



Carnegie Nordic Health Care Seminar

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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-Abelló Group, may cause actual results and performance to differ materially from the forecasts made in this presentation. Without being exhaustive, such factors include, among others, general economic and business conditions, 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 as allergy vaccination may be associated with allergic reactions of differing extent, duration and severity.

Facts about ALK-Abelló

- **Pharmaceutical company focusing on allergy**
- **Established in 1923**
- **Products for diagnosis, treatment and prevention of allergies**
- **The world leader within specific allergy vaccination**
 - Around 1/3 of the world market
- **More than 1,400 employees globally; around 500 in Denmark**
- **Revenue 2007: DKK 1.65 billion
R&D investments in 2007:
DKK 323 million (20% of revenue)**

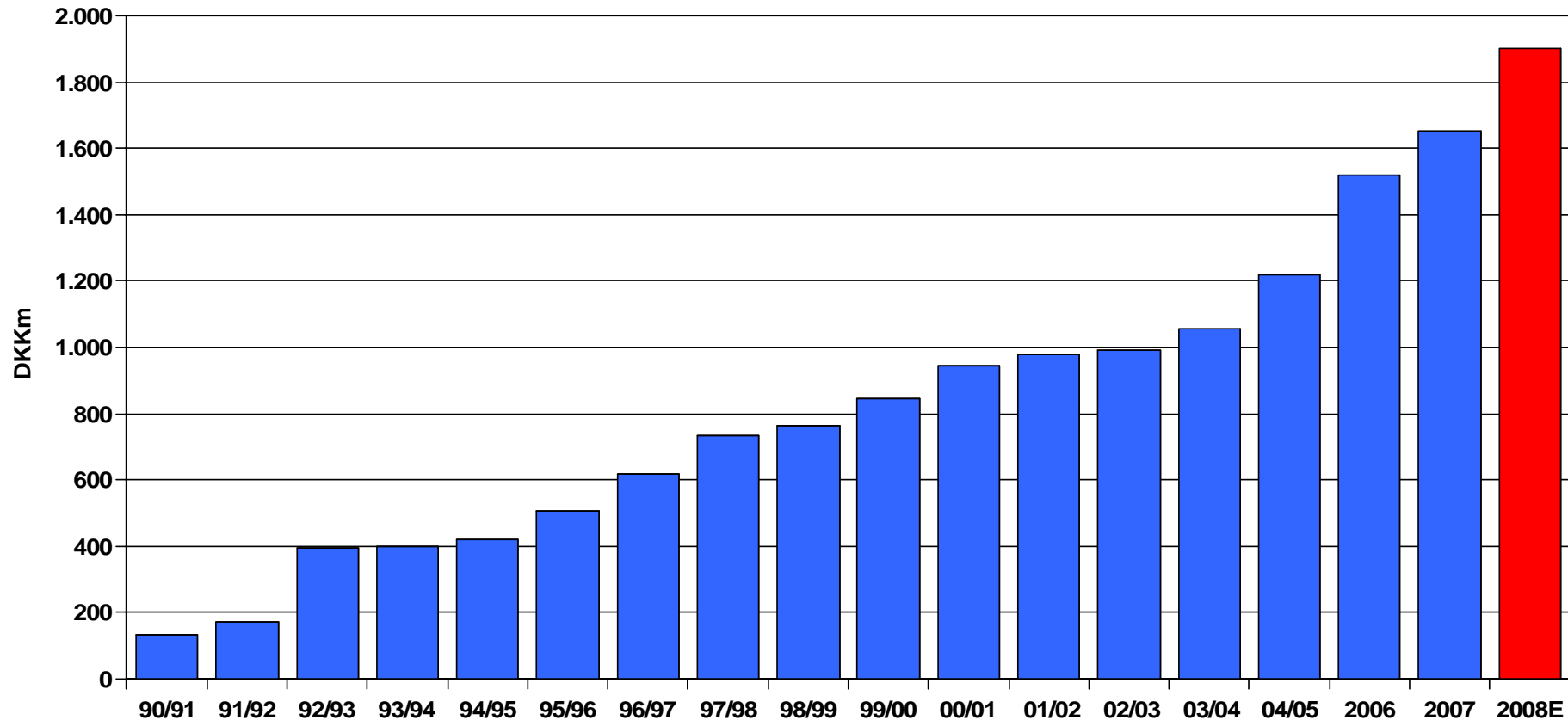


Headquarters in Hørsholm, Denmark

ALK-Abelló – a growing company

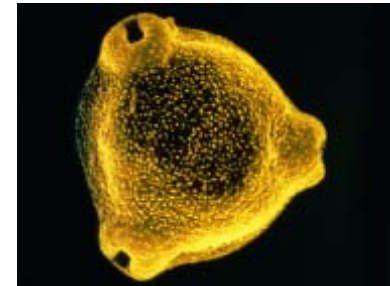
Sales development

17% CAGR



What is allergy?

- **An immunological overreaction against the molecules (allergens) that the patient is allergic to**
- **Allergic diseases in the airways**
 - Rhinitis (hay fever)
 - Allergic asthma
- **Other allergic diseases**
 - Contact eczema (dermatitis)
 - Insect sting allergy
 - Food allergy



Birch pollen



Birch allergen

Prevalence of allergic diseases

	USA % of allergic population	Europe % of allergic population
Allergic patients of total population	65 million	87 million
Grasses	56%	52%
