



CHR HANSEN

Improving food & health

Company announcement no. 28 /2014

2 July 2014

Interim Report 2013/14

1 September 2013 – 31 May 2014

“With organic growth of 10% and solid margins in Q3, Chr. Hansen continued the strong performance from Q2, and we maintain our outlook for the full year, expecting organic revenue growth of 7-9% and an EBIT margin before special items above 26%,” says CEO Cees de Jong. “Implementation of our Nature’s No. 1 strategy remains a key focus area. It’s encouraging to see the successful implementation of our new fermentation capacity for cultures in Copenhagen and the progress in our other strategic initiatives such as the strengthening of our position in emerging markets and creating fuel for growth through strong cost focus and scalability”.

HIGHLIGHTS YTD 2013/14

- Revenue EUR 551 million, compared to EUR 545 million in the first nine months of 2012/13, corresponding to organic growth of 7%. Revenue negatively impacted by exchange rate effects, primarily related to BRL, USD and AUD
- Operating expenses EUR 142 million, compared to EUR 146 million in the first nine months of 2012/13. Last year’s operating expenses were impacted by impairment charges of EUR 8 million. Before impairments, expenses increased by 2%
- EBIT before special items and impairments EUR 143 million, compared to EUR 141 million last year. EBIT margin before special items and impairments of 26.0%, compared to 25.9% last year. Negative impact of 1.1 percentage points from lower level of capitalization of development costs
- Special items (expenses) EUR 5 million related to optimization of the organization and business processes
- EBIT EUR 139 million, compared to EUR 133 million in the first nine months of 2012/13. EBIT margin 25.1% compared to 24.4% last year
- Income taxes EUR 35 million, equivalent to an effective tax rate of 27%, unchanged from the first nine months of 2012/13
- Profit for the period EUR 94 million, compared to EUR 88 million in the first nine months of 2012/13. Diluted earnings per share EUR 0.70, compared to EUR 0.66 last year
- Capital expenditures EUR 41 million, or 7.4% of revenue, compared to EUR 47 million, or 8.6%, in the first nine months of 2012/13
- Incurred research & development expenditures EUR 36 million, or 6.6% of revenue, up from 6.5% in the first nine months of 2012/13
- Net working capital EUR 154 million, or 20.8% of revenue, compared to EUR 138 million, or 19.3% in the first nine months of 2012/13. Net working capital negatively impacted by higher receivables at end of Q3 and higher inventories to support the implementation of new production capacity for cultures
- Free cash flow EUR 42 million, compared to EUR 52 million in the first nine months of 2012/13
- Net interest-bearing debt EUR 439 million, or 1.7x EBITDA, unchanged compared to 31 May 2013
- **Q3 2013/14 results:** Revenue EUR 198 million, up 3% on last year. Organic growth 10%. EBIT margin before special items 27.8%, compared to 27.6% last year. Free cash flow EUR 41 million, compared to EUR 46 million last year.

OUTLOOK FOR 2013/14

The outlook for 2013/14 is unchanged from the announcement of 9 April 2014.

Organic revenue growth	7-9%
Research & development expenditures incurred (% of revenue)	toward 7%
Negative impact on EBIT margin from increased research & development activity and lower level of capitalization	1-1.5%-points
EBIT margin before special items	above 26%
Special items (cost)	EUR 8-10 million
Free cash flow before acquisitions and divestments	around EUR 110 million

FINANCIAL HIGHLIGHTS AND KEY RATIOS

This unaudited interim report has been prepared in accordance with IAS 34 as well as in accordance with additional Danish regulations. The interim report has been prepared in accordance with the accounting policies set out in the Annual Report for 2012/13.

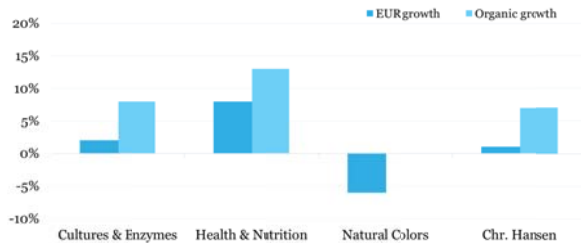
EUR million	Q3 2013/14	Q3 2012/13	Growth	YTD 2013/14	YTD 2012/13	Growth
Income statement						
Revenue	198.1	191.6	3.4%	550.9	544.5	1.2%
Gross profit	100.0	97.1	3.0%	284.8	279.2	2.0%
EBITDA	67.8	65.2	4.1%	181.5	176.9	2.6%
EBIT before special items	55.0	52.8	4.2%	143.2	133.0	7.6%
EBIT	54.3	52.8	2.9%	138.5	133.0	4.1%
Profit for the period	37.4	35.5	5.5%	93.7	88.3	6.1%
Financial position						
Total assets	1,358.3	1,353.3	0.4%	1,358.3	1,353.3	0.4%
Equity excl. non-controlling interests	641.3	647.5	-1.0%	641.3	647.5	-1.0%
Net working capital	154.0	137.8	11.8%	154.0	137.8	11.8%
Net interest-bearing debt	438.5	407.3	7.7%	438.5	407.3	7.7%
Cash flow						
Cash flow from operating activities	54.7	62.3	-12.2%	82.3	98.6	-16.6%
Cash flow used for investing activities	(14.2)	(16.6)	-14.5%	(40.5)	(46.9)	-13.6%
Free cash flow	40.5	45.7	-11.3%	41.8	51.7	-19.2%
Earnings per share						
EPS, diluted	0.28	0.26		0.70	0.66	
Key figures						
Organic growth, %	10	7		7	6	
Organic growth excl. carmine price effect, %	11	8		8	9	
Gross margin, %	50.5	50.7		51.7	51.3	
EBITDA margin, %	34.2	34.0		33.0	32.5	
EBIT margin before special items, %	27.8	27.6		26.0	24.4	
EBIT margin, %	27.4	27.6		25.1	24.4	
ROIC excl. goodwill, %	35.8	35.8		32.1	31.0	
R&D, %	5.9	6.2		6.6	6.5	
Capital expenditure, %	7.2	8.7		7.4	8.6	
NWC, %	20.7	18.9		20.7	18.9	
Net debt to EBITDA				1.7x	1.7x	

