



PRESS RELEASE

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SWEDISH MATCH ANNOUNCES NEW SMOKELESS INITIATIVES

Swedish Match today announced plans to launch new moist snuff products under two trademarks in different markets.

In North America the new Sequoia premium moist snuff offers two distinctive flavors and innovative packaging. The new Sequoia brand was developed after extensive consumer research and fulfills an unmet need in the moist snuff category. The new Sequoia premium moist snuff is targeted to moist snuff consumers who are looking for an alternative among the current premium-priced brands in the marketplace.

In North Europe the new Probe loose moist snuff product supplements the already existing Probe portion packed moist snuff brand. The unique characteristic of the Probe brand is the whiskey flavor, which also will be the feature of the Probe loose moist snuff.

- "With the new Sequoia brand we are entering into the premium-priced loose moist snuff segment," said Lennart Sundén, President and CEO of Swedish Match. "It will leverage our position already established by Timber Wolf moist snuff, the #1 brand in the value-priced segment. We bring the same excitement to the premium-priced segment with this introduction as when we created our first value-priced brand. By this move we are strengthening our role as an OTP category leader in the US," he said.

- "The Sequoia and Probe launches are the first in a row in the smokeless area in different markets. Our R&D and market efforts are expected to lead to additional initiatives throughout the year," Sundén concluded.

Promotion and distribution of the new Sequoia and Probe products are expected to begin during the second quarter 2001.

FORWARD LOOKING STATEMENTS: Certain matters discussed within this press release may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Although management believes that its financial expectations are based on reasonable assumptions, it can give no assurance that its expectations will be achieved. The following factors, among others, could cause the Company's financial

performance to differ materially from that expressed in such statements: (1) changes in consumer preferences resulting in a decline in the demand for and consumption of tobacco, (2) political disturbances, (3) additional governmental regulation of tobacco or further tobacco litigation, and (4) enactment of new or significant increases in existing excise taxes.

Swedish Match is an international group with headquarters in Stockholm, Sweden. The company manufactures a broad range of non-cigarette tobacco products, matches and disposable lighters which are sold in approximately 140 countries. Sales for the twelve month period ending December 31, 2000 amounted to approximately 11,533 MSEK.

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