House Dust Mite	45%	49%
Ragweed	49%	n.a.
Birch	23%	14%
Cat	39%	30%
Weed	n.a.	27%
Cedar, Japanese	10%	n.a.
Dog	19%	n.a.
Food	10%	11%
Venom	13%	13%

Note: In average a patient is allergic to more than 2.3 sources. (Source: Arch Pediatr Adolesc med/vol 156, Oct. 2002)

Sources: USA: Annals of Allergy, Asthma, & Immunology, Vol 81, September, 1998, Page 203 FF. Canada: Clinical and Experimental Allergy, 1997, Vol 27, Pages 52-59
 Europe: Europ J All Clin Immun, P 239 and Prel res, J All Clin Immun, V 106, Number 2, P 247 ff, Linneberg et al. Allergy to Cats (ALK-publication) page 2 based on 5
 worldwide studies. Venom: Insect Sting Allergy, Ulrich R. Muller, 1990. Food Allergy: USA: Curr Opin Allergy Clin Immunol 2002 Jun; 2(3): 257-61. Europe: Allerg
 Immunol (Paris 2002 Apr; 34(4): 135-40.

Allergic Rhinitis: Impact on the individual

- **Nose blocked/runny**
- **Eyes itching**
- **Difficult to breathe**
- **Difficult to concentrate**
- **More sick-days**
- **Impaired work life**
- **Impaired social life**
- **Spring and summer unbearable**
- **Risk of development of asthma**
- **~ 70 % of patients feel that allergy limits quality of life**



Traditional allergy medicine

- **Tablets, sprays or eye/nose drops (anti-histamines and steroids)**
- **Treats the symptoms, but not the underlying disease**
- **After treatment the symptoms return (no long lasting effect)**
- **Treatment must be repeated every year**

**60-68% of patients:
Symptomatic medications are in the range of
'not at all effective' to 'moderately effective'**

European Federation of Allergy and Airway Diseases Patients Associations (EFA)

What is allergy vaccination?

