

Oriola-KD Corporation Stock Exchange Release 12 February 2009 at 8.30 a.m.

Oriola-KD Corporation's Financial Statements for 1 January - 31 December 2008

The figures for the Oriola-KD Group (hereinafter Oriola-KD) for the period January - December 2008 have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU. The figures are audited. The retail and wholesale businesses OOO Vitim & Co and OOO Moron, acquired in Russia, have been consolidated into Oriola-KD's accounts as of 1 April 2008.

Key figures 1 January - 31 December 2008

- Invoicing came to EUR 2,882.3 million (1-12/2007: EUR 2,524.5 million) and net sales to EUR 1,580.8 million (1-12/2007: EUR 1,377.3 million)
- Operating profit was EUR 36.4 million (1-12/2007: EUR 29.1 million)
- Net profit was EUR 27.5 million (1-12/2007: EUR 23.7 million)
- Earnings per share were EUR 0.19 (1-12/2007: EUR 0.16)
- Return on capital employed was 13.5 per cent (1-12/2007: 14.2 per cent)
- The Board proposes to the General Meeting that a dividend of EUR 0.08 per share (EUR 0.08 per share) be distributed for 2008.

President and CEO Eero Hautaniemi: "Oriola-KD's business developed in line with our expectations in 2008. Net sales were up by 15 per cent and operating profit was up by 25 on the previous year. The takeover of the Russian companies went well. In 2009, we will continue developing the Russian businesses and preparing for the possible changes of Sweden's pharmacy market. The uncertainty of the financial markets may also have an effect on Oriola-KD's business in 2009.

Financial performance

Oriola-KD's invoicing in January-December 2008 was EUR 2,882.3 million (EUR 2,524.5 million) and net sales were EUR 1,580.8 million (EUR 1,377.3 million). Fourth-quarter invoicing came to EUR 766,2 million (EUR 640,0 million) and net sales to EUR 449,1 million (EUR 331,6 million).

Operating profit for January-December 2008 came to EUR 36.4 million (EUR 29.1 million) and profit after financial items came to EUR 34.6 million (EUR 31.0 million). During the review period, Oriola-KD invested heavily in strategic growth ventures, the execution and takeover of the Russian acquisition and in preparing for the business opportunities offered by the potential deregulation of the Swedish pharmacy market. The strategic growth ventures gave rise to additional expenditure of EUR 3.3 million in the period under review. Fourth-quarter operating profit came to EUR 15.8 million (EUR 7.0 million) and profit after financial items came to EUR 14.4 million (EUR 7.4 million).

Oriola-KD's financing expenses in January-December 2008 were EUR 1.8 million. In the corresponding period in 2007, financing income was EUR 1.9 million. The increase in financing expenses was mainly due to the execution of the Russian acquisition in April 2008.

Taxes in the review period amounted to EUR 7.2 million (EUR 7.3 million). Taxes corresponding to the result for the period under review are accounted as taxes. The tax rate for 2008 was lowered by the deduction of deferred tax liabilities which was due to the decrease of company tax rates in Sweden and Russia.

Net profit in January-December 2008 was EUR 27.5 million (EUR 23.7 million).

Oriola-KD's earnings per share in the review period were EUR 0.19 (EUR 0.16). Return on capital employed was 13.5 per cent (14.2 per cent) and return on equity 14.1 per cent (12.0 per cent).

Balance sheet, financing and cash flow

Oriola-KD's balance sheet total on 31 December 2008 stood at EUR 790.6 million (EUR 645.4 million). Cash assets at the end of December 2008 were at EUR 46.5 million (EUR 131.0 million), and equity was EUR 185.5 million (EUR 203.6 million). Oriola-KD's equity ratio was 25.1 per cent (33.7 per cent). The equity was lowered by translation effects due to lower Swedish currency (SEK) and Russian currency (RUB) exchange rates.

