

# Strong organic growth of 10% in the first half year

**Chr. Hansen realizes strong organic revenue growth of 10% in the first half of 2016/17. With this solid performance in the first half year, we are well positioned to deliver on our ambitions for the year.**

*“With a solid performance in the first half of 2016/17, we are well positioned to deliver on our ambitions for the year. Both Food Cultures & Enzymes and Natural Colors delivered strong organic growth and improved profitability. In Food Cultures & Enzymes, the improvement in profitability was despite the financial impact from a management change in Q2. With 13% organic growth in Q2, Health & Nutrition is now delivering growth in line with our long-term ambitions for this business area. However, the EBIT margin in Health & Nutrition is still below the level of last year, partly due to continued investments in R&D,” says CEO Cees de Jong.*

*“We are pleased with the progress of our long term growth initiatives and especially with the continued strong growth and momentum in bioprotection, the further penetration and development of plant health solutions and technological progress in the human microbiome. NPC has now been fully integrated, and the integration of LGG<sup>®</sup> is on plan. Finally, it is encouraging to see the skilled and timely execution of the capacity expansion for dairy cultures in Copenhagen.”*

## YTD 2016/17 RESULTS

- Revenue of EUR 501 million, compared to EUR 443 million in 2015/16, corresponding to organic growth of 10%.
  - Food Cultures & Enzymes 9% organic growth
  - Health & Nutrition 10% organic growth
  - Natural Colors 11% organic growth
- EBIT before special items of EUR 136 million, compared to EUR 118 million in 2015/16. The EBIT margin before special items was 27.1%, compared to 26.6% in 2015/16.
- Profit for the period of EUR 98 million, compared to EUR 76 million in 2015/16.
- Free cash flow before special items and acquisitions of EUR 30 million, compared to EUR 16 million in 2015/16.

## Q2 2016/17 RESULTS

- Revenue of EUR 259 million, compared to EUR 229 million in Q2 2015/16, corresponding to organic growth of 9%.
  - Food Cultures & Enzymes 8% organic growth
  - Health & Nutrition 13% organic growth
  - Natural Colors 9% organic growth

- EBIT before special items of EUR 70 million, compared to EUR 64 million in Q2 2015/16. The EBIT margin before special items was 27.0%, compared to 27.9% in Q2 2015/16.
- Profit for the period of EUR 51 million, compared to EUR 37 million in Q2 2015/16.
- Free cash flow before special items and acquisitions of EUR 49 million compared to EUR 33 million in Q2 2015/16.

## **OUTLOOK FOR 2016/17**

The outlook for 2016/17 is unchanged compared to the announcement of 11 January 2017.

	<b>6 April 2017</b>	<b>11 January 2017</b>
Organic revenue growth	8-10%	8-10%
EBIT margin before special items	slightly increasing	slightly increasing
Free cash flow before acquisitions, divestments and special items	around EUR 175 million	around EUR 175 million

## **CONTACT**

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