

COMPANY ANNOUNCEMENT

No. 6/2016

NOT FOR RELEASE OR DISTRIBUTION OR PUBLICATION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA OR JAPAN

This announcement does not constitute an offering circular and nothing herein contains an offering of securities. No one should purchase or subscribe for any securities in Scandinavian Tobacco Group A/S ("STG" or the "Company") except on the basis of information in the offering circular published by STG in connection with the offering and admission of such securities to trading and official listing on Nasdaq Copenhagen A/S ("Nasdaq Copenhagen").

Copenhagen, 10 February 2016

Stabilisation Period Begins

With reference to the offering circular dated 28 January 2016 and announcement no. 4 dated 10 February 2016 regarding the result of the offering and the admission to trading and official listing of shares in Scandinavian Tobacco Group A/S ("STG") on Nasdaq Copenhagen, STG has received notification regarding the beginning of the stabilisation period from Nordea Bank Danmark A/S acting as Stabilising Manager in the offering. Reference is made to the attached announcement from Nordea Bank Danmark A/S.

For further information, please contact:

For media enquiries:

Kaspar Bach Habersaat, Director of Group Communications, phone: +45 7220 7152 or kaspar.bach@st-group.com.

For investor enquiries:

Torben Sand, Head of Investor Relations, phone: +45 7220 7126 or torben.sand@st-group.com.

About Scandinavian Tobacco Group

Scandinavian Tobacco Group A/S with its subsidiaries (the "**Group**") is a world leading producer of cigars and traditional pipe tobacco. The Group also produces fine-cut tobacco and sells tobacco-related accessories. The Group produces and sells 3 billion cigars and 5,000 tonnes of pipe and fine-cut tobacco annually. Scandinavian Tobacco Group believes it is the only company globally with a core strategic focus on production and distribution in all of these tobacco categories.

Scandinavian Tobacco Group holds market-leading positions in the machine-made cigar market in Europe, the handmade cigar market in the US, the online and catalogue retail sales of cigars in the US, the traditional pipe tobacco market globally and in selected fine-cut tobacco markets.

Scandinavian Tobacco Group has a diversified portfolio of more than 200 brands providing a complementary range of established global brands and local champions. In the cigar segment, the brand portfolio comprises Café Crème, La Paz, Macanudo, CAO, Partagas (US) and Cohiba (US). Pipe tobacco brands include Captain Black, Erinmore, Borkum Riff and W.Ø. Larsen, while leading fine-cut tobacco brands include Bugler, Break, Escort, Bali Shag and Tiedemanns.

As at 31 December 2015, the Group employed approx. 8,100 people in the Dominican Republic, Honduras, Nicaragua, Indonesia, Europe, New Zealand, Australia, Canada and the US.

For more information please visit www.st-group.com.

Important notice

Copies of this announcement are not being made and may not be distributed or sent into the United States of America, Canada, Australia or Japan.

This communication does not constitute an offer of the securities to the public in the United States. The securities referred to herein may be offered or sold in the United States only (1) if registered, or in a transaction exempt from, or not subject to, registration under the U.S. Securities Act of 1933, as amended, and (2) by the issuer or a manager (or affiliate thereof) registered as a broker-dealer under the U.S. Securities Exchange Act of 1934. Scandinavian Tobacco Group A/S does not intend to register any portion of the offering of the securities in the United States or to conduct a public offering of the securities in the United States.

In any EEA Member State, other than Denmark, that has implemented Directive 2003/71/EC as amended (together with any applicable implementing measures in any Member State, the "Prospectus Directive"), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

This communication does not constitute an offer of the securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities. This communication is being distributed to and is directed only at (i) persons who are outside the United Kingdom or (ii) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). Any investment activity to which this communication relates will only be available to and will only be engaged with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

Stabilisation/FCA

In connection with the offering, Nordea Bank Danmark A/S (the “Stabilising Manager”) (or agents acting on behalf of the Stabilising Manager) may over-allot securities or effect transactions with a view to supporting the market price of the securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or agents acting on behalf of the Stabilising Manager) will undertake stabilisation actions. Any stabilisation action may begin on or after the date of commencement of trading and official listing of the securities on Nasdaq Copenhagen and, if begun, may be ended at any time, but must end no later than 30 days after the date of commencement of trading and official listing of the securities.