At the end of the review period, interest-bearing net debt amounted to EUR 62.2 million (EUR -90.0 million) and the gearing ratio was 33.5 per cent (-44.2 per cent). Interest-bearing debt stood at EUR 108.7 million on 31 December 2008 (EUR 41.0 million) and was made up of drawings on the commercial paper programme, pharmacies' advance payments in Finland, financial leasing debts and the estimated final transaction price of the remaining 25 per cent holding in the Russian companies. At the end of December, Oriola-KD had drawn EUR 29.4 million from the commercial paper programme. Credit facilities of approximately EUR 78.1 million with banks to secure the programme remained untapped at the end of the financial year.

Cash flow from operations in January-December 2008 was EUR -18.1 million (EUR 39.0 million), of which changes in working capital accounted for EUR -52.2 million (EUR 6.8 million). The rise in working capital is mainly attributable to the growth of the Russian companies and changes in their terms of payment, and to changes in Swedish receivables. The changes in the terms of payment will improve the competitiveness and performance of the businesses in Russia. Cash flow from investments was EUR -75.3 million (EUR -19.1 million). During the review period, cash flow after investments was EUR -93.4 million (EUR 19.8 million). Cash flow from financing includes a dividend of EUR 11.3 million paid in April 2008.

Investments

Investments in 2008 amounted to EUR 125.7 million (EUR 32.1 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. The strong profit made by the Russian companies during the fourth quarter augmented the additional purchase price connected to the purchase of the 75 per cent holding and based on the profit for 2008.

Personnel

At the end of the financial year, Oriola-KD had a payroll of 4,709 employees (1,302), 74 per cent of whom worked in Russia (0 per cent), 14 per cent in Finland (54 per cent), 8 per cent in Sweden (28 per cent) and 4 per cent in the Baltic countries and Denmark combined (18 per cent).

Changes in the Group Management Team in 2008

On 31 December 2008, Oriola-KD Corporation's Group Management Team was composed of:

Eero Hautaniemi	President and CEO
Claes von Bonsdorff	Vice President, IT Administration
Thomas Heinonen	Senior Legal Counsel (as of 1 June 2008)
Pellervo Hämäläinen	Vice President, Communications and IR
Anne Kariniemi	Vice President, Logistics and Sourcing
Cecilia Marlow	Vice President, Pharmaceutical Trade Sweden (as of 1 November 2008)
Matti Lievonen	Senior Advisor, Pharmaceutical Trade Finland (until 31 December 2008)

Jukka Niemi	Vice President, Pharmaceutical Trade Finland
Teija Silver	Vice President, Human Resources
Ilari Vaalavirta	Vice President, Healthcare Trade
Kimmo Virtanen	Executive Vice President & CFO

CFO Kimmo Virtanen was appointed Executive Vice President and deputy to the CEO of Oriola-KD Corporation effective 1 May 2008. His sphere of responsibility comprises Group functions as well as finance. Attorney at Law Thomas Heinonen was appointed Senior Legal Counsel at Oriola-KD effective 1 June 2008 and General Counsel and Secretary of the Board of Directors effective 1 January 2009. General Counsel Henry Haarla retired on 1 June 2008.

Jukka Niemi was appointed Vice President of the Pharmaceutical Trade Finland business effective 1 July 2008. Matti Lievonen, Director of Pharmaceutical Distribution and Executive Vice President of Oriola Oy retired at the end of 2008.

Cecilia Marlow was 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, Oriola-KD's Managing Director and member of the Group Management Team, resigned from her post on 1 November 2008.

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.

In accordance with the resolution of the Board of Directors of Oriola-KD Corporation on 11 February 2009, Oriola-KD's new business segments as of the first quarter of 2009 are Pharmaceutical Trade Finland, Pharmaceutical Trade Sweden, Pharmaceutical Trade Russia, Pharmaceutical Trade Baltics, Healthcare Trade and Dental Trade. The new segment structure is in line with the Group's new organisation structure and internal reporting. The comparison data for 2008 will be published in accordance with the new segment distribution before the first interim report of 2009.

Pharmaceutical Trade business segment

The Pharmaceutical Trade business segment's invoicing in January-December 2008 was EUR 2,682.1 million (EUR 2,253.4 million) and net sales were EUR 1,425.6 million (EUR 1,135.8 million). Fourth-quarter invoicing came to EUR 712.2 million (EUR 571.4 million) and net sales to EUR 406.4 million (EUR 270.7 million).

