

**A world leader in
allergy immunotherapy**

**Jefferies Global Health-
care Conference London**

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ALK at a glance

Leading allergy immunotherapy (AIT) specialist

AIT: Treats the root cause of allergy

- ALK has 33% of the global AIT market
- 1.5 million patients using ALK products
- 1,800 employees, ~350 in R&D
- SLIT-tablets: >10 years of R&D investment and clinical trials in ~15,000 patients
- Next R&D frontier: asthma treatment & prevention

Shareholder info

- Listed on NASDAQ Copenhagen
 - : (Reuters: ALKB.CO / Bloomberg: ALKB.DC)
- Market cap. ~EUR 0.9bn
- Main shareholder: Lundbeck Foundation

Products in all areas of AIT



Sublingual tablets (SLIT-tablets)



Sublingual drops (SLIT-drops)



Other, including diagnostics, adrenaline and anti-venom



Subcutaneous (SCIT) or allergy shots

A strong foundation for growth

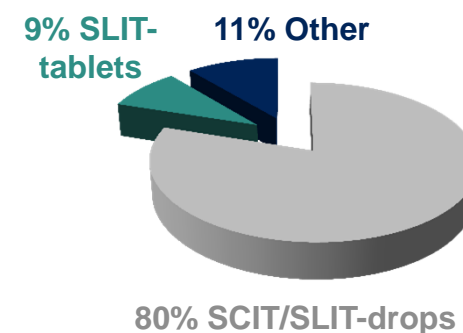
ALK's financials at a glance

DKK m	2010	2011	2012	2013	2014E
Revenue	2,159	2,348	2,345	2,244	~2,400
- Partner revenue ¹	16	245	227	99	
- (Revenue in USDm)	400	435	434	416	~400
Gross margin	70%	74%	72%	69%	-
R&D	366	455	511	463	-
(% of revenue)	17%	19%	22%	21%	-
S, M & A	951	985	1,004	954	-
EBITDA²	287	406	306	258	~450
- (In USDm)	53	75	57	48	~75
EPS	12.9	20.2	21.4	6.3	-
CAPEX	162	153	243	253	~200
Free cash flow	(71)	271	(152)	(85)	> 0
Equity ratio	71%	64%	68%	69%	-
Cash	250	754	477	312	-

1) Revenue from SLIT-tablet partnerships in North America and International markets. In years 2009-13, mainly consists of milestones and service fees

2) Before special items

Base business revenue (2013: DKK 2.145m)



Towards a global ALK

Partnerships to leverage growth



ALK North America
Own sales and distribution in the USA and Canada

Merck partnership
Exclusive rights to develop and commercialise SLIT-tablets in the USA, Canada and Mexico
USD 290m in milestones. Revenue from **royalties** and **product supply**

North America
16% of revenue*

ALK Europe
Own sales and distribution in 16 European countries

Product Supply organisation with global capacity

Europe
81% of revenue*

Torii partnership
Exclusive rights to develop and commercialise SLIT-tablets in Japan
EUR 60m+ in milestones. Revenue from **royalties** and **product supply**

Eddingpharm collaboration
Sales and distribution of SCIT products in China

Abbott partnership
Supply and marketing of SLIT-tablet portfolio in selected emerging markets

International
3% of revenue*

SLIT-tablet pipeline: Covering major allergies

Clinical data from 36 trials in >15,000 patients

	Product	Pre-clinical	Phase I	Phase II	Phase III	Filing (exp.)	Marketed
	GRAZAX® Grass ARC	█	█	█	█		2007
	GRAZAX® Asthma prevention	█	█	█	█	2016	
	HDM SLIT-tablet HDM rhinitis/asthma	█	█	█	█	2014	
	Tree SLIT-tablet Tree ARC	█	█	█	█	TBC***	
	GRASTEK®* Grass ARC	█	█	█	█		2014
	RAGWITEK™* Ragweed ARC	█	█	█	█		2014
	HDM SLIT-tablet* HDM rhinitis	█	█	█	█	TBC	
	HDM SLIT-tablet** HDM rhinitis	█	█	█	█	2015	
	Japanese cedar SLIT-tablet** Cedar tree ARC	█	█	█	█	TBC	

