

Merck & Co. Inc.

Form 11-K

June 28, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

**FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS AND SIMILAR PLANS
Pursuant to Section 15(d) of the Securities Exchange Act of 1934**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 1-06571

Employer Identification Number: 22-1918501

Plan Number: 004

MSD EMPLOYEE STOCK PURCHASE AND SAVINGS PLAN

(Full title of the plan)

MERCK & CO., INC.

(Name of issuer of the securities held pursuant to the plan)

One Merck Drive

P.O. Box 100

Whitehouse Station, New Jersey 08889-0100

(Address of principal executive office)

MSD Employee Stock Purchase and Savings Plan

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* Other schedules required by Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 are omitted because they are not applicable.

Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of
MSD Employee Stock Purchase and Savings Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the MSD Employee Stock Purchase and Savings Plan (the Plan) at December 31, 2010 and 2009, and the changes in net assets available for benefits for the year ended December 31, 2010 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2010 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

New York, New York
June 28, 2011

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MSD Employee Stock Purchase and Savings Plan**Statements of Net Assets Available for Benefits**

	December 31,	
	2010	2009
	<hr/>	<hr/>
Assets		
Investments, at fair value		
Investments in the Master Trust	\$ 304,785,676	\$ 270,356,269
	<hr/>	<hr/>
Receivables		
Employer contribution	249,838	214,856
Participant contributions	706,557	605,726
Notes receivable from participants	10,951,015	9,577,133
	<hr/>	<hr/>
Total receivables	11,907,410	10,397,715
	<hr/>	<hr/>
Net assets available for benefits	\$ 316,693,086	\$ 280,753,984
	<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements.

MSD Employee Stock Purchase and Savings Plan**Statement of Changes in Net Assets Available for Benefits**

	Year Ended December 31, 2010
Additions to net assets attributed to	
Investment income from the Master Trust	
Net appreciation in fair value of investments	\$ 17,645,467
Interest and dividends	7,018,592
	<hr/>
Net investment income	24,664,059
Interest income, notes receivable from participants	631,722
Contributions to the Plan	
By participants	33,265,917
By employer	6,952,347
	<hr/>
Total contributions	40,218,264
Transfers in	606,557
	<hr/>
Total additions	66,120,602
	<hr/>
Deductions from net assets attributed to	
Benefits paid to participants	(28,205,950)
Transfers out	(1,975,550)
	<hr/>
Total deductions	(30,181,500)
	<hr/>
Net increase	35,939,102
Net assets available for benefits	
Beginning of year	280,753,984
	<hr/>
End of year	\$ 316,693,086
	<hr/>

The accompanying notes are an integral part of these financial statements.

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MSD Employee Stock Purchase and Savings Plan

Notes to Financial Statements

1. Description of Plan

The following description of the MSD Employee Stock Purchase and Savings Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan was designed to provide an easy, economical way for employees to become shareholders of Merck & Co., Inc. (Merck or the Company) as well as a systematic means of saving and investing for the future. Generally, any regular full-time, part-time, or temporary employee of Merck Sharp & Dohme Corp. ("MSD"), who is a U.S. resident covered by a collective bargaining agreement providing for participation in this Plan as defined by the Plan document, is eligible to participate in the Plan on or after the first day of the third month following commencement of employment or as otherwise provided pursuant to the applicable collective bargaining unit agreement. MSD, a subsidiary of Merck, is the Plan Sponsor (the "Sponsor").

Participants direct the investment of their contributions into any fund investment option available under the Plan, including Merck common stock. At December 31, 2010, the Plan offered 6 registered investment companies (mutual funds), 4 common/collective trusts, and 13 separately managed accounts.

The Plan is administered by management committees appointed by the Company's Chief Executive Officer (or his delegate) or the Compensation and Benefits Committee of the Board of Directors of Merck.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Master Trust

The assets of the Plan are maintained, for investment purposes only, on a commingled basis with the assets of the MSD Employee Savings and Security Plan (the Master Trust). The Plans do not own specific Master Trust assets but rather maintain individual beneficial interests in such assets. The portion of fund assets allocable to each Plan is based upon the participants' account balance within each Plan. Investment income for each fund is allocated to each Plan based on the relationship of each Plan's beneficial interest in the fund to the total beneficial interest of all Plans in the fund.

Contributions

Participants may contribute from 2% up to 25% of their base pay. However, pre-tax contributions cannot exceed the statutory limit for pre-tax deferrals (\$16,500 in 2010). In addition, the Company matches 65% of an employee's contributions up to a maximum of 6% of such employee's base pay per pay period. Participant and Company matching contributions are invested according to a participant's elections.

MSD Employee Stock Purchase and Savings Plan

Notes to Financial Statements

Age 50 and above In addition, the Plan permits unmatched pre-tax catch-up contributions of up to \$5,500 for 2010 by participants who are at least age 50 by year-end.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's matching contribution and an allocation of Plan earnings. The allocation is based on participants' account balances, as defined in the Plan document.

Vesting

Participants are immediately vested in their contributions, all Company matching contributions, plus actual earnings thereon.

Notes Receivable from Participants

Participants may borrow from their account balances with interest charged at the prime rate plus 1%. Loan terms range from one to five years for a short term loan or up to thirty years for the purchase of a primary residence. The minimum loan is \$500 and the maximum loan is the lesser of (i) \$50,000 less the highest outstanding loan balance(s) during the one year period prior to the new loan application date, or (ii) 50% of the participant's account balance less any current outstanding loan balance and defaulted loan amounts. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits

Salaried and hourly employees with status codes of terminated (which includes retired), long term disability or death are eligible for a full distribution of their vested account balances. Employees or beneficiaries may elect to receive one lump sum payment or from one to ten annual installments. In-service distributions and hardship withdrawals are made throughout the year in accordance with applicable Plan provisions.

Other Matters

Transfers in and out during 2010 primarily relate to transfers between the Plan and the MSD Employee Savings and Security Plan for employees who changed their status during the year.

2. Summary of Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting. Certain amounts in the prior year financial statements have been reclassified to conform to the current presentation.

MSD Employee Stock Purchase and Savings Plan

Notes to Financial Statements

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements. Management believes that these estimates are adequate. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Valuation of investments of the Plan represents the Plan's allocable portion of the Master Trust. All investments are recorded at fair value in the accompanying financial statements.

Purchases and sales of securities are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Contributions

Employee and Company matching contributions are recorded in the period in which the Company makes the payroll deductions from the participants' earnings.

Payment of Benefits

Benefits are recorded when paid.

Expenses

The Plan's administrative expenses are paid by the Company.

Recently Issued Accounting Standards

Accounting Standards Update 2010-25 ("Update"), issued in September 2010, requires participant loans be classified as notes receivable from participants, segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. The amendments in this Update should be applied retrospectively to all prior periods presented, effective for fiscal years ending after December 15, 2010, with early adoption permitted. The Plan adopted this guidance as of December 31, 2010, and reclassified participant loans from plan investments to a component of receivables for both periods presented in the Statement of Net Assets Available for Benefits. Other than the reclassification requirements, the adoption of this standard did not have a material impact on the Plan's financial statements.

MSD Employee Stock Purchase and Savings Plan

Notes to Financial Statements

In January 2010, the Financial Accounting Standards Board (FASB) amended the existing disclosure guidance on fair value measurements, which was effective January 1, 2010, except for disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements, which was effective January 1, 2011. Among other things, the updated guidance requires additional disclosure for the amounts of significant transfers in and out of Level 1 and Level 2 measurements and requires certain Level 3 disclosures on a gross basis. Additionally, the updates amend existing guidance to require a greater level of disaggregated information and more robust disclosures about valuation techniques and inputs to fair value measurements. Since the amended guidance requires only additional disclosures, the adoption of the provisions effective January 1, 2010 did not, and for the provisions effective in 2011 will not, impact the Plan's net assets available for benefits or changes in net assets available for benefits.

In May 2011, the FASB issued ASU 2011-04 Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS ("ASU 2011-04"). ASU 2011-04 is intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRS. The amendments are of two types: (i) those that clarify the Board's intent about the application of existing fair value measurement and disclosure requirements and (ii) those that change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. The update is effective for annual periods beginning after December 15, 2011. Plan management is in the process of evaluating the impact of the adoption of this update on the Plan's financial statements.

Risks and Uncertainties

The Plan provides for various investment options in investment securities. Investment securities, in general, are exposed to various risks and may decline in value for a number of reasons, including changes in prevailing interest rates and credit availability, increases in defaults, increases in voluntary prepayments for investments that are subject to prepayment risk under normal market conditions, widening of credit spreads and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.

3. Related-Party Transactions

Certain Plan investments are shares of Registered Investment Companies (mutual funds) managed by Fidelity Management Trust Company (Fidelity). Fidelity is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. The total market value of the Plan's allocated portion of the investments managed by Fidelity was \$37,975,706 and \$41,944,587 at December 31, 2010, and December 31, 2009, respectively. During 2010, income from investments managed by Fidelity was \$864,263.

Merck also is a party-in-interest to the Plan under the definition provided in Section 3(14) of ERISA. Therefore, Plan transactions of Merck common stock qualify as party-in-interest transactions. The market value of the Plan's allocated portion of the investments in Merck common stock was \$97,183,740 and \$92,348,230 at December 31, 2010, and December 31, 2009, respectively. During 2010, income from Merck common stock was \$2,428,027.

MSD Employee Stock Purchase and Savings Plan

Notes to Financial Statements

4. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. Upon termination of the Plan, each participant thereby affected would receive the entire value of his or her account as though he or she had retired as of the date of such termination.

5. Tax Status

The Plan obtained a tax determination letter from the Internal Revenue Service (IRS) dated August 20, 2003, indicating that it had been designed in accordance with applicable sections of the Internal Revenue Code (IRC). However, the Plan has been amended since the receipt of the determination letter. The Plan sponsor believes that the Plan is designed and currently operates in compliance with the IRC. Therefore, no provision for income taxes has been made.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

6. Master Trust

The Plan had an approximate 7% interest in the Master Trust at December 31, 2010, and December 31, 2009. The net assets of the Master Trust are as follows:

	December 31,	
	2010	2009
Registered investment companies (mutual funds)	\$ 2,429,527,336	\$ 2,179,384,726
Common/collective trusts	974,556,196	801,485,016
Merck common stock	725,577,688	739,447,295
Other common stocks	173,838,506	132,441,256
Accrued interest and dividends	7,839,023	7,726,153
Other Net Assets	(7,746,587)	(11,053,543)
	<u>\$ 4,303,592,162</u>	<u>\$ 3,849,430,903</u>

Total investment income of the Master Trust for the year ended December 31, 2010, is as follows:

	Year Ended December 31, 2010
	<u> </u>
Investment income, net	
Interest and dividends	\$ 89,348,538
Net appreciation in Registered investment companies (mutual funds)	220,659,005
Net appreciation in Common/collective trusts	121,060,047
Net depreciation in Merck common stock	(9,993,171)
Net appreciation in Other common stocks	18,923,918
	<u> </u>
 Total investment income	 \$ 439,998,337
	<u> </u>

MSD Employee Stock Purchase and Savings Plan

Notes to Financial Statements

7. Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Entities are required to use a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities. The Plan's Level 1 assets primarily include registered investment companies (mutual funds) and common stocks.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. The Plan's Level 2 assets primarily include investments in common/collective trusts.