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

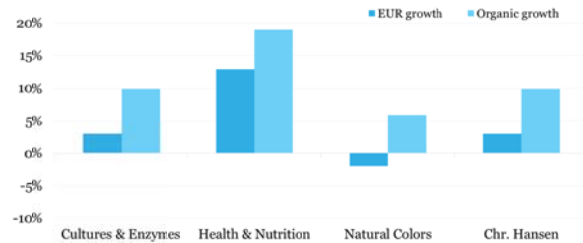
MANAGEMENT'S REVIEW

REVENUE GROWTH BY DIVISION

YTD 2013/14



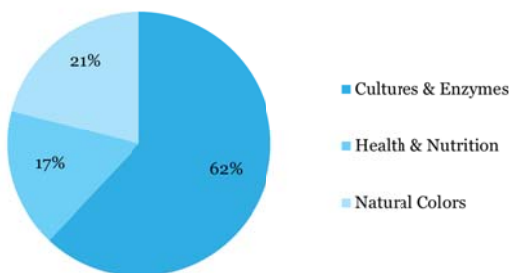
Q3 2013/14



REVENUE BY DIVISION

Revenue amounted to EUR 551 million, compared to EUR 545 million in the first nine months of 2012/13. Organic growth amounted to 7%. Revenue was negatively affected by exchange rate effects, primarily related to BRL, USD and AUD. In Q3, revenue amounted to EUR 198 million, corresponding to organic growth of 10%.

Revenue split by division (YTD 2013/14)



Cultures & Enzymes Division

(62% of revenue, compared to 61% YTD 2012/13)

Revenue increased by 2% to EUR 340 million, corresponding to organic growth of 8%. Cultures for fermented milk and meat showed strong growth, while cheese cultures and enzymes realized solid growth. Revenue from probiotic cultures declined.

In Q3, revenue amounted to EUR 118 million, corresponding to organic growth of 10%. The organic growth was due mainly to strong growth in cultures for fermented milk, meat and enzymes. Cheese cultures realized solid growth, while probiotic cultures delivered modest growth.

Health & Nutrition Division

(17% of revenue, compared to 16% YTD 2012/13)

Revenue increased by 8% to EUR 94 million, corresponding to organic growth of 13%. Both human and animal health products delivered strong organic growth.

In Q3, revenue amounted to EUR 36 million, corresponding to organic growth of 19%. The organic growth was due mainly to strong growth in human health products, particularly dietary supplements. Animal health also delivered strong organic growth across the product range.

Natural Colors Division

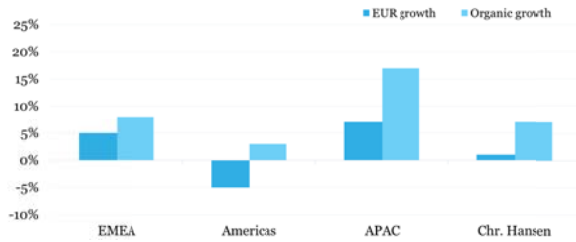
(21% of revenue, compared to 23% YTD 2012/13)

Revenue decreased by 6% to EUR 118 million, corresponding to organic growth of 2% excluding carmine price effect (0% including carmine price effect). The loss of a customer in Q4 2012/13, which affected organic growth negatively by 8 percentage points, was offset by solid organic growth in the remaining business.

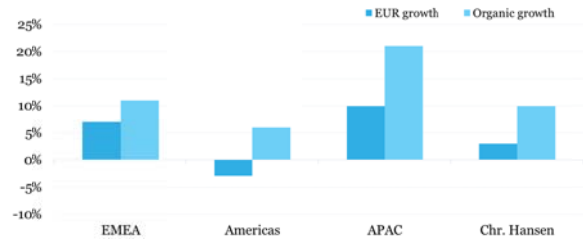
In Q3, revenue amounted to EUR 44 million, corresponding to organic growth of 6%. The customer loss which affected organic growth negatively by 8 percentage points was offset by strong growth in the remaining business, mainly within FruitMax® (coloring foodstuff) and carmine products.

