

# Group financial statement for 2013

January 21, 2014

## 2013 as expected; positive 2014 outlook

All financial targets were met or exceeded for 2013 following a good fourth quarter. Organic sales growth was 7% (5% DKK, 8% LCY), EBIT grew by 6% and net profit by 9%, and the EBIT margin increased by 0.3 percentage point to 24.7% compared with 2012.

2014 is expected to show a continuation of trends seen in 2013. As a result, the outlook for 2014 is positive with good underlying sales and EBIT growth. The outlook includes the expected financial impact from The BioAg Alliance with Monsanto. The BioAg Alliance does not affect the outlook for organic sales growth, but is expected to have a negative impact on sales growth in LCY and DKK of up to one percentage point. The BioAg Alliance is expected to have a positive impact on the EBIT margin of between a half and a full percentage point. All in all, including The BioAg Alliance, Novozymes expects organic and LCY sales growth of 6-9%, sales growth in DKK of 4-7%, EBIT growth of 6-9% and an EBIT margin of 25-26%.

	Realized		2014 outlook	2013 outlook
	2013	2012	January 21*	October 25
Sales, DKKm	11,746	11,234		
Sales growth, DKK	5%	7%	4-7%	3-5%
Sales growth, LCY	8%	3%	6-9%	6-8%
Sales growth, organic	7%	4%	6-9%	5-7%
Gross margin	57.2%	57.2%		
EBIT, DKKm	2,901	2,745		
EBIT growth	6%	17%	6-9%	4-5%
EBIT margin	24.7%	24.4%	25-26%	24-25%
Net profit, DKKm	2,201	2,016		
Net profit growth	9%	10%	6-9%	7-8%
Net investments excl. acquisitions, DKKm	783	1,177	900-1,100	~900
Free cash flow before acquisitions, DKKm	1,816	1,581	3,200-3,300	1,600-1,700
ROIC (including goodwill)	20.0%	19.9%	~21%	19-20%
Avg. USD/DKK	562	579	550	560
EPS, DKK	7.01	6.42		
EPS (diluted), DKK	6.93	6.33		

\* Assumes exchange rates for the company's key currencies remain at the closing rates on January 20 for the rest of 2014.

The outlook includes the impact from the agreement with Monsanto on The BioAg Alliance (see Company announcement No. 29 of December 10, 2013).

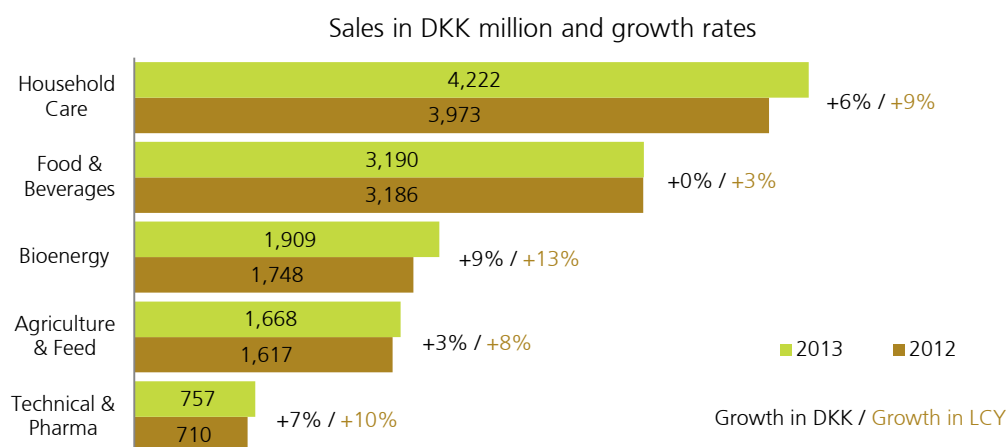
### Peder Holk Nielsen, President and CEO of Novozymes, comments:

"Today we close the books on an eventful 2013 for Novozymes. We delivered a good finish to the year and ended at the high end of our guided ranges for sales growth and above that for earnings. We also signed a number of landmark agreements within Biomass Conversion and BioAgriculture that will enable Novozymes to change the world together with its customers. The outlook for 2014 is positive. We expect that our diversified growth platform will enable us to deliver good sales and EBIT growth. We also expect that The BioAg Alliance will receive the final green light from regulators soon, so we can hit the ground running on developing novel, game-changing BioAg solutions for farmers worldwide."

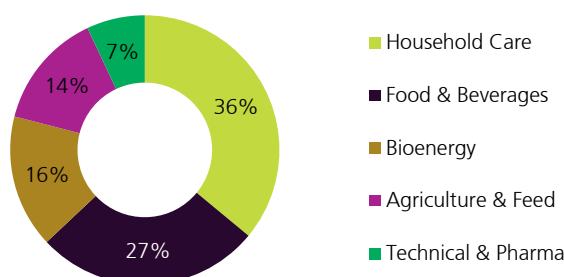
## Sales by industry

Total sales up 5% in DKK, 8% in LCY and 7% organically

Total sales in 2013 were DKK 11,746 million, an increase of 5% compared with 2012. Exchange rates had a significant negative impact on sales, and sales in LCY were up by 8%. Acquisitions contributed approximately 1 percentage point to sales growth and, organically, sales grew by 7%. All sales areas contributed to this growth, with sales to the Household Care and Bioenergy industries the most significant contributors.



Distribution of sales



Household Care up 6% in DKK, 9% in LCY

**Sales to the Household Care industry** increased by 6% in DKK and by 9% in LCY compared with 2012. Sales growth was driven by continued strong demand from customers looking to improve wash performance, enable low-temperature washing and replace chemicals. Sales to emerging markets were a significant growth contributor.

Food & Beverages flat in DKK, up 3% in LCY

**Sales to the Food & Beverages industries** were flat in DKK and increased by 3% in LCY compared with 2012. Sales for the production of healthy foods were the most significant growth contributor. Sales to the baking industry ended the year on par with 2012. Sales in the important freshkeeping area were slightly lower than last year, but sales growth in other baking application areas counterbalanced this impact. Sales to the starch industry also contributed moderately to growth due to positive developments in a number of markets making up for lower sales in China due to lower production of corn syrups and other corn-derived products.

Bioenergy up 9% in DKK, 13% in LCY

**Sales to the Bioenergy industry** were up by 9% in DKK and by 13% in LCY compared with 2012. Organically, sales grew by 12%. The U.S. Energy Information Administration estimates that U.S. fuel ethanol production in 2013 ended on par with 2012, following a strong fourth quarter with estimated growth of 10-12% compared with the fourth quarter of 2012. Bioenergy sales increased by 28% organically in the fourth quarter of 2013 compared with the fourth quarter of 2012. Bioenergy sales benefited from

continued positive developments in Novozymes' novel yield discovery solutions Avantec®, Spirizyme® Achieve and Olexa®. Penetration of all three solutions continued strongly in Q4 as seen throughout the year.

