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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.
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 brexipiprazole in Alzheimer’s agitation
Strong revenue growth of 12% to DKK 4.2 billion, EBIT margin significantly improved

*) Excluding Other revenue
International Markets is making a valuable contribution

Revenue in International Markets (DKKm)

<table>
<thead>
<tr>
<th></th>
<th>Q1.16</th>
<th>Q1.17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>800</td>
<td>900</td>
</tr>
</tbody>
</table>

+6%

Highlights

- International Markets grew 6% in Q1 2017 and constitutes 24%
- 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*)

- Int. Markets 24%
- Rest of World 76%

*) Excluding Other revenue
Key products reached close to DKK 2 billion in Q1 2017 - up 46% y/y

<table>
<thead>
<tr>
<th>Product</th>
<th>DKKm</th>
<th>Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2017</td>
<td>312</td>
<td>22%</td>
</tr>
<tr>
<td>Q1 2017</td>
<td>271</td>
<td>133%</td>
</tr>
<tr>
<td>Q1 2017</td>
<td>690</td>
<td>27%</td>
</tr>
<tr>
<td>Q1 2017</td>
<td>367</td>
<td>54%</td>
</tr>
<tr>
<td>Q1 2017</td>
<td>340</td>
<td>70%</td>
</tr>
</tbody>
</table>
Rexulti continues the solid growth, but impacted by first quarter fluctuations.

**Total Rx count (US retail)**

- Legend: **Rx** indicates prescription count.

**Rexulti sales (DKKm)**

- Legend: **Rx** indicates prescription sales.

**Highlights**

- Branded NR<sub>Rx</sub> and TR<sub>Rx</sub> shares of 13% and 12% respectively*
- 80% of Rx 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

**Source:** Bloomberg (monthly data ending 3/2017)
Brintellix/Trintellix continues the solid growth, but impacted by first quarter fluctuations

**Total Rx count (US retail)**

![Graph showing Total Rx count (US retail) from 2015 to 2017.](image)

**Brintellix/Trintellix (DKKm)**

![Graph showing Brintellix/Trintellix (DKKm) from Q1.14 to Q1.17.](image)

**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

- **2015:** 0%
- **2016:** 3%
- **2017:** 6%

**Q1.14**

- **ROW:** 18%
- **North America:** 15%

**Q1.15**

- **ROW:** 12%
- **North America:** 9%

**Q1.16**

- **ROW:** 6%
- **North America:** 3%

**Q1.17**

- **ROW:** 0%

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

### Abilify Maintena (DKKm)

![Graph showing Abilify Maintena growth](#)

### Highlights

1. 10-20% value market share (LAI retail) in most markets
2. Bipolar disorder sNDA submitted December 2016
3. PDUFA: 28 July 2017
4. Total LAI antipsychotic market was USD ~962m in Q1 2017*)
5. 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)
Growth opportunities arise from R&D pipeline across Lundbeck’s four focus disease areas

