

INTERIM REPORT SEPTEMBER 1, 2017 - MAY 31, 2018

YTD 2017/18 IN BRIEF

JUNE 28, 2018



Solid organic revenue growth of 9% in the first nine months of 2017/18 (3% reported growth due to adverse currency impacts): Food Cultures & Enzymes 12%, Health & Nutrition 8% and Natural Colors 5%. EBIT before special items increased by 1% to EUR 219.9 million, corresponding to an EBIT margin before special items of 27.5%. In Q3, organic growth was 9%, and EBIT before special items increased by 3% to EUR 84.0 million, corresponding to an EBIT margin before special items of 29.7%. The outlook for 2017/18 is unchanged.

EUR million	Q3	Q3	Growth	YTD	YTD	Growth
	2017/18	2016/17		2017/18	2016/17	
Revenue	282.7	278.4	2%	800.9	779.5	3%
EBIT before special items	84.0	81.6	3%	219.9	217.2	1%
Profit for the period	60.5	57.9	4%	158.1	155.8	1%
Free cash flow before acquisitions and special items	64.4	68.4	(6)%	75.4	98.3	(23)%
Organic growth, %	9%	10%		9%	10%	
Gross margin, %	55.6%	54.2%		53.9%	53.8%	
EBIT margin before special items, %	29.7%	29.3%		27.5%	27.9%	
ROIC excl. goodwill, %	37.7%	39.2%		34.2%	37.4%	

CEO Mauricio Graber says: "We are pleased to report that we maintained the sales momentum in Q3, led by broad-based growth in Food Cultures & Enzymes. In Health & Nutrition, the human health business in North America is improving, and growth in emerging markets remains strong. Animal health again delivered strong growth in EMEA, APAC and LATAM, where we are strengthening our presence. Growth in Natural Colors improved, driven primarily by APAC and EMEA.

"Our strategic lighthouse projects – bioprotection, plant health, and human microbiome – all progressed well in the third quarter. Sales of bioprotective solutions grew approximately 25% in Q3, which was in line with expectations, bringing YTD organic sales growth to approximately 35%. Plant health showed very strong sales growth, driven by the recently launched biological nematicides, Quartzo® and Presence®. We also extended the collaboration with FMC, our partner in plant health, and we look forward to launching our strong pipeline of new products in the years ahead. In the human microbiome, we announced two significant scientific developments in Q3: a partnership with Prota Therapeutics to test our LGG® strain in a Phase III clinical trial to potentially develop a treatment for peanut allergy; and an exciting result from a Chr. Hansen-led clinical trial that demonstrated how ingesting a carefully selected probiotic strain can reduce certain side effects associated with the regular consumption of acetylsalicylic acid – the active ingredient in aspirin."

Given the performance and cash-flow generation in the first nine months, an extraordinary dividend totaling EUR 105 million (DKK 5.94 per share) will be paid out on July 3, 2018.

OUTLOOK FOR 2017/18

The outlook for 2017/18 is unchanged from the announcement of April 11, 2018.

	June 28, 2018	April 11, 2018
Organic revenue growth	8-10%	8-10%
EBIT margin before special items	around 28.9%	around 28.9%
Free cash flow before acquisitions, divestments and special items	around EUR 188 million	around EUR 188 million

The guidance for EBIT margin before special items and for free cash flow before acquisitions, divestments and special items assumes constant currencies from the time of this announcement and for the remainder of the financial year. 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 2016/17.

FINANCIAL HIGHLIGHTS AND KEY FIGURES



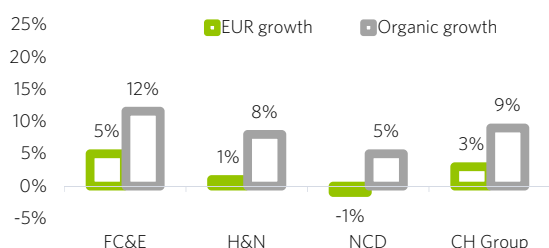
	Q3 2017/18	Q3 2016/17	Growth	YTD 2017/18	YTD 2016/17	Growth
Income statement, EUR million						
Revenue	282.7	278.4	2%	800.9	779.5	3%
Gross profit	157.1	150.9	4%	431.7	419.2	3%
EBITDA before special items	100.3	96.5	4%	267.5	260.7	3%
EBIT before special items	84.0	81.6	3%	219.9	217.2	1%
Special items	-	(0.4)	(100)%	-	(1.4)	(100)%
EBIT	84.0	81.2	3%	219.9	215.8	2%
Profit for the period	60.5	57.9	4%	158.1	155.8	1%
Financial position, EUR million						
Total assets				1,848.2	1,791.8	
Invested capital				1,665.3	1,605.3	
Net working capital				237.8	206.1	
Equity				809.5	798.7	
Net interest-bearing debt				672.6	629.0	
Cash flow and investments, EUR million						
Cash flow from operating activities	92.0	90.5	2%	147.9	160.3	(8)%
Cash flow used for investing activities	(27.6)	(22.3)	(24)%	(72.6)	(142.4)	49%
Free cash flow	64.4	68.2	(6)%	75.3	17.9	321%
Free cash flow before acquisitions and special items	64.4	68.4	(6)%	75.4	98.3	(23)%
Earnings per share, EUR						
EPS, diluted	0.46	0.44	5%	1.20	1.17	3%
Key ratios						
Organic growth, % *	9	10		9	10	
Gross margin, %	55.6	54.2		53.9	53.8	
Operating expenses, %	25.9	24.9		26.4	25.9	
EBITDA margin before special items, %	35.5	34.7		33.4	33.4	
EBIT margin before special items, %	29.7	29.3		27.5	27.9	
EBIT margin, %	29.7	29.1		27.5	27.7	
ROIC excl. goodwill, %	37.7	39.2		34.2	37.4	
ROIC, %	20.3	20.2		18.1	19.0	
NWC, %	21.9	19.9		21.9	19.9	
R&D, %	7.3	6.7		7.5	7.0	
Capital expenditures, %	9.8	8.0		9.1	9.2	
Net debt to EBITDA before special items				1.8x	1.8x	