Agriculture & Feed up 3% in DKK, 8% in LCY

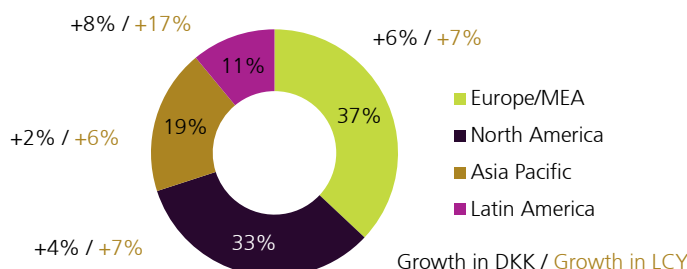
**Sales to the Agriculture & Feed industries** increased by 3% in DKK and by 8% in LCY compared with 2012. Organically, sales grew by 5%. Sales to the BioAg industry grew double digit due to a good performance in the Americas and strong growth in the new markets of Europe and Asia. Double-digit growth is very satisfactory given the high comparables following the Syngenta agreement in Q4 2012.

The integration of TJ Technologies, Inc., acquired in June 2013, is considered complete. The sales impact has so far been limited due to the company's focus on North American markets. Toward the end of 2013, Novozymes entered into an agreement with Monsanto to establish The BioAg Alliance. The alliance is expected to close early 2014 and is subject to approval by the relevant national antitrust authorities. Sales to the animal feed industry were slightly higher compared with last year. RONOZYME® ProAct continued to perform strongly in Europe and Latin America, whereas phytase enzyme sales were challenged in a tough competitive environment.

Technical & Pharma up 7% in DKK, 10% in LCY

**Sales to the Technical & Pharma industries** increased by 7% in DKK and by 10% in LCY compared with 2012. Organically, sales grew by 6%. This sales growth was driven by a strong increase in sales for the manufacture of pharmaceutical products. Sales growth was also supported by positive contributions from the textile and leather businesses.

## Sales by geography



Europe/MEA sales up 6% in DKK (7% LCY)

Sales in Europe, the Middle East & Africa (Europe/MEA) grew by 6% in DKK and by 7% in LCY compared with 2012. Sales to the Household Care and Technical & Pharma industries were the most significant growth drivers, whereas sales to the Agriculture & Feed industries were slightly lower due to the significant BioAg sales in Europe in Q4 2012.

North America sales up 4% in DKK (7% LCY)

Sales in North America increased by 4% in DKK and by 7% in LCY compared with 2012. Sales to the Bioenergy and Agriculture & Feed industries were the strongest growth drivers, whereas sales to the Household Care and Food & Beverages industries came in slightly lower than in 2012.

Asia Pacific sales up 2% in DKK (6% LCY)

Sales in Asia Pacific were up by 2% in DKK and by 6% in LCY compared with 2012. Sales to the Household Care and Food & Beverages industries were the main contributors to sales growth, whereas sales to the Bioenergy industry were lower.

Latin America sales up 8% in DKK (17% LCY)

Sales in Latin America were up by 8% in DKK and by 17% in LCY compared with 2012. All sales areas contributed positively to the sales growth, with sales to the Agriculture & Feed and Household Care industries as the strongest contributors.

## Costs, Other operating income and EBIT

Total costs up 3%	Total costs excluding net financials and tax were DKK 8,858 million, an increase of 3% on 2012. The increase was due to a higher cost of goods sold, which was up by 5% from 2012 to DKK 5,030 million. Production costs increased as a result of higher sales, a higher cost base from acquisitions and higher costs related to the new enzyme plant in Nebraska, U.S.
Gross profit up 5%	Gross profit was up by 5%, and the gross margin was 57.2%, on par with 2012. Continued productivity improvements and favorable product mix changes had a positive impact on the gross margin and offset a negative impact from acquisitions and currencies.
Gross margin flat at 57.2%	Other operating costs increased by only 2% to DKK 3,828 million. The ratio of other operating costs to sales was 33%, on par with 2012.
R&D 13% of sales	<ul style="list-style-type: none"> <li>Sales and distribution costs increased by 4%, representing 13% of sales</li> <li>R&amp;D costs were flat, representing 13% of sales</li> <li>Administrative costs increased by 2%, representing 7% of sales</li> </ul> <p>Other operating income was DKK 13 million, down from DKK 78 million in 2012 due to lower milestone payments within Technical &amp; Pharma.</p> <p>Depreciation and amortization totaled DKK 738 million, compared with DKK 703 million in 2012.</p>
6% EBIT growth	EBIT grew by 6% to DKK 2,901 million, up from DKK 2,745 million in 2012.
24.7% EBIT margin	The EBIT margin was 24.7%, an increase of 0.3 percentage point from 24.4% last year. The EBIT margin increased as a result of continued productivity improvements, favorable product mix changes and the relatively low increase in other operating costs, which more than offset lower other operating income and a negative contribution from currencies and acquisitions.

## Net financials and Net profit

Net financial costs DKK 142 million	Net financial costs decreased by DKK 19 million to DKK 142 million in 2013, down from DKK 161 million in 2012. The decrease was mainly a result of a lower loss on net currency hedging/revaluation of DKK 61 million, which was partly offset by higher other financial costs. Other financial costs increased by DKK 42 million due to higher costs associated with employee stock appreciation rights (SARs) and revaluation of balance sheet items. Net interest expenses were on par with 2012.
Effective tax rate 20.2%	Profit before tax was DKK 2,759 million, an increase of 7% from 2012.
Net profit up 9%	The effective tax rate in 2013 was 20.2%, against 22.0% in 2012. The effective tax rate benefited from utilization of the U.S. Advanced Energy Manufacturing tax credit relating to the new plant in Nebraska and from a deferred tax effect following the enactment of new lower corporate tax rates in Denmark.
	Net profit increased by 9% to DKK 2,201 million, up from DKK 2,016 in 2012, due to the higher EBIT, lower effective tax rate and lower net financial costs.

## Cash flow and Balance sheet

Operating cash flow DKK 2,599 million	Cash flow from operating activities was DKK 2,599 million in 2013, down 6% from DKK 2,758 million in 2012. The lower operating cash flow was mainly a result of lower trade payables and other liabilities, and higher corporation tax paid.
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Net investments excl. acq. DKK 783 million	Net investments excluding acquisitions totaled DKK 783 million, down from DKK 1,177 million in 2012.
Free cash flow before acq. DKK 1,816 million	Free cash flow before acquisitions was DKK 1,816 million, up by 15% compared with 2012. Lower net investments excluding acquisitions were the main driver of the higher free cash flow, which was partly offset by the lower operating cash flow.
Equity ratio 67%	Shareholders' equity increased by 16% to DKK 11,066 million at December 31, 2013, up from DKK 9,568 million at year-end 2012. Shareholders' equity was increased by comprehensive income and sales of treasury stock, partly offset by dividend payments.
Net interest-bearing debt of DKK 805 million	Net interest-bearing debt was DKK 805 million at December 31, 2013, down from DKK 1,430 million at December 31, 2012. Cash flow from operating activities and sales of treasury stock impacted net debt positively, whereas dividend payouts of DKK 692 million, acquisitions totaling DKK 640 million and net investments of DKK 783 million had a negative impact on net interest-bearing debt.
	Net debt-to-equity was 7% at year-end 2013, down from 15% at December 31, 2012.
ROIC 20.0%	Return on invested capital (ROIC), including goodwill, was 20.0%, up from 19.9% in 2012. The improved ROIC was a result of the higher net profit, which more than offset the increase in invested capital, which was higher due to acquisitions.
Treasury stock 1.7% of common stock	At December 31, 2013, the holding of treasury stock was 5.5 million B shares, equivalent to 1.7% of the common stock.

