

1 Summary of significant accounting policies (continued)

This impairment test is based upon management's projections and anticipated future cash flows. The most significant variables in determining cash flows are discount rates, terminal values, the number of years on which to base the cash flow projections, as well as the assumptions and estimates used to determine the cash inflows and outflows. Management determines the discount rates to be used based on the risk inherent in the related activity's current business model and industry comparisons. Terminal values are based on the expected life of products, forecasted lifecycle and forecasted cash flows over that period and the useful lives of the underlying assets.

While the assumptions are believed to be appropriate, the amounts estimated could differ materially from what actually occurs in the future. These discounted cash flows are prepared at cash-generating-unit level. The cash-generating-units are the smallest group of identifiable assets that generates cash inflows from continuing use which are largely independent of the cash inflows from other assets or groups of assets.

Financial assets

The Group classifies its investments in the following categories: Financial assets at fair value through profit or loss (financial derivatives), Loans and receivables and Available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments on initial recognition and re-evaluates this designation at every reporting date to the extent that such a designation is permitted and required.

Financial assets at fair value through profit or loss

Financial derivatives used for hedging purposes are classified under financial assets at fair value through profit or loss even though financial derivatives used for hedging purposes, which do not qualify for hedge accounting, are regulated on equity. Assets in this category are classified as current assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are included in Trade receivables and Other receivables in the Balance sheet.

Trade receivables and Other receivables are stated at amortised cost less allowances for doubtful trade receivables. The allowances are based on an individual assessment of each receivable.

Available-for-sale financial assets

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Inventories

Raw materials and consumables are measured at cost assigned by using the first-in, first-out method.

Work in progress and finished goods are stated at cost assigned by using the first-in, first-out method. Cost comprises direct production costs such as raw materials, consumables, energy and labour, and production overheads such as employee costs, depreciation, maintenance etc. The production overheads are measured based on a standard cost method which is reviewed regularly in order to ensure relevant measures of utilisation, production lead time etc.

If the expected sales price less completion costs and costs to execute sales (net realisable value) is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value.

Tax

Income taxes in the Income statement include tax payable for the year with addition of the change in deferred tax for the year.

Deferred income taxes arise from temporary differences between the accounting and tax balance sheets of the individual consolidated companies and from realisable tax-loss carry-forwards, using the liability method. The tax value of tax-loss carry-forwards is included in deferred tax assets to the extent that the tax losses and other tax assets are expected to be utilised in the future taxable income. The deferred income taxes are measured according to current tax rules and at the tax rates expected to be in force on the elimination of the temporary differences.

Unremitted earnings are retained by subsidiary companies for reinvestment. No provision is made for income taxes that would be payable upon the distribution of such earnings. If the earnings were remitted, an immaterial income tax charge would result, based on the tax statutes currently in effect.

No deferred tax is calculated on differences associated with investments in subsidiaries, branches and associates as the differences by nature are permanent differences. However, deferred tax is calculated if the differences are tax deductible.

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in Other financial assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Marketable securities under current assets are classified as available-for-sale financial assets.

Recognition and measurement

Purchases and sales of investments are recognised on the settlement date. Investments are initially recognised at fair value plus transaction costs for all financial assets not classified as fair value through profit or loss.

Currency options, available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Unrealised gains and losses arising from changes in the fair value of financial assets classified as available-for-sale are recognised in equity. When financial assets classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the Income statement as gains and losses from available-for-sale financial assets.

The fair values of quoted investments are based on current bid prices. Financial assets for which no active market exists are carried at cost if no reliable valuation model can be applied (unlisted shares).

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets have been impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss is removed from equity and recognised in the Income statement. Impairment losses recognised in the Income statement on equity instruments are not reversed through the Income statement.

Employee benefits

Wages, salaries, social security contributions, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where the Group provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees concerned.

Pensions

The Group operates a number of defined contribution plans throughout the world. In a few countries the group still operates defined benefit plans. The costs for the year for defined benefit plans are determined using the projected unit credit method. This reflects services rendered by employees to the dates of valuation and is based on actuarial assumptions primarily regarding discount rates used in determining the present value of benefits, projected rates of remuneration growth and long-term expected rates of return for plan assets. Discount rates are based on the market yields of high-rated corporate bonds in the country concerned.

Actuarial gains and losses are recognised as income or expense when the net cumulative unrecognised actuarial gains and losses for each individual plan at the end of the previous reporting period exceeded 10% of the higher of the defined benefit obligation and the fair value of plan assets at that date. These gains or losses are recognised over the expected average remaining working lives of the employees participating in the plans.

Past service costs are allocated over the average period until the benefits become vested.

Pension assets and liabilities in different defined benefit schemes are not offset unless the Group has a legally enforceable right to use the surplus in one plan to settle obligations in the other plan. Pension assets are only recognised to the extent that the Group is able to derive future economic benefits in the way of refunds from the plan or reductions of future contributions.

1 Summary of significant accounting policies (continued)

The Group's contributions to the defined contribution plans are charged to the Income statement in the year to which they relate.

Share-based compensation

The Group operates equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options or shares is recognised as an expense and allocated over the vesting period.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options or shares granted, excluding the impact of any non-market vesting conditions. The fair value is fixed at grant date. Non-market vesting conditions are included in assumptions about the number of options or shares that are expected to become exercisable. At each balance sheet date, the Group revises its estimates of the number of options or shares that are expected to become exercisable. Novo Nordisk recognises the impact of the revision of the original estimates, if any, in the Income statement and a corresponding adjustment to equity over the remaining vesting period. Adjustments relating to prior years are included in the Income statement in the year of adjustment.

Liabilities

Generally, liabilities are stated at amortised cost unless specifically mentioned otherwise.

Equity

Treasury shares

Treasury shares are deducted from the share capital at their nominal value of DKK 1 per share. Differences between this amount and the amount paid for acquiring, or received for disposing of, treasury shares are deducted from retained earnings.

Other reserves

Other reserves consist of exchange rate adjustments, cash flow hedging reserve and other adjustments.

Dividends

Dividends are recognised as a liability in the period in which they are declared at the Annual General Meeting.

Consolidated statement of cash flows and financial resources

The Consolidated statement of cash flows and financial resources is presented in accordance with the indirect method commencing with net profit. The statement shows cash flows for the year, the net change in cash and cash equivalents for the

3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date(s) of the financial statements and the reported amounts of revenues and expenses during the reporting period(s). Management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about the reported carrying amounts of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results could differ from those estimates. Novo Nordisk believes the following are the critical accounting estimates and judgements used in the preparation of its consolidated financial statements.

Non-recurring costs related to discontinuation of all pulmonary diabetes projects

Towards the end of 2007, Novo Nordisk conducted a detailed analysis of the future prospects for inhaled insulin and a review of the medical and commercial potential of the AERx[®] iDMS inhaled insulin system (AERx[®]).

This analysis resulted in a non-recurring impairment cost regarding intangible assets and manufacturing activities related to the AERx[®] system and cost of discontinuing all clinical development in the amount of DKK 1,325 million, which were recorded and negatively impacted operating profit in 2007.

In April 2008, Novo Nordisk also decided to discontinue the remaining part of its pulmonary activities.

As a result of these decisions an additional cost of DKK 325 million was included in Research and development costs in the 2008 Annual Report.

In 2008 and 2007, Novo Nordisk recorded the following charges related to the impairment of pulmonary diabetes projects.

DKK million	2008	2007
Impairment of intangible assets	–	117
Severance pay and other employee related costs	155	–
Impairment of tangible assets	53	753
Commitments regarding clinical trials	–	326
Leasing and investment commitments	42	129
Other cost related to closure of pulmonary diabetes projects	75	–

year, and cash and cash equivalents at the beginning and the end of the year.

Cash and cash equivalents consist of cash and marketable securities, with original maturity of less than three months, less short-term bank loans. Financial resources consist of cash and cash equivalents, bonds with original term to maturity exceeding three months, and undrawn committed credit facilities expiring after more than one year.

2 Changes in the scope of consolidation

In 2008, no changes in the scope of consolidation occurred.

In 2007, the Novo Nordisk subsidiary NNE A/S (NNE Pharmaplan A/S) completed the acquisition of the engineering activities in Pharmaplan GmbH from the German medical group Fresenius. The cost of the business combination was DKK 59 million. The purchase price was paid in cash. The net assets were included in the consolidation as from 1 April 2007.

In 2006, no changes in the scope of consolidation occurred.

Total costs	325	1,325
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These charges were included in Research and development costs. In addition, a cost of DKK 52 million, related to the AERx[®] discontinuation, was included as financial expense in 2007.

Sales rebate accruals and provisions

Sales rebate accruals and provisions are established in the same period as the related sales. The sales rebate accruals and provisions are recorded as a reduction in sales and are included in Other provisions and Other liabilities.

The accruals and provisions are based upon historical rebate payments. They are calculated based upon a percentage of sales for each product as defined by the contracts with the various customer groups.

Factors that complicate the rebate calculations are:

- Identification of the products which have been sold subject to a rebate
- The customer or government price terms which apply
- The estimated time lag between sale and payment of a rebate

The US market has the most complex arrangements for rebates, discounts and allowances.

3 Critical accounting estimates and judgements (continued)

Significant sales rebate and discount amount are rebates from sales covered by Medicaid and Medicare, the US public healthcare insurance system. Provisions for Medicaid and Medicare rebates have been calculated using a combination of historical experience, product and population growth, price increases, the impact of contracting strategies and specific terms in the individual agreements. For Medicaid, the calculation of rebates involves interpretation of relevant regulations, which are subject to challenge or change in interpretative guidance by government authorities. Although accruals are made for Medicaid and Medicare rebates at the time sales are recorded, the Medicare and Medicaid rebates related to the specific sale will typically be invoiced to Novo Nordisk up to six months later. Due to the time lag, in any particular period the rebate adjustments to sales may incorporate revisions of accruals for prior periods.

Customer rebates are offered to a number of managed healthcare plans. These rebate programmes provide that the customer receives a rebate after attaining certain performance parameters relating to product purchases, formulary status and pre-established market share milestones relative to competitors. Since rebates are contractually agreed upon, rebates are estimated based on the specific terms in each agreement, historical experience, anticipated channel mix, product growth rates and market share information. Novo Nordisk considers the sales performance of products subject to managed healthcare rebates and other contract discounts and adjusts the provision periodically to reflect actual experience.

Wholesaler charge-backs relate to contractual arrangements Novo Nordisk has with indirect customers, mainly in the US, to sell products at prices that are lower than the list price charged to wholesalers. A wholesaler charge-back represents the difference between the invoice price to the wholesaler and the indirect customer's contract price. Provisions are calculated for estimated charge-back using a combination of factors such as historical experience, current wholesaler inventory levels, contract terms and the value of claims received yet not processed. Wholesaler charge-backs are generally settled within one to three months of incurring the liability.

Novo Nordisk believes that the accruals and provisions established for sales rebates are reasonable and appropriate based on current facts and circumstances. However, the actual amount of rebates and discounts may differ from the amounts estimated by management.

A reconciliation of gross sales to net sales for North America (includes the US and Canada) is as follows:

DKK million	2008	2007	2006
Gross sales	22,639	20,109	17,196

IPCs are measured based on a standard cost method which is reviewed regularly in order to ensure relevant measures of utilisation, production lead time and other relevant factors. Changes in the parameters for calculation of IPCs, including utilisation levels, production lead time etc could have an impact on the gross margin and the overall valuation of inventories. The carrying amount of IPCs is DKK 4,633 million at 31 December 2008. Please refer to note 18 for further information.

Allowances for doubtful trade receivables

Trade receivables are stated at amortised cost less allowances for potential losses on doubtful trade receivables.

Novo Nordisk maintains allowances for doubtful trade receivables for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management specifically analyses trade receivables and analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when evaluating the adequacy of the allowance for doubtful trade receivables.

The uncertainty connected with the allowance for doubtful trade receivables is considered limited. The carrying amount of allowances for doubtful trade receivables is DKK 602 million at 31 December 2008. Please refer to note 19 for further information.

Income taxes

Management judgement is required in determining the Group's provision for deferred income tax assets and liabilities. Novo Nordisk recognises deferred income tax assets if it is probable that sufficient taxable income will be available in the future against which the temporary differences and unused tax losses can be utilised. Management has considered future taxable income in assessing whether deferred income tax assets should be recognised.

The carrying amount of deferred income tax assets and deferred income tax liabilities is DKK 1,696 million and DKK 2,404 million respectively at 31 December 2008. Please refer to note 23 for further information.

Provisions and contingencies

As part of normal business Novo Nordisk issues credit notes for expired goods. Consequently a provision for future returns is made, based on historical statistical product returns.

Revenue recognition for new product launches is based on specific facts and circumstances for the specific products,

Gross-to-net sales adjustments:			
Medicaid and Medicare rebates	(1,672)	(1,279)	(1,186)
Managed healthcare rebates	(1,543)	(1,333)	(1,073)
Wholesaler charge-backs	(2,949)	(2,594)	(2,074)
Cash discounts	(433)	(381)	(310)
Sales returns	(512)	(432)	(116)
Other rebates and allowances	(376)	(344)	(157)
Total gross-to-net sales adjustments	(7,485)	(6,363)	(4,916)
Net sales	15,154	13,746	12,280

The carrying amount of sales rebate accruals and provisions is DKK 2,400 million at 31 December 2008. Please refer to notes 5 and 25 for further information on sales accruals and provisions.

Indirect production costs (IPCs)

Work in progress and finished goods are stated at cost assigned by using the first-in, first-out method. Cost comprises direct production costs such as raw materials, consumables, energy and labour, as well as IPCs such as employee costs, depreciation, maintenance etc.

including estimated demand and acceptance rates from well-established products with similar market characteristics. In recent years the products launched by Novo Nordisk have been comparable with either other products already on the market or products in therapy areas well known to Novo Nordisk, and therefore uncertainties surrounding products launched have been limited.

The carrying amount of provision for returned products is DKK 594 million at 31 December 2008. Please refer to note 25 for further information.

Management of the Group makes judgements about provisions and contingencies, including the probability of pending and potential future litigation outcomes that in nature are dependent on future events that are inherently uncertain. In making its determinations of likely outcomes of litigation etc, management considers the evaluation of external counsel knowledgeable about each matter, as well as known outcomes in case law. Provisions for pending litigations are recognised under Other provisions. Please refer to notes 25 and 36 for a description of significant litigations pending.

4 Segment information

Business segments

For management reporting purposes, the Group operates in two global business segments based on different therapies:

Diabetes care:

The business segment includes discovery, development, manufacturing and marketing of products within the areas of insulin, GLP-1 and related delivery systems as well as oral antidiabetic products (OAD).

Biopharmaceuticals:

The business segment includes discovery, development, manufacturing and marketing of products within the therapy areas haemostasis management,

growth hormone therapy, hormone replacement therapy, inflammation therapy and other therapy areas.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating result of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit consistent with the consolidated financial statements. Group financing (including financial expense and financial income) and income taxes are managed on a group basis and are not allocated to operating segments.

Business segments	2008	2007	2006
DKK million			
		Diabetes care	
Segment sales and results			
Sales			
Modern insulins (insulin analogues)	17,317	14,008	10,825
Human insulins	11,804	12,572	13,451
Insulin-related sales	1,844	1,749	1,606
Oral antidiabetic products (OAD)	2,391	2,149	1,984
Diabetes care total	33,356	30,478	27,866
Haemostasis management			
Growth hormone therapy			
Hormone replacement therapy			
Other products			
Biopharmaceuticals total			
Sales	33,356	30,478	27,866
Change in DKK (%)	9.4%	9.4%	16.1%
Change in local currencies (%)	12.7%	14.1%	17.0%
Cost of goods sold	8,705	8,404	8,123
Sales and distribution costs	10,497	9,962	9,257
Research and development costs	4,791	6,116	3,898
– hereof costs related to discontinuation of all pulmonary diabetes projects	(325)	(1,325)	–
Administrative expenses	1,936	1,916	1,748
Licence fees and other operating income	142	179	142
Operating profit	7,569	4,259	4,982

Operating profit (excl cost related to discontinuation of all pulmonary diabetes projects)	7,894	5,584	–
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Share of profit in associated companies			
Financial income (net)			
Profit before income taxes			
Income taxes			
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Net profit			
<hr/>			
Other segment items			
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Depreciation and amortisation	1,899	1,774	1,632
Impairment losses in the Income statement	208	931	45
Additions to property, plant and equipment and intangible assets (net)	1,628	1,995	2,499
Long-term assets	16,037	16,884	17,606
Total assets	30,468	30,257	29,714
Total liabilities	8,398	7,980	7,470

Geographical information	2008	2007	2006	2008	2007	2006
DKK million		Europe *)			North America	
Sales	17,219	16,350	15,300	15,154	13,746	12,280
Change in DKK (%)	5.3%	6.9%	9.1%	10.2%	11.9%	28.8%
Change in local currencies (%)	6.7%	6.8%	8.9%	17.7%	21.8%	29.4%
Additions to property, plant and equipment and intangible assets (net)	1,458	1,651	2,065	137	509	460
Property, plant and equipment	15,624	16,398	16,765	973	998	1,480
Total assets	40,849	38,428	35,232	3,532	2,873	3,819

*) The country of domicile for Novo Nordisk is disclosed as Europe in the geographical information.

4 Segment information (continued)

There are no sales or other transactions between the business segments. Costs have been split between business segments based on a specific allocation with the addition of a minor number of corporate overheads allocated systematically to the segments. Other operating income has been allocated to the two segments based on the same principle. Segment assets comprise the assets that are applied directly to the activities of the segment, including intangible assets, property, plant and equipment, long-term financial assets, inventories, trade receivables and other receivables. Segment liabilities comprise liabilities derived from the activities of the segment, including provisions, trade payables and other liabilities.

No single customer represents 10% or more of the total revenue.

Geographical information

The Group operates in four main geographical areas:

Europe: EU, EFTA, Albania, Bosnia-Herzegovina, Croatia, Macedonia, Serbia & Montenegro and Kosovo

North America: The US and Canada

Japan & Oceania: Japan, Australia and New Zealand

International Operations: All other countries

Sales are attributed to geographical regions based on the location of the customer. There are no sales between regions. Total assets and additions to property, plant and equipment and intangible assets are based on the location of the assets.

2008	2007	2006	2008	2007	2006	2008	2007	2006
Biopharmaceuticals			Corporate/unallocated			Total		
						17,317	14,008	10,825
						11,804	12,572	13,451
						1,844	1,749	1,606
						2,391	2,149	1,984
						33,356	30,478	27,866
6,396	5,865	5,635				6,396	5,865	5,635
3,865	3,511	3,309				3,865	3,511	3,309
1,612	1,668	1,607				1,612	1,668	1,607
324	309	326				324	309	326
12,197	11,353	10,877				12,197	11,353	10,877

12,197	11,353	10,877				45,553	41,831	38,743
7.4%	4.4%	11.6%				8.9%	8.0%	14.8%
11.1%	9.9%	12.7%				12.2%	12.9%	15.7%
1,404	1,389	1,462				10,109	9,793	9,585
2,369	2,409	2,351				12,866	12,371	11,608
3,065	2,422	2,418				7,856	8,538	6,316
-	-	-				(325)	(1,325)	-
699	592	639				2,635	2,508	2,387
144	142	130				286	321	272
4,804	4,683	4,137				12,373	8,942	9,119
4,804	4,683	-				12,698	10,267	-

			(124)	1,233	(260)	(124)	1,233	(260)
			446	796	305	446	796	305
						12,695	10,971	9,164
			3,050	2,449	2,712	3,050	2,449	2,712

						9,645	8,522	6,452
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284	263	291	47	37	40	2,230	2,074	1,963
3	-	-	1	2	134	212	933	179
329	391	509	-	-	1	1,957	2,386	3,009
3,220	3,470	3,684	2,282	3,075	2,567	21,539	23,429	23,857
6,640	6,685	6,783	13,495	10,789	8,195	50,603	47,731	44,692
2,448	2,488	2,269	6,778	5,081	4,831	17,624	15,549	14,570

2008	2007	2006	2008	2007	2006	2008	2007	2006
International Operations			Japan & Oceania			Total		
8,425	7,295	6,494	4,755	4,440	4,669	45,553	41,831	38,743
15.5%	12.3%	18.1%	7.1%	(4.9%)	(0.9%)	8.9%	8.0%	14.8%
20.5%	17.8%	18.7%	2.1%	3.1%	5.0%	12.2%	12.9%	15.7%
354	222	465	8	4	19	1,957	2,386	3,009
1,827	2,031	1,897	215	178	208	18,639	19,605	20,350
5,267	5,648	4,618	955	782	1,023	50,603	47,731	44,692

5 Sales rebate accruals and provisions

DKK million	2008	2007	2006
At the beginning of the year	1,833	1,847	1,872
Additional rebates deducted from sales	4,157	3,176	2,761
Adjustments to previous year's accruals and provisions	(209)	(168)	(218)
Payments and grants of rebates during the year	(3,469)	(2,835)	(2,372)
Exchange rate adjustments	88	(187)	(196)
At the end of the year	2,400	1,833	1,847
Specification of sales rebate accruals and provisions:			
Other liabilities	119	89	72
Current provisions	2,281	1,744	1,775
Total sales rebate accruals and provisions	2,400	1,833	1,847

6 Employee costs

DKK million	2008	2007	2006
Wages and salaries	10,541	9,792	9,225
Share-based payment costs (refer to note 33)	331	130	113
Pensions – defined contribution plans	745	724	670
Retirement benefit obligations (refer to note 24)	128	109	111
Other contributions to social security	714	709	645
Other employee costs	1,169	1,094	911
Total employee costs	13,628	12,558	11,675

Included in the Income statement under the following headings:

7 Depreciation, amortisation and impairment losses

DKK million	2008	2007	2006
Included in the Income statement under the following headings:			
Cost of goods sold	1,831	1,652	1,682
Sales and distribution costs	38	31	56
Research and development costs *)	473	1,205	302
Administrative expenses	100	119	102
Total depreciation, amortisation and impairment losses	2,442	3,007	2,142

*) Hereof costs of DKK 53 million in 2008 related to discontinuation of all pulmonary diabetes projects (DKK 870 million in 2007).

