

CHR. HANSEN HOLDING A/S

INTERIM REPORT 1 SEPTEMBER 2014 – 31 MAY 2015

2014/15 YTD IN BRIEF

Solid organic revenue growth of 9% in the first nine months of 2014/15: Cultures & Enzymes Division 8%, Health & Nutrition Division 17% and Natural Colors Division 7%. EBIT before special items increased by 12% to EUR 160 million. Revenue measured in EUR increased by 13%, as Chr. Hansen was positively impacted by the appreciation of the USD.

EUR million	Q3 2014/15	Q3 2013/14	Growth	YTD 2014/15	YTD 2013/14	Growth
Revenue	228.1	198.1	15%	625.0	550.9	13%
EBIT*	63.8	55.0	16%	159.8	143.2	12%
Profit for the period	45.7	37.4	22%	111.0	93.7	18%
Free cash flow**	53.8	41.2	31%	65.0	46.5	40%
Organic growth	7%	10%		9%	7%	9%
Gross margin	52.4%	50.5%		51.4%	51.7%	
EBIT margin*	28.0%	27.8%		25.6%	26.0%	
ROIC excl. goodwill	39.0%	35.8%		33.8%	32.1%	

* Before special items.

**Before acquisitions, divestments and special items

“The performance in the first nine months of 2014/15 was encouraging with good progress across our divisions and strategic initiatives. Based on this we have narrowed our organic revenue expectations for 2014/15 to 8-9% (previously 7-9%). The EBIT margin is still expected to be above 26.5%, while free cash flow is now expected to be around EUR 150 million (previously above EUR 130 million)” says CEO Cees de Jong.

“Given the strong operational performance and free cash flow generation, we have decided to declare an interim dividend totaling EUR 115 million (DKK 6.57 per share) with a pay-out date of 9 July 2015.”

OUTLOOK FOR 2014/15

The outlook for 2014/15 has been adjusted compared to the announcements of 9 April 2015 and 22 October 2014.

	1 July 2015	9 April 2015
Organic revenue growth	8-9%	7-9%
Research & development expenditures incurred (% of revenue)	around 7%	7-8%
EBIT margin before special items	above 26.5%	above 26.5%
Free cash flow before acquisitions, divestments and special items	around EUR 150 million	above EUR 130 million

FINANCIAL HIGHLIGHTS AND KEY FIGURES

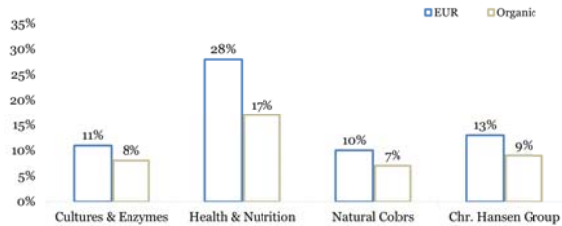
This unaudited interim report has been prepared in accordance with IAS 34 and additional Danish regulations. The interim report has been prepared in accordance with the accounting policies set out in the Annual Report for 2013/14.

EUR million	Q3 2014/15	Q3 2013/14	Growth	YTD 2014/15	YTD 2013/14	Growth
Income statement						
Revenue	228.1	198.1	15%	625.0	550.9	13%
Gross profit	119.6	100.0	20%	321.2	284.8	13%
EBITDA before special items	77.3	67.8	14%	200.5	181.5	10%
EBIT before special items	63.8	55.0	16%	159.8	143.2	12%
EBIT	63.8	54.3	17%	159.8	138.5	15%
Profit for the period	45.7	37.4	22%	111.0	93.7	18%
Financial position						
Total assets				1,442.3	1,358.3	6%
Equity				694.2	641.3	8%
Net working capital				172.5	154.0	12%
Net interest-bearing debt				437.6	438.5	0%
Cash flow						
Cash flow from operating activities	71.6	54.7	31%	110.6	82.3	34%
Cash flow used for investing activities	(17.8)	(14.2)	25%	(45.6)	(40.5)	13%
Free cash flow	53.8	40.5	33%	65.0	41.8	56%
Earnings per share						
EPS, diluted	0.35	0.28	26%	0.85	0.70	20%
Key figures						
Organic growth, %	7	10		9	7	
Gross margin, %	52.4	50.5		51.4	51.7	
Operating expenses, %	24.5	22.7		25.8	25.7	
EBITDA margin before special items, %	33.9	34.2		32.1	33.0	
EBIT margin before special items, %	28.0	27.8		25.6	26.0	
EBIT margin, %	28.0	27.4		25.6	25.1	
ROIC excl. goodwill, %	39.0	35.8		33.8	32.1	
R&D, %	6.5	5.9		6.7	6.6	
Capital expenditure, %	7.8	7.2		7.3	7.4	
NWC, %				20.8	20.7	
Net debt to EBITDA				1.6	1.7	

Organic growth: Increase in revenue adjusted for sales reductions, acquisitions and divestments, and measured in local currency.

YTD 2014/15

REVENUE GROWTH BY DIVISION YTD



MARKET DEVELOPMENTS

During the first nine months of 2014/15 the end markets for fermented milk and cheese continued to grow, while the market for probiotic yogurts remained under pressure in the EU, the Americas and Australia.

The markets for probiotic dietary supplements and microbial-based solutions for animal health continued to grow, primarily driven by higher penetration levels, especially in the US.

