



INVESTOR & ANALYST PRESENTATION

Winter 2017



Company disclaimer

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.

Lundbeck undertakes no duty to update forward-looking statements.

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.



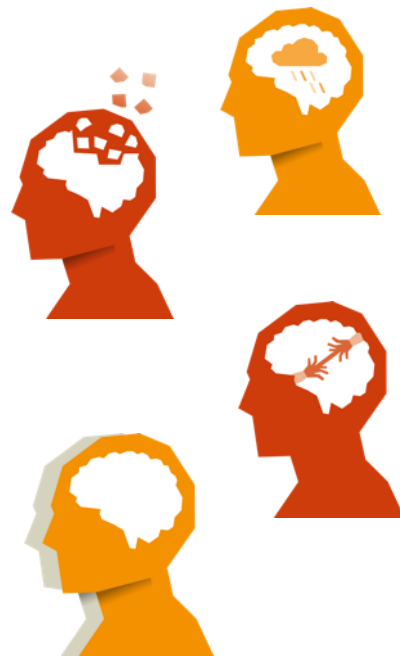
Lundbeck – who are we?

- ★ Danish based, global pharmaceutical company. Founded in 1915
- ★ Research facilities in Denmark and China. Production sites in Denmark, France and Italy
- ★ Pursuing category leadership in four disease categories in CNS
- ★ Innovative treatments for patients in diseases with high unmet medical needs
- ★ Experienced management team and long history as CNS specialists
- ★ 2017 financial guidance:
 - ★ Revenue: DKK 16.3-17.1bn and EBIT: DKK 3.4-3.8bn
- ★ Market cap: DKK ~60bn (USD ~8.5bn)
- ★ ~5,000 employees

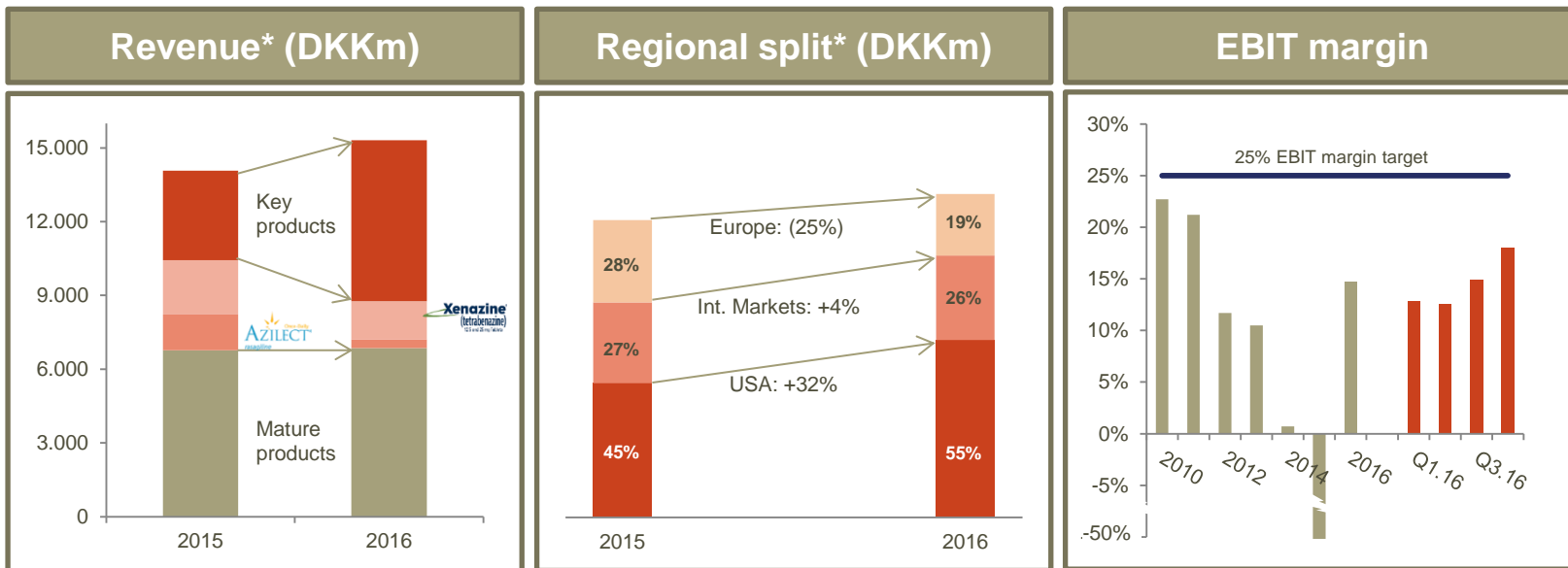


2016 achievements – Continued delivery on our strategy

- ★ Total revenue increased by **7%** to DKK **15.6** billion
- ★ Key products grew **79%** to DKK 6.5 billion representing **42%** of revenue
- ★ EBIT increased to DKK **2.3** billion and EBIT margin significantly improved to **14.7%**
- ★ Net cash improved by DKK **2.5** billion
- ★ Lundbeck expects revenue of DKK **16.3-17.1** billion and EBIT of DKK **3.4-3.8** billion for 2017
- ★ Proposed dividend of DKK 2.45 per share for 2016 and payout ratio raised from 30-40% to **60-80%** of net profit from 2017



Delivering high performance with revenue of DKK 15.6 billion (+7%) and EBIT margin significantly improved



*) Excluding Other revenue

Lundbeck's key products reached DKK 6.5 billion in 2016 - up 79% y/y



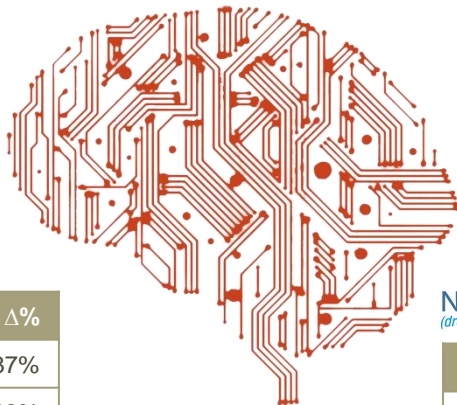
	DKKm	Δ%
FY2016	826	608%
Q4.2016	271	362%