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

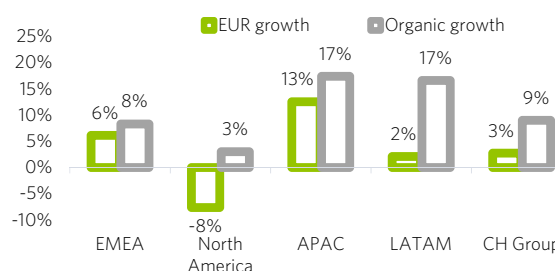
YTD 2017/18 RESULTS



REVENUE GROWTH BY BUSINESS - YTD



REVENUE GROWTH BY REGION - YTD



MARKET DEVELOPMENT

During the first nine months of 2017/18, the end markets for fermented milk grew by around 3%, driven by Asia-Pacific, the Middle East and Africa, while certain key markets in the EU showed little or no growth, and the US declined slightly. The global market for cheese grew by slightly above 2%, driven by continued high production in the US.

The human probiotic market continues to grow, driven by increased consumer awareness leading to higher penetration in all regions, with emerging markets seeing the highest growth rates. Market conditions in dietary supplements in North America are challenging due to an increased number of suppliers and new sales channels. However, the category is still growing solidly.

The market for microbial-based solutions for animal health developed favorably, supported by increased focus on reducing the use of antibiotics in livestock production. However, healthy farm economics are important for increasing market penetration, and certain markets are currently challenging, e.g. the dairy market in North America.

Conversion to natural colors and coloring foods continued across most segments, driven by increased consumer demand for more natural products, especially in newly launched products for the prepared food and beverage industry.

REVENUE

Organic growth was 9%, and adjusting for a negative currency impact of 6%, corresponded to a revenue increase of 3% to EUR 801 million. Organic growth was primarily driven by volume/mix effects, with around 2% coming from price increases in local currencies. The price increases were mainly achieved by using EUR-based pricing in certain countries to protect EBIT from depreciating currencies.

In Q3, organic growth was 9%, and adjusting for a negative currency impact of 7%, corresponded to a revenue increase of 2%, primarily driven by volume/mix effects.

	Q3 2017/18	YTD 2017/18
REVENUE		
Organic growth (vol/mix)	6%	7%
Organic growth (price)	3%	2%
Organic growth	9%	9%
Currencies	-7%	-6%
EUR growth	2%	3%

REVENUE BY REGION

EMEA (Europe, Middle East and Africa)

Organic growth was 8%, and adjusting for a negative currency impact of 2%, corresponded to a revenue increase of 6%, driven by strong growth in bioprotection, animal health, enzymes, meat and fermented milk. Cheese delivered good growth, while probiotics for fermented milk and Natural Colors showed modest growth. Revenue from human health decreased compared to last year due to inventory reductions at a key customer in infant formula.

In Q3, organic growth was 10%, and adjusting for a negative currency impact of 4%, corresponded to a revenue increase of 6%. Fermented milk, bioprotection, enzymes and animal health delivered strong growth, while meat, cheese and Natural Colors showed solid growth. Probiotics for fermented milk decreased due to timing. Revenue from human health decreased compared to last year due to inventory reductions by a key customer in infant formula.

North America

Organic growth was 3%, and adjusting for a negative currency impact of 11%, corresponded to a revenue decrease of 8%, driven by strong growth in bioprotection, cheese, fermented milk and meat. Animal health and enzymes delivered solid

YTD 2017/18 RESULTS



growth. Revenue from human health decreased compared to last year due to temporary impacts from inventory reductions at key customers, and to a lesser degree increased competition within dietary supplements containing probiotics. Natural Colors was flat, impacted by a soft market for fruit preparations for dairy.

In Q3, organic growth was 2%, and adjusting for a negative currency impact of 11%, corresponded to a revenue decline of 9%. Food Cultures & Enzymes showed solid growth. In human health, the temporary headwind in dietary supplements appears to be bottoming out, and infant formula probiotics grew very strongly. Animal health decreased compared to last year, as North American dairy farmers are facing headwinds.

APAC (Asia-Pacific)

Organic growth was 17%, and adjusting for a negative currency impact of 4%, corresponded to a revenue increase of 13%, driven by strong growth in fermented milk, dietary supplements and infant formula, animal health and Natural Colors. Enzymes showed good growth, while revenue from cheese decreased slightly compared to last year due to lower milk production in Australia. Growth in fermented milk was mainly driven by strong growth in China, although at a lower growth rate than in previous years as the base increased.

In Q3, organic growth was 11%, and adjusting for a negative currency impact of 4%, corresponded to a revenue increase of 7%. Fermented milk, dietary supplements and infant formula, animal health and Natural Colors delivered strong growth. Revenue from enzymes showed good growth, while probiotics for fermented milk decreased due to timing of orders.

LATAM (Latin America)

Organic growth was 17%, and adjusting for a negative currency impact of 15%, corresponded to a revenue increase of 2%, driven by strong growth in bioprotection, cheese, meat, enzymes, fermented milk, human health and plant health. Animal health showed modest growth. Revenue from Natural Colors decreased slightly compared to last year, due to the focus on higher value segments.

In Q3, organic growth was 20%, and adjusting for a negative currency impact of 20%, corresponded to a revenue on par with last year. Cheese, fermented milk, bioprotection, enzymes, animal health, human health and plant health delivered strong growth. Natural Colors decreased compared to last year.

