



PRESS RELEASE

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SWEDISH MATCH AND GUM TECH INTERNATIONAL FINALIZE JOINT VENTURE AGREEMENT

Swedish Match AB and Gum Tech International, Inc. today announced the execution of definitive agreements for a joint venture for the purpose of developing, manufacturing, marketing and distributing non-tobacco nicotine products worldwide.

The terms of the Joint Venture Agreement provide for the creation of a new company. Swedish Match will own 51% of the company in exchange for a capital contribution of \$10 million dollars, and Gum Tech will own 49% in exchange for contribution of certain intellectual property rights. The joint venture will execute a Research and Development Agreement with Gum Tech as well as an agreement for the manufacturing of any non-tobacco nicotine products required by the joint venture.

-“This joint venture provides a possibility to explore exiting business opportunities by providing alternative products for smokers, who can not or do not want to smoke,” said Lennart Sundén, President and CEO of Swedish Match. “By this move we are broadening the scope of our core business,” he said.

-“While it has long been a central objective of Gum Tech to enter the non-tobacco nicotine market, we are especially pleased that this partnership contemplates entering this market on a worldwide basis,” stated Gary Kehoe, President and Chief Operating Officer of Gum Tech.

Promotion and distribution of the products are expected to begin in 2001.

Swedish Match is an international group with its head office in Stockholm. The company manufactures a broad range of tobacco products within the OTP (Other Tobacco Products) category, with smokeless tobacco as its core business along with cigars and pipe tobacco, as well as matches and lighters. The products are sold in approximately 140 countries. Sales for the twelve month period ending March 31, 2000 amounted to approximately 9,600 MSEK. Swedish Match is listed on OM Stockholm Stock Exchange (SWMA) and on NASDAQ (SWMAY).

FORWARD LOOKING STATEMENTS: Certain matters discussed within this press release may constitute forward looking statements as the 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 nicotine containing products, (2) an increase in the price of raw materials, (3) additional governmental regulations, (4) litigations, and (5) enactment of new or significant increases in existing excise taxes.

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