SWEDISH MATCH

Interim Report
January – March 2009

- **Sales for the first quarter increased by 25 percent to 3,535 MSEK (2,818)**
- **In local currencies, sales for the first quarter increased by 10 percent**
- **Operating profit for the first quarter increased by 55 percent to 846 MSEK (547)**
- **In local currencies, operating profit for the first quarter increased by 35 percent**
- **EPS (basic) for the first quarter amounted to 2.27 SEK (1.36)**

CEO Lars Dahlgren comments:
The first quarter delivered a strong performance in both sales and operating profit. Sales increased for all products lines, and operating profit increased for all product lines except for pipe tobacco and accessories. Scandinavian snus volumes grew considerably, aided by the fact that there was no destocking effect in Sweden in 2009 unlike the first quarter of 2008. In the US the increase of federal excise taxes effective April 1 affected trade buying patterns, with on the one hand trade loading of machine made as well as premium cigars, but on the other hand sharp destocking of snuff towards the end of the quarter. The result of this unusual stocking situation was a stronger than average performance for cigar sales and margins, and a weaker than normal performance for snuff sales and margins. We have a healthy cash balance and limited debt repayments through the end of 2009.

Summary of consolidated income statement

	January - March		Full year
MSEK	2009	2008	2008
Sales	3,535	2,818	13,162
Operating profit excl. larger one time items	846	547	3,017
Operating profit	846	547	3,090
Profit before income tax	737	433	2,646
Net profit for the period	567	346	2,261
Earnings per share, basic (SEK)	2.27	1.36	8.98

Sales and results for the first quarter

Sales for the first quarter of 2009 increased by 25 percent to 3,535 MSEK (2,818) compared to the first quarter of 2008. Currency translation has affected the sales comparison positively by 431 MSEK. In local currencies, sales increased by 10 percent.

Sales of snuff in the first quarter increased by 18 percent to 969 MSEK (821) and operating profit increased by 24 percent to 396 MSEK (321). Scandinavian snus sales were up 16 percent compared to the first quarter of the prior year while volumes measured in number of cans increased by 14 percent. Snus sales and can volumes in the first quarter of 2008 were unusually low as a result of destocking following excise tax and price increases in January 2008.

As a result of trade destocking related to the increased Federal Excise Tax (FET) as well as higher pipeline volume in the previous year for the Red Man moist snuff national rollout, volumes in the US declined by 5 percent. Improved average prices offset the volume decline and resulted in increased snuff sales in North America by 1 percent in local currency. During the first quarter there was a high level of trade marketing in Scandinavia, related in part to new product launches. Operating margin was 40.9 percent (39.0).

For cigars, sales increased by 56 percent during the first quarter to 1,179 MSEK (757). Operating profit increased to 287 MSEK (112). US cigar sales grew by 43 percent in dollar terms, with sales and volume growth for machine made cigars, and premium cigars positively impacted by hoarding activity in anticipation of FET related price increases. In Europe, sales declined somewhat in local currencies, while volumes increased. Operating profit grew and was unusually strong in the US in local currency and was flat versus prior year in Europe. Operating margin for cigars was 24.3 percent (14.8).

Group operating profit for the first quarter increased by 55 percent to 846 MSEK (547). In local currencies, operating profit increased by 35 percent. Currency translation has affected the operating profit comparison positively by 109 MSEK.

Operating margin for the first quarter amounted to 23.9 percent compared to 19.4 percent for the first quarter of 2008, the increase being driven by the exceptionally high cigar volumes, as well as continued growth in the snuff businesses.

The reported tax rate for the Group for the first quarter was 23 percent.

Basic earnings per share for the first quarter amounted to 2.27 SEK (1.36).

Sales by product area

MSEK	**January - March 2009**	**2008**	**Chg %**	**Full year 2008**
Snuff	969	821	18	3,829
Cigars	1,179	757	56	3,657
Chewing tobacco	284	210	35	934
Pipe tobacco & accessories	204	198	3	817
Lights	380	347	9	1,534
Other operations	519	484	7	2,390
Total	**3,535**	**2,818**	**25**	**13,162**

Operating profit by product area

MSEK	January - March 2009	2008	Chg %	Full year 2008
Snuff	396	321	24	1,689
Cigars	287	112	157	689
Chewing tobacco	98	69	43	329
Pipe tobacco & accessories	49	51	-4	210
Lights	63	56	13	276
Other operations	-48	-61		-176
Subtotal	**846**	**547**	**55**	**3,017**
Larger one time items				
Gain on sale of subsidiary and related assets*	-	-		73
Total	**846**	**547**	**55**	**3,090**

* The capital gain is attributable to the product area pipe tobacco and accessories

Total sales and operating profit of the Group's reportable segments in the two tables above reconcile to the Group's total sales and operating profit. In order to arrive at the Group's profit before tax of 737 MSEK (433), the Group's net finance cost of 109 MSEK (114) needs to be deducted.

