

Chr. Hansen Holding A/S

1 September 2014 – 31 May 2015

Microbial Solutions

1 July 2015

Safe harbor statement

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance.

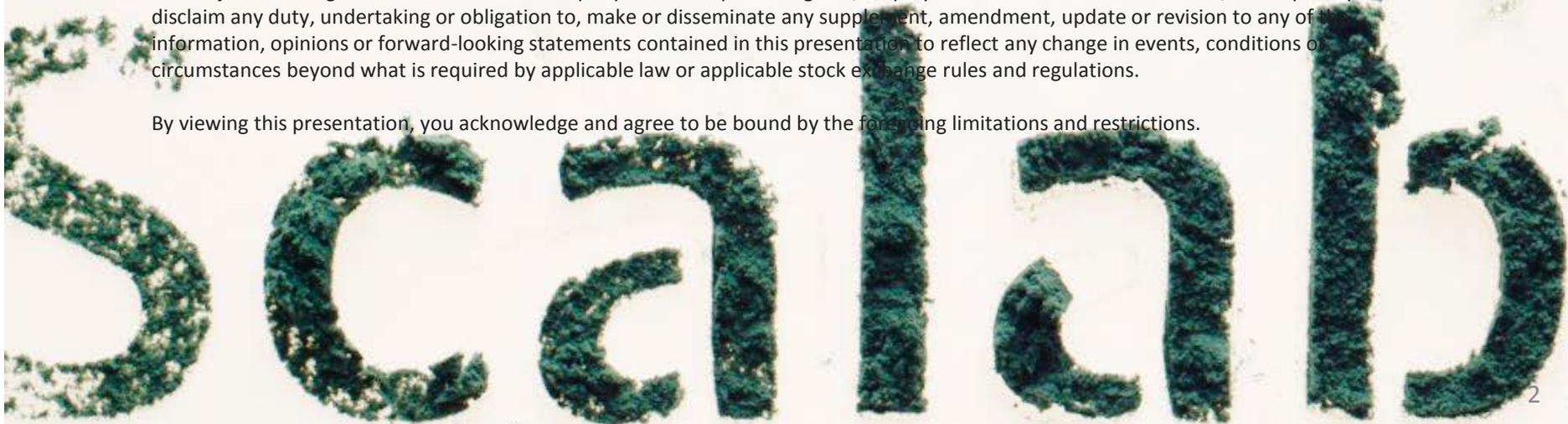
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Highlights YTD 2014/15

Revenue

EUR **625** million

(up 13% on 2013/14)

Organic growth

9%

(7% in 2013/14)

Operating profit (EBIT) margin

before special items

25.6%

(26.0% in 2013/14)

Profit for the period

EUR **111** million

(up 18% from 2013/14)

R&D expenditures incurred

EUR **42** million

(6.7% of sales, compared to 6.6% in 2013/14)

Free cash flow

EUR **65** million

(EUR 47 million in 2013/14*)

**before special items*



Strategic and operational highlights Q3 2014/15



Nature's No. 1 strategy launched in September 2013 with the ambition to pursue growth opportunities in the current core businesses and within new microbial solutions



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



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.



The changed go-to-market strategy in China has been implemented with positive impacts on growth and margins from Q3



The reorganization of the Natural Colors Division (NCD) continued during Q3 2014/15. From today (1 July), Jørgen Erichsen has joined as EVP of the division, with the aim of strengthening the commercial focus and secure future growth



The first of a series of patents that protects the technology for fermentation of carmine was published in June 2015. Potential commercialization still years away

Strong growth in developed markets YTD 2014/15

EMEA (47%*)



9% organic growth (9% in Q3)

- Strong growth in cheese, enzymes, and meat. Solid growth in fermented milk. Probiotics for fermented milk lower than last year
- Strong growth in human health
- Solid growth in natural colors

Americas (39%*)



12% organic growth (7% in Q3)

- Strong growth in cheese and enzymes. Solid growth in fermented milk. Probiotics for fermented milk lower than last year
- Strong growth in human health. Good growth in animal health
- Strong growth in natural colors driven by Latin America

APAC (14%*)

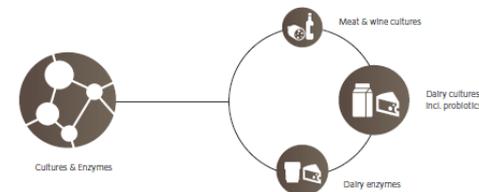


5% organic growth (1% in Q3)

- Strong growth in fermented milk and cheese. Probiotics for fermented milk showed modest growth
- Human health at same level as last year. Strong growth in animal health
- Natural colors below last year

**Share of revenue*

Cultures & Enzymes

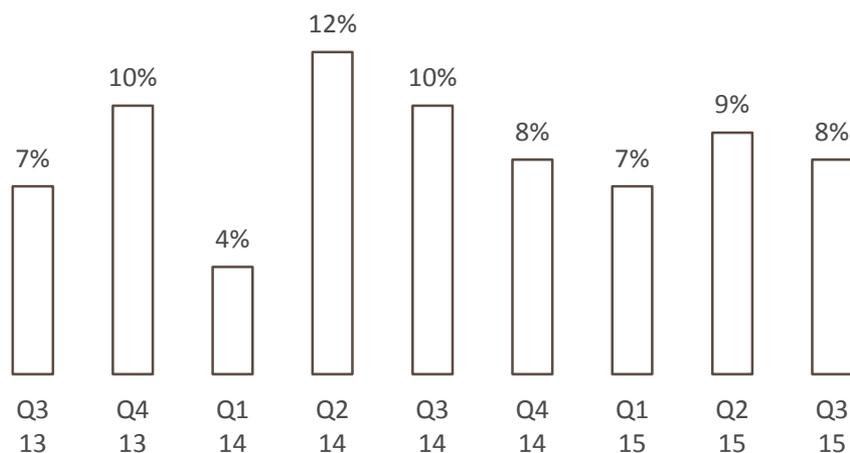


EUR million	Q3 14/15	Q3 13/14	YTD 14/15	YTD 13/14
Revenue	136.0	118.3	376.7	339.8
Organic growth	8%	10%	8%	8%
EBIT	44.8	34.5	110.6	97.9
EBIT margin	32.9%	29.1%	29.4%	28.8%
ROIC ex. goodwill			35.6%	32.0%

Organic growth

- Strong growth in cheese cultures and enzymes
- Solid growth in fermented milk and meat cultures
- Despite growth in APAC probiotic cultures experienced negative organic growth
- Q3: Strong growth in cheese cultures and enzymes and solid growth in fermented milk and meat cultures. Negative organic growth in probiotics

