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MAGAZINE

NO 3 – 2017 | QUARTERLY INVESTOR UPDATE

CAMILLA SYLVEST JOINS EXECUTIVE MANAGEMENT

NEW INTERESTING RESULTS WITH SEMAGLUTIDE

VICTOZA® APPROVED IN THE US AND THE EU AS THE ONLY GLP-1 PRODUCT TO PREVENT CARDIOVASCULAR DISEASE

novo nordisk®

ON COURSE FOR A SATISFACTORY 2017

We continue to deliver on our plans for 2017, and we are very pleased with the recent clinical and regulatory progress for our key products. We are currently preparing the global launch of semaglutide, which provides a unique opportunity to improve the treatment of people with type 2 diabetes.

In the first nine months of 2017, we have seen our overall sales increase by 2% in Danish kroner and by 3% in local currencies to DKK 83.7 billion. Sales growth was realised within diabetes and obesity care, with the majority of growth originating from Tresiba®, Victoza®, NovoRapid® and Saxenda®, partly offset by declining sales of Levemir®. Sales within biopharmaceuticals declined, reflecting lower sales of the growth hormone Norditropin® and the hormone replacement therapy product Vagifem®.

We have reached several important clinical and regulatory milestones in the first nine months of 2017. In August, Novo Nordisk showed that the once-weekly GLP-1 semaglutide was superior to once-weekly dulaglutide on glucose control and weight loss in people with type 2 diabetes in the SUSTAIN 7 trial. In October, semaglutide received a positive 16–0 vote in favour of approval from an FDA (US Food and Drug Administration) Advisory Committee. In August, Novo Nordisk also obtained approval of the Victoza® label expansion for cardiovascular risk reduction in the US, and in September the label expansion for the reduced risk of severe hypoglycaemia with Tresiba® was endorsed by the Committee for Medicinal Products for Human Use (CHMP) in the EU.

The financial outlook for 2017 has been updated and the sales growth measured in local currencies is now expected to be in the range of 2% to 3% compared with the previous range of 1% to 3%. Operating profit growth measured in local currencies is now expected to be in the range of 3% to 6% compared with the previous range of 1% to 5%. The preliminary outlook for 2018 in local currencies indicates low to mid single-digit growth in both sales and operating profit. Sales growth reported in Danish kroner is expected to be 3 percentage points lower than in local currencies, and reported operating profit growth is expected to be 4 percentage points lower.

All in all, Novo Nordisk is on course for a satisfactory 2017, and we look forward to sharing a full account of the year in our Annual Report in February 2018.

Yours sincerely

Lars Fruergaard Jørgensen
President and CEO, Novo Nordisk

CAMILLA SYLVEST JOINS EXECUTIVE MANAGEMENT

Camilla Sylvest, who until September 2017 was the senior vice president of Region China, has been appointed the new head of Commercial Strategy & Corporate Affairs in a move that also sees her join Novo Nordisk's Executive Management team.

Camilla has worked for the company since joining as a trainee in pharmaco-economic affairs back in 1996. She has steadily climbed the ranks of the organisation, taking on her first general manager role as head of Novo Nordisk Denmark, Norway and Iceland in 2008, before moving to head up the German affiliate from 2011 to 2013.

"During her 20-plus years at Novo Nordisk, Camilla has consistently demonstrated the capabilities needed to lead effectively in a challenging environment," says CEO Lars Fruergaard Jørgensen. "She has an ability to rally her organisations around key priorities, and while she has a clear focus on driving sales, she's also very mindful of the fact that good healthcare takes more than medicine."

In her new role, Camilla is responsible for Novo Nordisk's sales and marketing functions, as well as communications, sustainability and stakeholder relations. Following Camilla's promotion to executive vice president, Novo Nordisk's Executive Management team now comprises eight members.

"I'm honoured to have been given the opportunity to lead such an exciting part of the business," Camilla says. "While Novo Nordisk's strategic focus and core purpose remain unchanged, we've identified a series of must-win battles that will ensure focus and bold thinking in our commercial efforts, and I look forward to executing on these.

