INVESTOR KIT – Q1 2017

Q1 2017 Financial report .....

Investor Presentation .....

H. Lundbeck A/S
Investor Relations

Ottiliavej 9
DK-2500 Valby
Copenhagen

Tel+45 36 30 13 11
Fax+45 36 43 82 62
www.lundbeck.com

CVR-nr.
56759913

Financial report for the period 1 January to 31 March 2017

2017 guidance raised based on strong revenue growth and improved profitability

HIGHLIGHTS

- Revenue reached DKK 4,211 million in the first quarter of 2017 representing an increase of 12% compared to the same period last year
  - Revenue in North America increased by 21% to DKK 2,437 million (21% in local currency)
  - Revenue in International Markets increased by 6% to DKK 991 million (3% in local currencies)
  - Revenue in Europe decreased by 5% to DKK 709 million (6% decline in local currencies)
- Revenue from key products grew 46% (46% in local currencies) to DKK 1,980 million in the period representing 47% of total revenue
  - Revenue of Abilify Maintena® increased by 22% to DKK 312 million (23% in local currencies)
  - Revenue of Brintellix®/Trintellix® increased by 54% to DKK 367 million (49% in local currencies)
  - Revenue of Northera® increased by 70% to DKK 340 million (73% in local currency)
  - Revenue of Onfi® increased by 27% to DKK 690 million (27% in local currency)
  - Revenue of Rexulti® increased by 133% to DKK 271 million (136% in local currency)
- EBIT improved significantly reaching DKK 1,011 million from DKK 483 million in 2016 and the EBIT margin reached 24.0% compared to an EBIT margin of 12.8% the year before
- EPS grew more than 200% in the quarter to DKK 2.98 compared to DKK 0.94 in 2016
- The free cash flow reached DKK 681 million compared to a free cash flow of DKK 320 million last year. The net cash position has further improved to DKK 975 million compared to net debt of DKK 2,052 million at the end of the first quarter of 2016
- Following the solid sales performance for products such as Sabril®, Lundbeck now expects revenue to reach DKK 16.5-17.3 billion and profit from operations (EBIT) to reach DKK 3.6-4.0 billion for 2017 compared to previously DKK 16.3-17.1 billion and DKK 3.4-3.8 billion, respectively. The potential gain from the divestiture of properties announced 5 May 2017 is not included in the revised financial guidance
- Brexpiprazole demonstrates improvement of agitation symptoms related to Alzheimer's-type dementia following treatment with brexpiprazole relative to placebo

In connection with the financial report, Lundbeck's President and CEO, Kåre Schultz said:
"Lundbeck is off to a strong start in 2017 by delivering double-digit revenue growth and more than doubling earnings. I am pleased with the performance and confident that 2017 will be our best financial year ever."

DKK million	**Q1 2017**	**Q1 2016**	***Growth***
Reported Revenue	**4,211**	3,770	*12%*
Reported EBIT	**1,011**	483	*109%*
Reported EPS	**2.98**	0.94	*217%*
Reported EBIT margin	***24.0%***	*12.8%*	-
Core Revenue*	**4,211**	3,770	*12%*
Core EBIT*	**1,213**	749	*62%*
Core EPS*	**3.92**	2.07	*89%*
*Core EBIT margin**	***28.8%***	*19.9%*	-

*For definition of the measures "Core Revenue", "Core EBIT" and "Core EPS", see note 7 *Core reporting*

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FINANCIAL HIGHLIGHTS AND KEY FIGURES

	Q1 2017	Q1 2016	FY 2016
Financial highlights (DKK million)			
Reported revenue	**4,211**	3,770	15,634
Core revenue	**4,211**	3,770	15,634
Operating profit before depreciation and amortization (EBITDA)	**1,287**	824	3,846
Reported profit from operations (EBIT)	**1,011**	483	2,292
Core profit from operations (core EBIT)	**1,213**	749	3,477
Net financials	**(15)**	(123)	(135)
Profit before tax	**996**	360	2,157
Tax	**409**	174	946
Profit for the period	**587**	186	1,211
Equity	**9,821**	8,733	9,694
Assets	**20,678**	20,614	20,210
Cash flows from operating and investing activities (free cash flow)	**681**	320	2,789
Purchase of property, plant and equipment, gross	**28**	21	238
Key figures			
EBIT margin (%)	**24.0**	12.8	14.7
Return on invested capital (ROIC) (%)	**6.6**	2.8	13.2
Annualized return on invested capital (ROIC) (%)	**26.5**	11.3	13.2
Cash-to-earnings (%)	**115.9**	172.4	230.3
Research and development ratio (%)	**15.5**	19.4	19.0
Return on equity (%)	**6.0**	2.1	13.1
Equity ratio (%)	**47.5**	42.4	48.0
Invested capital (DKKm)	**8,846**	10,785	9,368
Net debt/EBITDA	**(0.8)**	2.5	(0.1)
Share data			
Number of shares for the calculation of EPS (millions)	**197.3**	197.2	197.2
Number of shares for the calculation of DEPS (millions)	**197.5**	197.5	197.4
Earnings per share, basic (EPS) (DKK)	**2.98**	0.94	6.14
Earnings per share, diluted (DEPS) (DKK)	**2.97**	0.94	6.13
Cash flow from operating activities per share, diluted (DKK)	**3.29**	1.80	15.84
Net asset value per share, diluted (DKK)	**49.75**	44.18	49.08
Market capitalization (DKK million)	**64,114**	42,665	56,776
Share price end of period (DKK)	**324.40**	216.20	287.30
Proposed dividend per share (DKK)	**-**	-	2.45
Other			
Number of employees (FTE) end of period	**4,921**	5,070	4,983

MANAGEMENT REVIEW

Financial guidance and forward-looking statements

In outlining the expectations for 2017, Lundbeck has made certain assumptions. Lundbeck expects further decline in sales of Xenazine® and the introduction of generic alternatives to Sabril in the US both of which have been included in the assessment of the 2017 guidance. Additionally, Lundbeck's expectations assume continued benefits from the restructuring programme initiated in 2015.

Financial guidance for the full year 2017 is revised following better-than-expected sales performance driven by products such as Sabril. For 2017, Lundbeck now expects revenue to reach DKK 16.5-17.3 billion and profit from operations (EBIT) to reach DKK 3.6-4.0 billion with unchanged exchange rates. The financial guidance is summarized below:

Financial guidance 2017

DKK	2016 actual	Previous 2017 guidance	Revised 2017 guidance
Revenue	15,634 million	**16.3-17.1 billion**	**16.5-17.3 billion**
EBIT	2,292 million	**3.4-3.8 billion**	**3.6-4.0 billion**

The revised financial guidance does not include the potential gain from divestiture of properties. In May 2017, Lundbeck signed a conditional agreement regarding the sale of properties in Valby (Copenhagen). Provided that the pre-specified conditions are met, Lundbeck will receive a cash payment of DKK 378 million in December 2017. The payment will be recognized as other operating income in the second half of 2017. Lundbeck anticipates that the transaction will become final and unconditional in the second half of 2017 with a potential positive effect in the income statement and financial guidance of around DKK 200 million everything else being equal. The potential divestiture gain has not been included in the revised financial guidance for 2017. If the required conditions are not fulfilled, the transaction will not be completed and Lundbeck will not receive any payment.

Forward-looking statements

Forward-looking statements are subject to risks, uncertainties and inaccurate assumptions. This may cause actual results to differ materially from expectations. Various factors may affect future results, including interest rates and exchange rate fluctuations, delay or failure of development projects, production problems, unexpected contract breaches or terminations, governance-mandated or market-driven price decreases for 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 unexpected growth in expenses.

Revenue

Revenue for the first quarter of 2017 reached DKK 4,211 million compared to DKK 3,770 million for the same period in 2016. The increase of 12% is driven by a positive development for all our key products (Abilify Maintena, Brintellix/Trintellix, Northera, Onfi and Rexulti) more than mitigating the effect from generic erosion on Xenazine. The currency impact was limited. The growth of our key products was 46% (46% in local currencies) thereby reaching DKK 1,980 million or 47% of total revenue compared to 36% in the first quarter of 2016.

Revenue - products and regions

DKK million	Q1 2017	Q1 2016	*Growth*	*Growth in local currencies*	Q4 2016
Abilify Maintena	312	255	*22%*	*23%*	309
Brintellix/Trintellix	367	238	*54%*	*49%*	332
Cipralex/Lexapro	693	750	*(8%)*	*(12%)*	610
Northera	340	199	*70%*	*73%*	313
Onfi	690	544	*27%*	*27%*	636
Rexulti	271	116	*133%*	*136%*	271
Sabril	374	287	*30%*	*30%*	406
Xenazine	252	444	*(43%)*	*(43%)*	390
Other pharmaceuticals	838	856	*(2%)*	*(2%)*	820
Other revenue	74	81	*(8%)*	*(8%)*	78
Total revenue	**4,211**	**3,770**	***12%***	***11%***	**4,165**
North America	2,437	2,011	*21%*	*21%*	2,556
International Markets	991	931	*6%*	*3%*	818
Europe	709	747	*(5%)*	*(6%)*	713

Abilify Maintena (aripiprazole once-monthly injection) for the treatment of schizophrenia shows steady growth. Sales grew 22% and reached DKK 312 million. Abilify Maintena was discovered by Otsuka, is co-marketed by Lundbeck and became available to patients in 2013.

Revenue from **Brintellix/Trintellix** (vortioxetine) for the treatment of depression (MDD) reached DKK 367 million. Growth was driven by continued sales growth in North America and also from countries such as Brazil, Italy and Spain.

Cipralex/Lexapro (escitalopram) for the treatment of depression declined 8% due to generic competition.

Northera (droxidopa) for the treatment of symptomatic neurogenic orthostatic hypotension (nOH) was launched in the US in 2014. Sales from Northera showed strong growth and reached DKK 340 million.

Onfi (clobazam) for the treatment of Lennox-Gastaut syndrome continues to show strong growth and generated revenue of DKK 690 million, an increase of 27% compared to the same quarter last year.

Rexulti (brexpiprazole) is approved by the US Food and Drug Administration (FDA) as an adjunctive therapy for the treatment of adults with major depressive disorder and as a treatment for adults with schizophrenia and became available to patients in the US in early August 2015. Rexulti was co-developed and is co-marketed by Otsuka and Lundbeck. Lundbeck's share of revenue reached DKK 271 million for the quarter.

Sabril (vigabatrin) for the treatment of refractory complex partial seizures (rCPS) and infantile spasms (IS) generated revenue of DKK 374 million, thereby increasing 30%, compared to 2016. Lundbeck has the marketing rights for Sabril in the US.

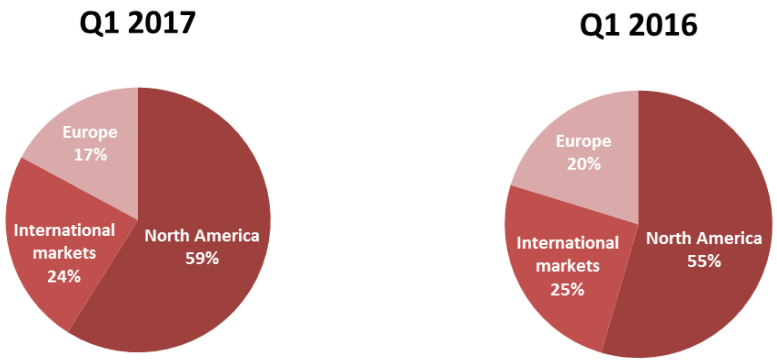
Xenazine (tetrabenazine) for the treatment of chorea associated with Huntington's disease saw the first generic introductions in the third quarter of 2015 which have impacted sales negatively. Revenue reached DKK 252 million

compared to DKK 444 million in the first quarter of 2016, a decline of 43%. Lundbeck has the marketing rights for Xenazine in the US.

Revenue from **Other pharmaceuticals**, which comprise the remainder of Lundbeck's products, was DKK 838 million. Other pharmaceuticals are negatively impacted by the generic competition on Ebixa in Europe which is partly offset by growth in other mature products. **Azilect** (rasagiline) for the treatment of Parkinson's disease, now included in Other Pharmaceuticals, realized revenue of around DKK 50 million.

Other revenue, which mainly consists of contract manufacturing, reached DKK 74 million compared to DKK 81 million for the same quarter in 2016.

Figure 1 – Revenue per region 2017 vs 2016 (excluding Other revenue)



North America

Revenue reached DKK 2,437 million in the first quarter of 2017 which is an increase of 21% compared to DKK 2,011 million for the same quarter in 2016. The growth was driven by the uptake of Rexulti and Northera as well as growth in other products, offsetting the decline in sales of Xenazine. Overall, there has been limited impact from currencies. North America constitutes 59% of revenue (excluding Other revenue) compared to 55% last year.

Revenue – North America

DKK million	Q1 2017	Q1 2016	*Growth*	*Growth in local currencies*	*Q4 2016*
Abilify Maintena	133	119	*13%*	*13%*	152
Trintellix	205	161	*27%*	*29%*	208
Northera	340	199	*70%*	*73%*	313
Onfi	690	544	*27%*	*27%*	636
Rexulti	271	116	*133%*	*136%*	271
Sabril	374	287	*30%*	*30%*	406
Xenazine	246	440	*(44%)*	*(44%)*	387
Other pharmaceuticals	178	145	*23%*	*18%*	183
Total revenue	**2,437**	**2,011**	***21%***	***21%***	**2,556**

Abilify Maintena is impacted by quarterly fluctuations and grew 13% in the quarter (13% in local currencies) and reached DKK 133 million for the period, which represents Lundbeck's 20% share of total net sales.

