



INVESTOR & ANALYST PRESENTATION

Winter 2017



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This presentation contains forward-looking statements that provide our expectations or forecasts of future events such as new product introductions, product approvals and financial performance.

Such forward-looking statements are subject to risks, uncertainties and inaccurate assumptions. This may cause actual results to differ materially from expectations and it may cause any or all of our forward-looking statements here or in other publications to be wrong. Factors that may affect future results include interest rate and currency exchange rate fluctuations, delay or failure of development projects, production problems, unexpected contract breaches or terminations, government-mandated or market-driven price decreases for Lundbeck's products, introduction of competing products, Lundbeck's ability to successfully market both new and existing products, exposure to product liability and other lawsuits, changes in reimbursement rules and governmental laws and related interpretation thereof, and unexpected growth in costs and expenses.

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Certain assumptions made by Lundbeck are required by Danish Securities Law for full disclosure of material corporate information. Some assumptions, including assumptions relating to sales associated with products that are prescribed for unapproved uses, are made taking into account past performances of other similar drugs for similar disease states or past performance of the same drug in other regions where the products are currently marketed. It is important to note that although physicians may, as part of their freedom to practice medicine in the US, prescribe approved drugs for any use they deem appropriate, including unapproved uses, at Lundbeck, promotion of unapproved uses is strictly prohibited.



Lundbeck in brief

RESEARCH AND DEVELOPMENT

We were one of the first to develop and market antipsychotics and we have more than 70 years of expertise

>70

REVENUE

~60% of our revenue is generated in North America

~\$2.7bn



PHARMACEUTICAL VALUE CHAIN

We are a fully integrated pharmaceutical company within psychiatry and neurology



GLOBAL PRESENCE

We are headquartered in Denmark and located in 55 countries



Lundbeck's four disease areas

Alzheimer's disease
Mood disorders
Parkinson's disease
Psychotic disorders



Competencies and activities throughout the value chain: research, development, manufacturing, marketing and sales



Pharmaceuticals available in almost 100 markets

Our strategy for a
FOCUSED LUNDBECK
will set the direction
for our future success

Four Diseases

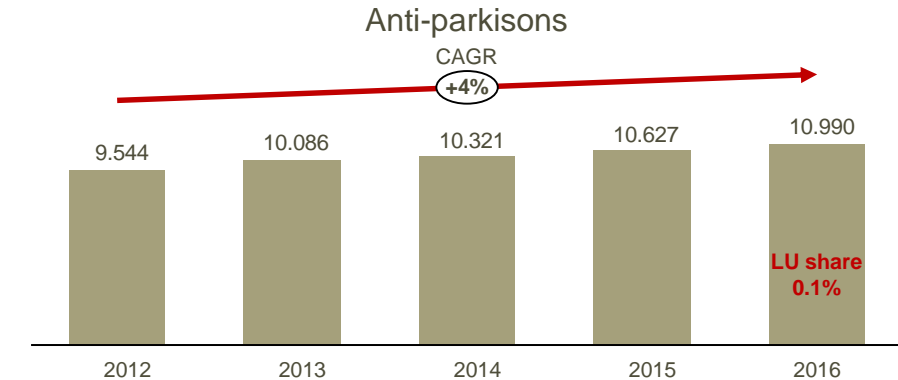
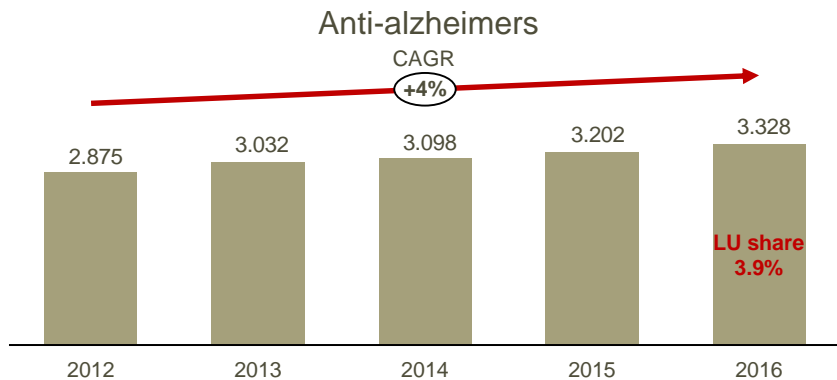
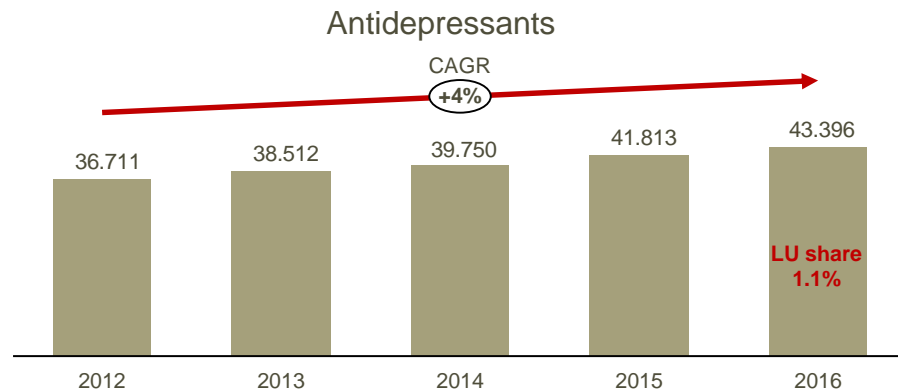
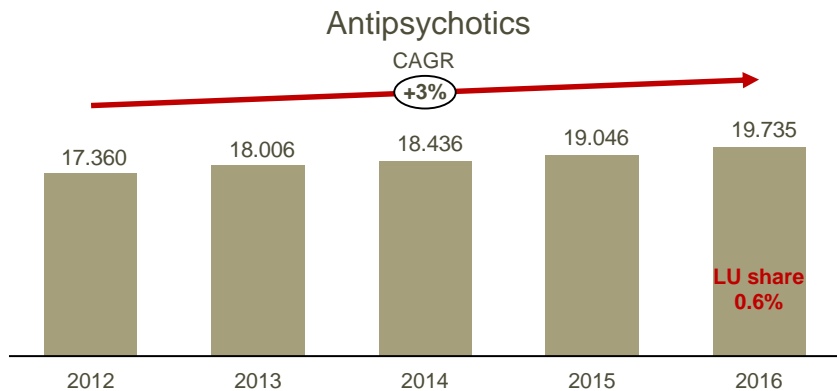
Independent drug
development and
commercialization

Profitable Growth

Strategic objective: *Grow the business with strong focus on profitability*

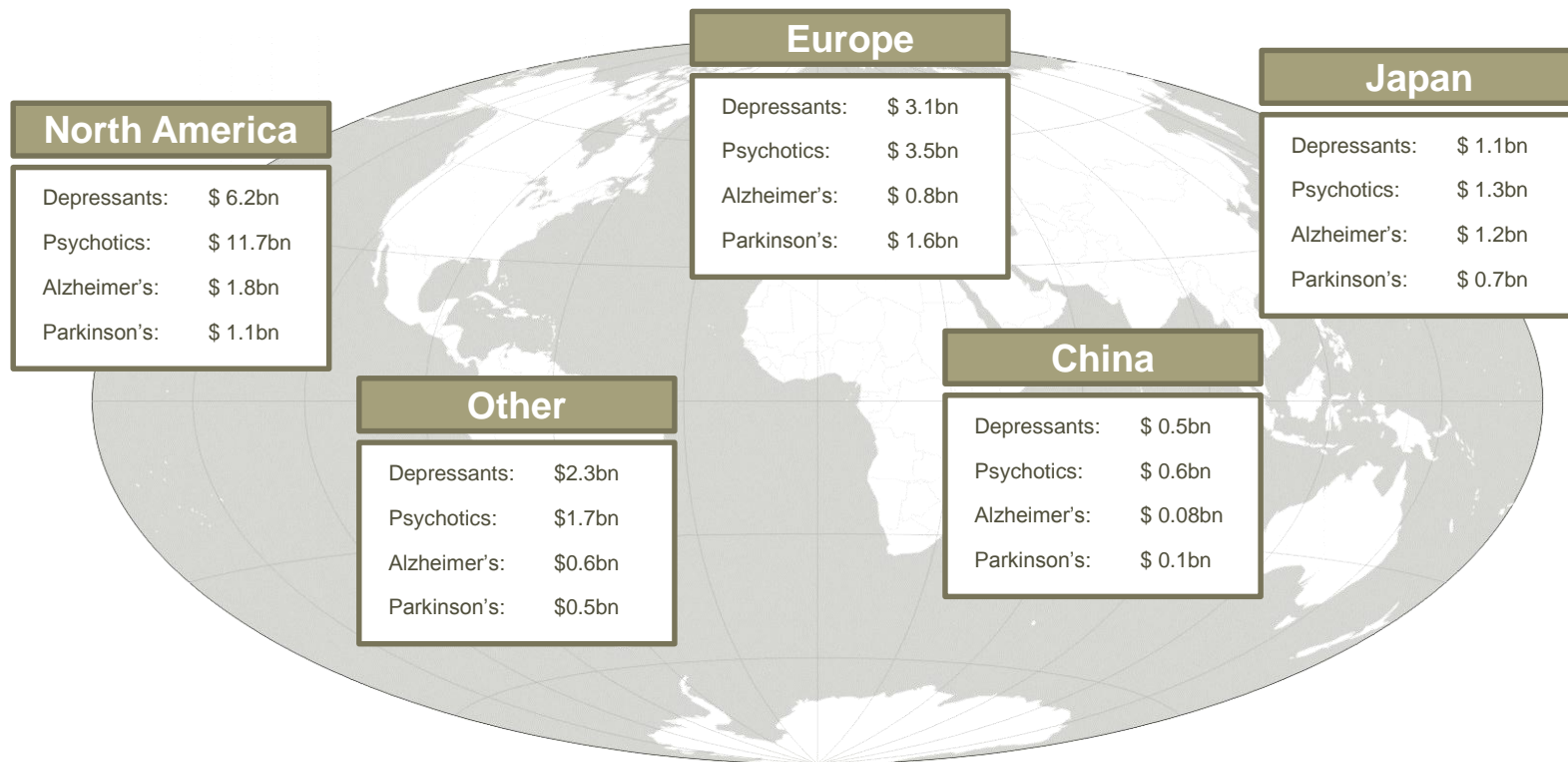


Volume growth in our four focus disease areas



7 Source: IMS Health Analytics Link 2016 (Audited sales). Values are in standard units. Lundbeck share represents Lundbeck sales only

