

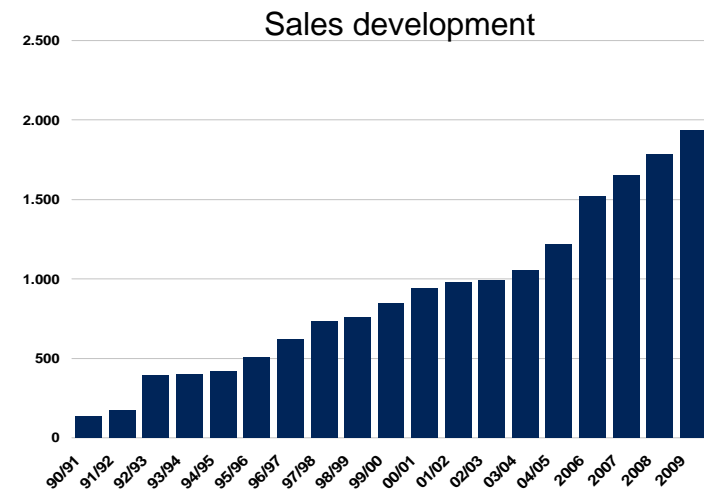


ALK

Jefferies 2010 Global SpecPharma & European Healthcare Conference

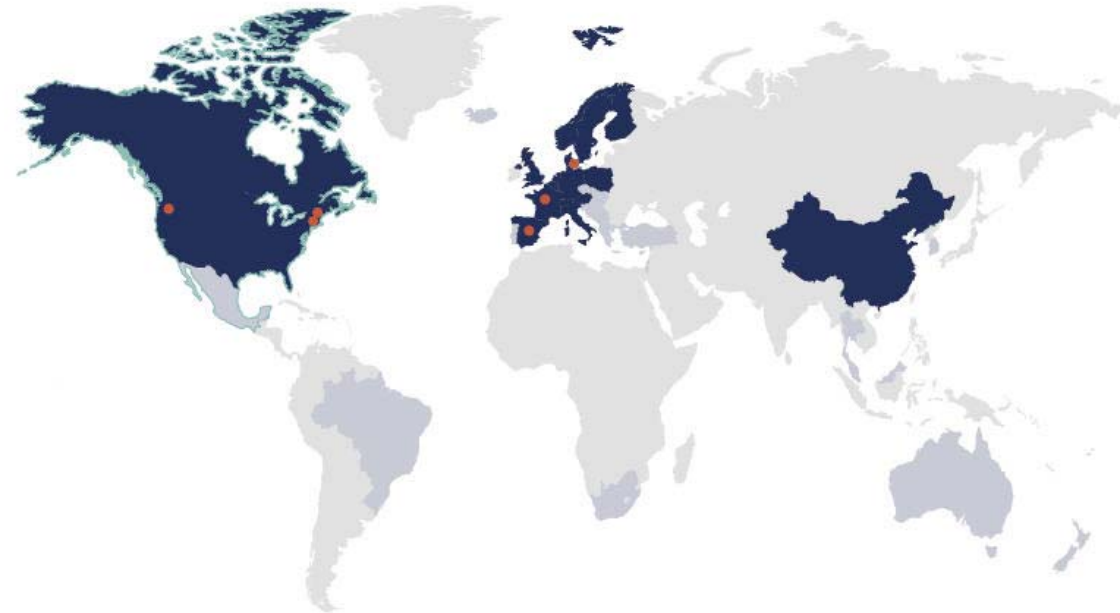
ALK – an allergy specialist

- **Biopharmaceutical company focusing on treatment, prevention and diagnosis of allergies**
 - HQ in Copenhagen, Denmark
 - Listed on NASDAQ OMX Copenhagen (Bloomberg: ALKB.DC)
- **The world leader within allergy immunotherapy**
 - 30+% global market share
- **1,650 employees globally (580 in DK)**
 - 560 in production
 - 300 in research & development
 - 790 in sales, marketing and administration
- **Important partnership with Merck in North America**
 - AIT: Grass, ragweed and house dust mite
- **Turnover 2009: 1.9 billion DKK (260 EURm)**
 - 10 year CAGR: 9%
 - R&D investments: 18% of revenue
 - Strong balance sheet (equity-ratio: 74%)



