



PRESS RELEASE

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Swedish Match transfers 1045 MSEK to its shareholders through share redemption

The application period for Swedish Match's share redemption offer expired on June 5, 2000. The offer entitled to redeem every fourteenth share in Swedish Match at a redemption price of SEK 35 per share. According to the final count, applications were received for redemption of 29,869,472 shares, including shares underlying American Depository Shares. This corresponds to 96.9 percent of the maximum number of shares that could be redeemed pursuant to the offer.

In conjunction with the redemption the Board of Directors of Swedish Match today decided, based on the authorization provided at the Annual General Meeting, to effect a directed new issue of shares to Robur, Fourth National Pension Fund, Zenit, SPP and Ratos. The new issue comprises 2,476,200 shares at a subscription price of SEK 26.54 per share. Accordingly, new issue proceeds of SEK 65,718,348 will be generated for the company.

After completion of this transaction, total outstanding shares will be 403,946,391. Payment of the redemption amount is expected to be made in the beginning of July, 2000.

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