Our four focus disease areas represent a USD ~45bn opportunity



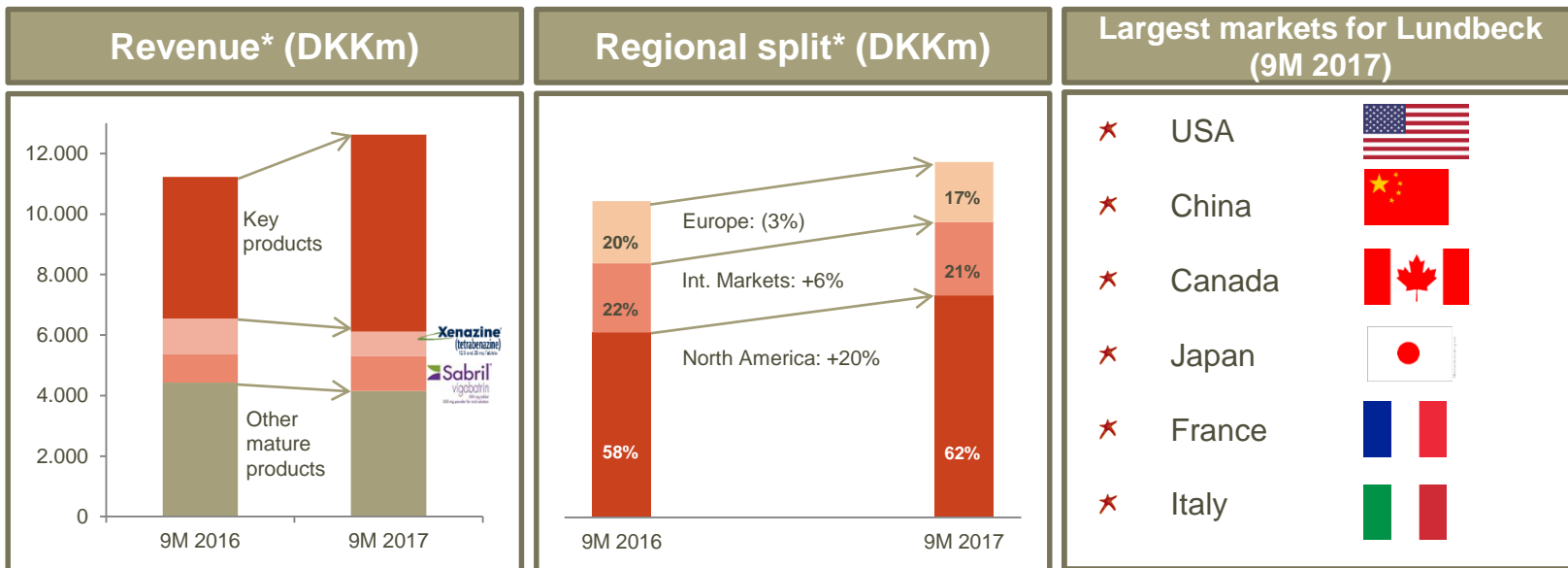
Source: IMS Health Analytics Link 2016 (Audited sales)

The strong operational performance continues for the first nine months of 2017

- ★ Revenue increased by **12%** to DKK **12.8** billion
- ★ Key products grew **39%** to DKK 6.5 billion representing **51%** of revenue
- ★ EBIT more than doubled to DKK **3.5** billion and EBIT margin significantly improved to **27.1%**
- ★ EPS grew **182%** to DKK 10.50
- ★ Net cash improved by DKK **2.8** billion since third quarter of 2016
- ★ **Guidance changed.** Revenue range narrowed to DKK 16.9-17.4 billion and EBIT raised to DKK 4.3-4.6 billion in 2017



Strong revenue growth of 12% to DKK 12.8 billion in 9M 2017 and 10% to DKK 4.3 billion in Q3 2017



*) Excluding Other revenue

Key products reached DKK 6.5 billion in 9M 2017 - up 39% y/y



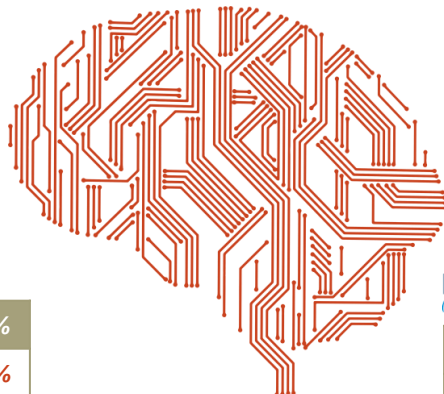
	DKKm	Δ%
9M 2017	911	64%
Q3 2017	337	38%



	DKKm	Δ%
9M 2017	2,215	25%
Q3 2017	767	19%



	DKKm	Δ%
9M 2017	995	24%
Q3 2017	336	24%

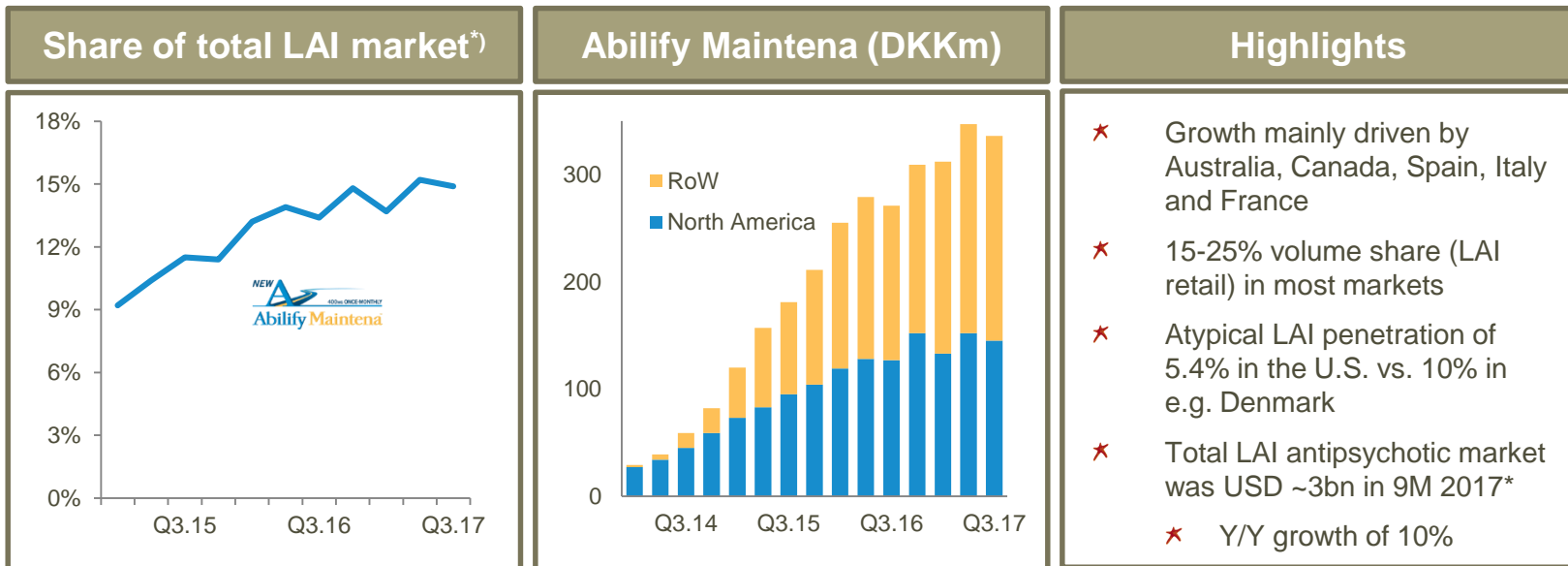


	DKKm	Δ%
9M 2017	1,195	55%
Q3 2017	417	43%



	DKKm	Δ%
9M 2017	1,188	54%
Q3 2017	472	45%

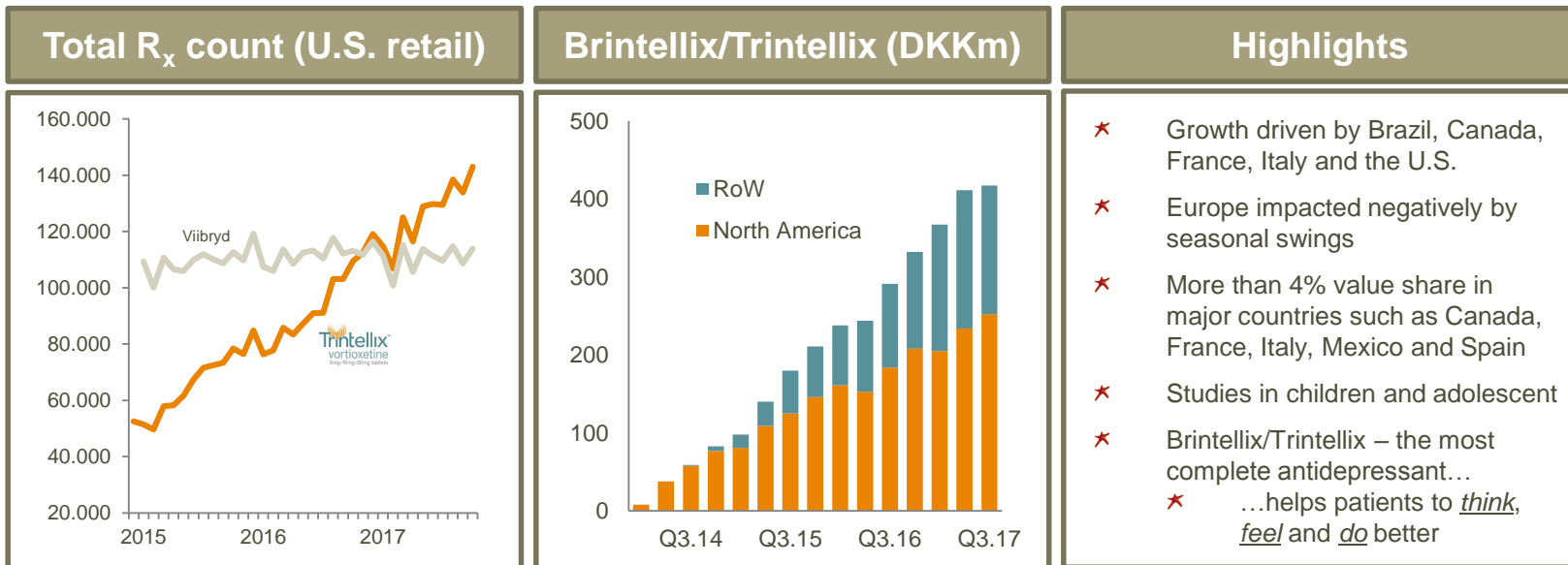
Abilify Maintena grew 24% to DKK 995 million in 9M 2017 primarily driven by non-U.S. markets



