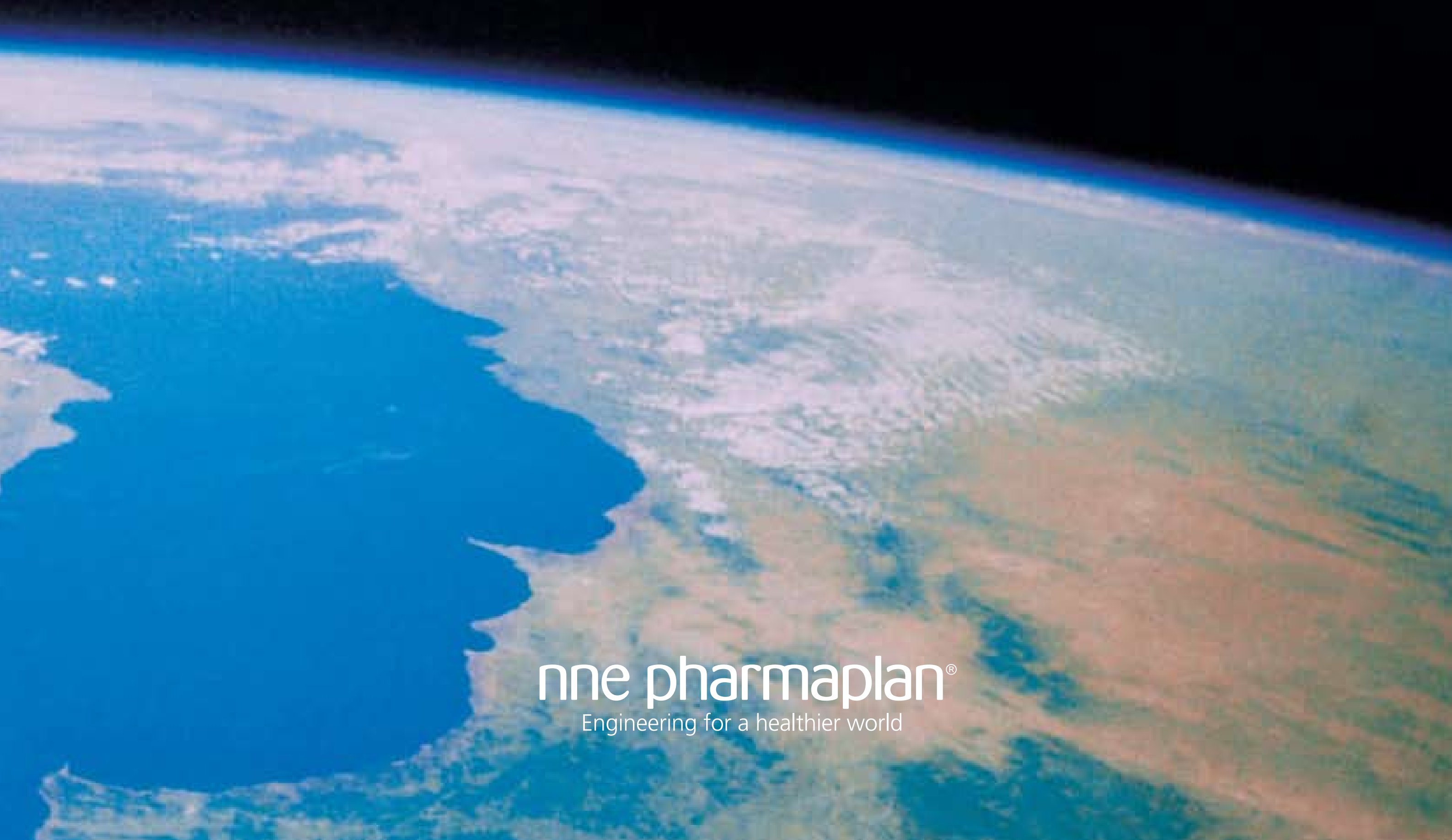
Annual report 2010



nne pharmaplan®
Engineering for a healthier world

Table of contents

The year at a glance

2010

- In 2010, NNE Pharmaplan's business grew rapidly in China, the USA, Russia and Switzerland. Our Chinese organisation delivered a turnover growth of 39 percent. In the USA, our consultancy services delivered high growth. And in Russia, our market share more than doubled.

- Despite a satisfactory turnover of DKK 1,466 million and an increasing order entry, the financial results were below expectations in 2010. The operating profit was DKK 18 million and the operating profit margin was 1.3 percent.

- The operating profit was largely impacted by a mismatch between the geographic location of demand and our available engineering resources, leading to high restructuring and reorganisation costs. Adjusted for these non-recurring costs, the 2010 operating profit was DKK 38 million, corresponding to an operating profit margin of 2.6 percent.

- The reorganisation initiated a major streamlining of NNE Pharmaplan's global organisation and executive management structure, which will be implemented in early 2011.

- To set a longer term direction, we established our new branding platform, 'Engineering for a healthier world', which positions NNE Pharmaplan as a customer-centric, engineering and consulting company engaged in global health issues

Outlook for 2011

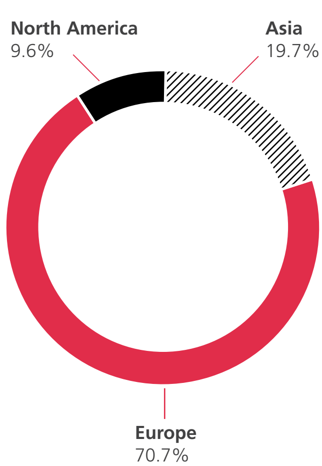
- Expected turnover of DKK 1,600 million
- Expected operating profit margin of 3-4 percent

Key figures

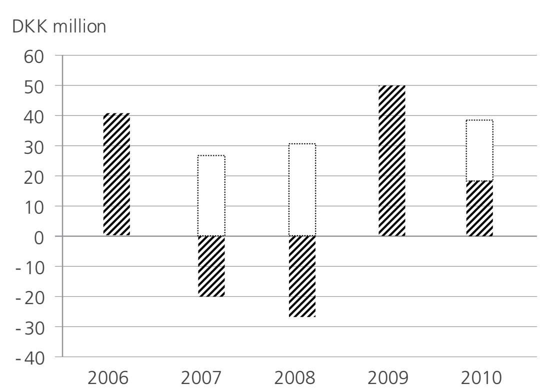
INCOME STATEMENT (DKK 1,000)	2010	2009	2008	2007	2006
Turnover	1,466,356	1,487,651	1,667,608	1,443,841	1,173,532
Operating profit	18,467	49,680	(26,871)	(20,032)	40,589
Net profit	5,529	19,072	(32,091)	(1,812)	29,921
ASSETS & EQUITY (DKK 1,000)					
Total assets	671,385	588,858	679,305	853,955	463,292
Total equity	146,643	140,921	128,421	188,743	196,577
FINANCIAL RATIOS					
Operating profit margin (EBIT margin)	1.3%	3.3%	-1.6%	-1.4%	3.5%
Adjusted operating profit margin	2.6%	-	1.8%	1.9%	-
Return on equity	3.8%	14.2%	-20.2%	-0.9%	15.6%
Solvency ratio	21.8%	23.9%	18.9%	22.1%	42.4%
PEOPLE					
Number of employees at end of year (FTE)	1,649	1,579	1,524	1,463	1,062

2006 is NNE 12 months. 2007 is NNE 12 months + Pharmaplan 9 months. 2008, 2009 and 2010 are the NNE Pharmaplan Group.

TURNOVER PER REGION 2010



OPERATING PROFIT / 2006-2010



2006 data is for NNE alone for 12 months.
2007 data is NNE for 12 months and Pharmaplan for 9 months.
2008-2010 data is for the NNE Pharmaplan Group.
The dotted lines for 2007, 2008 and 2010 indicate the operating profit adjusted for one-time costs.

Chairman and CEO statement

In 2010, NNE Pharmaplan rolled out its new branding platform, 'Engineering for a healthier world'. The idea is quite simple: NNE Pharmaplan cannot claim to save lives or cure diseases, but we place all our engineering and consulting capabilities behind the companies that do. By serving our customers, we play our part.

Our market position

The new way of branding describes who we are and what we do. It positions NNE Pharmaplan as a company with a strong focus on the pharma and biotech industries and with a strong engagement in helping to solve global health issues. And it communicates to our employees that NNE Pharmaplan has an aspiration they can be proud of. We are confident that ultimately this aspiration – and its translation into a more effective operational approach – will lead to a stronger market position. But in 2010, we also realised that it will take time before the aspiration is generally accepted, the approach is implemented, and the full impact is seen.

In 2010, NNE Pharmaplan delivered an operating profit of DKK 18 million – a disappointing result caused in part by lower-than-expected turnover in some geographic markets and the related major restructuring costs.

The total order entry increased significantly, but with huge variations between markets. In some markets, the order intake was much ahead of budget whereas in other markets it was behind. This resulted in a lower turnover than expected and created a mismatch between requested and available resources with regard to competencies, as well as geography. Thus, a major challenge in 2010 was finding enough qualified employees for projects in certain locations, while having excess employees available in other technical disciplines or locations.

Adapting to an industry under transformation

In 2010, more customers chose to sign long-term contracts or global agreements that enabled NNE Pharmaplan to better serve customers across countries and over time. Our early focus on the Asian market continued to pay off and the offices in China proved to be NNE Pharmaplan's key growth driver. The organisation in the USA also showed remarkable progress and results. We expect these trends to continue in the years to come. We also expect to see further growth in the Russian market, one of the emerging markets, where our order entry more than doubled in 2010.

The pharma and biotech industries are changing their focus towards emerging markets. We are adapting to market needs and focusing on improving customer satisfaction. Therefore, we continuously strengthen our global account management and increasingly customise our offerings to create added value for customers. A targeted effort will be put into the new emerging markets around the world.

A new organisational setup was initiated in November 2010, when the German and Swiss offices were united. In 2011, our French organisation will also become part of this new Central Europe region. And as of 2011, NNE Pharmaplan in Sweden will merge with the Danish organisation to form a joint Nordic region.

Financial results
In 2010, NNE Pharmaplan had a total turnover of DKK 1,466 million, which is in line with 2009 and just a fraction lower than expected. Turnover generated from customers outside the Novo Nordisk Group decreased to 56 percent from 58 percent in 2009. Turnover from business outside Denmark increased from 42 percent to 52 percent, primarily driven by a higher turnover in China and the USA.

Although the turnover was close to our expectations, the operating profit in 2010 was only DKK 18 million (2009: 50 million), which corresponded to an operating margin of 1.3 percent. The result was unsatisfactory, but must be seen in light of the difficult and challenging market conditions in Denmark, Germany, India, Sweden and France.

The operating profit was also impacted by the one-time costs associated with the restructuring of some of our offices to prepare for a new organisational setup. Adjusted for these non-recurring costs, the 2010 operating profit was DKK 38 million, corresponding to an operating profit margin of 2.6 percent.

MARKET PERFORMANCE

North America
During 2010, NNE Pharmaplan experienced significant growth in the USA, enabling us for the first time in many years to deliver positive financial results here. Customer investments in pharma and biotech picked up and we succeeded in increasing our market share, particularly for our consulting services. The outlook for 2011 is promising and the strategy is to continue to strengthen our expertise, particularly within GMP compliance and Quality by Design services.

Europe
The traditional European engineering and consulting market continued its slow development and was characterised by fierce competition and price pressure.

Denmark remained our largest market, representing around half of the total turnover. But reduced pharma and biotech investments resulted in a decrease in orders and postponement of projects at our global focus accounts.

The market in Sweden declined and our business and financial performance were unsatisfactory in 2010. Consequently, it was decided to sell the cleanroom business, restructure our Swedish organisation and close down our office in Finland.

Developments in Switzerland and Germany were very different. Our office in Switzerland showed a very positive development with good business performance based on orders from large customers, whereas both the order intake and the business performance remained unsatisfactory in Germany. In order to capture regional synergies, it was decided to unite the offices in Germany and Switzerland into one region.

Contrary to expectations, the first six months showed a poor result in the French market. But the French office gained momentum and improved results in the second half of the year. Overall, the financial results were below expectations, but the outlook for 2011 is promising.

The market in Russia is booming and the outlook for the coming year is very good. The Russian office is growing rapidly. Russian projects satisfied customer needs through excellent cooperation among international and local specialists within

NNE Pharmaplan. Our engineering expertise and thorough knowledge of regulations and standards in the pharma and biotech industries proved to be our competitive advantage.

Asia

Our Chinese organisation maintained momentum during 2010, delivering a very solid business performance with a turnover growth of 39 percent. The Chinese offices won important projects and have a good pipeline. Market growth is forecast to continue in 2011.

In India and Malaysia, we performed below expectations despite growth in the emerging pharma and biotech sector in India. For the first time in 14 years, NNE Pharmaplan in India was unable to meet its profit target when a large number of government contracts were put on hold. In 2011, the Indian office will strive to establish closer customer relations and diversify its customer base in order to become less dependent on government projects.

Outlook for 2011

Competition will also be intense in 2011 and prices will remain under considerable pressure. In addition, the changing pharmaceutical and biotech markets will require that we focus on new, emerging markets, as well as a balanced and flexible mix of geographic and functional competences.

The North American and Chinese markets look promising and we expect the level of activity in 2011 to be at least as positive as in 2010. On the other hand, we anticipate that most of the Central European and Nordic markets will experience activities on par with 2010 – apart from Switzerland and France, where we expect growth to continue. Emerging markets are expected to continue to grow, with unique growth opportunities for NNE Pharmaplan in Russia, whereas our Indian and Malaysian markets are expected to deliver limited growth.

2011 marks a change in NNE Pharmaplan's top management. NNE Pharmaplan's long-serving CEO, Hans Ole Voigt, has retired and leaves the driver's seat to COO and Senior Vice President Morten Nielsen, who joined NNE Pharmaplan in 1994. Morten Nielsen will build on initiatives already in place, but will also reorganise NNE Pharmaplan into an even more customer-centric company. The 'New Operating Model' is the main strategic initiative of 2011 for NNE Pharmaplan and will involve a major change in our business setup. Effective January 2011, our global organisation will be divided into five regions: Central Europe, China, Emerging Markets, Nordic, and North America. The new setup will enhance our way of doing business, make us a truly customer-oriented company with a global focus and secure profitability in the execution of our deliveries.

Overall, we expect a 2011 turnover of DKK 1,600 million and an operating profit margin of 3 to 4 percent. Our long-term aspiration of achieving an operating margin of 8 percent remains unchanged.

Morten Nielsen
CEO as of January 2011

Hans Ole Voigt
CEO up to January 2011

Jesper Brandgaard
Chairman

Market trends

The pharmaceutical industry is undergoing a major transformation. Abandoning the traditional blockbuster drug strategy, which is challenged by massive patent expiries, pharmaceutical companies are diversifying in terms of personalised drugs, devices for target diseases and the establishment of production facilities in new, emerging markets.

Customers need customisation

Last year's consolidation of the 10-20 biggest, so-called 'Big Pharma' companies and significant takeovers among midsized pharmaceutical companies prompted a trend towards diversification, where companies seek to replace their lost patent-protected revenue from blockbuster drugs with a customisation of products to patient needs and of business systems to geographic markets.

Previously, most pharmaceutical companies focused on specific product segments like oral solid dosage forms, biopharmaceuticals and medical devices. Now, however, most Big Pharma companies are developing small or mid-scale production for target diseases and target markets rather than focusing on few, big facilities for uniform core products and worldwide distribution.

At NNE Pharmaplan, we are widening our range of offerings and core competences to follow the needs of our customers. We are seeing a continuous customisation of demands for services within many pharmaceutical product segments and a decrease in the average order and project size. As a dedicated engineering and consulting service provider, we follow the pharma and biotech market trends closely and in some core areas even play a proactive role.

Quality by Design (QbD) going mainstream

After a long history of divergent national pharmaceutical regulations, the industry has increased its international harmonisation and cooperation efforts over the past 10 years.

The international harmonisation enables a new, more agile and effective approach to pharmaceutical quality management during the lifecycle of pharmaceutical production, mainly based on three guidelines from ICH, the International Conference of Harmonisation: 1) Q8 for Pharmaceutical Development, 2) Q9 for Quality Risk Management and 3) Q10 for Pharmaceutical Quality System.

Apart from lecturing at a number of public conferences and customer events in 2010, NNE Pharmaplan contributed to the training programme for inspectors of the US Food and Drug Association (FDA) on a new process validation guide that the FDA plans to enforce in 2011.

We expect that the demand for our QbD-based services and project deliveries will continue to grow. Our services comprise preparing efficient standard operating procedures, getting facilities ready for audit, managing compliance gaps, saving money on modern validation principles and much more. We have helped several of our customers obtain significant business and regulatory benefits from applying the science and risk-based approach to quality management.

Medical devices gain importance

Pharmaceutical companies are also diversifying into special areas such as diagnostics, drug delivery systems, combination products and medical devices. And as innovative drug delivery systems are becoming almost as important as the drugs and thus subject to extensive research and development, the number of customers and business opportunities for NNE Pharmaplan increases. We are expanding our global availability of these services, in particular in our local offices in Central Europe, China and the USA.

We have a long history of working closely together with our customers' R&D organisations on both drugs and devices. Over the years, we have evolved along with the device market, from vials and syringes to pulmonary devices and the newest generation of world-class injection devices and needles.

Laboratories, health clinics and hospitals in a new role

Another NNE Pharmaplan growth area is laboratories, including analytical cleanroom facilities and diagnostics testing, for pharmaceutical R&D facilities as well as hospitals and universities. New testing technologies for disease diagnosis as well as an increased need for advanced research in cell technology, stem cells and other individualised therapies have led to greater demand for laboratories and laboratory-related services.

NNE Pharmaplan has worked actively with laboratory and workplace design for many years. We are currently increasing our services and our business cooperation in this area, as we expect this trend to become even more significant over the coming years. Our services span creative, flexible and energy-efficient lab designs, careful planning to minimise investment risks, generic laboratories, animal facilities and regulatory approvals for GMO facilities and much more.

Modular vaccine facilities

Over the past couple of years, several vaccine suppliers have merged with the Big Pharma companies and thus become part of the diversification of Big Pharma, rather than a separate area of the pharmaceutical industry.

Today, vaccines are provided for a wide range of diseases, ranging from measles and flu, through tropical diseases and paediatric vaccination programmes to cervical cancer. It is now the fastest growing segment in the pharmaceutical industry since as a rule, prevention is generally much more cost-effective than treatment when it comes to disease control. Many countries also invest in national vaccine facilities for key vaccine prevention programmes to prevent possible pandemic disease outbreaks.

NNE Pharmaplan has a long history and track record developing modular facilities. In 2010, we combined this with our vaccine manufacturing know-how to develop a standard solution for very cost-effective vaccine facilities, offered on a turn-key basis. The modular vaccine facility has generated interest in several countries, as well as in the WHO.

Putting information to work

As pharmaceutical regulations increase their emphasis on data, statistics and controls, more and more pharmaceutical and biotech companies are using automation and IT systems as a very cost-effective way to ensure data collection and process monitoring.

NNE Pharmaplan is, arguably, the world's largest pharma-dedicated and vendor-independent supplier of automation and IT services. We have many years of experience in implementing and connecting plant-floor automation with business systems and we have been involved in the development of the core pharmaceutical guidelines of GAMP (Good Automated Manufacturing Practise).

We have also developed extensive knowledge of the production processes and technologies involved in anti-counterfeit solutions, such as packaging, labelling/printing, vision/inspection, automation, and MES (Manufacturing Execution Systems), ERP (Enterprise Resources Planning) and logistic systems. Automation is one of NNE Pharmaplan's strongest business areas, and 2010 was a very good year, mainly due to many international projects.

Globalisation is on the move

The pharmaceutical industry is not only changing – it's also moving. Many of our customers have moved their investments to large, emerging countries, primarily the so-called BRIC countries (Brazil, Russia, India and China), where the improved economies have resulted in increases in local medical product demand.

