

Press Release

23 April 2008

Increased sales, first quarter earnings impacted by higher raw material costs

Compared to the same period of last year, Cloetta Fazer's sales rose by 6% to SEK 782 million (740). Operating profit was SEK 47 million (79) and operating margin was 6% (10.7%).

"Our prioritised brands grew by 3% and miscellaneous brands by 14%, while the pick-and-mix segment declined by 16%. The increase in sales for our top brands was mainly achieved through successful product launches and campaigns. The most significant sales growth was noted in the Finnish and non-Nordic markets, of which the Baltic countries and Russia stand out," according to company's CEO Jesper Åberg.

The drop in operating profit was mainly due to a sharp rise in raw material costs.

"The price increases we have already introduced in 2008 have not been sufficient to offset this effect, for which reason additional upward adjustment of prices will be necessary in combination with efficiency enhancement measures," adds Jesper Åberg.

The information from Cloetta Fazer contained herein is subject to the disclosure requirements in the Swedish Securities Market Act. The information was submitted for publication on 23 April 2008, 12:05 p.m.

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About Cloetta Fazer

Cloetta Fazer is the Nordic region's leading confectionery company, with a market share of around 22%. The company has production facilities in Sweden and Finland. Cloetta Fazer's strength lies in its many popular brands, such as Karl Fazer, Kexchoklad, Dumle, Geisha, Polly and Center. The average number of employees is around 1,600 and net sales in 2007 were approximately SEK 3.3 billion.