

# DDF's Virksomhedsdag

Claus Bræstrup, CEO

---



The specialist in psychiatry  
and pioneer in neurology



# Safe Harbour Statement

---

This presentation contains forward-looking statements that provide our expectations or forecasts of future events such as new product introductions, 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 and it may cause any or all of our forward-looking statements here or in other publications to be wrong. Factors that may affect future results include interest rate and currency 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.



# **Lundbeck is an international pharmaceutical company specializing in central nervous system disorders**

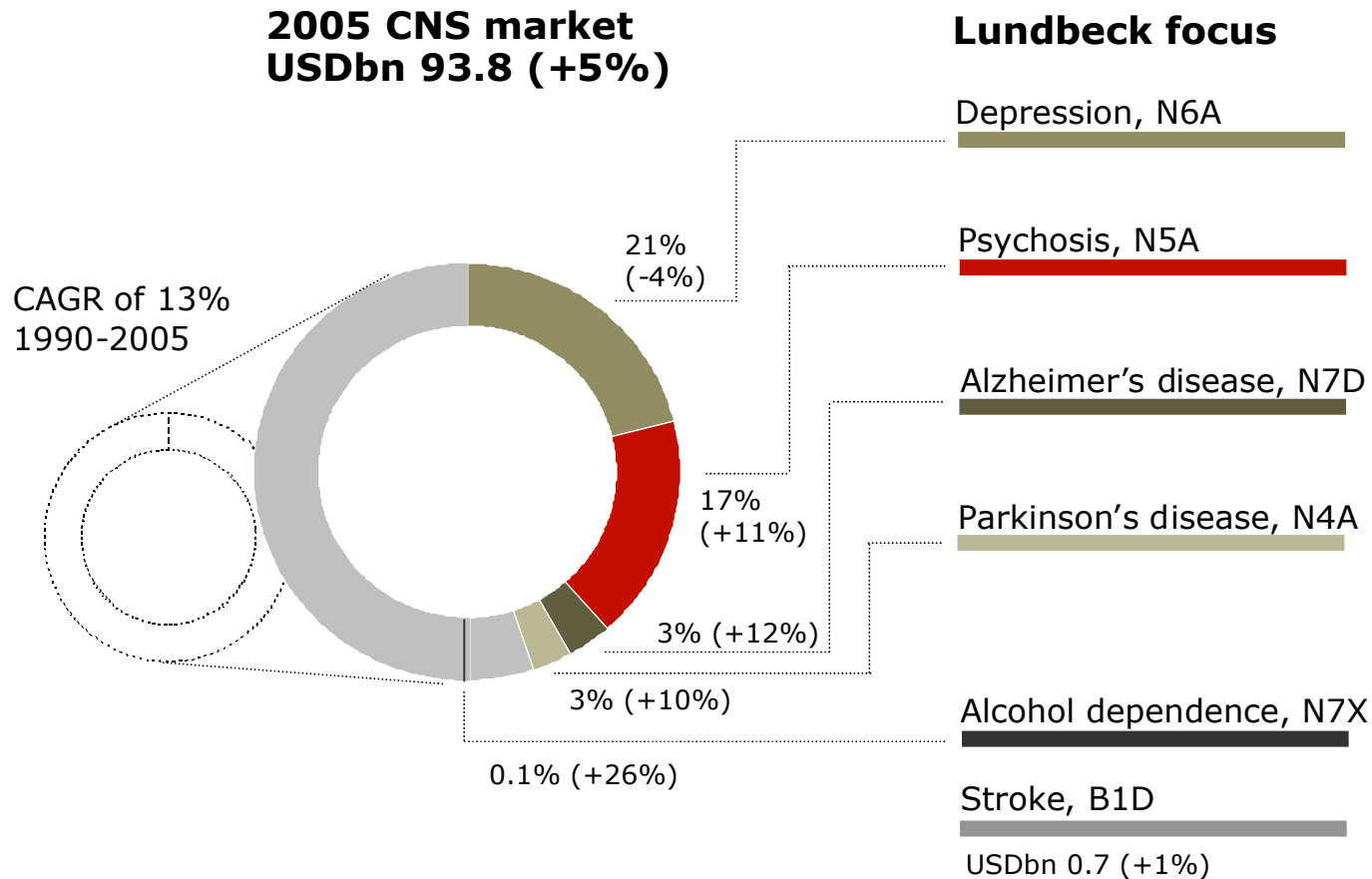
---

## **Facts on Lundbeck:**

- **Founded by Hans Lundbeck in 1915**
- **An integrated company with core competencies in research, development, production, marketing and sales**
- **International presence with pharmaceuticals in more than 90 markets**
- **Marketed pharmaceuticals to treat Alzheimer's disease, depression, anxiety, Parkinson's disease and schizophrenia**
- **Headquarters in Copenhagen, Denmark**
- **Approximately 5,000 employees**



# CNS: world's biggest niche (17% of world pharmaceutical sales)...



Source: IMS world review 2006



## ... and Lundbeck holds a broad CNS portfolio of current products and projects in late-stage development

	<u>Launched products</u>	<u>Late-stage pipeline</u>
<u>Depression, N6A</u>	Cipralex <sup>®</sup> , 2002 / Lexapro <sup>®</sup> , 2002 (US partner, Forest Labs.)	Lu AA 21004, phase II
<u>Psychosis, N5A</u>	Serdolect <sup>®</sup> , 2006	Bifeprunox (Solvay), phase III Lu 31-130, phase II
<u>Alzheimer's disease, N7D</u>	Ebixa <sup>®</sup> (Merz), 2002	
<u>Parkinson's disease, N4A</u>	Azilect <sup>®</sup> (Teva), 2005	
<u>Alcohol dependence, N7X</u>		Nalmefene (BioTie), phase III
