



Release No 284

15 August 2007

Interim report for the second quarter of 2007

The Supervisory Board of H. Lundbeck A/S today approved the Group's interim report for the second quarter of 2007.

- Second-quarter consolidated revenue amounted to DKK 2,612 million, a 19% increase relative to the year-earlier period (19% increase at CER).
- Revenue derived from **Europe** amounted to DKK 1,490 million, a 6% increase over the year-earlier period (6% growth at CER). Revenue from **International Markets** amounted to DKK 424 million, a 36% increase (33% growth at CER). Revenue from the **USA** rose 49% (56% increase at CER) to DKK 641 million.
- Profit from operations was DKK 692 million, a 158% rise relative to the year-earlier period. The EBIT margin was 26.5%. Profit after tax was DKK 498 million, a 232% rise relative to the year-earlier period.
- Lundbeck's total net investments in Q2 2007 amounted to DKK 154 million, as compared with DKK 207 million in Q2 2006 and DKK 127 million in Q1 2007.
- The Group's revenue for the first half year of 2007 was DKK 5.194 million corresponding a growth of 17% compared to the same period last year. Profit from operations for the Group for the first half-year of 2007 was DKK 1.349 million corresponding a growth of 88%.
- Lundbeck reiterates its full-year financial guidance for the Group, which is a profit from operations of more than DKK 2.5 billion, an EBIT margin of 25% and a level of investment of about DKK 650 million.

Financial highlights for the period

In respect of recognition and measurement, the interim report has been prepared in accordance with IFRS and related interpretations of the International Accounting Standards Board (IASB), which are expected to apply for the presentation of financial statements for the full year 2007. The interim report is unaudited.

	Q2 2007 DKKm	Q2 2006 DKKm	Growth in DKK	Growth at CER	Q1 2007 DKKm
Revenue	2,612	2,198	19%	19%	2,583
- Cipralex [®]	1,027	856	20%	18%	990
- Lexapro [®]	641	435	47%	54%	628
- Ebixa [®]	409	337	21%	21%	391
- Azilect [®]	40	17	140%	140%	34
- Serdolect [®]	6	2	222%	214%	10
- Other pharmaceuticals	432	495	-13%	-13%	465
- Other revenue	57	58	-2%	-1%	65
Costs	1,920	1,930	-	-	1,925
- Cost of sales	398	437	-9%	-	497
- Distribution	590	646	-9%	-	578
- Administration	384	358	7%	-	377
- Research and development	549	488	13%	-	473
- Other operating expenses, net	-2	1	-	-	1
Profit from operations	692	269	158%	-	658
Net financials	5	-23	-	-	48
Net profit for the period	498	150	232%	-	466
Earnings per share, EPS (DKK)	2.42	0.71	241%	-	2.24
Free cash flow	779	-72	-	-	255

Financial forecast for 2007

Lundbeck forecasts strong growth in consolidated profit for 2007 relative to 2006. Accordingly, Lundbeck expects a profit from operations of more than DKK 2.5 billion, an EBIT margin of 25% and a level of investment of approximately DKK 650 million.

In 2005, Lundbeck acquired the rights for desmoteplase in Europe, Japan and the rest of the world except for the USA and Canada. At that time, Lundbeck made an upfront payment of EUR 15 million, which was capitalised in the company's balance sheet. Lundbeck has regularly amortised part of this payment, which was recognised at a value of DKK 99 million at 30 June 2007.

On 31 May 2007, Lundbeck's partners PAION AG and Forest Laboratories Inc. announced the results of the DIAS-2 (Desmoteplase In Acute Ischemic Stroke) study with the compound desmoteplase. The primary efficacy endpoint in the study (the difference between active treatment and placebo as a percentage of composite responders) was not met, and Lundbeck is awaiting the results of an analysis of data before we will decide on the further development process for desmoteplase and Lundbeck's involvement in the project.

In case Lundbeck resolves to withdraw from the desmoteplase development project, an amount of DKK 99 million will be written off and recognised as an expense in the income statement.

This forecast is exclusive of a potential write down of the capitalised balance sheet value of DKK 99 million for desmoteplase.

