Ulf Wiinberg

Very, very welcome to the Lundbeck second quarter teleconference. I am today joined by our CFO, Anders Gotzsche, and our Head of R&D Anders Gersel Pedersen.

On the second slide in the deck we have the company disclaimer and I will not read that to you but you are well aware of the facts here.

So right to the third slide, so let me say the second quarter has from an operational point of view been a great quarter in every aspect for the company and I am very, very pleased with the quarter but for one non-operation. You are all aware of the EU Commission decision which impacted our financials negatively in the quarter. We communicated extensively on the commission decision in June and I had not intended to comment more on that now but of course if you want me to discuss it we can talk about it in the Q&A but leaving that aside from an operational point of view, Q2 is a great quarter for Lundbeck. What we can see from that is obviously we are seeing very strong new product sales at 59% and new product sales are important for us both from a financial point of view but also as a key performance indicator measuring how we are able to launch and execute all new product launches. We are also very pleased we are seeing continued operational results up 6% excluding Lexapro and the progress in the US business.

From an R&D point of view, Brintellix, our next antidepressant, has presented data at various conferences and this product is now starting to take shape and more and more excitement are being recognised by various third parties ahead of what we hope to get as approval here in early second half.

I also want to call on AE58054, our new on time first trial (?) for data was presented in AAIC in Boston and the feedback from that is that many see this as potentially the next new Alzheimer’s drug, which for us is a very, very exciting opportunity. We also have IV Carbamazepine, we see that they are for drug status which is very important because that way we can see an approval coming shortly.

When we look at the financial results for the year, of course we have raised the guidance and when you consider that we have also written off product brands related to Sycrest, the improved guidance is significant to a tune of 300 million. All in all both from a financial point of view of all operating aspects and from an R&D point of view, we feel very good about where we are right now and feel very good about 2013.
I would like to make one caution is that the careful extrapolating the ‘13 data in sales performance into 2014 and since we have additional generic exposure to 2014, additional new product launches and significant investment in 2014 so don’t assume that the improvement we see in 2013 translates into an improved guidance for 2014.

Just to comment a little bit about the specifics. Next slide please, so on slide 4. US, we are up 28% year on year in the quarter excluding Lexapro; Onfi generated 114 million in the quarter, up 111%. We have launched Abilify Maintena and it is in line with expectations so far. It is on track. Europe, I will say that obviously we are impacted by generics in Europe in the second quarter and that impacts the total performance. That said, some of you may be aware that we implemented a significant restructuring of the European Operations last year. That has been executed and we are seeing all the savings come through without losing momentum or Cipralex or Azilect in Europe, so all in all Europe’s performance is very strong for the quarter as well.

International markets are doing great. We are up 10% and Canada, it is very, very solid. We also say we have had a great launch on Treanda in Canada.

Lastly Japan, obviously we are up almost 80% in local currency and Lexapro is performing and we have a chance to get towards the 20% market share that we have targeted before, so all in all the growing business is doing very well.

Next slide please, so Abilify Maintena and we start saying that the sales are in line with expectations. We have seen good patient uptake. I think what we are learning in the US is that some of the market access issues that never used to be an issue is an issue. So on the positive side where we have access we see quicker uptake, but we also see some states being a little slower making access decisions, bringing us in line with expectations. We believe Abilify Maintena with a stable product profile will expand the long-acting market in the US which on a comparative note to Europe is still underdeveloped and we continue to believe that we will reach the 2 to 2.5 billion Danish through our sales on Abilify Maintena in the US.

Selincro has been launched in 12 countries in Europe but the first countries to launch were really Norway, Finland and Poland and we have launched without reimbursement and today we have several thousand patients who have been well started on the product without reimbursement. So we think that is encouraging. We will be launching in another ten countries during the second half of 2013. We have achieved reimbursement in the Netherlands with a good price and we hope we will get it in Sweden and then those will be sort of the first two more significant markets where we have reimbursement where we will get experience on how the market reacts with reimbursement. We expect the big five countries to come through in 2014, but so far based on the reactions from patients from physicians and from discussions we have had with Bayer, we believe Selincro will make a great difference in this field and we expect it to reach the peak sales of 2 to 2.5 billion Danish Krone that we have ().

