Investor & Analyst Presentation - Q1 2019

May 2019

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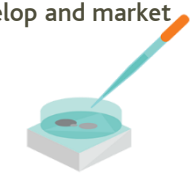
Lundbeck in brief

SPECIALIZED IN BRAIN HEALTH

- ~70 years of expertise in CNS
- Among the first to develop and market antipsychotics

70 yrs



REVENUE (FY2018)

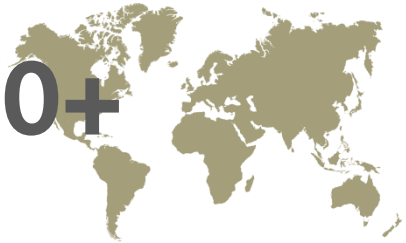
- ~60% generated in North America
- China 2nd largest market

~$2.8bn

GLOBAL PRESENCE

- Headquartered in Denmark
- Operating in 50+ countries

50+



HISTORY

Lundbeck was founded by Hans Lundbeck in 1915 in Copenhagen

1915

OWNERSHIP

Largest shareholder is the Lundbeck Foundation, which annually grants DKK 400-500 million to research

70%

EMPLOYEES

5,000

Q1 2019 highlights: Continued strong performance of strategic brands and executing on *Expand and Invest to Grow*

+24%

Strategic Brands
+19% in local currencies
Strong growth in all regions

+13%

International Markets
+13% in local currencies
Minor positive impact from timing of tenders

+10%

Europe
+10% in local currencies
Abilify Maintena and Brintellix continues to gain share

+ DKK 1.3bn

Net cash
DKK 4,552m (Q1.19) vs.
DKK 3,292m (Q1.18)

Abide Therapeutics

Expand and Invest to Grow
USD 250m in upfront
Unique R&D platform
La Jolla, CA

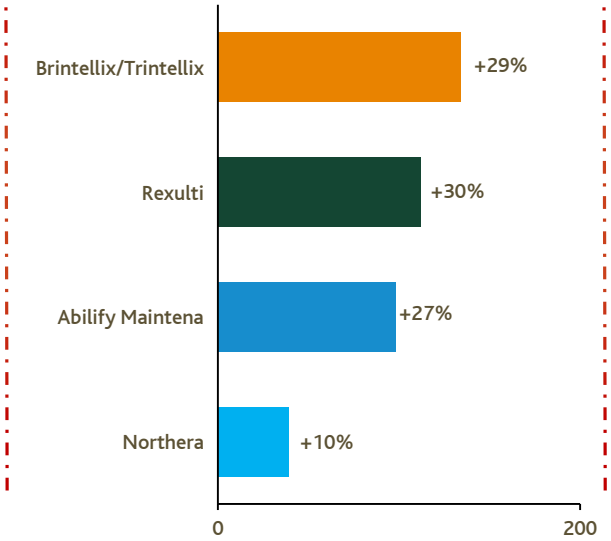
Pipeline expanded

ABX-1431
Phase IIa: Tourette's
Phase I: Neuropathic pain

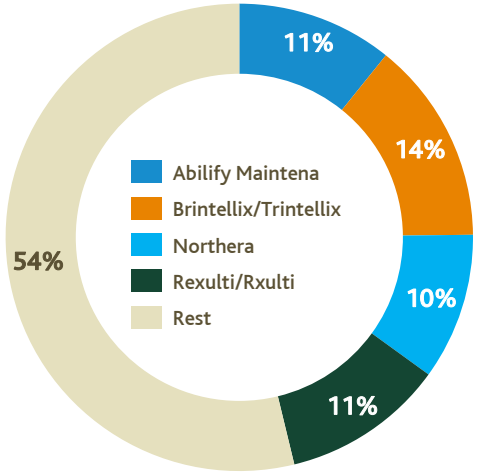
Lundbeck's four strategic brands* added DKK 0.4 billion in sales in Q1 2019 compared to Q1 2018

- **Strategic brands*:** Up 24% (19% in L.C.) to DKK 1,979 million representing 46% of revenue#
- **Brintellix/Trintellix:** Up 29% to DKK 601 million
- **Rexulti/Rxulti:** Up 30% to DKK 481 million
- **Abilify Maintena:** Up 27% to DKK 462 million
- **Northera:** Up 10% to DKK 435 million

Strategic brands' growth (Q1 2019 - DKKm)



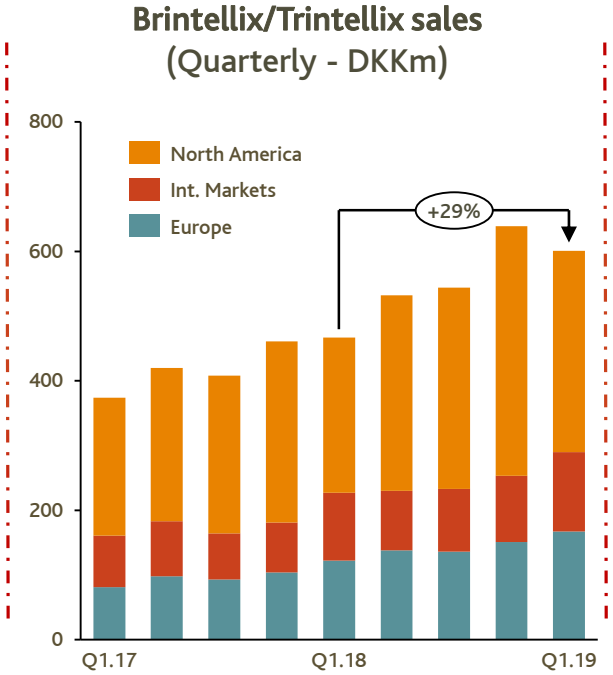
Sales by product# (Q1 2019)

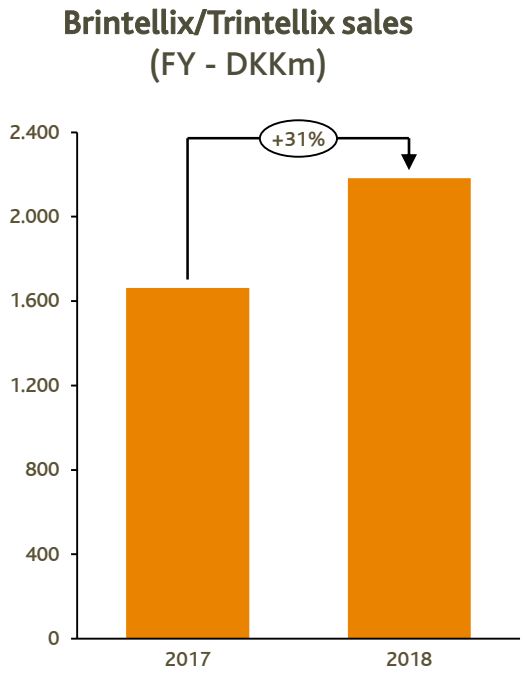


*) Abilify Maintena, Brintellix/Trintellix, Northera and Rexulti/Rxulti
#) Excluding effects from hedging

Brintellix/Trintellix continues consistent strong momentum

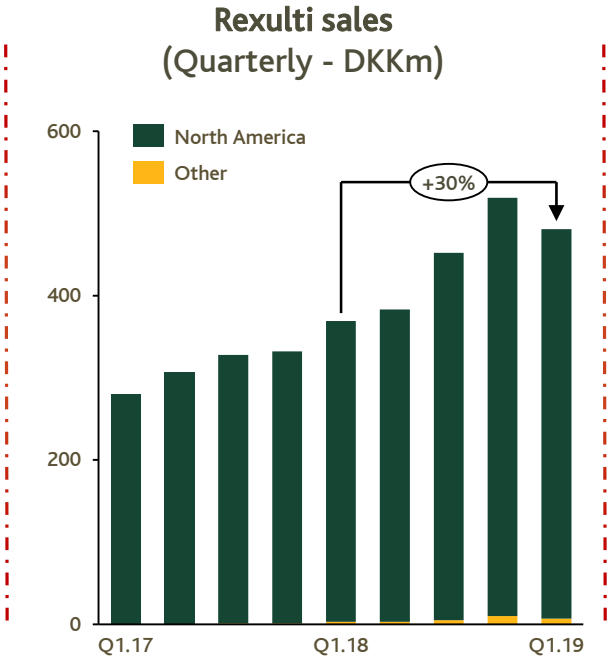
- Grew 29% (27% in L.C.) to DKK 601 million in Q1 2019
- Continued solid traction in volume share gains
  - >3%: Finland, Italy, South Korea
  - >2%: France, Norway, Spain, Switzerland, Turkey
- In the U.S., volume is up 26% y/y and 1.3% q/q in line with normal Q1 slowdown
- Launch in China progresses as planned
- NDA in Japan submitted in September 2018 for the treatment of MDD



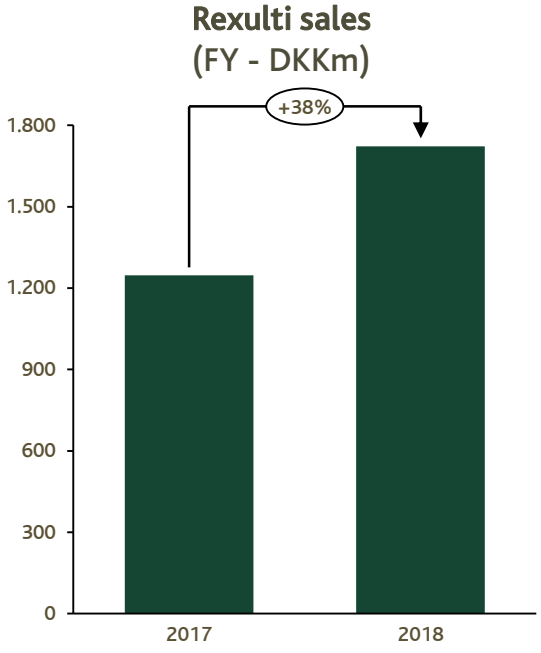


Rexulti shows significant growth driven by demand and roll-out in new markets continues

