

## H. Lundbeck A/S

On 29 March 2012 at 10 a.m., the Annual General Meeting of H. Lundbeck A/S, Central Business Register (CVR) no. 5675 9913, was held at H. Lundbeck A/S, Ottiliavej 9, DK-2500 Valby.

The Chairman of the Board of Directors, Mats Pettersson, opened the General Meeting and introduced the Company's management.

Lawyer Jørgen Boe had been appointed Chairman of the General Meeting by the Board of Directors. The Chairman announced that the General Meeting had been duly convened and formed a quorum for the transaction of business as set out in the agenda. 72.9% of the share capital was represented at the General Meeting.

In accordance with Article 8.1 of the Articles of Association, the agenda was as follows:

1. Report of the Board of Directors on the Company's activities during the past year.
2. Presentation and adoption of the annual report.
3. Approval of remuneration for the Board of Directors for the current financial year
4. Resolution on the appropriation of profit or loss as recorded in the adopted annual report.
5. Election of members to the Board of Directors
6. Election of one or two state-authorized public accountants
7. Any proposal by shareholders or the Board of Directors.
  - 1) Approval of changes to the Remuneration Guidelines for the Board of Directors and the Executive Management of H. Lundbeck A/S.
  - 2) New Article 4.5 in the Articles of Association - authority to the Board of Directors to increase the Company's share capital in connection with the issue of warrants.
  - 3) Change of the e-mail address specified in Article 16.3 of the Articles of Association.
  - 4) Authority to the Board of Directors to allow the Company to acquire its own shares.
  - 5) Authority to the Chairman of the Meeting to make amendments and additions to the resolutions passed by the Meeting and to report changes to the Danish Business Authority.
8. Any other business.

### **Re items 1 to 2: Report of the Board of Directors on the Company's activities during the past year and presentation and adoption of the Annual Report**

Mats Pettersson, Chairman of the Board of Directors, reported on the Company's activities during the past year and informed the Meeting about the remuneration to the members of the Board of Directors for the current financial year and about Lundbeck's position in respect of the Recommendations on Corporate Governance. Mats Pettersson went on to thank on behalf of the Board of Directors Peter Kürstein, who did not seek re-election to the Board of Directors, for his achievements serving on the Board of Directors of Lundbeck since 2001.

Ulf Wiinberg, Chief Executive Officer, went over the 2011 Annual Report, which showed a profit of DKK 2,282 million for the year before tax. Ulf Wiinberg then explained the solid growth in European, American and other international markets, where Lundbeck has seen growth in spite of the financial crisis, and described the growth in all of Lundbeck's main products. Ulf Wiinberg proceeded to explain the significant improvements in the late development phase, where Lundbeck since the 2011 general meeting has launched three products (Lexapro in Japan, Saphris/Sycrest and Onfi). Add to this two product approvals, four applications for registration submitted, one commenced phase III project and two terminated phase II projects. Ulf Wiinberg turned next to the highly publicised incidents in the US, where a former Lundbeck product, Nembutal, had been used - against Lundbeck's wishes - for executions in American prisons. Consequently, Lundbeck has in concert with non-governmental organisations developed and implemented a distribution network seeking to ensure that the product will be used for medical purposes only. Lundbeck has made sure this distribution system will be carried on by the new owner of the product. Ulf Wiinberg informed the Meeting that Lundbeck has criticised the prisons' use of Nembutal in executions and that Lundbeck very recently received an award from the non-governmental organisation Reprieve for its handling of the case.

Ulf Wiinberg then gave an account of Lundbeck's reduced impact on the environment, including CO2 consumption, announcing that Lundbeck has been awarded, as the first-ever European company, a Shingo Price silver medal for outstanding improvements to productivity.

The Chairman of the Meeting opened discussions about agenda items 1 and 2.

