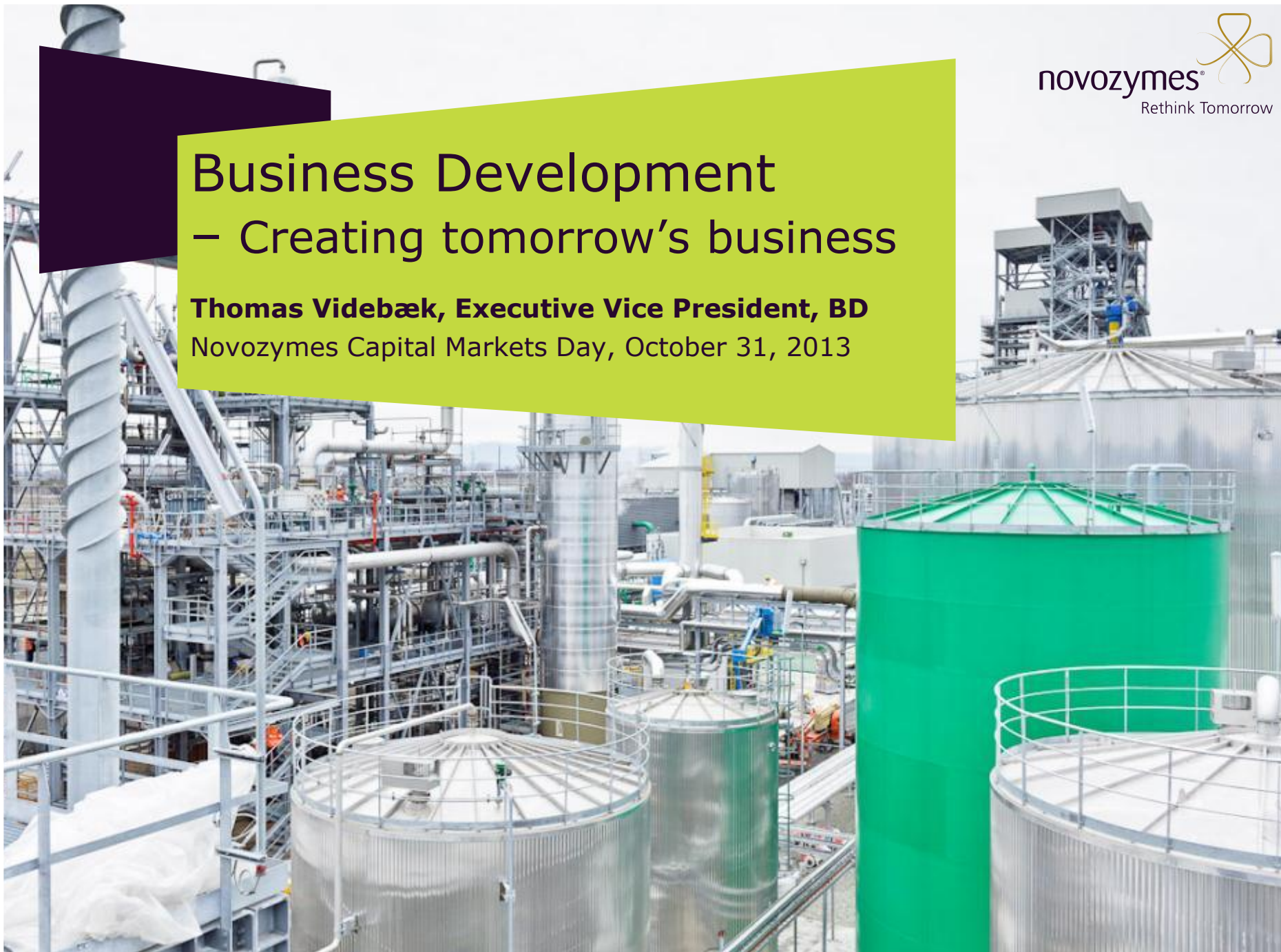


Business Development – Creating tomorrow's business

Thomas Videbæk, Executive Vice President, BD
Novozymes Capital Markets Day, October 31, 2013



Safe Harbor Statement

This presentation and its related comments contain forward-looking statements, including financial expectations.

