



## TELECONFERENCE – Q1 2015

*6 May 2015*



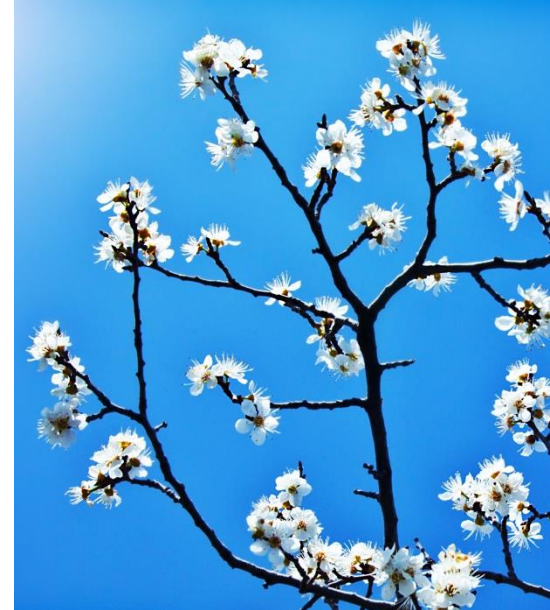
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# New CEO:

## Kåre Schultz will join Lundbeck on 20 May

1989-2015: NOVO NORDISK A/S:	
2014-2015:	President & Chief Operating Officer, Operations, Global Manufacturing & Sales
2002-2013:	Executive Vice President & Chief Operating Officer, Operations, Global Manufacturing, Sales & Marketing
Non-Executive Directorships: Royal Unibrew (Chairman), Lego	
Education: MSc Economics, University of Copenhagen, Denmark	



# Solid performance in Q1, helped by FX

## Executing on strategic growth platforms

- ★ Significant acceleration in strategic core product sales\*
- ★ **Brintellix:** Ex-US markets start to deliver
- ★ **Abilify Maintena:** Continued solid uptake
- ★ **USA:** Northera recently launched and Onfi continues fast growth
- ★ **International markets:** Strong growth in Asian and Latin American markets

## R&D investments

- ★ **Brintellix:** Phase III study initiated in Japan
- ★ **Onfi:** Study in Dravet syndrome initiated in the US
- ★ **Brexpiprazole:** Regulatory process ongoing for two indications in the US

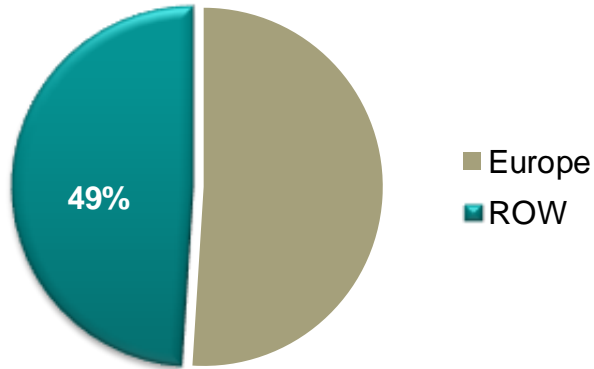
## 2015 financial guidance maintained

- ★ Appreciation of key currencies against the DKK drive positive currency effect in the quarter
- ★ 2015 impacted by patent expirations and launch investments

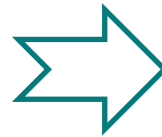
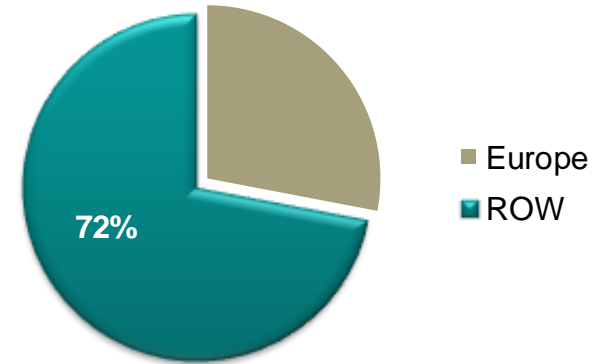


