

Share

Quarterly update for investors from Novo Nordisk August 2009



changing diabetes®

Victoza® launched in Europe



Power goes green at Novo Nordisk

The new generation of insulins head for phase 3

17%
sales increase in the first half of 2009

39%
increase in operating profit

22%
increase in net profit

31%
increase in sales of modern insulins

Novo Nordisk's performance in the first half of 2009 is encouraging and allows us to raise our guidance for underlying operating profit growth for the full year.

The results are aided by growth in modern insulin sales - particularly in North America, high growth in sales of NovoSeven and continued productivity improvements.

This confirms the trend that the company's current and future growth to a large extent should be expected from markets outside Europe and Japan.

We are very pleased that Victoza® is now launched in the United Kingdom, Germany and Denmark, and look forward to making Victoza® available to more people with type 2 diabetes. We are continuing our constructive dialogue over the approval of the product with the Food and Drug Administration, and expect formal feedback this quarter.



Lars Rebien Sørensen
President and CEO

Victoza® launched in Europe

With European marketing approval, the first prescriptions of Novo Nordisk's new product are written.

On 3 July, the European Commission announced Novo Nordisk's marketing authorisation for Victoza® for the treatment of type 2 diabetes. The approval covers all 27 European Union member states.

"This is an important milestone for Novo Nordisk and for the treatment of type 2 diabetes," says Chief Science Officer Mads Krosgaard Thomsen.

"In clinical studies involving more than 6,500 people with type 2 diabetes, Victoza® has been shown to have a significant blood glucose lowering effect and lead to weight loss, while having a low risk of hypoglycaemia," he says. "On this background, we are convinced that Victoza® is a valuable new treatment option for people with type 2 diabetes."

Fast to market

The launch of Victoza® was the fastest in

Novo Nordisk's history. Just 48 hours after approval was received, the product was on the pharmacy shelves.

In Germany and the UK, sales representatives have carried Victoza® in their cases since the beginning of July, informing all diabetes specialists in these two countries about the product and providing them with samples.

Novo Nordisk expects to launch Victoza® in more European markets during the second half of 2009 and throughout 2010. The European approval process also permits Novo Nordisk to pursue further Victoza® approvals in many markets outside the US, Europe and Japan. The first of these launches will take place in 2010. ■

VICTOZA®

Liraglutide injection



In Germany and the UK, Victoza® was launched immediately after Novo Nordisk received the EU approval.

In clinical studies, Victoza® improved blood sugar level, provided weight loss, lowered the systolic blood pressure and improved the function of the beta cell.



New generation of insulins ready for phase 3



One of the new generation of modern insulins is built on the SIBA molecule pictured here.

The new generation of modern insulins, known as SIAC (soluble insulin analogue combination) and SIBA (soluble insulin basal analogue), are both expected to start phase 3 clinical trials in the third quarter this year.

SIBA is a long-acting basal insulin developed to provide a duration of more than 24 hours with a flat and predictable profile. SIAC is a combination of a long-acting basal insulin and a fast-acting insulin, without a need for resuspension.

The trial programmes for the two insulins are named BEGIN™ and BOOST™, respectively. In total, the BEGIN™ programme is expected to include around 7,000 patients whereas the BOOST™ programme is expected to include approximately 3,000 patients. This makes BEGIN and BOOST the largest regulatory clinical programmes ever conducted within diabetes.

17%

sales increase in the first half of 2009

2.8

percentage points improvement in gross margin

39%

increase in operating profit

22%

increase in net profit

Performance in the first half year of 2009

Novo Nordisk increased operating profit by 39% in the first six months of 2009. Raises outlook for underlying operating profit growth for the full year.

