

ALLIANCE DATA SYSTEMS CORP
Form 8-K
January 07, 2013

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported):
January 7, 2013

ALLIANCE DATA SYSTEMS CORPORATION
(Exact Name of Registrant as Specified in Charter)

DELAWARE
(State or Other Jurisdiction
of Incorporation)

001-15749
(Commission
File Number)

31-1429215
(IRS Employer
Identification No.)

7500 DALLAS PARKWAY, SUITE 700
PLANO, TEXAS 75024
(Address and Zip Code of Principal Executive Offices)

(214) 494-3000
(Registrant's Telephone Number, including Area Code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act

- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
-

Item 7.01 Regulation FD Disclosure.

On January 7, 2013, Alliance Data Systems Corporation issued a press release announcing that its Canadian coalition loyalty business has signed a new agreement with General Motors of Canada Limited to issue AIR MILES® reward miles during key promotional periods for new vehicle purchase and leases at Canadian dealerships, effective this month. A copy of this press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit

No.	Document Description
99.1	Press release dated January 7, 2013 announcing an agreement with General Motors of Canada Limited.

The information contained in this report (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

SIGNATURES

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

Alliance Data Systems Corporation

Date: January 7, 2013

By:

/s/ Charles L. Horn
Charles L. Horn
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Document Description
99.1	Press release dated January 7, 2013 announcing an agreement with General Motors of Canada Limited.

2"> 106,620 25.8

Executive Management:

Lars Rebien Sørensen			
12,800	12,800	3.1	
Jesper Brandgaard			
8,545	8,545	2.1	
Lars Almbloom Jørgensen			
8,775	8,775	2.1	
Lise Kingo			
4,355	4,355	1.0	
Kåre Schultz			
8,690	8,690	2.1	
Mads Krosgaard Thomsen			
8,835	8,835	2.1	

52,000	52,000	12.5	
Senior Management Board in total **)			
89,782	(6,506)	83,276	20.1

Total
248,002 400 (6,506) 241,896 58.4

The requirement for share ownership for Executive Management and former members of Executive Management linked to the participation in demerger launch incentives expires in January 2004. After this period it may be envisaged that launch incentive participants will reduce their shareholdings in Novo Nordisk B shares.

*) Calculation of the market value is based on the quoted share prices at the end of the year.

***) The shares sold were shares owned by a Senior Management Board member, who has left the company in 2003.

Table of Contents**Notes Additional information****33 Derivative financial instruments**

The major part of Novo Nordisk's sales is in currencies other than DKK and EUR, whereas a significant part of the costs are in DKK and EUR. Novo Nordisk uses a number of financial instruments to hedge the currency exposure and in line with the group treasury policies, hedges commercial exposure only and does not enter speculative positions. Novo Nordisk applies hedge accounting on hedging activities, which are categorised into hedging of forecasted transactions (cash flow hedges), hedging of assets and liabilities (fair value hedges) and hedging of net investments.

Hedging of forecasted transactions

The table below shows the fair value of cash flow hedging activities for 2003 and 2002 specified on hedging instrument and the major currencies.

Fair values are recognised directly under shareholders' funds until the hedged items are recognised in the Profit and loss account. At year end DKK 698 million are deferred via shareholders' funds (DKK 534 million in 2002).

DKK million	2003			2002		
	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end
Forward contracts, net sales						
USD	5,362	450		3,056	233	
JPY	1,510	49		2,006	120	
GBP	599	5		552	15	
Other	283	9		394	25	2
	<u>7,754</u>	<u>513</u>		<u>6,008</u>	<u>393</u>	<u>2</u>
Currency options						
EUR/USD (purchased USD put)	2,675	161		1,596	79	
EUR/JPY (purchased JPY put)	1,381	24		1,656	64	
	<u>4,056</u>	<u>185</u>		<u>3,252</u>	<u>143</u>	
Interest swaps						
EUR/EUR	501					
JPY/JPY	445			480		
	<u>946</u>			<u>480</u>		
Total hedging of forecasted transactions	<u>12,756</u>	<u>698</u>		<u>9,740</u>	<u>536</u>	<u>2</u>

The financial contracts existing at the end of the year cover expected cash flow of key currencies in the following number of months:

	2003	2002
USD	20 months	17 months
JPY	15 months	18 months
GBP	8 months	8 months

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The term to maturity of the swaps existing at the end of 2003 is December 2007 and December 2012 (December 2007 at the end of 2002) and the interest margins are (1.82%) and (0.26%) ((0.26% at year end 2002).

THE NOVO NORDISK GROUP

CONSOLIDATED FINANCIAL STATEMENTS FOR 2003 **39**

Table of Contents**Notes Additional information****33** Derivative financial instruments (continued)**Hedging of assets and liabilities**

The table below shows the fair value of fair value hedging activities for 2003 and 2002 specified on hedging instrument and the major currencies.

All changes in fair values are recognised in the Profit and loss account which amounts to a gain of DKK 263 million in 2003 (a gain of DKK 222 million in 2002).

DKK million	2003			2002		
	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end
Forward contracts						
USD	1,648	202		1,703	195	
JPY	26	1				
GBP	161	9		164	8	
Other	233	12		48	8	
	2,068	224		1,915	211	
Currency swaps						
JPY/DKK	624	39		624	11	
	624	39		624	11	
Total hedging of assets and liabilities	2,692	263		2,539	222	

The term to maturity of the swaps existing at the end of 2003 is December 2011 (December 2011 at the end of 2002) and the interest margins are (3.19%) to 4.05% ((2.47%) to 4.05% at year end 2002).

The financial contracts existing at the end of the year fully hedge the currency exposure on assets and liabilities in the Group's major currencies other than DKK and EUR, that is assets and liabilities in USD, JPY and GBP.

Hedging of net investments in foreign subsidiaries

The table below shows the fair value of hedging activities relating to net investments in foreign subsidiaries for 2003 and 2002 specified on hedging instrument and the major currencies. All changes in fair values relating to currency are recognised directly under Shareholders' funds amounting to DKK 83 million in 2003 (DKK 86 million in 2002). All changes relating to interest rates are recognised on the Profit and loss account amounting to DKK 7 million in 2003 (DKK 0 million in 2002).

DKK million	2003			2002		
	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end	Contract amount at year-end	Positive fair values at year-end	Negative fair values at year-end

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Currency swaps				
USD/DKK	216	69	468	79
JPY/DKK	294	21	305	7
	<u>510</u>	<u>90</u>	<u>773</u>	<u>86</u>

The term to maturity of the swaps existing at the end of 2003 is June 2004 - September 2006 (September 2003 - July 2004 at the end of 2002) and the interest margins are 0.68% to 2.93% (0.68% to 3.27% at year end 2002).

The financial contracts existing at the end of the year hedges the following share of the major net investments:

	2003 Net investment	% covered	2002 Net investment	% covered
USD	1,149	13%	1,201	32%
JPY	457	61%	437	68%
GBP	117	0%	140	0%
EUR*)	1,580	0%	1,234	0%
Other	1,023	0%	1,082	0%
	<u>4,326</u>		<u>4,094</u>	

*) including affiliates with EUR as measurement currency regardless of the local currency in the affiliate.

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Notes Additional information

34 Contingent assets, contingent liabilities and pending litigation

DKK million	2003	2002
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Operating lease commitments

The below operating lease commitments are related to non-cancellable operating leases primarily related to premises, company cars and office equipment. Approximately 62% of the commitments are related to leases outside Denmark. The lease costs for 2003 and 2002 were DKK 586 million and DKK 570 million respectively.

Lease commitments expiring within the following periods as from the balance sheet date:

Within one year	290	248
Between one and two years	239	196
Between two and three years	172	154
Between three and four years	124	120
Between four and five years	118	110
After five years	327	324
	1,270	1,152

Purchase obligations

The purchase obligations primarily relate to contractual obligations to investments in tangible fixed assets and purchase agreements regarding medical equipment and consumer goods. The commitments to investments in tangible fixed assets primarily relate to investments under the production facility expansion programme to be completed in 2004

	1,517	1,193
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Obligations relating to research and development projects

Novo Nordisk has engaged in research and development projects with a number of external corporations. The major part of the obligations include fees and milestone payments on the AERx® iDMS project which is conducted in cooperation with Aradigm Corporation; option fee on proteins developed by ZymoGenetics Inc and fees on the NovoSeven® expansion programmes. Furthermore, Aradigm Corporation has an option to call further equity investment from Novo Nordisk subject to certain conditions

	604	983
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Security for debt

Land, buildings and equipment etc at carrying amount

	1,713	833
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Credit guarantee regarding asset securitisation

Novo Nordisk has asset securitisation programmes with two external credit institutions regarding the major part of the trade debtors in the Japanese subsidiary with the purpose to accelerate the receipt of cash related to those receivables. On a part of the sold receivables Novo Nordisk has issued a credit guarantee of up to 15% of the sold trade debtors. In total DKK 295 million trade debtors are sold and consequently not included in the Novo Nordisk Group's Balance sheet at 31 December 2003 (DKK 431 million at 31 December 2002)

	44	65
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World Diabetes Foundation

At the Annual General Meeting of Novo Nordisk A/S in 2002 the shareholders agreed on a donation to the World Diabetes Foundation obligating Novo Nordisk A/S for a period of 10 years from 2002 to make annual donations to the Foundation of 0.25% of the net insulin sales of the Novo Nordisk Group in the preceding financial year. However, annual donations shall not exceed the lower of DKK 65 million or 15% of the taxable income of Novo Nordisk A/S in the financial year in question. The donation of DKK 40 million in 2003 is recognised in the Profit and loss account.

Pending litigation

In Poland the local customs authorities have investigated a number of international companies, alledging misstatement of customs values regarding the period until April 2002 when new legislation came into effect. Regarding Novo Nordisk the authorities have investigated 1999, 2000 and part of 2001 and claimed misstatement of approximately DKK 320 million. Novo Nordisk has not received claims regarding the last

part of 2001 and 2002. In the opinion of Management, Novo Nordisk has acted in compliance with Polish legislation. In spite of that, there is a risk of further legal actions against Novo Nordisk from the Polish authorities. The outcome of possible legal actions and consequences hereof are uncertain.

In addition, the Novo Nordisk Group is engaged in certain litigation proceedings. In the opinion of Management, settlement or continuation of these proceedings will not have a material effect on the financial position of the Group.