Level 3 Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation. The Plan did not hold any Level 3 assets at December 31, 2010 and 2009, respectively.

If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Within the Master Trust, investments are recorded at fair value, as follows:

Registered Investment Companies (Mutual Funds)

Registered investment companies (mutual funds) are valued at their respective net asset values. The net asset values are typically determined by the fund at the close of regular trading on the New York Stock Exchange. Investments in registered investment companies (mutual funds) generally may be redeemed daily.

Common/Collective Trusts

The common/collective trusts are valued at their respective net asset values. The fair value of investments in the common/collective trusts are determined by their trustee. The Plan's investments in common/collective trusts generally may be redeemed daily.

MSD Employee Stock Purchase and Savings Plan**Notes to Financial Statements****Common Stocks**

Common stocks, for which market quotations are readily available, are generally valued at the last reported sales price on their principal exchange on valuation date, or official close price for certain markets. If no sales are reported for that day, investments are valued at the more recent of (i) the last published sale price or (ii) the mean between the last reported bid and asked prices for long positions, or at fair value as determined in good faith by the trustee and the Company.

Investments Measured at Fair Value

Investments measured at fair value are summarized below:

	December 31, 2010			Total
	Fair Value Measurements Using			
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets				
<i>Investments in the Master Trust</i>				
Registered Investment Companies				
US Large Cap Equity	\$ 525,900,581	\$ -	\$ -	\$ 525,900,581
US Small/Mid Cap Equity	450,491,666			450,491,666
Non-US Equity	586,446,480			586,446,480
Fixed Income	495,365,654			495,365,654
Cash and Short Term Investments	371,322,955			371,322,955
Common Collective Trusts				
US Large Cap Equity		706,492,936		706,492,936
US Small/Mid Cap Equity		97,778,323		97,778,323
Non-US Equity		91,191,644		91,191,644
Fixed Income		72,799,733		72,799,733
Cash and Short Term Investments		6,293,560		6,293,560
Merck Common Stock	725,577,688			725,577,688

Other common stocks

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U.S. Small Cap Equities	173,838,506	173,838,506
<hr/>		
Total Investments in the Master Trust	\$ 3,328,943,530	\$ 974,556,196 \$ - \$ 4,303,499,726
<hr/>		

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MSD Employee Stock Purchase and Savings Plan**Notes to Financial Statements**

December 31, 2009

	Fair Value Measurements Using			Total
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets				
<i>Investments in the Master Trust</i>				
Registered Investment Companies				
US Large Cap Equity	\$ 452,138,047	\$ -	\$ -	\$ 452,138,047
US Small/Mid Cap Equity	344,351,199			344,351,199
Non-US Equity	547,931,076			547,931,076
Fixed Income	440,641,851			440,641,851
Cash and Short Term Investments	394,322,553			394,322,553
Common Collective Trusts				
US Large Cap Equity		610,128,045		610,128,045
US Small/Mid Cap Equity		67,247,084		67,247,084
Non-US Equity		70,764,781		70,764,781
Fixed Income		50,779,713		50,779,713
Cash and Short Term Investments		2,565,393		2,565,393
Merck Common Stock	739,447,295			739,447,295
Other common stocks				
U.S. Small Cap Equities	132,441,256			132,441,256
Total Investments in the Master Trust	\$ 3,051,273,277	\$ 801,485,016	\$ -	\$ 3,852,758,293

MSD Employee Stock Purchase and Savings Plan

Schedule H

**Line 4i Schedule of Assets (Held at End of Year)
December 31, 2010**

(a)	(b)	(c)	(d)	(e)
	Identity of Issuer, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
**	Master Trust	Investment in Master Trust	-	\$ 304,785,676
*	Notes receivable from participants	Interest rates ranging from 4.25% to 12.0% and with maturities through 2040	-	10,951,015
		Total		<u>\$ 315,736,691</u>

* Denotes a party-in-interest to the Plan.

** There are certain investments within the Master Trust that are party-in-interest.

SIGNATURE

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the Plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

MSD Employee Stock Purchase and
Savings Plan

By: /s/ Mark E. McDonough

Mark E. McDonough
Vice President and Treasurer

June 28, 2011

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EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Document</u>	<u>Page</u>
23	Consent of Independent Registered Public Accounting Firm	15

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Active pharmaceutical ingredients for glucagon and growth hormone therapy.

Products for growth hormone therapy, glucagon and haemophilia.

Montes Claros, Brazil

47,000

Products for diabetes.

Gel production.

Products for oral antidiabetes treatment.

Clayton, North Carolina, U.S.

40,300

Products for diabetes.

Chartres, France

33,000

Products for diabetes.

Bagsværd, Denmark

16,900

Products for diabetes.

Products for hormone replacement therapy.

Måløv, Denmark

15,300

Products for hormone replacement therapy.

Products for oral antidiabetes treatment.

Tianjin, China

12,600

Packaging of diabetes products.

Production of durable devices.

Hjørring, Denmark

8,000

Production of needles.

Koriyama, Japan

8,300

Packaging of products for the Japanese market.

Værløse, Denmark

6,100

Products for growth hormone therapy.

Køge, Denmark

2,500

Gels and ALP for active pharmaceutical ingredient production.

Tizi Ouzou, Algeria

1,700

Products for oral anti-diabetes treatment

Major production sites worldwide are certified according to the international standard ISO 14001 (Environmental Management Standard). The goal is to pursue control of significant environmental impacts of the Company's operations worldwide. All international production sites have obtained OHSAS 18001 certification. OHSAS is an Occupational Health Safety Assessment Series which is designed to help the Company control its health and safety risks.

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The Company's research and development activities are increasingly performed globally. With the major sites located in Denmark, the Company is expanding its global presence with established research sites in Beijing, China and Seattle, USA. Further to this the Company has established clinical development centers in Princeton, USA, in Beijing, China, in Zurich, Switzerland, and in Tokyo, Japan.

UNRESOLVED STAFF COMMENTS

None.

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ITEM 5 OPERATING AND FINANCIAL REVIEW AND PROSPECTS

CRITICAL ACCOUNTING ESTIMATES

Reference is made to Note 1 Basis of preparation of the consolidated financial statements in our *Annual Report 2010*.

NEW ACCOUNTING PRONOUNCEMENTS

Reference is made to Note 1 Basis of preparation of the consolidated financial statements under the caption Summary of principal accounting policies in our *Annual Report 2010*.

OPERATING RESULTS

Reference is made to the section Forward-looking statements contained on page 3 and the discussion under the caption Risk factors contained under Item 3. Reference is further made to our *Annual Report 2010* Risk management on pages 43-45.

The financial condition of the Group and its development are described in our *Annual Report 2010* and our *Annual Report 2009*. The information in this section is based on these reports and should be read in conjunction with the annual reports. The analysis and discussions included in the annual reports are primarily based on the consolidated financial statements which are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board (IASB) and with International Financial Reporting Standards as endorsed by the EU.

2010 compared with 2009

The following portions of our *Annual Report 2010* constitute the Board of Directors and Executive Management s discussion and analysis of results of operations (incorporated herein by reference):

Our 2010 accomplishments and results (pages 2-15)

2009 compared with 2008

The following portions of our *Annual Report 2009* constitute the Board of Directors and Executive Management s discussion and analysis of results of operations (incorporated herein by reference):

Our 2009 accomplishments and results (pages 2-17)

Segment information

The segmented reporting is based on two business segments Diabetes care and Biopharmaceuticals . Reference is made to Note 2 Segment information in our *Annual Report 2010* for details on segmented results.

Inflation

Inflation for the three most recent fiscal years has not had a material impact on the Group s net sales and revenues or on net profit.

Foreign currencies

The bulk of Novo Nordisk s sales are in foreign currencies, mainly EUR, USD, JPY, CNY and GBP, while most production, research and development costs are carried in DKK. Consequently, Novo Nordisk has significant exposure to foreign exchange risks and engages in significant hedging activities, where the most significant exposure and hedging are related to USD, JPY, CNY and GBP, while the EUR exchange rate risk is regarded as low due to the Danish fixed-rate policy towards EUR. Thus, Novo Nordisk does not hedge the EUR exchange rate risk. For further description of foreign currency exposure, reference is made to the disclosure in Note 27 Financial risk in our *Annual Report 2010* and for further description of foreign currency exposure and hedging activities, reference is made to the description of financial instruments in Note 30 Derivative financial instruments in our *Annual Report 2010*.

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Governmental policies

Please refer to pages 16-27 Our business and pages 40-53 Corporate governance, remuneration and leadership in our *Annual Report 2010* and item 4.

LIQUIDITY AND CAPITAL RESOURCES

Novo Nordisk maintains a centralized approach to the management of the Group's financial risks. The overall objectives and policies for Novo Nordisk's financial risk management are outlined in the Novo Nordisk Treasury Policy, which is approved by the Board of Directors. The Treasury Policy governs the Group's use of financial instruments, for further information, reference is made to Item 11.

Financial resources

Reference is made to page 60 Statement of Cash flows for the year ended 31 December in our *Annual Report 2010*. In addition Novo Nordisk has obtained a credit rating from two leading international rating agencies.

Novo Nordisk believes its financial resources are sufficient to meet its current requirements.

Cash flow in 2010, 2009 and 2008

Reference is made to page 60 Statement of Cash flows for the year ended 31 December in our *Annual Report 2010* and to the consolidated cash flow in Item 17.

The most significant source of cash flow from operating activities is sales of our diabetes care and biopharmaceutical products. Generally, other factors that affect operating earnings, such as pricing, volume, costs and exchange rates, also flow through to have an impact on realized cash flow from operating activities.

There are no material restrictions on the ability of subsidiaries to transfer funds to the Company.