ARC: allergic rhinoconjunctivitis
 HDM: house dust mites

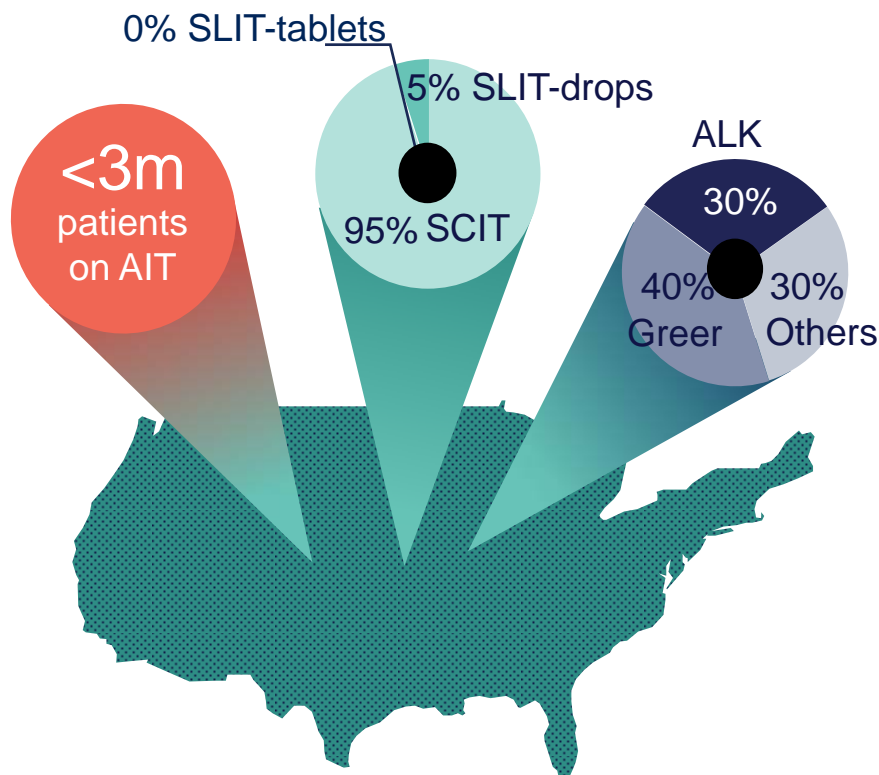
*) Licensed to Merck for North America
 **) Licensed to Torii for Japan
 ***) To be communicated

United States: The next opportunity

High allergy prevalence; take-up of AIT affected by inconvenience

Billing: \$2-3bn, industry revenue: \$120m

USA: Market profile



- Dominated by SCIT, with self-mixing and compounding by allergists common
 - 5,500 AIT practitioners; increasing interest from ENTs and others
- >6m severe patients eligible for AIT
- SCIT: low take-up and high drop-out rate
 - 50% refuse treatment, 84% drop out
- SLIT-tablets are the first FDA-approved AIT treatments (2014)
- Major unmet need in AR, claiming:

3.5m
lost work days

2m
lost school days

\$14bn
in direct costs

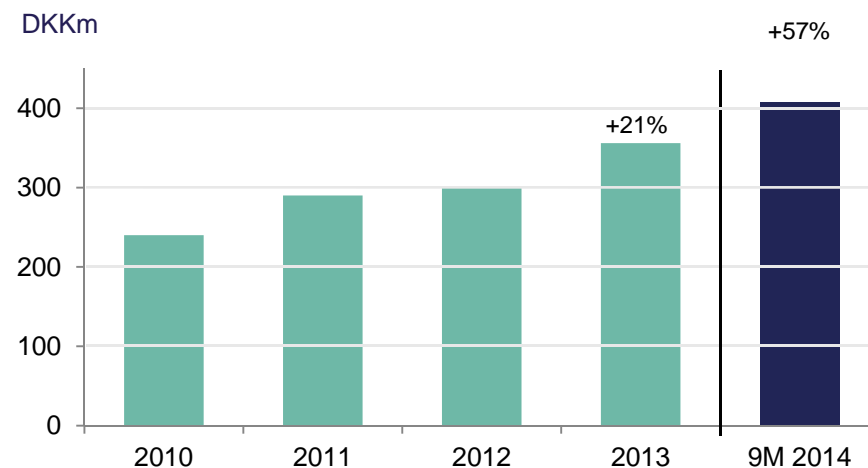
United States: Parallel growth strategy

Merck partnership co-exists with ALK's allergen extracts business

USA: ALK's strategy

- **Merck**
 - Partnership for grass, ragweed and HDM SLIT-tablets
 - GRASTEK® and RAGWITEK™ approved and launched in 2014, HDM tablet in Phase III
 - List price: USD 8.25 per tablet
 - Sales expected to pick-up from 2015
- **ALK North America**
 - Allergen extracts and other products delivered to allergists
 - 9M 2014: 14% sales growth

Revenue in North America



Milestones and services cause revenue to fluctuate

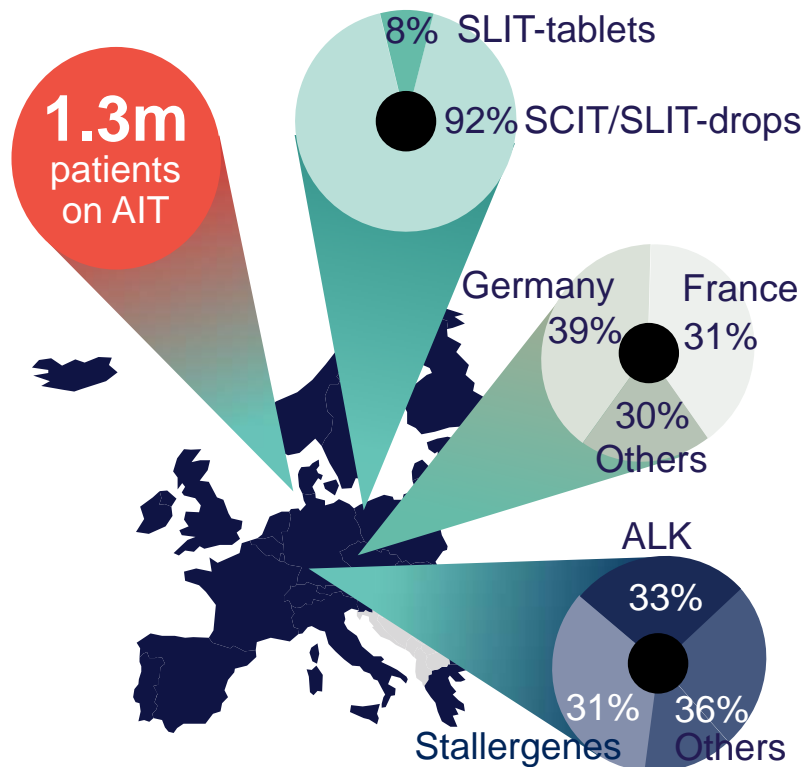


Europe: A market in transition

ALK's core platform

Total industry sales: ~EUR700m

Europe: Market profile



- Mature, diverse markets
- Mainly legacy and named patient products
- Restricted market access
- Under regulatory transformation
- Uneven prescriber coverage
- SLIT-tablets fully-documented and registered