^{*)} Based on quarterly reports from Lundbeck, Otsuka, Alkermes and Johnson & Johnson

Lundbeck's share of revenue

Brintellix/Trintellix grew 55% to DKK 1,195 million in 9M 2017 and 43% to DKK 417 million in Q3 alone



Source: Symphony Health Solutions/Bloomberg (monthly data ending 10/2017)

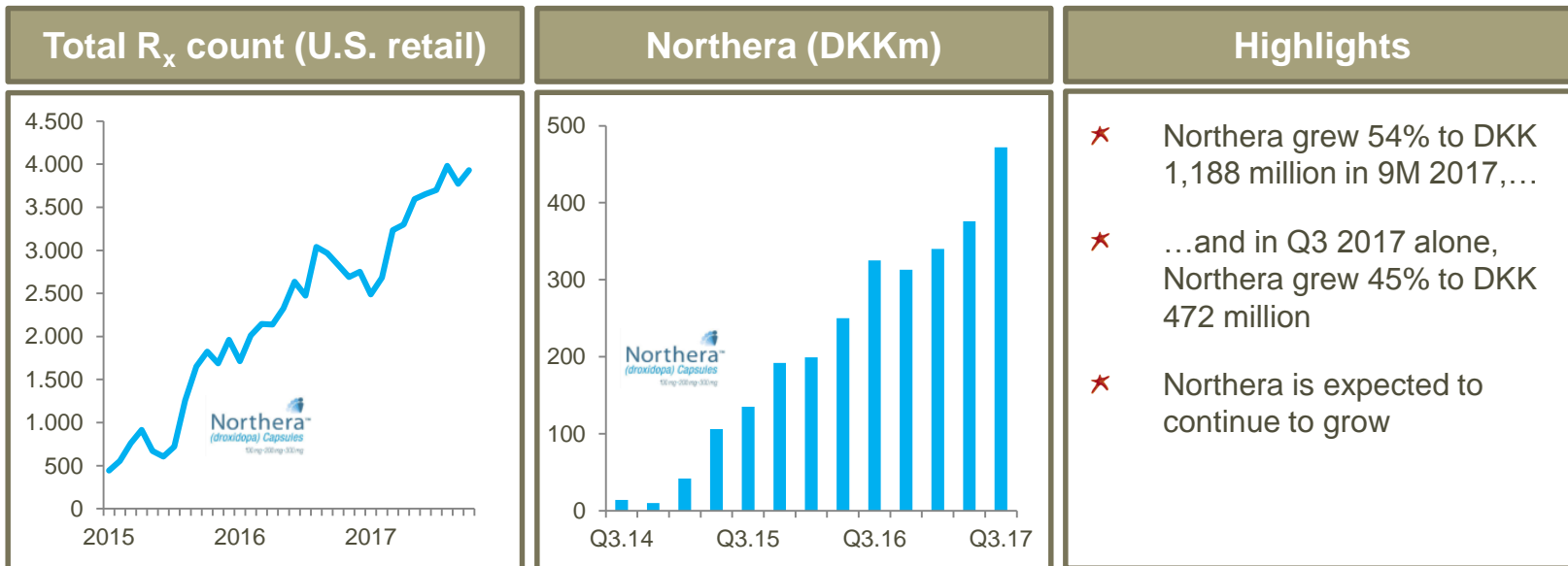
North America grew 20% driven by key products



#) Abilify Maintena, Northera, Onfi, Rexulti and Trintellix

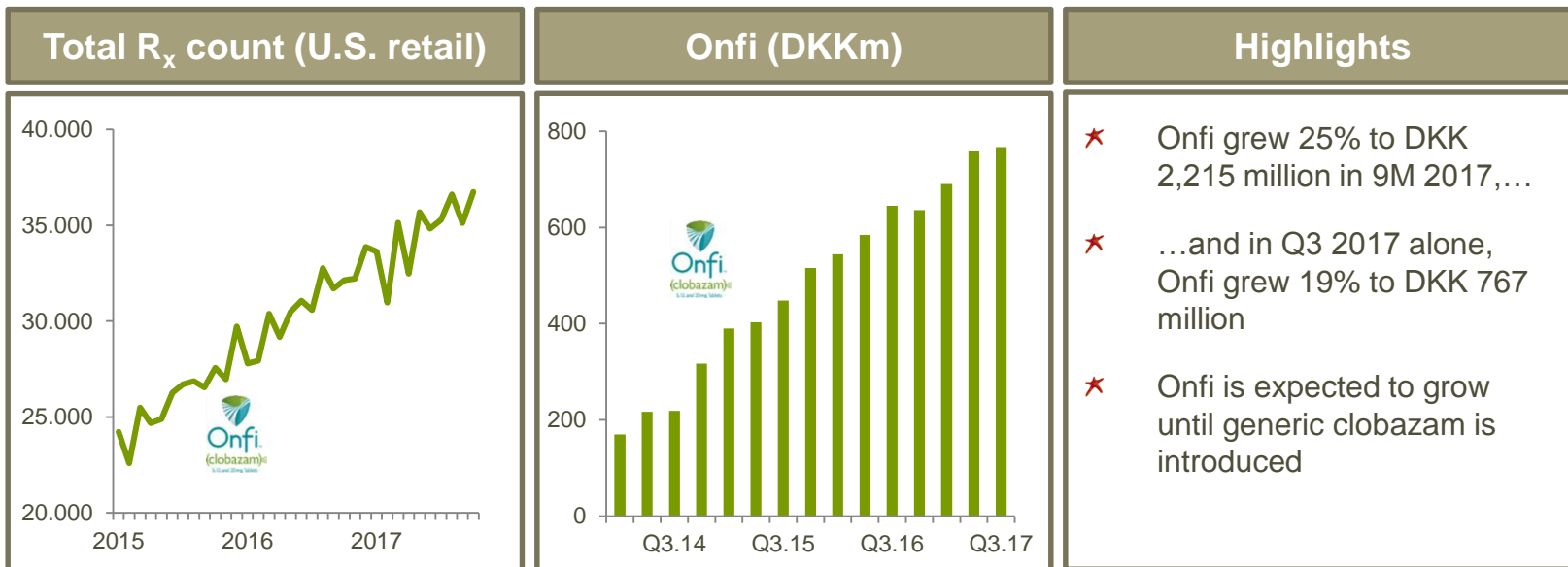
*) Excluding Other revenue

Northera continues to show strong growth



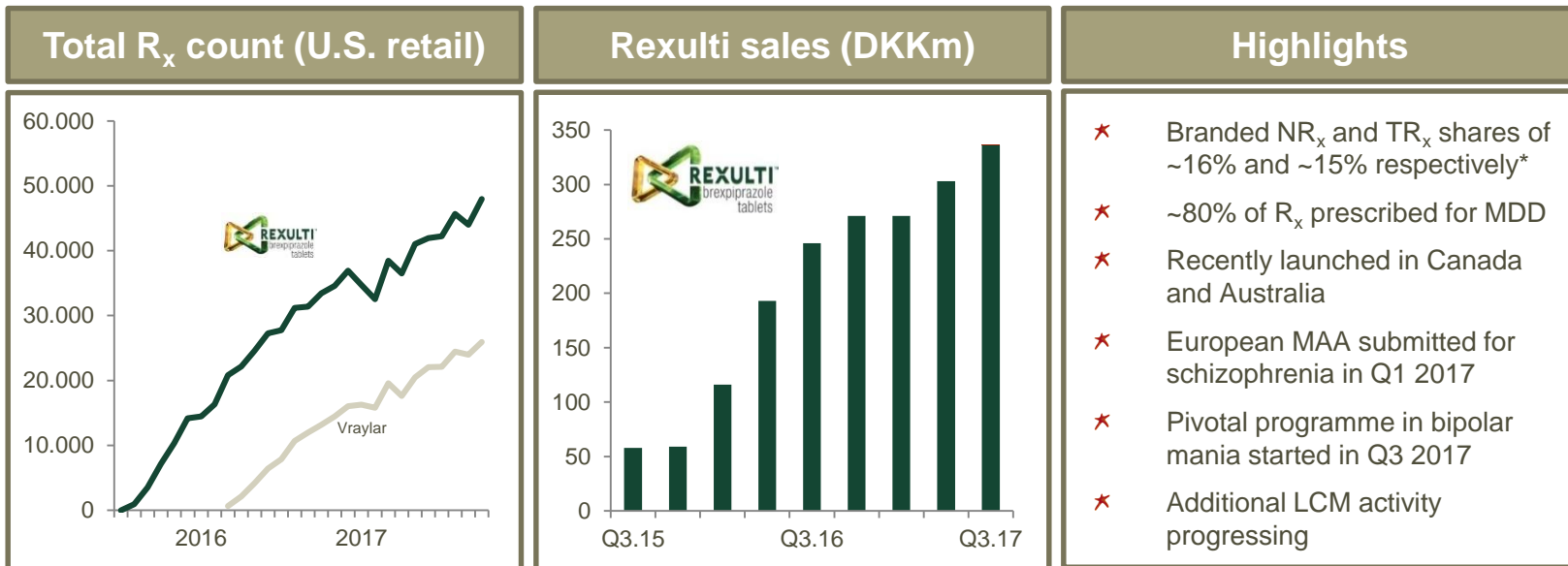
Source: Symphony Health Solutions/Bloomberg (monthly data ending 10/2017)

Onfi continues its solid growth momentum



Source: Symphony Health Solutions/Bloomberg (monthly data ending 10/2017)

Rexulti grew 64% to DKK 911 million in 9M 2017, and 38% to DKK 337 million in Q3 2017 alone