NNE Pharmaplan's global presence and local knowledge of Asia, Europe and the USA make us an attractive partner for both European and US companies who want to invest in the emerging markets.

Our offices in China, India and Russia have already enabled us to offer comprehensive and well integrated solutions in close cooperation with our other offices. In 2011, Emerging Markets will become a separate new NNE Pharmaplan focus 'region' to accommodate the development in these markets.

State-of-the-art drug delivery device production in China

A competitive cost level and the company's overall internationalisation strategy of increasing presence in China were the motivational factors for Novo Nordisk's decision to transfer the assembly and packaging of its NovoPen®4 from Denmark to China.

Insulin administration by a needle prick

25 years ago, the Danish pharmaceutical company Novo Nordisk revolutionised diabetes care with the launch of the first insulin pen – a device that set new standards in convenient and precise delivery of insulin and eliminated the burdens and social inhibition that the use of vials and syringes implied for people with diabetes. The latest generation, NovoPen®4, administers insulin subcutaneously, that is under the skin, and is now the preferred method of delivery for 97 percent of people with diabetes.

The transfer project aimed to produce NovoPen®4 locally in China as of end 2008 – at a significantly reduced unit cost – and to quadruple the production capacity by September 2010.

Installation without production shutdown

NNE Pharmaplan supported Novo Nordisk throughout the project – from the basic design to performance qualification and handover of the new production equipment. One of the main challenges was to maintain a consistent supply of products and components during the transfer. This was solved by purchasing new equipment and installing it in China, while the existing manufacturing equipment was still in operation in Denmark. As soon as the first production line was up and running in China, the remaining production lines were shut down and transferred one by one.

To reduce the commissioning and qualification time, NNE Pharmaplan applied a risk-based approach to ensure maximum focus on high-probability/high-impact risks. And to strengthen qualification efficiency between China and Denmark, an electronic test system, eTIMS, was introduced to handle all processes ranging from requirement specifications, test plans and test execution to approvals.

Prioritising people skills to optimise production

NNE Pharmaplan trained Novo Nordisk staff at both sites in cGMP, eTIMS, Six Sigma and SPC (Statistical Process Control) tools as well as in how to set up qualification strategies. We also helped prepare requirement specifications, eTIMS test plans and FMEA (risk assessment by failure mode & effects analysis) and assisted in executing and reporting on commissioning and qualification activities.

The project was started up in January 2008 and was successfully completed in September 2010. A strong and fruitful cooperation between project members from both companies ensured that all success criteria were met.

Business strategy

After a financial crisis, 'back to business' never means back to the same kind of business. In 2010, some of our markets were only slowly recovering, but we began to see the results of our 2010-2014 strategic plan for change. As part of the plan we will now fundamentally 'tear down the functional and geographic silos' of the old NNE Pharmaplan and implement a New Operating Model.

Putting 'The Plan' into action
In 2010, we began implementing our extensive 2010-2014 strategy – a continuation of our 2009 'The Plan' campaign, which had three strategic focus areas for our company: 'Improve promise to customers', 'Smarter Execution' and 'Become one organisation'. Numerous results from implementation of The Plan were obtained in 2010:

Our global account management system had a break-through and clearly *improved our promise to customers* by focusing on existing customers as they are expanding globally.

We are steadily *executing smarter:* Pre-fabricating an enzyme plant in China and transporting it to assembly in the Midwest in USA, and accommodating the emerging need for standardised, modular, low-cost vaccine facilities across the globe were just some of the opportunities we pursued.

And we covered a lot of ground on our way to *become one organisation:* For example we rolled out our global engineering execution model 'Our Model' and thereby implemented a common approach and terminology for our engineering activities throughout the organisation, which also promotes smarter execution.

The plan is working and we will stick to it.

Engineering for a healthier world
A strategic initiative under 'The Plan' was to make NNE Pharmaplan more visible to our customers and society as a whole. In 2010, we established our new branding platform 'Engineering for a healthier world' with several marketing initiatives.

To align our branding activities globally, we created an online corporate brand toolbox containing publications, presentations, advertisements, corporate visual identity, tone of voice and writing style, a photo database and templates.

New market situation

During 2010, we obtained a concise image of both growth and development in the segments and areas we operate in. A stagnant market may still provide possibilities for business growth, and a constantly growing market may temporarily slow down. During 2010 we experienced both. ‘Never take growth for granted’, ‘always look for new growth potential’ and ‘react faster to unsustainable markets’ were just some of the lessons learned. We are now better able to spot and act on growth opportunities.

New Operating Model for a healthier company

A very important part of The Plan and our 2010-2014 strategy is to transform into a more profitable, global business setup that ensures transparent and even more customer-oriented execution of our deliveries. The New Operating Model centres around four cornerstones:

- *Financial management* – Profitable execution and transparency
- *Organisation* – Regional empowerment and enhanced market approach
- *Culture* – Leadership and customer centric behaviours
- *Processes* – Effectiveness, standardisation and clarity in our global operations

Long-term targets for NNE Pharmaplan

NNE Pharmaplan’s business strategy for 2010-2014 remains the strategic framework for our company. The strategic goals for 2014 stay the same and are summed up in four targets:

- Improve our promise to customers so that turnover from focus customers grows by 10 percent per annum
- Execute smarter to ensure that at least 95 percent of our projects are executed on index 100 or above, on profit and time
- Become one organisation, in which more than 30 percent of our people act as ‘ambassadors’ for the company
- Deliver competitive business results reflected in an operating margin of 8 percent.

Markets and customers

2010 was a year full of exciting challenges. We witnessed great changes in the pharmaceutical and biotech industries; we implemented our new branding platform, 'Engineering for a healthier world'; we reinforced our global account management system; we introduced our offering catalogue 'What we do'; and we succeeded with many other initiatives.

General outlook

By December 2010, our backlog was DKK 677 million or approx. 42 percent of 2011's target revenue, which was a minor decrease compared to 2009 when the corresponding figures were DKK 708 million or about 47 percent of 2010's target revenue. The decrease in backlog was, however, to be expected as the number of large projects had declined. Nevertheless, our total order entry in 2010 increased by 15 percent compared to 2009, which is considered very satisfactory.

How do the customers see NNE Pharmaplan?

NNE Pharmaplan conducted its first brand equity survey in 2010 to assess how our customers perceive us, resulting in the below baseline values:

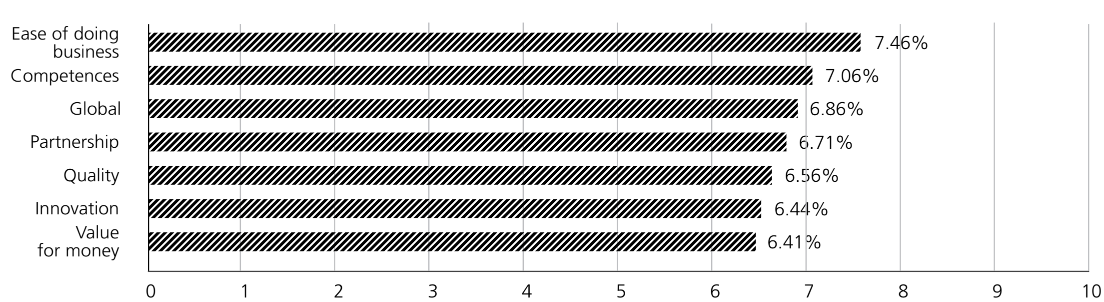
Our customers ranked the various criteria on a scale of 1 to 10, with 10 being the highest score and 1 the lowest. The results were tallied and averaged into an overall score, as well as scores by criteria, regions and key accounts. In total, 114 out of 867 customers from a range of countries responded. We will work on obtaining a higher and broader global response rate next year.

The so-called net promoter score was the key aspect of the brand equity survey. In 2010, it was 9.6 percent. This is acceptable, but certainly shows room for improvement. Raising this score to 15 percent is a strategic goal for 2011. According to the survey, one in three customers would actively recommend NNE Pharmaplan.

Accommodating market needs

The industry's emerging markets, such as China, India, Russia and other markets mainly in Asia and South America, continued to grow in 2010. As emerging markets become more affluent due to new industry investments, healthcare standards are expected to increase. This will generate new medical needs and create new and often underserved markets for global investors as well as local companies. At NNE Pharmaplan, we assist our global customers' investments in these markets by using our local presence to ensure uniform international regulatory standards. We also assist local manufacturers in these growth markets to meet international standards.

BRAND EQUITY SURVEY



In contrast to the growth in emerging areas, the more traditional production facility markets of North America and Europe continued to be under pressure due to economic factors, patent expiration and regulatory concerns. The result was much smaller projects, typically upgrades or retrofits of existing manufacturing facilities rather than new investments. In summary, our mature markets are in an optimisation mode, as opposed to an expansion mode.

This affected our average global project size, which in 2010 was only two thirds of the 2008 average. On the other hand, we won 57 percent of all our proposals in 2010 (2009: 47 percent; 2008: 20 percent) due to improvement of our proposal process. Our general proposal win-rate target is 40 percent and the results from the past two years are therefore very encouraging.

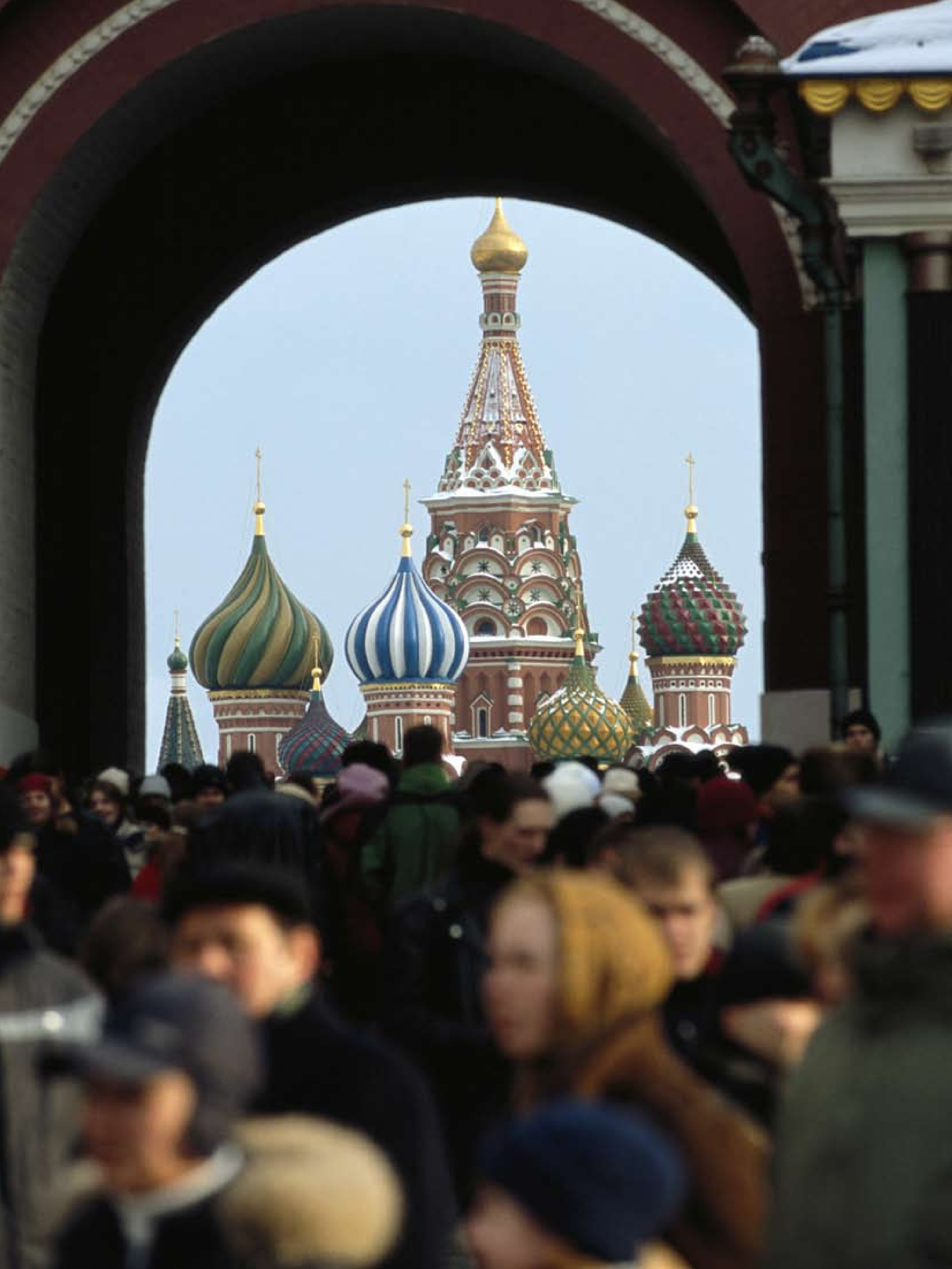
Global account management leads the way
We adjusted our approach and organisations to the new market situation using our global account management system. The ability to follow a global customer through our local presence worldwide is a strong asset. We pass on information between our offices and involve our experts across borders to ensure that the customer gets the full benefit of our global know-how. We are also able to outsource work between offices to where it can be performed most efficiently – based on competences and costs. When developed to its full, we see huge potential from our global account management system.

Who we are – our new brand
The introduction of 'Engineering for a healthier world' in 2010 led to several marketing initiatives: a new website, a new promotional video and a new corporate identity covering all our graphic material. We also introduced our new corporate magazine *Angle*, which is distributed to customers and employees globally. It is not an ordinary company magazine, but rather a magazine focusing on global health problems that the pharma and biotech industries and NNE Pharmaplan fight together. Issues like obesity, counterfeit drugs, as well as the lack of efficient drug accessibility in third-world countries were featured and brought into perspective.

What we do
Our Offering Map, introduced in 2009, remained an instrumental tool for providing an overview of our services. The structure is based on our customers' needs and categorises our services into five main industry segments and 14 customer-oriented offerings. In 2010, we complemented the Offering Map with a comprehensive offering catalogue, 'What we do', which is a 150-page publication describing our key competences and services. The offering catalogue presents the focus segments we serve, as well as the trends that we see will impact the future of our business. It also includes case stories on how we have actually helped our customers improve people's lives.

Improving customer experience
In 2010, we rolled out 'Our Model' – our common project execution approach used for customer projects by all our offices around the world. An improvement on previous models, Our Model is adaptable and the modular functions mean it can be tailored to specific customer needs. It also ensures a uniform approach and project execution for our international customers at all their project sites around the world and guarantees that we can capture and reuse best practices while executing multiple engagements for the same customer.

The future belongs to the regions
The core of our New Operating Model is regional empowerment and an enhanced market approach, which will be supported by a new sales, marketing and business development setup.



Building to boost healthcare in Russia

Russia's booming pharmaceutical industry is attracting major investments. In 2010, the Russian pharmaceutical distribution company R-Pharm started construction of a new drug production facility for the treatment of socially significant diseases.

In Russia, the health needs of an ageing population and an increasing demand for generic drugs is changing the face of the pharmaceutical industry. Today, drug imports account for nearly 60 percent of the total Russian pharmaceutical market, which prompted the government to establish so-called pharmaceutical clusters to promote local production and reduce dependence on imported healthcare products.

Yaroslavl, a city 250 kilometres north-east of Moscow, constitutes one of these pharmaceutical clusters established by the Russian Government. R-Pharm's new state-of-the-art fill-finish manufacturing facility will be placed in Yaroslavl and will make the company one of the leading manufacturers and distributors of pharmaceuticals to the healthcare sector in Russia.

The R-Pharm facility will produce prescription drugs for the treatment of socially significant diseases, including cancers, haematological illnesses, arthritis, viral hepatitis, HIV and severe bacterial and fungal infections. Protected by patents, the drugs will be produced under license from foreign pharmaceutical companies.

First-class international design

NNE Pharmaplan is in charge of consulting, engineering and supervision services for the Yaroslavl plant, including conceptual, basic and detailed designs. The facility will comply with GMP (Good Manufacturing Practice) requirements. All production processes with harmful substances will be carried out using clean, contained equipment and areas, which are the first of its kind in Russia.

Our reputation as a global company with a strong local presence helped secure the contract, as well as our ability to deliver high-quality projects within a short timeframe. NNE Pharmaplan in Russia is responsible for the project design, with the support of colleagues from Denmark, Sweden, Finland and Germany.

The new R-Pharm facility is scheduled to start production in 2011.

Therapeutic vaccines and their promise for the future

Vaccines are prophylactic when administered to healthy individuals to prevent a disease. Nevertheless, there is a growing trend to develop therapeutic vaccines to treat patients already diagnosed with a deadly disease, including certain types of cancer.

Therapeutic cancer vaccines were put firmly on the map in May 2010 when North American Dendreon Corp. successfully obtained approval for its prostate cancer vaccine 'Provenge', which extends the lives of men with advanced prostate cancer. We still expect to see more therapeutic vaccines – one of the newcomers to the vaccine market – but the cancer vaccine market also includes preventive vaccines, such as the HPV vaccine (human papillomavirus causing cervical cancer among others).

Fighting cancer is an important objective for the vaccine industry – and this is motivated by the size of the cancer threat. Global statistics show that the risk of getting cancer before the age of 75 is 18.7 percent, and the five most common types of cancer in men and women are lung, breast, colorectal, stomach and prostate cancer.

The potential for developing cancer vaccines is huge!

At NNE Pharmaplan, we have worked with a number of companies that deal with cancer therapeutic vaccines, such as Bavarian Nordic, Ark Therapeutics and Oncos Therapeutics.

Our specialised knowledge in both the layout and the operating conditions for small-scale vaccine production helps the start-up companies – and our large-scale vaccine and biotech experience has proven useful for the mature producers of preventive cancer vaccines.

People development

In 2010, our people development focused on building bridges between business units and developing new competencies that support our business both locally and globally. Sharing knowledge across units, developing managers and leaders and closing competence gaps are essential tools in keeping our unique market position.

Equipping account managers for the future

An ambitious, global training programme, tailor-made for NNE Pharmaplan account managers, was rolled out in 2010 under the headlines: 'Growing the customer', 'Winning the projects' and 'Managing the account team'. The European account managers completed all three modules in 2010, while account managers in the USA and Asia are about half-way through the programme. When the programme finalises in the first quarter of 2011, a total of 65 account managers will have passed the final exam and received their gold, silver or bronze certificate.

All global account managers participated. The remaining participants were full-time account managers selected by general managers from our individual business units. A light version was offered to selected part-time account managers.

China takes the lead

As foreseen, our three offices in China expanded considerably in 2010. In continuation of last year's talent acceleration programme, we conducted a China Leadership Programme for 18 new Chinese managers in 2010. The training provided newly appointed managers with a theoretical foundation on leadership and management competences through practical usage of management tools, cases and classroom discussions. The overall design parameter was the eight leadership competences laid down in 'Our Way' – the general business values and principles that apply to NNE Pharmaplan employees worldwide.

The China Leadership Programme comprised three modules: Leadership, People and Organisational Development and Business Management. The participants also identified personal development goals in agreement with their manager and practiced the tools taught in the previous session. Individual achievements were linked to the participants' regular Performance and Development Process.

Preparing our local players for the global game

In 2010, we carried out several cross-organisational initiatives to support our strategy of 'Becoming One Organisation' and to consolidate our position as a world leading pharmaceutical engineering and consulting company. Our Global Exchange Programme and culture training offer our customers the benefit of a diversified, global pool of talent as well as local knowledge.

NNE Pharmaplan's business development as a global corporation has accentuated the need for integration of technical skills and relationship building across business units. Under our Global Exchange Programme scheme, our target of 20 exchanges between business units materialised in 2010. Evaluations of the programme showed enhanced global collaboration and networking within the organisation and we succeeded in closing many local competence gaps.

Another initiative was culture training of expatriates and employees working in virtual and physical cross-cultural teams and projects. In 2010, we started up the culture training in China and Denmark with more than 100 participants. The training focused on understanding local cultural characteristics and on increasing the cultural sensitivity of our employees. NNE Pharmaplan will continue to use the cultural diversity of our company to strengthen the quality and innovation of our services.

