



NASDAQ OMX Stockholm: SWMA

PRESS RELEASE

26 March, 2012

Annual General Meeting of Swedish Match AB (publ)

The shareholders of Swedish Match AB are hereby notified of the Annual General Meeting of Shareholders to be held on Wednesday, 2 May, 2012 at 16.30 (CET) at Hotel Rival, Mariatorget 3, Stockholm, Sweden.

The Board of Directors proposes an increased dividend to 6.50 SEK per share. The proposed record date for entitlement to receive a cash dividend is 7 May, 2012.

The Board of Directors proposes that it be authorized to decide on the acquisition, on one or more occasions prior to the next Annual General Meeting, of a maximum of as many shares as may be acquired without the Company's holding at any time exceeding 10 percent of all shares in the Company.

In addition the Board will also propose a reduction of the Company's share capital of 12,800,976.15 SEK through withdrawal of 7,000,000 previously repurchased shares held in treasury, with a simultaneous bonus issue without issuing new shares, of the corresponding amount to restore the share capital. Furthermore, the Board will propose that the reduction be allocated to fund for use in repurchasing the Company's own shares.

The Nominating Committee of Swedish Match AB proposes re-election of Andrew Cripps, Karen Guerra, Conny Karlsson, Robert F. Sharpe, Meg Tivéus and Joakim Westh. Conny Karlsson is proposed to be re-elected as Chairman of the Board and Andrew Cripps is proposed to be re-elected as Deputy Chairman of the Board.

The Nominating Committee in Swedish Match AB consists of Conny Karlsson (Chairman of the Board), Andy Brown (Cedar Rock Capital), Björn Lind (AMF & AMF Funds), William Lock (Morgan Stanley Investment Management), and William Mueffling (Cantillon Capital Management). Andy Brown is the Chairman of the Committee.

The complete notice of the Annual General Meeting can be found on the corporate website: www.swedishmatch.com, and is also enclosed.

For further information, please contact:

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Swedish Match develops, manufactures and sells market-leading brands in the product areas Snus and snuff, Other tobacco products (US mass market cigars and chewing tobacco), and Lights (matches and lighters). Well known brands include General snus, Longhorn moist snuff, Red Man chewing tobacco, White Owl cigars, Cricket lighters, and Fiat Lux matches. The Group sells products across the globe, with production units in six countries. The Group's global operations generated sales of 11,666 MSEK for the twelve month period ending December 31, 2011. The Swedish Match share is listed on the NASDAQ OMX Stockholm (SWMA).

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Annual General Meeting of Swedish Match AB (publ)

The shareholders of Swedish Match AB are hereby notified of the Annual General Meeting of Shareholders to be held on Wednesday, 2 May, 2012 at 16.30 (CET) at Hotel Rival, Mariatorget 3, Stockholm, Sweden.

Agenda

1. Opening of the Meeting and election of the Chairman of the Meeting.
2. Preparation and approval of the voting list.
3. Election of one or two persons, to verify the Minutes.
4. Determination of whether the Meeting has been duly convened.
5. Approval of the Agenda.
6. Presentation of the Annual Report and the Auditors' Report, the Consolidated Financial Statements and the Auditors' Report on the Consolidated Financial Statements for 2011, the Auditors' Statement regarding compliance with the principles for determination of remuneration to senior executives as well as the Board of Directors' motion regarding the allocation of profit and explanatory statements. In connection therewith, the President's address and the report regarding the work of the Board of Directors and the work and function of the Audit Committee.
7. Adoption of the Income Statement and Balance Sheet and of the Consolidated Income Statement and Consolidated Balance Sheet.
8. Resolution in respect of allocation of the Company's profit in accordance with the adopted Balance Sheet and resolution on record day for dividend.
9. Resolution regarding discharge from liability for the Board members and the President.
10. a) Resolution regarding the reduction of the share capital by way of a recall of repurchased shares, and the transfer of the reduced amount to a fund for use in repurchasing the Company's own shares; and b) Resolution regarding a bonus issue.
11. Resolution regarding the authorization of the Board of Directors to decide on the acquisition of shares in the Company.
12. Adoption of principles for determination of remuneration payable to senior executives. In connection therewith the report regarding the work and function of the Compensation Committee.
13. Determination of the number of members of the Board of Directors to be elected by the Meeting.
14. Determination of the remuneration to be paid to the Board of Directors.
15. Election of members of the Board, the Chairman of the Board and the Deputy Chairman of the Board.
16. Determination of the number of Auditors.
17. Determination of the remuneration to be paid to the Auditors.
18. Election of Auditors.
19. Resolution regarding amendments to the Articles of Association.