Europe: Meeting the challenge of change

Increased efficiency, focused investments and market shaping activities

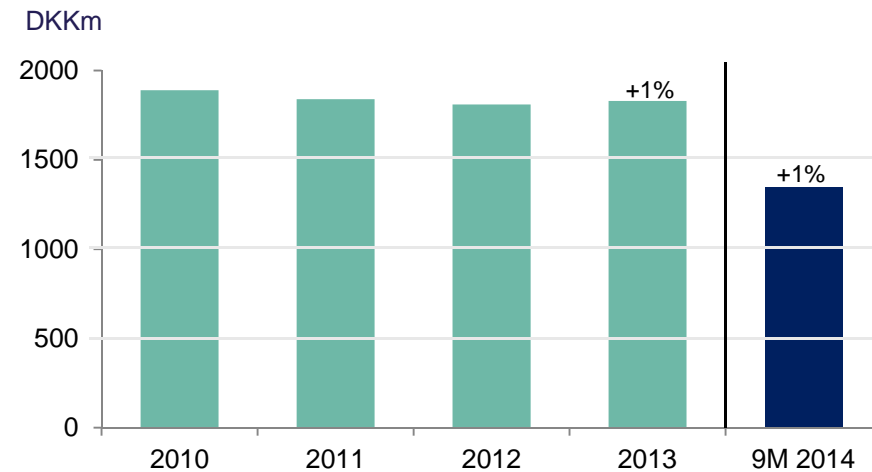
Europe: ALK's strategy

- Activities to gain market share
- Product introductions (e.g. HDM SLIT-tablet, Jext[®])
- Improve earnings through cost efficiencies
- Low single-digit growth expected

Allergy Unlocked™

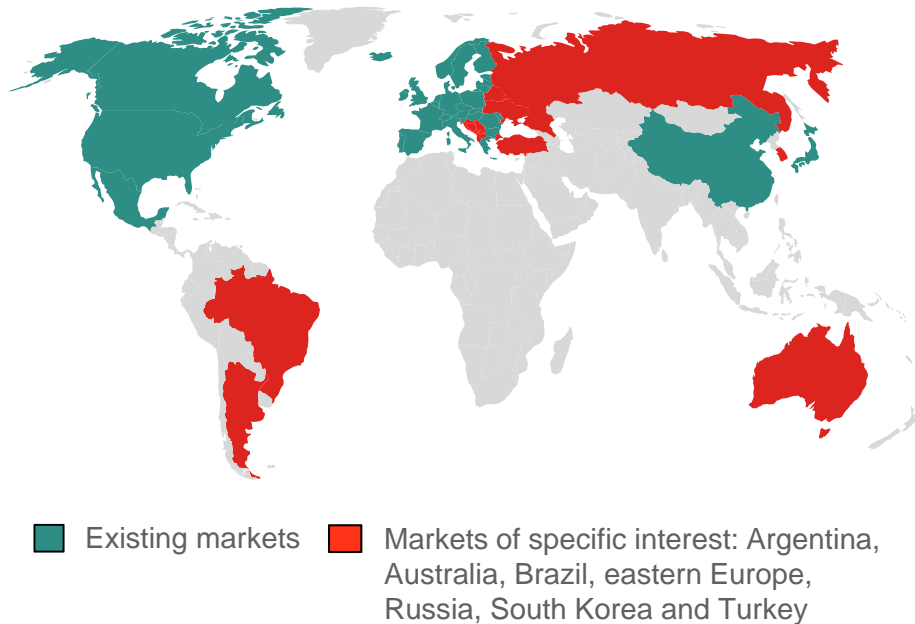
Raise awareness of disease burden
 Secure scientific support
 Improve market access
 Increase patient awareness
 Expand prescriber base

