

Oriola-KD Corporation Stock Exchange Release 31 October 2008 at 8.30am

Oriola-KD Corporation's interim report for 1 January – 30 September 2008

This review presents the financial information for the Oriola-KD Group (hereinafter Oriola-KD) for the period January–September 2008. The retail and wholesale businesses Vitim & Co and Moron Ltd acquired in Russia have been consolidated into Oriola-KD's accounts as of 1 April 2008. The interim report has been prepared in accordance with IAS 34 and in keeping with the same accounting principles as were applied in the annual financial statements for 2007. The figures are unaudited.

Key figures 1 January - 30 September 2008

- Invoicing came to EUR 2,116.1 million (1-9/2007: EUR 1,884.5 million) and net sales to EUR 1,131.7 million (1-9/2007: EUR 1,045.7 million).
- Operating profit was EUR 20.6 million (1-9/2007: EUR 22.1 million).
- Net profit was EUR 15.1 million (1-9/2007: EUR 17.8 million).
- Earnings per share were EUR 0.11 (1-9/2007: EUR 0.12).
- Return on capital employed was 13.4 per cent (1-9/2007: 15.1 per cent)
- Future outlook unchanged

President and CEO Eero Hautaniemi: "The result and business of Oriola-KD proceeded to plan in the January-September period. Good progress was made in the takeover of the Russian companies and a profit was recorded from the operations in Russia in the third quarter. The turbulence of the global financial market is not anticipated to have a negative effect on our end-year operations. We will continue our long-term strategic ventures in Russia and Sweden. Oriola-KD's operating profit for 2008, inclusive of the additional expenditure arising from strategic ventures and the effects of the acquisition in Russia, is anticipated to exceed that for the previous year."

Financial performance

Oriola-KD's invoicing in January–September 2008 was EUR 2,116.1 million (EUR 1,884.5 million) and net sales were EUR 1,131.7 million (EUR 1,045.7 million). Third-quarter invoicing came to EUR 716.2 million (EUR 605.2 million) and net sales to EUR 398.4 million (EUR 333.8 million).

Operating profit for January-September 2008 came to EUR 20.6 million (EUR 22.1 million) and profit after financial items came to EUR 20.2 million (EUR 23.6 million). During the review period, Oriola-KD invested heavily in strategic growth ventures, the execution and takeover of the Russian acquisition and the business opportunities offered by the potential deregulation of the Swedish pharmacy market. The strategic growth ventures gave rise to additional expenditure of EUR 1.6 million in the period under review. Third-quarter operating profit came to EUR 7.9 million (EUR 8.0 million) and profit after financial items to EUR 7.3 million (EUR 8.5 million).

Oriola-KD's financing expenses in January-September 2008 were EUR 0.4 million. In the corresponding period in 2007, financing income was EUR 1.5 million.

Taxes in the review period amounted to EUR 5.1 million (EUR 5.8 million). Taxes corresponding to the result for the period under review are accounted as taxes.

Net earnings in January-September 2008 were EUR 15.1 million (EUR 17.8 million).

Oriola-KD's earnings per share in the review period were EUR 0.11 (EUR 0.12). Return on capital employed was 13.4 per cent (15.1 per cent) and return on equity 10.0 per cent (12.1 per cent).

Balance sheet, financing and cash flow

Oriola-KD's balance sheet total on 30 September 2008 stood at EUR 796.7 million (EUR 613.3 million). Cash assets at the end of September 2008 were at EUR 20.4 million (EUR 96.6 million), and equity was EUR 196.9 million (EUR 199.8 million). Oriola-KD's equity ratio was 25.3 per cent (33.5 per cent).

At the end of the review period, interest-bearing net debt amounted to EUR 39.0 million (EUR -79.6 million) and the gearing ratio was 19.8 per cent (-39.8 per cent). Interest-bearing debt stood at EUR 59.4 million on 30 September 2009 (EUR 17.0 million) and was made up of drawings on the commercial paper programme and pharmacies' advance payments in Finland. At the end of September, Oriola-KD had drawn EUR 41 million from the commercial paper programme at the end of the review period. Credit facilities of approximately EUR 80 million with banks to secure the programme remained untapped at the end of the period under review.

Cash flow from operations in January-September 2008 was EUR -22.6 million (EUR 10.5 million), of which changes in working capital accounted for EUR -43.3 million (EUR -15.6 million). Working capital increased as a result of the expansion of the Russian companies and changes in their terms of payment, and the temporary increase in stocks and trade receivables in Sweden. The changes in the terms of payment will improve the competitiveness and performance of the businesses in Russia. Cash flow from investments was EUR -76.0 million (EUR -2.0 million). During the review period, cash flow after investments was EUR -98.5 million (EUR 8.5 million). Cash flow from financing includes a dividend of EUR 11.3 million paid in April.

