BANK OF NOVA SCOTIA
Form 424B5
November 02, 2015

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Registration Statement No. 333-200089
(To Prospectus dated December 1, 2014,
Prospectus Supplement dated December 1, 2014 and
Product Prospectus Supplement EQUITY INDICES LIRN-1 dated June 25, 2015)

2,078,181 Units	Pricing Date
$10 principal amount per unit	October 29, 2015
	Settlement Date
	November 5, 2015
	Final Valuation Date
	October 30, 2020
	Maturity Date
CUSIP No. 064160104	

Leveraged Index Return Notes® Linked to the S&P 500® Index

§ Maturity of approximately five years

§ 107.00% leveraged upside exposure to increases in the Index

§ 1-to-1 downside exposure to decreases in the Index beyond a 20.00% decline, with up to 80.00% of your investment at risk

§ All payments occur at maturity and are subject to the credit risk of The Bank of Nova Scotia

§ No periodic interest payments

§ Limited secondary market liquidity, with no exchange listing

§ The notes are unsecured debt securities and are not savings accounts or insured deposits of a bank. The notes are not insured or guaranteed by the Canada Deposit Insurance Corporation, the U.S. Federal Deposit Insurance Corporation (the "FDIC"), or any other governmental agency of Canada, the United States or any other jurisdiction

The notes are being issued by The Bank of Nova Scotia ("BNS"). There are important differences between the notes and a conventional debt security, including different investment risks and certain additional costs. See "Risk Factors" beginning on page TS-6 of this term sheet and beginning on page PS-6 of product prospectus supplement EQUITY INDICES LIRN-1.

The initial estimated value of the notes as of the pricing date is $9.54 per unit, which is less than the public offering price listed below. See "Summary" on the following page, "Risk Factors" beginning on page TS-6 of this term sheet and "Structuring the Notes" on page TS-12 of this term sheet for additional information. The actual value of your notes at any time will reflect many factors and cannot be predicted with accuracy.

None of the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission, or any other regulatory body has approved or disapproved of these securities or determined if this Note Prospectus (as defined below) is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Unit	Total
Public offering price	$I0.00	$J0,781,810.00
Underwriting discount	$H.25	$M19,545.25
Proceeds, before expenses, to BNS	$ 9.75	$J0,262,264.75

The notes:

Are Not FDIC Insured	**Are Not Bank Guaranteed**	**May Lose Value**

Merrill Lynch & Co.

October 29, 2015

Leveraged Index Return Notes®

Linked to the S&P 500® Index, due October 30, 2020

Summary

The Leveraged Index Return Notes® Linked to the S&P 500® Index, due October 30, 2020 (the "notes") are our senior unsecured debt securities. The notes are not guaranteed or insured by the Canada Deposit Insurance Corporation or the FDIC, and are not, either directly or indirectly, an obligation of any third party. **The notes will rank equally with all of our other unsecured senior debt. Any payments due on the notes, including any repayment of principal, will be subject to the credit risk of BNS.** The notes provide you a leveraged return if the Ending Value of the Market Measure, which is the S&P 500® Index (the "Index"), is greater than the Starting Value. If the Ending Value is equal to or less than the Starting Value but greater than or equal to the Threshold Value, you will receive the principal amount of your notes. If the Ending Value is less than the Threshold Value, you will lose a portion, which could be significant, of the principal amount of your notes. Payments on the notes, including the amount you receive at maturity, will be calculated based on the $10 principal amount per unit and will depend on the performance of the Index, subject to our credit risk. See "Terms of the Notes" below.

The economic terms of the notes (including the Participation Rate) are based on our internal funding rate, which is the rate we would pay to borrow funds through the issuance of market-linked notes, and the economic terms of certain related hedging arrangements. Our internal funding rate is typically lower than the rate we would pay when we issue conventional fixed rate debt securities. This difference in funding rate, as well as the underwriting discount and the hedging related charge described below, reduced the economic terms of the notes to you and the initial estimated value of the notes on the pricing date. Due to these factors, the public offering price you pay to purchase the notes is greater than the initial estimated value of the notes.

On the cover page of this term sheet, we have provided the initial estimated value for the notes. This estimated value was determined by reference to our internal pricing models, which take into consideration certain factors, such as our internal funding rate on the pricing date and our assumptions about market parameters. For more information about the initial estimated value and the structuring of the notes, see "Structuring the Notes" on page TS-12.

Terms of the Notes		Redemption Amount Determination
Issuer:	The Bank of Nova Scotia ("BNS")	
Principal Amount:	$10.00 per unit	
Term:	Approximately five years	
Market Measure:	The S&P 500® Index (Bloomberg symbol: "SPX"), a price return index.	
Starting Value:	2,089.41	
Ending Value:	The average of the closing levels of the Market Measure on each scheduled calculation day occurring during the Maturity Valuation Period. The calculation days are subject to postponement in the event of Market Disruption Events, as described beginning on page PS-19 of product prospectus supplement EQUITY INDICES LIRN-1.	On the maturity date, you will receive a cash payment per unit determined as follows:
Threshold Value:	1,671.53 (80% of the Starting Value, rounded to two decimal places).	
Participation Rate:	107%	

Maturity Valuation Period:	October 21, 2020, October 22, 2020, October 23, 2020, October 26, 2020 and October 27, 2020
Fees and Charges:	The underwriting discount of $0.25 per unit listed on the cover page and the hedging related charge of $0.075 per unit described in "Structuring the Notes" on page TS-12.
Calculation Agent:	Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S").

Leveraged Index Return Notes®

Linked to the S&P 500® Index, due October 30, 2020
The terms and risks of the notes are contained in this term sheet and in the following:

- Product prospectus supplement EQUITY INDICES LIRN-1 dated June 25, 2015: http://www.sec.gov/Archives/edgar/data/9631/000089109215005429/e64808_424b5.htm
- Prospectus supplement dated December 1, 2014: http://www.sec.gov/Archives/edgar/data/9631/000089109214008993/e61583-424b3.htm
- Prospectus dated December 1, 2014: http://www.sec.gov/Archives/edgar/data/9631/000089109214008992/e61582_424b3.htm

These documents (together, the "Note Prospectus") have been filed as part of a registration statement with the SEC, which may, without cost, be accessed on the SEC website as indicated above or obtained from MLPF&S by calling 1-800-294-1322.Before you invest, you should read the Note Prospectus, including this term sheet, for information about us and this offering. Any prior or contemporaneous oral statements and any other written materials you may have received are superseded by the Note Prospectus. Capitalized terms used but not defined in this term sheet have the meanings set forth in product prospectus supplement EQUITY INDICES LIRN-1. Unless otherwise indicated or unless the context requires otherwise, all references in this document to "we," "us," "our," or similar references are to BNS.

Investor Considerations

You may wish to consider an investment in the notes if:

- You anticipate that the Index will increase from the Starting Value to the Ending Value.
- You are willing to risk a substantial loss of principal if the Index decreases from the Starting Value to an Ending Value that is below the Threshold Value.
- You are willing to forgo the interest payments that are paid on conventional interest bearing debt securities.
- You are willing to forgo dividends or other benefits of owning the stocks included in the Index.
- You are willing to accept a limited or no market for sales prior to maturity, and understand that the market prices for the notes, if any, will be affected by various factors, including our actual and perceived creditworthiness, our internal funding rate and fees and charges on the notes.
- You are willing to assume our credit risk, as issuer of the notes, for all payments under the notes, including the Redemption Amount.

The notes may not be an appropriate investment for you if:

- You believe that the Index will decrease from the Starting Value to the Ending Value or that it will not increase sufficiently over the term of the notes to provide you with your desired return.
- You seek 100% principal repayment or preservation of capital.
- You seek interest payments or other current income on your investment.
- You want to receive dividends or other distributions paid on the stocks included in the Index.
- You seek an investment for which there will be a liquid secondary market.
- You are unwilling or are unable to take market risk on the notes or to take our credit risk as issuer of the notes.

We urge you to consult your investment, legal, tax, accounting, and other advisors before you invest in the notes.

Leveraged Index Return Notes®

Linked to the S&P 500® Index, due October 30, 2020
Hypothetical Payout Profile and Examples of Payments at Maturity

Leveraged Index Return Notes®

This graph reflects the returns on the notes based on the Participation Rate of 107% and the Threshold Value of 80% of the Starting Value. The green line reflects the returns on the notes, while the dotted gray line reflects the returns of a direct investment in the stocks included in the Index, excluding dividends.

This graph has been prepared for purposes of illustration only.

The following table and examples are for purposes of illustration only. They are based on hypothetical values and show hypothetical returns on the notes. They illustrate the calculation of the Redemption Amount and total rate of return based on a hypothetical Starting Value of 100, a Threshold Value of 80, the Participation Rate of 107% and a range of hypothetical Ending Values. **The actual amount you receive and the resulting total rate of return will depend on the actual Starting Value, Threshold Value, Ending Value, and whether you hold the notes to maturity.** The following examples do not take into account any tax consequences from investing in the notes.

For recent actual levels of the Market Measure, see “The Index” section below. The Index is a price return index and as such the Ending Value will not include any income generated by dividends paid on the stocks included in the Index, which you would otherwise be entitled to receive if you invested in those stocks directly. In addition, all payments on the notes are subject to issuer credit risk.

Ending Value	Percentage Change from the Starting Value to the Ending Value	Redemption Amount per Unit[(1)]	Total Rate of Return on the Notes
0.00	-100.00%	$2.000	-80.00%
50.00	-50.00%	$7.000	-30.00%
70.00	-30.00%	$9.000	-10.00%
80.00[(2)]	-20.00%	$10.000	0.00%
90.00	-10.00%	$10.000	0.00%
94.00	-6.00%	$10.000	0.00%
97.00	-3.00%	$10.000	0.00%
100.00[(3)]	0.00%	$10.000	0.00%
102.00	2.00%	$10.214	2.14%
105.00	5.00%	$10.535	5.35%
110.00	10.00%	$11.070	10.70%
120.00	20.00%	$12.140	21.40%
130.00	30.00%	$13.210	32.10%
140.00	40.00%	$14.280	42.80%
150.00	50.00%	$15.350	53.50%
160.00	60.00%	$16.420	64.20%

(1) The Redemption Amount per unit is based on the Participation Rate.

(2) This is the **hypothetical** Threshold Value.

(3)

The hypothetical Starting Value of 100 used in these examples has been chosen for illustrative purposes only. The actual Starting Value is 2,089.41, which was the closing level of the Market Measure on the pricing date.

Leveraged Index Return Notes®

Linked to the S&P 500® Index, due October 30, 2020

Redemption Amount Calculation Examples

Example 1
The Ending Value is 70.00, or
70.00% of the Starting Value:
Starting Value: 100.00
Threshold Value: 80.00
Ending Value: 70.00
Redemption Amount per unit

Example 2
The Ending Value is 90.00, or 90.00% of the Starting Value:
Starting Value: 100.00
Threshold Value: 80.00
Ending Value: 90.00
Redemption Amount (per unit) = **$10.00**, the principal amount, since the Ending Value is less than the Starting Value but equal to or greater than the Threshold Value.

Example 3
The Ending Value is 150.00, or
150.00% of the Starting Value:
Starting Value: 100.00
Ending Value: 150.00
= **$15.35** Redemption Amount per unit

Leveraged Index Return Notes®

Linked to the S&P 500® Index, due October 30, 2020
Risk Factors

There are important differences between the notes and a conventional debt security. An investment in the notes involves significant risks, including those listed below. You should carefully review the more detailed explanation of risks relating to the notes in the "Risk Factors" sections beginning on page PS-6 of product prospectus supplement EQUITY INDICES LIRN-1, page S-2 of the prospectus supplement, and page 6 of the prospectus identified above. We also urge you to consult your investment, legal, tax, accounting, and other advisors before you invest in the notes.

- Depending on the performance of the Index as measured shortly before the maturity date, your investment may result in a loss; there is no guaranteed return of principal.
- Your return on the notes may be less than the yield you could earn by owning a conventional fixed or floating rate debt security of comparable maturity.
- Your investment return may be less than a comparable investment directly in the stocks included in the Index.
- Payments on the notes are subject to our credit risk, and actual or perceived changes in our creditworthiness are expected to affect the value of the notes. If we become insolvent or are unable to pay our obligations, you may lose your entire investment.
- The notes may be subject to write-off, write-down or conversion under current and proposed Canadian resolution powers.
- Our initial estimated value of the notes is lower than the public offering price of the notes. Our initial estimated value of the notes is only an estimate. The public offering price of the notes exceeds our initial estimated value because it includes costs associated with selling and structuring the notes, as well as hedging our obligations under the notes with a third party, which may include MLPF&S or one of its affiliates. These costs include the underwriting discount and an expected hedging related charge, as further described in "Structuring the Notes" on page TS-12.
- Our initial estimated value of the notes does not represent future values of the notes and may differ from others' estimates. Our initial estimated value of the notes is determined by reference to our internal pricing models when the terms of the notes are set. These pricing models consider certain factors, such as our internal funding rate on the pricing date, the expected term of the notes, market conditions and other relevant factors existing at that time, and our assumptions about market parameters, which can include volatility, dividend rates, interest rates and other factors. Different pricing models and assumptions could provide valuations for the notes that are different from our initial estimated value. In addition, market conditions and other relevant factors in the future may change, and any of our assumptions may prove to be incorrect. On future dates, the market value of the notes could change significantly based on, among other things, the performance of the Index, changes in market conditions, our creditworthiness, interest rate movements and other relevant factors. These factors, together with various credit, market and economic factors over the term of the notes, are expected to reduce the price at which you may be able to sell the notes in any secondary market and will affect the value of the notes in complex and unpredictable ways. Our initial estimated value does not represent a minimum price at which we or any agents would be willing to buy your notes in any secondary market (if any exists) at any time.
- Our initial estimated value is not determined by reference to credit spreads or the borrowing rate we would pay for our conventional fixed-rate debt securities. The internal funding rate used in the determination of our initial estimated value of the notes generally represents a discount from the credit spreads for our conventional fixed-rate debt securities and the borrowing rate we would pay for our conventional fixed-rate debt securities. If we were to use the interest rate implied by the credit spreads for our conventional fixed-rate debt securities, or the borrowing rate we would pay for our conventional fixed-rate debt securities, we would expect the economic terms of the notes to be more favorable to you. Consequently, our use of an internal funding rate for the notes would have an adverse effect on the economic terms of the notes, the initial estimated value of the notes on the pricing date, and the price at which you may be able to sell the notes in any secondary market.
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A trading market is not expected to develop for the notes. Neither we nor MLPF&S is obligated to make a market for, or to repurchase, the notes. There is no assurance that any party will be willing to purchase your notes at any price in any secondary market.

