

NOVO NORDISK A S
Form 6-K
March 23, 2010

**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, 2010

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 2009

2 February 2010

Novo Nordisk increased operating profit by 21% in 2009

In 2010, operating profit is expected to increase by around 10%

Sales increased by 12% in Danish kroner and by 11% in local currencies.

- o Sales of modern insulins increased by 24% (23% in local currencies).
- o Sales of NovoSeven[®] increased by 11% (10% in local currencies).
- o Sales of Norditropin[®] increased by 14% (10% in local currencies).
- o Sales in North America increased by 21% (15% in local currencies).
- o Sales in International Operations increased by 17% (19% in local currencies).

Gross margin improved by 1.8 percentage points to 79.6% in 2009, primarily reflecting continued productivity improvements, price increases in the US and a positive currency impact of around 0.4 percentage points.

Reported operating profit increased by 21% to DKK 14,933 million. Adjusted for the impact from currencies underlying operating profit increased by more than 15%.

Net profit increased by 12% to DKK 10,768 million. Earnings per share (diluted) increased by 15% to DKK 17.82.

At the Annual General Meeting on 24 March 2010, the Board of Directors will propose a 25% increase in dividend to DKK 7.50 per share of DKK 1. The Board of Directors has furthermore decided to initiate a new share repurchase programme of DKK 7.5 billion during 2010.

In January 2010, Novo Nordisk received marketing authorisation for Victoza[®], the once-daily human GLP-1 analogue for the treatment of type 2 diabetes, from both the US Food and Drug Administration (FDA) and the Japanese Ministry of Health, Labour and Welfare.

For 2010, sales growth measured in local currencies is expected to be in the range of 6-10% whereas operating profit measured in local currencies is expected to increase by around 10%.

Lars Rebien Sørensen, president and CEO, said: We are satisfied with the solid business performance in 2009, which is primarily driven by the robust sales growth for our portfolio of modern insulins. The launch of Victoza[®] in Europe is very encouraging and we look forward to continuing the global roll-out of Victoza[®] following the recent approvals in the US and Japan.

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Consolidated financial statement 2009

Today, the Board of Directors and Executive Management approved the audited *Annual Report 2009* of Novo Nordisk A/S. The Board of Directors and Executive Management also approved this financial statement containing condensed financial information for 2009. This financial statement is prepared in accordance with the recognition and measurement requirements of IFRS as issued by the International Accounting Standards Board (IASB) and endorsed by the EU, and with additional Danish disclosure requirements for listed companies. The accounting policies used in this financial statement are consistent with those used in the annual reports for 2008 and 2009.

	2009	2008	2007	2006	2005	% change 2009 vs 2008
Profit and loss (Amounts below in DKK million)						
Sales	51,078	45,553	41,831	38,743	33,760	12%
Gross profit	40,640	35,444	32,038	29,158	24,583	15%
<i>Gross margin</i>	<i>79.6%</i>	<i>77.8%</i>	<i>76.6%</i>	<i>75.3%</i>	<i>72.8%</i>	
Sales and distribution costs	15,420	12,866	12,371	11,608	9,691	20%
<i>Percent of sales</i>	<i>30.2%</i>	<i>28.2%</i>	<i>29.6%</i>	<i>30.0%</i>	<i>28.7%</i>	
Research and development costs	7,864	7,856	8,538	6,316	5,085	0%
<i>- hereof costs related to AERx®¹⁾</i>	<i>-</i>	<i>(325)</i>	<i>(1,325)</i>	<i>-</i>	<i>-</i>	
<i>Percent of sales</i>	<i>15.4%</i>	<i>17.2%</i>	<i>20.4%</i>	<i>16.3%</i>	<i>15.1%</i>	
<i>Percent of sales (excl AERx®)¹⁾</i>	<i>-</i>	<i>16.5%</i>	<i>17.2%</i>	<i>-</i>	<i>-</i>	
Administrative expenses	2,764	2,635	2,508	2,387	2,122	5%
<i>Percent of sales</i>	<i>5.4%</i>	<i>5.8%</i>	<i>6.0%</i>	<i>6.2%</i>	<i>6.3%</i>	
Licence fees and other operating income	341	286	321	272	403	19%
Operating profit	14,933	12,373	8,942	9,119	8,088	21%
<i>Operating margin</i>	<i>29.2%</i>	<i>27.2%</i>	<i>21.4%</i>	<i>23.5%</i>	<i>24.0%</i>	
Operating profit (excl AERx®)¹⁾	-	12,698	10,267	-	-	
<i>Operating margin (excl AERx®)¹⁾</i>	<i>-</i>	<i>27.9%</i>	<i>24.5%</i>	<i>-</i>	<i>-</i>	
Net financials	(945)	322	2,029	45	146	(393%)
Profit before income taxes	13,988	12,695	10,971	9,164	8,234	10%
Income taxes	3,220	3,050	2,449	2,712	2,370	6%
<i>Income tax rate</i>	<i>23.0%</i>	<i>24.0%</i>	<i>22.3%</i>	<i>29.6%</i>	<i>28.8%</i>	
Net profit	10,768	9,645	8,522	6,452	5,864	12%
<i>Net profit margin</i>	<i>21.1%</i>	<i>21.2%</i>	<i>20.4%</i>	<i>16.7%</i>	<i>17.4%</i>	