Conversion to natural colors continued in the already highly penetrated European market as well as in Latin America and APAC. Conversion in the US remained slow, but US food and beverage manufacturers continue to announce their ambitions to convert to natural ingredients, including colors, over the coming years.

REVENUE

Revenue increased by 13% to EUR 625 million, corresponding to organic growth of 9%. Revenue was impacted positively by 5% by the appreciation of the USD. The use of EUR-based pricing led to price increases in local currencies, impacting organic growth positively by less than 1 percentage point.

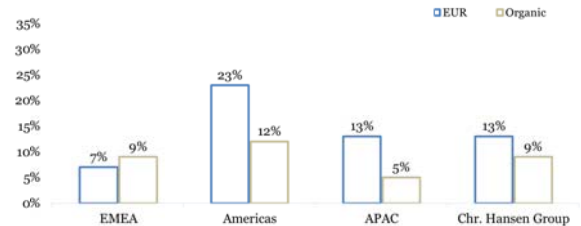
In Q3, revenue was positively impacted by 7% by the appreciation of the USD and other currencies, whereas EUR-based pricing impacted organic growth negatively by less than 1 percentage point.

EMEA (Europe, Middle East and Africa)

47% of revenue

Revenue increased by 7%, with organic growth of 9%. Organic growth was driven by strong growth in cheese, enzymes, meat and human health. Fermented milk and

REVENUE GROWTH BY REGION YTD



natural colors delivered solid growth while revenue from probiotics for fermented milk was lower than last year.

In Q3, revenue increased by 8%, with organic growth of 9%. Organic growth was driven by cheese, enzymes, meat and human health while natural colors delivered good growth. Revenue from probiotics for fermented milk was lower than last year.

Americas (North and South America)

39% of revenue

Revenue increased by 23%, with organic growth of 12%. Organic growth was driven by strong growth in cheese, enzymes, human health and natural colors. Fermented milk delivered solid growth, while revenue from probiotics for fermented milk was lower than last year.

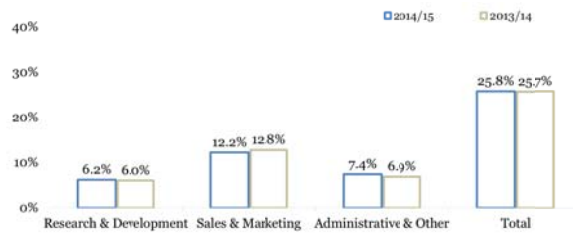
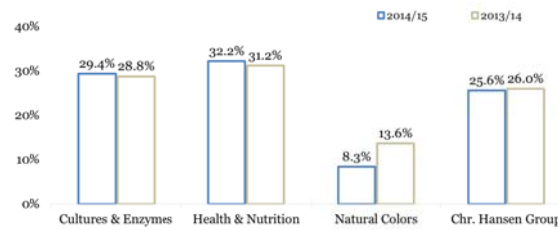
In Q3, revenue increased by 25%, with organic growth of 7%. Organic growth was driven by strong growth in cheese, fermented milk, enzymes and human health. Revenue from animal health and probiotic cultures for fermented milk was lower than last year.

APAC (Asia-Pacific)

14% of revenue

Revenue increased by 13%, with organic growth of 5%. Organic growth was driven by strong growth in cheese, fermented milk and animal health. Probiotics for fermented milk showed modest growth while human health was at the same level as last year. Revenue from natural colors was lower than last year.

In Q3, revenue increased by 15%, with organic growth of 1%. Cheese and fermented milk including probiotics delivered strong growth, while revenue from human health and natural colors was lower than last year.

OPERATING EXPENSES YTD (% OF REVENUE)**EBIT MARGIN BY DIVISION YTD****GROSS PROFIT**

Gross profit was EUR 321 million, up 13% on the first nine months of 2013/14. The gross margin decreased by 0.3 percentage point to 51.4%, primarily due to unfavorable product mix, startup costs related to new fermentation capacity in the Cultures & Enzymes Division during the first half of 2014/15 and higher raw material prices in the Natural Colors Division.

In Q3, gross profit was EUR 120 million, compared to EUR 100 million last year. The gross margin increased by 1.9 percentage points to 52.4%, primarily due to improved production efficiency in the Cultures & Enzymes Division and positive effects from a changed go-to-market strategy in China.

OPERATING EXPENSES (% of revenue)

Operating expenses were EUR 161 million (25.8%), compared to EUR 142 million (25.7%) in the first nine months of 2013/14.

Research & development (R&D) expenses including amortization amounted to EUR 39 million (6.2%), compared to EUR 33 million (6.0%) in the first nine months of 2013/14.

EUR million	YTD 2014/15	YTD 2013/14
R&D expenses (P&L)	38.9	33.0
- Amortization	4.4	4.1
- Impairment	0	0.2
+ Capitalization	7.6	7.6
R&D expenditures incurred	42.1	36.3

Total R&D expenditures incurred amounted to EUR 42 million (6.7%), compared to EUR 36 million (6.6%) in the first nine months of 2013/14. The increase was mainly due to increased activity within biological plant protection and the human microbiome initiative. This year's percentage of 6.7% was kept down by the increase in revenue due to the appreciation of the USD.

Sales & marketing expenses amounted to EUR 77 million (12.2%), compared to EUR 70 million (12.8%) million in the first nine months of 2013/14, primarily due to scale efficiencies.

Administrative expenses and net other operating income/expenses amounted to EUR 46 million (7.4%), compared to EUR 38 million (6.9%) in the first nine months of 2013/14. The increase was partly due to costs related to the reorganization of natural colors activities.

