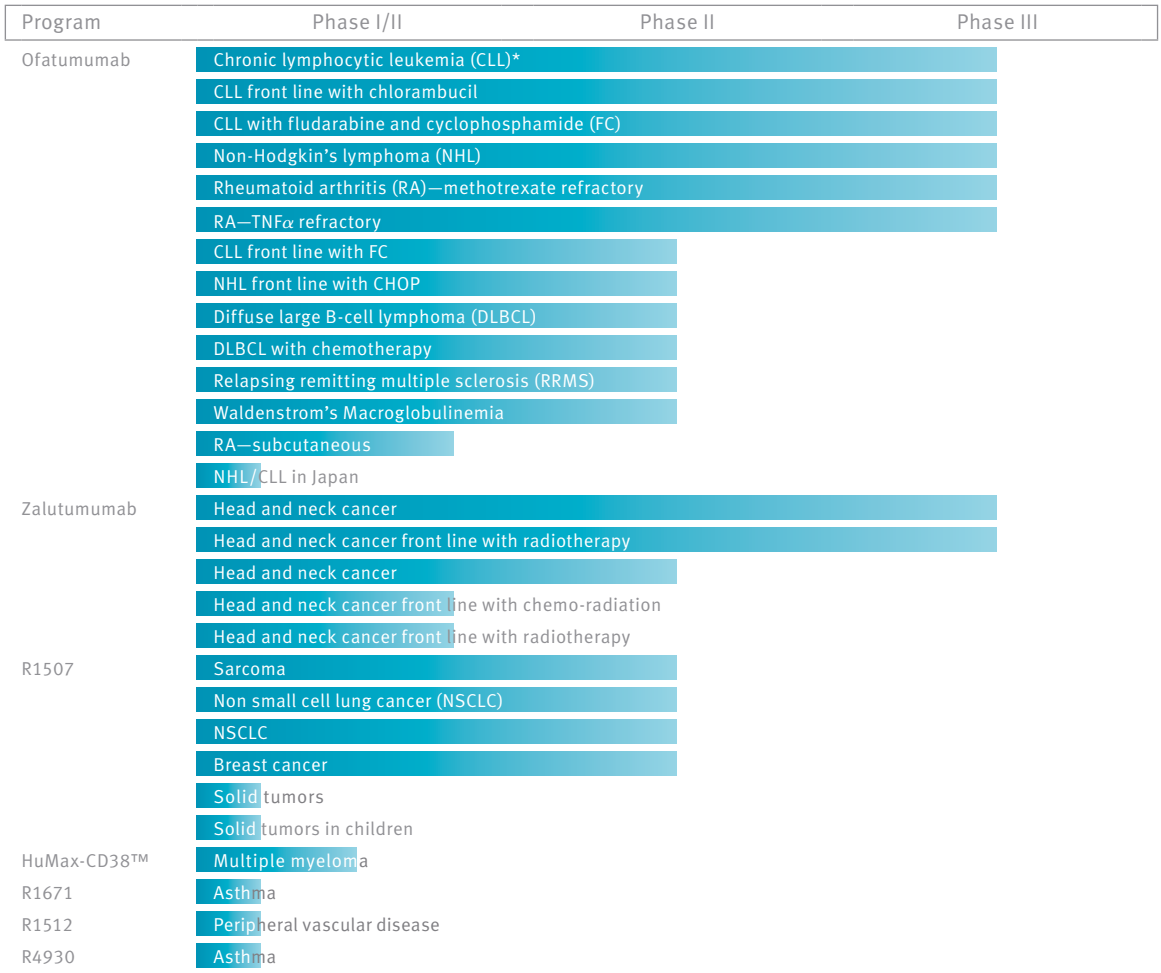
Genmab

2008 Annual Report

CLINICAL PRODUCT PIPELINE OF FEBRUARY 24, 2009



*In 2009 we announced submission of a BLA to the US Food and Drug Administration and a MAA to the European Medicines Agency (EMEA).

BUILDING FOR THE FUTURE

Genmab is building a deep pipeline of fully human antibody products to maximize its opportunities for success. We have seven products in clinical trials and have the financial flexibility needed to move our products forward. Genmab has chosen to focus on products to treat various cancers, where human antibodies are expected to be particularly useful as they should lend themselves to long-term therapy without the risk of rejection by the body's immune system.

OUR MISSION

Genmab is dedicated to creating and developing human antibodies to help people suffering from life-threatening and debilitating diseases. Our goal is to serve patients in need of new types of therapy and to build a business that maximizes value for patients and shareholders.

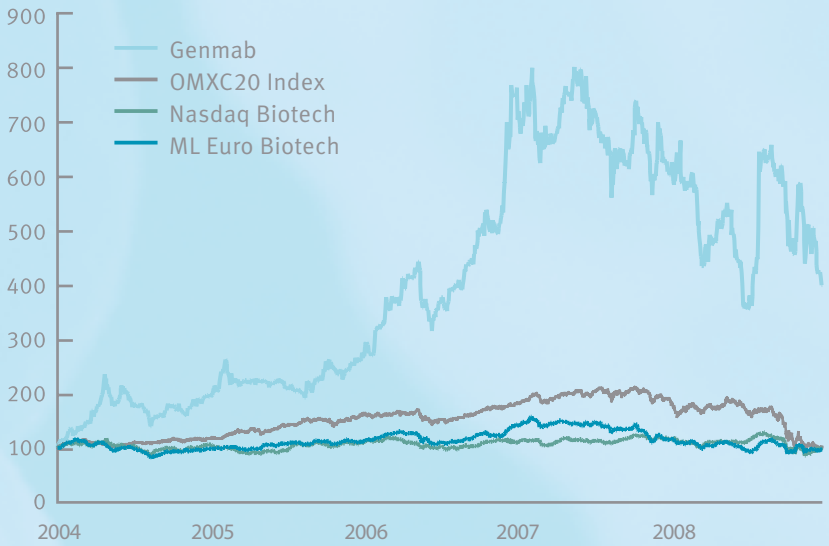
OUR STRATEGY

Genmab's strategy is to maintain an extensive pipeline of human antibody products to balance the risk inherent in drug development and maximize our chances for success. To achieve this goal, we have selected disease targets that have a strong scientific and business rationale. We diversify our potential revenue stream by creating products for an array of both validated and novel targets. We also attempt to balance risk through our partnering efforts by licensing some programs at an early stage and others later to create a potentially diversified risk and revenue profile. We have built world class discovery, development and manufacturing teams that are working to create and develop products for patients with unmet medical needs.

Stock Market Information

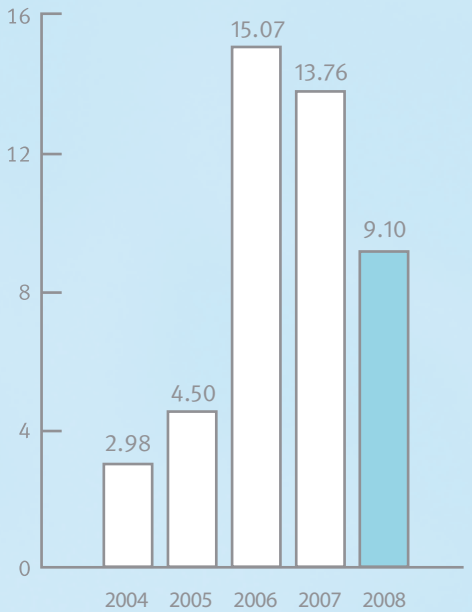
Stock Performance Comparison 2004 to 2008

(Index 100 = stock price on January 1, 2004)



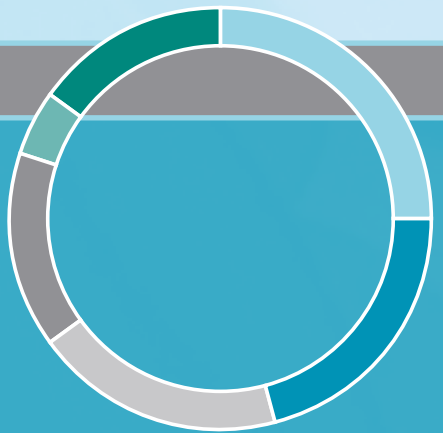
Year End Market Capitalization

(DKK billions)



Geographical Shareholder Distribution

(Internal shareholder register February 10, 2009)



- North America—25%
- UK—21%
- Denmark—19%
- The Benelux countries—15%
- Switzerland—5%
- Other—15%

HISTORICAL TIMELINE

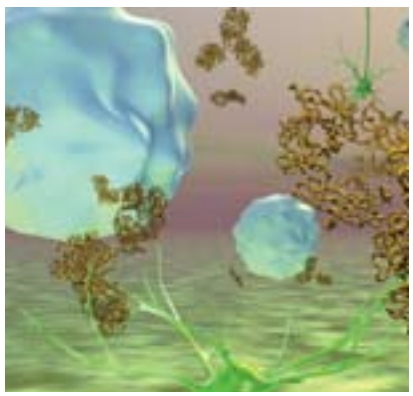
Feb. 1999 Genmab is founded in Copenhagen, Denmark.

Oct. 2000 Genmab goes public in Copenhagen raising DKK 1.56 billion (~USD 295 million), a European biotech record.

May 2001 Genmab enters its first major partnership, an antibody development collaboration with Roche.

Genmab

2008 HIGHLIGHTS



Clinical Trial Progress

- Reported positive Phase III ofatumumab chronic lymphocytic leukemia (CLL) data
- Patients in ofatumumab Phase II RA study achieved long lasting responses
- Completed recruitment in three ofatumumab studies

Acquisition of US Manufacturing Facility

- Acquired state-of-the-art antibody manufacturing facility in Brooklyn Park, Minnesota with a capacity of 22,000 liters

Initiated New Studies

- Initiated 4 new ofatumumab studies
  - Phase III front line CLL chlorambucil combination
  - Phase II relapsing remitting multiple sclerosis
  - Phase I/II subcutaneous RA
  - Phase I NHL/CLL in Japan
- Initiated Phase I/II study of zalutumumab in combination with radiotherapy in head and neck cancer
- Announced five new pre-clinical programs

Partnership Milestones

- Reached four milestones for payments totaling DKK 378 million in the GSK collaboration

Portfolio Review

- Conducted portfolio review resulting in Genmab focusing on oncology indications and refinement of portfolio to projects with high potential

Financial Highlights

- Revenues increased from DKK 530 to DKK 745 million
- Cash and marketable securities at the end of the year were DKK 1.8 billion

Oct. 2002 Genmab announces the ofatumumab program.

Feb. 2005 Genmab wins the 2004 Helix Award for best international biotech company.

Dec. 2005 The first antibody developed under the Roche collaboration enters clinical development.

Sep. 2006 Genmab initiates first Phase III study with zalutumumab.

Letter from the Chief Executive Officer

DEAR SHAREHOLDER,

In 2008, Genmab achieved a key milestone–positive results in the Phase III Arzerra™ (ofatumumab) CLL study. We also worked intensively along with our partner GSK to prepare applications for approval in both the US and Europe and these were filed in January and February 2009, respectively. This achievement is the first of its kind for Genmab and marks an important turning point in the company's evolution towards becoming a commercially successful business.

We believe the study results are impressive and very encouraging for patients with CLL, an incurable disease. The results demonstrate the potential of ofatumumab as a new treatment option for heavily pre-treated patients with CLL who do not respond to, or are ineligible for currently available treatment options. When treated with ofatumumab, the patients who were refractory to fludarabine and alemtuzumab had an overall response rate of 58%. Patients refractory to fludarabine and considered inappropriate candidates for alemtuzumab had an overall response rate of 47%, including one complete response. Median overall survival was 13.7 months for the DR group and 15.4 months for the BFR group; response to ofatumumab treatment significantly correlated with longer patient survival.

As the company continues to evolve, we have sharpened our strategic focus to concentrate on cancer therapeutics, a disease area where we have developed significant expertise. We are working on a portfolio of cancer antibodies with high potential value including two late stage products, ofatumumab and zalutumumab, which both have possible applications in a variety of cancers. We also have some highly promising early stage programs including HuMax-CD38, HuMax-CD32b, HuMax-Her2 and HuMax-VEGF. This focus is part of an effort to prioritize spending and build a sustainable business.

Oct. 2006 Genmab unveils its proprietary UniBody technology platform, potentially representing the next generation in antibody development.

Dec. 2006 Genmab and GSK sign a co-development and commercialization agreement for ofatumumab. Genmab receives a DKK 582 million (~USD 110 million) license fee and DKK 2,033 million (~USD 385 million) equity investment.

Dec. 2007 Genmab wins the 2007 Scrip Biotech Company of the Year award.

The achievement of positive results in the ofatumumab study and first US and EU filings have made this a pivotal time for Genmab and we have high hopes for the coming year.

BUILDING OUR FUTURE PIPELINE

We continue to build Genmab's pipeline by adding new studies and programs. We initiated five new clinical studies in 2008. In addition, Genmab announced five new pre-clinical cancer programs to help fill our clinical pipeline going forward. Some of the programs address novel targets, while others are being developed to improve upon existing therapies. This pipeline expansion is supported by Genmab's industrial strength antibody capabilities from antibody discovery to commercial scale manufacturing.

IN A POSITION OF STRENGTH

A major factor in Genmab's continued success is the strength and leadership of our senior management team. To manage our increasingly broad activities such as manufacturing operations and regulatory approval filings, the team was expanded to eight members. We have consolidated our pre-clinical and clinical project areas under the direction of Prof. Jan van de Winkel, President, Research and Development & CSO. In addition, a new CFO, David Eatwell, joined Genmab. The expanded senior management team will continue to work together with our experienced and knowledgeable workforce to broaden and develop our antibody pipeline and be the source of inspiration and innovation at the company.

The achievement of positive results in the ofatumumab study and first US and EU filings have made this a pivotal time for Genmab and we have high hopes for the coming year. As the company moves toward a commercial future, the support of Genmab shareholders and employees remains critical. Thank you for joining us on this journey.

Sincerely yours,

Lisa N. Drakeman, Ph.D.
President and Chief Executive Officer

- **Dec. 2007** Four Genmab antibodies developed for Roche in clinical studies.
- **Dec. 2007** Pivotal Phase II study of first Roche antibody, R1507, begins.
- **Feb. 2008** Genmab purchases an antibody manufacturing facility from PDL BioPharma.

Glossary

ACR20, ACR50, ACR70
American College of Rheumatology's scoring model for rheumatoid arthritis, representing 20%, 50% or 70% improvement in tender and swollen joint count and in 3 of the 5 following assessments: Patient Pain Assessment, Patient Global Assessment, Physician Global Assessment, Patient Self-Assessed Disability and Acute Phase Reactant.

Antibody
Immunoglobulin. A protein produced by B-cells after stimulation by an antigen. The antibody recognizes a specific site (epitope) on the antigen and facilitates clearance of that antigen in an immune response.

Antigen
Immunogen. Any substance (usually foreign) that binds specifically to an antibody.

B-cell
White blood cell type also known as a B-Lymphocyte.

BLA
Biologic License Application. A submission to apply for marketing approval from the FDA which contains specific information on the manufacturing processes, chemistry, pharmacology, clinical pharmacology and the medical effects of a biologic product.

Cytokine
A secreted protein that regulates the intensity of an immune response by exerting various effects on cells within the immune system.

Cytotoxicity
The ability to kill cells.

Fast Track Designation
FDA designation intended to facilitate development and expedite reviews of therapeutics for the treatment of a serious life threatening condition and address unmet medical needs. Under a Fast Track designation, a BLA can be submitted and reviewed in sequential sections and it also opens the possibility for a priority BLA review or accelerated marketing approval.

Interleukin
Cytokines secreted by immune system cells that affect the growth and differentiation of other cells within the immune system.

Lymphocyte
Any white blood cell that mediates humoral (production of antibodies) or cell-mediated immunity.

MAA
Marketing Authorization Application. A submission to the European Medicines Agency (EMEA) to apply for marketing approval of a medicinal product within the European Union.

Monoclonal
Derived from a single cell.

Placebo
Compound having no pharmacological effect.

Special Protocol Assessment
A procedure whereby the FDA agrees to specific performance goals for special protocol assessment and agreement that apply to pivotal efficacy trials. To use this process, companies submit a study protocol and related questions. The FDA may then review and agree to the protocol design, execution and analyses and issue a special protocol letter to that effect. Once the FDA sends written agreement, the assessment should be considered binding on them as long as the protocol is followed, unless substantial scientific issues essential to determining the safety or efficacy of the drug are identified after testing has begun.

Target
A substance identified as potentially of interest for use in the creation of an antibody.

Transgenic mouse
A mouse carrying a transgene, a gene introduced into replicating cells, so that it is transmitted across future generations of replicating cells.

T-lymphocyte or T-cell
A lymphocyte that matures in the thymus, of which there are two distinct types. T helper cells assist B-cells in their production of antibodies by producing cytokines. Cytotoxic T-cells destroy antigens by killing the target cell.

Jul. 2008 Genmab and GSK report positive results from first Phase III study of ofatumumab in CLL.

Jan. 2009 First ever BLA for a Genmab antibody is filed for ofatumumab in CLL, with our partner GSK.

Feb. 2009 MAA for ofatumumab in CLL is filed with our partner GSK.

Table of Contents

Genmab

Directors' Report

ABOUT GENMAB

Genmab is a leading international biotechnology company focused on developing fully human antibody therapeutics for the potential treatment of cancer. Genmab's world class discovery, development and manufacturing teams are using cutting-edge technology to create and develop products to address unmet medical needs. Our primary goal is to improve the lives of patients who are in urgent need of new treatment options.

Genmab's strategy is to maintain a broad high-potential pipeline of human antibody products by developing at least one new clinical candidate per year. Our therapeutic focus is oncology, a disease area in which we have expertise and antibodies have proven efficacy. We will concentrate on developing antibodies to clinically validated targets that may potentially be superior to existing marketed products.

We select our antibodies based on rigorous criteria, including a strong scientific and business rationale. Development decisions must be substantiated with data and in consultation with regulatory authorities and medical experts. Additional programs and studies must result in added value to both patients and the company. In addition, we attempt to create a potentially diversified risk and revenue by licensing programs at various stages of development.

We believe this strategy will allow Genmab to efficiently create the most potential value for patients and shareholders and enable us to build a sustainable business.

2008 OVERVIEW

Genmab reported consolidated revenues of DKK 745 million in 2008, an operating loss of DKK 870 million and a net loss of DKK 965 million. Genmab ended 2008 with a total of DKK 1.8 billion in cash and marketable securities. Overall, the financial performance is in line with management's expectation for the year.

During the course of 2008, Genmab and GSK released positive data in the ofatumumab pivotal study in CLL as well as data showing long lasting responses in a Phase II RA study. We also began four new studies in the ofatumumab program: a Phase III front line CLL study, a Phase II study in multiple sclerosis, a Phase I/II subcutaneous study in RA and a Phase I study of NHL and CLL in Japan. We completed enrolment of patients in three ofatumumab studies. During 2008, Genmab received four milestone payments from GSK totaling approximately DKK 378 million.

We also initiated a study of zalutumumab in combination with radiotherapy for the treatment of head and neck cancer. Plans for our future pipeline, including the addition of five new pre-clinical programs, were also announced.

In March, Genmab acquired a manufacturing facility located in Brooklyn Park, Minnesota, USA. The facility has a production capacity of 22,000 liters, which is expected to be sufficient to provide a sustainable source of both clinical and commercial scale material to meet the requirements of our pipeline.

During 2008, we conducted a portfolio and organizational review in order to bring greater focus to our development plans and create the most potential value for patients and shareholders. As a result of the review, we will concentrate on development of cancer therapeutics and will focus on a less broad, but higher potential portfolio. Key decisions from the review included discontinuation of the zanolimumab (HuMax-CD4®) program, moving to outlicense the HuMax-HepC™, HuMax-IL8™ and HuMax-TAC™ pre-clinical programs and a reduction by approximately 100 employees.

Over the course of the year, Genmab participated in 24 scientific conferences and 16 investor conferences as well as a significant number of analyst, media and investor meetings.

OUTLOOK

During 2009, we expect to receive our first regulatory approval for ofatumumab to treat chronic lymphocytic leukemia. We will continue to expand the development for this product working with our partner, GSK, and sharing development costs.

We also expect to advance other clinical and pre-clinical programs as detailed in the product pipeline section of this report.

We expect our 2009 revenue to be approximately DKK 1.2 billion, an increase of DKK 455 million over 2008. This projected revenue consists primarily of milestone payments. We cannot be certain about the outcome or timing of some of the milestone events and therefore any change in the timing or achievement of the projected milestones may impact our estimates.

Due to the advancement of our pipeline and the inclusion of the Minnesota manufacturing facility for the full year in 2009, we anticipate that our operating expenses will be in line with the 2008 operating expense of DKK 1.6 billion.

With the projected increase in revenue and stable operating expenses, we expect the operating loss for 2009 to be approximately DKK 400 million, less than half of the operating loss of DKK 870 million reported for 2008.

As of December 31, 2008 we had cash, cash equivalents and marketable securities of DKK 1,762 million. We expect the cash burn for 2009 to be approximately DKK 500 million. Therefore we project a cash balance at the end of the year of approximately DKK 1,250 million.

2009 Guidance	DKK	USD
	Mil.	Mil.
Revenue	1,200	227
Operating expenses	1,600	303
Operating loss	(400)	(76)
Cash burn	(500)	(95)
Cash at end of year*	1,250	237

*Cash, cash equivalents and marketable securities

The estimates above are subject to change due to numerous factors, including the timing and variation of development activities, related income and costs and fluctuations in the value of our marketable securities and currency exchange rates. The financial guidance also assumes that no further significant agreements are entered into during 2009 that could materially affect the results.

Conversion of our 2009 guidance has been made using the Danish Central Bank closing spot rate on December 31, 2008 of USD 1.00 = DKK 5.285.

PRODUCT PIPELINE

Our scientific teams continuously investigate promising new disease targets for potential addition to our pipeline. Our clinical product pipeline currently consists of eight Phase III studies, 11 Phase II studies, 10 Phase I/II or I studies and more than ten pre-clinical programs. An overview of the development status of each of our clinical products is provided in the following sections. More detailed descriptions of dosing, efficacy and safety data from certain clinical trials have been published in our stock exchange releases to the NASDAQ OMX Copenhagen, which are available on Genmab's website, www.genmab.com.

Ofatumumab

Ofatumumab is an investigational, new generation human monoclonal antibody that targets a distinct, membrane proximal, small loop epitope of the CD20 molecule on the surface of B-cells. Ofatumumab is being developed under a co-development and commercialization agreement with GSK for cancer and autoimmune diseases.

The CD20 antigen, a clinically validated target, is a protein expressed on the cell membrane of pre-B and mature B lymphocytes, a subset of the immune system's white blood cells. In certain types of cancer, these cells can over-proliferate and treatment is needed to reduce their number. Because of the critical role of B-cells in autoimmune disorders, CD20 is also believed to be an attractive target for treating other diseases, such as RA. In laboratory tests and animal studies, ofatumumab has been shown to deplete B-cells effectively and to bind to a unique site on the CD20 target when compared to other known CD20 antibodies.

We reported positive data from an interim analysis of 138 patients in a pivotal Phase III study to treat refractory CLL in 2008. The ongoing study includes two different patient populations: patients who are refractory to both fludarabine and alemtuzumab (double refractory, DR) and fludarabine refractory patients who are considered inappropriate candidates for alemtuzumab due to bulky tumor in their lymph nodes (bulky fludarabine refractory, BFR). When treated with ofatumumab, the overall objective response rate was 58% for the DR group (n = 59) and 47% for the BFR group (n = 79), including one complete response.

Median overall survival was 13.7 months for the DR group and 15.4 months for the BFR group and response to ofatumumab treatment significantly correlated with longer patient survival. Median progression free survival was 5.7 months for the DR group and 5.9 months for the BFR group.

Prior treatment with rituximab (a CD20 antibody that is already on the market) did not have a significant effect on ofatumumab treatment efficacy. Patients who had received prior rituximab-containing therapy responded at a 54% rate in the DR group and 44% in the BFR group.

The most common adverse event seen in the study was infusion related reactions which were mostly mild to moderate in severity. No patient tested positive for antibodies to ofatumumab.

Based on these data, GSK and Genmab submitted a Biologics License Application (BLA) to the US FDA in January 2009 and a Marketing Authorization Application (MAA) to the EMEA in February 2009.

We completed enrolment of patients in a Phase II front line study in combination with fludarabine and cyclophosphamide (FC) to treat CLL in previously untreated patients in July.

In September, we completed enrolment of patients in two ofatumumab studies in follicular NHL: a Phase III pivotal

study in rituximab refractory NHL and a Phase II study in combination with cyclophosphamide, doxorubicin, vincristine and prednisone (CHOP) in patients with previously untreated NHL.

Positive results from a previous Phase I/II study in relapsed or refractory follicular NHL showed objective responses of up to 63% according to the Cheson criteria.

