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shareholders holding less than 200 Shares each. The total shareholding of this group was 3,353,865 Shares, or 1.0% of total outstanding Shares. Out of such shareholders, there were 167 shareholders with U.S. addresses, together representing 10,923 Shares, or 0.0034% of total outstanding Shares. The aggregate value of such Shares was approximately SEK 1,228,838, based on the closing price of the Shares on the Exchange on May 2, 2006, or approximately \$166,939, based on the Noon Buying Rate.

On at least one previous occasion involving a foreign private issuer, the Staff took a no-action position under Rule 13e-4 where an odd-lot threshold was greater than 100 shares. In the Staff's response to the no-action request of Hanson PLC ("Hanson") (avail. December 31, 1990) ("*Hanson 1990*"), the Staff stated that it would not recommend enforcement action under Rule 13e-4 if Hanson conducted a sale facility to purchase warrants for its shares from holders of 500 or fewer warrants (each of which was a warrant to purchase one Hanson share). In *Hanson 1990*, the reasons set forth for granting the exception from Rule 13e-4 included (i) the *de minimis* number of U.S. eligible participants in the sale facility, (ii) the lack of any U.S. trading market for the securities and (iii) the fact that holdings of 500 shares were then customarily treated as odd lots in the United Kingdom.

The Program is on all fours with *Hanson 1990*. Here, as in *Hanson 1990*, the number of U.S. eligible participants in the Program is *de minimis*. In addition, there is no U.S. trading market for the Shares. Finally, 200 shares are treated as a round lot of the Shares in Sweden.

We recognize that in two subsequent no-action letters, the Staff granted relief from Rule 13e-4 with respect to odd-lot programs that applied to shareholders outside the United States owning less than 1,000 shares, but to U.S. shareholders owning less than 100 shares. Hanson, No-Action Letter (avail. January 23, 1997) ("*Hanson January 1997*") and Hanson, No-Action Letter (avail. February 24, 1997) ("*Hanson February 1997*" and, together with *Hanson January 1997*, "*Hanson 1997*"). In other words, only the non-U.S. portion of the odd-lot program did not meet the requirements of Rule 13e-4(h)(5) in *Hanson 1997*. By contrast, the Program will apply a 200 Share limit to all holders of Shares, whether located in or outside the United States.

We do not believe, however, that *Hanson 1997* mandates Swedish Match to limit U.S. participants in the Program to less than 100 Shares in order to satisfy Rule 13e-4(h)(5). A crucial distinction between the Program and those at issue in *Hanson 1997* is that there is no trading market in the United States for the securities being sold pursuant to the Program. In *Hanson 1997*, by contrast, Hanson ADSs were listed on the New York Stock Exchange. Therefore, in our view *Hanson 1990*, rather than *Hanson 1997*, provides the relevant precedent for the Program.

Here, there is no trading market in the United States for the Shares and Swedish Match has no outstanding ADSs. Splitting the Program so that the threshold for non-U.S. shareholders would be 200, and that for U.S. shareholders would be 100, would disadvantage any U.S. shareholders holding between 100 and 199 Shares. Such a U.S. shareholder would be unable to dispose of any Shares in the Program. Because 200 Shares constitute a round lot on the Exchange, however, such shareholder would have no option when selling his or her Shares other than the Exchange's smaller and less liquid trading system for small orders. The shareholder would generally receive a lower price for her/his Shares. Furthermore, there would be additional brokerage commissions.