*) Week ending 20 October 2017

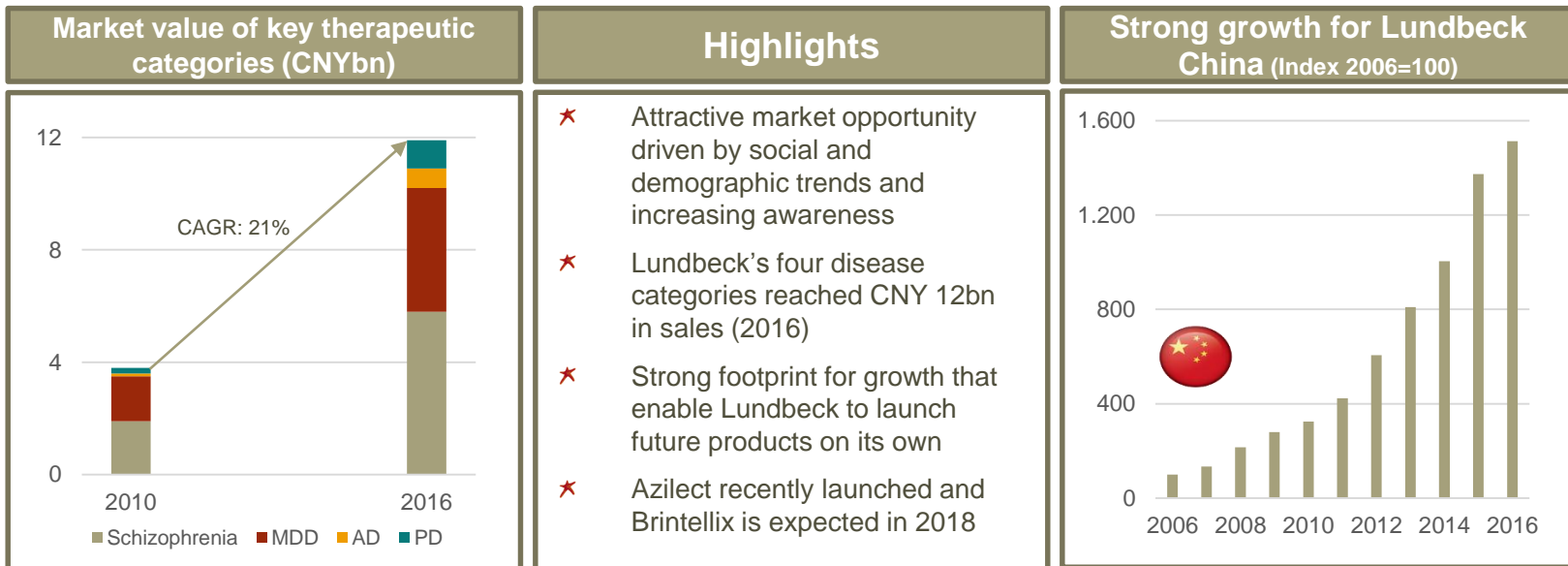
International Markets grew 6% with Brazil and Japan as major contributors



#) Abilify Maintena, Brintellix and Rexulti

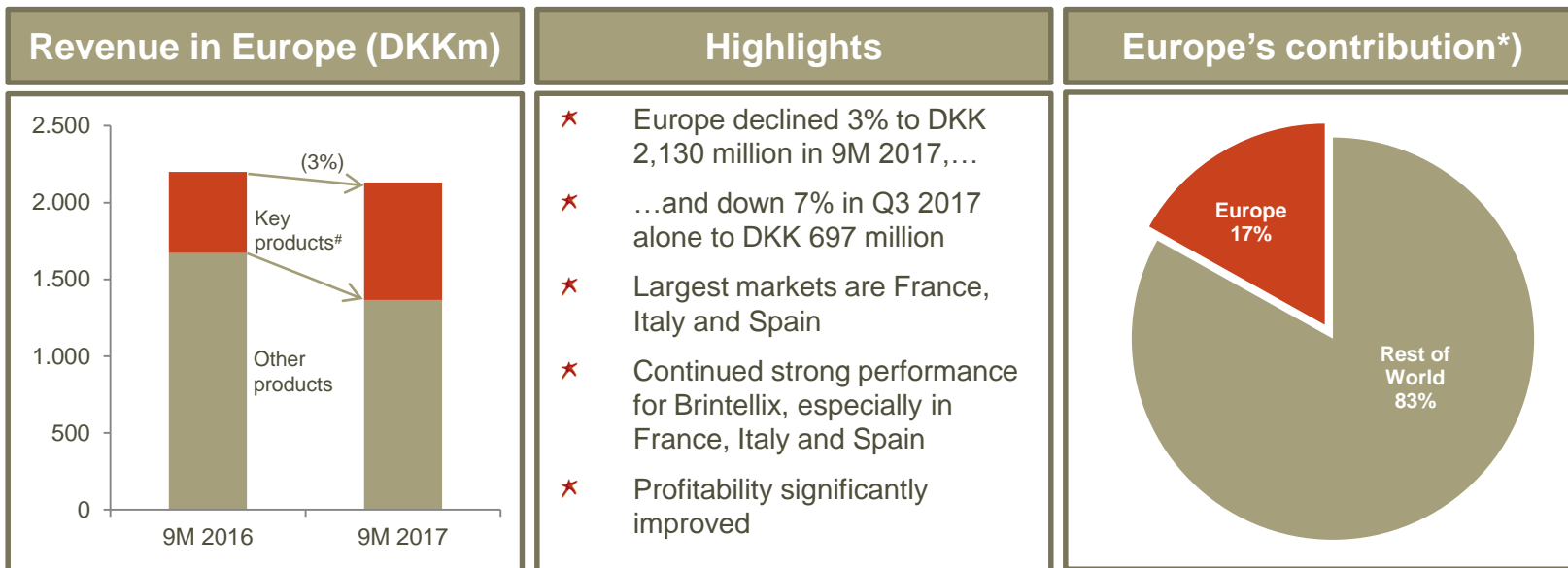
*) Excluding Other revenue

China is our second largest market and is expected to grow strongly in the coming years



Source: IMS

Europe is improving – excluding Azilect, Europe is up around 2%



#) Abilify Maintena and Brintellix

*) Excluding Other revenue

R&D in Lundbeck

Innovation focused across four key disease areas

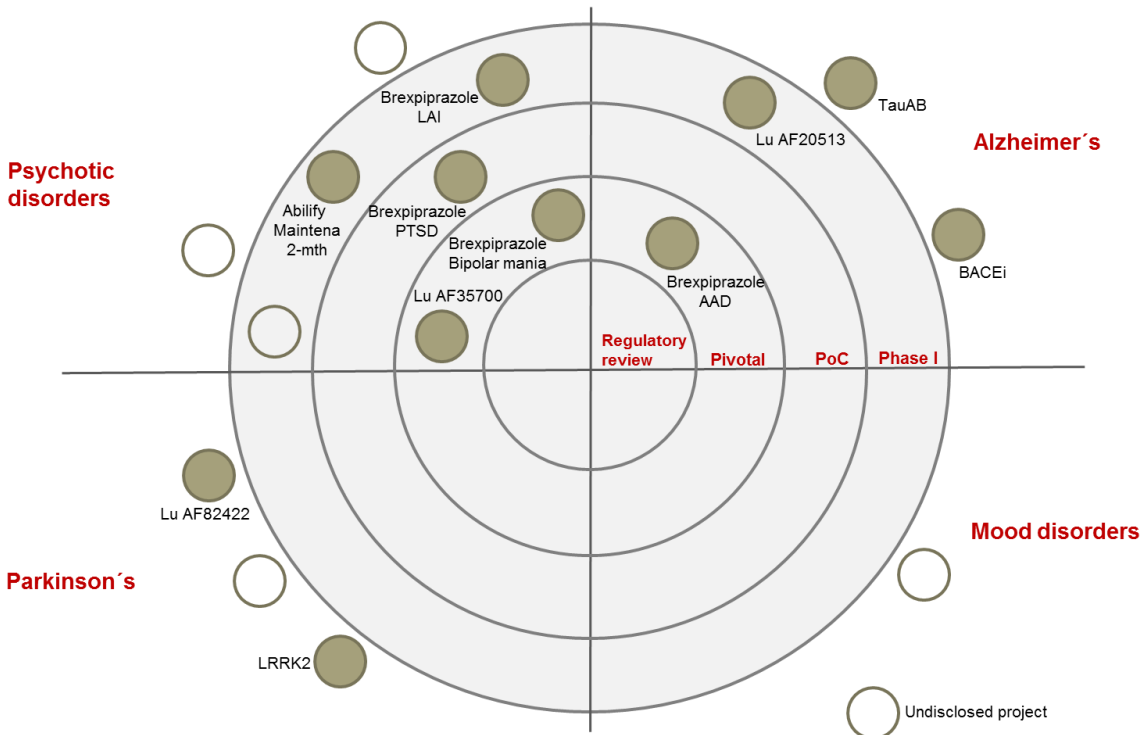


Continued progression in our R&D pipeline

Highlights

- ★ Abilify Maintena approved by U.S. FDA for bipolar I disorder
- ★ New study (*Anew*) started with Lu AF35700*
- ★ Pivotal programme using brexpiprazole in bipolar mania initiated
- ★ Third phase III study using brexpiprazole in Alzheimer's agitation to be initiated
- ★ Early pipeline progressing albeit Lu AF20513 extended

*) NCT03230864



Brexpiprazole in pivotal programme in Alzheimer's agitation

Agitation in Alzheimer's

- ★ >20% of individuals in a community setting and >50% of nursing home residents with dementia have agitation
- ★ 1.5-2m dementia patients in the U.S. with agitation / aggression
- ★ No FDA approved medication

Associated with:


- ★ Increased caregiver burden
- ★ Decreased functioning
- ★ Earlier nursing home placement



Clinical programme

- ★ Target population: Institutionalized or non-institutionalized setting
- ★ Two studies in the pivotal programme finalized, and...
 - ★ ...a third study to commence in H1 2018
- ★ *Fast Track* designation granted February 2016


Brexpiprazole showed improvements in symptoms of agitation relative to placebo in Alzheimer's agitation

