

Edgar Filing: NOVO NORDISK A S - Form 6-K

NOVO NORDISK A S
Form 6-K
August 07, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

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

August 7 2006

NOVO NORDISK A/S
(Exact name of Registrant as specified in its charter)

NOVO ALLE
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-_____

INTERIM RESULTS

FINANCIAL STATEMENT FOR THE PERIOD 1 JANUARY 2006 TO 30 JUNE 2006

Stock Exchange Announcement no 26 / 2006

Novo Nordisk increased sales by 20% in the first six months

Edgar Filing: NOVO NORDISK A S - Form 6-K

EXPECTATIONS FOR OPERATING PROFIT GROWTH FOR 2006 INCREASED TO 13%

- o Reported sales increased by 20% in the first six months of 2006
 - * Sales of insulin analogues increased by 59%
 - * Sales of NovoSeven(R) increased by 19%
 - * Sales in North America increased by 31%
 - * Sales in International Operations increased by 41%
- o Operating profit increased by 17% to DKK 4,509 million. Adjusted for the impact from currencies and non-recurring items, underlying operating profit increased by around 16%.
- o Net profit was largely unchanged at DKK 2,954 million, and earnings per share (diluted) increased by 4% to DKK 9.09.
- o The full-year expectations have been increased
 - * Reported sales are expected to grow by 13-15%, an increase from the previous expectation of 11-13%, primarily reflecting the solid sales performance during the first six months.
 - * Operating profit is expected to grow by around 13% as reported, compared to the previous expectation of slightly more than 10% growth, whereas underlying operating profit growth is now expected to be around 15%, up from the previous expectation of around 10%.

Lars Rebien Sorensen, president and CEO, said: "Our business has performed very well in the first six months of 2006 in terms of both sales and production economics. This enables us to upgrade the full-year growth expectations for both sales and operating profit."

FINANCIAL STATEMENT FOR THE FIRST SIX MONTHS OF 2006

This interim report has been prepared in accordance with International Financial Reporting Standards (IFRS). The accounting policies used in the interim report are consistent with those used in the Annual Report 2005. The interim report has not been audited.

(Amounts in DKK million, except average number of shares outstanding, earnings per share and full-time employees.)

| INCOME STATEMENT | H1 2006 | H1 2005 |
|------------------|---------|---------|
| SALES | 18,673 | 15,541 |
| GROSS PROFIT | 14,006 | 11,246 |
| Gross margin | 75.0% | 72.4% |

% CH

Edgar Filing: NOVO NORDISK A S - Form 6-K

| | | |
|--|--------|--------|
| Sales and distribution costs | 5,578 | 4,406 |
| Percent of sales | 29.9% | 28.4% |
| Research and development costs | 2,917 | 2,303 |
| Percent of sales | 15.6% | 14.8% |
| Administrative expenses | 1,137 | 953 |
| Percent of sales | 6.1% | 6.1% |
| Licence fees and other operating income (net) | 135 | 269 |
| OPERATING PROFIT | 4,509 | 3,853 |
| Operating margin | 24.1% | 24.8% |
| Share of profit/(loss) in associated companies | (118) | 195 |
| Other net financial income/(loss) | (171) | 83 |
| PROFIT BEFORE TAX | 4,220 | 4,131 |
| NET PROFIT | 2,954 | 2,916 |
| Net profit margin | 15.8% | 18.8% |
| OTHER KEY NUMBERS | | |
| Depreciation, amortisation and impairment losses | 968 | 834 |
| Capital expenditure | 1,217 | 1,458 |
| Cash flow from operating activities | 3,859 | 3,448 |
| Free cash flow | 2,462 | 1,946 |
| Total assets | 43,145 | 37,731 |
| Equity | 28,908 | 25,620 |
| Equity ratio | 67.0% | 67.9% |
| Average number of shares outstanding (million) - diluted | 324.8 | 332.0 |
| DILUTED EARNINGS PER SHARE (IN DKK) | 9.09 | 8.78 |
| Full-time employees at the end of the period | 22,792 | 21,246 |

SALES DEVELOPMENT BY SEGMENTS

Sales increased by 20% in Danish kroner and by 18% measured in local currencies.

Edgar Filing: NOVO NORDISK A S - Form 6-K

Growth was realised both within diabetes care and biopharmaceuticals - primarily driven by the portfolio of insulin analogues, NovoSeven(R) and growth hormone therapy products.

| | SALES H1 2006 DKK MILLION | GROWTH AS REPORTED | GROWTH IN LOCAL CURRENCIES |
|--|---------------------------------|-----------------------|----------------------------------|
| THE DIABETES CARE SEGMENT | | | |
| Insulin analogues | 5,002 | 59% | 56% |
| Human insulin and insulin-related sales | 7,410 | 4% | 2% |
| Oral antidiabetic products | 960 | 25% | 21% |
| DIABETES CARE - TOTAL | 13,372 | 21% | 19% |
| THE BIOPHARMACEUTICALS SEGMENT | | | |
| NovoSeven (R) | 2,772 | 19% | 15% |
| Growth hormone therapy | 1,591 | 22% | 22% |
| Other products | 938 | 5% | 2% |
| BIOPHARMACEUTICALS - TOTAL | 5,301 | 17% | 14% |
| TOTAL SALES | 18,673 | 20% | 18% |

Sales growth, measured in local currencies, was realised in all regions, with North America, International Operations and Europe as the main growth drivers.

