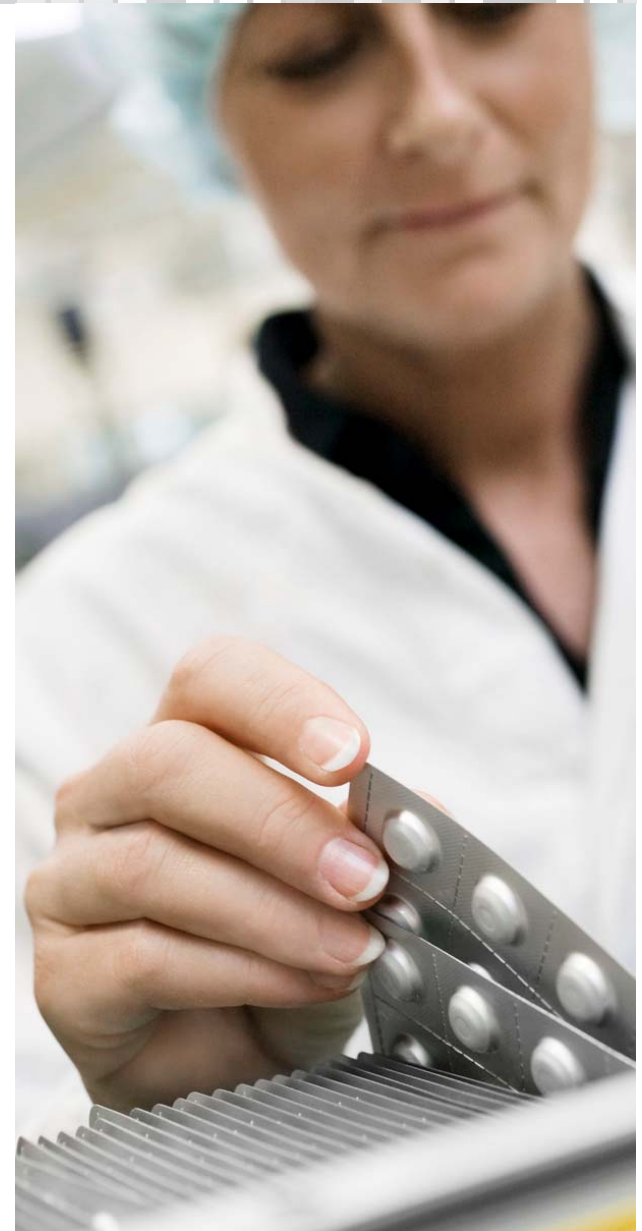


Annual report 2010

23 February 2011



Forward-looking statements

This presentation contains forward-looking statements, including forecasts of future revenue and operating profit as well as expected business-related events. Such statements are subject to risks and uncertainties as various factors, some of which are beyond the control of the ALK Group, may cause actual results and performance to differ materially from the forecasts made in this presentation. Without being exhaustive, such factors include, e.g. general economic and business conditions, including legal issues, uncertainty relating to pricing, reimbursement rules, fluctuations in currencies and demand, changes in competitive factors and reliance on suppliers, but also factors such as side effects from the use of the company's existing and future products since allergy vaccination may be associated with allergic reactions of differing extent, duration and severity.

Presentation of ALK's annual report 2010

- 1. Financial development**
- 2. Business highlights and partnership update**
- 3. Updated strategy – towards 2015**
- 4. Long-term targets & outlook 2011**
- 5. Questions**



