



Release No 243

15 November 2006

Interim report for the third quarter of 2006

The Supervisory Board of H. Lundbeck A/S today approved the Group's interim report for the third quarter of 2006. Underlying growth in Lundbeck's business outside the USA is satisfactory, but as in the two previous quarters, the consolidated financial performance is adversely affected by Forest Laboratories, Inc.'s reduction of in-house escitalopram inventories in 2006.

- Third-quarter consolidated revenue amounted to DKK 2,248 million, a 1% decline relative to the year-earlier period (1% increase at CER).
- Revenue derived from **Europe** amounted to DKK 1,362 million, a 6% increase over the year-earlier period (7% growth at CER). Revenue from **International Markets** amounted to DKK 350 million, a 12% increase (13% growth at CER).
- Revenue from the **USA** amounted to DKK 482 million, a decline of 21% (18% decrease at CER), due to lower supplies of bulk escitalopram to Forest as part of Forest's reduction of in-house escitalopram inventories. However, actual sales of Lexapro[®] in the US market rose by 12% in the third quarter of 2006 relative to the same period of last year. At 30 September 2006, inventories had been reduced to a level corresponding to approximately 11 months of commercial supply.
- Profit from operations was DKK 630 million, an increase of 16% over the year-earlier period and more than double the figure achieved in the second quarter of 2006. In addition to the extraordinary decline in income from Lexapro[®] in 2006, Q3 profit from operations was influenced by low costs during the summer period.
- The free cash flow amounted to DKK 405 million in Q3 2006.
- In connection with the initial public offering of LifeCycle Pharma, in which Lundbeck currently holds 30.5% of the shares, Lundbeck's Q4 profit from operations will be impacted in the amount of DKK 141 million.
- Lundbeck reiterates its full-year guidance of a profit from operations of approximately DKK 1.6 billion, excluding the financial gain from LifeCycle Pharma.



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 International Accounting Standards Board (IASB), which are expected to apply for the presentation of financial statements for the full year 2006. The comparative figures have been restated due to the implementation of IAS 39 "Financial instruments: recognition and measurement" at 1 January 2005. The interim report is unaudited.

	Q3 2006 DKKkm	Q3 2005 DKKkm	Growth in DKK	Growth at CER	Q2 2006 DKKkm
Revenue	2,248	2,265	-1%	1%	2,198
- Cipralax [®]	878	693	27%	28%	856
- Lexapro [®]	479	610	-21%	-18%	435
- Ebixa [®]	339	292	16%	17%	337
- Azilect [®]	19	2	954%	955%	17
- Serdolect [®]	3	-	nm.	nm.	2
- Other pharmaceuticals	475	613	-22%	-22%	495
- Other revenue	54	56	-4%	-4%	58
Costs	1,618	1,722	-6%	-	1,930
- Cost of sales	372	384	-3%	-	437
- Distribution and administration	822	879	-6%	-	1,004
- Research and development	420	459	-8%	-	488
- Other operating expenses, net	4	1	760%	-	1
Profit from operations	630	543	16%	-	269
Net financials	20	21	-6%	-	-32
Net profit for the period	403	392	3%	-	141
Earnings per share, EPS (DKK)	1.92	1.75	10%	-	0.67
Free cash flow	405	444	-9%	-	-72
Number of employees (end of period)	5,110	5,047	1%	-	5,090



Revenue in Q3 2006

The Group generated Q3 revenue of DKK 2,248 million, which was a 1% drop relative to the same period of last year but an increase of 2% relative to Q2 2006. Adjusted for exchange rate fluctuations, Group revenue rose 1% relative to the year-earlier period.

