

Karlshamns 2004-11-12

Pressrelease

Karlshamns AB invests in new production facilities for liquid margarine
Karlshamns' volumes of liquid margarine and pumpable fats are growing rapidly.
Production capacity is now extended considerably, thanks to this new plant.

Karlshamns AB today announces the inauguration of its new production line for liquid margarines developed for industrial customers. The plant adds considerable production capacity to the site in Karlshamn, along with flexibility to tailor products to individual customer needs. The investment is in line with Karlshamns' strategy to focus on high value-added speciality fats and technical advanced products.

Thriving demand for liquid margarine and pumpable fats

Demand for liquid margarine and pumpable fats continues to grow at a steady pace, largely as a consequence of considerable pressure on prices and a vigilant eye on costs throughout the food industry. Pumpable fats are supplied in bulk, by tanker or container, directly to the customer. Upon arrival at the customer's site, the product maintains a consistency that allows it to be pumped straight into the customer's production process, without any further handling.

"In comparison with solid margarine, pumpable fats are extremely easy to handle. Several handling steps are eliminated, which allows for a smoother and more rational process. Our customers in the bakery industry are thereby given a good opportunity to streamline production costs", says Håkan Christensson, responsible for Karlshamns' business sector Edible Oils.

Lower fat content without affecting the end product

The new production facility also makes it possible for Karlshamns to widen its product range and tailor oils and fats to individual customer needs.

"The new plant offers entirely new potentials, in particular so when it comes to biscuit fats – a recently developed product for the bakery industry. We are also in a position to customise products by adding flavourings to the pumpable fats", says Håkan Christensson.

We keep on adding value

"The comprehensive development process launched in 2001 has entailed a strong focus on high value-added speciality products. The acquisition of the UK speciality fat company Kelanco, and now the inauguration of our new production line for industrial margarine products, is just one of many, many steps along the way towards a more specialised Karlshamns. There is more in the pipeline" says Jerker Hartwall, President and CEO.

For additional information and photos, kindly contact:

Håkan Christensson, President Business Sector Edible Oils, tel +46 (0)454 - 82424, mobile +46 (0)708 -182424

Karlshamns is one of the world's leading manufacturers of high value-added speciality vegetable oils and fats. Karlshamns supplies speciality fats all over the world, and is market leader in Scandinavia as well as in Central Europe. Karlshamns' headquarters and largest production facility are located in Karlshamn, Sweden. The Group's other two production plants are in Hull (the United Kingdom) and in Zaandijk (the Netherlands). The Group's total sales are approximately SEK 3,300 million p.a. Further information available on www.karlshamns.com
