

TEAM NOVO NORDISK  
Professional cycling team

# REGION EUROPE AND REGION JAPAN & KOREA



# Forward-looking statements

Novo Nordisk's reports filed with or furnished to the US Securities and Exchange Commission (SEC), including this presentation as well as the company's statutory Annual Report 2018 and Form 20-F, which were both filed with the SEC in February 2019 in continuation of the publication of the Annual Report 2018, 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 targets, 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 cooperation in relation thereto,
- Statements containing projections of or targets for revenues, costs, income (or loss), earnings per share, capital expenditures, dividends, capital structure, net financials and other financial measures,
- Statements regarding future economic performance, future actions and outcome of contingencies such as legal proceedings, and
- Statements regarding 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 described in this presentation, 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 recalls, 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.

For an overview of some, but not all, of the risks that could adversely affect Novo Nordisk's results or the accuracy of forward-looking statements in this presentation, reference is made to the overview of risk factors in 'Risk management enables better decision-making' on pp 41-43 in the Annual Report 2018.

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 presentation, whether as a result of new information, future events or otherwise.

## Important drug information

- Victoza® is approved for the management of type 2 diabetes only
- Saxenda® is approved in the USA and the EU for the treatment of obesity only

**Note: All notes, sources and abbreviations for this presentation are found in the appendix.**

# Securing success in Region Europe and Region Japan & Korea is important for continued strong growth in IO



~ **50%**

of IO sales



More than 7 million patients treated with Novo Nordisk products and several key markets



Early launch markets and fast adoption of new products

# REGION EUROPE

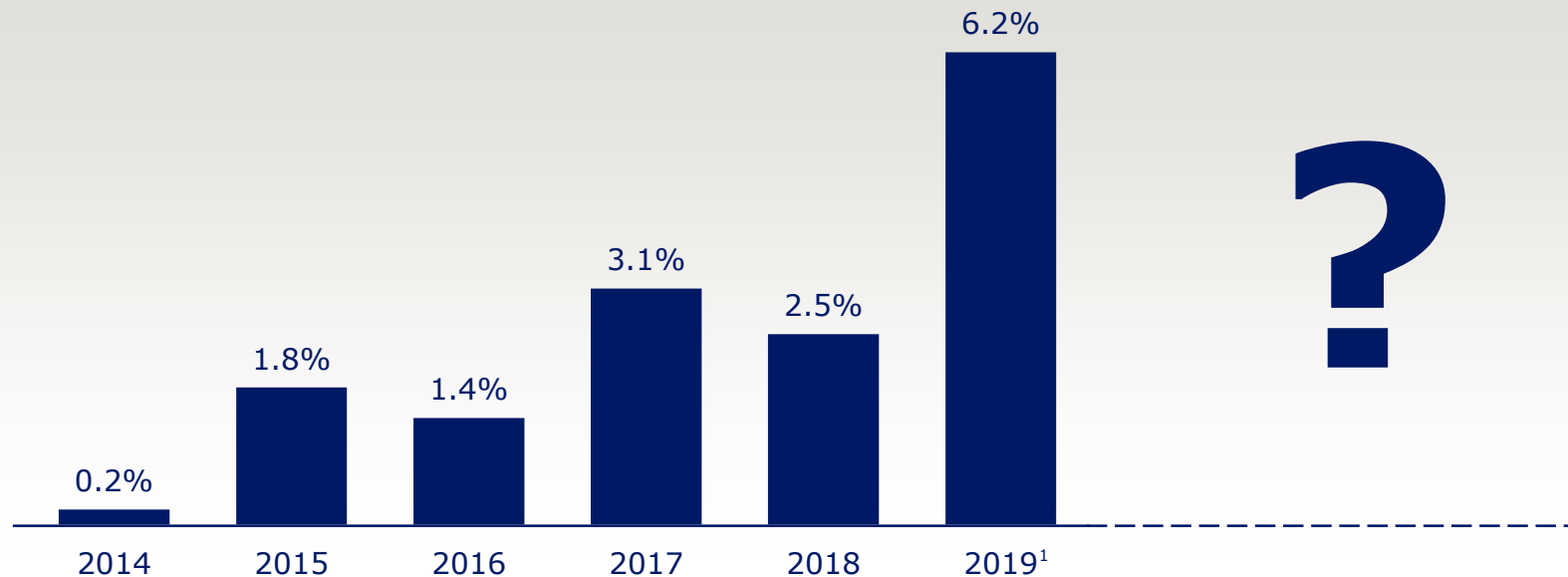


SIMONE LENSBOJ & LONE KONGESKOV PEDERSEN  
Simone has type 2 diabetes  
Denmark

Sales growth in Region Europe has accelerated driven by a clear strategy and sharpened focus on execution



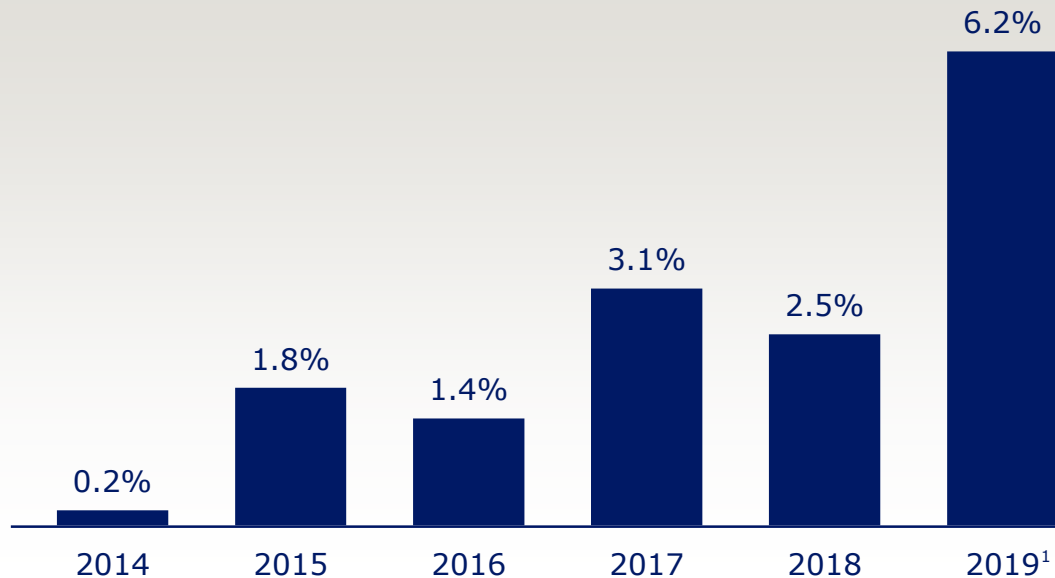
Region Europe annual sales growth at CER



Sales growth in Region Europe has accelerated driven by a clear strategy and sharpened focus on execution