8 Fees to statutory auditors

DKK million	2008	2007	2006
Statutory audit	25	25	24
Audit-related services	4	6	7
Tax advisory services	16	15	16
Other services	1	1	1
Total	46	47	48

9 Licence fees and other operating income (net)

DKK million	2008	2007	2006
Licence fees	146	229	148
Net income from IT, engineering and other services	50	26	55
Other income	90	66	69
Total licence fees and other operating income (net)	286	321	272

Cost of goods sold	3,676	3,519	3,632
Sales and distribution costs	5,083	4,498	3,904
Research and development costs	3,040	2,813	2,424
Administrative expenses	1,654	1,563	1,523
Total included in the Income statement	13,453	12,393	11,483

In addition the following employee cost are consolidated in other operating income (net):

NNE Pharmaplan A/S	897	800	545
NNIT A/S	760	642	556

Included in the Balance sheet as:

Capitalised employee costs related to assets in course of construction etc	29	58	115
Change in employee costs included in inventories	146	107	77
Total included in the Balance sheet	175	165	192

Total employee costs	13,628	12,558	11,675
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In addition the following employee cost have been capitalised as assets in course of construction

NNE Pharmaplan A/S	297	264	545
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For information on remuneration to the Board of Directors and Executive Management, please refer to note 34.

Average number of full-time employees	26,069	24,344	22,590
Year-end number of full-time employees	26,575	25,516	23,172

10 Financial income

DKK million	2008	2007	2006
Interest income *)	631	322	369
Capital gain on investments etc (net)	-	-	153
Foreign exchange gain on derivative financial instruments (net)	462	911	407
Gains on currency options	34	70	2
Total financial income	1,127	1,303	931

*) 2008 includes interest income related to the conclusion of the antidumping case in Brazil.

11 Financial expenses

DKK million	2008	2007	2006
Interest expenses	246	324	296
Capital loss on investments etc (net) *)	28	60	-
Foreign exchange loss (net)	355	71	268
Other financial expenses	52	52	62
Total financial expenses	681	507	626

*) Including unrealised capital loss of DKK 52 million related to Novo Nordisk's investment in Aradigm Inc. in 2007.

12 Income taxes

DKK million	2008	2007	2006
Current tax on profit for the year	2,233	2,835	2,832
Deferred tax on profit for the year	851	(347)	(213)
Tax on profit for the year	3,084	2,488	2,619
Adjustments related to previous years – current tax	(218)	(11)	964
Adjustments related to previous years – deferred tax	184	(28)	(871)
Income taxes in the Income statement	3,050	2,449	2,712
Tax on entries in equity related to current tax	27	43	4
Tax on entries in equity related to deferred tax	(108)	50	125
Tax on entries in equity	(81)	93	129
Computation of effective tax rate:			
Statutory corporate income tax rate in Denmark	25.0%	25.0%	28.0%
Deviation in foreign subsidiaries' tax rates compared to the Danish tax rate (net)	(0.3%)	2.9%	2.1%
Non-tax income less non-tax deductible expenses (net)	(0.4%)	(3.2%)	(0.4%)
Effect on deferred tax related to change in the Danish tax rate in 2007	–	(2.0%)	–
Other	(0.3%)	(0.4%)	(0.1%)
Effective tax rate	24.0%	22.3%	29.6%

13 Earnings per share

DKK million		2008	2007	2006
Net profit		9,645	8,522	6,452
Average number of shares outstanding *)	in 1,000 shares	615,780	631,783	641,862
Dilutive effect of outstanding share bonus pool and options 'in the money' **)	in 1,000 shares	4,947	4,639	3,526
Average number of shares outstanding incl dilutive effect of options 'in the money'	in 1,000 shares	620,727	636,422	645,388
Basic earnings per share *)	DKK	15.66	13.49	10.05
Diluted earnings per share *)	DKK	15.54	13.39	10.00

*) In 2007 there was a stock split of the company's A and B shares. The trade unit was changed from DKK 2 to DKK 1. The comparative figures for 2006 have been

updated accordingly.

**) For further information on outstanding share bonus pool and options, please refer to note 33.

14 Intangible assets

DKK million	Goodwill	Patents and licences etc	Other intangible assets *)	Total
2008				
Cost at the beginning of 2008	133	520	572	1,225
Additions during the year	5	172	22	199
Disposals during the year	(2)	–	(7)	(9)
Exchange rate adjustments	–	8	22	30
Cost at the end of 2008	136	700	609	1,445
Amortisation and impairment losses at the beginning of 2008	65	153	336	554
Amortisation for the year	–	16	34	50
Impairment losses for the year	–	50	8	58
Amortisation reversed on disposals during the year	–	–	(5)	(5)
Exchange rate adjustments	–	–	0	0
Amortisation and impairment losses at the end of 2008	65	219	373	657
Carrying amount at the end of 2008	71	481	236	788
2007				
Cost at the beginning of 2007	82	486	491	1,059
Additions during the year	52	21	97	170
Addition regarding acquisitions	–	26	18	44
Disposals during the year	(1)	(11)	(41)	(53)
Exchange rate adjustments	–	(2)	7	5
Cost at the end of 2007	133	520	572	1,225
Amortisation and impairment losses at the beginning of 2007	65	22	333	420
Amortisation for the year	–	14	32	46
Impairment losses for the year **)	–	117	–	117
Amortisation reversed on disposals during the year	–	(1)	(37)	(38)
Exchange rate adjustments	–	1	8	9
Amortisation and impairment losses at the end of 2007	65	153	336	554
Carrying amount at the end of 2007	68	367	236	671

*) Includes primarily internally developed software and costs related to major IT projects.

**) Impairment losses of DKK 117 million relates to discontinuation of AERx®.

15 Property, plant and equipment

	Land and buildings	Plant and machinery	Other equipment	Payments on account and assets in course of construction	Total
DKK million					
2008					
Cost at the beginning of 2008	12,208	15,564	2,289	2,547	32,608
Additions during the year	164	261	164	1,183	1,772
Addition regarding acquisitions	–	–	–	–	–
Disposals during the year	(448)	(335)	(183)	(795)	(1,761)
Transfer from/(to) other items	472	378	335	(1,185)	–
Exchange rate adjustments	(116)	(169)	15	39	(231)
Cost at the end of 2008	12,280	15,699	2,620	1,789	32,388
Depreciation and impairment losses at the beginning of 2008	3,618	7,317	1,366	702	13,003
Depreciation for the year	516	1,399	265	–	2,180
Impairment losses for the year *)	6	92	3	53	154
Depreciation reversed on disposals during the year	(333)	(311)	(152)	(755)	(1,551)
Exchange rate adjustments	(15)	(26)	4	–	(37)
Depreciation and impairment losses at the end of 2008	3,792	8,471	1,486	–	13,749
Carrying amount at the end of 2008	8,488	7,228	1,134	1,789	18,639
2007					
Cost at the beginning of 2007	11,525	14,066	2,623	3,775	31,989
Additions during the year	284	387	203	1,434	2,308
Addition regarding acquisitions	7	–	2	–	9
Disposals during the year	(241)	(720)	(646)	(33)	(1,640)
Transfer from/(to) other items	640	1,847	129	(2,616)	0
Exchange rate adjustments	(7)	(16)	(22)	(13)	(58)
Cost at the end of 2007	12,208	15,564	2,289	2,547	32,608
Depreciation and impairment losses at the beginning of 2007	3,231	6,677	1,731	–	11,639
Depreciation for the year	500	1,302	226	–	2,028
Impairment losses for the year *)	30	25	26	735	816
Depreciation reversed on disposals during the year	(133)	(685)	(609)	(33)	(1,460)
Exchange rate adjustments	(10)	(2)	(8)	–	(20)
Depreciation and impairment losses at the end of 2007	3,618	7,317	1,366	702	13,003

Carrying amount at the end of 2007	8,590	8,247	923	1,845	19,605
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*) Impairment losses of DKK 53 million relates to discontinuation of all pulmonary diabetes projects in 2008 (DKK 753 million in 2007).

16 Investments in associated companies

DKK million	2008	2007
Aggregated financial information of associated companies:		
Sales	88	333
Net profit/(loss)	(681)	4,944
Total assets	1,750	3,581
Total liabilities	1,062	880
Novo Nordisk's share of profit/(loss) in associated companies	(124)	1,233
Hereof unrealised capital gains/(losses)	-	15
Novo Nordisk's carrying amount of investments in associated companies	222	500
Hereof Novo Nordisk's carrying amount of goodwill related to investments in associated companies	69	69
Market values of shareholdings in listed associated companies:		
- ZymoGenetics, Inc. (NASDAQ symbol: ZGEN)	331	1,237
- Innate Pharma SA (Euronext symbol: IPH)	48	128

Novo Nordisk recorded in 2007 an income of DKK 1,518 million related to the divestment of the business activities in Dako A/S. As a shareholder in Harno Invest A/S (formerly Dako A/S) Novo Nordisk received a dividend of DKK 170 million in 2008 (DKK 1,470 million in 2007).

Please refer to page 101 for a list of Novo Nordisk's associated companies.

17 Financial instruments

DKK million	'Loans and Receivables'	'Assets at fair value through profit and loss'	'Derivatives used for hedging'	'Available for sale'	Total
2008					
Assets as per balance sheet					
Available-for-sale financial assets:					
– Listed shares	–	–	–	3	3
– Unlisted shares	–	–	–	165	165
– Bonds *)	–	–	–	997	997
Loans	41	–	–	–	41
Derivative financial instruments (refer to note 35)	–	365	–	–	365
Other financial assets and Marketable securities and financial derivatives	41	365	–	1,165	1,571
Trade and other receivables excluding prepayments (refer to note 19 and 20)	7,692	–	–	–	7,692
Cash at bank and in hand (refer to note 30)	8,781	–	–	–	8,781
Total	16,514	365	–	1,165	18,044

DKK million	'Liabilities at fair value through profit and loss'	'Derivatives used for hedging'	'Other financial liabilities at amortised cost'	Total
2008				
Liabilities as per balance sheet				
Long-term debt (refer to note 22)	–	–	980	980
Bank loans and overdrafts (refer to note 26)	–	–	55	55
Derivative financial instruments (refer to note 35)	–	1,279	–	1,279
Trade and other payables excluding statutory liabilities (refer to Trade payables and note 27)	–	–	7,999	7,999
Total	–	1,279	9,034	10,313

Revaluation surplus on available-for-sale financial assets recognised in equity during the year	(9)
Bonds with maturity exceeding 12 months from the balance sheet date	997
Duration of the Group's bond portfolio (years)	1.5
Redemption yield on the Group's bond portfolio	4.3%

17 Financial instruments (continued)

DKK million	'Loans and Receivables'	'Assets at fair value through profit and loss'	'Derivatives used for hedging'	'Available for sale'	Total
2007					
Assets as per balance sheet					
Available-for-sale financial assets:					
– Listed shares	–	–	–	5	5
– Unlisted shares	–	–	–	107	107
– Bonds *)	–	–	–	1,486	1,486
Loans	40	–	–	–	40
Derivative financial instruments (refer to note 35)	–	1,048	–	–	1,048
Other financial assets and Marketable securities and financial derivatives	40	1,048	–	1,598	2,686
Trade and other receivables excluding prepayments (refer to note 19 and 20)	6,983	–	–	–	6,983
Cash at bank and in hand (refer to note 30)	4,823	–	–	–	4,823
Total	11,846	1,048	–	1,598	14,492

DKK million	'Liabilities at fair value through profit and loss'	'Derivatives used for hedging'	'Other financial liabilities at amortised cost'	Total
2007				
Liabilities as per balance sheet				
Long-term debt (refer to note 22)	–	–	961	961
Long-term debt due within one year (refer to note 26)	–	–	154	154
Bank loans and overdrafts (refer to note 26)	–	–	206	206
Derivative financial instruments (refer to note 35)	–	45	–	45
Trade and other payables excluding statutory liabilities (refer to Trade payables and note 27)	–	–	6,560	6,560
Total	–	45	7,881	7,926

Revaluation surplus on available-for-sale financial assets recognised in equity during the year	12
Bonds with maturity exceeding 12 months from the balance sheet date	985
Duration of the Group's bond portfolio (years)	1.6
Redemption yield on the Group's bond portfolio	4.4%

*) Danish AAA-rated mortgage bonds issued by Danish credit institutions governed by The Danish Financial Supervisory Authority.

For a description of Credit quality of financial assets such as 'Trade receivables', 'Cash at bank and short term bank deposits' and 'Derivative financial assets' please refer to note 31.

18 Inventories

DKK million	2008	2007
Raw materials and consumables	1,279	1,210
Work in progress	6,659	6,010
Finished goods	1,673	1,800
Total inventories	9,611	9,020

Indirect production costs included in work in progress and finished goods	4,633	4,418
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Amount of write-down of inventories recognised as expense during the year *)	733	188
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Amount of reversal of write-down of inventories during the year	48	81
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*) Write-downs in 2008 include a few batches of bulk insulin with impurities.

19 Trade receivables

DKK million	2008	2007
Trade receivables (gross)	7,183	6,634

Allowances for doubtful trade receivables:		
Balance at the beginning of the year	542	459
Change in allowances during the year	69	119
Realised losses during the year	(9)	(36)
Balance at the end of the year	602	542

Total trade receivables	6,581	6,092
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Trade receivables (net) are equal to an average credit period of (days)	53	53
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20 Other receivables

DKK million	2008	2007
Prepayments	593	602
Interest receivable	54	79
Amounts owed by affiliated companies	146	105
Rent deposit	305	254
Other receivables	606	453
Total other receivables	1,704	1,493

Trade receivables (gross) can be specified as follows:

Not due	5,699	5,255
Overdue by:		
Between 1 and 179 days	901	835
Between 180 and 359 days	263	182
More than 360 days	320	362
<hr/>		
Total trade receivables (gross)	7,183	6,634
<hr/>		

21 Share capital

DKK million	2008	2007
Development in share capital:		
A share capital	107	107
B share capital	527	540
At the end of the year	634	647

The A share capital remained unchanged at DKK 107 million from 2004 to 2008. In 2008 the B share capital was reduced by DKK 13 million from DKK 540 million to DKK 527 million. In 2007 the B share capital was reduced by DKK 27 million from DKK 567 million to DKK 540 million. In 2006 the B share capital was reduced by DKK 35 million from DKK 602 million to DKK 567 million. The B share capital remained 602 million from 2004 to 2005.

See 'Shares and capital structure' on page 49.

At the end of 2008, the share capital amounted to DKK 107,487,200 in A share capital (equal to 107,487,200 A shares of DKK 1) and DKK 526,512,800 in B share capital (equal to 526,512,800 B shares of DKK 1).

	Number of B shares of DKK 1	As % of share capital before cancellation	As % of share capital after cancellation	Market value DKK million
Treasury shares:				
Holding at the beginning of the year	25,815,130	3.99%		8,648
Cancellation of treasury shares	(12,960,000)	(2.00%)		(3,950)
Holding of treasury shares, adjusted for cancellation	12,855,130	1.99%	2.03%	4,306
Purchase during the year	15,579,207		2.46%	4,717
Sale during the year	(2,713,242)		(0.43%)	(295)
Value adjustment				(1,758)
Holding at the end of the year	25,721,095		4.06%	6,970

Acquisition of treasury shares during the year is part of the 2006 to 2009 share buy-back programme of Novo Nordisk B shares. The programme was initiated in order to align the capital structure with the expected development in free cash flow. Sale of treasury shares relates to exercised share options and employee shares.

At the end of the year 8,840,007 of the treasury B shareholding shares are regarded as hedge for the share-based incentive schemes and restricted stock awards to employees.

22 Long-term debt

DKK million	2008	2007
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Mortgage debt and other secured loans *)	504	504
Unsecured loans and other long-term loans **)	476	457
Total long-term debt	980	961

The debt is payable within the following periods as from the balance sheet date:

Between one and two years	0	0
Between two and three years	476	0
Between three and four years	0	457
Between four and five years	42	0
After five years	462	504
Total long-term debt	980	961

The debt is denominated in the following currencies:

DKK	2	2
EUR	502	502
USD	476	457
Total long-term debt	980	961

Adjustment of the above loans to market value at year-end 2008 would result in a loss of DKK 2 million (a loss of DKK 2 million in 2007).

*) Terms to maturity between 2016 – 2022 and a weighted average interest rate of 4.09%.

**) Terms to maturity in 2011 and a weighted average interest rate of 1.63%.

23 Deferred income tax assets and liabilities

DKK million	2008	2007
At the beginning of the year	(176)	87
Deferred tax on profit for the year	851	(347)
Adjustment relating to previous years	184	(28)
Deferred tax on items recognised on equity	(108)	50
Addition regarding acquisition	–	7
Exchange rate adjustments	(43)	55
Total deferred tax (assets)/liabilities (net)	708	(176)

DKK million	2008		2007		2007	
	Assets	Liabilities	Total	Assets	Liabilities	Total
Specification						
The deferred tax assets and liabilities are allocable to the various balance sheet items as follows:						
Property, plant and equipment	(129)	1,502	1,373	(451)	1,321	870
Intangible assets	(628)	7	(621)	(677)	1	(676)
Indirect production costs	–	1,158	1,158	–	1,103	1,103
Unrealised profit on intercompany sales	(1,997)	–	(1,997)	(1,643)	–	(1,643)
Allowances for doubtful trade receivables	(72)	2	(70)	(61)	1	(60)
Tax-loss carry-forward	(52)	–	(52)	(22)	–	(22)
Other	(453)	1,370	917	(1,188)	1,440	252
	(3,331)	4,039	708	(4,042)	3,866	(176)
Netting of deferred tax assets and deferred tax liabilities related to income taxes for which there is a legally enforceable right to offset	1,635	(1,635)	–	1,520	(1,520)	–
Total deferred tax (assets)/liabilities (net)	(1,696)	2,404	708	(2,522)	2,346	(176)

Tax-loss carry-forward

Deferred tax assets are recognised on tax-loss carry-forwards that represent income likely to be realised in the future. The deferred tax assets of a tax loss of DKK 276 million (DKK 224 million in 2007) have not been recognised in the Balance sheet. Hereof DKK 15 million expire within three years.

24 Retirement benefit obligations

Most employees in the Group are covered by post-employment retirement plans in the form of primarily defined contribution plans or alternatively defined benefit plans. Group companies sponsor these plans either directly or by contributing to independently administered funds. The nature of such plans varies according to the legal regulations, fiscal requirements and economic conditions of the countries in which the employees are employed, and the benefits are generally based on the employees' remuneration and years of service. The obligations relate both to existing retirees' pensions and to pension entitlements of future retirees.

Other post-employment benefits consist mostly of post-retirement healthcare plans, principally in the United States.

Post-employment benefit plans are usually funded by payments from Group companies and by employees to funds independent of the Group. Where a plan is unfunded, a liability for the retirement obligation is recognised in the Group's Balance sheet. In accordance with the Accounting Policies the costs recognised for post-employment benefits are included in Cost of goods sold, Sales and distribution costs, Research and development costs or Administrative expenses.

The following shows a five-year summary reflecting the funding of retirement obligations and the impact of historical deviations between expected and actual return on plan assets and actuarial adjustments on plan liabilities:

DKK million	2008	2007	2006	2005	2004
Retirement obligations	1,103	885	938	875	609
Plan assets	(649)	(566)	(495)	(435)	(313)
Deficit/(surplus)	454	319	443	440	296
Unrecognised gains/(loss)	(35)	43	(113)	(124)	(46)
Retirement obligations recognised in the balance sheet	419	362	330	316	250
Actuarial (gains)/losses on plan assets	56	(3)	(3)	6	(2)
Actuarial (gains)/losses on plan liabilities	24	(151)	7	77	16

DKK million	2008	2007
Balance sheet obligations for		
Defined benefit pension plans	907	738
Post-employment medical benefits	196	147
Total retirement obligations	1,103	885

DKK million	2008	2007
Weighted average asset allocation of funded retirement obligations		
Equities	22%	27%
Bonds	58%	56%
Cash at bank	15%	12%
Property	5%	5%

Change/development in the retirement obligations of the year	2008	2007
At the beginning of the year	885	938

The amounts recognised in the Balance sheet are determined as	2008	2007
Present value of funded obligations	870	695

Current service cost	112	91
Interest cost on pension obligation	41	32
Actuarial (gains)/losses	24	(151)
Past service costs	1	–
Benefits paid to employees	(52)	(23)
Addition regarding acquisition	–	31
Changed classification of pensions plans	17	–
Plan amendments	–	3
Other	3	–
Exchange rate adjustments	72	(36)
At the end of the year	1,103	885

Change/development in the fair value

of plan assets of the year

At the beginning of the year	566	495
Expected return on plan assets	24	18
Actuarial gains/(losses)	(56)	3
Employer contributions	81	68
Benefits paid to employees	(24)	(10)
Addition regarding acquisition	–	1
Changed classification of pensions plans	11	–
Other	3	–
Exchange rate adjustments	44	(9)
At the end of the year	649	566

Fair value of plan assets	(649)	(566)
	221	129
Present value of unfunded obligations	233	190
Unrecognised actuarial gains/(losses) (net) on pension benefit plans	(68)	2
Unrecognised actuarial gains/(losses) (net) on post-employment medical plans	36	44
Unrecognised past service costs	(3)	(3)
Net liability in the Balance sheet	419	362

Amounts recognised in the Balance sheet for post-employment defined benefit pension plans and medical plans are predominantly non-current and are reported as either long-term assets or long-term liabilities.

Change/development in the retirement obligations recognised in the balance sheet

Net liability at the beginning of the year	362	330
Recognised in the income statement for the year	128	109
Employer contributions	(81)	(68)
Benefit paid to employees, net	(28)	(13)
Exchange rate adjustment	28	(27)
Plan amendments	–	3
Addition regarding acquisition	–	30
Changed classification of pensions plans	6	–
Other	4	(2)
At the end of the year	419	362

24 Retirement benefit obligations (continued)

DKK million	2008	2007
Income statement charge for		
Defined benefit pension plans	92	79
Post-employment medical benefits	36	30
Total income statement charge	128	109

The Group expects to contribute DKK 68 million to its defined benefit pension plans in 2009.

Amounts recognised in the income statement for the year

Current service cost	112	91
Interest cost on pension obligation	41	32
Expected return on plan assets	(24)	(18)
Actuarial (gains)/losses recognised in the year	(2)	1
Past service cost	1	3
Total income statement charge	128	109
Actual return on plan assets	(33)	21

DKK million	2008	2007
The weighted average assumptions used for computation and valuation of defined benefit plans and post-employment medical benefits are as follows		
Discount rate	5%	4%
Projected return on plan assets	4%	4%
Projected future remuneration increases	4%	3%
Healthcare cost trend rate	6%	7%
Inflation rate	2%	2%

For all major defined benefit plans actuarial computations and valuations are performed annually.

25 Other provisions

DKK million	Provisions for returned products	Provisions for sales rebates	Other provisions	2008 Total	2007 Total
At the beginning of the year	593	1,744	1,303	3,640	3,367
Additional provisions *)	236	3,693	46	3,975	3,510
Adjustments to previous year's provisions	(95)	(209)	(25)	(329)	(316)
Used during the year	(151)	(3,019)	(385)	(3,555)	(2,731)
Exchange rate adjustments	11	72	(28)	55	(190)
At the end of the year	594	2,281	911	3,786	3,640
Specification of other provisions:					
Long-term *)	–	–	863	863	1,239
Current	594	2,281	48	2,923	2,401
Total other provisions	594	2,281	911	3,786	3,640

*) DKK 339 million in 2007 relates to discontinuation of AERx®.

