



Oriola-KD Corporation

January-December 2012

Eero Hautaniemi
President and CEO
7 February 2013



Key Figures in 2012

- Net sales grew by 15.3% to 2,474.7 Me.
- Operating profit excluding one-off items increased by 14.7 Me to 27.9 Me.
- Earnings per share was 0.11 EUR (-0.16 EUR)
 - Adjusted earnings per share was 0.08 EUR (0.02 EUR).
- Gearing ratio was 2.1% (6.4%)
- Return on equity was 5.6% (-7.4%)



Focus Areas during 2012

- Profitability improvement
- Retail in Sweden and Russia
 - Develop the pharmacy portfolio
 - Improve the competitiveness of individual pharmacies
- Wholesale Russia
 - Improve logistics efficiency
 - Improve operational reliability
 - Increase regional sales
- Wholesale Sweden
 - Develop services to pharmaceutical companies
 - Develop logistics services for pharmacy chains
- Wholesale Finland and Baltics
 - Develop the traded goods assortment and increase sales



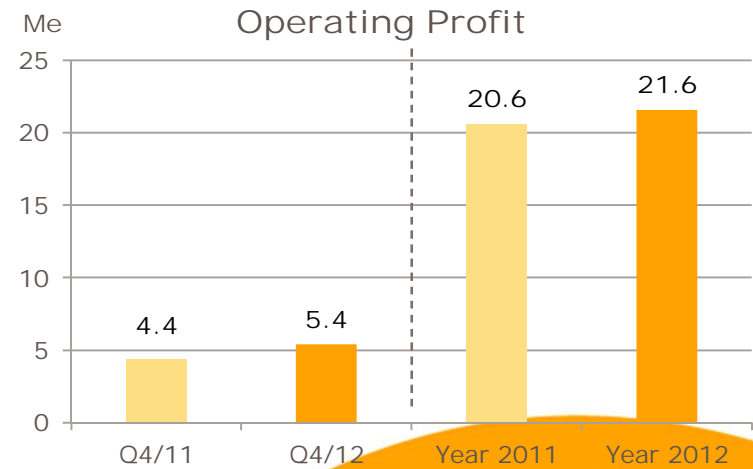
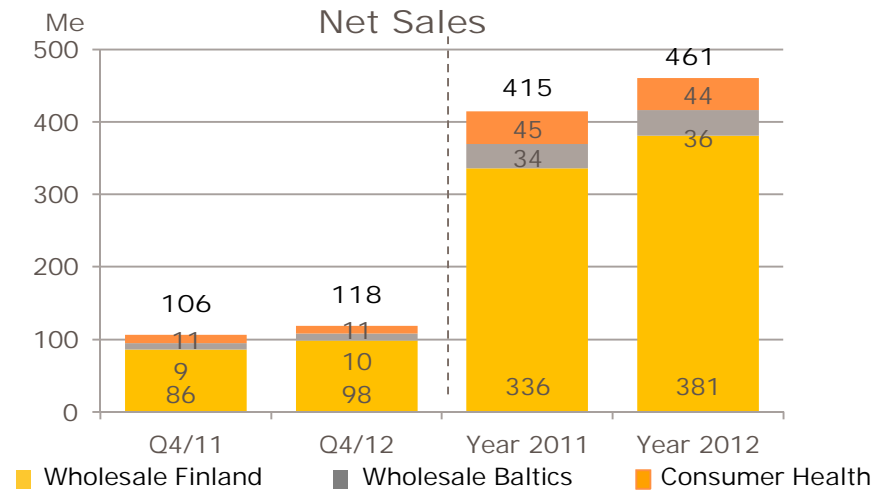
Reporting Segments





Pharmaceutical Trade Finland and Baltics January-December 2012

- Pharmaceutical market grew by 3.0% (1.0%).*
- The wholesale business in Finland performed positively
 - Invoicing 1,040 Me (970 Me).
 - Market share 47.0% (45.1%).*
- Competition in the Consumer Health business has increased from the previous year.
- All operating countries within Pharmaceutical Trade Baltics made an operating profit.