Asset securitization

Novo Nordisk's Japanese subsidiary employs an asset securitization program that is a full non-recourse off-balance sheet arrangement to improve liquidity and to take advantage of market opportunities by receiving funds prior to scheduled payment dates. At December 31 the Group had de-recognized receivables without recourse having due dates after December 31 amounting to:

DKK million	2006	2007	2008	2009	2010
Sold trade receivables	1,515	1,270	1,587	1,611	2,066
Credit guarantee	100	96	81	0	0

Furthermore, in 2010 Novo Nordisk's Italian affiliate sold a significant part of its trade receivables through factoring transactions. The purpose of the full non-recourse off-balance sheet factoring arrangement was to sell overdue trade receivables to a third party at a discount in exchange for immediate cash settlement.

Debt financing

Debt financing is obtained in DKK and in foreign currencies. Reference is made to Notes 19 Non-current debt and 30 Derivative financial instruments in our *Annual Report 2010* for information on currency structure, interest rate structure and maturity profile.

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Financial instruments

Novo Nordisk does not enter into speculative positions and only hedges commercial exposure. The financial instruments used in conjunction with the Group's financial risk management include currency forwards, currency options, interest rate swaps and cross currency swaps. Current and non-current debt as well as money-market deposits are also used in the financial risk management. Reference is made to Note 30 Derivative financial instruments in our *Annual Report 2010* for further information on financial instruments including currency and interest rate structure.

Commitments for capital expenditure etc.

Contractual obligations for capital expenditure and other contingent liabilities as of December 31, 2010 and 2009, respectively, are shown in Note 31 Commitments and contingencies in our *Annual Report 2010*. As of December 31, 2010 the Group had overall contractual obligations related to investments in fixed assets of DKK 88 million compared to DKK 260 million on December 31, 2009.

Additionally, as of December 31, 2010, the Group had contractual obligations of DKK 2,510 million relating to research and development projects, compared to DKK 1,989 million as of December 31, 2009. Reference is made to Note 31 Commitments and contingencies in our *Annual Report 2010* for a description of these commitments and other contingencies. The Executive Management of the Group believes that the obligations are covered by the Group's financial resources as well as expected future cash flows to be generated from operating activities.

RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES, ETC.

Novo Nordisk's research activities utilize biotechnological methods based on genetic engineering, advanced protein chemistry and protein engineering. These methods have played a key role in the development of the production technology which is used in the manufacturing of insulin, GLP-1, recombinant factor VIIa, human growth hormone and glucagon.

The focus of Novo Nordisk's research and development is on therapeutic proteins within insulin, GLP-1, blood clotting factors, human growth hormone and inflammation.

Research and development costs were DKK 9.6 billion or 15.8% of sales, DKK 7.9 billion or 15.4% of sales and DKK 7.9 billion or 17.2% of sales in 2010, 2009 and 2008, respectively. Novo Nordisk's research and development organization comprised approximately 5,400 employees as of December 31, 2010.

Information related to selected research and development projects can be found under Pipeline overview on pages 24-25 in the *Annual Report 2010*. Furthermore, on pages 28-35 Diabetes care and pages 36-39 Biopharmaceuticals in the *Annual Report 2010* we describe our clinical development projects grouped by our primary operating segments and development phase.

In determining whether or not any project or group of related projects is significant, we consider the following qualitative and quantitative criteria:

Assessment of the unmet medical need targeted with the specific project;

The inherent project risk including the risk of safety issues, unsatisfactory tolerability profile, limitations on the efficacy of the compound;

Timeline for completing the clinical testing and submitting an application for approval to regulatory authorities;

Regulatory authorities' position towards approval and drug label;

Changes in competitive landscape during the development and approval cycle including competing drugs being developed by others;

Changes in medical practice during the development period;

Position of payers, the medical society and patients towards treatment with drug and price of drug;

Expected uptake in market following launch; and

Expected net present value of the project.

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In assessing the criteria listed above, and as described in the Risk management section on page 43-45 of the 2010 Annual Report, it is important to note that at any one stage of development, due to the uncertainties inherent to clinical development and the regulatory approval process, there is a significant degree of uncertainty and risk that the project will not be successful. The nature of our development activities is such that a compound must first be proven to work by means of multiple clinical trials, which may require treatment of thousands of patients and could take years to complete. Even if initial results of preclinical studies or clinical trial results are promising, we may obtain different results that fail to show the desired levels of safety and efficacy, or we may not obtain applicable regulatory approval for a variety of other reasons. The compound must be accepted by the FDA, the European Medicines Agency and similar agencies around the world, each of which may have differing requirements. During each stage, there is a substantial risk that we will encounter serious obstacles which will further delay us, or that we will not achieve our goals and, accordingly, may abandon a product in which we have invested substantial resources. Furthermore the commercial potential of a project is dependent on the label granted by the regulatory authority upon approval. The label specifies for which indications a product can be used, major and minor safety concerns associated with drug treatment as well as if the drug can be combined with other types of medication. Thus a label can restrict usage substantially.

Given the uncertainties related to the process of product development, during the periods presented in our 2010 Form 20-F no single project in product development was significant based on the qualitative and quantitative criteria. However, during the periods presented two groups of projects were considered significant; the diabetes care group and biopharmaceuticals group.

The development projects accounting for the highest research and development spend in 2010 related to the phase 3a development program for Degludec¹ (insulin degludec) and DegludecPlus² (insulin degludec/insulin aspart).

In our experience, across our portfolio of development programs approximately 75% of research and development expenditure is spent on clinical development activities and approximately 25% is spent on research activities.

Reference is made to the caption Risk factors contained under Item 3.

TREND INFORMATION

In the recent years, two key drivers behind the performance of Novo Nordisk have been the changes in demographics globally such as the increasing proportion of elderly people and the growing problem of obesity. Both trends have contributed to the significant increase in the number of people with diabetes worldwide. According to the International Diabetes Federation, the number of people with diabetes is expected to increase to 438 million by 2030 from 285 million in 2010. Diabetes care is Novo Nordisk's largest segment comprising approximately 75% of sales. The epidemic growth in the number of people with diabetes, continuing transition from human insulins to modern insulins, and new delivery devices and market share gains are all driving Novo Nordisk's growth of the diabetes care segment.

The other segment of the Company is biopharmaceuticals, which comprise haemophilia, growth hormone therapy, hormone replacement therapy and inflammation therapy. Within haemophilia, sales of NovoSeven® continued to increase in 2010. The growth hormone therapy franchise benefited from further penetration and increasing market share of the liquid formulation Norditropin®, delivered in ready-to-use prefilled devices.

For further information on trends, reference is made to the section Our 2010 accomplishments and results on pages 2-15 in the *Annual Report 2010*. Information about expectations for the financial year 2011 can be found on page 11 in the subsection Outlook 2011.

1 Internal designation for insulin degludec.

2 Internal designation for insulin degludec/insulin aspart.

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OFF-BALANCE SHEET ARRANGEMENTS

Reference is made to Note 31 Commitments and contingencies in our *Annual Report 2010*.

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

Reference is made to Note 31 Commitments and contingencies in our *Annual Report 2010*.

ITEM 6 DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES

DIRECTORS AND EXECUTIVE MANAGEMENT

Reference is made to pages 50-52 in our *Annual Report 2010* for name, position, date of birth and period of service as director for the members of the Board of Directors.

Reference is made to page 53 in our *Annual Report 2010* for name, position, date of birth, year of appointment and year of joining Novo Nordisk for the members of Executive Management.

The Board of Directors has the overall responsibility for the affairs of the Company. Reference is made to pages 40-42 in our *Annual Report 2010*.

The activities of the members of Board of Directors and members of Executive Management outside the Company are included in our *Annual Report 2010* on pages 50-53.

There are no family relationships between the Board of Directors, Executive Management or between any of the members of the Board of Directors and any member of Executive Management. No director or member of Executive Management has been elected according to an arrangement or understanding with shareholders, customers, suppliers or others. As required by the Danish Companies Act, directors are elected at General Meetings by simple majority vote. In addition, four employee representatives are elected for four-year terms by the employees of Novo Nordisk A/S.

COMPENSATION

Reference is made to the section Executive remuneration on page 46-49 and Notes 28 and 29 in our *Annual Report 2010* regarding compensation.

BOARD PRACTICES

Reference is made to Corporate governance on pages 40-42 in our *Annual Report 2010* regarding board practices.

EMPLOYEES

Reference is made to the section entitled Performance highlights on page 15 in our *Annual Report 2010* regarding the total number of full-time employees in Novo Nordisk at year-end for the years 2006-2010.

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Employees	2006	2007	2008	2009	2010
Employees outside Denmark as a percentage of total number of employees	47%	51%	52%	54%	56%

Executive Management believes that the Company has a good relationship with its employees in general and with the labor unions of the Novo Nordisk employees.

Novo Nordisk believes that the current personnel policy results in low staff turnover, high morale, and ease in recruiting new employees. The Company has not experienced any significant labor disputes.

SHARE OWNERSHIP

For information on the Board of Directors' and Executive Management's individual holdings of share options, exercise of options and granting of shares, reference is made to the section "Executive remuneration" on page 46-49 and Note 29 "Management's holdings of Novo Nordisk shares" in our *Annual Report 2010*. The members of the Board of Directors and Executive Management and key management executives in the aggregate hold less than 1% of the beneficial ownership of the Company.

For information on the Board of Directors' and Executive Management's individual holdings of and trading in Novo Nordisk shares during 2010, reference is made to the section "Executive remuneration" on page 46-49 and Note 29 "Management's holding of Novo Nordisk shares" in our *Annual Report 2010*. As of February 1, 2011 the Board of Directors and Executive Management owned 206,072 B shares.

For a full description of individual holdings and exercise of stock options, reference is made to the section "Executive remuneration" on page 46-49 and Note 29 "Management's holding of Novo Nordisk shares" in our *Annual Report 2010*.

In the period from January 1, 2011 until February 1, 2011, no B shares were sold or purchased by the members of the Board of Directors or Executive Management, and no options were exercised. The internal rules on trading in Novo Nordisk securities by members of the Board of Directors and Executive Management only permit trading in the 15 calendar-day period following each quarterly earnings announcement. Following the quarterly earnings announcement release on February 2, 2011 the Board of Directors and Executive Management received 54,423 B shares in accordance with the long term incentive program and a total of 33,244 B shares were sold, hence as of February 7, 2011 the Board of Directors and Executive Management owned 227,251 B shares.

