KD during the period under review

# Future Outlook

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- The Oriola-KD Group's outlook for 2007 is based on external market forecasts, agreements with principals, cumulative orders and management's estimates
- Long-term fundamentals and growth prospects for the healthcare market are deemed favourable

# Future Outlook: Pharmaceutical Trade

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- Estimates of market development
  - Oriola-KD estimates that the pharmaceutical market in Finland and Sweden will grow by about 3–5 percent annually over the next few years, which is in line with the longer-term average growth rate of these markets
- Cost efficiency measures
  - The overall objective of the cost efficiency measures that were implemented in 2006 is to achieve total savings of some five million euros annually in the Group's operations in Finland and Sweden, with full impact evidenced in 2007

# Future Outlook: Healthcare and Dental Trade

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- Estimates of market development
  - Oriola-KD estimates that growth in the market for healthcare and dental equipment and supplies will outpace that of the pharmaceutical market in Finland and in Sweden
- Sales of healthcare and dental equipment and supplies
  - Oriola-KD projects growth outpacing that of the market in sales of healthcare equipment and supplies and in keeping with the market in dental trade sales
- Healthcare logistics services in Sweden
  - Invoicing in the healthcare logistics services in Sweden is estimated to fall from 2006 levels

# Future Outlook: Estimate for Invoicing and Operating Profit

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- Invoicing
  - Oriola-KD's invoicing in 2007 is projected to exceed comparable invoicing in the previous year primarily as a result of new agreements with principals concluded in 2006 and market growth
- Operating profit
  - Operating profit excluding one-off items in 2007 is projected to exceed comparable operating profit in the previous year primarily as a result of higher invoicing and cost efficiency measures implemented in 2006

# Interim Reports for 2007

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- The publication dates of the Interim Reports in 2007 are as follows:
  - Interim Report 1-6/2007 on Tuesday, 24 July, 2007
  - Interim Report 1-9/2007 on Tuesday 23, October 2007

# Disclosure Aspects

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- 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.



Oriola-KD is a leading company in  
Pharmaceutical Trade and in  
Healthcare and Dental Trade

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The invoicing of Oriola-KD:n in 2006 was  
EUR 2.3 billion and number of personnel  
is about 1,500



# Oriola-KD's 20 Largest Shareholders in the Book-entry System at 31 March 2007

Shareholder	Class A shares	Class B-shares	Holding, % (A&B)	Votes,% (A&B)
1. Varma Mutual Pension Insurance Company	2,508,000	247,600	1.95 %	4.30 %
2. Etra Trading Oy	2,329,720	86,000	1.71 %	3.98 %
3. Ilmarinen Mutual Pension Insurance Company	2,264,256	122,836	1.69 %	3.88 %
4. Medical Investment Trust Oy	1,300,000	425,450	1.22 %	2.26 %
5. The Social Insurance Institution of Finland	-	1,659,568	1.17 %	0.14 %
6. Ylppö Jukka Arvo	1,247,136	286,992	1.09 %	2.15 %
7. Avenir Special Mutual Fund Ltd	1,280,000	-	0.91 %	2.19 %
8. Oriolan Pension Fund (no voting right)	863,804	305,685	0.83 %	(1.50 %)
9. Evli-Select	800,000	366,428	0.83 %	1.40 %
10. Orion Pension Fund	1,165,624	-	0.83 %	1.99 %
11. Tukinvest Oy	1,048,500	-	0.74 %	1.79 %
12. Maa- ja Vesitekniiikan Tuki Ry	1,034,860	-	0.73 %	1.77 %
13. The Finnish Cultural Foundation	321,946	609,220	0.66 %	0.60 %
14. State Pension Fund	-	900,000	0.64 %	0.08 %
15. Ylppö Into	577,936	240,200	0.58 %	1.01 %
16. Helsingin Lääkärikeskus Oy	658,230	-	0.47 %	1.12 %
17. OP-Delta Equity Fund	79,600	567,900	0.46 %	0.18 %
18. Evli Bank Plc.	-	592,000	0.42 %	0.05 %
19. Etera Mutual Pension Insurance Company	231,100	322,400	0.39 %	0.42 %
20. Relander Gustaf	523,100	-	0.37 %	0.89 %
Custodian holdings	3,425,063	38,853,006	29.93 %	9.16 %