Operating margin by product area*

Percent	January - March 2009	2008	Full year 2008
Snuff	40.9	39.0	44.1
Cigars	24.3	14.8	18.8
Chewing tobacco	34.6	32.7	35.2
Pipe tobacco & accessories	24.3	26.0	25.7
Lights	16.6	16.1	18.0
Group	**23.9**	**19.4**	**22.9**

* Excluding larger one time items

EBITDA by product area

MSEK	January - March 2009	2008	Chg %	Full year 2008
Snuff	433	359	21	1,840
Cigars	342	161	113	892
Chewing tobacco	104	74	41	346
Pipe tobacco & accessories	60	60	1	241
Lights	74	66	12	317
Other operations	-47	-60		-171
Total	**967**	**660**	**47**	**3,465**

EBITDA margin by product area

Percent	January - March 2009	2008	Full year 2008
Snuff	44.7	43.7	48.0
Cigars	29.1	21.3	24.4
Chewing tobacco	36.7	35.2	37.1
Pipe tobacco & accessories	29.5	30.1	29.5
Lights	19.5	19.1	20.7
Group	**27.3**	**23.4**	**26.3**

Snuff/Snus

Sweden is the world's largest snuff market measured by per capita consumption. A substantially larger proportion of the male population uses the Swedish type of moist snuff called snus[*] compared to cigarettes. The Norwegian market is smaller than the Swedish market but has in recent years experienced strong volume growth. The US is the world's largest snuff market measured in number of cans and is approximately six times larger than the Swedish market. In Sweden and Norway, Swedish Match has a leading position. In the US, the Group is well positioned as the third largest player. Some of the best known brands include General, Ettan, and Grov in Sweden, and Red Man, Timber Wolf and Longhorn in the US.

During the first quarter, sales increased by 18 percent compared to the same quarter of the previous year, to 969 MSEK (821), and operating profit increased by 24 percent, to 396 MSEK (321). Operating profit improved from the previous year's levels in the US snuff business in local currency, despite low sales and operating profit toward the end of the quarter due to FET related trade destocking. In Scandinavia, the operating profit increased in line with the volume and sales increases. The operating margin for the total product group was 40.9 percent (39.0).

In Scandinavia, sales volumes measured in number of cans, increased by 14 percent during the first quarter compared to the first quarter of the previous year, mainly as a result of destocking effects in the prior year period. Sales revenues in Scandinavia grew by 16 percent in the first quarter, while operating profit grew by 15 percent. Operating margin was slightly down after higher trade marketing. During the quarter, product launch and redesign initiatives included the new Catch Collection, continued support behind Onico, a smokefree product that contains no tobacco, as well as Grov Svart, a new pouch product with a distinctive look and taste, and line extensions on the General brand with a bolder, stronger profile. General White Portion is since February available throughout Sweden in an upgraded "star formation" packaging after its successful introduction in Norway in 2008. Additional support behind this upgrade is taking place during the first half of the year.

In the US, sales volumes during the first quarter were down by 5 percent compared to the same period in the previous year. Last year's first quarter included substantial pipeline shipments of Red Man. Sales volumes toward the end of the first quarter 2009 declined sharply due to trade destocking related to the US federal excise tax increase. Swedish Match consumer volumes as measured by ACNielsen for the 12-

[*] Swedish snus is moist snuff which is produced using a special heat treated process, much like pasteurization, as opposed to other snuff products for which a fermentation process is used.

week period through March 21 increased by 11 percent compared to the same period of the previous year.

Sales and operating profit in the US rose mainly due to price/mix effects, as well as lower marketing spending as the first quarter of 2008 included launch spending behind the Red Man brand. From April 1, excise taxes in the US increased by 91.5 cents per pound (nearly 7 cents per can for most products). Swedish Match is currently maintaining pricing, thus absorbing the tax increase.

Cigars

Swedish Match is one of the world's largest producers of cigars and cigarillos. Swedish Match offers a full range of different cigars and brands. Well known brands include Macanudo, La Gloria Cubana, White Owl, Garcia y Vega, La Paz, Hajenius, Hollandia, Justus van Maurik, Willem II, and Salsa. The US is the largest cigar market in the world. Swedish Match has a leading position in the premium segment and is well established in the segment for machine made cigars. After the US, the most important cigar markets are in Europe, where Swedish Match is well represented in most countries. The largest markets for Swedish Match in sales terms in Europe are France, Benelux, Finland and Spain.

