Three-month interim report (Q1) 2016 (unaudited)

Company release No. 18/2016

Performance for the period

(Comparative figures for 2015 are shown in brackets / revenue growth is measured in local currencies. Revenue from ALK's base business is defined as total revenue excluding income from the SLIT-tablet partnerships in North America and International markets).

ALK recorded high double-digit growth in Europe and North America in Q1. Growth in Europe was positively influenced by unusually large orders in France and several other markets affected by the temporary suspension of production by ALK's main competitor. Revenue and earnings in the quarter exceeded expectations and therefore ALK has updated the full-year financial guidance.

- Total revenue, including partner income, grew organically by 31% in local currencies to DKK 848 million (650).
- Revenue in the base business grew organically by 30% to DKK 807 million (626). SLIT-tablet sales in Europe grew by 94% reflecting strong growth in sales of GRAZAX® and satisfactory sales of ACARIZAX® that progressed well during its introductory phase in the first markets.
- Income from the partnerships increased to DKK 41 million (24).
- Operating profit (EBITDA) was DKK 277 million (128), and the EBITDA margin was 33% (20%). The development was prompted by top-line growth, economies of scale in production and continued disciplined cost control.
- EBITDA before special items and excluding sales royalties and milestone payments increased by 91% to DKK 260 million (136).
- Free cash flow was an inflow of DKK 155 million (an outflow of 3).
- All pipeline activities continue to advance as planned. In April, Spain became the 12th European country to approve ACARIZAX®.

Updated 2016 financial guidance

Full-year guidance has been updated to reflect the better than expected performance during Q1 and a slightly clearer view of the unfolding market situation in Europe.

- Base business revenue is now expected to grow organically by approximately 15% in local currencies to around DKK 2.75 billion (previous expectation: 10% growth and revenue of approximately DKK 2.6 billion).
- EBITDA is now expected to increase to around DKK 575 million (previously: approximately 450 million) before special items, additional sales royalties and milestone payments. The new guidance includes a minor milestone payment from MSD which was recognised in February. Hence the underlying EBITDA guidance has been increased by approximately DKK 90 million.
- Partnerships are expected to further contribute to ALK's revenue and earnings with sales royalties, product supply income, service fees, and, potentially, milestone payments.
- Free cash flow is now expected to be better than in 2015 (previously: largely on level with 2015).

Hørsholm, 4 May 2016

ALK-Abelló A/S

Contact:
Steen Riisgaard, Chairman of the Board, tel. +45 4574 7576
Investor Relations: Per Plotnikof, tel. +45 4574 7527, mobile +45 2261 2525
Media: Jeppe Ilkjær, tel. +45 7877 4532, mobile +45 3050 2014

Today, ALK is hosting a conference call for analysts and investors at 1.00 p.m. (CEST) at which Management will review the financial results and the outlook. The conference call will be audio cast on www.alk-abello.com/investor. Participants in the audio cast are kindly requested to call in before 12.55 p.m. (CEST). Danish participants should call in on tel. 7022 3500 and international participants should call in on tel. +44 (0) 20 7572 1187 or +1 646 722 4972. Please use the following Participant Pin Code: 63593969#. The audio cast will also be available live on our website, where the related presentation will be available shortly before the call begins.

FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR THE ALK GROUP (unaudited)

Amounts in DKKm	3M 2016	3M 2015	Full year 2015
Income statement			
Revenue	**848**	650	2,569
Operating profit before depreciation and amortisation (EBITDA) before special items	**296**	138	452
Operating profit before depreciation and amortisation (EBITDA)	**277**	128	451
Operating profit (EBIT) before special items	**255**	101	293
Operating profit (EBIT)	**236**	91	292
Net financial items	**(13)**	68	108
Profit before tax (EBT)	**223**	159	400
Net profit	**123**	89	344
Average number of employees	**1,934**	1,833	1,854
Balance sheet			
Total assets	**4,423**	3,581	4,252
Invested capital	**2,299**	2,360	2,348
Equity	**2,762**	2,450	2,697
Cash flow and investments			
Depreciation, amortisation and impairment	**41**	37	159
Cash flow from operating activities	**160**	31	183
Cash flow from investing activities	**(5)**	(34)	(165)
- of which investment in tangible and intangible assets	**(24)**	(34)	(199)
- of which acquisitions of companies and operations	**-**	-	(12)
Free cash flow	**155**	(3)	18
Information on shares			
Share capital	**101**	101	101
Shares in thousands of DKK 10 each	**10,128**	10,128	10,128
Share price, end of period – DKK	**962**	746	876
Net asset value per share – DKK	**273**	242	266
Key figures			
Gross margin – %	**71**	68	67
EBITDA margin before special items – %	**35**	21	18
EBITDA margin – %	**33**	20	18
Earnings per share (EPS) – DKK	**13**	9	36
Earnings per share (DEPS), diluted – DKK	**12**	9	35
Cash flow per share (CFPS) – DKK	**16**	3	19
Share price/Net asset value	**3.5**	3.1	3.3

