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PRESS RELEASE

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European Court of Justice to Hear Snus Ban Case in June 2004

The European Court of Justice has confirmed the date for two hearings related to the ban of certain oral tobacco products (i.e. snus) within the European Union. The Court will hear the cases together on June 8th, 2004.

The two cases originated separately before the High Court in the UK and the Landrat of the Herford Local Authority (a regional administrative court) in Germany, but were each referred to the ECJ to decide whether national laws enacting Article 8 of the Directive, banning the sale of snus (oral moist snuff), are invalid. Due to the similarities in the cases, they will be heard together at the ECJ.

Bo Aulin, Senior Vice President, Secretary and General Counsel of Swedish Match, stated that "We believe that the current ban on snus is inconsistent with several of the basic principles of EU law, concerning but not limited to the free movement of goods between member states. Also, given the scientific support for harm reduced products, like Swedish snus, as a preferred alternative to cigarettes, we believe that this ban should be removed. However, a court procedure always carries some uncertainty. But even if the ECJ would not find the ban illegal, we are convinced that it will be removed within a few years anyway, since it is so obviously does not serve any public health or other societal purpose."

A recent study published in the *European Journal of Epidemiology*, found that some 200,000 of the 500,000 smoking-attributable deaths each year in the EU would be avoided if Europeans adapted a Swedish tobacco consumption pattern. The study states that the lower smoking-related mortality among Swedish men is linked to their use of snus. (source: "The burden of mortality from smoking: Comparing Sweden with other countries in the European Union", Brad Rodu and Phil Cole)

Case references

Case C-210/03: R v. Secretary of State for Health ex parte 1) Swedish Match AB 2) Swedish Match UK Ltd

Case C-434/02: Arnold André GmbH & Co. KG v. Landrat of the Herford Local Authority

European Court of Justice website: <http://curia.eu.int/>

Swedish Match is a unique company with its range of market-leading brands in the product areas of snuff and chewing tobacco, cigars and pipe tobacco – tobacco's niche products – as well as matches and lighters. The Group's global operations generated sales of 13,036 MSEK in 140 countries for the twelve month period ending December 31, 2003. Swedish Match shares are listed on Stockholmsbörsen (SWMA) and Nasdaq (SWMAY).

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