- Our business, hedging and trading activities, and those of MLPF&S and our respective affiliates (including trades in shares of companies included in the Index), and any hedging and trading activities we, MLPF&S or our respective affiliates engage in for our clients' accounts, may affect the market value and return of the notes and may create conflicts of interest with you.
- The Index sponsor may adjust the Index in a way that may adversely affect its level and your interests, and the Index sponsor has no obligation to consider your interests.
- You will have no rights of a holder of the securities included in the Index, and you will not be entitled to receive securities or dividends or other distributions by the issuers of those securities.
- While we, MLPF&S or our respective affiliates may from time to time own securities of companies included in the Index, except to the extent that the common stock of Bank of America Corporation (the parent company of MLPF&S) is included in the Index, we, MLPF&S and our respective affiliates do not control any company included in the Index, and have not verified any disclosure made by any other company.
- There may be potential conflicts of interest involving the calculation agent. We have the right to appoint and remove the calculation agent.

Leveraged Index Return Notes®

Linked to the S&P 500® Index, due October 30, 2020

- The U.S. federal income tax consequences of the notes are uncertain, and may be adverse to a holder of the notes. See "Summary of U.S. Federal Income Tax Consequences" below and "Supplemental Discussion of U.S. Federal Income Tax Consequences" beginning on page PS-28 of product prospectus supplement EQUITY INDICES LIRN-1.
- The conclusion that no portion of the interest paid or credited or deemed to be paid or credited on a note will be "Participating Debt Interest" subject to Canadian withholding tax is based in part on the current published administrative position of the CRA. There cannot be any assurance that CRA's current published administrative practice will not be subject to change, including potential expansion in the current administrative interpretation of Participating Debt Interest subject to Canadian withholding tax. If, at any time, the interest paid or credited or deemed to be paid or credited on a note is subject to Canadian withholding tax, you will receive an amount that is less than the Redemption Amount. You should consult your own adviser as to the potential for such withholding and the potential for reduction or refund of part or all of such withholding, including under any bilateral Canadian tax treaty the benefits of which you may be entitled. For a discussion of the Canadian federal income tax consequences of investing in the notes, see "Summary of Canadian Federal Income Tax Consequences" below, "Canadian Taxation—Debt Securities" on page 38 of the prospectus dated December 1, 2014, and "Supplemental Discussion of Canadian Federal Income Tax Consequences" on page PS-27 of the Product Prospectus Supplement dated June 25, 2015.

Leveraged Index Return Notes®

Linked to the S&P 500® Index, due October 30, 2020
The Index

All disclosures contained in this term sheet regarding the Index, including, without limitation, its make-up, method of calculation, and changes in its components, have been derived from publicly available sources. The information reflects the policies of, and is subject to change by, S&P Dow Jones Indices LLC (the "Index sponsor"). The Index sponsor, which licenses the copyright and all other rights to the Index, has no obligation to continue to publish, and may discontinue publication of, the Index. The consequences of the Index sponsor discontinuing publication of the Index are discussed in the section entitled "Description of LIRNs- Discontinuance of an Index" beginning on page PS-20 of product prospectus supplement EQUITY INDICES LIRN-1. None of us, the calculation agent, or MLPF&S accepts any responsibility for the calculation, maintenance or publication of the Index or any successor index.

General

The Index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The Index is designed to provide a performance benchmark for the U.S. equity markets. The Index is calculated based on the relative value of the aggregate Market Value (as defined below) of the common stocks of 500 companies as of a particular time as compared to the aggregate average Market Value of the common stocks of 500 similar companies during the base period of the years 1941 through 1943. The "Market Value" of any index stock is the product of the market price per share times the number of the then outstanding shares of such index stock. The 500 companies are not the 500 largest companies listed on the NYSE and not all 500 companies are listed on such exchange. The Index sponsor chooses companies for inclusion in the Index with an aim of achieving a distribution by broad industry groupings that approximates the distribution of these groupings in the common stock population of the U.S. equity market.

As of September 30, 2015, the 500 companies included in the Index were divided into ten Global Industry Classification Sectors. The Global Industry Classification Sectors include (with the approximate percentage currently included in such sectors indicated in parentheses): Consumer Discretionary (13.1%); Consumer Staples (9.9%); Energy (6.9%); Financials (16.5%); Health Care (14.7%); Industrials (10.1%); Information Technology (20.4%); Materials (2.9%); Telecommunication Services (2.4%); and Utilities (3.1%). (Sector designations are determined by the Index sponsor using criteria it has selected or developed. Different index sponsors may use very different standards for determining sector designations. In addition, many companies operate in a number of sectors, but are listed in only one sector and the basis on which that sector is selected may also differ. As a result, sector comparisons between indices with different index sponsors may reflect differences in methodology as well as actual differences in the sector composition of the indices.)

Calculation of the Index

The Index is calculated using a base-weighted aggregate methodology. The Index is a price return index. The value of the Index on any day for which an index value is published is determined by a fraction, the numerator of which is the aggregate of the market price of each stock in the Index multiplied by the float-adjusted number of shares of such stock included in the Index, and the denominator of which is the divisor, which is described more fully below.

The Index is also sometimes called a "base-weighted index" because of its use of a divisor. The "divisor" is a value calculated by the Index sponsor that is intended to maintain conformity in index values over time and is adjusted for all changes in the index stocks' share capital after the "base date." The level of the Index reflects the total market value of all index stocks relative to the index's base date of 1941-43. The Index sponsor set the base value of the Index on the base date at 10.

Maintenance of the Index

In order to keep the Index comparable over time, the Index sponsor engages in an index maintenance process. The Index maintenance process involves changing the constituents, adjusting the number of shares used to calculate the Index, monitoring and completing the adjustments for company additions and deletions, adjusting for stock splits and stock dividends and adjusting for other corporate actions.

Divisor Adjustments

The two types of adjustments primarily used by the Index sponsor are divisor adjustments and adjustments to the number of shares (including float adjustments) used to calculate the Index. Set forth below is a table of certain corporate events and their resulting effect on the divisor and the share count. If a corporate event requires an adjustment to the divisor, that event has the effect of altering the market value of the affected index stock and consequently of altering the aggregate market value of the index stocks following the event. In order that the level of the Index not be affected by the altered market value (which could be an increase or decrease) of the affected index stock, the Index sponsor derives a new divisor by dividing the post-event market value of the index stocks by the pre-event index value, which has the effect of reducing the Index's post-event value to the pre-event level.

Constituent Changes

Constituent changes are made on an as-needed basis and there is no schedule for constituent reviews. Constituent changes are generally announced one to five business days prior to the change. Relevant criteria for additions to the Index that are employed by the Index sponsor include an unadjusted market capitalization of $5.3 billion or more, adequate liquidity, reasonable price, U.S. domicile, listing on a major exchange, public float of 50% or more, industry sector, financial viability and, for IPOs, a seasoning period of six to twelve months. Stocks are deleted from the Index when they are involved in mergers, acquisitions or significant restructurings such that they no longer meet the inclusion criteria, and when they violate one or more of the inclusion criteria. Companies that experience a trading halt may be retained or deleted in the Index sponsor's discretion. The Index sponsor evaluates additions and deletions with a view to maintaining Index continuity.

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Changes to the Number of Shares of a Constituent

The index maintenance process also involves tracking the changes in the number of shares included for each of the index companies. The timing of adjustments to the number of shares depends on the type of event causing the change, public availability of data, local market practice, and whether the change represents more than 5% of the float-adjusted share count. Changes as a result of mergers or acquisitions are implemented as soon as reasonably possible, regardless of the size of the change to the number of shares. At the Index sponsor's discretion, however, de minimis merger and acquisition changes may be accumulated and implemented with the updates made at the quarterly share updates as described below.

Changes that result from other corporate actions will be implemented as soon as practicable if the change to the float-adjusted share count is more than 5%. For smaller changes, on the third Friday of the last month in each calendar quarter, the Index sponsor updates the share totals of companies in the Index as required by any changes in the float-adjusted number of shares outstanding. The Index sponsor implements a share freeze the week leading up to the effective date of the quarterly share count updates. During this frozen period, shares are not changed except for certain corporate action events (merger activity, stock splits, rights offerings and certain share dividend payable events). After the float-adjusted share count totals are updated, the divisor is adjusted to compensate for the net change in the total market value of the Index. In addition, any changes over 5% in the current common shares outstanding for the index companies are carefully reviewed by the Index sponsor on a weekly basis, and when appropriate, an immediate adjustment is made to the divisor.

In addition, the Index is float-adjusted, meaning that the share counts used in calculating the Index reflect only those shares available to investors rather than all of a company's outstanding shares. To this end, the Index sponsor defines three groups of shareholders whose holdings are presumed to be for control, rather than investment purposes. The groups are:

- holdings by other publicly traded corporations, venture capital firms, private equity firms, or strategic partners or leveraged buyout groups;
- holdings by government entities, including all levels of government within the United States or foreign countries, except for pension and retirement funds; and
- holdings by current or former officers and directors of the company, funders of the company, or family trusts of officers, directors or founders. Second, holdings of trusts, foundations, pension funds, employee stock ownership plans or other investment vehicles associated with and controlled by the company.

In the case that any of these control groups hold 5% or more of a company's stock, the shares of all three groups will be excluded from the float-adjusted share count to be used in Index calculations.

For each stock an Investable Weight Factor (IWF) is calculated:

IWF = (available float shares)/(total shares outstanding)

where available float shares is defined as total shares outstanding less shares held in one or more of the three groups listed above (subject to the 5% threshold).

Adjustments for Corporate Actions

There are a large range of corporate actions that may affect companies included in the Index. Certain corporate actions require the Index sponsor to recalculate the share count or the float adjustment or to make an adjustment to the divisor to prevent the value of the Index from changing as a result of the corporate action. This helps ensure that the

movement of the Index does not reflect the corporate actions of individual companies in the Index. Several types of corporate actions, and their related adjustments, are listed in the table below.

Corporate Action	**Share Count Revision Required?**	**Divisor Adjustment Required?**
Stock split	Yes – share count is revised to reflect new count	No – share count and price changes are off-setting
Change in shares outstanding (secondary issuance, share repurchase and/or share buy-back)	Yes – share count is revised to reflect new count	Yes – divisor adjustment reflects change in market capitalization
Spin-off if spun-off company is not being added to the Index	No	Yes – divisor adjustment reflects decline in index market value (i.e. value of the spun-off unit)
Spin-off if spun-off company is being added to the Index and no company is being removed	No	No
Spin-off if spun-off company is being added to the Index and another company is being removed	No	Yes – divisor adjustment reflects deletion

Special dividends	No	Yes – calculation assumes that share price drops by the amount of the dividend; divisor adjustment reflects this change in index market value
Change in IWF	No	Yes – divisor change reflects the change in market value caused by the change to an IWF
Company added to or deleted from the Index	No	Yes – divisor is adjusted by the net change in market value
Rights Offering	No	Yes – divisor adjustment reflects increase in market capitalization (calculation assumes that offering is fully subscribed at the set price)

Disruptions due to Exchange Closure

When an exchange is forced to close early due to unforeseen events, such as computer or electric power failures, weather conditions or other events, the Index sponsor will calculate the closing level of the Index based on (1) the closing prices published by the exchange, or (2) if no closing price is available, the last regular trade reported for each stock before the exchange closed. In all cases, the prices will be from the primary exchange for each stock in the Index. If an exchange fails to open due to unforeseen circumstances, the Index will use the prior day's closing prices. If all exchanges fail to open, Standard & Poor's may determine not to publish the Index for that day.

The following graph shows the daily historical performance of the Index in the period from January 1, 2008 through October 29, 2015. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. On the pricing date, the closing level of the Index was 2,089.41.

Historical Performance of the Index

This historical data on the Index is not necessarily indicative of the future performance of the Index or what the value of the notes may be. Any historical upward or downward trend in the level of the Index during any period set forth above is not an indication that the level of the Index is more or less likely to increase or decrease at any time over the term of the notes.

Before investing in the notes, you should consult publicly available sources for the levels of the Index.

License Agreement

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Linked to the S&P 500® Index, due October 30, 2020

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Leveraged Index Return Notes®

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Supplement to the Plan of Distribution

Under our distribution agreement with MLPF&S, MLPF&S will purchase the notes from us as principal at the public offering price indicated on the cover of this term sheet, less the indicated underwriting discount.

We will deliver the notes against payment therefor in New York, New York on a date that is greater than three business days following the pricing date. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes more than three business days prior to the original issue date will be required to specify alternative settlement arrangements to prevent a failed settlement.

The notes will not be listed on any securities exchange. In the original offering of the notes, the notes will be sold in minimum investment amounts of 100 units. If you place an order to purchase the notes, you are consenting to MLPF&S acting as a principal in effecting the transaction for your account.