DIABETES CARE

Sales of diabetes care products increased by 21% in Danish kroner to DKK 13,372 million and by 19% in local currencies compared to the first six months of 2005.

INSULIN ANALOGUES, HUMAN INSULIN AND INSULIN-RELATED PRODUCTS

Sales of insulin analogues, human insulin and insulin-related products increased by 21% to DKK 12,412 million in Danish kroner and by 19% measured in local currencies. North America and International Operations (in particular China, India and Russia) delivered the highest growth rates but all regions contributed to growth. Novo Nordisk is the global leader within the insulin segment, with 52% of the insulin market and 37% of the insulin analogue segment, both measured by volume.

Sales of insulin analogues increased by 59% in Danish kroner to DKK 5,002 million and by 56% in local currencies in the first six months of 2006. All regions realised solid growth rates, with North America and Europe as the primary growth drivers. Sales of insulin analogues contributed with 65% of the overall growth in local currencies and now constitute more than 40% of Novo Nordisk's sales of insulin and insulin-related products. Novo Nordisk's leading prefilled delivery device, FlexPen(R) continues to support the sales growth of insulin analogues in all regions.

Edgar Filing: NOVO NORDISK A S - Form 6-K

North America

Sales in North America increased by 41% in Danish kroner and by 33% in local currencies in the first six months of 2006, reflecting solid performance of the insulin analogues NovoLog(R) and NovoLog(R) Mix 70/30, combined with the launch of Levemir(R), the long-acting insulin analogue. Novo Nordisk has consolidated its leadership position in the US insulin market holding close to 40% of the total market, and more than 25% of the analogue segment, both measured by volume. Furthermore, sales of human insulin products increased as a consequence of increased volume as well as higher average selling prices.

The launch of Levemir(R) in the US market is progressing well, and the product has been very well received by healthcare professionals, people with diabetes and managed care organisations, thereby improving the penetration of Novo Nordisk's portfolio of insulin analogue products.

International Operations

Sales within International Operations increased by 37% in Danish kroner and by 31% in local currencies. The sales development during the first six months of 2006 reflects solid performance in all key markets with China contributing more than 20% of the growth within the region.

The main growth driver in the first six months of 2006 was sales of human insulin, primarily in China and India. Furthermore, sales of insulin analogues more than doubled compared to the same period last year, with Russia and Turkey as the key growth contributors.

Europe

Sales in Europe increased by 12% in Danish kroner and by 11% in local currencies, reflecting solid progress in the conversion from human insulin to insulin analogues, which was only partly offset by a negative impact from healthcare reforms. Novo Nordisk continues to consolidate its leadership position in the European insulin market with a 58% share of the total market and 46% of the insulin analogue segment, both measured by volume.

Japan & Oceania

Sales in Japan & Oceania increased by 1% measured in Danish kroner and by 5% in local currencies. The sales development reflects sales growth of insulin analogues, NovoRapid(R) and NovoRapid(R) Mix 30, both of which are increasingly being sold in the leading prefilled delivery device, FlexPen(R). However, sales in Japan have been negatively impacted by a mandatory reduction in reimbursement prices, effective as of 1 April 2006.

ORAL ANTIDIABETIC PRODUCTS (NOVONORM(R)/PRANDIN(R))

Sales of oral antidiabetic products increased, compared to the same period in 2005, by 25% in Danish kroner to DKK 960 million and by 21% in local currencies, reflecting increased sales in North America and International Operations, compared to the same period last year. Sales in North America have been positively impacted by higher volumes and average selling prices in the US market, whereas the positive sales performance in International Operations is primarily due to the beneficial impact from an improved level of reimbursement in major regions in China, which came into effect late last year.

BIOPHARMACEUTICALS

Edgar Filing: NOVO NORDISK A S - Form 6-K

Sales of biopharmaceutical products increased by 17% measured in Danish kroner to DKK 5,301 million and by 14% in local currencies compared to the first six months of 2005.

NOVOSEVEN(R)

Sales of NovoSeven(R) increased by 19% in Danish kroner to DKK 2,772 million and by 15% in local currencies compared to the same period last year. Sales growth for NovoSeven(R) was realised in all regions with International Operations and Europe as the main growth drivers. Sales in North America increased during the first six months of 2006, primarily driven by increased sales in the second quarter. North America continues to constitute approximately half of total NovoSeven(R) sales.

The sales growth of NovoSeven(R) during the first six months of 2006 reflected increased sales within the congenital inhibitor and acquired haemophilia segments as well as a perceived higher level of investigational use. Treatment of spontaneous bleeds for congenital inhibitor patients remains the largest area of use.

GROWTH HORMONE THERAPY (NORDITROPIN(R) SIMPLEXX(R))

Sales of Norditropin(R) SimpleXx(R) products (ie growth hormone in a liquid, ready-to-use formulation) increased by 22% measured in Danish kroner to DKK 1,591 million and by 22% measured in local currencies. North America, Europe and International Operations contributed to growth, primarily supported by the continued success of the prefilled delivery device, NordiFlex(R). As a result of solid growth rates in North America, quarterly sales of Norditropin(R) SimpleXx(R) in this region are now for the first time above quarterly sales in Japan & Oceania, making North America the largest region from a sales perspective for Novo Nordisk within this therapy area.

