



Novo Nordisk A/S ADR (NVO)

Updated February 15th, 2026 by Prakash Kolli

Key Metrics

| | | | | | |
|-----------------------------|------|--|-------------|----------------------------------|-----------|
| Current Price: | \$48 | 5 Year CAGR Estimate: | 18.7% | Market Cap: | \$219.35B |
| Fair Value Price: | \$69 | 5 Year Growth Estimate: | 8.0% | Ex-Dividend Date: | 03/30/26 |
| % Fair Value: | 69% | 5 Year Valuation Multiple Estimate: | 7.6% | Dividend Payment Date: | 04/08/26 |
| Dividend Yield: | 3.9% | 5 Year Price Target | \$101 | Years Of Dividend Growth: | 29 |
| Dividend Risk Score: | B | Sector: | Health Care | Rating: | Buy |

Overview & Current Events

Novo Nordisk A/S ADR is a large global pharmaceutical company headquartered in Denmark. The company focuses on two core business segments: Diabetes & Obesity Care and Rare Diseases. The Diabetes & Obesity Care segment manufactures insulin, related delivery systems, oral anti-diabetic products, and products to treat obesity. The Rare Diseases segment manufactures products for hemophilia and other chronic diseases. Novo Nordisk derives ~92% of revenue from diabetes and obesity. The company's products are marketed in 170 countries but approximately 48% of net sales are from North America and the rest is international sales.¹ Total revenue was nearly \$49.11B in 2025.

Novo Nordisk reported Q4 2025 results on February 3rd, 2026. Companywide sales were up 6% in Danish kroner to 309,064M (\$49,108M) from 290,403M (\$45,143M) and diluted earnings per share ("EPS") rose 2% to 23.03 DKK (\$3.66) from 22.63 DKK (\$3.60) on a year-over-year basis on restructuring and the Catalent manufacturing site acquisition.

Diabetes & Obesity sales increased 7% to 289,456M DKK (\$45,993M) driven by increases in Ozempic and Wegovy (obesity), offset by lower sales for Rybelsus (GLP-1), human insulin, long-acting insulin, fast-acting insulin, Saxenda (obesity), Victoza (GLP-1), and premix insulin. The Rare Disease segment sales rose 5% to 19,608M DKK (\$3,116M) caused by rising rare disorders drugs, offset by lower rare blood disorder drugs.

The firm is expanding its blockbuster GLP-1 and obesity drugs to other indications and dosing sizes.

The company lowered its outlook to -5% to -13% sales growth and -5% to -13% operating profit growth in 2026.

Growth on a Per-Share Basis

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|---------------|
| EPS | \$2.12 | \$2.48 | \$2.44 | \$2.47 | \$2.97 | \$3.04 | \$3.51 | \$2.69 | \$3.17 | \$3.66 | \$3.44 | \$5.05 |
| DPS | \$1.41 | \$1.14 | \$1.27 | \$1.23 | \$1.30 | \$1.47 | \$1.60 | \$2.06 | \$1.45 | \$1.73 | \$1.88 | \$2.52 |
| Shares² | 2,504 | 2,444 | 2,394 | 2,352 | 2,316 | 2,303 | 2,280 | 4,450 | 4,460 | 4,450 | 4,406 | 4,190 |

Novo Nordisk should generate sales growth from its portfolio of approved insulin products, Saxenda and Wegovy (obesity), Ozempic and Rybelsus (GLP-1), multiple hemophilia drugs, and Norditropin (growth disorder). According to Novo Nordisk, more than 550 million people around the world have diabetes and the numbers are expected to rise because of an increasingly overweight and aging population. The strategy seems to be working as the firm is growing revenue, earnings, and market share. The company is the market leader in diabetes and obesity care and No. 4 in hemophilia. The two blockbuster GLP-1 drugs have high demand and are being expanded to other indications.

We lowered our forecast to 8% growth in EPS out to 2031 due to new therapy launches, higher volumes, offset by competition from branded drugs and compounders, and political pressure for lower prices.

Novo Nordisk has been paying a growing dividend in DKK for 29 years. However, currency effects can influence this consistency when translated to USD. But on average we are forecasting 6% annual growth in the dividend out to 2031.

¹ Novo Nordisk trades as an American Depositary Receipt or 'ADR' on the NYSE. The company reports quarterly earnings in Danish kroner (DKK). This report will use USD at the prevailing exchange rates.

