

Annual General Meeting – 19 August 2010

Introduction by the Chairman

Welcome to Danisco's Annual General Meeting.

And welcome to Tivoli once more.

It is good to see that our shareholders take a keen interest in the Company. Again this year, we are seeing a large turnout, and the Board of Directors is pleased about that.

After the Annual General Meeting, there will be light refreshments outside the Concert Hall by the aquarium. We believe that this worked well last year. This is the reason why you, again this year, were presented with a voucher that that you can exchange for refreshments; hopefully everything will go well today.

In accordance with the Articles of Association, the Board of Directors appoints a Chairman of the meeting, and again this year we have appointed Attorney-at-Law Henrik Wedell-Wedellsborg. Welcome to you, too. You may address the meeting.

Chairman of the Board's report – Annual General Meeting 19 August 2010

Dear shareholders

I present my report with pleasure today because Danisco has made significant progress during the past year.

The financial year 2009/10 has been a turning point for Danisco. We continued to take important steps towards meeting our ambitions, and we improved our results on the previous year. Throughout the year, focus has been on delivering on the commitments that we made. In May 2010 we announced that we had met our margin milestone of 12.5% (before Bio Chemicals Projects) in 2009/10 – well ahead of plan.

This is the result of multi-year efforts with very clear priorities. We certainly met a number of challenges on the way, but they were overcome.

Profit performance

In the financial year 2009/10 we achieved 6% revenue growth adjusted for currency movements and acquisitions. And we recorded an operating profit of DKK 1,745 million before share-based payments and special items, equivalent to a margin of 12.7%. That was DKK 497 million or 3.1 percentage points higher than last year.

One driver of this performance was a return to growth in our core markets, combined with tailwind from lower input costs. Last but not least we introduced a string of cost containment initiatives, including a pay freeze and extensive rationalisation measures in the sales organisation, at our plants and in the administrative functions – in fact, across the entire business.

But even if the markets rebound, you have to be prepared to benefit from it. And we are. Given our global presence, with sales and development staff, and our strong product portfolio combined with innovative and sustainable solutions, we are well positioned to become our customers' First choice – which, as you know, is our key ambition. In this connection I would like to express my gratitude to all our employees for their great efforts over the year.

One year ago Danisco was facing two major challenges: Our Sweeteners division was impacted by keen competition within xylitol and Genencor's earnings had dropped significantly.

Since then Genencor has regained momentum in line with our plans, with strong growth and improved earnings thanks to many new and competitive products combined with extensive restructuring measures. We have not achieved our targets yet, but we are well underway.

And Sweeteners, though still challenged, achieved above-target cash flow for the year. However, we felt compelled to make a DKK 700 million goodwill writedown and to introduce additional restructuring measures. We are starting to see the results of this and are bringing Sweeteners back on track with reasonable earnings and cash flow.

Meanwhile, both Enablers and Cultures maintained their strong momentum over the financial year. In fact, both divisions generated record results.

Looking ahead, our focus will be on further streamlining our business, and we will continue to invest into our sustainability offering and innovation platform to support our long-term growth path. This is necessary if we are to address unmet customer needs stemming from the global challenges that CEO Tom Knutzen will touch on later.

Specifically for our Bio Chemicals Projects – the most important of which deal with enzymes for the production of second-generation bioethanol and bio-based materials for the production of synthetic rubber – we are now nearer to realising these major opportunities. I will come back to this later.

With these overall reflections I wish, on behalf of the Board of Directors, to indicate two things: Firstly, we are well on the way to achieving our current financial ambitions. Our strategic platform and direction are in place and, secondly, we have ambitions of maintaining momentum as well as generating more growth and earnings.

Based on information given to me by the management at a Board meeting just prior to the Annual General Meeting, I can inform you that Danisco generated organic revenue growth of 5% in the first quarter, and we will record a better operating profit than last year.

We are ahead of budget and with such a good start to the year we will in all likelihood realise our long-term financial ambition of an operating margin of 13.5% before Bio Chemicals Projects in this financial year. In connection with the announcement of our Q1 results on 21 September we will be updating our outlook for FY 2010/11.