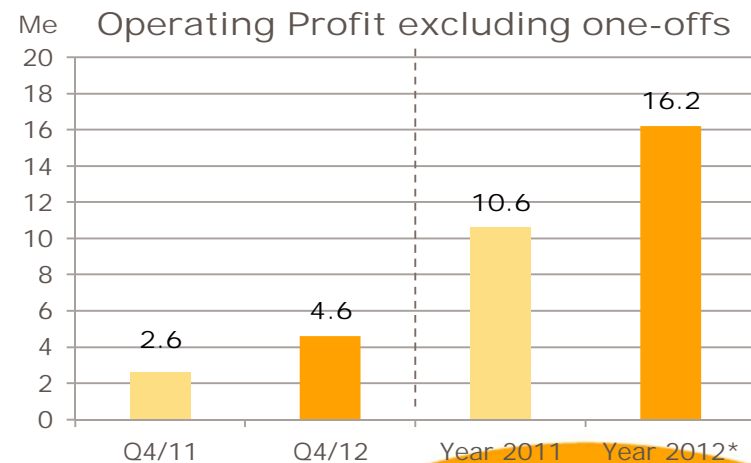
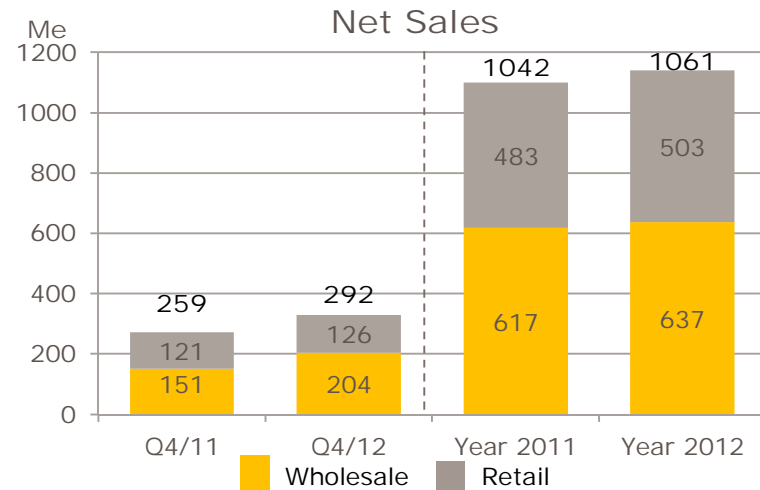
Pharmaceutical Trade Sweden January-December 2012

Retail

- Market share 13.4% (13.5%).**
- Pharmacies 219 (209)
 - 10 (20) pharmacies have been opened during 2012.
- The growth in the relative share of sales of traded goods, the OTC assortment and parallel imports has increased the gross margin.
- Costs related to implementation of IT systems no longer affected profit.
- In Q3 was booked one-off item of a receivable write-off of EUR 1.1 million associated with the bankruptcy of cash transport company Panaxia AB.