During the first quarter, sales were 1,179 MSEK (757), and operating profit amounted to 287 MSEK (112). In local currencies, sales in the first quarter were up 23 percent compared to the same period of the previous year, while operating profit increased by 102 percent. Operating margin was 24.3 percent (14.8).

During the first quarter, US premium cigar sales, which includes the business of Cigars International (Internet and mail order), were up 29 percent from the previous year in local currency. Premium cigar volumes were particularly weak in the first quarter of 2008, while during the first quarter of 2009 substantial hoarding occurred in connection with the federal excise tax increases. Also, sales of mass market cigars in the US were impacted by hoarding and increased by 62 percent in local currency. Cigar sales in Europe declined somewhat in local currencies as a result of mix effects despite modest volume increases.

Operating profit grew and was unusually strong in the US in local currency and was flat versus prior year in Europe.

Chewing tobacco

Chewing tobacco is sold primarily on the North American market, mainly in the southern US. Swedish Match is the leading producer of chewing tobacco in the US. Well known brands include Red Man and Southern Pride. The chewing tobacco segment shows a declining trend.

During the first quarter, sales increased by 35 percent, to 284 MSEK (210). In local currency, sales of chewing tobacco increased by one percent, as volume declines were offset by price increases. Operating profit increased by 43 percent, to 98 MSEK (69). In local currency, the operating profit increased by 7 percent. Operating margin was 34.6 percent (32.7).

Pipe tobacco and accessories

Swedish Match is one of the world's largest pipe tobacco companies. The Company has a significant presence in South Africa where Best Blend and Boxer are the most important brands. The Borkum Riff brand is sold across the globe. Accessories include the sales of papers and other items, as well as South African dry nasal snuff.

During the first quarter, sales increased by 3 percent to 204 MSEK (198) and the operating profit reached 49 MSEK (51). The sales and operating profit comparisons are affected by the sale of the accessories business in the UK at the end of 2008. In local currencies, sales were flat while operating profit declined somewhat. Operating margin was 24.3 percent (26.0).

In December 2008, Swedish Match sold its UK subsidiary and related assets. The divested business included mainly cigarette papers and filters and in 2008 corresponded to some 1 percent of Swedish Match total Group sales.

Lights

Swedish Match is the market leader in a number of markets for matches. The brands are mostly local, with leading positions in their home countries. Larger brands include Solstickan, Three Stars, Fiat Lux, and Redheads. The Group's main brand for disposable lighters is Cricket. Swedish Match's largest market for lighters is Russia.

During the first quarter sales amounted to 380 MSEK (347). In local currencies sales grew by less than one percent. Operating profit amounted to 63 MSEK (56). Operating margin was 16.6 percent (16.1).

Other operations

Other operations include the distribution of tobacco products on the Swedish market, as well as corporate overhead costs.

Sales in other operations for the first quarter amounted to 519 MSEK (484). Operating loss for other operations was 48 MSEK (61).

Taxes

In the first quarter, the reported tax expense amounted 169 MSEK (87), corresponding to a 23 percent tax rate (20). In Sweden the corporate tax rate was reduced from 28 percent to 26.3 percent as from January 1, 2009.

The increase in the tax rate compared to the full year 2008 (14.5 percent), is mainly attributable to significant positive one time reversals of tax provisions in the previous year, as well as the gain from the sale of the UK subsidiary in 2008 being exempt from corporate taxation. Currency movements also impact the tax rate as a large portion of profits are generated in the US where the Group's average tax rate is around 39 percent.

Earnings per share

Basic earnings per share for the first quarter amounted to 2.27 SEK (1.36) and diluted EPS for the first quarter amounted to 2.27 SEK (1.35).

Depreciation and amortization

In the first quarter, total depreciation and amortization amounted to 121 MSEK (113), of which depreciation on property, plant and equipment amounted to 84 MSEK (78) and amortization of intangible assets amounted to 37 MSEK (34).

Financing and cash flow

Cash flow from operations for the first quarter amounted to 657 MSEK compared with negative 22 MSEK for the same period of the previous year when the cash flow was negatively affected by timing differences in working capital and excise tax payments from the hoarding in the Swedish market at the end of 2007.

The net debt as per March 31, 2009 amounted to 7,029 MSEK compared to 7,640 MSEK at December 31, 2008. In the first quarter, investments in property, plant and equipment amounted to 111 MSEK (73).