Two Phase III RA studies are being conducted outside the US. One study is in patients who have had an inadequate response to methotrexate therapy and the other in patients who had an inadequate response to TNF-alpha antagonist therapy.

Results from a Phase II study in RA showed ACR20 response rates of up to 49% in the intent to treat population of 224 patients. Duration of response data in 203 patients was reported in October 2008. Up to 69% of patients who had an ACR20 response at week 24 sustained the response until week 48.

A Phase II study to treat DLBCL patients ineligible for or relapsed following a stem cell transplant is ongoing. Approximately 75 patients are planned to be enrolled in the study.

In June 2008, the first patient was treated in a Phase II study for the treatment of relapsing remitting multiple sclerosis (RRMS). Approximately 324 patients are to be enrolled in the study.

Subsequent to the balance sheet date we announced submission of a BLA to the US Food and Drug Administration and a MAA to the European Medicines Agency (EMEA) for ofatumumab to treat refractory CLL. In addition we also announced initiation of an additional Phase III study of ofatumumab in combination with fludarabine and cyclophosphamide (FC) for CLL patients as a second-line therapy. Additionally, a Phase II study of ofatumumab in patients with Waldenstrom's Macroglobulinemia, a rare type of slow growing NHL; and a Phase II study evaluating ofatumumab plus ICE or DHAP chemotherapy regimen in relapsed/refractory DLBCL.

Zalutumumab (HuMax-EGFr)

Zalutumumab is a high-affinity human antibody that targets the Epidermal Growth Factor receptor (EGFr), a molecule found in abundance on the surface of many cancer cells, and is a clinically validated target. Zalutumumab has received a Fast Track designation from the FDA covering patients with head and neck cancer who have previously failed standard therapies.

Zalutumumab is currently in two ongoing Phase III studies: a pivotal study to treat 273 patients with refractory head and neck cancer considered incurable with standard treatment and a study to treat previously untreated head and neck cancer patients in cooperation with DAHANCA. The approximately 600 patients to be included in the DAHANCA study will be randomized to treatment with radiotherapy or zalutumumab plus radiotherapy.

Two front line head and neck cancer studies of zalutumumab are also ongoing: a 36 patient Phase I/II study of zalutumumab in combination with chemo-radiation and a 36 patient Phase I/II study of zalutumumab in combination with radiotherapy in patients ineligible for platinum based chemotherapy. In addition, a Phase II safety study of zalutumumab in combination with best supportive care is ongoing. The study will include 100 head and neck cancer patients refractory or intolerant of standard platinum-based chemotherapy.

Previously reported data from a Phase I/II zalutumumab study showed encouraging efficacy in refractory head and neck cancer with 9 out of 11 patients in the two highest dose groups obtaining partial metabolic response or stable metabolic disease when evaluated by FDG-PET scan.

In October 2008 we announced that a Phase II non small cell lung cancer and a Phase I/II colorectal cancer study would be wound down. This decision was based on new information about the role of K-RAS mutations and appropriate therapeutic regimens.

Zanolimumab (HuMax-CD4)

Following the outcome of the portfolio review, Genmab discontinued development of zanolimumab and will make no further investments in the program. As previously reported, patient recruitment into the Phase III study had been slow, which the company believes was due to the relatively small market potential in CTCL, the introduction of a new CTCL therapeutic to the market and the numerous competing clinical trials. In light of these issues, Genmab considered that the significant investment required to take the product through to approval was no longer a good use of its resources.

R1507

R1507 is a fully human antibody created by Genmab under our collaboration with Roche. This antibody targets the Insulin-like Growth Factor-1 Receptor (IGF-1R) which has been shown to be important in tumor growth and protecting tumor cells from being killed. IGF-1R is over-expressed on a variety of tumors including breast, colon, prostate, lung,

skin and pancreatic cancers and is a well validated target for an antibody therapeutic approach. In pre-clinical studies, R1507 was shown to block binding of IGF-1 and IGF-2 and to potently inhibit IGF-1R signaling. In addition, R1507 was found to effectively stop tumor cell growth in animal models.

Roche and SARC (Sarcoma Alliance for Research through Collaboration) are conducting a Phase II study of R1507 for the treatment of recurrent and refractory sarcoma. Positive results from a Phase I study of R1507 in patients with solid tumors showed that 9 of 34 patients experienced disease stabilization when treated with R1507. Four of seven patients with Ewing's sarcoma demonstrated clinical benefit, and two of these achieved durable, objective partial responses.

In addition, Roche is currently conducting a Phase I study in children and adolescents with advanced solid tumors, a Phase I study of R1507 in combination with chemotherapy in patients with advanced solid tumors, two Phase II studies in combination with Tarceva in non small cell lung cancer (NSCLC) and a Phase II study in combination with letrozole in breast cancer. Additional Phase II and Phase III studies of R1507 in combination with other anti-tumor agents are planned.

HuMax-CD38

HuMax-CD38 is a fully human antibody in clinical development to target the CD38 molecule which is highly expressed on the surface of multiple myeloma tumor cells.

In pre-clinical studies, HuMax-CD38 induced potent immune system killing mechanisms such as ADCC and CDC, as well as complement dependent cytotoxicity towards primary multiple myeloma tumors. Furthermore, HuMax-CD38 inhibited the enzymatic activity of the CD38 molecule. HuMax-CD38 is the first antibody known to block the ecto-enzymatic activity of CD38. This special property may contribute to the efficacy of HuMax-CD38 in killing both primary multiple myeloma and plasma cell leukemia cells.

A Phase I/II safety and dose finding study of HuMax-CD38 for the treatment of multiple myeloma is underway. The study will include a maximum of 122 patients with multiple myeloma who are relapsed or refractory to at least two different prior treatments and are without further established treatment options.

Other Clinical Programs

Our partner Roche is conducting three Phase I studies of antibodies developed by Genmab under the companies' collaboration. R1617 and R4930 are in development for asthma and R1512 is in development for treatment of peripheral vascular disease. Following the outcome of the portfolio review, Genmab announced it would seek to outlicense the HuMax-IL8 program.

Pre-clinical Programs

Genmab has over ten programs in pre-clinical development. We continually work to create new antibodies to a variety of targets for a number of disease indications. We also evaluate disease targets identified by other companies for potential addition to our pipeline.

HuMax-HepC is a fully human antibody in pre-clinical development to treat Hepatitis C reinfection. HuMax-HepC binds to an epitope which is expressed on the surface of Hepatitis C virus (HCV) and plays an important role in the entry of HCV into target cells. Clinical trials will not be initiated as we are seeking to outlicense HuMax-HepC.

Genmab announced five new pre-clinical programs in 2008. We are working on developing antibodies for two well validated targets, Her-2 and VEGF, with the intention of creating products significantly differentiated from those currently on the market.

We have generated over 90 human antibodies to Her-2, an important solid tumor target, with the goal of creating a product candidate designed to have fewer side effects and better engagement of immune system killing mechanisms such as ADCC.

We have also generated over 45 human antibodies specific for VEGF, the most well validated target for anti-angiogenic antibody therapy for cancer. A large number of these human antibodies block binding of VEGF to the KDR receptor, and a number of our novel human antibodies bind better to VEGF than marketed antibodies.

In addition, Genmab is working on pre-clinical programs for novel targets. Three of these were announced in 2008 and include CD32b, Tissue Factor and a target expressed on cancer stem cells.

In the HuMax-CD32b program, we have selected a lead candidate from a panel of over 60 antibodies based on its excellent selectivity and binding ability for the CD32b target and potent triggering of the immune system killing mechanism antibody-dependent cellular cytotoxicity (ADCC). The CD32b receptor is found on immune cells and hematological tumors. HuMax-CD32b may have therapeutic potential in the treatment of B-cell chronic lymphocytic leukemia, small lymphocytic lymphoma, Burkitt's lymphoma, follicular lymphoma and diffuse large B-cell lymphoma.

In animal models, HuMax-CD32b induced impressive anti-tumor responses. The CD32b receptor has an inhibitory role on immune cells and blockade of CD32b has been documented to make the therapeutic effects of other anti-tumor antibodies more potent. An antibody targeting CD32b may thus be attractive for combination therapy with other antibodies.

The Tissue Factor (TF) molecule is involved in tumor signaling and angiogenesis and is strongly over-expressed on a variety of tumor cells, including pancreatic and colon cancers. We have generated and characterized over 70 human antibodies to TF, a number of which exhibit a potent effect on signaling inhibition. The human antibodies also effectively induce ADCC and anti-tumor activity in vitro and in vivo. We are working to select a lead candidate.

The third novel target program is for a target expressed on cancer stem cells. Targeting and destruction of cancer stem cells are areas generating considerable interest currently and may be a very effective new approach to treat cancer.

PARTNERSHIPS AND COLLABORATIONS

In support of our strategy to build a broad portfolio of products and facilitate their potential commercialization, Genmab has established collaborations with pharmaceutical and biotechnology companies. Through these partnerships, major pharmaceutical and biotechnology companies gain access to our antibody development capabilities while helping us bring our products closer to the market. Genmab has also formed a number of partnerships to gain access to promising disease targets that may be suitable for additional antibody products. We have key collaborations with GlaxoSmithKline (GSK) and Roche, two world leading research-based pharmaceutical and healthcare companies.

GSK

In December 2006, we granted exclusive worldwide rights to co-develop and commercialize ofatumumab to GSK.

The parties share certain development costs from 2008 and GSK will be responsible for commercial manufacturing and commercialization expenses. Under the terms of the agreement, Genmab received a license fee of DKK 582 million (approximately USD 102 million at the date of the agreement), and GSK invested DKK 2,033 million (approximately USD 357 million at the date of the agreement) to subscribe to Genmab shares. We may also receive potential milestone payments, in addition to those already received. The total of these payments and the initial license fee and equity investment could exceed DKK 9.0 billion (approximately USD 1.6 billion at the date of the agreement). In addition, Genmab will be entitled to receive tiered double digit royalties on global sales of ofatumumab.

In December 2008, the companies amended the terms of the agreement. Under the terms of the amendment, Genmab will receive a one-time payment of USD 4.5 million from GSK upon the FDA's acceptance for review of the filing of the first Biologics License Application (BLA) for ofatumumab in an oncology indication in the USA in exchange for terminating its option to co-promote ofatumumab.

Under the original terms of the companies' agreement, Genmab had an option to co-promote ofatumumab in a targeted oncology setting in the US and in the Nordic region. The sale of the co-promotion option does not affect the royalty or milestone revenue that Genmab may receive.

In 2008, Genmab achieved four milestones under this collaboration. Milestone payments of DKK 87 million, DKK 29 million and DKK 29 million were triggered by the first patient receiving treatment in the RA program, RRMS study and Japanese development study in NHL and CLL, respectively. Achievement of positive results in the pivotal CLL study triggered a milestone payment of DKK 233 million to Genmab.

Roche

Under our agreement with Roche, we have utilized our broad antibody expertise and development capabilities to create human antibodies to a wide range of disease targets identified by Roche. If the products are successful Genmab will receive milestone and royalty payments. Under certain circumstances, Genmab may obtain rights to develop products based on disease targets identified by Roche. If all goals are reached, the value of the collaboration to Genmab could be USD 100 million, plus royalties. At the exchange rate prevailing at the end of 2008, this equals approximately DKK 528 million, plus royalties.

Amgen

Genmab has previously created antibodies for Amgen under a licensing agreement for its IL-15 receptor program and for another undisclosed target, as well as for the IL-15 program.

In mid-2008, Amgen informed Genmab of its decision to discontinue development of AMG 714, a fully human monoclonal antibody that targets and neutralizes IL-15, in psoriasis and RA based on disappointing results from recent clinical trials. Amgen is exploring options to maximize the value of this asset, but at this time no further development of a lead indication is planned.

MANUFACTURING

In March 2008, Genmab completed the acquisition of an antibody manufacturing facility from PDL BioPharma (now known as Facet Biotech) at a price of DKK 1.2 billion (USD 240 million at the date of acquisition). Located in Brooklyn Park, Minnesota, the facility is expected to have sufficient capacity to provide a sustainable source of both clinical and commercial material to meet the future requirements of our pipeline.

The two 1,000 liter and two 10,000 liter bioreactors will support simultaneous manufacture of multiple antibody products and are expected to enable the transition of up to three antibodies from research to manufacturing per year.

In connection with the transaction, Genmab has entered into a clinical supply agreement to produce clinical material for Facet Biotech's investigational studies for certain of its pipeline products thereby generating third party revenues and offsetting part of the operating expenses related to the manufacturing facility.

The integration and transition of the facility have progressed as scheduled and the facility continues to advance the technical transfer of antibodies, such as zalutumumab, from external contract manufacturers. The facility has also successfully completed the first production run of the HuMax-CD38 antibody.

ANTIBODY TECHNOLOGY, STREAMLINED DEVELOPMENT AND INTELLECTUAL PROPERTY

Globally, antibodies are proven candidates for therapeutic products. Currently, 22 monoclonal antibody products from other companies are approved for use in the United States and 20 are also in use throughout Europe. To create our therapeutic products, Genmab uses transgenic mice to produce novel antibodies that are fully human. Some of our HuMax antibodies have been shown to be 100 to 1,000 times better at finding and binding to their disease target than earlier generations of murine or laboratory-engineered antibodies which are not fully human. In addition, we believe that fully human antibody therapies may have other advantages over older generation products, such as a more favorable safety profile and improved treatment regimens. Genmab has licensed the rights to use the UltiMAb® transgenic mouse technology platform from the US biotechnology company Medarex, under which we received 16 fully paid-up commercial licenses. For any product we develop that does not use a paid up commercial license, we will owe Medarex, on a product-by-product basis, up-front license fees, milestone payments and low single-digit percentage royalties.

We combine the UltiMAb® transgenic mouse technology with our own intellectual property and in-house expertise to produce and evaluate new antibodies as product candidates. Once a panel of antibodies for a new disease target has been generated, we subject the antibodies to extensive and rigorous testing, employing our wide array of laboratory tests and animal disease models. Our goal is to use these broad pre-clinical capabilities to identify the clinical candidate with the best possible characteristics for treating a particular disease and to move forward as quickly and efficiently as possible.

Our research and development teams have established a streamlined process to coordinate the activities of product discovery, manufacturing, pre-clinical testing, clinical trial design, data management and regulatory submissions across Genmab's international operations.

In addition, Genmab has developed the UniBody® technology, a proprietary antibody technology that creates a stable, smaller antibody format with an anticipated longer therapeutic window than current small antibody formats, based on pre-clinical studies to date. A UniBody molecule is about half the size of a regular type of inert antibody called IgG4. This small size can be a great benefit when treating some forms of cancer, allowing for better distribution of the molecule over larger solid tumors and potentially increasing efficacy. UniBody molecules are cleared from the body at a similar rate to whole IgG4 antibodies and are able to bind as well as whole antibodies and antibody fragments.

Unlike other antibodies which primarily work by killing targeted cells, a UniBody molecule will only inhibit or silence cells. This could be an advantage therapeutically when treating, for example, allergies or asthma, when killing cells is not the objective. A UniBody molecule binds to only one site on target cells and does not stimulate cancer cells to grow like some normal antibodies might, opening the door for treatment of some types of cancer which ordinary antibodies cannot treat.

Genmab believes its UniBody technology has the potential to expand the market for targeted therapeutics, in particular for some cancers and autoimmune diseases. We intend to use the UniBody technology to develop our own antibody products, work with partners who have access to targets for which this technology may be beneficial and may out-license the technology to other companies.

Proprietary protection for our products, processes and know-how is important to our business. Currently, we own and license patents, patent applications and other proprietary rights relating to our human antibody

technology and our antibody products and/or uses of these products in the treatment of diseases. In addition, under the terms of our Technology Agreement with Medarex, we have rights to file patent applications for future antibody products developed using our human antibody technology. Our policy is to file patent applications to protect technology, inventions and improvements relating to antibody products that we consider important to the development of our business.

HUMAN RESOURCES

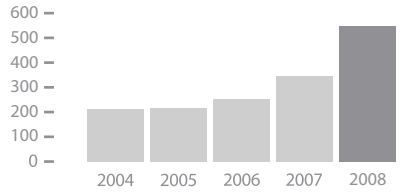
One of Genmab's greatest assets is its people. Skill, knowledge, experience and employee motivation are essential to Genmab as a fast paced high technology company. The ability to organize our highly skilled and very experienced employees into interactive teams is a key factor in achieving the high goals we establish to ensure Genmab's continuing growth. Please refer to the "Risk Management" section for further details.

At our five international locations, Genmab emphasizes an open and supportive professional work environment. During 2008, the number of Genmab employees increased from 344 to 555. The net increase of 211 employees reflects both increased clinical activity and the 170 employees associated with the acquisition of the manufacturing facility in March 2008. The headcount in 2008 was also affected by our decision to reduce staff by approximately 100 employees as a result of the portfolio review.

Our workforce is concentrated in research and development. At the end of 2008, 505 people, or 91% of our employees, were employed in research and development activities compared to 296 or 86% at the end of 2007.

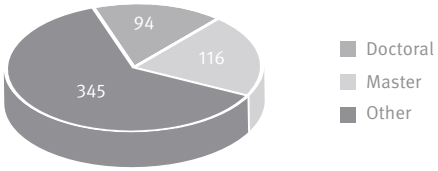
At the end of 2008 our average age of our workforce was 38 years and 56%/44% of our employees were female/male.

Number of Employees



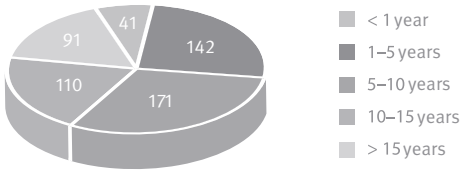
The technical demands of biotechnology require a high employee education level. At the end of 2008, 94 employees (2007: 80), or 17% (2007: 23%), hold a Ph.D. or a doctoral degree, including 1 employee who holds both an M.D. and a Ph.D. In addition, 116 employees (2007: 96), or 21% (2007: 28%), hold Master's degrees. In total, at the end of 2008, 38% of employees (2007: 51%) hold advanced degrees.

Educational Level



Genmab's team is also very experienced in the pharmaceutical and biotechnology industry, particularly among the more senior personnel.

Experience in the Pharmaceutical/Biotech Industry



FINANCIAL REVIEW

The financial statements have been prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS) as endorsed by the EU and additional Danish disclosure requirements for annual reports of listed companies. Genmab's financial statements are published in Danish Kroner (DKK). Please refer to notes 1 and 23 to the financial statements for a description of our accounting policies.

For the convenience of the reader, in the supplementary section to the annual report, we have included a conversion of certain DKK amounts into US Dollars (USD) at a specified rate. The conversion is unaudited.

Please refer the section "Conversion of Certain DKK Amounts into USD—Supplementary Information".

Result for the Year

The group's operating loss for 2008 was DKK 870 million and the net loss was DKK 965 million. This compares to the 2007 operating loss and net loss of DKK 437 million and DKK 383 million, respectively.

As of December 31, 2008 our cash position amounts to DKK 1.8 billion and has decreased by DKK 1.9 billion compared to last year, primarily due to the acquisition of the PDL manufacturing facility for DKK 1.2 billion in March 2008.

Our 2008 financial guidance for the net loss ranged from DKK 800 to 900 million. The realized net loss of DKK 965 million was above the published range, due to a slight change in the timing of some anticipated milestone events and unrealized fair market value losses on our marketable securities caused by the international financial crisis.

However, savings driven by reductions in our research and development costs resulting from our efforts to focus on the most critical programs in our portfolio in the most efficient manner including cost spent on development of the ofatumumab program, more than offset the change in revenues. Therefore the operating loss of DKK 870 million is within the published range of DKK 850 to 950 million.

The proportion of the expenses spent on research and development including the operation of our manufacturing facility (91%) is in line with our guidance.

Overall, the financial performance is in line with management's expectations for the year.

Revenues

Genmab's revenues were DKK 745 million in 2008 compared to 530 million in 2007. The revenues arise primarily from the recognition of milestone payments, deferred revenue, and services provided under Genmab's development collaboration agreement with GSK (co-development and commercialization of ofatumumab).

During 2008, Genmab achieved four development milestones under the collaboration with GSK triggered by treatment of the first patient in the Phase III RA program, the Phase II RRMS study and the Phase I relapsed/refractory follicular NHL and CLL study and positive results from the Phase III CLL pivotal study. The achievement of the four milestones resulted in total revenues of DKK 378 million. The milestones have been recognized immediately, as a separate earnings process relative to the milestone payments has been completed and achieved. In addition, revenues of DKK 217 million from the 2007 upfront payment from GSK have been recognized in 2008.

The upfront payment was initially recognized as deferred income and is recognized as revenue on a straight-line basis over a five-year period.

From January 1, 2008, certain development costs related to the ofatumumab collaboration agreement are shared equally between Genmab and GSK. Therefore, 2008 revenues included the reimbursement of development costs in relation to the co-development work carried out by Genmab.

In connection with the acquisition of the manufacturing facility from PDL, Genmab agreed to produce clinical material for PDL for certain pipeline products under a clinical supply agreement. Income related to the external production of clinical material is included in revenues from March 13, 2008.

As revenues comprise milestone payments and other income from our research and development and manufacturing agreements, recognition of revenues may vary from period to period.

Operating Expenses

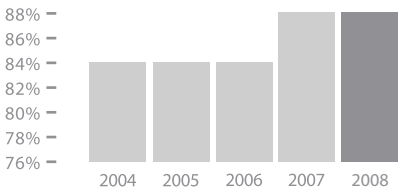
Cost of Sales

The production costs for clinical materials and similar services supplied by our newly acquired manufacturing facility and sold to a third party customer, amounted to DKK 49 million in 2008. These costs are presented separately as "cost of sales" in the income statement.

Research and Development Costs

Research and development costs increased by DKK 574 million, or 68%, from DKK 849 million in 2007 to DKK 1,423 million for the year ended December 31, 2008. The substantial increase is primarily attributable to the costs associated with supporting the increasing level of pre-clinical, clinical and manufacturing activities in connection with the advancement of our product pipeline of clinical product candidates through the development process as well as the addition of our new manufacturing facility.

R&D Share of Operating Expenses



Directors' Report

During 2008, Genmab announced plans to reduce staff by approximately 100 employees as a result of the portfolio review, the majority of which were classified as research and development employees.

General and Administrative Expenses

General and administrative expenses increased by DKK 27 million, or 22%, from DKK 117 million in 2007 to DKK 144 million for the year ended December 31, 2008. The increase in general and administrative expense is primarily due to support costs associated with the advancement of products through the pipeline and the increasing pre-clinical and clinical activities. General and administrative expenses account for 9% of our total operating expenses compared to 12% in 2007.

Net Financial Items

Net financial items for 2008 reflected a net loss of DKK 95 million compared to a net income of DKK 54 million in 2007. The net financial items reflect a combination of interest income and fair market value adjustments on our portfolio of marketable securities and unrealized foreign exchange adjustments.

The total interest income amounted to DKK 121 million compared to DKK 159 million in 2007. The decrease in our interest income is primarily due to the reduction of our cash position compared to December 31, 2007.

The net financial items were negatively impacted by the continued international financial credit crisis. As of December 31, 2008 we had unrealized losses on our marketable securities of DKK 223 million, which is an increase of DKK 139 million since the end of December 2007.

The net financial items for 2008 include a write down of an investment held in Lehman Brothers. The Euro bond was valued at DKK 31 million at December 31, 2007 and reduced to zero at December 31, 2008. Please refer to note 13 for additional information about our marketable securities.

In accordance with the group's risk management guidelines, Genmab's marketable securities are administrated by four external investment managers, who solely invest in securities from investment grade issuers. To the extent that we are able to hold our marketable securities to maturity and there are no defaults, they will mature at par, which would reverse unrealized losses.

Subsequent to the balance sheet date uncertainty in the financial markets continued. Management will continue to work with our external investment managers to attempt to mitigate the impact of the negative market conditions on our investment portfolio.

Please refer to note 14 on financial risk for further details on the financial risk factors affecting Genmab.

Balance Sheet

As of December 31, 2008, total assets were DKK 3.3 billion compared to DKK 4.0 billion at the end of 2007, primarily as a result of the net loss for 2008. The balance sheet was impacted by the acquisition of the new manufacturing facility which resulted in the recognition of land and buildings, related equipment and goodwill totaling DKK 1.2 billion at the date of acquisition. Please refer to note 18 for additional details of the acquisition.

Shareholders' equity, as of December 31, 2008, equaled DKK 2.2 billion compared to DKK 2.9 billion at the end of December 2007. On December 31, 2008, Genmab's equity ratio was 67% compared to the 73% reported at the end of 2007.

Cash Flow

As of December 31, 2008, the balance sheet reflects cash, cash equivalents and marketable securities of DKK 1.8 billion compared to DKK 3.7 billion as of December 31, 2007. This represents a decrease of DKK 1.9 billion, primarily due to the acquisition of the PDL manufacturing facility for DKK 1.2 billion in March 2008. The acquisition is included in the investing activities together with the acquisition and disposal of our marketable securities.