Revenue in Europe

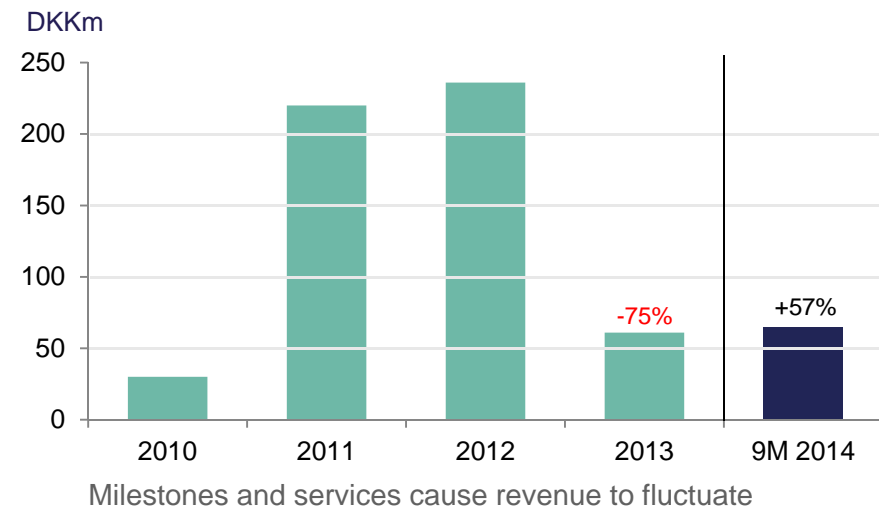


Globalising a proven portfolio

Expanding beyond established AIT markets



Revenue in International markets



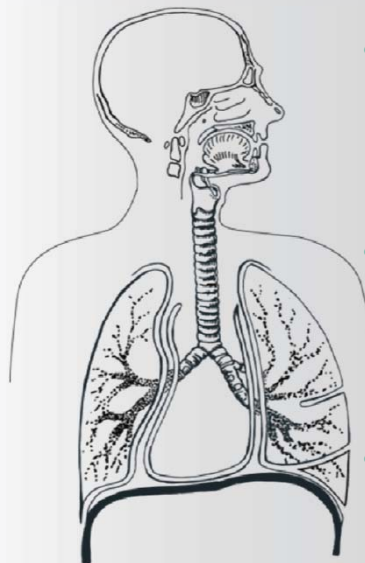
International markets:

- Torii partnership in Japan on development, and commercialisation of SLIT-tablets
- Eddingpharm in China (from 2014): Sales and distribution of HDM SCIT products
- Abbott: Supply and marketing of SLIT-tablets in selected emerging markets
 - First launches expected from 2017

Once daily HDM SLIT-tablet for both AR* and AA**

Key results from clinical development programme involving 6,000+ patients

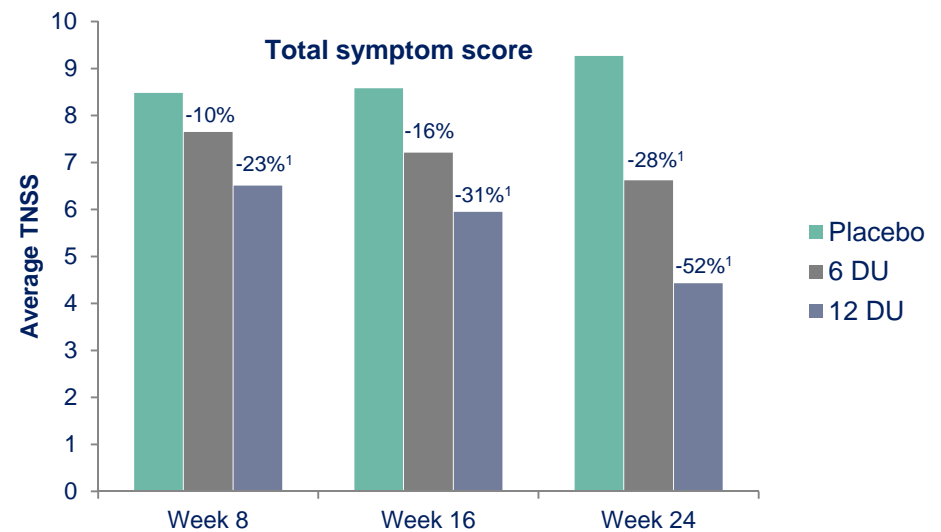
First and only AIT with proven AR & AA efficacy