MLPF&S may repurchase and resell the notes, with repurchases and resales being made at prices related to then-prevailing market prices or at negotiated prices, and these prices will include MLPF&S's trading commissions and mark-ups. MLPF&S may act as principal or agent in these market-making transactions; however, it is not obligated to engage in any such transactions. At MLPF&S's discretion, for a short, undetermined initial period after the issuance of the notes, MLPF&S may offer to buy the notes in the secondary market at a price that may exceed the initial estimated value of the notes. Any price offered by MLPF&S for the notes will be based on then-prevailing market conditions and other considerations, including the performance of the Index and the remaining term of the notes. However, none of us, MLPF&S, or any of our respective affiliates is obligated to purchase your notes at any price or at any time, and we cannot assure you that we, MLPF&S or any of our respective affiliates will purchase your notes at a price that equals or exceeds the initial estimated value of the notes.

The value of the notes shown on your account statement produced by MLPF&S will be based on MLPF&S's estimate of the value of the notes if MLPF&S or another of its affiliates were to make a market in the notes, which it is not obligated to do. That estimate will be based upon the price that MLPF&S may pay for the notes in light of then-prevailing market conditions and other considerations, as mentioned above, and will include transaction costs. At certain times, this price may be higher than or lower than the initial estimated value of the notes.

The distribution of the Note Prospectus in connection with these offers or sales will be solely for the purpose of providing investors with the description of the terms of the notes that was made available to investors in connection with their initial offering. Secondary market investors should not, and will not be authorized to, rely on the Note Prospectus for information regarding BNS or for any purpose other than that described in the immediately preceding sentence.

Structuring the Notes

The notes are our debt securities, the return on which is linked to the performance of the Index. As is the case for all of our debt securities, including our market-linked notes, the economic terms of the notes reflect our actual or perceived creditworthiness at the time of pricing. The internal funding rate we use in pricing the market-linked note is typically lower than the rate we would pay when we issue conventional fixed-rate debt securities of comparable maturity. This

generally relatively lower internal funding rate, which is reflected in the economic terms of the notes, along with the fees and charges associated with market-linked notes, resulted in the initial estimated value of the notes on the pricing date being less than their public offering price.

At maturity, we are required to pay the Redemption Amount to holders of the notes, which will be calculated based on the performance of the Index and the $10 per unit principal amount. In order to meet these payment obligations, at the time we issue the notes, we may choose to enter into certain hedging arrangements (which may include call options, put options or other derivatives) with MLPF&S or one of its affiliates. The terms of these hedging arrangements are determined by seeking bids from market participants, including MLPF&S and its affiliates, and take into account a number of factors, including our creditworthiness, interest rate movements, the volatility of the Index, the tenor of the notes and the tenor of the hedging arrangements. The economic terms of the notes and their initial estimated value depend in part on the terms of these hedging arrangements.

MLPF&S has advised us that the hedging arrangements will include a hedging related charge of approximately $0.075 per unit, reflecting an estimated profit to be credited to MLPF&S from these transactions. Since hedging entails risk and may be influenced by unpredictable market forces, additional profits and losses from these hedging arrangements may be realized by MLPF&S or any third party hedge providers.

For further information, see “Risk Factors—General Risks Relating to LIRNs” beginning on page PS-6 and “Use of Proceeds and Hedging” on page PS-16 of product prospectus supplement EQUITY INDICES LIRN-1.

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Summary of Canadian Federal Income Tax Consequences

In the opinion of Osler, Hoskin & Harcourt LLP, Canadian tax counsel to BNS, the following is a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires, as a beneficial owner, the notes, including entitlement to all payments thereunder, pursuant to this initial offering by BNS made in connection with the original issuance of the notes and who, at all relevant times, for purposes of the application of the Income Tax Act (Canada) and the Income Tax Regulations (collectively, the "Act") is not, and is not deemed to be, resident in Canada, deals at arm's length with BNS and any transferee resident (or deemed to be resident) in Canada to whom the purchaser disposes of the notes, does not use or hold the notes in a business carried on in Canada, and is not a "specified non-resident shareholder" of BNS for purposes of the Act or a non-resident person not dealing at arm's length with a "specified shareholder" (as defined in subsection 18(5) of the Act) of BNS (a ''Non-Resident Holder''). Special rules, which are not discussed in this summary, may apply to a non-Canadian holder that is an insurer carrying on an insurance business in Canada and elsewhere.

This summary is based upon the current provisions of the Act and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "CRA") published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Proposals") and assumes that all Proposals will be enacted in the form proposed. However, no assurances can be given that the Proposals will be enacted as proposed, or at all. This summary does not otherwise take into account any changes in law or administrative practices or assessing policies, whether by legislative, administrative or judicial action, nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary assumes that no interest paid on the notes will be in respect of a debt or other obligation to pay an amount to a person with whom BNS does not deal at arm's length, within the meaning of the Act.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers should consult their own tax advisors with regard to their own particular circumstances.

Based in part on the published administrative position of the CRA, no portion of the interest paid or credited or deemed for purposes of the Act to be paid or credited on a note (including any amount paid at maturity in excess of the principal amount and interest deemed to be paid on the note in certain cases involving the assignment, deemed assignment or other transfer of a note to BNS or any other resident or deemed resident of Canada) to a Non-Resident Holder will be subject to Canadian non-resident withholding tax.

No other Canadian federal taxes on income or gains will be payable by a Non-Resident Holder on interest or principal, or on proceeds received by a Non-Resident Holder on the disposition of a note, including on a redemption, payment on maturity, repurchase or purchase for cancellation.

Summary of U.S. Federal Income Tax Consequences

The U.S. federal income tax consequences of your investment in the notes are uncertain. No statutory, judicial or administrative authority directly discusses how the notes should be treated for U.S. federal income tax purposes. We intend to treat the notes as pre-paid cash-settled derivative contracts. Pursuant to the terms of the notes, you agree to treat the notes in this manner for all U.S. federal income tax purposes. If your notes are so treated, you should generally recognize capital gain or loss upon the sale, exchange, redemption or payment on maturity in an amount

equal to the difference between the amount you receive at such time and the amount that you paid for your notes. Such gain or loss should generally be long-term capital gain or loss if you have held your notes for more than one year.

For a more detailed discussion of the United States federal income tax consequences with respect to your notes, you should carefully consider the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences" in the accompanying product prospectus supplement and the discussion set forth in "United States Taxation" of the accompanying prospectus. In particular, U.S. holders should review the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences–Supplemental U.S. Tax Considerations–U.S. Holders" in the product prospectus supplement and non-U.S. holders should review the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences–Supplemental U.S. Tax Considerations–Non-U.S. Holders" in the product prospectus supplement. U.S. holders should also review the discussion under "–Treasury Regulations Requiring Disclosure of Reportable Transactions", "–Information With Respect to Foreign Financial Assets" and "–Backup Withholding and Information Reporting" under "United States Taxation" in the prospectus.

Because other characterizations and treatments are possible the timing and character of income in respect of the notes might differ from the treatment described above. You should carefully review the discussion set forth in "Alternative Treatments" in the product prospectus supplement for the possible tax consequences of different characterizations or treatment of your notes for U.S. federal income tax purposes. It is possible, for example, that the Internal Revenue Service ("IRS") might treat the notes as a single debt instrument subject to the special tax rules governing contingent payment debt instruments. Alternatively, the IRS may treat the notes as a series of derivative contracts, each of which matures on the next rebalancing date of the Index, in which case you would be treated as disposing of the notes on each rebalancing date in return for a new derivative contract that matures on the next rebalancing date, and you would recognize capital gain or loss on each rebalancing date.

The IRS has also issued a notice that may affect the taxation of the notes. According to the notice, the IRS and the Treasury Department are actively considering whether the holder of an instrument such as the notes should be required to accrue ordinary

income on a current basis, and they are seeking comments on the subject. It is not possible to determine what guidance they will ultimately issue, if any. It is possible, however, that under such guidance, holders of the notes will ultimately be required to accrue ordinary income currently and this could be applied on a retroactive basis. Holders are urged to consult their tax advisors concerning the significance, and the potential impact, of the above considerations. We intend to treat the notes for U.S. federal income tax purposes in accordance with the treatment described above unless and until such time as the Treasury Department and the IRS determine that some other treatment is more appropriate.

Non-U.S. Holders

Section 871(m) of the Internal Revenue Code of 1986, as amended (the "Code") requires withholding (up to 30%, depending on the applicable treaty) on certain financial instruments to the extent that the payments or deemed payments on the financial instruments are contingent upon or determined by reference to actual or estimated U.S.-source dividends. Recently issued final Treasury regulations expand the scope of withholding under Section 871(m) of the Code to apply to certain equity-linked instruments beginning: (i) January 1, 2018, in respect of instruments issued (or significantly modified) on or after January 1, 2016 and before January 1, 2017, and (ii) January 1, 2017, in respect of instruments issued (or significantly modified) on or after January 1, 2017. Accordingly, withholding pursuant to Section 871(m) of the Code generally is not expected to be required on the notes. If, however, withholding is required, we (and any paying agent) will not be required to pay additional amounts with respect to the amounts so withheld.

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the Code (which are commonly referred to as "FATCA") generally impose a 30% withholding tax on certain payments, including "pass-thru" payments to certain persons if the payments are attributable to assets that give rise to U.S.-source income or gain. Withholding pursuant to FATCA on such "pass-thru" payments will commence no earlier than January 1, 2019. Pursuant to recently issued final Treasury regulations and administrative guidance, this withholding tax would not be imposed on payments pursuant to obligations that are executed on or before the date that is six months after the date on which final Treasury regulations defining "foreign passthru payments" are published (and are not materially modified thereafter). Accordingly, FATCA withholding generally is not expected to be required on the notes. If, however, withholding is required as a result of future guidance, we (and any paying agent) will not be required to pay additional amounts with respect to the amounts so withheld.

Significant aspects of the application of FATCA are not currently clear and investors should consult their own advisors about the application of FATCA, in particular if they may be classified as financial institutions under the FATCA rules.

PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES TO THEM OF ACQUIRING, HOLDING AND DISPOSING OF NOTES AND RECEIVING PAYMENTS UNDER THE NOTES.

Validity of the Notes

In the opinion of Allen & Overy LLP, when the notes have been duly completed in accordance with the Indenture and issued and sold as contemplated by the prospectus supplement and the prospectus, the notes will be valid, binding and enforceable obligations of BNS, entitled to the benefits of the Indenture, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith). This opinion

is given as of the date hereof and is limited to the laws of the State of New York. This opinion is subject to customary assumptions about the Trustee's authorization, execution and delivery of the Indenture and the genuineness of signatures and to such counsel's reliance on BNS and other sources as to certain factual matters, all as stated in the legal opinion dated November 10, 2014, which has been filed as Exhibit 5.1 to BNS's Form F-3 dated November 10, 2014.

In the opinion of Osler, Hoskin & Harcourt LLP, the issue and sale of the notes has been duly authorized by all necessary corporate action of BNS in conformity with the Indenture, and when the notes have been duly executed, authenticated and issued in accordance with the Indenture, the notes will be validly issued and, to the extent validity of the notes is a matter governed by the laws of the Province of Ontario or Québec, or the laws of Canada applicable therein, will be valid obligations of BNS, subject to applicable bankruptcy, insolvency and other laws of general application affecting creditors' rights, equitable principles, and subject to limitations as to the currency in which judgments in Canada may be rendered, as prescribed by the Currency Act (Canada). This opinion is given as of the date hereof and is limited to the laws of the Province of Ontario and the federal laws of Canada applicable thereto. In addition, this opinion is subject to customary assumptions about the Trustee's authorization, execution and delivery of the Indenture and the genuineness of signatures and certain factual matters, all as stated in the letter of such counsel dated November 10, 2014, which has been filed as Exhibit 5.2 to BNS's Form F-3 filed with the SEC on November 10, 2014.

Where You Can Find More Information

We have filed a registration statement (including a product prospectus supplement, a prospectus supplement, and a prospectus) with the SEC for the offering to which this term sheet relates. Before you invest, you should read the Note Prospectus, including this term sheet, and the other documents that we have filed with the SEC, for more complete information about us and this offering. You may get these documents without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, we, any agent, or any dealer participating in this offering will arrange to send you these documents if you so request by calling MLPF&S toll-free at 1-800-294-1322.

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growth was driven by North America, International Operations and Region China. Novo Nordisk is the global leader with 48% of the total insulin market and 46% of the market for modern insulin and new-generation insulin, both measured in volume.

The roll-out of Tresiba® (insulin degludec), the once-daily new-generation insulin with an ultra-long duration of action, continues to progress. Launch activities are proceeding as planned and feedback from patients and prescribers is encouraging. Tresiba® has been launched in eight countries with 20 more countries expected to launch during 2014. In the countries where Tresiba® is reimbursed on a similar level as insulin glargine, it has steadily grown its share of the basal insulin market. In these countries, Tresiba® now represents around 10% of the basal insulin market measured in monthly value market share. In the markets where Tresiba® has been launched with restricted market access compared to insulin glargine, market penetration remains modest.

Sales of modern insulins increased by 14% in local currencies and by 10% in Danish kroner to DKK 38,153 million. North America accounted for two-thirds of the growth, followed by International Operations and Region China. Sales of modern insulins now constitute 78% of Novo Nordisk s sales of insulin.

INSULIN MARKET SHARES (volume, MAT)	**Novo Nordisk s share of total insulin market**		**Novo Nordisk s share of the modern insulin and new-generation insulin market**	
	November 2013	November 2012	November 2013	November 2012
Global	**48%**	**49%**	**46%**	**46%**
USA*	40%	41%	39%	38%
Europe	49%	50%	49%	50%
International Operations**	56%	58%	53%	55%
China***	59%	61%	64%	65%
Japan	52%	55%	48%	51%

Source: IMS, November 2013 data. *: US trend data reflect changes to IMS data collection coverage and methodology **: Data for 12 selected markets representing approximately 60% of Novo Nordisk s diabetes sales in the region. ***: Data for mainland China, excluding Hong Kong and Taiwan.

North America

Sales of insulins and protein-related products in North America increased by 18% in local currencies and by 14% in Danish kroner. Sales growth reflects a continued positive contribution from pricing in the US, solid market penetration of all three modern insulins, NovoLog®, Levemir® and NovoLog® Mix 70/30. 55% of Novo Nordisk s modern insulin volume in the US is used in the prefilled device FlexPen®.

