

Oriola-KD Corporation Stock Exchange Release 13 August 2009 at 8.30 a.m.

Oriola-KD Corporation's interim report for 1 January - 30 June 2009

This review presents financial information for the Oriola-KD Group (hereinafter Oriola-KD) for the period January–June 2009. As of 1 January 2009, the company has applied the revised IAS 1 standard and the IFRS 8 standard. This interim report was drawn up in accordance with the IAS 34 standard and Oriola-KD's new segmentation. The retail and wholesale businesses OOO Vitim & Co and OOO Moron, acquired in Russia, have been consolidated into Oriola-KD's accounts since 1 April 2008. The figures are unaudited.

Key figures for 1 January - 30 June 2009

- Net sales increased 11 per cent to EUR 815.8 million (Jan-Jun 2008: EUR 733.3 million).
- Operating profit increased 103 per cent to EUR 25.9 million (Jan-Jun 2008: EUR 12.7 million).
- Net profit increased 94 per cent to EUR 18.7 million (Jan-Jun 2008: EUR 9.7 million).
- Earnings per share were EUR 0.13 (Jan-Jun 2008: EUR 0.07).
- Net cash flow from operations was EUR -5,8 million (Jan-Jun 2008: EUR -5,2 million)
- Return on capital employed was 16.1 per cent (Jan-Jun 2008: 12.3 per cent)
- Oriola-KD's net sales and operating profit for 2009 are forecast to be higher than in 2008.

Key figures for 1 April - 30 June 2009

- Net sales decreased one per cent to EUR 412.3 million (Q2/2008: EUR 415.4 million).
- Operating profit increased 219 per cent to EUR 13.5 million (Q2/2008: EUR 4.2 million).
- Net profit increased 261 per cent to EUR 9.8 million (Q2/2008: EUR 2.7 million).
- Earnings per share were EUR 0.07 (Q2/2008: EUR 0.02).

President and CEO Eero Hautaniemi: "Oriola-KD's business developed favourably in January-June 2009, with net sales increasing 11 per cent and operating profit 103 per cent, largely thanks to the very strong development of business in Russia. In June we reinforced the Group's capital structure with a directed issue, and reached agreement with the Swedish company KF (Kooperativa Förbundet) on cooperation on the deregulated Swedish pharmacy market. In the second half of 2009, we will focus especially on developing the Russian business, launching pharmacy operations in Sweden and improving operating efficiency."

Financial performance

Oriola-KD's net sales in January-June 2009 were EUR 815.8 million (EUR 733.3 million). Second-quarter net sales were EUR 412.3 million (EUR 415.4 million).

Operating profit in January-June 2009 came to EUR 25.9 million (EUR 12.7 million) and earnings after financial items to EUR 24.0 million (EUR 12.9 million). Second-quarter operating profit was EUR 13.5 million (EUR 4.2 million), and profit after financial items was EUR 12.5 million (EUR 3.8 million).

Oriola-KD invested in developing its business in Russia, preparing for the upcoming market change in Sweden and improving its operating efficiency. The costs incurred in the preparations undertaken in Sweden in January-June came to EUR 6.0 million, of which EUR 3.7 million was recorded for the second quarter.

Oriola-KD's financing expenses in January-June 2009 were EUR 1.8 million. A financing income of EUR 0.2 million was recorded for the corresponding period in 2008. The increase in financing expenses was mainly due to the execution of the Russian acquisition in April 2008.

Taxes for January-June 2009 came to EUR 5.3 million (EUR 3.2 million). Taxes corresponding to the result for the period are entered under this figure.

Net profit for January-June 2009 was EUR 18.7 million (EUR 9.7 million). Second-quarter net profit was EUR 9.8 million (EUR 2.7 million).

Oriola-KD's earnings per share in January-June 2009 were EUR 0.13 (EUR 0.07), and in the second quarter EUR 0.07 (EUR 0.02).

Return on capital employed was 16.1 per cent (12.3 per cent) and return on equity 19.1 per cent (9.7 per cent) in January-June 2009.

Balance sheet, financing and cash flow

Oriola-KD's balance sheet total on 30 June 2009 stood at EUR 819.2 million (EUR 817.0 million). Cash and cash equivalents on 30 June 2009 stood at EUR 42.2 million (EUR 42.2 million) and equity was EUR 205.5 million (EUR 194.2 million). Oriola-KD's equity ratio was 25.8 per cent (24.4 per cent). The weakening of the Swedish krona (SEK) and the Russian ruble (RUB) decreased Oriola-KD's equity in comparison with the corresponding period in 2008.

