

NOVO NORDISK A S  
Form 6-K  
February 03, 2012

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**

Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934

**FEBRUARY 2, 2012**

**NOVO NORDISK A/S**

(Exact name of Registrant as specified in its charter)

**Novo Allé  
DK- 2880, Bagsvaerd  
Denmark**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g-32(b):82-\_\_\_\_\_

# Company Announcement

Financial statement for 2011

2 February 2012

## **Novo Nordisk increased operating profit by 18% in 2011**

**Sales growth of 9% driven by Victoza®, NovoRapid® and Levemir®**

Sales increased by 11% in local currencies and by 9% in Danish kroner.

- o Sales of modern insulins increased by 11% (8% in Danish kroner).
- o Victoza® sales of DKK 5,991 million (growth of 159% in Danish kroner).
- o Sales of NovoSeven® increased by 7% (4% in Danish kroner).
- o Sales in North America increased by 18% (13% in Danish kroner).
- o Sales in International Operations increased by 17% (12% in Danish kroner).

Gross margin improved by 0.4 percentage point in local currencies, reflecting a favourable product mix development. Measured in Danish kroner, the gross margin increased by 0.2 percentage point to 81.0%.

Reported operating profit increased by 18% to DKK 22,374 million. In local currencies, operating profit increased by 22%.

Net profit increased by 19% to DKK 17,097 million. Earnings per share (diluted) increased by 22% to DKK 29.99. A dividend of DKK 14.00 per share is proposed for approval at the Annual General Meeting - a 40% increase compared to 2010.

The regulatory reviews for the new ultra-long-acting insulins Degludec and DegludecPlus are on track. In the US, a regulatory action date of 29 July 2012 has been issued by the FDA. In Europe, the regulatory review is also progressing according to plan.

Novo Nordisk has successfully completed the phase 3a programme for turoctocog alfa, a recombinant FVIII for treatment of haemophilia A, and currently expects to file for marketing authorisation in the second half of 2012.

Lars Rebién Sørensen, Novo Nordisk's President and CEO, has accepted a proposal by the Board of Directors to extend his contract by three years with expiry in 2019.

For 2012, sales growth measured in local currencies is expected to be 7-11%, and operating profit growth measured in local currencies is expected to be around 10%.

Lars Rebién Sørensen, president and CEO: 2011 has been a very positive year for Novo Nordisk, with Victoza®, NovoRapid® and Levemir® continuing to drive strong sales growth. In addition, we saw significant progress for our portfolio of clinical development projects which is very encouraging for the long-term outlook for Novo Nordisk.

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## Consolidated financial statement 2011

The Board of Directors and Executive Management have approved the audited *Annual Report 2011* of Novo Nordisk A/S. The Board of Directors and Executive Management also approved this financial statement containing condensed financial information for 2011. This financial statement is prepared in accordance with the recognition and measurement requirements of the International Financial Reporting Standards (IFRS) as issued by IASB, IFRS as endorsed by the EU and the additional Danish disclosure requirements for listed companies. The accounting policies used in this financial statement are consistent with those used in the audited *Annual Report 2011* as well as those applied in the audited *Annual Report 2010*.

