



# Announcement of results for Q3 2010/11

17 March 2011

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(1 November 2010 – 31 January 2011)

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### About Danisco

With a rich and innovative portfolio, Danisco is a world leader in food ingredients, enzymes and bio-based solutions. Using nature's own materials, science and the knowledge of our 6,800 people, we design and deliver bio-based ingredients that meet market demand for healthier and safer products. Danisco's ingredients are used globally in a wide range of industries – from bakery, dairy and beverages to animal feed, laundry detergents and bioethanol – to enable functional, economic and sustainable solutions. Headquartered in Denmark and operating from more than 80 locations, Danisco's key focus is to become our customers' First choice and a truly market-driven global business. Find out more at [www.danisco.com](http://www.danisco.com)

## **Disclaimer and status regarding Offer submitted by DuPont**

*This announcement is not an offer to buy or sell shares or other securities in Danisco A/S or a recommendation on whether or not to accept any offer or otherwise buy or sell shares or other securities in Danisco A/S.*

*Any reference made in this announcement to the offer submitted by DuPont Denmark Holding ApS (the "Offeror") on 21 January 2011 (the "Offer") is not directed at shareholders whose participation in the Offer would require the issuance of an offer document, registration or other activities other than what is required under Danish and United States law. No action has been (or will be) taken other than in Denmark and the United States to permit a public offer in any jurisdiction where action would be required for that purpose.*

*The Offer is not being made directly or indirectly in or into Canada, Australia or Japan, and the Offer does not apply and cannot be accepted from within Canada, Australia or Japan. The Offer has been made in the form of an offer document prepared by the Offeror. The offer document describes the terms and conditions of the Offer, including the procedure for acceptance thereof. Any decision as to whether or not to accept the Offer should be made only upon careful review of the offer document and the statement of 21 January 2011 by the Board of Directors of Danisco A/S prepared in accordance with applicable Danish law, rules and regulations.*

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*This announcement has been prepared in Danish and has been translated into English. In case of inconsistencies between the two versions, the Danish language version shall prevail.*

*This announcement contains statements relating to future matters or occurrences, including statements on future results, growth or other forecasts, including but not limited to guidance for the financial years 2010/2011 and 2011/2012. Such statements may generally, but not always, be identified by the use of words such as "anticipates", "assumes", "expects", "plans", "will", "intends", "projects", "estimates", "ambition" or similar expressions. Forward-looking statements, by their nature, involve risks and uncertainty as they relate to events and depend on circumstances occurring in the future. There can be no assurance that actual results will not differ, possibly materially, from those expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, statements regarding our business, financial condition, strategy, results of operations, financing and other plans, objectives, assumptions, expectations, prospects, beliefs and other future events and prospects. We undertake no obligation, and do not intend, to publicly update or revise any of these forward-looking statements, whether to reflect new information or future events or circumstances or otherwise.*

## Status on Offer

On 10 January 2011, E.I. du Pont de Nemours and Company ("DuPont") and a wholly owned and fully controlled subsidiary thereof, DuPont Denmark Holding ApS (the "Offeror") announced their decision that the Offeror would submit a voluntary public offer to the shareholders of Danisco A/S ("Danisco") pursuant to which the Offeror would offer, on certain conditions, to purchase all shares of Danisco for cash at a price of DKK 665 per share of nominal value of DKK 20 each (the "Offer"). Reference is made to the Offeror's announcement published on 10 January 2011 through NASDAQ OMX Copenhagen A/S and Danisco's company announcement no. 2 and 3/2011 also of 10 January 2011.

On 21 January 2011, the Offeror published the offer document (the "Offer Document") setting out the detailed terms and conditions of the Offer. Reference is made to Danisco's company announcement no. 5/2011 of 21 January 2011. Also on 21 January 2011, Danisco announced the statement of the Board of Directors of Danisco concerning the Offer pursuant to section 14 of the Danish Take Over Order (Executive Order No. 221/2010). Reference is made to Danisco's company announcement no. 6/2011 of 21 January 2011.

On 18 February 2011, the Offeror announced that it had decided to extend the offer period to expire on 1 April 2011 at 11:00 p.m. (Danish time) (1 April 2011 at 5:00 p.m. New York time).

Please note the following dates in relation to the Offer (see however below):

1 April 2011	Anticipated expiry of the offer period.
4 April 2011	Anticipated announcement of the result of the Offer.
7 April 2011	Anticipated completion (including settlement) of the Offer assuming that the offer period expires on 1 April 2011.

The Offer remains subject, *inter alia*, to the Offeror receiving the necessary approvals and clearances for the competition authorities in the EU and China. The Offeror has made filings with the competent authorities in both jurisdictions. In the EU, the Phase I review period is set to expire on 5 April 2011. In China, the Phase I review period was initiated on 8 March 2011.

Due to the ongoing clearance-process, the Offeror in its supplement to the Offer Document of 18 February 2011, whereby the Offeror announced an extension of the offer period until 1 April 2011, stated that assuming the said approvals and clearances have not been obtained by 1 April 2011, it will prolong the current offer period for four weeks to expire on 29 April 2011 at 11:00 pm (CET) (29 April 2011 at 5:00 pm (EST)). The Offeror will make further announcements with regard to a prolongation of the offer period on or before 1 April 2011.

This announcement does not form part of the Offer, the Offer Document or Danisco's board of directors' statement on the Offer.

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## Strong quarter triggers earnings upgrade

In Q3 2010/11, Danisco recorded revenue of DKK 3.9 billion, an 18% increase Y/Y made up of 9% organic growth, 1% acquisitive growth and 8% positive currency impact. Our group EBIT\* (before Bio Chemicals Projects – BCP) came in at DKK 575 million, reflecting a margin expansion of 3.5 percentage points Y/Y driven by all four divisions. Profit for the Group came in at DKK 310 million against a negative DKK 354 million in Q3 2009/10.

CEO Tom Knutzen comments: “Q3 was a strong quarter for Danisco, with Sweeteners back on track, new earnings levels reached in Genencor and Cultures and an exceptional peak cycle performance in Enablers, where we are now entering a new and more challenging phase due to substantial raw material price inflation. Based on our preliminary planning for 2011/12 and using the prevailing exchange rates, we see revenue growth for the Group of around 6-7% in 2011/12 and a stable EBIT margin (after share-based payments) of around 15% (corresponding to around DKK 2.5 billion), reflecting a margin decline in Enablers and margin improvements for the remaining divisions.”

Please refer to pages 3-4 for disclaimer and status regarding the Offer submitted by DuPont.

## Highlights

- Revenue and EBIT came in well ahead of last year, reflecting a stronger performance in all four divisions driven by a broad-based, improved product offering and production efficiencies. We are now running at very high capacity utilisation rates which will require new capacity to be built.
- Organic growth for Q3 came in at 9% for the Group driven by all four divisions (Enablers 10%, Cultures 8%, Sweeteners 13% and Genencor 7%). Year-to-date, group organic growth stands at 8%.
- EBIT (before BCP) of DKK 575 million reflected a margin of 14.8% for the quarter (Enablers 15.8%, Cultures 19.6%, Sweeteners 9.2% and Genencor 16.6%). Our YTD EBIT margin before BCP is 16.2%.
- Group RONOA reached 24.7%, up from 16.8% in Q3 last year, driven by improvements in all four divisions.
- We upgrade our EBIT outlook for the full year as a result of a faster than expected recovery in Sweeteners and the exceptional peak cycle performance in Enablers.

## Outlook for 2010/11

For FY 2010/11, we now expect to realise revenue of over DKK 15.5 billion (previously around DKK 15.3 billion) and EBIT (before BCP) of over DKK 2.4 billion (previously DKK 2.2-2.3 billion), resulting in an EBIT margin (before BCP) of around 15.5% (previously around 14.5%), corresponding to around 15.0% after share-based payments, which is consistent with the long-term plan communicated on 8 October 2010 in connection with our Capital Markets Day. We expect profit for the year of over DKK 1.35 billion (previously around DKK 1.3 billion). For further details, please refer to page 15.