The January-December 2008 operating profit came to EUR 32.0 million (EUR 17.4 million), which includes the Russian business' operating profit of EUR 8.2 million from April-December. Fourth-quarter operating profit came to EUR 14.8 million (EUR 2.7 million), which includes the Russian business' operating profit of EUR 9.0 million from the fourth quarter.

On 31 December 2008, the number of employees within the Pharmaceutical Trade business segment was 4,321 (856).

Finland

The Pharmaceutical Trade business segment's invoicing in Finland in January-December 2008 was EUR 1,047.9 million (EUR 973.8 million) and net sales were EUR 533.9 million (EUR 468.1 million).

The pharmaceutical market grew by 6.7 per cent in Finland (5.4 per cent excluding a single large batch of vaccines) in January-December 2008. Oriola-KD held a 47.6 per cent (45.9 per cent) share of the pharmaceutical distribution market in Finland in January-December 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 2009.

Sweden

The Pharmaceutical Trade business segment's invoicing in Sweden in January-December 2008 was EUR 1,270.3 million (EUR 1,242.2 million) and net sales were EUR 536.1 million (EUR 634.9 million). The decline in net sales in Sweden was the result of the increase of the relative share of pharmaceutical manufacturers' consignment agreements in 2008.

The Swedish pharmaceutical market grew by 4.1 per cent (6.8 per cent) in January-December 2008. Oriola-KD held a 43.8 per cent (42.0 per cent) share of the pharmaceutical distribution market in Sweden in January-December 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). Pharmaceutical principals that will no longer be distributed by Oriola-KD are Schering-Plough and Organon. As a consequence of this, Oriola-KD's market share in the wholesale pharmaceutical trade at the beginning of February 2008 will fall to around 40 per cent of what it was at the end of 2008.

The Swedish Government has proposed the deregulation of the pharmacy monopoly in mid-2009. In 2008, 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 a minority holding in 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-December, the net sales of the acquired companies grew by some 31 per cent in Russian rubles to EUR 318.9 million. The Russian retail and wholesale companies' operating profit for April-December 2008 was EUR 8.2 million.

Net sales for October-December 2008 totalled EUR 127.3 million and operating profit was EUR 9.0 million. During the fourth quarter, Oriola-KD focused on improving the efficiency of operations and profitability in Russia. Oriola-KD maintained 150 pharmacies in Russia at the end of the financial year.

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 of 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 Baltic countries in January-December 2008 was EUR 40.7 million (EUR 37.4 million) and net sales were EUR 36.7 million (EUR 32.7 million).

Healthcare Trade business segment

The Healthcare Trade business segment's invoicing in January-December 2008 was EUR 200.2 million (EUR 271.2 million) and net sales were EUR 155.3 million (EUR 241.5 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. Fourth-quarter invoicing came to EUR 54.0 million (EUR 68.6 million) and net sales to EUR 42.7 million (EUR 60.8 million).

Operating profit in January-December 2008 was EUR 10.1 million (EUR 14.9 million). Fourth-quarter operating profit was EUR 2.6 million (EUR 4.8 million).

The Healthcare Trade business segment had a payroll of 388 (446) employees on 31 December 2008.

Finland

The Healthcare Trade business segment's invoicing in Finland in January-December 2008 was EUR 85.4 million (EUR 86.9 million) and net sales were EUR 76.7 million (EUR 81.7 million). Invoicing for 2008 was reduced by and profitability was weakened by two major suppliers no longer being represented by Oriola-KD due to restructuring of international distribution channels.

Sweden

The Healthcare Trade business segment's invoicing in Sweden in January-December 2008 was EUR 102.0 million (EUR 135.5 million) and net sales were EUR 65.8 million (EUR 113.4 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 Baltic countries and Denmark in January-December 2008 was EUR 12.8 million (EUR 12.3 million) and net sales were EUR 12.7 million (EUR 10.9 million).

