Annual Report **2011**

Genmab

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ABOUT GENMAB A/S

Genmab is a publicly traded, international biotechnology company specializing in the creation and development of differentiated human antibody therapeutics for the treatment of cancer. Founded in 1999, the company's first marketed antibody, ofatumumab (Arzerra®), was approved to treat chronic lymphocytic leukemia in patients who are refractory to fludarabine and alemtuzumab after less than eight years in development. Genmab's validated and next generation antibody technologies are expected to provide a steady stream of future product candidates. Partnering of innovative product candidates and technologies is a key focus of Genmab's strategy and the company has alliances with top tier pharmaceutical and biotechnology companies. For more information visit **www.genmab.com**.

What makes today's Genmab?

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Becoming a partner of choice – providing innovative technology and differentiated products

See our Product Pipeline
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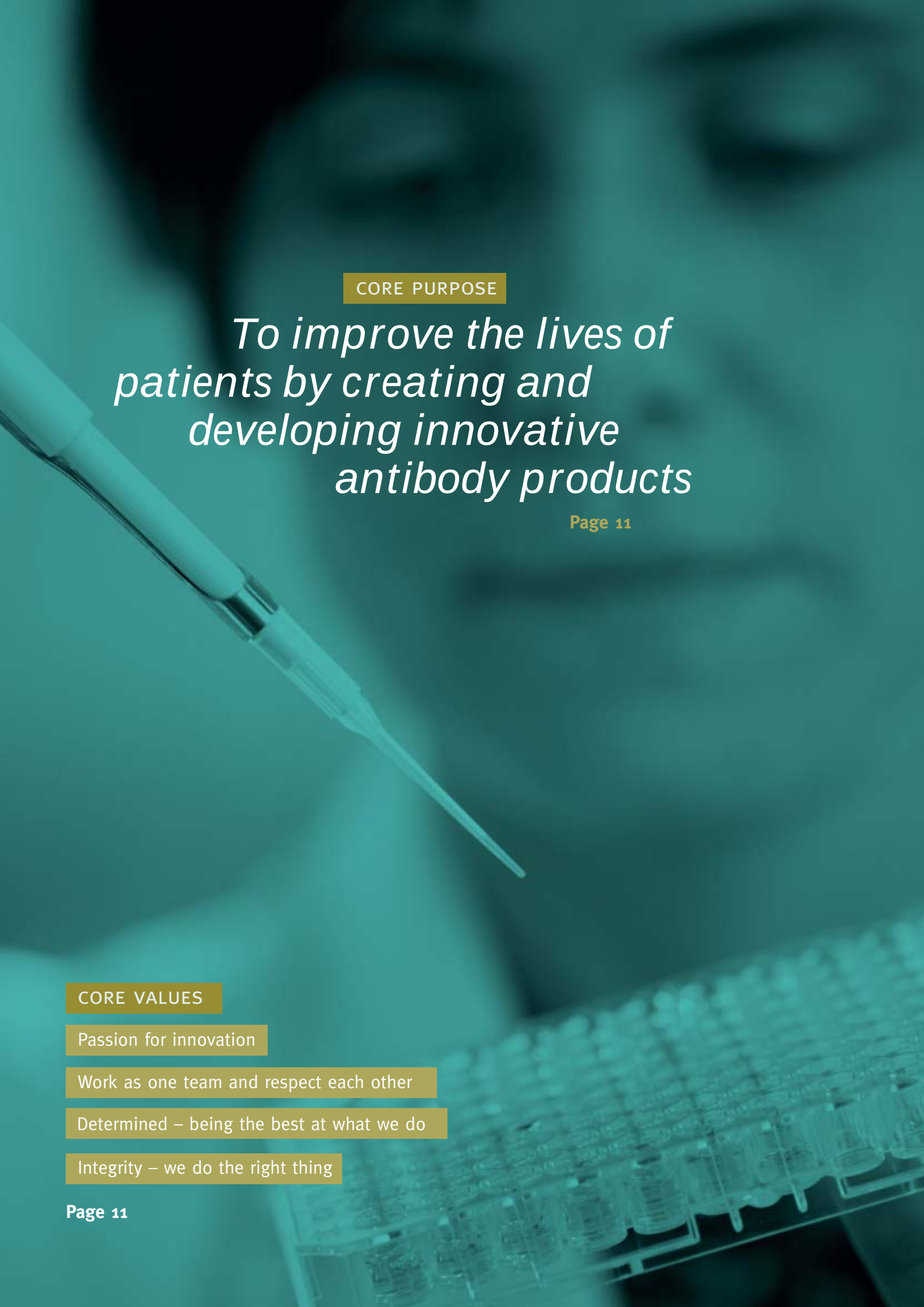

CORE PURPOSE

To improve the lives of patients by creating and developing innovative antibody products

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CORE VALUES

Passion for innovation

Work as one team and respect each other

Determined – being the best at what we do

Integrity – we do the right thing

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Shareholder Letter

We have created the foundation to build a sustainable company

DEAR SHAREHOLDER,

We achieved a great deal in 2011, making significant progress with our new strategy and advancing the company towards a sustainable future. Sales of our antibody ofatumumab, which is marketed by GlaxoSmithKline (GSK) under the trademark Arzerra®, grew by 40%. The product was launched in several new markets and physicians gained more experience with the drug. The development and label expansion of ofatumumab is key to our goal of becoming a profitable company.

Our success also rests on developing our CD38 antibody daratumumab, advancing our pre-clinical pipeline and progressing our DuoBody™ bispecific antibody technology. By executing on our strategy, leveraging existing partnerships and keeping a strong focus on managing costs we believe we can build on the foundations in place to create a sustainable company. In the future we will be able to create additional value by selectively investing in new products and innovative technologies.

2011 in Review

During the year, we reported ofatumumab data in diffuse large B-cell lymphoma (DLBCL), Waldenstrom's macroglobulinemia (WM) and rheumatoid arthritis (RA) and presented numerous abstracts at the American Society of Hematology (ASH) annual meeting. Ofatumumab was launched in seven new countries and the number of countries where the drug is nationally reimbursed also grew.

The first data from the daratumumab study in multiple myeloma was also reported last year. The safety profile was acceptable and we were encouraged by the level of response seen in the three patients who could be evaluated for efficacy. This study continues to progress and we look forward to reporting additional data during 2012.

We also made important progress with our DuoBody platform when we validated a large scale manufacturing process using our proprietary technology. This is a significant achievement as it shows we can efficiently produce bispecific antibodies in large quantities, an advantage over some other bispecific antibody technology platforms. We were also pleased to enter our first DuoBody research collaboration with an as yet unnamed pharmaceutical partner.

While we should recognize and celebrate these successes, it is also important to acknowledge when things do not turn out as we had hoped. We were unable to find a partner for zalutumumab or a buyer for the manufacturing facility last year. We still hope to find a partner for the zalutumumab program and we remain highly committed to selling the Minnesota facility and are focused on closing a sale in 2012.

"Our key priorities in 2012 include entering new partnerships and making progress with ofatumumab and daratumumab"

Key Priorities for 2012

In addition to executing a sale of the facility, our major priorities in 2012 include entering new partnerships and making progress with ofatumumab and daratumumab.

We plan to start two studies of daratumumab in combination with two marketed multiple myeloma treatments in 2012, potentially expanding the multiple myeloma market. In addition, we aim to select a partner for daratumumab who has the resources to develop the product to its full commercial potential. Our partnership efforts were given a boost following the encouraging preliminary data we presented in December 2011 at the ASH annual meeting.

Turning to ofatumumab, we expect our alliance partner GSK to file an application to market ofatumumab for refractory chronic lymphocytic leukemia (CLL) in an additional territory this year and launch the product in additional countries. We expect sales levels to increase over time as ofatumumab commercialization under the current label develops, more data become available and indications are approved and physicians become more familiar with using the product.

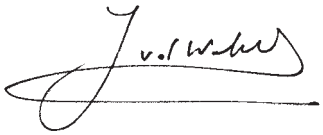
In 2012 we expect to report data from the Phase II study in which patients from the pivotal CLL study are retreated with ofatumumab. There will also be two other events to report: an interim analysis for futility for the Phase III DLBCL head-to-head study evaluating ofatumumab plus chemotherapy versus rituximab plus chemotherapy, and safety interim data from the Phase III CLL maintenance study, to determine whether the studies will continue. In addition, we expect publication of data from multiple Investigator Sponsored Studies.

We will also continue to expand our pipeline and look forward to reporting proof-of-concept data for some of our antibody-drug conjugate (ADC) and DuoBody product candidates. We are also excited about the prospect of entering into new partnership agreements for DuoBody products.

We remain focused on our core competence and on building a profitable and successful biotech company. At Genmab, our ultimate goal is to improve the lives of patients by creating and developing innovative antibody products. We can only hope to meet this goal with the support of our investors and dedicated employees.

Thank you for your continued support and confidence in our company.

Sincerely yours,



Jan van de Winkel, Ph.D.
President & Chief Executive Officer

2011 Highlights

BUSINESS PROGRESS

Maximizing the Value of ofatumumab

- Launched in 23 countries by end of 2011 under the trade name Arzerra
- Increased sales in British pounds by 40%, resulting in DKK 75 million in royalty income to Genmab
- GSK initiated first study of subcutaneous ofatumumab in relapsing remitting multiple sclerosis (RRMS)
- More than 75 Investigator Sponsored Studies (ISS) ongoing or planned

Progressing Our Pipeline

- Initiated three new clinical studies
  - Phase III study of ofatumumab versus physician's choice in bulky fludarabine refractory CLL
  - Phase II study of subcutaneous ofatumumab in RRMS (conducted by GSK)
  - Second Phase II study of RG1512 (conducted by Roche)
- Published data from nine clinical studies
  - First data from Phase I/II study of daratumumab in multiple myeloma (MM)
  - Phase III study of ofatumumab in active RA patients who have had an inadequate response to TNF-α inhibitors
  - Phase I/II study of ofatumumab in active RA who have previously failed one or more disease modifying anti-rheumatic drugs
  - Phase II study of ofatumumab in relapsed/refractory CLL
  - Phase II study of ofatumumab in previously untreated patients with CLL
  - Phase II study of ofatumumab in relapsed or refractory aggressive lymphoma, including DLBCL
  - Phase II study of ofatumumab in Waldenstrom's macroglobulinemia
  - Phase I/II study of subcutaneous ofatumumab in RA
  - Phase I/II study of ofatumumab in RRMS
- Fifteen abstracts published at ASH Annual Meeting
- Announced decision to wind down the zalutumumab program
- Announced HuMax®-CD74 ADC as new IND candidate

Driving Value through Collaborations

- Expanded research collaboration with Seattle Genetics to include HuMax-CD74 ADC
- Achieved first pre-clinical milestone in Lundbeck collaboration
- Entered DuoBody research collaboration with undisclosed pharmaceutical company

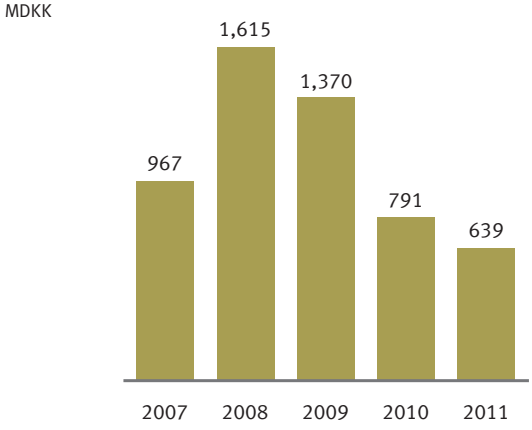
Progressing Next Generation Technologies

- Presented update on DuoBody platform at R&D Day
- Validated large scale manufacturing process for DuoBody products

FINANCIAL PERFORMANCE

- Revenue decreased by DKK 231 million, 40%, from DKK 582 million in 2010 to DKK 351 million, mainly due to the inclusion of two milestone payments from GSK in 2010.
- Operating expenses decreased by DKK 143 million, 19%, from DKK 743 million in 2010 to DKK 600 million.
- Operating loss was DKK 249 million in 2011 compared to DKK 161 million in 2010. Despite the reduction in revenue the increase was limited to DKK 88 million due to a continued focus on cost control.
- Due to the difficult general market conditions, worsening economic outlook and other factors, the fair value less cost for a sale of the company's manufacturing facility has been reduced from approximately USD 120 million to USD 58 million, resulting in a non-cash impairment charge of DKK 342 million. The expected sale was moved to 2012.
- 2011 year end cash position of DKK 1,105 million compared to DKK 1,546 million as of December 31, 2010.
- Exceeded original and latest guidance for continuing operations in 2011 through further reductions in operating expenses.

CONTROLLING COSTS



Includes expenses related to continuing and discontinuing operations. 2009 to 2011 exclude the non-cash Minnesota impairment charges.

Consolidated Key Figures

The following key figures and financial ratios have been prepared on a consolidated basis. The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts (2010).

	2011	2010	2009	2008	2007
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Income Statement					
Revenues	350,936	582,077	586,076	692,298	529,537
Research and development costs	(532,507)	(582,512)	(935,361)	(1,270,799)	(849,202)
Operating expenses	(600,358)	(742,766)	(1,084,110)	(1,414,328)	(966,670)
Operating result	(249,422)	(160,689)	(498,034)	(722,030)	(437,133)
Net financial items	39,594	38,246	156,045	(94,835)	53,764
Net result for continuing operations	(215,748)	(143,317)	(347,898)	(817,448)	(383,369)
Balance Sheet					
Cash position*	1,104,830	1,546,221	1,281,356	1,762,012	3,693,443
Non-current assets	47,632	62,234	73,197	1,292,183	40,768
Assets	1,564,432	2,481,601	2,221,534	3,258,953	3,958,783
Shareholders' equity	486,418	1,080,067	1,297,192	2,188,562	2,883,279
Share capital	44,907	44,907	44,907	44,889	44,520
Investments in intangible and tangible assets	7,205	10,110	16,778	933,329	23,436
Cash Flow Statement					
Cash flow from operating activities	(437,225)	268,171	(570,061)	(513,333)	505,898
Cash flow from investing activities	514,750	(738,496)	974,726	460,104	(2,362,934)
Cash flow from financing activities	(6,091)	(7,005)	(6,643)	25,285	1,560,227
Cash, cash equivalents and bank overdraft	69,408	(2,088)	464,446	70,013	131,753
Cash position increase/(decrease)	(441,391)	264,865	(480,656)	(1,931,431)	1,969,110
Financial Ratios					
Basic and diluted net result per share	(13.28)	(7.16)	(22.51)	(21.62)	(8.72)
Basic and diluted net result per share continuing operations	(4.80)	(3.19)	(7.75)	(18.31)	-
Year-end share market price	37.60	65.50	82.00	203.00	309.00
Price / book value	3.47	2.72	2.84	4.16	4.77
Shareholders' equity per share	10.83	24.05	28.89	48.76	64.78
Equity ratio	31%	44%	58%	67%	73%
Average number of employees	181	229	505	565	291
Number of employees at year-end	179	189	309	555	344

*Cash, cash equivalents, bank overdraft and marketable securities

Significant Progress: 2011 Objectives

Priorities	Milestone	Progress
Maximize value of ofatumumab	» Report Phase II CLL & DLBCL data	✓ DLBCL data reported in August ✓ 10 abstracts at ASH ✓ Japanese Phase I/II study completed
	» Start Phase II RRMS subQ trial	✓ Study initiated by GSK
	» Report Phase I/II RA subQ data	✓ Presented at the EULAR Congress in May
	» Launch & reimbursement in new countries	✓ Arzerra launched in 23 countries. Further launches planned
Evaluate opportunities for zalutumumab	» Partnership progress » Reduce cash investment	Decision to wind down program Spend mostly complete in 2011
Daratumumab	» Report Phase I/II data » Initiate Phase I/II combination trial	✓ 3 abstracts at ASH; preliminary data presented Trial planning in progress, first patient is anticipated in early 2012
Expand pipeline	» Announce new IND candidate	✓ Announced HuMax-CD74 ADC
Enter new strategic collaboration	» Sign new partnership agreement	✓ Entered 2nd ADC agreement with Seattle Genetics
Optimize ways to advance next generation technologies	» Advance DuoBody bispecific antibody technology platform	✓ Validated large scale manufacturing process
	» Enter new collaborations	✓ Entered DuoBody research collaboration with large pharma
Promote sale of manufacturing facility	» Progress sale	Fair value less cost to sell reduced to USD 58 million Sale moved to 2012
Manage and control cash burn	» Meet or beat 2011 guidance	✓ Exceeded original and latest 2011 guidance for continuing operations

2012 Outlook

MDKK	2012 GUIDANCE	2011 ACTUAL RESULTS
REVENUE	350 – 375	351
OPERATING EXPENSES	(600) – (625)	(600)
OPERATING LOSS		
CONTINUING OPERATIONS	(225) – (275)	(249)
DISCONTINUED OPERATION	(40)	(381)
CASH POSITION BEGINNING OF YEAR*	1,105	1,546
CASH USED IN OPERATIONS	(425) – (450)	(441)
CASH POSITION AT END OF YEAR*		
EXCL. FACILITY SALE	655 – 680	1,105
FACILITY SALE	320	-
CASH POSITION AT END OF YEAR*	975 – 1,000	1,105

*Cash, cash equivalents, and marketable securities

CONTINUING OPERATIONS

We expect our 2012 revenue to be in the range of DKK 350 – 375 million. The revenue reported in 2011 was DKK 351 million. Our projected revenue for 2012 consists primarily of non-cash amortization of deferred revenue totaling DKK 226 million and royalties on sales of Arzerra, which are expected to be in the range of DKK 90 – 100 million compared to DKK 75 million in 2011.

We anticipate that our 2012 operating expenses from continuing operations will be DKK 600 – 625 million. The operating expenses were DKK 600 million in 2011. In 2012 we will spend less on the zalutumumab program as we announced the wind down of the current clinical studies in 2011; however these savings will be offset by an increased investment in the ofatumumab and daratumumab programs,

although this increased investment in ofatumumab will not adversely impact our cash burn as we are already exceeding the annual cash cap of GBP 17 million that was agreed with GSK as part of the 2010 amendment to the collaboration agreement.

We expect the operating loss from continuing operations for 2012 to be approximately DKK 225 – 275 million compared to an operating loss of DKK 249 million reported for 2011.

DISCONTINUED OPERATION

The discontinued operation guidance of DKK 40 million relates to the ongoing running costs of the Minnesota manufacturing facility, maintaining the facility in a validated state, and represents a full 12 months of activity. This expense could be lower if the facility is sold before the end of the year.

The fair value of the facility less cost to sell is currently estimated to be USD 58 million, approximately DKK 320 million at an assumed exchange rate of USD 1.00 = DKK 5.50. We remain focused on entering a sales agreement and anticipate the sale of the facility in 2012.

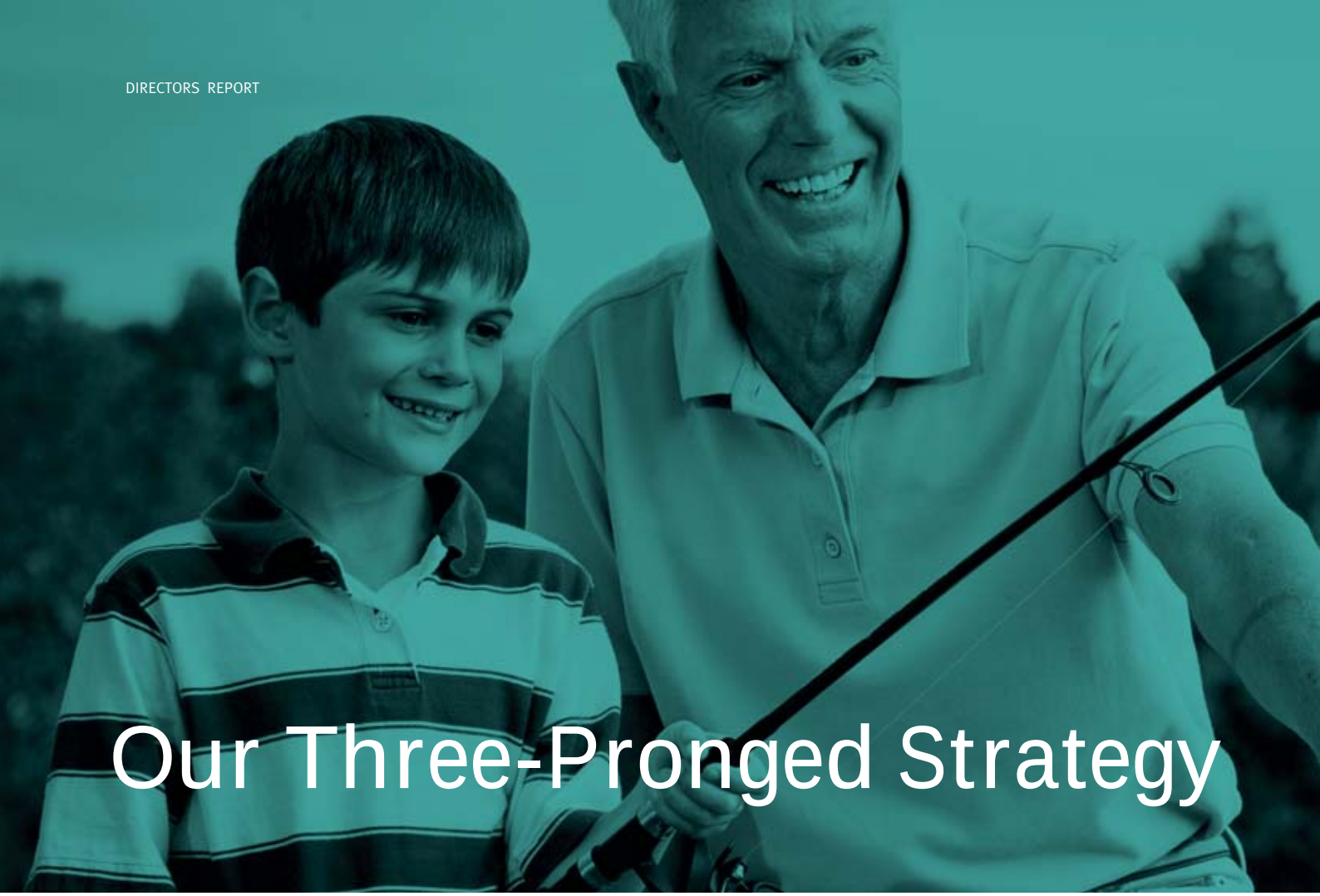
CASH POSITION

As of December 31, 2011, we had a cash position of DKK 1,105 million and are projecting a cash burn from operations in 2012 of DKK 425 – 450 million. Therefore we are projecting a cash position at the end of 2012, excluding the facility sale, of DKK 655 – 680 million. Taking into account the planned sale of the facility, the projected cash position at the end of 2012 would increase to DKK 975 – 1,000 million.

In addition to factors already mentioned, the estimates above are subject to change due to numerous reasons, including but not limited to the timing and variation of development activities (including activities carried out by our collaboration partners) and related income and costs; fair value less cost to sell of our manufacturing facility; fluctuations in the value of our marketable securities; Arzerra sales and corresponding royalties to Genmab; and currency exchange rates. The financial guidance also assumes that no significant agreements are entered into during 2012 that could materially affect the results.