	2011	2010	2009	2008	2007	% change 2011 vs. 2010
<b>Income statement</b>						
(Amounts below in DKK million)						
<b>Sales</b>	<b>66,346</b>	<b>60,776</b>	<b>51,078</b>	<b>45,553</b>	<b>41,831</b>	<b>9%</b>
<b>Gross profit</b>	<b>53,757</b>	<b>49,096</b>	<b>40,640</b>	<b>35,444</b>	<b>32,038</b>	<b>9%</b>
<i>Gross margin</i>	<i>81.0%</i>	<i>80.8%</i>	<i>79.6%</i>	<i>77.8%</i>	<i>76.6%</i>	
Sales and distribution costs	19,004	18,195	15,420	12,866	12,371	4%
<i>Percentage of sales</i>	<i>28.6%</i>	<i>29.9%</i>	<i>30.2%</i>	<i>28.2%</i>	<i>29.6%</i>	
Research and development costs	9,628	9,602	7,864	7,856	8,538	0%
<i>Percentage of sales</i>	<i>14.5%</i>	<i>15.8%</i>	<i>15.4%</i>	<i>17.2%</i>	<i>20.4%</i>	
Administrative expenses	3,245	3,065	2,764	2,635	2,508	6%
<i>Percentage of sales</i>	<i>4.9%</i>	<i>5.0%</i>	<i>5.4%</i>	<i>5.8%</i>	<i>6.0%</i>	
Licence fees and other operating income	494	657	341	286	321	(25%)
<b>Operating profit</b>	<b>22,374</b>	<b>18,891</b>	<b>14,933</b>	<b>12,373</b>	<b>8,942</b>	<b>18%</b>
<i>Operating margin</i>	<i>33.7%</i>	<i>31.1%</i>	<i>29.2%</i>	<i>27.2%</i>	<i>21.4%</i>	
Net financials	(449)	(605)	(945)	322	2,029	(26%)
<b>Profit before income taxes</b>	<b>21,925</b>	<b>18,286</b>	<b>13,988</b>	<b>12,695</b>	<b>10,971</b>	<b>20%</b>
Income taxes	4,828	3,883	3,220	3,050	2,449	24%
<i>Effective tax rate</i>	<i>22.0%</i>	<i>21.2%</i>	<i>23.0%</i>	<i>24.0%</i>	<i>22.3%</i>	
<b>Net profit</b>	<b>17,097</b>	<b>14,403</b>	<b>10,768</b>	<b>9,645</b>	<b>8,522</b>	<b>19%</b>
<i>Net profit margin</i>	<i>25.8%</i>	<i>23.7%</i>	<i>21.1%</i>	<i>21.2%</i>	<i>20.4%</i>	

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## Consolidated financial statement 2011 continued

### Other key numbers

(Amounts below in DKK million except earnings per share and dividend per share)

	2011	2010	2009	2008	2007	% change 2011 vs. 2010
Depreciation, amortisation, etc	2,737	2,467	2,551	2,442	3,007	11%
Capital expenditure	3,003	3,308	2,631	1,754	2,268	(9%)
Free cash flow	18,112	17,013	12,332	11,015	9,012	6%
Total assets	64,698	61,402	54,742	50,603	47,731	5%
Equity	37,448	36,965	35,734	32,979	32,182	1%
Equity ratio	57.9%	60.2%	65.3%	65.2%	67.4%	
Diluted earnings per share (in DKK)	29.99	24.60	17.82	15.54	13.39	22%
Dividend per share (in DKK) <sup>1)</sup>	14.00	10.00	7.50	6.00	4.50	40%
Payout ratio <sup>2)</sup>	45.3%	39.6%	40.9%	37.8%	32.8%	
Payout ratio (adjusted) <sup>3), 4), 5)</sup>	-	42.8%	-	36.6%	34.9%	

1) Proposed dividend for the financial year 2011.

2) Dividend for the year as a percentage of net profit.

3) 2010: Adjusted for tax impact from divestment of shares in ZymoGenetics.

4) 2008: Adjusted for costs related to the discontinuation of pulmonary diabetes projects.

5) 2007: Adjusted for tax impact from divestment of shares in Dako and costs related to the discontinuation of AERx<sup>®</sup>.