The proposals of the Nominating Committee appointed after the Annual General Meeting of Shareholders in 2011

Item 1: Claes Beyer, attorney at law, is proposed as the Chairman of the Meeting.

Item 13: The Board of Directors shall comprise six members elected by the Annual General Meeting and no deputies.

Item 14: It is proposed that the fees to the Board of Directors be paid as follows for the period until the close of the next Annual General Meeting: the Chairman shall receive 1,710,000 SEK, the Deputy Chairman shall receive 810,000 SEK and the other Board members elected by the Meeting shall each receive 685,000 SEK. It is further proposed that the Board, as remuneration for committee work carried out, be allotted 250,000 SEK to the Chairmen of the Compensation Committee and the Audit Committee respectively and 125,000 SEK respectively to the other members of these committees. It is proposed that members of the Board employed by the Swedish Match Group not receive any remuneration.

Item 15: The following Board members are proposed for re-election: Andrew Cripps, Karen Guerra, Conny Karlsson, Robert F. Sharpe, Meg Tivéus and Joakim Westh. Conny Karlsson is proposed to be re-elected as Chairman of the Board and Andrew Cripps is proposed to be re-elected as Deputy Chairman of the Board.

Item 16: The Nominating Committee proposes the number of auditors shall be one with no deputy auditor.

Item 17: The Nominating Committee proposes that remuneration to the Auditor is to be paid against approved invoice.

Item 18: The Nominating Committee proposes re-election of the accounting firm KPMG AB, for the period as of the end of the Annual General Meeting 2012 until the end of the Annual General Meeting 2013.

The motions of the Board of Directors

Item 8: The Board of Directors proposes that a dividend be paid to the shareholders in the amount of 6.50 SEK per share and that the remaining profits be carried forward. The proposed record date for entitlement to receive a cash dividend is May 7, 2012. The dividend is expected to be paid through Euroclear Sweden AB, on May 10, 2012.

Item 10 a): The Board of Directors proposes a reduction in the Company's share capital of 12,800,976.15 SEK by means of the withdrawal of 7,000,000 shares in the Company. The shares in the Company proposed for withdrawal have been repurchased by the Company in accordance with the authorization granted by the General Meeting of the Company. The Board of Directors further proposes that the reduced amount be allocated to a fund for use in repurchasing the Company's own shares.

Item 10 b): Provided that the Meeting passes a resolution in accordance with the Board's motion under item 10 a) above, the Board of Directors proposes an increase in the Company's share capital of 12,800,976.15 SEK through a transfer from non-restricted shareholders' equity to the share capital (bonus issue). The share capital shall be

increased without issuing new shares. The reason for the bonus issue is that if the Company transfers an amount corresponding to the amount by which the share capital is reduced in accordance with the Board's motion under item 10 a) above, the resolution to reduce the share capital can be passed without obtaining the permission of the Swedish Companies Registration Office (Bolagsverket), or, in disputed cases, court permission.

The effect of the Board of Directors' motion under item 10 a) entails a reduction in the Company's share capital of 12,800,976.15 SEK. The effect of the Board of Directors' motion under item 10 b) is a corresponding increase in the Company's share capital through a bonus issue, thereby restoring it to its balance prior to the reduction.

The resolution of the Annual General Meeting in accordance with the Board's motion under item 10 a) is contingent upon it being supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

Item 11: The Board of Directors proposes that it be authorized to decide on the acquisition, on one or more occasions prior to the next Annual General Meeting, of a maximum of as many shares as may be acquired without the Company's holding at any time exceeding 10 percent of all shares in the Company. The shares shall be acquired on NASDAQ OMX Stockholm at a price within the price interval registered at any given time, i.e. the interval between the highest bid price and the lowest selling price. The purpose of the repurchase is primarily to enable the Company's capital structure to be adjusted and to enable the Company to fulfill the obligations under the Company's option program.