- **Treatment with controlled doses of purified and standardized allergens (proteins), extracted from natural allergen sources:**
 - Pollens (grass, trees etc.)
 - House dust mites
 - Animals
 - Insect venom

- **Immune system becomes tolerant to the allergens**
 - Immune system is desensitized, so that it does not overreact to the allergens



Advantages of allergy vaccines

	Symptomatic medication	Specific immunotherapy
Reduces symptoms	✓	✓
Induces immunological tolerance	-	✓
Reduces use of symptomatic medication	-	✓
Persistent effect after end of treatment	-	✓
Prevents development of asthma	-	✓
Prevents onset of new allergies	-	✓

- **Specific immunotherapy treats the cause of allergy and not just the symptoms**

ALK-Abelló products

SCIT



Subcutaneous immunotherapy (SCIT)
Injections under the skin
~ 49% of the sales (2007)

SLIT



Sublingual immunotherapy (SLIT)
Under the tongue
~ 29% of the sales (2007)

TABLETS



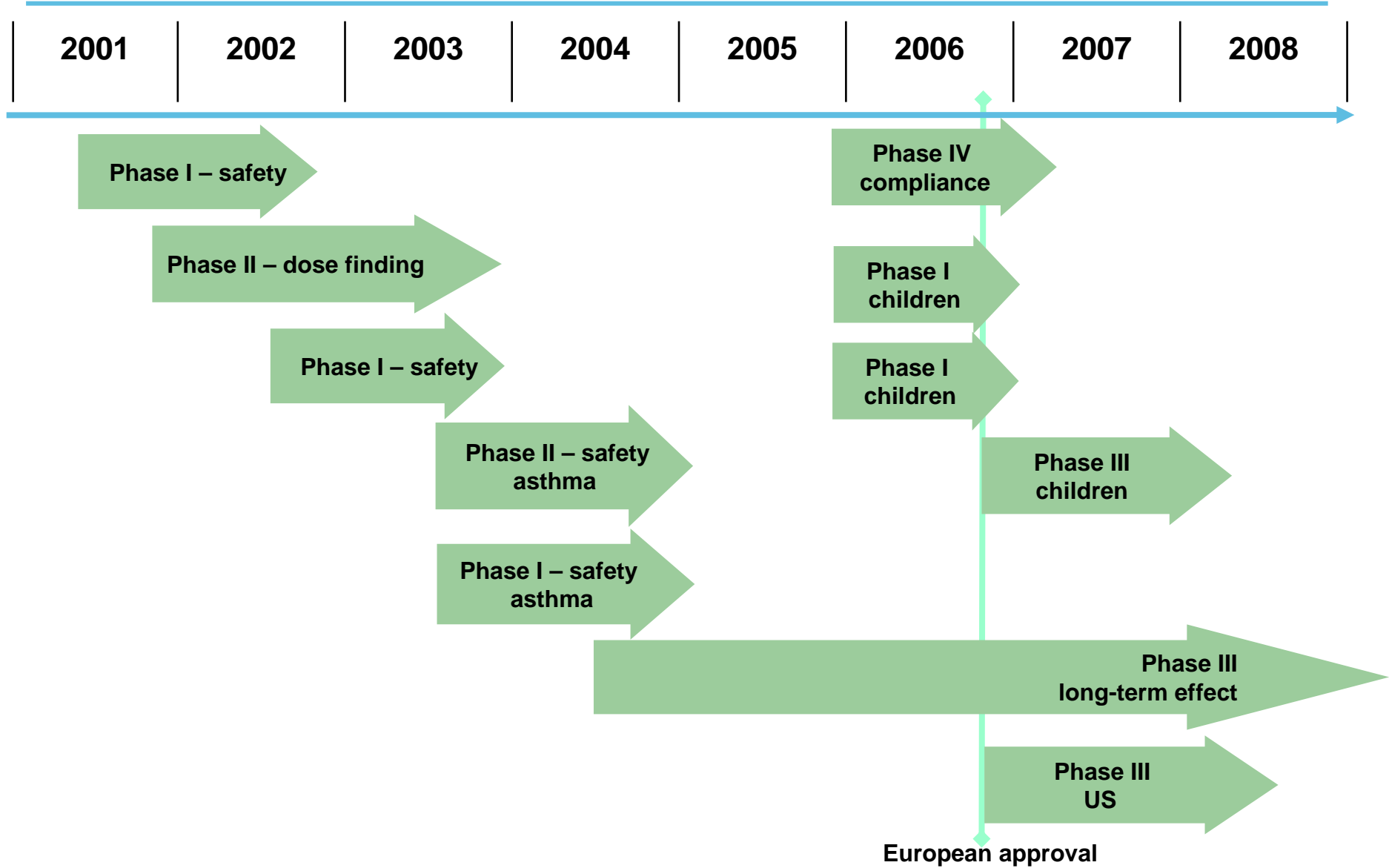
Tablet-based allergy immunotherapy
Under the tongue
~3% of the sales (launch in progress)