OTHER PRODUCTS

Sales of other products within biopharmaceuticals, which predominantly consist of hormone replacement therapy-related products, increased by 5% in Danish kroner to DKK 938 million and by 2% in local currencies. North American sales of the topical oestrogen product, Vagifem(R), continue to be the main growth driver.

COSTS, LICENCE FEES AND OTHER OPERATING INCOME

The cost of goods sold increased by 9% to DKK 4,667 million, significantly lower than the growth in sales of 20%, resulting in an improvement of the gross margin of 2.6 percentage points to 75.0%, compared to 72.4% in the first six months of 2005. This significant improvement in gross margin reflects not only a better than expected improvement in the production efficiency but also an improved product mix, whereas the development in foreign exchange rates only had a slightly positive impact.

Total non-production-related costs increased by 26% to DKK 9,632 million. The cost increase mainly reflects the expansion of the US diabetes care sales force implemented during the fourth quarter of 2005, costs related to the US launch of Levemir(R) as well as the high number of late-stage clinical development projects in the first six months of 2006.

Licence fees and other operating income in the first six months of 2006 were DKK

Edgar Filing: NOVO NORDISK A S - Form 6-K

135 million, compared to DKK 269 million in the same period last year where a non-recurring income of around DKK 100 million was realised from a sale-and-leaseback transaction involving certain office buildings in Denmark.

NET FINANCIALS

Net financials showed a net expense of DKK 289 million in the first six months of 2006 compared to an income of DKK 278 million in the same period in 2005. Included in net financials is the result from associated companies with an expense of DKK 118 million, primarily related to Novo Nordisk's share of losses in ZymoGenetics Inc, compared to an income of DKK 195 million in the first six months of 2005 when a non-recurring, tax-exempt income of approximately DKK 250 million from a sale of shares in Ferrosan A/S was realised.

The foreign exchange result was an expense of DKK 175 million compared to a gain of DKK 135 million in the same period last year. This development primarily reflects losses on foreign exchange hedging activities during the first three months of 2006 due to the higher value of especially US dollars versus Danish kroner compared to the exchange rate level prevailing in 2005.

OUTLOOK 2006

Due to the solid sales performance in the first six months of 2006, the expectation for reported SALES growth for the full-year of 2006 is increased to 13-15%, compared to the previous expectation of sales growth of 11-13%, measured in Danish kroner. The sales forecast also reflects expectations of increased competition in the diabetes care area during the second half of 2006 due to competitors' product launches as well as a negative currency impact for the second half of 2006, given the currently prevailing exchange rate levels.

Reported OPERATING PROFIT is now expected to grow by around 13%, compared to the expectation of slightly more than 10% growth communicated previously. The expectation for underlying operating profit growth, ie excluding the impact from currency movements and non-recurring items, is now around 15%, compared to the previous expectation of around 10%. The increase in expectations for operating profit growth is partly reflecting a sustained improvement in production economy and partly the increased outlook for full-year sales growth.

For 2006, Novo Nordisk still expects a NET FINANCIAL EXPENSE of DKK 350 million.

The effective TAX RATE for 2006 is still expected to be approximately 30%.

CAPITAL EXPENDITURE is still expected to be around DKK 3 billion in 2006. Expectations for DEPRECIATIONS, AMORTISATION AND IMPAIRMENT LOSSES are unchanged at around DKK 2.1 billion, and FREE CASH FLOW is still expected to be around DKK 4.5 billion.

All of the above expectations are provided that currency exchange rates, especially the US dollar and related currencies, remain at the current level versus the Danish krone for the rest of 2006.

Novo Nordisk has hedged expected net cash flows in relation to US dollars, Japanese yen and British pounds for 15, 11 and 11 months, respectively. The financial impact from foreign exchange hedging is included in 'Net financials'.

RESEARCH AND DEVELOPMENT UPDATE

DIABETES CARE

At the annual meeting of the American Diabetes Association (ADA) held in Washington DC in June this year, Novo Nordisk presented detailed results from a 14-week phase 2b study with liraglutide, a once-daily human GLP-1 analogue,

Edgar Filing: NOVO NORDISK A S - Form 6-K

currently in phase 3 clinical development. The results showed a lowering of HbA1c of 1.7% at the highest dose as well as a weight loss of 3 kg. There were no hypoglycaemic events, and nausea was reported at a low level of around 10%.

In Japan, Novo Nordisk has recently completed a separate study with liraglutide in a phase 2 dose-finding trial in patients with type 2 diabetes. The study included around 200 patients previously treated with diet and exercise and/or a single oral antidiabetic agent. Treatment with liraglutide reduced HbA1c levels in this study by around 2 percentage points. Furthermore, more than 75% of patients reached the ADA treatment goal of an HbA1c level below 7%. The lowering of HbA1c was a function of improvements in both fasting and post-prandial glucose control. There were no events of major or minor hypoglycaemia observed. Phase 3 studies with liraglutide are expected to be initiated in Japan in the first half of 2007 following consultation with the Japanese authorities.