- Grew 30% (22% in L.C.) to DKK 481 million in Q1 2019
- In the U.S., volume is up 28% y/y but down 1% q/q in line with normal Q1 slowdown
- Launched in Australia, Canada, Mexico, Saudi Arabia, Switzerland and the U.S.
- Positive headline results from PoC study in PTSD
- Additional LCM activity ongoing



Lundbeck's share of revenue

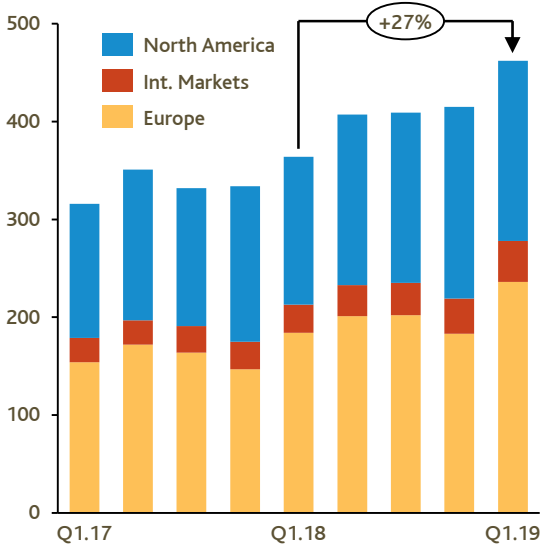


Lundbeck's share of revenue

Abilify Maintena continues its solid growth

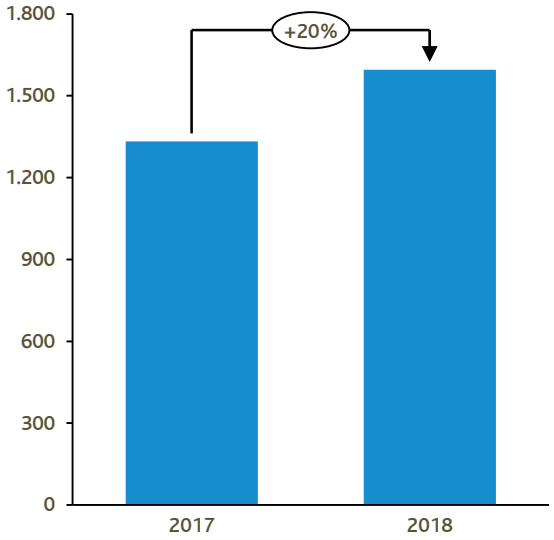
- Grew 27% (24% in L.C.) to DKK 462 million in Q1 2019
- Largest markets are the U.S., Australia, Canada, France and Spain which are also the main drivers of growth
- Abilify Maintena is Lundbeck's best selling product in Europe
- LAI market continues double-digit growth
- Abilify Maintena's share of the LAI market is now 17% compared to 16% in FY2018[1)]

Abilify Maintena sales (Quarterly - DKKm)



Lundbeck's share of revenue

Abilify Maintena sales (FY - DKKm)

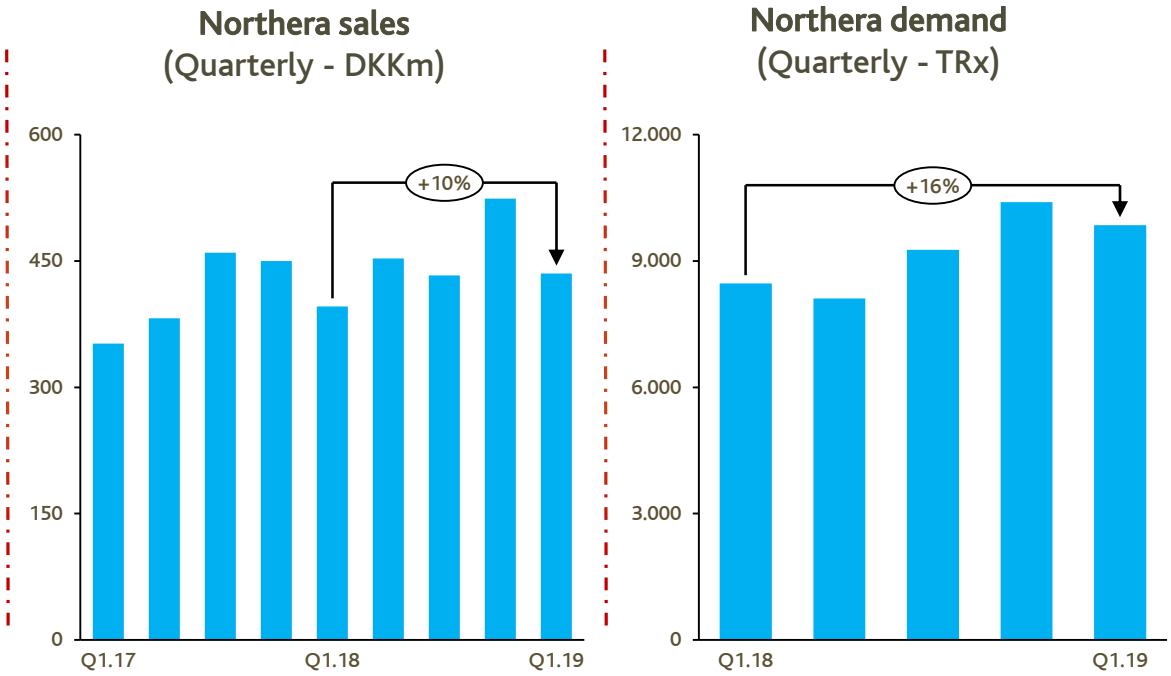


Lundbeck's share of revenue

1) Reported net sales of atypical LAIs

Northera shows solid volume growth but negative impact on revenue from quarterly fluctuations

- Grew 10% (3% in L.C.) to DKK 435 million in Q1 2019
- Volume is up 16% y/y but down 5% q/q in line with normal Q1 slowdown
- Northera sales negatively impacted by quarterly fluctuations in specialty pharmacies' buying pattern

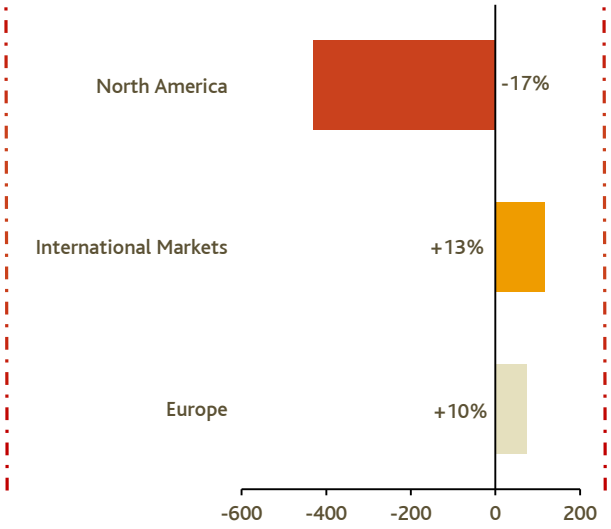


Source: Bloomberg

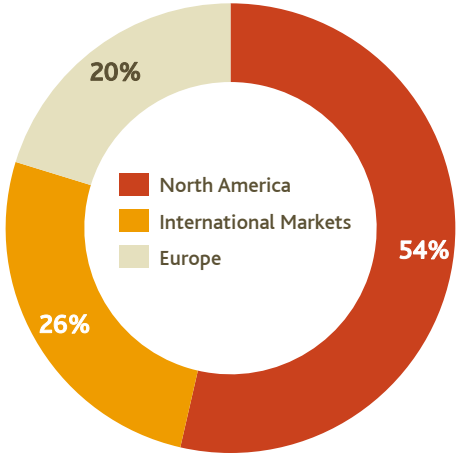
Europe and International Markets have returned to strong dynamic growth

- Strong improvement in both growth and profitability in **Europe**
- **North America** impacted by generic erosion, mainly Onfi
- **International Markets** show solid growth driven by China, Australia and South East Asia
- Largest markets are the U.S., Canada, China, France, Italy, Japan and Spain

Regional growth (Q1 2019 - DKKm)



Sales by region# (Q1 2019)



#) Excluding Other revenue and effects from hedging

Promising early-stage pipeline with efforts under way to ensure depth in all phases of development

