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The special competences possessed by Dr Kirby that are important for the performance of her duties are her scientific qualifications and extensive executive background within the international pharmaceutical and biotech industries, particularly as relates to marketing, strategic planning, clinical trials and lifecycle management in relation to pharmaceutical products.

Anne Marie Kverneland

Anne Marie Kverneland joined Novo Nordisk in July 1981 as a laboratory technician and is currently working as a full-time union steward.

Ms Kverneland has a degree in medical laboratory technology from the Copenhagen University Hospital, Denmark (1980).

Kurt Anker Nielsen

Kurt Anker Nielsen was initially employed in Novo Industri A/S in 1974 as an economist. He served as CFO and deputy CEO of Novo Nordisk A/S until 2000 and from 2000 to 2003, he was CEO of Novo A/S. He serves as vice chairman of the Board of Novozymes A/S and as a member of the boards of the Novo Nordisk Foundation, LifeCycle Pharma A/S, Denmark, and ZymoGenetics, Inc, US. He is chairman of the Board of Reliance A/S, Denmark, and a member of the boards of StatoilHydro ASA, Norway, and Vestas Mr Nielsen serves as chairman of the Board of Directors of Collstrups Mindelegat, Denmark. Mr Nielsen has an MSc in Commerce and Business Administration from the Copenhagen Business School, Denmark (1972).

The special competences possessed by Mr Nielsen that are important for the performance of his duties are his knowledge of Novo Nordisk A/S and its businesses, his working knowledge of the global pharmaceutical industry and his experience with accounting, financial and capital markets issues.

Mr Nielsen has been chairman of the Audit Committee at Novo Nordisk A/S since 2004 and is also designated as financial expert (as defined by the SEC) [4].

Søren Thuesen Pedersen

Søren Thuesen Pedersen joined Novo Nordisk in January 1994 and is currently working as a specialist in Global Quality Development.

Søren Thuesen Pedersen has been an employee-elected member of the Board of Directors of the Novo Nordisk Foundation since 2002. Mr Pedersen has a BSc in Chemical Engineering from the Danish Academy of Engineers (1988).

Stig Strøbæk

union steward. Stig Strøbæk has been an employee-elected member of the Board of Directors of the Novo Nordisk Foundation since 1998. Mr Strøbæk has a diploma in electrical engineering and a diploma in further training for board members from the Danish Employees' Capital Pension Fund.

Jørgen Wedel

Jørgen Wedel was executive vice president of the Gillette Company, US, until 2001. He was responsible for Commercial Operations, International, and was a member of Gillette's Corporate Management Group. From 2004 to 2008, he was a board member of ELOPAK AS, Norway.

Mr Wedel has an MSc in Commerce and Business Administration from the Copenhagen Business School, Denmark, (1972), majoring in accounting and financing, and an MBA from the University of Wisconsin, US, (1974).

The relevant special competences possessed by Mr Wedel that are important for the performance of his duties are his background as a senior sales and marketing executive in a global company within the consumer goods industry, as well as particular insight into the US market. In addition, he possesses competences in relation to auditing and accounting.

Mr Wedel has been a member of the Audit Committee at Novo Nordisk A/S since 2005 and in January 2009 he was designated as financial expert (as defined by the SEC)[4].

Wind Systems A/S, Denmark. In Novozymes A/S, LifeCycle Pharma A/S, ZymoGenetics, Inc, StatoilHydro ASA and Vestas Wind Systems A/S he is also elected Audit Committee chairman.

Stig Strøbæk joined Novo Nordisk in 1992 as an electrician, and is currently working as a full-time

Name (male/female)	First elected	Term	Nationality	Date of birth	Independence[3]
Sten Scheibye (m)	2003	2009	Danish	03 Oct 1951	Independent
Göran A Ando (m)	2005	2009	Swedish	06 Mar 1949	Not independent[1]
Kurt Briner (m)	2000	2009	Swiss	18 Jul 1944	Independent
Henrik Gürtler (m)	2005	2009	Danish	11 Aug 1953	Not independent[1]
Johnny Henriksen[2] (m)	2002	2010	Danish	19 Apr 1950	Not independent
Pamela J Kirby (f)	2008	2009	British	23 Sep 1953	Independent
Anne Marie Kverneland[2] (f)	2000	2010	Danish	24 Jul 1956	Not independent
Kurt Anker Nielsen (m)	2000	2009	Danish	08 Aug 1945	Not independent[1, 4]
Søren Thuesen Pedersen[2] (m)	2006	2010	Danish	18 Dec 1964	Not independent
Stig Strøbæk[2] (m)	1998	2010	Danish	24 Jan 1964	Not independent
Jørgen Wedel (m)	2000	2009	Danish	10 Aug 1948	Independent[4]

1 Member of management or the Board of Novo A/S or the Novo Nordisk Foundation.
2 Elected by employees of Novo Nordisk.
3 As defined in Section V.4 of *Recommendations for corporate governance* designated by the NASDAQ OMX Copenhagen.
4 Mr Nielsen and Mr Wedel qualify as independent Audit Committee members as defined by the US Securities and Exchange Commission (SEC).

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Executive Manage-ment

Lars Rebien Sørensen
President and chief executive officer (CEO)

Lars Rebien Sørensen joined Novo Nordisk's Enzymes Marketing in 1982. Over the years, he has been stationed in several countries, including the Middle East and the US. Mr Sørensen was appointed a member of Corporate Management in May 1994 and given special responsibility within Corporate Management for Health Care in December 1994. He was appointed president and CEO in November 2000.

Mr Sørensen is a member of the boards of ZymoGenetics, Inc, US, and DONG Energy A/S, Denmark, as well as a member of the Bertelsmann AG Supervisory Board, Germany. Mr Sørensen received the French award Chevalier de l'Ordre National de la Légion d'Honneur in 2005. Mr Sørensen has an MSc in Forestry from the Royal Veterinary and Agricultural University (now University of Copenhagen), Denmark, from 1981, and a BSc in International Economics from the Copenhagen Business School, Denmark, from 1983. Since October 2007, Mr Sørensen has been adjunct professor at the Life Sciences Faculty of the University of Copenhagen. Mr Sørensen is a Danish national, born on 10 October 1954.

