

Investor Presentation

Q2 2007 Financial Results



The specialist in psychiatry
and pioneer in neurology



Safe Harbour Statement

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 is an international pharmaceutical company specializing in central nervous system disorders

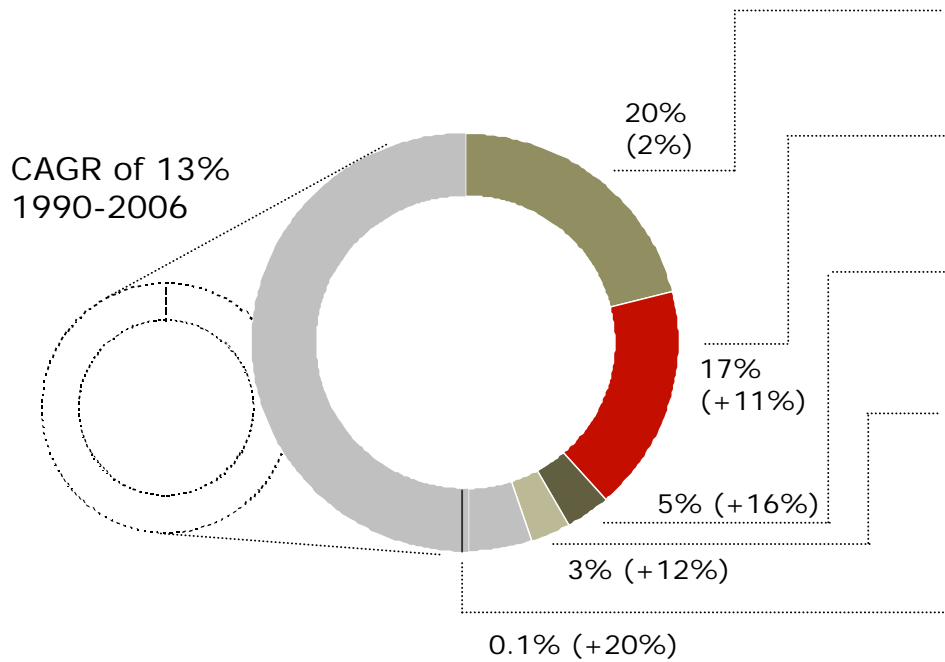
Facts on Lundbeck:

- Founded by Hans Lundbeck in 1915
- An integrated company with core competencies in research, development, production, marketing and sales
- International presence with pharmaceuticals in more than 90 markets
- Marketed pharmaceuticals to treat Alzheimer's disease, depression, anxiety, Parkinson's disease and schizophrenia
- Headquarters in Copenhagen, Denmark
- Approximately 5,000 employees



CNS: world's biggest niche (17% of world pharmaceutical sales)...

2006 CNS market
USDbn 100.7 (+7%)



Lundbeck focus

Depression, N6A

Psychosis, N5A

Alzheimer's disease, N7D

Parkinson's disease, N4A

Alcohol dependence, N7E

Stroke, B1D

USDbn 0.7 (+1%)

Source: IMS world review 2007

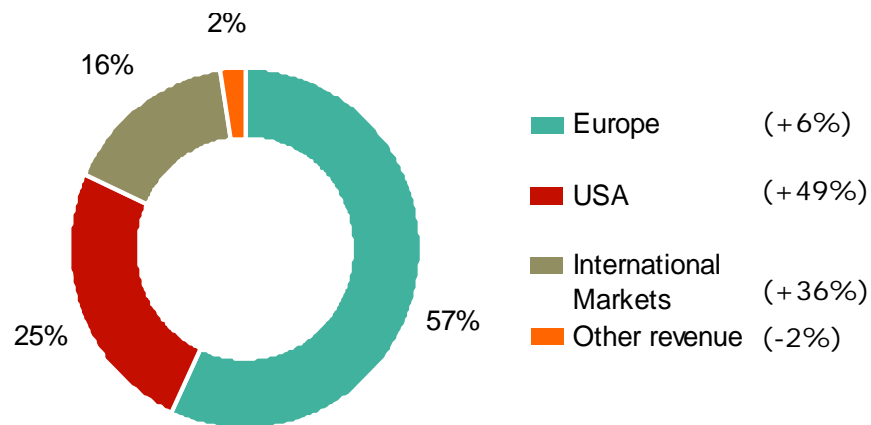
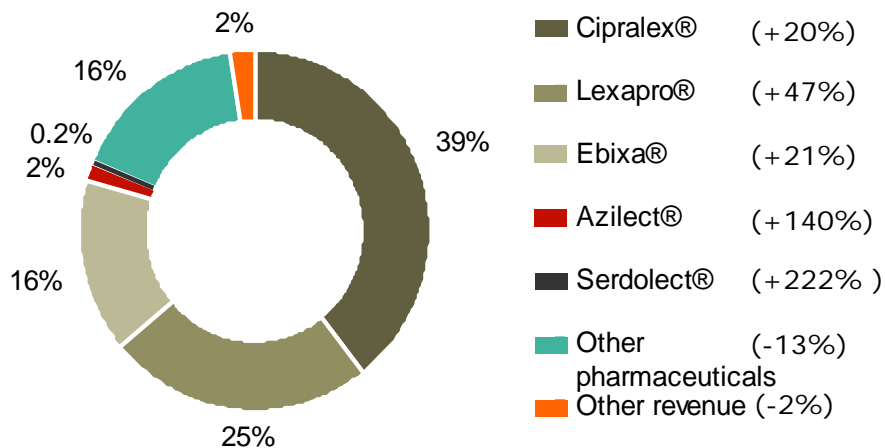


... and Lundbeck holds a broad CNS portfolio of current products and projects in late-stage development

	<u>Launched products</u>	<u>Late-stage pipeline</u>
Depression, N6A	Cipralex [®] , 2002 / Lexapro [®] , 2002 (US partner, Forest Labs.)	Lu AA 21004, phase II
Psychosis, N5A	Serdolect [®] , 2006	Bifeprunox (Solvay), phase III Lu 31-130, phase II
Alzheimer's disease, N7D	Ebixa [®] (Merz), 2002	
Parkinson's disease, N4A	Azilect [®] (Teva), 2005	
Alcohol dependence, N7E		Nalmefene (BioTie), phase III
Stroke, B1D		Desmoteplase (PAION), phase III



Financial figures Q2 2007



DKKm	Q2 2007	Q2 2006	Growth
Revenue	2,612	2,198	19%
R&D (21% of revenue)	549	488	13%
EBIT	692	269	158%
EBIT margin	26.5%	12.2%	117%



Optimizing efforts in Europe and expansion in US and Asia

USA

R&D

Located in NJ – Focusing on depression and anxiety

SALES

CNS specialist sales force to be established supporting the potential launch of sertindole and other future compounds