Continued growth and ambitious goals for the future

Sales and earnings growth as expected

Stronger base business

Progress with partnerships

Revised strategy and new long-term targets



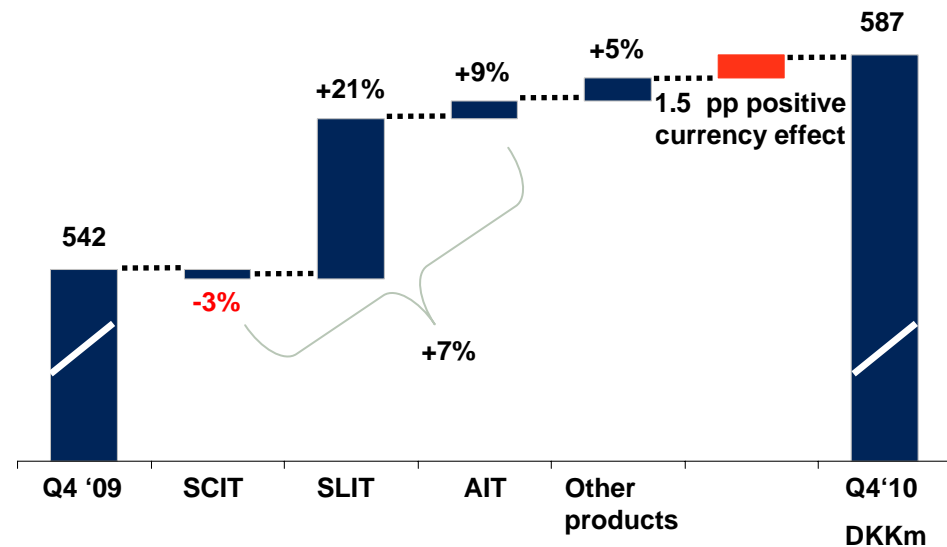
Financial development

Flemming Pedersen, EVP & CFO

Q4: Sales growth of 7%

Primary growth drivers

- SCIT in the Netherlands, Scandinavia and North America
- SLIT in France and the Netherlands
- AIT (GRAZAX®) in Northern Europe
- Other products in the USA and the Netherlands



Political austerity measures reduced sales by ~ 30 DKKm

- 5 pp reduction of total sales growth

FY 2010: 10% growth in vaccine sales

SCIT: growth driven by Northern Europe, North America and China

SLIT: growth driven by France, the Netherlands and Germany

AIT (GRAZAX®): solid growth in Northern/Central Europe

Other products: affected positively by acquisitions and sales of PRE-PEN®

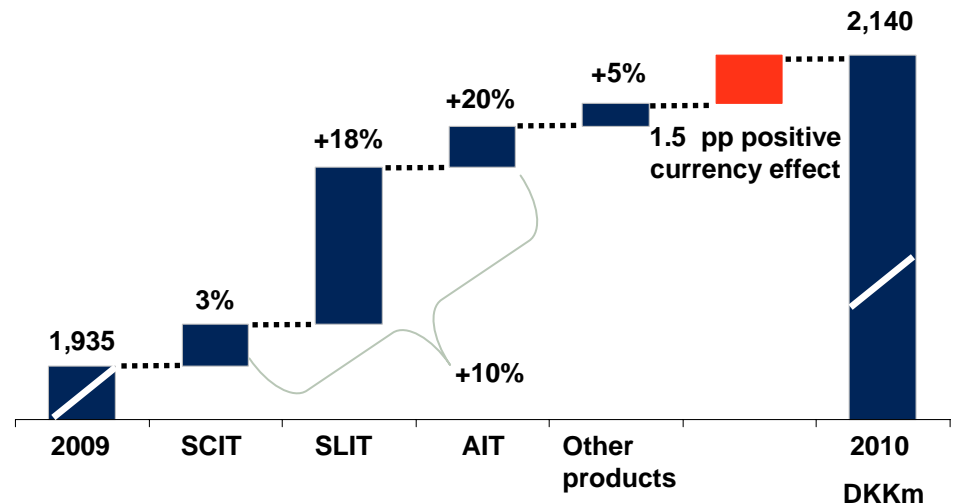
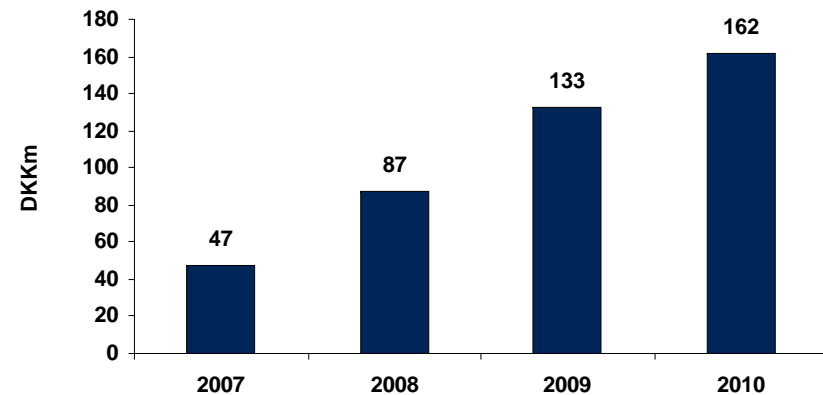
Diversified growth