Definitions: see last page

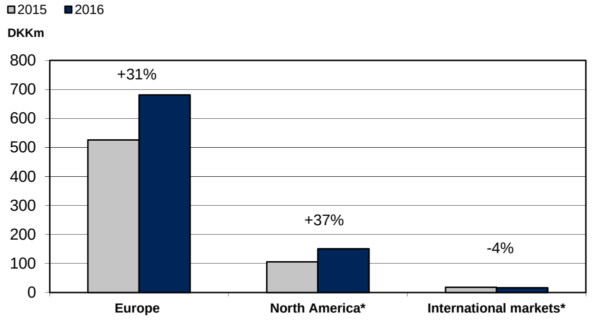
INCOME STATEMENT

Amounts in DKKm	3M 2016	%	3M 2015	%
Revenue	848	*100*	650	*100*
Cost of sales	246	*29*	210	*32*
Gross profit	**602**	*71*	440	*68*
Research and development expenses	100	*12*	91	*14*
Sales, marketing and administrative expenses	253	*30*	248	*38*
Other operating income and expenses	6	*1*	-	-
Operating profit (EBIT) before special items	**255**	*30*	101	*16*
Special items	(19)	*(2)*	(10)	*(2)*
Operating profit (EBIT)	**236**	*28*	91	*3*
Net financial items	(13)	*(2)*	68	*10*
Profit before tax (EBT)	**223**	*26*	159	*2*
Tax on profit	100	*12*	70	*11*
Net profit	**123**	*15*	89	*1*
Operating profit before depreciation and amortisation (EBITDA) before special items	**296**	*35*	138	*21*
Operating profit before depreciation and amortisation (EBITDA)	**277**	*33*	128	*20*

BUSINESS REVIEW

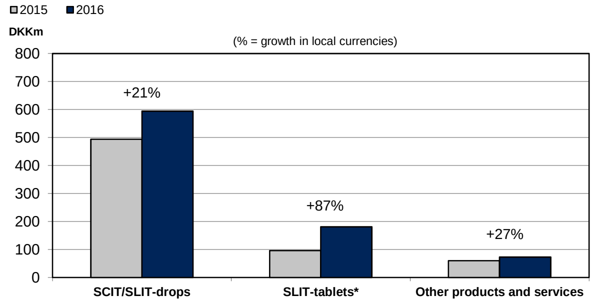
(*Comparative figures for 2015 are shown in brackets / Revenue growth rates are stated as organic growth in local currencies, unless otherwise indicated*)

3M revenue by market



* Revenue from North America and International markets also includes income from partners, such as milestone payments, product supply, sales royalties, etc.

3M revenue by product line



* Revenue from SLIT-tablets also includes income from partners, such as milestone payments, product supply, sales royalties, etc.

Highlights

Revenue in ALK's base business (i.e. total revenue excluding income from SLIT-tablet partnerships) grew by double digits across all geographies and product segments in Q1.

Overall revenue grew by double digits in Europe and North America while the year-on-year comparison in International markets was distorted by a one-off upfront payment in Q1 2015. Performance in Europe was positively influenced by competitor supply shortages in France and other markets following the temporary suspension of production by ALK’s main competitor.

Partner income amounted to DKK 41 million (24).

Operating profit (EBITDA) before special items was DKK 296 million (138). Excluding milestone payments and sales royalties, EBITDA before special items was DKK 260 million (136).The improvement was driven by top-line growth, economies of scale in production and disciplined cost control.

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – CVR No 63 71 79 16

Revenue by geography

(*Comparative figures for 2015 are shown in brackets / Revenue growth rates are stated as organic growth in local currencies, unless otherwise indicated*)

Europe

Revenue in Europe grew organically by 31% when adjusted for the divestment of the veterinary business in 2015. Revenue totalled DKK 681 million (526) and the region accounted for 80% of total revenue (81%).

Performance was positively influenced by the situation in France, Europe's second largest AIT market where, in December 2015, authorities ordered ALK's main competitor to temporarily suspend production and recall certain products. This resulted in supply shortages in France with ramifications in other markets leading to an extraordinarily high order intake for ALK.