*\*In this report, EBIT will refer to EBIT before share-based payments and special items unless otherwise stated.*

## Key figures and financial ratios

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Income statement</b>				
Revenue	3,882	3,293	11,622	9,981
EBITDA before special items	728	514	2,346	1,754
Operating profit before share-based payments and special items	559	358	1,837	1,276
Operating profit before special items	518	339	1,773	1,235
Special items	( 6)	( 700)	( 10)	( 700)
Operating profit	512	( 361)	1,763	535
Share of profit from joint ventures	( 19)	( 16)	( 56)	( 50)
Net financial expenses	( 42)	( 55)	( 136)	( 121)
Profit before tax	451	( 432)	1,571	364
Profit	310	( 354)	1,083	185
<b>Revenue</b>				
Enablers	1,610	1,331	4,810	4,128
Cultures	562	489	1,725	1,515
Sweeteners	414	338	1,254	1,048
Genencor	1,306	1,142	3,868	3,320
Elimination	( 10)	( 7)	( 35)	( 30)
<b>Total</b>	<b>3,882</b>	<b>3,293</b>	<b>11,622</b>	<b>9,981</b>
<b>Cash flow</b>				
Cash flow from operating activities	581	545	1,404	1,868
Cash flow from investing activities	( 281)	( 200)	( 649)	( 524)
<b>Free cash flow</b>	<b>300</b>	<b>345</b>	<b>755</b>	<b>1,344</b>
<b>Financial position</b>				
Equity attributable to owners of the parent	12,709	11,830	12,709	11,830
Equity	12,719	11,838	12,719	11,838
Net interest-bearing debt (NIBD)	3,081	3,239	3,081	3,239
Total assets	20,619	19,653	20,619	19,653
<b>Invested capital</b>				
Net operating assets	9,290	9,043	9,290	9,043
Net assets	16,267	15,832	16,267	15,832
<b>Financial ratios (%)</b>				
Operating profit margin before special items	13.3	10.3	15.3	12.4
Return on net operating assets (RONOA)*	24.7	16.8	24.7	16.8
Return on net assets (RONA)*	14.1	9.5	14.1	9.5
Return on equity (ROE)**	11.1	2.8	11.1	2.8
NIBD (average)/EBITDA ratio***	1.0	2.1	1.0	2.1
<b>Number of shares ('000)</b>				
Average number of shares, diluted	48,180	47,641	48,026	47,561
Number of shares at period-end, diluted	48,574	47,762	48,574	47,762
<b>Earnings per share (DKK)</b>				
Diluted earnings per share (DEPS)	6.44	( 7.43)	22.49	3.85
DEPS before special items	6.53	7.26	22.66	18.57
Cash flow per share, diluted	12.06	11.44	29.23	39.27
Book value per share, diluted	262	248	262	248
<b>Share price</b>				
Market price per share (DKK)	662	375	662	375
Market capitalisation	32,156	17,911	32,156	17,911

\* EBIT before share-based payments and special items past 12 months/average net (operating) assets

\*\* Calculated for past 12 months' profit and average equity

\*\*\* NIBD (average)/EBITDA before share-based payments past 12 months

## Group overview

### **Offer submitted by DuPont**

#### **Danisco ownership**

On 10 January 2011, DuPont announced a binding offer for all outstanding shares in Danisco at DKK 665 per share. Danisco's Board of Directors has recommended Danisco's shareholders to accept the offer.

Please refer to pages 3-4 of this report as well as related stock exchange announcements for further information regarding the DuPont Offer and the recommendation of Danisco's Board of Directors.

Since the DuPont Offer was announced, there has been no approach to Danisco by any other potential bidder.

Please refer to page 18 ("Other information") for information on recent trading and updated ownership structure.

#### **Strategy and organisation**

We continue to optimise our organisation by removing unnecessary complexity and focus on what matters to our customers.

### **Continuing to support innovation and sustainability capabilities**

As a result, we continue to support our capabilities in innovation and sustainability that meet many of the overarching global challenges that we have identified – Food, Health, Energy and Chemicals. This includes dedicating the resources necessary to pursue these options, both in terms of R&D funding across our platforms and by providing the investments necessary to play out the prioritised projects.

### **Envisaging further capital investment needs**

As discussed in recent quarterly releases, solid capacity utilisation has been making a positive contribution to our financial performance, and we are now entering a phase where we need to make further capital investments into growth.

We are expanding capacity around several Genencor anchor sites. We are as previously mentioned in the process of upgrading several key Cultures locations – and for Cultures' food protection business we are increasing capacity at Genencor's site in Cedar Rapids, Iowa, USA, thus leveraging on our capabilities and footprint. In 2010, we partnered with Tereos in an investment into a new dedicated betaine production facility within Tereos' existing bioethanol production plant in France. Finally, a number of initiatives are ongoing in Enablers focusing on capacity expansion, increasing production efficiencies and further optimising our emissions footprint.

### **Financial ambitions**

In October 2010, we announced financial ambitions as shown below. In Q3 2010/11, we reached an EBIT margin (before BCP) of 15.4% on a 12-month moving average (14.9% after share-based payments), RONO of 24.7%, organic growth of 9% (12-month moving average) and gearing of 1.0 x EBITDA.

5-7% organic GROWTH	>20% RONOA	GEARING 1.5–2.5x EBITDA	15.0% EBIT MARGIN*
▼			▼
<b>Organic growth</b>		<b>EBIT margin*</b>	
Enablers	3-5	Enablers	>14.0
Cultures	7-9	Cultures	>18.0
Sweeteners	3-5	Sweeteners	>10.0
Genencor	7-9	Genencor	>17.0
<b>Group</b>	<b>5-7</b>	Unallocated	<1.5
		<b>Group</b>	<b>15.0</b>

\*In our new financial ambitions, EBIT is defined after costs for share-based payments (SBP)

## Group financials

In Q3 2010/11, Danisco recorded revenue of DKK 3.9 billion against DKK 3.3 billion in the same period of last year, made up of DKK 2.6 billion from Food Ingredients and DKK 1.3 billion from Genencor.

### Summarised income statement

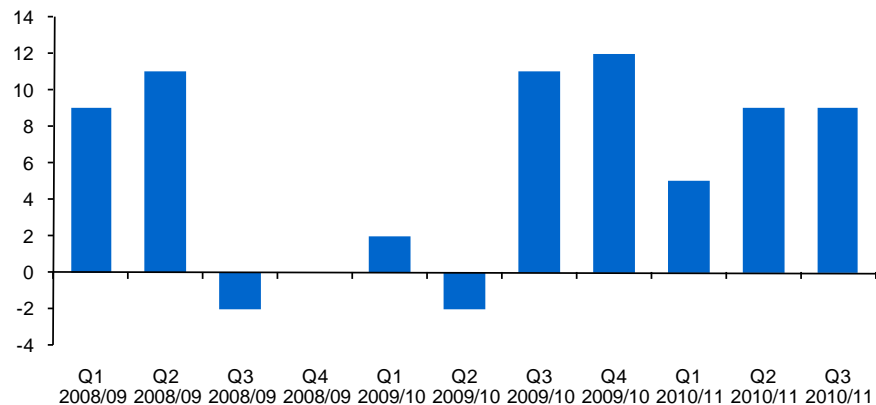
(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Revenue</b>				
<b>Food Ingredients</b>	<b>2,586</b>	<b>2,158</b>	<b>7,789</b>	<b>6,691</b>
of which BioActives	976	827	2,979	2,563
<b>Genencor</b>	<b>1,306</b>	<b>1,142</b>	<b>3,868</b>	<b>3,320</b>
Elimination	( 10)	( 7)	( 35)	( 30)
<b>Total</b>	<b>3,882</b>	<b>3,293</b>	<b>11,622</b>	<b>9,981</b>
<b>EBIT before BCP</b>	<b>575</b>	<b>371</b>	<b>1,885</b>	<b>1,315</b>
EBIT BCP	( 16)	( 13)	( 48)	( 39)
<b>Total</b>	<b>559</b>	<b>358</b>	<b>1,837</b>	<b>1,276</b>
Share-based payments	( 41)	( 19)	( 64)	( 41)
Special items	( 6)	( 700)	( 10)	( 700)
<b>Operating profit</b>	<b>512</b>	<b>( 361)</b>	<b>1,763</b>	<b>535</b>
Share of profit from joint ventures	( 19)	( 16)	( 56)	( 50)
Net financial expenses	( 42)	( 55)	( 136)	( 121)
<b>Profit before tax</b>	<b>451</b>	<b>( 432)</b>	<b>1,571</b>	<b>364</b>
Income tax expense	( 141)	78	( 488)	( 179)
<b>Profit</b>	<b>310</b>	<b>( 354)</b>	<b>1,083</b>	<b>185</b>

Bio Chemicals Projects (BCP)

### Group organic growth 9%

Headline growth came in at 18%, of which 9 percentage points were organic, 8% were positive currency impact and 1% acquisitive growth. All four divisions contributed positively. For further details, please refer to the individual chapters on the divisions later in this report.