## Sustainability

Novozymes measures its sustainability performance on both environmental and social parameters. Of the environmental targets, Novozymes reached its target for CO<sub>2</sub> efficiency, whereas the company did not reach its targets for energy and water efficiency. Product mix changes and lower global capacity utilization following the inclusion of the Nebraska site in global supply operations were the main reasons for this. On the employee side, Novozymes reached the majority of its targets. Notably, the company witnessed a record-low level of occupational accidents. In 2013, Novozymes' solutions helped reduce global CO<sub>2</sub> emissions by an estimated 52 million tons, an improvement of 8% on 2012.

	2013	2012	2013 target
Water efficiency (compared with 2005)	33%	32%	35%
Energy efficiency (compared with 2005)	40%	38%	42%
CO <sub>2</sub> efficiency (compared with 2005)	54%	55%	>50%
CO <sub>2</sub> emission reductions (million tons) from customers' application of Novozymes' products	52	48	50
Significant spills	-	-	-
Fatalities	-	1	-
Occupational accidents per million working hours	2.4	3.0	<3.0
Number of employees on December 31	6,236	6,041	
Rate of employee turnover	7.5%	8.1%	4-9%
Rate of absence	1.8%	1.9%	<3%
Supplier adherence to our supplier program	97%	-	95%
"Satisfaction and motivation" score in employee survey	77	78	75%
"Opportunities for professional and personal development" score in employee survey	74	75	75%
New leaders appointed who are women	26%	-	30%
New leaders appointed of a nationality other than Danish	44%	-	55%
Rating from RobecoSAM in the Sustainability Yearbook 2014; prizes are awarded early 2014	N/A	Gold	Gold
Novozymes succeeded in championing the establishment of the biofuels initiative under the U.N.-led initiative SE4All (Sustainable Energy for All) in 2013.			

## Outlook for 2014

	2014 outlook January 21*	2013 realized
Sales growth, DKK	4-7%	5%
Sales growth, LCY	6-9%	8%
Sales growth, organic	6-9%	7%
EBIT growth	6-9%	6%
EBIT margin	25-26%	24.7%
Net profit growth	6-9%	9%
Net investments excl. acquisitions, DKKm	900-1,100	783
Free cash flow before acquisitions, DKKm	3,200-3,300	1,816
ROIC (including goodwill)	~21%	20.0%
Avg. USD/DKK	550	562

\* Assumes exchange rates for the company's key currencies remain at the closing rates on January 20 for the rest of 2014. The outlook includes the impact from the agreement with Monsanto on The BioAg Alliance (see Company announcement No. 29 of December 10, 2013).

Monsanto  
impact  
included in  
2014 outlook

On December 10, 2013, Novozymes announced the formation of The BioAg Alliance with Monsanto. This agreement is expected to close early 2014 and will impact financial performance in 2014. This outlook builds on the assumption that the agreement is approved by the relevant authorities, hence the outlook includes the financial impact as described in Company announcement No. 29, 2013 and further explained below.

2013 was an important year for Novozymes. Sales and earnings grew satisfactorily. Currencies provided headwinds, but in general the business continued on the right track. Looking at 2014, we expect a continuation of trends seen in 2013 with good underlying sales and EBIT growth. The outlook for 2014 is positive and offers scenarios of a stronger performance in 2014 than in 2013.

Sales growth:  
organic 6-9%  
LCY 6-9%  
DKK 4-7%

On the sales side, Novozymes expects organic and LCY sales growth of 6-9%. Based on exchange rates at January 20, 2014, currencies will also in 2014 provide headwinds, and sales growth in DKK is expected to be 4-7%.

Novozymes expects a positive contribution to sales growth from all five sales areas. Of these, Household Care and Bioenergy are expected to be the most significant growth contributors.

Household Care sales are expected to be driven by a continued desire by customers to improve wash performance, enable low-temperature washing and replace chemicals. As in 2013, emerging markets are expected to contribute strongly to sales growth.

Food & Beverages sales growth is expected to be driven by further growth in solutions for the production of healthy foods. The large application areas of baking and starch conversion are also expected to contribute to growth.

Bioenergy sales are expected to benefit from increased penetration of Novozymes' novel yield discovery solutions Avantec®, Spirizyme® Achieve and Olexa®. The 2014 sales outlook is based on the expectation that U.S. fuel ethanol production in 2014 will be around 13.5 billion gallons, slightly higher than in 2013.

Sales to the Technical & Pharma industries are expected to grow, primarily due to an expected increase in pharma sales.

### The BioAg Alliance

Sales to the Agriculture & Feed industries are expected to be impacted by The BioAg Alliance. The alliance will not have any impact on organic sales growth in BioAg, but Agriculture & Feed sales in DKK and LCY are expected to be negatively impacted by up to 7 percentage points (up to 1% of total sales). The positive contribution from TJ Technologies will offset about half of this impact, resulting in a net negative impact from acquisitions and divestments on Agriculture & Feed sales in DKK and LCY of 3-4 percentage points.



In The BioAg Alliance, Novozymes' BioAg sales recognition will change to reflect the equal value share with Monsanto. Agriculture & Feed sales are expected to be negatively impacted by up to 7 percentage points in 2014, as DKK 150-200 million of the total deferred income arising from the up-front payment received from Monsanto is expected to be recognized as sales in 2014. The total deferred income is around DKK 1,500 million and is expected to be allocated to sales over a period of 5-10 years starting in 2014.

The net impact on Novozymes' gross margin in 2014 of Novozymes and Monsanto splitting revenue and of the deferred income is an expected negative impact of around 1 percentage point.

Total sales and distribution costs as a percentage of sales for Novozymes are expected to decrease by around 1 percentage point given the transfer of marketing responsibility to Monsanto. This roughly evens out the negative impact from the lower gross margin.

As part of the BioAg Alliance, Novozymes will increase its spending on R&D, but keeps its target of an EBIT margin of more than 24%.

In 2014, Novozymes expects to realize a one-time gain from the transfer of predominantly intangible assets to Monsanto, as the transaction value of the assets exceeds the book value. The positive contribution to the EBIT margin in 2014 net of transaction costs, transition costs and increased R&D spend in 2014 is 0.5-1 percentage point.

Organically, Agriculture & Feed sales are expected to show a similar pattern to 2013. BioAg sales, now through The BioAg Alliance, are expected to deliver good underlying growth in the Americas and strong growth in new markets. Feed sales are expected to deliver only modest growth due to the competitive situation in phytases.

## 2014 financial outlook

EBIT growth  
6-9%

EBIT growth is expected to be 6-9%. Higher sales, continued productivity improvements and the one-time impact from The BioAg Alliance are expected to have a positive impact on EBIT, whereas currencies are expected to provide yet another year of headwinds.

EBIT margin  
25-26%

The EBIT margin is expected to be 25-26%, including the one-time positive impact of 0.5-1 percentage point from The BioAg Alliance.

The effective tax rate is expected at ~23%.

Net profit  
growth 6-9%

Net profit is expected to grow by 6-9%.

Around 75% of expected USD/DKK exposure for 2014 has been hedged at 5.79 DKK/USD. In 2013, the full USD/DKK exposure was hedged at 5.63.

Net investments  
DKK 900-1,100  
million

Net investments are expected to be DKK 900-1,100 million. Besides maintenance CAPEX, most investments target operational efficiency improvements. Novozymes also expects R&D-related CAPEX to support The BioAg Alliance.

