Annual report 2011

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THE YEAR AT A GLANCE

NNE Pharmaplan in 2011

Best order book and pipeline in the history of NNE Pharmaplan
Consistent focus on customer relationships secured NNE Pharmaplan the best order book and pipeline ever at the end of 2011.

2011 financial results lower than expected
Despite a total turnover slightly above the turnover in 2010, the operating profit of DKK 22 million, corresponding to an operating profit margin of 1.5 percent, was lower than expected. The principal reasons for the poor financial result were a deficiency in North America, due to incorrect timing of income and profit recognition in previous years, and unsatisfactory performance.

Growth in Central Europe and Emerging Markets
The Central Europe region began to reap the benefits of our regionalisation and restructuring efforts, delivering significant growth and positive financial results. NNE Pharmaplan prioritised continued investment in recruiting and training of staff ahead of demand in our Emerging Markets organisations. The highest growth was seen in Russia, where the number of NNE Pharmaplan employees is now close to 100 – an increase of 127 percent in 2011.

New Operating Model
Morten Nielsen, CEO since January 2011, launched a four-track strategic initiative on organisation, culture, processes and financial management to lean the organisation, make it more flexible, and ensure a consistent focus on value creation for our customers worldwide. Among other things, this involved restructuring the company into five regions: China, Central Europe, Emerging Markets, Nordic and North America.

OUTLOOK FOR 2012

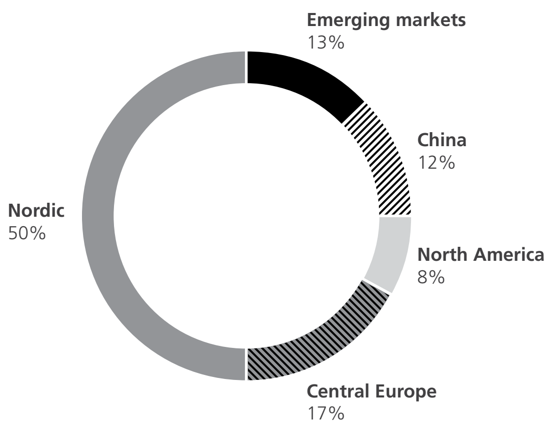
Expected turnover of DKK 1,550 million
Expected operating profit margin of 3 to 4 percent

KEY FIGURES

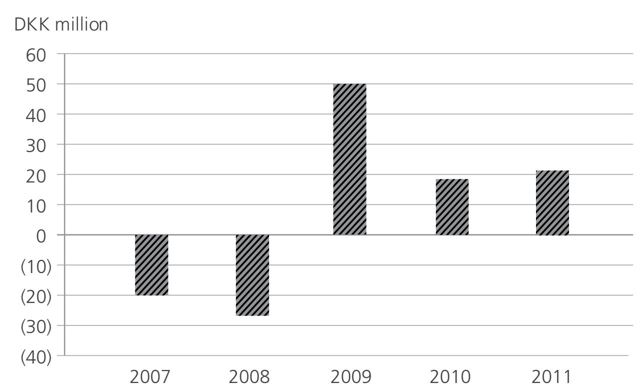
INCOME STATEMENT (DKK MILLION)	2011	2010	2009	2008	2007
Turnover	1,504.3	1,466.4	1,487.7	1,667.6	1,443.8
Operating profit	22.3	18.5	49.7	(26.9)	(20.0)
Net profit	1.1	5.5	19.1	(32.1)	(1.8)
ASSETS & EQUITY (DKK MILLION)					
Total assets	705.8	671.4	588.9	679.3	854.0
Total equity	147.9	146.6	140.9	128.4	188.7
FINANCIAL RATIOS					
Operating profit margin (EBIT margin)	1.5%	1.3%	3.3%	(1.6%)	(1.4%)
Return on equity	0.8%	3.8%	14.2%	(20.2%)	(0.9%)
Solvency ratio	21.0%	21.8%	23.9%	18.9%	22.1%
PEOPLE					
Number of employees at end of year (FTE)	1,668	1,649	1,579	1,524	1,463

2007 is NNE 12 months + Pharmaplan 9 months. 2008 to 2011 are the NNE Pharmaplan Group.

TURNOVER BY REGION 2011



OPERATING PROFIT 2007-2011



2007 is NNE 12 months + Pharmaplan 9 months.
2008 to 2011 are the NNE Pharmaplan Group.

Tuned to improve profit

To create more value in our global execution, NNE Pharmaplan invested in an extensive change process in 2011 - in the organisational setup, in the management team, in global processes and in the company culture.

The best order book and pipeline ever
The order book and pipeline at the end of 2011 were the best ever in NNE Pharmaplan. This is largely due to our global account management approach, which ensures that we follow our global customers in their worldwide activities through a coordinated effort across the global NNE Pharmaplan organisation. We gained a much better understanding of our customers' business and thereby developed a stronger brand.

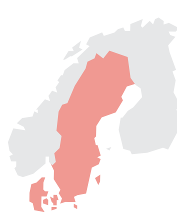
New Operating Model was key in 2011
The implementation of the New Operating Model was the main strategic initiative for NNE Pharmaplan in 2011. The aim of the initiative is to become more customer-oriented, to streamline our processes globally and, as a result of this, to improve project performance and profitability. Centred on four cornerstones – organisation, processes, culture and financial management – the focus of the New Operating Model in 2011 was to align NNE Pharmaplan's processes to constantly create value for our customers.

We established a new organisational structure with five regions: Nordic, Central Europe, China, North America and Emerging Markets. This is a change from our previous structure, which was divided by countries and dominated by the head office in Denmark. The regionalisation changed our management structure and increased our global focus. The operational performance during the second half of 2011 indicates that these organisational changes have had a positive impact.

The other cornerstones of the New Operating Model are described in the 'Business strategy' and the 'People development' sections.

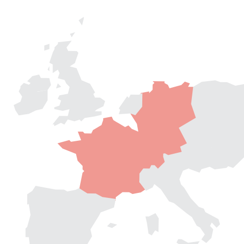
Regional performance

Nordic



The Nordic region (Denmark and Sweden) struggled with the order intake during the first part of 2011, which necessitated a reduction in local staffing. During the second half of 2011, the staff reduction combined with an increased order intake improved staff utilisation, and the region ended the year with a solid order book. The improvement took place mainly in Denmark. In Sweden, the result was slightly below expectations.

Central Europe



Central Europe (Germany, France and Switzerland) experienced significant growth. Particularly impressive was the turnaround in Germany compared to last year. In 2011, the Central Europe region started to enjoy the benefits of the previous years' restructuring efforts and also experienced the upside of the regionalisation. Utilisation was improved by the flexibility of moving manpower between the three countries. The positive development in the region prompted the decision to initiate the process of opening an office in Belgium in 2012.

Emerging Markets – the rising stars
A number of NNE Pharmaplan's global customers are increasingly moving their investments to emerging markets. As a result, Emerging Markets is the fastest growing region in NNE Pharmaplan and accounted for 17 percent of the order entry in 2011 – an increase of 78 percent compared to 2010. As the western world struggles with financial recovery, emerging markets are experiencing growth. But setting up operations in new and unknown territory can be challenging, as our global customers wish to ensure the transfer of their own standards and business ethics. Furthermore, it is crucial for pharmaceutical companies to ensure a sufficiently high product quality and to identify local talent to staff operations. Establishing a new operation in a virgin territory is one of NNE Pharmaplan's core competences. Over the past few years, we have developed a highly-structured concept for customers on how to establish an operation in new markets – anywhere in the world.

Emerging Markets is the fastest growing region in NNE Pharmaplan.

Central Europe experienced significant growth. Particularly impressive was the turnaround in Germany.

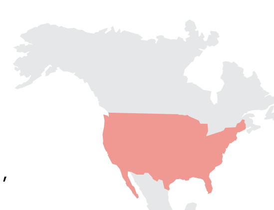
NNE Pharmaplan made a targeted expansion effort and increased staffing in the Emerging Markets in 2011. And we opened two new offices – one in St. Petersburg in Russia and another in Curitiba in Brazil.

Financial results
In 2011, NNE Pharmaplan had a total turnover of DKK 1,504 million, which is an increase of DKK 38 million compared to 2010. The turnover generated from customers outside the Novo Nordisk Group increased to 62 percent from 56 percent in 2010. The turnover from business outside Denmark increased from 52 percent in 2010 to 58 percent in 2011, primarily driven by a higher turnover in Central Europe and Emerging Markets.

The operating profit in 2011 was DKK 22 million (2010: DKK 18 million), corresponding to an operating profit

Regional performance

North America



The financial result in the North American region was very unsatisfactory. We had great expectations for this region in 2011, but unfortunately a financial deficiency was discovered in mid-2011. Incorrect timing of income and profit recognition in previous years led to reversal of profit, which combined with the unsatisfactory market performance resulted in NNE Pharmaplan suffering a significant loss in 2011. This led to a change in management structure and a restructuring that aligned the organisation to the current order book and customer base.

China

For many years, China was the fastest growing NNE Pharmaplan entity and at the same time displayed best-in-class profitability. In 2011, a number of large projects were completed, and it proved challenging to replace these activities in the order book. The transition in the customer base towards more local Chinese customers and new establishments by international pharmaceutical companies turned out to be slower than expected. As a result of this development, the financial result was disappointing. End of 2011, the situation was characterised by cautious optimism due to large orders received from big international companies.

margin of 1.5 percent, which is not satisfactory compared to the target for the year of 3 to 4 percent. The low order entry during the first half of 2011 had a negative impact on the utilisation and thus on the financial result. However, our order entry target was back at the expected level by the end of 2011. The result was also negatively impacted by incorrect timing of income and profit recognition in the North American region in prior years, which was discovered in mid-2011 and in combination with an unsatisfactory market performance led to a significant financial loss.

Outlook for 2012

Competition will continue to be intense in 2012, and prices will remain under considerable pressure. In addition, the changing pharma and biotech markets will require NNE Pharmaplan to focus on new, emerging markets and to continuously adapt the organisation to the competences in demand.

We enter 2012 with a very solid order book and sales pipeline so the outlook is promising.

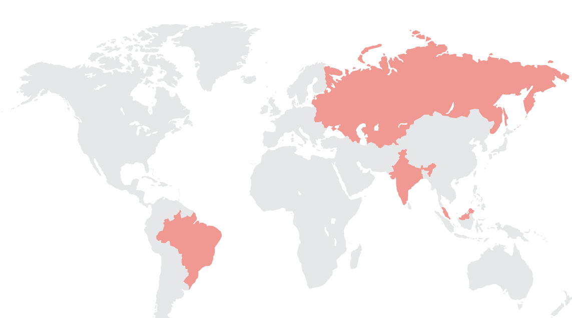
We enter 2012 with a very solid order book and sales pipeline so the outlook is promising. In the Emerging Markets and the markets in Central Europe, we expect the level of activity in 2012 to be at least as high as in 2011. We invested a lot in the Emerging Markets in 2011, which we expect to profit from in 2012.

In spite of the loss in the North American region in 2011, the market looks more promising going into 2012 as the region built a solid customer base during 2011. We expect that the Chinese market will stabilise and regain momentum and that the Nordic market will deliver on par with 2011.

Overall, we expect a 2012 turnover of DKK 1,550 million and an operating profit margin of 3 to 4 percent. We have set a rather conservative objective – well aware that any worsening of the financial crisis could influence our business. Our long-term aspiration to achieve an operating margin of 8 percent remains unchanged.

Emerging Markets

In the Emerging Markets region (Russia, India, Malaysia and Brazil), India successfully regained momentum after a slow first half of 2011 and ended the year fully booked and profitable. Malaysia also improved slightly compared to 2010. The market in Russia is very active and fast growing and we have built a solid market position. 2011 was characterised by significant investments, a very high activity level and recruitment of new staff. The continuing costs to build the business for the future implied that financial results were lower than expected.



MARKET TRENDS

New trends open new doors

Necessity is the mother of invention, also in the pharma and biotech industries. Large-scale patent expiries, increased pressure on health costs, new patient groups and diseases, and an urgent need for more sustainable and greener practices foster innovation and new opportunities.

Patent expiry drives changes in pharmaceutical business models

Designated 'the end of the blockbuster era', 2011 was the year when the world's most sold pharmaceutical product, Lipitor from Pfizer, went off patent in the USA. Over the past few years, the number of new products approved by US and European regulators has declined, and in the next few years a number of significant patents will expire. Many pharmaceutical companies have been forced to revise their business strategies and most of the large pharmaceutical companies have changed to a broader and much more diversified portfolio of products. This has created a new trend, with manufacturing networks now including a vast range of facilities, such as small molecule pharmaceuticals, large-molecule biopharmaceuticals and vaccines.

As large pharmaceutical companies diversify and enter new areas such as generics, diagnostics and medical devices, new business opportunities will be created for NNE Pharmaplan. The diversification also crosses into new fields such as biosimilars, orphan drugs and personalised medicine. NNE Pharmaplan has adapted its services to these specialised market segments, using its account management system to build long-term relationships of trust with more customers.

Large pharmaceutical companies diversify and enter new areas such as generics, diagnostics and medical devices.

Increased governmental price pressure paves new ways

Governments around the world are increasing pressure on health care costs. New health care reforms, both in the USA and several European countries, have prompted pharmaceutical companies to implement significant cost-cutting initiatives and reduce manufacturing and facility investments. This in turn impacts the price of engineering and consulting services and increases the need for innovative, safe and cost-efficient manufacturing facility solutions. To minimise operational and regulatory compliance costs, NNE Pharmaplan offers to undertake e.g. cleanroom testing and technical support, which we can often do more cost-effectively than our customers.

