



Maple Leaf Frozen Bakery



COMPANY FACT SHEET

Business Overview:

Maple Leaf's Frozen Bakery is the North American leader in the rapidly growing frozen par-baked bread market. "Par-baked" products are baked to within 90% of completion, then quick frozen and shipped to customers for the final 12-15 minutes of baking. Par-baked provides in-store bakery, foodservice and club store operators with the opportunity to reduce costs and consistently delivers premium quality, fresh-baked products throughout the day. With plants in California, Virginia, Alberta, Ontario and Quebec, the Company can ship products to virtually all major population centers in North America within 24 hours, providing a strong competitive advantage. Maple Leaf Frozen Bakery is a division of the Canada Bread Company Limited, which is 87.5% owned by Maple Leaf Foods.

Business Objective:

The Frozen Bakery operation will build profitable growth through product innovation and leveraging its North American production and distribution network to deliver exceptional customer service.

Operations and Locations:

Location	Activity	Employees ¹ (Approx.)
Calgary, Alberta, Canada	Bakery	140
Concord, Ontario, Canada	Bakeries	250
- Viceroy - Rivermede		240
Toronto, Ontario, Canada	Bakery	150
- Toronto Bagel - Toronto, Pita	Bakery	25
Laval, Quebec, Canada	Bakery	50
Chicago, Illinois, USA	Head Office	100
Roanoke, Virginia, USA	Bakery	300
Oxnard, California, USA	Bakery	170
Richmond, California, USA	Bakery	200
TOTAL	10	1,625

¹ Employee numbers based on December 2005 figures.

Key Products:

Maple Leaf Frozen Bakery produces and distributes frozen baked goods including:

- Artisan breads
- Breaded whole wheat and whole grain products
- Crusty breads and rolls
- Bagels
- Flatbreads
- Croissants, turnovers and scones

The benefits of par-baked bread:

Par-baked bread is bread baked to within 90% of completion, quick frozen and shipped to market, where a final 12-15 minutes in the customer's oven delivers fresh baked consistent high quality products to the consumer. The par-baked market is among the fastest growing in the bakery industry. As the leading North American par-baked bakery, we allow customers to:

- Produce fresh, hot bread in just minutes instead of hours
- Cycle bake throughout the day to reach shoppers at peak periods
- Reduce equipment, waste and in-store baking costs
- Improve product consistency and quality
- Specialize products to build consumer loyalty

Maple Leaf Frozen Bakery is expanding the frozen bakery category and market penetration through the development of *FroBake®* products. A revolutionary innovation in freezer-to-oven baking, *FroBake®* eliminates the need for proofing or retarding of dough in the store. The end result is a bread or roll which can go directly from the freezer to the oven in the form of raw dough, eliminating hours of proofing time and increasing efficiency for customers.

FroBake® also provides superior shelf life to par-baked and frozen dough products due to the increase moisture retained in the product. *FroBake®* is complementary to our par-baked portfolio as it is positioned as entry-level artisan bread – a premium looking product and quality at significantly lower costs. Par-baked technology continues to be best suited to support hot bread or cycle baking, due to its reduced baking time.

Markets:

Maple Leaf Frozen Bakery serves major retail grocery, food service and club store operators across Canada and the United States. It produces private label products as well as a select range of branded offerings including *Grace Baking* artisan breads, *Wholesome Harvest*, and *Maison Cousin* crusty breads and rolls.

Growth Strategy:

Maple Leaf Frozen Bakery works with its customers across North America to support their conversion to par-baked and/or freezer-to-oven breads and develops new products and programs to assist them in adding excitement and innovation to the bakery category.