Financial forecast

	2007 Forecast
Profit from operations (EBIT)	More than DKK 2.5bn
EBIT margin	25%
Investments	Approx. DKK 650m

Revenue in Q2 2007

The Group generated Q2 revenue of DKK 2,612 million, which was a 19% increase on the same period of last year and a 1% increase relative to Q1 2007. Adjusted for exchange rate fluctuations, Group revenue rose 19% relative to the year-earlier period.

Lundbeck Group revenue

	Q2 2007 DKKm	Q2 2006 DKKm	Growth in DKK	Growth at CER	Q1 2007 DKKm
Cipralex [®]	1,027	856	20%	18%	990
Lexapro [®]	641	435	47%	54%	628
Ebixa [®]	409	337	21%	21%	391
Azilect [®]	40	17	140%	140%	34
Serdolect [®]	6	2	222%	214%	10
Other pharmaceuticals	432	495	-13%	-13%	465
Other revenue	57	58	-2%	-1%	65
Total revenue, Group	2,612	2,198	19%	19%	2,583

The Group's pharmaceuticals Cipralex[®] and Ebixa[®] (for the treatment of depression and Alzheimer's disease, respectively) continued to grow combined with the recently launched pharmaceuticals Azilect[®] and Serdolect[®] (for the treatment of Parkinson's disease and schizophrenia, respectively). The higher income from Lexapro[®] was due primarily to the inventory reduction in 2006.

Second-quarter sales of newer pharmaceuticals (Cipralex[®]/Lexapro[®], Ebixa[®], Azilect[®] and Serdolect[®]) made up 81% of the Group's total revenue compared with 75% in Q2 2006.

Europe

	Q2 2007 DKKm	Q2 2006 DKKm	Growth in DKK	Growth at CER	Q1 2007 DKKm
Cipralex [®]	772	697	11%	10%	759
Ebixa [®]	360	303	19%	19%	343
Azilect [®]	40	17	140%	140%	34
Serdolect [®]	6	2	214%	206%	9
Other pharmaceuticals	312	381	-18%	-18%	339
Total revenue, Europe	1,490	1,400	6%	6%	1,485

Cipralex[®] and Ebixa[®] are still Lundbeck's best-selling pharmaceuticals in Europe in terms of revenue and continue to make positive contributions to growth in Europe, posting growth rates of 11% and 19%, respectively, relative to Q2 2006.

At the end of May 2007, **Cipralex[®]** held 14.4% of total antidepressants sales in Europe, an increase of 25% compared with at the end of May 2006. In terms of volume, Cipralex[®] was the most widely used branded antidepressant in Europe at the end of May 2007.

At the end of May 2007, **Ebixa[®]** commanded 15.3% of the European market for pharmaceuticals to treat Alzheimer's disease, as compared with a share of 14.5% at the same time in 2006. Memantine, the active ingredient in Ebixa[®], is currently the second-most prescribed pharmaceutical in Europe for treating Alzheimer's disease.

The launch of **Azilect[®]** is proceeding well, and the product has now been launched in more than 20 countries across Europe. At the end of May 2007, Azilect[®] held 4.1% of the composite European market for pharmaceuticals to treat Parkinson's disease.

Serdolect[®] has now been launched in 20 countries across Europe, including Spain and Germany.

USA

	Q2 2007 DKKm	Q2 2006 DKKm	Growth in DKK	Growth at CER	Q1 2007 DKKm
Lexapro [®]	641	435	47%	54%	628
Other pharmaceuticals	-	-5	nm.	nm.	4
Total revenue, USA	641	430	49%	56%	631

Lundbeck's income from sales of Lexapro[®] in the USA was DKK 641 million in Q2 2007, compared with DKK 435 million in the same period of last year, an increase of 47%. The increase was partly attributable to a low income level for Lexapro[®] in 2006 due to the inventory reductions made throughout 2006, partly to rising Lexapro[®] sales in the US market.

At the end of May 2007, Lexapro[®] held 22.1% of total antidepressants sales in the USA, as compared with a share of 17.1% at the same time last year. Measured by the total number of prescriptions (TRx), the number of prescriptions written for Lexapro[®] grew by 4.0%.

Prepayments from Forest recorded in Lundbeck's balance sheet - the difference between the invoiced price and the minimum price of Forest's inventories - was DKK 935 million at 30 June 2007 compared with DKK 1,070 million at 30 June 2006 and DKK 918 million at 31 March 2007. At 30 June 2007, inventories were on a level corresponding to just less than 9 months of commercial supply.