J.P. Morgan Securities plc is acting as Lead Global Coordinator, and J.P. Morgan Securities Ltd. together with, Deutsche Bank AG, London Branch and Nordea Markets (division of Nordea Bank Danmark A/S) are acting as Joint Global Coordinators and Joint Bookrunners in the Offering and Carnegie Investment Bank, filial af Carnegie Investment Bank AB (publ), Sverige is acting as Co-Lead Manager in the Offering. The Joint Global Coordinators, the Joint Bookrunners and the Co-lead Manager and their affiliates are acting exclusively for Scandinavian Tobacco Group A/S and the selling shareholders and no one else in connection with the offering. They will not regard any other person as their respective client in relation to the offering and will not be responsible to anyone other than Scandinavian Tobacco Group A/S and the selling shareholders for providing the protections afforded to their respective clients, nor for providing advice in relation to the offering, the contents of this communication or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, the Joint Global Coordinators, the Joint Bookrunners and the Co-lead Manager and any of their affiliates, acting as investors for their own accounts, may purchase shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such shares and other securities of Scandinavian Tobacco Group A/S or related investments in connection with the offering or otherwise. Accordingly, references in the offering circular to the shares being offered, acquired, placed or otherwise dealt in should be read as including any offer to, acquisition, placing or dealing by such Joint Global Coordinators, the Joint Bookrunners and the Co-lead Manager and any of their affiliates acting as investors for their own accounts. The Joint Global Coordinators, the Joint Bookrunners and the Co-lead Manager do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date and are subject to change without notice.

Pre-stabilisation Notice

Nordea Bank Danmark A/S (Torben Hansen, telephone +45 33 33 35 67) hereby gives notice that the Stabilisation Manager named below and its affiliates may stabilise the offer of the following securities in accordance with Commission Regulation (EC) No. 2273/2003 implementing the Market Abuse Directive (2003/6/EC).

The securities:	
Issuer:	Scandinavian Tobacco Group A/S
Securities:	Ordinary shares (DK0060696300)
Offering size:	35,600,000 shares of DKK 1 nominal value each
Offer price:	DKK 100 per share
Associated securities:	N/A
Market:	Nasdaq Copenhagen
Ticker:	STG
Stabilisation:	
Stabilisation Manager:	Nordea Bank Danmark A/S (company registration number: 13522197) Strandgade 3, DK-0900 Copenhagen C Denmark
Stabilisation period expected to start on:	10 February 2016
Stabilisation period expected to end no later than:	11 March 2016
Maximum size of over-allotment facility:	Up to 4,400,000 shares
Conditions of use of over-allotment facility:	May be exercised in whole or in part by the Stabilisation Manager, to the extent permitted by applicable law, at any time during the period commencing on 10 February 2016 and ending 30 calendar days thereafter
Overallotment Option:	
Exercise period:	30 calendar days
Conditions of use of overallotment option:	May be exercised by the Stabilisation Manager in whole or in part from time to time solely to cover over-allotments or short positions in connection with the offering or stabilisation transactions

Important notice

In connection with this offering, the stabilising manager may over-allot the securities or effect transactions with a view to supporting the market price of the securities at a level higher than that which might otherwise prevail. However, there is no assurance that any stabilisation will be undertaken and it may be discontinued at any time.

This announcement is for information purposes only and does not constitute or form part of, and should not be construed as, an invitation or offer to underwrite, subscribe for or otherwise acquire or dispose of any securities of the Company in any jurisdiction. The information contained in this announcement is restricted and is not for release, publication or distribution in or into the United States, Canada, Australia or Japan or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

The offer and sale of the shares referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and the shares may not be offered or sold within the United States or to U.S. persons absent registration under the Securities Act or an exemption from registration. There will be no public offer of the securities referred to herein in the United States. The Securities may not be offered or sold in the United States except to qualified institutional buyers ("QIBs") as defined in Rule 144A under the Securities Act ("Rule 144A") in reliance on Rule 144A or another exemption from, or transaction not subject to, the registration requirements of the Securities Act.

In addition, if and to the extent that this announcement is communicated in, or the offer of the securities to which it relates is made in, any EEA Member State that has implemented Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "Prospectus Directive") before the publication of a prospectus in relation to the securities which has been approved by the competent authority in that Member State in accordance with the Prospectus Directive (or which has been approved by a competent authority in another Member State and notified to the competent authority in that Member State in accordance with the Prospectus Directive), this announcement and the offer are only addressed to and directed at persons in that Member State who are qualified investors within the meaning of the Prospectus Directive (or who are other persons to whom the offer may lawfully be addressed) and must not be acted on or relied on by other persons in that Member State.

In the United Kingdom, this announcement and any other materials in relation to the securities described herein are only being distributed to, and are only directed at, persons that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not take any action on the basis of this announcement and should not act or rely on it. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.