

COMPANY ANNOUNCEMENT

No. 18/2016

Copenhagen, 26 April 2016

RESULT OF ANNUAL GENERAL MEETING OF SCANDINAVIAN TOBACCO GROUP A/S

Scandinavian Tobacco Group A/S (the "Company") held its annual general meeting today. The outcome of the general meeting was as follows:

1. Adoption of the audited annual report

The audited annual report was adopted by the general meeting

2. Adoption of the remuneration of the board of directors and any board committees

The general meeting approved the board of directors' proposal that compensation for the board of directors for the financial year 2016 is set based on a base annual fee of DKK 400,000 to each member. Furthermore, the chairman will receive three times the base annual fee and the vice-chairman will receive 1.75 times the base annual fee. The chairman of the Audit Committee will receive (in addition to the base annual fee as board member) a fee corresponding to 75 percent of the base annual fee for members of the board of directors. Other members of the Audit Committee will receive (in addition to the base annual fee as board members) a fee corresponding to 37.5 percent of the base annual fee for members of the board of directors. The members of each of the Remuneration Committee and Nomination Committee will receive (in addition to the base annual fee as board members), a fee corresponding to 12.5 percent of the base annual fee for members of the board of directors. The chairman of each of the Remuneration Committee and Nomination Committee will receive (in addition to the base annual fee as board members) a fee corresponding to 25 percent of the base annual fee for members of the board of directors.

3. Appropriation of profit or loss as recorded in the adopted annual report

The general meeting approved the board of directors' proposal that for the financial year 2015 the Company pays a dividend of DKK 5.00 per share of DKK 1.

4. Election of members to the board of directors

The general meeting re-elected Jørgen Tandrup, Søren Bjerre-Nielsen, Dianne Neal Blixt, Marlene Forsell, Conny Karlsson, Luc Missorten and Henning Kruse Petersen and elected Nigel Northridge as members of the board of directors.

5. Election of auditor(s)

PricewaterhouseCoopers Statsautoriseret Revisionspartnerskab was re-elected as auditor of the Company.

The Board of Directors has appointed Jørgen Tandrup as chairman of the board of directors and Nigel Northridge as vice-chairman.

Members of the Audit Committee are Søren Bjerre-Nielsen (chairman), Dianne Blixt and Marlene Forsell. Members of the Nomination and Remuneration Committees are Jørgen Tandrup (chairman), Nigel Northridge and Conny Karlsson.

Scandinavian Tobacco Group A/S

The Board of Directors

For further information, please contact:

For media inquiries:

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

For investor inquiries:

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.