

2015/16 YTD IN BRIEF

Strong organic revenue growth of 13% in the first half of 2015/16: Food Cultures & Enzymes (13%), Health & Nutrition (2%) and Natural Colors (22%). EBIT before special items increased by 23% to EUR 118 million. In Q2, organic growth reached 12%, and EBIT before special items increased by 22% to EUR 64 million. During the first half of 2015/16, Chr. Hansen was positively impacted by the strong USD, while the negative impact from inflation in certain countries was partly offset by the use of EUR-based pricing.

EUR million	Q2 2015/16	Q2 2014/15	Growth	YTD 2015/16	YTD 2014/15	Growth
Revenue	228.9	208.8	10%	443.3	396.9	12%
EBIT before special items	63.9	52.5	22%	117.9	96.0	23%
Profit for the period	37.4	35.5	6%	76.3	65.3	17%
Free cash flow*	32.5	41.6	-12%	15.9	11.2	42%
Organic growth	12%	12%		13%	11%	
Gross margin	52.7%	50.4%		52.5%	50.8%	
EBIT margin b.s.i.	27.9%	25.2%		26.6%	24.2%	
ROIC excl. goodwill	36.0%	32.6%		34.3%	30.6%	

* Before acquisitions, divestments and special items

"The results in the first half of 2015/16 were encouraging, with strong growth in Food Cultures & Enzymes and Natural Colors and strong improvements in the profitability for both divisions. The modest growth in Health & Nutrition was anticipated and we expect to see higher growth for the division in the second half of the year," says CEO Cees de Jong.

"During the second quarter we closed the acquisition of NPC, and we commenced the integration of the two companies to ensure we realize the strong potential of the combined business in the coming years.

"To support the Nature's No. 1 strategy and to secure future growth in our microbial businesses we have changed our organization by creating a shared backbone for Food Cultures & Enzymes (previously the Cultures & Enzymes Division) and Health & Nutrition covering research & development, production incl. logistics, and IT.

"Based on the results for the first half of the year we raise our expectations for organic revenue growth to 10-12% (previously 9-11%). The EBIT margin before special items is still expected to be above the 27.1% achieved in 2014/15."

OUTLOOK FOR 2015/16

The outlook for 2015/16 has been updated compared to the announcement of 14 January 2016.

	7 April 2016	14 January 2016
Organic revenue growth	10-12%	9-11%
Research & development expenditures incurred (% of revenue)	Around 7%	6.5-7.0%
EBIT margin before special items	above 2014/15	above 2014/15
Free cash flow before acquisitions, divestments and special items	above 2014/15	above 2014/15

FINANCIAL HIGHLIGHTS AND KEY FIGURES

This unaudited interim report has been prepared in accordance with IAS 34 and additional Danish regulations. The interim report has been prepared in accordance with the accounting policies set out in the Annual Report for 2014/15.

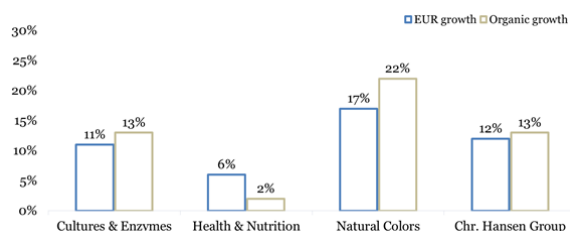
EUR million	Q2 2015/16	Q2 2014/15	Growth	YTD 2015/16	YTD 2014/15	Growth
Income statement						
Revenue	228.9	208.8	10%	443.3	396.9	12%
Gross profit	120.6	105.3	15%	232.7	201.6	15%
EBITDA before special items	76.8	66.1	16%	143.5	123.2	16%
EBIT before special items	63.9	52.5	22%	117.9	96.0	23%
Special items	(6.8)	-	-	(6.8)	-	-
EBIT	57.1	52.5	9%	111.1	96.0	16%
Profit for the period	37.4	35.5	6%	76.3	65.3	17%
Financial position						
Total assets				1,643.6	1,407.6	17%
Equity				606.3	655.7	-8%
Net working capital				178.1	171.6	4%
Net interest-bearing debt				714.6	477.4	50%
Cash flow						
Cash flow from operating activities	53.4	55.1	(3)%	54.6	39.0	40%
Cash flow used for op. investing activities	(23.6)	(13.5)	75%	(41.4)	(27.8)	49%
Acquisition of entities, net of cash acquired	(169.4)	-	-	(169.4)	-	-
Free cash flow	(139.6)	41.6	-	(156.2)	11.2	-
Earnings per share						
EPS, diluted	0.29	0.27	8%	0.58	0.50	18%
Key figures						
Organic growth, %	12	12		13	11	
Gross margin, %	52.7	50.4		52.5	50.8	
Operating expenses, %	24.8	25.3		25.9	26.6	
EBITDA margin before special items, %	33.6	31.7		32.4	31.0	
EBIT margin before special items, %	27.9	25.2		26.6	24.2	
EBIT margin, %	24.9	25.2		25.1	24.2	
ROIC excl. goodwill, %	36.0	32.6		34.3	30.6	
R&D, %	7.2	6.6		7.5	6.7	
Capital expenditure, %	10.3	6.5		9.3	7.0	
NWC, %				19.7	21.4	
Net debt to EBITDA				2.3x	1.8x	

The acquisition of NPC is included in the above numbers, the impact on Income statement is nil.

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

YTD 2015/16 RESULTS

REVENUE GROWTH BY DIVISION – YTD



MARKET DEVELOPMENT

During the first half of 2015/16, the end markets for fermented milk grew in line with previous years. The global market for cheese grew slightly more than in previous years, driven by high production volumes in the US and EU. During Q2, growth in US cheese production was in line with previous years.