Study I (NCT01862640)	Study II (NCT01922258)	Comments
<ul style="list-style-type: none"> ★ N = 413 patients ★ 1 mg, 2 mg and placebo ★ 12 weeks' treatment duration ★ Main recruitment centers: Russia, Ukraine and USA ★ CMAI¹⁾: 2 mg statistically superior to placebo ★ CGI-S²⁾: 2 mg not statistically superior to placebo 	<ul style="list-style-type: none"> ★ N = 270 patients ★ Flexible dose: 0.5-2 mg ★ 12 weeks' treatment duration ★ Main recruitment centers: Russia, Ukraine and USA ★ CMAI¹⁾: 0.5-2 mg not superior to placebo ★ CGI-S²⁾: 0.5-2 mg superior to placebo 	<ul style="list-style-type: none"> ★ Geography played a major role, with U.S. patients responding well and patients in Russia responding poorly ★ If Russian sites are excluded from both studies, p-value for both studies on CMAI primary endpoint is <0.05 ★ Both studies confirmed the safety profile as observed in prior clinical trials 

1) Primary efficacy endpoint: Cohen-Mansfield Agitation Inventory (CMAI) total score, a 29-item scale to systematically assess the symptoms of agitation

2) Key secondary efficacy endpoint: Clinical Global Impression-Severity of Illness (CGI-S) score, a 7-point scale assessing overall severity of the patient's agitation

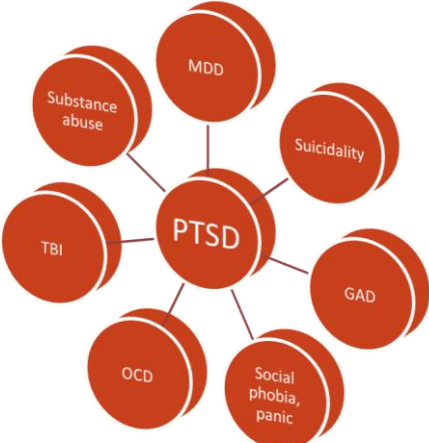

Brexpiprazole pivotal programme initiated in acute manic episodes associated with Bipolar I disorder

The condition	The studies	Expected brexpiprazole profile
<ul style="list-style-type: none"> ★ More than 6 million affected in the US ★ Low rate of diagnosis (45%) ★ A disease with high add-on and switch rates indicating need for new treatment options ★ Patients in treatment spent 44% of their time being ill over a 9-year period¹ ★ Bipolar disorders represents approx. one-third of the use of atypicals antipsychotics 	<div> Study #1 (NCT03259555) </div> <div> Study #2 (NCT03257865) </div> <hr/> <p>Estimated enrollment: 320 adult patients in each study</p> <p>Intervention: 2-4 mg brexpiprazole and placebo</p> <p>Treatment duration: 21 days</p> <p>Primary outcome measures: change from baseline in YMRS score²</p> <p>Study start: September 2017</p> <hr/> <p>6-month safety study: Enrolling completers from Study #1 and #2</p>	<ul style="list-style-type: none"> ★ Established efficacy and treatment of the bipolar I disorder ★ Favorable tolerability profile over SoC (e.g., improved metabolic profile, fewer AEs including low frequency of sedating and activating side effects might support improved functioning and ability to work) <div>  </div>

1) A. Forte et al. / Journal of Affective Disorders 178 (2015) 71–78

2) Young-Mania Rating Scale (YMRS) Score

Brexpiprazole enters Proof-of-Concept study in Post-traumatic Stress Disorder (PTSD)

PTSD		The PoC study ^{*)}
<ul style="list-style-type: none"> ★ ~8.6m American adults affected¹⁾, but ~80% is undiagnosed ★ Growing economic and social burden to care for people with PTSD ★ Inadequate response with US FDA approved SSRIs sertraline and paroxetine ★ Polypharmacy the norm 	 <pre> graph TD PTSD((PTSD)) --- Substance((Substance abuse)) PTSD --- MDD((MDD)) PTSD --- Suicidality((Suicidality)) PTSD --- GAD((GAD)) PTSD --- Social((Social phobia, panic)) PTSD --- OCD((OCD)) PTSD --- TBI((TBI)) </pre>	<ul style="list-style-type: none"> ★ 4-arm, 12-week trial using 1-3 mg of brexpiprazole ★ Monotherapy or in combination with sertraline ★ ~330 patients to be enrolled ★ Primary endpoint: Change from baseline in the CAPS-5 total score^{#)} 

1) <http://www.cohenveteransbioscience.org/post-traumatic-stress/>. US Census Bureau. Annual estimates of the resident population by sex and selected age groups for the United States: April 1, 2010 to July 1, 2011 (NC-EST2011-02). 2012. <http://www.census.gov/popest/data/national/asrh/2011/index.html>.

^{*)} NCT03033069

^{#)} Clinician-Administered PTSD Scale for DSM-5 (CAPS-5)

Brexpiprazole Long-acting Injectable (LAI) entered phase I

Brexpiprazole LAI		The study*)
<ul style="list-style-type: none">★ More long-acting treatment options are needed★ Brexpiprazole has demonstrated efficacy for patients with schizophrenia without compromising safety and tolerability★ Dosing interval, route of administration and device presentation being evaluated	<div><div>LAI formulation with strong tolerability and adherence profile</div><div>↑</div><div>Validated formulation technology</div><div>↑</div><div>Brexpiprazole: Strong and evaluated safety profile</div></div>	<ul style="list-style-type: none">★ Open-label trial to determine the pharmacokinetics and tolerability of brexpiprazole LAI administered subcutaneously or intramuscularly★ Estimated enrollment: 110 adult patients with schizophrenia★ Study start: January 2017★ Expected completion: H2 2018

*) NCT02968121

Lu AF35700 offers significant potential in Treatment Resistant Schizophrenia (TRS)

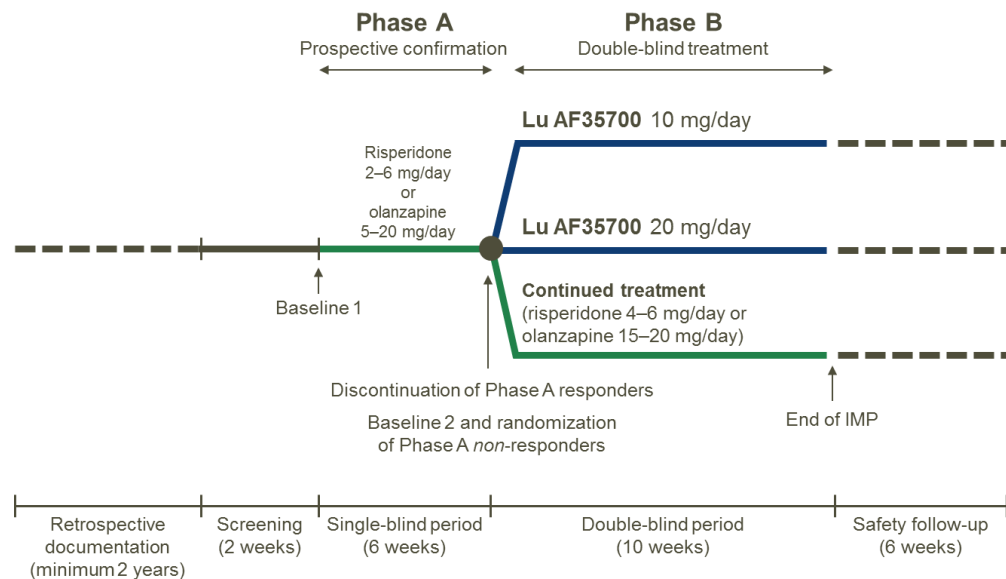
TRS	Lu AF35700	Clinical programme
<ul style="list-style-type: none"> ★ Around 1/3 of schizophrenia patients are treatment resistant ★ Psychiatrists readily recognize the term “Treatment Resistant Schizophrenia” (TRS) ★ TRS is an inability to control symptoms of schizophrenia after a full round of two to three antipsychotics 	<ul style="list-style-type: none"> ★ Unique mode of action. In contrast to current treatment, antipsychotic effect at low D₂ blockade ★ Combined D₁/D₂ and 5-HT₆ profile gives good activity combined with a benign tolerability profile ★ Very long half-life leads to significantly reduced risk of relapse 	<ul style="list-style-type: none"> ★ Four clinical studies have been conducted, three studies in healthy people and one in patients with schizophrenia¹⁾ ★ The first study (<i>DayBreak</i>) in the pivotal programme commenced in March 2016²⁾ ★ Other key studies ongoing: <ul style="list-style-type: none"> ★ Long-term safety study³⁾ ★ Cardiac repolarization⁴⁾ ★ ED or LD TRS (<i>Anew</i>)⁵⁾

1) Clinicaltrials.gov identifier: NCT02202226

2) NCT02717195. 3) NCT02892422. 4) NCT02901587.

5) NCT03230864 (early-in-disease (ED) or late-in-disease (LD) treatment-resistant schizophrenia (TRS))

Study set-up in first study (*DayBreak*) in pivotal programme using Lu AF35700 in Treatment Resistant Schizophrenia



First study in pivotal programme*

- ★ Oral, once daily
- ★ Approximately 1,000 patients
- ★ Expected completion by Q1 2019