Europe

Sales of insulins and protein-related products in Europe remained unchanged in local currencies and decreased by 1% in Danish kroner. The development reflects that the declining human insulin sales are offset by the continued progress for Levemir® and NovoRapid®. Furthermore, sales are impacted by a low volume growth of the insulin market, around 3%, as well as the implementation of pricing reforms in several European

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markets. The device penetration in Europe remains high with 96% of Novo Nordisk s insulin volume being used in devices, primarily NovoPen® and FlexPen®.

International Operations

Sales of insulins and protein-related products in International Operations increased by 15% in local currencies and by 6% in Danish kroner. The growth, which is positively impacted by the timing in tenders and shipments in a number of countries, is driven by all three modern insulins and a contribution from human insulins. Currently, 59% of Novo Nordisk s insulin volume in the major private markets is used in devices.

Region China

Sales of insulins and protein-related products in Region China increased by 15% in local currencies and by 14% in Danish kroner. The sales growth was driven by all three modern insulins, while sales of human insulins only grew modestly. Currently, 97% of Novo Nordisk s insulin volume in China is used in devices, primarily the durable device NovoPen®.

Japan & Korea

Sales of insulins and protein-related products in Japan & Korea decreased by 3% in local currencies and by 22% measured in Danish kroner. The sales development reflects a stagnant Japanese insulin volume market and the negative impact of a challenging competitive environment, which is only partly offset by the robust uptake of Tresiba®. The device penetration in Japan remains high with 98% of Novo Nordisk s insulin volume being used in devices, primarily FlexPen®.

Victoza® (GLP-1 therapy for type 2 diabetes)

Victoza® sales increased by 27% in local currencies and by 23% in Danish kroner to DKK 11,633 million, reflecting robust sales performance driven by North America, Europe and International Operations. Victoza® holds the global market share leadership in the GLP-1 segment with a 71% value market share compared to 68% in 2012. The GLP-1 segment s value share of the total diabetes care market has increased to 6.9% compared to 5.9% in 2012.

GLP-1 MARKET SHARES (value, MAT)	**GLP-1 share of total diabetes care market**		**Victoza® share of GLP-1 market**	
	November 2013	November 2012	November 2013	November 2012
Global	**6.9%**	**5.9%**	**71%**	**68%**
USA*	8.6%	7.3%	67%	62%
Europe	7.6%	6.7%	78%	76%
International Operations**	2.8%	3.0%	75%	80%
China***	0.6%	0.5%	74%	45%
Japan	2.1%	2.3%	71%	77%

Source: IMS, November 2013 data. *: US trend data reflect changes to IMS data collection coverage and methodology **: Data for 12 selected markets representing approximately 60% of Novo Nordisk s diabetes sales in the region. ***: Data for mainland China, excluding Hong Kong and Taiwan.

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North America

Sales of Victoza® in North America increased by 31% in local currencies and by 27% in Danish kroner. This reflects a continued expansion of the GLP-1 class, which represents 8.6% of the total US diabetes care market in value compared to 7.3% in 2012. Despite the launch of a competing product in 2012, Victoza® continues to drive the US GLP-1 market expansion and is the GLP-1 market leader, now with a 67% value market share compared to 62% a year ago.

Europe

Sales in Europe increased by 20% in local currencies and by 19% in Danish kroner. Sales growth is primarily driven by France, the UK, Spain and Italy. In Europe, the GLP-1 class share of the total diabetes care market in value has increased to 7.6% compared to 6.7% in 2012. Victoza® is the GLP-1 market leader with a value market share of 78%.

International Operations

Sales in International Operations increased by 31% in local currencies and by 21% in Danish kroner. Sales growth is primarily driven by a number of Middle Eastern countries, Brazil and Argentina. The GLP-1 class share of the diabetes care market in value has contracted to 2.8% compared to 3.0% in 2012. This reflects a decline in the class share of the total diabetes care market in Brazil following a strong initial penetration. Outside Brazil, the class continues to expand. Victoza® is the GLP-1 market leader across International Operations with a value market share of 75%.

Region China

Sales in Region China increased by 84% in local currencies and by 83% in Danish kroner. The GLP-1 class in China is not reimbursed and relatively modest in size. However, its share of the total diabetes care market in value has expanded to 0.6% compared to 0.5% in 2012. Victoza® holds a GLP-1 value market share of 74%.

Japan & Korea

Sales in Japan & Korea decreased by 8% in local currencies and by 27% in Danish kroner. In Japan, the GLP-1 class represents 2.1% of the total diabetes care market value. Victoza® remains the leader in the class with a value market share of 71%.

NovoNorm®/Prandin®/PrandiMet® (oral antidiabetic products)

Sales of oral antidiabetic products decreased by 16% in local currencies and by 19% in Danish kroner to DKK 2,246 million. The negative sales development reflects an impact from generic competition in the US and Europe as well as a changed inventory setup in China.

BIOPHARMACEUTICALS SALES DEVELOPMENT

Sales of biopharmaceutical products increased by 12% measured in local currencies and by 6% in Danish kroner to DKK 18,116 million. Sales growth was primarily driven by North America and International Operations.

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NovoSeven® (bleeding disorders therapy)

Sales of NovoSeven® increased by 8% in local currencies and by 4% in Danish kroner to DKK 9,256 million. The market for NovoSeven® remains volatile, and sales growth is primarily driven by North America and International Operations.

Norditropin® (growth hormone therapy)

Sales of Norditropin® increased by 16% in local currencies and by 7% in Danish kroner to DKK 6,114 million. The sales growth is primarily driven by contractual wins, the support programmes that Novo Nordisk offers healthcare professionals and patients as well as the penetration of the prefilled FlexPro® device in North America and furthermore by growth in International Operations. Novo Nordisk is the leading company in the global growth hormone market with a 28% market share measured in volume.

Other biopharmaceuticals

Sales of other products within biopharmaceuticals, which predominantly consist of hormone replacement therapy-related (HRT) products, increased by 15% in local currencies and by 9% in Danish kroner to DKK 2,746 million. Sales growth is driven by North America and reflects a positive impact of pricing and non-recurring adjustments to the provisions for rebates.

DEVELOPMENT IN COSTS AND OPERATING PROFIT

The cost of goods sold grew 5% to DKK 14,140 million, resulting in a gross margin of 83.1% compared to 82.7% in 2012. This development primarily reflects an underlying improvement driven by favourable price development in North America and a positive net impact from product mix due to increased sales of modern insulins and Victoza®. The gross margin was negatively impacted by around 0.3 percentage point due to the depreciation of key invoicing currencies versus the Danish krone compared to prevailing exchange rates in 2012.

Total non-production-related costs increased by 11% in local currencies and by 8% in Danish kroner to DKK 38,621 million.

Sales and distribution costs increased by 13% in local currencies and by 9% in Danish kroner to DKK 23,380 million. The growth in costs is driven by the expansions of the sales forces and sales and marketing investments in the US, China and selected countries in International Operations as well as costs related to the launch of Tresiba®. The growth percentage for costs has also been impacted by changes to legal provisions in 2012 and 2013.

Research and development costs increased by 9% in local currencies and by 8% in Danish kroner to DKK 11,733 million. Within diabetes care, costs are primarily driven by development costs related to the initiation of the Tresiba® cardiovascular outcome trial, and the ongoing phase 3a trials for both faster-acting insulin aspart and semaglutide, the once-weekly GLP-1 analogue. Within biopharmaceuticals, costs are primarily related to the continued progress of the portfolio of development projects within haemophilia and

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the phase 2 trial for anti-IL-20, a recombinant human monoclonal antibody, in rheumatoid arthritis.

Administrative costs increased by 9% in local currencies and by 6% in Danish kroner to DKK 3,508 million. The increase in costs is primarily driven by back-office infrastructure costs to support the expansions of the sales organisations in North America, China and selected countries in International Operations, non-recurring costs related to new offices in Denmark and the US as well as an impact from a cost refund in 2012 of a previously expensed fine related to an import licence for a major market in International Operations.

Licence income and other operating income constituted DKK 682 million compared to DKK 666 million in 2012.

Operating profit increased by 7% in Danish kroner to DKK 31,493 million. In local currencies, the growth was 15%, which is in line with the latest guidance for operating profit growth measured in local currencies for 2013 of 12-15% .

NET FINANCIALS AND TAX

Net financials showed a net income of DKK 1,046 million compared to a net expense of DKK 1,663 million in 2012. The reported net financial income in 2013 is in line with the latest guidance of around DKK 1,100 million . As of 31 December 2013, foreign exchange hedging gains of around DKK 1,200 million have been deferred for recognition in the income statement in 2014.

In line with Novo Nordisk s treasury policy, the most significant foreign exchange risks for the group have been hedged, primarily through foreign exchange forward contracts. The foreign exchange result was a net income of DKK 1,146 million compared to a net expense of DKK 1,529 million in 2012. This net income reflects gains on foreign exchange hedging involving especially the Japanese yen and the US dollar due to their depreciation versus the Danish krone compared to the prevailing exchange rates in 2012, which has been partly offset by losses on commercial balances, primarily related to non-hedged currencies.

The effective tax rate for 2013 was 22.6%, which is in line with the latest guidance of a tax rate of around 23% for the full year 2013.

CAPITAL EXPENDITURE AND FREE CASH FLOW

Net capital expenditure for property, plant and equipment was DKK 3.2 billion compared to DKK 3.3 billion in 2012. Net capital expenditure was primarily related to new offices in Denmark, filling capacity in Denmark and Russia, additional GLP-1 manufacturing capacity, new diabetes research facilities in Denmark as well as device production facilities in the US and Denmark. Net capital expenditure was in line with previously communicated expectations of around DKK 3.5 billion .

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Free cash flow was DKK 22.4 billion compared to DKK 18.6 billion in 2012, which is in line with the latest guidance of around DKK 22 billion . The increase of 20% compared to 2012 reflects the growth in net profit of 18% and a lower impact from tax payments in 2013 compared to 2012 related to ongoing transfer pricing disputes which was partly offset by earlier payment of rebate liabilities in the US.

KEY DEVELOPMENTS IN THE FOURTH QUARTER OF 2013

Please refer to appendix 1 for an overview of the quarterly numbers in DKK and appendix 6 for details on sales in the fourth quarter of 2013.

Sales in the fourth quarter of 2013 increased by 10% in local currencies and by 4% in Danish kroner to 21.7 billion compared to the same period in 2012. The growth, which was driven by the three modern insulins and Victoza®, was partly offset by generic competition to Prandin® in the US. From a geographic perspective, North America, International Operations and Region China represented the majority of total sales growth in local currencies.

The gross margin was 84.3% in the fourth quarter of 2013 compared to 85.0% in the same period last year. The decrease of 0.7 percentage point reflects a negative currency impact of 0.8 percentage point which was partly offset by a positive impact from pricing in the US and a favourable product mix development.

In the fourth quarter of 2013, total non-production-related costs increased by 12% in local currencies and by 7% in Danish kroner to DKK 11,123 million compared to the same period last year.

Sales and distribution costs increased by 11% in local currencies and by 5% in Danish kroner in the fourth quarter of 2013 compared to the same period last year. The growth in costs is driven by expansions of the US and Chinese sales forces, sales and marketing investments in the US, China and selected countries in International Operations.

Research and development costs increased by 14% in local currencies and by 11% in Danish kroner in the fourth quarter of 2013 compared to the same period last year. The cost increase is primarily driven by the continued progress of key development projects within diabetes and biopharmaceuticals including the Tresiba® cardiovascular outcomes trial.

Administrative costs increased by 10% in local currencies and by 8% in Danish kroner in the fourth quarter of 2013 compared to the same period last year. The increase is primarily driven by non-recurring costs related to new offices in Denmark as well as back-office infrastructure costs to support the expansions of the sales organisations in North America, China and selected countries in International Operations.

Operating profit in local currencies increased by 9% and decreased by 3% in Danish kroner in the fourth quarter of 2013 compared to the same period last year.

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OUTLOOK

OUTLOOK 2014

The current expectations for 2014 are summarised in the table below:

Expectations are as reported, if not otherwise stated	Expectations 30 January 2014
Sales growth	
in local currencies	8-11%
as reported	Around 3.5 percentage points lower
Operating profit growth	
in local currencies	Around 10%
as reported	Around 5.5 percentage points lower
Net financials	Income of around DKK 750 million
Effective tax rate	Around 22%
Capital expenditure	Around DKK 4.0 billion
Depreciation, amortisation and impairment losses	Around DKK 2.9 billion
Free cash flow	Around DKK 26 billion

Sales growth for 2014 is expected to be 8-11% measured in local currencies. This reflects expectations for continued robust performance for the portfolio of modern insulins and Victoza® as well as a modest sales contribution from Tresiba®. These sales drivers are expected to be partly countered by an impact from a more challenging contract environment in the US, generic competition to Prandin® in the US during the first half of 2014, intensifying competition within both diabetes and biopharmaceuticals as well as the macroeconomic conditions in a number of markets in International Operations. Given the current level of exchange rates versus the Danish krone, the reported sales growth is now expected to be around 3.5 percentage points lower than growth measured in local currencies.

For 2014, **operating profit growth** is expected to be around 10% measured in local currencies. This reflects a significant increase in costs related to the continued progress of key development projects within diabetes and biopharmaceuticals. In addition, significant costs are expected in relation to sales force expansions and sales and marketing investments in the portfolio of modern insulins and Victoza® in the US, China and selected markets in International Operations as well as the launch of Tresiba® outside the US. Given the current level of exchange rates versus the Danish krone, the reported operating profit growth is now expected to be around 5.5 percentage points lower than growth measured in local currencies.

