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## Press Release

# AAK acquires Croda Food Services

AAK UK, the UK division of global speciality oils company AAK AB, has acquired Croda Food Services from Croda International Plc. The business based in Oldham, UK, supplies a range of products and services to the bakery industry including release agents and divider oils together with bespoke delivery systems.

With sales of over £17m, the business has a strong position in the UK bakery sector and healthy export sales. The President of AAK UK, Ian McIntosh said, "We are delighted to have concluded this deal which fits so well with our strategy of offering specialty oil-based products and services and, as a major player in the UK bakery fats sector, enhancing our product range in this way will offer our customers a more complete package to meet their needs".

The new business will be incorporated into the AAK UK structure and trade as AAK Bakery Services. As well as operating one of the UK's biggest vegetable oil refineries located in Hull, AAK UK also includes AAK Foods based in Runcorn, Cheshire which offers sauces, dressings and marinades to the retail and foodservice sectors.

AAK Bakery Services, which comprises an investment of £5.5m plus net working capital, will continue to operate from its Oldham base and the company has plans to expand its focus on export markets where the specialist nature of its products is in demand.

"We are striving for a growing proportion of high value-added products. A step in this direction of forward integration is the acquisition of Croda Food Services which strengthens our position in the bakery sector" says Jerker Hartwall, President and CEO of AAK Group. This acquisition will generate profit during 2007.

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*AarhusKarlshamn is the world's leading producer of high value-added speciality vegetable fats. These fats are characterized by a high technological content and are used as substitute for butter-fat and cocoa butter, transfree solutions for fillings in chocolate and confectionery products, and in the cosmetics industry. AarhusKarlshamn has production facilities in Denmark, Mexico, the Netherlands, Sweden, Great Britain, Uruguay and the US. The company is organised in three Business Areas; Chocolate and Confectionery Fats, Food Ingredients and Technical Products & Feed.*

*Further information on AarhusKarlshamn can be found on the company's website [www.aak.com](http://www.aak.com).*