

**FINANCIAL STATEMENTS 2008
OF THE PARENT COMPANY
NNE Pharmaplan A/S**

Annual report for the Parent Company NNE Pharmaplan A/S
is an integrated part of the Annual Report 2008 for NNE Pharmaplan

Parent Company - Income Statement, 1 January – 31 December

(DKK 1,000)

		<u>2008</u>	<u>2007</u>
	Note		
Turnover	2	1.198.338	1.061.189
Cost of sales	3,4	<u>(1.051.126)</u>	<u>(919.908)</u>
Gross profit		<u>147.212</u>	<u>141.281</u>
Distribution costs	3,4	(25.164)	(20.907)
Administrative expenses	3,4	<u>(94.119)</u>	<u>(101.643)</u>
Operating profit		<u>27.929</u>	<u>18.731</u>
Share of profit/loss in subsidiaries	10	(71.321)	(37.368)
Financial income	5	3.235	17.229
Financial expenses	6	<u>(7.650)</u>	<u>(10.317)</u>
Profit before income taxes		<u>(47.807)</u>	<u>(11.725)</u>
Income taxes	7	<u>(9.940)</u>	3.298
Net profit		<u>(57.747)</u>	<u>(8.427)</u>
Appropriation of net profit:			
Dividend to shareholders		-	-
Retained earnings		(57.747)	(8.427)
Reserve for net revaluation under the equity method		<u>-</u>	<u>-</u>
		<u>(57.747)</u>	<u>(8.427)</u>

Parent Company - Balance Sheet as of 31 December

(DKK 1,000)

ASSETS		<u>2008</u>	<u>2007</u>
	Note		
Intangible assets	8	3.045	8.222
Property, plant and equipment	9	16.687	23.483
Investments in subsidiaries	10	20.929	102.807
Deferred tax asset	13	<u>10.040</u>	<u>3.021</u>
Non-current assets		<u>50.701</u>	<u>137.533</u>
Work in progress	12	48.212	104.590
Trade receivables		95.228	151.003
Receivables from related parties		205.945	103.091
Tax receivables	16	2.705	2.187
Other receivables		36.382	41.277
Prepayments		14.589	24.936
Other financial assets	11	-	34.170
Cash at bank and in hand		<u>1.065</u>	<u>2.190</u>
Current assets		<u>404.126</u>	<u>463.444</u>
TOTAL ASSETS		<u>454.827</u>	<u>600.977</u>

Parent Company - Balance Sheet as of 31 December

(DKK 1,000)

EQUITY AND LIABILITIES		2008	2007
	Note		
Share capital	14	500	500
Retained earnings		<u>103.915</u>	<u>181.539</u>
Total equity		<u>104.415</u>	<u>182.039</u>
Provisions	15	<u>18.458</u>	<u>18.508</u>
Non-current liabilities		<u>18.458</u>	<u>18.508</u>
Payments on account for work in progress	12	7.536	31.359
Trade payables		59.368	105.999
Payables to related parties	21	37.339	15.731
Short term loan payable related parties	21	77.499	110.043
Provisions	15	2.969	7.387
Liabilities	17	<u>147.243</u>	<u>129.911</u>
Current liabilities		<u>331.954</u>	<u>400.430</u>
Total liabilities		<u>350.412</u>	<u>418.938</u>
TOTAL EQUITY AND LIABILITIES		<u>454.827</u>	<u>600.977</u>
Commitments	18		
Other notes	19-21		

Parent Company - Statement of changes in Equity

(DKK 1,000)

