

Specialist in
psychiatric and
neurological
disorders



**2018 ANNUAL GENERAL MEETING
H. LUNDBECK A/S**

20 March 2018



Welcome



LARS SØREN RASMUSSEN

Chairman of the Board of Directors

Executive Management



**ANDERS
GÖTZSCHE**



**ANDERS GERSEL
PEDERSEN**



JACOB TOLSTRUP



LARS BANG



**PETER
ANASTASIOU**

Update regarding appointment of new CEO

- ★ Kåre Schultz resigned as CEO in September 2017 and left Lundbeck in October 2017
- ★ Anders Götzsche was appointed interim CEO per November 2017
- ★ The search for a new CEO is ongoing and will be concluded as soon as possible

Board of Directors



**LARS SØREN
RASMUSSEN**



**LENE SKOLE-
SØRENSEN**



JEREMY MAX LEVIN



**MONA ELISABETH
ELSTER**



**LARS ERIK
HOLMQVIST**



**HENRIK SINDAL
JENSEN**

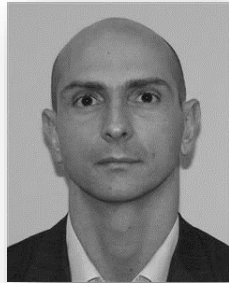


**JØRN MØLLER
MAYNTZHUSEN**



JENS JESPER OVESEN

Newly elected employee representatives



**LUDOVIC TRANHOLM
OTTERBEIN**



**RIKKE KRUSE
ANDREASEN**



**JØRN MØLLER
MAYNTZHUSEN**

Agenda

1. Report of the Board of Directors on the Company's activities during the past year
2. Presentation and approval of the annual report
3. Resolution on the appropriation of profit or loss as recorded in the adopted annual report
4. Election of members to the Board of Directors
5. Approval of remuneration for the Board of Directors for the current financial year
6. Election of one or two state-authorized public accountants
7. Any proposals by shareholders or the Board of Directors
8. Any other business

Item 1 and 2:

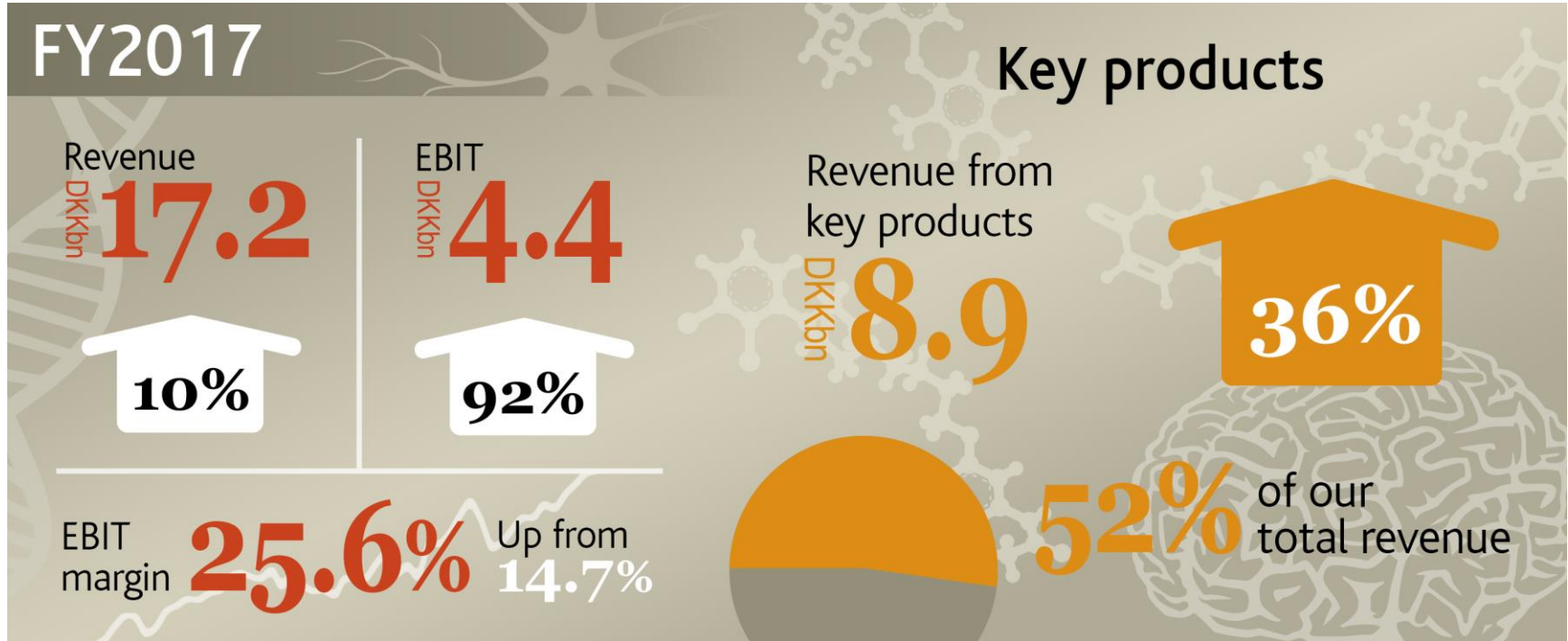
Report from the Board of Directors and 2017 Annual Report