Lundbeck hedges income from Lexapro[®] and other products using currency hedging. As a result of Lundbeck's currency hedging policy, foreign exchange losses and gains on hedging transactions are allocated directly to the hedged transaction. The hedging of the company's foreign exchange income means that this income is in reality included in the financial statements at the forward rates. The effect on the profit was DKK -48 million in Q2 2007 against DKK 7 million in the year-earlier period compared to a situation where the income is included at the current rates of exchange during the period. Of the total effect, DKK -47 million compared with DKK 11 million in Q2 2006 stems from the hedging of USD. The loss from the USD hedging is included in the income from sales of Lexapro[®].

At 30 June 2007, forward exchange and option contracts had been entered into to hedge foreign currency cash flows, primarily in USD, equivalent to a value of approx. DKK 3.0 billion, most of which is accounted for as hedging contracts. The average forward rates at 30 June 2007 for US dollars were USD/DKK 560.94. Deferred recognition of net currency losses and gains amounted to DKK 33 million at 30 June 2007 against DKK 34 million at 30 June 2006 and DKK 51 million at 31 March 2007.

The average forward rate for the first six months of 2008 for US dollars will be approximately USD/DKK 551, using the existing hedging contracts. The corresponding forward rate for the first six months of 2007 was approximately DKK/USD 582. For the 2007 financial year, the average forward rate for US dollars is approximately USD/DKK 575.

International markets

	Q2 2007 DKKm	Q2 2006 DKKm	Growth in DKK	Growth at CER	Q1 2007 DKKm
Cipralex [®] /Lexapro [®]	255	159	61%	56%	231
Ebixa [®]	49	34	46%	45%	48
Serdolect [®]	0	0	nm	nm	0
Other pharmaceuticals	120	119	1%	-3%	122
Total revenue, International Markets	424	311	36%	33%	401

Revenue outside Europe and the USA rose 36% relative to the year-earlier period. The increase was driven primarily by stronger sales of Cipralex[®] in several major markets.

Expenses

Lundbeck's total expenses, exclusive of net financials and tax, were DKK 1,920 million in Q2 2007, which is on a level with the year-earlier period and with Q1 2007.

At DKK 398 million, cost of sales amounted to approximately 15% of total revenue, which is a 5 percentage points decrease compared with the same quarter of 2006. In nominal terms, second-quarter cost of sales was down 9% relative to the same period of last year. Second-quarter cost of sales was positively affected by factors such as an adjusted inventory value and recognised indirect production costs.

Distribution costs amounted to DKK 590 million, a decline of 9% relative to the year-earlier period and a 2% increase on Q1 2007. Second-quarter distribution costs were affected by a higher level of activity in the Group's sales subsidiaries in the spring and autumn periods, while positively reflecting ongoing streamlining and restructuring efforts in the sales organisations in a number of European countries.

Administrative expenses amounted to DKK 384 million, an increase of 7% compared with the year-earlier period and a 2% increase relative to Q1 2007. The movements in administrative expenses were partly due to expenses related to operating and expanding the Group's information technology infrastructure.

Second-quarter research and developments costs amounted to DKK 549 million, which was a 13% increase on the same period of last year and 16% higher than in Q1 2007.

Research and development costs accounted for 21% of revenue in Q2 2007 as compared with 22% in Q2 2006. As previously announced, Lundbeck expects that research and development costs will account for approximately 20% of total consolidated revenue for 2007.

Depreciation and amortisation charges, which are included in the individual expense categories, totalled DKK 135 million in Q2 2007, up from DKK 124 million in the same period of last year.

Depreciation/amortisation per expense group	Q2 2007 DKKm	Q2 2006 DKKm	Growth in DKK	Q1 2007 DKKm
Cost of sales	56	56	-	71
Distribution	4	3	11%	4
Administration	22	18	23%	22
Research and development	53	47	12%	50
Total depreciation/amortisation, Group	135	124	9%	147

The number of employees measured as full-time employees was 5,159 at the end of Q2 2007 compared with 5,090 at the end of Q2 2006 and 5,126 at the end of Q1 2007.

Net financials

In Q2 2007, the Group's net financial income totalled DKK 5 million compared with a net expense of DKK 23 million in the same period of last year.