Furthermore, governments in the emerging markets are increasing price pressure by imposing heavy duties on imported pharmaceutical products, forcing global pharmaceutical companies to establish local production facilities, as well as driving the development of local drug manufacturers. Based on years of experience from the design, construction and management of turnkey projects, NNE Pharmaplan helps international companies establish local production facilities and we support upcoming local industries to comply with international regulatory requirements and Good Manufacturing Practice.

The emerging markets are now implementing regulations similar to the European Good Manufacturing Practices (GMP). NNE Pharmaplan's strong knowledge of US FDA (Food and Drug Administration) and European EMA (European Medicines Agency) GMP regulations gives us a clear advantage compared to our local competitors.

Governments around the world are increasing pressure on health care costs.

Sustainability
Like many other industries, the pharmaceutical industry is increasing its focus on sustainability and alternative manufacturing concepts. The demand for new facility concepts, such as 'green pharmaceutical manufacturing', is growing. Some pharmaceutical companies have taken a conservative approach to the sustainability issues, but we do see an increasing customer interest in sustainable facility concepts and alternative solutions, for example the 'cradle-to-cradle' concept, which involves reusable facility construction technologies. Consequently, NNE Pharmaplan is currently broadening its sustainable offerings, especially within pharmaceutical facilities, but also towards new segments such as hospitals and health care service facilities.

Strong growth in emerging markets
In general, the largest growth in the pharmaceutical industry is taking place in emerging markets. The biggest emerging markets are the BRIC countries (Brazil, Russia, India and China). For many pharmaceutical companies, China has become the largest, single growth area because of strong domestic market growth and low manufacturing costs. As one of the fastest growing sectors in the new markets, the pharmaceutical industry has nominated 17 so-called pharmerging markets, which in addition to the BRIC countries include Argentina, Egypt, Indonesia, Mexico, Pakistan, Poland, Romania, South Africa, Thailand, Turkey, Ukraine, Venezuela and Vietnam.

NNE Pharmaplan's solid track record and presence in China as well as in Russia, India and Malaysia have secured a recognised market position that we will use to expand our business in these countries and other emerging markets. A separate Emerging Markets business region was established in January 2011.

New treatments and patient groups foster new technologies
The equipment used in biopharmaceutical and vaccine manufacturing is partly changing from stainless steel equipment to single-use plastic containers, which requires lower investments and a different type of engineering services. New facilities are becoming smaller and more flexible, because yields are increasing and many of the new pharmaceutical products are produced in smaller volumes to target diseases with a smaller patient population. This trend is expected to develop even further into drug products for rare diseases or personalised medicines for individual patients.

NNE Pharmaplan was one of the early adopters of the new, innovative and flexible single-use technologies that require less space, lower investments and less engineering effort – and we intend to stay at the forefront of this development.

NNE Pharmaplan was one of the early adopters of the new, innovative and flexible single-use technologies.

CASE STORY

Turning yesterday's traditional wisdom into tomorrow's innovative health solutions

Biotropics Malaysia Berhad merges top-class R&D with ancient knowledge of herbal medicine in facilities that comply with international ISO 17025 and Good Laboratory Practices (GLP) standards.

Malaysia has one of the world's oldest and most diverse rainforests and generations of the Malay, Chinese, Indian and indigenous population have intimate knowledge of the use of herbal medicine. Traditionally, herbs are used for multiple purposes: for treatment and relief of serious illnesses, as dietary supplements boosting the immune system and general wellbeing of people, and in cosmetic applications.

Scientifically documented natural medicine
Biotropics Malaysia Berhad was established in 2007 as a governmental corporation. One of its objectives is to standardise all local herbal extracts and ensure that traditional medications are scientifically tested and verified to meet internationally accepted quality, safety and efficacy requirements.

Furthermore, Biotropics Malaysia Berhad aims to develop new herbal medicines and botanical drugs that will be subjected to the rigorous drug approval process of the US Food and Drug Administration (FDA).

Combining local knowledge and international expertise
Extensive analyses and chemical identification are carried out in a new, state-of-the-art herbal R&D laboratory delivered by NNE Pharmaplan's Malaysian office under a turnkey contract – covering all engineering services right from the conceptual design to the construction, testing, qualification and start-up of the facility. Site supervision and health, safety and environmental management were also part of the delivery.

NNE Pharmaplan's long history of providing engineering and consulting services to the pharmaceutical and biotech industry and its extensive expertise on compliance with international standards served as the ideal basis for a fruitful partnership between the two companies, which also comprises cooperation with researchers from local and international universities.

Sustainability and improved health go hand in hand
The new R&D laboratory is capable of handling up to 150 types of herbal research products per year. Biotropics Malaysia Berhad is committed to safeguarding the rainforest and very careful in selecting wild-collected and cultivated herbs in a manner that will preserve the rainforest and its diverse products.

By selecting NNE Pharmaplan as their trusted partner Biotropics Malaysia Berhad has taken herbal medicine to a new level. Ancient plants and treatments are not only preserved but refined and recognised in a way that will pave the way for global utilisation and thus improve the health of future generations, inside as well as outside the boundaries of Malaysia.

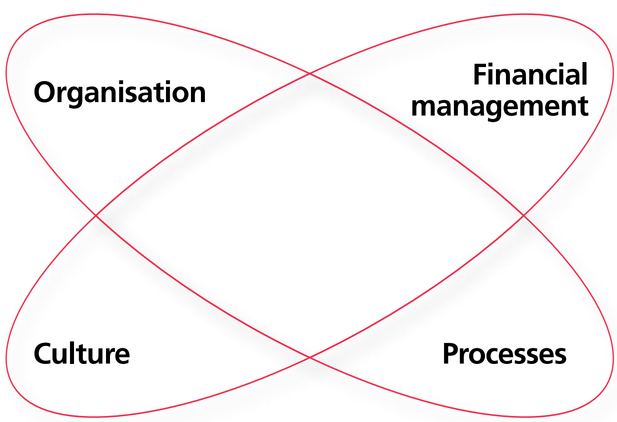
BUSINESS STRATEGY

Changing our way of doing business

In 2011, NNE Pharmaplan launched the New Operating Model – a great step towards successfully reaching our ambitious goals. A strategic initiative to ensure that we constantly create value for our customers, the New Operating Model aims to provide a transparent, profitable and customer-oriented platform for our future operation.

The New Operating Model
NNE Pharmaplan's overall strategy constitutes the foundation of the New Operating Model: Creating value for the customer is the focus of our activities. Global alignment of processes will ensure coordinated and consistent project execution. Profitability will result from enhanced professional execution and customer value creation.

Introduced as a strategic project under the NNE Pharmaplan 2010-2014 business strategy, the New Operating Model permeated all 2011 initiatives in four cornerstone tracks:



Organisation
We established a new organisation with five regions that have critical mass and can operate as self-supporting units: Nordic, Central Europe, China, North America and Emerging Markets. Especially for Central Europe (Switzerland, Germany and France) and Nordic (Denmark and Sweden), 2011 saw significant improvements in resource utilisation and global cooperation.

Emerging Markets (Russia, India, Malaysia and Brazil) include countries with similar market conditions and significant growth potential. The main purpose is to build up operating capabilities in these countries, with a clear focus on seizing growth potential in a profitable way and gaining a solid market position. China is a separate region as NNE Pharmaplan in China already had a very well established organisation and considerable business volume.

Culture
As a global organisation, NNE Pharmaplan needs a shared culture to ensure a consistent customer experience across all our offices. During 2011, we established our new behavioural ambitions reflected in the six NNE Pharmaplan Essentials:

- demonstrate leadership
- closer to the customer
- be passionate
- smarter execution
- be global
- be result-oriented.

Strategic goals for 2014

Long-term relationships with customers

10%

growth in turnover from strategic customers per year

Execute smarter

95%

or more of our projects are being executed on index 100 or above on time and budget

Financial management
We designed and started to implement a New Finance Model in NNE Pharmaplan globally. The purpose is to improve transparency of costs and profit contributions and to improve project profit measurement. The New Finance Model will ensure that project performance, business unit performance and NNE Pharmaplan group financial performance are closely linked. The new system will be fully operational in 2012.

Processes
We redesigned some of our core business processes to ensure effectiveness, standardisation and transparency across our business regions. We intensified our customer focus by concentrating on long-term relationships, project execution excellence and value-based selling.

Strategic focus in 2012:
Improve project execution and optimise utilisation
Our focus for 2012 is to continuously improve our offerings, processes and delivery on customer projects, thereby developing long-term relationships with our customers. Combining these activities with the ongoing effort to enhance competences, utilisation and project execution within our organisation, we aim to improve our financial performance and achieve the strategic targets outlined for the period up to 2014.

Strategic goals for 2014
The NNE Pharmaplan 2010-2014 strategy is based on four main elements:

- We will build more long-term relationships with our customers.
  Strategic goal: Turnover from strategic customers to grow by 10 percent per year.

- We will improve our business processes towards smarter, more flexible and cost-effective solutions for our customers.
  Strategic goal: 95 percent of projects on index 100 or above on time and budget.

- We want our customers to recognise us as a truly global organisation that shares the same aim and business focus no matter what region, office or department they work with.
  Strategic goal: 30 percent of our people act as ambassadors measured by the engagement, satisfaction and loyalty of our employees.

- Through the above, we will maintain a constant focus on improving our profitability and ensure reliable and sustainable business results.
  Strategic goal: Operating profit margin of 8 percent.

Become one organisation

30%

or more of our people act as ambassadors of the company

Deliver competitive business results

8%

operating profit margin


федерация
*смотри выше!

Gaining foothold in new segments and markets

In 2011 we obtained a much better understanding of our customers' business and developed the most promising outlook in the history of NNE Pharmaplan. Central Europe and the Emerging Markets took the lead.

General outlook

By December 2011, NNE Pharmaplan's backlog was DKK 868 million or approximately 56 percent of 2012's target turnover. This was an increase compared to 2010, where the corresponding figures were DKK 677 million or about 42 percent of 2011's target turnover. The improved backlog is mainly due to an increase in large projects and an increase of our total order entry in 2011 by 8 percent compared to 2010, which is considered very satisfactory.

In 2010, the order book was dominated by small and mid-sized projects. In 2011 this changed, and we now have a mix of small, mid-sized and large projects. NNE Pharmaplan enters 2012 with a diversified business and a good foundation for growth, as we have the best order book and pipeline ever.

In 2011, we won 55 percent of all our proposals (2010: 57 percent; 2009: 47 percent). Our 2011 proposal win-rate target was 50 percent and the results from the past two years are therefore very encouraging.

We now have a mix of small, mid-sized and large projects.

Biotechnology – still a growth driver

NNE Pharmaplan holds a very strong position in European biotech. The execution of two large greenfield biotech projects in Central Europe, as well as a vast number of expansion and revamp projects in Northern and Central Europe, secured NNE Pharmaplan a leading role.

In the second half of 2011, NNE Pharmaplan gained a solid foothold within modern biotech. With some overcapacity in the large US and European biotech production, growth is centred in the emerging markets, China in particular. In 2011, NNE Pharmaplan started six projects for new biotech facilities in the emerging markets, and helped European and American biotech companies in their efforts to embrace the new 'single use' technology, which creates a more flexible production setup and reduces investment.

Emerging markets – strong growth potential for pharmaceutical facilities

While the number of new facilities in the traditional pharmaceutical markets in Europe and the USA is limited, countries like China, India and Russia are experiencing a strong, volume-driven growth. The pressure to establish high-quality production in the emerging markets is huge – both through local companies and global companies entering these markets. NNE Pharmaplan is currently designing and building a number of large greenfield facilities.

Hospitals – a new Nordic focus area
In 2011, NNE Pharmaplan won some significant projects in the Danish hospital sector: a new woman-child hospital, emergency wards, and a new psychiatric hospital. We leveraged our strong presence and competence in the Danish market to widen our customer base to the hospital sector, which to an increasing extent uses the same technologies and practices as the pharmaceutical industry. For example, we build on our experience with cleanroom design to optimise hospital hygiene and minimise the risk of infection. NNE Pharmaplan's competences within IT, ventilation and automation, as well as personal safety and access control are also applicable in hospital projects.

Closer to our customers
NNE Pharmaplan developed and deepened its relationships with existing customers in 2011. Through consistent account management we ensured that we understand our customers and offer and deliver the services that fit the individual customer's needs. Our ability to follow a global customer through our local presence worldwide is a strong asset. We coordinate our actions and deliver our highest level of competence wherever we do business with our global customers. We accumulate and transfer experience and lessons learned from project to project and from one country to another, and follow global investment projects in the locations where the customer's project teams are established.

Our ability to follow a global customer through our local presence worldwide is a strong asset.

Ensuring sales synergies across borders
The NNE Pharmaplan Sales Board was established at the beginning of 2011, with representatives from all five regions. The purpose of the Sales Board is to develop and align our global approach to markets and customers, in particular customers who are present in multiple regions.

Global business development
NNE Pharmaplan has a vast number of industry experts within biotech, vaccines, manufacturing IT, medical devices, small molecules, aseptic fill-finish and compliance, Quality by Design and ASTM E2500. These Senior Technology Partners support our continuous efforts to be at the forefront of the pharma and biotech industries. They identify current and future markets trends and drive the development of relevant offerings that help customers to future-proof their business. They also act as advisers and deliver subject matter expertise on customer projects.