Furthermore, at the ADA meeting, Novo Nordisk presented results from the German arm of the Predictive(TM) study, a global observational study with Levemir(R) in more than 30,000 patients with type 1 or type 2 diabetes. The results show that treatment with Levemir(R) reduces hypoglycaemia, improves total glycaemic control and reduces weight compared to other long-acting insulin products.

In July, the European Commission approved a label expansion for NovoRapid(R) to be used during pregnancy. The label expansion is a result of Novo Nordisk's continued focus on expanding labels for the portfolio of insulin analogues.

BIOPHARMACEUTICALS

Novo Nordisk has recently completed a phase 2a safety study for the use of NovoSeven(R) in traumatic brain injury. A total of approximately 100 patients were included in the study, and the preliminary analysis confirms the safety profile of NovoSeven(R) and indicates its potential as a haemostatic agent in patients with traumatic brain injury. Novo Nordisk expects to communicate in more detail from this and a number of other trials at the company's Capital Markets Day on 6 October 2006.

The phase 3 study for the use of NovoSeven(R) in intracerebral haemorrhage (ICH) is now expected to be finalised during the first quarter of 2007. As outlined in the study protocol, a mid-term sample size review has been performed to ensure that the study is adequately powered to statistically assess the hypothesis outlined in the protocol. The outcome of the review is that the total number of patients to be included in the study should be increased from 675 to slightly more than 800.

The phase 2 study for the use of NovoSeven(R) in cardiac surgery is now expected to be finalised during the first half of 2007. Due to the challenging nature of this study, primarily as a consequence of strict inclusion/exclusion criteria, an increase in the number of trial sites has been warranted to reach an acceptable recruitment rate. The study will now progress as a global trial, including the US, following the FDA's recent approval of the study protocol.

EQUITY

Total equity was DKK 28,908 million at the end of the first half of 2006, equal to 67.0% of total assets, compared to 65.9% at the end of 2005. Please refer to appendix 5 for further elaboration of changes in equity during 2006.

HOLDING OF TREASURY SHARES AND SHARE REPURCHASE PROGRAMME

Edgar Filing: NOVO NORDISK A S - Form 6-K

As per 1 August 2006, Novo Nordisk A/S and its wholly-owned affiliates owned 14,226,224 of its own B shares, corresponding to 4.22% of the total share capital. The reduction in the ownership of treasury shares reflects the cancellation of 17,734,160 B shares, which took place on 23 June 2006 following a decision at the annual general meeting earlier this year.

During the period from 28 April to 1 August 2006, Novo Nordisk purchased 510,000 B shares at a cash value of DKK 0.2 billion as part of the DKK 6 billion share repurchase programme for 2006 and 2007.

SUSTAINABILITY ISSUES UPDATE

CAMPAIGN FOR UNITED NATIONS (UN) RESOLUTION ON DIABETES

Novo Nordisk actively supports the International Diabetes Federation's worldwide campaign, UNite for Diabetes. Its goal is to achieve a UN Resolution on diabetes and make the annual World Diabetes Day, on 14 November, internationally observed by the UN. Novo Nordisk's contribution primarily focuses on the needs of children and young people - both those who already have diabetes and those at particular risk of developing diabetes.

LEGAL ISSUES UPDATE

US HORMONE THERAPY LITIGATION

As of 1 August 2006, Novo Nordisk Inc, as the majority of hormone therapy product manufacturers in the US, is a defendant in product liability lawsuits related to hormone therapy products. These lawsuits currently involve a total of 43 individuals who allege to have used a Novo Nordisk hormone therapy product. These products (Activella(R) and Vagifem(R)) have been sold and marketed in the US since 2000. Until July 2003, the products were sold and marketed exclusively in the US by Pharmacia & Upjohn Company (now Pfizer Inc). Further, an additional 16 individuals currently allege, in relation to similar lawsuits against Pfizer Inc, that they also have used a Novo Nordisk hormone therapy product. Currently, it is expected that the first trial may take place during 2007; however, Novo Nordisk is not expecting the claims to impact its financial outlook.

LAWSUIT AGAINST PFIZER REGARDING INHALED INSULIN

On 1 August Novo Nordisk filed a lawsuit against Pfizer claiming that Pfizer's product Exubera(R) infringes Novo Nordisk's patents covering inhaled insulin treatment for diabetes. The lawsuit, filed in United States Federal Court in the Southern District of New York, alleges that Pfizer wilfully and deliberately infringed the patents.

CAPITAL MARKETS DAY

Novo Nordisk has invited analysts and institutional investors to a Capital Markets Day on 6 October 2006 for an update on the company's overall strategy as well as key operational and R&D value drivers. All investors will be able to follow the Capital Markets Day via a live webcast, which will be made available under the 'Investors' section of novonordisk.com.

CONFERENCE CALL DETAILS

At 13.00 CET today, corresponding to 7.00 am New York time, a conference call will be held. Investors will be able to listen in via a link on novonordisk.com, which can be found under 'Investors - Download centre'. Presentation material for the conference call will be made available approximately one hour before on the same page.

