Company disclaimer

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.
Lundbeck achieved its best financial year ever in 2018

**Outstanding operational performance**

- Sales increased 8% in L.C. to DKK 18.1bn vs. initial guidance of DKK 17.2-18.0bn
- Key product sales grew 18% to DKK 10.5bn
- EBIT increased 20% to DKK 5.3 billion vs. initial guidance of DKK 4.8-5.2bn
- EBIT margin improved from 25.6% to 29.3%
- Net cash improved from DKK 3.4 billion to DKK 6.6 billion

**Early and maturing pipeline**

- New in phase II: Foliglurax, Lu AF11167
- New in phase I: Lu AF76432, LU AF28996, Lu AF82422
- Lu AF35700 failed to show separation vs. active comparator

**2018 dividend**

- Proposed dividend of DKK 12.00 per share, equal to a payout ratio of 61%
2019 guidance, dividends and revised strategic objectives

- **2019 guidance**
  - Lundbeck expects 2019 revenue to reach DKK 16.1–16.7 billion
  - EBIT expected to reach DKK 4.2–4.6 billion

- **Revised dividend policy**
  - Dividend policy revised to 30-60% of net profit from 2019

- **Expand and Invest to Grow**
  - The *Expand and Invest to Grow* strategy envisions expanded operating space in brain diseases, access external innovation through product license or acquisition as well as through strategic partnership while maintaining focus on profitability
FY 2018: Solid growth in both top and bottom line

- **Revenue**: Up 8% in L.C. (5% reported) to DKK 18.1 billion
- Growth driven by key products and especially Brintellix/Trintellix and Rexulti
- **Other revenue**: Up 64% to DKK 662 million
- **Effects from hedging**: Gain of DKK 242 million
- **EBIT margin**: 29.3% vs 25.6% in 2017
Lundbeck’s five key products* added DKK 1.6 billion in sales in 2018

Key products*: Up 23% in L.C. (18% reported) to DKK 10,471 million representing 59% of revenue#

- **Brintellix/Trintellix**: Up 31% to DKK 2,182 million
- **Rexulti**: Up 38% to DKK 1,723 million
- **Abilify Maintena**: Up 20% to DKK 1,595 million
- **Northera**: Up 10% to DKK 1,806 million

#) Excludes effects from hedging

*) Ability Maintena, Brintellix/Trintellix, Northera, Onfi and Rexulti

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Key product growth in L.C. (FY - DKKm)

- Brintellix/Trintellix: +37%
- Rexulti: +44%
- Abilify Maintena: +23%
- Northera: +15%
- Onfi: +12%

Sales by product (FY 2018)

- Abilify Maintena: 18%
- Brintellix/Trintellix: 10%
- Northera: 10%
- Rexulti: 41%
- Onfi: 12%
- Rest: 9%
Revenue growth in all regions; Europe has returned to dynamic growth

- **Strong improvement in both growth and profitability in Europe**
- **North America** impacted by generic erosion and divestment of Canadian oncology unit in 2017
- **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

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### Reported growth (FY 2018)

<table>
<thead>
<tr>
<th>Region</th>
<th>Revenue (DKKm)</th>
<th>Δ %</th>
<th>Δ % (L.C.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>10,743</td>
<td>+1%</td>
<td>+6%</td>
</tr>
<tr>
<td>Int. Markets</td>
<td>3,500</td>
<td>+3%</td>
<td>+10%</td>
</tr>
<tr>
<td>Europe</td>
<td>2,970</td>
<td>+6%</td>
<td>+6%</td>
</tr>
</tbody>
</table>

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### Sales by region (FY 2018)

- North America: 17%
- International Markets: 20%
- Europe: 63%
Brintellix/Trintellix continues consistent strong momentum driven by North America and Europe

- Grew 37% in L.C. to DKK 2,182 million in 2018
- Grew 39% in L.C. to DKK 639 million in Q4 2018
- Two first-in-class U.S. FDA label updates:
  I. Positive effect on processing speed, an aspect of cognitive function
  II. Improvement over escitalopram in treatment-emergent sexual dysfunction in patients with MDD
- Launched in China and NDA in Japan submitted for the treatment of MDD

![Brintellix/Trintellix sales (FY - DKKm)](image1)

![Brintellix/Trintellix sales (Quarterly - DKKm)](image2)
Rexulti shows significant growth driven by demand; roll-out in new markets continues