Interest-bearing net debt at the end of June 2009 was EUR 101.1 million (EUR 18.9 million) and the gearing ratio was 49.2 per cent (9.7 per cent). Interest-bearing debt, which at the end of June was EUR 143.3 million (EUR 61.0 million), comprised some EUR 79 million from the commercial paper programme, some EUR 21 million from pharmacy advance payments in Finland and the debt of approximately EUR 43 million from the anticipated final price of the remaining 25 per cent holding in the Russian companies. Oriola-KD has a EUR 150 million commercial paper programme. Oriola-KD's bank credit facilities of approximately EUR 78 million stood unused at the end of the review period.

Net cash flow from operations in January-June 2009 was EUR -5.8 million (EUR -5.2 million), of which changes in working capital accounted for EUR -24.6 million (EUR -17.8 million). Working capital increased largely because of the growth of the Russian companies and the seasonal increase in working capital in Finland associated with the first quarter. Net cash flow from investments was EUR -26.7 million (EUR -74.7 million), including the additional sum of EUR 21.7 million paid for the 75 per cent holding in the Russian companies. During the January-June 2009 period, cash flow after investments was EUR -32.5 million (EUR -79.9 million). Cash flow from financing includes a dividend of EUR 11.3 million paid in May and the directed issue of EUR 20.6 million carried out in June.

Investments

Investments in January-June 2009 came to EUR 24.0 million (EUR 113.2 million), mostly associated with the increase of the anticipated final price of the Russian companies, the acquisition of the minority holding in Kronans Droghandel AB in Sweden and operating investments in maintenance and PPE.

Staff

On 30 June 2009, Oriola-KD had a payroll of 4399 (4626) employees, 16 per cent (15 per cent) of whom worked in Finland, 9 per cent (8 per cent) in Sweden, 70 per cent (72 per cent) in Russia and 5 per cent (5 per cent) in the Baltic countries and Denmark combined.

Operating segments

In accordance with its organisational structure and internal reporting, Oriola-KD's business segments are Pharmaceutical Trade Finland, Pharmaceutical Trade Sweden, Pharmaceutical Trade Russia, Pharmaceutical Trade Baltic Countries, Healthcare Trade and Dental Trade.

Pharmaceutical Trade Finland

Pharmaceutical Trade Finland's net sales in January-June 2009 were EUR 258.5 million (EUR 260.3 million) and its operating profit was EUR 8.8 million (EUR 7.1 million). Second-quarter net sales came to EUR 131.9 million (EUR 132.7 million) and operating profit to EUR 4.9 million (EUR 3.2 million).

The pharmaceutical market in Finland expanded by 0.2 per cent (6.4 per cent) in January-June 2009. The introduction of the reference price system in Finland at the beginning of April 2009 is impeding the growth of net sales of the Pharmaceutical Trade Finland business segment in 2009. Oriola-KD's market share in the Finnish wholesale market was 46.8 percent (47.9 per cent) in January-June 2009 (source: IMS Health). No significant changes took place in distribution agreements in Finland during the review period.

At the end of June 2009, 475 (462) people were employed by Pharmaceutical Trade Finland.

Pharmaceutical Trade Sweden

Pharmaceutical Trade Sweden's net sales in January-June 2009 were EUR 256.3 million (EUR 280.8 million) and its operating profit was EUR -2.3 million (EUR 3.3 million). Second-quarter net sales came to EUR 130.2 million (EUR 141.0 million) and operating profit to EUR -2.0 million (EUR 1.6 million).

Net sales were reduced by a decline in Oriola-KD's market share and the weakening of the Swedish krona (SEK). The costs incurred in the preparations made for the market change in Sweden came to EUR 6.0 million in January-June, of which EUR 3.7 million was recorded in the second quarter. Of the total costs, EUR 0.6 million has been recorded for the Group. Excluding these project costs, Pharmaceutical Trade Sweden's operating profit in January-June 2009 was EUR 3.1 million.

The pharmaceutical market grew 2.8 per cent (5.6 per cent) in Sweden in January-June 2009. Oriola-KD's market share in the Swedish wholesale market was 41.4 per cent (43.9 per cent) in January-June 2009 (source: IMS Health). The pharmaceutical manufacturers Schering-Plough and Organon discontinued as pharmaceutical principals for Oriola-KD in Sweden during the period under review.

On 29 April 2009, the Swedish Parliament decided that the country's pharmacy monopoly would be dismantled as of 1 July 2009. The deregulation of the pharmacy market makes it possible for other operators than Apoteket AB to engage in the pharmacy business in Sweden. With the deregulation, 466 pharmacies will be sold to large and medium-sized companies, while 150 pharmacies remaining in state ownership will be later sold to small entrepreneurs. Apoteket AB will retain ownership of 330 pharmacies. There were a total of 946 pharmacies in Sweden at the end of June 2009.

On 15 June 2009, Oriola-KD and the Swedish KF (Kooperativa Förbundet) announced that they will be joining forces on the deregulated pharmacy market. This will include preparation for the sales process of the pharmacy clusters owned by Apoteket AB and the founding of new pharmacies mostly in connection with the Coop hypermarkets and supermarkets owned by KF.

