

Month	High	Low
September 2002	7.6975	7.4455
October 2002	7.6320	7.5117
November 2002	7.4977	7.3357
December 2002	7.5231	7.0822
January 2003	7.1592	6.8408
February 2003	6.9421	6.8155

Year	Average rate ¹	Period end rate	High	Low
1998	6.6970	6.3865	7.0673	6.0667
1999	6.9834	7.3988	7.4135	6.3046
2000	8.0903	8.0205	9.0060	7.1800
2001	8.3619	8.4095	8.8611	7.8186
2002	7.8812	7.0822	8.6591	7.0822

CAPITALIZATION AND INDEBTEDNESS

Not applicable.

REASONS FOR THE OFFER AND USE OF PROCEEDS

Not applicable.

RISK FACTORS

The disclosure and analysis set forth herein and in the Company's *Annual Financial Report 2002* contain forward-looking statements as the term is defined in the US Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations or forecasts of events such as new product introductions, product approvals and financial performance. Such forward-looking statements are subject to risks, uncertainties and inaccurate assumptions. This may cause actual results to differ materially from expectations. Factors that may affect future results include interest rate and currency exchange rate fluctuations, delay or failure of development projects, production problems, unexpected contract breaches or terminations, wholesaler inventory movements, government-mandated or market-driven price decreases for Novo Nordisk's products, introduction of competing products, Novo Nordisk's ability to successfully market both new and existing products, exposure to product liability and other lawsuits, changes in reimbursement rules and governmental laws and related interpretation thereof and unexpected growth in costs and expenses.

No undue reliance should be placed on these forward-looking statements, which are applicable only as of the date hereof. The Company has no obligation to revise or update these forward-looking statements to reflect events or circumstances that arise after the date hereof or to reflect the occurrence of unanticipated events.

Although it is impossible to predict or identify all possible risk factors, the following section includes a discussion of important factors that could affect Novo Nordisk's actual future results of operations. Some of these and other risks and uncertainties are also described in the *Annual Financial Report 2002*, elsewhere in this Form 20-F and in other reports filed by Novo Nordisk with the Securities and Exchange Commission (SEC) and readily available to the public.

1 The average exchange rate is calculated by using the exchange rate on the last day of each month according to Danmarks Nationalbank's daily official exchange rates.

Specific risk factors

Market risks

Novo Nordisk's diabetes care business accounted for approximately 70% of its total consolidated sales in 2002. If new and more effective treatment regimens for insulin users were introduced by a competitor, the impact on Novo Nordisk's sales and net income could be significant. A significant part of the future growth in insulin sales is expected to come from product upgrades. Novo Nordisk cannot assure the success of such upgrades.

The market for diabetes care products continues to be competitive. The introduction by competitors of new oral antidiabetic drugs for the treatment of type 2 diabetes has in the past had and may in the future have a negative impact on the rate of growth in sales of the Company's products.

NovoSeven® accounted for approximately 14% of the total consolidated sales in 2002. The current indication for NovoSeven® is narrow and sales fluctuate in each market from month to month depending on individual bleeding episodes and use in relation to surgery in hemophilia patients with inhibitors and also to a certain extent on investigational use of the product. Novo Nordisk cannot assure that NovoSeven® sales will continue to grow.

Increasing parallel importation of Novo Nordisk's products from low-price markets to higher-priced markets may impact the sales and profitability of the Company negatively.

Novo Nordisk's total sales may also fluctuate, e.g., due to fluctuations in wholesaler ordering patterns. Sales in markets dominated by tender orders and large contracts are especially exposed to unexpected shortfalls.

Development, product and production risks

Successful clinical development of the Company's new drug candidates is by nature highly uncertain and dependent on a variety of factors, many of which are beyond the Company's control. Drug candidates that appear promising in the early phases of development may fail to reach the market for numerous reasons including, but not limited to, adverse side-effect profiles, insufficient efficacy, failure to obtain regulatory approval by relevant health authorities, including the United States Food and Drug Administration, and intellectual property rights held by others. Novo Nordisk cannot assure that it will be able to continue to successfully develop new products, to manufacture these products in a commercially viable manner, to obtain required regulatory approvals or to gain satisfactory market acceptance for its products.

Novo Nordisk is currently marketing a broad variety of pharmaceutical products. Undetected and/or unexpected problems related to the Company's products including, but not limited to, product defects, unexpected side effects or obsolescence could materially affect results of operations.

Difficulties or delays in product manufacturing or marketing including, but not limited to, the inability to build up sufficient manufacturing capacity to meet the market demand for the Company's products, failure to obtain regulatory approval of new facilities by relevant health authorities, including the United States Food and Drug Administration, or the failure to obtain market acceptance of approved products, could affect future results.

Unexpected shortages or increases in the costs of materials and resources used in the manufacture of Novo Nordisk's products could have an adverse impact on Novo Nordisk's profitability.

Financial risks

Changing business conditions, including fluctuations in foreign currency exchange rates and interest rates, could adversely affect future results. For example, a 5% movement in each of the USD, JPY, and

GBP exchange rates is estimated to produce an annual change in operating profit of approximately DKK 160 million, DKK 130 million and DKK 75 million, respectively. The assumptions underlying the calculation are based on the expectations for 2003. For further information on financial risk factors, please refer to 'Financial risk factors and financial risk management' on pages 17-18 of the *Annual Financial Report 2002*.

Other operational risks

Additional factors affecting Novo Nordisk's ability to grow earnings in 2003 and beyond include, but are not limited to, income from other licensing agreements, earnings from new products, and productivity improvements.

Government-mandated or market-driven price decreases for the Company's products in the Company's major markets including Japan, North America and Europe, could adversely affect future results.

Tax risks

The Company has operations in a number of countries which have differing tax laws and rates. Consequently, the Company's effective tax rate may vary depending on several factors including, but not limited to, changes in domestic as well as international tax laws, and tax rates and tax audits by local tax authorities in the countries in which the Company operates.

Intellectual property risks

Patents and other proprietary rights are important to the business of Novo Nordisk. Novo Nordisk also relies upon trade secrets, know-how, continuing technological innovations and licensing opportunities to develop and maintain its competitive position. Novo Nordisk currently holds numerous patents and patent applications which relate to aspects of the technology used in certain of Novo Nordisk's products. Novo Nordisk cannot assure that patent applications filed by Novo Nordisk will result in the issuance of patents or that any patents owned or licensed to Novo Nordisk will provide competitive advantages for Novo Nordisk's products or will not be challenged or circumvented by others, or that the rights granted thereunder will provide proprietary protection to Novo Nordisk.

Litigation risks

Novo Nordisk is party to various legal proceedings, including patent infringement suits and various other matters. Executive Management does not believe that any of these currently pending suits will have a material negative effect on the Company's financial position. However, significant adverse litigation could affect the Company's future results and financial position. Please refer to Item 8 on 'Legal Proceedings' for further information.

ITEM 4 INFORMATION ON THE COMPANY

HISTORY AND DEVELOPMENT OF THE COMPANY

Novo Nordisk A/S was formed in 1989 by a merger of two Danish companies, Nordisk Gentofte A/S and Novo Industri A/S. Novo Industri A/S was the continuing company and its name was changed to Novo Nordisk A/S. The business activities of Nordisk Gentofte were established in 1923 by August Krogh, H. C. Hagedorn and A. Kongsted, and the business activities of Novo Industri were established in 1925 by Harald and Thorvald Pedersen. The business of both companies from the beginning was production and sale of insulin for the treatment of diabetes. Having demerged the enzyme business into a separate company, Novozymes A/S, in November 2000 Novo Nordisk today is a focused healthcare company.