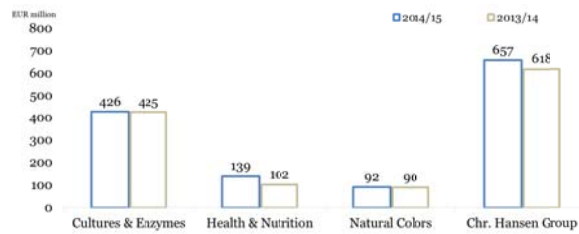
In Q3, operating expenses were EUR 56 million (24.5%), compared to EUR 45 million (22.7%) in Q3 2013/14. The increase was primarily due to increased R&D expenses and costs related to management changes.

SPECIAL ITEMS

There were no special items in the first nine months of 2014/15, compared to a negative EUR 5 million in the first nine months of 2013/14.

OPERATING PROFIT (EBIT)

EBIT amounted to EUR 160 million, compared to EUR 139 million in the first nine months of 2013/14. The EBIT margin was 25.6%, compared to 26.0% before special items (25.1% after special items) in the first nine months of 2013/14. The decrease was primarily due to the

INVESTED CAPITAL EXCL. GOODWILL YTD

reorganization of natural colors activities, unfavorable product mix and startup costs related to new fermentation capacity in the Cultures & Enzymes Division in the first half of 2014/15. Favorable exchange rates had a positive effect on the EBIT margin.

In Q3, operating profit (EBIT) amounted to EUR 64 million, compared to EUR 54 million in Q3 2013/14. The EBIT margin was 28.0%, compared to 27.8% before special items (27.4% after special items) in Q3 2013/14. The increase was primarily due to operational efficiencies in the Cultures & Enzymes Division and favorable exchange rate effects.

NET FINANCIALS AND TAX

Net financial expenses amounted to EUR 10 million, unchanged compared to the first nine months of 2013/14.

Income taxes were EUR 39 million, equivalent to an effective tax rate of 26.0%, compared to 27.0% in the first nine months of 2013/14.

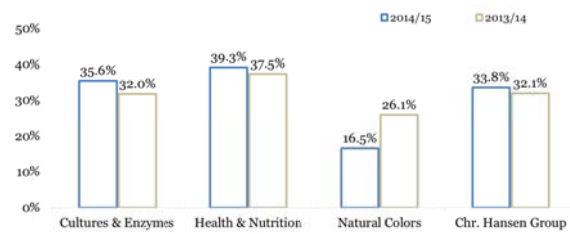
PROFIT FOR THE PERIOD

Profit for the period increased by 18% to EUR 111 million from EUR 94 million in the first nine months of 2013/14.

Earnings per share from continuing operations increased by 20% to EUR 0.85 from EUR 0.70 in the first nine months of 2013/14.

ASSETS

At 31 May 2015, total assets amounted to EUR 1,442 million, compared to EUR 1,358 million a year earlier. Total non-current assets amounted to EUR 1,116 million, compared to EUR 1,079 million at 31 May 2014. Intangible assets increased by EUR 10 million, due to exchange rate adjustments on goodwill.

RETURN ON INVESTED CAPITAL EXCL. GOODWILL YTD

Property, plant and equipment increased by EUR 28 million, driven by investments in freeze-drying, warehousing, packaging and fermentation capacity for cultures as well as laboratory facilities for plant protection and the human microbiome initiative.

Total current assets amounted to EUR 326 million, compared to EUR 279 million at 31 May 2014. Inventories increased by EUR 10 million, or 10%, while receivables increased by EUR 13 million, or 10%. Cash increased by EUR 25 million to EUR 71 million.

NET WORKING CAPITAL

Net working capital was EUR 173 million, or 20.8% of revenue, compared to EUR 154 million, or 20.7%, in the first nine months of 2013/14.

EQUITY

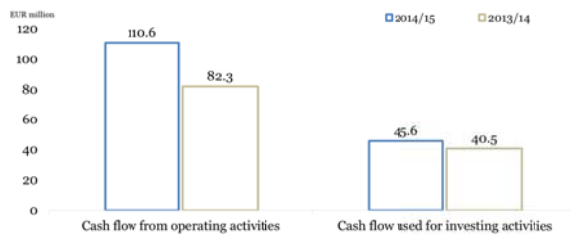
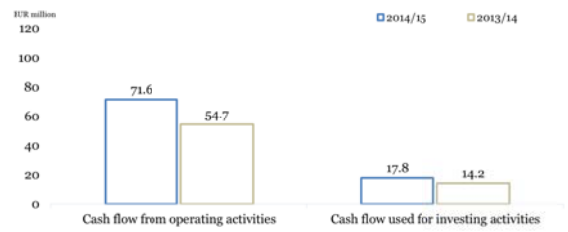
Total equity amounted to EUR 694 million at 31 May 2015, compared to EUR 641 million a year earlier. Dividends for the financial year 2013/14 totaling EUR 66 million were paid out at the beginning of Q2 2014/15.

NET DEBT

Net interest-bearing debt amounted to EUR 438 million, or 1.6x EBITDA, compared to EUR 439 million, or 1.7x EBITDA, at 31 May 2014.

RETURN ON INVESTED CAPITAL (ROIC) EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 33.8%, compared to 32.1% in the first nine months of 2013/14. Invested capital excluding goodwill increased to EUR 657 million, compared to EUR 618 million at 31 May 2014, due to capacity expansions and higher net working capital.