Organic growth %



### Growth in all regions

All regions contributed to growth over the quarter. Organic growth came in at 9% for Europe, 8% for North America, 4% for Latin America, 10% for Asia Pacific and 17% for Rest of the world. Specifically in the four BRIC countries, which make up 14% of Danisco's total revenue, organic growth came in at 17% in Q3 driven by China and India.

BioActives, our cluster encompassing Cultures, Sweeteners and our group-wide health & nutrition activities, posted revenue of DKK 976 million. We continue to work on our pipeline for health & nutrition, one of the pillars in our growth strategy.

**Margin enhancement from all divisions**

EBIT (before BCP) came in at DKK 575 million for the quarter, up from DKK 371 million in the same period of last year, reflecting a margin enhancement of 3.5 percentage points Y/Y to 14.8% that came from all four divisions. Out of the DKK 204 million improvement in EBIT (before BCP) Y/Y, positive currency translation effects contributed around DKK 71 million.

Bio Chemicals Projects – covering our collaborations with DuPont and Goodyear – recorded total costs of DKK 48 million for the quarter, of which DKK 32 million related to our share of the joint venture with DuPont (DKK 19 million after tax) and DKK 16 million to Goodyear. Please refer to our discussion of Genencor for further details.

Special items came in at a negative DKK 6 million. We booked income tax of DKK 141 million, based on the estimated tax rate of 30%, leading to a profit of DKK 310 million for the quarter, against a negative DKK 354 million in the same quarter of last year.

Cash flow from operating activities came in at DKK 581 million against DKK 545 million in Q3 last year. This progress in earnings was reduced by build-up of inventory mainly due to increased raw material prices. CAPEX came in at DKK 232 million, reflecting the fact that our CAPEX spend this financial year will be back-end loaded.

**Gearing of 1.0**

Danisco closed the quarter with a net interest-bearing debt of DKK 3.1 billion against 3.4 billion at the beginning of the period and 3.2 billion last year. The outstanding Sugar vendor note that we have been mentioning in previous announcements expired on 15 March 2011 and was paid. This will have no impact on interest-bearing debt – only on gross interest-bearing debt. Our end of quarter debt level resulted in a gearing of 1.0 times EBITDA (last 12 months' continuing operations). RONOA for the Group came in at 24.7% against 16.8% in Q3 last year.

As stated in our Q2 2010/11 report, Danisco's Board of Directors will review the company's capital structure in light of the relatively low gearing in connection with our FY 2010/11 accounts.

Equity increased from DKK 12.5 billion at the beginning of the year to DKK 12.7 billion mainly due to consolidated profit for the period and exchange rate adjustments of subsidiaries as well as changes in hedging reserves. Further, equity was reduced by dividend payments.

## Enablers

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Revenue</b>	<b>1,610</b>	<b>1,331</b>	<b>4,810</b>	<b>4,128</b>
Growth (%)	21	2	17	-
Organic growth (%)	10	5	7	-
<b>EBITDA</b>	<b>353</b>	<b>252</b>	<b>1,056</b>	<b>831</b>
EBITDA margin (%)	21.9	18.9	22.0	20.1
<b>EBIT</b>	<b>255</b>	<b>189</b>	<b>817</b>	<b>642</b>
EBIT margin (%)	15.8	14.2	17.0	15.6
<b>RONOA (%)</b>	<b>28.7</b>	<b>23.7</b>	<b>28.7</b>	<b>23.7</b>
Net working capital	1,774	1,443	1,774	1,443
Net non-current assets	2,122	2,047	2,122	2,047
Net operating assets	3,896	3,490	3,896	3,490
Goodwill	1,055	950	1,055	950
Net assets	4,951	4,440	4,951	4,440

### ***Solid performance in Enablers***

Enablers encompasses our emulsifiers, gums and systems activities and accounted for 41% of group revenue in Q3 2010/11.

The segment recorded revenue of DKK 1.6 billion for the period against DKK 1.3 billion in Q3 2009/10, up 21% Y/Y. Organic growth came in at 10%, while currency movements contributed a positive 9%, and our 2010 acquisition of South African Research Solutions contributed a positive 2%. Year-to-date, organic growth for Enablers stands at 7%, primarily driven by volume growth. In terms of geography, we saw growth in all major regions.

### ***Underlying market strong***

The strong performance in Enablers is a key reason for upgrading our group outlook for the year. The underlying market for enablers was strong in Q3, and recently initiated price increases to achieve compensation for substantial raw material price increases are encouraging. At the same time, this should be considered an ongoing process – particularly in light of continued raw material price inflation.

Enablers posted EBIT of DKK 255 million for the period – a margin of 15.8% against 14.2% in the same period of last year, which was ahead of our expectations. Enablers reached a RONOA of 28.7% for the quarter against 23.7% in the same period of last year. We consider the current margin and return levels in Enablers to be exceptionally high, reflecting the stronger than expected positive volume momentum, initial positive indications on price increase negotiations and high capacity utilisation rates. Furthermore, we saw short-term benefits from the run-off of existing raw material inventories.

### ***Addressing high capacity utilisation***

As previously discussed, we are addressing our high capacity utilisation rates at several key sites to allow for further growth. Among other things, we will invest notably in our emulsifiers anchor site in Malaysia at low marginal CAPEX as we take advantage of leveraging our existing footprint in Malaysia. We are also investing in our CMC plant in China and blending facility in the USA.

## Cultures

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Revenue</b>	<b>562</b>	<b>489</b>	<b>1,725</b>	<b>1,515</b>
Growth (%)	15	5	14	7
Organic growth (%)	8	12	7	10
<b>EBITDA</b>	<b>137</b>	<b>116</b>	<b>455</b>	<b>387</b>
EBITDA margin (%)	24.4	23.7	26.4	25.5
<b>EBIT</b>	<b>110</b>	<b>90</b>	<b>373</b>	<b>311</b>
EBIT margin (%)	19.6	18.4	21.6	20.5
<b>RONOA (%)</b>	<b>34.3</b>	<b>31.8</b>	<b>34.3</b>	<b>31.8</b>
Net working capital	370	348	370	348
Net non-current assets	963	916	963	916
Net operating assets	1,333	1,264	1,333	1,264
Goodwill	2,054	2,025	2,054	2,025
Net assets	3,387	3,289	3,387	3,289

### **Organic growth of 8%**

Cultures – accounting for 14% of group revenue in Q3 2010/11 – saw revenue coming in at DKK 562 million, up 15% Y/Y, of which 8% was organic growth and 7% was a positive currency impact. Cultures reported YTD organic growth of 7%.

Organic growth for Q3 was fairly broad-based, benefiting both from continued penetration of DVI technology and from strong demand for our market-leading food protection offering. The pricing environment for cultures was stable.

Cultures continued to focus on enhancing its health & nutrition claims and offering. In terms of geographies, growth was also fairly broad-based but continued to be strongest in North America and in many of the emerging economies.

### **Increases in margins and RONOA**

EBIT for the segment came in at DKK 110 million, resulting in a margin of 19.6% for the quarter against 18.4% in the same period of last year. Cultures lifted its RONOA from 31.8% to 34.3% Y/Y. This was much in line with our expectations for the quarter.

### **Expanding capacity**

As previously communicated, Cultures is currently increasing its capacity in order to support the continued strong demand in many areas of our business. This CAPEX programme is progressing well. The conversion of our Rochester, US, plant has been completed, and the expansion programme for our European and American anchor plants is developing well. In November, we announced that modernised and larger facilities were now going into operation at our cultures production site in Epernon, France. New facilities included a new ultra cold storage unit and warehouse shipment zone. Since work began, Epernon has doubled its production capacity for frozen cultures.

There is an identified trend in the food industry towards greater use of natural food protection through biotechnology, and we aim to meet this opportunity by expanding our production capacity. This will take place at our existing Genencor Cedar Rapids plant, thus drawing on the synergies between the two divisions.

