Genmab

2009 Annual Report

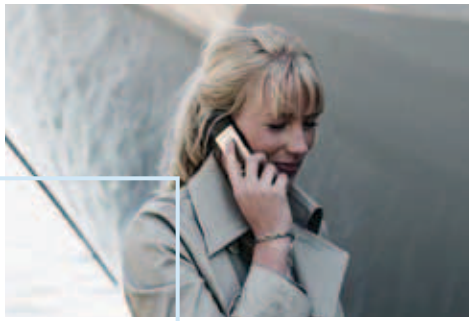
PRE-CLINICAL AND CLINICAL PRODUCT PIPELINE AS OF MARCH 2, 2010

Product	Disease Indications	Development Phase: Pre-Clinical	I	I/II	II	III
Ofatumumab 17 studies Partner: GSK	Chronic lymphocytic leukemia (CLL)					
	Non-Hodgkin's lymphoma (NHL)					
	Rheumatoid arthritis (RA)					
	Diffuse large B-cell lymphoma (DLBCL)					
	Relapsing remitting multiple sclerosis (RRMS)					
	Waldenstrom's Macroglobulinemia (WM)					
Zalutumumab	Head and neck cancer (SCCHN)—6 studies					
Daratumumab (HuMax-CD38)	Multiple myeloma					
RG4930 Partner: Roche	Asthma—Target: OX40L					
RG1512 Partner: Roche	Peripheral vascular disease—Target: P-selectin					
HuMax-CD32b	Cancer					
HuMax-TF	Cancer					
HuMax-VEGF	Cancer					
HuMax-Her2	Cancer					
HuMax-Wnt	Cancer					

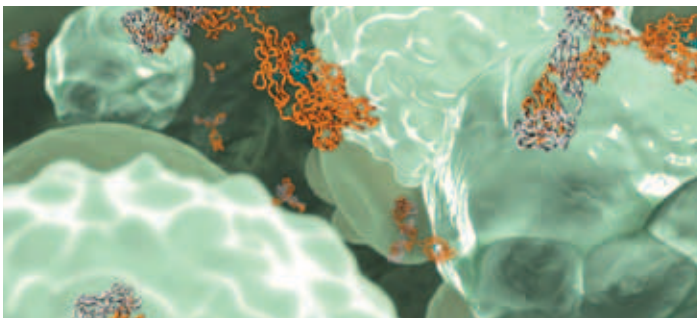
Building for the Future

Genmab is building a deep pipeline of fully human antibody products to maximize its opportunities for success with five products in clinical trials and more than ten pre-clinical programs. Genmab has chosen to focus on products to treat various cancers, where human antibodies are expected to be particularly useful as they should lend themselves to long-term therapy without the risk of rejection by the body's immune system.

Our Mission :: Genmab is dedicated to creating and developing human antibodies to help people suffering from life-threatening and debilitating diseases. Our goal is to serve patients in need of new types of therapy and to build a business that maximizes value for patients and shareholders.



Our Strategy :: Genmab's strategy is to maintain an extensive pipeline of human antibody products to balance the risk inherent in drug development and maximize our chances for success. To achieve this goal, we have selected disease targets that have a strong scientific and business rationale. We diversify our potential revenue stream by creating products for an array of both validated and novel targets. We also attempt to balance risk through our partnering efforts by licensing some programs at an early stage and others later to create a potentially diversified risk and revenue profile. We have built world class discovery and development teams that are working to create and develop products for patients with unmet medical needs.



2009 HIGHLIGHTS

Arzerra (ofatumumab) Approved by FDA

- Filed Biologics License Application (BLA) with the FDA for ofatumumab in refractory chronic lymphocytic leukemia (CLL), in collaboration with GlaxoSmithKline (GSK)
- Received accelerated approval for ofatumumab from the FDA for CLL that is refractory to fludarabine and alemtuzumab
- Submitted Marketing Authorization Application (MAA) to the EMA and subsequently received a CHMP positive opinion recommending the granting of a conditional marketing authorization for ofatumumab for the treatment of CLL in patients who are refractory to fludarabine and alemtuzumab

Collaboration Milestones

- Reached three milestones for payments totaling DKK 261 million in the GSK collaboration
- Received one-time payment of USD 4.5 million from GSK in exchange for terminating ofatumumab co-promotion option

Clinical Trial Progress

- Published results from four ofatumumab studies
  - Phase III study in rheumatoid arthritis (RA)
  - Phase II front line combination study in CLL
  - Phase II front line combination study in non-Hodgkin's lymphoma (NHL)
  - Pivotal Phase III study in rituximab refractory NHL
- Initiated Phase III study of ofatumumab with chemotherapy versus rituximab with chemotherapy in relapsed or refractory DLBCL
- Completed enrolment in one zalutumumab study and two ofatumumab studies

Reorganization

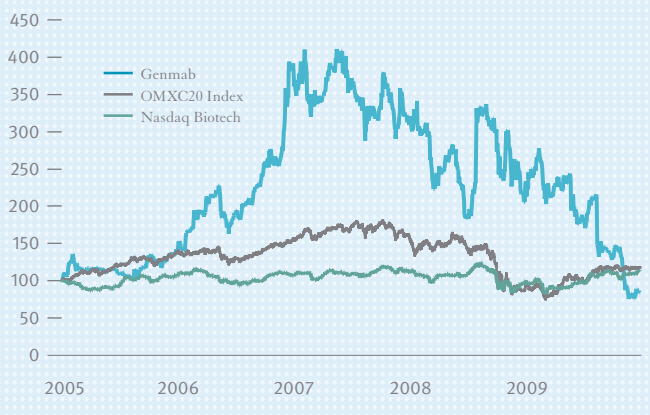
- Announced plan to match resources to ongoing and future needs, sell manufacturing facility and reduce headcount by approximately 300 positions. The majority of the reductions were completed by the end of the year; the remaining reductions will be completed during 2010 once tasks have been transferred

Financial Highlights

- Operating loss decreased by DKK 224 million compared to 2008, mainly as a result of our continued strong focus on cost savings and control
- Net financial items reflected a net income of DKK 156 million compared to a net loss of DKK 95 million in 2008
- Cash position at the end of the year was DKK 1,281 million

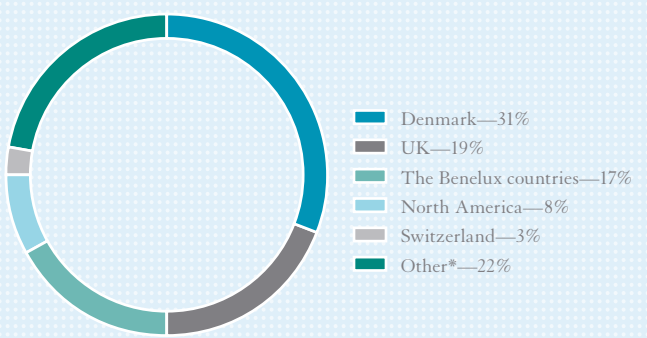
Stock Performance Comparison 2005 to 2009

(Index 100 = stock price on January 1, 2005)



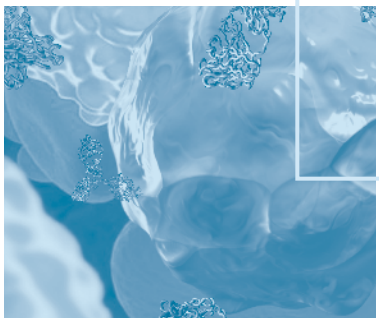
Geographical Shareholder Distribution

(Internal shareholder register December 31, 2009)



** "Other" includes other countries and shares not held in nominee accounts, including OTC traded shares.*

Letter from the Chief Executive Officer



DEAR SHAREHOLDER,

Genmab's crowning achievement in 2009 was undoubtedly the conditional FDA approval of Arzerra (ofatumumab) for chronic lymphocytic leukemia (CLL) that is refractory to fludarabine and alemtuzumab. We brought Arzerra, our first marketed antibody, to patients after a little more than seven years in development and believe this is a remarkable achievement.

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This milestone is not only significant in terms of what a product approval means for the company, but is also a source of pride for Genmab employees whose work has brought new hope to cancer patients with refractory CLL who previously had no other approved treatment options. Arzerra has the potential to positively impact many thousands of cancer patients and we are humbled at the prospect of making a difference in the lives of these patients and their families.

Arzerra was successfully launched by our collaborator, GlaxoSmithKline, in November 2009 and Arzerra achieved net sales of DKK 29 million (approximately USD 5.5 million) for the remainder of the year, resulting in royalty income to Genmab of DKK 6 million. We are looking forward to seeing the sales figures for the first quarter of 2010.

In addition to the FDA filing and approval of Arzerra in the US in 2009, the European Medicines Agency's committee for medicinal products for human use (CHMP) has adopted a positive opinion, recommending the granting of a conditional marketing authorization in the European Union for Arzerra for the treatment of CLL in patients who are refractory to fludarabine and alemtuzumab.

Clinical Pipeline Progress

In 2009, we continued to make progress in our clinical pipeline, including completion of patient enrollment in three studies, reporting results from four studies and initiating the first head to head study of ofatumumab with rituximab. We are currently running 26 clinical trials.

Perhaps the most interesting data we presented last year was from two Phase II front line studies of ofatumumab in CLL and non-Hodgkin's lymphoma (NHL). In the CLL front line study we reported a complete remission rate of 32% in patients who received 500 mg of ofatumumab and 50% in patients who were treated at 1000 mg. The overall response rates were 77% and 73% respectively.

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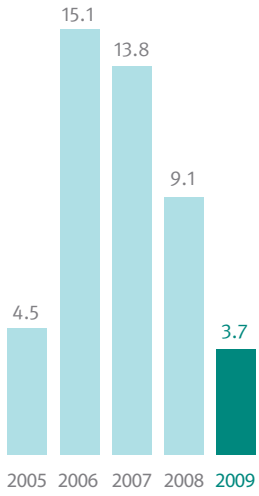
Year End Market Capitalization
(DKK billion)



In the front line NHL study we reported an overall response rate of 90%, including 24% complete remissions (CR) and 45% complete remissions/unconfirmed (CRu) in patients treated with 500 mg of ofatumumab. In patients who received 1000 mg of ofatumumab, the overall response rate was 100%, including 38% CR and 17% CRu. We believe the impressive results from these front line studies are indicative of the potential of ofatumumab in earlier treatment settings. We look forward to seeing results from our other ongoing ofatumumab studies in earlier treatment settings.

In August 2009, we reported results from a Phase III ofatumumab study in rituximab refractory NHL. The overall response rate in patients treated at 1000 mg was 10%. Patients in the study were highly refractory with 49% refractory to the last chemotheapy treatment and a median of four prior treatment regimens. The overall response rate in patients who were refractory to prior rituximab monotherapy was 22%, which we believe indicates clear activity of ofatumumab in these patients. The results of the study will not be strong enough for regulatory filing, but additional studies are being planned for the NHL indication.

Details on safety finding from these studies are provided below.

Focusing on Our Core Strength

Two years ago we set out on a path to ensure Genmab's future as a sustainable business. We continued down this path in 2009 with our reorganization efforts. While we have not discontinued any of our clinical programs, the workload for Genmab's development employees, in particular, has decreased and is expected to remain at a reduced level as partners take on increasing responsibility for upcoming studies. By maintaining a more lean and flexible development organization we will be able to focus on Genmab's core strength of developing innovative antibody therapeutics for the treatment of cancer. We believe Genmab's excellence in innovation fills a key need in the biotech and healthcare industry.

The excitement of our first product approval continues to propel us forward to meet new challenges. We expect 2010 to be another pivotal year for the company. At Genmab we remain committed to our goal of serving patients in need of new types of therapy and to build a business that maximizes value for patients and shareholders. Thank you for your continued support.

Sincerely yours,

Lisa N. Drakeman, Ph.D.
President and Chief Executive Officer

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Directors' Report

ABOUT GENMAB

Genmab is a leading international biotechnology company focused on developing fully human antibody therapeutics for the potential treatment of cancer. Genmab's world class discovery and development teams are using cutting-edge technology to create and develop products to address unmet medical needs. Our primary goal is to improve the lives of patients who are in urgent need of new treatment options.

Genmab's strategy is to maintain a broad high-potential pipeline of human antibody products by developing at least one new clinical candidate per year. Our therapeutic focus is oncology, a disease area in which we have expertise and antibodies have proven efficacy. We will concentrate on developing antibodies to both clinically validated targets that may potentially be superior to existing marketed products as well as novel targets.

We select our antibodies based on rigorous criteria, including a strong scientific and business rationale. Development decisions must be substantiated with data and in consultation with regulatory authorities and medical experts. New programs and studies must result in added value to both patients and the company. In addition, we attempt to create a potentially diversified risk and revenue by licensing programs at various stages of development.

We believe this strategy will allow Genmab to efficiently create the most potential value for patients and shareholders and enable us to build a sustainable business.

2009 OVERVIEW

For the continuing operations, Genmab reported consolidated revenues of DKK 586 million in 2009, an operating loss of DKK 498 million and a net loss of DKK 348 million. Genmab ended 2009 with a total cash position of DKK 1,281 million.

MDKK	Continuing operations	Discontinued operation	Total
Revenues	586	42	628
Operating loss	(498)	(663)	(1,161)
Net loss	(348)	(663)	(1,011)
Cash position	1,277	4	1,281

Overall, the total financial performance is in line with the most recent revised guidance issued on November 5, 2009.

During the course of 2009, Genmab submitted marketing applications to the US and European regulatory authorities for ofatumumab to treat refractory chronic lymphocytic leukemia (CLL), in collaboration with GlaxoSmithKline (GSK). The applications were accepted, and in October the US FDA granted accelerated approval of ofatumumab to treat CLL in the US that is refractory to fludarabine and alemtuzumab. In January 2010, the CHMP issued a positive opinion for ofatumumab for the treatment of patients with CLL who are refractory to fludarabine and alemtuzumab.

We continued to make progress in our clinical trials, reporting results from four ofatumumab studies and announcing the continuation of the zalutumumab Phase III study in refractory head and neck cancer following the interim survival analysis. We completed enrolment of patients in one zalutumumab study and two ofatumumab studies. We also initiated a Phase III study of ofatumumab in combination with chemotherapy versus rituximab in combination with chemotherapy in relapsed or refractory DLBCL, marking the first head to head study of ofatumumab and rituximab.

As a result of the achievements in the ofatumumab development program, Genmab reached three milestone payments under the GSK collaboration totaling DKK 261 million.

Directors' Report

In November, Genmab announced plans to reorganize to build a sustainable business that will match resources with workload. As part of this strategy, the company has started reducing headcount by approximately 300 positions and intends to sell its manufacturing facility located in Brooklyn Park, Minnesota, USA. Genmab will adopt a more flexible model based on contracts with vendors to address varying demand for clinical development and manufacturing work going forward. The company will focus on innovation and continue to create new antibodies with the potential to treat cancer. The annualized impact of the reorganization is estimated to yield savings of approximately DKK 300 million, including non-cash items of approximately DKK 60 million.

Over the course of the year, Genmab participated in 40 scientific conferences and 15 investor conferences as well as a significant number of analyst, media, and investor meetings.

OUTLOOK

We expect our 2010 revenue, exclusive of royalties from Arzerra sales, to be approximately DKK 350–450 million, compared to DKK 586 million reported for 2009. This projected revenue consists primarily of deferred revenue and milestone payments. We cannot be certain about the outcome or timing of some of the milestone events and therefore any change in the timing or achievement of the projected milestones may impact our estimates.

Royalty income from Arzerra sales has not been included in the guidance above as it is difficult to estimate product revenues given the short period that the product has been on the market in the US.

We anticipate that our 2010 operating expenses from continuing operations will be slightly lower than 2009 at approximately DKK 950–1,050 million, reflecting the advancement of our clinical and pre-clinical programs offset by the implementation of the reorganization plan that was announced in November 2009. The reorganization plan included a headcount reduction of 300 positions and the intent to sell our manufacturing facility in Minnesota.

We expect the operating loss from continuing operations for 2010 to be approximately DKK 550–650 million, compared to the operating loss of DKK 498 million reported for 2009.

The discontinued operation guidance of DKK 50 million relates to the ongoing running costs of the Minnesota manufacturing facility and represents a full 12 months of activity maintaining the facility in a validated state. This cost could be lower if the facility is sold before the end of the year. We have launched an active sales process and further details of the facility can be viewed at www.genmab-facility.com.

The fair value of the manufacturing facility less costs to sell is estimated at USD 145 million, approximately DKK 750 million. Please refer to note 1 of the financial statements for further details.

As of December 31, 2009, we had cash, cash equivalents and marketable securities of DKK 1,281 million. Therefore we project a cash balance at the end of the year of approximately DKK 1,050–1,200 million.

2010 Guidance	DKK Millions	USD Millions
Revenue*	350–450	67–87
Operating expenses	(950)–(1,050)	(183)–(202)
Operating loss continuing operations	(550)–(650)	(106)–(125)
Discontinued operation	(50)	(10)
Facility sale	750	145
Cash at beginning of year**	1,281	247
Cash at the end of year**	1,050–1,200	202–231

*Not including Arzerra royalties

**Cash, cash equivalents, and marketable securities

The estimates above are subject to change due to numerous factors, including the timing of the sale and consideration received for the manufacturing facility, the timing and variation of development activities, related income and costs and fluctuations in the value of our marketable securities and currency exchange rates.

The financial guidance also assumes that no further significant agreements are entered into during 2010 that could materially affect the results, and as such does not include any licensing revenue or other cash inflows relating to zalutumumab.

Conversion of our 2010 guidance has been made using the Danish Central Bank closing spot rate on December 31, 2009, of USD 1.00 = DKK 5.1901.

PRODUCT PIPELINE

Our scientific teams continuously investigate promising new disease targets for potential addition to our pipeline. Our clinical product pipeline currently consists of nine Phase III studies, ten Phase II studies, seven Phase I/II or I studies, and more than ten pre-clinical programs. An overview of the development status of each of our clinical products is provided in the following sections. More detailed descriptions of dosing, efficacy and safety data from certain clinical trials have been published in our stock exchange releases to the NASDAQ OMX Copenhagen, which are available on Genmab's website, www.genmab.com.

Ofatumumab (Arzerra)

Ofatumumab, which is being developed under a co-development and commercialization agreement with GSK, has received accelerated approval from the FDA for use in the US in patients with CLL that is refractory to fludarabine and alemtuzumab under the trade name Arzerra. Ofatumumab is a novel human monoclonal antibody with a unique mode of action. It targets a unique part of the CD20 molecule encompassing an epitope in the small loop *(Teeling et al 2006)*. The CD20 molecule is a key target in CLL therapy, because it is expressed in most B cell malignancies *(Cragg et al 2005)*. Ofatumumab is in development for CLL, non-Hodgkin's lymphoma (NHL), diffuse large B-cell lymphoma (DLBCL), Waldenstrom's macroglobulinemia, rheumatoid arthritis (RA), and relapsing remitting multiple sclerosis (RRMS).

Recruitment of 220 patients in a pivotal Phase III study to treat refractory CLL was completed in July 2009. The ongoing study includes two different patient populations: patients who are refractory to both fludarabine and alemtuzumab (double refractory, DR) and fludarabine refractory patients who are considered inappropriate candidates for alemtuzumab due to bulky tumor in their lymph nodes (bulky fludarabine refractory, BFR).

We reported data from an interim analysis of 138 patients in the study in 2008 based on which GSK and Genmab submitted a BLA to the FDA in January 2009 and a Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) in February 2009. In October 2009, GSK and Genmab announced the accelerated approval of ofatumumab from the FDA for use in patients in the US with CLL that is refractory to fludarabine and alemtuzumab. In January 2010, the CHMP issued a positive opinion for ofatumumab for the treatment of patients with CLL who are refractory to fludarabine and alemtuzumab.

The approval in the US was based on positive results from a pivotal study of patients with CLL who were refractory to both fludarabine and alemtuzumab and responded to treatment with ofatumumab. These patients had a median duration of response of 6.5 months. The most common adverse reactions (≥10%) seen were neutropenia, pneumonia, pyrexia, cough, diarrhea, anemia, fatigue, dyspnea, rash, nausea, bronchitis, and upper respiratory tract infections. The most common serious adverse reactions seen were infections (including pneumonia and sepsis), neutropenia, and pyrexia.

Following approval in the US 2009, the product achieved sales of DKK 29 million, with royalty income to Genmab of DKK 6 million. In addition, ofatumumab is now listed in the National Comprehensive Cancer Network guidelines, please refer to www.nccn.org for further information.

Directors' Report

In August 2009, we reported top-line results from a Phase II study of ofatumumab in combination with fludarabine and cyclophosphamide (FC) to treat CLL in previously untreated patients. A total of 61 patients were treated in the study. The complete remission rate was 32% in patients who received 500 mg of ofatumumab (n=31) and 50% in patients who received 1000 mg of ofatumumab (n=30). The overall response rate (ORR) was 77% in the 500 mg treatment group and 73% in the 1000 mg treatment group. There were no unexpected safety findings reported and the most common adverse event reported was neutropenia at 48%. One death was reported and was judged by the investigator as unrelated to ofatumumab.

We have also announced top-line data from a Phase III pivotal study to treat patients with rituximab refractory follicular NHL. A total of 116 patients were treated in the study, including 30 patients treated with 500 mg of ofatumumab and 86 patients treated with 1000 mg of ofatumumab. The patients in the study were highly refractory; 49% were refractory to their last chemotherapy treatment. Patients in the study had previously received a median of four prior treatment regimens. The primary endpoint was objective response (International Working Group Criteria) over six months from the start of treatment in the 1000 mg dose population. The ORR in the 1000 mg treatment arm was 10%, including one complete response and eight partial responses. In addition, 50% (43) of patients in the 1000 mg treatment arm had stable disease. The ORR in the total population was 11%.

The median duration of response in the 1000 mg treatment arm was six months and the progression free survival was six months. There were no unexpected safety findings reported, and the most common adverse events (>10%) were rash, urticaria, pruritus, fatigue, nausea, pyrexia, and cough. Genmab and its collaborator GSK are continuing plans for additional studies on NHL.

Top-line results from a Phase II study of ofatumumab in combination with cyclophosphamide, doxorubicin, vincristine, and prednisone (CHOP) in patients with previously untreated follicular NHL were also reported in August. A total of 58 patients were treated in the study. The ORR in patients treated with 500 mg of ofatumumab (n=29) was 90%, including 24% complete remissions (CR), and 45% complete remissions unconfirmed (CRu). In patients treated with 1000 mg of ofatumumab (n=29), the ORR was 100% including 38% CR, and 17% CRu. There were no unexpected safety findings reported, and the most common adverse events of grade 3 or 4 (>10%) were leucopenia and neutropenia.

We have completed recruitment in two additional ofatumumab studies: 75 patients in a Phase II study to evaluate treatment in DLBCL patients ineligible for or relapsed following a stem cell transplant and 12 patients in a Phase I study of relapsed/refractory follicular NHL and CLL in Japan.

In November 2009, Genmab announced the initiation of a Phase III study of ofatumumab plus chemotherapy versus rituximab plus chemotherapy to treat patients with relapsed or refractory DLBCL. The study will include 380 patients who are refractory to or have relapsed following first line treatment with rituximab in combination with a chemotherapy regimen containing anthracycline and are eligible for autologous stem cell transplant (ASCT).

A number of other ofatumumab oncology studies are ongoing: a Phase III study of ofatumumab in combination with chlorambucil for front line treatment of CLL; a Phase III study of ofatumumab in combination with FC as second-line treatment in CLL; a Phase II retreatment and maintenance study in patients who participated in the Phase III CLL study; a Phase II study in Waldenstrom's macroglobulinemia; and a Phase II study evaluating ofatumumab plus ICE or DHAP chemotherapy regimen in relapsed/refractory DLBCL. Further ofatumumab studies are underway, including investigator studies. These include: one Phase III maintenance study in relapsed CLL; one Phase II study in CLL with bendamustine; two Phase II studies in CLL/small lymphocytic lymphoma in combination with lenalidomide and pentostatin and cyclophosphamide, respectively; and finally a Phase I/II study in NHL in combination with lenalidomide.

In July 2009, we reported preliminary top-line results from the Phase III study of ofatumumab for the treatment of RA in patients who had an inadequate response to methotrexate. The study met the primary endpoint, which was ACR20 at 24 weeks.

A total of 260 patients were enrolled in the study. At week 24, an ACR20 response was achieved by 50% (n=129) of patients receiving ofatumumab compared to 27% (n=131) of patients who received placebo. Ofatumumab was generally well tolerated by patients in this study. The most frequently reported adverse events were: rash, urticaria, nasopharyngitis, pruritus, throat irritation, and hyper-sensitivity. There were no unexpected safety findings.

Three additional RA studies are ongoing; a Phase III study in patients who had an inadequate response to TNF-alpha antagonist therapy; a Phase II retreatment study in patients who participated in a previous Phase II study; and a Phase I/II study of a subcutaneous formulation of ofatumumab.

Finally, a Phase II study of ofatumumab for the treatment of RRMS is also underway.

Zalutumumab

Zalutumumab is a high-affinity human antibody that targets the Epidermal Growth Factor receptor (EGFr), a molecule found in abundance on the surface of many cancer cells, and is a clinically validated target. Zalutumumab has received a Fast Track designation from the FDA covering patients with head and neck cancer who have previously failed standard therapies.

Zalutumumab is currently in two ongoing Phase III studies. In early 2009, we reported in an interim survival analysis that the pivotal study to treat refractory head and neck cancer considered incurable with standard treatment would continue to completion. We completed recruitment of 273 patients in the study in June 2009. A study to treat approximately 600 previously untreated head and neck cancer patients in cooperation with DAHANCA is also ongoing.

Two front line head and neck cancer studies of zalutumumab are ongoing: a 36 patient Phase I/II study of zalutumumab in combination with chemo-radiation and a 36 patient Phase I/II study of zalutumumab in combination with radiotherapy in patients ineligible for platinum based chemotherapy. In addition, a Phase II safety study of zalutumumab in combination with best supportive care and a Phase I/II study investigating the pharmacokinetic profile of zalutumumab are ongoing.

Daratumumab (HuMax-CD38)

Daratumumab is a fully human antibody in clinical development to target the CD38 molecule which is highly expressed on the surface of multiple myeloma tumor cells.

In pre-clinical studies, daratumumab induced potent immune system killing mechanisms such as antibody-dependent cellular cytotoxicity (ADCC) and complement dependent cytotoxicity (CDC) towards primary multiple myeloma tumors. Furthermore, daratumumab inhibited the enzymatic activity of the CD38 molecule, which may contribute to its efficacy in killing primary multiple myeloma and plasma cell leukemia cells.

A Phase I/II safety and dose finding study of daratumumab for the treatment of multiple myeloma is underway. The study will include a maximum of 122 patients with multiple myeloma who are relapsed or refractory to at least two different prior treatments and are without further established treatment options.

Other Clinical Programs

Our partner Roche is conducting clinical studies with two antibodies developed by Genmab under the companies' collaboration agreement. RG4930 is in Phase II development for asthma targeting OX40L and RG1512 targeting P-selectin which is in Phase I development for treatment of peripheral vascular disease.