Jesper Brandgaard
Executive vice president and chief financial officer (CFO)

Jesper Brandgaard joined Novo Nordisk in 1999 as corporate vice president of Corporate Finance and was appointed CFO in November 2000. He serves as chairman of the boards of Simcorp A/S, NNE Pharmaplan A/S and NNIT A/S, all in Denmark. Mr Brandgaard has an MSc in Economics and Auditing from 1990 as well as an MBA from 1995, both from the Copenhagen Business School, Denmark. Mr Brandgaard is a Danish national, born on 12 October 1963.

Lise Kingo
Executive vice president and chief of staffs (COS)

Lise Kingo joined Novo Nordisk's Enzyme Promotion in 1988 and over the years worked to build up the company's Triple Bottom Line approach. In 1999, Ms Kingo was appointed vice president, Stakeholder Relations. She was appointed executive vice president, Corporate Relations, in March 2002. Ms Kingo serves as chair of the board of Steno Diabetes Center A/S, Denmark. She is also associate professor at the Medical Faculty, Vrije Universiteit, Amsterdam, the Netherlands. Ms Kingo has a BA in Religions and a BA in Ancient Greek Art from the University of Aarhus, Denmark, from 1986, a BComm in Marketing Economics from the Copenhagen Business School, Denmark, from 1991, and an MSc in Responsibility and Business Practice from the University of Bath, UK, from 2000. Ms Kingo is a Danish national, born on 3 August 1961.

Kåre Schultz
Executive vice president and chief operating officer (COO)

Kåre Schultz joined Novo Nordisk in 1989 as an economist in Health Care, Economy & Planning. In November 2000, he was appointed chief of staffs. In March 2002, he took over the position of COO. Mr Schultz is a member of the Board of LEGO A/S, Denmark. Mr Schultz has an MSc in Economics from the University of Copenhagen, Denmark, from 1987. Mr Schultz is a Danish national, born on 21 May 1961.

Mads Krogsgaard Thomsen
Executive vice president and chief science officer (CSO)

Mads Krogsgaard Thomsen joined Novo Nordisk in 1991. He was appointed CSO in November 2000. He sits on the editorial boards of international journals and is a member of the Board of Cellartis AB, Sweden.

Dr Thomsen has a DVM from the Royal Veterinary and Agricultural University (now the University of Copenhagen), Denmark, from 1986, where he also obtained a PhD degree in 1989 and a DSc in 1991, and became adjunct professor of pharmacology in 2000. He is a former president of the National Academy of Technical Sciences (ATV), Denmark. Dr Thomsen is a Danish national, born on 27 December 1960.

Other members of the Senior Management

Lars Guldbæk Karlsen – Global Quality

Board

Jesper Bøving – DAPI & CMC Supply
Kim Bundegaard – Facilitation & Group Internal Audit
Flemming Dahl – Biopharmaceuticals
Claus Eilersen – Japan & Oceania
Peter Bonne Eriksen – Regulatory Affairs
Lars Green – Corporate Finance
Jerzy Gruhn – North America
Susanne Hundsbæk-Pedersen – Devices & Sourcing
Jesper Høiland – International Operations
Lars Fruergaard Jørgensen – IT & Corporate Development
Terje Kalland – Biopharmaceuticals Research Unit
Jesper Kløve – Device Research & Development
Per Kogut – NNIT
Peter Kristensen – Global Development
Peter Kurtzhals – Diabetes Research Unit
Lars Christian Lassen – Corporate People & Organisation
Patrick Loustau – Global Marketing
Ole Ramsby – Legal Affairs
Jakob Riis – Liraglutide
Martins Soeters – Europe
Kim Tosti – Diabetes Finished Products
Per Valstorp – Product Supply
Hans Ole Voigt – NNE Pharmaplan

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Shares and capital structure

Novo Nordisk aims to communicate openly with stakeholders about the company's financial and business development as well as strategies and targets. Through active dialogue, the company seeks to obtain fair and efficient pricing of its shares.

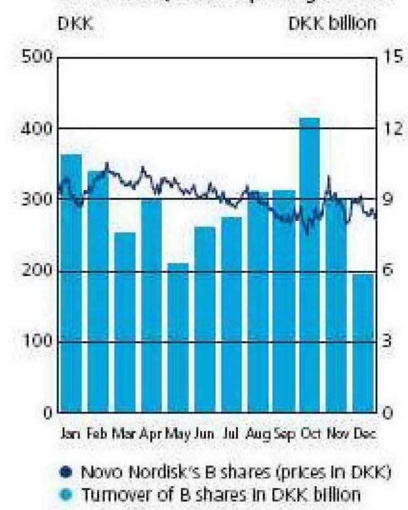
To keep investors updated on financial and operating performance as well as the progress of clinical programmes, Executive Management and Investor Relations travel extensively to meet institutional investors and attend investor conferences.

This ensures that all investors with a major holding of Novo Nordisk shares can attend meetings on a regular basis and that a high number of smaller investors or potential investors also have access. Roadshows are primarily, but not exclusively, held in major European and North American financial centres.

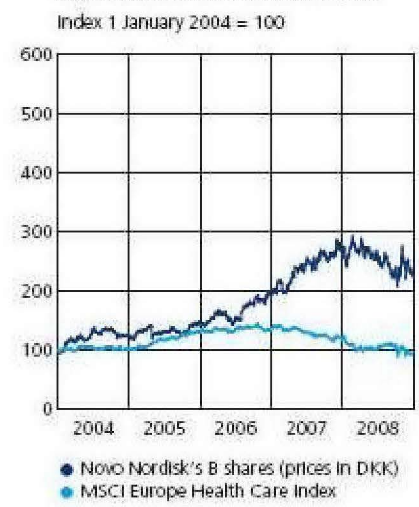
A wide range of other investor activities are held during the year. Investors and financial analysts are welcome to visit Novo Nordisk at the headquarters in Bagsværd, Denmark, as well as at regional headquarters. In 2008, meetings with investor groups were held at regional headquarters in Princeton, US, Beijing, China, Moscow, Russia, and Tokyo, Japan.