I now give the floor to CEO Tom Knutzen, who will give us an update on our financial targets, the optimisation initiatives that we have worked on since the sale of Danisco Sugar and subsequently put our strategy into perspective by giving examples of the products and solutions that we have developed.

Afterwards, I will proceed to my report. Tom – the floor is yours.

Tom Knutzen's presentation

Dear shareholders

At Danisco we have a tradition of the CEO making a contribution to the Chairman's report, and this year I will focus on three issues.

I will briefly touch on our financial ambitions and follow up on the initiatives to optimise our internal group operations that I mentioned last year.

Most of all I will deal with the correlation between the current global megatrends, our strategy and the products and solutions that we develop.

The purpose is to illustrate Danisco's huge business potential provided by our global presence, human resources and, not least, our technology.

But first to our financial ambitions.

The positive challenge is that given our outlook for the current financial year, we will meet our long-term financial ambitions. As you can see from the slide behind me, three of the criteria were met last year.

Our business generated 6% organic growth – or in the middle of our target range of 5-7% organic growth over an economic cycle.

The return on net operating assets was 19% versus a target of 18%, and our gearing – that is, net debt to earnings before depreciation – was 1.2 times.

In the current financial year we expect to fulfil the last ambition: an operating margin of 13.5% before Bio Chemicals Projects. And this plan will be supported by a strong first quarter.

This is the reason why we are updating our targets – that is, setting new and ambitious targets.

As to the timing, we want to fulfil our current ambitions before setting up new ones. So we will come back to that in the course of the year.

As the Chairman has already said, our progress is the result of many factors – internal as well as external. Last year I told you about a number of internal areas with potential for improvement. They are shown on the slide behind me.

Over the year we have achieved extensive cost savings and procedures have been improved. And that is part of the explanation for our profit growth. But we are not finished yet – far from. Going forward, our initiatives will result in further improvements and at the same time we will improve the service we provide to our customers to become their First choice supplier.

As an example I can mention that after we had mapped out our logistics functions we saw potential for savings as well as improved customer services.

In consequence, we established the organisational unit LOGFI – Logistics Food Ingredients – as of 1 May 2010.

LOGFI undertakes all the logistics related to finished goods and customer supplies. Over the past year we have reduced the number of warehouses from 160 to 128, and going forward we can achieve additional economies of scale through our regional distribution centres while at the same time improving our supply reliability.

Longer out we expect LOGFI to act as a link between our sales force and our customers to communicate the customers' future needs. That will enable the divisions to optimise their production planning and, as a result, reduce the number of warehouses further.

Another example is the creation of financial service centres. In Europe we have successfully established a central accounts department in Bratislava to serve the entire region.

Similarly, we have just established centres in Kunshan, China, and in Mexico City to serve Asia and the Far East as well as North and South America. In this way we will achieve economies of scale while reducing costs.

As already mentioned, we are introducing many other initiatives to focus and strengthen our competitive power going forward.

And this brings me on to the strategy and megatrends.

Humanity is faced with drastic global challenges. The climate is changing and the world population is increasing. Today, there are more people on earth than the accumulated number of people in the history of mankind.

This is difficult to relate to, but it gives an idea of the magnitude. In 2050 – only 40 years from now – the global population is projected to reach nine billion. That is close to 30% more than today.

So we have to act in a sustainable way, but the development also offers significant business opportunities.

Our strategy is therefore focused on the production and development of products and solutions based on natural raw materials and biotechnology. Both production and products must be sustainable, but even more important: our products must contribute to fighting global warming and the use of scarce resources such as oil and water.

To Danisco, four key megatrends are relevant:

Welfare and population growth increases the demand for food. In consequence, we have to reduce waste and make the production more efficient.

With population growth, increasing welfare and an aging population the number of people who fall ill will also increase. We have to produce food that prevents illnesses and ensures healthy lives.

The demand for energy is increasing, not least for transportation. And the use of fossil energy sources such as oil and coal is still dominant. So we have to find new, sustainable energy sources.