EMPLOYEE DATA

- **Number of employees**
  At the end of 2010, NNE Pharmaplan had a total of 1,693 employees (equivalent to 1,649 full-time employees) distributed over three continents and 10 countries. The number of employees based outside Denmark increased to 913, compared to 796 in 2009. The number of employees in our Chinese offices grew to 420 – an increase of 20 percent compared to 2009, and a figure that is expected to rise further during 2011. Our offices in the USA increased by 35 percent – to 108 employees. Finally, our Russian organisation grew from 17 to 41 employees, a significant increase of 140 percent

- **Employee turnover**
  The global financial crisis had an impact on NNE Pharmaplan in 2010. In Europe it meant downsizing the workforce, while in Asia the number of employees increased. Employee turnover in 2010 increased by 0.1 percent compared to 2009, to 12.1 percent, which is in line with our targeted maximum of 12 percent.

- **Age**
  The average age of employees has not changed much over the past few years (2010: 39.6 years, 2009: 39 years, 2008: 39.5 years, 2007: 39 years). Thus, the company policy of retaining experienced key employees to help build a strong, new organisation has proven to be successful.

- **Gender**
  By the end of 2010, female employees made up just over one third of NNE Pharmaplan's workforce. Despite slight variations over the past few years, this is a small increase. The gender bias is considered typical of the engineering business and NNE Pharmaplan does not support gender or other quota schemes. The number of women in leading positions varies. In China, women accounted for 40 percent of the total management population by year end 2010, and in France and Denmark the proportion was 29 percent (against 32 percent in Denmark, which was the only country measured in 2009). In our other offices, the number of female managers was below 18 percent.

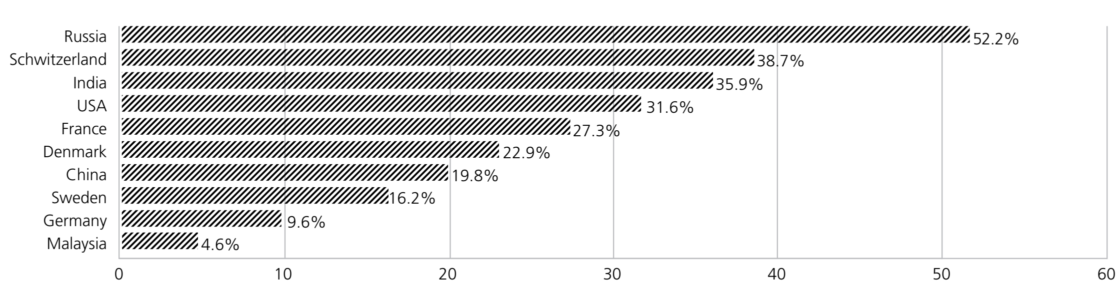
- **Seniority**
  The average employee seniority in NNE Pharmaplan was 6.5 years. Compared to 5.7 years in 2009, this is an increase by 0.8 years.

Employee survey

Two global online employee surveys were carried out across the entire organisation in 2010 to measure the level of engagement, satisfaction and loyalty of our employees. The average response rate increased to 84.2 percent compared to 82 percent in 2009, which is considered very satisfactory.

In 2010, we introduced NNE Pharmaplan 'ambassadors' as a new point of measurement. An ambassador is defined as an employee who assigns 9 or 10 points on a 10-point scale to six specific questions related to loyalty and engagement. We believe these ambassadors are the driving force of our company. Our 2014 target is for 30 percent or more of our people to act as ambassadors for the company. The 2010 average score reached our 2010 goal of ≥ 23 percent.

DISTRIBUTION OF AMBASSADORS PER COUNTRY



Sustainability

In 2010, we published our first COP report (Communication on Progress) – a sustainability report required by our UN Global Compact membership. From a sustainability perspective, 'Engineering for a healthier world' implies concern for people and the earth in a broad sense. NNE Pharmaplan's sustainable engineering and consulting services considerably impact our customers' environmental footprint and working conditions. The COP report shows our customers that we take our own medicine by setting sustainable measures in our own company.

Sustainability in the NNE Pharmaplan context

NNE Pharmaplan concurs with the definition of the UN Brundtland Commission of March 1987: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs". Other definitions of sustainability often refer to the 'three pillars' of people, planet and profit.

Within these definitions, we see sustainability as our umbrella concept for environment, energy and climate, health and safety, Corporate Social Responsibility (CSR) and Global Compact in our business context.

Sustainability in our customer projects

We continuously develop our services on sustainability. Energy-efficient process design is just one example from our comprehensive offering catalogue.

Implementing energy-efficient solutions already in the planning and design phases will not only reduce future energy expenses and greenhouse gas emissions but also the initial investment. Our customers may expect to save up to 30 percent on specific processes or equipment, and 10-15 percent on future energy expenses. Energy-efficient design is especially relevant when processes are validated and performed according to GMP requirements, as alternations are expensive when revalidation is needed.

Sustainability report

From 2010 and on, we will prepare and publish our own COP report together with the annual report. The report describes how we integrate sustainability and the Global Compact principles (in the areas of human rights, labour, the environment and anti-corruption) into our way of management, organisation, quality management system, groups and tools.

Download the NNE Pharmaplan 2010 COP report at unglobalcompact.org or nnepharmaplan.com/Who-we-are/Sustainability.

Extract from the 2010 COP report

The following data on accidents at construction sites and carbon footprint follow up on our 2008 and 2009 annual reports.

SAFETY AT CONSTRUCTION SITES

The responsibility for safety management at construction sites lies with the building owner. In many cases, however, customers appoint a consultant as health and safety officer during the construction and commissioning phases of a project.

We record the accident frequency for projects where construction site health and safety management is managed or supervised by NNE Pharmaplan. In 2010, this was the case on projects in China, Denmark and India.

ACCIDENTS RECORDED ON CONSTRUCTION SITES IN 2010 (NNE PHARMAPLAN EMPLOYEES AND CONTRACTORS)

Country	No. of sites	Working hours (1000)	Accidents w/absence	Frequency
China*	6	3,700	1	0.3
Denmark	9	237	2	8.4
India	2	505	1	2.0
Total		4,442	4	

* One fatality occurred at one of our Chinese construction sites in 2010.

Method used

Accident frequency is equivalent to the number of accidents per one million working hours. The total number of working hours for all employees and contractors is recorded for each project. Furthermore, the number of accidents that cause absence from work (defined as more than one day of absence due to injuries or near misses) is recorded, as well as accidents that do not cause absence from work. Site safety officers compile the data regularly based on information that all contractors on site are requested to submit.

Accident frequency in 2010

The frequency of onsite accidents on recorded sites was low in all countries.

Safety focus areas

NNE Pharmaplan is continuously striving to optimise our safety management at construction sites as more and more customers request us to comply with a zero injury policy. In 2010 we intensified the cooperation between our international offices, in particular between the Chinese, Indian and Danish offices. In 2011, we plan to develop a global NNE Pharmaplan standard for HSE management of construction projects including country-specific guidelines.

CARBON FOOTPRINT

In 2009, NNE Pharmaplan established a baseline for four types of emissions for all our offices worldwide. We collected information on our 2010 consumption to chart our progress:

- *Fossil fuel combustion* – natural gas consumption for heating or fuel oil/petrol consumption for the production of electricity, based on monthly or annual meter readings, or bills from supplier companies. The GHG emissions from the combustion of natural gas were calculated based on an average emission factor.

- *Refrigerant leakage* – from cooling systems according to the official logbooks for refrigerant refilling. The greenhouse gases included in this report are the six gases named in the Kyoto Protocol: CO_2, CH_4, N_2O, HFCs, PFCs and SF_6.

- *Electricity consumption* – electricity used for operating the offices and for heating, based on meter readings at the end of 2010, or on bills from supplier companies. The GHG emissions from electricity consumption are calculated on the basis of specific emission factors from the energy companies whenever possible, or from average emission factors for electricity production for the country or region.

- *Transport* – use of company and employee-owned cars and air travel. For transport by car, the emissions are based on either recorded fuel consumption or recorded mileage allowances, using an average fuel consumption rate or an average emission factor for the normal type of vehicle used. For the Danish offices, the information on air travel and the related GHG emissions was provided by our external travel agency. For our other offices, the air travel information was recorded as the annual number of flights above or below 2000 km. Emissions were calculated using the emission calculator from the SAS homepage.

Emissions in 2010

In 2010, we introduced some emission-reducing measures, mainly at the head office in Denmark, where we introduced more eco-friendly company cars and energy-efficient light installations and data viewers in meeting rooms.

The Danish offices were the main contributor to NNE Pharmaplan's greenhouse gas emissions, accounting for more than a third of total emissions. Data was incomplete on the electricity consumed at our small offices in the USA and the heating, cooling and air-conditioning (HVAC) of offices in the USA, Sweden, Russia and China – mainly due to the nature of the tenancy arrangements in these countries where the HVAC equipment is owned by landlords.

The main source for greenhouse gas emissions is our travel activities – in company-owned cars, employee-owned cars or by plane. These activities account for 75 percent of total emissions. Flights from Denmark to subsidiaries account for nearly one third of the travel related emissions.

The NNE Pharmaplan carbon footprint for 2009 formed the baseline for our global organisation. The greenhouse gas emissions for 2009 amounted to 5,792 tCO_2. The corresponding carbon footprint for 2010 amounted to 8,462 tCO_2. The difference in greenhouse gas emissions was partly due to increased emissions in China and the USA, where staff increases led to increased travel activity, partly to more complete data being recorded and reported. The Danish sites experienced a decrease in emissions, mainly as a result of a reduction in travel by car.

GREENHOUSE GAS EMISSIONS (TCO_2)*	**2010**	**2009**
DIRECT EMISSIONS (SCOPE 1)		
Heating of office buildings	325	335
Fugitive emissions from cooling plant	4	8
Transport in company-owned cars	1,044	674
INDIRECT EMISSIONS (SCOPE 2)		
Purchased electricity	1,752	1,472
Purchased heating	66	0
Purchased cooling	2	5
INDIRECT EMISSIONS (SCOPE 3)		
Transport in employee-owned cars	554	626
Transport by plane**	4,715	2,672
TOTAL GREENHOUSE GAS EMISSIONS (TCO_2)	8,462	5,792

* *tCO_2 refers to tonnes of CO_2 equivalence*

** *In 2010 we obtained more complete data on air travel from our offices in China and the USA, which nearly doubled the air travel emissions. Consequently, this figure may be regarded as a new baseline value.*

Enterprise risk management

Since the acquisition of Pharmaplan in 2007, NNE Pharmaplan has become increasingly global. The portfolio of projects from international and non-Danish customers expanded in 2010, increasing the requirements for a global operation and global mindset, including an assessment of the associated risks. Executive Management, who reports to the Board of Directors, is responsible for maintaining and monitoring a systematic process of continuous risk assessment.

Enterprise risk management structure
On a quarterly basis, we identify and evaluate the most significant risks that could reduce our ability to meet our business objectives. Risks are assessed by considering the likelihood of the event and the potential impact on our reputation or the financial impact it could have on our business in a time-frame of up to three years. We have established a plan or process to manage all significant risks. Key risks are assessed at both gross and net level, the latter after the implementation of mitigating actions. Our main risks include, but are not limited to, order entry and turnover, project scoping and execution, and people and organisation.

Global competitiveness
As global customers constitute a growing share of our turnover, NNE Pharmaplan's continued competitiveness in global markets is increasingly essential. Competition is intense, especially in the US and European markets, which primarily affects the sales prices of standard engineering services. At NNE Pharmaplan, we adapt by continuously improving our engineering efficiency and focusing on the right sourcing of resources to ensure competitive cost and price levels.

Project execution
NNE Pharmaplan specialises in technologically advanced facilities. Such projects require excellent understanding of customer needs, successful contract management and well-structured project management. Launched in 2009, the engineering tool 'Our Model' was rolled out throughout the organisation in 2010 to streamline global project execution. This initiative enables us to work as one company while maintaining the agility that makes us unique. Furthermore, the Lean initiative 'Mr Simple – smarter execution' was rolled out in 2010. The purpose of Mr Simple is to increase efficiency through smarter working procedures in projects as well as internally. Our Quality Management System (QMS), which ensures quality throughout all projects and is the backbone of our quality assurance, supported the ongoing initiatives. QMS is ISO-certified by Lloyd's Register Quality Assurance. Combining such well-developed systems with a monthly risk assessment of our projects, NNE Pharmaplan prioritises the high quality demands of customers as well as the industry's regulatory bodies.

Business ethics
At NNE Pharmaplan, we conduct our business according to high ethical standards, living our values and protecting the reputation of our company in order to maintain and grow our business. All employees in the global NNE Pharmaplan organisation undertake a mandatory e-learning programme on our business ethics policy and guidelines. This reduces the risk of NNE Pharmaplan employees violating business ethics as well as laws and regulations. All new employees must complete this training when they join the company.

People and organisation
With international competition increasing, it's essential that we differentiate our company from our competitors, build a strong brand and attract and retain key people. In 2010, our new branding platform 'Engineering for a healthier world' was consolidated both internally and externally. Furthermore, we addressed the succession management of the key people who drive business locally and continued the development of global skills management and the training of key employees.

Corporate governance

NNE Pharmaplan is managed according to the guidelines and commitments laid out in 'Our Way'. The concept includes eleven fundamental guidelines for management that all NNE Pharmaplan employees follow, as well as our triple bottom line commitment: to continuously improve our financial, environmental and social performance. As a member of the UN Global Compact we also commit to ten universally accepted principles on human rights, labour (people), the environment and anti-corruption.

Ownership

NNE Pharmaplan complies with the same principles of corporate governance as our parent company, Novo Nordisk A/S. Because NNE Pharmaplan A/S is 100 percent owned by Novo Nordisk A/S, we are included in the consolidated financial statement of Novo Nordisk A/S[1]. Our ultimate parent company is the Novo Nordisk Foundation[2].

Reporting

NNE Pharmaplan's consolidated financial statements are prepared according to International Financial Reporting Standards (IFRS) as adopted by the EU and the additional disclosures required by the Danish Financial Statements Act, and are published in both Danish and English. The financial year covers the period from 1 January to 31 December. As a fully owned subsidiary of Novo Nordisk, NNE Pharmaplan is not obliged to publish interim reports and does not do so at present.

Board of Directors

NNE Pharmaplan's Board of Directors is elected every year at the annual general meeting. The Board consists of eight people: three who represent the parent company, two external members and three employees elected by NNE Pharmaplan employees for a term of four years. All eight members contribute valuable knowledge and experience in areas such as finance, legislation, pharmaceutical production, the biotech industry and the management of professional service companies. Profiles of the individual members can be found in the Board of Directors section of this report.

The Board of Directors holds at least four meetings a year. The procedures followed by the Board of Directors are to be reviewed at least once every third year and were last updated in 2007. The planned review in 2010 has been postponed until March 2011.

A monthly report delivered by the NNE Pharmaplan Executive Management keeps the Board of Directors abreast of the company's development and performance.

Remuneration
External and employee-elected board members receive a fixed fee under the NNE Pharmaplan remuneration policy. All NNE Pharmaplan Executive Management members receive a fixed salary, a cash bonus, a pension contribution and a share-based payment. Any changes to the remuneration policy or share-based programmes must be approved by the Board of Directors. The 2010 total remuneration is presented in a note to the financial report.

Risk management
In order to systematically assess risk in our company, clear reporting lines from the organisation to the Executive Management and the Board of Directors have been defined. Key risks are identified and assessed on a three-year time scale. NNE Pharmaplan responded to changing market dynamics and defined the necessary mitigating actions that are essential to running a successful and sustainable business. More information is available in the Enterprise Risk Management section.

Audit
At the 2010 Annual General Meeting, PricewaterhouseCoopers was re-elected as NNE Pharmaplan's auditor, based on the recommendation of the Board of Directors. The auditor participates in the board meeting at which the annual report is presented and approved, and where the group audit plan for the year is presented and discussed. Furthermore, the auditor participates in the board meeting where the auditor's interim long-form report is presented.

Organisation
The NNE Pharmaplan Executive Management is based in our office in Søborg, Denmark. This office also houses our other group functions, including Finance, Legal & IT, Project Governance, Global Sales and Marketing, and People & Communication. Profiles of the NNE Pharmaplan Executive Management can be found in the Executive Management section of this report.

[1] To obtain a copy of The Annual Report of Novo Nordisk A/S, contact Novo Nordisk A/S, Novo Allé, DK-2880 Bagsværd, Denmark or see www.novonordisk.com

[2] The Novo Nordisk Foundation, Brogårdsvej 70, DK-2820 Gentofte, Denmark.

Executive Management

Søren Jelert
CFO and Corporate Vice President

Søren Jelert was appointed Chief Financial Officer and Corporate Vice President for Finance, Legal and IT at NNE Pharmaplan in 2008. Mr Jelert comes from a position at Novo Nordisk as Director of Operations and Finance, Europe North in the UK. He joined the Novo Nordisk Group in 2000, where he has held a number of executive positions. Prior to that, he worked as Business Controller for Maersk Oil. Søren Jelert holds a Master of Science in Economics and Business Administration from the Copenhagen Business School (CBS).

Hans Ole Voigt
CEO and President

Hans Ole Voigt was appointed Chief Executive Officer and President of NNE Pharmaplan in 1999. He previously held several executive positions at Novo Nordisk A/S, including Vice President of Production Development, Director of Production Development and Senior Vice President of Business Support. He joined Novo Nordisk in 1979. Mr Voigt holds a Master's degree in Chemical Engineering from the Technical University of Denmark.

Other Board memberships: Chempilots A/S

As of 1 January 2011, Hans Ole Voigt has retired as CEO of NNE Pharmaplan.

Iben Schmidt Helbirk
COS and Corporate Vice President

Iben Schmidt Helbirk was appointed Chief of Staff (COS) and Corporate Vice President of People and Communication at NNE Pharmaplan in 2009. Prior to her appointment she held the position as Manager of HR Development since 2007. Ms Helbirk comes from Novo Nordisk A/S, where she was employed as HR Business Partner. Before joining the Novo Nordisk Group in 2003, she worked with IBM Business Consulting Services and PWC Consulting as a management consultant. Iben Schmidt Helbirk holds a Master's degree in International Marketing and Management from the Copenhagen Business School (CBS).

Morten Nielsen
COO and Senior Vice President

Morten Nielsen was appointed Chief Operating Officer for NNE Pharmaplan's global operations in 2006. He joined NNE Pharmaplan in 1994 and has held several managerial and executive positions in both project and line management. For an interim period, he spent three years in Brazil working for Novo Nordisk as Project Director. Mr Nielsen holds a Bachelor's degree in Electrical Engineering from the Copenhagen University College of Engineering.

As of 1 January 2011, Morten Nielsen has become CEO of NNE Pharmaplan.

Board of Directors

Thomas W. Wylonis ①
Member of the NNE Pharmaplan Board since 2003

Thomas W. Wylonis is an Adjunct Professor at CBS-SIMI, the executive education arm of Copenhagen Business School. Prior to this appointment, he held positions as the Director of Executive Education and Executive Vice President of the Scandinavian International Management Institute (SIMI). Dr. Wylonis has extensive experience in professional services. Before joining SIMI he was a Director, the Managing Partner of the Copenhagen Office and a Practice Leader for Innovation, Strategy and Consumer Products at McKinsey & Company. He has also been a senior member of technical staff at the Bell Telephone Laboratories. Dr. Wylonis holds a PhD in Operations Research from New York University, a Master's degree from The Massachusetts Institute of Technology and a Bachelor's degree in Electrical Engineering from The Penn State University.

Other board memberships:
- VerticPortals A/S
- The Copenhagen International School Foundation in the US

Jesper Brandgaard ②
Chairman of the NNE Pharmaplan Board since 2001

Jesper Brandgaard is the Executive Vice President and Chief Financial Officer (CFO) at Novo Nordisk A/S. He joined Novo Nordisk in 1999 as the Corporate Vice President of Corporate Finance and was appointed CFO in November 2000. Mr Brandgaard holds an MSc in Economics and Auditing and an MBA, both from the Copenhagen Business School in Denmark.