CASE STORY

Supporting UCB Pharma in fighting severe diseases

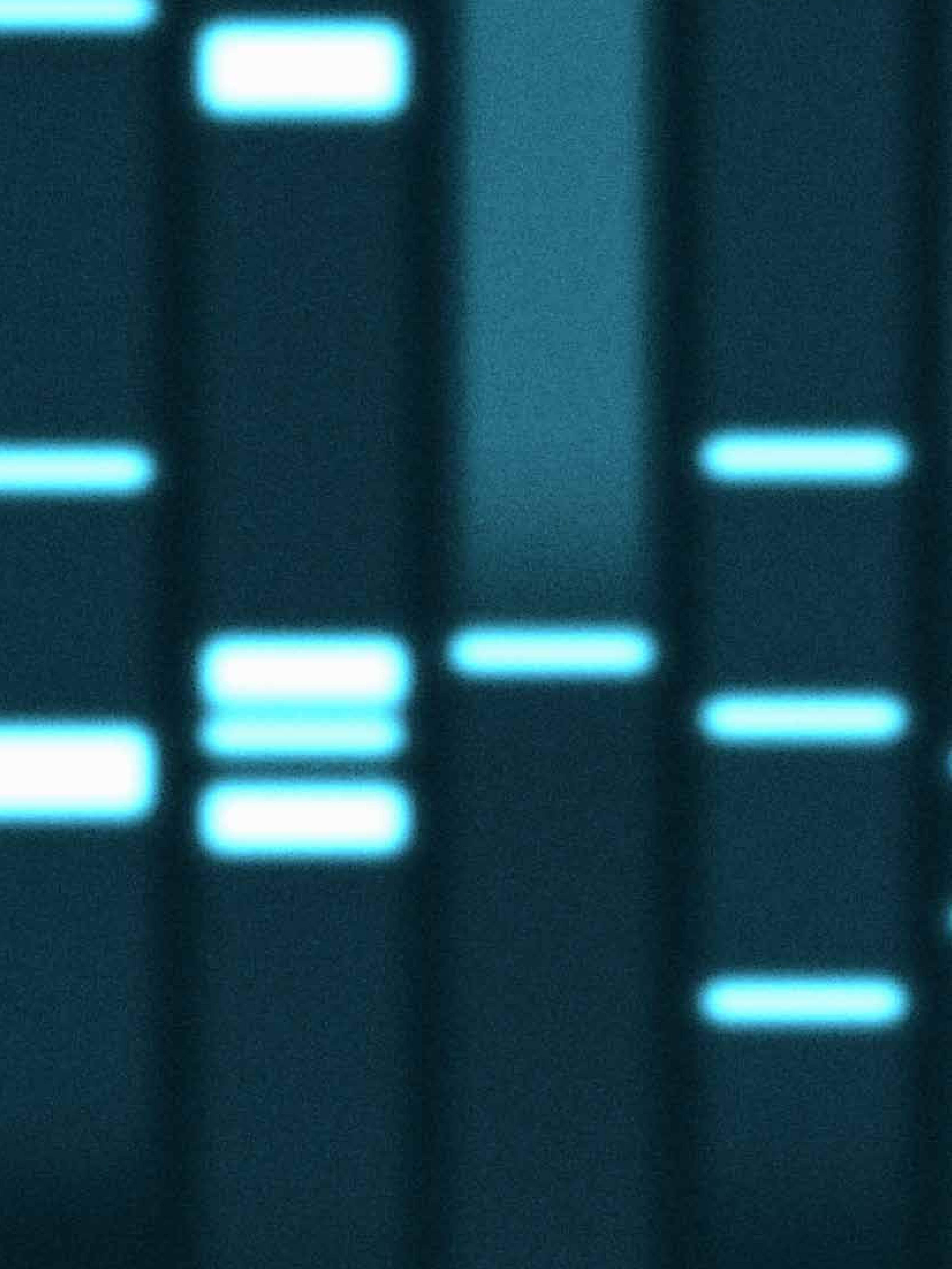
The global biopharma company UCB Pharma has decided to build a cGMP biotechnological pilot plant including development laboratories on its site in Braine-l'Alleud in Belgium. The aim is to speed up availability of biotechnological drugs for serious illnesses in the central nervous system and immunological problems, concentrating on pilot projects and delivering products for clinical trial activities.

The project is based on risk and science-based verification principles according to the ASTM E2500 as well as the ICH guidelines Q8, Q9 and Q10. The first stone was officially laid on 4 June 2010 and final handover is planned for September 2012. NNE Pharmaplan is supporting UCB under an ongoing Engineering, Procurement, Construction Management, and Verification (EPCMV) contract from the detailed design through construction to verification.

Patient safety first

The application of the ASTM E2500 verification approach may seem difficult to handle at first. However, the tools and principles of risk assessments and verification of vendor-prepared tests are well-known and easy to implement.

As a result of the verification methodology, duplication of the tests is avoided and focus is intensified on the areas with the highest risk to patient safety, which is a key element of the verification approach. Furthermore, flexibility in project execution is increased by elimination of the non-value-adding dependencies between Installation, Operational and Performance Qualification (IQ, OQ, PQ). At the same time resources are used more efficiently and the quality risk assessment process ensures that focus is directed towards the real quality issues.



PEOPLE DEVELOPMENT

Embedding the NNE Pharmaplan culture in our DNA

In 2011, our people managers were trained and used as drivers for cascading our new company values and new operational tools across our global organisation.

Our COIs – the backbone of our competence development

Communities of Interest (COI) ensure that all NNE Pharmaplan competencies are available to our customers throughout the world. In 2011, all disciplines in the NNE Pharmaplan engineering model, Our Model, was organised in a new COI structure, to be fully implemented in 2012. The discipline COIs include one core member from each region to make sure that standards and guidelines are developed and in use globally.

The NNE Pharmaplan Academy

Our Academy is an essential channel for knowledge sharing and network building among NNE Pharmaplan employees. The Academy offers internal seminars on technical issues, project management, policies and guidelines, language courses, legal aspects, contracting and much more. In most cases, the lecturers are NNE Pharmaplan specialists who pass on their expertise to colleagues around the world.

We meet our customers worldwide as ‘one organisation’.

A vast number of the Academy sessions are streamed and posted on the intranet and thus available to all employees throughout the organisation.

Global Exchange Programme

Our Global Exchange Programme continuously develops our global mindset so that we meet our customers worldwide as ‘one organisation’. The exchange of specialists and other talented employees between our offices facilitates the development of global competences, integration of technical skills and formation of strong cross-regional

Employee data

Number of employees

At the end of 2011, NNE Pharmaplan had a total of 1,703 employees (equivalent to 1,668 full-time employees) distributed over five regions and 11 countries. The number of employees in Emerging Markets increased considerably, in particular the Russian organisation, which grew from 41 to 93 employees, an increase of 127 percent. The Nordic organisation (Denmark and Sweden) was leaned in 2011 (from 683 employees to 591 employees) while the headcount in Central Europe, China and the USA remained essentially unchanged.

Employee turnover

NNE Pharmaplan monitors employee turnover closely, with particular focus on our identified key people. The key people turnover in 2011 was 5.3 percent, which is slightly above the target of 5.0 percent. The total employee turnover in 2011 was 17.4 percent, compared to 12.1 percent in 2010. The increase was partly caused by a management decision to impose 5.6 percent forced redundancies to create a better balance between supply and demand in certain markets.

1,703 employees

Total employee turnover **17.4%**

networks. In 2011, a total of 31 exchanges took place with participants and hosts from all five regions. This is above our 2011 target of 30 exchanges and a considerable increase compared to the 20 exchanges in 2010. These exchanges strengthened NNE Pharmaplan's ability to carry out offshoring assignments and execute global and complex projects.

Anchoring the organisation in the New Operating Model

150 employees contributed to the definition of NNE Pharmaplan's new fundamental values, our six Essentials. In 2011, the corporate HR organisation carried out an ambitious global training programme to engage our employees in the implementation of our new behavioural aspirations. We integrated the six Essentials in our target setting and staff evaluation systems; and line and project managers across all regions were properly trained to apply and disseminate the desired approach in our departments and projects. We also established a career site on the intranet with a clear overview of the global career opportunities at NNE Pharmaplan, allowing our employees to make a goal-oriented career plan.

Employee survey

Two global online employee surveys were carried out in 2011 to measure the level of engagement, satisfaction and loyalty of our employees. The average response rate was 81 percent - a slight decline compared to 82 percent in 2010, but still considered high.

The employee survey KPI is the number of ambassadors, defined as employees who assign 9 or 10 points on a 10-point scale to six specific questions on 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 2011 goal of ≥ 24 percent was exceeded by an average score of 26.7 percent.

Gender

By the end of 2011, female employees made up 35 percent of NNE Pharmaplan's workforce, a continuation of the slightly increasing endency seen in recent years. The gender distribution varies considerably from country to country, with a maximum deviation of 39 percent between the highest and the lowest percentage. Russia is the only country with a majority of female employees (59 percent). The number of women in leading positions increased slightly from 26 to 27 percent compared to 2010. NNE Pharmaplan does not support any gender or other quota schemes.

Women in leading positions 2011 **27%**

Age

The average employee age remains stable (2011: 39.5, 2010: 39.6 years, 2009: 39 years, and 2008: 39.5 years). The maximum inter-office difference is 10.8 years. Not surprisingly, the lowest average age is found in our emerging markets and the highest at the head office in Denmark.

Average 2011 **39.5** years

Seniority

The average employee seniority in NNE Pharmaplan was 6.2 years in 2011, a minor decrease from the 2010 average of 6.5 years.

Average seniority 2011 **6.2** years

SUSTAINABILITY

Separate sustainability report gives the full picture

In 2011, we published our third Communication on Progress (COP) report, which is a sustainability report required by our UN Global Compact membership.

Sustainability in the NNE Pharmaplan context
From a sustainability perspective, our branding platform '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.

Sustainability in our customer projects
We continuously develop our services on sustainability. See http://www.nnepharmaplan.com/en/What-we-do/.

Sustainability report
The NNE Pharmaplan COP report is published 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 2011 COP report at unglobalcompact.org or nnepharmaplan.com/Who-we-are/Sustainability.

Extract from the 2011 COP report
The following data on accidents at construction sites and carbon footprint follow up on previous annual reports. Measurement methods and comments on results are found in the COP report.

Safety at construction sites
The accident frequency is recorded for the NNE Pharmaplan projects where construction site health and safety management have been managed or supervised by NNE Pharmaplan. In 2011, NNE Pharmaplan managed projects in China, Belgium, Denmark, India and the USA.

In 2012 we will continue our focus on preventive actions by training construction workers in health and safety and involving them in initiatives on acting safely on construction sites.

ACCIDENTS RECORDED ON CONSTRUCTION SITES IN 2011 (NNE PHARMAPLAN EMPLOYEES AND CONTRACTORS)

Country	No. of sites	Working hours (1000)	Accidents w/absence	Frequency
China	5	586	1	1.7
Belgium	1	29	1	34.1
Denmark	9	103	2	19.4
India	2	388	1	2.6
USA	7	64	0	0
Total	24	1,170	5	4.3

The higher frequency in Belgium and Denmark is due to the relatively low number of working hours, which causes one or two accidents to have a disproportionate impact on the frequency compared to the other countries.

GREENHOUSE GAS EMISSIONS (TCO_2)*	2011	2010	2009
DIRECT EMISSIONS (SCOPE 1)			
Heating of office buildings	363	325	335
Fugitive emissions from cooling plant	3	4	8
Transport in company-owned cars	532	1,044	674
INDIRECT EMISSIONS (SCOPE 2)			
Purchased electricity	1,731	1,752	1,472
Purchased heating	58	66	N/A
Purchased cooling	2	2	5
INDIRECT EMISSIONS (SCOPE 3)			
Transport in employee-owned cars	550	554	626
Transport by plane	5,191	4,715 **	2,672
TOTAL GREENHOUSE GAS EMISSIONS (TCO_2)	8,430	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 the new baseline value.*

Emissions in 2011
The Danish offices were the main contributors to NNE Pharmaplan's greenhouse gas emissions in 2011, accounting for more than one third of total emissions. The head office moved during 2011. The relocation took place in steps and energy consumption for the temporary residence of 200 employees from April to December has been estimated.

Data was incomplete on the electricity consumed at our small offices in the USA and for the heating, ventilation 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.

Travel activities are the main source of our greenhouse gas emissions – in company-owned cars, employee-owned cars or by plane. These activities account for 74 percent of total emissions. Flights from Denmark and the USA account for nearly half of the travel-related emissions.

In 2011, NNE Pharmaplan was able to keep the emission at the 2010 level. In 2012 we will assess the possibilities of reducing our travel activities and set up reduction targets for our carbon footprint.

ENTERPRISE RISK MANAGEMENT

The global reach of NNE Pharmaplan broadened during 2011, and the portfolio of projects from international and non-Danish customers expanded further in 2011. This has increased the requirements for a global operation and global mindset, including an assessment of the associated risks. NNE Pharmaplan 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 an annual 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 timeframe of up to three years. We have established a process to manage all significant risks. Key risks are assessed at gross level, as well as at net level after the implementation of mitigating actions. Our main risks include customers, financials, business process, 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 in most markets, which 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. Our strength is partnerships with key global accounts, which on the other hand also makes us vulnerable to their investment strategies and requires a sustainable and strong execution track record.

Business processes
NNE Pharmaplan specialises in designing, establishing and improving technologically advanced facilities for our customers. Such projects require excellent understanding of customer needs, successful contract management and well-structured project management. Several mandatory, corporate engineering tools ensure streamlined, lean and efficient project execution globally. Our Quality Management System (QMS) is ISO-certified by Lloyd's Register Quality Assurance and supports ongoing initiatives. Furthermore, current risk assessment of our projects is performed on a monthly basis.

A New Finance Model was launched in 2011 under the New Operating Model strategic initiative, with the purpose of improving financial transparency between project, business unit and NNE Pharmaplan group financial performance. The New Finance Model will be fully implemented in 2012 and will enhance our focus on project profitability.

Financials
In 2011, we experienced a financial deficiency in our North American region, which gave rise to an internal audit of all NNE Pharmaplan affiliates in the autumn of 2011. From 2012, an internal NNE Pharmaplan audit group will perform semi-annual financial reviews to mitigate the risk of a financial deficiency.