"There are still significant unmet patient needs, and as leaders we have an obligation to change this. We must dare to aim high by focusing on solving the biggest problems for our stakeholders, because it's only by offering better solutions that we'll be successful in the long term."

Camilla Sylvest
Executive vice president, and head of Commercial Strategy & Corporate Affairs

DIABETES AND **OBESITY CARE** SALES INCREASED BY

7%

(Danish kroner)

BIOPHARMACEUTICALS SALES DECLINED BY

18%

(Danish kroner)

OPERATING PROFIT INCREASED BY

5%

(Danish kroner)

DILUTED **EARNINGS PER SHARE** INCREASED BY

5%

(Danish kroner)

HIGHLIGHTS FROM THE FIRST NINE MONTHS OF 2017

Novo Nordisk increased reported operating profit by 5% in the first nine months of 2017. Reported sales increased by 2% to DKK 83.7 billion (3% in local currencies).

- Sales within diabetes and obesity care increased by 7% to DKK 69.7 billion (8% in local currencies).
  - Sales of Tresiba® increased by 117% to DKK 5.4 billion (118% in local currencies).
  - Sales of Victoza® increased by 15% to DKK 16.9 billion (15% in local currencies).
  - Sales of Saxenda® increased by 80% to DKK 1.9 billion (77% in local currencies).

- Sales within biopharmaceuticals declined by 18% to DKK 14.0 billion (18% in local currencies), primarily reflecting an impact from the introduction of a generic version of the hormone replacement therapy product Vagifem® and from rebate adjustments for human growth hormone in Q1 2016, both in the US, whereas sales within haemophilia were broadly unchanged.

- Sales within International Operations increased by 3% in Danish kroner (5% in local currencies) driven by sales growth in all business regions. Sales within North America Operations were unchanged in both Danish kroner and local currencies, reflecting the non-recurring effects in biopharmaceuticals impacting growth negatively by 5 percentage points.

- Operating profit increased by 5% reported in Danish kroner and by 6% in local currencies to DKK 38.9 billion. Net profit increased by 2% to DKK 29.9 billion. Diluted earnings per share increased by 5% to DKK 12.03.

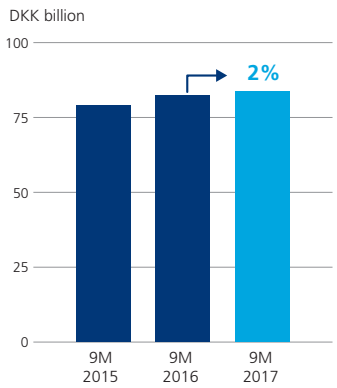
- In August, Novo Nordisk showed that the once-weekly GLP-1 semaglutide was superior to once-weekly dulaglutide on glucose control and weight loss in people with type 2 diabetes in the SUSTAIN 7 trial. In October, semaglutide received a positive 16–0 vote in favour of approval from an FDA Advisory Committee.

- In August, Novo Nordisk also obtained approval of the Victoza® label expansion for cardiovascular risk reduction in the US, and in September the label expansion for the reduced risk of severe hypoglycaemia with Tresiba® was endorsed by CHMP in the EU. Also in September, Novo Nordisk obtained approval of the new fast-acting mealtime insulin Fiasp® in the US.

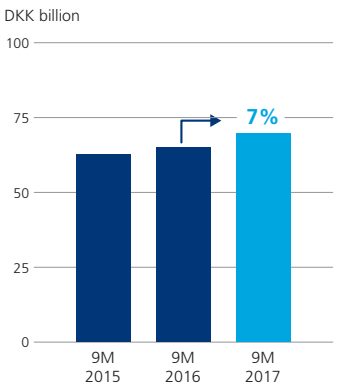
- The financial outlook for 2017 has been updated and the sales growth measured in local currencies is now expected to be in the range of 2% to 3% compared with the previous range of 1% to 3%. A negative currency impact of 2 percentage points is now expected. Operating profit growth measured in local currencies is now expected to be in the range of 3% to 6% compared with the previous range of 1% to 5%. A negative currency impact of 3 percentage points is now expected.