I now would like to hand over to Anders Gersel Pedersen to comment about the great progress we have in our R&D pipeline

Anders Gersel Pedersen
Thank you. First and foremost I would just briefly comment on the overview of the pipeline indicating that we now have the programme ready to, it’s moving 58054 that is moving into the approved processes so we expect to get the first patients into the studies, there are three studies later on this year. So we will see it moving from phase II status into actually ongoing phase III studies. The others are still. Dianna (?) will comment a bit about the Brintellix situation also. We have Brintellix as you know under review by FDA and EMA and we still are on track for an approval later on during 2013 in both of these areas. The Abilify Maintena also is on track for a review following an approval within 2013 based on the feedback we have received so far from EU.

If we turn to slide number 7, there is some data indicating some other data presented on the Brintellix, just to give you a flavour of some of the things that we are seeing. First and foremost the efficacy that we had is comparable to that seen with Duloxetine (?) in the studies where that has been performed. You have to be aware here that patients going into these studies are preselected for being sensitive or tolerant to Duloxetine (?), so there is some skewednes (?) in the recruitment bases here, but still we are seeing a very good effect and significance at the various dose levels that we have tested here both for adults and elderly and in relapse prevention, so we have a broad level of indications and a broad dose range for the products.

We also have a current rate, about 70% of our stable (?) trials has been positive, which is higher than average for antidepressants. We have also seen in the so far reported cognitive endpoints, that we have positive effects from Brintellix, which is an important feature, we believe, for the molecule in terms of helping patients that are not feeling well while being responsive to their depressive symptoms and overall the tolerability profile looks very good in more than our 3,000 patients exposed.

If you go to the next slide 8 basically indicating really the detail that we have several positive (?) studies by 10mg and 20mg and one positive (?) study in 15mg, that we have good tolerability profile with a major symptomatology in terms of adverse effect being nausea which is not unaccustomed in this area of treatment. We have a very low withdrawal rate and excellent side effects in terms of insomnia, body weight, heart rate, etc, and also notably no sexual side effects or rather at placebo level. Also I should emphasise that the discontinuation symptoms are at a very low rate with this molecule in the studies. And all, we have, we believe, a very strong profile for new antidepressants that we still expect to get approval of later on this year.

We then go to slide 9. I have highlighted key data from 58054 that were shown earlier on in AAIC Boston. Data showing the effect on the primary endpoint at a cog scale in patients with dementia, MMC 12 to 19 and we had trends that were positive for functioning also and CGI. The study was not powered to show significance here, but there were good trends in both of these scales. Also I think tolerability was very good. From a lab basis we saw a transient increase in a few patients on liver function tests. This, however, is of no concern neither to us nor to people at the conferences nor the regulators that we have discussed the ongoing programme with. We believe we have a molecule that has indicated good activity in a core problem are for dementia patients with an excellent tolerability profile.

And with that I will hand over to Anders Gotzsche who will go into greater detail on the numbers.
Anders Gotzsche

Thank you, Anders, please turn to slide 10. As Ulf already has gone through I think it is fair to conclude that we have had a very solid performance on our continuous operations which actually still includes Ebixa. 6% year over year growth is very satisfying and that is driven by the strategic important growth regions, it’s international markets and it’s US. It’s also important to note that the combined revenue from new products is in the quarter grown close to 60% in local currency and it has continued the significant growth from the previous quarters, both in local currencies and report (?) currency. And that gives us the confidence in that we still have a lot of growth opportunities also looking forward because we are, as Anders just explained, we are expecting approvals of Brintellix and Abilify Maintena in Europe by the end of the year and for the time being the annualised sales from new products is close to 2.5 billion Danish Krone, so that growth will accelerate and hopefully we can reach the goal we have set about around 50% of revenue being from new products in 2015.

