

## GROUP FINANCIAL STATEMENT FOR THE FIRST NINE MONTHS OF 2007

October 25, 2007

**Satisfactory growth and earnings for Novozymes. Sales rose by 15% in the first nine months, while growth in DKK was 11%. Operating profit rose by 14% challenged by unfavorable exchange rate movements and rising raw material and energy prices. Productivity improvements contributed to the positive development. Net profit for the period rose by 21% including one-off items. Novozymes is maintaining its outlook for 2007 in DKK.**

- Novozymes' sales rose by 15% in local currencies in the first nine months of 2007. Measured in DKK sales rose by 11% to DKK 5,594 million from DKK 5,038 million in 2006. Growth in local currencies excluding acquisitions was 12%
- Operating profit rose by 14% to DKK 1,149 million for the first nine months of 2007 from DKK 1,006 million in 2006. The operating profit margin including one-off items was 20.5% against 20.0% in 2006
- One-off items (settlement relating to patent suit, cf. Stock exchange announcement no. 14/2007) had a positive impact on operating profit of DKK 75 million. Operating profit excluding one-off items rose by 7% in the first nine months of 2007
- Net financial costs were DKK 75 million against DKK 110 million in the first nine months of 2006
- Net profit for the period rose by 21% to DKK 810 million for the first nine months of 2007 against DKK 671 million in 2006. Growth was 10% excluding one-off items
- Earnings per share (diluted) for the first nine months of 2007 were DKK 12.73, an increase of 24% compared with the same period of 2006
- Free cash flow before acquisitions was DKK 923 million against DKK 960 million for the first nine months of 2006
- Return on invested capital (ROIC) rose to 24.2% from 20.6% in the same period of 2006

### Outlook for 2007

Novozymes is maintaining its outlook for 2007 in DKK, assuming exchange rates for the company's key currencies remain at the same level for the rest of the year. The expectations include one-off items for the year and the effect of the acquisition of Biocon's enzyme activities.

Growth in sales is now expected to be 12–14% in local currencies compared to previously 11–13%, while the outlook for sales growth in DKK remains 8–10%.

#### Stock exchange announcement no. 25, 2007

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2007-41400-01

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“We are very pleased with the results.” says Steen Riisgaard, President and CEO. “During the first nine months of the year growth in sales across different markets and regions was higher than expected. The negative development in the US dollar and rising raw material and energy prices have been challenging for the financial results. However, productivity improvements enabled the results to meet expectations.

The current trend in the business combined with the now completed acquisition of Biocon’s enzyme activities place us in a strong position for achieving our long-term ambition.”