Region Europe annual sales growth at CER



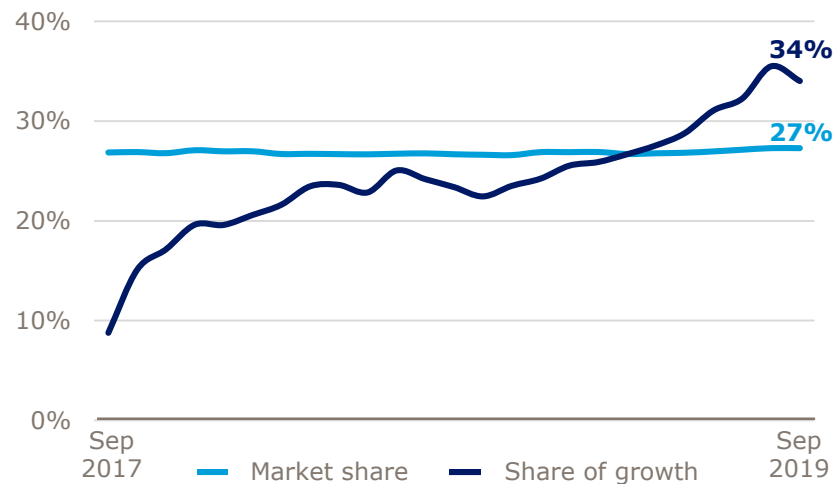
WinEurope2020 strategy



# A clearly defined strategy sets the direction for growing market share and outperforming competition in Europe



## Region Europe diabetes value market share and share of growth

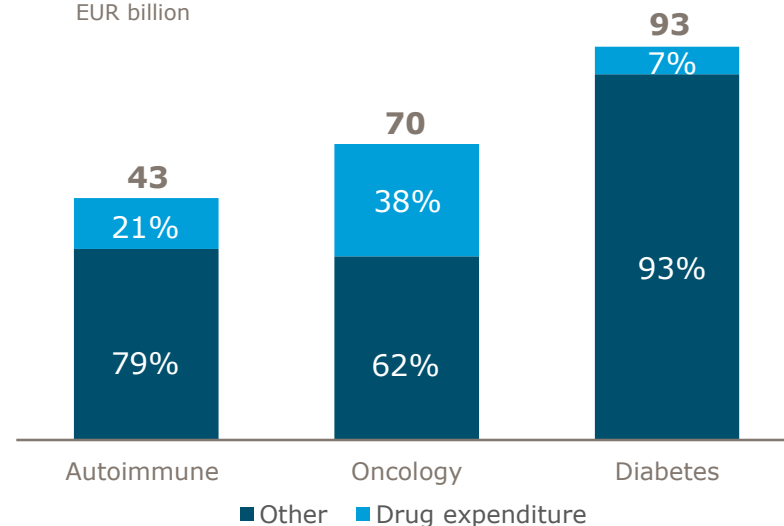


# Novo Nordisk takes an active role in driving better understanding and improvements of healthcare



## Drug spending and disease burden in Europe across the largest therapy areas

EUR billion

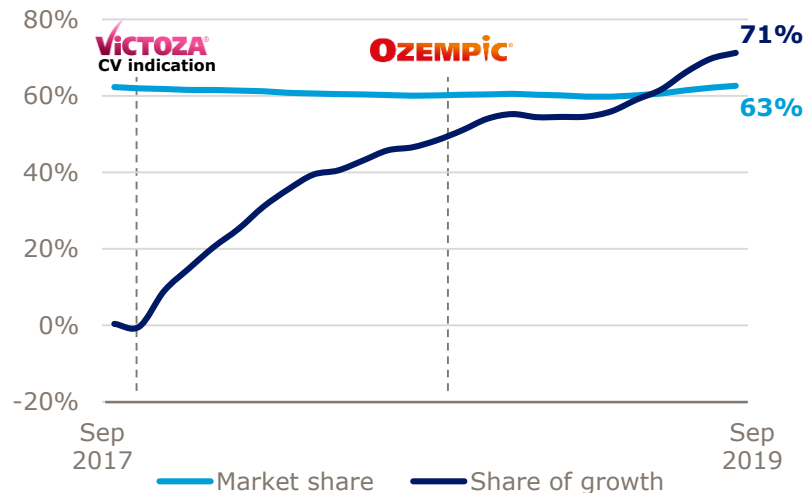




# Delivering better care for patients is driving market share gains



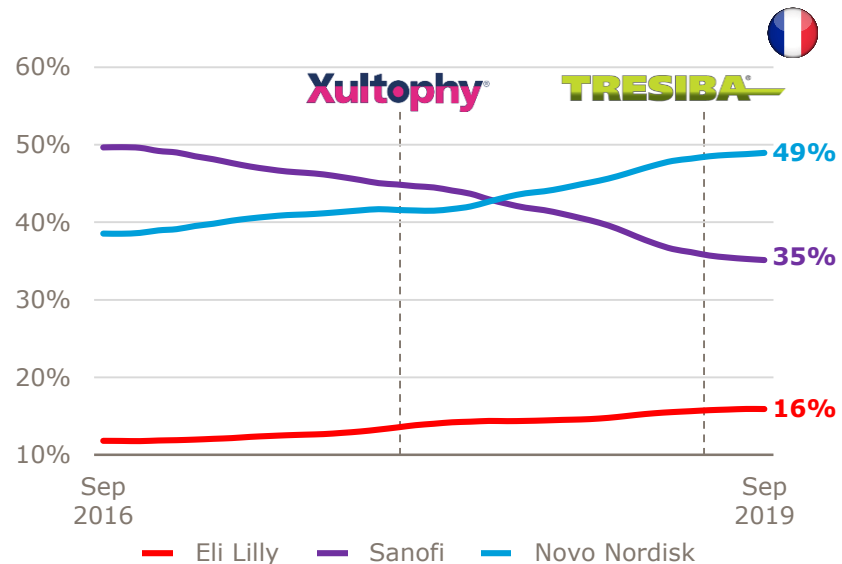
**Novo Nordisk GLP-1 value market share and share of growth in European countries where Ozempic® is launched**



