

Q4 2015

Investor Kit
January – December 2015



Summary and Overview

Q4 and full year 2015: Headline numbers

- **Sales for the full year increased by 9 percent and for the fourth quarter by 5 percent. In local currencies, sales increased by 2 percent for both the full year and the fourth quarter.**
- **Operating profit from product areas* for the full year increased by 7 percent and for the fourth quarter by 1 percent.**
- **In local currencies, operating profit from product areas* declined by 2 percent for the full year and declined by 4 percent for the fourth quarter.**
- **Swedish Match has, beginning this reporting period, started reporting its share of STG's net profit with a one quarter lag, due to differences in reporting schedules between Swedish Match and STG.**
 - Due to this, no net profit from STG was recognized for the October-December 2015 period.
- **Operating profit** (excluding share of STG's net profit for the fourth quarter 2015 due to changed reporting) amounted to 4,008 MSEK (3,780) for the full year and to 908 MSEK (992) for the fourth quarter.**
- **EPS (basic) for the full year amounted to 14.48 SEK (13.23) and to 3.34 SEK (3.55) for the fourth quarter.**
 - The decline in EPS for the fourth quarter was fully attributable to the changed reporting relating to STG.
- **The Board of Directors proposes a dividend of 20.00 SEK per share consisting of an increased ordinary dividend of 8.00 SEK (7.50) and a special dividend of 12.00 SEK, following Swedish Match's partial divestment of STG in conjunction with the listing of STG on Nasdaq Copenhagen.**

* Operating profit for Swedish Match product areas, which excludes share of net profit in STG.

** Operating profit for the Group includes larger one-time items and share of net profit in STG.

Q4: Developments in the Scandinavian snus business

- **Good market growth and largely stable market share in Sweden**
 - **Scandinavian snus market grew by approximately 5%**
 - Estimated underlying YTD market growth of close to 5%.
 - Norwegian market growing faster than the Swedish market.
 - Swedish Match's volumes estimated to be up by 4% adjusting for hoarding effects in Q4 and up by more than 2% for the full year adjusting for hoarding/calendar effects.
 - **Swedish market share in volume terms was 69.3 percent for the quarter**
 - Down 0.3 percentage points versus prior year Q4.
 - **Market share gains in the growing value segment* for snus in Sweden**
 - Swedish Match's market share in the value segment* increased to slightly more than 41%.
 - **Continued market share declines in Norway but good performance from more recently added products**
 - Share gains for *General G.3* pouch products could not compensate for challenging trends for some of the Company's other products and overall market shares continued to decline.
- **A weaker Norwegian krone (NOK) and price/mix effects in Sweden reduced average selling price per can**
 - Successful launch of *XRANGE* and higher share of value priced products in the portfolio.

* Swedish Match estimates based on Nielsen data.

Q4: Scandinavian product launches continued to drive volume

■ **XRANGE in Sweden**

- Continued share growth for *XRANGE*, with more than 5% of the market.
- Contributed to growth of key brands and a more stable premium segment.
 - *Göteborgs Rapé* including *XRANGE* variety now one of the faster growing brands on the market.
- Part of longer term strategy to strengthen Swedish Match's share across all price segments.

■ **Other launches, Sweden**

- *Mustang*, priced at the upper end of the value segment introduced in three varieties in September.
- *Göteborgs Rapé* pouches introduced in original format in September.

■ **Norway**

- *General G.3* range continued to gain share in the fourth quarter.
- New products in *The Lab* and *Nick & Johnny* series launched.



Q4: Continued strong performance in the US

- **Growth driven by solid underlying performance in US, and stronger USD**
- **Strong results for Other tobacco products (OTP) from cigars**
 - OTP sales up 15% in local currency.
 - OTP operating profit up 11% in local currency.
 - Year on year operating profit benefited from lack of tobacco quota buy-out fees.
 - Still no cigar FDA fees.
 - Cigar sales up on volume growth and an improved mix.
 - Cigar volumes increased by 20% to a record high level, exceeding 300 million sticks for the fourth consecutive quarter, and delivered higher operating profit in USD.
 - Chewing tobacco volumes and operating profit in local currency declined.
- **US snus and moist snuff revenues grew**
 - Sales increased in USD, while operating profit declined on somewhat higher costs.
 - US snus volumes continued to grow faster than overall market.
 - Total moist snuff volumes down, while tubs delivered higher volumes, pouch volumes increased when adjusted for prior year shipments for new distribution.

■ Regulatory developments for snus and excise taxes in Scandinavia

- In Sweden, snus excise taxes were virtually unchanged as of January 1.
- In Norway, snus excise taxes increased by 2% as of January 1.
- In Sweden the Ministry of Health and Social Affairs has submitted its proposal for transposition of the European tobacco directive (TPD) into Swedish Law to the Committee on Health and Welfare.
 - The Public Health Agency is proposed to have extended authority with regard to provisions regarding snus, e.g. warning labels, reporting requirements and user fees.
 - Warning label for snus mandatory on two sides of the can.
 - Snus is exempted from the prohibition to communicate flavors on the packaging.
- In Sweden a Committee of Enquiry is evaluating further tobacco control measures and the report is due March 1.
- In Norway the proposal on transposition of the TPD as well as potential further tobacco control measures has not yet been published.
 - Proposal has been delayed and is expected to be published before the summer.

■ FDA oversight of cigars likely to begin in 2016

- The Food and Drug Administration has submitted its final ruling of the Family Smoking Prevention and Tobacco Control Act for review. When implemented, FDA fees (based on volumes) will be incurred (estimated to be approximately 2 MUSD per quarter).

■ Modified Risk Tobacco Product (MRTP) application process in the US

- Swedish Match has not yet heard back from FDA, and is confident that applications provide all necessary support for the Company's modified risk status for *General* snus.

- **Swedish Match has started reporting its share of STG's net profit with a one quarter lag, due to differences in reporting schedules between Swedish Match and STG**
 - Due to the changed reporting, no net profit from STG was recognized for the October-December 2015 period.
- **IPO intent announced on January 14, 2016**
- **Offering circular published on January 28, 2016**
- **On February 10, 2016, STG began trading on Nasdaq Copenhagen**
 - Offer price of 100 DKK.
 - 17.8 million shares sold by Swedish Match.
 - At completion of the IPO, Swedish Match ownership was reduced to 31.2 million shares.
 - Intention to distribute proceeds to shareholders through a special dividend.
 - Board of Directors to propose special dividend of 12.00 SEK per share in addition to ordinary dividend at the company AGM.
 - Capital gain in excess of 500 MSEK not subject to taxation will be recognized in the financial statement for the first quarter of 2016.

Detail information and Financials

Sales performance for Q4 and full year

■ **Increased sales**

- Fourth quarter sales increased by 5% to 3,719 MSEK (3,536), up by 2% in local currencies.
- Full year sales increased by 9% to 14,486 MSEK (13,305), up by 2% in local currencies.

■ **Snus and moist snuff product area: Q4 sales virtually unchanged in SEK**

- Fourth quarter sales down 2% in local currencies.
- Scandinavian sales flat when adjusting for hoarding effects and the currency effects from the weaker Norwegian krone.
- US sales up for snus, moist snuff sales grew in local currency slightly as pricing offset lower volumes.
- Full year sales down 2% in local currencies.
- Sales in Scandinavia declined due to currency, hoarding, and portfolio price/mix effects.
- Sales for US snus grew strongly and Moist snuff sales increased due to somewhat higher average price per can and volumes in line with prior year.

■ **Other tobacco products product area: sales significantly up**

- Fourth quarter sales up by 32%, and up by 15% in local currency.
- Full year sales up by 35%, and up by 10% in local currency.

■ **Lights product area: sales down on lower volumes/negative currency effects**

- Fourth quarter sales down on lower volumes and a substantially weaker Brazilian real.
- Full year sales were flat.