Investors and analysts are also invited every year to presentations of the most recent scientific results in connection with the two major medical diabetes conferences, American Diabetes

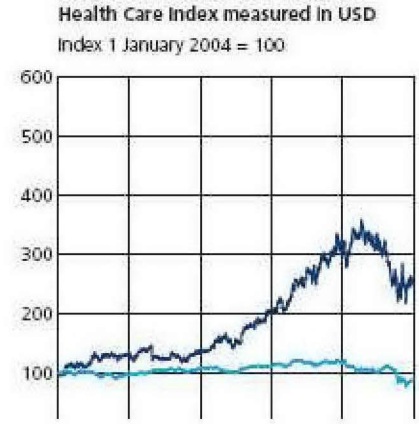
Price development and monthly turnover of Novo Nordisk's B shares on the NASDAQ OMX Copenhagen 2008



Price development of Novo Nordisk's B shares relative to the MSCI Europe Health Care Index measured in DKK



Price development of Novo Nordisk's B shares relative to the MSCI US Health Care Index measured in USD



Share price performance
Novo Nordisk's share price decreased by 19% from its 2007 close of DKK 335 to its 31 December 2008 close of DKK 271.

This was significantly better than the 2008 performance of the NASDAQ OMX Copenhagen 20 Index, down 47%, and in line with the MSCI Europe Health Care Index, down 19%, both measured in Danish kroner. Measured in US dollars, the price of the Novo Nordisk B share decreased by 23%, in line with a US dollar loss of 24% for the MSCI US Health Care Index.

Novo Nordisk's stable share price development is perceived as a reflection of the company's relatively solid position in a growing market with strong operating performance and ongoing progress in research and development.

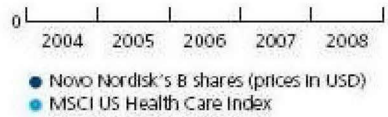
In 2008, factors believed to have impacted the share price positively include a solid operating performance bolstered by solid sales growth, driven by the strategically significant modern insulin products. Substantial productivity increases, achieved through the production efficiency improvement programme cLEAN®, also contributed to a solid improvement in the gross margin of around 1.7 percentage points in 2008.

Within research and development one key event during 2008 believed to strengthen the share price was the simultaneous filing for regulatory approval of liraglutide in Europe and the US followed by filings in Japan and other key markets. Another positive development was the completion of phase 2 clinical development of the new generation of insulins NN1250 and NN5401, which are expected to enter pivotal phase 3 studies in the second half of 2009.

The most significant factors believed to have impacted the share price adversely include the discontinuation of certain research and development projects. Another factor was unfavourable

Association and European Association for the Study of Diabetes.

In September 2008, Novo Nordisk hosted its biennial Capital Markets Day at the company's production site in Hillerød, Denmark. At the Capital Markets Day, Executive Management and senior management provided 120 investors and analysts with updates on the progress in both the diabetes care and biopharmaceuticals pipelines, on productivity improvements in manufacturing and on Novo Nordisk's strategic position in key markets and therapy areas. Presentations and webcasts from key investor events are available on Novo Nordisk's website novonordisk.com/investors.



currency developments, despite the substantial appreciation of some of Novo Nordisk's key invoicing currencies, including the US dollar, in the second half of 2008. Finally, 2008 was also a year with increased regulatory uncertainty for new diabetes compounds.

Capital structure

The Board of Directors believes that the current capital and share structure of Novo Nordisk serves the interests of the shareholders and the company. In the event of excess capital after the funding of organic

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growth opportunities and potential acquisitions, Novo Nordisk's guiding policy is to return capital to investors through dividend payments and share repurchase programmes.

As decided at the Annual General Meeting 2008, a reduction of the company's B share capital, corresponding to approximately 2% of the total share capital, was effected in June 2008 by cancellation of treasury shares. This enables Novo Nordisk to continue to buy back shares without exceeding the limit for a total holding of treasury shares of 10% of the total capital.

In 2008, Novo Nordisk repurchased shares worth 4.7 billion Danish kroner, compared with 4.8 billion kroner in 2007. This is part of the ongoing share repurchase programme for the period 2006–2009. In connection with the release of results for both the first six months and the full year for 2008, the share capital, Novo A/S controls 71.7% of the total number of votes, excluding treasury shares. The total market value of Novo Nordisk's B shares excluding treasury shares was 135 billion kroner at the end of 2008.

Novo Nordisk's B shares are quoted on the NASDAQ OMX Copenhagen and the London Stock Exchange, and on the New York Stock Exchange in the form of ADRs. The B shares are traded in units of 1 Danish krone. The ratio of Novo Nordisk's B shares to ADRs is 1:1. The B shares are issued to the bearer but may, on request, be registered in the holder's name in Novo Nordisk's register of shareholders. As Novo Nordisk B shares are in bearer form, no official record of all shareholders exists. Based on the available sources of information on the company's shareholders, it is estimated that Novo Nordisk's shares at the end of 2008 were distributed as shown in the charts on this page. At the end of 2008, the free float was 70%.

Form 20-F
The Form 20-F Report for 2008 is expected to be filed with the United States Securities and Exchange Commission in February 2009. The report can be downloaded from novonordisk.com/investors.

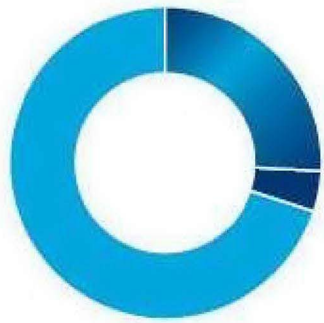
Payment of dividends
Shareholders' enquiries concerning dividend payments, transfer of share certificates, consolidation of shareholder accounts and tracking of lost shares should be addressed to Novo Nordisk's transfer agents (see inside back cover). For 2008, the proposed dividend payments for Novo Nordisk shares are illustrated in the table below. Novo Nordisk does not pay a dividend on its holding of treasury shares. The dividend for 2007 paid in March 2008 was 4.50 Danish kroner per share of 1 krone.

Board of Directors approved an increase of 1.0 billion kroner in the ongoing share repurchase programme, bringing the total share repurchase programme to 18.5 billion kroner. From 2008, the share repurchase programme is primarily conducted in accordance with the provisions of the European Commission's Regulation no 2273/2003 of 22 December 2003, also known as the 'Safe Harbour Regulation'. This programme gives the lead manager, J.P. Morgan Securities Ltd., mandate to purchase shares independently of Novo Nordisk A/S.

As part of the agenda for the Annual General Meeting 2009, the Board of Directors will propose a reduction of the company's B share capital, corresponding to approximately 2% of the total share capital, by cancellation of treasury shares.