Trintellix sales reached DKK 205 million for Lundbeck following a growth of 27% (29% in local currencies) and with solid growth in both the US and in Canada. In the US, Trintellix' share of branded TR_x (total prescriptions)

volume increased significantly to 38.4% following the loss of exclusivity of Pfizer's Pristiq (desvenlafaxine). The share of branded NR_x (new prescriptions) volume reached 40.6% by early April 2017.

Northera was made available in the US market in the autumn of 2014. Sales from Northera reached DKK 340 million corresponding to a growth of 70% (73% in local currency).

Onfi reached revenue of DKK 690 million corresponding to a growth of 27% (27% in local currency).

Lundbeck's share of **Rexulti** revenue reached DKK 271 million. Rexulti had 11.1% branded TR_x market share and 12.2% branded NR_x market share by early April 2017. Patient data suggest that more than ¾ of prescriptions are prescribed for MDD. Rexulti has had close to 23,000 writers since launch. In February 2017, Lundbeck Canada and Otsuka announced that Health Canada issued a Notice of Compliance for Rexulti for the treatment of schizophrenia and the product is expected to become commercially available in Canada this spring. Schizophrenia is estimated to be affecting approximately 1% of the Canadian population – which is more than 350,000 Canadians.

Sabril revenue for the period was DKK 374 million, growing 30% (30% in local currency).

Revenue from **Xenazine** was DKK 246 million. Revenue decreased 44% compared to the previous year. Performance was impacted by the introductions of generic products.

International Markets

Revenue from International Markets, which comprise all of Lundbeck's markets outside of Europe and North America, reached DKK 991 million in the first quarter of 2017, compared to DKK 931 million in the first quarter last year. In local currencies, sales were up 3% as the positive underlying performance driven by Abilify Maintena and Brintellix is mitigating the reduced revenue from products like Azilect and Cipralex. International Markets constitutes 24% of revenue (excluding Other revenue) compared to 25% last year. The biggest markets are China, Japan, Brazil, South Korea and Australia.

Revenue – International Markets

DKK million	Q1 2017	Q1 2016	*Growth*	*Growth in local currencies*	*Q4 2016*
Abilify Maintena	25	17	*47%*	*37%*	24
Brintellix	80	32	*152%*	*129%*	57
Cipralex/Lexapro	472	498	*(5%)*	*(10%)*	381
Ebixa	176	144	*22%*	*24%*	111
Other pharmaceuticals	238	240	*(1%)*	*(2%)*	245
Total revenue	**991**	**931**	***6%***	***3%***	**818**

Abilify Maintena has so far only been launched in Australia and reached revenue of DKK 25 million.

Brintellix reached DKK 80 million following an increase of 152% mainly driven by Brazil following the launch in March 2016. Revenue in Brazil is furthermore positively impacted by some stocking in the quarter. The product has been launched in some 20 countries in the region such as Australia, Brazil, South Africa and Turkey.

Cipralex/Lexapro generated revenue of DKK 472 million. Sales decreased 5% compared to the previous year as sales growth in countries such as Brazil, China and South Korea only partly mitigated sales decline in other regions such as the Middle East.

Ebixa generated revenue of DKK 176 million representing a growth of 22% reported and 24% in local currencies. Growth is primarily coming from China.

Rexulti has been submitted for approval in schizophrenia in Australia in April 2016 and feedback from the authorities is expected mid-2017. Rexulti has also recently been submitted for approval in Saudi Arabia.

Other pharmaceuticals generated revenue of DKK 238 million, a decrease of 1% compared to the same period in 2016. The decrease is explained by quarterly fluctuations and is not a permanent trend in the region. In China, however, sales are slightly negatively impacted by generic erosion on Deanxit, an antidepressant sold on behalf of Lundbeck by China Medical System Holdings Ltd.

Europe

Revenue reached DKK 709 million in the first quarter of 2017, which was a decline of 5% compared to DKK 747 million for the period in 2016. The decline is a result of generic erosion on older products. Adjusted for Azilect, key products are replacing the sales decline for other mature products. Europe constitutes 17% of revenue (excluding Other revenue) compared to 20% last year.

Revenue – Europe

DKK million	Q1 2017	Q1 2016	*Growth*	*Growth in local currencies*	*Q4 2016*
Abilify Maintena	154	119	*29%*	*31%*	133
Brintellix	82	45	*84%*	*65%*	67
Cipralex	169	198	*(15%)*	*(18%)*	185
Other pharmaceuticals	304	385	*(21%)*	*(20%)*	328
Total revenue	**709**	**747**	***(5%)***	***(6%)***	**713**

Abilify Maintena has been launched in all major markets in Europe. Sales uptake of Abilify Maintena is solid with sales reaching DKK 154 million. Spain, France and Italy are the largest markets.

Brintellix grew 84% thereby reaching DKK 82 million and has been launched in most European markets, but the product has only recently achieved market access in some of the major markets. Brintellix realizes solid growth in both Italy and Spain, and in France the product has had an encouraging start since launch in December 2016.

In March 2017, Lundbeck and Otsuka announced that the European Medicines Agency (EMA) has accepted for review a Marketing Authorisation Application (MAA) for **brexpiprazole** to treat schizophrenia in adults. The EMA is anticipated to complete its review in second quarter of 2018. If the EMA grants regulatory approval to brexpiprazole, the brand name of the product in the EU would be **Rxulti®**.

Revenue from **Other pharmaceuticals** was DKK 304 million, a decline of 21% compared to the same period the previous year, following continued generic erosion of mature products such as Ebixa and Cipralex.

Expenses and income

Total costs for the first quarter of 2017 were DKK 3,240 million compared to DKK 3,287 million for the same period last year.

Distribution of costs

DKK million	Q1 2017	Q1 2016	*Growth*	Q4 2016
Cost of sales	**965**	1,063	*(9%)*	1,042
COS-ratio	***22.9%***	*28.2%*	-	*25.0%*
Sales and distribution	**1,433**	1,302	*10%*	1,418
S&D-ratio	***34.0%***	*34.5%*	-	*34.1%*
Administration	**190**	190	*0%*	240
G&A-ratio	***4.5%***	*5.1%*	-	*5.8%*
Research and development	**652**	732	*(11%)*	714
R&D-ratio	***15.5%***	*19.4%*	-	*17.1%*
Total costs	**3,240**	**3,287**	***(1%)***	**3,414**

Cost of sales decreased 9% to DKK 965 million in the first quarter of 2017. This corresponds to 22.9% of total revenue compared to 28.2% in the previous year. Cost of sales is positively impacted by the change in product mix.

Sales and distribution costs were DKK 1,433 million, which was an increase of 10% compared to 2016. Sales and distribution costs correspond to 34.0% of revenue compared to 34.5% the year before.

Administrative expenses were unchanged at DKK 190 million corresponding to 4.5% of total revenue in 2017.

SG&A costs were DKK 1,623 million compared to DKK 1,492 million in the same period the previous year. The SG&A ratio for the period was 38.5%, compared to 39.6% in the same period the year before.

Research and development costs declined to DKK 652 million in the period. The R&D ratio reached 15.5% of revenue in the period compared to 19.4% last year.

In the first quarter of 2017, **Other operating income** amounted to DKK 40 million and represented a gain from the divesture of office and research facilities in the US.

Depreciation, amortization and impairment charges

Depreciation, amortization and impairment charges, which are included in the individual expense categories, amounted to DKK 316 million in the first quarter of 2017 compared to DKK 341 million the previous year.

Depreciation, amortization and impairment charges

DKK million	Q1 2017	Q1 2016	*Growth*	Q4 2016
Cost of sales	276	306	*(10%)*	351
Sales and distribution	12	10	*12%*	12
Administration	6	5	*32%*	6
Research and development	22	20	*9%*	42
Total depreciation, amortization and impairment charges	**316**	**341**	***(7%)***	**411**

Profit from operations (EBIT)

EBIT for the first quarter of 2017 reached DKK 1,011 million compared to DKK 483 million for the same period last year. **EBIT margin** increased significantly and reached 24.0% in 2017 compared to 12.8% last year.

Core EBIT increased by 62% to DKK 1,213 million in the first quarter of 2017. The increase in EBIT and in Core EBIT is driven by strong sales especially in North America, more than offsetting the loss in revenue due to generic erosion on mature products, and benefits from the restructuring programme initiated in 2015.

For definition of the measures “Core Revenue”, “Core EBIT” and “Core EPS”, see note 7 *Core reporting*.

Net financials

Lundbeck generated a net financial expense of DKK 15 million in the first quarter of 2017, compared to a net financial expense of DKK 123 million in the first quarter of 2016.

Net interest expense, including realized and unrealized gains and losses on the bond portfolio, amounted to an expense of DKK 10 million in the first quarter of 2017, compared to an expense of DKK 15 million in the same period in 2016. The lower interest expense is primarily related to the full repayment of the EIB loan in the fourth quarter of 2016.

Net exchange gains/losses amounted to a loss of DKK 3 million in the first quarter of 2017, compared to a loss of DKK 105 million in the first quarter of 2016. The loss in 2016 was primarily related to the recognition of an exchange loss relating to the devaluation in Venezuela.

Tax

The effective tax rate for the first quarter of 2017 was 41%. The effective tax rate is higher than the Danish income tax rate due to:

- Amortization of Northera product rights, which is not deductible for tax purposes and thus creates a permanent difference
- Lundbeck’s activity in the US results in a significant profit generated in the US and taxed at a higher tax rate than the Danish tax rate

Net profit and EPS for the period

Net profit for the first quarter of 2017 reached DKK 587 million compared to DKK 186 million in the first quarter of 2016. The reported net profit corresponds to an **EPS** of DKK 2.98 per share versus an EPS of DKK 0.94 per share for the same period last year. **Core EPS** was DKK 3.92 per share for the first quarter of 2017, compared to a Core EPS of DKK 2.07 per share in the same quarter in 2016.

Hedging

Lundbeck hedges expected income from its products through currency hedging on a rolling basis, up to 18 months in advance. As a result of Lundbeck's currency hedging policy, foreign exchange gains and losses on hedging transactions are allocated directly to the hedged transaction. Hedging had a negative impact on profit of DKK 80 million in the first quarter of 2017, compared with a situation where the income is not hedged and included at the current exchange rates during the period. The effect was positive with DKK 24 million in the first quarter of 2016.

Cash flow

Lundbeck had a positive **cash flow from operating and investing activities** of DKK 681 million in the first quarter of 2017 compared to DKK 320 million in the first quarter of 2016. The positive development is driven by the improved profitability which is partly offset by a negative development in working capital.

Cash flow

DKK million	Q1 2017	Q1 2016	Q4 2016
Cash flows from operating activities	651	357	1,033
Cash flows from investing activities	30	(37)	(133)
Cash flows from operating and investing activities (free cash flow)	**681**	**320**	**900**
Cash flows from financing activities	(157)	(348)	(488)
Net cash flow for the period	**524**	**(28)**	**412**
Cash and bank balance at beginning of period	2,200	1,504	1,785
Unrealized exchange gains/losses on cash and bank balances	4	(93)	3
Net cash flow for the period	524	(28)	412
Cash and bank balances end of period	**2,728**	**1,383**	**2,200**
Net cash/(Net debt)	**975**	**(2,052)**	**326**

Investing activities generated a cash inflow of DKK 30 million in the period following the divestment of office and research facilities in the US. Financing activities generated a cash outflow of DKK 157 million compared to an outflow of DKK 348 million in the first quarter of 2016. The outflow is mainly due to repayment of loans and purchase of treasury shares.

Balance sheet

At 31 March 2017, Lundbeck had **total assets** of DKK 20,678 million, compared to DKK 20,210 million at the end of 2016.

Assets held for sale include the carrying amount of properties in Valby (Copenhagen), which were sold conditionally in May 2017. The gain of around DKK 200 million will be recognized in the income statement on the line item other operating income in the second half of 2017.

At 31 March 2017, Lundbeck's **equity** amounted to DKK 9,821 million, corresponding to an equity ratio of 47.5% compared to 48.0% at the end of 2016.

Interest bearing debt has been reduced to DKK 1,770 million compared to DKK 1,891 million at the end of 2016. **Net cash** has increased from DKK 326 million at year-end 2016 to DKK 975 million at the end of the first quarter 2017. In the first quarter of 2016, the net debt was DKK 2,052 million.

At the Annual General Meeting in March 2017, the proposed **dividend** for 2016 of DKK 2.45 per share or DKK 484 million was approved. The dividend was paid to the shareholders in April 2017.

Lundbeck's development portfolio

Lundbeck is developing a number of new and promising pharmaceuticals for the treatment of psychiatric and neurological disorders within the indications of Alzheimer's, depression, Parkinson's and schizophrenia. Pipeline developments are summarized as follows:

Approved or under regulatory review

In March 2016, Lundbeck and Takeda Pharmaceutical Company (Takeda) announced that the FDA issued a complete response letter (CRL) for the supplemental new drug application (sNDA) to include new data in the clinical trials section of the US label of **Trintellix** for treating certain aspects of cognitive dysfunction in adults with major depressive disorder (MDD). The dialogue with the agency to resolve the CRL is ongoing.