During the first quarter no new loans were issued. Repayment of loans for the same period amounted to 350 MSEK. As at March 31, 2009 Swedish Match had 9,335 MSEK of interest bearing debt excluding retirement benefit obligations. During the remainder of 2009, 366 MSEK of this debt falls due for repayment.

Cash and cash equivalents amounted to 3,435 MSEK at the end of the period, compared with 3,178 MSEK as of December 31, 2008. As of March 31, 2009, Swedish Match had 2,735 MSEK in unutilized committed credit lines.

Net finance cost for the first quarter decreased to 109 MSEK (114).

Average number of employees

The average number of employees in the Group during the first quarter 2009 was 11,807 compared with 11,866 for the full year 2008.

Share structure

During the first quarter the Company sold 0.4 million treasury shares at an average price of 84.80 SEK as a result of option holders exercising options. As per March 31, 2009 Swedish Match held 5.4 million shares, corresponding to 2.2 percent of the total number of shares. The number of shares outstanding, net after the sale of treasury shares, as per March 31, 2009 amounted to 249.6 million. In addition, the Company has call options outstanding as of March 31, 2009 corresponding to 3.7 million shares exercisable in gradual stages from 2009-2013.

Annual General Meeting

The Annual General Meeting on April 28, 2009 approved the Board's proposal to pay a dividend to the shareholders of 4.10 SEK per share for a total of 1,024 MSEK. The Meeting also approved a mandate to repurchase shares for a maximum amount of 3,000 MSEK until the next Annual General Meeting with the condition that the Company at any time does not hold more than 10 percent of all shares of the Company. In addition, a decision was made to cancel 4.0 million shares held in treasury, with a contemporaneous bonus issue, without issuing of new shares, of an amount equivalent the amount represented by the cancelled shares or 6.1 MSEK. With the latter transaction the Company's share capital will not decrease through the cancellation of shares. The total number of registered shares in the Company before the cancellation of shares is 255,000,000.

The Annual General Meeting also approved the proposal of the Board of Directors that the Company may issue a maximum of 1,720,000 call options to senior Company officials and key employees for the stock option program for 2008 and that the Company, in deviation from the preferential rights of shareholders, be permitted to transfer a maximum of 1,720,000 shares of the Company at a selling price of 141.24 SEK per share in conjunction with a demand for the redemption of these call options. Redemption can take place from March 2012 to February 2014.

The Meeting re-elected Charles A. Blixt, Andrew Cripps, Karen Guerra, Arne Jurbrant, Conny Karlsson, Kersti Strandqvist and Meg Tivéus as Board members. Conny Karlsson was elected Chairman of the Board and Andrew Cripps was elected deputy Chairman of the Board.

Other events and events following the close of the reporting period

Swedish Match and Philip Morris International announced in February that they have entered into an agreement to establish an exclusive joint venture company to commercialize Swedish snus and other smokefree tobacco products worldwide, outside of Scandinavia and the United States. The joint venture is based in Stockholm and the board of directors consists of six members, with three nominated by each company.

In conjunction with the joint venture agreement with Philip Morris International, Swedish Match acquired on February 2, 2009, Rocker Production AB, a snus manufacturer with production facilities in Arvika, Sweden, from Philip Morris International. Swedish Match paid 31 MSEK in cash for 100 percent of the shares in Rocker Production AB.

In February 2009, legislation was signed in the US to fund the State Childrens' Health Care Insurance Programs (SCHIP) through tobacco tax revenues (Federal Excise Tax increases). The new rates became effective on April 1, 2009, and impacts both shipment volumes and consumption during 2009.

There has been no significant event following the close of the reporting period.

Outlook

In 2009, Swedish Match is taking further steps to drive value creation and growth to strengthen our position as a leading smokefree tobacco company while maintaining our strong commitment to profitability in other product categories. For the full year we expect both the snuff market in Scandinavia and in the US to grow.

Tax and regulatory changes impact the Group's tobacco sales. In Sweden, the maintenance of the excise tax at 2008 levels should help to stabilize the snus market. In the US, the recent increase of federal excise taxes could negatively impact consumption, especially of cigars. We will take decisive measures to mitigate the effects of possible volume declines for US cigars. We expect significant destocking effects for US cigars in the second quarter, following the significant trade hoarding in the first quarter.

The Group maintains its long term financial strategy and dividend policy, and we remain committed to returning cash not needed in operations to shareholders. Securing long term financing at reasonable cost is challenging in the current credit environment, which will be taken into account in determining the timing and amount of cash returns.

