

SHARE

Shareholders' meeting a success

More than 1,000 shareholders listened to executive management at the informal shareholders' meeting.



8%

sales increase in the first quarter of 2008

22%

increase in operating profit

28%

increase in net profit

25%

increase in sales of modern insulins

Novo Nordisk's first quarter 2008 results leave no doubt that our business is in good health, with double-digit growth in operating profit. Our strengths and concerns are stable: the continued weakening of the US dollar and other key currencies remains a challenge. But we are especially satisfied with the robust sales growth for our modern insulins in the major markets and the sustainable improvement in our gross margin.

It is our firm belief that the sales growth we have seen in this first quarter is sustainable, as it is driven by a number of markets both large and small: China and the US mainly, but Russian and Turkey among others are also showing strong growth for Novo Nordisk's products.



Lars Rebien Sørensen
President and CEO, Novo Nordisk

Donation helps combat neglected diseases

Effective 28 April 2008, Novo Nordisk has donated a licence for its small molecule compound library to the Chinese National Center for Drug Screening. The centre will use the library – both the actual compounds and an associated database – for screening activities to identify new drug candidates for infectious tropical diseases that affect people in poor countries.

Approvals, passion and good spirits

Two meetings for shareholders instead of one turned out to be a great success.

The Annual General Meeting, held 12 March 2008 in Copenhagen, had all the classic elements: A report on the past year's activities. Discussion of how the company pays its Board and Executive Management. Proposals from the Board, and a few comments from the floor.

Members of the Board were elected, among these a new face: Dr Pamela J Kirby.

Her PhD in Clinical Pharmacology and many years' experience in the commercial area of the pharmaceutical industry are a "unique combination" in the words of Chairman of the Board Sten Scheiby. She is the third non-Dane on the Board of Novo Nordisk and the first woman elected by the shareholders.

Passion for the WDF

There was a touch of passion on display as well. It appeared during the discussion of a new 575 million Danish kroner donation to the World Diabetes Foundation (WDF), to be granted from 2008 to 2017.

Novo Nordisk CEO Lars Rebien Sørensen explained that as a member of the WDF Board, he has followed the Foundation's activities closely since it was created in 2002.

"I cannot describe in words how much need there is for the work they're doing in developing countries," he said.

The proposal was adopted by shareholders – the majority of whom had voted in favour prior to the meeting, via proxy. A grateful Pierre Lefèbvre, chairman of the

WDF, took the opportunity to thank them.

"The Board of the WDF is delighted with your decision – the good works can go on," he said.

Letting loose a little

The day following the Annual General Meeting saw a new invention – the shareholders' meeting. More than 1,000 people had shown up for this event alone, outnumbering the last few years' attendance at the Annual General Meeting.

At the shareholders' meeting Executive Management found a more informal setting in which to talk to the company's owners about the state of the business.

"We were very pleased with this opportunity and we plan to continue this way of organising the meetings with shareholders next year," says Jesper Brandgaard, who is chief financial officer of Novo Nordisk. ■



Prof Pierre Lefèbvre, chairman of the WDF.



Novo Nordisk's needles are a quiet success being sold hand in hand with devices.

Safety needle wins international design award

Novo Nordisk needle gets recognised as excellent.

Novo Nordisk's NovoFine® Autocover® automatic safety pen needle has won the 2008 Medical Design Excellence Award.

Now in its 11th year, the award recognises the best commercially available products in 10 medical product categories. It is sponsored by the US company Canon Communications.

NovoFine® Autocover® is a disposable safety needle for use with pen devices. It locks a shield automatically over the needle when it's withdrawn from the skin, lowering the risk of accidental needle sticks on healthcare workers.

One 2005 study found that accidental needle sticks were common among US nurses, exposing them to blood-borne viruses such as human immunodeficiency virus (HIV) and hepatitis.

While Novo Nordisk was developing NovoFine® Autocover®, some American states and European countries introduced legislation requiring hospitals to use the safest products available.

"Without NovoFine® Autocover® there was a risk that we couldn't sell our insulins in our devices in hospitals and clinics," says Søren Friis Østergaard, international product manager.

Since 2005, NovoFine® Autocover® has been launched in the US and six European countries. Novo Nordisk's needle business makes up around 3% of company revenues. The first NovoPen® delivery system arrived in 1985. As Novo Nordisk's devices grew more popular, the company's needles have gained market share as well. ■

NovoSeven® advance adds freedom

Room temperature stable formulation of the product approved.

