

# Teleconference Lundbeck's revised financial plans for 2013-14

19 December 2012



# Company disclaimer

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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.

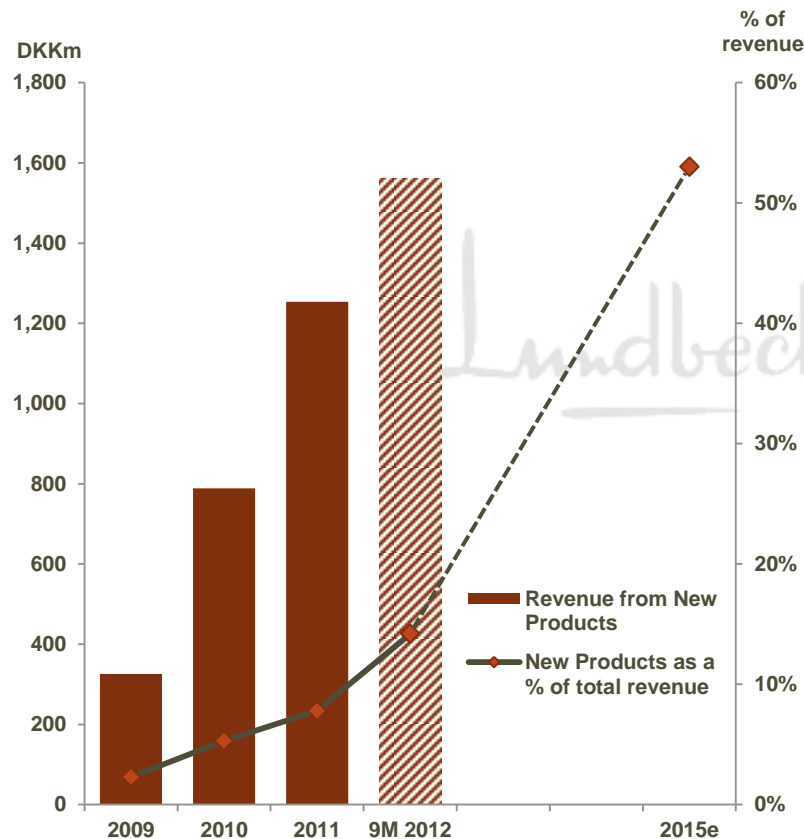
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Certain assumptions made by Lundbeck are required by Danish Securities Law for full disclosure of material corporate information. Some assumptions, including assumptions relating to sales associated with product that is prescribed for unapproved uses, 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 product is 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 remains focused on long term growth

## New Products\*



- ★ Potentially transforming deal with Otsuka Pharmaceuticals
- ★ Development pipeline is advancing
- ★ Strong focus on product launches
- ★ US psychiatry sales force being established and expansion on track in China
- ★ European sales infrastructure being reorganised

\*New Products includes all current and potential products launched in the 2008-2015 period

# Revised financial guidance

**Unchanged**

DKK	2012e	2013e	2014e
Revenue	14.5-15.2bn	14.1-14.7bn	~14bn
EBITDA	3.0-3.5bn		
EBIT	2.0-2.5bn	1.6-2.1bn	0.5-1bn

- ★ Continued elevated SG&A and R&D ratios
- ★ Depreciations and amortisations of DKK 1-1.2bn
- ★ Tax rate of ~30% in the period
- ★ Significant milestone obligations dampens free cash flow generation
- ★ Dividend pay-out ratio expected at 35% in 2013 and 2014

## Key assumptions for revised guidance

- ★ Continued solid growth in New Products
- ★ Launch of Selincro, Abilify once-monthly and Brintellix (vortioxetine)
- ★ Generic erosion of Ebixa in Europe from 2013
- ★ Divestiture of US mature business included
- ★ Continued development of Lu AE58054
- ★ Milestones from Takeda on Brintellix included
- ★ Prudent cost spending
- ★ Constant exchange rates