The markets for probiotic dietary supplements continued to grow, primarily due to higher penetration levels in the US. The market for microbial-based solutions for animal health was negatively impacted by factors including lower prices for milk and swine meat, while the Brazilian market for microbial plant protection continued to be challenging.

Conversion to natural colors continued in the European market as well as in Latin America and APAC. In the US, the conversion rate continued to increase.

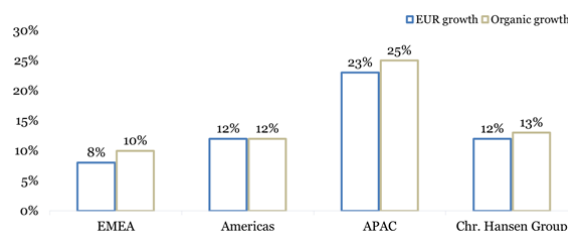
REVENUE

Revenue increased by 12% to EUR 443 million, corresponding to organic growth of 13%. A positive impact on revenue from the appreciation of the USD was more than offset by depreciating currencies in some countries in Eastern Europe, Latin America and Asia.

The organic growth of 13% comprised 9% from volume/mix effects and 4% from price increases in local currencies. The price increases were mainly achieved by the use of EUR-based pricing to protect EBIT against depreciating currencies.

In Q2, revenue increased by 10%, corresponding to organic growth of 12%. A positive impact on revenue from the appreciation of the USD was more than offset by

REVENUE GROWTH BY REGION – YTD



depreciating currencies in some countries in Eastern Europe, Latin America and Asia. The organic growth of 12% comprised 8% from volume/mix effects and 4% from price increases in local currencies.

REVENUE BY REGION

EMEA (Europe, Middle East and Africa)

Revenue increased by 8%, with organic growth of 10%. The organic growth was driven by strong growth in natural colors, fermented milk, cheese and animal health, while revenue from probiotic cultures and human health was at the same level as in the first half of 2014/15.

In Q2, revenue increased by 10%, with organic growth of 12%. Natural colors, fermented milk, cheese, human, and animal health delivered strong growth, while revenue from probiotic cultures for fermented milk was at the same level as in the first half of 2014/15.

Americas (North and Latin America)

Revenue increased by 12%, with organic growth of 12%. Human health, natural colors, cheese, enzymes and meat cultures all delivered strong growth, while revenue from animal health and probiotics for fermented milk was below the first half of 2014/15. Animal health was negatively impacted by a major customer's decision to insource the production of silage inoculants from Q3 2014/15.

In Q2, revenue increased by 5%, with organic growth of 8%. The organic growth was driven by strong growth across all segments except for probiotic cultures for fermented milk and animal health.

APAC (Asia-Pacific)

Revenue increased by 23%, with organic growth of 25%. The organic growth was driven primarily by strong growth in fermented milk including probiotics, natural colors and cheese. Organic growth was especially strong in China for fermented milk and natural colors.

In Q2, revenue increased by 17%, with organic growth of 20% driven by fermented milk including probiotics, natural colors, cheese and enzymes, while revenue from human health was lower than last year. Organic growth in China was strong, although slowing during the period.

GROSS PROFIT

Gross profit was EUR 233 million, up 15% on the first half of 2014/15. The gross margin increased by 1.7 percentage points to 52.5%. Efficiencies in culture and enzyme production, including lower depreciation related to production equipment, were partly offset by higher scrapping levels and US duty costs for human health products.

In Q2, gross profit was EUR 121 million, up 15% on 2014/15. The gross margin increased by 2.3 percentage points to 52.7%. Operational efficiencies in culture and enzyme production were partly offset by US duty costs for human health products.

OPERATING EXPENSES (% of revenue)

Operating expenses totaled EUR 115 million (25.9%), compared to EUR 106 million (26.6%) in the first half of 2014/15.

Research & development (R&D) expenses including amortization and depreciation amounted to EUR 29 million (6.5%), compared to EUR 25 million (6.4%) in the first half of 2014/15.

The net impact from capitalization of development costs was EUR 4 million (1.0%), compared to EUR 1 million (0.3%) in the first half of 2014/15. The increase was due to the acquisition of a bacterial strain collection from the Board of Dairy Innovation Australia Ltd (DIAL).

Total R&D expenditures incurred increased by 25% to EUR 33 million (7.5%), compared to EUR 27 million (6.7%) in the first half of 2014/15. The increase was due

to the acquisition of DIAL and higher activity level in Health & Nutrition.

Sales & marketing expenses amounted to EUR 53 million (11.9%), compared to EUR 51 million (12.8%) in the first half of 2014/15. Expenses relative to revenue were reduced, mainly through scale efficiencies.

Administrative expenses amounted to EUR 34 million (7.7%), compared to EUR 30 million (7.4%) in the first half of 2014/15. The increase was primarily due to non-recurring costs related to the strategy update process and a management change.

Net other operating income/expenses was an income of EUR 1 million, compared to nil in the first half of 2014/15.

In Q2, operating expenses were EUR 57 million (24.8%), compared to EUR 53 million (25.3%) in 2014/15. Expenses relative to revenue were reduced, mainly through scale efficiencies.