LARS SØREN RASMUSSEN

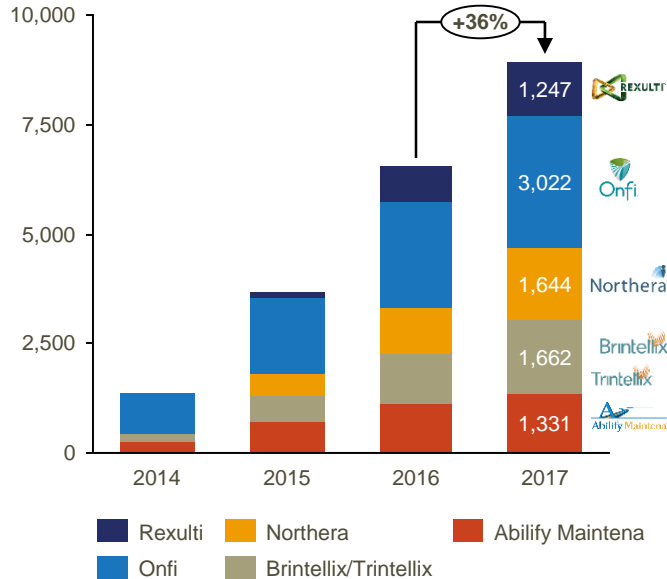
Chairman of the Board of Directors

Best financial results in the history of Lundbeck

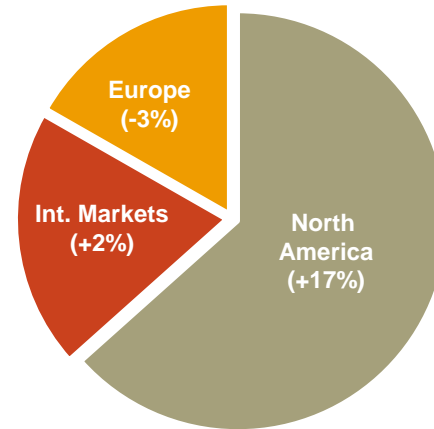


Solid growth in key products and geographic split

Key products
(2017 vs. 2016 - DKKm)