Primary endpoint

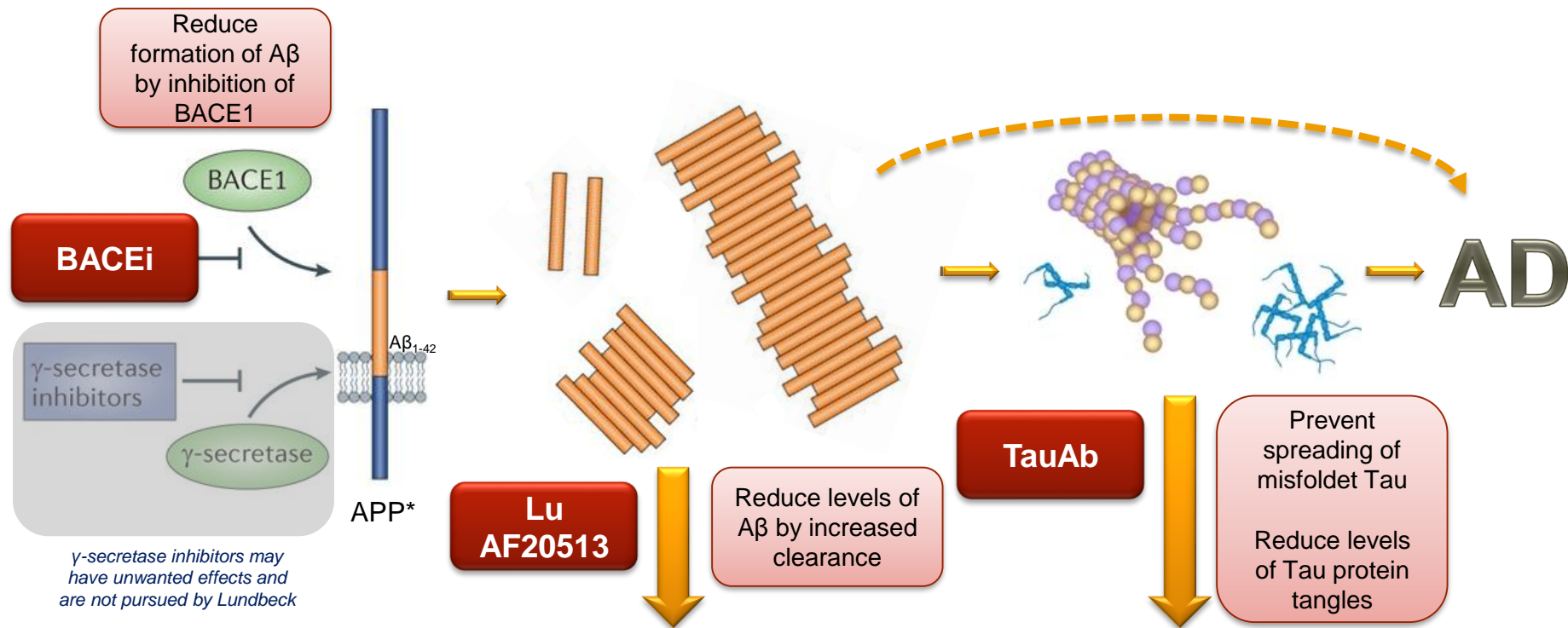
- ★ Change in PANSS total score

Secondary endpoints

- ★ Clinical Global Impression Severity scale (CGI-S)
- ★ Personal and Social Performance (PSP) total score

*) NCT02717195

Lundbeck is active in the investigation of various novel treatment concepts in Alzheimer's



Lu AF20513 – an active therapeutic vaccine against β -amyloid

Lu AF20513		Study design ^{*)}
<ul style="list-style-type: none">★ Increasing clinical signals that β-amyloid dysregulation is central to disease★ Lu AF20513 has the potential to fundamentally change treatment paradigm of Alzheimer's by slowing the course of the disease★ Phase I commenced in Q1 2015★ Expected completion: end-2018★ Co-developed with Otsuka	<p>The diagram illustrates the mechanism of Lu AF20513. It shows a microglial cell (green) interacting with a cluster of orange beta-amyloid oligomers. Below, a diagram shows the progression of beta-amyloid from oligomers (blue spheres) to protofibrils (blue Y-shapes) and finally to mature fibrils (blue bundles).</p>	<ul style="list-style-type: none">★ Open-label, dose escalation study★ 35 patients from centres in Europe★ Patients with mild Alzheimer's (MMSE 19-26)★ Eight injections of Lu AF20513 <p><u>Purpose:</u></p> <ul style="list-style-type: none">★ Evaluate safety and tolerability★ Measure Aβ-specific antibody titer

^{*)} NCT02388152

Our path to category leadership

Current products

Pipeline

Mood disorders



Research projects
LCM projects

Psychotic Disorders



LCM projects
Research projects
Lu AF35700

Alzheimer's



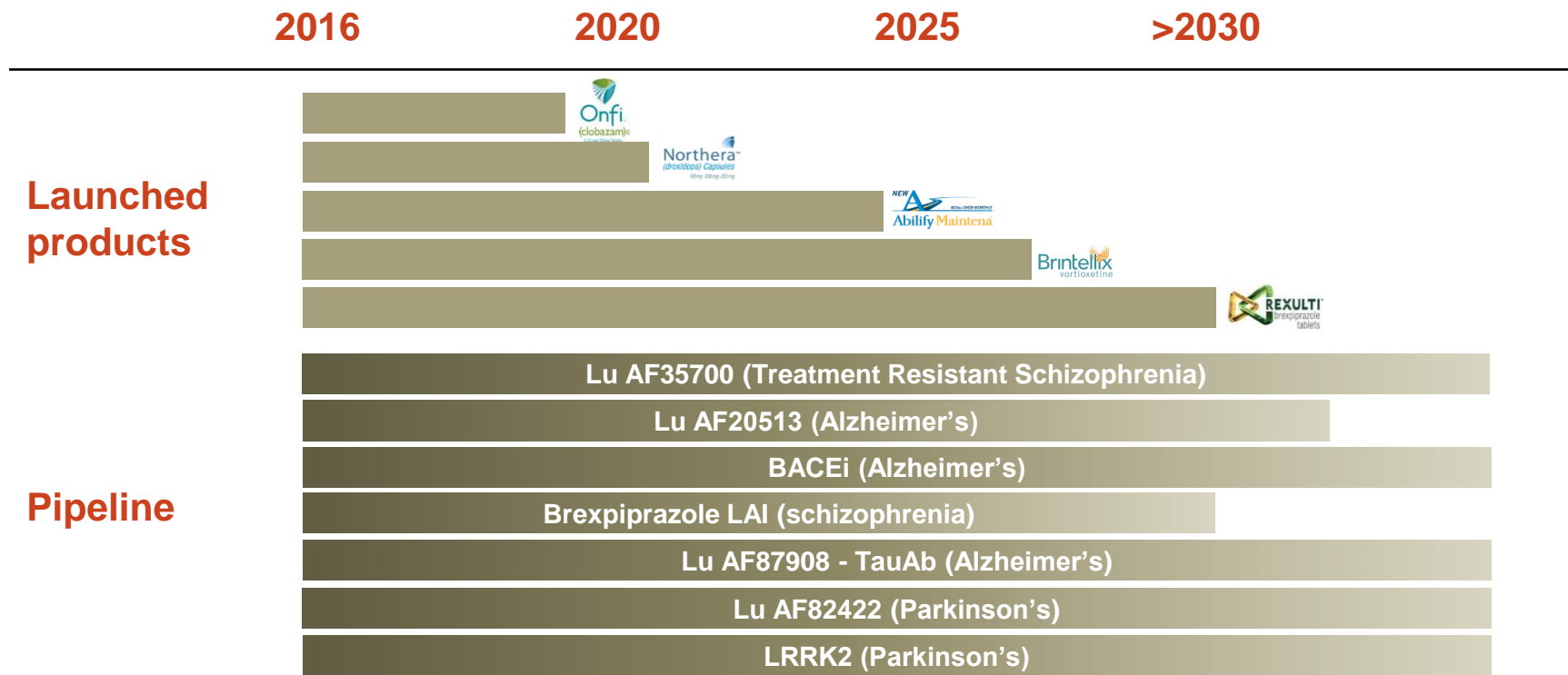
Brexpiprazole
Lu AF20513
BACEi
TauAb

Parkinson's



Lu AF82422
LRRK2

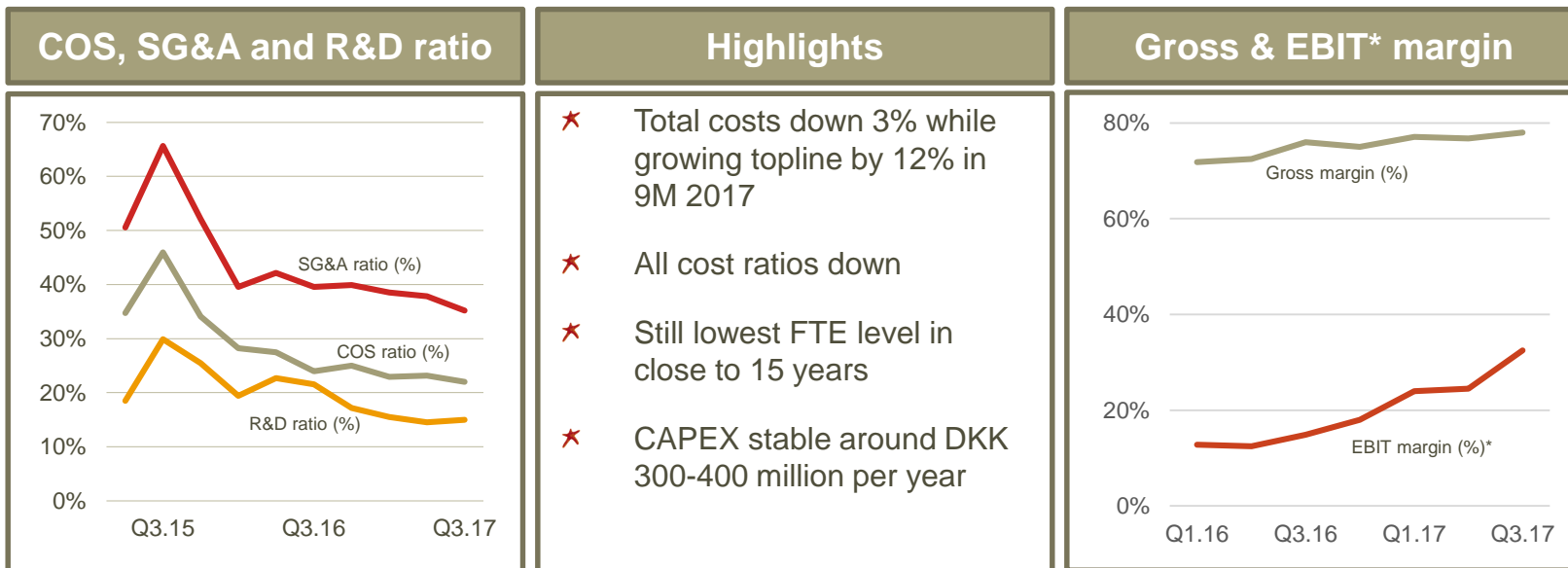
Higher degree of transparency in future revenue drivers than Lundbeck has had historically