The tax rate for 2009 is estimated to be in the range of 22 to 24 percent.

Risk factors

Swedish Match faces intense competition in all of its markets and for each of its products and such competition may increase in the future. In order to be successful the Group must promote its brands successfully and anticipate and respond to new customer trends. Restrictions on advertising and promotion may, however, make it more difficult to counteract loss of consumer loyalty. Competitors may develop and promote new products which could be successful, and could thereby have an adverse effect on Swedish Match's results of operations.

Swedish Match has a substantial part of its production and sales in EMU member countries as well as in South Africa, Brazil and the US. Consequently, changes in exchange rates of euro, South African rand, Brazilian real and the US dollar in particular may adversely affect the Group's results of operations, cash flow, financial condition or relative price competitiveness in the future. Such effects may occur both in local currencies and when such local currencies are translated into Swedish currency for purposes of financial reporting.

Regulatory and fiscal changes related to tobacco and other taxes, as well as to the marketing, sale and consumption of tobacco products, in the countries where the Group is operating may have an adverse effect on Swedish Match's results of operations.

For a further description of risk factors affecting Swedish Match, see the Report of the Board of Directors in the published Swedish Match Annual Report for 2008.

Swedish Match AB (publ)
Swedish Match AB (publ) is the Parent Company of the Swedish Match Group.

Sales in the Parent Company for the first quarter amounted to 1 MSEK (0). Loss before tax amounted to 56 MSEK (loss 447) and net profit for the first quarter amounted to 49 MSEK (loss 322). The main sources of revenues for the Parent Company are dividends and Group contributions from subsidiaries.

Part of the Group's treasury operations are included in the operations of the Parent Company and include the major part of the Group's external borrowings. Some of these loans have variable interest rates and a change of interest rates could impact the result of the Parent Company.

Capital expenditures during the first quarter amounted to 0 MSEK (0). The cash flow for the period was negative 251 MSEK (negative 1,207). Cash and bank at the end of the period amounted to 2,451 MSEK compared with 2,702 MSEK at the beginning of the year. During the first quarter the Company sold 0.4 million treasury shares for 38 MSEK (61) as a result of option holders exercising options.

Accounting principles
This report is prepared in accordance with the Accounting Standard IAS 34 Interim Financial Reporting. The Annual Account Act and the Securities Markets Act have also been applied. The report of the Parent Company is prepared in accordance with the Annual Account Act and the Securities Markets Act which is in accordance with the rules of RFR 2.2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board.

New accounting standards, changes of standards and interpretations applicable from January 1, 2009 as detailed below have been applied in this report:

IFRS 8 operating segments sets out the definition of operating segments and requirements for disclosure in the financial reports. Swedish Match monitors and makes decision about operating matters based on product areas. The reportable segments for Swedish Match are *snuff, cigars, chewing tobacco, pipe tobacco & accessories, lights* and *other operations*. There are no internal sales between operating segments and the Group's financial costs as well as taxes are not allocated to product areas. Operating assets are not monitored on a segment basis.

Amendments to IAS 1 Presentation of financial statements set out a revised presentation of owner changes in equity and of comprehensive income. The revision does not change the recognition, measurement or disclosure of specific transactions.

Amendments to IAS 23 Borrowing costs set out that borrowing costs directly pertaining to acquisition, construction or production of an asset that takes a substantial time to complete shall be capitalized. The amendment has not had a material impact on the financial report.

In all other respects the accounting principles are the same as in the 2008 Annual Report.

Forward-looking information
This report contains forward-looking information based on the current expectation of the Swedish Match Group's management. Although management deems that the expectations presented by such forward-looking information are reasonable, no guarantee can be given that these expectations will prove correct. Accordingly, the actual future outcome could vary considerably compared to what is stated in the forward-looking information, due to such factors as changed conditions regarding business cycles, market and competition, changes in legal requirements and other political measures, and fluctuation in exchange rates.

Additional information
This report has not been reviewed by the Company's auditors. The half year 2009 report will be released on July 17.