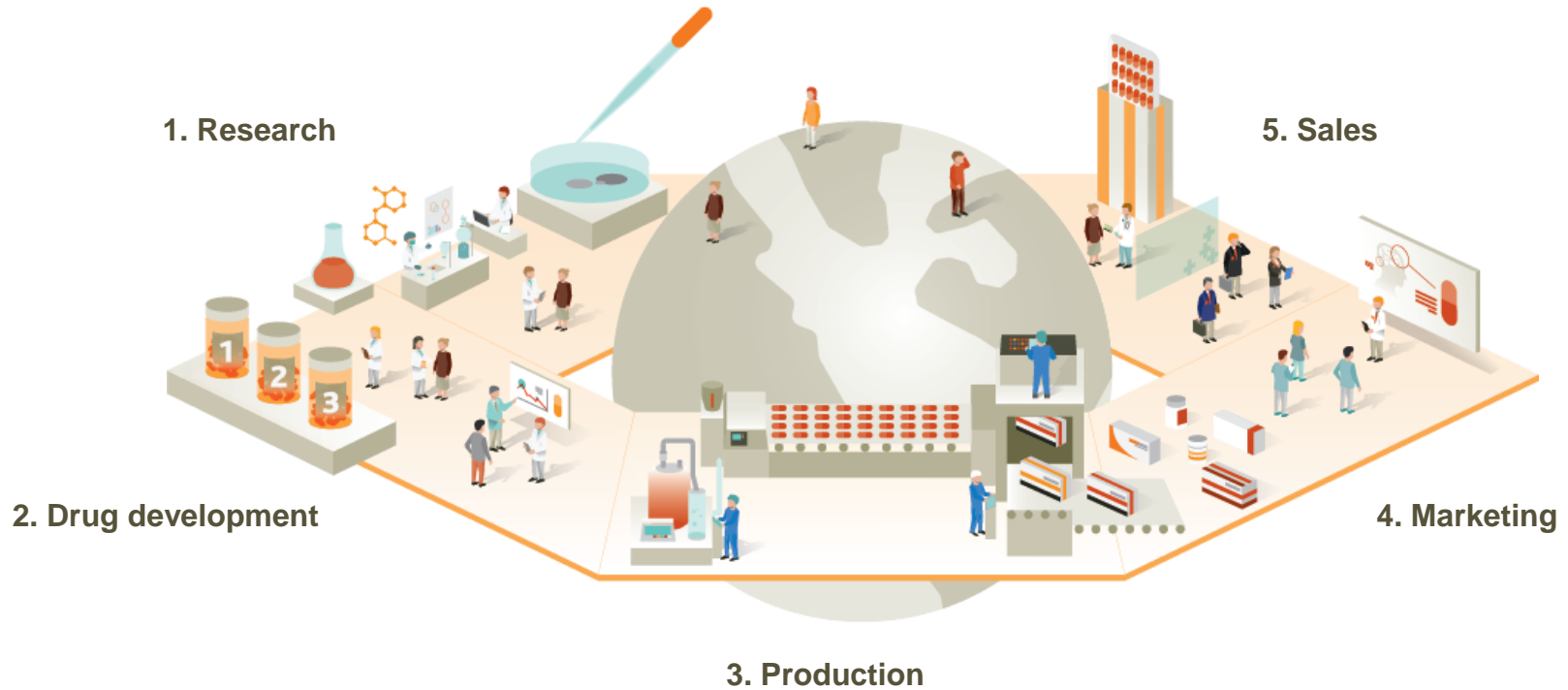


Revenue distribution*
(regional split)



*) Excluding Other revenue

Lundbeck's value chain



Research & Development in Lundbeck

Innovation focused across four key disease areas



Depression



Schizophrenia



Alzheimer's disease



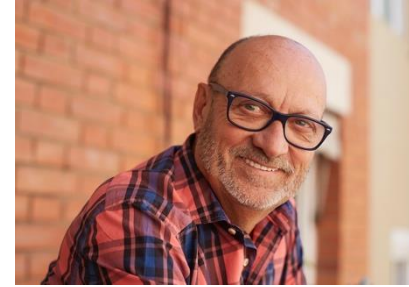
Parkinson's disease

Global disease burden



21 million

people worldwide are living with schizophrenia



6 million

people worldwide are living with Parkinson's disease

300 million

people worldwide are living with depression



50 million

people worldwide are living with Alzheimer's disease and other dementias



Lundbeck's patient footprint



Lundbeck's legacy portfolio
of invented products helps

50 million patients

Lundbeck

Generics

2017 financial performance aligned with expectations

	Guidance 2017 DKKbn	Reported 2017 DKKbn	Reported 2016 DKKbn	Index
Revenue	16.9 - 17.4	17,234	15,634	110
EBIT	4.3 - 4.6	4,408*	2,292	192
EBIT margin		25.6%*	14.7%	

*Includes gain from divestment of properties of DKK 242 million.
Excluding this, the EBIT margin was 24.2%