## Sweeteners

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Revenue</b>	<b>414</b>	<b>338</b>	<b>1,254</b>	<b>1,048</b>
Growth (%)	22	1	20	( 8)
Organic growth (%)	13	6	9	( 9)
<b>EBITDA</b>	<b>59</b>	<b>24</b>	<b>162</b>	<b>85</b>
EBITDA margin (%)	14.3	7.1	12.9	8.1
<b>EBIT</b>	<b>38</b>	<b>2</b>	<b>101</b>	<b>18</b>
EBIT margin (%)	9.2	0.6	8.1	1.7
<b>RONOA (%)</b>	<b>8.3</b>	<b>1.3</b>	<b>8.3</b>	<b>1.3</b>
Net working capital	428	566	428	566
Net non-current assets	744	780	744	780
Net operating assets	1,172	1,346	1,172	1,346
Goodwill	-	-	-	-
Net assets	1,172	1,346	1,172	1,346

### ***Growth returning to Sweeteners***

Danisco's Sweeteners division accounted for 11% of group revenue in Q3 2010/11. Sweeteners recorded revenue of DKK 414 million, up 22% Y/Y, driven by 13% organic growth and 9% positive currency impact. Year-to-date, Sweeteners' organic growth stands at 9%. Most key geographies, including Asia Pacific, contributed to the positive growth momentum for the division in Q3.

### ***Earnings recovery***

Sweeteners posted EBIT of DKK 38 million, reflecting a margin of 9.2% against 0.6% last year – a satisfactory recovery in earnings driven by improved demand, a strong product offering and internal restructuring initiatives. Sweeteners increased its RONOA from 1.3% to 8.3% Y/Y and continued to generate a positive cash flow. Overall, the improved performance in Sweeteners contributed to our increased outlook for 2010/11.

### ***Encouraging outlook***

Looking ahead, we remain encouraged by Sweeteners' continued focus on enhancing its positioning with customers, including sustainable solutions like our xylitol. Overall, the underlying trend towards greater use of natural sweeteners and fibre solutions remains strong, and we continue to broaden our product offering into a wider field of applications. We recently initiated CAPEX for our functional fibres. The recent launch of our sustainable xylitol brand XIVIA™ has been well received by our customers. The launch was supported by an independent LCA (life cycle analysis) study documenting the significant advantages of our sustainable xylitol, which goes hand in hand with our strong cost position.

## Genencor

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Revenue</b>				
Genencor division	1,306	1,142	3,868	3,320
Bio Chemicals Projects	-	-	-	-
<b>Total</b>	<b>1,306</b>	<b>1,142</b>	<b>3,868</b>	<b>3,320</b>
Growth (%)	14	14	17	10
Organic growth (%)	7	21	9	10
<b>EBITDA</b>	<b>264</b>	<b>191</b>	<b>860</b>	<b>631</b>
EBITDA margin (%)	20.2	16.7	22.2	19.0
<b>EBIT</b>				
Genencor division	217	141	719	486
Bio Chemicals Projects	( 16)	( 13)	( 48)	( 39)
<b>Total</b>	<b>201</b>	<b>128</b>	<b>671</b>	<b>447</b>
<b>EBIT margin (%)</b>				
Genencor division	16.6	12.3	18.6	14.6
<b>Total</b>	<b>15.4</b>	<b>11.2</b>	<b>17.3</b>	<b>13.5</b>
Joint ventures before tax	( 32)	( 27)	( 93)	( 83)
<b>RONOA (%)</b>	<b>28.8</b>	<b>17.3</b>	<b>28.8</b>	<b>17.3</b>
Net working capital	815	1,020	815	1,020
Net non-current assets	2,008	1,979	2,008	1,979
Net operating assets	2,823	2,999	2,823	2,999
Goodwill	3,868	3,814	3,868	3,814
Net assets	6,691	6,813	6,691	6,813

### **Organic growth 7%**

Genencor, which accounted for 34% of group revenue in Q3 2010/11, posted revenue of DKK 1.3 billion, up 14% Y/Y. The division recorded 7% organic growth – in line with our own expectations – and a positive currency impact of 7%. Year-to-date, Genencor's organic growth stands at 9%.

### **Growth in all major product areas**

All major product areas contributed to organic growth. Sales of enzymes for grain processing, including bioethanol production, continued at a high level. Enzymes for both food and animal nutrition solutions progressed well, thus continuing to leverage on the synergies between our business areas of food and enzymes and our divisions' shared technology access – and our acquisition of Agtech (microbial-based products for the animal nutrition industry) continued to progress well. We saw some growth for our Fabric & Household Care products. We consider Genencor's Q3 growth to be satisfactory in light of the challenging Y/Y comparables as organic growth in Genencor in Q3 2009/10 was 21%. Genencor continued to see growth in all key geographies, not least in North America.

### **Margin and RONOA enhancements**

Genencor's EBIT before BCP came in at DKK 217 million against DKK 141 million last year, lifting the margin from 12.3% to 16.6%. Progress was achieved on the back of further manufacturing efficiencies but especially by an improved product offering and came despite a notable increase in our innovation headcount Y/Y.

After BCP, Genencor's EBIT came in at DKK 201 million against DKK 128 million in the same period of last year – a 4.2 percentage point EBIT margin increase Y/Y to 15.4%. Genencor's RONOA increased from 17.3% to 28.8% Y/Y.

### **High capacity utilisation rates**

On the back of the past several years' good growth in demand for Genencor's product offering, we are running at high capacity utilisation rates in several key areas and will expand our capacity gradually by debottlenecking and investing in our anchor plants going forward. We are highly focused upon notable hikes in key input costs – including sugars and energy.

***Good progress for BCP***

**Bio Chemicals Projects**

Genencor continued to make good progress with its two major Bio Chemicals Projects.

DuPont Danisco Cellulosic Ethanol LLC (DDCE), our partnership with DuPont on second-generation bioethanol, continued to work towards integrated solutions that will not only ensure more efficient enzyme use and lower unit costs but strive towards reducing the overall CAPEX requirement of the ethanol producers of the future. Technology programmes to integrate biomass pre-treatment, enzyme saccharification and C5-C6 ethanol production are proceeding according to milestones. Our demonstration facility in Vonore, Tennessee, is operational and is continuing to gather reference data in order to determine how to best achieve a level of CAPEX that would allow commercialisation of the technology. Finally, preparatory work on site selection and engineering plans to build the first commercial scale facility continues in the Mid-West, although no final decisions regarding such a plant have been taken.

Our Biolsoprene<sup>™</sup> collaboration with Goodyear continued in the R&D phase with ambitions to reach important milestones during 2011, including decisions on whether to move to pilot scale phase.

# Outlook for 2010/11

## Assumptions underlying the outlook for 2010/11

Our group outlook for operations for the financial year 2010/11 is based on the current energy and raw material prices. Our currency and interest rate assumptions are specified below.

## Outlook highlights

		<b>Group</b>	<b>Group previous</b>
Revenue	DKKbn	>15.5	~15.3
EBIT*	DKKbn	>2.4	2.2 -2.3
EBIT margin*	%	~15.5	~14.5
BCP (Goodyear)	DKKm	~(60)	~(60)
Special items	DKKm	~(50)	~(50)
DDCE joint venture** (after tax)	DKKm	<(100)	<(100)
Tax rate	%	30	30
<b>Profit</b>	<b>DKKbn</b>	<b>&gt;1.35</b>	<b>~1.3</b>

\* Before share-based payments, special items and BCP

\*\* DuPont Danisco Cellulosic Ethanol LLC

Bio Chemicals Projects (BCP)

### **Revenue and EBIT**

We expect group revenue of over DKK 15.5 billion (previously around DKK 15.3 billion), corresponding to an organic growth rate of around 7% (formerly around 6%).

Before costs relating to BCP, we expect EBIT of over DKK 2.4 billion (previously DKK 2.2-2.3 billion), corresponding to an EBIT margin of around 15.5% (previously around 14.5%), or around 15.0% after share-based payments.

We anticipate BCP costs relating to Goodyear of around DKK 60 million (unchanged). We still expect to book special items in the level of DKK 50 million relating to further efficiency and restructuring initiatives.

### **DDCE joint venture**

In Share of profit from joint ventures, we expect to book after-tax expenses of up to DKK 100 million relating to DDCE, our cellulosic ethanol joint venture with DuPont (unchanged).

### **Tax**

We still expect a tax rate of around 30%.

### **Profit for the Group**

Profit for the year is expected to come out over DKK 1.35 billion (previously around DKK 1.3 billion).

