



TELECONFERENCE – 9M 2017

8 November 2017



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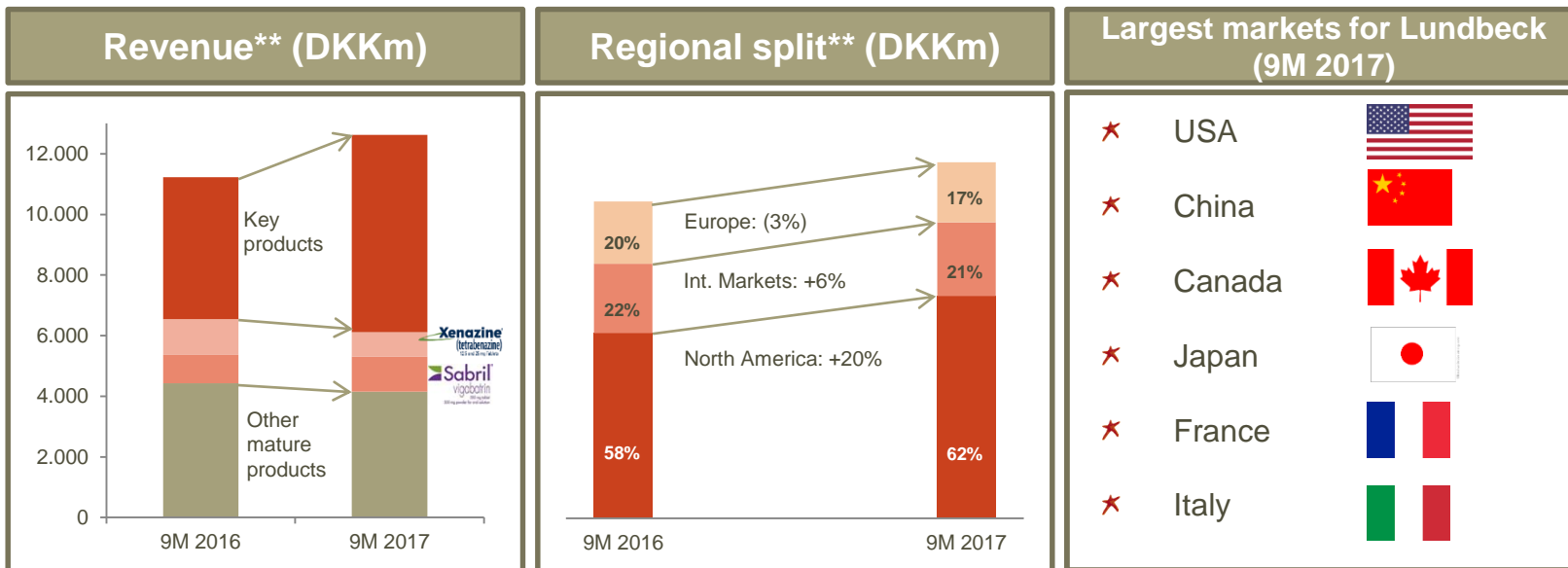


The strong operational performance continues for the first nine months of 2017

- ★ 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



**) Excluding Other revenue

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



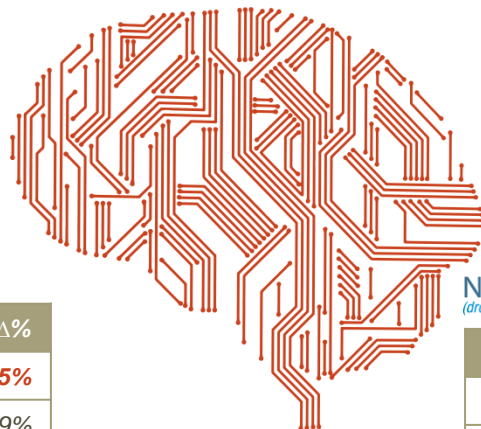
	DKKm	Δ%
9M 2017	911	64%
Q3 2017	337	38%