During 2008, the operating activities generated a negative cash flow of DKK 513 million compared to a positive cash flow of DKK 506 million in 2007. In 2007, the cash flow from operating activities was significantly influenced by the initial payments and milestone payment received from the GSK agreement, which contributed to the operating cash flow by DKK 1.2 billion.

The cash flow from financing activities was DKK 25 million in 2008 compared to DKK 1.6 billion in 2007. In 2007, the net cash inflow from the equity investment by GSK of DKK 1.5 billion was included in the financing activities.

CONSOLIDATED KEY FIGURES

The following key figures and financial ratios have been prepared on a consolidated basis and include five years of data. The financial ratios have been calculated in accordance with the recommendations of the Danish Society of Financial Analysts.

Key figures comply with the requirements under the Danish financial reporting requirements and the IFRS. All key figures and financial ratios are in conformity with the current accounting policies.

	2008	2007	2006	2005	2004
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Income Statement					
Revenues	745,113	529,537	135,547	98,505	4,101
Research and development costs	(1,422,770)	(849,202)	(513,065)	(441,689)	(378,537)
General and administrative expenses	(143,529)	(117,468)	(94,696)	(84,740)	(75,053)
Operating loss	(869,998)	(437,133)	(472,214)	(427,924)	(449,489)
Net financial items	(94,508)	53,764	33,978	34,334	26,061
Net loss	(965,089)	(383,369)	(438,236)	(393,590)	(423,428)
Balance Sheet					
Cash and marketable securities	1,762,012	3,693,443	1,724,333	1,252,902	1,158,428
Non-current assets	1,292,183	40,768	33,717	47,259	79,754
Assets	3,258,953	3,958,783	1,804,629	1,370,431	1,271,908
Shareholders' equity	2,188,562	2,883,279	1,607,582	1,118,770	1,180,986
Share capital	44,889	44,520	39,648	33,108	29,752
Investments in intangible and tangible fixed assets	933,329	23,436	5,348	8,223	23,049
Cash Flow Statement					
Cash flow from operating activities	(513,333)	505,898	(379,623)	(208,644)	(367,984)
Cash flow from investing activities	460,104	(2,362,934)	(451,373)	(127,547)	(25,065)
Cash flow from financing activities	25,285	1,560,227	879,033	297,357	503,413
Cash and cash equivalents	70,013	131,753	429,075	381,346	419,566
Financial Ratios					
Basic and diluted net loss per share	(21.62)	(8.72)	(11.26)	(12.59)	(16.00)
Year-end share market price	203.00	309.00	380.00	135.00	100.00
Price/book value	4.16	4.77	9.37	4.00	2.52
Shareholders' equity per share	48.76	64.78	40.54	33.79	39.69
Equity ratio	67%	73%	89%	82%	93%
Average number of employees	565	291	237	213	206
Number of employees at year-end	555	344	248	215	209

SUBSEQUENT EVENTS

Subsequent to the balance sheet date we announced the submission of a BLA to the US Food and Drug Administration (FDA) in January and a MAA to the European Medicines Agency (EMEA) in February for ofatumumab to treat patients whose chronic lymphocytic leukemia (CLL) is resistant (refractory) to current therapies.

Further, in January we announced that GSK and Genmab will conduct additional studies of ofatumumab in CLL, NHL and DLBCL. In CLL we initiated an additional Phase III study of ofatumumab in combination with fludarabine and cyclophosphamide (FC) for patients with CLL when initial treatment no longer works (second-line treatment). The open-label study will randomize 352 patients to evaluate progression-free survival of ofatumumab in combination with FC therapy versus FC therapy alone for the treatment of relapsed CLL. Enrolment for this study will begin shortly.

In NHL, an ongoing Phase II study will assess ofatumumab in patients with Waldenstrom's Macroglobulinemia—a rare type of slow-growing NHL. Finally, a Phase II study is evaluating ofatumumab plus ICE or DHAP chemotherapy regimen in relapsed/refractory DLBCL.

Finally in January we announced that the interim survival analysis of the Phase III pivotal study investigating zalutumumab in refractory head and neck cancer patients did not fulfil a criterion for early stopping after half the trial was completed. The trial will continue to enrol up to a maximum of 273 patients and a final analysis will be performed.

As we are seeking to outlicense HuMax-HepC, we will not initiate clinical trials under this program.

No other significant events have occurred since the balance sheet date which could significantly affect the financial statements as of December 31, 2008.

Directors' Report

CORPORATE GOVERNANCE

Genmab is constantly working to improve its guidelines and policies for corporate governance taking into account the most recent trends in international and domestic requirements and recommendations. Genmab's commitment to corporate governance is based on ethics and integrity and forms the basis of its effort to strengthen the confidence that existing and future shareholders, partners and employees have in Genmab. The role of the shareholders and their interaction with Genmab is important. Genmab acknowledges that open communication is necessary to maintain the confidence of our shareholders and we maintain open communication through stock exchange releases, investor meetings and company presentations. Genmab is committed to providing reliable and transparent information about the business, development programs and results in an open and timely manner. As part of these initiatives, Genmab's website (www.genmab.com) contains information about the parent company and the group, our products in development, news releases and events in which Genmab participates. Given the international mix of Genmab's stakeholders, we believe that it is appropriate that the main content of the website is presented in English. All corporate documents and stock exchange releases are, however, available in both Danish and English. Furthermore, at Genmab's annual general meeting wireless simultaneous interpretation is provided in English and Danish to enable all participating shareholders to follow the discussions.

All Danish companies listed on the NASDAQ OMX Copenhagen are required to disclose in their annual reports how they address the Recommendations for Corporate Governance published by the NASDAQ OMX Copenhagen Committee on Corporate Governance as amended as of December 10, 2008 (the "Recommendations"). The companies shall adopt the "comply-or-explain" principle with respect to the Recommendations. Genmab complies with the majority of the Recommendations, although specific sub-areas have been identified, where Genmab's corporate governance principles differ from the Recommendations. Areas of non-compliance with the Recommendations are explained in the relevant sections below. Unless specifically addressed, Genmab complies with the Recommendations.

The Work and Composition of the Board of Directors

The board of directors plays an important role within Genmab, being actively involved in determining the strategies and goals for Genmab and by monitoring the operations and results of the company. The board of directors also assesses Genmab's capital and share structure and is responsible for approving share issues and grant of warrants. Relevant knowledge and professional experience are key parameters when nominating board members.

On April 23, 2008 the shareholders re-elected Michael B. Widmer and Karsten Havkrog Pedersen to the Board of Directors at Genmab's Annual General Meeting.

Five of Genmab's seven board members are considered to be independent of Genmab under the Recommendations. The following members are not considered to be independent:

- Dr. Lisa N. Drakeman is both a member of the executive management and the board of directors. She is appointed as a member of our board of directors pursuant to Genmab's articles of association, which provide that she shall remain as director as long as she remains our Chief Executive Officer and as such is not up for election.
- Dr. Ernst H. Schweizer was head of Business Development from 2002 to 2005 and has therefore been an employee of Genmab within the past five years.

We believe no board member has relations or interests that may be contrary to Genmab's businesses or may conflict with the duty as a board member. Adequate procedures have been established to avoid conflicts of interests in the board members' professional duties including conducting executive sessions.

The Recommendations prescribe that board members be up for election every year, but Genmab has designated three-year election periods to balance continuity and stability on the board. The board of directors performs regular assessments of its own performance, of the executive management and of the collaboration between the parties to identify any areas in potential need of improvement. The collaboration is based on a natural element of control, but it is also characterized by interaction and teamwork for the purpose of developing Genmab. As an innovative company and group as Genmab, it is especially important for the board of directors to liaise actively with the executive management in a respectful and trusting manner.

During 2008, the board of directors held 12 scheduled meetings, in addition to the more informal ongoing communication among the board members and with the executive management.

The NASDAQ OMX Copenhagen Committee on Corporate Governance recommends that board members hold a limited number of directorships in companies outside the group. Genmab considers it appropriate for the individual members of the board to determine the reasonable number of directorships held outside Genmab. Please refer to the sections "Board of Directors" and "Senior Management" in the Annual Report to see the board members' number of directorships held outside Genmab.

Committees

To support the board of directors in its duties, three committees have been established. These are

- the Nominating and Corporate Governance Committee;
- the Audit Committee; and
- the Compensation Committee.

Written charters specifying the tasks and responsibilities have been adopted for each of these Committees. Each Committee held 2–4 meetings during the financial year 2008. Please refer to the sections "Board of Directors" and "Senior Management" in the Annual Report to see the members of the individual committees.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee monitors the work of the board of directors and the established Committees, including regular reviews of the size, composition diversity and performance. The tasks include evaluation of the individual board members and recommendation to the board with respect to re-nomination of existing directors and identification of new candidates to serve on the board. The Committee aims to continuously hold a broad composition containing members with relevant knowledge and experience in biotechnology, commercialization, financial, legal and managerial aspects relevant to Genmab's business. Although the Recommendations prescribe that recruitment criteria for new board members are discussed with the shareholders, the board's professional experience and the use of external advisors is generally believed to be adequate to ensure that the recruitment criteria are appropriate and that the best suited candidates are identified.

The Nominating and Corporate Governance Committee also oversees the standards for independence of directors. Further, this Committee oversees Genmab's corporate governance functions and works with the executive management to monitor important corporate governance issues and trends in corporate governance practices and recommendations.

Audit Committee

The Audit Committee assists the board in fulfilling its responsibilities by monitoring the system of internal control and the financial reporting process and by examining the Interim and Annual Reports prior to adoption by the board and release to the NASDAQ OMX Copenhagen. The Committee evaluates the independence and competences of the auditors as well as makes recommendations concerning election of the auditors.

The Audit Committee also reviews Genmab's accounting policies and evaluates significant accounting and reporting issues. The Audit Committee agrees on the fees, terms and other conditions of engagements with the independent auditors and monitors the audit process.

The independent auditors report directly to the Audit Committee with respect to audit findings and other recommendations, including issues regarding the accounting policies and financial reporting process. Audit findings and recommendations from the independent auditors are reviewed by the Audit Committee and Genmab's CFO to ensure that any issues are properly addressed, and all material items and conclusions are made available to the board of directors.

Compensation Committee

The role of the Compensation Committee is to advise the board on the adoption of policies that govern Genmab's compensation programs, including warrant and benefit plans. The guidelines governing the incentive programs for the board of directors and executive board are adopted at the annual general meeting.

The Committee supports the board in setting goals and objectives for the executive management, evaluating performance and deciding on the annual compensation. The Compensation Committee monitors the trends within executive management compensation plans to ensure that Genmab's executive compensation programs are able to attract, retain and motivate the executive managers and align the interests of key leadership with the long-term interest of Genmab's shareholders.

The Committee performs an annual review of the remuneration of the board of directors which is determined by taking into account relevant market data and benchmark analyses. The remuneration is adopted at the annual general meeting.

Directors' Report

The NASDAQ OMX Copenhagen Committee on Corporate Governance recommends disclosure of remuneration of the individual members of the board of directors and the executive management. Genmab considers its members of executive management as a cohesive team providing the skills and competences needed to develop Genmab for the benefit of the shareholders. Accordingly, Genmab believes that remuneration of the executive management team should be presented at an aggregated level and that disclosure of remuneration of individuals would not provide additional relevant information.

Genmab's board of directors is composed as considered necessary by the Nominating and Corporate Governance Committee and the members are remunerated at market levels. As with the executive management team, remuneration of the board of directors is not disclosed at an individual level. Total remuneration of the board of directors and executive management is disclosed in note 3 to the Financial Statements which also includes a reference to Genmab's General Guideline for Incentive Programs for the board of directors and the executive management pursuant to section 69(b) of the Danish Public Companies Act. According to the Recommendations, the board of directors and the executive management shall preferably not be remunerated through share option (warrant) schemes, and if so, such schemes shall be set up as roll-over schemes with a redemption price higher than the market price at the time of allocation. Within the biotech sector, it is customary to grant warrants to the members of the board and the executive management. Genmab has adopted a remuneration system that we believe is most efficient to attract and retain suitably qualified people to the board and the executive management. The board members and the executive management participate in Genmab's warrant schemes, under which warrants are granted at market price on the day of grant and the warrants vest over a period of 4 years.

Procedures for Changes in the Articles of Association

Unless the Danish Public Companies Act otherwise provides, the adoption of any resolution to alter Genmab's articles of association shall be subject to the affirmative vote of not less than two thirds of the votes cast as well as of the voting share capital represented at the General Meeting. Genmab's entire articles of association can be found on our website.

DESCRIPTION OF MANAGEMENT REPORTING SYSTEMS AND INTERNAL CONTROL SYSTEMS

As a publicly listed company we are required to have established procedures, which provide a reasonable basis for management to make proper judgments as to our financial position. Currently, Genmab is preparing to comply with the EU's new fourth and seventh Directive, which will be mandatory for the 2009 annual report.

Management and the Audit Committee have established and rely on the internal controls in managing and monitoring as well as reporting on our performance and financial position. Among others this includes:

- Regular review of strategic and corporate objectives;
- Formalized annual budget and long-term forecasting and projection procedures;
- Regular management reporting including:
  - Financial performance and financial position including analysis of cash flow and finance structure;
  - The comparison of budgeted, prior-year and actual performance;
  - Project management and cost control, identification of responsible project managers and regular project reporting and follow-up;
  - The review of potential claims and litigation;
  - Contract and collaboration agreement review and maintenance to ensure that all commitments, liabilities and income are recorded; and
  - Review of critical accounting policies and estimates;
- A group control function to monitor the monthly financial reporting and performance of subsidiaries and the group. The most significant subsidiaries have their own controllers with extensive business and financial experience and in-depth knowledge of the individual subsidiary;
- Detailed controls to ensure the completeness and accuracy of the accounting records of the Genmab group; and
- Detailed controls and procedures to ensure all reporting to the NASDAQ OMX Copenhagen is accurately and consistently presented in a timely manner in accordance with the rules.

RISK MANAGEMENT

Genmab performs global research and development activities with facilities located in four countries and clinical trials conducted in more than thirty different countries. Through our activities, we are exposed to a variety of risks, some of which are beyond our control. These risks may have significant impact on our business if not properly assessed and controlled. Maintaining a strong control environment with adequate procedures for

identification and assessment of risks and adhering to operational policies designed to reduce such risks to an acceptable level is essential for the continued development of Genmab. It is our policy to identify and reduce the risks derived from our operations and to establish insurance coverage to hedge any residual risk, wherever considered practicable. We are exposed to a number of specific risks. Below is a summary of some of Genmab's key risk areas and how we attempt to address such risks.

Development Risk

The creation and development of therapeutic products within the biotechnology and pharmaceutical industry are subject to considerable risks. Since everything is not known about the nature of diseases or the way new potential therapeutic products can affect the disease process, a significant number of products will not successfully reach the marketplace. Moreover, these factors including unforeseen safety issues or change of regulatory requirements can influence the timing and nature of our clinical development activities and costs and related revenues such as milestone payments and reimbursement of costs.

Genmab has established various committees to ensure the optimal selection of disease targets and antibody product candidates and to monitor the progress of all projects. The committees combine knowledge and competences of key employees across the organization with the primary focus of optimizing the development of our projects by closely monitoring and assessing data and other information.

Any product undergoing pre-clinical or clinical development is subject to inherent development risks, including development timelines, quality of clinical supplies, product safety and efficacy, and the availability of suitable patients to be enrolled in clinical trials. We also depend on third party suppliers for certain clinical research activities and the supply of clinical materials. Further, the outcome of pre-clinical as well as clinical studies is never certain, and the subsequent ability to obtain regulatory approval of the products is not guaranteed. We are subject to extensive governmental regulation and we are not able to market our products or develop product candidates before regulatory approvals are obtained. Genmab seeks to minimize our exposure to such risk by developing a broad portfolio of products, including a number of products against validated targets, thus increasing the opportunities for success and diversifying the development risk.

Commercial Risk

Genmab is subject to a number of commercial risk factors, including market size and competition for our products in development, product pricing and reimbursement policies of government and third party payers, the ability to attract the interest of potential partners and investors, development time of new products and cost of our development programs, patent protection and the avoidance of patent infringements. We attempt to control these commercial risks by continually monitoring and evaluating current market conditions and patent positions.

We have a flexible commercialization strategy, and seek partners for some products. The successful marketing of some of our potential product candidates might be beyond the capabilities of all but the largest pharmaceutical companies. For this reason, we may consider licensing to major pharmaceutical companies or distribution partners, individual products that may serve very large markets or those that may be widely distributed geographically, if the products are approved by the FDA, European, or other regulatory agencies. As part of our commercialization strategy, we entered into a co-development and collaboration agreement with GlaxoSmithKline in 2007 on HuMax-CD20 (ofatumumab).

As a result of a portfolio review in 2008 and our decision to focus on oncology products, we decided to attempt to outlicense three of our early stage development programs that fall outside the focus area: HuMax-HepC™, HuMax-IL8™ and HuMax-TAC™.

Our reliance on and collaboration with external partners is very important for our business as our future growth and a significant part of our future revenues may depend on the continued collaboration and adherence to agreements with existing and possible future collaboration partners. Our business may be negatively affected, if our collaboration partners do not devote sufficient resources to our programs or potential products or become unable to meet their obligations or if we are not able to establish additional partnerships.

Manufacturing Risk

In the first quarter of 2008 Genmab acquired a manufacturing facility located in Brooklyn Park, Minnesota, USA with a production capacity of 22,000 liters. The capacity is expected to be sufficient to provide a sustainable source of both clinical material for our development pipeline and commercial scale material for potential future products such as zalutumumab. Currently, we are not fully utilizing our manufacturing facility and future events could cause us to reduce our expectations regarding the utilization of this facility. During 2008, we have prepared an undiscounted cash flow analysis (impairment test) estimating the future net cash flow to be received or paid to operate the facility. We concluded that

carrying value of the facility was not impaired as of December 31, 2008. However, in the event that the future cash flows deviate significantly from our estimates, this may result in the recognition of an impairment loss for this facility in future periods.

Genmab optimizes plant capacity by working closely with internal and external customers to understand current and long-term production needs. These inputs along with scheduled plant maintenance, capital improvements, staffing levels, cleaning/sanitization requirements, and raw material availability are used by our internal manufacturing planning group to minimize plant risk of failure and downtime in our production facility and ensure clinical material manufacturing needs are met.

When producing antibody clinical material high quality assurance is paramount. To ensure compliance with applicable regulatory requirements Genmab has quality systems in place to maintain product quality at the highest levels, and continuously surveys and improves products, processes and training.

Inability to Attract and Retain Suitably Qualified Personnel
We are highly dependent on the principal members of our senior management and scientific staff, the loss of whose services could adversely affect the achievement of planned development objectives. We may not be able to attract and retain personnel on acceptable terms, given the competition for such personnel among biotechnology, pharmaceutical and healthcare companies, universities and non-profit research institutions.

To attract and retain our highly skilled workforce, we offer competitive remuneration packages including a warrant program, under which warrants are granted to all employees. For further details on the warrant programs, please refer to note 17 of the financial statements.

Financial Risk
Genmab's development activities require significant capital. Accordingly, we may require additional funds and may be unsuccessful in attempting to raise additional funds through equity or debt financings, collaborative agreements with partners or from other sources.

The group's financial results may also be exposed to different kinds of financial risks including currency exposure and changes in interest rates and credit risks. Genmab's financial risks are disclosed in more detail in note 14 to the financial statements.

Environmental Risk
Our in-house research and manufacturing activities are carried out from our state-of-the-art laboratory facilities in Utrecht and our manufacturing facility in Minnesota, respectively. All facilities are designed to reduce any environmental impact. Nevertheless, Genmab is aware of the group's potential environmental impact and we have implemented policies for the handling of waste materials from our laboratory and manufacturing facilities in accordance with regulatory requirements. As Genmab's activities have a limited impact on the environment, we have chosen not to issue separate environmental reports.

Insurance Strategy
Genmab has adopted an insurance strategy, according to which the management shall analyze, identify and evaluate risks related to Genmab's activities, employees and assets, and reduce such risks by purchasing insurance policies through well-established insurance companies. In cooperation with professional insurance brokers, we continuously assess the risks associated with our business and take out insurance policies wherever considered practicable.

We maintain comprehensive insurance coverage, including general and products liability and liability coverage for our clinical trials as well as coverage required under applicable laws. We also maintain directors' and officers' liability insurance coverage, including coverage for employment practice liability.

The board of directors performs a yearly review of Genmab's insurance coverage to ensure that it is adequate.

SHAREHOLDER INFORMATION

On December 31, 2008, the share capital of Genmab A/S comprised 44,888,829 shares of DKK 1 each with one vote. There are no restrictions related to the transferability of the shares. All shares are regarded as negotiable instruments and do not confer any special rights upon the holder, and no shareholder shall be under an obligation to allow his shares to be redeemed.

The board of directors is until April 19, 2012 authorized to increase the nominal registered share capital on one or more occasions by up to nominally DKK 15,000,000 negotiable shares issued to the bearer that shall have the same rights as the existing shares of Genmab. The capital increase can be made by cash or by non-cash payment and with or without pre-emption rights for the existing shareholders.

By decision of the General Meeting on April 19, 2007 and of the General Meeting on April 23, 2008, the board of directors was authorized to issue on one or more occasions warrants up to a nominal value of DKK 1,000,000 and 1,500,000 respectively. These authorizations remain in force for periods ending on April 19, 2012 and April 23, 2013, respectively. As of December 31, 2008 only the authorization of April 19, 2007 has been used. A total of 715,650 warrants have been issued hereunder.

At the General Meeting on April 23, 2008, the board of directors was authorized until the next Annual General Meeting to purchase Genmab's own shares in connection with the buy-back of shares subscribed by employees etc. pursuant to Genmab's employee warrant programs to the extent of up to two percent of Genmab's share capital and so that the consideration for such shares shall be equal to the exercise price paid for the shares in question. This authorization has not been used yet.

CHANGE OF CONTROL

Genmab has entered into collaboration, development and license agreements with external parties, which may be subject to renegotiation in case of a change of control event in Genmab A/S. With respect to change of control clauses related to service agreements with our management and employees, please refer to notes 3 and 17. Any changes in the agreements are not expected to have significant influence on the financial statements of the parent company or the group.

OWNERSHIP

As of December 31, 2008, the number of registered shareholders totaled 21,568 shareholders holding a total of 39,680,079 shares, which represented 88% of the share capital. Genmab is listed at the NASDAQ OMX Copenhagen under the symbol GEN.

The following are listed as owners of a minimum 5% of the votes or a minimum of 5% of the share capital:

- GenPharm International, Inc., 2350 Qume Drive, San Jose, CA 95131, USA
- Glaxo Group Limited, Glaxo Wellcome House, Berkley Avenue, Greenford, Middlesex, UB6 0NN, United Kingdom

DISTRIBUTION OF YEAR'S RESULT

The board of directors proposes that the year's loss of the parent company of DKK 772 million be carried forward to next year by transfer to accumulated deficit.