- Sales increased by 17% in Danish kroner and by 11% in local currencies.
 - Sales of modern insulins increased by 31% (25% in local currencies).
 - Sales of NovoSeven® increased by 19% (13% in local currencies).
 - Sales of Norditropin® increased by 16% (8% in local currencies).
 - Sales in North America increased by 34% (18% in local currencies).
 - Sales in International Operations increased by 21% (17% in local currencies).
- Gross margin improved by 2.8 percentage points to 79.9% in the first six months of 2009, primarily reflecting continued productivity improvements and a positive currency impact of around 1.3 percentage points.
- Reported operating profit increased by 39% to DKK 7,900 million. Adjusted for the impact from currencies and non-recurring costs in 2008 related to the discontinuation of all pulmonary delivery projects, underlying operating profit increased by more than 15%.
 - Net profit increased by 22% to DKK 5,690 million. Earnings per share (diluted) increased by 25% to DKK 9.32.
 - In a recently completed phase 3 study with approximately 650 people with type 2 diabetes comparing liraglutide (Victoza®) and sitagliptin, a DPP-IV inhibitor, blood glucose reductions and weight loss were statistically significantly higher with liraglutide 1.8 and 1.2 mg compared to sitagliptin. The safety profile of liraglutide in this study was comparable to the profile established in the previous clinical studies.
 - Novo Nordisk continues the constructive dialogue with the United States Food and Drug Administration (FDA) regarding the regulatory process for liraglutide, and formal feedback from the FDA is expected later this quarter.
 - For 2009, operating profit measured in local currencies is now expected to grow by 12–14% and reported operating profit growth to be around 4 percentage points higher than the operating profit growth in local currencies.

DIABETES CARE

Sales of diabetes care products increased by 18% mea-

sured in Danish kroner to DKK 18,629 million and by 11% in local currencies compared with the first six months of 2008.

Modern insulins, human insulins and protein-related products

In the first six months of 2009, sales of modern insulins, human insulins and protein-related products increased by 17% in Danish kroner to DKK 17,263 million and by 11% measured in local currencies compared with the same period last year, driven by North America and International Operations. Novo Nordisk continues to be the global leader with 51% of the total insulin market and 45% of the modern insulin market, both measured by volume.

The portfolio of modern insulins is the main contributor to growth and increased by 31% in Danish kroner to DKK 10,404 million and by 25% in local currencies compared with the first six months of 2008. All regions realised solid growth rates, with North America accounting for more than half of the growth followed by Europe and International Operations. Sales of modern insulins now constitute 64% of Novo Nordisk's sales of insulin.

BIOPHARMACEUTICALS

In the first six months of 2009, sales of biopharmaceutical products increased by 17% measured in Danish kroner to DKK 6,870 million and by 10% measured in local currencies compared with the first six months of 2008.

NovoSeven®

Sales of NovoSeven® increased by 19% in Danish kroner to DKK 3,679 million and by 13% in local currencies compared with the first six months of 2008. Sales growth for NovoSeven® was primarily realised in Europe and International Operations. The sales growth for NovoSeven® primarily reflected increased sales within the congenital bleeding disorder segments. Treatment of spontaneous bleeds for congenital inhibitor patients remains the largest area of use.

Norditropin®

Sales of Norditropin® (ie growth hormone in a liquid, ready-to-use formulation) increased by 16% measured in Danish kroner to DKK 2,156 million and by 8% measured in local currencies compared with the first six months of 2008. North America and Europe were the main contributors to growth measured in local currencies. Novo Nordisk is still the second-largest company in the global growth hormone market with 25% market share measured by volume.

