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New incentive plans in the Lundbeck Group

H. Lundbeck A/S (Lundbeck) today announced that the Board of Directors of H. Lundbeck A/S has resolved, pursuant to the authorisation in article 4.4 of the company's articles of association, to issue warrants for up to a nominal value of DKK 8,750,000, corresponding to 1,750,000 shares of DKK 5 each. However, if the principles for determining the exercise price mean that the value of an issued warrant is lower than the value of a warrant calculated as per 21 March 2012, which entitles the holder to subscribe to one share at market price as per 21 March 2012, this may result in the issuance of a greater number of warrants, although this may not exceed the total remaining authorisation to the Board of Directors in article 4.4 of the articles of association, i.e. a total maximum nominal amount of DKK 8,750,000 of warrants, corresponding to 1,750,000 shares of DKK 5 each.

Executive Management

A one-off Matching Warrant Programme will be offered to members of H. Lundbeck A/S' Executive Management. If the Executive Management team participate in the one-off Matching Warrant Programme, the CEO is offered an opportunity to invest DKK 10 million and other members of the Executive Management are offered an opportunity to invest DKK 4 million in Lundbeck shares at the current market value during 2012. The Executive Management team will be offered an opportunity to subscribe to a number of warrants under the one-off Matching Warrant Programme corresponding to 4 warrants for each share in H. Lundbeck A/S that could have been purchased for the amount of DKK 10 million by the CEO and DKK 4 million by other members of the Executive Management at the average price of the H. Lundbeck A/S share on NASDAQ OMX Copenhagen A/S (all trades) on the business days during the period from 22 March 2012 to 10 April 2012, inclusive.

If the CEO chooses not to invest up to DKK 10 million and other members of the Executive Management up to DKK 4 million in Lundbeck shares at the market value during 2012, a pro rata part of the warrants will lapse.

The right to subscribe to warrants pursuant to the applicable terms and conditions will generally be granted in April 2012, although the right to subscribe to warrants may be granted until 31 December 2012.

One warrant entitles the holder to subscribe to 1 (one) Lundbeck share of DKK 5 nominal value. The subscription to shares will take place at a price per share of DKK 5 nominal value corresponding to the average price of the H. Lundbeck A/S share on NASDAQ OMX Copenhagen A/S (all trades) on the business days during the period from 22 March 2012 to 10 April 2012, inclusive.

A part of the warrants will vest - and can be exercised - after a period of respectively 3 years (20%), 4 years (30%) and 5 years (50%), provided that the employment in the Lundbeck Group for bad leavers is

not under notice or cancelled and the shareholding is continued. The warrants will lapse if not exercised before 31 December 2018.

In accordance with the revolving incentive plan for Executive Management, the Board of Directors resolved to grant the individual Executive Management members a number of restricted shares in H. Lundbeck A/S. The individual Executive Management member will receive a number of restricted shares at a value corresponding to 8 months' worth of base salary calculated on the basis of the average price of the H. Lundbeck A/S share on NASDAQ OMX Copenhagen A/S (all trades) on the business days during the period from 22 March 2012 to 10 April 2012, inclusive. The restricted shares are granted on terms and conditions consistent with the remuneration guidelines for the Executive Management of H. Lundbeck A/S that were adopted at the company's annual general meeting held on 29 March 2012.

All of the restricted shares will be available in 2015, 3 years after the grant, and subject to H. Lundbeck A/S achieving the economic targets for vesting and also under the provision that the employment in the Lundbeck Group for bad leavers is not under notice or cancelled during the period from the grant in 2012 up to and including the 3-year period from grant.

Non-executive employees

Non-executive employees appointed by H. Lundbeck A/S' Executive Management, who are employed by H. Lundbeck A/S or H. Lundbeck A/S' subsidiaries, are eligible to receive warrants. The abovementioned subsidiaries comprise Danish and foreign enterprises in which H. Lundbeck A/S directly or indirectly holds at least 50 % of the shares.

The Executive Management of H. Lundbeck A/S determines the number of warrants that each eligible recipient is entitled to subscribe.

All of the warrants subscribed to Non-executive employees will be available 3 years after the grant in 2015 and subject to H. Lundbeck A/S achieving the economic targets for vesting and also subject to the Non-executive employees' continued employment during the period from the grant in 2012 up to and including the 3-year period from grant.

The right to subscribe to warrants pursuant to the applicable terms and conditions will generally be granted in April 2012, although the right to subscribe to warrants may be granted until 31 December 2012.

One warrant entitles the holder to subscribe to 1 (one) Lundbeck share of DKK 5 nominal value. The subscription of shares will take place at a price per share of DKK 5 nominal value corresponding to the average price of the H. Lundbeck A/S share on NASDAQ OMX Copenhagen A/S (all trades) on the business days during the period from 22 March 2012 to 10 April 2012, inclusive. The warrants may be exercised during certain windows for 3-8 years after the date of grant.

The number of warrants granted to the Non-executive employees is calculated and determined when the exercise price is known. The value of the warrants granted is calculated using the Black & Scholes formula.



For Non-executive employees in the US subsidiaries, Stock Appreciation Rights and Restricted Cash Units on economic terms essentially corresponding to the terms for the warrants granted to other executive employees will be issued.

All programmes

The market value of the warrants at the time of the award in April 2012 is calculated at approximately DKK 39.6 million using the Black & Scholes formula based on market assumptions.

In the financial statements, the incentive programmes will be recognised in the income statement at fair value. Shares and warrants granted to Executive Management members - except for the one-off Matching Warrant Programme - are subject to achieving market goals, and the value of the award is therefore recognised in the income statement over the vesting period (three years). The value of other awards is recognised in the income statement at the date of grant.

Financial guidance

The content of this release will have no influence on the Lundbeck Group's financial guidance for 2012 which was provided on 8 February 2012 in connection with the release of the financial results for 2011.

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About Lundbeck

H. Lundbeck A/S (LUN.CO, LUN DC, HLUKY) is an international pharmaceutical company highly committed to improving the quality of life for people suffering from brain disorders. For this purpose, Lundbeck is engaged in the research, development, production, marketing and sale of pharmaceuticals across the world. The company's products are targeted at disorders such as depression and anxiety, psychotic disorders, epilepsy and Huntington's, Alzheimer's and Parkinson's diseases.

Lundbeck was founded in 1915 by Hans Lundbeck in Copenhagen, Denmark. Today Lundbeck employs approximately 6,000 people worldwide. Lundbeck is one of the world's leading pharmaceutical companies working with brain disorders. In 2011, the company's revenue was DKK 16.0 billion (approximately EUR 2.2 billion or USD 3.0 billion). For more information, please visit www.lundbeck.com.