Investments

Investments in the period under review amounted to EUR 112.3 million (EUR 4.9 million) and mainly concerned the business acquisition in Russia, the acquisition of a 12.51 per cent minority holding in Kronans Droghandel AB from Merck Sharp & Dohme (Sverige) AB, and operative maintenance and PPE investments.

Personnel

At the end of the period under review, Oriola-KD had a payroll of 4,696 employees (1,389), 73 per cent of whom worked in Russia (0 per cent), 14 per cent in Finland (57 per cent), 8 per cent in Sweden (26 per cent) and 5 per cent in the Baltic countries and Denmark combined (17 per cent).

Business segments

Oriola-KD has two business segments: The Pharmaceutical Trade business segment and the Healthcare Trade business segment, which includes the share of profits from the associated dental trade company.

Pharmaceutical Trade business segment

The Pharmaceutical Trade business segment's invoicing in January-September 2008 was EUR 1,969.9 million (EUR 1,682.0 million) and net sales were EUR 1,019.2 million (EUR 865.0 million). Third-quarter invoicing came to EUR 671.3 million (EUR 543.0 million) and net sales to EUR 364.6 million (EUR 278.3 million).

The January-September 2008 operating profit came to EUR 17.1 million (EUR 14.7 million), which includes the Russian business' operating loss of EUR 0.8 million from the second and third quarters. Third-quarter operating profit came to EUR 7.0 million (EUR 5.0 million), which includes the Russian business' operating profit of EUR 0.2 million from the third quarter.

On 30 September 2008, the number of employees within the Pharmaceutical Trade business segment was 4,298 (866).

Finland

The Pharmaceutical Trade business segment's invoicing in Finland in January-September 2008 was EUR 772.8 million (EUR 721.5 million) and net sales were EUR 389.8 million (EUR 347.9 million).

The Finnish pharmaceutical market grew by 6.7 per cent (4.7 per cent) in the review period. Oriola-KD held a 47.8 per cent (46.3 per cent) share of the pharmaceutical distribution market in Finland in January-September 2008 (source: IMS Health).

Oriola-KD took over the distribution of Wyeth products in Finland at the beginning of 2008. Wyeth's share of the Finnish pharmaceutical market is roughly two per cent (source: IMS Health). Oriola-KD retained all its major pharmaceutical principals in Finland during the period under review.

Based on the situation at the end of the review period, Oriola-KD's estimated share of the pharmaceutical wholesale market in Finland will be approximately 47 per cent in 2008.

Sweden

The Pharmaceutical Trade business segment's invoicing in Sweden in January-September 2008 was EUR 972.3 million (EUR 933.1 million) and net sales were EUR 410.1 million (EUR 493.0 million). The decline in net sales in Sweden was the result of the increase of the relative share of pharmaceutical manufacturers' consignment agreements.

The Swedish pharmaceutical market grew by 4.9 per cent (6.7 per cent) in January-September 2008. Oriola-KD held a 44.0 per cent (42.3 per cent) share of the pharmaceutical distribution market in Sweden in January-September 2008 (source: IMS Health).

Oriola-KD took over the distribution of McNeil products in Sweden at the beginning of 2008. McNeil's share of the Swedish pharmaceutical market is roughly two per cent (source: IMS Health). Oriola-KD retained all its major pharmaceutical principals in Sweden during the period under review.

Based on the situation at the end of the review period, Oriola-KD's estimated share of the pharmaceutical wholesale market in Sweden will be approximately 43 per cent in 2008.

The Swedish Government has proposed the deregulation of the pharmacy monopoly in mid-2009. In the third quarter, Oriola-KD continued to prepare for this proposed change in the pharmacy market.

In June, Oriola-KD increased its shareholding in the Swedish Kronans Droghandel AB (KD) from 85.62 per cent to 98.13 per cent by acquiring the minority holding of Merck Sharp & Dohme (Sverige) AB. Merck Sharp & Dohme (Sverige) AB held a 12.51 per cent minority in KD. The minority holding in KD subsequent to the transaction consists of Organon AB's 1.87 per cent holding.