In response to the situation, ALK ramped up production to make substitute products available to medical practitioners and patients, as much as possible. While the highly automated manufacturing process for SLIT-tablets was swiftly adapted to meet the increased demand, ramp-up in SLIT-drops production required the hiring and training of 130 new employees at ALK's facility in France. Capacity expansion has progressed according to plan with the aim of doubling capacity by the end of Q2 2016. ALK is fully committed to meet market demand and is aiming at re-establishing normal delivery times as soon as possible as they inevitably increased as a result of the situation.

ALK sales growth in Q1 was particularly pronounced in France, Spain and Italy, as well as in central and eastern European markets.

Sales also progressed in countries that were slightly or not affected by the problems experienced by ALK's competitor. Double-digit growth was seen in the Nordic countries and ALK sales also advanced in Germany where 2015 treatment guidelines continue to strengthen demand for evidence-based products while simultaneously weakening sales of unregistered named-patient products.

North America

Revenue in North America grew by 37% to DKK 151 million (106). North America thus accounted for 18% (16%) of total revenue.

ALK increased its sales of allergen extracts, diagnostics and other products to specialists and clinics in the USA and Canada by 22% to DKK 112 million (89), sustaining the strong momentum in North American product sales seen in recent quarters.

Income from the MSD partnership amounted to DKK 39 million (17). The increase was predominantly due to a milestone payment following the submission of a Biologics License Application for the house dust mite tablet. Income also included royalties for sales of GRASTEK® and RAGWITEK®. While actual sales are trending upwards, sales royalties remain modest.

International markets

Revenue in International markets was DKK 16 million (18), a 4% decrease. However, underlying growth was 26% when adjusted for last year's upfront payment from Seqirus, triggered by the signing of the partnership for Australia and New Zealand. International markets accounted for 2% of total revenue (3%).

Revenue in the base business in the region grew by 32%, driven by Turkey and China, where revenue is impacted by fluctuations in shipments to ALK's Chinese partner. Income from the Torii partnership included R&D reimbursements and minor sales royalties related to the newly introduced MITICURE™.

Revenue by product line

SCIT and SLIT-drops

Total revenue from SCIT and SLIT-drops grew by 21% to DKK 594 million (494). SCIT and SLIT-drops accounted for 70% (76%) of total revenue.

SCIT sales developed positively in most European markets, North America and China, yielding an overall organic growth of 5%.

For a number of years, sales of SLIT-drops in most countries, except for France, have shown a downward trend as a result of changes in reimbursement and documentation requirements with the ultimate aim of phasing out unregistered AIT products. In Q1 2016, however, demand in France and a few other southern European markets, affected by the above-mentioned supply shortage, was so strong that overall SLIT-drops sales grew by 46%.

SLIT-tablets

Revenue from SLIT-tablets grew by 87% to DKK 181 million (96) and accounted for 21% (15%) of total revenue.

European sales of SLIT-tablets close to doubled to DKK 140 million (72). GRAZAX® sales benefited from a record-high number of patient initiations in countries affected by supply shortages. Hence, significant growth was seen across southern and central Europe, including France, as grass allergy patients were switched from unregistered and out-of-stock AIT products to GRAZAX® tablets. Towards the end of the quarter, growth may also have been impacted positively by stockpiling at the wholesale level.

Strong double-digit growth was also seen in Germany. ACARIZAX® was launched in Germany and Denmark in January 2016, and sales progressed well and better than planned with an estimated more than 5,000 patient initiations, in tune with ALK's ambition of achieving a significant capture rate among the 20-30,000 house dust mite AIT adult initiations annually in these markets.

Revenue from SLIT-tablet partnerships in North America and International markets amounted to DKK 41 million (24) mainly consisting of the above-mentioned milestone payment from MSD.

Other products and services
Revenue from other products and services (adrenaline auto-injectors, diagnostics, etc.) grew by 27% to DKK 73 million (60), accounting for 9% (9%) of total revenue. Growth was mainly attributable to sales of diagnostic products, whereas sales of Jext® were on par with last year and below expectations. Work to improve robustness of supply chain continues in joint effort with sub-suppliers.

R&D PIPELINE AND PARTNERSHIPS

ALK's own pipeline activities as well as the pipeline activities under the partnerships with Merck, Torii, Abbott and Seqirus continue to advance.

ALK's European R&D pipeline activities
ALK aims to complete clinical development of the SLIT-tablet portfolio as quickly as possible. Hence, screening of patients to a Phase III clinical trial of the tree SLIT-tablet has started. The trial is expected to complete in 2017 after the 2017 pollen season.