Acquisitions and subsidiaries have provided ALK with a **global presence**

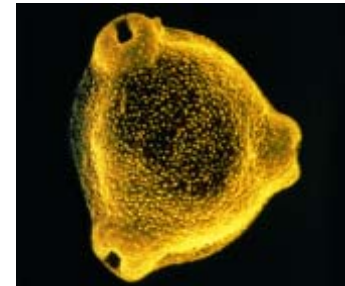
- USA (1984)
- Germany (1984)
- the Netherlands (1987)
- Spain/Italy (1992, Abelló)
- Sweden (1993)
- Austria (1995)
- UK (1995)
- Norway (1997)
- Finland (1999)
- China (2000)
- France (2005)
- Switzerland (2006)
- Poland (2007)
- Canada (2008)
- Germany (2009)
- the Netherlands (2010)
- USA (2010)



- Production
- Distributors
- Subsidiaries in Austria, Canada, Denmark (Nordic), France, Germany, Italy, the Netherlands, Poland, Spain, Sweden, Switzerland, the UK and the USA
- Sales offices in China, Finland and Norway
- Partnership with Merck in Canada, Mexico and the USA

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



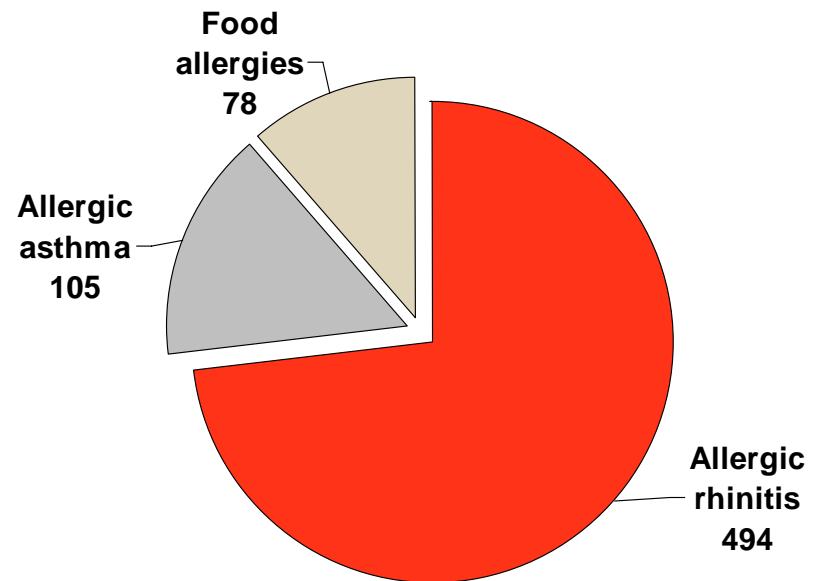
Birch allergen

Allergy is a very **common disease**

- Allergies typically affect more than **20% of the population**
- **Life-style induced disease**