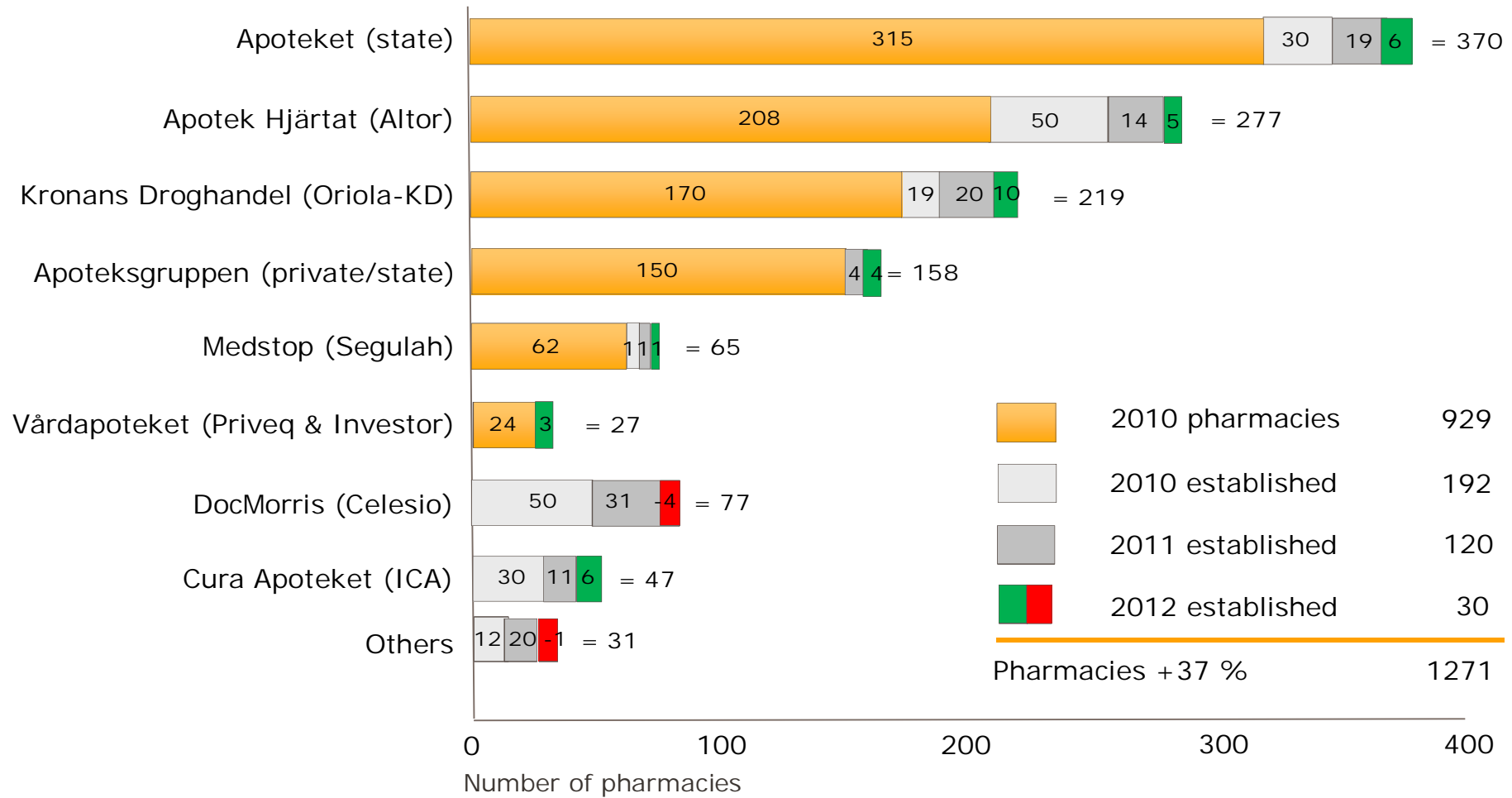
Wholesale

- Invoicing 1,401 Me (1,424 Me).
- Market share 35.8% (38.1%)**
 - The increase in the share of parallel imports and generic pharmaceuticals decreased the market share.
- Delivery of purchasing and logistics services to pharmacies has started according to plan at the beginning of October
 - Burdened 2012 operating profit by 0.7 Me.
 - Financial benefits of the service will be felt in full as of the second half of 2013.
- The profitability strengthened during Q4 2012.
- Pharmaceutical market decreased by 1.7% (grew 2.0%).**