Looking Ahead: 2012 Objectives

Priorities	Milestone
Maximize value of ofatumumab	» Report Phase II F&A CLL refractory data » Phase III CLL maintenance safety interim data » Phase III DLBCL ofatumumab vs. rituximab futility analysis » Report data from multiple ISS studies
Expansion Arzerra	» Launch & reimbursement in new countries » Filing for marketing approval in new territory
Daratumumab	» Report efficacy data Phase I/II MM study » Initiate Phase I/II combination studies » Complete partnering
Expand pipeline	» Report proof-of-concepts for ADC & DuoBody product candidates
DuoBody platform	» Enter new collaboration » Advance platform
Partnered programs	» Report progress on pre-clinical programs » Report progress on clinical programs » Enter new collaboration
Manage and control cash burn	» Reduce cash burn & lengthen cash runway » Execute sale of manufacturing facility



Our Three-Pronged Strategy

FOCUS ON CORE COMPETENCE

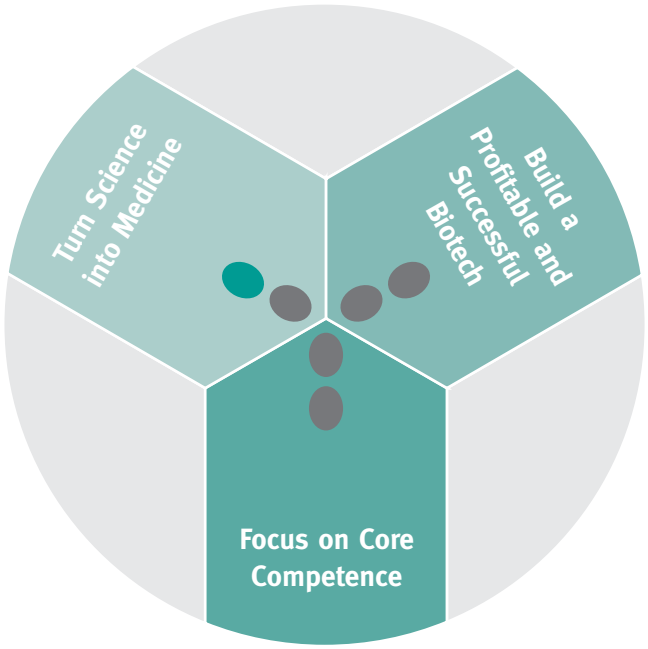
» Identify the best disease targets
» Develop unique best-in-class or first-in-class antibodies
» Develop next generation technologies

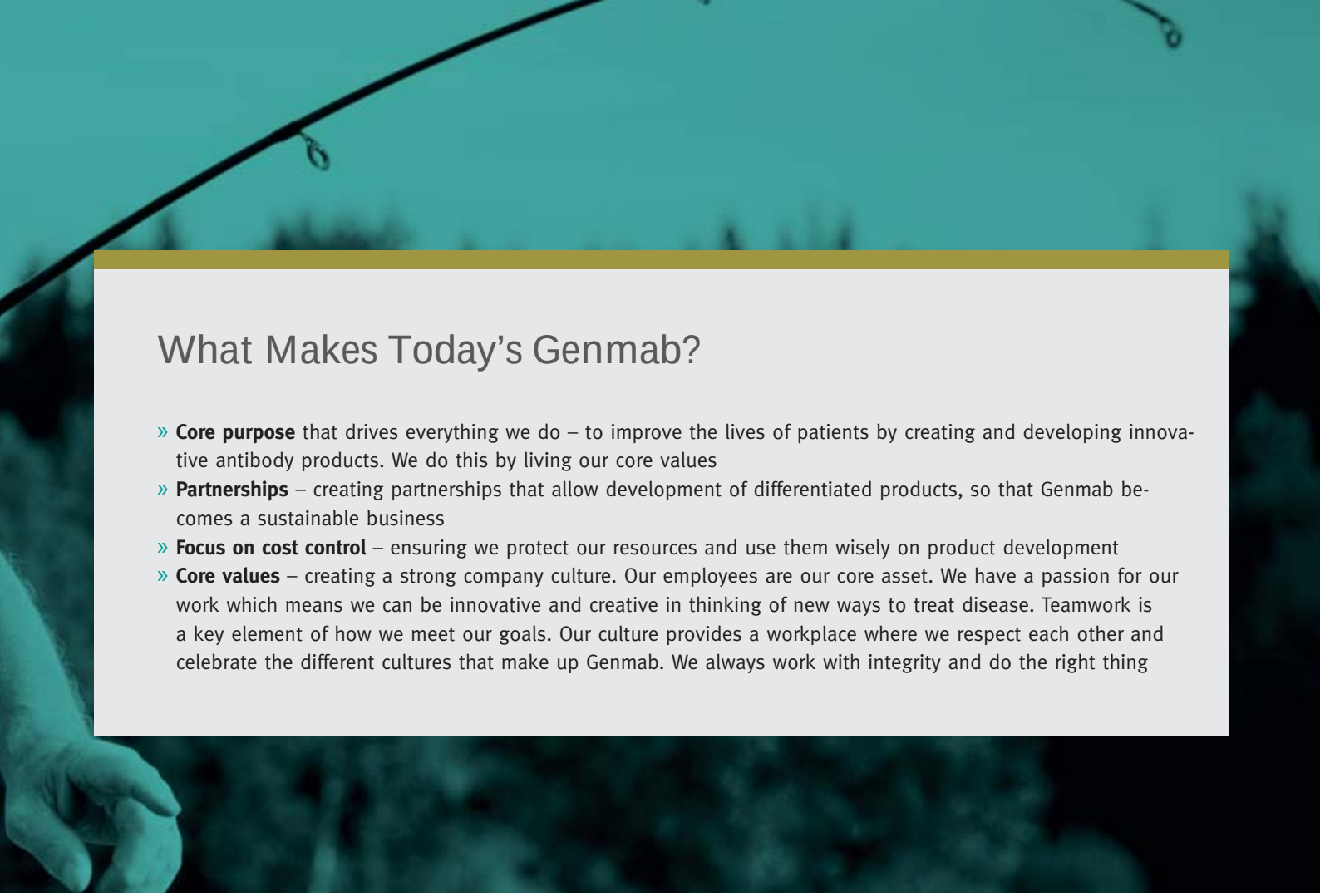
TURN SCIENCE INTO MEDICINE – INTO REAL VALUE

» Generate differentiated antibody therapeutics with significant commercial potential

BUILD A PROFITABLE AND SUCCESSFUL BIOTECH

» Maintain a flexible and capital efficient model
» Maximize relationships with partners





What Makes Today's Genmab?

» **Core purpose** that drives everything we do – to improve the lives of patients by creating and developing innovative antibody products. We do this by living our core values
» **Partnerships** – creating partnerships that allow development of differentiated products, so that Genmab becomes a sustainable business
» **Focus on cost control** – ensuring we protect our resources and use them wisely on product development
» **Core values** – creating a strong company culture. Our employees are our core asset. We have a passion for our work which means we can be innovative and creative in thinking of new ways to treat disease. Teamwork is a key element of how we meet our goals. Our culture provides a workplace where we respect each other and celebrate the different cultures that make up Genmab. We always work with integrity and do the right thing

Core Purpose and Values

OUR CORE PURPOSE

To improve the lives of patients by creating and developing innovative antibody products.

At Genmab, our core purpose guides and inspires us. It is the heart and soul of the company, our reason for being. Our desire to improve the quality of life for patients and their families is our main motivation in our efforts to find new ways to treat cancer.

OUR CORE VALUES

» Passion for innovation
» Work as one team and respect each other
» Determined – being the best at what we do
» Integrity – we do the right thing

"Our scientific teams continuously investigate new disease targets to expand our pipeline"

Product Pipeline

Our scientific teams continuously investigate promising new disease targets for potential addition to our pipeline. As of December 31, 2011, we had 25 ongoing clinical trials compared to 29 at the end of December 2010. The decrease was mainly as a result of our decision to wind down the zalutumumab program.

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 company announcements and investor news releases to the NASDAQ OMX Copenhagen, which are available on Genmab's website, **www.genmab.com**.

OFATUMUMAB

- Successful GSK collaboration
- Ofatumumab brought to market in US and EU in less than 8 years
- Launched in 23 countries under the trade name Arzerra
- Broad oncology and autoimmune disease potential
- 22 studies ongoing – 11 Phase III studies

Ofatumumab, which is being marketed and developed under a co-development and commercialization agreement with GSK, was approved to treat chronic lymphocytic leukemia (CLL) in patients who are refractory to fludarabine and alemtuzumab in the US and EU. Ofatumumab is a human monoclonal antibody, which targets an epitope in the CD20 molecule encompassing parts of the small and large extracellular loops (Teeling et al 2006). Ofatumumab is being studied in CLL, follicular lymphoma (FL), diffuse large B-cell lymphoma (DLBCL), Waldenstrom's macroglobulinemia (WM), relapsing remitting multiple sclerosis (RRMS) and rheumatoid arthritis (RA).

In the pivotal trial on which approval was based (total population n=154), the most common adverse reactions (≥10%, all grades) to ofatumumab were neutropenia, pneumonia, pyrexia, cough, diarrhea, anemia, fatigue, dyspnoea, rash, nausea, bronchitis, and upper respiratory tract infections. The most common serious adverse reactions were infections (including pneumonia and sepsis), neutropenia, and pyrexia. A total of 108 patients (70%) experienced bacterial, viral, or fungal infections. A total of 45 patients (29%) experienced ≥Grade 3 infections, of

Clinical Pipeline

as of March 7, 2012

DEVELOPMENT PHASE

Product	Disease Indications	I	I/II	II	III	IV
Ofatumumab	Chronic lymphocytic leukemia (CLL)					
22 studies	Follicular lymphoma (FL)					
Partner: GSK	Rheumatoid arthritis (RA)					
	Diffuse large B-cell lymphoma (DLBCL)					
	Relapsing remitting multiple sclerosis (RRMS)					
	Waldenstrom's macroglobulinemia (WM)					
Daratumumab	Multiple myeloma (MM)					
Target: CD38						
RG1512	Saphenous vein graft disease					
Target: p-selectin	Acute coronary syndrome (ACS)					
Partner: Roche						

which 19 (12%) were fatal. The proportion of fatal infections in the fludarabine- and alemtuzumab-refractory group was 17%.

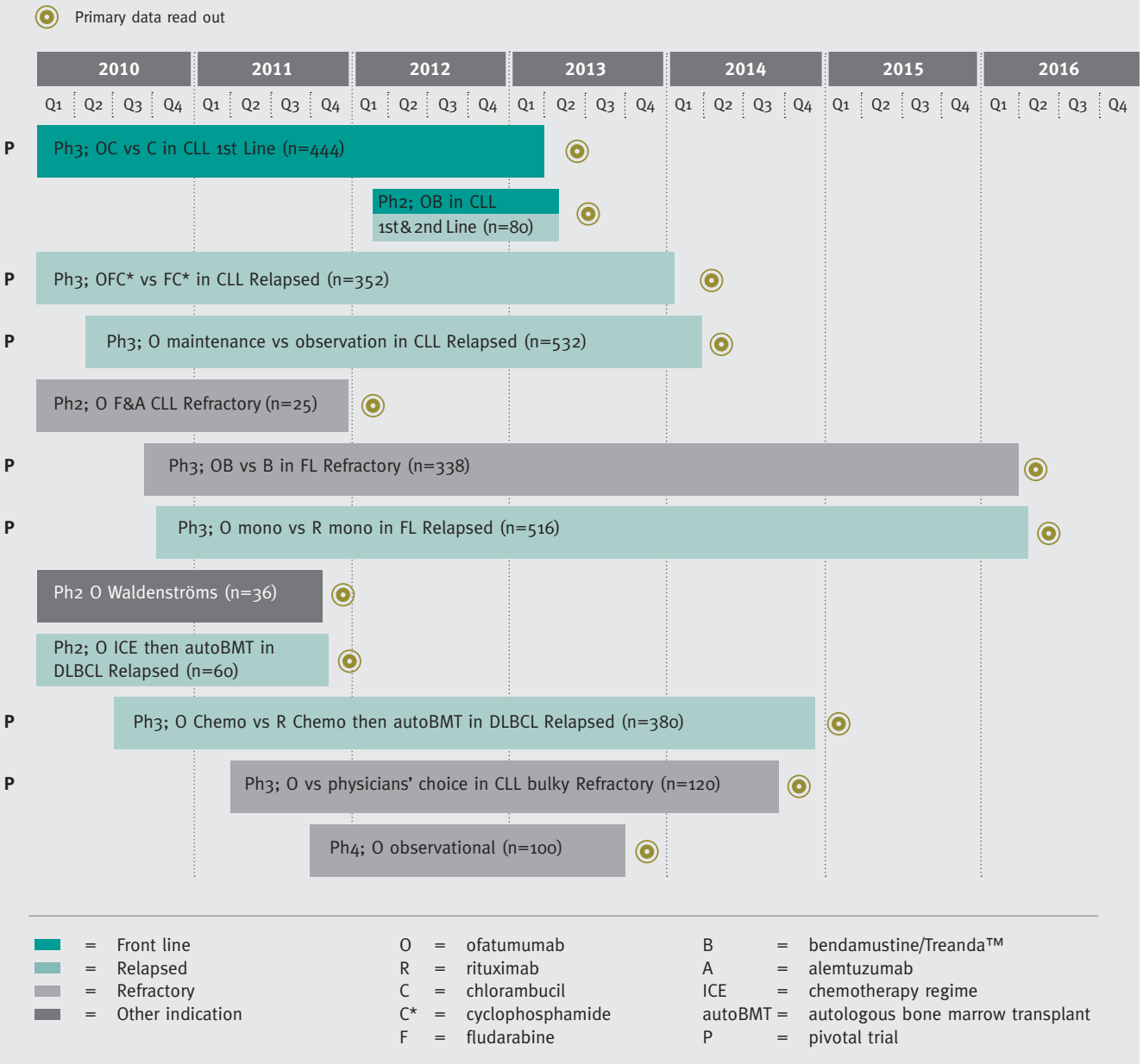
Sales of Arzerra reported by GSK for the full year 2011 were GBP 43.5 million (DKK 374 million) resulting in royalty income of DKK 75 million to Genmab. In 2010, sales were GBP 31 million (DKK 270 million) with royalty income to Genmab of DKK 54 million. Ofatumumab was available in 23 countries around the world, including the US, Germany, France and Italy, as well as Denmark and the Netherlands at the end of 2011. Product launches in additional countries are planned.

In April 2011, GSK filed an Investigational New Drug Application (IND) with the US FDA for the use of the subcutaneous formulation of ofatumumab in RRMS. The first Phase II study of the subcutaneous formulation of ofatumumab in RRMS began in the fourth quarter of 2011.

Data from a Phase I/II study of a subcutaneous formu-

Ofatumumab Oncology Clinical Trials

Expected Timeline to Primary Data as of December 2011



lation of ofatumumab in RA patients on stable background methotrexate was presented in June at the 2011 EULAR Congress. Profound and sustained peripheral B-cell depletion was achieved in patients treated with subcutaneous doses of 30, 60 or 100 mg of ofatumumab. The overall incidence of adverse events in patients treated with ofatumumab was 89% compared with 63% in patients who received placebo and the most common adverse events were headache, nausea and upper respiratory infection.

In August, Genmab announced top-line results from a Phase II study of ofatumumab in combination with salvage chemotherapy to treat relapsed or refractory aggressive lymphoma, including DLBCL. These data were also presented at the 2011 Annual Society of Hematology (ASH) conference held in San Diego in December. A total of 61 patients with aggressive lymphoma, who had persistent or progressive disease after first-line treatment with rituximab combined with chemotherapy, were treated in the study. The overall response rate (ORR) was 61%. There were no unexpected safety findings. The most common Grade 3 or higher adverse events were thrombocytopenia (59% of pts), anemia (36%), neutropenia (26%), lymphopenia (23%), leukopenia (18%), febrile neutropenia (13%) and hypokalemia (13%).

Data from a Phase III study of intravenous ofatumumab for the treatment of RA in patients who had an inadequate response to anti-TNF-α therapy became available in the third quarter of 2011. A total of 169 patients were enrolled in the study of which 84 received placebo and 85 received ofatumumab, in addition to stable methotrexate therapy. This study was terminated early in line with GSK's decision not to continue development of the intravenous formulation of ofatumumab in RA. Therefore only descriptive analyses from the double blind portion of the study were performed and there were no statistical analyses on the primary or secondary endpoints. The ACR20 response of the ofatumumab treatment group compared to the placebo treatment group was similar to that previously observed in the Phase III study in biologic-naive RA patients with an inadequate response to methotrexate. An ACR20 response indicates a 20% or greater improvement in the number of swollen and tender joints as well as improvements in other disease-activity measures. The most common adverse events (greater than 5%) in patients treated with ofatumumab were rash, pruritus, cough, urticaria, throat irritation and erythema. No fatalities were reported.

The Phase I/II study of ofatumumab in patients with previously treated CLL in Japan was completed in the third quarter. The study results will be presented at a future medical conference.

Major Indication	Study Description
CLL	» Phase IV observational study » Phase III study of ofatumumab in combination with chlorambucil for front line CLL » Phase III study of ofatumumab in combination with FC for second line CLL » Phase III maintenance study of ofatumumab versus no further treatment in patients with relapsed CLL who have responded to induction therapy » Phase III study in fludarabine- and alemtuzumab-refractory CLL » Phase III study versus physician's choice in bulky fludarabine-refractory CLL » Three Phase II trials and one Phase I trial
FL	» Phase III study in rituximab-refractory follicular NHL » Phase III study of ofatumumab in combination with bendamustine » Phase III study of ofatumumab versus rituximab in rituximab-sensitive follicular NHL that has relapsed at least 6 months after treatment with a rituximab-containing regimen » Phase II trial
DLBCL	» Phase III study of ofatumumab plus chemotherapy versus rituximab plus chemotherapy in relapsed or refractory DLBCL » Phase II trial
WM	» Phase II trial
RRMS	» Phase II trial (subcutaneous) » Phase II safety and pharmacokinetics study (intravenous)
RA (intravenous)	» Two Phase III studies and one Phase II study (GSK will focus future development on subcutaneous formulation)

In addition to the studies listed above, more than 75 Investigator Sponsored Studies (ISS) are planned or ongoing.

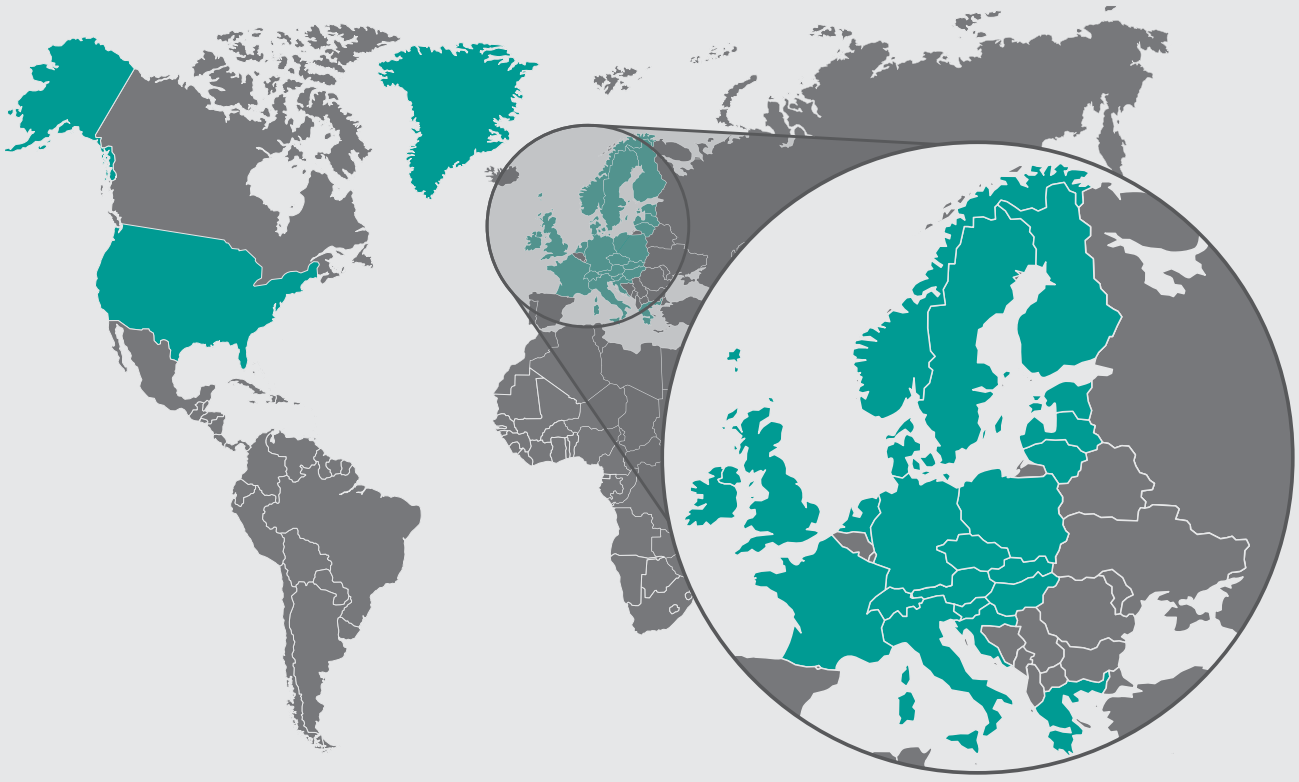
In the fourth quarter of 2011 a Phase IV post marketing observational study of ofatumumab in CLL was initiated.

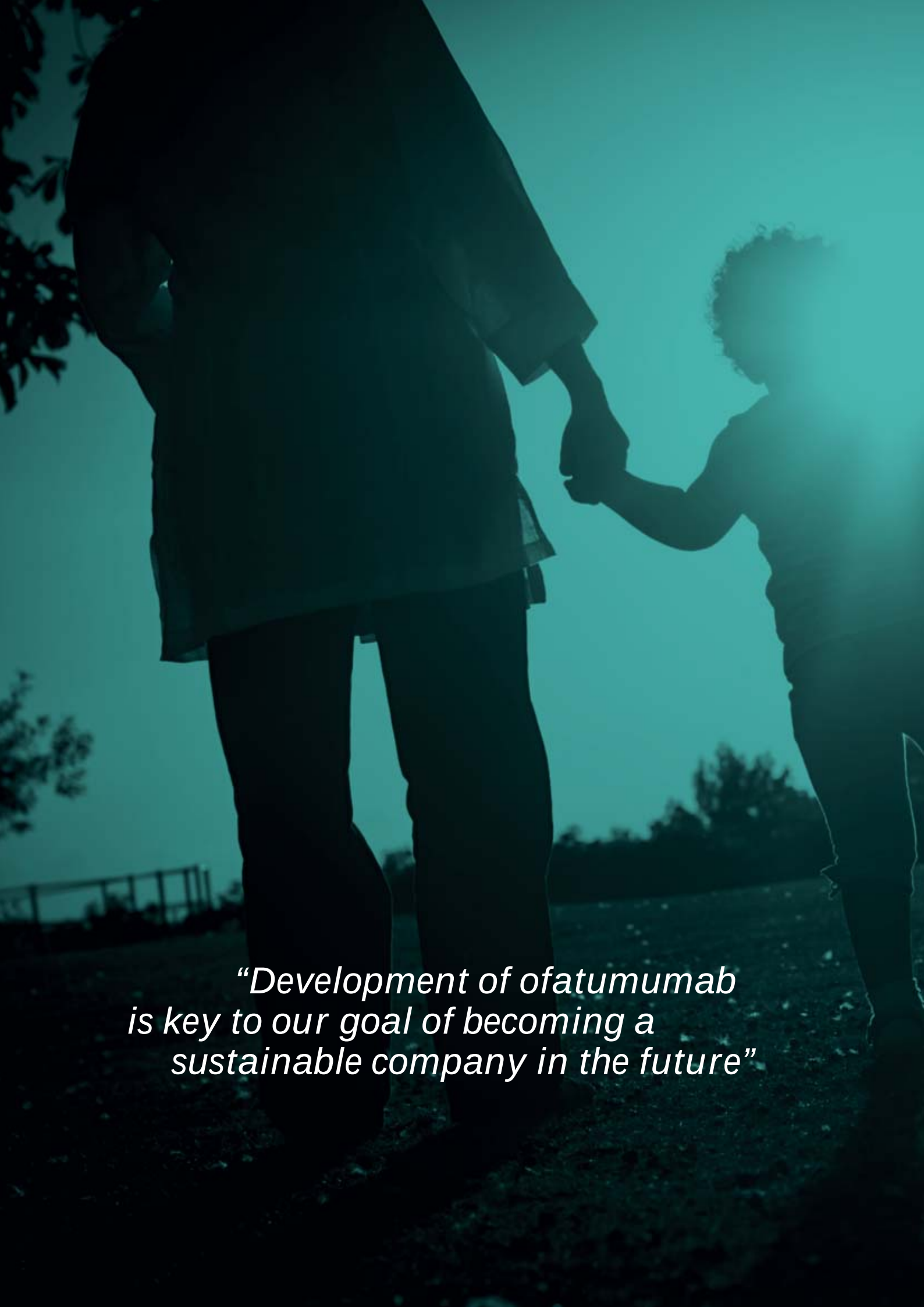
In the first quarter of 2012, enrolment of patients in the Phase III study of ofatumumab in combination with fludarabine and cyclophosphamide (FC) versus FC in patients with relapsed CLL was completed. In addition, data from the Phase II maintenance and treatment study of ofatumumab in patients who were previously treated in the Phase III study of ofatumumab in fludarabine- and alemtuzumab-refractory CLL were analyzed. GSK has submitted an abstract to present these data at the annual meeting of the American Society of Clinical Oncology (ASCO) in June 2012.

In total, there were 22 ofatumumab studies ongoing at the end of 2011. The table on page 15 provides an overview of the studies by major indication.

Arzerra® Launched in 23 Countries

By the end of 2011, GSK had successfully launched Arzerra in 23 countries across the northern hemisphere. Additional commercial launches are expected in 2012.