Operating profit from product areas for Q4 and full year (1/2)

- **Operating profit from product areas up in SEK, down in local currencies**
 - Fourth quarter operating profit from product areas up 1%, down 4% in local currencies.
 - Full year operating profit from product areas up 7%, down 2% in local currencies.
- **Snus and moist snuff: operating profit down in the fourth quarter and for the full year**
 - Fourth quarter operating profit down 5%.
 - Lower operating profit and somewhat lower margin in Scandinavia, negatively affected by hoarding effects, a weaker NOK and price/mix effects.
 - US snus and moist snuff operating profits down in US dollars, negatively impacted by higher costs.
 - Full year operating profit down 6%.
 - Scandinavian operating profit down on weaker NOK, price/mix, and hoarding effects.
 - US snus and moist snuff operating profits up in US dollars.
 - *Operating loss relating to international snus investments:*
Lower in local currency for both the fourth quarter and for the full year.



Operating profit from product areas for Q4 and full year (2/2)

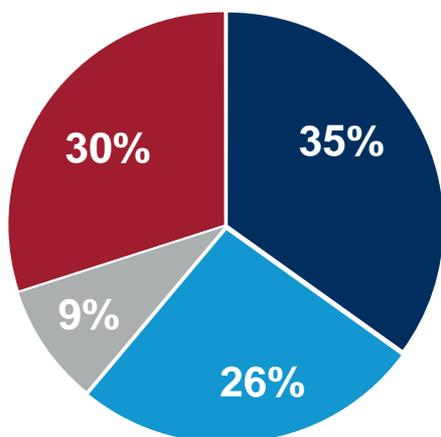
- **Other tobacco products: operating profit up driven by higher cigar volumes**
 - Fourth quarter operating profit up 27%, up 11% in local currency.
 - Higher profits from cigars, profits down for chewing tobacco.
 - Positively affected by the absence of the tobacco quota buy-out fees.
 - Full year operating profit up 40%, up 14% in local currency.
 - Strong profit growth for cigars, profits down for chewing tobacco.
 - Positively affected by the absence of the tobacco quota buy-out fees.
- **Lights: operating profit down, impacted by currencies and weak performance in Brazil**
 - Operating profit down in the fourth quarter and for the full year due to volume declines and higher costs, including higher marketing support for lighters.
- **Currency translation has affected the comparison of the operating profit positively by 45 MSEK for the fourth quarter and by 309 MSEK for the full year**

Sales and operating profit

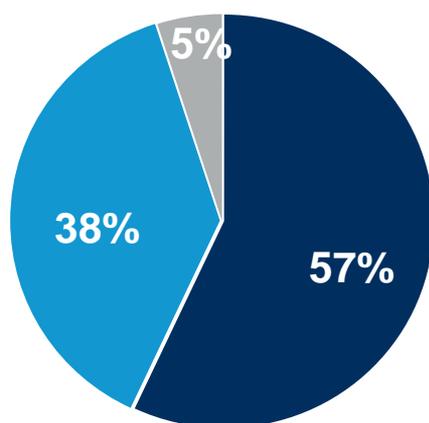
Sales and operating profit by product area

Q4 2015

Sales, SEK



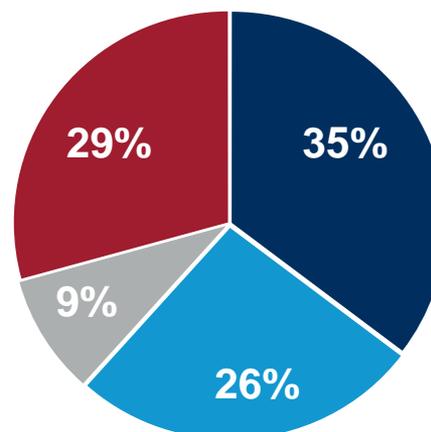
Operating profit*, SEK



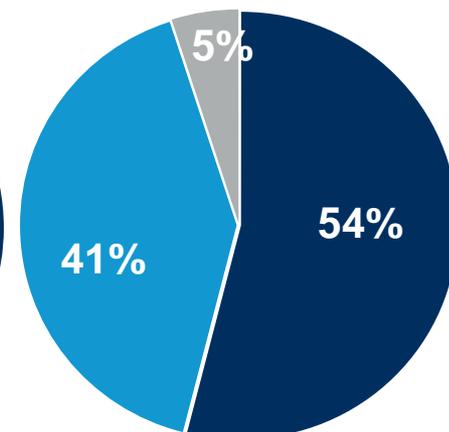
- Snus and moist snuff
- Other tobacco products
- Lights
- Other operations

Full year 2015

Sales, SEK



Operating profit*, SEK



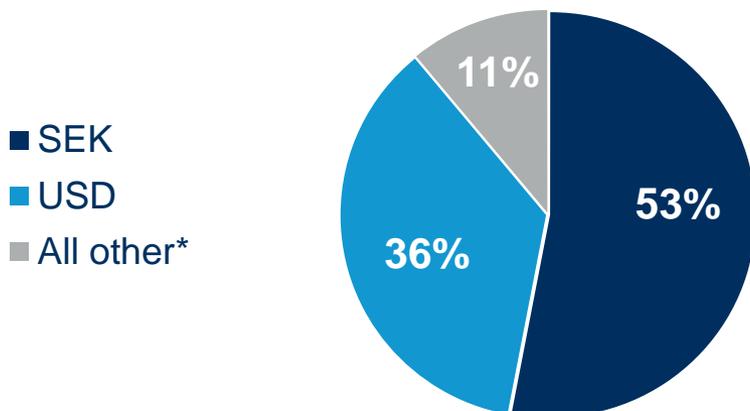
- Snus and moist snuff
- Other tobacco products
- Lights
- Other operations

* Excluding Other operations, share of net profit in STG. Totals may not add up due to rounding.

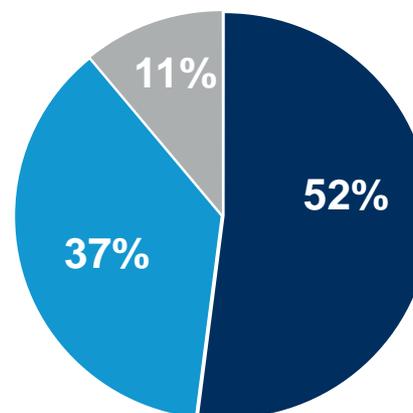
Sales by currency block

Percent of sales, MSEK

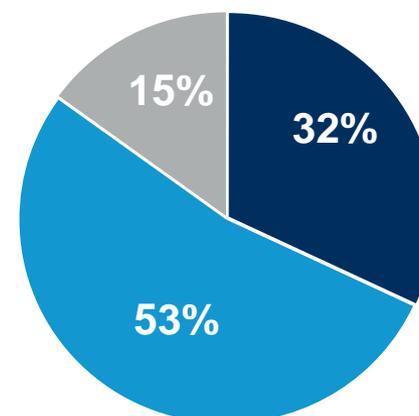
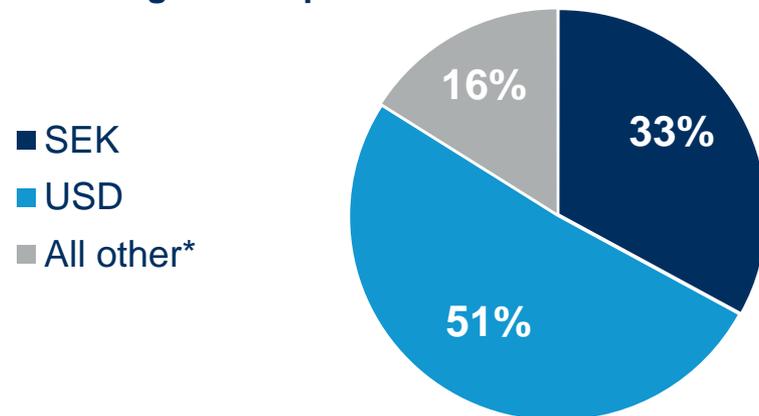
Q4 2015



Full year 2015



Excluding Other operations



* Primarily NOK and BRL.