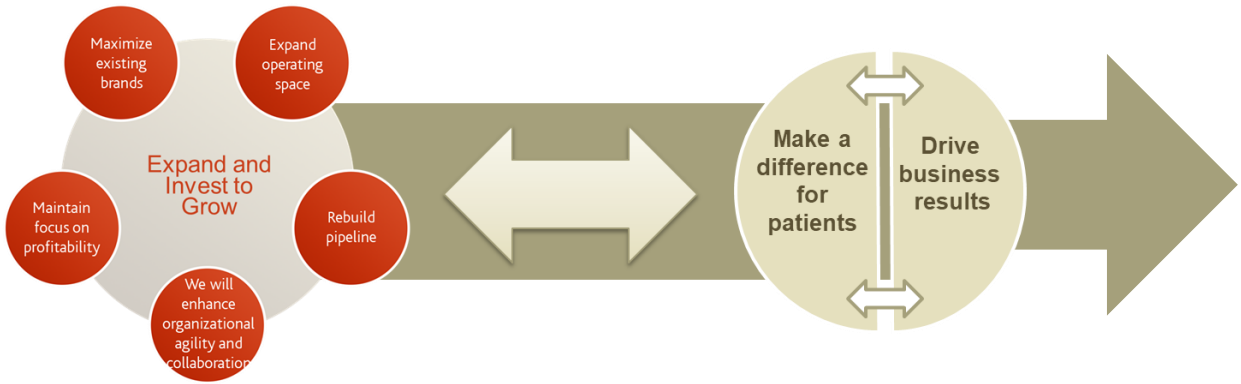
Project	Indication	Phase I	Phase II (PoC)	Phase III (pivotal)	Exp. filing
Brexpiprazole	Agitation in Alzheimer's disease			★	~2021
Brexpiprazole	PTSD		★		≥2025
Foliglurax (MGLUR4 PAM)	Parkinson's		★		~2025
Lu AF11167 (PDE 10 inhibitor)	Schizophrenia		★		≥2025
ABX-1431 (MGLLi)#	Tourette's		★		≥2025
Abilify Maintena 2-mth	Schizophrenia	★			~2020
Lu AF82422 (alpha-synuclein mAb)	Parkinson's disease	★			≥2025
Lu AF28996 (D_1/D_2 agonist)	Parkinson's disease	★			≥2025
ABX-1431 (MGLLi)#	Neuropatic pain	★			
Lu AF35700	--	Project under review			--

mGluR4 PAM: Positive Allosteric Modulator of metabotropic glutamate receptor 4. PDE: Phosphodiesterases. MGLLi: Monoacylglycerol lipase inhibitor

#) Compounds we have entered into an agreement to acquire, where closing is pending

Executing on *Expand and Invest to Grow*

Continued strong growth of strategic brands does not offset LOE headwinds – we introduce *Expand and Invest to Grow*



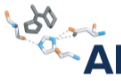
Purpose: *"Tirelessly dedicated to restoring brain health, so every person can be their best"*

Abide Therapeutics is a company Lundbeck has entered into an agreement to acquire, where closing is pending

Abide - adding new drug discovery platform with potential to deliver first-in-class compounds across multiple CNS indications

The transaction:

- The deal is subject to Hart-Scott-Rodino review
- Upfront payment: USD 250 million pending closing
- Financed through existing financial reserves
- Future milestones: Up to USD 150 million in R&D and sales milestones
- Expected closing: Q2 2019



ABIDE THERAPEUTICS

- Focused on Serine Hydrolase (S-H) biology
- Unique chemo-proteomic platform to discover first in class S-H inhibitors
- Headquarters: La Jolla, CA
- Strong ties to The Scripps Research Institute (TSRI) and Dr. Cravatt Labs.
- 45 Employees

Serine hydrolase (S-H) Enzyme Superfamily

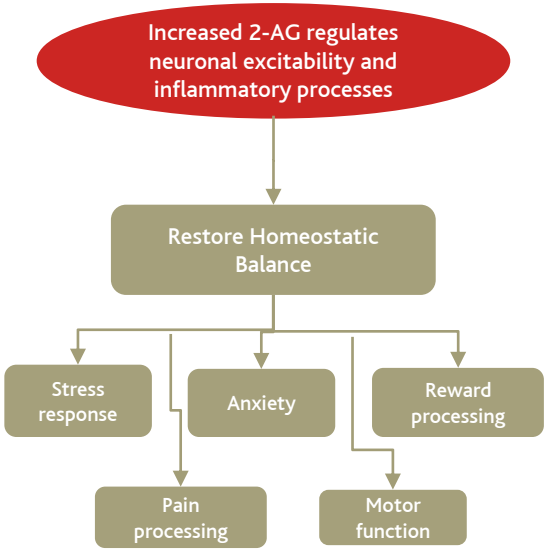
- One of the largest and most diverse enzyme classes in humans
- Profoundly influence multiple biological processes in health and disease
- Mood, pain, perception, movement, inflammation
- Selective inhibitors can restore physiological balance in dysregulated signalling pathways
- Multiple blockbuster drug classes from this family
  - DPP-4 inhibitors; AChE inhibitors; Thrombin inhibitors; Xa inhibitors

Abide Therapeutics is a company Lundbeck has entered into an agreement to acquire, where closing is pending

First Target: Endocannabinoid modulation through MGLL inhibition - A compelling therapeutic target for a wide range of CNS diseases

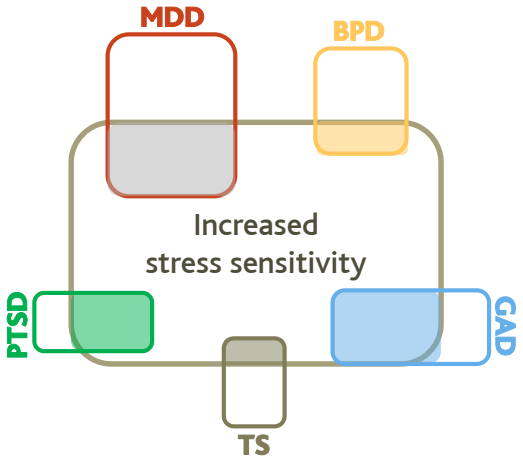
- Monoacylglycerol lipase inhibitors (MGLLi) regulate endocannabinoid tone, which regulates neurotransmitter balance
- MGLLi selectively activate CB1 by elevating 2-AG levels only in active circuits – contrast with global, maximal, and sustained activation by exocannabinoids
- Lead molecule ABX-1431 is a potent, selective first-in-class MGLLi in clinical development in two indications
- Two additional endocannabinoid modulators advancing to the clinic through 2020

MGLL inhibition



Multiple future potential indications in psychiatry and neurology

Potential to use biomarkers to enrich patient populations



Abide Therapeutics is a company Lundbeck has entered into an agreement to acquire, where closing is pending

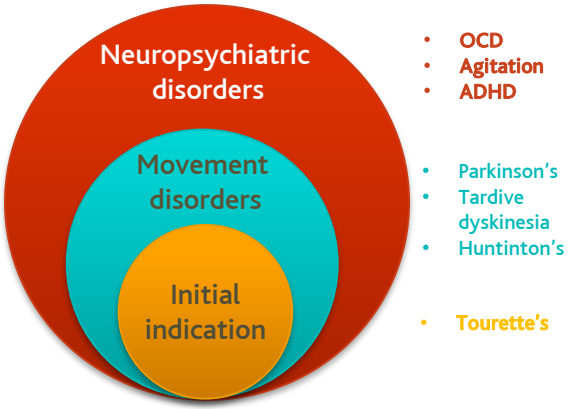
ABX-1431: First-In-Class Drug with Broad Potential in CNS

- ABX-1431 modulates the endocannabinoid system preferentially in areas where neuronal circuits are excessively activated
- Initial trials ongoing in Tourette's and neuropathic pain
- Phase Ib trial in adult TS patients demonstrated significant effects across multiple endpoints of tic reduction
- 200,000 patients in U.S. with severe disease[1)]

Exploratory phase IIa trial ongoing
(NCT03625453)

- Initiated in October 2018
- 48 adult patients with Tourette's
- Part 1: 8 weeks with daily administration; Patients who choose to enter Part 2: additional 4 weeks with daily administration
- Change from baseline in Total Tic Score of the Yale Global Tic Severity Scale (YGTSS-TTS)
- Headline results due in 2020

ABX-1431: First-in-Class drug with broad potential in CNS



1) NIH - National Institute of Neurological Disorders and Stroke

Abide Therapeutics is a company Lundbeck has entered into an agreement to acquire, where closing is pending

Brexpiprazole in pivotal programme for the treatment of agitation in Alzheimer's

- Two studies in the pivotal programme finalized
- A third study commenced In June 2018 following conclusions from a FDA Type C meeting, where...
- ...one study was considered positive and one study was considered supportive by the agency
- *Fast Track* designation granted February 2016

Ongoing phase III study[1]:

- Compares the efficacy of 2 doses of brexpiprazole with placebo in subjects with agitation associated with dementia of the Alzheimer's type
- ~225 participants
- **Primary endpoint:** Cohen-Mansfield Agitation Inventory (CMAI) total score from baseline to week 12 visit
- Study initiated in May 2018 with expected completion by the turn of 2020

Agitation in Alzheimer's (AAD)

- >20% of individuals in a community setting and >50% of nursing home residents with dementia have agitation
- 1.5-2m dementia patients in the U.S. with agitation / aggression
- No FDA approved medication

Associated with:

- Increased caregiver burden
- Decreased functioning
- Earlier nursing home placement

1) NCT03548584

Positive phase II headline results for the combination treatment of brexpiprazole and sertraline for treatment of PTSD

- Combination of brexpiprazole and sertraline demonstrated improvement in symptoms of PTSD versus placebo (p<0.01) on the primary endpoint (CAPS-5 total score#)
- The efficacy supported by multiple secondary endpoints
- The overall safety and tolerability of brexpiprazole were good (and comparable to previous data),
- End-of-phase-II meeting with FDA during 2019

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

Post-Traumatic Stress Disorder (PTSD)

- ~8.6m U.S. adults affected[1)]
- ~80% undiagnosed
- Growing economic and social burden of care
- Inadequate response with approved SSRIs
- Polypharmacy the norm

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.