Share capital and ownership
Novo Nordisk's total share capital of 634,000,000 Danish kroner is divided into A share capital of nominally 107,487,200 kroner, and B share capital of nominally 526,512,800 kroner, of which 25,721,095 kroner is held as treasury shares (figures as of 31 December 2008). Novo Nordisk's A shares (each 1 krone) are non-listed shares and held by Novo A/S, a Danish public limited liability company which is 100% owned by the Novo Nordisk Foundation. According to the Articles of Association of the Foundation, the A shares cannot be divested by Novo A/S or the Foundation. In addition, as of 31 December 2008 Novo A/S held 54,182,800 kroner of B share capital. Each holding of 1 krone of the A share capital carries 1,000 votes. Each holding of 1 krone of the B share capital carries 100 votes. With 25.5% of the total

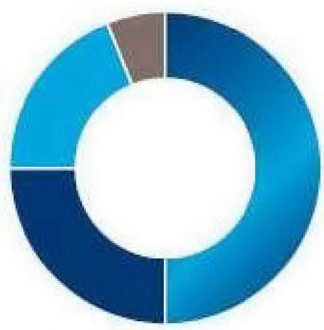
Breakdown of shareholders
% of capital



- Novo A/S, Bagsværd, Denmark **26%** (72% *)
- Novo Nordisk A/S **4%** (0% *)
- Other **70%** (28% *)

*) % of votes, excl treasury shares

Geographical distribution of share capital
% of capital



- Denmark **50%**
- UK **25%**
- North America **19%**
- Other **6%**

Proposed dividend payment for 2008

A shares of DKK 1	B shares of DKK 1	ADRs
DKK 6.00	DKK 6.00	DKK 6.00

Analyst coverage
Novo Nordisk is currently covered by about 30 analysts, including the top global investment banks that regularly produce research reports about Novo Nordisk. A list of analysts covering Novo Nordisk can be found in the investor section of Novo Nordisk's homepage.

Internet
Novo Nordisk's homepage for investors is novonordisk.com/investors. It includes historical and updated information about Novo Nordisk's activities: press releases from 1995 onwards, financial and non-financial results, a calendar of investor-relevant events, investor presentations, background information and recent annual reports.

Financial calendar 2009

Annual General Meeting 18 March 2009

Dividend	**B shares**	**ADRs**
Ex-dividend	19 March	19 March
Record date	23 March	23 March
Payment	24 March	31 March

Announcement of financial results	
First three months	30 April
Half year	6 August
Nine months	29 October
Full year	2 February 2010

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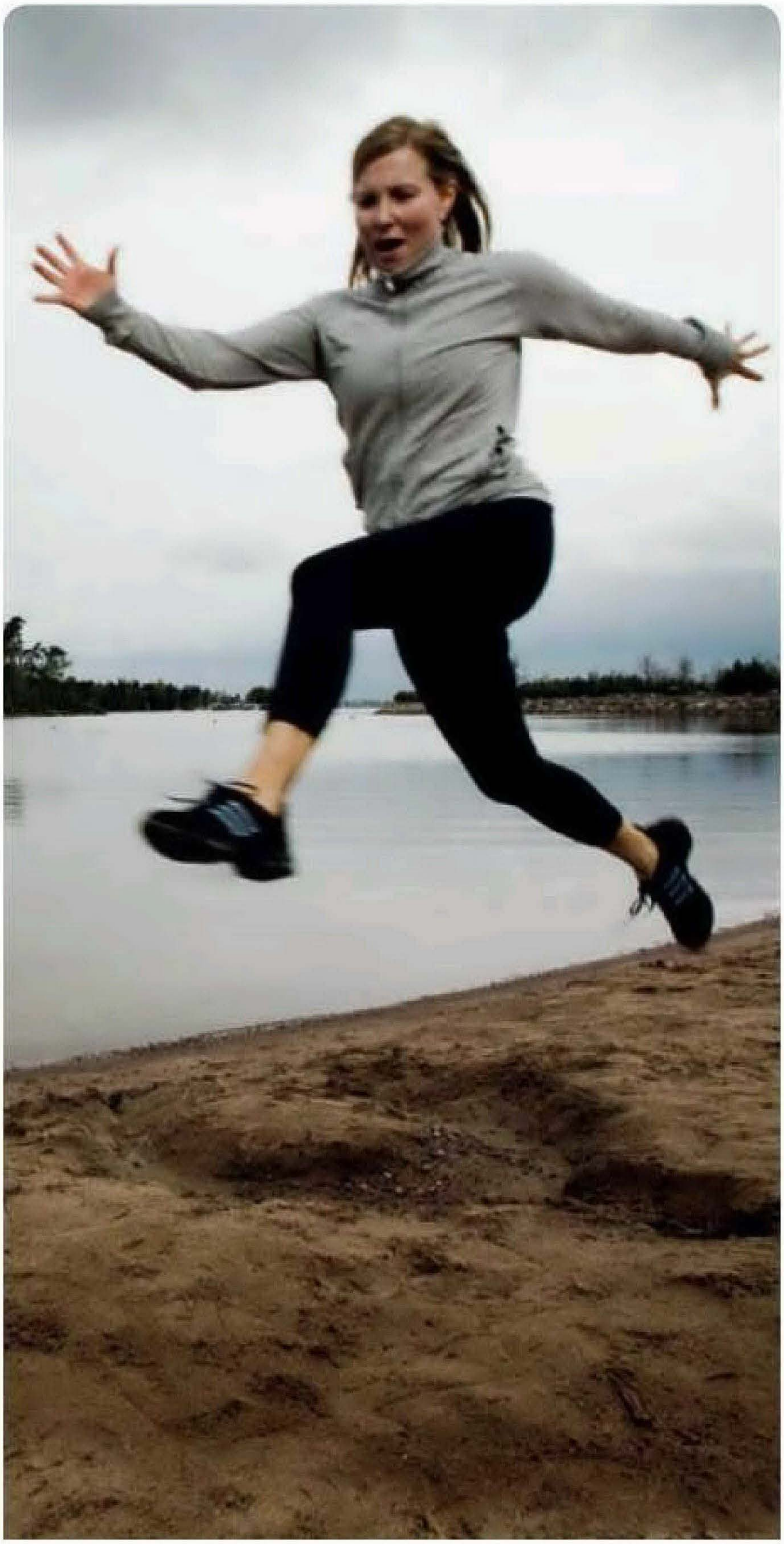