# Delivering better care for patients is driving market share gains



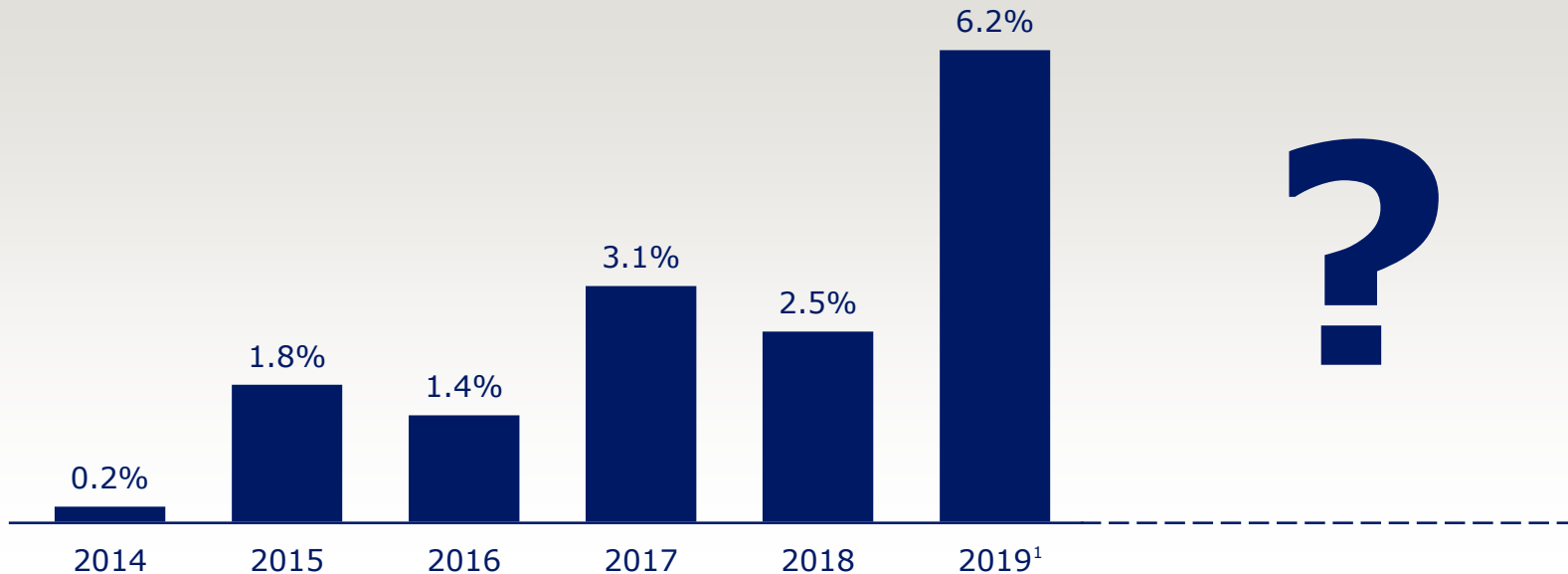
## Insulin value market share development in France



Sales growth in Region Europe has accelerated driven by a clear strategy and sharpened focus on execution



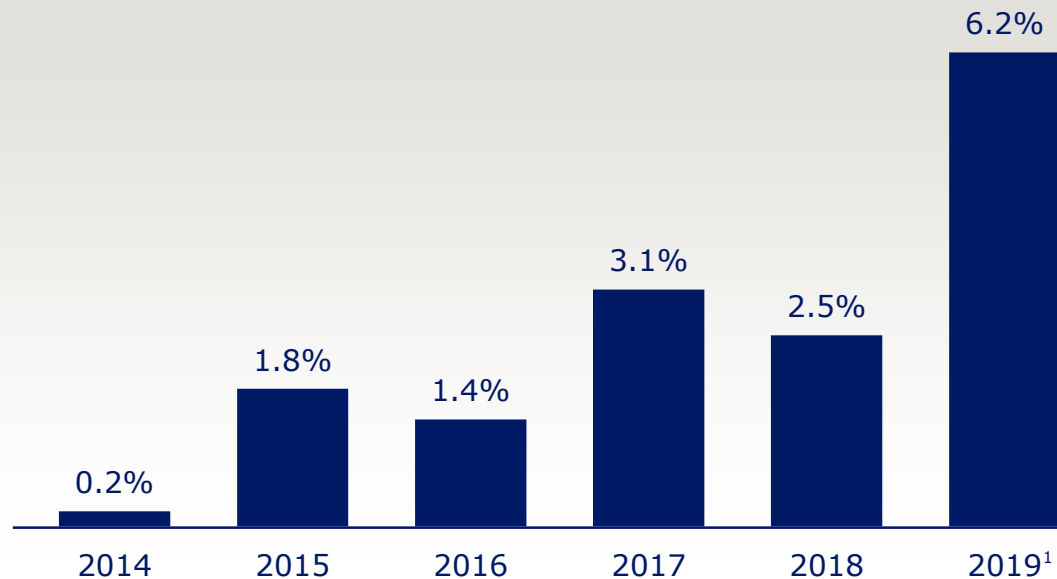
Region Europe annual sales growth at CER



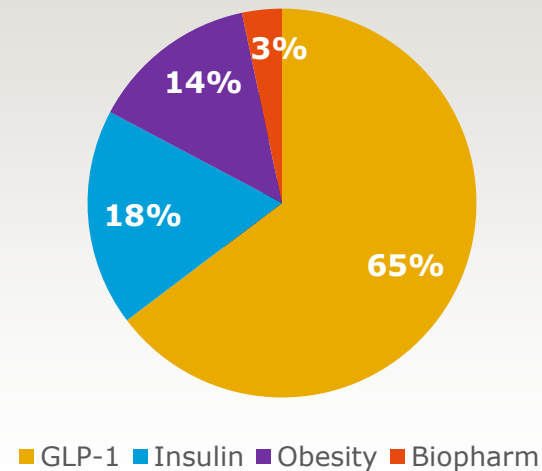
Sales growth in Region Europe has accelerated driven by a clear strategy and sharpened focus on execution



Region Europe annual sales growth at CER



Expected Novo Nordisk Europe share of growth per product class in the short- to mid-term



# Sales growth in Region Europe has accelerated driven by a clear strategy and sharpened focus on execution



## GLP-1

- Ensure that Ozempic® and Rybelsus® deliver market share increases and market segment growth

## Insulin

- Differentiate basal insulin, protect bolus insulin franchise and optimise resource allocation

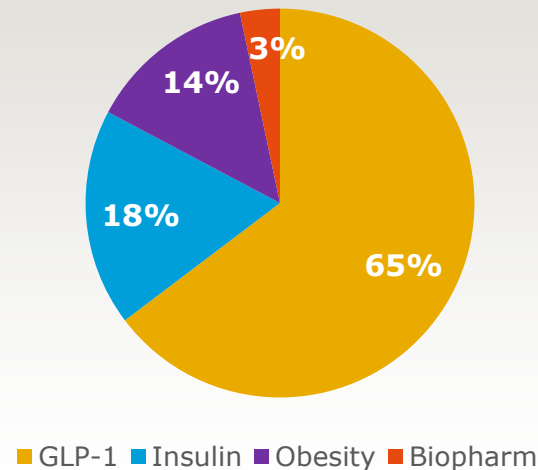
## Obesity

- Secure public reimbursement while improving out-of-pocket patient access for Saxenda® and prepare for semaglutide obesity

## Biopharm

- Excel new haemophilia launches and label extensions
- Excellence in GHD and prepare for somapacitan

## Expected Novo Nordisk Europe share of growth per product class in the short- to mid-term



# REGION JAPAN & KOREA



MANATO OHARA  
Manato has type 1 diabetes  
Japan

# Region Japan & Korea is going through some notable changes



## Patients

- Ageing society
- Longer life expectancy
- More elderly living alone



## Healthcare professionals

- Tighter regulation on promotion
- More restriction on physicians visits
- More regulation on interactions with health care professionals and promotional materials