- Grew 44% in L.C. to DKK 1,723 million in 2018
- Grew 52% in L.C. to DKK 519 million in Q4 2018
- Launched in Australia, Canada, Saudi Arabia, Switzerland and the U.S.
- Positive headline results from PoC study in PTSD
- Additional LCM activity progressing
Abilify Maintena continues its solid growth

- Grew 23% in L.C. to DKK 1,595 million in 2018
- Grew 23% in L.C. to DKK 415 million in Q4 2018
- 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

Abilify Maintena sales (FY - DKKm)

Abilify Maintena sales (Quarterly - DKKm)

Lundbeck’s share of revenue
Northera shows solid growth following normalization of patient backlog

- Grew 15% in L.C. to DKK 1,806 million in 2018
- Grew 13% in L.C. to DKK 524 million in Q4 2018
- Northera impacted by temporary backlog of patients in process (in Q3 2018), seasonality and high out of pocket costs for some patients
Onfi impacted negatively by introductions of generic clobazam

- Grew 12% in L.C. (5% reported) to DKK 3,165 million in 2018
- Declined 40% in L.C. to DKK 496 million in Q4 2018
- Numerous generic tablets and oral suspensions launched from October 2018
- Aggressive generic pricing
Promising early-stage pipeline with efforts under way to ensure depth in all phases of development

<table>
<thead>
<tr>
<th>Project</th>
<th>Indication</th>
<th>Phase I</th>
<th>Phase II (PoC)</th>
<th>Phase III (pivotal)</th>
<th>Exp. filing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brexpiprazole</td>
<td>Bipolar mania</td>
<td></td>
<td></td>
<td></td>
<td>2019</td>
</tr>
<tr>
<td>Brexpiprazole</td>
<td>Agitation in Alzheimer's disease</td>
<td></td>
<td></td>
<td></td>
<td>~2021</td>
</tr>
<tr>
<td>Brexpiprazole</td>
<td>PTSD</td>
<td></td>
<td></td>
<td></td>
<td>≥2025</td>
</tr>
<tr>
<td>Foliglurax (MGLUR4 PAM)</td>
<td>Parkinson's</td>
<td></td>
<td></td>
<td></td>
<td>~2025</td>
</tr>
<tr>
<td>Lu AF11167 (PDE 10 inhibitor)</td>
<td>Schizophrenia</td>
<td></td>
<td></td>
<td></td>
<td>≥2025</td>
</tr>
<tr>
<td>Abilify Maintena 2-mth</td>
<td>Schizophrenia</td>
<td></td>
<td></td>
<td></td>
<td>~2020</td>
</tr>
<tr>
<td>Lu AF76432 (PDE 1 inhibitor)</td>
<td>Schizophrenia (CIAS)</td>
<td></td>
<td></td>
<td></td>
<td>≥2025</td>
</tr>
<tr>
<td>Lu AF20513 (active immunotherapy)</td>
<td>Alzheimer’s disease</td>
<td></td>
<td></td>
<td></td>
<td>≥2025</td>
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<tr>
<td>Lu AF82422 (alpha-synuclein mAb)</td>
<td>Parkinson’s disease</td>
<td></td>
<td></td>
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<td>≥2025</td>
</tr>
<tr>
<td>Lu AF28996 (D1/D2 agonist)</td>
<td>Parkinson’s disease</td>
<td></td>
<td></td>
<td></td>
<td>≥2025</td>
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<tr>
<td>Lu AF35700</td>
<td></td>
<td></td>
<td></td>
<td>Project under review</td>
<td>-</td>
</tr>
</tbody>
</table>
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

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
Brexpiprazole pivotal programme ongoing in acute manic episodes associated with Bipolar I disorder

**Expected brexpiprazole profile:**
- Established efficacy and treatment of bipolar I disorder
- Favorable tolerability profile over SoC (e.g., improved metabolic profile, fewer AEs including low frequency of sedating and activating side effects might support improved functioning and ability to work)
- Expected completion in Q1 2019

**The studies**

<table>
<thead>
<tr>
<th>Study #1</th>
<th>Study #2</th>
</tr>
</thead>
<tbody>
<tr>
<td>(NCT03259555)</td>
<td>(NCT03257865)</td>
</tr>
</tbody>
</table>