GROSS PROFIT

Gross profit was EUR 432 million, up 3% on the first nine months of 2016/17. The gross margin increased by 0.1 %-point to 53.9%, driven by a positive product mix in Health & Nutrition and improved production efficiencies in Food Cultures & Enzymes, partly offset by currencies.

In Q3, gross profit was EUR 157 million, up 4% on 2016/17. The gross margin increased by 1.4 %-points to 55.6%, driven by a positive product mix in Health & Nutrition and improved production efficiencies and higher inventory in Food Cultures & Enzymes, partly offset by currencies.

OPERATING EXPENSES (% OF REVENUE)

Operating expenses totaled EUR 212 million (26.4%), compared to EUR 202 million (25.9%) in the first nine months of 2016/17.

Research & development (R&D) expenses including amortization and depreciation amounted to EUR 56 million (7.0%), compared to EUR 52 million (6.6%) in the first nine months of 2016/17.

Total R&D expenditures incurred amounted to EUR 60 million (7.5%), compared to EUR 55 million (7.0%) in the first nine months of 2016/17. The increase of EUR 5 million was driven by Nature's no. 1 initiatives, including bioprotection and LGG®, while currency impacted the increase relative to topline.

EUR million	YTD 2017/18	YTD 2016/17
R&D expenses (P&L)	56.2	51.6
- Amortization	5.3	5.1
- Impairment	-	-
+ Capitalization	8.9	8.4
R&D expenditures incurred	59.8	54.9

Sales & marketing expenses amounted to EUR 102 million (12.7%), compared to EUR 100 million (12.8%) in the first nine months of 2016/17.

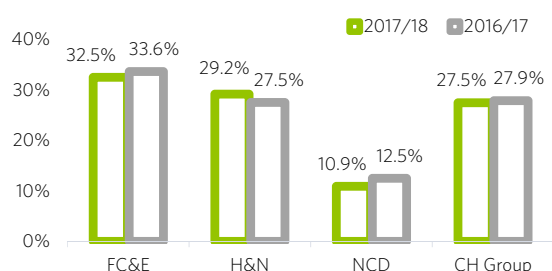
Administrative expenses amounted to EUR 54 million (6.8%), compared to EUR 54 million (6.9%) in the first nine months of 2016/17.

Net other operating income/expenses was an income of EUR 1 million, compared to an income of EUR 4 million in the first nine months of 2016/17. The income in 2016/17 was extraordinarily high, driven by the sale of a property in Argentina in Q1.

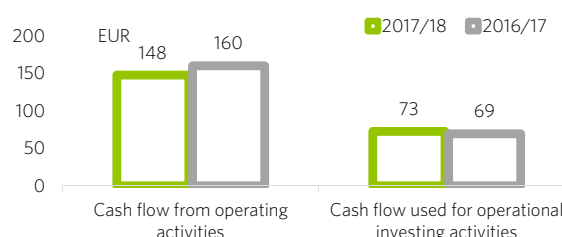
YTD 2017/18 RESULTS



EBIT MARGIN B.S.I. - YTD



CASH FLOW - YTD



In Q3, operating expenses were EUR 73 million (25.9%), compared to EUR 69 million (24.9%) in 2016/17.

OPERATING PROFIT (EBIT) BEFORE SPECIAL ITEMS

EBIT before special items amounted to EUR 220 million, compared to EUR 217 million in the first nine months of 2016/17. The increase was mainly due to the higher gross profit, partly offset by a substantial adverse impact from currencies. Increases in Food Cultures & Enzymes and Health & Nutrition were offset by a decrease in Natural Colors.

The EBIT margin before special items was 27.5%, down 0.4 %-point from 27.9% in the first nine months of 2016/17. The decrease was largely driven by an adverse currency impact of around 1 %-point, partly offset by a positive product mix in Health & Nutrition.

In Q3, the EBIT margin before special items was 29.7%, up 0.4 %-points from 29.3% in 2016/17. The increase was despite a negative impact from currencies of almost 1 %-point, which was more than offset by a positive product mix in Health & Nutrition and production efficiencies in Food Cultures & Enzymes.

SPECIAL ITEMS

Special items were nil, compared to EUR 1 million in the first nine months of 2016/17, which included costs to acquire and integrate LGG®.

OPERATING PROFIT (EBIT)

EBIT amounted to EUR 220 million, compared to EUR 216 million in the first nine months of 2016/17. The EBIT margin was 27.5%, compared to 27.7% in the first nine months of 2016/17.

In Q3, the EBIT margin was 29.7%, up from 29.1% in 2016/17.

NET FINANCIALS AND TAX

Net financial expenses amounted to EUR 15 million, compared to EUR 11 million in the first nine months of 2016/17. The net interest expenses were EUR 8 million, unchanged from the first nine months of 2016/17.

The net impact from exchange rate adjustments was a loss of EUR 6 million, mainly caused by unrealized losses from the depreciating currencies of Argentina and Brazil.

Income taxes amounted to EUR 47 million, equivalent to an effective tax rate of 23%, compared to 24% in the first nine months of 2016/17.

PROFIT FOR THE PERIOD

Profit for the period was EUR 158 million, up from EUR 156 million in the first nine months of 2016/17. In Q3, profit was EUR 61 million, up from EUR 58 million in 2016/17.

ASSETS

At May 31, 2018, total assets amounted to EUR 1,848 million, compared to EUR 1,792 million a year earlier. The increase was mainly due to investments in the microbial production platform and higher net working capital.

Total non-current assets amounted to EUR 1,437 million, compared to EUR 1,407 million at May 31, 2017. Intangible assets decreased by EUR 23 million, primarily due to negative currency impacts, while property, plant and equipment increased by EUR 51 million due to investments in capacity.