Liability for the debts and obligations of Novozymes following the demerger of Novozymes in 2000.

Novo Nordisk A/S and Novozymes A/S are subject to joint and several liability for any obligation which existed at the time of the announcement of the demerger in 2000. At the end of the year the remaining part of the joint and several liability in Novozymes A/S amounted to DKK 795 million.

Debts and obligations pertaining to the period before 1 January 2000, which are recognised after 1 January 2000 and which cannot be clearly attributed to either Novo Nordisk A/S or Novozymes A/S, will be distributed proportionally between the two according to an agreement established in connection with the demerger in November 2000.

Table of Contents**Notes Additional information****35 Related party transactions**

Novo Nordisk A/S is controlled by Novo A/S (incorporated in Denmark) which owns 27% of the shares in Novo Nordisk A/S. The remaining shares are widely held. The ultimate parent of the Novo Nordisk Group is the Novo Nordisk Foundation (incorporated in Denmark).

Other related parties are considered to be the Novozymes Group due to joint ownership, associated companies, the directors and officers of these entities and Management of Novo Nordisk. Following the demerger, Novo Nordisk has access to certain assets of and can purchase certain services from Novo A/S and the Novozymes Group and vice versa. All agreements relating to such assets and services are based on the list prices used for sales to third parties where such list prices exist, or the price has been set at what is regarded as market price. The main part of these agreements are for one year.

The Novo Nordisk Group has had the following material transactions with related parties:

DKK million	2003 Purchase/ (sale)	2002 Purchase/ (sale)
Novo A/S		
Services provided by the Novo Nordisk Group	(9)	(6)
Facilitation and stakeholder relation services etc provided by Novo A/S	53	35
The Novozymes Group		
Services provided by the Novo Nordisk Group	(366)	(382)
Services provided by the Novozymes Group	155	134
Sales of assets by the Novozymes Group		30
Associated companies		
Sales to associated companies provided by Novo Nordisk		(84)
Fees and royalties etc paid to associated companies by Novo Nordisk	356	309
Equity contribution to associated companies provided by Novo Nordisk		53

There have not been any material transactions with the Novo Nordisk Foundation, or with any director or officer of Novo Nordisk A/S, the Novozymes Group, Novo A/S, the Novo Nordisk Foundation or associated companies. For information on remuneration to Management of Novo Nordisk A/S, please refer to note 32.

Apart from the balances included in the Balance sheet under Fixed asset investments, Other debtors and Other creditors there are no unsettled transactions with related parties at the end of the year.

36 Reconciliation to US GAAP

A description of the Group's accounting policies is set out in note 1. The accounting principles generally accepted in the United States (US GAAP) differ within certain areas from the Group's accounting policies. The principal areas for which US GAAP differ can be summarised as follows:

- a) Rebates according to Danish GAAP certain rebates including cash discounts are classified as sales and distribution costs. However, under US GAAP these have to be netted against net turnover.
- b) Employee shares according to Danish GAAP employee shares issued or sold at a favourable price are recorded under shareholders' funds irrespective of the discount. According to US GAAP the difference between market price and the sales price should be recorded as an expense in the profit and loss account.
- c) Options and share-based awards under Danish GAAP no expense is recorded because these schemes are hedged by own shares. Under US GAAP for fixed plans the intrinsic value of the option is recorded as an expense in the profit and loss account at the date of grant. If the plan is variable, the intrinsic value of the option is adjusted in subsequent reporting periods until the time when the terms of the award can be determined, and the intrinsic value is expensed in the profit and loss account over the service period.

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- d) Financial instruments according to Danish GAAP foreign exchange contracts and options hedging future cash flow are measured at market value and unrealised value adjustments are deferred via shareholders' funds. Novo Nordisk has not adopted hedge accounting under USGAAP, hence the value adjustments in accordance with US GAAP must be recognised in the profit and loss account.
- e) Restructuring costs under Danish GAAP costs in connection with the restructuring were taken to the profit and loss account in 1999. Under US GAAP such costs can only be charged to the profit and loss account when the costs have been incurred.
- f) Unrealised capital gain on investments in research and development companies according to Danish GAAP the gain on a capital injection, where the shareholding of Novo Nordisk is diluted, is recognised in the profit and loss account. Under US GAAP the gain is recognised in shareholders' funds when the issued securities are not common stock or the main activity of the investee is research and development.
- g) Goodwill on investments in research and development companies - according to Danish GAAP goodwill is capitalised and amortised over the expected useful life of the asset. Under US GAAP costs in excess of net assets is considered to be in-process research and development costs which are charged to the profit and loss account immediately.
- h) Goodwill according to Danish GAAP goodwill must be capitalised and amortised systematically over the useful life (not to exceed 20 years). Under US GAAP goodwill is not amortised, but tested for impairment.
- i) Business combinations the excess capital paid for a company has to be transferred to all identifiable assets in a business combination under Danish GAAP as it has to be under US GAAP. The application of the rules is however more strict under US GAAP, where more intangible assets are identified compared to the generally accepted Danish practice.
- j) Discontinued operations (Novozymes A/S) under US GAAP the results of discontinued operations have been included until the date of the demerger. Consequently the results of Novozymes have been included until 13 November 2000. The income recorded during 2000 becomes part of the net assets which are distributed in the form of dividend to shareholders in connection with the demerger.
- k) In the Statement of cash flow and financial resources financial resources comprise current asset investments and cash less short-term bank loans. According to US GAAP cash and cash equivalents consist solely of cash and current asset investments with a remaining term to maturity of less than three months. Current asset investments with remaining term to maturity exceeding three months are presented as investing activities, and short-term bank loans are recorded as financing activities.

Table of Contents**Notes Additional information****36 Reconciliation to US GAAP (continued)**

The application of the US GAAP described would have resulted in the following adjustments:

DKK million	2003	2002	2001	2000	1999
Adjustments to net turnover:					
Net turnover in accordance with Danish GAAP	26,541	25,187	23,776	20,811	16,423
a) Rebates	(397)	(378)	(391)	(326)	(217)
Net turnover in accordance with US GAAP	26,144	24,809	23,385	20,485	16,206
Adjustments to net profit:					
Net profit in accordance with Danish GAAP	4,858	4,095	3,865	3,087	2,001
b) Employee shares		(56)	(213)		(90)
c) Options and share-based awards	(68)	(20)	(27)	(93)	
d) Financial instruments	164	346	(139)	327	73
e) Restructuring costs				(125)	125
f) Unrealised capital gain on investments in research and development companies	(85)	(236)	(48)	(19)	
g) Goodwill on investments in research and development companies			(60)		
h) Goodwill amortisation and impairment losses, Danish GAAP	37	88			
i) Intangible assets amortisation, US GAAP	(6)	(6)			
Tax on the above-mentioned differences between Danish GAAP and US GAAP	(35)	34	114	(29)	(43)
Net profit from continuing operations in accordance with US GAAP	4,865	4,245	3,492	3,148	2,066
j) Net profit from discontinued operations (Novozymes)				408	392
Net profit in accordance with US GAAP	4,865	4,245	3,492	3,556	2,458
Adjustments to shareholders' funds:					
Shareholders' funds in accordance with Danish GAAP	25,224	22,928	20,137	16,981	15,876
e) Restructuring costs					125
g) Goodwill on investments in research and development companies			(60)		
h) Goodwill amortisation and impairment losses, Danish GAAP	65	28			
i) Intangible assets amortisation, US GAAP	(12)	(6)			
j) Net assets of discontinued operations according to US GAAP				3,758	3,350
j) Net assets of discontinued operations - dividend to shareholders				(3,758)	
Tax arising from the difference between Danish GAAP and US GAAP	(11)	(5)		(105)	(40)
Shareholders' funds in accordance with US GAAP	25,266	22,945	20,077	16,876	19,311

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Table of Contents**Notes Additional information****36 Reconciliation to US GAAP (continued)**

DKK million	2003	2002	2001	2000	1999
Adjustments to Balance sheet:					
Total assets in accordance with DK GAAP	34,394	31,496	28,905	24,920	23,082
Intangible fixed assets	53	22			
Fixed asset investments			(60)		
Net assets of discontinued operations					3,350
Total assets in accordance with US GAAP	34,447	31,518	28,845	24,920	26,432
Total liabilities in accordance with DK GAAP	9,170	8,568	8,768	7,939	7,036
Provisions	11	5		105	
Short-term liabilities					85
Total liabilities in accordance with US GAAP	9,181	8,573	8,768	8,044	7,121
Earnings per share/ADR from continued operations in accordance with US GAAP in DKK	14.26	12.24	10.10	9.01	5.78
Earnings per share/ADR diluted from continued operations in accordance with US GAAP in DKK	14.16	12.23	10.03	8.98	5.69
Earnings per share/ADR in accordance with US GAAP in DKK	14.26	12.24	10.10	10.18	6.87
Earnings per share/ADR diluted in accordance with US GAAP in DKK	14.16	12.23	10.03	10.14	6.76
Earnings per ADR from continued operations in USD *)	2.39	1.73	1.20	1.12	0.72
Earnings per ADR from continued operations diluted in USD *)	2.38	1.73	1.19	1.12	0.71
Earnings per ADR in accordance with US GAAP in USD *)	2.39	1.73	1.20	1.27	0.85
Earnings per ADR diluted in accordance with US GAAP in USD *)	2.38	1.73	1.19	1.26	0.84
Dividend per share/ADR in DKK	4.40	3.60	3.35	2.65	1.95
Dividend per ADR in USD **)	0.74	0.51	0.39	0.32	0.25

*) For translation into USD, the exchange rate at 31 December is used.

***) Dividends are translated at Danmarks Nationalbanks (the central bank of Denmark) official exchange rate on the respective payment dates, for 1999-2002. For 2003 proposed dividend is translated using the exchange rate per 31 December 2003 (USD 1 = DKK 5.9576).

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Financial definitions

ADRs

American Depositary Receipts.

Number of shares outstanding

The number of shares outstanding is the total number of shares excluding the holding of own shares.

Cash/earnings

Free cash flow as a percentage of net profit.

Earnings per share (EPS)

Net profit divided by the average number of shares outstanding.

Earnings per share diluted

Net profit divided by the sum of average number of shares outstanding including number of share options in the money .

Effective tax rate

Income taxes as a percentage of profit before taxation.

Equity ratio

Shareholders' funds at year-end as a percentage of the sum of total liabilities and shareholders' funds at year-end.

