Nature’s Sustainably no. 1™
Together, we deliver natural innovative solutions that address global challenges by advancing food, health, and productivity.
We are a front-runner on sustainability

Better farming
We help feed the growing population by promoting sustainable agriculture
Expand reach of natural plant protection by 25m hectares (2025)

Good health
We improve global health through healthier, safer and more products
Launch 6 new products with a documented health effect (2022)

Less waste
We help customers reduce food waste and improve yield and productivity
Reduce global yogurt waste by 1.2m ton (2022)

81% of Chr. Hansen’s revenue contributes to the UN Global Goals
- validated by PWC
We are market and technology leaders in our core business

Food Cultures & Enzymes and Health & Nutrition share a common research platform, and production method. The R&D platform is a process of screening, developing and upscaling of microbes. Production is the optimization of recipes, flows and infrastructure for the fermentation of microbes. Together: The Microbial Platform.
Strong mega trends continue to support our business

<table>
<thead>
<tr>
<th>The trend</th>
<th>Our opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growing world population and resource scarcity</td>
<td>Need for innovation to improve productivity and reduce food waste</td>
</tr>
<tr>
<td>“Real foods” and consumerism</td>
<td>Optimization of recipes to meet clean label demands</td>
</tr>
<tr>
<td>Aging population and increasing health care costs</td>
<td>Need for cheaper and preventive solutions</td>
</tr>
<tr>
<td>Urbanization and industrialization</td>
<td>Enhanced value of potential markets</td>
</tr>
<tr>
<td>Technology breakthroughs</td>
<td>Scientific evidence of benefits from good bacteria</td>
</tr>
</tbody>
</table>
Our three lighthouses address challenges within food safety, agriculture and public health

- **Bioprotection**: Bacterial solutions for food safety and freshness
- **Plant Health**: Bacterial cultures for crop protection
- **Human Microbiome**: Next generation bacteria for Human Health

**FOOD CULTURES & ENZYMES**

**HEALTH & NUTRITION**

Lighthouse

Potential revenue of minimum EUR 100m per year

- Designated as lighthouse in 2016
- Designated as lighthouse in 2013
- Designated as lighthouse in 2013
In addition to the core dairy business, the microbial solutions platform is a key driver for strong growth.
## Evolution, not revolution

### FOOD CULTURES & ENZYMES

- Leverage the full potential of Food Cultures & Enzymes

### HEALTH & NUTRITION

- Develop the microbial platform in Health & Nutrition

### NATURAL COLORS

- Create further value in Natural Colors

### Drive penetration of new innovation

- Continue to prioritize core dairy business
- Develop adjuncts and adjacencies
- Drive Bioprotection lighthouse to EUR 200m by 2025

### Reinforce position in growth markets

- Further strengthen global market presence
- Application support in core adjacencies

### Generate fuel for growth

- Drive scalability in supply chain
- Digitalize core processes

### Drive new products for Human Health (incl. Microbiome) and Animal Health

- Human Health: Expansion into emerging markets and growth segments
- Strengthen route-to-market in Ag businesses

### Expand FruitMax® range of coloring foodstuff

- Drive US conversion and secure APAC growth

### Reinvest in future growth

- Continue drive to restore profitability
Our business has seen robust growth performance ahead of guidance, supported by all growth drivers

** Contribution of total organic sales growth (2012/13 – 2016/17)**

- **Fundamental (market) growth** accounted for roughly 1/3 of total growth
- **Innovation** driven by:
  - Up-selling to new concept generations (superior functionality and performance)
  - New and more uses of cultures and enzymes (e.g. Bioprotection)
- **Market share gains** are not a primary target
- **Pricing performance** is heavily impacted by currencies with an adjusted EUR growth CAGR of 8.2% for the 2012/13 – 2016/17
We retain our long term growth guidance with majority of growth coming from core customers and markets.