REVENUE GROWTH BY REGION

YTD 2013/14

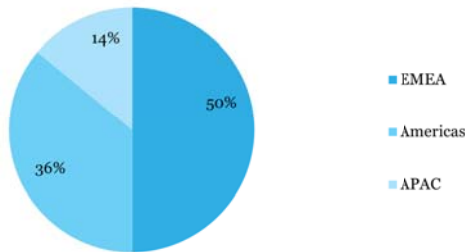


Q3 2013/14



REVENUE BY REGION

Revenue split by region (YTD 2013/14)



EMEA (Europe, Middle East and Africa)

(50% of revenue, compared to 49% YTD 2012/13)

Revenue increased by 5%, with organic growth of 8%. The organic growth was driven by strong growth in cultures for fermented milk, cheese and meat as well as dietary supplements. Natural colors and enzymes delivered solid growth, while revenue from probiotic cultures for fermented milk was lower than in the first nine months of 2012/13.

In Q3, revenue amounted to EUR 101 million, corresponding to organic growth of 11%. The organic growth was due mainly to strong growth in cultures for fermented milk, cheese and meat as well as natural colors. Revenue from probiotic cultures for fermented milk and animal health products was lower than in Q3 2012/13.

Americas (North and South America)

(36% of revenue, compared to 38% YTD 2012/13)

Revenue decreased by 5%, with organic growth of 3%. The loss of a color customer in South America in Q4 2012/13 affected growth negatively by approximately 5 percentage points. Animal health products, cultures for fermented

milk and meat as well as enzymes showed strong growth, while cultures for cheese realized modest growth. Revenue from probiotic cultures for fermented milk and human health products was lower than in the first nine months of 2012/13.

In Q3, revenue amounted to EUR 68 million, corresponding to organic growth of 6%. The organic growth was due mainly to strong growth in cultures for fermented milk and animal and human health products as well as enzymes. Cultures for cheese and probiotic cultures for fermented milk were lower than in Q3 2012/13. The loss of a customer within natural colors affected growth negatively by approximately 5 percentage points, while the remaining natural color business showed solid growth.

APAC (Asia-Pacific)

(14% of revenue, compared to 13% YTD 2012/13)

Revenue increased by 7%, with organic growth of 17%. The organic growth was driven primarily by very strong growth in human health products. Cultures for fermented milk including probiotics delivered strong growth, while cultures for cheese and natural colors realized good growth.

In Q3, revenue amounted to EUR 29 million, corresponding to organic growth of 21%. The organic growth was due mainly to very strong growth in human health products. Cultures for cheese and fermented milk, including probiotics, as well as natural colors realized strong growth.

GROSS PROFIT

Gross profit was EUR 285 million, up 2% on the first nine months of 2012/13. The gross margin increased by 0.4 percentage point to 51.7%, driven by improvements in the Cultures & Enzymes Division and the Natural Colors Division as well as a more favorable business mix.

OPERATING EXPENSES

Expenses totaled EUR 142 million, compared to EUR 146 million in the first nine months of 2012/13, with last year impacted by impairment charges of EUR 8 million. Adjusted for impairments, expenses increased by 2%. Increased research & development activity and a lower level of capitalization were offset by strong cost focus and scalability effects.

Research & development expenses including amortization but before impairments increased by 26% to EUR 33 million, or 5.9% of revenue, compared to EUR 26 million, or 4.8%, in the first nine months of 2012/13.

EUR million	YTD 2013/14	YTD 2012/13
R&D expenses	33.0	34.2
- Amortization	4.1	3.2
- Impairment	0.2	8.1
+ Capitalization	7.6	12.3
R&D expenditures incurred	36.3	35.2

Capitalized development costs were EUR 8 million, down EUR 4 million on the first nine months of 2012/13, primarily as a result of the changed assessment of development costs.

Total research & development expenditures incurred amounted to EUR 36 million, or 6.6% of revenue, compared to EUR 35 million, or 6.5% of revenue in the first nine months of 2012/13.

In Q3, total research & development expenditures incurred amounted to EUR 12 million, or 5.9% of revenue, compared to 6.2% last year.

Sales & marketing expenses amounted to EUR 70 million, or 12.8% of revenue, compared to EUR 72 million, or 13.2% in the first nine months of 2012/13.

Administrative expenses amounted to EUR 40 million, or 7.2% of revenue, compared to EUR 42 million, or 7.8%, in the first nine months of 2012/13.

SPECIAL ITEMS

Special items at a cost of EUR 5 million in the first nine months of 2013/14 related mainly to optimization of the organization and business processes.

OPERATING PROFIT (EBIT)

EBIT before special items and impairments was EUR 143 million, compared to EUR 141 million last year.

The EBIT margin before special items and impairments was 26.0%, compared to 25.9% in the first nine months of 2012/13. A very high utilization of production capacity in the Cultures & Enzymes Division and a more favorable business mix were offset by a negative impact of 1.1 percentage points from the lower level of capitalization of development costs.

EBIT amounted to EUR 139 million, compared to EUR 133 million in the first nine months of 2012/13. The EBIT margin was 25.1% compared to 24.4% last year.

In Q3, EBIT before special items amounted to EUR 55 million, compared to EUR 53 million last year.

In Q3 the EBIT margin before special items was 27.8%, compared to 27.6% last year, despite a negative impact of 0.7 percentage point from research & development costs. The increase was due mainly to higher sales volume in the Health & Nutrition Division, strong cost control and a more favorable business mix.