SPECIAL ITEMS

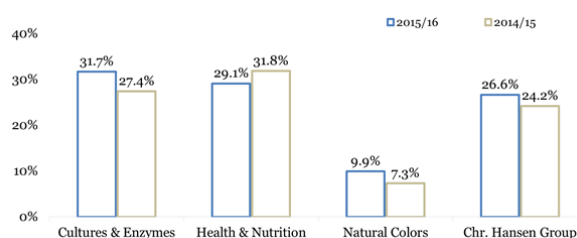
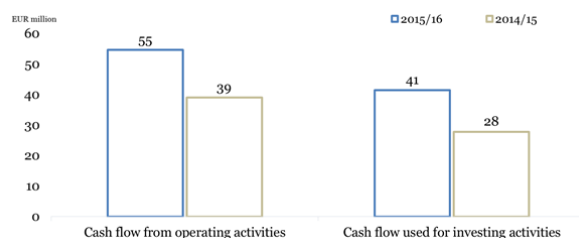
Special items at EUR 7 million in Q2 2015/16 concerned an accrual for US import duty costs covering reclassification of certain human health products related to previous years and costs related to the acquisition and integration of Nutrition Physiology Company (NPC).

OPERATING PROFIT (EBIT)

EBIT before special items amounted to EUR 118 million, compared to EUR 96 million in the first half of 2014/15, an increase of 23%. The increase in EBIT was mainly due to higher sales volumes, operational efficiencies and the appreciation of the USD.

The EBIT margin before special items was 26.6%, up from 24.2% in the first half of 2014/15, primarily due to production and scale efficiencies. The EBIT margin after special items was 25.1%.

In Q2, EBIT before special items amounted to EUR 64 million, compared to EUR 53 million in 2014/15. The EBIT margin before special items was 27.9%, compared to 25.2% in 2014/15, while the EBIT margin after special items was 24.9%.

EBIT MARGIN BEFORE SPECIAL ITEMS – YTD**OPERATIONAL CASH FLOW – YTD****NET FINANCIALS AND TAX**

Net financial expenses amounted to EUR 9 million, compared to EUR 8 million in the first half of 2014/15. The net interest cost was EUR 5 million, compared to EUR 6 million in 2014/15. The decrease was primarily due to lower interest rates.

The net impact from exchange rate adjustments was a negative EUR 4 million, compared to a negative EUR 2 million in the first half of 2014/15. The negative impact related mainly to unrealized losses from the depreciation of the Argentinian peso during Q2 2015/16.

Income taxes were EUR 25 million, equivalent to an effective tax rate of 25%, compared to 26% in the first half of 2014/15, mainly due to a reduction in the corporate tax rate in Denmark from 23.5% to 22.0%.

PROFIT FOR THE PERIOD

Profit for the period increased by 17% to EUR 76 million from EUR 65 million in the first half of 2014/15. In Q2, profit increased by 6% to EUR 37 million.

ASSETS

At 29 February 2016, total assets amounted to EUR 1,644 million, compared to EUR 1,408 million a year earlier. The increase was mainly due to the acquisition of NPC.

Total non-current assets amounted to EUR 1,299 million, compared to EUR 1,107 million at 28 February 2015.

Intangible assets increased by EUR 157 million, while property, plant and equipment increased by EUR 36 million.

Total current assets amounted to EUR 344 million, compared to EUR 301 million at 28 February 2015.

Inventories increased by EUR 21 million, or 19%, and receivables by EUR 26 million, or 19%. Cash decreased by EUR 4 million to EUR 49 million.

NPC IMPACT

EUR million	2015/16
Intangible assets incl. goodwill	163
Property plant and equipment	3
Inventories	3
Trade receivables	2
Trade payables and other payables	(2)
Total effect	169

NET WORKING CAPITAL

Net working capital was EUR 178 million, or 19.7% of revenue, compared to EUR 172 million, or 21.4%, in the first half of 2014/15. The increase was mainly due to the acquisition of NPC.

EQUITY

Total equity amounted to EUR 606 million at 29 February 2016, compared to EUR 656 million a year earlier. An interim dividend for the financial year 2014/15 totaling EUR 115 million was paid out during Q3 2014/15.

An ordinary dividend for the financial year 2014/15 totaling EUR 82 million was paid out at the beginning of Q2 2015/16.

NET DEBT

Net interest-bearing debt amounted to EUR 715 million, or 2.3x EBITDA, compared to EUR 477 million, or 1.8x EBITDA, at 28 February 2015. The increase was mainly due to the acquisition of NPC.

RETURN ON INVESTED CAPITAL (ROIC)**EXCLUDING GOODWILL**

The return on invested capital excluding goodwill was 34.3%, compared to 30.6% in the first half of 2014/15. Invested capital excluding goodwill increased to EUR 744 million, compared to EUR 651 million at 28 February 2015.

CASH FLOW

Cash flow from operating activities was EUR 55 million, compared to EUR 39 million in the first half of 2014/15. The increase was mainly due to the improved operating profit.

Cash flow used for operational investing activities was EUR 41 million, or 9.3% of revenue, compared to EUR 28 million, or 7.0% of revenue, in the first half of 2014/15. Major investments in the first half of 2015/16 included capacity expansion for cultures and laboratory facilities for the human microbiome initiative.

Development expenditures of EUR 8 million, or 1.7% of revenue, were capitalized, compared to EUR 4 million, or 1.0%, in the first half of 2014/15. The increase was primarily due to the acquisition of a bacterial strain collection from the Board of Dairy Innovation Australia Ltd.

Free cash flow before acquisitions was EUR 13 million, compared to EUR 11 million in the first half of 2014/15, mainly due to the improved cash flow from operating activities.

Cash flow used for acquisitions was EUR 169 million and related to the acquisition of NPC in February 2016.

In Q2, cash flow from operating activities was EUR 53 million, down from EUR 55 million last year.

Cash flow used for operational investing activities was EUR 24 million, compared to EUR 14 million last year.

Free cash flow before acquisitions was EUR 30 million, down from EUR 42 million last year. The decrease was mainly due to changes in working capital and increased investing activity.

ORGANIZATIONAL CHANGE

To support the Nature's No. 1 strategy and to secure future growth in the microbial businesses the organization has been changed by creating a shared backbone for Food Cultures & Enzymes (previously the Cultures & Enzymes Division) and Health & Nutrition.