“Development of ofatumumab
is key to our goal of becoming a
sustainable company in the future”

DARATUMUMAB

- Target on multiple cancers, multiple myeloma, various leukemias (B-CLL, AML, B-ALL, plasma cell leukemias), follicular lymphoma, DLBCL, and mantle cell lymphoma
- Broad-spectrum killing activity; mediates cell death via ADCC, CDC and apoptosis
- Inhibits growth of CD38-expressing tumors in mouse models at very low doses
- Significant patient population with sales of therapeutic products to treat multiple myeloma estimated to reach USD 6 billion by 2018
- Enhances cell killing in combination with lenalidomide and bortezomib in pre-clinical setting
- Preliminary Phase I/II efficacy data reported in December 2011

Daratumumab, a CD38 monoclonal antibody with broad-spectrum killing activity, is in clinical development for multiple myeloma. The CD38 molecule 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 tumor cells. Furthermore, daratumumab mediated cell death via apoptosis and inhibited the enzymatic activity of the CD38 molecule, which may contribute to its efficacy in killing tumor cells in pre-clinical studies. Additional pre-clinical data presented in 2011 have shown that when daratumumab is added to standard treatments, it enhances the capacity of lenalidomide and bortezomib to kill multiple myeloma cells.

"Genmab is currently planning two new Phase I/II combination studies with daratumumab. The first patient for the first of these studies is anticipated in early 2012"

A Phase I/II safety and dose finding study of daratumumab for the treatment of relapsed or refractory multiple myeloma is underway. Preliminary safety and efficacy data from 23 patients who received daratumumab in doses up to 4mg/kg were presented at the 2011 ASH conference in San Diego. A 49%, 55%, and 61% reduction in the serum M-component was observed in the three patients treated at the highest dose level examined at the time (4mg/kg of daratumumab). Genmab currently has data from 26 patients who have received daratumumab in doses up to 8mg/kg. The latest data continues to show that daratumumab reduces M-component, and also reduces plasma cells in bone marrow. The data also continues to show daratumumab has an acceptable safety profile. In this ongoing study preliminary analyses show that five out of six patients who received 4 or 8mg/kg of daratumumab achieved reductions in the serum M-component. Furthermore, bone marrow biopsies available from five of the patients showed a reduction in plasma cells for four of the patients. The serum M-component is an abnormal protein produced by the cancerous plasma cells and is a direct marker for tumor activity. Reduction in the serum M-component and bone marrow plasma cells are key factors for response evaluations in multiple myeloma. The observed level of reduction of M-component and in bone marrow plasma cells therefore indicates that daratumumab was clinically active in these multiple myeloma patients.

The most common adverse events seen in the study so far were pyrexia, cough, free hemoglobin, anemia, dizziness, hemolysis, flu-like illness, nausea, lymphopenia and monocytopenia.

Genmab is currently planning two new Phase I/II combination studies with daratumumab. The first patient for the first of these studies is anticipated in early 2012.

ROCHE PROGRAMS

Our partner Roche is funding and conducting clinical studies with antibodies developed by Genmab under the companies' collaboration agreement. A 384 patient Phase II study investigating RG1512, which targets P-selectin, for treatment of saphenous vein graft disease was initiated in December 2010. A second Phase II study in 516 patients with RG1512 to investigate Acute Coronary Syndrome started in the second quarter of 2011.

Development of oxelumab (RG4930) for asthma was discontinued by Roche in the second quarter of 2011, however development may continue in the future via an investigator sponsored study in an inflammatory-related or autoimmune indication.

ZANOLIMUMAB

In May 2011, Emergent BioSolutions Inc. acquired the rights to zanolimumab, a fully human antibody targeting CD4, from TenX Biopharma, Inc. Genmab's global license agreement with Emergent BioSolutions was slightly modified compared to the previous agreement with TenX Biopharma. Zanolimumab will be developed for the treatment of cutaneous T-cell lymphoma (CTCL) and peripheral T-cell lymphoma (PTCL).

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.

After an extensive search during the first half of 2011, Genmab did not find a satisfactory partner to take zalutumumab forward. As part of the company's disciplined approach and commitment to controlling costs, Genmab wound down the zalutumumab program. Genmab will continue to pursue partnership leads, but will not invest further in the development of zalutumumab. The Phase III front line head and neck cancer study of zalutumumab in combination with radiotherapy or chemo-radiotherapy will continue to be run by the Danish Head and Neck Cancer Group (DAHANCA). Patient recruitment is expected to be completed in 2012.

PRE-CLINICAL PROGRAMS

Genmab has a total of eight active programs in pre-clinical development both carried out by Genmab and together with our collaboration partners. 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. Genmab is creating antibodies to three central nervous system (CNS) targets under an agreement with H. Lundbeck A/S. Genmab achieved the first proof of concept in vitro milestone in this collaboration in December 2011, triggering a payment of € 1 million (DKK 7 million) to Genmab.

In 2010, Genmab entered into an antibody-drug conjugate (ADC) collaboration agreement with Seattle Genetics for HuMax®-TF, targeting the Tissue Factor antigen. Genmab presented early encouraging in vitro and in vivo data at the R&D Day in January 2011. During 2011, we entered into a manufacturing agreement with Lonza which secures a manufacturing plan to produce the Tissue Factor antibody-drug conjugate.

In April 2011, we expanded our collaboration with Seattle Genetics to include an additional antibody, HuMax-CD74, targeting the CD74 protein which is widely expressed on hematological malignancies and a range of solid tumors.

Collaborations

In support of our strategy to build a broad portfolio of products and facilitate their potential commercialization, Genmab has established and continues to pursue collaborations with major pharmaceutical and biotechnology companies. These collaborations give our partners access to our antibody development capabilities and help us bring our products closer to the market and give us access to promising technologies to create new therapeutics. We have key collaborations with GlaxoSmithKline (GSK), Roche, H. Lundbeck A/S and Seattle Genetics, world leading research-based pharmaceutical and healthcare companies.

GLAXOSMITHKLINE

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 and GSK invested DKK 2,033 million to subscribe in Genmab shares. We may also receive potential milestone payments in addition to those already received. As of December 31, 2011, total milestone payments received under the GSK agreement amounted to DKK 1,046 million since inception.

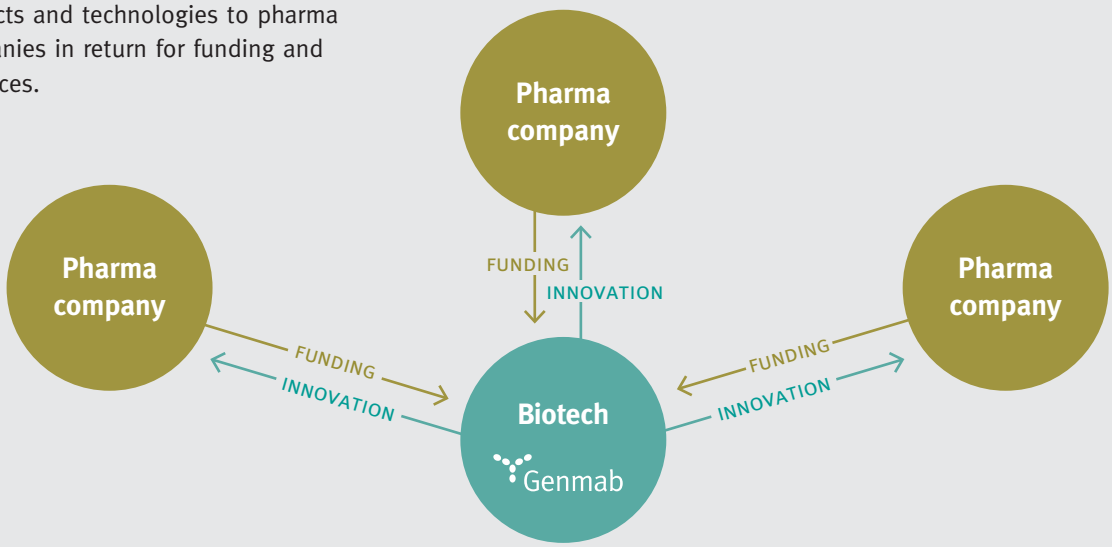
In addition, Genmab is entitled to receive tiered double-digit royalties on global sales of ofatumumab. From 2008, the parties shared certain development costs, and GSK is responsible for commercial manufacturing and commercialization expenses.

In July 2010, GSK and Genmab announced a further amendment to the ofatumumab agreement. Under the terms of the amendment, GSK has taken responsibility for developing ofatumumab in autoimmune indications whilst continuing to jointly develop ofatumumab with Genmab in oncology indications. Genmab received an upfront payment of GBP 90 million (DKK 815 million at the date of the agreement) from GSK in connection with the amendment. Future milestones due to Genmab under the oncology development program were reduced by 50%. There was no change in royalty tiers to Genmab in the oncology program. GSK is solely responsible for funding the development in autoimmune indications and Genmab has forgone development milestones for autoimmune indications and the first two sales milestones while retaining a double digit royalty on sales.

Genmab's future funding commitment for the development of ofatumumab in oncology indications will be

Innovation Ecosystem

Biotech companies supply innovative products and technologies to pharma companies in return for funding and resources.



capped at a total of GBP 145 million (DKK 1,314 million at the date of the agreement), including a yearly cash funding cap of GBP 17 million (DKK 154 million at the date of the agreement) for six years starting with 2010.

ROCHE

Under our agreement with Roche, we have utilized our broad antibody expertise and development capabilities to create human antibodies to a 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.

H. LUNDBECK A/S

In October 2010, Genmab and Lundbeck entered an agreement to create and develop human antibody therapeutics for disorders of the central nervous system (CNS). Genmab will create novel human antibodies to three targets identified by Lundbeck. Lundbeck has access to Genmab's antibody creation and development capabilities, including its UniBody® platform. Lundbeck will have an option to take selected antibodies into clinical development at its own cost and subject to the payment of milestones and single-digit royalties to Genmab upon successful development and commercialization. Genmab will have a similar option to take selected antibodies into clinical development for cancer indications at its own cost and subject to the payment of milestones and single-digit royalties to Lundbeck.

Under the terms of the agreement, Genmab received an upfront payment of € 7.5 million (DKK 56 million at the date of the agreement). Lundbeck will fully fund the development of the antibodies. If all milestones in the agreement are achieved, the total value of the agreement to Genmab would be approximately € 38 million (DKK 283 million at the date of the agreement), plus single-digit royalties. Genmab achieved two proof of concept in vitro milestones in this collaboration in December 2011 and February 2012, each triggering a payment of € 1 million (DKK 7 million) to Genmab.

SEATTLE GENETICS

In September 2010, Genmab and Seattle Genetics, Inc. entered into an antibody-drug conjugate (ADC) research collaboration agreement. Under the agreement, Genmab has rights to utilize Seattle Genetics' ADC technology with its HuMax-TF antibody. Seattle Genetics received an undisclosed upfront payment and has the right to exercise a co-development and co-commercialization option for any resulting ADC products at the end of Phase I clinical development.

In April 2011, Genmab entered into a second ADC research collaboration agreement with Seattle Genetics. Under the new agreement, Genmab has rights to utilize Seattle Genetics' ADC technology with HuMax-CD74, an antibody in pre-clinical development to target CD74, which is expressed on a wide range of hematological malignancies and solid tumors. Seattle Genetics received an undisclosed upfront payment and has the right to exercise a co-development and co-commercialization option for any resulting ADC products at the end of Phase I clinical development. If Seattle Genetics opts into this program a payment would be due to Genmab.

For both programs, Genmab is responsible for research, manufacturing, pre-clinical development and Phase I clinical evaluation of HuMax®-ADCs. Seattle Genetics will receive research support payments for any assistance provided to Genmab. If Seattle Genetics opts into a HuMax-ADC product at the end of Phase I, the companies would co-develop and share all future costs and profits for the product on a 50:50 basis. If Seattle Genetics does not opt into a HuMax-ADC product, Genmab would pay Seattle Genetics fees, milestones and mid-single digit royalties on worldwide net sales of the product.

EMERGENT BIOSOLUTIONS INC.

In May 2011, Emergent BioSolutions Inc. acquired the rights to zanolimumab, a fully human antibody targeting CD4, from TenX Biopharma, Inc. Genmab's license agreement with Emergent BioSolutions was slightly modified compared to the previous agreement with TenX Biopharma. Zanolimumab will be developed for the treatment of cutaneous T-cell lymphoma (CTCL) and peripheral T-cell lymphoma (PTCL).


“We are building a sustainable business by advancing innovative products with our partners”

Antibody Technology and Streamlined Development

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 Inc., 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.

"DuoBody molecules are unique in combining the benefits of bi-specificity with the strengths of conventional antibodies which allows DuoBody molecules to be administered and dosed as other antibody therapeutics"

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.

DUOBODY™ PLATFORM

The DuoBody platform is an innovative platform for the discovery and development of bispecific antibodies that may improve antibody therapy of cancer, autoimmune, infectious and central nervous system disease. Bispecific antibodies bind to two different epitopes either on the same, or on different targets (also known as dual-targeting) which may improve the antibodies' specificity and efficacy in inactivating the disease targets. DuoBody molecules are unique in combining the benefits of bispecificity with the strengths of conventional antibodies which allows DuoBody molecules to be administered and dosed as other antibody therapeutics. Genmab's DuoBody platform generates bispecific antibodies via a fast and broadly applicable process which is easily performed at standard bench, as well as commercial, manufacturing scale.

UNIBODY® TECHNOLOGY

The UniBody platform is a proprietary antibody technology that creates a stable, smaller antibody format with an anticipated broader 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 and binds with only one antibody arm to a therapeutic target. UniBody molecules are expected to be cleared from the body at a lower rate than other 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, which could be an advantage in the treatment of diseases such as asthma or allergies.

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 inventions 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.

In October 2009, under the collaboration agreement between GSK and Genmab, GSK filed a declaratory judgment action at the United States District Court for the Southern District of Florida seeking a declaration that US Patent No 6,331,415 (the "Cabilly" patent) owned by Genentech, Inc. and City of Hope, is invalid, unenforceable and not infringed by Arzerra. The case has been transferred to the United States District Court for the Central District of California. No trial date has been scheduled yet.

In March 2010, Genentech, Inc. and Biogen Idec, Inc. filed a patent infringement lawsuit with the US District Court in San Diego, California claiming Arzerra infringed US Patent No 7,682,612 covering methods of treating chronic lymphocytic leukemia (CLL) with anti-CD20 antibodies. GSK denied infringement and claimed the patent was invalid and unenforceable. In November 2011 the US District Court entered a final judgment in favor of GSK. The decision came after the court defined certain terms of the patent claims. Based on this Genentech and Biogen Idec conceded to a judgment in favor of GSK's counterclaim of non-infringement. In December 2011 Genentech and Biogen Idec filed an appeal to the US Court of Appeals for the Federal Circuit.

Manufacturing

As a part of the reorganization plan announced in November 2009, Genmab intends to sell its 215,000 square foot manufacturing facility which has 22,000 litres of capacity. The facility is 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.

The sales process is active and Genmab has hired an external sales agent with significant experience within the sale of pharmaceutical and biotechnology manufacturing facilities. Genmab remains committed to its plan to sell the facility.

As announced in November 2011, we have moved the expected sale of the facility to 2012 due to the difficult general market conditions, worsening economic outlook and fears of another global recession, as well as the existence of surplus contract manufacturing capacity.

Additionally, we reduced the fair value from approximately USD 125 million to USD 60 million as of September 30, 2011. As the sales related costs also were reduced from USD 5 million to USD 2 million, the fair value less cost to sell has been reduced from USD 120 million to USD 58 million. As a result of the reduction in the fair value less cost to sell, a non-cash impairment charge of approximately DKK 342 million was recognized in the income statement. The impairment is included in the result of the discontinued operation.

Please refer to note 18 for further information.

Corporate Governance

Genmab continuously works to improve its guidelines and policies for corporate governance taking into account the 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, employees and other stakeholders have in Genmab. The role of shareholders and their interaction with Genmab is important. Genmab acknowledges that open communication is necessary to maintain the confidence of our shareholders and we achieve this through company announcements, investor meetings, and company presentations. Genmab is committed to providing reliable and transparent information about its business, development programs, and scientific results in a clear 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 in which Genmab participates.

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. The majority of the corporate documents and all company announcements 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 issued by the Committee on Corporate Governance in August 2011 (the "Recommendations"). The companies shall adopt the "comply-or-explain" principle with respect to the Recommendations.

Genmab complies with the vast majority of the Recommendations, although specific sub-areas have been identified where Genmab's corporate governance principles differ from the Recommendations:

- The Recommendations prescribe that board members run for election every year, but Genmab has designated two-year election periods to provide continuity and stability on the board of directors.
- The Recommendations prescribe that remuneration of the board members do not include warrants. However, Genmab's remuneration of the board members includes warrant grants as warrant programs constitute a common part of the remuneration paid to members of the board of directors in competing international biotech companies. To remain competitive in the international market and to be able to attract and retain qualified members of the board of directors it is considered in the best interest of Genmab to follow this practice which we believe is aligned to serve the shareholders' long-term interests.
- The Recommendations prescribe that warrants should not be exercisable earlier than three years from the date of the grant. Genmab's 2004 warrant scheme vests over a period of four years from the date of the grant. The warrant holder may only exercise 25% of the warrants granted per full year of employment or affiliation with Genmab after the grant date.
- The Recommendations prescribe that Genmab, in exceptional cases, should be able to reclaim variable components of remuneration. It is, however, Genmab's assessment that a claim to repayment, in whole or in part, of variable components of remuneration, which have been paid on the basis of information later proven incorrect, should be based on the general Danish legal principles.

A detailed description of the board of directors' consideration in respect of all the Recommendations can be found on Genmab's website **www.genmab.com/investor%20center/~/media/statutory_corporate_governance_report_2011_uk.ashx.**

THE WORK AND COMPOSITION OF THE BOARD OF DIRECTORS

The board of directors plays an important role within Genmab, being actively involved in setting the strategies and goals for Genmab and 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 the grant of warrants. Relevant knowledge and professional experience are key parameters when nominating board members.

On April 6, 2011, the shareholders re-elected Dr. Michael B. Widmer and Karsten Havkrog Pedersen and elected Dr. Toon Wilderbeek to the board of directors at Genmab's annual general meeting.

Genmab's six board members elected through general meetings are all considered to be independent of Genmab under the Recommendations. The three employee-elected board members are not considered to be independent of Genmab.

During 2011, the board of directors held eight scheduled meetings, in addition to the informal ongoing communication between the board members and the executive management.

The chairman of the board of directors ensures that the board of directors performs regular assessments of its own performance to verify that the board of directors is capable of fulfilling its function and responsibilities, and that the outcome of such evaluations are discussed with the board of directors. The board of directors believes it has the right size and composition representing adequate expertise and skills within the relevant fields. Furthermore, the board of directors performs regular assessments 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 and dynamic company, it is especially important for the board of directors to liaise actively with the executive management in a respectful and trusting manner.

The outcome of the board of directors' self-assessment in 2011 was positive, with only minor areas for improvement identified. Overall, there was a high degree of satisfaction with the planning, content and implementation

of the meetings and it was the general impression that the output of the meetings was of high quality. There was satisfaction with the expansion of the board of directors in 2011 and there was agreement that the skills and expertise of the present board members were comprehensive and sufficient. It was further concluded that the collaboration with the executive management was satisfactory and that the executive management was very responsive to input from the board of directors.

Genmab has not established rules with respect to the number of board positions outside of Genmab that each board member is allowed to hold. It is considered that the individual board members and the Nominating and Corporate Governance Committee will be able to determine this on a case-by-case basis as no general guidelines can be made for the workload associated with such positions. Please refer to the section "Board of Directors" in this annual report to see the board members' number of directorships held outside Genmab.

BOARD COMMITTEES

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

Committees	Meetings in 2011
Nominating and Corporate Governance Committee	2
Audit Committee	5
Compensation Committee	4

None of the employee board members are elected to the committees.

Written charters specifying the tasks and responsibilities have been adopted for each of these committees. All three committee charters are available on Genmab's website **www.genmab.com**.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee monitors the work of the board of directors, including regular reviews and assessments of the size, composition, authority, operations, diversity, including with respect to international experience, gender and age and performance of the board.

The tasks include performing at least annual evaluations of the board of directors and the individual board members and making recommendations to the board with respect to re-nomination of existing board members and identification of new candidates to serve on the board.

The Nominating and Corporate Governance Committee aims to continuously hold a broad and diverse composition containing members with relevant knowledge, expertise and experience in biotechnology and international management, commercialization, financial, legal and managerial aspects relevant to Genmab's business.

Furthermore, on an annual basis the Nominating and Corporate Governance Committee evaluates the composition, charter, authority and performance of each standing board committee and recommends to the board any changes considered appropriate with respect thereto.

Genmab believes the board of directors' professional experience, and use of external advisors, is adequate to ensure that the best-suited candidates are identified and that the composition of the board of directors appropriately reflects the needs of the Company. Genmab believes that the current composition of the board of directors is adequate, taking into account the criteria mentioned above. Special competences and skills possessed by each individual member of the board are outlined in the section "Board of Directors" in the annual report.

The Nominating and Corporate Governance Committee also oversees the standards for independence of directors. Further, the 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 and makes recommendations concerning election of the auditors.

The Audit Committee also reviews Genmab's significant accounting policies and estimates as well as related party transactions, uncertainties and risks, including those related to the financial outlook. The Audit Committee agrees on the fees, terms and other conditions of engagement with the independent auditors and monitors the audit process.

On an annual basis the Audit Committee considers whether there is a need for an internal audit function in the Company. Due to the current size of Genmab and the business structure, it has been decided not to establish an internal audit function.

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 Chief Financial Officer 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 four members who are all considered to be independent, including Hans Henrik Munch-Jensen and Burton Malkiel who are also designated as the Audit Committee's financial, accounting and audit experts. Toon Wilderbeek was designated as member of the Audit Committee in December 2011.

Compensation Committee

The role of the Compensation Committee is to advise the board of directors 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 management are adopted at the annual general meeting.

The Compensation Committee shall

(i) make proposals, for the approval of the board of directors prior to approval at the general meeting, on the compensation policy, including the general guidelines for incentive programs ("Incentive Guidelines") for members of the board of directors and the executive management

(ii) review and make recommendations to the entire board of directors regarding the compensation structure for the executive management and members of the board of directors in accordance with the Incentive Guidelines, the Company's compensation policy and based on an evaluation of the performance of the individuals concerned, and

(iii) oversee that the information in the annual report on the compensation of the board and the executive management is correct, true and sufficient.

The Committee supports the board of directors 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 management 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 and the executive management which is determined by taking into account relevant market and benchmark data. The remuneration is adopted at the annual general meeting. The remuneration of the board of directors and executive management is disclosed in note 20 to the financial statements.

All incentive payments have been carried out in accordance with Genmab's General Guideline for Incentive Programs for the board of directors and the executive management pursuant to section 139 of the Danish Companies Act. The guidelines were adopted at the 2008 annual general meeting and amended by the annual general meeting in 2011, where the maximum amount of warrants that can be granted to members of the board of directors were lowered and the annual warrant grants to members of the executive management were limited. Warrants granted according to the guidelines are granted at market price on the day of grant and vest over a period of four years. The guidelines can be found in their full length on our website **www.genmab.com**.

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.

Genmab has utilized a top-down risk based approach to comply with EURO SOX in which skilled employees from finance, operations and IT 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 have put procedures in place to ensure significant errors are prevented, detected and corrected. Genmab's internal control and risk management systems are updated on an ongoing basis. Therefore, 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 IFRS.

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.

It is Genmab's policy that all disclosures made by the company to its shareholders or the investment community should be accurate and complete and fairly present the Company's financial condition and results of operations in all material respects, and should be made on a timely basis as required by applicable laws and stock exchange

- 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.

Management reporting systems and internal control systems: above table illustrates some of the key standards and guidelines.

requirements. Therefore to further strengthen the internal control environment a Disclosure Committee was established in 2011 with the main purpose to assist the board of directors and the executive management in fulfilling their responsibility for oversight of the accuracy and timeliness of the disclosures made by Genmab.

PROCEDURES FOR CHANGES IN THE ARTICLES OF ASSOCIATION

Unless the Danish 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 **www.genmab.com**.

CHANGE OF CONTROL

Collaboration, Development and License Agreements

Genmab has not entered into any significant collaboration, development, and license agreements with external parties, which are subject to renegotiation in case of a change of control event in Genmab A/S.