This forecast does not take into account costs connected with DuPont's Offer or the structured process leading up hereto.

### **CAPEX**

We expect CAPEX of around DKK 1.1 billion (unchanged).

### **Comments regarding 2011/12**

Based on our preliminary planning for 2011/12 and using the prevailing exchange rates, we see revenue growth for the Group of around 6-7% in 2011/12 and a stable EBIT margin (after share-based payments) of around 15% (corresponding to around DKK 2.5 billion), reflecting a margin decline in Enablers and margin improvements for the remaining divisions. This should be seen in the context of increased investments into R&D capabilities and capacity expansions.

## **Currency and interest assumptions**

### ***USD assumptions***

The outlook for 2010/11 is based on a USD rate at the level of DKK 5.64. The average exchange rate in 2009/10 was DKK 5.27.

### ***Exchange rate translation sensitivity***

The calculation of translation sensitivity to changes in the USD rate includes currencies that correlate with the USD. A change in the USD rate of DKK 1.00 and the same relative change in USD-related currencies will cause a change in full-year revenue of around DKK 950 million and in EBIT of around DKK 150 million. Our revenue in EUR countries is generally in the range of 20-25% of our total revenue. Movements in currencies other than those which correlate with USD are also important to Danisco.

### ***Interest rate sensitivity***

At the end of January 2011, the Group's average interest rate duration was 3.9 years and around 80% of the Group's loans were based on fixed interest rates through hedge contracts. A change in floating interest rates of 1 percentage point on an annual basis would – viewed in isolation – impact the Group's interest expenses by around DKK 7 million.

## **Risk factors**

The forward-looking statements contained in this report, including expected revenue and earnings performance, inherently involve risks and uncertainties that could be materially affected by factors such as global economic matters, including interest rate and currency movements, fluctuations in raw material prices, production-related problems, breach or unexpected termination of contracts, price reductions resulting from market-driven price reductions, market acceptance of new products and launches of rivaling products. Danisco is only obliged to update and adjust the stated expectations in so far as this is required by law, including the Danish Securities Trading, etc. Act and guidelines from NASDAQ OMX Copenhagen A/S.

# Sustainability

## Lost time injury frequency (LTI)

Health and safety performance continues to present challenges in Q3 2010/11. We have experienced a 51% increase (4.7 lost time injuries/million working hours) in our LTI rate partially related to an increase in slips on icy surfaces at locations that have experienced a colder than normal winter. This has resulted in an increased awareness of weather-related risks across the organisation. While the LTI rate has increased, the severity of injuries and illnesses has decreased by 48% to 6.9 lost days per injury. To curb the recent increase in LTIs, we have initiated several programmes across the organisation.

## Energy and carbon dioxide

Focus on energy management is beginning to show dividends in terms of reduction performance across Danisco. In the reporting period, we have continued our strong focus on energy projects, dynamic performance monitoring and consumption modelling to ensure that investments in energy efficiency deliver the projected results. Several large projects at our Tecoman (Mexico), Landernau (France), and Kansas (USA) sites have driven reductions in energy and CO<sub>2</sub> in Q3. Both energy consumption and scope I/II carbon dioxide (CO<sub>2</sub>) emissions have decreased substantially when compared with the same period in the financial year 2009/10 normalised on a revenue basis. Our efforts have driven an 8.4% reduction in energy consumption and a 12.6% reduction in CO<sub>2</sub> emissions, respectively.

## Renewable energy

We continue to develop our strategy around renewable energy sourcing demonstrating a 3.3% increase in renewable energy sources when compared with the same period in 2009/10. The main drivers for our performance in Q3 include the bio-boiler project in Hanko (Finland) coming online in Q4 2009/10.

## Water consumption

Water consumption has decreased by 8.2% in Q3 2010/11 when compared with the same quarter last year.

## Forest Footprint Disclosure Project

Danisco has been ranked as the Food and Beverage Sector Leader in the Forest Footprint Disclosure Project (FFD Project) for the second consecutive year. The FFD Project is a new UK government-supported initiative, created to help investors identify how an organisation's activities and supply chains contribute to deforestation and link this 'forest footprint' to their value. The FFD Project is backed by 43 financial institutions with over USD 4 trillion in collective assets under management.

## Other information

### Accounting policies etc.

The accounting policies are unchanged from the Annual Report 2009/10 except for IFRS 3, Business Combinations, which will only have a minor impact on the accounts. In the case of discrepancies between the Danish and English versions of the announcement of results, the Danish version prevails.

### Share-based payments

For several years, Danisco has granted share options to the Executive Board and senior managers to motivate and retain them and encourage common goals with the shareholders.

During the period 1 May 2010 to 28 February 2011, a total of 750,052 options have been exercised. The total share option scheme as of 28 February 2011 comprises 2,274,232 options at various strike prices, equivalent to 4.8% of the company's share capital.

### Shareholder structure

In the period from 10 January 2011 to 28 February 2011, 18.1 million Danisco shares were traded on NASDAQ OMX Copenhagen, corresponding to 37.8% of the outstanding shares. In comparison, 60.7 million Danisco shares were traded during our entire financial year 2009/10.

As at 28 February 2011, the share of private investors had decreased to 19% from 25% on 31 December 2010 and from 25% on 30 April 2010. As at 28 February 2011, the total number of investors had decreased to 50,900 from 62,600 on 31 December 2010 and from 64,200 at 30 April 2010.

As at 28 February 2011, Danisco's share price closed at DKK 662 against an all-time high of DKK 530 on 7 January 2011, DKK 407 at 30 April 2010, and DKK 186 at 30 April 2009.

### Information meeting

This announcement of results is also available at [www.danisco.com](http://www.danisco.com). The webcast (in English) for investors, equity analysts and the press to be held today at 3.00 pm CET can be followed at the above website.

### Financial calendar

Date		Reporting period
23 May	2011	IR quiet period starts for FY
21 June	2011	FY results
12 July	2011	Deadline for proposals for the AGM
23 August	2011	IR quiet period starts for Q1
23 August	2011	Annual General Meeting
20 September	2011	Q1 results
17 November	2011	IR quiet period starts for Q2
15 December	2011	Q2 results
16 February	2012	IR quiet period starts for Q3
15 March	2012	Q3 results
23 May	2012	IR quiet period starts for FY
20 June	2012	FY results
10 July	2012	Deadline for proposals for the AGM
21 August	2012	Annual General Meeting

### For further information:

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Media Relations, tel.: +45 32 66 29 13, [media@danisco.com](mailto:media@danisco.com)

**Trading activity since Offer**

**Decrease in number of investors**

## Management's statement

The Board of Directors and the Executive Board today approved the interim report of Danisco A/S for the period 1 May 2010 – 31 January 2011.

The interim report, which has not been audited, has been prepared in accordance with IAS 34, Interim Financial Reporting as adopted by the EU and additional Danish interim reporting requirements for listed companies.

In our opinion the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 31 January 2011 and of the results of the Group's operations and cash flow for the period 1 May 2010 – 31 January 2011.

Further, in our opinion the Management's review in the preceding pages gives a true and fair presentation of the development in the activities and financial position of the Group, the results for the period and of the Group's financial position in general and describes the most significant risks and uncertainties that may affect the Group.

