

Q2 2015

Investor Kit
January – June 2015



Summary and Overview

Q2: Headline numbers

- **Sales increased by 9% to 3,644 MSEK (3,339). In local currencies, sales increased marginally.**
- **Operating profit from product areas* increased by 9% to 937 MSEK (862). In local currencies operating profit from product areas* declined by 1%.**
- **Sales and operating profit from product areas were negatively impacted by Easter calendar effects for snus in Scandinavia, and by low levels of lighter volumes and sales to East Europe (notably Russia).**
- **Operating profit** amounted to 1,021 MSEK (941) for the second quarter. Excluding a restructuring provision of 42 MSEK related to the relocation of distribution facilities in Sweden, recognized as a larger one-time item, operating profit amounted to 1,063 MSEK (941).**
- **EPS (basic) for the second quarter amounted to 3.62 SEK (3.27). Adjusted EPS*** amounted to 3.79 SEK (3.27).**

* Operating profit for Swedish Match product areas, which excludes larger one-time items and share of net profit in STG.

** Operating profit for the Group includes larger one-time items and share of net profit in STG.

*** Adjusted for larger one-time item.

Q2: Strong growth in the US

- **Growth driven by solid performance in US, and stronger USD**
 - Stronger USD increases relative size of US business on a reported basis.
- **Outstanding results across *all* of the US business segments**
 - Other tobacco products product area continued its solid growth.
 - Sales up 10% in local currency.
 - Operating profit up 20% in local currency.
 - US cigars exceeded 300 million sticks with higher sales and operating profit in USD.
 - Chewing tobacco volumes declined at a slower rate than in Q1.
 - Snus and moist snuff in the US shows growth.
 - Volume increases for snus and for moist snuff pouches and tubs.
 - Sales and operating profit increased in USD.

Q2: Scandinavian market growth and Swedish Match's share

■ Positive developments in the Scandinavian snus business

- Scandinavian snus market continued to grow, at a faster pace than in Q1.
 - Underlying Scandinavian market growth of more than 3%.
 - Norway market growth at faster pace than in Sweden.
- Swedish Match's share of the total market increased in Sweden vs. Q1
 - Share down only 1 percentage point from prior year's second quarter.
- Market growth driven by Swedish value segment, more than offsetting declines in premium segment.
 - Premium segment in Sweden declined in volume and share of market year-on-year, but is showing signs of stability.
- Market share gains in the growing value segment for snus in Sweden (SM now close to 41% of value segment).
- Share declines in Norway
 - *General G.3* has continued share growth.
 - Share gains for *General G.3* could not compensate for challenging trends for some of the Company's other products and overall market shares continued to decline.



Q2: Price/Mix and Easter impact Scandinavian snus

- **Swedish Match's underlying snus volumes in Scandinavia up**
 - Shipment volumes down by close to 3%.
 - Volumes estimated to have been up by 1% excluding calendar/Easter effects.
- **Price/mix effects reduce average selling price and margins, as expected**
 - Higher proportion of Swedish Match's volumes are value priced products.
 - *Kronan* price reduction versus prior year (price cut for pouches in April '14 and for loose in Sept '14).
 - Negative price/mix effects likely to continue in coming quarters.
- **April *XRANGE* launch**
 - Very positive reception of *XRANGE*.
 - A range of five varieties of premium brands at competitive price point.
 - Innovative – longer lasting flavor and better moisture retention, most varieties use fiber technology.
 - Part of longer term strategy to strengthen Swedish Match's share across all price segments.
- **Norway**
 - *G.3* range extended in May with four new and modern varieties.
 - Norway shipments were also adversely affected by the timing of the Easter.

■ Discussions on plain packaging and other restrictions in Scandinavia

- Norway has a proposal for further restrictions on snus, including standardized packaging.
 - Some debate from certain parts of the government who are opposed to plan.
 - Proposed inclusion of snus under the same strict regulation as cigarettes has continued to cause debate in Norway.
 - If standardized packaging implemented in Norway, might be during 2017 or 2018.
- In Sweden a committee of inquiry instructed by minister of Health to evaluate tobacco control.
 - Tobacco control measures under evaluation include standardized packaging and display ban, with a report from committee due in March 2016.

■ Modified Risk Tobacco Products (MRTP) application process in US

- Swedish Match expects to hear back from FDA during the third quarter, and is confident that applications provide all necessary support for the Company's modified risk status for *General snus*.

■ Performance in the Lights product area was weak

- Good match performance not enough to offset lighters.
- Lighter volumes declined. Low shipments to Russia.

Detail information and Financials

Sales performance for Q2

■ Increased sales

- Sales increased by 9% to 3,644 MSEK (3,339) and up marginally in local currencies.

■ Snus and moist snuff product area: sales flat

- In local currencies sales were down 5 percent.
- Scandinavian sales down, due to the Easter calendar effects and portfolio price/mix effects.
- US sales up for both moist snuff and snus.
 - Higher volumes for moist snuff pouches and tubs.
 - *General* snus sales significantly higher due to both volume and better realized pricing.

■ Other tobacco products product area: sales up

- Sales up by 41%, and up by 10% in local currency.
- Cigars: Sales increase on 9% higher volumes and improved product mix.
- Chewing tobacco: Favorable pricing offset volume declines.

■ Lights product area: sales up

- Sales up 6%.
- Sales up for matches despite modest volume declines from better pricing and positive currency effects.
- Sales for lighters negatively affected by lower shipment volumes.



Operating profit performance for Q2

- **Operating profit from product areas* increased by 9% to 937 MSEK (862)**
 - In local currencies, operating profit from product areas declined by 1%.
- **Snus and moist snuff: operating profit down**
 - Negatively affected by calendar effects relating to the timing of Easter.
 - Sweden affected by mix shift toward value priced products in portfolio.
 - Higher operating profit for US moist snuff and snus in both USD and SEK.
- **Other tobacco products: operating profit up**
 - Operating profit up 49%, up 20% in local currency, driven by cigars.
- **Lights: operating profit down**
 - Decline in operating profit stems primarily from weak performance for lighters in Russia, impacting both volumes and profitability.
- **The reported share of net profit in STG, after interest and tax, amounted to 126 MSEK (78)**
 - Positively affected by a reassessment of useful lives primarily of trademarks. Adjusted for this reassessment, the comparable share of net profit in STG amounted to 126 MSEK (92).
- **Operating profit excluding larger one-time item increased by 13% to 1,063 MSEK (941)**
 - Operating profit, including a larger one-time charge of 42 MSEK relating to the relocation of distribution facilities in Sweden, and including the share of net profit in STG, increased by 9% to 1,021 MSEK (941).
- **Currency translation has affected the comparison of the operating profit positively by 89 MSEK (which includes the net profit of STG and excluding larger one-time item).**

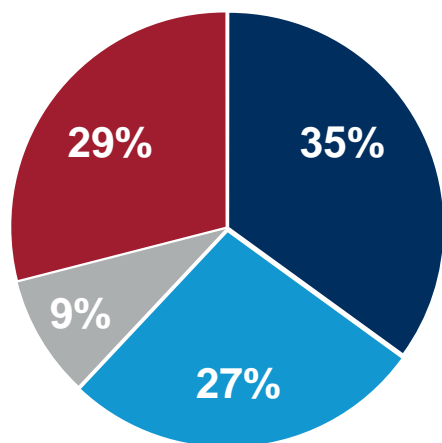
* Operating profit for Swedish Match product areas, which excludes larger one-time items and share of net profit in STG.