Provisions for returned products:

Novo Nordisk issues credit notes for expired goods as a part of normal business. Consequently, a provision for future returns is made based on historical statistical product returns, which represents management's best estimate. The provision is expected to be used within the normal operating cycle.

Provisions for sales rebates:

In some countries the actual rebates depend on which customers purchase the products. Factors that complicate the rebate calculations are the identification of which products have been sold subject to a rebate, which customer or government price terms apply, and the estimated lag time between sale and payment of the rebate. Please refer to notes 3 and 5 for further information on rebates deducted from sales.

Other provisions:

Other provisions consist of various types of provisions including provisions for legal disputes, which represents management's best estimate. Please refer to note 36 for further information on commitments and contingencies.

26 Short-term debt and financial derivatives

DKK million	2008	2007
Bank loans and overdrafts	55	206
Long-term debt, amounts falling due within one year	–	154
Derivative financial instruments (refer to note 35)	1,279	45
Total short-term debt	1,334	405

The debt is denominated in the following currencies:

	2008	2007
DKK	21	13
EUR	40	179
USD	601	108
JPY	672	11
Other currencies	–	94
Total short-term debt	1,334	405

At year-end, the Group had undrawn committed credit facilities amounting to DKK 7,451 million (DKK 7,457 million in 2007). The undrawn committed credit facilities consist of a EUR 400 million and a EUR 600 million facility committed by a number of Danish and international banks. The facilities mature in 2009 and 2012 respectively.

27 Other liabilities

DKK million	2008	2007
Employee costs payable	2,272	2,025
Taxes and duties payable	135	346
Accruals and deferred income	78	122
Amounts owed to affiliated companies	79	93
Other payables	3,289	2,373
Total other liabilities	5,853	4,959

28 Other adjustments for non-cash items

DKK million	2008	2007	2006
Share-based payment costs	331	130	113
Increase/(decrease) in provisions	221	490	889
(Gain)/loss from sale of property, plant and equipment	95	140	134
Change in allowances for doubtful trade receivables	69	119	65
Unrealised (gain)/loss on shares and bonds etc	30	54	(7)
Unrealised foreign exchange (gain)/loss	24	37	(143)
Share of (profit)/loss in associated companies	195	300	244
Recognised income of divestment of business activities in the associated company Harno Invest A/S	(71)	(1,518)	–
Unrealised capital gain on investments in associated companies	–	(15)	16
Other, including difference between average exchange rate and year-end exchange rate	542	(46)	(352)
Other adjustments for non-cash items	1,436	(309)	959

29 Cash flows from acquisition of subsidiaries and business units

DKK million	2008	2007	2006
Intangible assets	–	44	–
Property, plant and equipment	–	9	–
Other long-term assets	–	18	–
Current assets	–	149	–
Long-term liabilities	–	(37)	–
Current liabilities	–	(176)	–

Net assets acquired	-	7	-
Goodwill on acquisition	-	52	-
Consideration paid	-	(59)	-
Acquired cash and cash equivalents	-	-	-
Net cash flow	-	(59)	-

Please refer to note 2 for further information.

30 Cash and cash equivalents

DKK million	2008	2007	2006
Cash at the end of the year	8,781	4,823	3,270
Short-term bank loans and overdrafts at the end of the year (refer to note 26)	(55)	(206)	(285)
Cash and cash equivalents at the end of the year	8,726	4,617	2,985

At the end of 2008, 2007 and 2006 there were no marketable securities with original maturity of less than three months.

31 Financial risk

Novo Nordisk has centralised the management of the Group's financial risks. The overall objective and policies for the company's financial risk management are outlined in the Treasury Policy, which is approved by the Board of Directors. The Treasury Policy consists of the Foreign Exchange Policy, the Investment Policy, the Financing Policy and the Policy regarding Credit Risk on Financial Counterparts, and includes a description of allowed financial instruments and risk limits.

Novo Nordisk only hedges commercial exposures and consequently does not enter into derivative transactions for trading or speculative purposes. Novo Nordisk uses a fully integrated Treasury Management System to manage all financial positions. All positions are marked-to-market based on real-time quotes and risk is assessed using generally accepted standards.

Foreign exchange risk

Foreign exchange risk is the principal financial risk within Novo Nordisk and as such has a significant impact on the Income statement and the Balance sheet.

The major part of Novo Nordisk's sales is in EUR, USD, JPY, and GBP, while a predominant part of production, research, and development costs is carried in DKK. As a consequence, Novo Nordisk's foreign exchange risk is most significant in USD, JPY and GBP, leaving out EUR for which the exchange rate risk is regarded as low due to the Danish fixed-rate policy vis-à-vis the EUR. In addition, International Operations' share of sales is continuously increasing and the implied foreign exchange risk is becoming more important.

The overall objective of foreign exchange risk management is to limit the short-term negative impact on earnings and cash flow from exchange rate fluctuations, thereby increasing the predictability of the financial results.

Novo Nordisk hedges existing assets and liabilities in major currencies as well as future expected cash flows up to 24 months forward. Currency hedging is based upon expectations of future exchange rates and takes place using mainly foreign exchange forwards and foreign exchange options matching the due dates of the hedged items. Expected cash flows are continuously assessed using historical inflows, budgets and monthly sales forecasts. Hedge effectiveness is assessed on a regular basis.

In 2008, financial markets have been characterised by elevated uncertainty. As a result, volatility has been higher in all financial markets including the foreign exchange market. USD fluctuated significantly but ended 2008 with an appreciation of 4.1% versus DKK. In 2007 the USD depreciated by 10.4% versus DKK.

At the end of 2008 a 5% increase in all other currencies versus EUR and DKK would result in a decrease of the value of the net financial instruments of the Group of approximately DKK 661 million (DKK 714 million in 2007). A 5% decrease in all other currencies versus EUR and DKK would result in an increase of the value of the net financial instruments of the Group of approximately DKK 669 million (DKK 772 million in 2007).

The financial instruments included in the foreign exchange sensitivity analysis are the Group's cash, accounts receivable and payable, short- and long-term loans, short- and long-term financial investments, foreign exchange forwards, and foreign exchange options hedging transaction exposure. Furthermore, interest rate swaps and cross-currency swaps are included. Not included are anticipated currency transactions, investments, and fixed assets. Cross-currency swaps hedging translation exposure are excluded from the sensitivity analysis, as the effects of changing exchange rates hereon are recognised directly under shareholders' funds.

Novo Nordisk only hedges invested equity in major foreign affiliates to a very limited extent. Equity hedging takes place using long-term cross-currency swaps. At the end of 2008, hedged equity made up 12% of the Group's JPY equity. At the end of 2007, 12% of the Group's JPY equity was hedged.

Interest rate risk

The volatility of the financial markets also impacted interest rates. During 2008, DKK and EUR interest rates experienced high volatility and ended the year with a significant decline. The Danish two-year interest rate swap was 3.57% at the end of 2008, down from 4.23% at the end of 2007.

Changes in the interest rates have an effect on Novo Nordisk's financial instruments. At the end of 2008, an increase in the interest rate level of one percentage point would, everything else being equal, increase the fair value of Novo Nordisk's financial instruments by DKK 19 million (DKK 15 million in 2007).

The financial instruments included in the sensitivity analysis consist of marketable securities, deposits, short- and long-term loans, interest rate swaps and cross-currency swaps. Not included are foreign exchange forwards and foreign exchange options due to the limited effect that a parallel shift in interest rates in all currencies have on these instruments.

Liquidity risk

Novo Nordisk ensures availability of required liquidity through a combination of cash management, highly liquid investment portfolios and uncommitted as well as committed facilities.

Counterparty risk

Movements in the JPY and the GBP were likewise abnormally high. The JPY appreciated by 30.3%, whereas the GBP depreciated by 24.6%, both versus DKK. In 2007, the JPY depreciated by 5.5% whereas the GBP appreciated by 8.6%. Emerging market currencies impacting sales of International Operations overall weakened quite significantly because of the financial crisis and increased risk aversion.

At year-end 2008 Novo Nordisk has covered the foreign exchange exposures on the Balance sheet together with 15 months of expected future cash flow in USD. For both JPY and GBP the equivalent cover was 13 months of expected future cash flow. At the end of 2007, the USD cover was 16 months, and for JPY and GBP the cover was 15 months and 10 months, respectively.

A 5% change in the following currencies will have a full-year impact on operating profit of approximately:

	Estimated for 2009	Estimated for 2008
DKK million		
USD	530	470
JPY	150	140
GBP	80	85
CNY	80	65
CAD	40	35

The use of derivative financial instruments and money market deposits gives rise to counterparty exposure. To manage the credit risk on financial counter-parties, Novo Nordisk only enters into derivative financial contracts with financial counterparties having a satisfactory long-term credit rating assigned by international credit rating agencies. Money market deposits are only entered into with financial counterparties having a satisfactory credit rating. The majority of all deposits are secured by Danish State guarantee until 2010. Furthermore, maximum credit lines defined for each counterparty limit the overall counterparty risk.

The credit risk on bonds is limited as investments are made in highly liquid bonds with solid credit ratings.

Credit risk on Trade and Other receivables is limited as Novo Nordisk has no significant concentration of credit risk, with exposure being spread over a large number of counterparties and customers.

Capital structure

Novo Nordisk's capital structure is characterised by a substantial equity ratio. This is in line with the general capital structure of the pharmaceutical industry and reflects the inherent long-term investment horizons in an industry with typically more than 10 years' development time for pharmaceutical products. Novo Nordisk's equity ratio, calculated as equity to total liabilities, was 65.2% by the end of the year (67.4% at the end of 2007).

32 Related party transactions

Novo Nordisk A/S is controlled by Novo A/S (incorporated in Denmark), which owns 25.5% of the shares in Novo Nordisk A/S. The remaining shares are widely held. The ultimate parent of the Group is the Novo Nordisk Foundation (incorporated in Denmark). Both entities are considered related parties.

Other related parties are considered to be the Novozymes Group due to joint ownership, associated companies, the directors and officers of these entities and management of Novo Nordisk A/S. Following the demerger of NovoZymes in November 2000, Novo Nordisk A/S has access to certain assets of and may purchase certain services from Novo A/S and the Novozymes Group and vice versa. All agreements relating to such assets and services are based on the list prices used for sales to third parties where such list prices exist, or the price has been set at what is regarded as market price. The main part of these agreements covers one year.

The Group has had the following material transactions with related parties:

DKK million	2008 Purchase/ (sale)	2007 Purchase/ (sale)
Novo Nordisk Foundation		
Donations to the Group	(29)	(30)
Novo A/S		
Services provided by the Group	(6)	(7)
Facilitation provided by Novo A/S	–	1
Purchase of Novo Nordisk B shares	1,016	2,090
Sale of treasury shares (related to share options)	(9)	(8)
Net balance	1	3
The Novozymes Group		
Services provided by the Group	(284)	(253)
Services provided by the Novozymes Group	147	159
Net balance	33	14
Associated companies		
Purchased intangible assets, fees and royalties etc paid to associated companies by Novo Nordisk	40	63
Received intangible assets, fees and royalties etc from associated companies to Novo Nordisk	(12)	–

There have not been any material transactions with any director or officer of Novo Nordisk, the Novozymes Group, Novo A/S, the Novo Nordisk Foundation or associated companies. For information on remuneration to the management of Novo Nordisk A/S, please refer to note 34.

Apart from the balances included in the Balance sheet under Other financial assets, Other receivables and Other liabilities, there are no material unsettled transactions with related parties at the end of the year.

33 Share-based payment schemes

DKK million	2008	2007	2006
Total share-based payment costs recognised in income statement			
Employee shares (DK based employees)	156	–	–
Employee shares (Outside DK)	15	9	9
Long-term share-based incentive programme (Senior management board)	55	43	46
Long-term share-based incentive programme (Management group below Senior management board) *)	105	78	58
Share-based payment expensed in the Income statement	331	130	113

*) Includes long-term share-based incentive programme for 2007 and 2008 and share option programme for 2003 to 2006.

Employee shares

In 2008 a general employee share program was implemented in Denmark. Approximately 12,000 employees have purchased 1.2 million shares at a price of DKK 150 per share.

Outside of Denmark the program is structured as share options with the same initial benefit per employee as in Denmark. Approximately 14,000 employees have been granted 694,500 shares.

Long-term share-based incentive programme

For a description of the programme please refer to pages 44– 45.

In 2008, the allocation to the joint pool for the Senior Management Board amounts to DKK 55 million, corresponding to 8 months' salary. This amount was expensed in 2008. The cash amount was converted into 171,492 Novo Nordisk B shares of DKK 1 using a share price of DKK 318, equal to the average trading price for Novo Nordisk B shares on the NASDAQ OMX Copenhagen from 31 January to 14 February 2008. Based on the split of participants at the establishment of the joint pool, approximately 35% of the pool will be allocated to the members of Executive Management and 65% to the members of the Senior Management Board.

Share options

Novo Nordisk had established share option schemes in 1998–2006 with the purpose of motivating and retaining a qualified management group and to ensure common goals for management and the shareholders. Each option gives the right to purchase one Novo Nordisk B share. All share options are hedged by treasury shares. No options were granted in 2007 and 2008 as the future long-term incentive programme from 2007 onwards will be share based.

The options are exercisable three years after the issue date and will expire after eight years. The exercise price for options granted based on performance targets for the financial years 2000 –2006 was equal to the market price of the Novo Nordisk B share at the time when the plan was established. The options can only be settled in shares.

Assumptions

The market value of the Novo Nordisk B share options has been calculated using the Black-Scholes option pricing model.

The assumptions used are shown in the table below:

	2008	2007	2006
Expected life of the option in years (average)	6	6	6
Expected volatility	29%	21%	17%
Expected dividend per share (in DKK)	6.00	4.50	3.50
Risk-free interest rate (based on Danish government bonds)	3.00%	4.25%	3.60%
Novo Nordisk B share price at the date of grant	N/A	N/A	195
Novo Nordisk B share price at the end of the year	271.0	335.0	235.5

Share options on Novozymes shares

Options granted prior to the demerger of Novozymes A/S in 2000 have been split into one Novo Nordisk option and one Novozymes option. At the end of the year, the Group's outstanding Novozymes options amount to 20,117 with an average exercise price of DKK 101 per share of DKK 10 and a market value of DKK 6 million. These options are hedged by the Group's holding of Novozymes A/S B shares.

The shares allocated to the joint pool for 2005 (232,026 shares) were released to the individual participants on 29 January 2009 following the approval of the Annual Report 2008 by the Board of Directors.

The total number of shares in the joint pool relating to the years 2006, 2007 and 2008 now amounts to 599,284 shares split in the following way:

Year allocated to pool	Number of shares	Vesting
2006	261,500	2010
2007	166,292	2011
2008	171,492	2012
	599,284	

For the management group below the Senior Management Board, a similar share-based incentive programme was introduced in 2007. The allocation to the joint pool for this group consisting of approximately 500 employees was DKK 135 million in 2007, corresponding to 527,665 shares. The cost of this allocation will be amortised equally over the period 2007–2010.

For 2008, this group consisted of about 550 employees. The allocation to the joint pool was DKK 181 million corresponding to 570,390 shares. The cost of this allocation will be amortised equally over the period 2008–2011. Including cancelled allocations of 7,690 shares from 2007 this pool now consists of 1,090,365 shares.

33 Share-based payment schemes (continued)

	Share options	Average exercise price per option DKK	Market value per option DKK	Market value DKK million
Outstanding share options in Novo Nordisk				
Outstanding at the end of 2005	9,951,772	119	64	634
Granted in respect of 2006 (issued on 31 January 2007)	2,229,084	175	45	99
Exercised in 2006:				
of 1997 Ordinary share option plan	(27,000)	95	64	(2)
of 1998 Ordinary share option plan	(161,500)	63	64	(10)
of 1999 Ordinary share option plan	(270,400)	99	64	(17)
of 2000 Ordinary share option plan	(280,416)	99	64	(18)
of Launch share option plan	(845,880)	99	64	(54)
of 2001 Ordinary share option plan	(283,600)	166	64	(18)
of 2002 Launch share option plan	(36,000)	161	64	(2)
of 2005 Employee share options *)	(350)	0	64	0
Cancelled in 2006	(179,306)	119	64	(11)
Value adjustment ***)				519
Outstanding at the end of 2006	10,096,404	134	111	1,120
Exercised in 2007:				
of 1998 Ordinary share option plan	(73,000)	63	111	(8)
of 1999 Ordinary share option plan	(287,434)	99	111	(32)
of 2000 Ordinary share option plan	(306,800)	99	111	(34)
of 2001 Ordinary share option plan	(356,280)	166	111	(40)
of Launch share option plan	(138,680)	99	111	(15)
of 2001 Launch share option plan	(21,528)	166	111	(2)
of 2002 Launch share option plan	(16,048)	161	111	(2)
of 2003 Ordinary share option plan	(979,010)	98	111	(109)
of 2005 Employee share options *)	(840)	0	111	0
Expired in 2007	(17,000)	134	111	(2)
Cancelled in 2007	(261,036)	134	111	(29)
Value adjustment ***)				688
Outstanding at the end of 2007	7,638,748	140	201	1,535
Employee share options granted 2008 **)	694,500	0	289	201
Exercised in 2008:				
of 1999 Ordinary share option plan	(140,500)	99	201	(28)
of 2000 Ordinary share option plan	(159,525)	99	201	(32)
of 2001 Ordinary share option plan	(92,700)	166	201	(18)

of 2003 Ordinary share option plan	(225,225)	97.5	201	(45)
of 2004 Launch share option plan	(566,516)	133.5	201	(114)
of 2005 Employee share options *)	(156,380)	0	201	(31)
Expired in 2008	(58,070)	140	201	(12)
Cancelled in 2008	(16,000)	140	201	(3)
Value adjustment ***)				(505)
<hr/>				
Outstanding at the end of 2008	6,918,332	133	137	948

*) Granted to employees in some countries outside of Denmark with a benefit equal to the employee share benefit obtained by employees under the employee share programme in the rest of the world.

**) Granted to employees outside of DK under the employee share programme, with a benefit equal to the benefit obtained by the Danish based employees under the employee share programme.

***) The market value has been calculated using the Black-Scholes model with the parameters existing at year-end of the respective year.

33 Share-based payment schemes (continued)

Exercisable and outstanding share options in Novo Nordisk	Issued share options	Exercised share options	Expired	Cancelled	Outstanding/ exercisable share options	Exercise price DKK	Exercise period
1999 Ordinary share option plan	1,375,000	(1,206,000)	(16,000)	(153,000)	–	99	24/3 2003 – 23/3 2008
2000 Ordinary share option plan	1,526,000	(1,216,155)	–	(46,504)	263,341	99	22/2 2004 – 21/2 2009
2001 Ordinary share option plan	1,369,960	(732,580)	–	(86,788)	550,592	166	8/2 2005 – 7/2 2010
2003 Ordinary share option plan	2,185,000	(1,204,235)	–	(82,666)	898,099	98	6/2 2007 – 5/2 2012
2004 Ordinary share option plan	1,618,832	(566,516)	–	(111,000)	941,316	134	31/1 2008 – 30/1 2013
2005 Employee share options *)	227,080	(157,570)	(18,270)	(51,240)	–	–	1/11 2008 – 31/12 2008
Exercisable at the end of 2008	8,301,872	(5,083,056)	(34,270)	(531,198)	2,653,348		
2005 Ordinary share option plan	1,640,468	–	–	(141,568)	1,498,900	153	31/1 2009 – 30/1 2014
2006 Ordinary share option plan	2,229,084	–	–	(157,500)	2,071,584	175	31/1 2010 – 30/1 2015
2008 Employee share option **)	694,500	–	–	–	694,500	–	1/11 2011
Outstanding at the end of 2008 ***)	12,865,924	(5,083,056)	(34,270)	(830,266)	6,918,332		

*) Granted to employees in some countries outside of Denmark with a benefit of the 2005 employee share programme equal to the employee share benefit obtained by employees under the employee share programme in the rest of the world.

**) Granted to employees outside of DK, with a benefit of the 2008 employee share programme equal to the benefit obtained by the Danish based employees under the employee share programme.

***) All stock options will vest if there is a change of control of Novo Nordisk A/S, cf note 36 Commitments and contingencies.

Average market price of Novo Nordisk B shares per trading period in 2008	Average market price DKK	Exercised share options
31 January – 14 February	318	709,551
30 April – 14 May	325	269,660
7 August – 21 August	306	107,270
30 October – 13 November	308	254,365
Total exercised options		1,340,846

34 Management's remuneration, share options and shareholding

For information on the Board of Directors, the members of Executive Management and other members of the Senior Management Board, please refer to pages 46 – 48 of this Annual Report.

Fee to the Board of Directors and the Audit Committee

In 2008 the base fee for members of the Board of Directors was DKK 400,000 (DKK 400,000 in 2007).

DKK million	Board of Directors	Audit Committee	2008 Total	Board of Directors	Audit Committee	2007 Total
Sten Scheibye (Chairman of the Board)	1.0	–	1.0	1.0	–	1.0
Göran A Ando (Vice chairman of the Board and R&D facilitator) *)	0.6	–	0.6	0.6	–	0.6
Kurt Anker Nielsen (Chairman of the Audit Committee)	0.4	0.5	0.9	0.4	0.5	0.9
Jørgen Wedel (Audit committee member)	0.4	0.2	0.6	0.4	0.2	0.6
Other Board of Directors/Audit Committee member	2.8	0.1	2.9	2.8	0.2	3.0
Total	5.2	0.8	6.0	5.2	0.9	6.1

*) In his capacity as R&D facilitator, Göran A Ando received a fee of DKK 0.3 million in 2008 (DKK 0.3 million in 2007).