Snus and moist snuff

- Leading position for snus in **Scandinavia**
- The third largest producer of moist snuff in **the US**
- *General* is the second largest and fastest growing snus brand in **the US**
- Production in **Sweden** and **the US**



Snus and moist snuff (Q4 commentary)

Progress in defending and developing market positions

■ Scandinavia snus volumes up and sales flat adjusted for hoarding and currency effects

- Shipment volumes flat year on year, but up by 4% adjusted for prior year trade hoarding effects.
- Strong share progression for *XRANGE* and successful launch of *Mustang*.
- Operating profit lower due to lower hoarding effects, price/mix and currency (NOK).

■ US moist snuff/snus sales up

- Continued volume growth for moist snuff tubs, pouch volumes also up when adjusted for prior year shipments for new distribution.
- Snus sales up on higher volumes and better realized pricing, operating loss in US dollars on par with prior year levels.

■ Continued investment behind snus outside Scandinavia

- Net costs for snus expansion outside Scandinavia were 90 MSEK (100), impacted by the stronger US dollar, unwinding of SMPM International JV.

■ Operating margin lower

- Higher relative share of US business, a somewhat lower operating margin in Scandinavia from mix and NOK, and certain temporary cost effects.



MSEK	Q4-2015	Q4-2014	chg	Full year 2015	Full year 2014	chg
Sales	1,318	1,323	0	5,090	5,001	2
Operating profit	545	577	-5	2,071	2,207	-6
Operating margin, %	41.4	43.6		40.7	44.1	

Scandinavian market growth and share estimates

- **Scandinavian snus market up by more than 5% in volume in Q4***
 - Scandinavian snus market grew by somewhat more than 5%*.
 - Swedish Match's year on year market share decline in Scandinavia continued to mitigate.
 - Swedish Match maintains strong market share in growing value segment* in Sweden, up more than two percentage points compared to the prior year quarter.
 - Norwegian market grew at a faster pace than the Swedish market.
 - Share gains for *General G.3*, but overall market share continued to decline.
 - Consumption growth for Swedish Match snus during the fourth quarter year on year was stronger than during the first three quarters.

Swedish Match's market shares**

Percent	October-December		Chg ppts	Full year		Chg ppts
	2015	2014		2015	2014	
Snus, Sweden, total	69.3	69.7	-0.3	69.3	70.5	-1.2
Snus, Sweden, premium	93.7	94.2	-0.5	94.2	94.9	-0.7
Snus, Sweden, value	41.0	38.7	2.3	39.1	36.3	2.8
Snus, Norway, total	55.3	58.7	-3.5	56.6	60.1	-3.5

* Source: Swedish Match estimates.

** Swedish Match estimates using Nielsen data (excl. tobacconists due to small sample of tobacconists in Nielsen data). 13 weeks and YTD to December 27, 2015. All figures for the Swedish market have been restated to include nicotine free products (i.e. *Onico* etc.).

Snus and moist snuff

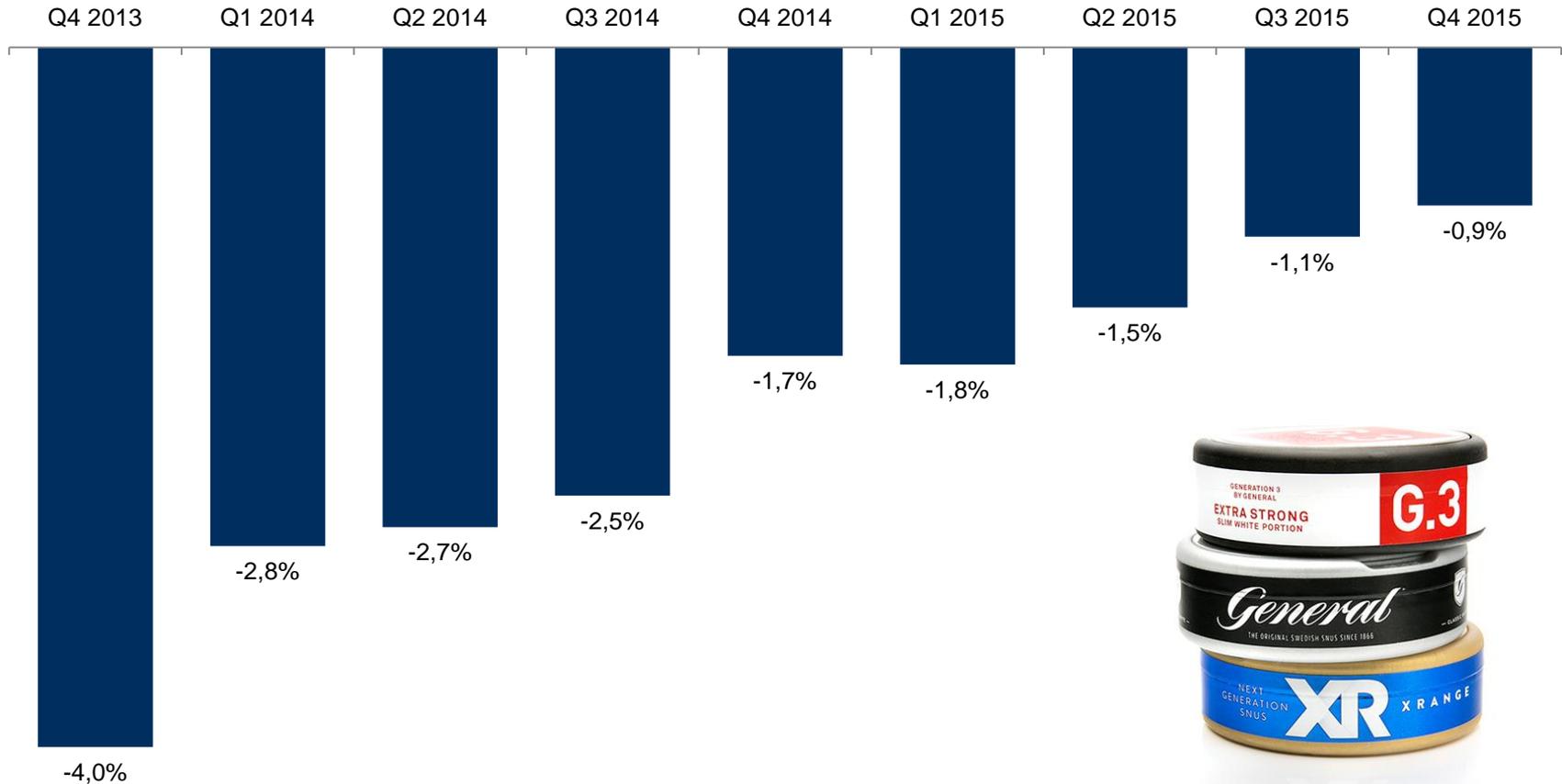
Swedish Match shipment volumes

	October-December		Chg %	Full year		Chg %
	2015	2014		2015	2014	
Snus, million of cans, Scandinavia	65.0	64.8	0	237.9	238.1	0
Moist snuff, millions of cans, US	28.7	29.7	-3	132.1	132.6	0



Improving market share development in Scandinavia

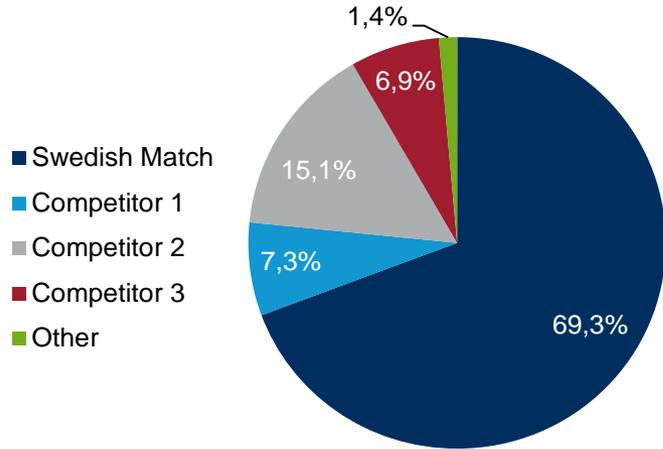
Change in Swedish Match volume market share year on year; percentage points of total market Sweden and Norway



Source: Nielsen DVH+SVH excluding tobacconists, ending December 27, 2015.
Adjusted for more representative weight on Nielsen coverage in Norway vs. Sweden.