Sales and operating profit

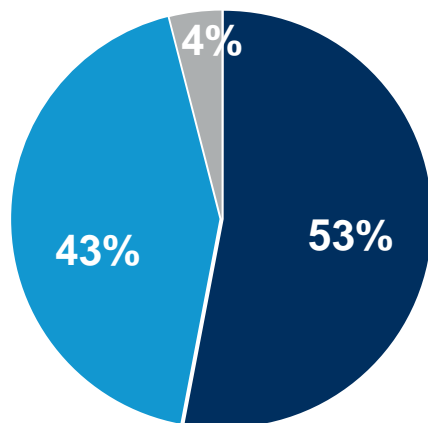
Sales and operating profit by product area

Q2 2015

Sales, SEK



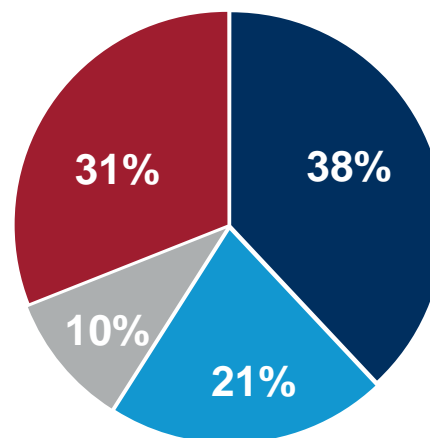
Operating profit*, SEK



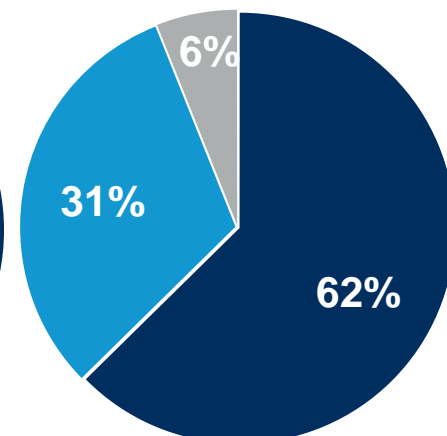
- Snus and moist snuff
- Other tobacco products
- Lights
- Other operations

Full year 2014

Sales, SEK



Operating profit*, SEK



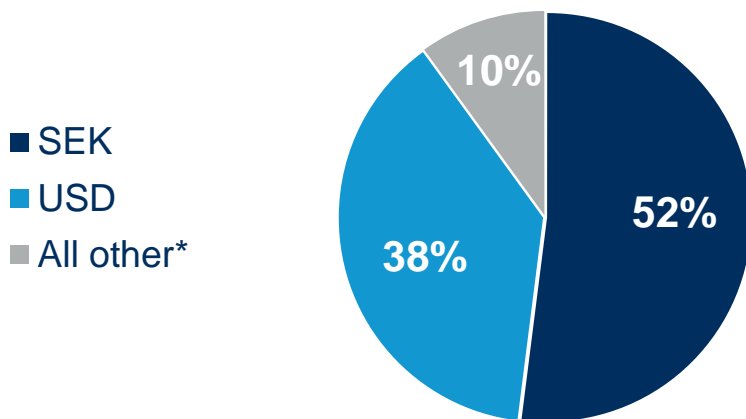
- Snus and moist snuff
- Other tobacco products
- Lights
- Other operations

* Excluding Other operations, share of net profit in STG. Totals may not add up due to rounding.

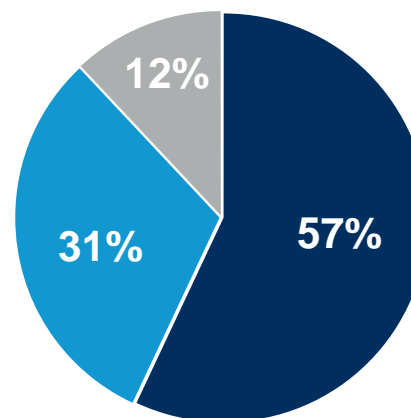
Sales by currency block

Percent of sales, MSEK

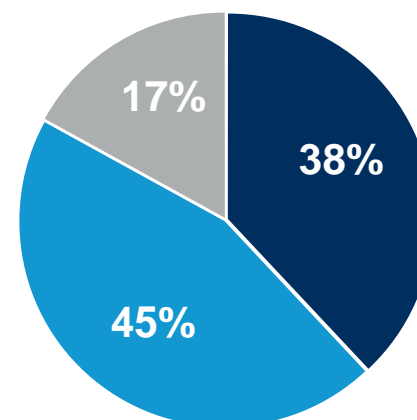
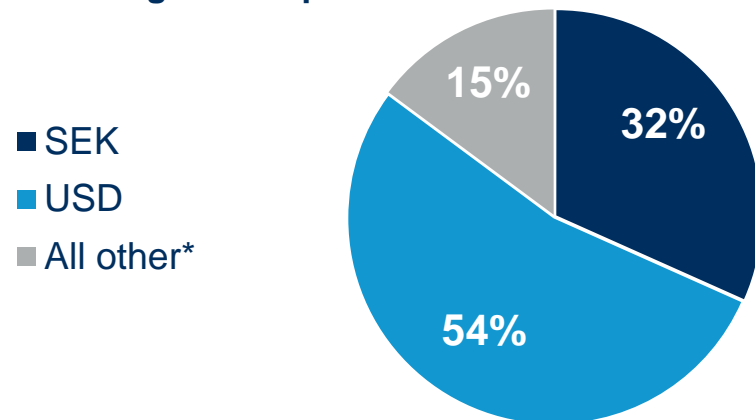
Q2 2015



Full year 2014



Excluding Other operations



* Primarily NOK and BRL. Totals may not add up due to rounding.

Snus and moist snuff

- Leading position for snus in **Scandinavia**
- The third largest producer of moist snuff in **the US**
- *General* is the second largest and fastest growing snus brand in **the US**
- Production in **Sweden** and **the US**



Snus and moist snuff (Q2 commentary)

Progress in defending and developing market positions

- **Scandinavia snus sales and profits down on 3% lower volumes**
 - Volumes negatively impacted by Easter - underlying volumes estimated to be up by 1%.
 - Underlying sales down on lower average portfolio pricing, stemming from higher proportion of value priced products, price reduction on *Kronan* and success for *XRANGE*.
 - Very positive reception of *XRANGE*.
 - Operating profit lower due to price/mix and lower volumes.
- **US moist snuff/snus sales and operating profit up**
 - Continued good volume growth for moist snuff pouches and tubs.
 - Snus volumes up, sales up, net losses reduced.
- **Continued investment behind snus outside Scandinavia**
 - In total, net costs for snus expansion outside Scandinavia. (primarily US) was 76 MSEK (72), impacted by the stronger USD.



* Price segmentation using Swedish Match estimates.

| MSEK | Q2-2015 | Q2-2014 | chg | H1-2015 | H1-2014 | chg | July 2014- June 2015 | Full year 2014 | chg |
|---------------------|---------|---------|-----|---------|---------|-----|-------------------------|-------------------|-----|
| Sales | 1,271 | 1,267 | 0 | 2,461 | 2,421 | 2 | 5,041 | 5,001 | 1 |
| Operating profit | 514 | 562 | -9 | 970 | 1,067 | -9 | 2,109 | 2,207 | -4 |
| Operating margin, % | 40.5 | 44.4 | | 39.4 | 44.1 | | 41.8 | 44.1 | |

Scandinavian market growth and share estimates

■ Scandinavian snus market up more than 3% in volume on an underlying basis*

- Scandinavian snus market continued to grow, at a faster pace than in Q1.
- Swedish Match increased market share in growing value segment* in Sweden.
- Total market – share increase in Sweden vs. Q1 (68.8), and down only 1 percentage point from prior year's second quarter.
- Norwegian market grew at a faster pace than the Swedish market.
- Share gains for *General G.3* could not compensate for challenging trends for some of the Company's other products and overall market shares continued to decline.