Financial results

<i>DKKm</i>	2017	2016	Index
Revenue	17,234	15,634	110
Cost of sales	3,881	4,082	95
Sales and distribution costs	5,649	5,488	103
Administrative expenses	833	805	103
Research and development costs	2,705	2,967	91
Other operating income	242	0	N/A
Profit from operations (EBIT)	4,408	2,292	192
<i>EBIT margin</i>	<i>25.6%</i>	<i>14.7%</i>	
Net financials	(131)	(135)	97
Profit before tax	4,277	2,157	198
Tax on profit for the year	1,653	946	175
Profit for the year	2,624	1,211	217
Earnings per share, basic - EPS (DKK)	13.28	6.12	217

Cash flow

<i>DKK</i> m	2017	2016
Cash flows from operating activities	4,045	3,126
Cash flows from investing activities	(1,830)	(337)
Cash flows from operating and investing activities (free cash flow)	2,215	2,789
Cash flows from financing activities	(2,235)	(2,006)
Net cash flow for the year	(20)	783
Cash, bank balances and securities, end of year	3,677	2,217
Interest-bearing debt	-	(1,891)
Net cash/(net debt)	3,677	326

Balance sheet and net interest-bearing cash

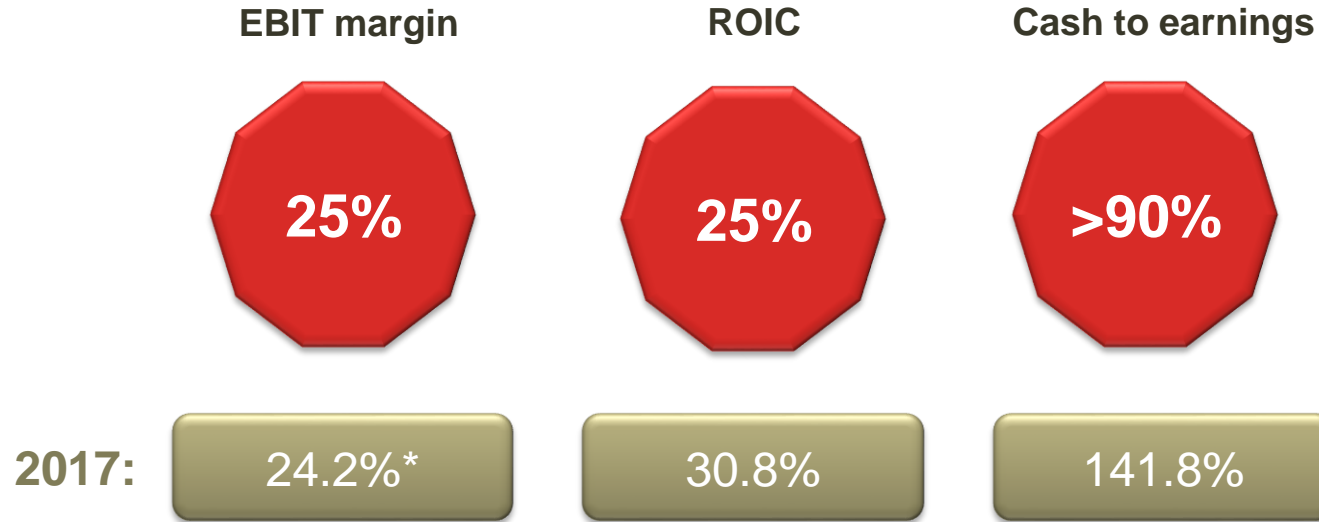
<i>DKKm</i>	2017	2016
Intangible assets	7,565	8,839
Other non-current assets	3,347	3,847
Current assets	8,844	7,524
Assets	19,756	20,210
Equity	12,181	9,694
Non-current liabilities	1,096	2,740
Current liabilities	6,479	7,776
Equity and liabilities	19,756	20,210
Cash and bank balances	2,155	2,200
Securities	1,522	17
Interest-bearing debt	-	(1,891)
Interest-bearing debt, cash, bank balances and securities, net end of year	3,677	326

2018 financial outlook

<i>DKKbn</i>	2016	2017	2018 guidance	Growth
Revenue	15.6	17.2	17.2 - 18.0	0-5%
EBIT	2.3	4.4	4.8 - 5.2	9-18%
<i>EBIT margin</i>	14.7%	25.6%*	~27-30%	-