Service Agreements with Executive Management and Employees

The service agreements with each executive member of the management may be terminated by Genmab with no less than 12 months' notice and by the executive member of the management with no less than six months' notice. In the event of a change of control of Genmab, the termination notice due to the executive member of the management is extended to 24 months. In the event of termination by Genmab (unless for cause) or by an executive member of management as a result of a change of control of Genmab, Genmab is obliged to pay an executive member of management a compensation equal to his/her existing total salary (including benefits) for up to two years in addition to the notice period. In case of a change of control event and the termination of service agreements of the executive management, the total impact on our financial position is estimated to approximately DKK 45 million as of December 31, 2011 (2010: DKK 52 million).

In addition, Genmab has entered into service agreements with 28 current (2010: 31) employees according to which Genmab may become obliged to compensate the

employees in connection with a change of control of Genmab. If Genmab as a result of a change of control terminates the service agreement without cause, or changes the working conditions to the detriment of the employee, the employee shall be entitled to terminate the employment relationship without further cause with one month's notice in which case Genmab shall pay the employee a compensation equal to one or two times the employee's existing annual salary (including benefits).

In case of the change of control event and the termination of all 28 (2010: 31) service agreements the total impact on our financial position is estimated to approximately DKK 61 million as of December 31, 2011 (2010: DKK 72 million).

With respect to change of control clauses related to warrants granted to the executive management and employees, please refer to note 17 to the financial statements. As of December 31, 2011, a change of control event and the termination of all impacted service agreements are not expected to have a significant impact on our financial position.

Corporate Social Responsibility (CSR)

Genmab is dedicated to being a socially responsible company. We commit to comply with all relevant laws, standards and guidelines. Therefore, we maintain a strong corporate governance structure and communicate openly and transparently about our CSR efforts as we build a sustainable business.

Genmab's core purpose is **'to improve the lives of patients by creating and developing innovative antibody products'** that contribute to society by improving healthcare and the quality of life. Genmab will achieve this goal in a responsible and ethical way, ensuring a safe and inspiring working environment for employees and minimizing the impact of its processes on the environment.

We expect both initiated and planned CSR activities to have a positive effect on our business and reduce the risks associated with environmental, social, and ethical issues. We anticipate that these CSR initiatives will be viewed favorably by current and prospective employees and investors.

In 2009 a business driven CSR strategy and action plan was approved by the board of directors focusing on four main areas:

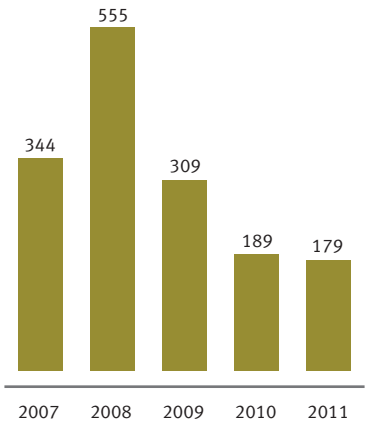
- Employee well-being including health and safety and development
- Ethics in relation to pre-clinical and clinical studies
- Environment including waste management and recycling
- Business ethics and transparency

Genmab publishes its CSR initiatives on the company's website, including additional information about policies, progress made during 2011 and expected activities for 2012. The CSR initiatives within the four main areas can be found on **www.genmab.com/about%20genmab/~/media/csr_genmab_2011_uk.ashx.**

Human Resources

One of Genmab's greatest assets is its employees which are concentrated within research and development. Skill, knowledge, experience and employee motivation are essential to Genmab as a biotech company. The ability to organize our highly skilled and very experienced employees at all levels of the organization into interactive teams is a key factor in achieving the strategy for Genmab and to ensure Genmab's success. Genmab's team is very experienced in the pharmaceutical and biotechnology industry, particularly among the more senior personnel.

EMPLOYEES AT YEAR END



Genmab emphasizes an open and supportive professional work environment across our international locations. Genmab believes that fostering workplace diversity is a prerequisite for the continued success of the company. Diversity is interpreted broadly to ensure equal opportunities, non-discrimination and an inclusive working culture, and includes social, educational and cultural background as well as nationality, age and gender. While insisting that all positions must be filled by the best candidate, our ambition is that all management levels shall hold a diverse composition. The diversity of Genmab's management levels and activities to ensure diversity are reviewed by the board of directors at least on an annual basis.

Environment

Genmab's in-house research activities are carried out from the company's laboratory facilities in Utrecht, which are designed to reduce environmental impact through a modular energy efficient set-up based on energy regeneration equipment. To reduce environmental burden, we have implemented a group environmental policy including a policy 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. Genmab's executive management aims to draw attention to the importance of protecting the environment and therefore the environmental area is one of Genmab's Corporate Social Responsibility (CSR) focus areas. Please refer to the CSR section in this annual report or our website **www.genmab.com** for further details.

Risk Management

Genmab has facilities in three countries and performs research and development activities with clinical trials conducted around the globe. 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.

KEY EMPLOYEE RATIOS

Ratio		2011	2010
Workforce at the end of the year	No.	179	189
Research and development employees	%	89%	86%
Administrative employees	%	11%	14%
Female	%	46%	51%
Male	%	54%	49%
Average age of workforce	No.	39 years	41 years
Employees holding an advanced degree (Ph.D., Doctoral or Master)	%	40%	43%
Seniority	No.	6 years	5 years
More than 5 years experience in pharma/biotech industry	%	85%	79%
Rate of voluntary* employee turnover	%	5.5%	12.5%

*Excluding effect from the 2009 and 2010 re-organizations.

Key Risk	Description	Mitigation
Development Risk	The development of therapeutic products is subject to considerable risks. Since all aspects cannot be 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 regulatory requirement changes, can influence the timing and nature of clinical development activities and related expenses and revenues. We are subject to extensive governmental regulation and cannot market our products or develop product candidates before regulatory approvals are obtained. Accordingly, it is essential for Genmab to adhere to requirements and standards of the regulatory authorities.	Genmab has established various committees to ensure optimal selection of disease targets and antibody product candidates and to monitor project progress. 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. To ensure compliance with regulatory requirements, Genmab has established a quality assurance department. Genmab closely adheres to the recommendations received from regulatory authorities and complies with requirements from such authorities.
Technology Risk	Genmab is highly dependent on the development of and access to new technologies, and that our current technologies remain relevant and competitive.	Genmab strives to continue its development of new technologies, such as the DuoBody platform. In addition Genmab gains access to new technologies such as ADC technology via the partnership with Seattle Genetics.
Commercial Risk	Genmab is subject to a number of commercial risk factors including: market size, competition, pricing, reimbursement policies of government and third-party payers, ability to attract interest of potential partners and investors, development time and costs, patent protection and avoidance of patent infringements. It is important for the company to be able to form partnerships with major pharmaceutical companies for some of our products to ensure successful development and commercialization thereof. Our reliance on and collaboration with external partners is very important for our business as future growth and revenues, in particular milestones and royalties, may depend on continued collaboration and adherence to agreements with existing and future collaboration partners. Our business may be negatively affected if our collaboration partners do not devote sufficient resources to our programs and products, become unable to meet their obligations or if we are not able to establish additional partnerships.	Genmab attempts to control commercial risks by monitoring and evaluating current market conditions and patent positions. The board of directors and management perform an ongoing assessment of progress with external partnerships and any changes to commercial risks. Genmab strives to be an attractive and respected collaboration partner. Genmab pursues 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 goals.
Financial Risk and Capital Management	Our development activities require significant capital. We may be unsuccessful in attempting to raise additional funds through equity or debt financings, collaborative agreements with partners or from other sources if we require additional funding. 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 and the mitigation of these are disclosed in more details in note 13 to the financial statements.
Inability to Attract and Retain Suitably Qualified Personnel	Genmab is highly dependent on the principal members of our Senior Leadership Team, scientific staff and other key personnel, the loss of whose services could adversely affect the achievement of planned development objectives. Genmab 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, Genmab offers competitive remuneration packages, including a warrant program. For further details on the warrant program, refer to note 17 to the financial statements.
Legal Risk	Genmab's activities are exposed to legal risks. Amended legislation and reinterpretation of legislation may result in unintended or unexpected issues, which could potentially impact our legal contracts. The contents of such contracts or how such contracts were drawn up may also subsequently appear inappropriate. The consequences of such circumstances may involve legal matters as well as significant technical and financial issues.	To prevent unwarranted consequences of amended legislation etc., Genmab continuously strives to be up to date with all relevant new legislation and regulation, by means of internal as well as external legal counsel. Also, internal procedures for review of contracts have been implemented to ensure contractual consistency and compliance with legislation and regulation.

Key Risk	Description	Mitigation
Product Liability Risk	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 and are closely reviewed by regulatory bodies prior to approval, unforeseen side effects or injuries may occur. This poses a risk of litigation due to consumer product safety claims, substantiated and unsubstantiated.	A successful product liability claim could materially affect our financial position and Genmab therefore maintains product liability insurance for our clinical trials and other coverage required under applicable laws.
Intellectual Property Risk	Genmab's intellectual property may not be protected and may be subsequently reproduced or Genmab's products may infringe on a competitor's intellectual property.	Genmab files patent applications in an effort to protect its products and technologies from outside entities. In an effort to protect trade secrets and technology, Genmab maintains strict confidentiality standards and agreements for employees and collaborating parties. Please refer to the "Intellectual Property" section for further details.
Regulatory Risk	Genmab has operations in countries with diverse laws and regulations which govern the biotechnology industry. Changes in these laws and regulations may result in an unfavorable impact on our financial, legal, and other positions. This includes changes in tax laws, regulatory approval processes, intellectual property laws, and environmental safety laws, among others. If Genmab does not comply with these laws and regulations, it may incur significant costs and face litigation.	Genmab makes every effort to stay abreast of regulatory changes to legislation to ensure compliance.
Outsourcing Risk	Genmab is dependent upon outsourcing arrangements to support our objectives and strategic plans. Use of outsourcing services may introduce unforeseen risks such as availability of resources, confidentiality and regulatory compliance.	Genmab oversees and evaluates outsourcing relationships to ensure consistency with strategic objectives and service provider performance. This includes assessment of contingency plans, 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 its shareholders and business partners and is essential to the company's ability to conduct business.	Genmab is committed to lawful and ethical behavior in financial, accounting and other matters and requires its employees to conduct themselves in a manner that complies with all applicable laws and regulations. Genmab has a whistleblower program which has been approved by the Danish Data Protection Agency. In 2011, a Code of Business Ethics for all our employees was also implemented. Together with certain business ethics procedures, including a CSR strategy, these procedures aim to mitigate Genmab's ethical and reputation risk.

Subsequent Events to the Balance Sheet Date

In February 2012, we announced royalty income of approximately DKK 20 million following net sales for Arzerra for the fourth quarter of 2011 of GBP 11.7 million.

Further, in February we reached the second in vitro proof of concept milestone in the collaboration with Lundbeck triggering a payment of € 1 million (DKK 7 million) to Genmab.

Financial Review

The financial statements are prepared on a consolidated basis for the Genmab group and are published in Danish Kroner (DKK).

RESULT FOR THE YEAR

During 2011, we updated our 2011 financial guidance in August and November. Both updates included a reduction in the operating expenses and in November we also updated our financial guidance as a result of a reduction in the fair value of the Minnesota manufacturing facility by DKK 342 million and a delay of the anticipated sale into 2012. Please refer to note 18 for further details about the impairment charge related to our manufacturing facility. Overall, the total financial performance is slightly better than the latest guidance of November 2, 2011. The operating loss and cash position is better than projected, partly driven by a reduction in development costs related to our collaboration with GSK and continued focus on cost controls.

REVENUES

Genmab's revenues were DKK 351 million for 2011 as compared to DKK 582 million in 2010. The decrease was mainly driven by the inclusion of two milestone payments related to our collaboration with GSK in 2010.

The revenues arise primarily from the royalties, deferred revenue, milestone payments and reimbursement of certain research and development costs in relation to co-development work under Genmab's collaboration agreements with GSK and Lundbeck.

MDKK	2011	2010
ROYALTIES	75	54
MILESTONE PAYMENTS	7	206
DEFERRED REVENUE	226	216
OTHER REVENUES	43	106
TOTAL REVENUES	**351**	**582**

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

Royalties

Arzerra was approved for sale in the US on October 26, 2009 and in the EU on April 19, 2010. The first sale occurred in the US in November 2009.

GSK's net sales of Arzerra were GBP 43.5 million in 2011, compared to GBP 31 million in 2010, an increase of 40%.

MDKK	2011			
	INITIAL GUIDANCE	LATEST GUIDANCE	ACTUAL	ACHIEVED
REVENUE	325 – 350	340 – 350	351	✓
OPERATING EXPENSES	(675) – (725)	(625) – (650)	(600)	✓
OPERATING LOSS CONTINUING OPERATIONS	(350) – (400)	(275) – (300)	(249)	✓
DISCONTINUED OPERATION	(50)	(385)	(381)	✓
CASH POSITION BEGINNING OF YEAR*	1,546	1,546	1,546	
CASH USED IN OPERATIONS	(575) – (625)	(500) – (550)	(441)	✓
CASH POSITION AT END OF YEAR* EXCL. FACILITY SALE	915 – 965	1,000 – 1,050	1,105	✓
FACILITY SALE	660	–	-	
CASH POSITION AT END OF YEAR*	1,575 – 1,625	1,000 – 1,050	1,105	✓

*Cash, cash equivalents, bank overdrafts and marketable securities

The total recognized royalties for 2011 related to net sales of Arzerra amounted to DKK 75 million compared to DKK 54 million in 2010.

Milestone Payments

During 2011, Genmab reached a milestone under the collaboration with Lundbeck. The milestone triggered a payment of DKK 7 million to Genmab and was the first proof of concept in vitro milestone under the collaboration.

In 2010 we achieved two milestones under our collaboration with GSK. In the second quarter a milestone payment of DKK 87 million was triggered when the European Commission granted a conditional marketing authorization for ofatumumab for the treatment of refractory CLL. In the third quarter a milestone payment of DKK 116 million was triggered when we announced the start of a Phase III study in patients with indolent B-NHL.

Deferred Revenue

In 2011 deferred revenue amounted to DKK 226 million compared to DKK 216 million in 2010.

The deferred revenue is related to our collaboration agreements with GSK and Lundbeck which is recognized in the income statement on a straight line basis based on planned development periods. As of December 31, 2011, DKK 863 million was included as deferred income in the balance sheet. Please refer to notes 1 and 15 to the financial statements for further details about the recognition of deferred revenue.

Other Revenues

Other revenues were mainly comprised of the reimbursement of certain research and development costs in relation to the co-development work under Genmab's collaboration agreements with GSK and Lundbeck.

Other revenues decreased from DKK 106 million in 2010 to DKK 43 million in 2011. The decrease was mainly driven by the amended agreement with GSK in July 2010 which transferred all development work being performed by Genmab to GSK with effect from December 31, 2010 and the inclusion of TenX licensing income of DKK 24 million in 2010.

OPERATING EXPENSES

Research and Development Costs

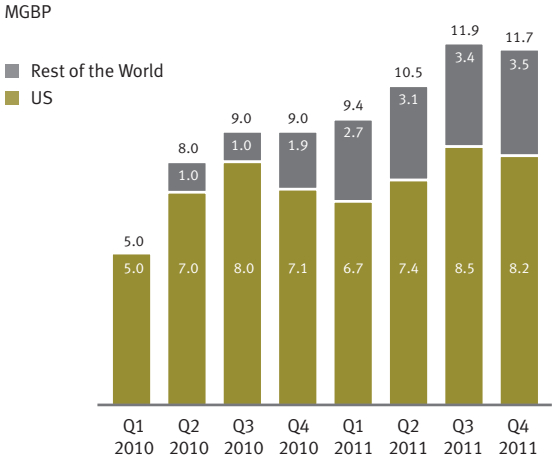
Research and development costs amounted to DKK 533 million in 2011 compared to DKK 583 million in 2010.

In July 2010, we amended the ofatumumab co-development and commercialization agreement with GSK eliminating the requirement for Genmab to fund any of the autoimmune development of ofatumumab from January 1, 2010. This resulted in a reversal of accruals relating to development costs for both 2009 and 2010 during the third quarter of 2010, resulting in a reduction of our development costs.

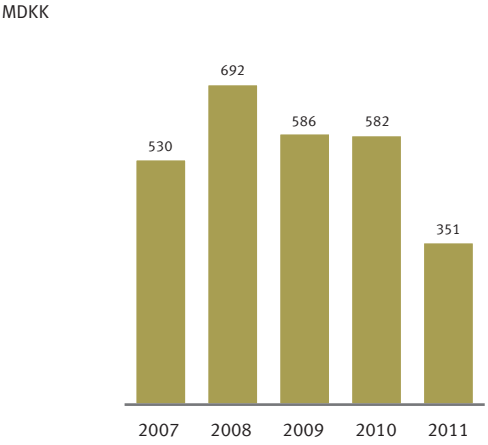
Despite the positive impact from the non-recurring reversal of accruals in the third quarter of 2010, development costs still decreased by DKK 50 million, or 9%, compared to 2010. The savings reflected our continued efforts to reduce expenses and were driven by a reduction in staffing costs due to the reorganization plans announced in November 2009 and October 2010 which reduced our workforce by more than 330 employees.

As of December 31, 2011, we had 25 ongoing clinical trials compared to 29 at the end of December 2010 including studies carried out and funded by Genmab and our collaborators GSK and Roche. The decrease was mainly a result of our decision to wind down the zalutumumab program during 2011. The program is expected to be fully wound down in the first quarter of 2012 and therefore cost savings from the wind down of the program will mostly

ROYALTIES



REVENUES



be realized from 2012. Please refer to the Product Pipeline section in this annual report for further details about the ongoing studies.

Research and development costs accounted for 89% of the total operating expenses compared to 78% in 2010. The majority of our research and development cost was related to the ofatumumab and zalutumumab programs and staffing costs.

General and Administrative Expenses

General and administrative expenses were DKK 68 million in 2011 compared to DKK 160 million in 2010. The decrease of DKK 92 million, or 58%, was driven by a reduction in salary and warrant expenses due to the reorganization plans mentioned above and a one time expense of DKK 41 million related to the departure of the company's former CEO in June 2010.

General and administrative expenses accounted for 11% of our total operating expenses in 2011 compared to 22% in 2010. The decrease in the ratio was a result of the items discussed above.

OPERATING RESULT

The operating loss was DKK 249 million in 2011 compared to DKK 161 million in 2010.

Despite a decrease in revenue of DKK 231 million compared to 2010, the increase in Genmab's operating loss for 2011 was limited to DKK 88 million. This was primarily a result of a continued strong focus on cost control as well as the expense items discussed above. As a result the total operating expenses decreased by 19% from DKK 743 million in 2010 to DKK 600 million in 2011.

On December 31, 2011, the total number of employees was 179 compared to 189 employees as of December 31, 2010. The decrease of 5% is a result of the reorganization plan announced in October 2010. Restructuring and transition charges associated with the reorganization plans amounted to DKK 5 million in 2011 and DKK 36 million in 2010. The charges were included in the results for continuing operations and were mainly related to the cost of transition employees. The transition period for remaining employees affected by the October 2010 reorganization plan ended June 30, 2011.

WORKFORCE	DECEMBER 31, 2011	DECEMBER 31, 2010
RESEARCH AND DEVELOPMENT EMPLOYEES	136	140
ADMINISTRATIVE EMPLOYEES	20	26
TOTAL EMPLOYEES FOR CONTINUING OPERATIONS	**156**	**166**
DISCONTINUED OPERATION	**23**	**23**
TOTAL EMPLOYEES	**179**	**189**

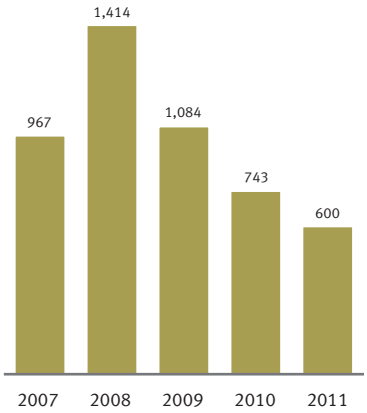
NET FINANCIAL ITEMS

Net financial items for 2011 reflected a net income of DKK 40 million compared to a net income of DKK 38 million in 2010. 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.

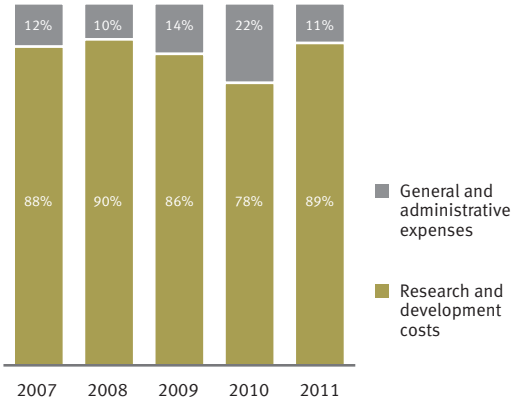
The total interest income amounted to DKK 22 million in 2011 compared to DKK 26 million in 2010, The decrease was related to the reduction of our average cash position compared to 2010, decreasing market interest rates and the investment in safe, liquid and short-term securities which bear a lower interest rate.

OPERATING EXPENSES

MDKK



SPLIT OF OPERATING EXPENSES



MDKK	2011	2010
INTEREST AND OTHER FINANCIAL INCOME	22	26
REALIZED AND UNREALIZED GAINS ON MARKETABLE SECURITIES, NET	4	2
EXCHANGE RATE GAINS, NET	17	11
FINANCIAL INCOME	**43**	**39**
INTEREST AND OTHER FINANCIAL EXPENSES	(2)	(1)
ADJUSTMENTS OF DERIVATIVE FINANCIAL INSTRUMENTS	(1)	-
FINANCIAL EXPENSES	**(3)**	**(1)**
NET FINANCIAL ITEMS	**40**	**38**

In 2011, the realized and unrealized gains on marketable securities, net amounted to DKK 4 million compared to a net income of DKK 2 million in 2010. During 2011, our marketable securities were positively impacted by the ongoing global economic turmoil which has resulted in decreasing market interest rates resulting in increased fair market values of our securities. In addition, our securities are invested in highly liquid and conservative securities with a lower degree of risk and high credit ratings.

Net financial items were also impacted by, mainly non-cash, foreign exchange rate adjustments due to the significantly fluctuating exchange rate between USD/DKK and GBP/DKK. The net exchange rate adjustments increased from an income of DKK 11 million in 2010 to an income of DKK 17 million in 2011.

In the financial statements of the parent company, the financial income included exchange rate adjustments of DKK 21 million in 2011 and DKK 66 million in 2010 related to Genmab A/S' non-current intercompany loan in Genmab MN, Inc. The loan is considered as part of the total investment of the subsidiary and exchange rate adjustments related to the loan are recognized in the income statement in the financial statements of Genmab A/S.

NET RESULT FOR CONTINUING OPERATIONS

Net loss for continuing operations for 2011 was DKK 216 million compared to DKK 143 million in 2010. The increased loss for continuing operations was driven by a reduction in revenues of DKK 231 million and the positive impact on the 2010 results from the reversal of ofatumumab development accruals. However, the increase in the net loss was limited to DKK 73 million due to the continued focus on cost control, savings from our reorganizations and the one time expense recorded in 2010 relating to the company's former CEO.

The net loss for continuing operations included corporate tax of DKK 6 million in 2011 compared to DKK 21 million in 2010. The corporate tax is related to corporate taxation in our subsidiaries.

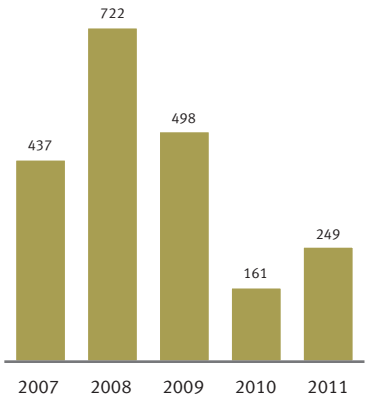
NET RESULT FOR DISCONTINUED OPERATION

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 net loss for discontinued operation amounted to DKK 381 million in 2011 compared to DKK 178 million in 2010.

As mentioned in the Manufacturing section in this annual report, the fair value less cost to sell of the facility was reduced from approximately USD 120 million to USD 58 million as of September 30, 2011, resulting in a non-cash impairment charge of approximately DKK 342 million. This charge is included in the DKK 381 million mentioned above. An impairment charge of DKK 130 million was included in the 2010 expense of DKK 178 million.