Prevalent populations (millions)
in seven major markets and BRIC countries



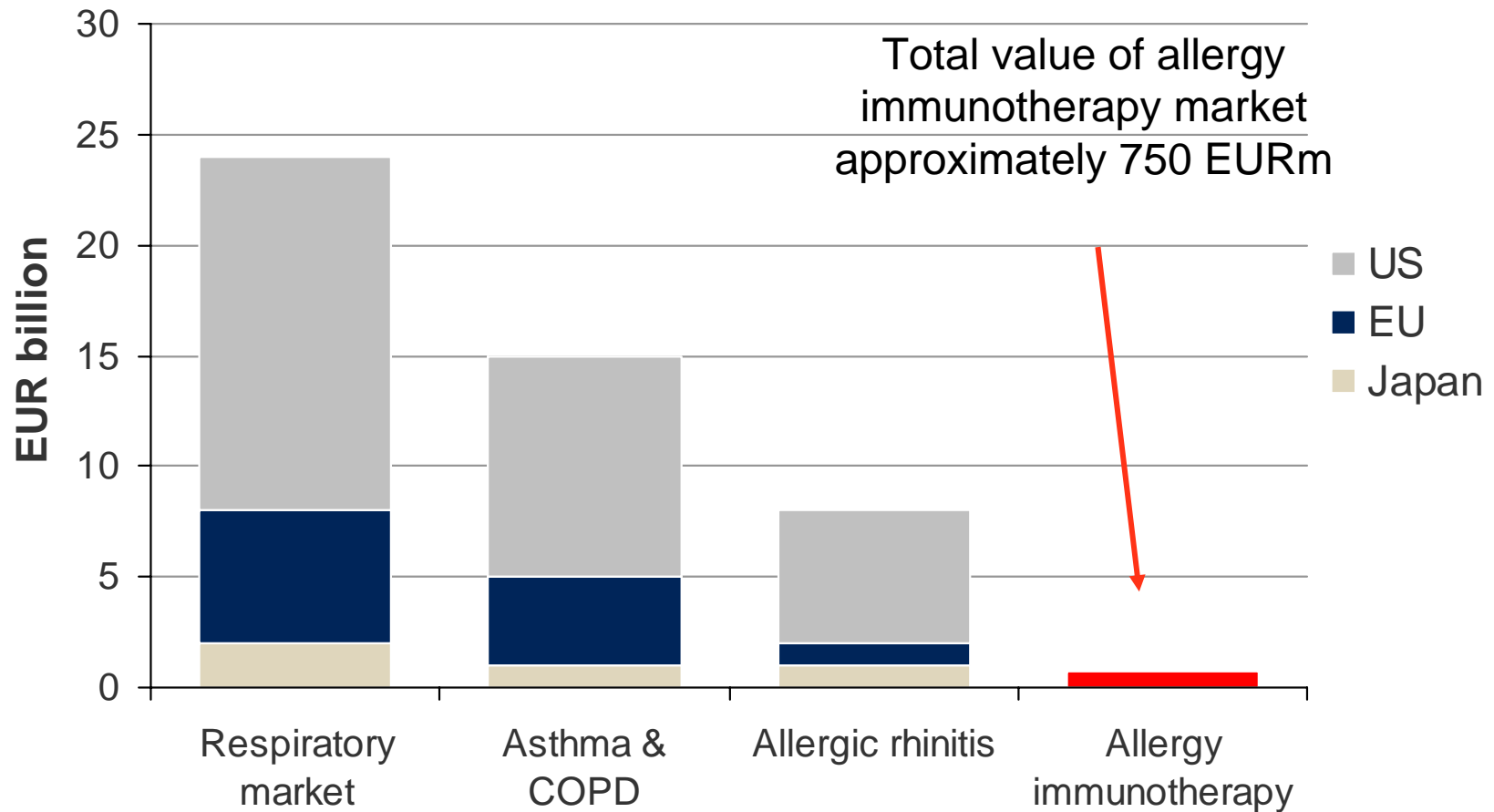
Most common allergens

	USA	Europe
Total population of allergic patients	65 million (~22% of the population)	87 million (~24% of the population)
Grasses	56% of allergic population	52% of allergic population
House dust mites	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%

In average a patient is allergic to more than 2.3 sources

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.

Respiratory market dominated by symptomatic medications



Advantages of **allergy immunotherapy**

	Symptomatic medication	Allergy 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	-	✓

Allergy immunotherapy treats the cause of allergy and not just the symptoms

Total sales of EUR 260 million in 2009

Subcutaneous immunotherapy (SCIT)

Injections under the skin
~ 48% of sales (2009)
(Five-year CAGR: 7%)



Sublingual immunotherapy (SLIT)

Under the tongue
~ 30% of sales (2009)
(Five-year CAGR: 27%)



Tablet-based immunotherapy

Under the tongue
~ 7% of sales (2009)
(Three-year CAGR: 68%)



Allergy diagnosis & emergency treatment for allergic shock (adrenaline pen)

~ 15% of sales (2009)
(Five-year CAGR: 3%)