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 introduction of competing products in Novozymes' core areas.



Agenda



Setting the scene

Business Development as an organizational unit was created in connection with the reorganization that Novozymes carried out in Q1 2013.

This presentation aims at providing an overview of the business development, the rationale and the role of the current functional setup.

Outline

- Ambition

- Historical perspectives

- Overview & role

- Individual introduction to growth platforms

- Recap

- Q&A

Business Development

**BUSINESS DEVELOPMENT
CREATES TOMORROW'S
BUSINESS FOR
NOVOZYMES**

**MATURING PLATFORMS,
DEVELOPING BETS AND
TESTING IDEAS BY MATCHING
MARKET NEEDS WITH
NOVOZYMES' TECHNOLOGY**

The Road to Business Development



Aim:

Technology acquisitions to explore adjacent business opportunities

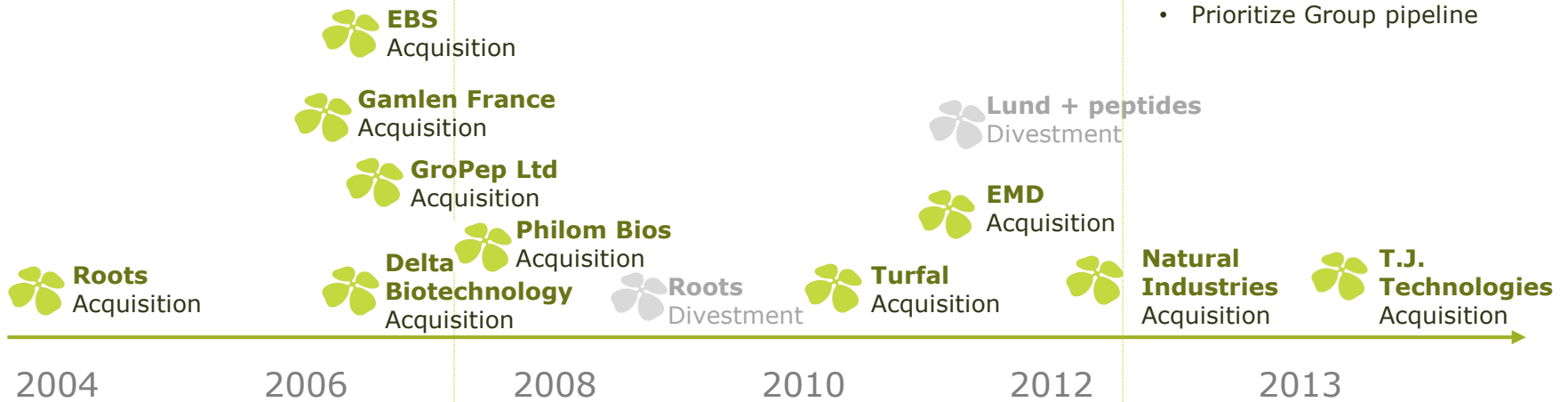
- Biopharma
- Biologicals

Aim:

- Streamline & consolidate acquired businesses
- Build BioAg
- Identify growth platforms

