

Press release

AAK investing in China

AAK has decided to construct a speciality and semi-speciality edible oils factory in China. This to pursue our global growth strategy and to add further presence in this strategically very important market.

The factory will be located in Zhangjiagang along the Yangtze river delta. This region, just northwest of Shanghai, has the highest GDP per capita in mainland China and is the Chinese center for inbound and outbound logistics for efficient national coverage.

“There is a significant potential for AAK in China and this new factory is an integral part of our company program AAKtion”, says Arne Frank, President and CEO, AAK Group. “China is moving from an export driven economy model to also a very strong, domestic and consumption driven economy. With a fast growing economy the demand for speciality and semi-speciality edible oils in China is expected to grow strongly.”

The investment is expected to amount to approximately SEK 400 million over a two-year period. The start-up of the new factory is planned for the beginning of 2016 and fully utilized it will increase AAK’s total capacity by approximately 100,000 MT, with room for further expansion at a later stage.

“This investment will make it possible for us to execute our strategy and grow our speciality oils and fats business in China with an increased customer service and more innovative co-developed products that address global as well as local trends”, says Torben Friis Lange, President Asia, CIS, Middle East. “Fully utilized, the plant will be able to serve our Bakery, Dairy, Infant Nutrition and Chocolate & Confectionery Fats segments.”

The construction of the factory is part of a long-term investment plan in China that started with the establishment of an AAK sales subsidiary in 2011 and which was followed by the opening of an innovation center in Shanghai last year.

For further information, please contact:

Fredrik Nilsson
CFO
Phone: +46 40 627 83 34
Mobile: +46 708 95 22 21

Anders Byström
Director External Accounting & Investor Relations
Phone: +46 40 627 83 32
Mobile: +46 709 88 56 13

The information is that which AAK AB (publ) is obliged to publish under the provisions of the Stock Exchange and Clearing Operations Act and/or the Trading in Financial Instruments Act. The information was released to the media for publication on September 5, 2014 at 09.00 a.m. CET.

AAK is one of the world's leading producers of high value-added speciality vegetable oils and fats solutions. These oils and fats solutions are characterized by a high level of technological content and innovation. AAK's solutions are used as substitute for butter-fat and cocoa butter, trans-free and low saturated solutions but also addressing other needs of our customers. AAK has production facilities in Belgium, Colombia, Denmark, Mexico, the Netherlands, Sweden, Great Britain, Uruguay and the US. Further AAK has also toll manufacturing operations in Russia and Malaysia. The company is organized in three Business Areas: Food Ingredients, Chocolate & Confectionery Fats and Technical Products & Feed. AAK's shares are traded on the NASDAQ OMX, Stockholm, within the Large Cap segment. Further information on AAK can be found on the company's website, www.aak.com.