Europe

R&D

Located in Denmark – Focusing on psychiatric and neurological diseases

SALES

Fully fledged CNS sales infrastructure

Asia

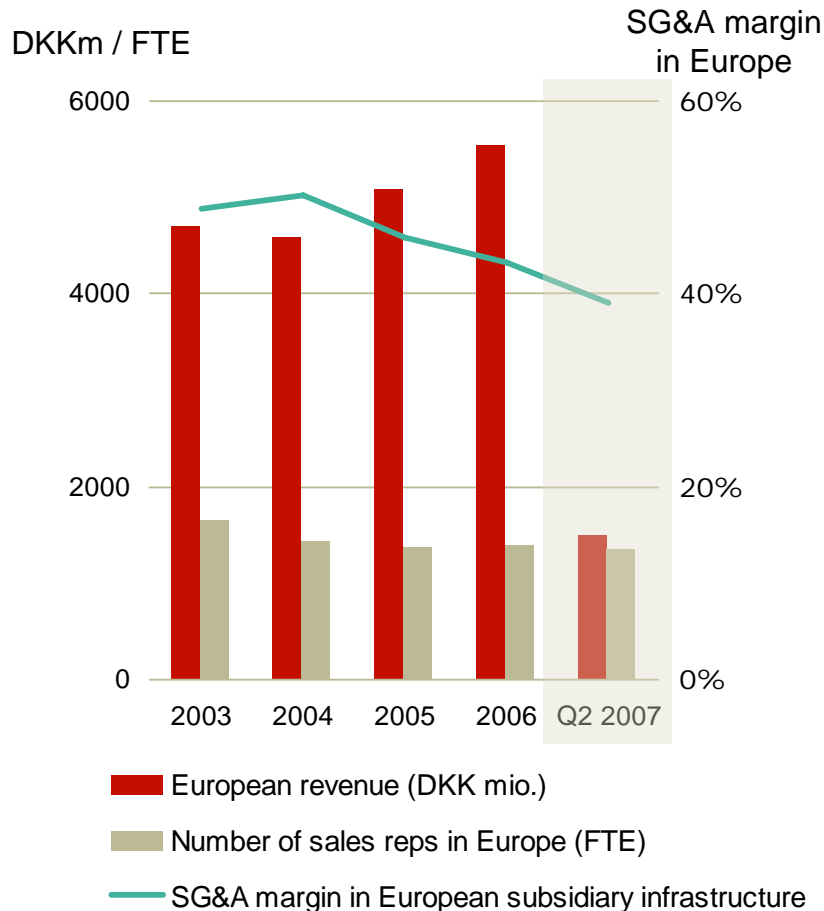
R&D

Late stage development program with escitalopram in Japan

SALES

CNS sales infrastructure to be established in Japan

Improving European profitability continuously



- Ongoing targeting programme is lowering the number of sales reps in Europe
- Increasing revenues with a focus on cost structure is lowering the SG&A margin in Lundbeck's subsidiaries
- In effect, profitability is increasing continuously in Lundbeck's European subsidiaries

Branded market position - Lundbeck's three leading compounds

Cipralex®/Lexapro®

USA

#1 in volume (May 07)
#2 in value (May 07)

Europe

#1 in volume (May 07)
#2 in value (May 07)

International Markets*

#3 in volume (Q1 07)
#2 in value (Q1 07)

Ebixa® (memantine)**

Europe

#2 in volume (May 07)
#2 in value (May 07)

International Markets*

#1 in volume (Q1 07)
#2 in value (Q1 07)

Azilect® (launch 2005)

Europe

#11 in volume (May 07)
#6 in value (May 07)

* International markets are all markets outside USA and Europe.

** Compound market share

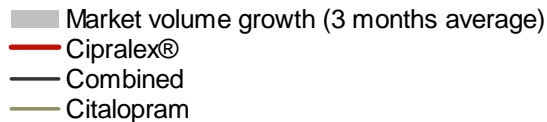
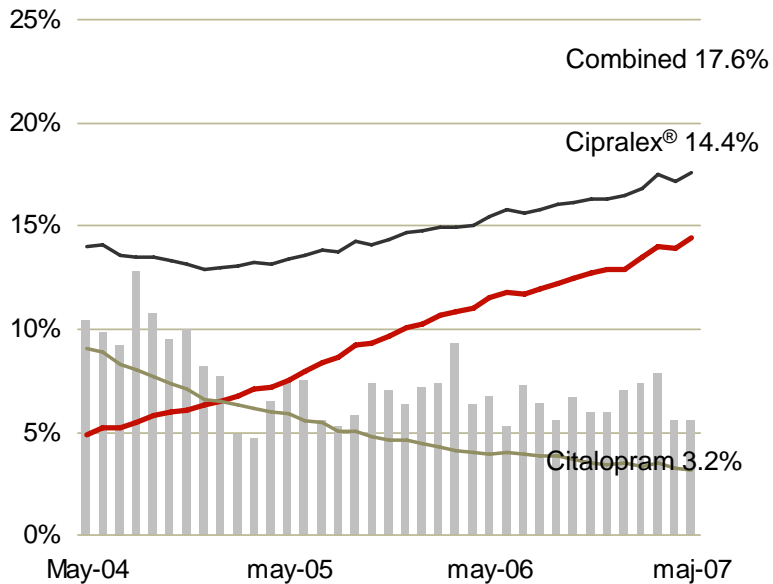
Source: IMS Health June 2007 & Q1 2007, retail only

Cipralex® / Lexapro® - growth in market share as well as underlying market growth

Antidepressant market

Europe

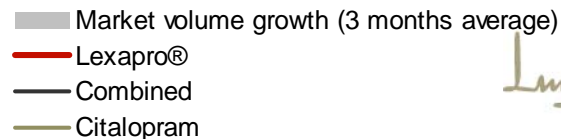
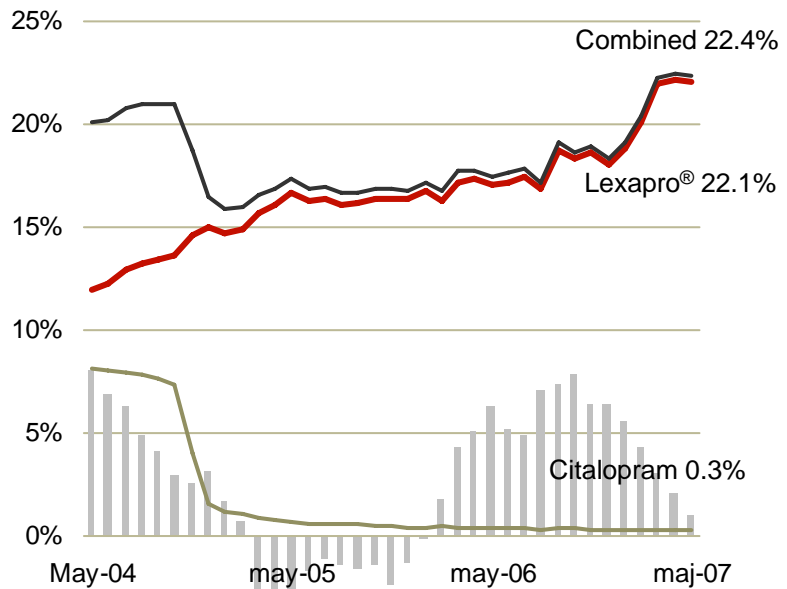
Market share, value – market growth, volume