ALK well-established market leader

Fragmented market with several small local companies

ALK is the only company serving both Europe and the USA

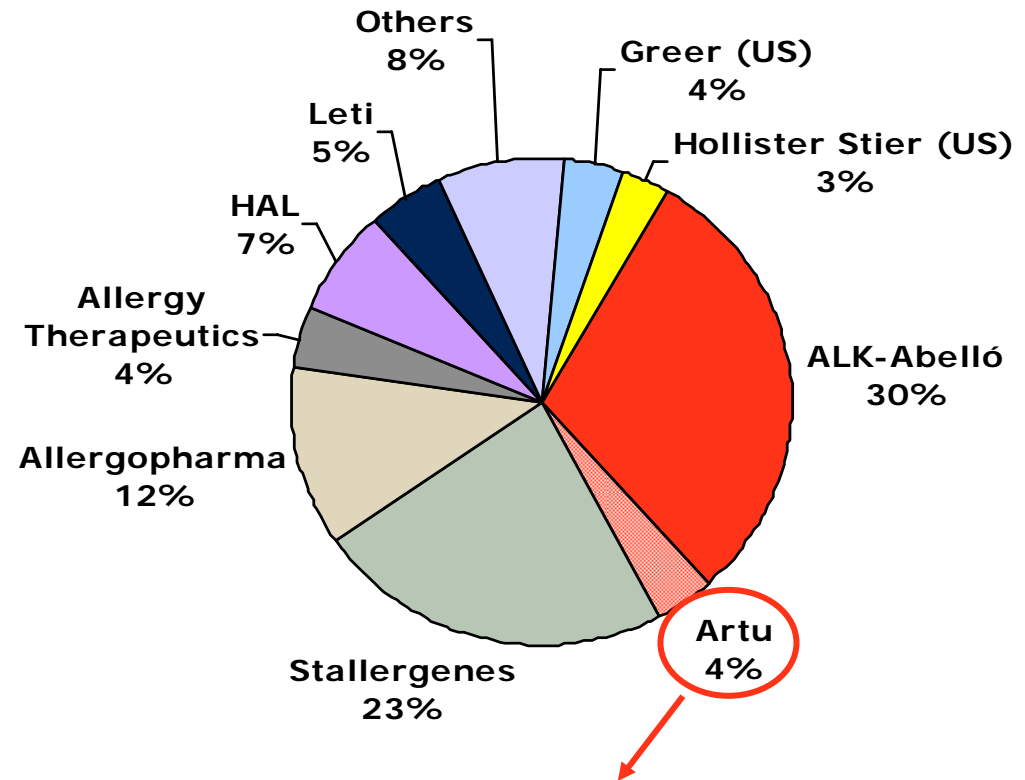


Figure is an internal estimate of market shares based on local reporting, surveys and other publicly available material

ALK has recently acquired Artu

Partnership with Merck – the facts



Partnership with Schering-Plough as of January 2007

Development and commercialisation of three allergy immunotherapy tablets in North America

- grass pollen, ragweed and house dust mite allergy

Schering-Plough was merged with Merck in Q4 2009

- Merck took over rights to ALK's tablet programmes

Merck responsible for all clinical development, registration, marketing and sales of the products

ALK responsible for product supply

Partnership based on milestones and royalties on net sales

- In total, ALK has received 50 USDm in upfront and milestones



Partnership with Merck – status



Progress for the tablet programme in North America

- Two Phase III studies with GRAZAX® in the USA meet primary endpoints and show robust results
- FDA registration application under preparation for filing in 2010/11

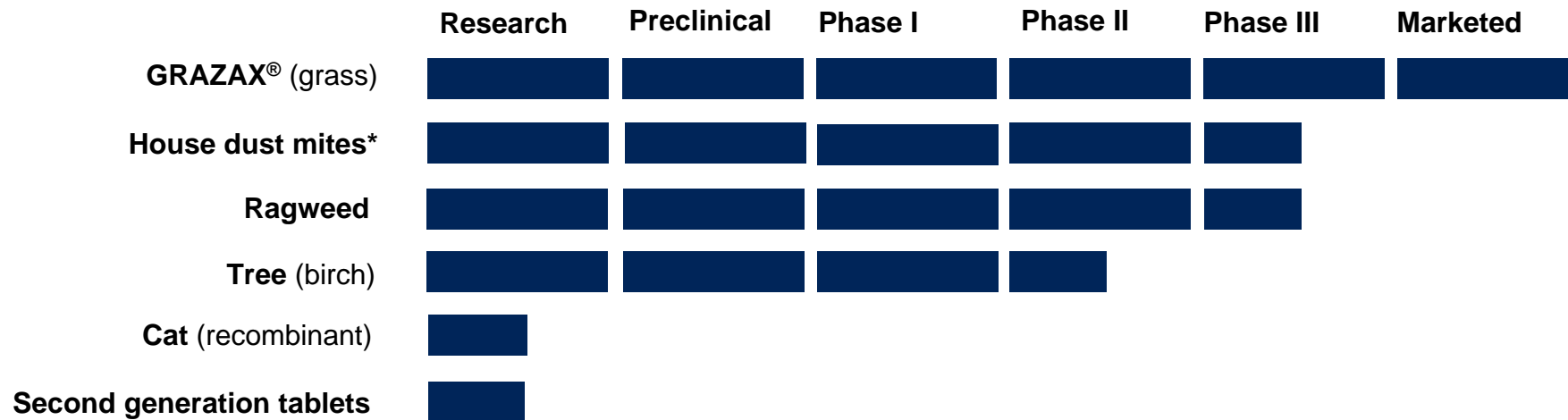
Merck currently conducts two pivotal clinical studies with the ragweed tablet