Other products

Sales of other products within biopharmaceuticals, which predominantly consist of hormone replacement therapy (HRT)-related products, increased by 12% in Danish kroner to DKK 1,035 million and by 5% in local currencies. This development primarily reflects continued sales progress for Vagifem®, a topical oestrogen product, countered by generic competition in the US for Activella® (Activelle® outside the US), Novo Nordisk's continuous-combined HRT →

18%
increase in total
diabetes care sales

17%
increase in
biopharm sales

21%
Increase in
International
Operations sales

34%
increase in North
American sales

Quarterly numbers for Novo Nordisk in 2008 and 2009

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

| | Q2 2009 | Q1 2009 | Q4 2008 | Q3 2008 | Q2 2008 | Q1 2008 | % Change 2008–2009(Q2) |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------------------|
| Sales | 13,001 | 12,498 | 12,583 | 11,246 | 11,110 | 10,614 | 17% |
| Gross profit | 10,391 | 9,990 | 10,047 | 8,640 | 8,556 | 8,201 | 21% |
| Sales and distribution costs | 3,837 | 3,844 | 3,558 | 3,155 | 3,178 | 2,975 | 21% |
| Research and development costs | 1,849 | 1,744 | 2,439 | 1,579 | 1,980 | 1,858 | (7%) |
| – Hereof costs related to AERx® | - | - | - | 50 | (155) | (220) | |
| Administrative expenses | 693 | 679 | 749 | 633 | 626 | 627 | 11% |
| Licence fees and other operating income (net) | 78 | 87 | 73 | 51 | 74 | 88 | 5% |
| Operating profit | 4,090 | 3,810 | 3,374 | 3,324 | 2,846 | 2,829 | 44% |
| Operating profit (excl AERx®*) | 4,090 | 3,810 | 3,374 | 3,274 | 3,001 | 3,049 | 36% |
| Share of profit/(loss) in associated companies | (11) | (35) | 4 | (58) | (3) | (67) | 267% |
| Financial income | 166 | 142 | (82) | 306 | 429 | 474 | (61)% |
| Financial expenses | 361 | 412 | 226 | 66 | 21 | 368 | 1619% |
| Profit before income taxes | 3,884 | 3,505 | 3,070 | 3,506 | 3,251 | 2,868 | 19% |
| Net profit | 2,991 | 2,699 | 2,330 | 2,,664 | 2,471 | 2,180 | 21% |
| Depreciation, amortisation and impairment losses | 533 | 607 | 752 | 560 | 567 | 563 | (6)% |
| Capital expenditure | 557 | 413 | 764 | 448 | 328 | 214 | 70% |
| Cash flow from operating activities | 2,608 | 4,148 | 3,204 | 3,673 | 2,916 | 3,070 | (11)% |
| Free cash flow | 2,062 | 3,626 | 2,421 | 3,210 | 2,589 | 2,795 | (20)% |
| Equity | 34,086 | 31,345 | 32,979 | 32,173 | 33,046 | 31,251 | 3% |
| Total assets | 51,246 | 50,205 | 50,603 | 48,990 | 48,478 | 47,534 | 6% |
| Full-time employees at the end of the period | 27,998 | 27,429 | 26,575 | 26,360 | 26,060 | 25,765 | 7% |
| Basic earnings per share (in DKK) | 4.96 | 4.44 | 3.82 | 4.34 | 3.99 | 3.51 | 24% |
| Diluted earnings per share (in DKK) | 4.91 | 4.41 | 3.80 | 4.30 | 3.96 | 3.48 | 24% |
| Average number of shares outstanding (million) | 603.1 | 607.4 | 609.3 | 614.2 | 618.6 | 620.9 | (3%) |
| Average number of shares outstanding incl dilutive effect of options 'in the money' (million) | 607.9 | 612.7 | 614.4 | 618.6 | 623.5 | 626.3 | (3%) |

*) Costs related to the discontinuation of all pulmonary diabetes projects.