- Reduces days impacted by severe AR symptoms by 50%
- Reduces risk of moderate or severe asthma exacerbations by 34%
- Reduces risk of nocturnal awakening by 36% in AA patients

- HDM SLIT-tablet provides underlying protection from HDM respiratory allergic disease
- Fast onset of action: 8-14 weeks of treatment
- Well-tolerated and preferred by patients

Key results from US Phase II trial

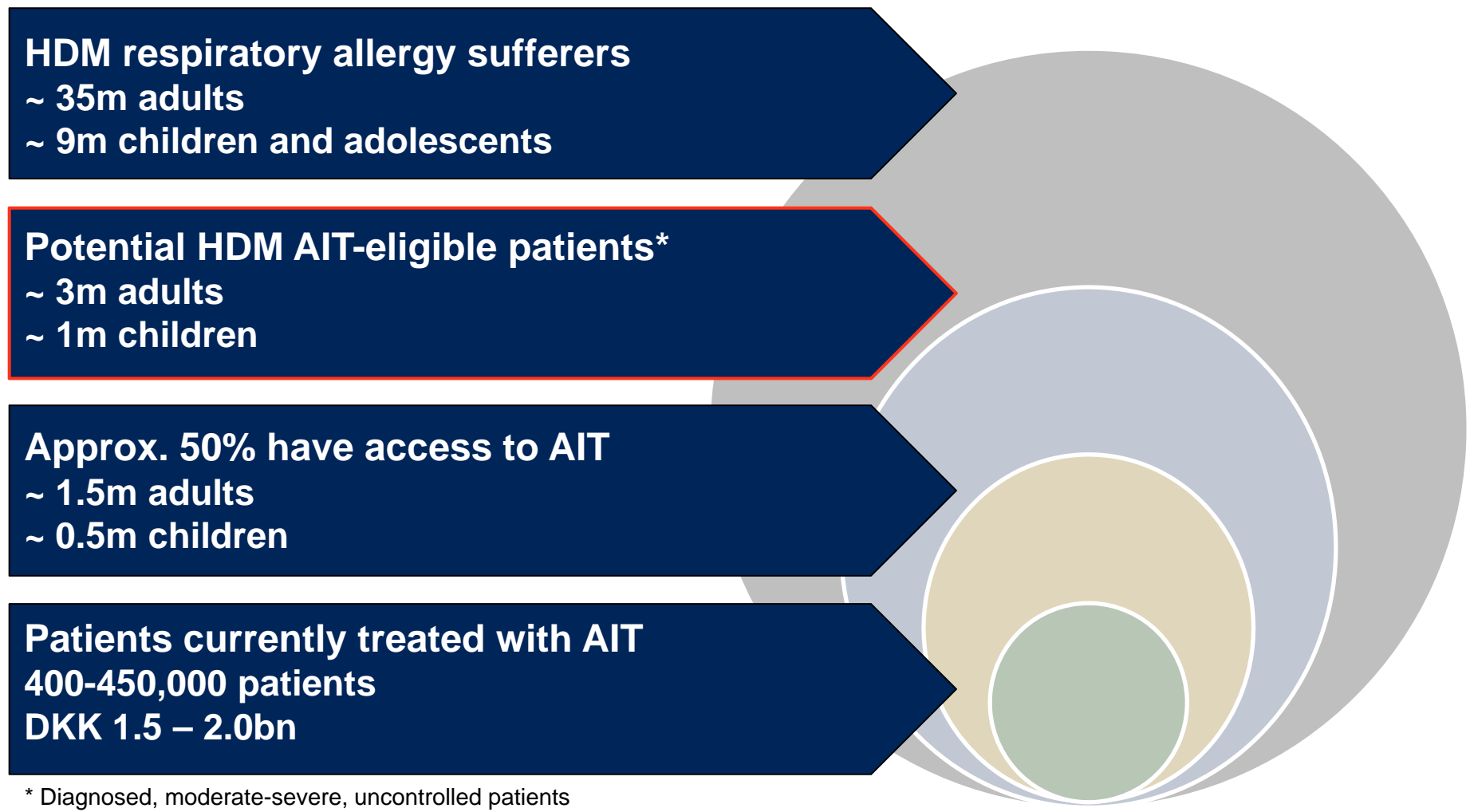


¹p<0.05 vs. placebo
Percentages represent treatment difference relative to placebo

