



Q1 results 2004



## Safe Harbour Statement

This presentation contains forward-looking statements that reflect the Management's current views with respect to certain future events and financial performance.

Statements containing the outlook for 2004 and the following years naturally involve uncertainties, and consequently actual results may differ materially from those projected or implied in the forward-looking statements.

Further, certain forward-looking statements are based on assumptions of future events, which may prove not to be accurate.





## Q1 2004 highlights





## Q1 2004 - Highlights

	DKKm	DKK growth	CER growth
Revenue	2,893	21%*	33%*
- Cipralex®	352	350%	
- Lexapro®	618	72%	
- Ebixa®	141	386%	
- Cipramil®	782	-32%	
- Celexa®	346	-38%	
- Other revenue	654	186%	
EBIT	1,095	92%	
Finance income, net	16	137%	
Net profit	747	110%	
Free cash flow	705	166%	
EPS	3,20	110%	

\*Excluding gaboxadol payment, the revenue increased with 3% in DKK and 12% CER



# Financial Outlook 2004

## **EBIT**

- Approximately DKK 2.5 bill. incl. the gaboxadol initial payment
- At 2003 level excluding gaboxadol initial payment

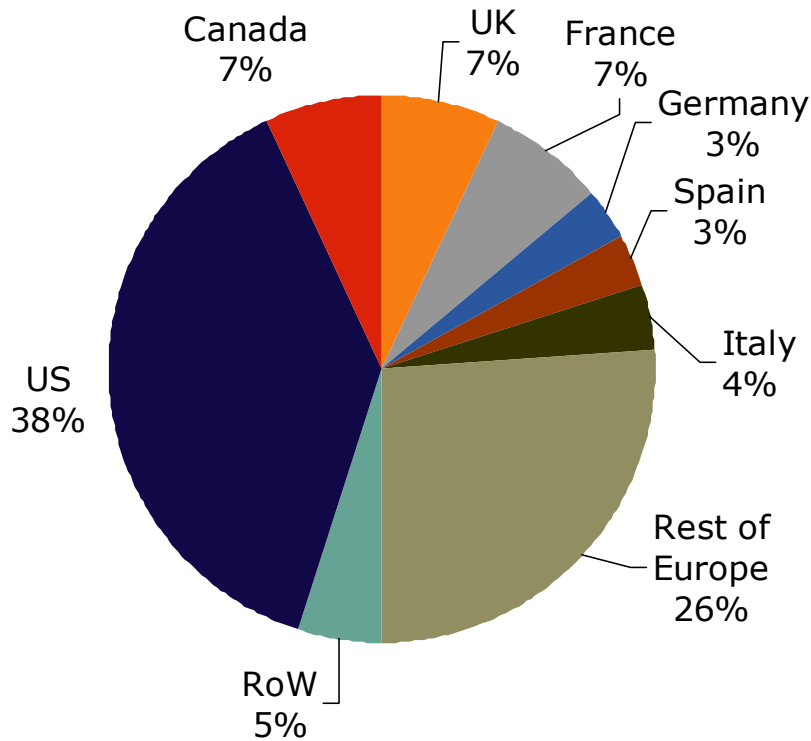
## **Cash flow**

- Free cash flow of approximately DKK 1.5 billion

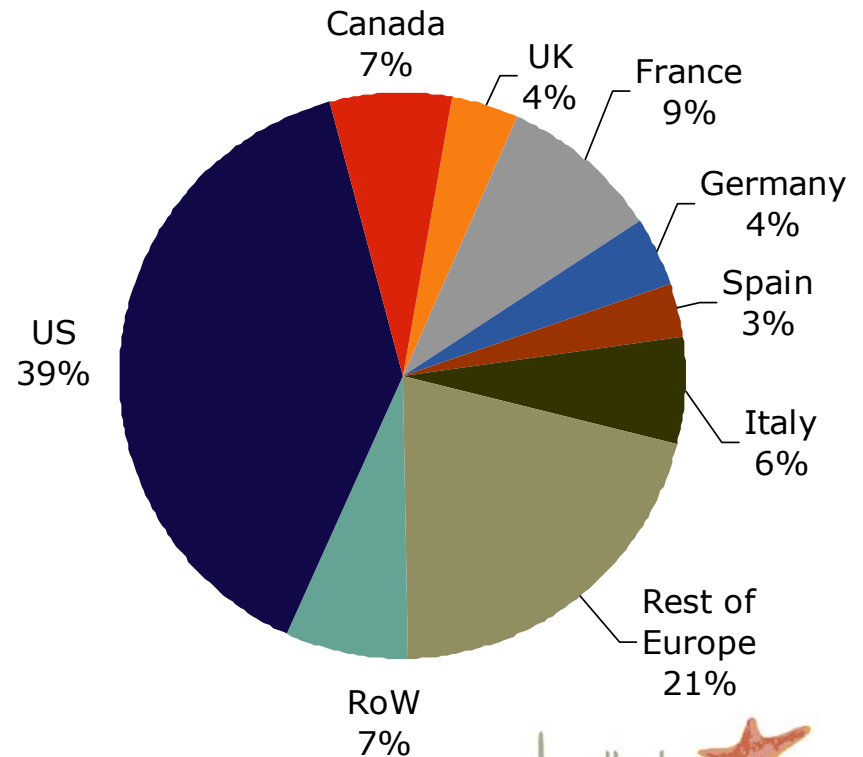


72% of total revenue (excl. gaboxadol) generated on the 8 largest CNS markets in the world

