

COMPANY ANNOUNCEMENT

No. 48/2016

Copenhagen, 29 September 2016

Major Shareholder's Announcement

With reference to Section 29 of the Danish Securities Trading Act (*værdipapirhandelsloven*) it is hereby announced that FIL Limited has informed Scandinavian Tobacco Group A/S that funds administered by companies within FIL Limited on 27 September 2016 control shares in total amounting to more than 5% of the company's share capital, and that FIL Limited exercises more than 5% of the voting rights.

Funds administered by FIL Limited thus control 5,027,858 shares with a nominal value of DKK 1 (aggregate nominal value DKK 5,027,858), corresponding to 5.03% of the total share capital, and on behalf of these funds FIL Limited exercises 5.03% of the voting rights.

For further information, please contact:

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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.