Comprehensive LCM programme ongoing for brexpiprazole for further product value expansion

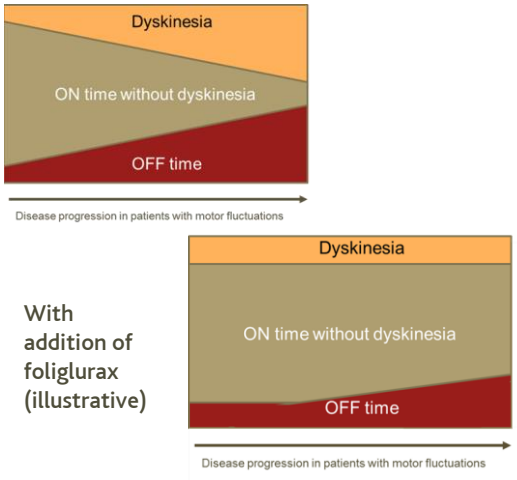
Brexpiprazole	• Several clinical programmes ongoing to address unmet medical needs and aiming for product value maximation
Agitation in Alzheimer's	• Programme to compare the efficacy of 2 doses (2 mg and 3 mg) of brexpiprazole with placebo in subjects with agitation associated with dementia of the Alzheimer's type (n = 225) (NCT03548584, NCT03594123 (12-week extension study)). Study completion date: December 2020
Adolecents	• To determine the safety and efficacy of brexpiprazole monotherapy in the treatment of adolescents with schizophrenia (n = 387) (NCT03198078). Study completion date: April 2020 • To further characterize the long-term safety and tolerability of brexpiprazole in adolescents with schizophrenia (n = 350) (NCT03238326). Study completion date: December 2022
Upcoming events	• Evaluation of pivotal programme in PTSD pending end of phase II meeting with FDA in H1 2019

Foliglurax – an interesting new pipeline asset currently in PoC testing in Parkinson's patients

Foliglurax

- Increase activity of a specific glutamatergic target (mGluR4)
- Symptomatic treatment of *OFF*-time in Parkinson's and levodopa induced dyskinesia
- Strong IP
- Global rights to foliglurax and full control of asset
- Phase II started in July 2017
  - Two active arms + placebo (BID)
  - ~165 patients (Europe)
  - Change in awake *OFF* time based on subject diary entries

Levodopa-induced dyskinesia



Motor complications of levodopa

- PD-LID is the most important unmet medical need after disease modification in Parkinson's[2)]
- PD-LID affects ~50% after 5-10 years increasing to ~90% after 10-15 years of L-DOPA therapy
- 170-200,000 patients in the U.S. with PD-LID
- Once established, PD-LID is difficult to treat

1) NCT03162874

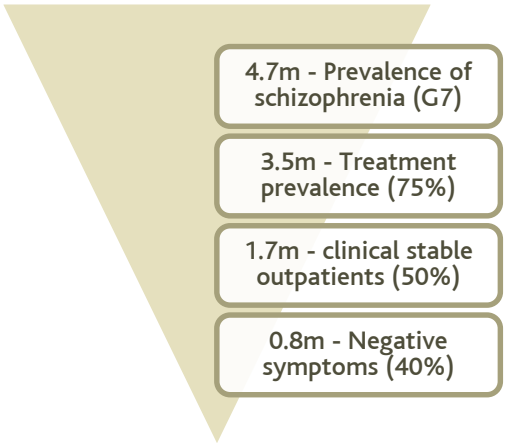
Modified based on: Jankovic, Mov. Disorder 2005,

PD-LID: Parkinson's Disease – Levodopa-Induced Dyskinesia
2) Datamonitor

Lu AF11167: Addresses negative symptoms of schizophrenia that trouble patients most

- Negative symptoms most bothersome symptom for patients with schizophrenia
- Primary cause for inability to live independently, hold jobs, establish personal relationships, and manage everyday social situations
- Widely recognized as important features of schizophrenia associated with changes in emotions and behaviours
- Difficult to treat; currently available antipsychotics are not considered effective

Prevalence (major countries)



- Phosphodiesterase 10A inhibitor (PDE10Ai)
- Potential novel MoA for the treatment of negative symptoms in patients with schizophrenia
- Potentially maintaining control of positive symptoms
- Phase II started in December 2018*
  - **Monotherapy**
  - Two fixed-flexible doses + placebo (BID)
  - ~250 patients
  - Primary endpoint: Change from baseline to Week 12 in BNSS total score

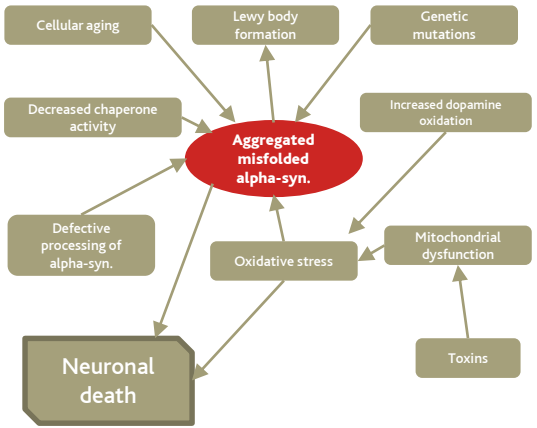
Source: Decision Resource; Schizophrenia | Landscape & Forecast 2018

**) NCT03793712. Study completion date: May 2020*
BNSS: Brief Negative Symptoms Scale

Lu AF82422: Potential disease modifying antibody in Parkinson's

- Lu AF82422 is a human IgG1 mAb that recognizes all major alpha-synuclein forms including aggregated/misfolded forms involved in the pathogenesis of Parkinson's
- First single-ascending-dose study to evaluate safety and tolerability of Lu AF82422 in healthy volunteers and Parkinson's patients
- Intervention aimed for delay in disease progression in PD or other synucleinopathies

Pathogenesis of Parkinson's (PD)



Modified based on Javed et al. CNS & Neurological Disorders - Drug Targets, 2016, Vol. 15, No. 10

Ongoing phase I study[1]:

- Healthy non-Japanese and Japanese subjects and in patients with Parkinson's
- ~45 participants
- **Primary endpoint:** Number of patients with incidence of Treatment-Emergent Adverse Events (safety and tolerability) from dosing to Day 84
- Study initiated in July 2018 with expected completion data by mid-2020

1) *NCT03611569*

Lu AF28996: A potentially highly efficacious oral treatment for Parkinson's patients experiencing motor fluctuations

- Lu AF28996 is highly potent agonist at the D_1- and D_2-type dopamine receptors
- D_1/D_2-type agonists are known to be highly efficacious even in the later stages of Parkinson's, but the currently available agonist (apomorphine) cannot be delivered by oral route
- Parkinson's disease (moderate to advanced) as adjunct to L-DOPA (or monotherapy pending data)

Ongoing phase I study[1]:

- Single- and sequential-ascending-dose of Lu AF28996 to healthy young men
- ~20 participants
- Open-label study investigating the safety, tolerability and pharmacokinetic profile of Lu AF28996
- Study initiated in May 2018

1) *NCT03565094*

ABX-1431 in phase Ib study in neuropathic pain

- MGLLi have shown to reduce pain in preclinical models of inflammatory, post-surgical, and neuropathic pain
- Significant scientific evidence supports the use of exocannabinoids for the treatment of pain, including controlled clinical studies in patients with NP
- MGLLi may offer significant therapeutic benefits over exocannabinoids, with potential for increased efficacy and a better safety profile

Neuropathic pain (NP)

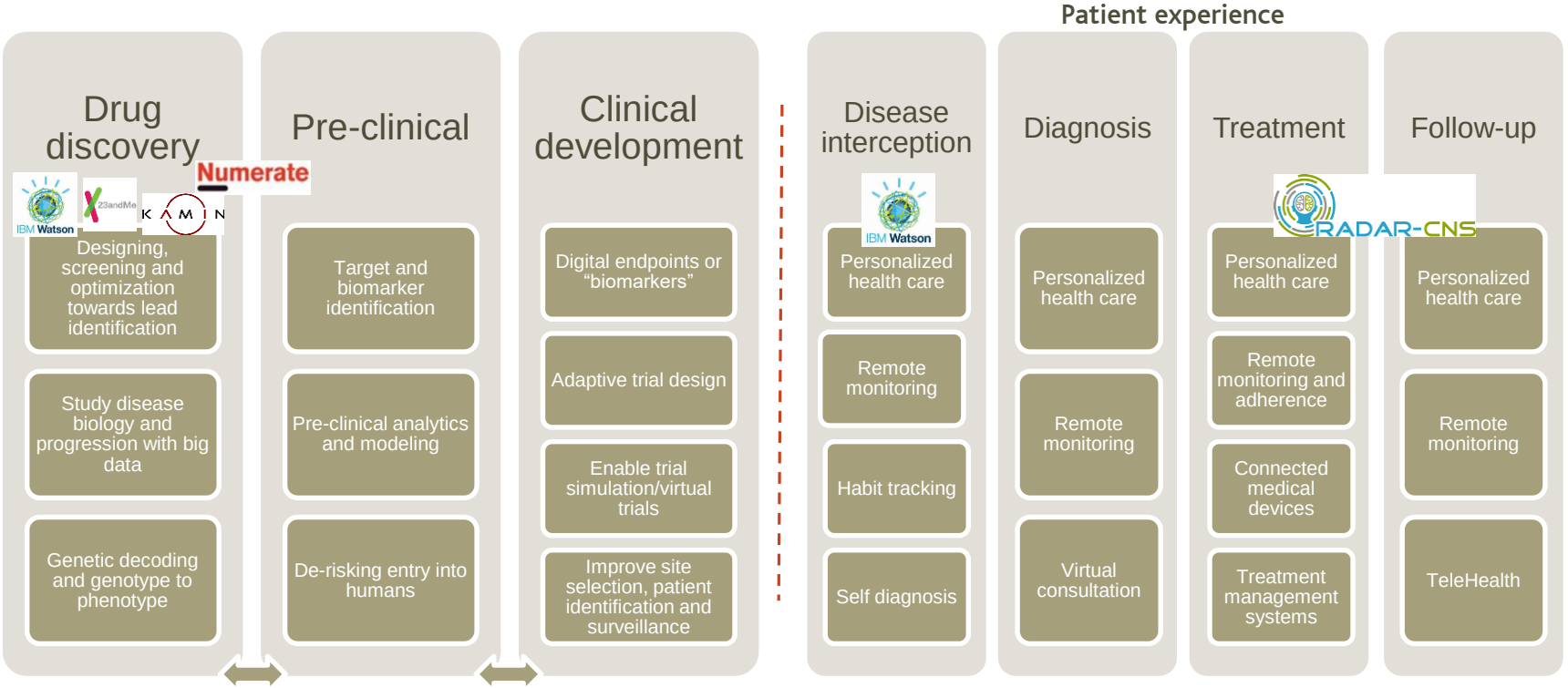
- NP results from damage to the nervous system in the brain or spinal cord or in the peripheral nerves
- NP is a common and debilitating condition that may occur in 10% of Americans
- Current approved treatments for NP include gabapentinoids and antidepressants
- Beyond the lack of effective medications, many patients chronically use opioid drugs
- There is a pressing need for efficacious non-opioid therapies for NP