## Income statement and balance sheet

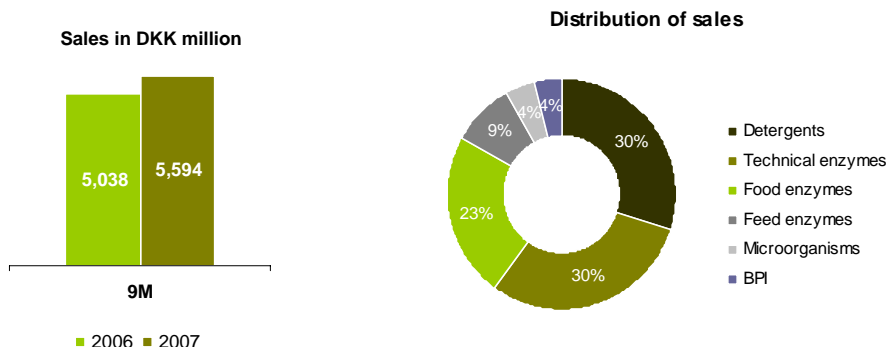
### Appendices 1 and 2

15% growth in revenue – 3% from acquisitions

### Sales

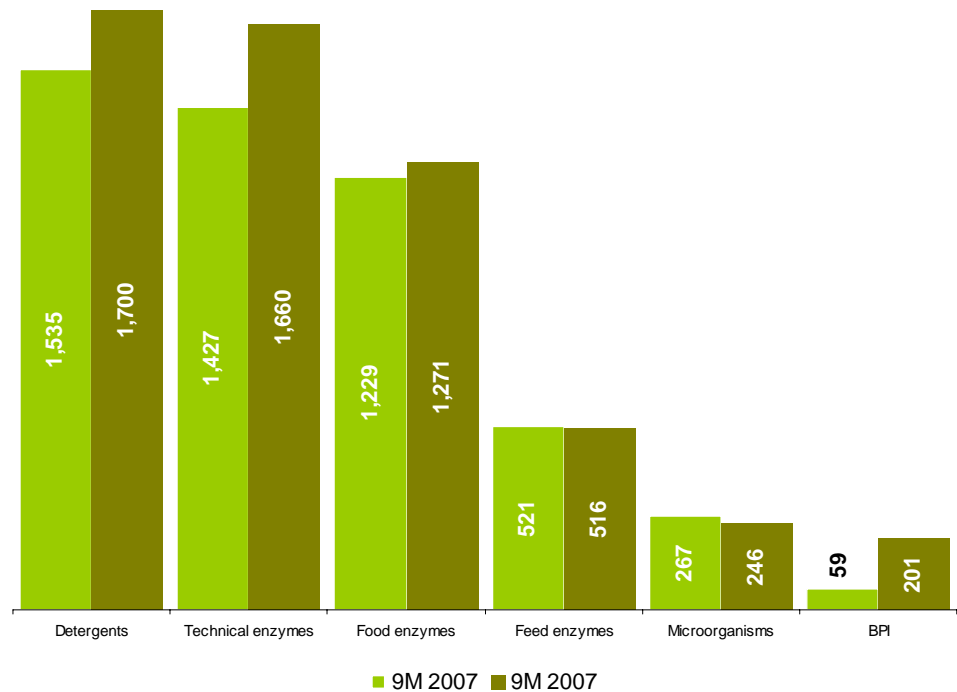
Sales rose by 15% in local currencies compared with 2006. Sales in DKK for the first nine months of 2007 were DKK 5,594 million against DKK 5,038 million in the same period of 2006, an increase of 11%. Exchange rate movements for the company’s key currencies had a negative impact on sales in DKK.

Activities acquired in the second half of 2006 impacted positively on sales in the period. Excluding the effect of acquisitions, growth in local currencies was 12% in the first nine months of 2007.



Sales in the third quarter of 2007 isolated, rose by 9% in local currencies and 6% in DKK compared with 2006. Acquisitions had a limited effect in the third quarter of 2007.

Sales in DKK million



### Enzymes

Sales of enzymes rose by 13%; lower exchange rates reduced growth in DKK to 9%

Growth in local currencies was 13% in the first nine months of 2007, while sales of enzymes in DKK rose by 9% to DKK 5,147 million from DKK 4,712 million in the same period of 2006. Exchange rate movements impacted sales in DKK negatively. The third quarter of 2007 in isolation, showed sales of enzymes up by 10% in local currencies against a challenging basis of comparison in 2006. Growth was 6% in DKK compared with the same period of 2006.

Growth of 13% in sales of detergent enzymes

Sales of **detergent enzymes** rose by 13% in local currencies in the first nine months of 2007 and by 11% in DKK compared with the same period of 2006. This positive development was driven primarily by rising sales in Europe as a result of increased demand and higher market share. Sales of detergent enzymes in the first nine months of 2007 were also positively affected by fluctuations in the inventory levels held by detergent manufacturers.

Sales of detergent enzymes in the third quarter rose by 8% in local currencies and 7% in DKK against a strong third quarter in 2006. Growth can primarily be attributed to rising sales in Europe.

Growth of over 40% in enzymes for bioethanol

Sales of **technical enzymes** rose by 23% in local currencies and 16% in DKK in the first nine months of 2007. Growth in DKK was particularly affected by the unfavorable development in the US dollar. The high growth level is being driven by sales of enzymes for the bioethanol and starch industries in the US. The expansion of bioethanol production in the US and Novozymes' market position resulted in growth

of over 40% in the period for enzymes for bioethanol. There was also moderate growth in sales to the textile industry. Seen in isolation, sales of technical enzymes in the third quarter of 2007 rose by 22% in local currencies and 15% in DKK compared with 2006. This development was mainly due to increased sales of enzymes for the bioethanol and starch industries.

Growth in sales of food enzymes 7% above high 2006 level

Sales of **food enzymes** rose by 7% in local currencies and 3% in DKK in the first nine months of 2007. This growth was mainly due to increased sales of enzymes for the baking and brewing industries.

Sales in the third quarter of 2007 rose by 2% in local currencies and were 1% lower in DKK compared with the third quarter of 2006. The growth level for the quarter reflects comparison with a strong third quarter in 2006, which was positively impacted by stockbuilding in the distributor chain for baking enzymes.

Low growth in sales of feed enzymes as a result of low volume growth and lower prices

Sales of **feed enzymes** rose by 3% in local currencies and were 1% lower in DKK in the first nine months of 2007. Sales in DKK were negatively affected by lower exchange rates. There was growth in sales of enzymes for vegetable proteins, however total growth was reduced by low volume growth and lower prices for phytase products.

Sales in local currencies for the third quarter of 2007 were 1% lower than the year before, while exchange rate movements meant that sales in DKK were 4% lower.

### **Microorganisms**

Low sales within institutional and household cleaning

Sales of microorganisms were 2% lower in local currencies in the first nine months of 2007. Measured in DKK sales were 8% lower than in 2006 as a result of the unfavorable development in the US dollar. Growth in sales of microorganisms for wastewater treatment and plant care was unable to counteract the effect of low sales within institutional and household cleaning.

In the third quarter of 2007, sales of microorganisms fell by 10% in local currencies and 14% in DKK compared with the same period of 2006. The development for the quarter is due to disappointingly low sales within institutional and household cleaning.