Manufacturer share by price segment to December 27, Sweden

Total volume shares



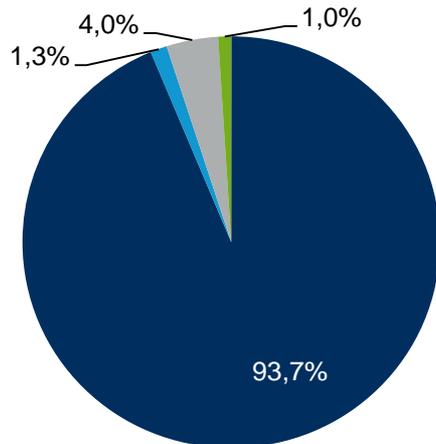
**27 December 2015 (4 weeks ending),
Swedish Match share of:**

Premium segment: 93.5%

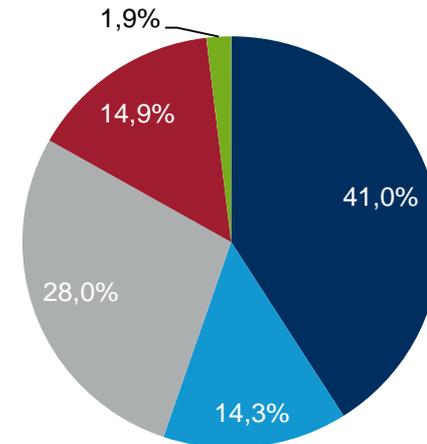
Value segment: 40.9%

Total market: 69.3%

Share of premium segment



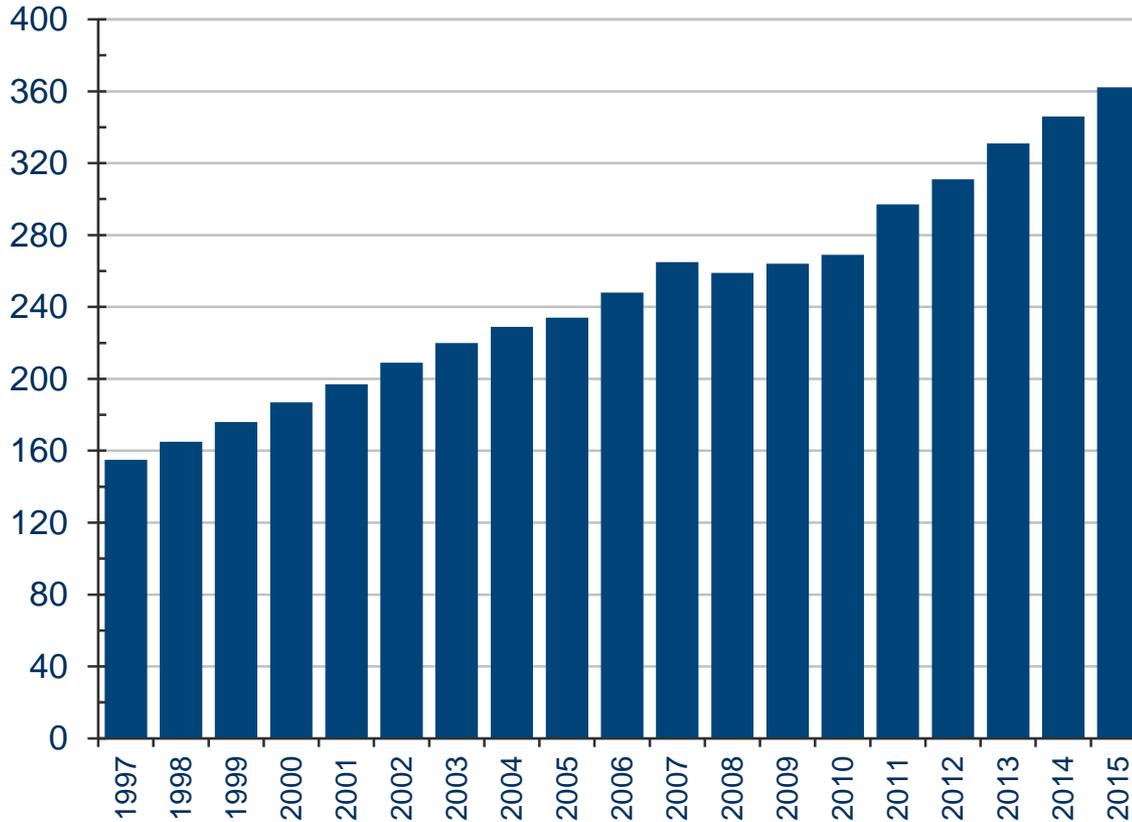
Share of value segment



Source: Swedish Match estimates based on Nielsen (excluding tobaccoists), 12 weeks ending December 27, 2015. All figures for the Swedish market have been restated to include nicotine free products (i.e. *Onico* etc.).

Estimated snus consumption, Scandinavia

Million cans



Source: Swedish Match estimates, adjusted for hoarding in Sweden.



Moist snuff market growth and share estimate

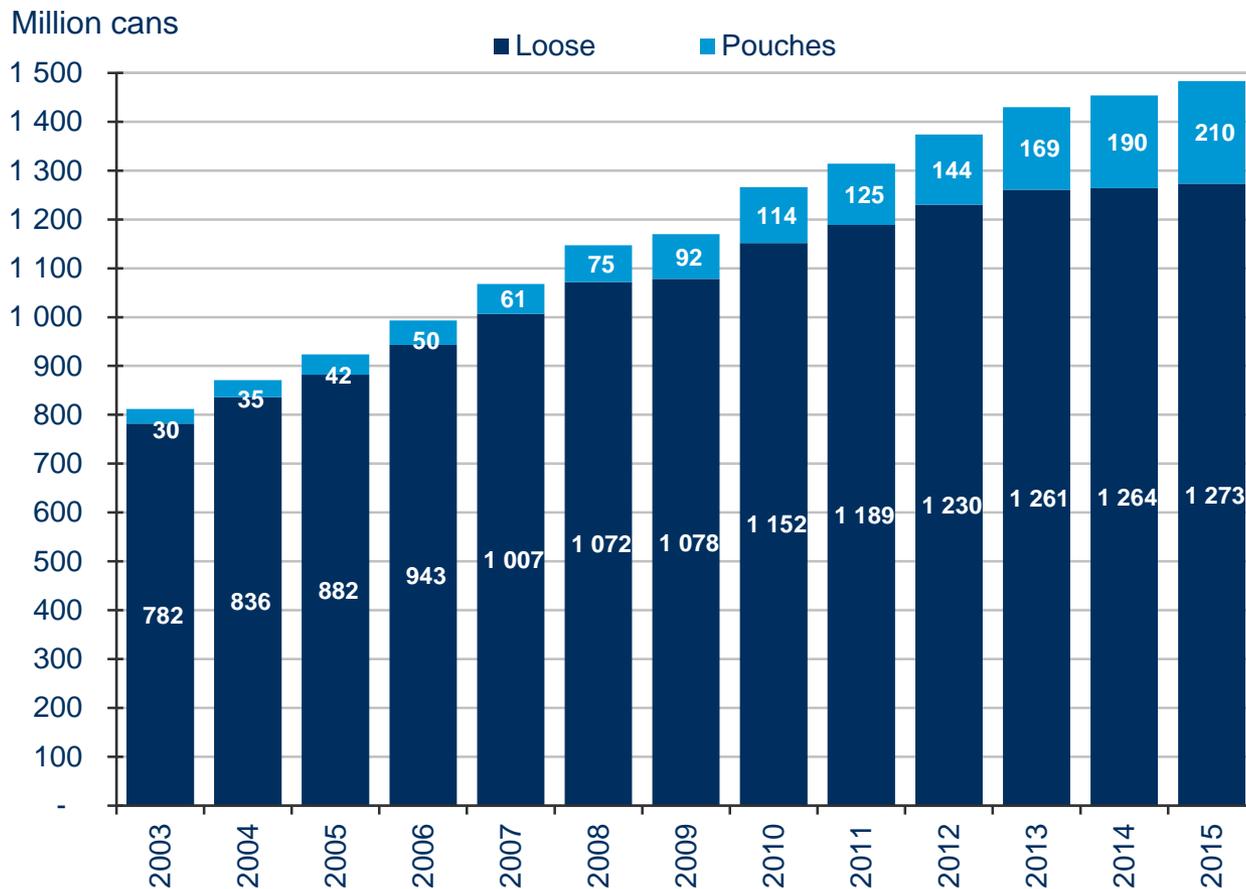
- **US moist snuff market volume up by 2-3% for the full year**
 - Category growth continues to be driven by pouches.
- **Swedish Match moist snuff market share in the US down slightly**
 - Swedish Match estimates its market share based on industry shipments to be 8-9%.