	DKKm	Δ%
FY2016	2,409	37%
Q4.2016	636	23%



	DKKm	Δ%
FY2016	1,114	67%
Q4.2016	309	47%

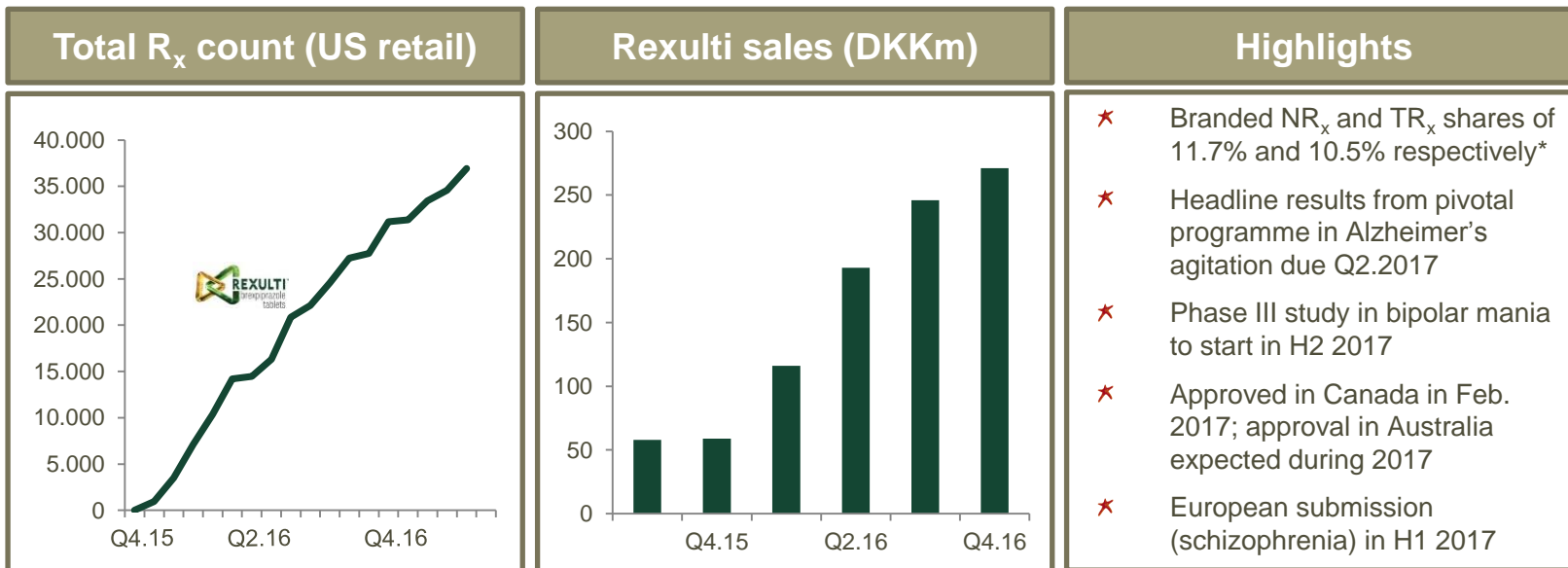


	DKKm	Δ%
FY2016	1,105	76%
Q4.2016	332	57%



	DKKm	Δ%
FY2016	1,087	129%
Q4.2016	313	62%

Rexulti continues the solid momentum

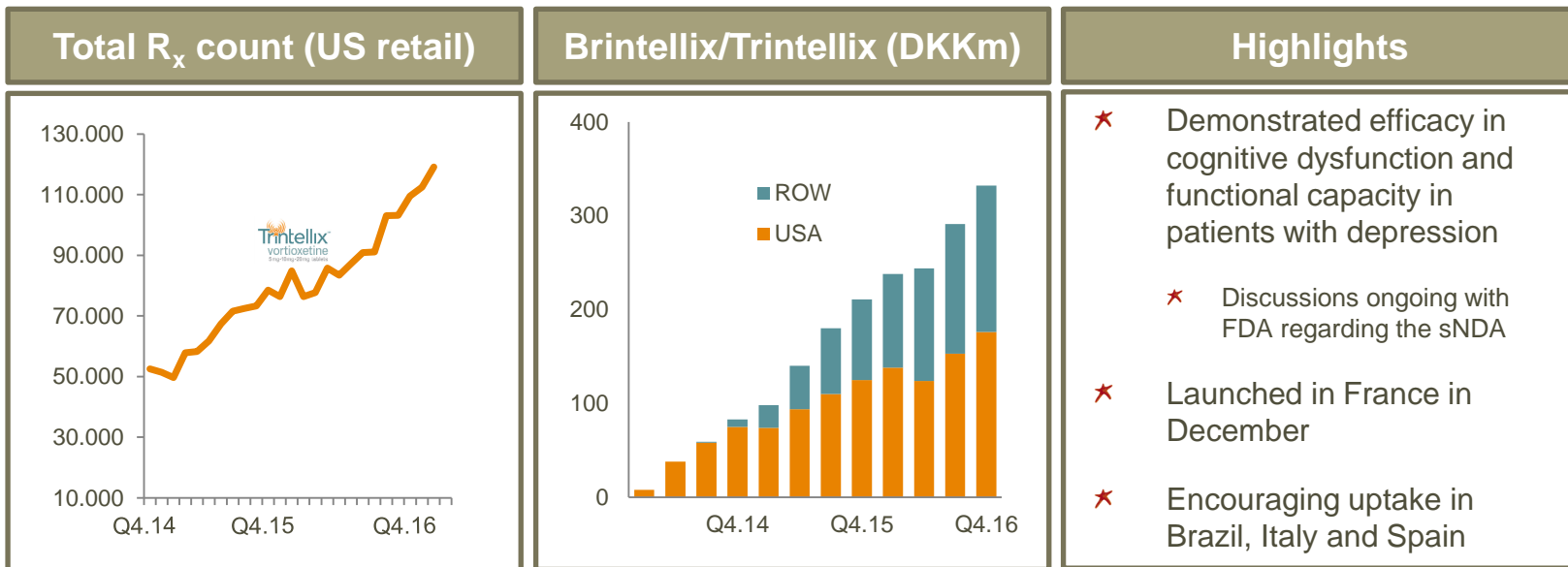


Source: Bloomberg (monthly data ending 12/2016)

Lundbeck's share of revenue

*) Week ending 13 January 2017

Strengthened momentum for Brintellix/Trintellix

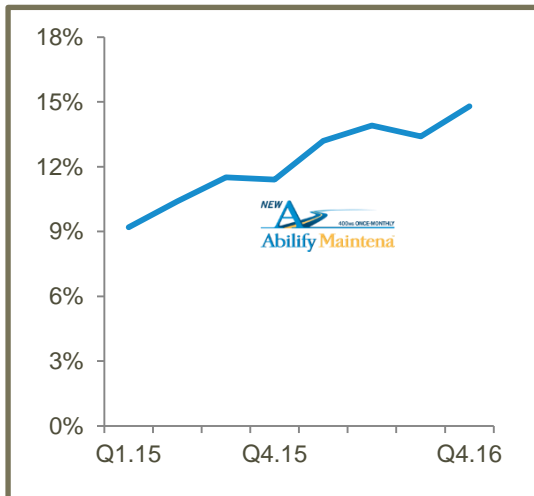


Source: Bloomberg (monthly data ending 12/2016)

Strong growth driven by volume growth and market share gains

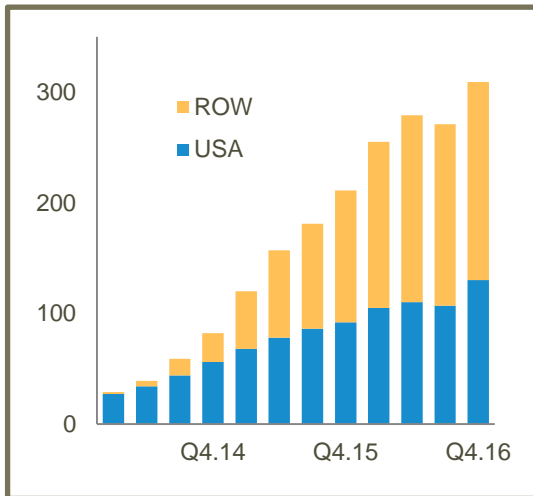


Share of total market^{*)}



^{*)} Quarterly reports from Lundbeck, Otsuka, Alkermes and Johnson & Johnson

Abilify Maintena (DKKm)

