

Press release

AAK's Interim report for the third quarter 2015 – a record high operating profit and good organic volume growth

- Again, a record high operating profit was achieved, reaching SEK 376 million (331 excluding net positive, non-recurring items of SEK 13 million), an improvement of 14 percent. The currency translation impact was positive SEK 27 million.
 - Operating profit at fixed foreign exchange rates, and adjusted for last year's divestment of Binol and non-recurring items improved by 7 percent.
- Volumes increased by 2 percent. Organic volume growth was also 2 percent.
- Food Ingredients reached a result of SEK 230 million (211), an improvement of 9 percent.
- Chocolate & Confectionery Fats improved by 33 percent and reached SEK 166 million (125).
- Technical Products & Feed gained a result of SEK 11 million (20).
- Operating cash flow including changes in working capital amounted to SEK 258 million (negative 52).
- Earnings per share increased by 12 percent, to SEK 6.03 (5.36).
- Return on Capital Employed (ROCE), calculated on a rolling 12 months basis, was 15.8 percent (16.0 at December 31, 2014).
- AAK has during the quarter launched TROPICAO™, the latest innovation within Chocolate & Confectionery Fats. Chocolate with TROPICAO™, which has been developed for hot climate markets, will maintain a non-bloom appearance as well as its sensory attributes when exposed to higher temperatures.
- During September, AAK acquired 51 percent of Kamani Oil Industries Pvt Ltd., one of the leading speciality and semi-speciality oils and fats companies in India. Kamani had last year revenues of approximately SEK 1,000 million, with an annual volume of 100,000 MT.
- AAK has also during the quarter established a partnership with Miyoshi Oils & Fats Co. by forming a new company together for the Japanese market, AAK Miyoshi JP. AAK will own 70 percent of the new company and Miyoshi Oils and Fats Co. will own 30 percent.

Concluding remarks:

"Based on AAK's customer value propositions for health and reduced costs, and our customer product co-development and solutions approach, we continue to remain prudently optimistic about the future", says Arne Frank, CEO and President, AAK Group. "The main drivers are the continued positive underlying development in Food Ingredients and the continued improvement in Chocolate & Confectionery Fats."

The Interim report for the third quarter 2015 will be presented today, October 29, 2015 at 1:00 p.m. CET at a Press & Analyst telephone conference. For participation, please see instructions under the Investor tab at the AAK website, www.aak.com.

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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 October 29, 2015 at 08:30 a.m. CET.

*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 19 different production facilities, sales offices in more than 25 countries and more than 2,700 employees. We are AAK – **The Co-Development Company**.*

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