



## GENMAB ANNOUNCES 2010 FIRST QUARTER RESULTS

*Summary: Genmab reports results for the first three months of 2010.*

**Copenhagen, Denmark; May 11, 2010** – Genmab A/S (OMX: GEN) announced today results for the three month period ended March 31, 2010. During this period, Genmab reported the following results:

- Genmab's revenues were DKK 107 million (USD 19 million) for the first quarter of 2010. In the same period of 2009, Genmab recognized revenues of DKK 250 million (USD 45 million).
- An operating loss of DKK 147 million (USD 27 million). This compares to an operating loss of DKK 37 million (USD 7 million) for the corresponding period of 2009. The higher operating loss was mainly related to the decrease in revenues compared to the first quarter of 2009.
- An income of DKK 36 million (USD 7 million) from net financial items for the first quarter of 2010, compared to a loss of DKK 110 million (USD 20 million) in the same period of 2009. The financial items, net have continued to be positively impacted by the improved market conditions which have resulted in improved fair market valuations of our marketable securities and foreign exchange rate adjustments.
- A net loss for continuing operations of DKK 116 million (USD 21 million) compared to a net loss of DKK 150 million (USD 27 million) for the same period in 2009. The net loss per share for continuing operations was DKK 2.57 (USD 0.47) for the first quarter of 2010 compared to DKK 3.34 (USD 0.61) for the first quarter of 2009.
- A net loss of DKK 130 million (USD 24 million) compared to DKK 199 million (USD 36 million) in the first quarter of 2009. This includes the results of our manufacturing facility, which has been classified as held for sale and presented as a discontinued operation due to our decision to sell the facility. The loss for discontinued operation amounted to DKK 15 million (USD 3 million) in the first quarter of 2010 compared to DKK 49 million (USD 9 million) in the first quarter of 2009.
- Genmab ended the first quarter with a cash position of DKK 1,077 million (USD 195 million), a decrease of DKK 204 million (USD 37 million) from the end of 2009. The decrease arises primarily from the investment in our research and development activities.

# GENMAB ANNOUNCES 2010 FIRST QUARTER RESULTS

## Highlights

During the first quarter of 2010, Genmab announced a number of business and scientific highlights, as follows:

### For ofatumumab:

- In January, we announced that Arzerra® (ofatumumab) received a positive opinion for conditional approval in Europe for refractory chronic lymphocytic leukemia (CLL).
- In February, we published net sales of Arzerra for the fourth quarter of 2009 of approximately DKK 29 million, with an expected royalty payment to Genmab of DKK 6 million.

### For zalutumumab:

- In March, we announced top-line results from a zalutumumab Phase III study in refractory head and neck cancer patients who failed platinum based chemotherapy. The trial did not meet the primary endpoint, however patients did experience a 61% increase in progression free survival. The company is reviewing the results with clinical advisors and regulatory agencies to determine on how best to proceed with the product.

### For zanolimumab:

- In February, we closed a license agreement under which Genmab granted exclusive worldwide rights to develop and commercialize zanolimumab (HuMax-CD4®) to TenX Biopharma, Inc.

### Declaratory relief complaint:

- In March, we announced that Genentech, Inc. and Biogen Idec, Inc. had filed a declaratory relief complaint at the US District Court, Southern District of California against Genmab's collaboration partner GlaxoSmithKline (GSK) for patent infringement under US patent No 7,682,612 based on GSK's manufacture, marketing and sale of Arzerra in the US for the treatment of fludarabine and alemtuzumab refractory CLL.

### Subsequent to the balance sheet date:

- In April, GSK and Genmab announced that the European Commission had granted a conditional marketing authorization for Arzerra for the treatment of refractory CLL. The authorization triggered a milestone payment of approximately DKK 87 million to Genmab.
- In April, we announced a new pre-clinical antibody program, HuMax-cMet™, as well as a novel next generation bispecific antibody technology.
- In April, we published net sales of Arzerra for the first quarter of 2010 of approximately DKK 42 million, with an expected royalty payment to Genmab of DKK 8 million.

## Outlook

Genmab is maintaining its 2010 financial guidance as announced on March 2, 2010.