- **Fundamental market growth, pricing and market share**
  - ~4% growth

- **Upselling and innovation in core business**
  - 2-3% growth

- **Further conversion of dairies**
  - ~1% growth

- **Extension into new food categories and near adjacencies**
  - <1% growth

**Organic growth divisional target**
7-8%
The fundamental market growth outlook is robust

Market growth in the segments served by Chr. Hansen will outgrow the global raw milk output

Global raw milk output
<2% CAGR
(SYR growth estimate)

Industrial milk output
>2% CAGR
(SYR growth estimate)

Industrialization of Dairy consumption in markets like India and Iran support Chr. Hansen’s addressable market growth

Cheese output
2.5-3% CAGR
(SYR growth estimate)

Global cheese trade (import/export) growing
Cheese growing as an ingredient

Fermented milk output
3-4% CAGR
(SYR growth estimate)

Variation in growth across markets (emerging vs. mature)
“Major food” being challenged by smaller players

Drinking milk
Butter & Cream
Milk & Whey powder

50% of industrialized milk output goes into core FC&E business areas

Source: FAOSTAT and management estimates
Bioprotection today and tomorrow – a EUR 200m business by 2025

Bioprotection has made strong progression since 2013, and will continue to create long-term revenue optionality.

6% of Food Cultures & Enzymes revenue in 2016/17

<table>
<thead>
<tr>
<th>Fresh Dairy</th>
<th>Cheese</th>
<th>Fermented Meat</th>
<th>Animal products (meat adjacencies/fish)</th>
<th>Vegetable products</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔️ Traditionally Fermented Food Products</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>✔️ Non Traditionally Fermented Food Products</td>
<td>✔️</td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Food waste**
- Shelf Life Extension targeting yeasts/mould/LAB

**Food Safety**
- Additional protection against gram-positive food pathogens (Listeria, Clostridium)
We participate in high growth markets with headroom to increase penetration

Attractive market growth driven by megatrends

- **Growing world population and rapid urbanization**
- **Increasing scientific evidence of health benefits from “good bacteria” (and KOL/consumer awareness)**
- **Resource scarcity creates productivity squeeze for customers**
- **Need to reduce Antibiotic Growth Promoter usage in livestock production**
- **Pressure to curb chemicals usage in crop production**

Opportunities to increase penetration

- 5-15% Microbial penetration
- 10-15% Microbial penetration
- <5% Microbial penetration

Source: Euromonitor and management estimates
New innovation, fueled by Microbiome concepts, will drive medium and long-term growth

1. Microbiome is creating new opportunities within conventional strains and existing end markets
   - Infants in hospitals: Reduce risk of gastrointestinal complications
   - Infant: Support infant gut microbiome for healthy development
   - Adult: Promote intestinal integrity
   - Women: Rebalance a healthy vaginal microbiome

2. Recent partnership with Prota Therapeutics to treat peanut allergy with LGG®

Fit to current capabilities
Our Animal Health products are differentiated and well positioned to address changing market conditions

### BioPlus® YC
- The reference swine probiotic on the market for 30 years
- Product for all Swine subsegments (from piglet to growth/finisher)
- Most documented dual strain product on the market
- 20% reduction in pre-wean mortality
- Flexible Feed Formulation concept
- Launched in all major geographies
- Continued opportunities to deepen market penetration

### SiloSolve® FC
- Patented Silage inoculant providing unique flexibility and usability for farmers
- Offers best aerobic stability in the market
- Allows farmers to feed out early from bunker
- Broadest range applicability across crops and humidity levels
- Global roll-out in progress

### GalliPro® Fit
- Next generation poultry probiotic with best in class pathogen inhibition
- Blend of 3 unique new strains
- Best in class in inhibition of pathogens to support the health of poultry and securing food safety for consumer
- Superior digestibility of protein, carbs and non-starch poly-saccharides
- Recently launched in US and Australia
- Global roll-out in the next 2 years
Our recent alliance launches Quartzo and Presence have a nematocidal claim and effect

<table>
<thead>
<tr>
<th>Description</th>
<th>Bacillus based product</th>
<th>Bacillus based product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applied in-furrow or through drip irrigation</td>
<td>Applied as seed treatment before planting</td>
<td></td>
</tr>
<tr>
<td>Applicable crops</td>
<td>Sugarcane, F&amp;V, other</td>
<td>Soybean, Corn, Cotton, beans, wheat</td>
</tr>
<tr>
<td>Registration</td>
<td>Bionematicide</td>
<td>Bionematicide</td>
</tr>
<tr>
<td>Benefits and yields</td>
<td>Root colonization</td>
<td>Root colonization</td>
</tr>
<tr>
<td></td>
<td>Protection against nematodes and soil diseases</td>
<td>Protection against nematodes and soil diseases</td>
</tr>
<tr>
<td></td>
<td>Increase of plant robustness and yield</td>
<td>Increase of plant robustness and yield</td>
</tr>
</tbody>
</table>

