

COMPANY ANNOUNCEMENT
No. 46/2016

Copenhagen, 20 September 2016

Reporting of Transactions by Members of the Executive Management – Incentive Programmes

Scandinavian Tobacco Group A/S has under its long-term incentive programme (the LTIP) and transition share programme (the TSP) granted performance share units (PSUs) to additional members of the Executive Management. Reference is made to the announcement on 27 June 2016 of the implementation of the programme and the first grants.

With reference to Article 19 of Regulation No. 596/2014 on Market Abuse the company hereby reports the following transactions involving members of the Executive Management:

1.	Information on the person discharging managerial responsibilities/person closely associated	
a)	Name	Vincent Crepy
2.	Reason for the notification	
a)	Position/title	Executive Vice President and member of the Executive Management
b)	Initial notification/amendment	Initial notification
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Scandinavian Tobacco Group A/S
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument	Performance share units
	Identification code	DK0060696300 – STG

b)	Nature of the transaction	Received performance share units under the Long-term Incentive Programme which are conditional upon fulfilment of certain performance indicators in the financial years 2016-2018	
		Received performance share units under the Transition Share Programme which are conditional upon fulfilment of certain performance indicators in the financial years 2016-2017	
c)	Price(s) and volume(s)	Price(s)	Volume(s)
		DKK 0	Long-term Incentive programme: 9,933 PSUs
		DKK 0	Transition Share Programme: 9,933 PSUs
		DKK 0	Dividend PSUs 2016: 956
d)	Aggregated information - Aggregated volume - Price	Aggregated volume: 20,822 Performance Share Units	
		Aggregated price: DKK 0	
e)	Date of the transaction	2016-09-20	
f)	Place of the transaction	Outside a trading venue	

1.	Information on the person discharging managerial responsibilities/person closely associated	
a)	Name	Rob Zwarts
2.	Reason for the notification	
a)	Position/title	Executive Vice President and member of the Executive Management
b)	Initial notification/amendment	Initial notification
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Scandinavian Tobacco Group A/S
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument	Performance share units
	Identification code	DK0060696300 - STG
b)	Nature of the transaction	Received performance share units under the Long-term Incentive Pro-

		gramme which are conditional upon fulfilment of certain performance indicators in the financial years 2016-2018	
		Received performance share units under the Transition Share Programme which are conditional upon fulfilment of certain performance indicators in the financial years 2016-2017	
c)	Price(s) and volume(s)	Price(s)	Volume(s)
		DKK 0	Long-term Incentive Programme: 8,372 PSUs
		DKK 0	Transition Share Programme: 8,372 PSUs
		DKK 0	Dividend PSUs 2016: 806 PSU
d)	Aggregated information - Aggregated volume - Price	Aggregated volume: 17.550 Performance Share Units	
		Aggregated price: DKK 0	
e)	Date of the transaction	2016-09-20	
f)	Place of the transaction	Outside a trading venue	

The number of PSUs granted to the Executive Management has been based on the average share price of the 10 trading days following the listing of the company on 10 February 2016 on Nasdaq Copenhagen. Further, the participants have received PSUs corresponding to the dividend paid by the company in April 2016.

Upon vesting each of the PSUs granted to the above mentioned members of the Executive Management entitles the holder to a cash compensation equivalent to the value of one share in Scandinavian Tobacco Group A/S. The actual compensation upon vesting may range between 0 and 200% of the grant and is determined by the achievement of certain performance indicators in the financial years 2016-2018. The market value of the PSUs granted today to the said members of the Executive Management is DKK 2,269,598 and DKK 1,912,950, respectively (based on closing share price of 19 September 2016 and 100% vesting).

Further, certain members of senior management have been granted 2,967 PSUs in total. Upon vesting, each of these PSUs entitles the holder to receive one share in Scandinavian Tobacco Group A/S at no cost, or the corresponding cash value. The actual number of shares (or cash equivalent) vesting may range between 0 and 200% of the grant and is determined by the achievement of certain performance indicators in the financial years 2016-2018.

The two programmes now comprise a total of 207,578 PSUs of which 166,456 PSUs have been granted to members of the Executive Management, and 41,122 PSUs have been granted to certain members of senior management.

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.