## GENMAB ANNOUNCES 2010 FIRST QUARTER RESULTS

We expect our 2010 revenue, exclusive of royalties from Arzerra sales, to be approximately DKK 350 – 450 million, compared to DKK 586 million reported for 2009. This projected revenue consists primarily of deferred revenue and milestone payments. We cannot be certain about the outcome or timing of some of the milestone events and therefore any change in the timing or achievement of the projected milestones may impact our estimates.

Royalty income from Arzerra sales has not been included in the guidance above as it is difficult to estimate product revenues given the short period that the product has been on the market in the US.

We anticipate that our 2010 operating expenses from continuing operations will be slightly lower than 2009 at approximately DKK 950 – 1,050 million, reflecting the advancement of our clinical and pre-clinical programs offset by the implementation of the reorganization plan that was announced in November 2009. The reorganization plan included a headcount reduction of 300 positions and the intent to sell our manufacturing facility in Minnesota.

We expect the operating loss from continuing operations for 2010 to be approximately DKK 550 - 650 million, compared to the operating loss of DKK 498 million reported for 2009.

The discontinued operation guidance of DKK 55 million relates to the ongoing running costs of the Minnesota manufacturing facility and represents a full 12 months of activity maintaining the facility in a validated state. This cost could be lower if the facility is sold before the end of the year. We have launched an active sales process and further details of the facility can be viewed at <http://genmab-facility.com/>.

The fair value of the manufacturing facility less costs to sell is estimated at USD 145 million, approximately DKK 800 million. Please refer to note 1 of the annual report 2009 for further details.

As of December 31, 2009, we had cash, cash equivalents and marketable securities of DKK 1,281 million. Therefore we project a cash balance at the end of the year of approximately DKK 1,050 - 1,200 million.

	2010 Guidance	
	DKK Millions	USD Millions
Revenue*	350 - 450	63 - 81
Operating expenses	(950) - (1,050)	(172) - (190)
Operating loss continuing operations	(550) - (650)	(100) - (118)
Discontinued operation	(55)	(10)
Facility sale	800	145
Cash at beginning of year**	1,281	232
Cash at the end of year**	1,050 - 1,200	190 - 217
<i>* Not including Arzerra royalties</i>		
<i>** Cash, cash equivalents, and marketable securities</i>		

## GENMAB ANNOUNCES 2010 FIRST QUARTER RESULTS

In addition to factors already mentioned, the estimates above are subject to change due to numerous reasons, including the timing and variation of development activities, related income and costs and fluctuations in the value of our marketable securities, fair value less cost to sell related to our manufacturing facility and currency exchange rates. The financial guidance also assumes that no further significant agreements are entered into during 2010 that could materially affect the results.

### **Conversion of Certain DKK Amounts to USD**

For the convenience of the reader certain DKK amounts have been converted to USD. The conversion has been made using the Danish Central Bank closing spot rate on March 31, 2010 of USD 1.00 = DKK 5.5232.

### **Conference Call**

Genmab will hold a conference call to discuss the first quarter results tomorrow, Wednesday, May 12, 2010, at

3.00 pm CEST  
2.00 pm BST  
9.00 am EDT

The conference call will be held in English.

The dial in numbers are as follows:

+1 866 224 2914 (in the US) and provide conference ID no. 75100748  
+44 (0) 1452 569 103 (outside the US) and provide conference ID no. 75100748

A live webcast of the call and relevant slides will be available at [www.genmab.com](http://www.genmab.com). The webcast will also be archived on Genmab's website.