- Northern Europe: +23%
- Central Europe: +2%
- Southern Europe: +8%
- Other markets: +11%

Political austerity measures reduced sales by ~ 60 DKKm

- 3 pp reduction of total sales growth

GRAZAX® sales development



Increased earnings as expected

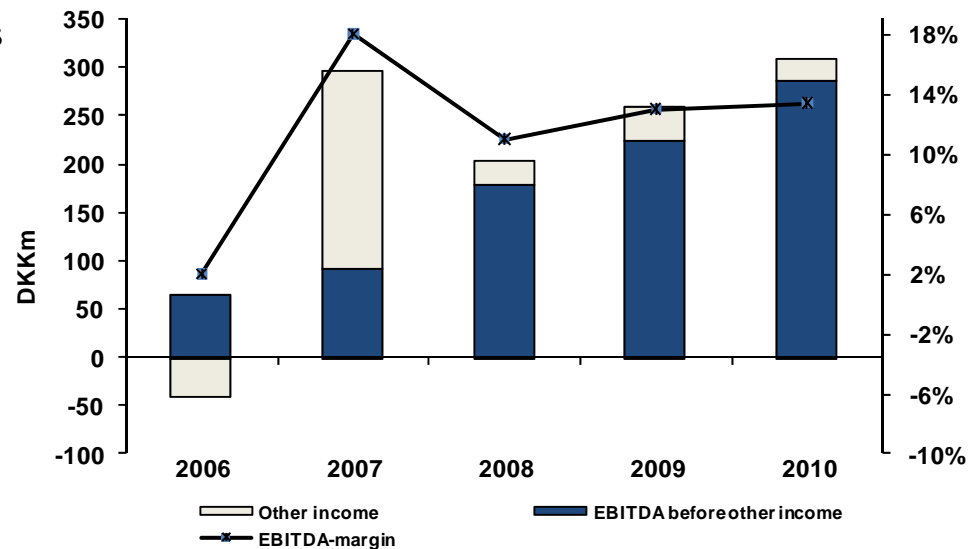
Q4: EBITDA of 84 DKKm (83)

FY: EBITDA up 10% to 287 DKKm (260)

- Positive impact from exchange rates
- Better than anticipated Q4
- Payments from Merck of 16 DKKm
- EBIT of 192 DKKm (175)
- Political austerity measures reduced earnings by approx. 50 DKKm

Net profit for the year: 128 DKKm (118)

- Effective tax rate of 38%

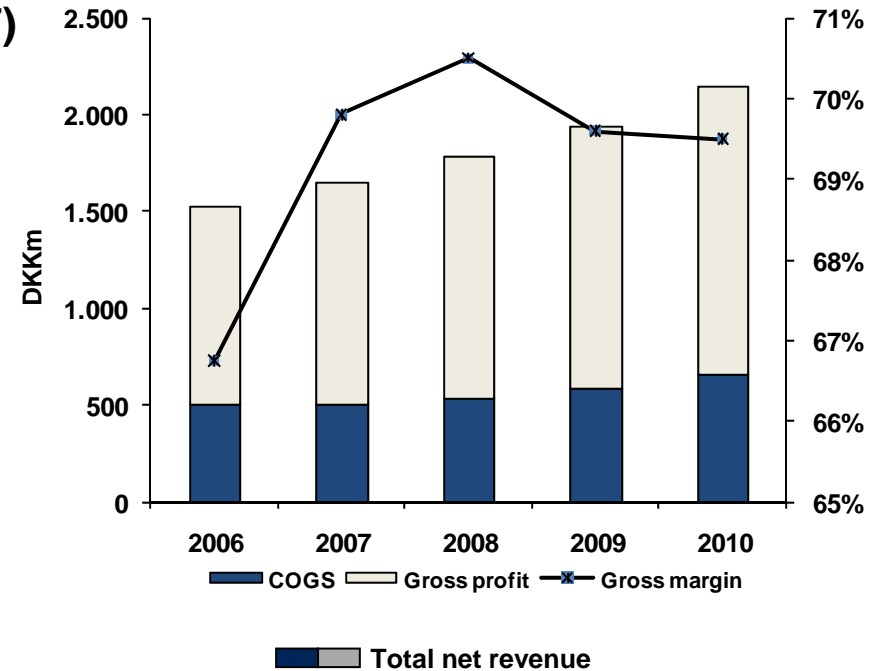


Gross margin unchanged

Q4 2010: reported gross margin of 70.5% (70.7)