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 have undertaken a mandatory e-learning programme on our business ethics policy and guidelines. The business ethics e-learning programme is repeated several times every year to ensure that all new employees complete this training shortly after joining the company. This reduces the risk of NNE Pharmaplan employees violating business ethics as well as laws and regulations.

People and organisation
With international competition increasing, it is essential that we differentiate our company from our competitors, build a strong brand and attract and retain key people. Furthermore, to work in partnership with key global customers, NNE Pharmaplan must demonstrate a superior project execution track record in all affiliates. In 2011, we also 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 'From now on - the Essentials of our culture', which includes six fundamental values that all NNE Pharmaplan employees follow. The Essentials are supplemented by our business ethics, our quality management system and our triple bottom line commitment: to continuously improve our financial, environmental and social performance. As a member of the UN Global Compact, NNE Pharmaplan also commits 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. Our ultimate parent company is the Novo Nordisk Foundation.

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. 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 meets at least four times 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 March 2011. The NNE Pharmaplan Management is represented at the board meetings by the CEO and the CFO.

A monthly report delivered by the NNE Pharmaplan 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 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 2011 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 NNE Pharmaplan 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 2011 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
Apart from three of the five regional managers, who are based in China, Switzerland and the USA respectively, the NNE Pharmaplan Management is based at our head office in Gentofte, Denmark. This office also houses our other group functions, including Finance, Legal & IT, Project Governance, Global Sales and Business Development, and People & Communication. Profiles of the NNE Pharmaplan Management can be found in the NNE Pharmaplan 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, Tuborg Havnevej 19, DK-2900 Hellerup, Denmark.

CASE STORY

Getting infusion solutions fast to market

Widatra Bhakti, Indonesia's leading infusion solution manufacturer, is building a new large volume parenterals facility based on NNE Pharmaplan's design. The project is expected to become yet another success story in the two companies' long partnership history.

Vital treatment at affordable prices
The majority of hospitalised patients receive intravenous therapy some time during their admission. Particularly after an operation basic infusion solutions are vital in order to restore body fluids – the loss of which can lead to death.

Indonesian company, PT Widatra Bhakti has been manufacturing basic and specialty infusion solutions since 1986. Their products are widely used throughout Indonesia at large public and private hospitals in major urban centres, but are also sold at low prices making them available to patients at rural hospitals and local community health centres (Puskemas).

Fast-track approach to realise ambitious time frame
In early 2010, the company made a decision to invest in a second production facility to be located in Pandaan in the Jawa Timur province of Indonesia. The plant will produce large volume parenterals (LVPs) for standard infusion solutions in 500 ml bottles, and production will be based on blow-fill-seal technology. When completed, the intravenous solution plant will house two production lines, each with an annual production capacity of 27,000 PE-bottles, and it will comply with ISPE, PIC, GAMP guidelines, EU-GMP and US-FDA standards as well as BPOM guidelines (Indonesia's National Agency of Drug and Food Control). The customer has a clear goal to start operations in July 2012 – a fiercely ambitious time schedule. With a prolonged decision process into the bargain, the project was rendered delayed already from the beginning.

Accordingly, our prime task as engineering partner was to get the project back on track to fulfil the time frame. We applied a fast-track approach to the entire design phase and completed the conceptual design in less than one month. Approximately six months later, in June 2011, we had delivered the basic and detail design for the plant, providing the customer with the platform to commence construction of the plant

Long-term relationship is key to success
The relationship between PT Widatra Bhakti and NNE Pharmaplan dates back to 1984, when we helped establish the original infusion solutions plant. In 2006-2007, we helped the customer complete a capacity expansion of the existing facility and update the plant to meet new authority requirements.

As a result, NNE Pharmaplan has in-depth knowledge of Widatra Bhakti's production processes and work methods and we are able to work together effectively, which is a necessity in fast-track projects.

This project is on the path to becoming yet another success story in the two companies' cooperation portfolio.


MORTEN HOLM CHRISTIANSEN
OLE SPANG-HANSSEN
GERT MOELGAARD
KRISTIAN PEDERSEN
KIM RASMUSSEN
STEFAN BERG
BOB BROWN PETERSEN
IBEN SCHMIDT HELBIRK
MORTEN NIELSEN
OLE REGNAR HANSEN
SØREN JELERT

NNE Pharmaplan Management

MORTEN NIELSEN
CEO and President

Morten Nielsen was appointed CEO and President of NNE Pharmaplan on 1 January 2011. He joined NNE Pharmaplan in 1994 and has held several managerial and executive positions in project and line management, latest as Chief Operating Officer for NNE Pharmaplan's global operations from 2006 to 2011. For an interim period of three years, Morten Nielsen was employed by Novo Nordisk, working as a project director in Brazil. Mr Nielsen holds a Bachelor's degree in Electrical Engineering from the Copenhagen University College of Engineering.

SØREN JELERT
CFO and Executive Vice President

Søren Jelert was appointed Executive Vice President for NNE Pharmaplan on 1 January 2011. Prior to that, he was Chief Financial Officer and Corporate Vice President for Finance, Legal and IT in the period 2008-2011. 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. He has also 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).

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).

KIM RASMUSSEN
Regional Manager and Corporate Vice President, Nordic

Kim Rasmussen was appointed Regional Manager of the Nordic region and Corporate Vice President in 2011. Mr Rasmussen comes to NNE Pharmaplan from positions at Rockwell Automation, Medtronic and VKR Holding, where he held senior management positions in Denmark, the USA and China. Kim Rasmussen holds a BSc in Mechanical Engineering from the University of Southern Denmark.

GERT MOELGAARD
Corporate Vice President, Strategic Development

Gert Moelgaard was appointed Corporate Vice President for Strategic Development on 1 January 2011. Prior to that, he was in charge of Automation, Process Engineering and other business areas. He joined the Novo Nordisk Group in 1982. Over the years, Mr Moelgaard has contributed extensively to international, pharmaceutical associations, including a position as the global chairman of ISPE (International Society of Pharmaceutical Engineering). Gert Moelgaard holds an MSc in Electrical Engineering from the Technical University of Denmark.

MORTEN HOLM CHRISTIANSEN
Corporate Vice President, Global Sales and Business Development

Morten Holm Christiansen was appointed Chief Sales Officer and Corporate Vice President for Global Sales and Business Development in 2011. Furthermore, he served as Chief Financial Officer (CFO) of NNE Pharmaplan from 2003 to 2005. Mr Christiansen comes from a position at Novo Nordisk as Vice President of Global IT Operations. He joined the Novo Nordisk Group in 1994, where he held a number of executive positions. Prior to that, he worked as a senior consultant in Accenture. Morten Holm Christiansen holds an MSc in Economics from the University of Aarhus and an MBA from IMD.

STEFAN BERG
Regional Manager and Corporate Vice President, Central Europe

Stefan Berg was appointed Regional Manager of Central Europe and Corporate Vice President in 2011. At the same time he holds the position of General Manager (Geschäftsführer) of NNE Pharmaplan in Switzerland and Germany. Before joining NNE Pharmaplan in 2004, Stefan Berg held various project and line management positions within the pharmaceutical engineering business and production in Switzerland and Germany. Stefan Berg holds an MSc in Automation Technology.

KRISTIAN PEDERSEN
Regional Manager and Corporate Vice President, China

Kristian Pedersen was appointed Regional Manager of the China region and Corporate Vice President in 2011. In 2004 he became General Manager of NNE Pharmaplan in China, where he has worked since 1998. Kristian Pedersen joined NNE Pharmaplan in 1996 and has held several positions in both project and line management. Mr Pedersen holds a Bachelor's degree in Electrical Engineering from the Copenhagen University College of Engineering, and attended the Executive General Manager Program from Harvard Business School.

OLE SPANG-HANSSEN
Regional Manager and Corporate Vice President, Emerging Markets

Ole Spang-Hanssen was appointed Regional Manager of the Emerging Markets region and Corporate Vice President in 2011. He joined NNE Pharmaplan in 2004, where he has held various managerial positions, primarily as Vice President of Global Sales & Marketing. Prior to that, he worked for Hoffmann & Sønner, the Confederation of Danish Industries and AN GROUP. During his career, Mr Spang-Hanssen has spent several short and long-term expatriation periods around the world. Ole Spang-Hanssen graduated from Copenhagen Business College, and has attended courses at INSEAD and Chicago University.

OLE REGNAR HANSEN
Corporate Vice President, Project Governance

Ole Regnar Hansen was appointed Corporate Vice President for Project Governance on 1 January 2011. He joined NNE Pharmaplan in 1999 and has held several managerial positions in both project and line management, including the project directorship of NNE Pharmaplan's largest project ever. Mr Hansen has been with the Novo Nordisk Group for 29 years and before joining NNE Pharmaplan held various managerial positions in Novozymes. Ole Regnar Hansen holds a Bachelor's degree in Mechanical Engineering from the Technical University of Denmark.

BOB BROWN PETERSEN
Regional Manager and Corporate Vice President, North America

Bob Brown Petersen was appointed Regional Manager and Corporate Vice President for North America in 2011. In the period 2007-2010, Mr Petersen held positions as Vice President and Project Director of NNE Pharmaplan's region Nordic. He joined the Novo Nordisk Group in 1998, where he has held managerial positions, both in project and line management. Bob Brown Petersen holds a BSc in Mechanical Engineering from the University College of Engineering in Haslev, and attended the INSEAD International Executive Program.


SØREN P.
ANDERSEN
JENS
OLESEN
PER
VALSTORP
BIRGIT W.
NØRGAARD
HELENE
MOTH-POULSEN
LARS FRUERGAARD
JØRGENSEN
HANS
ÖRSTRÖM
JESPER
BRANDGAARD

Board of Directors

JESPER BRANDGAARD
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)

BIRGIT W. NØRGAARD
Vice Chairman of the NNE Pharmaplan Board since 2011

Birgit Nørgaard works as full-time board member. She was CEO of the consulting engineering company Grontmij | Carl Bro A/S and COO of Grontmij NV in 2006 to 2010, CEO of the Carl Bro Group from 2003 to 2006 and CFO from 2001 to 2003. Prior to that, Ms Nørgaard held executive positions at TDC and Danisco and worked as a consultant at McKinsey & Company. Birgit Nørgaard holds an MSc in Economics and Business Administration from the Copenhagen Business School (CBS) in Denmark and an MBA from INSEAD.

Other board memberships:
- DSV A/S
- Sonion A/S
- Xilco A/S, Xilco Holding A/S
- Abeo A/S
- GEO
- The Technical University of Denmark
- The Stakeholder Council for Energinet.dk (Chairman)
- StockRate Invest (Chairman)
- The Danish State's IT Project Council (Vice Chairman)
- Advisory board for DONG Energy New Bio Solutions
- The Danish Growth Capital Fund
- EUDP
- The Danish Business Innovation Fund

HELENE MOTH-POULSEN
Employee-elected representative of the NNE Pharmaplan Board since 2009

Helene Moth-Poulsen is a Proposal Manager in Global Sales & Marketing. Mrs Moth-Poulsen joined NNE Pharmaplan in 1999, and has mostly worked as 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
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 Senior Vice President of the Medical Systems Division and Senior Vice President for Health Care Quality and Regulatory Affairs. Prior to joining Novo Nordisk, Mr Valstorp was employed at KPMG as Director 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
- Zymenex A/S
- Mejerigaarden A/S

SØREN P. ANDERSEN
Employee-elected representative 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 A/S), 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.

LARS FRUERGAARD JØRGENSEN
Member of the NNE Pharmaplan Board since 2011

Lars F. Jørgensen is Senior Vice President of IT and Corporate Development at Novo Nordisk A/S. He joined Novo Nordisk in 1991, where he has held a number of positions, including Vice President, Regional Finance & IT, Region Japan & Oceania and Director, Financial Accounting, Corporate Finance. Mr Jørgensen holds an MSc in Business Administration from the Aarhus School of Business.

Other board memberships:
- NNIT A/S
- Harno Invest A/S (chairman)
- Innate Pharma S.A., France

HANS ÖRSTRÖM
Member of the NNE Pharmaplan Board since 2006

Hans Örström is CEO at IDL Biotech AB, a position he has held since 2011. 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. In 2010, he retired as Executive Vice President of Operations and Corporate Development at Biovitrum, where he had worked since 2001. Hans Örström holds a BSc in Economics and Business Administration from the Gothenburg School of Economics.

Other board memberships:
- IDL Biotech AB

JENS OLESEN
Employee-elected representative 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 project manager within the mechanical and process disciplines. Mr Olesen joined NNE Pharmaplan in 2002 from a position as 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.

FINANCIAL REPORTS

Consolidated financial statements

FINANCIAL REVIEW 2011

Turnover and operating performance
In 2011, NNE Pharmaplan had a total turnover of DKK 1,504 million, which is an increase of DKK 38 million or 2.6 percent compared to 2010.

Turnover generated from customers outside the Novo Nordisk Group increased to 62 percent from 56 percent in 2010. The business outside Denmark has increased from 52 percent to 58 percent in 2011, primarily driven by a higher turnover in Central Europe and Emerging Markets.

The operating profit in 2011 was DKK 22 million (2010: DKK 18 million), which corresponds to an operating profit margin of 1.5 percent (2010: 1.3 percent).

The principal reason for the poor financial result was a deficiency in the North American organisation, due to incorrect timing of income and profit recognition in previous years and unsatisfactory market performance.