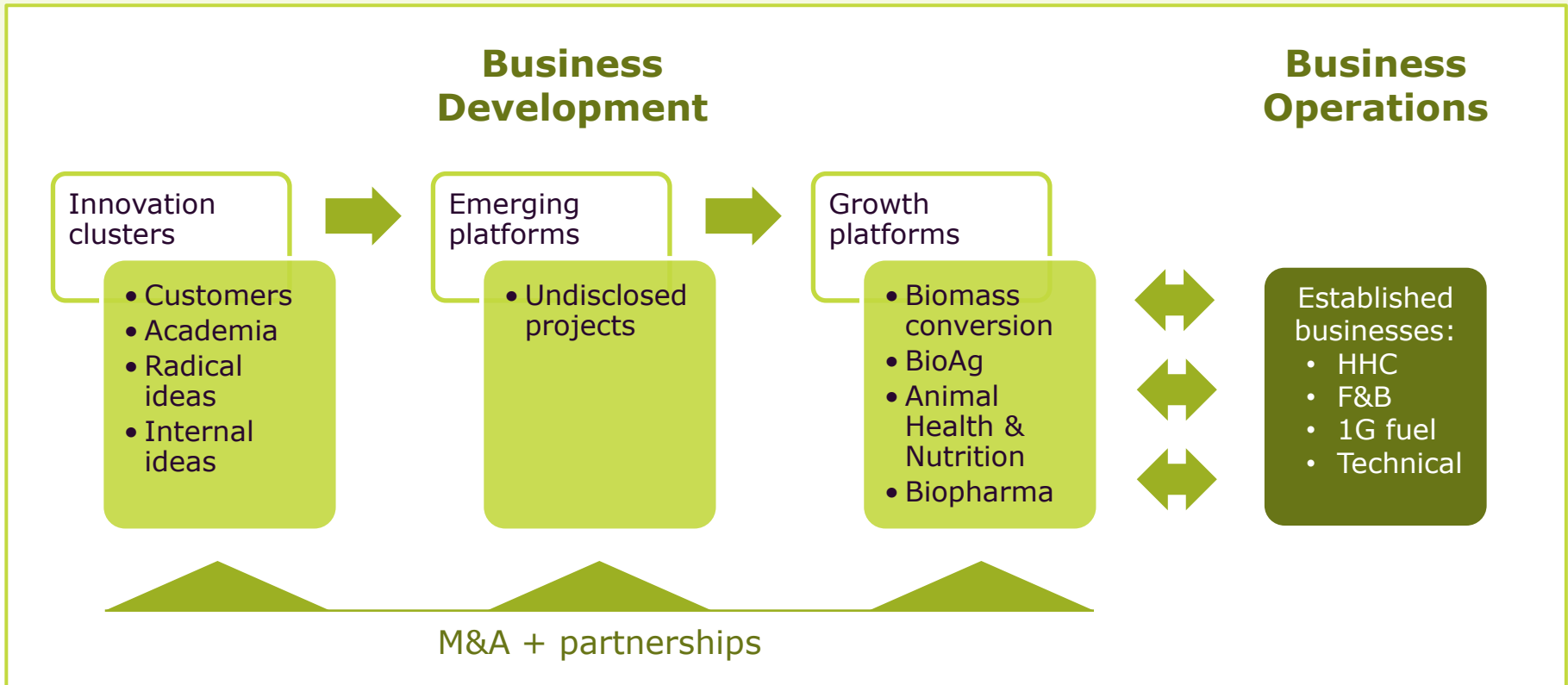
Aim:

- Ensure success in growth platforms
- Integrated support from regional public affairs and sustainability
- Acquisitions to support platforms and bets
- Prioritize Group pipeline



Business Development Nurtures Tomorrow's Business for Novozymes

- Responsible for new business areas and Novozymes' entire pipeline prioritization
- Close coordination on pipeline, resource allocation and customers
- Business development organization to cater for alternative business models and new business areas
- Innovation & business development crucial in all industries Novozymes serves