	Share Capital	Reserve under the equity method	Retained earnings	Dividend	Total
2008					
Equity 1 January	500	-	181.539	-	182.039
Exchange rate adjustments of investment in subsidiaries	-	-	(2.437)	-	(2.437)
Adjustment of investment in subsidiary prior year	-	-	(13.848)	-	(13.848)
Realised loss on options used paid to parent company	-	-	(6.709)	-	(6.709)
Net income/(loss) recognised directly in equity	-	-	(22.994)	-	(22.994)
Net profit/(loss)	-	-	(57.747)	-	(57.747)
Total income/(loss)	-	-	(80.741)	-	(80.741)
Cost of share-based payment	-	-	3.117	-	3.117
Proposed dividend 2008	-	-	-	-	-
Equity 31 December	500	-	103.915	-	104.415

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

	Share Capital	Reserve under the equity method	Retained earnings	Dividend	Total
2007					
Equity 1 January	500	-	194.246	-	194.746
Exchange rate adjustments of investment in subsidiaries	-	-	4.810	-	4.810
Realised loss on options used paid to parent company	-	-	(10.561)	-	(10.561)
Net income/(loss) recognised directly in equity	-	-	(5.751)	-	(5.751)
Net profit/(loss)	-	-	(8.427)	-	(8.427)
Total income/(loss)	-	-	(14.178)	-	(14.178)
Cost of share-based payment	-	-	1.471	-	1.471
Proposed dividend 2007	-	-	-	-	-
Equity 31 December	500	-	181.539	-	182.039

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

Notes – Parent Company

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 below additions. For a description of the accounting policies of the Group please see note 1 – summary of significant accounting policies, page 42.

Accounting policies

The accounting policies of the Parent Company correspond to Group accounting policies with the following exceptions:

1. After acquisition of companies goodwill is amortised over the expected useful life, however maximum 20 years.
2. Investments in subsidiaries are measured under the equity method of accounting according to Group accounting policies with above adjustments to the provisions of the Danish Financial Statements Act.
3. Fair value adjustments of available-to-sale financial assets are recognised in the income statement rather than directly in equity.

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)

	<u>2008</u>	<u>2007</u>
Note 2 Turnover		
Sales value of other sales	83.137	27.873
Sales value of completed contracts during the year	1.234.789	1.002.024
Sales value of work in progress, end of year	101.288	220.876
Sales value of work in progress, beginning of year	<u>(220.876)</u>	<u>(189.584)</u>
Total	<u>1.198.338</u>	<u>1.061.189</u>

Sales consists of 47% (46% in 2007) to companies in the Novo Nordisk Group, 4% (4% in 2007) to the Novozymes Group and 49% (50% in 2007) to other customers. The distribution is 87% (75% in 2007) in Denmark and 13% (25% in 2007) abroad.

Note 3 Employee costs

Wages and salaries	548.304	508.523
Pensions	51.291	45.976
Share-based payment cost	18.687	3.171
Other contributions to social security	6.586	5.840
Other employee costs	<u>20.189</u>	<u>22.922</u>
Total	<u>645.057</u>	<u>586.432</u>

Included in the income statement under the following headings:

Cost of sales	567.650	518.064
Distribution costs	12.901	11.058
Administrative expenses	<u>64.506</u>	<u>57.310</u>
Total	<u>645.057</u>	<u>586.432</u>

The average number of full-time employees in 2008 was 889 compared to 835 in 2007. At the end of the year the company had 882 employees compared to 866 at year end 2007.

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

Note 4 Depreciation, amortisation and impairment losses

Depreciation and amortisation are derived from:

Intangible assets	6.305	7.088
Property, plant and equipment	<u>7.632</u>	<u>7.778</u>
Total	<u>13.937</u>	<u>14.866</u>

Included in the income statement under the following headings:

Cost of sales	12.404	13.031
Distribution costs	279	281
Administrative expenses	<u>1.254</u>	<u>1.554</u>
Total	<u>13.937</u>	<u>14.866</u>

Note 5 Financial income

Interest income from subsidiaries	2.365	1.655
Interest income bank	249	1.024
Dividend from shares	387	357
Currency exchange gains, capital gains and other financial income	<u>234</u>	<u>14.193</u>
Total	<u>3.235</u>	<u>17.229</u>

Dividend from Novo Nordisk A/S shares amounts to DKK 387k (357k in 2007).