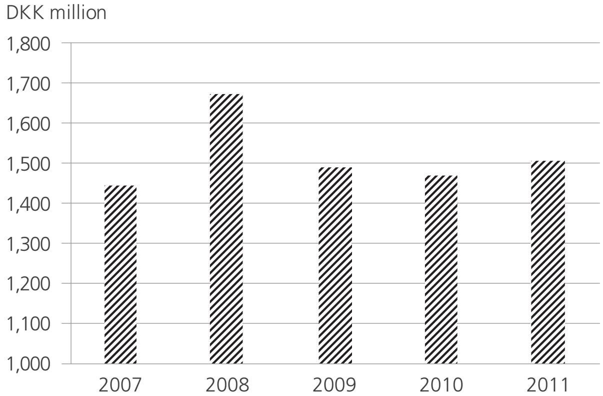
Net financials and tax
Net financials showed a loss of DKK 6 million in 2011 (2010: Loss of DKK 11 million). Compared to 2010 the net financials were positively impacted by lower unrealised and realised loss on provisions (share-based payments) amounting to DKK 15 million while negatively affected by DKK 11 million in unrealised and realised foreign exchange gains.

Total tax for the year was an expense of DKK 15 million (2010: Expense of DKK 2 million). Some subsidiaries failed to recognise a deferred tax asset on all tax losses, which negatively impacted the income taxes for the year as there was no convincing evidence that the Group will be able to utilise these tax losses, also partly due to local restrictions.

Net profit
The net profit was DKK 1 million, a decrease of DKK 4 million compared to 2010. This is due to an increase in operating profit of DKK 4 million, a decrease in net financial expenses of DKK 5 million and an increase in income taxes of DKK 13 million.

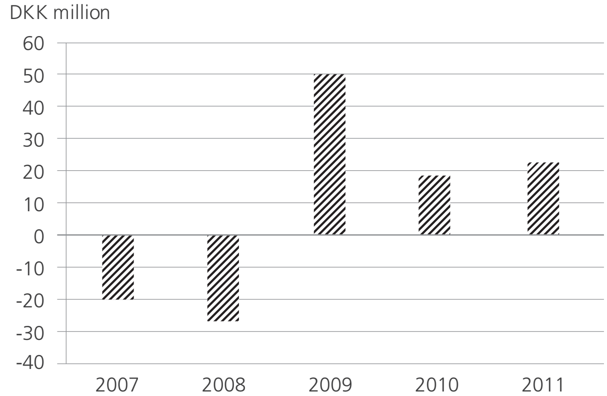
TURNOVER

DKK million



OPERATING PROFIT

DKK million



Balance sheet

The total assets at 31 December 2011 amounted to DKK 706 million, an increase of DKK 34 million compared to 2010. The trade receivables and receivables from related parties increased in 2011 by DKK 34 million to DKK 295 million and are mainly explained by a higher activity level with customers outside the Novo Group. The credit period decreased by 1 day to 65 days.

Fixed-price projects as well as current account projects decreased the work in progress by DKK 5 million and payment on account for work in progress increased by DKK 17 million (net DKK 22 million). The period before invoicing work in progress decreased to 12 days (2010: 20 days).

The total liabilities increased by DKK 33 million to DKK 558 million in 2011, primarily explained by an increase in trade payables and other liabilities of DKK 61 million and a decrease in provisions of DKK 30 million.

The 2011 equity increased by DKK 1 million to DKK 148 million, reflecting the net profit for the year of DKK 1 million. The net effect from share-based payments and positive exchange rate adjustments etc. amounts to DKK 0 million. The solvency ratio was 21.0 percent (2010: 21.8 percent) by the end of December 2011.

Cash flow

The net change in cash and cash equivalents in 2011 is DKK 25 million (2010: DKK -43 million). Compared to 2010 this is a significant change mainly caused by an improved cash flow from operating activities, work in progress and other payables, and less financing activities.

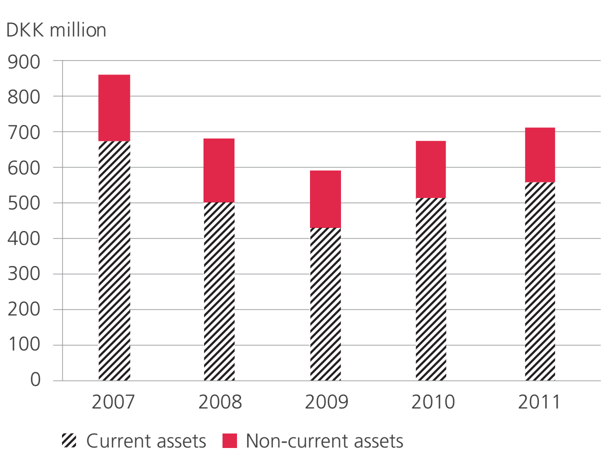
Proposed dividend

The Board of Directors proposes no dividend for the year (2010: DKK 0 million). This proposal will be submitted for adoption by the Annual General Meeting.

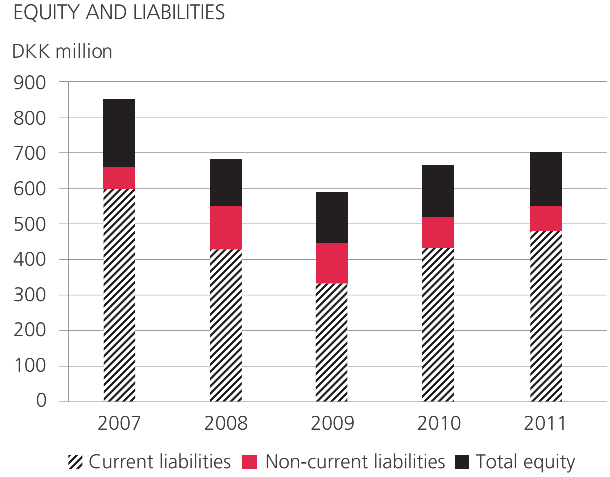
Post-balance-sheet events

No events have occurred after the end of the financial year with significant impact on the Company's financial position at 31 December 2011.

ASSETS



EQUITY AND LIABILITIES



FINANCIAL HIGHLIGHTS AND RATIOS FOR NNE PHARMAPLAN GROUP

Financial Highlights (DKK 1,000)

	2011	2010	2009	2008	2007
Income Statement					
Turnover	1,504,273	1,466,356	1,487,651	1,667,608	1,443,841
Operating profit	22,334	18,467	49,680	(26,871)	(20,032)
Net financials	(5,891)	(11,076)	(16,321)	7,308	7,302
Profit (loss) before income taxes	16,443	7,391	33,359	(19,563)	(12,730)
Net profit/(loss)	1,139	5,529	19,072	(32,091)	(1,812)
Proposed dividend	-	-	-	-	-
Assets					
Non-current assets	156,554	163,362	162,605	178,809	184,713
Current assets	549,218	508,024	426,253	500,496	669,242
Total assets	705,772	671,386	588,858	679,305	853,955
Capital expenditure net	10,932	4,518	5,272	14,248	8,320
Equity and liabilities					
Equity	147,948	146,643	140,921	128,421	188,743
Non-current liabilities	76,702	87,959	118,846	128,760	69,204
Current liabilities	481,122	436,784	329,091	422,124	596,008
Total equity and liabilities	705,772	671,386	588,858	679,305	853,955
Cash flow statement					
Cash flow from operating activities	53,527	208	104,941	39,461	(87,803)
Cash flow from investing activities	(10,932)	(4,518)	(5,272)	18,712	(51,358)
Cash flow from financing activities	(17,693)	(38,807)	(29,793)	(14,279)	71,639
Net change in cash and cash equivalents	24,902	(43,117)	69,876	43,894	(67,522)
Financial ratios					
Operating profit margin (EBIT margin)	1.5%	1.3%	3.3%	(1.6)%	(1.4)%
Before-tax profit margin	1.1%	0.5%	2.2%	(1.2)%	(0.9)%
Return on equity	0.8%	3.8%	14.2%	(20.2)%	(0.9)%
Solvency ratio	21.0%	21.8%	23.9%	18.9%	22.1%
Payout ratio	-	-	-	-	-
Dividend per share (DKK)	-	-	-	-	-
Number of employees at end of year (FTE)	1,668	1,649	1,579	1,524	1,463
Number of internal consultants at end of year	203	172	144	252	255
Number of employees and internal consultants	1,871	1,821	1,723	1,776	1,718

The 2007 – 2011 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	2011	2010
Turnover	2	1,504,273	1,466,356
Cost of projects	3,4	(1,294,099)	(1,244,510)
Gross profit		**210,174**	**221,846**
Sales and distribution costs	3,4	(63,788)	(68,065)
Administrative expenses	3,4	(124,052)	(135,314)
Operating profit		**22,334**	**18,467**
Financial income	5	3,696	14,563
Financial expenses	6	(9,587)	(25,639)
Profit before income taxes		**16,443**	**7,391**
Income taxes	7	(15,304)	(1,862)
Net profit for the year		**1,139**	**5,529**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Net profit for the year	**1,139**	**5,529**
Other comprehensive income:		
Exchange rate adjustment of investments in subsidiaries	234	9,674
Gains on revaluation of property, plant and equipment	1,516	-
Gains and losses on re-measuring available for sale financial assets	(1,281)	168
Tax on other comprehensive income	(303)	-
Other comprehensive income for the year, net of tax	**166**	**9,842**
Total comprehensive income for the year	**1,305**	**15,371**

BALANCE SHEET AS AT 31 DECEMBER – CONSOLIDATED

(DKK 1,000)

	Note	2011	2010
Assets			
Intangible assets	8	79,065	81,434
Property, plant and equipment	10	22,567	24,312
Investments	11	15,199	16,524
Deferred income tax assets	17	38,801	39,724
Other non-current assets		922	1,368
Total non-current assets		**156,554**	**163,362**
Work in progress	12	120,928	125,715
Trade receivables	13	189,764	142,522
Receivables from related parties	24	105,503	119,208
Tax receivables	18	3,224	7,558
Other receivables and prepayments	14	46,855	35,291
Cash at bank and in hand		82,944	77,730
Total current assets		**549,218**	**508,024**
Total assets		**705,772**	**671,386**

BALANCE SHEET AS AT 31 DECEMBER – CONSOLIDATED

(DKK 1,000)

	Note	2011	2010
Equity and Liabilities			
Share capital	15	500	500
Retained earnings		135,293	132,720
Other reserves		12,155	13,423
Total equity		**147,948**	**146,643**
Loans and payables to related parties	24	-	9,335
Deferred income tax liabilities	17	4,114	5,562
Retirement benefit obligations	20	48,421	44,752
Provisions	19	24,167	28,310
Total non-current liabilities		**76,702**	**87,959**
Payments on account for work in progress	12	65,948	48,897
Trade payables		63,036	51,772
Short term borrowing		28,869	25,639
Short term borrowing from related parties	24	28,098	43,322
Payables to related parties	24	4,815	2,863
Tax payables	18	5,339	3,587
Provisions	19	13,226	38,701
Other liabilities	16	271,791	222,003
Total current liabilities		**481,122**	**436,784**
Total liabilities		**557,824**	**524,743**
Total Equity and Liabilities		**705,772**	**671,386**
Commitments and contingencies	21		
Other notes	22-29		

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER – CONSOLIDATED

(DKK 1,000)

	Note	2011	2010
Operating activities			
Operating profit		**22,334**	**18,467**
Reversals with no effect on cash flow	26	9,868	45,024
(Increase)/decrease in trade receivables, work in progress and prepayments etc		(20,713)	(33,779)
Increase/(decrease) in trade payables and other payables etc		58,304	(9,486)
Cash flow from operating activities before financials		**69,793**	**20,226**
Financial income		3,696	14,563
Financial expenses		(9,587)	(25,639)
Cash flow from operating activities before tax		**63,902**	**9,150**
Income taxes paid	18	(10,375)	(8,942)
Cash flow from operating activities		**53,527**	**208**
Investments			
Purchase of intangible and tangible assets (net)		(10,932)	(4,518)
Cash flow from investing activities		**(10,932)**	**(4,518)**
Financing			
Share-based payments		(17,693)	(9,872)
Repayment of loan to Novo Nordisk A/S		-	(28,935)
Cash flow from financing activities		**(17,693)**	**(38,807)**
Net change in cash and cash equivalents		**24,902**	**(43,117)**
Cash and cash equivalents at the beginning of the year		27,608	66,814
Unrealised gain/(loss) on exchange rate on cash and cash equivalents		1,564	3,911
Cash and cash equivalents at the end of the year		**54,074**	**27,608**
Net cash and cash equivalents at the end of the year:			
Cash at bank and in hand		63,361	77,730
Short term borrowing		(28,869)	(25,639)
Cash Pool	24	19,582	(24,483)
Cash and cash equivalents at the end of the year		**54,074**	**27,608**
Maximum drawing facility, including Cash Pool arrangement with the Novo Nordisk Group		99,529	88,522
Financial resources at the end of the year		**153,603**	**116,130**

STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER – CONSOLIDATED

(DKK 1,000)

2011	Share capital	Retained earnings	Other reserves: Reserve for share-based compensation	Other reserves: Exchange rate adjustments etc	Total
Balance at the beginning of the year	500	132,720	5,611	7,812	146,643
Total comprehensive income for the year	-	1,139	-	166	1,305
Transactions with owners, recognised directly in equity:					
Dividend	-	-	-	-	-
Options exercised	-	1,434	(1,434)	-	-
Balance at the end of the year	**500**	**135,293**	**4,177**	**7,978**	**147,948**

2010	Share capital	Retained earnings	Other reserves: Reserve for share-based compensation	Other reserves: Exchange rate adjustments etc	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**

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 87-97, have 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 2011 is DKK 55.0 million (2010: DKK 76.8 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 2011 is DKK 2.6 million (2010: DKK 5.9 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-generating 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 chooses a suitable after-tax discount rate (WACC) in order to calculate present value of these cash flows. The carrying amount of goodwill at 31 December 2011 was DKK 61.8 million (2010: DKK 61.7 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 2011 was DKK 6.6 million (2010: DKK 7.9 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 2011 was DKK 3.2 million (2010: DKK 5.4 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 4.9 million at 31 December 2011 (2010: DKK 9.4 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 38.8 million (2010: DKK 39.7 million) and DKK 4.1 million (2010: DKK 5.6 million) respectively at 31 December 2011.