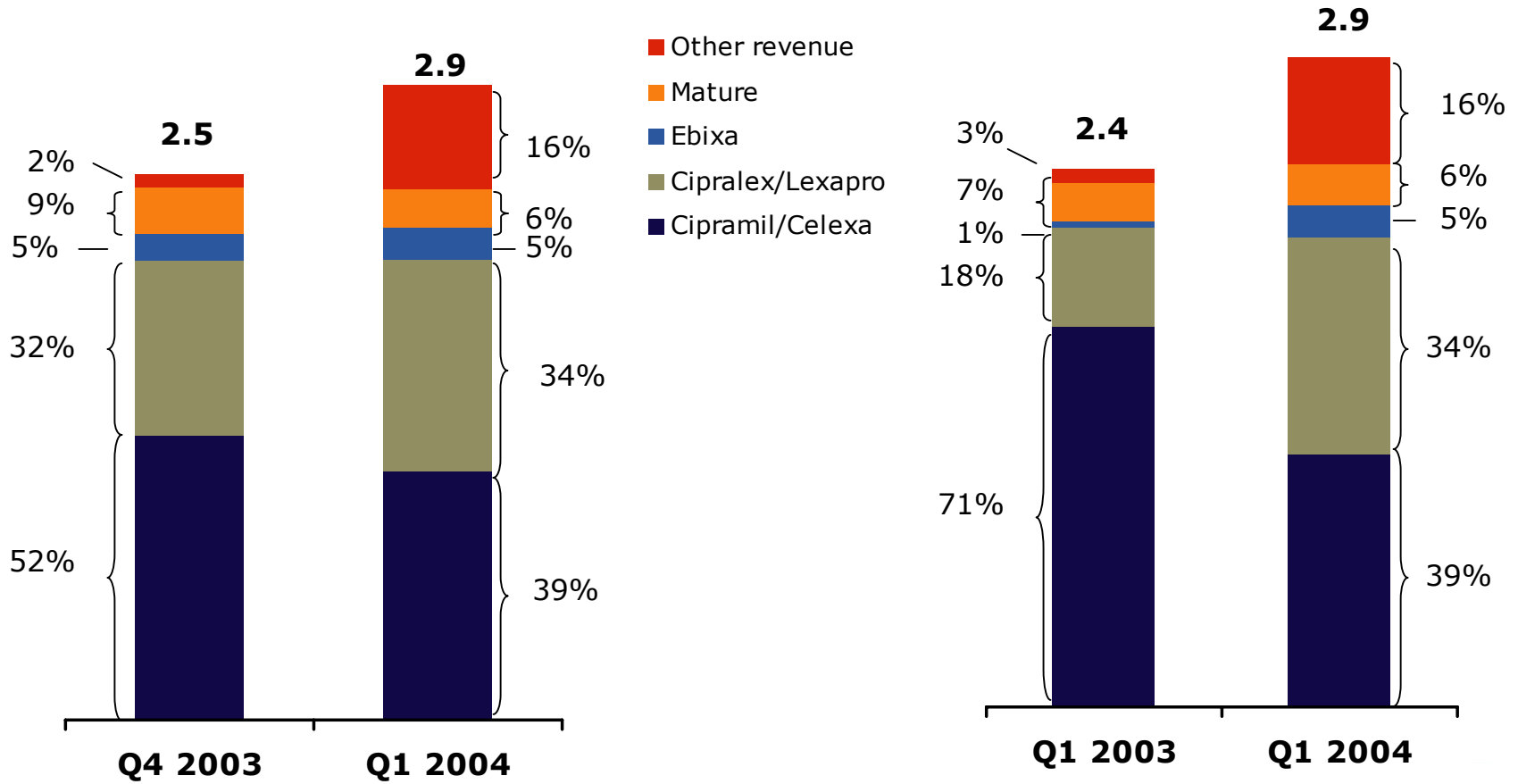
**Q1 2003**



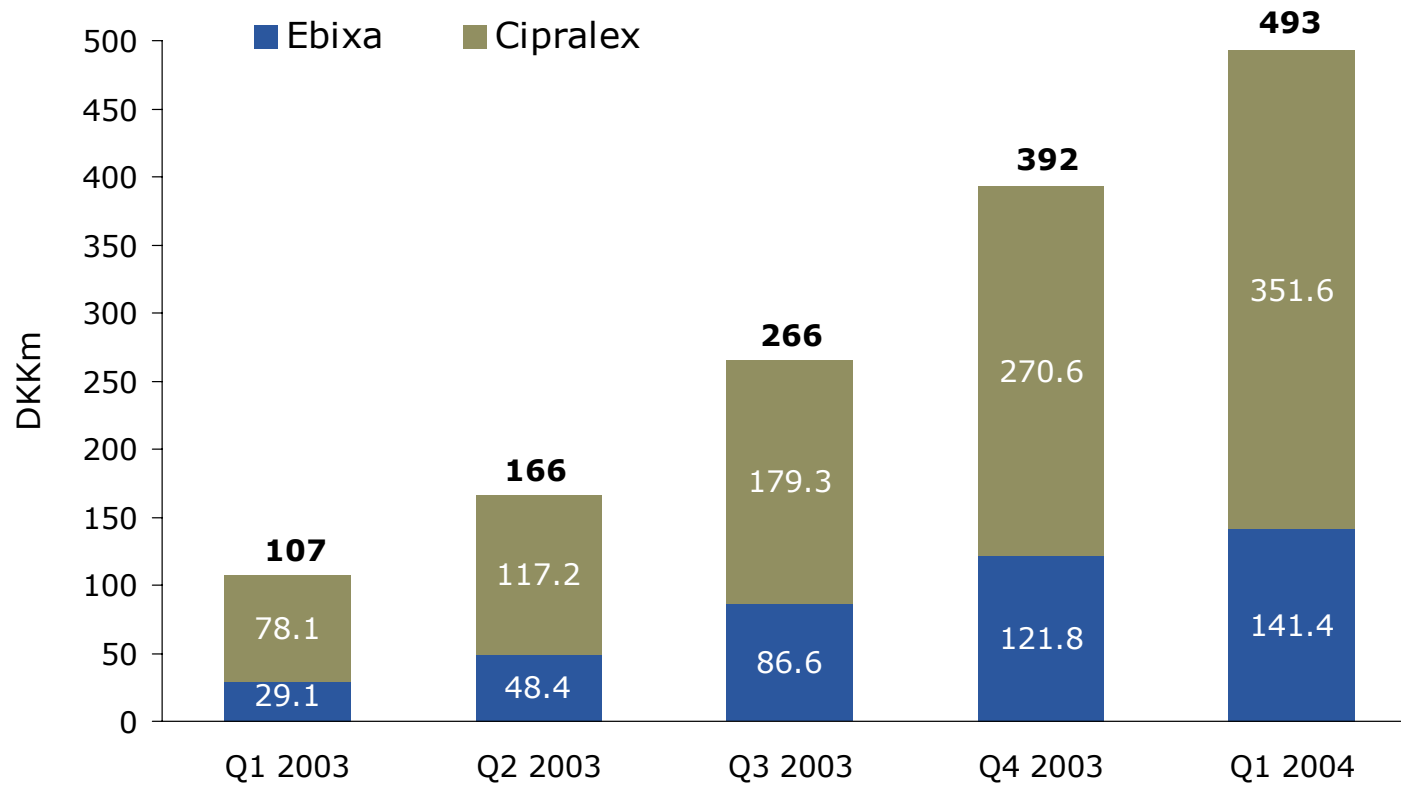
**Q1 2004**



# Revenue development

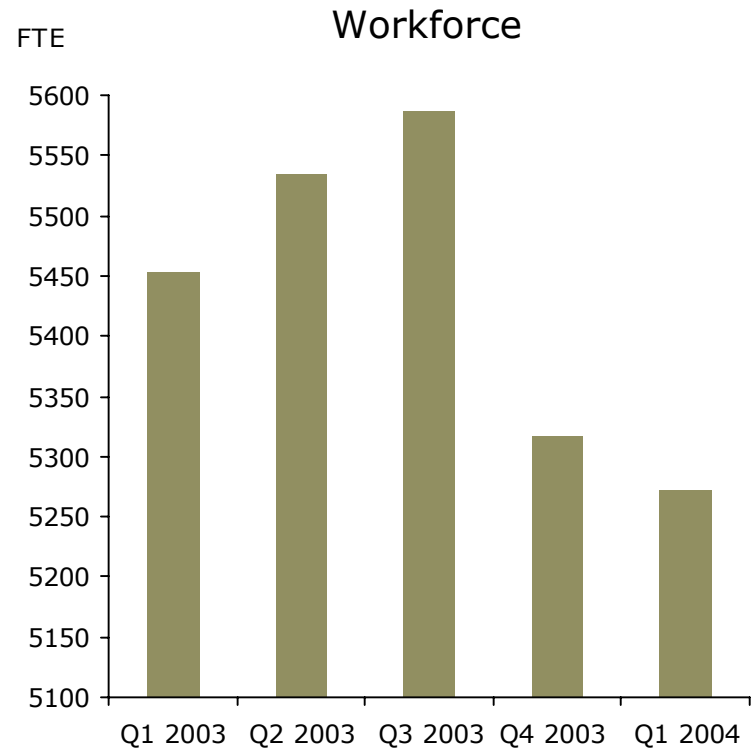
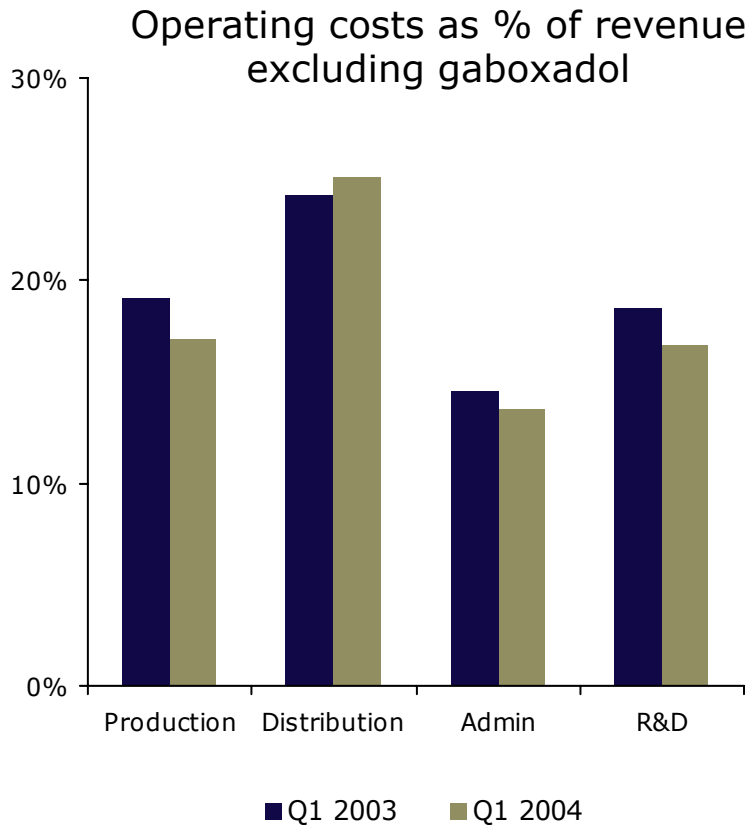