- **Estimated enrollment:** 320 adult patients in each study
- **Intervention:** 2-4 mg brexpiprazole and placebo
- **Treatment duration:** 21 days
- **Primary outcome measures:** change from baseline in YMRS score
- **Study start:** September 2017
- **6-month safety study:** Enrolling completers from Study #1 and #2

**Bipolar disorder**

- More than 6 million affected in the U.S.
- Low rate of diagnosis (45%)
- A disease with high add-on and switch rates indicating need for new treatment options
- Patients in treatment spent 44% of their time being ill over a 9-year period
- Bipolar disorder represents around one-third of the use of atypical antipsychotics

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1) Young-Mania Rating Scale (YMRS) Score
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

Post-Traumatic Stress Disorder (PTSD)

- ~8.6m U.S. adults affected¹)
- ~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/

*) NCT03033069
#) Clinician-Administered PTSD Scale for DSM-5 (CAPS-5)
Comprehensive LCM programme ongoing for brexpiprazole for further product value expansion

**Brexiprazole**
- Several clinical programmes ongoing to address unmet medical needs and aiming for product value maximation

**Bipolar I disorder**
- Two studies to demonstrate the efficacy in acute treatment of manic episodes, with or without mixed features, in subjects with a diagnosis of Bipolar I disorder (n = 320 in both studies) (NCT03257865, NCT03259555)
- Evaluating the safety and tolerability in the treatment of subjects with Bipolar I disorder (n = 384) (NCT03287869)

**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**
- Headline results from the pivotal programme in Bipolar disorder to be reported in Q1 2019
Foliglurax – an interesting new pipeline asset currently in PoC testing in Parkinson’s patients

Foliglurax (PXT002331)

- 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 disease
- 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

PD-LID: Parkinson’s Disease – Levodopa-Induced Dyskinesia

1) NCT03162874
2) Datamonitor

Modified based on: Jankovic, Mov. Disorder 2005,
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)**
- 4.7m - Prevalence of schizophrenia (G7)
- 3.5m - Treatment prevalence (75%)
- 1.7m - Clinical stable outpatients (50%)
- 0.8m - Negative symptoms (40%)

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

**Drug discovery**
- Designing, screening and optimization towards lead identification
- Study disease biology and progression with big data
- Genetic decoding and genotype to phenotype

**Pre-clinical**
- Target and biomarker identification
- Pre-clinical analytics and modeling
- De-risking entry into humans

**Clinical development**
- Digital “biomarkers”
- Adaptive trial design
- Enable trial simulation/virtual trials
- Improve site selection, patient identification and surveillance

**Disease interception**
- Personalized health care
- Remote monitoring
- Habit tracking
- Virtual consultation

**Diagnosis**
- Personalized health care
- Remote monitoring
- Self diagnosis
- Treatment management systems

**Treatment**
- Personalized health care
- Remote monitoring and adherence
- Connected medical devices
- TeleHealth

**Follow-up**
- Personalized health care
- Remote monitoring
- Remote monitoring and adherence
- Connected medical devices

**Patient experience**
- TeleHealth

**Numerate**
- Digital “biomarkers”
- Adaptive trial design
- Enable trial simulation/virtual trials
- Improve site selection, patient identification and surveillance

**RADAR-CNS**
- Personalized health care
- Remote monitoring
- Self diagnosis
- Treatment management systems
Finance
Lundbeck delivered best ever financial results for 2018

- **Gross margin**: Increases from 77.5% to 80.9%
- **SG&A ratio**: Down from 37.6% to 33.3%
- **R&D ratio**: Up from 15.7% to 18.1%
- **Tax rate**: Positively impacted by U.S. tax reform
- **EPS**: Up 48% to DKK 19.66

<table>
<thead>
<tr>
<th></th>
<th>DKKm</th>
<th>FY 2018</th>
<th>Δ% y/y</th>
<th>Q4 2018</th>
<th>Δ% y/y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>18,117</td>
<td>5%</td>
<td>4,196</td>
<td>(4%)</td>
<td></td>
</tr>
<tr>
<td>Gross margin</td>
<td>80.9%</td>
<td>+3.4pp</td>
<td>79.7%</td>
<td>+1.7pp</td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>9,316</td>
<td>1%</td>
<td>2,619</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>6,039</td>
<td>(7%)</td>
<td>1,631</td>
<td>(5%)</td>
<td></td>
</tr>
<tr>
<td>R&amp;D</td>
<td>3,277</td>
<td>21%</td>
<td>988</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>Other operating items, net</td>
<td>(44)</td>
<td>-</td>
<td>121</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>5,301</td>
<td>20%</td>
<td>848</td>
<td>(9%)</td>
<td></td>
</tr>
<tr>
<td>EBIT-margin</td>
<td>29.3%</td>
<td>+3.7pp</td>
<td>20.2%</td>
<td>(1.0pp)</td>
<td></td>
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<tr>
<td>Core EBIT</td>
<td>6,158</td>
<td>20%</td>
<td>931</td>
<td>(20%)</td>
<td></td>
</tr>
<tr>
<td>Tax rate</td>
<td>26.1%</td>
<td>-</td>
<td>21.4%</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td>19.66</td>
<td>48%</td>
<td>3.29</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Strong cash flow generation