This shared backbone will be headed by COO and Deputy CEO, Knud Vindfeldt and cover research & development, production incl. logistics, and IT.

Christoffer Lorenzen, previously head of Commercial Development CED, will assume responsibility for Food Cultures & Enzymes.

Jacob Vishof Paulsen will in addition to his existing role as head of the EMEA region also assume responsibility for the North American Food Cultures & Enzymes sales organization.

Sten Estrup will in addition to his existing role as head of the APAC region also assume responsibility for the Latin American Food Cultures & Enzymes sales organization, as well as sales of animal health in both regions.

Christian Barker will continue as head of Health & Nutrition.

Natural Colors, HR, Compliance and Finance are unaffected by the organizational change, and the Executive Board will continue to consist of CEO Cees de Jong, COO Knud Vindfeldt and CFO Søren Westh Lonning.

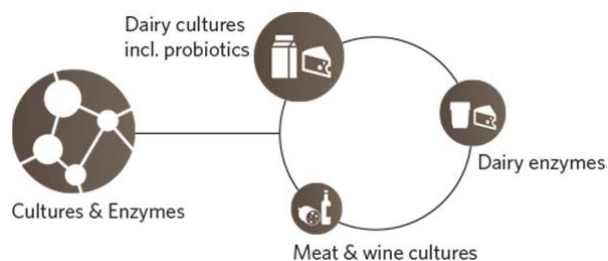
Segment information

61% of revenue

FOOD CULTURES & ENZYMES

EUR million	Q2 2015/16	Q2 2014/15	YTD 2015/16	YTD 2014/15
Revenue	134.8	122.9	267.8	240.7
<i>Organic growth</i>	13%	9%	13%	8%
EBITDA	52.4	43.6	102.7	85.5
<i>EBITDA margin</i>	38.8%	35.5%	38.4%	35.5%
EBIT	43.3	33.7	84.9	65.9
<i>EBIT margin</i>	32.1%	27.4%	31.7%	27.4%
<i>ROIC excluding goodwill</i>			40.1%	32.1%

REVENUE



Revenue increased by 11% to EUR 268 million, corresponding to organic growth of 13%. The organic growth comprised 9% from volume/mix and 4% from price increases in local currencies. The price increases were mainly achieved by the use of EUR-based pricing to protect EBIT against depreciating currencies.

The organic growth was primarily due to strong growth in cultures for fermented milk, cheese and meat. Probiotic cultures for fermented milk and enzymes showed good growth.

In Q2, organic growth was 13%. The organic growth comprised 9% from volume/mix and 4% from price increases in local currencies. Fermented milk, cheese and meat cultures delivered strong growth, while enzymes showed solid growth. Revenue from probiotics was in line with the first half of 2014/15.

EBIT

EBIT amounted to EUR 85 million, compared to EUR 66 million in the first half of 2014/15.

The EBIT margin was 31.7%, up 4.3 percentage points on the first half of 2014/15. The increase was due to operational efficiencies, including lower depreciation related to production facilities, the appreciation of the USD, and the first half of 2014/15 being negatively impacted by startup costs related to the new fermentation capacity for cultures.

In Q2, the EBIT margin increased by 4.7 percentage points compared to 2014/15, primarily due to operational efficiencies and Q2 2014/15 being negatively impacted by non-recurring costs related to the changed go-to-market strategy in China.

ROIC EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 40.1%, compared to 32.1% in the first half of 2014/15.

Invested capital excluding goodwill increased by EUR 21 million, or 5%, to EUR 440 million. The increase was primarily due to investments in production capacity.

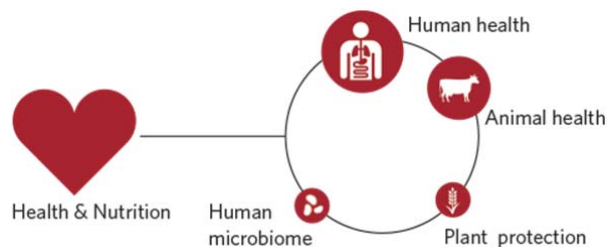
Segment information

18% of revenue

HEALTH & NUTRITION

EUR million	Q2 2015/16	Q2 2014/15	YTD 2015/16	YTD 2014/15
Revenue	45.2	43.9	81.2	76.3
Organic growth	0%	20%	2%	24%
EBITDA	17.2	18.0	28.4	29.0
EBITDA margin	38.0%	41.0%	35.0%	38.0%
EBIT	14.7	15.8	23.6	24.3
EBIT margin	32.5%	35.9%	29.1%	31.8%
ROIC excluding goodwill			28.1%	37.6%

REVENUE



Revenue increased by 6% to EUR 81 million, corresponding to organic growth of 2%, all due to volume/mix effects.

Human health realized strong growth, while revenue from animal health was below the first half of 2014/15. Revenue was positively impacted by the appreciation of the USD.

Organic growth in human health products was primarily driven by dietary supplements in the Americas region.

Revenue from animal health was below the first half of 2014/15 due to a major customer's decision to insource the production of silage inoculants from Q3 2014/15 and challenging market conditions.

In Q2, organic growth was 0%. Strong growth in human health was offset by declining revenue in animal health primarily due to the insourcing of silage inoculants by a major customer.

US CUSTOMS DUTY COSTS

During Q2, Chr. Hansen received an unfavorable ruling from the US customs authorities regarding tariff classification of certain products in human health.

Consequently, EUR 5 million has been accrued to cover unpaid duty, EUR 4 million of which relates to previous years. The amount relating to previous years has been classified under special items. Chr. Hansen is working with the authorities to ensure correct classification is used for its products when imported into the US.