Source: IMS Health, June 2007

USA

Market share, value – market growth, volume

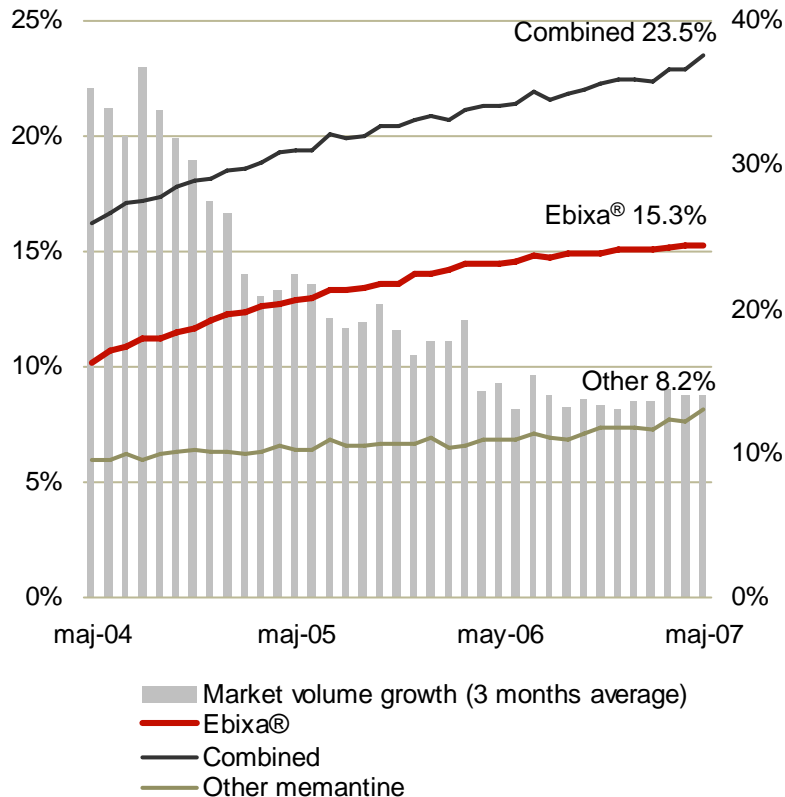


Ebixa® - Lundbecks second largest product

Anti-alzheimers market shares

Europe

Market share, value – market growth, volume



Source: IMS Health, June 2007

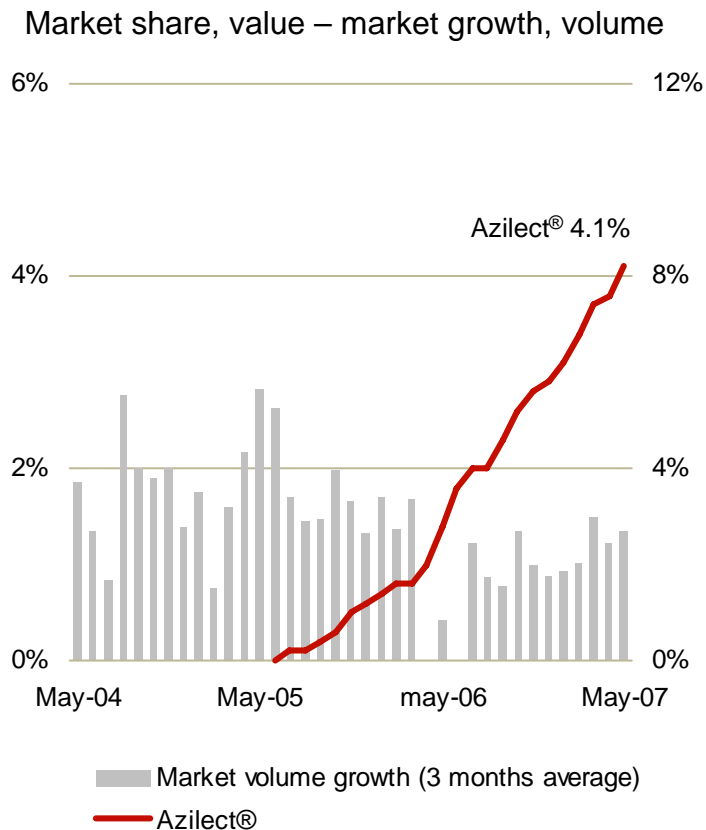
- Ebixa® available for patients diagnosed with moderate to severe Alzheimers Disease
- Memantine is the second most prescribed antialzheimer compound in Europe



Azilect® - launched in more than 20 countries

Anti-parkinsons market shares

Europe



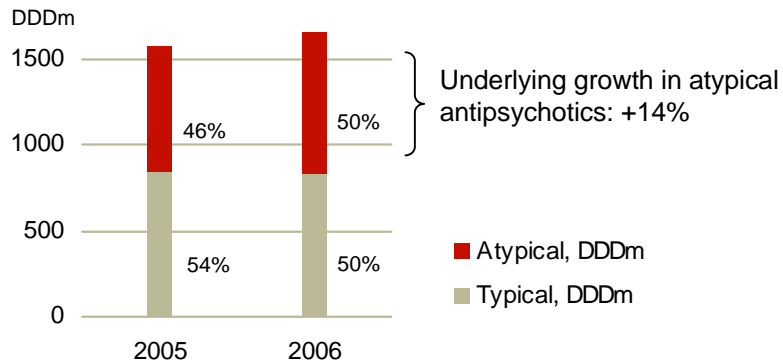
- Lundbeck has launched Azilect® in more than 20 countries
- Once daily treatment
- Approved for monotherapy and adjunct therapy with levodopa treatment



Launch of new compound – Serdolect®

Value conversion

Europe – antipsychotic market in volume



Source: IMS Health, December 2006 & Lundbeck market research

- Value conversion driving growth in European market
- Expected launch in approximately 20 countries in 2007
- Serdolect® is developed by Lundbeck and the company holds world-wide rights



Financial guidance and significant news flow

Financial guidance

(excl. potential writedown of desmoteplase DKK 99 million)

2006 actual		2007 guidance
DKK 1,784 million	EBIT	More than DKK 2.5 billion
19.3%	EBIT margin	25%
DKK 762 million	Capex	Approx. DKK 650 million

Significant news flow

Lu AA21004










- Phase II data to be announced by the end of 2007

New drug candidates

- Expected 1-2 new candidates entering clinical phase I



Pharmaceuticals in clinical development

Indication Compound	Activity	Development step			Registration application	Expected launch
		Phase I	Phase II	Phase III		
Schizophrenia Bifeprunox	Dopamin/ serotonin				2009+	
Stroke Desmoteplase	Plasminogen activator				2009+	
Alcohol dependence Nalmefene	Specific opioid receptor antagonist				2009+	
Depression Lu AA21004	Serotonin Modulator & Stimulator				2009+	
Psychosis Lu 31-130	Monoaminergic				2009+	
Depression Lu AA24530	Multiple target				2009+	
Depression Lu AA34893	Multiple target				2009+	
Mood Disorders Lu AA44608	Selective NPY receptor antagonist				2009+	
Psychosis Lu AA39959	Ion Channel Modulator				2009+	

Late stage pipeline – Bifeprunox (phase III) for the treatment of schizophrenia

- Bifeprunox is a latest generation atypical antipsychotic
- Inlicensed from Solvay in Belgium and is jointly developed with Solvay and Wyeth (North American rights)

Strategic fit:

- Fits well into Lundbeck's position within antipsychotics
- Leverage on existing European specialist sales force

Clinical programme

- Phase III has so far included more than 2,600 patients
- Additional comparative clinical work will be conducted for European filing

In addition

- D2 and 5-HT1A partial agonist
- Results of the current clinical programme:
 - Significant antipsychotic activity compared to placebo
 - Generally well tolerated



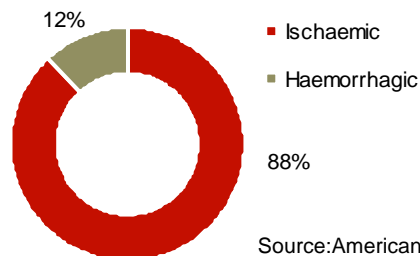
Late stage pipeline - Desmoteplase (phase III) for the treatment of ischaemic stroke

- Potentially first compound to treat patients within an up to 9 hours treatment window
- Inlicensed from PAION, Germany
- Lundbeck holds world wide rights excluding USA and Canada

Strategic fit:

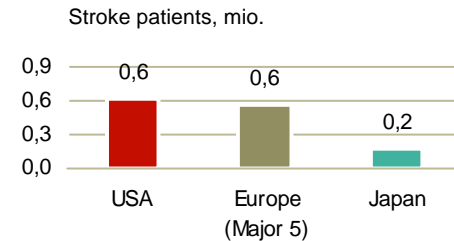
- Highly innovative compound
- Administered by neurologists

Disease management



Source: American Heart Association

Prevalence



Source: Decision Resources, COGNOS, February 2004

In addition

- Desmoteplase is a novel plasminogen activator, or blood-clot dissolving agent
- Limit the often fatal consequences of ischaemic stroke



Late stage pipeline

- Nalmefene for the treatment of alcohol dependence

- Potentially new treatment paradigm
- Inlicensed from BioTie, Finland
- Lundbeck holds world wide rights excluding North America, Mexico, UK, Ireland, Turkey, and South-Korea
- Awaiting feed back from authorities regarding regulatory filing requirements

Strategic fit:

- Leverage on existing European GP and specialist sales force
- Co-morbidity to other psychiatric disorders

Prevalence

Estimated 5-6% of population suffers from alcohol abuse or heavy drinking

In addition

Opioid receptor antagonist for the treatment of substance abuse disorders and impulse control disorders



Appendix



The specialist in psychiatry
and pioneer in neurology



More information please contact Investor Relations



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Lundbeck share

Share information:

- Free float (approximately 62m shares) is traded 2+ times over annually (daily trade of approximately 0.7m)