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



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

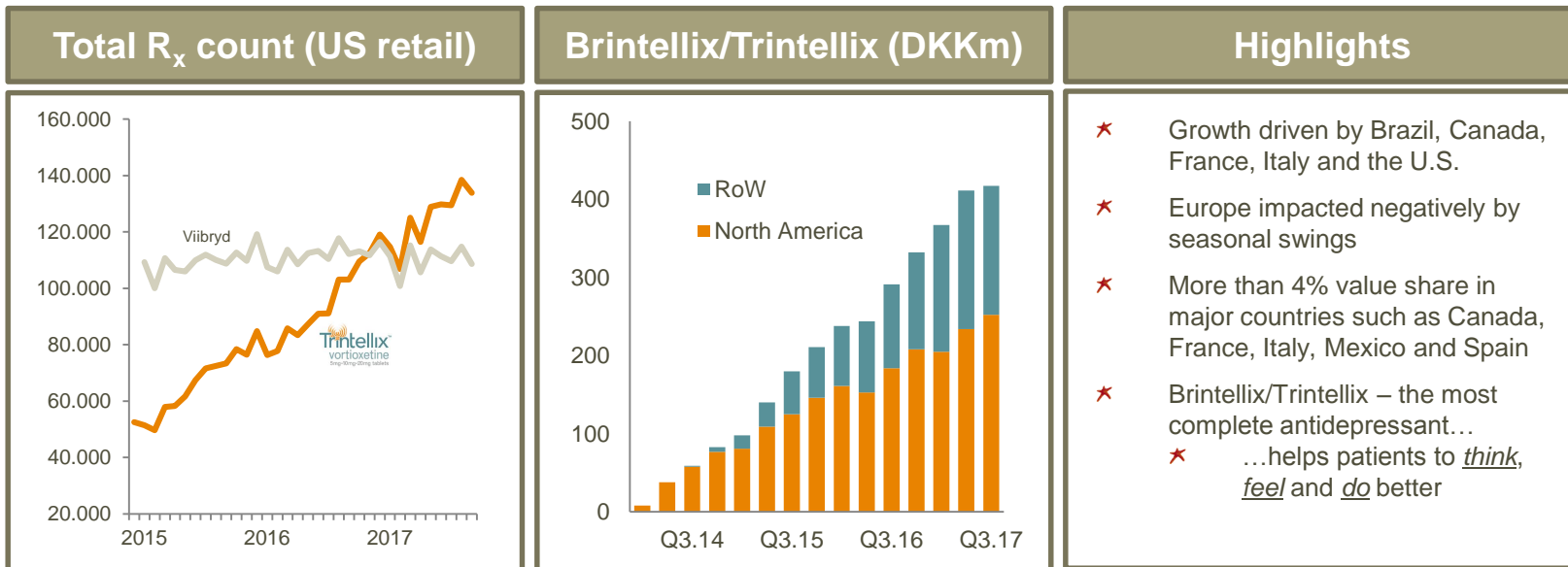


	DKKm	Δ%
9M 2017	1,195	55%
Q3 2017	417	43%



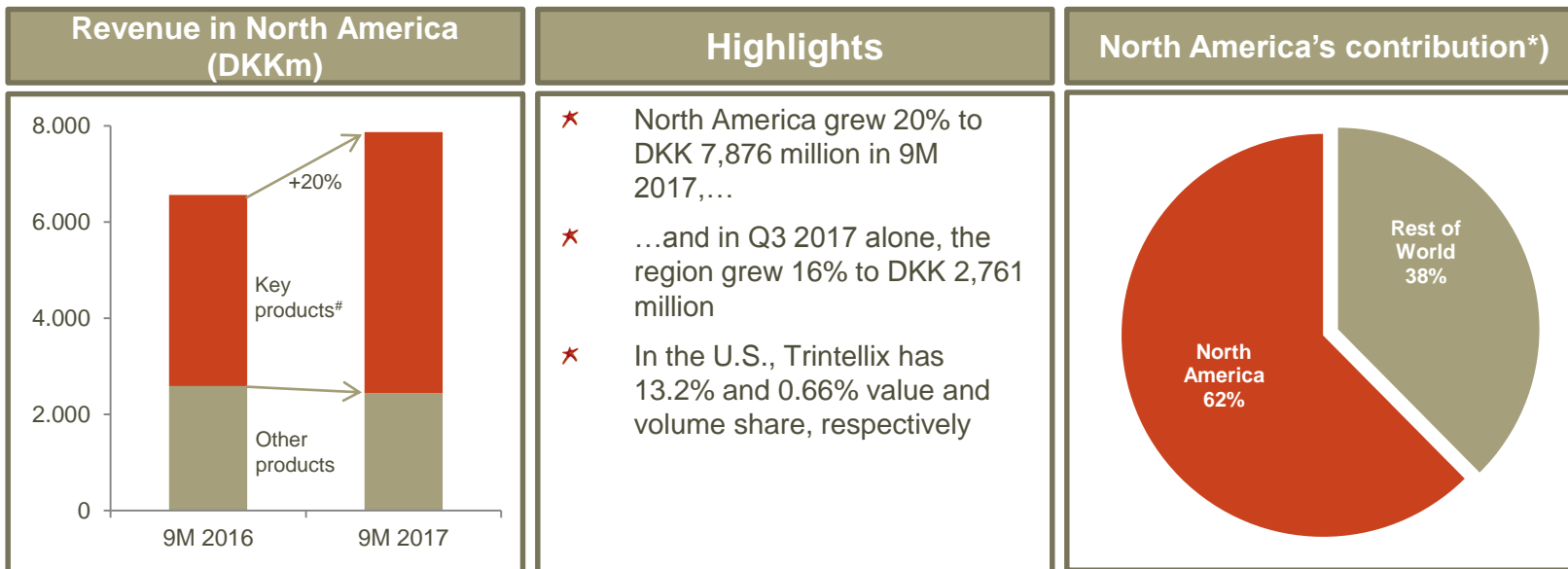
	DKKm	Δ%
9M 2017	1,188	54%
Q3 2017	472	45%

