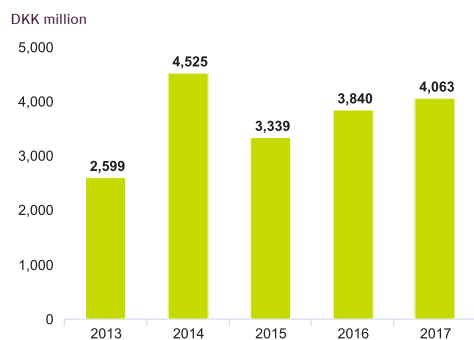


Cash flow

Cash flow from operating activities

Cash flow from operating activities was DKK 4,063 million, up from DKK 3,840 million in 2016. Higher net profit impacted cash flow positively, while changes in net working capital impacted cash flow negatively by DKK 249 million. The higher net working capital was mainly due to higher inventory levels.

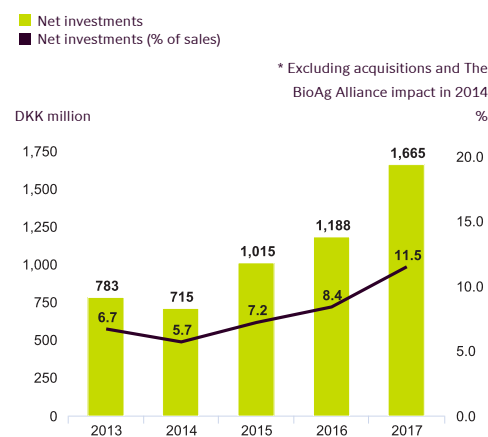
Cash flow from operating activities



Net investments

Net investments excluding acquisitions were DKK 1,665 million, up from DKK 1,188 million in 2016. Net investments in property, plant and equipment amounted to DKK 1,566 million, compared with DKK 1,048 million in 2016. The higher net investments were related to the construction of the innovation campus in Denmark, new production facilities in Mumbai, India, and capacity expansions in Nebraska, US.

Net investments



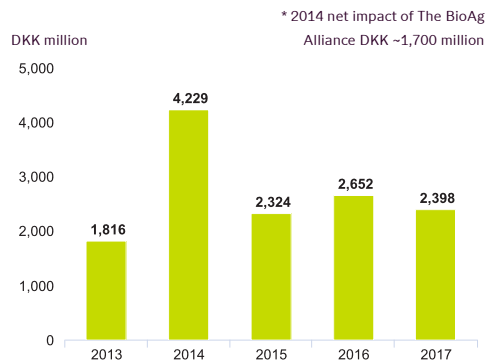
Free cash flow before acquisitions

Free cash flow before net acquisitions was DKK 2,398 million, compared with DKK 2,652 million in 2016. The decrease of 10% was mainly caused by higher investments, partly offset by positive development in cash flow from operating activities.

Free cash flow

Free cash flow was DKK 2,395 million in 2017, compared with DKK 2,491 million in 2016.

Free cash flow before acquisitions



Financing activities

Cash flow from financing activities was negative at DKK 2,815 million, compared with a negative cash flow of DKK 2,484 million in 2016. 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 1,192 million).

Cash position

Cash and cash equivalents at December 31, 2017, amounted to DKK 363 million, down from DKK 805 million at December 31, 2016. Undrawn committed credit facilities were DKK 3,944 million at December 31, 2017.

Consolidated statement of cash flows

DKK million	Note	2017	2016	DKK million	Note	2017	2016
Net profit		3,120	3,050	Financing			
Reversal of non-cash items	6.6	2,065	2,035	Borrowings		636	1,281
Income tax paid	2.6	(852)	(905)	Repayments of borrowings		(438)	(773)
Interest received		7	4	Purchase of treasury stock		(2,000)	(2,000)
Interest paid		(28)	(30)	Sale of treasury stock		179	69
Cash flow before change in working capital		4,312	4,154	Dividend paid		(1,192)	(1,061)
Change in working capital				Cash flow from financing activities		(2,815)	(2,484)
(Increase)/decrease in receivables		(96)	13	Net cash flow		(420)	7
(Increase)/decrease in inventories		(224)	(199)	Unrealized gain/(loss) on currencies and financial assets included in cash and cash equivalents		(22)	2
Increase/(decrease) in payables and deferred income		74	(125)	Net change in cash and cash equivalents		(442)	9
Currency translation adjustments		(3)	(3)	Cash and cash equivalents, net, at January 1		805	796
Cash flow from operating activities		4,063	3,840	Cash and cash equivalents, net, at December 31	6.6	363	805
Investments							
Purchase of intangible assets	3.1	(99)	(140)				
Purchase of property, plant and equipment	3.2	(1,593)	(1,076)				
Sale of property, plant and equipment		27	28				
Business acquisitions, divestments and purchase of financial assets	6.6	(3)	(161)				
Cash flow from investing activities		(1,668)	(1,349)				
Free cash flow		2,395	2,491				