Everyday we consume goods based on materials and chemicals derived from oil. We have to move away from oil-based products and replace them by bio-based solutions.

We as a company obviously cannot solve all the problems of the world, but we can make an important contribution while creating value for our shareholders.

Let me give you a few examples that explain why our divisions complement each other and together make up a powerful platform.

I will begin with something as ordinary as bread. In many countries people mainly eat white toast that is low in fibre. But fibres promote healthy digestion and are therefore good for people's well-being and health.

The rye bread that we Danes love has a very high fibre content, but due to its taste and texture it is not very widespread. We have developed a solution: by combining Genencor's enzyme technology with food ingredients from Enablers we can produce healthy toast based on rye flour which is rich in fibre like rye bread.

Our product is perceived as a breakthrough in the bread market and is already on the shelves in several countries.

Let me give you another example. Via Genencor we are the world's biggest producer of feed enzymes which enable animals to take up more nutrients from the feed, allowing the omission of phosphorous. This is better for the economy as well as for the environment.

But we also improve the animals' health in a natural way by adding dairy cultures to their feed – just as we eat yoghurt with probiotic cultures – and, most important, we can reduce the use of antibiotics for the animals. So our divisions and their technologies interact closely here.

Food that is thrown away is a huge waste of resources. Up to 30% of all food is thrown away instead of being eaten. If we reduced this figure, we could feed millions of people more than today with the same resources.

That is why we use nature's own processes as preservation methods. Tea or rosemary extracts, fermentation processes and lactic acid bacteria (dairy cultures) are natural products that increase shelf life. By reducing waste we can feed more people while reducing CO2 emissions. This is common sense, but it is also a way to save a lot of money from producer to consumer.

The question is whether people can afford to buy food at all. We work with several of our major customers on what is called Affordable food, that is, healthy and safe food that people with very low incomes in the third world can afford. And we are talking about close to three billion people. Our enzymes and emulsifiers make it possible to make cheap bread from local, not highly processed raw materials with inferior baking performance.

Our biotechnology also has potential outside the food industry and is relevant to, for instance, the production of sustainable fuel. We are investing heavily into one of the solutions: second-generation bioethanol.

That is what we refer to as Bio Chemicals Projects under Genencor. Imagine that, in the future, cars will be running on fuel produced from agricultural residues in a CO2-neutral cycle.

We have taken two approaches: One is our joint venture, DDCE, with US-based DuPont. Here we can deliver ready-made concepts for high-efficient, second-generation bioethanol factories where production is based on, for instance, corn cobs or switchgrass.

The other is the marketing of our Accellerase enzyme which enables the production of second-generation bioethanol at competitive prices. We sell that to many of the businesses that are establishing production of second-generation bioethanol, for instance Danish-based DONG Energy.

In other words, we have not confined ourselves to one single approach. We are both an enzymes provider to the market and we participate in a partnership that we hope will transform into many factories globally under licence from DuPont and Danisco.

Biotechnology is also used for the production of bio-based chemicals such as isoprene for the production of artificial rubber. Here we work together with Goodyear.

I could give you a lot more examples, but I will stop here. If I have aroused your curiosity, you can find much more information in our Annual Report, on our website and, not least, in our profile brochure which is available here today.

In other words, we are addressing global concerns. And we consider ourselves an important player when it comes to finding solutions that can help make the world more sustainable. And we expect to make a solid profit on our effort.

I now pass the baton to the Chairman of the Board.

Thank you, Tom. I will now proceed with the company's financial performance in the past year.

Share price performance

Let me start with the share price performance, which you can see on the slide behind me. If we compare Danisco to the OMXC20 companies in the period from 1 May 2009 until today, you can see that the OMXC20 companies had a positive share price performance of 49%, while Danisco increased from DKK 183 to DKK 463, an increase of 153%, in the same period and thus outperformed the market by 104 percentage points. In other words, we have reversed the trend – and that was definitely required.