34 Management's remuneration, share options and shareholdings (continued)**Executive Management and other members of Senior Management Board**

DKK million	Fixed salary	Cash bonus *)	Pensions	Car allowance etc	Share-based payment	Total remuneration
2008						
Executive Management:						
Lars Rebien Sørensen	6.3	2.1	2.1	0.3	–	10.8
Jesper Brandgaard	3.9	1.4	1.3	0.3	–	6.9
Lise Kingo	3.5	1.2	1.2	0.3	–	6.2
Kåre Schultz **)	4.9	1.8	1.5	0.9	–	9.1
Mads Krogsgaard Thomsen	3.9	1.4	1.3	0.3	–	6.9
Executive Management in total	22.5	7.9	7.4	2.1	–	39.9
Other members of Senior Management Board in total ***)	55.3	17.1	17.3	8.1	–	97.8
Joint pool ****)					54.5	54.5
2007						
Executive Management:						
Lars Rebien Sørensen	6.0	2.0	2.0	0.3	–	10.3
Jesper Brandgaard	3.5	1.2	1.2	0.3	–	6.2
Lise Kingo	3.2	1.1	1.1	0.3	–	5.7
Kåre Schultz **)	5.3	1.7	1.3	1.3	–	9.6
Mads Krogsgaard Thomsen	3.5	1.2	1.2	0.3	–	6.2
Executive Management in total	21.5	7.2	6.8	2.5	–	38.0
Other members of Senior Management Board in total ***)	48.6	17.6	14.9	7.4	–	88.5
Joint pool ****)					42.7	42.7

*) Cash bonus disclosed for 2008 is the expected bonus payment in 2009 relating to performance in 2008.

***) The total remuneration in 2007 and 2008 is reflecting costs in relation to Kåre Schultz' expatriation to Switzerland. Out of the total remuneration approximately 8.9% related to cost compensation and associated tax effects of being expatriated.

****) The total remuneration for 2008 includes remuneration to 26 senior vice presidents of which two resigned during the year. The total remuneration for 2007 includes remuneration to 25 senior vice presidents of which five resigned during the year.

*****) The joint pool is locked up for three years before it is transferred to the participants employed at the end of the three-year period. The value is the cash amount of the share bonus granted in the year using the grant date market value of Novo Nordisk B shares. Based on the split of participants at the establishment of

the joint pool, approximately 35% of the pool will be allocated to the members of Executive Management and 65% to other members of Senior Management Board (2007: 35% and 65% respectively). In the lock-up period the joint pool may potentially be reduced as a result of lower than planned value creation in subsequent years.

The shares allocated to the joint pool for 2005 (232,026 shares) were released to the individual participants following the approval by the Board of Directors on 28 January 2009. Based on the share price at the end of 2008, the value of the released shares is as follows:

Value of shares released in 2009	Number of shares	Market value *) DKK million
Executive Management:		
Lars Rebien Sørensen	23,208	6.3
Jesper Brandgaard	15,468	4.2
Lise Kingo	15,468	4.2
Kåre Schultz	15,468	4.2
Mads Krogsgaard Thomsen	15,468	4.2
Executive Management in total	85,080	23.1
Other members of Senior Management Board in total **)	100,542	27.2

*) The market value of the shares released in 2009 is based on Novo Nordisk B share price at the end of 2008 of DKK 271.

**) In addition 46,404 shares (market value: DKK 12.6 million) were released to retired members of management.

The remuneration package for members of the Senior Management Board employed in foreign subsidiaries differs from the general package in respect of other benefit and bonus schemes included in the package in order to ensure an attractive package compared to local conditions. In addition, Executive Management and other members of Senior Management Board receive ordinary allowances in connection with business travelling, conferences and education etc, which are based on reimbursement of actual costs.

In the event of termination – whether by Novo Nordisk or by the individual – due to a merger, acquisition or takeover of Novo Nordisk, members of Executive Management are entitled to a severance payment of 36 months' fixed base salary plus pension contribution. This equals amounts between DKK 14.0 million and DKK 23.8 million.

34 Management's remuneration, share options and shareholdings (continued)

Lars Rebien Sørensen serves as a member of the Board of Directors of ZymoGenetics, Inc. and does not retain the compensation. Lars Rebien Sørensen furthermore serves as a member of the Supervisory Board of Bertelsmann AG and retains the remuneration of EUR 55,000 in 2008 (EUR 59,000 in 2007) and as a member of the Supervisory Board of DONG Energy and retains the remuneration of DKK 168,750 in 2008 (DKK 113,000 in 2007). Jesper Brandgaard serves as Chairman of the Board of SimCorp A/S and retains the remuneration of DKK 442,500 in 2008 (DKK 203,000 in 2007). Lise Kingo served as a member of the Board of Directors of GN Store Nord A/S until March 2008 and retained the remuneration of DKK 100,000 (DKK 350,000 in 2007). Kåre Schultz serves as a member of the Board of Directors of Lego A/S and retains the remuneration of DKK 250,000 (DKK 171,000 in 2007). Mads Krogsgaard Thomsen serves as a member of the Board of Directors of Cellartis AB and DTU and retains the remuneration of SEK 50,000 (SEK 25,000 in 2007) from Cellartis AB and DKK 60,000 (DKK 60,000 in 2007) from DTU.

Management's share options

	At the beginning of the year	Exercised during the year	Additions during the year	At the end of the year	Market value *) DKK million
Share options in Novo Nordisk					
Executive Management:					
Lars Rebien Sørensen	91,000	1,000	–	90,000	13.3
Jesper Brandgaard	46,500	1,000	–	45,500	6.7
Lise Kingo	20,000	1,000	–	19,000	3.2
Kåre Schultz	34,500	34,500	–	–	–
Mads Krogsgaard Thomsen	46,500	1,000	–	45,500	6.7
Executive Management in total	238,500	38,500	–	200,000	29.9
Other members of Senior Management Board in total **)	323,900	63,750	16,800	276,950	42.0
Total	562,400	102,250	16,800	476,950	71.9

*) Calculation of market values at year-end has been based on the Black-Scholes option pricing model applying the assumptions shown in note 33.

**) Additions during the year cover the holdings of share options by the Senior Management Board members appointed in 2008.

Management's holding of Novo Nordisk shares

The internal rules for board members', executives' and certain employees' trading in Novo Nordisk securities only permit trading in the 15-calendar-day period following each quarterly announcement.

	At the beginning of the year	Addition during the year	Sold/released during the year	At the end of the year	Market value *) DKK million
Shares in Novo Nordisk					
Board of Directors:					
Sten Scheibye	800	–	–	800	0.2
Göran A Ando	1,200	–	–	1,200	0.3
Anne Marie Kverneland	3,320	100	320	3,100	0.8

Henrik Gürtler	–	–	–	–	–
Johnny Henriksen	660	100	–	760	0.2
Jørgen Wedel	8,000	3,000	–	11,000	3.0
Kurt Anker Nielsen	62,904	42,000	6,000	98,904	26.8
Kurt Briner	–	–	–	–	–
Pamela J Kirby	–	–	–	–	–
Stig Strøbæk	320	100	–	420	0.1
Søren Thuesen Pedersen	120	465	–	585	0.2
Board of Directors in total	77,324	45,765	6,320	116,769	31.6
Executive Management:					
Lars Rebie Sørensén	820	27,234	27,134	920	0.2
Jesper Brandgaard	320	18,526	18,426	420	0.1
Lise Kingo	120	18,526	18,426	220	0.1
Kåre Schultz	320	52,026	14,500	37,846	10.3
Mads Krogsgaard Thomsen	320	18,526	18,426	420	0.1
Executive Management in total	1,900	134,838	96,912	39,826	10.8
The Senior Management Board in total	23,036	160,824	154,410	29,450	8.0
Joint pool for Executive Management and other members of Senior Management Board **)	912,659	171,492	347,827***)	736,324	199.5
Total	1,014,919	512,919	605,469	922,369	250.0

*) Calculation of the market value is based on the quoted share prices of DKK 271 at the end of the year.

***) The annual allocation to the joint pool is locked up for three years before it is transferred to the participants employed at the end of each three-year period. Based on the split of participants at the establishment of the joint pool, between 35– 40% of the pool will be allocated to the members of Executive Management and between 60 – 65% to other members of the Senior Management Board. In the lock-up period, the joint pool may potentially be reduced as a result of lower than planned value creation in subsequent years.

***) Includes 94,986 shares currently assigned for five retired members of the management.

35 Derivative financial instruments

Novo Nordisk uses a number of financial instruments to hedge currency exposure and, in line with the Group's treasury policies, Novo Nordisk only hedges commercial exposures and consequently does not enter into derivative transactions for trading or speculative purposes. Novo Nordisk's currency hedging activities are categorised into hedging of forecasted transactions (cash flow hedges), hedging of assets and liabilities (fair value hedges) and hedging of net investments.

Hedging of forecasted transactions

The table below shows the fair value of cash flow hedging activities for 2008 and 2007 specified by hedging instrument and the major currencies. The fair value of the financial instruments qualifying for hedge accounting under IAS 39 'Financial instruments' is recognised directly under equity until the hedged items are recognised in the Income statement. At year-end a loss of DKK 864 million is deferred via equity (a gain of DKK 691 million in 2007). The fair values of the financial instruments not qualifying for hedge accounting under IAS 39 are recognised directly in the Income statement.

Financial instruments hedging forecasted transactions qualifying for hedge accounting under IAS 39

DKK million	2008			2007		
	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end
Forward contracts, net sales:						
USD	10,326	–	550	10,043	534	–
JPY	3,464	–	511	2,765	88	–
GBP	1,027	163	–	840	34	–
Other	354	31	–	357	–	7
Total forward contracts	15,171	194	1,061	14,005	656	7
Cross currency and interest rate swaps:						
EUR / EUR *)	251	5	–	251	17	–
EUR / USD *)	504	–	2	504	25	–
Total cross currency and interest rate swaps	755	5	2	755	42	–
Total hedging of forecasted transactions qualifying for hedge accounting under IAS 39	15,926	199	1,063	14,760	698	7

Financial instruments hedging forecasted transactions qualifying for hedge accounting under IAS 39, but for which hedge accounting is not applied

Cross currency and interest rate swaps:						
DKK / DKK	310	–	15	310	–	7
EUR / EUR *)	–	–	8	–	–	8

EUR / USD *)	-	-	32	-	-	51
JPY/ DKK	314	40	-	314	101	-
<hr/>						
Total hedging of forecasted transactions qualifying for hedge accounting under IAS 39, but for which hedge accounting is not applied	624	40	55	624	101	66
<hr/>						

*) The contract value is disclosed only in the upper table.

Financial instruments hedging forecasted transactions, but not qualifying for hedge accounting under IAS 39

Currency options:						
EUR / USD (purchased USD put)	1,080	17	-	2,498	44	-
EUR /JPY (purchased JPY put)	-	-	-	224	3	-
<hr/>						
Total hedging of forecasted transactions not qualifying for hedge accounting under IAS 39	1,080	17	-	2,722	47	-
<hr/>						
Total hedging of forecasted transactions	17,630	256	1,118	18,106	846	73
<hr/>						

35 Derivative financial instruments (continued)

	2008	2007
The financial contracts existing at the end of the year (cash flow hedges) are expected to be recognised in the Income statement within the following number of months:		
USD	15 months	16 months
JPY	13 months	15 months
GBP	13 months	10 months

The cash flows covered by the above financial contracts are expected to occur within the following number of months:

	2008	2007
USD	16 months	17 months
JPY	18 months	16 months
GBP	13 months	13 months

The maturity of the swaps existing at the end of 2008 is December 2011 and December 2012 (December 2011 and December 2012 at the end of 2007).

Hedging of assets and liabilities

The table below shows the fair value of fair value hedging activities for 2008 and 2007 specified by hedging instrument and the major currencies. All changes in fair values are recognised in the Income statement amounting to a loss of DKK 34 million in 2008 (a gain of DKK 221 million in 2007). As the hedges are highly effective the net gain or loss on the hedged items is similar to the net loss or gain on the hedging instruments.

	2008			2007		
	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end
DKK million						
Forward contracts, net sales:						
USD	1,235	2	–	1,937	145	–
JPY	669	–	143	679	55	–
GBP	326	51	–	389	22	–
Other	448	56	–	276	4	5
Total forward contracts	2,678	109	143	3,281	226	5
Total hedging of assets and liabilities	2,678	109	143	3,281	226	5

The financial contracts existing at the end of the year hedge the currency exposure on assets and liabilities in the Group's major currencies other than DKK and EUR, that is assets and liabilities in USD, JPY and GBP.

35 Derivative financial instruments (continued)**Hedging of net investments in foreign subsidiaries**

The table below shows the fair value of hedging activities relating to net investments in foreign subsidiaries for 2008 and 2007 specified by hedging instrument and the major currencies. All changes in fair values relating to currency are recognised directly under equity, amounting to a loss of DKK 18 million in 2008 (an income of DKK 9 million in 2007). All changes relating to interest rates are recognised in the Income statement, amounting to DKK 1 million in 2008 (DKK 1 million in 2007).

DKK million	2008			2007		
	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end
Cross currency swaps:						
JPY/ DKK	100	–	18	100	9	–
Total hedging of net investments in foreign subsidiaries	100	–	18	100	9	–

The maturity of the swap existing at the end of 2008 is October 2009 (October 2009 at the end of 2007).

The financial contracts existing at the end of the year hedge the following share of the major net investments:

DKK million	2008		2007	
	Net investment	% covered	Net investment	% covered
USD	2,423	0%	2,017	0%
JPY	1,013	12%	746	12%
GBP	153	0%	204	0%
EUR *)	4,301	0%	10,238	0%
Other	3,782	0%	3,746	0%
Total	11,672		16,951	

*) Including subsidiaries with EUR as functional currency regardless of the local currency in the subsidiary.

Total hedging activities

The table below summarises the fair values of all the hedging activities of Novo Nordisk.

DKK million	2008			2007		
	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end
Currency-related instruments:						

Forward contracts	17,849	303	1,204	17,286	882	12
Currency options	1,080	17	–	2,722	47	–
Cross currency swaps	918	40	52	918	143	59
Total currency-related instruments	19,847	360	1,256	20,926	1,072	71
Interest-related instruments:						
Interest rate swaps	561	5	23	561	9	7
Total interest-related instruments	561	5	23	561	9	7
	20,408	365	1,279	21,487	1,081	78
Financial instruments with both positive and negative fair values recognised net in the balance	–	–	–	–	(33)	(33)
Total derivative financial instruments included in marketable securities and in short-term debt	20,408	365	1,279	21,487	1,048	45
The fair values at year-end are recognised in:						
Income statement		166	198		374	71
Equity:						
– Cash flow hedges		199	1,063		698	7
– Equity swaps (included in exchange rate adjustment of investments in subsidiaries)		–	18		9	–
Total fair values		365	1,279		1,081	78

36 Commitments and contingencies

DKK million	2008	2007
Commitments		
Operating lease commitments		
The operating lease commitments below are related to non-cancellable operating leases primarily related to premises, company cars and office equipment. Approximately 55% of the commitments are related to leases outside Denmark. The lease costs for 2008 and 2007 were DKK 951 million and DKK 886 million respectively.		
Lease commitments expiring within the following periods as from the balance sheet date:		
Within one year	869	728
Between one and two years	788	609
Between two and three years	412	445
Between three and four years	298	355
Between four and five years	280	312
After five years	870	719
Total	3,517	3,168
Purchase obligations		
The purchase obligations primarily relate to contractual obligations to investments in property, plant and equipment as well as purchase agreements regarding medical equipment and consumer goods. Novo Nordisk expects to fund these commitments with existing cash and cash flows from operations.		
Obligations relating to research and development projects	764	2,471

Contingencies

See note 3 for the principles for making accounting estimates and judgments about pending and potential future litigation outcomes.

Pending litigation against Novo Nordisk

As of January 26, 2009 Novo Nordisk Inc., along with a majority of the hormone therapy product manufacturers in the US, is a defendant in product liability lawsuits related to hormone therapy products. These lawsuits currently involve a total of 50 individuals (as compared to 45 individuals in January 2008) who allege to have used a Novo Nordisk hormone therapy product. These products (Activella® and Vagifem®) have been sold and marketed in the US since 2000. Until July 2003, the products were sold and marketed exclusively in the US by Pharmacia & Upjohn Company (now Pfizer Inc.). According to information received from Pfizer, 51 individuals (as compared to 27 individuals in January 2008) currently allege, in relation to similar lawsuits against Pfizer Inc, that they also have used a Novo Nordisk hormone therapy product. Novo Nordisk does not have any court trials scheduled for 2009 and does not presently expect to have a trial scheduled before Q3 2009. Novo Nordisk does not expect the pending claims to have a material impact on Novo Nordisk's financial position.

In November 2006, Novo Nordisk A/S and its Italian affiliate Novo Nordisk Farmaceutici s.p.a were sued by A. Menarini Industrie Farmaceutiche Riunite s.r.l. and Laboratori Guidotti s.p.a. ('Menarini') in the Civil Court in Rome. Menarini alleges that Novo Nordisk breached an alleged contract with Menarini for the sale and distribution of insulin and insulin analogues in the Italian market or, in the alternative, has incurred a pre-contractual or extra contractual liability arising from negotiations between the parties. Novo Nordisk disputes the claims made by Menarini. A hearing in the matter is scheduled to take place on September 29, 2009. Novo Nordisk cannot predict how long the litigation will take or when it will be able to provide additional information. At this point in time, Novo Nordisk does not expect the pending claim to have a material impact on Novo Nordisk's financial position.

Novo Nordisk Inc is currently a defendant in four separate cases

Novo Nordisk has engaged in research and development projects with a number of external corporations. The major part of the obligations comprise fees on the liraglutide programme.

Other guarantees	412	347
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Other guarantees primarily relate to guarantees issued by Novo Nordisk in relation to rented property.

Security for debt	1,401	2,166
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Land, buildings and equipment etc at carrying amount.

World Diabetes Foundation

At the Annual General Meeting of Novo Nordisk A/S in 2002 the shareholders agreed on a donation to the World Diabetes Foundation, obligating Novo Nordisk A/S for a period of 10 years from 2001 to make annual donations to the Foundation of 0.25% of the net insulin sales of the Group in the preceding financial year.

At the Annual General Meeting in 2008 a new donation in supplement to the existing obligation was agreed by the shareholders. According to the new donation, Novo Nordisk is obliged to make annual donations to the foundation of 0.01% in the period 2008–2010 and 0.125% in the period 2011–2017 of the net insulin sales of the Group in the preceding financial year.

However, annual donations from 2008–2010 shall not exceed the lower of DKK 70 million or 15% of the taxable income of Novo Nordisk A/S in the financial year in question and from the period 2011 to 2017 the lower of DKK 80 million or 15% of the taxable income of Novo Nordisk A/S in the financial year in question.

The donation of DKK 68 million in 2008 is recognised in the Income statement.

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filed in the US alleging that Novo Nordisk and a number of other pharmaceutical companies provided a false Average Wholesale Price for certain drugs covered by Medicaid. These cases have been brought by the State of Alabama, and the counties of Oswego, Erie, and Schenectady, New York. Novo Nordisk was dismissed from a similar action brought by the State of Mississippi. Further, in 2005, Novo Nordisk was dismissed in 38 similar cases brought by counties in the State of New York. Novo Nordisk does not expect the pending claims to have a material impact on Novo Nordisk's financial position.

Pending claims against Novo Nordisk and investigations involving Novo Nordisk

In December 2005, the office of the US Attorney for the Eastern District of New York served Novo Nordisk with a subpoena calling for the production of documents relating to the company's US marketing and promotional practices. The company believes that the investigation is limited to its insulin products. The subpoena indicates that the documents are necessary for the investigation of potential criminal offences relating to healthcare benefit programmes. Novo Nordisk is cooperating with the US Attorney in this investigation. At this point in time, Novo Nordisk cannot determine or predict the outcome of the investigation. In addition, Novo Nordisk cannot predict how long the investigation will take or when the company will be able to provide additional information.

In February 2006, Novo Nordisk received a subpoena from the US Securities and Exchange Commission (SEC) calling for Novo Nordisk to produce documents relating to the United Nations Oil-for-Food Programme. Other companies have disclosed that they have received similar subpoenas. Novo Nordisk has been discussing the matter with the SEC and the US Department of Justice, and has fully cooperated with the US authorities. Further, since 21 September 2006, the Danish Prosecutor has investigated the possibility of disgorging profits earned under the Programme. Novo Nordisk can neither determine or predict the outcome of these investigations, nor predict how long they will take.

At this point in time, Novo Nordisk does not expect the pending claim to have a material impact on Novo Nordisk's financial position.

36 Commitments and contingencies (continued)

Other litigation proceedings

In addition to the above, the Novo Nordisk Group is engaged in certain litigation proceedings. In the opinion of management, settlement or continuation of these proceedings are not expected to have a material effect on the financial position.

Liability for the debts and obligations of Novozymes following the demerger of Novozymes in 2000

Novo Nordisk A/S and Novozymes A/S are subject to joint and several liability for any obligation which existed at the time of the announcement of the demerger in 2000. At the end of the year the remaining part of the joint and several liability in Novozymes A/S amounted to DKK 557 million (DKK 557 million in 2007).

Debts and obligations pertaining to the period before 1 January 2000, which are recognised after 1 January 2000 and which cannot be clearly attributed to either Novo Nordisk A/S or Novozymes A/S, will be distributed proportionally between the two companies according to an agreement established in connection with the demerger in November 2000.

Disclosure regarding Change of Control

The EU Take-Over Directive, as partially implemented by the Danish Financial Statements Act contains certain rules relating to listed companies on disclosure of information that may be of interest to the market and potential takeover bidders, in particular in relation to disclosure of change of control provisions.

For information on the ownership structure of Novo Nordisk, please see 'Shares and capital structure' on pages 49 – 50. For information on change of control clauses in share option programmes please see pages 78 – 80 with note 33 'Share-based payment schemes', and in relation to employment contracts of Executive Management of Novo Nordisk, please see note 34 'Management's remuneration, share options and shareholdings' on pages 80 – 82.

In addition, Novo Nordisk discloses that the company has significant agreements to which the company is a party and which take effect, alter or terminate upon a change of control of the company following implementation of a takeover bid. If effected, a takeover could – at the discretion of each relevant counterparty – lead to the termination of one or more of such agreements and a total loss of approximately 5% of Novo Nordisk's turn over, corresponding to approximately 4% of Novo Nordisk's gross profit.

Financial definitions

ADRs

American Depositary Receipts.

Basic earnings per share (EPS)

Net profit divided by the average number of shares outstanding.

Cash to earnings

Free cash flow as a percentage of net profit.

Diluted earnings per share

Net profit divided by the sum of average number of shares outstanding including the dilutive effect of share options 'in the money' in accordance with IAS 33. The dilutive effect of share options 'in the money' is calculated as the difference between the following:

- 1) the number of shares that could have been acquired at fair value with proceeds from the exercise of the share options, and
 - 2) the number of shares that would have been issued assuming the exercise of the share options.
- The difference (the dilutive effect) is added to the denominator as an issue of shares for no consideration.

Effective tax rate

Income taxes as a percentage of profit before income taxes.

Equity ratio

Equity at year-end as a percentage of the sum of total liabilities and equity at year-end.

Free cash flow

The sum of Cash flow from operating activities and Cash flow from investing activities excluding Net changes in marketable securities.

Gross margin

Gross profit as a percentage of sales.

Net profit margin

Net profit as a percentage of sales.

