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.
2016 achievements – Continued delivery on the strategy

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

Revenue* (DKKm)

Regional split* (DKKm)

EBIT margin

*) Excluding Other revenue
Lundbeck’s key products reached DKK 6.5 billion in 2016 - up 79% in 2016

- **DKK 826m**
  - **+608%**

- **DKK 1,114m**
  - **+67%**

- **DKK 1,105m**
  - **+76%**

- **DKK 1,087m**
  - **+129%**

- **DKK 2,409m**
  - **+37%**
Rexulti continues the solid momentum

Total \( R_x \) count (US retail)

<table>
<thead>
<tr>
<th>Q4.15</th>
<th>Q2.16</th>
<th>Q4.16</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>50</td>
<td>100</td>
</tr>
<tr>
<td>150</td>
<td>200</td>
<td>250</td>
</tr>
<tr>
<td>300</td>
<td>350</td>
<td>400</td>
</tr>
</tbody>
</table>

Source: Bloomberg (monthly data ending 12/2016)

Rexulti sales (DKKm)

<table>
<thead>
<tr>
<th>Q4.15</th>
<th>Q2.16</th>
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</tr>
</thead>
<tbody>
<tr>
<td>0</td>
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</tr>
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<td>300</td>
<td>350</td>
<td>400</td>
</tr>
</tbody>
</table>

Lundbeck’s share of revenue

Highlights

- Branded \( NR_x \) and \( TR_x \) shares were 11.7% and 10.5% respectively*
- Headline results from pivotal programme in Alzheimer’s agitation due Q2.2017
- Approvals in Australia and Canada expected during 2017
- European submission (schizophrenia) in H1 2017

*) Week ending 13 January 2017
Strengthened momentum for Brintellix/Trintellix, especially in the US

Source: Bloomberg (monthly data ending 12/2016)

Total $R_x$ count (US retail)

Trintellix/Brintellix (DKKm)

Highlights

- Demonstrated efficacy in cognitive dysfunction and functional capacity in patients with depression
- Discussions ongoing with FDA regarding the sNDA
- Launched in France in December
- Encouraging uptake in Brazil, Italy and Spain
Strong growth driven by volume growth and market share gains

Share of total market*)

Abilify Maintena (DKKm)

Highlights

*) Quarterly reports from Lundbeck, Otsuka, Alkermes (Bloomberg consensus for Q4 2016 per 5 Feb. 2017) and Johnson & Johnson

Lundbeck’s share of revenue

- Total LAI antipsychotic market was USD ~3.7bn in 2016*)
- Y/Y growth of 16%
- Bipolar disorder sNDA submitted December 2016
- PDUFA: 28 July 2017
- 10-20% value market share (LAI retail) in most markets
Onfi and Northera – two fast-growing US products

Northera (DKKm)

Highlights

- Northera negatively impacted by quarterly fluctuations and seasonality
- Onfi is negatively impacted by quarterly fluctuations
- Both products are expected to continue their growth
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 during 2017
  - Increase strategic cash reserve

- **Dividends**
  - Proposed 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

**Cash flow priorities: Increasing dividends linked to the long-term performance**
Growth opportunities arise from R&D pipeline across Lundbeck’s four focus disease areas

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

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

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

- **Mood disorders**
  - Undisclosed project
  - Brexpiprazole
  - Abilify
  - Trintellix
Abilify Maintena has demonstrated efficacy in the maintenance treatment of Bipolar I disorder

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

**Proportion of patients with recurrence of any mood episode**

<table>
<thead>
<tr>
<th>Number of recurrences</th>
<th>Any mood episode</th>
<th>Manic</th>
<th>Mixed Episode</th>
<th>Depressive</th>
<th>Mixed</th>
</tr>
</thead>
<tbody>
<tr>
<td>35</td>
<td>60</td>
<td>12</td>
<td>40</td>
<td>20</td>
<td>2</td>
</tr>
</tbody>
</table>

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

**Study outcome**

Aripiprazole once-monthly 400 mg (AOM 400)