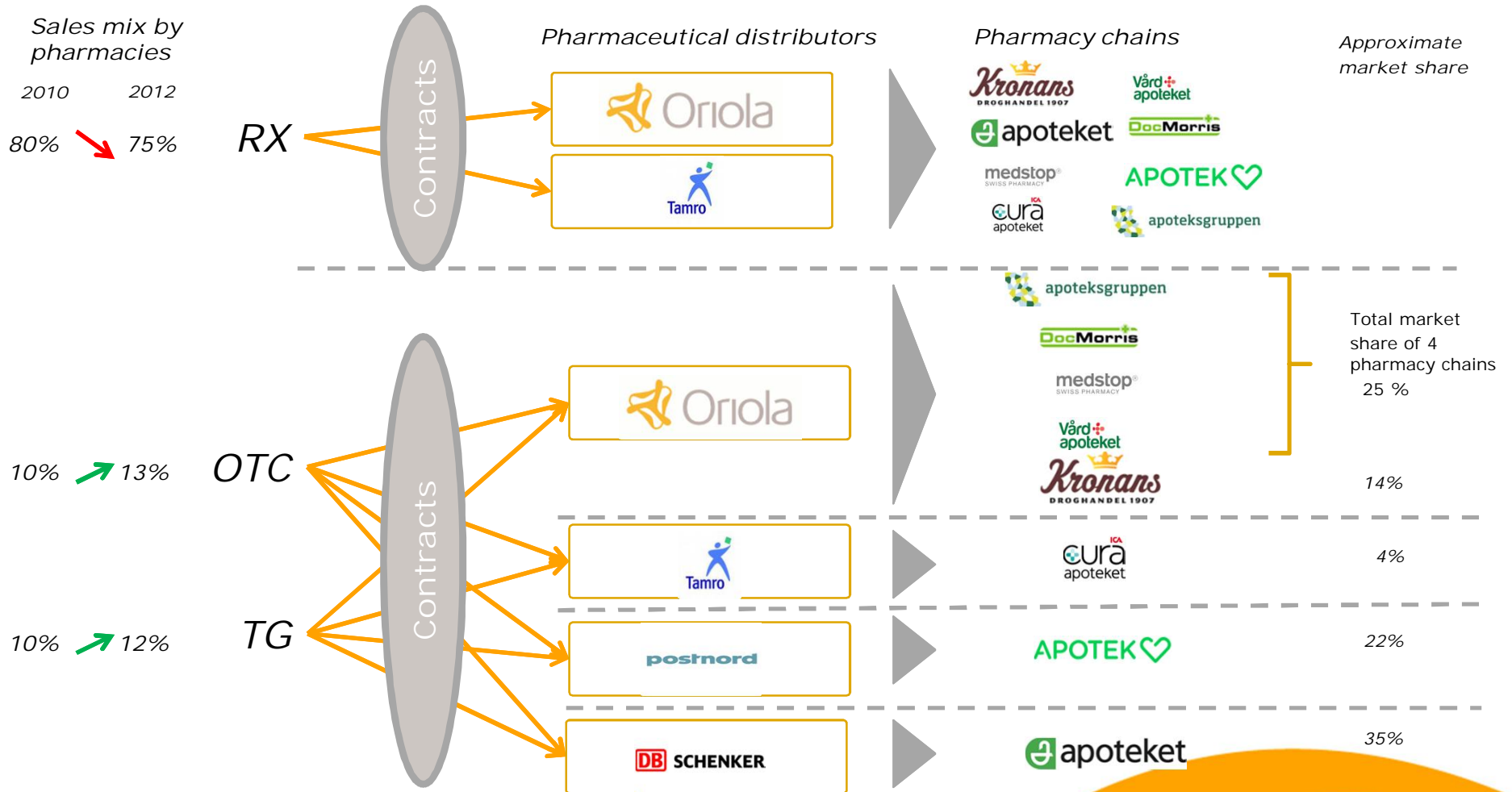
*) Excluding 1.1 Me write-off of receivable in retail business