2010: reported gross margin of 69.5% (69.7)

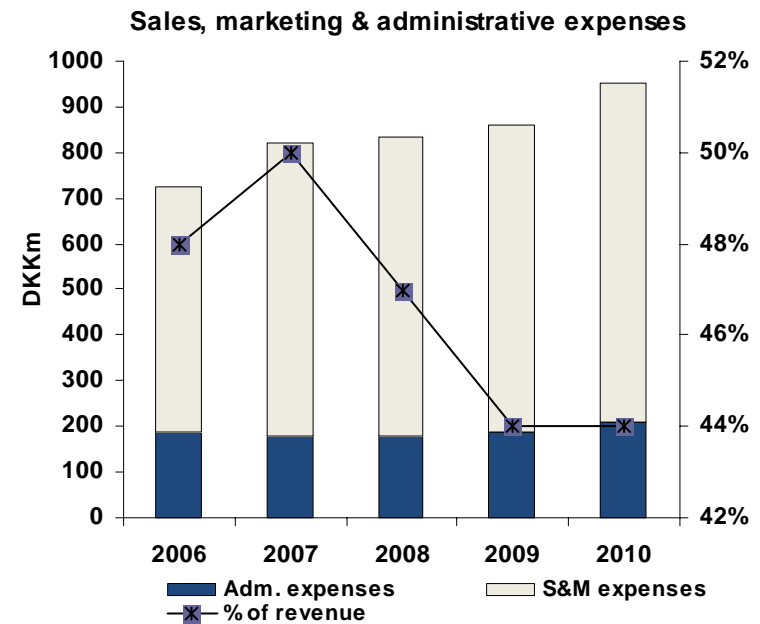
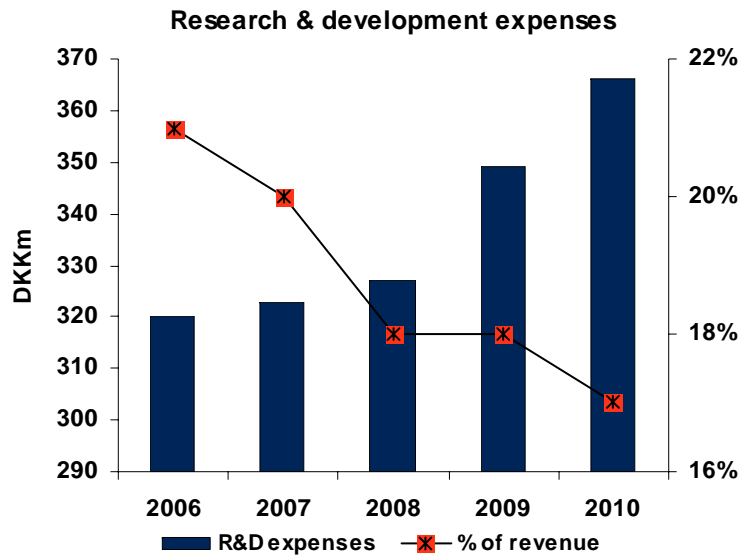
- Affected by political austerity measures and costs related to AIT production and documentation requirements



