

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

CONDENSED CONSOLIDATED INCOME STATEMENTS

For the 6 months ended 30 June 2009

| | Note | 3 months ended | | 6 months ended | |
|--|------|----------------|-----------|----------------|-------------|
| | | 30.6.2009 | 30.6.2008 | 30.6.2009 | 30.6.2008 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | 977,648 | 1,013,647 | 1,983,274 | 2,035,057 |
| Cost of sales | | (600,675) | (606,168) | (1,201,665) | (1,217,177) |
| Gross profit | | 376,973 | 407,479 | 781,609 | 817,880 |
| Other operating income | | 1,416 | 1,839 | 2,430 | 5,120 |
| Operating expenses | | (101,734) | (137,721) | (227,962) | (259,284) |
| Profit from operations | | 276,655 | 271,597 | 556,077 | 563,716 |
| Finance cost | | (6,524) | (6,994) | (13,163) | (13,971) |
| Profit before tax | | 270,131 | 264,603 | 542,914 | 549,745 |
| Tax expense | 5 | (68,887) | (69,415) | (135,729) | (143,153) |
| Profit for the financial period | | 201,244 | 195,188 | 407,185 | 406,592 |
| Earnings per share - basic (sen) | 23 | 70.5 | 68.4 | 142.6 | 142.4 |
| Earnings per share - diluted (sen) | 23 | 70.5 | 68.4 | 142.6 | 142.4 |
| Net dividends per share (sen) - Interim | | 113.0 | 113.0 | 113.0 | 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 2008.

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

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2009

| | Note | As at 30.6.2009 | As at 31.12.2008 |
|---|------|--------------------|---------------------|
| | | RM'000 | RM'000 |
| Non-current assets | | | |
| Property, plant and equipment | 6 | 411,660 | 438,624 |
| Leasehold land | 1 | 20,219 | 20,455 |
| Goodwill | | 411,618 | 411,618 |
| Computer software | | 11,259 | 15,232 |
| Deferred tax assets | | 4,978 | 4,978 |
| | | <u>859,734</u> | <u>890,907</u> |
| Current assets | | | |
| Assets held for sale | | 1,950 | 20,638 |
| Inventories | | 235,459 | 224,958 |
| Receivables | | 163,473 | 257,818 |
| Tax recoverable | | 19,982 | 33,604 |
| Deposits, cash and bank balances | | 265,140 | 59,387 |
| | | <u>686,004</u> | <u>596,405</u> |
| Current liabilities | | | |
| Borrowings | 12 | 150,000 | 250,000 |
| Payables | | 226,506 | 285,737 |
| Current tax liabilities | | 122,722 | 96,512 |
| | | <u>499,228</u> | <u>632,249</u> |
| Net current assets/(liabilities) | | 186,776 | (35,844) |
| | | <u>1,046,510</u> | <u>855,063</u> |
| Capital and reserves | | | |
| Share capital | 11 | 142,765 | 142,765 |
| Retained earnings | | 454,251 | 264,009 |
| Shareholders' funds | | <u>597,016</u> | <u>406,774</u> |
| Non-current liabilities | | | |
| Borrowings (interest bearing) | 12 | 400,000 | 400,000 |
| Post employment benefit obligations | | 5,438 | 5,002 |
| Deferred tax liabilities | | 44,056 | 43,287 |
| | | <u>1,046,510</u> | <u>855,063</u> |
| Net Assets per share (RM) | | 2.09 | 1.42 |

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 2008.

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2009

| | Issued and fully paid ordinary shares of 50 sen each | | Distributable | Total |
|---|--|------------------|----------------------|----------------|
| | Number of shares | Nominal value | Retained earnings | |
| | '000 | RM'000 | RM'000 | |
| At 1 January 2009 | 285,530 | 142,765 | 264,009 | 406,774 |
| Profit for the financial period | - | - | 407,185 | 407,185 |
| Deferred tax on revalued land and buildings | - | - | 60 | 60 |
| Dividends for financial year ended 31 December 2008 - Final | - | - | (217,003) | (217,003) |
| At 30 June 2009 | <u>285,530</u> | <u>142,765</u> | <u>454,251</u> | <u>597,016</u> |
| At 1 January 2008 | 285,530 | 142,765 | 203,147 | 345,912 |
| Profit for the financial period | - | - | 406,592 | 406,592 |
| Deferred tax on revalued land and buildings | - | - | 60 | 60 |
| Dividends for financial year ended 31 December 2007 - Final | - | - | (211,292) | (211,292) |
| At 30 June 2008 | <u>285,530</u> | <u>142,765</u> | <u>398,507</u> | <u>541,272</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 2008

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

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2009

| | Note | 6 months ended 30.6.2009 | 6 months ended 30.6.2008 |
|---|-------------|---|---|
| | | RM'000 | RM'000 |
| Operating activities | | | |
| Cash receipts from customers | | 2,019,025 | 1,953,898 |
| Cash paid to suppliers and employees | | (1,403,787) | (1,339,296) |
| Cash from operations | | 615,238 | 614,602 |
| Income taxes paid | | (95,099) | (82,414) |
| Net cash flow from operating activities | | 520,139 | 532,188 |
| Investing activities | | | |
| Property, plant and equipment | | | |
| - additions | | (13,452) | (20,320) |
| - disposals | | 28,499 | 3,339 |
| Additions of computer software | | (639) | (1,009) |
| Interest income received | | 2,196 | 2,899 |
| Net cash flow from/(used in) investing activities | | 16,604 | (15,091) |
| Financing activities | | | |
| Dividends paid to shareholders | | (217,003) | (211,292) |
| Repayment of medium term notes | | (100,000) | - |
| Repayment of commercial papers | | - | (100,000) |
| Interest expense paid | | (13,987) | (13,987) |
| Net cash flow used in financing activities | | (330,990) | (325,279) |
| Increase in cash and cash equivalents | | 205,753 | 191,818 |
| Cash and cash equivalents as at 1 January | | 59,387 | 70,666 |
| Cash and cash equivalents as at 30 June | | 265,140 | 262,484 |

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 2008