FCF before acq.  
DKK 3,200-  
3,300 million

Free cash flow before acquisitions is expected at DKK 3,200-3,300 million. The free cash flow includes the positive impact from The BioAg Alliance agreement, which is expected to contribute DKK 1,350-1,400 million, slightly lower than what was communicated in December 2013 due to timing of CAPEX.

ROIC ~21%

Return on invested capital is expected at ~21%, including the positive impact from The BioAg Alliance of around 1.5 percentage points.

Novozymes expects to initiate a new stock buyback program following the closing of The BioAg Alliance. For more information, please see page 10.

The outlook is based on exchange rates for the company's key currencies remaining at the closing rates on January 20, 2014, for the full year.

(DKK)	EUR	USD	BRL	CNY
Average exchange rate 2013	746	562	262	91
Closing rate January 20, 2014	746	550	236	91
Estimated average exchange rate 2014	746	550	236	91
Change in estimated exchange rate 2014 compared with average exchange rate 2013	0%	-2%	-10%	0%

Other things being equal, a 5% movement in the USD is expected to have an annual impact on EBIT of DKK 70-90 million.

The following sustainability expectations are included in the outlook for 2014:

- Improve energy efficiency by 42% compared with 2005
- Maintain CO<sub>2</sub> efficiency above 50% compared with 2005
- Improve water efficiency by 34% compared with 2005
- Keep the frequency of occupational accidents below 3.0 per million working hours
- Keep employee absence below 3%
- Keep employee turnover between 4% and 9%
- Ensure 97.5% supplier adherence to our supplier program for commercial, quality and sustainability performance
- Score at least 75 for "satisfaction and motivation" in our employee survey
- Score at least 75 for "opportunities for professional and personal development" in our employee survey
- Ensure that at least 30% of new leaders appointed are women
- Ensure that at least 55% of new leaders appointed are a nationality other than Danish
- Obtain Medal Class rating from RobecoSAM in the Sustainability Yearbook 2015
- Ensure that biofuels are included as a High Impact Opportunity in the U.N.-led Sustainable Energy for All initiative
- Enable a 56 million ton reduction in CO<sub>2</sub> emissions through our customers' application of our products

## Strategic update

In January 2013, Novozymes updated its financial targets for the next five-year period.

Updated long-term financial targets for the period 2013-2017:

- Average organic sales growth of more than 10% (from 2015 and onward)
- EBIT margin of more than 24%
- Return on invested capital of more than 22%

These targets are based on the assumptions that:

- The global economy stabilizes
- The biofuel market in the U.S. moves toward E15
- Novozymes sells enzymes to at least 15 biomass conversion plants by 2017, with a ramp-up in 2015-2016

The targets are contingent upon no major acquisitions being made. These targets and assumptions are still in place following 2013, which delivered the expected ramp-up in organic sales growth to 7%, a ROIC of 20.0% and an EBIT margin of 24.7%.

### Financial target: sales growth

Growth is expected to be well diversified and come from all sales areas during the period, with Household Care and Bioenergy sales among the strongest contributors. For the growth platform Biomass Conversion, sales are expected to materialize slowly in 2014 and contribute more significantly to sales growth from 2015. Furthermore, assuming approvals from the relevant authorities, The BioAg Alliance with Monsanto is expected to drive significant sales growth from 2015 within BioAg.



Novozymes' long-term targets assume that the company will supply at least 15 biomass conversion plants by the end of 2017. In 2013, Novozymes signed a number of supply agreements, and Novozymes still expects this assumption to hold. The 15 plants will come via Beta Renewables and through close partnerships with other leading global biomass, ethanol and chemicals companies. By the end of 2013, Novozymes had signed supply agreements for planned facilities taking it around a third of the way toward the 15.

Novozymes also assumes that the U.S. biofuel market will move toward E15. Currently, there are political discussions in the U.S. about the Renewable Fuel Standard and the role of biofuels in the American energy mix. The penetration of E15 or other higher-ethanol blends is therefore slow, but this is not unexpected.

### **Financial target: EBIT margin**

Novozymes has delivered on this target for the last two years. The target allows Novozymes to retain the flexibility to invest in the business and pursue opportunities for long-term growth, while keeping the EBIT margin at an ambitious level.

### **Financial target: ROIC**

As CAPEX is normalizing while sales are growing and productivity improvements continue to be realized, Novozymes expects to achieve the ROIC target of 22% (incl. goodwill) within a couple of years. This outlook includes the impact from The BioAg Alliance agreement with Monsanto.

### **Industrial enzyme market**

Novozymes estimates that the global industrial enzyme market grew by 5% in DKK to a total of DKK 22 billion in 2013. Novozymes estimates that it grew its global market share by 1 percentage point to 48%, driven by increased market share in Household Care and Bioenergy.

### **Innovation**

The company expects to continue to spend 13-14% of sales on R&D. Novozymes believes that this level of investment will enable the company to achieve growth in the short, medium and long term. The exact ratio will fluctuate with the opportunities that present themselves in a given year. Novozymes will continue to invest significantly in ongoing operations, new technologies, productivity improvements and growth platforms such as BioAg and Biomass Conversion. The success of R&D efforts will be measured by the increased commercial impact of new products and concepts.

### **Investments excluding acquisitions**

Novozymes expects that an investment level below 8% of sales will be sufficient going forward to cater for 10% sales growth. Should future growth opportunities that require up-front investment be identified, Novozymes will allow investments to exceed the targeted level. Currently, there are no major CAPEX plans besides the previously communicated intention to expand enzyme-manufacturing capacity in Brazil. The final decision on size, location, budget and timing hereof has not been made yet. R&D facility expansions are not included in this guidance.

### **Acquisitions and partnerships**

Novozymes continues to be interested in companies and technologies that fit strategically with its overall objectives and can balance the portfolio in terms of risk, future value creation, market access and resource utilization. 2013 was a year of both acquisitions and significant partnerships, and Novozymes will continue to search for new partnership opportunities and to acquire and divest activities to ensure a balanced portfolio.

### **Sustainability**

Sustainability is an integral part of Novozymes' business. The nature of Novozymes' technology enables customers to optimize their use of raw materials and energy. This has become a competitive advantage as more customers look to use sustainability as a differentiator.

The long-term sustainability targets below reflect Novozymes' sustainability ambitions and activities across the value chain, and are intended to ensure the long-term development of Novozymes as an international, inclusive and successful company:

- Ensure 100% supplier adherence to Novozymes' supplier program for commercial, quality and sustainability performance in 2015
- Enable a 75 million ton reduction in CO<sub>2</sub> emissions in 2015 through the application of Novozymes' products
- Improve water efficiency by 40% in 2015 compared with 2005
- Improve energy efficiency by 50% in 2015 compared with 2005
- Improve CO<sub>2</sub> efficiency by 50% in 2015 compared with 2005
- Increase energy supply from renewable and CO<sub>2</sub>-neutral sources to 50% of total energy supply in 2020
- Be recognized as a global leader within sustainability
- Be a globally preferred employer, attracting global talent as a diverse and inclusive workplace

## Dividend

At the Annual Shareholders' Meeting on February 26, 2014, the Board of Directors will propose a dividend payment of DKK 2.50 per share for the 2013 financial year. This would mark an increase of 14% compared with 2012 and result in a payout ratio of 35.7%. The payout ratio thereby reaches the target of 35%.