# Product and regional diversification continue

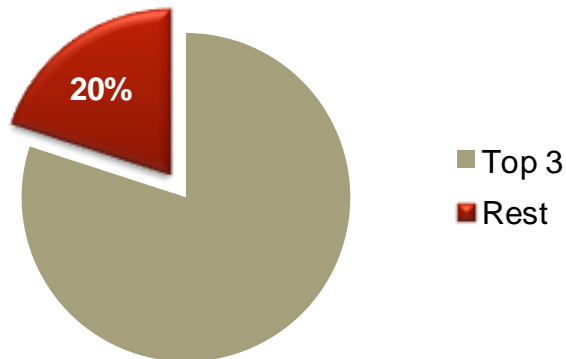
Regional sales distribution - 2011



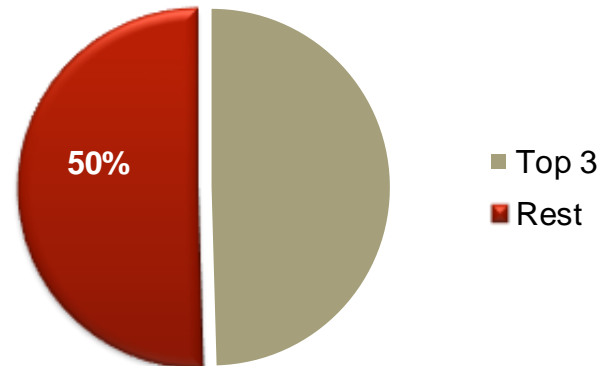
Regional sales distribution – Q1 2015



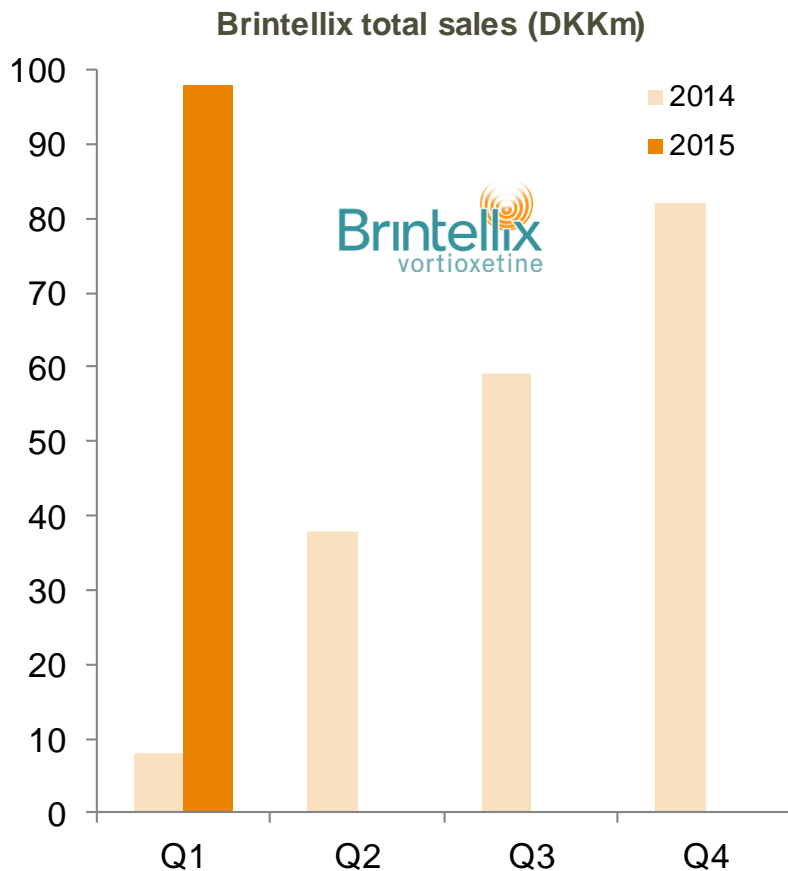
Top 3 product share - 2011



Top 3 product share – Q1 2015

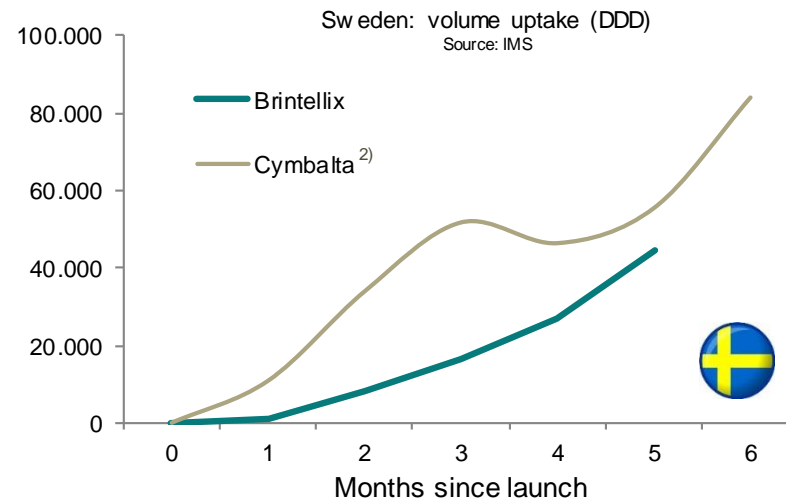
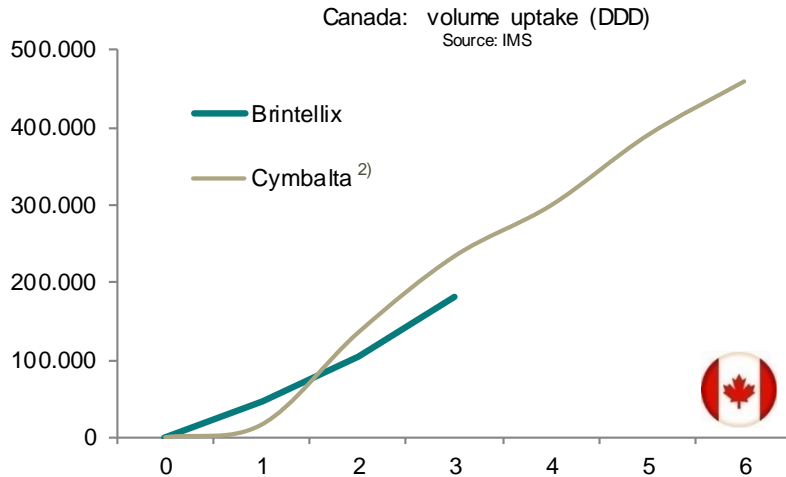


## Strategic core products – Brintellix positively impacted by ex-US launches



- ★ Brintellix sales of DKK 98 million – up 1,145%
- ★ Ex-US sales represents close to 20% of sales
- ★ Excellent product feedback from early launch markets globally
- ★ Solid sales uptake in International markets

# Physicians rate cognition as an important treatment goal



## ★ Early experience encouraging

- In International markets uptake has been comparable with previously launched antidepressants
- In Europe sales are meeting expectations

## ★ First post-launch market surveys<sup>1)</sup>

- >90% of physicians rated cognitive improvement as a very important treatment goal
- >50% of physicians rated Brintellix as highly differentiated on cognitive symptoms of depression

**Brintellix**  
vortioxetine

- 1) Among psychiatrists and PCPs who have been detailed Brintellix; percentages refer to physician ratings of 6 or 7 on 7-point scale; Lundbeck survey conducted in Canada, Denmark, Mexico, South Africa
- 2) Cymbalta includes all indications; DDD = Defined Daily Dose