Gross margin

Gross profit as a percentage of net turnover.

Market capitalisation

Total number of shares outstanding at year-end multiplied by the quoted (closing) price at year-end for Novo Nordisk's B shares on the Copenhagen Stock Exchange.

Net profit margin

Net profit as a percentage of net turnover.

Operating profit (EBIT)

Earnings before interest and tax.

Operating profit margin

Operating profit (EBIT) as a percentage of net turnover.

Payout ratio

Total dividends for the year as a percentage of net profit.

Price/earnings

The quoted (closing) price at year-end for Novo Nordisk's B shares on the Copenhagen Stock Exchange divided by earnings per share.

Quoted price at year-end for ADRs

The quoted (closing) price at year-end for Novo Nordisk's ADRs on the New York Stock Exchange.

Quoted price at year-end for B shares

The quoted (closing) price at year-end for Novo Nordisk's B shares on the Copenhagen Stock Exchange.

Return on shareholders' funds

Net profit as a percentage of average shareholders' funds (the sum of shareholders' funds at the beginning of the year and at year-end divided by two).

ROIC (return on invested capital)

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

Weighted Average Cost of Capital (WACC)

WACC states the company's average cost of capital considering the capital structure.

Table of Contents**Companies in the Novo Nordisk Group**

	Country	Year of incorporation / acquisition	Issued share capital / paid-in capital	Percentage of shares owned	Activity		
					Production	Sales and Marketing	Research and Development
Parent company							
Novo Nordisk A/S	Denmark	1931	DKK	709,388,320			
Subsidiaries by region							
Europe							
Novo Nordisk Pharma GmbH	Austria	1974	EUR	36,336	100		
SA Novo Nordisk Pharma NV	Belgium	1974	EUR	2,559,501	100		
Novo Nordisk sro	Czech Republic	1997	CZK	14,500,000	100		
Novo Nordisk Region Europe A/S	Denmark	2002	DKK	100,500,000	100		
Novo Nordisk Farma OY	Finland	1972	EUR	420,470	100		
Novo Nordisk Pharmaceutique SA	France	1959	EUR	37,987,000	100		
Hermedico GmbH	Germany	1995	EUR	25,565	100		
Novo Nordisk Pharma GmbH	Germany	1973	EUR	614,062	100		
Novo Nordisk Hellas Epe	Greece	1979	EUR	1,050,000	100		
Novo Nordisk Limited	Ireland	1978	EUR	635	100		
Home Care srl	Italy	1995	EUR	10,400	100		
Novo Nordisk Farmaceutici SpA	Italy	1980	EUR	516,500	100		
Novo Nordisk Farma BV	Netherlands	1983	EUR	61,155	100		
Novo Nordisk Scandinavia AS	Norway	1965	NOK	250,000	100		
Novo Nordisk Comércio Produtos							
Farmacêuticos Ltda	Portugal	1984	EUR	250,000	100		
Novo Nordisk Pharma SA	Spain	1978	EUR	1,502,500	100		
Novo Nordisk Scandinavia AB	Sweden	1971	SEK	100,000	100		
Novo Nordisk Health Care AG	Switzerland	2000	CHF	158,325,000	100		
Novo Nordisk Pharma AG	Switzerland	1968	CHF	50,000	100		
Novo Nordisk Holding Ltd	United Kingdom	1977	GBP	2,802,130	100		
Novo Nordisk Limited	United Kingdom	1978	GBP	2,350,000	100		
North America							
Novo Nordisk Canada Inc	Canada	1983	CAD	200	100		
Novo Nordisk Region North America A/S							
Novo Nordisk of North America Inc	Denmark	2003	DKK	500,000	100		
Novo Nordisk Pharmaceutical Industries Inc	United States	1988	USD	283,835,600	100		
Novo Nordisk Pharmaceuticals Inc	United States	1991	USD	55,000,000	100		
Novo Nordisk Pharmaceuticals Inc	United States	1982	USD	2,000	100		
Japan & Oceania							
Novo Nordisk Pharmaceuticals Pty Ltd	Australia	1985	AUD	500,001	100		
Novo Nordisk Region Japan & Oceania A/S							
Nippon Novo Ltd	Denmark	2002	DKK	500,000	100		
Novo Nordisk Pharma Ltd	Japan	1979	JPY	10,000,000	100		
Novo Nordisk Pharma Ltd	Japan	1980	JPY	2,104,000,000	100		
Novo Nordisk Pharmaceuticals Ltd	New Zealand	1990	NZD	1,000,000	100		

Table of Contents**Companies in the Novo Nordisk Group**

	Country	Year of incorporation / acquisition	Issued share capital / paid-in capital	Percentage of shares owned	Activity			
					Production	Marketing	Research and Development	Sales and Finance
International Operations								
Aldaph SpA	Algeria	1994	DZD	423,000,000	100			
Novo Nordisk Pharma Argentina SA	Argentina	1997	ARS	7,465,150	100			
Novo Nordisk Produsao Farmacêutica Do Brasil	Brazil	2002	BRL	17,899,380	100			
Novo Nordisk Farmacêutica do Brasil Ltda	Brazil	1990	BRL	29,823,813	100			
Novo Nordisk (China) Pharmaceuticals Co, Ltd	China	1994	CNY	165,957,192	100			
Novo Nordisk Pharmaceuticals A/S	Denmark	1974	DKK	1,001,000	100			
Novo Nordisk Region International Operation A/S	Denmark	2002	DKK	10,000,000	100			
Novo Nordisk Hong Kong Limited	Hong Kong	2001	HKD	500,000	100			
Novo Nordisk Hungária Kft	Hungary	1996	HUF	371,000,000	100			
Novo Nordisk India Private Ltd	India	1994	INR	265,000,000	100			
PT Novo Nordisk	Indonesia	2003	IDR	827,900,000	100			
Novo Nordisk Ltd	Israel	1997	ILS	100	100			
Novo Nordisk Pharma (Malaysia) Sdn Bhd	Malaysia	1992	MYR	200,000	100			
Novo Nordisk Pharmaceuticals (Philippines) Inc	Philippines	1999	PHP	50,000,000	100			
Novo Nordisk Pharma Sp zoo	Poland	1996	PLN	29,021,000	100			
Novo Nordisk Limited Liability Company	Russia	2003	RUB	1,600,000	100			
Novo Investment Pte Ltd	Singapore	1994	SGD	12,000,000	100			
Novo Nordisk Asia Pacific Pte Ltd	Singapore	1997	SGD	2,000,000	100			
Novo Nordisk Pharma (Singapore) Pte Ltd	Singapore	1997	SGD	200,000	100			
Novo Nordisk (Pty) Ltd	South Africa	1959	ZAR	8,000	100			
Novo Nordisk Properties (Pty) Ltd	South Africa	2001	ZAR	1	100			
Novo Nordisk Pharma Korea Ltd	South Korea	1994	KRW	6,108,400,000	100			
Novo Nordisk Pharma (Taiwan) Ltd	Taiwan	1990	TWD	9,000,000	100			
Novo Nordisk Pharma (Thailand) Ltd	Thailand	1983	THB	15,500,000	49			
Novo Nordisk Saglik Ürünleri Tic Ltd Sti (in million)	Turkey	1993	TRL	25,296,300	100			
Other subsidiaries								
Novo Nordisk Engineering (Tianjin) Co, Ltd	China	1995	CNY	1,662,940	100			
FeF Chemicals A/S	Denmark	1989	DKK	10,000,000	100			
NNIT A/S	Denmark	1998	DKK	1,000,000	100			
Novo Nordisk Engineering A/S	Denmark	1989	DKK	500,000	100			
Novo Nordisk Invest 1 A/S	Denmark	1984	DKK	36,000,000	100			
Novo Nordisk Servicepartner A/S	Denmark	1998	DKK	1,000,000	100			
NNS Sikring A/S	Denmark	1998	DKK	1,000,000	100			
Novo Nordisk Engineering AB	Sweden	2003	SEK	100,000	100			
Novo Nordisk Engineering US Inc	United States	2003	USD	300,000	100			
Associated companies *)								
DakoCytomation A/S	Denmark	1992	DKK	77,207,576	26			

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Ferrosan A/S	Denmark	1986	DKK	121,827,000	30
ZymoGenetics Inc	United States	1988	USD	498,602,350	35
Aradigm Corporation	United States	2001	USD	62,751,196	12

*) Percentage of shares owned is diluted with outstanding share options in the money .

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Table of Contents**Summary of the Group 1999 2003**

Key figures in DKK (million)	1999	2000	2001	2002	2003
Net turnover	16,423	20,811	23,776	25,187	26,541
Net turnover by business segments:					
Insulin analogues		143	462	1,198	2,579
Human insulin and insulin-related sales	11,049	13,348	14,761	14,836	14,704
Oral antidiabetic products (OAD)	728	1,087	1,401	1,631	1,440
Diabetes care total	11,777	14,578	16,624	17,665	18,723
Haemostasis management (NovoSeven®)	1,313	2,270	3,096	3,621	3,875
Growth hormone therapy	1,721	2,107	2,164	2,131	2,220
Hormone replacement therapy	1,130	1,306	1,435	1,342	1,331
Other products	482	550	457	428	392
Biopharmaceuticals total	4,646	6,233	7,152	7,522	7,818
Net turnover by geographic segments:					
Europe	7,796	9,189	10,605	10,993	11,743
North America	2,769	4,114	5,277	5,913	6,359
Japan & Oceania	3,761	4,697	4,498	4,239	4,210
International Operations	2,097	2,811	3,396	4,102	4,229
Licence fees and other operating income (net)	962	571	867	994	1,121
Operating profit (EBIT)	3,527	4,816	5,614	5,979	6,384
Net financials	(178)	24	416	321	999
Profit before taxation	3,349	4,840	6,030	6,300	7,383
Income taxes	1,348	1,753	2,165	2,205	2,525
Net profit	2,001	3,087	3,865	4,095	4,858
Cash and current asset investments	3,442	3,845	3,062	1,738	3,090
Total assets	23,082	24,920	28,905	31,496	34,394
Total short-term liabilities	5,045	5,621	6,139	6,133	6,820
Total long-term liabilities	2,161	2,318	2,629	2,435	2,350
Shareholders funds	15,876	16,981	20,137	22,928	25,224
Investments in tangible fixed assets (net) **)	1,265	2,141	3,846	4,011	2,312
Investments in intangible assets and fixed asset investments (net)	29	(22)	288	81	11
Free cash flow	1,533	2,712	186	497	3,846
Net cash flow	1,777	560	(759)	(1,029)	1,452
Ratios					
Turnover in percent:					
Insulin analogues	0.0%	0.7%	1.9%	4.8%	9.7%
Human insulin and insulin-related sales	67.3%	64.1%	62.1%	58.9%	55.4%
Oral antidiabetic products (OAD)	4.4%	5.2%	5.9%	6.5%	5.4%
Diabetes care total	71.7%	70.0%	69.9%	70.1%	70.5%
Haemostasis management (NovoSeven®)	8.0%	10.9%	13.0%	14.4%	14.6%
Growth hormone therapy	10.5%	10.1%	9.1%	8.5%	8.4%
Hormone replacement therapy	6.9%	6.3%	6.1%	5.3%	5.0%
Other products	2.9%	2.7%	1.9%	1.7%	1.5%
Biopharmaceuticals total	28.3%	30.0%	30.1%	29.9%	29.5%
Sales outside Denmark in percent of net turnover	98.8%	98.8%	99.2%	99.2%	99.3%
Sales and distribution costs in percent of net turnover	29.3%	30.1%	30.3%	29.7%	29.4%
Research and development costs in percent of net turnover	16.7%	16.3%	16.7%	16.4%	15.8%
Administrative expenses in percent of net turnover	10.5%	9.0%	7.8%	7.7%	7.0%
Gross margin *)	74.3%	75.8%	74.9%	73.7%	72.0%
Operating profit margin *)	21.5%	23.1%	23.6%	23.7%	24.1%
Growth in operating profit *)	20.3%	36.5%	16.6%	6.5%	6.8%