Russia

The retail and wholesale businesses Vitim and Moron that were acquired in Russia have been consolidated into Oriola-KD's accounts as of 1 April 2008. In April-September, the net sales of the acquired companies grew by some 31 per cent to EUR 191.6 million. The Russian retail and wholesale companies' operating loss for April-September was roughly EUR 0.8 million, which

includes EUR 0.4 million in depreciation relating to the fair value allocation of the acquisition. Operating profit for July-September was EUR 0.2 million. The company focused on improving operating efficiency and profitability in the third quarter, and as a result, the number of pharmacies did not increase. The business in Russia is typically seasonal in that performance in the first and fourth quarters of the year is usually strong. Historically speaking, performance in the fourth quarter of the year has been the strongest by a clear margin, whereas the second and third quarters have been weaker than the other quarters.

Oriola-KD confirmed the acquisition of the pharmacy and pharmaceutical wholesale businesses Vitim and Moron on 21 April 2008. The acquisition involved the establishment of a Finnish company, Foreti Oy, which owns Vitim, a Moscow-based pharmacy retail company, and Moron, a pharmaceutical wholesaler. Oriola-KD's holding in Foreti Oy subsequent to the acquisition is 75 per cent while the founders of the Russian companies, Igor Yankov and Oleg Yankov, hold 25 per cent. Oriola-KD has agreed to buy out the remaining 25 per cent holding in 2010 for a consideration based on the companies' performance in 2009. The Boards of Directors of Foreti Oy, Vitim and Moron are made up of Eero Hautaniemi (Chairman), Kimmo Virtanen, Christian Ramm-Schmidt, Igor Yankov and Oleg Yankov.

Other countries

The Pharmaceutical Trade business segment's invoicing in the Baltics in January-September 2008 was EUR 30.6 million (EUR 27.4 million) and net sales were EUR 27.6 million (EUR 24.1 million).

Healthcare Trade business segment

The Healthcare Trade business segment's invoicing in January-September 2008 was EUR 146.2 million (EUR 202.6 million) and net sales were EUR 112.6 million (EUR 180.7 million). Invoicing and net sales in the Healthcare Trade business segment were reduced by the merger of the Dental Trade business with and into Lifco Dental, by the sale of the home distribution business in Sweden in 2007, and by changes in principals in Finland. Third-quarter invoicing came to EUR 44.8 million (EUR 62.2 million) and net sales to EUR 33.8 million (EUR 55.5 million).

Operating profit in January-September 2008 was EUR 7.5 million (EUR 10.0 million). Third-quarter operating profit was EUR 2.1 million (EUR 3.4 million).

The Healthcare Trade business segment had a payroll of 398 (523) employees at the end of September 2008.

Finland

The Healthcare Trade business segment's invoicing in Finland in January-September 2008 was EUR 61.4 million (EUR 61.5 million) and net sales were EUR 55.7 million (EUR 57.6 million). Changes in principals reduced invoicing and weakened profitability in Finland. Sysmex haematology products transferred from Oriola-KD at the beginning of 2008 and Zimmer orthopaedic products at the end of March. The product range was augmented with Carl Zeiss Meditec's ophthalmic surgery products in early 2008.

Sweden

The Healthcare Trade business segment's invoicing in Sweden in January-September 2008 was EUR 75.5 million (EUR 97.3 million) and net sales were EUR 47.6 million (EUR 81.3 million). The sale of the home distribution business in Sweden in 2007 reduced both invoicing and net sales. Profitability has improved in 2008 and the transition from distribution to wholesaling business has proceeded according to plan.

Other countries

The Healthcare Trade business segment's invoicing in the Baltics and Denmark in January-September 2008 was EUR 9.3 million (EUR 8.6 million) and net sales were EUR 9.2 million (EUR 7.5 million).

Dental Trade

Dental Trade contributed EUR 0.0 million (EUR 35.2 million) to the segment's invoicing, EUR 0.0 million (EUR 34.3 million) to its net sales and EUR 1.3 million (EUR 1.3 million) to the segment's operating profit in January-September 2008. Personnel numbered 85 on 30 September 2007. The merger of the dental business with and into Lifco Dental was finalised on 2 January 2008 with the merger of the businesses in Estonia, Latvia and Lithuania. Oriola-KD holds a 30 per cent share of the merged dental business while Lifco has a 70 per cent holding. Operating profit in dental trade has not met expectations largely because of poor profitability in Finland and several one-off items related to corporate acquisitions and terminations of business.