Finance & other



Continued focus on cost discipline



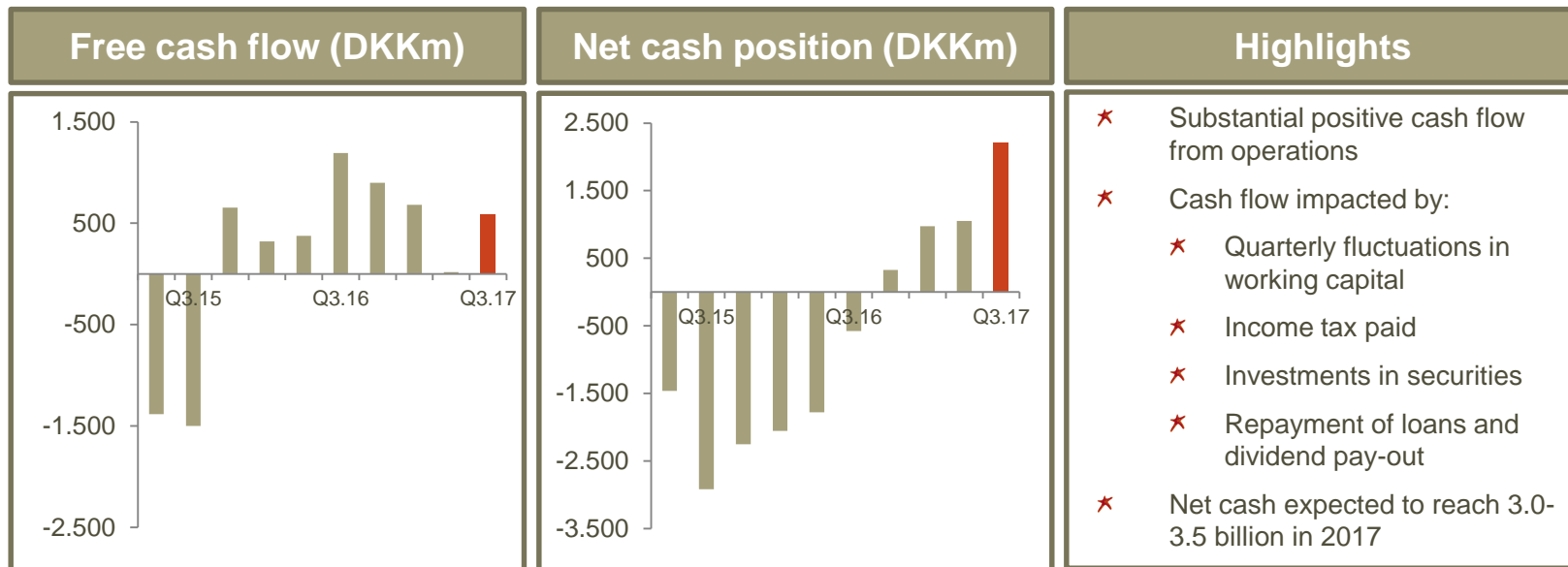
*) A gain of DKK 242 million from divestiture of properties in Denmark and the U.S. is included in EBIT (recognized as Other operating income in 2017)

Strong growth in EPS following significant improvement in gross margin, EBIT margin and reduced tax rate

Financial results – Q3 2017 and 9M 2017						
Q3 2017	Q3 2016	Δ%	DKKm	9M 2017	9M 2016	Δ%
4,348	3,948	10%	Revenue	12,842	11,469	12%
78.0%	76.0%	-	Gross margin	77.3%	73.4%	-
1,415*	589	140%	EBIT	3,476*	1,541	126%
32.5%*	14.9%	-	EBIT margin	27.1%*	13.4%	-
1,446	988	46%	Core EBIT	3,946	2,463	60%
876	320	174%	Net profit	2,071	738	180%
4.42	1.62	173%	EPS	10.50	3.73	182%

*) Including DKK 242 million in total gains from divestiture of properties which are recognized as Other operating income

Continued improvement in net cash



On track to achieve an all-time high revenue and EBIT

2017 financial guidance raised

DKKbn	2016	Previous 2017 guidance	Revised 2017 guidance	~Δ% (y/y)
Revenue	15.6	16.7-17.5	16.9-17.4	8-12%
EBIT	2.3	4.1-4.5	4.3-4.6	87-100%
EBIT margin	14.7%	~22-25%*	~23-26%*	-

*) Excluding DKK 242 million in total gains from divestiture of properties which are recognized as Other operating Income

Assumptions

- ★ 2017 will be impacted by additional generic erosion but also continued growth of key products
- ★ EBIT guidance for 2017 includes DKK 242 million from divestiture of properties recognized as Other operating income
- ★ No additional one-off income and/or expenses
- ★ Unchanged currencies from beginning of November 2017

Key priorities

- ★ Sustain sales **momentum** of key products
- ★ Realize full **benefits** from restructuring programme
- ★ Deliver on **innovation**
- ★ **Cash** reallocation



2016 - CNS market overview

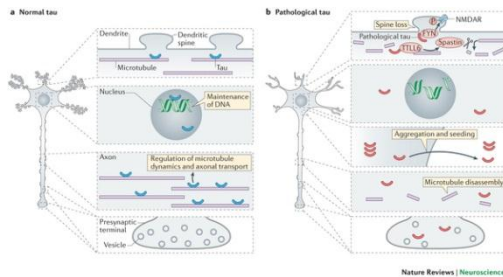
	Market size (2016)				Unmet medical needs	Market leaders (2016)	
	Value USDbn	Value Growth	Volume Growth	# of patients*		Compound	Share value
Total pharma	1,005	+5%	+2%	-	-	-	-
Total CNS	149	0%	+2%	-	-	-	-
Anti-Alzheimer's (N7D)	4.5	-16%	+4%	>7 million	<ul style="list-style-type: none"> • Disease modifying treatment • Disease slowing agents • Improved symptomatic treatments • Longer lasting symptomatic treatments 	1. Memantine 2. Donepezil 3. Rivastigmine 4. Galantamine	46% 22% 21% 8%
Anti-depressants (N6A)	13.2	-1%	+4%	~40 million	<ul style="list-style-type: none"> • Drugs with higher remission rates • Increased onset of action • Current therapies are relatively well-tolerated but still room for improvement especially on sexual side effects 	1. Duloxetine 2. Escitalopram 3. Bupropion 4. Venlafaxine	13% 10% 9% 9%
Anti-Parkinson's (N4A)	4.0	0%	+3%	>3 million	<ul style="list-style-type: none"> • Therapies that provide neuroprotection and/or neurorestoration • An optimal trial design for demonstrating neuroprotection and/or neurorestoration • Control of levodopa-induced motor response complications 	1. Levodopa 2. Rasagiline 3. Pramipexole 4. Rotigotine	16% 15% 12% 11%
Anti-psychotics (N5A)	18.8	-13%	+4%	Approx 1% of global population	<ul style="list-style-type: none"> • Improved treatment of cognitive dysfunction • Improved treatment of negative symptoms • Improved treatment of co-morbid depression and anxiety • Early stage, definitive diagnostics 	1. Aripiprazole 2. Quetiapine 3. Paliperidone Palmitate 4. Lurasidone	21% 14% 14% 12%

Source: IMS Health Analytics Link 2016 (Audited sales), Growth, USD % y/y

Increasing evidence suggests abnormal tau and amyloid work together to cause nerve cell death

TAU

- ★ Tau, a microtubule-associated protein first discovered in 1975
- ★ In a healthy brain, tau has an important function, acting as a form of 'scaffolding' to keep cells stable, but in Alzheimer's, tau loses its normal form and breaks away from the cell



Lu AF87908 (TauAb)

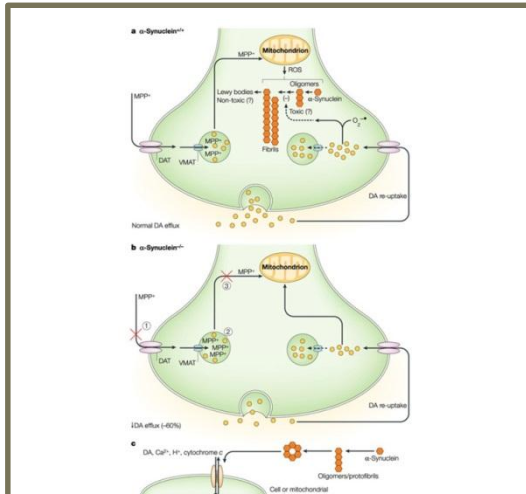
- ★ Tau aggregation inhibition for the treatment of Alzheimer's

Alpha-synuclein – a potential therapeutic Parkinson's vaccine

α -synuclein

- ★ A role for α -synuclein in Parkinson's was first suggested in 1997
- ★ Propagation of α -synuclein misfolding and aggregation seems to be at the heart of most types of Parkinson's
- ★ Many preclinical studies suggest that α -synuclein can behave in a prion-like fashion, with misfolding and aggregation, and propagation from neuron to neuron

Nature Reviews Neuroscience 4, 727-738 (September 2003)



Nature Reviews Neuroscience

Lu AF82422

- ★ Collaboration with Genmab entered in 2010
- ★ Clearance of pathological α -synuclein via antibody – objective to delay disease progression in symptomatic Parkinson's
- ★ A treatment that could slow or stop Parkinson's progression