Swedish Match's market shares**

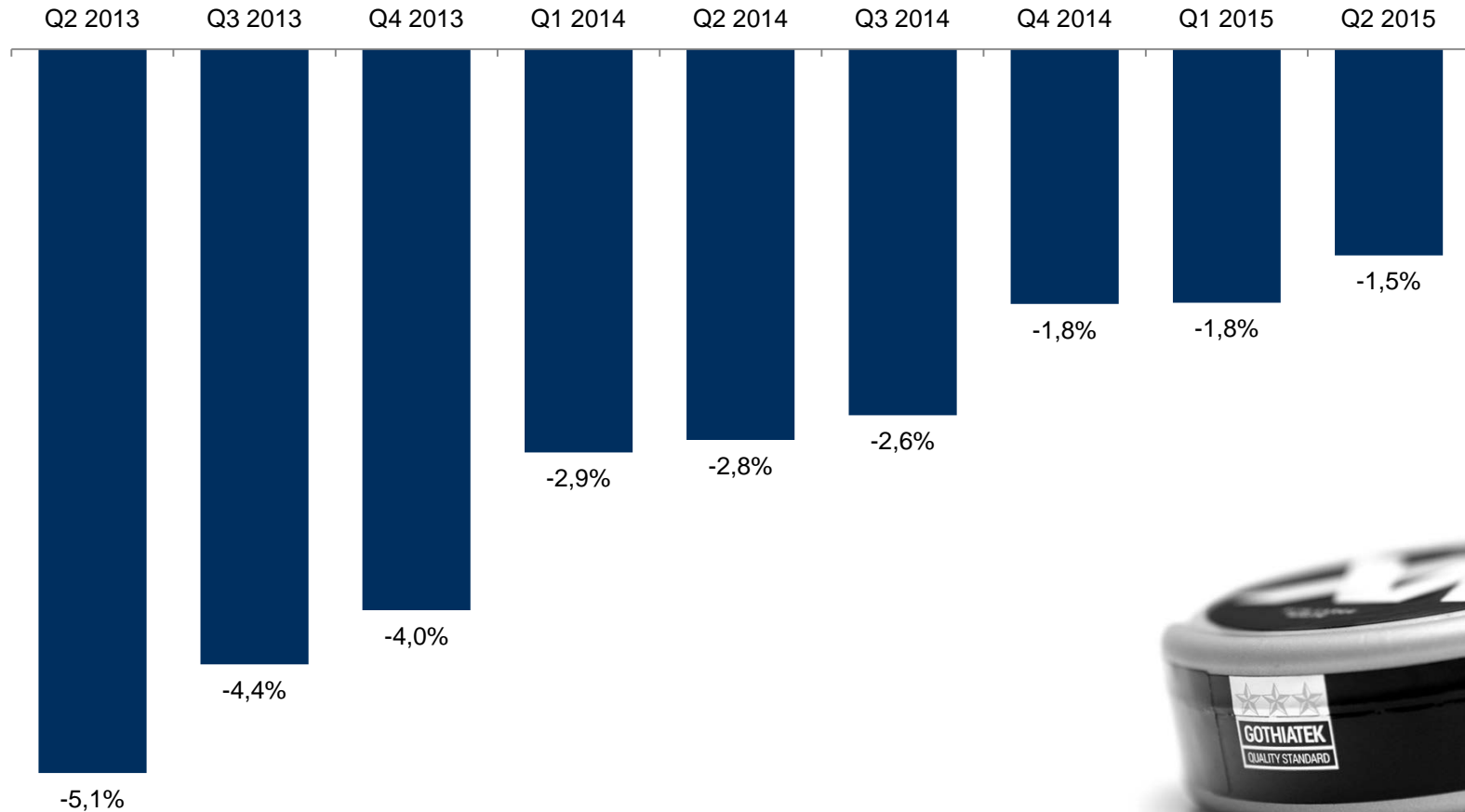
| Percent | April-June | | Chg ppts | January-June | | Chg ppts | Full year 2014 |
|-----------------------|------------|------|-------------|--------------|------|-------------|-------------------|
| | 2015 | 2014 | | 2015 | 2014 | | |
| Snus, Sweden, total | 69.1 | 70.1 | -1.0 | 68.9 | 70.1 | -1.2 | 69.9 |
| Snus, Sweden, premium | 93.5 | 94.1 | -0.6 | 93.5 | 94.2 | -0.7 | 94.0 |
| Snus, Sweden, value | 40.7 | 37.5 | 3.2 | 40.3 | 37.4 | 2.9 | 38.1 |
| Snus, Norway, total | 56.8 | 60.5 | -3.7 | 57.6 | 61.1 | -3.5 | 60.1 |

* Source: Swedish Match estimates.

** Swedish Match estimates using Nielsen data (excl. tobacconists due to small sample of tobacconists in Nielsen data).13 weeks and YTD to June 28, 2015.

SM Sweden and Norway market share y-o-y development (weighted)

Change in Swedish Match volume market share year on year; percentage points of total market Sweden and Norway



Source: Nielsen DVH+SVH excluding tobacconists, ending June 28, 2015.
Adjusted for more representative weight on Nielsen coverage in Norway vs Sweden.

Moist snuff market growth and share estimate

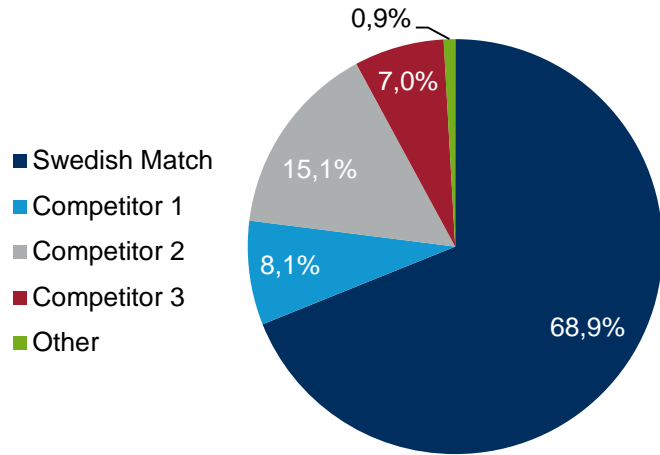
- **US moist snuff market volume up by 3% in Q2 versus year ago***
 - Category growth has improved vs. Q1, but still lower than longer term trend.
 - Category growth continues to be driven by pouches.
- **Swedish Match moist snuff market share in the US**
 - Swedish Match estimates its market share based on industry shipments to be approximately 9%.



* Source: Swedish Match and industry estimates.

Manufacturer share by price segment to June 14, Sweden

Total volume shares



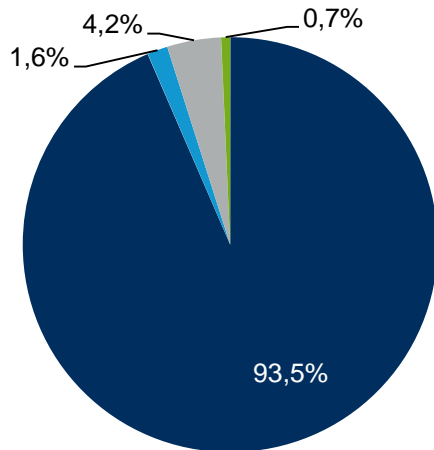
**14 June 2015 (4 weeks ending),
Swedish Match share of:**