Lundbeck Group revenue

	Q3 2006 DKKm	Q3 2005 DKKm	Growth in DKK	Growth at CER	Q2 2006 DKKm
Cipralex [®]	878	693	27%	28%	856
Lexapro [®]	479	610	-21%	-18%	435
Ebixa [®]	339	292	16%	17%	337
Azilect [®]	19	2	954%	955%	17
Serdolect [®]	3	-	nm.	nm.	2
Other pharmaceuticals	475	613	-22%	-22%	495
Other revenue	54	56	-4%	-4%	58
Total revenue, Group	2,248	2,265	-1%	1%	2,198

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). Revenue derived from this group of pharmaceuticals rose by DKK 253 million relative to Q3 2005, more than compensating for the decline in sales of the Group's other pharmaceuticals, which include citalopram and a number of mature antidepressants and antipsychotics.

Sales of other pharmaceuticals, of which approximately 60% in Q3 2006 derived from citalopram, have fallen by about DKK 30 million per quarter since 2005.

As expected, Forest's reduction of its escitalopram inventories caused the Group to post a 21% decline in income from Lexapro[®] in the USA compared with the same period of last year.

Third-quarter sales of newer pharmaceuticals (Cipralex[®]/Lexapro[®], Ebixa[®], Azilect[®] and Serdolect[®]) made up 76% of the Group's total revenue compared with 71% in Q3 2005.



Europe

	Q3 2006 DKKkm	Q3 2005 DKKkm	Growth in DKK	Growth at CER	Q2 2006 DKKkm
Cipralex [®]	686	557	23%	24%	697
Ebixa [®]	301	262	15%	16%	303
Azilect [®]	19	2	954%	955%	17
Serdolect [®]	3	-	nm.	nm.	2
Other pharmaceuticals	353	463	-24%	-23%	381
Total revenue, Europe	1,362	1,284	6%	7%	1,400

Cipralex[®] and Ebixa[®] continue to make positive contributions to growth in Europe, posting growth rates of 23% and 15%, respectively, relative to Q3 2005. Revenue from the two pharmaceuticals was on a level with Q2 2006 due to quarterly variations in prescription activity, wholesaler buying patterns and price reductions in selected markets.

At the end of Q3 2006, **Cipralex[®]** held 12.2% of total antidepressants sales in Europe, an increase of 32% compared with the same period in 2005. By end of Q3 2006, Cipralex[®] in terms of volume was the most widely used branded antidepressant in Europe.

Ebixa[®] commanded 14.9% of the European market for pharmaceuticals to treat Alzheimer's disease as compared with a share of 13.5% in the same period in 2005. The increase was attributable primarily to sales growth in southern Europe. Memantine, the active ingredient in Ebixa[®], is currently the second-most prescribed pharmaceutical in Europe for treating Alzheimer's disease.

Now launched in 15 countries across Europe, **Azilect[®]** represented 2.3% of total sales of pharmaceuticals to treat Parkinson's disease in Europe at the end of Q3 2006.

Serdolect[®] has been launched in 13 countries in Europe, including Spain and Germany. The Group expects that Serdolect[®] will be rolled out in most European markets during 2007.

**USA**

	Q3 2006 DKK m	Q3 2005 DKK m	Growth in DKK	Growth at CER	Q2 2006 DKK m
Lexapro®	479	610	-21%	-18%	435
Other pharmaceuticals	3	4	-21%	40%	-5
Total revenue, USA	482	614	-21%	-18%	430

Lundbeck's income from sales of Lexapro® in the USA was DKK 479 million in Q3 2006, compared with DKK 610 million in the same period of last year, a decline of 21%. The lower income from Lexapro® was anticipated and was due to the reduction of Forest's in-house inventories of escitalopram. At 30 September 2006, inventories had been reduced to a level corresponding to approximately 11 months of commercial supply. As a result of a more positive than anticipated trend in the US market, we expect that inventory levels at the end of 2006 will be reduced to less than 10 months of commercial supply in 2007.

In Q3 2006, Forest generated Lexapro® sales of USD 523 million, up 12% on the year-earlier period.