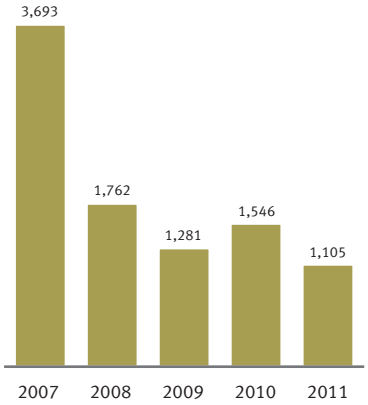
OPERATING LOSS

MDKK



CASH POSITION

MDKK



Prior to a potential sale, the Brooklyn Park facility is being kept in a validated state and operates in a maintenance-only mode with a significantly reduced number of employees and this is reflected in the result for 2011 of DKK 39 million. The amount in 2010 was DKK 48 million. The decrease of DKK 9 million was driven by the inclusion of retention payments related to the November 2009 reorganization plan in 2010. The results of the discontinued operation are described in further detail in note 18 to the financial statements.

In the financial statements of the parent company, net loss for discontinued operation included an impairment of DKK 485 million in 2011 and DKK 289 million in 2010, which is related to Genmab A/S' investment in Genmab MN, Inc. The facility is owned by Genmab MN, Inc. Please refer to note 10 to the financial statements for additional information about the impairment.

CASH POSITION

As of December 31, 2011, the balance sheet reflected cash, cash equivalents, and marketable securities (cash position) of DKK 1,105 million compared to DKK 1,546 million as of December 31, 2010. This represented a cash burn of DKK 441 million in 2011 compared to a net increase of DKK 265 million in 2010. The cash burn in 2011 was primarily related to the ongoing investment in our research and development activities. The net increase in the 2010 was impacted by the proceeds of GBP 90 million (DKK 815 million at the time of the agreement) received from the amended agreement with GSK on July 1, 2010.

MDKK	2011	2010
MARKETABLE SECURITIES	**1,035**	**1,548**
BANK DEPOSITS AND PETTY CASH	59	52
BANK OVERDRAFT	-	(116)
SHORT TERM MARKETABLE SECURITIES	7	49
CASH AND CASH EQUIVALENTS CLASSIFIED AS HELD FOR SALE	4	13
CASH AND CASH EQUIVALENTS	**70**	**(2)**
CASH POSITION	**1,105**	**1,546**

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 high quality European government bonds and treasury bills and Danish mortgage bonds. Our current portfolio is generally conservative with focus on liquidity, security and short effective maturity.

As of December 31, 2011, we had unrealized gains on our marketable securities of DKK 10 million. During the second half of 2011, our marketable securities were positively impacted by the ongoing global economic turmoil which has resulted in increasing market fair value of our marketable securities. Please refer to notes 12 and 13 to the financial statements for additional information about our marketable securities.

To reduce the credit risk on our bank deposits, Genmab maintains the major part of its bank deposits in large Danish financial institutions. In addition, Genmab will only maintain limited bank deposits at a level necessary to support the short term funding requirements of the Genmab group.

BALANCE SHEET

As of December 31, 2011, total assets were DKK 1,564 million compared to DKK 2,482 million as of December 31, 2010. As of December 31, 2011, the assets were mainly comprised of marketable securities of DKK 1,035 million and assets held for sale of DKK 345 million related to our planned disposal of our manufacturing facility. Please refer to notes 12 and 18 to the financial statements for further details.

Other liabilities increased from DKK 110 million as of December 31, 2010, to DKK 136 million as of December 31, 2011. The increase was primarily driven by liabilities related to our development agreement with GSK. As a result of the amended agreement with GSK in July 2010, DKK 68 million (2010: DKK 33 million) will be due for repayment to GSK starting from the beginning of 2016 via predetermined maximum deductions from the Arzerra royalty stream due to Genmab.

Shareholders' equity, as of December 31, 2011, equaled DKK 486 million compared to DKK 1,080 million at the end of December 2010. On December 31, 2011, Genmab's equity ratio was 31% compared to 44% at the end of 2010. The decrease compared to the end of December 2010 was driven by our net loss for 2011.

Financial Statements for the Genmab Group and the Parent Company

Statement of Comprehensive Income

INCOME STATEMENT		Genmab Group		Parent Company	
	Note	2011	2010	2011	2010
		DKK'000	DKK'000	DKK'000	DKK'000
Revenues	2	**350,936**	**582,077**	**350,818**	**581,965**
Research and development costs	3, 4	(532,507)	(582,512)	(539,388)	(599,397)
General and administrative expenses	3, 4	(67,851)	(160,254)	(64,998)	(159,330)
Operating expenses		**(600,358)**	**(742,766)**	**(604,386)**	**(758,727)**
Operating result		**(249,422)**	**(160,689)**	**(253,568)**	**(176,762)**
Financial income	5	43,088	39,648	131,003	187,016
Financial expenses	6	(3,494)	(1,402)	(3,434)	(1,088)
Net result for continuing operations before tax		**(209,828)**	**(122,443)**	**(125,999)**	**9,166**
Corporate tax	7	(5,920)	(20,874)	-	-
Net result for continuing operations		**(215,748)**	**(143,317)**	**(125,999)**	**9,166**
Net result for discontinued operation	18	(380,620)	(178,139)	(484,721)	(288,617)
Net result		**(596,368)**	**(321,456)**	**(610,720)**	**(279,451)**
Basic and diluted net result per share		(13.28)	(7.16)		
Basic and diluted net result per share continuing operations		(4.80)	(3.19)		

STATEMENT OF COMPREHENSIVE INCOME					
Net result		**(596,368)**	**(321,456)**	**(610,720)**	**(279,451)**
Other comprehensive income:					
Adjustment of foreign currency fluctuations on subsidiaries		(17,324)	37,859	-	-
Total comprehensive income		**(613,692)**	**(283,597)**	**(610,720)**	**(279,451)**

DISTRIBUTION OF THE YEAR'S RESULT

The board of directors proposes that the year's loss of the parent company of DKK 611 million (2010: DKK 279 million) be carried forward to next year by transfer to accumulated deficit.

Balance Sheet – Assets

		Genmab Group		Parent Company	
	Note	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
		DKK'000	DKK'000	DKK'000	DKK'000
Intangible assets	8	-	-	-	-
Tangible assets	9	32,395	41,430	6,555	10,181
Equity interests in subsidiaries	10	-	-	40,434	31,314
Other securities and equity interests		-	365	-	365
Receivables	11	9,806	7,174	10,238	270,575
Deferred tax assets	7	5,431	13,265	-	-
Total non-current assets		**47,632**	**62,234**	**57,227**	**312,435**
Receivables	11	60,964	65,427	389,000	493,912
Prepayments		10,249	10,952	8,115	4,715
Marketable securities	12	1,035,422	1,548,309	1,035,422	1,548,309
Cash and cash equivalents		65,197	100,950	54,683	86,437
		1,171,832	**1,725,638**	**1,487,220**	**2,133,373**
Asset classified as held for sale	18	344,968	693,729	-	-
Total current assets		**1,516,800**	**2,419,367**	**1,487,220**	**2,133,373**
Total assets		**1,564,432**	**2,481,601**	**1,544,447**	**2,445,808**

Balance Sheet – Shareholders' Equity and Liabilities

		Genmab Group		Parent Company	
	Note	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
		DKK'000	DKK'000	DKK'000	DKK'000
Share capital		44,907	44,907	44,907	44,907
Share premium		5,375,256	5,375,256	5,375,256	5,375,256
Other reserves		72,434	89,758	-	-
Accumulated deficit		(5,006,179)	(4,429,854)	(4,930,799)	(4,340,122)
Shareholders' equity		**486,418**	**1,080,067**	**489,364**	**1,080,041**
Provisions	14	23,065	22,864	23,065	22,864
Lease liability	9, 21	6,056	11,846	6,056	11,846
Other liabilities	16	72,165	42,213	69,462	34,056
Total non-current liabilities		**101,286**	**76,923**	**98,583**	**68,766**
Provisions	14	-	100	-	100
Lease liability	9, 21	5,789	6,091	5,789	6,091
Accounts payable		33,510	32,761	29,620	29,772
Deferred income	15	863,220	1,089,318	863,220	1,089,318
Bank overdraft		-	115,780	-	115,780
Other liabilities	16	63,621	68,102	57,871	55,940
		966,140	**1,312,152**	**956,500**	**1,297,001**
Liabilities classified as held for sale	18	10,588	12,459	-	-
Total current liabilities		**976,728**	**1,324,611**	**956,500**	**1,297,001**
Total liabilities		**1,078,014**	**1,401,534**	**1,055,083**	**1,365,767**
Total shareholders' equity and liabilities		**1,564,432**	**2,481,601**	**1,544,447**	**2,445,808**

Statement of Cash Flows

	Note	Genmab Group 2011	Genmab Group 2010	Parent Company 2011	Parent Company 2010
		DKK'000	DKK'000	DKK'000	DKK'000
Net result for continuing operations before tax		(209,828)	(122,443)	(125,999)	9,166
Net result for discontinued operation before tax	18	(380,592)	(178,111)	(484,721)	(288,617)
Net result before tax		**(590,420)**	**(300,554)**	**(610,720)**	**(279,451)**
Reversal of financial items, net	5, 6, 18	(39,603)	(38,257)	(127,569)	(185,928)
Adjustments for non-cash transactions:					
Depreciation and amortization	3	15,047	21,033	3,327	4,439
Impairment loss	3	342,288	137,526	600	1,870
Impairment of Genmab MN, Inc.	10	-	-	484,721	288,617
Net loss (gain) on sale of equipment		(80)	(159)	-	47
Warrant compensation expenses	4	20,043	66,472	8,386	17,437
Provisions	14	305	15,602	136	18,231
Changes in current assets and liabilities:					
Receivables		(1,490)	35,304	3,723	33,247
Prepayments		614	(1,236)	(3,400)	3,813
Provisions paid	14	(1,308)	(7,728)	(594)	(3,636)
Deferred income		(226,098)	649,947	(226,098)	649,947
Accounts payable and other liabilities		25,255	(297,881)	39,281	(251,431)
Cash flow from operating activities before financial items		**(455,447)**	**280,069**	**(428,207)**	**297,202**
Financial interest recieved		27,447	19,862	29,134	18,427
Financial expenses paid		(762)	(1,402)	(702)	(997)
Corporate taxes paid		(8,463)	(30,358)	-	-
Cash flow from operating activities		**(437,225)**	**268,171**	**(399,775)**	**314,632**
Investment in tangible assets	9	(7,205)	(10,110)	(301)	(1,668)
Disposal of tangible assets		617	1,425	-	257
Sale of other securities and equity interests		378	170	378	170
Receivables from subsidiaries		-	-	(30,415)	(57,435)
Marketable securities bought	12	(1,089,957)	(1,585,038)	(1,089,957)	(1,585,038)
Marketable securities sold		1,610,917	855,057	1,610,917	855,057
Cash flow from investing activities		**514,750**	**(738,496)**	**490,622**	**(788,657)**
Paid installments on lease liabilities		(6,091)	(7,005)	(6,091)	(7,005)
Cash flow from financing activities		**(6,091)**	**(7,005)**	**(6,091)**	**(7,005)**
Change in cash and cash equivalents		**71,434**	**(477,330)**	**84,756**	**(481,030)**
Cash and cash equivalents at the beginning of the period		(2,088)	464,446	(29,343)	445,071
Exchange rate adjustments		62	10,796	(730)	6,616
Cash and cash equivalents at the end of the period		**69,408**	**(2,088)**	**54,683**	**(29,343)**
Cash and cash equivalents include:					
Bank deposits and petty cash		58,527	52,439	48,013	37,926
Short-term marketable securities	12	6,670	48,511	6,670	48,511
Bank overdraft		-	(115,780)	-	(115,780)
Cash and cash equivalents classified as assets held for sale	18	4,211	12,742	-	-
		69,408	**(2,088)**	**54,683**	**(29,343)**

Statement of Changes in Equity – Consolidated

	Number of shares	Share capital	Share premium	Translation reserves	Cash flow hedges	Accumulated deficit	Shareholders' equity
		DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
December 31, 2009	**44,907,142**	**44,907**	**5,375,256**	**51,899**	**-**	**(4,174,870)**	**1,297,192**
Total comprehensive income				37,859		(321,456)	(283,597)
Transaction with owners:							
Warrant compensation expenses						66,472	66,472
December 31, 2010	**44,907,142**	**44,907**	**5,375,256**	**89,758**	**-**	**(4,429,854)**	**1,080,067**
Total comprehensive income				(17,324)		(596,368)	(613,692)
Transaction with owners:							
Warrant compensation expenses						20,043	20,043
December 31, 2011	**44,907,142**	**44,907**	**5,375,256**	**72,434**	**-**	**(5,006,179)**	**486,418**

Statement of Changes in Equity – Parent Company

	Number of shares	Share capital	Share premium	Cash flow hedges	Accumulated deficit	Shareholders' equity
		DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
December 31, 2009	**44,907,142**	**44,907**	**5,375,256**	**-**	**(4,127,143)**	**1,293,020**
Total comprehensive income					(279,451)	(279,451)
Transaction with owners:						
Warrant compensation expenses					66,472	66,472
December 31, 2010	**44,907,142**	**44,907**	**5,375,256**	**-**	**(4,340,122)**	**1,080,041**
Total comprehensive income					(610,720)	(610,720)
Transaction with owners:						
Warrant compensation expenses					20,043	20,043
December 31, 2011	**44,907,142**	**44,907**	**5,375,256**	**-**	**(4,930,799)**	**489,364**

Statement of Changes in Equity

CHANGES IN SHAREHOLDERS' EQUITY DURING 2007 TO 2011

	Number of shares	Share capital
		DKK'000
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**
Exercise of warrants	-	-
December 31, 2010	**44,907,142**	**44,907**
Exercise of warrants	-	-
December 31, 2011	**44,907,142**	**44,907**

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

SHAREHOLDER INFORMATION

On December 31, 2011, 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 6, 2016, 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, 2011, a total of 1,358,850 warrants have been issued hereunder.

OWNERSHIP

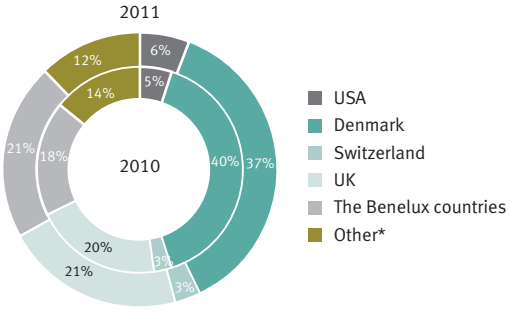
As of December 31, 2011, the number of registered shareholders totaled 30,427 shareholders holding a total of 40,034,260 shares, which represented 89% of the share capital. Genmab is listed on the NASDAQ OMX Copenhagen under the symbol GEN.

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 Welcome House, Berkley Avenue, Greenford, Middlesex, UB6 0NN, United Kingdom (9.96%)
- Hendrikus Hubertus Franciscus Stienstra, Vrusschemigerweg 5, 6417 PB Heerlen, The Netherlands (partly through Mercurius Beleggingsmaatschappij B.V., Stimex Participatie Maatschappij B.V., De Thermen Beheer B.V. and Mosam Onroerend Goed B.V., Akerstraat 126, 6417 BR Heerlen, The Netherlands) (10.78%)
- ATP Group, Kongens Vænge 8, DK-3400 Hillerød, Denmark (9.8%)
- Meditor European Master Fund Ltd., 6 Front Street, Hamilton, HM12, Bermuda (6.2%)

GEOGRAPHICAL SHAREHOLDER DISTRIBUTION

(Based on figures from the internal shareholders register, December 31, 2011)



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

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, 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 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 24.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATION

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

The decision to sell the facility triggered an impairment review under IAS 36, *"Impairment of Assets"*. The impairment test was 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.

In September 2010, a non-cash impairment charge of approximately DKK 130 million was recognized as a result of changed market conditions. The fair value less cost to sell was reduced from approximately USD 145 million to USD 120 million as of September 30, 2010. Sales related costs were still estimated to approximately USD 5 million.

As mentioned in the Directors Report, we have – during 2011 – moved the expected sale of the facility to 2012, due to the difficult general market conditions, worsening economic outlook and fears of another global recession, as well as the existence of surplus contract manufacturing capacity. Additionally we reduced the fair value from approximately USD 125 million to USD 60 million as of September 30, 2011. As the sales related costs also were reduced from USD 5 million to USD 2 million, the fair value less cost to sell was reduced from USD 120 million to USD 58 million. As a result of the reduction in the fair value less cost to sell, a non-cash impairment charge of approximately DKK 342 million was recognized in the income statement. The impairment is included in the result of the discontinued operation and is allocated on a pro rata basis on the respective carrying amounts of the facility's non-current assets.

The revised fair value less cost to sell is determined based on benchmarks and advice from our sales agent. As no binding sales agreement has been entered into and as the Brooklyn Park facility is not considered to be traded in an active market due to its very specialized nature, the fair value less cost to sell is associated with a certain amount of uncertainty and judgment.

The fair value less cost to sell and impairment is based on the best information available; including estimates received from our sales agent, but may be subject to change. However, the estimated sales price is reasonable. Future changes, if any, in the fair value less cost to sell will be recognized in the income statement.

The sale process is active and the facility continues to be actively marketed at a price that is reasonable given the change in market conditions. Genmab remains committed to its plan to sell the facility. Therefore Genmab has continued to classify the facility as held for sale and as a discontinued operation in accordance with IFRS.

For further details about the sale of the manufacturing facility, please refer to note 18.

INTERNALLY GENERATED INTANGIBLE ASSETS

According to the 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.

Notes to the Financial Statements

1. Management's Judgments and Estimates under IFRS (continued)

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 biological 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 amounted to DKK 533 million in 2011 compared to DKK 583 million in 2010.

REVENUE RECOGNITION

The group's revenues are comprised of milestone and upfront payments, royalty income and other income 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. All the group's revenue-generating transactions, including those with GSK, Lundbeck and Roche, have been subject to such evaluation by management.

The total revenues related to the continuing operations amounted to DKK 351 million in 2011 compared to DKK 582 million in 2010. Please refer to note 2 for further details about our revenues.

Upfront Payments

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 ongoing basis. If the expected development period is changed significantly, this will require a reassessment of the allocation period. The allocation period has not been changed in 2011. The allocation period related to our collaboration with GSK was reassessed in 2010 due to the amended agreement with GSK.

Deferred income recognized as revenue in 2011 amounted to DKK 226 million in 2011 compared to DKK 216 million in 2010. As of December 31, 2011, DKK 863 million is included as deferred income in the balance sheet to be proportionally recognized as revenue in future periods. Please refer to note 15 for further details.

		GSK	LUNDBECK
CURRENT AMORTIZATION PERIOD	MONTHS	66	36
AMORTIZATION ENDS	YEAR	2015	2013
DEFERRED INCOME RECOGNIZED AS REVENUE PER YEAR (NON CASH)	MDKK	207	19
DEFERRED INCOME AS OF DECEMBER 31, 2011	MDKK	830	33

Milestone Payments

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.

During 2011, one milestone of DKK 7 million was earned under our collaboration with Lundbeck. In 2010 three milestones of DKK 206 million under our collaborations with GSK and Roche were recognized as revenue.

1. Management's Judgments and Estimates under IFRS (continued)

Royalties
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 preliminary sales data received from the third-party.

The royalties are related to Arzerra under our collaboration with GSK and amounted to DKK 75 million in 2011 compared to DKK 54 million in 2010.

ANTIBODY CLINICAL TRIAL MATERIAL PRODUCED OR PURCHASED FOR THE USE IN CLINICAL TRIALS

According to our accounting policies, antibody clinical trial material (antibodies) for use in clinical trials which are purchased from third parties will be 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.

During both 2010 and 2011, no antibodies purchased from third parties for 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 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 no longer produces antibodies internally but instead purchases these from external contract manufacturers.

SHARE-BASED COMPENSATION

The parent company has granted warrants to employees, the executive management and the board of directors under various warrant programs. In accordance with IFRS 2 *"Share-based Payment"*, 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 such as

- The **expected stock price volatility** which is based upon the historical volatility of Genmab's stock price.
- The **risk-free interest rate** which is determined as the interest rate on Danish government bonds (bullet issues) with a maturity of five years.
- The **expected life of warrants** which is based on vesting terms, expected rate of exercise and life terms in current warrant program.

These assumptions can vary over time and can change the fair value of future warrants granted. A detailed description is outlined in note 17.

In 2011, warrant compensation expenses totalled DKK 20 million compared to DKK 66 million in 2010.

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 for ofatumumab and research agreement with Lundbeck. 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".

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 2012.

Therefore, management has concluded, except for two subsidiaries, that deferred tax assets should not be recognized as of December 31, 2011, and a 100% valuation allowance of the deferred tax asset is recognized in accordance with IAS 12, *"Income Taxes"*. The 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.

Notes to the Financial Statements

2. Information About Revenue and Geographical Areas

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Revenues:				
Royalties	75,083	54,139	75,083	54,139
Milestone payments	7,436	206,383	7,436	206,383
Deferred revenue	226,098	216,143	226,098	216,143
Other revenues	42,319	105,412	42,201	105,300
	350,936	**582,077**	**350,818**	**581,965**
Revenues split by collaboration partners:				
GSK	287,202	545,915	287,202	545,915
Lundbeck	62,970	6,130	62,970	6,130
Other collaboration partners	764	30,032	646	29,920
	350,936	**582,077**	**350,818**	**581,965**

Group segment information:

	2011		2010	
	Revenues	Non-current assets	Revenues	Non-current assets
	DKK'000	DKK'000	DKK'000	DKK'000
Denmark	350,818	6,555	581,965	10,181
The Netherlands	118	25,511	112	30,198
Other countries	-	329	-	1,051
	350,936	**32,395**	**582,077**	**41,430**

Non-current assets related to the US manufacturing facility have been recorded in assets held for sale. Please refer to note 18 for further details.

3. Depreciation, Amortization and Impairments

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Depreciation and amortization:				
Leasehold improvements	1,718	4,515	1,526	1,567
Equipment, furniture and fixtures	13,329	16,518	1,801	2,872
	15,047	**21,033**	**3,327**	**4,439**
Depreciation and amortization are included in:				
Research and development costs	14,112	16,667	2,687	3,554
General and administrative expenses	935	4,366	640	885
	15,047	**21,033**	**3,327**	**4,439**
Impairments:				
Buildings	278,127	105,929	-	-
Leasehold improvements	-	4,190	-	-
Manufacturing equipment	59,242	22,563	-	-
Equipment, furniture and fixtures	4,319	4,844	-	1,870
Assets under constructions	600	-	600	-
	342,288	**137,526**	**600**	**1,870**
Impairments are included in:				
Research and development costs	600	2,103	600	1,496
General and administrative expenses	-	5,286	-	374
Net result for discontinued operation	341,688	130,137	-	-
	342,288	**137,526**	**600**	**1,870**

4. Staff

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Wages and salaries	111,851	201,032	43,056	83,248
Warrant compensation expenses	20,043	66,472	8,386	17,437
Defined contribution plans	11,323	14,752	3,376	6,751
Other social security costs	10,114	13,495	321	662
	153,331	**295,751**	**55,139**	**108,098**
Staff costs are expensed as follows:				
Research and development costs	101,205	159,893	38,496	80,580
General and administrative expenses	35,618	109,172	16,643	27,518
Net result for discontinued operation	16,508	26,686	-	-
	153,331	**295,751**	**55,139**	**108,098**
Average number of employees:	**181**	**229**	**42**	**83**
Number of employees at year end:				
Denmark	40	58	40	58
Netherlands	108	97	-	-
USA - New Jersey	8	11	-	-
USA - Minnesota (discontinued operation)	23	23	-	-
	179	**189**	**40**	**58**

Notes to the Financial Statements

4. Staff (continued)

For information regarding the remuneration of the Board of Directors and Executive Management, please refer to note 20.

Termination benefits excluding warrant expenses associated with the reorganization plans announced in November 2009 and October 2010 amounted to DKK 5 million in 2011 and DKK 33 million in 2010.

Government grants (reduction of payroll taxes in The Netherlands) amounted to DKK 7 million in 2011 and DKK 6 million in 2010. The amount has been deducted from the wages and salaries.

WARRANT COMPENSATION EXPENSES

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.

In 2010, the warrant compensation expenses include costs of DKK 22 million related to the departure of Genmab's former CEO and the employees affected by the reorganization plan announced in October 2010, which were expensed in connection with their termination in 2010.