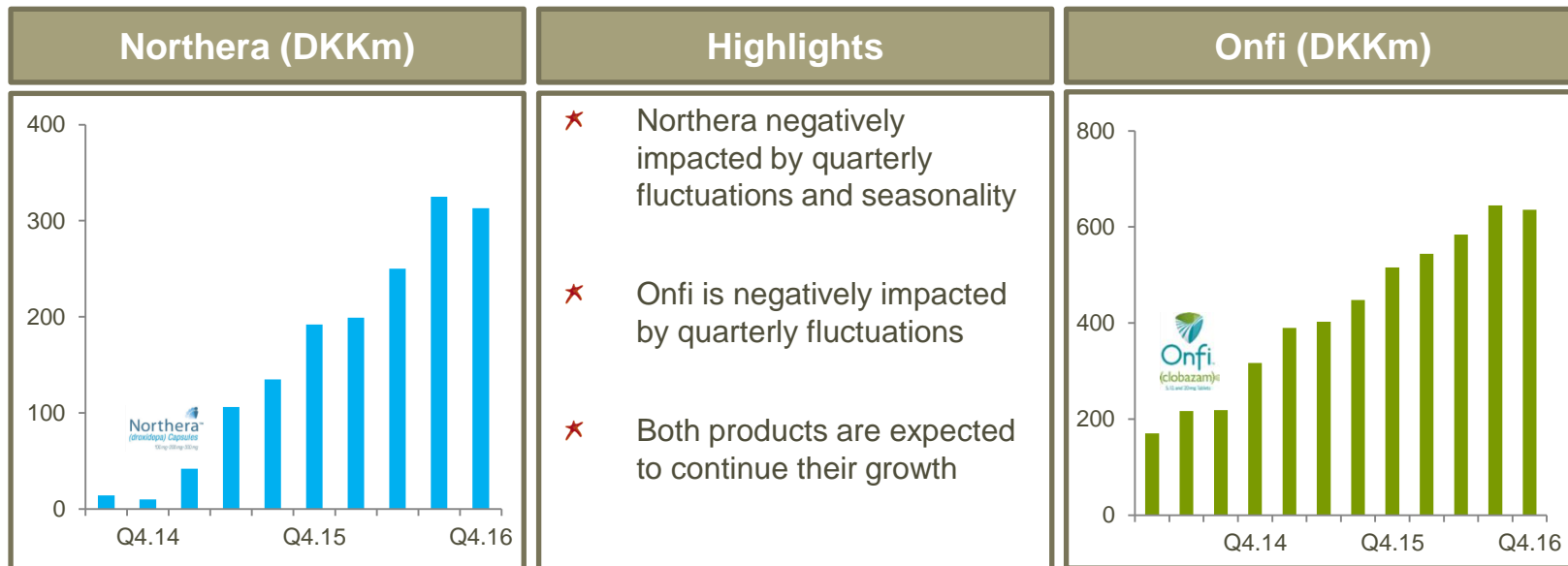


Lundbeck's share of revenue

Highlights

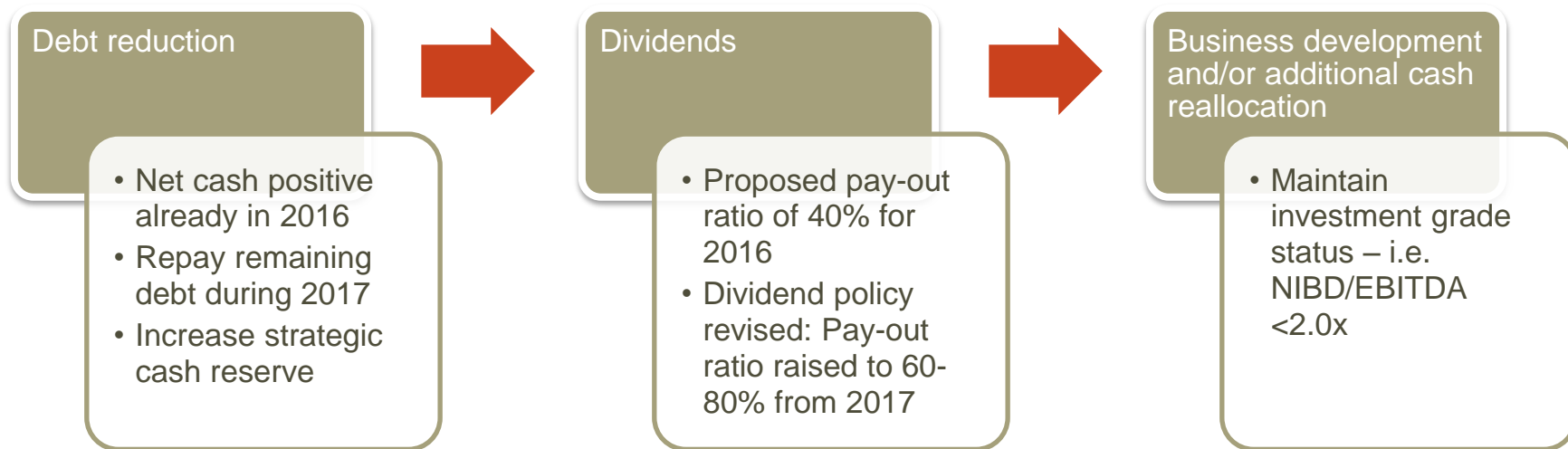
- ✧ Total LAI antipsychotic market was USD ~3.7bn in 2016^{*)}
- ✧ Y/Y growth of 17%
- ✧ Bipolar disorder sNDA submitted December 2016
- ✧ PDUFA: 28 July 2017
- ✧ 10-20% value market share (LAI retail) in most markets

Onfi and Northera – two fast-growing US products



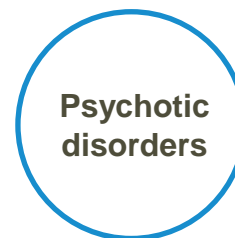
Cash flow priorities: Increasing dividends linked to long-term performance

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

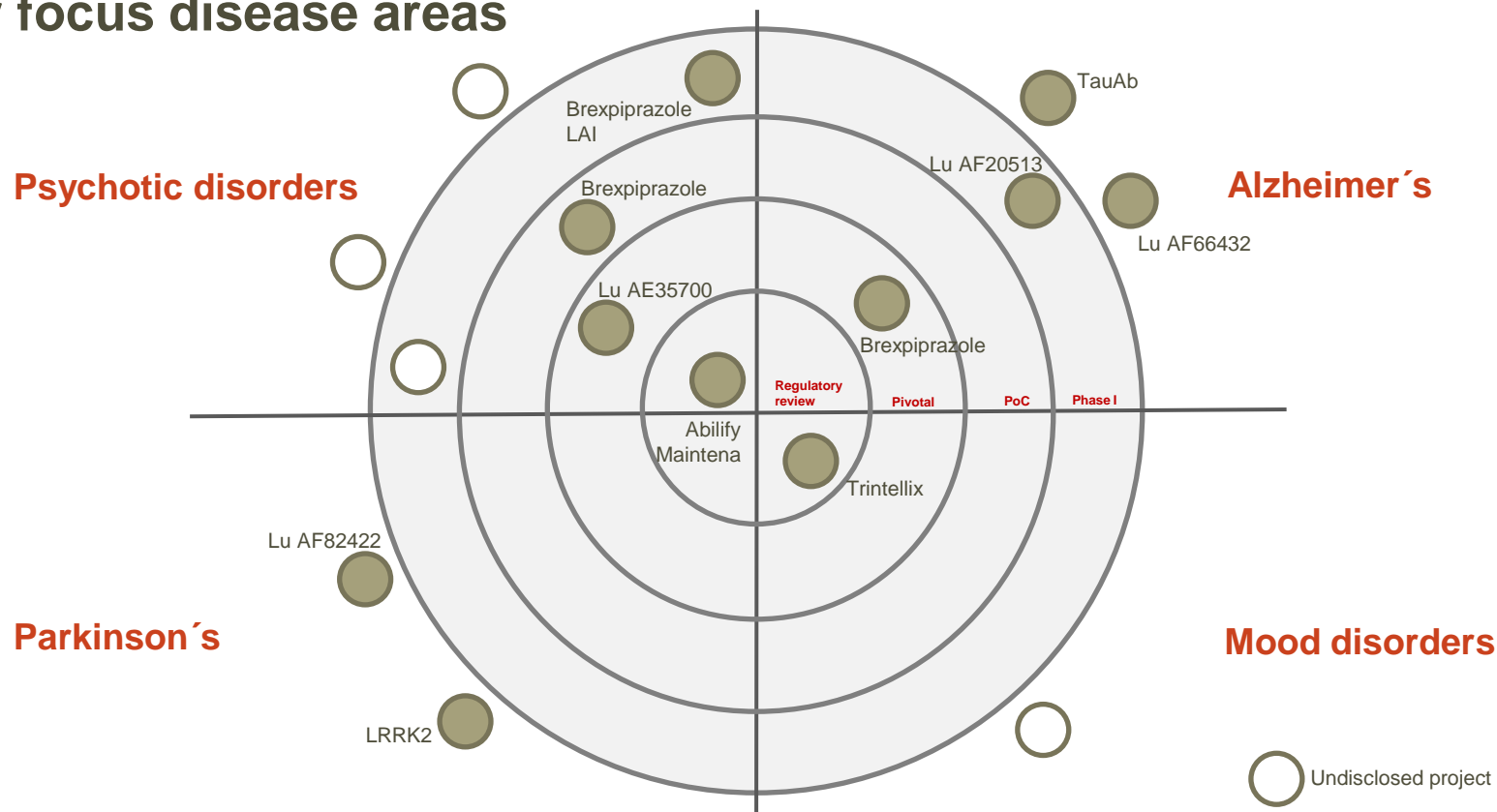


R&D in Lundbeck

Innovation focused across four key disease areas



Growth opportunities arise from R&D pipeline across Lundbeck's four focus disease areas

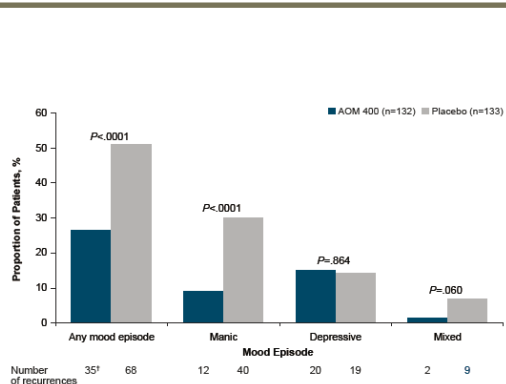


Abilify Maintena has demonstrated efficacy in the maintenance treatment of Bipolar I disorder

Bipolar I disorder (BP-I)

- ★ BP-I is a chronic illness characterized by periodic, acute episodes of depressive and/or manic symptoms
- ★ A common cause of relapse in BP-I is poor treatment adherence
- ★ ~50% of patients being partially adherent or non-adherent to their treatment regimens
- ★ Bipolar I disorder affects ~1% of the population in the US

Proportion of patients with recurrence of any mood episode



Study outcome

- ★ AOM 400 demonstrated a significant delay in time to recurrence of mood episodes and maintained stability
- ★ The safety profile of AOM 400 in BP-I was consistent with that of daily oral aripiprazole
- ★ Results suggest that AOM 400 is a viable option for maintenance treatment in BP-I and its once-monthly administration could potentially lead to improved adherence