# GENMAB ANNOUNCES 2010 FIRST QUARTER RESULTS

## Selected Consolidated Key Figures

	1st quarter of 2010 DKK'000	1st quarter of 2009 DKK'000	Full year 2009 DKK'000	1st quarter of 2010 USD'000	1st quarter of 2009 USD'000	Full year 2009 USD'000
<b>Income Statement</b>						
Revenues	106,521	249,980	586,076	19,286	45,260	106,112
Research and development costs	(220,201)	(246,400)	(935,361)	(39,868)	(44,612)	(169,351)
General and administrative expenses	(32,823)	(40,239)	(148,749)	(5,943)	(7,285)	(26,932)
Operating loss	(146,503)	(36,659)	(498,034)	(26,525)	(6,637)	(90,171)
Net loss for continuing operations	(115,562)	(150,163)	(347,898)	(20,923)	(27,187)	(62,988)
<b>Balance Sheet</b>						
Cash and marketable securities	1,077,362	1,428,891	1,281,356	195,061	258,707	231,995
Non-current assets	60,465	1,341,769	65,282	10,948	242,933	11,820
Assets	2,081,365	3,148,096	2,221,534	376,841	569,976	402,219
Shareholders' equity	1,213,950	2,104,013	1,297,192	219,791	380,941	234,862
Share capital	44,907	44,906	44,907	8,131	8,130	8,131
<b>Cash Flow Statement</b>						
Cash flow from operating activities	(218,223)	(188,841)	(570,061)	(39,510)	(34,192)	(103,212)
Cash flow from investing activities	23,621	441,660	974,726	4,276	79,964	176,478
Cash flow from financing activities	(1,884)	(472)	(6,643)	(341)	(85)	(1,203)
Cash burn	(203,994)	(333,121)	(480,656)	(36,934)	(60,313)	(87,025)
<b>Financial Ratios</b>						
Basic and diluted net loss per share	(2.90)	(4.44)	(22.51)	(0.53)	(0.80)	(4.08)
Basic and diluted net loss per share continuing operations	(2.57)	(3.34)	(7.75)	(0.47)	(0.61)	(1.40)
Period-end share market price	69.35	212.00	82.00	12.56	38.38	14.85
Price/book value	2.57	4.52	2.84	2.57	4.52	2.84
Shareholders' equity per share	27.03	46.85	28.89	4.89	8.48	5.23
Equity ratio	58%	67%	58%	58%	67%	58%
Average number of employees	286	535	505	286	535	505
Number of employees at the end of the period	276	532	309	276	532	309

## About Genmab A/S

Genmab is a leading international biotechnology company focused on developing fully human antibody therapeutics for the potential treatment of cancer. Genmab's world class discovery and development teams are using cutting-edge technology to create and develop products to address unmet medical needs. Our primary goal is to improve the lives of patients who are in urgent need of new treatment options. For more information on Genmab's products and technology, visit [www.genmab.com](http://www.genmab.com).

*This Stock Exchange Release contains forward looking statements. The words "believe", "expect", "anticipate", "intend" and "plan" and similar expressions identify forward looking statements. Actual results or performance may differ materially from any future results or performance expressed or implied by such statements. The important factors that could cause our actual results or performance to differ materially include, among others, risks associated with product discovery and development, uncertainties related to the outcome and conduct of clinical trials including unforeseen safety issues, uncertainties related to product manufacturing, the lack of market acceptance of our products, our inability to manage growth, the competitive environment in relation to our business area and markets, our inability to attract and retain suitably qualified personnel, the unenforceability or lack of protection of our patents and proprietary rights, our relationships with affiliated entities, changes and developments in technology which may render our products obsolete, and other factors. For a further discussion of these risks, please refer to the section "Risk Management" in Genmab's Annual Report, which is available on [www.genmab.com](http://www.genmab.com). Genmab does not undertake any obligation to update or revise forward looking statements in this Stock Exchange Release nor to confirm such statements in relation to actual results, unless required by law.*

Genmab<sup>®</sup>; the Y-shaped Genmab logo<sup>®</sup>; HuMax<sup>®</sup>; HuMax-CD20<sup>®</sup>; HuMax-EGFr<sup>™</sup>; HuMax-IL8<sup>™</sup>; HuMax-TAC<sup>™</sup>; HuMax-HepC<sup>™</sup>; HuMax-CD38<sup>™</sup>; HuMax-CD32b<sup>™</sup>; HuMax-TF<sup>™</sup>; HuMax-Her2<sup>™</sup>; HuMax-VEGF<sup>™</sup>;

## GENMAB ANNOUNCES 2010 FIRST QUARTER RESULTS

HuMax-Wnt; HuMax-cMet™ and UniBody® are all trademarks of Genmab A/S. Arzerra® is a trademark of GlaxoSmithKline.

Contact: Helle Husted, Vice President, Investor Relations  
T: +45 33 44 77 30; M: +45 25 27 47 13; E: h.husted@genmab.com

###