Number of shares outstanding

The number of shares outstanding is the total number of shares excluding the holding of treasury shares.

Operating profit

Earnings before tax, financial items and share of profit/loss in associated companies.

Operating profit margin

Operating profit as a percentage of sales.

Payout ratio

Total dividends for the year as a percentage of net profit.

ROIC (return on invested capital)

Operating profit after tax (using the effective tax rate) as a percentage of average inventories, receivables, property, plant and equipment as well as intangible assets less non-interest-bearing liabilities including provisions (the sum of the above assets and liabilities at the beginning of the year and at year-end divided by two).

This is the fifth year that Novo Nordisk reports on the company's financial and non-financial performance in one, inclusive document, the *Annual Report*. Novo Nordisk continues the process to drive integration of the financial and non-financial perspectives to business and seeks to reflect this in the approach to reporting. In the absence of global standards for inclusive reporting, this approach takes its point of departure in current standards for mandatory, financial reporting and current guidelines for voluntary, non-financial reporting. The aim is to drive business performance and enhance shareholder value by exploring the interactions between financial and non-financial objectives. This entails alignment of key priorities, target setting and definition of key performance indicators, in consultations that involve internal and external stakeholders.

The annual report is prepared in respect of current best practice and the principles of materiality, completeness and responsiveness. Stakeholder engagement informs the process, which also incorporates independent expert reviews of the company's annual reporting. The selection of information included in the annual reporting reflects evolving priorities in response to business and societal challenges.

In 2008, Novo Nordisk embarked on a process on structuring the control environment of non-financial reporting. The aspiration of this work is to achieve full alignment with the control environment of the financial reporting.

Defining materiality

Ongoing stakeholder engagement and trendspotting help identify new issues which are or could become material to Novo Nordisk. The Novo Nordisk learning curve is a tool that aligns the process of defining materiality with integration into business practices. Emerging issues that are identified as relevant and potentially material are included at the bottom of the learning curve. Following a review of its implications for Novo Nordisk's long-term business, a strategy is framed for those issues that are deemed material and subsequently data, indicators and targets are identified. Once management of the issue has been embedded in the organisation, so that it is fully integrated into business processes, the strategy will be revisited as appropriate. Moreover, issues that are included on the learning curve are monitored as part of the integrated risk management process.

It is Novo Nordisk's responsibility to ensure that those areas are addressed in which the company has significant impact or where it has a responsibility and ability to act. Novo Nordisk has sought inspiration in AccountAbility's materiality test to define what is material to Novo Nordisk, what should be included in the annual report and on which grounds topics should be excluded. Applying the materiality test as a tool, sustainability-related issues are prioritised to be reported either in the printed annual report (most material; business critical), online (material, often to specific stakeholder interests) or not reported (not material). The same process applies for the

Assurance provider's recommendations

An important element of the assurance process is the disclosure of recommendations from the assurance provider. In years when there have been recommendations, Novo Nordisk has disclosed these in the online report.

In 2007 and 2008, the assurance provider had no significant recommendations for Novo Nordisk.

Global standards

Novo Nordisk's non-financial reporting follows the accountability standard, the AA1000 Framework. It states that reporting must provide a complete, accurate, relevant and balanced picture of the organisation's approach to and impact on society. In addition, Novo Nordisk's assurance process is designed according to the AA1000AS (2003). In October 2008, AccountAbility launched a new version of the AA1000AS (2008). Novo Nordisk will in 2009 decide the timeline for implementing the new assurance standard.

In 2007, Novo Nordisk upgraded its reporting against the Global Reporting Initiative's (GRI's) Sustainability Reporting Guidelines from the 2002 version to the G3. Reporting on management approaches and performance against the list of indicators covering economic, environment, labour practices, human rights, society and product responsibility can be found at annualreport2008.novonordisk.com.

Novo Nordisk reports on the GRI G3 because it is the only internationally recognised set of indicators. By reporting on the indicators, it is possible for stakeholders to compare Novo Nordisk's performance to other organisations' performance.

As a signatory to the UN Global Compact, a platform to promote good corporate principles and learning in the areas of human rights, labour, environment and anticorruption, Novo Nordisk reports on actions during 2008 to implement its 10 principles in the Communication on Progress (CoP).

With the new legislation in Denmark, effective as of 1 January 2009, Novo Nordisk will be required to account for the company's activities on social responsibility, reporting on business strategies and activities on human rights, labour standards, environment and anticorruption. Companies that subscribe to the UN Global Compact and annually submit their CoP will be in compliance with the new legislation, provided that the annual report includes a reference to where the CoP has been made publicly available. Novo Nordisk's CoP 2008 can be found at annualreport2008.novonordisk.com or at UN Global Compact's website at unglobalcompact.org/COP.

assurance provider's recommendations.

The outcomes of formal reviews, research, stakeholder engagement and internal materiality discussions are presented as a proposal for the annual reporting to Executive Management and the Board of Directors, and subsequently approved. In addition, Novo Nordisk's external assurance provider is requested to assure whether the non-financial performance included in the annual report covers the material aspects. The conclusion is available in the Independent Assurance Report on Non-financial Reporting 2008. Read more about how Novo Nordisk defines materiality at annualreport2008.novonordisk.com.

Consolidated non-financial statements Non-financial indicators and targets

Non-financial indicators and targets

Novo Nordisk is committed to continuous improvement in the company's environmental, social and economic performance. Setting ambitious objectives and targets and reporting on progress in meeting these targets are core elements of the Novo Nordisk Way of Management. Against this governance framework, targets are set to provide direction and impetus for moving

forward. The table shows the extent to which targets were met in 2008 in terms of non-financial performance. This set of top-level Triple Bottom Line targets and indicators links into Novo Nordisk's Balanced Scorecard, which also focuses on sustainable development. In addition to the non-financial performance targets, process targets are identified.

Strategy area	Indicator	Target	Note	2008	2007	2006
Environment						
Emissions to air	CO2 emissions	10% reduction by 2014 compared to 2004	1	2%	12%	9%
EIR Water	EIR Water Diabetes care	10% reduction by 2010 compared to 2005	2	(32%)	(10%)	(4%)
	EIR Water Biopharmaceuticals	10% reduction by 2010 compared to 2005	2	(50%)	(45%)	(36%)
EIR Energy	EIR Energy Diabetes care	10% reduction by 2010 compared to 2005	2	(24%)	(2%)	5%
	EIR Energy Biopharmaceuticals	10% reduction by 2010 compared to 2005	2	(34%)	(28%)	(17%)
Compliance	Breaches of regulatory limit values	50% reduction by 2010 compared to 2005	3	(84%)	(87%)	(29%)
	Accidental releases	50% reduction by 2010 compared to 2005	3	(13%)	1%	30%
Social						
Living our values	Importance of social and environmental issues for the future of the company	Maintain a level of 3.5 or above up to 2014	7	4.5	4.4	4.3
	Managers' behaviour consistent with Novo Nordisk's values	Maintain a level of 3.5 or above up to 2014	7	4.3	4.2	4.1
	Fulfilment of action points from facilitations of the NNWoM	Maintain a level of 80% or above up to 2014	7	99%	99%	99%
People	Engaging culture	Maintain a level of 4.0	8	4.2	4.1	4.0

	(employee engagement)	or above up to 2014				
	Opportunity to use and develop employee competences/skills	Maintain a level of 3.5 or above up to 2014	8	4.1	4.0	3.9
	People from diverse backgrounds have equal opportunities	Maintain a level of 3.5 or above up to 2014	8	4.1	4.0	3.9
Health & safety	Frequency of occupational injuries	Continuous decrease	9	5.4	5.9	6.2
	Fatalities	0	9	0	0	0
Access to health	LDCs where Novo Nordisk operates	Best possible pricing scheme in all LDCs	10	36	38	35
	LDCs where Novo Nordisk sells insulin at or below the policy price	Best possible pricing scheme in all LDCs	10	32	36	34
Business ethics	Employees in sales and marketing trained in business ethics	90% by 2008	11	99%	95%	NA
Company reputation	Improve (or maintain) company reputation with external key stakeholders	Improve (or maintain) brand score	12	72.4	74.0	73.8
Quality	Number of warning letters and re-inspections	0	13	0	0	0

The consolidated non-financial statements on pp 93–99 present and discuss performance during 2008.

Accounting policies for non-financial data

In 2008, there were no significant changes to the accounting policies for non-financial data. The following changes have been made to the basis for the non-financial data compared to 2007:

- The production site in Algeria has initiated production of approved products for the market. The environmental impact has therefore been included in the corporate numbers. The production site was ISO14001 certified in 2008.
- The accounting policy for the indicator 'Fulfilment of action points planned arising from facilitations of the Novo Nordisk Way of Management' has been specified. The specification has not resulted in changes to the scope of performance reported.
- Three new accounting policies have been added for the indicators 'Business ethics', 'Company reputation' and 'Quality'. All three indicators were reported on page 90 in Novo Nordisk's *Annual Report 2007*. There have been no changes to the scope of performance reported.

To Novo Nordisk, the AA1000AS (2003) is an essential component in creating a generally applicable approach to assessing and strengthening the credibility of the company's public reporting of non-financial data. Novo Nordisk's assurance process has been designed to ensure that the qualitative and quantitative data that document sustainability performance plus the systems that underpin the data and performance are assured. The principles outlined by the AA1000AS (2003) have been applied as described below.

1. Completeness

As a pharmaceutical company with global reach, Novo Nordisk is engaged in a range of activities to support sustainable development. All of these are founded on the company's corporate governance framework, the Novo Nordisk Way of Management. The annual report aims to capture the organisation's 'footprint' in terms of environmental, social and economic impacts on society. Hence, performance is accounted for in relation to targets, major achievements and key issues. The report does not provide full coverage of all the company's non-financial activities, as it focuses on the material issues. A full coverage of the company's non-financial activities can be found at annualreport2008.novonordisk.com. See scope of the report below.

Environmental data

The environmental data covers those activities which, based on an overall environmental assessment, could have a significant impact on the environment.

Emissions to air

- Emissions of CO₂ from energy (total) are based on standard factors for fuel and for energy on a three-year average of available emission factors from the external suppliers of energy. Hence, emission factors for 2008 are the three-year average of 2005 to 2007. The emissions are calculated according to the GHG protocol.

- Organic solvents cover the sum of emissions of different types of organic solvent such as acetone, ethanol etc, and exclude emissions of ozone-depleting substances. Data is based on measurement and calculations.

Eco Intensity Ratios (EIRs) for water and energy

- Environmental performance relative to production size is monitored by the production-related KPI Eco Intensity Ratio – in short EIR – defined as:

'EIR = Resource consumption per produced or released unit'

By using the performance indicator 'EIR', the total performance, measured for water and energy, of a production facility or a business area can be calculated by adding the EIR ratios in standard units from each process step or intermediary product in the process flow from, for example, fermentation to packaging of the finished product. The consolidation of the EIR does not account for spills, changes in stock and production of intermedia products for external clients.

Compliance

- Compliance data consists of breaches of regulatory limits and accidental releases. Data is based on information from departments and test results. All breaches and accidental releases are reported to the authorities.

Resources

- Water consumption includes consumption of drinking water, industrial water and steam. Data is based on meter readings and checked against invoices.
- Energy consumption (direct and indirect supply) includes both

2. Materiality

Key issues are identified through ongoing stakeholder engagement and addressed by programmes or action plans with clear and measurable targets. Stretch targets are set to guide the long-term efforts in strategic areas, such as global access to health. The issues presented in the annual report are deemed to have a significant impact on the company's future business performance and may support stakeholders in their decision-making and are therefore regarded as Novo Nordisk's material issues.

3. Responsiveness

The report reaches out to a wide range of stakeholders, each with their specific needs and interests. To most stakeholders, however, the annual report is just one single element of interaction and communication with the company. The annual report reflects how the company has addressed stakeholder concerns and interests in dealing with the dilemmas and issues. Stakeholder dialogue is an invaluable part of Novo Nordisk's efforts as a responsible business, and readers are encouraged to give their feedback.

SCOPE

Accounting policies for the non-financial data in the annual report are based on data for Novo Nordisk A/S, including NNIT A/S, NNE Pharmaplan A/S and subsidiaries. Environmental data covers the significant environmental impact of the organisation's activities at the production sites, which produce approved products for the market – 14 in total. One production site was added in 2008 – see above. Social data covers all employees. Economic data covers the Novo Nordisk Group. Engagements in joint ventures and contract licensees are not included in the report scope. However, data for animal testing includes testing taking place at contract research organisations.

DATA

To ensure consistency of data, all data has been defined and described in company guidelines. Internal control procedures have been established to ensure that data is reported according to the definitions.

direct supply of energy (internally produced energy), for example natural gas, fuel oil and other types, and indirect supply of external energy (externally produced energy), for example electricity, steam and district heat. The consumption of fuel and externally produced energy is based on meter readings and invoices.

- Raw materials and packaging materials comprise materials for production and related processes and packaging of products. Consumption of raw materials and packaging is converted to tons. Data is based on registrations in Novo Nordisk's stock system.

Wastewater

- Quantities of components such as COD, nitrogen and phosphorus are calculated based on test results or standard factors.

Waste

- Total waste is the sum of non-hazardous and hazardous waste. The disposal of waste is registered based on weight receipts.
- The recycling percentage is calculated as the proportion of waste recycled of the total waste. Waste for recycling can be both non-hazardous and hazardous. The remaining part of the hazardous waste is waste for special treatment.

Accounting policies for non-financial data (continued)

Social data

The social data covers all employees included in Novo Nordisk's headcount.

Living our values

- Average of respondents' answers as to whether 'social and environmental issues are important for the future of the company' and whether 'my manager's behaviour is consistent with the Novo Nordisk values' is based on employee feedback on the questions in the employee survey database eVoice. The average is a simple average calculated in the database of answers given by the employees.
- The percentage of fulfilment of action points arising from facilitations of the Novo Nordisk Way of Management is calculated as the number of actions closed during the calendar year divided by the number of actions that should have been closed within the year according to agreed deadlines.

People

- All basic employee statistics are based on registrations in the company's SAP Human Resource system. The number of employees is calculated as the actual number of employees at year-end.
- Rate of absence: For employees in Denmark excluding FeF Chemicals, absence data is registered in the SAP Human Resource system. For employees outside Denmark, data for rate of absence is based on local registrations. Types of absence include absence due to the employee's own illness, pregnancy-related sick leave, and occupational injuries and illnesses per total available working days in the year adjusted for national holidays.
- Rate of employee turnover: The rate of employee turnover is calculated as the number of employees who left Novo Nordisk during the year compared to the average number of employees in the year.
- Average of respondents' answers to 10 selected questions related to employees' engagement in Novo Nordisk in the employee survey database eVoice. The average is a simple average calculated in the database of answers given by the employees.
- Average of respondents' answers as to whether 'their work

- The estimated number of people with diabetes trained or treated includes people with diabetes targeted with training, awareness or treatment. The estimated number is based on registrations by subsidiaries and corporate functions in Novo Nordisk in the Best Practice Database of the activities conducted within various National Changing Diabetes[®] programmes. The indicator covers all types of activities, hence it encompasses people with diabetes directly treated and trained in LDCs, in developing and developed countries. The number covers the total number Novo Nordisk has engaged with since the National Changing Diabetes[®] programmes were initiated in 2002.

Business ethics

- Employees in sales and marketing trained in business ethics covers employees who have participated in national or regional level training sessions for Novo Nordisk's business ethics policy and procedures.

Company reputation

- Company reputation is measured by a mean brand score in four core markets (China, Germany, UK, US) by an independent external consultancy firm. The mean brand score is based on company ratings collected through individual interviews, conducted with primary and secondary care professionals (target groups). The mean brand score is benchmarked against main competitors.

Quality

- The number covers warning letters issued by the FDA in connection with GMP, GCP or GLP inspections and the number of re-inspections issued to Novo Nordisk by any health authority globally. Warning letters and re-inspections are recorded by Global Quality. Warning letters from the FDA regarding promotional materials are not included.

Training costs

- Training costs are all costs recorded in a specific account in the financial accounts. The amount covers internal and external training posted in the financial accounts.

Patent families

- Patent families are the 'number of active patent families to date' and the 'new patent families (first filing)'.

gives them an opportunity to use and develop their competences and skills' and whether 'people from diverse backgrounds have equal opportunities' is based on employee feedback on the questions in the employee survey database eVoice. The average is a simple average calculated in the database of answers given by the employees.

Health & safety

- The frequency of occupational injuries is the number of injuries reported for all employees per million working hours. An occupational injury is any work-related injury causing at least one day of absence in addition to the day of the injury.
- The number of fatalities is based on registrations centrally and locally in subsidiaries.

Access to health

- Novo Nordisk has formulated a pricing policy for the Least Developed Countries (LDCs). The purpose of the policy is to offer insulin to the world's LDCs at or below a price of 20% of the average prices for insulin in the Western world. The Western world is defined as Europe (EU, Switzerland, Norway), the United States, Canada and Japan.
- The term 'operates in' does not denote actual physical presence by Novo Nordisk. It is defined as direct or indirect sales by Novo Nordisk via government tender or private market sales to wholesalers, distributors, NGOs etc.
- The estimated number of healthcare professionals trained or educated includes healthcare professionals directly trained, educated, interacted with or reached through awareness campaigns. The estimated number is based on registrations by subsidiaries and corporate functions in Novo Nordisk in the Best Practice Database of the activities conducted within various National Changing Diabetes[®] programmes. The number covers the total number Novo Nordisk has engaged with since the National Changing Diabetes[®] programmes were initiated in 2002.

Animals

- Animals purchased for testing are the number of animals purchased for all testing undertaken for Novo Nordisk either in-house or at Contract Research Organisations (CROs). The number of animals purchased is based on internal registration of purchased animals and yearly reports from CROs.

Economic data

The economic indicators are based on data from the consolidated financial statements. See financial definitions.

R&D

- R&D costs, investments and sales are based on Novo Nordisk's consolidated financial statements.

Remuneration

- The cash value distribution is based on Novo Nordisk's consolidated financial statements.

Corporate tax

- All types of tax reported are based on registrations of taxes paid in Denmark, except corporate tax as a share of sales.

Employment

- Direct and indirect effects on the number of jobs, job income and income tax are calculated using financial registrations and general statistics from public sources such as Statistics Denmark, Updated Economic Multipliers for the US Economy 2003 (Economic Policy Institute) and China Statistical Yearbook. The indicators are an estimate of the effects created by Novo Nordisk in Denmark and globally.

Exports

- Novo Nordisk exports as a share of Danish exports are based on 'Finans-ministeriets Økonomiske Redegørelse'.

All data is documented and evidence has been submitted to the assurance provider.

Environment

1 Emissions to air

Novo Nordisk's total energy consumption decreased by 9% in 2008, which translates into a similar 9% decrease in the energy-related emissions of CO₂ from 236,000 tons in 2007 to 215,000 tons in 2008. The decrease in CO₂ was primarily due to decreased emissions from the production site in Kalundborg in Denmark as a result of changes in production, process optimisations as well as realisation of energy-saving projects. The annual CO₂ emission is now close to the 2004 (210,000 tons) baseline year, only 2% above, and Novo Nordisk is confident that the ambitious 10% absolute reduction target will be met in 2014. As planned, this will happen through a continued effort in the cLEAN® programme and secondly, the highly prioritised energy-saving

programme. This energy-saving programme has until now resulted in an estimated 20,000 ton reduction in CO₂ emissions. Thirdly, green electricity from the offshore wind farm at Horns Rev II in Denmark will give substantial reductions, starting in the end of 2009.

Emissions to air of organic solvents increased from 81 tons in 2007 to 93 tons in 2008, an increase of 15%, which was primarily due to increase in emissions of acetone and isopropanol. The organic solvents consist of ethanol (68%), isopropanol (16%) and acetone (16%).

	Unit	2008	2007	2006
CO ₂	1,000 tons	215	236	229
Organic solvents	Tons	93	81	102

2 Eco Intensity Ratios (EIR)

EIR is reported for the two business areas Diabetes care and Biopharmaceuticals. The long-term EIR target for 2006 –2010 is a 2% reduction in water and energy consumption relative to production on average per year, which corresponds to a reduction of 10% for all four EIR indicators. To get the best foundation for the EIR, the target is based on a bottom-up process where production has given its best estimates for water and energy consumption and

related these to the forecasted production. The EIR targets are implemented in the Balanced Score card for Novo Nordisk. In 2008, the EIR_{Water} and EIR_{Energy} improved for both Diabetes care and Bio pharmaceuticals. The EIR for water was improved by 25% for Diabetes care and by 10% for Biopharmaceuticals. Likewise, the EIR for energy improved by 22% and 8% for Diabetes care and Biopharma ceuticals respectively.

	Unit	2008	2007	2006
EIR _{Water}				
Diabetes care	m ³ /MU	5.5	7.3	7.8
Biopharmaceuticals	m ³ /g API	3.7	4.1	4.8
EIR _{Energy}				
Diabetes care	GJ/MU	4.0	5.1	5.5
Biopharmaceuticals	GJ/g API	7.3	7.9	9.2

3 Compliance

Ensuring compliance with legal environmental requirements is a high priority for Novo Nordisk. Preventive measures are beginning to show results as expected. However, the number of breaches

There were no accidental releases of GMOs in 2008.

All incidents have been reported to the authorities. Novo Nordisk

of regulatory limit values increased from 22 in 2007 to 28 in 2008, an increase of 27%. The main reason being that 21 out of the 28 breaches were related to pH and temperature of wastewater. Compared to last year this is an increase of 31% due to changes in the wastewater treatment. Focus will be increased on pH and temperature in wastewater in 2009.

In the same period, the number of accidental releases decreased by 13% to a total of 91, of which 66 were releases of cooling agents such as HCFCs, HFCs and ammonia. This decreasing number reflects particular efforts focused on cooling equipment, which were initiated in 2007 and intensified in 2008. This focus has resulted in improved knowledge of what causes the releases, and hence which preventive actions to implement.

has, together with the authorities, assessed that breaches of regulatory limit values and accidental releases have had no or only a minor impact on the external environment. The 2010 target of a 50% reduction in the number of breaches of regulatory limit values is progressing according to plan with an 84% reduction so far. The long-term target of avoiding breaches of regulatory limit values and accidental releases altogether has, however, not yet been met. Preventive measures are long-term efforts, consisting of training of key employees, risk assessment of production sites and technical solutions to mitigate these risks. In 2009 and the following years, there will be continued focus on compliance and preventive measures, which can further reduce the number of breaches and help curb the curve of accidental releases.