## Stock buyback program

With reference to Company announcement No. 29 of December 10, 2013, Novozymes will initiate a new stock buyback program worth up to DKK 2 billion in total. The program will be initiated following the closing of The BioAg Alliance early in 2014 and run for the remainder of 2014. The specific starting date will be communicated once the agreement with Monsanto is closed.

The stock acquired within the program will be used to reduce the common stock and to meet obligations arising from stock-based incentive programs. The cancellation of stock will take place after the program is finished and will be subject to approval at the Annual Shareholders' Meeting.

## Incentive program for Executive Leadership 2011-2013

The incentive program for the period 2011-2013, announced in Company announcement No. 10 of March 2, 2011, has come to an end. The accumulated economic profit for the three years was DKK 3,818 million, thereby exceeding the target of DKK 3,750 million. As a result, on January 21, 2014, the full number of shares associated with the program has been released to the Executive Leadership Team as follows:

Recipient	No. of shares
Peder Holk Nielsen	125,075
Benny Loft	111,177
Thomas Videbæk	111,177
Per Falholt	111,177
Thomas Nagy	111,177
Andrew Fordyce	27,794
Total number of shares released to the Executive Leadership Team	597,577
Steen Riisgaard	125,074
Total number of shares granted in program	722,651

## New incentive program for Executive Leadership

A new three-year incentive program for the Executive Leadership Team has been established. This program complies with the remuneration guidelines approved by the 2011 Annual Shareholders' Meeting and replaces the programs that expired at the end of 2013.

The new program is an equal stock and stock option program. Awards will depend on economic profit, based on sales growth, EBIT margin and return on invested capital. In the new program, the Executive Leadership Team will be awarded stock options annually, whereas the allotted number of B shares awarded under the program will be allocated in January 2017, once the aggregated economic profit is known. The awarded stock options have a vesting period of three years, after which there is an exercise period of five years. The stock program has a three-year qualifying period starting on January 1, 2014, after which the stock will be transferred to the recipient.

If the economic profit for the period is DKK 5 billion, 80% of the stock and options will be awarded. The DKK 5 billion target is ambitious and requires the company to deliver on its long-term financial targets in 2015 and 2016 following a ramp-up from 2014. If an economic profit of DKK 5.5 billion or more is generated, 100% of the stock and options will be awarded; if economic profit is DKK 2.5 billion or less, no stock or options will be awarded. Between these three points, a proportional number of shares and options will be granted. The BioAg Alliance agreement with Monsanto is included in the economic profit calculation, whereas other potential acquisitions or extraordinary BioAg investments may result in an adjustment of the economic profit realized.

For the Executive Leadership Team, the value of the three-year program is approximately DKK 134 million as of January 1, 2014. The value of the program corresponds to the aggregated annual remuneration of the Executive Leadership Team in 2014-2016 (basic salary, maximum cash bonus and pension contributions). Like the previous incentive program, the new program contains a maximum-value clause. If the intrinsic value of the program for the Executive Leadership Team rises to more than DKK 268 million on the date on which the Annual Report for 2016 is approved in January 2017, the Board of Directors may choose to limit the award of stock and options to a value of approximately DKK 268 million.

The stock price used in calculating the number of shares in the program is based on the average of the closing rates on Nasdaq OMX Copenhagen for the five trading days following the publication of the 2013 Annual Report. The stock price used to calculate the intrinsic value of the program will be the average of the closing rates on Nasdaq OMX Copenhagen for the five trading days leading up to the approval of the 2016 Annual Report. The WACC used to calculate the economic profit is fixed at 7.0%.

Furthermore, a three-year program has been established for senior leadership below executive level (approximately 180 vice presidents and directors). To a large degree the program follows the same mechanisms as the program for the Executive Leadership Team. The value of this three-year program is approximately DKK 150 million as of January 1, 2014, and the maximum-value clause is approximately DKK 300 million.

## Changes to the Board of Directors

Novozymes has been informed that Vice Chairman Kurt Anker Nielsen has decided not to seek re-election to the Board of Directors at the Annual Shareholders' Meeting on February 26, 2014. Kurt Anker Nielsen has served on the Board since the IPO and chaired the Audit Committee since 2008.

The Board of Directors will propose re-election of Henrik Görtler as Chairman and election of Agnete Raaschou-Nielsen as the new Vice Chairman. Agnete Raaschou-Nielsen has been a member of the Board of Directors since 2011. The Board of Directors will propose re-election of Lena Olving, Jørgen Buhl Rasmussen and Mathias Uhlén, and election of Lars Green. Lars Green, born 1967, serves as Senior Vice President, Corporate Finance, Novo Nordisk A/S. The Board of Directors recommends election of Lars Green because of

his in-depth knowledge of the Novo Group's business, experience of managing international biotech and biopharmaceutical companies, and financial and accounting expertise.

## Update on financial support to M&G Chemicals

In Company announcement No. 27 of November 27, 2013, Novozymes announced that in order to support M&G Chemicals' vision for producing biomass-based plastics, it would provide financial support of USD 35 million by way of a cornerstone investment in M&G Chemicals' initial public offering (IPO). Novozymes has been informed that the IPO will not proceed for the time being, and as a result Novozymes has been released from its cornerstone investment. M&G Chemicals has informed Novozymes that it is still committed to growing its business in China and will continue to do so irrespective of the decision to postpone the IPO. As previously announced, Novozymes remains the exclusive supplier of enzyme technology to the planned M&G Chemicals biorefinery in Anhui province, China. The biorefinery remains contingent upon successful financing. Novozymes remains committed to providing M&G Chemicals with financial support of USD 35 million, the exact form and details of which have yet to be determined.

## Accounting policies

The Group financial statement for 2013 has been prepared in accordance with IAS 34 and the additional Danish regulations for the presentation of quarterly interim reports by listed companies. The Group financial statement for 2013 should be read in conjunction with the consolidated financial statements for the year ended December 31, 2013, which have been prepared in accordance with IFRS.

## Forward-looking statements

This company announcement contains forward-looking statements, including the financial outlook for 2014. Forward-looking statements are, by their very nature, associated with risks and uncertainties that may cause actual results to differ materially from expectations. The uncertainties may include unexpected developments in the international currency exchange and securities markets, market-driven price decreases for Novozymes' products, and the launch of competing products in Novozymes' core areas.

## Contact information

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### Statement of the Board of Directors and Executive Leadership Team

The Board of Directors and the Executive Leadership Team have approved the Annual Report of Novozymes A/S for 2013. The Board of Directors and the Executive Leadership Team have also considered and approved this unaudited and not reviewed Group financial statement for Novozymes A/S for 2013.

The Group financial statement has been prepared in accordance with International Financial Reporting Standards (as adopted by the EU) and additional Danish regulations for the presentation of Group financial statements by listed companies.

In our opinion, the accounting policies used are appropriate, the Group's internal controls relevant to preparation and presentation of a Group financial statement are adequate, and the Group financial statement gives a true and fair view of the Group's assets, liabilities, net profit and financial position at December 31, 2013, and of the results of the Group's operations and cash flow for 2013.

We further consider that the Management review in the preceding pages gives a true and fair view of the development in the Group's activities and business, the profit for the period and the Group's financial position as a whole, and a description of the most significant risks and uncertainties to which the Group is subject.