## Quarterly Ebixa® and Cipralex® group revenue figures



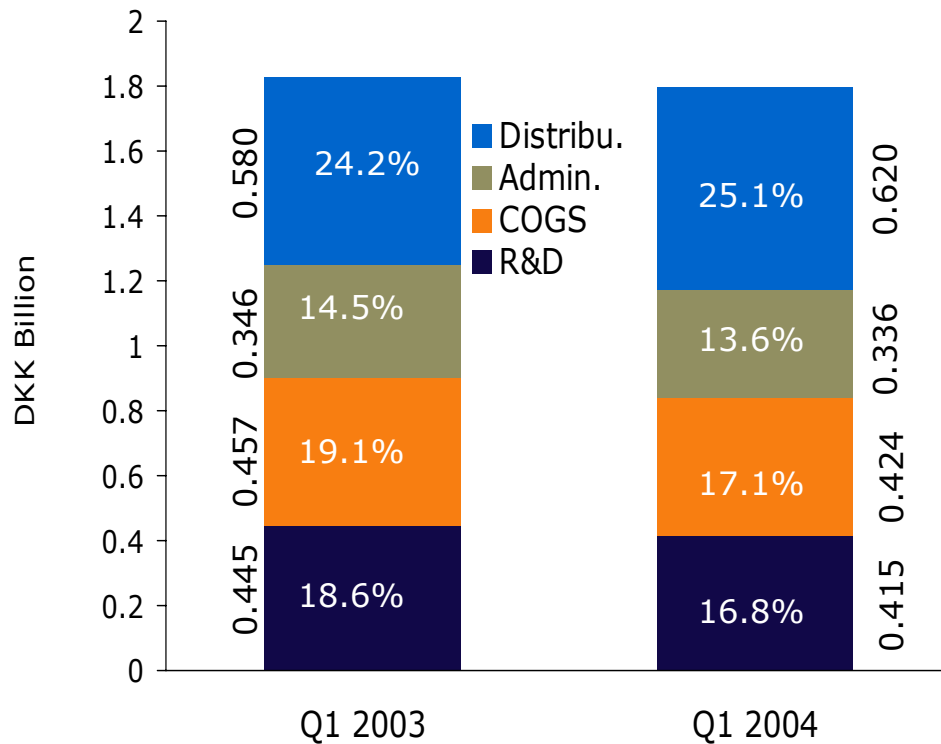


# Increased efficiency

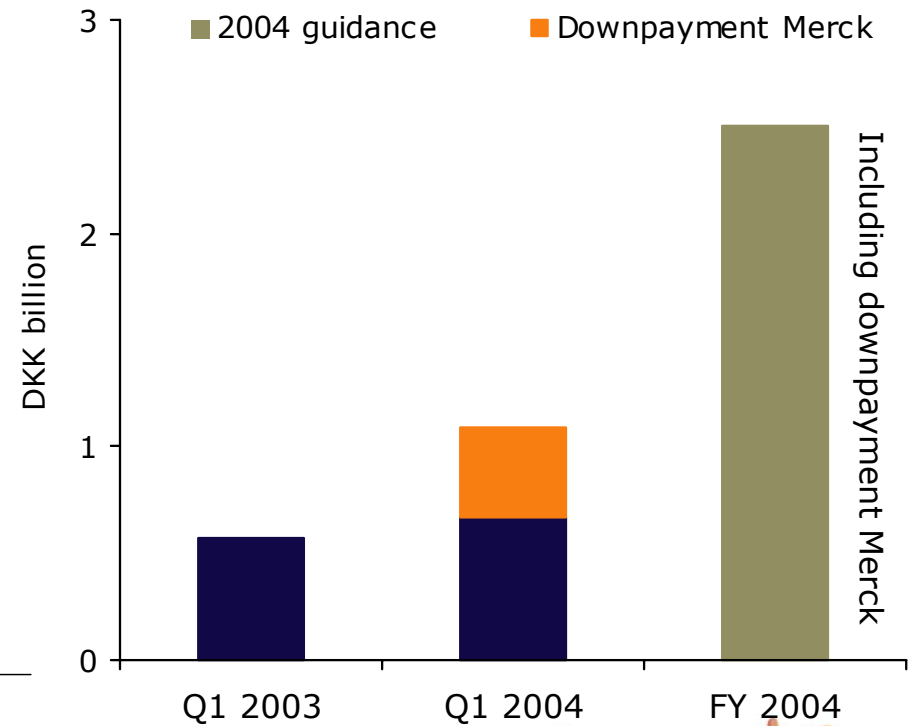


# Total Costs, COGS and Administration lower in absolute figures – SG&A percentage flat (excl. gaboxadol)

## Cost structure



## EBIT



## Implemented cost containment initiatives - status

2003

- Approx. 170 employees made redundant
- Freeze on appointments
- IT prioritisation and new admin. policies

Q1 2004

- Regional offices closed
- Restructuring production
- Restructuring internal support functions
- Cost containment program in administrative functions

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300-425 DKKm full-year effect of implemented initiatives

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## Cost split in Q1 2004 – and Group targets

	Q1 2003	Q1 2004	Q1 2004*	FY 2003**	2005 target	2006+ target
COGS	457	424	17.1%	1,759	On level with 2003	17-20%
SG&A	926	956	38.7%	3,815	On level with 2003	32-35%
R&D	445	415	16.8%	1,933	20%	20%
Other	-2	4	0.2%	-15	--	--
Total	1,826	1,799	72.8%	7,522	--	--
EBIT margin	23.8%	27.2%	27.2%	24.3%	--	>25%

\*) excl. payment for gaboxadol

\*\*\*) excl. provision of DKK 287 million



## DKK 400 million share buy back programme



- By the end of Q1 2004 321.114 shares bought for 37,2 DKKm, corresponding to an average price of 115,95
- 9,9 DKKm bought in the market and 27,3 DKKm bought from the Foundation
- 96,5 DKKm worth of shares to be bought the remainder of the year in the market, and 266,3 DKKm from the Foundation