Read more in the company announcement of 1 November at novonordisk.com/media.

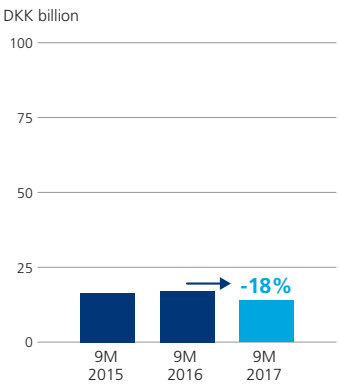
TOTAL SALES



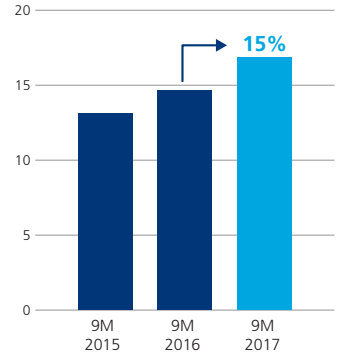
DIABETES AND OBESITY CARE SALES



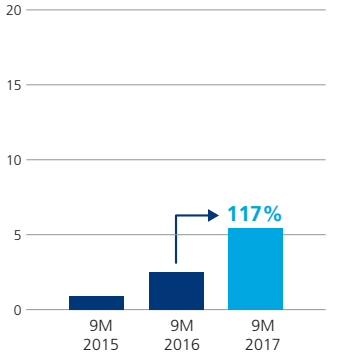
BIOPHARMACEUTICALS SALES



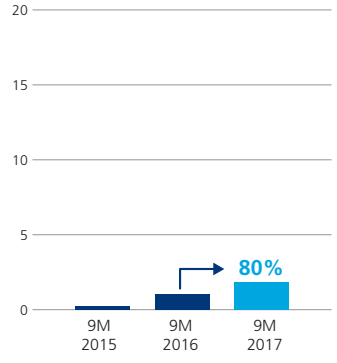
VICTOZA® SALES



TRESIBA® SALES



SAXENDA® SALES



KEY FIGURES FOR THE FIRST NINE MONTHS OF 2017

Amounts in DKK million, except number of shares, earnings per share and full-time equivalent employees.

INCOME STATEMENT	9M 2017	9M 2016	% change 9M 2016 to 9M 2017
Net sales	**83,704**	**82,208**	**2%**
Gross profit	**70,772**	**69,943**	**1%**
Gross margin	84.6%	85.1%	
Sales and distribution costs	20,045	20,468	(2%)
Percent of sales	23.9%	24.9%	
Research and development costs	10,031	10,093	(1%)
Percent of sales	12.0%	12.3%	
Administrative costs	2,666	2,796	(5%)
Percent of sales	3.2%	3.4%	
Other operating income, net	890	640	39%
Operating profit	**38,920**	**37,226**	**5%**
Operating margin	46.5%	45.3%	
Net financials	(811)	(370)	119%
Profit before income taxes	**38,109**	**36,856**	**3%**
Income taxes	**8,232**	**7,630**	**8%**
Effective tax rate	21.6%	20.7%	
Net profit	**29,877**	**29,226**	**2%**
Net profit margin	35.7%	35.6%	
OTHER KEY NUMBERS			
Capital expenditure (tangible assets)	5,636	4,559	24%
Depreciation, amortisation and impairment losses	2,277	2,077	10%
Net cash generated from operating activities	35,136	37,161	(5%)
Free cash flow	29,722	31,603	(6%)
Total assets	97,891	87,340	12%
Equity	46,946	41,327	14%
Equity ratio	48.0%	47.3%	
Average number of shares outstanding, diluted (million)	2,484.5	2,540.6	(2%)
Diluted earnings per share/ADR (in DKK)	**12.03**	**11.50**	**5%**
Full-time equivalent employees end of period	41,656	42,605	(2%)

FORWARD-LOOKING STATEMENTS

This document contains a summary of information made by Novo Nordisk in connection with the issuing of our company announcement No 83/2017 dated 1 November 2017. The company announcement contains forward-looking statements with respect to the business, objectives and plans of Novo Nordisk and its current goals, and expectations relating to its future economic performance. 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 document, 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.