During 2009, Roche decided to discontinue two other development programs for antibodies created by Genmab under the companies' collaboration. RG1507, an antibody targeting the Insulin-like Growth Factor-1 Receptor (IGF-1R) was discontinued due to the available clinical data, the large number of molecules targeting the same pathway that are presently in development and the prioritization of the Roche portfolio. The decision was not a result of safety concerns. RG1507 was in Phase II development for multiple indications including sarcoma and non-small cell lung cancer.

As a part of a portfolio review, Roche also discontinued RG1671, an antibody targeting the IL-13 receptor alpha chain that was being developed for the treatment of asthma. Under the terms of our collaboration with Roche, Genmab has declined the option to take the program back.

Pre-clinical Programs

Genmab has over ten programs in pre-clinical development. We continually work to create new antibodies to a variety of targets for a number of disease indications. We also evaluate disease targets identified by other companies for potential addition to our pipeline.

We are working on developing antibodies for two well validated targets, Her-2 and VEGF, with the intention of creating products significantly differentiated from those currently on the market.

We have generated over 130 human antibodies to Her-2, an important solid tumor target, with the goal of creating a product candidate designed to have fewer side effects and better engagement of immune system killing mechanisms such as ADCC.

We have also generated over 45 human antibodies specific for VEGF, the most well validated target for anti-angiogenic antibody therapy for cancer. A large number of these human antibodies block binding of VEGF to the KDR receptor, and a number of our novel human antibodies bind better to VEGF than marketed antibodies.

In addition, Genmab is working on pre-clinical programs for novel targets, including CD32b, Tissue Factor, and a target expressed on cancer stem cells.

In the HuMax-CD32b program, we have selected a lead candidate from a panel of over 60 antibodies based on its excellent selectivity and binding ability for the CD32b target and potent triggering of the immune system killing mechanism ADCC. The CD32b receptor is found on immune cells and hematological tumors. HuMax-CD32b may have therapeutic potential in the treatment of B-cell CLL, small lymphocytic lymphoma, Burkitt's lymphoma, follicular lymphoma, and diffuse large B-cell lymphoma.

In animal models, HuMax-CD32b induced impressive anti-tumor responses. The CD32b receptor has an inhibitory role on immune cells, and blockade of CD32b has been documented to make the therapeutic effects of other anti-tumor antibodies more potent. An antibody targeting CD32b may thus be attractive for combination therapy with other antibodies.

We have selected a clinical candidate in the HuMax-TF program from a panel of over 100 antibodies based on its ability to affect signaling inhibition and induce ADCC and anti-tumor activity. Pre-clinical studies are currently being conducted.

The third novel target program, HuMax-Wnt, is for a target expressed on cancer stem cells. Targeting and destruction of cancer stem cells are areas generating considerable interest and may be a very effective new approach to treat cancer.

COLLABORATIONS

In support of our strategy to build a broad portfolio of products and facilitate their potential commercialization, Genmab has established collaborations with major pharmaceutical and biotechnology companies, through which our partner companies gain access to our antibody development capabilities, while helping us bring our products closer to the market. Genmab has also formed a number of partnerships to gain access to promising disease targets that may be suitable for additional antibody products. We have key collaborations with GSK and Roche, two world leading research-based pharmaceutical and healthcare companies.

GSK

In December 2006, we granted exclusive worldwide rights to co-develop and commercialize ofatumumab to GSK.

Under the terms of the agreement, Genmab received a license fee of DKK 582 million (approximately USD 102 million at the date of the agreement), and GSK invested DKK 2,033 million (approximately USD 357 million at the date of the agreement) to subscribe in Genmab shares. We may also receive potential milestone payments, in addition to those already received. In addition, Genmab will be entitled to receive tiered double-digit royalties on global sales of ofatumumab. From the beginning of 2008, the parties share certain development costs, and GSK is responsible for commercial manufacturing and commercialization expenses.

Under the terms of a December 2008 amendment to the agreement, Genmab received a one-time payment of USD 4.5 million from GSK upon the FDA's acceptance for review of the filing of the first BLA for ofatumumab in an oncology indication in the USA in exchange for terminating its option to co-promote ofatumumab. The sale of the co-promotion option does not affect the royalty or milestone revenue that Genmab may receive.

In 2009, Genmab achieved three milestones under this collaboration. Milestone payments of DKK 58 million, DKK 87 million, and DKK 116 million were paid when the EMA accepted the MAA for ofatumumab in refractory CLL, the FDA's acceptance of the BLA for ofatumumab in refractory CLL, and the FDA's approval of ofatumumab for the treatment of CLL that is refractory to fludarabine and alemtuzumab, respectively.

Roche

Under our agreement with Roche, we have utilized our broad antibody expertise and development capabilities to create human antibodies to a wide range of disease targets identified by Roche. If the products are successful, Genmab will receive milestone and royalty payments. Roche is fully responsible for the development of these products. Under certain circumstances, Genmab may obtain rights to develop products based on disease targets identified by Roche.

MANUFACTURING

As a part of the reorganization plan announced in November 2009, Genmab intends to sell its manufacturing facility located in Brooklyn Park, Minnesota, USA. Genmab's future manufacturing requirements will be met through working with contract manufacturing vendors. Prior to a potential sale, the Brooklyn Park facility is being kept in a validated state and will operate in a maintenance-only mode with a significantly reduced number of employees.

For further details, please refer to note 21.

ANTIBODY TECHNOLOGY, STREAMLINED DEVELOPMENT AND INTELLECTUAL PROPERTY

Globally, antibodies are proven candidates for therapeutic products, with numerous monoclonal antibody products approved for use in the United States and Europe. To create our therapeutic products, Genmab uses transgenic mice to produce novel antibodies that are fully human. Some of our HuMax antibodies have been shown to be 100 to 1,000 times better at binding to their disease target than earlier generations of murine or laboratory-engineered antibodies, which are not fully human. In addition, we believe that fully human antibody therapies may have other advantages over older generation products, such as a more favorable safety profile and improved treatment regimens. Genmab has licensed the rights to use the UltiMAb® transgenic mouse technology platform from Medarex, a wholly owned subsidiary of Bristol-Myers Squibb, under which we received 16 fully paid-up commercial licenses. For any product we develop that does not use a fully paid-up commercial license, we will owe, on a product-by-product basis, upfront license fees, milestone payments, and low single-digit percentage royalties.

We combine the UltiMAb transgenic mouse technology with our own intellectual property and in-house expertise to produce and evaluate new antibodies as product candidates. Once a panel of antibodies for a new disease target has been generated, we subject the antibodies to extensive and rigorous testing, employing our wide array of laboratory tests and animal disease models. Our goal is to use these broad pre-clinical capabilities to identify the clinical candidate with the best possible characteristics for treating a particular disease.

Our research and development teams have established a streamlined process to coordinate the activities of product discovery, manufacturing, pre-clinical testing, clinical trial design, data management, and regulatory submissions across Genmab's international operations.

UniBody Technology

In addition, Genmab has developed the UniBody technology, a proprietary antibody technology that creates a stable, smaller antibody format with an anticipated longer therapeutic window than current small antibody formats, based on pre-clinical studies to date. A UniBody molecule is about half the size of a regular type of inert antibody called IgG4. This small size could be a great benefit when treating some forms of cancer, allowing for better

distribution of the molecule over larger solid tumors and potentially increasing efficacy. UniBody molecules are expected to be cleared from the body at a similar rate to whole IgG4 antibodies and are able to bind to the targets as well as whole antibodies and antibody fragments, based on the pre-clinical studies to date.

Unlike other antibodies which primarily work by killing targeted cells, a UniBody molecule will only inhibit or silence cells. This could be an advantage therapeutically when treating, for example, allergies or asthma, when killing cells is not the objective. A UniBody molecule binds to only one site on the target cells and does not stimulate cancer cells to grow like some normal antibodies might do, potentially opening the door for treatment of some types of cancer which ordinary antibodies cannot treat.

Genmab believes its UniBody technology has the potential to expand the market for targeted therapeutics, in particular for some cancers and autoimmune diseases. We intend to consider using the UniBody technology to develop our own antibody products, work with partners who have access to targets for which this technology may be beneficial and may out-license the technology to other companies.

Intellectual Property

Proprietary protection for our products, processes, and know-how are important to our business. Currently, we own and license patents, patent applications, and other proprietary rights relating to our human antibody technology and our antibody products and/or uses of these products in the treatment of diseases. In addition, under the terms of our Technology Agreement with Medarex, we have rights to file patent applications for future antibody products developed using our human antibody technology. Our policy is to file patent applications to protect technology, inventions, and improvements relating to antibody products and technologies that we consider important to the development of our business. Please refer to the "Risk Management" section for further details.

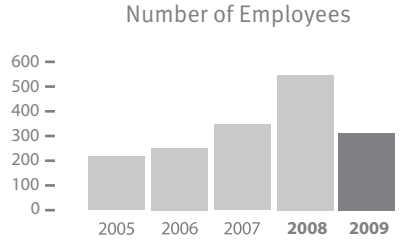
HUMAN RESOURCES

One of Genmab's greatest assets is its employees. Skill, knowledge, experience, and employee motivation are essential to Genmab as a fast paced biotech company. The ability to organize our highly skilled and very experienced employees into interactive teams is a key factor in achieving the high goals we establish to ensure Genmab's success. Please refer to the "Risk Management" section for further details.

Genmab emphasizes an open and supportive professional work environment across our international locations. During 2009, the number of Genmab employees decreased from 555 to 309. The net decrease of 246 employees reflects our decision to reduce staff by approximately 300 positions as a result of the company's reorganization efforts. The total number of employees therefore includes transition employees who will leave Genmab during 2010, when their tasks have been transferred.

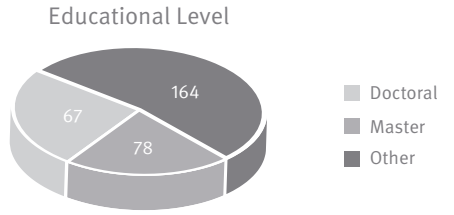
Our workforce is concentrated in research and development. At the end of 2009, 269 people, or 87% of our employees, were employed in research and development activities compared to 505 or 91% at the end of 2008.

At the end of 2009, the average age of our workforce was 41 years (2008: 38 years) and the male to female ratio was 42% to 58% (2008: 44% to 56%).

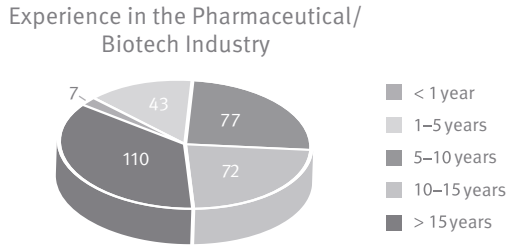


Directors' Report

The technical demands of biotechnology require a high employee education level. At the end of 2009, 67 employees or 21% (2008: 94/17%), hold a Ph.D. or a doctoral degree. In addition, 78 employees or 25% (2008: 116/21%), hold Master's degrees. In total, at the end of 2009, 47% of employees (2008: 38%) hold advanced degrees.



Genmab's team is also very experienced in the pharmaceutical and biotechnology industry, particularly among the more senior personnel.



FINANCIAL REVIEW

The financial statements have been prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and International Financial Reports Standards as endorsed by the EU and additional Danish disclosure requirements for annual reports of listed companies. Genmab's financial statements are reported in Danish Kroner (DKK). Please refer to notes 1 and 26 to the financial statements for a description of our accounting policies.

For the convenience of the reader, we have included a conversion of certain DKK amounts into US Dollars (USD) at a specified rate in the supplementary section to the annual report. The conversion is unaudited. Please refer to the section "Conversion of Certain DKK Amounts into USD—Supplementary Information".

As a result of the planned disposal of our manufacturing facility, the facility has been classified as held for sale and presented as a discontinued operation in accordance with IFRS. Therefore certain elements of the 2008 income statement have been reclassified to conform to this year's presentation, and the comments in the financial review are prepared in accordance with this new presentation. The balance sheet and cash flow figures have not been reclassified. The results of the discontinued operation are described in further detail in note 21.

Result for the Year

The group's operating loss from continuing operations for 2009 was DKK 498 million and the net loss was DKK 348 million. This compares to the 2008 operating loss and net loss of DKK 722 million and DKK 817 million, respectively.

As of December 31, 2009, our cash position amounts to DKK 1,281 million and has decreased by DKK 481 million during the year, primarily due to the investment in our research and development activities.

In November 2009, we revised our 2009 financial guidance due to the announcement of a reorganization plan including a reduction in headcount of approximately 300 positions and decision to sell our manufacturing facility in Brooklyn Park, Minnesota, USA.

MDKK	2009 Continuing operations	2009 Discontinued operation	2009 Total	2009 Guidance Total
Revenues	586	42	628	640
Operating expenses	(1,030)	(239)	(1,269)	(1,300)
Reorganization charge	(54)	(47)	(101)	(80)
Impairment charge	—	(419)	(419)	(420)
Operating loss	(498)	(663)	(1,161)	(1,160)
Cash burn			(481)	(700)
Cash position at the end of the year*			1,281	1,060

*Cash, cash equivalents, and marketable securities

Overall, the total financial performance is in line with the latest revised guidance of November 5, 2009. The cash position is DKK 221 million above the 2009 revised guidance of DKK 1,060 million, which is partly driven by the timing difference in payments of liabilities related to our development agreements which will be paid in 2010.

The reorganization and impairment charges amounted to DKK 101 million and DKK 419 million, respectively. The reorganization charge includes severance, retention payments, early termination of contracts, and other employee costs related to the reorganization plan. The estimated fair value of the Brooklyn Park facility less cost to sell was lower than the carrying amount of the facility, and as a result, an impairment charge was recognized. Please refer to note 8 for further details about the impairment charge.

Revenues

Genmab's revenues were DKK 586 million for 2009 and DKK 692 million in 2008. The revenues arise primarily from the recognition of milestone payments, deferred revenue, and reimbursement of certain development costs in relation to the co-development work under Genmab's development collaboration agreement with GSK (co-development and commercialization of ofatumumab). For 2009, revenues also include royalty income related to the first sale of Arzerra, which occurred in November.

As revenues comprise milestone payments and other income from our research and development agreements, recognition of revenues may vary from period to period.

Milestone Payments:

In February 2009, we announced that we had reached a development milestone under the GSK collaboration in connection with the EMA's acceptance of the MAA for ofatumumab in refractory CLL. This event triggered a milestone payment of DKK 58 million.

In addition, a milestone payment of DKK 87 million was triggered when the FDA accepted our BLA filing and granted priority review status under the same study.

In October, we reached a milestone payment of DKK 116 million when the FDA approved Arzerra for the treatment of patients with CLL that is refractory to fludarabine and alemtuzumab.

MDKK	2009	2008
Milestone payments—GSK	261	378
Milestone payments—other	6	—
Total	**267**	**378**

The total milestone payments including the below one-time payment received under the GSK agreement have amounted to DKK 868 million since inception in 2007.

Deferred Revenue:

Both in 2009 and 2008, revenues of DKK 217 million from the 2007 upfront payment from GSK have been recognized. The upfront payment was initially recognized as deferred income and is recognized as revenue on a straight-line basis over a five-year period.

As of December 31, 2009, DKK 439 million is included as deferred income in the balance sheet to be proportionally recognized as revenue in 2010 and 2011.

Royalties:
As mentioned above, Arzerra was approved for sale in the US on October 29, 2009, and in November 2009, the first sale of Arzerra occurred. The total recognized royalties for November and December 2009 amounted to DKK 6 million.

Other Revenues:
Other revenues mainly include the reimbursement of certain development costs in relation to the co-development work under Genmab's development collaboration agreement with GSK. Included in other revenues is also a one-time payment of approximately DKK 25 million (USD 4.5 million at the transaction date) which Genmab received in exchange for terminating its option to co-promote ofatumumab under the GSK collaboration.

Operating Expenses

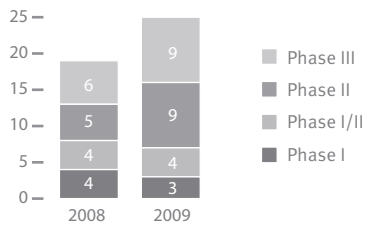
Research and Development Costs

Research and development costs decreased by DKK 336 million, or 26%, from DKK 1,271 million in 2008 to DKK 935 million for the year ended December 31, 2009.

The savings are driven by our efforts to focus on the most critical programs in our portfolio in the most efficient manner, continued strong focus on cost control and savings related to the portfolio review and reduction in force in October 2008, and the re-organization plan announced in November 2009.

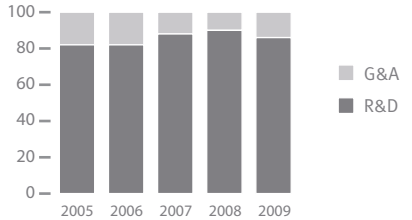
As of December 31, 2009, we had 25 ongoing clinical trials compared to 19 at the end of December 31, 2008.

Number of Ongoing Clinical Trials



The majority of our research and development cost is related to the ofatumumab and zalutumumab programs and staff costs. Research and development costs accounted for 86% of the total operating expenses compared to 90% in 2008. The decrease is mainly a result of the reorganization plan to reduce our staff by approximately 300 positions, the majority of which were related to our development employees.

Split of Operating Expenses (%)



General and Administrative Expenses

General and administrative expenses were DKK 149 million in 2009 compared to DKK 144 million in 2008. The increase is mainly related to the impact from the re-organization plan and increased warrant expenses.

General and administrative expenses account for 14% of our total operating expenses compared to 10% in 2008.

Operating Loss

Genmab's operating loss for 2009 was DKK 498 million compared to DKK 722 million for 2008. Despite the decrease in revenues of DKK 106 million, the operating loss has decreased by DKK 224 million compared to 2008. This is mainly a result of our continued strong focus on cost savings and control.

On December 31, 2009, the total number of employees was 309 compared to 555 employees as of December 31, 2008. The decrease is a result of the reorganization plan announced in November 2009.

Workforce	2009	2008
Research and development employees	242	505
Administrative employees	40	50
Total employees for continuing operations	**282**	**555**
Discontinued operation	**27**	**—**
Total employees	**309**	**555**

The employees for the continuing operations include transition employees who will leave Genmab during 2010, when their tasks have been transferred. When the transition is finalized, the new organization will employ approximately 220 persons.

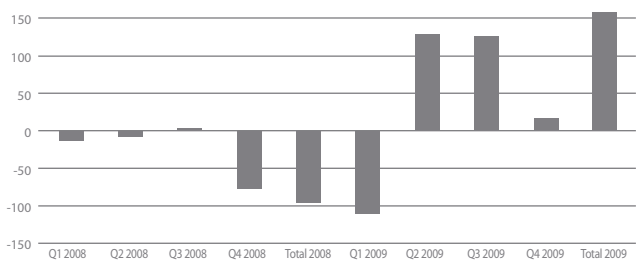
Net Financial Items

Net financial items for 2009 reflected a net income of DKK 156 million compared to a net loss of DKK 95 million in 2008. The net financial items reflect a combination of interest income and unrealized and realized fair market value adjustments on our portfolio of marketable securities and realized and unrealized foreign exchange adjustments.

The total interest income amounted to DKK 57 million in 2009 compared to DKK 120 million in 2008. The decrease in our interest income is primarily due to the reduction of our cash position compared to 2008.

During 2008 and 2009, the net financial items have experienced significant market volatility which is largely attributable to the impact of the ongoing worldwide economic turmoil on our investment portfolio.

Financial Items, Net (DKK million)



The net financial items have continued to be positively impacted by the improved market conditions which have resulted in improved fair market valuations of our marketable securities. In 2009, the realized and unrealized gains on marketable securities, net amounted to DKK 119 million compared to a net loss in 2008 of DKK 216 million.

During 2009, management has continued to work with our external investment managers to mitigate the impact of the negative market conditions on our investment portfolio. In the third quarter of 2009, we sold a significant portion of our EUR-denominated portfolio to further reduce the risk profile on our portfolio.

As of December 31, 2009, we had unrealized losses on our marketable securities of DKK 31 million. Please refer to notes 14 and 15 for additional information about our marketable securities.

Net Loss for Continuing Operations

Net loss for 2009 was DKK 348 million compared to DKK 817 million in 2008. The improvement is mainly driven by the items discussed above and the increase in our net financial items compared to 2008.

Net Loss for Discontinued Operation

Net loss for discontinued operation includes the results of our manufacturing facility, which has been classified as held for sale and presented as a discontinued operation due to our decision to sell the facility. The loss for discontinued operation amounted to DKK 662 million in 2009, including an impairment charge of DKK 419 million, compared to DKK 148 million in 2008. Prior to a potential sale, the Brooklyn Park facility is being kept in a validated state and will operate in a maintenance-only mode with a significantly reduced number of employees. The results of the discontinued operation are described in further details in notes 8 and 21.

In the financial statements of the parent company, net loss for discontinued operation include an impairment of DKK 752 million, which is related to Genmab A/S' investment in Genmab MN, Inc. The impairment is a result of the planned disposal of its manufacturing facility. The facility is owned by Genmab MN, Inc., and the decision to sell the facility triggered an impairment review. Please refer to note 10 for additional information about the impairment.

Cash Position

As of December 31, 2009, the balance sheet reflected cash, cash equivalents, and marketable securities (cash position) of DKK 1,281 million compared to DKK 1,762 million as of December 31, 2008. This represents a decrease of DKK 481 million, which is primarily related to the investment in our research and development activities.

Compared to the end of December 2008, the cash position is positively impacted by the increasing fair market value of our marketable securities.

As a result of the disposal of a significant portion of our EUR-denominated portfolio in 2009, our cash and cash equivalents have increased from DKK 70 million at the end of 2008 to DKK 464 million on December 31, 2009. All proceeds from the sale of our EUR-denominated investments were transferred to our Danish investment managers.

Given the current market conditions, all future cash inflows and re-investments of proceeds from the disposal of marketable securities are invested in highly liquid and conservative investments, such as government bonds.

Balance Sheet

As of December 31, 2009, total assets were DKK 2,222 million compared to DKK 3,259 million at the end of 2008. The balance sheet was impacted by the planned disposal of the manufacturing facility. The value of the facility and related goodwill have been impaired to fair value less cost to sell, and the facility and related assets and liabilities are classified as held for sale. Please refer to notes 8 and 21 for further details regarding the planned disposal of the facility.

Other liabilities have increased from DKK 309 million as of December 31, 2008, to DKK 344 million as of December 31, 2009. The increase is primarily driven by the liabilities related to our development agreements and staff cost liabilities related to the reorganization plan in November 2009.

Shareholders' equity, as of December 31, 2009, equaled DKK 1,297 million compared to DKK 2,189 million at the end of December 2008. On December 31, 2009, Genmab's equity ratio was 58% compared to the 67% reported at the end of 2008.

CONSOLIDATED KEY FIGURES

The following key figures and financial ratios have been prepared on a consolidated basis and include five years of data. Certain elements of the 2008 figures have been reclassified to conform to this year's presentation as the manufacturing facility has been classified as held for sale and presented as a discontinued operation in accordance

with IFRS. The balance sheet and cash flow key figures have not been reclassified.

The financial ratios have been calculated in accordance with the recommendations of the Danish Society of Financial Analysts.

Key figures comply with the requirements under the Danish financial reporting requirements and the IFRS. All key figures and financial ratios are in conformity with the current accounting policies.

	2009	2008	2007	2006	2005
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Income Statement					
Revenues	586,076	692,298	529,537	135,547	98,505
Research and development costs	(935,361)	(1,270,799)	(849,202)	(513,065)	(441,689)
General and administrative expenses	(148,749)	(143,529)	(117,468)	(94,696)	(84,740)
Operating loss	(498,034)	(722,030)	(437,133)	(472,214)	(427,924)
Net financial items	156,045	(94,835)	53,764	33,978	34,334
Net loss for continuing operations	(347,898)	(817,448)	(383,369)	(438,236)	(393,590)
Balance Sheet					
Cash and marketable securities*	1,281,356	1,762,012	3,693,443	1,724,333	1,252,902
Non-current assets	65,282	1,292,183	40,768	33,717	47,259
Assets	2,221,534	3,258,953	3,958,783	1,804,629	1,370,431
Shareholders' equity	1,297,192	2,188,562	2,883,279	1,607,582	1,118,770
Share capital	44,907	44,889	44,520	39,648	33,108
Investments in intangible and tangible assets	16,778	933,329	23,436	5,348	8,223
Cash Flow Statement					
Cash flow from operating activities	(570,061)	(513,333)	505,898	(379,623)	(208,644)
Cash flow from investing activities	974,726	460,104	(2,362,934)	(451,373)	(127,547)
Cash flow from financing activities	(6,643)	25,285	1,560,227	879,033	297,357
Cash and cash equivalents*	464,446	70,013	131,753	429,075	381,346
Financial Ratios					
Basic and diluted net loss per share	(22.51)	(21.62)	(8.72)	(11.26)	(12.59)
Basic and diluted net loss per share continuing operations	(7.75)	(18.31)	—	—	—
Year-end share market price	82.00	203.00	309.00	380.00	135.00
Price/book value	2.84	4.16	4.77	9.37	4.00
Shareholders' equity per share	28.89	48.76	64.78	40.54	33.79
Equity ratio	58%	67%	73%	89%	82%
Average number of employees	505	565	291	237	213
Number of employees at year-end	309	555	344	248	215

*In 2009, cash and marketable securities included DKK 4 million in cash and cash equivalents, which is classified as assets held for sale.

SUBSEQUENT EVENTS

Subsequent to the balance sheet date we announced that the CHMP issued a positive opinion for ofatumumab for the treatment of patients with CLL who are refractory to fludarabine and alemtuzumab.

Further, in February, we announced that we had closed a license agreement under which we granted exclusive worldwide rights to develop and commercialize zanolimumab (HuMax-CD4®) to TenX Biopharma, Inc.

In February, we also announced net sales of Arzerra in the US for the fourth quarter of 2009 of approximately DKK 29 million (approximately USD 5.5 million) resulting in royalty income of DKK 6 million.

Subsequent to the balance sheet date, no other events that could significantly affect the financial statements as of December 31, 2009, have occurred.

Directors' Report

CORPORATE GOVERNANCE

Genmab is constantly working to improve its guidelines and policies for corporate governance taking into account the most recent trends in international and domestic requirements and recommendations. Genmab's commitment to corporate governance is based on ethics and integrity and forms the basis of its effort to strengthen the confidence that existing and future shareholders, partners, and employees have in Genmab. The role of the shareholders and their interaction with Genmab is important. Genmab acknowledges that open communication is necessary to maintain the confidence of our shareholders and we maintain open communication through stock exchange releases, investor meetings, and company presentations. Genmab is committed to providing reliable and transparent information about the business, development programs, and results in an open and timely manner. As a part of these initiatives, Genmab's website (www.genmab.com) contains information about the parent company and the group, our products in development, news releases, and events which Genmab participates in. Given the international mix of Genmab's stakeholders, we believe that it is appropriate that the main content of the website is presented in English. All corporate documents and stock exchange releases are, however, available in both Danish and English. Furthermore, at Genmab's annual general meeting, wireless simultaneous interpretation is provided in English and Danish to enable participating shareholders to follow the discussions.

