



Comprehensive wellbeing store for everyone in Finland

Mikko Helander

President and CEO,
Kesko Corporation

Eero Hautaniemi

President and CEO,
Oriola-KD Corporation

Briefing

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What are we doing?

We start building a store chain specialising in comprehensive health, beauty and wellbeing, in which people trust and where shopping is fun – both offline and online.

As legislation is amended, we will expand into selling pharmaceuticals, without compromising on pharmaceutical safety.



Health and wellbeing are emphasised in people's daily lives all over the world

Wellbeing will be the next global multi-billion business: the market for illness prevention and personal health is valued at over 230 billion euros.

Source: SRI International



A close-up photograph of a person's face, focusing on their blue eye. The person has light skin and freckles. The background is blurred.

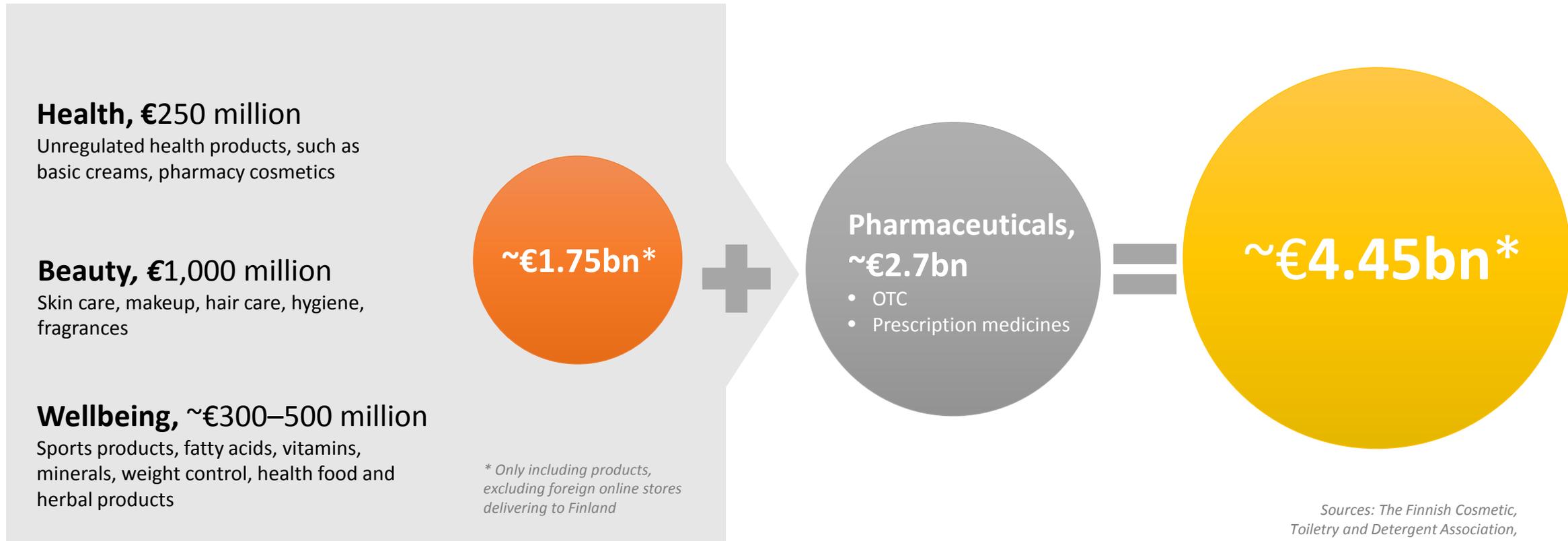
In the future, health care in Finland will increasingly rely on people taking care of their wellbeing and on self-care.

Digitalisation transforms our ways of being, living and consuming.

Two strong Finnish companies join forces



Finnish market for health, beauty and wellbeing products



Sources: The Finnish Cosmetic, Toiletry and Detergent Association, Oriola-KD, K-Digital

Unique wellbeing store accessible to all



First stores will open in autumn 2017

- Competition authorities' decision no later than in the third quarter
- More information on the store chain brand, selections and key persons during the spring
- The first stores will open this autumn, target at a total of 15 stores in 2017



K Group

- A Finnish listed company, the third largest retailer in Northern Europe
- K Group's sales* €13.2bn
- Personnel around 45,000
- Operations in nine countries
- One of Finland's most significant employers and taxpayers

*pro forma



Oriola-KD

- A Finnish listed company engaging in the retail and wholesale of pharmaceuticals and health and wellbeing products
- Net sales* €1.6bn
- Personnel around 2,800
- 325 pharmacies in Sweden and Latvia
- Oriola-KD operates in Sweden, Finland and the Baltics

* Continuing operations





We promote people's wellbeing

- Strong expertise, over 100 years' experience in the wellbeing and health products, as well as pharmaceuticals trade
- We deliver half of all medicines needed at every pharmacy and hospital in Finland and Sweden within 24 h from order
- Kronans Apotek is the third largest pharmacy chain in the Swedish market with its more than 320 pharmacies
- We employ nearly 1,600 pharmacists in Finland and Sweden



The pharmacy market of the ageing Finland also needs modernised operating models, responsible competition, efficient chain operations and opportunities provided by digitalisation.



As the pharmacy regulation is amended, we will be ready to expand our operations into the pharmacy market.



Our vision is to be the leading operator in the Finnish pharmacy market

- Safety of medicinal products is the basis of all operations
- Professional pharmaceutical personnel
- Excellent availability of pharmaceuticals to all Finnish people: nationwide store network and 24/7 online pharmacy
- Competitive price level

All of this will be made possible by the cooperation of two responsible domestic companies.



Joint venture path

Phase 1

- New health, beauty and wellbeing chain, 100 stores and an online store

Phase 2

As regulation is amended

- Pharmacy services in connection with the chain's stores
- Online pharmacy
- Store number increases

The Swedish pharmacy market was liberalised in 2010 – customers more satisfied than ever

- Safety of medicinal products at an equally high level than in Finland
- Efficiency, availability and price competition improved
- 32 pharmacy operators, 5 chains and around 1,400 pharmacies
- Sweden is one of the leading countries in the online trade of pharmacy products
- Pharmacy services in sparsely populated areas continue to be excellent

The new chain will serve as one of the change platforms. We invite pharmacy sector operators and our other partners to join us in the development of this line of business.