Please also refer to the overview of risk factors in 'Managing risks' on pages 42–43 of *Annual Report 2016*, available at novonordisk.com, and Novo Nordisk's Form 20-F filed with the US Securities and Exchange Commission for examples of forward-looking statements and a discussion of certain factors which could cause actual results to differ materially from those contemplated in any forward-looking statements.

The forward-looking statements contained in this document are made as of the date of the above-mentioned company announcement and, 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.

28

MILLION PEOPLE USE OUR **DIABETES CARE** PRODUCTS

NOVO NORDISK'S SHARE OF THE **GLOBAL DIABETES MARKET** MEASURED IN VALUE:

27%

OUR PRODUCTS ARE MARKETED IN MORE THAN

165

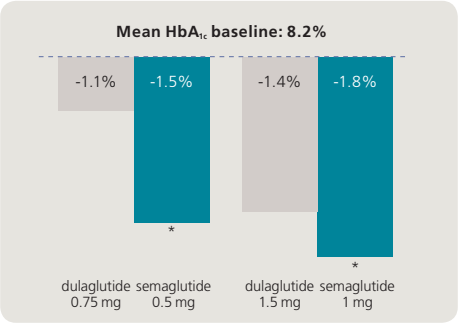
COUNTRIES

NEW RESULTS: SEMAGLUTIDE SUPERIOR TO DULAGLUTIDE ON GLUCOSE CONTROL AND WEIGHT LOSS

New results from the SUSTAIN 7 clinical trial show that Novo Nordisk's once-weekly GLP-1 analogue semaglutide is superior to the competing product dulaglutide, in terms of lowering both long-term blood glucose (HbA_{1c}) and body weight in people with type 2 diabetes.

The participants in the SUSTAIN 7 trial, all of whom had type 2 diabetes, were treated with once-weekly semaglutide and achieved a statistically significant reduction in HbA_{1c} and weight compared to a control group treated with dulaglutide, which is marketed by Novo Nordisk's US competitor Eli Lilly.

From a mean baseline HbA_{1c} of 8.2% at the start of the trial, participants treated with the low dose of 0.5 mg semaglutide achieved a statistically significant reduction of 1.5%, compared to a reduction of 1.1% with the low dose of 0.75 mg dulaglutide. Participants treated with the high dose of 1.0 mg semaglutide achieved a statistically significant reduction of 1.8%, compared to a reduction of 1.4% with 1.5 mg dulaglutide.



* Statistically significant.

Using the American Diabetes Association (ADA) treatment target of HbA_{1c} below or equal to 7.0%, 68% of the people treated with 0.5 mg semaglutide, compared to 52% of the people treated with 0.75 mg dulaglutide, reached the treatment goal. Moreover, 79% of the people treated with 1.0 mg semaglutide, compared to 67% of the people treated with 1.5 mg dulaglutide, reached the treatment goal.

Furthermore, from a mean baseline body weight of 95 kg, the people treated with 0.5 mg semaglutide achieved a weight loss of 4.6 kg, compared to 2.3 kg with 0.75 mg dulaglutide. Those treated with 1.0 mg semaglutide experienced a superior weight loss of 6.5 kg, compared to 3.0 kg with 1.5 mg dulaglutide. In other words, the weight loss was double on average with semaglutide.

EXPERTS GIVE SEMAGLUTIDE THE GREEN LIGHT

An advisory committee convened by the US Food and Drug Administration (FDA) has recommended that the FDA approve once-weekly semaglutide 0.5 mg and 1.0 mg for people with type 2 diabetes in the US.