Dental Trade

Dental Trade contributed EUR 0.0 million (EUR 36.5 million) to the segment's invoicing, EUR 0.0 million (EUR 35.6 million) to its net sales and EUR 2.1 million (EUR 2.2 million) to the segment's operating profit in January-December 2008. 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.

Board of Directors and auditor

In accordance with the company's corporate governance guidelines, the Chairman of the Board is appointed by the General Meeting. The Deputy Chairman of the Board is appointed by the Board of Directors. The Board of Directors appoints Oriola-KD's President and CEO and decides on the terms of his or her service relationship. The period of notice of the President and CEO is six months and the compensation on termination of employment is an amount corresponding to 12 months' salary.

The Annual General Meeting of Oriola-KD Corporation held on 17 March 2008 confirmed that the Board would continue to comprise seven members. Harry Brade, Pauli Kulvik, Outi Raitasuo, Antti Remes, Olli Riikkala, Jaakko Uotila and Mika Vidgrén were re-elected to the Board. Olli Riikkala continues as Chairman of the Board. The auditor for the company, elected by the AGM, is corporation of public accountants PricewaterhouseCoopers Oy with APA Heikki Lassila as principal auditor. APA Kaj Wasenius was elected deputy auditor.

At the organisation meeting held immediately after the AGM, the Board resolved to elect Antti Remes to continue serving as Vice Chairman of the Board. The compositions of the Audit and Compensation Committees were confirmed as follows.

Audit Committee:

Antti Remes, Chairman
Harry Brade
Outi Raitasuo
Mika Vidgrén

Compensation Committee:

Olli Riikkala, Chairman
Pauli Kulvik
Jaakko Uotila

On 21 November 2008, the Board of Directors of Oriola-KD Corporation appointed the following persons as members of the Nomination Committee:

Into Ylppö, Chairman
Harry Brade,
Risto Murto,
Olli Riikkala

According to the rules of procedure of the Nomination Committee approved by the Board of Directors, the committee is a body established by the Board of Directors whose duty is to prepare and make a recommendation to the Board of Directors of a proposal to be submitted to the Annual General Meeting regarding the composition and compensation of the Board of Directors.

The Board of Directors has evaluated the independence of its members and found that all the members are independent of both the company and its major shareholders.

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-December 2008:

Trading volume	Jan-Dec 2008		Jan-Dec 2007	
	Class A	Class B	Class A	Class B
Trading volume, million	5.6	41.3	12.1	71.6
Trading volume, EUR million	12.0	98.1	40.2	231.8
High, euros	3.10	3.10	3.70	3.68
Low, euros	1.22	1.20	2.64	2.57
Closing quotation on 31 Dec 2008, euros	1.30	1.30	3.00	3.00

In the review period, the traded volume of Oriola-KD Corporation shares, treasury shares excluded, corresponded to 33.0 per cent (59.2 per cent) of the total outstanding shares. The traded volume of Class A shares in the period under review amounted to 11.2 per cent (23.1 per cent) of average outstanding stock and that of Class B shares, excluding treasury shares, to 45.0 per cent (80.5 per cent).

Oriola-KD Corporation's market capitalisation on 31 December 2008 was EUR 184.5 million (EUR 423.8 million).

At the end of 2008, the company had 141,907,828 shares (141,257.828) of which 48,692,203 were Class A shares (51,245,405) and 93,215,625 were Class B shares (90.012.423). Under Article 3 of the Articles of Association, a shareholder may demand conversion of Class A shares into Class B shares. In January-December 2008, a total of 2,553,202 Class A shares were converted into Class B shares (5,049,235).

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 private bonus issue within the share incentive scheme, were executed during the period under review. Oriola-KD Corporation issued to itself 650,000 new Class B shares in the bonus issue. In addition, the Board resolved on a private bonus issue in which 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 as part of the Group's share incentive scheme for top management. The share issues were executed and registered in the period under review. In the context of the private bonus issue, the company transferred 156,048 Class B shares on 27 March 2008 into the book-entry accounts of persons covered under the incentive scheme for management.

Subsequent to the share 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.