Having the room temperature stable formulation will be a significant benefit to patients because it means they will be able to have their treatment with them at all times – at work, at school, at play or when travelling. They can secure treatment immediately when a bleeding episode starts instead of having to wait several hours until they can get to a location with correct storage facilities for the product. The new formulation of NovoSeven® is stable at temperatures up to 25°C/77°F.

Marketing authorisation from the European Commission was received on 25 April. Novo Nordisk will begin marketing this version of the NovoSeven® drug in European markets in the coming months, while working for regulatory approval in other parts of the world as well. ■



16%

increase in total
diabetes care sales

11%

increase in biopharm
sales

Performance in the first quarter of 2008

Novo Nordisk increased first quarter operating profit by 22%.

Gross margin improved by 0.9 percentage points, despite adverse currency development.

- Novo Nordisk increased sales by 15% in local currencies and by 8% in Danish kroner due to a significant negative currency development.
 - Sales of modern insulins increased by 33% (25% in Danish kroner).
 - Sales of NovoSeven® increased by 10% (2% in Danish kroner).
 - Sales of Norditropin® increased by 17% (12% in Danish kroner).
 - Sales in North America increased by 21% (7% in Danish kroner).
 - Sales in International Operations increased by 32% (24% in Danish kroner).
- Gross margin increased by 0.9 percentage points to 77.3% in the first three months of 2008, reflecting continued productivity improvements being partly counterbalanced by the adverse currency development.
- Operating profit increased by 22% to DKK 2,829 million. Adjusted for the impact from currencies, underlying operating profit increased by around 35%.
- Net profit increased by 28% to DKK 2,180 million. Earnings per share (diluted) increased by 30% to DKK 3.48.
- As a result of increased safety concerns surrounding pulmonary delivery of insulin in general, Novo Nordisk has now decided to discontinue the remaining pulmonary delivery projects, and the expected level of non-recurring costs in 2008 is consequently now expected to be DKK 500 million.
- For 2008, reported operating profit is now expected to grow by slightly more than 20% as an improved gross margin only partly compensates for the adverse currency development and the increased level of non-recurring costs in relation to the discontinuation of all pulmonary diabetes projects. Reflecting primarily the improved gross margin, the guidance for growth in underlying operating profit, adjusted for the impact from currencies and non-recurring items, has been increased to close to 25%.

Lars Rebieen Sørensen, president and CEO, said: "The solid momentum in our business is maintained in the first quarter of 2008, despite the continued depreciation of key invoicing currencies. We are especially satisfied with the

robust sales growth for our modern insulins in the major markets and the sustainable improvement in our gross margin."

DIABETES CARE

Sales of diabetes care products increased by 16% measured in local currencies and by 10% in Danish kroner to DKK 7,843 million compared to the first three months of 2007.

Modern insulins, human insulins and insulin-related products

Sales of modern insulins, human insulins and insulin-related products in the first three months of 2008 increased by 15% measured in local currencies and by 9% in Danish kroner to DKK 7,203 million. All regions contributed to growth measured in local currencies, with North America and International Operations having the highest growth rates. Novo Nordisk continues to be the global leader with 52% of the total insulin market and 43% of the modern insulin market, both measured by volume.

Sales of modern insulins increased by 33% in local currencies and by 25% in Danish kroner to DKK 3,821 million with Levemir® contributing the highest share of growth and increasing by 70% compared to the first three months of 2007. All regions realised solid growth rates, with North America and Europe as the primary contributors to growth. Sales of modern insulins now constitute 57% of Novo Nordisk's sales of insulin.

BIOPHARMACEUTICALS

In the first quarter of 2008, sales of biopharmaceutical products increased by 11% measured in local currencies and by 4% measured in Danish kroner to DKK 2,771 million compared to the first three months of 2007.

NovoSeven®

Sales of NovoSeven® increased by 10% in local currencies and by 2% in Danish kroner to DKK 1,440 million compared to the first three months of 2007. Sales growth for NovoSeven® was primarily realised in International

21%

increase in North American sales

32%

increase in International Operations sales

7%

increase in the number of full-time employees at the end of the period

20%

Expected operating profit growth (reported) for the full year of 2008

Operations due to the timing of tender sales compared to last year, and in North America. The sales growth for NovoSeven® primarily reflected increased sales within the congenital bleeding disorder segments, where Novo Nordisk is the global leader. Treatment of spontaneous bleeds for congenital inhibitor patients remains the largest area of use.