The committee comprised 17 members, of whom 16 voted in favour of approval, while one abstained.

The FDA is expected to complete its review of semaglutide in December this year.

WHAT IS SUSTAIN 7?

SUSTAIN 7 is a 40-week efficacy and safety trial of 0.5 mg semaglutide versus 0.75 mg dulaglutide, and 1.0 mg semaglutide versus 1.5 mg dulaglutide, both once-weekly as add-on to metformin in 1,201 people with type 2 diabetes.

VICTOZA® APPROVED IN THE US AND THE EU AS THE ONLY GLP-1 PRODUCT TO PREVENT CARDIOVASCULAR DISEASE

Victoza® is the first GLP-1 product for the treatment of type 2 diabetes that has been approved in the US and the EU to prevent serious cardiovascular events in adults with type 2 diabetes and cardiovascular disease.

The decision of the US and European regulators is based on the results from the landmark LEADER trial, which demonstrated that Victoza® statistically significantly reduced the risk of cardiovascular death, non-fatal heart attack or non-fatal stroke by 13% versus placebo, when added to standard of care.

The risk of cardiovascular death alone was 22% lower with Victoza® treatment versus placebo.

"Cardiovascular disease is the number one cause of death for people with type 2 diabetes and requires treatment strategies that can tackle both blood glucose and cardiovascular risk," says Mads Krogsgaard Thomsen, chief science officer of Novo Nordisk. "Victoza® now offers people with type 2 diabetes and established cardiovascular disease an effective treatment option to both lower their blood glucose and reduce their cardiovascular risk."

ABOUT VICTOZA®

Victoza® is a human glucagon-like peptide-1 (GLP-1) analogue with an amino acid sequence 97% similar to endogenous human GLP-1.

ABOUT THE LEADER TRIAL

LEADER was a randomised (participants are allocated randomly to receive either the experimental treatment or a control treatment), double-blind (neither the doctor nor the participant knows whether the participant is receiving a genuine product or just a placebo) trial investigating the long-term (3.5–5 years) effects of Victoza® (liraglutide up to 1.8 mg) compared to placebo, both in addition to standard of care, in people with type 2 diabetes at high risk of major cardiovascular events. Standard of care was comprised of lifestyle modifications, glucose-lowering treatments and cardiovascular medications.

A total of 9,340 people with type 2 diabetes from 32 countries took part in the LEADER trial.

FIASP®: NEW FAST-ACTING INSULIN APPROVED IN THE US

The US Food and Drug Administration (FDA) has approved Fiasp®, which is a new fast-acting mealtime insulin for the treatment of adults with diabetes.

The FDA's decision comes after Fiasp® demonstrated benefits in clinical trials for people with diabetes in need of improved blood sugar control after meals and overall long-term glucose control.

Fiasp® is the next generation of the fast-acting insulin NovoRapid® (NovoLog® in the US). Fiasp® has been developed with the specific aim of more closely matching the natural insulin production of a person without diabetes during meals.

In clinical trials, Fiasp® demonstrated an improvement in long-term glucose level (HbA_{1c}), while maintaining the occurrence of low blood sugar (hypoglycaemia) at the same low level as for NovoRapid® (NovoLog®).

"We're very pleased that Fiasp® will now also be available to people with diabetes in the US," says Mads Krogsgaard Thomsen, chief science officer of Novo Nordisk.

"The fast action profile of Fiasp® allows people with diabetes convenient timing in terms of when to take their insulin in connection with meals, to achieve the optimal blood sugar control."

ABOUT FIASP®

Fiasp® is insulin aspart (NovoRapid®/ NovoLog®) in an innovative formulation, in which two excipients have been added: vitamin B3 (niacinamide) to increase the speed of absorption, and a naturally occurring amino acid (L-arginine) for stability.

The approval of Fiasp® was based on the 'onset' programme, a phase 3 clinical programme comprising four trials involving more than 2,100 people with type 1 and type 2 diabetes.