The portion of the votes produced by Oriola-KD Corporation's shares held by Maa- ja Vesitekniikan Tuki ry and its subsidiary exceeded the one twentieth (1/20) referred to in Section 9 Chapter 2 of the Securities Markets Act subsequent to a transaction executed on 29 July 2008. Their ownership was 5.08 per cent of the total votes in Oriola-KD on 29 July 2008.

Dividend distribution proposal

Oriola-KD's parent company is Oriola-KD Corporation, whose distributable assets on 31 December 2008, based on the balance sheet, were EUR 73.7 million (EUR 63.1 million). The Board proposes to the General Meeting that a dividend of EUR 0.08 per share (EUR 0.08 per share) be distributed for 2008.

Annual General Meeting

Oriola-KD Corporation's Annual General Meeting will be held on 16 April 2009 at 5.00 p.m. at the Helsinki Fair Centre. The matters specified in Section 10 of the Articles of Association and other proposals of the Board of Directors, if any, will be handled. The Board of Directors will decide on the notice of the Annual General Meeting and the proposals contained in it at a later date. The notice of the Annual General Meeting will be published in the Helsingin Sanomat newspaper by 30 March 2009 at the latest.

Publishing of annual report

Oriola-KD Corporation will publish its annual report for 2008 by 3 April 2009 at the latest.

Environment

Oriola-KD supports sustainable development in its operations and takes environmental considerations into account by applying an environmental management system that aims to minimise environmental load. Transportation and the logistical management of large flows of goods are a fundamental part of Oriola-KD's business. In order to ensure that distribution is efficient and economical, a scheduled network of routes is employed in which deliveries are timed in order to minimise the number of deliveries. The amount of driving done is thus optimised with an information system developed for this purpose. Deliveries to regular customers are packed in reusable plastic boxes that can be used hundreds of times. Large quantities are delivered in recyclable cardboard packaging, on pallets and castor pallets.

Waste reduction, re-use, sorting and recycling are key principles in waste management. Pharmaceutical and other toxic waste is sorted and delivered to a toxic waste disposal plant as required by the pharmaceutical and environmental authorities.

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 in the value of the ruble affect Oriola-KD's financial performance. Goodwill and intangible rights are subject to annual impairment testing which may affect Oriola-KD's financial performance.

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 realisation of the growth potential of the Russia-based businesses, general market trends in Russia and variations in the value of the ruble. The possible changes of the Swedish pharmacy market is subject to uncertainty factors that may have a substantial effect on Oriola-KD's business. The uncertainty of the financial market may also have an effect on Oriola-KD's near-term business especially in Russia.

Events after the period under review

In its meeting held on 19 January 2009, the Nomination Committee of Oriola-KD Corporation gave its recommendation to the Board of Directors for the proposal to the Annual General Meeting on 16 April 2009 concerning the composition of the Board of Directors as follows:

- The Board of Directors should continue to have seven members
- Current members of the Board Harry Brade, Pauli Kulvik, Outi Raitasuo, Antti Remes, Olli Riikkala, Jaakko Uotila and Mika Vidgrén should be re-elected to the Board
- Olli Riikkala should be re-elected as Chairman of the Board.

The following remunerations are recommended to be paid to the Board of Directors:

- Chairman: Annual fee EUR 44,000, fee for each meeting EUR 800, telephone as a fringe benefit
- Vice Chairman: Annual fee EUR 27,500, fee for each meeting EUR 400
- Other Board members: Annual fee EUR 22,000, fee for each meeting EUR 400
- The annual fees shall be paid in cash no later than 5 May 2009
- Meeting fees should be paid in the same manner also to members of the Board of Directors and the company's committees
- Travel expenses should be paid in accordance with the travel policy of the company

Pursuant to the resolution of the Board of Directors of Oriola-KD Corporation on 11 February 2009, as of 1 March 2009 Oriola-KD Corporation's Group Management Team will be composed of:

Eero Hautaniemi	President and CEO
Anne Kariniemi	Vice President, Logistics and Sourcing
Cecilia Marlow	Vice Director, Pharmaceutical Trade Sweden
Jukka Niemi	Vice President, Pharmaceutical Trade Finland
Ilari Vaalavirta	Vice President, Healthcare Trade
Kimmo Virtanen	Executive Vice President & CFO

The aim of the changes in the Group Management Team is to promote the implementation of the Group's strategic projects and the direction of the business units. Head of the Baltic countries and heads of Russian businesses will report to President and CEO of Oriola-KD.