Lexapro® is currently the most frequently used branded antidepressant in the USA. During Q3 2006, generic versions of the former market-leading antidepressant – Zoloft® (sertraline) – were rolled out in the US market. Measured by the total number of prescriptions (TRx), as expected Lexapro® retained its market share of about 19% of prescriptions (TRx) of newer antidepressants.

The number of prescriptions (TRx) for Lexapro® written in the first nine months was up by approximately 7% relative to the same period of 2005. Similarly, the market in terms of the number of prescriptions (TRx) for more recent antidepressants in the USA rose by 6% in the same period. The US market for antidepressants is expected to post a positive trend in 2006 compared with 2005.

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 969 million at 30 September 2006 compared with DKK 1,331 million at 30 September 2005 and DKK 1,393 million at year-end 2005.

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 4 million in Q3 2006 against DKK -2 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 3 million compared with DKK 3 million in Q3 2005 stems from the hedging of USD. The gain from the USD hedging has primarily been added to income from sales of Lexapro[®].

At 30 September 2006, forward exchange and option contracts had been entered into to hedge foreign currency cash flows, primarily in EUR and USD, equivalent to a value of approximately DKK 2.6 billion. Of this amount, DKK 2.2 billion is accounted for as hedging contracts. The average forward rates at 30 September 2006 were for US dollars 591.21 USD/DKK. Deferred recognition of net currency losses and gains amounted to DKK 21 million at 30 September 2006 against DKK -180 million at 30 September 2005 and DKK 34 million at 30 June 2006.

The average forward rate for the first nine months of 2007 for US dollars will be approximately 586 USD/DKK, using the existing hedging contracts. The corresponding forward rate for the first nine months of 2006 was approximately 584 USD/DKK. For the 2006 financial year, the average forward rate for US dollars is approximately 583 USD/DKK.

International markets

	Q3 2006 DKKkm	Q3 2005 DKKkm	Growth in DKK	Growth at CER	Q2 2006 DKKkm
Cipralext [®] /Lexapro [®]	192	136	41%	41%	159
Ebixa [®]	38	29	31%	27%	34
Other pharmaceuticals	120	146	-18%	-16%	119
Total revenue, International Markets	350	312	12%	13%	311

Revenue outside Europe and the USA rose 12% relative to the year-earlier period. The increase was driven primarily by stronger sales of Cipralext[®] in several major markets.

Litigation in respect of escitalopram

In July 2006, Lundbeck and our partner Forest Laboratories, Inc. received a positive judgment in the court case against Ivax/Teva and Cipla concerning infringement of U.S. Patent No. Re 34,712 ('712 patent), which covers escitalopram. In November, the District Court of Delaware



issued a judgement, which immediately was appealed by Ivax/Teva and Cipla.

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

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

Expenses

Lundbeck's total expenses, exclusive of net financials and tax, were DKK 1,618 million in Q3 2006, down 6% relative to the year-earlier period and down 16% relative to Q2 2006.

Cost of sales were DKK 372 million in Q3, representing approximately 17% of total revenue, down 3% relative to the same quarter of last year and 15% compared with Q2 2006. Third-quarter cost of sales were low as, unlike in the two previous quarters, they were positively influenced by variation in production overheads allocated to inventories.

Distribution costs amounted to DKK 500 million, a decline of 8% relative to the year-earlier period and a 23% drop compared with Q2 2006. As in Q3 2005, distribution costs were influenced by the fact that major sales promotion activities are mostly pursued in the fall.

Administrative expenses amounted to DKK 322 million, a reduction of 4% compared with the year-earlier period and a 10% drop relative to Q2 2006.

Third-quarter research and developments costs amounted to DKK 420 million, which was an 8% reduction relative to the same period of last year and 14% lower than in Q2 2006.

Research and development costs accounted for 19% of revenue in Q3 compared to 20% in Q3 2005. As previously announced, Lundbeck expects that research and development costs will account for more than 20% of total consolidated revenue for 2006 because R&D costs are kept unchanged in spite of the extraordinary decline in income from Lexapro[®] sales in the USA in 2006.