NET FINANCIALS AND TAX

Net financial expenses amounted to EUR 10 million, compared to EUR 12 million in the first nine months of 2012/13. Net interest expenses were EUR 9 million, unchanged from the first nine months of 2012/13. The net impact from exchange rate adjustments was a negative EUR 1 million, compared to a negative EUR 3 million in the first nine months of 2012/13.

In Q3, net interest expenses were EUR 3 million, unchanged from the first nine months of 2012/13. Net

impact from exchange rate adjustments was zero, compared to a negative EUR 1 million in 2012/13.

Income taxes amounted to EUR 35 million, equivalent to an effective tax rate of 27%, unchanged from the first nine months of 2012/13.

PROFIT FOR THE PERIOD

Profit for the period increased to EUR 94 million from EUR 88 million in the first nine months of 2012/13.

ASSETS

At 31 May 2014, total assets amounted to EUR 1,358 million, compared to EUR 1,353 million a year earlier.

Total non-current assets were in line with last year at EUR 1,079 million. Intangible assets declined by EUR 17 million, due mainly to exchange rate revaluations. Property, plant and equipment increased by EUR 18 million, driven by the expansion of fermentation capacity for cultures in Copenhagen and freeze-drying capacity in Roskilde in the Health & Nutrition Division.

Total current assets amounted to EUR 279 million, compared to EUR 275 million in the first nine months of 2012/13. Inventories increased by EUR 8 million, or 9%, while receivables increased by EUR 9 million, or 7%. Cash and cash equivalents decreased by EUR 13 million to EUR 47 million.

Net working capital was EUR 154 million, or 20.7% of revenue, compared to EUR 138 million, or 18.9%, in the first nine months of 2012/13, driven by inventory increases in the Cultures & Enzymes Division, in preparation for the capacity expansion project in Copenhagen, and in the Health & Nutrition Division.

EQUITY

Total equity excluding non-controlling interests amounted to EUR 641 million at 31 May 2014, compared to EUR 648 million a year earlier.

Dividends for the financial year 2012/13 totaling EUR 112 million were paid out in Q2 2013/14.

NET DEBT

Net interest-bearing debt was EUR 439 million, or 1.7x EBITDA, unchanged compared to 31 May 2013.

RETURN ON INVESTED CAPITAL (ROIC) EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 32.1%, compared to 31.0% in the first nine months of 2012/13. Invested capital excluding goodwill increased to EUR 618 million, compared to EUR 591 million last year.

CASH FLOW

Cash flow from operating activities was EUR 82 million, down from EUR 99 million in the first nine months of 2012/13 due to changes in net working capital and special items.

Cash flow used for investing activities was EUR 41 million, compared to EUR 47 million in the first nine months of 2012/13. Major investments in the first nine months of 2013/14 included investments in fermentation and warehousing in Denmark, packaging capacity for frozen cultures in the US and freeze-drying capacity for human health products.

Total capital expenditures corresponded to 7.4% of revenue, compared to 8.6% in the first nine months of 2012/13. Development costs of EUR 8 million, or 1.4% of revenue, were capitalized during the period, compared to EUR 12 million, or 2.3% of revenue, in the first nine months of 2012/13.

Free cash flow was EUR 42 million, compared to EUR 52 million in the first nine months of 2012/13.

In Q3, cash flow from operating activities was EUR 55 million, down from EUR 62 million in 2012/13 due to changes in net working capital.

In Q3, cash flow used for investing activities was EUR 14 million, compared to EUR 17 million in 2012/13. Major investments in Q3 included fermentation, warehousing and freeze-drying capacity for cultures as well as improved cost-in-use solutions and the FruitMax® platform for natural colors. Total capital expenditures corresponded to 7.2% of revenue, down from 8.7% in 2012/13.

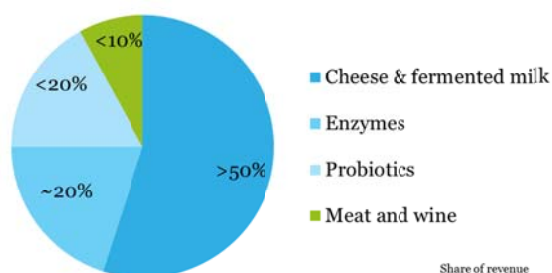
In Q3, free cash flow was EUR 41 million, compared to EUR 46 million in 2012/13.

Segment information

CULTURES & ENZYMES DIVISION

EUR million	Q3 2013/14	Q3 2012/13	YTD 2013/14	YTD 2012/13
Revenue	118.3	115.1	339.8	332.7
Organic growth	10%	7%	8%	8%
EBITDA	43.7	44.0	126.1	123.1
EBITDA margin	37.0%	38.2%	37.1%	37.0%
EBIT	34.5	34.9	97.9	92.3
EBIT margin	29.1%	30.3%	28.8%	27.8%
EBIT margin before impairments			28.8%	29.1%
ROIC excluding goodwill			32.0%	31.7%

REVENUE



Revenue increased by 2% to EUR 340 million, corresponding to organic growth of 8%. Cultures for fermented milk and meat showed strong growth while cheese cultures and enzymes realized solid growth.