- **Cash flow from operating activities:** Grew 48% to DKK 5,981 million in 2018
- **Investments:** Include acquisition of Prexton in March 2018 (EUR 100m) and EU approval milestone on Rxulti (USD 50m)
- **Net cash flow:** Improved from DKK (20) million in 2017 to DKK 1,467 million in 2018
Strong financial position provides flexibility to pursue further growth

- **Net cash:** Up DKK 2,958 million (+80%) to DKK 6,635 million in 2018
- **Net debt/EBITDA:** -1.0x in 2018 vs. -0.7x in 2017
- 2019 cash flow will be negatively impacted by:
  - Lower EBITDA
  - High dividend payout
  - Payment of DOJ settlement
- Net cash expected to reach DKK ~7.5 billion (USD ~1.2bn) in 2019

*) 2018 dividend subject to approval by the AGM
Lundbeck’s financial guidance for 2019

- Continued growth for strategic brands
- Significant negative impact from generic erosion
- Effects from hedging is a loss of DKK 150-200 million
- Net financial items of DKK ±50 million expected in 2019
- Unchanged currencies from end-January 2019

Dividend payout
- Dividend increased to DKK 12.00 from DKK 8.00 per share*
- Revised dividend policy: Pay-out ratio of 30–60% from 2019

2019 financial guidance

<table>
<thead>
<tr>
<th></th>
<th>2018 (DKKm)</th>
<th>2019e (DKKbn)</th>
<th>~Δ% (y/y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>18,117</td>
<td>16.1 – 16.7</td>
<td>-11 – -8%</td>
</tr>
<tr>
<td>EBIT</td>
<td>5,301</td>
<td>4.2 – 4.6</td>
<td>-21 – -13%</td>
</tr>
<tr>
<td>Implied EBIT margin</td>
<td>29.3%</td>
<td>~25 – 29%</td>
<td>-</td>
</tr>
<tr>
<td>Tax rate</td>
<td>26.1%</td>
<td>26 – 28%</td>
<td>-</td>
</tr>
</tbody>
</table>

*) Subject to approval by the AGM
”Expand and Invest To Grow!”
Stellar execution on 2016 corporate strategy to restore profitability

### Long-term targets set in February 2016

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT margin</td>
<td>29.3%</td>
<td>25%</td>
</tr>
<tr>
<td>ROIC</td>
<td>48.6%</td>
<td>25%</td>
</tr>
<tr>
<td>Cash to earnings</td>
<td>117.6</td>
<td>&gt;90%</td>
</tr>
</tbody>
</table>

### Operating profit

- **2018:** DKK 5.3bn
- **2015:** DKK -0.2bn*

### Net cash

- **2018:** DKK 6.6bn
- **2015:** DKK -2.2bn

*) Adjusted for restructuring charges and reclassifications
Continued strong growth of strategic brands not enough to compensate for LOEs – we introduce *Expand and Invest to Grow*

**Purpose:** "*Tirelessly dedicated to restoring brain health…so every person can be their best*"
We will promote business efficiency and pursue additional growth opportunities

- We will maximize the performance of existing brands
- Expanding our global footprint
- Launching new indications and improved formulations
- We will enhance organizational agility and collaboration
- We will continue to maintain high profitability, but allow flexibility to invest in growing the top-line and profits

EBIT margin ambition

≥25%
We will expand our operating space in brain disease

Our strong heritage and extensive neuroscience experience provide us with a competitive advantage and enable us to expand our focus to help people living with a broader range of brain diseases.