An extended Group Management Team, composed of the Group Management Team and the heads of the Group functions, also operates in the Group.

Outlook

Oriola-KD's outlook for 2009 is based on external market forecasts, agreements with principals, cumulative orders and management 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 per cent 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 annual growth of approximately 15-20 per cent in Russian rubles 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.

The introduction of the reference price system in Finland at the beginning of April 2009 will hamper the growth of net sales of the Pharmaceutical Trade Finland business in 2009. It is too early to predict the revenue performance of the Pharmaceutical Trade Sweden business due to changes caused by the possible changes of the pharmacy market. The Pharmaceutical Trade Russia business is expected to continue growing despite the weakened ruble. Oriola-KD's comparable net sales in 2009 is expected to be higher than in the previous year.

Due to the changes in the market environment it is too early to estimate Oriola-KD's operating profit in 2009.

Tables

Income Statement, EUR million	1.1.- 31.12.2008	1.1.- 31.12.2007	1.10.- 31.12.2008	1.10.- 31.12.2007
Net sales	1580.8	1377.3	449.1	331.6
Cost of goods sold	-1370.0	-1232.0	-380.0	-294.6
Gross profit	210.8	145.2	69.1	37.0
Other operating income	3.4	2.3	0.8	0.8
Selling and distribution expenses	-146.7	-104.5	-43.8	-27.5
Administrative expenses	-33.3	-14.9	-11.1	-4.2
Profit from associated company	2.2	1.0	0.8	1.0

Operating profit	36.4	29.1	15.8	7.0
Financial income and expenses	-1.8	1.9	-1.4	0.4
Profit before taxes	34.6	31.0	14.4	7.4
Tax expense*)	-7.2	-7.3	-2.0	-1.5
Profit for the period	27.5	23.7	12.4	5.9

of which available for:

Parent company shareholders	27.4	23.3	12.4	5.9
Minority interest	0.1	0.4	0.0	0.0

Earnings per share:

Basic earnings per share (EUR)	0.19	0.16	0.09	0.04
Diluted earnings per share (EUR)	0.19	0.16	0.09	0.04

*) The tax expense for the period 2008 has been calculated as the proportional share of the total estimated taxes for the financial year.

**Balance sheet,
EUR million**

31.12.2008

31.12.2007

Non-current assets

Property, plant and equipment	54.5	56.3
Goodwill	105.1	33.9
Other intangible assets	41.9	4.5
Investments in associates and available-for-sale investments	28.5	27.1
Other non-current receivables	9.8	10.6
Deferred tax assets	0.8	0.2

Non-current assets total

240.5 132.5

Current assets

Inventories	250.7	180.9
Trade and other receivables	252.9	201.0
Cash and cash equivalents	46.5	131.0

Current assets total

550.1 512.9

ASSETS TOTAL

790.6 645.4

**Balance sheet,
EUR million**

31.12.2008

31.12.2007

Non-current liabilities		
Share capital	36.2	36.2
Other funds	30.1	30.1
Retained earnings	118.1	129.2
Net assets of the parent company shareholders	184.4	195.5
Minority interest	1.0	8.1
Net assets total	185.5	203.6
Non-current liabilities		
Deferred tax liabilities	16.5	8.7
Pension liability	4.2	4.4
Provisions	0.0	0.0
Interest-bearing non-current liabilities	27.9	0.3
Other non-current liabilities	0.0	0.4
Current liabilities total	48.5	13.8
Current liabilities		
Trade payables and other current liabilities	475.8	387.4
Provisions	0.0	0.0
Interest-bearing current liabilities	80.8	40.7
Current liabilities total	556.6	428.1
EQUITY AND LIABILITIES TOTAL	790.6	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			-2.5		-2.5	-0.4	-2.9
Dividend Paid				-8.5	-8.5	-0.4	-8.9
Hedge on net investment							

in foreign subsidiary							
Change in minority interest							
Other changes				-0.4	-0.4		-0.4
Share based payments				0.4	0.4		0.4
Taxes related to items booked into equity							
Items booked into equity							
Profit for the period				23.3	23.3	0.4	23.7
Shareholder's equity							
31.12.2007	36.2	30.1	-2.5	131.7	195.5	8.1	203.6