Financial Statements for the Genmab Group and Parent Company

Income Statement

		Genmab Group		Parent Company	
	Note	2008	2007	2008	2007
		DKK'000	DKK'000	DKK'000	DKK'000
Revenues		**745,113**	**529,537**	**690,848**	**527,226**
Cost of sales	2, 3	(48,812)	—	—	—
Research and development costs	2, 3	(1,422,770)	(849,202)	(1,353,653)	(850,429)
General and administrative expenses	2, 3	(143,529)	(117,468)	(136,710)	(106,317)
Operating expenses		**(1,615,111)**	**(966,670)**	**(1,490,363)**	**(956,746)**
Operating loss		**(869,998)**	**(437,133)**	**(799,515)**	**(429,520)**
Financial income	4	126,674	158,921	247,780	160,868
Financial expenses	5	(221,182)	(105,157)	(219,971)	(104,742)
Loss before tax		**(964,506)**	**(383,369)**	**(771,706)**	**(373,394)**
Corporate tax	6	(583)	—	—	—
Net loss		**(965,089)**	**(383,369)**	**(771,706)**	**(373,394)**
Basic and diluted net loss per share		(21.62)	(8.72)	(17.29)	(8.50)
Weighted average number of ordinary shares outstanding during the period—basic and diluted		44,641,856	43,944,560	44,641,856	43,944,560

Balance Sheet—Assets

	Note	Genmab Group Dec. 31, 2008	Genmab Group Dec. 31, 2007	Parent Company Dec. 31, 2008	Parent Company Dec. 31, 2007
		DKK'000	DKK'000	DKK'000	DKK'000
Goodwill		313,829	—	—	—
Total intangible fixed assets	**7**	**313,829**	**—**	**—**	**—**
Land and buildings		708,526	—	—	—
Leasehold improvements		18,117	1,423	7,131	—
Manufacturing equipment		171,060	—	—	—
Equipment, furniture and fixtures		68,629	29,071	11,821	1,707
Fixed assets under construction		11,265	9,661	716	—
Total tangible fixed assets	**8**	**977,597**	**40,155**	**19,668**	**1,707**
Equity interests in subsidiaries	9	—	—	456,777	31,314
Other securities and equity interests	10	613	613	613	613
Receivables from subsidiaries	19	—	—	819,160	—
Deferred tax assets	6	144	—	—	—
Total financial fixed assets		**757**	**613**	**1,276,550**	**31,927**
Total non-current assets		**1,292,183**	**40,768**	**1,296,218**	**33,634**
Inventories	**11**	**34,593**	**—**	**—**	**—**
Receivables from subsidiaries	19	—	—	125,848	7,693
Finance lease receivables from subsidiaries	20	—	—	14,699	15,667
Receivables	12	161,461	217,139	145,582	210,339
Prepayments		8,704	7,433	5,230	4,987
Total receivables		**170,165**	**224,572**	**291,359**	**238,686**
Marketable securities	**13**	**1,691,999**	**3,561,690**	**1,691,999**	**3,561,690**
Cash and cash equivalents		**70,013**	**131,753**	**37,819**	**112,910**
Total current assets		**1,966,770**	**3,918,015**	**2,021,177**	**3,913,286**
Total assets		**3,258,953**	**3,958,783**	**3,317,395**	**3,946,920**

Balance Sheet—Shareholders' Equity and Liabilities

		Genmab Group		Parent Company	
	Note	Dec. 31, 2008	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2007
		DKK'000	DKK'000	DKK'000	DKK'000
Share capital		44,889	44,520	44,889	44,520
Share premium		5,373,647	5,339,901	5,373,647	5,339,901
Translation reserves		85,647	4,686	—	—
Accumulated deficit		(3,315,621)	(2,505,828)	(3,092,436)	(2,476,026)
Shareholders' equity		**2,188,562**	**2,883,279**	**2,326,100**	**2,908,395**
Lease liability	8, 20	8,964	8,182	8,964	8,182
Total non-current liabilities		**8,964**	**8,182**	**8,964**	**8,182**
Current portion of lease liability	8, 20	5,735	7,485	5,735	7,485
Payable to subsidiaries	19	—	—	37,261	6,657
Accounts payable		91,049	76,917	77,485	63,425
Deferred income	15	651,192	868,256	651,192	868,256
Other liabilities	16	313,451	114,664	210,658	84,520
Total current liabilities		**1,061,427**	**1,067,322**	**982,331**	**1,030,343**
Total liabilities		**1,070,391**	**1,075,504**	**991,295**	**1,038,525**
Total shareholders' equity and liabilities		**3,258,953**	**3,958,783**	**3,317,395**	**3,946,920**

Statement of Cash Flow

		Genmab Group		Parent Company	
	Note	2008	2007	2008	2007
		DKK'000	DKK'000	DKK'000	DKK'000
Loss before tax		**(964,506)**	**(383,369)**	**(771,706)**	**(373,394)**
Reversal of financial items, net	4, 5	94,508	(53,764)	(27,809)	(56,126)
Adjustments for non-cash transactions:					
Depreciation, amortization and impairments	2	85,092	14,253	7,716	2,345
Net loss (gain) on sale of equipment		169	138	(10)	(4)
Warrant compensation expenses	3	155,296	90,933	105,359	66,202
Changes in current assets and liabilities:					
Inventory and receivables		31,955	(170,688)	54,203	(170,761)
Prepayments		(956)	(1,916)	(243)	(3,461)
Deferred income		(217,064)	797,079	(217,064)	797,079
Accounts payable and other liabilities		187,076	80,108	134,905	66,294
Cash flow from operating activities before financial items		**(628,430)**	**372,774**	**(714,649)**	**328,174**
Financial receivables		115,097	133,124	118,147	134,942
Corporate taxes paid		—	—	—	—
Cash flow from operating activities		**(513,333)**	**505,898**	**(596,502)**	**463,116**
Purchase of intangible and tangible fixed assets		(53,016)	(13,278)	(21,641)	(380)
Sale of tangible fixed assets		194	77	40	76
Capital increases in subsidiaries		—	—	(425,463)	(7,959)
Receivables from subsidiaries		—	—	(724,116)	25,463
Acquisition of manufacturing activity	18	(1,154,380)	—	—	—
Marketable securities bought	13	(1,775,029)	(5,138,533)	(1,775,029)	(5,138,533)
Marketable securities sold		3,442,335	2,788,800	3,442,335	2,788,800
Cash flow from investing activities		**460,104**	**(2,362,934)**	**496,126**	**(2,332,533)**
Warrants exercised		34,145	40,194	34,145	40,194
Shares issued for cash		—	1,529,151	—	1,529,151
Costs related to issuance of shares		(30)	(1,465)	(30)	(1,465)
Paid installments on lease liabilities		(8,830)	(7,653)	(8,830)	(7,653)
Cash flow from financing activities		**25,285**	**1,560,227**	**25,285**	**1,560,227**
Decrease in cash and cash equivalents		**(27,944)**	**(296,809)**	**(75,091)**	**(309,190)**
Cash and cash equivalents at the beginning of the period		131,753	429,075	112,910	422,100
Exchange rate adjustments		(33,796)	(513)	—	—
Cash and cash equivalents at the end of the period		**70,013**	**131,753**	**37,819**	**112,910**
Cash and cash equivalents include:					
Bank deposits and petty cash		70,013	90,810	37,819	71,967
Restricted bank deposits		—	25,429	—	25,429
Short-term marketable securities		—	15,514	—	15,514
		70,013	**131,753**	**37,819**	**112,910**
Non-cash transactions:					
Tangible fixed assets acquired		21,464	10,158	21,464	10,158
Liabilities assumed		(21,464)	(10,158)	(21,464)	(10,158)

Statement of Shareholders' Equity—Consolidated

	Number of shares	Share capital	Share premium	Translation reserves	Accu-mulated deficit	Share-holders' equity
		DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
December 31, 2006	**39,648,355**	**39,648**	**3,776,893**	**4,433**	**(2,213,392)**	**1,607,582**
Comprehensive income:						
Adjustment of foreign currency fluctuations on subsidiaries				253		253
Loss for the period					(383,369)	(383,369)
Total comprehensive income						**(383,116)**
Exercise of warrants	400,270	401	39,793			40,194
Capital increase	4,471,202	4,471	1,524,680			1,529,151
Expenses related to capital increases			(1,465)			(1,465)
Warrant compensation expenses					90,933	90,933
December 31, 2007	**44,519,827**	**44,520**	**5,339,901**	**4,686**	**(2,505,828)**	**2,883,279**
Comprehensive income:						
Adjustment of foreign currency fluctuations on subsidiaries				80,961		80,961
Loss for the period					(965,089)	(965,089)
Total comprehensive income						**(884,128)**
Exercise of warrants	369,002	369	33,776			34,145
Expenses related to capital increases			(30)			(30)
Warrant compensation expenses					155,296	155,296
December 31, 2008	**44,888,829**	**44,889**	**5,373,647**	**85,647**	**(3,315,621)**	**2,188,562**

Statement of Shareholders' Equity—Parent Company

	Number of shares	Share capital	Share premium	Accu-mulated deficit	Share-holders' equity
		DKK'000	DKK'000	DKK'000	DKK'000
December 31, 2006	**39,648,355**	**39,648**	**3,776,893**	**(2,193,565)**	**1,622,976**
Comprehensive income:					
Loss for the period				(373,394)	(373,394)
Total comprehensive income					**(373,394)**
Exercise of warrants	400,270	401	39,793		40,194
Capital increase	4,471,202	4,471	1,524,680		1,529,151
Expenses related to capital increases			(1,465)		(1,465)
Warrant compensation expenses				90,933	90,933
December 31, 2007	**44,519,827**	**44,520**	**5,339,901**	**(2,476,026)**	**2,908,395**
Comprehensive income:					
Loss for the period				(771,706)	(771,706)
Total comprehensive income					**(771,706)**
Exercise of warrants	369,002	369	33,776		34,145
Expenses related to capital increases			(30)		(30)
Warrant compensation expenses				155,296	155,296
December 31, 2008	**44,888,829**	**44,889**	**5,373,647**	**(3,092,436)**	**2,326,100**

Statement of Shareholders' Equity

	Number of shares	Share capital
		DKK'000
December 31, 2003	**22,980,534**	**22,981**
Issuance of shares for cash	5,623,000	5,623
Exercise of warrants	1,148,829	1,148
December 31, 2004	**29,752,363**	**29,752**
Issuance of shares for cash	2,498,507	2,499
Exercise of warrants	857,228	857
December 31, 2005	**33,108,098**	**33,108**
Issuance of shares for cash	5,750,000	5,750
Exercise of warrants	790,257	790
December 31, 2006	**39,648,355**	**39,648**
Issuance of shares for cash	4,471,202	4,471
Exercise of warrants	400,270	401
December 31, 2007	**44,519,827**	**44,520**
Exercise of warrants	369,002	369
December 31, 2008	**44,888,829**	**44,889**

In July 2004, Genmab completed an international private placement with issuance of 5,623,000 new ordinary shares, raising gross proceeds to Genmab of DKK 478 million.

In August 2005, Genmab entered into a license and collaboration agreement with Merck Serono concurrently with a securities purchase agreement, under which Merck Serono subscribed to 2,498,507 new shares in Genmab.

In January 2006, Genmab completed an international private placement with issuance of 5,750,000 new ordinary shares at a price of DKK 147.00 per share, raising gross proceeds to Genmab of DKK 845 million.

In February 2007, Genmab issued 4,471,202 new shares in connection with the worldwide GSK agreement to co-develop and commercialize HuMax-CD20. This transaction increased shareholders' equity by DKK 1.529 billion.

During 2008, 369,002 (2007: 400,270) new shares were subscribed at a price of DKK 37.00 to 224.00 (2007: DKK 33.70 to 224.00) per share by the exercise of warrants.

1. MANAGEMENT'S JUDGMENTS AND ESTIMATES UNDER IFRS

The financial statements of the parent company and the Genmab group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and endorsed by the EU, effective for 2008, and additional Danish disclosure requirements for annual reports of listed companies.

In preparing financial statements under IFRS, certain provisions in the standards require management's judgments (various accounting estimates and assumptions). Such judgments are considered important to understand the accounting policies and Genmab's compliance with the standards.

Determining the carrying amount of some assets and liabilities requires judgments, estimates and assumptions concerning future events which are based on historical experience and other different factors, but which by their very nature are associated with uncertainty and unpredictability.

These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The Genmab group is also subject to risks and uncertainties which may lead to actual results differing from these estimates, both positively and negatively. Specific risks for the Genmab group are discussed in the relevant section of the Directors' Report and in the notes.

The following summarizes the most significant judgments and estimates made under Genmab's accounting policies. The group's accounting policies are described in detail in note 23.

Internally Generated Intangible Assets

According to the International Accounting Standard (IAS) 38, *"Intangible Assets"*, intangible assets arising from development projects should be recognized in the balance sheet. The criteria that must be met for capitalization are:

(1) the development project is clearly defined and identifiable and the attributable costs can be measured reliably during the development period;

(2) the technological feasibility, adequate resources to complete and a market for the product or an internal use of the product can be documented; and

(3) management has the intent to produce and market the product or to use it internally.

Such an intangible asset should be recognized if sufficient certainty can be documented that the future income from the development project will exceed the aggregate cost of production, development and the sale and administration of the product.

A development project involves a single product candidate undergoing a high number of tests to illustrate its safety profile and the effect on human beings prior to obtaining the necessary approval of the final product from the appropriate authorities. The future economic benefits associated with the individual development projects are dependent on obtaining such approval. Considering the significant risk and duration of the development period related to the development of pharmaceutical products, management has concluded that the future economic benefits associated with the individual projects cannot be estimated with sufficient certainty until the project has been finalized and the necessary regulatory approval of the final product has been obtained. Accordingly, the group has not recognized such assets at this time and therefore all research and development costs are recognized in the income statement when incurred. The total research and development expenses amount to DKK 1,423 million in 2008 compared to DKK 849 million in 2007.

Revenue Recognition

The group's revenues comprise mainly milestone and upfront payments, and other income and government grants from research and development agreements. IAS 18, *"Revenue"*, prescribes the criteria to be fulfilled for revenue being recognizable. Evaluating the criteria for revenue recognition with respect to the group's research and development and collaboration agreements requires management's judgment to ensure that all criteria have been fulfilled prior to recognizing any amount of revenue. In particular, such judgments are made with respect to determination of the nature of transactions, whether simultaneous transactions shall be considered one or more revenue-generating transactions, allocation of the contractual price (upfront and milestone payments and obtained share premium to the market value on shares subscribed in connection with a collaboration agreement) to several elements included in an agreement, and the determination of whether the significant risks and rewards have been transferred to the buyer. Share premium is defined as the difference between the agreed share price and the market price at the time of the transaction.

Collaboration agreements are reviewed carefully to understand the nature of risks and rewards of the arrangement.

1. MANAGEMENT'S JUDGMENTS AND ESTIMATES UNDER IFRS (continued)

Upfront payments that are deemed attributable to subsequent research and development work are initially recognized as deferred income and recognized and allocated as revenue over the planned development period. This judgment is made when entering the agreement and is based on development budgets and plans. The planned development period is assessed on an annual basis. If the expected development period is changed significantly, this will require a reassessment of the allocation period.

In 2007, Genmab entered a worldwide agreement with GSK to co-develop and commercialize HuMax-CD20. Due to the close connection between the upfront license payment of DKK 582 million and the DKK 504 million share premium to the market value on shares subscribed by GSK, these amounts have been jointly processed and recognized as revenues on a straight-line basis over a five-year period.

Milestone payments related to reaching particular stages in product development are recognized immediately if a separate earnings process relative to the milestone payment has been completed and achieved. This determination is judgmental and assessments made by the management include among other things considerations of the efforts made in achieving a milestone, e.g., the level, skill, and expertise of the personnel involved, as well as the costs incurred. The milestone events must have real substance and they must represent achievement of specific defined goals.

In addition, the associated risks related to the achievement of each milestone are evaluated and compared to all milestone payments designated under the collaboration agreement.

All the group's revenue-generating transactions, including those with GSK and Roche have been subject to such evaluation by management.

The total revenues amount to DKK 745 million in 2008 compared to DKK 530 million in 2007.

Antibody Clinical Trial Material Produced or Purchased for the Use in Clinical Trials

According to our accounting policies antibody clinical trial material (antibodies) for the use in clinical trials which either are internally produced or purchased from third parties are recognized in the balance sheet at cost and expensed in the income statement when consumed, if all criteria for recognition as an asset are fulfilled.

During both 2007 and 2008 no antibodies either internally produced or purchased from third parties for the use in clinical trials have been capitalized as these antibodies do not qualify for being capitalized as inventory under either the *"Framework"* to IAS/IFRS and IAS 2 *"Inventories"*.

Management has concluded that the production and purchase of antibodies from third parties cannot be capitalized as the technical feasibility is not proven and no alternative use exists.

Share-based Compensation

The parent company has granted warrants to employees, the management, the board of directors, and non-employee consultants under various warrant programs. In accordance with IFRS 2, the fair value of the warrants at grant date is recognized as an expense in the income statement over the vesting period, the period of delivery of work. Subsequently, the fair value is not re-measured.

The fair value of each warrant granted during the year is calculated using the Black Scholes pricing model.

This pricing model requires the input of subjective assumptions and these assumptions can vary over time. A detailed description is outlined in note 17.

In 2008, warrant compensation expenses totaled DKK 155 million compared to DKK 91 million in 2007.

Joint Ventures/Collaboration Agreements

The group has entered into various collaboration agreements, primarily in connection with the group's research and development projects and the clinical testing of the product candidates, e.g., our world-wide collaboration agreement with GSK on HuMax-CD20 which was entered in 2007. When accounting for new collaboration agreements a judgment is made concerning the classification of the agreement. Collaborations are often structured so that each party contributes its respective skills in the various phases of the development project. No joint control exists for such collaborations as the parties have not established an economic activity subject to joint control. Accordingly, the collaborations are not considered to be joint ventures as defined in IAS 31, *"Financial Reporting of Interests in Joint Ventures"*. Expenses in connection with collaboration agreements are treated as described under "Research and Development Costs".

Business Combinations

In 2008 Genmab acquired a manufacturing facility. In accordance with IFRS 3 *"Business Combinations"* the acquisition was accounted for using the purchase method as the facility was regarded as a business rather than acquisition of a single asset due to fact that the facility

1. MANAGEMENT'S JUDGMENTS AND ESTIMATES UNDER IFRS (continued)

consisted an integrated set of activities with existing processes and employees.

The most significant assets acquired comprise land, buildings and manufacturing equipment.

The valuation in connection with the initial purchase requires significant estimates and judgment as for some of the acquired assets, no active market exists. Accordingly, management makes estimates of the fair value of acquired assets, liabilities and contingent liabilities. Depending on the nature of the item, the determined fair value of an item may be associated with uncertainty and possibly adjusted subsequently within 12 months.

Please refer to note 18 for further details about the business combination.

Impairment Tests
In performing the annual impairment test of goodwill in accordance with IAS 36 *"Impairment of Assets"*, an assessment is made as to whether the cash generating unit (manufacturing facility) to which goodwill relates will be able to generate sufficient positive net cash flows and cost savings in the future to support the value of goodwill and other net assets of the facility.

In preparing this analysis, we are required to estimate the future cash flows to be received and paid to operate the facility including cost savings over the remainder of its economic life. The estimates of future net free cash flows (value in use) are based on management approved budgets and concrete development plans for the next four years and projections for subsequent years. The cost savings are based on market prices, corresponding to our alternative purchase price had we continued to buy from external contract manufacturers.

Key assumptions and approach are assessed and incorporated in expected future free cash flows and savings. Projections beyond the next four years are based on general expectations and risks.

As the manufacturing facility is used to produce antibodies for our own clinical pipeline, the value in use is highly dependent upon the progress of our development programs, i.e., a termination of one or more of our development programs could lead to an impairment loss.

Pre-tax discount rates which reflect the risk-free interest rate with the addition of specific risks are used to calculate recoverable amounts.

No impairments of goodwill have been recognized in 2008. For a description of impairment testing of goodwill, see note 7.

Useful Lives and Residual Values for Property, Plant and Equipment
Property, plant and equipment comprise mainly buildings and manufacturing equipment which in accordance with IAS 16 *"Property, Plant and Equipment"* are measured at cost less accumulated depreciation and any impairment losses. These tangible assets are depreciated over the expected useful lives of 30 years for the buildings and 7 years for the manufacturing equipment.

The expected useful lives and residual values are determined based on past experience, business practice and expectations of the future use of the assets. The expected future use and residual values may not be realized, which will require reassessment of useful lives and residual values and recognition of impairment losses or losses on disposal of non-current assets.

For a specification of the total values of the group's tangible fixed assets please refer to note 8.

Deferred Tax Assets
Genmab recognizes deferred tax assets, including the tax base of tax loss carry-forwards, if the management assesses that these tax assets can be offset against positive taxable income within a foreseeable future.

This judgment is made annually and is based on budgets and business plans for the coming years, including planned commercial initiatives.

The creation and development of therapeutic products within the biotechnology and pharmaceutical industry is subject to considerable risks and uncertainties and a Genmab product has not yet obtained regulatory approval.

Since inception, Genmab has reported significant losses and as natural consequence we have unused tax losses. Genmab also projects a loss for 2009.

Except for one subsidiary, the management has concluded that deferred tax assets should not be recognized as of December 31, 2008 and a 100% valuation allowance of the deferred tax asset is recognized in accordance with IAS 12 *"Income Taxes"*.

Details about the deferred tax assets can be found in note 6.

2. DEPRECIATION, AMORTIZATION AND IMPAIRMENTS

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Depreciation and amortization:				
Buildings	18,577	—	—	—
Leasehold improvements	4,753	2,107	924	1,053
Manufacturing equipment	30,691	—	—	—
Equipment, furniture and fixtures	25,557	12,146	1,666	1,292
	79,578	**14,253**	**2,590**	**2,345**
Depreciation and amortization are included in:				
Cost of sales	12,582	—	—	—
Research and development costs	64,707	12,576	2,072	1,033
General and administrative expenses	2,289	1,677	518	1,312
	79,578	**14,253**	**2,590**	**2,345**
Impairments:				
Licenses and rights	5,126	—	5,126	—
Manufacturing equipment	388	—	—	—
	5,514	**—**	**5,126**	**—**

Impairments are included in research and development costs.

3. STAFF

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Wages and salaries	348,820	180,671	178,418	105,748
Warrant compensation expenses	155,296	90,933	105,359	66,202
Pension contributions	25,252	15,378	13,443	9,137
Other social security costs	24,846	8,339	1,080	783
	554,214	**295,321**	**298,300**	**181,870**
Staff costs are expensed as follows:				
Cost of sales	29,329	—	—	—
Research and development costs	423,639	218,123	230,240	135,848
General and administrative expenses	101,246	77,198	68,060	46,022
	554,214	**295,321**	**298,300**	**181,870**
Average number of employees	565	291	226	145
Remuneration to executive management and the board of directors:				
Executive management:				
Salaries and other remuneration*	37,854	23,671	16,943	6,381
Defined contribution plans	879	1,027	309	515
Warrant compensation expenses**	51,541	35,933	41,932	28,442
	90,274	**60,631**	**59,184**	**35,338**

*Including salaries and other remuneration to the group's former COO and CFO of DKK 19 million, which were expensed in connection with their resignation in 2008.

**Including cost of warrants granted to the group's former COO and CFO of DKK 14 million, which were expensed in connection with their resignation in 2008.

Board of Directors:				
Board fees	1,758	1,722	1,758	1,722
Share based payments	11,109	10,462	11,109	10,462
	12,867	**12,184**	**12,867**	**12,184**

3. STAFF (continued)

Remuneration to Executive Management and Board of Directors

Remuneration of the executive management team, which consists of the President & Chief Executive Officer, the President R&D & Chief Scientific Officer and Chief Financial Officer, comprises base salary, bonus, non-monetary benefits such as company car, telephone etc. and participation in Genmab's defined pension schemes.

Remuneration of the board of directors comprises a fixed board fee and additional fees for the board committee obligations.

In addition, the members of the management team and the board of directors participate in Genmab's warrant programs.

The executive management as well as the board of directors are considered as cohesive teams, and Genmab believes the total remuneration of those bodies is more relevant to the stakeholders than the remuneration of individual members. Accordingly, Genmab does not disclose remuneration of individuals.

General Guidelines for Incentive Programs

At the 2008 Annual General Meeting a General Guideline for Incentive Programs for the board of directors and the executive management pursuant to section 69(b) of the Danish Companies Act was adopted. The guideline can be found in its full length on our website.

The bonus scheme for the members of executive management is based on the achievement of predetermined and well-defined milestones for each financial year by the board of directors. Currently, the executive management may receive a maximum annual bonus of 60% to 100% of their gross salaries. In addition, the executive management may receive an extraordinary bonus of a maximum up to 15% of their annual gross salaries, based on the occurrence of certain special events or achievements. The bonus schemes may enable the executive management to earn a bonus per calendar year of up to an aggregate amount of approximately DKK 8 million for all current members of the executive management. In 2008 the current executive management team has received a total bonus of DKK 5 million.

Please refer to notes 17 and 19 for further details regarding grant of warrants to the executive management and the board of directors.

All incentive payments have been carried out in accordance with the 2008 adopted guidelines for incentive programs. The guidelines are expected to remain unchanged for 2009.

Severance Payments

The service agreements with each member of the executive management team may be terminated by Genmab with no less than 12 months' notice and by the executive with no less than 6 months' notice. In the event Genmab terminates the service agreement without cause, Genmab is obliged to pay the executive officer his/her existing salary for one or two years.

In the event of a change of control of Genmab the termination notice due to Genmab's executive officers is extended to 24 months. In the event of termination by Genmab (unless for cause) or by an executive officer as a result of a change of control of Genmab, Genmab is obliged to pay the executive officer a compensation equal to his/her existing total salary (including benefits) for up to two years in addition to the notice period. In addition, Genmab has entered service agreements with approximately 20 (2007: 20) employees according to which Genmab may become obliged to compensate the employees in connection with a change of control of Genmab. If Genmab terminates the service agreement without cause, or changes the working conditions to the detriment of the employee, Genmab is obliged to pay the employee a compensation equal to his/her existing total salary (including benefits) for a period of one to two years in addition to the notice period.

Warrant Compensation Expenses

In 2008, warrant (share-based) compensation expenses totaled DKK 155 million compared to DKK 91 million in 2007. In the separate financial statements of the parent company, warrant compensation expenses were DKK 105 million in 2008 and DKK 66 million in 2007.

The increasing level of warrant compensation expenses is partly caused by the increasing number of employees. In addition, the 2008 warrant compensation expenses include costs of DKK 29 million to the group's former COO and CFO and the approximately 100 employees affected by portfolio review in October 2008, which were expensed in connection with their resignations/dismissals during 2008.