² Share count is in millions. The ADRs had a 2-for-1 stock split on 20 September 2023.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



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Valuation Analysis

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Now | 2031 |
|-----------|------|------|------|------|------|------|------|------|------|------|-------------|-------------|
| Avg. P/E | 23.0 | 17.2 | 19.8 | 20.8 | 21.8 | 27.9 | 39.5 | 38.5 | 27.1 | 13.9 | 13.8 | 20.0 |
| Avg. Yld. | 2.9% | 2.7% | 2.8% | 2.5% | 2.0% | 1.7% | 1.2% | 2.0% | 1.9% | 3.4% | 3.9% | 2.5% |

Novo Nordisk's stock price was flat since our last report, despite a soft outlook. We set our 2026 earnings estimate at consensus. We again lowered our fair value multiple to 20X, below the ten-year average to account for competition and slowing growth. Our current fair value is now \$69. Our 5-year price target is now \$101.

Safety, Quality, Competitive Advantage, & Recession Resiliency

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|--------|------|------|------|------|------|------|------|------|------|------|------------|------------|
| Payout | 67% | 46% | 52% | 50% | 44% | 48% | 46% | 77% | 46% | 47% | 55% | 50% |

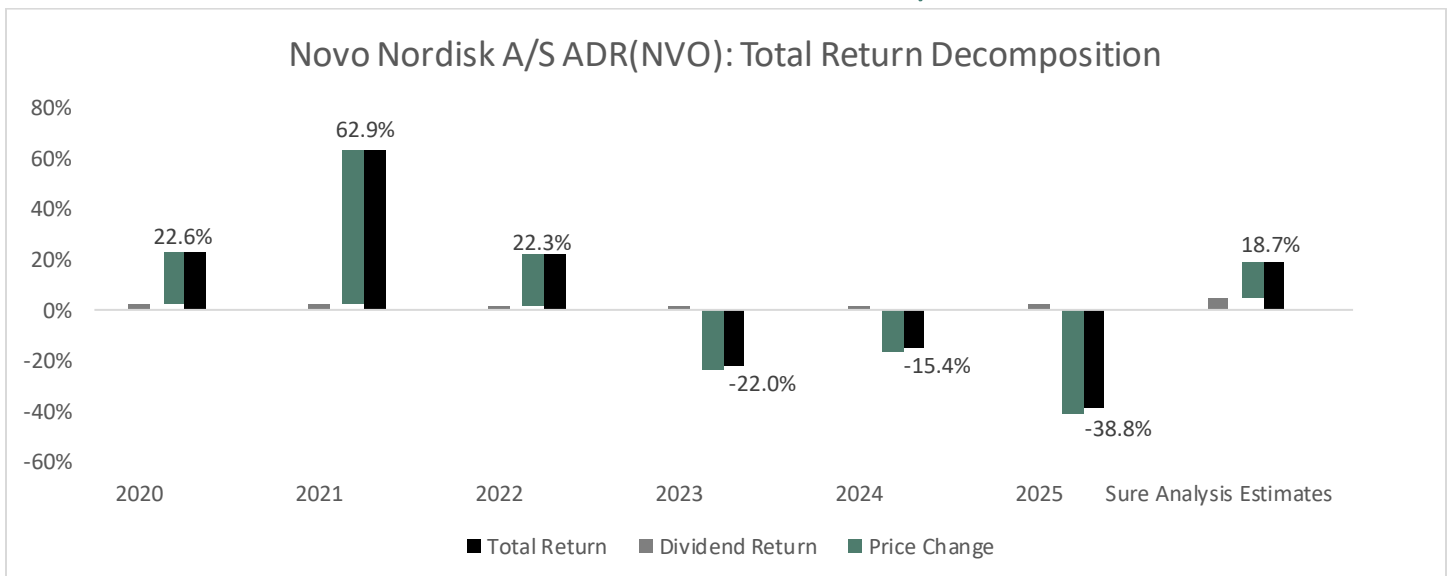
Novo Nordisk has a solid competitive advantage with ~43.3% market share of the global insulin market, about 30.1% of the global diabetes market, roughly 64.6% of the branded global obesity care market, about 47% of the GLP-1 market, and 10%+ of the hemophilia market. The company has global R&D, manufacturing, distribution, and marketing scale to maintain this market share. The company is also active in M&A to expand its pipeline in cardiovascular and renal diseases.

Branded and off-patent generic insulin competitors exist. However, complex manufacturing requirements, high upfront costs, and low insulin pricing will keep most generics at bay. Novo Nordisk has recession resistant characteristics, as patients require insulin and diabetes drugs in good times or bad. The company does face patent expiration risk, price cuts from U.S. Medicare and Medicaid, regulatory approval risks, and competition from compounding firms.

