



Pressrelease

June 26, 1998

Swedish Match transfers SEK 1,216,344,115 to its shareholders through share redemption

The application period for Swedish Match's share redemption offer expired on June 12, 1998. According to the final count, applications were received for redemption of 34,752,689 shares, **including shares underlying American Depository Shares**. This corresponds to 97.5 percent of the maximum number of shares which could be redeemed pursuant to the offer. The Board of Directors intends to propose that shareholders at the Special General Meeting on July 7, 1998 resolve to redeem this number of shares in accordance with the terms of the offer. The offer covers redemption of not more than each thirteenth share in Swedish Match, with a redemption price of SEK 35 per share.

In conjunction with the redemption, the Board of Directors of Swedish Match today decided, based on the authorization provided at the Annual General Meeting, to effect a directed new issue of shares to Föreningssparbankernas aktiefonder, the National Pension Fund-Forth Fund Board, Försäkringsbolaget SPP and Förvaltnings AB Ratos. The new issue comprises 2,534,100 shares at a subscription price of SEK 27.43 per share. Accordingly, new issue proceeds of SEK 69,510,363 will be generated for the company.

The Board's complete proposal for the decision to reduce the share capital at Swedish Match's Special General Meeting on July 7, 1998 will be available at the company from June 29, 1998.

The current redemption of shares is being carried out pursuant to Swedish Match's shareholders' program for transfer of surplus funds to the company's owners.

Swedish Match AB (publ)

Board of Directors

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