Consolidated financial and non-financial statements 2008

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DKK million	Note	**2008**	2007	2006
Sales	4, 5, 25	**45,553**	41,831	38,743
Cost of goods sold	6, 7	**10,109**	9,793	9,585
Gross profit		**35,444**	32,038	29,158
Sales and distribution costs	6, 7	**12,866**	12,371	11,608
Research and development costs	6, 7	**7,856**	8,538	6,316
– hereof costs related to discontinuation of all pulmonary diabetes projects	*3*	***(325)***	*(1,325)*	–
Administrative expenses	6, 7, 8	**2,635**	2,508	2,387
Licence fees and other operating income (net)	9	**286**	321	272
Operating profit		**12,373**	8,942	9,119
Share of profit/(loss) in associated companies	16	**(124)**	1,233	(260)
Financial income	10	**1,127**	1,303	931
Financial expenses	11	**681**	507	626
Profit before income taxes		**12,695**	10,971	9,164
Income taxes	12	**3,050**	2,449	2,712
Net profit		**9,645**	8,522	6,452
Basic earnings per share (DKK)	13	**15.66**	13.49	10.05
Diluted earnings per share (DKK)	13	**15.54**	13.39	10.00

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DKK million	Note	**31 Dec 2008**	31 Dec 2007
Assets			
Intangible assets	14	**788**	671
Property, plant and equipment	15	**18,639**	19,605
Investments in associated companies	16	**222**	500
Deferred income tax assets	23	**1,696**	2,522
Other financial assets	17	**194**	131
Total long-term assets		**21,539**	23,429
Inventories	18	**9,611**	9,020
Trade receivables	19	**6,581**	6,092
Tax receivables		**1,010**	319
Other receivables	20	**1,704**	1,493
Marketable securities and financial derivatives	17	**1,377**	2,555
Cash at bank and in hand	30	**8,781**	4,823
Total current assets		**29,064**	24,302
Total assets		**50,603**	47,731
Equity and liabilities			
Share capital	21	**634**	647
Treasury shares		**(26)**	(26)
Retained earnings		**33,433**	30,661
Other reserves		**(1,062)**	900
Total equity		**32,979**	32,182
Long-term debt	22	**980**	961
Deferred income tax liabilities	23	**2,404**	2,346
Retirement benefit obligations	24	**419**	362
Other provisions	25	**863**	1,239
Total long-term liabilities		**4,666**	4,908
Short-term debt and financial derivatives	26	**1,334**	405
Trade payables		**2,281**	1,947
Tax payables		**567**	929
Other liabilities	27	**5,853**	4,959
Other provisions	25	**2,923**	2,401
Total current liabilities		**12,958**	10,641
Total liabilities		**17,624**	15,549

Total equity and liabilities	**50,603**	47,731

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DKK million	Note	**2008**	2007	2006
Net profit		**9,645**	8,522	6,452
Adjustment for non-cash items:				
Income taxes		**3,050**	2,449	2,712
Depreciation, amortisation and impairment losses	7	**2,442**	3,007	2,142
Interest income and interest expenses	10, 11	**(385)**	(16)	(73)
Other adjustments for non-cash items	28	**1,436**	(309)	959
Income taxes paid		**(3,172)**	(2,607)	(3,514)
Interest received		**656**	295	391
Interest paid		**(247)**	(324)	(296)
Cash flow before change in working capital		**13,425**	11,017	8,773
Change in working capital:				
(Increase)/decrease in trade receivables and other receivables		**(1,110)**	(702)	(804)
(Increase)/decrease in inventories		**(651)**	(617)	(686)
Increase/(decrease) in trade payables and other liabilities		**1,199**	289	455
Cash flow from operating activities		**12,863**	9,987	7,738
Investments:				
Acquisition of subsidiaries and business units	29	**–**	(59)	–
Sale of intangible assets and long-term financial assets		**–**	–	175
Purchase of intangible assets and long-term financial assets		**(264)**	(118)	(419)
Sale of property, plant and equipment		**18**	40	111
Purchase of property, plant and equipment	15	**(1,772)**	(2,308)	(2,898)
Net change in marketable securities (maturity exceeding three months)		**466**	(541)	514
Dividend received	16	**170**	1,470	–
Net cash used in investing activities		**(1,382)**	(1,516)	(2,517)
Financing:				
Repayment of long-term debt		**(153)**	(18)	(23)
Purchase of treasury shares		**(4,717)**	(4,835)	(3,000)
Sale of treasury shares		**295**	241	210
Dividends paid		**(2,795)**	(2,221)	(1,945)
Cash flow from financing activities		**(7,370)**	(6,833)	(4,758)
Net cash flow		**4,111**	1,638	463
Unrealised gain/(loss) on exchange rates and marketable securities included in cash and cash equivalents		**(2)**	(6)	39

Net change in cash and cash equivalents		**4,109**	1,632	502
Cash and cash equivalents at the beginning of the year		**4,617**	2,985	2,483
Cash and cash equivalents at the end of the year	30	**8,726**	4,617	2,985
Supplemental information:				
Cash and cash equivalents at the end of the year	30	**8,726**	4,617	2,985
Bonds with original term to maturity exceeding three months	17	**997**	1,486	1,001
Undrawn committed credit facilities	26	**7,451**	7,457	7,456
Financial resources at the end of the year		**17,174**	13,560	11,442
Cash flow from operating activities		**12,863**	9,987	7,738
+ Net cash used in investing activities		**(1,382)**	(1,516)	(2,517)
– Net change in marketable securities (maturity exceeding three months)		**466**	(541)	514
Free cash flow		**11,015**	9,012	4,707

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DKK million	Share capital	Treasury shares	Retained earnings	Other reserves: Exchange rate adjustments	Other reserves: Deferred gain/(loss) on cash flow hedges	Other reserves: Other adjustments	Total
2008							
Balance at the beginning of the year	647	(26)	30,661	209	678	13	**32,182**
Net profit for the year			9,645				**9,645**
Deferred (gain)/loss on cash flow hedges at the beginning of the year recognised as financial income/expenses for the year					(615)		**(615)**
Fair value adjustment on financial instruments					(940)		**(940)**
Exchange rate adjustment of investments in subsidiaries				(473)			**(473)**
Fair value adjustments on financial assets available for sale						(9)	**(9)**
Novo Nordisk share of equity recognised by associated companies						39	**39**
Other adjustments						(45)	**(45)**
Tax adjustments				8	18	55	**81**
Net income recognised directly in equity for the year	–	–	–	(465)	(1,537)	40	**(1,962)**
Total recognised income and expense for the year	–	–	9,645	(465)	(1,537)	40	**7,683**
Share-based payment			331				**331**
Purchase of treasury shares		(16)	(4,701)				**(4,717)**
Sale of treasury shares		3	292				**295**
Reduction of the B share capital	(13)	13					**–**
Dividends			(2,795)				**(2,795)**
Balance at the end of the year	634	(26)	33,433	(256)	(859)	53	**32,979**

At the end of the year proposed dividends (not yet declared) of DKK 3,650 million (DKK 6.00 per share) are included in Retained earnings. No dividend is declared on treasury shares.