Total current assets amounted to EUR 411 million, compared to EUR 385 million at May 31, 2017. Inventories increased by EUR 14 million, or 10%, and receivables were up by EUR 18 million, or 9%. Cash decreased by EUR 5 million to EUR 57 million.

YTD 2017/18 RESULTS



NET WORKING CAPITAL

Net working capital was EUR 238 million, or 21.9% of revenue, compared to EUR 206 million, or 19.9%, in the first nine months of 2016/17. The increase in percentage of revenue was driven by higher inventories and higher trade receivables as a result of backloaded orders in the quarter.

EQUITY

Total equity amounted to EUR 810 million at May 31, 2018, compared to EUR 799 million a year earlier.

An ordinary dividend for the financial year 2016/17 totaling EUR 112 million was paid out in December 2017.

NET DEBT

Net interest-bearing debt amounted to EUR 673 million, or 1.8x EBITDA, compared to EUR 629 million, or 1.8x EBITDA, at May 31, 2017.

RETURN ON INVESTED CAPITAL (ROIC) EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 34.2%, compared to 37.4% in the first nine months of 2016/17, mainly due to negative currency impacts on EBIT. Invested capital excluding goodwill increased to EUR 901 million, compared to EUR 832 million at May 31, 2017, mainly due to investments in the microbial production platform.

CASH FLOW

Cash flow from operating activities was EUR 148 million, compared to EUR 160 million in the first nine months of 2016/17. The decrease was mainly due to the changed Danish export credit scheme, which impacted working capital negatively, and a negative effect from currencies.

Cash flow used for operational investing activities was EUR 73 million, or 9.1% of revenue, compared to EUR 69 million, or 8.9% of revenue, in the first nine months of 2016/17.

Development expenditures of EUR 9 million, or 1.1% of revenue, were capitalized, compared to EUR 8 million, or 1.0%, in the first nine months of 2016/17.

Free cash flow before special items and acquisitions was EUR 75 million, compared to EUR 98 million in first nine months of 2016/17.

Cash flow used for acquisitions was nil, compared to EUR 73 million in the first nine months of 2016/17, which related to the acquisition of LGG® in November 2016.

In Q3, cash flow from operating activities was EUR 92 million, compared to EUR 91 million last year. The increase was mainly due to the increase in EBIT.

Cash flow used for operational investing activities was EUR 28 million, compared to EUR 22 million last year.

In Q3, free cash flow before special items and acquisitions was EUR 64 million, compared to EUR 68 million last year.

SEGMENT INFORMATION

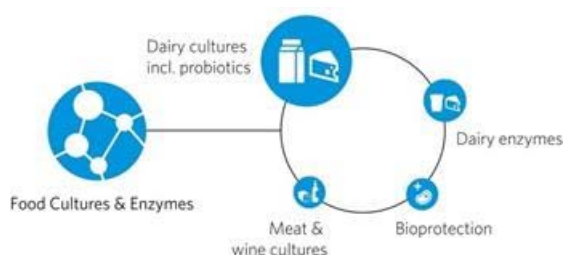


FOOD CULTURES & ENZYMES

59% OF REVENUE

EUR million

	Q3 2017/18	Q3 2016/17	YTD 2017/18	YTD 2016/17
Revenue	165.9	162.0	474.7	452.9
Organic growth	11%	10%	12%	9%
EBITDA	67.6	65.9	183.4	178.5
EBITDA margin	40.7%	40.7%	38.6%	39.4%
EBIT	57.5	56.8	154.3	151.9
EBIT margin	34.7%	35.1%	32.5%	33.6%
ROIC excluding goodwill			41.6%	45.0%



REVENUE

Organic growth for the first nine months of 2017/18 was 12%, and adjusting for a negative currency impact of 7%, corresponded to a revenue increase of 5% to EUR 475 million. Organic growth comprised 9% from volume/mix and 3% from price increases in local currencies. The price increases were mainly achieved by using EUR-based pricing in certain countries to protect EBIT from depreciating currencies.

Organic growth was primarily driven by strong growth in cheese, fermented milk, enzymes and meat cultures. Probiotics delivered modest growth.

Bioprotective cultures delivered organic growth of approximately 37%. Growth was driven by the existing segments within fermented milk, cheese and meat, with EMEA and North America as the main regions. However, very strong growth was also achieved in LATAM, albeit from a low base. Organic growth rates from bioprotective cultures are expected to be lower in the fourth quarter of the year due to the increasing base. Growth in bioprotection remains driven primarily by the first-generation product, while the second-generation product, developed for less robust cold chains, is beginning to contribute in emerging markets.

Product launches included ProKids, an innovative product concept for a children's drinking yogurt containing the LGG® probiotic strain, and a new range of cultures for the emerging non-dairy (dairy alternatives) yogurt segments.

In Q3, organic growth was 11%, with 6% from volume/mix and 5% from prices. Organic growth was primarily driven by strong growth in bioprotection, cheese, fermented milk and enzymes. Strong market interest in bioprotection resulted in an increasing number of successful new customer projects. Meat cultures delivered solid growth, and probiotics decreased due to timing of orders. One new cheese culture was launched for Mediterranean-style white cheese.

EBIT

EBIT amounted to EUR 154 million, compared to EUR 152 million in the first nine months of 2016/17. The EBIT margin was 32.5%, down 1.1 %-points compared to 2016/17, driven by adverse currency impacts of almost 1 %-point, an unfavorable product mix, and the sale of a property in Argentina in Q1 2016/17. The ramp-up of the new capacity has progressed as planned, and a positive contribution has started to materialize.

In Q3, the EBIT margin was 34.7% compared to 35.1% last year, driven by adverse currencies and higher depreciations, partly offset by operating efficiencies from new capacity.

ROIC EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 41.6%, compared to 45.0% in 2016/17. Invested capital excluding goodwill increased by EUR 50 million, or 11%, to EUR 517 million. The increase was mainly due to investments in production capacity.