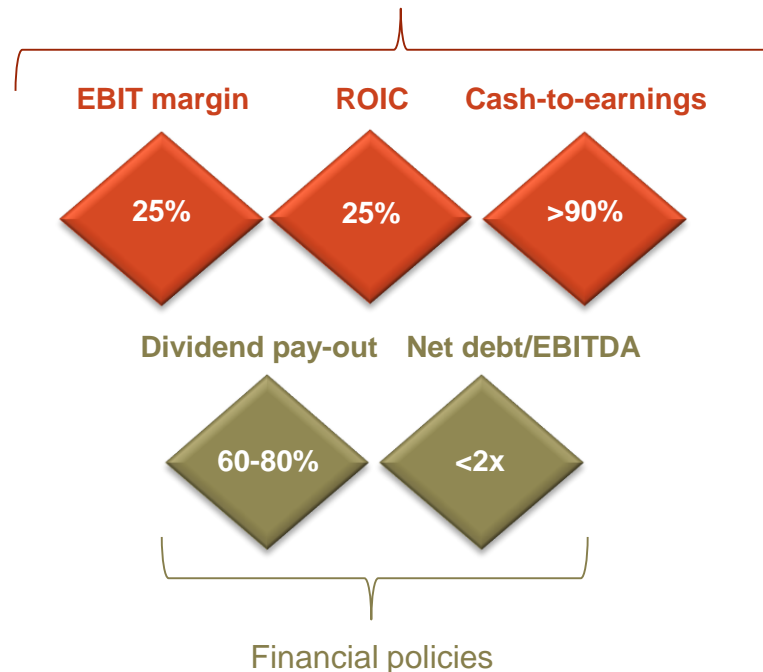


Financial targets

Achievements on targets

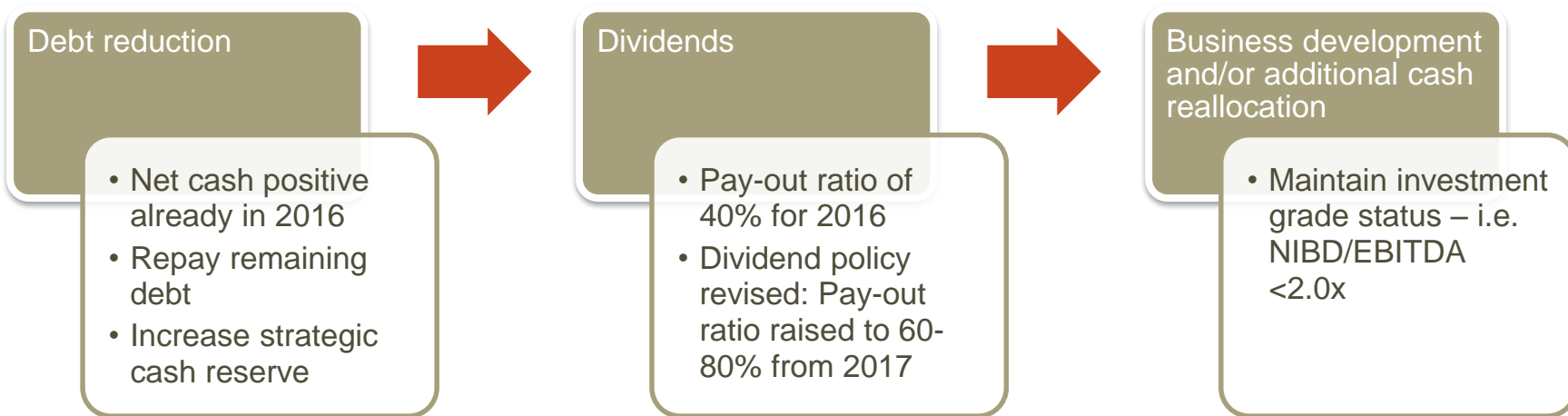
	9M 2017	2016	2015
EBIT margin	27.1%	14.7%	(46.7%)
ROIC (annualized)	30.7%	13.2%	(45.4%)
Cash-to-Earnings	110.5%	230.3%	N/A
Dividend Pay-out	-	40%	0%
Net debt/EBITDA	(0.5)	(0.1)	10.7

Targets within the 2018-2020 period



Cash flow priorities: Increasing dividends linked to long-term performance

Lundbeck's extended actions to return cash to shareholders demonstrate our conviction in our future



9M 2017 and FY 2016 - Product distribution of revenue

DKKkM	FY 2016	FY 2015	9M 2017	9M 2016	Growth	Growth in local currencies	% of total
TOTAL:							
Abilify Maintena	1,114	669	995	805	24%	24%	8%
Brintellix/Trintellix	1,105	629	1,195	773	55%	54%	9%
Cipralex/Lexapro	2,518	2,591	1,844	1,908	(3%)	(2%)	15%
Northera	1,087	475	1,188	774	54%	55%	9%
Onfi	2,409	1,757	2,215	1,773	25%	25%	17%
Rexulti	826	117	911	555	64%	65%	7%
Sabril	1,342	985	1,143	936	22%	22%	9%
Xenazine	1,571	2,201	817	1,181	(31%)	(31%)	6%
Other pharmaceuticals	3,337	4,652	2,312	2,517	(8%)	(7%)	18%
Other revenue	325	518	222	247	(10%)	(9%)	2%
Total revenue	15,634	14,594	12,842	11,469	12%	13%	100%

9M 2017 and FY 2016 - Geographic distribution of revenue - 1

DKKmn	FY 2016	FY 2015	9M 2017	9M 2016	Growth	Growth in local currencies	% of total
NORTH AMERICA:							
Abilify Maintena	526	355	430	374	15%	15%	5%
Trintellix	706	461	691	498	39%	39%	9%
Northera	1,087	475	1,188	774	54%	55%	15%
Onfi	2,409	1,757	2,215	1,773	25%	25%	28%
Rexulti	826	117	910	555	64%	65%	12%
Sabril	1,342	985	1,143	936	22%	22%	15%
Xenazine	1,557	2,182	795	1,170	(32%)	(32%)	10%
Other pharmaceuticals	669	667	504	486	4%	3%	6%
Total revenue	9,122	6,999	7,876	6,566	20%	20%	100%

9M 2017 and FY 2016 - Geographic distribution of revenue - 2

DKK m	FY 2016	FY 2015	9M 2017	9M 2016	Growth	Growth in local currencies	% of total
EUROPE:							
Abilify Maintena	508	281	490	375	31%	32%	23%
Brintellix	220	105	275	153	80%	79%	13%
Cipralex	760	893	495	575	(14%)	(15%)	23%
Other pharmaceuticals	1,424	2,617	870	1,096	(21%)	(20%)	41%
Total revenue	2,912	3,896	2,130	2,199	(3%)	(3%)	100%
INTERNATIONAL MARKETS:							
Abilify Maintena	80	33	75	56	34%	34%	3%
Brintellix	179	63	229	122	87%	87%	9%
Cipralex/Lexapro	1,571	1,460	1,220	1,190	2%	5%	46%
Ebixa	486	570	384	375	2%	7%	15%
Other pharmaceuticals	959	1,055	706	714	(1%)	2%	27%
Total revenue	3,275	3,181	2,614	2,457	6%	9%	100%

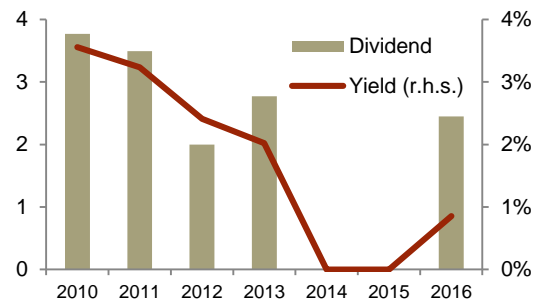
9M 2017 - Cash generation

DKKm	9M 2017	9M 2016	FY 2016	FY 2015
Cash flows from operating activities	2,698	2,093	3,126	197
Cash flows from investing activities	(1,409)	(204)	(337)	(2,842)
Cash flows from operating and investing activities	1,289	1,889	2,789	(2,645)
Cash flows from financing activities	(1,380)	(1,518)	(2,006)	501
Net cash flow for the period	(91)	371	783	(2,144)
Cash, bank balances and securities, end of period	3,107	1,802	2,217	1,521
Interest-bearing debt	(899)	(2,377)	(1,891)	(3,770)
Net cash/(net debt)	2,208	(575)	326	(2,249)

9M 2017 and FY 2016 - Balance sheet and dividend

DKKm	30.09.2017	31.12.2016
Intangible assets	7,784	8,839
Other non-current assets	3,176	3,847
Current assets	9,297	7,524
Assets	20,257	20,210
Equity	11,545	9,694
Non-current liabilities	1,856	2,740
Current liabilities	6,856	7,776
Equity and liabilities	20,257	20,210
Cash and bank balances	2,087	2,200
Securities	1,020	17
Interest-bearing debt	(899)	(1,891)
Interest-bearing debt, cash, bank balances and securities, net end of period	2,208	326

Dividend (DKK)



- ★ Dividend of DKK 2.45 per share for 2016, corresponding to a payout ratio of 40%
- ★ A total of DKK 484 million and a yield of 0.9%*
- ★ Dividend policy: From 2017 and onwards the pay-out ratio will be 60-80%

*Based on the share price of DKK 287.3

Costs – Full year figures

DKKm	2016	2015	2014	2016 ($\Delta\%$)	2015 ($\Delta\%$)
Revenue	15,634	14,594	13,468	7%	8%
Cost of sales	4,082	5,395	4,160	(24%)	30%
Sales & Distribution costs	5,488	6,706	5,164	(18%)	30%
Administrative expenses	805	1,160	1,134	(31%)	2%
R&D costs	2,967	8,149	2,911 ²⁾	(64%)	180%
Total costs	13,342	21,410¹⁾	13,369	(38%)	60%
EBIT	2,292	(6,816)	99	-	-
Core EBIT	3,477	847	1,228	311%	(31%)
<i>Cost of sales</i>	26%	37%	31%	-	-
<i>Sales & Distribution costs</i>	35%	46%	38%	-	-
<i>Administrative expenses</i>	5%	8%	8%	-	-
<i>R&D costs</i>	19%	56%	22%	-	-
<i>EBIT margin</i>	15%	(47%)	1%	-	-

Included are 1) Restructuring costs and impairment of product rights of around DKK 7bn. 2) Writedown of desmoteplase of DKK 309m

Financial terms and territory structure of the Otsuka alliance entered in November 2011

Milestone payments

Payment to:



Otsuka



	Abilify Maintena	Rexulti	Selincro
Development milestones/upfront	USD 200m	USD 600m ³⁾	EUR 105m*
Approval milestones	USD 275m ¹⁾	USD 300m ²⁾	Un-disclosed
Sales milestones	Up to USD 425m depending on sales development		Un-disclosed

1) USD 100m upon US approval, USD 75m upon EU approval in schizophrenia, and USD 50m US and EU for a second indication. 2) USD 100m (US) and USD 50m (EU) for each of the two first indications

3) Development milestones of up to USD 600m after which shared development costs between parties. 4) USD 125m, USD 25m and USD 50m for first indication in the US, EU and Japan respectively. Second indication gives USD 50m, USD 25m and USD 25m, respectively.

Lundbeck's share of revenue and costs



Otsuka



	Abilify Maintena	Rexulti	Selincro
USA	20%	45%	-
EU-5, Nordic and Canada	50%	50%	-
Other Lundbeck territories	65%**	65%**	Un-disclosed

* Includes sales milestones

** All regions except Asia, Turkey and Egypt

*** All regions except Thailand and Vietnam

★ Selincro for Japan added to the alliance in October 2013

For more information, please contact Investor Relations

Share information

Lundbeck's shares are listed on the stock exchange in Copenhagen under the symbol "LUN".

Lundbeck has a sponsored Level 1 ADR programme listed in the US (OTC) under the symbol "HLUYY".

For additional company information, please visit Lundbeck at: www.lundbeck.com

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Financial calendar

FY 2017	7 February 2018
3M 2018	8 May 2018
6M 2018	8 August 2018
9M 2018	7 November 2018

Thank you!

Lundbeck