DKK million	Share capital	Treasury shares	Retained earnings	Other reserves *): Exchange rate adjustments	Other reserves *): Deferred gain/(loss) on cash flow hedges	Other reserves *): Other adjustments	Total
2007							
Balance at the beginning of the year	674	(39)	28,810	156	419	102	30,122
Net profit for the year			8,522				8,522
Deferred (gain)/loss on cash flow hedges at the							

beginning of the year recognised as financial income/expenses for the year					(363)		(363)
Fair value adjustment on financial instruments					634		634
Exchange rate adjustment of investments in subsidiaries				53			53
Fair value adjustments on financial assets available for sale						12	12
Novo Nordisk share of equity recognised by associated companies						(41)	(41)
Other adjustments						21	21
Tax adjustments				0	(12)	(81)	(93)
Net income recognised directly in equity for the year	–	–	–	53	259	(89)	223
Total recognised income and expense for the year	–	–	8,522	53	259	(89)	8,745
Share-based payment			130				130
Purchase of treasury shares		(16)	(4,819)				(4,835)
Sale of treasury shares		2	239				241
Reduction of the B share capital	(27)	27					–
Dividends			(2,221)				(2,221)
Balance at the end of the year	647	(26)	30,661	209	678	13	32,182

*) In 2007 adjustments have been made on other reserves regarding the split of tax adjustments.

At the end of the year proposed dividends (declared) of DKK 2,795 million (DKK 4.50 per share) are included in Retained earnings. No dividend is declared on treasury shares.

1 Summary of significant accounting policies

The Consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and with the International Financial Reporting Standards as adopted by the EU. The Consolidated financial statements are prepared in accordance with the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities (derivative financial instruments) at fair value through profit or loss.

The Financial statements of the Parent company, Novo Nordisk A/S, are prepared in accordance with The Danish Financial Statements Act. These are presented on pages 105 to 112 and the accounting policies are set out on page 108.

Further, the Annual Report is prepared in accordance with additional Danish disclosure requirements for annual reports for listed companies.

Effects of new accounting pronouncements
In 2008, Novo Nordisk has adopted the following new or revised standards and interpretations endorsed by EU effective for the accounting period beginning on 1 January 2008.

- Interpretation guideline to IAS 19, IFRIC 14 – 'The limit on a defined benefit asset, minimum funding requirement and their interaction'. IFRIC 14 provides guidance on assessing the limit in IAS 19 'Employee benefits' on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. The guideline has no impact on the Group's Financial Statements.

The following interpretation of published standards is mandatory for accounting periods beginning on 1 January 2008 but is not relevant to the Group's operations:

- IFRIC 12, 'Service concession arrangements'

Standards early adopted by the Group
The following standard with effective date of 1 January 2009 has been adopted by the group.

- IFRS 8 'Operating segments' was early adopted in 2008. The impact is limited as the reportable segments – diabetes care and biopharmaceuticals
  – are unchanged as they are consistent with the internal reporting provided to management.

- IFRS 3 (Revised), 'Business combinations' (effective from 1 July 2009). The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the Income statement. All acquisition-related costs should be expensed.

- IFRS 5 (Amendment), 'Non-current assets held-for-sale and discontinued operations' (and consequential amendment to IFRS 1, 'First-time adoption') (effective from 1 July 2009). The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control.

- IAS 28 (Amendment), 'Investments in associates' (and consequential amendments to IAS 32, 'Financial Instruments: Disclosure and Presentation', and IFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009). An investment in associate is treated as a single asset for the purposes of impairment testing. It is not expected to have material impact on the Group's financial statements.

- IAS 36 (Amendment), 'Impairment of assets' (effective from 1 January 2009). Where fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made.

- IAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009). A prepayment may only be recognised in the event that payment has been made in advance of obtaining right of access to goods or receipt of services. It is not expected to have a material impact on the Group's financial statements.

- IAS 19 (Amendment), 'Employee benefits' (effective from 1 January 2009). The amendment clarifies the handling of plan amendment. The distinction between short-term and long-term employee benefits will be based on whether benefits are due to be settled within or after 12 months of employee service being rendered. It is not expected to have a material impact on the Group's financial statements.

- There are a number of minor amendments to IFRS 7, 'Financial instruments: Disclosures', IAS 1 (Amendment), 'Presentation of financial statements', IAS 8, 'Accounting policies, changes in accounting estimates and errors', IAS 10, 'Events after the reporting period', IAS 18, 'Revenue', IAS 34, 'Interim financial reporting' and IAS 39 (Amendment), 'Financial instruments: Recognition and measurement'. These amendments are not

Standards not adopted by the Group

The following standards and interpretations relevant to Novo Nordisk have been issued and endorsed by EU as per 31 December 2008 and are mandatory for the Group's accounting periods beginning on or after 1 January 2009. These have not yet been adopted by Novo Nordisk:

- IAS 1 (Revised), 'Presentation of financial statements' (effective from1 January 2009). The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity (comprehensive income statement).

- IAS 23 (Amendment) 'Borrowing costs' (effective from 1 January 2009). The option of immediately expensing borrowing costs of a qualifying asset will be removed. Given the present capital structure of the Group the impact is expected to be limited.

- IFRS 2 (Amendment), 'Share-based payment' (effective from 1 January 2009). The amended standard deals with vesting conditions and cancellations. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. It is not expected to have a material impact on the Group's financial statements.

