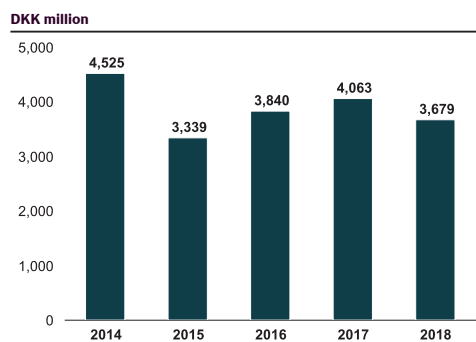


Cash flow

Cash flow from operating activities

Cash flow from operating activities was DKK 3,679 million, down from DKK 4,063 million in 2017. Higher net profit impacted cash flow positively, while higher net working capital negatively impacted cash flow by DKK 847 million. The development in net working capital was caused by higher receivables and increasing inventories, as well as lower deferred income and contract liabilities.

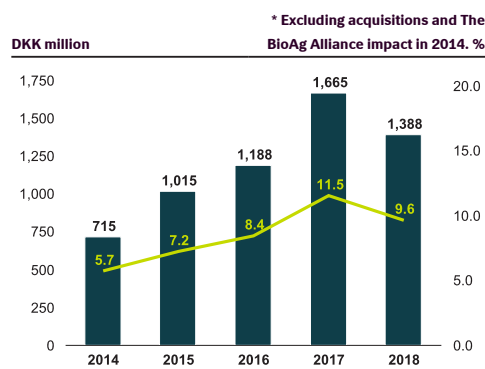
Cash flow from operating activities



Net investments

Net investments excluding acquisitions were DKK 1,388 million, down from DKK 1,665 million in 2017. Net investments in property, plant and equipment amounted to DKK 1,328 million, compared with DKK 1,566 million in 2017. Novozymes' main investment projects in 2018 were the greenfield facility in Mumbai, India, the capacity expansion in Nebraska, US, and the innovation campus in Lyngby, Denmark.

Net investments



● Net investments
● Net investments (% of sales)

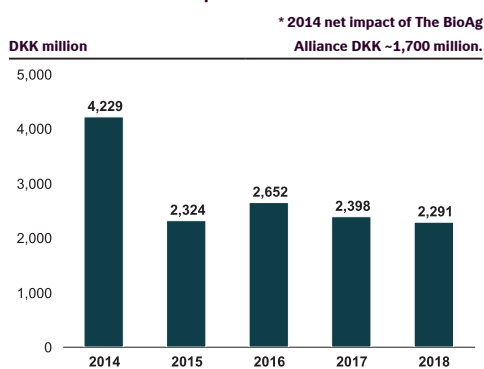
Free cash flow before acquisitions

Free cash flow before net acquisitions was DKK 2,291 million, compared with DKK 2,398 million in 2017. The decrease of 4% was mainly due to higher net working capital, offset by lower net investments and to some extent also higher net profit.

Free cash flow

Free cash flow was DKK 2,287 million in 2018, compared with DKK 2,395 million in 2017.

Free cash flow before acquisitions



Financing activities

Cash flow from financing activities was negative at DKK 2,167 million, compared with a negative cash flow of DKK 2,553 million in 2017. The negative cash flow from financing activities was mainly due to completion of the stock buyback program (DKK 2,000 million) and dividend payments (DKK 1,317 million).

Cash position

Cash and cash equivalents at December 31, 2018, amounted to DKK 723 million, up from DKK 632 million at December 31, 2017. Undrawn committed credit facilities were DKK 3,646 million at December 31, 2018.

Consolidated statement of cash flows

DKK million	Note	2018	2017	DKK million	Note	2018	2017
Net profit		3,227	3,120	Financing			
Reversal of non-cash items	6.6	2,062	2,065	Borrowings		2,093	965
Income tax paid	2.6	(761)	(852)	Repayments of borrowings		(1,115)	(505)
Interest received		9	7	Purchase of treasury stock		(2,000)	(2,000)
Interest paid		(11)	(28)	Sale of treasury stock		172	179
Cash flow before change in working capital		4,526	4,312	Dividend paid		(1,317)	(1,192)
Change in working capital				Cash flow from financing activities		(2,167)	(2,553)
(Increase)/decrease in receivables		(361)	(96)	Net cash flow		120	(158)
(Increase)/decrease in inventories		(234)	(224)	Unrealized gain/(loss) on currencies and financial assets included in cash and cash equivalents		(29)	(22)
Increase/(decrease) in payables, deferred income and contract liabilities		(265)	74	Net change in cash and cash equivalents		91	(180)
Currency translation adjustments		13	(3)	Cash and cash equivalents at January 1		632	812
Cash flow from operating activities		3,679	4,063	Cash and cash equivalents at December 31		723	632
Investments							
Purchase of intangible assets	3.1	(60)	(99)				
Purchase of property, plant and equipment		(1,332)	(1,593)				
Sale of property, plant and equipment		4	27				
Business acquisitions, divestments and purchase of financial assets	6.6	(4)	(3)				
Cash flow from investing activities		(1,392)	(1,668)				
Free cash flow		2,287	2,395				