Aripiprazole once-monthly 400 mg (AOM 400)

NCT01567527 (Start: Aug. 2012); NCT01710709 (Start: Nov. 2012)

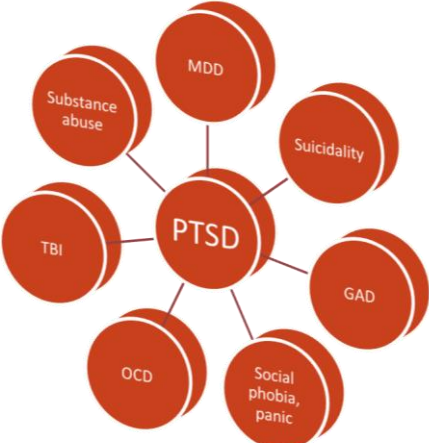
Joseph R. Calabrese et al.: "Efficacy and Safety of Aripiprazole Once-Monthly in the Maintenance Treatment of Bipolar I Disorder: A Double-Blind, Placebo-Controlled, Randomized Withdrawal Study". ACNP2016 (Poster T116)

Brexpiprazole in pivotal programme in Alzheimer's agitation



The condition	The studies		Clinical programme
<ul style="list-style-type: none"> ★ >20% of individuals in a community setting and >50% of nursing home residents with dementia have agitation ★ >1.5m dementia patients in the US with agitation / aggression ★ Agitation in Alzheimer's is associated with increased caregiver burden, decreased functioning and earlier nursing home placement 	Study #1 (12 weeks) <u>(NCT01922258)</u> ~230 patients 0.5-2 mg (flexible dose) Study start: June 2013	Study #2 (12 weeks) <u>(NCT01862640)</u> ~420 patients 1 mg and 2 mg Study start: July 2013	<ul style="list-style-type: none"> ★ Target population: Institutionalized or non-institutionalized setting ★ Primary outcome: Change in the Cohen-Mansfield Agitation Inventory (CMAI) total score ★ Phase III commenced in July 2013 and headline results due Q2.2017 ★ Fast Track Designation granted February 2016

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 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^{#)}

^{*)} NCT03033069

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

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>.

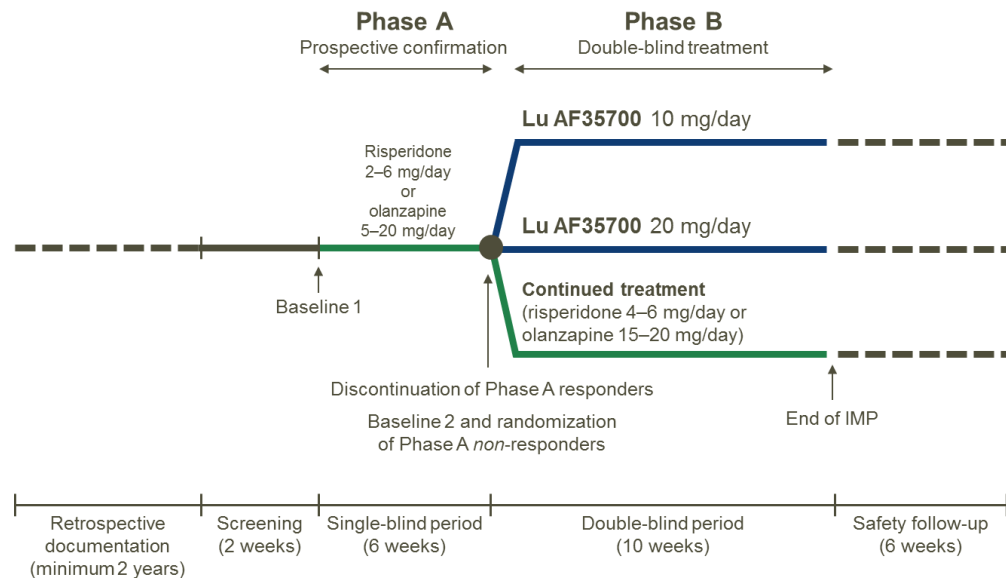
Lu AF35700 offers significant potential in Treatment Resistant Schizophrenia

The condition	Lu AF35700	Clinical programme
<ul style="list-style-type: none">★ 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★ Around 1/3 of schizophrenia patients are treatment resistant	<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 schizophrenia*)★ The first study in the pivotal programme commenced in March 2016 and long-term safety study started in August 2016** 

*) Clinicaltrials.gov identifier: NCT02202226

**) NCT02892422

Lu AF35700 study set-up in first study in pivotal programme in Treatment Resistant Schizophrenia



Clinical programme

- ★ Oral, once daily
- ★ Approximately 1,000 patients
- ★ Expected completion by 2018