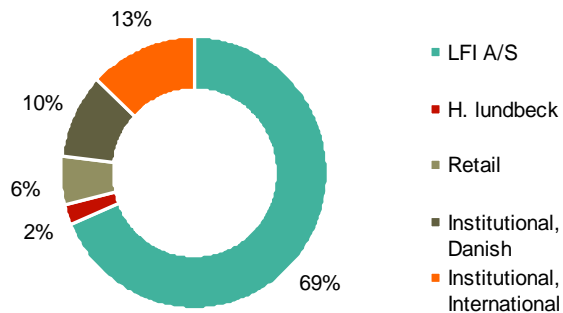
Trading code:

- Reuters (LUN.CO) / Bloomberg (LUN DC)
- ISIN Number DK0010287234
- Unsponsored ADR programmes HLUKY, CUSIP 40422M107

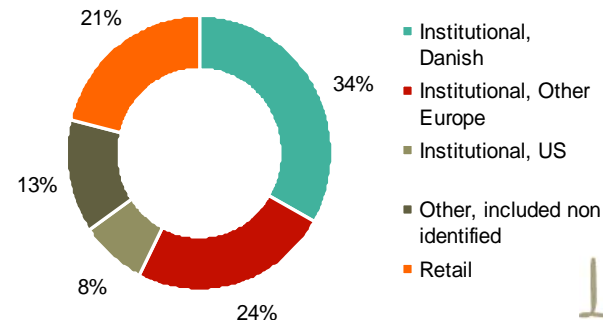
Index examples:

- End of 2006 weight of 4.0% in OMXC20
- Member of FTSE4Good

Ownership, total outstanding



Ownership, of free float



Revenue – by product / by region

DKKm	Total		Europe		USA		International Markets	
	Q2 2007	Q2 2006	Q2 2007	Q2 2006	Q2 2007	Q2 2006	Q2 2007	Q2 2006
Total revenue	2,612	2,198	1,490	1,400	641	430	424	311
<i>Growth</i>	<i>19%</i>		<i>6%</i>		<i>49%</i>		<i>36%</i>	
Cipralex®	1,027	856	772	697	-	-	255	159
<i>Growth</i>	<i>20%</i>		<i>11%</i>				<i>61%</i>	
Lexapro®	641	435	-	-	641	435	-	-
<i>Growth</i>	<i>47%</i>				<i>47%</i>			
Ebixa®	409	337	360	303	-	-	49	34
<i>Growth</i>	<i>21%</i>		<i>19%</i>				<i>46%</i>	
Azilect®	40	17	40	17	-	-	-	-
<i>Growth</i>	<i>140%</i>		<i>140%</i>					
Serdolect®	6	2	6	2	-	-	-	-
<i>Growth</i>	<i>222%</i>		<i>214%</i>					
Other pharmaceuticals	432	495	312	381	-	-5	120	119
<i>Growth</i>	<i>-13%</i>		<i>-18%</i>		<i>nm</i>		<i>1%</i>	
Other revenue	57	58	-	-	-	-	-	-
<i>Growth</i>	<i>-2%</i>							

Revenue, 5 year figures

	Revenue, DKK million					Growth, %			
	2002	2003	2004	2005	2006	2003	2004	2005	2006
Total revenue	9,488	9,941	9,733	9,070	9,221	5%	-2%	-7%	2%
Ciprallex®	78	645	1,661	2,625	3,508	729%	157%	58%	34%
Lexapro®	777	1,928	2,420	2,552	1,923	148%	26%	5%	-25%
Ebixa®	29	286	722	1,105	1,361	893%	153%	53%	23%
Azilect®	-	-	-	6	71	-	-	-	1,068%
Serdolect®	-	-	-	-	10	-	-	-	-
Other pharmaceuticals*	8,382	6,818	4,299	2,550	1,973	-19%	-37%	-41%	-23%
Other revenue	222	264	631	232	375	18%	139%	-63%	61%

* Old antipsychotics, antidepressants, incl. citalopram



Revenue, quarterly figures

	Revenue, DKK million				Growth, Y/Y, %			
	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2006	Q4 2006	Q1 2007	Q2 2007
Total revenue	2,248	2,543	2,583	2,612	-1%	10%	16%	19%
Cipralex®	878	937	990	1,027	27%	26%	18%	20%
Lexapro®	479	525	628	641	-21%	-16%	30%	47%
Ebixa®	339	374	391	409	16%	22%	26%	21%
Azilect®	19	28	34	40	954%	578%	349%	140%
Serdolect®	3	4	10	6	-	-	625%	222%
Other pharmaceuticals	475	467	465	432	-22%	-18%	-13%	-13%
Other revenue	54	208	65	57	-4%	294%	17%	-2%

* Old antipsychotics, antidepressants, incl. citalopram



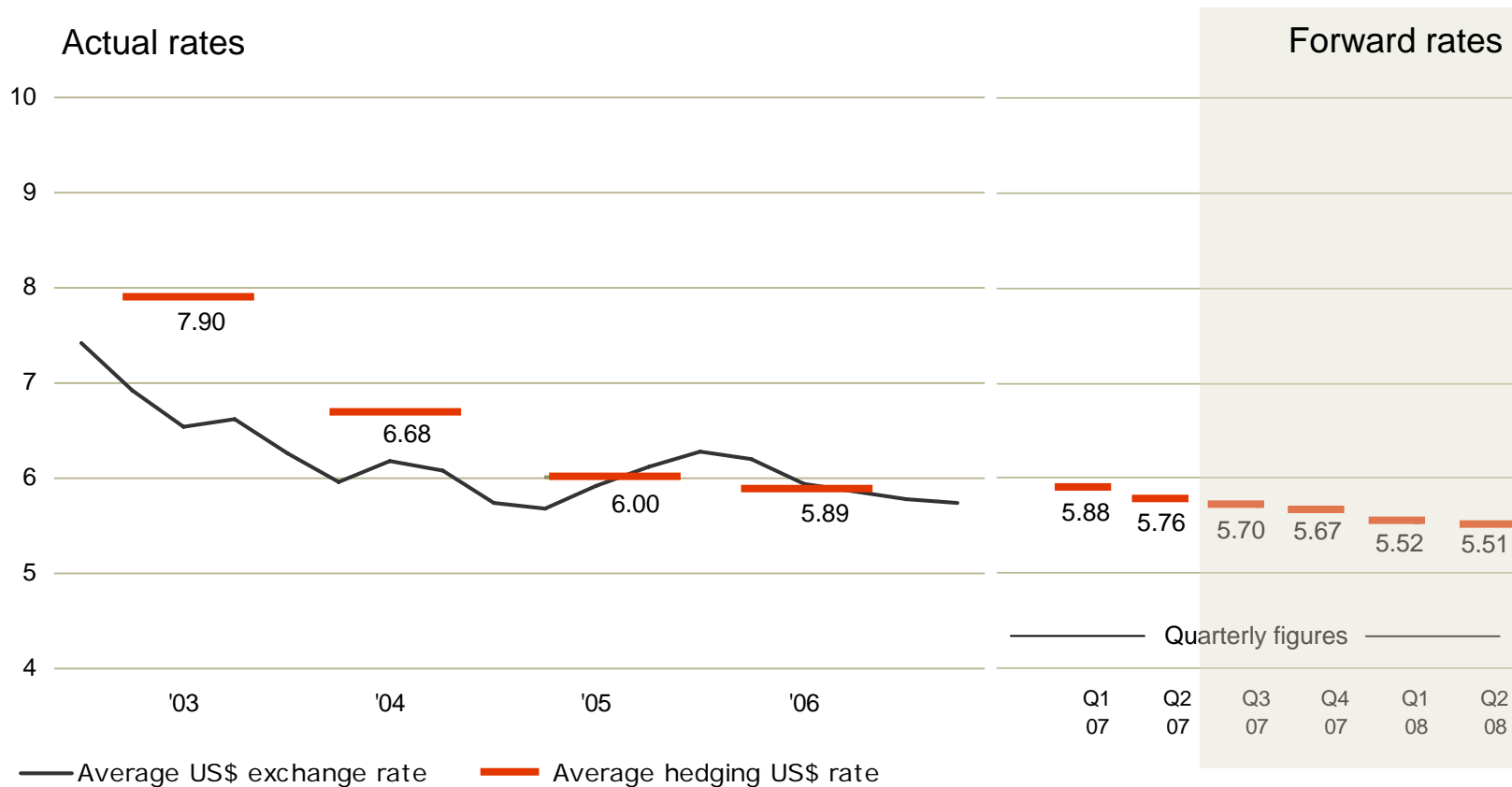
Cost, 5 year figures

	DKK million					Growth, Y/Y, %			
	2002	2003	2004	2005	2006	2003	2004	2005	2006
Revenue	9,488	9,941	9,733	9,070	9,221	5%	-2%	-7%	2%
Production costs	1,818	1,758	1,725	1,488	1,646	-3%	-2%	-14%	11%
Distribution costs	2,458	2,478	2,302	2,337	2,419	1%	-7%	2%	4%
Administration costs	1,323	1,612	1,364	1,303	1,419	22%	-15%	-5%	9%
R&D	1,575	1,931	1,776	1,782	1,958	23%	-8%	0%	10%
Other oper. exp., net	(31)	15	12	(8)	(4)	-	-	-	-
EBIT	2,345	2,147	2,554	2,170	1,784	-8%	19%	-15%	-18%

