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# Hostess Brands to Close Akron Bread Bakery Due to Changing Market Conditions

Customers Will Continue to Receive All Products from Other Bakeries

DALLAS--(BUSINESS WIRE)-- Hostess Brands, Inc. said today that it would close its bread bakery in Akron, Ohio, due to market conditions and operations efficiencies. The Company expects that production at the bakery will end by June 25.

The Akron bakery employs approximately 100 people. Hostess also employs about 400 sales and retail personnel in the region, whose jobs will not be affected by the bakery closing. They will continue to serve the marketplace with bread products produced at Hostess Brands' Northwood, Ohio bakery. The Company's office operations will continue in Akron.

Changes in local market conditions, including declining purchase of bread by consumers in the area, made it necessary for the Company to consolidate its Northwood, Ohio bakery and close the Akron bakery, which has been operating since 1923. The age of the facility also would have made it difficult and expensive to modernize production equipment at the plant, as would have been needed to meet changing consumer preferences, the Company said.

"While closing a bakery is always a difficult decision, it's important that we continue to shape our business to meet the demands of the marketplace," said Hostess Chief Executive Officer Craig Jung. "I appreciate the years of dedicated service and hard work by our employees and deeply regret the impact this news will have on them and their families. We will make every reasonable effort to make this transition as smooth as possible."

Customers will continue to receive both bread and snack cake products without interruption. Hostess Brands bread products will be produced in the Northwood bakery and transported to the Akron area. Snack cake products already are being delivered to the Akron area from other plants in Ohio and neighboring states.

## About the Company

Hostess Brands, Inc. is one of the nation's largest commercial bakers and distributors of fresh-baked bread and sweet goods, sold under various brand names, including Wonder(R), Merita(R), Home Pride(R), Nature's Pride(R), Hostess(R), Drake's(R), and Dolly Madison(R). The Company is headquartered in Dallas, TX. The Company has approximately 21,000 employees, operates 39 bakeries, approximately 6,000 delivery routes, approximately 600 distribution centers and approximately 700 bakery outlet stores throughout the country. Hostess Brands is one of only a few bakeries with a national direct store delivery system serving more than 50,000 customers every day. The majority of Hostess Brands' products

are sold through supermarkets, national mass merchandisers and convenience stores.

Source: Hostess Brands, Inc.