Our share of international investors has increased during the year and now makes up around 50%. We believe that this provides a good balance for the ownership structure and contributes to increasing the trading volume of the stock, which was almost DKK 18 billion in the last financial year.

Income statement

Danisco recorded group revenue of DKK 13.7 billion, an increase of 6% on last year. Operating profit before share-based payments and special items was DKK 1,745 million, an increase of 40% that mainly reflects productivity improvements, lower input costs and an improved product offering. Profit for the year came out at DKK 481 million, up DKK 409 million. The increase was largely driven by the positive operating performance but was strongly reduced by negative special items of DKK 796 million, representing a non-cash goodwill writedown in Sweeteners.

Our net financial expenses were DKK 152 million, slightly ahead of expectations.

Cash flow

Cash flow from operating activities was DKK 2.6 billion due to improved earnings and a reduction of working capital. Investments in capacity increases and maintenance of plants etc. totalled DKK 841 million.

Debt structure

The Group's balance sheet was very satisfactory with a reduction of net interest-bearing debt from DKK 4.7 to 3.0 billion. In terms of gearing, we have taken our target range for net interest-bearing debt (NIBD) to EBITDA from 2.5-4 times to 1.5-2.5. This allows for the financial flexibility that the Board deems necessary taking the prevailing financial markets into account combined with the opportunities for investments our future strategy will create moving forward. This year, our gearing ended up at the lower end of the range at 1.2 times and that is the reason why we suggest an extraordinarily high dividend payout. I will come back to this later.

And now for the individual segments:

Enablers

In Enablers we produce emulsifiers, stabilisers and ingredients blends. Emulsifiers bind together oil and water, which makes them indispensable in the development and manufacture of modern food products. Stabilisers are manufactured from specially selected natural raw materials such as seaweed and citrus fruits. Our functional systems, or ingredients blends, offer unique customer solutions based on both our own and sourced raw materials that enable the production of tasty, safe and healthy foods.

Here, revenue increased by 3%, 1% of which stemmed from the acquisition of UK-based Abitec last year. Enablers' revenue made up 42% of group revenue.

The growth in revenue does not, at first glance, appear to be particularly strong, but due to the lower raw material prices we were able to lower our prices, particularly early in the financial year. The underlying growth thus exceeded the 2% organic growth. Enablers recorded an operating profit of DKK 923 million for the year, corresponding to a margin of 16.2% against 11.7% last year, which is very satisfactory and an all-time high.

The margin increase of 4.5 percentage points was driven by an improved product mix, internal cost savings, a strong production result and positive external factors such as declining raw material prices and freight costs.

Cultures

In Cultures we produce dairy cultures that are blends of microorganisms or strains grown through fermentation technology. For example, probiotic cultures are widely recognised to enhance the immune system of humans and animals; and cultures offer natural food protection solutions to the food industry.

Cultures accounted for 15% of group revenue in 2009/10 and experienced another year of strong momentum. Revenue came in at DKK 2.1 billion, up 7%, reflecting 10% organic growth and a 3% negative currency impact.

Operating profit came in at DKK 396 million, resulting in a margin of 19% for the full year compared to 16.5% in 2008/09. This margin enhancement was driven by particularly strong performance in the early part of the financial year, impacted by a positive product mix, productivity gains and a successful conversion of Genencor's enzyme production facility in Rochester, USA, into cultures production.

The future outlook for Cultures is bright, and early in the year we published plans to invest around DKK 450 million into additional frozen cultures capacity over the coming three years in order to support the continued strong demand.

Sweeteners

In Sweeteners we manufacture sweetening agents such as xylitol, fructose and Litesse[®]. Our sweeteners are produced from natural raw materials such as milk sugar and wood and help reduce the risk of lifestyle-related diseases such as obesity, diabetes and tooth decay.

Sweeteners accounted for 10% of group revenue in 2009/10. Revenue came in at DKK 1.4 billion, down 5%, made up of 6% negative organic growth and a 1% positive currency impact. The business momentum remained positive for Litesse[®] and lactitol and the situation for xylitol and fructose stabilised over the year. Operating profit was DKK 20 million and in line with expectations.