Source: Swedish Match and industry estimates.

US moist snuff category development

Category by segment: loose vs. pouches



13.0%
CAGR 2010-2015
POUCHES

2.0%
CAGR 2010-2015
LOOSE



Source: Swedish Match and industry estimates.

Other tobacco products

US cigars

- Swedish Match is a major player in the US cigar market.
- Production takes place in Santiago, Dominican Republic and Dothan, Alabama.

Chewing tobacco

- Nearly all chewing tobacco sales are in the US and Swedish Match is the largest producer.
- Production takes place in Owensboro, Kentucky.



Other tobacco products (OTP), with Q4 commentary

Cigar volume growth, driven by natural leaf cigars

- In local currency, OTP sales were up 15% and operating profit was up 11%
- Sales, operating profit, and volumes up for cigars
 - Operating profit increased on higher volumes, positive mix and the absence of tobacco buy-out quota fee (ended on October 1, 2014).
 - Cigar volumes up 20%, and up 12% year to date.
 - Continued strong volume development of *Game by Garcia y Vega* and 1882 natural leaf cigars. Volume growth also for the *Jackpot* brand.
- Chewing tobacco sales slightly higher, operating profit declined
 - Positive pricing offset volume declines.
 - Volume declined by 4% for own brands in quarter.
 - More modest pace than for the year to date decline of 6%.



MSEK	Q4-2015	Q4-2014	chg	Full year 2015	Full year 2014	chg
Sales	955	723	32	3,829	2,832	35
Operating profit	366	288	27	1,554	1,109	40
Operating margin, %	38.3	39.8		40.6	39.2	

Swedish Match's US shipment volumes for cigars and chewing tobacco

	October-December		Chg	Full year		Chg
	2015	2014	%	2015	2014	%
Cigars, millions of sticks	319	266	20	1,256	1,125	12
Chewing tobacco, thousands of pounds (excl. contract manufacturing)	1,670	1,732	-4	7,390	7,856	-6



Operating profit down, impacted by currencies and weak performance in Brazil

- **Swedish Match is market leader in many markets. The brands are mostly local and hold a strong position in their respective markets**
- **Main markets EU, Brazil, Asia and East Europe**
- **Production in Brazil, the Netherlands, the Philippines and Sweden**

- **Lighter volumes down, sales slightly lower**
 - Lower volumes in Brazil, Russia, and parts of Asia.
 - Lower operating profit partly due to increased marketing support.
- **Lower volumes and sales reduce operating profit for matches**
 - Higher production costs in Brazil on lower volumes.
 - Negative impact in SEK from decline of Brazilian real.



MSEK	Q4-2015	Q4-2014	chg	Full year 2015	Full year 2014	chg
Sales	334	362	-8	1,295	1,295	0
Operating profit	50	63	-20	190	218	-13
Operating margin, %	14.9	17.3		14.7	16.8	

- **Tax rate for the Group was 20.9% for the full year**
 - Includes profit and loss impact from associated companies.
 - The reported tax rate, excluding associated companies and joint ventures, was 23.1%.
 - Affected by the stronger US dollar and earnings growth in the US.
- **Cash flow**
 - Cash flow from operating activities for the full year was 3,768 MSEK (3,276).
 - Improved EBITDA and dividends received from Associates.
 - Net cash used in investing activities amounted to 513 MSEK (274) for the full year.
- **Cash distributed to shareholders**
 - During the year, Swedish Match repurchased 7.5 million shares for 1,995 MSEK.
 - During the same period the Company sold treasury shares of 141 MSEK as a result of option holders exercising options (all in Q1).



■ Financial policy

- Dividend policy: 40-60% of earnings per share.
- 2015 proposed ordinary dividend: 8.00 SEK per share (7.50).
- Proposed special dividend of 12.00 SEK per share following Swedish Match's partial divestment of STG in conjunction with STG's listing on Nasdaq Copenhagen.
- Net debt not to exceed 3 times EBITA*.