Primary endpoint

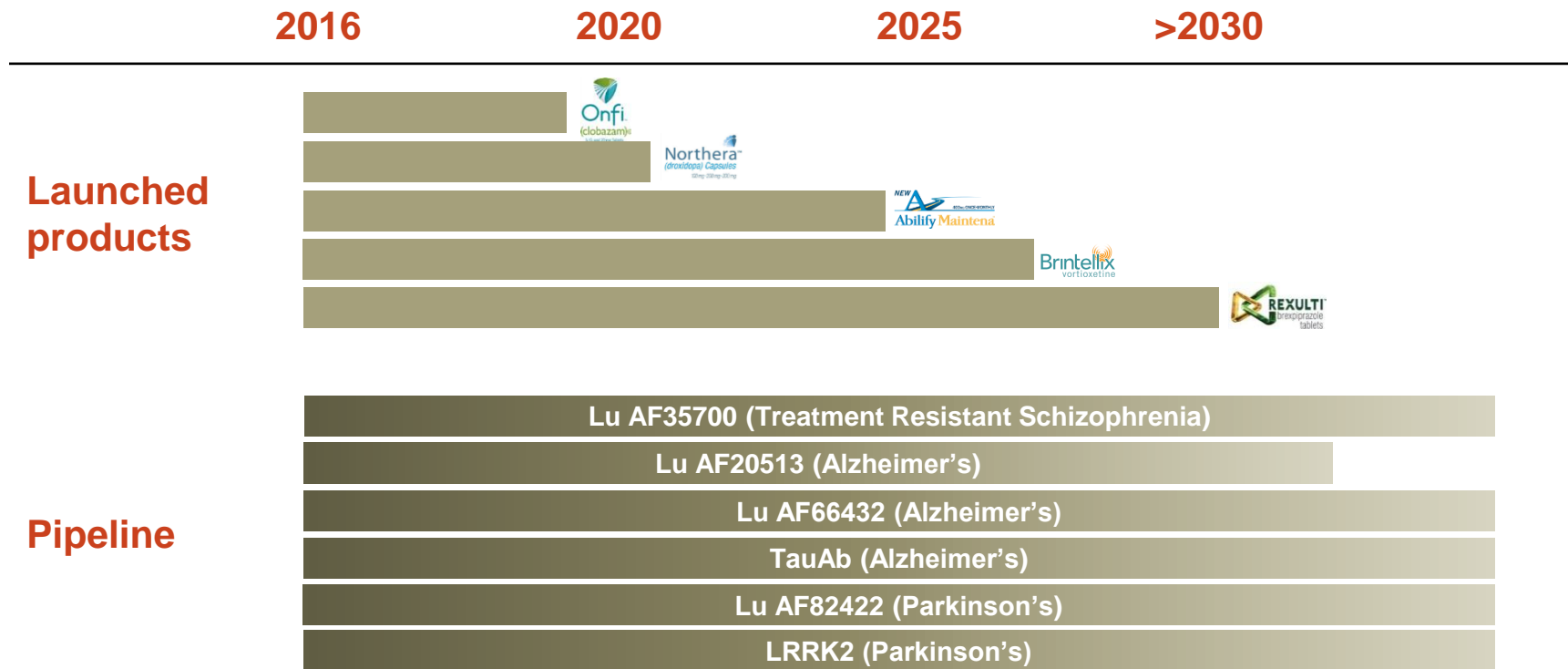
- ★ Change in PANSS total score

Secondary endpoints

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

Clinicaltrials.gov ID: NCT02717195

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

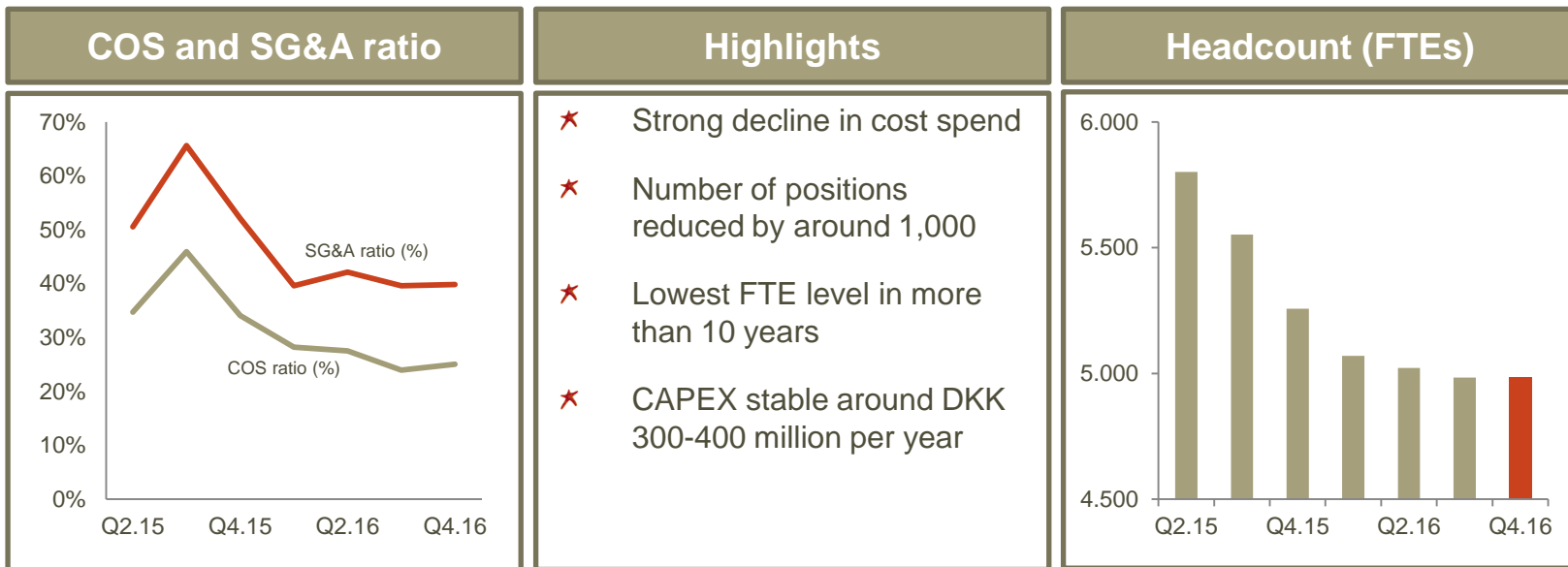


Financial results – FY2016 and Q4 2016

Strong improvement in both gross and EBIT margin

FY2016	FY2015	Δ%	DKKm	Q4 2016	Q4 2015	Δ%
15,634	14,594	+7%	Revenue	4,165	3,733	+12%
73.9%	63.0%	+17%	Gross margin	75.0%	66.0%	+14%
2,292	(6,816)	-	EBIT	751	(432)	-
14.7%	(46.7%)	-	EBIT margin	18%	(11.6%)	-
3,477	847	+311%	Core EBIT	1,014	73	+1,289%
1,211	(5,694)	-	Net profit	473	(448)	-
6.14	(28.96)	-	EPS	2.40	(2.27)	-

Reduced headcounts and OPEX in general combined with stable CAPEX ensures...

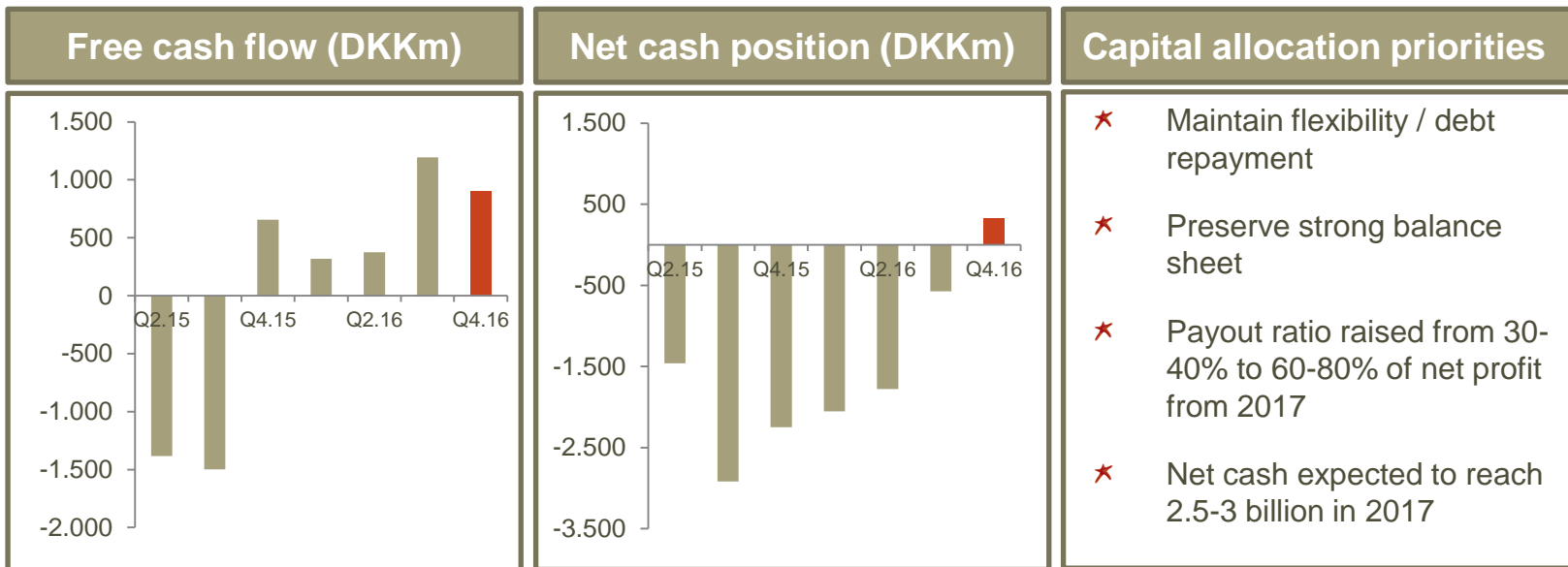


...strong improvement in Lundbeck's cash flow

Net cash position improved by DKK 2.5 billion to DKK +326 million

FY2016	FY2015	Δ%	DKKm	Q4 2016	Q4 2015	Δ%
3,126	197	1,487%	Operating cash flow	1,033	763	35%
2,789	(2,645)	-	Free cash flow	900	655	37%
783	(2,144)	-	Net cash flow	412	169	144%
2,200	1,504	46%	Cash	2,200	1,504	46%
326	(2,249)	-	Net interest-bearing debt	326	(2,249)	-
(0.1)	10.7	-	Net debt/EBITDA ratio	(0.3)	12.2	-

Mid-term capital allocation priorities: Preserve strong balance sheet and raise dividends



In 2017, Lundbeck will achieve an all-time-high revenue and EBIT

2017 financial guidance

DKKbn	2016	2017e	~Δ%
Revenue	15.6	16.3-17.1	+4-9%
EBIT	2.3	3.4-3.8	+48-66%
EBIT margin	14.7%	~20-23%	-

Assumptions

- ★ 2017 will be impacted by additional generic erosion but also continued growth of key products
- ★ No acquisitions, divestitures, milestones or up-front payments included in the income statement
- ★ Unchanged currencies

