



Press Release

16 March 2009

Karamellpojarna, a subsidiary in the Cloetta Group, announces workforce reductions

AB Karamellpojarna, a subsidiary in the Cloetta Group since October 2007, has identified a need to reduce its workforce by 25 employees. The staff reduction has been motivated by rising costs that have not been possible to offset through increased revenue.

“Continued price pressure and aggressive competition in the market, combined with factors like rising raw material prices and a weakened Swedish krona, have impaired the company’s profitability in the past year,” says Curt Petri, Managing Director of Cloetta AB. “This calls for forceful measures to improve efficiency. Because the factory in Alingsås is dimensioned for a production volume that exceeds the currently forecasted volumes, this has resulted in a need to reduce the number of employees.”

This information was announced at a staff meeting today in Alingsås. The redundancies will affect some 25 employees in both white and blue collar positions that are currently employed by AB Karamellpojarna.

“We deeply regret having to take measures of this type,” says Pierre Carnefeldt, Managing Director of AB Karamellpojarna. “But they are necessary in order to adapt our operations to the market situation. The next step will be to begin negotiations with the union representatives.”

For the future, a focus on Karamellpojarna’s Extra Starka brand will be a top priority. Efforts to further develop and strengthen Extra Starka will be intensified as a means for safeguarding the continued stability of operations in Alingsås.

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The information in this press release is subject to the disclosure requirements of Cloetta AB (publ) pursuant to the Swedish Securities Market Act. The information was submitted for publication on 16 March 2009, 12:55 CET.

About Cloetta

Founded in 1862, Cloetta is the oldest and only major wholly Swedish confectionery company in the Nordic region. The company’s best known brands are *Kexchoklad*, *Center*, *Plopp*, *Polly*, *Tarragona*, *Guldnougat*, *Bridge*, *Juleskum*, *Sportlunch* and *Extra Starka*. Cloetta has two production units in Sweden, one in Ljungsbro and one in Alingsås. For the period from 1 September 2007 to 31 August 2008, Cloetta reported pro forma net sales of approximately SEK 930 million. As of 16 February 2009, Cloetta’s class B shares are traded on NASDAQ OMX Stockholm. www.cloetta.com