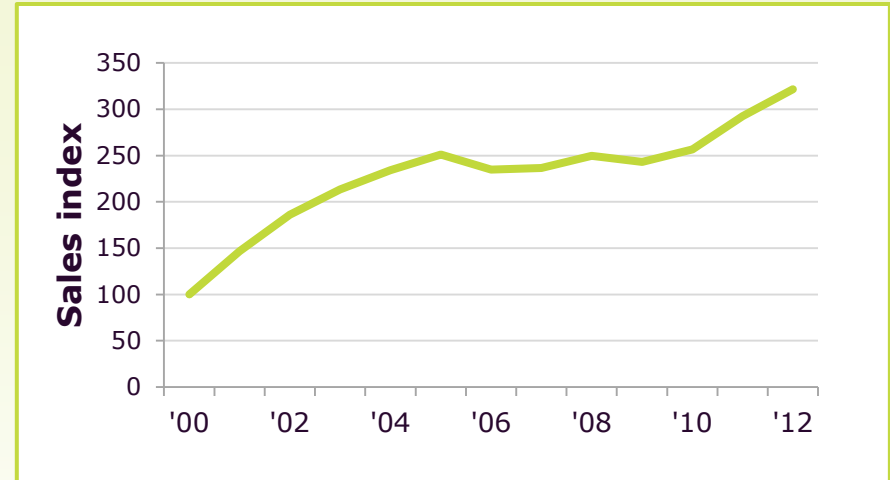


Case: Animal Health & Nutrition

– A Growth Platform with a Strong Core

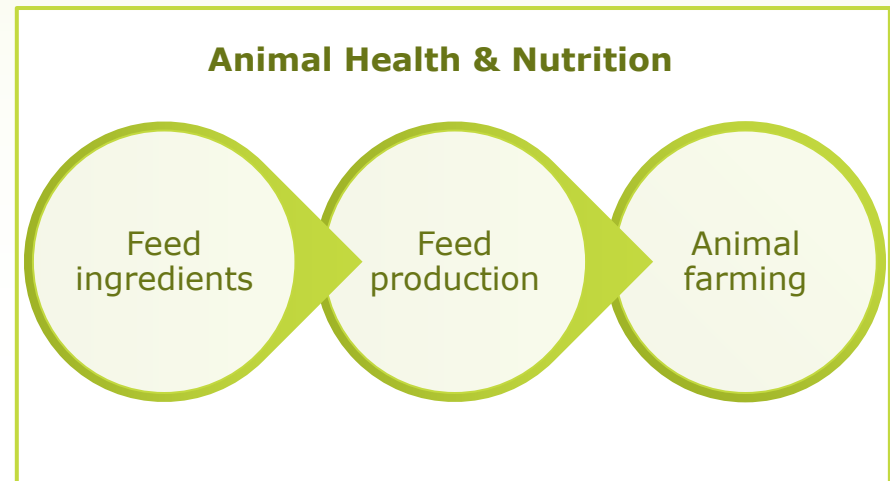
Business today

- Feed enzymes are important for Novozymes
- CAGR of +10% from 2000 to 2012
- High single-digit percentage of Group sales
- Novozymes–DSM alliance offers innovative solutions that improve the nutritive value of the raw materials



Rationale for the future

- Fundamental macrodrivers + Novozymes' capabilities and presence in adjacent industries (Agriculture, Bioenergy and Food processing) offer a strong platform for driving growth opportunities across the broader animal production value chain