Other board memberships:
- NNIT A/S (Chairman since 2002)
- SimCorp A/S, Denmark (Chairman since 2008)

Jens Olesen ③
Employee-elected member of the NNE Pharmaplan Board since 2009

Jens Olesen is the Manager of the Active Products and Utility department and has held this position since 2007. Prior to this, Mr. Olesen mainly worked as a project manager within the mechanical and process disciplines. Mr Olesen joined NNE Pharmaplan in 2002 from a position as a department manager at LEO Pharma A/S. He holds an MSc in Chemical Engineering from the Technical University of Denmark (DTU) and became a certified project manager IPMA level B in 2007.

Helene Moth-Poulsen ④
Employee-elected member of the NNE Pharmaplan Board since 2009

Helene Moth-Poulsen is a Global Proposal Manager in Sales & Marketing. Mrs. Moth-Poulsen joined NNE Pharmaplan in 1999, and has mostly worked as a Senior Project Manager, managing interdisciplinary projects in the pharma and biotech industries. She holds an MSc in Electrical Engineering from the Technical University of Denmark (DTU), a Diploma of Engineering Business Administration from the Copenhagen University College of Engineering and an IPMA B certification as Senior Project Manager.

Per Valstorp ⑦
Member of the NNE Pharmaplan Board since 2000

Per Valstorp is the Senior Vice President of Product Supply at Novo Nordisk A/S. He has been with Novo Nordisk since 1987 and has held a number of senior positions in the company, including President of the Medical Systems Division and Corporate Vice President for Health Care Quality and Regulatory Affairs. Prior to joining Novo Nordisk, Mr Valstorp was employed at KPMG as the Head of Management Consultants. He holds an MSc in Operational Research and Planning from the Technical University of Denmark.

Other board memberships:
- NNIT A/S
- DBI Plastics A/S
- EUDP
- FeF Chemicals
- Hurup Møbelfabrik A/S
- Zymenex A/S
- Mejerigaarden A/S

Hans Örström ⑤
Vice Chairman of the NNE Pharmaplan Board since 2006

In 2010, Hans Örström retired as Executive Vice President of Operations and Corporate Development at Biovitrum, where he had worked since 2001. He has also held several senior positions with Kabi and Pharmacia.

He started his career in Sales and Marketing at Kabi in 1979, and later moved on to Pharmacia, where one of his positions was Head of its Dutch subsidiary. He was appointed Head of Plasma Products at Pharmacia in 1992.

Hans Örström holds a BSc in Economics and Business Administration from the Gothenburg School of Economics.

Søren P. Andersen ⑥
Employee-elected member of the NNE Pharmaplan Board since 2001

Søren P. Andersen is a Working Environmental Consultant and has previously held positions as HR Consultant and Manager in Mechanical. Mr Andersen joined the Enzyme Business in Novo Nordisk in 1989 and came to NNE Pharmaplan in 1995. He has previously been employed at Dansk Ingeniør System (now Grontmij Carl Bro), Danbrew Consult Ltd. and Skandinavisk Henkel A/S. Mr Andersen holds a Bachelor's degree in Mechanical Engineering from the Copenhagen University College of Engineering.

Ole F. Ramsby ⑧
Member of the NNE Pharmaplan Board since 2001

Ole F. Ramsby is the Senior Vice President and General Counsel at Novo Nordisk A/S. He joined Novo Nordisk in 1997 as Corporate Vice President of Legal Affairs. Mr Ramsby holds an MA in Law from the University of Copenhagen, Denmark.

Other board memberships:
- Danish Export Council
- Board member in a large number of Novo Nordisk affiliates

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Financial reports

FINANCIAL REVIEW 2010

Turnover and operating performance
In 2010, NNE Pharmaplan had a total turnover of DKK 1,466 million, which is a decline of DKK 21 million or 1.4% compared to 2009 and primarily related to NNE Pharmaplan in Denmark and Germany. On the other hand NNE Pharmaplan in China and the US experienced substantial growth in the turnover. Turnover generated from clients outside the Novo Nordisk Group decreased to 56% from 58% in 2009. The business outside Denmark has increased from 42% to 52% in 2010, primarily driven by a higher turnover in China and in the US.

The operating profit in 2010 was DKK 18 million (2009: DKK 50 million), which corresponds to an operating profit margin of 1.3% (2009: 3.3%). This unsatisfactory result was a consequence of declining turnover in especially Europa. In addition the result was negatively impacted by one-time restructuring costs of DKK 20 million. Adjusted for the one-time costs the 2010 operating profit was DKK 38 million, corresponding to an operating profit margin of 2.6%.

Denmark continued to be our largest market representing 50% (2009: 61%) of our total turnover. Denmark did see a decrease in orders and postponement of projects from the global focus accounts due to the reduced pharma and biotech investment level.

Our Chinese offices have in 2010 delivered a very solid business performance and have shown a growth in turnover of 39%. A number of important projects have been won and the pipeline is solid.

In 2010 operations in the US developed positively compared to 2009 and showed a positive financial result for the first time in many years.

In Switzerland, the financial performance showed a very positive development that was above expectations. This was mainly driven by a high utilisation throughout the year and a good business performance based on orders from large customers. In 2010 the financial performance in Germany was still unsatisfactory. This is in evidence both in regards to order intake and business performance.

In order to capture regional synergies the offices in Switzerland and Germany are now managed as one business unit.

NNE Pharmaplan in Sweden had great difficulties in the declining Swedish market and the financial performance was unsatisfactory. In the light of these difficulties it was decided to sell the clean room business, close down the office in Finland and restructure the Swedish organisation.

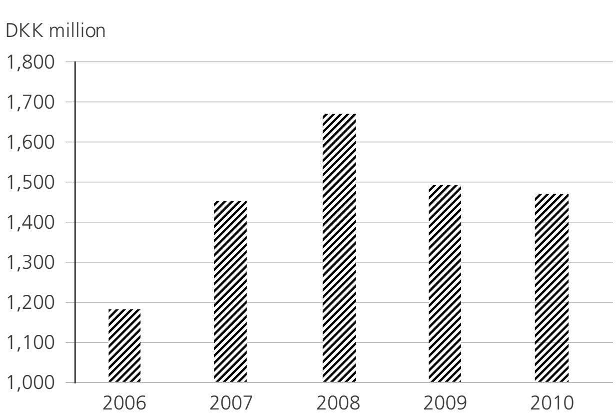
NNE Pharmaplan in France did not meet the expectations in 2010 due to very poor results for the first six months of 2010. However the second half of 2010 improved but did not compensate for the performance for the first six months.

The turnover in Russia has increased due to a higher activity level and the financial performance for 2010 was as expected.

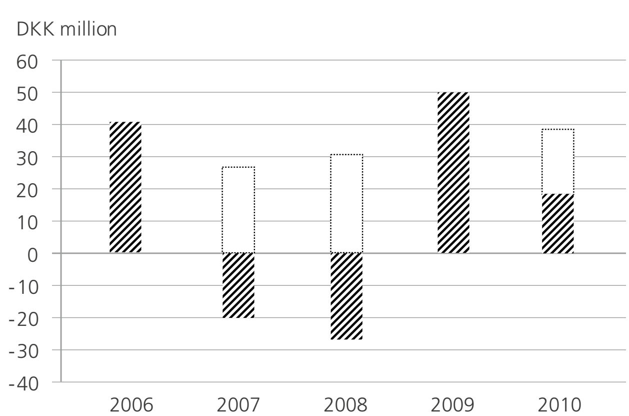
In 2010 our operations in India and Malaysia performed below our expectations. For the first time in 14 years NNE Pharmaplan in India did not meet our expectations.

Net financials and tax
Net financials showed a loss of DKK 11 million in 2010 (2009: Loss of

TURNOVER



OPERATING PROFIT



The dotted lines for 2007, 2008, 2010 indicate the operating profit adjusted for one-time costs.

DKK 16 million). In 2010 the net financials were positively affected by DKK 14 million in unrealised foreign exchange gains while negatively affected by DKK 18 million in unrealised loss on provisions (share-based payment).

Total tax for the year was an expense of DKK 2 million (2009: Expense of DKK 14 million). The income taxes for the year were negatively impacted by adjustments to previous years. Furthermore the Group did not recognised deferred tax asset on all tax losses in some subsidiaries in 2010, due to the fact that there was no convincing evidence that the Group will be able to utilise these tax losses and due to local restrictions.

Net profit

Net profit was DKK 6 million, a decrease of DKK 13 million compared to 2009. This is mainly due to the lower operating profit, a decrease of DKK 31 million compared to 2009, increase in net financial items of DKK 5 million and a decrease in income taxes of DKK 13 million.

Balance sheet

The total assets at 31 December 2010 amounted to DKK 671 million, an increase of DKK 83 million compared to 2009. The trade receivables and receivables from related parties increased in 2010 by DKK 18 million to DKK 262 million. This is mainly explained by an increased credit period by 7 days to 66 days and a higher activity level with the related parties. Overdue trade receivables decreased by DKK 4 million.

Fixed price projects as well as current accounts projects has increased the work in progress by DKK 66 million and payment on account for work in progress by DKK 36 million (net DKK 30 million). The period before invoicing work in progress has increased by 9 days to 20 days (2009: 11 days).

The total liabilities increased from DKK 448 million at the end of 2009 to DKK 525 million in 2010 primarily explained by an increase for Payments on account for work in progress DKK 36 million, short term borrowing related parties DKK 25 million and provisions for other liabilities DKK 26 million.

The 2010 equity increased by DKK 6 million to DKK 147 million, reflecting the net profit for the year of DKK 6 million. The net effect from share-based payments and the positive exchange rate adjustments amounts to DKK 0 million. The solvency ratio was 21.8% (2009: 23.9%) by the end of December 2010.

Cash flow

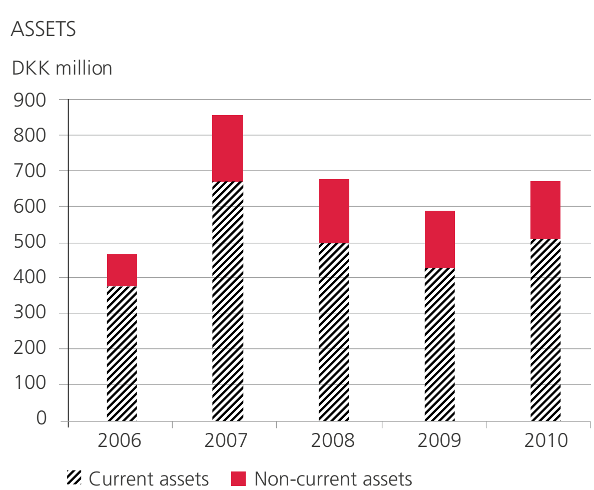
The net change in cash and cash equivalents in 2010 is DKK -43 million (2009: DKK 70 million). Compared to 2009 it is a significant change mainly caused by a lower operating profit and a negative impact from working capital, especially related to trade receivables and work in progress.

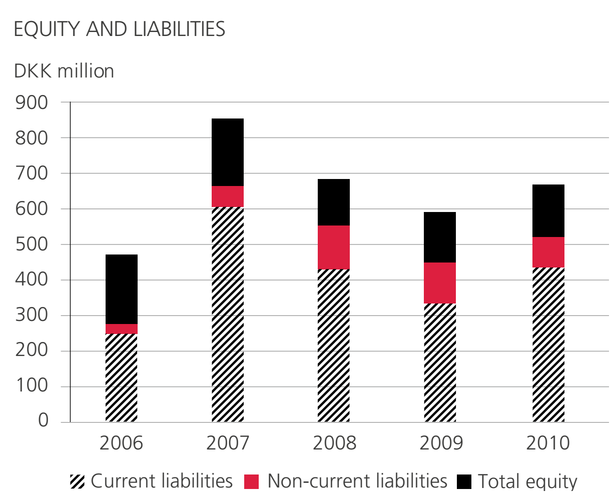
Proposed dividend

The Board of Directors recommends no dividend for the year (2009: DKK 0 million). This proposal will be submitted for adoption by the Annual General Meeting.

Post-Balance-Sheet Events

No events have occurred after the end of the financial year with significant impact on the Company's financial position at 31 December 2010.





FINANCIAL HIGHLIGHTS AND RATIOS FOR NNE PHARMAPLAN GROUP

Financial Highlights (DKK 1,000)

	2010	2009	2008	2007	2006
Income Statement					
Turnover	1,466,356	1,487,651	1,667,608	1,443,841	1,173,532
Operating profit	18,467	49,680	(26,871)	(20,032)	40,589
Net financials	(11,076)	(16,321)	7,308	7,302	7,992
Profit (loss) before income taxes	7,391	33,359	(19,563)	(12,730)	48,581
Net profit/(loss)	5,529	19,072	(32,091)	(1,812)	29,921
Proposed dividend to shareholders	-	-	-	-	-
Assets					
Non-current assets	163,362	162,605	178,809	184,713	84,332
Current assets	508,024	426,253	500,496	669,242	378,960
Total assets	671,386	588,858	679,305	853,955	463,292
Capital expenditure net	4,518	5,272	14,248	8,320	5,187
Equity and liabilities					
Equity	146,643	140,921	128,421	188,743	196,577
Non-current liabilities	87,959	118,846	128,760	69,204	29,571
Current liabilities	436,784	329,091	422,124	596,008	237,144
Total equity and liabilities	671,386	588,858	679,305	853,955	463,292
Cash flow statement					
Cash flow from operating activities	208	104,941	39,461	(87,803)	20,959
Cash flow from investing activities	(4,518)	(5,272)	18,712	(51,358)	54,012
Cash flow from financing activities	(38,807)	(29,793)	(14,279)	71,639	(23,988)
Net change in cash and cash equivalents	(43,117)	69,876	43,894	(67,522)	50,983
Financial ratios					
Operating profit margin (EBIT margin)	1.3%	3.3%	(1.6)%	(1.4)%	3.5%
Before-tax profit margin	0.5%	2.2%	(1.2)%	(0.9)%	4.1%
Return on equity	3.8%	14.2%	(20.2)%	(0.9)%	15.6%
Solvency ratio	21.8%	23.9%	18.9%	22.1%	42.4%
Payout ratio	-	-	-	-	-
Dividend per share (DKK)	-	-	-	-	-
Number of employees at end of year (FTE)	1,649	1,579	1,524	1,463	1,062
Number of internal consultants at end of year	172	144	252	255	307
Number of employees and internal consultants	1,821	1,723	1,776	1,718	1,369

The 2006 figures cover the former NNE Group and the 2007 – 2010 figures, cover the NNE Pharmaplan Group, where the figures for the former Pharmaplan Group are included as of 1 April 2007.

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER

CONSOLIDATED INCOME STATEMENT

(DKK 1,000)

	Note	2010	2009
Turnover	2	1,466,356	1,487,651
Cost of projects	3,4	(1,244,510)	(1,245,501)
Gross profit		**221,846**	**242,150**
Sales and distribution costs	3,4	(68,065)	(56,962)
Administrative expenses	3,4	(135,314)	(135,508)
Operating profit		**18,467**	**49,680**
Financial income	5	14,563	2,714
Financial expenses	6	(25,639)	(19,035)
Profit before income taxes		**7,391**	**33,359**
Income taxes	7	(1,862)	(14,287)
Net profit for the year		**5,529**	**19,072**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2010	2009
Net profit for the year	**5,529**	**19,072**
Other comprehensive income:		
Gains and losses arising from translating the financial statements of foreign operations and remeasuring available-for-sale financial assets	9,842	(434)
Other comprehensive income for the period, net of tax	**9,842**	**(434)**
Total comprehensive income for the period	**15,371**	**18,638**

BALANCE SHEET AS AT 31 DECEMBER

(DKK 1,000)

	Note	2010	2009
Assets			
Intangible assets	8	81,434	90,676
Property, plant and equipment	10	24,312	26,288
Investments	11	16,524	16,356
Deferred income tax assets	17	39,724	27,924
Other non-current assets		1,368	1,361
Total non-current assets		**163,362**	**162,605**
Work in progress	12	125,715	59,777
Trade receivables	13	142,522	138,538
Receivables from related parties	24	119,208	105,347
Tax receivables	18	7,558	11,792
Other receivables and prepayments	14	35,291	30,127
Cash at bank and in hand	24	77,730	80,672
Total current assets		**508,024**	**426,253**
Total assets		**671,386**	**588,858**

BALANCE SHEET AS AT 31 DECEMBER

(DKK 1,000)

	Note	2010	2009
Equity and Liabilities			
Share capital	15	500	500
Retained earnings		132,720	131,926
Other reserves		13,423	8,495
Total equity		**146,643**	**140,921**
Non-current debt	16	-	806
Loans and payables to related parties	24	9,335	37,613
Deferred income tax liabilities	17	5,562	6,897
Retirement benefit obligations	20	44,752	42,026
Provisions for other liabilities	19	28,310	31,504
Total non-current liabilities		**87,959**	**118,846**
Payments on account for work in progress	12	48,897	13,182
Trade payables		68,473	70,977
Short term borrowing		25,639	13,858
Short term borrowing related parties	24	43,322	18,807
Payables to related parties	24	2,863	2,260
Tax payables	18	3,587	2,163
Provisions for other liabilities	19	38,701	9,392
Other current liabilities	16	205,302	198,452
Total current liabilities		**436,784**	**329,091**
Total liabilities		**524,743**	**447,937**
Total Equity and Liabilities		**671,386**	**588,858**
Commitments	21		
Other notes	22-29		

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER

(DKK 1,000)

	Note	2010	2009
Operating activities			
Operating profit		**18,467**	**49,680**
Reversals with no effect on cash flow	26	45,024	42,061
(Increase)/decr. in trade receivables, work in progress and prepayments etc		(33,779)	100,517
Increase/(decr.) in trade payables and other payables etc		(9,486)	(48,177)
Cash flow from operating activities before financials		**20,226**	**144,081**
Financial income, received		782	1,359
Financial expenses, paid		(11,858)	(17,679)
Cash flow from operating activities before tax		**9,150**	**127,761**
Income taxes paid	18	(8,942)	(22,820)
Cash flow from operating activities		**208**	**104,941**
Investments			
Purchase of intangible and tangible assets (net)		(4,518)	(5,272)
Cash flow from investing activities		**(4,518)**	**(5,272)**
Financing			
Share-based payments		(9,872)	(6,658)
Repayment of loan to Novo Nordisk A/S		(28,935)	(23,135)
Cash flow from financing activities		**(38,807)**	**(29,793)**
Net change in cash and cash equivalents		**(43,117)**	**69,876**
Cash and cash equivalents at the beginning of the year		66,814	(2,985)
Unrealised gain/(loss) on exchange rate on cash and cash equivalents		3,911	(77)
Cash and cash equivalents at the end of the year		**27,608**	**66,814**
Net cash and cash equivalents at the end of the year:			
Cash at bank and in hand		77,730	25,446
Credit facillities		(25,639)	(13,858)
Cash Pool	24	(24,483)	55,226
Cash and cash equivalents at the end of the year		**27,608**	**66,814**
Maximum drawing facility, including Cash Pool arrangement with the Novo Nordisk Group		88,522	90,928
Financial ressources at the end of the year		**116,130**	**157,742**

STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER

(DKK 1,000)

			Other reserves		
2010	**Share Capital**	**Retained earnings**	**Reserve for share-based compensation**	**Exchange rate adjustments**	**Total**
Balance at the beginning of the year	500	131,926	10,525	(2,030)	140,921
Total comprehensive income for the year	-	5,529	-	9,842	15,371
Transactions with owners, recognised directly in equity:					
Dividend	-	-	-	-	-
Options exercised	-	(4,735)	(5,137)	-	(9,872)
Share-based payments (note 25)	-	-	223	-	223
Balance at the end of the year	**500**	**132,720**	**5,611**	**7,812**	**146,643**

			Other reserves		
2009	**Share Capital**	**Retained earnings**	**Reserve for share-based compensation**	**Exchange rate adjustments**	**Total**
Balance at the beginning of the year	500	116,628	12,889	(1,596)	128,421
Total comprehensive income for the year	-	19,072	-	(434)	18,638
Transactions with owners, recognised directly in equity:					
Dividend	-	-	-	-	-
Options exercised	-	(3,774)	(2,884)	-	(6,658)
Share-based payments (note 25)	-	-	520	-	520
Balance at the end of the year	**500**	**131,926**	**10,525**	**(2,030)**	**140,921**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 GROUP ACCOUNTING POLICIES

Basis of preparation
The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU and additional Danish disclosure requirements.

