

Performance highlights

DKK million	2008	2009	2010	2011	2012	2011–2012
Financial performance						Change
Sales						
Modern insulins (insulin analogues)	17,317	21,471	26,601	28,765	34,821	21%
Human insulins	11,804	11,315	11,827	10,785	11,302	5%
Victoza®	–	87	2,317	5,991	9,495	58%
Protein-related products	1,844	1,977	2,214	2,309	2,511	9%
Oral antidiabetic products (OAD)	2,391	2,652	2,751	2,575	2,758	7%
Diabetes care total	33,356	37,502	45,710	50,425	60,887	21%
NovoSeven®	6,396	7,072	8,030	8,347	8,933	7%
Norditropin®	3,865	4,401	4,803	5,047	5,698	13%
Hormone replacement therapy	1,612	1,744	1,892	2,054	2,163	5%
Other products	324	359	341	473	345	(27%)
Biopharmaceuticals total	12,197	13,576	15,066	15,921	17,139	8%
Total sales by business segment	45,553	51,078	60,776	66,346	78,026	18%
North America	15,154	18,279	23,609	26,586	34,220	29%
Europe	17,219	17,540	18,664	19,168	19,707	3%
International Operations	6,353	6,835	8,335	9,367	11,080	18%
Japan & Korea	4,196	4,888	5,660	6,223	6,617	6%
Region China	2,631	3,536	4,508	5,002	6,402	28%
Total sales by geographical segment	45,553	51,078	60,776	66,346	78,026	18%
Underlying sales growth in local currencies	12%	11%	13%	11%	12%	
Currency effect (local currency impact)	(3%)	1%	6%	(2%)	6%	
Total sales growth as reported	9%	12%	19%	9%	18%	
Depreciation, amortisation and impairment losses	2,442	2,551	2,467	2,737	2,693	(2%)
Operating profit	12,373	14,933	18,891	22,374	29,474	32%
Net financials	322	(945)	(605)	(449)	(1,663)	270%
Profit before income taxes	12,695	13,988	18,286	21,925	27,811	27%
Net profit for the year	9,645	10,768	14,403	17,097	21,432	25%
Total assets	50,603	54,742	61,402	64,698	65,669	2%
Equity	32,979	35,734	36,965	37,448	40,632	9%
Capital expenditure, net	1,754	2,631	3,308	3,003	3,319	11%
Free cash flow ¹	11,015	12,332	17,013	18,112	18,645	3%
Financial ratios						
Percentage of sales						
Sales outside Denmark	99.2%	99.2%	99.4%	99.3%	99.4%	
Sales and distribution costs	28.2%	30.2%	29.9%	28.6%	27.6%	
Research and development costs	17.2%	15.4%	15.8%	14.5%	14.0%	
Administrative costs	5.8%	5.4%	5.0%	4.9%	4.2%	
Gross margin ¹	77.8%	79.6%	80.8%	81.0%	82.7%	
Net profit margin ¹	21.2%	21.1%	23.7%	25.8%	27.5%	
Effective tax rate ¹	24.0%	23.0%	21.2%	22.0%	22.9%	
Equity ratio ¹	65.2%	65.3%	60.2%	57.9%	61.9%	
Return on equity (ROE) ¹	29.6%	31.3%	39.6%	46.0%	54.9%	
Cash to earnings ¹	114.2%	114.5%	118.1%	105.9%	87.0%	
Payout ratio ¹	37.8%	40.9%	39.6%	45.3%	45.3%	
Payout ratio excl non-recurring events ²	36.6%	40.9%	42.8%	45.3%	45.3%	
Long-term financial targets						Targets³
Operating profit margin ¹	27.2%	29.2%	31.1%	33.7%	37.8%	40%
Operating profit growth	38.4%	20.7%	26.5%	18.4%	31.7%	15%
Operating profit after tax to net operating assets ¹	37.4%	47.3%	63.6%	77.9%	99.0%	125%
Cash to earnings, (three-year average)	97.6%	111.5%	115.6%	112.8%	103.7%	90%