Edgar Filing: NOVO NORDISK A S - Form 6-K

FORWARD-LOOKING STATEMENT

The above sections contain forward-looking statements as the term is defined in the US Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations or forecasts of events such as new product introductions, product approvals and financial performance.

Such forward-looking statements are subject to risks, uncertainties and inaccurate assumptions. This may cause actual results to differ materially from expectations. Factors that may affect future results include interest rate and currency exchange rate fluctuations, delay or failure of development projects, production problems, unexpected contract breaches or terminations, government-mandated or market-driven price decreases for Novo Nordisk's products, introduction of competing products, Novo Nordisk's ability to successfully market both new and existing products, exposure to product liability and other lawsuits, proceedings and investigations, changes in reimbursement rules and governmental laws and related interpretation thereof, and unexpected growth in costs and expenses.

Risks and uncertainties are further described in reports filed by Novo Nordisk with the US Securities and Exchange Commission (SEC) including the company's Form 20-F, which was filed on 6 February 2006. Please also refer to the section 'Risk Management' in the Annual Report 2005. Novo Nordisk is under no duty to update any of the forward-looking statements or to conform such statements to actual results, unless required by law.

MANAGEMENT STATEMENT

Today, the Board of Directors and Executive Management reviewed and approved the interim report and accounts of Novo Nordisk A/S for the first six months of 2006.

The interim report and accounts have been prepared in accordance with International Financial Reporting Standards and the additional Danish disclosure requirements applying to listed companies' interim reports and accounts.

In our opinion the accounting policies used are appropriate and the overall presentation of the interim report and accounts is adequate. Furthermore, in our opinion the interim report and accounts give a true and fair view of the Group's assets, liabilities, financial position and of the results of the operations and consolidated cash flows for the period under review.

Bagsvaerd 2 August 2006

EXECUTIVE MANAGEMENT:

| | |
|---|--------------------------|
| Lars Rebien Sorensen President and CEO | Jesper Brandgaard CFO |
|---|--------------------------|

| | | |
|------------|--------------|-------------------------|
| Lise Kingo | Kare Schultz | Mads Krogsgaard Thomsen |
|------------|--------------|-------------------------|

BOARD OF DIRECTORS:

| | |
|---------------------------|-------------------------------|
| Sten Scheibye Chairman | Goran A Ando Vice chairman |
|---------------------------|-------------------------------|

| | | |
|-------------|----------------|------------------|
| Kurt Briner | Henrik Gurtler | Johnny Henriksen |
|-------------|----------------|------------------|

| | | |
|----------------|-----------------------|--------------------|
| Niels Jacobsen | Anne Marie Kverneland | Kurt Anker Nielsen |
|----------------|-----------------------|--------------------|

| | | |
|---------------|------------------------|--------------|
| Soren Thuesen | Pedersen Stig Strobaek | Jorgen Wedel |
|---------------|------------------------|--------------|

Edgar Filing: NOVO NORDISK A S - Form 6-K

Contacts for further information

MEDIA:

Outside North America:
 Mike Rulis
 Tel (direct): (+45) 4442 3573
 E-mail: mike@novonordisk.com

In North America:
 Susan T Jackson
 Tel (direct): (+1) 609 919 7776
 E-mail: stj@novonordisk.com

INVESTORS:

Outside North America:
 Mogens Thorsager Jensen
 Tel (direct): (+45) 4442 7945
 E-mail: mtj@novonordisk.com

Christian Qvist Frandsen
 Tel (direct): (+45) 4443 5182
 E-mail: cqfr@novonordisk.com

Hans Rommer
 Tel (direct): (+45) 4442 4765
 E-mail: hrmm@novonordisk.com

In North America:
 Mads Veggerby Lausten
 Tel (direct): (+1) 609 919 7937
 E-mail: mlau@novonordisk.com

Further information on Novo Nordisk is available on the company's internet homepage at the address: novonordisk.com

Appendix 1

QUARTERLY NUMBERS IN DKK

| | 2006 | | 2005 | |
|--|-------|-------|-------|-------|
| | Q2 | Q1 | Q4 | Q3 |
| SALES | 9,727 | 8,946 | 9,426 | 8,790 |
| Gross profit | 7,475 | 6,531 | 6,902 | 6,430 |
| Gross margin | 76.8% | 73.0% | 73.2% | 73.5% |
| Sales and distribution costs | 2,850 | 2,728 | 2,883 | 2,400 |
| Percent of sales | 29.3% | 30.5% | 30.6% | 27.5% |
| Research and development costs | 1,498 | 1,419 | 1,551 | 1,230 |
| Percent of sales | 15.4% | 15.9% | 16.5% | 14.1% |
| Administrative expenses | 557 | 580 | 624 | 540 |
| Percent of sales | 5.7% | 6.5% | 6.6% | 6.2% |
| Licence fees and other operating income (net) | 59 | 76 | 79 | 50 |
| OPERATING PROFIT | 2,629 | 1,880 | 1,923 | 2,310 |
| Operating margin | 27.0% | 21.0% | 20.4% | 26.5% |
| Share of profit/(loss) in Associated companies | (58) | (60) | (25) | 140 |
| Financial income | 102 | 111 | 88 | 50 |
| Financial expenses | 182 | 202 | 299 | 100 |