Standards not endorsed by EU

- IAS 27 (Revised), 'Consolidated and separate financial statements',(effective from 1 July 2009). The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. It is not expected to have a material impact on the Group's financial statements. expected to have an impact on the Group's financial statements.

- IFRIC 16, 'Hedges of a net investment in a foreign operation' (effective from1 January 2009). IFRIC 16 clarifies the accounting treatment in respect of net investment hedging. This includes the fact that net investment hedging relates to differences in functional currency not presentation currency, and hedging instruments may be held anywhere in the Group. The requirements of IAS 21, 'The effects of changes in foreign exchange rates', do apply to the hedged item. It is not expected to have a material impact on the Group's financial statements.

The following interpretations and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2009 or later periods but are not relevant for the Group's operations:

- IFRS 1 (Amendment) 'First time adoption of IFRS', IAS 27 'Consolidated and separate financial statements', IAS 16 (Amendment), 'Property, plant and equipment' (and consequential amendment to IAS 7, 'Statement of cash flows'), IAS 27 (Amendment), 'Consolidated and separate financial statements', IAS 28 (Amendment), 'Investments in associates' (and consequential amendments to IAS 32, 'Financial Instruments: Disclosure and Presentation' and IFRS 7, 'Financial instruments: Disclosures'), IAS 29 (Amendment), 'Financial reporting in hyperinflationary economies', IAS 31 (Amendment), 'Interests in joint ventures' (and consequential amendments to IAS 32 and IFRS 7), IAS 32 (Amendment), 'Financial instruments: Disclosure and Presentation', IAS 1 (Amendment), 'Presentation of financial statements' –'Puttable financial instruments and obligations arising on liquidation', IAS 37, 'Provisions, contingent liabilities and contingent asset', IAS 38 (Amendment), 'Intangible assets', IAS 40 (Amendment), 'Investment property' (and consequential amendments to IAS 16), IAS 41 (Amendment),

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1 Summary of significant accounting policies (continued)

'Agriculture', IAS 20 (Amendment), 'Accounting for government grants and disclosure of government assistance', IFRIC 13, 'Customer loyalty programmes' and IFRIC 15, 'Agreements for construction of real estates'.

Principles of consolidation
The Consolidated Financial Statements include the financial statements of Novo Nordisk A/S (the Parent company) and all the companies in which Novo Nordisk A/S directly or indirectly owns more than 50% of the voting rights or in some other way has a controlling influence (subsidiaries). Novo Nordisk A/S and these companies are referred to as the Group.

Companies that are not subsidiaries, but in which the Group holds 20% to 50% of the voting rights or in some other way has a significant influence on the operational and financial management, are treated as associated companies.

The Consolidated financial statements are based on the Financial statements of the Parent company and of the subsidiaries and are prepared by combining items of a uniform nature and eliminating intercompany transactions, shareholdings, balances and unrealised intercompany profits and losses. The Consolidated financial statements are based on financial statements prepared by applying the Group's accounting policies.

The purchase method of accounting is used to account for the acquisition of businesses by the Group. The cost of an acquisition is measured as the fair value of the assets given and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

Acquired and divested companies are included in the Income statement during the period of Novo Nordisk's ownership. Comparative figures are not adjusted for disposed or acquired companies.

CRITICAL ACCOUNTING POLICIES

Novo Nordisk's management considers the following to be the most critical accounting policies for the Group.

Sales and revenue recognition
Sales represent the fair value of the sale of goods excluding value added tax and after deduction of provisions for returned products, rebates, trade discounts and allowances.

sale is conditional on future events, the amount is recorded as income at the occurrence of such future events.

Revenue is measured at the fair value of the consideration received or receivable.

Research and development
Due to the long development period and significant uncertainties relating to the development of new products, including risks regarding clinical trials and regulatory approval, it is concluded that the Group's internal development costs in general do not meet the capitalisation criteria in IAS 38 'Intangible Assets'. Consequently, the technical feasibility criteria of IAS 38 are not considered fulfilled before regulatory approval is obtained. Therefore, all internal research and development costs are expensed in the Income statement as incurred.

For acquired in-process research and development projects the effect of probability is reflected in the cost of the asset and the probability recognition criteria are therefore always considered satisfied. As the cost of acquired in-process research and development projects can often be measured reliably, these projects fulfil the criteria for capitalisation. Please refer to the section 'Intangible assets' regarding the accounting treatment of intangible assets.

Property, plant and equipment used for research and development purposes are capitalised and depreciated over their estimated useful lives.

Derivative financial instruments
The Group uses forward exchange contracts, currency options, interest rate swaps and currency swaps to hedge forecasted transactions, assets and liabilities, and net investments in foreign subsidiaries in foreign currencies.

Novo Nordisk applies hedge accounting under the specific rules of IAS 39 'Financial instruments' to forward exchange contracts and currency swaps. Upon initiation of the contract, the Group designates each derivative financial contract that qualifies for hedge accounting as a hedge of a specific hedged transaction: either i) a recognised asset or liability (fair value hedge), ii) a forecasted financial transaction or firm commitment (cash flow hedge), or iii) a hedge of a net investment in a foreign entity.

All contracts are initially recognised at fair value and subsequently re-measured at their fair values at the balance sheet date. The value adjustments on forward exchange contracts designated as hedges of forecasted transactions are recognised directly in equity, given hedge effectiveness. The cumulative value adjustment of these contracts is removed from equity and in cluded in the Income statement under Financial income or Financial expenses when the hedged transaction is

Provisions and accruals for rebates to customers are provided for in the period the related sales are recorded. Historical data are readily available and reliable and are used for estimating the amount of the reduction in sales.

Revenue is recognised when it is realised or realisable and earned. Revenues are considered to have been earned when Novo Nordisk has substantially accomplished what it must do to be entitled to the revenues.

Revenue from the sale of goods is recognised when all the following specific conditions have been satisfied:

- Novo Nordisk has transferred to the buyer the significant risk and rewards of ownership of the goods
- Novo Nordisk retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- The amount of revenue can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to Novo Nordisk; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

These conditions are usually met by the time the products are delivered to the customers. Licence fees are recognised on an accrual basis in accordance with the terms and substance of the relevant agreement.

As a principal rule, sale of intellectual property is recorded as income at the time of the sale. Where the Group assumes an obligation in connection with a sale of intellectual property, the income is recognised in accordance with the term of the obligation. On the sale of intellectual property where the final recognised in the Income statement.