Premium segment: 93.7%

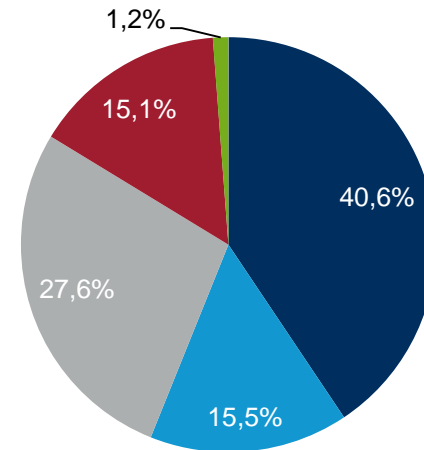
Value segment: 40.9%

Total market: 69.2%

Share of premium segment



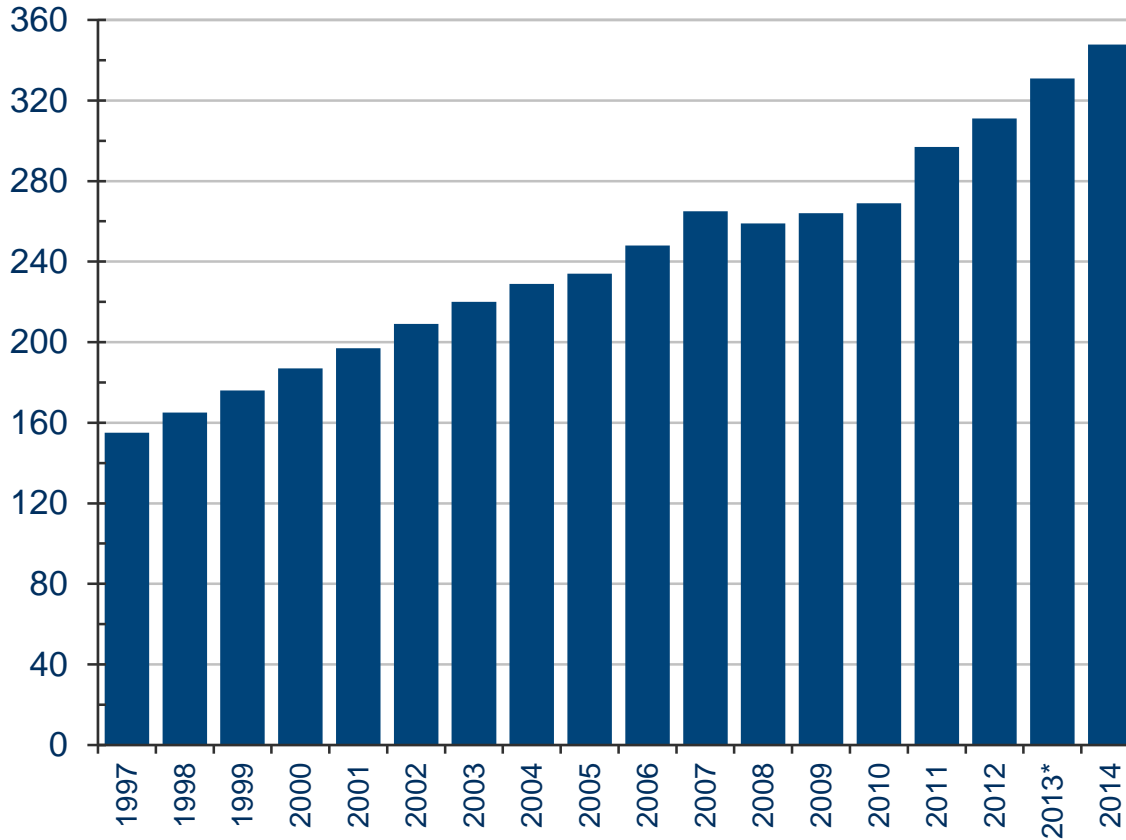
Share of value segment



Source: Nielsen (excluding tobacconists), 12 weeks ending 14 June 2015.

Estimated snus consumption, Scandinavia

Million cans

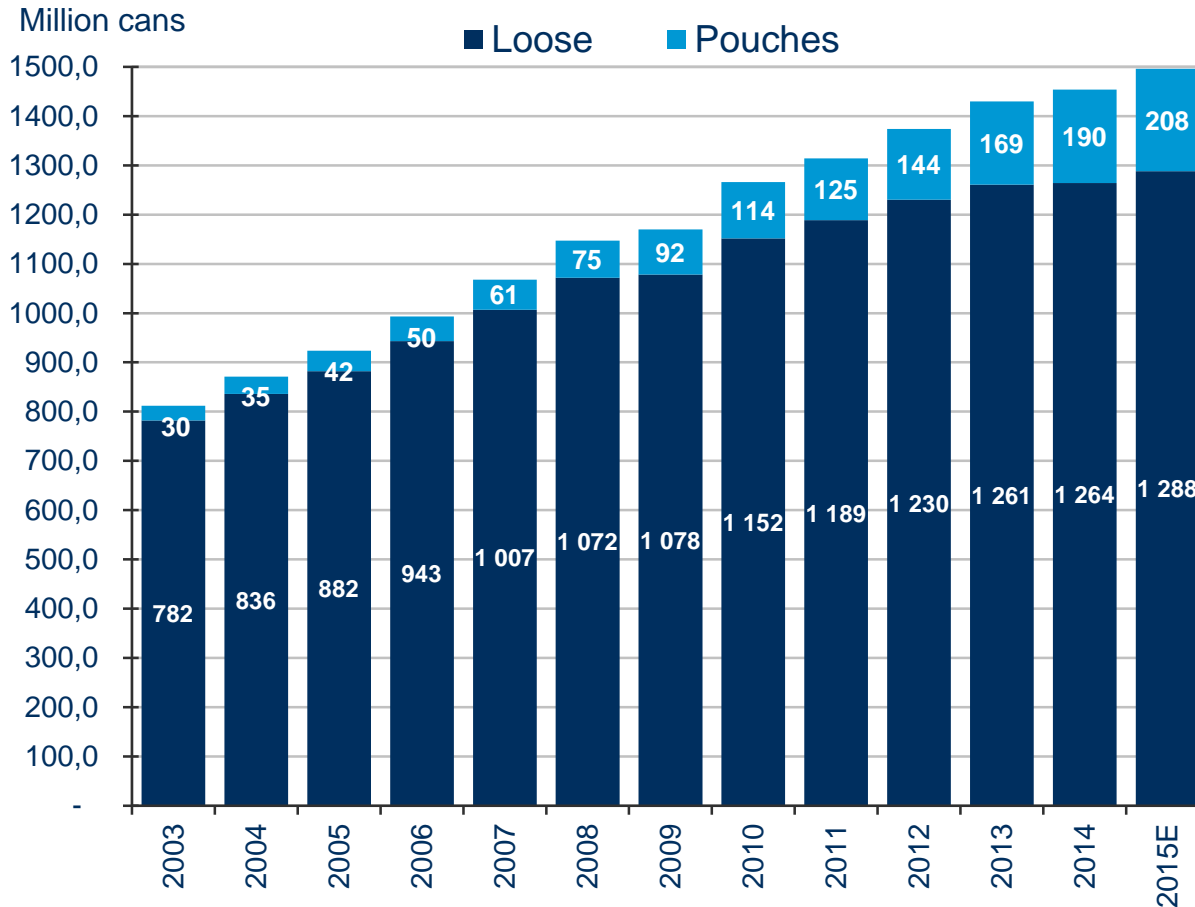


Source: Swedish Match estimates, adjusted for hoarding in Sweden.

* 2013 figure rebased.

US moist snuff category development

Category by segment: loose vs. pouches



Estimates have been restated by Swedish Match.
Source: Swedish Match and industry estimates.