The purpose is to set up a joint venture in which Oriola-KD would hold a simple majority and be responsible for the development and management of the pharmacy chain. A precondition for the establishment of the joint venture is the acquisition of a sufficient number of pharmacies in the pharmacy cluster divestment process to make the creation of a significant new pharmacy chain possible. The joint venture would engage in the pharmacy business under the Kronans Droghandel brand.

Pharmaceutical Trade Sweden had 270 (261) employees at the end of June 2009.

Pharmaceutical Trade Russia

Pharmaceutical Trade Russia's net sales in January-June 2009 were EUR 213.9 million (pro forma EUR 189.8 million) and its operating profit was EUR 16.3 million (pro forma EUR -1.8 million). Second-quarter net sales came to EUR 106.6 million (EUR 93.8 million) and operating profit to EUR 8.6 million (EUR -1.0 million). The retail and wholesale businesses OOO Vitim & Co and OOO Moron, acquired in Russia, have been consolidated into Oriola-KD's accounts since 1 April 2008.

The investments in expansion, efficiency improvements and development of the business in Russia had a positive impact on the January-June 2009 operating profit.

The Russian pharmaceutical market expanded by some 30 per cent and Oriola-KD's net sales by more than 35 per cent in Russian rubles (RUB) in January-June 2009 compared with the corresponding period in 2008. Oriola-KD maintained 163 (142) pharmacies in the Moscow region at the end of June 2009

Henrijs Fogels was appointed managing director of the pharmaceutical retail company (OOO Vitim & Co), and Vladimir Kniazev was appointed managing director of the pharmaceutical wholesale company (OOO Moron). The founders and minority shareholders of Russian companies, Igor and Oleg Yankov, will continue as members of the Vitim and Moron Board of Directors.

Pharmaceutical Trade Russia had 3119 (3333) employees at the end of June 2009.

Pharmaceutical Trade Baltic Countries

Pharmaceutical Trade Baltic Countries' net sales in January-June 2009 were EUR 17.4 million (EUR 19.7 million) and the operating profit was EUR 0.4 million (EUR 0.6 million). Pharmaceutical Trade Russia's second-quarter net sales were EUR 8.8 million (EUR 9.8 million) and operating profit EUR 0.2 million (EUR 0.3 million). The Baltic market was challenging, which had a negative effect on net sales and operating profit.

Pharmaceutical Trade Baltic Countries had 153 (165) employees at the end of June 2009.

Healthcare trade

Healthcare Trade net sales in January-June 2009 were EUR 69.9 million (EUR 78.8 million) and operating profit was EUR 4.7 million (EUR 4.4 million). Second-quarter net sales came to EUR 34.9 million (EUR 38.1 million) and operating profit to EUR 3.0 million (EUR 1.5 million). The sale of the Finnish ConvaTec wound and stoma care business to the manufacturer of the products improved the second-quarter operating profit. Healthcare Trade's business in Sweden developed favourably in 2009.

The Healthcare Trade business segment had a payroll of 382 (404) employees on 30 June 2009.

Dental Trade

Dental Trade operating profit in January-June 2009 came to EUR 1.8 million (EUR 1.0 million) and in the second quarter to EUR 0.7 million (EUR 0.4 million). The operating profit improved mainly as a result of the positive trend in the Finnish, Swedish and Danish businesses.

The dental trade businesses of Oriola-KD Corporation and Lifco AB were combined in 2007. Oriola-KD's holding in the Dental Trade business is 30 per cent, while that of Lifco is 70 per cent.

Related parties

Related parties in the Oriola-KD Group are deemed to comprise parent company Oriola-KD Corporation, the 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. Oriola-KD Corporation has given no significant sureties on behalf of Group companies.

Oriola-KD Corporation shares

Trading volume of Oriola-KD Corporation's class A and B shares in January-June 2009:

Trading volume	Jan-Jun 2009		Jan-Jun 2008	
	Class A	Class B	Class A	Class B
Trading volume, million	2.9	42.2	1.9	22.0
Trading volume, EUR million	6.3	95.9	5.3	63.3
Highest, EUR	2.85	2.85	3.10	3.10
Lowest, EUR	1.68	1.68	2.50	2.60
Closing quotation, end of period, EUR	2.77	2.76	2.66	2.69

In the review period, the traded volume of Oriola-KD Corporation shares, excluding treasury shares, corresponded to 31.6 per cent (16.9 per cent) of the total number of shares. The traded volume of class A shares amounted to 6.0 per cent (3.7 per cent) of the average stock and that of class B shares, excluding treasury shares, 44.8 per cent (24.2 per cent).

