

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

CONDENSED CONSOLIDATED INCOME STATEMENTS

For the financial year ended 31 December 2011

| | Note | 3 months ended | | Financial year ended | |
|------------------------------------|------|----------------|------------|----------------------|-------------|
| | | 31.12.2011 | 31.12.2010 | 31.12.2011 | 31.12.2010 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | 987,265 | 959,163 | 4,127,245 | 3,965,448 |
| Cost of sales | | (610,821) | (609,001) | (2,635,104) | (2,476,641) |
| Gross profit | | 376,444 | 350,162 | 1,492,141 | 1,488,807 |
| Other operating income | | 5,716 | 20,113 | 14,243 | 28,120 |
| Operating expenses | | (146,422) | (134,943) | (522,716) | (530,346) |
| Profit from operations | | 235,738 | 235,332 | 983,668 | 986,581 |
| Finance cost | | (6,906) | (6,906) | (27,400) | (27,400) |
| Profit before tax | | 228,832 | 228,426 | 956,268 | 959,181 |
| Tax expense | 5 | (48,184) | (45,705) | (236,653) | (228,070) |
| Profit for the financial period | | 180,648 | 182,721 | 719,615 | 731,111 |
| Earnings per share - basic (sen) | 21 | 63.3 | 64.0 | 252.0 | 256.1 |
| Earnings per share - diluted (sen) | 21 | 63.3 | 64.0 | 252.0 | 256.1 |
| Net dividends per share (sen) | | | | | |
| - Interim 1 dividend | | | | 60.0 | 113.0 |
| - Interim 2 dividend | | | | 60.0 | 64.0 |
| - Special interim dividend | | | | 30.0 | - |
| - Interim 3 dividend | | | 63.0 | 60.0 | 63.0 |
| - Interim 4 dividend | | 66.0 | | 66.0 | |
| | | 66.0 | 63.0 | 276.0 | 240.0 |

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 financial year ended 31 December 2011

| | Note | 3 months ended | | Financial year ended | |
|---|------|----------------|----------------|----------------------|----------------|
| | | 31.12.2011 | 31.12.2010 | 31.12.2011 | 31.12.2010 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit for the financial period | | 180,648 | 182,721 | 719,615 | 731,111 |
| Other comprehensive income: | | | | | |
| Change in fair value of cash flow hedges, net of tax | | (2,118) | (210) | 1,510 | (1,832) |
| Defined benefit plan actuarial loss | | 59 | (90) | 59 | (90) |
| Deferred tax movement on other comprehensive income | | | | | |
| - deferred tax on revalued land and buildings | | - | 3,821 | - | 3,911 |
| - deferred tax on fair value changes of cash flow hedges | | 530 | 52 | (378) | 458 |
| Total other comprehensive income for the financial period | 6 | <u>(1,529)</u> | <u>3,573</u> | <u>1,191</u> | <u>2,447</u> |
| Total comprehensive income for the financial period | | <u>179,119</u> | <u>186,294</u> | <u>720,806</u> | <u>733,558</u> |
| Attributable to: | | | | | |
| Shareholders' equity | | <u>179,119</u> | <u>186,294</u> | <u>720,806</u> | <u>733,558</u> |

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 financial year ended 31 December 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 year | - | - | - | 719,615 | 719,615 |
| Other comprehensive income for the financial year | | | | | |
| - changes in fair value of cash flow hedges, net of tax | - | - | 1,510 | - | 1,510 |
| - defined benefit plan actuarial loss | - | - | - | 59 | 59 |
| - deferred tax on fair value changes on cash flow hedges | - | - | (378) | - | (378) |
| Total comprehensive income | 285,530 | 142,765 | (242) | 1,068,709 | 1,211,232 |
| 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) |
| - Interim 2 | - | - | - | (171,318) | (171,318) |
| - Special interim dividend | - | - | - | (85,659) | (85,659) |
| - Interim 3 | - | - | - | (171,318) | (171,318) |
| At 31 December 2011 | 285,530 | 142,765 | (242) | 289,212 | 431,735 |
| At 1 January 2010 | 285,530 | 142,765 | - | 296,520 | 439,285 |
| Profit for the financial year | - | - | - | 731,111 | 731,111 |
| Other comprehensive income for the financial year | | | | | |
| - changes in fair value of cash flow hedges, net of tax | - | - | (1,832) | - | (1,832) |
| - deferred benefit plan actuarial loss | - | - | - | (90) | (90) |
| - deferred tax on fair value changes on cash flow hedges | - | - | 458 | - | 458 |
| - deferred tax on revalued land and buildings | - | - | - | 3,911 | 3,911 |
| Total comprehensive income | 285,530 | 142,765 | (1,374) | 1,031,452 | 1,172,843 |
| Dividends for financial year ended 31 December 2009 | | | | | |
| - Final | - | - | - | (177,029) | (177,029) |
| Dividends for financial year ended 31 December 2010 | | | | | |
| - Interim 1 | - | - | - | (322,649) | (322,649) |
| - Interim 2 | - | - | - | (182,739) | (182,739) |
| At 31 December 2010 | 285,530 | 142,765 | (1,374) | 349,035 | 490,426 |