It is also very important to notice that several of our legacy products are (). We are actually seeing a better performance by Ebixa, but it is important to say that we know there will be a sharp erosion curve when generics are launched into individual markets and we have seen generics in most European markets and therefore you can also see we had a 2% growth in Q1 and now we have Ebixa is down 26% in second quarter. It is the impact of price reduction in France but it is also generics coming in, especially in June, and you should still expect an overall decline for Ebixa of in a range between 30 to 40% for 2013.

I would say that Azilect again improved by very substantial growth. We have a growth of 22% for the first half and 17% in Europe and it is actually driven by most countries in Europe’ and then of course it is also Azilect … it’s also impacted positively by a very nice trend in Australia. For Cipralex in Europe we see declining sale. Even if we are actually seeing good growth in Austria, Switzerland, a lot of countries, so in the countries where we have full exclusivity, we are actually taking market share, and in international market of course the usual suspects like Canada, China, Japan is doing very nice with positive growth figures.

Revenue from Xenazine in the US, we saw increase of 34% compared to the second quarter last year. It is a continuation of the positive trend from the previous quarters. It was a little better than expected but also Sabril and Onfi are performing very nicely and of course we hope that we can continue these very high growth rates, but of course the products are also maturing so we hope to continue well, but you shouldn’t expect as high the growth numbers in the upcoming quarters.

I would say all in all we are very satisfied with the revenue progression for the quarter, it is better than unexpected and it has provided a foundation for our positive guidance revision for the full year and we firmly believe that continues to invest in the product launches will also accelerate the growth going forward. It is important also to state that it is a difficult environment out there so I think our commercial organisation is doing a great job in actually out-beating our competitors and taking market shares but it is important that we follow our strategy and make product geographical expansion and also secure that we have more product diversifications.
Please flip to slide 11. The quarter is, when you look into Q2 of course, impacted by the EU fine and also the right (?) of Sycrest rights, so if you adjust for that we are actually delivering an EBIT of more than 400 million and that is actually if you adjust last year’s restructuring costs, we are actually growing the quarter despite the loss of Lexapro in the US last year, so it is a very solid trend that we see in this quarter. It looks a little odd due to the negative figures but if you adjust for these one-offs, it is actually a really strong development we have seen in the quarter. I would also like to allow myself to state that cost evolvement (?) in Lundbeck is, as Ulf also alluded to, is under very tough control and we can really see that the restructuring is paying off now, and we are seeing declining cost levels in Europe which is actually good for the upcoming launches and investment in new products. And of course the COGS (?) has increased in the quarter and that is of course due to the impairment of Sycrest which is impacting the COGS (?) percentage but you should expect the underlying growth in the COGS (?) is fully in line with our expectations and you should expect the COGS (?) percentage for 2013 for the full year to be slightly higher than the level last year, but not much. The () percentage you should also expect to be around 20% for the full year and when it comes to SG&A, of course SG&A is impacted this quarter with a 700 million for the EU fine and last year it was impacted by the 500 million in restructuring charge. But the net-net SG&A is actually…the underlying SG&A is actually declining with around 7-10% and you should expect the SG&A ratio for the full year to be around 45-46% of revenue including the EU fine for the full year.

Our cash flow generation continued to be satisfying, also taking into account the decreasing profit from the US and our huge investment in new products launches. We have a positive cash flow inflow of 1.5 billion and we now have around 4.6 billion in cash and we have a debt of 1.9, so that leads to a net cash position of 2.5 putting us in a very strong financial position going into this transition period.