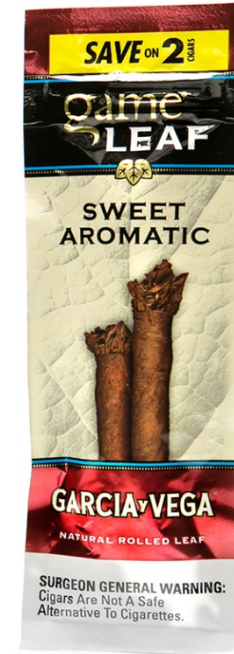
Other tobacco products

US cigars

- Swedish Match is a major player in the US cigar market
- Production takes place in Santiago, Dominican Republic and Dothan, Alabama

Chewing tobacco

- Nearly all chewing tobacco sales are in the US. Swedish Match is the largest producer and production takes place in Owensboro, Kentucky



Other tobacco products (with Q2 commentary)

Cigar volume growth, driven by natural leaf cigars

- In local currency, sales were up 10% while operating profit was up 20%
- Sales, operating profit, and volumes up for cigars
 - Operating profit increased on higher volumes, positive mix and the absence of tobacco buy-out quota fee.
 - Cigar volumes up 9%, and up 7% year to date.
 - Continued strong volume development of *Game by Garcia y Vega* natural leaf cigars. Volume growth also for the *Jackpot* brand.
- Chewing tobacco sales and operating profit up in SEK
 - Positive pricing offset volume declines.
 - In US dollars, sales up slightly while operating profit decreased.
 - Volume declined by 3% for own brands in quarter.
 - Year to date volume down 6%.



| MSEK | Q2-2015 | Q2-2014 | chg | H1-2015 | H1-2014 | chg | July 2014- June 2015 | Full year 2014 | chg |
|---------------------|---------|---------|-----|---------|---------|-----|-------------------------|-------------------|-----|
| Sales | 982 | 699 | 41 | 1,915 | 1,385 | 38 | 3,362 | 2,832 | 19 |
| Operating profit | 414 | 279 | 49 | 798 | 546 | 46 | 1,361 | 1,109 | 23 |
| Operating margin, % | 42.2 | 39.9 | | 41.7 | 39.4 | | 40.5 | 39.2 | |

Other tobacco products

US shipment volumes for cigars and chewing tobacco

| | April-June | | chg % | January-June | | chg % | Full year 2014 |
|--|------------|-------|----------|--------------|-------|----------|-------------------|
| | 2015 | 2014 | | 2015 | 2014 | | |
| Cigars, millions of sticks | 314 | 289 | 9 | 626 | 588 | 7 | 1,125 |
| Chewing tobacco, thousands of pounds (excl. contract manufacturing) | 2,028 | 2,099 | -3 | 3,863 | 4,091 | -6 | 7,856 |



Strong performance for matches not enough to offset weak lighter result

- **Swedish Match is market leader in many markets. The brands are mostly local and hold a strong position in their respective markets**
- **Main markets EU, Brazil, Asia and East Europe**
- **Production in Brazil, the Netherlands, the Philippines and Sweden**

- **Lower lighter volumes, especially to Russia**
 - Significantly lower volumes to East Europe, and most notably to Russia impacted lighter profits.
 - Indications of an improved picture in Russia late in the quarter.
- **Good performance for matches**
 - Higher sales.
 - Higher operating profit.
 - Somewhat lower volumes.



| MSEK | Q2-2015 | Q2-2014 | chg | H1-2015 | H1-2014 | chg | July 2014- June 2015 | Full year 2014 | chg |
|---------------------|---------|---------|-----|---------|---------|-----|-------------------------|-------------------|-----|
| Sales | 318 | 299 | 6 | 649 | 614 | 6 | 1,330 | 1,295 | 3 |
| Operating profit | 36 | 49 | -26 | 93 | 104 | -11 | 207 | 218 | -5 |
| Operating margin, % | 11.4 | 16.4 | | 14.3 | 17.0 | | 15.5 | 16.8 | |

Scandinavian Tobacco Group (STG) – second quarter

- **STG sales up 14%**
 - Adjusted for currency translation effects and the Verellen acquisition, sales were also higher.
- **Gross profit up in local currencies for all product areas**
 - Machine made cigar sales and gross profit up with contribution from Verellen and lower production costs per cigar.
 - Handmade cigar sales and gross profit up on strong volume development and positive mix effects.
 - For both the fine cut and the pipe tobacco business, positive country mix contributed to increases in sales and gross profit.
- **Operating expenses during the quarter increased primarily as a result of currency translation effects and the acquisition of Verellen**
- **Reported EBITDA amounted to 376 MDKK (286)**
- **Net financial costs for the quarter increased to 32 MDKK (11) reflecting exchange losses due to currency fluctuation between the quarters**
- **Net profit for the quarter amounted to 206 MDKK (163)**
- **Swedish Match's reported share of net profit in STG amounted to 126 MSEK (78)**
 - Including the positive effect of the reassessment of useful lives in the 2014 comparable figures, Swedish Match's share of net profit would have increased from 92 MSEK in 2014 to 126 MSEK in 2015.



- **Tax rate for the Group was 21.0% for the first half of 2015**

- Includes profit and loss impact from associated companies.
- The reported tax rate, excluding associated companies and joint ventures, was 24.5%.

- **Cash flow**

- Cash flow from operating activities for the first six months was 1,741 MSEK (1,921), negatively affected by changes in working capital impacted by timing effects.
- Net cash used in investing activities amounted to 155 MSEK (158) during the first six months.

- **Cash distributed to shareholders**

- During the first six months, Swedish Match made share repurchases of 659 MSEK.
- During the same period the Company sold treasury shares of 141 MSEK as a result of option holders exercising options.

■ Financial policy

- Dividend policy: 40-60% of earnings per share.
- 2014 dividend: 7.50 SEK per share (7.30).
- Net debt not to exceed 3 times EBITA*.

■ Financing

- The net finance cost for the first six months decreased to 230 MSEK (251), mainly due to decreased average debt.
- During the first six months new bond loans of 498 MSEK were issued.
- Repayments of bond loans for the same period amounted to 139 MSEK.
- As of June 30, 2015 Swedish Match had 9,063 MSEK of interest bearing debt excluding retirement benefit obligations compared to 8,703 MSEK at December 31, 2014.
- During the remainder of 2015, 1,000 MSEK of this debt falls due for payment.
- Cash and cash equivalents amounted to 2,343 MSEK at the end of the period, compared to 2,312 MSEK at December 31, 2014.
- Net debt/EBITA per June 30 was at 2.3* (2.3* for 12 months to December 31, 2014).