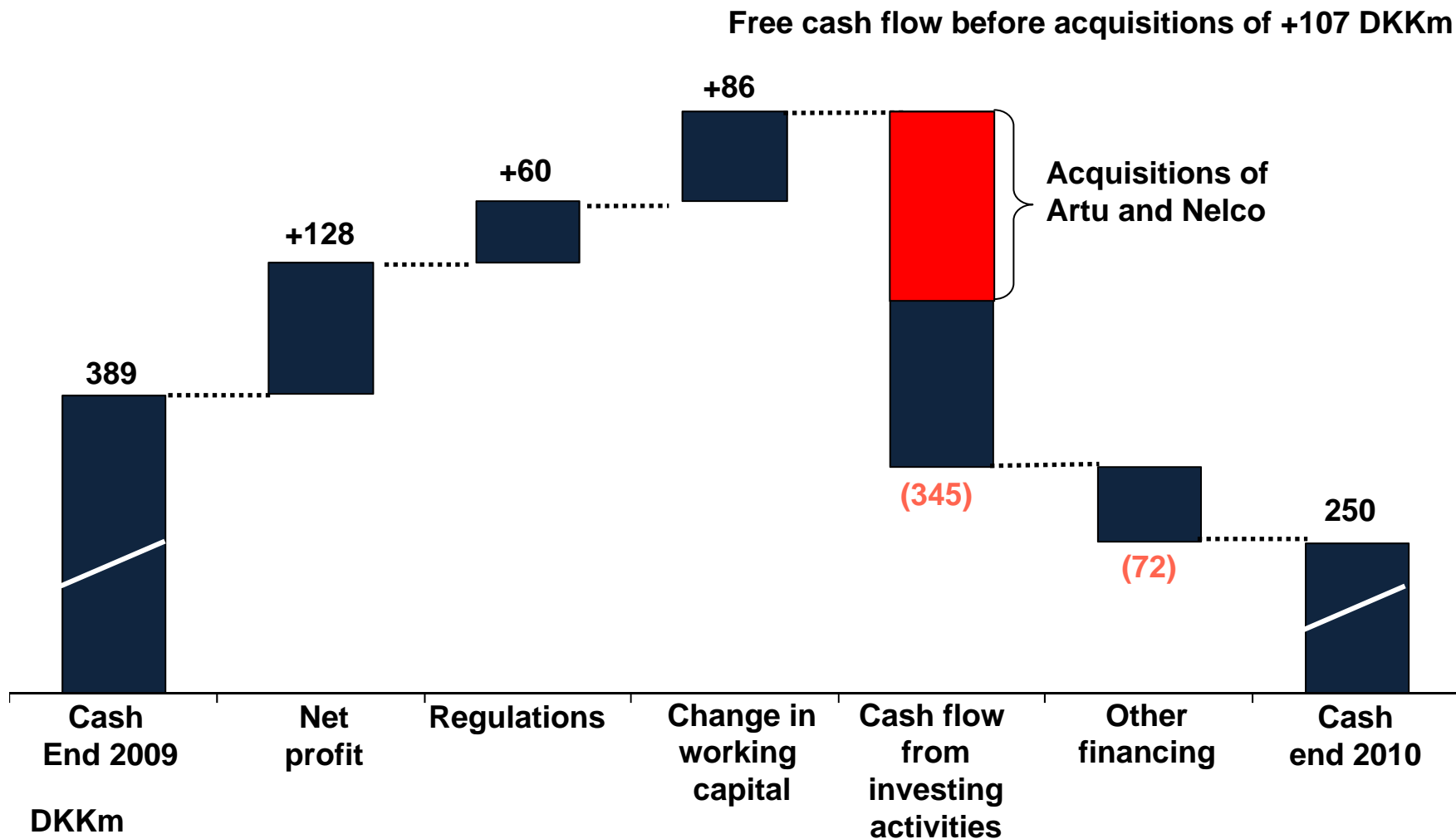
Capacity costs affected by acquisitions

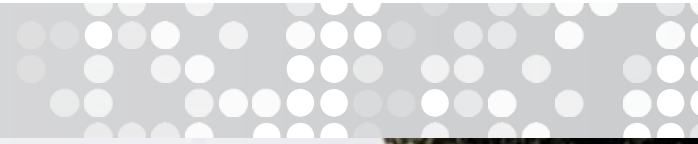
Q4: Capacity costs increased by 7% (organic growth: 0%)

FY: Capacity costs increased by 9% (organic growth: 4%)



Cash flow: financing growth, acquisitions and dividends





Business highlights and partnership update

Jens Bager, President & CEO

Highlights of 2010 (I/II)

Acquired Artu and Nelco Labs

AVANZ[®] now launched in Germany, Italy and Spain

19 registration applications submitted in Germany at year-end

GRAZAX[®] priced and reimbursed in France

Ready to supply AIT products to North America

- Invested significantly in preparing production and product documentation to comply with requirements from Merck and the FDA