Edgar Filing: NOVO NORDISK A S - Form 6-K

| | | | | |
|--|--------|--------|--------|-------|
| Profit before taxation | 2,491 | 1,729 | 1,687 | 2,41 |
| NET PROFIT | 1,743 | 1,211 | 1,196 | 1,75 |
| Depreciation, amortisation and impairment losses | 508 | 460 | 537 | 55 |
| Capital expenditure | 622 | 595 | 1,120 | 1,08 |
| Cash flow from operating activities | 1,768 | 2,091 | 2,359 | 2,90 |
| Free cash flow | 996 | 1,466 | 1,147 | 1,74 |
| Equity | 28,908 | 27,042 | 27,634 | 26,58 |
| Total assets | 43,145 | 41,299 | 41,960 | 40,18 |
| Equity ratio | 67.0% | 65.5% | 65.9% | 66. |
| Full-time employees at the end of the period | 22,792 | 22,556 | 22,007 | 21,63 |
| Basic earnings per share (DKK) | 5.40 | 3.74 | 3.70 | 5.3 |
| Diluted earnings per share (in DKK)* | 5.37 | 3.72 | 3.68 | 5.3 |
| Average number of shares outstanding (million)* | 322.9 | 323.6 | 323.4 | 325. |
| Average number of shares outstanding incl dilutive effect of options 'in the money' (million)* | 324.5 | 325.2 | 324.8 | 326. |
| Sales by business segments: | | | | |
| Insulin analogues | 2,678 | 2,324 | 2,229 | 1,92 |
| Human insulin and insulin-related sales | 3,707 | 3,703 | 4,036 | 3,87 |
| Oral antidiabetic products (OAD) | 483 | 477 | 454 | 48 |
| DIABETES CARE TOTAL | 6,868 | 6,504 | 6,719 | 6,28 |
| NovoSeven (R) | 1,507 | 1,265 | 1,390 | 1,33 |
| Growth hormone therapy | 882 | 709 | 781 | 70 |
| Hormone replacement Therapy | 396 | 373 | 421 | 40 |
| Other products | 74 | 95 | 115 | 6 |
| BIOPHARMACEUTICALS TOTAL | 2,859 | 2,442 | 2,707 | 2,50 |
| Sales by geographic segments: | | | | |
| Europe | 3,761 | 3,403 | 3,602 | 3,43 |
| North America | 2,968 | 2,764 | 2,696 | 2,46 |
| International Operations | 1,790 | 1,755 | 1,797 | 1,75 |
| Japan & Oceania | 1,208 | 1,024 | 1,331 | 1,14 |
| Segment operating profit: | | | | |
| Diabetes care | 1,490 | 998 | 909 | 1,16 |
| Biopharmaceuticals | 1,139 | 882 | 1,014 | 1,15 |

*) For Q2 2006 the exact numbers of 'Average number of shares outstanding' and 'Average number of shares outstanding incl dilutive effect of options 'in the money' are 322,909,583 and 324,512,033 respectively.

Edgar Filing: NOVO NORDISK A S - Form 6-K

Appendix 2

QUARTERLY NUMBERS IN EUR

| | 2006 | | | 2005 |
|--|--------|--------|--------|-------|
| | Q2 | Q1 | Q4 | Q3 |
| SALES | 1,304 | 1,199 | 1,264 | 1,177 |
| Gross profit | 1,002 | 875 | 925 | 866 |
| Gross margin | 76.8% | 73.0% | 73.2% | 73.8% |
| Sales and distribution costs | 382 | 366 | 387 | 322 |
| Percent of sales | 29.3% | 30.5% | 30.6% | 27.4% |
| Research and development costs | 201 | 190 | 208 | 166 |
| Percent of sales | 15.4% | 15.9% | 16.5% | 14.2% |
| Administrative expenses | 74 | 78 | 84 | 77 |
| Percent of sales | 5.7% | 6.5% | 6.6% | 6.6% |
| Licence fees and other operating income (net) | 8 | 10 | 11 | 11 |
| OPERATING PROFIT | 352 | 252 | 257 | 311 |
| Operating margin | 27.0% | 21.0% | 20.4% | 26.5% |
| Share of profit in associated R&D companies | (8) | (8) | (3) | 2 |
| Financial income | 14 | 15 | 12 | 14 |
| Financial expenses | 24 | 27 | 40 | 1 |
| Profit before taxation | 334 | 232 | 226 | 327 |
| NET PROFIT | 234 | 162 | 160 | 233 |
| Depreciation, amortisation and impairment losses | 68 | 62 | 72 | 7 |
| Capital expenditure | 83 | 80 | 150 | 14 |
| Cash flow from operating activities | 237 | 280 | 316 | 39 |
| Free cash flow | 134 | 196 | 154 | 23 |
| Equity | 3,875 | 3,624 | 3,704 | 3,56 |
| Total assets | 5,784 | 5,534 | 5,624 | 5,38 |
| Equity ratio | 67.0% | 65.5% | 65.9% | 66.3% |
| Full-time employees at the end of the period | 22,792 | 22,556 | 22,007 | 21,63 |
| Basic earnings per share (in EUR) | 0.72 | 0.50 | 0.50 | 0.7 |
| Diluted earnings per share (in EUR)* | 0.72 | 0.50 | 0.49 | 0.7 |
| Average number of shares outstanding (million)* | 322.9 | 323.6 | 323.4 | 325. |
| Average number of shares outstanding incl dilutive effect of options 'in the money' (million)* | 324.5 | 325.2 | 324.8 | 326. |
| Sales by business segments: | | | | |
| Insulin analogues | 359 | 311 | 299 | 25 |