4. FINANCIAL INCOME

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Interest and other financial income	120,996	158,921	120,041	158,664
Interest from subsidiaries	—	—	68,979	2,204
Exchange rate gains, net	5,678	—	58,760	—
	126,674	**158,921**	**247,780**	**160,868**

5. FINANCIAL EXPENSES

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Interest and other financial expenses	2,116	1,149	905	742
Realized and unrealized losses on marketable securities (fair value through profit and loss), net	216,283	75,673	216,283	75,673
Fair value adjustments of derivative financial instruments	2,783	—	2,783	—
Loss on available for sale financial assets	—	1,840	—	1,840
Exchange rate losses, net	—	26,495	—	26,487
	221,182	**105,157**	**219,971**	**104,742**

6. CORPORATE AND DEFERRED TAX

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Current tax on result	727	—	—	—
Adjustment to deferred tax prior years	8,075	166	—	—
Effect of change in tax rates	—	59,001	—	61,588
Adjustment to deferred tax	(207,502)	(200,638)	(155,281)	(195,981)
Adjustment to valuation allowance	199,283	141,471	155,281	134,393
Total corporate tax expense	**583**	**—**	**—**	**—**

A reconciliation of income tax expense at the statutory rate of Genmab's effective tax rate is as follows:

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Loss before tax	(964,506)	(383,369)	(771,706)	(373,394)
Computed 25%	**(241,127)**	**(95,842)**	**(192,927)**	**(93,349)**
Tax effect of:				
Effect of change in tax rates	—	59,001	—	61,588
Non-taxable income	(25,184)	(25,184)	(25,184)	(25,184)
Non-deductible costs	93,880	23,362	78,118	17,158
Additional tax deductions etc.	(39,540)	(102,808)	(15,288)	(94,606)
Tax on equity transactions	13,271	—	—	—
Valuation allowance deferred tax asset	199,283	141,471	155,281	134,393
Total tax effect	**241,710**	**95,842**	**192,927**	**93,349**
Total corporate tax	**583**	**—**	**—**	**—**
Effective tax rate (%)	**—**	**—**	**—**	**—**

The Danish corporate income tax rate was reduced from 28% to 25% in the fiscal year 2007.

6. CORPORATE AND DEFERRED TAX (continued)

For financial reporting purposes, the value of the net deferred tax asset has been reduced to DKK 144 thousand due to the lack of certainty with respect to Genmab's ability to generate sufficient taxable income in the future.

On December 31, 2008, the parent company had net tax loss carry-forwards of approximately DKK 3 billion (2007: DKK 2.1 billion) for income tax purposes, which can be carried forward without limitation. In addition, the parent company had deductible temporary differences of approximately DKK 465 million (2007: DKK 773 million).

For local tax purposes, the subsidiaries had net tax loss carry-forwards and deductible temporary differences totaling approximately DKK 155 million (2007: DKK 82 million).

Significant components of the deferred tax asset are as follows:

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Tax deductible losses	801,744	535,997	749,630	512,809
Deferred income	87,246	116,328	87,246	116,328
Other temporary differences	44,718	81,956	27,618	80,076
Deferred tax asset	**933,708**	**734,281**	**864,494**	**709,213**
Valuation allowance	(933,564)	(734,281)	(864,494)	(709,213)
Recorded deferred tax asset	**144**	**—**	**—**	**—**

Deferred tax related to temporary differences on investments in subsidiaries has not been calculated as these investments are not expected to be sold within the foreseeable future.

7. INTANGIBLE FIXED ASSETS—GENMAB GROUP AND PARENT COMPANY

	Goodwill	Licenses and Rights
	DKK'000	DKK'000
2008		
Cost per January 1, 2008	—	152,484
Exchange rate adjustment	29,027	—
Acquisition of entities	284,802	—
Additions for the year	—	5,126
Cost per December 31, 2008	**313,829**	**157,610**
Accumulated impairment per January 1, 2008	—	—
Exchange rate adjustment	—	—
Impairment for the year	—	(5,126)
Accumulated impairment per December 31, 2008	**—**	**(5,126)**
Accumulated amortization per January 1, 2008	—	(152,484)
Exchange rate adjustment	—	—
Amortization for the year	—	—
Accumulated amortization per December 31, 2008	**—**	**(152,484)**
Net book value per December 31, 2008	**313,829**	**—**

7. INTANGIBLE FIXED ASSETS—GENMAB GROUP AND PARENT COMPANY (continued)

	Goodwill	Licenses and Rights
	DKK'000	DKK'000
2007		
Cost per January 1, 2007	—	152,484
Exchange rate adjustment	—	—
Acquisition of entities	—	—
Additions for the year	—	—
Cost per December 31, 2007	**—**	**152,484**
Accumulated impairment per January 1, 2007	—	—
Exchange rate adjustment	—	—
Impairment for the year	—	—
Accumulated impairment per December 31, 2007	**—**	**—**
Accumulated amortization per January 1, 2007	—	(152,484)
Exchange rate adjustment	—	—
Amortization for the year	—	—
Accumulated amortization per December 31, 2007	**—**	**(152,484)**
Net book value per December 31, 2007	**—**	**—**

Goodwill—Genmab Group

The carrying amount of goodwill relates to the acquisition of the manufacturing facility (cash generating unit) in the first quarter of 2008. The recoverable amount of the facility is based on the value-in-use calculation. The net free cash flows are based on the approved management budget for 2009 and development plans for the next four years and projections for subsequent years. The key assumptions and the approach to determining the recovery value of the cash generating unit are based on the following:

Revenues, cost savings (based on the purchase price had we continued to buy from external contract manufacturers) and an anticipated increase in utilization over the next five years.

Prices are assumed to stay at current levels and costs are expected to increase to allow for increased production volumes, plus an overall 4% annual increase. The cash flow projections beyond the five year period are based on a 2% growth rate.

The manufacturing facility is used to produce antibodies for our own clinical pipeline, and therefore the value in use is highly dependent upon the progress of our development programs.

A pre-tax discount rate of 8.99% has been used in discounting the projected cash flows and reflects the risk-free rate with the addition of specific risks. Management believes that any reasonable possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amounts.

Licenses and Rights—Parent Company

The group has previously acquired licenses and rights to technology at a total cost of DKK 152 million, which have been fully amortized during the period 2000 to 2005. The licenses and rights are still in use by the parent company and the group and form the basis for the research and development activities carried out.

8. TANGIBLE FIXED ASSETS—GENMAB GROUP

	Land and buildings	Leasehold improve-ments	Manu-facturing equipment	Equipment, furniture and fixtures	Fixed assets under construction
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
2008					
Cost per January 1, 2008	—	32,455	—	94,939	9,661
Exchange rate adjustment	68,341	348	18,683	2,309	521
Acquisition of entities	657,941	—	179,851	19,739	1,318
Additions for the year	821	14,432	1,847	35,233	17,021
Transfers between the classes	—	7,068	1,951	8,237	(17,256)
Disposals for the year	—	—	(288)	(4,110)	—
Cost per December 31, 2008	**727,103**	**54,303**	**202,044**	**156,347**	**11,265**
Accumulated depreciation per January 1, 2008	—	(31,032)	—	(65,868)	—
Exchange rate adjustment	—	(401)	—	(233)	—
Depreciation for the year	(18,577)	(4,753)	(30,691)	(25,557)	—
Accumulated depreciation on disposals for the year	—	—	43	3,940	—
Accumulated depreciation per December 31, 2008	**(18,577)**	**(36,186)**	**(30,648)**	**(87,718)**	**—**
Accumulated impairment per January 1, 2008	—	—	—	—	—
Exchange rate adjustment	—	—	—	—	—
Impairment for the year	—	—	(388)	—	—
Accumulated impairment on disposals for the year	—	—	52	—	—
Accumulated impairment loss per December 31, 2008	**—**	**—**	**(336)**	**—**	**—**
Net book value per December 31, 2008	**708,526**	**18,117**	**171,060**	**68,629**	**11,265**
Net book value of assets under finance leases included above	—	—	—	30,060	—
2007					
Cost per January 1, 2007	—	33,173	—	82,894	42,170
Exchange rate adjustment	—	(1,154)	—	(780)	—
Additions for the year	—	436	—	12,949	10,051
Transfers between the classes	—	—	—	390	(390)
Disposals for the year	—	—	—	(514)	(42,170)
Cost per December 31, 2007	**—**	**32,455**	**—**	**94,939**	**9,661**
Accumulated depreciation per January 1, 2007	—	(30,079)	—	(54,724)	—
Exchange rate adjustment	—	1,154	—	703	—
Depreciation for the year	—	(2,107)	—	(12,146)	—
Accumulated depreciation on disposals for the year	—	—	—	299	—
Accumulated depreciation per December 31, 2007	**—**	**(31,032)**	**—**	**(65,868)**	**—**
Accumulated impairment per December 31, 2007	**—**	**—**	**—**	**—**	**—**
Net book value per December 31, 2007	**—**	**1,423**	**—**	**29,071**	**9,661**
Net book value of assets under finance leases included above	—	—	—	15,335	—

8. TANGIBLE FIXED ASSETS (continued)—PARENT COMPANY

	Leasehold improve-ments	Equipment, furniture and fixtures	Fixed assets under construction
	DKK'000	DKK'000	DKK'000
2008			
Cost per January 1, 2008	17,409	15,307	—
Additions for the year	6,618	10,208	3,755
Transfers between the classes	1,437	1,602	(3,039)
Disposals for the year	—	(1,058)	—
Cost per December 31, 2008	**25,464**	**26,059**	**716**
Accumulated depreciation per January 1, 2008	(17,409)	(13,600)	—
Depreciation for the year	(924)	(1,666)	—
Accumulated depreciation on disposals for the year	—	1,028	—
Accumulated depreciation per December 31, 2008	**(18,333)**	**(14,238)**	**—**
Net book value per December 31, 2008	**7,131**	**11,821**	**716**
2007			
Cost per January 1, 2007	17,409	15,025	42,170
Additions for the year	—	380	—
Disposals for the year	—	(98)	(42,170)
Cost per December 31, 2007	**17,409**	**15,307**	**—**
Accumulated depreciation per January 1, 2007	(16,356)	(12,334)	—
Depreciation for the year	(1,053)	(1,292)	—
Accumulated depreciation on disposals for the year	—	26	—
Accumulated depreciation per December 31, 2007	**(17,409)**	**(13,600)**	**—**
Accumulated impairment per December 31, 2007	**—**	**—**	**—**
Net book value per December 31, 2007	**—**	**1,707**	**—**

9. EQUITY INTERESTS IN SUBSIDIARIES

Genmab A/S (parent company) holds investments in the following subsidiaries:

Name	Domicile	Ownership and votes
Genmab B.V.	Utrecht, the Netherlands	100%
Genmab MN, Inc.	Minnesota, USA	100%
Genmab, Inc.	New Jersey, USA	100%
Genmab Ltd.	London, United Kingdom	100%

Genmab B.V. was incorporated in the Netherlands in 2000 and focuses on the discovery and development of antibodies. Genmab, Inc. began operations in 2001 and is mainly focused on conducting clinical trials in the US and Canada. Further, Genmab A/S established Genmab Ltd. in the United Kingdom in 2001. During 2006, Genmab Ltd. changed from a dormant entity to an entity focused on conducting clinical trials in the UK.

Genmab MN, Inc. was established in 2008 in connection with the acquisition of a manufacturing facility from PDL BioPharma and focuses on the production and manufacturing of antibodies for our clinical trials in our pipeline and third parties.

In general, the value related to Genmab A/S' equity interest in subsidiaries have a higher value than the net carrying amount of the net assets in the subsidiaries. The subsidiaries are by nature capital consuming development companies. However this does not reflect a decrease in value, but rather reflects investments in development projects, which are accounted for as costs recognized directly in the income statement.

Investments in subsidiaries are subject to a yearly assessment by the group's management for impairment indications and if necessary, an impairment test is carried out. Both at the end of 2007 and 2008, the management assessed that there were no such indications and therefore the investments have not been impairment tested.

10. OTHER SECURITIES AND EQUITY INTERESTS

	2008	2007
	DKK'000	DKK'000
Cost per January 1	4,206	6,046
Disposals for the year	—	(1,840)
Cost per December 31	**4,206**	**4,206**
Revaluation per January 1	(3,593)	(3,593)
Revaluation for the year	—	—
Revaluation per December 31	**(3,593)**	**(3,593)**
Net book value per December 31	**613**	**613**

Other securities and equity interests consist of investments in strategic partners of Genmab and are designated as available for sale assets. As per December 31, 2008, such investments comprise equity shares in Scancell Ltd., which is a British biotech company. As no fair value can be determined reliably, the investment is measured at cost, reduced by impairment losses.

During 2007, Genmab disposed of the shares in Paradigm Therapeutics Ltd. which resulted in a loss of DKK 2 million which is recognized as a loss on disposal in the income statement.

The statements for the group and the parent company are identical.

11. INVENTORIES

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Raw materials and spare parts	34,593	—	—	—
Total	**34,593**	**—**	**—**	**—**

12. RECEIVABLES

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Receivables related to development agreements	95,907	115,570	95,907	115,510
Interest receivables	35,075	66,121	34,420	66,011
Other receivables	30,479	35,448	15,255	28,818
Total	**161,461**	**217,139**	**145,582**	**210,339**

Receivables (designated as loans and receivables) comprise mainly receivables which are due less than one year from the balance sheet date. The carrying amount of the receivables corresponds essentially to fair value.

Included in other receivables are current and non-current deposits for operational leases. The non-current part of deposits amounts to DKK 13 million, of which DKK 4 million are included in the balance of other receivables of the parent company. The comparative figures for 2007 showed non-current deposits of DKK 4 million for the group of which DKK 0.1 million are included in the balance of other receivables of the parent company.

13. MARKETABLE SECURITIES

All marketable securities are classified as "financial assets at fair value through profit or loss" and are reported at fair value, determined as the year end listed price. The statements for the group and the parent company are identical. Please refer to note 14 for additional details on our marketable securities.

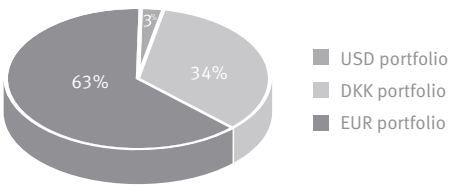
13. MARKETABLE SECURITIES (continued)

	2008	2007
	DKK'000	DKK'000
Cost per January 1	3,646,172	1,309,417
Additions for the year	1,775,029	5,138,533
Disposals for the year	(3,506,093)	(2,801,778)
Cost per December 31	**1,915,108**	**3,646,172**
Adjustment to fair value per January 1	(84,482)	(14,159)
Adjustment to fair value for the year	(138,627)	(70,323)
Adjustment to fair value per December 31	**(223,109)**	**(84,482)**
Net book value per December 31	**1,691,999**	**3,561,690**

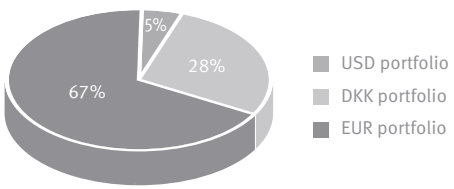
Specification of the portfolio per December 31:

	Market Value 2008	Average Ratings Moody's	Average Duration	Share %	Market Value 2007	Average Ratings Moody's	Average Duration	Share %
	DKK'000				DKK'000			
Kingdom of Denmark bonds	191,986	Aaa	2.19	11%	180,520	Aaa	0.61	5%
Other Danish securities	389,216	Aaa	1.44	23%	819,060	Aaa	2.39	23%
DKK portfolio	**581,202**	**Aaa**	**1.69**	**34%**	**999,580**	**Aaa**	**2.07**	**28%**
US government and federal agency notes	27,260	Aaa	1.40	2%	99,501	Aaa	1.51	3%
US corporate notes	15,236	Aaa	0.19	1%	84,575	Aaa	0.41	2%
USD portfolio	**42,496**	**Aaa**	**0.97**	**3%**	**184,076**	**Aaa**	**1.00**	**5%**
European government bonds	125,633	Aaa	4.30	7%	183,887	Aa2	2.17	5%
European corporate bonds	942,668	Aa3	1.32	56%	2,209,661	Aa3	2.00	62%
EUR portfolio	**1,068,301**	**Aa3**	**1.67**	**63%**	**2,393,548**	**Aa3**	**2.01**	**67%**
Total portfolio	**1,691,999**	**Aa1**	**1.66**	**100%**	**3,577,204**	**Aa1**	**1.98**	**100%**
Transfered to cash and cash equivalents	—				(15,514)			
Marketable securities	**1,691,999**				**3,561,690**			
Maturity or repricing within one year	988,125				2,198,921			
Maturity above one year	703,874				1,362,769			
Marketable securities	**1,691,999**				**3,561,690**			

Marketable Securities per December 31, 2008



Marketable Securities per December 31, 2007



14. FINANCIAL RISK

The financial risks of the Genmab group are managed centrally from the parent company. The overall risk management guidelines have been approved by the board of directors and comprise the group's foreign exchange and investment policy related to our marketable securities. The group's risk management guidelines are established to identify and analyze the risks faced by the Genmab group, to set the appropriate risk limits and controls and to monitor the risks and adherence to limits. The primary objective of Genmab's investment activities is to preserve capital while at the same time maximizing the income derived from security investments without significantly increasing risk. Our marketable securities are administrated by four external investment managers.

The guidelines and investment managers are reviewed regularly to reflect changes in market conditions, the group's activities and financial position.

The Audit Committee reviews how management monitors compliance with the group's risk management guidelines and the adequacy of the risk management guidelines to the risks and exposures faced by the Genmab group.

Group Finance, which functionally reports to the CFO, is responsible for and establishes the accounting policies and procedures governing the valuation of the marketable securities, and is responsible for ensuring that these comply with all relevant accounting standards.

There have been no significant changes in Genmab's overall financial risk profile and policies since last year, besides the fact that our marketable securities have been negatively impacted by the international financial credit crisis. The international financial crisis has led to lower fair market valuations and as such reduced market values of some of our marketable securities.

To the extent that we are able to hold our marketable securities to maturity and there are no defaults, they will mature at par, which will reverse any unrealized losses. If the uncertainties in the credit and capital markets continue or the ratings on our securities are downgraded, we may incur further unrealized losses or conclude that the decline in value is other than temporary and then incur realized losses.

Management will continue to work with our external investment managers to mitigate the impact of the negative market conditions on our investment portfolio.

The group has identified the following key financial risk areas, which are mainly related to our marketable securities portfolio:

- credit risk
- currency exposure
- interest rate risk and
- capital management

All our marketable securities are traded in established markets. Even though our liquidity risk has increased during the year, we consider the liquidity risk to be on an acceptable level. All fair market values are determined by reference to external sources using unadjusted quoted prices in established markets for our marketable securities.

Credit Risk

Due to the international financial credit crisis our credit risk has increased during 2008 and our net financial items for 2008 include a write-down in value for an investment held in Lehman Brothers. The Euro bond was valued at DKK 31 million at December 31, 2007 and reduced to zero at December 31, 2008.

To manage and reduce credit risks on our securities only securities from investment grade issuers are electable for our portfolios. No issuer of marketable securities can be accepted if it is not assumed that the credit quality of the issuer would be at least equal to the rating shown below:

Category	S&P	Moody's	Fitch
Short-term	A-1	P-1	F-1
Long-term	A–	A3	A–

In the event of a marketable security being downgraded to below A–, the investment manager must sell the holding within one month, or obtain agreement from Genmab stating otherwise.

Our marketable securities are spread over a number of different industries and business sectors. The major parts of our marketable securities are invested in corporate bonds in the European financial sector. During 2009, management will continue to work with the investment managers to reduce our exposure in the European financial sector.

Credit risk on bank deposits are considered limited as Genmab only has a minor share allocated in cash at the investment manager's disposition. In addition, the major

14. FINANCIAL RISK (continued)

part of Genmab's bank deposits is located in Danske Bank, in which all deposits are guaranteed by the Danish State until September 30, 2010.

Credit risk on receivables is considered limited.

Currency Exposure

As Genmab incurs income and expenses in a number of different currencies, the group is subject to a currency risk. Increases or decreases in the exchange rate of such foreign currencies against our functional currency, the DKK, can affect the group's results and cash position negatively or positively.

The most significant cash flows of the group are EUR, DKK, USD and GBP. Genmab maintains cash positions in all these major currencies. Our GBP risk position has increased compared to last year as certain shared development costs related to the ofatumumab collaboration agreement are denominated in GBP and therefore our total DKK expense may be impacted by exchange rate volatility between the GBP and DKK.

The following significant exchange rates have been applied during the year:

	Average rate		Closing rate	
DKK	2008	2007	2008	2007
1 EUR	7.456	7.451	7.451	7.457
1 USD	5.123	5.368	5.285	5.075
1 GBP	9.173	10.749	7.648	10.148

Based upon the amount of assets and liabilities denominated in EUR, USD and GBP as of December 31, 2008, a 1% change in the EUR to DKK and a 10% change in both USD to DKK exchange rate and GBP to DKK exchange rate will impact our net financial items by approximately:

MDKK	2008		
	EUR	USD	GBP
Net exposure	**1,035**	**132**	**(64)**
Percentage change in exchange rate	1%	10%	10%
Impact of change in exchange rate	10.3	13.2	6.4
Fair value hedge	—	—	(7.6)
Net impact of change in exchange rate	10.3	13.2	(1.2)

	2007		
	EUR	USD	GBP
Net exposure	**2,427**	**210**	**16**
Percentage change in exchange rate	1%	10%	10%
Impact of change in exchange rate	24.3	21.0	1.6

Accordingly, significant changes in exchange rates could cause our operating loss and net financial items to fluctuate significantly. The above analysis assumes that all other variables, in particular interest rates, remain constant.

No financial instruments, such as options or futures contracts, have been entered into to reduce the exposure to short-term changes in EUR/DKK and USD/DKK exchange rates. During 2008, however, we entered a currency future contract (fair value hedge) to hedge changes in the exchange rate between GBP and DKK. Changes in the fair value of financial instruments used as fair value hedges are recognized in the income statement. The fair value of the currency future contract amounts to DKK (3) million as of December 31, 2008.

We keep certain amounts invested in USD in order to maintain a natural hedge of future expenses in USD. Accordingly, the recognized gains/losses on the USD portion of our investment portfolio are offset by increased/decreased operating expenses when converted to DKK in 2008 and 2007.

As of December 31, 2008, the balance sheet reflects cash, cash equivalents and marketable securities of DKK 1.8 billion compared to DKK 3.7 billion as of December 31, 2007. This represents a decrease of DKK 1.9 billion, primarily due to the acquisition of the PDL manufacturing facility for DKK 1.2 billion in March 2008. As of December 31, 2008, our total marketable securities are invested in EUR (63%), DKK (34%) and USD-denominated securities (3%).

The Genmab group holds a number of investments in foreign subsidiaries where the translation of equity to DKK is exposed to foreign exchange risks. In addition, Genmab have granted one loan to a subsidiary which is classified as an addition to the net investment. Foreign exchange adjustments of this loan are recognized directly in equity. The equity including loan classified as an addition to net investment is distributed as follows: USD (99%) and other currencies (1%). The foreign subsidiaries are not significantly affected by currency risks as both income and expenses primarily are settled in the foreign subsidiaries' functional currencies.

Interest Rate Risk

Genmab's exposure to interest rate risk is primarily ascribable to the positions of cash, cash equivalents and marketable securities, as we do not currently have significant interest bearing debts.

14. FINANCIAL RISK (continued)

Currently, a portfolio of cash, cash equivalents and marketable securities is maintained by investing in EUR, DKK and USD-denominated government, mortgage and corporate bonds.

The securities in which the group has invested bear interest rate risk, as a change in market derived interest rates may cause fluctuations in the fair value of the investments. In accordance with the objective of the investment activities, the portfolio of securities is monitored on a total return basis. To control and minimize the interest rate risk, the group maintains an investment portfolio in a variety of securities with a relatively short duration. In accordance with our investment guidelines for investments in marketable securities the effective average duration of the portfolio is not to exceed three years.

As of December 31, 2008 the portfolio has an average duration of less than two years and no securities have more than six years, which means that a change in the interest rates of 1% point will cause the fair value of the securities to change by less than 2% (2007: 2%). Due to the short-term nature of the current investments, and to the extent we are able to hold the investments to maturity we consider our current exposure to changes in fair value due to interest rate changes to be insignificant compared to the fair value of the portfolio.

The portfolio has generated the following yields for 2008 and 2007:

Portfolio	2008	2007
DKK	3.7%	3.6%
USD	3.7%	6.2%
EUR	(10.6%)	0.1%

The EUR portfolio is negatively impacted by lower valuation of corporate bonds in the European financial sector. The portfolio was only in place for a part of 2007.

Capital Management

The board of directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and a continuous advancement of Genmab's product pipeline and business in general.