### **Biopharmaceutical ingredients (BPI)**

Expected growth in BPI activities

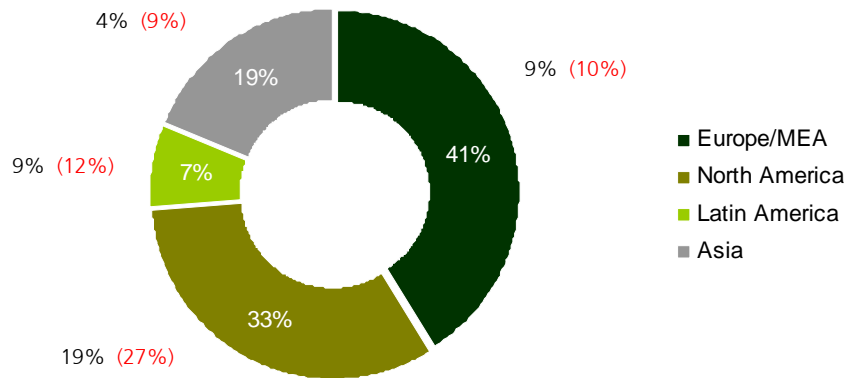
Sales of biopharmaceutical ingredients in the first nine months of 2007 were DKK 201 million compared with DKK 59 million in 2006. Sales for the period were positively impacted by the acquisitions of Novozymes Delta (UK) and Novozymes GroPep (Australia), in the second half of 2006.

In the third quarter of 2007, sales of biopharmaceutical ingredients rose to DKK 30 million from DKK 15 million in the same period of 2006. This increase can primarily be attributed to a change in the quarterly sales distribution during 2007 compared with 2006.

As mentioned previously, this industry is subject to substantial quarterly variation in sales patterns, as sales are generally composed by a small number of relatively large transactions.

## Sales by geographical area

Growth in all geographical areas



Growth in DKK/ (Growth in local currencies)

Sales in Europe/MEA rose by 10% in local currencies and 9% in DKK in the first nine months of 2007. The highest growth rates for the area were within sales of enzymes for the detergent and baking industries.

Sales of enzymes for bioethanol driving high growth in North America

Growth in North America in the first nine months of 2007 was high: 27% in local currencies and 19% in DKK respectively. This positive development continues to be driven by sales of enzymes for the bioethanol and starch industries. There was also a significant positive effect from the activities acquired in 2006 within biopharmaceutical ingredients.

Sales to Latin America rose by 12% in local currencies and 9% in DKK in the first nine months of 2007, primarily due to sales of detergent and feed enzymes.

Sales in Asia rose by 9% in local currencies and 4% in DKK. This growth was primarily due to rising sales of enzymes to the detergent and brewing industries. The development in the area's sales to the beverage alcohol industry slightly reduced the growth.

## Appendix 5

9 new products launched in 2007

## New products

Approximately 26% of enzyme sales in the first nine months of 2007 were constituted by products launched in the last five years. One new enzyme product was launched in the third quarter of 2007:

- Acrylaway®, an enzyme for the food industry used to reduce the level of acrylamide in food products

## Appendix 1

Increased costs driven by higher sales

Productivity improvements reduce effect of higher energy and raw material prices

Gross margin on a par with 2006 when adjusted for currency effect and acquisitions, despite higher raw material prices

### Costs, License fees and Other operating income

Total costs excluding net financials and tax rose by 12% in the first nine months of 2007 to DKK 4,559 million from DKK 4,067 million in the same period of 2006. This increase was primarily related to higher sales in 2007.

Cost of goods sold rose by 15% in the first nine months of 2007 compared with 2006. This development was mainly driven by increased sales within both enzymes and biopharmaceutical ingredients. Productivity improvements reduced the negative effect of higher energy and raw material prices on the cost level.

The gross margin for the first nine months of 2007 was 53.0% against 54.5% in the same period of 2006. The main reasons for the lower gross margin in 2007 were a relatively low margin on the sale of products from acquired activities within biopharmaceutical ingredients and significantly lower exchange rates for the USD and JPY. The development in energy and raw material prices also had a negative effect on the gross margin. The gross margin for the period is on a par with 2006 when adjusted for the negative currency effect and the lower margin on sales of products from acquired activities – despite higher raw material prices.

Other operating costs rose by 9% to DKK 1,928 million for the first nine months of 2007. This increase was due primarily to rising sales and acquired activities. Costs of sales, distribution and business development rose by 7%, representing 12% of sales in the first nine months. Research and development costs rose by 12%, representing 13% of sales, while there was an increase of 6% in administrative costs, which represented 9% of sales in the first nine months of 2007.

Other operating income in the first nine months of 2007 was DKK 114 million against DKK 35 million in 2006. The main reason for this increase was one-off items of DKK 75 million in the second quarter of 2007.

Depreciation and amortization charges rose by 4% to DKK 334 million from DKK 321 million in the first nine months of 2006. This increase was primarily related to acquired activities.