Please flip to the next slide. I definitely hope that the three of us has provided you the impression that we are extremely pleased with the performance and the momentum of the company and we thought it was now time to make the revision of our guidance and therefore we upgraded revenue with 200 million and we have also upgraded the EBIT with 100 million and I know some of you will ask it seems a very small increases, but you need to bear in mind that it is actually including the Sycrest write-off of 200 million, so the underlying upgrade is 25%, so we are actually pleased with that. And of course we would like the good performance that we have seen in this quarter to continue but we cannot promise that, but of course it will continue in the remaining part of the year.

Just so it is really clear, you need to understand that the new guidance for 2013 of course includes the EU fine, it’s the write-off of Sycrest rights, and on the positive side we have the divestiture gain with the Otsuka deal and we also have…and then of course the divestiture gain on our mature portfolio in the US. More or less these extraordinary items, they are balancing each other out, so what you are actually seeing now is kind of underlying performance.

One more flip side of the EU fine is of course it’s not deductible which means that our tax percentage for the year will be around 40% and of course as you know, the final tax rate for the year will be dependant on the composition of our tax base and mix of earnings. Net finances, you should still expect it to be a loss around 50-100 million.
With this, I have concluded my presentation of the finances and I will hand over for Ulf for the concluding remarks.

**Ulf Wiinberg**

So as we said at the beginning of the year 2013 promises to be a promising year and now where we are at now, it seems like it’s a year where we are performing from a financial point of view. From a strategic point of view, both for respect of expansion in the product activity as well as our R&D activity.

Second half this year, obviously we had the presentation of the 58 or 54 (?) data in Boston and following that we are starting up this programme here. We are also expecting approval of Brintellix in Europe. The CHMP recommendation takes a few month to get the actual approval in the local languages. We expect an FDA approval in North America and Abilify Maintena approval in Europe based on the start we’ve had in the US; we’re very excited about having this opportunity also in Europe.

That concludes that call. Thank you very much for calling in. We’re now ready for Q&A.

**Questions and Answers**

**James Gordon – JP Morgan**

*Hello, thanks for taking my questions. One question was just on products. Can you give us any indication of what Abilify Maintena and Selincro sold this quarter? Was it a low single digit number or something like that?*

We don’t want to do that, so we will communicate as sales are material and I think probably with respect to Selincro, it’s probably more into next year and Maintena will follow our ().

*One question I had with Sycrest, you’d previously said DKK0.5 to 1 billion; what are your expectations now in terms of peak sales?*

It’s more likely it will be around 500 million, it’s actually a paradox that actually this quarter we saw excellent growth, but it’s just grown from smaller numbers, and then we took this write-off impairment due to () and a lower level, but you should more count on 500 million, it’s a much more realistic number for Sycrest.

*And then just a final question for me which was R&D and SG&A in 2014; can you give us any indication of directionally where they could be versus 2013?*

I think from R&D you should definitely expect it to be around this 20% and just from top of my head, you should also expect that SG&A will be around the level we are seeing this year and it might increase. It will really depend on how fast we are launching the new products and how good market access we can get in the different European countries, both of Brintellix but also for Abilify Maintena.

*Thanks very much.*
Tim Race – Deutsche Bank

Hello gentlemen. A few questions if I may, the first one just on Brintellix. We’re coming up close to the US approval which I’m relatively confident on. What I’m not confident on is your marketing partner, Takeda, in terms of communication and visibility of what their pre-launch activities are. I just wondered if you could detail out what their commitment in terms of salesforce is and in terms of any words you can give me on comfort that they will be ready to give this full attention. Then a question Anders Gøtzsche on cost base, in terms of optimising the cost base - lots of analysts’ focus is on the actual increase in spend for new launches, but are there any other opportunities or could you detail out where you can make further savings and where the possibilities are there in the cost base going forward? And then a couple of questions for Anders Gersel. In terms of Brintellix in the EU, what stage are we at now? Have we gone through that last clock stop and is there a chance of the EU approval coming before the US approval? Or at least the CHMP decision? And just a question on the Ebixa study for Brexpiprazole - I see that has completed on clinical trials (?) and I see that you have now started the long term maintenance studies. When will we see that data and is there anything I can read into you starting those studies, versus that study completing? Thank you.