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 31 December 2011

| | Note | As at 31.12.2011 RM'000 | As at 31.12.2010 RM'000 |
|---|-------------|--|--|
| Non-current assets | | | |
| Property, plant and equipment | | 424,332 | 405,826 |
| Investment property | | 138 | 1,636 |
| Goodwill | | 411,618 | 411,618 |
| Computer software | | 4,742 | 4,336 |
| Deferred tax assets | | 20,102 | 15,158 |
| | | <u>860,932</u> | <u>838,574</u> |
| Current assets | | | |
| Assets held for sale | | - | 888 |
| Inventories | | 192,959 | 193,572 |
| Receivables | | 206,925 | 179,489 |
| Deposits, cash and bank balances | | 306,647 | 356,623 |
| | | <u>706,531</u> | <u>730,572</u> |
| Current liabilities | | | |
| Payables | | 361,295 | 314,208 |
| Deferred Income | | 2,095 | - |
| Borrowings (interest bearing) | 10 | 400,000 | - |
| Current tax liabilities | | 67,566 | 66,758 |
| Derivative financial instruments | | 322 | 1,832 |
| | | <u>831,278</u> | <u>382,798</u> |
| Net current (liabilities) / assets | | <u>(124,747)</u> | <u>347,774</u> |
| | | <u>736,185</u> | <u>1,186,348</u> |
| Capital and reserves | | | |
| Share capital | 8 | 142,765 | 142,765 |
| Cash flow hedge reserve | | (242) | (1,374) |
| Retained earnings | | 289,212 | 349,035 |
| Shareholders' funds | | <u>431,735</u> | <u>490,426</u> |
| Non-current liabilities | | | |
| Deferred Income | | 7,683 | - |
| Borrowings (interest bearing) | 10 | 250,000 | 650,000 |
| Post employment benefit obligations | | 4,511 | 4,117 |
| Deferred tax liabilities | | 42,256 | 41,805 |
| | | <u>736,185</u> | <u>1,186,348</u> |
| Net Assets per share (RM) | | 1.51 | 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 financial year ended 31 December 2011

| | Financial year ended 31.12.2011 | Financial year ended 31.12.2010 |
|--|--|--|
| | RM'000 | RM'000 |
| Operating activities | | |
| Cash receipts from customers | 3,974,095 | 3,875,399 |
| Cash paid to suppliers and employees | (2,925,388) | (2,760,759) |
| Cash from operations | <u>1,048,707</u> | <u>1,114,640</u> |
| Income taxes paid | (240,716) | (238,716) |
| Net cash flow from operating activities | <u>807,991</u> | <u>875,924</u> |
| Investing activities | | |
| Property, plant and equipment | | |
| - additions | (80,774) | (60,050) |
| - disposals | 21,404 | 76,999 |
| Additions of computer software | (2,305) | (4,344) |
| Interest income received | 10,501 | 9,136 |
| Net cash flow from investing activities | <u>(51,174)</u> | <u>21,741</u> |
| Financing activities | | |
| Dividends paid to shareholders | (779,497) | (682,417) |
| Interest expense paid | (27,296) | (27,311) |
| Net cash flow used in financing activities | <u>(806,793)</u> | <u>(709,728)</u> |
| Increase/ (Decrease) in cash and cash equivalents | (49,976) | 187,937 |
| Cash and cash equivalents as at 1 January | 356,623 | 168,686 |
| Cash and cash equivalents as at 31 December | <u>306,647</u> | <u>356,623</u> |

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.