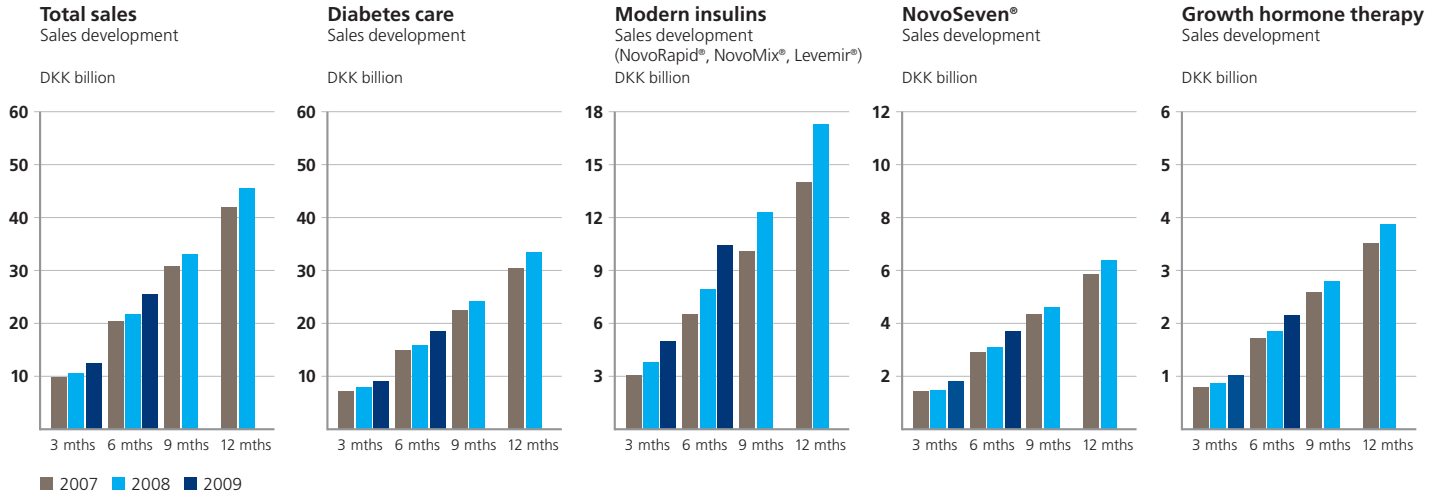
→ product. The low-dose version of Activelve® was launched in Europe in April 2009 and has been available in the US since 2007.

OUTLOOK 2009

Novo Nordisk still expects sales growth in 2009 at the level of 10% measured in local currencies. This is based on expectations of continued market penetration for Novo Nordisk's key strategic products within diabetes care and biopharmaceuticals as well as expectations of continued intense competition during 2009. Given the current level of exchange rates versus Danish kroner, the reported sales growth

is now expected to be around 2 percentage points higher than the growth rate measured in local currencies.

For 2009, growth in operating profit is now expected to be 12–14% measured in local currencies. The increase reflects a reduction in the expected level of research and development costs for 2009 due to timing of phase 3 clinical trial programmes. Furthermore, the forecast is based on assumptions of a continuous improvement of the gross margin and increased spending for sales and distribution relative to sales due to the increase in Novo Nordisk's global sales force. Given the current level of exchange rates versus Danish kroner, the reported



operating profit growth is now expected to be around 4 percentage points higher than the growth rate measured in local currencies.

For 2009, Novo Nordisk now expects a net financial expense of around DKK 900 million. The current expectation reflects significant foreign exchange hedging losses, primarily related to the US dollar and the Japanese yen.

The effective tax rate for 2009 is still expected to be around 23%.

Capital expenditure is still expected to be around DKK 3 billion in 2009. Expectations for depreciations, amortisation and impairment losses of around DKK 2.6 billion are unchanged, whereas free cash flow is now expected to be more than DKK 10 billion, reflecting slightly higher expectations for net profit.