Stockholm, April 30, 2009

Lars Dahlgren
President and CEO

Key data

	January – March 2009	2008	12 months ended March 31, 2009	Full year 2008
Operating margin, %[1)]	23.9	19.4	23.9	22.9
Operating capital, MSEK	9,936	8,213	9,936	9,585
Return on operating capital, %[1)]			36.5	33.5
Net debt, MSEK	7,029	7,422	7,029	7,640
Investments in property, plant and equipment, MSEK	111	73	370	331
EBITDA, MSEK[2)]	967	660	3,772	3,465
EBITA, MSEK[3)]	883	581	3,457	3,156
EBITA interest cover	8.8	5.6	8.3	7.5
Net debt/EBITA			2.0	2.4
Share data[4)]				
Earnings per share, SEK				
Basic	2.27	1.36	9.91	8.98
Diluted	2.27	1.35	9.90	8.96
Number of shares outstanding at end of period	249,602,400	253,084,575	249,602,400	249,160,000
Average number of shares outstanding, basic	249,306,996	255,309,093	250,366,954	251,867,479
Average number of shares outstanding, diluted	249,479,639	255,811,611	250,598,650	252,211,733

1) Excluding a gain of 73 MSEK from sale of subsidiary and related assets during the fourth quarter 2008
2) Operating profit excluding larger one time items adjusted for depreciation, amortization and writedowns of tangible and intangible assets
3) Operating profit excluding larger one time items adjusted for amortization and writedowns of intangible assets
4) Profit attributable to equity holders of the Parent

Consolidated income statement in summary

MSEK	January - March 2009	2008	Chg %	12 months ended Mar 31, 2009	Full year 2008	Chg %
Sales, including tobacco tax	5,933	5,002		24,649	23,718	
Less tobacco tax	-2,398	-2,183		-10,770	-10,556	
Sales	**3,535**	**2,818**	**25**	**13,879**	**13,162**	**5**
Cost of goods sold	-1,701	-1,434		-6,952	-6,685	
Gross profit	**1,834**	**1,384**	**33**	**6,927**	**6,477**	**7**
Sales and administrative expenses	-991	-834		-3,629	-3,472	
Share of profit in equity accounted investees	2	-3		17	11	
Gain on sale of subsidiary and related assets	-	-		73	73	
Operating profit	**846**	**547**	**55**	**3,388**	**3,090**	**10**
Finance income	29	43		150	163	
Finance costs	-138	-156		-589	-607	
Net finance cost	-109	-114		-439	-443	
Profit before income tax	**737**	**433**	**70**	**2,949**	**2,646**	**11**
Income tax expense	-169	-87		-467	-385	
Profit for the period	**567**	**346**	**64**	**2,482**	**2,261**	**10**
Attributable to:						
Equity holders of the Parent	567	346		2,482	2,261	
Minority interests	0	0		1	1	
Profit for the period	**567**	**346**	**64**	**2,482**	**2,261**	**10**
Earnings per share, basic, SEK	2.27	1.36		9.91	8.98	
Earnings per share, diluted, SEK	2.27	1.35		9.90	8.96	

Consolidated statement of comprehensive income

MSEK	January – March 2009	2008	12 months ended Mar 31, -09	Full year 2008
Profit recognized in the income statement	**567**	**346**	**2,482**	**2,261**
Other comprehensive income				
Translation difference in foreign operations	326	-659	1,812	826
Reclassification of pension plan	-	212	-	212
Effective portion of changes in fair value of cash flow hedges	23	10	-172	-184
Actuarial gains and losses attributable to pensions, incl. payroll tax*	117	-	-835	-952
Tax on items taken to/transferred from equity	-51	-63	296	284
Other comprehensive income and expense	**415**	**-500**	**1,100**	**186**
Total comprehensive income	**982**	**-154**	**3,583**	**2,448**
Attributable to:				
Equity holders of the Parent	981	-154	3,582	2,447
Minority interest	0	0	1	1
Total comprehensive income	**982**	**-154**	**3,583**	**2,448**

* During 2008 actuarial gains and losses were calculated only at year end

Consolidated balance sheet in summary

MSEK	March 31, 2009	December 31, 2008
Intangible assets	4,850	4,702
Property, plant and equipment	2,550	2,458
Other non-current financial receivables[1)]	2,334	2,284
Current operating assets	5,699	5,732
Other current investments	1	1
Cash and cash equivalents	3,435	3,178
Total assets	**18,870**	**18,355**
Equity attributable to equity holders of the Parent	2,403	1,377
Minority interest	4	4
Total equity	**2,407**	**1,381**
Non-current provisions	1,295	1,281
Non-current loans	9,705	9,975
Other non-current financial liabilities[2)]	1,440	1,337
Current provisions	104	29
Current loans	709	743
Other current liabilities	3,209	3,609
Total equity and liabilities	**18,870**	**18,355**

1) Includes pension assets of 122 MSEK (134) and derivatives used to hedge the Parent Company's bond loans denominated in euro of 1,080 MSEK (1,064)

2) Includes pension liabilities of 1,251 MSEK (1,298) and derivatives used to hedge the Parent Company's bond loans denominated in euro of 1 MSEK (-)