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

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Consolidated financial statement 2009 continued

Other key numbers (Amounts below in DKK million except earnings per share, dividend per share and number of employees)	2009	2008	2007	2006	2005	% change 2009 vs 2008
Depreciation, amortisation, etc	2,551	2,442	3,007	2,142	1,930	4%
Capital expenditure	2,631	1,754	2,268	2,787	3,665	50%
Free cash flow	12,332	11,015	9,012	4,707	4,833	12%
Total assets	54,742	50,603	47,731	44,692	41,960	8%
Equity	35,734	32,979	32,182	30,122	27,634	8%
Equity ratio	65.3%	65.2%	67.4%	67.4%	65.9%	
Diluted earnings per share (in DKK)	17.82	15.54	13.39	10.00	8.92	15%
Dividend per share (in DKK) ¹⁾	7.50	6.00	4.50	3.50	3.00	25%
Payout ratio ²⁾	40.9%	37.8%	32.8%	34.4%	33.2%	8%
Payout ratio (adjusted) ³⁾	-	-	34.9%	-	-	
Average number of full-time employees	27,985	26,069	24,344	22,590	21,146	7%

1) Proposed dividend for the financial year 2009.

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

3) Dividend for the year as a percentage of net profit adjusted for impact of Dako and AERx[®] discontinuation.

Long-term financial targets

Performance against long-term financial targets	2009	2008	2007	2006	2005	Long-term target ratio
Operating profit growth	20.7%	38.4%	(1.9%)	12.7%	15.9%	15%
Operating profit growth (excl AERx [®]) ¹⁾	-	23.7%	12.6%	-	-	
Operating margin	29.2%	27.2%	21.4%	23.5%	24.0%	30%
Operating margin (excl AERx [®]) ¹⁾	-	27.9%	24.5%	-	-	
Return on invested capital	47.3%	37.4%	27.2%	25.8%	24.7%	50%
Cash to earnings	114.5%	114.2%	105.7%	73.0%	82.4%	
Cash to earnings (three years average)	111.5%	97.6%	87.0%	80.2%	82.4%	80%

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

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Sales development by segment

Sales increased by 12% in Danish kroner and by 11% measured in local currencies. Growth was realised within both diabetes care and biopharmaceuticals; the primary growth contribution originated from the modern insulins and NovoSeven®. The sales growth was in line with the latest guidance of at the level of 10% sales growth in local currencies and around 1.5 percentage points higher as reported in Danish kroner.

	Sales 2009 DKK million	Growth as reported	Growth in local currencies	Share of growth in local currencies
The diabetes care segment				
Modern insulins	21,471	24%	23%	82%
<i>NovoRapid®</i>	9,749	25%	22%	36%
<i>NovoMix®</i>	6,499	15%	15%	18%
<i>Levemir®</i>	5,223	36%	35%	28%
Human insulins	11,315	(4%)	(5%)	(13%)
Protein-related products	2,064	12%	10%	4%
Oral antidiabetic products	2,652	11%	9%	4%
Diabetes care total	37,502	12%	11%	77%
The biopharmaceuticals segment				
NovoSeven®	7,072	11%	10%	13%
Norditropin®	4,401	14%	10%	8%
Other products	2,103	9%	6%	2%
Biopharmaceuticals total	13,576	11%	9%	23%
Total sales	51,078	12%	11%	100%

Sales development by region

In 2009, sales growth was realised in all regions. North America was the main contributor with 48% share of the growth measured in local currencies. International Operations and Europe contributed 32% and 19%, respectively, of the total sales growth also measured in local currencies.