Oriola-KD Corporation's market capitalisation on 30 June 2009 was EUR 417 million (EUR 380 million).

On 19 March 2009, pursuant to the authorisation granted to it by the Annual General Meeting of 13 March 2007, the Board of Directors of Oriola-KD Corporation resolved that a directed bonus issue be made, in which a total of 150,480 class B shares held by the company were assigned to the company's President and CEO and to certain other members of Oriola-KD Corporation's Group Management Team and of its extended Group Management Team, as part of the Group's share-based incentive scheme for senior management. These shares represent approximately 0.11 per cent of the total number of company shares and approximately 0.01 per cent of the total number of votes.

Following the share issues, the company has 343,472 treasury shares, all of which are class B shares. These account for 0.23 per cent of the company's shares and 0.03 per cent of the votes.

On 3 June 2009, Oriola-KD Corporation's Board of Directors decided on a directed issue of shares under an authorisation granted by the Annual General Meeting of 16 April 2009, issuing 9,350,000

new class B shares to institutional investors. The new class B shares in the directed issue have been entered in the Trade Register and they were listed for public trading on NASDAQ OMX Helsinki Ltd on 8 June 2009 with the old class B shares. Following the share issue the company had a total of 151,257,828 shares, of which class A shares accounted for 48,392,203 and class B shares for 102,865,625.

On 26 June 2009 Varma Mutual Pension Insurance Company executed share transactions as a result of which the votes conferred by its Oriola-KD Corporation shares exceeded one twentieth (1/20) of the total votes as referred to in section 9, chapter 2 of the Securities Markets Act. The direct share holding of Varma Mutual Pension Insurance Company by share class on 26 June 2009 was 3.56 per cent of Oriola-KD Corporation shares and 5.21 per cent of the votes conferred by the shares.

At the end of June 2009, the company had a total of 151,257,828 (141,907,828) shares, of which 48,392,203 (48,822,862) were class A shares and 102,865,625 were class B shares (93,084,966). Pursuant to article 3 of the Articles of Association, a shareholder can request that class A shares be converted to class B shares. During January-June 2009, a total of 300,000 (2,422,543) class A shares were converted into class B shares.

Decisions of the Annual General Meeting

The Annual General Meeting of Oriola-KD Corporation, held on 16 April 2009, confirmed the 2008 financial statements and discharged the Board members and the President and CEO from liability for the financial year ending 31 December 2008.

The Annual General Meeting resolved that the sum of EUR 0.08 per share be paid as dividend on the basis of the balance sheet adopted for the financial year ending 31 December 2008. The dividend was paid to those who, on the dividend distribution record date of 21 April 2009, were entered as shareholders of the company in the company's shareholder register kept by Euroclear Finland Ltd. The dividend payment date was 15 May 2009.

The Annual General Meeting 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 continued as Chairman of the Board. The Annual General Meeting confirmed that the Chairman of the Board will receive EUR 44,000 in remuneration for his term of office, the Vice Chairman EUR 27,500 and the other members of the Board EUR 22,000 each. The Board's remuneration will be paid in cash. The Chairman of the Board will receive an attendance fee of EUR 800 for each meeting, and the other Board members EUR 400 per meeting. Meeting fees will also be paid in the same manner to members of any committees set up by the Board of Directors or the company. The Chairman of the Board will also have a company-paid phone. Travel expenses will be paid in accordance with the travel policy of the company.

The Annual General Meeting re-elected PricewaterhouseCoopers Oy as auditor for the company, with Heikki Lassila APA as principal auditor. The auditor will be remunerated according to invoice.

The Annual General Meeting resolved that articles 3, 4, 7, 9, 10 and 12 of the Articles of Association be amended. The main content of the amendments is as follows: The references to minimum and maximum authorised share capital were removed from article 3; the definition in article 4 concerning the book-entry system was simplified and the references concerning the record date procedure were removed; an amendment was made to the wording of article 7 on the right to sign on behalf of the company, ensuring that it is consistent with the terminology used in the Limited Liability Companies Act; the references to deputy auditor were removed from article 9 (following this amendment the company has just one auditor, which must be a firm of authorised public accountants); the phrases in article 10 concerning the AGM were amended to ensure

consistency with the terminology used in the Limited Liability Companies Act and with the newly amended article 9; the definition in article 12 concerning the notice of the annual general meeting was amended such that the notice must be given at least 21 days prior to the meeting.