Cost, quarterly figures

	DKK million				Growth, Y/Y, %			
	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2006	Q4 2006	Q1 2007	Q2 2007
Revenue	2,248	2,543	2,583	2,612	-1%	10%	16%	19%
Production costs	372	417	497	398	-3%	42%	18%	-9%
Distribution costs	500	685	578	590	-8%	8%	-2%	-9%
Administration costs	322	419	377	384	-4%	18%	18%	7%
R&D	420	596	473	549	-8%	11%	4%	13%
Other oper. exp., net	4	(9)	1	(2)	-	-	-	-
EBIT	630	435	658	692	16%	-10%	46%	158%

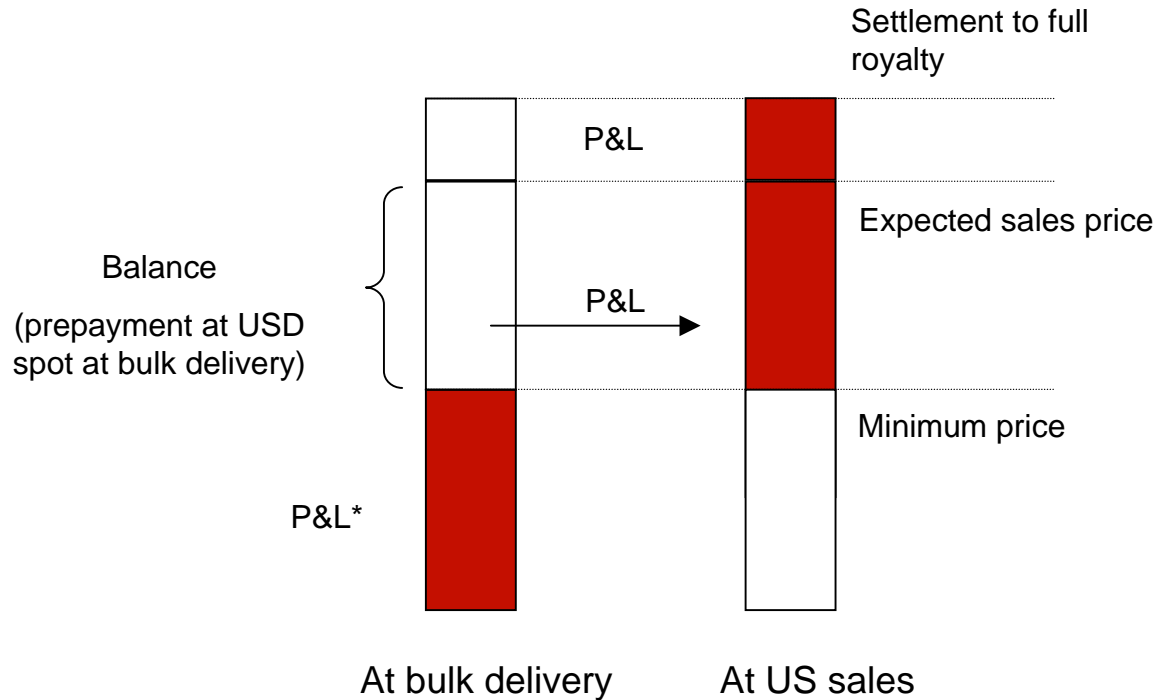
Lundbeck hedge the USD on a rolling basis up to 12 months ahead – 2007 USD hedge rate of 5.75



Note: 2003-2006 includes value of average hedging contracts realised in the period



Lundbeck recognition of income from Forest



* Hedging effect at bulk delivery recognised on P&L: Gain/loss from difference in delivery at expected sales price at forward rate difference to spot rate at delivery



Cipralex® / Lexapro® - best-in-class

Depression

Comparator	Presented	Main outcome
Venlafaxine XR (Effexor)	SCNP, April 2003	Escitalopram was at least as effective and was better tolerated than venlafaxine XR. Escitalopram treated patients reached sustained response and remission significantly faster .
Venlafaxine XR (Effexor)	ECNP, September 2003	Escitalopram was at least as effective and better tolerated than venlafaxine XR. Escitalopram was significantly more effective than venlafaxine XR in treating severely depressed patients.
Sertraline (Zoloft)	ACNP, December 2003	The starting dose of escitalopram was comparable efficacious to optimally dosed sertraline.
Citalopram (Celexa/Cipramil)	International Clinical Psychopharmacology, April 2005	Escitalopram was significantly more efficacious than citalopram.
Paroxetine (Paxil)	IADC, February 2006	Escitalopram was significantly more effective than paroxetine in the 24-week treatment of patients with severe MDD.
Duloxetine (Cymbalta)	ACNP, December 2006	Escitalopram was better tolerated and at least as effective as duloxetine in the treatment of MDD.
Duloxetine (Cymbalta)	Company release June 2007	Cipralex® (escitalopram) was superior to Cymbalta® (duloxetine) in the acute treatment of patients with major depressive disorder (MDD) and was at least as efficacious in long-term treatment.



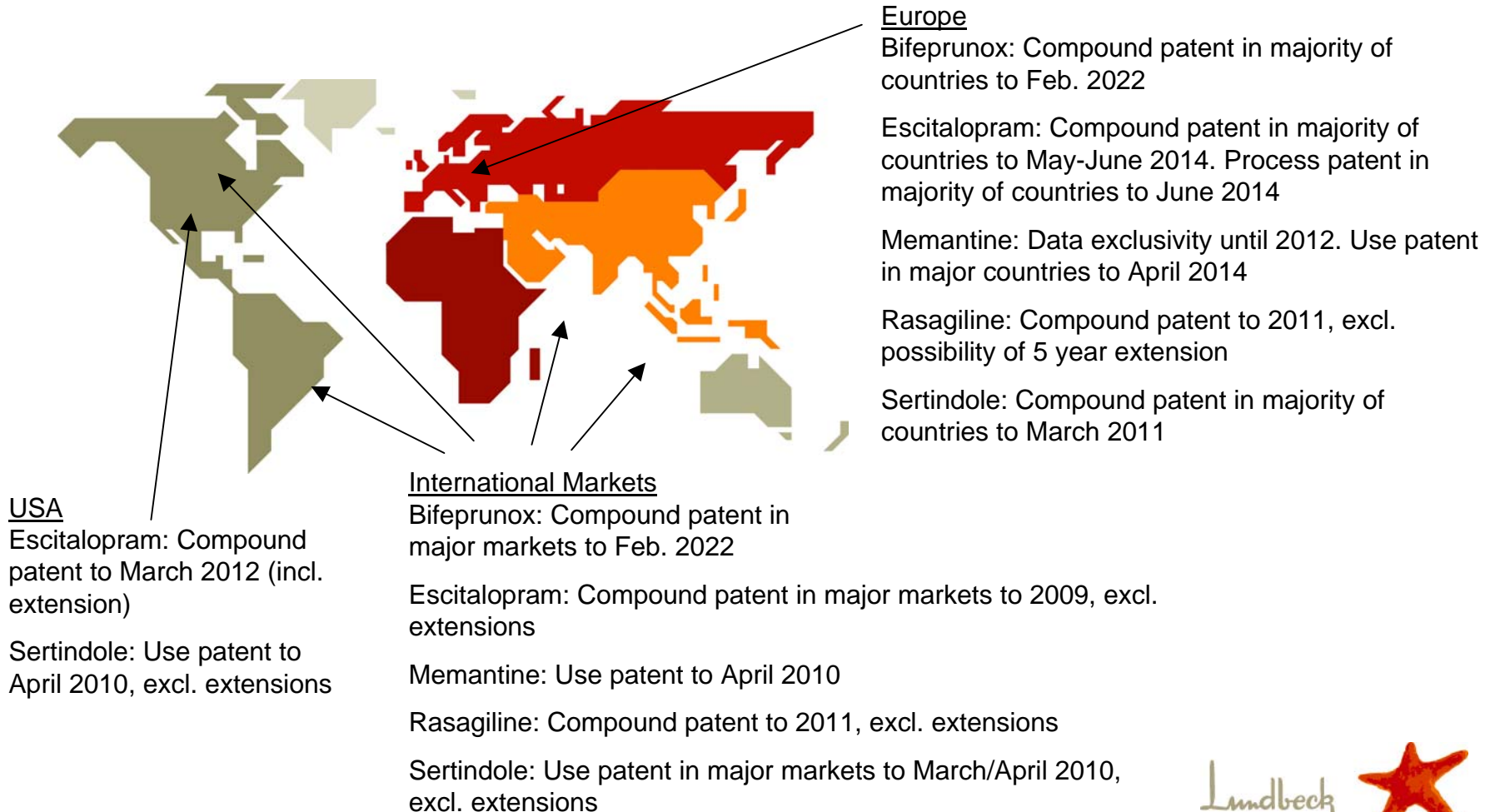
Cipralex[®] / Lexapro[®] - best-in-class