EBIT

EBIT amounted to EUR 24 million, down 3% on the first half of 2014/15. The EBIT margin was 29.1%, down 2.7 percentage points on 2014/15. The decrease was mainly due to higher research & development activity, US duty costs, and higher scrapping levels in human health, only partly offset by a positive impact from appreciation of the USD.

In Q2, the EBIT margin was 32.5%, compared to 35.9% in 2014/15. The decrease was mainly due to US customs duty costs. Scrapping levels in human health improved compared to Q1 2015/16, but were still above last year.

ROIC EXCLUDING GOODWILL

The return on invested capital excluding goodwill was 28.1%, compared to 37.6% in the first half of 2014/15. Invested capital excluding goodwill increased by EUR 61 million, or 45%, to EUR 198 million, due to the acquisition of NPC.

NPC INTEGRATION

The acquisition of NPC was closed in February 2016, and integration of the company with Chr. Hansen's animal health organization is progressing as planned.

Segment information

21% of revenue

NATURAL COLORS

EUR million	Q2 2015/16	Q2 2014/15	YTD 2015/16	YTD 2014/15
Revenue	48.8	42.0	94.3	79.9
<i>Organic growth</i>	21%	11%	22%	8%
EBITDA	7.3	4.5	12.3	8.7
<i>EBITDA margin</i>	14.9%	10.7%	13.1%	10.9%
EBIT	5.8	3.1	9.4	5.8
<i>EBIT margin</i>	11.9%	7.3%	9.9%	7.3%
<i>ROIC excluding goodwill</i>			19.4%	13.3%

REVENUE



Revenue increased by 18% to EUR 94 million, corresponding to organic growth of 22%.

The organic growth comprised approximately 16% from volume/mix effects and 6% from price increases in local currencies. The price increases were mainly reflecting increased raw material prices and the use of EUR-based pricing to protect EBIT against depreciating currencies.

The organic growth was primarily due to strong growth in the dairy & fruit preparations, confectionery & ice cream and prepared food categories, while organic growth in the beverage category was modest.

All regions showed strong growth. The FruitMax® range of coloring foodstuffs delivered strong growth in the EMEA region. Growth in the Americas was primarily due to strong growth in Latin America from market share gains and new customer product launches, while conversion to natural colors in the US market also increased.

The organic growth in APAC was primarily due to strong growth in China compared to a soft first half of 2014/15.

In Q2, organic growth was 21%. The organic growth comprised approximately 13% from volume/mix effects and 8% from price increases in local currencies. The organic growth was supported by strong growth across most food categories.

EBIT

EBIT amounted to EUR 9 million, compared to EUR 6 million in the first half of 2014/15. The EBIT margin was 9.9%, up 2.6 percentage points on 2014/15.

A positive impact from increased volumes and ongoing optimization initiatives was partly offset by the appreciation of the USD compared to the first half of 2014/15.

In Q2, the EBIT margin increased by 4.6 percentage points compared to 2014/15, despite a continued negative impact from the USD exchange rate. The increase was partly due to a favorable change in inventories.

ROIC

The return on invested capital was 19.4%, compared to 13.3% in the first half of 2014/15. Invested capital increased by EUR 11 million, or 12%, to EUR 107 million.

OUTLOOK 2015/16

ORGANIC GROWTH

Based on the results for the first half of the year the expectations for organic revenue growth have been increased to 10-12% compared to 9-11% in the announcement on 14 January 2016 (8-10% in the announcement on 21 October 2015).

Food Cultures & Enzymes is expected to deliver organic growth above long-term ambitions for the division (7-8%).

Health & Nutrition is expected to deliver organic growth below last year (13%). While the division has been negatively impacted in the first half of the year, by the decision of a major customer to insource silage inoculant production from Q3 2014/15, higher growth is expected in the second half as there will be no further impact from the customer's decision to insource production.

Natural Colors is expected to deliver organic growth above last year (9%). Organic growth is expected to be positively impacted by a change in sales prices as a result of rising raw material prices.

RESEARCH & DEVELOPMENT

Research & development expenditures incurred as a percentage of revenue are now expected to be around 7% compared to 6.5-7.0% in the announcements of 14 January 2016 and 21 October 2015, respectively.

EBIT MARGIN BEFORE SPECIAL ITEMS

The EBIT margin before special items is expected to be above last year (27.1%).

The improvement is driven by scalability in Food Cultures & Enzymes and a general improvement in Natural Colors.

The EBIT margin in Health & Nutrition is expected to be below 2014/15 (33.3%), primarily due to increased investments in long-term growth opportunities and increased customs duty costs.

FREE CASH FLOW

Free cash flow before acquisitions, divestments and special items is expected to be above last year (EUR 151 million), primarily due to an improvement in operating profit as a result of sales growth and a stronger EBIT margin.

ACQUISITION OF NPC

The 2015/16 outlook for organic growth, EBIT margin before special items and free cash flow before acquisitions, divestments and special items is not impacted by the acquisition. The acquisition is funded through own cash holdings and current credit facilities. Consequently the Board of Directors does not expect to execute share buyback programs or pay out interim dividends during 2015/16.

Net interest-bearing debt is expected to be around 1.8x EBITDA by the end of the financial year 2015/16 when including the impact from the acquisition.

SPECIAL ITEMS

Approx. EUR 6 million in non-recurring costs related to the acquisition of NPC will be recognized as special items in 2015/16. The acquisition is expected to be EPS-accretive by 2016/17.

Based on the unfavorable tariff classification decision from the US duty authorities, a EUR 4 million accrual related to previous years has been recognized as special items in Q2 2015/16. Chr. Hansen has actively taken measures to protect the company against further costs related to previous years and is working with the authorities to conclude on any potential outstanding exposure.