For 2014, Novo Nordisk expects a **net financial income** of around DKK 750 million. The current expectation primarily reflects gains associated with foreign exchange hedging contracts following the depreciation of the Japanese yen and the US dollar versus the Danish krone compared to the average prevailing exchange rates in 2013.

The **effective tax rate** for 2014 is expected to be around 22%.

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Capital expenditure is expected to be around DKK 4.0 billion in 2014, primarily related to investments in additional GLP-1 manufacturing capacity, expansion of filling capacity, prefilled device production facilities, construction of new laboratory facilities as well as expansion of protein capacity within the CMC (Chemistry, Manufacturing and Control) organisation. **Depreciation, amortisation and impairment losses** are expected to be around DKK 2.9 billion. **Free cash flow** is expected to be around DKK 26 billion.

All of the above expectations are based on the assumption that the global economic environment will not significantly change business conditions for Novo Nordisk during 2014, and that currency exchange rates, especially the US dollar, will remain at the current level versus the Danish krone. Please refer to appendix 7 for key currency assumptions.

Novo Nordisk has hedged expected net cash flows in a number of invoicing currencies and, all other things being equal, movements in key invoicing currencies will impact Novo Nordisk s operating profit as outlined in the table below.

Key invoicing currencies	Annual impact on Novo Nordisk s operating profit of a 5% movement in currency	Hedging period (months)
USD	DKK 1,300 million	12
CNY	DKK 220 million	12*
JPY	DKK 145 million	14
GBP	DKK 85 million	12
CAD	DKK 60 million	10

* USD used as proxy when hedging Novo Nordisk s CNY currency exposure

The financial impact from foreign exchange hedging is included in Net financials .

RESEARCH & DEVELOPMENT UPDATE

DIABETES CARE: INSULIN AND GLP-1

Liraglutide 3 mg filed for regulatory approval in the US and EU as a treatment for obesity

As announced in December 2013, Novo Nordisk has filed a New Drug Application (NDA) with the U.S. Food and Drug Administration (FDA) and a Marketing Authorisation Application (MAA) with the European Medicines Agency (EMA). The submissions cover the 3 mg dose of liraglutide, a once-daily human GLP-1 analogue, as an adjunct to a reduced-calorie diet and increased physical activity for chronic weight management in adults with obesity, or who are overweight and have comorbidities.

DUAL IV shows benefits of adding IDegLira (NN9068) to sulfonylurea (SU) and metformin treatment

In December 2013, Novo Nordisk completed the phase 3b trial DUAL IV with IDegLira, a combination product of insulin degludec (Tresiba®), the once-daily new-generation

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basal insulin analogue, with an ultra-long duration of action, and liraglutide (Victoza®), the once-daily human GLP-1 analogue, for the treatment of type 2 diabetes currently under review with EMA.

In DUAL IV, 435 people with type 2 diabetes, inadequately controlled on sulfonylurea (SU) alone, or in combination with metformin, were randomised to 26 weeks of treatment with either IDegLira or placebo added to their existing oral anti-diabetic therapy.

From a baseline HbA_{1c} of 7.9%, people randomised to IDegLira achieved a statistically significantly greater average reduction in HbA_{1c} of 1.4% compared to 0.5% for those treated with placebo. Close to 80% of the people using IDegLira achieved the HbA_{1c} treatment target of <7% recommended by the American Diabetes Association (ADA) and the European Association for the Study of Diabetes (EASD), and close to 65% reached HbA_{1c} target of ≤6.5% as recommended by the American Association of Clinical Endocrinologists (AACE). The corresponding numbers for placebo were just below 30% for the ADA and EASD targets and just above 10% for the AACE target.

As would be expected from the use of GLP-1 in combination with an SU, the rate of overall confirmed hypoglycaemia was statistically significantly higher among those treated with IDegLira than placebo. The IDegLira arm experienced a modest weight gain of 0.5 kg compared with a weight loss of 1.0 kg among people treated in the placebo group.

The previously reported safety and tolerability profile of IDegLira was reconfirmed and no apparent differences between IDegLira and placebo were observed with respect to adverse events and standard safety parameters.

Two trials initiated to further document hypoglycaemia profile of Tresiba®

In January 2014, Novo Nordisk initiated the two 64-week randomised, double-blind, cross-over trials, announced at the Capital Markets Day in December 2013, comparing the safety and efficacy of Tresiba® and insulin glargine. The overall purpose of the trials is to document the hypoglycaemia profile in type 1 diabetes and type 2 diabetes respectively, compared to insulin glargine. In one trial, BEGIN -SWITCH 1, 450 people with type 1 diabetes will be sequentially treated with Tresiba® and insulin glargine in combination with insulin aspart in a randomised order. In the second trial, BEGIN -SWITCH 2, 670 people with type 2 diabetes will be treated sequentially with Tresiba® and insulin glargine in combination with metformin in a randomised order.

Recruitment in SUSTAIN 6 completed and two additional phase 3a trials with semaglutide (NN9535) initiated

In December 2013, Novo Nordisk completed recruitment to SUSTAIN 6, a trial collecting cardiovascular outcome and other long-term diabetes-related endpoints with semaglutide in more than 3,000 people that had type 2 diabetes and an elevated cardiovascular risk. Furthermore, as announced at the Capital Markets Day in December 2013, Novo Nordisk has initiated two additional trials in the phase 3a programme

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SUSTAIN investigating the once-weekly GLP-1 analogue, semaglutide, as a treatment for people with type 2 diabetes. The aim of the trials is to evaluate the efficacy and safety of semaglutide as add-on to oral anti-diabetic drugs for 56 weeks compared to once-weekly exenatide ER (extended release) or once-daily sitagliptin respectively. Novo Nordisk expects to initiate three additional trials in the SUSTAIN programme during 2014.

Phase 3a pump trial initiated for faster-acting insulin aspart (NN1218)

In November 2013, Novo Nordisk initiated a 6-week randomised, double-blind trial, evaluating the compatibility and safety of faster-acting insulin aspart and insulin aspart, both administered by pumps providing continuous subcutaneous insulin infusions. The trial is expected to include 40 people with type 1 diabetes. With this initiation, all four trials in the phase 3a programme, onset , are ongoing.

Initiation of phase 3 for LATIN T1D, liraglutide as adjunct therapy to insulin in type 1 diabetes (NN9211)

As announced at the Capital Markets Day in December 2013, Novo Nordisk has initiated the first phase 3a trial, ADJUNCT ONE investigating the efficacy and safety of liraglutide as an adjunct therapy to insulin in people with type 1 diabetes. ADJUNCT ONE is expected to include 1,400 people with type 1 diabetes who will be randomised to treatment for 52 weeks with liraglutide or placebo, both in addition to intensification (treat-to-target concept) of the insulin treatment. Novo Nordisk expects to initiate the second phase 3a trial, ADJUNCT TWO , in the first half of 2014.

Initiation of phase 2 trial for the first oral GLP-1, OG217SC (NN9924)

As announced at the Capital Markets Day in December 2013, Novo Nordisk has initiated the first phase 2 trial with an oral GLP-1, OG217SC. The trial will examine the dose range, dose escalation and efficacy of oral semaglutide administered over 26 weeks compared with placebo in 600 people with type 2 diabetes.

Novo Nordisk receives approval for FlexTouch® in the US

In November 2013, the US FDA approved the prefilled insulin pens NovoLog® FlexTouch® and Levemir® FlexTouch®. FlexTouch® is Novo Nordisk s latest prefilled insulin pen with a spring-loaded push-button dosing mechanism. FlexTouch® is expected to be launched in the US in the second half of 2014.

BIOPHARMACEUTICALS: HAEMOPHILIA

NovoEight® launched in EU and approved in Japan

In January 2014, following approval by the European Commission in November 2013, Germany was the first country to launch NovoEight®, a recombinant coagulation factor VIII product, for the treatment and prophylaxis of bleeding in patients with haemophilia A.

Furthermore, NovoEight® was approved by the Japanese Ministry of Health, Labor and Welfare in January 2014.

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Novo Nordisk expects to launch NovoEight® in a number of European countries and Japan during 2014.

TRETTEN® approved in the US for the treatment of congenital factor XIII A-subunit deficiency

In December 2013, the US FDA approved TRETTEN®, a recombinant factor XIII compound marketed under the brand name NovoThirteen® outside of North America. TRETTEN® is approved for the routine prophylaxis of bleeding in people with congenital factor XIII A-subunit deficiency. It is the only recombinant treatment for congenital FXIII A-subunit deficiency, a rare bleeding disorder with which approximately 1,000 people are diagnosed globally. TRETTEN® is expected to be available in the US early 2014.

Furthermore, in January 2014, the Committee for Medicinal Products for Human Use (CHMP) under the European Medicines Agency (EMA) adopted a positive opinion to recommend an expansion of the current marketing authorisation for NovoThirteen®, covering adult patients with congenital factor XIII A-subunit deficiency, to also cover paediatric patients under the age of 6 years.

Phase 3a surgery trial completed with N9-GP (NN7999)

In January 2014, Novo Nordisk completed the second phase 3 trial with N9-GP, a glycopegylated recombinant factor IX compound for people with haemophilia B. The trial (paradigm 3) was open-label, multi-centre and evaluated the efficacy and safety of N9-GP during surgical procedures in 13 people with haemophilia B, in line with regulatory guidelines.

In the trial, a single preoperative dose of 80 U/kg of N9-GP prevented bleeding in all participants during major surgeries with 100% success rate. The preoperative dose maintained the level of FIX activity at the normal range and no additional dose was required during the course of surgery. Clinical efficacy evaluated by haemostatic response was reported as excellent or good in all participants.

In addition, postoperative effective haemostatic coverage was achieved by an average of 2 doses of 40 U/kg N9-GP during the first six days after surgery.

In the trial, N9-GP appeared to have a safe and well-tolerated profile and no participants developed inhibitors.

BIOPHARMACEUTICALS: HUMAN GROWTH HORMONE

Multiple dose trial completed for the once-weekly growth hormone (NN8640) in adults with growth hormone deficiency

A phase 1 trial investigating the safety, tolerability, pharmacokinetics and pharmacodynamics of multiple doses of the once-weekly growth hormone derivative, NN8640, in adults with growth hormone deficiency has been completed. In the trial, NN8640 appeared to have a safe and well-tolerated profile and no safety concerns were identified. The trial confirmed the data from a similar trial in healthy adults and supports the suitability of NN8640 for once-weekly dosing in adults with growth hormone

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deficiency. Based on these results and following consultations with regulatory authorities, Novo Nordisk expects to make a final decision of whether to progress NN8640 into phase 3 development for adult treatment around mid-2014.

BIOPHARMACEUTICALS: INFLAMMATION

Anti-NKG2D (NN8555) to resume phase 2 development in Crohn s Disease

In December 2012, Novo Nordisk decided to discontinue further development of anti-NKG2D as a treatment for Crohn s disease based on the results from a futility analysis conducted during the trial. Following completion of the single-dose trial and analysis of the full data set, Novo Nordisk has now decided to reinitiate development. In the trial, the primary end-point on effect at week 4 was not achieved. However, the analysis demonstrated a clear biological and clinical effect of anti-NKG2D at later time points. In the trial, anti-NKG2D appeared to be safe and have a well-tolerated profile and Novo Nordisk expects to continue the phase 2 development of anti-NKG2D for Crohn s disease.

Anti-IL-21 (NN8828) discontinued in rheumatoid arthritis

In January, Novo Nordisk completed a phase 2a trial evaluating the monoclonal antibody anti-IL-21 as a treatment for rheumatoid arthritis (RA). In the trial, the primary endpoint of demonstrating a statistically significant change in disease activity compared to placebo was achieved; however, the magnitude of the treatment effect did not warrant further development. Consequently, Novo Nordisk has decided to discontinue further development of anti-IL-21 for RA. In the trial, anti-IL-21 appeared to have a safe and well-tolerated profile. Novo Nordisk will continue to develop anti-IL-21 as a potential treatment for Crohn s disease and Systemic Lupus Erythematosus (SLE).

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SUSTAINABILITY

HIGHLIGHTS FROM THE CONSOLIDATED SOCIAL AND ENVIRONMENTAL STATEMENTS FOR 2013

SOCIAL PERFORMANCE	2013	2012	2011	2010	2009	% change 2012 to 2013
Patients						
Patients reached with diabetes care products (million)(estimate)	24.3	22.8	20.9	n/a	n/a	7%
Least developed countries where Novo Nordisk sells insulin according to the differential pricing policy[1]	35	35	36	33	36	
Employees						
Employees (FTEs)	37,978	34,286	32,136	30,014	28,809	11%
Employee turnover	8.1%	9.1%	9.8%	9.1%	8.3%	
Diverse senior management teams	70%	66%	62%	54%	50%	
Assurance						
Relevant employees trained in business ethics	97%	99%	99%	98%	n/a	
Product recalls	6	6	5	5	2	
Warning Letters and re-inspections	1	1	0	0	0	
ENVIRONMENTAL PERFORMANCE						
Resources						
Energy consumption (1,000 GJ)	2,572	2,433	2,187	2,234	2,246	6%
Water consumption (1,000 m3)	2,685	2,475	2,136	2,047	2,149	8%
Emissions and waste						
CO2 emissions from energy consumption (1,000 tons)	125	122	94	95	166	2%

1. According to the UN there are 49 least developed countries in the world

SOCIAL PERFORMANCE

Patients

Novo Nordisk estimates that the company provides medical treatments for approximately 24.3 million people with diabetes worldwide, showing a 7% increase compared to 2012. The number is calculated based on WHO s recommended daily doses for diabetes medicines. The growth is driven by sales of insulin and Victoza®.

Of the 382 million people living with diabetes it is estimated that just over half are diagnosed and many of those diagnosed do not receive medical treatment. Novo Nordisk s global access to diabetes care strategy aims to provide better care for those who need it and currently do not have access to proper diabetes care. In 2013, Novo Nordisk sold human insulin according to the company s

differential pricing policy in 35 of

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the 49 Least Developed Countries, as defined by the UN. According to this policy, the price should not exceed 20% of the average prices in the Western world; while the number of countries buying insulin in accordance with this policy has been stable for some years, the volume sold increased by 7%.