The tax value of a tax loss of DKK 51.6 million (2010: DKK 40.9 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.

Adoption of new and revised IFRSs
NNE Pharmaplan has adopted all new or amended and revised accounting standards and interpretations ("IFRSs") issued by IASB endorsed by the European Union effective for the accounting year 2011. 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 2011 and the Group does 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 the Group does not anticipate any significant impact on the Consolidated financial statements from the adoption of these standards.

IASB has issued an amendment to IAS 19 "Employee Benefits" which makes changes to the recognition and measurement of defined benefit pension expenses and termination benefits, and to the disclosure for all employee benefits. The amendment is required to be adopted by 1 January 2013. NNE Pharmaplan has assessed the impact of the standard and the amendment and determined that it will not have significant impact on the Consolidated financial statements. The amendment has not yet been endorsed by the European Union.

Principles of consolidation
The Consolidated financial statements incorporate 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 below 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 assets
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 systems
The Group's finance and project systems (ERP systems) include external and internal costs directly and indirectly allocated to the ERP systems. Computer software licenses are included in the costs.

The ERP systems are 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.

Increases in the carrying amount arising on revaluation of land and buildings are credited to Other comprehensive income and shown as Other reserves in shareholders' equity.

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 have 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 note 21 Commitments and contingencies.

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/expenses.

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 appreciation rights is measured, initially and at each reporting date until settled, at the fair value of the share appreciation 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 appreciation 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, NNE Pharmaplan Management and Senior Executives 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 transaction 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-term 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	$\dfrac{\text{Operating profit x 100}}{\text{Turnover}}$
Profit margin before tax	$\dfrac{\text{Profit before tax x 100}}{\text{Turnover}}$
Return on equity	$\dfrac{\text{Net profit x 100}}{\text{Average equity}}$
Solvency ratio	$\dfrac{\text{Equity at year end x 100}}{\text{Total assets}}$
Payout ratio	$\dfrac{\text{Total dividend x 100}}{\text{Net profit}}$
Dividend per share	$\dfrac{\text{Dividend}}{\text{Number of shares}}$

Financial definitions

Internal consultants are consultants hired on a temporary contract and have a notice period of 3 months or less.

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 2 Turnover		
Sales value of completed contracts during the year	1,164,266	1,421,162
Sales value of other service sales	142,301	140,146
Sales value of work in progress, end of year	470,532	272,826
Sales value of work in progress, beginning of year	(272,826)	(367,778)
Total	**1,504,273**	**1,466,356**

Turnover consists of 38% (44% in 2010) to companies in the Novo Nordisk Group,
10% (13% in 2010) to the Novozymes Group and 52% (43% in 2010) to other customers.
The distribution is 42% (48% in 2010) in Denmark and 58% (52% in 2010) abroad.

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

	2011	2010
Note 3 Employee costs		
Wages and salaries	767,679	754,550
Pensions defined contribution plans	75,081	77,642
Pensions defined benefit plans (note 20)	6,893	5,120
Share-based payment cost (note 25)	2,422	6,236
Other contributions to social security	38,097	33,102
Other employee costs	40,831	35,790
Total	**931,003**	**912,440**
Included in the Income statement under the following headings:		
Cost projects	804,360	777,343
Sales and distribution costs	40,318	38,686
Administrative expenses	86,325	96,411
Total	**931,003**	**912,440**

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 3 Employee costs (continued)		
Average number of full-time employees	1,675	1,659

At the end of the year the Group had 1,668 full time employees compared to 1,649 at year end 2010.

	2011	2010
Management's remuneration and share-based payments:		
Fees to Board of Directors	855	637
Salary, cash bonus etc to Executive Management	2,763	10,014
Pension contribution to Executive Management	508	879
Share-based payment to Executive Management (note 25)	176	692
Salary, cash bonus etc to NP Management	15,197	2,886
Pension contribution to NP Management	1,414	256
Share-based payment to NP Management	1,187	102
Total	**21,983**	**15,466**

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 significant change in salaries etc. to Management from 2010 to 2011 is due to the fact that Management was expanded in January 2011 from 4 to 11 persons, when establishing the new organisation with five regions.

Executive Management (CEO) is entitled to a severance payment of 12 months' salary plus pension contribution, if terminated by the Company.

	2011	2010
Note 4 Depreciation, amortisation and impairment losses		
Depreciation and amortisation are derived from:		
Intangible assets	6,263	6,611
Property, plant and equipment	6,306	6,099
Total	**12,569**	**12,710**
Included in the Income statement under the following headings:		
Cost of projects	11,276	11,325
Sales and distribution costs	246	238
Administrative expenses	1,047	1,147
Total	**12,569**	**12,710**

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 5 Financial income		
Interest income on loans to related parties (note 24)	16	124
Interest income on short-term bank deposits	240	181
Other financial income	221	137
Unrealised/realised foreign exhange gains	3,219	14,121
Total	**3,696**	**14,563**

Note 6 Financial expenses		
Interest expenses on loans to related parties (note 24)	1,261	820
Interest expenses bank borrowings	586	779
Other interest expenses	240	289
Discounted amount on provision on dilapidation	322	464
Unrealised/realised capital loss on provisions (share-based payment, note 19)	2,747	17,979
Unrealised/realised foreign exhange loss	3,490	4,201
Other financial expenses	941	1,107
Total	**9,587**	**25,639**

Note 7 Income taxes		
Current tax on profit for the year (note 18)	12,335	12,294
Deferred tax on profit for the year (note 17)	4,166	(13,076)
Tax on profit for the year	**16,501**	**(782)**
Adjustments related to previous years – deferred tax (note 17)	(5,034)	393
Adjustments related to previous years – current tax (note 18)	3,837	2,251
Total	**15,304**	**1,862**

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.

Computation of effective tax rate:		
Statutory corporate income tax rate in Denmark	25.0%	25.0%
Adjustments to previous years	(7.3%)	35.8%
Non-tax income less non-tax deductible expenses	8.8%	(52.8%)
Tax loss carry-forward, not booked	92.4%	32.2%
Changes in tax rate from 2010 to 2011	0.1%	1.2%
Deviation in foreign subsidiaries' tax rates compared to the Danish tax rate	(25.9%)	(16.2%)
Effective tax rate	**93.1%**	**25.2%**

NOTES – CONSOLIDATED
(DKK 1,000)

Note 8 Intangible assets

2011	**Goodwill**	**Patents/ certificates**	**Contracts**	**Customer lists**	**Trademark**	**ERP system and software**	**Total**
Cost at 1 January	61,705	975	25,318	5,464	13,164	46,233	152,859
Additions during the year	-	-	-	-	-	3,718	3,718
Disposals during the year	-	-	-	-	-	(217)	(217)
Exchange rate adjustments	106	12	(69)	(46)	-	85	88
Cost at 31 December	**61,811**	**987**	**25,249**	**5,418**	**13,164**	**49,819**	**156,448**
Depreciation and impairment losses at 1 January	-	719	19,912	3,395	5,268	42,131	71,425
Depreciation for the year	-	52	2,157	352	1,317	2,385	6,263
Disposals during the year	-	-	-	-	-	(217)	(217)
Exchange rate adjustments	-	6	(54)	(7)	-	(33)	(88)
Depreciation and impairment losses at 31 December	-	**777**	**22,015**	**3,740**	**6,585**	**44,266**	**77,383**
Carrying amount at 31 December	**61,811**	**210**	**3,234**	**1,678**	**6,579**	**5,553**	**79,065**

2010	**Goodwill**	**Patents/ certificates**	**Contracts**	**Customer lists**	**Trademark**	**ERP system and software**	**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**

NOTES – CONSOLIDATED

(DKK 1,000)

Note 9 Impairment testing of goodwill

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

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

Compared to last year NNE Pharmaplan Inc. has been excluded from the impairment test of the Pharmaplan Group unit as it has been assessed, that the existing activities in NNE Pharmaplan Inc. only to a very limited extent are related to the former Pharmaplan Group aquired back in 2007.

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

	Pharmaplan Group		NNE Pharmaplan Inc.		Total	
	2011	2010	2011	2010	2011	2010
Carrying amount of goodwill	**56,963**	**56,969**	**4,848**	**4,736**	**61,811**	**61,705**

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 7.1% (2010: 6.4%). The average operating profit margin is 4-8% (2010: 5.6-8%). The growth rate used to extrapolate the cash flows of the Pharmaplan Group beyond the five-year period is 0% (2010: 0%).

NNE Pharmaplan Inc.

The recoverable amount of the NNE Pharmaplan Inc. 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 cash flow is 7.1%. The average operating profit margin is 0-2%. The growth rate used to extrapolate the cash flows of NNE Pharmaplan Inc. beyond the five-year period is 0%.

NOTES – CONSOLIDATED

(DKK 1,000)

Note 10 Property, plant and equipment

2011	Land and buildings	Leasehold improvements	Other equipment	Total
Cost at 1 January	11,236	12,463	60,606	84,305
Additions during the year	-	4,698	4,054	8,752
Disposals during the year	(3,940)	(10,232)	(2,894)	(17,066)
Exchange rate adjustments	(44)	50	26	32
Cost at 31 December	**7,252**	**6,979**	**61,792**	**76,023**
Depreciation and impairment losses at 1 January	4,696	5,454	49,843	59,993
Revaluation surplus	(1,516)	-	-	(1,516)
Depreciation for the year	-	1,886	4,420	6,306
Disposals during the year	(3,940)	(5,201)	(2,271)	(11,412)
Exchange rate adjustments	(26)	19	92	85
Depreciation and impairment losses at 31 December	**(786)**	**2,158**	**52,084**	**53,456**
Carrying amount at 31 December	**8,038**	**4,821**	**9,708**	**22,567**
Financially leased assets amount to	**-**	**-**	**170**	**170**

The Group leases cars under non-cancellable finance lease agreements.

An independent valuation of the Group's land and buildings was performed by valuers to determine the fair value of the land and buildings as at 31 December 2011 and 2010. The valuation was determined by reference to recent market transactions on arm's length terms. The revaluation surplus net of applicable deferred income taxes was credited to Other comprehensive income and is shown in Other reserves in shareholders' equity.

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	**-**	**-**	**762**	**762**

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 11 Investments		
Joint ventures		
Aggregated financial information of pro rata consolidated joint ventures:		
Sales	-	380
Costs	(42)	348
Tax (income)	(126)	(345)
Net profit	168	377
Current assets	158	446
Current liabilities	5	161

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.

	2011	2010
Other investments		
Value at 1 January	16,524	16,356
Fair value and exchange rate adjustments	(1,325)	168
Value at 31 December	**15,199**	**16,524**

Other investments relate primarily to shares in Abu Dhabi Medical Devices Company Ltd. of DKK 15 million (2010: DKK 16 million).

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 12 Work in progress and payments on account for work in progress		
Current account contracts		
Work in progress	72,415	69,844
Prepayments on account	(20,323)	(2,079)
Total	**52,092**	**67,765**
Fixed-price contracts		
Work in progress	398,190	207,368
Prepayments on account	(395,302)	(198,315)
Total	**2,888**	**9,053**
Total	**54,980**	**76,818**

This is classified in the balance as shown below:

	Current account	Fixed-price	Total	Total
Current assets	72,415	48,513	120,928	125,715
Current liabilities	(20,323)	(45,625)	(65,948)	(48,897)
Total	**52,092**	**2,888**	**54,980**	**76,818**

Work in progress includes an unrealised profit of DKK 42.6 million at 31 December 2011 against an unrealised profit of DKK 41.5 million at 31 December 2010.

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 13 Trade receivables		
Trade receivables (gross)	**194,708**	**151,885**
Allowance for doubtful trade receivables:		
Balance at the beginning of the year	(9,363)	(8,025)
Change in allowance during the year	(772)	(1,497)
Realised losses during the year	4,957	342
Exchange rate adjustments	234	(183)
Balance at the end of the year	**(4,944)**	**(9,363)**
Trade receivables (net)	**189,764**	**142,522**

Trade receivables (net) can be specified as follows:

Neither past due nor impaired	124,319	99,701
Past due:		
Between 1 and 90 days	48,306	33,374
Between 91 and 180 days	13,584	7,589
Between 181 and 270 days	501	1,085
Between 271 and 360 days	2,506	141
More than 360 days	548	632
Trade receivables (net)	**189,764**	**142,522**

Historically the Group has only had minor losses on debtors.

Note 14 Other receivables and prepayments

Prepaid rent	5,122	1,172
Prepaid IT costs	692	1,694
Other prepaid costs	16,496	11,627
Accrued income	1,163	6,439
Deposits	4,851	4,406
Employee costs	2,669	1,808
Other receivables	15,862	8,145
Total	**46,855**	**35,291**

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
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 have a right of first refusal in case of any transfer of A shares.