CASH FLOW YTD**CASH FLOW Q3****CASH FLOW**

Cash flow from operating activities was EUR 111 million, compared to EUR 82 million in the first nine months of 2013/14. The increase was mainly due to the improved operating profit and changes in working capital.

Cash flow used for investing activities was EUR 46 million, compared to EUR 41 million in the first nine months of 2013/14. Major investments in the first nine months of 2014/15 included freeze-drying, warehousing, packaging and fermentation capacity for cultures as well as laboratory facilities for plant protection and the human microbiome initiative.

Development expenditures of EUR 8 million, or 1.2% of revenue, were capitalized during the first nine months of 2014/15, compared to EUR 8 million, or 1.4%, in the first nine months of 2013/14.

Free cash flow was EUR 65 million, up from EUR 42 million in the first nine months of 2013/14, due to the improved cash flow from operating activities.

In Q3, cash flow from operating activities was EUR 72 million, up from EUR 55 million last year. Cash flow used for investing activities was EUR 18 million, compared to EUR 14 million last year. Free cash flow was EUR 54 million, up from EUR 41 million last year.

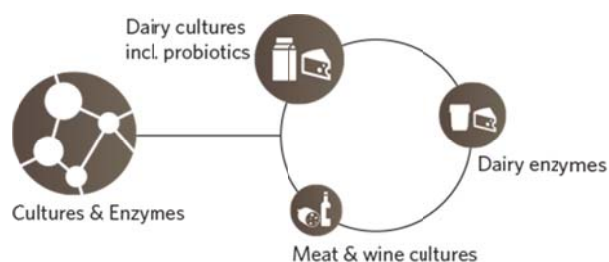
Segment information

60% of revenue

CULTURES & ENZYMES DIVISION

EUR million	Q3 2014/15	Q3 2013/14	YTD 2014/15	YTD 2013/14
Revenue	136.0	118.3	376.7	339.8
Organic growth	8%	10%	8%	8%
EBITDA	54.6	43.7	140.0	126.1
EBITDA margin	40.1%	37.0%	37.2%	37.1%
EBIT	44.8	34.5	110.6	97.9
EBIT margin	32.9%	29.1%	29.4%	28.8%
ROIC excluding goodwill			35.6%	32.0%

REVENUE



Revenue increased by 11% to EUR 377 million, corresponding to organic growth of 8%. Organic growth was positively impacted by strong growth in cheese and enzymes, driven by conversion and end market growth in the Americas and APAC regions. Fermented milk and meat showed solid growth, while organic revenue growth from probiotics was negative.

In Q3, organic growth was 8%. Cheese and enzymes delivered strong growth. Fermented milk and meat cultures showed solid growth while probiotics experienced continued negative organic growth.

EBIT

EBIT amounted to EUR 111 million, compared to EUR 98 million in the first nine months of 2013/14. The EBIT margin was 29.4%, up 0.6 percentage point on the first nine months of 2013/14.

Unfavorable product mix and startup costs related to new fermentation capacity were more than offset by improved operating efficiency from the new fermentation capacity

and optimization of production footprint as well as favorable exchange rates.

In Q3, the EBIT margin was 32.9%, up 3.8 percentage points on last year. The increase was mainly due to improved operating efficiency, positive impact from the new go-to-market strategy in China and favorable exchange rates.

ROIC EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 35.6%, compared to 32.0% in the first nine months of 2013/14. Invested capital was EUR 426 million, unchanged from last year. An increase in invested capital from capacity expansions was offset by a reallocation of assets from the Cultures & Enzymes Division to the Health & Nutrition Division.

UPDATE ON NATURE'S NO. 1

Utilization of the new fermentation capacity in Copenhagen improved during the first nine months with positive impact on operating efficiency. Upscaling the production of specific bacterial strains in the new tank will continue into 2015/16.

Chr. Hansen's position in China has been reinforced by establishing stronger and direct relationships with key Chinese dairies through a new go-to-market strategy.

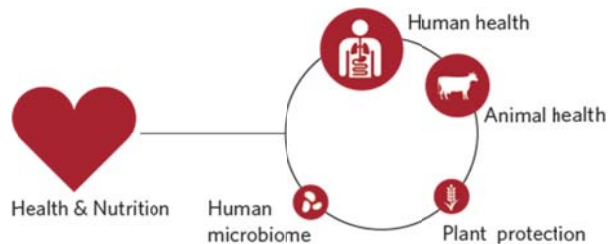
Segment information

19% of revenue

HEALTH & NUTRITION DIVISION

EUR million	Q3 2014/15	Q3 2013/14	YTD 2014/15	YTD 2013/14
Revenue	43.1	36.2	119.5	93.7
<i>Organic growth</i>	6%	19%	17%	13%
EBITDA	16.3	16.1	45.3	35.4
<i>EBITDA margin</i>	37.9%	44.4%	37.9%	37.8%
EBIT	14.1	14.0	38.4	29.2
<i>EBIT margin</i>	32.8%	38.6%	32.2%	31.2%
<i>ROIC excluding goodwill</i>			39.3%	37.5%

REVENUE



Revenue increased by 28% to EUR 120 million, corresponding to organic growth of 17%. Human health and plant protection realized strong growth while animal health delivered good growth. Revenue was positively impacted by the stronger USD.