Depreciation and amortisation charges, which are included in the individual expense categories, totalled DKK 127 million in Q3 2006, down from DKK 131 million in the same period of last year.



Depreciation/amortisation per expense group	Q3 2006 DKKm	Q3 2005 DKKm	Growth in DKK	Q2 2006 DKKm
Cost of sales	55	40	37%	56
Distribution and administration	23	34	-33%	21
Research and development	49	57	-14%	47
Total depreciation/amortisation	127	131	-3%	124

Share buyback

In August 2005, Lundbeck launched a share buyback programme of DKK 6 billion, scheduled to be completed by the end of 2007. The Programme is being implemented in accordance with the provisions of the European Commission's regulation no. 2273/2003 of 22 December 2003 ("safe harbour"), which protects listed companies against violation of insider legislation in connection with share buybacks. At the Group's general meeting in 2007, the Supervisory Board intends to submit a proposal to reduce the share capital by a nominal amount that corresponds to the nominal value of the share capital bought back under the programme.

Once every seven trading days, Lundbeck will issue an announcement concerning transactions made under the share buyback programme. At 30 September 2006, a total of 16,821,203 shares had been bought back, corresponding to a transaction value of DKK 2,257,281,213 and an average purchase price of DKK 134.1910.

Lundbeck's development portfolio

In October, Lundbeck announced that the Group had initiated Phase I clinical trials with another development candidate from its own research. The pharmaceutical candidate Lu AA44608 is a selective NPY (Neuropeptide Y) receptor antagonist that interacts with one of the main systems in the brain mediating stress responses. Preclinical studies suggest that the compound's unique mechanism prevents and counteracts the vicious circle initiated by traumatic events and long-term stress often resulting in psychiatric disorders.

Lundbeck also announced that submission of a New Drug Application (NDA) with the U.S. Food and Drug Administration (FDA) concerning



gaboxadol, which is a new pharmaceutical candidate in Phase III clinical development for the treatment of insomnia, is expected in mid-2007.

US-based Wyeth and Belgium-based Solvay, Lundbeck's business partners in the development of the pharmaceutical candidate bifeprunox, which is in Phase III clinical development for the treatment of schizophrenia, presented specific results from the Phase III studies in October at their annual meetings for the financial community. Solvay subsequently filed a registration application for bifeprunox with the FDA, and Phase III data is expected to be presented at the American College of Neuropsychopharmacology (ACNP) congress in December 2006.

Net financials

In Q3 2006, the Group's net financial income totalled DKK 20 million compared with a net income of DKK 21 million in the same period of last year.

	Q3 2006 DKKm	Q3 2005 DKKm	Q2 2006 DKKm
Net financials	20	21	-32
Net interest income/expenses	16	15	-17
Unrealised losses concerning other investments excl. exchange rate adjustments	-	-	-
Net currency income relating to financial items, specified as follows:	4	7	-15
Net income relating to trading	-5	-2	32
Accounting translation of currency items	9	9	-47

Net interest income, including realised and unrealised gains and losses on the bond portfolio, amounted to DKK 16 million in Q3 2006.

Third-quarter foreign currency translation amounted to an income of DKK 4 million.

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

The income tax expense amounted to DKK 227 million in Q3 2006 against DKK 167 million in the year-earlier period. The effective tax rate was 36%



as compared with 30% in Q3 2005 and 37% in Q2 2006. The tax rate for Q3 2006 was due to losses on translation of foreign exchange items and losses in associates.

For the 2006 financial year including financial gain from IPO of LifeCycle Pharma, Lundbeck projects an effective tax rate of about 34% subject to unchanged exchange rates.

Net profit for the period

At DKK 630 million, profit from operations in Q3 2006 was 16% higher than in the year-earlier period.

At DKK 630 million, profit before tax rose by 13% relative to the year-earlier period, while the net profit for the period after tax was DKK 403 million, which was 3% higher than in Q3 2005.