<u>Stroke, B1D</u>		Desmoteplase (PAION), phase III



# Cipralex® / Lexapro® - best-in-class antidepressant

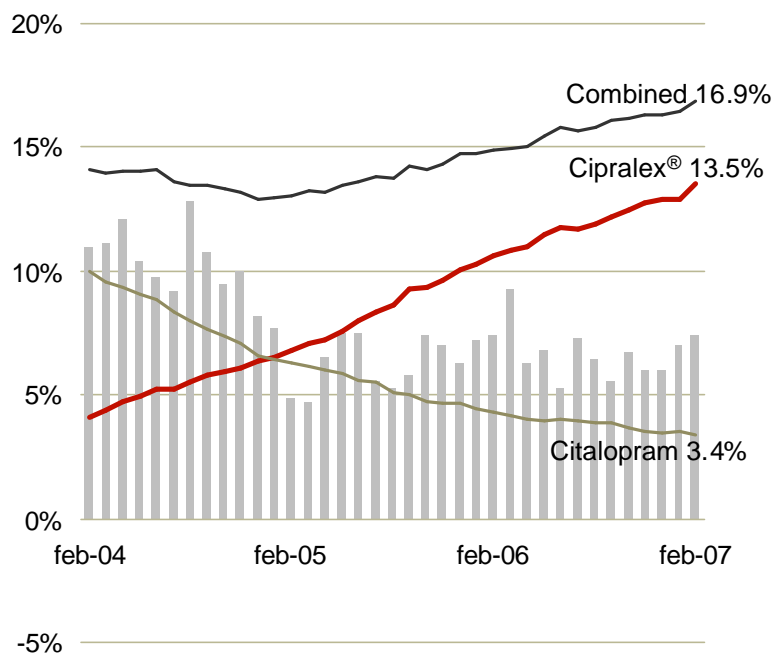
	Comparator	Presented	Main outcome
Depression	Venlafaxine XR (Effexor)	SCNP, April 2003	Escitalopram was <b>at least as effective</b> and was <b>better tolerated</b> than venlafaxine XR. Escitalopram treated patients reached sustained response and remission <b>significantly faster</b> .
	Venlafaxine XR (Effexor)	ECNP, September 2003	Escitalopram was <b>at least as effective</b> and <b>better tolerated</b> than venlafaxine XR. Escitalopram was <b>significantly more effective</b> than venlafaxine XR in treating severely depressed patients.
	Sertraline (Zoloft)	ACNP, December 2003	The starting dose of escitalopram was comparable efficacious to optimally dosed sertraline.
	Citalopram (Celexa/Cipramil)	International Clinical Psychopharmacology, April 2005	Escitalopram was <b>significantly more efficacious</b> than citalopram.
	Paroxetine (Paxil)	IADC, February 2006	Escitalopram was <b>significantly more effective</b> than paroxetine in the 24-week treatment of patients with severe MDD.
	Duloxetine (Cymbalta)	ACNP, December 2006	Escitalopram was <b>better tolerated</b> and <b>at least as effective</b> as duloxetine in the treatment of MDD.
	Comparator	Presented	Main outcome
Anxiety	Paroxetine (Paxil)	SCNP, April 2003	Escitalopram was <b>significantly superior</b> to paroxetine after 24 weeks of treatment of SAD and showed <b>fewer discontinuation effects</b> .
	Paroxetine (Paxil)	ACNP, December 2003	Escitalopram was <b>as effective</b> as paroxetine in the long-term treatment of GAD and was <b>better tolerated</b> .
	Paroxetine (Paxil)	ECNP, October 2004	Escitalopram was <b>superior</b> to paroxetine for the change from baseline to Week 12 in the treatment of GAD and showed <b>fewer discontinuation effects</b> .