Organic growth in human health products was primarily driven by dietary supplements in the Americas and EMEA regions and by cultures for infant formulas in the APAC region.

Organic growth in animal health products was negatively impacted by a major customer's decision to insource the production of silage inoculants, whereas continued penetration of the poultry and cattle segments impacted growth positively.

In Q3, organic growth was 6%. Strong growth in human health was offset by declining revenue in animal health due to the insourcing of silage inoculants by a major customer.

EBIT

EBIT amounted to EUR 38 million, compared to EUR 29 million in the first nine months of 2013/14. The EBIT margin was 32.2%, up 1.0 percentage point on 2013/14.

The positive impact from higher sales volume and the stronger USD was partly offset by increased research & development expenses related to biological plant protection and the human microbiome initiative and a negative product mix within human health products.

In Q3, the EBIT margin was 32.8%, down 5.8 percentage points from Q3 2013/14, mainly due to increased research & development expenses and negative product mix within human health.

ROIC EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 39.3%, compared to 37.5% in the first nine months of 2013/14. Invested capital excluding goodwill increased by EUR 37 million, or 36%, to EUR 139 million. The increase was driven by a reallocation of assets from the Cultures & Enzymes Division to the Health & Nutrition Division.

UPDATE ON NATURE'S NO. 1

The global focus on the field of the human microbiome continues to accelerate, and Chr. Hansen is further strengthening its capabilities by establishing a dedicated microbiome laboratory and pursuing relevant partnerships. Testing of new solutions for biological plant protection is progressing as planned with good preliminary results.

Segment information

21% of revenue

NATURAL COLORS DIVISION

EUR million	Q3 2014/15	Q3 2013/14	YTD 2014/15	YTD 2013/14
Revenue	49.0	43.6	128.9	117.5
Organic growth	6%	6%	7%	0%
EBITDA	6.4	8.0	15.1	20.0
EBITDA margin	13.0%	18.4%	11.7%	17.0%
EBIT	4.9	6.6	10.7	16.0
EBIT margin	10.0%	15.2%	8.3%	13.6%
ROIC excluding goodwill			16.5%	26.1%

REVENUE



Revenue increased by 10% to EUR 129 million, corresponding to organic growth of 7%, primarily due to strong growth in the meat, dairy and confectionery categories, while revenue from the beverage category was lower than in the first nine months of 2013/14.

The EMEA and Americas regions showed solid growth. The Americas region was primarily driven by Latin America, while the conversion to natural colors in the US market remained slow.

Revenue in the APAC region was lower than in the first nine months of 2013/14.

In Q3, organic growth was 6%, driven by strong growth in the prepared food, dairy and dietary supplements categories. The Americas region delivered strong growth, while the EMEA region showed good growth. Revenue growth in the APAC region was negatively impacted by positive timing of orders in Q3 last year.

EBIT

EBIT amounted to EUR 11 million, compared to EUR 16 million in the first nine months of 2013/14. The EBIT margin was 8.3%, down 5.3 percentage points on the first nine months of 2013/14.

The decrease was primarily due to increased raw material costs due to the stronger USD and costs related to the reorganization of natural colors activities, including a management change.

In Q3, the EBIT margin was 10.0%, down 5.2 percentage points on last year, mainly due to costs related to the management change and higher raw material costs driven by the USD exchange rate.

ROIC

The return on invested capital was 16.5%, compared to 26.1% in the first nine months of 2013/14. Invested capital increased by EUR 2 million, or 2%, to EUR 92 million.

UPDATE ON NATURE'S NO. 1

The reorganization of the division continued during Q3 2014/15 to strengthen commercial focus and prepare for future growth. In May 2015, it was announced that Jørgen Erichsen would take over responsibility for the division from Carsten Bennike who left the Company on 30 June 2015.

OUTLOOK 2014/15

Based on the performance for the first nine months of the year, the outlook for the Chr. Hansen Group for 2014/15 has been adjusted compared to the announcements of 9 April 2015 and 22 October 2014. The adjustments concern organic growth, research & development expenditures incurred (as a percentage of revenue) and free cash flow.

ORGANIC REVENUE GROWTH

Organic revenue growth for 2014/15 is now expected to be 8-9% (previously 7-9%).

In the Cultures & Enzymes Division, organic growth is expected to be in line with the long-term ambitions for the division (7-8%).

In the Health & Nutrition Division, organic growth is expected to be in line with the long-term ambitions for the division (+10%).

In the Natural Colors Division, organic growth is expected to be 5-10%.

RESEARCH & DEVELOPMENT

Research & development expenditures incurred are expected to be around 7% of revenue (previously 7-8%).

EBIT MARGIN BEFORE SPECIAL ITEMS

The EBIT margin before special items is expected to be above 26.5%.

In the Cultures & Enzymes Division, the EBIT margin is expected to be at the same level as in 2013/14.

In the Health & Nutrition Division, the EBIT margin is expected to be below that of 2013/14. A negative impact from increased activity in strategic initiatives, primarily within biological plant protection, is expected to be partly offset by a positive impact from the appreciation of the USD.

In the Natural Colors Division, the EBIT margin is expected to be below that of 2013/14, primarily due to costs related to the reorganization of natural colors activities.

FREE CASH FLOW

Free cash flow before acquisitions, divestments and special items is now expected to be around EUR 150 million (previously above EUR 130 million).