	Q2 2007 DKKm	Q2 2006 DKKm	Q1 2007 DKKm
Net financials	5	-23	48
Net interest income/expenses	-1	-17	3
Unrealised gain concerning other investments excl. exchange rate adjustments	1	9	24
Net currency income relating to financial items, specified as follows:	5	-15	21
Net income relating to trading	1	32	0
Accounting translation of currency items	4	-47	21

Net interest income, including realised and unrealised gains and losses on the bond portfolio, amounted to DKK -1 million in Q2 2007.

Second-quarter foreign currency translation represented an income of DKK 4 million, and net income relating to trading amounted to DKK 1 million for a total of DKK 5 million in net currency income included in net financials.

Net income relating to trading derives from income and expenses from instruments that do not meet the criteria for hedging and is recognised directly under net financials at market value.

Tax

In the current quarter, a proposal for a new tax reform from the Ministry of Taxation was adopted by the Danish parliament. As a result of the new tax reform, Lundbeck's basic tax rate is lowered from 32% to 30%.

The new tax reform takes effect from 1 January 2007, and the positive impact of DKK 14 million on the company's announced financial statements for Q1 2007 has been fully recognised in Q2 2007. Furthermore, the positive DKK 20 million one-off impact concerning deferred tax has been accrued over Q2 and the final two quarters of 2007.

The income tax expense amounted to DKK 189 million in Q2 2007 against DKK 82 million in the year-earlier period. The effective tax rate was 27.5% as compared with 35.3% in Q2 2006.

Net profit for the period

Profit from operations was DKK 692 million in Q2 2007 compared with DKK 269 million in the same period of last year.

At DKK 687 million, profit before tax almost tripled relative to the year-earlier period, while the net profit for the period after tax was DKK 498 million, which was 232% higher than in Q2 2006.

Investments

Lundbeck's total net investments in Q2 2007 amounted to DKK 154 million, as compared with DKK 207 million in Q2 2006 and DKK 127 million in Q1 2007. In Q2 2007, the Group invested primarily in research facilities in Lundbeck Research, USA, the roll-out of SAP in the Group's subsidiaries and the extension of headquarter facilities in Denmark.

Share buyback

In August 2005, Lundbeck launched a treasury share buyback programme of up to DKK 6 billion. The share buyback programme is being implemented in accordance with the provisions of the European Commission's safe harbour regulation, which protects listed companies against violation of insider legislation in connection with share buybacks.

Once every seven trading days, Lundbeck will issue an announcement concerning transactions made under the share buyback programme. At 30 June 2007, a total of 21,150,375 shares had been bought back, corresponding to a transaction value of DKK 2,857,244,091 and an average purchase price of DKK 135.0919, equal to about 48% of the total programme.

Cash flows

Lundbeck's operating activities generated a cash inflow of DKK 933 million in Q2 2007, compared with an inflow of DKK 135 million in the year-earlier period and DKK 382 million in Q1 2007. The free cash flow amounted to DKK 779 million in Q2 2007 as compared with DKK -72 million in the same period of last year. Relative to Q2 2006, the free cash flow is positively influenced by the higher operating profit and an increase in the working capital, which in Q2 2006 was affected by a repayment to Forest concerning write downs of the Celexa[®] inventories.

Financing activities generated a cash outflow of DKK 589 million, as compared to an inflow of DKK 532 million in the same period of last year. The change was caused by the fact that the raising of a long-term loan for DKK 1,100 million positively influenced Q2 2006. In Q2 2007, cash flows from financing activities were affected by dividends of DKK 325 million and share buybacks of DKK 349 million. In Q1 2007, financing activities resulted in a cash outflow of DKK 106 million.

Lundbeck's interest-bearing net cash (the Group's holding of cash and cash equivalents less interest-bearing debt) was DKK 1,131 million at 30 June 2007 against DKK 661 million at 30 June 2006 and DKK 1,012 million at 31 March 2007. In addition to interest-bearing net cash, Lundbeck has unutilised credit facilities of DKK 2.1 billion.

Unutilised credit facilities consist of drawing rights on the Group's banks (overdraft facilities) and guaranteed committed loans.

Equity

Equity at 30 June 2007 amounted to DKK 6,961 million compared with DKK 6,332 million at 30 June 2006 and DKK 7,125 million at 31 March 2007. In Q2 2007, return on equity was 7.1% compared with 2.3% in the same period of last year and 6.7% in Q1 2007. The changes in equity are shown in appendix 4.

