

Press release

AAK acquires 51 percent of the shares in leading Indian company

AAK has acquired 51 percent of the shares of Kamani Oil Industries Pvt Ltd., one of the leading speciality and semi-speciality oils and fats companies in India. The company had revenues of approximately SEK 1,000 million last year, with an annual volume of 100,000 MT.

The remaining 49 percent of the company's shares will continue to be owned by the Chawla family and Mr. Prakash Chawla will continue as Chief Executive Officer. There is, in addition, a put/call option under which AAK could acquire the remaining 49 percent of the company within the next 3–7 years.

“A growing middle class, a rapid urbanization and a rising per capita income, obviously makes India a very interesting growth market for AAK and we very much look forward to start working together with the Chawla family”, says Torben Friis Lange, President AAK Asia. “This acquisition will reinforce AAK’s speciality oils and fats strategy and offer a strong foothold in India. Kamani has very well-developed relations with both global and local customers. Together, we will continue to develop customer relations as well as the product portfolio of speciality and semi-speciality products.”

Kamani operates out of a strategically located and modern production plant in Khopoli, which is situated 70 km southeast of Mumbai where the company’s head office is located.

“It’s a great moment for all of us here in India to become part of a much bigger family,” says Prakash Chawla, Kamani’s CEO. “AAK is one of the leading speciality oils and fats manufacturing companies in the world. This will significantly enhance the capabilities in the Indian market and we very much look forward to this partnership.”

Arne Frank, President and CEO, AAK Group, states that the acquisition is an integral part of AAK’s company program AAKtion and that it will strengthen AAK’s presence in another fast-growing economy.

“With a great focus on technical expertise and customer co-development, Kamani’s customer and market approach is very similar to AAK’s”, Arne Frank continues. “The acquisition will serve as a platform for increased sales of speciality and semi-speciality products within Food Ingredients and Chocolate & Confectionery Fats.”

The transaction is expected to be completed on October 1, 2015. The acquisition is expected to start contributing to AAK’s operating profit during the first half of 2016.

Press & Analyst Conference

A telephone “Press & Analyst Conference”, chaired by Arne Frank, President and CEO, AAK Group, will be held at 1:15 p.m. CET, September 25, 2015. To access the call, please register in advance at www.aak.com by clicking the link for registration under the Investor tab, where the presentation material also will be made available.



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*AAK is a leading provider of value-adding vegetable oils & fats. Our expertise in oils & fats within food applications, our wide range of raw materials and our broad process capabilities enable us to develop innovative and value-adding solutions across many industries – Chocolate & Confectionery, Bakery, Dairy, Infant Nutrition, Food Service, Personal Care, and more. AAK's proven expertise is based on more than 100 years of experience within oils & fats. Our unique co-development approach brings our customers' skills and know-how together with our own capabilities and mindset for lasting results. Listed on the NASDAQ OMX Stockholm and with our headquarters in Malmö, Sweden, AAK has 18 different production facilities, sales offices in more than 25 countries and more than 2,500 employees. We are AAK – **The Co-Development Company.***

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