## Appendix 1

14% growth in operating profit – 7% adjusted for one-off items

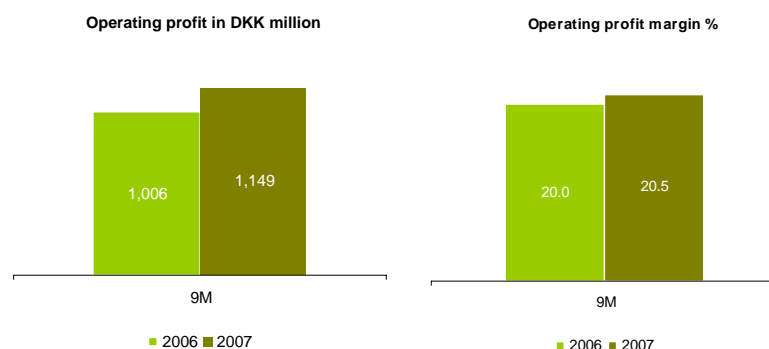
High earnings level – on a par with 2006

Lower net financial costs as a result of net foreign exchange gain in 2007

## Appendix 1

11% growth in profit, excluding one-off items

### Operating profit



Operating profit rose to DKK 1,149 million in the first nine months of 2007 from DKK 1,006 million in the same period of 2006, constituting an increase of 14%. This result incorporates a positive one-off item of DKK 75 million. Adjusted for this, growth in operating profit was 7% in the period. Growth was reduced by lower exchange rates, particularly for the USD and JPY, and a relatively lower margin on sales of biopharmaceutical ingredients from activities acquired in 2006.

The operating profit margin, expressed as operating profit as a percentage of sales, was 20.5% in the first nine months of 2007 against 20.0% in the same period of 2006. Excluding one-off items, the operating profit margin was 19.2%. Adjusted for one-off items and the negative effect of lower margins on products from activities acquired in 2006, the operating profit margin for the first nine months of 2007 was on par with 2006.

### Net financial items

Net financial costs for the first nine months of 2007 fell to DKK 75 million against DKK 110 million in the same period of 2006. The main reason for the lower cost level in 2007 was a net foreign exchange gain of DKK 9 million, whereas there was a foreign exchange loss of DKK 62 million in 2006.

Net interest expenses in the first nine months of 2007 were higher than in 2006, partly as a result of higher interest rates, but primarily because net interest expenses in the first nine months of 2006 were positively affected by tax-related non-recurring interest income. Net interest-bearing debt was DKK 1,107 million in the first nine months of 2007 against DKK 1,131 million in the same period of 2006.

### Profit before tax and net profit for the period

Profit before tax rose by 20% to DKK 1,074 million from DKK 896 million for the first nine months of 2006. Adjusted for the positive effect of one-off items, growth in profit before tax was 11%.

Net profit for the period was DKK 810 million against DKK 671 million in the first

nine months of 2006, an increase of 21%. Net profit for the period was positively affected by one-off items and a reduction in Danish corporation tax.

### Appendix 3

#### Cash flow, investments and acquisitions

Free cash flow before acquisitions was DKK 923 million against DKK 960 million in the first nine months of 2006. Adjusted for one-off items, free cash flow was DKK 848 million. The decline in free cash flow was due to higher net investments in the first nine months of 2007 than in 2006. In addition, there was also a positive effect from tax-related one-off items in the same period of 2006.

Cash flow from operating activities in the first nine months of 2007 was positively affected by a decline in trade receivables and lower inventories.

Expected increase in net investments for, a.o. new enzyme research facilities and BPI production

Net investments before acquisitions rose to DKK 515 million from DKK 309 million in the first nine months of 2006. The development in net investments in 2007 can primarily be attributed to establishment of a bioethanol customer service center in the US, completion of cGMP production facilities in Sweden, and new research buildings in Denmark and India. The increase is within the expected investment range of DKK 600–700 million for 2007. Total investments for the year will most likely be at the high end of the specified range.

Novozymes completed the purchase of Biocon's enzyme activities on October 1, 2007. The transaction is not included in the financial statements for the first nine months of 2007.

### Appendix 4

#### Balance sheet and Statement of shareholders' equity

Equity represents 43% of the balance sheet total

Shareholders' equity was DKK 3,514 million at September 30, 2007, against DKK 3,393 million at January 1, 2007. Shareholders' equity was increased by net profit for the period but reduced by currency translation adjustments in respect of subsidiaries' net assets, dividend payments, and purchase of treasury shares. Shareholders' equity represented 42.8% of the balance sheet total at September 30, 2007.

A dividend of DKK 278 million was paid for 2006. Purchase of treasury shares, reduced by exercise of stock options, decreased shareholders' equity by DKK 367 million.

Share buy-backs for the year almost complete

In the first nine months of 2007 Novozymes purchased treasury shares worth DKK 473 million. The total approved framework for share buy-backs in 2007 is DKK 500 million. At September 30, 2007, the holding of treasury shares was 3.2 million B shares, equivalent to 4.9% of the share capital.