	2008	2009	2010	2011	2012	2011–2012
Social performance						Change
<i>Patients:</i>						
Least developed countries where Novo Nordisk sells insulin according to the differential pricing policy	32	36	33	36	35	(3%)
Healthcare professionals trained or educated in diabetes (1,000)	N/A	425	373	835	1,274	53%
People with diabetes trained (1,000)	N/A	416	494	626	836	34%
Donations (DKK million)	78	83	84	81	84	4%
New patent families (first filings)	71	55	62	80	65	(19%)
<i>Employees:</i>						
Employees (total)	27,068	29,329	30,483	32,632	34,731	6%
Employees (average FTEs)	26,069	27,985	29,423	31,499	33,061	5%
Employee turnover	12.1%	8.3%	9.1%	9.8%	9.1%	
<i>Assurance:</i>						
Relevant employees trained in business ethics	N/A	N/A	98%	99%	99%	
Business ethics assurance activities	25	30	35	46	48	4%
Fulfillment of action points from facilitations of the Novo Nordisk Way	92%	93%	93%	93%	94%	
Product recalls	2	2	5	5	6	20%
Warning Letters and re-inspections	0	0	0	0	1	–
Company reputation with external key stakeholders (scale 1–7)	N/A	N/A	N/A	5.6	5.7	2%
Long-term social targets						Targets
Patients reached with diabetes care products (million) (estimate) ⁴	N/A	N/A	N/A	21	23	40 million by 2020
Working the Novo Nordisk Way (employee assessment) (scale 1–5)	N/A	N/A	N/A	4.3	4.3	4.0
Diverse senior management teams ⁵	43%	50%	54%	62%	66%	100% by 2014
Environmental performance						Change
<i>Resources:</i>						
Energy consumption (1,000 GJ)	2,533	2,246	2,234	2,187	2,433	11%
Water consumption (1,000 m ³)	2,684	2,149	2,047	2,136	2,475	16%
<i>Emissions and waste:</i>						
CO ₂ emissions from energy consumption (1,000 tons)	217	166	95	94	122	30%
Wastewater (1,000 m ³)	2,542	2,062	1,935	2,036	2,272	12%
Waste (tons)	24,314	26,362	25,627	41,376	82,802	100%
Long-term environmental targets						Targets
Energy consumption (change compared with prior year)	(9%)	(11%)	(1%)	(2%)	11%	3% annual growth ⁶
Water consumption (change compared with prior year)	(17%)	(20%)	(5%)	4%	16%	5% annual growth ⁶
CO ₂ emissions from energy consumption (change compared with 2004) ⁷	(1%)	(24%)	(56%)	(57%)	(44%)	10% reduction by 2014
Share performance						Change
Basic earnings per share/ADR in DKK ¹	15.66	17.97	24.81	30.24	39.09	29%
Diluted earnings per share/ADR in DKK ¹	15.54	17.82	24.60	29.99	38.85	30%
Dividend per share in DKK	6.00	7.50	10.00	14.00	18.00	29%
Total dividend (DKK million)	3,650	4,400	5,700	7,742	9,715 ⁸	25%

1. For definitions, please refer to p 93.

2. Impact of Zymogenetics, Inc. share divestment, discontinuation of all pulmonary diabetes projects and Impact of DAKO A/S share divestment.

3. The long-term financial targets were updated in February 2013. Please refer to p 10.

4. The accounting policy has been updated in line with WHO definition, and historical data have been restated accordingly. Please refer to p 97.

5. By the end of 2014 all senior management teams must comply with the target to be diverse in terms of both gender and nationality or explain why this is not achievable.

6. For target definition, please refer to p 14.

7. The accounting policy has been updated and historical data have been restated accordingly. The target remains unchanged. Please refer to p 102.

8. Proposed dividend for the year (not yet declared).