Fiasp®
fast-acting insulin aspart

AMBITIOUS GLOBAL GOAL: TO PREVENT 100 MILLION NEW CASES OF DIABETES BY 2045

An international coalition of cities is now calling for an ambitious global goal to prevent more than 100 million new cases of diabetes by 2045. The target has been set at the same time as the publication of the report *Bending the Curve on Urban Diabetes,* prepared by the partners behind the global initiative Cities Changing Diabetes (CCD).

Today, 437 million people around the world are living with diabetes, corresponding to 9% of the world's adult population. According to CCD's projections, this number is set to rise to around 12% by 2045 if nothing is done. The report also shows that 1.4 billion adults (22.4% of adults) will be living with obesity by 2045. As obesity is the single biggest modifiable risk factor for type 2 diabetes, according to the projections this would result in diabetes affecting 736 million people – almost 300 million more than today.

The report indicates that 14% of the world's adult population has obesity today. Projections show that in order to bend the curve, the prevalence of diabetes must be reduced to one in 10 adults. This goal can be achieved by reducing the number of people with obesity by 25% by 2045.

Bending the diabetes curve would prevent an additional 111 million people developing diabetes, which would save society 200 billion US dollars annually by 2045.

Cities Changing Diabetes Summit in October in Houston, US, at which 300 delegates from cities around the world discussed the global diabetes challenge.

ABOUT CITIES CHANGING DIABETES (CCD)

The objective of CCD includes tackling the challenge of diabetes in big cities by mapping the problem, sharing solutions and driving concrete actions.

The partnership programme was initiated by Novo Nordisk. It was developed in cooperation with University College London (UCL) and Steno Diabetes Center Copenhagen (SDCC) as well as a range of local partners including the diabetes/health community, city governments, academic institutions, city experts (from a variety of fields) and civil society organisations.

Today, the programme represents 75 million citizens in nine cities worldwide: Copenhagen, Houston, Mexico City, Johannesburg, Rome, Tianjin, Shanghai, Vancouver and Xiamen.

For more information, visit **citieschangingdiabetes.com**.

WHY START IN BIG CITIES?

While half of the world's population lives in cities, they are home to two-thirds of people with diabetes – a number set to rise to three-quarters of people with diabetes by the 2040s.

FINANCIAL CALENDAR

1 FEBRUARY 2018
FULL YEAR 2017

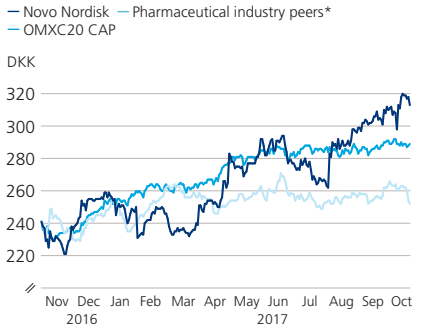
22 MARCH 2018
ANNUAL GENERAL MEETING 2018

2 MAY 2018
FIRST THREE MONTHS OF 2018

SHAREHOLDER INFORMATION

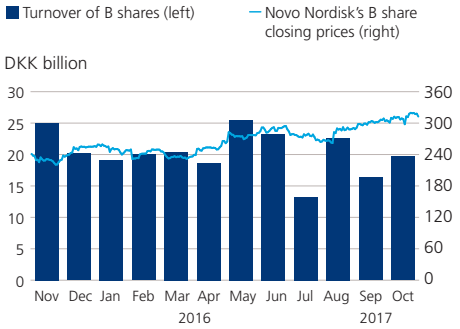
SHARE PRICE PERFORMANCE

Novo Nordisk share price and indexed peers



* Pharma peers comprise AstraZeneca, Bristol-Myers Squibb, Eli Lilly, GlaxoSmithKline, Lundbeck, Merck, Novartis, Pfizer, Roche and Sanofi.

PRICE DEVELOPMENT AND MONTHLY TURNOVER OF NOVO NORDISK B SHARES



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