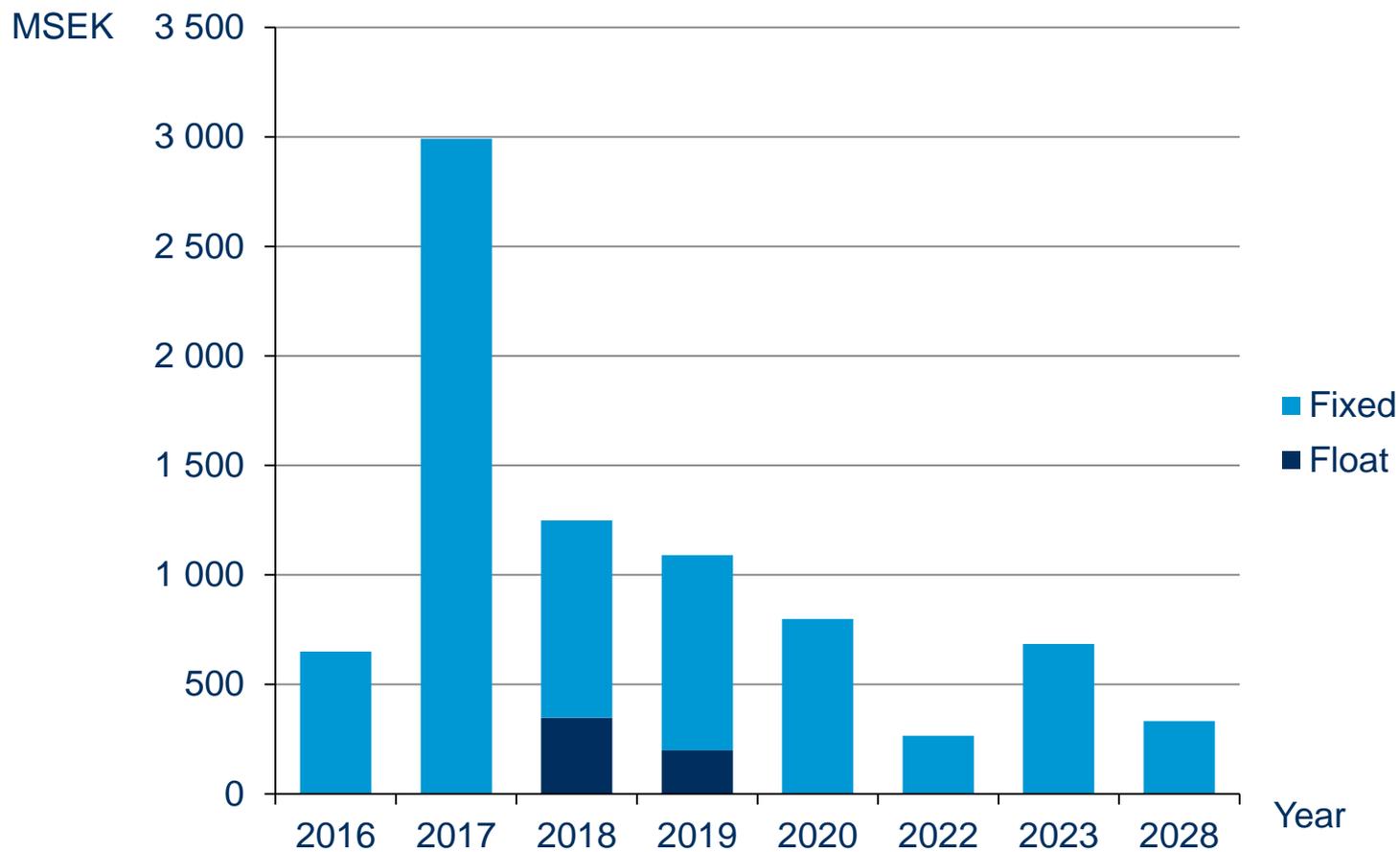
■ Financing

- The net finance cost for the full year declined to 463 MSEK (510), mainly as a result of lower average interest bearing debt excl. retirement benefit obligations.
- During the year new bond loans of 798 MSEK were issued.
- Repayments of bond loans for the same period amounted to 1,435 MSEK.
- As of December 31, 2015 Swedish Match had 8,064 MSEK of interest bearing debt excluding retirement benefit obligations compared to 8,703 MSEK at December 31, 2014.
- In February, 2016, 250 MSEK of debt falls due for payment and 400 MSEK in December
- Cash and cash equivalents amounted to 1,732 MSEK at the end of the period, compared to 2,312 MSEK at December 31, 2014.
- Net debt/EBITA per December 31 was at 2.1* compared to 2.3* previous year.

* Excluding share of net profit in STG. Operating profit adjusted for amortization and write-downs of intangible assets.

Maturity profile of interest bearing liabilities

As of December 31, 2015



Other events and events after the reporting period

- **SMD Logistics AB reached an agreement to sell its distribution facility in Solna, Sweden, and reached an agreement to acquire a new distribution center located in Kungsängen, Sweden**
 - The new distribution center went into operation in the beginning of 2016. At the same time, SMD Logistics AB's current distribution center was consolidated into the new distribution center.
 - The sale of the distribution center in Solna is planned to be concluded at the end of the first quarter 2016 for approximately 150 MSEK at which time a capital gain estimated to be in excess of 140 MSEK will be recognized. The plan is to also divest the Hisings Backa distribution facility in the future.
 - The investment in the new distribution center amounts to approximately 150 MSEK and was paid in October 2015.
- **On January 10, 2016 Scandinavia Tobacco Group was listed on Nasdaq Copenhagen**
 - The IPO consisted of a partial sale of existing shares by the STG shareholders, Swedish Match and Skandinavisk Holding II A/S. The shareholders offered to sell 35.6 percent in the offering with an overallotment option of another 4.4 percent. The IPO closed on February 9, 2016, and admission to trading and listing of the STG shares on Nasdaq Copenhagen took place on February 10, 2016. Swedish Match reduced its ownership in STG in the IPO from 49.0 percent (49.0 million shares) to 31.2 percent (31.2 million shares) at completion of the offering. Assuming full exercise of the overallotment option at a later date, Swedish Match will hold 29.0 percent of STG (29.0 million shares).

2015 full year report outlook statement

For 2016, on a full year basis, we expect Scandinavian snus as well as US moist snuff consumption to continue to grow as measured in number of cans. In our Scandinavian snus business, the average net selling price per can is expected to decline slightly versus prior year as modest price increases are offset by the effect of the weakened Norwegian krone, mix effects attributable to the successful launch of *XRANGE*, and growth of the value segment. Since December 2015 the competitive activity level in the Swedish snus market has increased and we expect it to remain high for the remainder of the year. For our US moist snuff business, we expect higher prices to more than compensate for negative mix effects during the year. We will continue to work hard to defend our market shares in both Scandinavia and in the US.

For cigars in the US, Swedish Match expects the market to continue to grow in 2016 but to remain highly competitive. Swedish Match expects the US Food and Drug Administration (FDA) to begin regulating cigars during the year and in conjunction with this Swedish Match, like the rest of the cigar industry, will be subject to user fees to the FDA.

Swedish Match will continue to invest in growth outside Scandinavia in 2016 and expects the US snus business to continue to grow and to deliver increased gross profit and reduced operating loss.

Swedish Match generates a substantial share of its sales and operating profit in the US. During 2015, the stronger US dollar compared to 2014 had a significant positive effect on both sales and operating profit growth. For 2016, Swedish Match expects a much less pronounced currency translation impact.

The effective corporate tax rate, excluding associated companies, is expected to be somewhat higher for 2016 than for 2015.

The Company maintains its financial strategy and dividend policy, and we remain committed to returning cash not needed in operations to shareholders.

P&L in summary

MSEK	Q4-2015	Q4-2014	Chg %	Full year 2015	Full year 2014	Chg %
Sales	3,719	3,536	5	14,486	13,305	9
Cost of goods sold	-2,005	-1,910		-7,697	-7,109	
Gross profit	1,714	1,627	5	6,789	6,197	10
Selling and administrative expenses	-808	-170		-3,065	-2,703	
Share of profit/loss in associated companies and joint ventures*	2	75		327	285	
Relocation of distribution facilities	-	-		-42	-	
Operating profit*	908	992	-8	4,008	3,780	6
Finance income	9	5		22	27	
Finance costs	-137	-137		-486	-537	
Net finance cost	-128	-132		-463	-510	
Profit before income tax	780	861	-9	3,545	3,270	8
Income tax expense	-145	-161		-742	-644	
Profit for the period*	636	700	-9	2,803	2,626	7
Earnings per share, basic, SEK	3.34	3.55		14.48	13.23	
Earnings per share, adjusted, basic, SEK*	3.34	3.55		14.36	13.23	
Earnings per share, diluted, SEK	3.34	3.55		14.48	13.22	
Earnings per share, adjusted, diluted, SEK*	3.34	3.55		14.36	13.22	

* For full detail, please refer to notes in the full year 2015 report.

Balance sheet in summary

MSEK	December 31, 2015	December 31, 2014
Intangible assets	1,048	1,030
Property, plant and equipment	2,240	2,074
Investments in associated companies and joint ventures	4,845	5,233
Other non-current financial receivables*	1,739	1,669
Current operating assets	3,220	4,255
Cash and cash equivalents	1,732	2,312
Total assets	14,824	16,573
Equity attributable to equity holders of the Parent	251	277
Non-controlling interests	1	1
Total equity	252	279
Non-current provisions	1,223	1,081
Non-current loans	7,613	7,803
Other non-current financial liabilities*	1,882	2,063
Current provisions	147	98
Current loans	653	1,141
Other current liabilities	3,054	4,109
Total equity and liabilities	14,824	16,573

* For full detail, please refer to notes in the full year 2015 report.