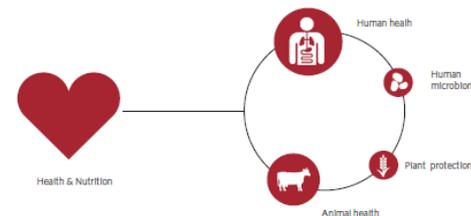
Quarterly organic growth



EBIT margin

- Margin up 0.6%-point on YTD 2013/14.
 - Improved operating efficiency from new fermentation capacity and optimization of production footprint
 - Favorable exchange rates
 - Unfavorable product mix and startup costs related to the new fermentation capacity
- Q3: Margin up 3.8%-point on last year mainly due to improved operating efficiency and favorable exchange rates

Health & Nutrition

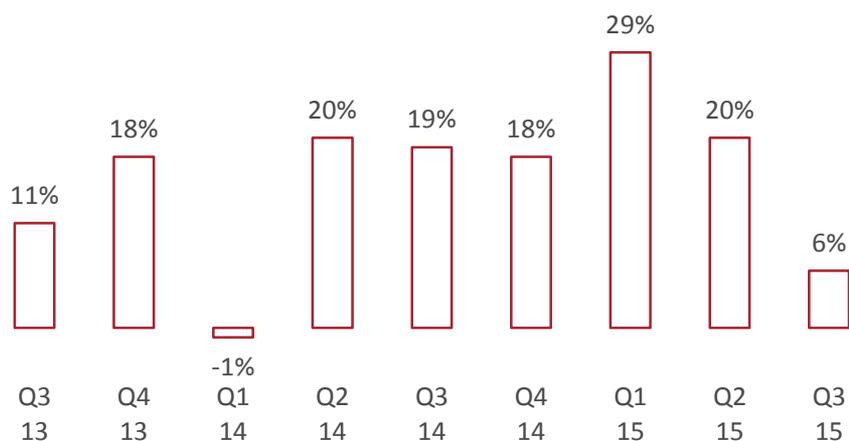


EUR million	Q3 14/15	Q3 13/14	YTD 14/15	YTD 13/14
Revenue	43.1	36.2	119.5	93.7
Organic growth	6%	19%	17%	13%
EBIT	14.1	14.0	38.4	29.2
EBIT margin	32.8%	38.6%	32.2%	31.2%
ROIC ex. goodwill			39.3%	37.5%

Organic growth

- Human health realized strong growth primarily driven by dietary supplements in the Americas and EMEA regions and by infant formula in APAC
- Good growth in animal health driven by the poultry and cattle segments, while negatively impacted by the insourcing of silage inoculants by a major customer with effect from Q3
- **Q3:** Strong growth in human health offset by declining revenue in animal health due to the insourcing by a major customer

Quarterly organic growth



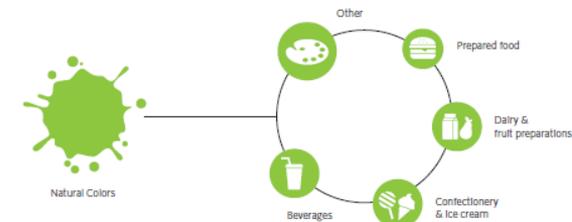
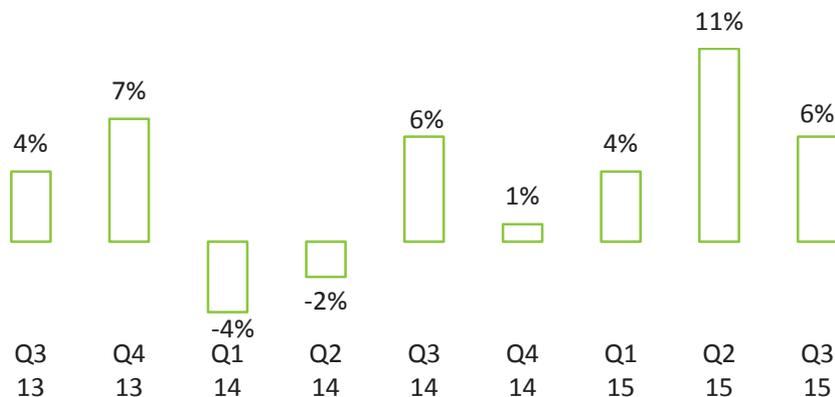
EBIT margin

- Margin up 1.0 %-points on YTD 2013/14:
 - Positive impact from higher sales volume and the stronger USD
 - Negative impact from increased R&D expenses into biological plant protection and the human microbiome, as well as product mix in human health
- **Q3:** margin down 5.8%-points on last year mainly due to increased R&D costs and unfavorable product mix in human health

Natural Colors

EUR million	Q3 14/15	Q3 13/14	YTD 14/15	YTD 13/14
Revenue	49.0	43.6	128.9	117.5
Organic growth	6%	6%	7%	0%
EBIT	4.9	6.6	10.7	16.0
EBIT margin	10.0%	15.2%	8.3%	13.6%
ROIC ex. goodwill			16.5%	26.1%

Quarterly organic growth



Organic growth

- Strong growth in the meat, dairy and confectionary categories. Revenue from the beverage category lower than last year
- EMEA and Americas showed solid growth while APAC was lower than last year
- The conversion to natural colors in the US market remained slow
- **Q3:** strong growth in prepared food, meat and dietary supplements categories. APAC negatively impacted by positive timing of orders last year

EBIT margin

- Margin down 5.3%-points on first nine months of 2013/14 primarily due to
 - Increased raw material costs due to USD appreciation
 - Costs related to the reorganization of natural colors activities, including management change
- **Q3:** Margin down 5.2%-points, mainly due to costs related to management change and higher raw material costs driven by the stronger USD

Income statement

EUR million	Q3 14/15	Q3 13/14	YTD 14/15	YTD 13/14
Revenue	228.1	198.1	625.0	550.9
<i>EUR growth</i>	15%	3%	13%	1%
<i>Organic growth</i>	7%	10%	9%	7%
<i>Gross margin</i>	52.4%	50.5%	51.4%	51.7%
R&D expenses	(13.5)	(10.6)	(38.9)	(33.0)
Sales & marketing expenses	(25.6)	(23.4)	(76.5)	(70.4)
Administrative expenses & Other income/expenses	(16.8)	(11.0)	(46.0)	(38.2)
EBIT before special items	63.8	55.0	159.8	143.2
<i>EBIT margin b.s.i.</i>	28.0%	27.8%	25.6%	26.0%
Special items	-	(0.7)	-	(4.7)
Net financials	(2.1)	(3.2)	(9.9)	(10.2)
Income tax	(16.1)	(13.8)	(39.0)	(34.6)
Profit for the period	45.7	37.4	111.0	93.7