All Danish companies listed on the NASDAQ OMX Copenhagen are required to disclose in their annual reports how they address the Recommendations for Corporate Governance published by the NASDAQ OMX Copenhagen Committee on Corporate Governance as amended as of December 10, 2008 (the "Recommendations"). The companies shall adopt the "comply-or-explain" principle with respect to the Recommendations. Genmab complies with the majority of the Recommendations, although specific sub-areas have been identified, where Genmab's corporate governance principles differ from the Recommendations. Areas of non-compliance with the Recommendations are explained in the relevant sections below. Unless specifically addressed, Genmab complies with the Recommendations.

The Work and Composition of the Board of Directors

The board of directors plays an important role within Genmab, being actively involved in determining the strategies and goals for Genmab and by monitoring the operations and results of the company. The board of directors also assesses Genmab's capital and share structure and is responsible for approving share issues and grant of warrants. Relevant knowledge and professional experience are key parameters when nominating board members.

On April 15, 2009, the shareholders re-elected Hans Henrik Munch-Jensen to the board of directors at Genmab's annual general meeting. Dr. Ernst Schweizer retired from the board of directors in 2009.

Five of Genmab's six board members are considered to be independent of Genmab under the Recommendations. Only Dr. Lisa Drakeman is not considered to be independent, as she is both a member of the executive management and the board of directors. She is appointed as a member of our board of directors pursuant to Genmab's articles of association, which provide that she shall remain as director as long as she remains our Chief Executive Officer and as such is not up for election.

We believe no board member has relations or interests that may be contrary to Genmab's businesses or may conflict with the duty as a board member. Adequate procedures have been established to avoid conflicts of interests in the board members' professional duties including conducting executive sessions.

The Recommendations prescribe that board members run for election every year, but Genmab has designated three-year election periods to provide continuity and stability on the board. The board of directors performs regular assessments of its own performance, of the executive management, and of the collaboration between the parties to identify any areas in potential need of improvement. The collaboration is based on a natural element of control, but it is also characterized by interaction and teamwork for the purpose of developing and advancing Genmab. As Genmab is an innovative company, it is especially important for the board of directors to liaise actively with the executive management in a respectful and trusting manner.

During 2009, the board of directors held nine scheduled meetings, in addition to the more informal ongoing communication among the board members and with the executive management.

Directors' Report

The NASDAQ OMX Copenhagen Committee on Corporate Governance recommends that board members only hold a limited number of directorships in companies outside the group. Genmab considers it appropriate for the individual members of the board to determine the reasonable number of directorships held outside Genmab. Please refer to the sections "Board of Directors" and "Senior Management" in this annual report to see the board members' number of directorships held outside Genmab.

Committees

To support the board of directors in its duties, three committees have been established, including:

- -the Nominating and Corporate Governance Committee;
- -the Audit Committee; and
- -the Compensation Committee

Written charters specifying the tasks and responsibilities that have been adopted for each of these Committees. Each Committee held one to six meetings during the financial year 2009. Please refer to the sections "Board of Directors" and "Senior Management" in this annual report to see the members of the individual committees.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee monitors the work of the board of directors and the established Committees, including regular reviews of the size, composition diversity, and performance. The tasks include evaluation of the individual board members and recommendation to the board with respect to re-nomination of existing directors and identification of new candidates to serve on the board. The Committee aims to continuously hold a broad composition containing members with relevant knowledge and experience in biotechnology, commercialization, financial, legal, and managerial aspects relevant to Genmab's business. Although the Recommendations prescribe that recruitment criteria for new board members and the composition of the board of directors are discussed with the shareholders, the board's professional experience and the use of external advisors are generally believed to be adequate to ensure that the recruitment criteria are appropriate and that the best suited candidates are identified and that the composition of the board of directors is considered optimal. Special competences possessed by each individual member of the board are outlined in the sections "Board of Directors" and "Senior Management" in this annual report.

The Nominating and Corporate Governance Committee also oversees the standards for independence of directors. Further, this Committee oversees Genmab's corporate governance functions and works with the executive management to monitor important corporate governance issues and trends in corporate governance practices and recommendations.

Audit Committee

The Audit Committee assists the board in fulfilling its responsibilities by monitoring the system of internal control and the financial reporting process and by examining Genmab's interim and annual reports prior to adoption by the board and release to the NASDAQ OMX Copenhagen. The Committee evaluates the independence and competences of the auditors as well as makes recommendations concerning election of the auditors.

The Audit Committee also reviews Genmab's accounting policies and evaluates significant accounting and reporting issues. The Audit Committee agrees on the fees, terms, and other conditions of engagements with the independent auditors and monitors the audit process.

The independent auditors report directly to the Audit Committee with respect to audit findings and other recommendations, including issues regarding the accounting policies and financial reporting process. Audit findings and recommendations from the independent auditors are reviewed by the Audit Committee and Genmab's CFO to ensure that any issues are properly addressed, and all material items and conclusions are made available to the board of directors.

The Audit Committee consists of three members including Hans Henrik Munch-Jensen and Burton Malkiel who are considered to be independent and also the Audit Committee's financial experts.

Directors' Report

Compensation Committee

The role of the Compensation Committee is to advise the board on the adoption of policies that govern Genmab's compensation programs, including warrant and benefit plans. The guidelines governing the incentive programs for the board of directors and executive board are adopted at the annual general meeting.

The Committee supports the board in setting goals and objectives for the executive management, evaluating performance, and deciding on annual compensation. The Compensation Committee monitors the trends within executive management compensation plans to ensure that Genmab's executive compensation programs are able to attract, retain, and motivate the executive managers and align the interests of key leadership with the long-term interest of Genmab's shareholders.

The Committee performs an annual review of the remuneration of the board of directors which is determined by taking into account relevant market and benchmark data. The remuneration is adopted at the annual general meeting.

The NASDAQ OMX Copenhagen Committee on Corporate Governance recommends disclosure of remuneration of the individual members of the board of directors and the executive management. Genmab considers its members of executive management as a cohesive team providing the skills and competences needed to develop Genmab for the benefit of the shareholders. Accordingly, Genmab believes that remuneration of the executive management team should be presented at an aggregated level and that disclosure of remuneration of individuals would not provide additional relevant information.

Genmab's board of directors is composed as considered necessary by the Nominating and Corporate Governance Committee and the members are remunerated at market levels. As with the executive management team, remuneration of the board of directors is not disclosed at an individual level. Total remuneration of the board of directors and executive management is disclosed in note 4 to the financial statements which also includes a reference to Genmab's General Guideline for Incentive Programs for the board of directors and the executive management pursuant to section 69(b) of the Danish Public Companies Act. According to the Recommendations, the board of directors and the executive management shall preferably not be remunerated through share option (warrant) schemes, and if so, such schemes shall be set up as rollover schemes with a redemption price higher than the market price at the time of allocation. Genmab has adopted a remuneration system that we believe is most efficient to attract and retain suitably qualified people to the board and the executive management. The board members and the executive management participate in Genmab's warrant schemes, under which warrants are granted at market price on the day of grant and the warrants vest over a period of four years.

Corporate Social Responsibility (CSR)

In 2008, the Danish Government presented its action plan for CSR. The action plan focuses on the voluntary environmental, social, and ethical activities of businesses and aims at promoting businesses' communication on CSR to the outside world. With effect from the financial year commencing January 1, 2009, the Danish Financial Statements Act has been amended mandating Danish listed companies to include a description of their CSR policies in the directors' report of the annual report or issue a separate report. Genmab has chosen to include the description within the annual report.

During 2009, a CSR project group was established to determine Genmab's CSR ambition. The purpose of the project was to provide an overview of the CSR topics that are most relevant to Genmab and map the activities currently undertaken by the company as well as preparing an action plan to progress Genmab's future CSR ambition. As a result, a business driven CSR strategy and action plan was prepared and approved by the board of directors.

In general, Genmab's fundamental contribution to society is inherent in the company's mission to provide therapeutic agents for unmet medical needs. In addition, Genmab's CSR ambition covers four distinct areas:

- Employee well-being including health and safety and development;
- Ethics in relation to pre-clinical and clinical trials:
- Environment including waste management and recycling; and
- Business ethics and transparency

Directors' Report

Currently, Genmab has already established several CSR activities including:

-Global guidelines on safety in laboratories, including the handling of dangerous substances;
-Annual health check and vaccinations for the employees of Genmab A/S;
-Global pharma compliance guidelines in relation to interactions with healthcare professionals;
-A global policy for handling of hazardous waste; and
-A code of ethics for principal officers. Please refer to the "Risk Management" section of the annual report

In addition, the biotech and pharmaceutical industry is governed by extensive and strict regulations. Genmab is subject to and complies with these international regulations, guidelines, and standards for drug development, such as Good Laboratory Practice (GLP), Good Clinical Practice (GCP), and current Good Manufacturing Practice (cGMP). The regulations and guidelines are intended to provide quality assurance of laboratory studies and clinical trials and the processing of data resulting from the studies.

- The GLP regulations define the requirements for performing non-clinical studies in support of regulatory filings and future clinical studies. The GLP requirements include execution of studies using an approved protocol under the direction of a study director. The protocol ensures that studies are performed using appropriate facilities, test compounds, analytical test methods and are monitored by the Quality Unit.
- The GCP regulations ensure that clinical trials are conducted in accordance with requirements for informed consent, clinical investigators, approved protocols, protection of human subjects, monitoring of studies, and controls around clinical data. These regulations and associated guidance documents specify requirements for conducting clinical trials that meet ethical, medical, and data integrity expectations.
- The cGMP regulations specify the minimum requirements that must be met to ensure that pharmaceuticals are manufactured, tested, labeled, packaged and stored according to current Good Manufacturing Practices.

Genmab is dedicated to comply with all relevant legislation, including the guidelines issued by international regulatory authorities such as the EMA and the FDA. Please refer to the "Risk Management" section of the annual report.

As management believes that is important to be in compliance with all relevant regulations, laws, standards, and guidelines and to ensure compliance with these requirements, Genmab conducts internal and external audits according to an approved audit schedule and approved standard operation procedures.

To ensure that the CSR strategy is implemented throughout the Genmab group, the board of directors has approved a business driven action plan which includes the following focus areas in 2010:

-Training in respect to pharma compliance guidelines;
-Employee health and safety:
-Preparation of a global environmental policy;
-Decision on relevant data and indicators to evaluate and monitor the future CSR efforts; and
-Establishment of CSR governance structure

Genmab will also enhance the existing CSR activities during 2010 and will initiate further activities within the CSR focus areas in the following three years.

We expect the initiated and planned CSR activities to have a positive effect on the reputation of Genmab and reduce the risks associated with environmental, social, and ethical issues. We anticipate that the CSR initiatives will be an attractive proposition for current and prospective employees and investors.

Directors' Report

DESCRIPTION OF MANAGEMENT REPORTING SYSTEMS AND INTERNAL CONTROL SYSTEMS

As a publicly listed company, we are required to have established procedures which provide a reasonable basis for management to make proper judgments as to our financial position. The board of directors and the executive management have the overall responsibility for Genmab's internal control and risk management systems in connection with the financial reporting.

In 2008, the Danish Financial Statement Act was amended to require Danish listed companies, for financial years commencing after January 1, 2009, to include a description of the main elements of the company's internal control and risk management systems in connection with the company's financial reporting ("EURO SOX") in the directors' report in the 2009 annual report or on the website. Genmab has chosen to include the description in the annual report.

Genmab has utilized a top-down risk based approach to comply with EURO SOX that began with the identification and assessment of risks that impact Genmab's financial reporting process. This approach included the review of entity-level controls, fraud risk assessments, identification of significant accounts and disclosures, and linking of significant accounts and disclosures to the relevant assertions and underlying processes.

Our approach is an integrated one where finance, operations, and IT personnel work closely together to ensure that the appropriate business processes and technology elements are reviewed. The overall framework and approach are based on COSO (Committee of Sponsoring Organizations).

The board of directors and executive management have established overall standards and guidelines to identify and monitor the risk that a significant error could occur in connection with the financial reporting and put procedures in place to ensure significant errors are prevented, detected, and corrected. As such, Genmab has documented and designed an effective internal control environment that provides reasonable assurance that the financial reporting of Genmab is timely, reliable, and in accordance with International Financial Reporting Standards.

The standards and guidelines included among others:

- Formalized annual budget, forecasting, and projection procedures;
- Regular management reporting including:
  - Financial performance and financial position including analysis of cash flow and finance structure;
  - The comparison of budget, prior-year and actual performance;
  - Project management and cost control, identification of responsible project managers and regular project reporting and follow-up;
  - Review of potential claims and litigation;
  - Contract and collaboration agreement review and maintenance to ensure that all commitments, liabilities, and income are recorded; and
  - Review of critical accounting policies and estimates
- Schedule of Authorizations to ensure that receipts and expenditures of Genmab are being made only in accordance with authorizations of management and directors of Genmab;
- A group control function to monitor the monthly financial reporting and performance of subsidiaries and the group. The most significant subsidiaries have their own controllers with extensive business and financial experience and in-depth knowledge of the individual subsidiary;
- Detailed controls to ensure the completeness and accuracy of the accounting records of the Genmab group including requirements for appropriate segregation of duties, requirements for the reconciliations and monitoring of transactions, and documentation of controls and procedures; and

- Detailed controls and procedures to ensure all reporting to NASDAQ OMX Copenhagen are accurately and consistently presented in a timely manner in accordance with applicable stock exchange rules.

The compliance with group standards is supported by periodic reviews of both the parent company and subsidiaries' controls and procedures. The results of the review are discussed with local management and summaries are submitted to the Audit Committee.

RISK MANAGEMENT

Genmab performs global research and development activities with facilities located in four countries and clinical trials conducted in more than 30 different countries. Through our activities, we are exposed to a variety of risks, some of which are beyond our control. These risks may have significant impact on our business if not properly assessed and controlled. Maintaining a strong control environment with adequate procedures for identification and assessment of risks and adhering to operational policies designed to reduce such risks to an acceptable level, is essential for the continued development of Genmab. It is our policy to identify and reduce the risks derived from our operations and to establish insurance coverage to hedge any residual risk, wherever considered practicable. The board of directors performs a yearly review of Genmab's insurance coverage to ensure that it is adequate.

We are exposed to a number of specific risks. Below is a summary of some of Genmab's key risk areas and how we attempt to address such risks.

Development Risk

The creation and development of therapeutic products within the biotechnology and pharmaceutical industry is subject to considerable risks. Since everything is not known about the nature of disease or the way new potential therapeutic products can affect the disease process, a significant number of products will not successfully reach the marketplace. Moreover, these factors, including unforeseen safety issues or change of regulatory requirements, can influence the timing and nature of our clinical development activities and costs and related revenues such as milestone payments and reimbursement of costs.

Genmab has established various committees to ensure the optimal selection of disease targets and antibody product candidates and to monitor the progress of all projects. The committees combine knowledge and competences of key employees across the organization with the primary focus of optimizing the development of our projects by closely monitoring and assessing data and other information.

We are subject to extensive governmental regulation, and we are not able to market our products or develop product candidates before regulatory approvals are obtained. Regulatory approval is essential to reach the market, and the regulatory authorities regulate the development, testing, manufacture, safety, efficacy, record-keeping, labelling, storage, approval, advertising, promotion, sale, and distribution of biopharmaceutical products. Accordingly, it is essential for Genmab to adhere to any requirements from the regulatory authorities and to continuously be aware of the standards issued by such authorities. To ensure compliance with regulatory requirements, Genmab has established a separate quality assurance department. Genmab shall also closely adhere to the recommendations and comments received from the regulatory authorities and comply with all requirements from such authorities with respect to the company's applications.

Commercial Risk

Genmab is subject to a number of commercial risk factors, including market size and competition for our products, product pricing and reimbursement policies of government and third-party payers, the ability to attract the interest of potential partners and investors, development time of new products and cost of our development programs, patent protection, and the avoidance of patent infringements.

We have a flexible commercialization strategy and seek partners for some products. The successful marketing of some of our potential product candidates might be beyond the capabilities of all but the largest pharmaceutical companies. For this reason, we may consider licensing to major pharmaceutical companies or distribution partners,

individual products that may serve very large markets or those that may be widely distributed geographically, if the products are approved by the FDA, European, or other regulatory agencies. As part of our commercialization strategy, we entered into a co-development and collaboration agreement with GSK for ofatumumab in 2007.

Our reliance on and collaboration with external partners is very important for our business as our future growth and a significant part of our future revenues, in particular milestones and royalties, may depend on the continued collaboration and adherence to agreements with existing and possible future collaboration partners. Our business may be negatively affected if our collaboration partners do not devote sufficient resources to our programs or potential products or become unable to meet their obligations or if we are not able to establish additional partnerships.

In general, Genmab shall attempt to control the commercial risks by continually monitoring and evaluating current market conditions and patent positions. In order to ensure that Genmab is in a good position to accomplish the objective, the board of directors and management perform an ongoing assessment of whether the in-house competencies within business development and intellectual property are adequate. In addition, we pursue a close and open dialogue with our partners to share ideas and best practices within clinical development to increase the likelihood that we reach our targets.

Financial Risk and Capital Management

Our development activities require significant capital. Accordingly, we may require additional funds and may be unsuccessful in attempting to raise additional funds through equity or debt financings, collaborative agreements with partners, or from other sources.

The group's financial results may also be exposed to different kinds of financial risks, including currency exposure, changes in interest rates, and credit risks. Genmab's financial risks are disclosed in more details in note 15 to the financial statements.

Inability to Attract and Retain Suitably Qualified Personnel

We are highly dependent on the principal members of our senior management and scientific staff, the loss of whose services could adversely affect the achievement of planned development objectives. We may not be able to attract and retain personnel on acceptable terms, given the competition for such personnel among biotechnology, pharmaceutical and healthcare companies, universities, and non-profit research institutions.

To attract and retain our highly skilled workforce, we offer competitive remuneration packages, including a warrant program under which warrants are granted to our employees. For further details on the warrant programs, please refer to note 19 of the financial statements.

Legal and Regulatory Risk

In general, Genmab's activities are exposed to legal risks. Amended legislation and reinterpretation of legislation in countries which are important to Genmab's activities may result in unintended or unexpected issues. In addition, the contracts which Genmab has entered into may correspondingly be subject to unforeseen interpretation and hence unforeseen consequences thereof. The contents of such contracts or the manner in which such contracts were drawn up may also subsequently appear inappropriate. The consequences of such circumstances may turn out to involve not only legal matters but also significant technical and financial issues.

Product Liability

In particular, Genmab may be exposed to product liability claims for products developed by us or our partners. Although Genmab's products are rigorously tested for safety during clinical trials and are closely reviewed by regulatory bodies prior to approval, there may be an unforeseen side effect or injury that occurs before or after approval. This poses a risk of litigation due to consumer product safety claims, substantiated, and unsubstantiated.

A successful product liability claim could possibly affect our financial position in a material manner, and Genmab therefore maintains product liability insurance coverage for our clinical trials as well as coverage required under applicable laws.

Intellectual Property

There is an inherent risk that Genmab's intellectual property may not be protected and be subsequently reproduced or that Genmab's products infringe on a competitor's intellectual property.

Genmab takes necessary steps to file necessary patent applications in an effort to protect its product technologies from outside entities. In an effort to protect trade secrets and technology, Genmab maintains strict confidentiality standards and agreements for internal employees and any collaborating parties.

In October 2009, we announced that in connection with Genmab's collaboration agreement with GSK regarding ofatumumab, GSK had filed a declaratory judgment action at the United States District Court for the Southern District of Florida seeking a declaration that US Patent 6,331,415 (the "Cabilly" patent) owned by Genentech, Inc. and City of Hope, is invalid, unenforceable and not infringed by Arzerra. On February 17, 2010, GSK voluntarily dismissed the case in Florida without prejudice and filed a new case at the United States District Court for the Northern District of California, San Francisco Division against Genentech and City of Hope seeking a declaration that the Cabilly patent is invalid, unenforceable, and not infringed.

Regulatory Risk

Genmab's operations occur in various countries with diverse laws and regulations that govern the biotechnology industry. Any changes in these laws and regulations may result in an unfavorable impact on our financial, legal, and other position. This includes changes in tax laws, change in US or foreign regulatory approval processes, changes in intellectual property laws, and changes in environmental safety laws, among others. If Genmab does not comply with these laws and regulations, it may incur significant costs, and such non-compliance may result in future litigation proceedings.

Genmab makes every effort to stay abreast of regulatory changes to legislation that affect its business to ensure compliance.

Outsourcing Risk

Genmab is dependent upon outsourcing arrangements for services to support our objectives and strategic plans. Such outsourcing services may be inconsistent with Genmab's strategic goals, too costly, or introduce unforeseen risks such as availability of resources, confidentiality of information, and regulatory compliance.

The company's board of directors and management continuously oversee and evaluate outsourcing relationships to ensure consistency with strategic objectives and service provider performance. This includes assessment of contingency plans, including availability of alternative service providers, and costs and resources required to switch service providers.

Ethical Risk

As a biotechnology company, Genmab's reputation as a trusted partner is crucial to the company, its shareholders and business partners, and is essential to the company's ability to conduct its business.

Genmab is committed to lawful and ethical behavior in financial and accounting matters as well as other activities and require its employees to conduct themselves in a manner that complies with all applicable laws and regulations.

Therefore, a code of ethics for principal executives and senior financial officers which addresses ethical behaviour has been developed. Together with certain business ethics procedures, including a corporate social responsibility ("CSR") strategy, these procedures aim to mitigate Genmab's ethical and reputation risk. In 2010, we submitted our whistleblower program to the Danish Data Protection Agency for review.

Environmental Risk

Genmab's in-house research activities are carried out from the company's state-of-the-art laboratory facilities in Utrecht, which are designed to reduce environmental impact through a modular energy efficient setup based on energy regeneration equipment. To reduce environmental burden, we have implemented policies for the handling of hazardous materials and established procedures for the disposal of waste materials from our laboratory facilities in accordance with regulatory requirements. As Genmab's activities have a limited impact on the environment, we have chosen not to issue separate environmental reports.

Directors' Report

SHAREHOLDER INFORMATION

On December 31, 2009, the share capital of Genmab A/S comprised 44,907,142 shares of DKK 1 each with one vote. There are no restrictions related to the transferability of the shares. All shares are regarded as negotiable instruments and do not confer any special rights upon the holder, and no shareholder shall be under an obligation to allow his/her shares to be redeemed.

Until April 19, 2012, the board of directors are authorized to increase the nominal registered share capital on one or more occasions by up to nominally DKK 15,000,000 negotiable shares issued to the bearer that shall have the same rights as the existing shares of Genmab. The capital increase can be made by cash or by non-cash payment and with or without pre-emption rights for the existing shareholders.

By decision of the general meeting on April 23, 2008, the board of directors is authorized to issue on one or more occasions warrants up to a nominal value of 1,500,000. This authorization shall remain in force for a period ending on April 23, 2013. As of December 31, 2009, a total of 336,350 warrants have been issued hereunder.

PROCEDURES FOR CHANGES IN THE ARTICLES OF ASSOCIATION

Unless the Danish Public Companies Act otherwise provides, the adoption of any resolution to alter Genmab's articles of association shall be subject to the affirmative vote of not less than two thirds of the votes cast as well as of the voting share capital represented at the general meeting. Genmab's entire articles of association can be found on our website.

CHANGE OF CONTROL

Genmab has entered into collaboration, development, and license agreements with external parties, which may be subject to renegotiation in case of a change of control event in Genmab A/S. With respect to change of control clauses related to service agreements with our management and employees, please refer to notes 4 and 19. Any changes in the agreements are not expected to have significant influence on the financial statements of the parent company or the group.

OWNERSHIP

As of December 31, 2009, the number of registered shareholders totaled 33,634 shareholders holding a total of 35,127,928 shares, which represented 78% of the share capital. Genmab is listed on the NASDAQ OMX Copenhagen under the symbol GEN.

The following are listed as owners of a minimum 5% of the votes or a minimum of 5% of the share capital:

- Glaxo Group Limited, Glaxo Wellcome House, Berkley Avenue, Greenford, Middlesex, UB6 0NN, United Kingdom
- Hendrikus Hubertus Franciscus Stienstra (partly through Mercurius Beleggingsmaatschappij B.V. and Stimex Participatiemaatschappij B.V.), Akerstraat 126, 6417 BR Heerlen, the Netherlands
- ATP and ATP Invest, Kongens Vænge 8, DK-3400 Hillerød, Denmark

DISTRIBUTION OF THE YEAR'S RESULT

The board of directors proposes that the year's loss of the parent company of DKK 1,186 million (2008: DKK 772 million) be carried forward to next year by transfer to accumulated deficit.