Revenue from probiotic cultures was lower than last year as the decline in the EMEA and Americas regions was only partly offset by strong growth in the APAC region.

In Q3, revenue amounted to EUR 118 million, corresponding to organic growth of 10%. Cultures for fermented milk, meat and enzymes showed strong growth, while cheese cultures realized solid growth.

Probiotic cultures showed modest organic growth in Q3. Solid growth was realized in APAC, while EMEA and Americas experienced a decline.

EBIT

EBIT amounted to EUR 98 million, up 6% on the first nine months of 2012/13, with last year negatively affected by impairments of EUR 4 million.

The EBIT margin before impairments was 28.8%, down 0.3 percentage point on the first nine months of 2012/13, due mainly to the negative impact of 0.8 percentage point from the lower level of capitalized development costs.

In Q3, EBIT amounted to EUR 35 million, unchanged from last year. The EBIT margin decreased to 29.1% from 30.3% in 2012/13, due mainly to a negative impact from changes in inventories.

ROIC EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 32.0%, compared to 31.7% in the first nine months of 2012/13. Invested capital excluding goodwill increased by EUR 25 million, or 6%, to EUR 425 million.

UPDATE ON 2013/14 PRIORITIES

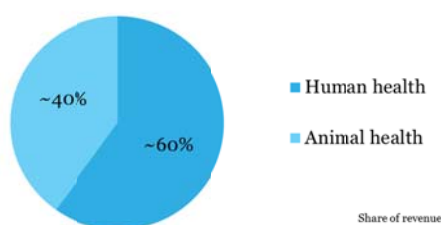
The expansion of fermentation capacity at the Copenhagen facility has been completed and commercial production will commence in Q4.

Segment information

HEALTH & NUTRITION DIVISION

EUR million	Q3 2013/14	Q3 2012/13	YTD 2013/14	YTD 2012/13
Revenue	36.2	32.1	93.7	86.6
Organic growth	19%	11%	13%	12%
EBITDA	16.1	14.0	35.4	35.2
EBITDA margin	44.4%	43.6%	37.8%	40.7%
EBIT	14.0	12.0	29.2	25.8
EBIT margin	38.6%	37.4%	31.2%	29.8%
EBIT margin before impairments			31.4%	34.2%
ROIC excluding goodwill			37.5%	32.8%

REVENUE



Revenue increased by 8% to EUR 94 million, corresponding to organic growth of 13%. Both human and animal health products delivered solid organic growth.

In Q3, revenue amounted to EUR 36 million, corresponding to organic growth of 19%. The organic growth was due mainly to strong growth in human health products, particularly dietary supplements. Animal health also delivered strong organic growth across the product range.

EBIT

EBIT amounted to EUR 29 million, up from EUR 26 million in the first nine months of 2012/13, with last year negatively affected by impairments of EUR 4 million. EBIT was negatively impacted by a lower level of capitalization of development costs, investments in strategic initiatives and exchange rate effects.

The EBIT margin before impairments was 31.4%, down from 34.2% in the first nine months of 2012/13 due to the lower level of capitalization of development costs and investments in strategic initiatives.

In Q3, EBIT amounted to EUR 14 million, compared to EUR 12 million last year. The EBIT margin was 38.6% compared to 37.4% last year, despite the negative impact of 2.2 percentage points from research & development. The margin increase was due mainly to higher sales volume.

ROIC EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 37.5%, compared to 32.8% in the first nine months of 2012/13. Invested capital excluding goodwill decreased by EUR 6 million, or 6%, to EUR 102 million, due mainly to lower intangible assets.

UPDATE ON 2013/14 PRIORITIES

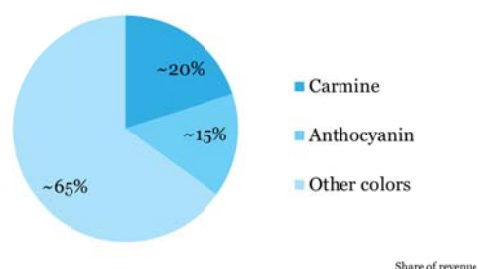
Chr. Hansen continues, in collaboration with FMC Corporation, to work on developing new solutions for crop protection. During Q3, several field trials were conducted and screening of new bacteria continued.

Segment information

NATURAL COLORS DIVISION

EUR million	Q3 2013/14	Q3 2012/13	YTD 2013/14	YTD 2012/13
Revenue	43.6	44.4	117.5	125.2
Organic growth	6%	4%	0%	(2%)
Organic growth excl. carmine price effect	7%	12%	2%	7%
EBITDA	8.0	7.2	20.0	18.5
EBITDA margin	18.4%	16.1%	17.0%	14.8%
EBIT	6.6	5.9	16.0	14.9
EBIT margin	15.2%	13.4%	13.6%	11.9%
ROIC			26.1%	25.5%

REVENUE



Revenue decreased by 6% to EUR 118 million, corresponding to organic growth of 2% excluding carmine price effect (0% including carmine price effect). Loss of a customer in South America in Q4 2012/13 affected organic growth negatively by 8 percentage points.

EMEA delivered solid growth, while APAC showed good growth despite sales in China still being below ambition. Revenue in Americas declined due to the impact from the lost customer and slow conversion in the US.