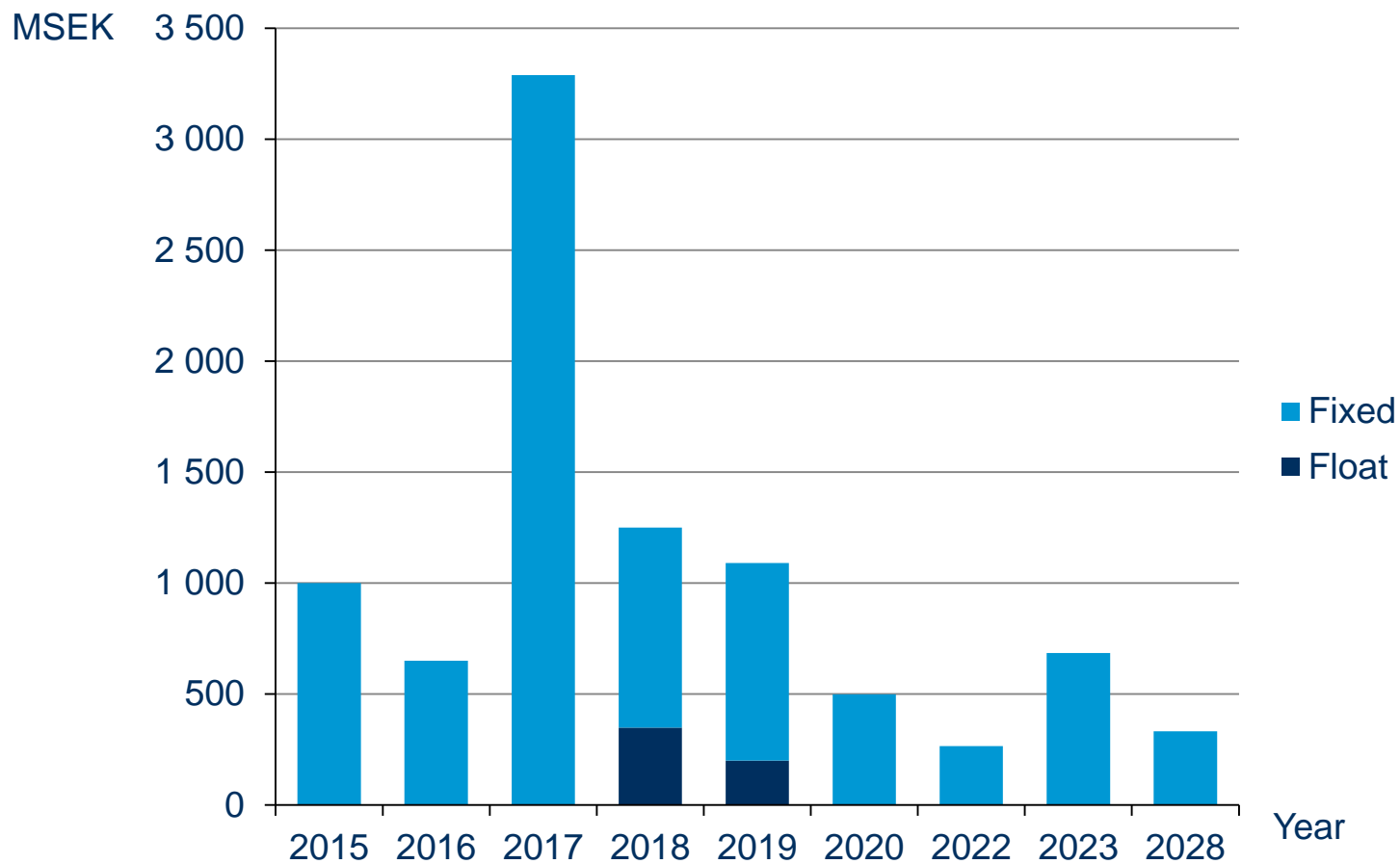
* Excluding share of net profit in STG. Operating profit adjusted for amortization and write-downs of intangible assets.

Other events and events after the reporting period

- **SMD Logistics AB reached an agreement to sell its distribution facility in Solna, Sweden, and reached an agreement to acquire a new distribution center located in Upplands-Bro, Sweden**
 - The new distribution center is planned to be taken into operation during the first quarter of 2016. At the same time, SMD Logistics AB's current distribution center will be consolidated into the new distribution center.
 - The sale of the distribution center in Solna is planned to be closed at the end of the first quarter 2016 for approximately 150 MSEK at which time a capital gain estimated to be in excess of 140 MSEK will be recognized. The plan is to also divest the Hisings Backa distribution facility in the future.
 - The investment in the new distribution center is estimated at approximately 150 MSEK and is expected to be paid in the fourth quarter of 2015.
 - Restructuring costs of 42 MSEK related to the relocation project were recognized as a larger one-time item during the second quarter.
- **On July 16, it was announced that Swedish Match and Philip Morris International (PMI) have mutually agreed to dissolve the joint venture SMPM International**
 - Swedish Match and PMI will now focus on independent strategies for the commercialization of snus in the former joint venture territory. Trademark licenses will revert to the original owners, and separate transitional agreements have been signed whereby Swedish Match will supply snus products to PMI for certain markets and PMI will perform distribution services on behalf of Swedish Match in Canada and in Russia.

Maturity profile of interest bearing liabilities

As of June 30, 2015



P&L in summary

| MSEK | Q2-2015 | Q2-2014 | Chg % | H1-2015 | H1-2014 | Chg % | July 2014- June 2015 | Full year 2014 | Chg % |
|---|--------------|--------------|-----------|--------------|--------------|-----------|-------------------------|-------------------|----------|
| Sales | 3,644 | 3,339 | 9 | 7,011 | 6,353 | 10 | 13,964 | 13,305 | 5 |
| Cost of goods sold | -1,929 | -1,784 | | -3,681 | -3,345 | | -7,444 | -7,109 | |
| Gross profit | 1,715 | 1,555 | 10 | 3,330 | 3,007 | 11 | 6,520 | 6,197 | 5 |
| Selling and administrative expenses | -771 | -681 | | -1,512 | -1,318 | | -2,897 | -2,703 | |
| Share of profit/loss in associated companies and joint ventures* | 119 | 67 | | 259 | 109 | | 435 | 285 | |
| Relocation of distribution facilities | -42 | - | | -42 | - | | -42 | - | |
| Operating profit* | 1,021 | 941 | 9 | 2,035 | 1,798 | 13 | 4,016 | 3,780 | 6 |
| Finance income | 4 | 8 | | 8 | 16 | | 20 | 27 | |
| Finance costs | -119 | -133 | | -238 | -267 | | -508 | -537 | |
| Net finance cost | -115 | -125 | | -230 | -251 | | -488 | -510 | |
| Profit before income tax | 906 | 816 | 11 | 1,805 | 1,547 | 17 | 3,528 | 3,270 | 8 |
| Income tax expense | -200 | -165 | | -379 | -316 | | -707 | -644 | |
| Profit for the period* | 705 | 651 | 8 | 1,426 | 1,231 | 16 | 2,821 | 2,626 | 7 |
| Earnings per share, basic, SEK | 3.62 | 3.27 | | 7.31 | 6.18 | | 14.35 | 13.23 | |
| Earnings per share, adjusted, basic, SEK* | 3.79 | 3.27 | | 7.19 | 6.18 | | 14.23 | 13.23 | |
| Earnings per share, diluted, SEK | 3.62 | 3.27 | | 7.30 | 6.18 | | 14.35 | 13.22 | |
| Earnings per share, adjusted, diluted, SEK* | 3.79 | 3.27 | | 7.18 | 6.18 | | 14.23 | 13.22 | |

* For full detail, please refer to notes in the January-June 2015 report.

Balance sheet in summary

| MSEK | June 30, 2015 | December 31, 2014 |
|--|---------------|-------------------|
| Intangible assets | 1,050 | 1,030 |
| Property, plant and equipment | 2,073 | 2,074 |
| Investments in associated companies and joint ventures | 5,350 | 5,233 |
| Other non-current financial receivables | 1,685 | 1,669 |
| Current operating assets | 3,257 | 4,255 |
| Cash and cash equivalents | 2,343 | 2,312 |
| Total assets | 15,759 | 16,573 |
| Equity attributable to equity holders of the Parent | 118 | 277 |
| Non-controlling interests | 1 | 1 |
| Total equity | 119 | 279 |
| Non-current provisions | 1,129 | 1,081 |
| Non-current loans | 8,042 | 7,803 |
| Other non-current financial liabilities* | 2,036 | 2,063 |
| Current provisions | 145 | 98 |
| Current loans | 1,256 | 1,141 |
| Other current liabilities | 3,032 | 4,109 |
| Total equity and liabilities | 15,759 | 16,573 |

* For full detail, please refer to notes in the January-June 2015 report.

Cash flow in summary

| MSEK | Jan-Jun 2015 | Jan-Jun 2014 |
|--|-----------------|-----------------|
| Cash flow from operating activities before changes in working capital | 1,844 | 1,655 |
| Cash flow from changes in working capital | -103 | 266 |
| Net cash from operating activities | 1,741 | 1,921 |
| Purchase of property, plant and equipment* | -139 | -134 |
| Proceeds from sale of property, plant and equipment | 1 | 0 |
| Purchase of intangible assets | -7 | 0 |
| Investments in associated companies and joint ventures* | -10 | -25 |
| Changes in financial receivables etc. | 0 | 0 |
| Net cash used in investing activities | -155 | -158 |
| Changes in loans | 360 | -484 |
| Dividend paid to equity holders of the Parent | -1,464 | -1,453 |
| Repurchase of own shares | -659 | -68 |
| Stock options exercised | 141 | 53 |
| Other | -21 | -1 |
| Net cash used in financing activities | -1,644 | -1,953 |
| Net increase in cash and cash equivalents | -57 | -190 |
| Cash and cash equivalents at the beginning of the period | 2,312 | 3,164 |
| Effect of exchange rate fluctuations on cash and cash equivalents | 89 | 48 |
| Cash and cash equivalents at the end of the period | 2,343 | 3,022 |

* For full detail, please refer to notes in the January-June 2015 report.