## Payers & Regulators

- More use of generics and biosimilars
- New drug pricing policy introduction and expansion of health technology assessments
- Introduction of comprehensive regional care



## Competitors

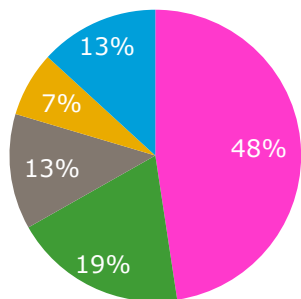
- Increase in brand share of voice by co-promotion
- Entry of new product classes
- Numerous upcoming launches

# Novo Nordisk has great potential to improve its market footprint in Japan

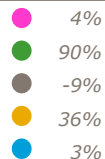


## Diabetes value market per product class

5-year CAGR: 5.3%



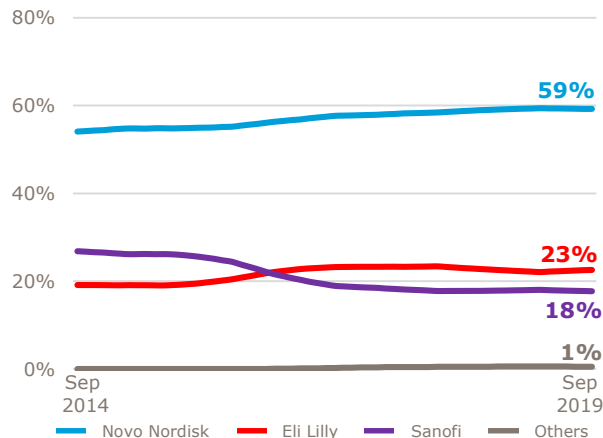
CAGR per class



■ DPP-4i ■ SGLT-2i ■ Other OADs ■ GLP-1 ■ Insulin

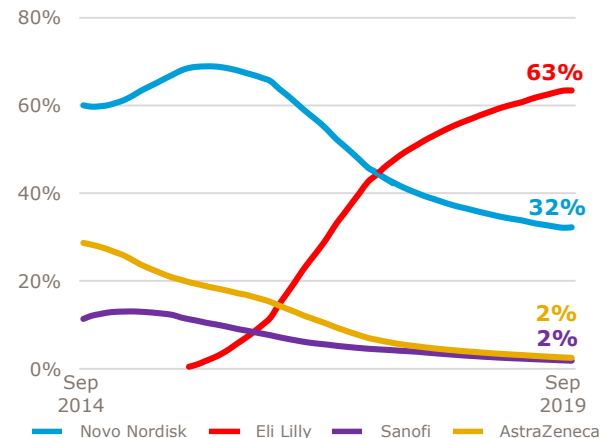
*OAD segment is by far the most dominant in the Japanese diabetes market*

## Insulin value market shares



*Novo Nordisk has taken market share in the insulin space with new-generation portfolio*

## GLP-1 value market shares



*Novo Nordisk has been under pressure in the GLP-1 space since dulaglutide launch*



# A clear strategy in place to outperform competition with a novel product portfolio and the Market Fit approach



## ReBORN2021

### Insulin

Expand leadership with Xultophy® and continued strong uptake of Ryzodeg®

### GLP-1

Accelerate class expansion and regain market share by launching Ozempic® and Rybelsus®

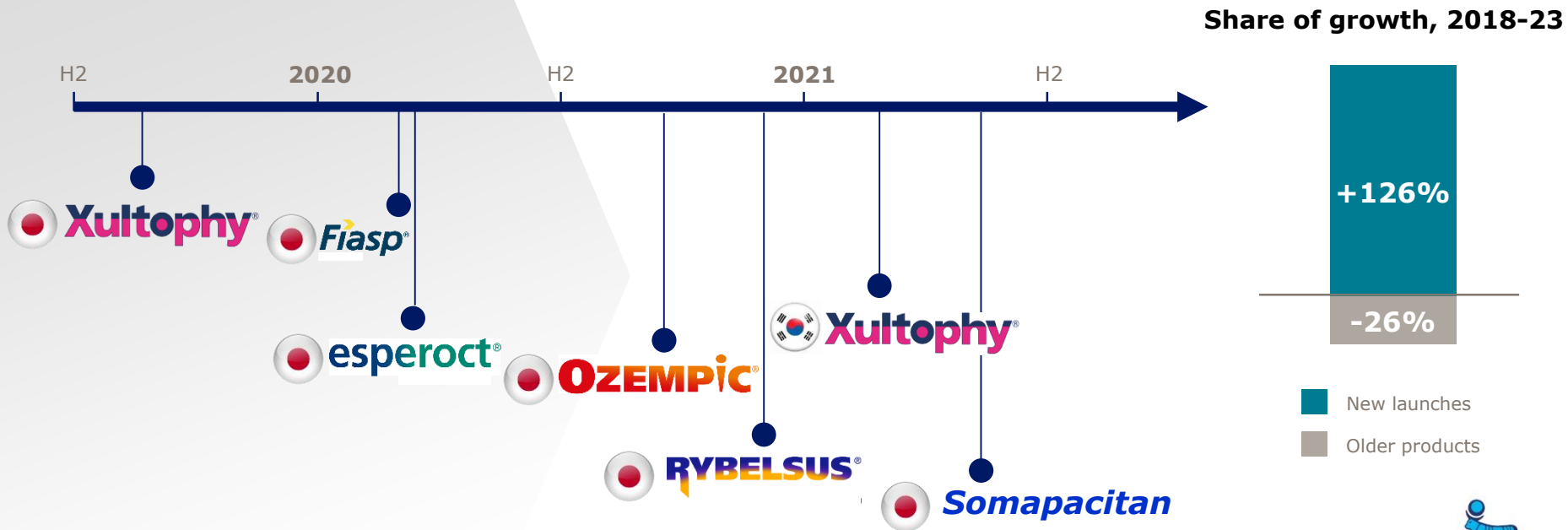
### Obesity

Establish obesity as a disease area that requires medical intervention and prepare for semaglutide obesity

### Biopharm

Strengthen haemophilia position with full portfolio and leverage GHD leadership to launch somapacitan upon approval

Several exciting launches in Japan & Korea are expected to drive growth in the short- to medium-term



# Launching Rybelsus<sup>®</sup> in Japan is expected to significantly expand Novo Nordisk's competitiveness



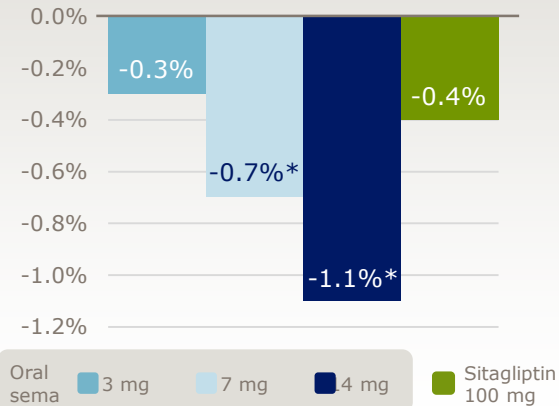
## The Japanese diabetes market is dominated by OADs