In Q3, revenue amounted to EUR 44 million corresponding to organic growth of 6%. The customer loss which affected organic growth negatively by 8 percentage points was offset by strong growth in the remaining business, particularly within FruitMax®, CapColors® and betacarotene products. The growth was also positively impacted by timing of orders.

EMEA delivered strong growth, mainly within FruitMax®. APAC delivered solid growth with sales in China slowly improving, while Americas remained negatively impacted by the customer loss.

EBIT

EBIT amounted to EUR 16 million, up from EUR 15 million in the first nine months of 2012/13. The EBIT margin was 13.6%, up from 11.9% last year, due mainly to a strong cost focus.

In Q3, EBIT amounted to EUR 7 million, up 12% on last year. The EBIT margin was 15.2%, compared to 13.4% in Q3 2012/13.

ROIC

The return on invested capital was 26.1%, compared to 25.5% in the first nine months of 2012/13. Invested capital increased by EUR 8 million, or 10%, to EUR 90 million due mainly to investments in improved cost-in-use solutions and the FruitMax® platform.

UPDATE ON 2013/14 PRIORITIES

In March 2014 a new application expertise center was inaugurated in China to support the process of developing a dedicated Asian product range as well as to secure a stronger and more direct relationship with key customers in Asia.

OUTLOOK FOR 2013/14

The outlook for 2013/14 remains unchanged from the announcement on 9 April 2014.

Organic revenue growth is expected to be 7-9%.

Research & development expenditures incurred as a percentage of revenue are expected to move toward 7% of revenue from 6.1% in 2012/13. Chr. Hansen has reassessed the capitalization of development expenditures. Based on this reassessment a higher proportion of development expenditures is expected to be expensed in 2013/14. The increased research & development activity and lower level of capitalization are estimated to reduce the EBIT margin by 1-1.5 percentage points.

The EBIT margin before special items is expected to be above 26%.

Special items amounting to a cost of EUR 8-10 million related to optimization of organization, production footprint and business processes are expected in 2013/14.

Special items are expected to impact free cash flow negatively. Including this effect, free cash flow before acquisitions and divestments is expected to be around EUR 110 million.

EXCHANGE RATE SENSITIVITY

Chr. Hansen is a global company serving more than 130 countries through own companies in 30 countries. Key exchange rate exposure relates to the USD and USD-related currencies (incl. CNY), which account for more than 25% of revenue. Other key currencies are BRL, RUB, AUD, PLN, MXN, ARS and GBP, each below 5% of revenue.

Due to a significant production set up in the US and the effect of EUR-based pricing in certain countries, the exchange rate impact on EBIT is significantly lower than on revenue.

Based on exchange rate levels at the beginning of July 2014, revenue for 2013/14 would be impacted negatively by approximately 5% compared to last year, while the impact on EBIT would be modest.

The use of currency hedging of balance sheet exposures and future cash flows is described in the Annual Report 2012/13 note 29, page 73.

STATUS OF SHARE BUY-BACK PROGRAM

On 15 January the Board of Directors decided to initiate a share buy-back program of up to EUR 80 million. The purpose of the share buy-back program is to adjust the capital structure by distributing excess capital to the shareholders.

In the period 15 January – 31 May 2014 a total of 1,570,893 shares have been acquired under the program at a total transaction value of EUR 47 million. At 31 May 2014 Chr. Hansen owned a total of 2,965,228 shares, corresponding to 2.2% of the share capital.

Statement of the Board of Directors and Executive Board

Today, the Board of Directors and Executive Board considered and approved the interim report for Chr. Hansen Holding A/S for the period 1 September 2013 to 31 May 2014. 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 as well as in accordance with 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 2012/13.

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 2014 and of the results of the Group's operations and cash flow for the period 1 September 2013 to 31 May 2014.

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, 2 July 2014

EXECUTIVE BOARD:

Cees de Jong
President and CEO

Klaus Pedersen
CFO

Knud Vindfeldt
Executive Vice President

BOARD OF DIRECTORS:

Ole Andersen
Chairman

Henrik Poulsen
Vice Chairman

Frédéric Stévenin

Mark A. Wilson

Søren Carlsen

Dominique Reiniche

Svend Laulund

Per Poulsen

Mads Bennedsen

ADDITIONAL INFORMATION

Conference call

Chr. Hansen will host a conference call on 2 July 2014 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:

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Financial calendar 2013/14

22 October 2014	Annual Report 2013/14
27 November 2014	Annual General Meeting

Company information

Chr. Hansen Holding A/S

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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.

Governing text

The report has been prepared in English and Danish. The Danish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.