Employees

At the end of 2013, the total number of employees was 38,436, corresponding to 37,978 full-time positions, which is an 11% increase compared with 2012. This growth is driven by expansion of the sales and marketing organisation in the regions North America and International Operations as well as significant expansion in Denmark in the research and development organisation and in production.

Employee turnover decreased from 9.1% in 2012 to 8.1%, continuing the positive trend. The average number reflects some geographical variation.

Assurance

Following the receipt in December 2012 of a Warning Letter from the US Food and Drug Administration (FDA), a re-inspection was carried out in August 2013. In January 2014, Novo Nordisk received confirmation from the agency that the violations had been addressed satisfactorily.

In 2013, Novo Nordisk had six instances of product recalls from the market, which is the same level as the previous year. Among one of these, an internal quality control found that a small percentage (0.14%) of certain batches of the company s prefilled insulin product NovoMix®30 did not meet the specifications for insulin strength. As a result, three million products were recalled from wholesalers, pharmacies and patients in several European markets. The root cause was found to be a production error and has been resolved.

ENVIRONMENTAL PERFORMANCE

Energy and water

In 2013, 2,572,000 GJ energy and 2,685,000 m^3 water was consumed at production sites around the world. This equals an increase of 6% and 8% respectively, which is linked to the increased production volume output and new production capacity.

CO_2

In 2013, CO_2 emissions from production amounted to a total of 125,000 tons. This equals a 2% increase compared to 2012, which is directly linked to the increased consumption of energy. The increase in CO_2 emission is less than the increase in energy consumption, because part of the increase in energy consumption happened at sites sourcing less CO_2-intensive energy. At the same time, consumption decreased at sites with coal-based energy supply. The company s target of a 10% absolute reduction in 10 years is expected to be met in 2014.

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EQUITY

Total equity was DKK 42,569 million at the end of 2013, equivalent to 60.5% of total assets, compared to 61.9% at the end of 2012. Please refer to appendix 5 for further elaboration of changes in equity.

Five for one stock split implemented in January 2014

As announced in October 2013, Novo Nordisk s Board of Directors approved a stock split of the Novo Nordisk B shares listed on NASDAQ OMX Copenhagen and of the American Depositary Receipts (ADRs) listed on New York Stock Exchange (NYSE). Consequently, the trading unit of the Novo Nordisk B shares listed on the stock exchange in Copenhagen was changed from DKK 1 to DKK 0.20. The ratio of B shares to ADRs listed on NYSE has remained 1:1. The changes in trading units came into effect on 2 January 2014 for the Novo Nordisk B shares and on 9 January 2014 for the ADRs.

2013 share repurchase programme

On 31 October, as part of an overall programme of DKK 14 billion to be executed during a 12-month period beginning 31 January 2013, Novo Nordisk announced a share repurchase programme of up to DKK 2.8 billion to be executed from 31 October 2013 to 28 January 2014. The purpose of the programme is to reduce the company s share capital. Under the programme, announced 31 October, Novo Nordisk has repurchased B shares for an amount of DKK 2.8 billion in the period from 31 October 2013 to 28 January 2014. The programme announced on 31 October 2013 was concluded on 28 January 2014.

In addition to the DKK 2.8 billion share repurchase programme announced 31 October 2013, Novo Nordisk repurchased 1 million B shares from employees in November 2013. The transaction amounted to DKK 0.2 billion and was related to the general employee share programme outside of Denmark from 2010. The shares in this transaction were not part of the Safe Harbour repurchase programme, but were part of the overall DKK 14 billion repurchase programme.

As of 28 January 2014, Novo Nordisk A/S has repurchased a total of 72,368,270 B shares equal to a transaction value of DKK 14 billion and has thereby completed the DKK 14 billion programme.

Holding of treasury shares and reduction of share capital

As of 28 January 2014, Novo Nordisk A/S and its wholly owned affiliates owned 107,640,025 of its own B shares, corresponding to 3.9% of the total share capital.

In order to maintain capital structure flexibility, the Board of Directors will, at the Annual General Meeting in 2014, propose a reduction in the B share capital from DKK 442,512,800 to DKK 422,512,800 by cancelling 100,000,000 B shares of DKK 0.20 from the company s own holdings of B shares at a nominal value of DKK 20,000,000 equivalent to 3.64% of the total share capital. After implementation of the share capital reduction, the company s share capital will amount to DKK 530,000,000; divided into an A share capital of DKK 107,487,200 and a B share capital of DKK 422,512,800.

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Proposed dividend

At the Annual General Meeting on 20 March 2014, the Board of Directors will propose a 25% increase in dividend to DKK 4.50 per share of DKK 0.20, corresponding to a payout ratio of 47.1%. For 2012, the Novo Nordisk payout ratio was 45.3%, whereas Novo Nordisk s peer group of comparable pharmaceutical companies operated with a payout ratio around 47%. No dividend will be paid on the company s holding of treasury shares.

2014 share repurchase programme

The Board of Directors has approved a new share repurchase programme of up to DKK 15 billion to be executed during the coming 12 months. As part of the up to DKK 15 billion share repurchase programme, a new share repurchase programme has now been initiated in accordance with the provisions of the European Commission's Regulation No 2273/2003 of 22 December 2003 (The Safe Harbour Regulation). For that purpose, Novo Nordisk has appointed Skandinaviska Enskilda Banken, Denmark, as lead manager to execute a part of its share repurchase programme independently and without influence from Novo Nordisk. The purpose of the programme is to reduce the company's share capital. Under the agreement, Skandinaviska Enskilda Banken, Denmark, will repurchase shares on behalf of Novo Nordisk for an amount of up to DKK 3.6 billion during the trading period starting today, 30 January and ending on 29 April 2014. A maximum of 583,326 shares can be bought during one single trading day, equal to 20% of the average daily trading volume of Novo Nordisk B shares on NASDAQ OMX Copenhagen during the month of December 2013, and a maximum of 35,582,886 shares in total can be bought during the trading period. At least once every seven trading days, Novo Nordisk will issue an announcement in respect of the transactions made under the repurchase programme.

In addition to the agreement with Skandinaviska Enskilda Banken of repurchasing shares of an amount of up to DKK 3.6 billion, Novo Nordisk expects to purchase B-shares from employees in January 2014 for approximately DKK 0.1 billion. The repurchase of shares in this transaction is not part of the Safe Harbour programme, but is part of the overall DKK 15 billion share repurchase programme.

Novo Nordisk s majority shareholder Novo A/S, a holding company fully owned by the Novo Nordisk Foundation, has informed Novo Nordisk that it intends from 2014 onwards to consider its participation in Novo Nordisk s share repurchase programme on a case-by-case basis. This implies that Novo A/S may decide not to participate in a share repurchase programme in any individual year.

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CORPORATE GOVERNANCE

Changes in Novo Nordisk s management

Effective 30 January 2014, Chief Operating Officer Kåre Schultz is appointed president & COO. The promotion is a reflection of the importance and complexity of Kåre Schultz organisation Operations which he has led successfully since 2002. Operations is responsible for Novo Nordisk s global sales and product supply organisation. In his role as president, Kåre Schultz will work closely with CEO Lars Rebien Sørensen and the other members of Executive Management on matters relevant to the company s senior leadership and the Board of Directors.

Effective 1 February 2014, Eddie Williams, corporate vice president and head of Biopharmaceuticals in Novo Nordisk s US affiliate has been appointed senior vice president and member of the company s global Senior Management Board. The promotion is a reflection of the size and strategic importance of the company s biopharmaceuticals business in the US.

Remuneration principles for executives

Novo Nordisk s remuneration principles aim to attract, retain and motivate members of Executive Management. Remuneration levels are designed to be competitive and to align the interest of the executives with shareholder interests.

Long-term, share-based incentive programme for senior management

As from 2004, members of Novo Nordisk's Executive Management (seven in 2013) and other members of the Senior Management Board (28 in 2013) have participated in a performance-based incentive programme. In the programme, a proportion of the calculated economic value added for the calendar year has been allocated to a joint pool for the participants. For 2013, the joint pool operates with a yearly maximum allocation per participant equal to nine months fixed base salary plus pension contribution for members of Executive Management and a yearly maximum allocation per participant equal to eight months fixed base salary plus pension contribution for other members of the Senior Management Board. Once the joint pool has been approved by the Board of Directors, the total cash amount is converted into Novo Nordisk B shares at market price. The market price is calculated as the average trading price for Novo Nordisk B shares on NASDAQ OMX Copenhagen in the open trading window following the release of the full-year financial results for the year preceding the performance-based incentive programme. The shares in the joint pool are locked up for a three-year period before they are transferred to the participants. In the lock-up period, the Board of Directors may remove shares from the joint pool in the event of lower than planned value creation in subsequent years.

For 2010, 842,880 shares were allocated to the joint pool and the value at launch of the programme (DKK 64 million) was expensed in 2010. The number of shares in the 2010 joint pool has not subsequently been reduced by the Board of Directors as the financial performance in the following years (2011 2013) reached specified threshold levels. Hence, the original number of shares allocated to the joint pool will, according to the

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principles of the scheme, be transferred to 28 current and former members of senior management immediately after the announcement of the 2013 full-year financial results on 30 January 2014.

For 2013, based on an assessment of the economic value generated, the performance of the R&D portfolio and key sustainability projects, the Board of Directors on 29 January 2014 approved the establishment of a joint pool for the financial year of 2013 by allocating a total of 254,417 Novo Nordisk B shares. This allocation amounts to 4.75 months of fixed base salary plus pension contribution per member of Executive Management and 4.2 months of fixed base salary plus pension contribution for senior vice presidents, corresponding to a value at launch of the programme of DKK 51 million, which has been expensed in the 2013 accounts. According to the principles of the programme, the share price used for the conversion of the performance programme to the share pool was the average share price (DKK 202.40 per share of DKK 0.20) for Novo Nordisk B shares on NASDAQ OMX Copenhagen in the 15 days trading window (31 January 14 February 2013) following the release of the Annual Report for 2012 when the programme was approved by the Board of Directors. The allocation under the programme reflects that, while Novo Nordisk exceeded the planned financial performance in 2013, the company did not meet its target of having Tresiba® approved in the US due to the Complete Response Letter from the US Food and Drug Administration in February. This event also entailed that the target for the submission of IDegLira for regulatory approval to the US FDA could not be met. As a consequence of these shortcomings the allocation under the long-term incentive programme has been reduced.

Long-term, share-based incentive programme for corporate vice presidents and vice presidents

As from 2007, a number of key employees below senior management also participate in a share-based programme with similar performance criteria as the programme for senior management. The share-based incentive programme for key employees will, as is the case for the programme for senior management, be based on an annual calculation of economic value added compared to the planned performance for the year. The pool will operate with a maximum contribution per participant equal to four months of fixed base salary. The shares in the pool are also locked up for a three-year period before they may be transferred to the participants.

For 2010, 2,744,680 shares were allocated to a share pool for key employees and the value at launch of the programme (DKK 208 million) has been amortised over the period 2010-2013. The number of shares in the 2010 share pool has not subsequently been reduced by the Board of Directors as the financial performance in the following years (2011 2013) reached specified threshold levels. Hence, 2,475,090 shares will be transferred to 576 employees after the announcement of the 2013 full-year financial results on 30 January 2014. The number of shares to be transferred is lower than the original number of shares allocated to the share pool as some participants have left the company before the release conditions of the programme have been met.

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For 2013, based on an assessment similar to the senior management programme, the Board of Directors on 29 January 2014 approved the establishment of a share pool for 2013 for key employees by allocating a total of 622,190 Novo Nordisk B shares. This allocation which is 52.5 % of the maximum according to the terms of the programme corresponds to a value at launch of the programme of DKK 126 million using the same share price mechanism as described for the senior management programme. The value of the programme will be amortised over four years. The number of participants for 2013 is approximately 825.

LEGAL UPDATE

Product liability lawsuits related to hormone therapy products

As of 27 January 2014, Novo Nordisk Inc., along with a majority of the hormone therapy product manufacturers in the US, is a defendant in product liability lawsuits related to hormone therapy products. These lawsuits currently involve a total of two individuals who allege use of a Novo Nordisk hormone therapy product. The products (Activella® and Vagifem®) have been sold and marketed in the US since 2000. Until July 2003, the products were sold and marketed exclusively in the US by Pharmacia & Upjohn Company (now Pfizer Inc.). In addition, one individual currently alleges, in relation to similar lawsuits against Pfizer Inc., that she has also used a Novo Nordisk hormone therapy product. Pfizer Inc. has publicly announced the settlement of many of its hormone therapy cases. The continued reduction in pending cases is the result of Pfizer Inc. settling several cases that also involve Novo Nordisk s products. Currently, Novo Nordisk s first trial is scheduled for September 2014. Novo Nordisk does not expect the pending claims to have a material impact on its financial position, operating profit and cash flow.

Product liability lawsuits related to Victoza®

Novo Nordisk is per 27 January 2014 named in 34 product liability lawsuits seeking to recover damages for injuries, predominantly related to pancreatic cancer, allegedly experienced by patients who claim to have been prescribed Victoza® and other GLP-1/DPP-IV products. Twenty-four of the Novo Nordisk cases include other defendants, and most cases have been filed in California federal court. Currently, Novo Nordisk does not have any trials scheduled in 2014. Novo Nordisk does not expect the pending claims to have a material impact on its financial position, operating profit and cash flow.