ITEM 7 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

MAJOR SHAREHOLDERS

The total share capital of the Company is split in two classes, A shares and B shares, each with different voting rights. The A shares have 1000 votes per DKK 1 of the A share capital and the B shares have 100 votes per DKK 1 of the B share capital.

All of the A shares of the Company are held by Novo A/S, a wholly-owned subsidiary of the Novo Nordisk Foundation (the "Foundation"). As of December 31, 2010, the A shares represented approximately 69% of the votes exercisable at the Annual General Meeting. Treasury shares have no votes at the Annual General Meeting.

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The Foundation is a self-governing and self-owned organization whose main purposes are to be a stable base for the business and research activities of the subsidiaries of Novo A/S, and to support medical research and other scientific, humanitarian and social objectives.

Novo A/S was established in September 1999 with a contribution in kind of interest-bearing securities from the Foundation. In December 1999, the Foundation contributed its total holdings of A and B shares in Novo Nordisk A/S to Novo A/S in return for shares in Novo A/S. The purpose of Novo A/S in relation to Novo Nordisk A/S is to administer its portfolio of securities and minority capital interests and to administer and vote on the A shares and B shares in Novo Nordisk A/S, thereby creating a satisfactory financial return for the Foundation.

Under its statutes, the Foundation is governed by a Board of Governors, which must be comprised of at least six and not more than 12 members and at least two members must have a medical or scientific background. Members of the Foundation's Board of Governors are typically nominated by the chairman and elected by a two-thirds vote of the members who have themselves been elected pursuant to the statutes. Any member may be removed by unanimous vote of the other members of the Foundation's Board of Governors. In addition, employee representatives are elected for four-year terms by the employees of the subsidiaries of the Foundation, in accordance with Danish law. No person or entity exercises any kind of formal influence over the Foundation's Board. The Foundation's Board currently consists of nine persons, three of whom are also members of the Board of Directors of Novo Nordisk A/S (Kurt Anker Nielsen, Stig Strøbæk and Søren Thuesen Pedersen).

Under its statutes, Novo A/S is governed by a Board of Directors, which must be comprised of at least three and not more than six members who are elected annually by shareholder vote. According to the Foundation's statutes, its Board of Governors can and shall provide for members of its own Board of Governors to be elected to Novo A/S's Board of Directors. Novo A/S's Board of Directors currently has four members, with two directors who are also members of the Board of the Foundation (Ulf Johansson and JØrgen Boe) and one director who is also a member of the Board of Directors of Novo Nordisk A/S (Göran A Ando). The Chairman of the Foundation's Board of Governors (Ulf J Johansson) serves as the Chairman of Novo A/S's Board of Directors.

According to the statutes, the Foundation, in exercising its voting rights through Novo A/S at Novo Nordisk A/S's General Meetings, must vote with regard for what is in Novo Nordisk's best interest. A shares held by Novo A/S cannot be sold or be subject to any disposition so long as the Foundation exists. The dissolution of the Foundation or any change in its objectives requires the unanimous vote of the Foundation's Board of Governors. Other changes in the Foundation's statutes require the approval of two-thirds of the members of the Foundation's Board of Governors. In addition, changes in the Foundation's statutes require approval of the Danish Foundation Authorities. According to its statutes, the Foundation is required to maintain material influence over Novo Nordisk A/S and its majority vote in Novo A/S.

For further information reference is made to Corporate governance on pages 37-38 in our *Annual Report 2009* and pages 40-42 in our *Annual Report 2010*.

The B shares of the Company are registered with Værdipapircentralen (VP Securities) and are not represented by certificates. Generally, VP Securities does not provide the Company with information with respect to registration. However, set forth below is information as of February 1, 2011 with respect to (a) any shareholder who is known to the Company to be the owner of more than 5% of any class of the Company's securities and (b) the total amount of any class owned by the directors and Executive Management as a group:

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Title of class	Identity of person or group	Shares owned	Percent of class	Percent of total votes
A shares	Novo A/S	107,487,200*	100.00	69
B shares	Novo A/S	45,512,800	9.24	3
B shares	Novo Nordisk A/S and affiliates (treasury shares)	28,206,755	5.73	0
B shares	Board of Directors and Executive Management	206,072**	0.04	0.01

*) The number of A shares is calculated as an equivalent of the trading size (DKK 1) of the listed B shares but is not formally divided into number of shares. The A shares are not listed on any stock exchange.

***) As of February 7, 2011 the shares owned by Board of Directors and Executive Management were 227,251 (corresponding to 0.05 percent of class and 0.01 percent of total votes).

In 2007, 2008 and 2009 shares with an aggregate purchase price of DKK 4.8 billion, DKK 4.7 billion and DKK 6.5 billion, respectively, were repurchased under the Company's share repurchase program.

In February 2010, Novo Nordisk announced a new share repurchase program. Under this program, 19,534,528 shares corresponding to DKK 9.5 billion have been repurchased during 2010.

After the shareholders' approval of the proposed reduction of the Company's share capital at the Annual General Meeting on March 24, 2010, 20,000,000 shares were canceled in June 2010, reducing the number of treasury shares accordingly.

As the B shares are in bearer form, it is not possible to give an accurate breakdown of the holdings and number of shareholders per country. It is, however, estimated that approximately 44% of the B share capital was held in Denmark as of December 31, 2010. Approximately 26% of the B share capital is estimated to be held in North America. The estimated total number of shareholders is more than 110,000 of whom more than 80,000 are estimated to be Danish residents and more than 20,000 to be resident in the United States of America.

RELATED PARTY TRANSACTIONS

Related parties are considered to be the Novo Nordisk Foundation, Novo A/S, Novozymes A/S (due to shared controlling shareholder, Novo A/S), associated companies, the Board of Directors and officers of these entities and Management of Novo Nordisk. Novo Nordisk has access to certain assets of and can purchase certain services from Novo A/S and Novozymes A/S and vice versa. All agreements relating to such assets and services are based on the list prices used for sales to third parties where such list prices exist, or the price has been set at what is regarded as market price. The material terms of these agreements are renegotiated annually.

In 2010 Novo Nordisk A/S acquired 5,100,000 B shares, worth DKK 2.6 billion, from Novo A/S as part of the DKK 9.5 billion share repurchase program. The transaction price was DKK 503.412 per share and was calculated as the average market price from August 5 to August 11, 2010, the open trading window, following the announcement of the financial results for the second quarter of 2010. For information relating to 2008 and 2009, reference is made to Note 32 Related party transactions in our *Annual Report 2010*.

Related party transactions in 2010, 2009 and 2008 were primarily payments for services provided between the Novo Nordisk Group and the Novozymes Group and transactions with associated companies. The financial impact of these transactions is limited.

Since December 31, 2010 there have been no significant transactions with related parties out of the ordinary course of business. For further information reference is made to Note 33 Related party transactions in our *Annual Report 2009* and Note 32 Related party transactions in our *Annual Report 2010*.

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There have not been and are no loans to members of the Board of Directors or Executive Management in 2010, 2009 and 2008.

INTERESTS OF EXPERTS AND COUNSEL

Not applicable.

ITEM 8 FINANCIAL INFORMATION

CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

See Item 17 for information on balance sheet, income statement, changes in shareholders' funds, cash flow statement, related notes, etc., including comparative figures.

For information on net turnover by business segments and geographic segments, reference is made to Note 2 Segment information in our *Annual Report 2010*.

Dividend policy

At the Annual General Meeting on March 23, 2011, the Board of Directors is expected to propose a dividend of DKK 10.00 per share. No dividends will be paid on the Company's holding of its treasury shares. It is the intention of the Board of Directors that the payout ratio of Novo Nordisk should be at the level of comparable pharmaceutical companies.

Legal proceedings

Reference is made to Note 31 Commitments and contingencies in the *Annual Report 2010* regarding legal proceedings.

SIGNIFICANT CHANGES

Reference is made to Note 31 Commitments and contingencies in the *Annual Report 2010* for significant events after the balance sheet date. For description of important events and achievements in the financial year of 2010, reference is made to Our 2010 accomplishments and results, on pages 2-15 in our *Annual Report 2010*.

ITEM 9 THE OFFER AND LISTING

Offer and listing details

The table below sets forth for the calendar periods indicated, in the first two columns, high and low prices for the B shares as reported by the NASDAQ OMX Copenhagen and, in the third and fourth columns, high and low ADR prices as reported by the New York Stock Exchange.

Following the change in trading units as of 3 December 2007, all quotes are restated to reflect the new trading unit of DKK 1 per B share and a ratio of B shares to ADRs of 1:1.

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	DKK per B share		USD per ADR	
	High	Low	High	Low
2006	240	170	42.33	27.40
2007	349	231	68.73	38.84
2008	353	246	73.73	41.90
2009	350	235	70.00	41.35
2010	645	331	113.77	63.85
1st Quarter 2009	318	248	56.26	42.95
2nd Quarter 2009	292	235	55.50	41.35
3rd Quarter 2009	334	282	65.97	52.71
4th Quarter 2009	350	310	70.00	61.60
1st Quarter 2010	449	331	79.75	63.85
2nd Quarter 2010	519	410	85.86	73.16
3rd Quarter 2010	554	479	99.75	80.55
4th Quarter 2010	645	483	113.77	89.87
July 2010	515	482	89.23	80.55
August 2010	516	479	90.63	81.15
September 2010	554	504	99.75	87.18
October 2010	569	483	105.97	89.87
November 2010	584	546	105.58	99.25
December 2010	645	564	113.77	100.28
January 2011	664	604	117.44	110.00
February 1-7, 2011	626	603	115.72	110.78

PLAN OF DISTRIBUTION

Not applicable.

MARKETS

The Company's share capital consists of A shares and B shares. As described above, the A shares are owned by the Novo Nordisk Foundation through its wholly-owned subsidiary Novo A/S and are not listed or traded on any stock exchange. The B shares have been publicly traded since 1974 and have been listed on the NASDAQ OMX Copenhagen since that time. The NASDAQ OMX Copenhagen is the main trading market for the B shares.

American Depositary Receipts (ADRs) representing the B shares, as evidenced by American Depositary Receipts issued by JP Morgan Chase Bank of New York, as the Depository, have been listed on the New York Stock Exchange since 1981. As of December 31, 2010, 37,965,486 B share equivalents (representing 7.71% of the outstanding B shares, adjusted for the treasury shares) were held in the form of ADRs.

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SELLING SHAREHOLDERS

Not applicable.

DILUTION

Not applicable.

EXPENSES OF THE ISSUE

Not applicable.

ITEM 10 ADDITIONAL INFORMATION

SHARE CAPITAL

Not applicable.