Michael Thøgersen of the Danish Shareholders Association thanked the management for its report and for the excellent results in 2011. He then asked 1) what is Lundbeck's position on open registers of shareholders, 2) what are the management's expectations for the 2012 net results, and what is Lundbeck's future patent strategy, and 3) if FDA fast-track procedure had been granted on the six products in phase III. Michael Thøgersen also congratulated Lundbeck on having reduced its CO2 emissions and already hit the target for 2016. Michael Thøgersen expressed his regret that Lundbeck had not published the remuneration to the members of its Executive Management, noting by way of example that novo Nordisk had published such information in its financial statements.

As for 1), Mats Petersson replied that Lundbeck complies with Danish law, which requires, among other things, that shareholders owning more than 5% of the shares must make their ownership public.

As for 2), Ulf Wiinberg replied that 2012 will be a good year for Lundbeck. Lundbeck will lose royalty income on the Lexapro product, which will matter greatly for growth in 2012, with an expected EBIT of around 2.0 to 2.5 million. Ulf Wiinberg explained that while Lundbeck strives to be an open company offering much information and guidance to its shareholders, it does not disclose expectations for net results. Lundbeck will discuss internally whether to disclose expectations for net results 2013.

As for 3), Ulf Wiinberg answered that it is up to the FDA to decide if fast-track procedure will be granted and that Lundbeck will not know its decision until the FDA has finished processing the application.

Shareholder and auditor Kjeld Beyer remarked that Lundbeck is now using the possibility of communicating electronically for the presentation of its financial statements, the convening of general meetings, etc. Kjeld Beyer informed the Meeting that he finds the information submitted to be incomplete and that he had requested, and received, additional information from Lundbeck before the general meeting. Kjeld Beyer proposed sending together with the notice convening general meetings a 5-year

overview with details on share capital and the nominal amount of the shares. Kjeld Beyer further said that his critical remarks for Lundbeck's homepage had been duly noted and that he is, incidentally, against the Danish Shareholders Association's wish for open registers of shareholders. Lastly, Kjeld Beyer asked the management what their expectations for the new patents were - would they go through, and what would they mean to Lundbeck's revenue.

Ulf Wiinberg replied in relation to the question of the new patents that products will only be released on the market if the authorities are satisfied that the data in the applications for registration is adequate and sufficient. The market will be informed as soon as feedback is received from the registration authorities about Lundbeck's new products.

Anders Götsche, Executive Vice President and CFO, answered in relation to Kjeld Beyer's proposal for a 5-year overview that Lundbeck listens to the views of its shareholders and offers transparent information. Lundbeck is one of quite few companies to forward the full version of financial statements electronically to its shareholders when sending its preliminary announcement of financial statements. Lundbeck has chosen to give priority to getting all information available to the shareholders on the date of the preliminary announcement. In addition to this, questions to the materials are answered on a continuous basis. Lundbeck wishes to continue this procedure in future.

As no one else wished to speak, the Chairman of the Meeting announced that the Board of Directors' report on the Company's activities during the past year had been adopted, and that the 2011 Annual Report had been approved.

**Re item 3: Approval of remuneration for the Board of Directors for the current financial year**

The Chairman of the Meeting proposed that the remuneration for the Board of Directors for the current financial year should be the same as for 2011.

No one wished to speak.

The Chairman of the Meeting announced that the proposal of the Board of Directors for remuneration 2012 was adopted.

**Re item 4: Resolution on the appropriation of profit or loss as recorded in the adopted annual report.**

The Board of Directors proposed that a dividend of 30% of the net profit for the year, corresponding to DKK 3.49 per share or a total of DKK 685 million, should be distributed for the financial year 2011, and that the remaining 70%, or DKK 1,597 million, should be transferred to the Company's distributable reserves.

No one wished to speak.

The Chairman of the Meeting announced that the proposal of the Board of Directors for the appropriation of profit as recorded in the approved 2011 Annual Report was adopted.