Financial Statements for the Genmab Group and the Parent Company

Income Statement and Statement of Comprehensive Income
Balance Sheet
Statement of Cash Flow
Statement of Shareholders' Equity

Notes to the Financial Statements:

1. Management's Judgment and Estimates under IFRS
2. Segment Reporting
3. Depreciation, Amortization, and Impairments
4. Staff
5. Financial Income
6. Financial Expenses
7. Corporate and Deferred Tax
8. Intangible Assets
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11. Other Securities and Equity Interests
12. Inventories
13. Receivables
14. Marketable Securities
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18. Other Liabilities
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20. Business Combination
21. Discontinued Operation
22. Related Party Disclosures
23. Commitments
24. Contingent Assets, Contingent Liabilities and Subsequent Events
25. Fees to Auditors Appointed at the Annual General Meeting
26. Accounting Policies

Income Statement

	Note	Genmab Group 2009	Genmab Group 2008	Parent Company 2009	Parent Company 2008
		DKK'000	DKK'000	DKK'000	DKK'000
Revenues	2	**586,076**	**692,298**	**585,944**	**690,848**
Research and development costs	3, 4	(935,361)	(1,270,799)	(1,093,928)	(1,353,653)
General and administrative expenses	3, 4	(148,749)	(143,529)	(142,082)	(136,710)
Operating expenses		**(1,084,110)**	**(1,414,328)**	**(1,236,010)**	**(1,490,363)**
Operating loss		**(498,034)**	**(722,030)**	**(650,066)**	**(799,515)**
Financial income	5	181,099	125,994	255,823	247,780
Financial expenses	6	(25,054)	(220,829)	(39,774)	(219,971)
Loss for continuing operations before tax		**(341,989)**	**(816,865)**	**(434,017)**	**(771,706)**
Corporate tax	7	(5,909)	(583)	—	—
Net loss for continuing operations		**(347,898)**	**(817,448)**	**(434,017)**	**(771,706)**
Loss from discontinued operation	10, 21	(662,862)	(147,641)	(752,201)	—
Net loss		**(1,010,760)**	**(965,089)**	**(1,186,218)**	**(771,706)**
Basic and diluted net loss per share		(22.51)	(21.62)		
Basic and diluted net loss per share continuing operations		(7.75)	(18.31)		

Statement of Comprehensive Income

Net loss		**(1,010,760)**	**(965,089)**	**(1,186,218)**	**(771,706)**
Other comprehensive income:					
Adjustment of foreign currency fluctuations on subsidiaries		(33,748)	80,961	—	—
Total comprehensive income		**(1,044,508)**	**(884,128)**	**(1,186,218)**	**(771,706)**

Balance Sheet—Assets

	Note	Genmab Group Dec. 31, 2009	Genmab Group Dec. 31, 2008	Parent Company Dec. 31, 2009	Parent Company Dec. 31, 2008
		DKK'000	DKK'000	DKK'000	DKK'000
Goodwill		—	313,829	—	—
Total intangible assets	8	**—**	**313,829**	**—**	**—**
Land and buildings		—	708,526	—	—
Leasehold improvements		12,581	18,117	5,616	7,131
Manufacturing equipment		—	171,060	—	—
Equipment, furniture and fixtures		46,999	68,629	8,910	11,821
Assets under construction		600	11,265	600	716
Total tangible assets	9	**60,180**	**977,597**	**15,126**	**19,668**
Equity interests in subsidiaries	10	—	—	31,314	456,777
Other securities and equity interests	11	468	613	468	613
Receivables from subsidiaries	22	—	—	477,728	819,160
Deferred tax assets	7	4,634	144	—	—
Total financial assets		**5,102**	**757**	**509,510**	**1,276,550**
Total non-current assets		**65,282**	**1,292,183**	**524,636**	**1,296,218**
Inventories	12	—	34,593	—	—
Receivables from subsidiaries	22	—	—	220,477	125,848
Finance lease receivables from subsidiaries	22	—	—	24,942	14,699
Receivables	13	111,667	161,461	103,245	145,582
Prepayments		9,763	8,704	8,529	5,230
Marketable securities	14	816,910	1,691,999	816,910	1,691,999
Cash and cash equivalents		460,738	70,013	445,071	37,819
		1,399,078	1,966,770	1,619,174	2,021,177
Asset classified as held for sale	21	757,174	—	—	—
Total current assets		**2,156,252**	**1,966,770**	**1,619,174**	**2,021,177**
Total assets		**2,221,534**	**3,258,953**	**2,143,810**	**3,317,395**

Balance Sheet—
Shareholders' Equity and Liabilities

		Genmab Group		Parent Company	
	Note	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
		DKK'000	DKK'000	DKK'000	DKK'000
Share capital		44,907	44,889	44,907	44,889
Share premium		5,375,256	5,373,647	5,375,256	5,373,647
Translation reserves		51,899	85,647	—	—
Accumulated deficit		(4,174,870)	(3,315,621)	(4,127,143)	(3,092,436)
Shareholders' equity		**1,297,192**	**2,188,562**	**1,293,020**	**2,326,100**
Provisions	16	12,066	4,707	9,696	4,707
Lease liability	9, 23	17,938	8,964	17,938	8,964
Total non-current liabilities		**30,004**	**13,671**	**27,634**	**13,671**
Current portion of lease liability	9, 23	7,004	5,735	7,004	5,735
Payable to subsidiaries	22	—	—	37,250	37,261
Accounts payable		44,808	91,049	33,498	77,485
Deferred income	17	439,371	651,192	439,371	651,192
Other liabilities	18	344,245	308,744	306,033	205,951
		835,428	**1,056,720**	**823,156**	**977,624**
Liabilities classified as held for sale	21	58,910	—	—	—
Total current liabilities		**894,338**	**1,056,720**	**823,156**	**977,624**
Total liabilities		**924,342**	**1,070,391**	**850,790**	**991,295**
Total shareholders' equity and liabilities		**2,221,534**	**3,258,953**	**2,143,810**	**3,317,395**

Statement of Cash Flow

	Note	Genmab Group 2009	Genmab Group 2008	Parent Company 2009	Parent Company 2008
		DKK'000	DKK'000	DKK'000	DKK'000
Loss for continuing operations before tax		(341,989)	(816,865)	(434,017)	(771,706)
Loss for discontinued operation before tax	21	(662,834)	(147,641)	(752,201)	—
Loss before tax		**(1,004,823)**	**(964,506)**	**(1,186,218)**	**(771,706)**
Reversal of financial items, net	5, 6, 21	(156,273)	94,508	(216,049)	(27,809)
Adjustments for non-cash transactions:					
Depreciation and amortization	3	83,783	79,578	4,660	2,590
Impairment loss	3	381,001	5,514	386	5,126
Impairment of Genmab MN, Inc.	10	—	—	752,201	—
Net loss (gain) on sale of equipment		472	169	(165)	(10)
Warrant compensation expenses	4	151,511	155,296	86,191	105,359
Provisions	16	12,989	4,667	5,425	4,667
Changes in current assets and liabilities:					
Inventory and receivables		69,087	31,955	34,648	54,203
Prepayments		(2,948)	(956)	(3,298)	(243)
Provisions paid	16	(734)	—	(600)	—
Deferred income		(211,818)	(217,064)	(211,818)	(217,064)
Accounts payable and other liabilities		65,127	182,409	59,478	130,238
Cash flow from operating activities before financial items		**(612,626)**	**(628,430)**	**(675,159)**	**(714,649)**
Financial receivables		51,642	115,097	51,457	118,147
Corporate taxes paid		(9,077)	—	—	—
Cash flow from operating activities		**(570,061)**	**(513,333)**	**(623,702)**	**(596,502)**
Purchase of intangible and tangible assets	8, 9	(16,778)	(53,016)	(702)	(21,641)
Sale of tangible assets		368	194	363	40
Capital increases in subsidiaries		—	—	—	(425,463)
Receivables from subsidiaries		—	—	46,800	(724,116)
Acquisition of manufacturing activity	20	—	(1,154,380)	—	—
Marketable securities bought	14	(482,764)	(1,775,029)	(482,764)	(1,775,029)
Marketable securities sold		1,473,900	3,442,335	1,473,900	3,442,335
Cash flow from investing activities		**974,726**	**460,104**	**1,037,597**	**496,126**
Warrants exercised		1,647	34,145	1,647	34,145
Costs related to issuance of shares		(20)	(30)	(20)	(30)
Paid installments on lease liabilities		(8,270)	(8,830)	(8,270)	(8,830)
Cash flow from financing activities		**(6,643)**	**25,285**	**(6,643)**	**25,285**
Decrease in cash and cash equivalents		**398,022**	**(27,944)**	**407,252**	**(75,091)**
Cash and cash equivalents at the beginning of the period		70,013	131,753	37,819	112,910
Exchange rate adjustments		(3,589)	(33,796)	—	—
Cash and cash equivalents at the end of the period		**464,446**	**70,013**	**445,071**	**37,819**
Cash and cash equivalents include:					
Bank deposits and petty cash		460,738	70,013	445,071	37,819
Cash and cash equivalents classified as assets held for sale	21	3,708	—	—	—
		464,446	**70,013**	**445,071**	**37,819**
Non-cash transactions:					
Tangible assets acquired		—	21,464	—	21,464
Liabilities assumed		—	(21,464)	—	(21,464)

Statement of Shareholders' Equity—Consolidated

	Number of shares	Share capital	Share premium	Translation reserves	Accumulated deficit	Shareholders' equity
		DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
December 31, 2007	**44,519,827**	**44,520**	**5,339,901**	**4,686**	**(2,505,828)**	**2,883,279**
Total comprehensive income				80,961	(965,089)	(884,128)
Exercise of warrants	369,002	369	33,776			34,145
Expenses related to capital increases			(30)			(30)
Warrant compensation expenses					155,296	155,296
December 31, 2008	**44,888,829**	**44,889**	**5,373,647**	**85,647**	**(3,315,621)**	**2,188,562**
Total comprehensive income				(33,748)	(1,010,760)	(1,044,508)
Exercise of warrants	18,313	18	1,629			1,647
Expenses related to capital increases			(20)			(20)
Warrant compensation expenses					151,511	151,511
December 31, 2009	**44,907,142**	**44,907**	**5,375,256**	**51,899**	**(4,174,870)**	**1,297,192**

Statement of Shareholders' Equity—Parent Company

	Number of shares	Share capital	Share premium	Accumulated deficit	Shareholders' equity
		DKK'000	DKK'000	DKK'000	DKK'000
December 31, 2007	**44,519,827**	**44,520**	**5,339,901**	**(2,476,026)**	**2,908,395**
Total comprehensive income				(771,706)	(771,706)
Exercise of warrants	369,002	369	33,776		34,145
Expenses related to capital increases			(30)		(30)
Warrant compensation expenses				155,296	155,296
December 31, 2008	**44,888,829**	**44,889**	**5,373,647**	**(3,092,436)**	**2,326,100**
Total comprehensive income				(1,186,218)	(1,186,218)
Exercise of warrants	18,313	18	1,629		1,647
Expenses related to capital increases			(20)		(20)
Warrant compensation expenses				151,511	151,511
December 31, 2009	**44,907,142**	**44,907**	**5,375,256**	**(4,127,143)**	**1,293,020**

Statement of Shareholders' Equity

	Number of shares	Share capital
		DKK'000
December 31, 2004	**29,752,363**	**29,752**
Issuance of shares for cash	2,498,507	2,499
Exercise of warrants	857,228	857
December 31, 2005	**33,108,098**	**33,108**
Issuance of shares for cash	5,750,000	5,750
Exercise of warrants	790,257	790
December 31, 2006	**39,648,355**	**39,648**
Issuance of shares for cash	4,471,202	4,471
Exercise of warrants	400,270	401
December 31, 2007	**44,519,827**	**44,520**
Exercise of warrants	369,002	369
December 31, 2008	**44,888,829**	**44,889**
Exercise of warrants	18,313	18
December 31, 2009	**44,907,142**	**44,907**

In August 2005, Genmab entered into a license and collaboration agreement with Merck Serono concurrently with a securities purchase agreement, under which Merck Serono subscribed to 2,498,507 new shares in Genmab.

In January 2006, Genmab completed an international private placement with issuance of 5,750,000 new ordinary shares at a price of DKK 147.00 per share, raising gross proceeds to Genmab of DKK 845 million.

In February 2007, Genmab issued 4,471,202 new shares in connection with the worldwide GSK agreement to co-develop and commercialize HuMax-CD20. This transaction increased shareholders' equity by DKK 1.529 billion.

In the period from 2007 to 2009, the following number of shares were issued in connection with exercise of warrants:

-2007: 400,270 new shares were subscribed at a price of DKK 33.70 to 224.00

-2008: 369,002 new shares were subscribed at a price of DKK 37.00 to 224.000

-2009: 18,313 new shares were subscribed at a price of DKK 86.00 to 130.00

Notes to the Financial Statements

1. MANAGEMENT'S JUDGMENTS AND ESTIMATES UNDER IFRS

The financial statements of the Genmab group and the parent company have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB), and with the International Financial Reporting Standards as endorsed by the EU, and additional Danish disclosure requirements for annual reports of listed companies.

In preparing financial statements under IFRS, certain provisions in the standards require management's judgments, including various accounting estimates and assumptions. Such judgments are considered important to understand the accounting policies and Genmab's compliance with the standards.

Determining the carrying amount of some assets and liabilities requires judgments, estimates and assumptions concerning future events which are based on historical experience and other different factors, but which by their very nature are associated with uncertainty and unpredictability.

These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The Genmab group is also subject to risks and uncertainties which may lead to actual results to differ from these estimates, both positively and negatively. Specific risks for the Genmab group are discussed in the relevant section of the directors' report and in the notes to the financial statements.

The following summarizes the most significant judgments and estimates made under Genmab's accounting policies. The group's accounting policies are described in detail in note 26.

Internally Generated Intangible Assets

According to the International Accounting Standard (IAS) 38, *"Intangible Assets"*, intangible assets arising from development projects should be recognized in the balance sheet. The criteria that must be met for capitalization are that:

-the development project is clearly defined and identifiable and the attributable costs can be measured reliably during the development period;

-the technological feasibility, adequate resources to complete, and a market for the product or an internal use of the product can be documented; and

-management has the intent to produce and market the product or to use it internally

Such an intangible asset should be recognized if sufficient certainty can be documented that the future income from the development project will exceed the aggregate cost of production, development, and the sale and administration of the product.

A development project involves a single product candidate undergoing a high number of tests to illustrate its safety profile and the effect on human beings prior to obtaining the necessary final approval of the product from the appropriate authorities. The future economic benefits associated with the individual development projects are dependent on obtaining such approval. Considering the significant risk and duration of the development period related to the development of pharmaceutical products, management has concluded that the future economic benefits associated with the individual projects cannot be estimated with sufficient certainty until the project has been finalized and the necessary regulatory final approval of the product has been obtained. Accordingly, the group has not recognized such assets at this time, and therefore all research and development costs are recognized in the income statement when incurred. The total research and development costs related to the continuing operations amount to DKK 935 million in 2009 compared to DKK 1,271 million in 2008.

1. MANAGEMENT'S JUDGMENTS AND ESTIMATES UNDER IFRS (continued)

Revenue Recognition

The group's revenues are mainly comprised of milestone and upfront payments, royalty income and other income, and government grants from research and development agreements. IAS 18, *"Revenue"*, prescribes the criteria to be fulfilled for revenue being recognizable. Evaluating the criteria for revenue recognition with respect to the group's research and development and collaboration agreements requires management's judgment to ensure that all criteria have been fulfilled prior to recognizing any amount of revenue. In particular, such judgments are made with respect to determination of the nature of transactions, whether simultaneous transactions shall be considered as one or more revenue-generating transactions, allocation of the contractual price (upfront and milestone payments and obtained share premium to the market value on shares subscribed in connection with a collaboration agreement) to several elements included in an agreement, and the determination of whether the significant risks and rewards have been transferred to the buyer. Share premium is defined as the difference between the agreed share price and the market price at the time of the transaction.

Collaboration agreements are reviewed carefully to understand the nature of risks and rewards of the arrangement.

Upfront payments that are deemed attributable to subsequent research and development work are initially recognized as deferred income and recognized and allocated as revenue over the planned development period. This judgment is made when entering the agreement and is based on development budgets and plans. The planned development period is assessed on an annual basis. If the expected development period is changed significantly, this will require a reassessment of the allocation period.

In 2007, Genmab entered a worldwide agreement with GSK to co-develop and commercialize HuMax-CD20. Due to the close connection between the upfront license payment of DKK 582 million and the DKK 504 million share premium to the market value on shares subscribed by GSK, these amounts have been jointly processed and recognized as revenues on a straight-line basis over a five-year period. As of December 31, 2009, DKK 439 million is included as deferred income in the balance sheet to be proportionally recognized as revenue in 2010 and 2011.

Milestone payments related to reaching particular stages in product development are recognized immediately if a separate earnings process relative to the milestone payment has been completed and achieved. This determination is judgmental and assessments made by management include, among other items, consideration of the efforts made in achieving a milestone, e.g., the level, skill, and expertise of the personnel involved, as well as the costs incurred. The milestone events must have real substance and they must represent achievement of specific defined goals.

In addition, the associated risks related to the achievement of each milestone are evaluated and compared to all milestone payments designated under the collaboration agreement.

Royalty income from licenses is based on third-party sales of licensed products and is recognized in accordance with contract terms when third-party results are available and are deemed to be reliable. Royalty estimates are made in advance of amounts collected using historical and forecasted trends.

All the group's revenue-generating transactions, including those with GSK and Roche, have been subject to such evaluation by management.

The total revenues related to the continuing operations amounted to DKK 586 million in 2009 compared to DKK 692 million in 2008. Please refer to note 2 for further details about our revenues.

Antibody Clinical Trial Material Produced or Purchased for the Use in Clinical Trials

According to our accounting policies, antibody clinical trial material (antibodies) for the use in clinical trials which either are internally produced or purchased from third parties are recognized in the balance sheet at cost and expensed in the income statement when consumed, if all criteria for recognition as an asset are fulfilled.

1. MANAGEMENT'S JUDGMENTS AND ESTIMATES UNDER IFRS (continued)

During both 2008 and 2009, no antibodies either internally produced or purchased from third parties for the use in clinical trials have been capitalized, as these antibodies do not qualify for being capitalized as inventory under either the *"Framework"* to IAS/IFRS or IAS 2, *"Inventories"*.

Management has concluded that the production and purchase of antibodies from third parties cannot be capitalized as the technical feasibility is not proven and no alternative use exists.

As a result of the planned disposal of the manufacturing facility, Genmab will no longer produce antibodies internally but will instead purchase these from external contract manufacturers.

Share-based Compensation

The parent company has granted warrants to employees, the management and the board of directors under various warrant programs. In accordance with IFRS 2, the fair value of the warrants at grant date is recognized as an expense in the income statement over the vesting period, the period of delivery of work. Subsequently, the fair value is not re-measured.

The fair value of each warrant granted during the year is calculated using the Black-Scholes pricing model.

This pricing model requires the input of subjective assumptions and these assumptions can vary over time and can change the fair value of future warrants granted. A detailed description is outlined in note 19.

In 2009, warrant compensation expenses totaled DKK 152 million compared to DKK 155 million in 2008.

Joint Ventures/Collaboration Agreements

The group has entered into various collaboration agreements, primarily in connection with the group's research and development projects and the clinical testing of the product candidates, e.g., our worldwide collaboration agreement with GSK on HuMax-CD20, which was entered in 2007. When accounting for new collaboration agreements, a judgment is made concerning the classification of the agreement. Collaborations are often structured so that each party contributes its respective skills in the various phases of the development project. No joint control exists for such collaborations as the parties have not established an economic activity subject to joint control. Accordingly, the collaborations are not considered to be joint ventures as defined in IAS 31, *"Financial Reporting of Interests in Joint Ventures"*. Expenses in connection with collaboration agreements are treated as described under "Research and Development Costs".

Impairment Tests and Discontinued Operation

During November 2009, the board of directors announced its decision to dispose of Genmab's manufacturing facility as the facility no longer is core to Genmab's strategy.

The decision to sell the facility triggered an impairment review under IAS 36, *"Impairment of Assets"*. The impairment test is based on an estimated fair value of approximately USD 150 million less cost to sell of approximately USD 5 million. As the carrying amount of the facility was higher than the recoverable amount, the facility was impaired in the fourth quarter of 2009. The total impairment charge amounted to approximately DKK 419 million.

The fair value less cost to sell is determined based on arm's-length transactions from recent market transactions (benchmarks) received from an independent appraiser with significant experience within the sale or acquisition of pharma and biotechnology manufacturing facilities.

As no binding arm's-length sale agreement has been entered into yet and as the Brooklyn Park facility is not considered to be traded in an active market due to its very specialized use, the fair value less cost to sell is associated with a certain amount of uncertainty and judgement.

1. MANAGEMENT'S JUDGMENTS AND ESTIMATES UNDER IFRS (continued)

The fair value less cost to sell and impairment is based on the best information available and may be subject to change. Future changes, if any, in the fair value less cost to sell will be recognized in the income statement.

The operation and net assets related to the facility have been categorized as a discontinued operation and assets or liabilities held for sale as the criteria to be classified as discontinued operation and held for sale were met for the following reasons:

-the facility comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity;

-the assets are available for immediate sale and can be sold to a potential buyer in its current condition; and

-Genmab expects negotiations to be finalized and the sale to be completed within 12 months

For a description of the impairment test and the sale of the manufacturing facility, see notes 8 and 21.

Useful Lives and Residual Values for Tangible Assets

In 2008, tangible assets consisted of mainly buildings and manufacturing equipment which in accordance with IAS 16, *"Property, Plant, and Equipment"*, are measured at cost less accumulated depreciation and any impairment losses. Until November 2009, tangible assets related to the manufacturing facility were depreciated over the expected useful lives which were 30 years for buildings and 7 years for manufacturing equipment. However, as a result of the planned disposal of the manufacturing facility, related tangible assets have been re-classified to assets held for sale in 2009. Assets classified as held for sale are no longer depreciated.

In general, the expected useful lives and residual values are determined based on past experience, business practice, and expectations of the future use of the assets. The expected future use and residual values may not be realized, which will require reassessment of useful lives and residual values and recognition of impairment losses or losses on disposal of non-current assets.

For further details of the value of the group's tangible assets, please refer to note 9.

Deferred Tax Assets

Genmab recognizes deferred tax assets, including the tax base of tax loss carry-forwards, if management assesses that these tax assets can be offset against positive taxable income within a foreseeable future.

This judgment is made on an ongoing basis and is based on budgets and business plans for the coming years, including planned commercial initiatives.

The creation and development of therapeutic products within the biotechnology and pharmaceutical industry is subject to considerable risks and uncertainties. Since inception, Genmab has reported significant losses, and as a consequence, we have unused tax losses. Genmab also projects a loss for 2010.

Therefore, management has concluded, except for two subsidiaries, that deferred tax assets should not be recognized as of December 31, 2009, and a 100% valuation allowance of the deferred tax asset is recognized in accordance with IAS 12, *"Income Taxes"*. The remaining tax assets are currently not deemed to meet the criteria for recognition as management is not able to provide any convincing positive evidence that deferred tax assets should be recognized.

Details about the deferred tax assets can be found in note 7.

2. SEGMENT REPORTING

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Revenues:				
Milestone payments	266,728	378,066	266,728	378,066
Deferred revenue	217,064	217,064	217,064	217,064
Royalties	5,749	—	5,749	—
Other revenues	96,535	97,168	96,403	95,718
	586,076	**692,298**	**585,944**	**690,848**

	2009		2008	
	Revenues	Non-current assets	Revenues	Non-current assets
	DKK'000	DKK'000	DKK'000	DKK'000
Group segment information:				
Denmark	585,944	15,126	690,848	19,669
United States	—	9,376	—	1,231,187
Other countries	132	35,678	1,450	40,572
	586,076	**60,180**	**692,298**	**1,291,428**

Non-current assets related to the US manufacturing facility have been transferred to assets held for sale. Please refer to note 21 for further details.

Revenues from GSK represent approximately 99% (2008: 100%) of the group's total revenues.

3. DEPRECIATION, AMORTIZATION, AND IMPAIRMENTS

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Depreciation and amortization:				
Buildings	19,240	18,577	—	—
Leasehold improvements	5,750	4,753	1,573	924
Manufacturing equipment	32,156	30,691	—	—
Equipment, furniture and fixtures	26,637	25,557	3,087	1,666
	83,783	**79,578**	**4,660**	**2,590**
Depreciation and amortization are included in:				
Research and development costs	19,608	18,131	3,728	2,072
General and administrative expenses	3,631	2,289	932	518
Result of discontinued operation	60,544	59,158	—	—
	83,783	**79,578**	**4,660**	**2,590**
Impairments:				
Goodwill	297,509	—	—	—
Licenses and rights	—	5,126	—	5,126
Buildings	67,312	—	—	—
Manufacturing equipment	14,137	388	—	—
Equipment, furniture and fixtures	1,657	—	—	—
Assets under constructions	386	—	386	—
	381,001	**5,514**	**386**	**5,126**
Impairments are included in:				
Research and development costs	386	5,126	386	5,126
Result of discontinued operation	380,615	388	—	—
	381,001	**5,514**	**386**	**5,126**

4. STAFF

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Wages and salaries	336,974	348,820	156,540	178,418
Warrant compensation expenses	151,511	155,296	86,191	105,359
Defined contribution plans	24,449	25,252	12,114	13,443
Other social security costs	25,819	24,846	905	1,080
	538,753	**554,214**	**255,750**	**298,300**
Staff costs are expensed as follows:				
Research and development costs	296,901	363,087	181,675	230,240
General and administrative expenses	105,399	101,246	74,075	68,060
Result of discontinued operation	136,453	89,881	—	—
	538,753	**554,214**	**255,750**	**298,300**
Average number of employees	505	565	180	226
Remuneration to executive management and the board of directors:				
Executive management:				
Salaries and other remuneration*	13,987	37,854	1,115	16,943
Defined contribution plans	779	879	—	309
Warrant compensation expenses**	38,909	51,541	26,435	41,932
	53,675	**90,274**	**27,550**	**59,184**
Board of Directors:				
Board fees	1,930	1,758	1,930	1,758
Warrant compensation expenses	13,373	11,109	13,373	11,109
	15,303	**12,867**	**15,303**	**12,867**

*Including salaries and other remuneration to the group's former COO and CFO of DKK 19 million, which were expensed in connection with their resignation in 2008.

**Including cost of warrants granted to the group's former COO and CFO of DKK 14 million, which were expensed in connection with their resignation in 2008.

Remuneration to Executive Management and Board of Directors

Remuneration of the executive management team, which consists of the President & Chief Executive Officer, the President R&D & Chief Scientific Officer, and Chief Financial Officer, comprises base salary, bonus, non-monetary benefits such as company car, telephone, etc., and participation in Genmab's defined contribution pension plans.

Remuneration of the board of directors is comprised of a fixed board fee and additional fees for the board committee obligations.

In addition, the members of the management team and the board of directors participate in Genmab's warrant programs.

The executive management as well as the board of directors are considered as cohesive teams, and Genmab believes the total remuneration of those bodies is more relevant to the stakeholders than the remuneration of individual members. Accordingly, Genmab does not disclose remuneration of individuals.

General Guidelines for Incentive Programs

At the 2008 annual general meeting, a general guideline for incentive programs for the board of directors and the executive management pursuant to section 69(b) of the Danish Companies Act was adopted. The guideline can be found in its full length on our website.

4. STAFF (continued)

The bonus scheme for the members of executive management is based on the achievement of predetermined and well-defined milestones for each financial year as set by the board of directors. Currently, the executive management may receive a maximum annual bonus of 60% to 100% of their gross salaries. In addition, the executive management may receive an extraordinary bonus of a maximum up to 15% of their annual gross salaries, based on the occurrence of certain special events or achievements. The bonus schemes may enable the executive management to earn a bonus per calendar year of up to an aggregate amount of approximately DKK 9 million (annual) and DKK 1 million (extraordinary) for all current members of the executive management. In 2009, the current executive management team has received a total bonus of DKK 2 million (2008: DKK 5 million).

Please refer to notes 19 and 22 for further details regarding grant of warrants to the executive management and the board of directors.

All incentive payments have been carried out in accordance with the 2008 adopted guidelines for incentive programs. The guidelines are expected to remain unchanged for 2010.

Severance Payments

The service agreements with each member of the executive management team may be terminated by Genmab with no less than 12 months' notice and by the executive with no less than six months' notice. In the event Genmab terminates the service agreement without cause, Genmab is obliged to pay the executive officer his/her existing salary for one or two years.

In the event of a change of control of Genmab, the termination notice due to Genmab's executive officers is extended to 24 months. In the event of termination by Genmab (unless for cause) or by an executive officer as a result of a change of control of Genmab, Genmab is obliged to pay the executive officer a compensation equal to his/her existing total salary (including benefits) for up to two years in addition to the notice period. In addition, Genmab has entered into service agreements with approximately 35 (2008: 20) employees according to which Genmab may become obliged to compensate the employees in connection with a change of control of Genmab. If Genmab terminates the service agreement without cause, or changes the working conditions to the detriment of the employee, Genmab is obliged to pay the employee a compensation equal to his/her existing total salary (including benefits) for a period of one to two years in addition to the notice period.

Warrant Compensation Expenses

In 2009, warrant (share-based) compensation expenses totaled DKK 152 million compared to DKK 155 million in 2008. In the separate financial statements of the parent company, warrant compensation expenses were DKK 86 million in 2009 and DKK 105 million in 2008.