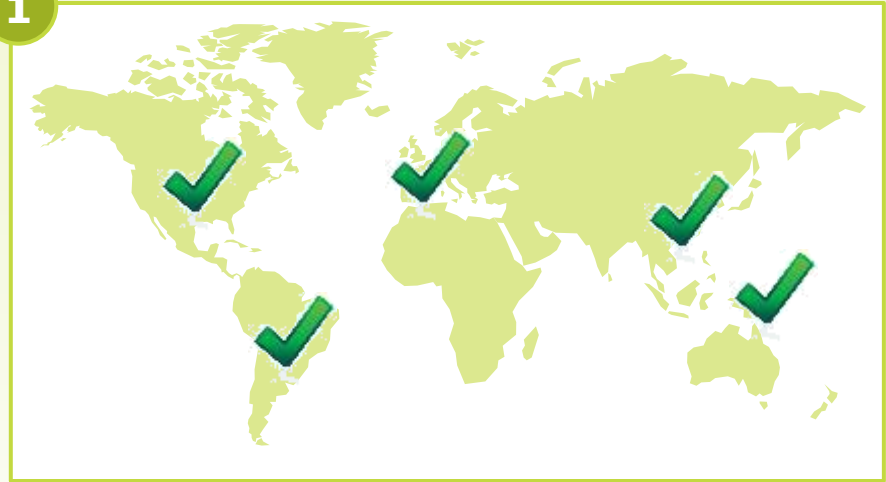


Novozymes' Growth Strategy for Animal Health & Nutrition

Strengthen core in feed enzymes

- Invest in strengthening the feed enzymes core in the DSM NP Alliance.
- Reinforce leadership through continued investment in innovation
- Drive customized & regional approach to offerings in order to create more value for customers

1



Beyond feed enzymes

- Leverage microbial and enzymatic technologies to expand beyond feed enzymes (with partners)

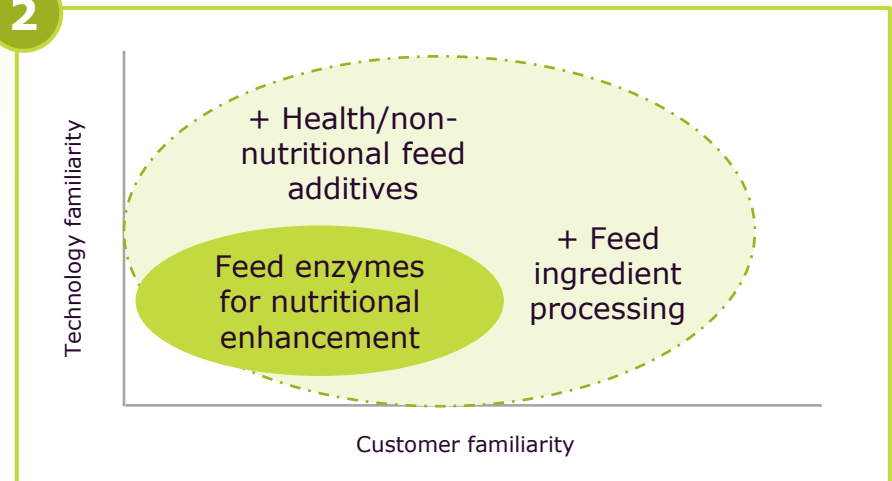
Health/non-nutritional feed additives:

- Non-nutritional feed additives targeting a growing need for performance improvement of animals

Feed ingredient processing:

- Rethink our customers' processes and increase the feed value of their co-products or residual materials

2



Biopharma Overview & Status

- Dedicated cGMP ICH Q7 plant in Tianjin, China
- Samples for in vitro and preclinical trials available
- First sales are ticking in; +100 customers have trialed
- Potential intact, but delayed according to early ambitions – triple-digit sales in 2-3 years still the aim



Hyaluronic acid

- Superior safety, consistency and performance
- Cost savings and minimized risk
- Ingredient in medical devices and pharmaceuticals

- Running business to grow with new supply deals



Recombinant albumin USP-NF*

- High-quality animal-free recombinant albumins
- A safe and consistent regulatory-compliant product
- Stabilizes drug and vaccine products + use in medical devices

- Some partners for first Albufuse®:



Half-life extension technology

- Albumin-based technology
- Albumin fusion or chemical conjugation with APIs
- Improved dosing regimes for increased patient compliance
- Next-gen. patented technology: Albufuse® Flex

- Existing business, leveraging one of the most comprehensive biocatalyst enzyme portfolios
- New focus aiming at exploring potential to become an important player for cost-effective & sustainable manufacturing of fine chemicals & APIs