Pharmacies in Sweden





Supply Chain Structure for RX, OTC and Traded Goods in Sweden





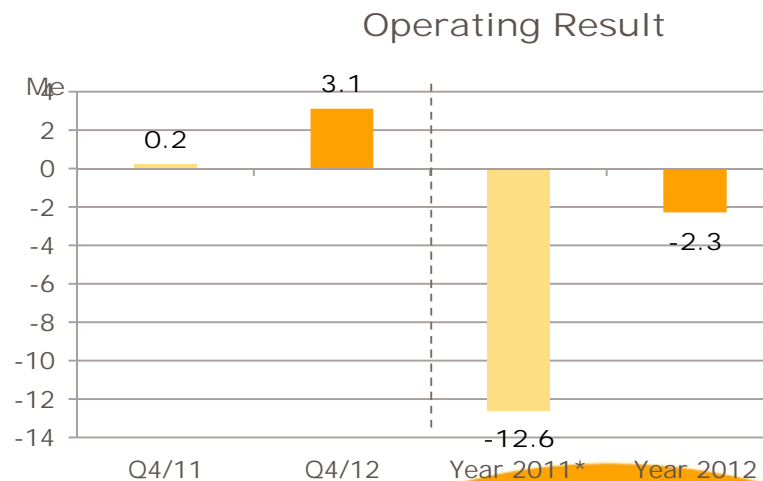
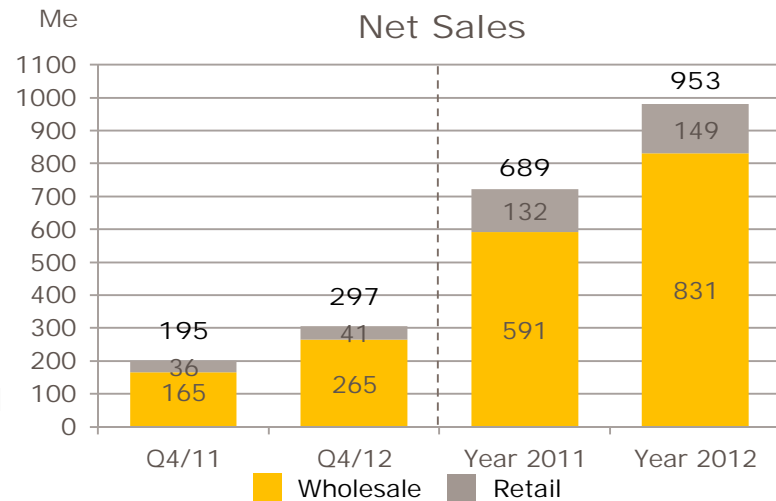
Pharmaceutical Trade Russia January-December 2012

Retail

- Pharmacies 240 (249) in Moscow
 - Stary Lekar 169 (181) and 03 Apteka 71 (68).
- 13 (32) pharmacies opened and 22 (37) closed.
- Efficiency boosted and sales of individual pharmacies increased.
- EBITDA positive during 2012 and operating profit positive in Q4/2012.

Wholesale

- The operating loss decreased as a result of increased sales, increased efficiency and improved delivery reliability
 - Operating profit positive in Q4/2012.
 - Net sales of the regions increased by some 64% and sales of pharmaceuticals to hospitals over doubled.
- Payment times from the customers have increased which has led to an increase in credit loss risks
 - Credit loss write-offs of 2.7 Me (1.9 Me) have been booked to the trade receivables in 2012, the collection is actively continuing.
 - Payment terms shortened, collection process clarified and collection department strengthened.
- Oriola-KD has signed a letter of intent on a 10-year lease agreement to transfer a new main logistics centre in Moscow region and on the logistics centre's automation solution.
- Pharmaceutical market grew by 22.7% (12.4%) in rubles. **



*) Year 2011: excluding impairment charge of 33.4 Me



Net Sales and Operating Profit January-December 2012

	Net Sales, Me				Operating Profit, Me			
	Year 2012	Year 2011	Q4 2012	Q4 2011	Year 2012	Year 2011	Q4 2012	Q4 2011
Pharmaceutical Trade Finland and Baltics	461	415	118	106	21.6	20.6	5.4	4.4
Pharmaceutical Trade Sweden	1061	1042	292	259	16.2*	10.6	4.6	2.6
Pharmaceutical Trade Russia	953	689	297	195	-2.3	-12.6**	3.1	0.2
Group administration	-	-	-	-	-7.7	-5.5	-2.3	-1.4
Total, excluding one-off items	2474	2146	708	559	27.9*	13.2**	10.7	5.8