All of the above expectations are based on the assumption that the global economic downturn will not significantly change the business environment for Novo Nordisk during the remaining part of 2009. In addition, the above expectations are provided that currency exchange rates, especially the US dollar, remain at the current level versus the Danish krone for the rest of

2009. Novo Nordisk has hedged expected net cash flows in a number of invoicing currencies and, all other things being equal, movements in key invoicing currencies will impact Novo Nordisk's operating profit. ■

The full corporate announcement, including detailed outlook for Research and development, can be found at novonordisk.com

Forward-looking statement

Novo Nordisk's reports filed with or furnished to the US Securities and Exchange Commission (SEC), including company announcements as well as the company's Annual Report 2008 and Form 20-F, both filed with the SEC in February 2009, 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', 'project', 'anticipate', 'can', 'intend', 'target' 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

- statements of plans, objectives or goals for future operations, including those related to Novo Nordisk's products, product research, product development, product introductions and product approvals as well as cooperations in relation thereto,
- statements containing projections of or targets for revenues, income (or loss), earnings per share, capital expenditures, dividends, capital structure or other net financials,
- statements of future economic performance, future actions and outcome of contingencies such as legal proceedings, and
- statements of the assumptions underlying or relating to such statements.

In this document, examples of forward-looking statements can be found under the headings 'Outlook 2009', 'Research and development update', 'Equity' and 'Legal issues update'.

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 described in the company announcement, could cause actual results to differ materially from those contemplated 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 projects related to research and/or development, 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 the overview of risk factors in 'Managing Risks' on pp 24–25 of the Annual Report 2008 available on the company's 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 the company announcement, whether as a result of new information, future events or otherwise.

New study proves effect of Levemir[®] once daily

TITRATE[™], a new study published on 8 May 2009, provides further evidence for the once-daily claim for Levemir[®].



In this treat-to-target study, approximately 60% of patients using Levemir[®] once daily achieved the target set for study participants. In a treat-to-target study, patients try to reach a specific target, in this case a blood sugar level (HbA_{1c}) of 7% as recommended by the American Diabetes Association.

Limiting injections to once daily is important to many patients and doctors. With the results from TITRATE[™], Novo Nordisk has the conclusive evidence to prove that Levemir[®] has the desired treatment effects with a once-daily injection.

“Good blood sugar control is important in managing diabetes, and the more active a role patients can play, the better,” said Alan Moses, Vice President and Global Chief Medical Officer at Novo Nordisk. “This study is exciting because it showed that Levemir[®] at a once-daily dose helped these patients manage their condition, and in doing so, helped them achieve substantial A_{1c} reductions.”

TITRATE[™] also shows that Levemir[®] minimises the problem of weight gain – a side effect commonly connected to insulin use. ■

Al Gore pays Novo Nordisk a visit

When Al Gore – former US senator and vice president and Nobel laureate – was in Denmark on a brief visit to attend the World Business Summit in Copenhagen in May, he decided to share a few hours of his time with Novo Nordisk.

Al Gore was a keynote speaker at the summit, which focused on how industry can support the COP15 climate conference in December. Novo Nordisk provided seed-funding for the summit, and Lise Kingo, Novo Nordisk's chief of staffs, played a leading role in the summit.

Attending a dinner at Novo Nordisk's conference centre, Hvidøre, Al Gore was accompanied by several colleagues from his investment enterprise, Generation Investment Management, which is a significant shareholder in Novo Nordisk.



Lars Rebien
Sørensen and
Al Gore .

New Victoza[®] data presented at ADA

At the annual meeting of the American Diabetes Association (ADA) held in New Orleans in June this year, Novo Nordisk presented data from new studies.

First came new data from the LEAD™ 3 extension trial. This study compares liraglutide (the generic name for Victoza[®]) with glimepiride, a popular tablet treatment, in patients with type 2 diabetes. The two-year data offers the longest duration exposure yet documenting the efficacy and safety of liraglutide.

The extension trial found that liraglutide, taken as monotherapy (that is, without other diabetes drugs), leads to statistically significant and sustained reductions in blood glucose and weight after two years of treatment. Importantly, minor hypoglycaemia was six times less frequent in the liraglutide treatment groups.