MEMORANDUM AND ARTICLES OF ASSOCIATION

This section summarizes certain material provisions of Novo Nordisk A/S's Articles of Association, certain other constitutive documents and relevant Danish corporate law. See Exhibit 1.1 to this Form 20-F for a translation into English language of the Articles of Association.

General

Novo Nordisk A/S is a limited liability company organized under the laws of Denmark and registered in the Danish Central Business Register under no. CVR 24256790. Novo Nordisk A/S's objects are to carry out research and development and to manufacture and commercialize pharmaceutical, medical and technical products and services as well as any other activity related thereto as determined by its Board of Directors. It strives to conduct its activities in a financially, environmentally, and socially responsible way. Novo Nordisk A/S's objects are set out in Article 3 of its Articles of Association.

Powers of the Board of Directors

All members of the Board of Directors have equal voting rights, and all resolutions are passed by a simple majority of votes. However, in the event of a tie, the Chairman shall have the deciding vote. The Board of Directors forms a quorum when a majority of its members is present.

According to the Danish Companies Act, no member of the Board of Directors or the Executive Committee may take part in the consideration of any business involving agreements between any member of the group and himself, legal actions brought against himself, or any business involving agreements between any member of the Group and any third party or legal actions brought against any third party, if he has a major interest therein that might conflict with Novo Nordisk A/S's interests.

The Danish Companies Act also prohibits Novo Nordisk A/S from granting loans or providing securities to any member of the Board of Directors and anyone particularly close to such a member of the Board of Directors.

The remuneration of the Board of Directors must be approved by Novo Nordisk A/S's shareholders at a General Meeting.

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According to the rules of procedure of the Board of Directors a person cannot be nominated for election or re-election if such person has reached the age of 70 at the time of the General Meeting.

Rights, restrictions and preferences attaching to the shares

If the shareholders at an Annual General Meeting approve a recommendation by the Board of Directors to pay dividends, dividends shall be distributed as follows: a priority dividend of 1/2% of the nominal share capital to the holders of A shares and then up to a dividend of 5% to the holders of B shares. Any distribution of additional dividends shall be subject to the provision that the holders of A shares shall never receive a total dividend exceeding the percentage rate of the dividend paid to the holders of B shares. Dividends on A shares shall be remitted to the shareholders at the addresses entered in the Company's Register of Shareholders as at the date of the Annual General Meeting. Dividends on B shares shall be paid with fully discharging effect for the Company through a central securities depository and an account-holding bank to shareholders registered by VP Securities at the time of payment. The right to dividends shall lapse five years after the due date for payment thereof.

Subject to the above described preference mechanism, the A shares and the B shares rank equal in the event of a return on capital by the company. Upon a winding-up, liquidation or otherwise, the B shares rank ahead the A shares with regard to payment of each share's nominal amount. All shares rank equal in respect of further distributions from a winding-up.

Each A share carries 1,000 votes and each B share carries 100 votes at the General Meeting. A shares are non-negotiable instruments whereas B shares are negotiable instruments.

The holders of A shares have a pro-rata right of first refusal with regard to any A shares sold by another shareholder. Such shares shall be offered to the Board of Directors on behalf of the other holders of A shares at a price not lower than the average of the buying price quoted for the B shares on the NASDAQ OMX Copenhagen during the last three months prior to the submission of such offer. Within 30 days of receipt of such offer, the Board of Directors shall inform the shareholder whether other holders of A shares wish to acquire the shareholding in question.

The share capital has been fully paid up and shareholders are not liable to further capital calls by Novo Nordisk A/S. No shareholder shall be obliged to have his shares redeemed in whole or in part. There is no sinking fund provision in the Articles of Association. There is no provision in the Articles of Association discriminating against any existing or prospective holder of such securities as a result of such shareholder owning a substantial number of shares. The members of the Board of Directors do not stand for reelection at staggered intervals and there is no cumulative voting arrangement.

Changes in shareholders' rights

Changes in the rights of holders of A shares or B shares require an amendment of the Articles of Association. Unless stricter requirements are made under the Danish Companies Act, for any such resolution to be passed, (i) at least 2/3 of the total number of votes in Novo Nordisk A/S shall be represented at the General Meeting and (ii) at least 2/3 of the votes cast and of the voting share capital shall vote in favor of such resolution. If the quorum requirement in (i) is not fulfilled, the Board of Directors shall within two weeks convene another General Meeting at which the resolution may be passed irrespective of the number of votes represented.

General Meetings

Novo Nordisk A/S's General Meetings shall be held at a venue in the Capital Region of Denmark. The Annual General Meeting shall be held before the end of April in every year. Extraordinary General Meetings shall be held as resolved by the General Meeting or the Board of Directors, or upon the request of the auditors or shareholders representing in total at least 5% of the share capital. The Extraordinary General Meeting shall then be called not later than two weeks after receipt of such request.

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General Meetings shall be called by the Board of Directors not earlier than five weeks and not later than three weeks prior to the General Meeting. The notice calling such General Meeting, stating the agenda for the meeting, shall be advertised in two national daily newspapers as determined by the Board of Directors. The notice convening the meeting shall also be forwarded in writing to all shareholders entered in the Register of Owners who have so requested and be advertised in the IT system of the Danish Commerce and Companies Agency. At the same time the notice convening the meeting shall be published at the Company's website.

A shareholder's right to attend and vote at a General Meeting shall be determined by the shares which such shareholder owns at the record date. The record date shall be one week prior to the General Meeting. The shares held by each shareholder at the record date shall be calculated based on the registration of the shareholder's shares in the Register of Owners as well as any notification received by the Company with respect to registration of shares in the Register of Owners, which have not yet been entered in the Register of Owners. Any shareholder who is entitled to attend the General Meeting as before described and who wants to attend the General Meeting is required to apply for an admission card to such General Meeting not later than three days prior to the date of such General Meeting.

Ownership restrictions

There are no limitations on the rights of non-resident or foreign owners to hold or vote the shares imposed by the laws of Denmark, Novo Nordisk A/S's Articles of Association, or any other of its constituent documents.

Change of control

There is no provision in the Articles of Association, nor any other constituent document, that would have an effect of delaying, deferring or preventing a change in control of Novo Nordisk A/S and that would operate only with respect to a merger, acquisition or corporate restructuring involving the company (or any of its subsidiaries). However, based on the current shareholder structure, the voting rights held by holders of A shares outlined above afford the Novo Nordisk Foundation, acting through its wholly-owned subsidiary Novo A/S, veto power against any change of control.

Ownership disclosure

According to the Danish Securities Trading Act, a shareholder of Novo Nordisk A/S must disclose its ownership if it owns more than 5% of the voting rights and share capital. Also, shareholders must disclose change in holdings already notified if these changes entail that thresholds of 5%, 10%, 15%, 20%, 25%, 50% or 90% and 1/3 and 2/3 of the voting rights or share capital are crossed.

Changes in Capital

Novo Nordisk A/S's Articles of Association do not contain conditions governing changes in the capital more stringent than those contained in the Danish Companies Act.

MATERIAL CONTRACTS

There have been no material contracts outside the ordinary course of business.

EXCHANGE CONTROLS

There are no governmental laws, decrees, or regulations in Denmark (including, but not limited to, foreign exchange controls) that restrict the export or import of capital, or that affect the remittance of dividends, interest or other payments to non-resident holders of the B shares or the ADRs.

There are no limitations on the right of non-resident or foreign owners to hold or vote the B shares or the ADRs imposed by the laws of Denmark or the Articles of Association of the Company.

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TAXATION

Danish Taxation

The following summary outlines certain Danish tax consequences to holders of ADRs or B shares who are citizens or residents of the United States, entitled to benefits, under the current Convention between the Government of the United States of America and the Government of the Kingdom of Denmark for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the Current Convention).

Withholding Tax

Generally, Danish withholding tax is deducted from dividend payments to U.S. residents and corporations at a 28% rate, the rate which is generally applicable to non-residents in Denmark without regard to eligibility for a reduced treaty rate. Under the Current Convention, however, the maximum rate of Danish tax that may be imposed on a dividend paid to a U.S. resident or corporation that does not have a permanent establishment (as defined therein) in Denmark is generally 15% and, for certain pension funds, 0% (each, the Treaty Rate). U.S. residents and corporations who are eligible for the Treaty Rate may apply to the Danish tax authorities to obtain a refund to the extent that the amount withheld reflects a rate in excess of the Treaty Rate (any such amount, the Excess Withholding Tax).

The Danish tax authorities have approved a simplified withholding tax refund procedure for U.S. resident ADR holders entitled to the benefits of the Current Convention. Under the simplified refund procedures, U.S. resident ADR holders that provide a properly completed Internal Revenue Service (IRS) Form 6166 to the Depository within a sufficient time prior to the dividend payment date will receive the Excess Withholding Tax at the time of the receipt of the dividend. U.S. resident ADR holders that provide a properly completed Form 6166 to the Depository after the dividend payment date, but no later than four months following such date will receive a refund from the Depository of the Excess Withholding Tax after the dividend payment date. U.S. resident ADR holders that do not provide IRS Form 6166 to the Depository within the period ending four months after the dividend payment date may claim a refund of the Excess Withholding Tax by filing a properly completed Danish Dividend Tax claim form 06.008 and a properly completed IRS Form 6166 with the Danish tax authorities within the three-year period following the year in which the dividend was paid.

Sale or Exchange of ADRs or B shares

Any gain or loss realized on the sale or other disposition of ADRs or B shares by an individual that is not a resident of Denmark or a non-Danish corporation that is not doing business in Denmark is not subject to Danish taxation. In addition, any non-resident of Denmark may remove from Denmark any convertible currency representing the proceeds of the sales of ADRs or B shares in Denmark.

U.S. Taxation

The following summary outlines certain U.S. tax consequences for U.S. Holders (defined below) of owning and disposing of ADRs or B shares. A U.S. Holder is a holder who, for U.S. federal income tax purposes, is a beneficial owner of ADRs or B shares who is eligible for the benefits of the Current Convention and is (i) a citizen or individual resident of the United States, (ii) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States or any political subdivision thereof, or (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source. This discussion applies only to a U.S. Holder that holds ADRs or B shares as capital assets for U.S. tax purposes and does not apply to persons that own or are deemed to own 10% or more of Novo Nordisk voting stock. In addition, this discussion does not describe all of the tax consequences or potentially different tax consequences that may be relevant in light of the U.S. Holder's particular circumstances. This discussion assumes that the Company is not, and will not become, a passive foreign investment company for U.S. federal income tax purposes.