Growth hormone therapy (Norditropin®)

Sales of Norditropin® (ie growth hormone in a liquid, ready-to-use formulation) increased by 17% measured in local currencies and by 12% measured in Danish kroner to DKK 878 million. Growth was realised in all regions with North America as the primary contributor to growth. Novo Nordisk continues to gain market share in the growth hormone market and is the second-largest company in this market with a global market share of 23% measured by volume.

Other products

Sales of other products within biopharmaceuticals, which predominantly consist of hormone replacement therapy (HRT)-related products, increased by 1% in local currencies and decreased by 6% in Danish kroner to DKK 453 million. This development reflects modest sales growth in the US market partly countered by declining sales in a contracting European HRT market.

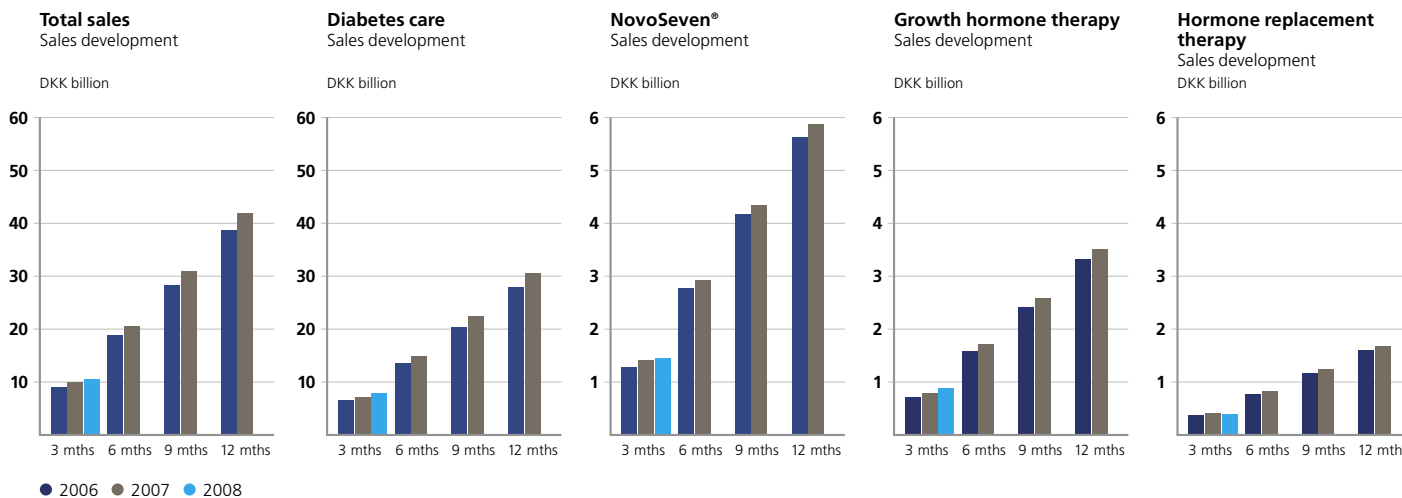
RESEARCH AND DEVELOPMENT UPDATE

Diabetes care

The data to be included in the liraglutide regulatory dossiers that will be submitted to the FDA and EMEA has recently been discussed with the US and EU regulatory authorities. Based on this, Novo Nordisk still expects to file for regulatory approval of liraglutide in the US and EU before the end of the second quarter of 2008. The filing for regulatory approval of liraglutide in Japan is still expected to take place in the third quarter of 2008.

At the annual meeting of the American Diabetes Association (ADA) to be held in San Francisco on 6–10 June 2008, Novo Nordisk expects to present detailed results from the global phase 3a programme with liraglutide.

As communicated on 14 January 2008, Novo Nordisk has refocused its clinical development activities within inhaled insulin and discontinued the development of AERx® iDMS, an inhaled fast-acting insulin. At the time of discontinuation of AERx® iDMS, specific safety concerns were not apparent and Novo Nordisk announced that R&D activities within inhalation of long-acting insulin and GLP-1 would continue. Following recent reports of lung cancer cases in type 2 diabetes patients treated with Exubera®, an inhaled insulin product from Pfizer, the likelihood of achiev-



QUARTERLY NUMBERS FOR NOVO NORDISK IN 2008 AND 2007

(Amounts in DKK million, except number of employees, earnings per share and number of shares outstanding)