*Allergic rhinitis / ** Allergic asthma

Europe: the unmet medical need

HDM SLIT-tablet targets patients poorly controlled with symptom relieving medication



GAP trial: GRAZAX Asthma Prevention

Preventing the progression of allergic disease

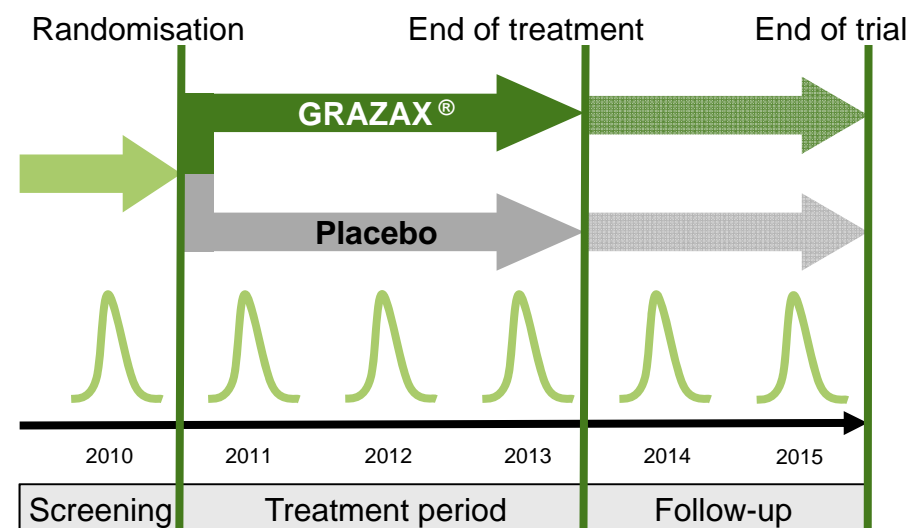
Asthma prevention trial

- Initiated in 2010, completes end of 2015
- Assesses effect of GRAZAX[®] on risk of developing asthma compared to placebo
- Potential new offering in the use of allergy immunotherapy

Pan-European paediatric trial

- Multi-national, multi-centre trial: 101 sites in 11 European countries
- Patients: 812 children aged 5-12 with grass allergy but no asthma

Trial design



Major pipeline events in 2014

Events		Status
Europe	Regulatory filing for HDM SLIT-tablet	Q4 2014
North America	GRASTEK® approved and launched in Canada	✓
	Initiation of HDM SLIT-tablet Phase III (rhinitis)	✓
	GRASTEK® approved and launched in the USA	✓
	RAGWITEK™ approved and launched in the USA	✓
	RAGWITEK™ launched in Canada	✓
Japan	Japanese cedar SLIT-tablet Phase I trial	✓
	Completion of HDM SLIT-tablet (rhinitis) Phase III trial	✓
	Completion of HDM SLIT-tablet (asthma) Phase III trial	✗
	Initiation of Phase II/III trial with Japanese cedar SLIT-tablet	✓

Major pipeline events in 2015/16

Events		Est.
Europe	Regulatory approval of HDM SLIT-tablet	Q4 2015
	Completion of GAP (asthma prevention trial)	Q4 2015
North America	Completion of HDM SLIT-tablet (rhinitis) Phase III trial	Q3 2015
	Submission of BLA for HDM SLIT-tablet	2015/16
	Initiation of paediatric development of RAGWITEK™	2015/16
Japan	Regulatory filing of HDM SLIT-tablet	Q1 2015
	Data from Japanese cedar SLIT-tablet	H2 2015
	Regulatory approval of HDM SLIT-tablet	2016

Thank you for your attention

Read more: www.alk.net

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