The resolution of the Annual General Meeting with regard to the Board motions under item 11 is contingent upon it being supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

Item 12: The Board of Directors proposes that the Annual General Meeting adopt principles for remuneration and other terms of employment for the President and other members of the Group management whereby remuneration and other terms of employment for the Group management shall correspond to market practise. In addition to the fixed salary, the members of the Group management may be entitled to variable salary. The variable salary may include both an annual short term program to be paid out in the beginning of the subsequent year depending on the outcome of the program, and a long term program with a performance period which shall not be shorter than three years. The variable salary, which shall be capped in relation to the fixed salary, shall primarily be based on specific, clear, predetermined and measurable financial or operational criteria and may include an obligation to purchase and hold shares in the Company. Full details on the proposed principles and their application on 2012 variable salary are available on the Company's website www.swedishmatch.com.

Item 19: The Company has 213,000,000 shares. The Articles of Association stipulates that the Company shall have not less than two hundred million (200,000,000) shares and not more than eight hundred million (800,000,000) shares. Following a reduction of shares as

proposed under Item 10 a) the Company would have 206,000,000 shares. In order to enable the Company to withdraw any future shares held in treasury the Board of Directors proposes that the Articles of Association be amended as set out below:

§ 5 The number of shares in the Company shall be not less than one hundred fifty million (150,000,000) and not more than six hundred million (600,000,000).

The resolution of the Annual General Meeting with regard to the Board's proposal under item 19 is contingent upon it being supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

Documents

The Annual Report, the Auditors' Report, full details of the resolutions proposed under items 8, 10 a), 10 b), 11, 12, 15, and 19 as well as statements by the Board of Directors, pursuant to Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act, and the statement by the auditors pursuant to Chapter 8 Section 54 and Chapter 20 Section 14 of the Swedish Companies Act, will be made available at Swedish Match AB's headquarters (Legal Department) at Västra Trädgårdsgatan 15 in Stockholm, Sweden, no later than April 11, 2012. They will also be available on the Company's website, www.swedishmatch.com, on the same date. They can also be ordered from the Company. The documents will also be available at the Meeting.

Number of shares and votes in the Company

The total number of shares and votes in Swedish Match AB on the issue date of this notice amounted to 213,000,000. As per March 22, 2012 Swedish Match owned 9,115,386 repurchased shares and these shares can consequently not be represented at the Meeting.

Right to participate in the Meeting

In order to participate in the Meeting you need to be registered as a shareholder in the register of shareholders maintained by Euroclear AB on April 25, 2012. In addition, you need to notify Swedish Match of your intention to participate no later than April 25, 2012, at which time notifications to participate must have been received by Swedish Match. Shareholders who wish to be accompanied by one or two assistants at the Meeting shall also advise Swedish Match thereof within the appointed period of time.

Proxy form

Proxy forms are available upon request and on the Company's website www.swedishmatch.com.

Notice of participation

Notice of participation may be submitted in writing to Swedish Match AB, "Årsstämman", P.O Box 7842, SE-103 98 Stockholm, Sweden, by telephone at +46 (0)8 402 90 42 (09:00 – 16:00 CET), or via the Internet at www.swedishmatch.com/stamman. When giving notice of participation, the shareholder shall state his or her name, address, telephone number (daytime), civic ID/corporate registration number and name of assistants, if any. Receipt of notification will be confirmed by Swedish Match, which will issue an attendance card prior to the Meeting to be presented at the entrance to the venue at which the Meeting is held.

Proxy

Shareholders who are represented by proxy shall issue a power of attorney for the proxy. If the power of attorney is issued by a legal entity, a copy of the corporate registration certificate for the legal entity shall be enclosed (or if no such document is available, an equivalent authorization document). The proxy is valid for one year from the issuance or the longer period of validity stated in the proxy, however not more than five years from the issuance. To facilitate entry at the Meeting, the power of attorney in the original as well as the corporate registration certificate and other authorization documents should be received by the Company at the address provided above no later than Thursday, April 26, 2012.

Share registration

Shareholders whose shares are nominee registered and who wish to participate in the Meeting must re-register the shares in their own name. Such re-registration may be temporarily, known as voting right registration. Requests

for re-registration should be submitted to the bank or broker who administers the shares in sufficient time to allow re-registration to be effective on Wednesday, April 25, 2012.

Information at the Annual General Meeting

The Board of Directors and the President shall, if any shareholder so requests and the Board of directors believes that it can be done without material harm to the Company, provide information regarding circumstances that may affect the assessment of an item on the agenda, and circumstances that can affect the assessment of the Company's or its subsidiaries' financial position and the Company's relation to other companies within the Group.

The entrance to the venue for the Meeting will open at 15:30 (CET). Coffee will be served before the Meeting.

Stockholm, March 2012

The Board of Directors