#### **Re item 5: Election of members to the Board of Directors**

Under Article 5.1 of the Articles of Association, members of the Board of Directors elected by the general meeting are elected for one-year terms. The Board of Directors proposed re-election for Thorleif Krarup, Mats Pettersson, Jes Østergaard, Christian Dyvig and Håkan Björklund. Also, the Board of Directors nominated Melanie G. Lee for election to the Board. Peter Kürstein did not stand for re-election.

The requirements of section 120 of the Danish Companies Act (*se/skabsloven*) had been met.

Thorleif Krarup, Mats Pettersson, Jes Østergaard, Christian Dyvig and Håkan Björklund were re-elected, and Melanie G. Lee was elected as a new member.

The Board of Directors thus consists of:

- Thorleif Krarup
- Mats Pettersson
- Jes Østergaard
- Christian Dyvig
- Håkan Björklund
- Melanie G. Lee
- Jørn Møller Mayntzhusen (employee-elected)
- Kim Rosenville Christensen (employee-elected)
- Mona Elisabeth Elster (employee-elected)

#### **Re item 6: Election of one or two state-authorized public accountants**

The Board of Directors proposed that Deloitte Statsautoriseret Revisionspartnerselskab should be re-elected.

The proposal was adopted.

#### **Re item 7: Any proposal by shareholders or the Board of Directors**

##### **Re item 7, 1)**

The Chairman of the Board of Directors explained the Board's proposal to change the Remuneration Guidelines for the Board of Directors and the Executive Management of H. Lundbeck A/S.

The Chairman of the Meeting opened the discussion.

No one wished to speak.

The Chairman of the Meeting announced that the proposal of the Board of Directors was adopted.

**Re item 7, 2)**

The Chairman of the Meeting explained the Board's proposal to authorise the Board of Directors to increase the Company's capital in connection with the issue of warrants.

The Chairman of the Meeting opened the discussion.

Shareholder and auditor Kjeld Beyer announced that he was opposed to Lundbeck making the members of the Executive Management eligible for share incentive schemes, believing they should be given a fixed salary only.

Kjeld Beyer called for a vote on item 7, 2).

Following a written vote, the Chairman of the Meeting announced the adoption of the Board of Directors' proposal by a majority of 71.69%.

**Re item 7, 3)**

The Chairman of the Meeting explained the Board's proposal to change the e-mail address set out in Article 16.3 of the Articles of Association.

The Chairman of the Meeting opened the discussion.

No one wished to speak.

The Chairman of the Meeting announced that the proposal of the Board of Directors was adopted.

**Re item 7, 4)**

The Chairman of the Meeting explained the Board's proposal to authorise the Board of Directors to allow the Company to acquire its own shares.

The Chairman of the Meeting opened the discussion.

No one wished to speak.

The Chairman of the Meeting announced that the proposal of the Board of Directors was adopted.

**Re item 7, 5)**

The Chairman of the Meeting explained the Board's proposal to authorise the Chairman of the Meeting to make amendments and additions to the resolutions passed by the Meeting and to report changes to the Danish Business Authority.

The Chairman of the Meeting opened the discussion.

No one wished to speak.

The Chairman of the Meeting announced that the proposal of the Board of Directors was adopted.

**Re item 8: Any other business**

The Chairman of the Meeting gave the floor to shareholder and auditor Kjeld Beyer, who proposed that the Board of Directors withdraws the proposal adopted under item 7, 2) at next year's general meeting.

Shareholder Kjeld Turman stated in relation to the proposal adopted under item 7, 3) that shareholders are still able to receive notice of general meetings by letter and are under no obligation to use the new e-mail address set out in item 7, 3).

No one else wished to speak.

The Chairman of the Meeting then gave the floor to the Chairman of the Board of Directors, who thanked everyone for attending and closed the Meeting at 11:27 a.m.

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For the minutes:

Jørgen Boe  
Chairman of the Meeting