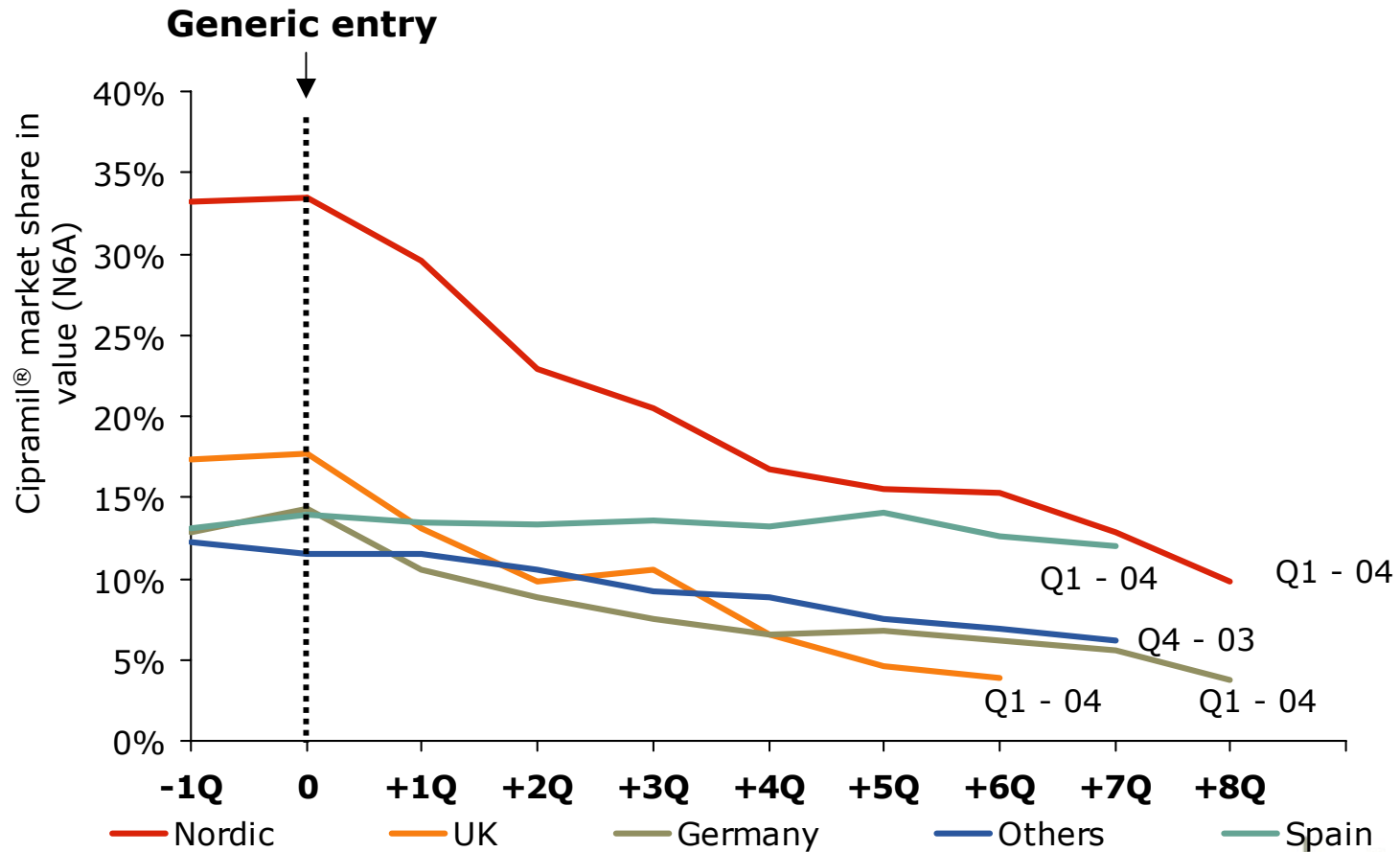




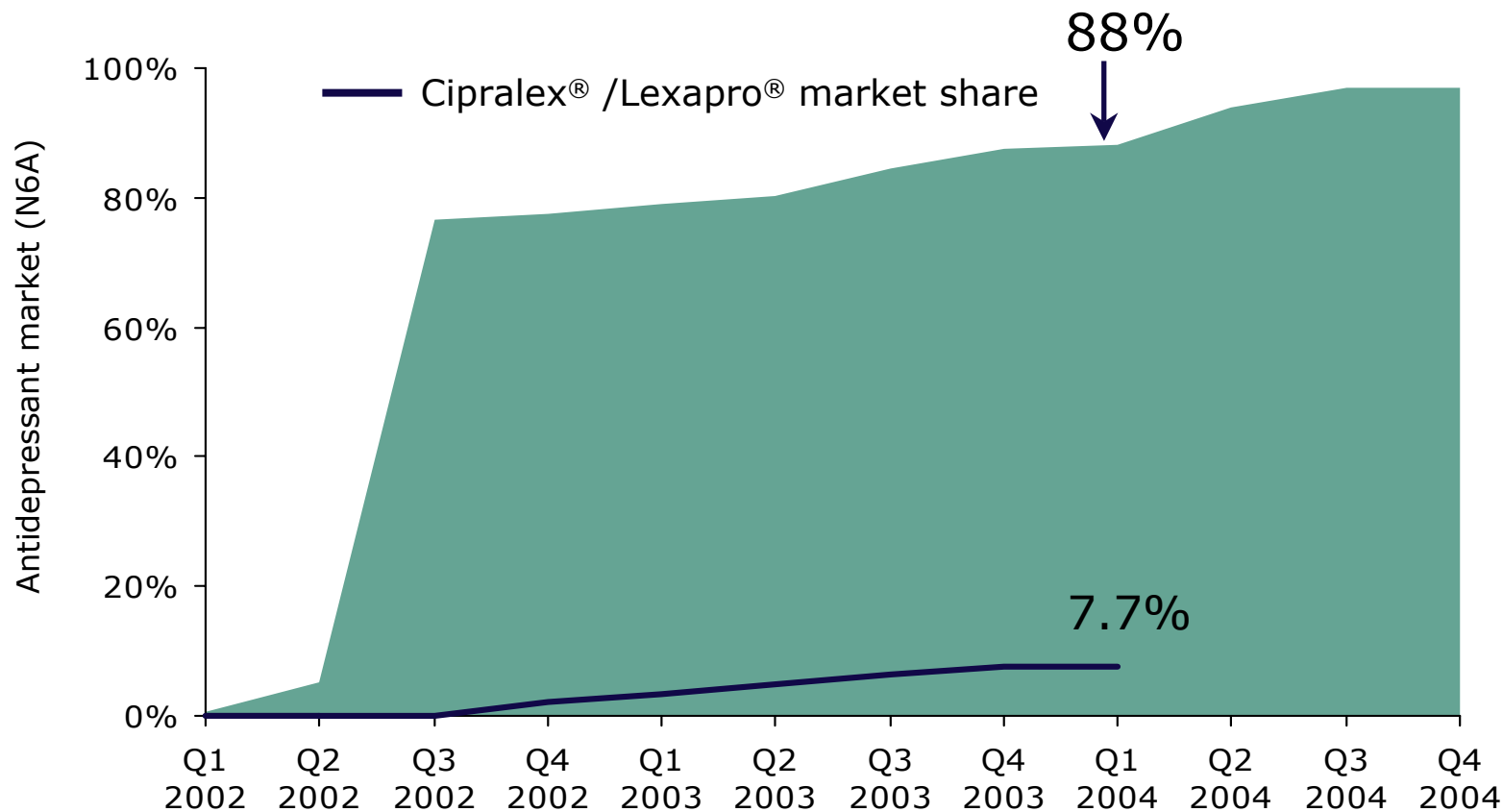
## Business Update



# Generic loss taken on markets with generics for more than 12 months



## A true global Cipralex®/Lexapro® launch – getting access to the markets



Source: IMS, 2004

Lundbeck markets: 30% of total N6A market  
 US: 68% of total N6A market  
 Japan: 2% of total N6A market



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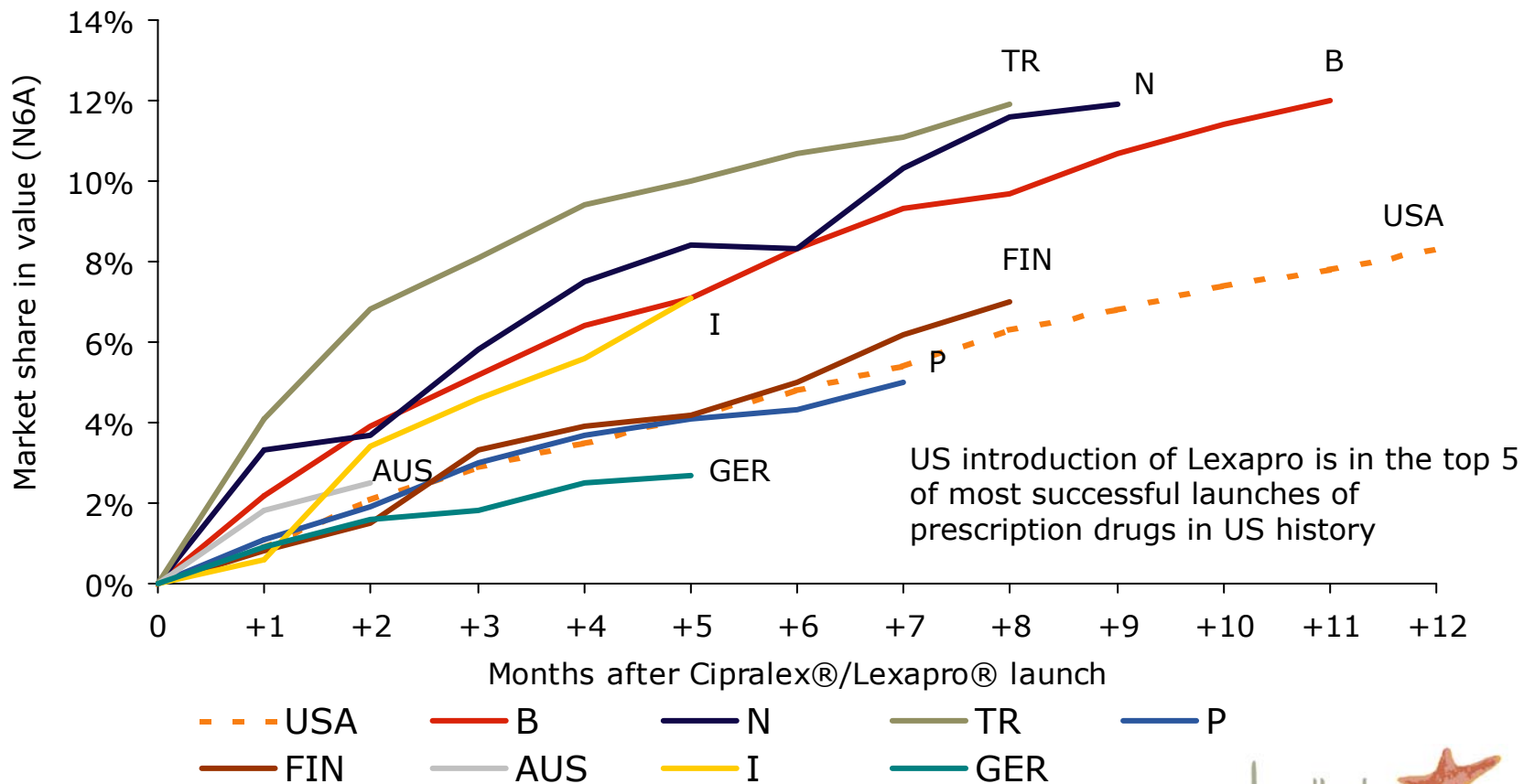
## Cipralex® now launched in almost 50 countries

Cipralex® Launched		Launch 2004
Asian countries	New Zealand	Asian countries
Australia	Middle East countries	Canada
Austria	Norway	Egypt
Belgium	Portugal	France
Denmark	South America	Hungary
Eastern Europe	Sweden	Middle East countries
Finland	Switzerland	Russia
Germany	Turkey	South Africa
Ireland	UK	
Italy	Spain	
Mexico		



# Important launches of Cipralex® in the last 12 months

From launch with reimbursement

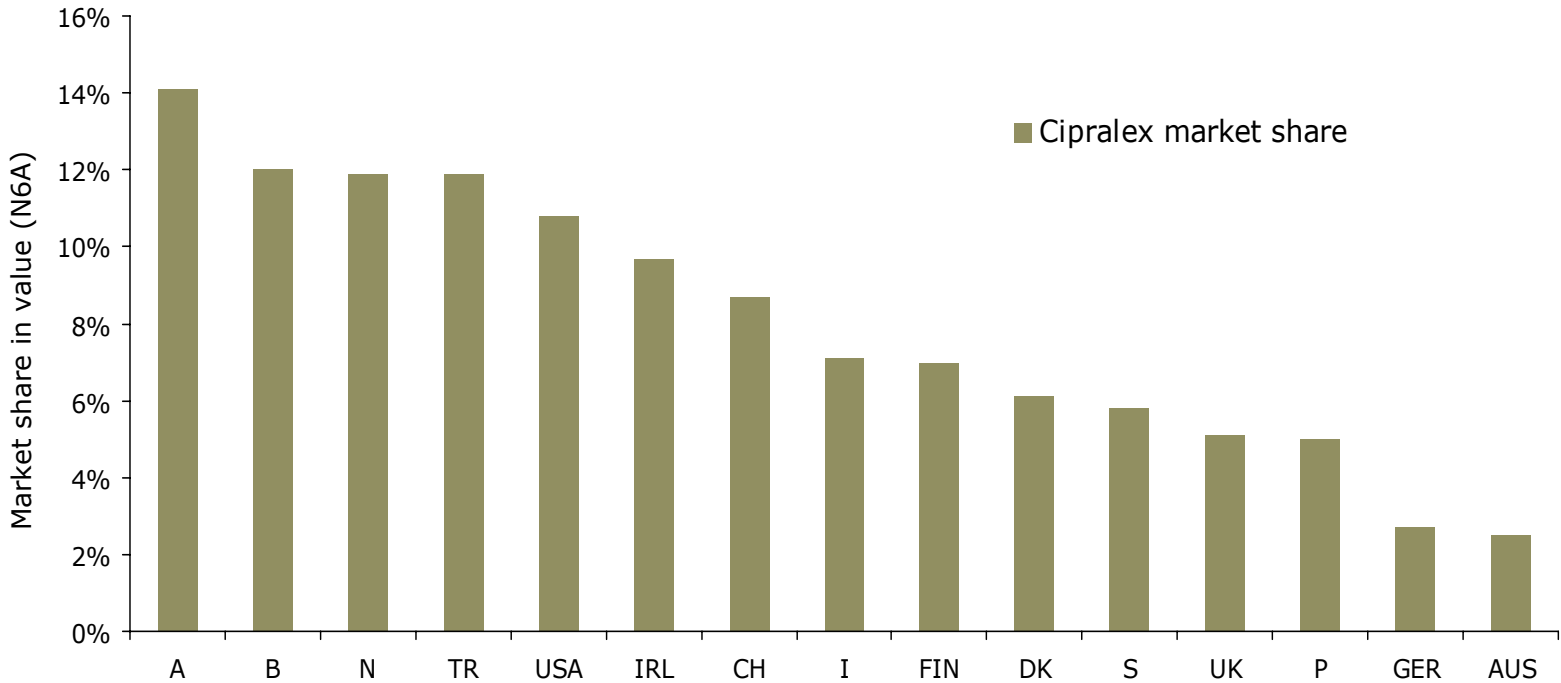


Source: IMS, N6A





# Cipralex®/Lexapro® market position



%-growth in market share

6 months

21	45	59	47	29	23	27	NA	112	-8	23	17	163	NA	NA
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Source: IMS, N6A