### Competing technologies

- **Chemicals**
- **GMO**
- **Biological**
Our Natural Colors business presents an attractive growth opportunity

Key messages

- Attractive growth potential from conversion and coloring foodstuff
- Transformation project completed
- Limited synergies between Natural Colors and our microbial platform

Main trend and projected value

- Demand for cleaner, healthier and more natural products
- Projected 2030 market value of EUR 2.0 - 2.5bn

Current market overview

- **EMEA**: Market value EUR ~500m, Conversion volume ~60%
- **APAC**: Market value EUR ~225m, Conversion volume ~30%
- **LATAM**: Market value EUR ~100m, Conversion, volume ~25%
- **NORTH AMERICA**: Market value EUR ~150m, Conversion volume ~25%

Source: Euromonitor and management estimates.

Note: Market value measured as Food & Beverages Natural Colors including Coloring Foods, and excluding Caramel colors (approximately EUR 200m)
FINANCIAL TARGETS

We will continue to pursue profitable growth through 2021/22

8-10% Organic growth
- Pro anno from 2017/18 to 2021/22
  - Supported by all business areas and with an average organic growth of 7-8% in Food Cultures & Enzymes

+30% EBIT margin
- Increasing to above 30%

~10% Growth in free cash flow
- CAGR growth from 2017/18 to 2021/22

Guidance assumes constant currencies, constant raw material prices, no acquisitions/divestments, and no special items.
Our capital priorities are unchanged with organic growth still being the top priority

<table>
<thead>
<tr>
<th>Capital Priorities</th>
<th>1 Reinvest for organic growth</th>
<th>2 Bolt-on acquisitions</th>
<th>3 Ordinary dividend</th>
<th>4 Additional cash to shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity</td>
<td>Capacity</td>
<td>Technology</td>
<td>40-60%</td>
<td>Extraordinary dividend</td>
</tr>
<tr>
<td>Innovation</td>
<td>Innovation</td>
<td>Market presence</td>
<td>EUR ~350m</td>
<td>Share buy-back</td>
</tr>
<tr>
<td>People</td>
<td>People</td>
<td>EUR ~250m</td>
<td>EUR ~350m</td>
<td>EUR ~300m</td>
</tr>
<tr>
<td></td>
<td></td>
<td>In acquisitions from 2013/14 - 2016/17</td>
<td>In ordinary dividend payout from 2013/14 - 2016/17</td>
<td>In additional cash to shareholders from 2013/14 - 2016/17</td>
</tr>
</tbody>
</table>

Leverage consistent with a solid investment-grade credit profile

FINANCIAL TARGETS
Financial highlights YTD 2017/18

Revenue
EUR 518 million
(up 3% on 2016/17)

Operating profit (EBIT) margin before special items
26.2%
(26.9% in 2016/17)

R&D expenditures incurred
EUR 39 million
(7.6% of revenue, compared to 7.2% in 2016/17)

Organic growth
9%
(10% in 2016/17)

Profit for the period
EUR 98 million
(on par with 2016/17)

Free cash flow before acquisitions and special items
EUR 11 million
(EUR 30 million in 2016/17)
Progress on strategic agenda YTD 2017/18

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. Strategy reaffirmed at Capital Market Day in April 2016. A new strategy review is in progress with findings to be presented in April 2018.

- **Bioprotection**: Strong growth of approx. 45%, with momentum in all segments driven by 1\textsuperscript{st} generation. Positive feedback from launch of 2\textsuperscript{nd} generation and first sales driving very strong growth in LATAM, albeit from a low base.

- **Penetration** in human and animal health continuing. Dietary supplements in North America underperforming.

- **Plant Health**: Recently launched products in Brazil Quartzo™ and Presence™ driving strong growth combined with continued penetration of Nemix\textsuperscript{®} C.

- **Bioprotection**: Strong growth of approx. 45%, with momentum in all segments driven by 1\textsuperscript{st} generation. Positive feedback from launch of 2\textsuperscript{nd} generation and first sales driving very strong growth in LATAM, albeit from a low base.