Litigation in respect of escitalopram

Lundbeck is involved in pending patent trials in the USA, the UK, Australia, Canada, France and Germany.

USA

On 14 July 2006, Lundbeck and Forest announced that the U.S. District Court for the District of Delaware had determined that the U.S. patent covering escitalopram, the active ingredient in Lexapro[®], is both valid, enforceable and infringed by Teva's proposed generic product, thereby confirming Lundbeck's and Forest's patent rights in the USA, which expire in March 2012.

The appeal in this case was heard on 9 May 2007 before the U.S. Court of Appeals for the Federal Circuit, and the parties involved are awaiting a decision.

The patent at issue in the lawsuit is U.S. Patent No. Re 34,712, which is set to expire in March 2012 and covers escitalopram.

United Kingdom

At the beginning of May 2007, a UK court ruled that escitalopram is innovative and new, that it was not obvious to separate the molecule and that it would lead to the benefits offered by escitalopram. However, the court found in favour of the generic plaintiffs with reference to specific English case law. Lundbeck has appealed the ruling.

Lundbeck firmly believes that the Group's intellectual property rights concerning escitalopram are valid and enforceable, and it is still our policy to energetically defend our intellectual property rights.

Lundbeck's development portfolio

Development activities in Q2 2007

On **9 May**, Lundbeck announced that it had initiated phase I clinical trials with its pharmaceutical candidate Lu AA39959 to investigate the tolerability and pharmacokinetic profile of the compound in humans. Lu AA39959, invented by Lundbeck's own scientists, modulates ion channels in the brain via a new mechanism of action.

On **23 May**, Lundbeck and BioTie Therapies Corp. announced that the licensing agreement had entered into force on rights for the compound nalmefene.

To maximise nalmefene's potential in the treatment of alcoholism the partners have jointly decided to seek marketing authorisation simultaneously in all 27 EU member states via the centralised procedure. To this end, Lundbeck plans to further strengthen the existing nalmefene registration dossier in its alcoholism indication with additional phase III clinical trials. The studies are expected to start in 2008. The license agreement terms have been amended to reflect the planned additional Lundbeck investments to strengthen the registration dossier for the centralised procedure.

On **31 May**, Lundbeck's partners PAION AG and Forest Laboratories Inc. announced the results of the DIAS-2 (Desmoteplase In Acute Ischemic Stroke) study with the compound desmoteplase. The primary efficacy endpoint in the study (the difference between active treatment and placebo as a percentage of composite responders) was not met, and Lundbeck is awaiting the results of an analysis of data before a decision

will be taken on the further development process for desmoteplase and Lundbeck's involvement in the project.

On **4 June**, the results of a study were published in the journal *Current Medical Research and Opinion*, showing that 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. The study included 294 patients with moderate to severe MDD from 35 centres in nine countries. In addition to the positive results concerning the efficacy of Cipralex[®], the study also showed that Cipralex[®] is better tolerated, with fewer patients withdrawing from Cipralex[®] treatment due to adverse events compared with duloxetine.

Incentive plans

Lundbeck has established incentive plans for the Executive Management, senior employees and key employees, which are comprised by the provisions of IFRS 2 "Share-based payment".

Equity-settled programme

In September 2005, Lundbeck granted warrants (equity-settled remuneration programme), which are comprised by the provisions of IFRS 2, to members of H. Lundbeck A/S' Executive Management and Danish and foreign executives appointed by H. Lundbeck A/S' Executive Management who are employed by H. Lundbeck A/S or H. Lundbeck A/S' subsidiaries.

Under the provisions of IFRS 2, this programme is comprised by the requirement on cost recognition at the date of grant. Accordingly, no regular value adjustments will be made, and the programme will not affect the consolidated financial statements.

In January 2004, Lundbeck allocated warrants (equity-settled remuneration programme) to the management and a number of key employees. The transitional provisions of IFRS 2 cover these warrants, as this programme was established after 7 November 2002 with a vesting date before 1 January 2005. Under the transitional provisions of IFRS 2, this programme is not comprised by the requirement on cost recognition and will therefore not affect the consolidated financial statements.

The programme expires at the end of August 2007 and warrants not exercised by this time will be annulled.

The liability based on the Black Scholes formula was DKK 27 million at 30 June 2007.