Key priorities

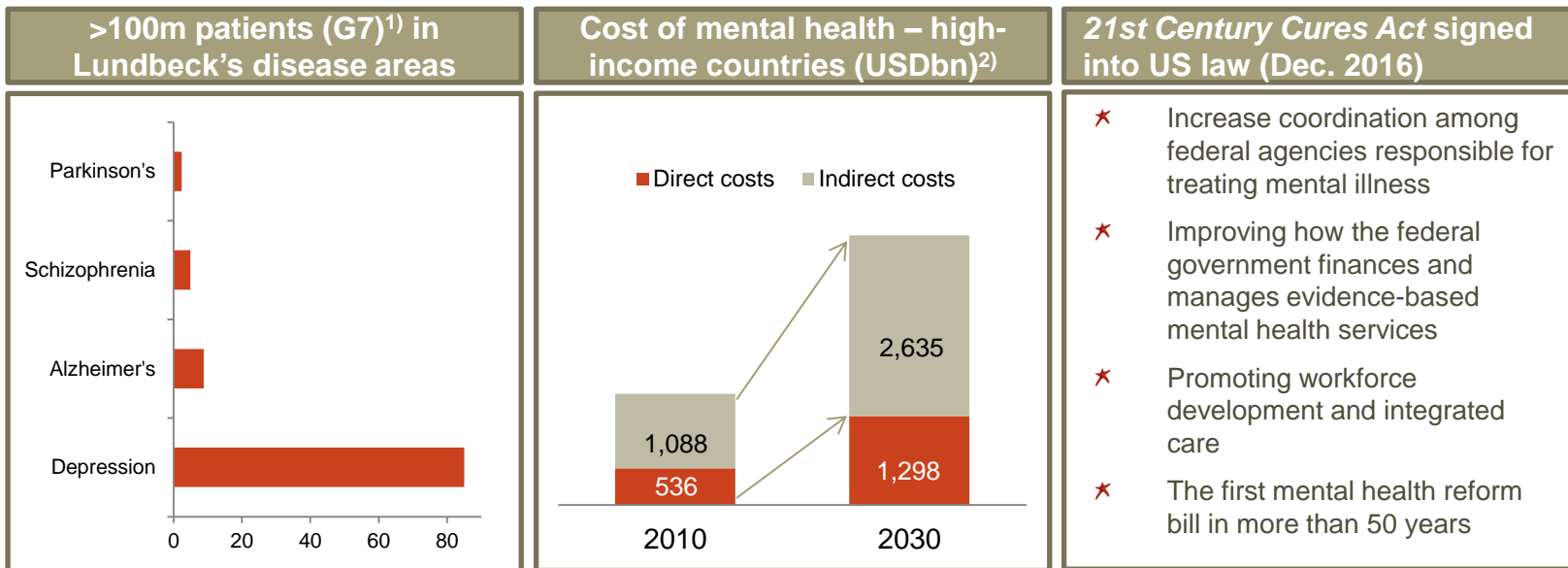
- ★ Sustain sales **momentum** of key products
- ★ Realize full **benefits** from restructuring programme
- ★ Deliver on **innovation**
- ★ **Cash** reallocation



PATIENTS
FOCUSED
PASSIONATE
RESPONSIBLE
INNOVATION
LEADERSHIP
PROFITABILITY
ORGANIZATION

DEPRESSION
ALZHEIMER'S
SCHIZOPHRENIA
PARKINSON'S
GLOBAL

Huge disease burden from mental health provides need for new medicines



1) Decision Resource.

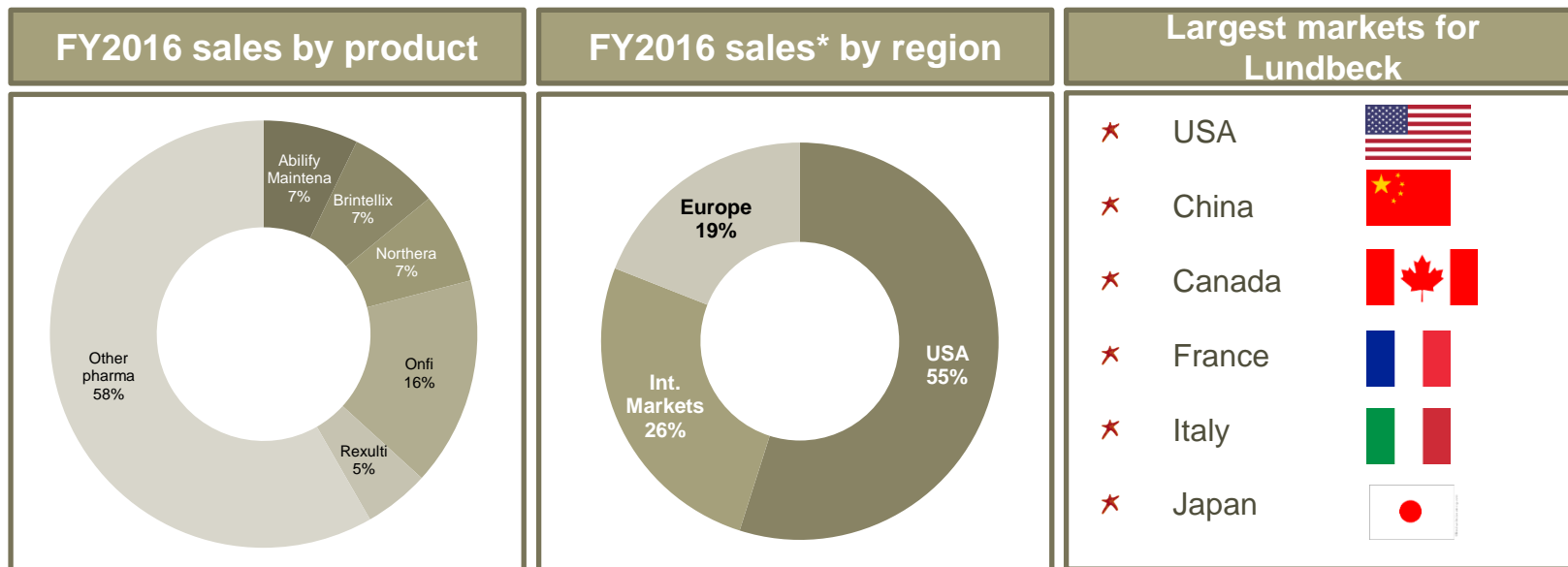
2) The Global Economic Burden of Non-communicable Diseases - A report by the World Economic Forum and the Harvard School of Public Health

2015 - CNS market overview

	Market size (2015)				Unmet medical needs	Market leaders (2015)	
	Value USDbn	Value Growth	Volume Growth	# of patients*		Compound	Share value
Total pharma	945	+1%	+2%	-	-	-	-
Total CNS	134	-3%	+1%	-	-	-	-
Anti-Alzheimer's (N7D)	5.3	-14%	+3%	>7 million	<ul style="list-style-type: none"> • Disease modifying treatment • Disease slowing agents • Improved symptomatic treatments • Longer lasting symptomatic treatments 	1. Memantine 2. Rivastigmine 3. Donepezil 4. Galantamine	50% 23% 21% 6%
Anti-depressants (N6A)	13.2	-15%	+5%	~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	16% 10% 10% 9%
Anti-Parkinson's (N4A)	4.0	-10%	+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.Rasagiline 2.Levodopa 3.Pramipexole 4.Rotigotine	16% 14% 14% 10%
Anti-psychotics (N5A)	21.5	-7%	+3%	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.Olanzapine	35% 14% 10% 9%

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

Lundbeck is a global, CNS-focused pharmaceutical company



*) Excluding Other revenue

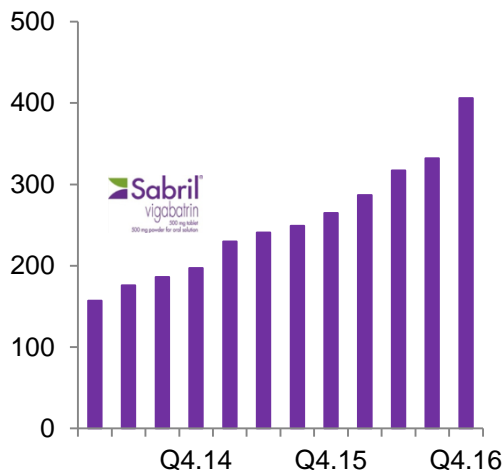
Sabril launched in Q3 2009 and reached DKK 1,342 million - up 36% in 2016



Refractory complex partial seizures (rCPS)

- ★ ~1 million patients in the US suffer from CPS
 - ★ 30-36% of patients are refractory
- ★ Poorly controlled by current therapies
- ★ Uncontrolled seizures has ~40x higher risk of inflicting mortality

Sabril (DKKm)



Infantile spasms (IS)

- ★ ~2,500 patients/year in the US with IS
- ★ Serious disease with substantial unmet medical need
 - ★ 70-90% suffers from mental retardation, mortality of around 5%