Investments

Lundbeck's total net investments in Q3 2006 amounted to DKK 150 million, down from DKK 205 million in Q3 2005 and DKK 207 million in Q2 2006. In Q3 2006, the Group invested primarily in production and research activities. The roll-out of SAP for the European subsidiaries also affected Q3 investments.

Cash flows

Lundbeck's operating activities generated a cash inflow of DKK 555 million in Q3 2006, compared with an inflow of DKK 649 million in the year-earlier period and DKK 135 million in Q2 2006. The free cash flow amounted to DKK 405 million in Q3 2006 as compared with DKK 444 million in the same period of last year. Relative to Q3 2005, the free cash flow is positively influenced by a high operating profit, while the decline in prepayments from Forest had an adverse impact.

Financing activities generated a cash outflow of DKK 369 million, primarily as a result of the share buyback programme. Financing activities generated a cash outflow of DKK 14 million in the year-earlier period and an inflow of DKK 532 million in Q2 2006.

Lundbeck's interest-bearing net cash (the Group's holding of cash and cash equivalents less interest-bearing debt) was DKK 815 million at 30 September 2006 against DKK 2,929 million at 30 September 2005 and DKK 661 million at 30 June 2006. 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 September 2006 amounted to DKK 6,475 million compared with DKK 7,894 million at 30 September 2005 and DKK 6,332 million at 30 June 2006. In Q3 2006, return on equity was 6.3% compared with 5.1% in the same period of last year and 2.1% in Q2 2006. The changes in equity are shown in appendix 4.

Incentive plans

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

Equity-settled schemes

In September 2005, Lundbeck granted warrants (equity-settled remuneration scheme), 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 scheme is comprised by the requirement on cost recognition at the date of grant. Accordingly, no regular value adjustments will be made, and the scheme will not affect the consolidated financial statements.

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

The liability based on the Black Scholes formula was DKK 51 million at 30 September 2006.

Debt plans

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

The value adjustment at 30 September 2006 of the "debt plans", including exercised plans, is recognised as a marginal cost in the income statement in Q3 2006. The liability for the debt-based remuneration plans based on the Black & Scholes formula was DKK 8 million at 30 September 2006.



Financial forecasts for 2006 and financial target for 2007

In connection with the initial public offering of LifeCycle Pharma (LCP), in which Lundbeck currently holds 30.5% of the shares, Lundbeck's Q4 profit from operations will be impacted in the amount of DKK 141 million.

In the case that LCP exercises the option for the "Green Shoe" (an extraordinary share issue made after the initial public offering) Lundbeck's share of ownership in LCP will decline from 30.5% to below 30%. This will entail a publication by Lundbeck of the reduced ownership as well as an additional gain recognised in Lundbeck's P&L and balance sheet for 2006.

Lundbeck retains its expectations of a profit from operations of approximately DKK 1.6 billion in 2006 excluding the financial gain from the initial public offering of LCP and the financial target for 2007 of an EBIT margin of 25% as most recently announced at the presentation of the interim report for the second quarter of 2006 on 16 August 2006.

Financial forecast and targets

	2006 forecast	2007 Target
Profit from operations	Approx. DKK 1.6bn*	-
EBIT margin	-	25%**

* Excluding the financial gain in Q4 2006 from the initial public offering of LifeCycle Pharma in the amount of DKK 141 million.

** Excluding potential milestone payment of USD 75 million from Merck & Co., Inc.



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.

Such 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 2006.

In our opinion, the interim report gives a true and fair view of the Group's financial position at 30 September 2006 and of the results of the Group's operations and cash flows for the period 1 July – 30 September 2006.

