



Stockholmsbörsen: SWMA

PRESS RELEASE

1 July, 2005

Swedish Match to divest Wimco

Swedish Match has divested its entire shareholding in Wimco Ltd to Russell Credit Ltd, a wholly owned subsidiary of ITC. Swedish Match had owned equity shares totalling 74 percent of the equity capital of Wimco.

In accordance with a 2002 ruling by SEBI (the Securities and Exchange Board of India) Swedish Match will make an open offer to acquire a minimum of 20 % of the publicly held shares of Wimco. It is the intention of Swedish Match to sell these shares after the acquisition.

Total sales of Wimco amounted to 222 MSEK for the 12 month period ending March 31, 2005.

The entire transaction is expected to be closed no later than during the fourth quarter 2005.

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 12,973MSEK for the twelve month period ending March 31, 2005. Swedish Match shares are listed on Stockholmsbörsen (SWMA).

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