The Annual General Meeting authorised the Board to decide on the purchase of Oriola-KD Corporation class B shares. Pursuant to the authorisation, the Board is authorised to decide on the purchase of no more than 14,000,000 of the company's own class B shares, corresponding to approximately 9.9 per cent of the total number of company shares. The authorisation can only be used in such a way that the company and its subsidiaries together would hold no more than one tenth (1/10) of the total number of company shares at any one time. In accordance with the Board's decision, the company's shares can be purchased in a manner other than in proportion to the existing holdings of shareholders using assets belonging to the company's non-restricted equity at the class B share's market price in public trading arranged by the NASDAQ OMX Helsinki Ltd exchange at the time of purchase. The shares will be paid for in accordance with the rules and regulations of NASDAQ OMX Helsinki Ltd and Euroclear Finland Ltd. The Board will decide how the shares are purchased. Derivatives may also be used in the purchase. The purchase of the shares will reduce the company's distributable non-restricted equity. The shares can be purchased for the purpose of developing the company's capital structure, implementing any corporate transactions or other business arrangements, financing investments, inclusion in the company's incentive schemes or to be otherwise assigned, held by the company or annulled. The Board will decide on all other matters related to the purchase of class B shares. The purchase authorisation remains in force no longer than eighteen (18) months following the decision of the General Meeting. The authorisation repeals the Annual General Meeting's decision of 17 March 2008 authorising the Board to decide on the purchase of Oriola-KD Corporation class B shares.

The Annual General Meeting authorised the Board to decide on a share issue of the company's class B shares against payment in one or more batches. The authorisation would include the right to issue new class B shares or to assign class B shares held by the company. The authorisation covers no more than 28,000,000 of the company's class B shares in total, which corresponds to approximately 19.8 per cent of the total number of company shares. The authorisation granted to the Board includes the right to deviate, by means of a directed issue, from the pre-emptive subscription right of shareholders, provided that there are financial grounds considered important from the company's perspective for such a deviation. Subject to the restrictions presented above, the authorisation could be used for purposes such as payment of consideration in corporate transactions or other business arrangements and financing and carrying out investments, expansion of the company's ownership base, development of the capital structure, or as part of incentive and commitment programmes for personnel. On the basis of the authorisation, class B shares held by the company could also be sold in public trading arranged by the NASDAQ OMX Helsinki Ltd exchange. The authorisation includes the right of the Board to determine the terms of the share issue as specified in the Limited Liability Companies Act, including the right to decide whether the subscription price will be partially or fully entered in the invested non-restricted equity fund or in the share capital. The authorisation will remain in force for eighteen (18) months following the decision of the General Meeting. The authorisation cancels the share issue authorisations previously received by the Board, with the exception of the authorisation granted to the Board by the Annual General Meeting of 13 March 2007, under which the Board may decide on arranging a directed bonus issue concerning no more than 650,000 class B shares for the purpose of implementing the share-based incentive scheme for management.

Decisions of the Board's organisational meeting

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

Audit Committee:

Antti Remes, Chairman
Harry Brade
Outi Raitasuo
Mika Vidgrén

Compensation Committee:

Olli Riikkala, Chairman
Pauli Kulvik
Jaakko Uotila

All members of the Board are independent of the company and its major shareholders.

Risks

The Board of Directors of Oriola-KD has approved the company's risk management policy in which the risk management operating model, principles, responsibilities and reporting are specified. 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, operational and financial. Risk management is a key element of the strategic process, operational planning and daily decision-making at Oriola-KD.

Oriola-KD has identified the following principal strategic and operational risks in its business:

- changes in bargaining position vis-à-vis suppliers and customers
- impact on business concepts as a result of 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 anticipated USD-denominated purchase price of the remaining 25 per cent holding in the Russian business acquisition has been hedged 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 has increased as a result of the company's expansion into the Russian pharmaceutical retail and wholesale market. Currency risks are the most significant of Oriola-KD's financial risks in Russia, as any changes in the value of the ruble (RUB) will have an impact on Oriola-KD's financial performance and equity. Oriola-KD has used some EUR 90 million to acquire a 75 per cent holding in the Russian companies and anticipates a roughly EUR 43 million final price for the remaining 25 per cent. In addition, by the end of June it had provided the companies with long-term financing amounting to approximately EUR 56 million. The Russian companies have no loans external to the Group.

Goodwill and intangible rights are subject to annual impairment testing, which may have a negative effect on Oriola-KD's financial performance.

Near-term risks and uncertainty factors

Factors significantly affecting Oriola-KD's outlook in the short term are the completion of the processes involved in the Russian acquisition, the realisation of the growth potential of the Russian businesses, general market trends in Russia and the uncertainty of the financial market. The reform of the Swedish pharmacy market is subject to uncertainty factors that may have a substantial effect on Oriola-KD's business.

Events after the period under review

Oriola-KD Corporation announced on 6 July 2009 that a total of 265,170 class A shares had been converted into 265,170 class B shares. The conversion was entered in the Trade Register on 6 July 2009. Subsequent to the conversion, the company has 48,127,033 class A shares and 103,130,795 class B shares. The total number of shares is 151,257,828 and these confer a total of 1,065,671,455 votes.