## IAS 34

### Accounting policies

The financial statement for the third quarter of 2007 has been prepared in accordance with IAS 34 and the additional Danish requirements of disclosure for the presentation of quarterly financial statements by listed companies. The financial statement follows the same accounting policies as the Novozymes Report 2006.

## Outlook for 2007

The spot rates on October 23, 2007, for the company's key currencies were lower relative to the DKK than the average rates in 2006. As a result the average rates for 2007 are estimated to be lower than the average rates for 2006.

(DKK)	USD	JPY	CNY
Average exchange rate 2006	595	5.11	74.58
Spot rate October 23, 2007	523	4.56	69.69
Estimated average exchange rate for 2007*	546	4.63	71.66
Change in estimated average exchange rate for 2007* compared with average exchange rate in 2006	-8%	-9%	-4%

\*Estimated average exchange rate is calculated as average exchange rate year to date combined with the spot rate October 23, 2007

**Novozymes is maintaining its outlook for sales and earnings for 2007 in DKK. Growth in sales is now expected to be 12–14% in local currencies compared to previously 11–13%, while the outlook for sales growth in DKK remains 8–10%.**

This outlook is based on exchange rates remaining at their current levels for the rest of 2007, particularly the USD, JPY and CNY. In greater detail, the outlook is as follows:

Sales	Growth of 8–10% in DKK and 12–14% in local currencies.
New products	Launch of 10–11 new products in 2007.
Operating profit	Growth of 11–13%. Excluding one-off items, expected growth of 5–7%. A 5% change in the exchange rate for the USD and JPY is expected to have an impact on operating profit in 2007 of DKK 35–45 million and DKK 5–10 million respectively. Excluding one-off items, growth in operating profit in local currencies is expected to be higher than Novozymes' long-term financial growth target of minimum 10% p.a.
Operating profit margin	Operating profit margin, excluding one-off items, of around 19%.

Net financials	Net financial costs of around DKK 110 million.
Net profit for the year	Growth in net profit of 14–16%. Excluding one-off items, growth of 8–10%.
Investments	Investments before acquisitions of DKK 600–700 million.
Free cash flow	Free cash flow before acquisitions in the area of DKK 850–950 million.
ROIC	Return on invested capital after tax (ROIC) of 21–22%. Excluding one-off items, ROIC is expected to be 20-21%.

## Events after the end of the quarter

Acquisition of Biocon's enzyme activities completed	With reference to Stock exchange announcements no. 17/2007 and 24/2007, Novozymes' final acquisition of the enzyme activities of Biocon Limited, Bangalore, India, was completed effective as of October 1, 2007. The activities will be consolidated with effect from October 1, 2007.
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## Environmental and social discussion

### Appendix 6

Challenging targets for 2007

#### Water and energy – effective utilization of resources

Consumption of water and energy related to goods sold rose by 17% and 15% respectively in the first nine months of 2007 compared with the same period of 2006. The target for 2007 is for the increase in consumption of water and energy related to goods sold to be at least 1 percentage point lower than growth calculated in local currencies.

#### Significant spills

There were no significant spills in the first nine months of 2007.

#### Occupational accidents

The frequency of reported occupational accidents resulting in absence was 5.0 per million working hours in the first nine months of 2007 compared with 3.0 for the same period of 2006. A number of activities have been initiated with a view to further increasing the focus on prevention, and management is monitoring developments closely. The target for 2007 is to keep the frequency of occupational accidents resulting in absence below 4.5 per million working hours.

### **Rate of employee turnover and absence**

Calculated at the end of the first nine months of 2007 the rate of employee turnover for the 12 months to date was 8.9%, an increase of 0.9 percentage points on the same period of 2006. The rate of absence was 2.2% for the period, which was on par with the same period of 2006.

## **Forward-looking statements**

This Stock exchange announcement contains forward-looking statements, including the financial outlook for 2007. 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 within Novozymes' core areas.

**Bagsværd, October 24, 2007**

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Novozymes A/S**

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*Novozymes is the world leader in bioinnovation. Together with customers across a broad array of industries we create tomorrow's industrial biosolutions, improving our customers' business and the use of our planet's resources. Read more at [www.novozymes.com](http://www.novozymes.com).*

## Statement of the Board of Directors and the Management

The Board of Directors and the Management have considered and approved the unaudited Group financial statement for Novozymes A/S for the third quarter of 2007.

The quarterly financial statement has been prepared in accordance with International Financial Reporting Standards (IAS 34) and the additional regulations of the Copenhagen Stock Exchange for the presentation of quarterly 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 September 30, 2007, and of the results of the Group's operations and cash flow for the third quarter of 2007.