~ 80%

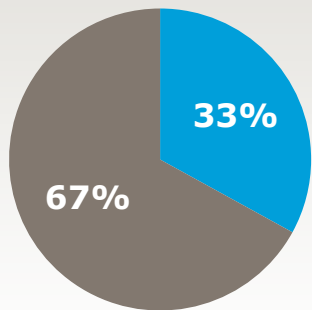
of people in Japan treated with diabetes medication are on OADs

## Strong results in the PIONEER trials including Japanese patients

HbA<sub>1c</sub> change from baseline at week 78 in PIONEER 3

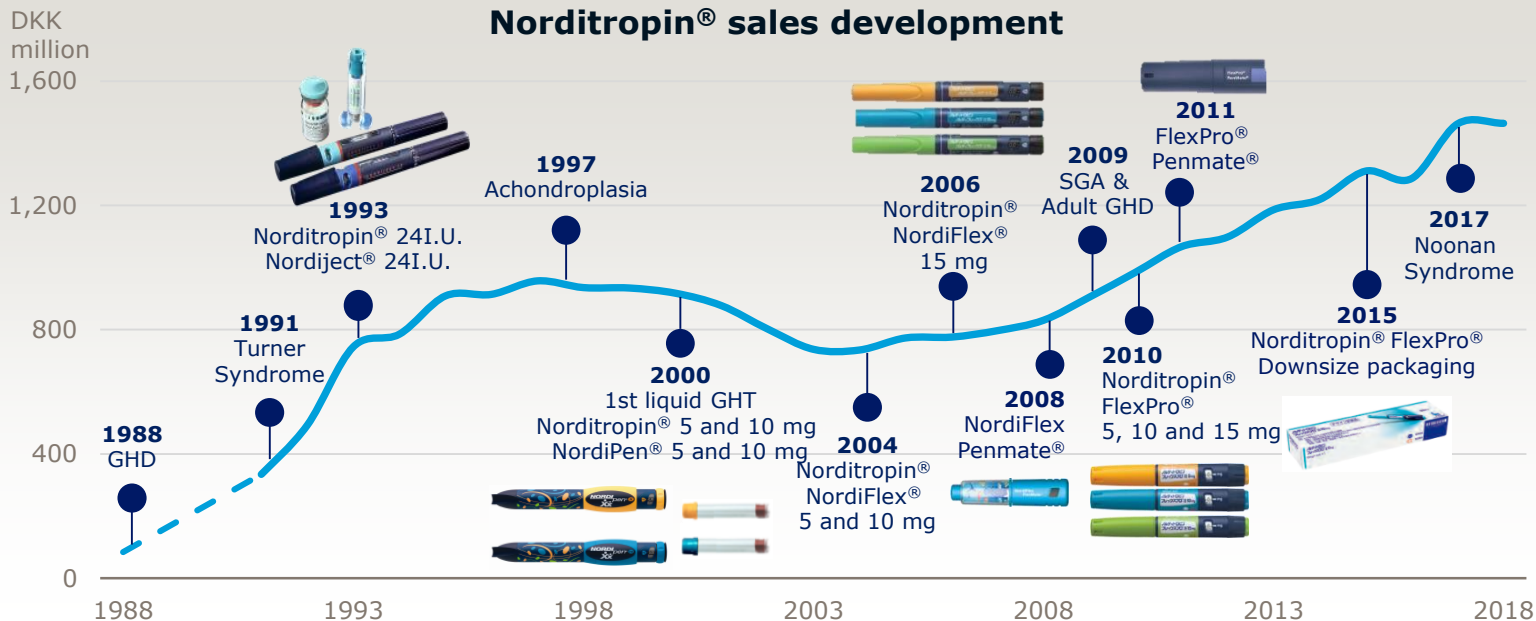


## Rybelsus<sup>®</sup> is expected to be launched in Japan with a partner to expand reach



- Patients with HbA<sub>1c</sub> > 7% treated by doctors that Novo Nordisk does not visit
- Patients with HbA<sub>1c</sub> > 7% treated by doctors that Novo Nordisk does visit

# Strong life-cycle management of Norditropin® has made it the single-largest Novo Nordisk sales brand in Japan



**4.7%**  
5-year CAGR,  
2014-19

**47%**  
value market  
share

# A clear strategy in place to outperform competition with a novel product portfolio and the Market Fit approach



## ReBORN2021

### Commercial innovation

Improve the quality of care patients receive by developing and offering digital health solutions

### Unmet medical needs

Bring innovative new drugs to people living with chronic diseases and unmet medical needs

### Patient health & Social contribution

Establish more public-private partnerships to generate benefits to the Japanese society

### People & organisation

Transform Novo Nordisk Japan into a 'world-class organisation' and a leading employer in Japan

# Positive experiences on leveraging external partnerships leading to win-win situations



## Koriyama City Partnership



*A novel public-private partnership between Koriyama city, Fukushima medical university and Novo Nordisk Japan has generated valuable insights on social, cultural and environmental factors influencing treatment outcomes that can now be addressed*

## Chairmanship of EFPIA Japan has led to a constructive dialogue on how to reward innovation in the Japanese pricing policy



# Closing remarks

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~50% of IO sales comes from Region Europe and Region Japan & Korea so it is pivotal to succeed in these regions

New product launches and sharpened execution are expected to drive continued growth in Region Europe and Region Japan & Korea

Clear regional strategies are in place to outperform competition and continue to develop the organisations