In 2009, the warrant compensation expenses include costs of DKK 26 million related to the approximately 300 employees affected by the reorganization plan announced in November 2009, which were expensed in connection with their termination.

In 2008, the warrant compensation expenses include costs of DKK 29 million for the group's former COO and CFO and the approximately 100 employees affected by portfolio review in October 2008, which were expensed in connection with their resignations/dismissals during 2008.

Notes to the Financial Statements

5. FINANCIAL INCOME

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Interest and other financial income	57,323	120,281	57,210	120,041
Interest from subsidiaries	—	—	74,837	68,979
Realized and unrealized gains on marketable securities (fair value through profit and loss), net	119,445	—	119,445	—
Fair value adjustments of derivative financial instruments	4,331	—	4,331	—
Exchange rate gains, net	—	5,713	—	58,760
	181,099	**125,994**	**255,823**	**247,780**

6. FINANCIAL EXPENSES

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Interest and other financial expenses	1,488	1,763	1,199	905
Interest to subsidiaries	—	—	143	—
Realized and unrealized losses on marketable securities (fair value through profit and loss), net	—	216,283	—	216,283
Fair value adjustments of derivative financial instruments	—	2,783	—	2,783
Loss on available for sale financial assets	145	—	145	—
Exchange rate losses, net	23,421	—	38,287	—
	25,054	**220,829**	**39,774**	**219,971**

7. CORPORATE AND DEFERRED TAX

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Current tax on result	10,427	727	—	—
Adjustment to deferred tax prior years	10	8,075	—	—
Adjustment to deferred tax	(309,561)	(207,502)	(85,608)	(155,281)
Adjustment to valuation allowance	305,061	199,283	85,608	155,281
Total corporate tax expense	**5,937**	**583**	—	—
Corporate tax is included in				
Result of continuing operations	5,909	583	—	—
Result of discontinued operation	28	—	—	—
	5,937	**583**	—	—

7. CORPORATE AND DEFERRED TAX (continued)

A reconciliation of income tax expense at the statutory rate of Genmab's effective tax rate is as follows:

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Loss before tax of continuing operations	(341,989)	(816,865)	(434,017)	(771,706)
Loss before tax of discontinued operation	(662,834)	(147,641)	(752,201)	—
Loss before tax	(1,004,823)	(964,506)	(1,186,218)	(771,706)
Computed 25%	**(251,206)**	**(241,127)**	**(296,555)**	**(192,927)**
Tax effect of:				
Non-taxable income	(25,184)	(25,184)	(25,184)	(25,184)
Non-deductible costs	72,592	93,880	48,612	78,118
Impairment of subsidiary	—	—	188,050	—
Additional tax deductions, deviations in corporate tax rates, etc.	(91,647)	(39,540)	(531)	(15,288)
Tax on equity transactions	(3,674)	13,271	—	—
Valuation allowance deferred tax asset	305,061	199,283	85,608	155,281
Total tax effect	**257,148**	**241,710**	**296,555**	**192,927**
Total corporate tax	**5,942**	**583**	—	—
Effective tax rate (%)	—	—	—	—

For financial reporting purposes, the value of the net deferred tax assets have been reduced to DKK 5 million due to the lack of certainty with respect to Genmab's ability to generate sufficient taxable income in the future. Deferred tax related to assets classified as held for sale has been reduced to zero in both 2009 and 2008.

On December 31, 2009, the group had net tax loss carry-forwards of DKK 3.8 billion (2008: DKK 3.1 billion) for income tax purposes, which mainly can be carried forward without limitation. In addition, the group had deductible temporary differences of DKK 700 million (2008: DKK 508 million).

Significant components of the deferred tax asset are as follows:

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Tax deductible losses	1,001,680	801,744	886,999	749,630
Deferred income	59,475	87,246	59,475	87,246
Other temporary differences	182,104	44,718	3,628	27,618
Deferred tax assets	**1,243,259**	**933,708**	**950,102**	**864,494**
Valuation allowance	(1,238,625)	(933,564)	(950,102)	(864,494)
Recorded deferred tax assets	**4,634**	**144**	—	—

Deferred tax related to temporary differences on investments in subsidiaries has not been calculated as these investments are not expected to be sold within the foreseeable future.

8. INTANGIBLE ASSETS—GENMAB GROUP AND PARENT COMPANY

	Goodwill	Licenses and rights
	DKK'000	DKK'000
2009		
Cost per January 1, 2009	313,829	157,610
Exchange rate adjustment	(5,533)	—
Disposals for the year	—	(5,126)
Cost per December 31, 2009	**308,296**	**152,484**
Accumulated amortization and impairment per January 1, 2009	—	(157,610)
Exchange rate adjustment	(10,787)	—
Impairment for the year	(297,509)	—
Disposals for the year	—	5,126
Accumulated amortization and impairment per December 31, 2009	**(308,296)**	**(152,484)**
Net book value per December 31, 2009	**—**	**—**
2008		
Cost per January 1, 2008	—	152,484
Exchange rate adjustment	29,027	—
Acquisition of entities	284,802	—
Additions for the year	—	5,126
Cost per December 31, 2008	**313,829**	**157,610**
Accumulated amortization and impairment per January 1, 2008	—	(152,484)
Exchange rate adjustment	—	—
Amortization for the year	—	—
Impairment for the year	—	(5,126)
Accumulated amortization and impairment per December 31, 2008	**—**	**(157,610)**
Net book value per December 31, 2008	**313,829**	**—**

Goodwill—Genmab Group

The carrying amount of goodwill relates to the acquisition of the manufacturing facility (cash generating unit) in the first quarter of 2008.

2009:

In November 2009, Genmab announced that it intends to sell its manufacturing facility. This announcement was a part of the strategy to build a more flexible model where Genmab's future manufacturing requirements will be met through working with contract manufacturing vendors. The decision to sell the facility triggered an impairment review and therefore the recoverable amount of the facility was determined. The recoverable amount is defined as the higher of an asset's or cash-generating unit's (CGU) fair value less cost to sell and its value in use.

It is assumed that the value in use is equal to fair value less cost to sell as the value in use of an asset held for disposal will mainly consist of the net disposal proceeds. Therefore, the fair value less cost to sell is determined as the recoverable amount which shall be compared with the carrying amount of the facility.

8. INTANGIBLE ASSETS (continued)—GENMAB GROUP AND PARENT COMPANY

Estimated sales costs include the incremental cost directly attributable to the disposal such as legal and other consultancy fees necessary to execute the sale. Maintenance expenses are not categorized as cost to sell.

We have estimated the fair value less cost to sell to be approximately USD 145 million. As the carrying amount of the facility was higher than the recoverable amount, the facility was impaired in the fourth quarter of 2009.

The total impairment loss amounted to approximately DKK 419 million and is allocated by writing down the goodwill that is allocated to the facility (CGU) and then pro rata based on the respective carrying amounts, against the facility's other assets that are within the scope of IAS 36. The impairment loss was allocated as follows:

MDKK	
Goodwill	298
Land and buildings	67
Manufacturing equipment	14
Equipment, furniture, and fixtures	2
Impairment of non-current assets	**381**
Inventories, cf. note 12	38
Total impairment	**419**

2008:
The recoverable amount of the facility was based on the value-in-use calculation. The net free cash flows were based on the approved management budget for 2009 and development plans for the next four years and projections for subsequent years. The key assumptions and the approach to determining the recovery value of the cash generating unit were based on the following:

Revenues, cost savings (based on the purchase price if we had continued to buy from external contract manufacturers) and an anticipated increase in utilization over the next five years.

Prices were assumed to stay at current levels and costs were expected to increase to allow for increased production volumes, plus an overall 4% annual increase. The cash flow projections beyond the five-year period were based on a 2% growth rate.

The manufacturing facility was used to produce antibodies for our own clinical pipeline, and therefore, the value in use was highly dependent upon the progress of our development programs.

A pre-tax discount rate of 8.99% was used in discounting the projected cash flows and reflected the risk-free rate with the addition of specific risks. Management believed that any reasonable possible change in the key assumptions on which the recoverable amount was based would not cause the carrying amount to exceed its recoverable amounts.

Research and Development—Genmab Group and Parent Company

The group currently has no internally generated intangible assets from development, as the criteria for recognition as an asset are not met.

Licenses and Rights—Genmab Group and Parent Company

The group has previously acquired licenses and rights to technology at a total cost of DKK 152 million, which have been fully amortized during the period from 2000 to 2005. The licenses and rights are still in use by the parent company and the group and contribute to our research and development activities.

9. TANGIBLE ASSETS—GENMAB GROUP

	Land and buildings	Leasehold improvements	Manufacturing equipment	Equipment, furniture and fixtures	Assets under construction
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
2009					
Cost per January 1, 2009	727,103	54,303	202,044	156,347	11,265
Exchange rate adjustment	(13,042)	(407)	(3,625)	(824)	(119)
Additions for the year	834	557	2,711	10,923	1,753
Transfers between the classes	34	—	6,089	5,790	(11,913)
Disposals for the year	—	(11,615)	(899)	(7,531)	—
Transferred to assets classified as held for sale	(714,929)	—	(206,320)	(29,946)	—
Cost per December 31, 2009	**—**	**42,838**	**—**	**134,759**	**986**
Accumulated depreciation and impairment per January 1, 2009	(18,577)	(36,186)	(30,984)	(87,718)	—
Exchange rate adjustment	(2,152)	234	35	334	—
Depreciation for the year	(19,240)	(5,750)	(32,156)	(26,637)	—
Impairment for the year	(67,312)	—	(14,137)	(1,657)	(386)
Disposals for the year	—	11,445	351	7,409	—
Transferred to assets classified as held for sale	107,281	—	76,891	20,509	—
Accumulated depreciation and impairment per December 31, 2009	**—**	**(30,257)**	**—**	**(87,760)**	**(386)**
Net book value per December 31, 2009	**—**	**12,581**	**—**	**46,999**	**600**
Net book value of assets under finance leases included above	—	—	—	19,932	—
2008					
Cost per January 1, 2008	—	32,455	—	94,939	9,661
Exchange rate adjustment	68,341	348	18,683	2,309	521
Acquisition of entities	657,941	—	179,851	19,739	1,318
Additions for the year	821	14,432	1,847	35,233	17,021
Transfers between the classes	—	7,068	1,951	8,237	(17,256)
Disposals for the year	—	—	(288)	(4,110)	—
Cost per December 31, 2008	**727,103**	**54,303**	**202,044**	**156,347**	**11,265**
Accumulated depreciation and impairment per January 1, 2008	—	(31,032)	—	(65,868)	—
Exchange rate adjustment	—	(401)	—	(233)	—
Depreciation for the year	(18,577)	(4,753)	(30,691)	(25,557)	—
Impairment for the year	—	—	(388)	—	—
Disposals for the year	—	—	95	3,940	—
Accumulated depreciation and impairment per December 31, 2008	**(18,577)**	**(36,186)**	**(30,984)**	**(87,718)**	**—**
Net book value per December 31, 2008	**708,526**	**18,117**	**171,060**	**68,629**	**11,265**
Net book value of assets under finance leases included above	—	—	—	30,060	—

Please refer to notes 8 and 21 for additional information regarding the impairments in 2009 and assets classified as held for sale.

9. TANGIBLE ASSETS (continued)—PARENT COMPANY

	Leasehold improvements	Equipment, furniture and fixtures	Assets under construction
	DKK'000	DKK'000	DKK'000
2009			
Cost per January 1, 2009	25,464	26,059	716
Additions for the year	228	204	270
Disposals for the year	(11,615)	(5,874)	—
Cost per December 31, 2009	**14,077**	**20,389**	**986**
Accumulated depreciation and impairment per January 1, 2009	(18,333)	(14,238)	—
Depreciation for the year	(1,573)	(3,087)	—
Impairment for the year	—	—	(386)
Disposals for the year	11,445	5,846	—
Accumulated depreciation and impairment per December 31, 2009	**(8,461)**	**(11,479)**	**(386)**
Net book value per December 31, 2009	**5,616**	**8,910**	**600**
2008			
Cost per January 1, 2008	17,409	15,307	—
Additions for the year	6,618	10,208	3,755
Transfers between the classes	1,437	1,602	(3,039)
Disposals for the year	—	(1,058)	—
Cost per December 31, 2008	**25,464**	**26,059**	**716**
Accumulated depreciation and impairment per January 1, 2008	(17,409)	(13,600)	—
Depreciation for the year	(924)	(1,666)	—
Impairment for the year	—	—	—
Disposals for the year	—	1,028	—
Accumulated depreciation and impairment per December 31, 2008	**(18,333)**	**(14,238)**	**—**
Net book value per December 31, 2008	**7,131**	**11,821**	**716**

10. EQUITY INTERESTS IN SUBSIDIARIES

Genmab A/S (parent company) holds investments in the following subsidiaries:

Name	Domicile	Ownership and votes
Genmab B.V.	Utrecht, the Netherlands	100%
Genmab MN, Inc.	Minnesota, USA	100%
Genmab, Inc.	New Jersey, USA	100%
Genmab Ltd.	London, United Kingdom	100%

Investments in subsidiaries are subject to a yearly assessment by the group's management for impairment indications and, if necessary, an impairment test is carried out.

2009:
In November 2009, Genmab announced that it intends to sell its manufacturing facility. The facility is owned by Genmab MN, Inc., and the decision to sell the facility triggered an impairment review of Genmab A/S' investment in Genmab MN, Inc.

The total impairment amounted to DKK 752 million, which was allocated to the carrying amount of Genmab A/S' investment (DKK 425 million) and intercompany loans in Genmab MN, Inc. (DKK 327 million). The impairment is included in discontinued operation in the financial statements of the parent company.

10. EQUITY INTERESTS IN SUBSIDIARIES (continued)

2008:
At the end of 2008, management assessed that there were no indications of impairment and therefore the investments were not tested for impairments.

	Parent Company	
	2009	2008
	DKK'000	DKK'000
Cost per January 1	456,777	31,314
Additions for the year	—	425,463
Cost per December 31	**456,777**	**456,777**
Revaluation per January 1	—	—
Revaluation for the year	(425,463)	—
Revaluation per December 31	**(425,463)**	**—**
Net book value per December 31	**31,314**	**456,777**

11. OTHER SECURITIES AND EQUITY INTERESTS

	2009	2008
	DKK'000	DKK'000
Cost per January 1	4,206	4,206
Disposals for the year	—	—
Cost per December 31	**4,206**	**4,206**
Revaluation per January 1	(3,593)	(3,593)
Revaluation for the year	(145)	—
Revaluation per December 31	**(3,738)**	**(3,593)**
Net book value per December 31	**468**	**613**

Other securities and equity interests consist of investments in strategic partners of Genmab and are designated as available for sale assets. As per December 31, 2009, such investments comprise equity shares in Scancell Holdings plc., which is a British biotechnology company listed on the stock exchange in London for small to mid-cap companies. The fair value is based on a quoted price (Level 1 in the fair value hierarchy under IFRS 7). Please refer to note 14 for further information regarding the fair value hierarchy.

The statements for the group and the parent company are identical.

12. INVENTORIES

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Raw materials and spare parts	—	34,593	—	—
Total	**—**	**34,593**	**—**	**—**

As a result of the planned disposal of the manufacturing facility, raw materials and spare parts have been written down to net realizable value. The total impairment amounted to DKK 38 million and is included in the results of the discontinued operation.

13. RECEIVABLES

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Receivables related to development agreements	76,914	95,907	76,914	95,907
Interest receivables	13,072	35,075	12,632	34,420
Other receivables	26,836	30,479	13,699	15,255
Transferred to assets classified as held for sale	(5,155)	—	—	—
Total	**111,667**	**161,461**	**103,245**	**145,582**

Receivables (designated as loans and receivables) comprise mainly receivables which are due less than one year from the balance sheet date. The carrying amount of the receivables corresponds essentially to fair value.

Included in other receivables are current and non-current deposits for operational leases. The non-current part of deposits amounts to DKK 8 million, of which DKK 4 million are included in the balance of other receivables of the parent company. The comparative figures for 2008 showed non-current deposits of DKK 13 million for the group, of which DKK 4 million are included in the balance of other receivables of the parent company.

In 2009 and 2008, losses related to receivables were insignificant. The credit risk on receivables is considered to be limited.

14. MARKETABLE SECURITIES

All marketable securities are classified as "financial assets at fair value through profit or loss" and are reported at fair value, determined as the year end listed price.

For financial instruments that are measured in the balance sheet at fair value, IFRS 7 for financial instruments requires disclosure of fair value measurements by level of the following fair value measurement hierarchy for:

-quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)

-inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)

-the inputs for the asset or liability that are not based on observable market date (that is, unobservable inputs) (Level 3)

All fair market values are determined by reference to external sources using unadjusted quoted prices in established markets for our marketable securities (Level 1).

The statements for the group and the parent company are identical. Please refer to note 15 for additional details on our marketable securities.

	2009	2008
	DKK'000	DKK'000
Cost per January 1	1,915,108	3,646,172
Additions for the year	482,764	1,775,029
Disposals for the year	(1,550,146)	(3,506,093)
Cost per December 31	**847,726**	**1,915,108**
Fair value adjustment per January 1	(223,109)	(84,482)
Fair value adjustment for the year	192,293	(138,627)
Fair value adjustment per December 31	**(30,816)**	**(223,109)**
Net book value per December 31	**816,910**	**1,691,999**
Net book value in percentage of cost	**96%**	**88%**

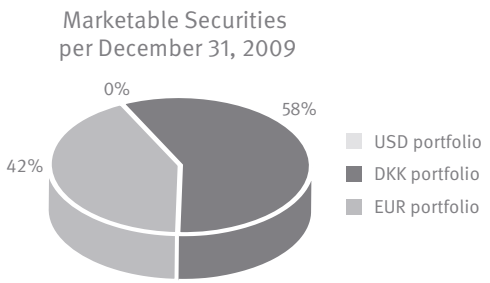
14. MARKETABLE SECURITIES (continued)

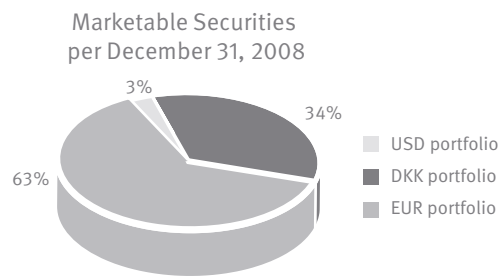
As of December 31, 2009, the unrealized losses amounted to DKK 31 million which reflected 4% of the total cost of the marketable securities compared to 12% as of December 31, 2008. The decrease is driven by the continuing improved fair market valuation of the marketable securities during 2009 and the disposal of EUR-denominated securities in 2009.

The majority of the unrealized loss relates to a write-down of DKK 33 million related to an investment held in Lehman Brothers, which substantially was recognized in 2008. Excluding the write-down of Lehman Brothers from the unrealized losses, the market value of the portfolio would be slightly above the cost as of December 31, 2009.

Specification of the portfolio per December 31, 2009:

	Market value 2009	Average ratings Moody	Average effective duration	Share %	Market value 2008	Average ratings Moody	Average effective duration	Share %
	DKK'000				DKK'000			
Kingdom of Denmark bonds	64,804	Aaa	3.05	8%	191,986	Aaa	2.19	11%
Other Danish bonds	411,728	Aaa	1.26	50%	389,216	Aaa	1.44	23%
DKK portfolio	**476,532**	**Aaa**	**1.51**	**58%**	**581,202**	**Aaa**	**1.69**	**34%**
US government and federal agency notes	976	Aaa	0.68	0%	27,260	Aaa	1.40	2%
US corporate notes	2,505	Aa2	0.03	0%	15,236	Aaa	0.19	1%
USD portfolio	**3,481**	**Aa3**	**0.21**	**0%**	**42,496**	**Aaa**	**0.97**	**3%**
European government bonds	119,248	Aaa	3.46	15%	125,633	Aaa	4.30	7%
European corporate bonds	217,649	Aa1	1.37	27%	942,668	Aa3	1.32	56%
EUR portfolio	**336,897**	**Aa3**	**2.11**	**42%**	**1,068,301**	**Aa3**	**1.67**	**63%**
Marketable securities	**816,910**	**Aa1**	**1.75**	**100%**	**1,691,999**	**Aa1**	**1.66**	**100%**





15. FINANCIAL RISK

The financial risks of the Genmab group are managed centrally from the parent company. The overall risk management guidelines have been approved by the board of directors and include the group's foreign exchange and investment policy related to our marketable securities. The group's risk management guidelines are established to identify and analyze the risks faced by the Genmab group, to set the appropriate risk limits and controls, and to monitor the risks and adherence to limits. The primary objective of Genmab's investment activities is to preserve capital and ensure liquidity while at the same time maximizing the income derived from security investments without significantly increasing risk. Our marketable securities are administrated by four external investment managers.

15. FINANCIAL RISK (continued)

The guidelines and investment managers are reviewed regularly to reflect changes in market conditions, the group's activities and financial position.

The Audit Committee reviews how management monitors compliance with the group's risk management guidelines and the adequacy of the risk management guidelines to the risks and exposures faced by the Genmab group.

Group finance, which functionally reports to the CFO, is responsible for and establishes the accounting policies and procedures governing the valuation of the marketable securities, and is responsible for ensuring that these comply with all relevant accounting standards.

The group has identified the following key financial risk areas, which are mainly related to our marketable securities portfolio:

-credit risk;
-currency exposure;
-interest rate risk; and
-capital management

During 2009, Genmab updated the existing investment policy to strengthen the existing policy and to take into account the changing market conditions. The updated policy includes among other items, revised guidelines and ranges for which investments (all of which are shorter-term in nature) are considered to be eligible investments for Genmab and which investment parameters are to be applied, including maturity limitations and credit ratings. In addition, the updated investment policy now outlines specific diversification criteria and investment limits to minimize the future risk of loss resulting from over concentration of assets in a specific class, issuer, currency, country, or economic sector.

During 2009, management continued to work with the external investment managers to mitigate the impact of the negative market conditions on our investment portfolio, and in 2009, we sold a significant portion of our EUR-denominated portfolio to further reduce its overall risk profile.

To the extent that we are able to hold our marketable securities to maturity and there are no defaults, they will mature at par, which will reverse any unrealized losses. If the uncertainties in the credit and capital markets continue or the ratings on our securities are downgraded, we may incur further unrealized losses or conclude that the decline in value is other than temporary and incur realized losses.

All our marketable securities are traded in established markets. Even though our liquidity risk increased during the financial credit crisis for a period of time in 2009, we now consider the liquidity risk to be at an acceptable and low level.

Credit Risk

Due to the international financial credit crisis, the credit risk on our marketable securities increased. To reduce our credit risk, Genmab sold a significant portion of our EUR-denominated portfolio during 2009. All proceeds from the sale of our EUR-denominated investments were transferred to our Danish investment managers. The cash position is split between cash and cash equivalent and marketable securities as follows:

MDKK	2009	%	2008	%
Marketable securities	817	64%	1,692	96%
Cash and cash equivalents	464	36%	70	4%
	1,281	**100%**	**1,762**	**100%**

The credit risk on bank deposits is considered to be limited as the major part of Genmab's bank deposits are located in Danish banks in which all deposits are guaranteed by the Danish Government until September 30, 2010. Only a minimal cash balance is maintained at subsidiary locations and foreign investment managers.

15. FINANCIAL RISK (continued)

To further manage and reduce credit risks on our securities, only securities from investment grade issuers are selectable for our portfolios. No issuer of marketable securities can be accepted if it is not assumed that the credit quality of the issuer would be at least equal to the rating shown below:

Category	S&P	Moody's	Fitch
Short-term	A-1	P-1	F-1
Long-term	A-	A3	A-

Our marketable securities are spread over a number of different industries and business sectors. A major part of our EUR-denominated portfolio is currently invested in corporate bonds in the European financial sector. However, as mentioned above, we have sold a significant portion of our EUR-denominated portfolio to reduce the risk on our marketable securities. As of December 31, 2009, the total market value of our corporate bonds in the financial sector included in the EUR-denominated portfolio totaled DKK 178 million, as compared to DKK 894 million at December 31, 2008.

As of December 31, 2009, our marketable securities are mainly invested in Danish government and mortgage bonds with a limited credit risk.

Currency Exposure

As Genmab incurs income and expenses in a number of different currencies, the group is subject to a currency risk. Increases or decreases in the exchange rate of such foreign currencies against our functional currency, the DKK, can affect the group's results and cash position negatively or positively.

The most significant cash flows of the group are EUR, DKK, USD and GBP. Genmab maintains cash positions in all these major currencies. As of December 31, 2009, Genmab has invested its cash in deposits with major financial institutions, in mortgage bonds, corporate bonds, and notes issued by Danish, EU, or US governments. Our total marketable securities are invested in EUR (42%), DKK (58%), and USD-denominated securities (0%), compared to 63%, 34%, and 3%, respectively, as of December 31, 2008.

The following significant exchange rates have been applied during the year:

	Average rate		Closing rate	
DKK	2009	2008	2009	2008
1 EUR	7.446	7.456	7.442	7.451
1 USD	5.301	5.123	5.190	5.285
1 GBP	8.309	9.173	8.232	7.648

Based upon the amount of assets and liabilities denominated in EUR, USD, and GBP as of December 31, 2009, a 1% change in the EUR to DKK and a 10% change in both USD to DKK exchange rate and GBP to DKK exchange rate will impact our net financial items by approximately:

MDKK	2009		
	EUR	USD	GBP
Net exposure	**286**	**241**	**(32)**
Percentage change in exchange rate	1%	10%	10%
Net impact of change in exchange rate	2.9	24.1	3.2

	2008		
	EUR	USD	GBP
Net exposure	**1,035**	**132**	**(64)**
Percentage change in exchange rate	1%	10%	10%
Impact of change in exchange rate	10.3	13.2	6.4
Fair value hedge	—	—	(7.6)
Net impact of change in exchange rate	10.3	13.2	(1.2)

15. FINANCIAL RISK (continued)

Accordingly, significant changes in exchange rates could cause our operating loss and net financial items to fluctuate significantly. The EUR currency exposure decreased during 2009, as we sold a significant portion of our EUR-denominated portfolio.

The above analysis assumes that all other variables, in particular interest rates, remain constant.

As of December 31, 2009, no financial instruments, such as options or futures contracts, have been entered into to reduce the exposure to short-term changes in exchange rates. During 2009, however, we entered into a currency future contract (fair value hedge) to hedge changes in the exchange rate between GBP and DKK. Changes in the fair value of financial instruments used as fair value hedges are recognized in the income statement. The contract was settled during 2009.

The Genmab group holds a number of investments in foreign subsidiaries, where the translation of equity to DKK is exposed to foreign exchange risks. In addition, Genmab has granted one loan to a subsidiary which is classified as an addition to the net investment. Foreign exchange adjustments of this loan are recognized directly in other comprehensive income. The equity, including loan, classified as an addition to net investment, is distributed as follows: USD 97% (2008: 99%) and other currencies 3% (2008: 1%). The foreign subsidiaries are not significantly affected by currency risks as both income and expenses primarily are settled in the foreign subsidiaries' functional currencies.