**Psychotic disorders**
- Brexpiprazole LAI
- Lu AE35700
- Lu AF82422
- LRRK2

**Alzheimer’s**
- TauAb
- Lu AF66432
- Lu AF20513

**Parkinson’s**
- Brexpiprazole
- Abilify Maintena
- Trintellix
- Lu AE35700
- Lu AF66432

**Mood disorders**
- Brexpiprazole
- Trintellix
- Abilify
- Maintena
- Undisclosed project

**Lundbeck**
Brexpiprazole showed improvements in symptoms of agitation relative to placebo in Alzheimer’s agitation

<table>
<thead>
<tr>
<th>Study I (NCT01862640)</th>
<th>Study II (NCT01922258)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>★ N = 413 patients</td>
<td>★ N = 270 patients</td>
<td>★ Geography played a major role, with US patients responding well and patients in Russia responding poorly</td>
</tr>
<tr>
<td>★ 1 mg, 2 mg and placebo</td>
<td>★ Flexible dose: 0.5-2 mg</td>
<td>★ If Russian sites are excluded from both studies, p-value for both studies on CMAI primary endpoint is &lt;0.05</td>
</tr>
<tr>
<td>★ 12 weeks’ treatment duration</td>
<td>★ 12 weeks’ treatment duration</td>
<td></td>
</tr>
<tr>
<td>★ Main recruitment centers: Russia, USA and Ukraine</td>
<td>★ Main recruitment centers: Ukraine, USA and Russia</td>
<td></td>
</tr>
<tr>
<td>★ CMAI(^1): 2 mg statistically superior to placebo</td>
<td>★ CMAI(^1): 0.5-2 mg not superior to placebo</td>
<td></td>
</tr>
<tr>
<td>★ CGI-S(^2): 2 mg not statistically superior to placebo</td>
<td>★ CGI-S(^2): 0.5-2 mg superior to placebo</td>
<td></td>
</tr>
</tbody>
</table>

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 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

LAI formulation with strong tolerability and adherence profile

Validated formulation technology

Brexpiprazole: Strong and evaluated safety profile

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
## Financial results – Q1 2017

**Strong improvement in both gross and EBIT margin**

<table>
<thead>
<tr>
<th>DKKm</th>
<th>Q1 2017</th>
<th>Q1 2016</th>
<th>Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>4,211</td>
<td>3,770</td>
<td>12%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>77.1%</td>
<td>71.8%</td>
<td>7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,011</td>
<td>483</td>
<td>109%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>24.0%</td>
<td>12.8%</td>
<td>88%</td>
</tr>
<tr>
<td>Core EBIT</td>
<td>1,213</td>
<td>749</td>
<td>62%</td>
</tr>
<tr>
<td>Net profit</td>
<td>587</td>
<td>186</td>
<td>216%</td>
</tr>
<tr>
<td>EPS</td>
<td>2.98</td>
<td>0.94</td>
<td>217%</td>
</tr>
</tbody>
</table>
Headcount and OPEX in general continue to decline

- 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
Strong improvement in cash flow

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>Q1 2016</th>
<th>∆%</th>
</tr>
</thead>
<tbody>
<tr>
<td>DKKm</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>651</td>
<td>357</td>
<td>82%</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>681</td>
<td>320</td>
<td>113%</td>
</tr>
<tr>
<td>Net cash flow</td>
<td>524</td>
<td>(28)</td>
<td>-</td>
</tr>
<tr>
<td>Cash</td>
<td>2,728</td>
<td>1,383</td>
<td>97%</td>
</tr>
<tr>
<td>Net cash/(Net debt)</td>
<td>975</td>
<td>(2,052)</td>
<td>-</td>
</tr>
<tr>
<td>Net debt/EBITDA ratio</td>
<td>(0.8)</td>
<td>2.5</td>
<td>-</td>
</tr>
</tbody>
</table>
Continued improvement in net cash; but free cash flow negatively impacted by paid income taxes and change in working capital

**Free cash flow (DKKm)**

- Q3.15: -2,000
- Q1.16: -1,500
- Q3.16: -1,000
- Q1.17: 500

**Net cash position (DKKm)**

- Q3.15: -3,500
- Q1.16: -2,500
- Q3.16: -1,500
- Q1.17: 500

**Highlights**

- Substantial positive cash flow from operations
- Net cash expected to reach DKK 2.5-3 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

<table>
<thead>
<tr>
<th>2017 financial guidance</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DKKbn</strong></td>
<td>✴️ 2017 will be impacted by additional generic erosion but also continued growth of key products</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>✴️ No acquisitions, divestitures, milestones or up-front payments included in the financial guidance</td>
</tr>
<tr>
<td>15.6</td>
<td>✴️ Unchanged currencies from early May 2017</td>
</tr>
<tr>
<td>16.3-17.1</td>
<td>✴️ Potential gain from divestiture of properties announced in May 2017 not included in current financial guidance</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td></td>
</tr>
<tr>
<td>2.3</td>
<td></td>
</tr>
<tr>
<td>3.4-3.8</td>
<td></td>
</tr>
<tr>
<td>3.6-4.0</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td></td>
</tr>
<tr>
<td>14.7%</td>
<td></td>
</tr>
<tr>
<td>~20-23%</td>
<td></td>
</tr>
<tr>
<td>~21-24%</td>
<td></td>
</tr>
</tbody>
</table>
Thank you!