Based on certain representations by the Depository, for U.S. federal income tax purposes, the holders of ADRs will be treated as the beneficial owners of the underlying B shares. Accordingly, no gain or loss for U.S. federal income tax purposes will be recognized if a U.S. Holder exchanges ADRs for the underlying B shares represented by those ADRs or B shares for ADRs.

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The U.S. Treasury has expressed concern that parties to whom American depositary receipts are released before shares are delivered to the depositary (referred to as a pre-release), or intermediaries in the chain of ownership between holders and the issuer of the security underlying the American depositary receipts, may be taking actions that are inconsistent with the claiming of foreign tax credits by holders of American depositary receipts. These actions would also be inconsistent with the claiming of the reduced rate of tax, described below, applicable to dividends received by certain non-corporate U.S. Holders. Accordingly, the creditability of Danish taxes, and the availability of the reduced tax rate for dividends received by certain non-corporate U.S. Holders, each described below, could be affected by actions taken by such parties or intermediaries.

Taxation of Distributions

For U.S. federal income tax purposes, distributions on ADRs or B shares received by U.S. Holders, without reduction for any Danish tax withheld, generally will be included in the holder's income as foreign source dividend income and will not be eligible for the dividends-received deduction generally available to U.S. corporations. The amount of any dividend income paid in Danish kroner will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of the U.S. Holder's, or, in the case of ADRs, the Depositary's receipt regardless of whether the payment is in fact converted into U.S. dollars at that time. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt. U.S. Holders that receive a refund of Danish withholding tax after the dividend is received, as discussed above under the section Danish Taxation Withholding Tax, may be required to recognize foreign currency gain or loss with respect to the amount of the refund. U.S. Holders should consult their tax advisers regarding whether any foreign currency gain or loss should be recognized in connection with distributions on ADRs or B shares.

Subject to applicable limitations and conditions under U.S. federal income tax law and the discussion above regarding concerns expressed by the U.S. Treasury, dividends paid to certain non-corporate U.S. Holders in taxable years beginning before January 1, 2013 will be taxable at favorable rates. In order to be eligible for the favorable rates, a non-corporate U.S. Holder must fulfill certain holding period and other requirements.

Subject to applicable limitations and conditions under U.S. federal income tax law and the discussion above regarding concerns expressed by the U.S. Treasury, a U.S. Holder may be eligible to credit against its U.S. federal income tax liability the Danish taxes withheld from dividends on B shares or ADRs in an amount not exceeding the amount that reflects the rate provided by the Current Convention. The rules governing foreign tax credits are complex and, therefore, U.S. Holders should consult their tax advisers regarding the availability of foreign tax credits in their particular circumstances.

Alternatively, subject to applicable limitations, U.S. Holders may elect to deduct Danish taxes withheld from dividend payments. An election to deduct foreign taxes instead of claiming foreign tax credits must apply to all taxes paid or accrued in the taxable year to foreign countries and possessions of the United States.

Sale or Exchange of ADRs or B shares

A U.S. Holder will recognize capital gain or loss for U.S. federal income tax purposes on a sale or other disposition of ADRs or B shares, which will be long term capital gain or loss if the U.S. Holder held the ADRs or B shares for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the ADRs or B shares disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. Such gain or loss will generally be U.S. source gain or loss for foreign tax credit purposes.

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Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S. related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

The foregoing sections offer a general description and U.S. Holders should consult their own tax advisers to determine the U.S. federal, state, local and foreign tax consequences of owning and disposing of class B shares or ADRs in their particular circumstances.

DIVIDENDS AND PAYING AGENTS

Not applicable.

STATEMENT BY EXPERTS

Not applicable.

DOCUMENTS ON DISPLAY

Documents referred to and filed with the SEC together with this Form 20-F can be read and copied at the SEC's public reference room located at 100 F Street, NE, Washington, DC 20549. Please call the United States Securities and Exchange Commission at 1-800-SEC-0330 for further information on the public reference rooms.

Copies of the Form 20-F as well as the *Annual Report 2010* can be downloaded from the Investors pages at novonordisk.com. The content of this website is not incorporated by reference into this Form 20-F. The Form 20-F is also filed and can be viewed via EDGAR on www.sec.gov.

SUBSIDIARY INFORMATION

Not applicable.

ITEM 11 QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISKS

Financial exposure and financial risk management

For a description and discussion of the Company's foreign exchange risk management, interest risk management, counterparty risk management and equity price risk management, reference is made to Note 27 "Financial risk" and the section on "Risk management" on pages 43-45 in the *Annual Report 2010*.

Sensitivity analysis

When conducting a sensitivity analysis, the Group assesses the change in fair value on the market-sensitive instruments following hypothetical changes in market rates and prices. The rates used to mark-to-market the instruments are market data as of December 31, 2010.

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Interest rate sensitivity analysis

For information on Interest rate sensitivity analysis in the financial year of 2010, reference is made to Note 27 Financial risk in the *Annual Report 2010*.

Foreign exchange sensitivity analysis

For information on Foreign exchange sensitivity analysis in the financial year of 2010, reference is made to Note 27 Financial risk and the section on Risk management on pages 43-45 in the *Annual Report 2010*.

ITEM 12 DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

ITEM 12A DEBT SECURITIES

Not applicable.

ITEM 12B WARRANTS AND RIGHTS

Not applicable.

ITEM 12C OTHER SECURITIES

Not applicable.

ITEM 12D AMERICAN DEPOSITARY SHARES

Novo Nordisk's American Depositary Receipt (ADR) program is administered by J.P. Morgan Depositary Receipts Group, JPMorgan Chase Bank, N.A., 4 New York Plaza, New York, USA, as depositary.

The ADRs are traded under the code NVO on the New York Stock Exchange and the underlying security is the Novo Nordisk B-share, NOVOB on the NASDAQ OMX Copenhagen. Each ADR represents one deposited Novo Nordisk B-share. One ADR carries the same voting rights as one Novo Nordisk B-share. The depositary distributes relevant notices, reports and proxy materials to the holders of the ADRs. When dividends are paid to shareholders, the depositary converts the amounts into U.S. dollars and distributes the dividends to the holders of the ADRs. No fees are charged to the holders of the ADRs in relation to these procedures.

The holder of an ADR has to pay the following fees and charges related to services in connection with the ownership of the ADR:

Service	Fee
Issuance or delivery of an ADR, surrendering of an ADR for delivery of a Novo Nordisk B share, cancellation of an ADR, including issuance, delivery, surrendering or cancellation in connection with share distributions, stock splits, rights and mergers	USD 5.00 for each 100 ADRs (or portion thereof), to be paid to the depositary
Transfer of the Novo Nordisk B-shares from the Danish custodian bank to the holder of the ADR's account in Denmark	USD 20.00 cabling fee per transfer, to be paid to the depositary
Taxes and other governmental charges the holder of the ADR has to pay on any ADR or share underlying the ADR	As necessary

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J.P. Morgan, as depositary, has agreed to reimburse certain reasonable expenses related to Novo Nordisk's ADR program and incurred by Novo Nordisk in connection with the program. In the year ended December 31, 2010, the depositary reimbursed USD 500,000 for costs related to investor relations programs and special investor relations promotional activities and waived costs of USD 35,000 related to the maintenance of the ADR program and other services. The amounts the depositary reimbursed are not related to the amount of fees collected by the depositary from ADR holders.

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PART II

ITEM 13 DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14 MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15 CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

Novo Nordisk maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in reports that Novo Nordisk files under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the United States Securities and Exchange Commission.

Novo Nordisk Management has evaluated the Company's disclosure controls and procedures as of December 31, 2010. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective at the reasonable assurance level for gathering, analyzing and disclosing the information the Company is required to disclose in the reports it files under the Securities Exchange Act of 1934, within the time periods specified in the SEC's rules and forms.

In designing and evaluating the disclosure controls and procedures, Management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Report of Novo Nordisk Management on Internal Control Over Financial Reporting

Novo Nordisk's Board of Directors and Executive Management are responsible for establishing and maintaining adequate internal control over financial reporting. The Novo Nordisk Group's internal control system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation and fair presentation of its published consolidated financial statements.

All internal control systems no matter how well designed have inherent limitations. Therefore, even those systems determined to be effective may not prevent or detect misstatements and can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Novo Nordisk Management assessed the effectiveness of the Group's internal control over financial reporting as of December 31, 2010. In making this assessment, they used the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment the Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2010, the Novo Nordisk Group's internal control over financial reporting is effective based on those criteria.

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The effectiveness of internal control over financial reporting as of December 31, 2010 has been audited by PricewaterhouseCoopers, Statsautoriseret Revisionsaktieselskab, Denmark, an independent registered public accounting firm, as stated on page 43 of this Form 20-F.

Changes in internal controls over financial reporting

There were no changes in the Company's internal control over financial reporting that occurred during the year ended December 31, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 16A AUDIT COMMITTEE FINANCIAL EXPERTS

The Audit Committee has three members elected by the Board among its members. All members qualify as independent as defined by the U.S. Securities and Exchange Commission (SEC). One member is designated as chairman and all members are designated as Audit Committee Financial Experts as defined by the SEC.

The board has in March 2010 elected the following individuals to the Audit Committee: Kurt Anker Nielsen (Audit Committee Chairman and Financial Expert), Hannu Ryöppönen (Audit Committee Member and Financial Expert) and Jørgen Wedel (Audit Committee Member and Financial Expert).

ITEM 16B CODE OF ETHICS

Novo Nordisk has an ethics framework consisting of a number of rules and guidelines, including but not limited to the Novo Nordisk Way, which consists of the Company's Vision and Essentials as well as a number of policies, including a business ethics policy and related procedures. This framework is applicable to all employees in Novo Nordisk including the Board of Directors and Management.

The Novo Nordisk Way is principle-based and describes corporate essentials and required mindsets on business conduct and ethics including a number of the topics dealt with in the rules on Code of Ethics set forth in the Sarbanes-Oxley Act and in the NYSE Listed Company Manual.

Novo Nordisk has not established a separate Code of Ethics as a response to the requirement set forth in the Sarbanes-Oxley Act because the framework is already well integrated in the Company, and includes rules and guidelines reasonably similar to those required by Code of Ethics in the Sarbanes-Oxley Act and the NYSE Listed Company Manual.

For further information on the Novo Nordisk Way, please visit Novo Nordisk's website at novonordisk.com (the contents of the website are not incorporated by reference into this Form 20-F).

ITEM 16C PRINCIPAL ACCOUNTANT FEES AND SERVICES

Reference is made to Note 5 Fees to statutory auditors in our *Annual Report 2010* regarding fees paid to our statutory auditors.