DIVIDEND

The Board of Directors regularly assesses whether the capital structure of Chr. Hansen is in the shareholders' best interests. The Board of Directors is committed to maintaining leverage consistent with a solid investment-grade credit profile, while returning excess cash to shareholders either through ordinary and extraordinary dividends or share buyback programs.

To ensure a capital structure in shareholders' best interests, the Board of Directors has decided to announce an interim dividend totaling EUR 115 million (DKK 6.57 per share) with an ex dividend date of 7 July 2015 and a pay-out date of 9 July 2015.

SHARE CAPITAL

The Company's share capital has a nominal value of DKK 1,318,524,960 and is divided into a total of 131,852,496 shares. At 31 May 2015, Chr. Hansen held 1,192,042 shares, or 0.9% of the share capital, in order to meet certain obligations to deliver shares under management incentive programs.

Statement of the Board of Directors and Executive Board

Today, the Board of Directors and Executive Board have considered and approved the interim report for Chr. Hansen Holding A/S for the period 1 September 2014 to 31 May 2015. The interim report has not been audited or reviewed by the company's independent auditors.

The unaudited interim report has been prepared in accordance with IAS 34 and additional Danish regulations. Furthermore, the interim report has been prepared in accordance with the accounting policies set out in the Annual Report of Chr. Hansen Holding A/S for 2013/14.

In our opinion, the accounting policies used are appropriate and the overall presentation of the interim report is adequate. Furthermore, the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 31 May 2015, and of the results of the Group's operations and cash flow for the period 1 September 2014 to 31 May 2015.

We further consider that the Management's Review in the preceding pages includes a true and fair account of the development and performance of the Group, the results for the period and the financial position, together with a description of the principal risks and uncertainties that the Group faces in accordance with Danish disclosure requirements for listed companies.

Hørsholm, 1 July 2015

EXECUTIVE BOARD:

Cees de Jong
President and CEO

Klaus Pedersen
CFO

Knud Vindfeldt
Executive Vice President

BOARD OF DIRECTORS:

Ole Andersen
Chairman

Frédéric Stévenin
Vice Chairman

Mark A. Wilson

Tiina Mattila-Sandholm

Søren Carlsen

Dominique Reiniche

Kristian Villumsen

Per Poulsen

Mads Bennedsen

Svend Laulund

ADDITIONAL INFORMATION

Conference call

Chr. Hansen will host a conference call on 1 July 2015 at 10:00 am CET. The conference call can be accessed via the Company's website, www.chr-hansen.com.

For further information, please contact:

Cees de Jong, CEO

+45 45 74 74 74

Klaus Pedersen, CFO

+45 45 74 76 21

Anders Mohr Christensen, Senior Director IR

+45 45 74 76 18

Financial calendar 2014/15

21 October 2015

Annual Report 2014/15

26 November 2015

Annual General Meeting

Company information

Chr. Hansen Holding A/S

Bøge Allé 10-12

2970 Hørsholm

Denmark

Tel. +45 45 74 74 74

www.chr-hansen.com

Company reg. no.: 28318677

Forward-looking statements

This report contains forward-looking statements. Such statements are subject to risks and uncertainties, as various factors, many of which are beyond the control of Chr. Hansen Holding A/S, may cause actual developments and results to differ materially from the expectations expressed in this report.

About Chr. Hansen

Chr. Hansen is a global bioscience company that develops natural ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries. Products include cultures, enzymes, probiotics and natural colors, and all solutions are based on strong research and development competencies coupled with significant technology investments. Revenue in the 2013/14 financial year was EUR 756 million. The Company holds a leading market position in all its divisions: Cultures & Enzymes, Health & Nutrition and Natural Colors. It has more than 2,500 dedicated employees in 30 countries and main production facilities in Denmark, France, the US and Germany. Chr. Hansen was founded in 1874 and is listed on NASDAQ OMX Copenhagen. For further information, please visit www.chr-hansen.com.

Income statement

EUR million	Q3 2014/15	Q3 2013/14	YTD 2014/15	YTD 2013/14
Revenue	228.1	198.1	625.0	550.9
Cost of sales	(108.5)	(98.1)	(303.8)	(266.1)
Gross profit	119.6	100.0	321.2	284.8
Research and development expenses	(13.5)	(10.6)	(38.9)	(33.0)
Sales and marketing expenses	(25.6)	(23.4)	(76.5)	(70.4)
Administrative expenses	(15.8)	(12.1)	(45.3)	(39.9)
Other operating income	0.5	1.2	1.4	1.9
Other operating expenses	(1.5)	(0.1)	(2.1)	(0.2)
Operating profit before special items	63.8	55.0	159.8	143.2
Special items	-	(0.7)	-	(4.7)
Operating profit (EBIT)	63.8	54.3	159.8	138.5
Net financial expenses	(2.1)	(3.2)	(9.9)	(10.2)
Profit before tax	61.7	51.1	149.9	128.2
Income taxes	(16.1)	(13.8)	(39.0)	(34.6)
Profit for the period	45.7	37.4	111.0	93.7
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	45.7	37.4	111.0	93.7
Earnings per share, EUR:				
Earnings per share, continuing operations	0.35	0.28	0.85	0.70
Earnings per share, continuing operations, diluted	0.35	0.28	0.85	0.70