Clinical phase III

In August 2012, Lundbeck and Otsuka Pharmaceuticals (Otsuka) initiated a randomized, double-blind, placebo-controlled trial (NCT01567527) to assess the time to recurrence of any mood episode in stabilized patients with bipolar I disorder randomized to 52 weeks of treatment with either placebo or **Abilify Maintena**. The clinical phase III maintenance study, which enrolled in total 731 patients, met its primary endpoint and data was presented at the 2016 Annual Meeting of the American College of Neuropsychopharmacology (ACNP) in Hollywood, Florida in December 2016. In November 2016, Lundbeck and Otsuka announced that the FDA had determined that the supplemental New Drug Application (sNDA) for the expanded labeling of Abilify Maintena for the maintenance treatment of Bipolar I disorder in adult patients is sufficiently complete to permit a substantive review and is considered filed. Under the Prescription Drug User Fee Act (PDUFA), the FDA has set a target date of 28 July 2017, to complete its review.

In April 2015, our partner Takeda started a new clinical phase III study (NCT02389816) with **Brintellix** in Japanese individuals. The study is planned to recruit 480 patients who will receive Brintellix (10 or 20 mg) or placebo. The study is expected to be finalized in 2018.

In the second half of 2013, Lundbeck and Otsuka initiated two pivotal studies with **brexpiprazole** in individuals with agitation associated with dementia of the Alzheimer's type (NCT01862640, NCT01922258). In May 2017, Lundbeck and Otsuka announced top-line results from the clinical trials. In both studies, patients treated with brexpiprazole showed improvements in symptoms of agitation relative to placebo. In the first study, the improvements in the primary endpoint of CMAI for 2 mg brexpiprazole were statistically better than placebo ($p<0.05$) and appeared more robust than the improvements on the key secondary endpoint of CGI-S ($p>0.05$). In the second study, the improvements in the primary endpoint of CMAI ($p>0.05$) appeared less robust than the improvements on the key secondary endpoint of CGI-S ($p<0.05$). In both studies, there was variability in the data from different countries, perhaps associated with differing standards of care; the data from Russian sites showed especially poor separation between placebo and drug.

Regarding safety and tolerability, both studies confirmed the profile of brexpiprazole as observed in the clinical trials for schizophrenia and for adjunctive treatment of major depressive disorder (MDD). The most common adverse events in patients receiving brexpiprazole versus placebo (incidence >3% and greater than placebo) were insomnia (4.7% vs. 3.3%), agitation (3.5% vs. 2.9%), and somnolence (3.3% vs. 2.2%). Overall mortality during the studies was low (0.86%) and none of the deaths were considered to be related to the treatment. FDA has granted Fast Track designation for this programme.

In March 2016, Lundbeck initiated the phase III programme on **Lu AF35700** which is currently planned to consist of two pivotal trials. Two doses of Lu AF35700 (10 and 20 mg) will be tested in patients with treatment resistant schizophrenia. The first study, *DayBreak*, (NCT02717195) is planned to enrol approximately 1,000 patients in approximately 15 countries including the US and Canada and is expected to last around 2½ years. Lu AF35700 has been granted Fast Track designation in treatment resistant schizophrenia by the FDA. Additionally, a long-term open label safety study was initiated (NCT02892422) in August 2016.

For **Selincro** (nalmefene) a clinical phase III study (NCT02364947) was initiated in Japan in December 2014. The study is run by Otsuka and is expected to recruit some 660 patients. The study is planned to finalize during 2017. Additionally, a long-term open label extension study has been initiated in Japan (NCT02382276) which is planned to finalise in 2018.

Clinical phase II

In January 2017, a phase II trial (NCT03033069) using **brexpiprazole** as monotherapy or as combination therapy in the treatment of adults with Post-traumatic Stress Disorder (PTSD) was initiated. The study is expected to enrol around 330 patients.

Early programmes

In January 2017, Lundbeck together with Otsuka initiated a phase I open-label study (NCT02968121) to determine the pharmacokinetics and tolerability of **brexpiprazole LAI** (long-acting injectable) administered subcutaneously or intramuscularly. The study is expected to enrol 110 adult patients with schizophrenia.

In March 2015, an open-label, dose escalation, multiple immunisation phase I study (NCT02388152) was initiated, to assess the safety, tolerability and immunogenicity of **Lu AF20513** in patients with mild Alzheimer's disease. Lu AF20513 is an active vaccine inducing high affinity polyclonal antibodies that target beta-amyloid, for the potential injectable prevention of progression of Alzheimer's. Lundbeck is developing Lu AF20513 in a phase I trial collaboration with Otsuka.

General corporate matters

Lundbeck is involved in legal proceedings in a number of countries against a number of businesses, including patent disputes. In the Annual Report 2016 (page 52), Lundbeck provided an overview of pending legal proceedings.

Purchase of treasury shares

To fund Lundbeck's long-term incentive programmes granted to key employees in Denmark and abroad, Lundbeck purchased 120,000 shares at a value of DKK 35 million in the first quarter of 2017.

Conference call

Today at 13.00 pm (CET), Lundbeck will be hosting a conference call for the financial community. You can listen to the call online at www.lundbeck.com under the investor section.

MANAGEMENT STATEMENT

The Board of Directors and the Executive Management have discussed and adopted the interim report of H. Lundbeck A/S for the period 1 January – 31 March 2017. The interim report is presented in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies.

We consider the accounting policies applied to be appropriate. Accordingly, the interim report gives a true and fair view of the Group's assets, liabilities and financial position as of 31 March 2017, and of the results of the Group's operations and cash flows for the first three months of 2017, which ended on 31 March 2017.

In our opinion, the Management's report gives a true and fair view of activity developments, the Group's general financial position and the results for the period. It also gives a fair view of the significant risks and uncertainty factors that may affect the Group.

The interim report has not been subject to audit or review.

Valby, 10 May 2017

Executive Management

Kåre Schultz
President and CEO

Lars Bang
Executive Vice President, Supply Operations & Engineering

Anders Götzsche
Executive Vice President, CFO

Anders Gersel Pedersen
Executive Vice President, R&D

Staffan Schüberg
Executive Vice President, CCO

Jacob Tolstrup
Executive Vice President, Corporate Functions

Board of Directors

Lars Søren Rasmussen
Chairman of the Board

Lene Skole-Sørensen
Deputy Chairman of the Board

Mona Elisabeth Elster
Employee representative

Lars Erik Holmqvist

Henrik Sindal Jensen
Employee representative

Jeremy Max Levin

Jørn Møller Mayntzhusen
Employee representative

Jesper Jens Ovesen

FINANCIAL STATEMENTS

Income statement

DKK million	Q1 2017	Q1 2016	FY 2016
Revenue	**4,211**	3,770	15,634
Cost of sales	**965**	1,063	4,082
Gross profit	**3,246**	**2,707**	**11,552**
Sales and distribution costs	**1,433**	1,302	5,488
Administrative expenses	**190**	190	805
Research and development costs	**652**	732	2,967
Other operating income	**40**	-	-
Profit from operations (EBIT)	**1,011**	**483**	**2,292**
Net financials	**(15)**	(123)	(135)
Profit before tax	**996**	**360**	**2,157**
Tax on profit for the period	**409**	174	946
Profit for the period	**587**	**186**	**1,211**
Earnings per share, basic (EPS) (DKK)	**2.98**	0.94	6.14
Earnings per share, diluted (DEPS) (DKK)	**2.97**	0.94	6.13

Statement of comprehensive income

DKK million	Q1 2017	Q1 2016	FY 2016
Profit for the period	**587**	**186**	**1,211**
Actuarial gains/losses	**-**	-	(42)
Tax	**-**	-	3
Items that will not be reclassified subsequently to profit or loss	**-**	**-**	**(39)**
Exchange rate gains/losses on investments in foreign subsidiaries	**(37)**	(269)	(180)
Exchange rate gains/losses on additions to net investments in foreign subsidiaries	**(25)**	(47)	241
Deferred exchange gains/losses, hedging	**47**	118	(308)
Exchange gains/losses, hedging (transferred to the hedged items)	**80**	(24)	15
Exchange gains/losses, transferred from hedging to financial items	**-**	-	3
Fair value adjustment of available-for-sale financial assets	**(5)**	16	8
Tax	**(22)**	(14)	8
Items that may be reclassified subsequently to profit or loss	**38**	**(220)**	**(213)**
Other comprehensive income	**38**	**(220)**	**(252)**
Comprehensive income	**625**	**(34)**	**959**

Balance sheet

DKK million	31.03.2017	31.03.2016	31.12.2016
Assets			
Intangible assets	**8,507**	9,234	8,839
Property, plant and equipment	**1,974**	2,202	2,162
Financial assets	**1,463**	1,487	1,685
Non-current assets	**11,944**	**12,923**	**12,686**
Inventories	**2,130**	2,259	1,528
Receivables	**3,734**	4,032	3,779
Securities	**17**	17	17
Cash and bank balances	**2,728**	1,383	2,200
Assets held for sale	**125**	-	-
Current assets	**8,734**	**7,691**	**7,524**
Assets	**20,678**	**20,614**	**20,210**
Equity and liabilities			
Share capital	**988**	987	988
Share premium	**-**	353	-
Foreign currency translation reserve	**1,108**	852	1,164
Currency hedging reserve	**(131)**	69	(230)
Retained earnings	**7,856**	6,472	7,772
Equity	**9,821**	**8,733**	**9,694**
Provisions	**1,032**	1,038	1,032
Debt	**1,690**	3,369	1,708
Non-current liabilities	**2,722**	**4,407**	**2,740**
Provisions	**701**	749	745
Debt	**85**	83	188
Trade payables	**3,829**	4,111	3,650
Other payables	**3,520**	2,531	3,193
Current liabilities	**8,135**	**7,474**	**7,776**
Liabilities	**10,857**	**11,881**	**10,516**
Equity and liabilities	**20,678**	**20,614**	**20,210**

Statement of changes in equity

DKK million	Share capital	Share premium	Foreign currency translation reserve	Currency hedging reserve	Retained earnings	Equity
Equity at 1 January 2017	**988**	**-**	**1,164**	**(230)**	**7,772**	**9,694**
Profit for the period	-	-	-	-	587	587
Other comprehensive income	-	-	(56)	99	(5)	38
Comprehensive income	**-**	**-**	**(56)**	**99**	**582**	**625**
Distribution of dividends, gross	-	-	-	-	(484)	(484)
Distribution of dividends, treasury shares	-	-	-	-	1	1
Capital increase through exercise of warrants	-	-	-	-	2	2
Buyback of treasury shares	-	-	-	-	(35)	(35)
Incentive programmes	-	-	-	-	18	18
Other transactions	**-**	**-**	**-**	**-**	**(498)**	**(498)**
Equity at 31 March 2017	**988**	**-**	**1,108**	**(131)**	**7,856**	**9,821**

DKK million						
Equity at 1 January 2016	**987**	**349**	**1,157**	**(4)**	**6,296**	**8,785**
Profit for the period	-	-	-	-	186	186
Other comprehensive income	-	-	(305)	73	12	(220)
Comprehensive income	**-**	**-**	**(305)**	**73**	**198**	**(34)**
Capital increase through exercise of warrants	-	4	-	-	-	4
Buyback of treasury shares	-	-	-	-	(31)	(31)
Incentive programmes	-	-	-	-	9	9
Other transactions	**-**	**4**	**-**	**-**	**(22)**	**(18)**
Equity at 31 March 2016	**987**	**353**	**852**	**69**	**6,472**	**8,733**

Cash flow statement

DKK million	Q1 2017	Q1 2016	FY 2016
Profit from operations (EBIT)	**1,011**	**483**	**2,292**
Adjustments for non-cash operating items etc.	**270**	70	1,154
Change in working capital	**(484)**	(149)	463
Cash flows from operations before financial receipts and payments	**797**	**404**	**3,909**
Financial receipts and payments	**(12)**	(16)	(63)
Cash flows from ordinary activities	**785**	**388**	**3,846**
Income taxes paid	**(134)**	(31)	(720)
Cash flows from operating activities	**651**	**357**	**3,126**
Purchase of and proceeds from sale of bonds and other financial assets	**(4)**	-	(3)
Purchase of and proceeds from sale of intangible assets and property, plant and equipment	**34**	(37)	(334)
Cash flows from investing activities	**30**	**(37)**	**(337)**
Cash flows from operating and investing activities (free cash flow)	**681**	**320**	**2,789**
Capital increase through exercise of warrants	**2**	4	37
Other financing activities	**(159)**	(352)	(2,043)
Cash flows from financing activities	**(157)**	**(348)**	**(2,006)**
Net cash flow for the period	**524**	**(28)**	**783**
Cash and bank balances at beginning of period	**2,200**	1,504	1,504
Unrealized exchange gains/losses on cash and bank balances	**4**	(93)	(87)
Net cash flow for the period	**524**	(28)	783
Cash and bank balances at end of period	**2,728**	**1,383**	**2,200**
Interest-bearing debt, cash, bank balances and securities, net is composed as follows:			
Cash and bank balances	**2,728**	1,383	2,200
Securities	**17**	17	17
Interest-bearing debt	**(1,770)**	(3,452)	(1,891)
Interest-bearing debt, cash, bank balances and securities, net end of period – Net cash/(Net debt)	**975**	**(2,052)**	**326**