Bagsværd, October 24, 2007

### Management:

Steen Riisgaard  
*President and CEO*

Per Falholt

Benny D. Loft

Peder Holk Nielsen

Thomas Nagy

Thomas Videbæk

### Board of Directors:

Henrik Gürtler  
*Chairman*

Kurt Anker Nielsen  
*Vice-Chairman*

Paul Petter Aas

Arne Hansen

Jerker Hartwall

Søren Jepsen

Ulla Morin

Walther Thygesen

Mathias Uhlén

Hans Werdelin

# Appendices

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Appendix 6	Selected key figures, environmental and social data
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Appendix 8	Financial calendar 2007

## Appendix 1: Main items and key figures

(DKK million)	2007 9M	2006 9M	% change	2007 3Q	2006 3Q	% change
<b>Sales</b>	<b>5,594</b>	<b>5,038</b>	<b>11%</b>	<b>1,860</b>	<b>1,756</b>	<b>6%</b>
<b>Gross profit</b>	<b>2,963</b>	<b>2,744</b>	<b>8%</b>	<b>990</b>	<b>949</b>	<b>4%</b>
Gross margin	53.0%	54.5%		53.2%	54.0%	
<b>Operating profit</b>	<b>1,149</b>	<b>1,006</b>	<b>14%</b>	<b>361</b>	<b>349</b>	<b>3%</b>
Operating profit margin	20.5%	20.0%		19.4%	19.9%	
Net financials	(75)	(110)	-	(47)	(44)	-
<b>Profit before tax</b>	<b>1,074</b>	<b>896</b>	<b>20%</b>	<b>314</b>	<b>305</b>	<b>3%</b>
Corporation tax	(264)	(225)	17%	(74)	(77)	-4%
<b>Net profit</b>	<b>810</b>	<b>671</b>	<b>21%</b>	<b>240</b>	<b>228</b>	<b>5%</b>
Attributable to:						
S shareholders in the parent company	811	665	22%	241	227	6%
Equity minority interests	(1)	6	-	(1)	1	-
Foreign exchange gain/(loss), net	9	(87)	-	(41)	(37)	-
Interest income/(costs)	(56)	(16)	-	(15)	(13)	-
Other financial items	(28)	(7)	-	9	5	-
<b>Total financial income/(costs)</b>	<b>(75)</b>	<b>(110)</b>	<b>-</b>	<b>(47)</b>	<b>(44)</b>	<b>-</b>
<b>Earnings per DKK 10 share</b>	<b>13.09</b>	<b>10.52</b>	<b>24%</b>	<b>3.89</b>	<b>3.63</b>	<b>7%</b>
Average no. of A/B shares, outstanding (million)	61.9	63.2		62.0	62.5	
<b>Earnings per DKK 10 share (diluted)</b>	<b>12.73</b>	<b>10.26</b>	<b>24%</b>	<b>3.78</b>	<b>3.54</b>	<b>7%</b>
Average no. of A/B shares, diluted (million)	63.7	64.8		63.7	64.1	
<b>Free cash flow before acquisitions</b>	<b>923</b>	<b>960</b>	<b>-4%</b>			
Return on invested capital after tax (ROIC), incl. goodwill	24.2%	20.6%				
Net interest-bearing debt	1,107	1,131	-2%			
Equity ratio	42.8%	44.7%				
Return on equity	31.3%	25.1%				

## Appendix 2: Distribution of sales

### 2.1 By industry

(DKK million)	2007 9M	2006 9M	% change
<b>Enzymes</b>	<b>5,147</b>	<b>4,712</b>	<b>9</b>
- detergent enzymes	1,700	1,535	11
- technical enzymes	1,660	1,427	16
- food enzymes	1,271	1,229	3
- feed enzymes	516	521	(1)
<b>Microorganisms</b>	<b>246</b>	<b>267</b>	<b>(8)</b>
<b>BPI</b>	<b>201</b>	<b>59</b>	<b>241</b>
<b>Sales</b>	<b>5,594</b>	<b>5,038</b>	<b>11</b>

### 2.2 By geographical area

(DKK million)	9M 2007	9M 2006	% change	% currency impact	% change in local currency
Europe, Middle East & Africa	2,313	2,122	9	(1)	10
North America	1,824	1,536	19	(8)	27
Asia Pacific	1,080	1,035	4	(5)	9
Latin America	377	345	9	(3)	12
<b>Sales</b>	<b>5,594</b>	<b>5,038</b>	<b>11</b>	<b>(4)</b>	<b>15</b>

### 2.3 Quarterly sales by industry

(DKK million)	2007				2006			% change
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	3Q/3Q
<b>Enzymes</b>	<b>1,759</b>	<b>1,661</b>	<b>1,727</b>	<b>1,608</b>	<b>1,658</b>	<b>1,538</b>	<b>1,516</b>	<b>6</b>
- detergent enzymes	573	555	572	505	538	492	505	7
- technical enzymes	581	537	542	550	505	469	453	15
- food enzymes	435	402	434	374	438	404	387	(1)
- feed enzymes	170	167	179	179	177	173	171	(4)
<b>Microorganisms</b>	<b>71</b>	<b>91</b>	<b>84</b>	<b>81</b>	<b>83</b>	<b>90</b>	<b>94</b>	<b>(14)</b>
<b>BPI</b>	<b>30</b>	<b>51</b>	<b>120</b>	<b>75</b>	<b>15</b>	<b>21</b>	<b>23</b>	<b>100</b>
<b>Sales</b>	<b>1,860</b>	<b>1,803</b>	<b>1,931</b>	<b>1,764</b>	<b>1,756</b>	<b>1,649</b>	<b>1,633</b>	<b>6</b>