Meanwhile, ALK continues its efforts to launch ACARIZAX® firstly in the 11 European countries covered by last year's regulatory approval, secondly to obtain approval in additional countries. In April, ACARIZAX® was approved by the Spanish authorities. Next step is to settle pricing and reimbursement. Furthermore, preparations to investigate the safety and efficacy of ACARIZAX® in children are underway.

The multi-year pan-European *GRAZAX® Asthma Prevention* (GAP) trial was completed in January 2016. The trial demonstrated that GRAZAX® treatment significantly reduced the proportion of children experiencing asthma symptoms or using asthma medication. Effects were sustained for two years after end of treatment.

As the foremost innovator in allergy immunotherapy, ALK continues to invest significantly in R&D to both further understanding of allergic diseases and to identify and assess new technologies which may be useful in developing new and improved treatments for allergy and asthma. Such technologies, and the intellectual property rights which protect them, are also designed to ensure ALK retains its market leadership position in the long term.

ALK is currently evaluating different emergent technologies which, after several years of research, have now reached a stage where the lead candidates may be advanced to clinical development. ALK will continuously assess the further development of these new product candidates and balance the pace of progression with the added benefit for patients and the competitive situation.

Partnership with MSD for North America
In April 2016, the U.S. Food and Drug Administration (FDA) accepted MSD's Biologics License Application for ACARIZAX® for review, which may get a different brand name in MSD's licensed market territory. The application, submitted by MSD in February 2016, is based on results from an extensive clinical development programme in Europe and North America involving more than 4,000 patients.

Subject to approval by the authorities, ACARIZAX® would allow MSD to offer a portfolio of SLIT-tablets targeting all three major respiratory allergies in North America.

MSD is also conducting a paediatric development programme for RAGWITEK™.

Partnership with Torii for Japan
In December 2015, Torii launched ACARIZAX® in Japan under the brand name MITICURE™. MITICURE™ is indicated for adult patients but Torii is conducting an additional clinical trial to investigate the safety and efficacy of MITICURE™ in paediatric patients.

In December 2015, Torii submitted a New Drug Application for the SLIT-tablet against Japanese cedar pollen allergic rhinitis. Subject to approval, this tablet could reach the market in 2017. The authorities' review of this application is ongoing.

Partnership with Abbott for Russia
Preparations for the registration of ACARIZAX® are advancing and a regulatory filing is expected in 2016. In the meantime, authorities are reviewing the registration applications for GRAZAX® (submitted in September 2015) and the ragweed SLIT-tablet (submitted in December 2015). ALK continues to estimate that first launches, subject to approval by the authorities, could take place in 2017.

Partnership with Abbott for South-East Asia
Regulatory submissions in seven South-East Asian markets are expected to be based upon ALK's data package which has been approved by European authorities. Regulatory submissions will target a label covering both allergic rhinitis and allergic asthma. First launches are expected from 2017.

Partnership with Seqirus for Australia and New Zealand
Seqirus has filed for regulatory approvals of both ACARIZAX® (July 2015) and GRAZAX® (December 2015) in Australia. Both filings are based on clinical data from ALK's European development programme and subsequent filings. While the authorities review the two applications, in Q1 2016 ACARIZAX® was made available to Australian patients under an 'early access' programme.

Further details on the SLIT-tablet partnerships can be seen on page 8.

FINANCIAL REVIEW OF Q1 2016

(*Comparative figures for Q1 2015 are shown in brackets. / Revenue growth rates are stated as organic growth in local currencies, unless otherwise indicated*)

Revenue increased by 30% in DKK and 31% in local currencies to DKK 848 million (650).

Cost of sales increased 17% (organically 18% in local currencies) to DKK 246 million (210). Gross profit of 602 DKK million (440) yielded a gross margin of 71% (68%). Disregarding milestone payments, the normalised gross margin of 70% (68%) was positively influenced by higher volumes and economies of scale, offsetting the cost of building up production capacity to meet the product supply needs of ALK's partners.

Capacity costs increased by 4% (organically 5% in local currencies) to DKK 353 million (339). Research and development expenses increased by 10% (organically 7% in local currencies). Administrative expenses were largely unchanged (2% organic increase in local currencies). The increase of 2% (organically 4% in local currencies) in sales and marketing expenses reflected a planned step up of activities in connection with the ongoing launch of ACARIZAX®.

Reported EBITDA (operating profit before depreciation and amortisation) was DKK 277 million (128). Excluding milestone payments and sales royalties, EBITDA before special items was DKK 260 million (136). The improvement was prompted by top-line growth, economies of scale in production and disciplined cost control. Exchange rates did not have a significant effect on EBITDA. The special items mainly related to severance pay to the former CEO.

Net financials were a loss of DKK 13 million (gain of 68) due to unrealised losses on intercompany loans.