# Cipralex® / Lexapro® - growth in market share as well as underlying market growth

## Antidepressant market

### Europe

Market share, value – market growth, volume

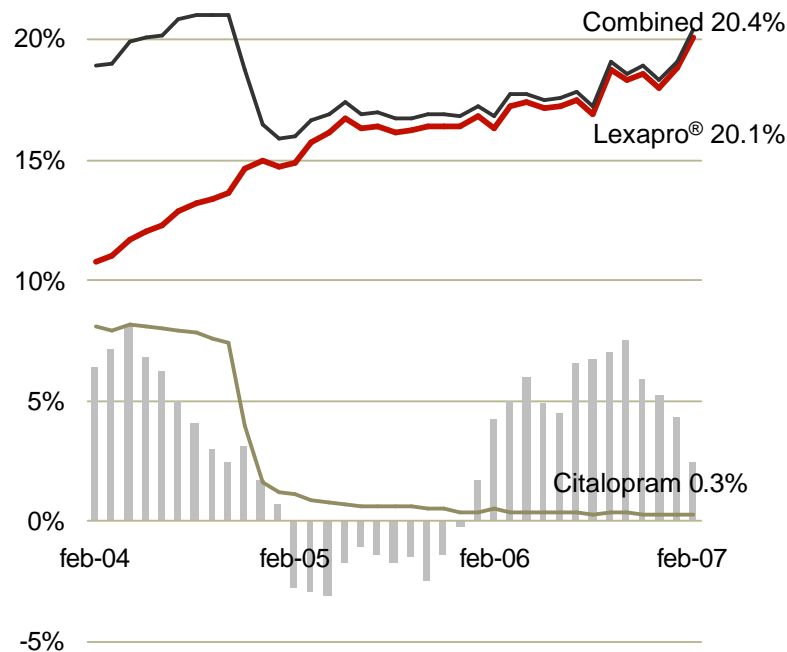


- Market volume growth (3 months average)
- Cipralex®
- Combined
- Citalopram

Source: IMS Health, December 2006

### USA

Market share, value – market growth, volume



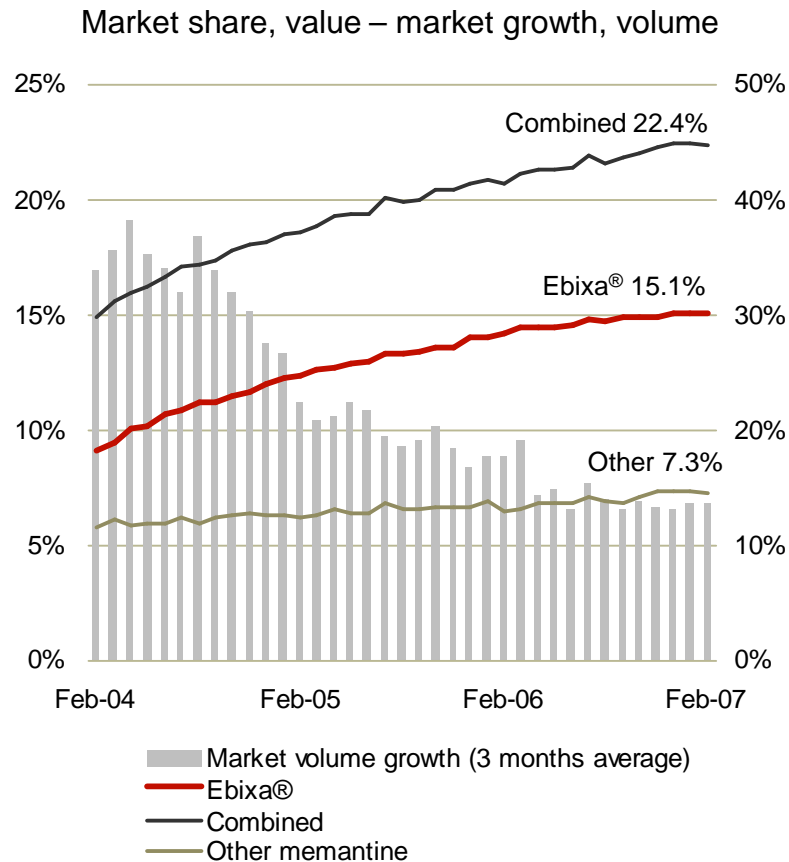
- Market volume growth (3 months average)
- Lexapro®
- Combined
- Citalopram