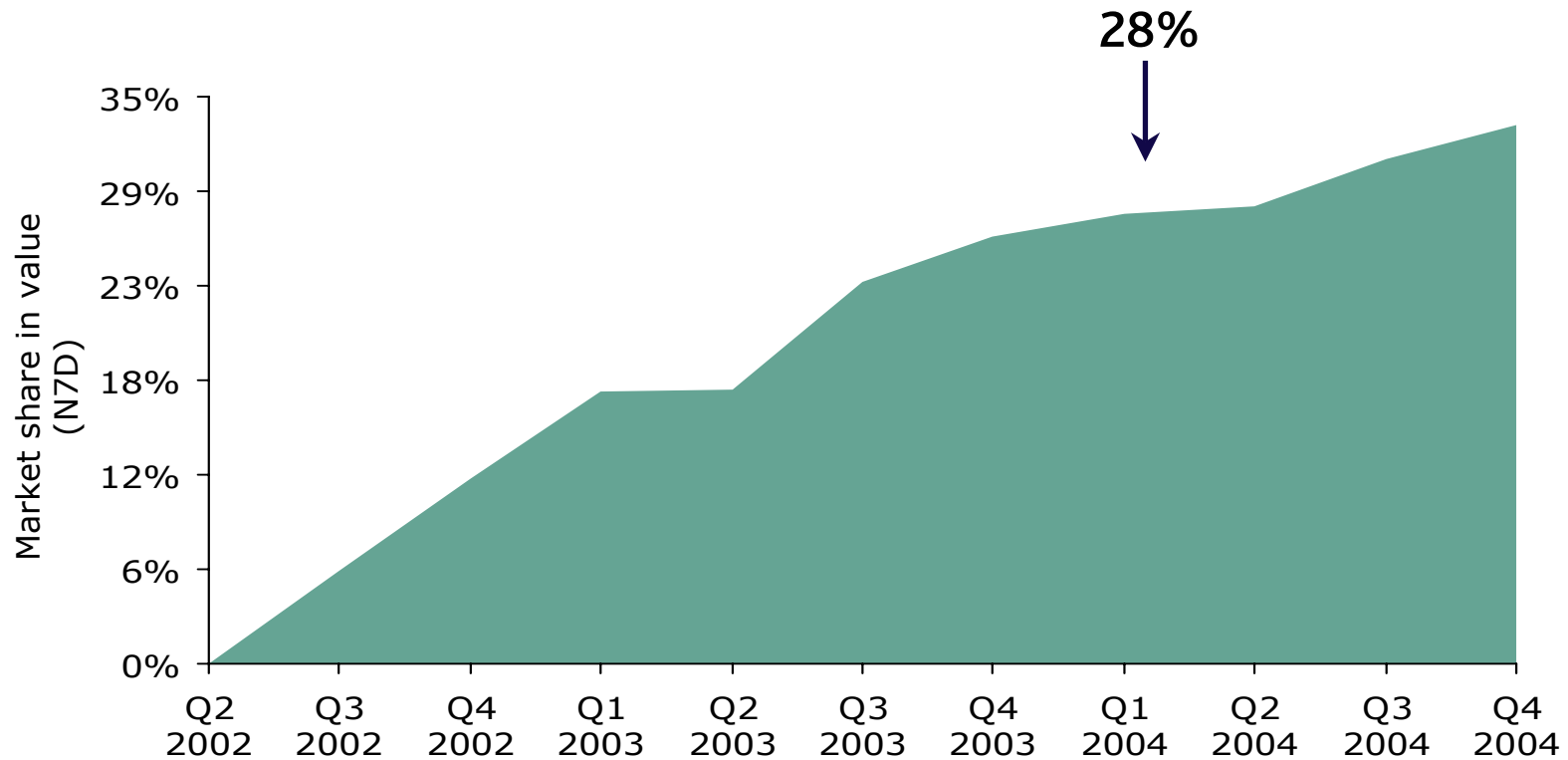
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## Escitalopram/citalopram revenue on the 7 largest markets for antidepressants

DKKm	<u>Q1 2004</u>	<u>Q1 2003</u>	<u>Change</u>
UK	81.0	144.8	-44%
- <i>Cipralex</i> ®	65.2	29.7	120%
- <i>Cipramil</i> ®	15.8	115.1	-86%
France	149.1	153.3	-3%
- <i>Cipramil</i> ®	149.1	153.3	-3%
Germany	44.4	30.1	47%
- <i>Cipralex</i> ®	21.2	0.0	
- <i>Cipramil</i> ®	23.2	30.1	-23%
Spain	54.1	64.4	-16%
- <i>Cipramil</i> ®	54.1	64.4	-16%
Italy	138.2	97.9	41%
- <i>Cipralex</i> ®	43.0	0.0	
- <i>Cipramil</i> ®	95.2	97.9	-3%
Canada	160.6	158.7	1%
- <i>Cipramil</i> ®	160.6	158.7	1%
US income (Forest)	963.7	914.3	5%
- <i>Lexapro</i> ®	617.5	359.5	72%
- <i>Celexa</i> ®	346.2	554.8	-38%
7 major countries	1,591.1	1,563.5	2%
Other markets	506.3	573.6	-12%
Total	2,097.4	2,137.1	-2%

## Ebixa® launch – getting access to the markets



Source: IMS, 2003

Lundbeck markets:  
 US:  
 Japan & RoW:

34% of total N7D market  
 55% of total N7D market  
 11% of total N7D market



## Ebixa® launch update

Ebixa® Launched		Launch 2004
Australia*	Ireland	Argentina
Austria	Mexico	Asian countries
Brazil	Scandinavia	Canada
Belgium	Singapore	Chile
Czech Republic	Spain	India
Eastern Europe	Switzerland	Middle East countries
France	Turkey	
Germany	Ukraine	
Greece	UK	
Holland		

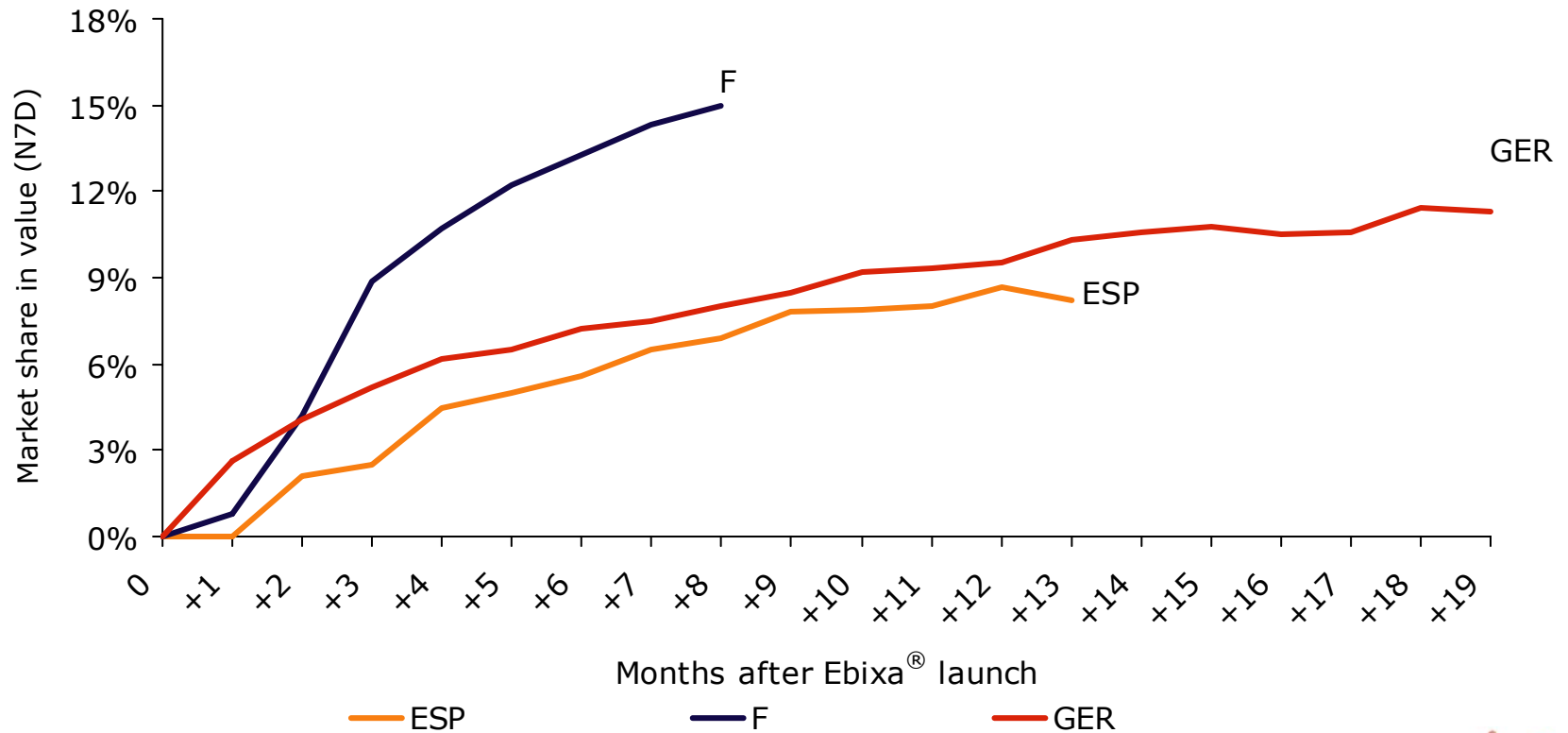
\*Awaits reimbursement

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# Launches of Ebixa® in major markets, Europe