Tax on the profit totalled DKK 100 million (70), corresponding to an effective tax rate of 45% (44%). The relatively high effective tax rate is a result of the current geographical distribution of income.

Net profit was DKK 123 million (89).

Cash flow from operating activities was DKK 160 million (31). The increase was primarily caused by higher profitability in the base business.

Cash flow from investment activities was an outflow of DKK 5 million (34) relating to the continued build-up of capacity for SLIT-tablet production partly offset by the divestment of a facility in the USA.

Free cash flow was an inflow of DKK 155 million (an outflow of 3). Cash flow from financing was an outflow of DKK 43 million (46) following the dividend payment of DKK 5 per share, which was declared at the annual general meeting in March.

ALK's holding of its **own shares** was reduced during the quarter following the settlement of share options and conditional shares. At the end of March, ALK held 330,557 of its own shares or 3.3% of the share capital (3.6% at the end of 2015).

At the end of March, **cash and marketable securities** totalled DKK 714 million vs. DKK 608 million at the end of 2015 and DKK 241 million at the end of March 2015.

Equity totalled DKK 2,762 million (2,450) at the end of the period, and the equity ratio was 62% (69%).

OUTLOOK FOR 2016

Full-year guidance has been updated to reflect the better than expected performance in Q1 and a slightly clearer view of the unfolding market situation in Europe.

On 10 March 2016, ALK's main competitor was authorised to restart the manufacture of named-patient products and announced that products will progressively become available again. While it is difficult for ALK to assess when products will be fully available and how the markets will respond to their return, ALK has decided to update its base case financial outlook based on the number of patient initiations in Q1 and the switch rate from unregistered named-patient products to evidence-based products, in particular tablets, in several markets.

Base business revenue is now expected to grow organically by approximately 15% in local currencies to around DKK 2.75 billion (previously: 10% growth and approximately DKK 2.6 billion revenue). Double-digit growth is now anticipated in all main geographies.

The partnerships are expected to further contribute to ALK's revenue with sales royalties, product supply income, service fees, and, potentially, milestone payments. Partner income is expected to decline relative to 2015, due to significantly lower milestone payments. In the period 2016-17, ALK may receive additional total development milestone payments of around 40 million (2015: DKK 116 million).

Gross margins will be negatively impacted by increased production and depreciation costs and lower milestone payments. Hence, the reported gross margin is expected to decline slightly.

Guidance for capacity costs is unchanged: R&D and administrative expenses are expected to remain largely unchanged whereas sales and marketing expenses are projected to increase modestly in support of strategic growth initiatives.

EBITDA is now expected to increase to around DKK 575 million (previously: approximately 450 million) before special items, sales royalties and additional milestone payments. The new guidance includes a minor milestone payment from MSD in February. Hence the underlying EBITDA guidance has been increased by approximately DKK 90 million.

Initiatives under the *Simplify* programme are expected to entail restructuring costs adding the costs related to the change in Management. Special items are projected at around DKK 50 million (previously around DKK 30 million).

CAPEX is projected at approximately DKK 200 million (unchanged), while free cash flow is now expected to be better than in 2015 (previously: largely level with the positive free cash flow of DKK 18 million recognised in 2015).

The outlook is based on current exchange rates.

OTHER EVENTS

Jens Bager stepped down as President and CEO as of 22 February 2016. The search for a new CEO was initiated immediately. Meanwhile, Steen Riisgaard, the Chairman of the Board, has undertaken extended operational responsibilities and currently acts as day-to-day leader of the company.

RISK FACTORS

This interim report contains forward-looking statements, including forecasts of future revenue and operating profit as well as expected business-related events. Such statements are naturally subject to risks and uncertainties as various factors, some of which are beyond the control of ALK, may cause actual results and performance to differ materially from the forecasts made in this interim report. Without being exhaustive, such factors include e.g., general economic and business-related conditions, including legal issues, uncertainty relating to demand, pricing, reimbursement rules, partners' plans and forecasts, fluctuations in exchange rates, competitive factors and reliance on suppliers. An additional factor is the potential for side effects from the use of ALK's existing and future products, as allergy immunotherapy may be associated with allergic reactions of differing extents, durations and severities.

2016 Financial calendar

Silent period	19 July 2016
Q2 report	16 August 2016
Silent period	13 October 2016
Q3 report	10 November 2016

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
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FACTS ON ALK'S SLIT-TABLET PARTNERSHIPS

Partnership with MSD for North America

ALK's partnership with MSD (known as Merck in the USA and Canada) grants MSD exclusive rights to develop, register and commercialise ALK's SLIT-tablets against grass pollen (GRASTEK®), ragweed pollen (RAGWITEK®) and house dust mite (ACARIZAX® in Europe) allergies in the USA, Canada and Mexico. The partnership was established in 2007.

