



PRESS RELEASE

NASDAQ: SWMAY OM Stockholm Exchange: SWMA
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Swedish Match Completes Closing of General Cigar Deal

- **Swedish Match will own 64% of General Cigar**
- **The transaction confirms Swedish Match as a leading global cigar company**

Swedish Match AB (OM Stockholm Stock Exchange: SWMA, NASDAQ: SWMAY) announced today that they have completed the previously announced transaction with General Cigar Holdings, Inc. following the overwhelmingly favourable vote by the General Cigar stockholders at a special meeting held on May 8th, 2000. Swedish Match will own 64% of the company, and the Cullman family will own the remaining 36% and continue to manage the enterprise.

The closing took place in New York, where Edgar M. Cullman, Jr., General Cigar's Chief Executive Officer, and Lennart Sundén, the Chief Executive Offer said, "We celebrate our constructive work together, and look forward to our continuing cooperative efforts in developing the global premium cigar business in the future."

General Cigar produces the number one selling premium cigar in the United States, Macanudo, and several other leading premium brands in the US, including Partagas, Punch, Hoyo de Monterrey, and Cohiba. The company, which traces its roots to 1906, has been managed by the Cullman family since 1961 and is recognized as a world leader in the premium cigar business. General Cigar had premium cigar sales of approximately \$150 million for the year ended November 28, 1999.

Swedish Match is an international group with headquarters in Stockholm, Sweden. The company manufactures a broad range of tobacco products, matches and disposable lighters which are sold in approximately 140 countries. Sales for the twelve month period ending March 31, 2000 amounted to approximately 9,600 MSEK.

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