Bagsvaerd, January 21, 2014

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#### Executive Leadership Team

Peder Holk Nielsen  
*President & CEO*

Benny D. Loft

Per Falholt

Andrew Fordyce

Thomas Nagy

Thomas Videbæk

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#### Board of Directors

Henrik Gürtler  
*Chairman*

Kurt Anker Nielsen  
*Vice Chairman*

Mathias Uhlén

Anders Hentze Knudsen

Lars Bo Køppler

Lena Bech Holskov

Lena Olving

Agnete Raaschou-Nielsen

Jørgen Buhl Rasmussen

### Appendices

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## Appendix 1: Main items and key figures

## 1.1 Key figures

(DKK million)	2013	2012	% change	Q4 2013	Q4 2012	% change
<b>Revenue</b>	<b>11,746</b>	<b>11,234</b>	5%	<b>2,940</b>	<b>2,811</b>	5%
<b>Gross profit</b>	<b>6,716</b>	<b>6,423</b>	5%	<b>1,672</b>	<b>1,609</b>	4%
Gross margin	57.2%	57.2%		56.9%	57.2%	
<b>EBITDA</b>	<b>3,639</b>	<b>3,448</b>	6%	<b>889</b>	<b>832</b>	7%
EBITDA margin	31.0%	30.7%		30.2%	29.6%	
<b>Operating profit / EBIT</b>	<b>2,901</b>	<b>2,745</b>	6%	<b>703</b>	<b>671</b>	5%
EBIT margin	24.7%	24.4%		23.9%	23.9%	
Net financials	(142)	(161)		4	(52)	
<b>Profit before tax</b>	<b>2,759</b>	<b>2,584</b>	7%	<b>707</b>	<b>619</b>	14%
Tax	558	568	(2)%	144	126	14%
<b>Net profit</b>	<b>2,201</b>	<b>2,016</b>	9%	<b>563</b>	<b>493</b>	14%
<b>Earnings per DKK 2 share</b>	<b>7.01</b>	<b>6.42</b>	9%	<b>1.79</b>	<b>1.58</b>	14%
<b>Earnings per DKK 2 share (diluted)</b>	<b>6.93</b>	<b>6.33</b>	9%	<b>1.77</b>	<b>1.56</b>	14%
<b>Net investments</b>	<b>783</b>	<b>1,177</b>	(33)%			
<b>Free cash flow before acquisitions and purchase of financial assets</b>	<b>1,816</b>	<b>1,581</b>	15%			
<b>Return on invested capital after tax, ROIC, incl. goodwill</b>	<b>20.0%</b>	<b>19.9%</b>				
<b>Net interest-bearing debt</b>	<b>805</b>	<b>1,430</b>	(44)%			
<b>Equity ratio</b>	<b>67.0%</b>	<b>63.3%</b>				
<b>Return on equity</b>	<b>21.3%</b>	<b>21.9%</b>				
<b>Debt-to-equity ratio</b>	<b>7.3%</b>	<b>14.9%</b>				

## 1.2 Five-year income statement 2009-2013

(DKK million)	2013	2012	Full year 2011	2010	2009
<b>Revenue</b>	<b>11,746</b>	<b>11,234</b>	<b>10,510</b>	<b>9,724</b>	<b>8,448</b>
<b>Gross profit</b>	<b>6,716</b>	<b>6,423</b>	<b>5,908</b>	<b>5,412</b>	<b>4,700</b>
Gross margin	57.2%	57.2%	56.2%	55.7%	55.6%
<b>Operating profit (EBIT)</b>	<b>2,901</b>	<b>2,745</b>	<b>2,340</b>	<b>2,117</b>	<b>1,688</b>
Operating profit margin	24.7%	24.4%	22.3%	21.8%	20.0%
Net financials	(142)	(161)	75	6	(67)
<b>Profit before tax</b>	<b>2,759</b>	<b>2,584</b>	<b>2,415</b>	<b>2,123</b>	<b>1,621</b>
Corporation tax	558	568	587	509	427
<b>Net profit</b>	<b>2,201</b>	<b>2,016</b>	<b>1,828</b>	<b>1,614</b>	<b>1,194</b>
Non-controlling interests	1	1	2	1	0
<b>Net profit to shareholders in Novozymes A/S</b>	<b>2,200</b>	<b>2,015</b>	<b>1,826</b>	<b>1,613</b>	<b>1,194</b>
Foreign exchange gain/(loss), net	(22)	(83)	190	68	56
Interest income/(costs)	(61)	(61)	(76)	(23)	(140)
Other financial items	(59)	(17)	(39)	(39)	17
<b>Total financial income/(costs)</b>	<b>(142)</b>	<b>(161)</b>	<b>75</b>	<b>6</b>	<b>(67)</b>
Return on invested capital after tax (ROIC) incl. goodwill	20.0%	19.9%	21.3%	22.2%	20.3%
<b>Earnings per DKK 2 share</b>	<b>7.01</b>	<b>6.42</b>	<b>5.79</b>	<b>5.15</b>	<b>3.85</b>
Average no. of A/B shares outstanding (million)	313.8	314.0	315.2	313.2	310.3
<b>Earnings per DKK 2 share (diluted)</b>	<b>6.93</b>	<b>6.33</b>	<b>5.71</b>	<b>5.05</b>	<b>3.79</b>
Average no. of A/B shares diluted (million)	317.4	318.3	320.0	319.4	315.4
Net interest-bearing debt	805	1,430	1,019	346	949
Equity ratio	67.0%	63.3%	63.7%	62.2%	53.6%
Return on equity	21.3%	21.9%	21.9%	23.6%	23.1%

## 1.3 Income statement

(DKK million)	2013	2012	Q4 2013	Q4 2012
Revenue	11,746	11,234	2,940	2,811
Cost of goods sold	5,030	4,811	1,268	1,202
<b>Gross profit</b>	<b>6,716</b>	<b>6,423</b>	<b>1,672</b>	<b>1,609</b>
Sales and distribution costs	1,476	1,421	383	357
Research and development costs	1,528	1,527	383	388
Administrative costs	824	808	214	202
Other operating income, net	13	78	11	9
<b>Operating profit / EBIT</b>	<b>2,901</b>	<b>2,745</b>	<b>703</b>	<b>671</b>
Net financials	(142)	(161)	4	(52)
<b>Profit before tax</b>	<b>2,759</b>	<b>2,584</b>	<b>707</b>	<b>619</b>
Tax	558	568	144	126
<b>Net profit</b>	<b>2,201</b>	<b>2,016</b>	<b>563</b>	<b>493</b>
<b>Attributable to</b>				
Shareholders in Novozymes A/S	2,200	2,015	563	493
Non-controlling interests	1	1	-	-
<b>Details of net financials</b>				
Foreign exchange gain/(loss), net	(22)	(83)	39	(14)
Interest income/(costs)	(61)	(61)	(24)	(29)
Other financial items	(59)	(17)	(11)	(9)
<b>Net financials</b>	<b>(142)</b>	<b>(161)</b>	<b>4</b>	<b>(52)</b>
<b>Earnings per DKK 2 share</b>	<b>7.01</b>	<b>6.42</b>	<b>1.79</b>	<b>1.58</b>
Average no. of A/B shares outstanding (million)	313.8	314.0	314.2	312.2
<b>Earnings per DKK 2 share (diluted)</b>	<b>6.93</b>	<b>6.33</b>	<b>1.77</b>	<b>1.56</b>
Average no. of A/B shares, diluted (million)	317.4	318.3	318.0	316.2