Highlights

- Positive exchange rate effect on revenue
- Gross margin down 0.3%-point on YTD 2013/14:
 - Unfavorable product mix
 - Startup costs in 1H 2014/15 related to new capacity
 - Higher raw material prices in Natural Colors
- EBIT margin b.s.i. down 0.4% on last year:
 - Negative impact from gross margin, R&D spend and re-organization of natural colors activities
 - Positive impact from favorable exchange rates
 - **Q3:** Gross margin up 1.9% due to increased production efficiency in CED

Cash flow and balance sheet

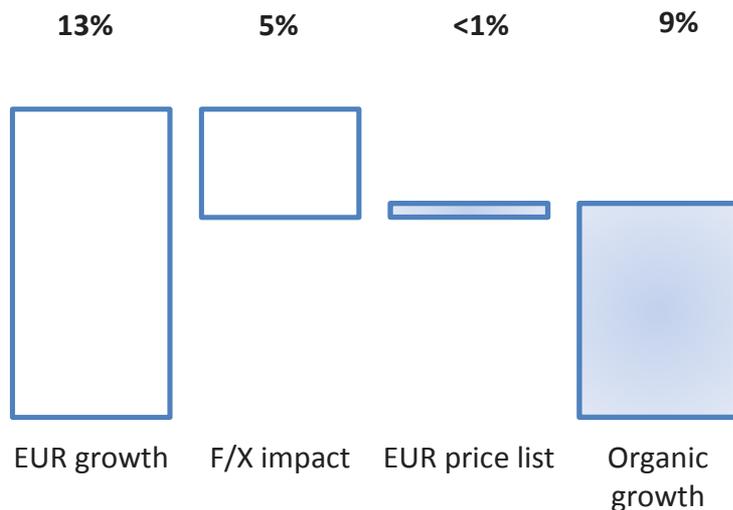
EUR million	YTD 14/15	YTD 13/14
Cash flow		
Operating activities	110.6	82.3
Investing activities	(45.6)	(40.5)
Free cash flow	65.0	41.8
Balance sheet		
Total assets	1,442	1,358
Equity	694	641
Net interest-bearing debt	438	439
Key Figures		
<i>Net working capital</i>	20.8%	20.7%
<i>Capital expenditure</i>	7.3%	7.4%
<i>ROIC excluding goodwill</i>	33.8%	32.1%
<i>NIBD/EBITDA</i>	1.6x	1.7x

Highlights

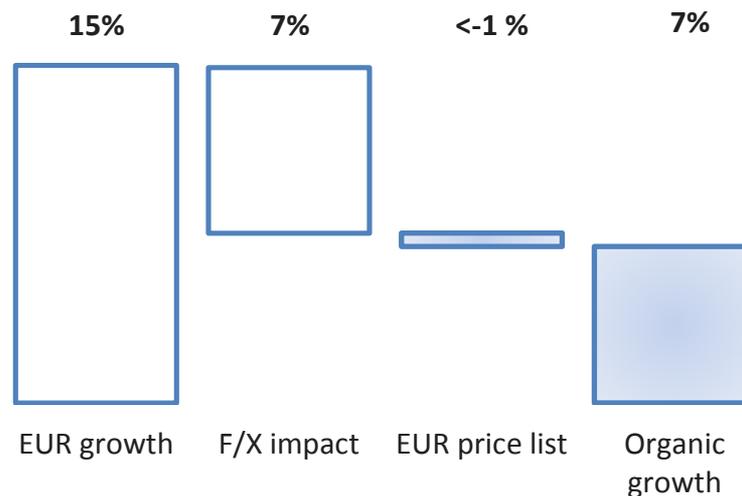
- Cash flow from operating activities improved EUR 28 million, mainly due to the improved operating profit and changes in working capital
- Cash flow used for investing activities increased EUR 5 million. Investments mainly in freeze-drying, warehousing, packaging and fermentation capacity and laboratory facilities for plant protection and human microbiome
- Capital expenditures corresponded to 7.3% of revenue, compared to 7.4% last year
 - Capitalized development expenditures 1.2% of revenue, compared to 1.4% last year
- Free cash flow increased EUR 23 million due to the improved cash flow from operating activities
- ROIC excluding goodwill up 1.7%-points

Currency impact on YTD and Q3

YTD - growth



Q3 - growth



YTD

- **Revenue:** Positive impact from F/X by around 5%
- **Organic growth:** Positive impact from EUR price list by less than 1%-point
- **EBIT margin:** Positively impacted by around 1%-point

