

Balance sheet and financial position

Total assets

Total assets increased from DKK 18,373 million at December 31, 2017, to DKK 19,697 million at December 31, 2018. The increase was mainly driven by changes in currency, an increase in net working capital and higher net investments.

ROIC

Return on invested capital (ROIC), including goodwill, was 24.2%, down 1.4 percentage points from 25.6% in 2017. The decrease was mainly a result of higher net invested capital.

Invested capital

Invested capital increased from DKK 12,880 million in 2017 to DKK 13,953 million in 2018. This was a result of higher net working capital and high net investments.

Net working capital

Novozymes' net working capital increased to DKK 2,768 million, up from DKK 2,023 million in 2017, due to higher trade receivables and increasing inventories, as well as lower deferred income and contract liabilities.

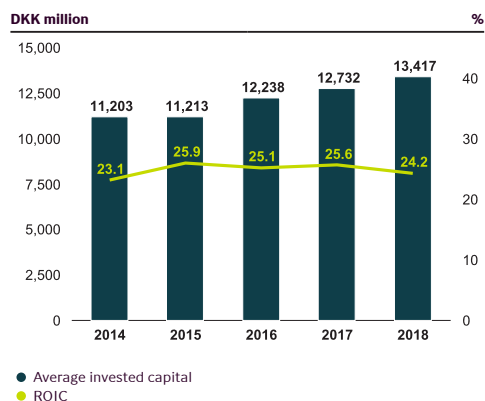
Net interest-bearing debt

Novozymes had net interest-bearing debt of DKK 2,535 million at December 31, 2018, compared with DKK 1,642 million at December 31, 2017. Net interest-bearing debt was impacted by cash outflows from dividend payments of DKK 1,317 million, stock buybacks of DKK 2,000 million and net investments of DKK 1,388 million, which exceeded cash inflows from operating activities of DKK 3,679 million.

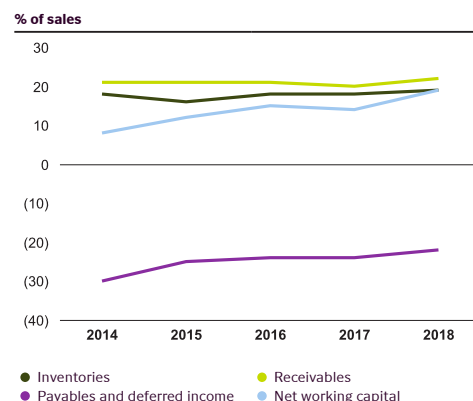
Net interest-bearing debt-to-EBITDA

Net interest-bearing debt-to-EBITDA was 0.5x at December 31, 2018, compared with 0.3x at December 31, 2017.

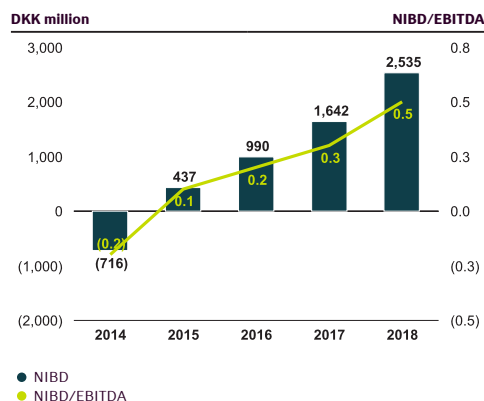
ROIC and average invested capital



Net working capital



Net interest-bearing debt (NIBD) and net interest-bearing debt-to-EBITDA



Consolidated balance sheet

Assets

DKK million	Note	Dec. 31, 2018	Dec. 31, 2017
Intangible assets	3.1	2,130	2,432
Land and buildings	3.2	2,779	2,697
Plant and machinery	3.2	4,452	4,019
Other equipment	3.2	619	562
Assets under construction and prepayments	3.2	1,848	1,648
Deferred tax assets	2.6	938	755
Other financial assets		20	29
Investments in associates		42	59
Other receivables	4.3	34	35
Non-current assets		12,862	12,236
Inventories	4.1	2,820	2,586
Trade receivables	4.2	2,606	2,554
Contract assets	4.2	279	
Tax receivables	2.6	174	135
Other receivables	4.3	219	214
Other financial assets		14	16
Cash and cash equivalents		723	632
Current assets		6,835	6,137
Assets		19,697	18,373

Liabilities and shareholders' equity

DKK million	Note	Dec. 31, 2018	Dec. 31, 2017
Common stock	5.5	594	610
Currency translation adjustments		(86)	(262)
Cash flow hedges		(26)	45
Retained earnings		10,943	10,861
Equity attributable to shareholders in Novozymes A/S		11,425	11,254
Non-controlling interests		13	13
Shareholders' equity		11,438	11,267
Deferred tax liabilities	2.6	892	721
Provisions	3.3	132	159
Contract liabilities	4.4	199	
Deferred income	4.5	37	337
Other financial liabilities	5.3	1,474	1,312
Non-current liabilities		2,734	2,529
Provisions	3.3	97	86
Other financial liabilities	5.3	1,899	979
Trade payables		1,418	1,341
Contract liabilities	4.4	175	
Deferred income	4.5	13	205
Tax payables	2.6	575	483
Other liabilities	4.6	1,348	1,483
Current liabilities		5,525	4,577
Liabilities		8,259	7,106
Liabilities and shareholders' equity		19,697	18,373