	Unit	2008	2007	2006
Breaches of regulatory limit values	Number	28	22	123
– related to pH and temperature of wastewater	Number	21	16	119
Accidental releases	Number	91	105	135
– releases of cooling agents	Number	66	82	82

Environment (continued)

4 Resources

The consumption of water and energy both decreased from 2007 to 2008. Energy decreased by 9% and water consumption by 17%. The decrease is partly due to changes in production at the production facility in Kalundborg, Denmark, the cLEAN® programme as well as realisation of energy- and water-saving projects. The performance is as expected.

The consumption of materials decreased by 13%. This decrease is as expected and was mainly due to production optimisation at site Kalundborg in Denmark.

	Unit	2008	2007	2006
Water consumption	1,000 m ³	2,684	3,231	2,995
Energy consumption	1,000 GJ	2,533	2,784	2,712
Raw materials and packaging materials	1,000 tons	132	152	142

5 Wastewater

The total volume of wastewater decreased by 8% from 2007 to 2008 as expected. In the same period, the discharged quantity of COD increased from 813 tons to 891 tons, corresponding to a 10% increase primarily due to an extraordinary discharge of ethanol and glucose from a pilot plant in Bagsværd in Denmark. The quantity of nitrogen decreased from 107 tons to 95 tons,

corresponding to a 11% decrease as expected. The discharged quantity of phosphorus increased from 14 tons to 15 tons, corresponding to an increase of 7% primarily due to changes in production at site Chartres in France.

	Unit	2008	2007	2006
COD	Tons	891	813	1,000
Nitrogen	Tons	95	107	107
Phosphorus	Tons	15	14	19

6 Waste

In 2008, there was an increase in the total waste of 16% compared to 2007. This was due to a 2% increase in the quantity of hazardous waste and a 23% increase in the quantity of non-hazardous waste. The recycling percentage increased to 51%, from 38% in 2007.

The increase in non-hazardous waste can be explained by an increase in quantity of gland residue and quantity of wastewater. The wastewater is sent for special treatment at a hazardous waste treatment facility for precautionary reasons. There was a decrease in non-hazardous waste for incineration and landfill.

The 2% increase in hazardous waste was mainly due to an increase in contaminated soil and organic compounds. The relative amounts of ethanol waste and medicine waste were reduced.

	Unit	2008	2007	2006
Total waste	Tons	20,346	17,576	24,165
– Non-hazardous waste	Tons	14,240	11,604	10,594
Recycled	%	57	48	39

Incinerated *)	%	20	26	33
Landfill	%	6	13	10
Special treatment	%	17	13	18
– Hazardous waste	Tons	6,106	5,972	13,571
Recycled ethanol **)	%	38	18	17
Incinerated ethanol ***)	%	19	40	48
Recycling percentage	%	51	38	35

*) 99.6% with energy recovery (in previous years this figure was 98%).

***) Ethanol recycled in for example biogas or wastewater treatment plants.

***) Incinerated at combined heat and power plants or at plants for special treatment of hazardous waste with energy recovery.

Social

7 Living our values

Novo Nordisk's performance improved or remained at a high level for all parameters in the area of 'living our values'. In the annual climate survey, eVoice, the average of respondents' answers as to whether 'social and environmental issues are important for the future of the company' improved by 0.1 to 4.5 (on a scale from 1–5, with 5 being the highest). Also in eVoice, the average of respondents' answers as to whether 'my manager's behaviour is consistent with Novo Nordisk's values' increased by 0.1 to 4.3. Both are above the target of >_3.5.

There was 99% fulfilment of action points arising from facilitations, thus exceeding the target of 80% fulfilment. At the end of the year all but two action points that should have been closed, were closed. Closure of these is actively pursued. In total, 210 action points should have been closed in 2008. This is 15% below 2007. Based on the facilitations conducted in 2007/2008 it is the opinion of the facilitators that Novo Nordisk is in compliance with the Novo Nordisk Way of Management.

	Unit	2008	2007	2006
Importance of social and environmental issues for the future of the company *)	Scale 1–5	4.5	4.4	4.3
Managers' behaviour consistent with Novo Nordisk's values *)	Scale 1–5	4.3	4.2	4.1
Fulfilment of action points planned arising from facilitations of the NNWoM	%	99	99	99

*) On a scale from 1–5, with 5 being the highest.

8 People

By the end of 2008, Novo Nordisk employed 27,068 persons, an increase of 4% compared to 2007. The continued increase in the number of employees follows Novo Nordisk's strategy for expansion. This number equals a full-time equivalent (FTE) of 26,575. It reflects increased activities in all business areas, particularly in sales & marketing. The ratio between men and women has changed slightly; at the end of 2008, 50.4% of the employees were men, as compared with 50.6% at the end of 2007. The rate of absence was slightly lower than in 2007 with a performance of 2.2. Employee turn over increased to 12.1% from 11.6%. One of Novo Nordisk's key risks, as described on pp 24–25, is an inability to attract and retain the right talent.

The average answers of 10 equally weighted questions in the annual survey, eVoice, are used to calculate the level of 'engaging culture'. In 2008, the consolidated score was 4.2, up 0.1 from 2007. The target is to remain at a level of 4.0 or above on a scale from 1–5, with 5 being the highest. The average of respondents' answers as to whether 'my work gives me an opportunity to use and develop my competences/skills' increased from 4.0 to 4.1, and the average of respondents' answers as to whether 'people from diverse backgrounds have equal opportunities' increased from 4.0 to 4.1; both were above the target of \geq 3.5.

	Unit	2008	2007	2006
Employees (total)	Number	27,068	26,008	23,613
– Female	%	49.6	49.4	49.2
– Male	%	50.4	50.6	50.8
Rate of absence	%	2.2	2.7	3.0
Rate of employee turnover	%	12.1	11.6	10.0
Engaging culture (employee engagement) *)	Scale 1–5	4.2	4.1	4.0
Opportunity to use and develop competences/skills *)	Scale 1–5	4.1	4.0	3.9
People from diverse backgrounds have equal opportunities *)	Scale 1–5	4.1	4.0	3.9

*) On a scale from 1–5, with 5 being the highest.

9 Health & safety

Performance on the health & safety indicator 'frequency of occupational injuries' was satisfactory, as the frequency decreased from 5.9 to 5.4 in 2008, meeting the target of a continuous decrease. There were no fatalities in 2008. There is a continued focus on ensuring high health & safety standards

for employees in Novo Nordisk. In 2008, adoption of a health & safety management system certifiable according to OHSAS 18001 continued for Novo Nordisk in Denmark and Product Supply globally. All units in Product Supply were certified according to the OHSAS18001 in 2008.

	Unit	2008	2007	2006
Frequency of occupational injuries	No/million work hrs	5.4	5.9	6.2
Fatalities	Number	0	0	0

Social (continued)

10 Access to health

For 2008, Novo Nordisk offered its best possible pricing scheme, as part of the global health initiatives, to all 50 Least Developed Countries (LDCs) as defined by the United Nations. During 2008 Novo Nordisk sold insulin to either governments or to the private market in 32 of the LDCs at or below a price of 20% of the average prices for insulin in the Western world, compared to 36 in 2007. In 14 countries Novo Nordisk is not selling insulin at all, for various reasons. The four LDCs in which Novo Nordisk did not sell insulin at the policy price were Afghanistan, Cambodia, Nepal and Samoa. The public authorities in all countries have been offered the opportunity to buy insulin at the policy price. The insulin sold in Afghanistan, Cambodia and Nepal in 2008 was to the private market. In several cases, the government has not responded to the offer, there are no private wholesalers or other partners with whom to work, or wars or political unrest sometimes make it impossible to do business. While Novo Nordisk prefers to sell insulin at the preferential price through government tenders, the company is willing to sell to private

distributors and agents. The target is to offer the best possible pricing scheme to the governments of all LDCs. Unfortunately, there is no way to guarantee that the price at which Novo Nordisk sells the insulin will be reflected in the final price on the pharmacist's shelf. Wholesalers and pharmacies may mark up the drug before selling it to the consumer.

A measure of the company's contribution to global health is the number of healthcare professionals directly trained, educated, interacted with or reached through awareness campaigns, and the number of people with diabetes targeted with training, awareness or treatment. The aim is to continue activities to educate healthcare professionals and to train and treat people with diabetes. Since 2002, 380,000 healthcare professionals have been trained or educated and 1,854,000 people with diabetes have been trained or treated.

	Unit	2008	2007	2006
LDCs where Novo Nordisk operates	Number	36	38	35
LDCs where Novo Nordisk sells insulin at or below the policy price	Number	32	36	34
Healthcare professionals trained or educated	1,000	380	336	297
People with diabetes trained or treated	1,000	1,854	1,260	1,060

11 Business ethics

In 2008, 99% of relevant employees in sales and marketing were trained in local binding business ethics rules. In total, 30% of Novo Nordisk's employees were trained. All employees were trained in the updated version of the

standard operating procedure for business ethics. The number of employees trained was, as expected, above the target of 90%.

	Unit	2008	2007	2006
Employees in sales and marketing trained in business ethics	%	99	95	NA

12 Company reputation

The goal of Novo Nordisk is to improve (or maintain) the company reputation as measured by the mean brand score or at least be the leader in seven out of eight target groups. In 2008, this goal was achieved despite a slight decrease

of the mean brand score of 1.6 from 74.0 to 72.4, because the company is leading in seven out of eight target groups. This confirms the leadership position in diabetes in the four core markets (China, Germany, UK and US).

	Unit	2008	2007	2006
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Improve (or maintain) company reputation with external key stakeholders	Scale 0 –100	72.4	74.0	73.8
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13 Quality

In 2008, no warning letters were issued to Novo Nordisk by the FDA in connection with GMP, GCP or GLP inspections. Nor were any re-inspections issued to Novo Nordisk. The target of no warning letters and no re-inspections

has therefore been met. In total, 95 inspections were conducted in 2008. This performance is as expected.

	Unit	2008	2007	2006
Warning letters and re-inspections	Number	0	0	0

Social (continued)**14 Training costs**

In 2008, the annual spending on training, measured as average spent per employee, increased by 0.5%, which is almost the same level as in 2007, reflecting the company's strategic prioritisation of talent and leadership development, and of lifelong learning offered to all employees. The average spent per employee does not reflect the complete investments in training in Novo Nordisk, since on-the-job training, internal seminars and other activities

are not included. The increase in training cost per employee is not nearly as high as from 2006 to 2007, when the increase was 16%. The reason for the significant increase of 16% was due to extensive hiring in 2007 (10%). The level of new employees joining Novo Nordisk in 2008 and thus requiring additional training was not as high in 2008 (4%), explaining why the amount spent is almost unchanged.

	Unit	2008	2007	2006
Annual training costs per employee	DKK	13,192	13,130	11,293

15 Patent families

The number of Novo Nordisk patent families developed as expected in 2008. The number of active patent families to date decreased by 11%. The number of new patent families (first filing) decreased from 116 in 2007 to 71 in 2008 – a decrease of 39%. Both decreases were due to the refocus in the

R&D area in 2008, when the closure of R&D activities in oral anti diabetic agents, pulmonary insulin and cancer resulted in fewer active patent families and fewer applications for new patents.

	Unit	2008	2007	2006
Active patent families to date	Number	890	1,003	913
New patent families (first filing)	Number	71	116	149

16 Animals

Novo Nordisk sets goals to reduce, refine and replace experiments on animals and to improve animal welfare. In line with a higher activity level in the discovery phase in 2008, there was a slight increase of 5% in the number of purchased animals, from a total of 54,675 in 2007 to 57,253 in 2008, of

which 95% were mice and rats. Overall the numbers of purchased animals have been at the same level since 2005. 75% of the animals have been used at Novo Nordisk facilities in Denmark and 25% have been used at external collaborators.

	Unit	2008	2007	2006
Animals purchased	Number	57,253	54,675	56,533

Economics

17 Economics

The development in the economic indicators was as expected.

Expenditure on R&D is an important capacity builder for society and a source of innovation creating future profitability for Novo Nordisk. The ratio of R&D costs to tangible investments (4.3:1) reflects the continued increasing importance of R&D for Novo Nordisk. In the period 2004 –2008 this ratio varied from 1.4:1 to 4.3:1. The stabilisation in the share of R&D as a share of sales on 16.5% reflects the fact that R&D expenditure rose by 4.4% and sales rose by 9%. The wage share of R&D (40.4%) is an indication of the company's impact as a capacity builder in the community.

Most production facilities, 48% of the full-time employees and 79% of tangible assets are in Denmark. The level and location of the absolute investment is a measure of the company's economic capacity in the near future and reflects its aim to supply the market with products and to continue its globalisation. In 2008, Novo Nordisk invested DKK 1.7 billion primarily in Denmark (66%), but also in production facilities globally (in the US, Brazil, China and France), down from DKK 2.3 billion in 2007.

Remuneration constituted 49% of the cash added value, mainly in the developed world, and particularly in Denmark where 57% of wages are paid and 48% of Novo Nordisk's workforce is located. However, the share of full-time positions in International Operations increased 19% in 2007 to 21% in 2008. Sales per employee is DKK 1.7 million up from DKK 1.6 million in 2007, and the cash added value per employee is DKK 1.1 million, up from DKK 1 million in 2007, indicating a high and increasing productivity of Novo Nordisk's employees.

In 2008, Novo Nordisk created 1,059 new positions globally and had 26,575 full-time positions; measured as full-time equivalents (FTE). These jobs translate into 61,925 indirect global jobs in the supply chain from production needs and employees' private consumption. The majority relate to production (44,025) but the effect of private consumption by Novo Nordisk employees is also significant (17,900).

Measured by sales in 2008, Novo Nordisk is the ninth largest company in Denmark, as in 2007. In terms of R&D costs Novo Nordisk is the largest Danish company and ranks as number 28 on a European scale (in 2007 numbers), up from number 30. Among European pharmaceutical companies Novo Nordisk ranks as number 6 by sales and R&D costs, down from number 5 in 2006.

In 2008, total corporate taxes constituted 6.7% of sales. In Denmark, 13% of corporate taxes are paid as local taxes and 87% as state taxes. In 2008, Novo Nordisk accounted for an estimated 2.9% of Danish corporate taxes. Novo Nordisk employees accounted for an estimated 0.6% of total Danish income taxes and an estimated 0.6% of employment in Denmark. In total, Novo Nordisk's income taxes in Denmark for the year amounted to DKK 1,031 million.

Novo Nordisk's sales in 2008 accounted for 2.6% measured as a share of Danish GDP, up from 2.4% in 2007, and 2.7% of Danish exports compared to 3.4% in 2007.

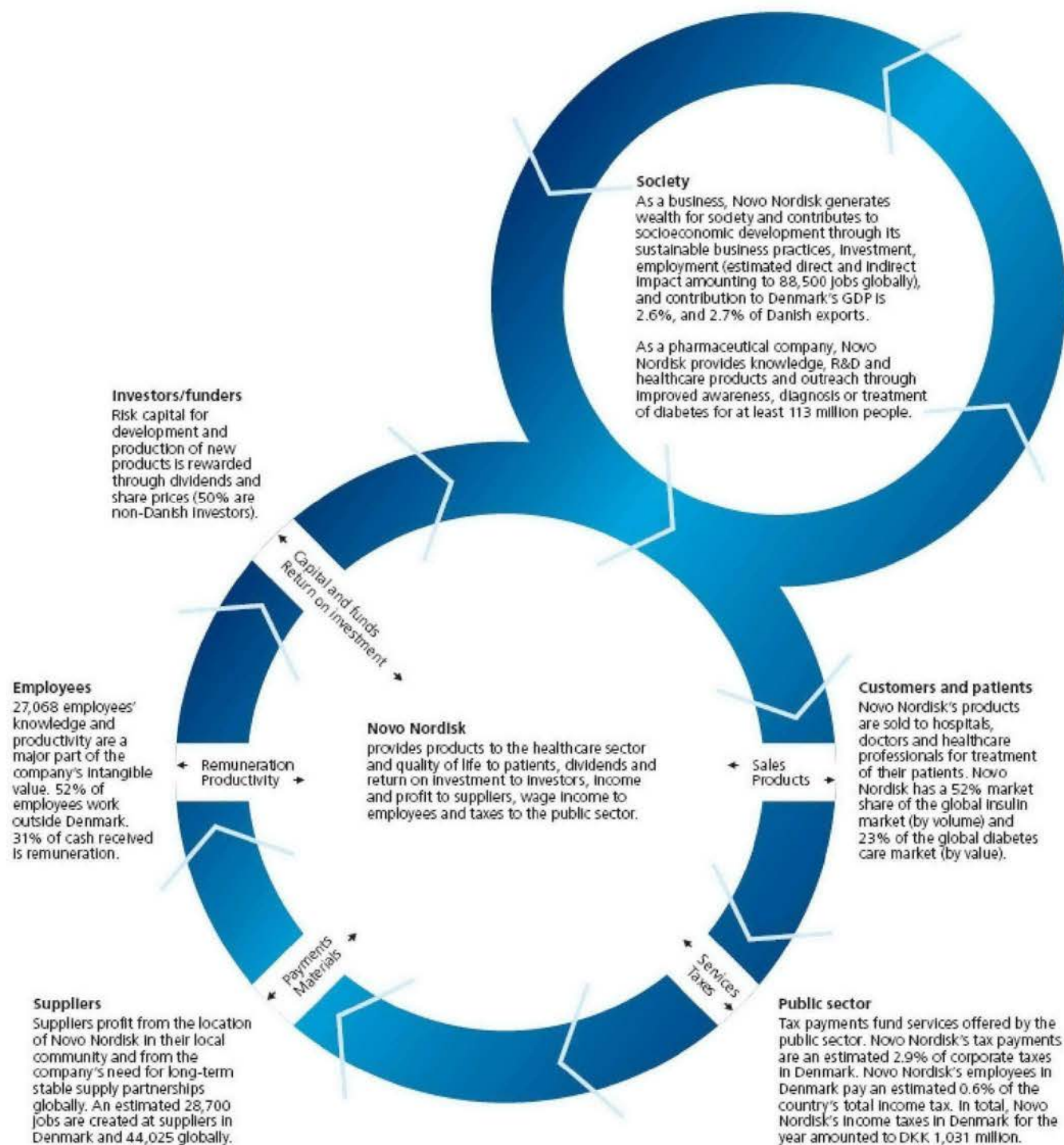
	Unit	2008	2007	2006
R&D expenditure to tangible investments *)	Ratio	4.3:1	3.2:1	2.3:1
R&D as share of sales *)	%	16.5	17.2	16.3
Remuneration as share of cash received	%	31	32	33
Employment impact worldwide (direct and indirect)	Number of jobs	88,500	81,600	82,700
Total corporate tax as share of sales	%	6.7	5.9	7.0
Novo Nordisk exports as share of Danish exports (estimated)	%	2.7	3.4	4.0

*) R&D costs adjusted for costs related to discontinuation of all pulmonary diabetes projects.

To ensure transparency, more details on reported data and additional non-financial reporting are available online at annualreport2008.novonordisk.com.

Novo Nordisk's economic stakeholder model

This model illustrates Novo Nordisk, its economic stakeholders and the interactions that drive economic growth in well-developed societies. When, for instance, investors provide risk capital so that Novo Nordisk can develop new products, this will benefit patients, customers, employees and suppliers. For patients, in turn, the products from Novo Nordisk improve their ability to contribute to society. When employees, suppliers and investors spend their income on goods and services and make investments, they, too, contribute to wealth generation in society. And in their capacity as citizens in the local and global community, all economic actors pay taxes to the public sector in return for services. Novo Nordisk's sustainable business practices are mechanisms that improve the outcome of the market economy model. The interactions and multiplier effects are illustrated by the blue circle linking the stakeholders.



Cash value distribution (2008)

		DKK million	Cash received	Cash added value
Customers	Cash received for products and services (from sales)	45,064	100%	
Suppliers	Cash payments for materials, facilities and services *)	16,151	36%	
Company cash	Cash added value (cash received minus cash payments)	28,913		100%
Employees	Remuneration	14,141	31%	49%
Investors/funders	Dividends, share repurchase and interest payments	7,617	17%	26%
Public sector	Taxes	3,172	7%	11%
Management	Future growth	3,983	9%	14%

*) Cash payments outside Novo Nordisk. The figure includes cash received from licence fees, realised exchange rate gains and interest income.