# Ebixa® - Lundbecks second largest product

## Anti-alzheimers market shares

### Europe



Source: IMS Health, December 2006

- Ebixa® available for patients diagnosed with moderate to severe Alzheimers Disease
- Memantine is the second most prescribed antialzheimer compound in Europe

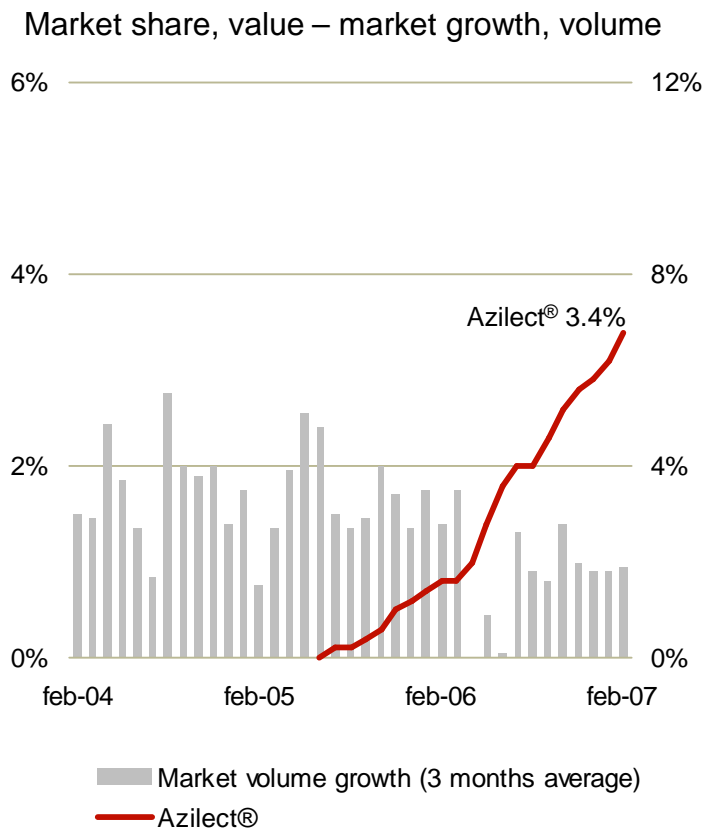




# Azilect® - launched in more than 20 countries

## Anti-parkinsons market shares

### Europe



- Lundbeck has launched Azilect® in more than 20 countries
- Once daily treatment
- Approved for monotherapy and adjunct therapy with levodopa treatment