The redefined operating space focus on diseases with:

🌟 Clear unmet needs
🌟 Attractive commercial potential
🌟 Strategic fit with our capabilities
Expanding product portfolio and R&D pipeline based on our strong heritage and expertise in neuroscience

We will rebuild our pipeline across all clinical phases by:

- Accelerating business development efforts to access external innovation
- Selectively refine and progress the most promising internal projects
- Target underlying disease biology
- Leverage technologies to advance innovation
Our strong track record in successful collaborations makes us an attractive partner for third parties.

<table>
<thead>
<tr>
<th>Strategic R&amp;D collaborations</th>
<th>Supportive technologies</th>
<th>Access to assets</th>
<th>Commercial partnerships</th>
<th>Successful acquisitions</th>
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</thead>
<tbody>
<tr>
<td>23andMe</td>
<td>GE Healthcare</td>
<td>Vanderbilt</td>
<td>Otsuka</td>
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<tr>
<td>Cerveau Technologies</td>
<td>Ubiquient</td>
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<tr>
<td>IBM Watson</td>
<td></td>
<td>ImmunoBrain</td>
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<tr>
<td>Brigham Health</td>
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<tr>
<td>Massachusetts Life Sciences Center</td>
<td>University of Glasgow</td>
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<tr>
<td>Brigham Research Institute</td>
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</tbody>
</table>


Selected deliverables for 2019

- Start PoC study on Lu AF11167 in schizophrenia
- Commence the launch of Rxulti/Rexulti in Europe
- Pivotal data for Rexulti in bipolar mania
- Headline results (PoC) for foliglurax in Parkinson’s
- Obtain approval of Trintellix in Japan
- Achieve FIH in 1-2 R&D projects
- Execute on *Expand and Invest to Grow*
Lundbeck continues 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’s strategic brands deliver solid momentum
Volume uptake in selected marlets for our global strategic brands
North America up 1% driven by Abilify Maintena, Rexulti and Trintellix – generic clobazam had significant negative impact

- Grew 6% in L.C. (1% reported) to DKK 10,743 million in 2018
- Declined 6% in L.C. (3% reported) to DKK 2,671 million in Q4 2018
- Impacted by generic introductions of clobazam in October 2018
- Key products# grew 15% to DKK 8,607 million and constituted 80% of revenue in 2018

* Excluding Other revenue and effects from hedging

*# Abilify Maintena, Northera, Rexulti, Onfi and Trintellix

North America revenue (FY - DKKm)

North America’s contribution*)
International Markets grew 10% in local currencies driven by key products – up 3% reported

- Grew 10% in L.C. (3% reported) to DKK 3.5 billion in 2018
- Grew 1% in L.C. (down 4% reported) to DKK 694 million in Q4 2018 following destocking of Lexapro in China
- Key products* grew by 30% and constituted 16% of sales in 2018
- Main markets are Brazil, China, Japan and South Korea
- Trintellix submitted in Japan

International Markets’ contribution*)

*) Excluding Other revenue and effects from hedging
Europe grew 6% in both local currencies and reported in 2018 driven by Abilify Maintena and Brintellix

- Grew 6% in L.C. (6% reported) to DKK 3.0 billion in 2018
- Grew 3% in L.C. (3% reported) to DKK 701 million in Q4 2018
- Key products# grew 30% and constituted 44% of sales in 2018
- Largest markets are France, Italy and Spain
- Continued strong performance for both Abilify Maintena and Brintellix

*) Grew 6% in L.C. (6% reported) to DKK 3.0 billion in 2018
*) Grew 3% in L.C. (3% reported) to DKK 701 million in Q4 2018
*) Key products# grew 30% and constituted 44% of sales in 2018
*) Largest markets are France, Italy and Spain
*) Continued strong performance for both Abilify Maintena and Brintellix

*) Key products# - Abilify Maintena, Rexulti and Brintellix/Trintellix
*) Excluding Other revenue and effects from hedging
Hedging at Lundbeck