Copenhagen, 17 March 2011

### Board of Directors

Jørgen Tandrup,  
Chairman

Håkan Björklund,  
Deputy Chairman

Diego Bevilacqua

Kirsten Drejer

Werner Hess

Flemming Kristensen

Jesper Ovesen

Søren Skou

Anne Agger Sparsø

### Executive Board

Tom Knutzen  
CEO

Søren Bjerre-Nielsen  
CFO

## Income statement 1 May 2010 - 31 January 2011

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Revenue</b>	<b>3,882</b>	<b>3,293</b>	<b>11,622</b>	<b>9,981</b>
Cost of sales	( 2,087)	( 1,853)	( 6,169)	( 5,606)
<b>Gross profit</b>	<b>1,795</b>	<b>1,440</b>	<b>5,453</b>	<b>4,375</b>
Research and development expenses	( 269)	( 228)	( 741)	( 625)
Distribution and sales expenses	( 696)	( 592)	( 2,038)	( 1,794)
Administrative expenses	( 269)	( 269)	( 833)	( 692)
Other operating income	6	17	24	31
Other operating expenses	( 8)	( 10)	( 28)	( 19)
Share-based payments	( 41)	( 19)	( 64)	( 41)
<b>Operating profit before special items</b>	<b>518</b>	<b>339</b>	<b>1,773</b>	<b>1,235</b>
Special items	( 6)	( 700)	( 10)	( 700)
<b>Operating profit</b>	<b>512</b>	<b>( 361)</b>	<b>1,763</b>	<b>535</b>
Share of profit from joint ventures	( 19)	( 16)	( 56)	( 50)
Net financial expenses	( 42)	( 55)	( 136)	( 121)
<b>Profit before tax</b>	<b>451</b>	<b>( 432)</b>	<b>1,571</b>	<b>364</b>
Income tax expense	( 141)	78	( 488)	( 179)
<b>Profit</b>	<b>310</b>	<b>( 354)</b>	<b>1,083</b>	<b>185</b>
<b>Profit attributable to</b>				
Owners of the parent	310	( 354)	1,080	183
Non-controlling interests	-	-	3	2
<b>Total</b>	<b>310</b>	<b>( 354)</b>	<b>1,083</b>	<b>185</b>
<b>Earnings per share (DKK)</b>				
EPS	6.51	( 7.45)	22.66	3.85
DEPS	6.44	( 7.43)	22.49	3.85

## Statement of comprehensive income

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Consolidated profit</b>	<b>310</b>	<b>( 354)</b>	<b>1,083</b>	<b>185</b>
<b>Other comprehensive income</b>				
Exchange rate adjustments of subsidiaries and associates	120	294	( 42)	( 188)
Hedging of future transactions	116	( 11)	( 7)	13
Other movements	1	1	( 3)	3
Income tax relating to other comprehensive income	( 25)	4	5	( 1)
<b>Total other comprehensive income</b>	<b>212</b>	<b>288</b>	<b>( 47)</b>	<b>( 173)</b>
<b>Total comprehensive income</b>	<b>522</b>	<b>( 66)</b>	<b>1,036</b>	<b>12</b>
<b>Total comprehensive income attributable to</b>				
Owners of the parent	522	( 67)	1,032	9
Non-controlling interests	-	1	4	3
<b>Total</b>	<b>522</b>	<b>( 66)</b>	<b>1,036</b>	<b>12</b>

## Statement of financial position at 31 January 2011

(DKKm)	31 January 2011	31 January 2010	30 April 2010
<b>Assets</b>			
Goodwill	6,977	6,789	6,996
Other intangible assets	750	826	834
Property, plant and equipment	5,448	5,259	5,383
Financial assets	313	985	316
<b>Total non-current assets</b>	<b>13,488</b>	<b>13,859</b>	<b>13,529</b>
Inventories	2,731	2,572	2,580
Receivables	4,014	2,934	3,701
Cash and cash equivalents	386	288	698
<b>Total current assets</b>	<b>7,131</b>	<b>5,794</b>	<b>6,979</b>
<b>Total assets</b>	<b>20,619</b>	<b>19,653</b>	<b>20,508</b>
<b>Equity and liabilities</b>			
Share capital	954	954	954
Other reserves	11,755	10,876	11,544
<b>Equity attributable to owners of the parent</b>	<b>12,709</b>	<b>11,830</b>	<b>12,498</b>
Non-controlling interests	10	8	7
<b>Total equity</b>	<b>12,719</b>	<b>11,838</b>	<b>12,505</b>
Non-current liabilities	2,723	1,326	3,762
Current liabilities	5,177	6,489	4,241
<b>Total liabilities</b>	<b>7,900</b>	<b>7,815</b>	<b>8,003</b>
<b>Total equity and liabilities</b>	<b>20,619</b>	<b>19,653</b>	<b>20,508</b>
<b>Other financial position information</b>			
Net interest-bearing debt	3,081	3,239	3,007
Net operating assets	9,290	9,043	9,038
Net assets	16,267	15,832	16,034

## Statement of changes in equity

(DKKm)	31 January 2011	31 January 2010	30 April 2010
<b>Equity beginning of period</b>	<b>12,505</b>	<b>12,140</b>	<b>12,140</b>
<b>Total comprehensive income</b>	<b>1,036</b>	<b>12</b>	<b>640</b>
Dividends paid to owners of the parent	( 810)	( 357)	( 357)
Dividends paid to non-controlling interests	( 1)	( 1)	( 1)
Share-based payments	25	17	23
Purchase of treasury shares	( 250)	-	-
Sale of treasury shares (exercised options)	214	27	60
<b>Total change in equity</b>	<b>214</b>	<b>( 302)</b>	<b>365</b>
<b>Equity end of period</b>	<b>12,719</b>	<b>11,838</b>	<b>12,505</b>

## Statement of cash flows 1 May 2010 - 31 January 2011

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Cash flow from operating activities</b>				
Operating profit before special items from continuing operations	518	339	1,773	1,235
Depreciation, amortisation and writedowns	210	175	573	519
Adjustments	22	25	(90)	(20)
Share-based payments paid	(39)	(3)	(41)	(3)
Special items paid	(6)	-	(28)	-
Change in working capital	9	115	(221)	512
Change in other investments and securities	-	(1)	-	-
Interest received	108	126	377	368
Interest paid	(155)	(179)	(519)	(535)
Corporation tax paid	(86)	(52)	(420)	(208)
<b>Cash flow from operating activities</b>	<b>581</b>	<b>545</b>	<b>1,404</b>	<b>1,868</b>
<b>Cash flow from investing activities</b>				
Acquisition of enterprises and activities	(12)	(35)	(24)	(35)
Payable for acquisition of enterprises and activities	12	-	12	(3)
Purchase of property, plant and equipment	(218)	(135)	(509)	(412)
Sale of property, plant and equipment	-	-	12	7
Purchase of intangible assets	(14)	(11)	(32)	(24)
Sale of intangible assets	-	1	-	1
Purchase of financial assets	(49)	(20)	(108)	(58)
<b>Cash flow from investing activities</b>	<b>(281)</b>	<b>(200)</b>	<b>(649)</b>	<b>(524)</b>
<b>Free cash flow</b>	<b>300</b>	<b>345</b>	<b>755</b>	<b>1,344</b>
<b>Cash flow from financing activities</b>				
Change in financial liabilities	(291)	(313)	(219)	(1,445)
Purchase of treasury shares	(234)	-	(250)	-
Sale of treasury shares	198	27	214	27
Dividends paid	-	-	(810)	(357)
Amounts paid to non-controlling interests	-	-	(1)	(1)
<b>Cash flow from financing activities</b>	<b>(327)</b>	<b>(286)</b>	<b>(1,066)</b>	<b>(1,776)</b>
<b>Cash flow from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>396</b>
<b>Change in cash and cash equivalents</b>	<b>(27)</b>	<b>59</b>	<b>(311)</b>	<b>(36)</b>
Cash and cash equivalents beginning of period	408	217	698	320
Exchange adjustment of cash and cash equivalents	5	12	(1)	4
<b>Cash and cash equivalents end of period</b>	<b>386</b>	<b>288</b>	<b>386</b>	<b>288</b>

## Net interest-bearing debt

(DKKm)	Q3 2010/11	Q3 2009/10	YTD 2010/11	YTD 2009/10
<b>Specification of net interest-bearing debt</b>				
Non-current mortgage and credit institutions debt	1,755	355	1,755	355
Current mortgage and credit institutions debt	2,257	3,713	2,257	3,713
<b>Interest-bearing debt</b>	<b>4,012</b>	<b>4,068</b>	<b>4,012</b>	<b>4,068</b>
Other interest-bearing receivables or debt	( 545)	( 541)	( 545)	( 541)
Cash and cash equivalents	( 386)	( 288)	( 386)	( 288)
<b>Net interest-bearing debt</b>	<b>3,081</b>	<b>3,239</b>	<b>3,081</b>	<b>3,239</b>
<b>Change in net interest-bearing debt</b>				
<b>Net interest-bearing debt beginning of period</b>	<b>3,365</b>	<b>3,508</b>	<b>3,007</b>	<b>4,739</b>
Exchange adjustment of opening value	22	108	( 80)	( 94)
Change in cash flow from financial liabilities	( 291)	( 313)	( 219)	( 1,445)
Change in cash flow from financial liabilities not included in interest-bearing debt	( 12)	-	1	( 5)
Net financial liabilities acquired and divested	4	-	4	-
Change in cash and cash equivalents	27	( 59)	311	36
Other movements	( 34)	( 5)	57	8
<b>Net interest-bearing debt end of period</b>	<b>3,081</b>	<b>3,239</b>	<b>3,081</b>	<b>3,239</b>