Income statement – Core results reconciliation (Q1)

Q1 2017

DKK million	Reported result	Intangible amortization	Impairment	Major restructuring	Legal fees and settlements	Divestments / sales milestones	Core result
Revenue	4,211	-	-	-	-	-	4,211
Cost of sales	965	(242)	-	-	-	-	723
Gross profit	**3,246**	**242**	**-**	**-**	**-**	**-**	**3,488**
Sales and distribution costs	1,433	-	-	-	-	-	1,433
Administrative expenses	190	-	-	-	-	-	190
Research and development costs	652	-	-	-	-	-	652
Other operating income	40	-	-	-	-	(40)	-
Profit from operations (EBIT)	**1,011**	**242**	**-**	**-**	**-**	**(40)**	**1,213**
Net financials	(15)	-	-	-	-	-	(15)
Profit before tax	**996**	**242**	**-**	**-**	**-**	**(40)**	**1,198**
Tax on profit for the period	409	33	-	-	-	(16)	426
Profit for the period	**587**	**209**	**-**	**-**	**-**	**(24)**	**772**
Earnings per share, basic (EPS) (DKK)	2.98	1.06	-	-	-	(0.12)	3.92

Q1 2016

DKK million	Reported result	Intangible amortization	Impairment	Major restructuring	Legal fees and settlements	Divestments / sales milestones	Core result
Revenue	3,770	-	-	-	-	-	3,770
Cost of sales	1,063	(266)	-	-	-	-	797
Gross profit	**2,707**	**266**	**-**	**-**	**-**	**-**	**2,973**
Sales and distribution costs	1,302	-	-	-	-	-	1,302
Administrative expenses	190	-	-	-	-	-	190
Research and development costs	732	-	-	-	-	-	732
Profit from operations (EBIT)	**483**	**266**	**-**	**-**	**-**	**-**	**749**
Net financials	(123)	-	-	-	-	-	(123)
Profit before tax	**360**	**266**	**-**	**-**	**-**	**-**	**626**
Tax on profit for the period	174	43	-	-	-	-	217
Profit for the period	**186**	**223**	**-**	**-**	**-**	**-**	**409**
Earnings per share, basic (EPS) (DKK)	0.94	1.13	-	-	-	-	2.07

2016 quarterly figures restated to new regional structure

Q2 2016 DKK million	North America	International markets	Europe	Total
Abilify Maintena	128	18	133	279
Brintellix/Trintellix	153	41	50	244
Cipralex/Lexapro	44	358	181	583
Northera	250	-	-	250
Onfi	584	-	-	584
Rexulti	193	-	-	193
Sabril	317	-	-	317
Xenazine	375	-	5	380
Other pharmaceuticals	135	335	337	807
Other revenue				114
Total	**2,179**	**752**	**706**	**3,751**

Q3 2016 DKK million	North America	International markets	Europe	Total
Abilify Maintena	127	21	123	271
Brintellix/Trintellix	184	49	58	291
Cipralex/Lexapro	45	334	196	575
Northera	325	-	-	325
Onfi	645	-	-	645
Rexulti	246	-	-	246
Sabril	332	-	-	332
Xenazine	355	-	2	357
Other pharmaceuticals	117	370	367	854
Other revenue				52
Total	**2,376**	**774**	**746**	**3,948**

Q4 2016 DKK million	North America	International markets	Europe	Total
Abilify Maintena	152	24	133	309
Brintellix/Trintellix	208	57	67	332
Cipralex/Lexapro	44	381	185	610
Northera	313	-	-	313
Onfi	636	-	-	636
Rexulti	271	-	-	271
Sabril	406	-	-	406
Xenazine	387	-	3	390
Other pharmaceuticals	139	356	325	820
Other revenue				78
Total	**2,556**	**818**	**713**	**4,165**

Notes

Note 1 Accounting policies

Lundbeck's accounting policies are explained in detail in the 2016 Annual Report published 8 February 2017.

Note 2 Other operating income

Please see Expenses and income; page 9.

Note 3 Assets held for sale

Please see Balance sheet; page 11.

Note 4 Dividends for 2016

Please see Balance sheet; page 11.

Note 5 Events after the balance sheet date

Please refer to section on page 12 and corporate release no 613 for H. Lundbeck A/S and Otsuka Pharmaceutical Co., Ltd. announcement on top-line results from two phase III clinical trials evaluating the efficacy, safety and tolerability of brexpiprazole in the treatment of agitation in patients with dementia of the Alzheimer's type.

Properties in Valby (Copenhagen) were sold conditionally in May 2017. Lundbeck anticipates that the transaction will become final and unconditional in the second half of 2017 with a potential positive effect in the income statement and financial guidance of around DKK 200 million everything else being equal. Please see corporate release no 614.

Note 6 EBITDA calculation

DKK million	Q1 2017	Q1 2016
EBIT	1,011	483
+ Depreciation, amortization and impairment charges	316	341
- Other operating income	40	-
= EBITDA	**1,287**	**824**

Note 7 Core reporting

In general, Lundbeck has adjusted for each non-recurring item, including milestones that are accumulated, or are expected to accumulate, to an amount exceeding a DKK 100 million threshold within the year that Lundbeck's management deems it exceptional. Lundbeck's core reporting is a non-IFRS performance measurement. Lundbeck's core results – including core operating income (core EBIT) and core EPS – exclude:

Amortization and impairments:

- Amortization of intangible assets
- Impairment of intangible assets and property, plant and equipment

Acquisitions and integration activities:

- Acquisition accounting adjustments relating to the consolidation of material acquisitions, disposals of associates, products and businesses
- Major costs associated with the integration of companies

Divestments and reorganizations:

- Income/expenses from discontinued operations

- Gains/losses on divestments of assets, and received or expensed upfront-, sales-, and development milestones
- Termination costs
- Major restructuring charges and expenses

Legal and litigation costs:

- Legal costs (external) related to settlement of litigations, government investigations and other disputes
- Legal charges (net of insurance recoveries) and expenses on the settlement of litigation and government investigations

The adjusted core result is taxed at the underlying corporate tax rate.

Financial calendar 2017

9 August 2017:	Second quarter results 2017
8 November 2017:	Third quarter results 2017

Lundbeck contacts

Investors:

Palle Holm Olesen
Vice President, Investor Relations
palo@lundbeck.com
+45 30 83 24 26

Media:

Mads Kronborg
Senior Director, Corporate Communication
mavk@lundbeck.com
+45 36 43 40 00

About Lundbeck

H. Lundbeck A/S (LUN.CO, LUN DC, HLUYY) is a global pharmaceutical company specialized in psychiatric and neurological disorders. For more than 70 years, we have been at the forefront of research within neuroscience. Our key areas of focus are Alzheimer's disease, depression, Parkinson's disease and schizophrenia.

Our approximately 5,000 employees in 55 countries are engaged in the entire value chain throughout research, development, manufacturing, marketing and sales. Our pipeline consists of several late-stage development programmes and our products are available in more than 100 countries. We have production facilities in Denmark, France and Italy. Lundbeck generated revenue of DKK 15.6 billion in 2016 (EUR 2.1 billion; USD 2.2 billion).

For additional information, we encourage you to visit our corporate site www.lundbeck.com and connect with us on Twitter at @Lundbeck.

INVESTOR & ANALYST PRESENTATION

Spring / Q1 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.

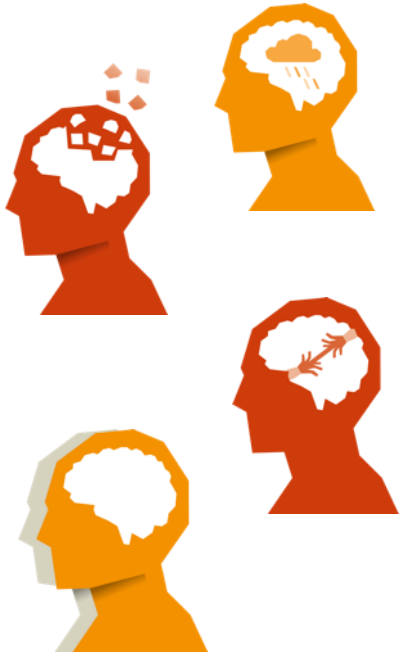
Certain assumptions made by Lundbeck are required by Danish Securities Law for full disclosure of material corporate information. Some assumptions, including assumptions relating to sales associated with products that are prescribed for unapproved uses, are made taking into account past performances 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
- Production sites in Denmark, France and Italy
- Pursuing category leadership in four disease categories in CNS: Alzheimer's, mood disorders, Parkinson's and psychotic disorders
- 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 16.5-17.3bn and EBIT: DKK 3.6-4.0bn
- Market cap: DKK ~65bn (USD ~9.5bn)
- ~5,000 employees

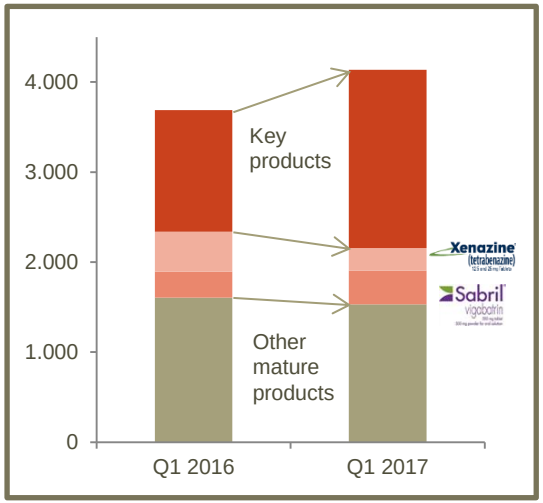
Q1 2017 achievements

- Total revenue increased by **12%** to DKK **4.2** billion
- Key products grew **46%** to DKK 2 billion representing **47%** of revenue
- EBIT increased to DKK **1.0** billion and EBIT margin significantly improved to **24%**
- EPS grew more than **200%** to DKK 2.98
- Net cash improved by DKK **3** billion since Q1 2016
- **Guidance raised**: Lundbeck expects revenue of DKK **16.5-17.3** billion and EBIT of DKK **3.6-4.0** billion for 2017
- **Encouraging data** on brexpiprazole in Alzheimer's agitation

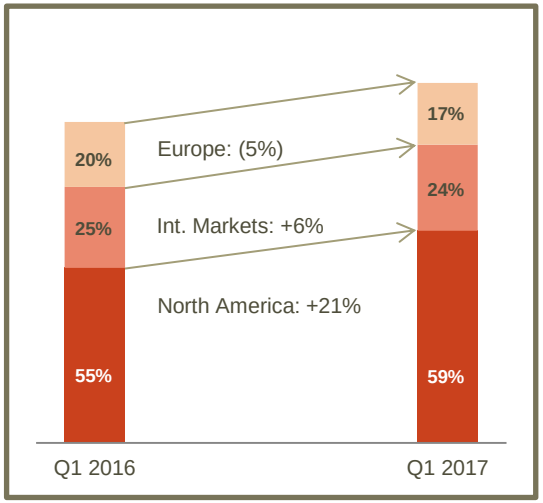


Strong revenue growth of 12% to DKK 4.2 billion, EBIT margin significantly improved

Revenue* (DKKm)



Regional split* (DKKm)

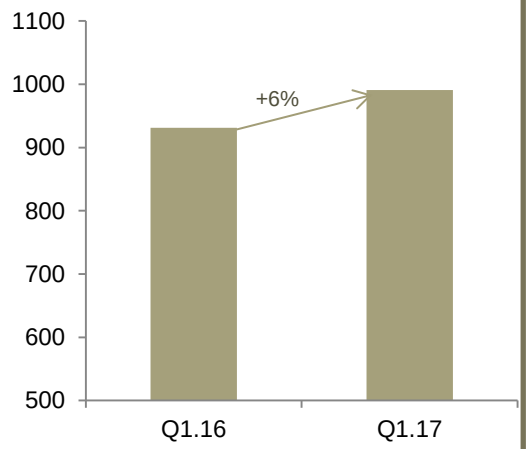


EBIT margin

*) Excluding Other revenue

International Markets is making a valuable contribution

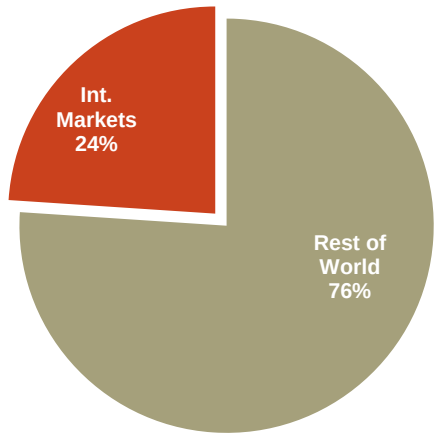
Revenue in International Markets (DKKm)



Highlights

- International Markets grew 6% in Q1 2017 and constitutes 24% of total revenue
- Biggest market was China
- Expected approval of Azilect and Brintellix in China by the end of 2017
- Rexulti submitted in Saudi Arabia