I think Tim, good questions for all of us in the management. I think with respect to Takeda commitment, we are very pleased with their overall commitment and we feel that they are on top of all the aspects necessary to make a successful launch. We did not want to give you specific sales numbers, specific activities, since there is a fair...there is some competitive activities going on with Forest(?) and some other players, but we have...I mean already this year we’ve had two top to top meetings between the companies where we review all the launch preparation and I must say, I feel good about the commercial readiness from Takeda. Next question.

Cost base. I would say we make the restructuring of the European business and we can see that we anticipate to see an impact and we saw that impact fully in Q2 and of course we expect to see that also in the upcoming quarters. What of course you also know is that we will use some of these cost savings for investing in product launches. We have ongoing programmes to secure that everything we can do to run a more efficient business, so we have room for actually increasing the number of sales reps in the US, increase our presence in China as we have done in the past and also securing that we have enough fire power behind the new programmes. We would do whatever we can to take out that cost, but there’s nothing for the time being where you should take in several hundred of millions in the different quarters. We will, as we go, try to secure that we bring down costs.

This is also regarding Brintellix in Europe. You do not expect to get a CHMP decision prior to the (?) date of 2 October. Process-wise, we are in the midst of a clock-stop process where we have to respond to the EU and their next meeting is on the 23rd, I think, or something like that or in that week, around that in September, and we don’t expect that to be a final, final meeting at that meeting, so that’s basically where we are.

Brexipiprazole, I think you should expect data to be represented at conferences when you have data that can result to a registration filing, so I don’t think you should expect headline data from individual studies. It’s more an issue when you have, for instance, all the
depression studies or the () studies completed and you’re ready for a filing, then you will see presentation at conferences. If you want more specific, this is something that Otsuka is driving and you should raise this with them. So early as possible time to see data for Brex is probably spring next year.

Okay, understood, thank you.

Kerry Holford – Credit Suisse

Three questions please. Firstly, on Sycrest, I wondered if you could just talk about the reasons for the disappointing performance and the need to downgrade the big sales expectations here. Is it very product-specific, is it just general European austerity, what’s the key reasons and what can you learn from this experience ahead of new CNS product launches that are on the horizon? Secondly, on tax, I wonder if you can quantify the impact of the deferred tax asset review that you talk about in Q2 and perhaps also talk about how you expect the overall group tax rate to evolve next year and beyond in light of that lower Danish corporate tax rate. And then lastly on guidance, given you are effectively upgrading the EBIT range today given the inclusion of Sycrest right down, I wondered if you could just talk about which line item offers you the greatest flexibility in order to achieve this and whether indeed the market may be underestimating your ability to flex certain costs as you move into next year. Many thanks.

Let me just start saying, let’s say we are using exclusivity here in the quarter. Ebixa has been a fantastic product for Lundbeck and we would love to have a longer time, but unfortunately we are getting generic completion here in the quarter and that’s obviously resulting in the loss of sales as we have predicted and guide on for the year. With respect to new product launches, we have launched Xenazine, Sabril, Onfi successfully in the US. We have launched () now in Canada successfully, we’ve launched Lexapro in the US successfully and yes, Japan successfully. So the only one product that has not met expectations has been Sycrest today. It may still be a little bit early, but when we took in Sycrest, we did that to fill the pipeline whilst we were waiting for Brintellix approval. After that we have also done the Otsuka agreement, which is very important for us and so really we have a window to make Sycrest successful in Europe. We made significant investments in the launch, but what we realise is that time to get market access throughout Europe, that the dynamics have changed in the CNS space in that aspect and hence we are taking action to strengthen our medical affair and strengthen our general market access capabilities in order to be better when we launch products in Europe. Regarding the other question, I want defer it to Anders Gotzsche on tax.