5. Financial Income

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Interest and other financial income	22,200	25,881	21,951	25,637
Interest from subsidiaries	-	-	67,764	82,039
Realized and unrealized gains on marketable securities (fair value through profit and loss), net	4,148	2,210	4,148	2,210
Derivative financial instruments - change in time value	52	-	52	-
Exchange rate gains, net	16,675	11,438	37,075	77,011
Gain on sale of available for sale financial assets	13	119	13	119
	43,088	**39,648**	**131,003**	**187,016**
Interest on financial assets measured at amortized cost	1,701	846	69,216	82,641

6. Financial Expenses

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Interest and other financial expenses	2,034	1,402	1,974	997
Interest to subsidiaries	-	-	-	91
Derivative financial instruments - change in time value	1,460	-	1,460	-
	3,494	**1,402**	**3,434**	**1,088**
Interest on financial liabilities measured at amortized cost	2,034	1,402	1,974	1,088

7. Corporate and Deferred Tax

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Current tax on result including carry back refund	(1,452)	22,975	-	-
Adjustment to prior years etc.	(434)	6,558	-	-
Adjustment to deferred tax	(228,223)	(143,208)	(38,238)	(9,183)
Adjustment to valuation allowance	236,057	134,577	38,238	9,183
Total corporate tax expense	**5,948**	**20,902**	**-**	**-**
Corporate tax is included in				
Net result for continuing operations	5,920	20,874	-	-
Net result for discontinued operation	28	28	-	-
	5,948	**20,902**	**-**	**-**
A reconciliation of income tax expense at the statutory rate of Genmab's effective tax rate is as follows:				
Net result for continuing operations before tax	(209,828)	(122,443)	(125,999)	9,166
Net result for discontinued operation before tax	(380,592)	(178,111)	(484,721)	(288,617)
Net result before tax	(590,420)	(300,554)	(610,720)	(279,451)
Computed 25%	**(147,605)**	**(75,139)**	**(152,680)**	**(69,863)**
Tax effect of:				
Non-taxable income	(6,992)	(16,026)	(6,949)	(16,026)
Non-deductible costs	7,539	14,423	2,973	4,552
Impairment of subsidiary	-	-	121,180	72,154
Additional tax deductions, deviations in corporate tax rates, adjustment previous years etc.	(88,178)	(53,332)	(2,762)	-
Tax on equity transactions	5,127	16,399	-	-
Change in valuation allowance deferred tax asset	236,057	134,577	38,238	9,183
Total tax effect	**153,553**	**96,041**	**152,680**	**69,863**
Total corporate tax	**5,948**	**20,902**	**-**	**-**

Notes to the Financial Statements

7. Corporate and Deferred Tax (continued)

Significant components of the deferred tax asset are as follows:

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Tax deductible losses	1,057,233	898,937	805,383	713,848
Deferred income	188,331	237,988	188,331	237,988
Other temporary differences	369,126	249,542	3,809	7,449
	1,614,690	**1,386,467**	**997,523**	**959,285**
Valuation allowance	(1,609,259)	(1,373,202)	(997,523)	(959,285)
Deferred tax assets	**5,431**	**13,265**	**-**	**-**

For financial reporting purposes, the value of the net deferred tax assets including tax assets related to assets classified as held for sale 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.

On December 31, 2011, the group had net tax loss carry-forwards of DKK 3.8 billion (2010: DKK 3.3 billion) for income tax purposes, of which DKK 3.2 billion (2010: DKK 2.9 billion) can be carried forward without limitation. The remaining part which is mainly related to assets classified as held for sale can be carried forward in various periods up to 2031.

In addition, the group had deductible temporary differences of DKK 1.7 billion (2010: DKK 1.6 billion). Other temporary differences included in the overview above are mainly related to our manufacturing facility which is classified as held for sale.

8. Intangible Assets – Genmab Group and Parent Company

2011	Goodwill	Licenses and Rights	Total Intangible Assets
	DKK'000	DKK'000	DKK'000
Cost per January 1	332,998	152,484	485,482
Exchange rate adjustment	7,722	-	7,722
Cost per December 31	**340,720**	**152,484**	**493,204**
Accumulated amortization and impairment per January 1	(332,998)	(152,484)	(485,482)
Exchange rate adjustment	(7,722)	-	(7,722)
Accumulated amortization and impairment per December 31	**(340,720)**	**(152,484)**	**(493,204)**
Carrying amount per December 31	**-**	**-**	**-**

2010			
Cost per January 1	308,296	152,484	460,780
Exchange rate adjustment	24,702	-	24,702
Cost per December 31	**332,998**	**152,484**	**485,482**
Accumulated amortization and impairment per January 1	(308,296)	(152,484)	(460,780)
Exchange rate adjustment	(24,702)	-	(24,702)
Accumulated amortization and impairment per December 31	**(332,998)**	**(152,484)**	**(485,482)**
Carrying amount per December 31	**-**	**-**	**-**

GOODWILL – GENMAB GROUP

The carrying amount of goodwill relates to the acquisition of the manufacturing facility in 2008. In November 2009, Genmab announced that it intended to sell its manufacturing facility due a change in business strategy. This decision triggered an impairment review and as a result the goodwill was fully impaired in 2009. Please refer to note 18 for additional information regarding the manufacturing facility which is classified as held for sale.

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.

Notes to the Financial Statements

9. Tangible Assets – Genmab Group

2011	Leasehold improvements	Equipment, furniture and fixtures	Assets under construction	Total Tangible Assets
	DKK'000	DKK'000	DKK'000	DKK'000
Cost per January 1	37,682	136,748	3,762	178,192
Exchange rate adjustment	568	31	6	605
Additions for the year	41	5,261	1,903	7,205
Transfers between the classes	-	3,937	(3,937)	-
Disposals for the year	-	(5,787)	-	(5,787)
Cost per December 31	**38,291**	**140,190**	**1,734**	**180,215**
Accumulated depreciation and impairment per January 1	(33,124)	(103,252)	(386)	(136,762)
Exchange rate adjustment	(570)	(91)	-	(661)
Depreciation for the year	(1,718)	(13,329)	-	(15,047)
Impairment for the year	-	-	(600)	(600)
Disposals for the year	-	5,250	-	5,250
Accumulated depreciation and impairment per December 31	**(35,412)**	**(111,422)**	**(986)**	**(147,820)**
Carrying amount per December 31	**2,879**	**28,768**	**748**	**32,395**
Carrying amount of assets under finance leases included above	-	5,711	-	**5,711**

2010				
Cost per January 1	42,838	134,759	986	178,583
Exchange rate adjustment	1,871	1,197	-	3,068
Additions for the year	281	7,053	2,776	10,110
Disposals for the year	(7,308)	(6,261)	-	(13,569)
Cost per December 31	**37,682**	**136,748**	**3,762**	**178,192**
Accumulated depreciation and impairment per January 1	(30,257)	(87,760)	(386)	(118,403)
Exchange rate adjustment	(1,346)	(894)	-	(2,240)
Depreciation for the year	(4,515)	(16,518)	-	(21,033)
Impairment for the year	(4,190)	(3,199)	-	(7,389)
Disposals for the year	7,184	5,119	-	12,303
Accumulated depreciation and impairment per December 31	**(33,124)**	**(103,252)**	**(386)**	**(136,762)**
Carrying amount per December 31	**4,558**	**33,496**	**3,376**	**41,430**
Carrying amount of assets under finance leases included above	-	11,453	-	**11,453**

9. Tangible Assets (continued) – Parent Company

2011	Leasehold improvements	Equipment, furniture and fixtures	Assets under construction	Total Tangible Assets
	DKK'000	DKK'000	DKK'000	DKK'000
Cost per January 1	7,344	17,572	2,633	27,549
Additions for the year	-	195	106	301
Transfers between the classes	-	1,005	(1,005)	-
Cost per December 31	**7,344**	**18,772**	**1,734**	**27,850**
Accumulated depreciation and impairment per January 1	(3,397)	(13,585)	(386)	(17,368)
Depreciation for the year	(1,526)	(1,801)	-	(3,327)
Impairment for the year	-	-	(600)	(600)
Accumulated depreciation and impairment per December 31	**(4,923)**	**(15,386)**	**(986)**	**(21,295)**
Carrying amount per December 31	**2,421**	**3,386**	**748**	**6,555**

2010				
Cost per January 1	14,077	20,389	986	35,452
Additions for the year	-	21	1,647	1,668
Disposals for the year	(6,733)	(2,838)	-	(9,571)
Cost per December 31	**7,344**	**17,572**	**2,633**	**27,549**
Accumulated depreciation and impairment per January 1	(8,461)	(11,479)	(386)	(20,326)
Depreciation for the year	(1,567)	(2,872)	-	(4,439)
Impairment for the year	-	(1,870)	-	(1,870)
Disposals for the year	6,631	2,636	-	9,267
Accumulated depreciation and impairment per December 31	**(3,397)**	**(13,585)**	**(386)**	**(17,368)**
Carrying amount per December 31	**3,947**	**3,987**	**2,247**	**10,181**

Notes to the Financial Statements

10. Equity Interests in Subsidiaries

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

Name	Domicile	Ownership and votes 2011	Ownership and votes 2010
Genmab B.V.	Utrecht, the Netherlands	100%	100%
Genmab MN, Inc.	Minnesota, USA	100%	100%
Genmab, Inc.	New Jersey, USA	100%	100%
Genmab Ltd.*	London, United Kingdom	-	100%

* Genmab Ltd. was liquidated in 2011 as development activities have ceased in the UK.

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.

In both 2011 and 2010, impairments of DKK 485 million and DKK 289 million, respectively related to the manufacturing facility owned by Genmab MN, Inc. was recognized mainly due to a change of the fair value of the manufacturing facility. The impairments were allocated to intercompany loans with Genmab MN, Inc. The investment related to the subsidiary was written down in 2009 and 2011 to zero.

The impairments are included in discontinued operation in the financial statements of the parent company.

10. Equity Interests in Subsidiaries (continued)

	Parent Company	
	2011	2010
	DKK'000	DKK'000
Cost per January 1	456,777	456,777
Additions for the year	11,657	-
Disposals for the year	(1,877)	-
Cost per December 31	**466,557**	**456,777**
Impairment per January 1	(425,463)	(425,463)
Impairment for the year	(660)	-
Impairment per December 31	**(426,123)**	**(425,463)**
Carrying amount per December 31	**40,434**	**31,314**

11. Receivables

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Receivables related to development agreements	38,527	36,213	38,527	36,213
Receivables from subsidiaries	-	-	334,293	681,064
Finance lease receivables from subsidiaries	-	-	11,845	17,937
Interest receivables	10,074	18,233	9,999	18,177
Derivatives	52	-	52	-
Tax receivable	9,655	456	-	-
Other receivables	17,562	22,793	4,522	11,096
Transferred to assets classified as held for sale	(5,100)	(5,094)	-	-
Total	**70,770**	**72,601**	**399,238**	**764,487**
Non-current receivables	9,806	7,174	10,238	270,575
Current receivables	60,964	65,427	389,000	493,912
Total	**70,770**	**72,601**	**399,238**	**764,487**

GENMAB GROUP

In 2011 and 2010, overdue receivables and losses related to receivables were insignificant. The credit risk on receivables is considered to be limited. For further information about the derivatives and related credit risk, please refer to note 13.

The receivables comprise mainly of receivables which are due less than one year from the balance sheet date.

PARENT COMPANY

Please refer to note 19 for additional information regarding receivables from subsidiaries and related impairments.

Notes to the Financial Statements

12. 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.

The statements for the group and the parent company are identical. Please refer to note 13 for additional details on our marketable securities.

	2011	2010
	DKK'000	DKK'000
Cost per January 1	1,551,351	847,726
Additions for the year	1,089,957	1,585,038
Disposals for the year	(1,616,288)	(881,413)
Cost per December 31	**1,025,020**	**1,551,351**
Fair value adjustment per January 1	(3,042)	(30,816)
Fair value adjustment for the year	13,444	27,774
Fair value adjustment per December 31	**10,402**	**(3,042)**
Net book value per December 31	**1,035,422**	**1,548,309**
Net book value in percentage of cost	**101%**	**100%**

Specification of the portfolio:

	Market value 2011	Average effective duration	Share %	Market value 2010	Average effective duration	Share %
	DKK'000			DKK'000		
Kingdom of Denmark bonds and treasury bills	28,417	2.81	3%	135,786	0.96	8%
Other Danish bonds	449,894	1.40	43%	806,649	1.23	51%
DKK portfolio	**478,311**	**1.49**	**46%**	**942,435**	**1.19**	**59%**
UK government bonds and treasury bills	148,935	0.25	14%	240,305	0.26	15%
GBP portfolio	**148,935**	**0.25**	**14%**	**240,305**	**0.26**	**15%**
European government bonds and treasury bills	414,846	1.01	40%	414,080	1.07	26%
EUR portfolio	**414,846**	**1.01**	**40%**	**414,080**	**1.07**	**26%**
Total portfolio	**1,042,092**	**1.12**	**100%**	**1,596,820**	**1.02**	**100%**
Transfered to cash and cash equivalents	(6,670)			(48,511)		
Marketable securities	**1,035,422**			**1,548,309**		

Notes to the Financial Statements

13. 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. It is Genmab's policy not to actively speculate in financial risks. The group's financial risk management is directed solely against monitoring and reducing financial risks which are directly related to the group's operations.

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. Therefore, our investment policy includes among other items, 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, 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.

Currently, our marketable securities are administrated by two external Danish investment managers.

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

All our marketable securities are traded in established markets. Given the current market conditions, all future cash inflows and reinvestments of proceeds from the disposal of marketable securities are invested in highly liquid and conservative investments, such as European government bonds, treasury bills from Germany, Finland, Netherlands and Denmark and Danish mortgage bonds with high credit ratings. As such we consider the liquidity risk to be at an acceptable and low level.

Notes to the Financial Statements

13. Financial Risk (continued)

CREDIT RISK

To manage and reduce credit risks on our securities, only securities from investment grade issuers are eligible 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 current portfolio is spread over a number of different securities and is conservative with focus on liquidity and security and, as of December 31, 2011, 99% of our marketable securities had a triple A-rating from either Moody's, S&P or Fitch, compared to 87% as of December 31, 2010.

To reduce the credit risk on our bank deposits, Genmab only maintains the major part of its bank deposits in large Danish financial institutions. Currently, these financial institutions have a short-term Moody's and S&P rating of P-1 and A-1, respectively. In addition, Genmab only maintains limited bank deposits at a level necessary to support the short-term funding requirements of the Genmab group.

The cash position is split between cash and cash equivalent and marketable securities as follows:

MDKK	2011	%	2010	%
Marketable securities	1,035	94%	1,548	100%
Cash, cash equivalents and bank overdrafts	70	6%	(2)	0%
	1,105	**100%**	**1,546**	**100%**

As of December 31, 2010, cash and cash equivalents amounted to DKK (2) million including marketable securities with a maturity of three months or less on the date of acquisition of DKK 49 million and a short-term bank overdraft of DKK 116 million related to the acquisition of bonds at the very end of the year that were settled a few days later at the beginning of January 2011.

CURRENCY EXPOSURE

Assets and Liabilities in Foreign Currency

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 GBP, DKK, EUR and USD. Genmab maintains cash positions in all these major currencies. Our total marketable securities are invested in EUR (40%), DKK (46%), and GBP-denominated securities (14%), compared to 26%, 59%, and 15%, as of December 31, 2011 and December 31, 2010, respectively.

13. Financial Risk (continued)

Based upon the amount of assets and liabilities denominated in EUR, USD and GBP as of December 31, 2011, 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	2011		
	EUR	**USD**	**GBP***
Net exposure	**404**	**512**	**94**
Percentage change in exchange rate	1%	10%	10%
Impact of change in exchange rate	4.0	51.2	9.4
	2010		
	EUR	**USD**	**GBP**
Net exposure	**388**	**397**	**231**
Percentage change in exchange rate	1%	10%	10%
Net impact of change in exchange rate	3.9	39.7	23.1

* excluding impact from cash flow hedges.

Accordingly, significant changes in exchange rates could cause our net result to fluctuate significantly as gains and losses are recognized in the income statement. The EUR currency exposure is mainly related to our marketable securities denominated in EUR and the USD currency exposure is mainly related to an intercompany loan between Genmab A/S and Genmab MN, Inc.

The GBP currency exposure is mainly related to marketable securities denominated in GBP and our collaboration with GSK. A portion of the proceeds received from GSK, as a part of the amendment signed in July 2010, has been kept in GBP to form a natural hedge of future expenses (approximately covering the 2012 obligations) denominated in GBP and to reduce Genmab's short-term currency exposure.

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

Hedging of Expected Future Cash Flows (Cash Flow Hedges)
To reduce Genmab's long term GBP/DKK currency exposure associated with the annual funding obligation of GBP 17 million under the GSK collaboration, in October 2011 Genmab entered into a derivative contract to hedge the associated currency exposure for the period from 2013 to 2015. This exchange hedging is carried out to minimize risks and thereby increase the predictability of the group's financial results.

The overview below outlines further details about the derivative. As of December 31, 2011 the intrinsic value is zero (out-of-the-money).

The total fair value at the end of December is recognized directly in the statement of comprehensive income and will be recognized in the income statement when the yearly funding commitment is expected to be realized in the period 2013 to 2015.

Notes to the Financial Statements

13. Financial Risk (continued)

( ) = debt or income	2011			2010		
Capped Risk Collar	**Notional amount (MGBP)**	**Fair value (MDKK)**	**Change in time value recognized the income statement (MDKK)**	**Notional amount (MGBP)**	**Fair value (MDKK)**	**Change in time value recognized the income statement (MDKK)**
Protection: Genmab buys GBP call option/ DKK put struck at 9.60	51	23	(23)	-	-	-
Obligation: Genmab sells GBP put option/ DKK call struck at 8.40	51	(28)	28	-	-	-
Risk Cap: Genmab buys GBP put option/ DKK call struck at 6.50	51	4	(4)	-	-	-
Total		**(1)**	**1**			

The capped risk collar contract falls due in the period from May 2013 to November 2015. The yearly funding commitment of GBP 17 million is hedged. Each year is broken into 3 expires to match anticipated timing of payment of quarterly invoices to GSK with an assumed notional split as GBP 6 million, GBP 6 million and GBP 5 million, respectively.

The capped risk collar derivative financial instrument was executed under an International Swaps and Derivatives Association master agreement. The master agreement with Genmab's financial institution counterparty also includes a credit support annex which contains provisions that require Genmab to post collateral should the value of the derivative liabilities exceed DKK 26 million. As of December 31, 2011 and 2010, Genmab has not been required to post any collateral. We are exposed to credit loss in the event of non-performance by our counterparty which is a financial institution with the following long term ratings: Moody's (A2), S&P (A -), and Fitch (A).

A 10% change in the GBP to DKK forward exchange rate will impact the valuation of the collar as outlined below. The analysis assumes that all other variables, in particular the volatility, remain constant.

13. Financial Risk (continued)

Impact of change in exchange rate in MDKK

( ) = debt or income	-10%	Base	+10%
Fair value	(24)	(1)	38
Income statement	(4)	1	(38)
Statement of comprehensive income	28	-	-

Investments in Foreign Subsidiaries
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 A/S granted one loan to a subsidiary which is classified as a part of the net investment. Gains and losses related to foreign exchange adjustments of this loan and the equity investments are recognized directly in other comprehensive income in the consolidated accounts.

The net assets, including the loan were distributed as follows: net investments denominated in USD: DKK (196) million (2010: DKK 264 million) and net investments denominated in other currencies: DKK 25 million (2010: DKK 22 million).

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.

The securities in which the group has invested 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, 2011, the portfolio has an average effective duration of approximately one year (2010: 1 year) and no securities have more than 5 years (2010: 5 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 approximately 1% (2010: 1%). 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.

Notes to the Financial Statements

13. Financial Risk (continued)

The portfolio has generated the following yields for 2011 and 2010:

Portfolio	2011	2010
DKK	3.5%	2.0%
GBP*	0.4%	0.1%
USD**	-	0.3%
EUR (current portfolio)*	1.4%	0.1%
EUR (previous portfolio)**	-	3.5%

* Established in 2010
** Liquidated in 2010

The increase in the yields compared to 2010 is driven by the fact that our marketable securities were positively impacted by the ongoing global economic turmoil as our securities are invested in highly liquid and conservative securities with a low degree of risks and high credit ratings. Currently, such securities experience a high degree of demand resulting in increasing fair value market valuations.

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.

Genmab is primarily financed through equity and partnership collaboration income and had, as of December 31, 2011, a cash position of DKK 1,105 million compared to DKK 1,546 million as of December 31, 2010. The cash position supports the advancement of our overall mission and strategy to maximize our chances for success.

On July 1, 2010, we announced an amendment to the ofatumumab co-development and commercialization agreement between GSK and Genmab, which improved our financial position and strength significantly.

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 2011.

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

Based on the 2012 objectives, Genmab expects additional cash inflows (e.g. through out-licensing of daratumumab and sale of the manufacturing facility) and a continued focus on cost control. The board of directors believes it will have sufficient cash to run its operations for the next year. Therefore the board of directors have concluded that the financial statements have been prepared on a going concern basis.

13. Financial Risk (continued)

CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

In accordance with IFRS, Genmab has divided its financial assets and liabilities in the following categories:

Category	Note	2011 (DKK'000)	2010 (DKK'000)
Financial assets at fair value through profit or loss			
Marketable securities	12	1,035,422	1,548,309
Cash and cash equivalents		6,670	48,511
Financial assets designated as hedging instruments			
Derivatives designated as cash flow hedges	11	52	-
Loans and receivables			
Receivables	11	70,718	72,601
Cash and cash equivalents		58,527	52,439
Assets classified as held for sale	18	9,311	17,836
Available-for-sale financial assets		-	365
Financial liabilities designated as hedging instruments			
Derivatives designated as cash flow hedges	11	(1,460)	-
Financial liabilities measured at amortized cost:			
Lease liability	21	(11,845)	(17,937)
Accounts payable		(33,510)	(32,761)
Bank overdraft		-	(115,780)
Other liabilities	16	(134,326)	(110,315)
Liabilities classified as held for sale	18	(9,971)	(11,322)

The accounting policy for each of the categories is outlined in note 24.

Notes to the Financial Statements

13. Financial Risk (continued)

METHODS AND ASSUMPTIONS TO DETERMINE FAIR VALUE

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

Marketable Securities

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

Derivative Financial Instruments

The capped risk collar is not traded on an active market based on quoted prices. The fair value is determined using valuation techniques that utilize market based data such as currency rates, yield curves and implied volatility (Level 2).

14. Provisions

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Provisions per January 1	22,964	12,066	22,964	9,696
Exchange rate adjustment	381	(1,482)	381	(1,498)
Additions during the year	136	19,431	136	19,431
Used during the year	(594)	(5,966)	(594)	(3,636)
Released during the year	-	(1,256)	-	(1,200)
Discounting	178	171	178	171
Total	**23,065**	**22,964**	**23,065**	**22,964**
Non-current provisions	23,065	22,864	23,065	22,864
Current provisions	-	100	-	100
Total	**23,065**	**22,964**	**23,065**	**22,964**

Provisions include mainly contractual and restoration obligations related to our lease of offices and development activities. In determining the fair value of the restoration obligation assumptions and estimates are made in relation to discounting, the expected cost to restore the offices and the expected timing of those costs.

15. Deferred Income

Deferred income reflects upfront payments received from our collaboration agreements with GSK and Lundbeck which will be recognized as revenues over the future years. The group does have certain obligations under the collaboration agreements which need to be fulfilled to enable the upfront payments to be recognized as revenue. The deferred income does not represent cash owed to our collaboration partners. Please refer to note 21 for further details regarding the financial obligations under our collaboration agreements.

The deferred income is expected to be recognized in the income statement as outlined below. Deferred income related to the GSK and Lundbeck agreements will be recognized as revenues until 2015 and 2013, respectively. Please refer to note 1 for additional information regarding the determination of the amortization period.

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

	2011	2010
	DKK'000	DKK'000
To be recognized in the income statement:		
2011	-	226,098
2012	226,098	226,098
2013	222,214	222,214
2014	207,454	207,454
2015	207,454	207,454
Total	**863,220**	**1,089,318**

Notes to the Financial Statements

16. Other Liabilities

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Liabilities related to development agreements	85,783	33,108	85,783	33,108
Staff costs liabilities	32,059	56,646	6,333	18,570
Other liabilities	26,097	30,639	17,332	14,669
Derivatives	1,460	-	1,460	-
Corporate Tax Payable	-	343	-	-
Payable to subsidiaries	-	-	16,425	23,649
Transferred to liabilities held for sale	(9,613)	(10,421)	-	-
Total	**135,786**	**110,315**	**127,333**	**89,996**
Non-current other liabilities	72,165	42,213	69,462	34,056
Current other liabilities	63,621	68,102	57,871	55,940
Total	**135,786**	**110,315**	**127,333**	**89,996**

Other liabilities are measured at amortized cost. The current other liabilities comprise liabilities which are due less than one year from the balance sheet date.

The non-current other liabilities include DKK 68 million (2010: DKK 33 million) which is related to our collaboration with GSK. Such amount is equal to the present value of the liability based on a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The nominal amount of DKK 77 million (2010: DKK 40 million) is equal to the amount due for repayment to GSK and will be repaid starting from the beginning of 2016 via predetermined maximum deductions from the Arzerra royalty income stream due to Genmab. The liability is interest free.