Brintellix/Trintellix grew 55% to DKK 1,195 million in 9M 2017



Source: Bloomberg (monthly data ending 9/2017)

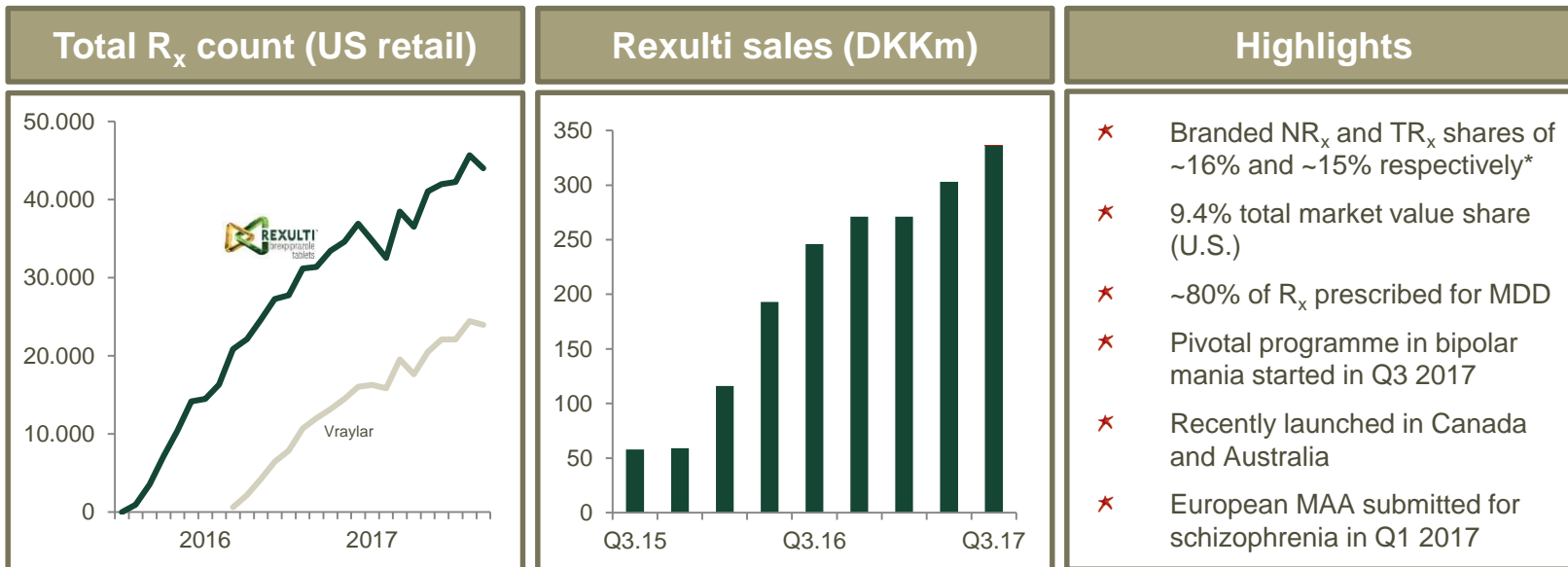
North America grew 20% driven by key products