International Markets' contribution*)



*) Excluding Other revenue

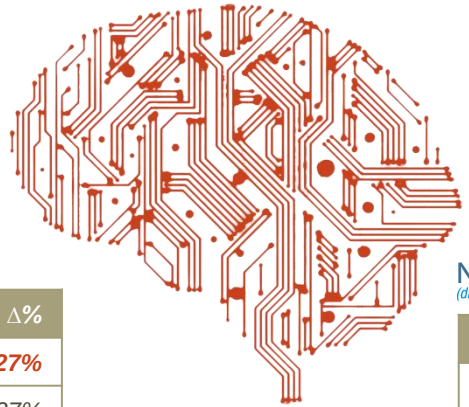
Key products reached close to DKK 2 billion in Q1 2017 - up 46% y/y

Abilify Maintena

	DKKm	Δ%
Q1 2017	**312**	***22%***
FY 2016	1,114	*67%*
Q4 2016	309	*47%*

Rexulti (brexpiprazole tablets)

	DKKm	Δ%
Q1 2017	**271**	***133%***
FY 2016	826	*608%*
Q4 2016	271	*362%*



Brintellix vortioxetine / Trintellix vortioxetine

	DKKm	Δ%
Q1 2017	**367**	***54%***
FY 2016	1,105	*76%*
Q4 2016	332	*57%*

Onfi (clobazam)

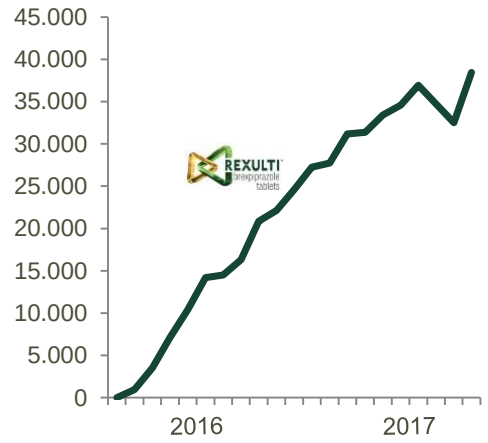
	DKKm	Δ%
Q1 2017	**690**	***27%***
FY 2016	2,409	*37%*
Q4 2016	636	*23%*

Northera (droxidopa) capsules

	DKKm	Δ%
Q1 2017	**340**	***70%***
FY 2016	1,087	*129%*
Q4 2016	313	*62%*

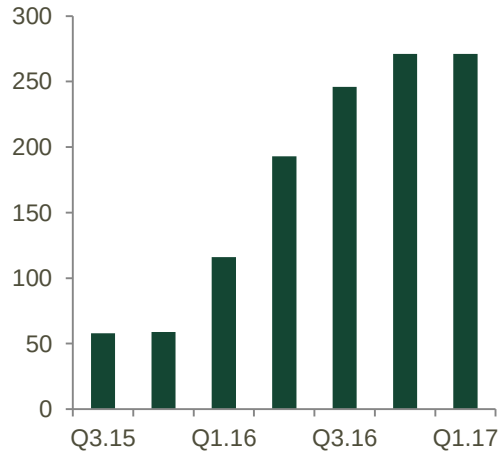
Rexulti continues the solid growth, but impacted by first quarter fluctuations

Total R_x count (US retail)



Source: Bloomberg (monthly data ending 3/2017)

Rexulti sales (DKKm)



Lundbeck's share of revenue

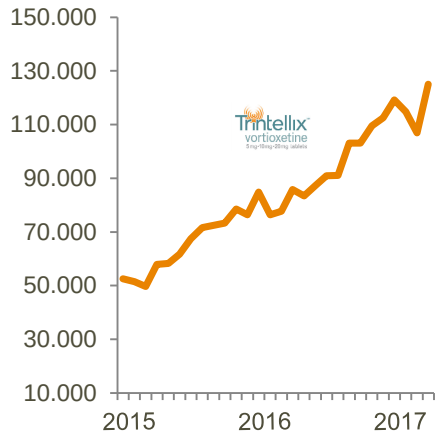
Highlights

- Branded NR_x and TR_x shares of 13% and 12% respectively*
- 80% of R_x prescribed for MDD
- Phase III study in bipolar mania to start in H2 2017
- Approved in Canada in Feb. 2017; approval in Australia expected during 2017
- European MAA submitted for schizophrenia in Q1 2017

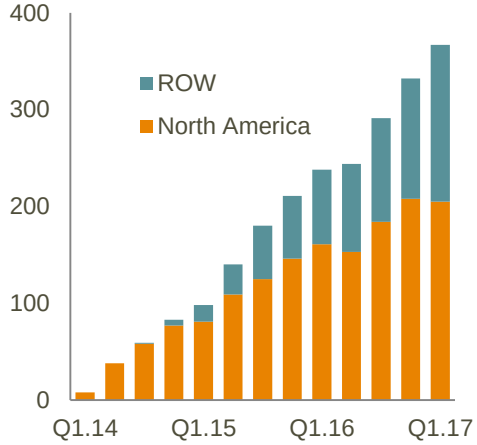
*) Week ending 14 April 2017

Brintellix/Trintellix continues the solid growth, but impacted by first quarter fluctuations

Total R_x count (US retail)



Brintellix/Trintellix (DKKm)



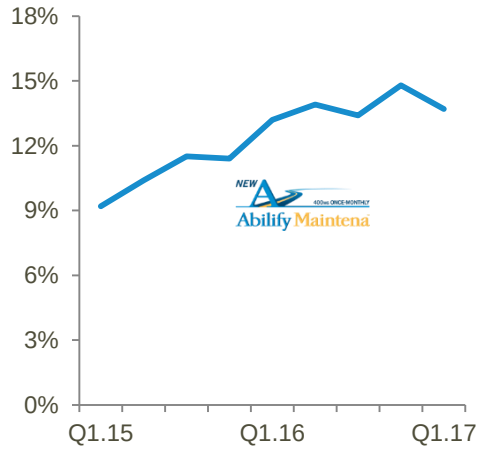
Highlights

- Demonstrated efficacy in cognitive dysfunction and functional capacity in patients with depression
  - Discussions ongoing with FDA regarding the sNDA
- Volume share exceeds 0.8% in recent country launches, such as France, Italy and Spain

Source: Bloomberg (monthly data ending 3/2017)

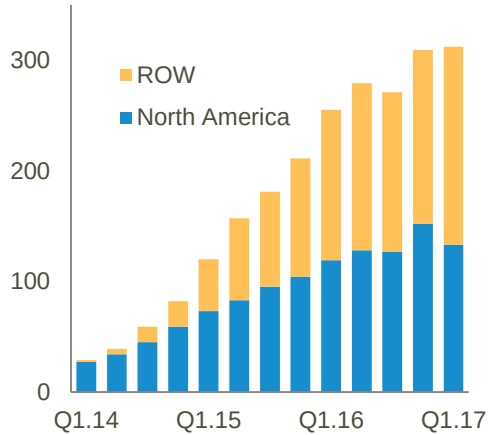
Abilify Maintena continues growing, but negatively impacted by first quarter fluctuations

Share of total market*)



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

Abilify Maintena (DKKm)



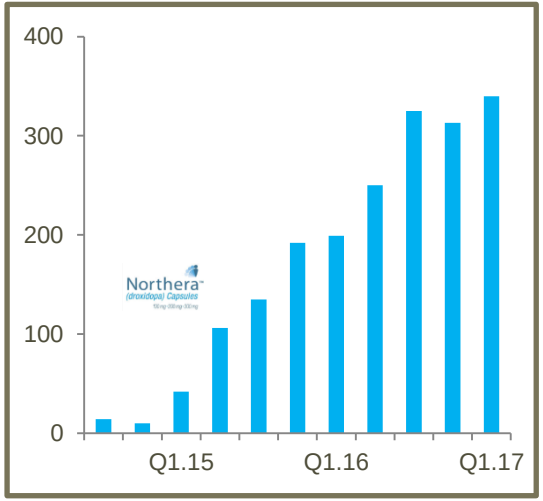
Lundbeck's share of revenue

Highlights

- 10-20% value market share (LAI retail) in most markets
- Bipolar disorder sNDA submitted December 2016
  - PDUFA: 28 July 2017
- Total LAI antipsychotic market was USD ~962m in Q1 2017*)
  - Y/Y growth of 11%

Onfi and Northera – two fast-growing US products

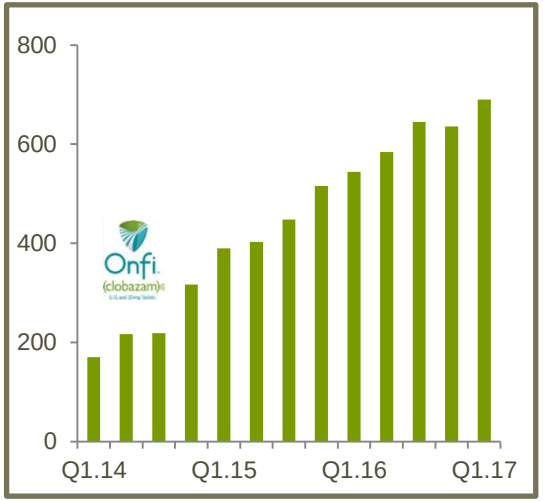
Northera (DKKm)



Highlights

- Northera and Onfi impacted by quarterly fluctuations
- Both products are expected to continue their growth

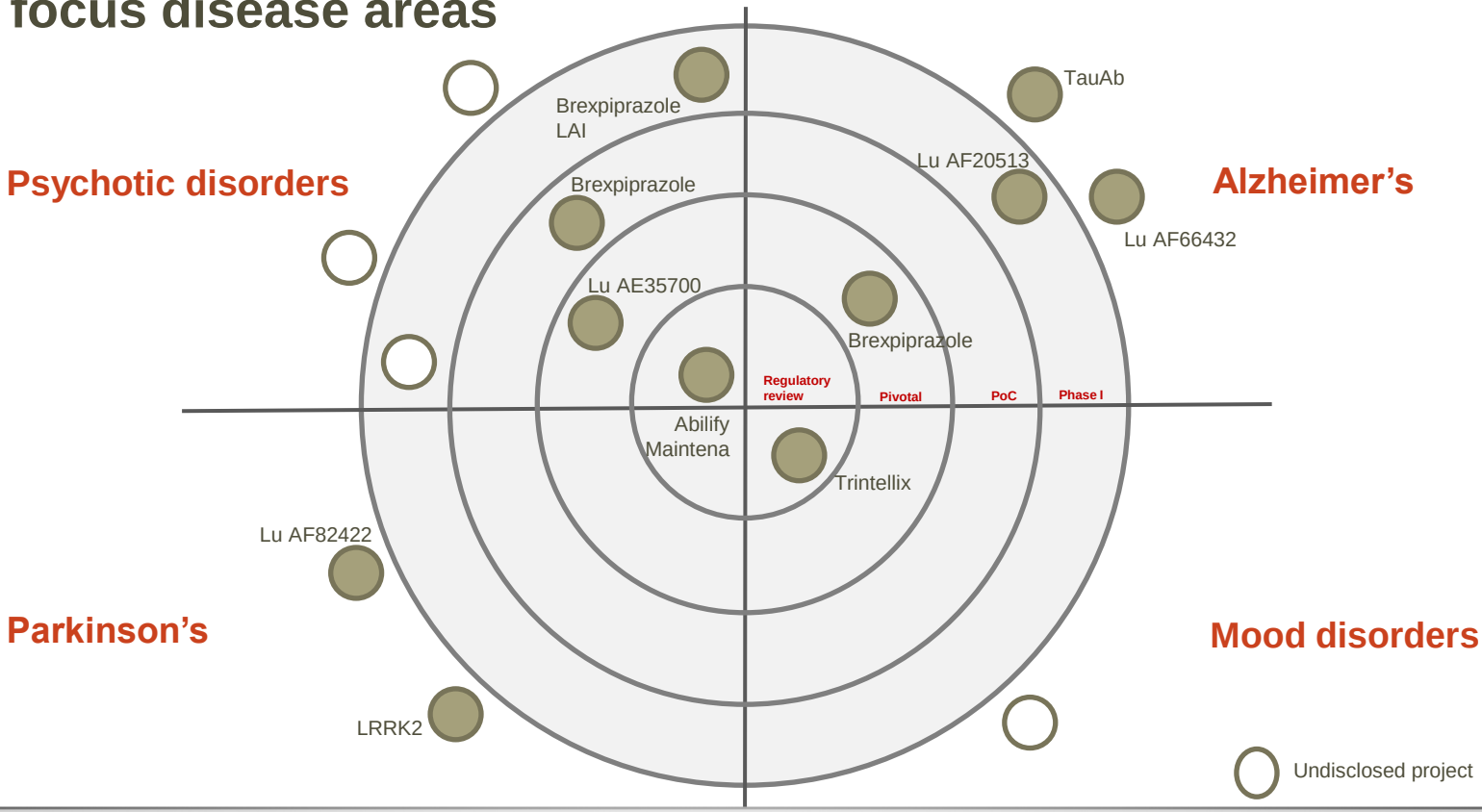
Onfi (DKKm)