# Brintellix continues to gain market share and see continued TRx growth in the US



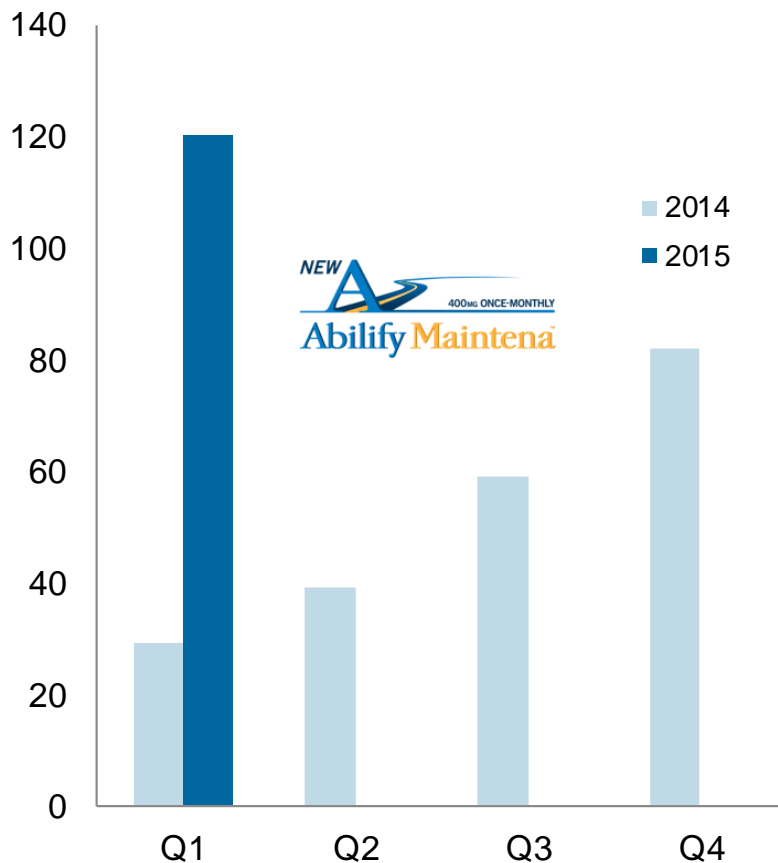
- ★ In the US, Brintellix lack support from cognitive differentiation, therefore...
- ★ ...Brintellix uptake is inferior to historic launches, but still superior to more recent introductions
- ★ Continued solid market share gains
- ★ DTC TV pilot to start in 12 US test geographies

**Brintellix**  
vortioxetine



# Strategic core products – Abilify Maintena is off to a good start in Europe

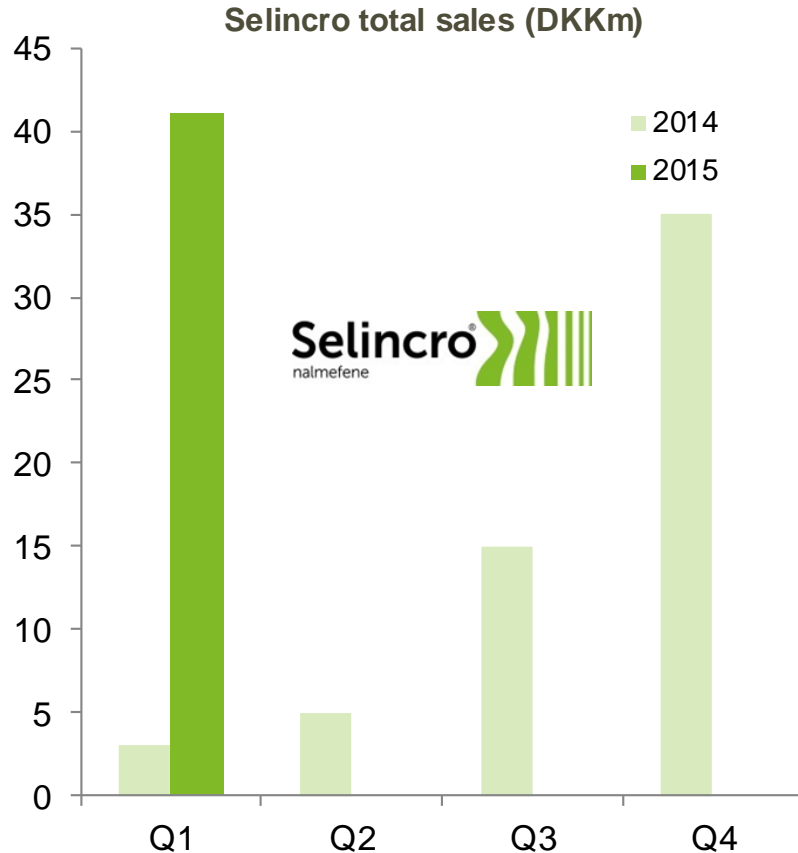
Abilify Maintena total sales (DKKm)