On 28 July 2009 Oriola-KD Corporation issued preliminary information on the January-June 2009 result.

Outlook

Oriola-KD's outlook for 2009 is based on external market forecasts, agreements with principals, the order intake and management assessments. Long-term fundamentals and growth prospects are deemed to remain favourable in the healthcare market.

Oriola-KD expects 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 expected to see annual growth of approximately 15-20 per cent in Russian rubles (RUB) in the next few years. Growth in the market for healthcare equipment and supplies in Finland and Sweden is expected to outpace that of the pharmaceutical market.

The introduction of the reference price system in Finland in April 2009 will hamper the growth of net sales of the Pharmaceutical Trade Finland business segment in 2009. It is too early to foresee the development of net sales in Pharmaceutical Trade Sweden because of the effects of the deregulation of Sweden's pharmacy market. The Pharmaceutical Trade Russia business segment is expected to continue growing.

Guidelines issued on 29 April 2009 concerning net sales and operating profit

Oriola-KD's net sales for 2009 are forecast to be higher than the net sales for 2008.

Oriola-KD's operating profit in 2009, without the costs of the Swedish strategic program preparations, is expected to be higher than in 2008.

New guidelines concerning net sales and operating profit

Oriola-KD's net sales and operating profit for 2009 are forecast to be higher than in 2008.

Tables

Consolidated Statement of Comprehensive Income (IFRS), EUR million	1 Jan - 30 June	1 Jan - 30 June	1 Apr - 30 June	1 Apr - 30 June	1 Jan -31 Dec
	2009	2008	2009	2009	2008
Net sales	815.8	733.3	412.3	415.4	1580.8

Cost of goods sold	-696.3	-643.2	-353.8	-361.2	-1370.0
Gross profit	119.5	90.1	58.5	54.1	210.8
Other operating income	3.2	2.0	2.7	0.9	3.4
Selling and distribution expenses	-81.6	-66.7	-41.6	-40.9	-146.7
Administrative expenses	-17.0	-13.7	-6.9	-10.3	-33.3
Profit from associated company	1.8	1.0	0.8	0.4	2.2
Operating profit	25.9	12.7	13.5	4.2	36.4
Financial income and expenses	-1.8	0.2	-1.0	-0.4	-1.8
Profit before taxes	24.0	12.9	12.5	3.8	34.6
Tax expense*)	-5.3	-3.2	-2.7	-1.1	-7.2
Profit for the period	18.7	9.7	9.8	2.7	27.5
Other comprehensive income:					
Translation differences	-7.0	-0.9	4.1	-1.3	-27.6
Total comprehensive income for the period	11.7	8.8	13.9	1.4	-0.1
Profit attributable to:					
Parent company shareholders	18.7	9.6	9.8	2.7	27.4
Minority interest	0.0	0.0	0.0	0.0	0.1
Total comprehensive income attributable to:					
Parent company shareholders	11.7	8.7	13.9	1.4	-0.2
Minority interest	0.0	0.1	0.0	0.0	0.1
Earnings per share:					
Basic earnings per share (EUR)	0.13	0.07	0.07	0.02	0.19
Diluted earnings per share (EUR)	0.13	0.07	0.07	0.02	0.19

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

Consolidated Statement of

Financial Position (IFRS), EUR million

ASSETS	30 June 2009	30 June 2008	31 Dec 2008
Non-current assets			
Tangible assets	53.1	60.9	54.5
Goodwill	118.9	106.1	105.1
Other intangible assets	38.7	46.4	41.9
Investments in associates	28.4	27.6	28.5
Other non-current receivables	8.7	9.8	9.8
Deferred tax assets	2.3	1.6	0.8
Non-current assets total	250.1	252.3	240.5
Current assets			
Inventories	261.1	246.1	250.7
Trade and other receivables	265.8	276.3	252.9
Cash and cash equivalents	42.2	42.2	46.5
Current assets total	569.1	564.7	550.1
ASSETS TOTAL	819.2	817.0	790.6
EQUITY AND LIABILITIES	30 June 2009	30 June 2008	31 Dec 2008
Equity			
Share capital	36.2	36.2	36.2
Other funds	50.8	30.1	30.1
Retained earnings	118.6	126.8	118.1
Equity of the parent company shareholders	205.5	193.1	184.4
Minority interest	0.0	1.1	1.0
Equity total	205.5	194.2	185.5
Non-current liabilities			
Deferred tax liabilities	14.1	18.8	16.5
Pension liability	4.3	4.4	4.2
Provisions	0.0	0.0	0.0
Interest-bearing non-current liabilities	0.1	10.3	27.9
Other non-current liabilities	0.0	27.2	0.0
Non-current liabilities total	18.5	60.7	48.5
Current liabilities			
Trade payables and other current liabilities	451.9	511.2	475.8
Provisions	0.0	0.0	0.0
Interest-bearing current liabilities	143.2	50.7	80.8
Current liabilities total	595.1	562.0	556.6
EQUITY AND LIABILITIES TOTAL	819.2	817.0	790.6