### 2.4 Quarterly sales by geographical area

(DKK million)	2007				2006			% change
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	3Q/3Q
Europe, Middle East & Africa	782	734	797	733	750	689	683	4
North America	593	592	639	530	524	507	505	13
Asia Pacific	358	355	367	366	354	340	341	1
Latin America	127	122	128	135	128	113	104	(1)
<b>Sales</b>	<b>1,860</b>	<b>1,803</b>	<b>1,931</b>	<b>1,764</b>	<b>1,756</b>	<b>1,649</b>	<b>1,633</b>	<b>6</b>

## Appendix 3: Statement of cash flow

(DKK million)	9M 2007	9M 2006
<b>Net profit</b>	<b>810</b>	<b>671</b>
Reversals of non-cash expenses	732	711
Corporation tax paid	(94)	48
Interest received	67	106
Interest paid	(110)	(103)
<b>Cash flow before change in working capital</b>	<b>1,405</b>	<b>1,433</b>
<b>Change in working capital</b>		
(Increase)/decrease in receivables	(114)	(165)
(Increase)/decrease in inventories	91	(4)
(Increase)/decrease in trade payables and other liabilities	56	5
<b>Cash flow from operating activities</b>	<b>1,438</b>	<b>1,269</b>
<b>Investments</b>		
Purchase of intangible fixed assets	(15)	(23)
Sale of property, plant and equipment	6	19
Purchase of property, plant and equipment	(506)	(305)
<b>Cash flow from investing activities before acquisitions</b>	<b>(515)</b>	<b>(309)</b>
<b>Free cash flow before acquisitions</b>	<b>923</b>	<b>960</b>
Acquisition of activities and companies	0	(75)
<b>Free cash flow after acquisitions</b>	<b>923</b>	<b>885</b>



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

### 4.1 Balance sheet at September 30, 2007

Assets (DKK million)	2007 3Q	2006 3Q	2006 End
Completed IT development projects	27	34	39
Acquired patents, licenses and know-how	470	282	497
Goodwill	203	138	216
IT development projects in progress	32	34	17
<b>Intangible fixed assets</b>	<b>732</b>	<b>488</b>	<b>769</b>
Land and buildings	1,676	1,719	1,723
Production equipment and machinery	998	924	1,012
Other equipment	308	294	319
Property, plant and equipment under construction	719	509	499
<b>Property, plant and equipment</b>	<b>3,701</b>	<b>3,446</b>	<b>3,553</b>
<b>Deferred tax assets</b>	<b>57</b>	<b>33</b>	<b>45</b>
<b>Non-current financial assets (non-interest-bearing)</b>	<b>26</b>	<b>12</b>	<b>12</b>
<b>Total fixed assets</b>	<b>4,516</b>	<b>3,979</b>	<b>4,379</b>
Raw materials and consumables	215	184	201
Goods in progress	256	303	338
Finished goods	750	744	787
<b>Inventories</b>	<b>1,221</b>	<b>1,231</b>	<b>1,326</b>
Trade receivables	1,235	1,208	1,193
Tax receivable	249	188	248
Other receivables	156	178	145
<b>Receivables</b>	<b>1,640</b>	<b>1,574</b>	<b>1,586</b>
Financial assets (interest-bearing)	113	137	133
Financial assets (non-interest-bearing)	65	38	44
<b>Total financial assets</b>	<b>178</b>	<b>175</b>	<b>177</b>
<b>Cash at bank and in hand</b>	<b>653</b>	<b>480</b>	<b>497</b>
<b>Total current assets</b>	<b>3,692</b>	<b>3,460</b>	<b>3,586</b>
<b>Total assets</b>	<b>8,208</b>	<b>7,439</b>	<b>7,965</b>

<b>Liabilities and shareholders' equity</b> (DKK million)	<b>2007</b> 3Q	<b>2006</b> 3Q	<b>2006</b> End
Share capital	650	650	650
Treasury shares	(1,816)	(1,360)	(1,449)
Other reserves	44	138	86
Retained earnings	4,605	3,858	4,072
Minority interests	31	39	34
<b>Total shareholders' equity</b>	<b>3,514</b>	<b>3,325</b>	<b>3,393</b>
Deferred tax liabilities	751	535	756
Long-term employee benefits	14	11	15
Non-current provisions	140	88	134
Non-current financial liabilities (interest-bearing)	1,559	1,680	1,637
Non-current financial liabilities (non-interest-bearing)	127	48	71
Other non-current liabilities (interest-bearing)	21	22	21
<b>Total non-current liabilities</b>	<b>2,612</b>	<b>2,384</b>	<b>2,634</b>
Financial liabilities (interest-bearing)	293	46	427
Financial liabilities (non-interest-bearing)	36	25	34
Provisions	25	20	20
Trade payables	333	286	386
Tax payable	208	203	50
Other current liabilities	1,187	1,150	1,021
<b>Total current liabilities</b>	<b>2,082</b>	<b>1,730</b>	<b>1,938</b>
<b>Total liabilities</b>	<b>4,694</b>	<b>4,114</b>	<b>4,572</b>
<b>Total liabilities and shareholders' equity</b>	<b>8,208</b>	<b>7,439</b>	<b>7,965</b>