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FORWARD-LOOKING STATEMENTS

Novo Nordisk s reports filed with or furnished to the US Securities and Exchange Commission (SEC), including this document as well as the company s Annual Report 2013 and Form 20-F, both expected to be filed with the SEC in February 2014, and written information released, or oral statements made, to the public in the future by or on behalf of Novo Nordisk, may contain forward-looking statements. Words such as believe , expect , may , will , plan , strategy , prospect , foresee , estimate , p anticipate , can , intend , target and other words and terms of similar meaning in connection with any discussion of future operating financial performance identify forward-looking statements. Examples of such forward-looking statements include, but are not limited to:

- statements of targets, plans, objectives or goals for future operations, including those related to Novo Nordisk s products, product research, product development, product introductions and product approvals as well as cooperation in relation thereto
- statements containing projections of or targets for revenues, costs, income (or loss), earnings per share, capital expenditures, dividends, capital structure, net financials and other financial measures
- statements regarding future economic performance, future actions and outcome of contingencies such as legal proceedings
- statements regarding the assumptions underlying or relating to such statements.

In this document, examples of forward-looking statements can be found under the headings Outlook , Research and Development update , Equity and Legal update .

These statements are based on current plans, estimates and projections. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific. Novo Nordisk cautions that a number of important factors, including those described in this document, could cause actual results to differ materially from those contemplated in any forward-looking statements.

Factors that may affect future results include, but are not limited to, global as well as local political and economic conditions, including interest rate and currency exchange rate fluctuations, delay or failure of projects related to research and/or development, unplanned loss of patents, interruptions of supplies and production, product recalls, unexpected contract breaches or terminations, government-mandated or market-driven price decreases for Novo Nordisk s products, introduction of competing products, reliance on information technology, Novo Nordisk s ability to successfully market current and new products, exposure to product liability and legal proceedings and investigations, changes in governmental laws and related interpretation thereof, including on reimbursement, intellectual property protection and regulatory controls on testing, approval, manufacturing and marketing, perceived or actual failure to adhere to ethical marketing practices, investments in and divestitures of domestic and foreign companies, unexpected growth in costs and expenses, failure to recruit and retain the right employees, and failure to maintain a culture of compliance.

Please also refer to the overview of risk factors in Risks to be aware of on pp 42-43 of the Annual Report 2013 available on novonordisk.com on 3 February 2014.

Unless required by law, Novo Nordisk is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this document, whether as a result of new information, future events or otherwise.

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MANAGEMENT STATEMENT

The Board of Directors and Executive Management have approved the *Annual Report 2013* of Novo Nordisk A/S including the audited consolidated financial statements. The Board of Directors and Executive Management also approved this financial statement containing condensed financial information for 2013.

The consolidated financial statements in the *Annual Report 2013* are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and with the IFRS as endorsed by the EU. Furthermore, the *Annual Report 2013*, including the consolidated financial statements and management review, is prepared in accordance with additional Danish disclosure requirements for listed companies.

This financial statement has been prepared in accordance with the recognition and measurement requirements in the IFRS, the accounting policies as applied in the audited consolidated financial statements of 2013 and additional Danish disclosure requirements for listed companies.

In our opinion, the accounting policies used are appropriate, and the overall presentation of this financial statement is adequate. Furthermore, in our opinion, this company announcement of the financial statement for 2013 includes a true and fair account of the development in the operations and financial circumstances of the results for the year and of the financial position of the Group as well as a reference to the most significant risks and elements of uncertainty facing the Group in accordance with Danish disclosure requirements for listed companies.

Bagsværd, 30 January 2014

Executive Management:

Lars Rebien Sørensen *President and CEO*	Jesper Brandgaard *CFO*	Lars Fruergaard Jørgensen
Lise Kingo	Jakob Riis	Kåre Schultz
Mads Krogsgaard Thomsen		

Board of Directors:

Göran Ando *Chairman*	Jeppe Christiansen *Vice chairman*	Bruno Angelici
Henrik Gürtler	Liz Hewitt	Ulrik Hjulmand-Lassen
Thomas Paul Koestler	Anne Marie Kverneland	Søren Thuesen Pedersen
Hannu Ryöppönen	Stig Strøbæk	

Company announcement No 5 / 2014

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FINANCIAL INFORMATION

APPENDIX 1: QUARTERLY NUMBERS IN DKK

(Amounts in DKK million, except number of full-time equivalent employees, earnings per share and number of shares outstanding).

	2013				2012				% change Q4 2013 vs Q4 2012
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Sales	**21,698**	**20,511**	**21,380**	**19,983**	**20,962**	**19,845**	**19,468**	**17,751**	***4%***
Gross profit	18,298	16,986	17,774	16,374	17,809	16,360	16,044	14,348	*3%*
Gross margin	*84.3%*	*82.8%*	*83.1%*	*81.9%*	*85.0%*	*82.4%*	*82.4%*	*80.8%*	
Sales and distribution costs	6,487	5,529	5,834	5,530	6,192	5,299	5,203	4,850	*5%*
Percentage of sales	*29.9%*	*27.0%*	*27.3%*	*27.7%*	*29.5%*	*26.7%*	*26.7%*	*27.3%*	
Research and development costs	3,566	2,795	2,715	2,657	3,210	2,617	2,563	2,507	*11%*
Percentage of sales	*16.4%*	*13.6%*	*12.7%*	*13.3%*	*15.3%*	*13.2%*	*13.2%*	*14.1%*	
Administrative costs	1,070	822	815	801	991	766	779	776	*8%*
Percentage of sales	*4.9%*	*4.0%*	*3.8%*	*4.0%*	*4.7%*	*3.9%*	*4.0%*	*4.4%*	
Licence income and other operating income	179	152	175	176	156	186	154	170	*15%*
Operating profit	**7,354**	**7,992**	**8,585**	**7,562**	**7,572**	**7,864**	**7,653**	**6,385**	***(3%)***
Operating margin	*33.9%*	*39.0%*	*40.2%*	*37.8%*	*36.1%*	*39.6%*	*39.3%*	*36.0%*	
Financial income	606	418	363	315	17	(85)	146	47	*N/A*
Financial expenses	170	111	267	108	137	420	856	375	*24%*
Net financials	436	307	96	207	(120)	(505)	(710)	(328)	*N/A*
Profit before income taxes	7,790	8,299	8,681	7,769	7,452	7,359	6,943	6,057	*5%*
Net profit	**6,053**	**6,415**	**6,734**	**5,982**	**5,755**	**5,667**	**5,346**	**4,664**	***5%***
Depreciation, amortisation and impairment losses	789	643	676	691	755	644	656	638	*5%*
Capital expenditure	739	908	778	782	1,006	942	855	516	*(27%)*
Net cash generated from operating activities [1]	5,372	6,217	7,283	7,070	1,514	7,962	7,151	5,587	*255%*
Free cash flow [1]	4,538	5,219	6,423	6,178	408	6,926	6,273	5,038	*N/A*
Total assets	70,337	68,134	64,289	62,447	65,669	66,620	60,978	61,210	*7%*
Total equity	42,569	39,125	35,357	33,801	40,632	35,660	31,334	32,358	*5%*
Equity ratio	*60.5%*	*57.4%*	*55.0%*	*54.1%*	*61.9%*	*53.5%*	*51.4%*	*52.9%*	
Full-time equivalent employees end of period	37,978	36,851	35,869	35,154	34,286	33,501	32,819	32,252	*11%*
Basic earnings per share/ADR (in DKK) [2]	2.28	2.41	2.50	2.21	2.12	2.08	1.94	1.68	*8%*
Diluted earnings per share/ADR (in DKK) [2]	2.27	2.39	2.49	2.20	2.11	2.07	1.93	1.66	*8%*
Average number of shares outstanding (million) [2]	2,653.4	2,667.5	2,688.5	2,708.0	2,714.5	2,723.0	2,745.5	2,783.5	*(2%)*
Average number of diluted shares outstanding (million) [2]	2,666.8	2,681.5	2,702.5	2,723.5	2,730.0	2,739.0	2,762.0	2,802.5	*(2%)*

Sales by business segment:									
Modern insulins (insulin analogues)	10,143	9,393	9,626	8,991	9,462	8,879	8,613	7,867	*7%*
Human insulins	2,694	2,572	2,779	2,824	3,009	2,794	2,781	2,718	*(10%)*
Victoza®	3,231	2,847	2,877	2,678	2,709	2,503	2,293	1,990	*19%*
Protein-related products	640	666	643	606	621	644	621	625	*3%*
Oral antidiabetic products (OAD)	367	504	681	694	670	719	653	716	*(45%)*
Diabetes care total	**17,075**	**15,982**	**16,606**	**15,793**	**16,471**	**15,539**	**14,961**	**13,916**	***4%***
NovoSeven®	2,259	2,428	2,542	2,027	2,420	2,153	2,451	1,909	*(7%)*
Norditropin®	1,662	1,436	1,479	1,537	1,461	1,451	1,440	1,346	*14%*
Other biopharmaceuticals	702	665	753	626	610	702	616	580	*15%*
Biopharmaceuticals total	**4,623**	**4,529**	**4,774**	**4,190**	**4,491**	**4,306**	**4,507**	**3,835**	***3%***
Sales by geographic segment:									
North America	10,214	9,763	10,038	9,009	9,559	8,981	8,356	7,324	*7%*
Europe	5,185	4,994	5,123	4,761	5,237	4,793	5,081	4,596	*(1%)*
International Operations	3,139	2,697	3,077	3,094	2,894	2,695	2,757	2,734	*8%*
Japan & Korea	1,398	1,312	1,368	1,239	1,698	1,710	1,724	1,485	*(18%)*
Region China	1,762	1,745	1,774	1,880	1,574	1,666	1,550	1,612	*12%*
Segment operating profit:									
Diabetes care	5,567	5,886	5,965	5,502	5,420	5,768	5,270	4,638	*3%*
Biopharmaceuticals	1,787	2,106	2,620	2,060	2,152	2,096	2,383	1,747	*(17%)*

1) Free cash flow for Q1 2012 and Q2 2012 has been reduced by DKK 1,328 million and increased by DKK 1,328 million, respectively, as withheld dividend tax is now presented as part of financing activities.

2) Comparative figures have been restated to reflect the change in trading unit from DKK 1 to DKK 0.20.

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APPENDIX 2: INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

DKK million	**12M 2013**	12M 2012
Income statement		
Sales	83,572	78,026
Cost of goods sold	14,140	13,465
Gross profit	**69,432**	**64,561**
Sales and distribution costs	23,380	21,544
Research and development costs	11,733	10,897
Administrative costs	3,508	3,312
Licence income and other operating income, net	682	666
Operating profit	**31,493**	**29,474**
Financial income	1,702	125
Financial expenses	656	1,788
Profit before income taxes	**32,539**	**27,811**
Income taxes	7,355	6,379
NET PROFIT FOR THE YEAR	**25,184**	**21,432**
Basic earnings per share (DKK) [1)]	**9.40**	**7.82**
Diluted earnings per share (DKK) [1)]	**9.35**	**7.77**
Segment information		
Segment sales:		
Diabetes care	65,456	60,887
Biopharmaceuticals	18,116	17,139
Segment operating profit:		
Diabetes care	22,920	21,096
Operating margin	*35.0%*	*34.6%*
Biopharmaceuticals	8,573	8,378
Operating margin	*47.3%*	*48.9%*
Total segment operating profit	**31,493**	**29,474**
Statement of comprehensive income		
Net profit for the year	**25,184**	**21,432**
Other comprehensive income		
Items that will not be reclassified subsequently to the Income statement:		
Remeasurements on defined benefit plans	54	(281)
Items that will be reclassified subsequently to the Income statement, when specific conditions are met:		
Exchange rate adjustments of investments in subsidiaries	(435)	(172)
Cash flow hedges, realisation of previously deferred (gains)/losses	(809)	1,182
Cash flow hedges, deferred gains/(losses) incurred during the period	1,195	849
Other items	75	35

Tax on other comprehensive income, income/(expense)	(211)	(587)
Other comprehensive income for the year, net of tax	**(131)**	**1,026**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**25,053**	**22,458**

1) Comparative figures have been restated to reflect the change in trading unit from DKK 1 to DKK 0.20.

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APPENDIX 3: BALANCE SHEET

DKK million	**31 Dec 2013**	31 Dec 2012
ASSETS		
Intangible assets	1,615	1,495
Property, plant and equipment	21,882	21,539
Deferred income tax assets	4,231	2,244
Other financial assets	551	228
TOTAL NON-CURRENT ASSETS	**28,279**	**25,506**
Inventories	9,552	9,543
Trade receivables	10,907	9,639
Tax receivables	3,155	1,240
Other receivables and prepayments	2,454	2,705
Marketable securities	3,741	4,552
Derivative financial instruments	1,521	931
Cash at bank and on hand	10,728	11,553
TOTAL CURRENT ASSETS	**42,058**	**40,163**
TOTAL ASSETS	**70,337**	**65,669**
EQUITY AND LIABILITIES		
Share capital	550	560
Treasury shares	(21)	(17)
Retained earnings	41,137	39,001
Other reserves	903	1,088
TOTAL EQUITY	**42,569**	**40,632**
Deferred income tax liabilities	672	732
Retirement benefit obligations	688	760
Provisions	2,183	1,907
Total non-current liabilities	**3,543**	**3,399**
Current debt	215	500
Trade payables	4,092	3,859
Tax payables	2,222	593
Other liabilities	9,386	8,982
Derivative financial instruments	-	48
Provisions	8,310	7,656
Total current liabilities	**24,225**	**21,638**
TOTAL LIABILITIES	**27,768**	**25,037**
TOTAL EQUITY AND LIABILITIES	**70,337**	**65,669**

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APPENDIX 4: STATEMENT OF CASH FLOWS

DKK million	**2013**	2012
Net profit for the year	**25,184**	**21,432**
Adjustment for non-cash items	10,738	11,253
Change in working capital	(265)	274
Interest received	131	207
Interest paid	(39)	(61)
Income taxes paid	(9,807)	(10,891)
Net cash generated from operating activities	**25,942**	**22,214**
Proceeds from intangible assets and other financial assets	29	-
Purchase of intangible assets and other financial assets	(406)	(250)
Proceeds from sale of property, plant and equipment	31	53
Purchase of property, plant and equipment	(3,238)	(3,372)
Net purchase of marketable securities	811	(501)
Net cash used in investing activities	**(2,773)**	**(4,070)**
Repayment of loans	-	(502)
Purchase of treasury shares, net	(13,924)	(11,896)
Dividends paid	(9,715)	(7,742)
Net cash used in financing activities	**(23,639)**	**(20,140)**
NET CASH GENERATED FROM ACTIVITIES	**(470)**	**(1,996)**
Cash and cash equivalents at the beginning of the year	11,053	13,057
Exchange gains/(losses) on cash and cash equivalents	(70)	(8)
Cash and cash equivalents at the end of the year	**10,513**	**11,053**

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APPENDIX 5: STATEMENT OF CHANGES IN EQUITY

DKK million	Share capital	Treasury shares	Retained earnings	Other reserves: Exchange rate adjustment	Other reserves: Cash flow hedges	Other reserves: Tax and other items	Other reserves: Total other reserves	**Total**
2013								
Balance at the beginning of the year	560	(17)	39,001	226	847	15	1,088	**40,632**
Net profit for the year			25,184					**25,184**
Other comprehensive income for the year			54	(435)	386	(136)	(185)	**(131)**
Total comprehensive income for the year			25,238	(435)	386	(136)	(185)	**25,053**
Transactions with owners:								
Dividends			(9,715)					**(9,715)**
Share-based payments			409					**409**
Tax credit related to share option scheme			114					**114**
Purchase of treasury shares		(15)	(13,974)					**(13,989)**
Sale of treasury shares		1	64					**65**
Reduction of the B share capital	(10)	10						-
Balance at the end of the year	**550**	**(21)**	**41,137**	**(209)**	**1,233**	**(121)**	**903**	**42,569**

At the end of the year proposed dividends (not yet declared) of DKK 11,866 million (4.50 DKK per share of DKK 0.20) are included in Retained earnings. No dividend is declared on treasury shares.