Q3

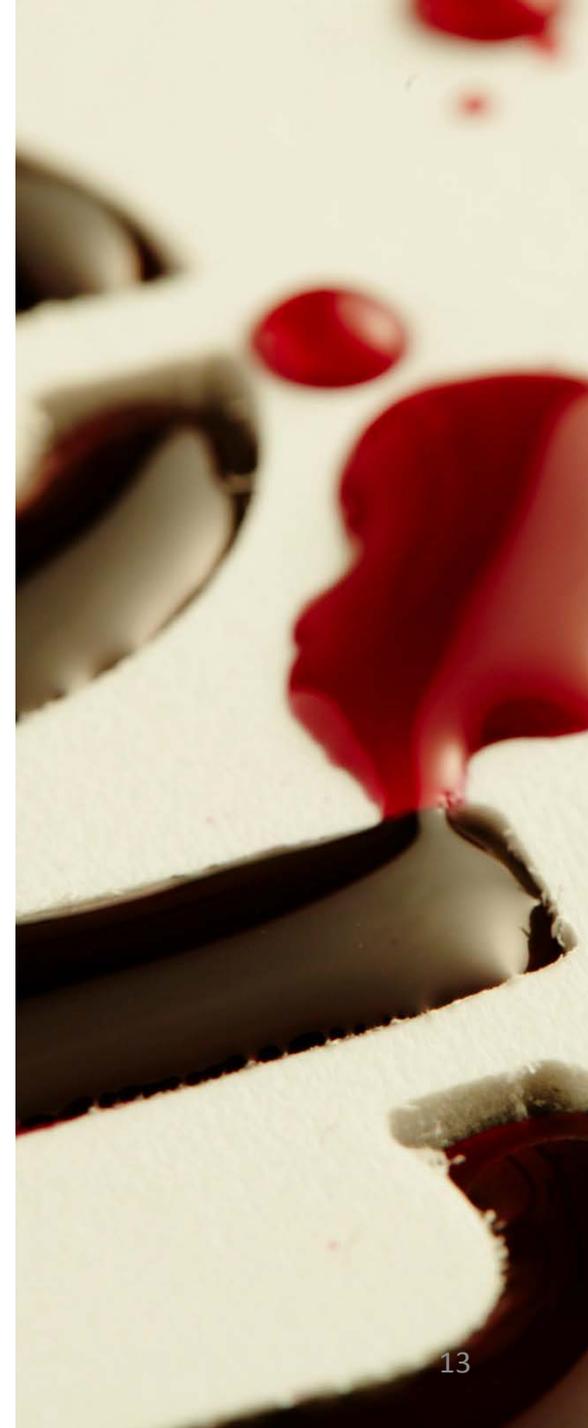
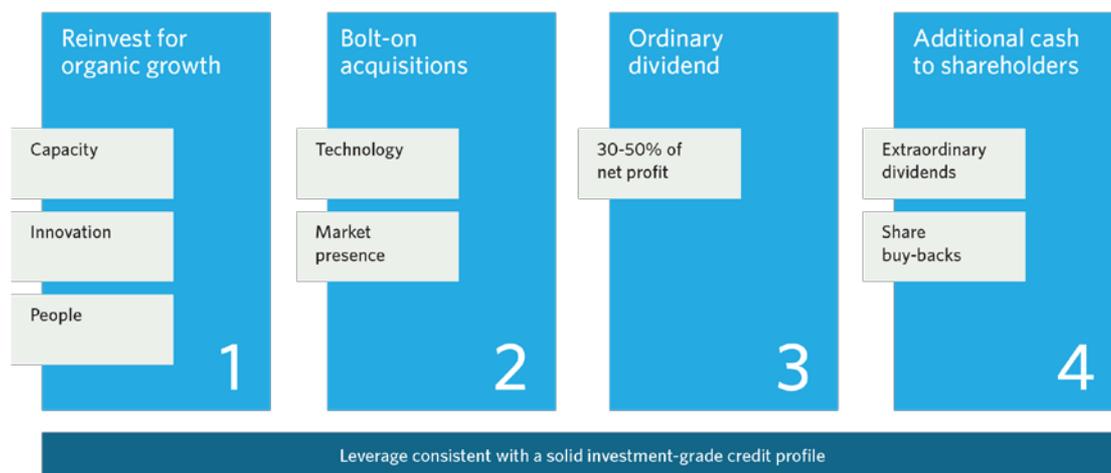
- **Revenue:** Positive impact from F/X by around 7%
- **Organic growth:** Negative impact from EUR price list by less than 1%-point
- **EBIT margin:** Positively impacted by around 1%-point

Long-term ambitions and outlook for 2014/15

<i>Revised 1 July 2015</i>	<i>Revised outlook 2014/15</i>	<i>Previous outlook 2014/15</i>	<i>Long-term financial ambitions</i>
Organic revenue growth	8-9%	7-9%	7-10%
<ul style="list-style-type: none"> ✓ <i>Cultures & Enzymes Division</i> ✓ <i>Health & Nutrition Division</i> ✓ <i>Natural Colors Division</i> 	<ul style="list-style-type: none"> <i>In line with long-term ambitions</i> <i>In line with long-term ambitions</i> <i>5-10%</i> 	<ul style="list-style-type: none"> <i>In line with long-term ambitions</i> <i>In line with long-term ambitions</i> <i>5-10%</i> 	<ul style="list-style-type: none"> <i>7-8%</i> <i>+10%</i> <i>Targeting around 10%</i>
R&D expenditures (as percentage of revenue)	Around 7%	7-8%	Around 7%
EBIT margin b.s.i.	Above 26.5%	Above 26.5%	Increasing
<ul style="list-style-type: none"> ✓ <i>Cultures & Enzymes Division</i> ✓ <i>Health & Nutrition Division</i> ✓ <i>Natural Colors Division</i> 	<ul style="list-style-type: none"> <i>Same level as 2013/14</i> <i>Below 2013/14</i> <i>Below 2013/14</i> 	<ul style="list-style-type: none"> <i>Same level as 2013/14</i> <i>Below 2013/14</i> <i>Below 2013/14</i> 	<ul style="list-style-type: none"> <i>Increasing</i> <i>Around 30%</i> <i>Increasing</i>
Free cash flow before acquisition and divestments	~ EUR 150 million	> EUR 130 million	Increasing

Interim dividend of EUR 115 million in 2014/15

EUR million	10/11	11/12	12/13	13/14	14/15
Net Profit	119	131	140	132	
Free Cash flow	125	113	120	115	~150
<i>Ordinary dividend</i>	48	52	55	66	
<i>Extraordinary dividend</i>	17	-	55		115
<i>Share buy-back</i>	-	52	28	80	
Total cash returned	65	104	138	146	



A close-up photograph of a white surface covered in a fine, vibrant red powder. The powder has been meticulously arranged to form the letters 'E', 'S', 'I', and 'S' in a stylized, blocky font. The background is a soft, out-of-focus red, suggesting a larger area of the same powder. The lighting is bright, highlighting the texture of the powder and the sharp edges of the letters.