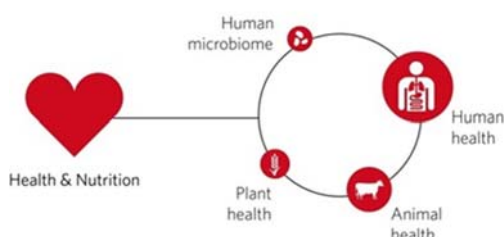
SEGMENT INFORMATION



HEALTH & NUTRITION

21% OF REVENUE

EUR million	Q3 2017/18	Q3 2016/17	YTD 2017/18	YTD 2016/17
Revenue	59.1	58.5	164.6	163.1
Organic growth	7%	14%	8%	12%
EBITDA	22.6	20.7	61.2	56.9
EBITDA margin	38.2%	35.4%	37.2%	34.9%
EBIT	18.2	16.6	48.0	44.9
EBIT margin	30.8%	28.3%	29.2%	27.5%
ROIC excluding goodwill			26.0%	26.4%



REVENUE

Organic growth for the first nine months of 2017/18 was 8%, and adjusting for a negative currency impact of 7%, corresponded to a revenue increase of 1% to EUR 165 million, all from volume/mix. Human health showed low growth, while animal health delivered strong growth. Plant health delivered very strong growth, albeit from a low base.

Organic growth in human health was driven by strong growth in both dietary supplements and infant formula in APAC and LATAM, and by strong growth in infant formula in North America. This was partly offset by key customer inventory reductions in dietary supplements in North America (and to a lesser extent a challenging market) and infant formula in EMEA.

Animal health was positively impacted by strong growth in silage and swine. Cattle and poultry declined slightly, mainly in North America.

Plant health benefited from the launch of Quartzo™ and Presence™ in Brazil. Quartzo™ and Presence™ are biological nematode control products and are important products for

future growth. Strong customer interest has resulted in a promising customer pipeline.

In Q3, organic growth was 7%, driven by volume/mix. Human health delivered solid growth, driven by strong growth in APAC and LATAM, and modest growth in EMEA and North America. The impact from inventory reductions in dietary supplements in North America is lessening. Animal health delivered modest growth driven by improved sales coverage in EMEA and APAC, but somewhat offset by decreasing sales in North America as dairy farmers are facing headwinds.

STRATEGIC UPDATE

In Q3, Chr. Hansen announced an extension of the collaboration with FMC on plant health. The extended agreement continues to leverage the resources and expertise from both companies, while allowing for more flexibility to also collaborate with new partners. Plant health is one of Chr. Hansen's three strategic lighthouse projects with an ambition to reach a revenue of EUR 100 million by 2025.

Chr. Hansen has also announced two developments within human microbiome, another of the lighthouse projects. The first development is a new partnership with Prota Therapeutics to test the world's best documented probiotic strain LGG® in a Phase III clinical trial to potentially develop a treatment for peanut allergy. Chr. Hansen will provide LGG® for Prota to conduct the trial. No commercial terms have been disclosed.

The second development is an exciting result from a Chr. Hansen-led clinical trial that demonstrated reduced side effects related to the ingestion of a carefully selected probiotic

SEGMENT INFORMATION



Improving food & health

strain when regularly consuming acetylsalicylic acid – the active ingredient in aspirin. Chr. Hansen owns all rights to this discovery. More clinical trials are needed to further investigate the potential of the strain and the commercial opportunities have not yet been fully assessed.

These developments will affect neither the guidance for the current year, nor the long-term guidance.

EBIT

EBIT amounted to EUR 48 million, compared to EUR 45 million in the first nine months of 2016/17. The EBIT margin was 29.2%, up 1.7 %-points on the first nine months of 2016/17. The increase was driven by a positive product mix in human health, lower scrap, insourcing of NPC products, and the

absence of royalty payments for LGG[®], partly offset by currency.

In Q3, the EBIT margin was 30.8%, compared to 28.3% last year, and the increase was mainly driven by a positive product mix in human health and favorable timing of production costs and partly offset by currency.

ROIC EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 26.0%, compared to 26.4% in 2016/17. Invested capital excluding goodwill increased by EUR 4 million, or 1%, to EUR 254 million.

SEGMENT INFORMATION



Improving food & health

NATURAL COLORS

20% OF REVENUE

EUR million	Q3 2017/18	Q3 2016/17	YTD 2017/18	YTD 2016/17
Revenue	57.7	57.9	161.6	163.5
Organic growth	6%	6%	5%	9%
EBITDA	10.1	9.9	22.9	25.3
EBITDA margin	17.5%	17.0%	14.2%	15.5%
EBIT	8.3	8.2	17.6	20.4
EBIT margin	14.4%	14.1%	10.9%	12.5%
ROIC excluding goodwill			20.1%	27.4%



REVENUE

Organic growth for the first nine months of 2017/18 was 5%, and adjusting for a negative currency impact of 4%, corresponded to a revenue decrease of 1% to EUR 162 million. Organic growth comprised approximately 2% from volume/mix effects and 3% from price increases in local currencies. The price increases reflected increased raw material prices, general price increases and EUR-based pricing.

The organic volume growth was primarily driven by strong growth in coloring foodstuffs (e.g. Fruitmax®) and solid growth in annatto. Carmine declined compared to last year, partly due to a dedicated effort to focus on higher value customer segments.

Globally, prepared food grew strongly, and ice cream and confectionery delivered modest growth. Sales to the beverage industries in the Middle East decreased slightly due to a tough comparable. APAC delivered strong growth, while EMEA delivered modest growth. Revenue from dairy and fruit preparations in North America decreased slightly compared to

last year, and revenues from LATAM also decreased due to the dedicated effort to focus on higher value segments.