The Financial statements of the Parent company, NNE Pharmaplan A/S, as presented on page 87-99, has been prepared in accordance with The Danish Financial Statements Act.

The Consolidated Financial Statements have been prepared on the historical cost basis except for the revaluation of available-for-sale financial assets measured at fair value through Other comprehensive income.

Key accounting estimates and assumptions
The use of reasonable estimates is an essential part of the preparation of Consolidated Financial Statements in conformity with IFRS. Management is required to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, sales, costs, cash flow and related disclosures at the date(s) of the Consolidated Financial Statements.

Management bases its estimates on historical experience and various other assumptions that are held to be reasonable under the circumstances. These form the basis for making judgements about the reported financial position and result of operations and cash flow that are not readily apparent from other sources. Actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and, if necessary, changes are recognised in the period in which the estimate is revised.

Management regards the following to be the key accounting estimates and assumptions used in the preparation of its Consolidated Financial Statements.

Revenue recognition – percentage of completion of contracts
Revenue on long-term fixed-price contracts is recognised in accordance with the percentage of completion of each contract. The percentage of completion of fixed-price contracts is calculated as the proportion of costs paid to date compared to the expected revaluated total costs of completing the contracts. The calculation of the percentage of completion is supplemented and verified using an individual assessment of the technical progress of each contract. The carrying amount of work in progress at 31 December 2010 is DKK 76.8 million (2009: DKK 46.6 million) Please refer to note 12 for further details and the financial effect.

Warranties
As part of normal business NNE Pharmaplan issues 1-5 years' warranties on certain services and thus has an obligation to rectify or replace services that are not satisfactory according to the wording of the contract. Depending on the mix and volume of services provided the warranty provision may fluctuate from year to year.

Provisions are made for guarantees based on Management's best estimate of the percentage of the notional value of the project including historical experience. This percentage may differ according to specific projects, provided the project management can show that the risk element is likely to increase due to extraordinary circumstances. The carrying amount of guarantees at 31 December 2010 is DKK 5.9 million (2009: DKK 4.9 million). Please refer to note 19 for further details and the financial effect.

Impairment of goodwill
The impairment of goodwill requires an estimation of the value-in-use of the cash-generation unit to which the goodwill is allocated. To estimate the value-in-use the Group must estimate the expected future cash flows from the cash generating unit. This estimate is based on budgets and business plans for each cash-generating unit. Key parameters are sales growth, operating margin, future capital expenditure and growth expectations beyond the budget period. Management also choose a suitable after-tax discount rate (WACC) in order to calculate pressent value of these cash flows. The carrying amount of goodwill at 31 December 2010 was DKK 61.7 million (2009: DKK 64.9 million). Please refer to note 9 for further details.

Impairment of trademark and contracts
The value of the trademark and contracts acquired and the expected useful life are assessed based on long-term development of the trademark and contracts in the relevant markets and the profitability of the trademark and contracts.

Measurement is based on expected future cash flows for trademark and contracts on the basis of assumption about expected useful life and royalty rate and sales/licence income and expected useful life and calculated tax effect. The after-tax discount rate reflecting the risk-free interest rate with addition of estimated future risks associated with trademark and contracts is used.

When there is an indication of a reduction in the value or useful life an impairment test is conducted and the trademark and contracts are written down or the amortisation is increased in line with the shorter useful lives of the trademark and contracts.

The carrying amount of trademark at 31 December 2010 was DKK 7.9 million (2009: DKK 9.2 million). The useful life of trademark is estimated to be 10 years. Please refer to note 8 for further details.

The carrying amount of the contracts at 31 December 2010 was DKK 5.4 million (2009: DKK 7.6 million). Please refer to note 8 for further details.

Allowances for doubtful trade receivables

Trade receivables are stated at amortised cost less allowances for potential losses on doubtful trade receivables.

NNE Pharmaplan maintains allowances for doubtful trade receivables in anticipation of estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial circumstances of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management analyses trade receivables and examines historical bad debt customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when evaluating the adequacy of the allowance for doubtful trade receivables.

The carrying amount of allowances for doubtful trade receivables is DKK 9.4 million at 31 December 2010 (2009: DKK 8.0 million). Please refer to note 13 for further details.

Deferred taxes

Management's judgement is required in determining the Group's provision for deferred tax assets and liabilities. NNE Pharmaplan recognises deferred tax assets if it is probable that sufficient taxable income will be available in the future against which the temporary differences and unused tax losses can be utilised. Management has considered future taxable income in assessing whether deferred income tax assets should be recognised.

The carrying amount of deferred tax assets and deferred tax liabilities is DKK 39.7 million (2009: DKK 27.9 million) and DKK 5.6 million (2009: DKK 6.9 million) respectively at 31 December 2010.

The deferred tax assets of a tax loss of DKK 40.9 million (2009: DKK 21 million) have not been recognised in the balance sheet as there is no convincing evidence that the Group will be able to use these tax losses due to local restrictions. Please refer to note 17 for further details.

Accounting policies

The principal accounting policies set out below have been applied consistently in the preparation of the Consolidated Financial Statements for all the years presented, unless otherwise stated.

Accounting standards effective in 2010

NNE Pharmaplan has adopted all new or amended and revised accounting standards and interpretations ("IFRSs") endorsed by the EU, effective for the accounting period beginning on 1 January 2010. Based on an analysis made by NNE Pharmaplan, the application of the new IFRSs has not had a material impact on the Consolidated Financial Statements in 2010 and we do not anticipate any significant impact on future periods from the adoption of these new IFRSs.

New IFRSs that have been issued but not yet come into effect.

In addition to the above, IASB has issued a number of new or amended and revised accounting standards and interpretations ("IFRSs") which have been endorsed by European Union but not yet come into effect. NNE Pharmaplan has thoroughly assessed the impact of these IFRSs that are not yet effective and determined that we do not anticipate any significant impact on the Consolidated Financial Statements from the adoption of these standards.

Principles of consolidation

The Consolidated Financial Statements incorporates the Financial Statements of NNE Pharmaplan A/S and entities controlled by NNE Pharmaplan A/S.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group. All intragroup transactions, balances income and expenses are eliminated in full on consolidation.

Acquired and divested companies are included in the Income Statement during the period of NNE Pharmaplan's ownership. Comparative figures are not adjusted for disposed or acquired companies.

Translation of foreign currencies

Functional and presentation currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The Consolidated Financial Statements are presented in Danish kroner (DKK), which is the functional and presentation currency of the Parent Company.

Translation of transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

Translation differences on non-monetary items, such as financial assets classified as available-for-sale, are included in the fair value reserve in Other comprehensive income.

Translation of group companies

Financial Statements of foreign subsidiaries are translated into Danish kroner (presentation currency) at exchange rates ruling at the balance sheet date for assets and liabilities and at average exchange rates for income statement items.

All exchange rate adjustments are recognised in the Income Statement with the exception of exchange gains and losses arising from:

- The translation of foreign subsidiaries net assets at the beginning of the year at the exchange rates at the end of the reporting period
- The translation of foreign subsidiaries' income statement using average exchange rates, whereas balance sheet items are translated using the exchange rates ruling at the end of the reporting period

The above exchange rate gains and losses are recognised in Other comprehensive income.

Turnover

The Group recognises turnover when the amount of the turnover can be reliably measured, when it is probable that future economic benefits will flow to the entity, and when specific criteria have been met as described below.

The Group's services are carried out exclusively against customer contracts. The Group has two different kinds of contracts with customers, current account contracts and fixed-price contracts.

Turnover from current account contracts, typically from delivery of engineering services, is recognised at the contractual rates as labour hours are delivered and direct expenses are incurred.

Turnover from fixed-price contracts for delivery of engineering services is recognised under the percentage-of-completion (POC) method. According to the POC method, turnover is generally recognised based on the services performed to date as a percentage of the total services to be performed as also described below under work in progress.

If circumstances arise that may change the original estimates of turnover, costs or extent of progress towards completion, estimates are revised. These revisions may result in increases or decreases in estimated turnover or costs and are reflected as income in the period in which the circumstances that give rise to the revision become known by Management.

Cost of projects

The cost of projects comprises all costs, including office rent, depreciations, wages and salaries and pension contributions as well as other costs related to rendering engineering services.

Sales and distribution costs

Sales and distribution costs comprise salaries and pension contributions for sales staff, marketing costs, office rent, car expenses and depreciations.

Administration expenses

Administration expenses comprise salaries and pension contributions for administrative staff, management, office rent, office expenses and depreciation.

Financial items

Financial items comprise interest income, interest expenses and foreign currency translation adjustments and realised capital gains or losses on shares.

Dividend income is recognised when the right to receive payment is established.

Work in progress

Work in progress reflects services carried out against customer contracts that have not yet been finally delivered and invoiced. Contracts are recognised at the sales value of the completed portion of the contract at the balance sheet date (percentage of completion method).

The percentage-of-completion of fixed-price contracts is calculated as the proportion of costs paid to date of the expected total costs of completing the contracts. The calculation of the percentage of completion is supplemented and verified using an individual assessment of the technical progress of each contract.

Any potential loss on contracts is calculated as the total loss on the contract irrespective of the portion actually completed, and the loss is expensed when it is probable and included in work in progress.

Calculations of losses are based on direct production costs, primarily salary and pensions, and indirect production overheads. Indirect production overheads comprise indirect supplies and labour as well as depreciations. The indirect production overheads are measured based on a standard cost method, which is reviewed regularly in order to ensure relevant measures.

Amounts invoiced on account for the completed portion of work are deducted from the value of this work, whereas amounts invoiced on account that exceed the completed portion of a contract are recognised as prepayments under current liabilities.

Costs incurred in connection with sales work and contract acquisition are recognised as part of the contract costs. Only cost incurred from the time it is probable that the contacts will be signed is recognised.

Provisions

Provisions cover warranty obligations for projects in progress and completed projects and non-current employee benefits.

Provisions, including tax and legal cases, are recognised where a legal or constructive obligation has been incurred as a result of past events and it is probable that it will lead to an outflow of resources that can be reliably estimated. In this connection, Management makes the estimate based upon an evaluation of the individual, most likely outcome of the cases. In cases where a reliable estimate cannot be made, the provisions are not recognised but only disclosed as contingent liabilities.

Provisions are measured at the present value of the expected expenditures that is required to settle the legal or constructive obligation using a pretax rate that reflects current marked assessment of the time value of money and the risks specific to the obligation. The increase in provision due to passage of time is recognised as interest expense.

Leases

Leases of assets whereby the Group assumes substantially all the risks and rewards of ownership are capitalised as finance leases under property, plant and equipment and depreciated over the estimated useful lives of the assets, according to the periods listed above in the paragraph regarding tangible assets. The corresponding financial lease liabilities are included in liabilities.

Operating lease costs are charged to the Income Statement on a straight-line basis over the period of the lease.

Tax

The tax expense for the period comprises current and deferred tax including adjustments to previous years. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in Other comprehensive income.

Deferred income taxes arise from temporary differences between the accounting- and taxable values of the individual, consolidated companies and from realisable tax-loss carry-forwards, using the liability method. The tax value of the tax-loss carry-forwards is included in deferred tax assets to the extent that the tax losses and other tax assets are expected to be utilised in the future taxable income. The deferred income taxes are measured according to the current tax rules and at tax rates expected to be in force at the elimination of the temporary differences.

Unremitted earnings are retained by subsidiaries for reinvestment. No provision is made for income taxes that would be payable upon the distribution of such earnings.

Intangible assets

Goodwill

Goodwill represents any cost in excess of identifiable net assets, measured at fair value, in acquired companies. Goodwill recognised under intangible assets is related to subsidiaries.

Goodwill is measured at historical cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is not amortised but is allocated to cash-generating units for the purpose of yearly impairment testing.

Other intangibles

Patents, licenses, trademark, contracts and customer lists are measured at historical cost less accumulated amortisation and any impairment loss.

Amortisation is provided under the straight-line method over the estimated useful life of the assets:

Patents	10 years
Licenses	7 years
Trademark	10 years
Contracts	3 years
Customer lists	3-10 years

ERP system

The Company's finance and project system (ERP system) includes external and internal costs directly and indirectly allocated to the ERP system. Computer software licenses are included in the costs.

The ERP system is measured at historical cost less accumulated amortisation and any impairment loss. Subsequent costs are included in the carrying amount of the asset only when it is probable that future economic benefits associated with the asset will flow to the Group and when the cost of the item can be measured reliably.

Amortisation is provided under the straight-line method over the estimated useful life of the asset set at a period of five years.

Property, plant and equipment

Property, plant and equipment are measured at historical cost less accumulated depreciation and any impairment loss. Subsequent costs are included in the carrying amount of the asset only when it is probable that future economic benefits associated with the asset will flow to the Group and when the cost of the item can be measured reliably.

Depreciation is carried out by the straight-line method over the expected useful lives of the assets:

Leasehold improvements	7-10 years
IT equipment	3-5 years
Plant, machinery and other equipment	5-10 years

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted, if appropriate. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains and losses on disposables are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

Assets with limited expected useful lives are expensed in the Income Statement in the year of acquisition.

Impairment of assets
The carrying amount of intangible and tangible assets is reviewed annually for indication of value decrease beyond the level of normal depreciation. If the asset or group of assets has depreciated in value, write-down is made to a lower recoverable value. The recoverable value is recognised as the highest value of net sale price and value in use. If the recoverable value cannot be recognised the need for write-down is based on the smallest group of asset for which the recoverable value can be maintained.

Goodwill is tested for impairment at least annually or more frequently if there are indications that the value might be impaired. The test is done based on an evaluation of the cash-generating unit to which goodwill is related. The evaluation is based on an evaluation of the discounted future expected cash flows of the cash-generating unit.

For goodwill and other assets, where it is not possible to assess the present value as the assets themselves do not generate future cash flows, the impairment test is done on the basis of the cash-generating unit to which the assets belong.

Impairments are recognised in the Income Statement in the cost area where the asset is present.

Joint ventures
A joint venture is managed together with one or more partners, each without a controlling influence. To the extent that the concluded joint venture contracts satisfy the criteria of being a jointly controlled company, these joint ventures are consolidated in accordance with the pro rata method. This implies that NNE Pharmaplan's proportion of each item in the income statements and balance sheets of the joint ventures is added to the same items in the Consolidated Financial Statements. Intercompany net sales, balances and unrealised profits are eliminated in the Consolidated Financial Statements according to the ownership interest.

In the joint ventures, the partners are jointly and severally liable for the joint ventures' performance guarantees. The obligations are disclosed in the notes under "Contingent liabilities".

Financial assets
The Group classifies its investments in the following categories

- Receivables
- Available-for-sale

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments on initial recognition and re-evaluates this designation at the end of each reporting period to the extent that such a classification is permitted and required.

Receivables are carried at amortised cost using the effective interest method.

Receivables
Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active marked. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as Current assets. If not, they are presented as non-current assets.

Trade receivables and Other current assets are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Provision for impairment of trade receivables is made, when there is objective evidence, that the Group will not be able to collect all amounts due according to the original terms of the receivables.

The provision for impairment is deducted from the carrying amount of Trade receivables and the amount of the loss is recognised in the Income Statement under Sales and distribution costs. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against Sales and distributions costs in the Income statement.

Available-for-sale
Available-for-sale financial assets are non-derivative financial assets. They are included in non-current financial assets unless Management intends to dispose of the investment within 12 months of the balance sheet date.

Available-for-sale financial assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value are recognised in Other comprehensive income. When financial assets classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the Income statement as gains and losses from available-for-sale financial assets in financial income/expense.

Dividend

Dividend is recognised as a liability in the period in which it is declared at the Annual General Meeting.

Employee benefits

Wages, salaries, social security contributions, annual leave and sick leave, bonuses and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where the Group provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees concerned.

Pensions

The Group operates a number of defined contribution plans throughout the world. In a few countries, the Group still operates defined benefit plans. The costs for the year for defined benefit plans are determined using the projected-unit credit method. This reflects services rendered by employees to the dates of valuation and is based on actuarial assumptions primarily regarding discount rates used in determining the present value of benefits, projected rates of remuneration growth, and long-term expected rates of return on plan assets. Discount rates are based on the marked yields of high-rated corporate bonds in the country concerned.

Actuarial gains and losses are recognised as income or expense when the net-cumulative unrecognised actuarial gains and losses for each individual plan at the end of the previous reporting period exceed 10% of the higher of the defined benefit obligation and the fair value of plan assets at that date. These gains or losses are recognised over the expected average remaining working lives of the employees participating in the plans.

Past service costs are allocated over the average period until the benefits become vested.

Pension assets are only recognised to the extent that the Group is able to derive future economic benefits as refunds from the plan or reductions in future contributions.

The Group's contributions to defined contribution plans are charged to the Income Statement in the year to which they relate.

Share-based payment/ incentives

On 1 January 2007, NNE Pharmaplan introduced its own incentive programme. The incentive programme converts the granted share appreciation rights into a fixed number of Novo Nordisk shares.

The incentive programme is treated as a cash-settled, share-based scheme. The fair value of the employee services received in exchange for the grant of share appreciation rights is recognised as an expense and amortised over the vesting period.

The total amount to be expensed over the vesting period is determined by reference to the fair value based on an option pricing model (Black-Scholes) of the share appreciation rights excluding the impact of any non-market vesting conditions.

The liability of the share appreciations rights is measured, initially and at each reporting date until settled, at the fair value of the share appreciations rights, by applying an option pricing model (Black-Scholes), taking into account the terms and conditions on which the share appreciation rights were granted and the extent to which the employees have rendered service to date. Any change in the fair value of the share appreciation rights from the grant date to the end of each financial year is recognised as financial income/expense in the Income statement.

Non-market vesting conditions are included in assumptions about the share appreciations rights. At each balance sheet date the Group revises its estimates of share appreciation rights that are expected to be delivered. The Group recognises the impact of the revision of the original estimates, if any, in the Income statement and a corresponding adjustment to the liability over the remaining vesting period. Adjustments relating to prior years are included in the Income Statement in the year of adjustment.

Before 1 January 2007, NNE Pharmaplan Group took part in a share-based payment plan in the Novo Nordisk Group. The plan entailed that Novo Nordisk A/S granted shares or options to Executive Management and Senior Management of NNE Pharmaplan.

The plan is treated as an equity-settled share-based scheme. This implies that the value of the scheme calculated at the grant date is charged as a cost in the Income statement over the vesting period of the scheme. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options or shares granted, excluding the impact of any non-market vesting conditions. The fair value is fixed at grant date. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable. The Group recognises the impact of the revision of the original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. Adjustments relating to prior years are included in the Income statement in the year of adjustment "truing up".

When employees exercise their option to purchase shares, NNE Pharmaplan pays the Parent Company (Novo Nordisk A/S) the difference between the exercise and the market price. This payment is deducted in the equity.

Liabilities
Generally, liabilities are stated at amortised cost unless specifically mentioned otherwise.

Borrowings are recognised initially at fair value, net of transactions costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of trans-actions costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method. Borrowings are classified as Current debt unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Statement of cash flows
The statement of cash flows and financial resources is presented in accordance with the indirect method commencing with operating profit. The statement shows cash flows for the year, the net change in cash and cash equivalents for the year, and cash and cash equivalents at the beginning and the end of the year.

Cash and cash equivalents consist of cash less short-tem bank loans. Financial resources consist of cash and cash equivalent and undrawn committed credit facilities expiring after more than one year.

Financial ratios
Financial ratios have been calculated using the "Recommendations & Financial Ratios" of the Danish society of financial analysts.