Interest Rate Risk

Genmab's exposure to interest rate risk is primarily ascribable to the positions of cash, cash equivalents, and marketable securities, as we currently do not have significant interest bearing debts.

Currently, a portfolio of cash, cash equivalents, and marketable securities is maintained by investing in EUR, DKK, and USD-denominated government, mortgage and corporate bonds.

The securities which the group has invested in bear interest rate risk, as a change in market derived interest rates may cause fluctuations in the fair value of the investments. In accordance with the objective of the investment activities, the portfolio of securities is monitored on a total return basis.

To control and minimize the interest rate risk, the group maintains an investment portfolio in a variety of securities with a relatively short effective duration.

As of December 31, 2009, the portfolio has an average effective duration of less than two years and no securities have more than 5 years (2008: 6 years), which means that a change in the interest rates of one percentage point will cause the fair value of the securities to change by less than 2% (2008: 2%). Due to the short-term nature of the current investments and to the extent that we are able to hold the investments to maturity, we consider our current exposure to changes in fair value due to interest rate changes to be insignificant compared to the fair value of the portfolio.

The portfolio has generated the following yields for 2009 and 2008:

Portfolio	2009	2008
DKK	5.8%	3.7%
USD	3.2%	3.7%
EUR	21.9%	(10.6%)

In 2008, the EUR portfolio was negatively impacted by lower valuation of corporate bonds in the European financial sector. The increase in market value during 2009 has resulted in positive yield for all our portfolios.

Capital Management

The board of directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, and a continuous advancement of Genmab's product pipeline and business in general.

15. FINANCIAL RISK (continued)

Genmab is primarily financed through equity and partnership collaboration income and had as of December 31, 2009, cash, cash equivalents, and marketable securities of DKK 1,281 million compared to DKK 1,762 million as of December 31, 2008. The cash position supports the advancement of our overall mission and strategy to maximize our chances for success.

To the extent possible, Genmab shall attempt to match the maturity and income from its investments in marketable securities with anticipated cash flow requirements.

The adequacy of our available funds will depend on many factors, including scientific progress in our research and development programs, the magnitude of those programs, our commitments to existing and new clinical collaborators, our ability to establish commercial and licensing arrangements, our capital expenditures, market developments, and any future acquisitions. Accordingly, we may require additional funds and may attempt to raise additional funds through equity or debt financings, collaborative agreements with partners or from other sources.

The board of directors continuously assesses the share and capital structure to ensure that Genmab's capital resources support the strategic goals. There was no change in the group's approach to capital management procedures in 2009.

Neither Genmab A/S nor any of its subsidiaries are subject to externally imposed capital requirements.

16. PROVISIONS

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Provisions per January 1	4,707	—	4,707	—
Additions during the year	12,989	4,667	5,425	4,667
Used during the year	(734)	—	(600)	—
Discounting	164	40	164	40
Transferred to liabilities classified as held for sale	(5,060)	—	—	—
Total	**12,066**	**4,707**	**9,696**	**4,707**

Provisions include mainly contractual and restoration obligations related to our lease of offices.

The non-current part of the provisions amounts to DKK 5 million both in the group and the parent company. The amounts are at the same level as in 2008.

17. DEFERRED INCOME

Deferred income reflects mainly upfront payments received from our collaboration agreement with GSK which will be recognized as revenues over the future financial years.

The deferred income is expected to be recognized in the income statement as outlined below. The statements for the group and the parent company are identical.

	2009	2008
	DKK'000	DKK'000
To be recognized in the income statement:		
2009	—	217,064
2010	222,307	217,064
2011	217,064	217,064
Total	**439,371**	**651,192**

18. OTHER LIABILITIES

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Liabilities related to development agreements	236,745	151,935	236,745	151,935
Staff costs liabilities	87,069	58,086	51,965	35,382
Other liabilities	70,469	98,723	17,323	18,634
Transferred to liabilities held for sale	(50,038)	—	—	—
Total	**344,245**	**308,744**	**306,033**	**205,951**

Other liabilities are measured at amortized cost, except changes in the fair value of financial instruments used as fair value hedge, and comprise mainly liabilities which are due less than one year from the balance sheet date. The carrying amount of the liabilities corresponds essentially to fair value.

The non-current part of other liabilities amounts to DKK 3 million (2008: DKK 12 million), of which DKK 2 million (2008: DKK 8 million) are included in the balance of other liabilities of the parent company.

19. WARRANTS

Warrant Scheme

Genmab A/S has established warrant schemes (equity-settled share-based payment transactions) as an incentive for all the group's employees, including those in our subsidiaries, members of the board of directors and members of the executive management.

The group accounts for share-based compensation by recognizing compensation expenses related to warrants granted to employees and board members in the income statement. Such compensation expenses represent calculated values of warrants granted and do not represent actual cash expenditures.

Warrants are granted by our board of directors in accordance with authorizations given to it by Genmab's shareholders. Warrant grants are based on the merits of the individual grantee and no employee is automatically entitled to receive warrants simply by virtue of being employed at Genmab. Warrant grants to our board of directors and management are subject to guidelines adopted by the general meeting. The most recent warrant scheme was adopted by the board of directors in August 2004.

Under the terms of the recent warrant schemes, warrants are granted at an exercise price equal to the share price on the grant date. According to Genmab's articles of association, the exercise price cannot be fixed at a lower price than the market price at the grant date.

The warrant schemes contain anti-dilution provisions if changes occur in Genmab's share capital prior to the warrants being exercised.

Warrants Granted from August 2004

Under the most recent warrant scheme, effective from August 2004, warrants can be exercised from one year after the grant date. The warrant holder may, as a general rule, only exercise 25% of the warrants granted per full year of employment or affiliation with Genmab after the grant date. However, the warrant holder will be entitled to exercise all warrants in instances where the employment is terminated by Genmab without the warrant holder providing a good reason to do so. All warrants lapse at the tenth anniversary of the grant date.

In case of a change of control event as defined in appendix C to our articles of association, the warrant holder will immediately be granted the right to exercise all of his/her warrants regardless of the fact that such warrants would otherwise only become fully vested at a later point in time. Warrant holders who are no longer employed by or affiliated with us will, however, only be entitled to exercise such percentages as would otherwise have vested under the terms of the warrant program.

19. WARRANTS (continued)

Warrants Granted Prior to August 2004

The remaining outstanding warrants under the preceding warrant program were exercised during the first quarter of 2009.

Assumptions

The fair value of each warrant granted during the year is calculated using the Black-Scholes pricing model with the following assumptions:

Weighted average	2009	2008
Fair value per warrant	78	119
Share price (DKK)	165	258
Exercise price (DKK)	165	258
Expected dividend yield	0%	0%
Expected stock price volatility	50%	46%
Risk-free interest rate	3%	4%
Expected life of warrants—preceding warrant scheme	N/A	4 years
Expected life of warrants—current warrant scheme	6 years	6 years

The expected stock price volatility is based upon the historical volatility of Genmab's stock price.

The risk-free interest rate is determined as the interest rate on Danish government bonds (bullet issues) with a maturity of five years.

Warrant Activity

As of December 31, 2009, the board of directors has been authorized to grant a total of 12,221,263 (2008: 12,221,263) warrants since Genmab's inception.

In 2009, Genmab granted warrants 4 times (2008: 4). The total number of granted warrants amounts to 620,700 in 2009 (2008: 1,491,850).

The statements for the group and the parent company are identical.

	Number of warrants held by employees	Number of warrants held by the executive management	Number of warrants held by the board of directors	Total outstanding warrants	Weighted average exercise price
					DKK
Outstanding at December 31, 2007	**2,048,841**	**1,042,500**	**1,182,500**	**4,273,841**	**210.73**
Granted	1,017,850	230,000	244,000	1,491,850	258.35
Exercised	(324,502)	—	(44,500)	(369,002)	92.53
Expired	(22,438)	—	—	(22,438)	55.15
Cancelled	(397,276)	—	—	(397,276)	188.01
Transfers	652,500	(652,500)	—	—	—
Outstanding at December 31, 2008	**2,974,975**	**620,000**	**1,382,000**	**4,976,975**	**236.28**
Granted	295,700	145,000	180,000	620,700	164.55
Exercised	(18,313)	—	—	(18,313)	89.96
Expired incl. adjustment previous years	23,351	—	—	23,351	54.44
Cancelled	(165,830)	—	—	(165,830)	253.48
Transfers	65,000	—	(65,000)	—	—
Outstanding at December 31, 2009	**3,174,883**	**765,000**	**1,497,000**	**5,436,883**	**227.05**

19. WARRANTS (continued)

The number of warrants held by employees includes both current and former employees in Genmab. Please see note 22 for further information about the number of warrants held by the executive management and the board of directors.

As of December 31, 2009, the 5,436,883 outstanding warrants amounted to 12% of the share capital (2008: 11%). For exercised warrants, the weighted average share price at the exercise date amounted to DKK 224 (2008: DKK 301).

Weighted Average Exercise Price

The following table summarizes the weighted average exercise price of outstanding warrants which was DKK 227.05 as of December 31, 2009 (2008: DKK 236.28).

For warrants exercisable at year end, the weighted average exercise price is DKK 203.13 (2008: DKK 173.67). The table also shows the calculated Black-Scholes option valuation model value of outstanding warrants at year end.

Weighted average exercise of outstanding warrants at December 31, 2009

Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Value of outstanding warrants at year end	Number of warrants exercisable
DKK				DKK	
	Current Warrant Scheme				
77.00	December 9, 2010	12,500	9.94	56.50	—
86.00	August 3, 2005	486,412	4.59	41.03	486,412
89.50	September 22, 2005	12,650	4.73	41.57	12,650
97.00	December 1, 2005	27,125	4.92	42.30	27,125
101.00	August 10, 2006	186,266	5.61	44.83	186,266
114.00	June 7, 2006	390,050	5.43	44.21	390,050
115.00	September 21, 2006	1,975	5.72	45.23	1,975
116.00	April 20, 2006	22,314	5.30	43.74	22,314
129.75	October 8, 2010	199,750	9.77	56.14	—
130.00	December 1, 2006	14,813	5.92	45.87	14,813
173.00	June 21, 2007	573,970	6.47	47.65	431,410
174.00	June 17, 2010	335,000	9.46	55.47	—
184.00	March 2, 2007	119,820	6.16	46.69	89,886
210.50	April 25, 2007	34,300	6.31	47.16	24,054
224.00	September 19, 2007	119,487	6.72	48.41	90,669
234.00	April 15, 2010	69,450	9.29	55.09	—
234.75	December 17, 2009	36,250	8.96	54.34	9,625
246.00	June 4, 2009	197,500	8.50	53.24	51,625
254.00	April 24, 2009	654,250	8.34	52.85	167,900
272.00	October 8, 2009	497,500	8.77	53.89	126,067
326.50	October 4, 2008	162,400	7.76	51.36	84,075
329.00	December 13, 2008	97,755	7.95	51.86	52,990
330.00	December 13, 2007	61,500	6.95	49.10	47,003
352.50	June 27, 2008	790,258	7.49	50.62	402,336
364.00	April 19, 2008	333,588	7.30	50.10	174,577
227.05		**5,436,883**	**7.32**	**49.78**	**2,893,822**

19. WARRANTS (continued)

Weighted average exercise of outstanding warrants at December 31, 2008

Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Value of outstanding warrants at year end	Number of warrants exercisable
DKK				DKK	
	Preceding Warrant Scheme				
86.00	April 1, 2005	9,175	0.25	117.75	9,175
86.00		**9,175**	**0.25**	**117.75**	**9,175**
	Current Warrant Scheme				
86.00	August 3, 2005	491,987	5.59	152.64	491,987
89.50	September 22, 2005	12,650	5.73	151.89	12,650
97.00	December 1, 2005	27,125	5.92	149.97	27,125
101.00	August 10, 2006	188,729	6.61	152.07	120,292
114.00	June 7, 2006	390,050	6.43	146.93	279,113
115.00	September 21, 2006	2,825	6.72	148.19	1,700
116.00	April 20, 2006	22,314	6.30	145.56	12,627
130.00	December 1, 2006	15,063	6.92	144.89	9,250
173.00	June 21, 2007	577,157	7.47	137.76	287,157
184.00	March 2, 2007	121,788	7.16	133.43	57,976
210.50	April 25, 2007	34,300	7.31	129.18	13,800
224.00	September 19, 2007	124,112	7.72	129.61	59,963
234.75	December 17, 2009	39,500	9.96	141.97	—
246.00	June 4, 2009	219,500	9.50	137.76	—
254.00	April 24, 2009	673,600	9.34	135.70	—
272.00	October 8, 2009	505,250	9.77	135.99	—
326.50	October 4, 2008	173,600	8.76	122.65	43,400
329.00	December 13, 2008	122,430	8.95	123.76	30,608
330.00	December 13, 2007	64,500	7.95	115.98	32,500
352.50	June 27, 2008	810,295	8.49	117.63	202,574
364.00	April 19, 2008	351,025	8.30	114.86	89,725
236.56		**4,967,800**	**8.06**	**133.81**	**1,772,447**
236.28		**4,976,975**	**8.04**	**133.78**	**1,781,622**

20. BUSINESS COMBINATION—ACQUISITION OF MANUFACTURING ACTIVITY FROM PDL BIOPHARMA

2009:

No acquisitions of entities have been carried out in 2009.

2008:

In the first quarter of 2008, Genmab entered into an asset purchase agreement with PDL BioPharma (PDL), now known as Facet Biotech, to acquire their manufacturing facility for DKK 1.2 billion (USD 240 million at the date of acquisition) in cash. The transaction received clearance by the US antitrust authorities under the Hart-Scott-Rodino Act on February 26 and closed on March 13, 2008 (acquisition date).

20. BUSINESS COMBINATION—ACQUISITION OF MANUFACTURING ACTIVITY FROM PDL BIOPHARMA (continued)

At the acquisition date, the net assets acquired and goodwill were specified as follows:

	DKK'000
Consideration paid in cash	1,149,024
Directly attributable acquisition cost	5,356
Total consideration paid	**1,154,380**
Fair value of net assets acquired	869,578
Goodwill as per March 13, 2008	**284,802**

The acquisition was accounted for using the purchase method. The purchase price including the associated acquisition related costs was allocated on the basis of the fair value of the assets acquired, and liabilities, and contingent liabilities assumed at the date of acquisition. The fair value was based on an appraisal from an independent international appraiser with specialist experience in production facilities in the biotechnology and pharmaceutical sector.

The facility, which came with approximately 170 employees, is located in Brooklyn Park, Minnesota, USA, and has a production capacity of 22,000 liters.

The most significant assets acquired comprise land, buildings, and manufacturing equipment. The depreciable life for these tangible assets over their expected useful lives was 30 years for buildings and 7 years for manufacturing equipment.

The difference between the consideration paid and the fair value of net assets acquired has been recognized in the balance sheet as goodwill. Goodwill is subject to a yearly impairment test. Please refer to note 8 for detailed information about the impairment test performed in 2008.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of March 13, 2008:

	Carrying amount prior to the acquisition	Fair value at the acquisition date
	DKK'000	DKK'000
Tangible assets	885,711	858,849
Inventory	9,218	9,218
Other receivables	3,188	3,188
Trade payables/other liabilities	(1,677)	(1,677)
Net assets acquired		**869,578**
Goodwill as per March 13, 2008		284,802
Total consideration paid as per March 13, 2008		**1,154,380**

The purchase price allocation (PPA) was finalized prior to December 31, 2008. No material changes have been made in the initial disclosed opening balance, except adjustments to the acquired liabilities and the directly attributable acquisition costs.

The acquisition was expected to secure Genmab's manufacturing capacity going forward and allow Genmab to produce antibodies more efficiently and cost effectively while adding key manufacturing expertise to our capabilities. Therefore, the following factors and expected synergies resulted in the recognition of goodwill: value of the workforce in place, expected significant cost reductions, potential reduction of production and development timelines, and access to in-house commercial production.

20. BUSINESS COMBINATION—ACQUISITION OF MANUFACTURING ACTIVITY FROM PDL BIOPHARMA (continued)

On a stand-alone basis, the operating loss of the manufacturing activities from the period March 13 through December 31 of DKK 74 million was included in Genmab's consolidated accounts. Had the manufacturing activities been consolidated from the beginning of 2008, the operating loss would have been approximately DKK 81 million. The operating loss is not indicative of the results of the manufacturing activities for future periods as 2008 has been a transition period for the facility.

21. DISCONTINUED OPERATION

In November 2009, we announced a reorganization plan to build a sustainable business with the objective of matching resources to workload now and in the future. As part of this strategy, Genmab intends to sell its manufacturing facility located in Brooklyn Park, Minnesota, USA. Genmab plans to meet its future manufacturing requirements through contract manufacturing vendors. The manufacturing environment has changed as contract manufacturing resources in the industry have become more available. This comes at a time when Genmab is anticipating limited short-term internal demand. The Brooklyn Park facility, which is ready for sale, is being kept in a validated state and will operate in a maintenance-only mode with a significantly reduced number of staff until a sale is agreed.

We have launched an active sales process and further details of the facility can be viewed at www.genmab-facility.com.

	2009	2008
	DKK'000	DKK'000
Result of discontinued operation		
Revenues	42,164	52,815
Expenses	(286,316)	(200,783)
	(244,152)	**(147,968)**
Impairments to fair value less cost to sell	(418,910)	—
Loss from operating activities	**(663,062)**	**(147,968)**
Financial income, net	228	327
Net loss before tax	**(662,834)**	**(147,641)**
Corporate tax	(28)	—
Total loss for the period	**(662,862)**	**(147,641)**
Basic and diluted net loss per share discontinued operation	(14.76)	(3.31)
Cash flows from (used in) discontinued operation		
Net cash used in operating activities	(146,767)	(62,187)
Net cash used in investing activities	(7,039)	(1,168,998)
Net cash used in discontinued operation	**(153,806)**	**(1,231,185)**
Assets and liabilities classified as held for sale		
Tangible assets	746,514	—
Receivables and prepayments	6,952	—
Cash and cash equivalents	3,708	—
Assets	**757,174**	—
Provisions	(5,060)	—
Trade payables/other liabilities	(53,850)	—
Liabilities	**(58,910)**	—
Net assets in discontinued operation	**698,264**	—

21. DISCONTINUED OPERATIONS (continued)

Revenues include income related to external production of clinical material or similar services. Expenses include production costs for clinical material and research and development costs such as salary expenses and depreciation.

As a result of the planned disposal, the facility's assets are measured at the lower of the carrying amount and fair value less cost to sell. We have estimated the fair value of the facility to be approximately USD 150 million less sales related costs of approximately USD 5 million, resulting in a fair value less cost to sell of approximately USD 145 million, which resulted in a non-cash impairment charge of approximately DKK 419 million. The impairment is included in the result of the discontinued operation.

Please refer to note 10 for information regarding the impairment related to the financial statements of the parent company.

22. RELATED PARTY DISCLOSURES

Genmab's related parties are:

-parent company's subsidiaries;

-companies in which members of the parent company's board of directors, executive management, and close members of the family of these persons exercise significant influence; and

-the parent company's board of directors, executive management, and close members of the family of these persons

The Parent Company's Transactions with Subsidiaries

Genmab B.V., Genmab MN, Inc., Genmab, Inc., and Genmab Ltd. are 100% owned subsidiaries of Genmab A/S and are included in the consolidated financial statements. They primarily perform research and development and manufacturing activities on behalf of the parent company. All intercompany transactions have been eliminated in the consolidated financial statements of the Genmab group.

	Parent Company	
	2009	2008
	DKK'000	DKK'000
Transactions with subsidiaries:		
Service fee costs	(286,853)	(338,230)
Costs related to the antibody clinical material	(134,249)	(57,557)
Warrant compensation expenses—invoiced to subsidiaries	65,320	49,937
Financial income	74,837	68,979
Financial expenses	(143)	—
Impairment of Genmab MN, Inc., cf. note 10	752,201	—
Balances with subsidiaries:		
Leasing receivables	24,942	14,699
Non-current receivables	477,728	819,160
Current receivables	220,477	125,848
Payables	(37,250)	(37,261)

The Parent Company's Transactions with the Board of Directors and Executive Management

Genmab has not granted any loans, guarantees, or other commitments to or on behalf of any of the members in the board of directors and executive management.

In addition to remuneration to the board of directors and executive management described in note 4, the transactions below took place during 2008 and 2009. No other significant transactions have taken place with the board of directors or the executive management.

22. RELATED PARTY DISCLOSURES (continued)

	Dec. 31, 2007	Acquired	Sold	Transfers	Dec. 31, 2008	Acquired	Sold	Transfers	Dec. 31, 2009
Number of ordinary shares owned									
Board of Directors									
Lisa N. Drakeman	361,040	—	—	—	361,040	—	—	—	361,040
Ernst Schweizer	120,000	44,500	(54,500)	—	110,000	—	—	(110,000)	—
Michael Widmer	—	—	—	—	—	—	—	—	—
Karsten Havkrog Pedersen	—	—	—	—	—	—	—	—	—
Anders Gersel Pedersen	—	—	—	—	—	—	—	—	—
Burton G. Malkiel	—	—	—	—	—	—	—	—	—
Hans Henrik Munch-Jensen	300	—	—	—	300	—	—	—	300
	481,340	**44,500**	**(54,500)**	**—**	**471,340**	**—**	**—**	**(110,000)**	**361,340**
Executive Management									
Lisa N. Drakeman, see above	—	—	—	—	—	—	—	—	—
Jan van de Winkel	120,000	—	—	—	120,000	—	—	—	120,000
David A. Eatwell	—	—	—	—	—	—	—	—	—
Claus Juan Møller-San Pedro	211,635	—	—	(211,635)	—	—	—	—	—
Bo Kruse	6,900	—	—	(6,900)	—	—	—	—	—
	338,535	**—**	**—**	**(218,535)**	**120,000**	**—**	**—**	**—**	**120,000**
Total	**819,875**	**44,500**	**(54,500)**	**(218,535)**	**591,340**	**—**	**—**	**(110,000)**	**481,340**

	Dec. 31, 2007	Granted	Exercised	Transfers	Dec. 31, 2008	Granted	Exercised	Transfers	Dec. 31, 2009
Number of warrants held									
Board of Directors									
Lisa N. Drakeman	805,000	160,000	—	—	965,000	120,000	—	—	1,085,000
Ernst Schweizer	97,500	12,000	(44,500)	—	65,000	—	—	(65,000)	—
Michael Widmer	100,000	24,000	—	—	124,000	20,000	—	—	144,000
Karsten Havkrog Pedersen	50,000	12,000	—	—	62,000	10,000	—	—	72,000
Anders Gersel Pedersen	50,000	12,000	—	—	62,000	10,000	—	—	72,000
Burton G. Malkiel	40,000	12,000	—	—	52,000	10,000	—	—	62,000
Hans Henrik Munch-Jensen	40,000	12,000	—	—	52,000	10,000	—	—	62,000
	1,182,500	**244,000**	**(44,500)**	**—**	**1,382,000**	**180,000**	**—**	**(65,000)**	**1,497,000**
Executive Management									
Lisa N. Drakeman, see above	—	—	—	—	—	—	—	—	—
Jan van de Winkel	390,000	130,000	—	—	520,000	70,000	—	—	590,000
David A. Eatwell	—	100,000	—	—	100,000	75,000	—	—	175,000
Claus Juan Møller-San Pedro	390,000	—	—	(390,000)	—	—	—	—	—
Bo Kruse	262,500	—	—	(262,500)	—	—	—	—	—
	1,042,500	**230,000**	**—**	**(652,500)**	**620,000**	**145,000**	**—**	**—**	**765,000**
Total	**2,225,000**	**474,000**	**(44,500)**	**(652,500)**	**2,002,000**	**325,000**	**—**	**(65,000)**	**2,262,000**

22. RELATED PARTY DISCLOSURES (continued)

According to our general guidelines for incentive programs, a new member of the board of directors is granted up to 50,000 warrants upon election. In addition, the members of the board of directors are usually granted up to 40,000 warrants on an annual basis dependent on the financial results of the year in question, the progress of our product pipeline, as well as specific major important events.

Members of the executive management are usually granted warrants upon engagement and in connection with promotions. In addition, the members of the executive management are granted a number of warrants on an annual basis as recognition of past contributions and accomplishments and to align their incentives with the future value of Genmab.

At Genmab's annual general meeting, held on April 15, 2009, Dr. Ernst Schweizer retired from the board of directors. In 2008, we announced that Bo Kruse had decided to seek new challenges elsewhere, and Claus Møller, M.D., Ph.D. had stepped down from his position as Executive Vice President, Chief Operating Officer of Genmab. Outstanding shares and warrants related to these persons are therefore not included in the outstanding shares and warrants in the preceding table. The reclassifications of their shares and warrants are shown in the table above in the transfer column.

23. COMMITMENTS

Guarantees and Collaterals

The group has through a bank deposit established a bank guarantee of DKK 4 million (2008: DKK 4 million) towards a lessor of an office building. In the separate financial statements of the parent company, no such guarantees have been established.

In connection with a payment of proceeds from a sale of a tangible asset, the group may under certain circumstances be obligated to repay a part of the sales proceeds until June 30, 2011. The amount to be repaid will be reduced during the period and amounts to DKK 2 million as of December 31, 2009 (2008: DKK 4 million).

The management does not expect to repay the amount. In the separate financial statements of the parent company, no such contingent liability exists.

Operating Leases

The group has entered into operating lease agreements with respect to office space, cars, and office equipment.

The leases are non-cancelable for various periods up to 2014.

Future minimum payments under our operating leases as of December 31, 2009, are as follows:

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
Payment due				
Within one year	26,299	33,755	8,997	14,264
From one to five years	65,338	60,816	21,364	32,715
After five years	9,398	482	—	482
Total	**101,035**	**95,053**	**30,361**	**47,461**
Expenses recognized in the income statement	40,023	32,175	20,841	14,751

The parent company and the group have entered into finance lease contracts, primarily with respect to laboratory equipment. All finance lease contracts in the Dutch subsidiary (lessee) have been entered into by Genmab A/S (lessor). Therefore, the statements for the group and the parent company are identical.

23. COMMITMENTS (continued)

This arrangement is neutral to the parent company, as all terms and conditions of the lease agreement are passed on to the subsidiary on the same terms as from the external lessor. As a result, Genmab A/S has lease receivables from the subsidiary totaling DKK 25 million (2008: DKK 15 million). All finance lease commitments recorded in the separate financial statements of the parent company are fully reflected in subleases entered into with the subsidiary Genmab B.V.

The average effective interest rate in the parent company's and the group's lease arrangements are approximately 4.5% (2008: 4.6%).

Future minimum lease payments under such finance leases and the net present value are as follows:

	2009	2008
	DKK'000	DKK'000
Minimum lease payments		
Within one year	8,987	6,310
From one to five years	18,262	9,627
	27,249	15,937
Future finance charges	(2,307)	(1,238)
Total	**24,942**	**14,699**
Net present value of future payments		
Within one year	7,004	5,735
From one to five years	17,938	8,964
Total	**24,942**	**14,699**
Fair value	**25,054**	**14,772**

Other Purchase Obligations

The parent company and the group have entered into a number of agreements primarily related to research and development activities carried out by Genmab. Under the current development plans, the contractual obligations amounted to DKK 189 million (2008: DKK 201 million). In the parent company, the contractual obligations amounted to DKK 189 million (2008: DKK 199 million).