Genmab is primarily financed through equity and partnership collaboration income and had as of December 31, 2008 cash, cash equivalents and marketable securities of DKK 1.8 billion, which supports the advancement of our overall mission and strategy to maximize our chances for success.

The adequacy of our available funds will depend on many factors, including scientific progress in our research and development programs, the magnitude of those programs, our commitments to existing and new clinical collaborators, our ability to establish commercial and licensing arrangements, our capital expenditures, market developments and any future acquisitions. Accordingly, we may require additional funds and may attempt to raise additional funds through equity or debt financings, collaborative agreements with commercial partners or from other sources.

The board of directors continuously assesses the share and capital structure to ensure that its capital resources support the strategic goals. There is no change in the group's approach to capital management procedures in 2008.

Neither Genmab A/S nor any of its subsidiaries are subject to externally imposed capital requirements.

15. DEFERRED INCOME

Deferred income reflects upfront payments received from our collaboration agreement with GSK which will be recognized as revenues over the future financial years.

The deferred income is expected to be recognized in the income statement as outlined below. The statements for the group and the parent company are identical.

	2008	2007
	DKK'000	DKK'000
To be recognized in the income statement:		
2008	—	217,064
2009	217,064	217,064
2010	217,064	217,064
2011	217,064	217,064
Total	**651,192**	**868,256**

16. OTHER LIABILITIES

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Liabilities related to development agreements	151,935	62,541	151,935	62,541
Staff costs liabilities	58,086	22,801	35,382	13,222
Other liabilities	103,430	29,322	23,341	8,757
Total	**313,451**	**114,664**	**210,658**	**84,520**

Other liabilities are measured at amortized cost except changes in the fair value of financial instruments used as fair value hedge and comprise mainly liabilities which are due less than one year from the balance sheet date. The carrying amount of the liabilities corresponds essentially to fair value.

The non-current part of other liabilities amounts to DKK 12 million, of which DKK 8 million is included in the balance of other liabilities of the parent company. There were no non-current other liabilities in 2007.

17. WARRANTS

Warrant Scheme

Genmab A/S has established warrant schemes (equity-settled share-based payment transactions) as an incentive for all the group's employees, including those in our subsidiaries, members of the board of directors and members of the executive management as well as certain external consultants with a long-term relationship with us.

The group accounts for share based compensation by recognizing compensation expenses related to warrants granted to employees, board members and non-employee consultants in the income statement. Such compensation expenses represent calculated values of warrants granted and do not represent actual cash expenditures.

Warrants are granted by our board of directors in accordance with authorizations given to it by Genmab's shareholders. Warrant grants are determined by our board of directors on a merit basis and upon recommendations of the Compensation Committee. To date, all employees have been granted warrants in connection with their employment. The most recent warrant scheme was adopted by the board of directors in August 2004.

Under the terms of the recent warrant schemes, warrants are granted at an exercise price equal to the share price on the grant date. According to Genmab's articles of association, the exercise price cannot be fixed at a lower price than the market price at the grant date.

The warrant schemes contain anti-dilution provisions if changes occur in Genmab's share capital prior to the warrants being exercised.

Warrants Granted from August 2004

Under the most recent warrant scheme, effective from August 2004, warrants can be exercised from one year after the grant date. The warrant holder may as a general rule only exercise 25% of the warrants granted per full year of employment or affiliation with Genmab after the grant date. However, the warrant holder will be entitled to exercise all warrants in instances where the employment or consultancy relationship is terminated by Genmab without the warrant holder providing a good reason to do so. All warrants lapse at the tenth anniversary of the grant date.

In case of a change of control event as defined in appendix C to our articles of association the warrant holder will immediately be granted the right to exercise all the owner's warrants regardless of the fact that such warrants would otherwise only become fully vested at a later point in time. Warrant holders who are no longer employed by or affiliated with us will, however, only be entitled to exercise such percentages as would otherwise have vested under the terms of the warrant program.

Warrants Granted prior to August 2004

Half of the warrants granted under the preceding warrant schemes can be exercised one year after the grant date with the other half exercisable two years after the grant date. The exercise period lasts for three years from the date when a warrant first becomes exercisable. If the warrants are not exercised within these periods, they lapse.

The exercise of warrants is not conditional upon continued employment or affiliation with Genmab. However, upon the termination of employment or affiliation, the holder is

17. WARRANTS (continued)

obligated to offer to sell a specified percentage of shares issued back to Genmab. The sell back clause is not applicable in the event of termination as a result of Genmab's breach of the employment or affiliation contract. The sell back clause defines the percentage of shares that the holder is required to offer to sell back to Genmab. The repurchase price to be paid for the shares by Genmab in these instances is the warrant holder's original exercise price. Warrants granted under the preceding warrant schemes will lapse on April 1, 2009 at the latest.

In case of a change of control event as defined in appendix B to our articles of association, our right to require the warrant holder to return certain percentages of Ordinary Shares subscribed on the basis of warrants will be forfeited.

Assumptions

The fair value of each warrant granted during the year is calculated using the Black Scholes pricing model with the following assumptions:

Weighted average	2008	2007
Fair value per warrant (DKK)	119	146
Share price (DKK)	258	350
Exercise price (DKK)	258	350
Expected dividend yield	0%	0%
Expected stock price volatility	46%	39%
Risk-free interest rate	4.0%	4.2%
Expected life of warrants—preceding warrant scheme	4 years	4 years
Expected life of warrants—current warrant scheme	6 years	6 years

The expected stock price volatility is based upon the historical volatility of Genmab's stock price.

The risk-free interest rate is determined as the interest rate on Danish government bonds (bullet issues) with a maturity of 5 years.

Warrant Activity

As of December 31, 2008, the board of directors has been authorized to grant a total of 12,221,263 (2007: 10,721,263) warrants since Genmab's inception.

In 2008, Genmab granted warrants four (2007: four) times. The total number of granted warrants amounts to 1,491,850 in 2008 (2007: 1,519,375).

The following schedule specifies the warrant grants. The classification of warrant holders has been updated to reflect the current status of the individual warrant holders; i.e., if a non-employee consultant has been granted warrants and subsequently becomes employed by Genmab, such person will be included in the "employees" category. As a result, the updated totals of the individual groups may differ from information disclosed in previously issued financial statements.

The statements for the group and the parent company are identical.

	Number of warrants held by employees	Number of warrants held by the Executive Management	Number of warrants held by the Board of Directors	Number of warrants held by non-employee consultants	Total outstanding warrants	Weighted average exercise price
						DKK
Outstanding at December 31, 2006	**1,554,310**	**767,500**	**960,500**	**9,000**	**3,291,310**	**127.75**
Granted	889,375	275,000	355,000	—	1,519,375	350.04
Exercised	(302,270)	—	(98,000)	—	(400,270)	100.42
Expired/cancelled	(127,574)	—	—	(9,000)	(136,574)	83.93
Transfers	35,000	—	(35,000)	—	—	—
Outstanding at December 31, 2007	**2,048,841**	**1,042,500**	**1,182,500**	**—**	**4,273,841**	**210.73**
Granted	1,017,850	230,000	244,000	—	1,491,850	258.35
Exercised	(324,502)	—	(44,500)	—	(369,002)	92.53
Expired/cancelled	(419,714)	—	—	—	(419,714)	180.91
Transfers	652,500	(652,500)	—	—	—	—
Outstanding at December 31, 2008	**2,974,975**	**620,000**	**1,382,000**	**—**	**4,976,975**	**236.28**

17. WARRANTS (continued)

Further information about number of warrants held by the executive management and the board of directors can be found in note 19.

As of December 31, 2008, the 4,976,975 outstanding warrants amounted to 11% of the share capital (2007: 10%). For exercised warrants the weighted average share price at the exercise date amounted to DKK 301 (2007: DKK 362).

Weighted Average Exercise Price

The following table summarizes the weighted average exercise price of outstanding warrants which was DKK 236.28 as of December 31, 2008 (2007: DKK 210.73).

For warrants exercisable at year end, the weighted average exercise price is DKK 173.67 (2007: DKK 112.91). The table also shows the calculated Black Scholes option valuation model value of outstanding warrants at year end.

Weighted average exercise of outstanding warrants at December 31, 2008

Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Value of outstanding warrants at year end	Number of warrants exercis-able
DKK				DKK	
	Preceding Warrant Scheme				
86.00	April 1, 2005	9,175	0.25	117.75	9,175
86.00		**9,175**	**0.25**	**117.75**	**9,175**
	Current Warrant Scheme				
86.00	August 3, 2005	491,987	5.59	152.64	491,987
89.50	September 22, 2005	12,650	5.73	151.89	12,650
97.00	December 1, 2005	27,125	5.92	149.97	27,125
101.00	August 10, 2006	188,729	6.61	152.07	120,292
114.00	June 7, 2006	390,050	6.43	146.93	279,113
115.00	September 21, 2006	2,825	6.72	148.19	1,700
116.00	April 20, 2006	22,314	6.30	145.56	12,627
130.00	December 1, 2006	15,063	6.92	144.89	9,250
173.00	June 21, 2007	577,157	7.47	137.76	287,157
184.00	March 2, 2007	121,788	7.16	133.43	57,976
210.50	April 25, 2007	34,300	7.31	129.18	13,800
224.00	September 19, 2007	124,112	7.72	129.61	59,963
234.75	December 17, 2009	39,500	9.96	141.97	—
246.00	June 4, 2009	219,500	9.50	137.76	—
254.00	April 24, 2009	673,600	9.34	135.70	—
272.00	October 8, 2009	505,250	9.77	135.99	—
326.50	October 4, 2008	173,600	8.76	122.65	43,400
329.00	December 13, 2008	122,430	8.95	123.76	30,608
330.00	December 13, 2007	64,500	7.95	115.98	32,500
352.50	June 27, 2008	810,295	8.49	117.63	202,574
364.00	April 19, 2008	351,025	8.30	114.86	89,725
236.56		**4,967,800**	**8.06**	**133.81**	**1,772,447**
236.28		**4,976,975**	**8.04**	**133.78**	**1,781,622**

17. WARRANTS (continued)

Weighted average exercise of outstanding warrants at December 31, 2007

Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Value of outstanding warrants at year end	Number of warrants exercis-able
DKK				DKK	
	Preceding Warrant Scheme				
37.00	June 25, 2004	46,214	0.48	273.74	46,214
62.50	October 10, 2004	16,350	0.78	248.49	16,350
86.00	April 1, 2005	42,456	1.13	226.98	42,456
60.78		**105,020**	**0.79**	**250.91**	**105,020**
	Current Warrant Scheme				
86.00	August 3, 2005	662,212	6.59	245.80	479,575
89.50	September 22, 2005	21,150	6.73	242.36	12,757
97.00	December 1, 2005	49,500	6.92	239.65	29,063
101.00	August 10, 2006	280,456	7.61	239.69	126,956
114.00	June 7, 2006	545,626	7.43	231.16	263,126
115.00	September 21, 2006	6,000	7.72	231.82	2,375
116.00	April 20, 2006	47,376	7.30	230.10	13,626
130.00	December 1, 2006	17,788	7.92	224.25	6,163
173.00	June 21, 2007	601,597	8.47	205.72	148,597
184.00	March 2, 2007	144,526	8.16	198.80	33,245
210.50	April 25, 2007	48,914	8.31	188.39	8,039
224.00	September 19, 2007	143,801	8.72	185.92	33,889
326.50	October 4, 2008	188,900	9.76	161.09	—
329.00	December 13, 2008	132,030	9.95	162.04	—
330.00	December 13, 2007	80,500	8.95	153.03	20,125
352.50	June 27, 2008	826,045	9.49	151.86	—
364.00	April 19, 2008	372,400	9.30	147.22	—
214.51		**4,168,821**	**8.32**	**197.24**	**1,177,536**
210.73		**4,273,841**	**8.14**	**198.56**	**1,282,556**

18. BUSINESS COMBINATION—ACQUISITION OF MANUFACTURING ACTIVITY FROM PDL BIOPHARMA

In the first quarter of 2008, Genmab entered into an asset purchase agreement with PDL BioPharma (PDL) now known as Facet Biotech, to acquire their manufacturing facility for DKK 1.2 billion (USD 240 million at the date of acquisition) in cash. The transaction received clearance by the US antitrust authorities under the Hart-Scott-Rodino Act on February 26 and closed on March 13, 2008 (acquisition date).

At the acquisition date, the net assets acquired and goodwill are specified as follows:

	DKK'000
Consideration paid in cash	1,149,024
Directly attributable acquisition cost	5,356
Total consideration paid	**1,154,380**
Fair value of net assets acquired	869,578
Goodwill as per March 13, 2008	**284,802**

The acquisition was accounted for using the purchase method. The purchase price including the associated acquisition related costs was allocated on the basis of the fair value of the assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The fair value is based on an appraisal from an independent international appraiser with specialist experience in production facilities in the biotech and pharma sector.

The facility which came with approximately 170 employees is located in Brooklyn Park, Minnesota, USA and has a production capacity of 22,000 liters, which is expected to be sufficient to provide a sustainable source of both clinical and commercial scale material for our pipeline. The facility will support simultaneous manufacture of multiple antibody products and is expected to enable the transition of up to three antibodies from research to manufacturing per year.

18. BUSINESS COMBINATION—ACQUISITION OF MANUFACTURING ACTIVITY FROM PDL BIOPHARMA (continued)

The most significant assets acquired comprise land, buildings and manufacturing equipment. These tangible assets will be depreciated over the expected useful lives of 30 years for the buildings and 7 years for the manufacturing equipment.

The difference between the consideration paid and the fair value of net assets acquired has been recognized in the balance sheet as goodwill. Goodwill will be subject to a yearly impairment test. Please refer to notes 1 and 7 for detailed information about the impairment test performed.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of March 13, 2008:

	Carrying amount prior to the acquisition	Fair value at the acquisition date
	DKK'000	DKK'000
Tangible fixed assets	885,711	858,849
Inventory	9,218	9,218
Other receivables	3,188	3,188
Accounts payable/ Other liabilities	(1,677)	(1,677)
Net assets acquired		**869,578**
Goodwill as per March 13, 2008		284,802
Total consideration paid as per March 13, 2008		**1,154,380**

The purchase price allocation (PPA) has been finalized. No material changes have been made in the initial disclosed opening balance, except adjustments to the acquired liabilities and the directly attributable acquisition costs.

The acquisition is expected to secure Genmab's manufacturing capacity going forward and allow Genmab to produce antibodies more efficiently and cost effectively while adding key manufacturing expertise to our capabilities as we continue to build for a commercial future. Therefore, the following factors and expected synergies resulted in the recognition of goodwill: value of the workforce in place, expected significant cost reductions, potential reduction of production and development timelines and access to in-house commercial production.

On a stand-alone basis the operating loss of the manufacturing activities from the period March 13 through December 31 of DKK 74 million has been included in Genmab's consolidated accounts. Had the manufacturing activities been consolidated from the beginning of 2008, the operating loss would have been approximately DKK 81 million. The operating loss is not indicative of the results of the manufacturing activities for future periods as 2008 has been a transition period for the facility.

19. RELATED PARTY DISCLOSURES

Genmab's related parties are:

- The parent company's subsidiaries.
- Companies in which members of the parent company's board of directors, executive management and close members of the family of these persons exercise significant influence.
- The parent company's board of directors, executive management and close members of the family of these persons.
- Medarex, Inc. and GenPharm International, Inc. (2007)

The Parent Company's Transactions with Subsidiaries

Genmab B.V., Genmab MN, Inc., Genmab, Inc. and Genmab Ltd. are 100% owned subsidiaries of Genmab A/S and included in the consolidated financial statements. They primarily perform research and development and manufacturing activities on behalf of the parent company.

All intercompany transactions have been eliminated in the consolidated financial statements of the Genmab group.

	Parent Company	
	2008	2007
	DKK'000	DKK'000
Transactions with subsidiaries:		
Service fee costs	(338,230)	(211,597)
Costs related to the antibody clinical material	(57,557)	—
Warrant compensation expenses—invoiced to subsidiaries	49,937	24,731
Financial income	68,979	2,204
Balances with subsidiaries:		
Leasing receivables	14,699	15,667
Non-current receivables	819,160	—
Current receivables	125,848	7,693
Payables	(37,261)	(6,657)

19. RELATED PARTY DISCLOSURES (continued)

The Parent Company's Transactions with the Board of Directors and Executive Management

Genmab has not granted any loans, guarantees or other commitments to or on behalf of any of the members in the board of directors and executive management.

In addition to remuneration to the board of directors and executive management described in note 3, the below transactions took place during 2007 and 2008. No other significant transactions have taken place with the board of directors or the executive management.

Transactions with Medarex, Inc. and GenPharm International, Inc.

During 2007, changes in our relationship with Medarex occurred and, therefore, Medarex is no longer considered as a related party. On December 31, 2007, Medarex, Inc. owned approximately 10.7% of the outstanding shares of Genmab through its wholly owned subsidiary, GenPharm International, Inc.

The parent company has acquired short-term licenses and research fees from Medarex at an amount totaling DKK 10 million in 2007.

As per December 31, 2007, the parent company had a balance payable to Medarex of DKK 4 million.

	Dec. 31, 2006	Acquired	Sold	Transfers	Dec. 31, 2007	Acquired	Sold	Transfers	Dec. 31, 2008
Number of ordinary shares owned									
Board of Directors									
Lisa N. Drakeman	511,040	—	(150,000)	—	361,040	—	—	—	361,040
Ernst Schweizer	162,340	43,500	(85,840)	—	120,000	44,500	(54,500)	—	110,000
Irwin Lerner	50,000	—	—	(50,000)	—	—	—	—	—
Michael Widmer	—	25,000	(25,000)	—	—	—	—	—	—
Karsten Havkrog Pedersen	—	12,500	(12,500)	—	—	—	—	—	—
Anders Gersel Pedersen	—	17,000	(17,000)	—	—	—	—	—	—
Burton G. Malkiel	—	—	—	—	—	—	—	—	—
Hans Henrik Munch-Jensen	—	300	—	—	300	—	—	—	300
	723,380	**98,300**	**(290,340)**	**(50,000)**	**481,340**	**44,500**	**(54,500)**	**—**	**471,340**
Executive Management									
Lisa N. Drakeman, see above	—	—	—	—	—	—	—	—	—
Jan van de Winkel	230,000	—	(110,000)	—	120,000	—	—	—	120,000
David A. Eatwell	—	—	—	—	—	—	—	—	—
Claus Juan Møller-San Pedro	331,635	—	(120,000)	—	211,635	—	—	(211,635)	—
Bo Kruse	26,900	—	(20,000)	—	6,900	—	—	(6,900)	—
	588,535	**—**	**(250,000)**	**—**	**338,535**	**—**	**—**	**(218,535)**	**120,000**
Total	**1,311,915**	**98,300**	**(540,340)**	**(50,000)**	**819,875**	**44,500**	**(54,500)**	**(218,535)**	**591,340**

19.RELATED PARTY DISCLOSURES (continued)

	Dec. 31, 2006	Granted	Exercised	Transfers	Dec. 31, 2007	Granted	Exercised	Transfers	Dec. 31, 2008
Number of warrants held									
Board of Directors									
Lisa N. Drakeman	605,000	200,000	—	—	805,000	160,000	—	—	965,000
Ernst Schweizer	126,000	15,000	(43,500)	—	97,500	12,000	(44,500)	—	65,000
Irwin Lerner	35,000	—	—	(35,000)	—	—	—	—	—
Michael Widmer	95,000	30,000	(25,000)	—	100,000	24,000	—	—	124,000
Karsten Havkrog Pedersen	47,500	15,000	(12,500)	—	50,000	12,000	—	—	62,000
Anders Gersel Pedersen	52,000	15,000	(17,000)	—	50,000	12,000	—	—	62,000
Burton G. Malkiel	—	40,000	—	—	40,000	12,000	—	—	52,000
Hans Henrik Munch-Jensen	—	40,000	—	—	40,000	12,000	—	—	52,000
	960,500	**355,000**	**(98,000)**	**(35,000)**	**1,182,500**	**244,000**	**(44,500)**	**—**	**1,382,000**
Executive Management									
Lisa N. Drakeman, see above	—	—	—	—	—	—	—	—	—
Jan van de Winkel	290,000	100,000	—	—	390,000	130,000	—	—	520,000
David A. Eatwell	—	—	—	—	—	100,000	—	—	100,000
Claus Juan Møller-San Pedro	290,000	100,000	—	—	390,000	—	—	(390,000)	—
Bo Kruse	187,500	75,000	—	—	262,500	—	—	(262,500)	—
	767,500	**275,000**	**—**	**—**	**1,042,500**	**230,000**	**—**	**(652,500)**	**620,000**
Total	**1,728,000**	**630,000**	**(98,000)**	**(35,000)**	**2,225,000**	**474,000**	**(44,500)**	**(652,500)**	**2,002,000**

According to our general guidelines for incentive programs a new member of the board of directors is granted up to 50,000 warrants upon election. In addition, the members of the board of directors are usually granted up to 40,000 warrants on an annual basis dependent on the financial results of the year in question, the progress of our product pipeline as well as specific major important events.

Members of the executive management are usually granted warrants upon engagement and in connection with promotions. In addition, the members of the executive management are granted a number of warrants on an annual basis as a recognition of past contributions and accomplishments and to align their incentives with the future value of Genmab.

On June 2, 2008 we announced that David A. Eatwell had been appointed as Chief Financial Officer, who replaced Bo Kruse who decided to seek new challenges elsewhere.

During the third quarter of 2008, we announced that Claus Møller, M.D., Ph.D. had stepped down from his position as Executive Vice President, Chief Operating Officer of Genmab. Dr. Møller's decision reflected his desire to concentrate on his role as Chairman of the board of IPC-International, Plc and to spend more time with his family having achieved his main career goals within Genmab.

20. COMMITMENTS

Guarantees and Collaterals

The group has through a bank deposit established a bank guarantee of DKK 4 million (2007: DKK 3 million) towards a lessor of an office building. In the separate financial statements of the parent company no such guarantees have been established.

In connection with a payment of proceeds from a sale of a tangible fixed asset, the group may under certain circumstances be obligated to repay a part of the sales proceeds until June 30, 2011. The amount to be repaid will be reduced during the period and amounts to DKK 4 million as of December 31, 2008 (2007: DKK 5 million).

20. COMMITMENTS (continued)

The management does not expect to repay the amount. In the separate financial statements of the parent company, no such contingent liability exists.

Operating Leases

The group has entered into operating lease agreements with respect to office space, cars and office equipment.

The leases are non-cancelable for various periods up to 2014.

Future minimum payments under our operating leases as of December 31, 2008 are as follows:

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Payment due				
Within 1 year	33,755	28,392	14,264	11,186
From 1 to 5 years	60,816	71,570	32,715	34,753
After 5 years	482	3,801	482	3,801
Total	**95,053**	**103,763**	**47,461**	**49,740**
Expenses recognized in the income statement	32,175	25,208	14,751	10,309

Finance Leases

The parent company and the group have entered into finance lease contracts, primarily with respect to laboratory equipment. All finance lease contracts in the Dutch subsidiary (lessee) have been entered through Genmab A/S (lessor) in order to take advantage of the financial strength of the parent company. Therefore, the statements for the group and the parent company are identical. This arrangement is neutral to the parent company, as all terms and conditions of the lease agreement are passed on to the subsidiary on the same terms as from the external lessor. As a result, Genmab A/S has lease receivables from the subsidiary totaling DKK 15 million (2007: DKK 16 million). All finance lease commitments recorded in the separate financial statements of the parent company are fully reflected in subleases entered into with the subsidiary Genmab B.V.

The average effective interest rate in the parent company's and the group's lease arrangements are approximately 4.6% (2007: 4.0%).

Future minimum lease payments under such finance leases and the net present value are as follows:

	2008	2007
	DKK'000	DKK'000
Minimum lease payments		
Within 1 year	6,310	8,002
From 1 to 5 years	9,627	8,649
	15,937	16,651
Future finance charges	(1,238)	(984)
Total	**14,699**	**15,667**
Net present value of future payments		
Within 1 year	5,735	7,485
From 1 to 5 years	8,964	8,182
Total	**14,699**	**15,667**
Fair value	**14,772**	**15,462**

In addition to the finance leases included in the table above, the group and the parent company have acquired laboratory equipment totaling DKK 18 million (2007: DKK 9 million) in a lease tranche starting on January 1, 2009 or later.

Other Purchase Obligations

The parent company and the group have entered into a number of agreements which are mainly within the area of manufacturing services related to the research and development activities. Under the current development plans, the contractual obligations will lead to the following future payments:

20. COMMITMENTS (continued)

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
Payment due				
Within 1 year	30,469	206,878	28,767	198,933
From 1 to 5 years	16,675	42,141	16,675	42,141
After 5 years	—	—	—	—
Total	**47,144**	**249,019**	**45,442**	**241,074**

License Agreements

The parent company and the group is a party to a number of license agreements which require the parent company to pay royalties if and when the parent company commercializes products utilizing the licensed technology.