Tax, you should expect the tax rate going forward to be around 30%. The structural tax rate is 28-30% and it will swing between the years to come due to the products mix and the earnings mix. This year you have the impact on the tax of the 700 million, you have an impact of the deferred tax. It’s around 10% and then you have the increase due to the yield flying around 15, 16% and then you have a change in mix and that give you around 40%.

Michael Novod – Nordea

Just going back to the guidance for ’13 and ’14, if you look at ’13, could you just talk briefly about what is the big risk of you not getting into the high end of the range, because
it seems very likely you will get there (?). Is it only the Takeda milestone that is being the swing factor here or how should we see that? Then for ’14, when you made the Otsuka deal on 58, 54, then you also mentioned that the signal was that given the co-sharing, you would end up in the high end of the ’14 EBIT guidance and now you also say that we shouldn’t extrapolate into ’14 from ’13 improvements. Is it still very likely that you will reach the high end of the range, perhaps even higher or how do you view the ’14 expectations now when you are in the middle of generics for Ebixa? Then lastly on Abilify Maintena, could you give us a big more information or describe the market access problems you are facing, as Ulf described earlier on in the call.

I think ’13 we’re kind of saying we are in the higher end of guidance with what we have communicated today and we feel that we’ve performed very well on all aspects of the business and the second quarter has been outstanding in many ways. Of course, if this momentum continues then, then we have a very good year. I think when it comes to ’14, clearly the deal within Otsuka was very important for the performance of ’14, but I should also say for ’14 there are so many swing factors that come in and some of them we know about, some of them we don’t know about. If we get early access for Selincro in the big markets in ’14, we will invest more money in Selincro in Europe if indicators are good, for instance, so there are many factors impacting ’14. My comment today was not to intend to lower ’14 or to increase ’14, it was just to remind everyone that there is a lot of moving parts in ’14 and the fact that we have a great performance in ’13 should not be automatically extrapolated into a great performance in ’14. That said, we like where we are from a strategic point of view and from an operational point of view. When it comes to the US, I think traditionally you always just look at script data and script trends, because when you come out, you see how doctors react and what we have seen there is a couple of states, or let me just say we haven't seen it with Onfi, only or two states where it was slow making decisions. What we have seen, we have identified now is a couple of states have been slower than we had expected to make reimbursement decisions. They have now made the decisions but this is all a new phenomenon that you see in the US market. Historically, that was never an issue. When we look at the performance on Maintena, we’re sort of on track. We may be a little ahead in the patient targets that we have but we have also seen these new access issues as something that we have to be more on top of going forward than what you have traditionally needed to be. Thank you.

**Martin Parkhoi – Danske Bank**

Martin Parkhoi from Danske Bank, also a couple of questions. First to Anders Gersel on Brintellix, you continue to mention this dosing range from 5 to 20 milligrams, do you feel confident that this will be the dosing range for all markets because if I go through all the trials that you have released for Chamberlain US you have only shown a positive trial in the 20 milligrams if you look at the solely made trials in US, so do you also believe you will get the 5 to 20 milligram in US? Then with respect to Cipralex, as I see it, it appears that the generic competition on Ebixa has arrived a little bit later than you expected but when it arrived, it has been quite tough on you. Do you think we will see the same with Cipralex that maybe we will not get the competition in Q4 but then in 2015, it will just become tougher? Then the final question, I of course noticed that your products in US are doing quite well. You also have sold off some of your non-core products earlier this year which I guess has freed some capacity in your sales force and in the whole (?) administration in the US, is this one of the reasons for now the strong performance?
Let me take your last question first. When we acquired ovation, you know we said that we were going to transform this into a C&S company similar to Lundbeck, so clearly all the sales effort has been behind the key products that we have on (0), but what we felt from an administrative point of view was to have all the other products from a service point of view was pulling a lot of weight and going into a situation where we are launching Maintena and are going to launch Brintellix, we have to step up in so many ways in the US to continue to execute on that and we wanted to focus and we kind of said that when we bought the organisation (?) three years ago and now we have done it, but you shouldn’t look at the divesture changing the effort level for Sabril, Xenazine or Onfi. That has been the key focus also in 2012.