Under the partnership with MSD, ALK may receive up to DKK 1.6 billion (USD 290 million) in milestone payments, of which DKK 34 million (USD 5 million) has been recognised. In addition, ALK is entitled to royalty payments on net sales as well as payments for product supply and R&D support. MSD incurs all costs of clinical development, registration, marketing and sales of the products. ALK is responsible for tablet production and supply.

Partnership with Torii for Japan

The 2011 partnership agreement grants Torii exclusive rights to develop, register and commercialise ALK's AIT products for allergic rhinitis and asthma in Japan. The agreement covers SLIT-tablets against house dust mite (branded MITICURE™ in Japan) and Japanese cedar pollen allergy, as well as a house dust mite SCIT product and a house dust mite diagnostic product.

ALK has received all potential upfront and development milestone payments totalling DKK 450 million (EUR 60 million) from Torii. In addition, ALK is entitled to royalty payments, sales milestones on the products' net sales, as well as payments for product supply and R&D support. Torii incurs all costs of clinical development, registration, marketing and sales of the products. ALK is responsible for production and supply.

Partnership with Abbott for Russia

The partnership, established in 2014, covers the supply and marketing of ALK's SLIT-tablets in Russia. Abbott has exclusive rights to distribute and commercialise ALK's SLIT-tablet portfolio mirroring the most common allergies: grass (GRAZAX®), ragweed, tree and house dust mite (ACARIZAX®), adding the products to its own respiratory range.

Abbott and ALK will share the revenue generated by the partnership. Abbott will purchase the products from ALK at agreed prices and, in addition, pay royalties on net sales.

Partnership with Abbott for South-East Asia

In January 2016, the partnership with Abbott was expanded to cover seven South-East Asian markets: Hong Kong, Malaysia, the Philippines, Singapore, South Korea and Thailand. In these markets, Abbott has exclusive rights to register and sell ACARIZAX®, which is a strong fit with Abbott's existing ENT and paediatrics portfolio.

ALK and Abbott will share the revenue generated in the territories. ALK will be responsible for product supply to Abbott.

Partnership with Seqirus for Australia

The partnership, established in 2015, grants Seqirus exclusive rights to promote and sell ACARIZAX® and GRAZAX® in Australia and New Zealand.

ALK will receive an undisclosed milestone payment upon approval of ACARIZAX® in Australia. ALK will be responsible for product supply and will sell products to Seqirus at an agreed price structure ensuring a split of the final in-market revenue generated by Seqirus.

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Tel +45 4574 7576 – CVR No 63 71 79 16

STATEMENT BY THE MANAGEMENT

The Board of Directors and Board of Management today considered and approved the interim report of ALK-Abelló A/S for the period 1 January to 31 March 2016.

The interim report has been prepared in accordance with IAS 34 'Interim financial reporting' as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies. As in previous years, the interim report has not been subject to audit or review.

In our opinion, the interim report gives a true and fair view of the Group's assets, equity and liabilities, financial position, results of operations and cash flow for the period 1 January to 31 March 2016. Moreover, in our opinion, the interim report gives a true and fair view of developments in the Group's activities and financial position and describes significant risk and uncertainty factors that may affect the Group.

Hørsholm, 4 May 2016

Board of Management

Henrik Jacobi Executive Vice President Research & Development	Søren Daniel Niegel Executive Vice President Commercial Operations
Flemming Pedersen CFO & Executive Vice President	Helle Skov Executive Vice President Product Supply

Board of Directors

Steen Riisgaard Chairman	Lene Skole Vice Chairman	Lars Holmqvist
Andreas Slyngborg Holst	Jacob Kastrup	Anders Gersel Pedersen
Jakob Riis	Katja Barnkob Thalund	Per Valstorp

INCOME STATEMENT FOR THE ALK GROUP (unaudited)

Amounts in DKKm	3M 2016	3M 2015
Revenue	848	650
Cost of sales	246	210
Gross profit	**602**	440
Research and development expenses	100	91
Sales and marketing expenses	203	199
Administrative expenses	50	49
Other operating income	6	-
Operating profit (EBIT) before special items	**255**	101
Special items	(19)	(10)
Operating profit (EBIT)	**236**	91
Net financial items	(13)	68
Profit before tax (EBT)	**223**	159
Tax on profit	100	70
Net profit	**123**	89
Earnings per share (EPS) – DKK	12.58	9.20
Earnings per share (DEPS), diluted – DKK	12.41	9.04