24. CONTINGENT ASSETS, CONTINGENT LIABILITIES AND SUBSEQUENT EVENTS

Contingent Assets and Contingent Liabilities

We are entitled to potential milestone payments and royalties on successful commercialization of products developed under license and collaboration agreements with our partners. Since the size and timing of such payments are uncertain until the milestones are reached, the agreements may qualify as contingent assets. However, it is impossible to measure the value of such contingent assets, and, accordingly, no such assets have been recognized.

As part of the license and collaboration agreements that Genmab has entered into, once a product is developed and commercialized, Genmab will be required to make milestone and royalty payments. It is impossible to measure the value of such future payments, but Genmab expects to generate future income from such products which will exceed any milestone and royalty payments due.

Subsequent Events

Apart from the events disclosed elsewhere in the annual report, no events have occurred after the balance sheet date, which require recognition in our 2009 financial statements or disclosure in the annual report.

25. FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

	Genmab Group		Parent Company	
	2009	2008	2009	2008
	DKK'000	DKK'000	DKK'000	DKK'000
PricewaterhouseCoopers				
Audit services	1,482	1,489	815	790
Audit-related services	724	483	702	413
Tax services	988	1,077	71	425
Other services	33	101	33	101
Total fees	**3,227**	**3,150**	**1,621**	**1,729**

26. ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB), and with the International Financial Reporting Standards as endorsed by the EU and additional Danish disclosure requirements for annual reports of listed companies.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

Non-current assets classified as held for sale are measured at the lower of the carrying amount before the changed classification and fair value less cost to sell.

Fair values have been determined for measurement and/or disclosure purposes. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Functional and Presentation Currency

The financial statements have been prepared in Danish Kroner (DKK), which is the functional and presentation currency of the parent company. All financial information presented in DKK has been rounded to the nearest thousand.

New Accounting Policies and Disclosures

The International Accounting Standards Board (IASB) has issued and updated, and the EU has endorsed, a number of new and existing standards. Effective from January 1, 2009, Genmab has applied the following standards and interpretations with relevance for Genmab:

- IFRS 8, "*Operating Segments*"
- IAS 1, "*Presentation of Financial Statements*" (amendment)
- IFRS 2, "*Share-based payment*" (amendment)
- IFRS 7, "*Financial Instruments: Disclosures*" (amendment)
- IASB's annual improvement project (May 2008)
- IFRIC 16, "*Hedges of a net investment in a foreign operation*"

Besides the implementation of IAS 1, IFRS 7 and IFRS 8, the standards and interpretations have not changed the recognition, measurement, presentation, and disclosures in the financial statements.

26. ACCOUNTING POLICIES (continued)

IAS 1, *"Presentation of Financial Statements"*, (as amended and effective from January 1, 2009) separates owner and non-owner changes in equity. Therefore, the statement of changes in equity only includes details of transactions with owners with all non-owner changes in equity presented as a single line. In addition, the amended standard introduces a statement of comprehensive income: presenting all items of income and expenses recognized in the income statement, together with all other items of recognized income and expense, either in one single statement or in two linked statements. Genmab has chosen to disclose the statement of comprehensive income in two linked statements. The comparative figures have been re-presented to conform to the current year's presentation.

The amendments to IFRS 7, *"Financial Instruments: Disclosures"*, (effective from January 1, 2009) introduced a three-level hierarchy for fair value measurement disclosures and require entities to provide additional disclosures about the relative reliability of fair value measurements. In addition, the amendments clarify and enhance the existing requirements for the disclosure of liquidity risk. The new disclosures are included in the notes to the financial statements. The liquidity risk disclosures are not significantly impacted by the amendments.

IFRS 8, *"Operating Segments"*, (effective from January 1, 2009) requires an entity to adopt the "management approach" to reporting on the financial performance of its operating segments. The implementation of IFRS 8 has not changed the group's segment reporting. Even though that Genmab only has one single reportable segment, IFRS 8 still requires entity-wide disclosures about products/services, geographical areas, and major customers.

Consolidated Financial Statements

The consolidated financial statements include Genmab A/S (the parent company) and subsidiaries in which the parent company directly or indirectly exercises a controlling interest through shareholding or otherwise. Accordingly, the consolidated financial statements include Genmab A/S, Genmab MN, Inc., Genmab B.V., Genmab, Inc., and Genmab Ltd. (collectively referred to as the Genmab group or group).

The group's consolidated financial statements have been prepared on the basis of the financial statements of the parent company and subsidiaries—prepared under the group's accounting policies—by combining similar accounting items on a line-by-line basis. On consolidation, intercompany income and expenses, intercompany receivables and payables, and unrealized gains and losses on transactions between the consolidated companies are eliminated.

There was no change in the scope of consolidation during 2009.

The recorded value of the equity interests in the consolidated subsidiaries is eliminated with the proportionate share of the subsidiaries' equity. Subsidiaries are consolidated from the date when control is transferred to the group.

The income statements for subsidiaries with a different functional currency than the group presentation currency are translated into the group's presentation currency at the year's weighted average exchange rate, and the balance sheets are translated at the exchange rate in effect at the balance sheet date. Exchange rate differences arising from the translation of foreign subsidiaries shareholders' equity at the beginning of the year and exchange rate differences arising as a result of foreign subsidiaries' income statements being translated at average exchange rates are recorded in translation reserves in shareholders' equity.

Business Combinations

Entities acquired or formed during the year are recognized in the consolidated financial statements from the date of acquisition or formation. The acquisition date is the date when Genmab obtains control of the acquired subsidiary.

The purchase method is used for acquisitions of new subsidiaries. The cost of a business combination comprises the fair value of the consideration agreed upon and costs directly attributable to the acquisition.

The acquired entities' identifiable assets, liabilities, and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognized if they are separable or arise from a contractual right and the fair value can be reliably measured. Deferred tax on revaluations is recognized.

26. ACCOUNTING POLICIES (continued)

Any excess of the cost over the fair value of the identifiable assets, liabilities, and contingent liabilities acquired is recognized as goodwill under intangible assets.

Goodwill is not amortized but is tested annually for impairment. The first impairment test is performed before the end of the acquisition year.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently forms the basis for the impairment test.

Goodwill and fair value adjustments in connection with the acquisition of a foreign subsidiary with a functional currency other than the presentation currency used in the Genmab group are treated as assets and liabilities belonging to the foreign subsidiary and translated into the foreign subsidiary's functional currency at the exchange rate at the transaction date.

If uncertainties regarding measurement of acquired identifiable assets, liabilities, and contingent liabilities exist at the acquisition date, initial recognition will take place on the basis of preliminary fair values. If identifiable assets, liabilities, and contingent liabilities are subsequently determined to have a different fair value at the acquisition date from that first assumed, goodwill is adjusted up until 12 months after the acquisition. The effect of the adjustments is recognized in the opening balance of equity, and the comparative figures are adjusted accordingly. Subsequently, goodwill is only adjusted as a result of changes in estimates of contingent purchase considerations, except in cases of material error. However, subsequent realization of the acquired subsidiary's deferred tax assets not recognized at the acquisition date will require recognition of the tax benefit in the income statement and simultaneous write-down of the carrying amount of goodwill to the amount which would have been recognized if the deferred tax asset had been recognized as an identifiable asset at the acquisition date.

Foreign Currency

Transactions in foreign currencies are translated at the exchange rates in effect at the date of the transaction.

Exchange rate gains and losses arising between the transaction date and the settlement date are recognized in the income statement as financial items.

Unsettled monetary assets and liabilities in foreign currencies are translated at the exchange rates in effect at the balance sheet date. Exchange rate gains and losses arising between the transaction date and the balance sheet date are recognized in the income statement as financial items.

Derivative Financial Instruments and Hedging Activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

The fair values of various derivative instruments used for hedging purposes are disclosed in note 15. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset (other receivables) or liability (other liabilities) when the remaining maturity of the hedged item is less than 12 months.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The group only applies fair value hedge accounting for hedging of currency risks.

Income Statement

Revenues

Revenues comprise mainly milestone and upfront payments, government grants, and other income from research and development agreements.

26. ACCOUNTING POLICIES (continued)

Revenues are recognized when it is probable that future economic benefits will flow to the group and these benefits can be measured reliably. Further, revenue recognition requires that all significant risks and rewards of ownership of the goods included in the transaction have been transferred to the buyer.

Upfront payments including any share premiums related to equity investments that are deemed attributable to subsequent research and development work are recognized as deferred income and recognized as revenue over the planned development period.

Milestone payments related to reaching particular stages in product development are recognized immediately if a separate earnings process relative to the milestone payment has been completed and achieved.

Royalty income from licenses is based on third-party sales of licensed products and is recognized in accordance with contract terms when third-party results are available and are deemed to be reliable.

Other income received from our collaborations for separate research and development services are recognized as revenues when the related services are performed.

Research and Development Costs

Research and development costs primarily include salary and related expenses, license costs, manufacturing costs, clinical costs, amortization of licenses and rights, and depreciation and impairment of intangible and tangible assets; to the extent that such costs are related to the group's research and development activities.

Both research and development costs are recognized in the income statement in the period to which they relate. Please see note 1 for a more detailed description.

General and Administrative Expenses

General and administrative expenses relate to the administration of the group, including depreciation and impairment of intangible and tangible assets; to the extent such expenses are related to the administrative functions. General and administrative expenses are recognized in the income statement in the period to which they relate.

Share-Based Compensation

The parent company has granted warrants to employees and the board of directors under various warrant programs. For warrants granted after November 7, 2002, the group applies IFRS 2, according to which the fair value of the warrants at grant date is recognized as an expense in the income statement over the vesting period. A corresponding amount is recognized in shareholders' equity as the warrant scheme is designated as an equity-settled share-based payment transaction.

Warrants granted prior to November 7, 2002, are not covered by IFRS 2.

Expenses and exercise proceeds related to employees in the subsidiaries are re-invoiced to the relevant subsidiary where the employee has entered an employment contract.

Financial Income and Expenses

Financial income and expenses include interest as well as realized and unrealized exchange rate adjustments and realized and unrealized gains and losses on marketable securities (designated as fair value through profit and loss), realized gains and losses and write-downs of other securities and equity interests (designated as available-for-sale financial assets), and realized and unrealized gains and losses on derivative financial instruments.

Interest and dividend income are shown separately from gains and losses on marketable securities and other securities and equity interests.

Exchange rate adjustments of balances with foreign subsidiaries, which are considered part of the total net investment in the subsidiary, are recognized in the income statement of the parent company.

26. ACCOUNTING POLICIES (continued)

Corporate Tax

Corporate tax expense, which consists of current tax and the adjustment of deferred taxes for the year, is recognized in the income statement to the extent that the tax is attributable to the net result for the year. Tax attributable to entries directly to shareholders' equity is recognized in other comprehensive income.

Current tax liabilities include taxes payable based on the expected taxable income for the year and any adjustments to prior years' tax expense as recorded in the income statement. Any current tax liabilities are recognized in other liabilities in the balance sheet.

Any prepaid taxes are recognized in other receivables in the balance sheet.

Balance Sheet

Non-current Assets

Goodwill

Goodwill is initially recognized in the balance sheet at cost as described under "Business Combinations". Goodwill is not amortized but tested annually for impairment and measured at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Based on management structure and internal financial control, goodwill is allocated to the group's cash-generating units that are expected to benefit from the business combination.

Licenses and Rights

Licenses and rights are initially measured at cost and include the net present value of any future payments. The net present value of any future payments is recognized as a liability.

Genmab acquires licenses and rights, primarily to get access to targets identified by third parties.

Licenses and rights are amortized using the straight-line method over the estimated useful life of five years.

Amortization, impairment losses, and gains or losses on the disposal of intangible assets are recognized in the income statement as research and development costs, general and administrative expenses or as discontinued operation, as appropriate.

Tangible Assets

Tangible assets are mainly comprised of land and buildings, manufacturing equipment and fixtures, and fittings which are measured at cost less accumulated depreciation and any impairment losses.

The cost is comprised of the acquisition price and direct costs related to the acquisition until the asset is ready for use. The present value of estimated liabilities related to restore our offices in connection with the termination of the lease is added to the cost if the liabilities are provided for. The costs incurred are capitalized until the facilities are completed. Costs include direct costs, salary related expenses, and costs to subcontractors.

Depreciation, which is stated at cost net of any residual value, is calculated on a straight-line basis over the expected useful lives of the assets, which are as follows:

Buildings	30 years
Manufacturing equipment	7 years
Equipment, furniture and fixtures	3–5 years
Computer equipment	3 years
Leasehold improvements	5 years or the lease term, if shorter

26. ACCOUNTING POLICIES (continued)

The useful lives and residual values are reviewed and adjusted if appropriate on a yearly basis. Land and assets under construction are not depreciated.

Depreciation, impairment losses, and gains or losses on the disposal of tangible assets are recognized in the income statement as research and development costs, general and administrative expenses, or as discontinued operation as appropriate.

Equity Interests in Subsidiaries

In the separate financial statements of the parent company Genmab A/S, equity interests in subsidiaries are recognized and measured at cost. Equity interests in foreign currencies are translated to the reporting currency by use of historical exchange rates prevailing at the time of investment. The cost is written down to the recoverable amount if this is lower.

Distributions from the investment are recognized as income when declared. An impairment test is performed if a distribution exceeds the current period's comprehensive income or the subsidiary exceeds the carrying amount of the net assets of the subsidiary in the consolidated financial statement.

Other Securities and Equity Interests

Other securities and equity interests include investments which have been acquired for long-term strategic holding. The financial assets have been designated as "available-for-sale" financial assets, as the group's management intends to hold these investments for an indefinite period of time. However, the assets can be sold if the group's business strategy changes. The group's management assesses the classification of financial assets at the time of acquisition.

Other securities and equity interests are measured at fair value at the balance sheet date. The fair value for listed shares is the listed price and the estimated value of unlisted securities based on observable market data and recognized valuation methods.

Realized gains and losses are recognized in the income statement as financial items, whereas unrealized gains and losses are recognized in other comprehensive income. Transactions are recognized at trade date.

Impairment losses on available-for-sale financial assets are recognized by transferring the cumulative loss that was recognized in other comprehensive income.

If, in a subsequent period, the fair value of an impaired available-for-sale financial asset recovers, the adjustment is recognized in other comprehensive income.

Impairment of Non-Current Assets

If circumstances or changes in Genmab's operations indicate that the carrying amount of goodwill together with the other non-current assets in the cash-generating unit to which goodwill is allocated may not be recoverable, management reviews the asset for impairment.

The basis for the review is the recoverable amount of the assets, determined as the greater of the fair value less cost to sell or its value in use. Value in use is calculated as the net present value of future cash inflow generated from the asset.

If the carrying amount of an asset is greater than the recoverable amount, the asset is written down to the recoverable amount. An impairment loss is recognized in the income statement when the impairment is identified.

Current Assets

Inventories

Inventories are comprised of raw materials, work in progress, and finished goods related to antibody clinical trial material (antibodies). As a result of the planned disposal of the manufacturing facility, Genmab will no longer produce antibodies internally but will instead purchase these from external contract manufacturers in the future.

26. ACCOUNTING POLICIES (continued)

Inventories are measured at the lower of cost and net realizable value.

As of December 31, 2009, no antibodies produced for third parties are capitalized (work-in-progress and finished goods).

Raw materials are capitalized until it is decided whether they are going to be released for the use in production of antibodies to our own clinical trials or for the production of antibodies to third parties.

Antibody Clinical Trial Material Produced for Third Parties
Antibody clinical trial material (antibodies) produced for third parties are measured using the FIFO method and at the lower of cost and the net realizable value.

Raw materials are measured at standard cost, comprising most recent purchase price plus delivery costs. Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries, and indirect production overheads. Indirect production overheads comprise indirect materials, wages and salaries, maintenance and depreciation of production machinery, buildings and equipment, and facility administration and management.

Antibody Clinical Trial Material Produced or Purchased for the Use in Clinical Trials
Antibody clinical trial materials (antibodies) which are either internally produced or purchased from third parties are recognized in the balance sheet at cost and expensed in the income statement when consumed if all criteria for recognition as an asset are fulfilled, in particular that sufficient certainty can be determined that future income from the use of such material will exceed the aggregate cost of the antibodies. If sufficient certainty cannot be obtained, such material is expensed in the income statement under research and development costs at the time of acquisition.

On a regular basis, the carrying value of such assets is reviewed to ensure that no impairment has occurred and that the quantities do not exceed the planned consumption in the development activities.

Receivables

Receivables are designated as loans and receivables and measured in the balance sheet at amortized cost, which generally corresponds to nominal value less provision for bad debts.

The provision for bad debts is calculated on the basis of an individual assessment of each receivable including analysis of capacity to pay, creditworthiness, and historical information on payment patterns and doubtful debts.

Prepayments

Prepayments recognized as current assets include expenditures related to a future financial year. Prepayments are measured at nominal value.

Marketable Securities

Marketable securities consist of investments in securities with a maturity greater than three months at the time of acquisition. Genmab invests its cash in deposits with major financial institutions, in mortgage bonds, corporate bonds, and notes issued by the Danish, European, or US governments. The securities can be purchased and sold using established markets.

Genmab's portfolio of investments has been designated as financial assets at fair value through profit or loss as the portfolio is managed and evaluated on a fair value basis in accordance with Genmab's investment guidelines and the information provided internally to the management.

Marketable securities are measured at fair value, which equals the listed price. Realized and unrealized gains and losses (including unrealized foreign exchange rate gains and losses) are recognized in the income statement as financial items. Transactions are recognized at trade date.

26. ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash and cash equivalents comprise cash, bank deposits, and marketable securities with a maturity of three months or less on the date of acquisition. Cash and cash equivalents are measured at fair value.

Shareholders' Equity

The share capital comprises the nominal amount of the parent company's ordinary shares, each at a nominal value of DKK 1. All shares are fully paid.

Share premium reserve comprises the amount received, attributable to shareholders' equity, in excess of the nominal amount of the shares issued at the parent company's offerings, reduced by external expenses directly attributable to the offerings.

Translation reserves in the consolidated financial statements include exchange rate adjustments of equity investments and balances considered to be a part of the total net investment in foreign subsidiaries arising from the translation of their financial statements from their functional currencies to the presentation currency of Genmab A/S (DKK). Translation reserves cannot be used for distribution.

Non-Current Liabilities

Provisions

Provisions are recognized when the group has an existing legal or constructive obligation as a result of events occurring prior to or on the balance sheet date, and it is probable that the utilization of economic resources will be required to settle the obligation. Provisions are measured at management's best estimate of the expenses required to settle the obligation.

A provision for onerous contracts is recognized when the expected benefits to be derived by the group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

When the group has a legal obligation to restore our office lease in connection with the termination, a provision is recognised corresponding to the present value of expected future costs.

Deferred Tax

Deferred tax is accounted for under the liability method which requires recognition of deferred tax on all temporary differences between the carrying amount of assets and liabilities and the tax base of such assets and liabilities. This includes the tax value of tax losses carried forward.

Deferred tax is calculated in accordance with the tax regulations and current tax rates in the individual countries. Changes in deferred tax as a result of changes in tax rates are recognized in the income statement.

Deferred tax assets resulting from temporary differences, including the tax value of losses to be carried forward, are recognized only to the extent that it is probable that future taxable profit will be available against which the differences can be utilized. Deferred tax assets which are not recognized in the balance sheet are disclosed in note 7 to the financial statements.

Current Liabilities

Leasing

Lease contracts, which in all material respects transfer the significant risks and rewards associated with the ownership of the asset to the lessee, are classified as finance leases. Assets treated as finance leases are recognized in the balance sheet at the inception of the lease term at the lower of the fair value of the asset or the net present value of the future minimum lease payments. A liability equaling the asset is recognized in the balance sheet. Each lease payment is separated between a finance charge, recorded as a financial expense, and a reduction of the outstanding liability.

26. ACCOUNTING POLICIES (continued)

Fair value is calculated based on the present value of the future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date.

Assets under finance leases are depreciated in the same manner as owned assets and are subject to regular reviews for impairment.

Lease contracts, where the lessor retains the significant risks and rewards associated with the ownership of the asset, are classified as operating leases.

Lease payments under operating leases are recognized in the income statement ratable over the lease term. The total lease commitment under operating leases is disclosed in the notes to the financial statements.

Accounts Payable

Accounts payable are measured in the balance sheet at amortized cost, which is considered to be equal to the fair value due to the short-term nature of the liabilities.

Deferred Income

Deferred income reflects the part of revenues that has not been recognized as income immediately on receipt of payment and which concerns agreements with multiple components which cannot be separated.

Deferred income is measured at the amount received.

Other Liabilities

Other liabilities are measured in the balance sheet at amortized cost, which is considered to be equal to the fair value due to the short-term nature of the liabilities.

Wages and salaries, social security contributions, paid leave and bonuses, and other employee benefits are recognized in the financial year in which the employee performs the associated work.

Termination benefits are recognized as an expense, when the Genmab group is committed demonstrably without realistic possibility of withdrawal, to a formal detailed plan to terminate employment.

The group's pension plans are classified as defined contribution plans, and, accordingly, no pension obligations are recognized in the balance sheet. Costs relating to defined contribution plans are included in the income statement in the period in which they are accrued and outstanding contributions are included in other liabilities.

Assets Held for Sale

Assets or disposal groups comprising assets and liabilities, which are expected to be recovered primarily through sale within 12 months rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets or components of a disposal group are re-measured in accordance with the group's accounting policies. Thereafter, generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less cost to sell.

Assets classified as held for sale are not amortized or depreciated.

Any impairment loss on a disposal group is initially allocated to goodwill and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, or deferred tax assets that continue to be measured in accordance with the group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognized in the income statement and are disclosed in the notes. Gains are not recognized in excess of any cumulative impairment loss.

Assets classified as held for sale and related liabilities are presented separately in the balance sheet as current assets and liabilities. Comparative figures are not re-presented.

26. ACCOUNTING POLICIES (continued)

Discontinued Operation

A discontinued operation is a component of the group's business that represents a separate major line of business that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the results of the discontinued operations are presented separately from continuing operations in the income statement. The comparative income statement information is re-classified for discontinued operations in a separate line item as if the operation had been discontinued from the start of the comparative period.

Additional information regarding discontinued operations is disclosed in the notes and includes among other items a split into revenue, expenses and pre-tax profit or loss of discontinued operations, the impairment and the gain or loss recognized on the measurement to fair value less cost to sell or on the disposal. In addition, related cash flow information is disclosed.

Cash Flow Statement

The cash flow statement is presented using the indirect method with basis in the loss before tax.

Cash flow from operating activities is stated as the net loss adjusted for net financial items, non-cash operating items such as depreciation, amortization, impairment losses, warrant compensation expenses, provisions, and for changes in working capital, interest paid and received, and corporate taxes paid. Working capital comprises current assets less current liabilities excluding the items included in cash and cash equivalents.

Cash flow from investing activities is comprised of cash flow from the purchase and sale of intangible assets, tangible assets and financial assets as well as acquisition of entities, and purchase and sale of marketable securities. The parent company's transactions with subsidiaries are included in receivables from subsidiaries.

Cash flow from financing activities is comprised of cash flow from the issuance of shares and payment of long-term loans including installments on lease liabilities.

Finance lease transactions are considered as non-cash transactions.

The cash flow statement cannot be derived solely from the financial statements.

Segment Reporting

The Genmab group is managed and operated as one business unit which is reflected in the organizational structure and internal reporting.

The entire group is managed by a management team reporting to the Chief Executive Officer. The management team discusses operating activities, financial results, forecasts, or plans for the Genmab group. Therefore, no separate lines of business or separate business entities have been identified with respect to any of the product candidates or geographical markets. No segment information is currently disclosed in the internal reporting.

Accordingly, it has been concluded that it is not relevant to include segment disclosures in the annual report as the group business activities are not organized on the basis of differences in related product and geographical areas.

Geographical information is presented for the Genmab group's revenues and non-current assets are specified. Revenues are attributed to countries on the basis of the location of operations. Non-current assets comprise intangible and tangible assets.

26. ACCOUNTING POLICIES (continued)

Definition of Financial Ratios

The group discloses a number of financial ratios in the annual report. These financial ratios are defined as:

Basic Net Loss per Share

Basic net loss per share is calculated as the net loss for the year divided by the weighted average number of outstanding ordinary shares. Weighted average number of ordinary shares outstanding during the period amounted to 44,903,736 shares in 2009 and 44,641,856 shares in 2008.

Diluted Net Loss per Share

Diluted net loss per share is calculated as the net loss for the year divided by the weighted average number of outstanding ordinary shares adjusted for the dilutive effect of share equivalents. As the income statement shows a net loss, no adjustment has been made for the dilutive effect.

Year-End Share Market Price

The year-end share market price is determined as the closing price of the parent company's shares on the NASDAQ OMX Copenhagen at the balance sheet date or the last trading day prior to the balance sheet date.

Price/Book Value

Price/book value is calculated as the parent company's year-end share market price divided by the shareholders' equity per share at the balance sheet date.

Shareholders' Equity per Share

Shareholders' equity per share is calculated as shareholders' equity at the balance sheet date divided by the number of outstanding shares at the balance sheet date.

Equity Ratio

Equity ratio is calculated as shareholders' equity at the balance sheet date divided by the total assets at the balance sheet date.

26. ACCOUNTING POLICIES (continued)

New International Financial Reporting Standards

The International Accounting Standards Board (IASB) has issued, and the EU has endorsed, a number of new standards and made updates to some of the existing standards, the majority of which are effective as of January 1, 2010, or later. The financial reporting of Genmab is expected to be affected by such new or improved standards to the extent described below. Only standards and interpretations issued before December 31, 2009, and with relevance for the Genmab group are described.

As of January 10, 2008, the IASB published a revised IFRS 3, *"Business Combinations"* and related revisions to IAS 27, *"Consolidated and Separate Financial Statements"*. The amendments are effective for annual periods beginning on or after July 1, 2009. The group will apply these standards prospectively to all business combinations from January 1, 2010.

In April 2009, the IASB issued amendments to its standards which among others include amendments of IFRS 2, 5, 8, IAS 7, 18, 36, 38 and IFRIC 16 primarily in order to remove inconsistencies and clarify wording. The group will apply these standards from January 1, 2010 in accordance with each standard's transitional provision. The amendments are not expected to have any material impact on the financial position and performance of the group. As of December 31, 2009, the standards had not yet been endorsed by the EU.

The IASB has issued an amendment to IFRS 2, *"Share-based Payment"* that has clarified the scope and accounting treatment for group cash-settled share-based payment transactions. The standard is effective from January 1, 2010. The amendment will not have any material impact on the financial position and performance of the group. As of December 31, 2009, the amendment had not yet been endorsed by the EU.