Notes – Parent Company
(DKK 1,000)

Note 6 Financial expenses

	<u>2008</u>	<u>2007</u>
Interest expenses to group companies	5.050	3.812
Currency exchange loss and other financial expenses	<u>2.600</u>	<u>6.505</u>
Total	<u>7.650</u>	<u>10.317</u>

Note 7 Income taxes

Current tax on profit for the year	15.596	5.941
Deferred tax on profit for the year	<u>(7.107)</u>	<u>(6.918)</u>
Tax on profit for the year	8.489	(977)
Adjustments tax payable prior year	1.363	(361)
Adjustments deferred tax prior year	<u>88</u>	<u>(1.960)</u>
Tax for the year, total	<u>9.940</u>	<u>(3.298)</u>

The company participates in the joint taxation scheme of the Parent Company Novo Nordisk A/S and other Danish affiliated companies.

The tax effect of joint taxation with the Parent Company 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%
Loss in subsidiary not taxable in Denmark	-36,7%	-80,0%
Fair value adjustments on other financial assets to market value	-	-0,9%
Adjustment to prior year	-3,0%	18,1%
Non-tax income less non-tax deductible expenses net	-5,6%	59,2%
Change in tax rate from 2007 to 2008	-	6,9%
Other	<u>-0,4%</u>	<u>-</u>
Effective tax rate	<u>-20,7%</u>	<u>28,3%</u>

Note 8 Intangible assets

	<u>ERP-system and software</u>	<u>2008 Total</u>
Cost at 1 January	38.346	38.346
Additions during the year	<u>1.128</u>	<u>1.128</u>
Cost at 31 December	<u>39.474</u>	<u>39.474</u>
Depreciation and impairment losses at 1 January	30.124	30.124
Depreciation for the year	<u>6.305</u>	<u>6.305</u>
Depreciation and impairment losses at 31 December	<u>36.429</u>	<u>36.429</u>
Carrying amount at 31 December	<u>3.045</u>	<u>3.045</u>

	<u>ERP-system and software</u>	<u>2007 Total</u>
Cost at 1 January	35.441	35.441
Additions during the year	<u>2.905</u>	<u>2.905</u>
Cost at 31 December	<u>38.346</u>	<u>38.346</u>
Depreciation and impairment losses at 1 January	23.036	23.036
Depreciation for the year	<u>7.088</u>	<u>7.088</u>
Depreciation and impairment losses at 31 December	<u>30.124</u>	<u>30.124</u>
Carrying amount at 31 December	<u>8.222</u>	<u>8.222</u>

Notes – Parent Company
(DKK 1,000)

Note 9 Property, plant and equipment

2008

	Leasehold improve- ments	Other equipment	Total
Cost at 1 January	10.232	39.908	50.140
Additions during the year	-	2.052	2.052
Adjustments during the year	-	(1.216)	(1.216)
Cost at 31 December	10.232	40.744	50.976
Depreciation and impairment losses at 1 January	1.449	25.208	26.657
Depreciation for the year	1.023	6.609	7.632
Disposals during the year	-	-	-
Depreciation and impairment losses at 31 December	2.472	31.817	34.289
Carrying amount at 31 December	7.760	8.927	16.687

2007

	Leasehold improve- ments	Other equipment	Total
Cost at 1 January	10.232	36.623	46.855
Additions during the year	-	4.740	4.740
Disposals during the year	-	(1.455)	(1.455)
Cost at 31 December	10.232	39.908	50.140
Depreciation and impairment losses at 1 January	426	19.691	20.117
Depreciation for the year	1.023	6.755	7.778
Disposals during the year	-	(1.238)	(1.238)
Depreciation and impairment losses at 31 December	1.449	25.208	26.657
Carrying amount at 31 December	8.783	14.700	23.483