Edgar Filing: NOVO NORDISK A S - Form 6-K

| | | | | |
|---|-----|-----|-----|----|
| Human insulin and insulin-related sales | 497 | 496 | 541 | 52 |
| Oral antidiabetic products (OAD) | 65 | 64 | 61 | 6 |
| DIABETES CARE TOTAL | 921 | 871 | 901 | 84 |
| NovoSeven(R) | 202 | 170 | 187 | 17 |
| Growth hormone therapy | 118 | 95 | 105 | 9 |
| Hormone replacement therapy | 53 | 50 | 56 | 5 |
| Other products | 10 | 13 | 15 | 1 |
| BIOPHARMACEUTICALS TOTAL | 383 | 328 | 363 | 33 |
| Sales by geographic segments: | | | | |
| Europe | 504 | 456 | 484 | 46 |
| North America | 398 | 370 | 361 | 33 |
| International Operations | 240 | 235 | 241 | 23 |
| Japan & Oceania | 162 | 137 | 178 | 15 |
| Segment operating profit: | | | | |
| Diabetes care | 200 | 134 | 121 | 15 |
| Biopharmaceuticals | 153 | 118 | 136 | 15 |

*) For Q2 2006 the exact numbers of 'Average number of shares outstanding' and 'Average number of shares outstanding incl dilutive effect of options 'in the money' are 322,909,583 and 324,512,033 respectively.

Appendix 3

INCOME STATEMENT

| DKK million | H1 2006 | H1 2005 | Q2 2006 | |
|--|------------|------------|------------|----|
| Sales | 18,673 | 15,541 | 9,727 | 8, |
| Cost of goods sold | 4,667 | 4,295 | 2,252 | 2, |
| GROSS PROFIT | 14,006 | 11,246 | 7,475 | 6, |
| Sales and distribution costs | 5,578 | 4,406 | 2,850 | 2, |
| Research and development costs | 2,917 | 2,303 | 1,498 | 1, |
| Administrative expenses | 1,137 | 953 | 557 | |
| Licence fees and other operating income (net) | 135 | 269 | 59 | |
| OPERATING PROFIT | 4,509 | 3,853 | 2,629 | 2, |
| Share of profit/(loss) in associated companies | (118) | 195 | (58) | |
| Financial income | 213 | 352 | 102 | |
| Financial expenses | 384 | 269 | 182 | |
| PROFIT BEFORE TAXATION | 4,220 | 4,131 | 2,491 | 2, |
| Income taxes | 1,266 | 1,215 | 748 | |
| NET PROFIT | 2,954 | 2,916 | 1,743 | 1, |
| BASIC EARNINGS PER SHARE (DKK) | 9.14 | 8.81 | 5.40 | 5 |
| DILUTED EARNINGS PER SHARE (DKK) | 9.09 | 8.78 | 5.37 | 5 |
| SEGMENT SALES: | | | | |
| Diabetes care | 13,372 | 11,006 | 6,868 | 5, |

Edgar Filing: NOVO NORDISK A S - Form 6-K

| | | | | |
|---------------------------|-------|-------|-------|----|
| Biopharmaceuticals | 5,301 | 4,535 | 2,859 | 2, |
| SEGMENT OPERATING PROFIT: | | | | |
| Diabetes care | 2,488 | 1,985 | 1,490 | 1, |
| Operating margin | 18.6% | 18.0% | 21.7% | 2 |
| Biopharmaceuticals | 2,021 | 1,868 | 1,139 | 1, |
| Operating margin | 38.1% | 41.2% | 39.8% | 4 |

Appendix 4

BALANCE SHEET

DKK million 30 Jun 2006 31 Dec 2005

ASSETS

| | | |
|---|---------------|---------------|
| Intangible assets | 558 | 485 |
| Property, plant and equipment | 20,077 | 19,941 |
| Investments in associated companies | 757 | 926 |
| Deferred tax assets | 1,270 | 879 |
| Other financial assets | 177 | 169 |
| TOTAL LONG-TERM ASSETS | 22,839 | 22,400 |
| Inventories | 8,092 | 7,782 |
| Trade receivables | 5,058 | 4,794 |
| Tax receivables | 769 | 504 |
| Other receivables | 1,551 | 1,455 |
| Marketable securities and financial derivatives | 1,559 | 1,722 |
| Cash at bank and in hand | 3,277 | 3,303 |
| TOTAL CURRENT ASSETS | 20,306 | 19,560 |
| TOTAL ASSETS | 43,145 | 41,960 |

