



PRESSRELEASE

June 5, 1997

APPROVAL OF THE ESCORT AGREEMENT

The agreement between SWEDISH MATCH and SKANDINAVISK TOBAKSKOMPAGNI / ORLIK TOBACCO regarding changed conditions for the sales and distribution of the "roll your own" tobacco brand ESCORT on the Swedish market has been approved by the EU Commission through Comfort Letter.

The agreement means that SWEDISH MATCH AB will continue to manufacture and distribute ESCORT while the THE HOUSE OF PRINCE AB - a subsidiary of SKANDINAVISK TOBAKSKOMPAGNI - will take over the marketing and sales of the brand. The agreement will come into effect very soon - probably from July 1, 1997 - and will be in force until the end of the year 2001. The agreement regarding ESCORT has been made along the same lines as the agreement regarding the cigarette brand PRINCE, which agreement also was approved by the EU Commission, and is in effect as off April 1, 1997.

For further information please contact:

Bo Aulin, General Counsel and Senior Vice President. Phonenr: +46 658 03 64

Mobile: +46 70 558 03 64

Home: +46 8 768 45 22