

Press release  
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## **Fazer expands its operations in Sweden and purchases Lantmännen Färsbröd**

**Fazer Group acquires a Swedish bakery company Lantmännen Färsbröd\* and thereby becomes second-largest in the Swedish bakery market. The purchase includes one of Sweden's most well-known and popular brands – Skogaholm. Fazer will invest over 50 million euros in bakery operations in Sweden during the coming three years.**

Fazer Group is acquiring Lantmännen Färsbröd with the exception of operations in Örebro. Lantmännen Färsbröd is a subsidiary of Lantmännen, which had a turnover of 135 million euros in 2007. Lantmännen is one of the Nordic area's largest Groups within food, energy and agriculture. Already today, Fazer Bakeries holds a strong position in Sweden, and with this transaction it becomes an even stronger player.

'Sweden is one of our primary market areas. Through this investment, we obtain a broader range of products, a very effective distribution chain, and a nation wide local production. We will invest over 50 million euros in the development of the bakery operations in Sweden. Our vision is to be the leading company in the Swedish market, and through this strategic acquisition we will be well-equipped to achieve this objective,' says Karsten Slotte, President and CEO of Fazer Group.

'We are happy to sell Lantmännen Färsbröd to a stable and reliable company such as Fazer. The sale is part of our business strategy to reorganise our operations,' says Per Strömberg, President and CEO of Lantmännen.

A number of synergies are created through the transaction, particularly within distribution, as Lantmännen Färsbröd's operations and competence go over to Fazer Bakeries. This will also provide the popular Skogaholm loaf and other bread products with the best possible future prospects.

The Skogaholm loaf, extremely popular within Sweden, will not be changed, and indeed, it will continue to be baked with Swedish flour in Swedish bakeries, just as other bread products included in the transaction. Axa brand will exclude from the acquisition and Fazer will gradually integrate Axa breads into its brand portfolio.

'We have so far increased our market share in Sweden especially with new products. Now we continue our growth with a broader product range which we will develop according to the taste habits and wishes of the Swedish consumers,' says Markku Numminen, Managing Director of Fazer Bakeries.



For retail, the acquisition implies several advantages a stable business partner, a broader product range and greater access to Fazer products provide for coordinated deliveries and fewer contact surfaces.

Fazer Group has operations in eight countries and it perceives Sweden as its second domestic market. In addition to bakery products, Fazer also offers meal services and confectionery. Fazer Group had a turnover of more than 1.2 billion euros in 2007 and it employs a total of 15,000 people. In Sweden, Fazer currently has about 2,300 employees and a turnover of approximately 230 million euros. Fazer Bakeries' turnover in Sweden amounted to 56 million euros in year 2007. The company employs approximately 600 people. The bakeries are located in Lidköping and Lövdänger.

\*The Swedish Competition Authority (Konkurrensverket) has not yet approved the transaction.

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**About Fazer Group**

Fazer Group originates from a family business founded in 1891 when Karl Fazer opened his first bakery in Helsinki. Today, Fazer Group offers meal services and bakery products and operates in a total of eight countries. Its operations are based on passion for customer, quality excellence and team spirit. The Group operates in three divisions, which are all committed to offering taste sensations: Fazer Amica, Fazer Bakeries and Fazer Russia. Fazer Amica is a leading contract catering company in the Nordic Region and Baltic Countries, offering customers delicious food and tailor-made service solutions. The company operates in the Nordic Region, Estonia, Latvia and Russia. Fazer Bakeries offers fresh and tasty bakery products and operates in Finland, Sweden, Estonia, Latvia and Lithuania. Fazer Russia is responsible for Fazer's bakery operations in Russia and is one of the leading bakery companies in Russia. Fazer's most important associated company is Cloetta Fazer AB, which is the leading confectionery company in the Nordic Region. Fazer Group's turnover for 2007 was more than 1.2 billion euros, and the Group employs approximately 15,000 people.

**About Lantmännen**

Lantmännen is one of the largest Groups in the food, energy and agriculture industries in the Nordic region. Lantmännen's brands include Axa, Kungsörnen, Start, Bageri Skogaholm, Hattings, Schulstad and Kronfågel. Lantmännen is owned by 42,000 Swedish farmers. It has 13,000 employees, operates in 19 countries and has a turnover of SEK 36 billion. For more information, please visit [www.lantmannen.com](http://www.lantmannen.com)