EQUITY AND LIABILITIES

| | | |
|---|---------------|---------------|
| Share capital | 674 | 709 |
| Treasury shares | (28) | (61) |
| Retained earnings | 27,558 | 26,962 |
| Other comprehensive income | 704 | 24 |
| TOTAL EQUITY | 28,908 | 27,634 |
| Long-term debt | 1,178 | 1,248 |
| Deferred tax liabilities | 2,190 | 1,846 |
| Provision for pensions | 330 | 316 |
| Other provisions | 317 | 335 |
| TOTAL LONG-TERM LIABILITIES | 4,015 | 3,745 |
| Short-term debt and financial derivatives | 326 | 1,444 |
| Trade payables | 1,243 | 1,500 |
| Tax payables | 1,332 | 676 |
| Other liabilities | 4,921 | 4,577 |

Edgar Filing: NOVO NORDISK A S - Form 6-K

| | | |
|------------------------------|--------|--------|
| Other provisions | 2,400 | 2,384 |
| TOTAL CURRENT LIABILITIES | 10,222 | 10,581 |
| TOTAL LIABILITIES | 14,237 | 14,326 |
| TOTAL EQUITY AND LIABILITIES | 43,145 | 41,960 |

Appendix 5

STATEMENT OF CHANGES IN EQUITY

| | Share capital | Treasury shares | Share premium account | Retained earnings | Other |
|---|---------------|-----------------|-----------------------|-------------------|-------|
| H1 2006 | | | | | |
| Balance at the beginning of the year | 709 | (61) | - | 26,962 | |
| Exchange rate adjustment of investments in subsidiaries | | | | | |
| Deferred (gain)/loss on cash flow hedges at the beginning of the year recognized in the Income statement for the period | | | | | |
| Deferred gain/(loss) on cash flow hedges at the end of the period | | | | | |
| Other adjustments | | | | | |
| Net income recognized directly in equity | - | - | - | - | |
| Net profit for the period | - | - | - | 2,954 | |
| Total income for the period | - | - | - | 2,954 | |
| Share-based payment | | | | 51 | |
| Purchase of treasury shares | | (3) | - | (576) | |
| Sale of treasury shares | | 1 | - | 112 | |
| Reduction of the B share capital | (35) | 35 | | | |
| Dividends | | | | (1,945) | |
| BALANCE AT THE END OF THE PERIOD | 674 | (28) | - | 27,558 | |
| H1 2005 | | | | | |
| Balance at the beginning of the year | 709 | (45) | 2,565 | 22,671 | |
| Exchange rate adjustment of investments in subsidiaries | | | | | |
| Deferred (gain)/loss on cash flow hedges at the beginning of the year recognized in the Income statement for the period | | | | | |
| Deferred gain/(loss) on cash flow hedges at the end of the | | | | | |

Edgar Filing: NOVO NORDISK A S - Form 6-K

| | | | | |
|---|-----|------|---------|---------|
| period | | | | |
| Other adjustments | | | | 96 |
| Net income recognized directly in equity | - | - | - | 96 |
| Net profit for the period | - | - | | 2,916 |
| Total income for the period | - | - | - | 3,012 |
| Cost of share-based payment | | | | 40 |
| Purchase of treasury shares | | (11) | | (1,636) |
| Sale of treasury shares | - | | | 41 |
| Transfer of share premium account to retained earnings *) | | | (2,565) | 2,565 |
| Dividends | | | | (1,594) |
| BALANCE AT THE END OF THE PERIOD | 709 | (56) | - | 25,099 |

*) In accordance with changes in the Danish Companies Act the share premium account is transferred to retained earnings.

Appendix 6

CONDENSED CASH FLOW STATEMENT

| | | |
|---|---------|-----|
| DKK million | H12006 | H12 |
| NET PROFIT | 2,954 | 2, |
| Adjustment for non-cash items | 2,651 | 2, |
| Income taxes paid and net interest received | (877) | (|
| CASH FLOW BEFORE CHANGE IN WORKING CAPITAL | 4,728 | 4, |
| Net change in working capital | (869) | (|
| CASH FLOW FROM OPERATING ACTIVITIES | 3,859 | 3, |
| Net investments in intangible assets and long-term financial assets | (180) | |
| Capital expenditure for property, plant and equipment | (1,217) | (1, |
| Net change in marketable securities (>3 months) | 511 | |
| NET CASH USED IN INVESTING ACTIVITIES | (886) | (1, |
| CASH FLOW FROM FINANCING ACTIVITIES | (2,463) | (3, |
| NET CASH FLOW | 510 | (1, |
| Unrealised gain/(loss) on exchange rates in cash and cash equivalents | (25) | |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | 485 | (1, |
| Cash and cash equivalents at the beginning of the year | 2,483 | 2, |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 2,968 | 1, |
| Bonds with original term to maturity exceeding three months | 999 | |
| Undrawn committed credit facilities | 7,459 | 6, |
| FINANCIAL RESOURCES AT THE END OF THE PERIOD | 11,426 | 9, |
| Cash flow from operating activities | 3,859 | 3, |
| + Net cash used in investing activities | (886) | (1, |
| - Net change in marketable securities (maturity exceeding three months) | 511 | |

Edgar Filing: NOVO NORDISK A S - Form 6-K

FREE CASH FLOW

2,462

1,

SIGNATURES

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

Date: August 7 2006

NOVO NORDISK A/S

Lars Rebien Sorensen,
President and Chief Executive Officer