*) Operating profit excluding 1.1 Me write-off of receivable in Sweden

***) Operating profit excluding 33.4 Me impairment charge of the Stary Lekar brand



Financial Performance January-December 2012

	Year 2012	Year 2011	Change %	Q4 2012	Q4 2011	Change %
Net sales, Me	2474	2146	15 %	708	559	27 %
Operating profit excluding one-off items, Me	27.9*	13.2*	111 %	10.7	5.8	85 %
Operating profit, Me	26.8	-20.2	-	10.7	5.8	85 %
Net profit, Me	17.2	-24.1	-	11.6	4.0	188 %
Earnings per share, Euro	0.11	-0.16	-	0.08	0.03	188 %
Earnings per share, Euro**	0.08	0.02	396 %			

*) operating profit excluding 1.1 Me write-off of receivable in Sweden (2011 excluding 33.4 Me impairment charge of the Stary Lekar brand).

***) earnings per share with adjustments for financial income with no cash flow effect related to the acquisition of the minority share in the Swedish retail company, the impact of the tax rate reduction in Sweden, and a one-off item of a receivable write-off associated with Panaxia AB (2011 does not include the impairment charge related to the Russian Stary Lekar brand)





Balance Sheet and Key Financial Figures January-December 2012

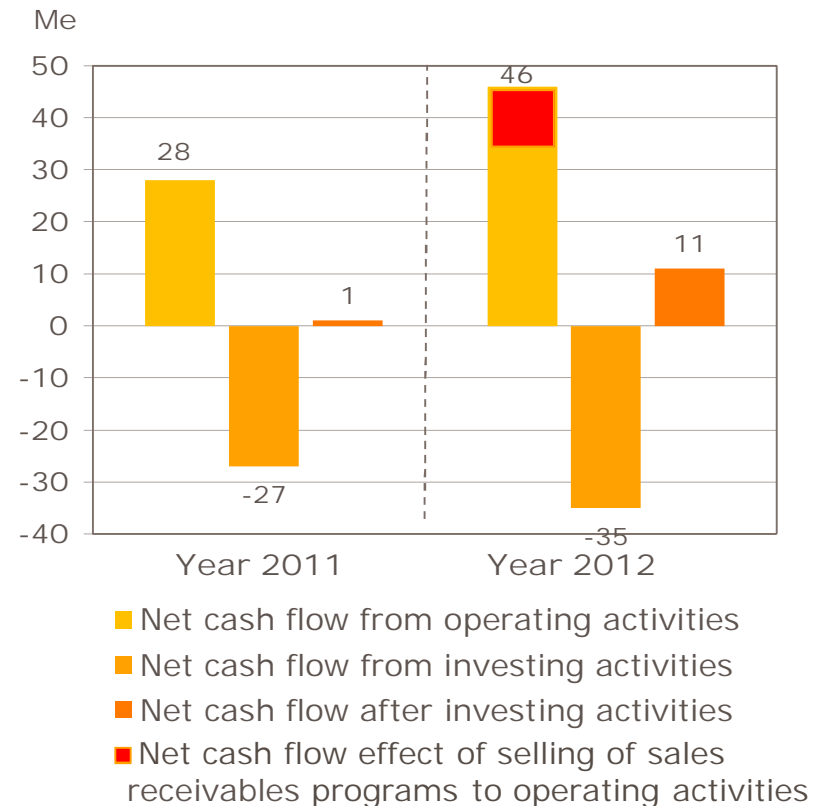
Balance Sheet	31.12.2012	31.12.2011
Equity, Me	315	299
Operative working capital, Me	-109	-83
Interest-bearing net debt, Me	6.7	19.2
Balance sheet, total, Me	1319	1273

Key Financial Figures	31.12.2012	31.12.2011
Equity ratio, %	24.9 %	24.4 %
Net gearing, %	2.1 %	6.4 %
Return on equity, %	5.6 %	-7.4 %