#### 4.2 Statement of shareholders' equity

(DKK million)	<b>2007</b> 3Q	<b>2006</b> 3Q	<b>2006</b> End
<b>Shareholders' equity excl. minority interests – beginning of period</b>	<b>3.359</b>	<b>3.761</b>	<b>3.761</b>
Net profit	811	671	909
Dividend paid	(278)	(255)	(255)
Purchase of treasury shares, net	(367)	(905)	(996)
Currency translation of net assets, etc.	(42)	14	(60)
<b>Shareholders' equity excl. minority interests</b>	<b>3.483</b>	<b>3.286</b>	<b>3.359</b>
Minority interests – beginning of period	34	33	33
Net profit	(1)	6	2
Dividend paid	(1)	(2)	(1)
Currency translation of net assets, etc.	0	(2)	(3)
Change in minority interests	(1)	4	3
<b>Minority interests – end of period</b>	<b>31</b>	<b>39</b>	<b>34</b>
<b>Total equity – end of period</b>	<b>3.514</b>	<b>3.325</b>	<b>3.393</b>

### 4.3 Acquisition of companies

Reference to Stock exchange announcements no. 17/2007 and 24/2007:

With effect from October 1, 2007, Novozymes has acquired the enzyme activities of Biocon Limited, Bangalore, India, at a total purchase price of USD 102 million, comprising USD 97 million paid on the date of acquisition and USD 5 million due on fulfillment of specific business targets. Taking into consideration the acquisition date, the discounted purchase price and allocation of this to the acquired assets have yet to be determined.

## Appendix 5: New products launched in 2007

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1Q 2007	Mannaway <sup>®</sup> , an enzyme for the detergent industry designed to remove mannan-containing stains
1Q 2007	Viscoferm <sup>®</sup> , an enzyme for the alcohol industry reducing viscosity as well as water and energy consumption in the production process
1Q 2007	HyaCare <sup>®</sup> , an optimized hyaluronic acid for eyecare in the medical device market
2Q 2007	Stainzyme <sup>®</sup> Plus, a detergent enzyme with improved washing characteristics at low temperatures
2Q 2007	Ultraflo <sup>®</sup> Max, an enzyme for the brewing industry which allows a long and consistent filtration process and therefore an optimized production process
2Q 2007	Saczyme <sup>®</sup> , a cost-effective enzyme for the alcohol industry used to convert raw materials into fermentable sugars
2Q 2007	Ronozyme <sup>®</sup> NP, an improved enzyme for the feed industry used to release naturally occurring phosphate in feed for pigs and poultry
2Q 2007	Spirizyme <sup>®</sup> Ultra, an enzyme used in the conventional conversion of corn to bioethanol to increase yields
3Q 2007	Acrylaway <sup>®</sup> , an enzyme for the food industry used to reduce the level of acrylamide in food products

## Appendix 6: Selected key figures, environmental and social data

	2007 9M	2006 9M	% change 9M/9M
Water consumption (related to goods sold), 1,000 m <sup>3</sup>	4,170	3,563	17
Energy consumption, 1,000 GJ	2,825	2,452	15
Significant spills	-	-	
Fatalities	-	-	
Frequency of occupational accidents per million working hours	5.0	3.0	
Employees at September 30, 2007	4,673	4,399	6
Rate of employee turnover	8.9%	8.0%	
Rate of absence	2.2%	2.2%	

## Appendix 7: Stock exchange announcements for 2007 to date

Excluding insiders' trading

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January 25, 2007	Group financial statement for 2006
February 19, 2007	Novozymes awarded damage payment for patent infringement
March 9, 2007	Annual Meeting of Shareholders 2007
April 3, 2007	Change in revenue reporting
April 17, 2007	Novozymes terminates patent infringement suit
April 25, 2007	Group financial statement for 1Q 2007
July 18, 2007	Novozymes to acquire the enzyme activities of Biocon, India
August 9, 2007	Group financial statement for first half of 2007
August 28, 2007	Changes in Novozymes' Executive Management as of October 1, 2007
October 1, 2007	Acquisition of enzyme activities from Biocon completed

## Appendix 8: Financial calendar 2007

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November 7–8, 2007	Capital Markets Day
January 25, 2008	Group financial statement for 2007