OTHER



Allergy Diagnosis: Skin prick tests
Emergency treatment for allergic shock
(adrenaline pen)
~ 19 % of the sales (2007)

GRAZAX[®] clinical program

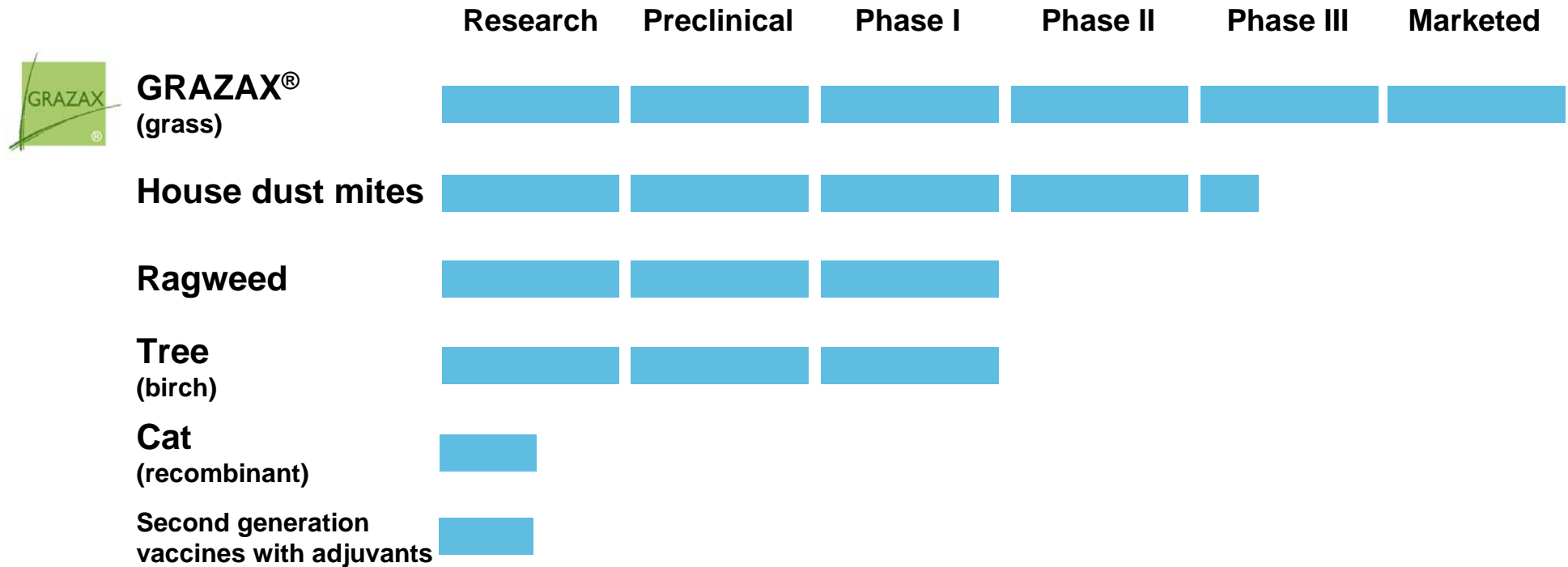


GRAZAX[®] launched across Europe

- **GRAZAX[®] launch**
 - Denmark, Norway, Sweden, Finland, UK, Ireland, Netherlands, Germany, Austria, Switzerland, Italy and Greece
- **Reimbursement processes impacted several launches**
 - Now reimbursed in ten countries
 - Still pending national discussions



