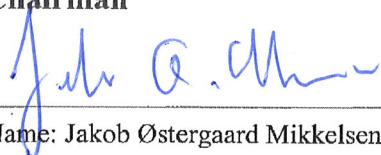


**Lundbeck Export A/S
Central Business Registration No
26256275
Ottiliavej 9
DK-2500 Valby**

Annual report 2015

The Annual General Meeting adopted the annual report on 30.05.2016

Chairman



Name: Jakob Østergaard Mikkelsen

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Entity details

Entity

Lundbeck Export A/S
Ottiliavej 9
DK-2500 Valby

Central Business Registration No: 26256275
Registered in: Copenhagen
Financial year: 01.01.2015 - 31.12.2015

Phone: 36301311
Fax: 36301940

Board of Directors

Staffan Schüberg, Chairman
Morten Bryde Hansen, Vice Chairman
Joao Carlos Nunes Rocha
Herman Santoni Ramos
Henrik Agerbæk-Larsen

Executive Board

Herman Santoni Ramos, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
DK-0900 Copenhagen C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Lundbeck Export A/S for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, ³⁰~~28~~.05.2016

Executive Board

Herman Santoni Ramos
Chief Executive Officer

Board of Directors



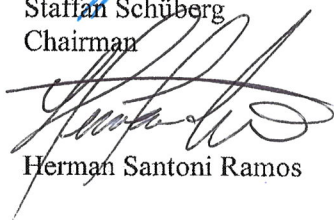
Staffan Schüberg
Chairman



Morten Bryde Hansen
Vice Chairman



Joao Carlos Nunes Rocha



Herman Santoni Ramos



Henrik Agerbæk-Larsen

Independent auditor's reports

To the owner of Lundbeck Export A/S

Report on the financial statements

We have audited the financial statements of Lundbeck Export A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 30.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Martin Faarborg
State-Authorised Public Accountant



Lars Andersen
State-Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	2015 DKK'000	2014 DKK'000	2013 DKK'000	2012 DKK'000	2011 DKK'000
Financial high-lights					
Key figures					
Revenue	1.471.158	1.303.070	1.339.054	1.210.316	1.045.057
Gross profit/loss	24.705	79.931	166.770	152.031	124.130
Operating profit/loss	(60.381)	(7.189)	80.101	41.102	26.135
Net financials	88.763	40.510	(26.741)	(3.236)	(3.716)
Profit/loss for the year	17.703	1.438	30.112	21.379	15.129
Total assets	839.441	640.233	604.049	638.982	495.071
Investments in property, plant and equipment	3.472	3.020	2.771	7.007	7.079
Equity	330.392	342.961	343.922	313.562	290.882
Ratios					
Return on equity (%)	5,3	0,4	9,2	7,1	8,1
Equity ratio (%)	39,4	53,6	53,8	52,1	58,8
Profit margin (%)	1,2	0,1	2,2	1,8	1,4
Gross margin (%)	1,7	6,1	12,5	12,6	11,9

Primary activities

The Company's primary activity is to sell medical specialities and bulk goods to export markets in the Middle East, the Indian subcontinent with the exception of Pakistan and India, Africa with the exception of South Africa, South America, Asia and Europe.

Development in activities and finances

The Company's revenue totalled DKK 1,471,158 thousand in 2015 against DKK 1,303,070 thousand in 2014. 2015 sales are in line with 2014 sales and within the expected range.

Operating loss amounts to DKK 60,381 thousand. The operating loss is primarily caused by increased cost of sales and other external expenses.

The Board of Directors considers the results to be as expected due to the circumstances for the financial year.

Outlook

The Company expects revenue and result before tax for 2016 to be on a par with 2015. This means revenue ranging between DKK 1.2 billion and DKK 1.5 billion and a result before tax between DKK 26 million and DKK 70 million.

Management commentary

Particular risks

The Company sells H. Lundbeck A/S' products only, for which reason particular risks are consistent with those described in H. Lundbeck A/S' 2015 annual report.

Research and development activities

The research and development activities of the Lundbeck Group are performed by the Parent. This is why the Company has no research or development activities.

Corporate social responsibility

The Company is covered by the policies of the Parent, H. Lundbeck A/S. Management has chosen to disclose the mandatory annual statutory report on CSR in the form of a Communication on Progress report to the UN Global Compact on its homepage <http://www.lundbeck.com/global/CSR/report>.

Events after the balance sheet date

No events that could influence the financial statements for 2015 have taken place after the balance sheet date.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

Accounting policies

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff. This item also includes costs of a share-based arrangement based on the Parent's shares.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Accounting policies

The Entity is jointly taxed with Lundbeckfond Invest A/S and its Danish subsidiaries. Current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balances calculated pursuant to the interest deduction limitation rule of the Danish Corporation Tax Act have been allocated among the jointly taxed companies that are subject to limitation of deductibility based on their share of the total limitation. Deferred tax liabilities in respect of these balances are recognised in the balance sheet, whereas deferred tax assets are recognised only if they qualify for recognition as deferred tax assets.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise software.