## Quarterly key figures

(DKKm)	2010/11					2009/10				
	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD
<b>INCOME STATEMENT</b>										
Revenue	3,914	3,826	3,882	-	11,622	3,449	3,239	3,293	3,725	13,706
EBITDA before special items	846	772	728	-	2,346	693	547	514	687	2,441
Share-based payments	(9)	(14)	(41)	-	(64)	(7)	(15)	(19)	(13)	(54)
Operating profit before special items	662	593	518	-	1,773	517	379	339	456	1,691
Special items	(9)	5	(6)	-	(10)	-	-	(700)	(96)	(796)
Operating profit	653	598	512	-	1,763	517	379	(361)	360	895
Share of profit from joint ventures	(18)	(19)	(19)	-	(56)	(19)	(15)	(16)	(15)	(65)
Net financial expenses	(53)	(41)	(42)	-	(136)	(46)	(20)	(55)	(31)	(152)
Profit before tax	582	538	451	-	1,571	452	344	(432)	314	678
Income tax expense	(180)	(167)	(141)	-	(488)	(146)	(111)	78	(18)	(197)
Profit from continuing operations	402	371	310	-	1,083	306	233	(354)	296	481
Profit attributable to owners of the parent	401	369	310	-	1,080	305	232	(354)	297	480
<b>CASH FLOW</b>										
Cash flow from operating activities	257	566	581	-	1,404	497	826	545	724	2,592
Acquisition and divestment of enterprises and activities	-	(12)	-	-	(12)	-	(3)	(35)	-	(38)
Net investment in property, plant and equipment	(105)	(174)	(218)	-	(497)	(126)	(144)	(135)	(245)	(650)
Net investment in intangible assets	(6)	(12)	(14)	-	(32)	(8)	(5)	(10)	(29)	(52)
Purchase and sale of financial assets	(33)	(26)	(49)	-	(108)	(43)	5	(20)	(43)	(101)
Free cash flow	113	342	300	-	755	320	679	345	407	1,751
Cash flow from discontinued operations	-	-	-	-	-	124	272	-	(90)	306
<b>STATEMENT OF FINANCIAL POSITION</b>										
Assets	20,562	20,244	20,619	-	20,619	20,603	19,706	19,653	20,508	20,508
Assets held for sale	-	-	-	-	-	272	-	-	-	-
Assets, continuing operations	20,562	20,244	20,619	-	20,619	20,331	19,706	19,653	20,508	20,508
Equity attributable to owners of the parent	12,943	12,214	12,709	-	12,709	12,253	11,863	11,830	12,498	12,498
Non-controlling interests	8	10	10	-	10	7	7	8	7	7
Equity	12,951	12,224	12,719	-	12,719	12,260	11,870	11,838	12,505	12,505
Net interest-bearing debt	2,985	3,365	3,081	-	3,081	4,180	3,508	3,239	3,007	3,007
<b>Revenue</b>										
Enablers	1,633	1,567	1,610	-	4,810	1,447	1,350	1,331	1,563	5,691
Cultures	605	558	562	-	1,725	537	489	489	566	2,081
Sweeteners	420	420	414	-	1,254	376	334	338	372	1,420
Genencor	1,268	1,294	1,306	-	3,868	1,104	1,074	1,142	1,233	4,553
Elimination	(12)	(13)	(10)	-	(35)	(15)	(8)	(7)	(9)	(39)
Total	3,914	3,826	3,882	-	11,622	3,449	3,239	3,293	3,725	13,706
<b>Organic growth (%)</b>										
Enablers	4	7	10	-	7	-	(4)	5	8	2
Cultures	6	6	8	-	7	11	7	12	10	10
Sweeteners	1	13	13	-	9	(15)	(16)	6	4	(6)
Genencor	7	13	7	-	9	6	2	21	20	12
Total	5	9	9	-	8	2	(2)	11	12	6
<b>Revenue by region</b>										
Europe	1,344	1,299	1,312	-	3,955	1,294	1,213	1,190	1,322	5,019
North America	1,201	1,169	1,144	-	3,514	1,010	939	966	1,161	4,076
Latin America	383	402	390	-	1,175	309	342	338	346	1,335
Asia Pacific	717	718	746	-	2,181	625	567	590	632	2,414
Rest of the world	269	238	290	-	797	211	178	209	264	862
Total	3,914	3,826	3,882	-	11,622	3,449	3,239	3,293	3,725	13,706
<b>Organic growth by region (%)</b>										
Europe	2	5	9	-	5	(2)	(2)	7	8	2
North America	7	13	8	-	9	4	(6)	13	17	7
Latin America	8	5	4	-	5	7	6	3	(3)	3
Asia Pacific	(1)	9	10	-	6	(1)	5	20	9	8
Rest of the world	21	26	17	-	21	12	(8)	17	38	15
Total	5	9	9	-	8	2	(2)	11	12	6
<b>EBITDA before special items</b>										
Enablers	363	340	353	-	1,056	320	259	252	383	1,214
Cultures	174	144	137	-	455	132	139	116	118	505
Sweeteners	56	47	59	-	162	32	29	24	28	113
Genencor	299	297	264	-	860	254	186	191	237	868
Unallocated	(37)	(42)	(44)	-	(123)	(38)	(51)	(50)	(66)	(205)
Subtotal	855	786	769	-	2,410	700	562	533	700	2,495
Share-based payments	(9)	(14)	(41)	-	(64)	(7)	(15)	(19)	(13)	(54)
Total	846	772	728	-	2,346	693	547	514	687	2,441
<b>EBITDA margin (%)</b>										
Enablers	22.2	21.7	21.9	-	22.0	22.1	19.2	18.9	24.5	21.3
Cultures	28.8	25.8	24.4	-	26.4	24.6	28.4	23.7	20.8	24.3
Sweeteners	13.3	11.2	14.3	-	12.9	8.5	8.7	7.1	7.5	8.0
Genencor	23.6	23.0	20.2	-	22.2	23.0	17.3	16.7	19.2	19.1
Total	21.6	20.2	18.8	-	20.2	20.1	16.9	15.6	18.4	17.8