Operating profit margin	$\frac{\text{Operating profit x 100}}{\text{Turnover}}$
Profit margin before tax	$\frac{\text{Profit before tax x 100}}{\text{Turnover}}$
Return on equity	$\frac{\text{Net profit x 100}}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets}}$
Payout ratio	$\frac{\text{Total dividend x 100}}{\text{Net profit}}$
Dividend per share	$\frac{\text{Dividend}}{\text{Number of shares}}$

Financial definitions
Internal consultants are consultants hired on a temporary contract for a period of up to 3 months.

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 2 Turnover		
Sales value of completed contracts during the year	1,421,162	1,344,809
Sales value of other service sales	140,146	150,611
Sales value of work in progress, end of year	272,826	367,778
Sales value of work in progress, beginning of year	(367,778)	(375,547)
Total	**1,466,356**	**1,487,651**

Turnover consists of 44% (42% in 2009) to companies in the Novo Nordisk Group,
13% (11% in 2009) to the Novozymes Group and 43% (47% in 2009) to other customers.
The distribution is 48% (58% in 2009) in Denmark and 52% (42% in 2009) abroad.

The Group supplies projects, engineering and consulting services to the pharma and biotech industries.

	2010	2009
Note 3 Employee costs		
Wages and salaries	754,550	726,456
Pensions defined contribution plans	77,642	69,104
Pensions defined benefit plans (note 20)	5,120	4,174
Share-based payment cost (note 25)	6,236	4,811
Other contributions to social security	33,102	30,400
Other employee costs	35,790	34,606
Total	**912,440**	**869,551**
Included in the Income statement under the following headings:		
Cost projects	777,343	748,614
Sales and distribution costs	38,686	30,079
Administrative expenses	96,411	90,858
Total	**912,440**	**869,551**

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 3 Employee costs (continued)		
Average number of full-time employees	1,659	1,545

At the end of the year the group had 1,649 full time employees compared to 1,579 at year end 2009.

	2010	2009
Management's remuneration and share-based payments:		
Fees to Board of Directors	637	396
Salary, cash bonus etc to Executive Management	10,014	4,803
Pension contribution to Executive Management	879	938
Share-based payment to Executive Management (note 25)	692	738
Salary, cash bonus etc to Management	2,886	3,870
Pension contribution to Management	256	329
Share-based payment to Management	102	136
Total	**15,466**	**11,210**

The fee to the Board of Directors is a fixed amount applying to employee elected members and to members outside the Novo Nordisk Group.
The total remuneration to Executive Management includes severance payment of DDK 5.3 million to former CEO who has left the Company.

If members of Executive Management (CEO and COO) are terminated by the company they are entitled to a severance payment of 12 - 24 months' salary plus pension contribution.

	2010	2009
Note 4 Depreciation, amortisation and impairment losses		
Depreciation and amortisation are derived from:		
Intangible assets	6,611	9,568
Property, plant and equipment	6,099	13,625
Total	**12,710**	**23,193**
Included in the Income statement under the following headings:		
Cost of projects	11,325	19,164
Sales and distribution costs	238	471
Administrative expenses	1,147	3,558
Total	**12,710**	**23,193**

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 5 Financial income		
Interest income on loan to related parties (note 24)	124	328
Interest income on short-term bank deposits	181	345
Other financial income	137	924
Unrealised/realised foreign exhange gains	14,121	1,117
Total	**14,563**	**2,714**

Note 6 Financial expenses		
Interest expenses on loan to related parties (note 24)	820	2,390
Interest expenses bank borrowings	779	1,074
Other interest expenses	289	109
Discounted amount on provision on dilapidation	464	446
Unrealised capital loss on provisions (share-based payment, note 19)	17,979	1,589
Unrealised/realised foreign exhange loss	4,201	11,098
Other financial expenses	1,107	2,329
Total	**25,639**	**19,035**

Note 7 Income taxes		
Current tax on profit for the year	12,294	20,365
Deferred tax on profit for the year	(13,076)	(11,405)
Tax on profit for the year	**(782)**	**8,960**
Adjustment related to previous years – deferred tax	393	5,907
Adjustment related to previous years	2,251	(580)
Total	**1,862**	**14,287**

The tax effect of joint taxation with the Parent Company Novo Nordisk A/S and affiliated companies is distributed on the companies according to their taxable income (the full costing method). The Danish jointly taxed companies are included in a Danish tax prepayment scheme.

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 7 Income taxes (continued)		
Computation of effective tax rate:		
Statutory corporate income tax rate in Denmark	25.0%	25.0%
Adjustment to previous years	35.8%	16.0%
Non-tax income less non-tax deductible expenses	(52.8%)	(9.6%)
Tax loss carry-forward, not booked	32.2%	11.5%
Changes in tax rate from 2009 to 2010	1.2%	0.2%
Deviation in foreign subsidiaries' tax rates compared to Danish tax rate	(16.2%)	(0.2%)
Effective tax rate	**25.2%**	**42.9%**

NOTES – CONSOLIDATED

(DKK 1,000)

Note 8 Intangible assets

2010	**Goodwill**	**Patents/ certificates**	**Contracts**	**Customer lists**	**Trademark**	**Software ERP system**	**Total**
Cost at 1 January	64,953	2,896	25,274	6,684	13,164	44,519	157,490
Additions during the year	-	-	-	-	-	1,363	1,363
Disposals during the year	(4,004)	(2,097)	-	(1,249)	-	(7)	(7,357)
Exchange rate adjustments	756	176	44	29	-	358	1,363
Cost at 31 December	**61,705**	**975**	**25,318**	**5,464**	**13,164**	**46,233**	**152,859**
Depreciation and impairment losses at 1 January	-	1,367	17,718	4,267	3,951	39,511	66,814
Depreciation for the year	-	275	2,163	368	1,317	2,488	6,611
Disposals during the year	-	(953)	-	(1,249)	-	(7)	(2,209)
Exchange rate adjustments	-	30	31	9	-	139	209
Depreciation and impairment losses at 31 December	-	**719**	**19,912**	**3,395**	**5,268**	**42,131**	**71,425**
Carrying amount at 31 December	**61,705**	**256**	**5,406**	**2,069**	**7,896**	**4,102**	**81,434**

2009	**Goodwill**	**Patents/ certificates**	**Contracts**	**Customer lists**	**Trademark**	**Software ERP system**	**Total**
Cost at 1 January	64,824	2,804	25,305	7,781	13,164	44,691	158,569
Additions during the year	-	-	-	-	-	429	429
Disposals during the year	-	(8)	-	(1,077)	-	(560)	(1,645)
Exchange rate adjustments	129	100	(31)	(20)	-	(41)	137
Cost at 31 December	**64,953**	**2,896**	**25,274**	**6,684**	**13,164**	**44,519**	**157,490**
Depreciation and impairment losses at 1 January	-	1,081	12,957	4,899	2,634	37,000	58,571
Depreciation for the year	-	296	4,788	449	1,317	2,718	9,568
Disposals during the year	-	(8)	-	(1,077)	-	(201)	(1,286)
Exchange rate adjustments	-	(2)	(27)	(4)	-	(6)	(39)
Depreciation and impairment losses at 31 December	-	**1,367**	**17,718**	**4,267**	**3,951**	**39,511**	**66,814**
Carrying amount at 31 December	**64,953**	**1,529**	**7,556**	**2,417**	**9,213**	**5,008**	**90,676**

NOTES – CONSOLIDATED

(DKK 1,000)

Note 9 Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to an individual cash-generating unit for impairment testing:

Former Pharmaplan Group - consisting of NNE Pharmaplan GmbH, NNE Pharmaplan AG, NNE Pharmaplan India Ltd., OOO NNE Pharmaplan and NNE Pharmaplan Inc.

Carrying amount of goodwill allocated to each of the cash-generating units:

	Pharmaplan Group		NNE Pharmaplan AB		Total	
	2010	2009	2010	2009	2010	2009
Carrying amount of goodwill	**61,705**	**61,345**	**-**	**3,608**	**61,705**	**64,953**

Pharmaplan Group

The recoverable amount of the Pharmaplan Group unit is determined by a value-in-use calculation using cash flow projections based on financial budgets approved by the Board of Directors covering a five-year period. The pre-tax discount rate applied to the cash flow is 6,4%. The average operating profit margin is 5,6-8%. The growth rate used to extrapolate the cash flows of the Pharmaplan Group beyond the five-year period is 0%.

NNE Pharmaplan AB (Sweden)

At the end of 2010 a decision was taken with respect to the overall strategy that Clean room activities are not a long term strategic business for NNE Pharmaplan Group (NP). NP will going forward in Sweden still have local employees focusing on delivering consulting and engineering services to the Swedish market. The clean room activities of NNE Pharmaplan AB was sold to a third party. This transaction took place at the end of December 2010. The booked goodwill connected to this activity in the NP Group accounts were written down together with the other intangible assets connected with this activity.

NOTES – CONSOLIDATED

(DKK 1,000)

Note 10 Property, plant and equipment

2010	Land and buildings	Leasehold improvements	Other equipment	Total
Cost at 1 January	11,193	12,287	56,844	80,324
Additions during the year	-	-	3,495	3,495
Disposals during the year	-	-	(1,964)	(1,964)
Exchange rate adjustments	43	176	2,231	2,450
Cost at 31 December	**11,236**	**12,463**	**60,606**	**84,305**
Depreciation and impairment losses at 1 January	5,304	4,039	44,693	54,036
Reversal of write down previous year	(640)	-	-	(640)
Depreciation for the year	-	1,347	5,392	6,739
Disposals during the year	-	-	(1,755)	(1,755)
Exchange rate adjustments	32	68	1,513	1,613
Depreciation and impairment losses at 31 December	**4,696**	**5,454**	**49,843**	**59,993**
Carrying amount at 31 December	**6,540**	**7,009**	**10,763**	**24,312**
Financially leased assets amount to	**-**	**-**	**-**	**-**

The group leases buildings, office equipment and IT-equipment under non-cancellable finance lease agreements. The lease terms are between 1-3 years.

2009	Land and buildings	Leasehold improvements	Other equipment	Total
Cost at 1 January	11,245	10,895	62,915	85,055
Additions during the year	-	1,393	5,272	6,665
Disposals during the year	(23)	-	(11,254)	(11,277)
Exchange rate adjustments	(29)	(1)	(89)	(119)
Cost at 31 December	**11,193**	**12,287**	**56,844**	**80,324**
Depreciation and impairment losses at 1 January	2,225	2,861	43,918	49,004
Depreciation for the year	3,117	1,180	9,328	13,625
Disposals during the year	(23)	-	(8,457)	(8,480)
Exchange rate adjustments	(15)	(2)	(96)	(113)
Depreciation and impairment losses at 31 December	**5,304**	**4,039**	**44,693**	**54,036**
Carrying amount at 31 December	**5,889**	**8,248**	**12,151**	**26,288**
Financially leased assets amounts to	723	-	-	723

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 11 Investments		
Joint ventures		
Aggregated financial information of pro rata consolidated joint ventures:		
Sales	380	89
Costs	348	93
Tax (income)	(345)	353
Net profit	377	(357)
Current assets	446	91
Current liabilities	161	184

Ownership in joint ventures:

Name	Domicile	Share of ownership
Geanne I/S (Joint venture)	Skanderborg, Denmark	50%

Investment in Geanne I/S is consolidated by the pro rata method.

Other investments		
Value at 1 January	16,356	16,516
Fair value adjustment	168	(160)
Value at 31 December	**16,524**	**16,356**

Other investments relates primarily to shares in Abu Dhabi Medical Devices Company Ltd. of DKK 16 million (2009: DKK 16 million).

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 12 Work in progress and payments on account for work in progress		
Current account contracts		
Work in progress	69,844	47,502
Prepayments on account	(2,079)	(4,216)
Total	**67,765**	**43,286**
Fixed-price contracts		
Work in progress	207,368	320,276
Prepayments on account	(198,315)	(316,967)
Total	**9,053**	**3,309**
Total	**76,818**	**46,595**

This is classified in the balance as shown below:

	Current Account	Fixed Price	Total	Total
Current assets	86,396	39,319	125,715	59,777
Current liabilities	(18,631)	(30,266)	(48,897)	(13,182)
Total	**67,765**	**9,053**	**76,818**	**46,595**

Work in progress, includes an unrealised profit of DKK 41.5 million at 31 December 2010 against an unrealised profit of DKK 25.6 million at 31 December 2009.

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 13 Trade receivables		
Trade receivables (gross)	**151,885**	**146,563**
Allowance for doubtful trade receivables:		
Balance at the beginning of the year	(8,025)	(10,541)
Change in allowance during the year	(813)	2,857
Realised losses during the year	(342)	(413)
Currency adjustments	(183)	72
Balance at the end of the year	**(9,363)**	**(8,025)**
Trade receivables net	**142,522**	**138,538**

Trade receivables (gross) can be specified as follows:

Neither past due nor impaired	99,700	90,955
Past due but not impaired:		
Between 1 and 90 days	33,689	42,259
Between 91 and 180 days	7,718	3,727
Between 181 and 270 days	1,421	1,449
Between 271 and 360 days	436	618
More than 360 days	8,921	7,555
Trade receivables	**151,885**	**146,563**

Historically the Group has only had minor losses on debtors.

Note 14 Other receivables and prepayments

Prepaid rent	1,172	412
Prepaid IT costs	1,694	2,562
Other prepaid costs	11,627	8,106
Accrued income	6,439	5,492
Deposits	4,406	3,786
Employee costs	1,808	499
Other receivables	8,145	9,270
Total	**35,291**	**30,127**

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 15 Share capital		
Share capital at the end of the year:		
A share capital (167 shares of DKK 1,000)	167	167
B share capital (333 shares of DKK 1,000)	333	333
Total	**500**	**500**

The share capital in NNE Pharmaplan A/S is divided into A shares and B shares. The A shares have 10 votes per DKK 500 of the A share capital, whereas the B shares have one vote per DKK 500 of the B share capital. There are no transferability restrictions on the B shares, while the owners of the A shares has a right of first refusal in case of any transfer of A shares.

The share capital has been unchanged for the last 5 years.

	2010	2009
Note 16 Non-current debt and other liabilities		
Employee costs payable	156,382	162,960
VAT, taxes and other contributions to social security	21,194	23,559
Accruals	25,904	8,812
Financial lease commitments	783	2,558
Other payables	1,039	1,369
Total	**205,302**	**199,258**
Other liabilities	205,302	198,452
Non-current debt	-	806
Total	**205,302**	**199,258**
The debt is payable within the following periods as from the balance sheet date:		
Within one year	205,302	198,452
Between one and two years	-	806
Between two and five years	-	-
After five years	-	-
Total	**205,302**	**199,258**

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 16 Non-current debt and other liabilities (continued)		
Other liabilities are denominated in the following currencies:		
CNY	16,178	8,648
USD	1,716	767
EUR	29,136	26,314
SEK	10,746	5,043
CHF	11,728	8,208
INR	4,226	3,285
MYR	494	448
RUB	5,319	795
CZK	36	349
DKK	125,723	144,595
Total	**205,302**	**198,452**
Non-current debt is denominated in the following currencies:		
DKK	-	806
Total	**-**	**806**

There is only an insignificant difference between nominel amounts and amortised amounts and thus only the amortised amounts have been presented.

NOTES – CONSOLIDATED
(DKK 1,000)

	2010	2009
Note 17 Deferred tax assets/Deferred tax liabilities		
At the beginning of the year	21,027	15,601
Deferred tax on profit for the year (note 7)	13,076	11,405
Adjustments related to previous years (note 7)	(393)	(5,907)
Exchange rate adjustments	452	(72)
Total deferred tax asset/liabilities (net)	**34,162**	**21,027**

	2010			2009		
Specification:	**Assets**	**Liabilities**	**Total**	**Assets**	**Liabilities**	**Total**
Intangible assets	-	(3,505)	(3,505)	-	(4,442)	(4,442)
Property, plant and equipment	6,592	-	6,592	6,642	-	6,642
Work in progress and provisions	865	-	865	316	-	316
Tax loss carry-forwards	16,311	-	16,311	10,905	-	10,905
Provisions	13,595	-	13,595	6,596	-	6,596
Other	304	-	304	1,010	-	1,010
Balance at 31 December	**37,667**	**(3,505)**	**34,162**	**25,469**	**(4,442)**	**21,027**
Offset of deferred tax assets and deferred tax liabilities related to income tax levied by the same tax authority	2,057	(2,057)	-	2,455	(2,455)	-
	39,724	**(5,562)**	**34,162**	**27,924**	**(6,897)**	**21,027**

Tax loss carry forward

Deferred tax assets are recognised on tax loss carry-forward that represent income likely to be realised in the future. The tax value of a tax loss DKK 40.9 million (2009: DKK 21 million) have not been recognised in the balance sheet as there is no convincing evidence that the Group will be able to use these tax losses and due to local restriction.

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 18 Tax payables/tax receivables		
At the beginning of the year	9,629	6,691
Corporation tax paid during the year	(6,446)	(634)
Prepaid tax	15,388	23,454
Adjustments related to previous years (note 7)	(2,251)	580
Current tax for the year (note 7)	(12,294)	(20,365)
Exchange rate adjustments	(55)	(97)
Total tax receivable / (tax payable)	**3,971**	**9,629**
This can be specified as follows:		
Current assets	7,558	11,792
Current liabilities	(3,587)	(2,163)
Total	**3,971**	**9,629**

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009

Note 19 Provisions

NNE Pharmaplan gives 1-5 years' warranties on certain services and thus has an obligation to rectify or replace services that are not satisfactory.

The calculation of employee benefits is based on certain benefit, economic and demografhic assumptions.

The provision regarding the dilapidation is expected to be used within the next 6 years and is based on management's best estimate.

Other provisions consists of various types of provisions including provisions for employee restricted stock award plan 2008 and severance pay etc.

As interest rate 4% has been used.

	Warranties	Long-term employee benefits	Dilapidation	Long term incentive programme	Other	Total	Total
Other provisions at 1 January	4,914	4,561	13,219	8,939	9,263	40,896	25,944
Additions during the year	4,551	672	131	3,734	6,281	15,369	17,760
Unused amounts reversed	(3,924)	(186)	-	-	(3,877)	(7,987)	(4,424)
Used during the year	-	(175)	(87)	-	(906)	(1,168)	(347)
Value adjustment	-	-	-	13,040	4,939	17,979	1,589
Increase in discounted amount	-	-	464	-	-	464	447
Exchange rate adjustment	326	-	98	-	1,034	1,458	(73)
Provisions at 31 December	**5,867**	**4,872**	**13,825**	**25,713**	**16,734**	**67,011**	**40,896**

Specification of provisions:		
Current	38,701	9,392
Non-current	28,310	31,504
Total	**67,011**	**40,896**

Current is denominated in the following currencies:		
CNY	3,303	2,489
USD	1,085	-
SEK	551	-
EUR	3,612	2,382
CHF	2,742	-
INR	82	70
MYR	209	3,127
CZK	-	153
DKK	27,117	1,171
Total	**38,701**	**9,392**

Non-current is denominated in the following currencies:		
USD	1,217	1,206
EUR	250	-
CHF	-	2,001
INR	309	90
SEK	-	66
DKK	26,534	28,141
Total	**28,310**	**31,504**

NOTES – CONSOLIDATED

(DKK 1,000)

Note 20 Retirement benefit obligations

Most employees in the Group are covered by post-employement retirement plans in form of primarily defined contribution plans or alternatively defined benefit plans. Group companies sponsor these plans either directly or by contributing to independently administered funds. The nature of such plans varies according to the legal regulations, fiscal requirements and economic conditions of the countries in which the employees are employed, and the benefits are generally based on the employees' remuneration and years of service. The obligations relate both to existing retirees' pensions and to pension entilements of furture retirees.

Post-employement benefit plans are usually funded by payments from Group companies and by employees to funds independent of the Group. Where a plan is unfunded, a liability for the retirement obligation is recognised in the consolidated balance sheet. In accordance with the Accounting policies, the costs recognised for post-employement benefits are included in cost of projects, Sales and distribution costs or administrative expenses.