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Growth in operating profit, three-year average *)	N/A	25.7%	24.5%	19.9%	10.0%
Net profit margin *)	12.2%	14.8%	16.3%	16.3%	18.3%
Effective tax rate *)	40.3%	36.2%	35.9%	35.0%	34.2%
Equity ratio *)	68.8%	68.1%	69.7%	72.8%	73.3%
Pay-out ratio *)	28.7%	29.7%	30.0%	30.4%	30.6%
Return on shareholders funds *)	12.6%	18.8%	20.8%	19.0%	20.2%
Change in market capitalisation	13.7%	56.2%	20.4%	(40.4%)	15.4%
ROIC *)	15.3%	22.0%	23.1%	20.1%	19.1%
Cash/earnings *)	76.6%	87.9%	4.8%	12.1%	79.2%
Cash/earnings three-year average *)	48.4%	66.5%	56.4%	34.9%	32.0%

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Summary of the Group 1999 2003

Key figures in EUR (million)	1999	2000	2001	2002	2003
Net turnover	2,206	2,795	3,194	3,383	3,564
Net turnover by business segments:					
Insulin analogues		19	62	161	347
Human insulin and insulin-related sales	1,484	1,793	1,983	1,994	1,976
Oral antidiabetic products (OAD)	98	146	188	219	193
Diabetes care total	1,582	1,958	2,233	2,374	2,516
Haemostasis management (NovoSeven®)	176	305	416	485	520
Growth hormone therapy	231	283	291	287	298
Hormone replacement therapy	152	175	193	180	178
Other products	65	74	61	57	52
Biopharmaceuticals total	624	837	961	1,009	1,048
Net turnover by geographic segments:					
Europe	1,047	1,234	1,425	1,470	1,577
North America	372	553	709	794	854
Japan & Oceania	505	631	604	569	565
International Operations	282	377	456	550	568
Licence fees and other operating income (net)	129	77	116	133	151
Operating profit (EBIT)	474	647	754	804	857
Net financials	(24)	3	56	42	135
Profit before taxation	450	650	810	846	992
Income taxes	181	235	291	295	339
Net profit	269	415	519	551	653
Cash and current asset investments	462	516	411	233	415
Total assets	3,101	3,347	3,883	4,231	4,620
Total short-term liabilities	678	755	825	824	916
Total long-term liabilities	290	311	353	327	316
Shareholders funds	2,133	2,281	2,705	3,080	3,388
Investments in tangible fixed assets (net) **)	170	288	517	539	309
Investments in intangible assets and fixed asset investments (net)	4	(3)	39	11	1
Free cash flow	206	364	25	67	517
Net cash flow	239	75	(102)	(138)	195
Share data					
Earnings per share in DKK *)	5.60	8.84	11.18	11.81	14.24
Earnings per share diluted in DKK *)	5.59	8.82	11.10	11.72	14.14
Dividend per share in DKK	1.95	2.65	3.35	3.60	4.40
Price/earnings *)	31.77	32.24	30.59	17.36	16.92
Number of shares at year-end (million)	377.2	377.2	354.7	354.7	354.7
Number of shares outstanding at year-end (million)	354.5	345.5	346.7	345.3	338.2
Average number of shares outstanding (million) *)	357.5	349.2	345.7	346.7	341.2
Average number of shares outstanding incl share options in the money (million)	357.9	350.2	348.2	349.3	343.5
Quoted price at year-end for B shares in DKK *)	178	285	342	205	241
Quoted price (high) for B shares during the year in DKK	182	368	393	340	254
Quoted price (low) for B shares during the year in DKK	120	168	277	168	171
Quoted price at year-end for ADRs in USD *)	23.45	35.40	40.10	28.90	40.96
Market capitalisation in DKK (million) *)	63,052	98,507	118,563	70,613	81,494
Earnings per share in accordance with US GAAP in DKK	6.87	10.18	10.10	12.24	14.26
Earnings per share diluted in accordance with US GAAP in DKK	6.76	10.14	10.03	12.23	14.16
Earnings per ADR in accordance with US GAAP in USD *)	0.85	1.27	1.20	1.73	2.39

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Earnings per ADR diluted in accordance with US GAAP in USD *)	0.84	1.26	1.19	1.73	2.39
Employees					
Total full-time employees at year-end	11,994	13,752	16,141	18,005	18,756
Denmark	7,409	8,767	10,127	11,104	11,414
Rest of Europe	1,935	1,999	2,292	2,361	2,430
North America	1,082	999	1,404	1,481	1,590
Japan & Oceania	825	771	787	811	867
International Operations	743	1,216	1,531	2,248	2,455

*) For definitions, please refer to page 45.

**) For 2002 Investments in tangible fixed assets (net) include fixed assets acquired in connection with the acquisition of Biobrás (DKK 104 million/EUR 14 million). Comparative figures for 1999 are derived from the consolidated accounts of the former Novo Nordisk Group (prior to the demerger) all dividends are allocated to the continuing Novo Nordisk.

Key figures are translated into EUR as supplementary information the translation is based on the exchange rate at the end of the year (EUR 1 = DKK 7.4446).

The figures in DKK (measurement currency) reflect the economic substance of the underlying events and circumstances of the Novo Nordisk group.

Table of Contents**Quarterly figures 2002 and 2003 (unaudited)**

Key figures in DKK (million)	2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net turnover	5,481	6,553	6,445	6,708	6,106	6,524	6,703	7,208
Net turnover by business segments:								
Insulin analogues	143	247	362	446	489	578	713	799
Human insulin and insulin-related sales	3,341	3,880	3,752	3,863	3,443	3,693	3,579	3,989
Oral antidiabetic products (OAD)	350	451	441	389	363	300	387	390
Diabetes care total	3,834	4,578	4,555	4,698	4,295	4,571	4,679	5,178
Haemostasis management (NovoSeven®)	800	926	909	986	926	997	1,011	941
Growth hormone therapy	450	548	555	578	521	553	539	607
Hormone replacement therapy	335	349	323	335	279	292	361	399
Other products	62	152	103	111	85	111	113	83
Biopharmaceuticals total	1,647	1,975	1,890	2,010	1,811	1,953	2,024	2,030
Net turnover by geographic segments:								
Europe	2,420	2,816	2,794	2,903	2,723	2,935	2,920	3,165
North America	1,354	1,498	1,557	1,504	1,566	1,501	1,674	1,618
Japan & Oceania	879	1,119	1,051	1,190	907	1,030	1,082	1,191
International Operations	828	1,120	1,043	1,111	910	1,058	1,027	1,234
Gross profit	4,074	4,870	4,755	4,855	4,430	4,715	4,886	5,071
Sales and distribution costs	1,849	1,953	1,827	1,850	1,822	1,901	1,929	2,147
Research and development costs	950	1,023	1,063	1,103	977	1,005	1,052	1,159
Administrative expenses	452	455	464	580	464	416	485	482
Licence fees and other operating income (net)	427	167	117	283	153	226	216	526
Operating profit	1,250	1,606	1,518	1,605	1,320	1,619	1,636	1,809
Net financials	17	82	24	198	333	329	77	260
Profit before taxation	1,267	1,688	1,542	1,803	1,653	1,948	1,713	2,069
Income taxes	443	591	540	631	562	662	583	718
Minority interests		4	1	(5)				
Net profit	824	1,101	1,003	1,167	1,091	1,286	1,130	1,351
Depreciation, amortisation and impairment losses	299	296	302	435	319	365	372	563
Total shareholders funds	19,782	21,153	22,000	22,928	22,158	23,159	24,037	25,224
Total assets	28,674	30,520	32,101	31,496	31,269	33,028	34,998	34,394
Ratios								
Gross margin	74.3%	74.3%	73.8%	72.4%	72.6%	72.3%	72.9%	70.4%
Sales and distribution costs in percent of net turnover	33.7%	29.8%	28.3%	27.6%	29.8%	29.1%	28.8%	29.8%
Research and development costs in percent of net turnover	17.3%	15.6%	16.5%	16.4%	16.0%	15.4%	15.7%	16.1%
Administrative expenses in percent of net turnover	8.2%	6.9%	7.2%	8.6%	7.6%	6.4%	7.2%	6.7%
Operating profit margin	22.8%	24.5%	23.6%	23.9%	21.6%	24.8%	24.4%	25.1%
Equity ratio	69.0%	69.3%	68.5%	72.8%	70.9%	70.1%	68.7%	73.3%
Share data								
Earnings per share/ADR (in DKK)	2.38	3.17	2.89	3.37	3.17	3.77	3.32	3.99
Earnings per share/ADR diluted (in DKK)	2.36	3.15	2.87	3.35	3.15	3.74	3.30	3.96
Average number of shares outstanding (million) basic EPS	346.7	346.8	347.0	346.2	344.4	341.5	340.3	338.5
Average number of shares outstanding (million) diluted EPS	349.8	349.4	349.4	348.5	346.7	343.8	342.6	340.9