Consolidated financial statements Companies in the Novo Nordisk Group

	Country	Year of incorporation/ acquisition	Issued share capital/ paid-in capital	Percentage of shares owned	Activity			
					Production	Sales and marketing	Research and development	Services/Investments
Parent company								
Novo Nordisk A/S	Denmark	1931	DKK 634,000,000	–	●	●	●	●
Subsidiaries by region								
Europe								
Novo Nordisk Pharma GmbH	Austria	1974	EUR 36,336	100		●		
S.A. Novo Nordisk Pharma N.V.	Belgium	1974	EUR 69,000	100		●		
Novo Nordisk Pharma EAD	Bulgaria	2005	BGN 5,880,000	100		●		
Novo Nordisk Hrvatska d.o.o.	Croatia	2004	HRK 5,000,000	100		●		
Novo Nordisk s.r.o.	Czech Republic	1997	CZK 14,500,000	100		●		
Novo Nordisk Region Europe A/S	Denmark	2002	DKK 108,370,500	100				●
Novo Nordisk Farma OY	Finland	1972	EUR 420,500	100		●		
Novo Nordisk Pharmaceutique SAS	France	2003	EUR 5,821,140	100		●		
Novo Nordisk Production SAS	France	1959	EUR 57,710,220	100	●			
Novo Nordisk Pharma GmbH	Germany	1973	EUR 614,062	100		●		
Novo Nordisk Hellas Epe	Greece	1979	EUR 1,050,000	100		●		
Novo Nordisk Hungary Sales and Trading Ltd.	Hungary	1996	HUF 371,000,000	100		●		
Novo Nordisk Limited	Ireland	1978	EUR 635	100		●		
Novo Nordisk Farmaceutici S.P.A.	Italy	1980	EUR 516,500	100		●		
UAB Novo Nordisk Pharma	Lithuania	2005	LTL 2,150,000	100		●		
Novo Nordisk Farma dooel	Macedonia	2006	MKD 14,068,285	100		●		
Novo Nordisk B.V.	Netherlands	1983	EUR 61,155	100		●		
Novo Nordisk Scandinavia AS	Norway	1965	NOK 250,000	100		●		
Novo Nordisk Pharma Sp. z o.o.	Poland	1996	PLN 29,021,000	100		●		
Novo Nordisk Comércio Produtos Farmaceuticos Limitada	Portugal	1984	EUR 250,000	100		●		
Novo Nordisk Farma S.R.L.	Romania	2005	RON 2,795,000	100		●		
Novo Nordisk Pharma d.o.o. Belgrade (Serbia)	Serbia & Montenegro	2005	EUR 640,000	100		●		
Novo Nordisk Slovakia s.r.o.	Slovakia	2007	SKK 8,000,000	100		●		
Novo Nordisk, trz enje farmacevtskih izdelkov d.o.o.	Slovenia	2006	EUR 2,679,286	100		●		
Novo Nordisk Pharma S.A.	Spain	1978	EUR 1,502,500	100		●		
Novo Nordisk Scandinavia AB	Sweden	1971	SEK 100,000	100		●		
Novo Nordisk FemCare AG	Switzerland	2003	CHF 1,100,000	100		●	●	●
Novo Nordisk Health Care AG	Switzerland	2000	CHF 159,325,000	100		●	●	●
Novo Nordisk Pharma AG	Switzerland	1968	CHF 50,000	100		●		
Novo Nordisk Holding Limited	United Kingdom	1977	GBP 2,802,132	100				●
Novo Nordisk Limited	United Kingdom	1978	GBP 2,350,000	100		●		

North America

Novo Nordisk Canada Inc.	Canada	1983	CAD	200	100	●	
Novo Nordisk Region North America A/S	Denmark	2003	DKK	500,000	100		●
Novo Nordisk Delivery Technologies Inc.	United States	2005	USD	20,001,000	100		
Novo Nordisk US Holdings Inc.	United States	2007	USD	50,000	100		
Novo Nordisk Pharmaceutical Industries Inc.	United States	1991	USD	55,000,000	100	●	
Novo Nordisk Inc.	United States	1982	USD	283,837,600	100	●	

Japan & Oceania

Novo Nordisk Pharmaceuticals Pty. Ltd.	Australia	1985	AUD	500,001	100	●	
Novo Nordisk Region Japan & Oceania A/S	Denmark	2002	DKK	15,500,000	100		●
Novo Nordisk Pharma Ltd.	Japan	1980	JPY	2,104,000,000	100	●	●
Novo Nordisk Pharmaceuticals Limited	New Zealand	1990	NZD	1,000,000	100	●	

	Country	Year of incorporation/ acquisition	Issued share capital/ paid-in capital	Percentage of shares owned	Activity			
					Production	Sales and marketing	Research and development	Services/Investments
International Operations								
Aldaph SpA	Algeria	1994	DZD 1,742,650,000	100	●	●		
Novo Nordisk Pharma Argentina S.A.	Argentina	1997	ARS 7,465,150	100		●		
Novo Nordisk Pharma (Private) Limited	Bangladesh	2007	BDT 17,500,000	100		●		
Novo Nordisk Produção Farmacêutica do Brasil Ltda.	Brazil	2002	BRL 896,834,727	100	●	●		
Novo Nordisk Farmacêutica do Brasil Ltda.	Brazil	1990	BRL 84,727,136	100		●		
Novo Nordisk Farmacêutica Limitada	Chile	2006	CLP 758,271,200	100		●		
Novo Nordisk (China) Pharmaceuticals Co., Ltd.	China	1994	USD 83,800,000	100	●	●		
Beijing Novo Nordisk Pharmaceuticals Science & Technology Co., Ltd.	China	2006	USD 2,000,000	100			●	
Novo Nordisk Region International Operation A/S	Denmark	2002	DKK 113,303,310	100				●
Novo Nordisk Egypt, LLC	Egypt	2004	EGP 50,000	100		●		
Novo Nordisk Hong Kong Limited	Hong Kong	2001	HKD 500,000	100		●		
Novo Nordisk India Private Limited	India	1994	INR 265,000,000	100		●		
PT Novo Nordisk Indonesia	Indonesia	2003	IDR 827,900,000	100		●		
Novo Nordisk Pars	Iran	2005	IRR 10,000,000	100		●		
Novo Nordisk Ltd	Israel	1997	ILS 100	100		●		
Novo Nordisk Lebanon s.a.r.l	Lebanon	2007	LBP 600,000,000	100		●		
Novo Nordisk Pharma (Malaysia) Sdn Bhd	Malaysia	1992	MYR 200,000	100		●		
Novo Nordisk Mexico S.A. de C.V.	Mexico	2004	MXN 239,491,127	100	●	●		
Novo Nordisk Pharma SAS	Morocco	2006	MAD 2,597,000	100		●		
Novo Nordisk Pharma Limited	Nigeria	2006	NGN 10,000,000	100		●		
Novo Nordisk Pharma (Private) Limited	Pakistan	2005	PKR 10,000,000	100		●		
Novo Nordisk Pharmaceuticals (Philippines) Inc	Philippines	1999	PHP 50,000,000	100		●		
Novo Nordisk Limited Liability Company	Russia	2003	RUB 188,243,360	100		●		
Novo Investment Pte Ltd.	Singapore	1994	SGD 12,000,000	100				●
Novo Nordisk Pharma (Singapore) Pte Ltd.	Singapore	1997	SGD 200,000	100		●		
Novo Nordisk (Pty) Ltd	South Africa	1959	ZAR 8,000	100		●		
Novo Nordisk Pharma Korea Ltd	South Korea	1994	KRW 6,108,400,000	100		●		
Novo Nordisk Pharma (Taiwan) Ltd	Taiwan	1990	TWD 9,000,000	100		●		
Novo Nordisk Pharma (Thailand) Ltd.	Thailand	1983	THB 15,500,000	49		●		
Novo Nordisk Tunisie SARL	Tunisia	2004	TND 400,000	100		●		
Novo Nordisk Saglik Ürünleri Tic. Ltd. Sti.	Turkey	1993	TRY 25,296,300	100		●		
Novo Nordisk Pharma Gulf FZ-LLC	United Arab Emirates	2005	AED 100,000	100		●		
Novo Nordisk Venezuela Casa de Representación C.A.	Venezuela	2004	VEB 2,250,000,000	100		●		

Other subsidiaries

FeF Chemicals A/S	Denmark	1989	DKK	10,000,000	100	● ●	
NNIT A/S *)	Denmark	1998	DKK	1,000,000	100		●
NNE Pharmaplan A/S *)	Denmark	1989	DKK	500,000	100		●
Steno Diabetes Center A/S	Denmark	2008	DKK	500,000	100		● ●

Associated companies

Harno Invest A/S	Denmark	1992	DKK	70,419,910	30		
Innate Pharma SA	France	2006	EUR	1,295,600	18		●
ZymoGenetics, Inc.	United States	1988	USD	781,505,000	30		●

*) In addition to the listed companies, NNIT A/S and NNE Pharmaplan A/S have own subsidiaries.

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Consolidated financial statements Summary of financial data 2004 – 2008

DKK million	2004	2005	2006	2007	2008
Sales	29,031	33,760	38,743	41,831	45,553
Sales by business segments:					
Modern insulins (insulin analogues)	4,507	7,298	10,825	14,008	17,317
Human insulins	13,033	13,543	13,451	12,572	11,804
Insulin-related sales	1,350	1,463	1,606	1,749	1,844
Oral antidiabetic products (OAD)	1,643	1,708	1,984	2,149	2,391
Diabetes care total	20,533	24,012	27,866	30,478	33,356
Haemostasis management	4,359	5,064	5,635	5,865	6,396
Growth hormone therapy	2,317	2,781	3,309	3,511	3,865
Hormone replacement therapy	1,488	1,565	1,607	1,668	1,612
Other products	334	338	326	309	324
Biopharmaceuticals total	8,498	9,748	10,877	11,353	12,197
Sales by geographical segments:					
Europe *)	12,887	14,020	15,300	16,350	17,219
North America	7,478	9,532	12,280	13,746	15,154
International Operations *)	4,368	5,497	6,494	7,295	8,425
Japan & Oceania	4,298	4,711	4,669	4,440	4,755
Licence fees and other operating income (net)	575	403	272	321	286
Operating profit	6,980	8,088	9,119	8,942	12,373
Operating profit (excl AERx [®]) **)	–	–	–	10,267	12,698
Net financials	477	146	45	2,029	322
Profit before income taxes	7,457	8,234	9,164	10,971	12,695
Income taxes	2,444	2,370	2,712	2,449	3,050
Net profit	5,013	5,864	6,452	8,522	9,645
Total assets	37,433	41,960	44,692	47,731	50,603
Total current liabilities	7,280	10,581	10,157	10,641	12,958
Total long-term liabilities	3,649	3,745	4,413	4,908	4,666
Equity	26,504	27,634	30,122	32,182	32,979
Investments in property, plant and equipment (net)	2,999	3,665	2,787	2,268	1,754
Investments in intangible assets and long-term financial assets (net)	312	(136)	244	118	264
Free cash flow ***)	4,278	4,833	4,707	9,012	11,015
Net cash flow	2,136	(634)	463	1,638	4,111

Ratios

Sales in percent:

Modern insulins (insulin analogues)	15.5%	21.6%	27.9%	33.5%	38.0%
Human insulins	44.9%	40.1%	34.7%	30.1%	25.9%
Insulin-related sales	4.6%	4.3%	4.2%	4.2%	4.0%
Oral antidiabetic products (OAD)	5.7%	5.1%	5.1%	5.1%	5.3%
Diabetes care total	70.7%	71.1%	71.9%	72.9%	73.2%
Haemostasis management	15.0%	15.0%	14.5%	14.0%	14.0%
Growth hormone therapy	8.0%	8.2%	8.6%	8.4%	8.5%
Hormone replacement therapy	5.1%	4.6%	4.2%	4.0%	3.6%
Other products	1.2%	1.0%	0.8%	0.7%	0.7%
Biopharmaceuticals total	29.3%	28.9%	28.1%	27.1%	26.8%
Sales outside Denmark as a percentage of sales	99.3%	99.2%	99.2%	99.2%	99.2%
Gross margin ***)	72.3%	72.8%	75.3%	76.6%	77.8%
Sales and distribution costs as a percentage of sales	28.5%	28.7%	30.0%	29.6%	28.2%
Research and development costs as a percentage of sales	15.0%	15.1%	16.3%	20.4%	17.2%
Research and development costs as a percentage of sales (excl AERx®) **)	–	–	–	17.2%	16.5%
Administrative expenses as a percentage of sales	6.7%	6.3%	6.2%	6.0%	5.8%
Net profit margin ***)	17.3%	17.4%	16.7%	20.4%	21.2%
Effective tax rate ***)	32.8%	28.8%	29.6%	22.3%	24.0%
Equity ratio ***)	70.8%	65.9%	67.4%	67.4%	65.2%
Payout ratio ***)	31.8%	33.2%	34.4%	32.8%	37.8%
Payout ratio adjusted for impact of Dako and discontinuation of AERx® projects	–	–	–	34.9%	–
Long-term financial targets					
Operating profit margin ***)	24.0%	24.0%	23.5%	21.4%	27.2%
Operating profit margin (excl AERx®) **)	–	–	–	24.5%	27.9%
Growth in operating profit ***)	8.7%	15.9%	12.7%	(1.9%)	38.4%
Growth in operating profit (excl AERx®) **)	–	–	–	12.6%	23.7%
Growth in operating profit, three-year average ***)	8.9%	11.0%	12.4%	8.9%	16.4%
ROIC ***)	21.5%	24.7%	25.8%	27.2%	37.4%
Cash to earnings ***)	85.3%	82.4%	73.0%	105.7%	114.2%
Cash to earnings, three-year average ***)	59.0%	82.4%	80.2%	87.0%	97.6%

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Consolidated financial statements Summary of financial data 2004 – 2008 – *Supplementary information in EUR (unaudited)*

EUR million	2004	2005	2006	2007	2008
Sales	3,902	4,531	5,194	5,614	6,109
Sales by business segments:					
Modern insulins (insulin analogues)	606	979	1,451	1,880	2,323
Human insulins	1,752	1,819	1,804	1,687	1,583
Insulin-related sales	181	196	215	235	247
Oral antidiabetic products (OAD)	221	229	266	288	321
Diabetes care total	2,760	3,223	3,736	4,090	4,474
Haemostasis management	586	680	755	788	858
Growth hormone therapy	311	373	444	471	518
Hormone replacement therapy	200	210	215	224	216
Other products	45	45	44	41	43
Biopharmaceuticals total	1,142	1,308	1,458	1,524	1,635
Sales by geographical segments:					
Europe *)	1,732	1,882	2,051	2,194	2,309
North America	1,005	1,279	1,646	1,845	2,032
International Operations *)	587	738	871	979	1,130
Japan & Oceania	578	632	626	596	638
Licence fees and other operating income (net)	77	54	36	43	38
Operating profit	938	1,085	1,223	1,200	1,660
Operating profit (excl AERx [®]) **)	–	–	–	1,378	1,704
Net financials	64	20	6	272	43
Profit before income taxes	1,002	1,105	1,229	1,472	1,703
Income taxes	328	318	364	328	409
Net profit	674	787	865	1,144	1,294
Total assets	5,033	5,624	5,994	6,401	6,792
Total current liabilities	979	1,418	1,362	1,427	1,739
Total long-term liabilities	491	502	592	658	625
Equity	3,563	3,704	4,040	4,316	4,426
Investments in property, plant and equipment (net)	403	492	374	304	235
Investments in intangible assets and long-term financial assets (net)	42	(18)	33	16	35
Free cash flow ***)	575	649	631	1,210	1,478
Net cash flow	287	(85)	62	220	552

Share data **)**

Basic earnings per share in DKK ***)	7.45	8.95	10.05	13.49	15.66
Diluted earnings per share in DKK ***)	7.42	8.92	10.00	13.39	15.54

Dividend per share in DKK	2.40	3.00	3.50	4.50	6.00
Number of shares at year-end (million)	709.4	709.4	674.0	647.0	634.0
Number of shares outstanding at year-end (million) ***)	664.2	647.4	634.4	621.1	608.2
Average number of shares outstanding (million) ***)	673.2	655.4	641.9	631.8	615.8
Average number of shares outstanding incl. dilutive effect of options 'in the money' (million)	676.2	657.9	645.4	636.4	620.7

Employees

Total full-time employees at year-end	20,285	22,007	23,172	25,516	26,575
Denmark	11,839	12,160	12,214	12,401	12,728
Rest of Europe	2,454	2,702	2,944	3,281	3,539
North America	1,949	2,465	2,846	3,935	3,722
International Operations	3,104	3,746	4,188	4,882	5,561
Japan & Oceania	939	934	980	1,017	1,025

*) Comparative figures from 2004 –2006 have been adjusted in order to reflect a changed organisational structure from 1 January 2007 which transfers 8 countries, incl. Bulgaria and Romania, from International Operations to Europe.

**) Excluding costs related to discontinuation of all pulmonary diabetes projects.

***) For definitions, please refer to page 88.

****) In 2007 there was a stock split of the company's A and B shares. The trade unit was changed from DKK 2 to DKK 1. The comparative figures for 2004 to 2006 have been updated accordingly.

Key figures are translated into EUR as supplementary information – the translation of income statement items is based on the average exchange rate in 2008 (EUR 1 = DKK 7.45593) and the translation of balance sheet items is based on the exchange rate at the end of 2008 (EUR 1 = DKK 7.45060). The figures in DKK reflect the economic substance of the underlying events and circumstances of the Group.

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Consolidated financial statements Quarterly figures 2007 and 2008 (unaudited)

DKK million	2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales	9,818	10,563	10,504	10,946	10,614	11,110	11,246	12,583
Sales by business segments:								
Modern insulins (insulin analogues)	3,065	3,464	3,568	3,911	3,821	4,103	4,365	5,028
Human insulins	3,136	3,222	3,098	3,116	2,939	2,966	2,806	3,093
Insulin-related sales	419	437	445	448	443	460	464	477
Oral antidiabetic products (OAD)	523	529	585	512	640	478	671	602
Diabetes care total	7,143	7,652	7,696	7,987	7,843	8,007	8,306	9,200
Haemostasis management	1,411	1,508	1,427	1,519	1,440	1,648	1,534	1,774
Growth hormone therapy	784	924	878	925	878	986	941	1,060
Hormone replacement therapy	406	411	414	437	385	391	394	442
Other products	74	68	89	78	68	78	71	107
Biopharmaceuticals total	2,675	2,911	2,808	2,959	2,771	3,103	2,940	3,383
Sales by geographical segments:								
Europe	3,931	4,035	4,036	4,348	4,061	4,400	4,305	4,453
North America	3,214	3,424	3,500	3,608	3,450	3,467	3,759	4,478
International Operations	1,696	1,953	1,870	1,776	2,096	2,069	2,074	2,186
Japan & Oceania	977	1,151	1,098	1,214	1,007	1,174	1,108	1,466
Gross profit	7,498	8,205	7,990	8,345	8,201	8,556	8,640	10,047
Sales and distribution costs	3,048	3,110	2,993	3,220	2,975	3,178	3,155	3,558
Research and development costs	1,647	1,754	1,724	3,413	1,858	1,980	1,579	2,439
Research and development costs (excl AERx [®] *)	–	–	–	2,088	1,638	1,825	1,629	2,439
Administrative expenses	614	594	623	677	627	626	633	749
Licence fees and other operating income (net)	138	60	31	92	88	74	51	73
Operating profit	2,327	2,807	2,681	1,127	2,829	2,846	3,324	3,374
Operating profit (excl AERx [®] *)	–	–	–	2,452	3,049	3,001	3,274	–
Net financials	47	1,587	175	220	39	405	182	(304)
Profit before taxation	2,374	4,394	2,856	1,347	2,868	3,251	3,506	3,070
Income taxes	665	742	672	370	688	780	842	740
Net profit	1,709	3,652	2,184	977	2,180	2,471	2,664	2,330
Depreciation, amortisation and impairment losses	509	516	586	1,396	563	567	560	752
Depreciation, amortisation and impairment losses (excl AERx [®] *)	–	–	–	526	–	–	–	699
Total equity	29,676	33,475	33,161	32,182	31,251	33,046	32,173	32,979
Total assets	44,742	48,300	48,423	47,731	47,534	48,478	48,990	50,603

Ratios

Gross margin	76.4%	77.7%	76.1%	76.2%	77.3%	77.0%	76.8%	79.8%
Sales and distribution costs as a percentage of sales	31.0%	29.4%	28.5%	29.4%	28.0%	28.6%	28.1%	28.3%
Research and development costs as a percentage of sales	16.8%	16.6%	16.4%	31.2%	17.5%	17.8%	14.0%	19.4%
Research and development costs as a percentage of sales (excl AERx [®] *)	–	–	–	19.1%	15.4%	16.4%	14.5%	19.4%
Administrative expenses as a percentage of sales	6.3%	5.6%	5.9%	6.2%	5.9%	5.6%	5.6%	6.0%
Operating profit margin	23.7%	26.6%	25.5%	10.3%	26.7%	25.6%	29.6%	26.8%
Operating profit margin (excl AERx [®] *)	–	–	–	22.4%	28.7%	27.0%	29.1%	26.8%
Equity ratio	66.3%	69.3%	68.5%	67.4%	65.7%	68.2%	65.7%	65.2%

Share data **)

Basic earnings per share/ADR (in DKK)	2.69	5.75	3.46	1.56	3.51	3.99	4.34	3.82
Diluted earnings per share/ADR (in DKK)	2.68	5.71	3.43	1.55	3.48	3.96	4.30	3.80
Average number of shares outstanding (million) – basic	635.0	635.8	632.0	624.4	620.9	618.6	614.2	609.3
Average number of shares outstanding (million) – diluted	639.4	640.2	636.4	629.6	626.3	623.5	618.6	614.4

Employees

Number of full-time employees at the end of the period	24,045	24,729	25,206	25,516	25,765	26,060	26,360	26,575
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*) Excluding costs related to discontinuation of all pulmonary diabetes projects.

**) In December 2007 there was a stock split of the company's A and B shares. The trade unit was changed from DKK 2 to DKK 1. The comparative figures have been updated accordingly.



**Financial
statements
of the
parent
company,

Novo
Nordisk
A/S,
for 2008**



Financial statements of the Parent company Novo Nordisk A/S Income statement

DKK million	Note	2008	2007
Sales	2	27,145	26,023
Cost of goods sold	3	8,069	9,871
Gross profit		19,076	16,152
Sales and distribution costs	3	7,654	5,754
Research and development costs	3	5,633	7,142
Administrative expenses	3, 4	1,243	1,187
Licence fees and other operating income (net)		409	478
Operating profit		4,955	2,547
Profit in subsidiaries	9	5,318	5,415
Share of profit in associated companies	9	71	1,490
Financial income	5	1,098	1,351
Financial expenses	5	635	871
Profit before income taxes		10,807	9,932
Income taxes	6	1,165	1,414
Net profit		9,642	8,518
Proposed appropriation of net profit:			
Dividends		3,650	2,795
Net revaluation reserve according to the equity method		(5,422)	5,883
Retained earnings		11,414	(160)
		9,642	8,518

Financial statements of the Parent company Novo Nordisk A/S Balance sheet

DKK million	Note	31 Dec 2008	31 Dec 2007
Assets			
Intangible assets	7	543	430
Property, plant and equipment	8	14,512	15,242
Financial assets	9	11,313	16,014
Total long-term assets		26,368	31,686
Inventories	10	8,908	8,146
Trade receivables		945	889
Amounts owed by affiliated companies		5,541	6,840
Tax receivables		535	–
Other receivables		631	499
Marketable securities and financial derivatives		1,375	2,547
Cash at bank and in hand		8,299	4,460
Total current assets		26,234	23,381
Total assets		52,602	55,067
Equity and liabilities			
Share capital		634	647
Net revaluation reserve according to the equity method		16,393	21,815
Retained earnings		16,183	9,489
Exchange rate adjustments		(256)	209
Total equity	11	32,954	32,160
Long-term debt	12	980	961
Deferred income tax liabilities	13	906	768
Amounts owed to affiliated companies		14	82
Other provisions	14	163	342
Total long-term liabilities		2,063	2,153
Short-term debt and financial derivatives		1,279	270
Trade payables		1,262	956
Amounts owed to affiliated companies		11,903	15,781
Tax payables		1	172
Other liabilities		2,715	3,085
Other provisions	14	425	490
Total current liabilities		17,585	20,754
Total liabilities		19,648	22,907

Total equity and liabilities

52,602

55,067

1 Accounting policies

The Parent company's financial statements have been prepared in accordance with the Danish Financial Statements Act (Class D), and other accounting regulations for companies listed on NASDAQ OMX Copenhagen.

The accounting policies for the Parent company are unchanged compared to last financial year and are the same as for the Group with the following additions. For a description of the accounting policies of the Group please see note 1 – Summary of significant accounting policies, page 56 – 60.

Supplementary accounting policies for the Parent company

Financial assets

In the financial statements of the Parent company investments in subsidiaries and associated companies are recorded under the equity method, that is at the respective share of the net asset values in subsidiaries and associated companies. Any cost in excess of net assets in the acquired company is capitalised in the Parent company under Financial assets as part of investments in subsidiaries ('Goodwill'). Amortisation of goodwill is provided under the straight-line method over a period not exceeding 20 years, based on estimated useful life.