OUR COMPANY OUR STRATEGY

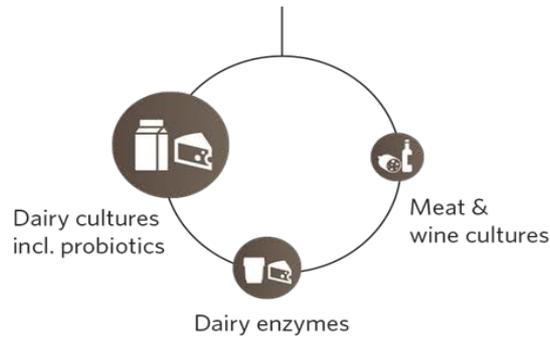
Chr. Hansen – Key Characteristics

Founded in 1874



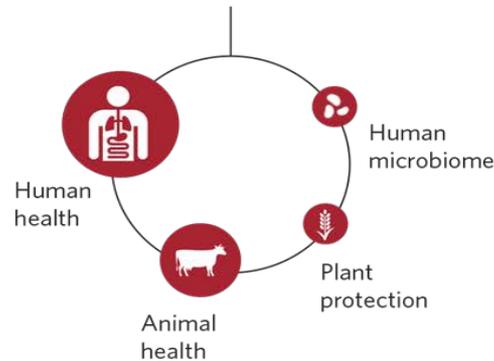
Cultures & Enzymes

61%



Health & Nutrition

18%

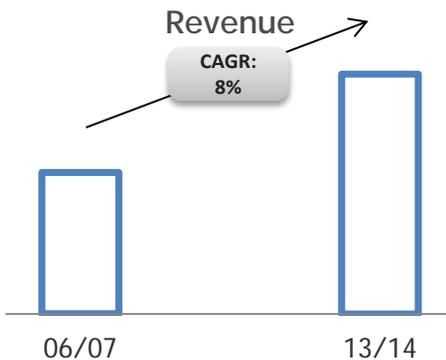


Natural Colors

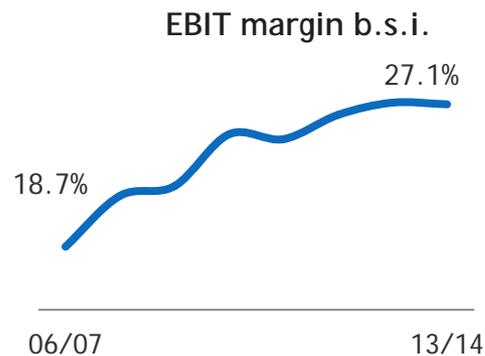
21%



Attractive growth markets



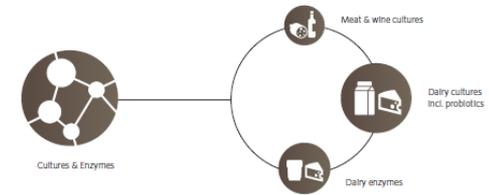
Strong profitability



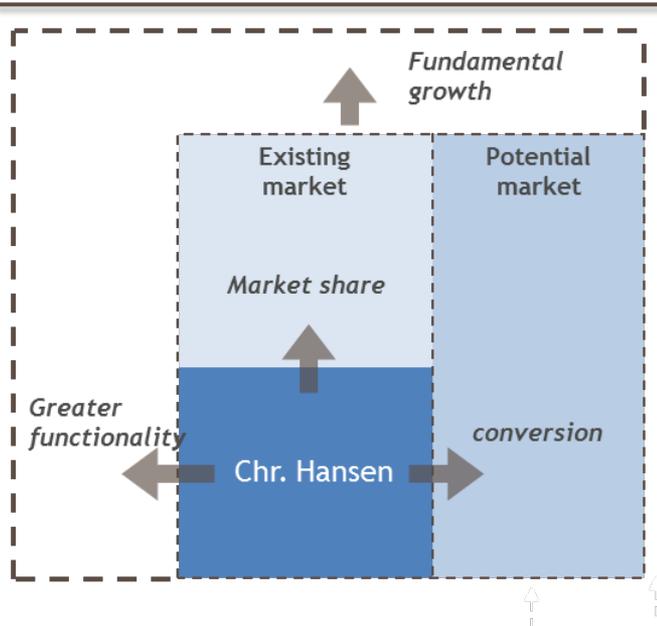
Unique value composition

- Strategic ingredients
- Strong R&D platform
- Up-scaling & large scale fermentation
- Application & customer intimacy
- Talent & expertise

Cultures & Enzymes Division's growth model



CED growth model



- Cultures, enzymes and probiotics for the food industry, especially the dairy markets
- The ingredients help determine the taste, nutritional value, health benefits and product shelf life of the end products
- Attractive cost-to-value ratio

Fundamental growth (3-4%) & Conversion (1-2%)

	CAGR 2012-14*		Conversion rate**	
	Fermented	Cheese	Fermented	Cheese
EMEA	2.8%	1.4%	~75%	~50%
Americas	3.3%	2.0%	~80%	~45%
APAC	8.9%	4.4%	~70%	~30%
Total	4.4%	1.9%	75-80%	45-50%

Greater functionality/Innovation (1-2%)

Addressing consumer needs

- Low salt, sugar, lactose and fat
- Distinctive texture & flavors
- Local taste preferences

Addressing customer needs

- Improve yield
- Improve efficiency

Market share***

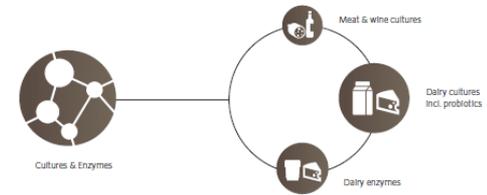
- Est. global market share around 45%.

Pricing (1%)

*Volume growth. Source: Euromonitor, August 2014 and management estimates **Source: Management estimates. Fermented milk is excluding India ***Source: Management estimates

Strategic advantages

Core competences creates resilient position in niche industry



Strong R&D platform

- Largest strain bank in the world
- Capability to identify and map the genomes of a bacteria
- Innovative product and process solutions developed in cooperation with customers

Unique production setup

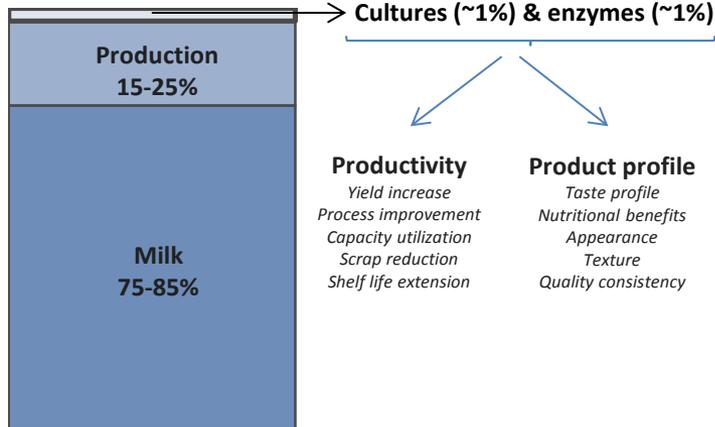
- Largest and most sophisticated bacterial culture production in the world
- Global market share of 45% secures volume which drives scalability
- Technical knowhow around up-scaling and large scale fermentation

Deep customer intimacy

- Have done business with all major dairies for many years. All industrialized dairies are mapped.
- Local technical and application people in all countries
- Insight in the production processes of the individual dairy plants

Strategic ingredients

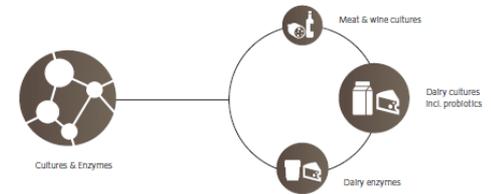
Costs of producing a cheese



High entry barriers



Industrial culture production footprint



Key elements

- 3 large culture production sites secures supply security and flexibility
- Expansion of Copenhagen plant drives scalability and margin expansion