Consolidated Statement of

Changes in Equity (IFRS):

EUR million	Share capital	Other funds	Translation differences	Retained earnings	Equity of the parent company	Minority interest	Total
					share-holders		
Equity							
1 Jan 2008	36.2	30.1	-2.5	131.7	195.5	8.1	203.6
Dividends				-11.3	-11.3	0.0	-11.3
Change in minority interest					0.0	-7.0	-7.0
Share based payments				0.2	0.2		0.2
Total comprehensive income for the period			-0.9	9.6	8.7	0.0	8.7
Equity							
30 June 2008	36.2	30.1	-3.4	130.2	193.1	1.1	194.2
Equity							
1 Jan 2009	36.2	30.1	-30.1	148.2	184.4	1.1	185.5
Dividends				-11.3	-11.3		-11.3
Share issue		20.6			20.6		20.6
Change in minority interest					0.0	-1.1	-1.1
Share based payments				0.1	0.1		0.1
Total comprehensive income for the period			-7.0	18.7	11.7		11.7
Equity							
30 June 2009	36.2	50.8	-37.1	155.7	205.5	0.0	205.5

Consolidated Statement of Cash Flows (IFRS), EUR million	1 Jan - 30 June 2009	1 Jan - 30 June 2008	1 Jan -31 Dec 2008
Operating profit	25.9	12.7	36.4
Depreciation	4.8	5.0	9.8
Change in working capital	-24.6	-17.8	-52.2
Cash flow from financial items and taxes	-8.1	-3.6	-6.8
Other adjustments	-3.8	-1.5	-5.2
Net cash from operating activities	-5.8	-5.2	-18.1
Net cash used in investing activities	-26.7	-74.7	-75.3
Net cash used in financing activities	28.8	-9.0	10.5
Net change in cash and cash equivalents	-3.7	-88.9	-82.9
Cash and cash equivalents at beginning of period	46.5	131.0	131.0

Foreign exchange difference	-0.5	0.1	-1.6
Net change in cash and cash equivalents	-3.7	-88.9	-82.9
Cash and cash equivalents at end of period	42.2	42.2	46.5

Change in Tangible Assets	1 Jan - 30 June	1 Jan - 30 June	1 Jan -31 Dec
EUR million	2009	2008	2008
Carrying amount at the beginning of the period	54.5	56.3	56.3
Increase through acquisition of subsidiary share	0.0	7.2	6.9
Additions	2.8	2.2	4.0
Disposals	-0.7	-1.4	-2.2
Depreciation	-3.2	-3.2	-6.7
Translation differences	-0.3	-0.1	-3.7
Carrying amount at the end of the period	53.1	60.9	54.5

Key Figures	1 Jan - 30 June	1 Jan - 30 June	1 Jan -31 Dec
	2009	2008	2008
Equity ratio, %	25.8%	24.4%	25.1%
Equity per share, EUR	1.36	1.37	1.30
Return on capital employed (ROCE), %	16.1%	12.3%	13.5%
Return on equity, %	19.1%	9.7%	14.1%
Net interest bearing debt, Me	101.1 Me	18.9 Me	62.2 Me
Gearing, %	49.2%	9.7%	33.5%
Earnings per share, EUR	0.13	0.07	0.19
Average number of share, tpcs	143,044	141,370	141,393

Forward Contracts and Contingent Liabilities

30 June 2009

EUR million	Positive fair value	Negative fair value	Nominal values of contracts
Currency forward and swap contracts under hedge accounting	2.1		40.8
Other forward and currency swap contracts	0.3		20.0

30 June 2008

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		-0.1	27.5
FX options purchased			

Contingent for Own Liabilities

EUR million	30 June 2009	30 June 2008	31 Dec 2008
Guarantees given	35.6	26.8	37.8
Real-estate mortgages given	2.0	2.0	2.0
Mortgages on company assets	1.9	21.9	2.2
Other guarantees and liabilities	1.4	26.2	1.2
Total	41.0	76.9	43.2

Guarantees given on behalf of external parties	0.0	0.0	0.0
Leasing-liabilities (operating liabilities)	0.4	0.5	0.4
Rent contingent	34.7	28.9	33.3

	1 Jan - 30 June 2009	1 Jan - 30 June 2008	1 Jan -31 Dec 2008
Net Sales by Operating Segments, EUR million			
Pharmaceutical Trade Finland	258.5	260.3	533.4
Pharmaceutical Trade Sweden	256.3	280.8	535.9
Pharmaceutical Trade Russia	213.9	93.8	318.9
Pharmaceutical Trade Baltics	17.4	19.7	37.4
Healthcare Trade	69.9	78.8	155.2
Dental Trade	0.0	0.0	0.0
Group Total	815.8	733.3	1580.8