EXCHANGE RATE SENSITIVITY

Chr. Hansen is a global company serving more than 140 countries through subsidiaries in 30 countries. The greatest exchange rate exposure relates to USD, which accounts for around 25% of revenue. Other key currencies are RMB, BRL, RUB, AUD, PLN, MXN, ARS and GBP.

The organic revenue growth rate is sensitive to changes in currencies where Chr. Hansen enforces EUR-based pricing to protect EBIT against depreciating currencies.

The EBIT margin is sensitive to changes in exchange rates and to the ability to increase sales prices to reflect changes in raw material prices for natural colors.

Due to significant production in the US, the exchange rate impact on EBIT is significantly lower than that on revenue.

The use of currency hedging of balance sheet exposures and future cash flows is described in note 4.3 in the Annual Report for 2014/15.

Statement of the Board of Directors and Executive Board

Today, the Board of Directors and Executive Board have considered and approved the interim report for Chr. Hansen Holding A/S for the period 1 September 2015 to 29 February 2016. 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 2014/15.

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 29 February 2016, and of the results of the Group's operations and cash flow for the period 1 September 2015 to 29 February 2016.

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, 7 April 2016

EXECUTIVE BOARD:

Cees de Jong
President and CEO

Knud Vindfeldt
COO

Søren Westh Lonning
CFO

BOARD OF DIRECTORS:

Ole Andersen
Chairman

Dominique Reiniche
Vice Chairman

Mark A. Wilson

Frédéric Stévenin

Tiina Mattila-Sandholm

Søren Carlsen

Kristian Villumsen

Per Poulsen

Mads Bennedsen

Svend Laulund

ADDITIONAL INFORMATION

Conference call

Chr. Hansen will host a conference call on 7 April 2016 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 2015/16

12 April 2016	Capital Markets Day
5 July 2016	Interim Report Q3
26 October 2016	Annual Report 2015/16
29 November 2016	Annual General Meeting

Company information

Chr. Hansen Holding A/S

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www.chr-hansen.com

Company reg. no.: 28318677

Forward-looking statements

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

About Chr. Hansen

Chr. Hansen is a global bioscience company that develops natural ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries. Products include cultures, enzymes, probiotics and natural colors, and all solutions are based on strong research and development competencies coupled with significant technology investments. Revenue in the 2014/15 financial year was EUR 859 million. The Company 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 Copenhagen. For further information, please visit www.chr-hansen.com.

Income statement

EUR million	Q2 2015/16	Q2 2014/15	YTD 2015/16	YTD 2014/15
Revenue	228.9	208.8	443.3	396.9
Cost of sales	(108.3)	(103.5)	(210.6)	(195.3)
Gross profit	120.6	105.3	232.7	201.6
Research and development expenses	(14.9)	(13.2)	(28.8)	(25.4)
Sales and marketing expenses	(26.2)	(25.3)	(52.9)	(50.9)
Administrative expenses	(16.1)	(15.1)	(34.0)	(29.5)
Other operating income	0.5	0.4	1.0	0.9
Other operating expenses	-	0.5	(0.1)	(0.6)
Operating profit before special items	63.9	52.5	117.9	96.0
Special items	(6.8)	-	(6.8)	-
Operating profit (EBIT)	57.1	52.5	111.1	96.0
Net financial expenses	(7.2)	(4.6)	(9.4)	(7.8)
Profit before tax	49.9	47.9	101.7	88.2
Income taxes	(12.5)	(12.4)	(25.4)	(22.9)
Profit for the period	37.4	35.5	76.3	65.3
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	37.4	35.5	76.3	65.3
Earnings per share, EUR:				
Earnings per share, continuing operations	0.29	0.27	0.59	0.50
Earnings per share, continuing operations, diluted	0.29	0.27	0.58	0.50

Statement of comprehensive income

EUR million	Q2 2015/16	Q2 2014/15	YTD 2015/16	YTD 2014/15
Profit for the period	37.4	35.5	76.3	65.3
Currency translation of foreign Group companies	(8.2)	2.8	(2.6)	(0.2)
Cash flow hedges	(0.9)	(0.8)	(1.7)	(1.1)
Tax related to cash flow hedges	0.2	(0.1)	0.4	-
Other comprehensive income for the period	(8.9)	1.9	(3.9)	(1.3)
Total comprehensive income for the period	28.5	37.4	72.4	64.0
Attributable to:				
Shareholders of Chr. Hansen Holding A/S	28.5	37.4	72.4	64.0

Balance sheet

EUR million	29 Feb 2016	28 Feb 2015	31 Aug 2015
Non-current assets			
Intangible assets			
Goodwill	726.2	620.5	615.1
Other intangible assets	184.8	136.0	129.5
Intangible assets in progress	37.1	34.3	39.4
	948.1	790.8	784.0
Property, plant and equipment			
Land and buildings	132.6	133.0	135.3
Plant and machinery	135.3	112.5	136.3
Other fixtures and equipment	17.1	13.3	14.4
Property, plant and equipment in progress	59.4	50.0	38.9
	344.4	308.8	324.9
Other non-current assets			
Deferred tax	6.8	7.2	7.0
	6.8	7.2	7.0
Total non-current assets	1,299.3	1,106.8	1,115.9
Current assets			
Inventories			
Raw materials and consumables	26.4	22.9	21.0
Work in progress	47.4	40.2	40.4
Finished goods and goods for resale	59.0	48.3	46.9
	132.8	111.4	108.3
Receivables			
Trade receivables	133.5	117.4	123.1
Tax receivables	3.5	1.9	2.4
Other receivables	16.6	9.4	12.0
Prepayments	8.7	7.7	6.5
	162.3	136.4	144.0
Cash and cash equivalents	49.2	53.0	76.4
Total current assets	344.3	300.8	328.7
Total assets	1,643.6	1,407.6	1,444.6