Statement of comprehensive income

EUR million	Q3 2014/15	Q3 2013/14	YTD 2014/15	YTD 2013/14
Profit for the period	45,7	37,4	111,0	93,7
Currency translation of foreign Group companies	0,3	4,1	0,1	(3,9)
Cash flow hedges	0,9	0,3	0,8	0,8
Tax related to cash flow hedges	(0,2)	(0,1)	(1,2)	(0,2)
Other comprehensive income for the period	1,0	4,3	(0,3)	(3,3)
Total comprehensive income for the period	46,7	41,7	110,7	90,4
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	46,7	41,7	110,7	90,4

Balance sheet

EUR million	31 May 2015	31 May 2014	31 Aug 2014
Non-current assets			
Intangible assets			
Goodwill	623.6	606.0	609.8
Other intangible assets	132.9	140.2	137.1
Intangible assets in progress	36.6	36.9	37.2
	793.1	783.1	784.1
Property, plant and equipment			
Land and buildings	133.6	124.2	125.4
Plant and machinery	107.2	85.3	83.5
Other fixtures and equipment	14.2	11.4	14.0
Property, plant and equipment in progress	60.2	65.9	77.0
	315.2	286.8	299.9
Other non-current assets			
Deferred tax	7.8	9.2	6.3
	7.8	9.2	6.3
Total non-current assets	1,116.1	1,079.1	1,090.3
Current assets			
Inventories			
Raw materials and consumables	18.3	16.8	19.2
Work in progress	42.7	38.8	35.5
Finished goods and goods for resale	49.2	44.7	45.0
	110.2	100.3	99.7
Receivables			
Trade receivables	125.7	114.3	111.5
Tax receivables	2.2	1.9	1.9
Other receivables	9.9	8.7	8.2
Prepayments	6.8	7.1	5.7
	144.6	132.0	127.3
Cash and cash equivalents	71.4	46.9	57.6
Total current assets	326.2	279.2	284.6
Total assets	1,442.3	1,358.3	1,374.9

Balance sheet

EUR million	31 May 2015	31 May 2014	31 Aug 2014
Equity			
Share capital	177.0	180.3	180.5
Reserves	517.2	461.0	476.3
Total equity	694.2	641.3	656.8
Liabilities			
Non-current liabilities			
Employee benefit obligations	6.1	5.7	6.0
Deferred tax	57.7	66.3	52.7
Provisions	2.6	1.9	2.5
Borrowings	478.5	473.2	449.2
Tax payables	19.5	16.5	19.5
Other non-current debt	0.6	1.1	1.4
	565.0	564.7	531.3
Current liabilities			
Provisions	-	0.3	-
Borrowings	30.5	12.2	11.9
Prepayments from customers	0.6	1.1	1.0
Trade payables	63.4	60.6	81.4
Tax payables	17.9	17.6	29.8
Other payables	70.7	60.5	62.7
	183.1	152.3	186.8
Total liabilities	748.1	717.0	718.1
Total equity and liabilities	1,442.3	1,358.3	1,374.9

Statement of changes in equity

1 September 2014 - 31 May 2015

Shareholders of Chr. Hansen Holding A/S					
EUR million	Share capital	Currency translation	Cash flow hedges	Retained earnings	Total
1 September 2014	180,5	(21,3)	(3,0)	500,6	656,8
Profit for the year				111,0	111,0
Other comprehensive income for the period	-	0,1	(0,4)	-	(0,3)
Transactions with owners:					
Reduction of share capital	(3,5)	-	-	3,5	-
Purchase of treasury shares	-	-	-	(18,3)	(18,3)
Exercised share options	-	-	-	8,0	8,0
Tax on Exercised share options	-	-	-	1,3	1,3
Share-based payment	-	-	-	2,1	2,1
Dividend	-	-	-	(66,4)	(66,4)
31 May 2015	177,0	(21,2)	(3,4)	541,8	694,2

1 September 2013 - 31 May 2014

Shareholders of Chr. Hansen Holding A/S					
EUR million	Share capital	Currency translation	Cash flow hedges	Retained earnings	Total
1 September 2013	180,3	(19,7)	(3,0)	523,4	681,0
Change in accounting principles	-	-	-	(0,4)	(0,4)
Profit for the year				93,7	93,7
Other comprehensive income for the period	-	(3,9)	0,6	-	(3,3)
Transactions with owners:					
Exercised share options	-	-	-	26,3	26,3
Purchase of treasury shares	-	-	-	(46,8)	(46,8)
Share-based payment	-	-	-	2,4	2,4
Dividend	-	-	-	(111,6)	(111,6)
31 May 2014	180,3	(23,6)	(2,4)	487,0	641,3

Statement of cash flows

EUR million	Q3 2014/15	Q3 2013/14	YTD 2014/15	YTD 2013/14
Operating profit	63.8	54.3	159.8	138.5
Non-cash adjustments	12.2	13.5	38.6	40.7
Change in working capital	8.7	(2.2)	(33.7)	(43.7)
Interest payments made	(1.6)	(1.8)	(6.5)	(7.9)
Taxes paid	(11.5)	(9.1)	(47.6)	(45.3)
Cash flow from operating activities	71.6	54.7	110.6	82.3
Investments in intangible assets	(4.2)	(3.3)	(10.6)	(10.3)
Investments in property, plant and equipment	(13.6)	(10.9)	(35.0)	(30.2)
Cash flow used for investing activities	(17.8)	(14.2)	(45.6)	(40.5)
Free cash flow	53.8	40.5	65.0	41.8
Borrowings	37.4	(0.6)	89.9	379.6
Repayment of long-term loans	(62.1)	(17.1)	(66.8)	(319.3)
Purchase of treasury shares	(11.0)	(31.8)	(18.3)	(45.6)
Exercise of options	-	-	8.0	26.3
Dividend paid	-	-	(66.4)	(111.6)
Non-controlling interests, dividends, etc.	-	-	(0.1)	(0.3)
Cash flow used for financing activities	(35.7)	(49.5)	(53.7)	(70.9)
Net cash flow for the period	18.1	(9.0)	11.3	(29.1)
Cash and cash equivalents at beginning of period	53.0	54.5	57.6	77.5
Unrealized exchange gains/(losses) included in cash and cash equivalents	0.3	1.3	2.5	(1.5)
Net cash flow for the period	18.1	(9.0)	11.3	(29.1)
Cash and cash equivalents at end of period	71.4	46.9	71.4	46.9