Our main objective for Sweeteners in 2009/10 was to generate a positive free cash flow of at least DKK 200 million by reducing inventories through a markedly lower production rate at several of our plants. The results of that initiative have been satisfactory, as we realised a free cash flow of more than DKK 350 million. Although we continued to see positive cash generation over the year, we wrote down our DKK 700 million goodwill in Sweeteners due to the continued uncertainty related to the longevity of the market imbalances for xylitol.

As part of our continued efforts to improve our competitiveness and profitability in Sweeteners, we implemented further restructuring initiatives in Q4 2009/10, including capacity reductions at certain sites as well as efficiency measures resulting in staff reductions. The initiatives are being executed and are developing satisfactorily. With the introduction of these measures, the Board is confident that our financial targets will be met, including an EBIT margin of around 10% going forward. The market for our natural sweeteners is growing and our competitiveness has been strengthened markedly.

Genencor

Genencor develops and produces enzymes that are proteins present in all living cells. Enzymes function as catalysts for the thousands of chemical reactions that take place in such cells. As natural substances, enzymes are ideal ingredients for use in modern industries demanding high levels of sustainability and efficiency. So this is an extremely exciting business area with great prospects.

Genencor posted revenue of DKK 4.5 billion in 2009/10, up 12% on last year. That was very satisfactory.

Genencor accounted for 33% of group revenue in 2009/10. The organic growth rate was the result of a return to growth for the overall global enzyme market as well as Genencor's improved product offering. Growth was particularly strong in enzymes for bioethanol production and animal nutrition, and we strengthened our product offering and positions in many fields, including detergents and food enzymes.

Genencor's operating profit before Bio Chemicals Projects came in at DKK 667 million against DKK 441 million last year, with a margin increase from 10.8% to 14.6%. The operating margin improvement of 3.8 percentage points was the result of growth,

productivity gains and an improved product mix. Genencor's margin is still below our long-term financial target of 15%, which is expected to be realised during this financial year.

Bio Chemicals Projects

Under the aegis of our joint venture with DuPont, we inaugurated a demonstration plant for second-generation bioethanol in Tennessee, USA, in January. This will form the basis for sales of high-efficiency technology solutions to the industry that we expect to be established over the coming years. We expect to see commercial-scale factories being put into construction in the USA in the current financial year. And we want to take an active part. The rest of the world, including China, is also expected to represent a very large market for second-generation bioethanol.

Our collaboration with tyre manufacturer Goodyear on Biolsoprene™ for synthetic rubber for car tyres is progressing as planned, and in the spring our initiative was honoured with the auto industry award, Environmental Achievement of the Year, in Geneva, Switzerland.

Patents – lawsuits

It is a well-known fact that we are a knowledge-based business. Like our competitors we obviously have to protect our new innovations through patents. Today, Danisco has more than 9,300 patents, primarily within biotechnology. It goes without saying that from time to time we get into disputes concerning the validity of patents in the industry and that such disputes sometimes have to be settled in court. It is not something that we aim at, and our objective is always to try to find business solutions, but we do not always succeed in that. We therefore get into disputes, including with a large, well-known enzyme manufacturer. These cases are complicated, they may go on for a long time and are often expensive, but we obviously have to take precautions to protect our and our customers' positions while always striving to enter into the competition by developing new and innovative solutions for our customers.

Sugar

As for the sale of Danisco Sugar, I will merely say that the only outstanding balance at present is our receivable of EUR 68 million which, including accrued interest, falls due in March 2011.

In connection with the sale of our sugar activities, we announced that we expected to launch a share buyback programme. This was called off due to the financial crisis and markedly changed global situation.

The transaction has been completed now, the surrounding world has become more stable and our financial position has been strengthened. This is the reason why the Board of Directors under a later item on the agenda will propose to the Annual General Meeting to increase the ordinary dividend by DKK 1 per share and to pay an extraordinary dividend of DKK 8.50 per share – that is, a total dividend payout of DKK 17.00 per share. You could say that we have replaced the originally planned share buyback programme by an extraordinary dividend payout.