Software is measured at cost less accumulated amortisation and impairment losses.

Cost of software includes expenses for project design, including direct wages and expenses directly attributable to the project.

The basis of amortisation is cost less estimated residual value after the end of useful life. Straight-line amortisation is applied over the estimated useful life which normally constitutes three years.

Profits and losses from the sale of intangible assets are calculated as the difference between selling price and the carrying amount at the time of sale less selling costs.

Property, plant and equipment

Leasehold improvements as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Accounting policies

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement together with depreciation and impairment losses if the selling price exceeds original cost.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Other investments

Securities recognised in fixed asset investments comprise investments and are measured at amortised cost. If the recoverable amount is lower than cost, a write-down is made to such lower value.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments recognised in assets comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Treasury shares

Acquisition and selling prices and dividends for treasury shares are classified directly as equity under retained earnings. Gains and losses on sale are not recognised in the income statement. Capital reduction by cancellation of treasury shares reduces the contributed capital by an amount corresponding to the nominal value.

Accounting policies

Share-based payments

Share-based incentive programmes in which employees may opt to buy shares in the Parent in which shares are allocated to employees (equity schemes) are measured at the equity instruments' fair value at the date of grant and recognised under staff costs when or as the employee obtains the right to buy/receive the shares. The balancing item is recognised directly in equity under other transactions.

Other provisions

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

According to section 86(4) of the Danish Financial Statements Act, the Entity has omitted to prepare a cash flow statement.

Accounting policies

Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The Financial strength of the Entity.
Profit margin (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Revenue}}$	The Entity's operating profitability.
Gross margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	The Entity's operating gearing.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Revenue	1	1.471.158	1.303.070
Other operating income		661	46
Cost of sales		(1.119.230)	(907.590)
Other external expenses		(327.884)	(315.595)
Gross profit/loss		24.705	79.931
Staff costs	2	(83.086)	(83.944)
Depreciation, amortisation and impairment losses	3	(2.000)	(3.176)
Operating profit/loss		(60.381)	(7.189)
Other financial income	4	93.432	51.698
Other financial expenses	5	(4.669)	(11.188)
Profit/loss from ordinary activities before tax		28.382	33.321
Tax on profit/loss from ordinary activities	6	(10.679)	(31.883)
Profit/loss for the year		17.703	1.438
Proposed distribution of profit/loss			
Dividend for the financial year		0	28.000
Retained earnings		17.703	(26.562)
		17.703	1.438

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Acquired intangible assets		10	21
Intangible assets	7	<u>10</u>	<u>21</u>
Other fixtures and fittings, tools and equipment		4.764	5.624
Leasehold improvements		951	1.348
Property, plant and equipment	8	<u>5.715</u>	<u>6.972</u>
Other investments		0	3.011
Other receivables		5.372	6.214
Deferred tax		489	740
Fixed asset investments	9	<u>5.861</u>	<u>9.965</u>
Fixed assets		<u>11.586</u>	<u>16.958</u>
Trade receivables		458.722	382.673
Receivables from group enterprises		257.335	144.117
Other short-term receivables		55.618	22.912
Prepayments	10	6.442	4.533
Receivables		<u>778.117</u>	<u>554.235</u>
Cash		<u>49.738</u>	<u>69.040</u>
Current assets		<u>827.855</u>	<u>623.275</u>
Assets		<u>839.441</u>	<u>640.233</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital		600	600
Share premium		2.820	2.820
Retained earnings		326.972	311.541
Proposed dividend		0	28.000
Equity		<u>330.392</u>	<u>342.961</u>
Other provisions	11	39.610	40.693
Provisions		<u>39.610</u>	<u>40.693</u>
Prepayments received from customers		7.612	7.227
Trade payables		9.242	1.927
Debt to group enterprises		394.025	184.746
Income tax payable		10.532	11.358
Other payables	12	48.028	51.321
Current liabilities other than provisions		<u>469.439</u>	<u>256.579</u>
Liabilities other than provisions		<u>469.439</u>	<u>256.579</u>
Equity and liabilities		<u><u>839.441</u></u>	<u><u>640.233</u></u>
Unrecognised rental and lease commitments	13		
Contingent liabilities	14		
Related parties with control	15		
Ownership	16		
Consolidation	17		

Statement of changes in equity for 2015

	Contri- buted capi- tal DKK'000	Share pre- mium DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	600	2.820	311.541	28.000	342.961
Ordinary dividend paid	0	0	0	(28.000)	(28.000)
Other adjustments	0	0	(2.272)	0	(2.272)
Profit/loss for the year	0	0	17.703	0	17.703
Equity end of year	600	2.820	326.972	0	330.392

Other adjustments are share based payments.