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



Brexpiprazole in pivotal programme in Alzheimer's agitation

REXULTI brexpiprazole tablets

The condition

- >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

The studies

Study #1 (12 weeks) (NCT01862640)	**Study #2 (12 weeks)** (NCT01922258)
413 patients	270 patients
1 mg and 2 mg	0.5-2 mg (flexible dose)
Study start: July 2013	Study start: June 2013

Clinical programme

- Target population: Institutionalized or non-institutionalized setting
- Primary outcome: Change in the Cohen-Mansfield Agitation Inventory (CMAI) total score
- Fast Track Designation granted February 2016

Lundbeck

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

Study I (NCT01862640)	Study II (NCT01922258)	Comments
✗ N = 413 patients ✗ 1 mg, 2 mg and placebo ✗ 12 weeks' treatment duration ✗ Main recruitment centers: Russia, Ukraine and USA ✗ CMAI[1]: 2 mg statistically superior to placebo ✗ CGI-S[2]: 2 mg not statistically superior to placebo	✗ N = 270 patients ✗ Flexible dose: 0.5-2 mg ✗ 12 weeks' treatment duration ✗ Main recruitment centers: Russia, Ukraine and USA ✗ CMAI[1]: 0.5-2 mg not superior to placebo ✗ CGI-S[2]: 0.5-2 mg superior to placebo	✗ Geography played a major role, with US 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  

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

PTSD

- ~8.6m American adults affected[1)], 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

The PoC study*)

- 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#)

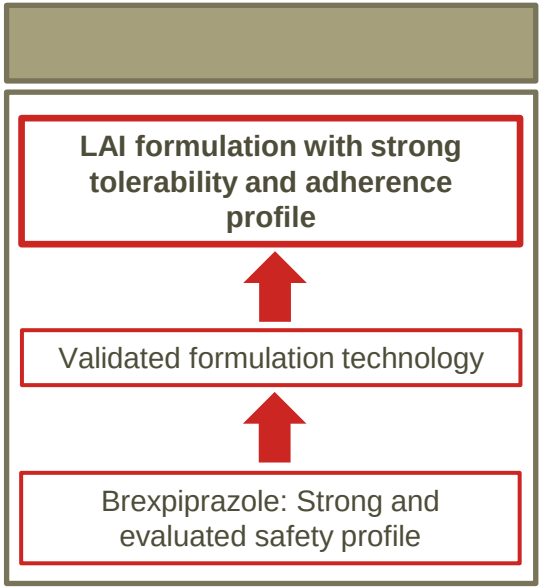
*) NCT03033069
#) Clinician-Administered PTSD Scale for DSM-5 (CAPS-5)

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.

Brexpiprazole Long-acting Injectable (LAI) enters phase I

Brexpiprazole LAI

- 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



The study*)

- 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

*) Clinicaltrials.gov ID: NCT02968121

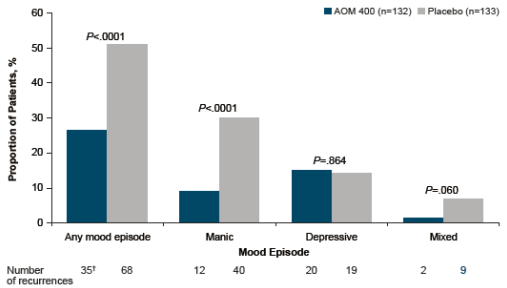
Abilify Maintena has demonstrated efficacy in the maintenance treatment of Bipolar I disorder

NEW 400MG ONCE-MONTHLY Abilify Maintena

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 ofBipolar I Disorder: A Double-Blind, Placebo-Controlled, Randomized Withdrawal Study". ACNP2016 (Poster T116)

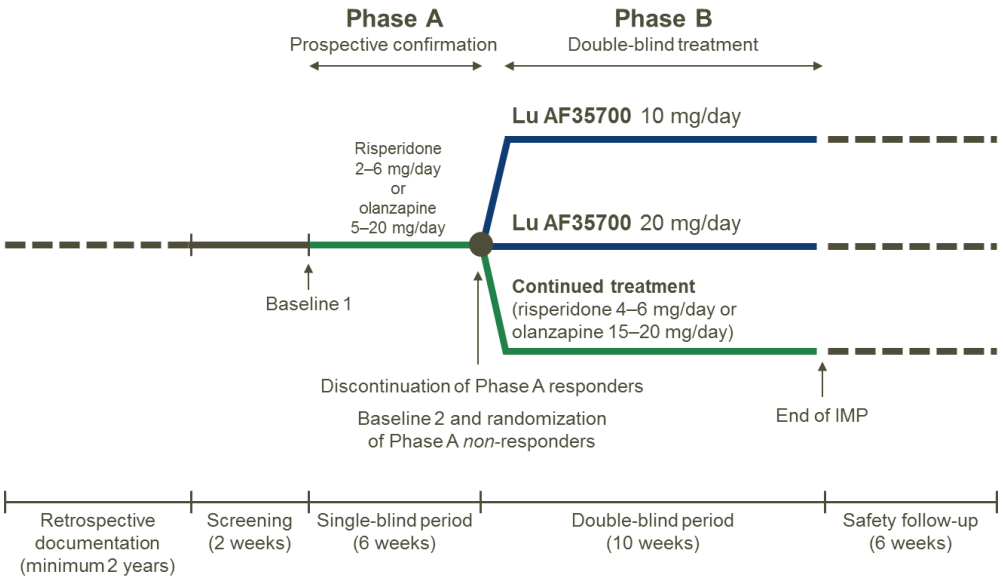
Lundbeck

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

TRS	Lu AF35700	Clinical programme
✗ 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	✗ Unique mode of action. In contrast to current treatment, antipsychotic effect at **low D_2 blockade** ✗ Combined D_1/D_2 and 5-HT_6 profile gives good activity combined with a **benign tolerability profile** ✗ Very **long half-life** leads to significantly reduced risk of relapse	✗ 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** ✗ Long-term safety study started in August 2016***

*) Clinicaltrials.gov identifier: NCT02202226
**) NCT02717195
***) NCT02892422

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



First study in pivotal programme

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

Primary endpoint

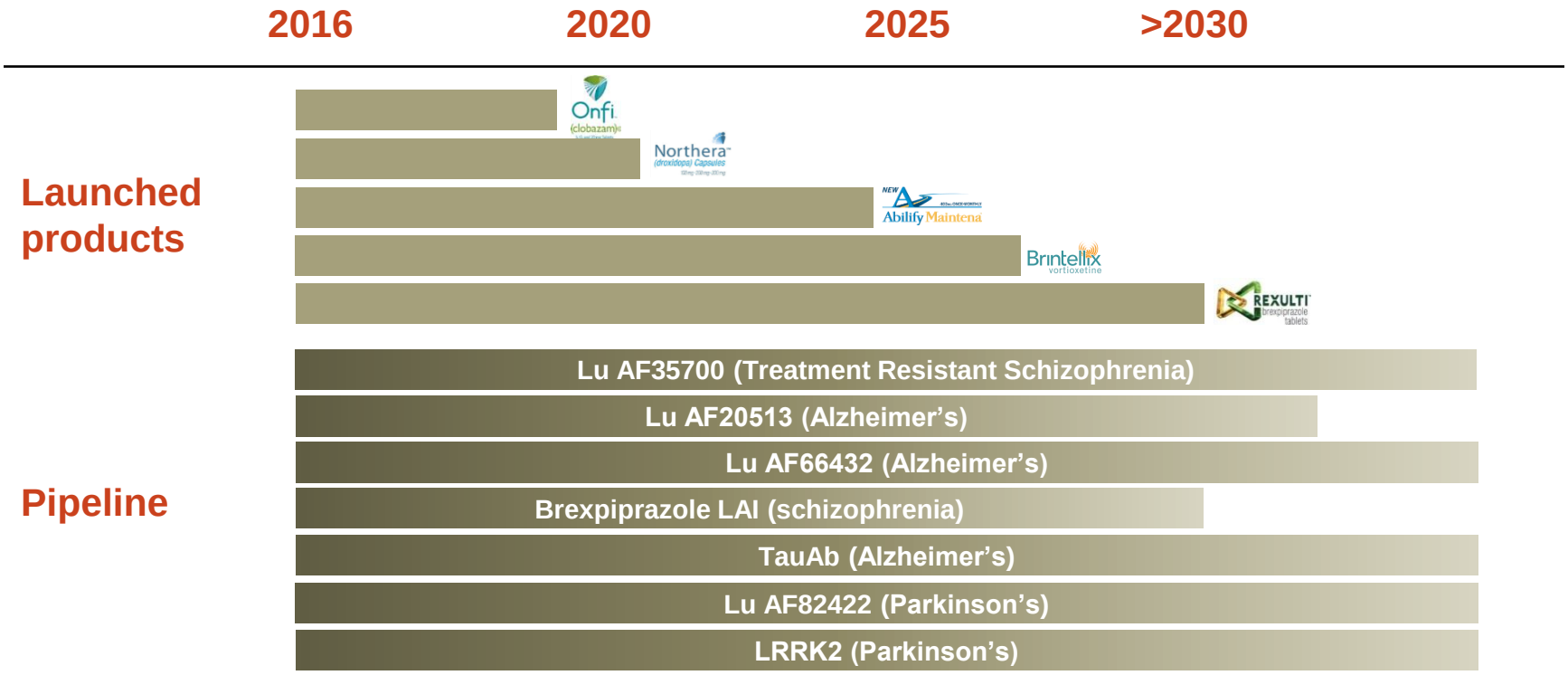
- Change in PANSS total score

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



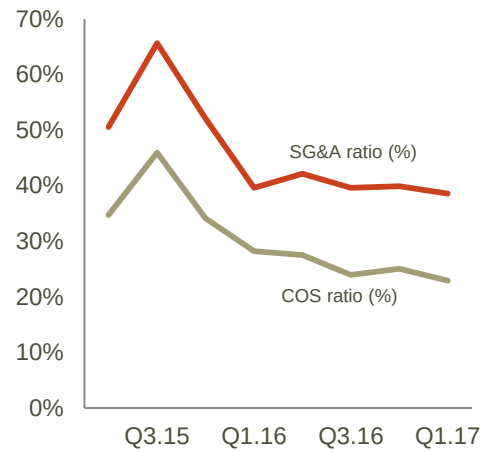
Financial results – Q1 2017

Strong improvement in both gross margin and EBIT margin

Q1 2017	Q1 2016	Δ%	DKKm	FY 2016	FY 2015	Δ%
4,211	3,770	*12%*	**Revenue**	15,634	14,594	*7%*
77.1%	*71.8%*	-	***Gross margin***	*73.9%*	*63.0%*	-
1,011	483	*109%*	**EBIT**	2,292	(6,816)	-
24.0%	*12.8%*	-	***EBIT margin***	*14.7%*	*(46.7%)*	-
1,213	749	*62%*	**Core EBIT**	3,477	847	*311%*
587	186	*216%*	**Net profit**	1,211	(5,694)	-
2.98	0.94	*217%*	**EPS**	6.14	(28.96)	-

Headcount and OPEX in general continue to decline

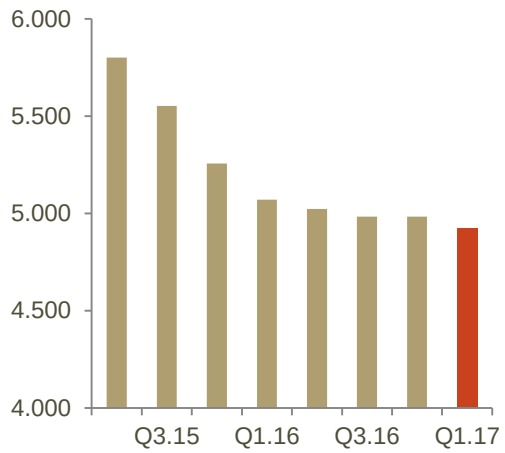
COS and SG&A ratio



Highlights

- Slight reduction in total costs while growing topline by 12% in the quarter
- Lowest FTE level in more than 10 years
- CAPEX stable around DKK 300-400 million per year

Headcount (FTEs)