## Quarterly key figures

(DKKm)	2010/11					2009/10				
	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD
<b>Operating profit before special items</b>										
Enablers	295	267	255	-	817	257	196	189	281	923
Cultures	147	116	110	-	373	107	114	90	85	396
Sweeteners	35	28	38	-	101	9	7	2	2	20
Genencor	232	238	201	-	671	190	129	128	169	616
Unallocated	(38)	(42)	(45)	-	(125)	(39)	(52)	(51)	(68)	(210)
<b>Subtotal</b>	<b>671</b>	<b>607</b>	<b>559</b>	<b>-</b>	<b>1,837</b>	<b>524</b>	<b>394</b>	<b>358</b>	<b>469</b>	<b>1,745</b>
Share-based payments	(9)	(14)	(41)	-	(64)	(7)	(15)	(19)	(13)	(54)
<b>Total</b>	<b>662</b>	<b>593</b>	<b>518</b>	<b>-</b>	<b>1,773</b>	<b>517</b>	<b>379</b>	<b>339</b>	<b>456</b>	<b>1,691</b>
<b>EBIT margin (%)</b>										
Enablers	18.1	17.0	15.8	-	17.0	17.8	14.5	14.2	18.0	16.2
Cultures	24.3	20.8	19.6	-	21.6	19.9	23.3	18.4	15.0	19.0
Sweeteners	8.3	6.7	9.2	-	8.1	2.4	2.1	0.6	0.5	1.4
Genencor	18.3	18.4	15.4	-	17.3	17.2	12.0	11.2	13.7	13.5
<b>Total operating profit margin before special items</b>	<b>16.9</b>	<b>15.5</b>	<b>13.3</b>	<b>-</b>	<b>15.3</b>	<b>15.0</b>	<b>11.7</b>	<b>10.3</b>	<b>12.2</b>	<b>12.3</b>
<b>Special items</b>										
Enablers	(3)	13	(2)	-	8	-	-	-	-	-
Cultures	(2)	(3)	-	-	(5)	-	-	-	-	-
Sweeteners	(1)	(2)	(1)	-	(4)	-	-	(700)	(96)	(796)
Genencor	(3)	(3)	(3)	-	(9)	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>(9)</b>	<b>5</b>	<b>(6)</b>	<b>-</b>	<b>(10)</b>	<b>-</b>	<b>-</b>	<b>(700)</b>	<b>(96)</b>	<b>(796)</b>
<b>RETURN ON CAPITAL (%)*</b>										
<b>RONOA</b>										
Enablers	26.6	27.9	28.7	-	28.7	19.8	20.8	23.7	26.1	26.1
Cultures	34.1	33.4	34.3	-	34.3	25.6	28.4	31.8	31.3	31.3
Sweeteners	3.5	5.2	8.3	-	8.3	2.5	2.2	1.3	1.4	1.4
Genencor	22.0	26.1	28.8	-	28.8	14.0	15.5	17.3	20.4	20.4
<b>Total</b>	<b>20.6</b>	<b>22.8</b>	<b>24.7</b>	<b>-</b>	<b>24.7</b>	<b>13.7</b>	<b>14.8</b>	<b>16.8</b>	<b>19.0</b>	<b>19.0</b>
<b>RONA</b>	<b>11.6</b>	<b>13.0</b>	<b>14.1</b>	<b>-</b>	<b>14.1</b>	<b>7.7</b>	<b>8.3</b>	<b>9.5</b>	<b>10.7</b>	<b>10.7</b>
<b>ROE</b>	<b>4.7</b>	<b>5.8</b>	<b>11.1</b>	<b>-</b>	<b>11.1</b>	<b>1.2</b>	<b>0.3</b>	<b>2.8</b>	<b>4.0</b>	<b>4.0</b>
<b>NET ASSETS</b>										
<b>Net working capital</b>										
Enablers	1,747	1,719	1,774	-	1,774	1,585	1,422	1,443	1,525	1,525
Cultures	415	389	370	-	370	435	337	348	306	306
Sweeteners	558	480	428	-	428	731	613	566	491	491
Genencor	1,027	1,050	815	-	815	1,132	1,013	1,020	1,074	1,074
Unallocated	(70)	(79)	(89)	-	(89)	(49)	(79)	(82)	(103)	(103)
<b>Total</b>	<b>3,677</b>	<b>3,559</b>	<b>3,298</b>	<b>-</b>	<b>3,298</b>	<b>3,834</b>	<b>3,306</b>	<b>3,295</b>	<b>3,293</b>	<b>3,293</b>
<b>Net non-current assets (excl. goodwill)</b>										
Enablers	2,113	2,136	2,122	-	2,122	1,987	2,003	2,047	2,097	2,097
Cultures	961	961	963	-	963	873	880	916	971	971
Sweeteners	738	730	744	-	744	800	773	780	721	721
Genencor	1,840	1,717	2,008	-	2,008	2,031	1,927	1,979	1,852	1,852
Unallocated	110	133	155	-	155	13	23	26	104	104
<b>Total</b>	<b>5,762</b>	<b>5,677</b>	<b>5,992</b>	<b>-</b>	<b>5,992</b>	<b>5,704</b>	<b>5,606</b>	<b>5,748</b>	<b>5,745</b>	<b>5,745</b>
<b>Net operating assets</b>										
Enablers	3,860	3,855	3,896	-	3,896	3,572	3,425	3,490	3,622	3,622
Cultures	1,376	1,350	1,333	-	1,333	1,308	1,217	1,264	1,277	1,277
Sweeteners	1,296	1,210	1,172	-	1,172	1,531	1,386	1,346	1,212	1,212
Genencor	2,867	2,767	2,823	-	2,823	3,163	2,940	2,999	2,926	2,926
Unallocated	40	54	66	-	66	(36)	(56)	(56)	1	1
<b>Total</b>	<b>9,439</b>	<b>9,236</b>	<b>9,290</b>	<b>-</b>	<b>9,290</b>	<b>9,538</b>	<b>8,912</b>	<b>9,043</b>	<b>9,038</b>	<b>9,038</b>
<b>Goodwill</b>										
Enablers	1,023	1,000	1,055	-	1,055	926	916	950	1,004	1,004
Cultures	2,085	2,044	2,054	-	2,054	2,004	1,984	2,025	2,058	2,058
Sweeteners	-	-	-	-	-	701	700	-	-	-
Genencor	3,988	3,840	3,868	-	3,868	3,776	3,665	3,814	3,934	3,934
Unallocated	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7,096</b>	<b>6,884</b>	<b>6,977</b>	<b>-</b>	<b>6,977</b>	<b>7,407</b>	<b>7,265</b>	<b>6,789</b>	<b>6,996</b>	<b>6,996</b>
<b>Net assets</b>										
Enablers	4,883	4,855	4,951	-	4,951	4,498	4,341	4,440	4,626	4,626
Cultures	3,461	3,394	3,387	-	3,387	3,312	3,201	3,289	3,335	3,335
Sweeteners	1,296	1,210	1,172	-	1,172	2,232	2,086	1,346	1,212	1,212
Genencor	6,855	6,607	6,691	-	6,691	6,939	6,605	6,813	6,860	6,860
Unallocated	40	54	66	-	66	(36)	(56)	(56)	1	1
<b>Total</b>	<b>16,535</b>	<b>16,120</b>	<b>16,267</b>	<b>-</b>	<b>16,267</b>	<b>16,945</b>	<b>16,177</b>	<b>15,832</b>	<b>16,034</b>	<b>16,034</b>

Net assets, RONOA and RONA do not include discontinued operations

\*Calculated for past 12 months' income and average balance sheet

## Top-line growth

(%)	Total	Currency	Acquisitions	Organic	Sales distribution
<b>Sales growth</b>					
<b>Q3 2010/11 vs. Q3 2009/10</b>					
Enablers	21	9	2	10	41
Cultures	15	7	-	8	14
Sweeteners	22	9	-	13	11
Genencor	14	7	-	7	34
<b>Total</b>	<b>18</b>	<b>8</b>	<b>1</b>	<b>9</b>	<b>100</b>
<b>2010/11 vs. 2009/10</b>					
Enablers	17	9	1	7	41
Cultures	14	7	-	7	15
Sweeteners	20	11	-	9	11
Genencor	17	8	-	9	33
<b>Total</b>	<b>16</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>100</b>
<b>Sales growth by geography</b>					
<b>Q3 2010/11 vs. Q3 2009/10</b>					
Europe	10	1	-	9	34
North America	18	10	-	8	29
Latin America	15	11	-	4	10
Asia Pacific	26	16	-	10	19
Rest of the world	39	9	13	17	8
<b>Total</b>	<b>18</b>	<b>8</b>	<b>1</b>	<b>9</b>	<b>100</b>
<b>2010/11 vs. 2009/10</b>					
Europe	7	2	-	5	34
North America	21	12	-	9	30
Latin America	19	14	-	5	10
Asia Pacific	22	16	-	6	19
Rest of the world	33	7	5	21	7
<b>Total</b>	<b>16</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>100</b>

## Stock exchange notices

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### Notices issued in the past 12 months

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Date		No.	Title
18 March	2010	1	Announcement of results for Q3 2009/10
6 May	2010	2	Strong fourth quarter triggers earnings upgrade
22 June	2010	3	Announcement of results for FY 2009/10
24 June	2010	4	Election of employee representatives to the Board of Directors
26 July	2010	-	Notice convening Annual General Meeting
19 August	2010	5	Excerpt from the Chairman's report at the Annual General Meeting
19 August	2010	6	Annual General Meeting of Danisco A/S held on 19 August 2010
23 August	2010	7	New President for Enablers division
23 August	2010	-	Updated Articles of Association
21 September	2010	8	Announcement of results for Q1 2010/11
8 October	2010	9	Danisco announcing new financial ambitions
18 November	2010	10	Major shareholder announcement – BlackRock, Inc.
10 December	2010	11	Genencor applies for funding of Biolsoprene™ advanced research site
16 December	2010	12	Announcement of results for Q2 2010/11
22 December	2010	13	Major shareholder announcement – BlackRock, Inc.
10 January	2011	1	Company announcement 01/2011
10 January	2011	2	Company announcement 02/2011
10 January	2011	3	Company announcement 03/2011
10 January	2011	4	DuPont announces binding offer for Danisco
21 January	2011	5	Company announcement 05/2011
21 January	2011	6	Company announcement 06/2011

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### Post reporting date notices

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18 February	2011	7	Company announcement 07/2011
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