## 1.4 Statement of comprehensive income

(DKK million)	2013	2012	Q4 2013	Q4 2012
<b>Net profit</b>	<b>2,201</b>	<b>2,016</b>	<b>563</b>	<b>493</b>
<b>Other comprehensive income</b>				
Currency translation of subsidiaries and minority interests	(370)	(68)	(153)	(87)
Tax related to currency translation	16	(2)	16	(2)
Cash flow hedges	113	(6)	32	33
- transferred to financial income/costs	8	51	(11)	10
Tax related to cash flow hedges	(30)	(8)	(5)	(11)
<b>Other comprehensive income</b>	<b>(263)</b>	<b>(33)</b>	<b>(121)</b>	<b>(57)</b>
<b>Comprehensive income</b>	<b>1,938</b>	<b>1,983</b>	<b>442</b>	<b>436</b>
<b>Attributable to</b>				
Shareholders in Novozymes A/S	1,937	1,982	442	436
Non-controlling interests	1	1	-	-

## Appendix 2: Distribution of revenue

## 2.1 By industry

(DKK million)	2013	2012	% change	% currency impact	% change in local currency
Household Care	4,222	3,973	6	(3)	9
Food & Beverages	3,190	3,186	-	(3)	3
Bioenergy	1,909	1,748	9	(4)	13
Agriculture & Feed	1,668	1,617	3	(5)	8
Technical & Pharma	757	710	7	(3)	10
<b>Total</b>	<b>11,746</b>	<b>11,234</b>	<b>5</b>	<b>(3)</b>	<b>8</b>

(DKK million)	2013 Q4	2012 Q4	% change	% currency impact	% change in local currency
Household Care	1,066	976	9	(4)	13
Food & Beverages	796	806	(1)	(4)	3
Bioenergy	540	440	23	(6)	29
Agriculture & Feed	382	430	(11)	(7)	(4)
Technical & Pharma	156	159	(2)	(5)	3
<b>Total</b>	<b>2,940</b>	<b>2,811</b>	<b>5</b>	<b>(4)</b>	<b>9</b>

(DKK million)	2013				2012				% change Q4/Q4
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Household Care	1,066	1,078	1,065	1,013	976	1,035	997	965	9
Food & Beverages	796	823	809	762	806	837	769	774	(1)
Bioenergy	540	496	475	398	440	424	452	432	23
Agriculture & Feed	382	337	439	510	430	352	408	427	(11)
Technical & Pharma	156	202	237	162	159	190	225	136	(2)
<b>Total</b>	<b>2,940</b>	<b>2,936</b>	<b>3,025</b>	<b>2,845</b>	<b>2,811</b>	<b>2,838</b>	<b>2,851</b>	<b>2,734</b>	<b>5</b>

## 2.2 By geography

(DKK million)	2013	2012	% change	% currency impact	% change in local currency
Europe, Middle East & Africa	4,379	4,138	6	(1)	7
North America	3,863	3,716	4	(3)	7
Asia Pacific	2,234	2,200	2	(4)	6
Latin America	1,270	1,180	8	(9)	17
<b>Total</b>	<b>11,746</b>	<b>11,234</b>	<b>5</b>	<b>(3)</b>	<b>8</b>

(DKK million)	Q4 2013	Q4 2012	% change	% currency impact	% change in local currency
Europe, Middle East & Africa	1,112	1,129	(2)	(2)	-
North America	930	823	13	(5)	18
Asia Pacific	542	556	(3)	(7)	4
Latin America	356	303	17	(14)	31
<b>Total</b>	<b>2,940</b>	<b>2,811</b>	<b>5</b>	<b>(4)</b>	<b>9</b>

(DKK million)	2013				2012				% change Q4/Q4
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Europe, Middle East & Africa	1,112	1,100	1,100	1,067	1,129	1,041	971	997	(2)
North America	930	905	1,051	977	823	854	1,049	990	13
Asia Pacific	542	569	576	547	556	581	551	512	(3)
Latin America	356	362	298	254	303	362	280	235	17
<b>Total</b>	<b>2,940</b>	<b>2,936</b>	<b>3,025</b>	<b>2,845</b>	<b>2,811</b>	<b>2,838</b>	<b>2,851</b>	<b>2,734</b>	<b>5</b>

## Appendix 3: Statement of cash flows

(DKK million)	2013	2012
<b>Net profit</b>	<b>2,201</b>	<b>2,016</b>
Reversals of non-cash cost items	1,565	1,337
Tax paid	(599)	(393)
Interest received	3	15
Interest paid	(63)	(77)
<b>Cash flow before change in working capital</b>	<b>3,107</b>	<b>2,898</b>
<b>Change in working capital</b>		
(Increase)/decrease in receivables	(277)	(265)
(Increase)/decrease in inventories	(82)	(85)
Increase/(decrease) in trade payables and other liabilities	(134)	211
Increase/(decrease) in exchange gain/loss	(15)	(1)
<b>Cash flow from operating activities</b>	<b>2,599</b>	<b>2,758</b>
<b>Investments</b>		
Purchase of intangible assets	(24)	(54)
Sale of property, plant and equipment	3	5
Purchase of property, plant and equipment	(762)	(1,128)
<b>Cash flow from investing activities before acquisitions and purchase of financial assets</b>	<b>(783)</b>	<b>(1,177)</b>
<b>Free cash flow before acquisitions and purchase of financial assets</b>	<b>1,816</b>	<b>1,581</b>
Business acquisitions and purchase of financial assets	(640)	(732)
<b>Free cash flow after acquisitions and purchase of financial assets</b>	<b>1,176</b>	<b>849</b>
<b>Financing activities</b>		
Borrowings	263	797
Repayments of borrowings	(270)	(683)
Purchase of treasury stock	-	(832)
Sale of treasury stock	167	156
Dividend paid	(692)	(603)
<b>Cash flow from financing activities</b>	<b>(532)</b>	<b>(1,165)</b>
<b>Net cash flow</b>	<b>644</b>	<b>(316)</b>
Unrealized gain/loss on currencies and financial assets, included in cash and cash equivalents	(32)	22
<b>Net change in cash and cash equivalents</b>	<b>612</b>	<b>(294)</b>
Cash and cash equivalents at January 1	330	624
<b>Cash and cash equivalents at December 31</b>	<b>942</b>	<b>330</b>

Undrawn committed credit facilities were DKK 4,119 million at December 31, 2013.