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 2012/13 financial year was EUR 738 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 2013/14	Q3 2012/13	YTD 2013/14	YTD 2012/13
Revenue	198.1	191.6	550.9	544.5
Cost of sales	(98.1)	(94.5)	(266.1)	(265.3)
Gross profit	100.0	97.1	284.8	279.2
Research and development expenses	(10.5)	(8.8)	(33.0)	(34.2)
Sales and marketing expenses	(23.4)	(24.3)	(70.4)	(71.8)
Administrative expenses	(12.1)	(12.9)	(39.9)	(42.2)
Other operating income	1.2	1.7	1.9	2.5
Other operating expenses	(0.1)	-	(0.2)	(0.5)
Operating profit before special items	55.0	52.8	143.2	133.0
Special items	(0.7)	-	(4.7)	-
Operating profit (EBIT)	54.3	52.8	138.5	133.0
Net financial expenses	(3.2)	(4.3)	(10.2)	(12.1)
Profit before tax	51.1	48.5	128.2	120.9
Income taxes	(13.7)	(13.0)	(34.6)	(32.6)
Profit for the period	37.4	35.5	93.7	88.3
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	37.4	34.9	93.7	86.9
Non-controlling interests	-	0.6	-	1.4
	37.4	35.5	93.7	88.3
Earnings per share, EUR:				
Earnings per share, continuing operations	0.28	0.26	0.70	0.66
Earnings per share, continuing operations, diluted	0.28	0.26	0.70	0.66

Statement of comprehensive income

EUR million	Q3 2013/14	Q3 2012/13	YTD 2013/14	YTD 2012/13
Profit for the period	37.4	35.5	93.7	88.3
Currency translation of foreign Group companies	4.1	(3.0)	(3.9)	(7.1)
Cash flow hedges	0.3	0.5	0.8	2.0
Tax related to cash flow hedges	(0.1)	(0.1)	(0.2)	(0.5)
Other comprehensive income for the period	4.3	(2.6)	(3.3)	(5.6)
Total comprehensive income for the period	41.7	32.9	90.4	82.7
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	41.7	32.5	90.4	81.7
Non-controlling interests	-	0.4	-	1.0
	41.7	32.9	90.4	82.7

Balance sheet

EUR million	31 May 2014	31 May 2013	31 Aug 2013
Non-current assets			
Intangible assets			
Goodwill	606.0	615.5	609.4
Other intangible assets	140.2	152.4	150.0
Intangible assets in progress	36.9	32.6	32.8
	783.1	800.5	792.2
Property, plant and equipment			
Land and buildings	124.2	125.0	125.2
Plant and machinery	85.3	86.1	89.6
Other fixtures and equipment	11.4	10.3	9.9
Property, plant and equipment in progress	65.9	47.0	55.4
	286.8	268.4	280.1
Other non-current assets			
Deferred tax	9.2	9.1	9.1
	9.2	9.1	9.1
Total non-current assets	1,079.1	1,078.0	1,081.4
Current assets			
Inventories			
Raw materials and consumables	16.8	15.7	17.6
Work in progress	38.8	33.3	32.3
Finished goods and goods for resale	44.7	42.9	37.7
	100.3	91.9	87.6
Receivables			
Trade receivables	114.3	98.2	98.4
Tax receivables	1.9	7.5	4.9
Other receivables	8.7	10.8	10.2
Prepayments	7.1	6.7	6.8
	132.0	123.2	120.3
Cash and cash equivalents	46.9	60.2	77.5
Total current assets	279.2	275.3	285.4
Total assets	1,358.3	1,353.3	1,366.8

Balance sheet

EUR million	31 May 2014	31 May 2013	31 Aug 2013
Equity			
Share capital	180.3	180.5	180.3
Reserves	461.0	467.0	500.7
Non-controlling interests	-	6.0	-
Total equity	641.3	653.5	681.0
Liabilities			
Non-current liabilities			
Employee benefit obligations	5.7	5.0	5.1
Deferred tax	66.3	73.4	61.5
Provisions	1.9	1.8	2.0
Borrowings	473.2	438.5	416.2
Tax payables	16.5	28.8	19.5
Other non-current debt	1.1	1.5	1.4
	564.7	549.0	505.7
Current liabilities			
Provisions	0.3	-	0.3
Borrowings	12.2	29.0	12.8
Prepayments from customers	1.1	0.6	1.9
Trade payables	60.6	52.3	78.2
Tax payables	17.6	12.2	32.8
Other payables	60.5	56.7	54.1
	152.3	150.8	180.1
Total liabilities	717.0	699.8	685.8
Total equity and liabilities	1,358.3	1,353.3	1,366.8

Statement of changes in equity

1 September 2013 - 31 May 2014

Shareholders of Chr. Hansen Holding A/S						
EUR million	Share capital	Currency translation	Cash flow hedges	Retained earnings	Non-controlling interests	Total
1 September 2013	180.3	(19.7)	(3.0)	523.4	-	681.0
Change in accounting policies	-	-	-	(0.4)	-	(0.4)
Total comprehensive income for the period, cf. statement of comprehensive income	-	(3.9)	0.6	93.7	-	90.4
Purchase of treasury shares	-	-	-	(46.8)	-	(46.8)
Exercised share options	-	-	-	26.3	-	26.3
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

1 September 2012 - 31 May 2013

Shareholders of Chr. Hansen Holding A/S						
EUR million	Share capital	Currency translation	Cash flow hedges	Retained earnings	Non-controlling interests	Total
1 September 2012	185.3	(2.5)	(5.6)	477.9	5.5	660.6
Total comprehensive income for the period, cf. statement of comprehensive income	(0.1)	6.9	1.5	73.4	1.0	82.7
Reduction of share capital	(4.7)	-	-	4.7	-	-
Purchase of treasury shares	-	-	-	(41.2)	-	(41.2)
Share-based payment	-	-	-	3.1	-	3.1
Dividend	-	-	-	(51.2)	(0.5)	(51.7)
31 May 2013	180.5	4.4	(4.1)	466.7	6.0	653.5