- ★ Sales of DKK 120m – up 311%
- ★ Strong initial launches in the Nordics, Austria, Belgium, Romania and Canada
- ★ Recent launches in France, Spain and Australia
- ★ Launch of acute data and convenience pre-filled syringe (both FDA approved)



# Strategic core products – Selincro enters core markets



- ★ Sales of DKK 41m in Q1
- ★ Still early days – less than 6 months of sales in major markets
- ★ Solid start in France – >40% of targeted GPs have started prescribing
- ★ UK – slow local implementation of NICE recommendation
- ★ Spain – focus on regional market access
- ★ Germany – pricing decision in Q2

# US neurology products up 65% reported for the quarter

## - helped by FX



Sales of DKK 390m in Q1 – up 130% reported



Sales of DKK 42m in its 2<sup>nd</sup> quarter after launch



Sales of DKK 230m – up 46% in Q1



Sales of DKK 506m – up 39% in Q1

# Satisfactory financial performance in Q1 2015

## ★ Core revenue

- ★ Strategic core products\* up 229% reported
- ★ US up 80% and exceeds DKK 1.3 billion in quarterly sales
- ★ International markets up 22%, excluding Canada
- ★ Modest decline of 1% in total in spite of strong generic competition
- ★ Positive FX effect

DKK 3.6bn

## ★ Core EBIT

- ★ Continued focus on operational and sourcing efficiencies
- ★ Increased investments in launch activities

DKK 216m

## ★ Operating cash flow

- ★ Negative development in working capital due to seasonality
- ★ Tax payment

DKK -382m

## ★ Net debt position

DKK 86m

\*Abilify Maintena, Brintellix, Northera, Onfi, Selincro

# 2015 financial guidance maintained – 2015 is a year of investments in product launches

## Financial guidance 2015 – constant exchange rates

	2015 - Forecast	2014 - Actual
Core revenue	DKK 13.2-13.7bn	DKK 13,468m
Core EBIT	DKK ~0	DKK 1.227m
EBIT	-	DKK 99m

## Revenue and profit drivers

- ★ Accelerated growth in strategic core products
- ★ Substantial investments in sales and distribution
- ★ No new acquisitions, milestones or up-front payments included in our 2015 targets

# Lundbeck invests to develop late-stage pipeline

## Key achievements:

### Brintellix

- ★ SmPC<sup>1</sup> updated in EU
- ★ Phase III study started in Japan

### Selincro

- ★ Clinical program started in Japan by Otsuka

### Brexpiprazole

- ★ Phase III study in schizophrenia published in *American Journal of Psychiatry*

## Lundbeck sponsored or co-sponsored open clinical studies

Project	No. of active studies and no. of patients to be recruited	Status
Brintellix	6 (889 pts)	Launched
Abilify Maintena	2 (352 pts)	Launched
Onfi	4 (144 pts)	Launched
Selincro	5 (1,380 pts)	Launched
Brexpiprazole	8 (3,914 pts)	Filed in the US
Idalopirdine ( <i>Alzheimer's</i> )	6 (2,552 pts)	Phase III
Lu AF35700 ( <i>psychosis</i> )	1 (24 pts)	Phase I
Lu AF11167 ( <i>psychosis</i> )	1 (20 pts)	Phase I
Lu AF20513 ( <i>Alzheimer's</i> )	1 (35 pts)	Phase I

Source: Clinicaltrials.gov. As per 29 April 2015

1) Summary of Product Characteristics



## Summary and Q&A

- ★ **Strategic core products see significant sales acceleration**
- ★ **Additional product/country launches**
- ★ **Diversification set to continue**