Notes

	2015	2014
	DKK'000	DKK'000
1. Revenue		
EU countries	130.028	148.160
Other countries	1.341.130	1.154.910
	<u>1.471.158</u>	<u>1.303.070</u>
	2015	2014
	DKK'000	DKK'000
2. Staff costs		
Wages and salaries	51.530	59.345
Pension costs	2.788	1.898
Other social security costs	3.386	4.078
Other staff costs	25.382	18.623
	<u>83.086</u>	<u>83.944</u>
Number of employees at balance sheet date	<u>176</u>	<u>227</u>
	2015	2014
	DKK'000	DKK'000
3. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	11	26
Depreciation of property, plant and equipment	2.375	3.265
Profit/loss from sale of intangible assets and property, plant and equipment	(386)	(115)
	<u>2.000</u>	<u>3.176</u>
	2015	2014
	DKK'000	DKK'000
4. Other financial income		
Financial income arising from group enterprises	5.699	7.145
Interest income	700	715
Exchange rate adjustments	87.033	43.749
Other financial income	0	89
	<u>93.432</u>	<u>51.698</u>

Notes

	2015	2014
	DKK'000	DKK'000
5. Other financial expenses		
Financial expenses from group enterprises	3.717	5.758
Interest expenses	0	4.184
Other financial expenses	952	1.246
	4.669	11.188
	2015	2014
	DKK'000	DKK'000
6. Tax on ordinary profit/loss for the year		
Current tax	10.532	13.373
Change in deferred tax for the year	116	(145)
Adjustment relating to previous years	(1)	18.655
Effect of changed tax rates	32	0
	10.679	31.883
		Acquired
		intangible
		assets
		DKK'000
7. Intangible assets		
Cost beginning of year		204
Cost end of year		204
Amortisation and impairment losses beginning of year		(183)
Amortisation for the year		(11)
Amortisation and impairment losses end of year		(194)
Carrying amount end of year		10

Notes

	Other fix- tures and fittings, tools and equipment DKK'000	Leasehold improve- ments DKK'000	
8. Property, plant and equipment			
Cost beginning of year	14.940	5.871	
Additions	3.376	96	
Disposals	<u>(7.139)</u>	<u>(352)</u>	
Cost end of year	<u>11.177</u>	<u>5.615</u>	
Depreciation and impairment losses beginning of the year	(9.316)	(4.523)	
Depreciation for the year	(1.882)	(493)	
Reversal regarding disposals	<u>4.785</u>	<u>352</u>	
Depreciation and impairment losses end of the year	<u>(6.413)</u>	<u>(4.664)</u>	
Carrying amount end of year	<u>4.764</u>	<u>951</u>	
	Other in- vestments DKK'000	Other re- ceivables DKK'000	Deferred tax DKK'000
9. Fixed asset investments			
Cost beginning of year	3.011	5.725	740
Disposals	<u>(3.011)</u>	<u>(353)</u>	<u>(251)</u>
Cost end of year	<u>0</u>	<u>5.372</u>	<u>489</u>
Carrying amount end of year	<u>0</u>	<u>5.372</u>	<u>489</u>
10. Prepayments			
Prepayments comprise prepaid costs that are attributable to the subsequent financial year.			
11. Other provisions			
	2015 DKK'000	2014 DKK'000	
Provisions for lawsuits and disputes	<u>18.327</u>	<u>18.327</u>	
Other provisions	<u>21.283</u>	<u>22.366</u>	
	<u>39.610</u>	<u>40.693</u>	

Notes

	<u>2015</u> <u>DKK'000</u>	<u>2014</u> <u>DKK'000</u>
12. Other short-term payables		
Wages and salaries, personal income taxes, social security costs, etc. payable	13.062	9.093
Holiday pay obligation	479	470
Other costs payable	<u>34.487</u>	<u>41.758</u>
	<u>48.028</u>	<u>51.321</u>

13. Unrecognised rental and lease commitments

Contractual obligations comprise rental and lease commitments that total DKK 34,392 thousand at 31 December 2015 (31 December 2014: DKK 15,550 thousand).

14. Contingent liabilities

Bank guarantees and letter of intent

The Entity's banks have issued bank guarantees worth DKK 1.6 million in favour of third parties.

Joint taxation

The Entity participates in a Danish joint taxation arrangement with Lundbeckfond Invest A/S. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity therefore has partial joint and secondary liability from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also partial joint and secondary liability for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed companies. However, the secondary liability may at maximum total an amount corresponding to the share of capital of the Entity which is owned directly or indirectly by the ultimate parent.

15. Related parties with control

The following shareholder controls the company:

H. Lundbeck A/S, Ottiliavej 9, DK-2500 Valby

Notes

16. Ownership

The Entity has registered the following shareholders as holding more than 5% of the voting share rights or more than 5% of the nominal value of the contributed capital:

H. Lundbeck A/S, Ottiliavej 9, DK-2500 Valby

17. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Lundbeck Foundation, Scherfigsvej 7, DK-2100 Copenhagen

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

H. Lundbeck A/S, Ottiliavej 9, DK-2500 Valby