Diabetes care

Sales of diabetes care products increased by 12% measured in Danish kroner to DKK 37,502 million and by 11% in local currencies compared to 2008.

Modern insulins, human insulins and protein-related products

Sales of modern insulins, human insulins and protein-related products increased by 13% in Danish kroner to DKK 34,850 million and by 11% measured in local currencies, driven by North America and International Operations. Novo Nordisk continues to be the global leader with 51% of the total insulin market and 45% of the modern insulin market, both measured by volume.

The portfolio of modern insulins is the main contributor to growth, and sales increased by 24% in Danish kroner to DKK 21,471 million and by 23% in local currencies. All regions realised solid growth rates, with North America accounting for 51% of the growth followed by Europe

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and International Operations. Sales of modern insulins now constitute 65% of Novo Nordisk's sales of insulin in Danish kroner.

North America

Sales in North America increased by 25% in Danish kroner and by 20% in local currencies in 2009, reflecting a solid penetration of the modern insulins Levemir®, NovoLog® and NovoLog® Mix 70/30. Novo Nordisk maintains its leadership position in the US insulin market with 42% of the total insulin market and 34% of the modern insulin market, both measured by volume. Currently, 40% of Novo Nordisk's modern insulin volume in the US is being sold in FlexPen®.

Europe

Sales in Europe were largely unchanged measured in Danish kroner and increased by 4% in local currencies during 2009. This reflects continued progress for the portfolio of modern insulins, but also declining human insulin sales. Novo Nordisk has 54% of the total insulin market and 51% of the modern insulin market, both measured by volume, and is capturing the main share of growth in the modern insulin market. The device penetration in Europe remains high with more than 95% of Novo Nordisk's insulin volume being sold in devices, primarily NovoPen® and FlexPen®.

Victoza®, the first once-daily human GLP-1 analogue, has been launched in Germany, the United Kingdom, Denmark, Ireland, Norway, Switzerland, the Netherlands, Greece and Sweden. Launch activities are progressing well in these markets and feedback from healthcare professionals and patients is encouraging. In Germany, the GLP-1 class constitutes more than 3% of the total diabetes care market and Victoza® has more than 52% of the GLP-1 market, both measured in weekly value market shares.

International Operations

Sales within International Operations increased by 17% in Danish kroner and by 19% in local currencies. The main contributor to growth in 2009 was sales of modern insulins, primarily in China and Turkey. Furthermore, sales of human insulin continue to add to overall growth in the region, primarily driven by China. The device penetration in China is high with more than 90% of Novo Nordisk's insulin volume sold in devices, primarily NovoPen®.

Japan & Oceania

Sales in Japan & Oceania increased by 12% measured in Danish kroner and decreased by 1% in local currencies. The sales development reflects sales growth for all three modern insulins, NovoRapid®, Levemir® and NovoRapid Mix® 30, countered by pressure on the overall Novo Nordisk market share due to intense competition. Novo Nordisk has 67% of the total insulin market in Japan and 59% of the modern insulin market, both measured by volume. The device penetration in Japan remains high with more than 95% of Novo Nordisk's insulin volume being sold in devices, primarily NovoPen® and FlexPen®.

Oral antidiabetic products (NovoNorm®/Prandin®)

In 2009, sales of oral antidiabetic products increased by 11% in Danish kroner to DKK 2,652 million and by 9% in local currencies compared to 2008.

Biopharmaceuticals

In 2009, sales of biopharmaceutical products increased by 11% measured in Danish kroner to DKK 13,576 million and by 9% measured in local currencies compared to 2008.

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NovoSeven®

Sales of NovoSeven® increased by 11% in Danish kroner to DKK 7,072 million and by 10% in local currencies. Sales growth for NovoSeven® was primarily realised in International Operations and Europe. The sales growth for NovoSeven® mainly reflected increased sales from treatment of spontaneous bleeding episodes for congenital inhibitor patients, which remains the largest therapeutic area of use for NovoSeven®.