Milwaukee – US

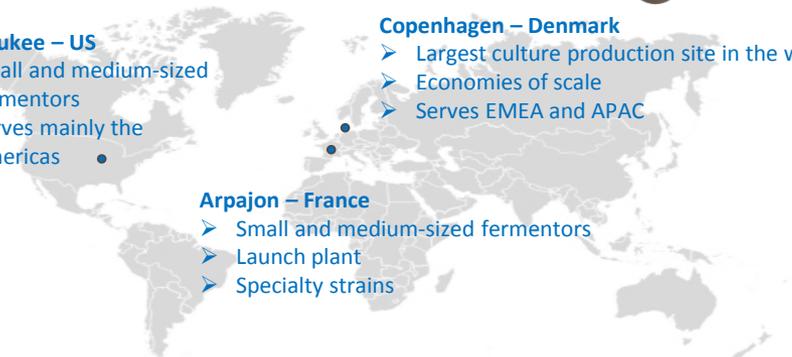
- Small and medium-sized fermentors
- Serves mainly the Americas

Copenhagen – Denmark

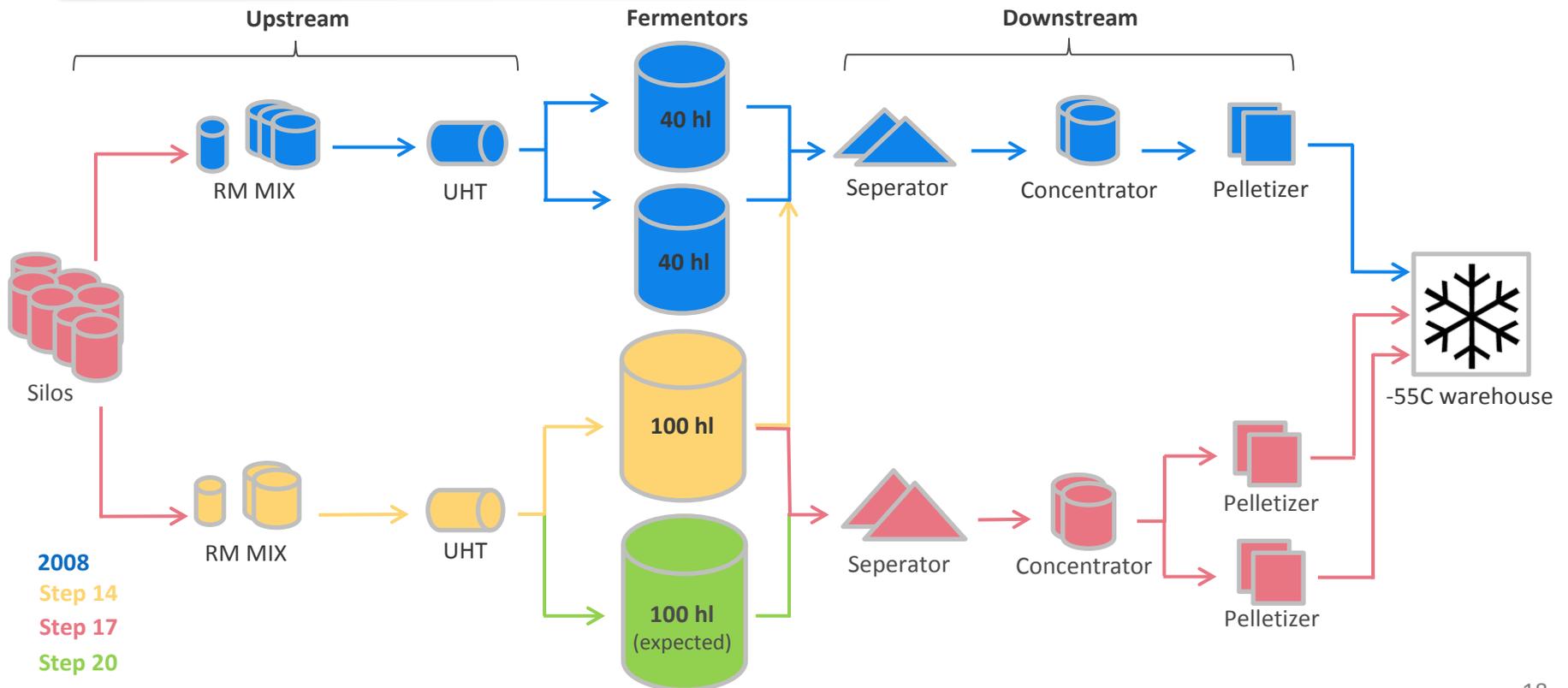
- Largest culture production site in the world
- Economies of scale
- Serves EMEA and APAC

Arpajon – France

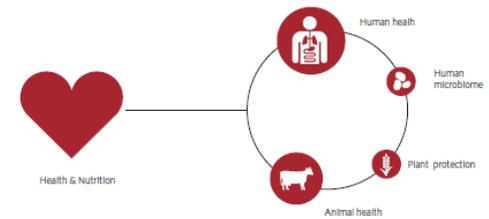
- Small and medium-sized fermentors
- Launch plant
- Specialty strains



Copenhagen capacity expansion

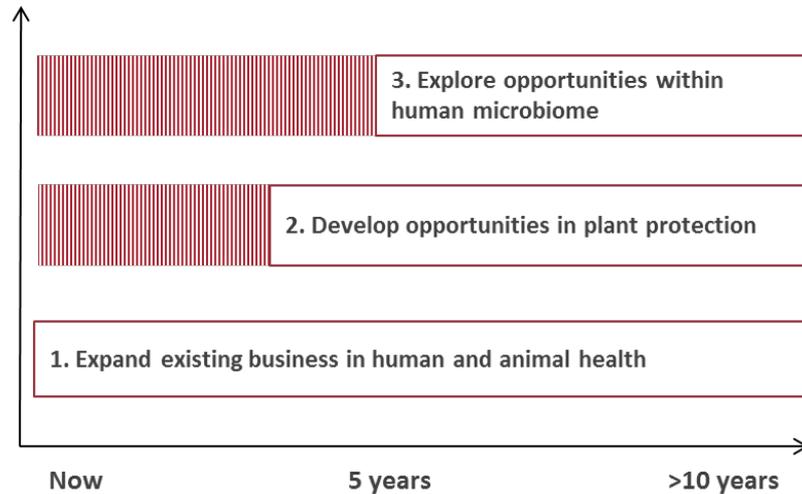


Health & Nutrition Division's growth model



HND growth model

Uncertainty



- Products for the dietary supplement, infant formula and animal feed industries
- The key offering is probiotic cultures with a documented health effect