Natural Colors launched a number of innovative solutions globally in 2017/18,. These include a complete range of oil-soluble solutions for multiple applications, as well as new innovations for beverage applications.

In Q3, organic growth was 6%, with 4% growth from volumes and 2% from price increases. Growth was driven by EMEA and APAC, while North America delivered good growth, as dairy and fruit preparations improved. LATAM decreased compared to last year due to the focus on higher value customer segments.

EBIT

EBIT amounted to EUR 18 million, compared to EUR 20 million in the first nine months of 2016/17. The EBIT margin was 10.9%, down 1.6 %-points compared to the first nine months of 2016/17. The decrease was mainly caused by a negative impact from raw materials, including timing of inventories, and a negative impact from management changes in Q2.

In Q3, the EBIT margin was 14.4%, compared to 14.1% last year. The increase was mainly driven by product mix and the focus on higher value segments.

ROIC

The return on invested capital was 20.1%, compared to 27.4% in 2016/17. Invested capital increased by EUR 16 million, or 14%, to EUR 130 million, driven by higher working capital.

OUTLOOK FOR 2017/18



ORGANIC REVENUE GROWTH

For 2017/18, organic revenue growth for the Group is unchanged and expected to be 8-10%, which is in line with the long-term ambition.

Food Cultures & Enzymes is expected to grow above the long-term ambition of 7-8%, while Health & Nutrition and Natural Colors are expected to grow below 10%.

EBIT MARGIN BEFORE SPECIAL ITEMS (B.S.I.)

The EBIT margin b.s.i. is expected to be around the 28.9% achieved in 2016/17.

FREE CASH FLOW

Free cash flow before acquisitions, divestments and special items is expected to be around the EUR 188 million achieved in 2016/17.

The guidance for EBIT margin before special items and for free cash flow before acquisitions, divestments and special items assumes constant currencies from the time of this announcement and for the remainder of the financial year.

CAPITAL STRUCTURE

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 dividend or share buyback programs.

To ensure a capital structure in the shareholders' best interest, the Board of Directors has decided to declare an extraordinary dividend totaling EUR 105 million (DKK 5.94 per share) with an ex-dividend date of June 29, 2018 and the pay-out date will be July 3, 2018.

SENSITIVITY

Chr. Hansen is a global company serving more than 140 countries through subsidiaries in more than 30 countries.

The most significant exchange rate exposure relates to USD, which accounts for 25-30% of revenue, while the exposure to other currencies is more modest. A 5% decrease in the USD exchange rate impacts revenue measured in EUR negatively by around EUR 15 million.

Organic revenue growth is sensitive to exchange rate fluctuations in currencies where Chr. Hansen applies a EUR-based pricing model, and to changes in raw material prices for natural colors where some contracts are adjusted for movements in raw material prices.

The EBIT margin is also sensitive to exchange rate fluctuations and to changes in raw material prices for natural colors. Production in the US and sourcing in USD only partly offset the impact on revenue from changes in the USD exchange rate. Therefore, the relative EBIT exposure is higher than the 25-30% revenue exposure. A 5% decrease in the USD exchange rate impacts EBIT negatively by roughly half of the revenue impact.

The sensitivity to currency also applies to free cash flow.

The use of currency hedging of balance sheet exposures and future cash flows is described in note 4.3 to the Consolidated Financial Statements 2016/17.

INTERIM REPORT SEPTEMBER 1, 2017 - MAY 31, 2018

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 September 1, 2017 to May 31, 2018. 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 2016/17.

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 2018, and of the results of the Group's operations and cash flow for the period September 1, 2017 to May 31, 2018.

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. Besides what has been disclosed in this report, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the Annual Report of Chr. Hansen Holding A/S for 2016/17.

Hørsholm, June 28, 2018

Executive Board

Mauricio Graber
President and CEO

Søren Westh Lonning
CFO

Christoffer Lorenzen
EVP

Thomas Schäfer
CSO

Board of Directors

Ole Andersen
Chairman

Dominique Reiniche
Vice Chairman

Jesper Brandgaard

Luis Cantarell

Lisbeth Grubov

Charlotte Hemmingsen

Heidi Kleinbach-Sauter

Per Poulsen

Kim Ib Sørensen

Kristian Villumsen

Mark Wilson

ADDITIONAL INFORMATION



CONFERENCE CALL

Chr. Hansen will host a conference call on June 28, 2018 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:

Martin Riise, Head of IR
+45 53 39 22 50

FINANCIAL CALENDAR

October 15, 2018 Annual Report 2017/18
November 29, 2018 Annual General Meeting 2017/18

Company information

Chr. Hansen Holding A/S

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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 leading global bioscience company that develops natural ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries. We develop and produce cultures, enzymes, probiotics and natural colors for a rich variety of foods, confectionery, beverages, dietary supplements and even animal feed and plant protection. Our product innovation is based on more than 30,000 microbial strains - we like to refer to them as "good bacteria." Our solutions enable food manufacturers to produce more with less - while also reducing the use of chemicals and other synthetic additives - which makes our products highly relevant in today's world. We have been delivering value to our partners - and, ultimately, end consumers worldwide - for more than 140 years. We are proud that more than 1 billion people consume products containing our natural ingredients every day.