Related parties

Related parties in the Oriola-KD Group are deemed to comprise parent company Oriola-KD Corporation, subsidiaries and associated companies, the members of the Board and the President and CEO of Oriola-KD Corporation, other members of the Group Management Team of the Oriola-KD Group, the immediate family of the aforementioned persons, the companies controlled by the aforementioned persons, and the Oriola Pension Foundation. The Group has no significant business transactions with related parties, except for pension expenses arising from defined benefit plans with the Oriola Pension Foundation. The notes to the financial statements of Oriola-KD Corporation provide additional information on intra-Group liabilities and sureties given on behalf of Group companies. The Oriola-KD Corporation has given no significant sureties on behalf of Group companies.

Oriola-KD Corporation share

Trading volume of the Oriola-KD Corporation's Class A and B shares in January-September 2008:

Trading volume	Jan-Sep 2008		Jan-Sep 2007	
	Class A	Class B	Class A	Class B
Trading volume, million	3.2	28.7	10.2	58.7
Trading volume, million euros	8.5	79.1	33.8	190.4
High, euros	3.03	3.10	3.70	3.68
Low, euros	2.00	1.94	2.64	2.57
Closing quotation on 30 Sep 2008, euros	2.00	2.00	3.35	3.30

In the review period, the traded volume of Oriola-KD Corporation shares, treasury shares excluded, corresponded to 22.5 per cent (48.7 per cent) of the total outstanding shares. The traded volume of Class A shares in the period under review amounted to 6.3 per cent (19.0 per cent) of average outstanding stock and that of Class B shares, excluding treasury shares, to 31.4 per cent (66.8 per cent).

Oriola-KD Corporation's market capitalisation on 30 September 2008, treasury shares excluded, was EUR 283.8 million (EUR 468.7 million).

Under Article 3 of the Articles of Association, a shareholder may demand conversion of Class A shares into Class B shares. During the first half of 2008, a total of 2,553,202 Class A shares have been converted into Class B shares

(4,949,682). At the end of the review period, the company had 48,692,203 Class A shares (51,344,958) and 93,215,625 Class B shares (89,912,870).

The resolutions of Oriola-KD Corporation's Board of Directors taken on 20 February 2008 pursuant to the authorisation granted by the Annual General Meeting on 13 March 2007, concerning a bonus issue to the company and a targeted bonus issue within the share incentive scheme, were executed during the period under review. Oriola-KD Corporation issued 650,000 new Class B shares to itself in the bonus issue. In addition, the Board resolved on a targeted bonus issue in which a total of 156,048 Class B shares held as treasury shares were assigned to the company's President and CEO and other members of Oriola-KD Corporation's Group Management Team. The issues were executed and registered in the review period. In the context of the targeted bonus issue, the company transferred 156,048 Class B shares on 27 March 2008 into the book-entry accounts of persons covered under the management incentive scheme.

Subsequent to the bonus issues, the company holds 493.952 treasury shares, all of which are Class B shares. These account for 0.35 per cent of the company's outstanding stock and 0.05 per cent of the votes in the company.

Subsequent to a transaction executed on 29 July 2008, the share of the votes produced by Oriola-KD Corporation's shares held by Maa- ja Vesitekniiikan Tuki ry and its subsidiary exceeded the one twentieth threshold (1/20) referred to in Chapter 2, section 9, of the Securities Markets Act. On 29 July 2008, their holding was 5.07 per cent of the total votes conferred by Oriola-KD shares.

Risks

The Board of Directors of Oriola-KD has approved the company's risk management policy in which the operational model, principles, responsibilities and reporting in risk management have been determined. The Group's risk management seeks to identify, measure and manage risks that may threaten the operations of the company and the achievement of goals set for them. The roles and responsibilities relating to risk management have been determined in the Group.

Oriola-KD's risks are classified as strategic, operative and financial. Risk management is a key element of the strategic process, operative planning and daily decision-making at Oriola-KD.

Oriola-KD has identified the following most significant strategic and operative risks in its business:

- changes in bargaining position vis-à-vis suppliers and customers
- impacts on business concepts from potential changes in the structure of the Swedish market
- maintenance of cost-effectiveness and flexibility in costs
- provision of competitive products and services in expanding and consolidating markets
- expansion-related risks in new markets and businesses
- commitment of key employees

The major financial risks for Oriola-KD involve currency exchange rates, interest rates, liquidity and credit. The estimated USD-denominated additional purchase price on the Russian business acquisition and the USD-denominated purchase price of the remaining 25 per cent holding were hedged in July 2008 in accordance with the Group's treasury policy.

Oriola-KD's exposure to risks relating to new markets and businesses as well as financial risks increased in the second quarter as the Company expanded to the Russian pharmaceutical retail and wholesale market. Currency exchange rate risks are the main financial risks related to Russia: possible changes of ruble's value has impact on Oriola-KD's financial result. Goodwill and intangible rights are subject to annual impairment testing which may affect Oriola-KD's financial result.