Anxiety

Comparator	Presented	Main outcome
Paroxetine (Paxil)	SCNP, April 2003	Escitalopram was significantly superior to paroxetine after 24 weeks of treatment of SAD and showed fewer discontinuation effects .
Paroxetine (Paxil)	ACNP, December 2003	Escitalopram was as effective as paroxetine in the long-term treatment of GAD and was better tolerated .
Paroxetine (Paxil)	ECNP, October 2004	Escitalopram was superior to paroxetine for the change from baseline to Week 12 in the treatment of GAD and showed fewer discontinuation effects .

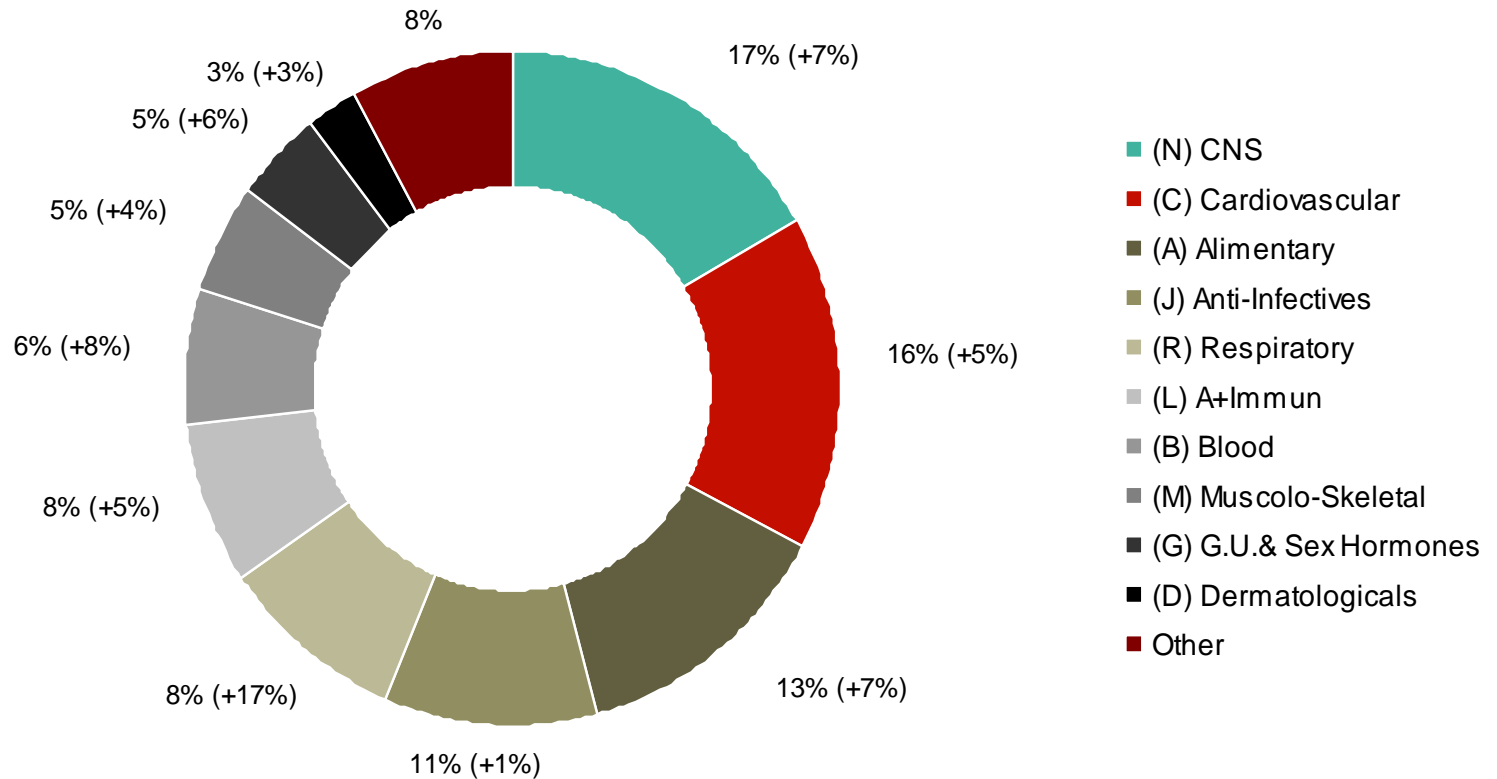


Global IP position



Worldwide pharmaceutical market 2006

USD 605.1 billion, (+7%)