- **Capacity**: Ramp-up of the new capacity has progressed according to plan and is expected to contribute positively towards the end of the year.

- **Plant Health**: Recently launched products in Brazil Quartzo™ and Presence™ driving strong growth combined with continued penetration of Nemix\textsuperscript{®} C.

- **Emerging markets**: Growth in emerging markets across business units very strong. We continue to strengthen our presence incl. local application labs.

- **Natural Colors**: Profitability initiatives showing good progress, raw material pricing volatility presents a challenge to growth.
Organic sales growth in our business areas driven by volume and mix

- Strong organic growth in Food Cultures & Enzymes, with bioprotection growing at ~45%. Strong growth in cheese, fermented milk, enzymes and meat cultures
- Strong growth in animal and plant health (albeit from a low base), offset by low growth in human health
- Growth in Natural Colors driven by coloring foodstuffs and APAC

<table>
<thead>
<tr>
<th></th>
<th>YTD 17/18</th>
<th>YTD 2017/18</th>
<th>YTD 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+ 12%</td>
<td>+ 8%</td>
<td>+ 4%</td>
</tr>
<tr>
<td>Q2 2017/18</td>
<td>+ 12%</td>
<td>+ 7%</td>
<td>+ 4%</td>
</tr>
<tr>
<td>YTD 2017/18</td>
<td>60%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Health &amp; Nutrition</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Colors</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Regional performance – all regions contributing to growth

Share of revenue inside bubble, YTD organic growth 2017/18 outside bubble

- **NORTH AMERICA**
  - 26% Organic growth
  - Strong growth in bioprotection, cheese, fermented milk, meat, enzymes and animal health
  - Human health and Natural Colors decreased

- **EMEA**
  - 44% Organic growth
  - Strong growth in bioprotection, cheese, meat, enzymes and plant health
  - Fermented milk showed solid growth, while Natural Colors showed modest growth
  - Animal health decreased

- **LATAM**
  - 13% Organic growth
  - Strong growth in bioprotection, cheese, meat, enzymes and plant health

- **APAC**
  - 17% Organic growth
  - Strong growth in bioprotection, animal health, human health, cheese, enzymes, meat and fermented milk
  - Probiotics for fermented milk delivered good growth, while Natural Colors showed modest growth
  - Human health decreased from destocking in infant formula
  - Cheese decreased

**Organic growth**

- **21%** Strong growth in fermented milk, human health, animal health and Natural Colors
- **4%** Enzymes showed good growth
Strong growth continues in Food Cultures & Enzymes

**YTD ORGANIC SALES GROWTH**

- Organic growth comprised 10% from volume/mix and 2% from price increases in local currencies
- The organic growth was primarily driven by strong growth in cheese, fermented milk, enzymes and meat cultures
- Bioprotective cultures delivered organic growth of approximately 45%

**IMPROVED EBIT MARGIN ON Q2 2016/17**

- Driven by scalability in production and cost management, partly offset by higher depreciations and adverse currencies
- Margins down 1.4 %-points YTD, driven by adverse currency and positive one-offs in 2016/17
- Margins expected to improve in 2H
Organic growth driven by Animal Health

**YTD ORGANIC SALES GROWTH**
- Organic growth in human health was driven by both dietary supplements and infant formula in APAC, partly offset by North America.
- Animal health continued to deliver strong growth driven by improved sales coverage outside North America. Animal health was positively impacted by strong growth in silage and swine.
- Plant health grew strongly, albeit from a low base.

**IMPROVED EBIT MARGIN ON YTD 2016/17**
- Growth in EBIT margin driven by a positive mix in human health, lower scrap, insourcing of NPC products, the absence of royalty payments for LGG®, partly offset by currencies.

