

**BRITISH AMERICAN TOBACCO ( MALAYSIA ) BERHAD**  
(Company No : 4372-M)

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

For the 6 months ended 30 June 2011

	Note	3 months ended		Financial period ended	
		30.6.2011	30.6.2010	30.6.2011	30.6.2010
		RM'000	RM'000	RM'000	RM'000
Revenue		1,043,306	993,874	2,035,455	2,012,694
Cost of sales		(671,101)	(612,461)	(1,307,138)	(1,236,628)
Gross profit		372,205	381,413	728,317	776,066
Other operating income		2,778	3,589	5,893	5,185
Operating expenses		(120,354)	(128,123)	(232,498)	(259,488)
Profit from operations		254,629	256,879	501,712	521,763
Finance cost		(6,831)	(6,831)	(13,587)	(13,587)
Profit before tax		247,798	250,048	488,125	508,176
Tax expense	5	(63,658)	(64,208)	(125,428)	(130,441)
Profit for the financial period		184,140	185,840	362,697	377,735
Earnings per share - basic (sen)	23	64.5	65.1	127.0	132.3
Earnings per share - diluted (sen)	23	64.5	65.1	127.0	132.3
Net dividends per share (sen)					
- Interim 1 dividend		-	113.0	60.0	113.0
- Interim 2 dividend		60.0	-	60.0	-
- Special interim dividend		30.0	-	30.0	-
		90.0	113.0	150.0	113.0

**The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2010.**

**BRITISH AMERICAN TOBACCO ( MALAYSIA ) BERHAD**  
(Company No : 4372-M)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

For the 6 months ended 30 June 2011

	<b>3 months ended</b>		<b>Financial period ended</b>	
	<b>30.6.2011</b>	<b>30.6.2010</b>	<b>30.6.2011</b>	<b>30.6.2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit for the financial period	184,140	185,840	362,697	377,735
Other comprehensive income:				
Change in fair value of cash flow hedges, net of tax	(984)	894	1,941	(3,375)
Deferred tax movement on other comprehensive income				
- deferred tax on revalued land and buildings	-	30	-	60
- deferred tax on fair value changes of cash flow hedges	246	(223)	(486)	844
	<hr/>			
Total other comprehensive income for the financial period	(738)	701	1,455	(2,471)
	<hr/>			
Total comprehensive income for the financial period	183,402	186,541	364,152	375,264
	<hr/> <hr/>			
Attributable to:				
Shareholders' equity	183,402	186,541	364,152	375,264
	<hr/> <hr/>			

**The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2010.**

**BRITISH AMERICAN TOBACCO ( MALAYSIA ) BERHAD**  
(Company No : 4372-M)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the 6 months ended 30 June 2011

	Issued and fully paid ordinary shares of 50 sen each		Non- distributable	Distributable	Attributable to Shareholders' Equity
	Number of shares	Nominal value	Cash flow hedge reserve	Retained earnings	Total
	'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2011	285,530	142,765	(1,374)	349,035	490,426
Profit for the financial period				362,697	362,697
Other comprehensive income for the financial period					
- changes in fair value of cash flow hedges, net of tax	-	-	1,941	-	1,941
- deferred tax on fair value changes on cash flow hedges	-	-	(486)	-	(486)
Total comprehensive income	<u>285,530</u>	<u>142,765</u>	<u>81</u>	<u>711,732</u>	<u>854,578</u>
Dividends for financial year ended 31 December 2010					
- Interim 3	-	-	-	(179,884)	(179,884)
Dividends for financial year ended 31 December 2011					
- Interim 1	-	-	-	(171,318)	(171,318)
At 30 June 2011	<u>285,530</u>	<u>142,765</u>	<u>81</u>	<u>360,530</u>	<u>503,376</u>
At 1 January 2010	285,530	142,765	-	296,520	439,285
Profit for the financial period	-	-	-	377,735	377,735
Other comprehensive income for the financial period					
- changes in fair value of cash flow hedges, net of tax	-	-	(3,375)	-	(3,375)
- deferred tax on fair value changes on cash flow hedges	-	-	844	-	844
- deferred tax on revalued land and buildings	-	-	-	60	60
Total comprehensive income	<u>285,530</u>	<u>142,765</u>	<u>(2,531)</u>	<u>674,315</u>	<u>814,549</u>
Dividends for financial year ended 31 December 2009					
- Final	-	-	-	(177,029)	(177,029)
At 30 June 2010	<u>285,530</u>	<u>142,765</u>	<u>(2,531)</u>	<u>497,286</u>	<u>637,520</u>

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2010.**

**BRITISH AMERICAN TOBACCO ( MALAYSIA ) BERHAD**  
(Company No : 4372-M)

**CONDENSED CONSOLIDATED BALANCE SHEET**

As at 30 June 2011

	Note	As at 30.6.2011 RM'000	As at 31.12.2010 RM'000
<b>Non-current assets</b>			
Property, plant and equipment	6	390,551	405,826
Investment property		1,636	1,636
Goodwill		411,618	411,618
Computer software		2,667	4,336
Deferred tax assets		15,158	15,158
		<u>821,630</u>	<u>838,574</u>
<b>Current assets</b>			
Assets held for sale		888	888
Inventories		223,447	193,572
Receivables		184,335	179,489
Derivative financial instruments	15	109	-
Deposits, cash and bank balances		413,738	356,623
		<u>822,517</u>	<u>730,572</u>
<b>Current liabilities</b>			
Payables		338,979	314,208
Current tax liabilities		106,393	66,758
Derivative financial instruments	15	-	1,832
		<u>445,372</u>	<u>382,798</u>
<b>Net current assets</b>			
		377,145	347,774
		<u>1,198,775</u>	<u>1,186,348</u>
<b>Capital and reserves</b>			
Share capital	11	142,765	142,765
Cash flow hedge reserve		81	(1,374)
Retained earnings		360,530	349,035
<b>Shareholders' funds</b>		<u>503,376</u>	<u>490,426</u>
<b>Non-current liabilities</b>			
Borrowings (interest bearing)	12	650,000	650,000
Post employment benefit obligations		4,769	4,117
Deferred tax liabilities		40,630	41,805
		<u>1,198,775</u>	<u>1,186,348</u>
Net Assets per share (RM)		1.76	1.72

**The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2010.**

**BRITISH AMERICAN TOBACCO ( MALAYSIA ) BERHAD**  
(Company No : 4372-M)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the 6 months ended 30 June 2011

	<b>6 months ended 30.6.2011</b>	<b>6 months ended 30.6.2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Operating activities</b>		
Cash receipts from customers	1,978,183	1,964,626
Cash paid to suppliers and employees	(1,471,618)	(1,363,447)
Cash from operations	506,565	601,179
Income taxes paid	(91,109)	(87,681)
Net cash flow from operating activities	415,456	513,498
<b>Investing activities</b>		
Property, plant and equipment		
- additions	(13,554)	(2,403)
- disposals	12,857	6,914
Interest income received	5,346	3,857
Net cash flow from investing activities	4,649	8,368
<b>Financing activities</b>		
Dividends paid to shareholders	(351,202)	(177,029)
Interest expense paid	(11,788)	(11,743)
Net cash flow used in financing activities	(362,990)	(188,772)
<b>Increase in cash and cash equivalents</b>	57,115	333,094
<b>Cash and cash equivalents as at 1 January</b>	356,623	168,686
<b>Cash and cash equivalents as at 30 June</b>	413,738	501,780

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2010**