From launch with reimbursement

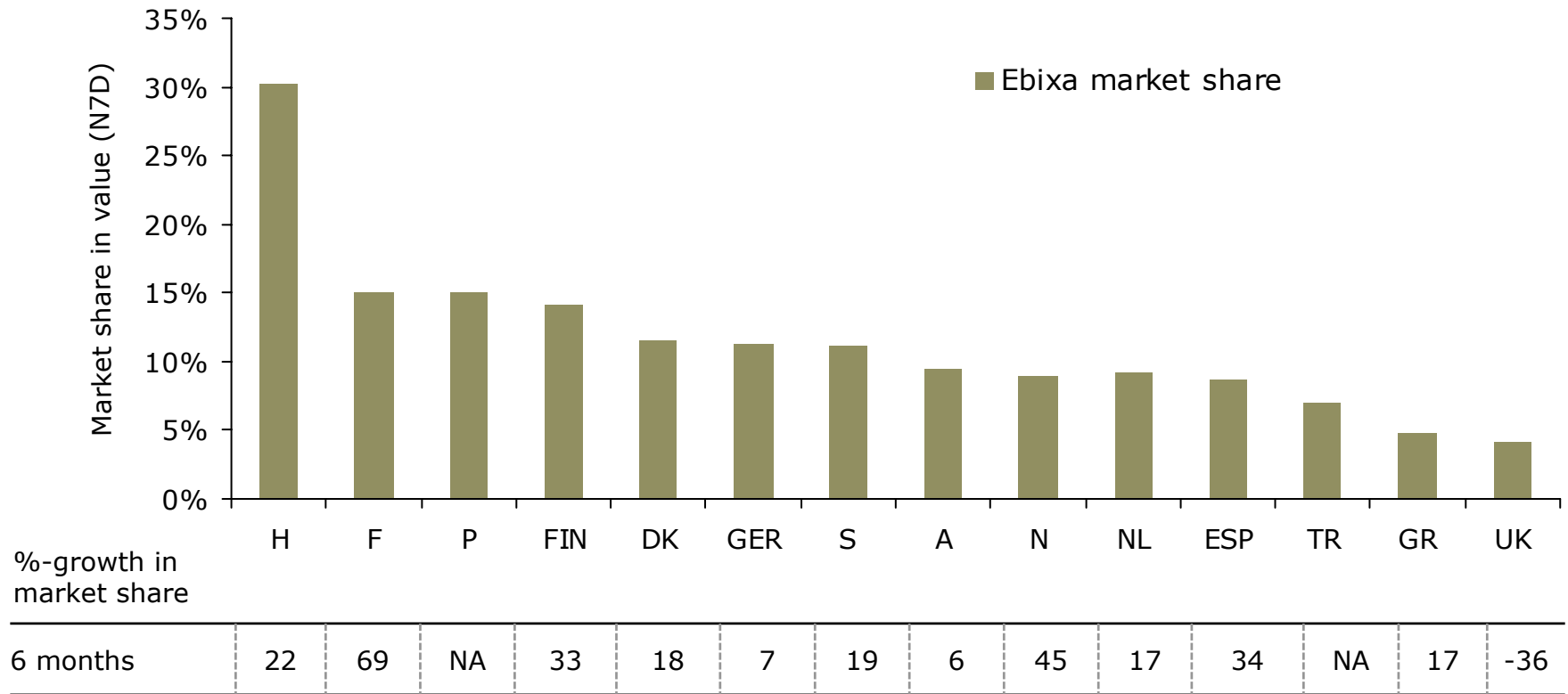


Source: IMS, N7D





# Ebixa® market position



Source: IMS, N7D





Pipeline



# Pipeline

Compound	Activity	Indication	Dev. stage	2004	2005	2006	2006+
Rasagiline	MAO-B	Parkinson's	NDA	Launch			
Escitalopram	SSRI	Generalised anxiety disorder	III	NDA	Launch		
Memantine	NMDA antagonist	Mild to moderate Alzheimer's	III	NDA	Launch		
Sertindole	D <sub>2</sub> -5HT <sub>2</sub>	Schizophrenia	PMS		Launch		
Bifeprunox	Dopamine/serotonin	Schizophrenia	III		NDA	Launch	
Gaboxadol	GABA <sub>A</sub> agonist	Sleep disorder	III				NDA
CEP 1347	Kinase inhibitor	Parkinson's +	II&III				NDA
Lu AA21004	SRI+	Depression	I				--
Lu 31-130	Monoaminergic	Psychosis	I				--



## Capital Market Day

Lundbeck will host a Capital Market Day 16 September 2004

### **Venue**

At Lundbeck premises  
Ottoliavej 7-9, Valby  
DK-2500 Copenhagen

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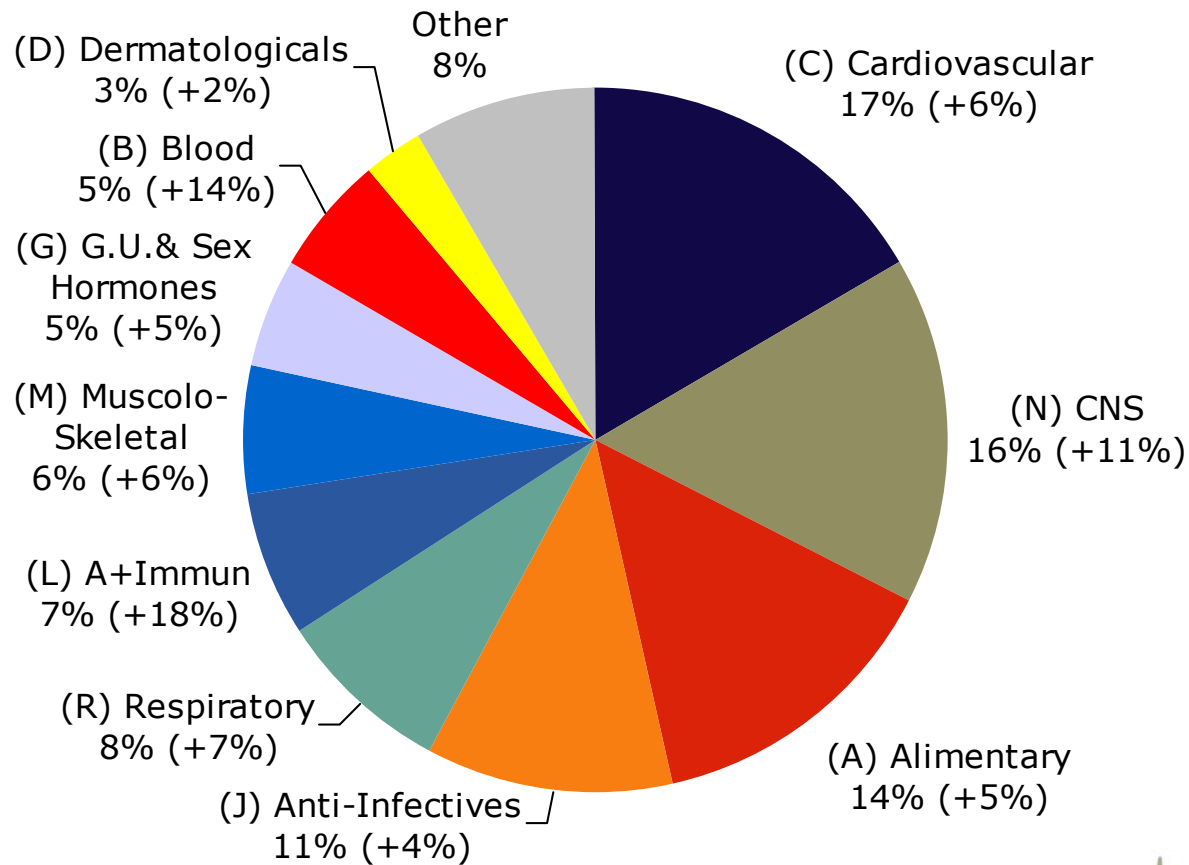