Ongoing phase I study[1]:

- Designed to identify a titration regimen of ABX-1431
- ~38 adult patients with peripheral neuropathic pain
- The efficacy of ABX-1431 in treating neuropathic pain will be assessed by the change from baseline in pain intensity scores using numerical rating scale (NRS-11)
- Study initiated in Q4 2017 with expected completion by end-19

1) NCT03447756. This study will enrol up to 32 patients with peripheral neuropathic pain due to one of the four following diagnostic groups: post-herpetic neuralgia, diabetic peripheral neuropathy, small fiber neuropathy or post-traumatic neuropathic pain

New tools to potentially improve data translation, increase efficiency in drug development and ultimately improve patient outcome

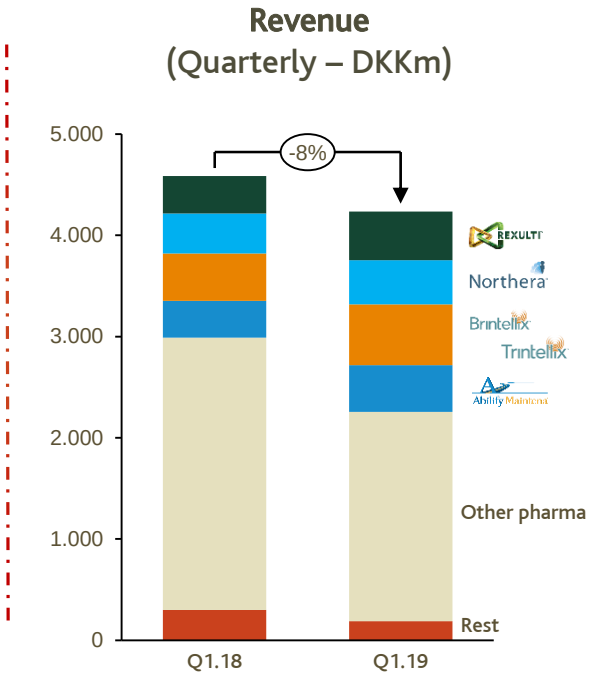


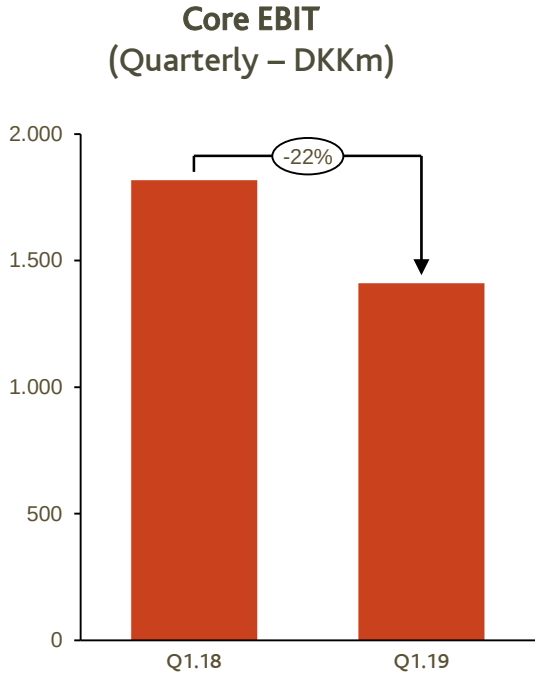
Finance


ANNUAL REPORT 2009
Annual report 2010
PATIENTS
FOCUSED
PASSIONATE
RESPONSIBLE
INNOVATION
PROFITABILITY
DEPRESSION
GLOBAL
ALZHEIMER'S
SCHIZOPHRENIA
PARKINSON'S
LEADERSHIP
ORGANIZATION
ANNUAL REPORT 2015
ANNUAL REPORT
2017
Annual Report
2018
4 39 2014
ANNUAL REPORT 2014
WE STRIVE FOR
GLOBAL LEADERSHIP
IN PSYCHIATRY
AND NEUROLOGY
BY IMPROVING
THE LIVES
OF PATIENTS
ANNUAL REPORT 2016
ANNUAL REPORT 2013

Q1 2019: Continued strong growth from strategic brands and negative impact from generic erosion on mature products as expected

- **Revenue:** Down 8% (6% in L.C.) to DKK 4.2 billion
- Performance driven by strategic brands mitigating effect from generics
- **Other revenue:** Up 99% to DKK 236 million
- **Effects from hedging:** Loss of DKK 48 million
- **Core EBIT margin:** 33.3% vs. 39.6% in Q1 2018





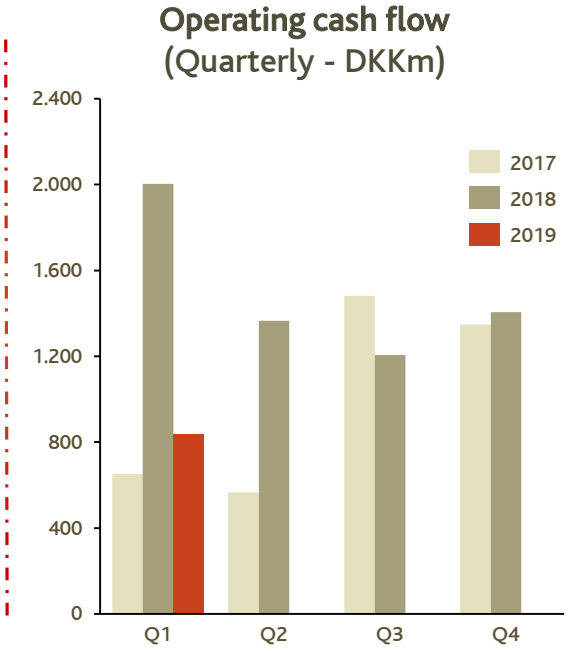
Still strong focus on cost spend, but cost ratios impacted by lower revenue following generic erosion

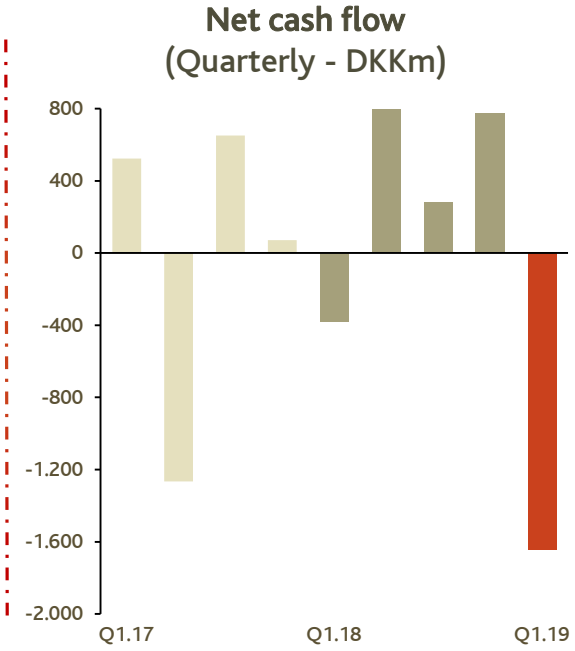
- **Gross margin:** Down from 82.0% to 80.5%
- **SG&A ratio:** Up from 31.4% to 34.5%
- **R&D ratio:** Up from 15.5% to 17.7%
- **EBIT-margin:** Down from 36.1% to 28.3%
- **EPS:** Down 25% from DKK 6.03 to DKK 4.52

DKKm	Q1 2019	Δ % y/y	FY 2018
Revenue	**4,234**	***(8%)***	**18,117**
Gross margin	*80.5%*	*-1.5pp*	*80.9%*
Operating expenses	2,209	*3%*	9,316
SG&A	1,461	*2%*	6,039
R&D	748	*5%*	3,277
Other operating items, net	-	-	(44)
EBIT	**1,200**	***(28%)***	**5,301**
EBIT-margin	*28.3%*	*-7.8pp*	*29.3%*
Core EBIT	**1,410**	***(22%)***	**6,158**
Tax rate	*27.0%*	-	*26.1%*
EPS	**4.52**	***(25%)***	**19.66**

Continued solid operating cash flow

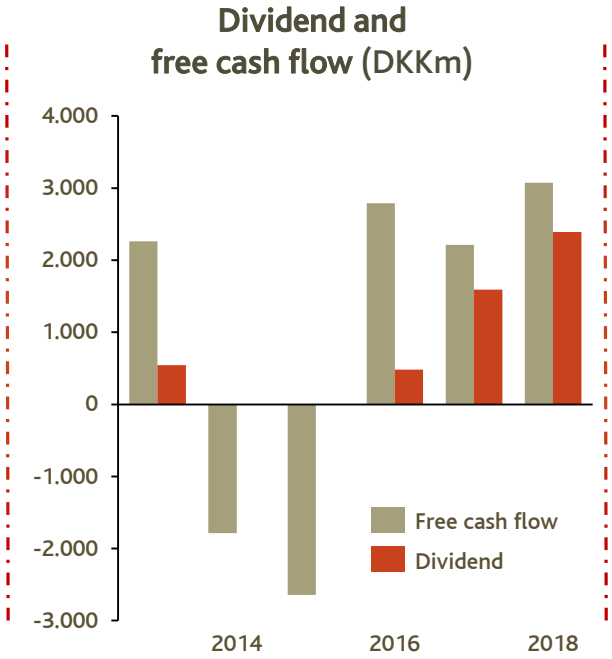
- **Cash flow from operating activities:** Reached DKK 837 million following negative impact from working capital
- **Working capital:** Lower gross-to-net accruals in the U.S. following declining sales of especially Onfi and quarterly fluctuations of these accruals
- **Financing activities:** Dividend pay-out increased from DKK 1.6 billion to DKK 2.4 billion
- **Net cash outflow:** Increased from DKK 380 million to DKK 1,644 million

