



Release No 336

23 April 2008

New incentive plan in the Lundbeck Group

At a board meeting held on 22 April 2008, the Supervisory Board of H. Lundbeck A/S resolved, pursuant to the authorisation in article 4.3 of the company's articles of association, to issue warrants for up to a nominal value of DKK 2,500,000, corresponding to 500,000 shares.

Members of H. Lundbeck A/S' Executive Management, a coming member of H. Lundbeck A/S' Executive Management who will be appointed President and CEO, and executives 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 above-mentioned subsidiaries comprise Danish and foreign enterprises in which H. Lundbeck A/S directly or indirectly holds at least 50 % of the shares. A coming member of H. Lundbeck A/S' Executive Management who will be appointed President and CEO will only be eligible to receive warrants if this person takes up the position (first day of work) not later than on 1 October 2008. The members of the company's Supervisory Board are not comprised by the scheme.

The right to subscribe for warrants pursuant to the applicable terms and conditions will be granted on 6 May 2008. However, for the company's coming President and CEO the date of grant shall be the day on which such person takes up the position, provided that he or she takes up the position during the period from 6 May 2008 to 1 October 2008, inclusive. If one of the existing members of H. Lundbeck A/S' Executive Management is appointed as the company's President and CEO, the latter date of grant shall apply to the additional number of warrants that may be subscribed. See below.

All of the warrants subscribed or a part thereof will be available to members of the Executive Management on 6 May 2011 subject to H. Lundbeck A/S' ranking in a peer group of companies, including H. Lundbeck A/S, based on total shareholder return performance, and also subject to the Executive Management member's continuing employment in the period from 6 May 2008 until and including 6 May 2011. The same shall apply to warrants subscribed by the company's coming President and CEO, as the three-year period is calculated from the date when such persons takes up the position.

The Supervisory Board has fixed the number of warrants that each member of the Executive Management may subscribe as the number at market value corresponding to 8 months' worth of base salary in 2008 for the Executive Management member in question less 10% of 12 months' worth of base salary in 2008. The same applies to



the company's coming President and CEO, for whom 8 months' worth of base salary in 2008 is changed to 12 months' worth of base salary in 2008. If one of the existing members of the Executive Management is appointed as the company's President and CEO, only an additional number of warrants at market value corresponding to 4 months' worth of base salary as President and CEO will be granted in 2008 less 10% of the difference between 4 months' worth of base salary in 2008 before he or she takes up the position and 4 months' worth of base salary in 2008 as President and CEO.

Each warrant under the plan entitles the holder to subscribe 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 closing price of the H. Lundbeck A/S share on OMX Nordic Exchange Copenhagen (all trades) on the business days during the period from 23 April 2008 – 29 April 2008, inclusive, however, the price per DKK 1 nominal value must not be lower than 85% of the market price of the H. Lundbeck A/S share at the date of grant, all trades, divided by 5 and rounded up to the nearest whole number of kroner (exercise price). The warrants may be exercised in the period from the date of grant, 6 May 2011, until and including 5 May 2016, or in a corresponding 5-year period with respect to warrants subscribed by the company's coming President and CEO.

The number of warrants granted to existing members of the Executive Management is calculated and determined when the exercise price is known, however not later than on 5 May 2008. The maximum value on 6 May 2008 is calculated using the Black & Scholes formula based on the assumption that H. Lundbeck A/S ranks number one in the above-mentioned peer group.

The market value per warrant at the time of the award on 22 April 2008 is calculated at approximately DKK 31.20 based on the Black & Scholes formula on the following assumptions: an exercise price of DKK 112, a volatility of the Lundbeck share of 30%, a dividend payout ratio of 2.31%, a risk-free interest rate of 4.17% and an average holding period of approximately 68 months.

The Supervisory Board also resolved to grant the individual Executive Management members a number of free shares in H. Lundbeck A/S, the number of which is calculated by dividing 10% of each Executive Member's base salary in 2008 by the exercise price applicable for the warrants. However, the number of shares will be adjusted where necessary to comply with the 10% value limit stipulated by section 7 H(2)(ii) b of the Danish Tax Assessment Act. The 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 22 April 2008. The same applies to other senior employees and the company's coming President and CEO. However, additional shares corresponding to



a difference amount will only be granted if one of the existing members of the Executive Management is appointed as the company's President and CEO.

In the financial statements, the awarded shares and warrants will be recognised in the income statement at fair value, and a probability calculation will be made in respect of H. Lundbeck A/S' ranking in the above-mentioned peer group in terms of warrants granted to the Executive Management and the coming President and CEO. Shares and warrants will be granted to Executive Management members subject to these members 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 in Q2 2008.

The content of this release will have no influence on the Lundbeck Group's financial result for 2008.

Lundbeck contacts

Investors:

Jacob Tolstrup
Director
+45 36 43 30 79

Palle Holm Olesen
Head of Investor Relations
+45 36 43 24 26

Media:

Anders Schroll
Head of Communication
+45 36 43 20 81

Jens Højbjerg
Media Relations Manager
+45 36 43 28 33

Stock Exchange Release No 336 – 23 April 2008

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 2007, the company's revenue was DKK 11 billion (approximately EUR 1.5 billion or USD 2.0 billion). The number of employees is approximately 5,300 globally. For further information, please visit www.lundbeck.com