

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

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

For the 6 months ended 30 June 2012

	Note	3 months ended		Financial period ended	
		30.6.2012	30.6.2011	30.6.2012	30.6.2011
		RM'000	RM'000	RM'000	RM'000
Revenue		1,067,987	1,043,306	2,110,749	2,035,455
Cost of sales		(699,397)	(671,101)	(1,374,862)	(1,307,138)
Gross profit		368,590	372,205	735,887	728,317
Other operating income		7,415	2,778	10,032	5,893
Operating expenses		(72,454)	(120,354)	(173,974)	(232,498)
Profit from operations		303,551	254,629	571,945	501,712
Finance cost		(6,831)	(6,831)	(13,662)	(13,587)
Profit before tax		296,720	247,798	558,283	488,125
Tax expense	5	(75,872)	(63,658)	(142,925)	(125,428)
Profit for the financial period		220,848	184,140	415,358	362,697
Earnings per share - basic (sen)	21	77.3	64.5	145.5	127.0
Earnings per share - diluted (sen)	21	77.3	64.5	145.5	127.0
Net dividends per share (sen)					
- Interim 1 dividend		-	-	65.0	60.0
- Interim 2 dividend		65.0	60.0	65.0	60.0
- Special interim dividend		-	30.0	-	30.0
		65.0	90.0	130.0	150.0

**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 2011.**

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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

For the 6 months ended 30 June 2012

	<b>3 months ended</b>		<b>Financial period ended</b>	
	<b>30.6.2012</b>	<b>30.6.2011</b>	<b>30.6.2012</b>	<b>30.6.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit for the financial period	220,848	184,140	415,358	362,697
Other comprehensive income:				
Change in fair value of cash flow hedges	(175)	(984)	614	1,941
Deferred tax movement on other comprehensive income - deferred tax on fair value changes of cash flow hedges	44	246	(153)	(486)
Total other comprehensive income for the financial period	(131)	(738)	461	1,455
Total comprehensive income for the financial period	220,717	183,402	415,819	364,152
Attributable to:				
Shareholders' equity	220,717	183,402	415,819	364,152

**The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2011.**

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the 6 months ended 30 June 2012

	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 2012	285,530	142,765	(242)	289,212	431,735
Profit for the financial period	-	-	-	415,358	415,358
Other comprehensive income for the financial period					
- changes in fair value of cash flow hedges	-	-	614	-	614
- deferred tax on fair value changes on cash flow hedges	-	-	(153)	-	(153)
	<u>285,530</u>	<u>142,765</u>	<u>219</u>	<u>704,570</u>	<u>847,554</u>
Dividends for financial year ended 31 December 2011					
- Interim 4	-	-	-	(188,450)	(188,450)
Dividends for financial year ended 31 December 2012					
- Interim 1	-	-	-	(185,594)	(185,594)
At 30 June 2012	<u>285,530</u>	<u>142,765</u>	<u>219</u>	<u>330,526</u>	<u>473,510</u>
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	-	-	1,941	-	1,941
- deferred tax on fair value changes on cash flow hedges	-	-	(486)	-	(486)
	<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>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2011.

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

**CONDENSED CONSOLIDATED BALANCE SHEET**

As at 30 June 2012

	Note	As at	As at	As at
		30.6.2012	31.12.2011	1.1.2011
		RM'000	RM'000	RM'000
<b>Non-current assets</b>				
Property, plant and equipment		409,434	424,332	405,826
Investment property		138	138	1,636
Goodwill		411,618	411,618	411,618
Computer software		3,979	4,742	4,336
Deferred tax assets		20,102	20,102	15,158
		<u>845,271</u>	<u>860,932</u>	<u>838,574</u>
<b>Current assets</b>				
Asset held for sale		-	-	888
Inventories		337,537	192,959	193,572
Receivables		203,945	206,925	179,489
Derivative financial instruments		292	-	-
Deposits, cash and bank balances		274,471	306,647	356,623
		<u>816,245</u>	<u>706,531</u>	<u>730,572</u>
<b>Current liabilities</b>				
Payables		367,556	361,295	314,208
Deferred income		2,095	2,095	-
Borrowings	10	400,000	400,000	-
Current tax liabilities		110,952	67,566	66,758
Derivative financial instruments		-	322	1,832
		<u>880,603</u>	<u>831,278</u>	<u>382,798</u>
<b>Net current (liabilities) / assets</b>		(64,358)	(124,747)	347,774
		<u>780,913</u>	<u>736,185</u>	<u>1,186,348</u>
<b>Capital and reserves</b>				
Share capital	8	142,765	142,765	142,765
Cash flow hedge reserve		219	(242)	(1,374)
Retained earnings		330,526	289,212	349,035
<b>Shareholders' funds</b>		<u>473,510</u>	<u>431,735</u>	<u>490,426</u>
<b>Non-current liabilities</b>				
Deferred income		6,635	7,683	-
Borrowings	10	250,000	250,000	650,000
Post employment benefit obligations		5,021	4,511	4,117
Deferred tax liabilities		45,747	42,256	41,805
		<u>780,913</u>	<u>736,185</u>	<u>1,186,348</u>
Net assets per share (RM)		1.66	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 2011.**

**BRITISH AMERICAN TOBACCO ( MALAYSIA ) BERHAD**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

For the 6 months ended 30 June 2012

	<b>6 months ended 30.6.2012</b>	<b>6 months ended 30.6.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Operating activities</b>		
Cash receipts from customers	2,008,880	1,978,183
Cash paid to suppliers and employees	(1,549,498)	(1,471,618)
Cash from operations	459,382	506,565
Income taxes paid	(96,201)	(91,109)
Net cash flow from operating activities	363,181	415,456
<b>Investing activities</b>		
Property, plant and equipment		
- additions	(14,933)	(13,554)
- disposals	3,037	12,857
Additions of computer software	(443)	-
Interest income received	4,751	5,346
Net cash flow from investing activities	(7,588)	4,649
<b>Financing activities</b>		
Dividends paid to shareholders	(374,044)	(351,202)
Interest expense paid	(13,725)	(11,788)
Net cash flow used in financing activities	(387,769)	(362,990)
<b>Increase in cash and cash equivalents</b>	(32,176)	57,115
<b>Cash and cash equivalents as at 1 January</b>	306,647	356,623
<b>Cash and cash equivalents as at 30 June</b>	274,471	413,738

**The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2011.**