- The main currency risk concerns fluctuations of **USD**, **CNY** and **CAD** followed by **JPY** and **KRW**
- Current hedging rates: USD (6.32), CNY (0.91) and CAD (4.82)
- Lundbeck hedges a significant part of the risk (at EBIT level) for a period of **12-18 months**
- From Q1 2018, gains/losses (net) is shown as a separate line item in revenue
- Expected loss of **DKK 150-200 million** in hedging effect expected in 2019
Q4 2018 and FY 2018 - Product distribution of revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>FY 2017</th>
<th>Q4 2018</th>
<th>Q4 2017</th>
<th>Growth</th>
<th>Growth in local currencies</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability Maintena</td>
<td>1,595</td>
<td>1,333</td>
<td>415</td>
<td>334</td>
<td>24%</td>
<td>23%</td>
<td>10%</td>
</tr>
<tr>
<td>Brintellix/Trintellix</td>
<td>2,182</td>
<td>1,663</td>
<td>639</td>
<td>461</td>
<td>39%</td>
<td>39%</td>
<td>15%</td>
</tr>
<tr>
<td>Cipralex/Lexapro</td>
<td>2,257</td>
<td>2,392</td>
<td>363</td>
<td>519</td>
<td>(30%)</td>
<td>(28%)</td>
<td>9%</td>
</tr>
<tr>
<td>Northera</td>
<td>1,806</td>
<td>1,644</td>
<td>524</td>
<td>450</td>
<td>17%</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>Onfi</td>
<td>3,165</td>
<td>3,022</td>
<td>496</td>
<td>797</td>
<td>(38%)</td>
<td>(40%)</td>
<td>12%</td>
</tr>
<tr>
<td>Rexulti</td>
<td>1,723</td>
<td>1,247</td>
<td>519</td>
<td>332</td>
<td>56%</td>
<td>52%</td>
<td>12%</td>
</tr>
<tr>
<td>Sabril</td>
<td>1,342</td>
<td>1,509</td>
<td>359</td>
<td>364</td>
<td>(1%)</td>
<td>(4%)</td>
<td>9%</td>
</tr>
<tr>
<td>Xenazine</td>
<td>440</td>
<td>1,046</td>
<td>107</td>
<td>226</td>
<td>(53%)</td>
<td>(54%)</td>
<td>3%</td>
</tr>
<tr>
<td>Other pharmaceuticals</td>
<td>2,703</td>
<td>3,028</td>
<td>644</td>
<td>687</td>
<td>(6%)</td>
<td>(5%)</td>
<td>15%</td>
</tr>
<tr>
<td>Other revenue</td>
<td>662</td>
<td>402</td>
<td>196</td>
<td>178</td>
<td>10%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>Effects from hedging</td>
<td>242</td>
<td>(52)</td>
<td>(66)</td>
<td>44</td>
<td>-</td>
<td>-</td>
<td>(2%)</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>18,117</td>
<td>17,234</td>
<td>4,196</td>
<td>4,392</td>
<td>(4%)</td>
<td>(3%)</td>
<td>100%</td>
</tr>
</tbody>
</table>
## Q4 2018 and FY 2018 - Geographic distribution of revenue - 1

<table>
<thead>
<tr>
<th>DKKm</th>
<th>FY 2018</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2017</th>
<th>Growth</th>
<th>Growth in local currencies</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NORTH AMERICA:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abilify Maintena</td>
<td>695</td>
<td>591</td>
<td>196</td>
<td>159</td>
<td>23%</td>
<td>20%</td>
<td>7%</td>
</tr>
<tr>
<td>Trintellix</td>
<td>1,239</td>
<td>974</td>
<td>386</td>
<td>280</td>
<td>38%</td>
<td>34%</td>
<td>14%</td>
</tr>
<tr>
<td>Northera</td>
<td>1,806</td>
<td>1,644</td>
<td>524</td>
<td>450</td>
<td>17%</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>Onfi</td>
<td>3,165</td>
<td>3,022</td>
<td>496</td>
<td>797</td>
<td>(38%)</td>
<td>(40%)</td>
<td>19%</td>
</tr>
<tr>
<td>Rexulti</td>
<td>1,702</td>
<td>1,245</td>
<td>509</td>
<td>331</td>
<td>54%</td>
<td>49%</td>
<td>19%</td>
</tr>
<tr>
<td>Sabril</td>
<td>1,342</td>
<td>1,509</td>
<td>359</td>
<td>364</td>
<td>(1%)</td>
<td>(4%)</td>
<td>13%</td>
</tr>
<tr>
<td>Xenazine</td>
<td>418</td>
<td>1,016</td>
<td>102</td>
<td>219</td>
<td>(54%)</td>
<td>(55%)</td>
<td>4%</td>
</tr>
<tr>
<td>Other pharmaceuticals</td>
<td>376</td>
<td>672</td>
<td>99</td>
<td>165</td>
<td>(40%)</td>
<td>(41%)</td>
<td>4%</td>
</tr>
<tr>
<td>Total revenue</td>
<td>10,743</td>
<td>10,673</td>
<td>2,671</td>
<td>2,765</td>
<td>(3%)</td>
<td>(6%)</td>
<td>100%</td>
</tr>
</tbody>
</table>
Q4 2018 and FY 2018 - Geographic distribution of revenue - 2