Consolidated cash flow statement in summary

MSEK	January – March 2009	2008
Profit before income taxes	**737**	**433**
Adjustments for non-cash items and other	172	164
Income tax paid	-97	-206
Cash flow from operating activities before changes in working capital	**812**	**391**
Cash flow from changes in working capital	-155	-413
Net cash from operating activities	**657**	**-22**
Investing activities		
Acquisition of property, plant and equipment	-111	-73
Proceeds from sale of property, plant and equipment	7	30
Acquisition of subsidiaries, net of cash acquired*	-31	-4
Changes in financial receivables etc.	3	-6
Changes in current investments	0	0
Net cash used in investing activities	**-132**	**-53**
Financing activities		
Changes in loans	-350	-408
Repurchase of own shares	-	-497
Stock options exercised	38	61
Other	26	-138
Net cash used in financing activities	**-287**	**-983**
Net increase/decrease in cash and cash equivalents	**237**	**-1,057**
Cash and cash equivalents at the beginning of the period	3,178	3,439
Effect of exchange rate fluctuations on cash and cash equivalents	19	-59
Cash and cash equivalents at the end of the period	**3,435**	**2,324**

* Acquisition in 2009 pertains to Rocker Production AB acquired from Philip Morris International. At the date of the acquisition, the acquired company's net assets amounted to 31 MSEK. Of the company's assets, tangible assets accounted for 21 MSEK, inventories for 12 MSEK and other assets for 3 MSEK. Acquired liabilities amounted to 5 MSEK. In the two months period up until March 31, 2009 the activities of the acquired company have resulted in a slight decrease in the consolidated net profit for the first quarter. If the acquisition had occurred on January 1, 2009, the Group estimates that net sales for the Group would have increased by 1 MSEK and net profit would have decreased by 2 MSEK

Change in shareholders' equity

MSEK	**Equity attributable to holders of the Parent**	**Minority interest**	**Total equity**
Equity at January 1, 2008	**720**	**4**	**724**
Total comprehensive income	-154	0	-154
Repurchase of own shares	-497	-	-497
Stock options exercised	62	-	62
Share-based payments, IFRS 2	7	-	7
Equity at March 31, 2008	**139**	**4**	**143**
Equity at January 1, 2009	**1,377**	**4**	**1,381**
Total comprehensive income	981	0	982
Stock options exercised	38	-	38
Share-based payments, IFRS 2	7	-	7
Equity at March 31, 2009	**2,403**	**4**	**2,407**

Parent Company income statement in summary

MSEK	January – March	
	2009	**2008**
Sales	1	0
Cost of goods sold	0	0
Gross profit	**1**	**0**
Selling and administrative expenses	-82	-71
Operating loss	**-81**	**-71**
Income from participation in group companies	324	0
Net finance cost	-299	-376
Loss after financial items	**-56**	**-447**
Income tax	105	125
Profit/loss for the period	**49**	**-322**

Parent Company balance sheet in summary

MSEK	**Mar 31, 2009**	**Dec 31, 2008**
Intangible and tangible fixed assets	2	6
Financial fixed assets	51,583	51,528
Current assets	3,186	5,112
Total assets	**54,771**	**56,646**
Equity	**22,253**	**22,148**
Untaxed reserves	**2**	**2**
Provisions	19	16
Non-current liabilities	27,476	27,614
Current liabilities	5,021	6,866
Total liabilities	**32,516**	**34,496**
Total equity and liabilities	**54,771**	**56,646**