With respect to the dose range for Brintellix, I would be surprised if we don’t get the full dose range in the US also. I think we have data both actually in the () study which is also including US patients that clearly indicates that, and I would not expect the US regulators to be so myopic that they only look at patients within their own territory. They would obviously like to see that but I think that they would look at the whole data package and look at the totality (?) of information that you have. We have a very extensive package with a number of strong effect studies also on 5 milligrams, so I think… I would be surprised if we don’t get the full dose range.

And Martin on the question around erosion for Cipralex, I think you are right in your comments around Ebixa and that might also be the effect for Cipralex.

I don’t think we will have ().

No, no but we... the vast erosion is right to assume.

Thank you.

Okay, thank you Martin. Next question please.

**Carsten Matsen – Carnegie Bank**

Thank you very much, Carsten Matsen, Carnegie here. A couple of questions. First of all on Selincro, it is correct to assume that this UK NICE review is probably very important for reimbursement in Europe, but do you know when the review is scheduled exactly into 2014. And on Abilify Maintena, there have been some questions about the actual sales in the quarter, but can we see them in the report, I mean you break down revenue from the US and the 6 million in other pharm since you’ve sold everything else. This is Abilify Maintena, right? And finally which may be a little bit nitty gritty on Brintellix, in your slide presentation you say that data has not been challenged yet and you have not seen of course the full prescribing information, which makes sense because you are not there yet, but data has not been challenged yet, it almost sounds like you had very limited agency interaction in the US, is that the right way to view this or....? Thanks.

The disclaimer in the slide is because we are not the deciding part about approvals. That is the agency’s. What we are presenting is our view on the data and the conclusion around how that should be, the interpretation into the label and so forth, that is FDA and EMA and that is the reason for the disclaimer. The dialogue is ongoing and, as Anders also alluded to, is going very well.
Just a comment on the Selincro NICE, NICE is only important for England. Scotland has their own review. What is very important for us is obviously what’s going to happen in… initially now in Sweden and in the Netherlands, part of (?) your experience when they give reimbursement when you launch, but then I think Germany and Norway (?) is very important, the French reimbursement decisions and how they would view the product is very important. Then Spain and Italy will also act on their own. So I think NICE review, I think we’ll have it mid next year, but I will not forecast the weather in () summer and I will not forecast decision making at night either.

So probably the only reason why it’s being mentioned is because this may be the first review coming up or...? I don’t want to say that. I don’t think it will be the first review. I think my guess is the first sophisticated sales technology assessment review happening are the ones in the Netherlands where the Netherlands have given positive decisions and the Swedish decision coming up this year and I would look at those two.

Okay.

I think the reason for mentioning the NICE review is simply that they have considered it relevant to make a review which is in itself a constructive decision on the part of NICE. They could have said this is unimportant, irrelevant product, we don’t want to spend time on this product.

Okay.

Then I think the sales numbers, don’t read that into it. I think we will communicate on Abilify Maintena sales when Otsuka () reported.

Okay I actually just have one more quick question. If you look at the market share data for Lexapro in Japan and you had a great launch but it seems over the last two or three quarters that market share gains have faded off a bit. Is there any particular reason for this?

First, I don’t agree with you. I think we were very explicit saying that we had too high a share in December when we reached 10%. I think you just have fluctuations. Our perception is the launch is going well and that we are on track to achieve what we have said before.

Okay fine.

Next question please.