Note 10 Investments in subsidiaries and joint ventures

Investments in subsidiaries

	2008	2007
Cost at 1 January	149.821	54.690
Additions during the year	6.918	95.131
Disposals during the year	(15.054)	-
Cost at 31 December	141.685	149.821
Revaluation at 1 January	(27.921)	(9.835)
Exchange rate adjustments	(3.298)	5.302
Net profit/(loss) for the year	(57.549)	(23.388)
Revaluation on disposals during the year	-	-
Revaluation at 31 December	(88.768)	(27.921)
Depreciation and impairment losses at 1 January	(19.093)	(4.626)
Exchange rate adjustments	877	(487)
Amortisation of goodwill	(13.772)	(13.980)
Depreciation on disposals during the year	-	-
Impairment losses and depreciation at 31 December	(31.988)	(19.093)
Carrying amount at 31 December	20.929	102.807

Additions in 2007 relates to purchase of Pharmaplan Group. For further details please refer to note 24 in the Group Financial Statements.

Notes – Parent Company
(DKK 1,000)

Note 10 Investments in subsidiaries and joint ventures (continued)

Aggregated financial information of subsidiaries:

Company	Domicile	Share of ownership	Share capital	Net Equity	Profit/Loss
NNE Pharmaplan France SAS	Chatres, France	100%	EUR 37k	11.013	2.841
NNE Pharmaplan US Inc.	Clayton, USA	100%	USD 375k	(69.454)	(34.818)
NNET Pharmaplan (Tianjin) Co. Ltd.	Tianjiin, China	100%	USD 450k	27.252	12.068
NNE Pharmaplan Sweden AB	Stockholm, Sweden	100%	SEK 100k	4.642	(1.191)
NNE Pharmaplan GmbH	Bad Homburg, Germany	100%	EUR 550k	(18.752)	(37.027)
NNE Pharmaplan Ltd.	Dublin, Ireland	100%	EUR 1	577	578
				(44.722)	(57.549)
Goodwill, etc. at 31 December				65.651	
Amortisation of goodwill, etc.					(13.772)
				20.929	(71.321)

Aggregated financial information of joint ventures

Ownership in associated companies:

Company	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.

Note 11 Other financial assets

For information regarding other financial assets please refer to note 13 in the Consolidated notes.

Note 12 Work in progress and payments on account for work in progress

	2008	2007
Current account contracts		
Work in progress	41.740	63.933
Prepayments on account	-	-
Total	41.740	63.933
Fixed price contracts		
Work in progress	59.548	156.943
Prepayments on account	(60.612)	(147.645)
Total	(1.064)	9.298
Total	40.676	73.231

This is classified in the balance as shown below:

	Current Account	Fixed Price	Total	Total
Current assets	41.740	6.472	48.212	104.590
Current liabilities	-	(7.536)	(7.536)	(31.359)
	41.740	(1.064)	40.676	73.231

Work in progress, includes an unrealised profit of DKK 18.1 million at 31 December 2008 against an unrealised profit of DKK 32.3 million at 31 December 2007.

Notes – Parent Company
(DKK 1,000)

	<u>2008</u>	<u>2007</u>
Note 13 Deferred tax assets/Deferred tax liabilities		
Deferred tax is determined using the liability method and includes all temporary differences between accounting and tax values of the balance sheets. The deferred tax is measured according to the tax rate expected to be in force on the elimination of the temporary differences.		
Balance at 1 January	(3.021)	5.857
Deferred tax on profit for the year	(7.107)	(6.918)
Adjustments related to previous years	<u>88</u>	<u>(1.960)</u>
Balance at 31 December	<u>(10.040)</u>	<u>(3.021)</u>

Specification:	2008			2007		
	Assets	Liabilities	Total	Assets	Liabilities	Total
Intangible assets	(1.655)	-	(1.655)	(1.655)	-	(1.655)
Property, plant and equipment	(5.648)	-	(5.648)	(4.793)	-	(4.793)
Work in progress	-	4.533	4.533	-	8.090	8.090
Provisions	(7.270)	-	(7.270)	(4.663)	-	(4.663)
Other	-	-	-	-	-	-
Balance at 31 December	<u>(14.573)</u>	<u>4.533</u>	<u>(10.040)</u>	<u>(11.111)</u>	<u>8.090</u>	<u>(3.021)</u>

Note 14 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)	<u>333</u>	<u>333</u>

Total share capital

500 **500**

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

Note 15 Provisions

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

Provisions regarding business combinations covered debt (stay-on and earn-out) to seller(US and Sweden).