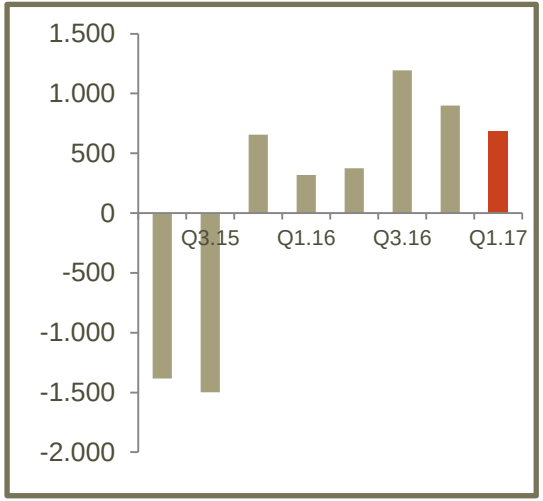


Strong improvement in Lundbeck's cash flow

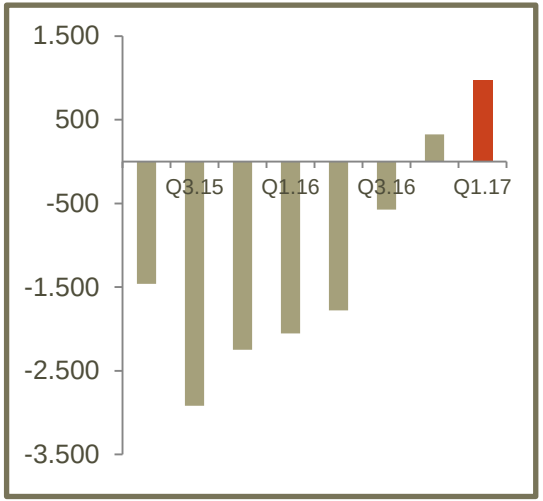
Net cash position further improved						
Q1 2017	**Q1 2016**	**Δ%**	**DKKm**	**FY 2016**	**FY 2015**	**Δ%**
651	357	*82%*	**Operating cash flow**	3,126	197	*1,487%*
681	320	*113%*	**Free cash flow**	2,789	(2,645)	-
524	(28)	-	**Net cash flow**	783	(2,144)	-
2,728	1,383	*97%*	**Cash**	2,200	1,504	*46%*
975	(2,052)	-	**Net cash/(Net debt)**	326	(2,249)	-
(0.8)	2.5	-	**Net debt/EBITDA ratio**	(0.1)	10.7	-

Continued improvement in net cash; but free cash flow negatively impacted by paid income taxes and change in working capital

Free cash flow (DKKm)



Net cash position (DKKm)



Highlights

- Substantial positive cash flow from operations
- Net cash expected to reach 2.5-3.0 billion in 2017*

*) Potential gain from divestiture of properties not included

2017 financial guidance raised - Lundbeck on track to achieve an all-time high revenue and EBIT

2017 financial guidance

DKKbn	2016	Previous 2017 guidance	Revised 2017 guidance	~Δ% (y/y)
Revenue	15.6	16.3-17.1	**16.5-17.3**	*+6-11%*
EBIT	2.3	3.4-3.8	**3.6-4.0**	*+57-74%*
EBIT margin	*14.7%*	*~20-23%*	***~21-24%***	-

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 financial guidance
- Unchanged currencies from early May 2017
- Potential gain from divestiture of properties announced 5 May 2017 not included in current financial guidance

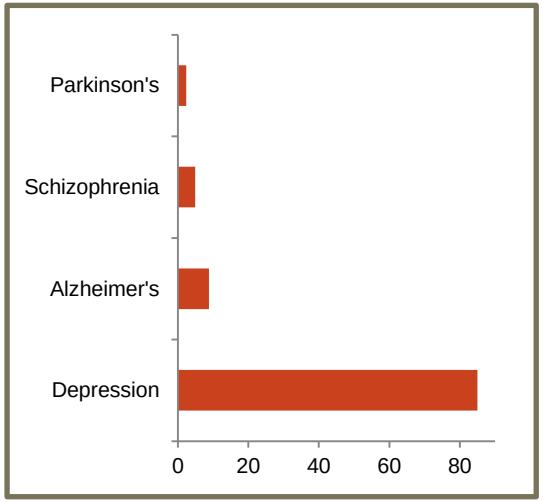
Key priorities

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

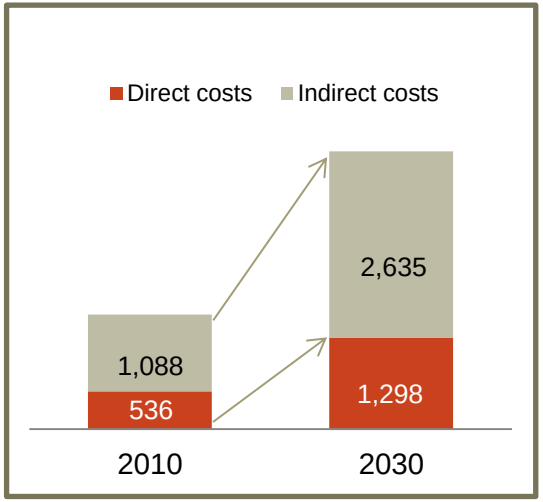

PATIENTS
FOCUSED
DEPRESSION
GLOBAL
PASSIONATE
ALZHEIMER'S
SCHIZOPHRENIA
RESPONSIBLE
PARKINSON'S
INNOVATION
LEADERSHIP
PROFITABILITY
ORGANIZATION

Huge disease burden from mental health provides need for new medicines

>100m patients (G7)[1] in Lundbeck's disease areas



Cost of mental health – high-income countries (USDbn)[2]



21st Century Cures Act signed into US law (Dec. 2016)

- Increase coordination among federal agencies responsible for treating mental illness
- Improving how the federal government finances and manages evidence-based mental health services
- Promoting workforce development and integrated care
- The first mental health reform bill in more than 50 years

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

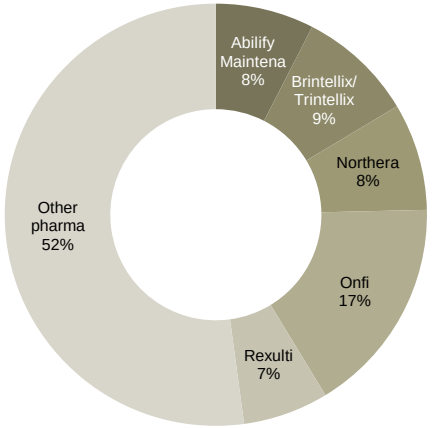
2015 - CNS market overview

	Market size (2015)					Market leaders (2015)	
	Value USDbn	Value Growth	Volume Growth	# of patients*	Unmet medical needs	Compound	Share value
Total pharma	945	+1%	+2%	-	-	-	-
Total CNS	134	-3%	+1%	-	-	-	-
Anti-Alzheimer's (N7D)	5.3	-14%	+3%	>7 million	• 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	• 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	• 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	• 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%

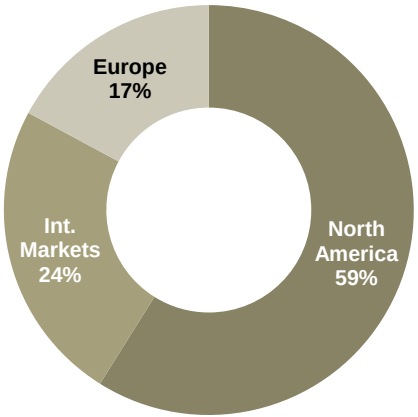
Source: IMS Health Analytics Link 2016 (Audited sales), Growth, USD % y/y

Lundbeck is a global, CNS-focused pharmaceutical company

Q1 2017 sales* by product



Q1 2017 sales* by region



Largest markets for Lundbeck (Q1 2017)

- USA
- China
- Canada
- Japan
- Italy
- France

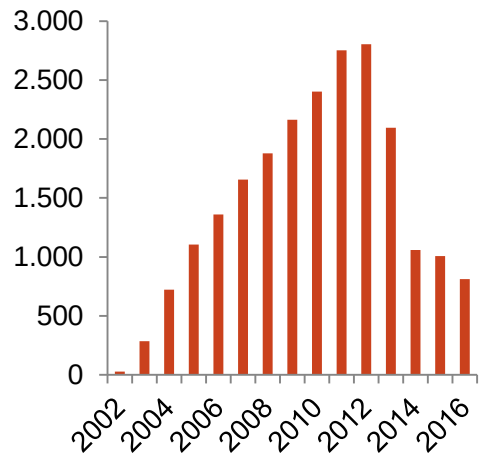
*) Excluding Other revenue

Our path to category leadership

	Current products	Pipeline
Mood disorders	Cipralex (escitalopram); Brintellix (vortioxetine); Rexulti (brexpiprazole tablets)	Research projects; LCM projects
Psychotic Disorders	Saphris (asenapine); Rexulti (brexpiprazole tablets); NEW Abilify Maintena 400mg ONCE-MONTHLY	LCM projects; Lu AF35700; Research projects
Alzheimer's	20 mg Once-Daily Ebixa memantine	Brexpiprazole; Lu AF66432; Lu AF20513; TauAb
Parkinson's	Once-Daily Azilect rasagiline; Northera (droxidopa) capsules 100mg-200mg-300mg	Lu AF82422; LRRK2

Lundbeck in Alzheimer's disease

Ebixa sales (DKKm)



Products / projects

Ebixa memantine

REXULTI brexpiprazole tablets

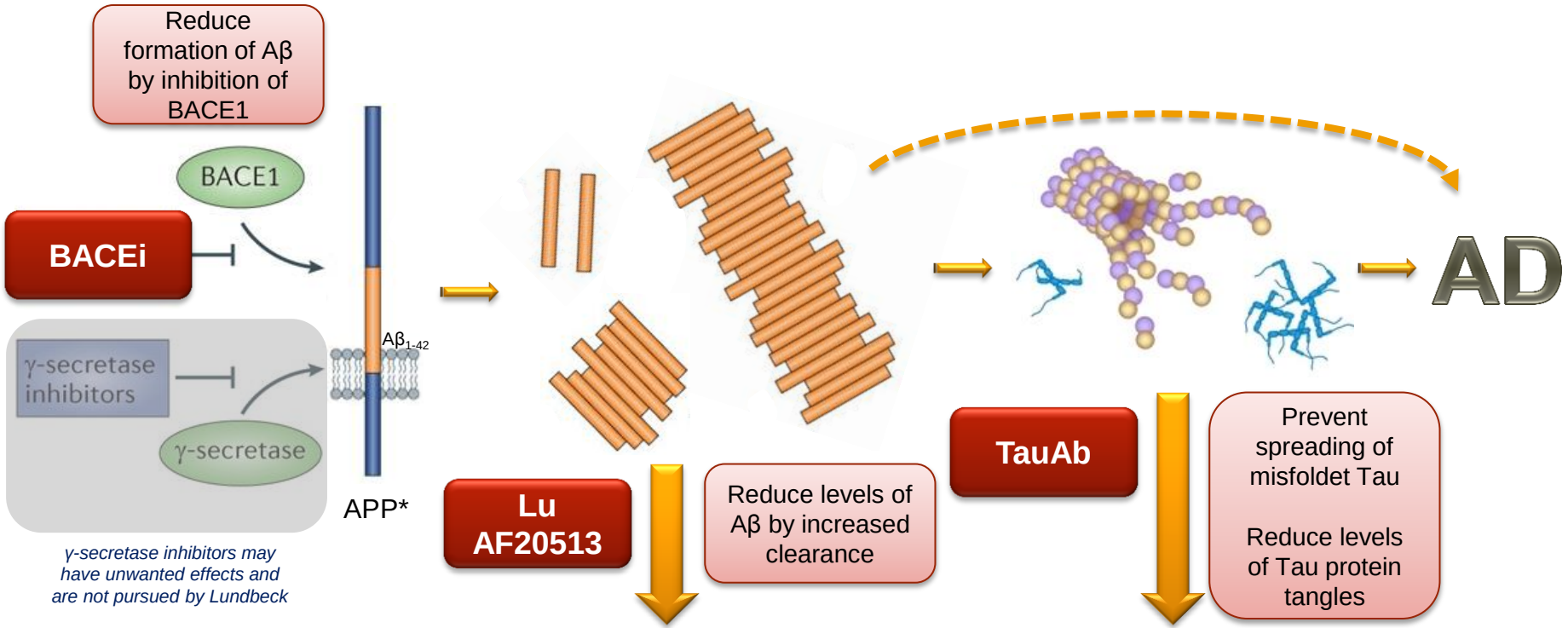
Lu AF66432 (BACE)

Lu AF20513 (Aβ)

TauAb

- Ebixa launched in 2002
- Ebixa peaked at 27% of the European market
- Rexulti to address symptoms of Alzheimer's
- Therapeutic vaccine against β-amyloid, Lu AF20513
- Other concepts in early development

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



*) APP : Amyloid Precursor Protein

Lu AF20513 – an active therapeutic vaccine against β-amyloid

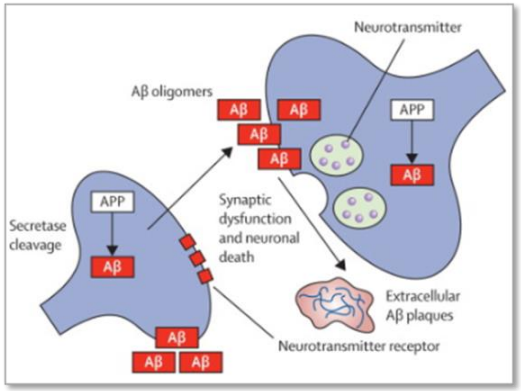
Phase I study

Wanted from study

- Low level of ARIA-E and ARIA-H[2)]
- No meningo-encephalitis
- High antibody responder rate
- Fast antibody response (< 6 months)
- High affinity Aβ specific antibodies (for CNS clearance)

Not wanted from study

- Aβ specific T-cells
- High IgM over IgG ratio
- Very low responder rate



Study design[1)]

