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Press release

AAK acquire the business unit Deinking Chemicals from Ciba Specialty Chemicals Oy in Finland

The AAK Business Area Technical Products & Feed acquire the business unit Deinking Chemicals from Ciba Specialty Chemicals Oy in Finland. Chemicals for deinking (the removal of ink from recycled paper) are based on special fatty acids, and the acquisition is an important strategic step forward in the value chain for AAK's Business Sector Tefac (fatty acids). The business unit Deinking Chemicals has a turnover of MSEK 25. Operations will be moved to AAK's plant in Karlshamn – a move that will offer advantages in both transportation and cost.

Special fatty acids for deinking are used in the paper industry when recycled paper is part of the production. This is a growing market in the paper industry.

The growth in special fatty acids for de-inking is expected to increase globally, and in Central and Eastern Europe this growth is estimated to more than 10% in the coming years.

- The acquisition will strengthen our market position in the segment for the de-inking of recycled paper. It is an important step forward in the value chain and is part of our focus on speciality products, says Magnus Jörsmo, President of Business Area Technical Products & Feed.

- We strive towards obtaining an increasing share of speciality products throughout the AAK Group, and with the acquisition of Deinking Chemicals we have taken an important step in that direction, says Jerker Hartwall, CEO and President of AAK.

The acquisition will produce a positive financial result during 2008.

Completion of the transaction is intended to occur as per 31 October 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.