

FINAL TERMS

6 November 2017

SWEDISH MATCH AB (PUBL)

**Issue of €200,000,000 1.20 per cent. Notes due 2025
under the €1,500,000,000
Global Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 21 September 2017 (the **Offering Circular**) which constitutes a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular has been published on the website of the London Stock Exchange through a regulatory information service (www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).

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| 1. | Issuer: | Swedish Match AB (publ) |
| 2. | (i) Series Number: | 42 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3. | Specified Currency or Currencies: | Euro (€) |
| 4. | Aggregate Nominal Amount: | |
| | (i) Tranche: | €200,000,000 |
| | (ii) Series: | €200,000,000 |
| 5. | Issue Price of Tranche: | 99.576 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denominations: | €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000 |
| | (ii) Calculation Amount: | €1,000 |
| 7. | (i) Issue Date: | 8 November 2017 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 10 November 2025 |
| 9. | Interest Basis: | 1.20 per cent. Fixed Rate
(see paragraph 14 below) |

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| 10. | Redemption Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 11. | Change of Interest Basis: | Not Applicable |
| 12. | Put/Call Options: | Change of Control Put
Issuer Call
(see paragraphs 17 and 19 below) |
| 13. | Date Board approval for issuance of Notes obtained: | 16 February 2017 |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 14. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate(s) of Interest: | 1.20 per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) Interest Payment Date(s): | 10 November in each year, commencing on 10 November 2018, up to and including the Maturity Date

There will be a long first coupon (the long first coupon) in respect of the period from, and including, the Interest Commencement Date to, but excluding, 10 November 2018 |
| | (iii) Fixed Coupon Amount(s): | €12.00 per Calculation Amount (other than in respect of the long first coupon, as to which, see item (iv) below) |
| | (iv) Broken Amount(s): | €12.07 per Calculation Amount, in respect of the long first coupon, payable on the Interest Payment Date falling on 10 November 2018 |
| | (v) Day Count Fraction: | Actual/Actual (ICMA) |
| | (vi) Determination Date(s): | 10 November in each year |
| 15. | Floating Rate Note Provisions | Not Applicable |
| 16. | Zero Coupon Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 17. | Issuer Call | Applicable |
| | (i) Optional Redemption Date(s): | Any Business Day (as defined in Condition 5(b)) from and including 10 August 2025 to but excluding the Maturity Date |
| | (ii) Optional Redemption Amount | €1,000 per Calculation Amount |
| | (iii) If redeemable in part | Not Applicable |

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| 18. | Investor Put | Not Applicable |
| 19. | Change of Control Put | Applicable |
| 20. | Final Redemption Amount | €1,000 per Calculation Amount |
| 21. | Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default: | €1,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 22. | Form of Notes | <p>Bearer Notes</p> <p>Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Bearer Note which is exchangeable for definitive Bearer Notes only upon an Exchange Event.</p> <p>Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005.</p> |
| 23. | Additional Financial Centre(s) | Not Applicable |
| 24. | Talons for future Coupons to be attached to Definitive Bearer Notes: | No |

Signed on behalf of Swedish Match AB (publ):


 By: MARLENE
 Duly authorised Per Anderberg

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority with effect from 8 November 2017.
- (ii) Estimate of total expenses related to admission to trading: £3,600

2. RATINGS

- Ratings
- The Notes to be issued are expected to be rated:
- Moody's Investors Service Ltd: Baa2
- Standard & Poor's Credit Market Services Europe Limited: BBB
- Each of Moody's Investors Service Ltd and Standard & Poor's Credit Market Services Europe Limited is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to Deutsche Bank AG, London Branch (the **Manager**), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Manager and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD

- Indication of yield: 1.256 per cent. per annum
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

- (i) ISIN: XS1715328768
- (ii) Common Code: 171532876
- (iii) Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable
- (iv) Names and addresses of additional Paying: Not Applicable

Agent(s) (if any):

(v) Registrar: Not Applicable

6. DISTRIBUTION

(i) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D

(ii) Prohibition of Sales to EEA Retail Investors: Not Applicable