Statutory audit fees

Statutory audit fees consist of fees billed for the annual audit of the Company's Annual Report, the financial statements of the Parent Company, Novo Nordisk A/S, and financial statements of fully-owned affiliates including audit of internal controls over financial reporting (Sarbanes-Oxley Act, Section 404). The fees also include fees billed for other audit services, which are those services that only the statutory auditor can provide, and include the review of documents filed with the SEC.

[Back to Contents](#)**Audit-related fees**

Fees for audit-related services consist of fees billed for assurance and related services that are related to the performance of the audit or review of the Company's non-financial reporting included in the Annual Report and include consultations concerning financial accounting, reporting standards and financial due diligence.

Tax fees

Fees for tax advisory services include fees billed for tax compliance services, tax consultations, such as assistance and representation in connection with tax audits and appeals, transfer pricing and tax planning services.

All other fees

Fees for all other services comprises fees billed for other permitted services such as audit or review opinions rendered to third parties regarding the Company's compliance with contracts, the implementation of a standard cost framework, risk management diagnostics and assessments, and compliance reviews in connection with healthcare laws and regulations. The auditors also assist management with internal investigations and fact-finding into alleged misconduct.

Pre-approval policies

The Audit Committee assesses and pre-approves all audit and non-audit services provided by Price-waterhouseCoopers. The pre-approval includes the type of service and a fee budget. Furthermore, the Audit Committee receives a quarterly update on actual services provided and fees realized.

ITEM 16D EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

	Total Number of Shares Purchased	Average Price Paid per Share in DKK	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Value of Shares that may yet be purchased under the Plans or Programs in DKK
2010	(a)	(b)	(c)	(d)
January 1-31				7,500,000,000
February 1-28	1,811,000	383.38	1,811,000	6,805,694,936
March 1-31	1,899,000	417.30	3,710,000	6,013,232,562
April 1-30	1,468,000	445.86	5,178,000	5,358,713,790
May 1-31	1,563,000	462.84	6,741,000	4,635,300,411
June 1-30	1,456,500	493.35	8,197,500	3,916,731,273
July 1-31	1,805,000	493.84	10,002,500	3,025,347,751
August 1-31	5,640,210	502.74	15,642,710	1,189,876,526
September 1-30	732,000	528.00	16,374,710	803,377,267
October 1-31	873,668	534.94	17,248,378	1,336,016,687
November 1-30	1,155,000	565.04	18,403,378	683,391,100
December 1-31	1,131,150	601.67	19,534,528	2,813,873
Total	19,534,528	486.17	19,534,528	2,813,873

Note to column (a) and (d)

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The Board of Directors has an authorization from the annual shareholders meeting to buy up to 10% of the share capital at the price quoted at the time of the purchase with a deviation of up to 10%.

Under this authorization a share repurchase program of DKK 7.5 billion originally initiated in January 2010 and increased by DKK 1 billion in August and by DKK 1 billion again in October 2010 was completed in 2010. The shares have been purchased through a bank directly in the market or directly from named shareholders such as Novo A/S.

Notes to columns (c) and (d)

In order to maintain capital structure flexibility the Board of Directors intends to propose at the Annual General Meeting on March 23, 2011 a reduction in the B share capital, by cancellation of 20 million shares (nominal value DKK 1) of current treasury B shares, to DKK 472,512,800. This would correspond to a 3% reduction of the total share capital.

ITEM 16F CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G CORPORATE GOVERNANCE

Novo Nordisk is a foreign private issuer whose ADRs are listed on the New York Stock Exchange (the NYSE). As such Novo Nordisk is required to comply with U.S. securities laws, including the Sarbanes-Oxley Act and the NYSE Corporate Governance Standards except that as permitted under these standards, Novo Nordisk continues to apply Danish corporate governance practices in certain areas.

As a non-U.S. NYSE-listed Company, Novo Nordisk is required to provide a concise summary in this annual report of the significant ways in which its corporate governance practices differ from the corporate governance standards of the NYSE applicable to domestic U.S.-listed companies. Below is an overview of these significant differences.

**Listed Company
Manual Section**

303A	Corporate Governance standard	Novo Nordisk corporate governance practice
Rule 2.(a)	No director qualifies as independent unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Companies must identify which directors are independent and disclose the basis for that determination.	Under the Danish Corporate Governance Recommendations, at least a majority of the elected members of the board, excluding any members that have been elected by employees of the company, must be independent. Employees are entitled to be represented by half of the total number of board members elected at the general meeting. The Board has determined whether board members qualify as independent under the Danish Corporate Governance Recommendations. The Board has also determined whether the board members, who are members of

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the Audit Committee, qualify as independent under Rule 10A-3 under the Securities Exchange Act. Such determination is disclosed in the Annual Report. Further, the Annual Report provides detailed and individual information regarding the board members, but it does not explicitly identify which board members the Board considers independent under NYSE Corporate Governance Standards.

Rule 2.(b)(i) In addition, a director is not independent if the director is, or has been within the last three years, an employee of the listed Company, or an immediate family member is, or has been within the last three years, an executive officer, of the listed Company.

Rule 303A.02 defines listed company, for purposes of the independence standards, to include any parent or subsidiary in a consolidated group with the listed company or such other company as is relevant to any determination under the independence standards set forth in this Section 303A.02(b).

One board member currently serves as executive of the majority shareholder, Novo A/S, and thus may be deemed as being non-independent. Also, four employees have been elected as board members by the Danish employees of the company.

No other board members or immediate family member has within the last three years been an employee or executive of Novo Nordisk or any parent or subsidiary in a consolidated group with Novo Nordisk.

Rule 2.(b)(ii) Furthermore, a director is not independent if the director has received, or has an immediate family member who has received, during any twelve months period within the last three years, more than \$120,000 in direct compensation from the listed company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).

Rule 303A.02 defines listed company, for purposes of the independence standards, to include any parent or subsidiary in a consolidated group with the listed company or such other company as is relevant to any determination under the independence standards set forth in this Section 303A.02(b). One board member serves as executive of the majority shareholder, Novo A/S, and thus may be deemed as being non-independent due to the receipt of remuneration as executive of Novo A/S.

No other board members or immediate family member receives or has received such fees from Novo Nordisk.

Rule.4(a) Listed companies must have a nominating/corporate governance committee composed entirely of independent directors.

The requirement does not apply if a company is controlled, which the New York Stock Exchange defines as having more than 50% of the voting power for the election of directors held by an individual, a group or another company. Novo Nordisk is such a controlled company and is therefore exempt from this requirement in the same manner as U.S. companies are.

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The Chairmanship serves as nomination committee and presents proposals to the Board. However, Novo Nordisk has not established a separate nomination committee because Novo Nordisk believes that each board member must have the opportunity to contribute actively to discussions and have access to all relevant information about nomination. To review the current board composition Novo Nordisk has established an ad hoc nomination team, which consists of the Chairmanship supplemented with two other board members.

Rule 5.(a) Listed companies must have a compensation committee composed entirely of independent directors.

The requirement does not apply if a company is controlled, which the New York Stock Exchange defines as having more than 50% of the voting power for the election of directors held by an individual, a group or another company. Novo Nordisk is such a controlled company and is therefore exempt from this requirement in the same manner as U.S. companies are.

The Chairmanship serves as a compensation committee and presents proposals to the Board. However, Novo Nordisk has not established a separate compensation committee because Novo Nordisk believes that each board member must have the opportunity to contribute actively to discussions and have access to all relevant information about remuneration.

Rule.5(b) Listed companies must have a compensation committee composed entirely of independent directors.

The role of the Chairmanship is described in the Chairmanship charter, which has been approved by the Board.

The compensation committee must have a written charter that addresses:

Rule.5(b)(i) the committee's purpose and responsibilities which, at minimum, must be to have direct responsibility to:

The role of the Chairmanship is described in the Chairmanship charter.

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Rule.5(b)(i)(C)	prepare the disclosure required by Item 407(e)(5) of Regulation S-K;	<p>Details regarding board members as well as executives remuneration are included in the Annual Report.</p> <p>However, a compensation committee report as required by Item 407(e)(5) of Regulation S-K is not prepared.</p>
Rule 7.(b)(i)	The audit committee must have a written charter that addresses: the committee s purpose which, at minimum, must be to:	The charter addresses the Committee s purpose.
Rule 7.(b)(i)(A)	assist board oversight of (1) the integrity of the Company s financial statements, (2) the Company s compliance with legal and regulatory requirements, (3) the independent auditor s qualifications and independence, and (4) the performance of the Company s internal audit function and independent auditors; and	<p>As outlined in the charter, the Audit Committee shall assist the Board of Directors with the oversight of:</p> <ul style="list-style-type: none"> a) the external auditors b) the internal audit function c) the procedure for handling complaints regarding accounting, internal accounting controls, auditing or financial reporting matters and business ethics matters (compliance hotline) d) financial reporting e) post completion reviews and post investment reviews of investments f) other tasks <p>The Audit Committee is not specifically responsible for assisting the board with oversight of the Company s compliance with legal and regulatory requirements.</p>
Rule 7.(b)(iii)	the duties and responsibilities of the audit committee which, at a minimum, must include those set out in Rule 10A-3(b)(2), (3), (4) and (5) of the Exchange Act , as well as to:	The duties and responsibilities of the Audit Committee as described in the charter include those set out in Rule 10A-3 under the Exchange Act.
Rule 7.(b)(iii)(G)	set clear hiring policies for employees or former employees of the independent auditors; and	The Audit Committee has the responsibility of setting out clear hiring policies for the Internal Auditor, while Executive Management has the responsibility of setting hiring policies for other employees of Novo Nordisk. Special policies have been adopted for hiring employees formerly employed by the independent auditor.
Rule 8	Shareholders must be given the opportunity to vote on all equity-compensation plans and material revisions thereto.	The Remuneration Principles are presented by the Chairman to the Annual General Meeting and the Incentive Guidelines are approved by the Annual General Meeting.

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The Incentive Guidelines describe the framework for incentive programs for the Board and Executive Management. All incentive programs offered to the Board and/or Executive Management shall comply with this framework. However, under Danish law, the practice of voting on equity-compensation plans is not contemplated and accordingly, equity compensation plans are only subject to shareholder approval if it results in the issuance of new shares (and not if treasury shares are used).

Rule 10 Listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers.

Novo Nordisk has a framework of rules and guidelines, including but not limited to the Novo Nordisk Way, which describe corporate values and required mind sets on business conduct and ethics.