Our path to category leadership

Current products

Pipeline

Mood disorders



Research projects

Psychotic Disorders



LCM projects

Lu AF35700

Research projects

Alzheimer's



Brexpiprazole

Lu AF66432

Lu AF20513

TauAb

Parkinson's



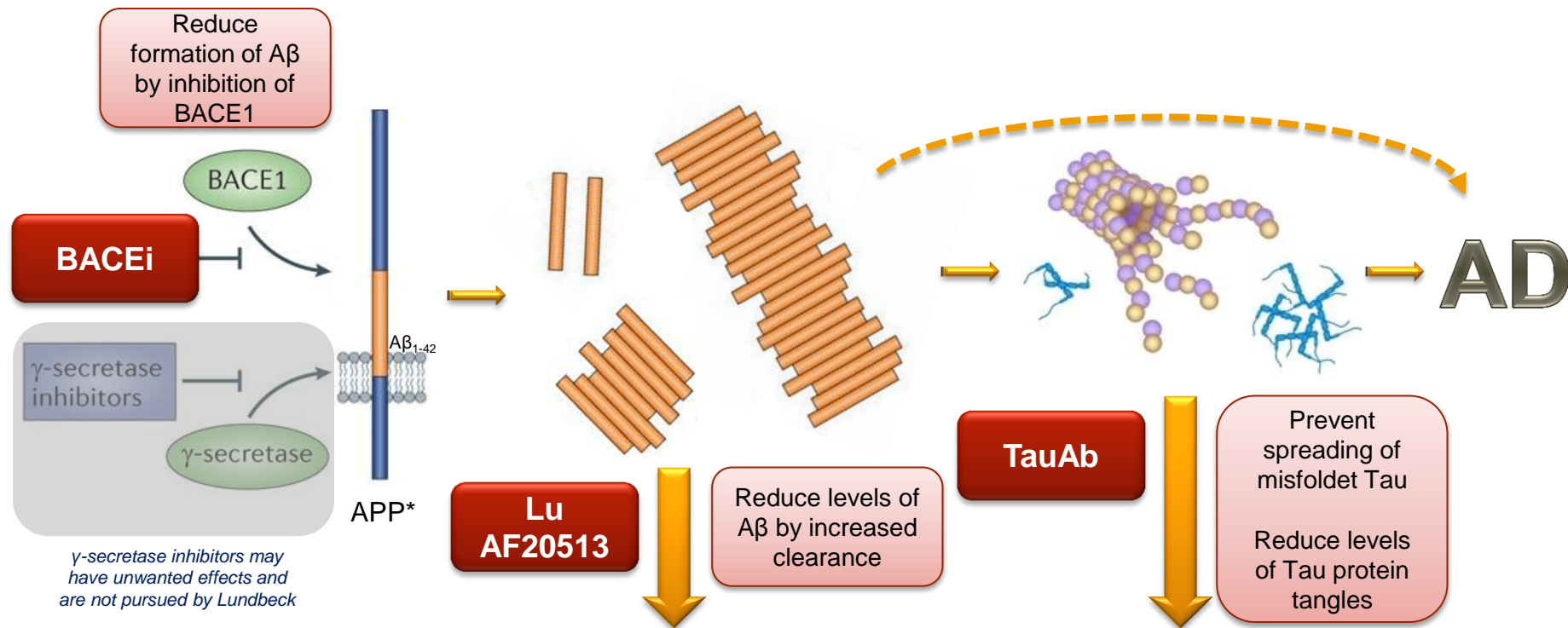
Lu AF82422

LRRK2

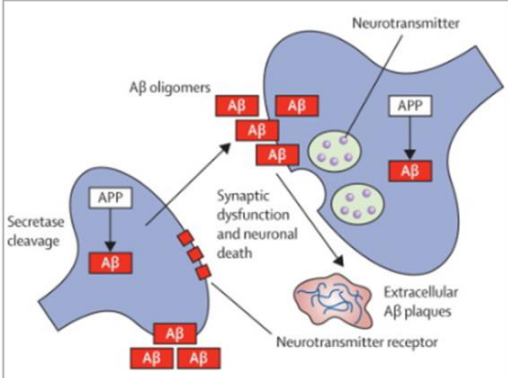
Lundbeck in Alzheimer's disease



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



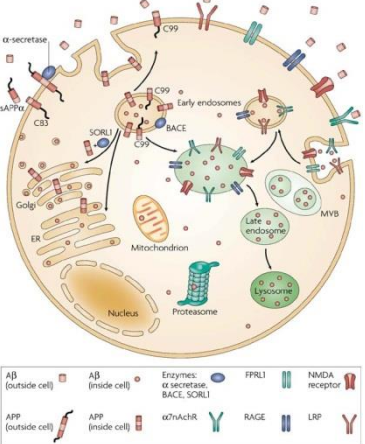
Lu AF20513 – an active therapeutic vaccine against β -amyloid

Phase I study		Study design ¹⁾
<p><u>Wanted from study</u></p> <ul style="list-style-type: none">★ Low level of ARIA-E and ARIA-H²⁾★ No meningo-encephalitis★ High antibody responder rate★ Fast antibody response (< 6 months)★ High affinity Aβ specific antibodies (for CNS clearance) <p><u>Not wanted from study</u></p> <ul style="list-style-type: none">★ Aβ specific T-cells★ High IgM over IgG ratio★ Very low responder rate		<ul style="list-style-type: none">★ 35 patients from centres in Europe★ Patients with mild Alzheimer's (MMSE 19-26)★ Four injections of Lu AF20513 <p><u>Purpose:</u></p> <ul style="list-style-type: none">★ Evaluate safety and tolerability★ Measure Aβ-specific antibody titer★ Phase I commenced in Q1 2015. Expected completion: mid-2017

1) NCT02388152

2) Amyloid Related Imaging Abnormalities (ARIA): ARIA-E refers to the MR signal alterations thought to represent vasogenic edema (VE) and related extravasated fluid phenomena. ARIA-H refers to the MR signal alterations on attributable to microhemorrhages (mH) and hemosiderosis

BACE-1 inhibition – to stop the production of β -amyloid, aimed at slowing the disease progression

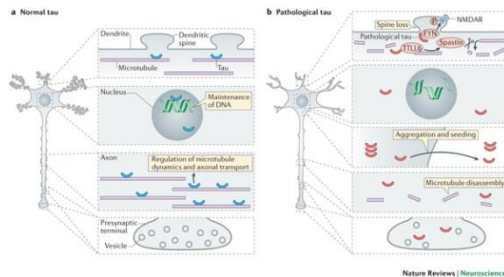
BACE ¹⁾		Lu AF66432
<ul style="list-style-type: none"> ★ BACE was identified in 1999²⁾ ★ Enzyme that initiates the production of the Alzheimer's associated peptide Aβ 	 <p>The diagram illustrates the cellular pathways of amyloid precursor protein (APP) and its associated components. APP is shown being cleaved by α-secretase (sAPPα) and β-secretase (BACE) to produce Aβ peptides. The diagram also shows the Golgi apparatus, ER, Mitochondrion, Nucleus, Proteasome, and various receptors like C99, C9, and sAPPα. A legend at the bottom identifies symbols for Aβ (outside/inside cell), APP (outside/inside cell), α7nAChR, and various enzymes and receptors.</p>	<ul style="list-style-type: none"> ★ NCE targeting inhibition of BACE1 enzyme ★ Disease modifying treatment that fits well with Lundbeck's Alzheimer's portfolio ★ FHD in preparation for start in H2 2017

1) β -amyloid precursor protein site cleaving enzyme (BACE). 2) Vassar, R. *et al.* b-secretase cleavage of Alzheimer's amyloid precursor protein by the transmembrane aspartic protease BACE. *Science* **286**, 735–741 (1999) . Nature Reviews Neuroscience 8, 499-509 (July 2007)

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



TauAb

- ★ Tau aggregation inhibition for the treatment of Alzheimer's
- ★ FHD in preparation with expected start in 2018

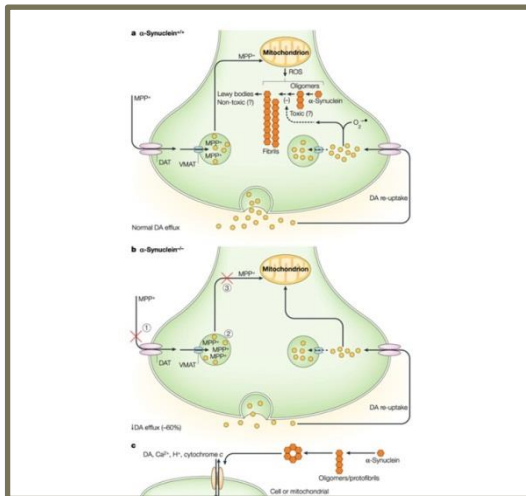
Lundbeck in Parkinson's disease



Alpha-synuclein – a potential therapeutic Parkinson's vaccine

α -synuclein

- ★ A role for α -synuclein in PD 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



Lu AF82422

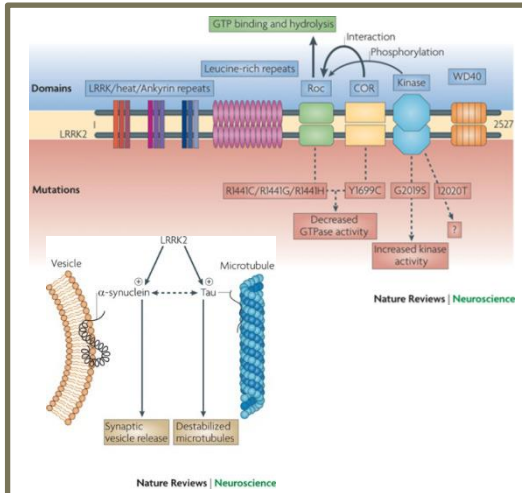
- ★ Collaboration with Genmab entered in 2010
- ★ Clearance of pathological α -synuclein via antibody – objective to delay disease progression in symptomatic PD
- ★ A treatment that could slow or stop Parkinson's progression
- ★ FHD in preparation to start in 2018