	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	% Change 2007–2008(Q1)
Sales	10,614	10,946	10,504	10,563	9,818	8%
Gross profit	8,201	8,345	7,990	8,205	7,498	9%
Sales and distribution costs	2,975	3,220	2,993	3,110	3,048	-2%
Research and development costs	1,858	3,413	1,724	1,754	1,647	13%
– Hereof costs related to discontinuation of AERx®	(220)	(1,325)	-	-	-	
Administrative expenses	627	677	623	594	614	2%
Licence fees and other operating income (net)	88	92	31	60	138	-36%
Operating profit	2,829	1,127	2,681	2,807	2,327	22%
Operating profit (excl AERx®)*	3,049	2,452	2,681	2,807	2,327	31%
Share of profit/(loss) in associated companies	(67)	0	(57)	1,350	(60)	12%
Financial income	474	375	322	297	309	53%
Financial expenses	368	155	90	60	202	82%
Profit before income taxes	2,868	1,347	2,856	4,394	2,374	21%
Net profit	2,180	977	2,184	3,652	1,709	28%
Depreciation, amortisation and impairment losses	563	1,396	586	516	509	11%
Depreciation, amortisation, etc (excl AERx®)*	563	526	586	516	509	11%
Capital expenditure	214	719	597	508	444	-52%
Cash flow from operating activities	3,070	2,498	3,500	1,438	2,551	20%
Free cash flow	2,795	3,198	2,888	826	2,100	33%
Equity	31,251	32,182	33,161	33,475	29,676	5%
Total assets	47,534	47,731	48,423	48,300	44,742	6%
Full-time employees at the end of the period	25,765	25,516	25,206	24,729	24,045	7%
Basic earnings per share (in DKK)	3.51	1.56	3.46	5.75	2.69	30%
Diluted earnings per share (in DKK)	3.48	1.55	3.43	5.71	2.68	30%
Average number of shares outstanding (million)**	620.9	624.4	632.0	635.8	635.0	-2%
Average number of shares outstanding incl dilutive effect of options 'in the money' (million)**	626.3	629.6	636.4	640.2	639.4	-2%

*) Excluding costs related to the discontinuation of AERx®. **) For Q1 2008 the exact numbers of 'Average number of shares outstanding' and 'Average number of shares outstanding incl dilutive effect of options 'in the money' are 620,924,273 and 626,305,119 respectively.

→ ing a positive benefit:risk ratio for future pulmonary diabetes projects has become more uncertain and Novo Nordisk has consequently decided to stop all R&D activities in the field. As a consequence of this decision, Novo Nordisk will discontinue all pulmonary delivery projects in Denmark, as well as at the pulmonary R&D centre in Hayward, California. This decision

will increase the non-recurring costs for 2008 relating to the discontinuation of the pulmonary delivery projects from a previous estimate of DKK 300 million related to the phase 3 AERx® iDMS project to a revised estimate of DKK 500 million for the discontinuation of the total pulmonary delivery project portfolio. Research at Novo Nordisk in Denmark will con-

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→ tinue to focus on injection-based delivery and alternative non-invasive approaches to delivery of insulin, GLP-1 and other therapeutic proteins.

The results from a comparative study of dosing accuracy of Levemir® FlexPen® and Lantus® SoloStar® were recently published in *Current Medical Research & Opinion*. The study investigated the dosing accuracy at 5, 10 and 30 unit dose levels for both insulin delivery devices. At all doses investigated in the study, FlexPen® was reported to be more accurate, and the differences in accuracy between the two pens were statistically significant at all doses tested.

Biopharmaceuticals

On 25 April, Novo Nordisk received marketing authorisation from the European Commission for the room temperature stable version of NovoSeven®. A room temperature stable product is expected to deliver significant patient benefits including immediate access to treatment as well as fast and convenient administration when a bleeding episode occurs. Novo Nordisk expects to launch this upgraded version of NovoSeven® in Europe in the second half of 2008.

In January 2008, Novo Nordisk finalised the phase 2 safety study for the use of NovoSeven® in cardiac surgery. The study confirmed the safety profile known from the cardiac surgery setting and from previous studies of NovoSeven® outside of haemophilia patients with inhibitors. While the primary endpoint of this trial was safety, the trial also demonstrated the biologic haemostatic effect of NovoSeven®. Based on an assessment of Novo Nordisk's possibilities within this indication with both NovoSeven® and NN1731, the next-generation version of recombinant factor VIIa, Novo Nordisk has decided not to progress with a pivotal phase 3 programme with NovoSeven®. Instead, a phase 2a study within cardiac surgery with NN1731 is expected to be initiated in the second half of 2009. The results from the phase 2 trial with NovoSeven® in cardiac surgery are expected to be published and presented at scientific congresses in 2008.