Balance sheet

EUR million	29 Feb 2016	28 Feb 2015	31 Aug 2015
Equity			
Share capital	176.7	177.0	176.7
Reserves	429.6	478.7	424.1
Total equity	606.3	655.7	600.8
Liabilities			
Non-current liabilities			
Employee benefit obligations	6.4	6.1	6.3
Deferred tax	55.0	57.0	52.3
Provisions	7.7	2.4	2.6
Borrowings	628.7	495.7	536.3
Tax payables	19.5	19.5	19.5
Other non-current debt	0.6	0.6	0.6
	717.9	581.3	617.6
Current liabilities			
Borrowings	135.1	34.7	27.7
Prepayments from customers	0.2	1.3	0.6
Trade payables	88.2	57.2	93.3
Tax payables	19.9	13.2	38.6
Other payables	76.0	64.2	66.0
	319.4	170.6	226.2
Total liabilities	1,037.3	751.9	843.8
Total equity and liabilities	1,643.6	1,407.6	1,444.6

Statement of changes in equity

1 September 2015 - 29 February 2016

Shareholders of Chr. Hansen Holding A/S					
EUR million	Share capital	Currency translation	Cash flow hedges	Retained earnings	Total
1 September 2015	176.7	(33.4)	(3.2)	460.7	600.8
Total comprehensive income for the period, cf. statement of comprehensive income	-	2.5	-	69.9	72.4
Transactions with owners:					
Exercised share options	-	-	-	13.2	13.2
Share-based payment	-	-	-	2.0	2.0
Dividend	-	-	-	(82.1)	(82.1)
29 February 2016	176.7	(30.9)	(3.2)	463.7	606.3

1 September 2014 - 28 February 2015

Shareholders of Chr. Hansen Holding A/S					
EUR million	Share capital	Currency translation	Cash flow hedges	Retained earnings	Total
1 September 2014	180.5	(21.3)	(3.0)	500.6	656.8
Total comprehensive income for the period, cf. statement of comprehensive income	-	(0.2)	(1.1)	65.3	64.0
Transactions with owners:					
Reduction of share capital	(3.5)	-	3.5	-	-
Purchase of treasury shares	-	-	-	(7.3)	(7.3)
Exercised share options	-	-	-	8.0	8.0
Share-based payment	-	-	-	0.6	0.6
Dividend	-	-	-	(66.4)	(66.4)
28 February 2015	177.0	(21.5)	(0.6)	500.8	655.7

Statement of cash flows

EUR million	Q2 2015/16	Q2 2014/15	YTD 2015/16	YTD 2014/15
Operating profit	57.1	52.5	111.1	96.0
Non-cash adjustments	21.5	13.9	32.8	26.4
Change in working capital	(17.9)	(5.0)	(41.7)	(42.4)
Interest payments made	(3.4)	(2.6)	(5.3)	(4.9)
Taxes paid	(3.9)	(3.7)	(42.3)	(36.1)
Cash flow from operating activities	53.4	55.1	54.6	39.0
Investments in intangible assets	(4.6)	(3.7)	(9.8)	(6.4)
Investments in property, plant and equipment	(19.0)	(9.8)	(31.6)	(21.4)
Cash flow used for operational investing activities	(23.6)	(13.5)	(41.4)	(27.8)
Free operating cash flow	29.8	41.6	13.2	11.2
Acquisition of subsidiary, net of cash acquired	(169.4)	-	(169.4)	-
Cash flow used for investing activities	(193.0)	(13.5)	(210.8)	(27.8)
Free cash flow	(139.6)	41.6	(156.2)	11.2
Borrowings	210.4	34.5	210.4	52.5
Repayment of long-term loans	(5.3)	(1.0)	(12.4)	(4.7)
Purchase of treasury shares	-	(7.3)	-	(7.3)
Exercise of options	13.2	-	13.2	8.0
Dividend paid	(82.1)	(66.4)	(82.1)	(66.4)
Non-controlling interests, dividends, etc.	-	-	-	(0.1)
Cash flow used for financing activities	136.2	(40.2)	129.1	(18.0)
Net cash flow for the period	(3.4)	1.4	(27.1)	(6.8)
Cash and cash equivalents at beginning of period	55.4	49.8	76.4	57.6
Unrealized exchange gains/(losses) included in cash and cash equivalents	(2.8)	1.8	(0.1)	2.2
Net cash flow for the period	(3.4)	1.4	(27.1)	(6.8)
Cash and cash equivalents at end of period	49.2	53.0	49.2	53.0

Segment information

EUR million	Q2 2015/16			
Income statement	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Revenue	134.8	45.2	48.8	228.9
EUR growth	10%	3%	16%	10%
Organic growth	13%	0%	21%	12%
EBITDA	52.4	17.2	7.3	76.8
EBITDA margin	38.8%	38.0%	14.9%	33.6%
Depreciation, amortization and impairment losses	(9.0)	(2.5)	(1.5)	(13.0)
EBIT before special items	43.3	14.7	5.8	63.9
EBIT margin before special items	32.1%	32.5%	11.9%	27.9%

	YTD 2015/16			
Income statement	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Revenue	267.8	81.2	94.3	443.3
EUR growth	11%	6%	18%	12%
Organic growth	13%	2%	22%	13%
EBITDA	102.7	28.4	12.3	143.5
EBITDA margin	38.4%	35.0%	13.1%	32.4%
Depreciation, amortization and impairment losses	(17.8)	(4.8)	(3.0)	(25.6)
EBIT before special items	84.9	23.6	9.4	117.9
EBIT margin before special items	31.7%	29.1%	9.9%	26.6%