Debt plans

In 2002, a share price based plan for employees of the foreign enterprises was set up, and in 2004 a new share price based plan for key employees of US enterprises was established.

The value adjustment at 30 June 2007 of the "debt plans", including exercised plans, is recognised as a cost in the income statement in Q2 2007 in the amount of DKK 2 million. The liability for the debt-based remuneration plans based on the Black & Scholes formula was DKK 8 million at 30 June 2007.

Lundbeck's Supervisory Board

Flemming Lindeløv has been a member of Lundbeck's Supervisory Board for 10 years and has announced to the Board that he will not stand for re-election for the Supervisory Board at the Annual General Meeting on 22 April 2008. At the same time room is made for a new chairman, who among others will have the task of preparing a future generational change, when a new CEO is to be chosen.

The Board has taken cognizance of the announcement and has decided that board member Per Wold-Olsen will take over the Chairmanship in preparation for the candidacy for the post of Chairman after the next Annual General Meeting. Per Wold-Olsen will also take over the post of chairman for the Compensation Committee established by the Supervisory Board.

Conference call

Today at 3.00 pm (CET), Lundbeck will be hosting a conference call for the financial community. You can listen to the conference on the Group's website www.lundbeck.com under the section "Investors – Presentations – Teleconference".

Forward-looking statements

This announcement contains forward-looking statements that provide current expectations or forecasts of events such as new product launches, product approvals and financial performance.

Forward-looking statements are subject to risks, uncertainties and inaccurate assumptions. This may cause actual results to differ materially from expectations. Factors that may affect future results include interest rate and 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.

Management statement

The Supervisory Board and Executive Management have considered and adopted the interim report of H. Lundbeck A/S.

The interim report, which is unaudited, has been prepared in accordance with the guidelines issued by the Copenhagen Stock Exchange and, in respect of recognition and measurement, has been prepared in accordance with IFRS and related interpretations of International Accounting Standards Board (IASB), which are expected to apply for the presentation of financial statements for the full year 2007.

In our opinion, the interim report gives a true and fair view of the Group's financial position at 30 June 2007 and of the results of the Group's operations and cash flows for the period 1 April – 30 June 2007.

Valby, 15 August 2007

Supervisory Board

Flemming Lindeløv Chairman	Thorleif Krarup Deputy Chairman	Kim Rosenville Christensen
Peter Kürstein	Mats Pettersson	Birgit Bundgaard Rosenmeier
William Watson	Per Wold-Olsen	Jes Østergaard

Executive Management

Claus Bræstrup President and CEO	Lars Bang Executive Vice President	Stig Løkke Pedersen Executive Vice President
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Stock exchange release No 284 – 15 August 2007

About Lundbeck

H. Lundbeck A/S is an international pharmaceutical company engaged in the research and development, production, marketing and sale of drugs for the treatment of psychiatric and neurological disorders. In 2006, the company's revenue was DKK 9.2 billion (approximately EUR 1.2 billion or USD 1.6 billion). The number of employees is approximately 5,300 globally. For further information, please visit www.lundbeck.com