Highlights of 2010 (II/II)

Progress in R&D

- Long-term study with GRAZAX® successfully completed
- Paediatric study with GRAZAX® in the USA met primary endpoint
- 800 patients recruited for asthma prevention study with GRAZAX® (the GAP study)
- New analysis of proof-of-concept study (MT-02) supports further development of MITIZAX®
- Phase III clinical studies with ragweed AIT in the USA progress as planned



New and improved adrenaline pen JEXT® approved in 17 European countries

- To be launched in 2011
- Sales and distribution agreement of inlicensed product temporarily extended



Updated R&D pipeline

Product name	Indication	Research	Preclinical	Phase I	Phase II	Phase III	Marketed
GRAZAX ^{®1,3}	Grass	██████████	██████████	██████████	██████████	██████████	██████████
Not disclosed ^{1,4}	Ragweed	██████████	██████████	██████████	██████████	██████████	
MITIZAX ^{®1,2,5}	House dust mite	██████████	██████████	██████████	██████████	██████████	
Not disclosed	Tree (birch)	██████████	██████████	██████████	██████████		
Not disclosed	Cat	██████████					
Next generation allergy immunotherapy		██████████					

Notes:

- 1) Merck holds the product rights for the North American markets
- 2) Torii holds the product rights for the Japanese market
- 3) GRAZAX[®] is marketed in Europe and is in Phase III in North America
- 4) Ragweed is only developed in North America
- 5) MITIZAX[®] is in Phase III in Europe and in Phase II in North America

Partnership with Merck in North America

Development, registration and commercialisation of three AIT products

Partnership based on milestones and royalties on net sales

- Up to 240 USDm in additional development and sales milestones (50 USDm already received)

GRAZAX® (Grass AIT)

- Registration application under preparation
- First time FDA is to review an allergy immunotherapy product
- Ongoing dialogue with the FDA on the registration process e.g. specific requirements for analyses and product documentation
- Further clarification expected later in 2011

Ragweed AIT

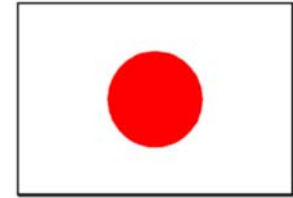
- Two large pivotal clinical studies to be completed in H1 2011
- May form basis for a subsequent registration application to the FDA

MITIZAX® (House dust mite AIT)

- Further clinical activities in North America currently in the planning stage



Partnership with Torii in Japan



Development, registration and commercialisation of ALK's allergy immunotherapy products

- House dust mite (MITIZAX[®] (AIT) and SCIT), Japanese cedar (AIT) and diagnostics

Strong local partner

- Already positioned in the field of immunotherapy
- 500 medical representatives throughout Japan

Torii responsible for clinical development, registration, marketing and sales

ALK responsible for product supply

Partnership based on milestones and royalties on net sales

- ALK has received 30 EURm in upfront payment
- Up to 30 EURm in development milestones
- Royalty payment and sales milestones on net sales in Japan



TORII PHARMACEUTICAL CO., LTD.

Late-stage clinical development programme in the planning stage

Significant unmet medical need for better allergy treatment

North America:

- ~ 60m allergy sufferers
- ~ 25m patients diagnosed with moderate to severe allergy
- Grass, ragweed and house dust mite allergies most common allergies
- ~ 3m patients are prescribed named patient SCIT vaccines

Japan:

- ~ 35 million allergy sufferers
- House dust mite and Japanese cedar tree allergies most common allergies
- Today only limited use of allergy immunotherapy

Europe (in comparison):

- ~ 85m allergy sufferers
- 35%-45% diagnosed with moderate to severe allergy
- Grass, house dust mite and tree allergies most common allergies
- ~ 1.5m patients are prescribed SCIT, SLIT and AIT



Patients with moderate to severe symptoms are typically not well-controlled by current standard pharmacotherapy