# Sources, notes and abbreviations – Region Europe and Region Japan & Korea

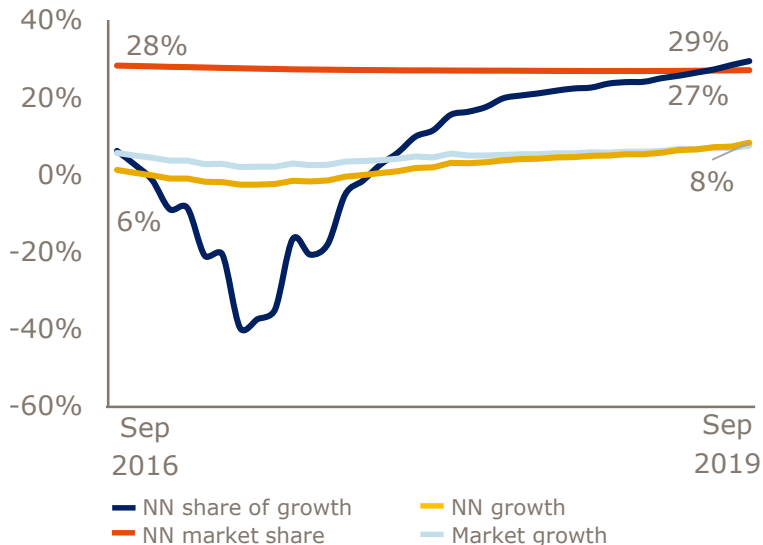
- **Slide 5 and 6:** <sup>1</sup> First nine months, CER: constant exchange rates
- **Slide 7:** Source: IQVIA million DKK MAT, September 2019
- **Slide 8:** Source: OECD, based on EU28, 2018
- **Slide 9:** Source: IQVIA million DKK 3-month rolling, September 2019
- **Slide 10:** Source: IQVIA million DKK 3-month rolling, September 2019
- **Slide 11 and 12:** <sup>1</sup> First nine months, CER: constant exchange rates
- **Slide 16:** Source: IQVIA million DKK MAT, September 2019
- **Slide 18:** Note: brand name “Rybelsus” is subject to local regulatory review and approval, not yet approved in Japan; New launches constitute showed launches; Older products constitute all other NN products
- **Slide 19:** Source: IQVIA million DKK MAT, September 2019; \*Statistically significant in favour of oral semaglutide compared with sitagliptin at a 5% significance level; Rosenstock J, et al. JAMA 2019;321:1466–80; PIONEER 3 included 207 Japanese patients; sema: Semaglutide
- **Slide 20:** Internal sales reports at CER; IQVIA million DKK MAT, September 2019



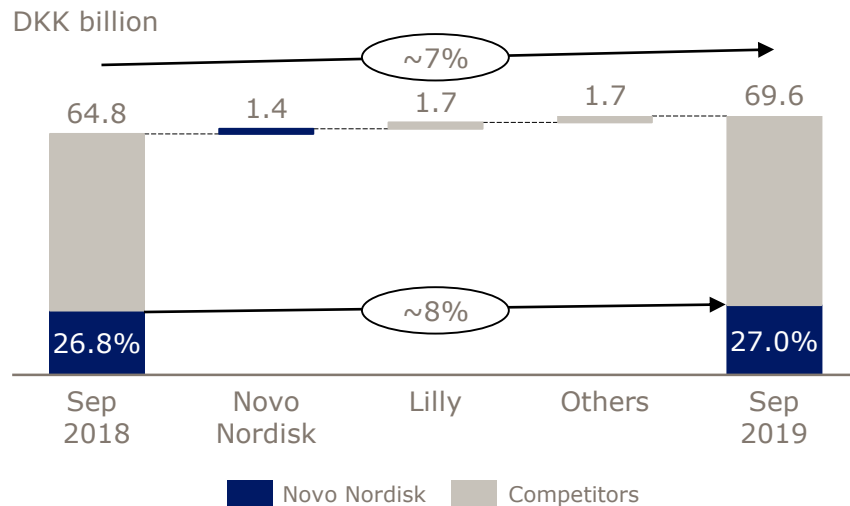
# Region Europe: Diabetes market share and market growth



**Diabetes market growth and Novo Nordisk market share**



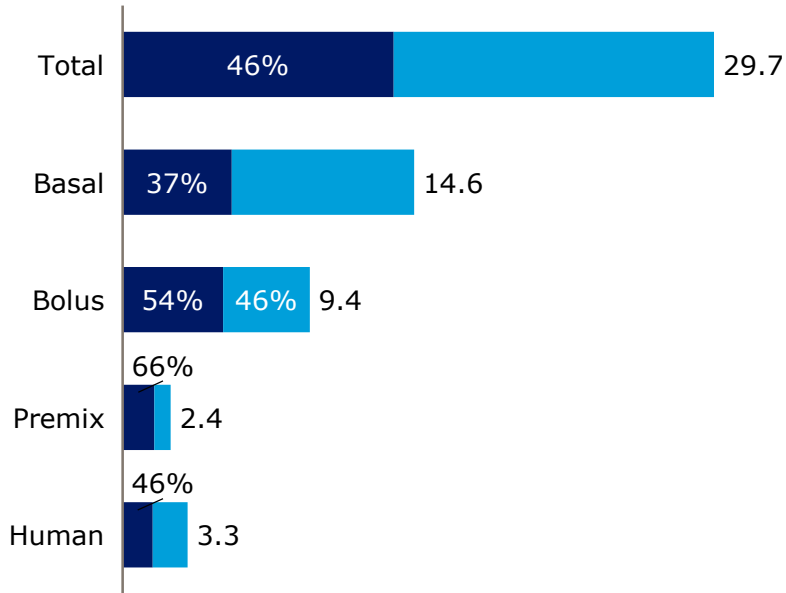
**Diabetes market size and growth**



# Region Europe: Insulin market size and volume share of growth and market share



**Insulin market share and market size (DKK billion)**



■ Novo Nordisk ■ Competitors

**Market growth**

2%

**Δ Market share<sup>1</sup>**

+0.6%

6%

+1.5%

3%

+0.6%

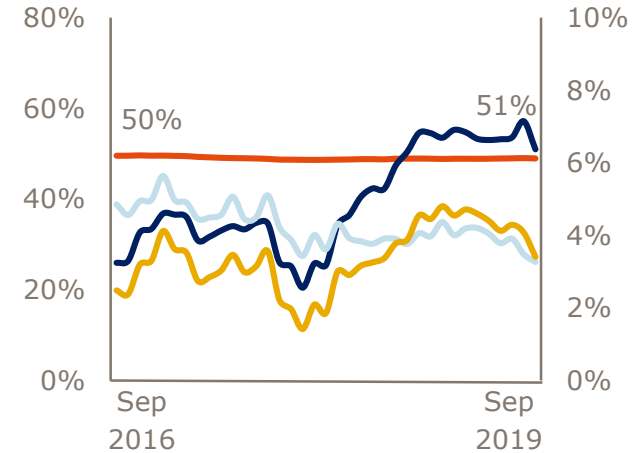
8%

+1.0%

-9%

-0.7%

**Insulin volume: Share of growth and market share**

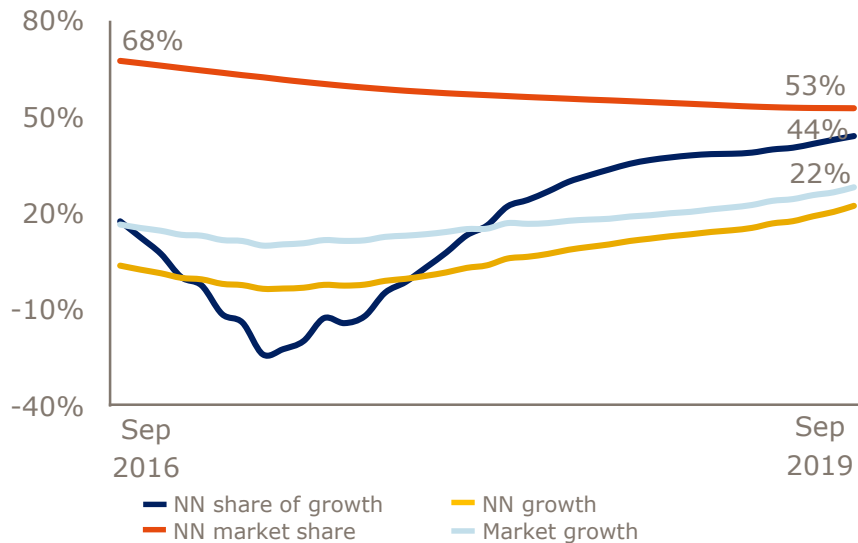


■ NN share of growth ■ NN growth (right axis)  
 ■ NN market share ■ Market growth (right axis)