INCOME STATEMENT

EUR million	Q3 2017/18	Q3 2016/17	YTD 2017/18	YTD 2016/17
REVENUE	282.7	278.4	800.9	779.5
Cost of sales	(125.6)	(127.5)	(369.2)	(360.3)
Gross profit	157.1	150.9	431.7	419.2
Research and development expenses	(19.1)	(17.4)	(56.2)	(51.6)
Sales and marketing expenses	(36.2)	(34.9)	(102.1)	(100.0)
Administrative expenses	(17.9)	(17.5)	(54.4)	(54.0)
Other operating income	0.4	0.6	1.6	4.0
Other operating expenses	(0.3)	(0.1)	(0.7)	(0.4)
Operating profit before special items	84.0	81.6	219.9	217.2
Special items	-	(0.4)	-	(1.4)
Operating profit (EBIT)	84.0	81.2	219.9	215.8
Net financial expenses	(5.4)	(5.0)	(14.6)	(10.8)
Profit before tax	78.6	76.2	205.3	205.0
Income taxes	(18.1)	(18.3)	(47.2)	(49.2)
Profit for the period	60.5	57.9	158.1	155.8
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	60.5	57.9	158.1	155.8
Earnings per share (EUR)	0.46	0.44	1.20	1.19
Earnings per share, diluted (EUR)	0.46	0.44	1.20	1.17

STATEMENT OF COMPREHENSIVE INCOME

EUR million	Q3 2017/18	Q3 2016/17	YTD 2017/18	YTD 2016/17
Profit for the period	60.5	57.9	158.1	155.8
Items that will not be reclassified subsequently to the income statement:				
Remeasurements of defined benefits plans	-	-	-	(0.1)
Items that will be reclassified subsequently to the income statement when specific conditions are met:				
Currency translation of foreign Group companies	(0.4)	(9.8)	(7.6)	(2.0)
Cash flow hedge	0.2	-	1.1	1.1
Tax related to cash flow hedge	-	0.1	0.3	0.5
Other comprehensive income for the period	(0.2)	(9.7)	(6.2)	(0.5)
Total comprehensive income for the period	60.3	48.2	151.9	155.3
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	60.3	48.2	151.9	155.3

BALANCE SHEET

EUR million	May 31, 2018	May 31, 2017	Aug 31, 2017
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	764.3	773.8	767.2
Other intangible assets	177.7	196.0	191.9
Intangible assets in progress	41.5	36.5	36.0
Total intangible assets	983.5	1,006.3	995.1
Property, plant and equipment			
Land and buildings	146.3	136.1	141.6
Plant and machinery	186.3	141.7	151.8
Other fixtures and equipment	23.7	18.4	23.0
Property, plant and equipment in progress	87.7	96.7	94.8
Total property, plant and equipment	444.0	392.9	411.2
Other non-current assets			
Deferred tax	9.3	8.0	8.2
Total other non-current assets	9.3	8.0	8.2
Total non-current assets	1,436.8	1,407.2	1,414.5
Current assets			
Inventories			
Raw materials and consumables	29.8	24.0	22.0
Work in progress	56.1	48.5	45.3
Finished goods and goods for resale	66.4	65.6	67.9
Total inventories	152.3	138.1	135.2
Receivables			
Trade receivables	165.6	151.3	150.0
Tax receivables	3.4	3.8	4.6
Other receivables	21.4	19.3	16.0
Prepayments	11.4	9.9	8.8
Total receivables	201.8	184.3	179.4
Cash and cash equivalents	57.3	62.2	73.0
Total current assets	411.4	384.6	387.6
Total assets	1,848.2	1,791.8	1,802.1

BALANCE SHEET

EUR million	May 31, 2018	May 31, 2017	Aug 31, 2017
EQUITY AND LIABILITIES			
Equity			
Share capital	177.1	177.2	177.3
Reserves	632.4	621.5	591.2
Total equity	809.5	798.7	768.5
Liabilities			
Non-current liabilities			
Employee benefit obligations	6.8	7.7	6.7
Deferred tax	80.0	73.5	72.1
Provisions	3.6	3.1	3.2
Borrowings	635.0	658.4	671.8
Tax payables	15.6	17.5	15.6
Total non-current liabilities	741.0	760.2	769.4
Current liabilities			
Provisions	0.1	0.1	0.1
Borrowings	94.9	32.8	29.6
Prepayments from customers	0.7	0.6	0.2
Trade payables	80.1	83.3	110.4
Tax payables	37.0	24.2	39.5
Other payables	84.9	91.9	84.4
Total current liabilities	297.7	232.9	264.2
Total liabilities	1,038.7	993.1	1,033.6
Total equity and liabilities	1,848.2	1,791.8	1,802.1

STATEMENT OF CHANGES IN EQUITY

EUR million	2017/18				
	Share capital	Currency translation	Cash flow hedges	Retained earnings	Total
Equity at September 1, 2017	177.3	(38.2)	(1.9)	631.3	768.5
Total comprehensive income for the year, cf. statement of comprehensive income	(0.2)	(7.4)	1.4	158.1	151.9
Transactions with owners:					
Purchase of treasury shares	-	-	-	(4.7)	(4.7)
Exercised share options	-	-	-	0.8	0.8
Share-based payment	-	-	-	5.0	5.0
Dividend	-	-	-	(112.0)	(112.0)
Equity at May 31, 2018	177.1	(45.6)	(0.5)	678.5	809.5

EUR million	2016/17				
	Share capital	Currency translation	Cash flow hedges	Retained earnings	Total
Equity at September 1, 2016	177.2	(31.0)	(3.7)	587.8	730.3
Total comprehensive income for the year, cf. statement of comprehensive income	-	(2.0)	1.6	155.7	155.3
Transactions with owners:					
Purchase of treasury shares	-	-	-	(20.1)	(20.1)
Exercised share options	-	-	-	23.5	23.5
Share-based payment	-	-	-	2.1	2.1
Dividend	-	-	-	(92.4)	(92.4)
Equity at May 31, 2017	177.2	(33.0)	(2.1)	656.6	798.7

