

Profits jab higher at insulin maker Novo Nordisk

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Novo Nordisk said Friday that its new treatment for adults who suffer from diabetes drove sales and profits higher, but the world's top manufacturer of insulin still faced difficulties in the key US market.

The Danish firm alone supplies nearly half of the [insulin](#) to diabetes sufferers across the globe.

And while rising obesity has led to a surge in diabetes cases, it hasn't been smooth sailing for Novo Nordisk as some buyers have balked at the high cost for new treatments, particularly in the United States.

Its sales of insulin in North America fell by 16 percent over the first nine months of the year when the effects of changes in currency values are removed.

"The decline in sales in the USA was driven by lower realised prices due to higher rebates across the insulin portfolio," the company said in a statement, as well as due to changes insurance legislation and lower inventory levels.

Private US insurers and patients have been negotiating discounts, or rebates, on the price of newer forms of insulin that cost much more than previous treatments.

Total North American sales were down 1 percent at constant exchange rates, to 43 billion kroner, a region which accounts for nearly half of total sales.

The drop was despite a rapid rise in Novo Nordisk's new Ozempic treatment, which can free some people with Type 2 diabetes from taking several shots of insulin per day to control their blood sugar level. A once-a-week shot of Ozempic helps Type 2 [diabetes](#) produce their own insulin.

Total sales of Ozempic jumped to nearly 6.9 billion kronor.

Overall sales for the first nine months of the year rose by 9 percent to

89.6 billion kroner, with the gain of 5 percent once the effect of changes to currency values were stripped out.

"We are very satisfied with the sales growth for the first nine months of 2019, which was driven by all regions in International Operations and growth across our therapy areas..." chief executive Lars Fruergaard Jorgensen said in a statement.

Net profit for the period was practically flat at 30.2 billion kroner, but operating profits rose by 5 percent on a constant exchange rate basis, hitting 40.6 billion.

On a quarterly basis, [net profit](#) rose by 13 percent to 10.2 billion kroner in the three months to the end of September. Sales rose by 5 percent on a constant exchange rate basis to 30.3 billion kroner.

Novo Nordisk's share price rose by 1.7 percent in morning trading, while Copenhagen's main index rose 1.4 percent.

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