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

*) Excluding Other revenue

Rexulti grew 64% to DKK 911 million in 9M 2017



Source: Bloomberg (monthly data ending 9/2017)

Lundbeck's share of revenue

*) Week ending 13 October 2017

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

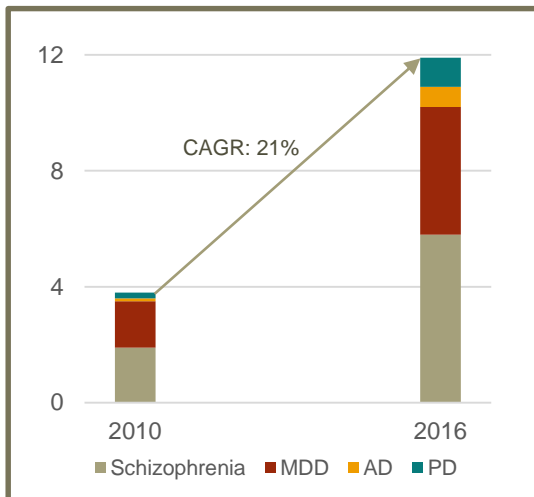


#) Abilify Maintena, Brintellix and Rexulti

*) Excluding Other revenue

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

Market value of key therapeutic categories (CNYbn)

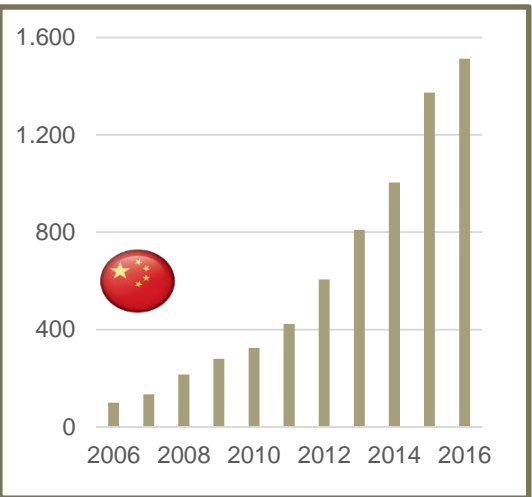


Source: IMS

Highlights

- ★ Attractive market opportunity driven by social and demographic trends and increasing awareness
- ★ Lundbeck's four disease categories reached CNY 12bn in sales (2016)
- ★ Strong footprint for growth that enable Lundbeck to launch future products on its own
- ★ Azilect recently launched and Brintellix is expected in 2018

Strong growth for Lundbeck China (Index 2006=100)



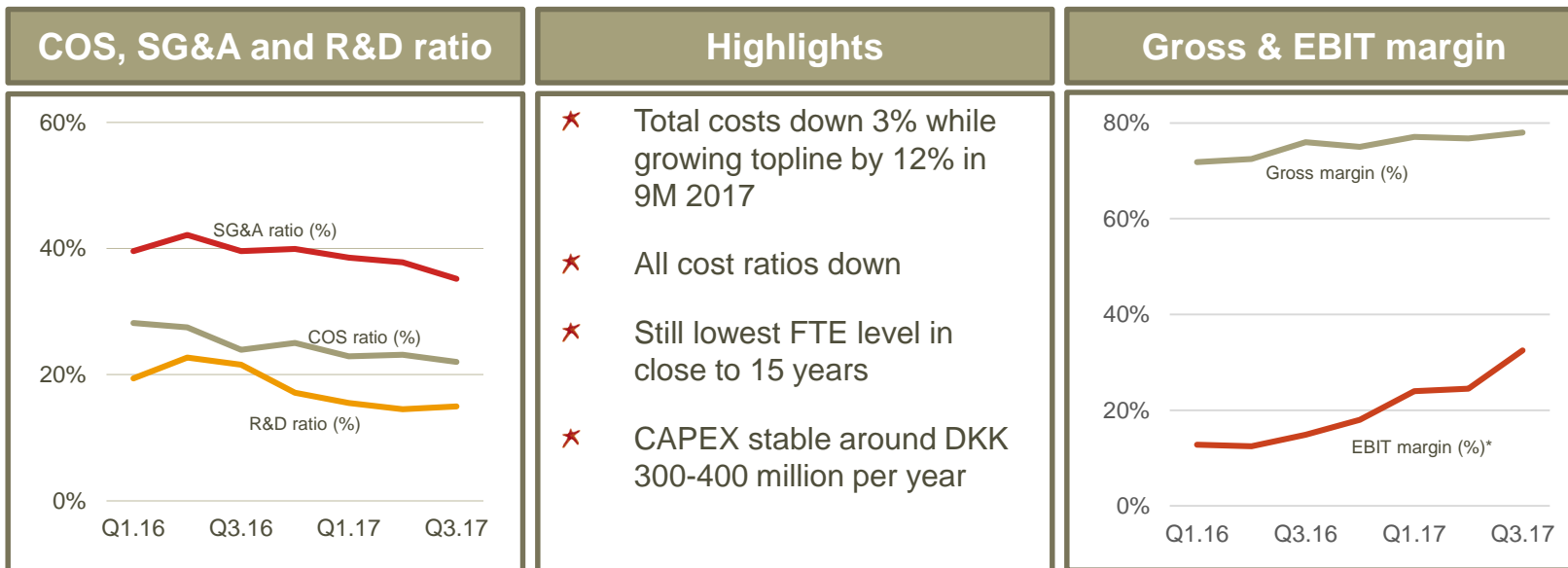
Europe is improving – excluding Azilect, Europe is up around 2%