Cash flow in summary

MSEK	Jan-Dec 2015	Jan-Dec 2014
Cash flow from operating activities before changes in working capital*	3,730	2,893
Cash flow from changes in working capital	38	384
Net cash from operating activities	3,768	3,276
Purchase of property, plant and equipment	-491	-223
Proceeds from sale of property, plant and equipment	17	2
Purchase of intangible assets	-14	-5
Acquisition of subsidiaries	-0	-2
Investments in associated companies and joint ventures**	-25	-45
Changes in financial receivables etc.	0	0
Net cash used in investing activities	-513	-274
Changes in loans	-637	-1,802
Dividend paid to equity holders of the Parent	-1,464	-1,453
Repurchase of own shares	-1,995	-890
Stock options exercised	141	53
Other	31	4
Net cash used in financing activities	-3,924	-4,088
Net decrease in cash and cash equivalents	-669	-1,085
Cash and cash equivalents at the beginning of the period	2,312	3,164
Effect of exchange rate fluctuations on cash and cash equivalents	90	232
Cash and cash equivalents at the end of the period	1,732	2,312

* Includes an extra dividend of 555 MSEK from STG on September 30, 2015.

** For full detail, please refer to notes in the full year 2015 report.

Key ratios

MSEK	Full year 2015	Full year 2014
Operating margin, %	28.0	28.4
Operating capital, MSEK	8,030	8,314
Return on operating capital, %	49.6	47.1
EBITDA, MSEK*	4,368	4,083
EBITA, MSEK*	4,094	3,821
Net debt, MSEK	7,922	8,126
Investments in property, plant and equipment, MSEK*	491	223
EBITA interest cover	8.9	7.6
<i>Excluding share of net profit in STG</i>		
EBITA, MSEK*	3,734	3,487
Net debt/EBITA*	2.1	2.3
Share data		
Shares outstanding, end of period (Mio)	188.9	195.7
Average number of shares outstanding, basic (Mio)	193.5	198.5

* For full detail, please refer to notes in the full year 2015 report.

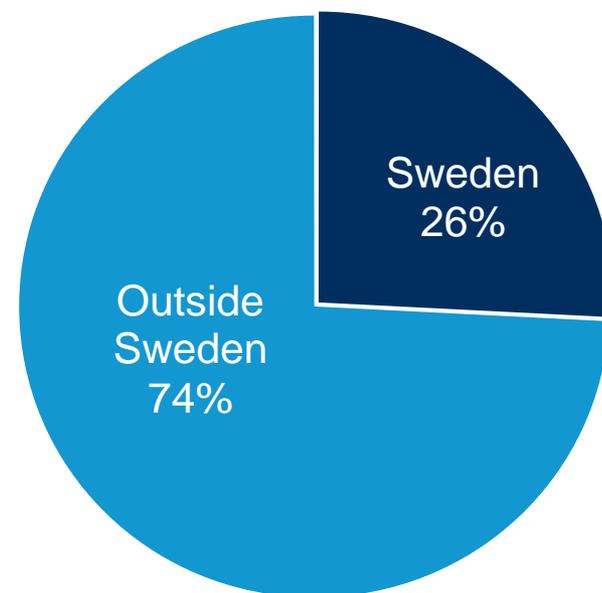
Largest shareholders*

As per December 31, 2015

Largest shareholders

Standard Life Investment Funds	3.8%
SEB Funds	2.9%
Nordea Funds	2.3%
Second Swedish National Pension Fund	2.2%
First Swedish National Pension Fund	1.8%
Invesco Funds	1.7%
UBS Funds	1.1%
SHB Funds	1.1%
Vanguard Funds	0.9%
Fourth Swedish National Pension Fund	0.9%
	<hr/>
	18.7%

49,805 shareholders



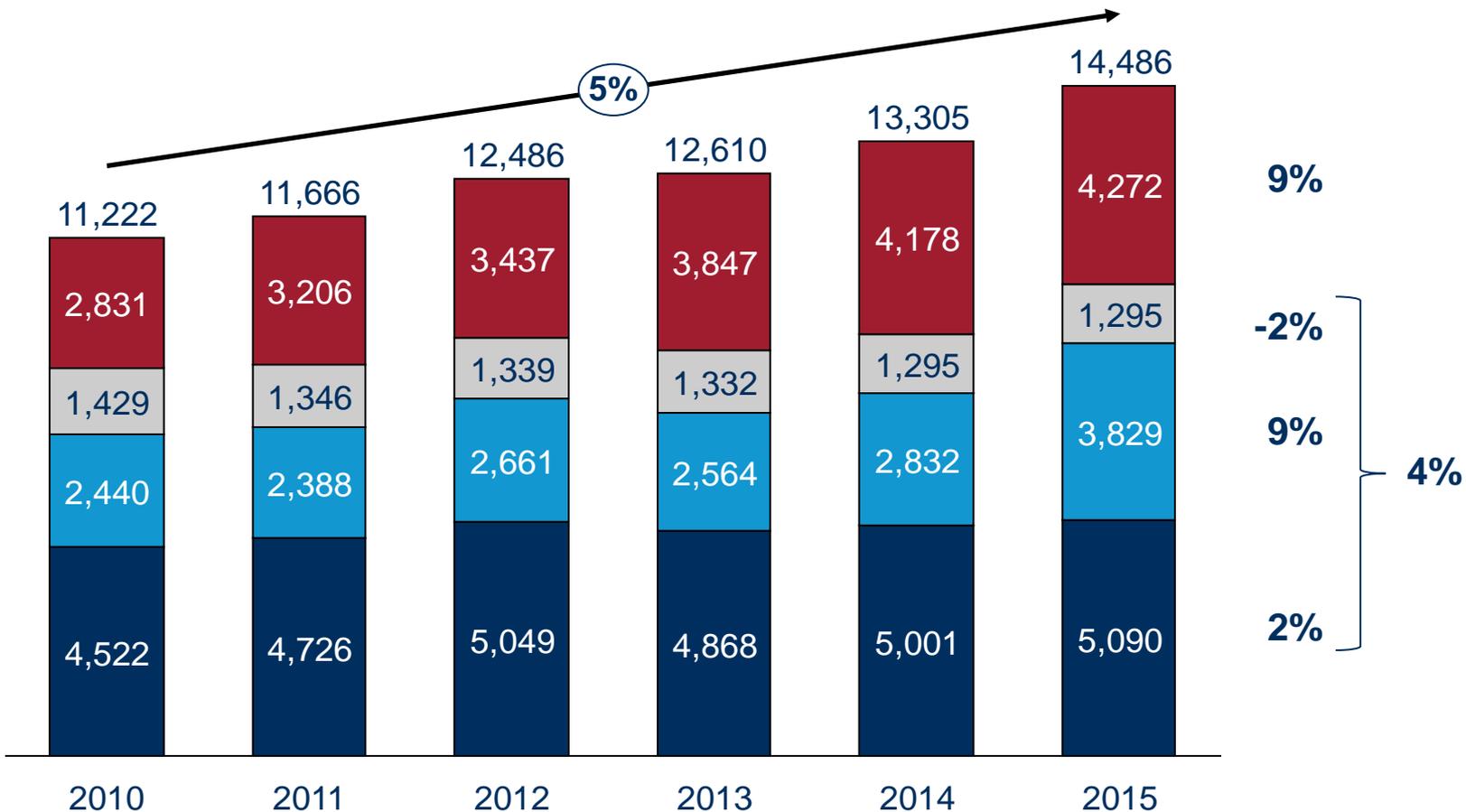
Source: Modular Finance AB, data derived from Euroclear Sweden AB.

* Percent split of share capital held, excluding Swedish Match shares held in treasury.