Appendix 1 – Financial highlights

Group	2007 Q2 DKKm	2006 Q2 DKKm	2007 Q2 EURm *	2007 6M DKKm	2006 6M DKKm	2007 6M EURm *
FINANCIAL HIGHLIGHTS						
Revenue	2,611.7	2,198.2	350.5	5,194.4	4,430.7	697.2
Profit from operations	691.7	268.6	92.8	1,349.2	719.4	181.1
Net financials	4.7	(22.8)	0.6	52.3	(98.9)	7.0
Profit before tax	686.6	231.8	92.1	1,376.7	586.7	184.8
Tax	188.7	81.8	25.3	413.0	205.8	55.4
Profit for the period	497.9	150.0	66.8	963.7	380.9	129.4
Equity	6,961.2	6,331.5	935.4	6,961.2	6,331.5	935.4
Total assets	12,207.1	10,976.7	1,640.3	12,207.1	10,976.7	1,640.3
Cash flows from operating activities	933.4	134.5	125.3	1,315.3	428.1	176.5
Free cash flow	779.3	(72.2)	104.6	1,034.5	125.6	138.9
RATIOS **						
	%	%	%	%	%	%
EBIT margin	26.5	12.2	26.5	26.0	16.2	26.0
Return on assets	8.6	3.7	8.6	17.5	9.9	17.5
R&D costs as a percentage of revenue	21.0	22.2	21.0	19.7	21.3	19.7
Return on equity	7.1	2.3	7.1	14.0	5.5	14.0
Solvency ratio	57.0	57.7	57.0	57.0	57.7	57.0
SHARE DATA ***						
	DKK	DKK	EURO	DKK	DKK	EURO
Earnings per share (EPS)	2.42	0.71	0.32	4.66	1.78	0.63
Diluted earnings per share (DEPS)	2.41	0.71	0.32	4.65	1.78	0.62
Cash flow per share	4.53	0.64	0.61	6.35	2.00	0.85
Net asset value per share	33.95	30.06	4.56	33.95	30.06	4.56
Market capitalisation (DKKm)	29,447	30,322	3,957	29,447	30,322	3,957
Market price, end of period	138.42	133.38	18.60	138.42	133.38	18.60
Price / Earnings	57.35	188.34	57.35	29.76	74.95	29.76
Price / Cash flow	30.59	209.92	30.59	21.80	66.68	21.80
Price / Net asset value	4.08	4.44	4.08	4.08	4.44	4.08

* Income statement items are translated into EUR at the average exchange rates during the period (1 January - 30 June 2007 rate 745.01 and 1 April - 30 June 2007 rate 745.13).

Balance sheet items are translated at the exchange rates at the balance sheet date (30 June 2007 rate 744.22).

** Financial ratios are calculated according to the Danish Society of Financial Analysts' "Recommendations & Financial Ratios 2005"

*** Comparative figures involving number of shares have been restated using a factor of 0.9987 for the effect of employees' exercise of warrants.



Appendix 2 – Income statement

DKKm	2007 Q2	2006 Q2	2007 6M	2006 6M	2006 Full year
Revenue	2,611.7	2,198.2	5,194.4	4,430.7	9,221.0
Cost of sales	398.4	437.2	895.0	857.2	1,645.8
Distribution costs	590.2	645.8	1,167.7	1,233.5	2,418.7
Administrative expenses	384.1	358.4	760.8	677.8	1,418.9
PROFIT BEFORE RESEARCH COSTS	1,239.0	756.8	2,370.9	1,662.2	3,737.6
Research and development costs	549.0	487.6	1,022.1	942.3	1,957.7
PROFIT BEFORE OTHER OPERATING ITEMS	690.0	269.2	1,348.8	719.9	1,779.9
Other operating income/(expenses)	1.7	(0.6)	0.4	(0.5)	4.1
PROFIT FROM OPERATIONS	691.7	268.6	1,349.2	719.4	1,784.0
Income from investments in associates	(9.8)	(14.0)	(24.8)	(33.8)	(87.4)
Net financials	4.7	(22.8)	52.3	(98.9)	(63.8)
PROFIT BEFORE TAX	686.6	231.8	1,376.7	586.7	1,632.8
Tax on profit for the period	188.7	81.8	413.0	205.8	525.9
PROFIT FOR THE PERIOD	497.9	150.0	963.7	380.9	1,106.9
Earnings per share (EPS) (DKK)	2.42	0.71	4.66	1.78	5.24
Diluted earnings per share (DEPS) (DKK)	2.41	0.71	4.65	1.78	5.23



Appendix 3 - Balance sheet

DKKm	30.06.2007	30.06.2006	31.12.2006
ASSETS			
Intangible assets	1,801.4	1,639.5	1,780.7
Property, plant and equipment	3,662.0	3,551.2	3,666.7
Financial assets	633.0	390.1	656.4
Non-current assets	6,096.4	5,580.8	6,103.8
Inventories	1,095.4	1,201.7	1,155.0
Receivables	2,293.2	1,898.4	1,994.0
Other securities	1,630.5	1,788.0	1,201.6
Cash	1,091.6	507.8	1,176.6
Current assets	6,110.7	5,395.9	5,527.2
Assets	12,207.1	10,976.7	11,631.0
EQUITY AND LIABILITIES			
Share capital	1,063.7	1,136.7	1,060.8
Share premium	181.7	80.9	121.6
Retained earnings	5,715.8	5,113.9	5,582.4
Equity	6,961.2	6,331.5	6,764.8
Provisions	672.6	506.7	728.7
Debt	1,449.9	1,432.8	1,442.2
Non-current liabilities	2,122.5	1,939.5	2,170.9
Provisions	21.2	1.0	2.4
Bank and mortgage debt	141.4	202.1	60.1
Trade payables	622.5	613.2	743.2
Prepayments from Forest	935.2	1,070.1	854.7
Other payables	1,403.1	819.3	1,034.9
Current liabilities	3,123.4	2,705.7	2,695.3
Total liabilities	5,245.9	4,645.2	4,866.2
Total equity and liabilities	12,207.1	10,976.7	11,631.0