Segment information

EUR million	Q3 2014/15			
	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Income statement				
External revenue	136.0	43.1	49.0	228.1
EUR growth	15%	19%	12%	15%
Organic growth	8%	6%	6%	7%
EBITDA	54.6	16.3	6.4	77.3
EBITDA margin	40.1%	37.9%	13.0%	33.9%
Depreciation, amortization and impairment losses	(9.8)	(2.2)	(1.5)	(13.5)
EBIT before special items	44.8	14.1	4.9	63.8
EBIT margin before special items	32.9%	32.8%	10.0%	28.0%

	YTD 2014/15			
	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Income statement				
External revenue	376.7	119.5	128.9	625.0
EUR growth	11%	28%	10%	13%
Organic growth	8%	17%	7%	9%
EBITDA	140.0	45.3	15.1	200.5
EBITDA margin	37.2%	37.9%	11.7%	32.1%
Depreciation, amortization and impairment losses	(29.4)	(6.9)	(4.4)	(40.6)
EBIT before special items	110.6	38.4	10.7	159.8
EBIT margin before special items	29.4%	32.2%	8.3%	25.6%

Segment information

	Q3 2013/14			
Income statement	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
External revenue	118.3	36.2	43.6	198.1
EUR growth	3%	13%	-2%	3%
Organic growth	10%	19%	6%	10%
EBITDA	43.7	16.1	8.0	67.8
EBITDA margin	37.0%	44.4%	18.4%	34.2%
Depreciation, amortization and impairment losses	(9.3)	(2.1)	(1.4)	(12.8)
EBIT before special items	34.5	14.0	6.6	55.0
EBIT margin before special items	29.1%	38.6%	15.2%	27.8%

	YTD 2013/14			
Income statement	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
External revenue	339.8	93.7	117.5	550.9
EUR growth	2%	8%	-6%	1%
Organic growth	8%	13%	0%	7%
EBITDA	126.1	35.4	20.0	181.5
EBITDA margin	37.1%	37.8%	17.0%	33.0%
Depreciation, amortization and impairment losses	(28.2)	(6.2)	(4.0)	(38.4)
EBIT before special items	97.9	29.2	16.0	143.2
EBIT margin before special items	28.8%	31.2%	13.6%	26.0%

Segment information

EUR million	31 May 2015			
	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Assets				
Goodwill	546.2	77.4	-	623.6
Other intangible assets	115.9	38.0	15.6	169.5
Intangible assets	662.1	115.4	15.6	793.1
Property, plant and equipment	212.2	67.9	35.1	315.2
Total non-current assets excl. deferred tax	874.3	183.3	50.7	1,108.3
Inventories	55.3	20.7	34.2	110.2
Trade receivables	74.3	22.8	28.6	125.7
Trade payables	(31.4)	(10.4)	(21.6)	(63.4)
Net working capital	98.2	33.1	41.2	172.5
Assets not allocated				98.1
Group assets				1,442.3
Invested capital excluding goodwill	426.3	139.0	91.9	657.2
ROIC excl. goodwill	35.6%	39.3%	16.5%	33.8%
Investments in non-current assets excl. deferred tax				
2014/15	26.7	15.3	3.6	45.6

	31 May 2014			
Assets	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Goodwill	529.8	76.2	-	606.0
Other intangible assets	124.0	37.8	15.3	177.1
Intangible assets	653.8	114.0	15.3	783.1
Property, plant and equipment	213.9	34.5	38.4	286.8
Total non-current assets excl. deferred tax	867.7	148.5	53.7	1,069.9
Inventories	51.9	17.5	30.9	100.3
Trade receivables	66.5	21.7	26.1	114.3
Trade payables	(30.9)	(9.2)	(20.5)	(60.6)
Net working capital	87.5	30.0	36.5	154.0
Assets not allocated				73.8
Group assets				1,358.3
Invested capital excluding goodwill	425.4	102.3	90.2	617.9
ROIC excl. goodwill	32.0%	37.5%	26.1%	32.1%
Investments in non-current assets excl. deferred tax				
2013/14	31.3	4.0	5.2	40.5

Segment information

Geographical allocation EUR million	Q3 2014/15	Q3 2013/14	YTD 2014/15	YTD 2013/14
Revenue				
Europe, Middle East and Africa	110.0	101.4	296.3	278.1
Americas	84.4	67.5	241.2	195.6
Asia-Pacific	33.7	29.2	87.5	77.2
Revenue, total	228.1	198.1	625.0	550.9
Non-current assets excl. deferred tax				
Europe, Middle East and Africa			910.6	898.0
Americas			183.7	158.4
Asia-Pacific			14.0	13.5
Non-current assets, total			1,108.3	1,069.9