Valby, 15 November 2006

Supervisory Board

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Lars Bruhn

Kim Rosenville Christensen
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Birgit Bundgaard Rosenmeier
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Hans Henrik Munch-Jensen
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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 2005, the company's revenue was DKK 9.1 billion (approximately EUR 1.2 billion or USD 1.5 billion). The number of employees is approximately 5,000 globally. For further information, please visit www.lundbeck.com



Appendix 1 – key figures

Group

	2006 Q3	2005 Q3	2006 Q3	2006 9M	2005 9M	2006 9M
	DKKm	DKKm ****	EURm *	DKKm	DKKm ****	EURm *
FINANCIAL HIGHLIGHTS						
Revenue	2,247.5	2,265.3	301.3	6,678.2	6,768.5	895.2
Profit from operations	630.0	543.4	84.5	1,349.4	1,688.8	180.9
Net financials	20.0	21.3	2.7	(93.9)	175.4	(12.6)
Profit before tax	629.6	559.5	84.4	1,201.3	1,846.0	161.0
Tax	226.7	167.2	30.4	432.5	548.8	58.0
Profit for the period	402.9	392.3	54.0	768.8	1,297.2	103.1
Equity	6,474.7	7,894.1	868.2	6,474.7	7,894.1	868.2
Total assets	10,987.8	12,075.7	1,473.4	10,987.8	12,075.7	1,473.4
Cash flows from operating activities	554.6	649.1	74.3	982.7	1,756.9	131.7
Free cash flow	404.6	444.0	54.2	530.2	1,406.4	71.1
RATIOS **						
	%	%	%	%	%	%
EBIT margin	28.0	24.0	28.0	20.2	25.0	20.2
Return on assets	8.2	8.3	8.2	18.0	24.5	18.0
R&D costs as a percentage of revenue	18.7	20.2	18.7	20.4	18.4	20.4
Return on equity	6.3	5.1	6.3	11.0	16.6	11.0
Solvency ratio	58.9	65.4	58.9	58.9	65.4	58.9
SHARE DATA ***						
	DKK	DKK	EURO	DKK	DKK	EURO
Earnings per share (EPS)	1.92	1.75	0.26	3.63	5.80	0.49
Diluted earnings per share (DEPS)	1.92	1.74	0.26	3.62	5.78	0.49
Cash flow per share	2.64	2.88	0.35	4.63	7.78	0.62
Net asset value per share	31.03	35.01	4.16	31.03	35.01	4.16
Market capitalisation (DKKm)	29,027	35,830	3,892	29,027	35,830	3,892
Market price, end of period	136.99	157.74	18.37	136.99	157.74	18.37
Price / Earnings	71.29	90.63	71.29	37.84	27.27	37.84
Price / Cash flow	51.80	54.78	51.80	29.61	20.28	29.61
Price / Net asset value	4.41	4.51	4.41	4.41	4.51	4.41

* Income statement items are translated into EUR at the average exchange rates during the period (1 January - 30 September 2006 rate 746.04 and 1 July - 30 September rate 745.96).

Balance sheet items are translated at the exchange rates at the balance sheet date (30 September 2006, rate 745.76).

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

*** Comparative figures involving number of shares have been restated using a factor of 0.9997 for the effect of employees' exercise of warrants.

**** The comparative figures for 2005 have been restated due to the implementation of a change to IAS 39 Financial instruments: Recognition and measurement.