<table>
<thead>
<tr>
<th>Country</th>
<th>FY 2018</th>
<th>FY 2017</th>
<th>Q4 2018</th>
<th>Q4 2017</th>
<th>Growth</th>
<th>Growth in local currencies</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EUROPE:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abilify Maintena</td>
<td>770</td>
<td>637</td>
<td>183</td>
<td>147</td>
<td>25%</td>
<td>25%</td>
<td>26%</td>
</tr>
<tr>
<td>Brintellix</td>
<td>547</td>
<td>376</td>
<td>151</td>
<td>104</td>
<td>46%</td>
<td>46%</td>
<td>22%</td>
</tr>
<tr>
<td>Cipralex</td>
<td>572</td>
<td>643</td>
<td>105</td>
<td>151</td>
<td>(30%)</td>
<td>(30%)</td>
<td>15%</td>
</tr>
<tr>
<td>Other pharmaceuticals</td>
<td>1,081</td>
<td>1,149</td>
<td>262</td>
<td>279</td>
<td>(6%)</td>
<td>(6%)</td>
<td>37%</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>2,970</td>
<td>2,805</td>
<td>701</td>
<td>681</td>
<td>3%</td>
<td>3%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>INTERNATIONAL MARKETS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abilify Maintena</td>
<td>130</td>
<td>105</td>
<td>36</td>
<td>28</td>
<td>27%</td>
<td>32%</td>
<td>5%</td>
</tr>
<tr>
<td>Brintellix</td>
<td>396</td>
<td>313</td>
<td>102</td>
<td>77</td>
<td>31%</td>
<td>44%</td>
<td>15%</td>
</tr>
<tr>
<td>Cipralex/Lexapro</td>
<td>1,552</td>
<td>1,582</td>
<td>228</td>
<td>332</td>
<td>(31%)</td>
<td>(27%)</td>
<td>33%</td>
</tr>
<tr>
<td>Ebixa</td>
<td>461</td>
<td>469</td>
<td>94</td>
<td>76</td>
<td>25%</td>
<td>29%</td>
<td>13%</td>
</tr>
<tr>
<td>Other pharmaceuticals</td>
<td>961</td>
<td>937</td>
<td>234</td>
<td>211</td>
<td>11%</td>
<td>14%</td>
<td>34%</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>3,500</td>
<td>3,406</td>
<td>694</td>
<td>724</td>
<td>(4%)</td>
<td>1%</td>
<td>100%</td>
</tr>
</tbody>
</table>
## Q4 and FY 2018 - Cash generation

<table>
<thead>
<tr>
<th>DKKm</th>
<th>Q4 2018</th>
<th>FY 2018</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>1,406</td>
<td>5,981</td>
<td>4,045</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>(609)</td>
<td>(2,907)</td>
<td>(1,830)</td>
</tr>
<tr>
<td><strong>Cash flows from operating and investing activities (free cash flow)</strong></td>
<td>797</td>
<td>3,074</td>
<td>2,215</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>(24)</td>
<td>(1,607)</td>
<td>(2,235)</td>
</tr>
<tr>
<td><strong>Net cash flow for the period</strong></td>
<td>773</td>
<td>1,467</td>
<td>(20)</td>
</tr>
<tr>
<td>Cash, bank balances and securities, end of period</td>
<td>6,635</td>
<td>6,635</td>
<td>3,677</td>
</tr>
<tr>
<td>Interest-bearing debt</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash/(net debt)</strong></td>
<td>6,635</td>
<td>6,635</td>
<td>3,677</td>
</tr>
</tbody>
</table>
FY 2018 - Balance sheet and dividend