STATEMENT OF COMPREHENSIVE INCOME (unaudited)

Amounts in DKKm	3M 2016	3M 2015
Net profit for the period	**123**	89
Other comprehensive income		
Items that will be reclassified subsequently to the Income statement, when specific conditions are met:		
Foreign currency translation adjustment of foreign subsidiaries	(22)	57
Tax related to other comprehensive income	2	(11)
Other comprehensive income	**(20)**	46
Total comprehensive income	**103**	135

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CASH FLOW STATEMENT FOR THE ALK GROUP (unaudited)

Amounts in DKKm	3M 2016	3M 2015
Net profit	**123**	89
Adjustments:		
Tax on profit	100	70
Financial income and expenses	13	(68)
Share-based payments	1	3
Reversal of accounting gain on sale of non-current assets	(6)	-
Depreciation, amortisation and impairment	41	37
Change in provisions	1	(4)
Change in working capital	(87)	(61)
Net financial items, paid	1	1
Income taxes, paid	(27)	(36)
Cash flow from operating activities	**160**	31
Additions, intangible assets	(5)	(9)
Additions, tangible assets	(19)	(25)
Sales of assets	19	-
Cash flow from investing activities	**(5)**	(34)
Free cash flow	**155**	(3)
Dividend paid to shareholders of the parent	(49)	(49)
Sale of treasury shares	11	7
Exercise of share options	-	(3)
Repayment of borrowings	(5)	(1)
Cash flow from financing activities	**(43)**	(46)
Net cash flow	**112**	(49)
Cash at 1 January	176	81
Marketable securities at 1 January	432	208
Cash and marketable securities at 1 January	**608**	**289**
Unrealised gain/(loss) on foreign currency and financial assets carried as cash and marketable securities	(6)	1
Net cash flow	112	(49)
Cash at 31 March	275	32
Marketable securities at 31 March	439	209
Cash and marketable securities at 31 March	**714**	241

The cash flow statement has been adjusted to the effect that exchange rate adjustments in foreign subsidiaries are not included in the statement. As a result, the individual figures in the cash flow statement cannot be reconciled directly to the income statement and balance sheet.

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BALANCE SHEET - ASSETS FOR THE ALK GROUP (unaudited)

Amounts in DKKm	31 Mar. 2016	31 Dec. 2015	31 Mar. 2015
Non-current assets			
Intangible assets			
Goodwill	422	423	418
Other intangible assets	329	336	264
	751	759	682
Tangible assets			
Land and buildings	737	771	703
Plant and machinery	404	419	338
Other fixtures and equipment	58	59	58
Property, plant and equipment in progress	328	322	519
	1,527	1,571	1,618
Other non-current assets			
Securities and receivables	8	8	7
Deferred tax assets	381	378	178
	389	386	185
Total non-current assets	**2,667**	2,716	2,485
Current assets			
Inventories	533	520	437
Trade receivables	374	273	307
Receivables from affiliates	30	30	1
Income tax receivables	29	14	15
Other receivables	48	65	66
Prepayments	28	26	29
Marketable securities	439	432	209
Cash	275	176	32
Total current assets	**1,756**	1,536	1,096
Total assets	**4,423**	4,252	3,581

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BALANCE SHEET - EQUITY AND LIABILITIES FOR THE ALK GROUP (unaudited)

Amounts in DKKm	31 Mar. 2016	31 Dec. 2015	31 Mar. 2015
Equity			
Share capital	101	101	101
Currency translation adjustment	(8)	14	73
Retained earnings	2,669	2,582	2,276
Total equity	**2,762**	2,697	2,450
Liabilities			
Non-current liabilities			
Mortgage debt	322	327	19
Bank loans and financial loans	1	1	300
Pensions and similar liabilities	204	202	193
Other provisions	5	6	4
Deferred tax liabilities	99	100	28
	631	636	544
Current liabilities			
Mortgage debt	17	17	2
Bank loans and financial loans	300	300	3
Trade payables	49	81	51
Income taxes	163	73	63
Other provisions	22	22	25
Other payables	479	426	443
	1,030	919	587
Total liabilities	**1,661**	1,555	1,131
Total equity and liabilities	**4,423**	4,252	3,581

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EQUITY FOR THE ALK GROUP (unaudited)

Amounts in DKKm	Share capital	Currency translation adjustment	Retained earnings	Total equity
Equity at 1 January 2016	**101**	**14**	**2,582**	**2,697**
Net profit	-	-	123	123
Other comprehensive income	-	(22)	2	(20)
Total comprehensive income	**-**	**(22)**	**125**	**103**
Share-based payments	-	-	1	1
Sale of treasury shares	-	-	10	10
Dividend paid	-	-	(51)	(51)
Dividends on treasury shares	-	-	2	2
Other transactions	**-**	**-**	**(38)**	**(38)**
Equity at 31 March 2016	**101**	**(8)**	**2,669**	**2,762**

