

Novo Nordisk Pharma Operations A/S

c/o Novo Nordisk A/S
Novo Allé
2880 Bagsværd
Denmark

CVR number 32 65 72 22

Annual Report 2015

**The Annual Report has been presented and adopted at the Annual
General Meeting on 25 April 2016.**



Chairman of the meeting

Novo Nordisk Pharma Operations A/S
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Novo Nordisk Pharma Operations A/S
Statement by the Board of Directors and Executive Management

Today, the Board of Directors and Executive Management have approved the Annual Report of Novo Nordisk Pharma Operations A/S for the financial year 1 January – 31 December 2015.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2015 of the Company and of the results of the company's operations for 2015 in accordance with the Danish Financial Statements Act.

We recommend that the Annual Report be adopted at the Annual General Meeting.

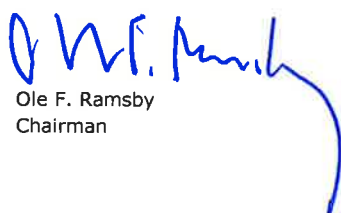
Bagsværd, 25 April 2016

Executive Management:



Claus Sølje

Board of Directors:



Ole F. Ramsby
Chairman



Karsten Munk Knudsen



Anne Mette Vogelsang

Novo Nordisk Pharma Operations A/S
Independent Auditor's reports

To the shareholder of Novo Nordisk Pharma Operations A/S

Report on the Financial Statements

We have audited the Financial Statements of Novo Nordisk Pharma Operations A/S for the financial year 1 January – 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity, accounting policies and notes. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Financial Statements.

Bagsværd, 25 April 2016

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Cvr.no.: 33 77 12 31


Torben Jensen
State Authorised Public Accountant


Mads Melgaard
State Authorised Public Accountant

Novo Nordisk Pharma Operations A/S
Company information

Company Novo Nordisk Pharma Operations A/S
c/o Novo Nordisk A/S
Novo Allé
2880 Bagsværd
Denmark

CVR no.: 32 65 72 22
Founded: 18 December 2009
Municipality of domicile: Gladsaxe
Financial year: 1 January - 31 December

Board of Directors Ole F. Ramsby, chairman
Karsten Munk Knudsen
Anne Mette Vogelsang

Executive Management Claus Sølje

Auditors PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup
Denmark

General meeting Annual General Meeting to be held on 25 April 2016 at the Company's address.

Ownership The Company is a 100% owned subsidiary of Novo Nordisk Region International Operations A/S. The consolidated financial statements of Novo Nordisk A/S, which include the Company by full consolidation, can be obtained by contacting Novo Nordisk A/S (CVR. no. 24 25 67 90), Novo Allé, DK-2880 Bagsværd.

The ultimate parent company is Novo Nordisk Foundation. Consolidated financial statements can be obtained by contacting Novo Nordisk Fonden (CVR. no. 10 58 29 89), Tuborg Havnevej 19, 2900 Hellerup, Denmark.

Novo Nordisk Pharma Operations A/S Management Review

Main activities

The purpose of the company is to establish and own branches and shares in domestic and foreign companies, to make investments and financial dealings, including domestic and foreign placement of capital in companies and real estate, and at the discretion of the board of directors to support the operations of such companies. The Company aims also to support the Novo Nordisk A/S pharmaceutical activities.

Trends during the financial year

The net profit for Novo Nordisk Pharma Operations A/S ended at DKK 1,377 thousand for the year 2015 compared to a loss of DKK 729 thousand for the year 2014.

Events after the balance sheet date

No events have occurred after the end of the reporting period which materially affect the financial standing of the company.

Foreign branches

The company has branches in Kosovo, Vietnam, Iraq, Peru, Colombia (under liquidation) and Montenegro. A new branch office in Saudi Arabia was established late in 2015, activities are expected to start in 2016.

Novo Nordisk Pharma Operations A/S
Income statement

	Note	2015 DKK '000	2014 DKK '000
Income from service activity		85,104	60,709
Expenses from service activity	1	71,015	51,019
Operating profit from service activity		14,089	9,690
Administrative costs	1	9,541	7,808
Operating profit/(loss)		4,548	1,882
Financial income	2	83	5
Financial expenses	3	583	1,120
Profit/(loss) before income taxes		4,048	767
Income taxes (gain)/loss		2,671	1,496
NET PROFIT/(LOSS) FOR THE YEAR		1,377	(729)
Proposed appropriation of net profit:			
Retained earnings		1,377	(729)
Distribution of net profit		1,377	(729)

Novo Nordisk Pharma Operations A/S
Balance sheet at 31 December

	2015	2014
Note	DKK '000	DKK '000
ASSETS		
Property, plant and equipment	351	457
TOTAL FIXED ASSETS	351	457
Deferred income tax	411	376
Long term assets	411	376
Amounts owed by affiliated companies	42,300	21,282
Other receivables	5,475	4,417
Cash at bank and in hand	6,958	8,512
TOTAL CURRENT ASSETS	54,733	34,211
TOTAL ASSETS	55,495	35,044
EQUITY AND LIABILITIES		
Share capital	500	500
Retained earnings	6,092	(285)
TOTAL EQUITY	6,592	215
Trade payables	336	1,117
Amounts owed to affiliated companies	13,093	11,860
Tax payables	1,626	491
Other liabilities	33,848	21,361
Current liabilities	48,903	34,829
TOTAL LIABILITIES	48,903	34,829
TOTAL EQUITY AND LIABILITIES	55,495	35,044