Near-term risks and uncertainty factors

Factors with a material impact on Oriola-KD's near-term outlook are the success of the takeover of the Russian acquisition, the realization of the growth potential of the Russia-based businesses, and general market trends in Russia. The uncertainty of the global financial market may have an effect on Oriola-KD's near-term business.

Events after the period under review

Cecilia Marlow, M.Sc. (Econ.) (b. 1960) has been appointed Managing Director of Kronans Droghandel AB (KD) and a member of the Oriola-KD Group Management Team as of 1 November 2008. Birgitta Gunneflo, KD's current Managing Director and member of the Group Management Team, will resign from her post on 1 November 2008. Cecilia Marlow started as Vice President of Oriola KD's retail business in Sweden on 4 August 2008. In addition her principal duty is to prepare Oriola-KD's Swedish businesses for the possible post-deregulated Swedish pharmacy market.

Outlook

Oriola-KD's outlook for 2008 is based on external market forecasts, agreements with principals, cumulative orders and management's estimates. Long term fundamentals and growth prospects are deemed to remain favourable in the healthcare market.

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. The Russian pharmaceutical market is estimated to see growth of nearly 20 percent annually in the next few years. Growth in the market for healthcare equipment and supplies in Finland and Sweden is estimated to outpace that of the pharmaceutical market.

Invoicing in the Pharmaceutical Trade business segment in 2008 is estimated to rise due to market growth and expansion to Russia. Invoicing in the Healthcare and Dental Trade business segment is projected as lower than in the previous year due to the merger with and into Lifco Dental, the sale of the home distribution business in Sweden in 2007 and changes in principals in Finland. Oriola-KD's invoicing in 2008 is projected as clearly higher than in the previous year.

Operating profit in the Pharmaceutical Trade business segment is anticipated to see positive development in 2008. Oriola-KD is investing in strategic growth ventures, the takeover of the Russian acquisition and the business opportunities offered by the potential deregulation of the Swedish pharmacy market, which are projected to give rise to additional expenditure not exceeding three million euro in 2008. Operating profit in the Pharmaceutical Trade business segment in 2008 is estimated to improve owing to the Russian business acquisition. Operating profit for 2008 in the Healthcare Trade business is expected to fall from the previous year due to the reported changes in principals in Finland. The merger in the Dental Trade business is estimated to improve comparable operating profit for 2008.

Oriola-KD's operating profit for 2008 inclusive of the additional expenditure arising from strategic ventures and the acquisition in Russia is anticipated to exceed that for the previous year.

Tables

Income Statement, EUR million	1.1.- 30.09.2008	1.1.- 30.09.2007	1.7.- 30.09.2008	1.7.- 30.09.2007	1.1.- 31.12.2007
Net sales	1131.7	1045.7	398.4	333.8	1377.3
Cost of goods sold	-990.0	-937.4	-346.7	-300.0	-1232.0

Gross profit	141.8	108.3	51.7	33.8	145.2
Other operating income	2.6	1.5	0.5	0.6	2.3
Selling and distribution expenses	-102.9	-77.0	-36.2	-23.3	-104.5
Administrative expenses	-22.2	-10.7	-8.5	-3.1	-14.9
Profit from associated company	1.3	0.0	0.3	0.0	1.0
Operating profit	20.6	22.1	7.9	8.0	29.1
Financial income and expenses	-0.4	1.5	-0.5	0.5	1.9
Profit before taxes	20.2	23.6	7.3	8.5	31.0
Tax expense*)	-5.1	-5.8	-1.9	-2.1	-7.3
Profit for the period	15.1	17.8	5.4	6.4	23.7
of which available for:					
Parent company shareholders	15.0	17.4	5.4	6.2	23.3
Minority interest	0.1	0.3	0.0	0.2	0.4

Earnings per share:

Basic earnings per share (EUR)	0.11	0.12	0.04	0.04	0.16
Diluted earnings per share (EUR)	0.11	0.12	0.04	0.04	0.16

*) The tax expense for the period has been calculated as the proportional share of the total estimated taxes for the financial year.