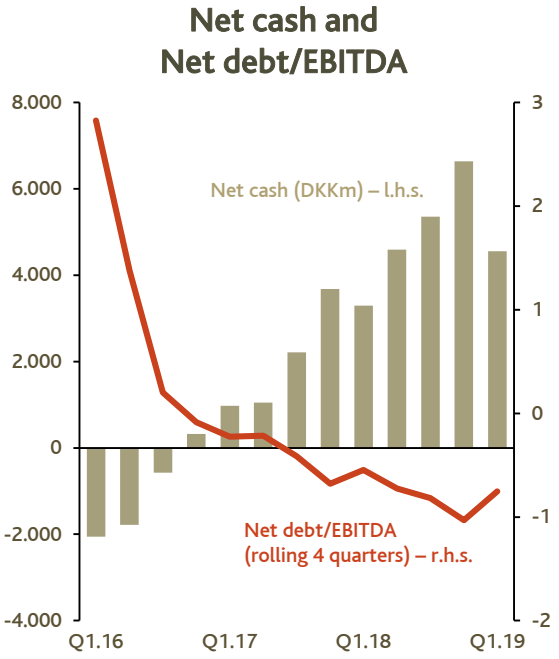




Strong financial position provides flexibility to pursue further growth

- **Net cash flow:** Down DKK 1,264 million to DKK 1,644 million
- **Net debt/EBITDA:** -0.8x based on rolling four quarters
- Lundbeck manages its capital structure based on a wish to carry an investment grade rating.
- FY 2019 cash flow is negatively impacted by
  - Lower EBITDA
  - High dividend payout
  - Payment of DOJ settlement
- Net cash expected to reach DKK 5-5.5 billion (USD ~0.8bn) in 2019





Lundbeck's financial guidance for 2019 revenue is narrowed, EBIT is maintained

- Continued growth for strategic brands
- Significant negative impact from generic erosion
- Effects from hedging is a loss of DKK 250-300 million
- OPEX from Abide is included in guidance range
- Net financial items of DKK ±50 million expected in 2019
- Unchanged currencies from end-April 2019

2019 financial guidance

	2018 (DKKm)	2019e (DKKbn)	~Δ% (y/y)
Revenue	18,117	**16.3 – 16.7**	*-10% – -8%*
Core EBIT	6,158	**5.0 – 5.4**	*-19% – -12%*
Implied core EBIT margin	*34.0%*	*~30% – 33%*	-
EBIT	5,301	**4.2 – 4.6**	*-21% – -13%*
Implied EBIT margin	*29.3%*	***~25% – 28%***	-
Tax rate	*26.1%*	***26 – 28%***	-

Selected deliverables

- Start PoC study on Lu AF11167 in schizophrenia ✓
- Commence the launch of Rxulti/Rexulti in Europe ✓
- Abide acquisition – acting in line with strategy ✓
- Pivotal data for Rexulti in bipolar mania ✗
- Headline results (PoC) for foliglurax in Parkinson's (postponed to turn of the year)
- Obtain approval of Trintellix in Japan
- Achieve FIH in 1-2 R&D projects
- Continue to execute on *Expand and Invest to Grow*

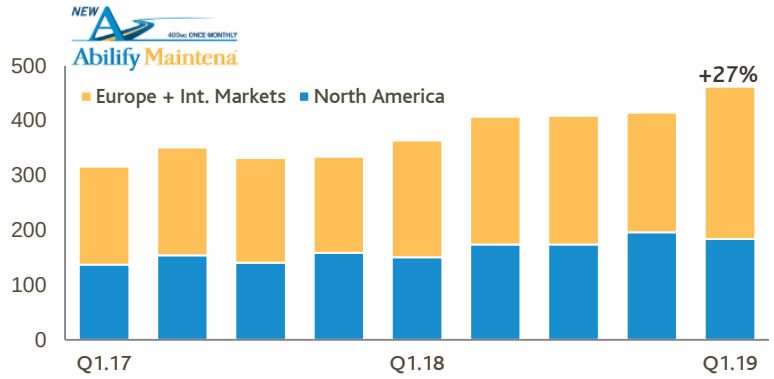
Lundbeck continues its mission to restore brain health, leveraging a strong platform and heritage to grow

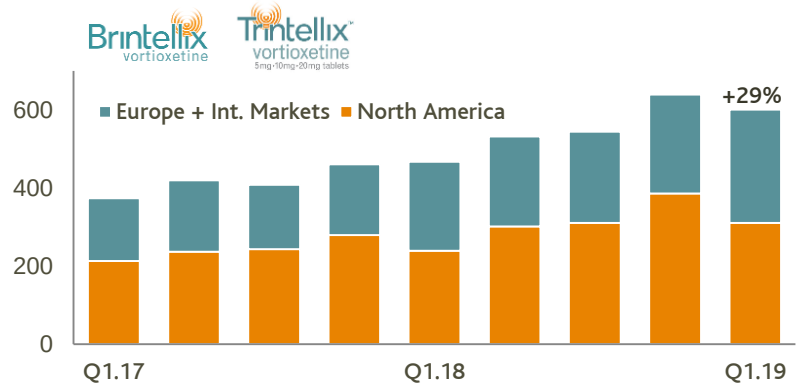
- Strong financial foundation
- Highly profitable with strong cash generation, no debt
- Solid growth across key products
- Global footprint with growth in all regions of the world
- Long-standing reputation with patient communities and physicians
- Deep scientific heritage and capabilities in CNS
- Promising early-stage pipeline
- Demonstrated track record of partnering relationships

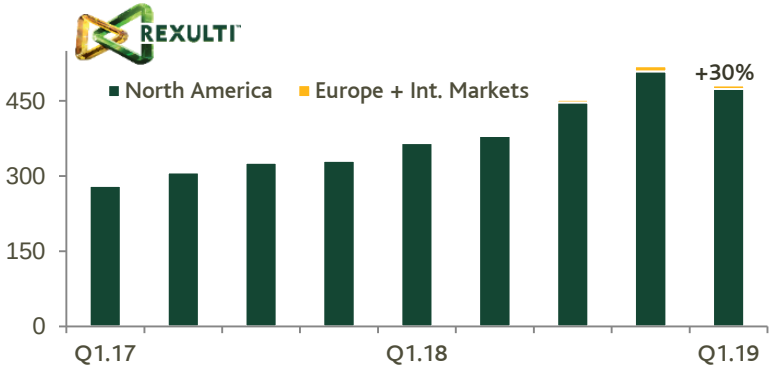
Thank you!

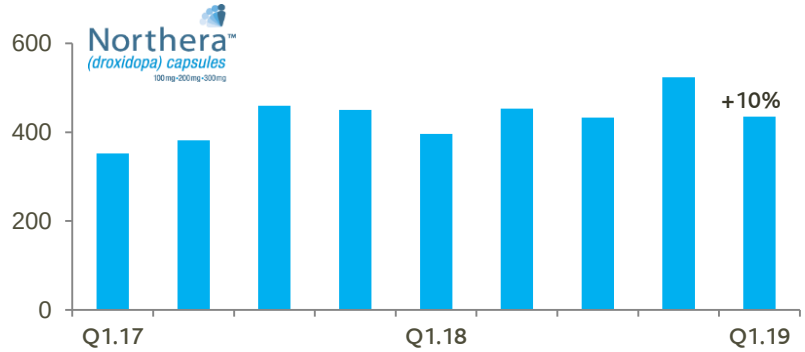
Lundbeck

Lundbeck's strategic brands deliver solid double-digit growth





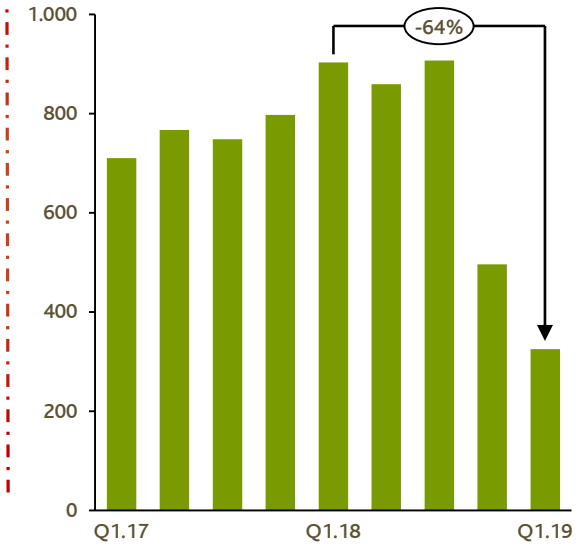




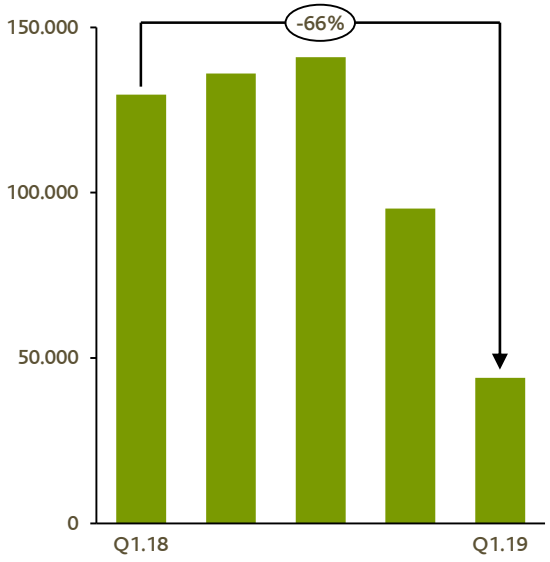
Onfi impacted negatively by introductions of generic clobazam