Norditropin®

Sales of Norditropin® (ie growth hormone in a liquid, ready-to-use formulation) increased by 14% measured in Danish kroner to DKK 4,401 million and by 10% measured in local currencies compared to 2008. North America and Europe were the main contributors to growth measured in local currencies. Novo Nordisk maintained its position as the second-largest company in the global growth hormone market with 24% market share measured by volume.

Other products

Sales of other products within biopharmaceuticals, which predominantly consist of hormone replacement therapy-related products, increased by 9% in Danish kroner to DKK 2,103 million and by 6% in local currencies. This development primarily reflects continued sales progress for Vagifem®, a topical oestrogen product, in the US.

Development in costs and operating profit

The gross margin increased to 79.6% from 77.8% in 2008. This improvement primarily reflects improved production efficiency, higher average selling prices in the US and a positive currency effect. The improved production efficiency primarily reflects higher yields in diabetes bulk production and increased utilisation of insulin filling and packaging lines. The gross margin was positively impacted by around 0.4 percentage points as a result of a positive currency development, primarily the higher value of the US dollar and the Japanese yen versus the Danish krone compared to 2008.

In 2009, total non-production-related operating costs increased by 12% to DKK 26,048 million compared to last year. Around 1.5 percentage points of the increase in non-production-related operating costs reflect the higher value of key currencies versus the Danish krone in 2009 compared to 2008. The underlying development in non-production-related operating costs relates to the expanded sales force in especially the US, the UK, Germany, Japan and China, countered by a stable level for research and development costs. The development in research and development costs primarily reflects non-recurring costs in 2008 related to the discontinuation of all pulmonary diabetes projects and of the growth hormone therapy project for patients with low serum albumin in dialysis (LSAD) countered by costs in 2009 related to late-stage development of the new insulin Degludec and DegludecPlus (formerly known as SIBA and SIAC) in the second half of 2009.

Operating profit in 2009 increased by 21% to DKK 14,933 million compared to 2008 and is thus slightly higher than the latest guidance for growth in reported operating profit of around 18%.

Net financials and tax

Net financials showed a net expense of DKK 945 million in 2009 compared to a net income of DKK 322 million in 2008.

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Included in net financials is the result from associated companies with an expense of DKK 55 million, primarily related to Novo Nordisk's share of losses in ZymoGenetics, Inc. In 2008, the result from associated companies was an expense of DKK 124 million.

For 2009, the foreign exchange result was an expense of DKK 751 million compared to an income of DKK 141 million in 2008. This development reflects losses on foreign exchange hedging of especially US dollars and Japanese yen, due to the appreciation of these currencies versus Danish kroner in 2009 compared to the exchange rate level prevailing in 2008.

The realised results for net financial expenses of DKK 945 million in 2009 were lower than the latest guidance of a total net financial expense of 'around DKK 750 million'. The lower result for net financials is primarily explained by losses on foreign exchange hedging of especially US dollars and Japanese yen due to the appreciation of these currencies versus Danish kroner in the fourth quarter of 2009.

The realised effective tax rate for 2009 was 23% which is in line with the latest guidance of a tax rate of 'approximately 23%' for the full year of 2009.

Capital expenditure and free cash flow

Net capital expenditure for property, plant and equipment for 2009 was realised at DKK 2.6 billion compared to DKK 1.8 billion in 2008. The main investment projects in 2009 were the insulin filling plant in Tianjin, China, and new device manufacturing lines in Denmark. The realised capital expenditure was in line with previously communicated expectations of 'around DKK 2.5 billion'.

Free cash flow for 2009 was realised at DKK 12.3 billion compared to DKK 11.0 billion in 2008. The higher cash flow is driven by higher net profit and lower income taxes paid, countered by increased capital expenditure during 2009. The realised cash flow was above the latest guidance of 'at least DKK 11 billion' primarily driven by improved operating performance and temporary extension of the credit terms for employee withholding taxes in Denmark.

Outlook 2010

The current expectations for 2010 are summarised in the table below:

Expectations are as reported, if not otherwise stated

**Current expectations
2 February 2010**

Sales growth

- in local currencies
- as reported

6-10%

At a similar level as local currencies

Operating profit growth