

Nasdaq Stockholm: SWMA

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6 September, 2016

Swedish Match announces intention to place a portion of its shares of Scandinavian Tobacco Group A/S

J.P. Morgan and Nordea have been retained by Swedish Match Cigars Holding AB (the “Seller”), a wholly-owned subsidiary to Swedish Match AB (publ), to explore the opportunity to sell approximately 10 percent of the total share capital of Scandinavian Tobacco Group A/S, a company listed on Nasdaq Copenhagen, (“STG”) (the “Placing”).

The Seller currently holds 31,069,906 shares, corresponding to 31.1 percent of the total number of shares and votes in STG.

The price per share will be determined through an accelerated bookbuilding process to institutional investors. The bookbuilding period commences today, 6 September 2016, and may close at any time on short notice.

In the context of the Placing, the Seller has agreed to a customary 90-day lock-up undertaking in relation to the remainder of its shares in STG.

J.P. Morgan and Nordea are acting as joint bookrunners in connection with the Placing. Erixon & Co is acting as financial adviser to the Seller.

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This information is information that Swedish Match AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 5.00 p.m. CET on 6 September, 2016.

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Any investment decision in connection with the Placing must be made on the basis of all publicly available information relating to STG and STG's shares. Such information has not been independently verified. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

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Swedish Match develops, manufactures, and sells quality products with market-leading brands in the product areas Snus and moist snuff, Other tobacco products (cigars and chewing tobacco), and Lights (matches, lighters, and complementary products). Production is located in six countries, with sales concentrated in Scandinavia and the US. The Group's global operations generated sales of 14,951 MSEK for the twelve month period ending 30 June 2016. The Swedish Match share is listed on Nasdaq Stockholm (SWMA).

Swedish Match's vision is a world without cigarettes. Some of its well-known brands include: *General, Longhorn, White Owl, Red Man, Fiat Lux, and Cricket.*

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