# More opportunities than ever and in several therapeutic categories

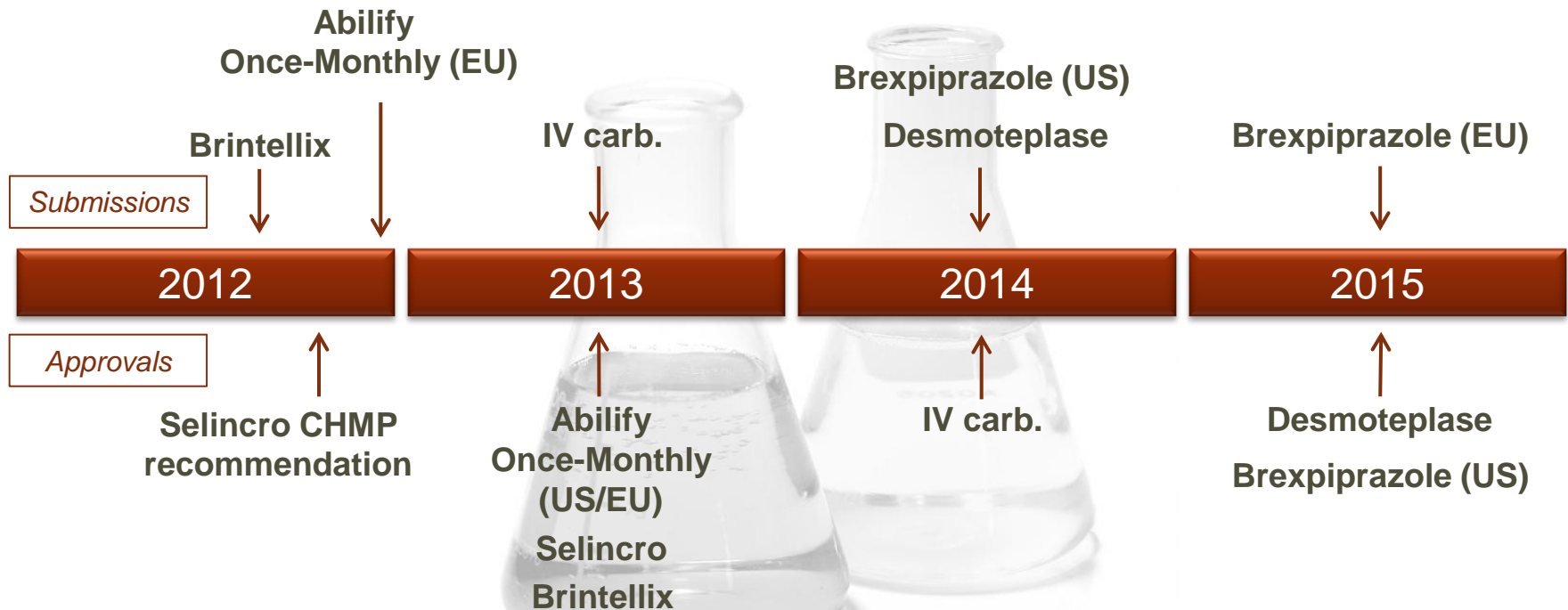
Product	Peak estimate	Comments
Brintellix	DKK 5-10bn	Mood disorders
Cipralext	DKK >5.5bn	Mood disorders
Selincro, Abilify once-monthly	DKK ~2.5bn	Alcohol dependency, schizophrenia
Ebixa	DKK >2.5bn	Alzheimer's
Azilect, Xenazine	DKK >1.5bn	Parkinson's, Huntington's
Lexapro Japan	DKK 0.8-1bn (royalty)	Mood disorders
Onfi, Sabril, Sycrest	DKK 0.5-1bn	Epilepsy, schizophrenia
Treanda, Canada	DKK ~0.5bn	Oncology

## Other late stage projects:

Desmoteplase (stroke), brexpiprazole (MDD + Schizophrenia) , Lu AE58054 (Alzheimer's), Zicronapine (psychosis), Lu AA24530 (MDD)



# Submissions and expected approvals



## Expected main events 2012-2013

Q4 2012

- Submission of MAA for Abilify once-monthly (EU)

H1 2013

- Approval of Abilify once-monthly in the US
- Approval of Selincro by EU Commission
- Presentation of Brintellix data at APA 2013 on 18-22 May, San Francisco
- Start of pivotal programme on Lu AE58054 (mid-year)

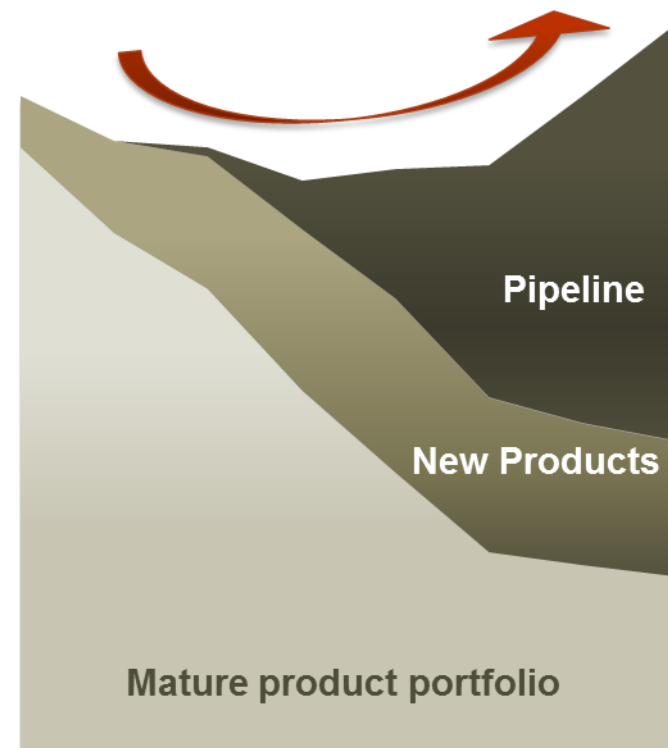
H2 2013

- Approval of Brintellix in Europe and the US
- Headline conclusion on brexpiprazole phase III studies
- Headline conclusions on desmoteplase phase III study (DIAS 3)
- Recommendation of Abilify once-monthly from CHMP
- Presentation of Lu AE58054 data at AAIC 2013 in July in Boston



# The transition period will be followed by a period of growth

- ★ Significant investments in product launches and late stage pipeline
- ★ Investments expected to peak in 2014
- ★ Unique opportunities to generate long term growth
- ★ The level of long term growth depends on successful launches



**Thank you...**

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