### Key Performance Indicators

- **Revenue**
  - Q2 17/18: 57.2 EUR million
  - Q2 16/17: 58.6 EUR million
  - YTD 17/18: 105.5 EUR million
  - YTD 16/17: 104.5 EUR million

- **Organic growth**
  - Q2 15/16: 0%
  - Q3 15/16: 3%
  - Q4 15/16: 0%
  - Q1 16/17: 8%
  - Q2 16/17: 13%
  - Q3 16/17: 14%
  - Q4 16/17: 21%
  - Q1 17/18: 10%
  - Q2 17/18: 7%

- **EBIT margin**
  - Q2 15/16: 32.5%
  - Q3 15/16: 27.2%
  - Q4 15/16: 28.3%
  - Q1 16/17: 21.1%
  - Q2 16/17: 31.7%
  - Q3 16/17: 28.3%
  - Q4 16/17: 33.6%
  - Q1 17/18: 23.2%
  - Q2 17/18: 32.5%

- **ROIC ex. goodwill**
  - Q2 15/16: 0%
  - Q3 15/16: 10.0%
  - Q4 15/16: 20.0%
  - Q1 16/17: 30.0%
  - Q2 16/17: 40.0%
  - Q3 16/17: 50.0%
  - Q4 16/17: 60.0%
  - Q1 17/18: 70.0%
  - Q2 17/18: 80.0%
Organic growth comprised approximately 2% from volume/mix effects and 2% from price increases in local currencies.

Organic volume growth was primarily driven by strong growth in coloring foodstuffs (Spirulina and Fruitmax®) and solid growth in annatto. Carmine declined compared to last year.

Globally, prepared food grew strongly, whereas dairy and fruit preparations in North America declined.

Margin decline mainly driven by raw material impacts, incl. timing of inventories, and lower sales.

Margins expected to improve in 2H.
Substantial adverse currency impact especially driven by USD

The weakened USD has a sizable impact on topline, EBIT and free cash flow

- The depreciation in 1H was -10%, with a similar effect expected in 2H*

Impact on revenues from all currencies:
- In Q2 the currency impact was -7%, and in 1H the currency impact was -6%

Impact on EBIT margin from all currencies:
- In Q2 the currency impact was -1.2%-point, and in 1H the currency impact was -0.9%-point

*Q3 and Q4 based on fixed exchange rates from 10 April 2018
## Income statement

<table>
<thead>
<tr>
<th>EUR million</th>
<th>YTD 17/18</th>
<th>YTD 16/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>518</td>
<td>501</td>
</tr>
<tr>
<td>Organic growth</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>EUR growth</td>
<td>3%</td>
<td>13%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>53.0%</td>
<td>53.5%</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>(37)</td>
<td>(34)</td>
</tr>
<tr>
<td>Sales &amp; marketing expenses</td>
<td>(66)</td>
<td>(65)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(37)</td>
<td>(37)</td>
</tr>
<tr>
<td>Other income/expenses</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>136</td>
<td>136</td>
</tr>
<tr>
<td><strong>EBIT margin b.s.i.</strong></td>
<td><strong>26.2%</strong></td>
<td><strong>27.1%</strong></td>
</tr>
<tr>
<td>Special items</td>
<td>-</td>
<td>(1)</td>
</tr>
<tr>
<td>EBIT</td>
<td>136</td>
<td>135</td>
</tr>
<tr>
<td><strong>EBIT Margin</strong></td>
<td><strong>26.2%</strong></td>
<td><strong>26.9%</strong></td>
</tr>
<tr>
<td>Net financials</td>
<td>(9)</td>
<td>(6)</td>
</tr>
<tr>
<td>Income tax</td>
<td>(29)</td>
<td>(31)</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>98</td>
<td>98</td>
</tr>
</tbody>
</table>

### Highlights

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>518</td>
</tr>
<tr>
<td>Volume/mix</td>
<td>7%</td>
</tr>
<tr>
<td>Price</td>
<td>2%</td>
</tr>
<tr>
<td>Organic growth</td>
<td>9%</td>
</tr>
<tr>
<td>Currencies</td>
<td>-6%</td>
</tr>
<tr>
<td>EUR growth</td>
<td>3%</td>
</tr>
</tbody>
</table>

#### Gross margin

- Down 0.5%-point to 53.0% driven by FC&E and NCD, partly offset by H&N

#### EBIT b.s.i.

- EUR 136 million YTD, same as 2016/17, margin decreased by 0.9%-points to 26.2% driven by FC&E and NCD, partly offset by H&N
- Margin development as expected and guidance for EBIT margin b.s.i. around 28.9% maintained
**Highlights**