## Appendix



# Worldwide pharmaceutical market 2002 USD 400,6 billion, (+7%)

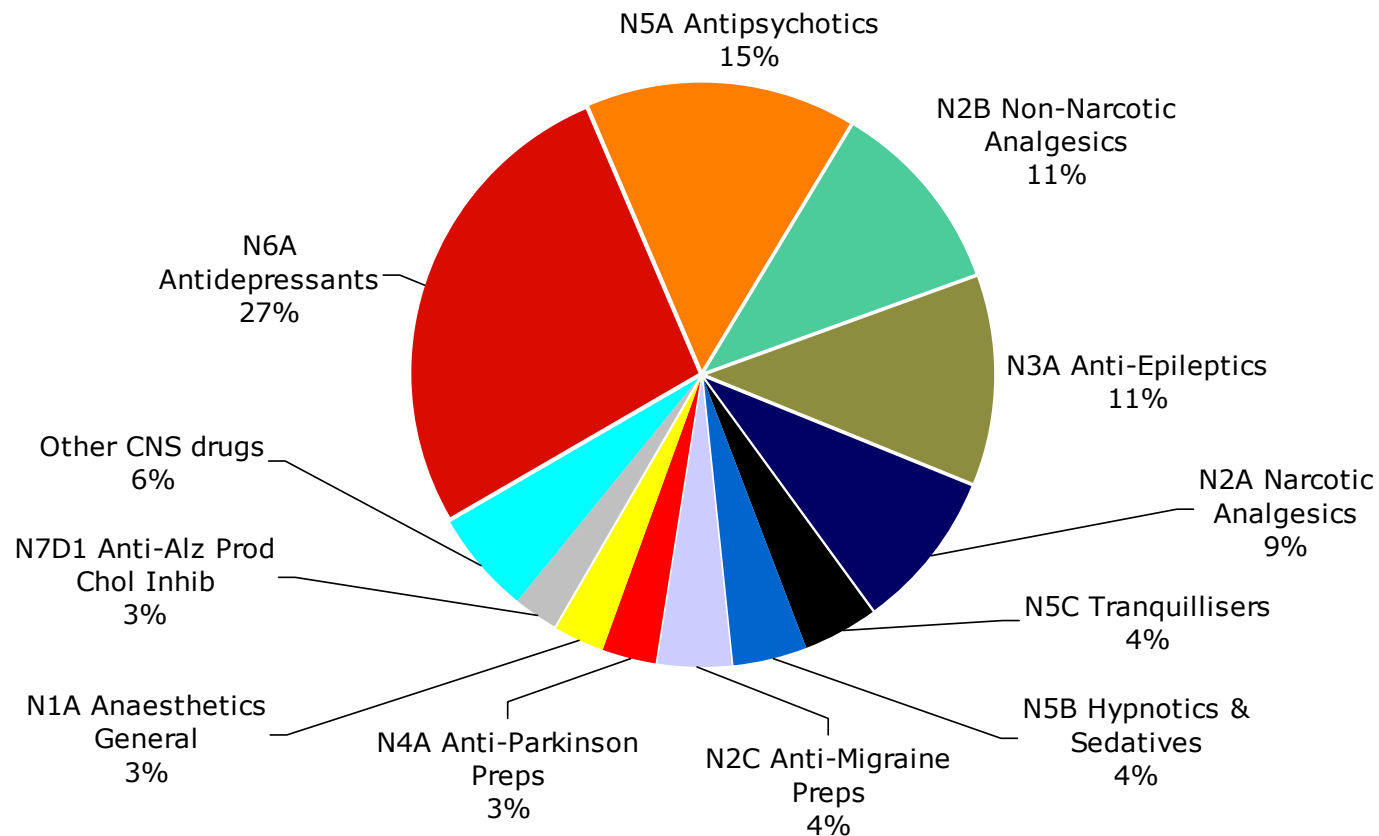


Source: IMS World Review 2003  
Growth rates 2001-2002 added in brackets)



# Worldwide CNS market 2002

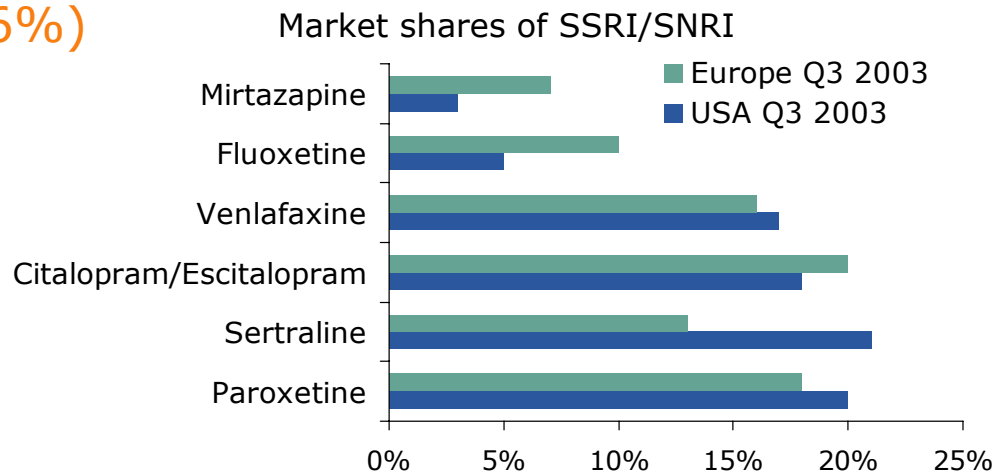
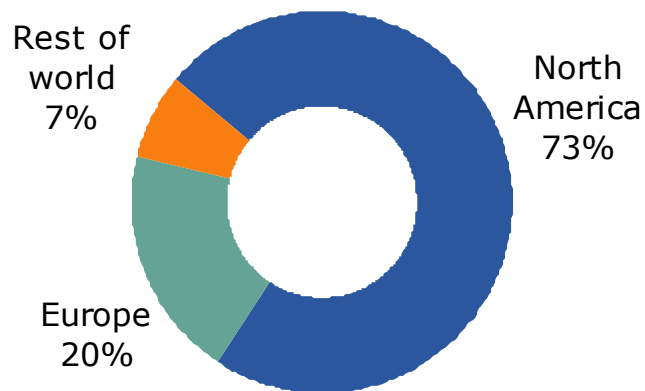
USD 64,4 billion, (+11%)



Source: IMS World Review 2003  
Growth rates 2001-2002 added in brackets)

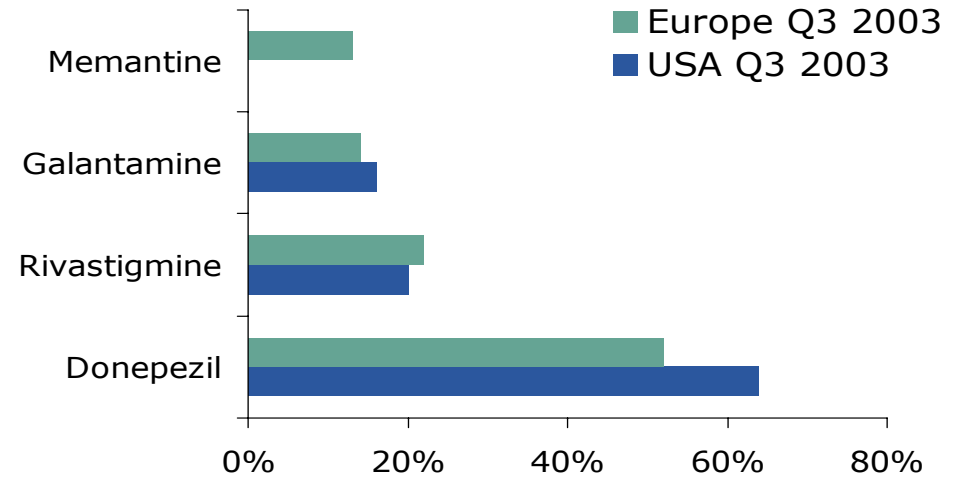
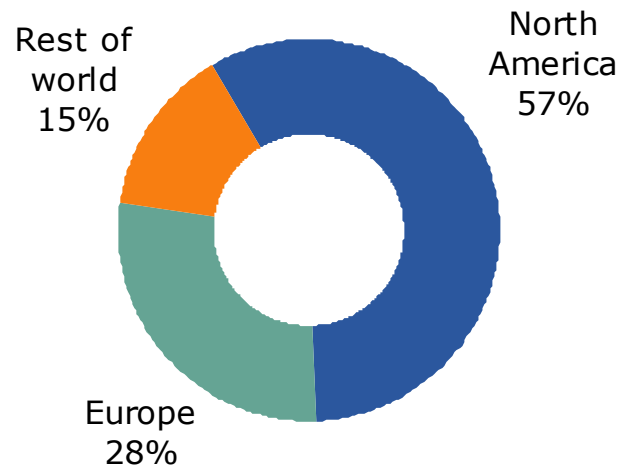


## Depression – 17.1 bill. USD (+6%)



Leading product	Marketing Corporation	Sales 2002 (USDm)	Growth in %
Seroxat®/Paxil®	GlaxoSmithKline	3,342	15
Zoloft®	Pfizer	2,939	13
Effexor®	American Home	2,190	34
Cipramil®/Celexa®	Lundbeck/Forest	2,155	30
Wellbutrin®	GlaxoSmithKline	1,482	29
Prozac®	Eli Lilly	792	-67
Remeron®	Akzo Nobel	733	23
Fluoxetine Par®	Par Pharm	307	69
Serzone®	Bristol-Myers Squibb	278	-29
Fluoxetine Barr®	Barr Labs	253	-31