Key ratios

| MSEK | Jan-Jun 2015 | Jan-Jun 2014 |
|--|-----------------|-----------------|
| Operating margin, % | 29.6 | 28.3 |
| Operating capital, MSEK | 8,519 | 7,596 |
| Return on operating capital, % (12 months ended June 30, 2015) | 50.4 | |
| EBITDA, MSEK* | 2,236 | 1,942 |
| EBITA, MSEK* | 2,099 | 1,819 |
| Net debt, MSEK | 8,412 | 8,214 |
| Investments in property, plant and equipment, MSEK* | 139 | 134 |
| EBITA interest cover | 9.2 | 7.3 |
| <i>Excluding share of net profit in STG</i> | | |
| EBITA, MSEK* | 1,825 | 1,692 |
| Net debt/EBITA* (12 months ended June 30, 2015) | 2.3 | |
| Share data | | |
| Shares outstanding, end of period (Mio) | 193.8 | 199.1 |
| Average number of shares outstanding, basic (Mio) | 195.2 | 199.1 |

* For full detail, please refer to notes in the January-June 2015 report.

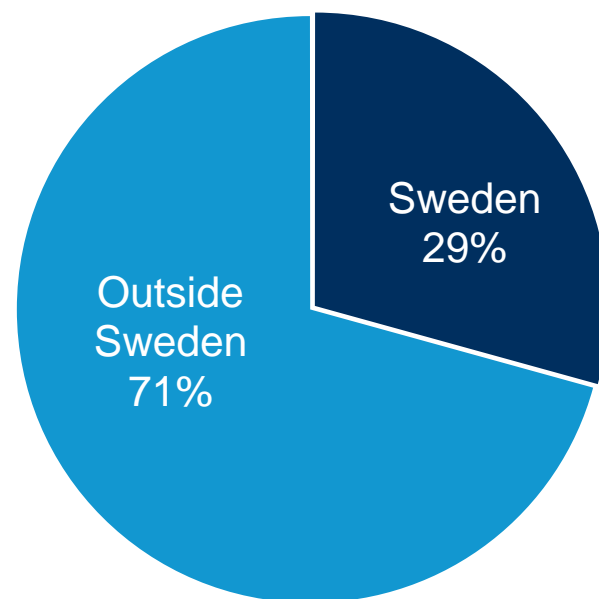
Largest shareholders*

As per June 30, 2015

Largest shareholders

| | |
|--------------------------------------|-------|
| Nordea Funds | 3.0% |
| SEB Funds | 3.0% |
| Standard Life Investment Funds | 2.9% |
| Didner & Gerge Funds | 2.3% |
| Second Swedish National Pension Fund | 2.2% |
| Invesco Funds | 1.5% |
| Fourth Swedish National Pension Fund | 1.2% |
| First Swedish National Pension Fund | 1.0% |
| SHB Funds | 0.8% |
| UBS (Lux) Funds | 0.8% |
| | <hr/> |
| | 18.7% |

48,989 shareholders



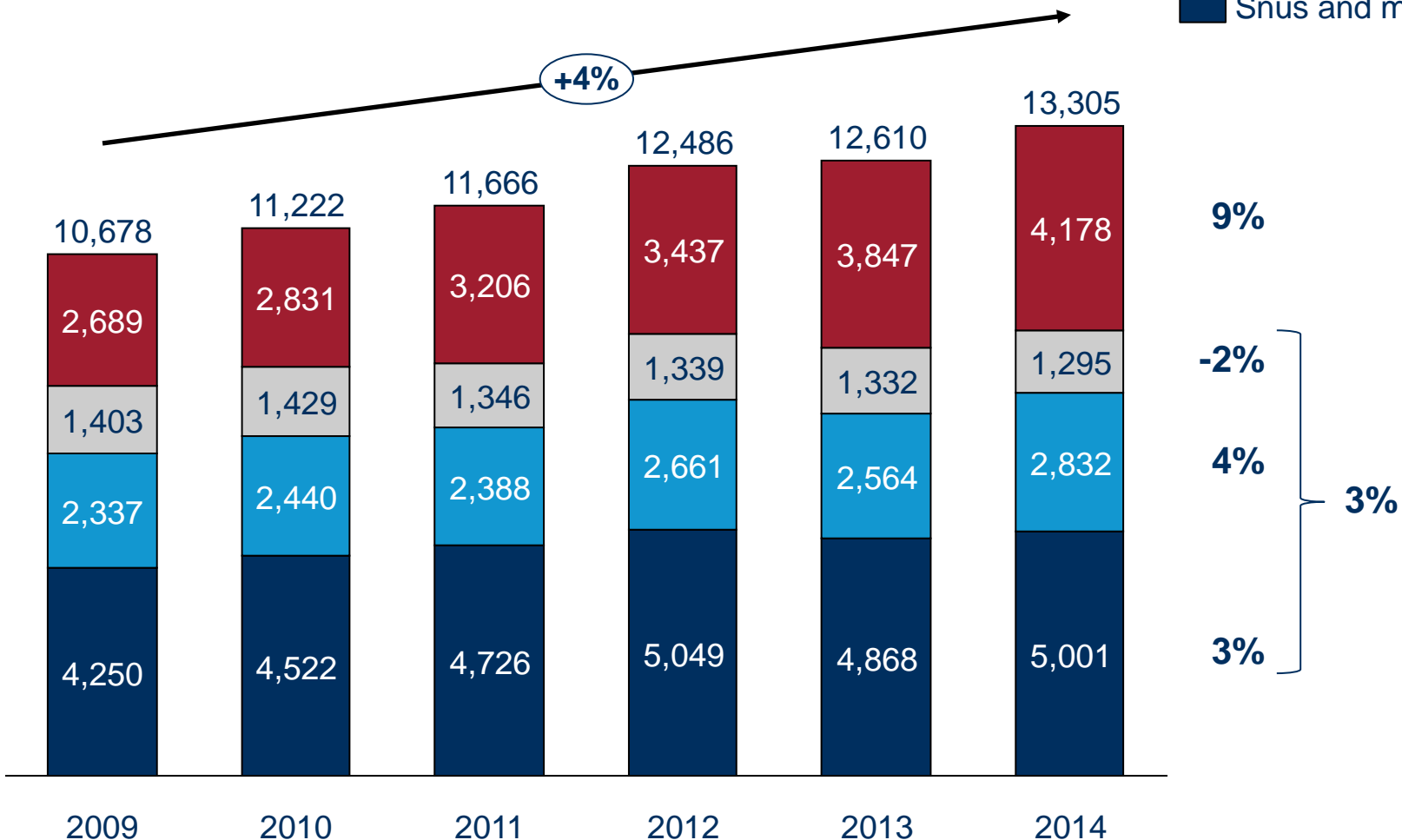
Source: Euroclear, official registry and SIS Ägaranalys.

* Percent split of share capital held, excluding Swedish Match shares held in treasury.