The carrying amount of other liabilities corresponds essentially to fair value.

Please refer to note 19 for additional information regarding payables to subsidiaries.

17. Warrants

WARRANT PROGRAM

Genmab A/S has established warrant programs (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.

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 program was adopted by the board of directors in August 2004.

Under the terms of the programs, 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. In connection with exercise the warrants shall be settled with the delivery of shares in Genmab A/S.

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

17. Warrants (continued)

WARRANTS GRANTED FROM AUGUST 2004

Under the most recent warrant program, 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 continue to be able to exercise all warrants on a regular schedule 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.

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	2011	2010
Fair value per warrant on grant date	23	30
Share price	41	55
Exercise price	41	55
Expected dividend yield	0%	0%
Expected stock price volatility	62%	61%
Risk-free interest rate	2%	2%
Expected life of warrants	6 years	6 years

Based on an average fair value per warrant of DKK 23 (2010: DKK 30) the total fair value of warrants granted amounted to DKK 10 million (2010: DKK 17 million) on the grant date.

Notes to the Financial Statements

17. Warrants (continued)

WARRANT ACTIVITY

As of December 31, 2011, the board of directors has been authorized to grant a total of 12,221,263 (2010: 12,221,263) warrants since Genmab's inception.

In 2011, Genmab granted warrants 4 times (2010: 4). The total number of granted warrants amounts to 453,000 in 2011 (2010: 569,500).

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, 2009	**3,174,883**	**765,000**	**1,497,000**	**5,436,883**	**227.05**
Granted	156,000	225,000	188,500	569,500	55.14
Cancelled	(63,693)	-	-	(63,693)	308.58
Transfers	1,184,825	-	(1,184,825)	-	-
Outstanding at December 31, 2010	**4,452,015**	**990,000**	**500,675**	**5,942,690**	**210.47**
Granted	155,000	180,000	118,000	453,000	41.24
Cancelled	(82,012)	-	-	(82,012)	142.72
Outstanding at December 31, 2011	**4,525,003**	**1,170,000**	**618,675**	**6,313,678**	**199.20**

The number of warrants held by employees includes both current and former employees in Genmab. Please see note 20 for further information about the number of warrants held by the executive management and the board of directors.

As of December 31, 2011, the 6,313,678 outstanding warrants amounted to 14% of the share capital (2010: 13%). No warrants were exercised in 2010 or 2011.

WEIGHTED AVERAGE EXERCISE PRICE

The following table summarizes the weighted average exercise price of outstanding warrants which was DKK 199.20 as of December 31, 2011 (2010: DKK 210.47). For warrants exercisable at year end, the weighted average exercise price is DKK 223.68 (2010: DKK 218.09).

17. Warrants (continued)

Weighted Average Exercise of Outstanding Warrants at December 31, 2011

Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Number of warrants exercisable
DKK				
26.75	December 8, 2012	3,750	9.94	-
31.75	October 14, 2012	47,750	9.79	-
40.41	June 22, 2012	347,000	9.47	-
46.74	June 2, 2011	333,000	8.42	83,625
55.85	April 6, 2012	54,500	9.30	-
66.60	December 9, 2011	114,000	8.94	28,500
67.50	October 14, 2011	39,500	8.79	9,875
68.65	April 21, 2011	56,750	8.30	14,187
77.00	December 9, 2010	9,500	7.94	4,750
86.00	August 3, 2005	484,537	2.59	484,537
89.50	September 22, 2005	12,650	2.73	12,650
97.00	December 1, 2005	27,125	2.92	27,125
101.00	August 10, 2006	186,266	3.61	186,266
114.00	June 7, 2006	390,050	3.43	390,050
115.00	September 21, 2006	1,975	3.72	1,975
116.00	April 20, 2006	22,314	3.30	22,314
129.75	October 8, 2010	148,000	7.77	82,125
130.00	December 1, 2006	14,813	3.92	14,813
173.00	June 21, 2007	573,970	4.47	573,970
174.00	June 17, 2010	332,000	7.46	166,500
184.00	March 2, 2007	119,820	4.16	119,820
210.50	April 25, 2007	34,300	4.31	34,300
224.00	September 19, 2007	118,833	4.72	118,833
234.00	April 15, 2010	68,350	7.29	34,275
234.75	December 17, 2009	36,250	6.96	27,375
246.00	June 4, 2009	187,750	6.50	142,875
254.00	April 24, 2009	640,025	6.34	486,150
272.00	October 8, 2009	490,938	6.77	369,567
326.50	October 4, 2008	151,100	5.76	151,100
329.00	December 13, 2008	90,705	5.95	90,705
330.00	December 13, 2007	61,500	4.95	61,500
352.50	June 27, 2008	784,944	5.49	784,944
364.00	April 19, 2008	329,713	5.30	329,713
199.20		**6,313,678**	**5.87**	**4,854,419**

Notes to the Financial Statements

17. Warrants (continued)

Weighted Average Exercise of Outstanding Warrants at December 31, 2010

Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Number of warrants exercisable
DKK				
46.74	June 2, 2011	337,500	9.42	-
66.60	December 9, 2011	118,000	9.94	-
67.50	October 14, 2011	49,500	9.79	-
68.65	April 21, 2011	56,750	9.30	-
77.00	December 9, 2010	9,500	8.94	2,375
86.00	August 3, 2005	486,410	3.59	486,410
89.50	September 22, 2005	12,650	3.73	12,650
97.00	December 1, 2005	27,125	3.92	27,125
101.00	August 10, 2006	186,266	4.61	186,266
114.00	June 7, 2006	390,050	4.43	390,050
115.00	September 21, 2006	1,975	4.72	1,975
116.00	April 20, 2006	22,314	4.30	22,314
129.75	October 8, 2010	193,000	8.77	49,188
130.00	December 1, 2006	14,813	4.92	14,813
173.00	June 21, 2007	573,970	5.47	573,970
174.00	June 17, 2010	333,000	8.46	83,250
184.00	March 2, 2007	119,820	5.16	119,820
210.50	April 25, 2007	34,300	5.31	34,300
224.00	September 19, 2007	118,833	5.72	118,833
234.00	April 15, 2010	68,950	8.29	17,239
234.75	December 17, 2009	36,250	7.96	18,500
246.00	June 4, 2009	187,750	7.50	98,000
254.00	April 24, 2009	650,500	7.34	330,100
272.00	October 8, 2009	491,313	7.77	248,313
326.50	October 4, 2008	151,100	6.76	117,588
329.00	December 13, 2008	90,705	6.95	71,848
330.00	December 13, 2007	61,500	5.95	61,500
352.50	June 27, 2008	789,133	6.49	596,297
364.00	April 19, 2008	329,713	6.30	252,964
210.47		**5,942,690**	**5.71**	**3,935,688**

18. 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**.

	2011	2010
	DKK'000	DKK'000
Net result of discontinued operation		
Revenues	-	376
Expenses	(38,913)	(48,361)
	(38,913)	**(47,985)**
Impairments to fair value less cost to sell	(341,688)	(130,137)
Operating result	**(380,601)**	**(178,122)**
Financial income, net	9	11
Net result before tax	**(380,592)**	**(178,111)**
Corporate tax	(28)	(28)
Net result	**(380,620)**	**(178,139)**
Basic and diluted net result per share discontinued operation	(8.48)	(3.97)
Cash flows used in discontinued operation		
Net cash used in operating activities	(40,313)	(98,127)
Net cash used in investing activities	-	-
Net cash used in discontinued operation	**(40,313)**	**(98,127)**
Assets and liabilities classified as held for sale		
Tangible assets	333,245	673,596
Receivables and prepayments	7,512	7,391
Cash and cash equivalents	4,211	12,742
Assets	**344,968**	**693,729**
Provisions	(617)	(1,137)
Accounts payable/Other liabilities	(9,971)	(11,322)
Liabilities	**(10,588)**	**(12,459)**
Net assets in discontinued operation	**334,380**	**681,270**

Notes to the Financial Statements

18. Discontinued Operation (continued)

Expenses include research and development costs such as salary expenses and utility and maintenance costs.

As a result of the planned disposal, the facility's assets were initially measured at the lower of the carrying amount and fair value less cost to sell. In 2009 we estimated the fair value of the facility to be approximately USD 150 million less sales related costs of approximately USD 5 million.

In September 2010, a non-cash impairment charge of approximately DKK 130 million was recognized as a result of changed market conditions. The fair value less cost to sell was reduced from approximately USD 145 million to USD 120 million as of September 30, 2010. Sales related costs were still estimated to approximately USD 5 million.

In September 2011 we reduced the fair value from approximately USD 125 million to USD 60 million. As the sales related costs also were reduced from USD 5 million to USD 2 million, the fair value less cost to sell was reduced from USD 120 million to USD 58 million. As a result of the reduction in the fair value less cost to sell, a non-cash impairment charge of approximately DKK 342 million was recognized in the income statement.

The above impairments are included in the result of the discontinued operation. The total impairment is allocated on a pro rata basis on the respective carrying amounts of the facility's non-current assets and was allocated as follows:

MDKK	2011	2010
Land and buildings	278	106
Manufacturing equipment	59	23
Equipment, furniture, and fixtures	5	1
Total impairment	**342**	**130**

Please refer to note 19 for information regarding the impairment related to the financial statements of the parent company.

The net cash used in the operating activities in 2010 was higher than 2011 as it was impacted by the settlement of liabilities from the re-organization plan in November 2009 as well as the ongoing operating expenses.

19. Related Party Disclosures

Genmab's related parties are:

- the 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
- 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. (liquidated in 2011) are 100% owned subsidiaries of Genmab A/S and are included in the consolidated financial statements. They primarily perform research and development activities on behalf of the parent company. All intercompany transactions have been eliminated in the consolidated financial statements of the Genmab group.

	Parent Company	
	2011	2010
	DKK'000	DKK'000
Transactions with subsidiaries:		
Service fee costs	159,464	269,530
Warrant compensation expenses	-	49,035
Financial income	67,764	82,039
Financial expenses	-	91
Impairment of Genmab MN, Inc., cf. note 10	484,721	288,617
Balances with subsidiaries:		
Non-current receivables (less impairment of TDKK 890,568)	6,056	266,551
Current receivables (less impairment of TDKK 208,848)	340,082	432,450
Other current liabilities	16,425	23,649

Genmab A/S have placed at each subsidiary's disposal a credit facility (denominated in local currency) that the subsidiary may use to draw from in order to secure the necessary funding of its activities.

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

In 2010 we entered into a collaboration with Lundbeck under which Genmab will create novel human antibodies to three targets identified by Lundbeck. As Deputy Chairman Anders Gersel Pedersen is a member of Lundbeck's executive management, Lundbeck is considered a related party.

Under the terms of the agreement, Genmab received an upfront payment of €7.5 million (DKK 56 million at the date of the agreement) in 2010. The upfront payment was deferred and recognized in the income statement as revenue on a straight line basis over a three year period.

Lundbeck is funding the development of the antibodies and during 2011 and 2010 the income (reimbursement of costs and milestone payments) from the collaboration were DKK 44 million and DKK 2 million, respectively. The amount is included in revenues.

As of December 31, 2011, Lundbeck owed Genmab DKK 18 million (2010: DKK 1 million). The amount is included in receivables.

Notes to the Financial Statements

19. Related Party Disclosures (continued)

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 or executive management.

Other than the remuneration and other transactions relating to the board of directors and executive management described in note 20, no other significant transactions have taken place with the board of directors or the executive management during 2010 and 2011.

20. Remuneration of the Board of Directors and Executive Management

REMUNERATION TO THE BOARD OF DIRECTORS

Board Fee

Remuneration of the board of directors comprised of a fixed board fee and additional fees for the board committee obligations. The fees are denominated in USD.

Warrant Compensation

In addition, the members of the board of directors participate in Genmab's warrant programs. According to our general guidelines for incentive programs, a new member of the board of directors is granted up to 25,000 warrants upon election. In addition, the members of the board of directors may be granted up to 20,000 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.

In accordance with Genmab's accounting policies warrant compensation is included in the income statement and reported in the remuneration table below.

The warrant compensation expense for 2011 of DKK 4 million shown below includes the amortization of the non cash warrant expense relating to warrants granted over several periods, including a portion of the warrants granted in the year of the report. In 2011 118,000 warrants were granted to the board of directors, with a Black Scholes value of DKK 3 million (2010: 68,500 warrants, with a value of DKK 2 million). Such warrant compensation expense represents a calculated theoretical value of warrants granted and does not represent actual cash compensation received by the board members.

As of December 31, 2011 all vested warrants for the current board members held no intrinsic value, as the exercise price of these warrants was higher than the share price at the end of the year.

Please refer to note 17 regarding information about Genmab's warrant program.

	Base board fee	Fee Committees	Warrant compensation expenses	2011	Base board fee	Fee Committees	Warrant compensation expenses	2010
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Michael Widmer	488	81	1,224	1,793	513	79	2,145	2,737
Anders Gersel Pedersen	244	86	612	942	256	80	1,072	1,408
Karsten Havkrog Pedersen	244	116	612	972	256	105	1,072	1,433
Burton G. Malkiel	244	114	695	1,053	256	142	1,419	1,817
Hans Henrik Munch-Jensen	244	130	695	1,069	256	125	1,419	1,800
Toon Wilderbeek**	185	-	230	415	-	-	-	-
Daniel Bruno *	244	-	128	372	191	-	54	245
Tom Vink *	244	-	128	372	191	-	54	245
Nedjad Losic *	244	-	128	372	191	-	54	245
	2,381	**527**	**4,452**	**7,360**	**2,110**	**531**	**7,289**	**9,930**

* Employee elected board member elected in 2010.
** Elected by the Annual General Meeting in April 2011.

20. Remuneration of the Board of Directors and Executive Management (continued)

The statement for the group and the parent company are identical. For further information about the board of directors please refer to the section "Board of Directors" in the annual report.

REMUNERATION TO THE EXECUTIVE MANAGEMENT

Base Salary, Defined Contribution Plans and Other Benefits

Remuneration of the executive management team, which at the end of 2011 consists of the President & Chief Executive Officer and the Executive Vice President & Chief Financial Officer, comprised base salary, cash bonus, non-monetary benefits such as company car allowance, telephone etc. and participation in Genmab's defined contribution pension plans. The base salary and related benefits are denominated in EUR and USD.

Cash Bonus

The bonus program 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 base salaries. In addition, the executive management may receive an extraordinary bonus of a maximum up to 15% of their annual base salaries, based on the occurrence of certain special events or achievements. The bonus programs may enable the executive management members to earn a bonus per calendar year of up to an aggregate amount of approximately DKK 6 million (annual) and DKK 1 million (extraordinary). In 2011, the current executive management team received a total cash bonus of DKK 3 million (2010: DKK 5 million).

Warrant Compensation

In addition, the members of the executive management team participate in Genmab's warrant programs. According to our general guidelines for incentive programs, a new member of executive management is usually granted warrants upon engagement. In addition, the members of executive management may be granted a maximum of 150,000 warrants annually as an incentive to increase the future value of the company but also in recognition of past contributions and accomplishments.

In accordance with Genmab's accounting policies warrant compensation is included in the income statement and reported in the remuneration table on the next page.

The warrant compensation expense for 2011 of DKK 10 million shown on the next page includes the amortization of the non cash warrant expense relating to warrants granted over several periods, including a portion of the warrants granted in the year of the report. In 2011 180,000 warrants were granted to the executive management, with a Black Scholes value of DKK 4 million (2010: 225,000 warrants, with a value of DKK 7 million). In 2010 the warrant compensation expenses also included DKK 18 million which were expensed in connection with the departure of Genmab's former CEO. Such warrant compensation expense represents a calculated theoretical value of warrants granted and does not represent actual cash compensation received by the executive members.

As of December 31, 2011 all warrants that were vested for the current executive management held no intrinsic value as the exercise price of these warrants was higher than the share price at the end of the year.

Notes to the Financial Statements

20. Remuneration of the Board of Directors and Executive Management (continued)

	Base salary	Cash bonus	Defined contribution plans	Other Benefits	Severance payment	Warrant compensation expenses	2011 Genmab Group	2011 Parent Company**
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Jan van de Winkel	4,803	1,949	700	243	-	5,930	13,625	1,073
David A. Eatwell	2,518	637	77	-	-	4,148	7,380	673
	7,321	**2,586**	**777**	**243**	**-**	**10,078**	**21,005**	**1,746**

	Base salary	Cash bonus	Defined contribution plans	Other Benefits	Severance payment	Warrant compensation expenses	2010 Genmab Group	2010 Parent Company**
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Jan van de Winkel	4,444	3,547	584	224	-	8,476	17,275	1,292
David A. Eatwell	2,744	1,226	95	-	-	4,983	9,048	758
Lisa N. Drakeman*	2,714	-	127	-	22,843	25,046	50,730	4,569
	9,902	**4,773**	**806**	**224**	**22,843**	**38,505**	**77,053**	**6,619**

* Departed in 2010.
** Included base salary and other remuneration of DKK 1 million (2010: DKK 3 million) and warrant compensation expenses of DKK 1 million (2010: DKK 4 million).

For further information about the executive management, please refer to the section "Senior Leadership Team" in the annual report.

Severance Payments:
In the event Genmab terminates the service agreements with each member of the executive management team without cause, Genmab is obliged to pay the executive officer his existing salary for one or two years after the end of a one year notice period.

Please refer to the Directors Report section regarding the potential impact in the event of change of control of Genmab.

20. Remuneration of the Board of Directors and Executive Management (continued)

NUMBER OF ORDINARY SHARES OWED AND WARRANTS HELD

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

Number of ordinary shares owned

	December 31, 2010	Acquired	Sold	December 31, 2011	Market value*
					DKK'000
Board of Directors					
Michael Widmer	-	-	-	-	-
Anders Gersel Pedersen	-	-	-	-	-
Karsten Havkrog Pedersen	-	-	-	-	-
Burton G. Malkiel	-	-	-	-	-
Hans Henrik Munch-Jensen	300	-	-	300	11
Toon Wilderbeek	-	-	-	-	-
Daniel Bruno	-	-	-	-	-
Tom Vink	-	-	-	-	-
Nedjad Losic	800	-	-	800	30
	1,100	**-**	**-**	**1,100**	**41**
Executive Management					
Jan van de Winkel	120,000	110,000	-	230,000	8,648
David A. Eatwell	-	-	-	-	-
	120,000	**110,000**	**-**	**230,000**	**8,648**
Total	**121,100**	**110,000**	**-**	**231,100**	**8,689**

* Market value is based on a 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.

Notes to the Financial Statements

20. Remuneration of the Board of Directors and Executive Management (continued)

Number of warrants held

	December 31, 2010	Granted	Exercised	Expired	December 31, 2011	Weighted average exercise price
						DKK
Board of Directors						
Michael Widmer	159,000	20,000	-	-	179,000	174.76
Anders Gersel Pedersen	79,500	10,000	-	-	89,500	174.76
Karsten Havkrog Pedersen	79,500	10,000	-	-	89,500	174.76
Burton G. Malkiel	69,500	10,000	-	-	79,500	253.41
Hans Henrik Munch-Jensen	69,500	10,000	-	-	79,500	253.41
Toon Wilderbeek	-	25,000	-	-	25,000	49.67
Daniel Bruno	18,500	10,000	-	-	28,500	88.79
Tom Vink	10,425	10,000	-	-	20,425	61.65
Nedjad Losic	14,750	13,000	-	-	27,750	61.18
	500,675	**118,000**	**-**	**-**	**618,675**	**177.13**
Executive Management						
Jan van de Winkel	710,000	100,000	-	-	810,000	157.84
David A. Eatwell	280,000	80,000	-	-	360,000	129.13
	990,000	**180,000**	**-**	**-**	**1,170,000**	**149.01**
Total	**1,490,675**	**298,000**	**-**	**-**	**1,788,675**	**158.73**

During the first quarter of 2011 Dr. Jan van de Winkel acquired 110,000 shares with a market value of DKK 5,744,534 at time of acquisition.

21. Commitments

GUARANTEES AND COLLATERALS

The group has, through a bank deposit, established a bank guarantee of DKK 3 million (2010: DKK 3 million) relating to the lease of an office building. In the separate financial statements of the parent company, no such guarantees have been established.

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 2017.

Future minimum payments under our operating leases as of December 31, 2011, are as follows:

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
Payment due				
Within 1 year	18,521	22,389	9,624	9,559
From 1 to 5 years	41,863	53,372	6,083	15,384
After 5 years	1,879	-	-	-
Total	**62,263**	**75,761**	**15,707**	**24,943**
Expenses recognized in the income statement	25,276	22,708	9,889	7,734

FINANCE LEASES

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.

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 12 million (2010: DKK 18 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% (2010: 4.6%).

Notes to the Financial Statements

21. Commitments (continued)

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

	2011	2010
	DKK'000	DKK'000
Minimum lease payments		
Within 1 year	6,204	6,791
From 1 to 5 years	6,253	12,458
	12,457	19,249
Future finance charges	(612)	(1,312)
Total	**11,845**	**17,937**
Net present value of future payments		
Within 1 year	5,789	6,091
From 1 to 5 years	6,056	11,846
Total	**11,845**	**17,937**
Fair value	**11,849**	**17,986**

FINANCIAL OBLIGATIONS UNDER COLLABORATION AGREEMENTS

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

In July 2010, GSK and Genmab announced an amendment to the ofatumumab agreement. Under the terms of the amendment, GSK has taken responsibility for developing ofatumumab in autoimmune indications whilst continuing to jointly develop ofatumumab with Genmab in oncology indications.

Genmab's funding obligations for the development of ofatumumab in oncology indications will be capped at a total of GBP 145 million (DKK 1,314 million at the date of the agreement), including a yearly cash funding cap of GBP 17 million (DKK 154 million at the date of the agreement) for the six year period beginning January 1, 2010 and ending December 31, 2015. Any excess between the total of the annual cash funding of GBP 102 million and the total funding up to GBP 145 million will be repaid to GSK starting from the beginning of 2016 via predetermined maximum deductions from the Arzerra royalty income stream due to Genmab.

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 129 million (2010: DKK 95 million). In the parent company, the contractual obligations amounted to DKK 129 million (2010: DKK 94 million).

22. Contingent Assets, Contingent Liabilities and Subsequent Events

CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Licence and Collaboration Agreements

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, accordingly no such liabilities have been recognized.

Derivative Financial Instruments

The agreement for our capped risk collar derivative financial instrument contains provisions which require Genmab to provide collateral should the value of the derivative liabilities exceed a DKK 26 million threshold. In addition, the agreement requires Genmab to maintain a cash position of DKK 258.5 million at all times or the counterparty has the right to terminate the agreement. Upon termination the DKK 26 million threshold amount is no longer applicable and the value of the derivative liability, if any, could be due to the counterparty upon request.

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 2011 financial statements or disclosure in the annual report.

23. Fees to Auditors Appointed at the Annual General Meeting

	Genmab Group		Parent Company	
	2011	2010	2011	2010
	DKK'000	DKK'000	DKK'000	DKK'000
PricewaterhouseCoopers				
Audit services	922	1,373	664	866
Audit-related services	114	147	91	102
Tax services	797	706	344	493
Other services	9	10	9	10
Total fees	**1,842**	**2,236**	**1,108**	**1,471**

Notes to the Financial Statements

24. 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. The financial statements have 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, 2011, Genmab has applied the following standards and interpretations with relevance for Genmab:

- IAS 24 "Related Party Disclosures" (amendment)
- IASB's Annual Improvements to IFRSs (issued by IASB in May 2010) which among others include amendments of IFRS 1, 3, 7, IAS 1, 27 and 34

The implementation of the standards and interpretations did not have any material impact on the financial position and performance of the group.

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.(liquidated 2011) (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 2011.

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 – ACQUIRED BEFORE JANUARY 1, 2010

Entities acquired or formed during the year were recognized in the consolidated financial statements from the date of acquisition or formation. The acquisition date was 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 were measured at fair value at the acquisition date. Identifiable intangible assets were recognized if they were separable or arise from a contractual right and the fair value could be reliably measured. Deferred tax on revaluations was recognized.

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

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

Upon acquisition, goodwill was allocated to the cash-generating units, which subsequently formed 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 were

24. Accounting Policies (continued)

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 existed at the acquisition date, initial recognition took place on the basis of preliminary fair values. If identifiable assets, liabilities and contingent liabilities were subsequently determined to have a different fair value at the acquisition date from that first assumed, goodwill was adjusted up until 12 months after the acquisition. The effect of the adjustments was recognized in the opening balance of equity, and the comparative figures were adjusted accordingly.

Subsequently, goodwill was only adjusted as a result of changes in estimates of contingent purchase considerations, except in cases of material error. Changes in estimates related to contingent purchase were recognized in the income statement. 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 AND 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 method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The group designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedge); or
- hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge);

There were no hedges of currency exposure in subsidiaries in 2011 and 2010.