Pharma enzymes

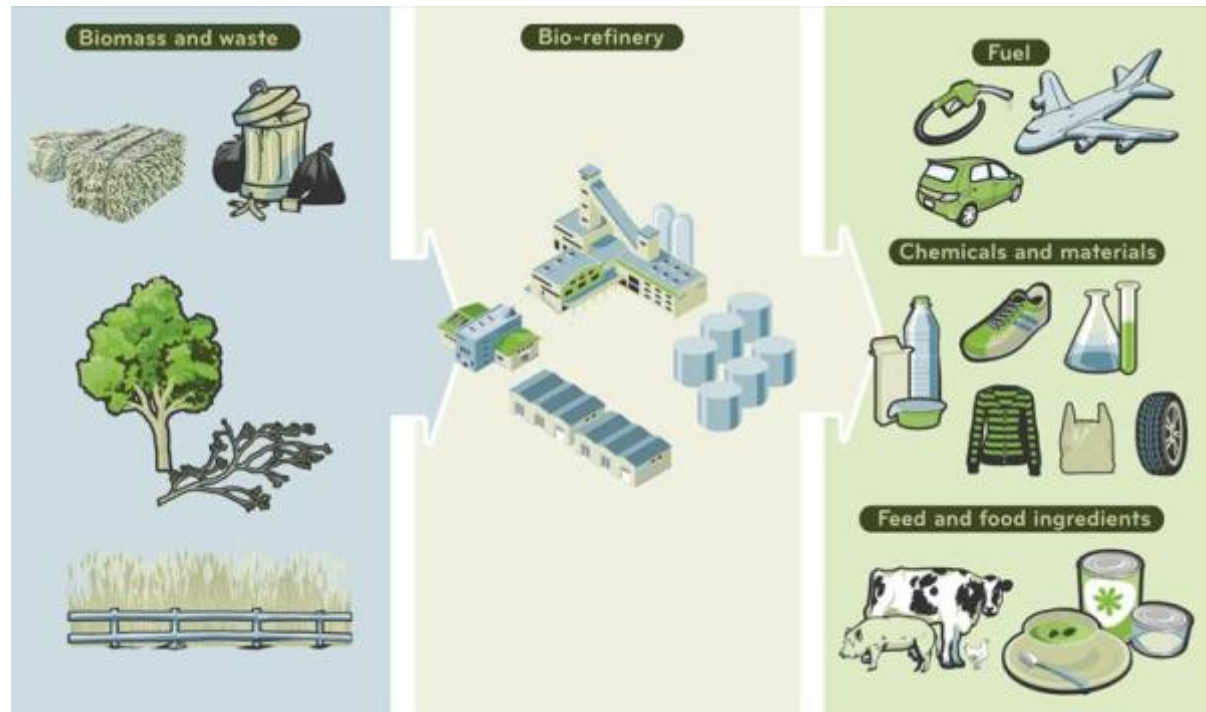
- Proteases and lipases for biocatalysis and diagnostic use
- rTrypsin cell culture applications
- Novel proprietary enzymes being explored

Biomass Conversion; Food, Feed, Fuel, Chemicals and Materials Made from Biomass and Waste

- A transformational opportunity for Novozymes
- Turning renewable low-value carbon into high-value product is revolutionary
- Enzymes poised to be a leading conversion technology
- Entire field to be the focus of significant innovation once commercialization has caught on

