

Accent Equity divests Nordic Bake-Off to Vaasan & Vaasan

Accent Equity is divesting Nordic Bake-Off to Vaasan & Vaasan, the Finnish Group of bakery businesses owned by CapVest Equity Partners. Nordic Bake-Off is a Nordic market leader for the manufacture and distribution of bake-off products.

Nordic Bake-Off is active in Sweden, Denmark, Finland and Norway. The company with its head office in Stockholm employs some 100 people and enjoyed last-year sales of approximately EUR 35 million. Founded back in 1986, the company is a pioneer in the industry. Nordic Bake-Off develops, manufactures and sells products and services to convenience stores, service outlets (petrol stations, after-hours supermarkets, etc.), bakeries, coffee shops, cafés and restaurants. The company is a leading distributor to all of these segments under its proprietary Bonjour trademark.

Nordic Bake-Off's plant in Fagersta, Sweden manufactures frozen products. Gotlandsbrödet, its partly owned subsidiary, also manufactures in Sweden's Gotland County. The company is an exclusive distributor for the products of CSM – a Netherlands confectionery and food ingredient producer – in Sweden, Norway and Finland. Nordic Bake-Off is first or second in every segment of the Swedish market.

"Nordic Bake-Off has made important strides under our ownership," says Niklas Sloutski, Senior Partner at Accent. "Its profitability has more than doubled, and it has restructured to become a highly focused leader in the Nordic bake-off market. We are very pleased that we can turn Nordic Bake-Off over to a company as prestigious as Vaasan & Vaasan, where it will play a key role in the ongoing expansion of their bake-off business."

Accent acquired Nordic Bake-Off from CSM. Nordic Bake Off (under the name of BakeMark Sweden) had been peripheral to CSM's worldwide operations. Under the ownership of Accent Equity Partners, Nordic Bake-Off's management came to play a much more central role, as evidenced by restructuring and rapid profitability gains. The acquisition of Gotlandsbrödet AB further strengthened Nordic Bake-Off's position in the Nordic market.

"The Swedish bake-off market, which has been expanding by approximately 6% a year, is set for additional growth," says Vaasan & Vaasan CEO Matti Lappalainen. "This arrangement offers us an excellent opportunity to grow our bake-off business and reinforce our position, both in Sweden and throughout the Nordic region."

"We are extremely proud of our performance and the 'marriage' that the restructuring effort in cooperation with Accent has led to," says Nordic Bake-Off CEO Bernt Lindberg. "Vaasan & Vaasan's resources and know-how will equip us even better going forward and will significantly improve our growth prospects in each market."

For further information, please phone:

Niklas Sloutski, Accent, +46 8 545 073 00

Matti Lappalainen, CEO, Vaasan & Vaasan, +358 20 446 2001

Bernt Lindberg, CEO, Nordic Bake-Off, +46 8 619 34 01

Background

Accent is a leading lower mid-market private equity company specialising in company acquisitions and expansion capital transactions in the Nordic region. Since the mid-1990s, Accent Equity Partners have advised five funds that have carried out over 40 investments and some 30-odd exits. Accent Equity Partners is an advisor to funds with a total capital of about SEK 5 billion, of which SEK 1.5 billion is available for new investments. Accent invests in well-established Nordic companies with a clear potential for value creation by means of operational improvements, strategic development and strong growth. Further information: www.accentequity.se

Vaasan & Vaasan is the largest bakery business in Finland and the Baltic region, the second largest crisp bread producer in the world and a significant Nordic producer of bake-off products. The Vaasan & Vaasan Group includes Vaasan & Vaasan Oy in Finland, AS Leibur in Estonia, A/S Hanzas Maiznicas in Latvia and UAB Vilniaus Duona in Lithuania, as well as Nordic Bake Off AB and Delice Scandinavica AB in Sweden. The sales of the Vaasan & Vaasan Group in 2004 were EUR 287 million, generated by an average of 3,700 employees. For additional information, see www.vaasan.com