Appendix 2 - profit & loss

DKKm	2006 Q3	2005 Q3	2006 9M	2005 9M	2005 Full year
Revenue	2,247.5	2,265.3	6,678.2	6,768.5	9,069.8
Cost of sales	371.6	384.1	1,228.8	1,194.7	1,487.6
Distribution costs	500.0	545.0	1,733.5	1,702.7	2,336.7
Administrative expenses	322.1	333.8	999.9	947.9	1,302.5
PROFIT BEFORE RESEARCH & DEVELOPMENT COSTS	1,053.8	1,002.4	2,716.0	2,923.2	3,943.0
Research and development costs	419.5	458.5	1,361.8	1,243.9	1,781.9
PROFIT BEFORE OTHER OPERATING ITEMS	634.3	543.9	1,354.2	1,679.3	2,161.1
Other operating income/(expenses)	(4.3)	(0.5)	(4.8)	9.5	8.4
PROFIT FROM OPERATIONS	630.0	543.4	1,349.4	1,688.8	2,169.5
Income from investments in associates	(20.4)	(5.2)	(54.2)	(18.2)	(35.4)
Net financials	20.0	21.3	(93.9)	175.4	129.5
PROFIT BEFORE TAX	629.6	559.5	1,201.3	1,846.0	2,263.6
Tax on profit for the period	226.7	167.2	432.5	548.8	667.4
PROFIT FOR THE PERIOD	402.9	392.3	768.8	1,297.2	1,596.2
Profit for the period allocated to:					
Shareholders in the parent company	402.9	392.3	768.8	1,306.3	1,605.3
Minority interests	0.0	0.0	0.0	(9.1)	(9.1)
NET PROFIT FOR THE PERIOD	402.9	392.3	768.8	1,297.2	1,596.2
Earnings per share (EPS) (DKK)	1.92	1.75	3.63	5.80	7.15
Diluted earnings per share (DEPS) (DKK)	1.92	1.74	3.62	5.78	7.13

Number of shares for calculating EPS and DEPS

EPS, Q3 2006 209,321,662
DEPS, Q3 2006 209,667,569

EPS, nine months 2006 212,041,560
DEPS, nine months 2006 212,381,098



Appendix 3 – balance sheet

DKK m	30.09.2006	30.09.2005	31.12.2005
ASSETS			
Intangible assets	1,643.2	1,671.6	1,671.2
Property, plant and equipment	3,597.7	3,377.7	3,480.4
Financial assets	226.5	451.6	445.3
Non-current assets	5,467.4	5,500.9	5,596.9
Inventories	1,171.9	1,204.4	1,267.1
Receivables	1,880.3	1,856.4	1,938.3
Available-for-sale financial assets	137.9	142.4	157.1
Other securities	1,412.5	2,421.9	2,210.6
Cash	917.8	949.7	458.1
Current assets	5,520.4	6,574.8	6,031.2
Assets	10,987.8	12,075.7	11,628.1
EQUITY AND LIABILITIES			
Share capital	1,059.4	1,135.7	1,136.1
Share premium	94.2	61.9	69.5
Retained earnings	5,321.1	6,696.5	6,286.1
Equity, H. Lundbeck A/S' shareholders	6,474.7	7,894.1	7,491.7
Minority interests	0.0	0.0	0.0
Equity	6,474.7	7,894.1	7,491.7
Provisions	491.8	480.9	522.5
Debt	1,432.4	382.7	377.8
Non-current liabilities	1,924.2	863.6	900.3
Provisions	6.7	14.1	8.1
Bank and mortgage debt	82.6	60.3	50.9
Trade payables	488.0	519.8	740.2
Prepayments from Forest	969.2	1,330.6	1,393.1
Other payables	1,042.4	1,393.2	1,043.8
Current liabilities	2,588.9	3,318.0	3,236.1
Total liabilities	4,513.1	4,181.6	4,136.4
Total equity and liabilities	10,987.8	12,075.7	11,628.1