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

Note 16 Other liabilities		
Employee costs payable	169,472	156,382
VAT, taxes and other contributions to social security	18,995	21,194
Accruals	77,314	42,605
Financial lease commitments	254	783
Other payables	5,756	1,039
Total	**271,791**	**222,003**
The debt is payable within the following periods as from the balance sheet date:		
Within one year	271,791	222,003
Total	**271,791**	**222,003**
Other liabilities are denominated in the following currencies:		
CNY	15,394	16,178
USD	12,717	1,716
EUR	69,058	29,136
SEK	4,376	10,746
CHF	17,619	11,728
INR	3,914	4,226
MYR	867	494
RUB	8,153	5,319
CZK	-	36
DKK	139,693	142,424
Total	**271,791**	**222,003**

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)

	2011	2010
Note 17 Deferred tax assets/Deferred tax liabilities		
At the beginning of the year	34,162	21,027
Deferred tax on profit for the year (note 7)	(4,166)	13,076
Adjustments related to previous years (note 7)	5,034	(393)
Deferred tax on items recognised in Other comprehensive income	(303)	-
Exchange rate adjustments	(40)	452
Total deferred tax assets/liabilities (net)	**34,687**	**34,162**

2011	Intangible assets	Property, plant and equipment	Work in progress and provisions	Tax loss carry forward	Provisions	Other	Offset within countries	Total
Deferred tax asset at 1 January	435	7,505	6,752	16,311	18,003	545	(9,827)	39,724
Deferred tax liability at 1 January	(5,562)	(913)	(4,265)	-	(4,408)	(241)	9,827	(5,562)
Net deferred tax asset/(liability) at 1 January	**(5,127)**	**6,592**	**2,487**	**16,311**	**13,595**	**304**	**-**	**34,162**
Exchange rate adjustments	51	19	266	(130)	(164)	(82)	-	(40)
Income/(charge) to the Income statement	1,566	(919)	341	7,398	(7,659)	141	-	868
Other comprehensive income	-	(303)	-	-	-	-	-	(303)
Deferred tax asset/(liability) at 31 December	**(3,510)**	**5,389**	**3,094**	**23,579**	**5,772**	**363**	**-**	**34,687**
Specified as follows:								
Deferred tax asset at 31 December	604	6,426	10,356	23,579	13,508	655	(16,327)	38,801
Deferred tax liability at 31 December	(4,114)	(1,037)	(7,262)	-	(7,736)	(292)	16,327	(4,114)
Net deferred tax asset/(liability) at 31 December	**(3,510)**	**5,389**	**3,094**	**23,579**	**5,772**	**363**	**-**	**34,687**

Tax losses carried forward

Further to the above, the tax value of tax losses carried forward of DKK 51.6 million (2010: DKK 40.9 million) has not been recognised in the Balance sheet due to the likelihood that the tax losses will not be realised in the future. Of the unrecognised tax losses carried forward, DKK 0 million expires within one year, DKK 2.7 million between 2-5 years and DKK 48.9 million after more than five years.

NOTES – CONSOLIDATED

(DKK 1,000)

2010	Intangible assets	Property, plant and equipment	Work in progress and provisions	Tax loss carry forward	Provisions	Other	Offset within countries	Total
Deferred tax asset at 1 January	344	7,620	8,268	10,905	11,317	379	(10,909)	27,924
Deferred tax liability at 1 January	(6,897)	(978)	(5,147)	-	(4,721)	(63)	10,909	(6,897)
Net deferred tax asset/(liability) at 1 January	**(6,553)**	**6,642**	**3,121**	**10,905**	**6,596**	**316**	**-**	**21,027**
Exchange rate adjustments	30	135	1,079	44	(842)	6	-	452
Income/(charge) to the Income statement	1,396	(185)	(1,713)	5,362	7,841	(18)	-	12,683
Deferred tax asset/(liability) at 31 December	**(5,127)**	**6,592**	**2,487**	**16,311**	**13,595**	**304**	**-**	**34,162**
Specified as follows:								
Deferred tax asset at 31 December	435	7,505	6,752	16,311	18,003	545	(9,827)	39,724
Deferred tax liability at 31 December	(5,562)	(913)	(4,265)	-	(4,408)	(241)	9,827	(5,562)
Net deferred tax asset/(liability) at 31 December	**(5,127)**	**6,592**	**2,487**	**16,311**	**13,595**	**304**	**-**	**34,162**

	2011	2010
Note 18 Tax payables/tax receivables		
At the beginning of the year	3,971	9,629
Corporation tax paid during the year	1,172	(6,446)
Prepaid tax	9,203	15,388
Adjustments related to previous years (note 7)	(3,837)	(2,251)
Current tax for the year (note 7)	(12,335)	(12,294)
Exchange rate adjustments	(289)	(55)
Total tax receivable / (tax payable)	**(2,115)**	**3,971**
This can be specified as follows:		
Current assets	3,224	7,558
Current liabilities	(5,339)	(3,587)
Total	**(2,115)**	**3,971**

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010

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 5 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	5,867	4,872	13,825	25,713	16,734	67,011	40,896
Additions during the year	2,371	1,715	1,433	5,015	783	11,317	15,369
Unused amounts reversed	(5,693)	(149)	(11,874)	-	(1,139)	(18,855)	(7,987)
Used during the year	(168)	(210)	(563)	(18,568)	(5,933)	(25,442)	(1,168)
Value adjustment	-	-	-	3,539	(792)	2,747	17,979
Increase in discounted amount	-	-	322	-	-	322	464
Exchange rate adjustments	224	(43)	28	-	84	293	1,458
Provisions at 31 December	**2,601**	**6,185**	**3,171**	**15,699**	**9,737**	**37,393**	**67,011**

	2011	2010
Specification of provisions:		
Current provisions	13,226	38,701
Non-current provisions	24,167	28,310
Total	**37,393**	**67,011**
Current provisions are denominated in the following currencies:		
CNY	1,274	3,303
USD	-	1,085
SEK	201	551
EUR	1,236	3,612
CHF	320	2,742
INR	17	82
MYR	15	209
DKK	10,163	27,117
Total	**13,226**	**38,701**
Non-current provisions are denominated in the following currencies:		
USD	2,716	1,217
EUR	261	250
INR	704	309
DKK	20,486	26,534
Total	**24,167**	**28,310**

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 future 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 5 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:

	2011	2010	2009	2008	2007
Retirement obligations	78,805	68,841	53,449	49,456	27,913
Fair value of plan assets	(30,523)	(21,949)	(18,293)	(14,758)	(332)
Net unfunded	**48,282**	**46,892**	**35,156**	**34,698**	**27,581**
Unrecognised actuarial gains/(loss)	139	(2,140)	6,870	5,370	2,951
Net retirement obligations recognised in the Balance sheet	**48,421**	**44,752**	**42,026**	**40,068**	**30,532**

	2011	2010
Changes in the retirement benefit obligations:		
Beginning of the year	68,841	53,449
Current service cost	4,678	3,846
Interest cost	2,722	2,565
Actuarial gains/(losses) experienced	1,868	597
Actuarial gains/(losses) assumptions	(4,986)	6,627
Benefits (paid to)/received from employees	3,082	(3,118)
Other	-	1,233
Exchange rate adjustments	2,600	3,642
At the end of year	**78,805**	**68,841**

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 20 Retirement benefit obligations (continued)		
Changes in the fair value of plan assets of the year:		
Beginning of the year	21,949	18,293
Expected return on plan assets	791	645
Actuarial gains/(losses)	(991)	(890)
Employer contributions	2,785	2,503
Benefits (paid to)/received from employees	3,522	(2,777)
Other	-	1,233
Exchange rate adjustments	2,467	2,942
At the end of the year	**30,523**	**21,949**

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.

	2011	2010
Change in the net retirement obligations recognised in the Balance sheet:		
At the beginning of the year	44,752	42,026
Recognised in the Income statement	6,893	5,120
Employeer contributions	(2,785)	(2,503)
Benefit paid to employees, net	(440)	(341)
Other	-	2
Exchange rate adjustments	1	448
At the end of the year	**48,421**	**44,752**

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 20 Retirement benefit obligations (continued)		
Costs recognised in the Income statement for the year		
Current service cost	4,678	3,846
Interest cost on pension obligation	2,722	2,565
Expected return on plan assets	(791)	(645)
Actuarial gains/losses recognised in the year	315	(391)
Exchange rate adjustments	(31)	(255)
Past service cost	-	-
Total expenses included in employee costs	**6,893**	**5,120**

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

Cost of projects	6,019	4,445
Sales and distribution costs	280	200
Administrative expenses	594	475
Total	**6,893**	**5,120**

The Group expects to contribute DKK 6.6 million to its defined benefit pension plans in 2012 (2011: DKK 7.0 million).

Weighted average asset allocation of funded retirement obligations

Equities	25%	22%
Bonds	42%	46%
Property	20%	17%
Cash	13%	15%

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

Discount rate	4%	4%
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)

	2011	2010
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 55.8 million in 2011 and DKK 53.3 million in 2010. Approximately 28% (2010: 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 15 years for NNE Pharmaplan.		
Lease commitments are expiring within the following periods as from the end of the reporting period:		
Within one year	45,671	45,288
Between one and two years	33,208	40,181
Between two and three years	23,792	35,638
Between three and four years	20,139	28,619
Between four and five years	18,794	27,822
After five years	73,737	24,888
Total	**215,341**	**202,436**
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:		
Within one year	13,715	10,282
Between one and two years	2,769	37
Between two and three years	713	34
Between three and four years	17	25
Between four and five years	-	11
Total	**17,214**	**10,389**
Guarantees		
Guarantees for lease commitments	-	12,141
Bank guarantees	25,722	13,451
Total	**25,722**	**25,592**

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)

	2011	2010
Note 22 Fees to statutory auditors		
Statutory audit fee to PWC	2,242	2,505
Audit-related services	428	341
Tax advisory services	108	734
Other services	-	-
Total	**2,778**	**3,580**

Note 23 Business combinations

No acquisitions were made in 2011 and 2010.

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:

	2011	2010
Value of services sold		
The Novo Nordisk Group	585,805	658,752
The Novozymes Group	103,626	192,607
Novo A/S	-	4
Total	**689,431**	**851,363**
Value of services acquired		
The Novo Nordisk Group	12,812	9,319
Total	**12,812**	**9,319**
Financial income		
The Novo Nordisk Group	16	124
Total	**16**	**124**
Financial expenses		
The Novo Nordisk Group	1,261	820
Total	**1,261**	**820**

NOTES – CONSOLIDATED

(DKK 1,000)

	2011	2010
Note 24 Transactions with related parties (continued)		
Receivables		
The Novo Nordisk Group	79,635	78,684
The Novozymes Group	25,868	40,524
Total	**105,503**	**119,208**
Cash and Cash equivalents		
The Novo Nordisk Group	19,582	(24,483)
Total	**19,582**	**(24,483)**
Payables		
The Novo Nordisk Group	4,720	2,863
The Novozymes Group	95	-
Total	**4,815**	**2,863**
Loans Novo Nordisk Group		
Non-current	-	9,335
Current	28,098	18,839
Total	**28,098**	**28,174**
Share-based payment (acquired)		
The Novo Nordisk Group	-	9,872
Total	**-**	**9,872**

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, Tuborg Havnevej 19, DK-2900 Hellerup.

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, NNE Pharmaplan 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 entirely linked to the financial performance of NNE Pharmaplan Group. A maximum of 4 months' (8 months' for the CEO) 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.

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 2011.

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	2011	2010
Expected life of the right in years (average)	2	4
Expected volatility (based on one-year historical volatility)	23%	21%
Expected dividend per share (in DKK)	13	10
Risk-free interest rate (based on Danish Government bonds)	0.2%	2.0%
Novo Nordisk B share price at 31 December	660	629

NOTES – CONSOLIDATED

(DKK 1,000)

Note 25 Share-based payment schemes (continued)

Outstanding share options in Novo Nordisk A/S

	Executive Management number	NNE Pharmaplan Management and Senior Executives number	Total number	Average exercise price (DKK 1,000)	Fair value (DKK 1,000)
Outstanding at 1 January 2011	-	134,500	134,500	159	59,739
Granted in 2011	-	-	-	-	-
Exercised in 2011	-	(35,300)	(35,300)	161	(15,580)
Value adjustment	-	-	-	-	3,434
Outstanding at 31 December 2011	**-**	**99,200**	**99,200**	**158**	**47,593**
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**

	Issued share options number	Exercised share options number	Outstanding exercisable share options number	Exercise price (DKK)	Exercise period
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	(77,950)	25,050	133.5	31/1 2008 - 30/1 2013
Share option plan for 2005	95,934	(79,034)	16,900	153.0	31/1 2009 - 30/1 2014
Share option plan for 2006	132,686	(78,936)	53,750	175.0	31/1 2010 - 30/1 2015
Exercisable share option plan at 31 December 2011	**461,370**	**(362,170)**	**99,200**		

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(DKK 1,000)

	2011	2010
Note 25 Share-based payment schemes (continued)		
Employee shares (Outside DK)	329	2,279
Share-based payment / NNE Pharmaplan Group long-term share-based incentive programme	2,093	3,734
Share-based payment / Novo Nordisk Group long-term share-based incentive programme	-	223
Total cost of share-based payment for the year	**2,422**	**6,236**
Included in the Income statement under the following headings:		
Cost of projects	2,114	5,415
Sales and distribution costs	99	243
Administrative expenses	209	578
Total	**2,422**	**6,236**
This amount can be specified as follow		
Executive Management	176	692
Other employees	2,246	5,544
Total	**2,422**	**6,236**
Financial expenses, realised and unrealised loss (note 6)	2,747	17,979
The liability of the restricted stock units/awards:		
The liability of the restricted stock units/awards regarding the cash-settled scheme	**15,699**	**25,713**
The liability of the employee restricted stock award plan 2008	**9,030**	**10,085**

	2011	2010
Note 26 Reversals with no effect on the cash flow		
Depreciation, including gain and loss on fixed assets sold	4,725	17,966
Options amount reclassified to salaries and paid share-based payments	-	223
Change in provisions	(631)	26,115
Change in pensions etc.	5,774	720
Total	**9,868**	**45,024**

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	2011	2010
USD	3.7	0.2
CNY	0.6	3.5

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, Sweden and Ireland amounts to a total of DKK 71.8 million (2010: DKK 120.5 million).

DKK million	2011	2010
EUR	38.4	25.4
USD	(35.2)	9.0
CNY	66.3	88.9
SEK	2.3	(2.8)

Interest rate risk
NNE Pharmaplan's interest rate risk consists of the sensitivity of net interest bearing item to changes in the interest rate.
The net interest bearing debt in NNE Pharmaplan amounts to an asset of DKK 26.0 million (2010: An asset of DKK 0.6 million).