## Performance versus long-term financial targets

Performance against long-term financial targets	2011	2010	2009	2008	2007	Target
Operating profit growth	18.4%	26.5%	20.7%	38.4%	(1.9%)	15%
Operating profit growth (excl AERx <sup>®</sup> ) <sup>1)</sup>	-	-	-	23.7%	12.6%	
Operating margin	33.7%	31.1%	29.2%	27.2%	21.4%	35%
Operating margin (excl AERx <sup>®</sup> ) <sup>1)</sup>	-	-	-	27.9%	24.5%	
Return on invested capital	77.9%	63.6%	47.3%	37.4%	27.2%	70%
Return on invested capital (adjusted) <sup>2), 3), 4)</sup>	-	62.4%	-	38.4%	29.9%	
Cash to earnings	105.9%	118.1%	114.5%	114.2%	105.7%	
Cash to earnings (three-years average)	112.85%	115.6%	111.5%	97.6%	87.0%	90%

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

2) 2010: Adjusted for tax impact from divestment of shares in ZymoGenetics.

3) 2008: Adjusted for costs related to the discontinuation of pulmonary diabetes projects.

4) 2007: Adjusted for tax impact from divestment of shares in Dako and costs related to the discontinuation of AERx<sup>®</sup>.

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## Sales development

Sales increased by 11% measured in local currencies and by 9% in Danish kroner in 2011 compared to 2010 which is in line with the latest guidance of 10-11% growth in local currencies provided in connection with the quarterly announcement in October 2011. All regions contributed to growth; North America was the main contributor with 61% share of growth measured in local currencies, followed by International Operations and Region China, contributing 21% and 8%, respectively. Sales growth was realised within both diabetes care and biopharmaceuticals, with the majority of growth originating from Victoza® and modern insulins. Sales growth in 2011 was reduced by approximately 2 percentage points due to healthcare reforms in the US, several European markets, China and Turkey.

	<b>Sales 2011 DKK million</b>	<b>Growth as reported</b>	<b>Growth in local currencies</b>	<b>Share of growth in local currencies</b>
<b>The diabetes care segment</b>				
Modern insulins	28,765	8%	11%	41%
<i>NovoRapid</i> ®	12,804	8%	10%	18%
<i>NovoMix</i> ®	8,278	6%	8%	9%
<i>Levemir</i> ®	7,683	12%	15%	14%
Human insulins	10,785	(9%)	(8%)	(14%)
Protein-related products	2,309	4%	5%	2%
Victoza®	5,991	159%	166%	55%
Oral antidiabetic products	2,575	(6%)	(3%)	(1%)
<b>Diabetes care total</b>	<b>50,425</b>	<b>10%</b>	<b>13%</b>	<b>83%</b>
<b>The biopharmaceuticals segment</b>				
NovoSeven®	8,347	4%	7%	85%
Norditropin®	5,047	5%	5%	4%
Other products	2,527	13%	15%	5%
<b>Biopharmaceuticals total</b>	<b>15,921</b>	<b>6%</b>	<b>8%</b>	<b>17%</b>
<b>Total sales</b>	<b>66,346</b>	<b>9%</b>	<b>11%</b>	<b>100%</b>

In the following sections, unless otherwise noted, market data are based on moving annual total (MAT) volume data for the 12-month period ending November 2011 provided by the independent data provider IMS Health.

## Diabetes care sales development

Sales of diabetes care products increased by 13% measured in local currencies and by 10% in Danish kroner to DKK 50,425 million in 2011 compared to 2010. Novo Nordisk is the world leader in diabetes care and now holds a global value market share of 24% compared to 23% at the same point in time last year.

### Modern insulins, human insulins and protein-related products

In 2011, sales of modern insulins, human insulins and protein-related products increased by 5% measured in local currencies and by 3% in Danish kroner to DKK 41,859 million compared to 2010, driven by North America, International Operations and Region China. Global insulin sales growth was negatively impacted by healthcare reforms in the US, Europe, Turkey and China as well as by a decline in human insulin sales in Europe, the US and Japan.

Sales of modern insulins increased by 11% in local currencies and by 8% in Danish kroner to DKK 28,765 million compared to 2010, reflecting steady sales growth. North America,



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International Operations and Europe were the main contributors to the growth. Sales of modern insulins constitute more than 72% of Novo Nordisk's sales of insulin.

### **Insulin market shares**