Novo Nordisk applies the hedge accounting requirements to interest rate swaps hedging forecasted transactions. Consequently, the fair value effect of interest rate adjustments on these contracts is recognised in equity.

Currency swaps used to hedge net investments in subsidiaries are measured at fair value based on the difference between the swap exchange rate and the exchange rate at the balance sheet date. The value adjustment is recognised in equity.

Currency options are initially recognised at cost and subsequently remeasured at their fair values at the balance sheet date. While providing effective economic hedges under the Group's risk management policy, the current use of currency options does not meet the detailed requirements of IAS 39 for allowing hedge accounting. Currency options are therefore recognised directly in the Income statement under Financial income or Financial expenses.

Forward exchange contracts and currency swaps hedging recognised assets or liabilities in foreign currencies are measured at fair value at the balance sheet date. Value adjustments are recognised in the Income statement under Financial income or Financial expenses, along with any value adjustments of the hedged asset or liability that is attributable to the hedged risk.

All fair values are based on marked-to-market prices or standard pricing models.

The accumulated net fair value of derivative financial instruments is presented as 'Marketable securities and financial derivatives', if positive, or 'Short-term debt and financial derivatives', if negative.

1 Summary of significant accounting policies (continued)

Provisions
Provisions, including tax and legal cases, are recognised where a legal or constructive obligation has been incurred as a result of past events and it is probable that it will lead to an outflow of resources that can be reliably estimated. In this connection Novo Nordisk makes the estimate based upon an evaluation of the individual most likely outcome of the cases. In the case where a reliable estimate cannot be made, these are disclosed as contingent liabilities.

OTHER ACCOUNTING POLICIES

Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to executive management, who is responsible for business strategies, allocating resources and addressing performance of the operating segments.

Translation of foreign currencies
Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The Consolidated financial statements are presented in Danish kroner (DKK), which is the functional and presentation currency of the Parent company.

Translation of transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary items, such as financial assets classified as available-for-sale, are included in the fair value reserve in equity.

Translation of Group companies
Financial statements of foreign subsidiaries are translated into Danish kroner at exchange rates ruling at the balance sheet date for assets and liabilities and at average exchange rates for Income statement items.

All exchange rate adjustments are recognised in the Income statement with the exception of exchange gains and losses arising from:

Other intangible assets
Patents and licences, that include acquired patents and licences to in-process research and development projects, are carried at historical cost less accumulated amortisation and any impairment loss.

Internal development of software and the costs related in connection with major IT projects for internal use are capitalised under Other intangible assets.

Amortisation is provided under the straight-line method over the estimated useful life of the asset as follows:

- IT projects: 3–10 years

For the patents and in-process research and development projects the amortisation commence in the year in which the rights first generate sales.

Property, plant and equipment
Property, plant and equipment are measured at historical cost less accumulated depreciation and any impairment loss. The cost of self-constructed assets includes costs directly attributable to the construction of the assets. Interest on loans financing construction of major investments is recognised as an expense in the period in which it is incurred. Subsequent cost is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Land is not depreciated. Depreciation is provided under the straight-line method over the estimated useful lives of the assets as follows:

- Buildings: 12– 50 years
- Plant and machinery: 5 –16 years
- Other equipment: 3 –16 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Leases
Leases of assets whereby the Group assumes substantially all the risks and rewards of ownership are capitalised as finance leases under Property, plant and equipment and depreciated

- The translation of foreign subsidiaries' net assets at the beginning of the year translated at the exchange rates at the balance sheet date
- The translation of foreign subsidiaries' income statements using average exchange rates, whereas balance sheets are translated using the exchange rates ruling at the balance sheet date
- The translation of long-term intercompany receivables that are considered to be an addition to net investments in subsidiaries
- The translation of investments in associated companies

The above exchange gains and losses are recognised in Other reserves under equity.

Licence fees and other operating income (net)
Licence fees and other operating income (net) comprise licence fees and income (net) of a secondary nature in relation to the main activities of the Group. The item also includes non-recurring income items (net) in respect of sale of intellectual property.

Intangible assets
Goodwill
Goodwill represents any cost in excess of identifiable net assets, measured at fair value, in the acquired company. Goodwill recorded under Intangible assets is related to subsidiaries.

Goodwill is measured at historical cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

over the estimated useful lives of the assets, according to the periods listed above. The corresponding finance lease liabilities are included in liabilities.

Operating lease costs are charged to the Income statement on a straight-line basis over the period of the lease.

Investments in associated companies
Investments in associated companies are accounted for under the equity method of accounting (ie at the respective share of the associated companies' net asset value applying Group accounting policies).

Goodwill relating to associated companies is recorded under Investments in associated companies.

Impairment of assets
Assets that have an indefinite useful life, for example brands or goodwill, are tested annually for impairment. The Group assesses the carrying amount of intangible assets and long-lived assets annually, or more frequently if events or changes in circumstances indicate that such carrying amounts may not be recoverable. Factors con sidered material by the Group and that could trigger an impairment test include the following:

- Significant underperformance relative to historical or projected future results
- Significant changes in the manner of the Group's use of the acquired assets or the strategy for its overall business
- Significant negative industry or economic trends

When it is determined that the carrying amount of intangible assets, long-lived assets or goodwill may not be recoverable based upon the existence of one or more of the above indicators of impairment, any impairment is measured based on discounted projected cash flows.

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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

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.

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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 statisti cal 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 characteri stics. 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.

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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

Sanofi Exhibit 2136.130
Mylan v. Sanofi
IPR2018-01676

Operating profit (excl cost related to discontinuation of all pulmonary diabetes projects)	**7,894**	5,584	–
Share of profit in associated companies			
Financial income (net)			
Profit before income taxes			
Income taxes			
Net profit			
Other segment items			
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.

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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
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

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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
In addition the following employee cost have been capitalised as assets in course of construction			
NNE Pharmaplan A/S	**297**	264	545

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.

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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®.

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15 Property, plant and equipment

DKK million	Land and buildings	Plant and machinery	Other equipment	Payments on account and assets in course of construction	**Total**
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

*) 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.

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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%

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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.

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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
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

*) 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
Trade receivables (net) are equal to an average credit period of (days)	**53**	53

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
Total trade receivables (gross)	**7,183**	6,634

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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