



CSM nv
Corporate Communications

Nienoord 13
1112 XE Diemen
PO Box 349
1000 AH Amsterdam
the Netherlands

T +31 (20) 590 6320
E eva.lindner@csmglobal.com
I www.csmglobal.com

Press Release

CSM to acquire Best Brands in the US

date Diemen, the Netherlands 4 February 2010

CSM today announces that it has reached an agreement to acquire Best Brands, one of the largest premium bakery manufacturers in the US market, for cash consideration of \$510 million. The acquisition of Best Brands creates the undisputed market leader in the North American bakery supplies market with total sales in excess of \$2.3 billion. The acquisition strengthens CSM's global leadership position in the segments and product categories that CSM has targeted for future growth, particularly in the in-store bakery market. The transaction, which is subject to regulatory review, is expected to be completed in March 2010.

Best Brands achieved sales of \$538 million in 2009. Best Brands have around 75% of their sales in the in-store segment with particular strengths in frozen baked cakes and muffins, which are complimentary to CSM's HC Brill product and customer portfolio.

Commenting on the acquisition, Gerard Hoetmer, CSM CEO said:

"The acquisition of Best Brands fits in our strategic journey which started in 2005. In these last four years we have created an efficient and focused company, resulting in global market leadership positions in both Bakery Supplies and Purac. In our strategy we have expressed our consolidator role in the bakery supplies market after having built the capabilities to grow organically by leveraging our innovation power and exploiting our economies of scale. The Best Brands acquisition fully fits within our stated strategy as it strengthens our leadership in our core markets, brings complimentary products in an extended customer portfolio and expands our baking capabilities. This acquisition will strengthen our ability to deliver organic growth in the North American market in particular as we leverage opportunities to grow in the in-store and out of home markets."

Our combined scale will bring synergies in production, logistics and procurement, which are expected to amount to at least \$20 million within three years. The acquisition of Best Brands, which will generate additional shareholder value for CSM, represents a large step forward in the execution of our specific Bakery Supplies North American strategy. We will continue to drive the strategic objectives we have for our other divisions. Bakery Supplies Europe which has been completely restructured over the last years will also continue to improve its market position in strategic areas. Purac will continue its growth in preservation and green chemicals; our recent announcement regarding the construction of a large scale lactide factory is a prime example of our growth strategy.

The acquisition price of \$510 million represents a multiple of 8.5 times reported EBITDA 2009. CSM closed 2009 with substantially lower net debt compared to year-end 2008. The acquisition of Best Brands can be financed from existing available credit facilities. Rabobank/ Rothschild acted as exclusive advisors to CSM.



About Best Brands:

Best Brands is one of the largest premium bakery manufactures in the US market, committed to providing high quality innovative products and services to the baking industry. Its broad product portfolio includes laminated dough, cakes, muffins, fillings and mixes. Best Brands has a leading position in value-added frozen products sold to in-store bakeries. Furthermore, Best Brands serves food service customers and retail and wholesale bakeries through its three distribution centers. Best Brands also goes to market with the well-known Multifoods brand. The company has 6 major production facilities across the United States, and is headquartered in Minnetonka, Minnesota. Best Brands was founded in 1971 and has a workforce of 1,580 people. For more information: www.bestbrandscorp.com

CSM will host a telephone conference today at 18.00 hours (Central European Time) which will be open to press and analysts.

Please find below the dial in details for the telephone conference.

Conference Title: **press release**

Dial in numbers:

The Netherlands	31 20 794 8505
Belgium	32 2290 1610
France	33 1 7099 3433
Germany	49 69 5899 90708
United Kingdom	44 20 7190 1292
United States	1 480 629 9654
Denmark	45 3271 4691
Sweden	46 8 5052 0193

A replay of the telephone conference will be available from February 5, 2010 onwards.

For more information, please contact:

Press: Eva Lindner, Communication Director, tel. +31 20 5906320

Analysts: Ian Blackford, Investor Relations Manager, tel. +31 (0)20 5906349 / mobile +44 (0)7767 227506

Background information:

CSM is the largest supplier of bakery products worldwide and is global market leader in lactic acid and lactic acid derivatives. CSM produces and distributes an extensive range of bakery products and ingredients for artisan and industrial bakeries and for in-store as well as out-of-home markets. It also produces a variety of lactic acid applications for the food, chemical and pharmaceutical industries. CSM operates in business-to-business markets throughout Europe, North America, South America, and Asia, generates annual sales of € 2.6 billion and has a workforce of around 8,450 employees in 25 countries. CSM is listed on Euronext Amsterdam. For more information: www.csmglobal.com