21. CONTINGENT ASSETS, CONTINGENT LIABILITIES AND SUBSEQUENT EVENTS

Contingent Assets and Contingent Liabilities

We are entitled to potential milestone payments and royalties on successful commercialization of products developed under license and collaboration agreements with our partners. Since the size and timing of such payments are uncertain until the milestones are reached, the agreements may qualify as contingent assets. However, it is impossible to measure the value of such contingent assets, and, accordingly, no such assets have been recognized.

As part of the license and collaboration agreements that Genmab has entered into, once a product is developed and commercialized, Genmab will be required to make milestone and royalty payments. It is impossible to measure the value of such future payments, but Genmab expects to generate future income from such products which will exceed any milestone and royalty payments due.

Subsequent Events

Apart from the events disclosed elsewhere in this Annual Report, no events have occurred after the balance sheet date, which require recognition in our 2008 financial statements or disclosure in this Annual Report.

22. FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

	Genmab Group		Parent Company	
	2008	2007	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000
PricewaterhouseCoopers				
Audit	1,489	1,036	790	530
Other services	1,661	1,117	939	702
Total fees	**3,150**	**2,153**	**1,729**	**1,232**

23. ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and endorsed by the EU, effective for 2008, and additional Danish disclosure requirements for annual reports of listed companies.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The financial statements have been prepared in Danish Kroner (DKK), which is the functional and presentation currency of the parent company.

23. ACCOUNTING POLICIES (continued)

New Accounting Policies

There are no changes in the accounting polices that were used in the preparation of the prior year's financial statements, as no new or amended standards and interpretations have been adopted. However, the accounting polices have been amended and updated as consequence of our acquisition of the manufacturing facility from PDL BioPharma in March 2008.

In 2008, gains and losses recognized as financial income and expenses regarding foreign exchange gains and losses and gains and losses arising on our marketable securities are reported on a net basis, if the transactions arise from a group of similar transactions. The comparative figures for 2007 have been reclassified to conform to the current year's presentation.

Consolidated Financial Statements

The consolidated financial statements include Genmab A/S (the parent company) and subsidiaries in which the parent company directly or indirectly exercises a controlling interest through shareholding or otherwise. Accordingly, the consolidated financial statements include Genmab A/S, Genmab MN, Inc., Genmab B.V., Genmab, Inc., and Genmab Ltd. (collectively referred to as the Genmab group or group).

The group's consolidated financial statements have been prepared on the basis of the financial statements of the parent company and subsidiaries—prepared under the group's accounting policies—by combining similar accounting items on a line-by-line basis. On consolidation, intercompany income and expenses, intercompany receivables and payables, and unrealized gains and losses on transactions between the consolidated companies are eliminated.

The recorded value of the equity interests in the consolidated subsidiaries is eliminated with the proportionate share of the subsidiaries' equity. Subsidiaries are consolidated from the date when control is transferred to the group.

The income statements for foreign subsidiaries are translated into the group's presentation currency at the year's weighted average exchange rate and the balance sheets are translated at the exchange rate in effect at the balance sheet date. Exchange rate differences arising from the translation of foreign subsidiaries shareholders' equity at the beginning of the year, and exchange rate differences arising as a result of foreign subsidiaries' income statements being translated at average exchange rates, are recorded in translation reserves in shareholders' equity.

Business Combinations

Entities acquired or formed during the year are recognized in the consolidated financial statements from the date of acquisition or formation. The acquisition date is the date when Genmab obtains control of the acquired subsidiary.

The purchase method is used for the acquisitions of new subsidiaries. The cost of a business combination comprises the fair value of the consideration agreed upon and costs directly attributable to the acquisition.

The acquired entities' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognized if they are separable or arise from a contractual right, and the fair value can be reliably measured. Deferred tax on revaluations is recognized.

Any excess of the cost over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognized as goodwill under intangible assets.

Goodwill is not amortized but is tested annually for impairment. The first impairment test is performed before the end of the acquisition year.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for the impairment test.

Goodwill and fair value adjustments in connection with the acquisition of a foreign subsidiary with a functional currency other than the presentation currency used in the Genmab group are treated as assets and liabilities belonging to the foreign subsidiary and translated into the foreign subsidiary's functional currency at the exchange rate at the transaction date.

If uncertainties regarding measurement of acquired identifiable assets, liabilities and contingent liabilities exist at the acquisition date, initial recognition will take place on the basis of preliminary fair values. If identifiable assets, liabilities and contingent liabilities are subsequently determined to have a different fair value at the acquisition date from that first assumed, goodwill is adjusted up until 12 months after the acquisition. The effect of the adjustments is recognized in the opening balance of equity and the comparative figures are adjusted accordingly. Subsequently, goodwill is only adjusted as a result of changes in estimates of contingent purchase

23. ACCOUNTING POLICIES (continued)

considerations, except in cases of material error. However, subsequent realization of the acquired subsidiary's deferred tax assets not recognized at the acquisition date will require recognition of the tax benefit in the income statement and simultaneous write-down of the carrying amount of goodwill to the amount which would have been recognized if the deferred tax asset had been recognized as an identifiable asset at the acquisition date.

Foreign Currency
Transactions in foreign currencies are translated at the exchange rates in effect at the date of the transaction.

Exchange rate gains and losses arising between the transaction date and the settlement date are recognized in the income statement as financial items.

Unsettled monetary assets and liabilities in foreign currencies are translated at the exchange rates in effect at the balance sheet date. Exchange rate gains and losses arising between the transaction date and the balance sheet date are recognized in the income statement as financial items.

Derivative Financial Instruments and Hedging Activities
Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. As of December 31, 2008 the group have only hedged the fair value of recognized assets or liabilities (fair value hedge).

The fair values of various derivative instruments used for hedging purposes are disclosed in note 14. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset (other receivables) or liability (other liabilities) when the remaining maturity of the hedged item is less than 12 months.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The group only applies fair value hedge accounting for hedging of currency risks.

Income Statement

Revenues
Revenues comprise mainly milestone and upfront payments, government grants, and other income from research and development agreements. From 2008, revenues also include revenues from manufacturing agreements for the production of antibody clinical material for third parties and reimbursement of certain development costs in relation to the co-development work carried out by Genmab under the GSK agreement.

Revenue is recognized when it is probable that future economic benefits will flow to the group and these benefits can be measured reliably. Further, revenue recognition requires that all significant risks and rewards of ownership of the goods or services included in the transaction have been transferred to the buyer.

Upfront payments including any share premiums related to equity investments that are deemed attributable to subsequent research and development work are recognized as deferred income and recognized as revenue over the planned development period.

Milestone payments related to reaching particular stages in product development are recognized immediately if a separate earnings process relative to the milestone payment has been completed and achieved.

Other income received from our collaborations for separate research and development and manufacturing services as well as the sales of antibody clinical material produced for third parties are recognized as revenues when the related services are performed or delivered.

Cost of Sales
Cost of sales comprises production costs for clinical materials and similar services supplied by our newly acquired manufacturing facility and sold to a third party. Such costs include among others direct and indirect costs for raw materials, wages and salaries, and depreciation of production buildings and equipment.

Research and Development Costs
Research and development costs primarily include salary and related expenses, license costs, manufacturing costs, clinical costs, amortization of licenses and rights, and depreciation and impairment of intangible and tangible fixed assets; to the extent that such costs are related to the group's research and development activities.

Both research and development costs are recognized in the income statement in the period to which they relate. See note 1 for a more detailed description.

General and Administrative Expenses
General and administrative expenses relate to the administration of the group, including depreciation and impairment of intangible and tangible fixed assets; to the extent such expenses are related to the administrative functions. General and administrative expenses are

23. ACCOUNTING POLICIES (continued)

recognized in the income statement in the period to which they relate.

Share-Based Compensation
The parent company has granted warrants to employees, the board of directors, and non-employee consultants under various warrant programs. For warrants granted after November 7, 2002, the group applies IFRS 2, according to which the fair value of the warrants at grant date is recognized as an expense in the income statement over the vesting period. A corresponding amount is recognized in shareholders' equity as the warrant scheme is designated as an equity-settled share-based payment transaction.

Warrants granted prior to November 7, 2002 are not comprised by IFRS 2.

Expenses and exercise proceeds related to employees in the subsidiaries are re-invoiced to the relevant subsidiary where the employee has entered an employment contract.

Financial Income and Expenses
Financial income and expenses include interest as well as realized and unrealized exchange rate adjustments and realized and unrealized gains and losses on marketable securities (designated as fair value through profit and loss), realized gains and losses and write downs of other securities and equity interests (designated as available-for-sale financial assets) and realized and unrealized gains and losses on derivative financial instruments.

Interest and dividend income are shown separately from gains and losses on marketable securities and other securities and equity interests.

Exchange rate adjustments of balances with foreign subsidiaries which are considered part of the total net investment in the subsidiary are recognized in the income statement of the parent company.

Corporate Tax
Corporate tax expense, which consists of current tax and the adjustment of deferred taxes for the year, is recognized in the income statement to the extent that the tax is attributable to the net result for the year. Tax attributable to entries directly to shareholders' equity is recognized in shareholders' equity.

Current tax liabilities include taxes payable based on the expected taxable income for the year and any adjustments to prior years' tax expense as recorded in the income statement. Any current tax liabilities are recognized in other liabilities in the balance sheet.

Any prepaid taxes are recognized in other receivables in the balance sheet.

Balance Sheet

Non-current Assets

Goodwill
Goodwill is initially recognized in the balance sheet at cost as described under "Business Combinations". Goodwill is not amortized but tested annually for impairment and measured at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Based on management structure and internal financial control, goodwill is allocated to the group's cash-generating units that are expected to benefit from the business combination.

Licenses and Rights
Licenses and rights are initially measured at cost and include the net present value of any future payments. The net present value of any future payments is recognized as a liability.

Genmab acquires licenses and rights, primarily to get access to targets identified by third parties. Such licenses and rights have been acquired early in the research phase.

Licenses and rights are amortized using the straight-line method over the estimated useful life of five years.

Depreciation, impairment losses and gains or losses on the disposal of intangible fixed assets are recognized in the income statement as cost of sales, research and development costs or as general and administrative expenses, as appropriate.

Property, Plant and Equipment
Property, plant and equipment comprises mainly land and buildings, manufacturing equipment and fixtures and fittings which are measured at cost less accumulated depreciation and any impairment losses.

The cost comprises of the acquisition price and direct costs related to the acquisition until the asset is ready for use. Fixed assets under construction include primarily the design of laboratory and administration facilities. The

23. ACCOUNTING POLICIES (continued)

costs incurred are capitalized until the facilities are completed. Costs include direct costs, salary related expenses and costs to subcontractors.

Depreciation, which is stated at cost net of any residual value, is calculated on a straight-line basis over the expected useful lives of the assets, which are as follows:

Buildings	30 years
Manufacturing equipment	7 years
Equipment, furniture and fixtures	3–5 years
Computer equipment	3 years
Leasehold improvements	5 years or the lease term, if shorter

The useful lives and residual values are reviewed, and adjusted if appropriate, on a yearly basis. Land and fixed assets under construction are not depreciated.

Depreciation, impairment losses and gains or losses on the disposal of tangible fixed assets are recognized in the income statement as cost of sales, research and development costs or as general and administrative expenses, as appropriate.

Equity Interests in Subsidiaries

In the separate financial statements of the parent company Genmab A/S, equity interests in subsidiaries are recognized and measured at cost. Equity interests in foreign currencies are translated to the reporting currency by use of historical exchange rates prevailing at the time of investment. The cost is written down to the recoverable amount if this is lower.

Income is recognized from the investments only to the extent that distributions from accumulated profits are received. Distributions received in excess of such profits are regarded as a recovery of investment and are recognized as a reduction of the cost of the investment.

Other Securities and Equity Interests

Other securities and equity interests, which have been acquired for long-term strategic holding, include Genmab's ownership of listed and non-listed companies. The financial assets have been designated as "available-for-sale" financial assets as the group's management intends to hold these investments for an indefinite period of time. However, the assets can be sold if the group's business strategy changes. The group's management assesses the classification of financial fixed assets at the time of acquisition.

Other securities and equity interests are measured at fair value at the balance sheet date. The fair value for listed shares is the listed price and the estimated value of unlisted securities based on observable market data and recognized valuation methods. If the fair value cannot be reliably determined for interests in non-listed companies, the assets are measured at cost.

Realized gains and losses are recognized in the income statement as financial items, whereas unrealized gains and losses are recognized in shareholders' equity. Transactions are recognized at trade date.

Impairment of Non-current Assets

If circumstances or changes in Genmab's operations indicate that the carrying amount of goodwill together with the other non-current assets in the cash-generating unit to which goodwill is allocated may not be recoverable, management reviews the asset for impairment.

The basis for the review is the assets' recoverable amount, determined as the greater of the net selling price or its value in use. Value in use is calculated as the net present value of future cash inflow generated from the asset.

If the carrying amount of an asset is greater than the recoverable amount, the asset is written down to the recoverable amount. An impairment loss is recognized in the income statement when the impairment is identified.

Current Assets

Inventories

Inventories comprise of raw materials, work in progress and finished goods related to antibody clinical trial material (antibodies).

As of December 31, 2008 no antibodies produced for third parties are capitalized (work-in-progress and finished goods).

Raw materials are capitalized until it is decided whether they are going to be released for the use in production of antibodies to our own clinical trials or for the production of antibodies to third parties.

Antibody Clinical Trial Material Produced for Third Parties

Antibody clinical trial material (antibodies) produced for third parties are measured using the FIFO method and at the lower of cost and the net realizable value.

23. ACCOUNTING POLICIES (continued)

Raw materials are measured at standard cost, comprising most recent purchase price plus delivery costs. Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials, wages and salaries, maintenance and depreciation of production machinery, buildings and equipment, and facility administration and management.

Antibody Clinical Trial Material Produced or Purchased for the Use in Clinical Trials
Antibody clinical trial materials (antibodies) which either are internally produced or purchased from third parties are recognized in the balance sheet at cost and expensed in the income statement when consumed, if all criteria for recognition as an asset are fulfilled, in particular that sufficient certainty can be determined that future income from the use of such material will exceed the aggregate cost of the antibodies. If sufficient certainty cannot be obtained, such material is expensed in the income statement under research and development costs at the time of acquisition.

On a regular basis, the carrying value of such assets is reviewed to ensure that no impairment has occurred and that the quantities do not exceed the planned consumption in the development activities.

Receivables
Receivables are designated as loans and receivables and measured in the balance sheet at amortized cost, which generally corresponds to nominal value less provision for bad debts.

The provision for bad debts is calculated on the basis of an individual assessment of each receivable including analysis of capacity to pay, creditworthiness and historical information on payment patterns and doubtful debts.

Prepayments
Prepayments recognized as current assets include expenditures related to a future financial year. Prepayments are measured at nominal value.

Marketable Securities
Marketable securities consist of investments in securities with a maturity greater than three months at the time of acquisition. Genmab invests its cash in deposits with major financial institutions, in mortgage bonds, corporate bonds and notes issued by the Danish, EU or US governments. The securities can be purchased and sold using established markets.

Genmab's portfolio of investments has been designated as financial assets at fair value through profit or loss as the portfolio is managed and evaluated on a fair value basis in accordance with Genmab's investment guidelines and the information provided internally to the management.

Marketable securities are measured at fair value, which equals the listed price. Realized and unrealized gains and losses (including unrealized foreign exchange rate gains and losses) are recognized in the income statement as financial items. Transactions are recognized at trade date.

Cash and Cash Equivalents
Cash and cash equivalents comprise cash, bank deposits and marketable securities with a maturity of three months or less on the date of acquisition. Cash and cash equivalents are measured at fair value.

Shareholders' Equity
The share capital comprises the nominal amount of the parent company's ordinary shares, each at a nominal value of DKK 1. All shares are fully paid.

Share premium reserve comprises the amount received, attributable to shareholders' equity, in excess of the nominal amount of the shares issued at the parent company's offerings, reduced by external expenses directly attributable to the offerings.

Translation reserves in the consolidated financial statements include exchange rate adjustments of equity investments and balances considered to be a part of the total net investment in foreign subsidiaries arising from the translation of their financial statements from their functional currencies to the presentation currency of Genmab A/S (DKK). Translation reserves cannot be used for distribution.

Non-current Liabilities

Provisions
Provisions are recognized when the group has an existing legal or constructive obligation as a result of events occurring prior to or on the balance sheet date, and it is probable that the utilization of economic resources will be

23. ACCOUNTING POLICIES (continued)

required to settle the obligation. Provisions are measured at fair value.

Deferred Tax
Deferred tax is accounted for under the liability method which requires recognition of deferred tax on all temporary differences between the carrying amount of assets and liabilities and the tax base of such assets and liabilities. This includes the tax value of tax losses carried forward.

Deferred tax is calculated in accordance with the tax regulations and current tax rates in the individual countries. Changes in deferred tax as a result of changes in tax rates are recognized in the income statement.

Deferred tax assets resulting from temporary differences, including the tax value of losses to be carried forward, are recognized only to the extent that it is probable that future taxable profit will be available against which the differences can be utilized. Deferred tax assets which are not recognized in the balance sheet are disclosed in a note to the financial statements.

Current Liabilities

Leasing
Lease contracts, which in all material respects transfer the significant risks and rewards associated with the ownership of the asset to the lessee, are classified as finance leases. Assets treated as finance leases are recognized in the balance sheet at the inception of the lease term at the lower of the fair value of the asset or the net present value of the future minimum lease payments. A liability equaling the asset is recognized in the balance sheet. Each lease payment is separated between a finance charge, recorded as a financial expense, and a reduction of the outstanding liability.

Fair value is calculated based on the present value of the future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date.

Assets under finance leases are depreciated in the same manner as owned assets and are subject to regular reviews for impairment.

Lease contracts, where the lessor retains the significant risks and rewards associated with the ownership of the asset, are classified as operating leases. Lease payments under operating leases are recognized in the income statement ratably over the lease term. The total lease commitment under operating leases is disclosed in the notes to the financial statements.

Accounts Payable
Accounts payable are measured in the balance sheet at amortized cost, which is considered to be equal to the fair value due to the short-term nature of the liabilities.

Deferred Income
Deferred income reflects the part of revenues that has not been recognized as income immediately on receipt of payment and which concerns agreements with multiple components which cannot be separated.

Deferred income is measured at the amount received.

Other Liabilities
Other liabilities are measured in the balance sheet at amortized cost, which is considered to be equal to the fair value due to the short-term nature of the liabilities.

Wages and salaries, social security contributions, paid leave and bonuses and other employee benefits are recognized in the financial year in which the employee performs the associated work.

The group's pension plans are classified as defined contribution plans, and, accordingly, no pension obligations are recognized in the balance sheet. Costs relating to defined contribution plans are included in the income statement in the period in which they are accrued and outstanding contributions are included in other liabilities.

Cash Flow Statement
The cash flow statement is presented using the indirect method with basis in the loss before tax.

Cash flow from operating activities is stated as the net loss adjusted for net financial items, non-cash operating items such as depreciation, amortization, impairment losses, warrant compensation expenses, provisions, and for changes in working capital, interest paid and received, and corporate taxes paid. Working capital comprises current assets less current liabilities excluding the items included in cash and cash equivalents.

Cash flow from investing activities is comprised of cash flow from the purchase and sale of intangible assets, tangible fixed assets and financial fixed assets as well as acquisition of entities, purchase and sale of marketable securities. The parent company's transactions with subsidiaries are included in Receivables from subsidiaries.

Cash flow from financing activities is comprised of cash flow from the issuance of shares and raising and repayment of long-term loans including installments on lease liabilities.

23. ACCOUNTING POLICIES (continued)

The cash flow statement cannot be derived solely from the financial statements.

Segment Reporting
The group is managed and operated as one business unit.

The entire group is managed by a management team reporting to the Chief Executive Officer. No separate lines of business or separate business entities have been identified with respect to any of the product candidates or geographical markets. Accordingly, Genmab has concluded that it is not relevant to disclose segment information on business segments or geographical markets.

Definition of Financial Ratios
The group discloses a number of financial ratios in the Annual Report. These financial ratios are defined as:

Basic Net Loss per Share
Basic net loss per share is calculated as the net loss for the year divided by the weighted average number of outstanding ordinary shares.

Diluted Net Loss per Share
Diluted net loss per share is calculated as the net loss for the year divided by the weighted average number of outstanding ordinary shares adjusted for the dilutive effect of share equivalents. As the income statement shows a net loss, no adjustment has been made for the dilutive effect.

Year-end Share Market Price
The year-end share market price is determined as the closing price of the parent company's shares on the NASDAQ OMX Copenhagen at the balance sheet date or the last trading day prior to the balance sheet date.

Price/Book Value
Price/book value is calculated as the parent company's year-end share market price divided by the shareholders' equity per share at the balance sheet date.

Shareholders' Equity per Share
Shareholders' equity per share is calculated as shareholders' equity at the balance sheet date divided by the number of outstanding shares at the balance sheet date.

Equity Ratio
Equity ratio is calculated as shareholders' equity at the balance sheet date divided by the total assets at the balance sheet date.

New International Financial Reporting Standards
The International Accounting Standards Board (IASB) has issued, and the EU has endorsed, a number of new standards and made updates to some of the existing standards, the majority of which are effective as of January 1, 2009 or later. The financial reporting of Genmab is expected to be affected by such new or improved standards to the extent described below. Only standards and interpretations issued before December 31, 2008 and with relevance for the Genmab group are described.

IFRS 8, *"Operating Segments"*, requires an entity to adopt the "management approach" to reporting on the financial performance of its operating segments.

Generally, the information to be reported would be what the management uses internally for evaluating segment performance and deciding how to allocate resources to operating segments. As such information may be different from what is used to prepare the income statement and balance sheet, IFRS 8 requires explanations of the basis on which the segment information is prepared and reconciliation to the amounts recognized in the income statement and balance sheet. The standard, which replaces IAS 14, *"Segment Reporting"*, is effective for accounting periods beginning on or after January 1, 2009.

No significant impact is expected on Genmab's financial reporting from this new standard.

IASB has issued amendments to IAS 1 *"Presentation of Financial Statements"*. The amendments only affect the presentation of owner changes in equity and the presentation of recognized income and expenses. The amendments do not change the recognition, measurement or disclosure of specific transactions and other events required by other standards and interpretations. The standard is effective for accounting periods beginning on or after January 1, 2009.

No significant impact is expected on Genmab's financial reporting from these amendments.

IFRS 2 *"Share-based Payment"* has been amended. The amendments are effective from January 1, 2009 and deal with vesting conditions and cancellations. It is not expected to have a material impact on the group's financial statements.

23. ACCOUNTING POLICIES (continued)

As of January 10, 2008, the IASB published a revised IFRS 3 *"Business Combinations"* and related revisions to IAS 27 *"Consolidated and Separate Financial Statements"*. The amendments are effective for annual periods beginning on or after July 1, 2009. The group will apply these standards prospectively to all business combinations from January 1, 2010. As of December 31, 2008 the standards had not yet been endorsed by the EU.

During 2008 IASB issued a number of amendments as part of the IASB's annual improvement project, which among others included amendment of IFRS 7, IAS 2, 7, 8, 10, 16, 18, 19, 20, 27, 31, 32, 34, 36, 38 and 39.

All amendments are effective from January 1, 2009 or later, but are not expected to have a material impact on the group's financial statements. As of December 31, 2008 the standards had not yet been endorsed by the EU.

IFRIC 16, *"Hedges of a Net Investment in a Foreign Operation"* which clarifies the accounting treatment in respect of net investment hedging. The interpretation is effective from October 1, 2008 and is not expected to have impact on the group's financial statements. As of December 31, 2008 the interpretation was not yet endorsed by the EU.

The standards and interpretations are expected to be applied in accordance with the mandatory effective date provisions outlined in the standards and interpretations.

Directors' and Management's Statement on the Annual Report

The board of directors and management have today considered and adopted the Annual Report of Genmab A/S for the financial year January 1 through December 31, 2008.

The Annual Report is prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and endorsed by the EU and additional Danish disclosure requirements for annual reports of listed companies.

We consider the applied accounting policies to be appropriate and, in our opinion, the Annual Report gives a true and fair view of the assets and liabilities, financial position, results of operation and cash flows of the group and the parent company.

Furthermore, we consider the Directors' Report, pages 1–21, to give a true and fair view of the development in the group's and the parent company's activities and financial affairs, results of operations and the group's and the parent company's financial position as a whole as well as a description of the significant risks and uncertainties which the group and the parent company faces.

We recommend that the Annual Report be adopted at the annual general meeting.