The role of leucine-rich repeat kinase 2 (LRRK2) or dardarin in Parkinson's

LRRK2

- ★ Discovered in 2004
- ★ Inhibition of LRRK2 kinase to delay disease progression in early stage PD with focus on genetic identified patients
- ★ LRRK2 is widely expressed in many organs and tissues including the brain
- ★ LRRK2 might act upstream of α -synuclein and its aggregation in Lewy bodies



Drug discovery collaborations

- ★ In December 2010, Lundbeck signed agreements with Zenobia Therapeutics and Vernalis plc
- ★ Lundbeck utilizes Zenobia's expertise in protein expression and x-ray crystallography for the LRRK2 target
- ★ The Vernalis agreement focus on a drug discovery collaboration utilising Vernalis' fragment and structure-based drug discovery platform

Mark R. Cookson; The Lancet Neurology; December 2010, vol. 11. Nature Reviews Neuroscience 11, 791-797 (December 2010)



Finance & other



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



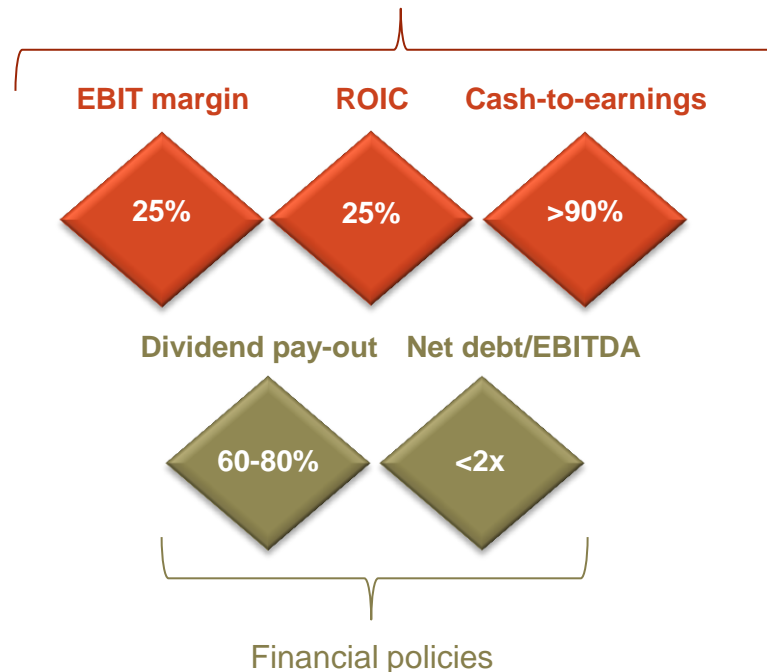
Selincro for Japan added to the alliance in October 2013

Financial targets

Achievements on targets in 2016 vs. 2015

	2016	2015
EBIT margin	14.7%	(46.7%)
ROIC	13.2%	(45.4%)
Cash-to-Earnings	230.3%	N/A
Dividend Pay-out	40%	0%
Net debt/EBITDA	(0.1x)	10.7x

Targets within the 2018-2020 period



FY2016 and Q4 2016 - Product distribution of revenue

DKK M	FY2016	FY2015	Q4 2016	Q4 2015	Growth	Growth in local currencies	% of total
TOTAL:							
Abilify Maintena	1,114	669	309	211	47%	47%	7%
Azilect	343	1,457	69	359	(81%)	(81%)	2%
Brintellix/Trintellix	1,105	629	332	211	57%	57%	8%
Cipralex	2,518	2,591	610	572	7%	6%	15%
Northera	1,087	475	313	192	62%	62%	7%
Onfi	2,409	1,757	636	516	23%	21%	15%
Rexulti	826	117	271	59	362%	360%	7%
Sabril	1,342	985	406	265	53%	52%	10%
Xenazine	1,571	2,201	390	542	(28%)	(30%)	9%
Other pharmaceuticals	2,994	3,195	751	702	8%	9%	18%
Other revenue	325	518	78	104	(25%)	(26%)	2%
Total revenue	15,634	14,594	4,165	3,733	12%	11%	100%

FY2016 and Q4 2016 - Geographic distribution of revenue - 1



DKKm	FY2016	FY2015	Q4 2016	Q4 2015	Growth	Growth in local currency	% of total
USA:							
Abilify Maintena	452	324	130	92	43%	43%	6%
Trintellix	591	403	176	125	41%	35%	7%
Northera	1,087	475	313	192	62%	62%	13%
Onfi	2,409	1,757	636	516	23%	21%	27%
Rexulti	826	117	271	59	362%	360%	12%
Sabril	1,342	985	406	265	53%	52%	17%
Xenazine	1,557	2,182	387	539	(28%)	(30%)	16%
Other pharmaceuticals	140	110	50	15	249%	239%	2%
Total revenue	8,404	6,353	2,369	1,803	31%	29%	100%

FY2016 and Q4 2016 - Geographic distribution of revenue - 2

DKKm	FY2016	FY2015	Q4 2016	Q4 2015	Growth	Growth in local currencies	% of total
EUROPE:							
Abilify Maintena	508	281	133	96	39%	41%	19%
Brintellix	220	105	67	46	45%	61%	9%
Cipralex	760	893	185	196	(5%)	(6%)	26%
Other pharmaceuticals	1,424	2,617	328	634	(48%)	(48%)	46%
Total revenue	2,912	3,896	713	972	(27%)	(25%)	100%
INTERNATIONAL MARKETS:							
Abilify Maintena	154	64	46	23	96%	90%	5%
Azilect	120	175	34	45	(25%)	(27%)	3%
Brintellix	294	121	89	40	121%	121%	9%
Cipralex/Lexapro	1,758	1,698	425	376	13%	12%	42%
Ebixa	490	576	112	128	(14%)	(10%)	11%
Other pharmaceuticals	1,177	1,193	299	242	25%	26%	30%
Total revenue	3,993	3,827	1,005	854	18%	18%	100%

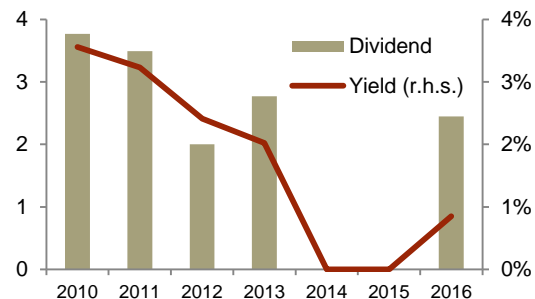
FY2016 and Q4 2016 - Cash generation

DKKm		FY2016	FY2015	Q4 2016	Q4 2015
Cash flows from operating activities		3,126	197	1,033	763
Cash flows from investing activities		(337)	(2,842)	(133)	(108)
Cash flows from operating and investing activities		2,789	(2,645)	900	655
Cash flows from financing activities		(2,006)	501	(488)	(486)
Net cash flow for the period		783	(2,144)	412	169
Cash, bank balances and securities, end of period		2,217	1,521	2,217	1,521
Interest-bearing debt		(1,891)	(3,770)	(1,891)	(3,770)
Interest-bearing debt, cash, bank balances and securities, net end of period		326	(2,249)	326	(2,249)

FY2016 - Balance sheet and dividend

DKKm	31.12.2016	31.12.2015
Intangible assets	8,839	9,794
Other non-current assets	3,847	3,871
Current assets	7,524	7,660
Assets	20,210	21,325
Equity	9,694	8,785
Non-current liabilities	2,740	4,792
Current liabilities	7,776	7,748
Equity and liabilities	20,210	21,325
Cash and bank balances	2,200	1,504
Securities	17	17
Interest-bearing debt	(1,891)	(3,770)
Interest-bearing debt, cash, bank balances and securities, net end of period	326	(2,249)

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 is 60-80%

**Based on the share price of DKK 287.3

Costs - annual 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 of around DKK 7bn. 2) Writedown of desmoteplase of DKK 309m

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

Contact information

Palle Holm Olesen

VP; Head of Investor Relations

Mobile: +45 30 83 24 26

palo@lundbeck.com or polesen3@bloomberg.net

Financial calendar

Annual General Meeting	30 March 2017
Q1 2017	10 May 2017
Q2 2017	9 August 2017
Q3 2017	8 November 2017

Thank you!

Lundbeck