Shareholder's equity							
1.1.2008	36.2	30.1	-2.5	131.7	195.5	8.1	203.6
Translation differences				-27.6	-27.6		-27.6
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				0.4	0.4		0.4
Taxes related to items booked into equity							
Items booked into equity							
Profit for the period				27.4	27.4	0.1	27.5
Shareholder's equity							
31.12.2008	36.2	30.1	-30.1	148.2	184.4	1.1	185.5

**Cash flow statement,
EUR million**

	1.1.- 31.12.2008	1.1.- 31.12.2007
Operating profit	36.4	29.1
Depreciation	9.8	10.4
Change in working capital	-52.2	6.8
Cash flow	-6.8	-5.5

from financial items and taxes		
Other adjustments	-5.2	-1.9
Cash flow from operating activities	-18.1	39.0
Cash flow from investing activities	-75.3	-19.1
Cash flow from financing activities	10.5	-0.7
Net change in cash and cash equivalents	-82.9	19.1
Cash and cash equivalents at beginning of period	131.0	112.9
Foreign exchange difference	-1.6	-1.0
Net change in cash and cash equivalents	-82.9	19.1
Cash and cash equivalents at end of period	46.5	131.0

Change in property, plant and equipment

milj.EUR	1.1.- 31.12.2008	1.1.- 31.12.2007
Carrying amount at the beginning of the period	56.3	63.3
Increase through acquisition of subsidiary share	6.9	0.0
Additions	4.0	5.1
Disposals	-2.2	-3.5
Depreciation	-6.7	-7.3
Translation differences	-3.7	-1.4
Carrying amount at the end of the period	54.5	56.3

Key figures and ratios	1.1.- 31.12.2008	1.1.- 31.12.2007
Equity ratio, %	25.1%	33.7%
Equity per share, EUR	1.30	1.38

Return on capital employed (ROCE), %	13.5%	14.2%
Return on equity, %	14.1%	12.0%
Net interest bearing debt, Me	62.2 Me	-90.0 Me
Gearing, % Earnings per share, EUR	33.5%	-44.2%
Average number of share, tpcs	0.19	0.16
	141 393	141 258

Forward contracts and contingent liabilities

31.12.2008

EUR million	Positive fair value	Negative fair value	Nominal values of contracts
Currency forward and swap contracts under hedge accounting	4.7		35.2
Other forward and currency swap ontracts	0.1		13.2

31.12.2007

EUR million	Positive fair value	Negative fair value	Nominal values of contracts
Currency forward and swap contracts under hedge accounting			
Other forward and currency swap contracts		-0.0	53.0

EUR million	31.12.2008	31.12.2007
Contingent for own liabilities		
Guarantees given	37.8	3.1
Real-estate mortgages given	2.0	2.0
Mortgages on company assets	2.2	21.9
Other guarantees and liabilities	1.2	1.9
Total	43.2	28.9

Guarantees given on behalf of external parties	0.0	0.0
Leasing-liabilities (operating liabilities)	0.4	0.3
Rent contingent	33.3	5.0

Invoicing by business segment, EUR million	1.1.- 31.12.2008	1.1.- 31.12.2007
Pharmaceutical Trade business segment	2682.1	2253.4
Healthcare Trade	200.2	234.7
Dental Trade	0.0	36.5
Group Total	2882.3	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.- 31.12.2008	1.1.- 31.12.2007
Pharmaceutical Trade business segment	1425.6	1135.8
Healthcare Trade	155.3	205.9
Dental Trade	0.0	35.6
Group Total	1580.8	1377.3