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

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

<table>
<thead>
<tr>
<th>PTSD</th>
<th>The PoC study*</th>
</tr>
</thead>
<tbody>
<tr>
<td>✗ ~8.6m American adults affected¹, but ~80% is undiagnosed</td>
<td>✗ 4-arm, 12-week trial using 1-3mg of brexpiprazole</td>
</tr>
<tr>
<td>✗ Growing economic and social burden to care for people with PTSD</td>
<td>✗ Monotherapy or in combination with sertraline</td>
</tr>
<tr>
<td>✗ Inadequate response with FDA approved SSRIs sertraline and paroxetine</td>
<td>✗ ~330 patients to be enrolled</td>
</tr>
<tr>
<td>✗ Polypharmacy the norm</td>
<td>✗ Primary endpoint: Change from baseline in the CAPS-5 total score¹</td>
</tr>
</tbody>
</table>

¹) NCT03033069
#) Clinician-Administered PTSD Scale for DSM-5 (CAPS-5)

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## Partnerships in 2016

<table>
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<td>Out-licensing of proprietary Lundbeck mouse strains</td>
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<td><strong>Taconic</strong></td>
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<td>Collaboration agreement in depression connected to ophthogenic technology</td>
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<td><strong>University of Glasgow</strong></td>
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<td>Research study agreement connected to schizophrenia projects</td>
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<td><strong>Piramal Life Sciences</strong></td>
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<td>Collaborative group formation agreement connected to Alzheimer’s projects</td>
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<tr>
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<td><strong>23andMe</strong></td>
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Lundbeck has made several early-stage partnerships in 2016.

Partnerships in 2016

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## Financial results – FY2016 and Q4 2016

### Strong improvement in both gross and EBIT margin

<table>
<thead>
<tr>
<th></th>
<th>FY2016</th>
<th>FY2015</th>
<th>Δ%</th>
<th>DKKm</th>
<th>Q4 2016</th>
<th>Q4 2015</th>
<th>Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>15,634</td>
<td>14,594</td>
<td>+7%</td>
<td></td>
<td>4,165</td>
<td>3,733</td>
<td>+12%</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>73.9%</td>
<td>63.0%</td>
<td>+17%</td>
<td><strong>Gross margin</strong></td>
<td>75.0%</td>
<td>66.0%</td>
<td>+14%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>2,292</td>
<td>(6,816)</td>
<td>-</td>
<td><strong>EBIT</strong></td>
<td>751</td>
<td>(432)</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>14.7%</td>
<td>(46.7%)</td>
<td>-</td>
<td><strong>EBIT margin</strong></td>
<td>18%</td>
<td>(11.6%)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Core EBIT</strong></td>
<td>3,477</td>
<td>847</td>
<td>+311%</td>
<td><strong>Core EBIT</strong></td>
<td>1,014</td>
<td>73</td>
<td>+1,289%</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>1,211</td>
<td>(5,694)</td>
<td>-</td>
<td><strong>Net profit</strong></td>
<td>473</td>
<td>(448)</td>
<td>-</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>6.14</td>
<td>(28.96)</td>
<td>-</td>
<td><strong>EPS</strong></td>
<td>2.40</td>
<td>(2.27)</td>
<td>-</td>
</tr>
</tbody>
</table>
Reduced headcounts and OPEX in general combined with stable CAPEX ensures…

**COS and SG&A ratio**

**Highlights**
- Strong decline in cost spend
- Number of positions reduced by around 1,000
- Lowest FTE level in more than 10 years
- CAPEX stable around DKK 3-400 million per year

**Headcount (FTEs)**
…strong improvement in Lundbeck’s cash flow

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

Net cash position improved by DKK ~2.5 billion
Mid-term capital allocation priorities: Preserve strong balance sheet and raise dividends

- Maintain flexibility / debt repayment
- Preserve strong balance sheet
- Payout ratio raised from 30-40% to 60-80% of net profits from 2017
- Net cash expected to reach 2.5-3 billion in 2017
In 2017, Lundbeck will achieve an all-time-high revenue and EBIT

2017 financial guidance

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017e</th>
<th>~Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td>DKKbn</td>
<td>15.6</td>
<td>16.3-17.1</td>
<td>+4.9%</td>
</tr>
<tr>
<td>Revenue</td>
<td>15.6</td>
<td>16.3-17.1</td>
<td>+4.9%</td>
</tr>
<tr>
<td>EBIT</td>
<td>2.3</td>
<td>3.4-3.8</td>
<td>+48-66%</td>
</tr>
<tr>
<td>EBIT-margin</td>
<td>14.7%</td>
<td>~20-23%</td>
<td>-</td>
</tr>
</tbody>
</table>

Assumptions

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

☀ Sustain sales *momentum* of key products

☀ Realize full *benefits* from restructuring programme

☀ Deliver on *innovation*

☀ *Cash* reallocation