## Alzheimer's – 1.6 bill. USD (+33%)

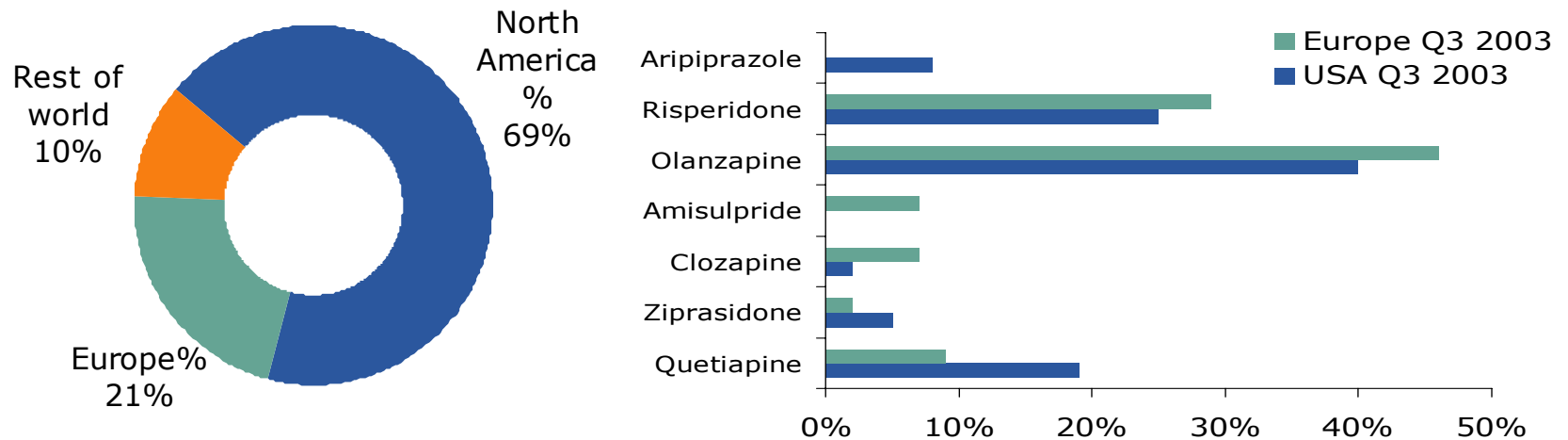


Leading product	Marketing Corporation	Sales 2002 (USDm)	Growth in %
Aricept®	Pfizer	1,128	22
Exelon®	Novartis	290	25
Reminyl®	Johnson & Johnson	165	268
Akatinol®*	Merz	19	-
Axura®*	Merz	18	-
Ebixa®*	Lundbeck	2	-

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



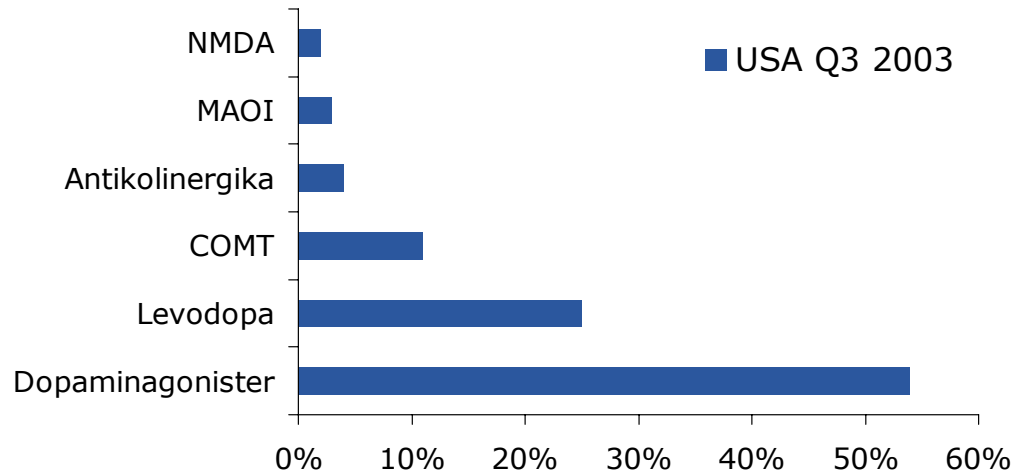
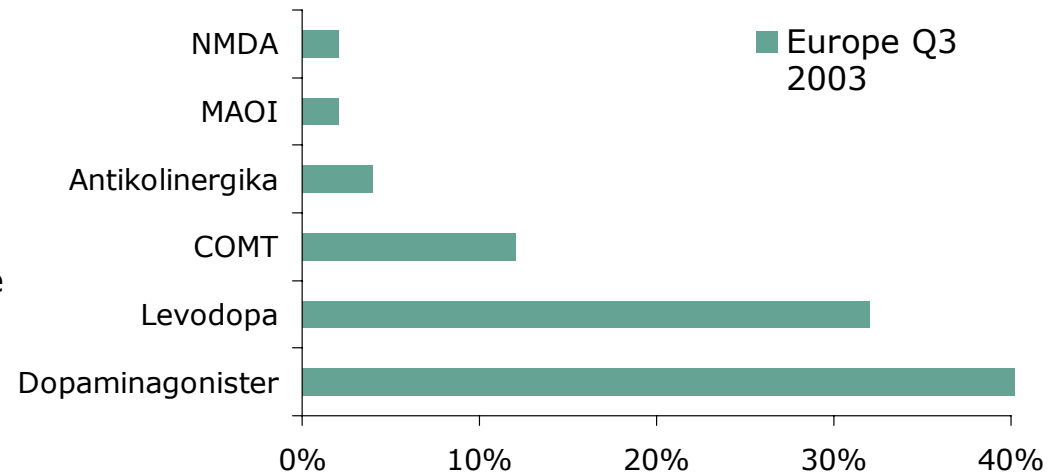
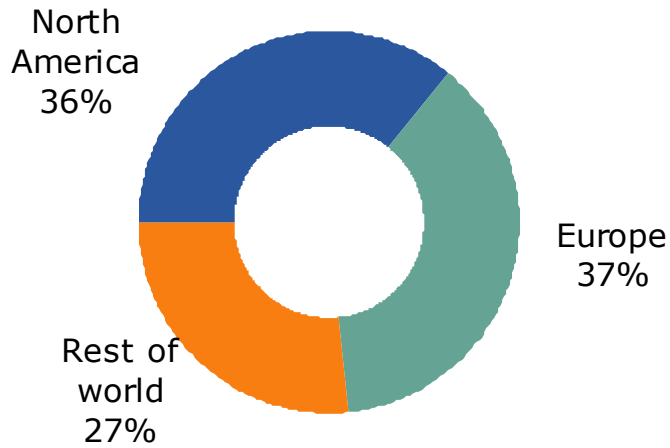
## Antipsychotics – 9.5 bill. USD (+20%)



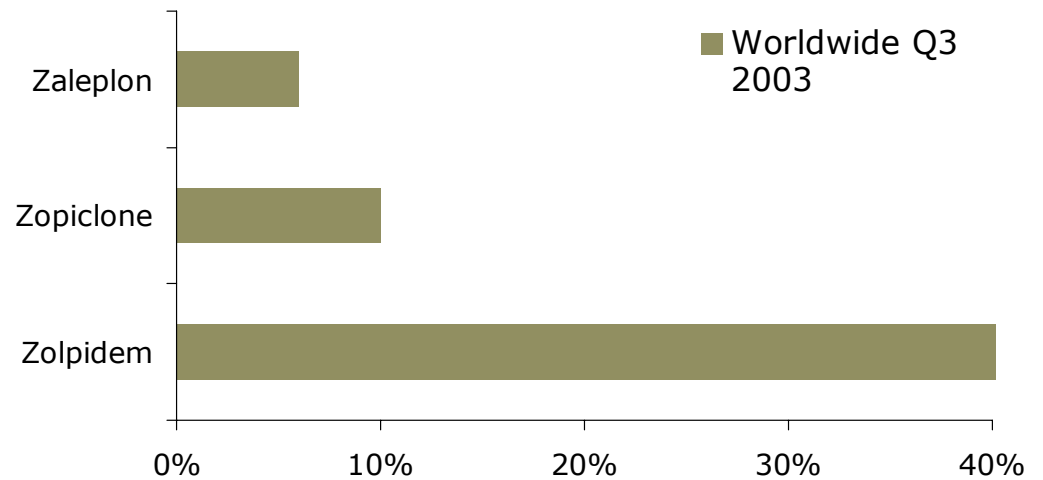
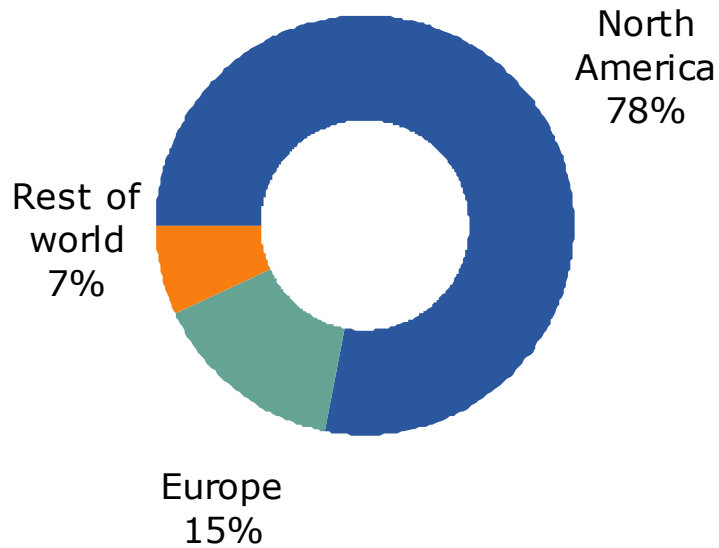
Leading product	Marketing Corporation	Sales 2002 (USDm)	Growth in %
Zyprexa®	Eli Lilly	4,032	22
Risperdal®	Johnson & Johnson	2,474	15
Seroquel®	AstraZeneca	1,262	57
Leponex®	Novartis	330	-3
Zeldox®	Pfizer	249	79
Solian®	Sanofi-Synthelabo	73	22



# Anti-Parkinson's – 1.8 bill. USD (+8%)



# Worldwide sales of insomnia drugs – 1.7 bill. USD (+22%)



Source: IMS  
11/05/2004