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Employees

Number of full-time employees at the end of the period	17,561	17,925	18,041	18,005	18,221	18,465	18,664	18,756
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Adoption of IFRS in 2004 (unaudited)

As of 1 January 2004, the accounting policies will be changed to comply with the requirements under International Financial Reporting Standards (IFRS). Based upon the current IFRS standards the change from the historically applied Danish GAAP to IFRS accounting policies will result in changes in the following areas:

- a) Accounting for associated R&D companies – Novo Nordisk’s share of profit or loss in associated research and development companies, including goodwill amortisation and impairment losses, is included in share of profit and loss in associated companies and is therefore no longer included in research and development costs. Novo Nordisk’s capital gains on dilution or sale of investments in associated research and development companies will be included in share of profit or loss in associated companies and therefore no longer in licence fees and other operating income (net). The method of calculating Novo Nordisk’s share of profit or loss in an associated company will be slightly changed.
- b) Market value of currency options – currency options hedging future cash flow are measured at market value at the balance sheet date. As a consequence of the strict hedging requirements, the current use of currency options does not qualify for cash flow hedge accounting. Value adjustments are therefore recognised in the profit and loss account under financial income or financial expenses.
- c) Provisions for pensions – Provisions for pension commitments and similar obligations are calculated in accordance with IAS 19. All actuarial gains and losses are recognised in the balance sheet at 1 January 2002 in accordance with IFRS 1.
- d) Borrowing costs – all interest expenses are recognised as an expense in the period in which they are incurred. Interest expenses on loans financing construction of major investments are no longer included in the cost of the assets.
- e) Rebates – certain rebates are reclassified from sales and distribution costs to net turnover.
- f) Long-term bonds – cash and cash equivalents consist of cash and current asset investments which at the date of acquisition had a maturity not exceeding three months. The cash flow from current asset investments, which at the date of acquisition had a maturity exceeding three months, is included in cash flow from investing activities.
- g) Deferred tax assets are presented as fixed assets and are no longer offset in provisions for deferred tax.
- h) Software – development costs of software in relation to major IT projects for internal use are reclassified from tangible to intangible fixed assets.
- i) Diluted earnings per share are calculated in accordance with IAS 33, which causes a change in the calculation of the dilutive effect.
- j) In the profit and loss account gains and losses on derivative financial instruments are no longer offset in the gains and losses of the hedged items. This has the effect that a foreign exchange loss of DKK 229 million (DKK 510 million in 2002) is reclassified from financial income to financial expenses.
- k) Other minor effects from adopting IFRS.

As changes to the current IFRS standards are expected in 2004, further changes to the accounting policies must be anticipated including changes in the areas of:

Share-based payments

Business combinations

Intangible assets

Financial instruments

To illustrate the effect of adopting IFRS in the Novo Nordisk Group the following restatements to IFRS have been prepared based upon the current IFRS standards. The restated IFRS figures comply with the requirements under IFRS including the First-time adoption of IFRS transition rules.

For 2003 the changes will have the following effect:

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Operating profit has increased by DKK 114 million.

Net profit has increased by DKK 44 million.

Total assets at 31 December 2003 have increased by DKK 170 million.

Shareholders' funds at 31 December 2003 have decreased by DKK 337 million.

Effect on key ratios is shown on page 53.

The letters a) to k) in the tables below refer to descriptions of the changes in accounting policies due to IFRS adoption mentioned above.

Effect of IFRS adoption for the profit and loss account

DKK million	2003			2002		
	Current GAAP	IFRS effect	IFRS	Current GAAP	IFRS effect	IFRS
Net turnover	26,541	(195)	26,346	25,187	(147)	25,040
Production costs	7,439	(38)	7,401	6,633	(39)	6,594
Gross profit	19,102	(157)	18,945	18,554	(108)	18,446
Sales and distribution costs	7,799	(196)	7,603	7,479	(136)	7,343
Research and development costs	4,193	(150)	4,043	4,139	(194)	3,945
Administrative expenses	1,847	(10)	1,837	1,951		1,951
Licence fees and other operating income (net)	1,121	(85)	1,036	994	(236)	758
Operating profit	6,384	114	6,498	5,979	(14)	5,965
Share of profit in associated R&D companies		(71)	(71)		45	45
Share of profit in other associated companies	12		12	27		27
Financial income	1,214	268	1,482	475	571	1,046
Financial expenses	227	242	469	181	536	717
Profit before taxation	7,383	69	7,452	6,300	66	6,366
Income taxes	2,525	25	2,550	2,205	17	2,222
Net profit	4,858	44	4,902	4,095	49	4,144

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Table of Contents**Adoption of IFRS in 2004 (unaudited)**

Effect of IFRS adoption for the profit and loss account (continued)

DKK million	2003	2002
Operating profit current GAAP	6,384	5,979
a) Accounting for associated R&D companies reclassification of share of profit or loss	150	194
a) Accounting for associated R&D companies reclassification of capital gain	(85)	(236)
c) Provisions for pensions	10	(11)
d) Borrowing costs depreciation	38	38
k) Other	1	1
Operating profit IFRS	6,498	5,965
DKK million	2003	2002
Profit before taxation current GAAP	7,383	6,300
IFRS effect on operating profit, cf above	114	(14)
a) Accounting for associated R&D companies reclassification of share of profit or loss	(150)	(194)
a) Accounting for associated R&D companies increased share of profit or loss	(9)	(9)
a) Accounting for associated R&D companies reclassification of capital gain	85	236
b) Market value of currency options	42	71
d) Borrowing costs interest expenses as incurred	(10)	(14)
k) Other	(3)	(10)
Profit before taxation IFRS	7,452	6,366

Effect of IFRS adoption for the balance sheet

DKK million	2003			2002		
	Current GAAP	IFRS effect	IFRS	Current GAAP	IFRS effect	IFRS
Intangible fixed assets	220	111	331	240	123	363
Tangible fixed assets	16,828	(486)	16,342	16,205	(524)	15,681
Investments in associated companies	1,009	31	1,040	1,202	47	1,249
Other fixed asset investments	80		80	77	2	79
Deferred tax assets		579	579		559	559
Stocks	6,531		6,531	5,919		5,919
Debtors	6,636	(65)	6,571	6,115	(91)	6,024
Current asset investments	1,828		1,828	315		315
Cash at bank and in hand	1,262		1,262	1,423		1,423
Total assets	34,394	170	34,564	31,496	116	31,612
Shareholders funds	25,224	(337)	24,887	22,928	(332)	22,596
Total liabilities	9,170	507	9,677	8,568	448	9,016
Total shareholders funds and liabilities	34,394	170	34,564	31,496	116	31,612

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DKK million	2003	2002
Total assets current GAAP	34,394	31,496
a) Accounting for associated R&D companies	31	47
c) Provisions for pensions		(43)
d) Borrowing costs	(382)	(410)
g) Deferred tax assets	548	559
k) Other	(27)	(37)
Total assets IFRS	34,564	31,612
Total liabilities current GAAP	9,170	8,568
g) Deferred tax assets	548	559
Changes to deferred tax as a result of the other changes to accounting policies	(101)	(142)
c) Provisions for pensions	52	14
k) Other	8	17
Total liabilities IFRS	9,677	9,016
Shareholders funds current GAAP	25,224	22,928
a) Accounting for associated R&D companies	31	47
b) Market value of currency options	(35)	(22)
c) Provisions for pensions	(36)	(42)
d) Borrowing costs	(268)	(287)
k) Other	(29)	(28)
Shareholders funds IFRS	24,887	22,596

Table of Contents**Adoption of IFRS in 2004 (unaudited)****Effect of IFRS adoption for the cash flow statement**

DKK million	2003			2002		
	Current GAAP	IFRS effect	IFRS	Current GAAP	IFRS effect	IFRS
Cash flow from operating activities	6,159	(10)	6,149	4,881	(14)	4,867
Cash flow from investing activities *)	(2,313)	(1,506)	(3,819)	(4,384)	1,099	(3,285)
Free cash flow **)	3,846	(1,516)	2,330	497	1,085	1,582
Cash flow from financing activities	(2,394)		(2,394)	(1,526)		(1,526)
Net cash flow	1,452	(1,516)	(64)	(1,029)	1,085	56
Net change in cash and cash equivalents	1,435	(1,513)	(78)	(1,053)	1,087	34
Cash and cash equivalents at the beginning of the year	1,234	(315)	919	2,287	(1,402)	885
Cash and cash equivalents at the end of the year	2,669	(1,828)	841	1,234	(315)	919

DKK million	2003	2002
Cash flow from operating activities current GAAP	6,159	4,881
d) Borrowing costs cash flow effect of interest costs	(10)	(14)
Cash flow from operating activities IFRS	6,149	4,867
Cash flow from investing activities current GAAP	(2,313)	(4,384)
d) Borrowing costs cash flow effect of interest costs	10	14
f) Long-term bonds	(1,513)	1,087
f) Long-term bonds unrealised gains/losses	(3)	(2)
Cash flow from investing activities IFRS	(3,819)	(3,285)
Cash and cash equivalents at the end of the year current GAAP	2,669	1,234
f) Long-term bonds at the end of the year	(1,828)	(315)
Cash and cash equivalents at the end of the year IFRS	841	919

*) According to IFRS the cash flow from investments in long-term bonds (>three mths) is included in cash flow from investing activities. Excess liquidity is primarily invested in non-callable, high-rated, liquid bonds.

***) The subtotal Free cash flow is not included in the cash flow statement under IFRS. Free cash flow excluding cash flow from long-term bonds will be calculated for the purpose of calculating the ratio Cash/earnings.

Effect of IFRS adoption for ratios

2003

2002

	Current GAAP	IFRS	Current GAAP	IFRS
Growth in operating profit (EBIT)	6.8%	8.9%	6.5%	3.5%
Operating profit margin	24.1%	24.7%	23.7%	23.8%
Return on invested capital (ROIC)	19.1%	19.7%	20.1%	20.5%
Cash/earnings, three-year average	32.0%	29.6%	34.9%	49.8%
Redefined Cash/earnings, three-year average *)	32.0%	31.8%	34.9%	33.3%
Earnings per share (DKK)	14.24	14.37	11.81	11.95
Earnings per share diluted (DKK)	14.14	14.35	11.72	11.93

*) The ratio Cash/earnings is redefined so the cash flow from bonds with original maturity exceeding three months is excluded from the free cash flow used in the ratio. This leaves Cash/earnings and Free cash flow unaffected by the IFRS implementation, apart from the effect on Cash/earnings from the changes to net profit.