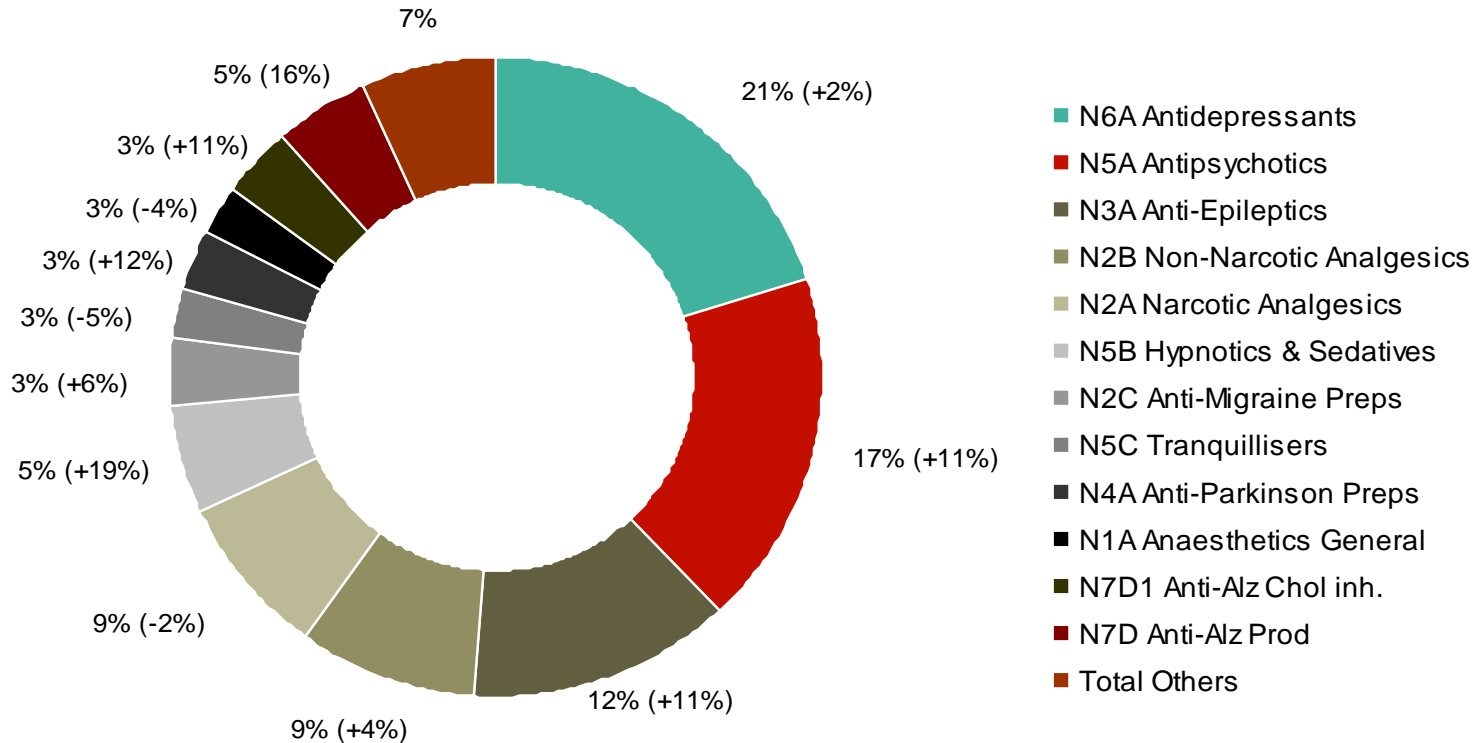


Source: IMS World Review 2007
 Growth rates in local currency dollar 2005-2006 added in brackets



Worldwide CNS market 2006

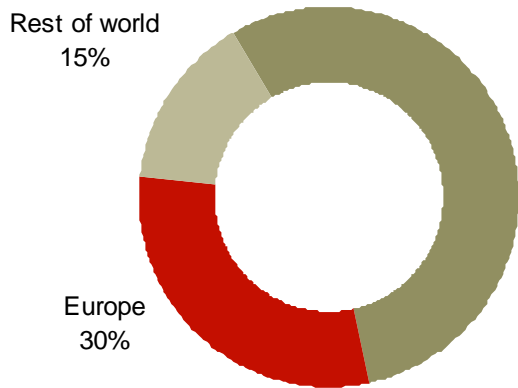
USD 100.7 billion, (+7%)



Source: IMS World Review 2007
 Growth rates in local currency dollar 2005-2006 added in brackets

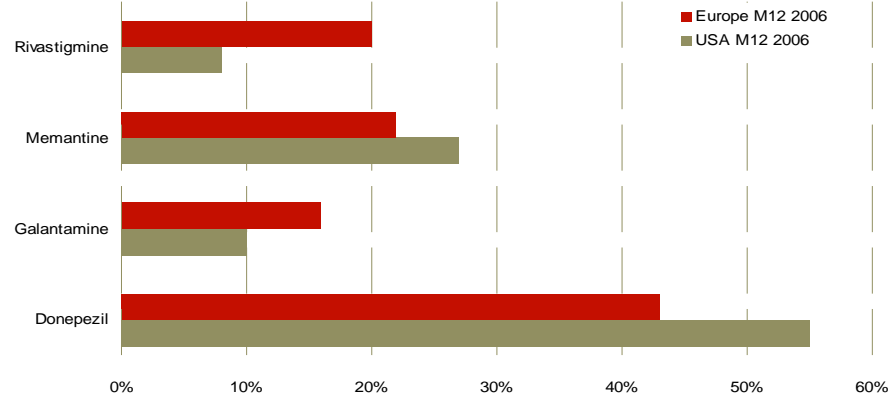


Alzheimer's (N7D-2006) – 4.6 bill. USD (+16%)



North America
55%

Value Market Shares of N7D



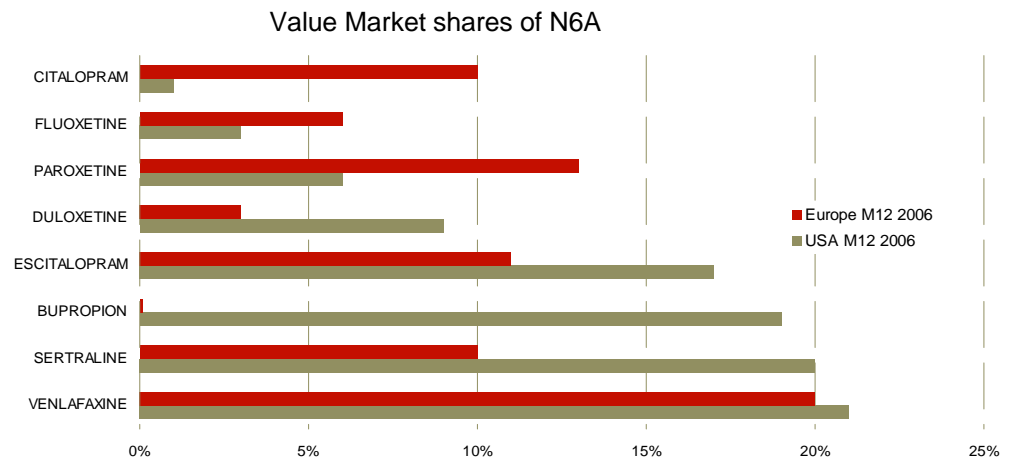
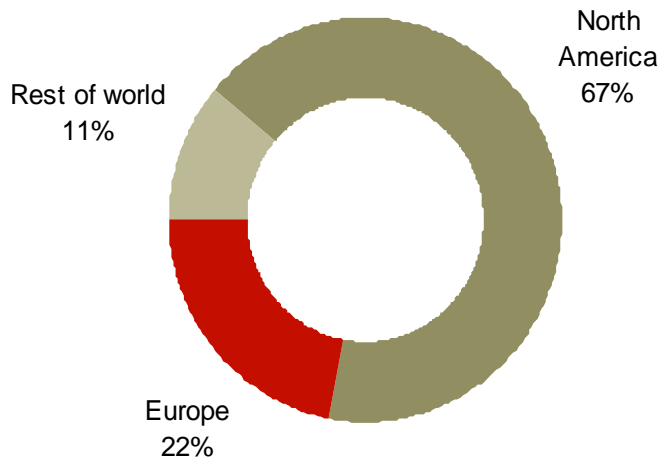
Source: IMS Health, May 2007, retail

Leading product	Marketing Corporation	Sales 2006 (USDm)	Growth in %
Aricept®	Eisai	2.491	13
Namenda®	Forest	654	36
Reminyl®	Johnson & Johnson	521	7
Exelon®	Novartis	515	5
Ebixa®	Lundbeck	240	29

Source: IMS World Review 2007 (Knowledge link)

*) Not including hospital sales, which account for approximately 10% of sales of anti-Alzheimer's drugs

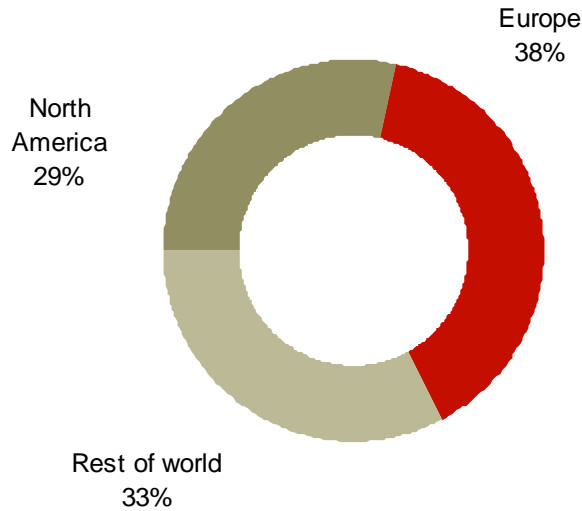
Depression (N6A-2006) – 20.3 bill. USD (+2%)