#) Ability Maintena and Brintellix

*) Excluding Other revenue

Continued focus on cost discipline



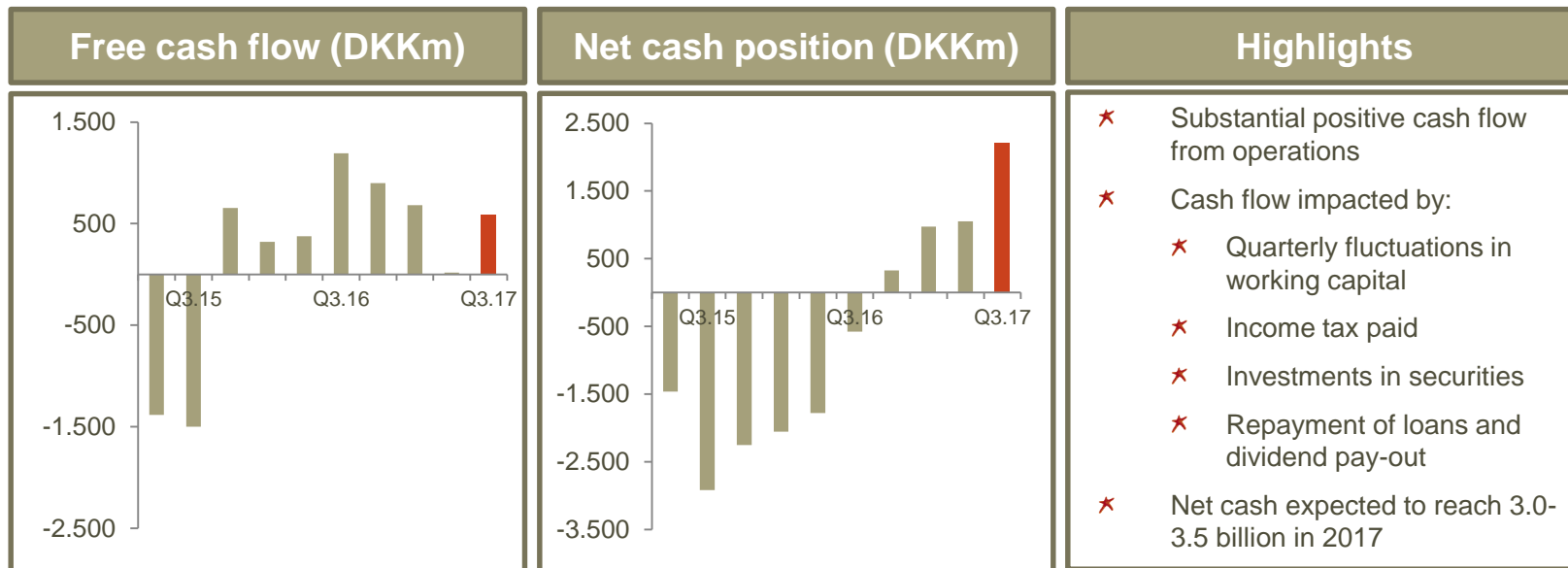
*) A gain of DKK 242 million from divestiture of properties in Denmark and the U.S. is included in EBIT (recognized as Other operating income in 2017)