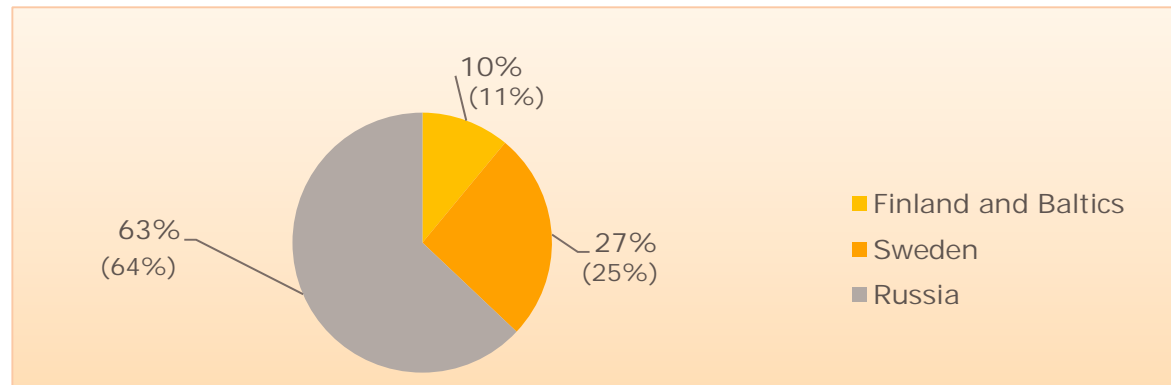


Finance and Cash Flow

- Working capital decreased by 23.1 Me (decreased 11.8 Me)
 - Effect of sales receivables programs 11.0 Me.
 - Gross investments 22.6 Me (28.8 Me)
 - Pharmacy establishments.
 - Information systems.
 - Improvements in logistics efficiency.
 - Depreciations 18.8 Me (16.1 Me).
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- In February 2012, Oriola-KD renewed all long-term external loan agreements
 - Maturity of the new committed revolving credit facility April 2014.
 - New committed revolving credit facility of 100 Me unused at the end of the reporting period.
 - Short-term credit account limits of 43 Me with the banks were unused.
 - 44 Me (0 Me) of the 150 Me commercial paper programme was in use.
 - A trade receivables sales programme from Swedish county councils was launched in the retail business in Sweden.



Personnel 31 December 2012



Operating segment	31.12.2012	31.12.2011	Change, %
Pharmaceutical Wholesale Finland and Baltics	476	492	-3 %
Pharmaceutical Retail Sweden	1064	988	+8 %
Pharmaceutical Wholesale Sweden	260	235	+11 %
Pharmaceutical Retail Russia	1309	1464	-11 %
Pharmaceutical Wholesale Russia	1747	1675	+4 %
Total	4856	4854	+0 %



Profit Distribution Proposal

- Oriola-KD's parent company is Oriola-KD Corporation, whose distributable assets based on the balance sheet on 31 December 2012, were EUR 225.3 million (EUR 221.9 million).
- Oriola-KD Corporation's net profit in 2012 was EUR 15.5 million (EUR 64.6 million).
- The Board proposes to the Annual General Meeting that a dividend of EUR 0.05 per share (EUR 0.05 per share) is paid for 2012, and that EUR 0.04 per share (EUR 0.03 per share) is distributed from the reserves of unrestricted equity as repayment of equity, totaling EUR 0.09 per share (EUR 0.08 per share) in distributed assets.



Outlook of Net Sales and Operating Profit 2013

- Oriola-KD estimates that net sales and operating profit excluding one-off items will increase from 2012 level
 - Growth of the net sales of Pharmaceutical Trade Russia will slow down in the first part of the year and operating profit will be weaker than the previous year, as a result of challenges related to the implementation of the warehouse management system started in January 2013.





2013 Key Focus Areas

1. Continue planned measures to improve profitability.
2. Prepare for successful implementation of new automated distribution center in Moscow during 2014.
3. Active participation in market change in Sweden.



Annual General Meeting and Annual Report

- Annual General Meeting
 - Oriola-KD Corporation's Annual General Meeting will be held on 20 March 2013 at 5.00 p.m. at the Helsinki Fair Centre.
 - The notice of the Annual General Meeting will be published in the Helsingin Sanomat newspaper on 27 February 2013 at the latest.
- Publication of the annual report
 - Oriola-KD Corporation will publish its annual report for 2012 on 27 February 2013 at the latest.





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