Equity at 1 January 2015	101	16	2,237	2,354
Net profit	-	-	89	89
Other comprehensive income	-	57	(11)	46
Total comprehensive income	-	57	78	135
Share-based payments	-	-	3	3
Sale of treasury shares	-	-	7	7
Dividend paid	-	-	(51)	(51)
Dividends on treasury shares	-	-	2	2
Other transactions	-	-	(39)	(39)
Equity at 31 March 2015	101	73	2,276	2,450

NOTES (unaudited)

1 ACCOUNTING POLICIES

The interim report for the period 1 January to 31 March 2016 is presented in accordance with IAS 34 'Interim financial reporting' as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The additional Danish disclosure requirements are defined in the Danish Executive Order on Interim Reports issued under the Danish Financial Statements Act. The accounting policies are unchanged compared to the Annual Report 2015, except for all new, amended or revised accounting standards and interpretations effective from 1 January 2016. These have no material impact on the interim report. Please see the Annual Report 2015 for a more detailed description of the Group's accounting policies.

2 REVENUE

	Europe		North America		International markets		Total	
Amounts in DKKm	3M 2016	3M 2015	3M 2016	3M 2015	3M 2016	3M 2015	3M 2016	3M 2015
SCIT/SLIT-drops	509	423	72	60	13	11	594	494
SLIT-tablets	140	72	39	17	2	7	181	96
Other products and services	32	31	40	29	1	-	73	60
Total revenue	**681**	526	**151**	106	**16**	18	**848**	650

	3M 2016	3M 2015
Sale of goods	805	627
Royalties	2	2
Milestone and upfront payments	34	4
Services	7	17
Total revenue	**848**	650
Base business revenue (i.e. total revenue excluding the SLIT-tablet partnerships in North America and International Markets)	807	626
Partner revenue	41	24
Total revenue	**848**	650

	Europe		North America		International markets		**Total**	
Organic growth, 3M 2016	Organic growth local currencies	Growth	Organic growth local currencies	Growth	Organic growth local currencies	Growth	**Organic growth local currencies**	**Growth**
SCIT/SLIT-drops	*21%*	*20%*	*16%*	*20%*	*38%*	*18%*	***21%***	***20%***
SLIT-tablets	*94%*	*94%*	*116%*	*129%*	*-65%*	*-71%*	***87%***	***89%***
Other products and services	*17%*	*3%*	*36%*	*38%*	*2%*	-	***27%***	***22%***
Total revenue	***31%***	***29%***	***37%***	***42%***	***-4%***	***-11%***	***31%***	***30%***

NOTES (unaudited)

3 SPECIAL ITEMS

Amounts in DKKm	3M 2016	3M 2015
Severance pay etc.	14	8
Other restructuring expenses	5	2
Total	**19**	10

Severance and other restructuring expenses represent one-off costs from 2012 to 2016 associated with the initiatives to streamline the business structure under the *Simplify*

4 KEY CURRENCIES AND CURRENCY SENSITIVITY

Average exchange rates	3M 2016	3M 2015
USD	6.77	6.57
GBP	9.70	9.99

Sensitivity in the event of a 10% increase in exchange rates (full year effect)

Amounts in DKKm	Revenue	EBITDA
USD	approx. + 50	approx. +5
GBP	approx. + 5	approx. 0

The sensitivities are estimated on the basis of current exchange rates.

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Definitions

Invested capital	*Intangible assets, tangible assets, inventories and current receivables reduced by liabilities except for mortgage debt, bank loans and financial loans*
Gross-margin – %	*Gross profit x 100 / Revenue*
EBITDA margin – %	*Operating profit before depreciation and amortisation x 100 / Revenue*
Net asset value per share	*Net asset value / Number of shares end of period*
Equity ratio	*Equity / Total assets*
Earnings per share (EPS)	*Net profit/(loss) for the period / Average number of outstanding shares*
Earnings per share (EPS), diluted	*Net profit/(loss) for the period / Average number of outstanding shares diluted*
Cash flow per share (CFPS)	*Cash flow from operating activities / Average number of outstanding shares diluted*
Markets	*Geographical markets (based on customer location):* *o Europe comprises the EU, Norway and Switzerland* *o North America comprises the USA and Canada* *o International Markets comprise Japan, China and all other countries*

Key figures are calculated in accordance with "Recommendations and Ratios 2015" issued by the Danish Society of Financial Analysts.

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