Updated strategy – towards 2015

Jens Bager, President & CEO

Recent strategic achievements

New product portfolio well under way

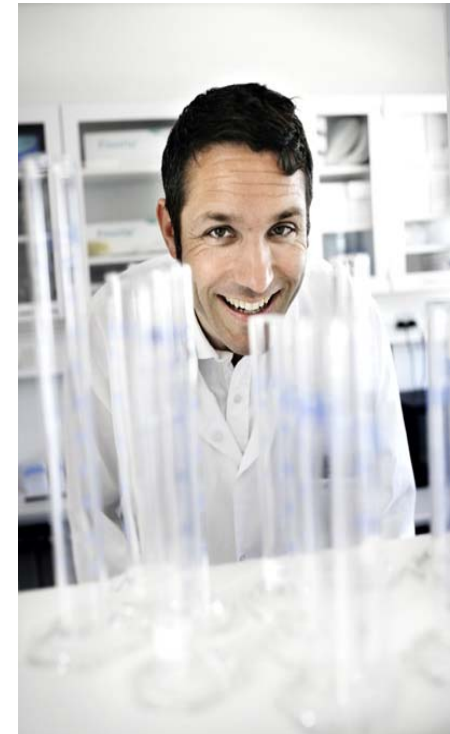
- Established comprehensive scientific documentation for AIT
- Launched new and improved SCIT vaccine (AVANZ®)
- Obtained approval of new adrenaline pen (JEXT®)

Distribution platform and global presence strengthened

- Acquired and integrated six companies since 2005

Basis for global commercialisation of AIT secured through partnerships in the world's two largest pharmaceutical markets

- Merck in North America/Torii in Japan



Strategic premises significantly changed

New regulatory requirements and political austerity measures in Europe

- Increasing requirements for documentation and registration of products
- Price interventions and budget controls

Changing competitive dynamics

- Market growth expected to be modest
- Pressure on costs and prices due to regulatory requirements and price control leading to profit pressure

Partnership activities increasing

- Clinical development co-operation
- Quality systems, processes and documentation



I. Strategy for base business: Continued progress in sales and earnings

Optimise product portfolio

Focus on GRAZAX® and introduce AVANZ® in new markets

Complete development of AIT portfolio

Launch JEXT® in Europe

Lead consolidation of allergy vaccine industry

Expand activities in the USA and China

Cost optimisation

Expand business area to supplement current base business

Base business

SCIT, SLIT and AIT products, diagnostics and adrenaline pens in Europe, SCIT in the USA, China and the rest of the world

Medium term

Growth outlook in current base business: **moderate**

II. Strategy for partnerships: Global development and commercialisation

Support partnerships with Merck and Torii

- Support local clinical development
- Comply with regulatory requirements
- Secure adequate AIT supply

Targeted approach to commercialise AIT products and JEXT[®] on additional markets

Milestone payments

In 2011-2015 ALK may receive up to 500 DKKm in product development milestones from existing partnerships

Longer term (2015 →)

Growth outlook in partnerships:
Significant

In terms of royalties on sales of AIT



Long-term targets & Outlook 2011

Flemming Pedersen, EVP & CFO

Long-term targets

No later than 2015

- Annual net turnover > 3 billion DKK
- EBITDA margin > 25%

Financial performance to be further accelerated after 2015

- Major sales uptake of AIT-portfolio in Europe, North America and Japan expected to materialise in years following 2015



Outlook 2011

Growth in vaccine sales of 5% (in local currencies)

Total net revenue expected roughly at the level of last year

- Full-year sales impact of political austerity measures in Germany of ~ -130 DKKm
- Lower sales of adrenaline products due to transition to JEXT®

Slightly improved gross margin

- Improved product mix
- Increasing R&D expenses (AIT in EU/US/JP and regulatory requirements in EU)
- Increasing sales, marketing and administrative expenses (Full-year effect of acquisitions and costs related to the launch of JEXT® in Europe and GRAZAX® in France)

EBITDA expected to increase by 25% to 360 DKKm

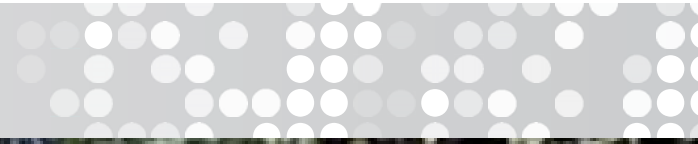
- Includes a negative earnings impact from shift to JEXT® of approx. 50 DKKm

Expected P&L impact in 2011 of Torii partnership

- ~ 150 DKKm booked under Other income

Free cash flow (before any acquisitions) of up to 200 DKKm





Questions?