



Extraordinary General Meeting of Swedish Match decided in favor of redemption

Shareholders at an Extraordinary General Meeting of Swedish Match today resolved in favor of the proposal of the Board of Directors to redeem 34,752,689 shares at a redemption price of SEK 35 per share. The company's share capital is thereby reduced by SEK 69,505,378. The total redemption amount is SEK 1,216,344,115.

Shareholders at the Extraordinary General Meeting further decided in favor of the Board's proposal to implement a bonus issue by increasing the par value of each share from SEK 2.00 to SEK 2.20, after which the share capital will amount to SEK 948,947,258.60.

The bonus issue will be effected through a transfer to the share capital from the premium reserve of an amount equal to SEK 64,442,163, which accrued to the company through the new issue decided by the Board on June 26, 1998, and the remaining amount from the statutory reserve. Payment of the redemption amount is expected to occur on or about the turn of the month July-August 1998. Share-holders who tendered shares for redemption do not need to take any further action.

Swedish Match AB (publ)

Board of Directors

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