Balance sheet, EUR million	30.09.2008	30.9.2007	31.12.2007
Non-current assets			
Property, plant and equipment	58.2	58.3	56.3
Goodwill	104.3	34.6	33.9
Other intangible assets	46.3	5.0	4.5
Investments in associates and available-for-sale investments	27.8	0.0	27.1
Other non-current receivables	9.7	10.0	10.6
Deferred tax assets	1.8	0.0	0.2
Non-current assets total	248.0	108.0	132.5
Current assets			
Inventories	251.5	184.5	180.9
Trade and other receivables	276.9	224.2	201.0
Cash and cash equivalents	20.4	96.6	131.0
Current assets total	548.8	505.2	512.9

ASSETS TOTAL	796.7	613.3	645.4
---------------------	--------------	--------------	--------------

Balance sheet, EUR million	30.09.2008	30.9.2007	31.12.2007
---------------------------------------	-------------------	------------------	-------------------

Non-current liabilities

Share capital	36.2	36.2	36.2
Other funds	30.1	30.1	30.1
Retained earnings	129.5	125.2	129.2
Net assets of the parent company shareholders	195.8	191.5	195.5
Minority interest	1.1	8.2	8.1
Net assets total	196.9	199.8	203.6

Non-current liabilities

Deferred tax liabilities	18.7	8.9	8.7
Pension liability	4.3	4.1	4.4
Provisions	0.0	0.0	0.0
Interest-bearing non-current liabilities	0.2	0.4	0.3
Other non-current liabilities	28.9	0.4	0.4
Current liabilities total	52.1	13.8	13.8

Current liabilities

Trade payables and other current liabilities	488.5	382.1	387.4
Provisions	0.0	0.9	0.0
Interest-bearing current liabilities	59.2	16.6	40.7
Current liabilities total	547.8	399.7	428.1

EQUITY AND LIABILITIES TOTAL	796.7	613.3	645.4
-------------------------------------	--------------	--------------	--------------

**Changes in
shareholder's
equity:**

EUR million	Share capital	Other funds	Translation differences	Retained earnings	Equity of the parent company shareholders	Minority interest	Total
Shareholder's equity 1.1.2007	36.2	30.1	0.0	116.9	183.3	8.5	191.8
Translation differences			-0.8		-0.8	-0.1	-0.9
Dividend Paid				-8.5	-8.5	-0.5	-8.9

Hedge on net investment in foreign subsidiary				-0.1	-0.1		-0.1
Change in minority interest							
Other changes				-0.1	-0.1		-0.1
Share based payments				0.3	0.3		0.3
Taxes related to items booked into equity							
Items booked into equity							
Profit for the period				17.4	17.4	0.3	17.8
Shareholder's equity							
30.9.2007	36.2	30.1	-0.8	125.9	191.5	8.3	199.8

Shareholder's equity							
1.1.2008	36.2	30.1	-2.5	131.7	195.5	8.1	203.6
Translation differences			-3.8		-3.8	0.0	-3.7
Dividend distribution				-11.3	-11.3		-11.3
Hedge on net investment in foreign subsidiary							
Change in minority interest						-7.1	-7.1
Other changes							
Share based payments				0.3	0.3		0.3
Taxes related to items booked into equity							
Items booked into equity							
Profit for the period				15.0	15.0	0.1	15.1
Shareholder's equity							
30.09.2008	36.2	30.1	-6.3	135.7	195.8	1.1	196.9

Cash flow statement, EUR million	1.1.- 30.09.2008	1.1.- 30.09.2007	1.1.- 31.12.2007
Operating profit	20.6	22.1	29.1
Depreciation	7.3	8.0	10.4
Change in working capital	-43.3	-15.6	6.8
Cash flow from financial items and taxes	-7.3	-4.1	-5.5
Other adjustments	0.1	0.1	-1.9
Cash flow from operating activities	-22.6	10.5	39.0

Cash flow from investing activities	-76.0	-2.0	-19.1
Cash flow from financing activities	-10.9	-24.2	-0.7
Net change in cash and cash equivalents	-109.4	-15.7	19.1
Cash and cash equivalents at beginning of period	131.0	112.9	112.9
Foreign exchange difference	-1.2	-0.6	-1.0
Net change in cash and cash equivalents	-109.4	-15.7	19.1
Cash and cash equivalents at end of period	20.4	96.6	131.0

Change in property, plant and equipment

milj.EUR	1.1.- 30.09.2008	1.1.- 30.09.2007	1.1.- 31.12.2007
Carrying amount at the beginning of the period	56.3	63.3	63.3
Increase through acquisition of subsidiary share	6.8	0.0	0.0
Additions	3.0	4.3	5.1
Disposals	-1.7	-3.0	-3.5
Depreciation	-5.1	-5.6	-7.3
Translation differences	-1.0	-0.6	-1.4
Carrying amount at the end of the period	58.2	58.3	56.3

