



PRESS RELEASE

28 August, 2006

Swedish Match Board of Directors Calls for Extraordinary Shareholders Meeting

The Board of Directors of Swedish Match has decided to call an extraordinary shareholders' meeting on December 4th 2006. The meeting will be held at the Company's headquarters in Stockholm. At the shareholders meeting it is proposed that a decision will be made to reduce the share capital by cancelling 20,596,181 repurchased shares equivalent to 6.9 percent of the number of shares of Swedish Match and to restore the share capital through a bonus issue without issuing new shares.

It will further be proposed that the Board of Directors gets a renewed mandate to repurchase shares from the extraordinary meeting of the shareholders until the next Annual General Meeting in April 2007.

Additional items, if any, will be described in the formal notice of the agenda for the meeting which will be published no later than November 6th, 2006.

Swedish Match is a unique company with its range of market-leading brands in the product areas of snuff, cigars, pipe tobacco and chewing tobacco – tobacco's niche products – as well as matches and lighters. The Group's global operations generated sales of 13,153 MSEK for the twelve month period ending June 30, 2006. Swedish Match shares are listed on Stockholmsbörsen (SWMA).

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