1. Expand existing business

- Emerging markets
- Documentation
- Operational excellence

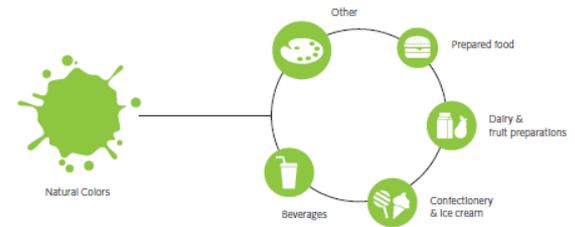
2. Develop opportunities in plant protection

- Initially sugar cane, Brazil
- The bio solutions alliance with FMC Corporation
- Aiming at new crops, new geographies and new products

3. Explore opportunities within human micro biome

- Strengthen relevant competences through “incubator environment”
- Prepared to adapt approach given the technological, regulatory, and commercial uncertainties involved

Natural Colors Division's growth model



NCD growth model

- Increased consumer demand for natural and “clean label” products
- Stricter regulation on the use of synthetic solutions in food and beverages, especially in the EU

Natural color in food & beverages	Market value* (EUR million)	Conversion**
EMEA	300	60%
Americas	200	20%
APAC	230	25%
Total	730	~30%

- World leader in natural color solutions to the food & beverage industry
- The colors are extracted from natural sources such as fruits, vegetables, berries, roots and seeds

Improved cost-in-use solutions

- Agronomy: Pigment optimization through breeding programs
- Sourcing: Global reach, multiple suppliers, long term contracts
- Formulation: e.g. encapsulation, milling and emulsion techniques

Coloring foodstuff

- Develop full product offering
- Optimize crop and pigment yield to improve cost-in-use
- Stability of pigments (e.g. ultra stable anthocyanin)

New transformational technologies

- DairyMax™
- Fermented carmine

* 2012 Estimated global food & beverages color market for natural colors & coloring foodstuff. Management estimate

** Conversion rate measured in volume. Included natural colors & coloring foodstuff. Management estimate

Natures No.1 strategy

Evolution, not revolution

	1 Fully leveraging the potential of CED	2 Developing the microbial solutions platform in HND	3 Creating further value in NCD
4 Driving a step change in innovation	➤ New innovation for yield & functionality	➤ Expand existing business ➤ Develop plant protection ➤ Explore human biome	➤ Improve cost-in-use ➤ New transformational technologies
5 Reinforcing position in emerging markets	➤ Undisputed leadership in emerging markets	➤ Pursue probiotic opportunities in emerging markets	➤ Drive emerging market conversion
6 Generating fuel for growth	➤ Drive scalability	➤ Reinvest in future growth	➤ Drive scalability
	➤ Continued conversion ➤ Commercial excellence	➤ Commercial excellence	➤ Continued conversion ➤ Commercial excellence

What we will NOT do:

- ✘ Pursue acquisitions in unrelated areas
- ✘ Expand into products outside microbials and natural colors
- ✘ Attempt to become a full fledged pharma company
- ✘ Lose focus on cost control and operational efficiency

Back up



Highlights Q3 2014/15

Revenue

EUR **228** million

(up 15% on 2013/14)

Organic growth

7%

(10% in 2013/14)

Operating profit (EBIT) margin

before special items

28.0%

(27.8% in 2013/14)

Profit for the period

EUR **46** million

(up 22% from 2013/14)

R&D expenditures incurred

EUR **15** million

(6.6% of sales, compared to 6.0% in 2013/14)

Free cash flow

EUR **54** million

(EUR 41 million in 2013/14*)

**before special items*



Key strategic risks

Please refer to the Annual Report 2013/14 and relevant notes for more information on Chr. Hansen's known key risks

Product safety

Chr. Hansen's customers as well as consumers and authorities demand high quality products, and it is a major strategic risk for the Company if the safety of its products does not meet these expectations. To ensure the highest product safety, Chr. Hansen has an extensive quality assurance and food safety program covering the entire value chain, from the sourcing of raw materials until the finished products are delivered to customers. Chr. Hansen's food safety program is certified according to internationally recognized food safety standards. All production sites are either ISO 22000 or FSSC 22000 certified, and central product development functions are certified according to ISO 22000.

Developments in 2013/14

- By the end of August 2014, 13 production sites had achieved FSSC 22000 certification. One remaining site in China is expected to follow in 2014/15. There were four product retrievals in 2013/14, compared to six in 2012/13. None of the retrievals related to food safety, all related to product performance, for example wrong color or density. Through various mitigating activities, the risk of product safety incidents is considered to have been reduced.

Intellectual property rights

In order to support the current business as well as to secure further growth, the Company's knowledge and technology platforms are safeguarded by patents etc. New products and existing business are also protected through strategic filing of trademark applications.

Developments in 2013/14

- Chr. Hansen filed 29 patent applications, compared to 21 in 2012/13. The applications were in areas such as fermentation of carmine, process technology, probiotics and new enzyme variants. With these filings, the risk related to intellectual property rights is considered to be unchanged.

Health claims and documentation

Chr. Hansen has some of the best-documented probiotic strains on the market. However, governments and agencies, especially the European Food Safety Authority (EFSA), have introduced more stringent rules and regulations for the documentation of health claims for food related products.

Developments in 2013/14

- In August 2014, approval for a health claim was obtained from the South Korean Ministry of Food & Drug Safety for Urex™, a dietary supplement that can help maintain a normal vaginal microbiota. Despite efforts to generate additional documentation, the sale of probiotics for fermented milk products in the EU has declined as a consequence of a lack of EU-approved probiotic health claims. The risk of a continued decline in the EU markets is considered to be high.

Key operational risks (I)

Please refer to the Annual Report 2013/14 and relevant notes for more information on Chr. Hansen's known key risks

Production

To minimize the risk of production breakdowns or failures, Chr. Hansen has implemented a risk prevention program where regular safety audits are conducted, which ensures preventive maintenance and replacements. The Company also maintains idle capacity for key processes. As production processes are optimized and automated, dependence on robust IT systems and infrastructure increases. Chr. Hansen has initiated a process to reduce complexity in IT systems and conduct regular restore tests.

Developments in 2013/14

- The expansion of fermentation capacity for cultures at the Copenhagen facility was completed during the year, and commercial production commenced in July 2014. With this expansion of capacity for one of the key production processes, Chr. Hansen has resolved a significant bottleneck for accommodating future growth in cultures for the dairy industry and will be able to optimize production and reduce unit costs further. In addition to this, investments in a new warehousing facility in Denmark and packaging capacity for frozen cultures in the US have removed other bottlenecks for key production processes. Chr. Hansen will continue to invest in optimizing production processes and removing bottlenecks. With the investments in new capacity and other mitigation activities, including improved back-up solutions for critical IT-related processes, the risk of production disruptions is considered to have been reduced.