Novo Nordisk Pharma Operations A/S
Statement of changes in equity at 31 December

	Share capital DKK '000	Share premium DKK '000	Retained earnings DKK '000	Total DKK '000
2015				
Balance at the beginning of the year	500	-	(285)	215
Paid in share capital *)		5,000		5,000
Transfer of share premium to retained earnings		(5,000)	5,000	-
Net profit/(loss) for the year			1,377	1,377
Balance at the end of the year	500	-	6,092	6,592

*) Paid in share capital amounts to nominal DKK 100 at a price of DKK 5,000,000.

2014

Balance at the beginning of the year	500	-	444	944
Net profit/(loss) for the year			(729)	(729)
Balance at the end of the year	500	-	(285)	215

Novo Nordisk Pharma Operations A/S

Accounting policies

Accounting basis

The Annual Report of the Company is prepared in accordance with the Danish Financial Statements Act for a class B enterprise.

The Annual Report is presented in DKK 1,000.

Translation of foreign currencies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Assets and debt in foreign currencies are translated to Danish kroner at the exchange rates at the balance sheet date.

All exchange rate adjustments are recognised in the income statement.

Income recognition

Revenues are recognised as earned.

Financial items

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses on debt and transactions denominated in foreign currencies and amortisation of financial assets and liabilities. Financial income and expenses are recognised at the amounts that concern the reporting period.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment loss. Depreciation is provided under the straight-line method over the estimated useful lives of the assets:

Other fixtures and fittings 3-16 years

Assets with a short estimated useful life is recognised in the income statement at the date of acquisition.

If the carrying amount of property, plant and equipment are higher than the recoverable amount, the asset is written down to its lower recoverable amount.

Amounts owed by affiliated companies

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Income taxes

The company is jointly taxed with the Danish companies in the Novo A/S Group. The tax effect of the joint taxation with the parent company and other subsidiaries is allocated to the companies in proportion to their taxable incomes (full allocation). The current tax in the joint taxation is paid by the ultimate parent company, Novo A/S, which functions as the tax administration company. The jointly taxed Danish enterprises have adopted the on-account taxation scheme.

Dividend

Proposed dividends (not yet declared) for the accounting period are recognised in retained earnings.

Long and short term debt

Long and short term debts are measured at amortised cost.

Novo Nordisk Pharma Operations A/S
Notes

1 - Employee costs

	2015	2014
	DKK '000	DKK '000
Wages and salaries	34,612	28,781
Pensions	215	(80)
Other contributions to social security	1,710	2,047
Other employee costs	2,633	1,681
Total employee costs	39,170	32,429

According to the Danish Financial Statements Act §98b (3) executive management remuneration is not disclosed.

Average number of full-time employees		
Number of full-time employees at year-end	80	68

2 - Financial income

	2015	2014
	DKK '000	DKK '000
Foreign exchange gain (net)	80	-
Interest income	3	5
Total financial income	83	5

3 - Financial expenses

	2015	2014
	DKK '000	DKK '000
Interest paid to affiliated companies	-	5
Interest paid	338	-
Foreign exchange loss (net)	-	922
Other financial expenses	245	193
Total financial expenses	583	1,120

4 - Share capital

The share capital consists of 500,100 shares of nominal DKK 1.

	2015	2014	2013	2012	2011
	DKK	DKK	DKK	DKK	DKK
Share capital 1 January	500,100	500,100	500,100	500,100	500,000
Capital contribution	100	-	-	-	100
Balance at the end of the year	500,200	500,100	500,100	500,100	500,100

5 - Other liabilities

	2015	2014
	DKK '000	DKK '000
Amounts owed to associated companies	40	-
Duties payable	12,903	6,041
Employee costs payable	3,727	3,994
Other liabilities	17,178	11,326
Total other liabilities	33,848	21,361

Novo Nordisk Pharma Operations A/S Notes

6 - Contingent liabilities

The company is jointly taxed with the Danish companies in the Novo A/S Group. The joint taxation also covers withholding taxes in the form of dividend tax, royalty tax and interest tax. The Danish companies are jointly and individually liable for the joint taxation. Any subsequent adjustments to income taxes and withholding taxes may lead to a larger liability. The tax for the individual companies is allocated in full on the basis of the expected taxable income.

The Company has no other contingent liabilities.

7 - Related parties and ownership

Controlling interests

Novo Nordisk Region International Operations A/S, Novo Allé, 2880 Bagsværd, Denmark

Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark

Novo A/S, Tuborg Havnevej 19, 2900 Hellerup, Denmark

Novo Nordisk Fonden, Tuborg Havnevej 19, 2900 Hellerup, Denmark

Basis

Principal shareholder, owns 100%

Controls Novo Nordisk Region International Operations A/S

Controls Novo Nordisk A/S

Ultimate parent of the group