Effect of IFRS adoption for the quarterly financial reporting in 2003

DKK million	Q1	Q2	Q3	Q4
Operating profit current GAAP	1,320	1,619	1,636	1,809
IFRS effect	77	46	50	(59)
Operating profit IFRS	1,397	1,665	1,686	1,750
Net profit current GAAP	1,091	1,286	1,130	1,351
IFRS effect	(18)	2	(2)	62
Net profit IFRS	1,073	1,288	1,128	1,413

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Management Statement and Auditors Report

The Annual Financial Report does not include the Annual Accounts of the Parent Company, Novo Nordisk A/S. The Annual Accounts of the Parent Company, Novo Nordisk A/S, have been prepared in a separate document, which can be obtained upon request from Novo Nordisk A/S and is available at novonordisk.com.

The Annual Accounts of the Parent Company, Novo Nordisk A/S, form an integral part of the complete Annual Financial Report. The complete Annual Financial Report including the Annual Accounts of the Parent Company, Novo Nordisk A/S, will be filed with Erhvervs- og Selskabsstyrelsen where a copy also can be obtained.

The complete Annual Financial Report has the following Management Statement and Auditors Report:

STATEMENT BY THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT ON THE ANNUAL FINANCIAL REPORT

Today, the Board of Directors and Executive Management approved the Annual Financial Report of Novo Nordisk A/S for the year 2003. The Annual Financial Report has been prepared in accordance with the Danish Financial Statements Act, Danish Accounting Standards and the financial reporting requirements of the Copenhagen Stock Exchange. In our opinion, the accounting policies used are appropriate and the Annual Financial Report gives a true and fair view of the Group's and the Company's assets, liabilities, shareholders' funds, financial position, results and cash flows.

Gladsaxe, 4 February 2004

Executive Management:	Lars Rebien Sørensen President and CEO	Jesper Brandgaard CFO	Lars Almbloom Jørgensen
	Lise Kingo	Kåre Schultz	Mads Krogsgaard Thomsen
Board of Directors:	Mads Øvlisen Chairman	Kurt Anker Nielsen Vice chairman	Kurt Briner
	Johnny Henriksen	Niels Jacobsen	Ulf J Johansson
	Anne Marie Kverneland	Sten Scheibye	Stig Strøbaek
	Jørgen Wedel		

AUDITORS REPORT

We have audited the Annual Financial Report of Novo Nordisk A/S for 2003.

The Annual Financial Report is the responsibility of the Company's Management. Our responsibility is to express an opinion on the Annual Financial Report based on our audit.

Basis of opinion

We conducted our audit in accordance with international and Danish auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the Annual Financial Report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Annual Financial Report. An audit also includes assessing the accounting policies used and significant estimates made by Management, as well as evaluating the overall Annual Financial Report presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not give rise to any qualifications.

Opinion

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In our opinion, the Annual Financial Report gives a true and fair view of the Group's and the Company's assets, liabilities, shareholders' funds, financial position at 31 December 2003 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 2003 in accordance with the Danish Financial Statements Act and the financial reporting requirements of the Copenhagen Stock Exchange.

Gladsaxe, 4 February 2004

PricewaterhouseCoopers
Statsautoriseret Revisionsinteressentskab

Lars Holtug
Danish State-Authorised Public Accountant

Mogens Nørgaard Mogensen
Danish State-Authorised Public Accountant

Ernst & Young
Statsautoriseret Revisionsaktieselskab

Ole B Neerup
Danish State-Authorised Public Accountant

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THE NOVO NORDISK GROUP

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Corporate governance

Developments and proposals for 2004

During 2003 there was an increasing public focus on corporate governance. Financial scandals in the US led in 2002 to the adoption of the Sarbanes-Oxley Act focusing on financial reporting, internal control, auditing and corporate governance in general, and in 2003 the US Securities and Exchange Commission (SEC) finalised the detailed rulemaking under the Act. As a company listed on the New York Stock Exchange Novo Nordisk has implemented or is in the process of implementing the necessary processes and procedures primarily relating to administrative routines, financial reporting and auditing in order to comply with the rules.

Novo Nordisk remains committed to general principles of good corporate governance involving transparency, accountability, openness, integrity and responsibility in our operations. In 2003 the company has further enhanced good governance standards at all levels of the organisation. The Novo Nordisk Way of Management supports such evolution. For information on the Novo Nordisk Way of Management, please see pages 10-11 of the *Sustainability Report 2003*.

Organisational structure

Novo Nordisk is organised under Danish law as a public limited liability company. Within the framework established by laws and regulations, shareholders have the ultimate authority over the company, and they exercise their right to make decisions affecting Novo Nordisk at general meetings. Further, the company has a two-tier board structure consisting of a Board of Directors and Executive Management. The Board of Directors, all non-executives, supervise the performance of the company, its management and organisation on behalf of the shareholders. It also participates in determining the company strategy. Executive Management, on the other hand, has responsibility for the company's daily operations. The two bodies are separate, and no person serves as a member of both.

Shares and voting rights

The share capital in Novo Nordisk is divided into A shares and B shares. The A shares, which are solely owned by the Novo Nordisk Foundation via Novo A/S, have 10 votes per DKK 1 of the A share capital, whereas the B shares have one vote per DKK 1 of the B share capital. The A shares cannot be divested by Novo A/S or the Foundation. The voting power of the A shares represents 65.4% of the entire voting power in the company. The A shares cannot be sold and are not listed, but the B shares are listed on the Copenhagen and London stock exchanges, and on the New York Stock Exchange in the form of ADRs. Novo Nordisk is of the opinion that the current ownership structure with differentiated voting rights has been and continues to be appropriate and preferable for the long-term development of the company. A revocation of the current voting rights differentiation cannot be implemented as this would violate the Articles of Association of the Novo Nordisk Foundation as approved by the Danish foundation authorities. Novo Nordisk is not aware of the existence of any agreements between shareholders on the exercise of votes or control. For further information on shares please see page 58.

Shareholders' general meeting

General meetings are called with approximately three weeks' notice, and the agenda is accompanied by proxy forms enabling the shareholder to vote specifically on each item. The annual general meeting approves the annual financial report. Further, the general meeting elects four to ten directors, and, subject to applicability, one or two external auditing firms. All shareholders may attend the general meetings and ask questions, and Novo Nordisk strives to reply to all of them. Any proposal for resolution at the annual general meeting must be submitted by the shareholders in writing to the Board of Directors not later than 1 February of any given year.

The Board of Directors

The Board currently consists of ten directors. Seven are elected by shareholders at general meetings, and three are Novo Nordisk employees from Denmark, elected by Danish employees. Shareholder-elected directors have historically served for a three-year term and could be re-elected at the general meeting. At the Annual General Meeting in March 2004 the Board of Directors will propose that the term of office is reduced to one year in order to facilitate a more flexible succession process.

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Corporate governance

Continuity will still be ensured as the proposal will not affect the possibility of being re-elected. According to the Rules of Procedure of the Board of Directors, however, board members must retire at the first general meeting after having reached the age of 70. The aim is to compose a board consisting of persons who have such knowledge and experience that the Board can, in the best possible way attend to the interests of the shareholders, the employees and other stakeholders of the company. The Board actively contributes to developing the company as a focused global pharmaceutical company and supervises Executive Management in its decisions and operations. Executive search has been contributing to identify directors that meet such criteria. Descriptions of the qualifications of nominated candidates for the Board accompany the agenda of the general meeting. According to Danish law, Novo Nordisk employees in Denmark are entitled to be represented by half of the total number of directors elected at the general meeting. Thus, employees have among themselves elected three directors, each of whom serves for a four-year term as per the current legislation. For information on each director, please see page 60.

The Board ordinarily meet seven times a year including a 2-3 day strategic session and the meetings held at the announcements of the financial results and the annual general meeting. All Board members attended all Board meetings in 2003. The Board ensures via a fixed annual calendar that it addresses the main tasks in a timely manner, as illustrated on Novo Nordisk's homepage. Executive Management attend and may speak at the Board meetings ensuring that the Board is sufficiently informed of the operations of the company with the exception of agenda points reserved for the Board.

Chairmanship and board committees

The chairman and the deputy chairman constitute the chairmanship of the Board of Directors. They carry out a number of administrative tasks, such as the planning of board meetings to ensure an appropriate balance between determination of overall strategy and the financial and managerial supervision of the company. Other tasks include recommending the remuneration of board members and executives, suggesting potential new board members to be elected by the general meeting, and supervising the auditing of the company's accounts. The Board has historically worked without permanent committees. In principle Novo Nordisk believes that each board member must have the opportunity to contribute actively to all discussions and have access to all relevant information, hence the limited number of board members. However, in line with international trends and in accordance with the Sarbanes-Oxley Act the Board will in March 2004 establish an Audit Committee, which will be responsible for a number of predefined tasks such as the oversight of the external auditors and procedures for handling complaints regarding financial reporting matters.

Executive Management

Executive Management is responsible for the day-to-day management of the company. It consists of the president and CEO, and five other executives. The Board of Directors is responsible for the appointment of Executive Management and their remuneration. Members of Executive Management must retire having reached the age of 62. Novo Nordisk has the tradition that the CEO acts as the external spokesperson on company matters. For information on each executive please see page 61.

Remuneration Policy

The Remuneration Policy is designed to attract, retain and motivate the board members and executives. Each board member receives a fixed fee per year at a competitive level. The total amount allocated for the remuneration of the board members is approved by the general meeting in connection with the approval of the annual financial report. Board members are not offered stock options, warrants or participation in other incentive schemes. Executive remuneration is evaluated against a Danish benchmark of large companies with international activities. The remuneration package is determined by the Board of Directors, and should align the interests of the executive with those of the shareholders. The remuneration package for 2003 to executives consisted of basic salary, including benefits in kind (at least 75% of total remuneration) and rewards for the achievement of annually predefined individual performance targets (up to 25% of total remuneration). In addition long-term benefits such as share options are granted when predefined overall business targets have been achieved. As from 2004 such granting of share options as long-term benefit will be replaced by a new performance-based incentive programme based on long-term value creation where Novo Nordisk B shares will annually be allocated to a shared bonus pool when predefined overall business-related targets have been achieved. The maximum annual allocation will be capped. Such a pool of shares may be paid out to the executives during a number of years. In relation to severance payment, the members of Executive Management are, in the event of termination by Novo Nordisk or by the individual due to a merger, acquisition or takeover by an external company, entitled to a severance payment of up to 36 months' salary plus pension contribution. For further information on board members' and executives' remuneration, please see page 37.