- Declined 64% (66% in L.C.) to DKK 325 million in Q1 2019
- Numerous generic tablets and oral suspensions launched from October 2018
- Aggressive generic pricing
- Generic versions have taken ~75% of volume since October 2018

Onfi sales
(Quarterly - DKKm)



Onfi demand
(Quarterly – TRx)

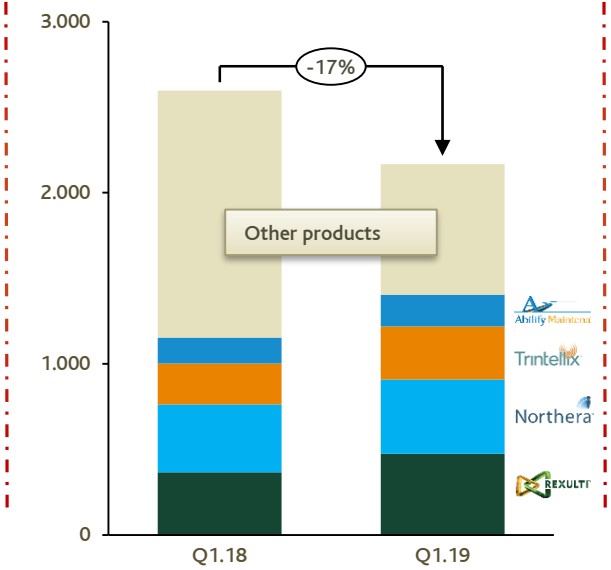


Source: Bloomberg

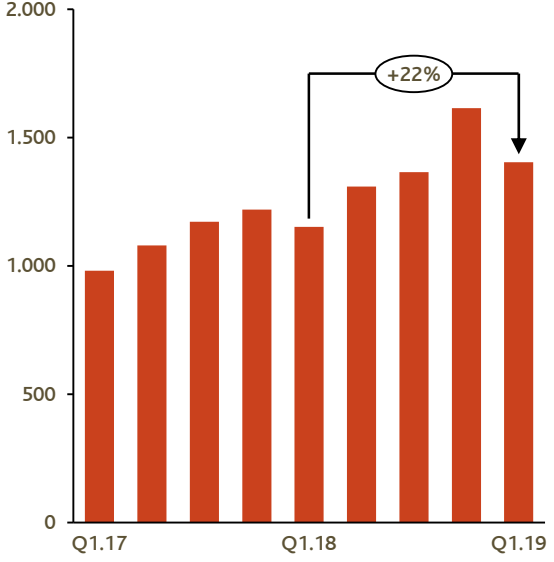
North America impacted by generic erosion – strategic brands up 22%

- Declined 21% in L.C. (17% reported) to DKK 2,168 million in Q1 2019
- Impacted by generic introductions of clobazam in October 2018
- Strategic brands# grew 22% to DKK 1,404 million and constituted 65% of revenue in Q1 2019

North America revenue
(Q1 - DKKm)



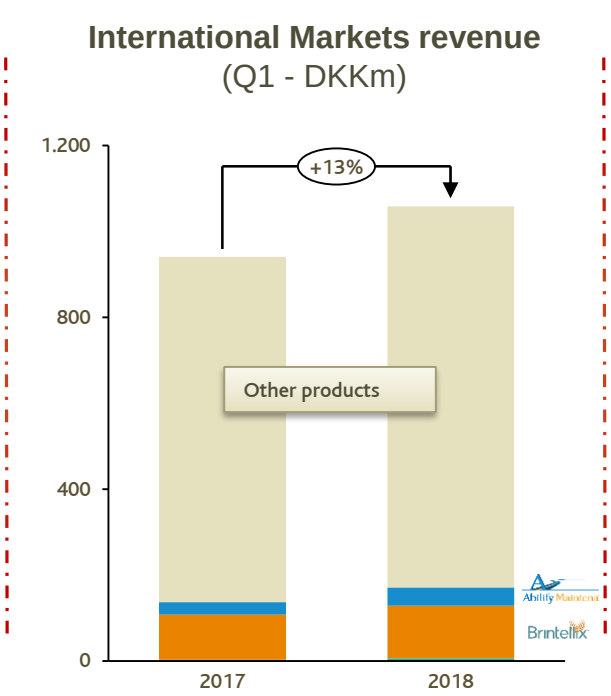
North America – strategic brands
(Quarterly – DKKm)

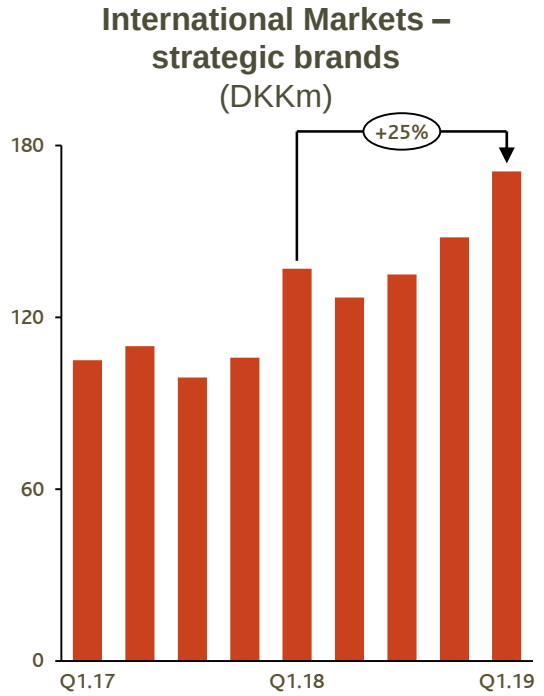


#) Abilify Maintena, Northera, Rexulti and Trintellix

International Markets grew 13% in local currencies driven by strategic brands – up 13% reported

- Grew 13% in L.C. (13% reported) to DKK 1,059 million in Q1 2019
- Strategic brands# grew by 25% and constituted 16% of sales in Q1 2019
- Cipralex/Lexapro is down 6% to DKK 442 million
- Main markets are Brazil, China, Japan and South Korea
- Trintellix submitted in Japan

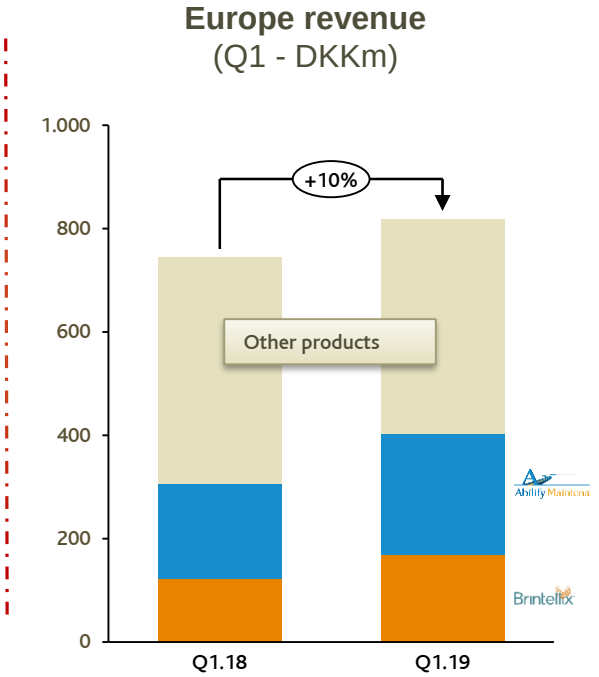


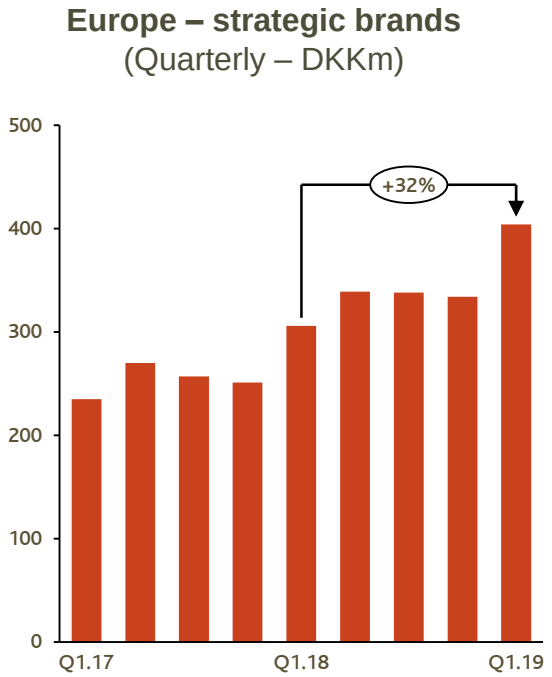


#) Abilify Maintena, Rexulti and Brintellix/Trintellix

Europe grew 10% in both local currencies and reported in Q1 2019 driven by Abilify Maintena and Brintellix

- Grew 10% in L.C. (10% reported) to DKK 819 million in Q1 2019
- Strategic brands# grew 32% and constituted 49% of sales in Q1 2019
- Solid underlying performance with slight positive impact from inventories eg. due to *UK Brexit*
- Continued strong performance for both Abilify Maintena and Brintellix
- Largest markets are France, Italy and Spain



