

26 January 2016

SWEDISH MATCH AB (publ)

**Issue of SEK 500,000,000 1.875 per cent. Fixed Rate Notes due 29 January 2021
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 11 September 2015 (the **Offering Circular**) which constitutes a base prospectus for the purposes of the Prospectus Directive. 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. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. 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).

1.	Issuer:	Swedish Match AB (publ)
2.	(i) Series Number:	38
	(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:	Swedish Krona ("SEK")
4.	Aggregate Nominal Amount:	
	(i) Tranche:	SEK 500,000,000
	(ii) Series:	SEK 500,000,000
5.	Issue Price of Tranche:	99.458 per cent. of the Aggregate Nominal Amount.
6.	(i) Specified Denominations:	SEK 1,000,000
	(ii) Calculation Amount:	SEK 1,000,000
7.	(i) Issue Date:	29 January 2016
	(ii) Interest Commencement Date:	Issue Date
8.	Maturity Date:	29 January 2021
9.	Interest Basis:	1.875 per cent. Fixed Rate (see paragraph 14 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.

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| 11. | Change of Interest Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | Date Board approval for issuance of Notes obtained: | Not Applicable |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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|-----|--------------------------------|---|
| 14. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate(s) of Interest: | 1.875 per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) Interest Payment Date(s): | 29 January in each year, from and including 29 January 2017 up to and including the Maturity Date |
| | (iii) Fixed Coupon Amount(s): | SEK 18,750 per Calculation Amount |
| | (iv) Broken Amount(s): | Not Applicable |
| | (v) Day Count Fraction: | 30/360, unadjusted |
| | (vi) Determination Date(s): | Not Applicable |
| 15. | Floating Rate Note Provisions | Not Applicable |
| 16. | Zero Coupon Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 17. | Issuer Call | Not Applicable |
| 18. | Investor Put | Not Applicable |
| 19. | Change of Control Put | Applicable |
| 20. | Final Redemption Amount | SEK 1,000,000 per Calculation Amount |
| 21. | Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default: | SEK 1,000,000 per Calculation Amount |



GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 22. | Form of Notes | Bearer Notes |
| | | Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Bearer Note which is exchangeable for definitive Bearer Notes only upon an Exchange Event. |
| 23. | Additional Financial Centre(s) | TARGET2 |
| 24. | Talons for future Coupons to be attached to Definitive Bearer Notes: | No |

THIRD PARTY INFORMATION

Not Applicable

Signed on behalf of Swedish Match AB (publ):

By:  
Duly authorised
/Marlene Forsell/ /Per Andersberg/