Final Thoughts & Recommendation

At present we are forecasting an 18.7% annualized total return through 2031 from a dividend yield of 3.9%, 8% EPS growth, and 7.6% P/E multiple expansion. Novo Nordisk is executing well, and its product portfolio is in high demand, especially the obesity drugs, driving the top and bottom lines. The company is leveraging its strengths and growth should continue but competition is rising from branded drugs and compounders, reducing growth rates. That said, the firm is acquiring smaller companies for new molecules and treatments. We maintained our buy rating.

Total Return Breakdown by Year



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Income Statement Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Revenue | 16615 | 17002 | 17715 | 18296 | 19451 | 22404 | 25085 | 33721 | 42134 | 46736 |
| Gross Profit | 14061 | 14318 | 14924 | 15284 | 16244 | 18640 | 21052 | 28529 | 35675 | 37548 |
| Gross Margin | 84.6% | 84.2% | 84.2% | 83.5% | 83.5% | 83.2% | 83.9% | 84.6% | 84.7% | 80.3% |
| SG&A Exp. | 4807 | 4890 | 5277 | 5372 | 5652 | 6533 | 7185 | 8943 | 9776 | 10627 |
| D&A Exp. | 475 | 484 | 622 | 849 | 881 | 959 | 1044 | 1367 | 1240 | 2218 |
| Operating Profit | 7199 | 7454 | 7484 | 7869 | 8293 | 9331 | 10605 | 14892 | 18621 | 20417 |
| Operating Margin | 43.3% | 43.8% | 42.2% | 43.0% | 42.6% | 41.6% | 42.3% | 44.2% | 44.2% | 43.7% |
| Net Profit | 5637 | 5804 | 6119 | 5840 | 6456 | 7599 | 7871 | 12150 | 14652 | 15490 |
| Net Margin | 33.9% | 34.1% | 34.5% | 31.9% | 33.2% | 33.9% | 31.4% | 36.0% | 34.8% | 33.1% |
| Free Cash Flow | 5952 | 4950 | 5102 | 5331 | 4577 | 7577 | 9092 | 10165 | 10107 | 4384 |
| Income Tax | 1467 | 1606 | 1424 | 1440 | 1684 | 1802 | 1919 | 3048 | 3802 | 4250 |

Balance Sheet Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Assets | 13871 | 16495 | 16969 | 18832 | 23953 | 29611 | 34724 | 46692 | 64986 | 85367 |
| Cash & Equivalents | 2658 | 3038 | 2396 | 2320 | 2109 | 1632 | 1821 | 2137 | 2184 | 4240 |
| Acc. Receivable | 2877 | 3250 | 3491 | 3735 | 4584 | 6187 | 7277 | 9617 | 10038 | 11142 |
| Inventories | 2039 | 2477 | 2503 | 2645 | 3064 | 2987 | 3510 | 4723 | 5699 | 7803 |
| Goodwill & Int. | 386 | 536 | 788 | 875 | 3414 | 6572 | 7400 | 8969 | 15499 | 20450 |
| Total Liabilities | 7433 | 8467 | 9027 | 10198 | 13487 | 18841 | 22708 | 30871 | 44968 | 54855 |
| Accounts Payable | 855 | 904 | 1035 | 953 | 945 | 1350 | 2243 | 3802 | 4025 | 3107 |
| Long-Term Debt | 33 | 273 | 79 | 99 | 1105 | 3428 | 3059 | 3159 | 13397 | 18913 |
| Total Equity | 6438 | 8028 | 7941 | 8634 | 10467 | 10770 | 12016 | 15821 | 20019 | 23132 |
| LTD/E Ratio | 0.01 | 0.03 | 0.01 | 0.01 | 0.11 | 0.32 | 0.25 | 0.20 | 0.67 | 0.67 |

Profitability & Per Share Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Return on Assets | 41.3% | 38.2% | 36.6% | 32.6% | 30.2% | 28.4% | 24.5% | 29.8% | 26.2% | 20.6% |
| Return on Equity | 84.7% | 80.2% | 76.6% | 70.5% | 67.6% | 71.6% | 69.1% | 87.3% | 81.8% | 61.4% |
| ROIC | 83.5% | 78.6% | 75.0% | 69.7% | 63.6% | 60.0% | 53.8% | 71.4% | 55.9% | 36.3% |
| Shares Out. | 2,504 | 2,444 | 2,406 | 2,346 | 2,339 | 2,303 | 2,272 | 4,495 | 4,463 | 4,447 |
| Revenue/Share | 6.55 | 6.86 | 7.31 | 7.69 | 8.31 | 9.73 | 11.04 | 7.50 | 9.44 | 10.51 |
| FCF/Share | 2.35 | 2.00 | 2.10 | 2.24 | 1.96 | 3.29 | 4.00 | 2.26 | 2.26 | 0.99 |

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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