## Appendix 4: Balance sheet and Statement of shareholders' equity

## 4.1 Balance sheet

<b>Assets</b> (DKK million)	<b>Dec. 31, 2013</b>	<b>Dec. 31, 2012</b>
Completed IT development projects	86	40
Acquired patents, licenses and know-how	1,754	1,759
Goodwill	1,022	811
IT development projects in progress	2	62
<b>Intangible assets</b>	<b>2,864</b>	<b>2,672</b>
Land and buildings	2,480	2,619
Plant and machinery	3,578	3,313
Other equipment	527	475
Property, plant and equipment under construction	550	677
<b>Property, plant and equipment</b>	<b>7,135</b>	<b>7,084</b>
Deferred tax assets	456	224
Other financial assets (non-interest-bearing)	14	0
Investment in associate	45	52
Other receivables	162	191
<b>Non-current assets</b>	<b>10,676</b>	<b>10,223</b>
Raw materials and consumables	276	273
Goods in progress	467	399
Finished goods	1,159	1,136
<b>Inventories</b>	<b>1,902</b>	<b>1,808</b>
Trade receivables	2,242	2,080
Tax receivables	151	138
Other receivables	301	284
<b>Receivables</b>	<b>2,694</b>	<b>2,502</b>
Other financial assets (non-interest-bearing)	87	45
Cash at bank and in hand	1,003	535
	<b>5,686</b>	<b>4,890</b>
Assets held for sale	144	0
<b>Current assets</b>	<b>5,830</b>	<b>4,890</b>
<b>Assets</b>	<b>16,506</b>	<b>15,113</b>



Liabilities and shareholders' equity (DKK million)	Dec. 31, 2013	Dec. 31, 2012
Common stock	639	650
Other reserves	169	432
Retained earnings	10,246	8,473
Non-controlling interests	12	13
<b>Shareholders' equity</b>	<b>11,066</b>	<b>9,568</b>
Deferred tax liabilities	956	741
Provisions	151	140
Other financial liabilities (interest-bearing)	1,716	1,723
Other financial liabilities (non-interest-bearing)	18	26
<b>Non-current liabilities</b>	<b>2,841</b>	<b>2,630</b>
Other financial liabilities (interest-bearing)	92	242
Other financial liabilities (non-interest-bearing)	13	44
Provisions	128	90
Trade payables	976	1,044
Tax payables	356	371
Other payables	1,034	1,124
<b>Current liabilities</b>	<b>2,599</b>	<b>2,915</b>
<b>Liabilities</b>	<b>5,440</b>	<b>5,545</b>
<b>Liabilities and shareholders' equity</b>	<b>16,506</b>	<b>15,113</b>

#### 4.2 Statement of shareholders' equity

	Attributable to shareholders in Novozymes A/S						
(DKK million)	Common stock	Currency translation adjustments	Cash flow hedges	Retained earnings	Total	Minority interests	Total
Shareholders' equity at January 1, 2013	650	428	4	8,473	9,555	13	9,568
Net profit for the period				2,200	2,200	1	2,201
Other comprehensive income for the period		(354)	91		(263)		(263)
Comprehensive income for the period	-	(354)	91	2,200	1,937	1	1,938
Purchase of treasury stock				-	-		-
Sale of treasury stock				167	167		167
Write-down of common stock	(11)			11	-		-
Dividend				(690)	(690)	(2)	(692)
Stock-based payment				55	55		55
Tax related to equity items				30	30		30
Changes in shareholders' equity	(11)	(354)	91	1,773	1,499	(1)	1,498
Shareholders' equity at Dec. 31, 2013	639	74	95	10,246	11,054	12	11,066
Shareholders' equity at January 1, 2012	650	498	(33)	7,694	8,809	15	8,824
Net profit for the period				2,015	2,015	1	2,016
Other comprehensive income for the period		(70)	37	-	(33)		(33)
Comprehensive income for the period	-	(70)	37	2,015	1,982	1	1,983
Purchase of treasury stock				(832)	(832)		(832)
Sale of treasury stock				156	156		156
Dividend				(600)	(600)	(3)	(603)
Stock-based payment				69	69		69
Tax related to equity items				(29)	(29)		(29)
Changes in shareholders' equity	-	(70)	37	779	746	(2)	744
Shareholders' equity at Dec. 31, 2012	650	428	4	8,473	9,555	13	9,568

## Appendix 5: Product launches in 2013

Q1 2013	Novozymes Viscozyme® Wheat HT: A thermostable xylanase enzyme solution that effectively reduces viscosity, delivering operational flexibility, lower energy usage and higher yields when producing ethanol from wheat and other cereals
Q2 2013	Novozymes Olexa®: A protease enzyme solution designed to release more corn oil for recovery in ethanol production, while increasing the ethanol yield through improved yeast health during fermentation
Q2 2013	Novozymes Spirizyme® Achieve: A unique saccharification enzyme solution that improves the conversion of dextrins into glucose for ethanol fermentation by unlocking fiber-bound starch that is inaccessible to traditional fermentation solutions
Q2 2013	Novozymes Blaze® Evity® 16 L: A liquid protease enzyme solution that enables superior high stability in gels, gelpacs and liquids for automatic dishwashing detergents with a new non-boron stabilization technology (DSAA)
Q3 2013	Peltec® X-Zyme by Novozymes and Lanxess: The solution optimizes soaking and liming, and allows leather tanneries to increase the quality of hides, while reducing chemicals used and significantly improving efficiency and sustainability
Q4 2013	Evity® platform for powder laundry detergents: Evity is a novel formulation technology, offering improved enzyme stability. The launch includes six granulate products for the powder detergent segment
Q4 2013	Evity® platform for liquid laundry detergents: Evity is a novel formulation technology, offering improved enzyme stability. The launch includes three products for the liquid detergent segment
Q4 2013	Novozymes Acrylaway® HighT: A thermostable asparaginase that reduces acrylamide formation in food processing at high temperatures (above 100°C)
Q4 2013	Novozymes Cellusoft® LT: The first true low-temperature cellulase developed for textile mills and laundries, giving more flexibility in textile processing, improving textile quality and bringing savings in water, energy and process time
Q4 2013	Novozymes Sensea®: An amylase for bread and cakes, targeted to cost-effectively replace chemical emulsifiers. Benefits include improved moistness, melting characteristics and overall eating experience
Q4 2013	Novozymes Attenuzyme® Pro: A new blended product for the brewing industry, allowing cost-effective, consistent attenuation control regardless of raw material variability or process fluctuations

## Appendix 6: Company announcements for the fiscal year 2013 (excluding management's trading in Novozymes' stock, major shareholder announcements and stock buyback status)

January 7, 2013	Financial Calendar 2013
January 21, 2013	New Novozymes President & CEO: Peder Holk Nielsen
January 21, 2013	Group financial statement for 2012
January 31, 2013	Novozymes acquires enzyme business from Iogen Corporation
February 7, 2013	Election of employee representatives to the Board of Directors
February 22, 2013	Acquisition of the enzyme business of Iogen Corporation completed
February 28, 2013	Novozymes A/S Annual Shareholders' Meeting 2013
April 5, 2013	Reduction of share capital
April 25, 2013	Interim report for the first 3 months of 2013
April 30, 2013	Updated financial calendar
June 17, 2013	Change in sales reporting areas
August 9, 2013	Interim report for the first half of 2013
September 18, 2013	Novozymes and Raízen to collaborate on cellulosic ethanol
October 25, 2013	Interim report for the first 9 months of 2013
November 18, 2013	Novozymes and M&G Chemicals to collaborate on biomass-based plastics in China
November 20, 2013	Major shareholder announcement no. 1, 2013
November 25, 2013	Financial calendar 2014
November 27, 2013	Details on financial support to M&G Chemicals
December 10, 2013	Novozymes and Monsanto team up to provide sustainable bioagricultural solutions
December 10, 2013	New stock buyback program and financial impact of The BioAg Alliance
January 21, 2014	Group financial statement for 2013

## Appendix 7: Financial calendar

February 26, 2014	Annual Shareholders' Meeting 2014
April 24, 2014	Interim report for the first 3 months of 2014
August 14, 2014	Interim report for the first half of 2014
October 23, 2014	Interim report for the first 9 months of 2014
January 20, 2015	Group financial statement for 2014
February 25, 2015	Annual Shareholders' Meeting 2015