The calculation of employee benefits is based on certain benefit, economic and demographic assumptions. The provision regarding the relocation is expected to be used within the next 8 years and is based on Management's best estimate.

As interest rate 6% has been used.

	Warrant- ties	Stay-on and earn-out	Long-term employee benefits	Relocation	Restricted stock units/ awards	Total	Total
Other provisions at 1 January	586	6.801	5.585	10.814	2.109	25.895	32.051
Additions during the year	725	-	-	-	3.495	4.220	3.249
Unused amounts reversed	(39)	(2.140)	(1.759)	-	-	(3.938)	(4.808)
Used during the year	(413)	(5.334)	(105)	-	-	(5.852)	(4.918)
Increase in discounted amount	-	516	-	429	-	945	679
Exchange rate adjustments	-	157	-	-	-	157	(358)
Provisions at 31 December	<u>859</u>	<u>-</u>	<u>3.721</u>	<u>11.243</u>	<u>5.604</u>	<u>21.427</u>	<u>25.895</u>

Specification of provisions:

Current	2.969	7.387
Non-current	<u>18.458</u>	<u>18.508</u>
Total	<u>21.427</u>	<u>25.895</u>

Notes – Parent Company
(DKK 1,000)

	<u>2008</u>	<u>2007</u>
Note 16 Tax receivables/Tax payables		
Balance at 1 January	(2.187)	(19.067)
Corporation tax paid during the year	(17.477)	11.235
Adjustments related to previous years	1.363	(361)
Dividend tax	-	65
Current tax for the year	15.596	5.941
Balance at 31 December	<u>(2.705)</u>	<u>(2.187)</u>

In 2008 company has paid DKK 15 millioner in prepaid taxes (DKK 7.7 millioner 2007).

Note 17 Other liabilities

Holiday allowance payable and staff related items	80.922	78.350
Accrued expenses	27.213	15.458
Financial lease commitments	3.235	-
VAT, taxes and other contributions to social security	35.873	36.103
Total	<u>147.243</u>	<u>129.911</u>
Current liabilities	147.243	129.911
Non-current liabilities	-	-
Total	<u>147.243</u>	<u>129.911</u>

Note 18 Commitments

Operating leases

The operating lease commitments are related to non-cancellable operating leases, related to office rent, company cars and copying machines. Expenses related to lease rentals amount to DKK 30.5 millioner in 2008 and DKK 26.8 millioner in 2007.

Other Commitments

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

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

Within one year	32.996	49.217
Between one and two years	27.275	25.702
Between two and three years	25.040	20.662
Between three and four years	24.443	18.689
Between four and five years	23.868	17.910
After five years	61.705	59.103
Total	<u>195.327</u>	<u>191.283</u>
Guarantees		
Guarantee for lease commitments	11.445	11.273
Guarantees given to customers	645	645
Total	<u>12.090</u>	<u>11.918</u>
Guarantees given through joint ventures	<u>3.333</u>	<u>3.333</u>

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 19 Fees to statutory auditors

Auditors fee to PricewaterhouseCoopers	660	639
Non-audit services	882	2.274
Total	<u>1.542</u>	<u>2.913</u>

Note 20 Business combinations

For information regarding business combinations please refer to note 24 in the Consolidated notes.

Note 21 Transactions with related parties

For information regarding transactions with related parties please refer to note 25 in the Consolidated notes.