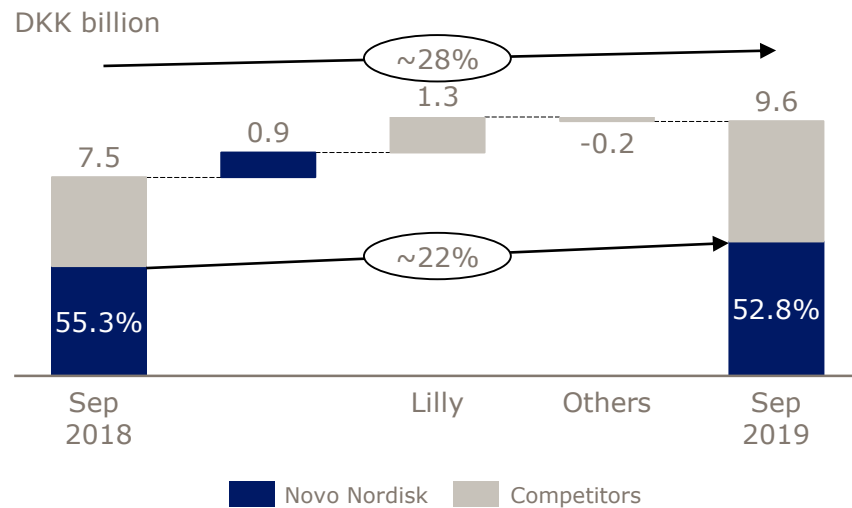


# Region Europe: GLP-1 market share and market growth

**GLP-1 market growth and Novo Nordisk market share**



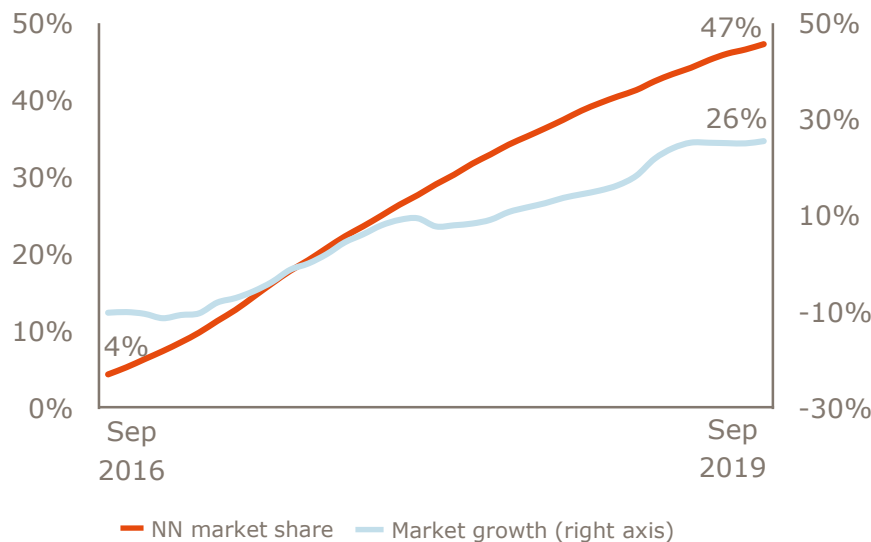
**GLP-1 market size and growth**



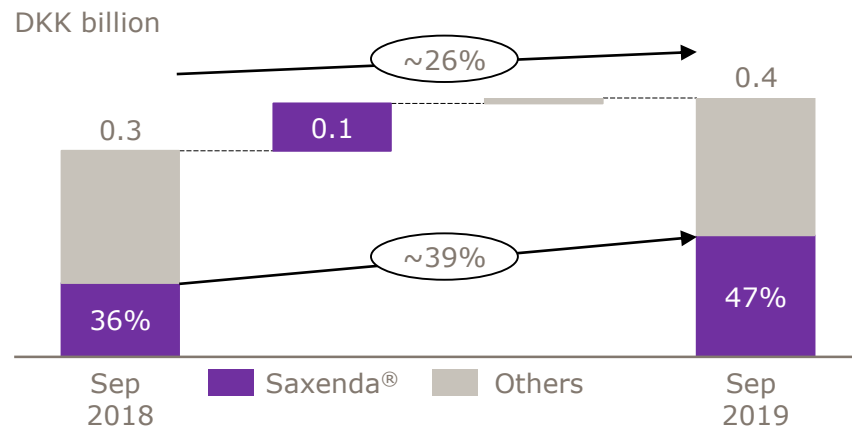


# Region Europe: Obesity market share and market growth

**Obesity market growth and Novo Nordisk market share**



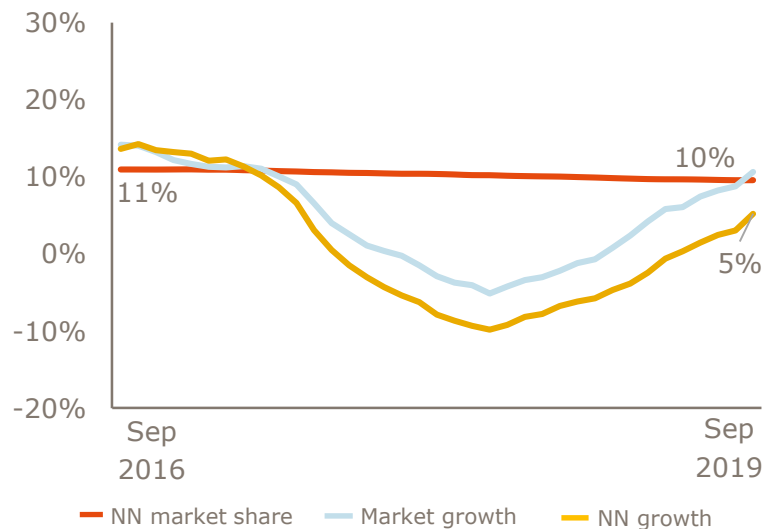
**Obesity market size and growth**



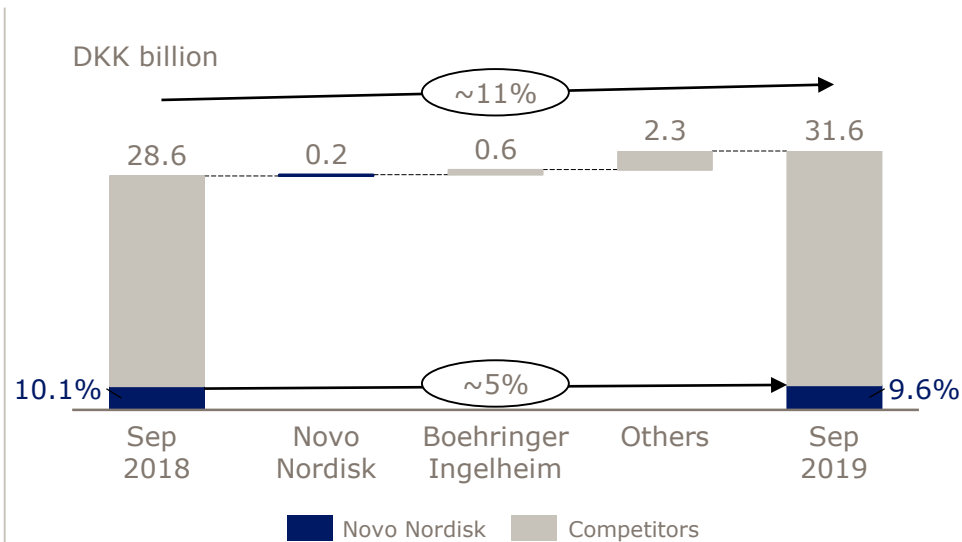
