

Press release 060412

AAK is in the process of acquiring FoodService Business in the UK

AAK UK is in the final negotiations of acquiring the £14 million wet foods division of Lion Foods Ltd, which will considerably extend AAK UK's business in the sauces, dressing and marinades sector in the UK. Also acquired with the business are the rights to the long established Lion brand for use in this "wet" foods sector and plans will be developed to relaunch this old famous brand. The business will be acquired from Lion Foods Limited. The negotiation is expected to be finalised shortly.

- The acquisition will further strengthening the market position in the food service segment. These products have been particularly successful in export markets resulting in AAK UK being awarded the coveted overall UK Food and Drink Exporter of the Year title in 2005 by Food From Britain, says Ian McIntosh President of AAK UK Ltd.

The new business will trade as AAK Foods and will continue to operate from its Runcorn site where it is expecting to employ around 130 staff.

- We will strive for a growing proportion of high value-added speciality products and attractive contribution margins. A vital step in this direction is the acquisition of the wet foods division of Lions Food Ltd says Jerker Hartwall President and CEO of AAK Group. This acquisition will generate profit from 2007 after integration with the AAK UK organisation.

For more details contact: Jerker Hartwall, President and CEO AAK AB, phone: +46 454 82603, e-mail: jerker.hartwall@aak.com or Anders Byström, Vice President and CFO AAK AB, phone: +46 454 82613, mobile: +46 709 885613, e-mail: anders.bystrom@aak.com

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