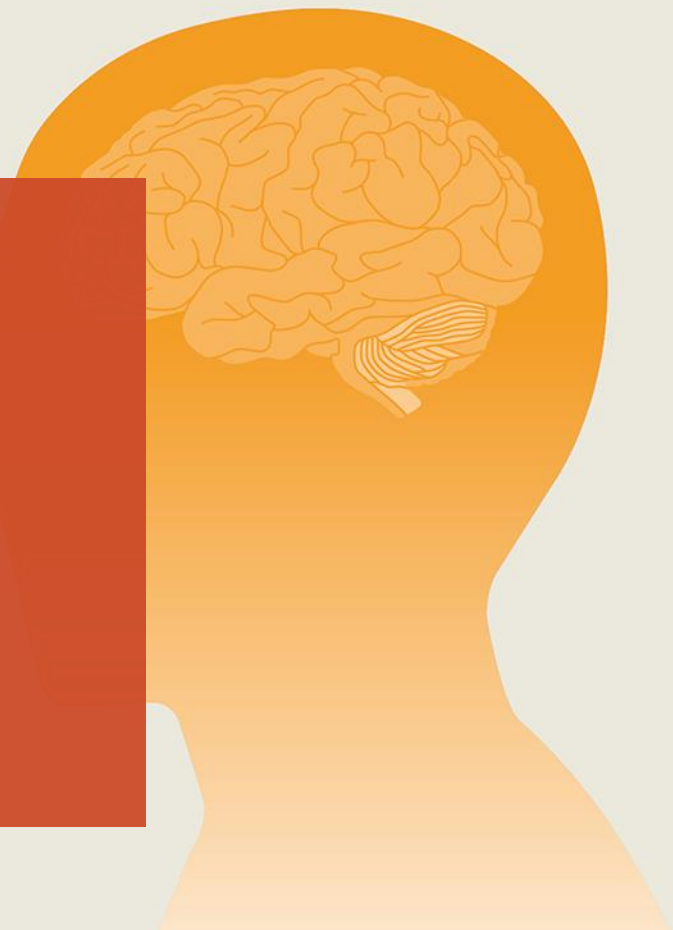
*) Adjusted for gains from divestment of properties of DKK 242 million, the EBIT margin was 24.2%

Long-term financial targets



*Excluding gain from divestment of properties

**ITEM 2:
APPROVAL OF THE ANNUAL REPORT**



**ITEM 3:
RESOLUTION ON THE APPROPRIATION OF
PROFIT OR LOSS**



Item 3:

Resolution on distribution of profit or loss

<i>DKKm</i>	2017	Share
Profit for the year	2,624	
Transfer to distributable reserves	1,032	39%
Proposed dividends for the year	1,592	61%
Proposed dividend per share (DKK)	8.00	

**ITEM 4:
ELECTION OF MEMBERS TO THE BOARD OF
DIRECTORS**



Members of the Board of Directors - elected at the 2017 AGM

Members	Independent	Remuneration Committee	Audit Committee	Scientific Committee
Lars Søren Rasmussen, Chairman	Yes	√ _C	√	
Lene Skole-Sørensen, Deputy Chairman	No	√		√
Jens Jesper Ovesen	Yes		√ _C	
Lars Erik Holmqvist	No		√	
Jeremy Max Levin	Yes			√ _C
Henrik Sindal Jensen	Members elected by the employees for the period 2014-2018			
Jørn Møller Mayntzhusen				
Mona Elisabeth Elster				

C = Chairman of the Committee

Members of the Board of Directors

- proposed for election at the 2018 AGM

Members	Independent
Lars Søren Rasmussen	Yes
Lene Skole-Sørensen	No
Henrik Andersen	Yes
Lars Erik Holmqvist	No
Jeremy Max Levin	Yes
Jeffrey Berkowitz	Yes
Ludovic Tranholm Otterbein	Members elected by the employees for the period 2018-2022
Rikke Kruse Andreasen	
Jørn Møller Mayntzhusen	

Item 4:

Election of board members



**LARS SØREN
RASMUSSEN**



**LENE SKOLE-
SØRENSEN**



HENRIK ANDERSEN



LARS ERIK HOLMQVIST



JEREMY MAX LEVIN



JEFFREY BERKOWITZ

ITEM 5: APPROVAL OF REMUNERATION

Item 5:

Approval of remuneration

Approval of remuneration for the Board of Directors for the current financial year

Board of Directors <i>DKK</i>	Current	Proposal
Members of the Board	350,000	350,000
Deputy Chairman	700,000	700,000
Chairman	1,050,000	1,050,000

Committees <i>DKK</i>	Current	Proposal
Members of the Committee	200,000	200,000
Chairman	300,000	300,000

**ITEM 6:
ELECTION OF STATE-AUTHORIZED PUBLIC
ACCOUNTANTS**



Item 6:

Election of State-Authorized Public Accountants

Deloitte, Statsautoriseret Revisionspartnerselskab



Erik Holst Jørgensen

State-Authorized Public Accountant



Sumit Sudan

State-Authorized Public Accountant

**ITEM 7:
PROPOSALS FROM SHAREHOLDERS OR THE
BOARD OF DIRECTORS**



Item 7:

Proposals from shareholders or the Board of Directors

7.1. Acquisition of own shares

- It is proposed to authorise the Board of Directors until the next annual general meeting to allow the Company to acquire own shares of a total nominal value of up to 10% of the share capital in accordance with applicable law. The purchase price for the relevant shares may not deviate by more than 10% from the price quoted on Nasdaq Copenhagen A/S at the time of the acquisition.

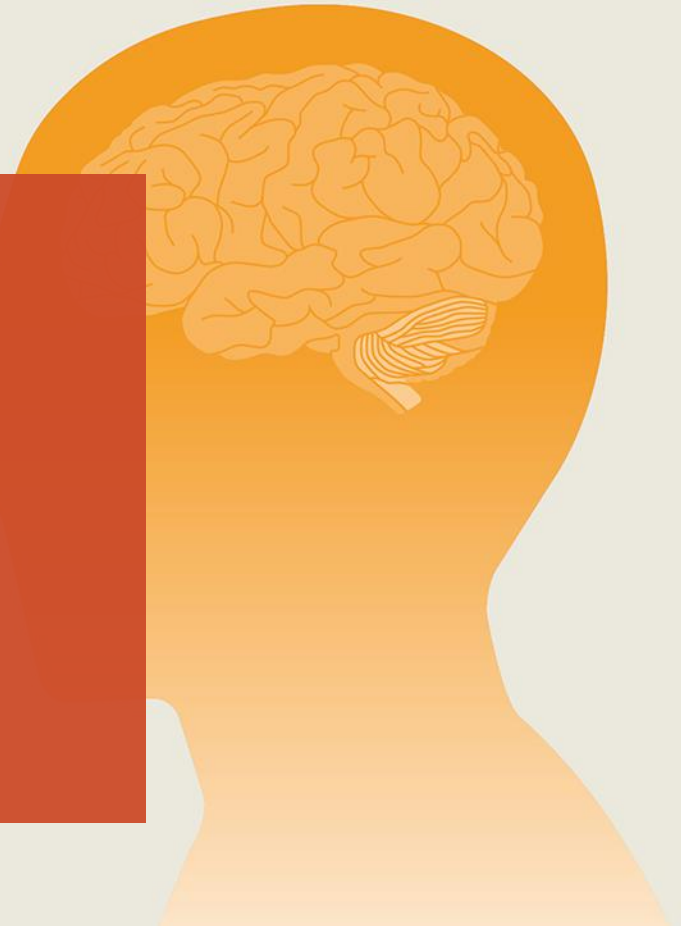
Item 7:

Proposals from shareholders or the Board of Directors

7.2. Registration of the adopted amendments

- The Board of Directors proposes to authorise the Chairman of the general meeting to make such amendments and additions to the resolutions passed by the general meeting and the application for registration with the Danish Business Authority that may be required by the Danish Business Authority in connection with the registration of the adopted amendments.

**ITEM 8:
ANY OTHER BUSINESS**



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THANK YOU AND GOODBYE

See you at next year's Annual General Meeting

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