Statement of cash flows

EUR million	Q3 2013/14	Q3 2012/13	YTD 2013/14	YTD 2012/13
Operating profit	54.3	52.8	138.5	133.0
Non-cash adjustments	13.5	12.4	40.7	43.8
Change in working capital	(2.2)	5.9	(43.7)	(27.9)
Interest payments made	(1.8)	(2.5)	(7.9)	(8.3)
Taxes paid	(9.1)	(6.3)	(45.3)	(42.0)
Cash flow from operating activities	54.7	62.3	82.3	98.6
Investments in intangible assets	(3.3)	(5.7)	(10.3)	(15.6)
Investments in property, plant and equipment	(10.9)	(10.9)	(30.2)	(31.3)
Cash flow used for investing activities	(14.2)	(16.6)	(40.5)	(46.9)
Free cash flow	40.5	45.7	41.8	51.7
Borrowings	(0.6)	105.8	379.6	180.8
Repayment of long-term loans	(17.1)	(120.9)	(319.3)	(135.2)
Purchase of treasury shares	(31.8)	(5.7)	(45.6)	(43.6)
Exercise of options	-	-	26.3	-
Dividend paid	-	-	(111.6)	(51.2)
Non-controlling interests, dividends, etc.	-	-	(0.3)	(0.5)
Cash flow used for financing activities	(49.5)	(20.8)	(70.9)	(49.7)
Net cash flow for the period	(9.0)	24.9	(29.1)	2.0
Cash and cash equivalents at beginning of period	54.5	35.6	77.5	60.5
Unrealized exchange gains/(losses) included in cash and cash equivalents	1.3	(0.3)	(1.5)	(2.3)
Net cash flow for the period	(9.0)	24.9	(29.1)	2.0
Cash and cash equivalents at end of period	46.9	60.2	46.9	60.2

Segment information

EUR million	Q3 2013/14			
	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Income statement				
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 b.s.i.	34.5	14.0	6.6	55.0
EBIT margin b.s.i.	29.1%	38.6%	15.2%	27.8%

	YTD 2013/14			
	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Income statement				
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%	32.9%
Depreciation, amortization and impairment losses	(28.2)	(6.2)	(4.0)	(38.4)
EBIT b.s.i.	97.9	29.2	16.0	143.2
EBIT margin b.s.i.	28.8%	31.2%	13.6%	26.0%

Segment information

	Q3 2012/13			
Income statement	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
External revenue	115.1	32.1	44.4	191.6
EUR growth	6%	9%	2%	6%
Organic growth	7%	11%	4%	7%
EBITDA	44.0	14.0	7.2	65.2
EBITDA margin	38.2%	43.7%	16.1%	34.0%
Depreciation, amortization and impairment losses	(9.2)	(2.0)	(1.2)	(12.4)
EBIT b.s.i.	34.9	12.0	6.0	52.8
EBIT margin b.s.i.	30.3%	37.5%	13.4%	27.6%

	YTD 2012/13			
Income statement	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
External revenue	332.7	86.6	125.2	544.5
EUR growth	8%	13%	-4%	6%
Organic growth	8%	12%	-2%	6%
EBITDA	123.1	35.2	18.5	176.9
EBITDA margin	37.0%	40.7%	14.8%	32.5%
Depreciation, amortization and impairment losses	(30.7)	(9.5)	(3.6)	(43.9)
EBIT b.s.i.	92.3	25.7	14.9	133.0
EBIT margin b.s.i.	27.8%	29.7%	11.9%	24.4%

Segment information

EUR million	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%
Investment in non-current assets excluding deferred tax				
2013/14	31.3	4.0	5.2	40.5

	31 May 2013			
Assets	Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Goodwill	539.0	76.5	-	615.5
Other intangible assets	125.2	45.8	14.0	185.0
Intangible assets	664.2	122.3	14.0	800.5
Property, plant and equipment	196.3	37.9	34.2	268.4
Total non-current assets excl. deferred tax	860.5	160.2	48.2	1,068.9
Inventories	48.3	14.7	28.9	91.9
Trade receivables	59.5	17.2	21.5	98.2
Trade payables	(28.7)	(7.3)	(16.3)	(52.3)
Net working capital	79.1	24.6	34.1	137.8
Assets not allocated				94.3
Group assets				1,353.3
Invested capital excluding goodwill	400.6	108.3	82.3	591.2
ROIC, excl. goodwill	31.6%	32.8%	25.6%	31.0%
Investment in non-current assets excluding deferred tax				
2012/13	29.8	12.2	4.9	46.9

Segment information

Geographical allocation EUR million	Q3 2013/14	Q3 2012/13	YTD 2013/14	YTD 2012/13
Revenue				
Europe, Middle East and Africa	101.4	95.2	278.1	265.6
Americas	67.5	69.8	195.6	206.5
Asia-Pacific	29.2	26.6	77.2	72.4
Revenue, total	198.1	191.6	550.9	544.5
Non-current assets excl. deferred tax				
Europe, Middle East and Africa			898.0	889.1
Americas			158.4	165.0
Asia-Pacific			13.5	14.8
Non-current assets, total			1,069.9	1,068.9