Sustainability

Danisco's biggest contribution to sustainability is the solutions and products that we offer to our customers, as Tom also mentioned earlier. Moreover, we have always paid attention to sustainability internally. We continuously make efforts to improve our profile through responsible efforts wherever we operate. Recently, we were awarded the highest rating possible for our sustainability reporting. At the same time, we are the only ingredients producer represented in the Dow Jones Sustainability Indices.

We have developed three new strategies to provide additional vision and direction for our sustainability performance. The three new strategies focus on the sustainability impacts and opportunities in our value chain to drive leadership in sustainable sourcing, manufacturing and supply chain efficiency, and sustainable innovations and product offerings.

As an example of how the strategies will be elaborated in the coming quarters, the manufacturing and supply chain efficiency strategy was further developed in the financial year. The slide behind shows our ambitions and how far we have come:

Realised versus targets

2009/10 is the target year for two material sustainability focus areas established in 2007: water and energy. While we established reduction targets of 5% and 10% for water and energy, respectively, we achieved an exemplary performance compared with 2007 of 28% reduction in water consumption and 21% reduction in energy consumption. Our new targets should also be viewed against this backdrop.

In the financial year 2009/10, we were recognised by our stakeholders as a leader in sustainability performance.

Irrespective of our sustainability targets, a company always has a past – and so has Danisco. Over the years, we have reported on the developments in Grindsted. And I will do it again this year:

Update on Grindsted

The Board of Directors has focused strongly on the mercury case in Grindsted to ensure that the case is dealt with in a way that is consistent with our profile as a responsible company. I would like to take the opportunity to give our shareholders an update on the case.

At the past two annual general meetings, we have mentioned the issue of employees being exposed to mercury at the former Grindstedværket in the 1960s and 1970s.

We promised that we would live up to our ethical and social responsibility towards the people concerned, even though we are not legally obliged to offer any kind of compensation.

On 17 April 2009, we announced in a press release that we would make a plan once all the claims have been considered. We also announced that we would offer some additional compensation for claims where medical experts and the National Board of Industrial Injuries recognised work-related injuries resulting in a loss. To be recognised, claims have to be related to mercury and must have occurred as a consequence of employment at Grindstedværket during the period in which Grindstedværket was engaged in vitamin production.

We will keep our promise and hope the general public will understand that the claims must be assessed by the right experts – both medical experts and the National Board of Industrial Injuries.

The situation right now is that out of 150 claims, in 111 cases of which Danisco was the employer, 97 claims have been rejected and four claims, two of which relate to the same person, have been recognised as work-related injuries. 62 cases have been appealed. In a number of cases, the National Board of Industrial Injuries is awaiting the results of medical examinations and further information. The National Board of Industrial Injuries hopes to be able to consider all the remaining cases by Christmas this year.

The Board of Directors will monitor the situation closely.

Corporate Governance

In connection with the release of our Q1 results in September 2009 we announced that the Board would propose to the Annual General Meeting that the Articles of Association be amended in two areas.

Firstly, the Board proposes to the Annual General Meeting that the election period for all Board members be changed from two years to one year. The Board motivates the proposal by a wish to update the Company's Articles of Association to ensure that they comply with the corporate governance recommendations in a Danish as well as an international perspective.

Secondly, the Board has once again discussed whether the voting right restriction of 7 1/2% serves its purpose of ensuring the Board a better negotiating position in case of a takeover bid. The Board has concluded that the value of the voting right restriction does not offset the negative impact on the share price. The Board therefore proposes to the Annual General Meeting to remove the voting right restriction laid down in the Articles of Association.

And now to something about the future.

We are confident that with our strategic focus – Becoming first choice – our biotechnology platform and, not least, our many dedicated and competent employees around the world, we will be able to realise our goals and develop our sustainable and value-creating strategy even further.

I hope that my report and Tom's presentation have given an impression of an interesting company with a plan for the future direction. Danisco is prepared for tomorrow's challenges and to offer solutions for these challenges in the coming decades.