**Cash flow**
- Cash flow from operating activities declined by EUR 14 million, primarily driven by regulation change on Danish export credit scheme and higher taxes paid
- Cash flow used for operational investing activities decreased by EUR 2 million
- Free cash flow before special items and acquisitions was EUR 11 million, down from EUR 30 million last year

**Key figures**
- Capital expenditures corresponded to 8.7% of revenue, down from 9.9% in 2016/17
- ROIC excluding goodwill down 3.1%-points
- NIBD/EBITDA was stable at 2.0x

---

**Cash flow and balance sheet**

<table>
<thead>
<tr>
<th>EUR million</th>
<th>YTD 17/18</th>
<th>YTD 16/17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flow</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating activities</td>
<td>56</td>
<td>70</td>
</tr>
<tr>
<td>Operational investing activities</td>
<td>(45)</td>
<td>(47)</td>
</tr>
<tr>
<td>Free operating cash flow</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>Acquisition activities</td>
<td>-</td>
<td>(73)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>11</td>
<td>(50)</td>
</tr>
<tr>
<td><strong>Balance sheet</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>1,810</td>
<td>1,797</td>
</tr>
<tr>
<td>Equity</td>
<td>748</td>
<td>762</td>
</tr>
<tr>
<td>Net interest-bearing debt</td>
<td>733</td>
<td>691</td>
</tr>
<tr>
<td><strong>Key figures</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net working capital</td>
<td>21.3%</td>
<td>21.1%</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>8.7%</td>
<td>9.9%</td>
</tr>
<tr>
<td>ROIC excluding goodwill</td>
<td>32.1%</td>
<td>35.2%</td>
</tr>
<tr>
<td>NIBD/EBITDA</td>
<td>2.0x</td>
<td>2.0x</td>
</tr>
</tbody>
</table>
## Outlook for 2017/18 slightly adjusted

<table>
<thead>
<tr>
<th></th>
<th>Realized 2016/17</th>
<th>Outlook 2017/18 12 Jan., 2018</th>
<th>Outlook 2017/18 11 April, 2018</th>
<th>Long-term financial ambitions ¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organic revenue growth</strong></td>
<td>10%</td>
<td>8-10%</td>
<td>8-10%</td>
<td>8-10%</td>
</tr>
<tr>
<td>Food Cultures &amp; Enzymes</td>
<td>9%</td>
<td>Above L.T.</td>
<td>Above L.T.</td>
<td>7-8%</td>
</tr>
<tr>
<td>Health &amp; Nutrition</td>
<td>14%</td>
<td>Below L.T.</td>
<td>Below L.T.</td>
<td>+10%</td>
</tr>
<tr>
<td>Natural Colors</td>
<td>10%</td>
<td>In line w/ L.T.</td>
<td>Below L.T.</td>
<td>Around 10%</td>
</tr>
<tr>
<td><strong>EBIT margin b.s.i.</strong></td>
<td>28.9%</td>
<td>Around the same level as in 2016/17</td>
<td>Around the same level as in 2016/17</td>
<td>Increasing ²</td>
</tr>
<tr>
<td><strong>Free cash flow before acquisition, divestments and special items</strong></td>
<td>EUR 188 million</td>
<td>Around the same level as in 2016/17</td>
<td>Around the same level as in 2016/17</td>
<td>Increasing ²</td>
</tr>
</tbody>
</table>

¹ Baseline 2014/15
² Over the period
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.

Forward-looking statements are other than statements of historical facts. The words “believe,” “expect,” “anticipate,” “intend,” “estimate,” “outlook,” “will,” “may,” “continue,” “should” and similar expressions identify forward-looking statements.

Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company’s markets; the impact of regulatory initiatives; and the strength of competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in records and other data available from third parties.

Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and may be beyond our control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of the Company or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements.

The information, opinions and forward-looking statements contained in this presentation speak only as at the date of this presentation, and are subject to change without notice. The Company and its respective agents, employees or advisors do not intend to, and expressly disclaim any duty, undertaking or obligation to, make or disseminate any supplement, amendment, update or revision to any of the information, opinions or forward-looking statements contained in this presentation to reflect any change in events, conditions or circumstances beyond what is required by applicable law or applicable stock exchange rules and regulations.

By viewing this presentation, you acknowledge and agree to be bound by the foregoing limitations and restrictions.