The group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in note 13. Movements on the hedging reserve in other comprehensive income are shown as part of the statement of shareholders equity. 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 or liability when the remaining maturity of the hedged item is less than 12 months.

Fair Value Hedge

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.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion and changes in time value of the derivative instrument is recognized immediately in the income statement within financial income or expenses.

INCOME STATEMENT

Revenues

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

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.

Notes to the Financial Statements

24. Accounting Policies (continued)

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. 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 program is designated as an equity-settled share-based payment transaction.

In the financial statements for the parent company, expenses and exercise proceeds related to employees in the subsidiaries are allocated 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.

Gains or losses relating to the ineffective portion of a cash flow hedge and changes in time value are recognized immediately in the income statement as part of the financial income or expenses.

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.

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 related 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 receivables in the balance sheet.

BALANCE SHEET

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 and financial structure 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 and technologies 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 leasehold improvements and Equipment, furniture and fixtures which are measured at cost less accumulated depreciation and any impairment losses.

24. Accounting Policies (continued)

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:

Equipment, furniture and fixtures	3-5 years
Computer equipment	3 years
Leasehold improvements	5 years or the lease term, if shorter

The useful lives and residual values are reviewed and adjusted if appropriate on a yearly basis. 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 statements.

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 Other than Goodwill
If circumstances or changes in Genmab's operations indicate that the carrying amount of non-current assets in a cash-generating unit 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.

Receivables
Receivables except derivatives 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 and notes issued by the Danish and European 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

Notes to the Financial Statements

24. Accounting Policies (continued)

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.

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.

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.

The share premium reserve comprises of 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. The share premium reserve can be distributed.

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.

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. The present value of a provision is calculated using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

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.

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.

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.

24. Accounting Policies (continued)

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 nominal value.

Other Liabilities
Other liabilities are measured in the balance sheet at amortized cost. Non-current liabilities are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the liability due to passage of time is recognised as interest expense.

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. WBSO – Government grants received as a reduction to payroll tax have been deducted from the wages and salaries expenses cf. note 4.

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.

Bank Overdrafts
Bank overdrafts 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.

Assets Held for Sale
Assets or disposal groups comprising assets and liabilities, which upon initial recognition, are expected to be recovered primarily through sale within 12 months rather than through continuing use, are classified as held for sale.

Events or circumstances may extend the period to complete the sale beyond 12 months. An extension of the period required to complete a sale does not preclude an asset or disposal groups from being classified as held for sale if the delay is caused by events or circumstances beyond Genmab's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset.

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.

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 represented.

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 net result 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.

Notes to the Financial Statements

24. Accounting Policies (continued)

Cash flow from investing activities is comprised of cash flow from the purchase and sale of 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, if any, 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. No separate lines of business or separate business entities have been identified with respect to any of the product candidates or geographical markets and 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.

DEFINITION OF FINANCIAL RATIOS

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

Basic Net Result per Share

Basic net result per share is calculated as the net result 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 44,907,142 shares in 2011 and 44,907,142 shares in 2010.

Diluted Net Result per Share

Diluted net result per share is calculated as the net result 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.

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, 2012, 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, 2011 and with relevance for the Genmab group are described.

IFRS 7 Financial Instruments: Disclosures/IAS 32 Financial Instruments: Presentation - Amendments:

The IASB has issued amendments to IAS 32 on offsetting financial assets and financial liabilities and has introduced new disclosure requirements in IFRS 7. Both amendments are effective from January 1, 2014. The group does expect that the amendments only will have limited impact for the group. However, the group has not yet assessed the full impact and intends to adopt the amendments no later than the accounting period beginning on or after 1 January 2014. As of December 31, 2011, the amendments had not yet been endorsed by the EU.

IFRS 9 Financial Instruments: Classification and Measurement:

IFRS 9 is the first phase of the IASB's work with the replacement of IAS 39. The new standard will change the classification and measurement guidelines for financial assets. The new standard operates with two categories (financial assets at fair value through

24. Accounting Policies (continued)

profit or loss or comprehensive income and financial assets measured at amortized cost) instead of the current four categories outlined in IAS 39.

The standard is effective from January 1, 2015. The standard is not expected to have any material impact on the financial position and performance of the group. The group will quantify any effect in conjunction with the other phases, when issued, to present a comprehensive picture. As of December 31, 2011, the standard had not yet been endorsed by the EU.

IFRS 10 Consolidated Financial Statements/IAS 27 Separate Financial Statements:
IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. IFRS 10 replaces the portion of IAS 27 that addresses the accounting for consolidated financial statements. The group does expect that the standard only will have limited impact for the group. However, the group has not yet assessed IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2013. As of December 31, 2011, the standard had not yet been endorsed by the EU.

IFRS 11 Joint Arrangements/IAS 28 Investments in Associates and Joint Ventures:
IFRS 11 replaces IAS 31 and changes the accounting for joint arrangements by moving three categories under IAS 31 to two categories. Since the definition of control in joint controls refers to the new concept in IFRS 10, it is possible that what is considered a joint arrangement under IFRS 11 will change. This could impact the assessment of our collaboration agreements. The group has not yet assessed IFRS 11's full impact and intends to adopt IFRS 11 no later than the accounting period beginning on or after 1 January 2013. As of December 31, 2011, the standard had not yet been endorsed by the EU.

IFRS 12 Disclosures of Interests in Other Entities:
IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The group has not yet assessed IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 January 2013. As of December 31, 2011, the standard had not yet been endorsed by the EU.

IFRS 13 Fair Value Measurement:
IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The group does expect that the standard only will have limited impact for the group. However the group has not yet assessed IFRS 13's full impact and intends to adopt IFRS 13 no later than the accounting period beginning on or after 1 January 2013. As of December 31, 2011, the standard had not yet been endorsed by the EU.

IAS 1 Presentation of Items of Other Comprehensive Income — Amendments to IAS 1:
The amendments to IAS 1 change the grouping of items presented in other comprehensive income. The amendments do not change the nature of the items that are currently recognized in other comprehensive income. The amendments to IAS 1 are not expected to have any impact on the financial position and performance of the group and the group intends to adopt the amendments no later than the accounting period beginning on or after 1 January 2013. As of December 31, 2011, the amendment had not yet been endorsed by the EU.

IAS 19 Employee Benefits (Revised):
The revised standard includes a number of amendments which mainly is related to the accounting treatment of defined benefits plan. Genmab has not implemented such plan. However the standard impact the recognition of termination benefits which potentially could be recognized on a later stage under the revised standard. The group does expect that the revised standard only will have limited impact for the group. However, the group has not yet assessed IAS 19's full impact and intends to adopt IAS 19 no later than the accounting period beginning on or after 1 January 2013. As of December 31, 2011, the standard had not yet been endorsed by the EU.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the group.

Investor Relations

Genmab's investor relations and communications department aims to ensure relevant, accurate and timely information is available to our investors and the rest of the financial community. Genmab is listed on the NASDAQ OMX Copenhagen and our communication with the capital markets complies with the disclosure rules and regulations of this exchange.

As part of our Investor Relations (IR) activities we:

- Observe quiet periods before the issue of financial reports
- Hold regular analyst and investor meetings to discuss our financial reports or other important news events
- Provide financial guidance for the year
- Maintain an updated website which includes corporate documents, interim and annual reports, information on our stock and general information on the company, including our products and technology
- Have a dedicated IR contact person and contact information is available on our website

CORPORATE INFORMATION

Bankers
Danske Bank
Holmens Kanal 2-12
DK-1092 Copenhagen K

Nykredit Bank A/S
Kalvebod Brygge 1-3
DK-1780 Copenhagen V

Legal Counsel
Kromann Reumert
Sundkrogsgade 5
DK-2100 Copenhagen Ø

Shearman & Sterling LLP
599 Lexington Avenue
New York, NY 10022-6069
USA

Independent Auditors
PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

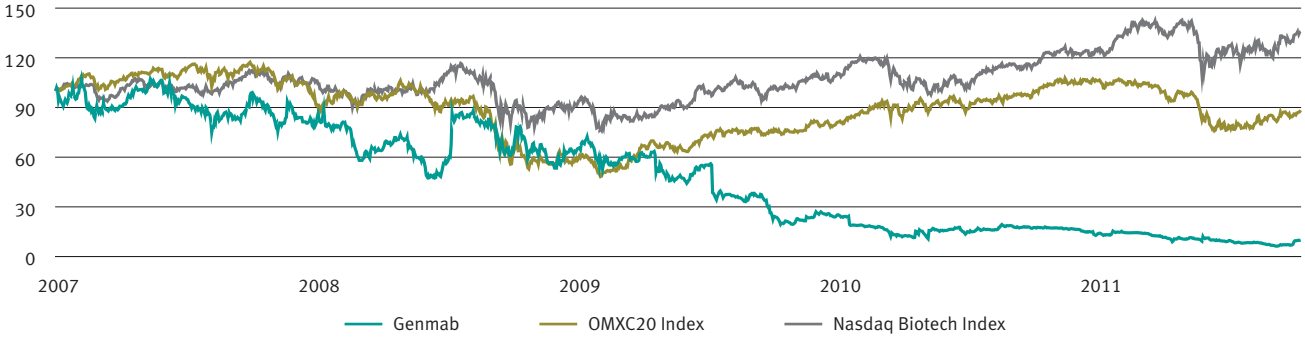
Annual Report
Copies of this annual report in both English and Danish are available without charge upon request.

Annual General Meeting
The annual general meeting will be held on April 25, 2012 at 2:00 PM local time at:
Tivoli Hotel & Congress Center
Arni Magnussons Gade 2
DK-1577 Copenhagen V

FINANCIAL CALENDAR

Event	Date
Annual General Meeting 2012	Wednesday, April 25, 2012
Publication of the Interim Report for the first quarter 2012	Wednesday, May 9, 2012
Publication of the Interim Report for the first half 2012	Wednesday, August 15, 2012
Publication of the Interim Report for the first nine months 2012	Wednesday, November 7, 2012

STOCK PERFORMANCE COMPARISON 2007 TO 2011 (INDEX 100 = STOCK PRICE ON JANUARY 1, 2007)



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3 Genmab Announces Financial Results for the First Half of 2011 and Improved Guidance
5 Genmab Announces Top-Line Phase II Results for Ofatumumab Combined with Chemotherapy in Second Line Agressive Lymphoma

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2 Genmab Announces Financial Results for the First Nine Months of 2011 and Updated 2011 Financial Guidance
17 Genmab Announces US Court Judgment in Favor of Arzerra in Patent Infringement Lawsuit

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6 Genmab Announces Appeal of US Court Judgment in Favor of Arzerra in Patent Infringement Lawsuit
8 Genmab's Financial Calendar for 2012
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OTHER COMPANY ANNOUNCEMENTS

Report Pursuant to Section 28a of the Danish Securities Trading Act
JAN 18 / MAR 4 / MAR 7 / MAR 8 / MAR 9 / MAR 10 / MAR 11 / APR 6 / JUN 22 / OCT 14

Grant of Warrants in Genmab A/S
APR 6 / JUN 22 / OCT 14 / DEC 8

The full texts of all our company announcements are available at our website **www.genmab.com**. Interested parties are invited to subscribe to Genmab's News Alerts Mailing List through the website to receive email notifications on the day news is released.

Board of Directors


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1 | Michael B. Widmer, Ph.D. American, 64

Board Chairman (Independent, elected by the General Meeting);
Chairman of the Compensation Committee. First elected 2002, current term expires 2013.
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.

Special Competences
Extensive research expertise in immunology and oncology; biotechnology management experience and knowledge of biopharmaceutical product development.

2 | Anders Gersel Pedersen, M.D., Ph.D. Danish, 60

Deputy Chairman (Independent, elected by the General Meeting);
Member of the Compensation Committee and Nominating & Corporate Governance Committee.
First elected 2003, current term expires 2013.
Dr. Pedersen is Executive Vice President, Research & 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 research and development of the product pipeline. 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. 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.

Special Competences
Business and management experience in pharmaceutical industry, including expertise in clinical research, development, regulatory affairs and product life cycle management.

Board Positions
Member: Bavarian Nordic A/S and ALK-Abelló A/S

3 | Karsten Havkrog Pedersen, Danish, 62

Board Member (Independent, elected by the General Meeting);
Member of the Audit Committee and Nominating & Corporate Governance Committee.
First elected 2002, current term expires 2013.
Mr. Pedersen 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."

Special Competences
Expansive experience in the practice of Danish corporate law and in-depth knowledge of corporate governance best practices.

Board Positions
Member: EKJ Fonden
Chairman: Redaktør Hans Voigts Mindelegat

4 | Burton G. Malkiel, Ph.D.
American, 79*

Board Member (Independent, elected by the General Meeting);
Chairman of the Audit Committee.
First elected 2007, current term expires 2013.
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. 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.

Special Competences
Extensive expertise in economics and finance, particularly relating to securities valuation and corporate finance; significant board and audit committee experience.

Board Positions
Member: Vanguard Group Ltd., Theravance, Inc., American Philosophical Society and Maldeb Foundation
Audit Committee Chairman: Theravance, Inc.
Audit Committee Member: Vanguard Group Ltd.
Investment Committee Member: American Philosophical Society, Maldeb Foundation

5 | Hans Henrik Munch-Jensen
Danish, 51

Board Member (Independent, elected by the General Meeting);
Member of the Audit Committee, Chairman of the Nominating & Corporate Governance Committee.
First elected 2007, current term expires 2012.
Mr. Munch-Jensen is the Chief Financial Officer at NordEnergie Renewables A/S. Previously, Mr. Munch-Jensen was Director at Prospect where he advised listed companies in relation to strategic and financial communication. Mr. Munch-Jensen served as 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.

Special Competences
Considerable finance, investor relations and strategic communication knowledge and business management experience.

Board Positions
Chairman: Larix A/S, Riddersalen Theater
Member: Pnn Medical A/S

6 | Toon Wilderbeek, Ph.D.
Dutch, 62

Board Member (Independent, elected by the General Meeting);
Member of the Audit Committee.
First elected 2011, current term expires 2013.
Dr. Wilderbeek is the former President of Organon International, Inc. Following his degree in veterinary medicine from the University of Utrecht, Dr. Wilderbeek worked in Tunisia with the Ministry of Foreign Affairs before joining Intervet International, the animal healthcare unit of Akzo Nobel, in 1980. Dr. Wilderbeek was invited to join the Board of Management of Intervet International in 1991, and was appointed President in 1994. In 2002, after the acquisition of Hoechts Roussel Vet, he transformed Intervet into one of the world's largest animal healthcare companies, and Dr. Wilderbeek was appointed a Member of the Board of Management of Akzo Nobel responsible for all pharma activities of Intervet, Organon, Diosynth and Nobilon. Dr. Wilderbeek assumed the position of president of Organon International in 2003 and in 2005 he coordinated the formation of Organon BioSciences. In 2007, Akzo Nobel accepted a take-over bid for Organon BioSciences by Schering-Plough, Dr. Wilderbeek arranged for the transfer of the company and resigned. In 2008, Dr. Wilderbeek started his own company in France.

Special Competences
Extensive business and management experience in the pharmaceutical industry, including expertise in research and development and manufacturing.

Board Positions
Chairman: Vitromics Healthcare Holding, Lead Pharma Holding B.V.

7 | Daniel J. Bruno
American, 32

Board Member (Non-independent, elected by the employees);
First elected 2010, current term expires 2013.
Mr. Bruno joined Genmab in 2008 and is currently Senior Director, Accounting and Finance with overall responsibility for the finance function at Genmab's locations in the United States and is actively involved in numerous group finance activities. He has ten years of broad finance experience including financial planning and analysis, technical accounting, internal controls, financial statement audits, mergers, acquisitions, divestitures and license agreements. Before joining Genmab he spent six years at PricewaterhouseCoopers in the Assurance and Business Advisory practice serving clients in the Health Industries group, which included pharmaceutical, life science and biotech companies. He is a Certified Public Accountant and received B.S. and M.S. degrees from Fairleigh Dickinson University.

Special Competences
Broad finance and accounting experience in the pharmaceutical, biotech and life science industries.

8 | Tom Vink, Ph.D.
Dutch, 49

Board Member (Non-independent, elected by the employees);
First elected 2010, current term expires 2013.
Dr. Vink joined Genmab in 2002 as Head of Molecular Biology. Currently he is leading the Cell and Molecular Science unit at Genmab's R&D facility in Utrecht. Before joining Genmab, Dr. Vink worked for more than 15 years in life sciences research, specializing in molecular biology and biochemistry. Dr. Vink is the author of over 20 scientific publications and is named inventor on over 10 patents and patent applications. He received a M.S. degree in Biochemistry from Leiden University and a Ph.D. from Utrecht University.

Special Competences
Comprehensive research experience in life sciences; theoretical and practical knowledge in the fields of antibody engineering, protein structure-function relationships, experimental design techniques and vascular biology.

9 | Nedjad Losic
Swedish, 42

Board Member (Non-independent, elected by the employees);
First elected 2010, current term expires 2013.
Mr. Losic joined Genmab in 2004 and is currently Director, Biometrics at Genmab's location in Copenhagen. He has worked in the pharmaceutical industry since 1996. Prior to joining Genmab he held positions at Ferring Pharmaceuticals and at Spadille Sweden, where he was Managing Director. He was the responsible statistician for two successful drug applications, one in 1999 and one in 2009. He also served on the board of directors for other non-industry associations. Mr. Losic received a M.Sc. in Mathematics from the University of Lund and a diploma in Management of Medical Product Innovation from the Scandinavian International Management Institute.

Special Competences
Extensive pharmaceutical experience with a specialty in statistics relevant to clinical study data.

**According to the Company's Articles of Association, no individual can be a member of the Board after the first Annual General Meeting in the calendar year in which such person reaches the age of 75 years. In connection with Burton Malkiel's re-election in 2010 an exception was adopted by the Annual General Meeting.*

Senior Leadership Team

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1 | Prof. Jan G. J. van de Winkel, Ph.D. Dutch, 51

President & Chief Executive Officer
Dr. van de Winkel is a co-founder of Genmab and served as President, Research & Development and Chief Scientific Officer of the company until his appointment as President & Chief Executive Officer in 2010. Dr. van de Winkel has over 20 years of experience in the therapeutic antibody field and served as Vice President and Scientific Director of Medarex Europe prior to Genmab. He is the author of over 300 scientific publications and has been responsible for over 40 patents and pending patent applications. Dr. van de Winkel holds a professorship in Immunology at Utrecht University. He is chairman of the board of directors of Regenesance and member of the board of directors of ISA Pharmaceuticals, the scientific advisory board of Thuja Capital Healthcare Fund and the advisory board of Capricorn Health-tech Fund. He holds M.S. and Ph.D. degrees from the University of Nijmegen.

Special Competences
Extensive antibody discovery and development expertise, broad knowledge of the biotechnology industry and executive management skills.

Board Positions
Member: ISA Pharmaceuticals
Chairman: Regenesance

2 | David A. Eatwell British, 51

Executive Vice President & 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 spearheaded 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 member of the Association of Chartered Certified Accountants.

Special Competences
Broad international financial, business and management background and in-depth knowledge of the pharmaceutical and biotechnology industries.

3 | Paul W.H.I. Parren, Ph.D. Dutch, 48

Senior Vice President & Scientific Director
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 140 scientific publications in the antibody field and is named inventor on over 50 patents and patent applications. He holds M.S. and Ph.D. degrees from the University of Amsterdam.

Special Competences
In-depth knowledge of antibody discovery and research.

4 | Birgitte Stephensen, M.Sc. Danish, 51

Senior Vice President, IPR & Legal
Ms. Stephensen joined Genmab in 2002 and was appointed Senior Vice President in 2010. Ms. Stephensen has extensive experience from both private practice and industry working with intellectual property matters within the pharmaceutical and biotech field. Ms. Stephensen passed the European Qualifying Examination as European Patent Attorney in 1994. She earned a M.Sc. from the Danish University of Copenhagen.

Special Competences
Intellectual property and legal expertise in the biotechnology field.

5 | Michael K. Bauer, Ph.D.
German, 48

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, USA 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.

Special Competences
Wide scientific and pharmaceutical industry background; significant experience in clinical drug development, cross-functional project management and strategic leadership.

6 | Rachel Curtis Gravesen
British, 44

Senior Vice President, Investor Relations and Communications
Ms. Gravesen returned to Genmab in 2011, having previously founded the Investor and Public Relations functions after the company's IPO. She has over 18 years of experience in international communications, having worked in investor relations and corporate communications within the healthcare sector for the last 10 years and prior to that as a journalist at the financial news channel CNBC and the BBC. Ms. Gravesen has an MA from St John's College, University of Cambridge and a post graduate in Journalism from City University in London.

Special Competences
Strategic communication (internal and external), investor relations, healthcare communication, leadership, presentation and design skills, strong external networks in the Nordic region and Europe in biotech and communication.

7 | Anthony Pagano
American, 34

Senior Vice President, Global Finance
Mr. Pagano joined Genmab in 2007 and was appointed Senior Vice President in 2011. Prior to joining Genmab, Mr. Pagano was Corporate Controller and Senior Director of Business Planning at NovaDel Pharma, a publicly-traded specialty pharmaceutical company. He started his career at KPMG LLP, reaching the position of Manager, where he provided audit and M&A consulting services to clients ranging from start-ups to Fortune 100s in a broad range of industries. He is a Certified Public Accountant and received a B.S. in Accounting from The College of New Jersey.

Special Competences
Knowledge and experience in the life sciences industry particularly as relates to finance, accounting, strategic planning, business acumen and corporate governance.

Directors' and Management's Statement on the Annual Report

Today the board of directors and executive management have discussed and approved the annual report of Genmab A/S for the financial year 1 January to 31 December 2011.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion the consolidated financial statements and the parent company financial statements give a true and fair view of the group's and the parent company's financial position at 31 December 2011 and of the results of the group's and the parent company's operations and cash flows for the financial year 1 January to 31 December 2011.

In our opinion the Directors Report includes a true and fair review about the development in the group's and the parent company's operations and financial matters, the results for the year and the parent company's financial position, and the position as a whole for the entities included in the consolidated financial statements, as well as a review of the more significant risks and uncertainties faced by the group and the parent company.

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

Copenhagen, March 7, 2012

Executive Management

Jan van de Winkel
(President & CEO)

David A. Eatwell
(Executive Vice President & CFO)

Board of Directors

Michael B. Widmer
(Chairman)

Anders Gersel Pedersen
(Deputy Chairman)

Karsten Havkrog Pedersen

Burton G. Malkiel

Hans Henrik Munch-Jensen

Toon Wilderbeek

Tom Vink
(Employee elected)

Daniel J. Bruno
(Employee elected)

Nedjad Losic
(Employee elected)

Independent Auditor's Report

TO THE SHAREHOLDERS OF GENMAB A/S

Report on Consolidated Financial Statements and Parent Company Financial Statements

We have audited the consolidated financial statements and the parent company financial statements of Genmab A/S for the financial year 1 January to 31 December 2011 pages 39-93, which comprises Statement of Comprehensive Income, Balance Sheet, Statement of Cash Flows, Statement of Changes in Equity and Notes, including summary of significant accounting policies, for the group as well as for the parent company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of the consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the consolidated financial statements and the parent company financial statements that give a true and fair view 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 consolidated financial statements and the parent company financial statements.

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

The audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 December 2011 and of the results of the group's and parent company's operations and cash flows for the financial year 1 January to 31 December 2011 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on Directors Report

We have read the Directors Report pages 4-38 and 94-100 in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit performed of the consolidated financial statements and the parent company financial statements. On this basis, in our opinion, the information provided in the Directors Report is in accordance with the consolidated financial statements and the parent company financial statements.

Copenhagen, March 7, 2012

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Mogens Nørgaard Mogensen
State Authorized Public Accountant

Torben Jensen
State Authorized Public Accountant

FORWARD LOOKING STATEMENT

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. For a further discussion of these risks, please refer to the section “Risk Management” in this annual report. 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 A/S
Bredgade 34
1260 Copenhagen K
Denmark
T. +45 70 20 27 28
F. +45 70 20 27 29
CVR No. 21 02 38 84

GENMAB B.V.
Yalelaan 60
3584 CM Utrecht
The Netherlands
T. +31 30 2 123 123
F. +31 30 2 123 110

GENMAB, INC.
902 Carnegie Center
Suite 301
Princeton, NJ 08540
USA
T. +1 609 430 2481
F. +1 609 430 2482

GENMAB MN, INC.
9450 Winnetka Avenue North
Brooklyn Park, MN 55445
USA
T. +1 763 255 5000
F. +1 763 255 5474

www.genmab.com

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