Employees

Our employees are motivated and well-educated wherever we operate.

We have the most important ingredients required to produce a satisfactory return in future.

I would like to express my gratitude to all our employees for their efforts and commitment in the past year. And I would also like to thank my colleagues on the Board of Directors for their efforts during the year.

Finally, I would like once again to thank the shareholders for a large turnout and for showing an interest in Danisco again this year.

I now give the floor to the Chairman of the meeting.

Item 2: Submission of the audited Annual Report

Item 3: Resolution on the appropriation of profits

Item 3: Motivation by the Chairman of the meeting

The Board of Directors proposes a dividend of DKK 8.50 per share, which is an increase of DKK 1.0 on last year. As mentioned earlier, the Board also proposes to pay an extraordinary dividend of DKK 8.50 per share, corresponding to a total dividend payout of DKK 17.00 per share or DKK 810 million.

Item 4: Election of members to the Board of Directors

I will now give you a brief description of each of the candidates proposed for re-election.

Jørgen Tandrup

Re item 4: Motivation by the Chairman of the meeting

Jørgen Tandrup has international experience from the fast-moving consumer goods segment focused in a business-to-consumer environment. He began his career with a marketing focus on the fast-moving consumer goods segment and branding. Rapidly he took on more responsibilities and has been CEO for the last 26 years, most recently in Scandinavian Tobacco Company A/S from 1993-2006 where he maintained a strong focus on international brand building. Jørgen Tandrup has been the main contributor to the development of this company.

The Chairman of the meeting gives the floor to Jørgen Tandrup

Håkan Björklund

Re item 4: Motivation by Jørgen Tandrup

Håkan Björklund has an international background from the pharmaceutical industry. First he was responsible for a major part of the research activities in Astra, and then became responsible for sales and marketing in the Nordic region and selected countries in Europe and South Africa, representing total sales of approximately USD 2 billion. In 1999 Håkan Björklund became CEO of Nycomed where he has been instrumental in expanding the business from around DKK 2 billion to just over DKK 24 million over the past ten years.

Kirsten Drejer

Re item 4: Motivation by Jørgen Tandrup

Kirsten Drejer has an international background from the pharmaceutical and biotech industry. She co-founded the biotech company Symphogen in 2000 and has as CEO raised a total of EUR 108 million in equity capital and built a unique antibody platform company with a maturing clinical pipeline. Before founding Symphogen A/S she held several scientific and managerial positions at Novo Nordisk, including four years as Director of Diabetes Discovery and three years as Corporate Facilitator.

I would like to take this opportunity to welcome our new employee-elected Board members. According to Danish legislation, the employees of a company must elect representatives to the Board of Directors every fourth year, and this was one such year. Lis Glibstrup from Brabrand has served on the Board for eight years, but did not seek re-election. I would like to express my gratitude to you, Lis, for your efforts on the Board.

Welcome to:

1. Flemming Kristensen from Grindsted was re-elected. Flemming, I would like to thank you for taking one more term on the Board.
2. Anne Agger Sparsø from Brabrand has been elected as a new member on the Board – welcome to you.
3. Werner Hess from Grindsted, welcome back – having consulted the history books I can see that you were previously an employee-elected Board member in Danisco – welcome to you.

Item 5: Election of auditor – Deloitte Statsautoriseret Revisorer

Re item 5: Motivation by the Chairman of the meeting

Item 6: Resolutions proposed by the Board of Directors

Item 6a:

- (i) It is proposed that the annual remuneration paid to Directors of the Board remain unchanged at DKK 300,000 with premiums of 150% and 50% paid to the Chairman and Deputy Chairman, respectively.

- (ii) It is proposed that the remuneration paid to the members of the Company's audit committee make up one third of the annual remuneration paid to Directors of the Board with a premium of 50% paid to the Chairman.
- (iii) It is proposed that the remuneration paid to Directors of the Board serving on ad hoc committees, such as recruitment or compensation committees, make up one sixth of the annual remuneration paid to such Directors. The Chairman and the Deputy Chairman are not paid additional remuneration for participating in ad hoc committees.