Appendix 4 – statement of change in equity

	Share capital DKKkm	Share premium DKKkm	Retained earnings DKKkm	H. Lundbeck A/S' shareholders total DKKkm	Minority interests DKKkm	Equity Group DKKkm
2006						
Equity at 1.1.2006	1,136.1	69.5	6,286.1	7,491.7	-	7,491.7
Adjustment, deferred gains/losses, hedging	-	-	123.8	123.8	-	123.8
Realised gains/losses, hedging	-	-	54.8	54.8	-	54.8
Realised gains/losses, trading (transferred from hedging)	-	-	33.2	33.2	-	33.2
Exchange adjustment, associates	-	-	(3.9)	(3.9)	-	(3.9)
Fair value adjustment of available-for-sale financial assets	-	-	14.5	14.5	-	14.5
Tax on equity entries	-	-	(59.3)	(59.3)	-	(59.3)
Recognised directly in equity	-	-	163.1	163.1	-	163.1
Retained earnings	-	-	768.8	768.8	-	768.8
Total net income	-	-	931.9	931.9	-	931.9
Distribution of dividend, 24.4.2006, gross	-	-	(477.2)	(477.2)	-	(477.2)
Distribution of dividend, 24.4.2006, treasury shares	-	-	32.7	32.7	-	32.7
Capital increase through exercise of warrants	1.2	24.7	-	25.9	-	25.9
Capital reduction	(77.9)	-	-	(77.9)	-	(77.9)
Nominal value of delisted shares	-	-	77.9	77.9	-	77.9
Buyback of treasury shares	-	-	(1,530.3)	(1,530.3)	-	(1,530.3)
Other transactions	(76.7)	24.7	(1,896.9)	(1,948.9)	-	(1,948.9)
Equity at 30.9.2006	1,059.4	94.2	5,321.1	6,474.7	-	6,474.7
2006						
Equity at 30.6.2006	1,136.7	80.9	5,113.9	6,331.5	-	6,331.5
Adjustment, deferred gains/losses, hedging	-	-	(10.0)	(10.0)	-	(10.0)
Realised gains/losses, hedging	-	-	(2.9)	(2.9)	-	(2.9)
Realised gains/losses, trading (transferred from hedging)	-	-	-	-	-	-
Exchange adjustment, associates	-	-	1.8	1.8	-	1.8
Fair value adjustment of available-for-sale financial assets	-	-	(4.5)	(4.5)	-	(4.5)
Tax on equity entries	-	-	3.6	3.6	-	3.6
Recognised directly in equity	-	-	(12.0)	(12.0)	-	(12.0)
Retained earnings	-	-	402.9	402.9	-	402.9
Total net income	-	-	390.9	390.9	-	390.9
Distribution of dividend, 24.4.2006, gross	-	-	-	-	-	-
Distribution of dividend, 24.4.2006, treasury shares	-	-	-	-	-	-
Capital increase through exercise of warrants	0.6	13.3	-	13.9	-	13.9
Capital reduction	(77.9)	-	-	(77.9)	-	(77.9)
Nominal value of delisted shares	-	-	77.9	77.9	-	77.9
Buyback of treasury shares	-	-	(261.6)	(261.6)	-	(261.6)
Other transactions	(77.3)	13.3	(183.7)	(247.7)	-	(247.7)
Equity at 30.9.2006	1,059.4	94.2	5,321.1	6,474.7	-	6,474.7



Appendix 5 – cash flow statement

DKKm	2006 Q3	2005 Q3	2006 9M	2005 9M	2005 Full year
Cash flows from operating activities	554.6	649.1	982.7	1,756.9	2,071.5
Cash flows from investing activities	(150.0)	(205.1)	(452.5)	(350.5)	(634.8)
Free cash flow	404.6	444.0	530.2	1,406.4	1,436.7
Cash flows from financing activities	(369.5)	(13.5)	(855.0)	(949.3)	(1,681.9)
Increase/(decrease) in cash and cash equivalents	35.1	430.5	(324.8)	457.1	(245.2)
Cash and cash equivalents at beginning of period	2,295.8	2,938.8	2,668.7	2,902.3	2,902.3
Unrealised exchange differences for the period	(0.6)	2.3	(13.6)	12.2	11.6
Increase/(decrease) for the period	35.1	430.5	(324.8)	457.1	(245.2)
Cash and cash equivalents at 30.9	2,330.3	3,371.6	2,330.3	3,371.6	2,668.7
Interest-bearing net cash is composed as follows:					
Cash and securities exclusive of treasury shares	2,330.3	3,371.6	2,330.3	3,371.6	2,668.7
Interest-bearing debt	(1,515.0)	(443.0)	(1,515.0)	(443.0)	(428.7)
Interest-bearing net cash at 30.9	815.3	2,928.6	815.3	2,928.6	2,240.0