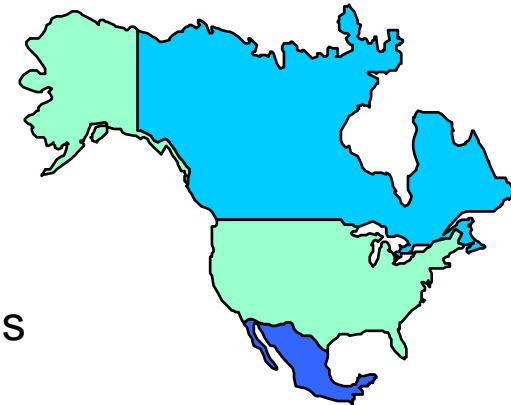
Other tablet vaccines in ALK-Abelló's pipeline



- **Tablet program covers**
 - Three most prominent outdoor allergens in Europe and the USA (grass, tree and ragweed pollen)
 - Two most prominent indoor allergen in the world (house dust mite and cat)

Partnership with Schering-Plough (I)

- **Strategic alliance to develop and commercialize ALK-Abelló's tablet-based allergy vaccines in the USA, Canada and Mexico**
 - GRAZAX®
 - House dust mite allergy
 - Ragweed allergy
- **Up to a total of USD 290 million of up-front and milestone payments**
 - USD 100 million in product development milestones
 - USD 190 million in sales related milestones
- **Royalty payments on sales of the products**
- **Schering-Plough will be responsible for all costs of clinical development, registration, marketing and sales of the products**
- **ALK-Abelló will be responsible for tablet production and supply**



Partnership with Schering-Plough (II)

- **Schering-Plough currently conducts two Phase III studies with GRAZAX® in the USA**
 - In adults and children
 - Studies performed over the 2008 and 2009 pollen seasons
- **Schering-Plough continues development of the ragweed tablet**
 - RT-01 (ragweed, tolerability) completed in H1 2007
 - ALK-Abelló to receive payment of DKKm 28 in 2008 in connection with pharmaceutical development activities



Financial outlook for 2008

- **Revenue is forecast at DKKm 1,875-1,925**
 - GRAZAX[®] sales subject to significant uncertainty
- **Gross profit is expected to continue to improve in 2008**
- **Research & development and sales & marketing expenses are expected to increase**
 - Continued focus on introduction of tablet-based vaccines
- **Operating profit (EBIT) is forecast at DKKm 100-150**
 - Upgraded to reflect ragweed payment from Schering-Plough
- **Operating profit before tax (EBT) is forecast at DKKm 110-160**



Long-term growth ambitions

- **Historic sales growth is expected to be maintained and accelerated**
 - Revenue to grow at a minimum of 15% on average per year
- **Historic positive trend in gross margins expected to continue**
 - Driven by profitability of allergy vaccines and productivity gains
- **Research & development expenses to constitute approximately 15% of revenue**
- **Starting in 2009, growth rate in sales and marketing expenses is expected to decline**
- **Consequently, a favourable trend in earnings capacity can be maintained and accelerated**



Ongoing progress and news flow

- Ongoing price and reimbursement conclusions in European countries
- Additional data from long-term study (GT-08)
- Regulatory outcome of application for use of GRAZAX® in children
- Data from Phase II/III study with HDM tablet
- Further development of ragweed tablet (Schering-Plough)
- Data from grass tablet studies in the USA (Schering-Plough)

Financial calendar

- Six-month report 2008 August 26, 2008
- Nine-month report 2008 November 20, 2008

Questions ?

Imagine life
without allergy

“A summer without allergy gives me more freedom and energy. Everything is easier and more fun.”

Anders Ohlin, Sweden
Allergic to grass pollen