According to NYSE commentary, a code of business conduct and ethics shall include:

While certain topics mentioned in the Listed Company Manual are addressed in this framework of rules and guidelines there may be topics which are not covered.

- Conflicts of interest.
- Corporate opportunities.
- Confidentiality.
- Fair dealing.
- Protection and proper use of company assets.
- Compliance with laws, rules and regulations (including insider-trading laws).
- Encouraging the reporting of any illegal or unethical behaviour.

Rule 12.(a) Each listed company CEO must certify to the NYSE each year that he or she is not aware of any violation by the listed company of NYSE corporate governance listing standards, qualifying the certification to the extent necessary.

Listed companies that are foreign private issuers are permitted to follow home country practice in lieu of the provisions of this section. Novo Nordisk has opted to follow Danish law and regulations which do not contemplate such certifications.

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PART III

ITEM 17 FINANCIAL STATEMENTS

The financial statements required by this item accompany this annual report in the form of the Novo Nordisk *Annual Report 2010* (see Exhibit no. 15.1).

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES

In the *Annual Report 2010*, Novo Nordisk discloses certain financial measures of the Group's financial performance, financial position and cash flows that reflect adjustments to the most directly comparable measures calculated and presented in accordance with IFRS. These non-IFRS financial measures may not be defined and calculated by other companies in the same manners, and may thus not be comparable with such measures:

The non-IFRS financial measures presented in the *Annual Report 2010* are:

Free cash flow;

Cash/earnings;

Return on invested capital (ROIC);

Financial resources at the end of the year.

Free cash flow

Novo Nordisk defines free cash flow as cash flow from operating activities less cash used in investing activities excluding Net change in marketable securities (maturity exceeding three months) .

Management believes free cash flow is an important liquidity metric because it measures, during a given period, the amount of cash generated that is available to make investments, fund acquisitions and for certain other activities. A positive free cash flow shows that the Group is able to finance its activities and that external financing is thus not necessary for Groups operating activities. Therefore, management believes that this non-IFRS liquidity measure provides useful information to investors in addition to the most directly comparable IFRS financial measure Cash flow from operating activities .

The following table shows a reconciliation of free cash flow to Cash flow from operating activities .

Reconciliation of free cash flow

DKK Million	<u>2008</u>	<u>2009</u>	<u>2010</u>
Free cash flow	11,015	12,332	17,013
+ Net change in marketable securities (>3 months)	466		(2,913)
+ Net cash used in investing activities	1,382	3,046	5,579
= Cash flow from operating activities	12,863	15,378	19,679

Cash/earnings

Cash/earnings is defined as free cash flow as a percentage of net profit .

Management believes that Cash/earnings is an important performance metric. Cash/earnings measures the Group's ability to turn earnings into cash and is, therefore, in the eyes of management a meaningful measure for investors to understand the development of the Group's cash flow from operating activities. Because management wants this measure to capture the ability of the Group's operations to generate cash, free cash flow is used as the numerator instead of net cash flow.

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The following table shows the reconciliation of Cash/earnings to the most comparable IFRS financial measure Cash flow from operating activities/earnings in % :

Reconciliation of cash/earnings

DKK Million	<u>2008</u>	<u>2009</u>	<u>2010</u>
Numerator			
Free cash flow	11,015	12,332	17,013
Denominator			
Net profit (as reported in Annual Report)	9,645	10,768	14,403
Cash/earnings (as reported in Annual Report) in %	114.2%	114.5%	118.1%
Numerator			
Free cash flow	11,015	12,332	17,013
+ Net change in marketable securities (>3 months)	466		(2,913)
+ Net cash used in investing activities	1,382	3,046	5,579
= Cash flow from operating activities	12,863	15,378	19,679
Denominator			
Net profit (as reported in Annual Report)	9,645	10,768	14,403
Cash flow from operating activities	12,863	15,378	19,679
/ Net profit (as reported in Annual Report)	9,645	10,768	14,403
= Cash flow from operating activities / Net profit in %	133.4%	142.8%	136.6%

Return on invested capital (ROIC)

ROIC is defined as operating profit after tax (using the effective tax rate) as a percentage of average stocks, debtors, tangible and intangible fixed assets less non-interest bearing liabilities including provisions (where average is the sum of above assets and liabilities at the beginning of the year and at year-end divided by two) .

Management believes ROIC is a useful measure in providing investors and management with information regarding the Group's performance. ROIC is a widely accepted measure of earnings efficiency in relation to total capital employed. Management believes that the return on total capital employed, as measured by ROIC, is an effective measure of increases or decreases, as the case may be, in shareholder value. In addition, management believes that ROIC makes the Group's ability to provide a competitive return on investments in the Group visible.

The following table reconciles ROIC with Operating profit/equity in % , the most directly comparable IFRS financial measure:

Reconciliation of ROIC

DKK Million	<u>2008</u>	<u>2009</u>	<u>2010</u>
Operating profit after tax	9,401	11,498	14,886
/ Average non-interest bearing balance sheet items	25,129	24,329	23,390
= ROIC (as reported in the Annual Report) in %	37.4%	47.3%	63.6%

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Numerator				
Reconciliation of Operating profit after tax to Operating profit				
	Operating profit after tax	9,401	11,498	14,886
/	(1 minus effective tax rate) in %	76.0%	77.0%	78.8%
=	Operating profit (as reported in the Annual Report)	12,373	14,933	18,891
Denominator				
Reconciliation of Average non-interest bearing balance sheet items to Equity				
	Average non-interest bearing balance sheet items as used in ROIC calculation	25,129	24,329	23,390
*	2	50,258	48,658	46,780
-	Non-interest bearing balance sheet items at the beginning of the year	25,539	24,719	23,939
=	Non-interest bearing balance sheet items at the end of the year	24,719	23,939	22,841
	Non-interest bearing balance sheet items at the end of the year	24,719	23,939	22,841
+	Investments in associated companies	222	176	43
+	Other financial assets	194	182	254
+	Marketable securities and derivative financial instruments	1,377	1,530	4,034
+	Cash at bank and in hand	8,781	11,296	12,017
-	Non-current debt	(980)	(970)	(504)
-	Current debt	(1,334)	(419)	(1,720)
=	Equity at the end of the year (as reported in the Annual Report)	32,979	35,734	36,965
	Operating profit (as reported in Annual Report)	12,373	14,933	18,891
/	Equity	32,979	35,734	36,965
=	Operating profit/Equity in %	37.5%	41.8%	51.1%

Financial resources at the end of the year

Financial resources at the end of the year is defined as the sum of cash and cash equivalents at the end of the year, bonds with original term to maturity exceeding three months and undrawn committed credit facilities.

Management believes that the Financial resources at the end of the year is an important measure of the Group's financial strength from an investor's perspective, capturing the robustness of the Group's financial position and its financial preparedness for unforeseen developments.

ITEM 18 FINANCIAL STATEMENTS

The Registrant has responded to Item 17 in lieu of responding to this item.

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ITEM 19 EXHIBITS

a. Annual Report

The following pages from our *Annual Report 2010*, furnished to the SEC on Form 6-K, dated February 14, 2011, are incorporated by reference into this Form 20-F. The content of websites, scientific articles and other sources referenced on these pages are not incorporated by reference into this Form 20-F.

	Page(s) in the Annual Report
	<hr/>
Our 2010 accomplishments and results	2-15
Our business	16-27
Pipeline overview	24-25
Corporate governance	40-42
Risk management	43-45
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Share and capital structure	54-56
Consolidated Income Statement and Statement of Comprehensive Income for the years ended 31 December 2008, 2009 and 2010	58
Consolidated Balance sheet as of 31 December 2009 and 2010	59
Consolidated Statement of cash flows for the years ended 31 December 2008, 2009 and 2010	60
Consolidated Statement of changes in equity for the years ended 31 December 2009 and 2010	61
Notes to the Consolidated financial statements	62-91
Companies in the Novo Nordisk Group	90-91
Statement by the Board of Directors and Executive Management on the Annual Report	109

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List of exhibits:

Exhibit No.	Description	Method of filing
1.1	Articles of Association of Novo Nordisk A/S	Incorporated by reference to the Registrant's Report furnished to the SEC on Form 6-K on March 30, 2010.
8.1	Companies in the Novo Nordisk Group	Incorporated by reference to pages 90-91 of our <i>Annual Report 2010</i> filed on Form 6-K dated February 14, 2011.
12.1	Certification of Lars Rebien Sørensen, President and Chief Executive Officer of Novo Nordisk, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed together with this Form 20-F for 2010.
12.2	Certification of Jesper Brandgaard, Executive Vice President and Chief Financial Officer of Novo Nordisk, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed together with this Form 20-F for 2010.
13.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Filed together with this Form 20-F for 2010.
15.1	Extracts from Registrant's Annual Report for the fiscal year ended December 31, 2010.	Incorporated by reference to the portions of Registrant's Report furnished to the SEC on Form 6-K on February 14, 2011 identified in Item 19.a of this Form 20-F.
15.2	Extracts from Registrant's Annual Report for the fiscal year ended December 31, 2009.	Incorporated by reference to the portions of the Registrant's Report furnished to the SEC on Form 6-K on February 11, 2010 identified in Item 19.a of the Form 20-F on February 11, 2010.
15.3	Consent of independent registered public accounting firm.	Filed together with this Form 20-F for 2010.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Novo Nordisk A/S

In our opinion, the Consolidated Financial Statements listed in the accompanying index appearing under Item 19 present fairly, in all material respects, the financial position of Novo Nordisk A/S and its subsidiaries (the Company) as of 31 December 2010 and 31 December 2009, and the results of their operations and their cash flows for each of the three years in the period ended 31 December 2010 expressed in DKK and incorporated by reference to the Registrant's Annual Report (the pages listed in Item 19 of the Form 20-F) furnished to the SEC on Form 6-K dated 14 February 2011 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB), and with International Financial Reporting Standards as adopted by the EU. Also in our opinion, the Company has maintained, in all material respects, effective internal control over financial reporting as of 31 December 2010, based on criteria established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Novo Nordisk Management on Internal Control Over Financial Reporting. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PricewaterhouseCoopers
Statsautoriseret Revisionsaktieselskab
Copenhagen, Denmark

February 1, 2011

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SIGNATURES

The Registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

NOVO NORDISK A/S

/s/ Lars Rebien Sørensen

Name: Lars Rebien Sørensen
Title: President and Chief Executive Officer

Dated: February 14, 2011

/s/ Jesper Brandgaard

Name: Jesper Brandgaard
Title: Executive Vice President and
Chief Financial Officer