Comparable sales

Excluding businesses transferred to STG (MSEK)
CAGR 10-15

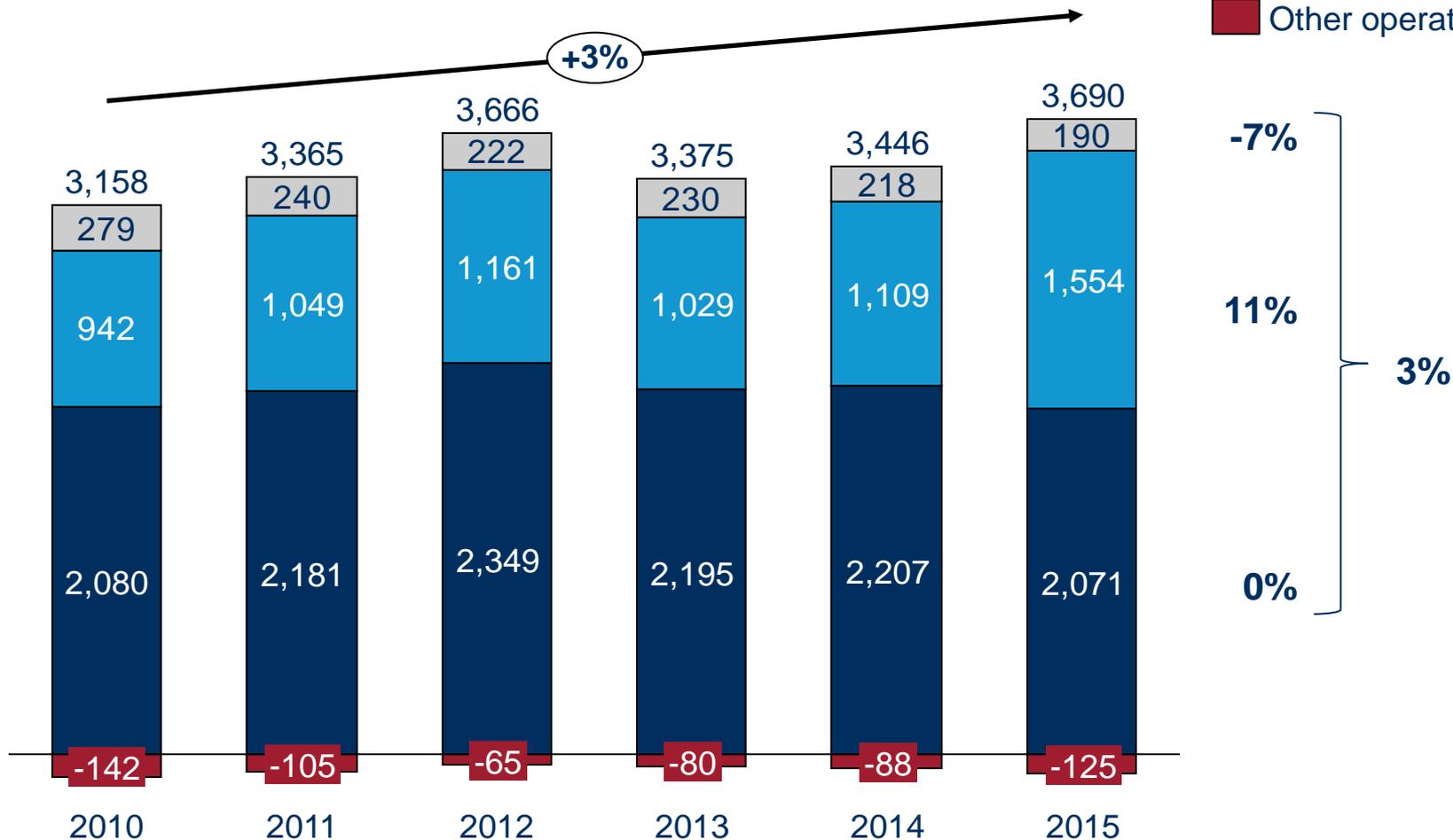
- Other operations
- Lights
- Other tobacco products
- Snus and moist snuff



Comparable operating profit

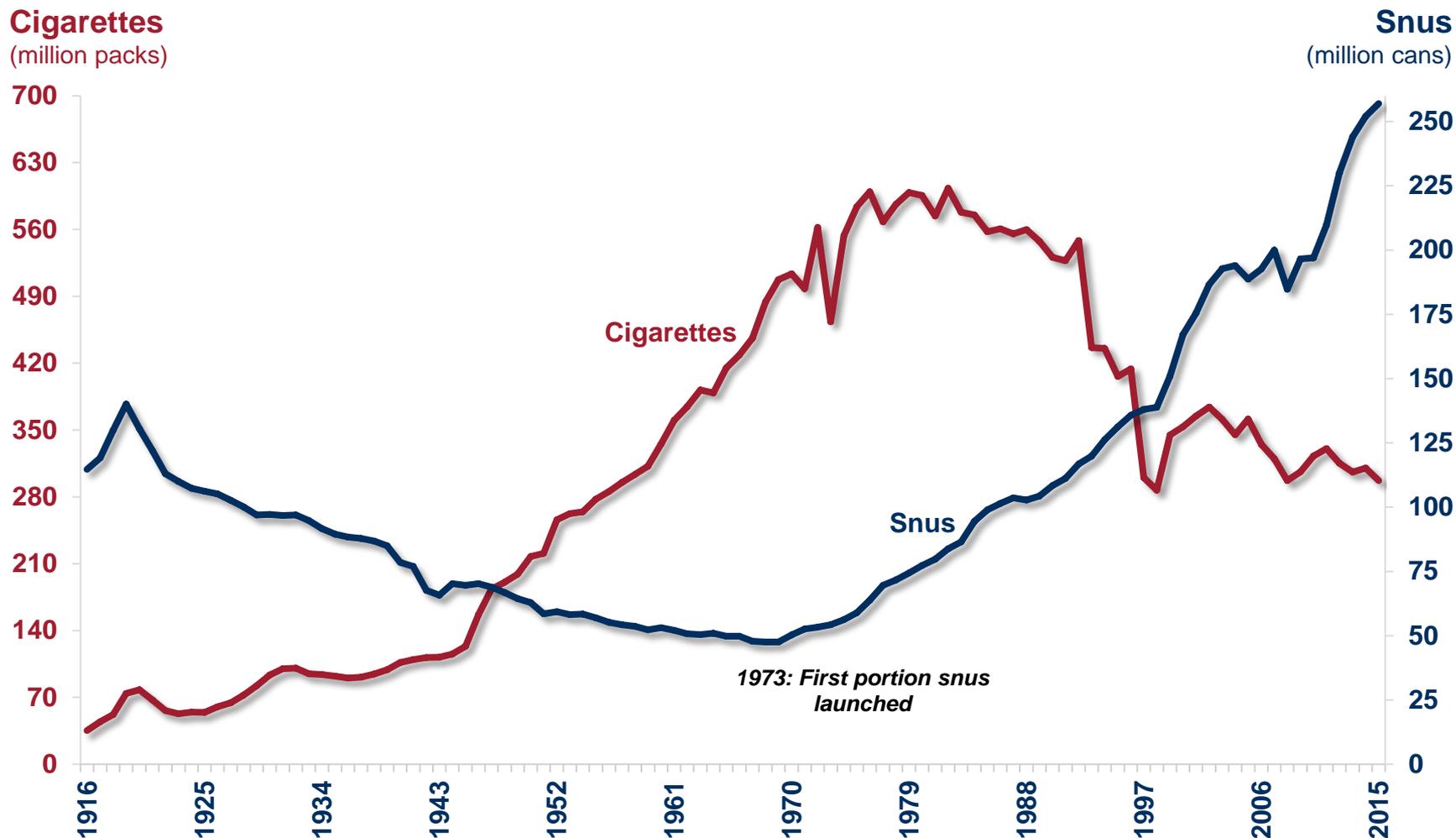
Excluding businesses transferred to STG (MSEK)
CAGR 10-15

- Lights
- Other tobacco products
- Snus and moist snuff
- Other operations



Competing with cigarettes is not new to Swedish Match

Volume development for cigarettes and snus in Sweden since 1916



Source: Swedish Match estimates.