

Lundbeck profit jumps but warns on generic pressure

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Danish pharmaceutical company Lundbeck Wednesday posted a higher than expected quarterly net profit, helped by the expansion of an alliance with Japan's Otsuka and the divestment of a US portfolio of non-core products.

Net profit in the first quarter rose 72 percent to DKK1.07 billion (144 million euros, \$189 million) as revenue grew 21 percent to DKK4.58.

Analysts polled by [Dow Jones](#) Newswires had expected an average net profit of DKK662.1 million and revenue to come in at DKK4.01 billion.

Chief executive Ulf Wiinberg said he was pleased with the results, but added there was also "reason to be cautious" as Alzheimer's treatment Ebixa would face increased competition from [generic drugs](#), and launch costs were expected to rise.

"Therefore, we are maintaining the guidance for the year," he said.

The Copenhagen-based company, which has lost [patent protection](#) in several markets on blockbuster antidepressant Lexapro, said it's "investing significantly in several new product launches and increased pipeline activity."

Lundbeck expects full-year revenue to be between DKK14.4 billion and DKK15.0 billion, and profit from operations (EBIT) to be in the range of DKK1.9 billion to 2.4 billion.

The deal with Otsuka resulted in a DKK284 upfront payment in the period, while Lundbeck gained DKK454 million from the divestment of its US portfolio of non-core products.

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