Comparison study

Detailed results from the 26-week LEAD™ 6 study and its extensions were also presented at the ADA meeting and published in *The Lancet* in June 2009. The study compared the efficacy and safety of liraglutide with exenatide

(which is the generic name for the competitor product Byetta[®]).

The study showed that liraglutide treatment led to significantly greater lowering of blood glucose than exenatide treatment and that liraglutide was associated with less persistent nausea than exenatide.

New data from the two extensions of the LEAD™ 6-study showed that patients after up to 1½ years are largely able to maintain the achieved reductions in blood glucose levels and in body weight. The extensions confirmed the established safety and tolerability profile of the product. ■



The annual meeting of the American Diabetes Association (ADA) is a chance to show products, pipeline and data to thousands of doctors, researchers and opinion leaders from around the world.

Better results with Victoza®

In a recently completed study, the effect of Victoza® was compared to sitagliptin, a DPP-4 inhibitor sold under the brand name Januvia®. (DPP-4 inhibitors are a competing category of drugs to GLP-1).

The trial enrolled approximately 650 people with type 2 diabetes failing to reach an appropriate HbA_{1c} level. The

American Diabetes Association's (ADA) HbA_{1c} target of below 7% was reached by approximately 55%, 40% and 20% of the patients taking 1.8 mg liraglutide, 1.2 mg liraglutide and sitagliptin, respectively. In the same groups, a weight loss of approximately 3.5 kg, 3 kg and 1 kg was found, respectively.

Levemir® authorised in China

In July 2009, Novo Nordisk received marketing authorisation for the long-acting modern insulin Levemir® in China from the Chinese regulatory authorities (SFDA). Novo Nordisk expects to launch Levemir® in China at the beginning of 2010 and will thereby become the only company with a complete portfolio of modern insulins for people with diabetes in China.

Novo Nordisk sends open letter to Obama

Every disease is important, but not every disease is a public health crisis. This is the message Novo Nordisk and its partners in the National Changing Diabetes® Program (NCDP) delivered to US President Obama and Congress in an open letter in July.

As part of its recently launched Health Reform Campaign, the NCDP urged President Obama and members of Congress to make prevention, detection and treatment of diabetes a priority as they work to reform the US healthcare system.



Facts about Horns Rev 2:

- The wind farm will consist of 91 turbines, each with a capacity of 2.3 megawatts (MW). Its elevation will be 114.5 metres with a foundation reaching 30–40 metres below sea level.
- Horns Rev 2 will be able to supply CO₂-free power to more than 200,000 households.
- The wind farm will cover an area of just under 35 km² situated 30–40 km off the west coast of Denmark.
- It is a sister farm to Horns Rev 1, which was inaugurated in 2003.

First green power flows to Novo Nordisk

On 11 May, the world's largest offshore wind farm, Horns Rev 2, supplied the first CO₂-free power to the Danish national grid – and to Novo Nordisk.

“This is a big day for us. Since May 2007, our energy stewards have implemented more than 100 energy-saving projects with DONG Energy, thereby making enough savings to purchase green energy from Horns Rev 2. Today we can start to reap the benefits of our partnership,” Lise

Kingo, Novo Nordisk's chief of staffs, said.

Novo Nordisk has reserved one third of the energy produced by the North Sea wind farm when it is fully functional at the end of this year. This pledge from Novo Nordisk was crucial for initiating the wind farm.

The Novo Nordisk Climate Strategy

The target for the Novo Nordisk Climate Strategy is that the company's

total CO₂ emissions are 10% lower in 2014 than in 2004. Given the company's projected growth, this corresponds to a reduction of 65%.

Novo Nordisk will achieve this objective by taking action in three areas: productivity increases, energy savings and increased use of renewable energy.

In 2008, the annual CO₂ emission decreased by 9% and is now only 2% above the 2004 baseline year. ■

Novo Nordisk A/S

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Product names Not all products mentioned in *Share* have been introduced worldwide. Trade names may vary from country to country. **Photos:** DONG Novo Nordisk, among others.