CASH FLOW STATEMENT

EUR million	Q3 2017/18	Q3 2016/17	YTD 2017/18	YTD 2016/17
Operating profit	84.0	81.2	219.9	215.8
Non-cash adjustments	16.8	16.5	49.2	40.2
Change in working capital	(1.1)	7.8	(71.2)	(47.7)
Interest payments made	(2.4)	(2.3)	(7.3)	(6.9)
Taxes paid	(5.3)	(12.7)	(42.7)	(41.1)
Cash flow from operating activities	92.0	90.5	147.9	160.3
Investments in intangible assets	(3.8)	(4.0)	(12.1)	(10.4)
Investments in property, plant and equipment	(23.8)	(18.3)	(60.5)	(61.3)
Sale of property, plant and equipment	-	-	-	2.3
Cash flow used for operational investing activities	(27.6)	(22.3)	(72.6)	(69.4)
Free operating cash flow	64.4	68.2	75.3	90.9
Acquisition of entities, net of cash acquired	-	-	-	(73.0)
Cash flow used for investing activities	(27.6)	(22.3)	(72.6)	(142.4)
Free cash flow	64.4	68.2	75.3	17.9
Borrowings	-	-	139.1	158.1
Repayment of long-term loans	(52.1)	(51.7)	(112.8)	(143.2)
Exercise of options	0.3	1.1	0.8	23.5
Purchase of treasury shares, net	-	(13.3)	(4.7)	(20.1)
Dividends paid	-	-	(112.0)	(92.4)
Cash flow used in financing activities	(51.8)	(63.9)	(89.6)	(74.1)
Net cash flow for the year	12.6	4.3	(14.3)	(56.2)
Cash and cash equivalents, beginning of period	44.7	60.6	73.0	119.8
Unrealized exchange gains/(losses) included in cash and cash equivalents	-	(2.7)	(1.4)	(1.4)
Net cash flow for the year	12.6	4.3	(14.3)	(56.2)
Cash and cash equivalents, end of period	57.3	62.2	57.3	62.2

SEGMENT INFORMATION

EUR million				Q3
	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	2017/18 Group
INCOME STATEMENT				
Revenue	165.9	59.1	57.7	282.7
EUR growth	2%	1%	0%	2%
Organic growth	11%	7%	6%	9%
EBITDA before special items	67.6	22.6	10.1	100.3
EBITDA margin before special items	40.7%	38.2%	17.5%	35.5%
Depreciation, amortization and impairment losses	(10.1)	(4.4)	(1.8)	(16.3)
EBIT before special items	57.5	18.2	8.3	84.0
EBIT margin before special items	34.7%	30.8%	14.4%	29.7%
Special items and net financial expenses				(5.4)
Profit before tax				78.6

EUR million				YTD
	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	2017/18 Group
INCOME STATEMENT				
Revenue	474.7	164.6	161.6	800.9
EUR growth	5%	1%	(1)%	3%
Organic growth	12%	8%	5%	9%
EBITDA before special items	183.4	61.2	22.9	267.5
EBITDA margin before special items	38.6%	37.2%	14.2%	33.4%
Depreciation, amortization and impairment losses	(29.1)	(13.2)	(5.3)	(47.6)
EBIT before special items	154.3	48.0	17.6	219.9
EBIT margin before special items	32.5%	29.2%	10.9%	27.5%
Special items and net financial expenses				(14.6)
Profit before tax				205.3

SEGMENT INFORMATION

(CONTINUED)

EUR million				Q3 2016/17
	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
INCOME STATEMENT				
Revenue	162.0	58.5	57.9	278.4
EUR growth	12%	12%	8%	11%
Organic growth	10%	14%	6%	10%
EBITDA before special items	65.9	20.7	9.9	96.5
EBITDA margin before special items	40.7%	35.4%	17.0%	34.7%
Depreciation, amortization and impairment losses	(9.1)	(4.1)	(1.7)	(14.9)
EBIT before special items	56.8	16.6	8.2	81.6
EBIT margin before special items	35.1%	28.3%	14.1%	29.3%
Special items and net financial expenses				(5.4)
Profit before tax				76.2

EUR million				YTD 2016/17
	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
INCOME STATEMENT				
Revenue	452.9	163.1	163.5	779.5
EUR growth	10%	22%	11%	12%
Organic growth	9%	12%	9%	10%
EBITDA before special items	178.5	56.9	25.3	260.7
EBITDA margin before special items	39.4%	34.9%	15.5%	33.4%
Depreciation, amortization and impairment losses	(26.6)	(12.0)	(4.9)	(43.5)
EBIT before special items	151.9	44.9	20.4	217.2
EBIT margin before special items	33.6%	27.5%	12.5%	27.9%
Special items and net financial expenses				(12.2)
Profit before tax				205.0

SEGMENT INFORMATION

(CONTINUED)

EUR million						Q3
						2017/18
GEOGRAPHIC ALLOCATION	EMEA	North America	APAC	LATAM	Group	
Revenue	132.6	69.3	47.2	33.6	282.7	
EUR growth	6%	(9)%	7%	(0)%	2%	
Organic growth	10%	2%	11%	20%	9%	
					YTD	
					2017/18	
	EMEA	North America	APAC	LATAM	Group	
Revenue	358.0	202.6	137.8	102.5	800.9	
EUR growth	6%	(8)%	13%	2%	3%	
Organic growth	8%	3%	17%	17%	9%	
Non-current assets excluding deferred tax	1,224.5	159.4	13.6	30.0	1,427.5	

EUR million						Q3
						2016/17
	EMEA	North America	APAC	LATAM	Group	
Revenue	124.5	76.1	44.0	33.8	278.4	
EUR growth	8%	10%	21%	15%	11%	
Organic growth	7%	9%	21%	7%	10%	
					YTD	
					2016/17	
	EMEA	North America	APAC	LATAM	Group	
Revenue	337.3	219.4	122.4	100.4	779.5	
EUR growth	7%	20%	19%	9%	12%	
Organic growth	7%	11%	19%	8%	10%	
Non-current assets excluding deferred tax	1,185.4	166.4	13.8	33.6	1,399.2	