



PRESS RELEASE

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Breakthrough in the European Snus issue

The Administrative Court in Minden, Westfahlen, Germany, has decided to refer the question of the legality of the EU-ban on snus to the European Court of Justice in Luxembourg.

In its decision the Court decided to stay the initiated proceedings and that a preliminary ruling from the European Court of Justice in accordance with the procedure laid down in Art 234 of the EC Treaty should be sought concerning the following question: Is Art. 8 of Directive 2001/73/EC in accordance with imperative law of the European Community? This provision contains the prohibition of certain tobacco products including snus (Swedish moist snuff - for oral use).

- The ban on oral smokeless tobacco lacks adequate legal base and violates the principles of non-discrimination and proportionality, says Lennart Sundén, President and CEO of Swedish Match AB. – It does not even serve the purpose of promoting public health, but is in fact counter-productive to that purpose.
- Sweden is the first country to have reached the WHO-target of less than 20 % adult smokers among the population, although tobacco is as commonly used in Sweden as elsewhere in Europe, says Sundén. – The explanation is snus, which is more commonly used by Swedish men than cigarettes (20 % vs. 15 %). Approximately half of all snus users are former cigarette smokers, says Sundén. As a consequence tobacco related disease is far less prevalent in Sweden than in other European countries.
- Recent independent scientific studies clearly show that the health risks related to snus use are far less than those related to cigarette smoking, says Sundén. The ban simply does not make sense. Snus is not part of the tobacco problem, but rather part of the solution to this problem, says Sundén.

The process in the European Court of Justice is expected to take approximately two years.

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 September 30, 2002 amounted to 13,847 MSEK. Swedish Match is listed on Stockholmsbörsen (SWMA) and on NASDAQ (SWMAY).

For further information, please contact:

Lennart Sundén, President and Chief Executive Officer

office +46 8 658 01 75

*Sven Hindrikes, Executive Vice President and
Chief Financial Officer
76*

office +46 8 658 02 82

mobile +46 70 567 41

*Bo Aulin, Senior Vice President, Secretary
and General Counsel*

office +46 8 658 03 64

mobile +46 70 558 03 64

Emmett Harrison, Vice President, Investor Relations

office +46 8 658 01 73

mobile +46 70 938 01 73