Assessment of the Board of Directors and Executive Management

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An annual self-assessment procedure has been formalised to improve the performance of the Board of Directors and Executive Management. The process evaluates whether each Board member and member of the Executive Management participates actively in the Board discussions and contributes with independent judgement, and that the environment supports open discussion at Board meetings. The Board continuously assesses, formally once a year, the performance of each executive. The chairman also conducts an annual interview with each executive.

Risk management

Executive Management has responsibility for conducting the ongoing risk management process including risk identification, risk assessment and evaluation of risk probability within their areas of responsibility. Major risks of not achieving the company's business objectives have been reported regularly to management. In 2003, Novo Nordisk upgraded the internal risk re-

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porting structure which has formed the basis for the risk reporting set forth on page 8.

Internal control

The Board of Directors has overall responsibility for Novo Nordisk's system of internal control. The company has an internal audit function, Group Internal Audit, which provides independent, objective assurance on the internal control environment. In order to ensure that the internal audit function is working independently of management, the vice president of Group Internal Audit reports quarterly to the Board chairmanship. Once a year, the Board conducts a review of the effectiveness of the Novo Nordisk Group's system of internal control, including finance, operations and compliance. Among other things the review is based on reports from Group Internal Audit as well as the external auditors. Once a year, the external auditors issue a long-form audit report to the Board of Directors. It includes significant internal control weaknesses identified during the audit, if any. In addition a more detailed management report on internal controls and accounting issues is provided to Executive Management. Novo Nordisk is currently in the process of improving the documentation and optimising functionality for the internal control system related to the financial reporting thereby enabling the company to report on the effectiveness of the internal financial control system as from 2005.

Audit

In line with the current requirement for listed Danish companies, the annual general meeting elects one or two independent auditing firms, as applicable, who act in the interest of the shareholders, as well as the public in general. The auditors report significant findings directly to the Board at Board meetings and in the audit book. The chairmanship supervises the annual audit process which includes a direct meeting between the chairmanship and the auditors. In order to safeguard independence and objectivity the Board pre-approves services to be provided by the principal auditor. Further the principal auditor is restricted from providing certain non-audit services and as from 2004 the lead partner is required to rotate every five years.

Corporate governance codes

Novo Nordisk is in general in compliance with the codes of good corporate governance designated by stock exchanges in Copenhagen, New York and London where the Novo Nordisk B shares/ADRs are listed. Novo Nordisk's corporate governance practices differ from such codes in the following significant ways:

Copenhagen Stock Exchange

Nørby Committee recommendations (2001).

Current reporting is based on Danish GAAP with reconciliation to US GAAP while Novo Nordisk will be applying International Financial Reporting Standards (IFRS) as from January 2004. One Board member has been in office for more than nine years, because he also served as Board member during his 19-year term as chief executive officer of Novo Nordisk. Seven of the Board members are elected by the general meeting, ensuring that the Board of Directors has an age composition which allows for succession and continuity.

New York Stock Exchange

Corporate Governance Standards (2003).

The majority of shareholder-elected Board members is independent (as defined in the code). The employees have however elected three Board members in accordance with Danish law. The Board currently has no board committees, but the chairmanship serve as nominating/corporate governance committee as well as remuneration committee. While the whole Board in 2003 in principle served as audit committee, in line with international trends the Board will in March 2004 establish an Audit Committee.

London Stock Exchange

the Combined Code (2003).

The chairman is not considered independent (as defined in the code). The majority of shareholder-elected board members is independent. The employees have however elected three board members in accordance with Danish law. The Board has no board committees (see above). Long-term incentive schemes for Executive Management are approved by the Board. The principles for incentive schemes are described in the annual financial report, to be approved by the shareholders, and are presented at the general meeting.

For more information on Novo Nordisk's compliance with the applicable codes, please see novonordisk.com.

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Shareholder information

Novo Nordisk's B shares are quoted on the stock exchanges in Copenhagen and London and on the New York Stock Exchange in the form of American Depositary Receipts (ADRs) with the ticker code NVO. The B shares are traded in units of DKK 2. The ratio of Novo Nordisk B shares to ADRs is 1:1 (one B share to one ADR). The B shares are issued to the bearer but may upon request be registered in the holder's name in Novo Nordisk's register of shareholders. Each holding of DKK 2 of the A share capital carries 20 votes. Each holding of DKK 2 of the B share capital carries 2 votes.

The turnover of Novo Nordisk's B shares on the Copenhagen Stock Exchange amounted to DKK 55.6 billion in 2003. The share price ended the year at DKK 241, compared with a price at year-end 2002 of DKK 205. The market value of Novo Nordisk's outstanding share capital was DKK 72.4 billion at the end of 2003. During 2003, the price of Novo Nordisk's B shares rose by 18% and the Novo Nordisk share was one of the most traded stocks on the Copenhagen Stock Exchange. This compares to an increase in the Dow Jones European Healthcare index of 9.06%. The price of Novo Nordisk ADRs listed on the New York Stock Exchange measured in USD increased by 42%. This compares to an increase in the Dow Jones US Healthcare index of 17.77%.

Share ownership

Novo Nordisk's share capital is DKK 709,388,320, which is divided into an A share capital of nominally DKK 107,487,200 and a B share capital of nominally DKK 601,901,120. Novo Nordisk's A shares are non-listed shares and held by Novo A/S (based in Gladsaxe, Denmark), a private limited Danish company which is 100% owned by the Novo Nordisk Foundation (based in Gentofte, Denmark). The sale of A shares is restricted by the by-laws of the Foundation. In addition, Novo A/S holds DKK 81,498,580 B share capital. Holding 26.7% of the total share capital, Novo A/S controls 70.4% of the total number of votes. As Novo Nordisk B shares are in bearer form, no official record of all shareholders exists. Based on the available sources of information on the company's shareholders, it is estimated that Novo Nordisk's shares at the end of 2003 were distributed as shown in the pie charts above. At that point in time 87% of the total share capital was included in Novo Nordisk's register of shareholders. At the end of 2003 Novo Nordisk has more than 75,000 shareholders and the free-float is 68%.

Form 20-F

Copies of the Form 20-F Report for 2002 filed in March 2003 with the US Securities and Exchange Commission can be obtained upon request from Novo Nordisk Pharmaceuticals, Inc. The Form 20-F Report for 2003 is expected to be filed before the end of February 2004.

Payment of dividends

Shareholders resident in Denmark will, unless they are tax exempt, receive their dividend in DKK with the statutory deduction of 28% Danish tax. Shareholders resident outside of Denmark will receive their dividend in DKK with the statutory deduction of 28% Danish tax. ADR holders will receive their dividend in USD with the statutory deduction of 28% Danish tax. If the holder is resident in the US or Canada the deduction might be reduced to 15%. Shareholders resident in countries outside of Denmark are eligible for a refund of dividend tax de-

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ducted in Denmark subject to the double taxation conventions in force between Denmark and the countries concerned. US and UK resident shareholders may apply to the Danish authorities for a refund of dividend tax in excess of 15%. Shareholders' enquiries concerning dividend payments, transfer of share certificates, consolidation of shareholder accounts and tracing of lost shares should be addressed to Novo Nordisk's transfer agents:

Danske Bank
 Holmens Kanal 2-12
 1092 Copenhagen K
 Denmark
 Tel +45 3344 0000

In North America:
 JP Morgan Chase Bank
 PO Box 43013
 Providence, RI 02940-3013
 USA
 Tel +1 781 575 4328
 Fax +1 781 575 4082

For the fiscal year 2003, the dividend payments for Novo Nordisk shares were as illustrated in the table below.

Dividend payment	A shares DKK 2	B shares DKK 2	ADRs
	DKK 4.40	DKK 4.40	USD 0.74

Novo Nordisk does not pay dividend on its own holding of treasury shares. The proposed dividend for 2003 is DKK 4.40 for each Novo Nordisk B share of DKK 2 and for each Novo Nordisk A share of DKK 2.

Internet

Novo Nordisk's homepage for investors can be found at novonordisk.com. It includes historic and updated information about Novo Nordisk's activities: press releases from 1995 and onwards, financial results, investor presentations, background information, recent annual reports and accounts, parent company accounts, and sustainability reports.

Investor Relations

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Shareholders enquiries concerning dividend payments, transfer of share certificates, consolidation of shareholder accounts, and tracing of lost shares should be addressed to Novo Nordisk's transfer agents:

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PO Box 43013
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USA
Tel +1 781 575 4328
Fax +1 781 575 4082

Financial calendar for 2004

<i>Annual General Meeting</i>			16 March
<i>Dividend</i>	Ex-dividend	B shares	17 March
		ADRs	17 March
	Record date	B shares	19 March
		ADRs	19 March
	Payment	B shares	22 March
		ADRs	29 March
<i>Announcement of financial results</i>			
First three months			30 April
Half year			11 August
Nine months			27 October
Full year			28 January 2005

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Board of Directors

Clockwise from top left: Stig Strøbæk, Johnny Henriksen, Mads Øvlisen, Kurt Anker Nielsen, Ulf J Johansson, Jørgen Wedel, Anne Marie Kverneland, Sten Scheibye, Kurt Briner and Niels Jacobsen.

Mads Øvlisen, chairman

Mads Øvlisen is chairman of the Board of Novo Nordisk A/S. Former president and chief executive officer of Novo Nordisk, Mr Øvlisen became chairman of the Board in November 2000. Mr Øvlisen is also chairman of the Board of the Danish Royal Theatre (2000), and chairman of the Board of LEGO A/S (a member of the board since 1990, chairman since 1996) and a member of the Board of the Wanås Foundation, Sweden. Mr Øvlisen was made Knight of first degree of the Dannebrog in 1997 and holds the Italian Order of Merit (It.F.3). He is adjunct professor of corporate social responsibility at the Copenhagen Business School. Mads Øvlisen was elected to the Board of Novo Nordisk A/S (initially in the former Novo Industri A/S) in 1981 and has been re-elected since for subsequent three-year periods. Mr Øvlisen's term as a board member expires in March 2004. Mr Øvlisen is a Danish national, born on 9 March 1940.