Segment information

	Q2 2014/15			
Income statement	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Revenue	122.9	43.9	42.0	208.8
EUR growth	11%	31%	13%	15%
Organic growth	9%	20%	11%	12%
EBITDA	43.6	18.0	4.5	66.1
EBITDA margin	35.5%	41.0%	10.7%	31.7%
Depreciation, amortization and impairment losses	(9.9)	(2.2)	(1.5)	(13.6)
EBIT before special items	33.7	15.8	3.1	52.5
EBIT margin before special items	27.4%	35.9%	7.3%	25.2%

	YTD 2014/15			
Income statement	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	Group
Revenue	240.7	76.3	79.9	396.9
EUR growth	9%	33%	8%	13%
Organic growth	8%	24%	8%	11%
EBITDA	85.5	29.0	8.7	123.2
EBITDA margin	35.5%	38.0%	10.9%	31.0%
Depreciation, amortization and impairment losses	(19.6)	(4.7)	(2.9)	(27.1)
EBIT before special items	65.9	24.3	5.8	96.0
EBIT margin before special items	27.4%	31.8%	7.3%	24.2%

Segment information

EUR million		29 Feb 2016			
	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	Group	
Assets					
Goodwill	538.9	187.3	-	726.2	
Other intangible assets	120.8	84.3	16.8	221.9	
Intangible assets	659.7	271.6	16.8	948.1	
Property, plant and equipment	228.8	75.4	40.2	344.4	
Total non-current assets excl. deferred tax	888.5	347.0	57.0	1,292.5	
Inventories	59.2	28.2	45.4	132.8	
Trade receivables	72.6	30.0	30.9	133.5	
Trade payables	(41.3)	(20.2)	(26.7)	(88.2)	
Net working capital	90.5	38.0	49.6	178.1	
Assets not allocated				84.8	
Group assets				1,643.6	
Invested capital excluding goodwill	440.1	197.7	106.6	744.4	
ROIC excl. goodwill	40.1%	28.1%	19.4%	34.3%	
Investments in non-current assets excl. deferred tax					
2015/16	30.9	7.1	3.4	41.4	

		28 Feb 2015			
	Food Cultures & Enzymes	Health & Nutrition	Natural Colors	Group	
Assets					
Goodwill	543.3	77.2	-	620.5	
Other intangible assets	116.8	37.9	15.6	170.3	
Intangible assets	660.1	115.1	15.6	790.8	
Property, plant and equipment	207.0	64.1	37.7	308.8	
Total non-current assets excl. deferred tax	867.1	179.2	53.3	1,099.6	
Inventories	57.4	19.4	34.6	111.4	
Trade receivables	66.0	25.1	26.3	117.4	
Trade payables	(28.4)	(10.2)	(18.6)	(57.2)	
Net working capital	95.0	34.3	42.3	171.6	
Assets not allocated				79.2	
Group assets				1,407.6	
Invested capital excluding goodwill	418.8	136.3	95.6	650.7	
ROIC excl. goodwill	32.1%	37.6%	13.3%	30.6%	
Investments in non-current assets excl. deferred tax					
2014/15	15.5	9.7	2.6	27.8	

Segment information – Geographical allocation

EUR million	Q2 2015/16			
	Europe, Middle East and Africa	Americas	Asia-Pacific	Group
Revenue	103.9	91.4	33.6	228.9
EUR growth	11%	6%	17%	10%
Organic growth	12%	8%	20%	12%
	YTD 2015/16			
	Europe, Middle East and Africa	Americas	Asia-Pacific	Group
Revenue	200.7	176.3	66.3	443.3
EUR growth	8%	12%	23%	12%
Organic growth	10%	12%	25%	13%
Non-current assets excluding deferred tax	1,083.8	195.4	13.3	1,292.5
	Q2 2014/15			
	Europe, Middle East and Africa	Americas	Asia-Pacific	Group
Revenue	93.6	86.5	28.7	208.8
EUR growth	3%	31%	16%	15%
Organic growth	8%	18%	9%	12%
	YTD 2014/15			
	Europe, Middle East and Africa	Americas	Asia-Pacific	Group
Revenue	186.3	156.8	53.8	396.9
EUR growth	5%	22%	12%	13%
Organic growth	9%	14%	8%	11%
Non-current assets excluding deferred tax	904.4	181.0	14.2	1,099.6

Acquisition of entities

On 18 February 2016 Chr. Hansen acquired full ownership interest in Nutrition Physiology Holdings LLC and Guardian Food Tech. LLC, USA.

The acquisition expands Chr. Hansen's business within microbial solutions for animal health especially in the US beef cattle segment and complements the Company's existing market position within dairy cattle, swine and poultry.

Details of the the purchase consideration, the net assets acquired and goodwill are as follows:

EUR million	
Purchase consideration:	
Cash paid	169.5
Net assets acquired	59.1
Goodwill from acquisition	110.4

According to IFRS 3 the acquired assets are recognized at fair value in the opening balance based on market participants' use of assets even if the acquirer does not intend to use the assets, or does not intend to use it in a way that is similar to how market participants would be expected to use it.

The finalization of the purchase price allocation based on the fair value of identified assets, liabilities and contingent liabilities is still ongoing.

Fair value of net assets acquired:

Trademarks	6.2
Technology (patents and other rights)	37.8
Customer relations	9.7
Property, plant and equipment	2.5
Inventories	3.0
Trade receivables	2.2
Trade payables	(0.6)
Other receivables and payables, net	(1.8)
Cash	0.1
Net identifiable assets acquired	59.1

The goodwill represents staff competences and synergies from innovation, optimization of sales and supply chain.