Furthermore, Novo Nordisk has completed a phase 1 dose escalation study with rFXIII in cardiac surgery. A total of 43 patients were randomised to treatment with either placebo or rFXIII. The study confirmed the ability of rFXIII to normalise the FXIII levels in the blood, which is expected to reduce the risk of bleeding. Based on this, Novo Nordisk expects to initiate a phase 2 study for the use of rFXIII in cardiac surgery mid-2009. ■

Forward-looking statement

Novo Nordisk's reports filed with or furnished to the US Securities and Exchange Commission (SEC), including this document as well as the company's *Annual Report 2007* and Form 20-F both filed with the SEC in February 2008, and written information released, or oral statements made, to the public in the future by or on behalf of Novo Nordisk, may contain forward-looking statements.

Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'guidance', 'project', 'anticipate', 'can', 'intend' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Examples of such forward-looking statements include, but are not limited to (i) statements of plans, objectives or goals for future operations, including those related to Novo Nordisk's products, product research, product introductions and product approvals as well as cooperations in relation thereto, (ii) statements containing projections of revenues, income (or loss), earnings per share, capital expenditures, dividends, capital structure or other net financials, (iii) statements of future economic performance, future actions and outcome of contingencies such as legal proceedings, and (iv) statements of the assumptions underlying or relating to such statements.

These statements are based on current plans, estimates and projections. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific. Novo Nordisk cautions that a number of important factors, including those in this document, could cause actual results to differ materially from those contained in any forward-looking statements.

Factors that may affect future results include, but are not limited to, global as well as local political and economic conditions including interest rate and currency exchange rate fluctuations, delay or failure of development projects, unplanned loss of patents, interruptions of supplies and production, product recall, unexpected contract breaches or terminations, government-mandated or market-driven price decreases for Novo Nordisk's products, introduction of competing products, reliance on information technology, Novo Nordisk's ability to successfully market current and new products, exposure to product liability and legal proceedings and investigations, changes in governmental laws and related interpretation thereof, including on reimbursement, intellectual property protection and regulatory controls on testing, approval, manufacturing and marketing, perceived or actual failure to adhere to ethical marketing practices, investments in and divestitures of domestic and foreign companies, unexpected growth in costs and expenses, failure to recruit and retain the right employees and failure to maintain a culture of compliance. Please also refer to 'Business strategy, opportunities and key risks' on pp 8-9 of the *Annual Report 2007* available on our website (novonordisk.com).

Unless required by law, Novo Nordisk is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this document, whether as a result of new information, future events or otherwise.

RESPONSIBILITY

In support of human rights

Novo Nordisk publishes its efforts to promote the right to health.

Every human has rights! That is the message conveyed by the Elders, a group of influential leaders such as Mary Robinson (former Irish president and United Nations high commissioner for Human Rights) and Kofi Annan (former secretary general of the United Nations).

The Elders aspire to have one billion individuals sign an online pledge in support of the United Nations Declaration of Human Rights, celebrating its 60th anniversary this year.

Novo Nordisk has recently made a publication available that portrays the company's view on the right to health and how it contributes to promoting this right.

The right to health – our contribution discusses the four cornerstones of health: availability of health care, accessibility for all, quality for patients and affordability of treatment.

Novo Nordisk has worked with human rights issues among others through its membership of The Business Leaders Initiative on Human Rights (BLIHR). This is recognised by Mary Robinson:

“Novo Nordisk's engagement in BLIHR and its work to promote greater understanding and realisation of the human right to health demonstrate how companies can indeed make important contributions. More companies should make commitments to human rights within their areas of impact and influence,” she says.

To access the publication, please go to novonordisk.com/sustainability. To join the Elders' campaign in support of the Declaration of Human Rights, please visit theelders.org. ■



Changing possibilities in haemophilia

On 17 April 2008, World Haemophilia Day was marked by Novo Nordisk employees everywhere – aided by a new corporate brand designed to strengthen Novo Nordisk's identity as a leader in haemophilia.

'Changing possibilities in haemophilia' is the new brand concept, and affiliates used World Haemophilia Day to launch it internally through awareness building and patient talks.

A global, external brand launch will take place at the World Federation of Hemophilia Congress in Istanbul, Turkey, 1–5 June.

The haemophilia branding concept will require a different line of attack than the company's Changing Diabetes® brand, adopted in 2005.

Whereas mass communication works well with diabetes, where many millions of people have the disease, the number of people with haemophilia is very small. For that reason, communications must be far more targeted. ■