

20 June 2013

**SWEDISH MATCH AB (publ)**

**Issue of 2.125% CHF 100,000,000 Public Notes due June 2023  
under the €1,500,000,000  
Global Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 7 November 2012 (the **Offering Circular**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular and the prospectus dated on or around 20 June 2013 prepared by the Issuer in connection with the listing of the Notes on the SIX Swiss Exchange Ltd (the **Swiss Listing Prospectus**). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Offering Circular and the Swiss Listing Prospectus. The Offering Circular has been published on the website of the London Stock Exchange through a regulatory information service ([www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html)). Copies of the Swiss Listing Prospectus are available from the registered office of the Issuer and from the specified offices of Deutsche Bank AG Zurich Branch, Uraniastrasse 9, P.O. Box 3604, CH-8021 Zurich, Switzerland, or can be ordered by telephone (+41 44 227 3781) or fax (+41 44 227 3084).

1.	Issuer:	Swedish Match AB (publ)
2.	(i) Series Number:	35
	(ii) Tranche Number:	1
	(iii) Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Specified Currency or Currencies:	Swiss Francs ( <b>CHF</b> )
4.	Aggregate Nominal Amount:	
	– Tranche:	CHF 100,000,000
	– Series:	CHF 100,000,000
5.	Issue Price of Tranche:	100.211 per cent. of the Aggregate Nominal Amount
6.	(a) Specified Denominations:	CHF 5,000 and integral multiples thereof
	(b) Calculation Amount:	CHF 5,000
7.	(i) Issue Date:	26 June 2013
	(ii) Interest Commencement Date:	Issue Date
8.	Maturity Date:	26 June 2023

9.	Interest Basis:	2.125 per cent. Fixed Rate (see paragraph 13 below)
10.	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11.	Change of Interest Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13.	Fixed Rate Note Provisions	Applicable
	(i) Rate(s) of Interest:	2.125 per cent. per annum payable in arrear on each Interest Payment Date
	(ii) Interest Payment Date(s):	26 June in each year up to and including the Maturity Date
	(iii) Fixed Coupon Amount(s): <i>(Applicable to Notes in definitive form)</i>	CHF 106.25 per Calculation Amount
	(iv) Broken Amount(s): <i>(Applicable to Notes in definitive form)</i>	Not Applicable
	(v) Day Count Fraction:	30/360
	(vi) Determination Date(s):	Not Applicable
14.	Floating Rate Note Provisions	Not Applicable
15.	Zero Coupon Note Provisions	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

16.	Issuer Call	Not Applicable
17.	Investor Put:	Not Applicable
18.	Change of Control Put:	Not Applicable
19.	Final Redemption Amount:	CHF 5,000 per Calculation Amount
20.	Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default:	CHF 5,000 per Calculation Amount

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

### 21. Form of Notes:

Condition 1 of the Notes shall be amended and supplemented (for the purpose of this Series of Notes only) as follows:

#### **Bearer Notes:**

The Notes and all rights in connection therewith are documented in the form of a permanent bearer global note (the **Permanent Bearer Global Note**) in accordance with article 973b of the Swiss Code of Obligations (*Globalurkunde*). The Permanent Bearer Global Note will be substantially in the form attached as Annex A to the Supplemental Agency Agreement dated 20 June 2013 between, *inter alios*, the Issuer and the Swiss Paying Agent (as defined below) named therein.

The Permanent Bearer Global Note shall be deposited by Deutsche Bank AG Zurich Branch with SIX SIS Ltd or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any such other intermediary, the **Intermediary**) until final redemption of the Notes or the exchange of the Permanent Bearer Global Note for definitive Notes (*Wertpapiere*) with Coupons attached as set out below. Once the Permanent Bearer Global Note has been deposited with the Intermediary and the accounts of one or more participants of the Intermediary have been credited in accordance therewith, the Notes will constitute intermediated securities (*Bucheffekten*) (**Intermediated Securities**) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

So long as the Notes are represented by the Permanent Bearer Global Note, each of the Holders (as defined below) shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Bearer Global Note to the extent of its claim against the Issuer, provided that for so long as the Permanent Bearer Global Note remains deposited with the Intermediary, the co-ownership interest shall be suspended and the Notes may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) (i.e. by entry of the

transferred Notes in a securities account of the transferee).

The records of the Intermediary will determine the number of Notes held through each participant in that Intermediary. In respect of the Notes held in the form of Intermediated Securities, the holders of the Notes will be the persons holding the Notes in a securities account (*Effektenkonto*) in their own name and for their own account or, in case of Intermediaries (*Verwahrungsstellen*), the Intermediaries holding the Notes for their own account in a securities account (*Effektenkonto*) which is in their name (and the expression **Holders** and related expressions shall be construed accordingly).

Neither the Issuer nor the Holders (as defined above) shall at any time have the rights to effect or demand the conversion of the Permanent Bearer Global Note (*Globalurkunde*) into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive Notes (*Wertpapiere*).

No physical delivery of the Notes shall be made unless and until definitive Notes (*Wertpapiere*) are printed.

The Permanent Bearer Global Note shall be exchangeable in whole but not in part for definitive Notes (*Wertpapiere*) only if the Swiss Paying Agent deems the printing of definitive Notes to be necessary or useful, after consultation with the Issuer, or if, under Swiss or any other applicable laws and regulations, the enforcement of obligations under the Notes can only be ensured by means of effective definitive Notes (*Wertpapiere*).