Kurt Anker Nielsen, vice chairman

Kurt Anker Nielsen is vice chairman of the Board of Novo Nordisk A/S and former CEO of Novo A/S. He serves as vice chairman of the Boards of Novo Nordisk A/S and Novozymes A/S and as a board member of Novo A/S, DakoCytomation A/S, ZymoGenetics, Inc, Coloplast A/S and TDC A/S. Kurt Anker Nielsen was elected to the Board of Novo Nordisk A/S in November 2000 and was re-elected in March 2002. Mr Nielsen's term as a board member expires in March 2005. Mr Nielsen is a Danish national, born on 8 August 1945.

Kurt Briner

Kurt Briner works as an independent consultant in the pharmaceutical and biotech industry and is a board member of CBax SA, Equity4Life AG, OM Pharma, Progenics Pharmaceuticals Inc and a member of the Supervisory Board of Altana Pharma GmbH. In 1988 he was promoted president & CEO of Sanofi Pharma – a position he held until 1998. He has been chairman of the European Federation of Pharmaceutical Industries and Associations, Brussels (EFPIA). Kurt Briner was elected to the Board of Novo Nordisk A/S in November 2000 and was re-elected in March 2002. Mr Briner's term as a board member expires in March 2005. Mr Briner is a Swiss national, born on 18 July 1944.

Johnny Henriksen

Johnny Henriksen has been an employee-elected member of the Board of Directors of Novo Nordisk A/S since March 2002. He joined Novo Nordisk in January 1986 and currently works as an environmental adviser in Product Supply. Johnny Henriksen's term as a board member expires in March 2006. Mr Henriksen is a Danish national, born on 19 April 1950.

Niels Jacobsen

Since 1998, Niels Jacobsen has been president & CEO of William Demant Holding A/S and Oticon A/S, an industrial group in the hearing healthcare field. Mr Jacobsen is a board member of Højgaard Holding A/S, Nielsen & Nielsen Holding A/S, and is also a board member of a number of companies wholly or partly owned by the William Demant Group, including Sennheiser Communications A/S, Himsa A/S, Himsa II A/S and Hearing Instrument Manufacturers Patent Partnership A/S (chairman). Furthermore, Mr Jacobsen holds a seat on The Central Board of the Confederation of Danish Industries. Niels Jacobsen was elected to the Board of Novo Nordisk A/S in November 2000 and re-elected in March 2003. Mr Jacobsen's term as a board member expires in March 2006. Mr Jacobsen is a Danish national, born on 31 August 1957.

Ulf J Johansson

In 1990 Ulf Johansson founded and became chairman of Europolitan Holdings AB, a GSM mobile telephone operator in Sweden, which was publicly listed from 1994 to 2003. Since 1990 Mr Johansson has been a member of the Royal Swedish Academy of Engineering Sciences. He is chairman of the Boards of Directors of Europolitan Vodafone AB (formerly Europolitan Holdings AB), Acando Frontec AB, Zodiak Venture AB, Spirea AB and Eurostep Group AB. He is also a board member of Novo A/S and Trimble Navigation Ltd and was chairman of the University Board of the Royal Institute of Technology, Stockholm from 1998 to 2003. Ulf Johansson was elected to the Board of Novo Nordisk A/S in March 1998 and was re-elected in March 2001. Mr Johansson's term as a board member expires in March 2004. Mr Johansson is a Swedish national, born on 21 August 1945.

Anne Marie Kverneland

Anne Marie Kverneland has been an employee-elected member of the Board of Directors of Novo Nordisk A/S since November 2000. Ms Kverneland works as a laboratory technician in Discovery. Anne Marie Kverneland has been re-elected by the employees in March 2002 and her term as a board member expires in March 2006. Ms Kverneland is a Danish national, born on 24 July 1956.

Sten Scheibye

Sten Scheibye has been since 1995 the CEO of Coloplast A/S, Denmark. Mr Scheibye is also an adjunct professor of applied chemistry at the University of Aarhus. Besides being appointed member of the Board of Directors of various Coloplast companies, Sten Scheibye is a member of the Board of Directors of Danske Bank A/S. Mr Scheibye was elected to the Board of Novo Nordisk A/S in March 2003 and his term as a board member expires in March 2006. He is a Danish national, born on 3 October 1951.

Stig Strøbæk

Stig Strøbæk has been an employee-elected member of the Board of Directors of Novo Nordisk A/S and of the Board of Governors of the Novo Nordisk Foundation since 1998. Mr Strøbæk is presently working in Product Supply as an electrician. Stig Strøbæk has been re-elected by the employees in March 2002 and his term as a board member expires in March 2006. Mr Strøbæk is a Danish national, born on 24 January 1964.

Jørgen Wedel

Prior to his retirement in 2001, Jørgen Wedel was executive vice president of the Gillette Company. He was responsible for Commercial Operations, International, and was a member of Gillette's Corporate Management Group. Jørgen Wedel was elected to the Board of Novo Nordisk A/S in November 2000 and re-elected in March 2003. Mr Wedel's term as a board member expires in March 2006. Mr Wedel is a Danish national, born on 10 August 1948.

60 BOARD OF DIRECTORS

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Executive Management

Clockwise from top left: Lars Rebien Sørensen, Jesper Brandgaard, Lars Almbloom Jørgensen, Mads Krogsgaard Thomsen, Lise Kingo and Kåre Schultz.

Lars Rebien Sørensen

Lars Rebien Sørensen is president and chief executive officer (CEO) of Novo Nordisk A/S. He joined Novo Nordisk's Enzymes Marketing in 1982. Over the years he has been stationed in several countries, including the Middle East and the US. Mr Sørensen was appointed member of Corporate Management in May 1994, and was given the special responsibility in Corporate Management for Health Care in December 1994. He was appointed president and CEO in November 2000. Lars Rebien Sørensen is a member of the Board of Scandinavian Airlines System AB and ZymoGenetics, Inc. He is a Danish national, born on 10 October 1954. Lars Rebien Sørensen has a Master's degree in forestry from The Royal Veterinary and Agricultural University in Denmark in 1981, and a BSc in International Economics from the Copenhagen Business School in 1983.

Jesper Brandgaard

Jesper Brandgaard is executive vice president and chief financial officer (CFO), Novo Nordisk A/S. He joined Novo Nordisk in 1999 as corporate vice president of Corporate Finance. Mr Brandgaard was appointed CFO in November 2000. Jesper Brandgaard serves as chairman of the Boards of NNE A/S and NNIT A/S. He is a Danish national, born on 12 October 1963. Jesper Brandgaard holds an MSc in Economics and Auditing (1990) as well as a Master of Business Administration (1995) both from the Copenhagen Business School.

Lars Almbloom Jørgensen

Lars Almbloom Jørgensen is executive vice president, quality, regulatory and business development*, Novo Nordisk A/S. He joined Novo Nordisk in 1980 as area manager for North America. In November 2000 Mr Jørgensen was appointed chief of operations. From March 2002 to December 2003 he was chief of staffs. Lars Almbloom Jørgensen is a Danish national, born on 31 July 1948. Lars Almbloom Jørgensen received his MSc (Econ) from the Copenhagen Business School in 1976.

Lise Kingo

Lise Kingo is executive vice president, people, reputation and relations*. She joined Novo Nordisk's Enzymes Promotion in 1988 and worked over the years to build up the company's Triple Bottom Line approach. In 1999 Ms Kingo was appointed corporate vice president, Stakeholder Relations. She was executive vice president, Stakeholder Relations from March 2002 to December 2003. Lise Kingo is a member of the Board of Business for Social Responsibility in the US and a core faculty member of HRH Prince of Wales Businesses and the Environment Programme. She is a Danish national, born on 3 August 1961. Lise Kingo holds a BA in Religions and Ancient Greek Art (1986, University of Aarhus, Denmark), a BCom in Marketing Economics (1991, the Copenhagen Business School) and an MSc (Responsibility and Business Practice) from the University of Bath, United Kingdom (2000).

Kåre Schultz

Kåre Schultz is executive vice president and chief operating officer (COO), Novo Nordisk A/S. He joined Novo Nordisk in 1989 as an economist in Health Care, Economy & Planning. In November 2000 Mr Schultz was appointed chief of staffs. In March 2002 he took over the responsibility of COO. Kåre Schultz is a Danish national, born on 21 May 1961. Kåre Schultz holds an MSc (Economy) from the University of Copenhagen (1987).

Mads Krogsgaard Thomsen

Mads Krogsgaard Thomsen is executive vice president and chief science officer (CSO), Novo Nordisk A/S. He joined Novo Nordisk in 1991. Dr Thomsen was appointed CSO in November 2000. Mads Krogsgaard Thomsen sits on the editorial boards of three international journals and is a member of the Board of Directors of the Danish Technical University. He is a Danish national, born on 27 December 1960. Mads Krogsgaard Thomsen holds a Doctor of Veterinary Medicine degree from the Royal Veterinary and Agricultural University in Denmark in 1986, where he also obtained a PhD degree in 1989 and a DSc degree in 1991 and in 2000 became professor of pharmacology. He is president of the National Academy of Technical Sciences (ATV).

Senior Management Board

Jesper Bøving Diabetes Active
Pharmaceutical Ingredients*
Mariann Strid Christensen Quality
Eric Drapé Diabetes Finished Products*
Klaus Ehrlich Europe
Peter Bonne Eriksen Regulatory Affairs
Torben Skriver Frandsen NNIT

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Jesper Høiland International Marketing
Per Jansen Novo Nordisk Servicepartner
Lars Guldbaek Karlsen Global Development
Peter Kurtzhals Discovery
Roger Moore Japan & Oceania
Ole Ramsby Legal Affairs
Witte Rijnberg International Operations
Martin Soeters North America
Kim Tosti Devices and Sourcing*
Per Valstorp Product Supply
Hans Ole Voigt NNE

*as from 1 January 2004

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Denmark

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Fax +45 4449 0555

CVR No 24256790

novonordisk.com

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SIGNATURES

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

NOVO NORDISK A/S

Date: 18 February 2004

Lars Rebien Sørensen, President and Chief Executive Officer