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



Lundbeck 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

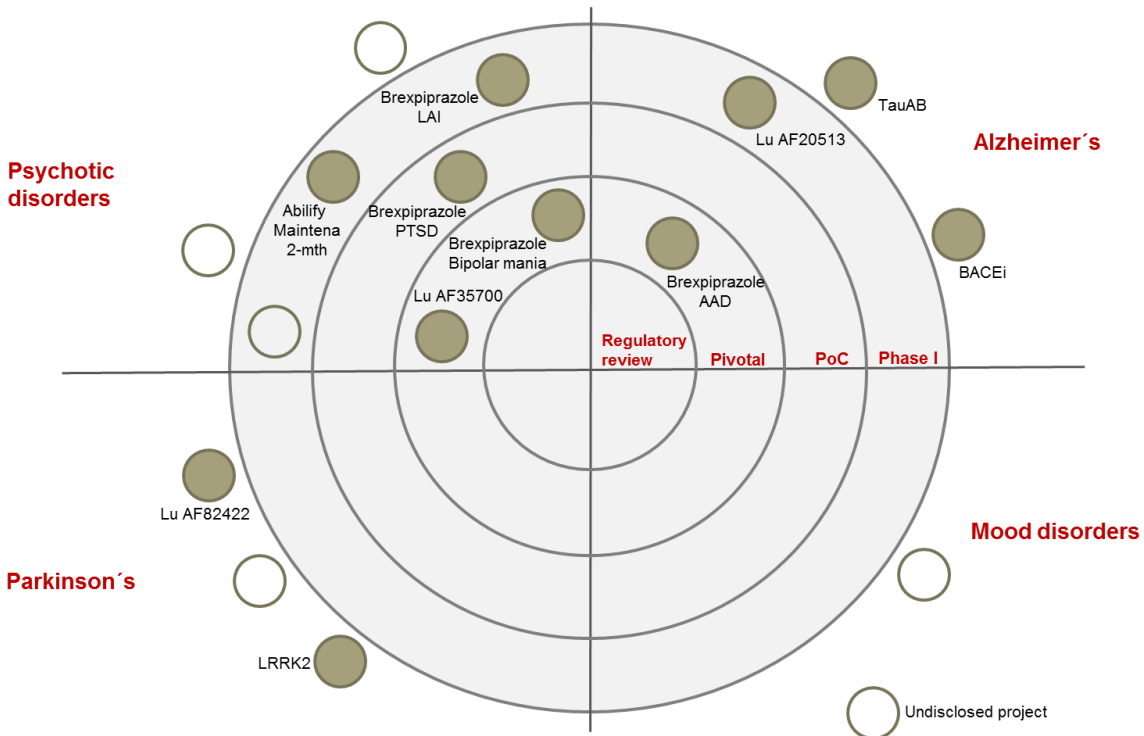
- ★ 2017 will be impacted by additional generic erosion but also continued growth of key products
- ★ EBIT guidance for 2017 includes DKK 242 million from divestiture of properties recognized as Other operating income
- ★ No additional one-off income and/or expenses
- ★ Unchanged currencies from beginning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

Continued progression in our R&D pipeline

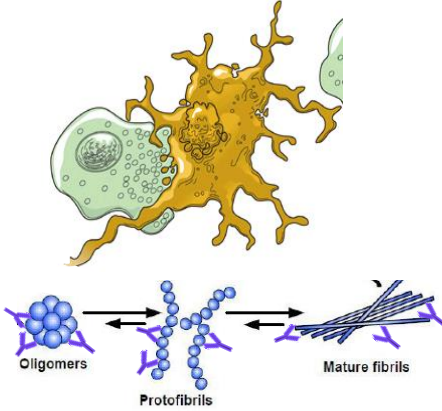
Highlights

- ★ 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



Lu AF20513 – an active therapeutic vaccine against β -amyloid

Lu AF20513		Study design ¹⁾
<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 AD 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 amyloid cascade hypothesis. At the top, a neuron is shown with amyloid plaques. Below, a diagram shows the progression of β-amyloid from oligomers to protofibrils to mature fibrils. The oligomers are represented by blue spheres, the protofibrils by blue chains, and the mature fibrils by blue bundles. Arrows indicate the progression from oligomers to protofibrils and from protofibrils to mature fibrils.</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

1) NCT02388152

Thank you!

Lundbeck