Copenhagen, February 24, 2009

Management

Lisa N. Drakeman
(President & CEO)

Jan van de Winkel
(President R&D & CSO)

David A. Eatwell
(CFO)

Board of Directors

Michael B. Widmer
(Chairman)

Lisa N. Drakeman
(President & CEO)

Anders Gersel Pedersen
(Deputy Chairman)

Karsten Havkrog Pedersen

Ernst H. Schweizer

Burton G. Malkiel

Hans Henrik Munch-Jensen

Independent Auditor's Report

To the Shareholders of Genmab A/S

We have audited the annual report of Genmab A/S for the financial year January 1–December 31, 2008, pages 1–65, which comprises Directors' Report, Directors' and Management's Statement, Income Statement, Balance Sheet, Statement of Cash Flow, Statement of Shareholders' Equity and Notes to the Financial Statements for the group as well as for the parent company. The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Management's Responsibility for the Annual Report
Management is responsible for the preparation and fair presentation of the annual report in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with Danish Auditing Standards. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion
In our opinion, the annual report gives a true and fair view of the financial position at December 31, 2008 of the group and the parent company and of the results of the group and parent company operations and cash flows for the financial year January 1–December 31, 2008 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Copenhagen, February 24, 2009

PricewaterhouseCoopers
Statsautoriseret Revisionsaktieselskab

Mogens Nørgaard Mogensen
State Authorised Public Accountant

Claus Køhler Carlsson
State Authorised Public Accountant

2008 Stock Exchange Releases

Jan. 4	Genmab Announces HuMax-CD32b Pre-Clinical Program
Jan. 21	Genmab Reaches Milestones in Ofatumumab Collaboration
Jan. 31	Genmab's Financial Calendar for 2008
Feb. 21	Genmab and PDL BioPharma Sign Purchase Agreement for Antibody Manufacturing Facility
Feb. 26	Purchase Agreement for Antibody Manufacturing Facility Receives Antitrust Clearance
Mar. 13	Genmab and PDL BioPharma Close Sale of Antibody Manufacturing Facility
Mar. 31	Genmab Announces Year End 2007 Financial Results
Apr. 7	Genmab A/S Summons Annual General Meeting
Apr. 15	Novel Insights into HuMax-EGFr Mechanisms of Action Published in PNAS
Apr. 23	Passing of Genmab A/S' Annual General Meeting
Apr. 24	Constitution of the Board of Directors in Genmab and Grant of Warrants to Employees and a Member of Management
May 28	Genmab Announces 2008 First Quarter Results
May 29	Genmab Announces Updates on Phase III Cancer Studies
May 30	Genmab Initiates Zalutumumab Combination Study in Colorectal Cancer
Jun. 2	Genmab Announces Appointment of David Eatwell as New Chief Financial Officer
Jun. 10	Ofatumumab in Subcutaneous Study in Rheumatoid Arthritis
Jun. 24	Genmab Initiates Study of Zalutumumab with Radiotherapy in Head and Neck Cancer
Jun. 30	Genmab Reaches Milestone in Ofatumumab Collaboration
Jul. 9	Recruitment Completed in Ofatumumab CLL Front Line Study
Jul. 31	Genmab and GlaxoSmithKline Announce Positive Top-Line Results in Ofatumumab Chronic Lymphocytic Leukemia Pivotal Study
Aug. 21	Genmab Reaches Fifth Milestone in Ofatumumab Collaboration
Aug. 25	Genmab Announces Upcoming Ofatumumab Studies
Aug. 27	Genmab Announces 2008 First Half Year Results
Sep. 3	Genmab Announces Change in Management
Sep. 22	Recruitment Completed in Ofatumumab NHL Front Line Study
Sep. 23	Recruitment Completed in Ofatumumab NHL Pivotal Study
Oct. 8	Genmab Reports Results of Portfolio Review
Oct. 8	Grant of Warrants to Board Members, Management and Employees in Genmab A/S
Oct. 10	Genmab Reaches Milestone in Ofatumumab Collaboration
Oct. 29	Genmab Announces Results for the First Nine Months of 2008
Nov. 10	Ofatumumab Pivotal CLL Data to be Presented at ASH
Dec. 8	Arzerra™ (Ofatumumab) Demonstrates High Response Rates in Patients with Fludarabine Refractory Chronic Lymphocytic Leukaemia (CLL)
Dec. 10	Genmab's Financial Calendar for 2009
Dec. 18	Genmab Sells Arzerra Co-Promotion Rights to GlaxoSmithKline

Report Pursuant to Section 28a of the Danish Securities Trading Act

Apr. 24, May 5, May 30, Jun. 4, Sep. 2, Oct. 8

Genmab's Total Number of Voting Rights and Total Share Capital

Apr. 30, Sep. 30, Nov. 28

Major Shareholder Announcement

Jan. 30, Feb. 4, Feb. 5, Apr. 7, Apr. 28, Oct. 2

Capital Increase in Genmab as a Result of Employee Warrant Exercise

Apr. 1, Sep. 2, Nov. 5

Grant of Warrants in Genmab A/S

Apr. 24, Jun. 4, Oct. 8, Dec. 17

The full texts of all our stock exchange releases are available through the company's website, **www.genmab.com**. *Interested parties are invited to subscribe to Genmab's News Alerts Mailing List through the website to receive e-mail notifications on the day news is released.*

Investor Relations

Genmab's investor and public relations department is committed to providing efficient dissemination of company information to the market. We maintain high levels of transparency and accessibility in compliance with the disclosure rules of the NASDAQ OMX Copenhagen. Genmab publishes all price sensitive information via stock exchange releases and non-price sensitive information that may be of interest to investors via investor news releases. We further distribute this information via our website and internal mailing list of international investors, analysts, journalists and other market participants. Genmab also regularly holds conference calls and webcasts and attends investor meetings and industry conferences to communicate company news to the market. We believe this broad dissemination of information to the investment community will inspire confidence in Genmab and provide investors with the opportunity to more correctly assess Genmab's potential.

CORPORATE INFORMATION

Bankers
Danske Bank
Holmens Kanal 2-12
DK-1092 Copenhagen K

Merrill Lynch & Co.
4 World Financial Center
250 Vesey Street
New York, NY 10080 USA

Legal Counsel
Kromann Reumert
Sundkrogsgade 5
DK-2100 Copenhagen Ø

Shearman & Sterling
599 Lexington Avenue
New York, NY 10022 USA

Independent Auditors
PricewaterhouseCoopers
Strandvejen 44
DK-2900 Hellerup

Annual Report
Copies of this Annual Report in both English and Danish are available without charge upon request.

Annual General Meeting
The Annual General Meeting will be held on April 15, 2009 at 2:00 PM local time at:

Radisson SAS
Scandinavia Hotel
Amager Boulevard 70
DK-2300 Copenhagen S

This annual report contains forward looking statements. The words "believe", "expect", "anticipate", "intend" and "plan" and similar expressions identify forward looking statements. Actual results or performance may differ materially from any future results or performance expressed or implied by such statements. The important factors that could cause our actual results or performance to differ materially include, among others, risks associated with product discovery and development, uncertainties related to the outcome and conduct of clinical trials including unforeseen safety issues, uncertainties related to product manufacturing, the lack of market acceptance of our products, our inability to manage growth, the competitive environment in relation to our business area and markets, our inability to attract and retain suitably qualified personnel, the unenforceability or lack of protection of our patents and proprietary rights, our relationships with affiliated entities, changes and developments in technology which may render our products obsolete, and other factors. Genmab does not undertake any obligation to update or revise forward looking statements in this annual report; nor to confirm such statements in relation to actual results, unless required by law.

Conversion of Certain DKK Amounts into USD—Supplementary Information—Unaudited

Solely for the convenience of the reader, the annual report contains a conversion of certain DKK amounts into US Dollars (USD) at a specified rate. The conversions are outlined below and are related to the consolidated financial statements (condensed).

These converted amounts are unaudited and should not be construed as representations that the DKK amounts actually represent such USD amounts or could be converted into USD at the rate indicated or at any other rate. The conversion is regarded as supplementary information to the annual report.

Unless otherwise indicated, conversion herein of financial information into USD has been made using the Danish Central Bank closing spot rate on December 31, 2008, which was USD 1.00 = DKK 5.285.

KEY FIGURES IN USD

	2008	2007	2006	2005	2004
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Income Statement					
Revenues	140,989	100,198	25,648	18,639	776
Research and development costs	(269,215)	(160,685)	(97,081)	(83,576)	(71,626)
General and administrative expenses	(27,158)	(22,227)	(17,918)	(16,034)	(14,201)
Operating loss	(164,620)	(82,714)	(89,351)	(80,971)	(85,051)
Net financial items	(17,883)	10,173	6,429	6,497	4,931
Net loss	(182,613)	(72,541)	(82,922)	(74,474)	(80,120)
Balance Sheet					
Cash and marketable securities	333,405	698,867	326,275	237,072	219,196
Non-current assets	244,504	7,714	6,380	8,942	15,091
Assets	616,653	749,074	341,469	259,311	240,668
Shareholders' equity	414,116	545,569	304,184	211,692	223,464
Share capital	8,494	8,424	7,502	6,265	5,630
Investments in intangible and tangible fixed assets	176,603	4,435	1,012	1,556	4,361
Cash Flow Statement					
Cash flow from operating activities	(97,132)	95,726	(71,832)	(39,479)	(69,629)
Cash flow from investing activities	87,060	(447,110)	(85,408)	(24,134)	(4,743)
Cash flow from financing activities	4,784	295,223	166,329	56,265	95,255
Cash and cash equivalents	13,248	24,930	81,189	72,158	79,390
Financial Ratios					
Basic and diluted net loss per share	(4.09)	(1.65)	(2.13)	(2.38)	(3.03)
Year-end share market price	38.41	58.47	71.90	25.54	18.92
Price/book value	4.16	4.77	9.37	4.00	2.52
Shareholders' equity per share	9.23	12.26	7.67	6.39	7.51
Equity ratio	67%	73%	89%	82%	93%
Average number of employees	565	291	237	213	206
Number of employees at year-end	555	344	248	215	209

Conversion of Certain DKK Amounts into USD—Supplementary Information—Unaudited (continued)

INCOME STATEMENT IN USD

	Genmab Group	
	2008	2007
	USD'000 (Unaudited)	USD'000 (Unaudited)
Revenues	**140,989**	**100,198**
Cost of sales	(9,236)	—
Research and development costs	(269,215)	(160,685)
General and administrative expenses	(27,158)	(22,227)
Operating expenses	**(305,609)**	**(182,912)**
Operating loss	**(164,620)**	**(82,714)**
Financial income	23,969	30,071
Financial expenses	(41,852)	(19,898)
Loss before tax	**(182,503)**	**(72,541)**
Corporate tax	(110)	—
Net loss	**(182,613)**	**(72,541)**
Basic and diluted net loss per share	(4.09)	(1.65)
Weighted average number of ordinary shares outstanding during the period—basic and diluted	44,641,856	43,944,560

CONDENSED BALANCE SHEET IN USD

	Genmab Group	
	Dec. 31, 2008	Dec. 31, 2007
	USD'000 (Unaudited)	USD'000 (Unaudited)
Total intangible fixed assets	59,382	—
Total tangible fixed assets	184,979	7,598
Total financial fixed assets	143	116
Total non-current assets	**244,504**	**7,714**
Inventories	6,546	—
Receivables	32,198	42,493
Marketable securities	320,157	673,937
Cash and cash equivalents	13,248	24,930
Total current assets	**372,149**	**741,360**
Total assets	**616,653**	**749,074**
Shareholders' equity	**414,116**	**545,569**
Total non-current liabilities	1,696	1,548
Total current liabilities	200,841	201,957
Total liabilities	**202,537**	**203,505**
Total shareholders' equity and liabilities	**616,653**	**749,074**

Conversion of Certain DKK Amounts into USD—Supplementary Information—Unaudited (continued)

CONDENSED CASH FLOW STATEMENT IN USD

	Genmab Group	
	2008	2007
	USD'000 (Unaudited)	USD'000 (Unaudited)
Loss before tax	**(182,503)**	**(72,541)**
Reversal of financial items, net	17,883	(10,173)
Adjustments for non-cash transactions	45,518	19,929
Changes in current assets and liabilities	192	133,321
Cash flow from operating activities before financial items	**(118,910)**	**70,536**
Financial receivables	21,778	25,190
Cash flow from operating activities	**(97,132)**	**95,726**
Purchase of intangible and tangible fixed assets, net	(9,995)	(2,497)
Acquisition of manufacturing activity	(218,430)	—
Marketable securities bought	(335,868)	(972,305)
Marketable securities sold	651,353	527,692
Cash flow from investing activities	**87,060**	**(447,110)**
Warrants exercised	6,461	7,605
Shares issued for cash	—	289,343
Costs related to issuance of shares	(6)	(277)
Paid installments on lease liabilities	(1,671)	(1,448)
Cash flow from financing activities	**4,784**	**295,223**
Decrease in cash and cash equivalents	**(5,288)**	**(56,161)**
Cash and cash equivalents at the beginning of the period	24,930	81,188
Exchange rate adjustments	(6,394)	(97)
Cash and cash equivalents at the end of the period	**13,248**	**24,930**

Board of Directors

Left to right: Anders Gersel Pedersen, Karsten Havkrog Pedersen, Michael Widmer, Burton Malkiel, Lisa Drakeman, Hans Henrik Munch-Jensen, Ernst Schweizer

Michael B. Widmer, Ph.D.—American, 61

Board Chairman, term expires 2011
Compensation Committee

Dr. Widmer is Chairman of our board of directors and has been a member of our board since March 2002. Dr. Widmer is the former Vice President and Director of Biological Sciences of Immunex Corporation in Seattle. Prior to joining Immunex in 1984, he was on the faculty of Laboratory Medicine and Pathology at the University of Minnesota. He is a former Scholar of the Leukemia Society of America. His research has centered on regulation of the immune and inflammatory response. He has authored over 100 scientific publications. During his tenure at Immunex, Dr. Widmer pioneered the use of cytokine antagonists, particularly soluble cytokine receptors, as pharmacologic regulators of inflammation. He was instrumental in the development of Enbrel, a soluble receptor for TNF marketed by Amgen and Wyeth Ayerst for the treatment of rheumatoid arthritis. He received a Ph.D. in genetics from the University of Wisconsin in 1976 and completed a post-doctoral fellowship in Immunology at the Swiss Institute for Experimental Cancer Research in Lausanne, Switzerland.

Anders Gersel Pedersen, M.D., Ph.D.—Danish, 57

Deputy Chairman, term expires 2010
Compensation Committee, Nominating and Corporate Governance Committee

Dr. Pedersen has been a member of our board since November 2003. Dr. Pedersen is Executive Vice President, Development at H. Lundbeck A/S. Following his degree in medicine and Research Fellow positions at Copenhagen hospitals, Dr. Pedersen worked for Eli Lilly for eleven years; ten of these as a director overseeing worldwide clinical research in oncology, before joining Lundbeck in 2000. At Lundbeck, Dr. Pedersen is responsible for the development of the product pipeline including clinical research. He is a member of the European Society of Medical Oncology, the International Association for the Study of Lung Cancer, the American Society of Clinical Oncology, the Danish Society of Medical Oncology and the Danish Society of Internal Medicine and serves on the boards of TopoTarget A/S and ALK-Abelló A/S. Dr. Pedersen received his medical degree and a doctoral degree in neuro-oncology from the University of Copenhagen and a B.Sc. in Business Administration from the Copenhagen Business School.

Ernst H. Schweizer, Ph.D.—German, 74

Board Member, term expires 2009

Dr. Schweizer has been a member of our board since our inception and was Head of Business Development from 2002 to 2005. Dr. Schweizer served as President of Medarex Europe from 1999 until 2001, and was previously Deputy Director of Worldwide Business Development and Licensing for Novartis, from 1997 to 1999, and Chief Scientific and Technical Adviser in Business Development and Licensing at Ciba-Geigy AG from 1983 to 1997. Dr. Schweizer also serves on the board and as Director of Canyon Pharmaceuticals Inc. (US), Canyon Pharmaceuticals AG (CH) and Canyon Pharmaceuticals Ltd. (UK). Furthermore, Dr. Schweizer is a member of the board for CNW Customer Network AG (CH), brain in action AG (CH) and Serve Advance Inc. In addition he has his own company SPC Schweizer Pharma Consulting. He received a doctoral degree in chemistry from the University of Stuttgart.

Karsten Havkrog Pedersen—Danish, 59

Board Member, term expires 2011

Audit Committee, Nominating and Corporate Governance Committee

Mr. Pedersen has been a member of our board since March 2002. He has more than 25 years experience as an attorney within Danish corporate law and corporate governance. Mr. Pedersen has been a partner in the law firm Bruun & Hjejle since 1981. He was admitted as barrister to the Supreme Court of Justice in 1983. Mr. Pedersen was a member of the Danish Appeal Board (2000–2003) and was a member of the Danish Bar and Law Society, Committee of Legal Affairs (2001–2007). From 1991–2004, he was a member of the Editorial Committee of the Danish legal magazine *Lov & Ret*. Mr. Pedersen is a member of the board for BIG Fonden and its subsidiaries and other Danish legal entities.

Burton G. Malkiel, Ph.D.—American, 76

Board Member, term expires 2010

Audit Committee

Dr. Malkiel is the Chemical Bank Chairman's Professor of Economics at Princeton University. His specialties include financial markets, portfolio management, corporate finance, investments and securities valuation. He is widely published in finance, the valuation of stocks and bonds and the operation of financial markets in the United States. Dr. Malkiel was previously professor of Economics, the Gordon S. Rentschler Professor of Economics and Director of the Financial Research Center at Princeton University. He has also served as a member of the Council of Economic Advisors under the administration of US President Gerald R. Ford and was Dean at the School of Management and the William S. Beinecke Professor of Management at Yale University. Dr. Malkiel served as an officer in the United States Army Finance Corps before earning his doctoral degree. Dr. Malkiel is an investment committee member of the American Philosophical Society and the Corvina Foundation and serves on the board of Vanguard Group Ltd. He received his B.A. degree in Economics from Harvard University, a Masters of Business Administration from Harvard Graduate School of Business Administration and a doctorate in Economics and Finance from Princeton University.

Hans Henrik Munch-Jensen—Danish, 48

Board Member, term expires 2009

Audit Committee, Nominating and Corporate Governance Committee

Mr. Munch-Jensen is Director at Prospect where he advises listed companies in relation to strategic and financial communication. Previously, Mr. Munch-Jensen was Executive Vice President, CFO of H. Lundbeck A/S from 1998 to 2007, where he was responsible for overseeing the company's finance and investor relations activities. He previously served as a politics and finance columnist for the newspaper *Dagbladet Børsen* and as Vice President of the Copenhagen Stock Exchange. He was a member of various Lundbeck boards as well as the European Federation of Pharmaceutical Industries and Associations (EFPIA) and of Vækstforum, Region Hovedstaden. Mr. Munch-Jensen received his master in Political Science from the University of Aarhus.

Senior Management

Lisa N. Drakeman, Ph.D.—American, 55

President, Chief Executive Officer & Board Member

Nominating and Corporate Governance Committee

Dr. Drakeman has been a member of our board and our President and CEO since the company's inception. Dr. Drakeman has almost twenty years of experience working in the biotechnology industry, including leading Genmab's successful financing transactions, establishing corporate partnerships with major pharmaceutical companies and developing government programs for financing biotechnology research. Dr. Drakeman serves on the board of BioNJ. She has received a number of awards and honors including being named "Advocate of the Year" by the Biotechnology Industry Organization in 1995, "Industry Woman of the Year" by the Biotechnology Council of New Jersey in 1996 and being inducted in the New Jersey High Technology Hall of Fame in 2000. She previously served as a member of the faculty and administration at Princeton University and as Senior Vice President, Head of Business Development for Medarex, Inc. She received a B.A. degree from Mount Holyoke College, M.A. from Rutgers University, and M.A. and Ph.D. from Princeton University.

Prof. Jan G. J. van de Winkel, Ph.D.—Dutch, 48

President, Research & Development & Chief Scientific Officer

Prof. van de Winkel has served as our CSO since inception. Previously he was Vice President and Scientific Director of Medarex Europe. He is the author of nearly 300 scientific publications and has been responsible for over 30 patents and pending patent applications. Prof. van de Winkel is one of the leading scientists in the study of antibodies and their interaction with the immune system. Dr. van de Winkel is a part-time Professor of Immunology at Utrecht University and also a member of the Advent Life Sciences advisory board and the scientific advisory boards of BTF and Thuja Capital Healthcare Fund. He holds M.S. and Ph.D. degrees from the University of Nijmegen.

Senior Management (continued)

David A. Eatwell—British, 48
Chief Financial Officer

Mr. Eatwell joined Genmab in 2008 with extensive experience and a proven track record in leading international life science businesses, having spent 15 years working in Europe and 10 years in the US. Most recently, Mr. Eatwell served as Chief Financial Officer of Catalent Pharma Solutions, Inc., a USD 1.8 billion leading provider of manufacturing and packaging services for the pharmaceutical and biotech industry. Prior to Catalent, Mr. Eatwell served as a divisional CFO of Cardinal Health, Inc., a Fortune 20 global manufacturer and distributor of healthcare products and services, where he oversaw the USD 3.3 billion sale of the Pharmaceutical Technologies and Services division to The Blackstone Group and was instrumental in creating the framework and building the infrastructure to support the newly created company, Catalent Pharma Solutions, Inc. Mr. Eatwell is a member of the Chartered Association of Certified Accountants.

Annarie Lyles, Ph.D., CLP—American, 48
Senior Vice President,
Head of Business Development

Dr. Lyles joined Genmab in 2005. She has been engaged in biology-related businesses for nearly two decades, including a prior business development post with Medarex, Inc. Dr. Lyles speaks frequently at licensing-related conferences and has served on professional committees for organizations including BIO, BioNJ, and the New Jersey Economic Development Authority. She is a member of the inaugural class to receive the Certified Licensing Professional™ (CLP) credential of the Licensing Executives Society. Dr. Lyles earned undergraduate and graduate biology degrees from Yale and Princeton Universities.

Agneta Svedberg, M.Sc., E*MBA—Swedish, 45
Senior Vice President,
Head of Clinical Development

Ms. Svedberg joined Genmab in 1999 and has built Genmab's clinical development function which today includes clinical project management and operations in Denmark, the US and the UK, as well as data management, statistics and medical writing. In addition Ms. Svedberg manages the overall local coordination of functional areas, internal communication and leadership in her role as Head of Genmab's Copenhagen site. She has extensive experience in international clinical drug development, both from large and small pharmaceutical industries. Previous posts include Head of Clinical Development (Europe) at Oxigene Europe AB and Senior Clinical Research Manager at Pharmacia & Upjohn AB (currently Pfizer). Ms. Svedberg earned her E*MBA, M.Sc. (Radiation Physics) and medical bachelor degrees from Lund University.

Ole Baadsgaard, M.D. Dr.MSci.—Danish, 57
Senior Vice President, Medical Affairs

Dr. Baadsgaard has been a member of Genmab's Scientific Advisory Board since our inception. He joined Genmab as Medical Director in 2000 and in 2008 he was appointed Senior Vice President, Medical Affairs. Dr. Baadsgaard is a Board Certified Specialist in dermatology and has extensive clinical and scientific experience from both Denmark and the US. He is author of over 100 scientific peer-reviewed publications within clinical research and is named inventor on over 15 patents and patent applications. He received his M.D. degree from the University of Aarhus and his Dr.MSci. degree from the University of Copenhagen.

Paul W.H.I. Parren, Ph.D.—Dutch, 45
Senior Vice President,
Research & Pre-Clinical Development

Dr. Parren joined Genmab in 2002 and was appointed Senior Vice President in 2008. Previously he was an Associate Professor in the Department of Immunology at The Scripps Research Institute in La Jolla, California. He is author of over 100 scientific publications in the antibody field and is named inventor on over 20 patents and patent applications. He holds M.S. and Ph.D. degrees from the University of Amsterdam.

Torben Lund-Hansen, M.Sc., Ph.D.—Danish, 58
Senior Vice President, Technical Operations;
President Genmab MN, Inc.

Dr. Lund-Hansen joined Genmab as Vice President, Manufacturing in 2002. In 2008, he was appointed Senior Vice President, Technical Operations, responsible for Genmab's manufacturing and quality assurance team and the development of the company's manufacturing facilities. Before joining Genmab, he was Director of Process Development and Manufacturing at Maxygen and previously held positions in Research and Development, Healthcare Business, Pharmaceutical Strategy Unit and the Biopharmaceutical Division at Novo Nordisk. While at Novo Nordisk, he was in charge of the global development of NovoSeven and was responsible for establishing the first NovoSeven manufacturing facility as well as the manufacture of tinzaparin and glucagon. He is an author of almost 30 publications and an examiner in Biochemistry for the University of Copenhagen. Dr. Lund-Hansen holds an M.Sc. in Biochemistry and a Ph.D. in human genetics.

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The 2008 Genmab Annual Report saved the following resources by printing on paper containing up to 60% recycled fiber.

- 7 trees preserved for the future
- 5.2 million BTUs of energy not consumed
- 3,119 gallons of wastewater flow saved
- 345 pounds of solid waste not generated
- 680 pounds of greenhouse gases prevented
- 21 pounds of water-borne waste not created

Sources:
www.edf.org/documents/1687_figures.pdf
www.epa.gov/stateply/resources/index.html

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