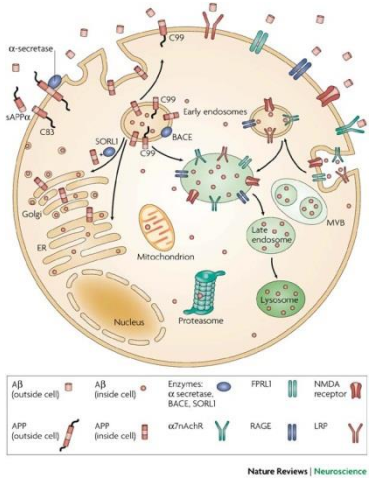
- 35 patients from centres in Europe
- Patients with mild Alzheimer's (MMSE 19-26)
- Four injections of Lu AF20513

Purpose:

- Evaluate safety and tolerability
- Measure Aβ-specific antibody titter
- Phase I commenced in Q1 2015. Expected completion: mid-2017

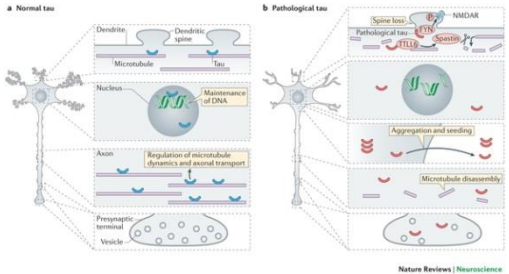
1) NCT02388152
2) Amyloid Related Imaging Abnormalities (ARIA): ARIA-E refers to the MR signal alterations thought to represent vasogenic edema (VE) and related extravasated fluid phenomena. ARIA-H refers to the MR signal alterations on attributable to micro hemorrhages (mH) and hemosiderosis

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

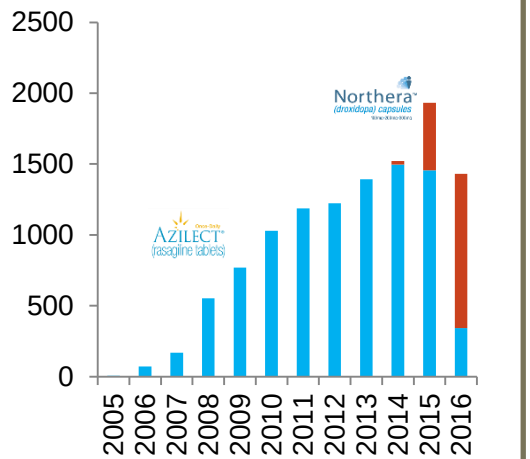
BACE[1)]		Lu AF66432
✗ BACE was identified in 1999[2)] ✗ Enzyme that initiates the production of the Alzheimer's associated peptide Aβ		✗ NCE targeting inhibition of BACE1 enzyme ✗ Disease modifying treatment that fits well with Lundbeck's Alzheimer's portfolio

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		TauAb
✗ 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		✗ Tau aggregation inhibition for the treatment of Alzheimer’s

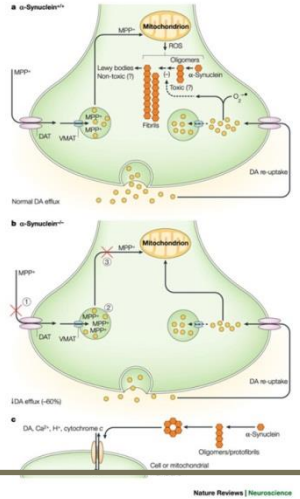
Lundbeck in Parkinson's disease

Azilect + Northera sales (DKKm)	Products / projects	
	Northera™ (droxidopa) capsules 100 mg • 200 mg • 300 mg Once-Daily AZILECT® (rasagiline tablets) **Lu AF82422** **LRRK2**	★ Lundbeck launched Azilect (ex-US) in 2005 and Northera (US) in 2014 ★ Movement disorder franchise further bolstered by Xenazine (US) for Huntington's chorea ★ In 2016, Azilect (mainly EU) was handed back to Teva

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

Genmab

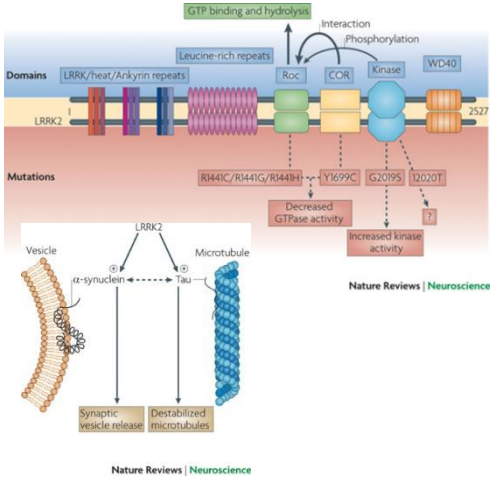
Nature Reviews Neuroscience 4, 727-738 (September 2003)

Lundbeck

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)

ZENOBIA THERAPEUTICS

Vernalis

Lundbeck

Finance & other

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

Milestone payments

Payment to: Otsuka | Lundbeck

	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 | Lundbeck

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

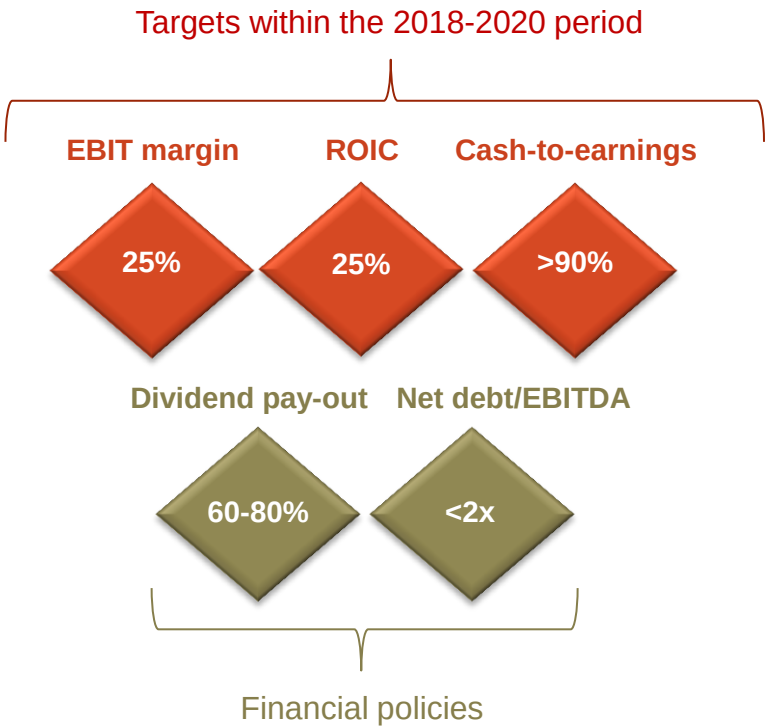
* Includes sales milestones
** All regions except Asia, Turkey and Egypt
*** All regions except Thailand and Vietnam

★ Selincro for Japan added to the alliance in October 2013

Financial targets

Achievements on targets

	Q1 2017	2016	2015
EBIT margin	**24.0%**	14.7%	(46.7%)
ROIC	**6.6%**	13.2%	(45.4%)
Cash-to-Earnings	**115.9%**	230.3%	N/A
Dividend Pay-out	**N/A**	40%	0%
Net debt/EBITDA	**(0.8)**	(0.1)	10.7



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

Debt reduction

- Net cash positive already in 2016
- Repay remaining debt
- Increase strategic cash reserve

Dividends

- Pay-out ratio of 40% for 2016
- Dividend policy revised: Pay-out ratio raised to 60-80% from 2017

Business development and/or additional cash reallocation

- Maintain investment grade status – i.e. NIBD/EBITDA <2.0x

Q1 2017 and FY 2016 - Product distribution of revenue

DKKm	FY 2016	FY 2015	Q1 2017	Q1 2016	*Growth*	*Growth in local currencies*	*% of total*
TOTAL:							
Abilify Maintena	1,114	669	**312**	255	*22%*	*23%*	*7%*
Brintellix/Trintellix	1,105	629	**367**	238	*54%*	*49%*	*9%*
Cipralex	2,518	2,591	**693**	750	*(8%)*	*(12%)*	*17%*
Northera	1,087	475	**340**	199	*70%*	*73%*	*8%*
Onfi	2,409	1,757	**690**	544	*27%*	*27%*	*16%*
Rexulti	826	117	**271**	116	*133%*	*136%*	*6%*
Sabril	1,342	985	**374**	287	*30%*	*30%*	*9%*
Xenazine	1,571	2,201	**252**	444	*(43%)*	*(43%)*	*6%*
Other pharmaceuticals	3,337	4,652	**838**	856	*(2%)*	*(2%)*	*20%*
Other revenue	325	518	**74**	81	*(8%)*	*(8%)*	*2%*
Total revenue	**15,634**	**14,594**	**4,211**	**3,770**	***12%***	***11%***	***100%***

Q1 2017 and FY 2016 - Geographic distribution of revenue - 1

DKKm	FY 2016		Q1 2017	Q1 2016	*Growth*	*Growth in local currency*	% of total
North America:							
Abilify Maintena	526		**133**	119	*13%*	*13%*	6%
Trintellix	706		**205**	161	*27%*	*29%*	9%
Northera	1,087		**340**	199	*70%*	*73%*	14%
Onfi	2,409		**690**	544	*27%*	*27%*	28%
Rexulti	826		**271**	116	*133%*	*136%*	11%
Sabril	1,342		**374**	287	*30%*	*30%*	15%
Xenazine	1,557		**246**	440	*(44%)*	*(44%)*	10%
Other pharmaceuticals	669		**178**	145	*23%*	*18%*	7%
Total revenue	**9,122**		**2,437**	**2,011**	***21%***	***21%***	**100%**

Q1 2017 and FY 2016 - Geographic distribution of revenue - 2

DKKm	FY 2016	Q1 2017	Q1 2016	*Growth*	*Growth in local currencies*	*% of total*
EUROPE:						
Abilify Maintena	508	**154**	119	*29%*	*31%*	22%
Brintellix	220	**82**	45	*84%*	*65%*	11%
Cipralex	760	**169**	198	*(15%)*	*(18%)*	24%
Other pharmaceuticals	1,424	**304**	385	*(21%)*	*(20%)*	43%
Total revenue	**2,912**	**709**	**747**	***(5%)***	***(6%)***	**100%**
INTERNATIONAL MARKETS:						
Abilify Maintena	80	**25**	17	*47%*	*37%*	3%
Brintellix	179	**80**	32	*152%*	*129%*	8%
Cipralex/Lexapro	1,571	**472**	498	*(5%)*	*(10%)*	47%
Ebixa	486	**176**	144	*22%*	*24%*	18%
Other pharmaceuticals	959	**238**	240	*(1%)*	*(2%)*	24%
Total revenue	**3,275**	**991**	**931**	***6%***	***3%***	**100%**

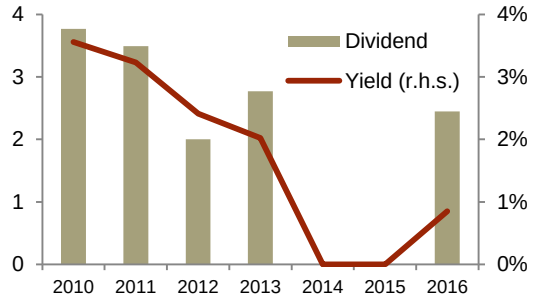
Q1 2017 - Cash generation

DKKm	Q1 2017	Q1 2016	FY 2016	FY 2015
Cash flows from operating activities	651	357	3,126	197
Cash flows from investing activities	30	(37)	(337)	(2,842)
Cash flows from operating and investing activities	**681**	**320**	**2,789**	**(2,645)**
Cash flows from financing activities	(157)	(348)	(2,006)	501
Net cash flow for the period	**524**	**(28)**	**783**	**(2,144)**
Cash, bank balances and securities, end of period	2,745	1,400	2,217	1,521
Interest-bearing debt	(1,770)	(3,452)	(1,891)	(3,770)
Net cash/(net debt)	**975**	**(2,052)**	**326**	**(2,249)**

Q1 2017 and FY 2016 - Balance sheet and dividend

DKKm	31.03.2017	31.12.2016
Intangible assets	8,507	8,839
Other non-current assets	3,437	3,847
Current assets	8,734	7,524
Assets	**20,678**	**20,210**
Equity	9,821	9,694
Non-current liabilities	2,722	2,740
Current liabilities	8,135	7,776
Equity and liabilities	**20,678**	**20,210**
Cash and bank balances	2,728	2,200
Securities	17	17
Interest-bearing debt	(1,770)	(1,891)
Interest-bearing debt, cash, bank balances and securities, net end of period	**975**	**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 (Δ%)*	*2015 (Δ%)*
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**	**21,410[1)]**	**13,369**	***(38%)***	***60%***
EBIT	**2,292**	(6,816)	99	-	-
Core EBIT	**3,477**	847	1,228	*311%*	*(31%)*
Cost of sales	***26%***	*37%*	*31%*	-	-
Sales & Distribution costs	***35%***	*46%*	*38%*	-	-
Administrative expenses	***5%***	*8%*	*8%*	-	-
R&D costs	***19%***	*56%*	*22%*	-	-
EBIT margin	***15%***	*(47%)*	*1%*	-	-

Included are 1) Restructuring costs and impairment of product rights 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

Q2 2017	9 August 2017
Q3 2017	8 November 2017
Q4 2017	February 2018

Thank you!

Lundbeck