Appendix 4 – Equity

	Share capital DKK ^m	Share premium DKK ^m	Retained earnings DKK ^m	Equity Group DKK ^m
2007				
Equity at 01.04.2007	1,063.2	172.0	5,889.3	7,124.5
Adjustment, deferred gains/losses, hedging	-	-	4.5	4.5
Realised gains/losses, hedging	-	-	(22.8)	(22.8)
Realised gains/losses, trading (transferred from hedging)	-	-	(0.4)	(0.4)
Exchange adjustment, associates	-	-	0.1	0.1
Fair value adjustment of available-for-sale financial assets	-	-	16.7	16.7
Tax on equity entries	-	-	4.5	4.5
Recognised directly in equity	-	-	2.6	2.6
Retained earnings	-	-	497.9	497.9
Total net income	-	-	500.5	500.5
Distribution of dividend, gross	-	-	(333.8)	(333.8)
Distribution of dividend, treasury shares	-	-	9.2	9.2
Capital increase through exercise of warrants	0.5	9.7	-	10.2
Buyback of treasury shares	-	-	(349.4)	(349.4)
Other transactions	0.5	9.7	(674.0)	(663.8)
Equity at 30.06.2007	1,063.7	181.7	5,715.8	6,961.2
2006				
Equity at 01.04.2006	1,136.3	73.6	5,548.9	6,758.8
Adjustment, deferred gains/losses, hedging	-	-	75.3	75.3
Realised gains/losses, hedging	-	-	11.7	11.7
Exchange adjustment, associates	-	-	(3.1)	(3.1)
Fair value adjustment of available-for-sale financial assets	-	-	4.0	4.0
Tax on equity entries	-	-	(24.4)	(24.4)
Recognised directly in equity	-	-	63.5	63.5
Retained earnings	-	-	150.0	150.0
Total net income	-	-	213.5	213.5
Distribution of dividend, gross	-	-	(477.2)	(477.2)
Distribution of dividend, treasury shares	-	-	32.7	32.7
Capital increase through exercise of warrants	0.4	7.3	-	7.7
Buyback of treasury shares	-	-	(204.0)	(204.0)
Other transactions	0.4	7.3	(648.5)	(640.8)
Equity at 30.06.2006	1,136.7	80.9	5,113.9	6,331.5



Appendix 5 – Cash flow statement

DKKm	2007 Q2	2006 Q2	2007 6M	2006 6M	2006 Full year
Cash flows from operating activities	933.4	134.5	1,315.3	428.1	1,394.0
Cash flows from investing activities	(154.1)	(206.7)	(280.8)	(302.5)	(770.5)
Free cash flow	779.3	(72.2)	1,034.5	125.6	623.5
Cash flows from financing activities	(589.2)	532.0	(695.5)	(485.5)	(900.8)
Increase/(decrease) in cash and cash equivalents	190.1	459.8	339.0	(359.9)	(277.3)
Cash and cash equivalents at 1.1	2,527.0	1,845.8	2,378.2	2,668.7	2,668.7
Unrealised exchange differences for the period	5.0	(9.8)	4.9	(13.0)	(13.2)
Increase/(decrease) for the period	190.1	459.8	339.0	(359.9)	(277.3)
Cash and cash equivalents at 30.6	2,722.1	2,295.8	2,722.1	2,295.8	2,378.2

Interest-bearing net cash is composed as follows:

Cash and securities exclusive of treasury shares	2,722.1	2,295.8	2,722.1	2,295.8	2,378.2
Interest-bearing debt	(1,591.3)	(1,634.9)	(1,591.3)	(1,634.9)	(1,502.3)
Interest-bearing net cash at 30.6	1,130.8	660.9	1,130.8	660.9	875.9