Key figures and ratios	1.1.- 30.09.2008	1.1.- 30.09.2007	1.1.- 31.12.2007
Equity ratio, %	25.3%	33.5%	33.7%
Equity per share, EUR	1.38	1.36	1.38
Return on capital employed (ROCE), %	13.4%	15.1%	14.2%
Return on equity, %	10.0%	12.1%	12.0%
Net interest bearing debt, Me	39.0 Me	-79.6 Me	-90.0 Me
Gearing, %	19.8%	-39.8%	-44.2%
Earnings per share, EUR	0.11	0.12	0.16

Average number of share, tpcs	141 385	141 258	141 258
-------------------------------	---------	---------	---------

Forward contracts and contingent liabilities

30.9.2008

EUR million	Positive fair value	Negative fair value	Nominal values of contracts
Hedging of a net investment in an independent foreign unit			0.0
Other forward and currency swap contracts		-0.3	64.0
FX options purchased			

30.9.2007

EUR million	Positive fair value	Negative fair value	Nominal values of contracts
Hedging of a net investment in an independent foreign unit			0.0
Other forward and currency swap contracts		0.0	21.5

EUR million	30.9.2008	30.9.2007	31.12.2007
Contingent for own liabilities			
Guarantees given	35.1	2.6	3.1
Real-estate mortgages given	2.0	1.0	2.0
Mortgages on company assets	21.1	22.5	21.9
Other guarantees and liabilities	2.6	2.1	1.9
Total	60.9	28.2	28.9

Contingent for liabilities of other parties

Guarantees given on behalf of external parties	0.0	0.0	0.0
Leasing-liabilities (operating liabilities)	0.5	0.4	0.3
Rent contingent	30.4	5.5	5.0

Invoicing by business segment, EUR million	1.1.- 30.09.2008	1.1.- 30.09.2007	1.1.- 31.12.2007
Pharmaceutical Trade business segment	1969.9	1682.0	2253.4
Healthcare Trade	146.2	167.4	234.7

Dental Trade	0.0	35.2	36.5
Group Total	2116.1	1884.5	2524.5

Oriola-KD has two business segments:
the Pharmaceutical Trade business segment
and the Healthcare Trade business segment,
which includes the share of profits from the
associated company.

Net sales by business segment, EUR million	1.1.- 30.09.2008	1.1.- 30.09.2007	1.1.- 31.12.2007
Pharmaceutical Trade business segment	1019.2	865.0	1135.8
Healthcare Trade	112.6	146.4	205.9
Dental Trade	0.0	34.3	35.6
Group Total	1131.7	1045.7	1377.3

Operating profit by business segment, EUR million	1.1.- 30.09.2008	1.1.- 30.09.2007	1.1.- 31.12.2007
Pharmaceutical Trade business segment	17.1	14.7	17.4
Healthcare Trade	6.2	8.8	12.6
Dental Trade	1.3	1.3	2.2
Group items	-4.0	-2.7	-3.2
Group total	20.6	22.1	29.1

Average number of personnel	3 513	1 475	1 432
Number of personnel at the end of the period	4 696	1 389	1 302

Invoicing by business segment, EUR million	7-9/ 2008	4-6/ 2008	1-3/ 2008	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007
Pharmaceutical Trade business segment	671.3	706.5	592.1	571.4	543.0	575.9	563.2
Healthcare Trade	44.8	49.7	51.6	67.3	52.1	56.7	58.6
Dental Trade	0.0	0.0	0.0	1.3	10.2	11.8	13.2
Group Total	716.2	756.2	643.6	640.0	605.2	644.4	634.9

Net sales by business segment, EUR million	7-9/ 2008	4-6/ 2008	1-3/ 2008	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007
Pharmaceutical Trade business segment	364.6	377.2	277.3	270.7	278.3	295.5	291.3
Healthcare Trade	33.8	38.1	40.6	59.5	45.6	49.2	51.7
Dental Trade	0.0	0.0	0.0	1.3	9.9	11.5	12.9
Group Total	398.4	415.4	318.0	331.6	333.8	356.1	355.8

Operating profit by business segment, EUR million	7-9/2008	4-6/2008	1-3/2008	10-12/2007	7-9/2007	4-6/2007	1-3/2007
Pharmaceutical Trade business segment	7.0	4.3	5.9	2.7	5.0	4.6	5.1
Healthcare Trade	1.8	1.5	2.9	3.9	3.4	2.8	2.6
Dental Trade	0.3	0.4	0.6	1.0	0.1	0.2	1.1
Group items	-1.2	-2.0	-0.8	-0.5	-0.5	-1.2	-1.0
Group total	7.9	4.2	8.5	7.0	8.0	6.3	7.8