- To be completed in 2011

Further joint development of house dust mite tablet under planning

ALK's extensive support to Merck puts pressure on costs

ALK's R&D pipeline



The tablet programme covers:

- **The three most prominent outdoor allergens in Europe and the USA** (grass, tree and ragweed pollen)
- **The two most prominent indoor allergens in the world** (house dust mite and cat)

GRAZAX® – the worlds' **best documented** allergy immunotherapy

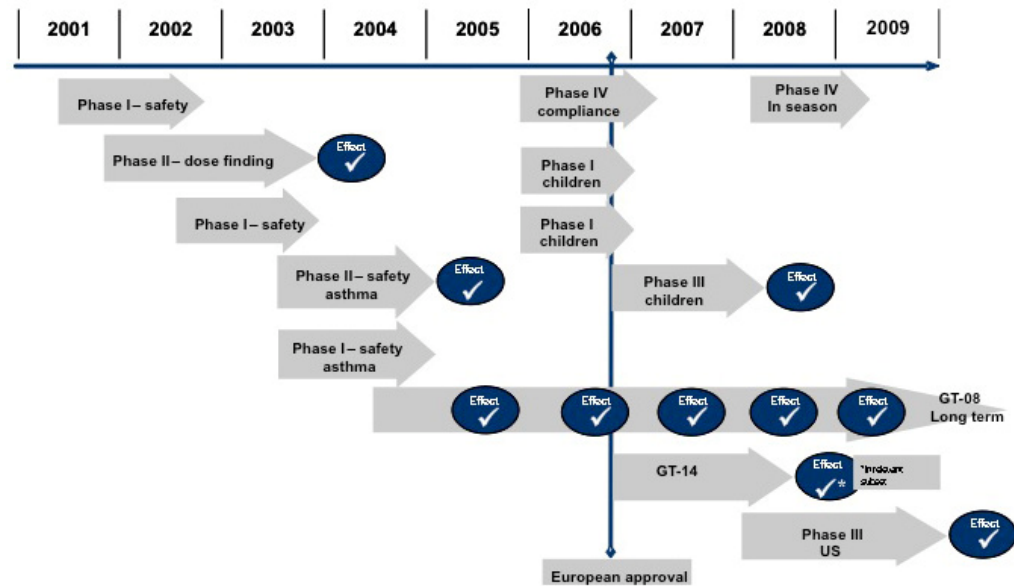
15 randomised double-blind, placebo controlled studies and 10 observation studies conducted

>20 key peer-reviewed publications

More than 6,000 patients and 50,000 treatment years completed

Latest news

- Positive results from long term study (GT-08) confirms disease modification
- Positive results from US Phase III trials with adults and children
- GRAZAX® approved by European authorities as a disease-modifying treatment
- GAP (GRAZAX® Asthma Prevention) five-year study initiated in 2010



Strong **strategic platform**

Key industry trends

- Increasing incidence of allergies and disease awareness
- Political focus in Europe and the USA on disease-modifying and preventive treatments
- New regulatory environment
 - Need for scientific documentation
 - Pressure on non-registered NP products
 - Higher barriers of entry
 - Industry consolidation inevitable
- Rising involvement from big pharma companies

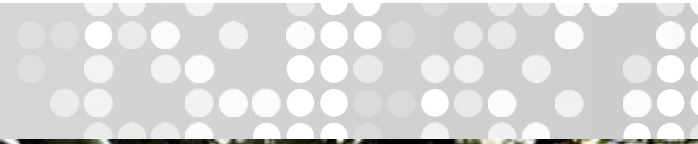
ALK well-positioned to benefit from industry trends

Portfolio of tablets to further strengthen ALK's market leadership



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, among others, general economic and business conditions, including legal issues, uncertainty relating to pricing, reimbursement rules and market penetration, fluctuations in currencies and demand, changes in competitive factors and reliance on suppliers, but also factors such as adverse 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. Furthermore, ALK cannot rule out that a general economic downturn could have an adverse impact on the company's revenue and earnings.



Thank you for your attention

Read more: www.alk-abello.com