Re item 6a: Motivation by Jørgen Tandrup

It is important for the Board of Directors that Danisco delivers a stable and positive performance. And we are well underway; nevertheless, the Board did not think the time was right for changing the remuneration of the Board this year. However, over the next year we will evaluate the level of remuneration in Danisco with comparable companies to ensure that we are competitive and in conformity with the market also in this respect. For a company such as Danisco it is essential to be able to attract international profiles to the Board.

The Board of Directors therefore proposes that the remuneration of the Board, including participation in committees, remain unchanged until the next annual general meeting.

Item 6b: Purchase of treasury shares

Re item 6b: Motivation by the Chairman of the meeting

Item 6c: The Board of Directors proposes to the Annual General Meeting that a share option scheme of up to 600,000 share options be granted to the Executive Board and senior managers

Re item 6c: Motivation by the Chairman

Over a long period of time, we have granted share option schemes to the Executive Board and senior managers. In the opinion of the Board of Directors, the effect of these schemes is that the Executive Board and senior managers share a common objective with our shareholders, that is, to create value for the company. As of 30 April, the combined option schemes, excluding the proposed scheme, accounted for 5.4% of the total share capital.

The Board of Directors is convinced that share option and bonus schemes are among the key factors for being an attractive employer who can retain and attract qualified staff in a global market. And let me add that we use external market data to ensure that the parameters of the schemes and the individual allocations are made on market terms. I can inform you that in connection with the payout of extraordinary dividend we adjust the strike prices in the option schemes, so the prices at which the employees can acquire the shares are adjusted in accordance with standard practise.

The Board of Directors proposes to the Annual General Meeting that the Board be authorised to grant 600,000 share options on the terms and conditions stated in the material to the Executive Board and senior managers, comprising some 375 persons.

In conclusion, I can inform you that the price at which Danisco shares can be bought in the period from 2013 to 2016 is expected to be fixed at the level of DKK 480; at this price the total value of the scheme is calculated at about DKK 67 million, which is somewhat higher than at the time of the release of the Annual Report at the end of June.

I would like to add that the Board has also been looking at a compensation model that takes a larger group of employees into account. As a result, we have introduced a bonus scheme with effect from the current financial year for those of our employees who are not comprised by collective agreements. Under the new scheme, the employees will be paid an annual bonus if the Group's earnings expectations are met.

In addition, senior executives in Genencor are comprised by a bonus scheme as described in our Annual Report.

Item 6d: Proposals from the Board of Directors for amendments to the Articles of Association:

- (i) Removal of the 7 1/2% voting right restriction in Article 14.1 and deletion of Article 14.2 of the Articles of Association.

Re item 6d (i): Motivation by the Chairman

As mentioned earlier, the Board of Directors has once again discussed whether the voting right restriction of 7 1/2% serves its purpose of ensuring the Board a better negotiating position in case of a takeover bid. The Board has concluded that the value of the voting right restriction does not offset the negative impact on the share price. The Board therefore proposes to the Annual General Meeting to remove the voting right restriction laid down in the Articles of Association.

- (ii) The Board of Directors proposes a revision of the Articles of Association in consequence of the new Danish Companies Act, which came into force on 1 March 2010, and as part of a general updating of the Articles of Association.

The Board of Directors' most important proposals for amendments to the Articles of Association are stated in the notice convening the Annual General Meeting.

Re item 6d (ii): Motivation by the Chairman of the meeting

Item 7: Any other business

The Chairman of the meeting states that all the agenda items have been dealt with and calls upon the Chairman of the Board to speak.

The Chairman's concluding remarks

Once again I would like to thank you for taking an interest in Danisco this year. Also, I would like to thank both the Chairman of the meeting for his effort and the newly elected Board members.

Finally, I would like to inform you that our Annual Report and profile brochure are available here today to support the information about Danisco that you can find on our website.

And now we would like to invite you for refreshments. Have a nice evening and thank you.