Quarterly data

MSEK	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	Q4/07	Q3/07	Q2/07	Q1/07
Sales, including tobacco tax	5,933	6,382	6,303	6,031	5,002	6,600	5,984	5,645	4,623
Less tobacco tax	-2,398	-2,755	-2,872	-2,746	-2,183	-3,073	-2,713	-2,555	-1,961
Sales	**3,535**	**3,628**	**3,432**	**3,284**	**2,818**	**3,527**	**3,272**	**3,090**	**2,663**
Cost of goods sold	-1,701	-1,823	-1,741	-1,687	-1,434	-1,880	-1,702	-1,629	-1,368
Gross profit	**1,834**	**1,804**	**1,691**	**1,598**	**1,384**	**1,647**	**1,570**	**1,461**	**1,295**
Sales and administrative expenses	-991	-945	-828	-865	-834	-851	-810	-821	-762
Share of profit in equity accounted investees	2	4	5	5	-3	-1	0	2	0
	846	**864**	**868**	**738**	**547**	**795**	**759**	**642**	**534**
Larger one time items									
Gain on sale of subsidiary and related assets	-	73	-	-	-	-	-	-	-
Gain on sale of real estate	-	-	-	-	-	267	-	-	-
Operating profit	**846**	**937**	**868**	**738**	**547**	**1,062**	**759**	**642**	**534**
Finance income	29	43	43	36	43	56	33	40	36
Finance costs	-138	-141	-157	-153	-156	-142	-137	-119	-102
Net finance cost	-109	-98	-115	-117	-114	-86	-105	-79	-66
Profit before income tax	**737**	**839**	**754**	**621**	**433**	**976**	**655**	**563**	**468**
Income tax expense	-169	-111	-83	-104	-87	-185	-164	-122	-136
Profit for the period	**567**	**728**	**671**	**517**	**346**	**791**	**491**	**441**	**332**
Attributable to:									
Equity holders of the Parent	567	728	671	517	346	791	491	441	332
Minority interest	0	0	0	0	0	0	0	0	0
Profit for the period	**567**	**728**	**670**	**516**	**346**	**791**	**491**	**441**	**332**

Sales by product area

MSEK	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	Q4/07	Q3/07	Q2/07	Q1/07
Snuff	969	1,063	992	953	821	981	852	794	662
Cigars	1,179	1,056	936	908	757	928	902	847	735
Chewing tobacco	284	260	237	227	210	222	243	253	238
Pipe tobacco & accessories	204	217	214	189	198	223	220	203	205
Lights	380	410	404	374	347	405	374	354	340
Other operations	519	621	650	634	484	769	682	638	483
Total	**3,535**	**3,628**	**3,432**	**3,284**	**2,818**	**3,527**	**3,272**	**3,090**	**2,663**

Operating profit by product area

MSEK	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	Q4/07	Q3/07	Q2/07	Q1/07
Snuff	396	470	486	412	321	441	383	311	231
Cigars	287	206	188	184	112	195	185	193	164
Chewing tobacco	98	96	87	77	69	75	83	82	72
Pipe tobacco & accessories	49	57	54	47	51	58	64	24	56
Lights	63	71	85	64	56	67	67	62	57
Other operations	-48	-36	-32	-47	-61	-41	-22	-29	-45
Subtotal	**846**	**864**	**868**	**738**	**547**	**795**	**759**	**642**	**534**
Larger one time items									
Gain on sale of subsidiary and related assets	-	73	-	-	-	-	-	-	-
Gain on sale of real estate	-	-	-	-	-	267	-	-	-
Subtotal	**-**	**73**	**-**	**-**	**-**	**267**	**-**	**-**	**-**
Total	**846**	**937**	**868**	**738**	**547**	**1,062**	**759**	**642**	**534**

Operating margin by product area*

Percent	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	Q4/07	Q3/07	Q2/07	Q1/07
Snuff	40.9	44.2	49.0	43.3	39.0	45.0	45.0	39.1	34.9
Cigars	24.3	19.5	20.1	20.3	14.8	21.0	20.5	22.7	22.3
Chewing tobacco	34.6	36.8	36.9	34.1	32.7	34.1	34.3	32.3	30.1
Pipe tobacco & accessories	24.3	26.3	25.4	25.0	26.0	25.9	28.9	11.7	27.1
Lights	16.6	17.4	21.1	17.1	16.1	16.4	17.8	17.5	16.8
Group	**23.9**	**23.8**	**25.3**	**22.5**	**19.4**	**22.5**	**23.2**	**20.8**	**20.0**

* Excluding larger one time items.

Swedish Match AB (publ), SE-118 85 Stockholm
Visiting address: Rosenlundsgatan 36, Telephone: +46 8 658 02 00
Corporate Identity Number: 556015-0756
www.swedishmatch.com

For further information, please contact:

Lars Dahlgren, President and Chief Executive Officer
Office +46 8 658 0441, Mobile +46 70 958 0441

Joakim Tilly, Chief Financial Officer
Office +46 8 658 0213, Mobile +46 76 860 9597

Henrik Brehmer, Senior Vice President Corporate Communications
Office +46 8 658 0452, Mobile +46 76 111 3414

Emmett Harrison, Vice President, Investor Relations
Office +46 8 658 0173, Mobile +46 70 938 0173

Richard Flaherty, President North America Division, US Investor Relations contact
Office +1 804 302 1774, Mobile +1 804 400 1774

The character of the information in this report is such that it shall be disclosed by Swedish Match AB (publ) in accordance with the Swedish Securities Markets Act. The information was disclosed to the media on April 30, 2009 at 08.00 a.m (CET).