Should the Swiss Paying Agent so determine, it shall provide (at the cost of the Issuer) for the printing and delivery of definitive Notes (*Wertpapiere*) with Coupons attached in accordance with the rules and regulations of the Intermediary and without cost to the Holders. Should definitive Notes (*Wertpapiere*) with Coupons attached be so printed, the Permanent Bearer Global Note will immediately be cancelled by the Swiss Paying Agent and the definitive Notes (*Wertpapiere*) shall be delivered to the Holders against cancellation of the Notes in the

securities accounts of the Holders.

22. Additional Financial Centre(s): London, Zurich, and a day on which the TARGET2 System is open
23. Talons for future Coupons to be attached to Definitive Bearer Notes: No
24. Other final terms:
- (i) Agents Deutsche Bank AG Zurich Branch shall act as Swiss paying agent (the **Swiss Paying Agent**) in respect of the Notes.

In respect of the Notes, the Issuer will at all times maintain a paying agent having a specified office in Switzerland and will at no time maintain a paying agent in respect of the Notes having a specified office outside Switzerland.

Condition 13 of the Terms and Conditions of the Notes shall be construed accordingly, and all references in the Terms and Conditions to the "Principal Paying Agent" or the "Paying Agents" shall, so far as the context permits, be construed as a reference to the Swiss Paying Agent.

(ii) Payments

Payments of principal and interest in respect of the Notes will be made, irrespective of any present or future transfer restrictions and without regard to any bilateral or multilateral payment or clearing agreement which may be applicable at the time of such payments, in freely disposable Swiss Francs without collection costs in Switzerland and without any restrictions and irrespective of nationality, domicile or residence of the holder of a Note or Coupon and without requiring any certification, affidavit or the fulfilment of any other formality.

The receipt by the Swiss Paying Agent of the due and punctual payment of the funds in Swiss Francs in Zurich, in the manner provided by the Terms and Conditions and these Final Terms, shall release the Issuer from its obligation under the Notes for the payment of interest and principal to the extent of such payment.

Condition 7 of the Terms and Conditions of the Notes shall be construed accordingly.

(iii) Taxation

Condition 9 of the Terms and Conditions of the Notes shall be completed, in relation to this issue of Notes, with the following:

- (vi) where such withholding or deduction is imposed pursuant to any agreements between the European Community and other countries or territories providing for measures equivalent to those laid down in the European Council Directive 2003/48/EC or any law or other governmental regulation implementing or complying with, or introduced in order to conform to, such agreements, including, but not limited to, the agreement between the European Union and Switzerland of 26 October 2004 and any laws enacted by Switzerland implementing this agreement; or
- (vii) where such withholding or deduction is imposed pursuant to laws enacted by Switzerland providing for the taxation of payments according to principles similar to those laid down in the draft legislation proposed by the Swiss Federal Council on 24 August 2011, in particular, the principle to have a person other than the Issuer withhold or deduct tax; or
- (viii) where such withholding or deduction is imposed pursuant to an agreement between Switzerland and other countries on final withholding taxes levied by Swiss paying agents in respect of persons resident in the other country on income of such person on Notes booked or deposited with a Swiss paying agent (*Abgeltungssteuer*).

(iv) Notices


Condition 15 of the Terms and Conditions of the Notes shall be deleted and replaced, in relation to this issue of Notes, with the following:

"So long as the Notes are listed on the SIX Swiss Exchange Ltd and so long as the rules of the SIX Swiss Exchange Ltd so require, all notices in respect of the Notes shall be validly given (i) through the Swiss Paying Agent by means of electronic publication on the internet website of the SIX Swiss Exchange Ltd in accordance with

the regulations of the SIX Swiss Exchange Ltd (where notices are currently published under [http://www.six-swiss-exchange.com/bonds/issuers/official\\_notices/](http://www.six-swiss-exchange.com/bonds/issuers/official_notices/)) or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange Ltd."

Signed on behalf of Swedish Match AB (publ):

By: .....  
Duly authorised  
(Joakim Tilly)

  
Per Anderberg

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: SIX Swiss Exchange Ltd.
- Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to provisional trading with effect from 24 June 2013. Application for listing on the SIX Swiss Exchange Ltd. will be made.
- (ii) Estimate of total expenses related to admission to trading: Not Applicable

### 2. RATINGS

- Ratings: The Notes to be issued have been rated:
- Moody's Italia S.r.l.: Baa2
- Standard & Poor's Credit Market Services France SAS: BBB

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to Deutsche Bank AG London Branch, acting through Deutsche Bank AG Zurich Branch (the **Lead Manager**), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Lead Manager and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

### 4. YIELD (*Fixed Rate Notes Only*)

- Indication of yield: 2.18 per cent
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 5. OPERATIONAL INFORMATION

- (i) ISIN Code: CH0215278448
- (ii) Common Code: 094074738
- (iii) Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme: SIX SIS Ltd, the Swiss Securities Services Corporation in Olten, Switzerland



and the relevant identification number(s):

Swiss Security Number: 21.527.844

(iv) Names and addresses of additional Paying Agent(s) (if any):

Deutsche Bank AG Zurich Branch  
Uraniastrasse 9  
P.O. Box 3604  
8021 Zurich  
Switzerland

(v) Registrar:

Not Applicable

## **6. DISTRIBUTION**

U.S. Selling Restrictions:

Reg. S Compliance Category 2; TEFRA D  
(in accordance with Swiss practice)