The following shows a 4 year summary reflecting the funding of retirement obligations and the impact of historical deviations between expected and actual return on plan asset and actuarial adjustments on plan liabilities:

	2010	2009	2008	2007
Retirement obligations	68,841	53,449	49,456	27,913
Fair value of plan assets	(21,949)	(18,293)	(14,758)	(332)
(Over)/under funding	**46,892**	**35,156**	**34,698**	**27,581**
Unrecognised actuarial gains/(loss)	(2,140)	6,870	5,370	2,951
Net retirement obligations recognised in the balance sheet	**44,752**	**42,026**	**40,068**	**30,532**

	2010	2009
Changes in the retirement benefit obligations:		
Beginning of the year	53,449	49,456
Current service cost	3,846	3,349
Interest cost	2,565	2,381
Actuarial gains/(losses) experienced	597	(2,097)
Actuarial gains/(losses) assumptions	6,627	-
Benefits paid to employees	(3,118)	(341)
Other	1,233	649
Exchange rate adjustments	3,642	52
At the end of year	**68,841**	**53,449**

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 20 Retirement benefit obligations (continued)		
Changes in the fair value of plan assets of the year:		
Beginning of the year	18,293	14,758
Expected return on plan assets	645	648
Actuarial gains/(losses)	(890)	227
Employer contributions	2,503	1,596
Benefits paid to employees	(2,777)	(7)
Other	1,233	1,002
Exchange rate adjustments	2,942	69
At the end of the year	**21,949**	**18,293**

Amounts recognised in the balance sheet for post-employment defined benefit plans are predominantly non-current and are reported as either non-current assets or non-current liabilities.

	2010	2009
Change in the net retirement obligations recognised in the balance sheet:		
At the beginning of the year	42,026	40,068
Recognised in the Income statement	5,120	4,174
Employeer contributions	(2,503)	(1,596)
Benefit paid to employees, net	(341)	(334)
Other	2	(353)
Exchange rate adjustments	448	67
At the end of the year	**44,752**	**42,026**

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 20 Retirement benefit obligations (continued)		
Costs recognised in the Income statement for the year		
Current service cost	3,846	3,349
Interest cost on pension obligation	2,565	2,381
Expected return on plan assets	(645)	(648)
Actuarial gains/losses recognised in the year	(391)	(452)
Exchange rate adjustment	(255)	(456)
Past service cost	-	-
Total expenses included in employee costs	**5,120**	**4,174**

Included in the Income statement under employee costs under the following headings:

	2010	2009
Cost of projects	4,445	3,578
Sales and distribution costs	200	141
Administrative expenses	475	455
Total	**5,120**	**4,174**

The Group expects to contribute DKK 7.0 million to its defined benefit pension plans in 2011 (2010: DKK 4.8 million).

Weighted average asset allocation of funded retirement obligations

	2010	2009
Equities	22%	24%
Bonds	46%	52%
Property	17%	11%
Cash	15%	13%

The weighted average assumptions used for computation and valuation of defined benefit plans are as follows:

	2010	2009
Discount rate	4%	5%
Projected return on plan assets	3%	3%
Projected future remuneration increases	1%	1%
Inflation rate	1%	1%

For all major defined benefit plans actuarial computations and valuations are performed annually.
The overall expected rate of return is determired based on low-risk investments in bonds in the relevant currencies.

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 21 Commitments and contingencies		

Operating leases

The operating lease commitments are related to non-cancellable operating leases, related to office rent, company cars and copying machines. Expenses related to lease rentals amount to DKK 53.3 million in 2010 and DKK 53.8 million in 2009. Approximately 30% of the commitments are related to leases outside Denmark.

The duration period for NNE Pharmaplan Group's rental leases varies. However; the longest commitment is for a lease in Chippenham UK. This leasing is non-cancellable for 16 years for NNE Pharmaplan.

Lease commitments expiring within the following periods as from the end of the reporting period:

	2010	2009
Within one year	45,288	45,780
Between one and two years	40,181	36,614
Between two and three years	35,638	32,244
Between three and four years	28,619	28,419
Between four and five years	27,822	27,815
After five years	24,888	50,743
Total	**202,436**	**221,615**

Other commitments

The internal consultants have a notice period of 3 months or less.

Other commitments are payable within the following periods as from the balance sheet date:

	2010	2009
Within one year	10,282	6,814
Between one and two years	37	6
Between two and three years	34	-
Between three and four years	25	-
Between four and five years	11	-
Total	**10,389**	**6,820**

Guarantees

	2010	2009
Guarantees for lease commitments	12,141	12,141
Bank guarantees	13,451	48,698
Total	**25,592**	**60,839**

Bank guarantees are guarantees that the main bank of NP Group has issued towards other banks NP are using or toward NP Group customers.

Other

NNE Pharmaplan A/S has a joint liability for 2004 and previous years with Novo Nordisk A/S and the other jointly taxed companies for the tax payable under the joint taxation scheme.

Pending litigation against NNE Pharmaplan

NNE Pharmaplan Group is engaged in some litigation proceedings. In the opinion of Management, settlement or continuation of these proceedings are not expected to have a material effect on the financial position.

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 22 Fees to statutory auditors		
Statutory audit fee to PricewaterhouseCoopers	2,505	2,192
Audit-related services	341	321
Tax advisory services	734	370
Other services	-	16
Total	**3,580**	**2,899**

Note 23 Business combinations

No acquisitions were made in 2010 and 2009.

Note 24 Transactions with related parties

Related parties are considered to be the Executive Management and the Board of Directors of the company, the Novo Nordisk Group, the Novo Nordisk Foundation, Novo A/S, the Novozymes Group and members of management of these entities. Related parties also include companies in which the above persons have significant interests.

All agreements relating to these transactions are based on the list prices used for sale to third parties where such list prices exist, or the price has been set at what is regarded as market price. The material items of these agreements are renegotiated regularly. The Group has had the following transactions with related parties:

	2010	2009
Value of services sold		
The Novo Nordisk Group	658,752	630,672
The Novozymes Group	192,607	167,890
Novo A/S	4	52
Total	**851,363**	**798,614**
Value of services acquired		
The Novo Nordisk Group	9,319	12,149
Total	**9,319**	**12,149**
Financial income		
The Novo Nordisk Group	124	328
Total	**124**	**328**
Financial expenses		
The Novo Nordisk Group	820	2,390
Total	**820**	**2,390**
Receivables		
The Novo Nordisk Group	78,684	87,849
The Novozymes Group	40,524	17,498
Total	**119,208**	**105,347**

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 24 Transactions with related parties (continued)		
Cash and Cash Equivalents		
The Novo Nordisk Group	(24,483)	55,226
Total	**(24,483)**	**55,226**
Payables		
The Novo Nordisk Group	2,863	2,260
Total	**2,863**	**2,260**
Loans		
Non-current	9,335	37,613
Current	18,839	18,807
Total	**28,174**	**56,420**
Share-based payment (acquired)		
The Novo Nordisk Group	9,872	6,658
Total	**9,872**	**6,658**

Ownership

NNE Pharmaplan A/S is a wholly owned subsidiary of Novo Nordisk A/S and included in the Consolidated Financial Statements of Novo Nordisk A/S.

The Consolidated Financial Statements of Novo Nordisk A/S are available on request from Novo Nordisk A/S, Novo Allé, DK-2880 Bagsvaerd. The ultimate parent is the Novo Nordisk Foundation, Brogaardsvej 70, DK-2820 Gentofte.

NOTES – CONSOLIDATED

(DKK 1,000)

Note 25 Share-based payment schemes

The share-based payment schemes consist of two different schemes; A scheme for the years up to and including 2006 and a scheme for the year 2007 and onwards. Furthermore a general employee share program was implemented in the Novo Nordisk Group in 2008, please refer to Novo Nordisk Annual Report 2008.

The scheme for the year 2007 and onwards

As from 2007, the Executive Management and Senior executives of the NNE Pharmaplan Group participated in a Long-term share-based incentive programme set up by NNE Pharmaplan A/S. This programme replaced a previous share option programme. The Long-term Incentive Programme is primarily linked to the performance of the NNE Pharmaplan Group and for 2010 also the ability to "off-shore" work to other NNE Pharmaplan companies in China and India. A maximum of 4 months' (8 months' for the CEO and COO) base salary per participant per year can be earned in the year.

The elements included in the programme are applied to reward focus on the profitability of NNE Pharmaplan.

Once a year, the NNE Pharmaplan Board of Directors approves the financial targets for the coming calendar year, to ensure alignment of targets and the long-term business plan.

For 2010, it was decided by the Board of Directors that no allocation or claw-back was to be made.

The scheme until 2006:

From 2004 to 2006, the Executive Management of the company participated in a share-based incentive programme set up by the Parent Company Novo Nordisk A/S. This programme replaced a previous share option programme. The incentive programme was based on an annual calculation of shareholder value compared to the planned performance for the year for the Novo Nordisk Group. The bonus pool operated with a maximum contribution per participant equal to eight months of salary. For further information on the incentive programme, please refer to Novo Nordisk's Annual Report 2010.

The Parent Company, Novo Nordisk A/S, had established share option schemes with the purpose of motivating and retaining a qualified management group and to ensure common goals for management and the shareholders. The granting of share options was subject to the achievement of financial and non-financial goals decided by the Board of Directors of the Parent Company Novo Nordisk A/S aligned with the Novo Nordisk Group's long-term targets. Options granted prior to the demerger of Novozymes in 2000 have been split into one Novo Nordisk option and one Novozymes option.

Assumptions

The market value of the Novo Nordisk B share options has been calculated using the Black-Scholes option pricing model.

The assumptions used are shown in the table below:

Novo Nordisk A/S

Calculation of the restricted stock units/awards value at year-end	2010	2009
Expected life of the right in years (average)	4	6
Expected volatility (based on one-year historical volatility)	21%	26%
Expected dividend per share (in DKK)	10.0	7.5
Risk-free interest rate (based on Danish government bonds)	2%	2%
Novo Nordisk B share price at 31 December	629	332

NOTES – CONSOLIDATED

(DKK 1,000)

Note 25 Share-based payment schemes (continued)

Outstanding share options in Novo Nordisk A/S

	Executive Management number	Senior executives number	Total number	Average exercise price (DKK 1,000)	Fair value (DKK 1,000)
Outstanding at 1 January 2010	36,186	249,050	285,236	150	49,638
Granted in 2010	-	-	-	-	-
Exercised in 2010	(36,186)	(114,550)	(150,736)	150	(26,050)
Value adjustment	-	-	-	-	36,151
Outstanding at 31 December 2010	**-**	**134,500**	**134,500**	**159**	**59,739**
Outstanding at 1 January 2009	43,670	335,550	379,220	150	46,524
Granted in 2009	-	-	-	-	-
Exercised in 2009	(7,484)	(86,500)	(93,984)	130	(14,053)
Value adjustment	-	-	-	-	17,167
Outstanding at 31 December 2009	**36,186**	**249,050**	**285,236**	**150**	**49,638**

	Issued share options number	Exercised share options number	Outstanding exercisable share options number	Exercise price (DKK)	Exercise period
Share option plan for 2001	69,880	(69,880)	-	166.0	8/2 2005 - 7/2 2010
Share option plan for 2003	129,750	(126,250)	3,500	97.5	6/2 2007 - 5/2 2012
Share option plan for 2004	103,000	(71,900)	31,100	133.5	31/1 2008 - 30/1 2013
Share option plan for 2005	95,934	(67,784)	28,150	153.0	31/1 2009 - 30/1 2014
Share option plan for 2006	132,686	(60,936)	71,750	175.0	31/1 2010 - 30/1 2015
Exercisable share option plan at 31 December 2010	**531,250**	**(396,750)**	**134,500**		

NOTES – CONSOLIDATED

(DKK 1,000)

	2010	2009
Note 25 Share-based payment schemes (continued)		
Employee shares (DK-based employees)	-	(2,051)
Employee shares (Outside DK)	2,279	2,279
Share-based payment / NNE Pharmaplan Group long-term share-based incentive programme	3,734	4,063
Share-based payment / Novo Nordisk Group long-term share-based incentive programme	223	520
Total cost of share-based payment for the year	**6,236**	**4,811**
Included in the Income statement under the following headings:		
Cost of projects	5,415	4,096
Sales and distribution costs	243	162
Administrative expenses	578	553
Total	**6,236**	**4,811**
This amount can be specified as follow		
Executive management	692	738
Other employees	5,544	4,073
Total	**6,236**	**4,811**
Financial expenses, unrealised loss (note 6)	17,979	1,590
The liability of the restricted stock units/awards		
The liability of the restricted stock units/awards regarding the cash-settled scheme	**25,713**	**8,939**
The liability of the employee restricted stock award plan 2008	**10,085**	**2,659**

Note 26 Reversals with no effect on the cash flow		
Depreciation, including loss on fixed assets sold	17,966	24,847
Options amount reclassified to salaries and paid share-based payments	223	520
Change in provisions	26,115	14,952
Other	720	1,742
Total reversals with no effect on the cash flow	**45,024**	**42,061**

NOTES – CONSOLIDATED

(DKK 1,000)

Note 27 Financial risk management

NNE Pharmaplan's objective and policies for financial risk management follow the Novo Nordisk risk management guideline. It is NNE Pharmaplan's policy to monitor and mitigate all major financial risks affecting the financial performance. The risk profile, including all identified significant risks, is on a monthly basis presented to the Board of Directors. In addition, the long-term risk profile is reported to the Executive Management and Novo Nordisk. NNE Pharmaplan's project portfolio of varied size as well as the company's international profile are main reasons that the company's profitability and cash flows are exposed to financial risks. The financial risks include foreign exchange risk, interest rate risk, counterpart risk and project risk.

Foreign exchange risk
The company's foreign exchange exposure is related to transactions and net investments in foreign operations. In relation to transactions the major part of the sales is in DKK, EUR, USD and CNY. NNE Pharmaplan's foreign exchange risk is therefore most significant in USD and CNY, as the foreign exchange risk on EUR is regarded as limited due to the Danish fixed-rate policy to the EUR.

As the income and cost are predominately carried in the same currency on the individual projects the foreign exchange risk on USD and CNY from the company's activities is low. A 10% change in USD and CNY currencies, other things being equal, will have a full-year impact on operating profit of approximately:

DKK million	2010	2009
USD	0.2	0.8
CNY	3.5	2.9

NNE Pharmaplan's investment in foreign operations are managed primarily through borrowings denomitated in the relevant foreign currency.
Net investments in US, China, France, Germany and Sweden amounts to a total of DKK 120.5 million (2009:DKK 79 million).

DKK million	2010	2009
EUR	25.4	22.9
USD	9.0	2.4
CNY	88.9	50.2
SEK	(2.8)	3.5

Interest rate risk
NNE Pharmaplan's interest rate risk consists of the sensitivity of net interest bearing item to changes in the interest rate.
During 2009, EUR and DKK experienced high volatility and ended the year with a significant decline.
The net interest bearing debt in NNE Pharmaplan amounts to a loss of DKK 0.6 million (2009: A loss of DKK 10 million).

At the end of 2010 a one percentage point increase in the interest rate level, everything else being equal, is estimated to have an isolated effect on the operating profit before tax of DKK 0 million (2009: DKK 0 million).

Counterpart risk
Credit rating, supplied by a leading provider, are used in order to evaluate major clients and manage credit risk on an ongoing basis. In 2010 the five largest clients accounted for 60% (2009: 68%) of the total project portfolio resulting in a strict focus on this client group. Furthermore, the majority of the transactions occur with top 20 companies in the markets where NNE Pharmaplan operates.

Counterpart risk related to supply is limited through an use of back-to-back contracts and supplier guarantees. Performance bonds (guarantees) are imposed in all other significant supply contracts thereby minimizing the Group's risk on counterparts.

Project risk
NNE Pharmaplan's risk on large projects is managed through a continuous risk assessment of the projects, hereunder conducting risk profiles of the individual projects. The projects are evaluated on risk committee meetings on a monthly basis.

Liquidity
The Group's underlying business is based on projects. To ensure adequated liquidity and maintain flexibility in operation, liquidity is managed through the use of consultancy services agreements and short-term credit facilities with Novo Nordisk.

The table below analyses the Group's financial liabilities and assets into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

NOTES – CONSOLIDATED

(DKK 1,000)

Note 27 Financial risk management (continued)

2010	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowing	(25,639)	-	-	-	(25,639)
Payments on account for work in progress	(48,897)	-	-	-	(48,897)
Trade payables	(68,473)	-	-	-	(68,473)
Borrowing related parties*	(43,322)	(9,335)	-	-	(52,657)
Payables to related parties	(2,863)	-	-	-	(2,863)
Other liabilities (less taxes and other duties payable)	(205,302)	-	-	-	(205,302)
Financial liabilities	**(394,496)**	**(9,335)**	**-**	**-**	**(403,831)**
Work in progress	125,715	-	-	-	125,715
Trade receivables	142,522	-	-	-	142,522
Receivables from related parties	119,208	-	-	-	119,208
Other receivables (excl. prepayments)	20,798	-	-	-	20,798
Cash at bank and in hand	77,730	-	-	-	77,730
Financial assets	**485,973**	**-**	**-**	**-**	**485,973**
Net at 31 December	**91,477**	**(9,335)**	**-**	**-**	**82,142**

* Borrowing related parties is loan from the Parent Company

2009	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short term borrowing	(13,858)	-	-	-	(13,858)
Payments on account for work in progress	(13,182)	-	-	-	(13,182)
Trade payables	(70,977)	-	-	-	(70,977)
Borrowing related parties*	(18,807)	(18,807)	(18,806)	-	(56,420)
Payables to related parties	(2,260)	-	-	-	(2,260)
Other liabilities (less taxes and other duties payable)	(198,452)	(806)	-	-	(199,258)
Financial liabilities	**(317,536)**	**(19,613)**	**(18,806)**	**-**	**(355,955)**
Work in progress	59,777	-	-	-	59,777
Trade receivables	138,538	-	-	-	138,538
Receivables from related parties	105,347	-	-	-	105,347
Other receivables (excl. prepayments)	19,048	-	-	-	19,048
Cash at bank and in hand	80,672	-	-	-	80,672
Financial assets	**403,382**	**-**	**-**	**-**	**403,382**
Net at 31 December	**85,846**	**(19,613)**	**(18,806)**	**-**	**47,427**

* Borrowing related parties is loan from the Parent Company

NOTES – CONSOLIDATED

(DKK 1,000)

Note 27 Financial risk management (continued)

Capital management

The Group's objective when managing the capital structure is to ensure operational stability and maintaining a flexibel structure. The capital structure can be managed by adjusting the dividend payments to the shareholder or issuing new shares.

The equity ratio, calculated as equity to total liabilities, amounted to 21.8% by the end of the year (2009: 23.9%).

The long term goal for the Group is to maintain an equity ratio in excess of 30% in order to reach a competetive level for our industry.

Carrying amounts and fair value of the financial instruments (Financial assets and liabilities)

As at 31 December 2010, the carrying amounts of the financial assets and liabilities, are not materially different from the calculated fair value.

The following methods and assumptions were used to estimate the fair values:
Cash and short-term deposits, work in progress, trade receivables, receivables from related parties, other receivables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of loans from banks and other financial liabilities, obligations under finance lease as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Fair value hierarchy

The Group has no Financial assets and liabilities at fair value through profit and loss, and no Available-for-sale financial assets.

