Novo Nordisk A/S ADR (NVO)

Updated August 18th, 2026 by Prakash Kolli

Key Metrics

Current Price:	$45	**5 Year CAGR Estimate:**	16.4%	**Market Cap:**	$201.72B
Fair Value Price:	$64	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	08/17/26
% Fair Value:	70%	**5 Year Valuation Multiple Estimate:**	7.4%	**Dividend Payment Date:**	08/25/26
Dividend Yield:	4.0%	**5 Year Price Target**	$86	**Years Of Dividend Growth:**	30
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 Q2 2026 results on August 4th, 2026. Companywide adjusted net sales were up 3% (CC) in Danish kroner to 78,488M DKK ($12,151M) and adjusted diluted earnings per share ("EPS") fell 20% to 4.754 DKK ($0.74) on a year-over-year basis on volume growth, offset by lower prices, a rebate reversal, and impairment charges. In cardiovascular diseases, the ZEUS phase 3 trial did not meet its primary endpoint. Diabetes & Obesity adjusted sales increased 7% (CC) to 73,581M DKK ($11,391M) driven by increases in Wegovy injectables and pill (obesity) and Ozempic injectable (obesity), long-acting insulin, fast-acting insulin, and premix insulin, offset by lower Ozempic pill and Rybelsus (GLP-1), Saxenda (obesity), Victoza (GLP-1), and human insulin. The Rare Disease segment adjusted sales grew 2% to 4,907M DKK ($760M) caused by higher sales of rare endocrine disorder but lower sales of rare blood drugs.

The company again upped its outlook to 0% to -6% sales growth and 0% to -6% 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	***$3.56***	***$4.76***
DPS	$1.41	$1.14	$1.27	$1.23	$1.30	$1.47	$1.60	$2.06	$1.45	$1.73	***$1.80***	***$2.19***
Shares[2]	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 and earnings. 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 a pill form and other indications.

We again lowered our forecast to 6% 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 30 years. However, currency effects can influence this consistency when translated to USD. But on average we are forecasting 4% annual growth in the dividend out to 2031.

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[1] Novo Nordsk trades as an American Depository 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	***12.6***	***18.0***
Avg. Yld.	2.9%	2.7%	2.8%	2.5%	2.0%	1.7%	1.2%	2.0%	1.9%	3.4%	***4.0%***	***2.6%***

Novo Nordisk's stock price was flat since our last report, despite raising guidance. We again raised our 2026 earnings estimate at consensus. Our fair value multiple is 18X, below the ten-year average to account for competition, slowing growth, and patent expirations. Our current fair value is now $64. Our 5-year price target is now $86.

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%	***51%***	***46%***

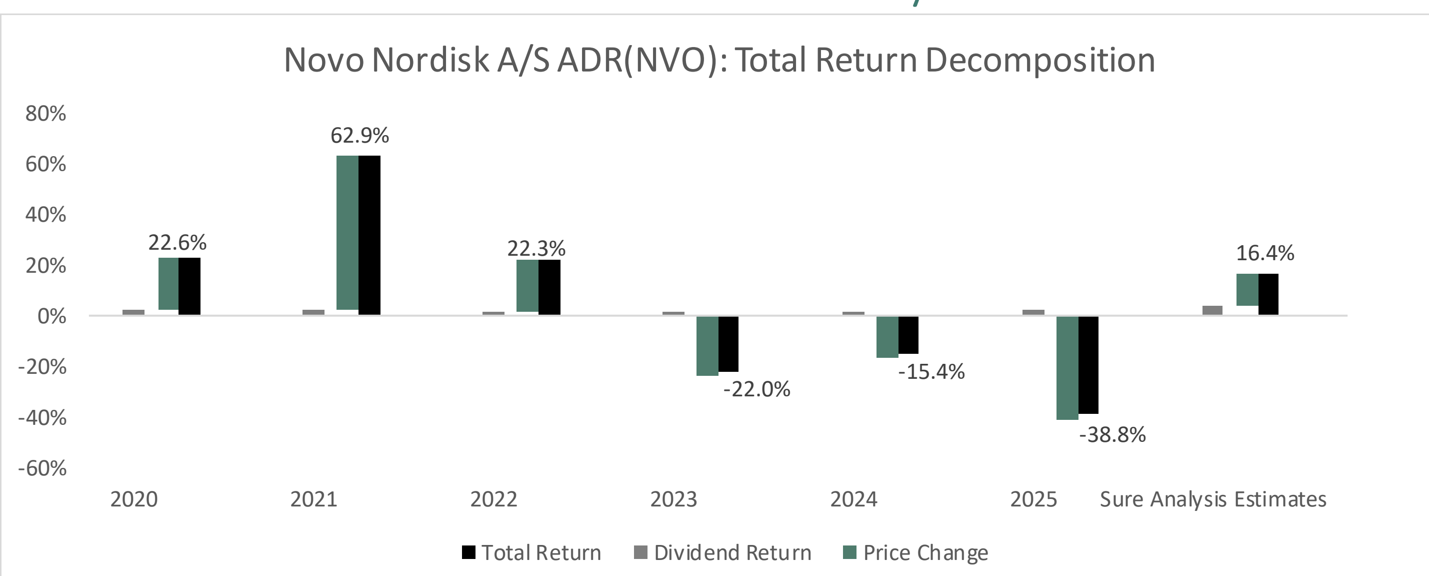
Novo Nordisk has a solid competitive advantage with ~43.3% market share of the global insulin market, about 30.1% of the global diabetes market, roughly 64.6% of the branded global obesity care market, about 47% of the GLP-1 market, 55% of the injectable GLP-1 market, and 10%+ of the hemophilia market. The company has global R&D, manufacturing, distribution, and marketing scale to maintain this market share. The company is also active in M&A and licensing to expand its pipeline in core areas and 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 a 16.4% annualized total return through 2031 from a dividend yield of 4.0%, 6.0% EPS growth, and 7.4% P/E multiple expansion. Novo Nordisk is focused on its recent launch of the pill and HD forms of Wegovy and Ozempic, which should help shore up market share. The firm's product portfolio is in demand, but competition is intense from branded drugs, generics, and compounders, impacting growth rates and pricing. That said, the firm is acquiring smaller companies for new molecules and treatments. We have 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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