Operating profit by business segment, EUR million	1.1.- 31.12.2008	1.1.- 31.12.2007
Pharmaceutical Trade business segment	32.0	17.4
Healthcare Trade	7.9	12.6
Dental Trade	2.1	2.2
Group items	-5.6	-3.2
Group total	36.4	29.1

Average number of personnel	3 807	1 432
Number of personnel at the end of the period	4 709	1 302

Invoicing by business segment, EUR million	10-12/ 2008	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	712.2	671.3	706.5	592.1	571.4	543.0	575.9	563.2

Healthcare Trade	54.0	44.8	49.7	51.6	67.3	52.1	56.7	58.6
Dental Trade	0.0	0.0	0.0	0.0	1.3	10.2	11.8	13.2
Group Total	766.2	716.2	756.2	643.6	640.0	605.2	644.4	634.9

Net sales by business segment, EUR million

	10-12/ 2008	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	406.4	364.6	377.2	277.3	270.7	278.3	295.5	291.3
Healthcare Trade	42.7	33.8	38.1	40.6	59.5	45.6	49.2	51.7
Dental Trade	0.0	0.0	0.0	0.0	1.3	9.9	11.5	12.9
Group Total	449.1	398.4	415.4	318.0	331.6	333.8	356.1	355.8

Operating profit by business segment, EUR million

	10-12/ 2008	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	14.8	7.0	4.3	5.9	2.7	5.0	4.6	5.1
Healthcare Trade	1.7	1.8	1.5	2.9	3.9	3.4	2.8	2.6
Dental Trade	0.8	0.3	0.4	0.6	1.0	0.1	0.2	1.1
Group items	-1.6	-1.2	-2.0	-0.8	-0.5	-0.5	-1.2	-1.0
Group total	15.8	7.9	4.2	8.5	7.0	8.0	6.3	7.8

Net sales by market, EUR million

	1.1.- 31.12.2008	1.1.- 31.12.2007
Finland	618.2	570.1
Other Nordic countries	592.4	756.5
Other Europe	51.1	49.1
Russia	319.0	0.1
Other countries	0.2	1.4
Total	1580.8	1377.3

Net sales by market, EUR million	10-12/ 2008	7-9/ 2008	4-6/ 2008	1-3/ 2008	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007
Finland	174.5	144.6	150.5	148.7	143.4	135.3	143.4	148.1
Other Nordic countries	132.3	145.1	158.5	156.5	174.9	187.1	199.6	195.0
Other Europe	14.9	10.9	12.5	12.7	12.8	11.3	12.5	12.5
Russia	127.3	97.9	93.8	0.0	0.0	0.0	0.0	0.0
Other countries	0.1	0.0	0.1	0.0	0.5	0.1	0.7	0.2
Total	449.1	398.4	415.4	318.0	331.6	333.8	356.1	355.8

Consolidated Proforma net sales for the he retail and wholesale businesses acquired in Russia was 96 EUR million and consolidated Proforma EBIT -0.8 EUR million for the period January to March 2008.

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	6.9
Other intangible assets	5.4	41.5	46.9
Deferred tax assets	0.7	0.0	0.7
Inventories, advances paid	69.2	0.0	69.2
Trade receivables	39.6	0.0	39.6
Other receivables	5.0	0.0	5.0
Cash and cash equivalents	3.0	0.0	3.0
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	-108.5	0.0	-108.5
Interest-bearing current liabilities	-8.9	0.0	-8.9
Net identifiable assets	1.7	32.9	34.7
Acquisition price			
Purchase price			-64.0
Additional purchase price and purchase of the remaining 25%			-47.7
Costs related to acquisition			-4.4
Goodwill			81.5

Purchase price settled in cash	-64.0
Costs related to acquisition	-4.4
Cash and cash equivalents acquired	3.0
Cash outflow on acquisition for 2008	-65.4
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Estimated purchase price payable	-47.7
Total cash outflow on acquisition	-113.2
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The remaining goodwill arising from the acquisition, is based on synergy benefits and widened new market area possibilities and benefits.

Espoo, 11 February 2009

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