Net sales by market, EUR million	1.1.-30.09.2008	1.1.-30.09.2007	1.1.-31.12.2007
Finland	443.8	426.7	570.1
Other Nordic countries	460.1	581.6	756.5
Other Europe	36.2	36.3	49.1
Russia	191.7	0.1	0.1
Other countries	0.1	1.0	1.4
Total	1131.7	1045.7	1377.3

Net sales by market, EUR million	7-9/2008	4-6/2008	1-3/2008	10-12/2007	7-9/2007	4-6/2007	1-3/2007
Finland	144.6	150.5	148.7	143.4	135.3	143.4	148.1
Other Nordic countries	145.1	158.5	156.5	174.9	187.1	199.6	195.0
Other Europe	10.9	12.5	12.7	12.8	11.3	12.5	12.5
Russia	97.9	93.8	0.0	0.0	0.0	0.0	0.0
Other countries	0.0	0.1	0.0	0.5	0.1	0.7	0.2
Total	398.4	415.4	318.0	331.6	333.8	356.1	355.8

CORPORATE ACQUISITIONS

Acquisition of Vitim & Co and Moron Ltd

Oriola-KD announced in March that it would acquire 75 percent of a Moscow-based pharmacy company (Vitim & Co) and of a pharmaceutical wholesaler (Moron Ltd.)

The transaction was executed in April. In addition, Oriola-KD has agreed to buy out the remaining 25-percent holding in 2010 for a consideration based on the companies' performance in 2009. The additional purchase price relating to the acquired 75-percent holding and the purchase of the remaining 25-percent holding are recognized as a liability, the magnitude of which is based on the best estimate of management. The acquisition cost is calculated on the basis of the companies' provisional balance sheets as per 31 March 2008 prepared in accordance with IFRS and the Oriola-KD Group's accounting principles in respect of all material elements. The provisional balance sheets and acquisition cost calculation are unaudited.

The acquisition is accounted for using provisional values as permitted

under IFRS 3. Over the 12 months following the acquisition, Oriola-KD will make the necessary adjustments to these provisional values. The balance sheets of the acquired companies have been consolidated into the Oriola-KD Group as of 1 April 2008 and the calculation below includes the acquisition of both companies.

Provisional details on the net assets and goodwill acquires are as follows:

	Carrying amount EUR million	Fair value allocations EUR million	Fair value EUR million
Tangible assets	5.0	1.8	6.8
Other intangible assets	3.5	41.5	45.0
Deferred tax assets	1.2	0.0	1.2
Inventories, advances paid	68.5	0.0	68.5
Trade receivables	37.8	0.0	37.8
Other receivables	4.8	0.0	4.8
Cash and cash equivalents	2.7	0.0	2.7
Deferred tax liabilities	0.0	-10.4	-10.4
Interest-bearing non-current liabilities	-8.8	0.0	-8.8
Trade payables and other current liabilities	-103.7	0.0	-103.7
Interest-bearing current liabilities	-8.9	0.0	-8.9
Net identifiable assets	1.9	32.9	34.8
Acquisition price			
Purchase price			-64.0
Additional purchase price and purchase of the remaining 25%			-34.5
Costs related to acquisition			-4.4
Goodwill			68.1
Purchase price settled in cash			-64.0
Costs related to acquisition			-4.4
Cash and cash equivalents acquired			2.7
Cash outflow on acquisition for 2008			-65.8
Estimated purchase price payable			-34.5
Total cash outflow on acquisition			-100.3

The remaining goodwill arising from the acquisition, is based on synergy benefits and widened new market area possibilities and benefits.

Espoo, 30 October 2008

Board of Directors of Oriola-KD Corporation

Oriola-KD Corporation

Eero Hautaniemi
President and CEO

Kimmo Virtanen
Executive Vice President and CFO

Further information:

Eero Hautaniemi
President and CEO
tel. +358 (0)10 429 2109
e-mail: eero.hautaniemi@oriola-kd.com

Kimmo Virtanen
Executive Vice President and CFO
tel. +358 (0)10 429 2069
e-mail: kimmo.virtanen@oriola-kd.com

Pellervo Hämäläinen
Vice President, Communications and IR
tel. +358 (0)10 429 2497
e-mail: pellervo.hamalainen@oriola-kd.com

Distribution:
NASDAQ OMX Helsinki
Key media

Released by:
Oriola-KD Corporation
Corporate Communications
Orionintie 5
FI-02200 Espoo, Finland
www.oriola-kd.com