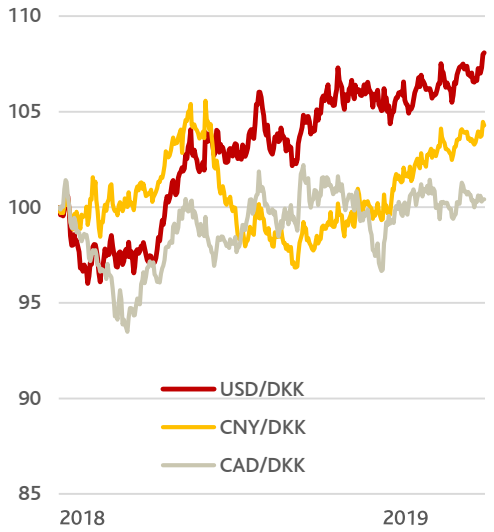


#) Abilify Maintena, Rxulti/Rexulti and Brintellix/Trintellix

Hedging at Lundbeck

- The main currency risk concerns fluctuations in **USD**, **CNY** and **CAD** followed by **JPY** and **KRW**
- **Current hedging rates:** USD (6.33), CNY (0.92) and CAD (4.84)
- Lundbeck hedges a significant part of the risk (at EBIT level) for a period of **12-18 months**
- Expected loss of **DKK 250-300 million** in hedging effect expected in 2019

USD, CNY and CAD vs. DKK



Source: Bloomberg

Development of Lundbeck's key currencies

Key currency	2018 Avg.	Q1.18 Avg.	Q1.19 Avg.	Spot rate
USD	632	606	657	669.7
CNY	96	95	98	99.3
CAD	487	479	495	496.1
JPY	5.7	5.6	6.0	5.982
KRW	0.574	0.565	0.584	0.577

DKK per 100. Spot rate per 25 April 2019
Source: Bloomberg

Q1 2019 and FY 2018 - Product distribution of revenue

DKKm	FY 2018	FY 2017	Q1 2019	Q1 2018	*Growth*	*Growth in local currencies*	*% of total*
TOTAL:							
Abilify Maintena	1,595	1,333	462	364	*27%*	*24%*	*11%*
Brintellix/Trintellix	2,182	1,663	601	467	*29%*	*27%*	*14%*
Cipralex/Lexapro	2,257	2,392	619	665	*(7%)*	*(7%)*	*15%*
Northera	1,806	1,644	435	396	*10%*	*3%*	*10%*
Onfi	3,165	3,022	325	903	*(64%)*	*(66%)*	*8%*
Rexulti/Rxulti	1,723	1,247	481	369	*30%*	*22%*	*11%*
Sabril	1,342	1,509	254	341	*(26%)*	*(30%)*	*6%*
Other pharmaceuticals	3,143	4,074	869	779	*12%*	*11%*	*20%*
Other revenue	662	402	236	119	*99%*	*98%*	*6%*
Effects from hedging	242	(52)	(48)	182	-	-	*(1%)*
Total revenue	**18,117**	**17,234**	**4,234**	**4,585**	***(8%)***	***(6%)***	***100%***

Q1 2019 and FY 2018 - Geographic distribution of revenue - 1

DKKm	FY 2018	FY 2017	Q1 2019	Q1 2018	*Growth*	*Growth in local currencies*	*% of total*
NORTH AMERICA:							
Abilify Maintena	695	591	**184**	151	*22%*	*15%*	*8%*
Trintellix	1,239	974	**311**	240	*29%*	*23%*	*14%*
Northera	1,806	1,644	**435**	396	*10%*	*3%*	*20%*
Onfi	3,165	3,022	**325**	903	*(64%)*	*(66%)*	*15%*
Rexulti	1,702	1,245	**474**	366	*29%*	*21%*	*22%*
Sabril	1,342	1,509	**254**	341	*(26%)*	*(30%)*	*12%*
Other pharmaceuticals	794	1,688	**185**	201	*(8%)*	*(11%)*	*9%*
Total revenue	**10,743**	**10,673**	**2,168**	**2,598**	***(17%)***	***(21%)***	***100%***

Q1 2019 and FY 2018 - Geographic distribution of revenue - 2

DKKm	FY 2018	FY 2017	Q1 2019	Q1 2018	*Growth*	*Growth in local currencies*	*% of total*
EUROPE:							
Abilify Maintena	770	637	**236**	184	*28%*	*28%*	*29%*
Brintellix	547	376	**167**	122	*37%*	*37%*	*20%*
Cipralex	572	643	**141**	163	*(14%)*	*(14%)*	*17%*
Rexulti/Rxulti	-	-	**1**	-	-	-	-
Other pharmaceuticals	1,081	1,149	**274**	276	*(1%)*	*(1%)*	*34%*
Total revenue	**2,970**	**2,805**	**819**	**745**	***10%***	***10%***	***100%***
INTERNATIONAL MARKETS:							
Abilify Maintena	130	105	**42**	29	*43%*	*46%*	*4%*
Brintellix	396	313	**123**	105	*17%*	*24%*	*12%*
Cipralex/Lexapro	1,552	1,582	**442**	469	*(6%)*	*(6%)*	*41%*
Rexulti	21	2	**6**	3	*146%*	*152%*	*1%*
Other pharmaceuticals	1,401	1,404	**446**	335	*33%*	*33%*	*42%*
Total revenue	**3,500**	**3,406**	**1,059**	**941**	***13%***	***13%***	***100%***

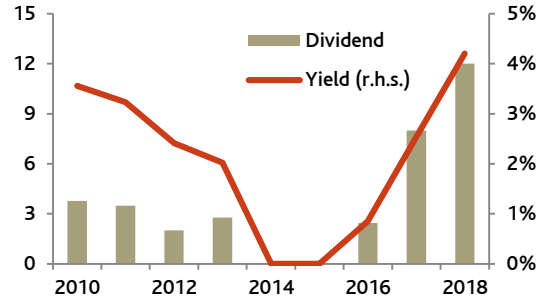
Q1 2019 and FY 2018 - Cash generation

DKKm	Q1 2019	Q1 2018	FY 2018
Cash flows from operating activities	837	2,003	5,981
Cash flows from investing activities	(63)	(795)	(2,907)
Cash flows from operating and investing activities (free cash flow)	**774**	**1,208**	**3,074**
Cash flows from financing activities	(2,418)	(1,588)	(1,607)
Net cash flow for the period	**(1,644)**	**(380)**	**1,467**
Cash, bank balances and securities, end of period	5,014	3,292	6,635
Interest-bearing debt	(462)	-	-
Net cash/(net debt)	**4,552**	**3,292**	**6,635**

Q1 2019 and FY 2018 - Balance sheet and dividend

DKKm	31.03.2019	31.12.2018
Intangible assets	7,910	8,023
Other non-current assets	3,715	3,339
Current assets	10,097	11,649
Assets	**21,722**	**23,011**
Equity	12,719	14,251
Non-current liabilities	1,377	1,184
Current liabilities	7,626	7,576
Equity and liabilities	**21,722**	**23,011**
Cash and bank balances	1,967	3,605
Securities	3,047	3,030
Interest-bearing debt	(462)	-
Interest-bearing debt, cash, bank balances and securities, net end of period	**4,552**	**6,635**

Dividend (DKK)



- Dividend payout of DKK 12.00 per share for 2018, corresponding to a payout ratio of 61%
  - A total of DKK 2.4 billion and a yield of 4.2%*
- Dividend policy: Payout ratio of 30-60% from 2019

*Based on the share price of DKK 285.40

Costs – Full year figures

DKKm	2018	2017	2016	2015	*2018 (Δ %)*	*2017 (Δ %)*
Revenue	18,117	17,234	15,634	14,594	*5%*	*10%*
Cost of sales	3,456	3,881	4,082	5,395	*(11%)*	*(5%)*
Sales & Distribution costs	5,277	5,649	5,488	6,706	*(7%)*	*3%*
Administrative expenses	762	833	805	1,160	*(9%)*	*3%*
R&D costs	3,277	2,705	2,967	8,149	*21%*	*(9%)*
Total costs	12,772	13,068	13,342	21,410[1)]	*(2%)*	*(2%)*
EBIT	5,301[2)]	4,408[2)]	2,292	(6,816)	*20%*	*92%*
Core EBIT	6,158	5,115	3,477	847	*20%*	*47%*
Cost of sales	*19%*	*23%*	*26%*	*37%*	-	-
Sales & Distribution costs	*29%*	*33%*	*35%*	*46%*	-	-
Administrative expenses	*4%*	*5%*	*5%*	*8%*	-	-
R&D costs	*18%*	*16%*	*19%*	*56%*	-	-
EBIT margin	*29%*	*26%*	*15%*	*(47%)*	-	-

Included are 1) Restructuring costs and impairment of product rights of around DKK 7bn. 2) Includes Other operating items, net

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

For more information, please contact Investor Relations

- Listed on the Copenhagen Stock Exchange since 18 June 1999
- Deutsche Bank sponsored ADR programme listed on NASDAQ (U.S. OTC) effective from 18 May 2012
- For additional company information, please visit Lundbeck at: www.lundbeck.com

Number of shares	199,110,627
Treasury shares	366,019 (0.2%)
Insider holdings	122,665 (0.06%)
Classes of shares	1
Restrictions	None
ISIN code	DK0010287234
Ticker symbol	LUN DC/LUN.CO (Bloomberg/Reuters)
ADR programme	Sponsored level 1
ADR symbol	HLUYY
Ratio	1:1

IR contact

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palo@lundbeck.com or
polesen3@bloomberg.net

Financial calendar

6M 2019	14 August 2019
9M 2019	5 November 2019
FY 2019	February 2020