Legal proceedings

Chr. Hansen is from time to time party to legal proceedings arising in the ordinary course of its business. In recent years Chr. Hansen has been defendant in several diacetyl-related lawsuits.

Developments in 2013/14

- Chr. Hansen is still defendant in a few diacetyl-related lawsuits. Chr. Hansen has insurance cover for losses from current diacetyl claims brought against the Company in respect of the period during which products containing diacetyl were produced. The risk related to diacetyl-related lawsuits and other legal proceedings is considered to be unchanged. Please refer to note 3.8 to the Consolidated Financial Statements for further information on legal proceedings.

Key operational risks (II)

Please refer to the Annual Report 2013/14 and relevant notes for more information on Chr. Hansen's known key risks

Human capital

Human knowledge is critical to Chr. Hansen's business, and there is a strong focus on continuously building and expanding the knowledge base by actively developing employees' key skills. The Company employs a large number of scientists and other experts in their fields. Developing their skills and knowledge is an important part of building competencies globally. It is, however, equally essential to integrate these highly qualified employees into the day-to-day business and help them become better at converting their expertise into business value.

Developments in 2013/14

- The average number of training days per employee was 3.1 in 2013/14, a small increase compared to 2012/13. The biennial employee satisfaction survey was conducted in 2013/14. The overall satisfaction and motivation score decreased slightly from 75 in 2011/12 to 74, but is still above the industry benchmark of 65. Employee turnover was 11%, of which 6 percentage points were voluntarily, and this is considered to be an acceptable level. The risk related to attracting and retaining the best employees and new talents is considered to be unchanged.

Health & safety

Chr. Hansen is committed to continuously improving both the physical and psychological workplace so that employees experience a safe working environment. The Company has implemented several initiatives to underline the importance of a safe working environment. Monitoring and follow-up of incidents have been strengthened from departmental level to the Executive Board. All major production sites have implemented or are in the process of implementing measures to increase awareness of safe behavior and of the importance of assuming responsibility for both one's own safety and the safety of others.

Developments in 2013/14

- The lost-time incident frequency decreased from 8 per million working hours in 2012/13 to 4 in 2013/14. The decrease is a direct effect of the behavior-based safety program, under which more than 60% of Chr. Hansen's employees have now been trained. Absence per incident increased from 15 to 20 days, which underlines the importance of continued efforts to ensure a safe working environment. With these continued efforts to train employees in behavior-based safety, the risk of health & safety incidents is considered to have been reduced.

Geopolitical, tax and financial risk

Please refer to the Annual Report 2013/14 and relevant notes for more information on Chr. Hansen's known key risks

Geopolitics

Chr. Hansen is a global company with a vision to improve food and health around the world. With offices in 30 countries and sales to more than 140 countries, Chr. Hansen is from time to time affected by geopolitical uncertainties and unrest. As a supplier of ingredients mainly to the food industry, Chr. Hansen is rarely directly affected by trade restrictions. In those instances where the Company's products are or will be affected by sanctions, Chr. Hansen acts in full compliance with these sanctions.

Developments in 2013/14

- Geopolitical tensions have increased in 2014, and trade restrictions have affected trade, especially between the EU and Russia. While Chr. Hansen has not yet been directly impacted by these restrictions, such barriers to international trade may have a negative effect on the Company's opportunities for further organic growth.

Taxes and transfer pricing

Chr. Hansen is a global business that operates in multiple jurisdictions with different tax rules and regulations. It is the Company's intention always to fulfill the tax requirements in all countries where business is conducted. Chr. Hansen constantly works on creating tax awareness in the organization and has defined clear roles and responsibilities between line management, local finance and the Group Tax function. However, tax and transfer pricing disputes do arise from time to time as cross-border transactions receive increasing attention from local tax authorities. Group Tax ensures compliance with the Group's tax position. In cooperation with tax advisors, requests from local tax authorities are met, and a positive dialogue with local tax authorities is pursued in order to prevent disputes.

Developments in 2013/14

- An advance pricing agreement between the Danish and US tax authorities was concluded during the year covering intercompany transactions related to goods and services for a five-year period. At this point the Company does not actively promote negotiations to reach similar agreements with the tax authorities in other countries. The risk related to taxes and transfer pricing is considered to have been reduced during the year. Please refer to note 2.8 to the Consolidated Financial Statements for further information on taxes.

Financial risk

As an international business, Chr. Hansen is exposed to a number of financial risks relating to currency and interest rate fluctuations, funding, liquidity, credit and counterparty risks. Please refer to note 4.2 to the Consolidated Financial Statements for further information on these risks.

Definitions

Organic growth

Adjusted organic revenue growth is calculated based on the reported International Financial Reporting Standards revenue adjusted for sales reductions (such as commissions and sales discounts), further adjusted for acquisitions and divestitures in order to standardize year-on-year comparisons and measured in local currency

Special items

Special items comprise material amounts that cannot be attributed to recurring operations, such as income and expenses related to divestment, closure or restructuring of subsidiaries and business lines from the time the decision is made. Also classified as special items are, if major, gains and losses on disposal of subsidiaries not qualifying for recognition as discontinued operations in the income statement. Material nonrecurring income and expenses that originate from projects related to the strategy for the development of the Group and process optimizations are classified as special items

EBIT (Earnings before interest & taxes)

EBIT is calculated as profit for the period before financial income and expenses and corporate income taxes. EBIT also excludes income and expenses from discontinued operations

Free cash flow

Free cash flow is a measure of financial performance calculated as operating cash flow less net capital expenditures

Invested capital

Invested capital is calculated as intangible assets, property, plant and equipment, trade receivables and inventories less trade payables

ROIC (return on invested capital) excluding goodwill

Operating profit as a percentage of average invested capital excluding goodwill

Share details

Share Data

Number of shares of DKK 10 (30 Nov 2014)	134,499,976
<i>Cancellation of shares (8 Jan 2015)</i>	<i>2,647,480</i>
Number of shares of DKK 10 (31 May 2015)	131,852,496
Own shares (31 May 2015)	1,192,042
Classes of shares	1
Voting & Ownership restrictions	None

NASDAQ Copenhagen

ISIN code	DK0060227585
Ticker symbol	CHR
Sector	Health Care

OTC ADR program (BNY Mellon)

DR Symbol	CHYHY
CUSIP	12545M207
DR ISIN	US12545M2070
Ratio	DR:ORD 2:1
Effective Date	Jan 27, 2014
Industry	General Industrials

Financial Calendar 2014/15

21 October 2015 Annual Report 2014/15

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