Excellent quarter for your US sales. My question is with regard to Xenazine and Sabril, just wondering if you could comment on how the growth is split for the quarter between volume and price; and secondly, what capacity do you have to raise prices for these two products in the remainder of the year? Thank you.
I don’t have the … of course have the exact figures between price and demand, but I don’t have it right here. I can say that for Xenazine, the demand has improved, so that is really nice and we hope that it will also continue to improve and the same goes for the other products, but what you could say as a rule of thumb is that one third is price, one third is the patient uptake and one third is increased compliance, but the rule of thumb, I don’t have the specific detail just in front of me. And we will not comment on future prices.

*Thank you.*

**Peter Sehested – Handelsbanken**

*I’m sorry, but my questions have actually been answered.*

**Florent Cespedes – BNP Exane**

*Good afternoon gentlemen, thank you for taking my questions. Three quick ones. First on Selincro; could we have more colour on your reimbursement and pricing strategy in Europe and also could you tell us where do you stand regarding potential partnership on this product. Second question on Abilify Maintena; could we have some colour of the opportunity of this product in Europe given the tough pricing environment? The last question is on Desmoteplase; the results were expected to be released ( ) by the end of this year. It’s no longer on your slide. Is there anything behind that could explain that?*

Thank you for your questions, Florent. I think on Desmoteplase, it’s likely that we get the results in the beginning of next year. Whilst the study may conclude this year, we’re not going to get the final result this year, so beginning of ’14. I appreciate that you asked the question, because those results are obviously very exciting, positively or negatively. I think on Abilify, we are not willing to make comments on the specific market. We have said that we still believe on a total PK (?) of 2 to 2.5 billion for the US and for Europe in total and we still see, I think - Ulf explained it nicely in his presentation of Abilify Maintena - we see a huge potential and that’s how we … and you know that the European rollout will be … we need to get price and after we get the approval we need to negotiate it country by country. And then it was Selincro, market access and pricing strategy and partnership. I think you know with partner, I think market access, now our number one priority is working with different countries on access and we are doing that alone as a company. We don’t see the benefit of a partner in that sense. That said, depending on how our access will fall, if we get general GP access, it’s clear that we don’t have capacity in some of the countries and then we will pursue national deals, but we are not doing that ahead of the access or timing of access is difficult to predict. So we have discussions with local partners, but we are not concluding anything until we have a more defined timeline of access. Thank you very much. Next question please.

**Peter Welford – Jefferies**

*Just a couple of very boring ones left, I’m afraid. Firstly, just on the US sales for Xenazine and Sabril, was there any reversal of rebates at all in this quarter given obviously the change that you still don’t recognise in the first quarter. Then secondly, can you detail the amortisation of both the Otsuka collaboration and also the acquired businesses that were included in the COGS(?) and equally can you give us some idea of what the write-down was for those two patents in the R&D charge please? Thank you.*
The write-downs was less than 50 million Danish, but of course if you exclude that in the performance for Q2, it actually just improves the performance to close to 450 million and then it’s even better than last year. Then for the Xenazine, that’s nothing … the only fluctuations you have for Xenazine over the quarter can be stocking, but what we have said is that we still believe that () will be more than 1.5 billion and with the growth numbers we have seen in Q2, we are definitely on the right track, but you should of course also … you shouldn’t be making too many trends just based on one datapoint for one quarter; you should look into it with an average of some of the quarters, but Xenazine is driven, as I said before, also by demand, so we know that will be continued. The depreciation and amortisation, your question was …

*The question was in the COGS(?) line, what is the amortisation of the acquired businesses and equally the amortisation of the Otsuka … because I think you moved the charges for products that you’re in licensing, so I guess what is the amortisation charges related to those acquired and been (?) licensed products?*

You can see in the table in the stock release that you should expect our depreciation and amortisation in the COGS(?) line to be around 170 million going forward. Then we have the additional chart in the COGS (?) line, in Q2, and that is of course 210 million which is the write-off of Sycrest.

**Closing Comments**

Thank you Peter for your excellent question. Thank you all for calling in and for your interest in Lundbeck. We look forward to keeping you appraised as we progress with the business. Thank you very much.