	1 Jan - 30 June 2009	1 Jan - 30 June 2008	1 Jan -31 Dec 2008
Operating Profit by Operating Segments, EUR million			
Pharmaceutical Trade Finland	8.8	7.1	16.6
Pharmaceutical Trade Sweden	-2.3	3.3	6.0
Pharmaceutical Trade Russia	16.3	-1.0	8.2
Pharmaceutical Trade Baltics	0.4	0.6	1.1
Healthcare Trade	4.7	4.4	7.9
Dental Trade	1.8	1.0	2.1
Group Administration and Others	-3.7	-2.6	-5.6
Group total	25.9	12.7	36.4

Average number of personnel	4,460	2,947	3,807
Number of personnel at the end of the period	4,399	4,626	4,709

Net Sales by Operating Segments,

EUR million	Q2/2009	Q1/2009	Q4/2008	Q3/2008	Q2/2008	Q1/2008
Pharmaceutical Trade Finland	131.9	126.6	144.0	129.1	132.7	127.6
Pharmaceutical Trade Sweden	130.2	126.1	125.9	129.2	141.0	139.8
Pharmaceutical Trade Russia	106.6	107.2	127.3	97.9	93.8	0.0
Pharmaceutical Trade Baltics	8.8	8.6	9.2	8.4	9.8	10.0
Healthcare Trade	34.9	35.0	42.7	33.8	38.1	40.6
Dental Trade	0.0	0.0	0.0	0.0	0.0	0.0
Group Total	412.3	403.5	449.1	398.4	415.4	318.0

Operating Profit by Operating Segments,

EUR million	Q2/2009	Q1/2009	Q4/2008	Q3/2008	Q2/2008	Q1/2008
Pharmaceutical Trade Finland	4.9	3.9	4.7	4.8	3.2	3.9
Pharmaceutical Trade Sweden	-2.0	-0.4	1.3	1.4	1.6	1.7
Pharmaceutical Trade Russia	8.6	7.6	8.9	0.3	-1.0	0.0
Pharmaceutical Trade Baltics	0.2	0.1	0.3	0.2	0.3	0.3
Healthcare Trade	3.0	1.7	1.7	1.8	1.5	2.9
Dental Trade	0.7	1.1	0.8	0.3	0.4	0.6
Group Administration and Others	-2.0	-1.6	-1.9	-1.0	-1.8	-0.8

Group total	13.5	12.4	15.8	7.9	4.2	8.5
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Net Sales by Market, EUR million	1 Jan - 30 June 2009	1 Jan - 30 June 2008	1 Jan -31 Dec 2008
Finland	289.2	299.2	618.2
Sweden	289.0	313.5	568.9
Russia	213.9	93.8	319.0
Baltics countries	22.1	25.2	48.2
Other countries	1.8	1.6	26.5
Total	815.8	733.3	1580.8

Net Sales by Market, EUR million	Q2/2009	Q1/2009	Q4/2008	Q3/2008	Q2/2008	Q1/2008
Finland	146.2	143.0	174.5	144.6	150.5	148.7
Sweden	147.5	141.5	111.1	144.4	157.8	155.7
Russia	106.6	107.2	127.3	97.9	93.8	0.0
Baltics countries	11.1	11.0	12.1	10.9	12.5	12.7
Other countries	1.0	0.8	24.1	0.8	0.8	0.8
Total	412.3	403.5	449.1	398.4	415.4	318.0

Consolidated Proforma net sales for the 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 2008 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 2008. 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 purchase of the remaining 25-percent holding is recognized as a liability, the magnitude of which is based on the best estimate of management.

The initial purchase price allocation as of 31 March 2008 has been finalised during Q1 2009 as permitted by International Financial Reporting Standards. No material changes have been made compared to the information disclosed in the Consolidated Financial statements for 2008, with the exception of the estimated purchase price for the remaining 25-percent holding. The initial purchase price allocation calculated in rubles have been translated into euros by using the exchange rate from acquisition date. 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.

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%			-64.6
Costs related to acquisition			-4.4
Goodwill			98.4
Purchase price settled in cash			-64.0
Paid additional purchase price			-21.7
Costs related to acquisition			-4.4
Cash and cash equivalents acquired			3.0
Cash outflow on acquisition as per 30 June 2009			-87.1
Estimated purchase price payable			-42.9
Total cash outflow on acquisition			-130.0

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

Espoo 12 August 2009

Oriola-KD Corporation's Board of Directors

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 Investor Relations
tel. +358 (0)10 429 2497
e-mail: pellervo.hamalainen@oriola-kd.com

Distribution
NASDAQ OMX Helsinki Ltd
Principal media

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