Comparable sales

Excluding businesses transferred to STG (MSEK)
CAGR 09-14

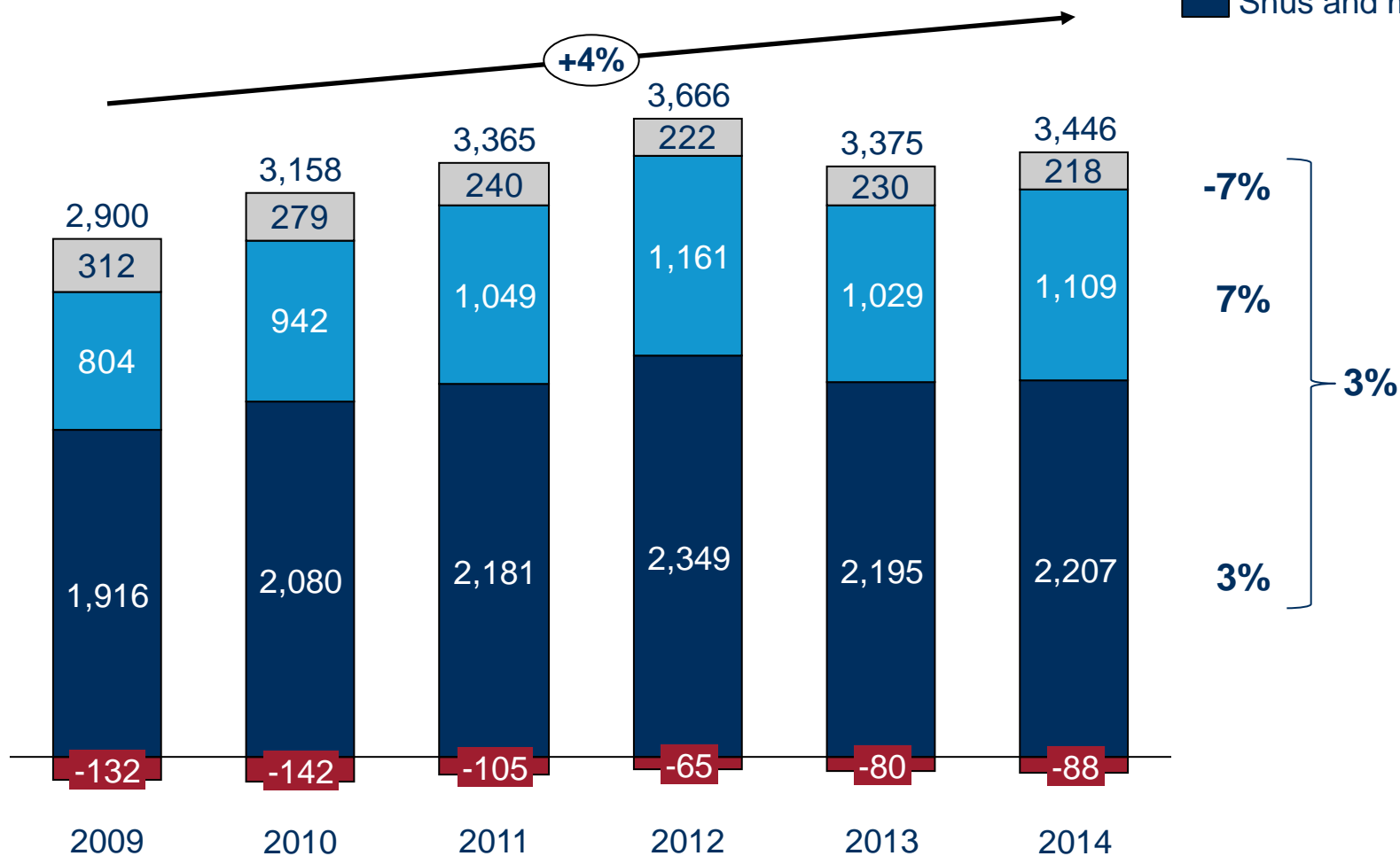
- Other operations
- Lights
- Other tobacco products
- Snus and moist snuff



Comparable operating profit

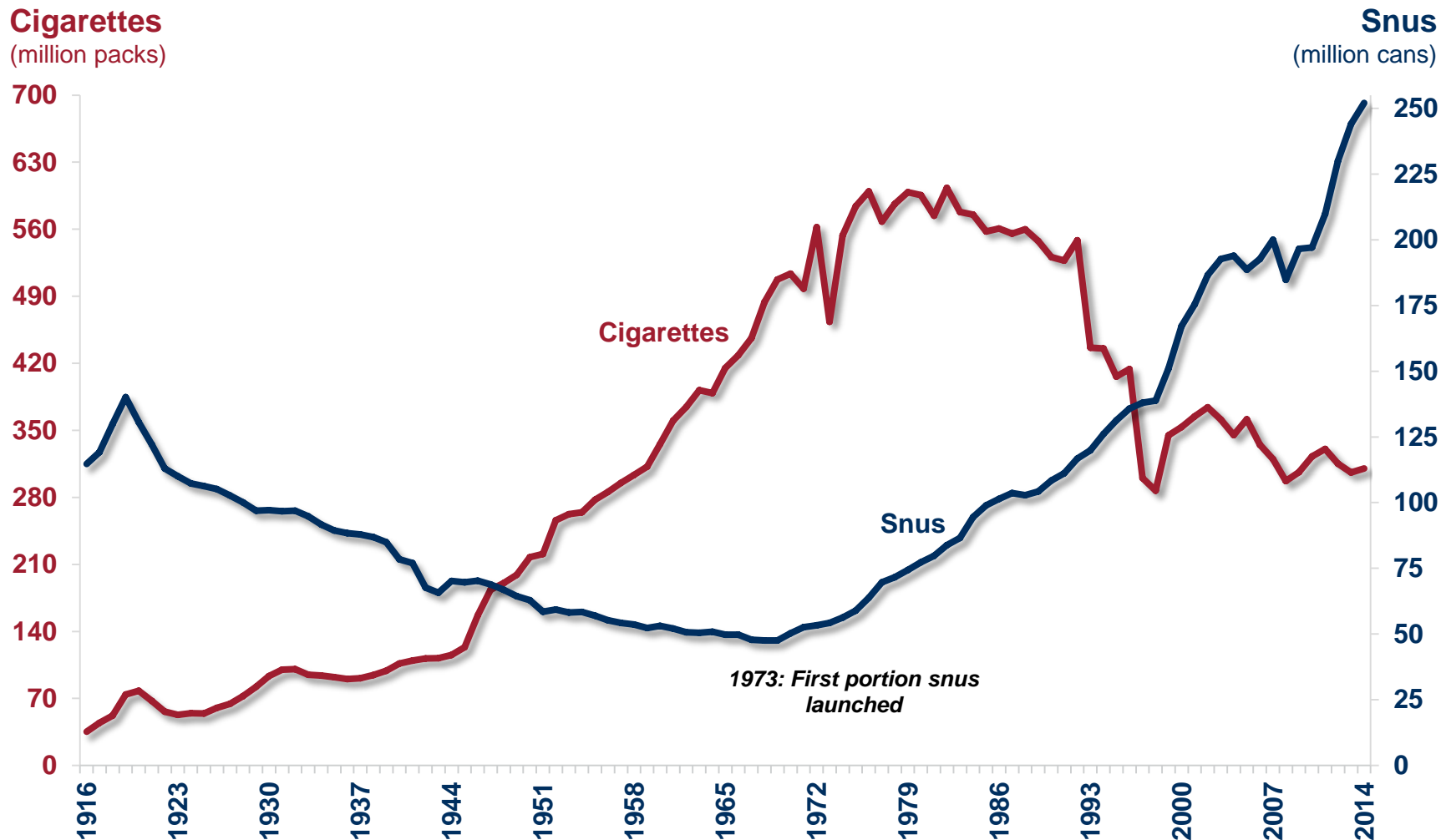
Excluding businesses transferred to STG (MSEK)
CAGR 09-14

- Other operations
- Lights
- Other tobacco products
- Snus and moist snuff



Competing with cigarettes is not new to Swedish Match

Volume development for cigarettes and snus in Sweden since 1916



Source: Swedish Match estimates.