Note 28 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	2010		2009	
	Loans and receivables	Total	Loans and receivables	Total
Work in progress	125,715	125,715	59,777	59,777
Trade and other receivables	177,813	177,813	168,665	168,665
Receivables from related parties	119,208	119,208	105,347	105,347
Cash at bank and in hand	77,730	77,730	80,672	80,672
Assets as per 31 December	**500,466**	**500,466**	**414,461**	**414,461**

	2010		2009	
	Other financial liabilities	Total	Other financial liabilities	Total
Payments on account for work in progress	48,897	48,897	13,182	13,182
Trade payables	68,473	68,473	70,977	70,977
Short term borrowings	25,639	25,639	13,858	13,858
Short term borrowings related parties	43,322	43,322	18,807	18,807
Payables to related parties	2,863	2,863	2,260	2,260
Other liabilities	205,302	205,302	198,452	198,452
Liabilities as per 31 December	**394,496**	**394,496**	**317,536**	**317,536**

NOTES – CONSOLIDATED

(DKK 1,000)

Note 29 – Companies in the NNE Pharmaplan Group

	Country	Year of incorporation/ acquisition	Issued share capital/paid in capital	Currency	Percentages of shares owned
Parent company					
NNE Pharmaplan A/S	Denmark	1989	500,000	DKK	100
NNE Pharmaplan (Tianjin) Co. Ltd.	China	1995	1,490,000	USD	100
NNE Pharmaplan AB	Sweden	2002	100,000	SEK	100
NNE Pharmaplan sas	France	2004	450,000	EUR	100
NNE Pharmaplan ltd.	Ireland	2008	1	EUR	100
NNE Pharmaplan GmbH	Germany	2007	550,000	EUR	100
NNE Pharmaplan AG	Switzerland	2007	300,000	CHF	100
NNE Pharmaplan (India) Limited	India	2007	5,000,000	INR	100
NNE Pharmaplan OOO	Russia	2007	50,000	RUB	100
NNE Pharmacon Beratungs-und Planungs GmbH	Germany	2007	26,000	EUR	100
NNE Pharmaplan Sdn. Bhd.	Malaysia	2007	1,000,000	MYR	100
NNE Pharmaplan SPOL s.r.o.	Czech	2008	3,000,000	CZK	100
NNE Pharmaplan Inc.	US	2003	375,568	USD	100
Pharmaplan Flaval Corp.	Puerto Rico	2007	1,500	USD	100
Joint ventures					
GEANNE I/S	Denmark	2000		DKK	50
Other investments					
Abu Dhabi Medical Devices Company Ltd.	UEA	2007	38,800,000	AED	11

Financial statements 2010 of the
parent company NNE Pharmaplan A/S

INCOME STATEMENTS OF THE PARENT COMPANY NNE PHARMAPLAN A/S

(DKK 1,000)

	Note	2010	2009
Turnover	2	810,762	979,671
Cost of projects	3	(686,877)	(811,717)
Gross profit		**123,885**	**167,954**
Sales and distribution costs	3	(38,847)	(32,039)
Administrative expenses	3	(80,495)	(84,902)
Operating profit		**4,543**	**51,013**
Share of profit/loss in subsidiaries	9	3,561	(18,866)
Financial income	4	14,240	2,746
Financial expenses	5	(21,790)	(11,019)
Profit before income taxes		**554**	**23,874**
Income taxes	6	1,967	(12,995)
Net profit for the year		**2,521**	**10,879**
Proposed appropriation of net profit:			
Dividend to shareholders		-	-
Retained earnings		2,521	10,879
Reserve for net revaluation under the equity method		-	-
Total		**2,521**	**10,879**

BALANCE SHEET OF THE PARENT COMPANY NNE PHARMAPLAN A/S

(DKK 1,000)

	Note	2010	2009
Assets			
Intangible assets	7	356	1,700
Property, plant and equipment	8	8,883	9,739
Investments in subsidaries	9	165,228	133,855
Deferred income tax assets		12,851	8,726
Total non-current assets		**187,318**	**154,020**
Work in progress and payments on accounts	10	30,705	2,535
Trade receivables		44,521	48,127
Receivables from related parties		217,426	190,389
Tax receivables		5,094	6,716
Other receivables and prepayments		4,377	2,938
Prepayments		5,513	5,785
Cash at bank and in hand		2,965	55,577
Total current assets		**310,601**	**312,067**
Total assets		**497,919**	**466,087**

BALANCE SHEET OF THE PARENT COMPANY NNE PHARMAPLAN A/S

(DKK 1,000)

	Note	2010	2009
Equity and Liabilities			
Share capital	11	500	500
Retained earnings		121,154	119,074
Total equity		**121,654**	**119,574**
Loans and payables to related parties	15	9,335	37,613
Provisions		26,534	28,142
Total non-current liabilities		**35,869**	**65,755**
Payments on account for work in progress	10	21,265	3,966
Trade payables		29,276	40,786
Payables to related parties	15	76,562	60,598
Short term borrowing related parties	15	43,322	18,807
Provisions		27,330	1,171
Other liabilities	12	142,641	155,430
Total current liabilities		**340,396**	**280,758**
Total liabilities		**376,265**	**346,513**
Total equity and liabilities		**497,919**	**466,087**
Commitments	13		

STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER

(DKK 1,000)

2010	Share Capital	Reserve under the equity method	Retained earnings	Total
Balance at beginning of year	500	-	119,074	119,574
Exchange rate adjustments of investment in subsidiaries	-	-	9,205	9,205
Adjustment of investment in subsidiaries prior years	-	-	3	3
Realised loss on options used paid to parent company	-	-	(9,872)	(9,872)
Net income/(loss) recognised directly in equity	-	-	(664)	(664)
Net profit/(loss)	-	-	2,521	2,521
Total income/(loss)	-	-	1,857	1,857
Cost of share-based payment	-	-	223	223
Proposed dividend 2010	-	-	-	-
Balance end of year	**500**	**-**	**121,154**	**121,654**

Share Capital and Reserve under equity method can not be used for dividend declaration.

2009	Share Capital	Reserve under the equity method	Retained earnings	Total
Balance at beginning of year	500	-	103,915	104,415
Exchange rate adjustments of investment in subsidiaries	-	-	(627)	(627)
Adjustment of investment in subsidiaries prior years	-	-	11,045	11,045
Realised loss on options used paid to parent company	-	-	(6,658)	(6,658)
Net income/(loss) recognised directly in equity	-	-	3,760	3,760
Net profit/(loss)	-	-	10,879	10,879
Total income/(loss)	-	-	14,639	14,639
Cost of share-based payment	-	-	520	520
Proposed dividend 2009	-	-	-	-
Balance end of year	**500**	**-**	**119,074**	**119,574**

Share Capital and Reserve under equity method can not be used for dividend declaration.

NOTE 1 ACCOUNTING POLICIES OF THE PARENT COMPANY

The parent company's Financial Statements have been prepared in accordance with the Danish Financial Statements Act class C/large companies.

The accounting policies for the parent company are unchanged compared to last financial year and are the same as for the Group with the following additions. For a description of the accounting policies of the Group, please see note 1 – summary of significant accounting policies, page 52-58.

Supplementary accounting policies for the parent company

Financial assets
In the financial statements of the parent company, investments in subsidiaries are recorded under the equity method, which is at the respective share of the net asset values in subsidiaries. Any cost in excess of net assets in the acquired company is capitalised in the Parent company under Financial assets as part of investments in subsidiaries (Goodwill). Amortisation of goodwill is provided under the straight-line method over a period not exceeding 20 years, based on estimated useful life.

Net profit of subsidiaries less unrealised intercompany profits is recorded in the Income statement of the parent company.

To the extent it exceeds declared dividends from such companies, net revaluation of investments in subsidiaries is transferred to net revaluation reserve according to the equity method under equity.

The profit in subsidiaries is shown as profit after tax.

Tax
The parent company is assessed jointly for Danish tax purposes with its Danish parent company Novo Nordisk A/S and other Danish affiliated companies. The Danish jointly taxed companies are included in a Danish on-account tax payment scheme for Danish corporate income tax. All current taxes under the scheme are recorded in the individual companies.

Cash flow statement
In conformity with section 86.4 of the Danish Financial Statements Act, no Cash Flow Statement is prepared for the parent company. Please refer to the Cash Flow Statement for the Group.

NOTES – PARENT COMPANY

(DKK 1,000)

	2010	2009
Note 2 Turnover		
Sales value of completed contracts during the year	767,335	951,937
Sales value of other sales	30,448	48,362
Sales value of work in progress, end of year	93,639	80,660
Sales value of work in progress, beginning of year	(80,660)	(101,288)
Total	**810,762**	**979,671**

Note 3 Employee costs		
Wages and salaries	499,301	523,303
Pensions	47,760	51,509
Share-based payment cost	6,236	4,811
Other contributions to social security	7,077	7,052
Other employee costs	12,159	16,855
Total	**572,533**	**603,530**
Included in the income statement under the following headings:		
Cost of projects	495,205	531,771
Sales and distribution costs	18,069	13,688
Administrative expenses	59,259	58,071
Total	**572,533**	**603,530**

The average number of full-time employees in 2010 was 779 compared to 835 in 2009. At the end of the year the company had 762 employees compared to 807 at year end 2009.

For information on remuneration to the Board of Directors and Executive Management please refer to note 3 in the Consolidated notes.

Note 4 Financial income		
Interest income from subsidiaries	1,301	2,316
Interest income bank	8	13
Exchange gains and other financial income	12,931	417
Total	**14,240**	**2,746**

Note 5 Financial expenses		
Interest expenses to group companies	849	2,390
Exchange loss and other financial expenses	20,941	8,629
Total	**21,790**	**11,019**

NOTES – PARENT COMPANY

(DKK 1,000)

Note 6 Income taxes

The Parent company paid DKK 5.5 million in tax related to current year (DKK 15.6 million in 2009).

Note 7 Intangible assets

2010	**Software ERP system**	**Total**
Cost at 1 January	39,474	39,474
Additions during the year	-	-
Cost at 31 December	**39,474**	**39,474**
Depreciation and impairment losses at 1 January	37,774	37,774
Depreciation for the year	1,344	1,344
Depreciation and impairment losses at 31 December	**39,118**	**39,118**
Carrying amount at 31 December	**356**	**356**

2009	**Software ERP system**	**Total**
Cost at 1 January	39,474	39,474
Additions during the year	-	-
Cost at 31 December	**39,474**	**39,474**
Depreciation and impairment losses at 1 January	36,429	36,429
Depreciation for the year	1,345	1,345
Depreciation and impairment losses at 31 December	**37,774**	**37,774**
Carrying amount at 31 December	**1,700**	**1,700**

Note 8 Property, plant and equipment

2010	**Leasehold improvements**	**Other equipment**	**Total**
Cost at 1 January	10,232	34,278	44,510
Additions during the year	-	3,237	3,237
Disposals during the year	-	(1,117)	(1,117)
Cost at 31 December	**10,232**	**36,398**	**46,630**
Depreciation and impairment losses at 1 January	3,495	31,276	34,771
Depreciation for the year	1,023	1,953	2,976
Disposals during the year	-	-	-
Depreciation and impairment losses at 31 December	**4,518**	**33,229**	**37,747**
Carrying amount at 31 December	**5,714**	**3,169**	**8,883**

NOTES – PARENT COMPANY

(DKK 1,000)

Note 8 Property, plant and equipment (continued)

2009	**Leasehold improvements**	**Other equipment**	**Total**
Cost at 1 January	10,232	40,744	50,976
Additions during the year	-	1,412	1,412
Disposals during the year	-	(7,878)	(7,878)
Cost at 31 December	**10,232**	**34,278**	**44,510**
Depreciation and impairment losses at 1 January	2,472	31,817	34,289
Depreciation for the year	1,023	5,658	6,681
Disposals during the year	-	(6,199)	(6,199)
Depreciation and impairment losses at 31 December	**3,495**	**31,276**	**34,771**
Carrying amount at 31 December	**6,737**	**3,002**	**9,739**

	2010	**2009**
Note 9 Investments in subsidiaries and joint ventures		
Investments in subsidiaries		
Cost at 1 January	274,102	141,685
Additions during the year	19,752	121,372
Adjustment previous year	-	11,045
Disposals during the year	(1,145)	-
Cost at 31 December	**292,709**	**274,102**
Revaluation at 1 January	(97,312)	(88,768)
Exchange rate adjustments	8,931	(898)
Net profit/(loss) for the year	12,704	(7,646)
Revaluation on disposals during the year	-	-
Revaluation at 31 December	**(75,677)**	**(97,312)**
Depreciation and impairment losses at 1 January	(42,935)	(31,988)
Exchange rate adjustments	274	273
Amortisation of goodwill	(9,143)	(11,220)
Depreciation on disposals during the year	-	-
Impairment losses and depreciation at 31 December	**(51,804)**	**(42,935)**
Carrying amount at 31 December	**165,228**	**133,855**

NOTES – PARENT COMPANY

(DKK 1,000)

Note 9 Investments in subsidiaries and joint ventures (continued)

Aggregated financial information of subsidiaries:

Company	Domicile	Share of ownership	Share capital	Net Equity	Profit/Loss
NNE Pharmaplan sas	Chatres, France	100%	EUR 450,000	7,905	(1,842)
NNE Pharmaplan Inc.	Morrisville, USA	100%	USD 375,568	9,051	6,388
NNE Pharmaplan (Tianjin) Co. Ltd.	Tianjin, China	100%	USD 1,490,000	88,902	31,137
NNE Pharmaplan AB	Stockholm, Sweden	100%	SEK 100,000	(2,772)	(6,453)
NNE Pharmaplan GmbH	Bad Homburg, Germany	100%	EUR 550,000	17,020	(16,483)
NNE Pharmaplan Ltd.	Dublin, Ireland	100%	EUR 1	430	(43)
				120,536	**12,704**
Goodwill, etc. at 31 December				44,692	
Amortisation of goodwill, etc.					(9,143)
Total				**165,228**	**3,561**

Aggregated financial information of joint ventures

Name	Domicile	Share of ownership
Geanne I/S (Joint venture)	Skanderborg, Denmark	50%

Investments in Geanne I/S are consolidated by the pro rata method.

For further information please refer to note 11 in the Consolidated notes.

NOTES – PARENT COMPANY

(DKK 1,000)

	2010	2009
Note 10 Work in progress and payments on account for work in progress		
Current account contracts		
Work in progress	12,744	(1,271)
Prepayments on account	-	-
Total	**12,744**	**(1,271)**
Fixed-price contracts		
Work in progress	80,895	81,931
Prepayments on account	(84,199)	(82,091)
Total	**(3,304)**	**(160)**
Total	**9,440**	**(1,431)**

This is classified in the balance as shown below:

	Current Account	Fixed Price	Total	Total
Current assets	23,967	6,738	30,705	2,535
Current liabilities	(11,223)	(10,042)	(21,265)	(3,966)
Total	**12,744**	**(3,304)**	**9,440**	**(1,431)**

Work in progress, includes an unrealised profit of DKK 20.9 million at 31 December 2010 against an unrealised profit of DKK 19.9 million at 31 December 2009.

	2010	2009
Note 11 Share capital		
Share capital at the end of the year:		
A share capital (167 shares of DKK 1,000)	167	167
B share capital (333 shares of DKK 1,000)	333	333
Total	**500**	**500**

The share capital in NNE Pharmaplan A/S is divided into A shares and B shares. The A shares have 10 votes per DKK 500 of the A share capital, whereas the B shares have one vote per DKK 500 of the B share capital. There are no transferability restrictions on the B shares, while the owners of the A shares has a right of first refusal in case of any transfer of A shares.

NOTES – PARENT COMPANY

(DKK 1,000)

	2010	2009
Note 12 Other liabilities		
Specifications of other liabilities		
Current liabilities	142,641	155,430
Non-current liabilities	-	-
Total	**142,641**	**155,430**

Note 13 Commitments

Operating leases
The operating lease commitments are related to non-cancellable operating leases, related to office rent, company cars and copying machines. Expenses related to lease rentals amount to DKK 25.6 million in 2010 and DKK 31.5 million in 2009.

Other Commitments
The internal consultants have a notice period of 3 months or less.

Operating leases and other commitments is payable within the following periods as from the balance sheet date:

	2010	2009
Within one year	25,406	31,711
Between one and two years	26,515	26,601
Between two and three years	28,081	24,873
Between three and four years	24,983	24,731
Between four and five years	24,291	24,577
After five years	14,034	40,666
Total	**143,310**	**173,159**

	2010	2009
Guarantees		
Guarantee for lease commitments	12,141	12,141
Bank guarantees	38,017	40,928
Other guarantees	12,122	7,351
Total	**62,280**	**60,420**

Other
NNE Pharmaplan A/S has a joint liability for 2004 and previous years with Novo Nordisk A/S and the other jointly taxed companies for the tax payable under the joint taxation programme.

NOTES – PARENT COMPANY

(DKK 1,000)

	2010	2009
Note 14 Fees to statutory auditors		
Statutory audit fee to PricewaterhouseCoopers	665	665
Audit-related services	286	151
Tax advisory services	321	22
Other services	-	-
Total	**1,272**	**838**

Note 15 Transactions with related parties

For information regarding transactions with related parties please refer to note 24 in the Consolidated notes.

MANAGEMENT'S STATEMENT ON THE ANNUAL REPORT

Today, the Board of Directors and Executive Management approved the Annual Report of NNE Pharmaplan A/S for the year 2010.

The Consolidated Financial Statements are prepared in accordance with the International Fi-nancial Reporting Standards as endorsed by EU. The Financial statements of the Parent Company, are prepared in accordance with the Danish Financial Statements Act. Further, the Consolidated financial statements, the Financial statements of the Parent company and Managements Review are prepared in accordance with additional Danish disclosure requirements.

In our opinion, the Consolidated financial statements and the Financial statements of the Parent company give a true and fair view of the financial position at 31 December 2010, the results of the Group and the Parent Company operations and consolidated cash flows for the financial year 2010. Furthermore in our opinion, Management's Report includes a true and fair account of the development in the operations non-financial and financial circumstances, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

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

Soeborg, 4 March 2011

Executive Management

Morten Nielsen
President and CEO

Board of Directors

Jesper Brandgaard
(Chairman)

Hans Örström
(Vice Chairman)

Per Valstorp

Thomas W. Wylonis

Ole F. Ramsby

Søren P. Andersen

Helene Moth-Poulsen

Jens Olesen

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT FOR 2010

To the Shareholders of NNE Pharmaplan A/S

We have audited the Annual Report of NNE Pharmaplan for the financial year 2010, which comprises Management Statement, Financial review, Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes including significant accounting policies for the Group as well as for the Parent Company and Consolidated Cash Flow Statement. The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards as endorsed by the EU. The Financial Statements of the Parent Company are prepared in accordance with the Danish Financial Statements Act. Moreover, the Annual Report is prepared in accordance with additional Danish disclosure requirements.

Management's Responsibility

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements and the Financial Statements of the Parent Company in accordance with the above legislation and accounting standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Consolidated Financial Statements and Financial Statements of the Parent Company that are free from material misstatement, whether due to fraud or error. The responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Furthermore, Management is responsible for the preparation of a Management's review that gives a true and fair account in accordance with Danish disclosure requirements.

Auditor's Responsibility

Our responsibility is to express an opinion on the Annual Report based on our audit. We conducted our audit in accordance with International and Danish Auditing Standards. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the Annual Report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Annual Report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation and fair presentation of Consolidated Financial Statements and Financial Statements of the Parent Company and to the preparation of a Management's review that gives a true and fair account in order to design audit procedures that are appropriate in the circumstances.
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 Annual Report.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Annual Report gives a true and fair view of the financial position at 31 December 2010 of the Group and of the results of the Group's operations and consolidated cash flows for the financial year 2010 in accordance with International Financial Reporting Standards as endorsed by the EU and additional Danish disclosure requirements. Moreover, in our opinion the Annual Report gives a true and fair view of the financial position at 31 December 2010 of the Parent Company and of the results of the Parent Company's operations for the financial year 2010 in accordance with the Danish Financial Statements Act and additional Danish disclosure requirements. Furthermore, in our opinion the Management's review gives a true and fair account in accordance with Danish disclosure requirements.

Soeborg, 4 March 2011

PricewaterhouseCoopers
Statsautoriseret Revisionsaktieselskab

Mogens Nørgaard Mogensen
Danish State Authorised Public Accountant

Rasmus Friis Jørgensen
Danish State Authorised Public Accountant

Enclosed with the Annual Report are the
Financial Statements 2010 of the parent company,
NNE Pharmaplan A/S.
A pdf-version can be downloaded from
www.nnepharmaplan.com/who we are/media/download library

Concept & design NNE Pharmaplan A/S
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