In November 2009, the IASB issued:

- IFRS 9, *"Financial Instruments"* as the first step in its project to replace IAS 39, *"Financial Instruments*: *Recognition and Measurement"*. IFRS 9 introduces new requirements for classifying and measuring financial assets that must be applied starting January 1, 2013, with early adoption permitted.
- A revised version of IAS 24, *"Related Party Disclosures"* that clarifies the definition of a related party. The IASB has simplified the definition and has removed inconsistencies. The revised standard is effective for annual periods beginning on or after January 1, 2011, with earlier application permitted.

Both standards are not expected to have any material impact on the financial position and performance of the group. As of December 31, 2009, the standards had not yet been endorsed by the EU.

Directors' and Management's Statement on the Annual Report

The board of directors and management have today considered and adopted the annual report of Genmab A/S for the financial year January 1 through December 31, 2009.

The consolidated financial statements and the financial statements of the parent company are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB), and with the International Financial Reporting Standards as endorsed by the EU. Further, the consolidated financial statements, the financial statements of the parent company and directors' report are prepared in accordance with additional Danish disclosure requirements for listed companies.

In our opinion, the consolidated financial statements and the financial statements of the parent company give a true and fair view of the financial position at 31 December 2009, the results of the group and parent company operations and cash flows for the financial year 2009. Furthermore, in our opinion, the directors' report includes a true and fair account of the development in the operations and financial circumstances, of the results for the year and of the financial position of the group and the parent company as well as a description of the most significant risks and elements of uncertainty facing the group and the parent company.

We recommend that the annual report be adopted at the annual general meeting.

Copenhagen, March 2, 2010

Management

Lisa N. Drakeman
(President & CEO)

Jan van de Winkel
(President R&D & CSO)

David A. Eatwell
(CFO)

Board of Directors

Michael B. Widmer
(Chairman)

Lisa N. Drakeman
(President & CEO)

Anders Gersel Pedersen
(Deputy Chairman)

Karsten Havkrog Pedersen

Burton G. Malkiel

Hans Henrik Munch-Jensen

Independent Auditor's Report for 2009

To the Shareholders of Genmab A/S

We have audited the annual report of Genmab A/S for the financial year 2009, pages 1–80, which comprises directors' and management's statement, directors' report, income statement, statement of comprehensive income, balance sheet, statement of cash flow, statement of shareholders' equity and notes including significant accounting policies for the group as well as for the parent company.

The consolidated financial statements and financial statements of the parent company are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and International Financial Reporting Standards as endorsed by the EU. Moreover, the annual report is prepared in accordance with additional Danish disclosure requirements for listed companies.

Management's Responsibility

Management is responsible for the preparation and fair presentation of the consolidated financial statements and the financial statements of the parent company in accordance with the above legislation and accounting standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements and financial statements of the parent company that are free from material misstatement, whether due to fraud or error. The responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Furthermore, management is responsible for the preparation of a directors' report that gives a true and fair account in accordance with Danish disclosure requirements for listed companies.

Auditor's Responsibility

Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with international and Danish auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of consolidated financial statements and financial statements of the parent company and to the preparation of a directors' report that gives a true and fair account in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

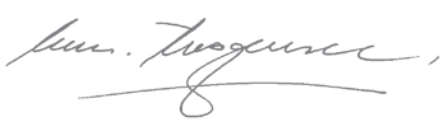
Our audit has not resulted in any qualification.

Opinion

In our opinion, the annual report gives a true and fair view of the financial position at December 31, 2009 of the group and the parent company and of the results of the group and parent company operations and cash flows for the financial year 2009 in accordance with International Financial Reporting Standards as issued by the International Accounting Statements Board, and international financial reporting standards as endorsed by the EU and additional Danish disclosure requirements for listed companies. Furthermore, in our opinion the directors' report gives a true and fair account in accordance with Danish disclosure requirements for listed companies.

Copenhagen, March 2, 2010

PricewaterhouseCoopers
Statsautoriseret Revisionsaktieselskab



Mogens Nørgaard Mogensen
State Authorised Public Accountant

Susanne Funder
State Authorised Public Accountant

2009 Stock Exchange Releases

Jan. 5 Genmab Announces Interim Results in Pivotal Study of Zalutumumab in Head and Neck Cancer

Jan. 30 GlaxoSmithKline and Genmab Submit Arzerra™ (ofatumumab) Application to FDA for the Treatment of Advanced Stage Blood Cancer

Feb. 5 GlaxoSmithKline and Genmab Seek European Marketing Authorization of Arzerra (ofatumumab) in Advanced Stage Blood Cancer

Feb. 24 Genmab Announces Year End 2008 Financial Results

Feb. 26 Arzerra (ofatumumab) MAA Accepted by EMEA

Mar. 25 Genmab A/S Summons Annual General Meeting

Apr. 3 Arzerra (ofatumumab) Granted Priority Review by FDA

Apr. 15 Passing of Genmab A/S' Annual General Meeting

Apr. 15 Constitution of the Board of Directors in Genmab and Grant of Warrants to Employees

May 4 FDA Advisory Committee to Review Arzerra (ofatumumab)

May 12 Genmab Announces 2009 First Quarter Results

May 29 FDA Advisory Panel Makes Favorable Recommendation for GlaxoSmithKline and Genmab's Arzerra (ofatumumab)

Jun. 3 Genmab Announces Partial Clinical Hold on Zalutumumab Studies

Jun. 10 Recruitment Completed in Zalutumumab Head and Neck Cancer Pivotal Study

Jun. 16 FDA Extends Review of Arzerra (ofatumumab)

Jun. 18 Grant of Warrants to Board Members, Management and Employees of Genmab A/S

Jul. 9 Recruitment Completed in Arzerra (ofatumumab) Pivotal CLL Study

Jul. 16 Genmab Announces Lift of Zalutumumab Partial Clinical Hold

Jul. 24 Recruitment Completed in Arzerra (ofatumumab) Phase II Study in Relapsed DLBCL

Jul. 29 GlaxoSmithKline and Genmab Announce Top-Line Results for ofatumumab in Rheumatoid Arthritis

Aug. 11 Genmab Announces Preliminary Top-Line Results for Arzerra in Front Line CLL

Aug. 17 GlaxoSmithKline and Genmab Announce Results from a Study of Arzerra in Rituximab Refractory Follicular NHL

Aug. 17 Genmab Revises Financial Guidance

Aug. 18 Genmab Announces 2009 First Half Year Results

Aug. 26 Genmab Announces Positive Top-Line Results for Arzerra in Front Line NHL

Sep. 2 Genmab to Attend Four September Investor Conferences

Oct. 8 Declaratory Judgment Action Filed by GSK

Oct. 26 GSK and Genmab Receive Accelerated Approval for Arzerra

Oct. 26 Genmab Achieves Milestone in Arzerra Collaboration

Nov. 5 Genmab Reorganizes to Build Sustainable Business

Nov. 5 Genmab Revises Financial Guidance

Nov. 9 Genmab Announces Start of ofatumumab Phase III Head to Head Study in DLBCL

Nov. 10 Genmab Announces Results for the Nine Month Period of 2009

Nov. 24 Genmab to Present at 21st Annual Piper Jaffray Health Care Conference

Dec. 4 Genmab Announces RG1507 Update

Dec. 21 Genmab's Financial Calendar for 2010

Report Pursuant to Section 28a of the Danish Securities Trading Act
Jun. 18

Genmab's Total Number of Voting Rights and Total Share Capital
Mar. 31, Jun. 30

Major Shareholder Announcement
Feb. 5, Oct. 13, Nov. 24

Capital Increase in Genmab as a Result of Employee Warrant Exercise
Mar. 4, Jun. 10

Grant of Warrants in Genmab A/S
Apr. 15, Jun. 18, Oct. 8, Dec. 9

The full texts of all our stock exchange releases are available through the company's website, **www.genmab.com**. *Interested parties are invited to subscribe to Genmab's News Alerts Mailing List through the website to receive e-mail notifications on the day news is released.*

Conversion of Certain DKK Amounts into USD—Supplementary Information—Unaudited

Solely for the convenience of the reader, the annual report contains a conversion of certain DKK amounts into US Dollars (USD) at a specified rate. The conversions are outlined below and are related to the consolidated financial statements (condensed).

These converted amounts are unaudited and should not be construed as representations that the DKK amounts actually represent such USD amounts or could be converted into USD at the rate indicated or at any other rate. The conversion is regarded as supplementary information to the annual report.

Unless otherwise indicated, conversion herein of financial information into USD has been made using the Danish Central Bank closing spot rate on December 31, 2009, which was USD 1.00 = DKK 5.1901.

KEY FIGURES IN USD

	2009	2008	2007	2006	2005
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Income Statement					
Revenues	112,922	133,388	102,028	26,116	18,979
Research and development costs	(180,220)	(244,851)	(163,620)	(98,855)	(85,102)
General and administrative expenses	(28,660)	(27,654)	(22,633)	(18,246)	(16,327)
Operating loss	(95,958)	(139,117)	(84,225)	(90,985)	(82,450)
Net financial items	30,066	(18,272)	10,359	6,547	6,615
Net loss for continuing operations	(67,031)	(157,501)	(73,866)	(84,438)	(75,835)
Balance Sheet					
Cash and marketable securities	246,885	339,495	711,632	332,235	241,402
Non-current assets	12,578	248,971	7,855	6,496	9,106
Assets	428,033	627,917	762,757	347,706	264,047
Shareholders' equity	249,936	421,680	555,534	309,740	215,558
Share capital	8,652	8,649	8,578	7,639	6,379
Investments in intangible and tangible assets	3,233	179,829	4,516	1,030	1,584
Cash Flow Statement					
Cash flow from operating activities	(109,836)	(98,906)	97,474	(73,144)	(40,200)
Cash flow from investing activities	187,805	88,650	(455,277)	(86,968)	(24,575)
Cash flow from financing activities	(1,280)	4,872	300,616	169,367	57,293
Cash and cash equivalents	89,487	13,490	25,385	82,672	73,476
Financial Ratios					
Basic and diluted net loss per share	(4.34)	(4.17)	(1.68)	(2.17)	(2.43)
Basic and diluted net loss per share continuing operations	(1.49)	(3.53)	—	—	—
Year-end share market price	15.80	39.11	59.54	73.22	26.01
Price/book value	2.84	4.16	4.77	9.37	4.00
Shareholders' equity per share	5.57	9.39	12.48	7.81	6.51
Equity ratio	58%	67%	73%	89%	82%
Average number of employees	505	565	291	237	213
Number of employees at year-end	309	555	344	248	215

Conversion of Certain DKK Amounts into USD—Supplementary Information—Unaudited (continued)

INCOME STATEMENT IN USD

	Genmab Group	
	2009	2008
	USD'000 (Unaudited)	USD'000 (Unaudited)
Revenues	**112,922**	**133,388**
Research and development costs	(180,220)	(244,851)
General and administrative expenses	(28,660)	(27,654)
Operating expenses	**(208,880)**	**(272,505)**
Operating loss	**(95,958)**	**(139,117)**
Financial income	34,893	24,276
Financial expenses	(4,827)	(42,548)
Loss for continuing operations before tax	**(65,892)**	**(157,389)**
Corporate tax	(1,139)	(112)
Net loss for continuing operations	**(67,031)**	**(157,501)**
Loss from discontinued operation	(127,717)	(28,447)
Net loss	**(194,748)**	**(185,948)**
Basic and diluted net loss per share	(4.34)	(4.17)
Basic and diluted net loss per share continuing operations	(1.49)	(3.53)

Statement of Comprehensive Income

Net loss	**(194,748)**	**(185,948)**
Other comprehensive income:		
Adjustment of foreign currency fluctuations on subsidiaries	(6,502)	15,599
Total comprehensive income	**(201,250)**	**(170,349)**

Conversion of Certain DKK Amounts into USD—Supplementary Information—Unaudited (continued)

CONDENSED BALANCE SHEET IN USD

	Genmab Group	
	Dec. 31, 2009	Dec. 31, 2008
	USD'000 (Unaudited)	USD'000 (Unaudited)
Total intangible assets	—	60,467
Total tangible assets	11,595	188,358
Total financial assets	983	146
Total non-current assets	**12,578**	**248,971**
Inventories	—	6,665
Receivables	21,515	31,109
Prepayments	1,881	1,677
Marketable securities	157,399	326,005
Cash and cash equivalents	88,772	13,490
	269,567	**378,946**
Asset classified as held for sale	145,888	—
Total current assets	**415,455**	**378,946**
Total assets	**428,033**	**627,917**
Shareholders' equity	**249,936**	**421,680**
Total non-current liabilities	**5,781**	**2,634**
Current liabilities	160,966	203,603
Liabilities classified as held for sale	11,350	—
Total current liabilities	**172,316**	**203,603**
Total liabilities	**178,097**	**206,237**
Total shareholders' equity and liabilities	**428,033**	**627,917**

Conversion of Certain DKK Amounts into USD—Supplementary Information—Unaudited (continued)

CONDENSED CASH FLOW STATEMENT IN USD

	Genmab Group	
	2009	2008
	USD'000 (Unaudited)	USD'000 (Unaudited)
Loss for continuing operations before tax	(65,893)	(157,389)
Loss for discontinued operation before tax	(127,711)	(28,447)
Loss before tax	**(193,604)**	**(185,836)**
Reversal of financial items, net	(30,109)	18,210
Adjustments for non-cash transactions	121,338	47,248
Changes in current assets and liabilities	(15,662)	(704)
Cash flow from operating activities before financial items	**(118,037)**	**(121,082)**
Financial receivables	9,949	22,176
Corporate taxes paid	(1,748)	—
Cash flow from operating activities	**(109,836)**	**(98,906)**
Purchase of intangible and tangible assets, net	(3,162)	(10,177)
Acquisition of manufacturing activity	—	(222,420)
Marketable securities bought	(93,016)	(342,003)
Marketable securities sold	283,983	663,250
Cash flow from investing activities	**187,805**	**88,650**
Warrants exercised	317	6,579
Costs related to issuance of shares	(4)	(6)
Paid installments on lease liabilities	(1,593)	(1,701)
Cash flow from financing activities	**(1,280)**	**4,872**
Decrease in cash and cash equivalents	**76,689**	**(5,384)**
Cash and cash equivalents at the beginning of the period	13,490	25,385
Exchange rate adjustments	(692)	(6,511)
Cash and cash equivalents at the end of the period	**89,487**	**13,490**

Board of Directors

Michael B. Widmer, Ph.D.—American, 62

Board Chairman, term expires 2011, Compensation Committee

Dr. Widmer is Chairman of our board of directors and has been a member of our board since March 2002. Dr. Widmer is the former Vice President and Director of Biological Sciences of Immunex Corporation in Seattle. Prior to joining Immunex in 1984, he was on the faculty of Laboratory Medicine and Pathology at the University of Minnesota. He is a former Scholar of the Leukemia Society of America. His research has centered on regulation of the immune and inflammatory response. He has authored over 100 scientific publications. During his tenure at Immunex, Dr. Widmer pioneered the use of cytokine antagonists, particularly soluble cytokine receptors, as pharmacologic regulators of inflammation. He was instrumental in the development of Enbrel, a soluble receptor for TNF marketed by Amgen and Wyeth Ayerst for the treatment of rheumatoid arthritis. He received a Ph.D. in genetics from the University of Wisconsin in 1976 and completed a postdoctoral fellowship in Immunology at the Swiss Institute for Experimental Cancer Research in Lausanne, Switzerland.

Anders Gersel Pedersen, M.D., Ph.D.—Danish, 58

Deputy Chairman, term expires 2010, Compensation Committee, Nominating and Corporate Governance Committee

Dr. Pedersen has been a member of our board since November 2003. Dr. Pedersen is Executive Vice President, Development at H. Lundbeck A/S. Following his degree in medicine and Research Fellow positions at Copenhagen hospitals, Dr. Pedersen worked for Eli Lilly for eleven years; ten of these as a director overseeing worldwide clinical research in oncology, before joining Lundbeck in 2000. At Lundbeck, Dr. Pedersen is responsible for the development of the product pipeline including clinical research. He is a member of the European Society of Medical Oncology, the International Association for the Study of Lung Cancer, the American Society of Clinical Oncology, the Danish Society of Medical Oncology and the Danish Society of Internal Medicine and serves on the boards of TopoTarget A/S and ALK-Abelló A/S. Dr. Pedersen received his medical degree and a doctoral degree in neuro-oncology from the University of Copenhagen and a B.Sc. in Business Administration from the Copenhagen Business School.

Karsten Havkrog Pedersen—Danish, 60

Board Member, term expires 2011, Audit Committee, Nominating and Corporate Governance Committee

Mr. Pedersen has been a member of our board since March 2002. He has more than 25 years experience as an attorney within Danish corporate law and corporate governance. Mr. Pedersen has been a partner in the law firm Bruun & Hjejle since 1981. He was admitted as barrister to the Supreme Court of Justice in 1983. Mr. Pedersen was a member of the Danish Appeal Board (2000–2003) and was a member of the Danish Bar and Law Society, Committee of Legal Affairs (2001–2007). From 1991–2004, he was a member of the Editorial Committee of the Danish legal magazine *"Lov & Ret."* Mr. Pedersen is a member of the board for BIG Fonden and its subsidiaries and other Danish legal entities.

Burton G. Malkiel, Ph.D.—American, 77

Board Member, term expires 2010, Audit Committee

Dr. Malkiel has been a member of our board since 2007. Dr. Malkiel is the Chemical Bank Chairman's Professor of Economics at Princeton University. His specialties include financial markets, portfolio management, corporate finance, investments and securities valuation. He is widely published in finance, the valuation of stocks and bonds and the operation of financial markets in the United States. Dr. Malkiel was previously professor of Economics, the Gordon S. Rentschler Professor of Economics and Director of the Financial Research Center at Princeton University. He has also served as a member of the Council of Economic Advisors under the administration of US President Gerald R. Ford and was Dean at the School of Management and the William S. Beinecke Professor of Management at Yale University. Dr. Malkiel served as an officer in the United States Army Finance Corps before earning his doctoral degree. Dr. Malkiel is an investment committee member of the American Philosophical Society and serves on the board of Vanguard Group Ltd. and the Corvina Foundation. He received his B.A. degree in Economics from Harvard University, a Masters of Business Administration from Harvard Graduate School of Business Administration and a doctorate in Economics and Finance from Princeton University.

Hans Henrik Munch-Jensen—Danish, 49

Board Member, term expires 2012, Audit Committee, Nominating and Corporate Governance Committee

Mr. Munch-Jensen has been a member of our board since 2007. Mr. Munch-Jensen is Director at Prospect where he advises listed companies in relation to strategic and financial communication. Previously, Mr. Munch-Jensen was Executive Vice President, CFO of H. Lundbeck A/S from 1998 to 2007, where he was responsible for overseeing the company's finance and investor relations activities. He previously served as a politics and finance columnist for the newspaper *Dagbladet Børsen* and as Vice President of the Copenhagen Stock Exchange. He was a member of various Lundbeck boards as well as the European Federation of Pharmaceutical Industries and Associations (EFPIA) and of Vækstforum, Region Hovedstaden. Mr. Munch-Jensen received his master's degree in Political Science from the University of Aarhus.

Senior Management

Lisa N. Drakeman, Ph.D.—American, 56

President, Chief Executive Officer & Board Member, Nominating and Corporate Governance Committee

Dr. Drakeman has been a member of our board and our President and CEO since the company's inception. Dr. Drakeman has over twenty years of experience working in the biotechnology industry, including leading Genmab's successful financing transactions, establishing collaborations with major pharmaceutical companies, bringing a product to market and developing government programs for financing biotechnology research. She has received a number of awards and honors including being named "Advocate of the Year" by the Biotechnology Industry Organization in 1995, "Industry Woman of the Year" by the Biotechnology Council of New Jersey in 1996 and being inducted in the New Jersey High Technology Hall of Fame in 2000. Dr. Drakeman serves on the board of BioNJ, which awarded her the Dr. Sol J. Barer Award for Vision, Innovation & Leadership in 2009. She previously served as a member of the faculty and administration at Princeton University and as Senior Vice President, Head of Business Development for Medarex, Inc. She received a B.A. degree, from Mount Holyoke College, M.A., from Rutgers University, and M.A. and Ph.D., from Princeton University.

Prof. Jan G. J. van de Winkel, Ph.D.—Dutch, 49

President, Research & Development & Chief Scientific Officer

Prof. van de Winkel has served as our CSO since inception. Previously he was Vice President and Scientific Director of Medarex Europe. He is the author of nearly 300 scientific publications and has been responsible for over 30 patents and pending patent applications. Prof. van de Winkel is one of the leading scientists in the study of antibodies and their interaction with the immune system. Dr. van de Winkel is a part-time Professor of Immunology at Utrecht University and also a member of the Advent Life Sciences advisory board and the scientific advisory boards of Thuja Capital Healthcare Fund. He holds M.S. and Ph.D. degrees from the University of Nijmegen.

David A. Eatwell—British, 49

Chief Financial Officer

Mr. Eatwell joined Genmab in 2008 with extensive experience and a proven track record in leading international life science businesses, having spent 15 years working in Europe and 10 years in the US. Most recently, Mr. Eatwell served as Chief Financial Officer of Catalent Pharma Solutions, Inc., a USD 1.8 billion leading provider of manufacturing and packaging services for the pharmaceutical and biotech industry. Prior to Catalent, Mr. Eatwell served as a divisional CFO of Cardinal Health, Inc., a Fortune 20 global manufacturer and distributor of healthcare products and services, where he oversaw the USD 3.3 billion sale of the Pharmaceutical Technologies and Services division to The Blackstone Group and was instrumental in creating the framework and building the infrastructure to support the newly created company, Catalent Pharma Solutions, Inc. Mr. Eatwell is a Fellow member of the Association of Chartered Certified Accountants.

Annarie Lyles, Ph.D., CLP—American, 49

Senior Vice President, Head of Business Development

Dr. Lyles joined Genmab in 2005. She has been engaged in biology-related businesses for over two decades, including a prior business development post with Medarex, Inc. Dr. Lyles speaks frequently at licensing-related conferences and has served on professional committees for organizations including BIO, BioNJ, and the New Jersey Economic Development Authority. She is a member of the inaugural class to receive the Certified Licensing Professional™ (CLP) credential of the Licensing Executives Society. Dr. Lyles earned undergraduate and graduate biology degrees from Yale and Princeton Universities.

Senior Management

Ole Baadsgaard, M.D. Dr.MSci.—Danish, 58

Senior Vice President, Medical Affairs

Dr. Baadsgaard has been a member of Genmab's Scientific Advisory Board since our inception. He joined Genmab as Medical Director in 2000 and in 2008 he was appointed Senior Vice President, Medical Affairs. Dr. Baadsgaard is a Board Certified Specialist in dermatology and has extensive clinical and scientific experience from both Denmark and the US. He is author of over 100 scientific peer-reviewed publications within clinical research and is named inventor on over 15 patents and patent applications. He received his M.D. degree from the University of Aarhus and his Dr.MSci. degree from the University of Copenhagen.

Paul W.H.I. Parren, Ph.D.—Dutch, 46

Senior Vice President, Research & Pre-Clinical Development

Dr. Parren joined Genmab in 2002 and was appointed Senior Vice President in 2008. Previously he was an Associate Professor in the Department of Immunology at The Scripps Research Institute in La Jolla, California. He is author of over 120 scientific publications in the antibody field and is named inventor on over 40 patents and patent applications. He holds M.S. and Ph.D. degrees from the University of Amsterdam.

Barry B. Littlejohns—British, 44

Senior Vice President, Operations

Mr. Littlejohns joined Genmab in 2009 with extensive experience and proven success in leading international life science businesses, having spent ten years working in Europe and ten in the US. Most recently, Mr. Littlejohns served as Vice President, Global Business Operations at Catalent Pharma Solutions, Inc., a leading provider of manufacturing and packaging services for the pharmaceutical and biotech industry. While at Catalent Mr. Littlejohns was responsible for four manufacturing facilities, identifying and evaluating commercial growth opportunities and developing and implementing cost saving systems, processes and initiatives. Prior to joining Catalent, Mr. Littlejohns served as Vice President at Cardinal Health, Inc. Mr. Littlejohns earned a business and finance degree from Swindon College.

Michael K. Bauer, Ph.D.—German, 46

Senior Vice President, Clinical Development

Dr. Bauer joined Genmab in 2006 and was appointed Senior Vice President in 2010. Before joining Genmab, Dr. Bauer held various positions in academia, the pharmaceutical industry and the venture finance sector in Germany, New Zealand, U.S.A. and Denmark. He is author of 50+ scientific publications. He earned a M.Sc. from the University of Stuttgart-Hohenheim and a Ph.D. degree from the University of Göttingen, Germany.

Investor Relations

Genmab's investor and public relations department is committed to providing efficient dissemination of company information to the market. We maintain high levels of transparency and accessibility in compliance with the disclosure rules of the NASDAQ OMX Copenhagen. Genmab publishes price sensitive information via stock exchange releases and non-price sensitive information that may be of interest to investors via investor news releases. We further distribute this information via our website and internal mailing list of international investors, analysts, journalists and other market participants. Genmab also regularly holds conference calls and webcasts and attends investor meetings and industry conferences to communicate company news to the market. We believe this broad dissemination of information to the investment community will inspire confidence in Genmab and provide investors with the opportunity to more correctly assess Genmab's potential.

CORPORATE INFORMATION

Bankers

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Holmens Kanal 2-12
DK-1092 Copenhagen K

Merrill Lynch & Co.
4 World Financial Center
250 Vesey Street
New York, NY 10080
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Legal Counsel

Kromann Reumert
Sundkrogsgade 5
DK-2100 Copenhagen Ø

Shearman & Sterling
599 Lexington Avenue
New York, NY 10022
USA

Independent Auditors

PricewaterhouseCoopers
Strandvejen 44
DK-2900 Hellerup

Annual Report

Copies of this annual report in both English and Danish are available without charge upon request.

Annual General Meeting

The annual general meeting will be held on April 21, 2010 at 2:00 PM local time at:

Radisson Blu
Scandinavia Hotel
Amager Boulevard 70
DK-2300 Copenhagen S

This annual report contains forward looking statements. The words "believe", "expect", "anticipate", "intend" and "plan" and similar expressions identify forward looking statements. Actual results or performance may differ materially from any future results or performance expressed or implied by such statements. The important factors that could cause our actual results or performance to differ materially include, among others, risks associated with product discovery and development, uncertainties related to the outcome and conduct of clinical trials including unforeseen safety issues, uncertainties related to product manufacturing, the lack of market acceptance of our products, our inability to manage growth, the competitive environment in relation to our business area and markets, our inability to attract and retain suitably qualified personnel, the unenforceability or lack of protection of our patents and proprietary rights, our relationships with affiliated entities, changes and developments in technology which may render our products obsolete, and other factors. Genmab does not undertake any obligation to update or revise forward looking statements in this annual report nor to confirm such statements in relation to actual results, unless required by law.

Genmab is positioned to meet the needs of patients and the industry, as antibodies are the fastest growing area in the biopharmaceutical industry. We will also focus on our area of excellence: innovation, which we believe fills a key need in the biotech and life science industry. With our lean and flexible development organization we believe we will be able to develop our extensive pipeline of clinical and pre-clinical products in a more efficient and cost-effective way than ever before.

Genmab

www.genmab.com

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