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>8,023</td>
<td>7,565</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>3,339</td>
<td>3,347</td>
</tr>
<tr>
<td>Current assets</td>
<td>11,649</td>
<td>8,844</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td>23,011</td>
<td>19,756</td>
</tr>
<tr>
<td>Equity</td>
<td>14,251</td>
<td>12,181</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>1,184</td>
<td>1,096</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>7,576</td>
<td>6,479</td>
</tr>
<tr>
<td><strong>Equity and liabilities</strong></td>
<td>23,011</td>
<td>19,756</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>3,605</td>
<td>2,155</td>
</tr>
<tr>
<td>Securities</td>
<td>3,030</td>
<td>1,522</td>
</tr>
<tr>
<td>Interest-bearing debt</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Interest-bearing debt, cash, bank balances and securities, net end of period</strong></td>
<td>6,635</td>
<td>3,677</td>
</tr>
</tbody>
</table>
## Costs – Full year figures

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2018 (∆%)</th>
<th>2017 (∆%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>18,117</td>
<td>17,234</td>
<td>15,634</td>
<td>14,594</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>3,456</td>
<td>3,881</td>
<td>4,082</td>
<td>5,395</td>
<td>(11%)</td>
<td>(5%)</td>
</tr>
<tr>
<td><strong>Sales &amp; Distribution costs</strong></td>
<td>5,277</td>
<td>5,649</td>
<td>5,488</td>
<td>6,706</td>
<td>(7%)</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Administrative expenses</strong></td>
<td>762</td>
<td>833</td>
<td>805</td>
<td>1,160</td>
<td>(9%)</td>
<td>3%</td>
</tr>
<tr>
<td><strong>R&amp;D costs</strong></td>
<td>3,277</td>
<td>2,705</td>
<td>2,967</td>
<td>8,149</td>
<td>21%</td>
<td>(9%)</td>
</tr>
<tr>
<td><strong>Total costs</strong></td>
<td>12,772</td>
<td>13,068</td>
<td>13,342</td>
<td>21,410&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>(2%)</td>
<td>(2%)</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>5,301&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>4,408&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>2,292</td>
<td>(6,816)</td>
<td>20%</td>
<td>92%</td>
</tr>
<tr>
<td><strong>Core EBIT</strong></td>
<td>6,158</td>
<td>5,115</td>
<td>3,477</td>
<td>847</td>
<td>20%</td>
<td>47%</td>
</tr>
</tbody>
</table>

### Cost of sales
- 2018: 19%
- 2017: 23%
- 2016: 26%
- 2015: 37%

### Sales & Distribution costs
- 2018: 29%
- 2017: 33%
- 2016: 35%
- 2015: 46%

### Administrative expenses
- 2018: 4%
- 2017: 5%
- 2016: 5%
- 2015: 8%

### R&D costs
- 2018: 18%
- 2017: 16%
- 2016: 19%
- 2015: 56%

### EBIT margin
- 2018: 29%
- 2017: 26%
- 2016: 15%
- 2015: (47%)

---

<sup>1)</sup> 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

<table>
<thead>
<tr>
<th>Milestone Payments</th>
<th>Abilify</th>
<th>Maintena</th>
<th>Rexulti</th>
<th>Selincro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development milestones/upfront</td>
<td>USD 200m</td>
<td>USD 600m</td>
<td>EUR 105m*</td>
<td></td>
</tr>
<tr>
<td>Approval milestones</td>
<td>USD 275m¹</td>
<td>USD 300m²</td>
<td>undisclosed</td>
<td></td>
</tr>
<tr>
<td>Sales milestones</td>
<td>Up to USD 425m depending on sales development</td>
<td></td>
<td>undisclosed</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Lundbeck’s share of revenue and costs</th>
<th>Abilify</th>
<th>Maintena</th>
<th>Rexulti</th>
<th>Selincro</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>20%</td>
<td>45%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>EU-5, Nordic and Canada</td>
<td>50%</td>
<td>50%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other Lundbeck territories</td>
<td>65%**</td>
<td>65%**</td>
<td>-</td>
<td>undisclosed</td>
</tr>
</tbody>
</table>

* 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

Lundbeck’s shares have been listed on the Copenhagen Stock Exchange since 18 June 1999

Lundbeck has a Deutsche Bank sponsored ADR programme listed in the U.S. (OTC) effective from 18 May 2012

For additional company information, please visit Lundbeck at: www.lundbeck.com

Number of shares 199,098,422
Own shares 388,327
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
Palle Holm Olesen
VP; Head of Investor Relations
Mobile: +45 3083 2426
palo@lundbeck.com or polesen3@bloomberg.net

Financial calendar
AGM 26 March 2019
3M 2019 8 May 2019
6M 2019 14 August 2019
9M 2019 5 November 2019
FY 2019 February 2020