At the end of 2011 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 0.3 million (2010: DKK 0.0 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 2011 the five largest clients accounted for 58% (2010: 60%) 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 minimising 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)

2011	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowing	(28,869)	-	-	-	(28,869)
Payments on account for work in progress	(65,948)	-	-	-	(65,948)
Trade payables	(63,036)	-	-	-	(63,036)
Borrowing from related parties*	(28,098)	-	-	-	(28,098)
Payables to related parties	(4,815)	-	-	-	(4,815)
Other liabilities (less taxes and other duties payable)	(252,796)	-	-	-	(252,796)
Financial liabilities	**(443,562)**	**-**	**-**	**-**	**(443,562)**
Work in progress	120,928	-	-	-	120,928
Trade receivables	189,764	-	-	-	189,764
Receivables from related parties	105,503	-	-	-	105,503
Other receivables (excl. prepayments)	24,545	-	-	-	24,545
Cash at bank and in hand	82,944	-	-	-	82,944
Financial assets	**523,684**	**-**	**-**	**-**	**523,684**
Net at 31 December	**80,122**	**-**	**-**	**-**	**80,122**

* Borrowing related parties is loan from the Parent Company

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	(51,772)	-	-	-	(51,772)
Borrowing from related parties*	(43,322)	(9,335)	-	-	(52,657)
Payables to related parties	(2,863)	-	-	-	(2,863)
Other liabilities (less taxes and other duties payable)	(200,809)	-	-	-	(200,809)
Financial liabilities	**(373,302)**	**(9,335)**	**-**	**-**	**(382,637)**
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	**112,671**	**(9,335)**	**-**	**-**	**103,336**

* 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 21.0% by the end of the year (2010: 21.8%).

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 2011, 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:

	2011		2010	
	Loans and receivables	**Total**	**Loans and receivables**	**Total**
Work in progress	120,928	120,928	125,715	125,715
Trade and other receivables	236,619	236,619	177,813	177,813
Receivables from related parties	105,503	105,503	119,208	119,208
Cash at bank and in hand	82,944	82,944	77,730	77,730
Assets as per 31 December	**545,994**	**545,994**	**500,466**	**500,466**

	2011		2010	
	Other financial liabilities	**Total**	**Other financial liabilities**	**Total**
Payments on account for work in progress	65,948	65,948	48,897	48,897
Trade payables	63,036	63,036	51,772	51,772
Short term borrowings	28,869	28,869	25,639	25,639
Short term borrowings related parties	28,098	28,098	43,322	43,322
Payables to related parties	4,815	4,815	2,863	2,863
Other liabilities	271,791	271,791	222,003	222,003
Liabilities as per 31 December	**462,557**	**462,557**	**394,496**	**394,496**

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	1,723,500	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 2011 of the Parent Company NNE Pharmaplan A/S

INCOME STATEMENTS OF THE PARENT COMPANY NNE PHARMAPLAN A/S

(DKK 1,000)

	Note	2011	2010
Turnover	2	801,053	810,762
Cost of projects	3	(654,905)	(686,877)
Gross profit		**146,148**	**123,885**
Sales and distribution costs	3	(34,309)	(38,847)
Administrative expenses	3	(70,159)	(80,495)
Operating profit		**41,680**	**4,543**
Share of profit/loss in subsidiaries	9	(27,671)	3,561
Financial income	4	3,719	14,240
Financial expenses	5	(6,627)	(21,790)
Profit before income taxes		**11,101**	**554**
Income taxes	6	(15,222)	1,967
Net profit for the year		**(4,121)**	**2,521**

Proposed appropriation of net profit:			
Dividend to shareholders		-	-
Retained earnings		(4,121)	2,521
Reserve for net revaluation under the equity method		-	-
Total		**(4,121)**	**2,521**

BALANCE SHEET OF THE PARENT COMPANY NNE PHARMAPLAN A/S

(DKK 1,000)

	Note	2011	2010
Assets			
Intangible assets	7	767	356
Property, plant and equipment	8	3,196	8,883
Investments in subsidiaries	9	108,527	165,228
Deferred income tax assets		6,395	12,851
Total non-current assets		**118,885**	**187,318**
Work in progress and payments on accounts	10	45,916	30,705
Trade receivables		26,898	44,521
Receivables from related parties		233,737	217,426
Tax receivables		719	5,094
Other receivables and prepayments		2,998	4,377
Prepayments		6,338	5,513
Cash at bank and in hand		20,415	2,965
Total current assets		**337,021**	**310,601**
Total assets		**455,906**	**497,919**

BALANCE SHEET OF THE PARENT COMPANY NNE PHARMAPLAN A/S

(DKK 1,000)

	Note	2011	2010
Equity and Liabilities			
Share capital	11	500	500
Retained earnings		117,087	121,154
Total equity		**117,587**	**121,654**
Loans and payables to related parties	13	-	9,335
Provisions		20,485	26,534
Total non-current liabilities		**20,485**	**35,869**
Payments on account for work in progress	10	28,010	21,265
Trade payables		30,046	29,276
Payables to related parties	13	79,519	76,562
Short term borrowing related parties	13	28,098	43,322
Tax payables		2,303	-
Provisions		10,164	27,330
Other liabilities		139,694	142,641
Total current liabilities		**317,834**	**340,396**
Total liabilities		**338,319**	**376,265**
Total equity and liabilities		**455,906**	**497,919**
Commitments and contingencies	12		

STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER OF THE PARENT COMPANY NNE PHARMAPLAN A/S

(DKK 1,000)

2011	**Share Capital**	**Reserve under the equity method**	**Retained earnings**	**Total**
Balance at beginning of year	500	-	121,154	121,654
Exchange rate adjustments of investment in subsidiaries	-	-	122	122
Adjustment of investment in subsidiaries prior years	-	-	(68)	(68)
Realised loss on options used paid to parent company	-	-	-	-
Net income/(loss) recognised directly in equity	**-**	**-**	**54**	**54**
Net profit/(loss)	-	-	(4,121)	(4,121)
Total income/(loss)	**-**	**-**	**(4,067)**	**(4,067)**
Cost of share-based payment	-	-	-	-
Proposed dividend 2011	-	-	-	-
Balance end of year	**500**	**-**	**117,087**	**117,587**

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

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.

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 54-60.

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 net profit of subsidiaries 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)

	2011	2010
Note 2 Turnover		
Sales value of completed contracts during the year	651,521	767,335
Sales value of other sales	25,328	30,448
Sales value of work in progress, end of year	217,843	93,639
Sales value of work in progress, beginning of year	(93,639)	(80,660)
Total	**801,053**	**810,762**

Note 3 Employee costs		
Wages and salaries	461,366	499,301
Pensions	43,081	47,760
Share-based payment cost	2,422	6,236
Other contributions to social security	6,784	7,077
Other employee costs	11,926	12,159
Total	**525,579**	**572,533**
Included in the Income statement under the following headings:		
Cost of projects	458,957	495,205
Sales and distribution costs	17,698	18,069
Administrative expenses	48,924	59,259
Total	**525,579**	**572,533**

The average number of full-time employees in 2011 was 720 compared to 779 in 2010. At the end of the year the company had 688 employees compared to 762 at year end 2010.

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

Note 4 Financial income		
Interest income from group companies	1,453	1,301
Other financial income	2,266	12,939
Total	**3,719**	**14,240**

Note 5 Financial expenses		
Interest expenses to group companies	1,346	849
Other financial expenses	5,281	20,941
Total	**6,627**	**21,790**

NOTES – PARENT COMPANY

(DKK 1,000)

Note 6 Income taxes

The Parent Company paid DKK 6.0 million in tax related to current year (DKK 5.5 million in 2010).

Note 7 Intangible assets

2011	ERP system and software	Total
Cost at 1 January	39,474	39,474
Additions during the year	1,150	1,150
Cost at 31 December	**40,624**	**40,624**
Depreciation and impairment losses at 1 January	39,118	39,118
Depreciation for the year	739	739
Depreciation and impairment losses at 31 December	**39,857**	**39,857**
Carrying amount at 31 December	**767**	**767**

Note 8 Property, plant and equipment

2011	Leasehold improvements	Other equipment	Total
Cost at 1 January	10,232	36,398	46,630
Additions during the year	-	1,671	1,671
Disposals during the year	(10,232)	-	(10,232)
Cost at 31 December	**-**	**38,069**	**38,069**
Depreciation and impairment losses at 1 January	4,519	33,229	37,748
Depreciation for the year	682	1,644	2,326
Disposals during the year	(5,201)	-	(5,201)
Depreciation and impairment losses at 31 December	**-**	**34,873**	**34,873**
Carrying amount at 31 December	**-**	**3,196**	**3,196**

NOTES – PARENT COMPANY

(DKK 1,000)

	2011	2010
Note 9 Investments in subsidiaries and joint ventures		
Investments in subsidiaries		
Cost at 1 January	292,709	274,102
Additions during the year	4,139	19,752
Disposals during the year	(5,731)	(1,145)
Cost at 31 December	**291,117**	**292,709**
Revaluation at 1 January	(75,677)	(97,312)
Exchange rate adjustments	1,447	8,931
Net profit/(loss) for the year	(19,743)	12,704
Dividend received	(28,863)	-
Revaluation on disposals during the year	-	-
Revaluation at 31 December	**(122,836)**	**(75,677)**
Depreciation and impairment losses at 1 January	(51,804)	(42,935)
Exchange rate adjustments	(22)	274
Amortisation of goodwill	(7,928)	(9,143)
Depreciation on disposals during the year	-	-
Impairment losses and depreciation at 31 December	**(59,754)**	**(51,804)**
Carrying amount at 31 December	**108,527**	**165,228**

Aggregated financial information of subsidiaries:

Company	Domicile	Share of ownership	Share capital	Net equity	Profit/Loss
NNE Pharmaplan sas	Chatres, France	100%	EUR 1,723,500	8,573	1,282
NNE Pharmaplan Inc.	Morrisville, USA	100%	USD 375,568	(35,259)	(40,427)
NNE Pharmaplan (Tianjin) Co. Ltd.	Tianjin, China	100%	USD 1,490,000	66,348	2,715
NNE Pharmaplan AB	Stockholm, Sweden	100%	SEK 100,000	2,282	1,146
NNE Pharmaplan GmbH	Bad Homburg, Germany	100%	EUR 550,000	29,415	15,544
NNE Pharmaplan Ltd.	Dublin, Ireland	100%	EUR 1	430	(3)
				71,789	**(19,743)**
Goodwill etc at 31 December				36,738	
Amortisation of goodwill etc					(7,928)
Total				**108,527**	**(27,671)**

Aggregated financial information of joint ventures

Ownership in associated companies:

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)

	2011	2010
Note 10 Work in progress and payments on account for work in progress		
Current account contracts		
Work in progress	25,691	12,744
Prepayments on account	(17,701)	-
Total	**7,990**	**12,744**
Fixed-price contracts		
Work in progress	192,153	80,895
Prepayments on account	(182,237)	(84,199)
Total	**9,916**	**(3,304)**
Total	**17,906**	**9,440**

This is classified in the balance as shown below:

	Current account	Fixed-price	Total	Total
Current assets	25,691	20,225	45,916	30,705
Current liabilities	(17,701)	(10,309)	(28,010)	(21,265)
Total	**7,990**	**9,916**	**17,906**	**9,440**

Work in progress, includes an unrealised profit of DKK 25.0 million at 31 December 2011 against an unrealised profit of DKK 20.9 million at 31 December 2010.

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 have a right of first refusal in case of any transfer of A shares.

NOTES – PARENT COMPANY

(DKK 1,000)

	2011	2010
Note 12 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 28.8 million in 2011 and DKK 25.6 million in 2010.

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

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

	2011	2010
Within one year	34,036	25,406
Between one and two years	22,209	26,515
Between two and three years	17,690	28,081
Between three and four years	15,578	24,983
Between four and five years	15,035	24,291
After five years	66,508	14,034
Total	**171,056**	**143,310**

Guarantees	2011	2010
Guarantee for lease commitments	-	12,141
Bank guarantees	41,631	38,017
Other guarantees	24,775	12,122
Total	**66,406**	**62,280**

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.

Note 13 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

The Executive and Board of Directors have today considered and adopted the Annual Report of NNE Pharmaplan A/S for the year 2011.

The Consolidated financial statements are prepared in accordance with the International Financial 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 2011, the results of the Group and the Parent Company operations and consolidated cash flows for the financial year 2011. 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.

Gentofte, 8 March 2012

Executive Management

Morten Nielsen
President and CEO

Board of Directors

Jesper Brandgaard
(Chairman)

Birgit W. Nørgaard
(Vice Chairman)

Lars Fruergaard Jørgensen

Per Valstorp

Hans Örström

Søren P. Andersen

Helene Moth-Poulsen

Jens Olesen

INDEPENDENT AUDITOR´S REPORT

To the Shareholders of NNE Pharmaplan A/S
Report on Consolidated Financial Statements and Parent Company Financial Statements

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of NNE Pharmaplan A/S for the financial year 1 January to 31 December 2011, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including summary of significant accounting policies, for both the Group and the Parent Company, as well as statement of comprehensive income for the Group. The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act. Moreover, the Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with Danish disclosure requirements for listed companies.

Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies and for preparing Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act and Danish disclosure requirements for listed companies, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
The audit has not resulted in any qualification.

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2011 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2011 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2011 and of the results of the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2011 in accordance with the Danish Financial Statements Act and Danish disclosure requirements for listed companies.

Statement on Management's Review

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

Gentofte, 8 March 2012

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Lars Baungaard
Danish State Authorised Public Accountant

Rasmus Friis Jørgensen
Danish State Authorised Public Accountant

Concept & design NNE Pharmaplan A/S
Text NNE Pharmaplan A/S, Corporate Communications
Photo DAS BÜRO, Corbis Images and Getty Images