# Region Japan & Korea: Diabetes market share and market growth



## Diabetes market growth and Novo Nordisk market share



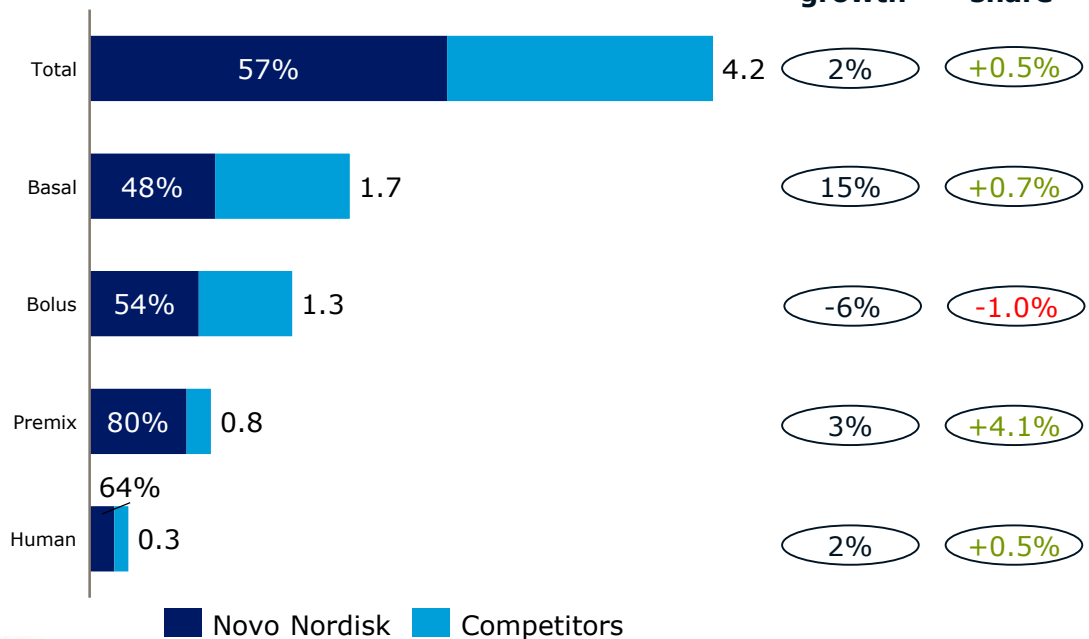
## Diabetes market size and growth



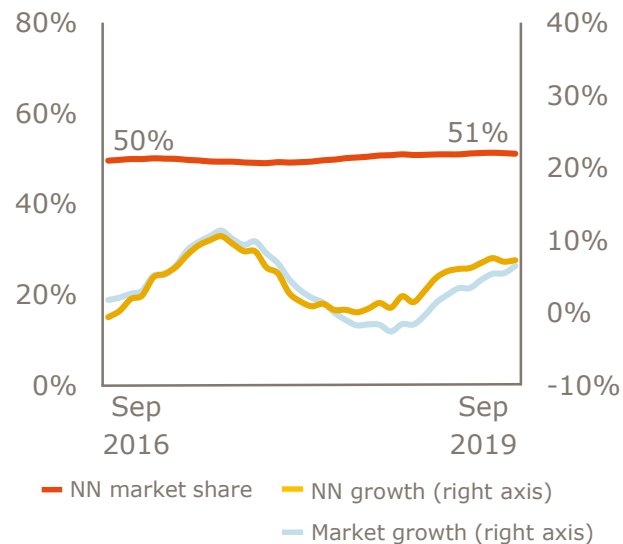
# Region Japan & Korea: Insulin market size and volume share of growth and market share



## Insulin market share and market size (DKK billion)



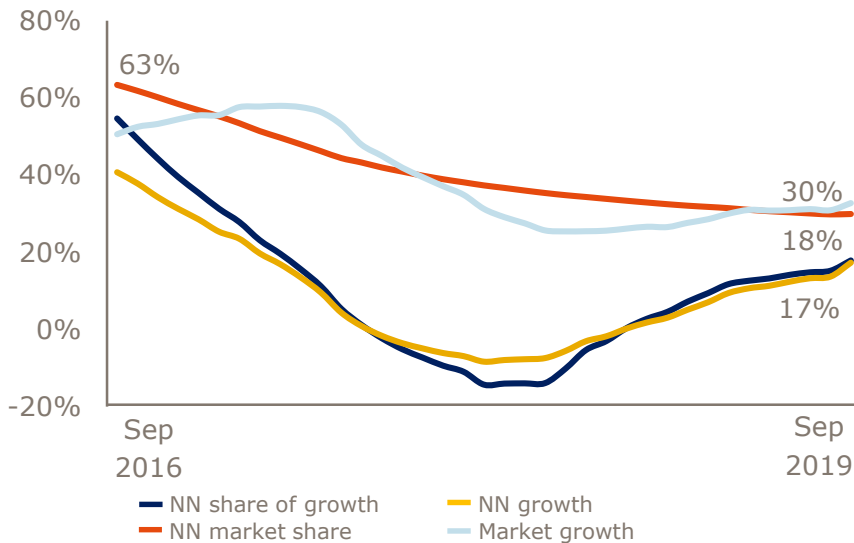
## Insulin volume: Share of growth and market share



# Region Japan & Korea: GLP-1 market share and market growth



**GLP-1 market growth and Novo Nordisk market share**



**GLP-1 market size and growth**