DKK million	Share capital	Treasury shares	Retained earnings	Other reserves: Exchange rate adjustment	Other reserves: Cash flow hedges	Other reserves: Tax and other items	Other reserves: Total other reserves	**Total**
2012								
Balance at the beginning of the year	580	(24)	37,111	398	(1,184)	567	(219)	**37,448**
Net profit for the year			21,432					**21,432**
Other comprehensive income for the year			(281)	(172)	2,031	(552)	1,307	**1,026**
Total comprehensive income for the year			21,151	(172)	2,031	(552)	1,307	**22,458**
Transactions with owners:								
Dividends			(7,742)					**(7,742)**
Share-based payments			308					**308**

Tax credit related to share option scheme			56					**56**
Purchase of treasury shares		(15)	(12,147)					**(12,162)**
Sale of treasury shares		2	264					**266**
Reduction of the B share capital	(20)	20						-
Balance at the end of the year	**560**	**(17)**	**39,001**	**226**	**847**	**15**	**1,088**	**40,632**

At the end of the year dividends of DKK 9,715 million (3.60 DKK per share of DKK 0.20) are included in Retained earnings. No dividend is declared on treasury shares.

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APPENDIX 6: REGIONAL SALES SPLIT

Q4 2013 sales split per region

DKK million	Total	North America	Europe	Inter-national Operations	Japan & Korea	Region China
The diabetes care segment						
NovoRapid®	4,455	2,602	1,012	464	253	124
% change in local currencies	10%	9%	4%	36%	6%	32%
NovoMix®	2,521	668	631	522	198	502
% change in local currencies	9%	1%	(2%)	29%	(6%)	28%
Levemir®	3,167	1,938	763	343	66	57
% change in local currencies	24%	37%	3%	27%	(14%)	29%
Modern insulin	10,143	5,208	2,406	1,329	517	683
% change in local currencies	14%	16%	2%	30%	(2%)	29%
Human insulin	2,694	561	615	651	120	747
% change in local currencies	(5%)	(12%)	(8%)	(5%)	(16%)	5%
Victoza®	3,231	2,154	766	195	86	30
% change in local currencies	25%	35%	9%	18%	(10%)	48%
Other diabetes care	1,007	207	229	159	136	276
% change in local currencies	(16%)	(59%)	0%	28%	41%	11%
Diabetes care total	**17,075**	**8,130**	**4,016**	**2,334**	**859**	**1,736**
% change in local currencies	**10%**	**13%**	**1%**	**17%**	**0%**	**15%**
The biopharmaceuticals segment						
NovoSeven®	2,259	984	554	521	177	23
% change in local currencies	(1%)	(16%)	(4%)	35%	34%	(8%)
Norditropin®	1,662	654	445	230	330	3
% change in local currencies	26%	59%	(4%)	52%	12%	33%
Other biopharmaceuticals	702	446	170	54	32	-
% change in local currencies	23%	48%	(4%)	9%	(20%)	0%
Biopharmaceuticals total	**4,623**	**2,084**	**1,169**	**805**	**539**	**26**
% change in local currencies	**11%**	**11%**	**(4%)**	**38%**	**15%**	**(3%)**
Total sales	**21,698**	**10,214**	**5,185**	**3,139**	**1,398**	**1,762**
% change in local currencies	**10%**	**12%**	**0%**	**22%**	**5%**	**15%**
% change as reported	**4%**	**7%**	**(1%)**	**8%**	**(18%)**	**12%**

2013 sales split per region

DKK million	Total	North America	Europe	Inter-national Operations	Japan & Korea	Region China
The diabetes care segment						
NovoRapid®	16,848	9,953	3,819	1,639	951	486
% change in local currencies	12%	14%	4%	27%	1%	32%
NovoMix ®	9,759	2,694	2,450	1,875	789	1,951
% change in local currencies	10%	12%	(3%)	20%	(5%)	25%

Levemir®	11,546	6,823	2,909	1,290	288	236
% change in local currencies	22%	33%	4%	28%	(8%)	39%
Modern insulin	38,153	19,470	9,178	4,804	2,028	2,673
% change in local currencies	14%	20%	2%	24%	(3%)	27%
Human insulin	10,869	1,976	2,427	2,954	490	3,022
% change in local currencies	0%	4%	(8%)	2%	(20%)	6%
Victoza®	11,633	7,537	2,896	741	331	128
% change in local currencies	27%	31%	20%	31%	(8%)	84%
Other diabetes care	4,801	1,590	885	692	471	1,163
% change in local currencies	(4%)	(18%)	(8%)	17%	19%	0%
Diabetes care total	**65,456**	**30,573**	**15,386**	**9,191**	**3,320**	**6,986**
% change in local currencies	**12%**	**18%**	**3%**	**16%**	**(4%)**	**13%**
The biopharmaceuticals segment						
NovoSeven®	9,256	4,459	2,294	1,716	629	158
% change in local currencies	8%	5%	4%	19%	17%	2%
Norditropin®	6,114	2,273	1,729	853	1,246	13
% change in local currencies	16%	36%	0%	20%	8%	0%
Other biopharmaceuticals	2,746	1,719	654	247	122	4
% change in local currencies	15%	27%	3%	18%	(32%)	25%
Biopharmaceuticals total	**18,116**	**8,451**	**4,677**	**2,816**	**1,997**	**175**
% change in local currencies	**12%**	**16%**	**3%**	**19%**	**7%**	**2%**
Total sales	**83,572**	**39,024**	**20,063**	**12,007**	**5,317**	**7,161**
% change in local currencies	**12%**	**18%**	**3%**	**17%**	**0%**	**13%**
% change as reported	**7%**	**14%**	**2%**	**8%**	**(20%)**	**12%**

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APPENDIX 7: KEY CURRENCY ASSUMPTIONS

DKK per 100	**2012 average exchange rates**	**2013 average exchange rates**	**YTD 2014 average exchange rates as of 27 January 2014**	**Current exchange rates as of 27 January 2014**
USD	579	562	548	546
CNY	91.8	91.3	90.6	90.4
JPY	7.27	5.77	5.26	5.32
GBP	918	878	901	904
CAD	580	545	504	495

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APPENDIX 8: QUARTERLY NUMBERS IN USD (ADDITIONAL INFORMATION)

Key figures are translated into USD as additional information - the translation is based on the average exchange rate for income statement and the exchange rate at the balance sheet date for balance sheet items. The specified percent changes are based on the changes in the 'Quarterly numbers in DKK', see appendix 1.

(Amounts in USD million, except full-time equivalent employees, earnings per share and number of shares outstanding).

	2013				2012				*% change Q4 2013 vs Q4 2012*
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Sales	**3,950**	**3,643**	**3,749**	**3,537**	**3,641**	**3,337**	**3,362**	**3,129**	***4%***
Gross profit	3,330	3,017	3,117	2,898	3,093	2,752	2,771	2,529	*3%*
Gross margin	*84.3%*	*82.8%*	*83.1%*	*81.9%*	*85.0%*	*82.4%*	*82.4%*	*80.8%*	
Sales and distribution costs	1,178	982	1,024	978	1,075	890	900	854	*5%*
Percentage of sales	*29.9%*	*27.0%*	*27.3%*	*27.7%*	*29.5%*	*26.7%*	*26.7%*	*27.3%*	
Research and development costs	646	497	476	470	557	440	442	442	*11%*
Percentage of sales	*16.4%*	*13.6%*	*12.7%*	*13.3%*	*15.3%*	*13.2%*	*13.2%*	*14.1%*	
Administrative costs	195	145	143	142	172	129	134	137	*8%*
Percentage of sales	*4.9%*	*4.0%*	*3.8%*	*4.0%*	*4.7%*	*3.9%*	*4.0%*	*4.4%*	
Licence income and other operating income	32	27	31	31	27	31	27	30	*15%*
Operating profit	**1,343**	**1,420**	**1,505**	**1,339**	**1,316**	**1,324**	**1,322**	**1,126**	***(3%)***
Operating margin	*33.9%*	*39.0%*	*40.2%*	*37.8%*	*36.1%*	*39.6%*	*39.3%*	*36.0%*	
Financial income	110	73	65	55	3	(15)	26	8	*N/A*
Financial expenses	31	20	47	19	24	70	149	66	*24%*
Net financials	79	53	18	36	(21)	(85)	(123)	(58)	*N/A*
Profit before income taxes	1,422	1,473	1,523	1,375	1,295	1,239	1,199	1,068	*5%*
Net profit	**1,105**	**1,139**	**1,181**	**1,059**	**1,000**	**954**	**924**	**822**	***5%***
Depreciation, amortisation and impairment losses	143	114	119	122	131	108	114	112	*5%*
Capital expenditure	135	161	137	138	175	159	148	91	*(27%)*
Net cash generated from operating activities [1)]	986	1,105	1,277	1,251	270	1,343	1,237	985	*255%*
Free cash flow [1)]	834	927	1,126	1,094	78	1,168	1,085	888	*N/A*
Total assets	12,995	12,338	11,274	10,698	11,604	11,554	10,328	10,988	*7%*
Total equity	7,865	7,085	6,200	5,791	7,180	6,185	5,307	5,809	*5%*
Equity ratio	*60.5%*	*57.4%*	*55.0%*	*54.1%*	*61.9%*	*53.5%*	*51.4%*	*52.9%*	
Full-time equivalent employees end of period	37,978	36,851	35,869	35,154	34,286	33,501	32,819	32,252	*11%*
Basic earnings per share/ADR (in USD) [2)]	0.41	0.43	0.44	0.39	0.37	0.35	0.33	0.30	*8%*
Diluted earnings per share/ADR (in USD) [2)]	0.41	0.42	0.44	0.39	0.36	0.35	0.34	0.29	*8%*
Average number of shares outstanding (million) [2)]	2,653.4	2,667.5	2,688.5	2,708.0	2,714.5	2,723.0	2,745.5	2,783.5	*(2%)*

Average number of diluted shares outstanding (million) [2]	2,666.8	2,681.5	2,702.5	2,723.5	2,730.0	2,739.0	2,762.0	2,802.5	*(2%)*
Sales by business segment:									
Modern insulins (insulin analogues)	1,844	1,669	1,688	1,591	1,644	1,493	1,487	1,387	*7%*
Human insulins	491	457	487	500	523	469	479	479	*(10%)*
Victoza®	587	505	505	474	470	422	396	351	*19%*
Protein-related products	117	118	113	107	108	108	107	110	*3%*
Oral antidiabetic products (OAD)	68	90	119	123	116	122	113	126	*(45%)*
Diabetes care total	**3,107**	**2,839**	**2,912**	**2,795**	**2,861**	**2,614**	**2,582**	**2,453**	***4%***
NovoSeven®	412	431	446	359	420	362	423	337	*(7%)*
Norditropin®	303	255	259	272	254	244	249	237	*14%*
Other biopharmaceuticals	128	118	132	111	106	117	108	102	*15%*
Biopharmaceuticals total	**843**	**804**	**837**	**742**	**780**	**723**	**780**	**676**	***3%***
Sales by geographic segment:									
North America	1,858	1,734	1,761	1,594	1,659	1,514	1,443	1,291	*7%*
Europe	944	887	898	843	910	804	878	810	*(1%)*
International Operations	572	479	539	548	503	452	476	482	*8%*
Japan & Korea	255	233	240	219	295	287	298	262	*(18%)*
Region China	321	310	311	333	274	280	267	284	*12%*
Segment operating profit:									
Diabetes care	1,016	1,045	1,046	974	942	972	910	818	*3%*
Biopharmaceuticals	327	375	459	365	374	352	412	308	*(17%)*

[1] Free cash flow for Q1 2012 and Q2 2012 has been reduced by USD 234 million and increased by USD 234 million, respectively, as withheld dividend tax is now presented as part of financing activities.

[2] Comparative figures have been restated to reflect the change in trading unit from DKK 1 to DKK 0.20.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf of the undersigned, thereunto duly authorized.

Date: January 30, 2014

NOVO NORDISK A/S

Lars Rebien Sørensen, President and Chief Executive Officer