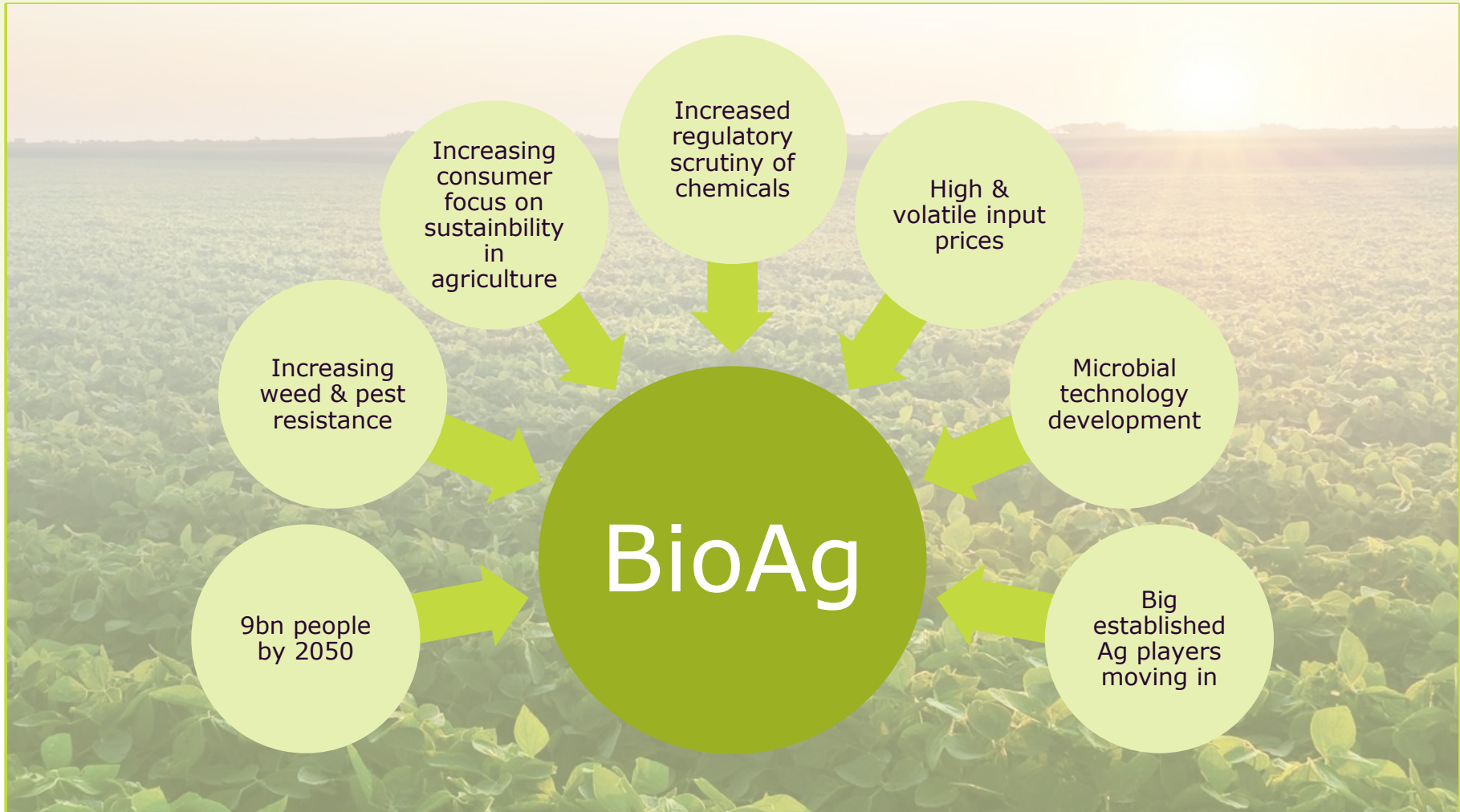
Potential offered by biorefining by 2030:

- ~8.2 million man-years employment
- 475 million tons CO₂ reductions/year
- \$3,000 billion in accrued revenue for a \$500 billion investment



Source: "Moving Towards a Next-Generation Ethanol Economy," Bloomberg New Energy Finance, 2012

BioAg is at the Convergence of Structural Drivers



Recap

- Business Development is tasked with creating tomorrow's business for Novozymes
- Business Development drives pipeline prioritization and management for the entire company
- Business Development is tasked with ensuring success in the 4 well-defined growth platforms, while developing earlier-stage ideas and bets

novozymes®



Rethink Tomorrow