Source: IMS Health, December 2006

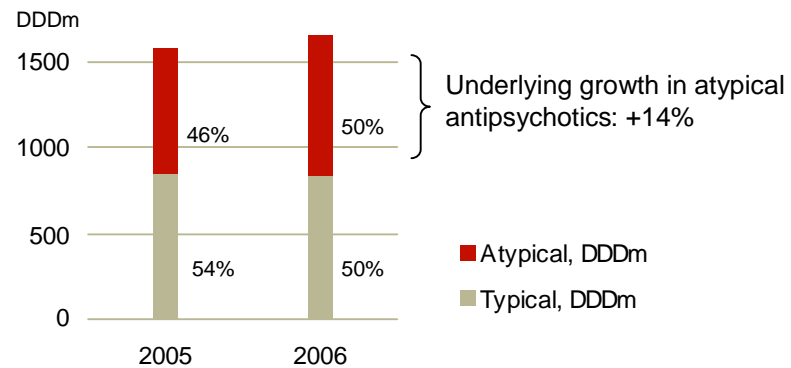


# Launch of new compound – Serdolect®

---

## Value conversion

Europe – antipsychotic market in volume



Source: IMS Health, December 2006 & Lundbeck market research

- Value conversion driving growth in European market
- Expected launch in approximately 20 countries in 2007
- Serdolect® is developed by Lundbeck and the company holds world-wide rights



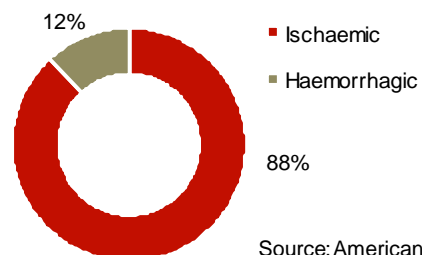
# Late stage pipeline - Desmoteplase (phase III) for the treatment of ischaemic stroke

- Potentially first compound to treat patients within an up to 9 hours treatment window
- Inlicensed from PAION, Germany
- Lundbeck holds world wide rights excluding USA and Canada

## Strategic fit:

- Highly innovative compound
- Administered by neurologists

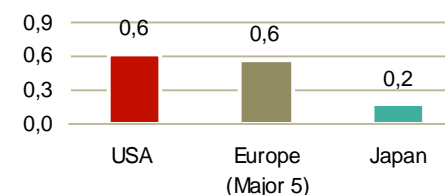
## Disease management



Source: American Heart Association

## Prevalence

Stroke patients, mio.



Source: Decision Resources, COGNOS, February 2004

## In addition

- Desmoteplase is a novel plasminogen activator, or blood-clot dissolving agent
- Limit the often fatal consequences of ischaemic stroke



# Late stage pipeline

## - Nalmefene for the treatment of alcohol dependence

---

- Potentially new treatment paradigm
- Inlicensed from BioTie, Finland
- Lundbeck holds world wide rights excluding North America, Mexico, UK, Ireland, Turkey, and South-Korea
- Awaiting feed back from authorities regarding regulatory filing requirements

### Strategic fit:

- Leverage on existing European GP and specialist sales force
- Co-morbidity to other psychiatric disorders

### Prevalence










Estimated 5-6% of population suffers from alcohol abuse or heavy drinking

### In addition

Opioid receptor antagonist for the treatment of substance abuse disorders and impulse control disorders



# Pharmaceuticals in clinical development

Indication Compound	Activity	Development step			Registration application	Expected launch
		Phase I	Phase II	Phase III		
Schizophrenia Bifeprunox	Dopamin/ serotonin				2009+	
Stroke Desmoteplase	Plasminogen activator				2009+	
Alcohol dependence Nalmefene	Specific opioid receptor antagonist				--	
Depression Lu AA21004	Serotonin Modulator & Stimulator				2009+	
Psychosis Lu 31-130	Monoaminergic				2009+	
Depression Lu AA24530	Multiple target				2009+	
Depression Lu AA34893	Multiple target				2009+	
Mood Disorders Lu AA44608	Selective NPY receptor antagonist				2009+	
Psychosis Lu AA39959	Ion Channels Modulator				2009+	

# Financial guidance and significant news flow

---

## Financial guidance

2006 actual		2007 guidance
DKK 1,784 million	EBIT	More than DKK 2.5 billion
19.3%	EBIT margin	25%
DKK 762 million	Capex	DKK 650 million

## Significant news flow

### Desmoteplase

- Phase III headline data (DIAS-2) to be announced mid 2007

### Lu AA21004

- Phase II data to be announced by the end of 2007

### New drug candidates

- Expected 2-3 new candidates entering clinical phase I



# Q&A

---



The specialist in psychiatry  
and pioneer in neurology