Net profit of subsidiaries less unrealised intercompany profits is recorded in the Income statement of the Parent company.

To the extent it exceeds declared dividends from such companies, net revaluation of investments in subsidiaries and associated companies is transferred to net revaluation reserve according to the equity method under equity.

Fair value adjustments of financial assets categorised as 'Available for sale' are recognised in the Parent company in the Income statement.

The presentation of profit in subsidiaries is now shown as profit after tax. Comparable figures for 2007 have been changed accordingly. The reclassification has no impact on the net profit or equity.

Tax

The Parent company is assessed jointly for Danish tax purposes with its domestic subsidiaries. The Danish jointly taxed companies are included in a Danish on-account tax payment scheme for Danish corporate income tax. All current taxes under the scheme are recorded in the individual companies.

Cash flow statement

No separate cash flow statement has been prepared for the

3 Employee costs

DKK million	2008	2007
Wages and salaries	5,521	5,200
Share-based payment costs	257	75
Pensions	504	471
Other contributions to social security	95	147
Other employee costs	338	261
Total employee costs	6,715	6,154
Included in the Balance sheet as change in employee costs included in inventories	87	143

For information regarding remuneration to the Board of Directors and Executive Management please refer to consolidated accounts note 34, page 80–81. Reference is furthermore made to consolidated accounts note 33, page 78, and consolidated accounts note 34, page 81–82, for information regarding share-based payment schemes to the Board of Directors, Executive Management and the Senior Management Board.

	2008	2007
Average number of full-time employees in Novo Nordisk A/S	10,693	10,412

4 Fees to statutory auditors

DKK million	2008	2007
PricewaterhouseCoopers	17	21
of which statutory audit fee to PricewaterhouseCoopers	7	8

5 Financial income and Financial expenses

DKK million	2008	2007
Interest income relating to subsidiaries included in Financial income	164	162

Parent company –please see the Consolidated cash flow statement and financial resources in this Annual Report, page 54.

2 Sales

DKK million	2008	2007
Sales by business segments *)		
Diabetes care total	26,802	25,316
Biopharmaceuticals total	343	707
Total sales	27,145	26,023
Sales by geographical regions *)		
Europe	10,535	10,972
North America	7,520	6,482
International Operations	5,880	5,631
Japan & Oceania	3,210	2,938
Total sales	27,145	26,023

Sales are attributed to geographical areas based on location of the customer.

*) For definitions of the segments please refer to consolidated accounts note 4, page 62.

Interest expenses relating to subsidiaries included in Financial expenses	410	608
Foreign exchange loss (net) recognised in the Income statement	68	51

6 Income taxes

Of the total tax payment of DKK 3,172 million by the Group in 2008, the Parent company's share of paid taxes relating to current year amounts to DKK 1,633 million

In 2007 the total tax payment by the Group amounted to DKK 2,607 million of which the Parent company's share of paid taxes relating to current year amounted to DKK 1,381 million.

7 Intangible assets

DKK million	Goodwill	Patents and licences	Software	2008 Total	2007 Total
Cost at the beginning of the year	51	418	362	831	800
Additions during the year	–	172	30	202	80
Disposals during the year	–	–	–	–	(49)
Cost at the end of the year	51	590	392	1,033	831
Amortisation at the beginning of the year	51	147	203	401	296
Amortisation during the year	–	8	23	31	26
Impairment losses for the year *)	–	50	8	58	117
Depreciation reversed on disposals during the year	–	–	–	–	(38)
Amortisation at the end of the year	51	205	234	490	401
Carrying amount at the end of the year	0	385	158	543	430

*) Impairment losses of DKK 117 million in 2007 relates to discontinuation of AERx®.

8 Property, plant and equipment

DKK million	Land and buildings	Plant and machinery	Other equipment	Payments on account and assets in course of construction	2008 Total	2007 Total
Cost at the beginning of the year	9,312	13,066	1,400	1,477	25,255	25,186
Additions during the year	33	78	64	976	1,151	1,452
Disposals during the year	(259)	(292)	(41)	(53)	(645)	(1,383)
Transfer from/(to) other items	334	308	273	(915)	–	–
Cost at the end of the year	9,420	13,160	1,696	1,485	25,761	25,255
Depreciation and impairment losses at the beginning of the year	2,873	6,298	842	–	10,013	9,625
Depreciation for the year	359	1,161	152	–	1,672	1,549
Impairment losses for the year *)	6	90	3	53	152	58
Depreciation reversed on disposals during the year	(235)	(268)	(32)	(53)	(588)	(1,219)
Depreciation and impairment losses at the end of the year	3,003	7,281	965	–	11,249	10,013

Carrying amount at the end of the year	6,417	5,879	731	1,485	14,512	15,242
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*) Impairment losses of DKK 53 million relates to discontinuation of all pulmonary diabetes projects in 2008.

The latest valuation of properties of the parent company for property tax purposes amounts to a total of DKK 2,443 million (DKK 2,447 million in 2007). Cost of property not officially valued amounts to DKK 355 million (DKK 658 million in 2007).

Financial statements of the Parent company Novo Nordisk A/S Notes – Balance sheet

9 Financial assets

DKK million	Investments in subsidiaries	Amounts owed by affiliated companies	Investments in associated companies	Other securities and investments	2008 Total	2007 Total
Cost at the beginning of the year	6,443	73	295	376	7,187	7,216
Additions during the year	1,750	36	318	93	2,197	41
Disposals during the year	–	(26)	(12)	(6)	(44)	(70)
Cost at the end of the year	8,193	83	601	463	9,340	7,187
Value adjustments at the beginning of the year	21,152	–	(16)	(283)	20,853	15,232
Profit/(loss) before tax	7,965	–	71	–	8,036	8,562
Income taxes on profit for the year	(1,885)	–	–	–	(1,885)	(1,035)
Amortisation and impairment of goodwill	–	–	(3)	–	(3)	(4)
Dividends received	(11,502)	–	(178)	–	(11,680)	(1,620)
Disposals during the year	–	–	–	–	–	–
Exchange rate adjustments	455	–	–	–	455	(93)
Other adjustments	(561)	–	10	(39)	(590)	(189)
Value adjustments at the end of the year	15,624	–	(116)	(322)	15,186	20,853
Offset against amounts owed by subsidiaries at the beginning of the year	164	–	–	–	164	11
Additions during the year	(103)	–	–	–	(103)	153
At the end of the year	61	–	–	–	61	164
Unrealised internal profit at the beginning of the year	(12,190)	–	–	–	(12,190)	(8,447)
Change for the year	(762)	–	–	–	(762)	(4,015)
Exchange rate adjustments	(322)	–	–	–	(322)	272
At the end of the year	(13,274)	–	–	–	(13,274)	(12,190)
Carrying amount at the end of the year	10,604	83	485	141	11,313	16,014

Carrying amount of investments in subsidiaries does not include capitalised goodwill at the end of the year. No additions or disposals were made during the year.

Carrying amount of investments in associated companies includes net capitalised goodwill of DKK 61 million at the end of the year (DKK 65 million in 2007).

A list of companies in the Novo Nordisk Group is included on pages 100 to 101.

10 Inventories

DKK million	2008	2007
Raw materials and consumables	1,160	1,077
Work in progress	6,683	6,048
Finished goods	1,065	1,021
Total inventories	8,908	8,146
Indirect production costs included in work in progress and finished goods	4,536	4,027
Amount of write-down of inventories recognised as expense during the year	733	188
Amount of reversal of write-down of inventories during the year	48	81

11 Statement of changes in equity

DKK million	Share capital	Net revaluation reserve	Retained earnings	Exchange rate adjustments	2008 Total	2007 Total
Balance at the beginning of the year	647	21,815	9,489	209	32,160	30,104
Appropriated from net profit for the year			11,414		11,414	(160)
Proposed dividends			3,650		3,650	2,795
Appropriated from net profit for the year to net revaluation reserve according to the equity method		(5,422)			(5,422)	5,883
Purchase of treasury shares			(4,717)		(4,717)	(4,835)
Sale of treasury shares			295		295	241
Share-based payments			331		331	75
Reduction of the B share capital	(13)		13		–	–
Dividends			(2,795)		(2,795)	(2,221)
Exchange rate adjustment of investments in subsidiaries				(473)	(473)	53
Deferred (gain)/loss on cash flow hedges at the beginning of the year recognised in the Income statement			(615)		(615)	(420)
Deferred gain/(loss) on cash flow hedges at the end of the year			(940)		(940)	691
Other adjustments			58	8	66	(46)
Balance at the end of the year	634	16,393	16,183	(256)	32,954	32,160

Regarding average number of shares please refer to note 13, page 65.

Regarding total number of A and B shares in Novo Nordisk A/S and treasury shares please refer to note 21, page 71.

12 Long-term debt

DKK million	2008	2007
Mortgage debt	504	504
Other long-term debt	476	457
Total long-term debt	980	961
Long-term debt falling due after more than five years from the balance sheet date amounts to	462	504

At the end of 2008 none of the long-term debt was falling due within one year.

13 Deferred income tax liabilities

DKK million	2008	2007
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The deferred tax assets and liabilities are allocated to the various balance sheet items as follows:

Property, plant and equipment	1,305	1,274
Indirect production costs	1,134	1,007
Unrealised profit on intercompany sales	(1,541)	(1,270)
Other	8	(243)
<hr/>		
Total income tax liabilities	906	768

The deferred income tax has been calculated using a tax rate of 25%.

14 Other provisions

DKK million	Provisions for returned products	Other provisions	2008 Total	2007 Total
At the beginning of the year	490	342	832	689
Additional provisions	174	21	195	396
Adjustments to previous year's provisions	(160)	–	(160)	(171)
Used during the year	(79)	(200)	(279)	(82)
At the end of the year	425	163	588	832
Specification of provisions:				
Long-term	–	163	163	342
Current	425	–	425	490
Total other provisions	425	163	588	832

15 Commitments and contingencies

DKK million	2008	2007
Commitments		
Lease commitments	600	612
Contractual obligations relating to investments in property, plant and equipment	99	84
Guaranties given for subsidiaries	2,184	1,515
Obligations related to research and development projects	764	2,471
Other guarantees and commitments	1,793	1,478
Leasing commitments expiring within the following periods as from the balance sheet date		
Within one year	109	107
Between one and five years	247	254
After five years	244	251
Total lease commitments	600	612

The lease costs for 2008 and 2007 were DKK 223 million and DKK 233 million respectively.

Security for debt

Land, buildings and equipment etc at carrying	1,255	1,989
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16 Related party transactions

For information on transactions with related parties please refer to note 32, page 77.

17 Financial risk

For information on financial risk please refer to note 31, page 76.

amount

For information on pending litigation and other contingencies
please refer to note 36, page 86.

112 Novo Nordisk Annual Report 2008

The Annual Report has the below Management Statement and Independent Auditor's reports as provided on page 114 –115.

Statement by the Board of Directors and Executive Management on the Annual Report

Today, the Board of Directors and Executive Management approved the Annual Report of Novo Nordisk A/S for the year 2008. The Consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB), and with International Financial Reporting Standards as adopted by the EU, and the Financial Statements of the Parent company, Novo Nordisk A/S, have been prepared in accordance with the Danish Financial Statements Act. Further, the Annual Report has been prepared in accordance with the additional Danish annual report requirements for listed companies. In our opinion, the accounting policies used are appropriate and the Annual Report gives a true and fair view of the Group's and the Parent company's assets, liabilities, equity, financial position and results, and the consolidated cash flows, together with a description of the material risk and uncertainties the group faces.

Novo Nordisk's non-financial statements have been prepared in accordance with the non-financial reporting principles of materiality, completeness and responsiveness of AA1000AS (2003). It represents a balanced and reasonable presentation of the organisation's economic, environmental and social performance.

Gladsaxe, 28 January 2009

Executive Management:

Lars Rebien Sørensen
President and CEO

Jesper Brandgaard
CFO

Lise Kingo

Kåre Schultz

Mads Krogsgaard Thomsen

Board of Directors:

Sten Schelbye
Chairman

Göran A. Ando
Vice chairman

Kurt Briner

Henrik Görtler

Johnly Henriksen

Pamela J. Kirby

Anne Marie Kvemeland

Kurt Anker Nielsen
Chairman
of the Audit Committee

Søren Thuesen Pedersen

Stig Strøbæk

Jørgen Wedel
Audit Committee member

Independent Auditor's report

Independent Auditor's report on the Annual Report for 2008

To the Shareholders of Novo Nordisk A/S

We have audited the Annual Report of Novo Nordisk A/S for the financial year 2008, which comprises Management Statement, Management Report, significant accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent Company and consolidated cash flow statement (page 2– 88, 100 –102 and 105 –113). The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and with International Financial Reporting Standards as adopted by the EU, and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act. Further, the Annual Report is prepared in accordance with additional Danish disclosure requirements for annual reports of listed companies.

Management's Responsibility for the Annual Report

Management is responsible for the preparation and fair presentation of the Annual Report in accordance with the said legislation and accounting standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an Annual Report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the Annual Report based on our audit. We conducted our audit in accordance with International and Danish Auditing Standards. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the Annual Report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Annual Report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Annual Report in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Annual Report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Annual Report gives a true and fair view of the financial position at 31 December 2008 of the Group and of the results of the Group operations and consolidated cash flows for the financial year 2008 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and with International Financial Reporting Standards as adopted by the EU, and additional Danish disclosure requirements for annual reports of listed companies.

In addition, in our opinion, the Annual Report gives a true and fair view of the financial position at 31 December 2008 of the Parent Company and of the results of the Parent Company operations for the financial year 2008 in accordance with the Danish Financial Statements Act and additional Danish disclosure requirements for annual reports of listed companies.

Gladsaxe, 28 January 2009

PricewaterhouseCoopers

Statsautoriseret Revisionsaktieselskab



Mogens Nørgaard Mogensen
Danish State Authorised Public Accountant

Independent Assurance Report on the Non-financial Reporting 2008

Subject, responsibilities, objective and scope of assurance statement

We have reviewed the non-financial information in the Annual Report of Novo Nordisk A/S for the financial year 2008, which comprises the Management Statement, the Management Report, the Non-financial accounting policies and the Consolidated non-financial statements on page 2– 50, 89–99 and 113 (the 'Non-financial Reporting'). Our review has been performed with a view to express a conclusion on the Non-financial Reporting against the principles of materiality, completeness and responsiveness of the AA1000 Assurance Standard (AA1000AS (2003)) and to express a conclusion on whether the Non-financial Reporting is free of material misstatements and has been presented in accordance with the non-financial accounting policies.

Management's responsibility

Management is responsible for collecting and presenting the non-financial information in the Non-financial Reporting.

Basis of conclusion

Our work was undertaken to perform an evaluation of the Non-financial Reporting against the principles of materiality, completeness and responsiveness of the AA1000AS (2003). Moreover, we planned and performed our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000, 'Assurance Engagements other than Audits or Review of Historical Financial Information', to obtain limited assurance that the Non-financial Reporting is free of material misstatements and that the information has been presented in accordance with the non-financial accounting policies.

Based on an assessment of materiality and risk, our work included, on a sample basis, a review of management systems, reporting structures and boundaries. The assurance obtained is limited, as our work compared to that of an engagement with reasonable assurance has been limited principally to inquiries, interviews and analytical procedures related to registration and communication systems, data and underlying documentation. We reviewed whether data and the underlying components are accounted for in such a way as to fulfil the assertions of materiality and completeness in accordance with the non-financial accounting policies. In addition, our work comprised an assessment of stakeholder engagement and of the materiality of reporting against peer-reporting, media reports and industry knowledge. Our work also included an assessment of significant estimates made by Management.

We believe that the work performed provides a reasonable basis for our conclusion.

- the Annual Report includes significant non-financial information material to Novo Nordisk's corporate stakeholders;
- the inclusion of information is aligned with robust and well-functioning governance and risk management structures and processes as well as regular, formal and informal stakeholder engagement and systematic trend spotting activities ensuring attention to key corporate stakeholders' concerns and expectations.

Completeness

Nothing has come to our attention that would cause us not to believe that:

- Novo Nordisk can identify and understand material aspects of its corporate non-financial performance as well as significant impacts outside the boundaries of which it has direct management control, including upstream and downstream issues such as social and environmental performance of suppliers, the animal health practices of contract research organisations, carbon emissions of energy suppliers, training of healthcare professionals, and accessibility for less developed countries to medicine at reduced prices;
- Novo Nordisk has an effective process in place at corporate level for identifying, exploring and defining its approach to material impacts while an equally effective approach is not mirrored in some local levels of the organisation.

Responsiveness

Nothing has come to our attention that would cause us not to believe that:

- through the Non-financial Reporting and other communications, Novo Nordisk is responsive to significant issues raised by corporate stakeholders in an accessible manner;
- Novo Nordisk has an effective process and relevant governance structures in place for defining its response to corporate stakeholders as well as processes to promote the integration of such responses into management and business processes. In some areas, such as responsible purchasing, additional controls could be put in place to ensure consistent and effective implementation of responses;
- Novo Nordisk has corporate policies, programmes and procedures to address material stakeholder concerns in key pharmaceutical industry areas such as business ethics and marketing practices, bioethics (including clinical trials and animal welfare), access to health, and advocacy.

Conclusion

Based on the work performed, we state our conclusion in relation to each of the key principles of the AA1000 Assurance Standard (2003): materiality, completeness and responsiveness.

Materiality

Nothing has come to our attention that would cause us not to believe that:

- the Non-financial Reporting presents a fair and balanced representation of Novo Nordisk's material corporate non-financial performance and impacts;
- the reported non-financial targets and indicators in general are used in strategic and operational decision-making, and some of these are included in top management, management and business units' Balanced Scorecard;

Based on our review, nothing has come to our attention that causes us not to believe that the non-financial information in the Annual Report of Novo Nordisk for the financial year 2008 is free of material misstatements and has been presented in accordance with the non-financial accounting policies.

Commentary

According to AA1000AS (2003), we are required to include recommendations for improvements in relation to environmental and social responsibility. The recommendations, as well as our statement of independence and competences, are stated in 'How we are accountable' at annualreport2008.novonordisk.com. Our recommendations do not affect the above-stated conclusion.

Gladsaxe, 28 January 2009

PricewaterhouseCoopers

Statsautoriseret Revisionsaktieselskab



Mogens Nørgaard Mogensen
Danish State Authorised Public Accountant

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This index might be of help if you are looking for specific information. It includes topics covered in this Annual Report and additional information available online at novonordisk.com.

Topic of interest	Covered in this report	Online information
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Access to health	pp 36–37, 96	annualreport2008.novonordisk.com /how-we-perform/access-to-health/default.asp
Accountability	pp 89, 91	annualreport2008.novonordisk.com/how-we-are-accountable/default.asp
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Contacts

Novo Nordisk values stakeholders' reviews of the company's reporting and welcomes any questions or comments concerning the report or the company's performance.

Visit the corporate website at novonordisk.com.

This report is about how we do business. When it comes to building relations, that is what Novo Nordisk people across the globe do every day. If reading the report inspires you to learn more or to get involved in some of the work, please get in touch.

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Produced by
Global Triple Bottom Line Management,
February 2009

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Ulrik Jantzen, Novo Nordisk and
Jesper Westley

Design and production
ADtomic Communications

Accounts and notes production
Team2graphics

Printed in Denmark by Bording A/S
(DS/EN ISO14001:1996)

Chen Kai, Area Business Manager of Western China Region, centre, led a team of Novo Nordisk employees who delivered food and medical supplies to areas of China affected by the May 2008 earthquake.

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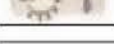


















Novo Nordisk sponsored a five km run as part of the 2008 meeting of the European Association for the Study of Diabetes.

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Novo Nordisk's key products

This report makes reference to European product trade names. The list below provides an overview of European trade names with accompanying generic names. Trade and generic names may differ in the US and Japan. For a complete overview of country-specific product names, please visit novonordisk.com Click: [Your COUNTRY](#).

Therapeutic area	Trade name	Generic name
Diabetes care	Modern insulins	
	Levemir [®]	Insulin detemir
	NovoRapid [®]	Insulin aspart
	NovoMix [®]	Biphasic insulin aspart
	Human insulins	
	Insulatard [®]	Insulin human
	Actrapid [®]	Insulin human
	Diabetes devices	
	FlexPen [®]	Prefilled insulin delivery system
	NovoPen [®] 4	Durable insulin delivery system
	InnoLet [®]	Prefilled insulin delivery system
	NovoFine [®]	Needle
	GlucaGen [®]	Glucagon
	Oral antidiabetic agent	
	NovoNorm [®]	Repaglinide
	PrandiMet [®]	Repaglinide/metformin
Biopharmaceuticals	Haemostasis	
	NovoSeven [®]	Recombinant factor VIIa
	NovoSeven RT [™]	Recombinant factor VIIa
	Human growth hormone	
	Norditropin [®]	Somatropin (rDNA origin)

	NordiFlex [®]	Prefilled multidose delivery system
	NordiFlex PenMate [®]	Automatic needle insertion accessory
	NordiPen [®]	Prefilled multidose delivery system
	NordiPenMate [®]	Prefilled multidose delivery system
	NordiLet [®]	Prefilled multidose delivery system
HRT		
	Activelle [®]	Estradiol/norethisterone acetate
	Estrofem [®]	Estradiol
	Novofem [®]	Estradiol/norethisterone acetate
	Vagifem [®]	Estradiol hemihydrate

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Our focus is our strength

Javier Viguera, 24, a top-ranked tennis player from Spain believes that diabetes has been a positive force in his life. He was five years old when he was diagnosed with type 1 diabetes but his parents taught him that it would not stand in the way of a normal life, or even an extraordinary life. Today, in addition to excelling at his chosen sport, Javier is studying for a law degree at the University of Seville.

"Diabetes has helped me be more responsible and demanding with myself," he says.

It was diabetes, in fact, that led him to pick up a tennis racket at the age of seven. "Sport came to play an important role in my life, since exercise is essential to stabilise levels of glucose," he explains.

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At age 12 Javier Viguera became the best player in his region of Spain, which led to the opportunity to be trained by Juan Carlos Ferrero, former number-one player in the world. Javier has consistently ranked among the best players of his age in Spain. He was ranked among the 100 best players in his age group worldwide when he was 16.

With law and tennis, he is pursuing all the dreams he had as a boy and hopes that his example will inspire others.

For more than 85 years, Novo Nordisk has been committed to improving diabetes care for people like Javier Viguera.

Sanofi Exhibit 2136.244
Mylan v. Sanofi
IPR2018-01675

CVR number 24 25 67 90

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf of the undersigned, thereunto duly authorized.

Date: FEBRUARY 9, 2009

NOVO NORDISK A/S

Lars Rebien Sorensen, President and Chief Executive Officer