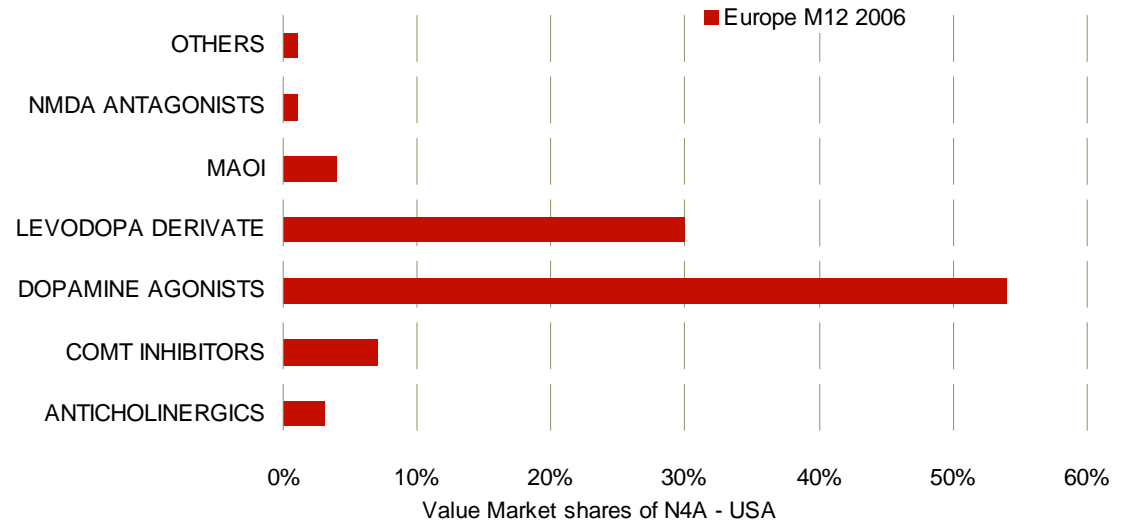
Source: IMS Health, May 2007, retail only.

Leading product	Marketing Corporation	Sales 2006 (USDm)	Growth in %
Effexor®	Wyeth	3.971	3
Zoloft®	Pfizer	2410	-34
Lexapro®/Cipralextm	Lundbeck/Forest	2.339	15
Wellbutrin®	GlaxoSmithKline	1.966	22
Yentreve®	Lilly	1.338	95
Seroxat®/Paxil®	GlaxoSmithKline	1.145	-7
Cipralextm	Lundbeck	579	40
Sertraline Pfiz®	Pfizer	464	N/A

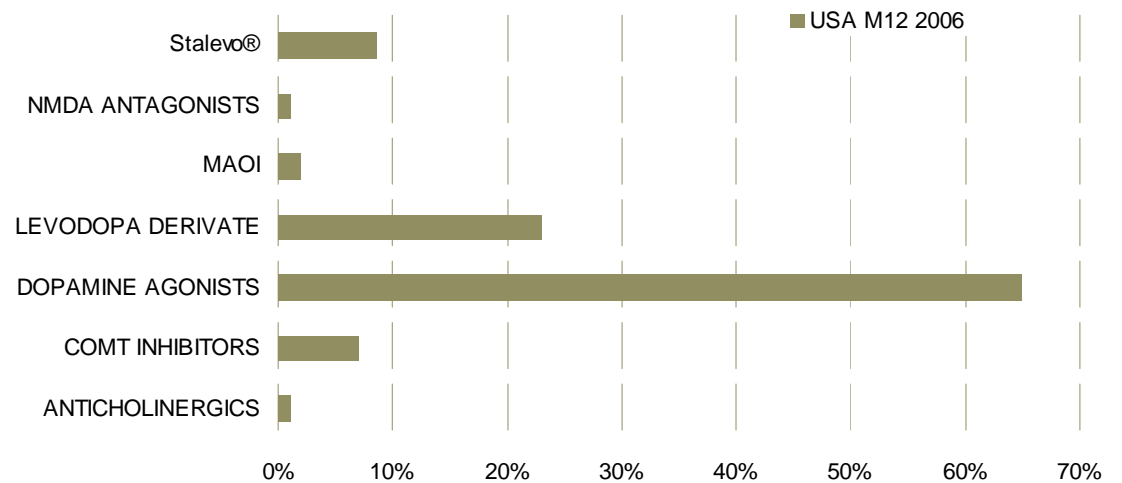
Anti-Parkinson's (N4A - 2006) – 3.1 bill. USD (+12%)



Value Market Shares of N4A - Europe



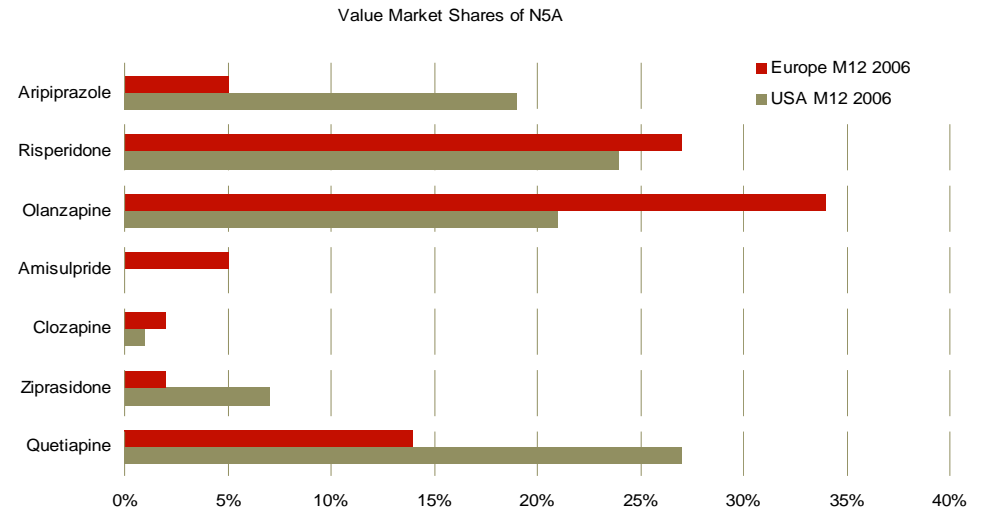
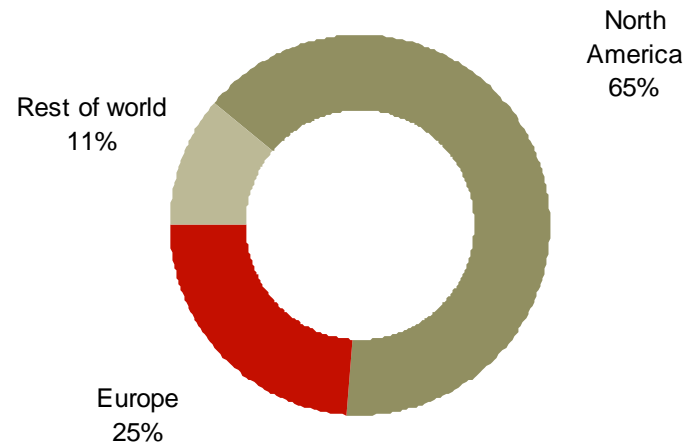
Value Market shares of N4A - USA



Source: IMS World Review 2007

Source: IMS Health, May 2007, retail.

Antipsychotics (N5A-2006) – 18.1 bill. USD (+11%)



Source: IMS Health, December 2006, retail

Leading product	Marketing Corporation	Sales 2006 (USDm)	Growth in %
Zyprexa®	Eli Lilly	4.725	0
Risperdal®	Johnson & Johnson	4.588	13
Seroquel®	AstraZeneca	3.909	18
Abilify®	Otsuka/BMS	2.168	31
Zeldox®	Pfizer	853	17
Leponex®	Novartis	224	-12
Solian®	Sanofi-Synthelabo	186	-10

Alcohol (N7E - 2006) – USDm 151 (+20%)



Stroke, Fibrinolytics (B1D - 2006) – USDm 675 (+1%)

