

BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD

(Company No : 4372-M)

CONDENSED CONSOLIDATED INCOME STATEMENTS

For the financial period ended 30 June 2016

Note	3 months ended		Financial period ended	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
	RM'000	RM'000	RM'000	RM'000
Revenue	962,575	1,087,803	1,983,587	2,361,874
Cost of sales	(637,516)	(676,418)	(1,304,971)	(1,497,550)
Gross profit	325,059	411,385	678,616	864,324
Other operating income	465	3,436	1,134	4,309
Operating expenses	(121,237)	(125,375)	(240,345)	(251,722)
Restructuring expenses	(85,731)	-	(85,731)	-
Profit from operations	118,556	289,446	353,674	616,911
Finance cost	(1,978)	(2,565)	(6,023)	(5,349)
Profit before tax	116,578	286,881	347,651	611,562
Tax expense	5 (68,653)	(71,594)	(124,252)	(152,920)
Profit for the financial period	47,925	215,287	223,399	458,642
Effective tax rate	-58.9%	-25.0%	-35.7%	-25.0%
EPS (sen)	21 16.8	75.4	78.2	160.6
Net dividend per share (sen)				
- Interim 1	-	-	55.0	78.0
- Interim 2	22 45.0	78.0	45.0	78.0
	45.0	78.0	100.0	156.0

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 2015.

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the financial period ended 30 June 2016

	3 months ended		Financial period ended	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	47,925	215,287	223,399	458,642
Other comprehensive income:				
Items that may be subsequently reclassified to profit or loss:				
Change in fair value of cash flow hedges	(271)	5,411	(4,095)	3,261
Deferred tax on fair value changes of cash flow hedges	68	(1,352)	1,024	(815)
Total other comprehensive income for the financial period	<u>(203)</u>	<u>4,059</u>	<u>(3,071)</u>	<u>2,446</u>
Total comprehensive income for the financial period	<u>47,722</u>	<u>219,346</u>	<u>220,328</u>	<u>461,088</u>
Attributable to:				
Owners of the Company	<u>47,722</u>	<u>219,346</u>	<u>220,328</u>	<u>461,088</u>

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 2015.

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 30 June 2016

	Issued and fully paid ordinary shares of 50 sen each		Non- Distributable Cash flow hedge reserve	Distributable Retained earnings	Total attributable to owners
	Number of shares	Nominal value			
	'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2016	285,530	142,765	358	403,500	546,623
Profit for the financial period	-	-	-	223,399	223,399
Other comprehensive income for the financial period:					
- changes in fair value of cash flow hedges	-	-	(4,095)	-	(4,095)
- deferred tax on fair value changes on cash flow hedges	-	-	1,024	-	1,024
	<u>285,530</u>	<u>142,765</u>	<u>(2,713)</u>	<u>626,899</u>	<u>766,951</u>
Transaction with owners:					
Dividend for financial year ended 31 December 2015					
- Interim 4	-	-	-	(222,713)	(222,713)
Dividend for financial year ending 31 December 2016					
- Interim 1	-	-	-	(157,041)	(157,041)
At 30 June 2016	<u>285,530</u>	<u>142,765</u>	<u>(2,713)</u>	<u>247,145</u>	<u>387,197</u>
At 1 January 2015	285,530	142,765	(2,885)	384,290	524,170
Profit for the financial period	-	-	-	458,642	458,642
Other comprehensive income for the financial period:					
- changes in fair value of cash flow hedges	-	-	3,261	-	3,261
- deferred tax on fair value changes on cash flow hedges	-	-	(815)	-	(815)
	<u>285,530</u>	<u>142,765</u>	<u>(439)</u>	<u>842,932</u>	<u>985,258</u>
Transaction with owners:					
Dividend for financial year ended 31 December 2014					
- Interim 4	-	-	-	(222,713)	(222,713)
Dividend for financial year ended 31 December 2015					
- Interim 1	-	-	-	(222,713)	(222,713)
At 30 June 2015	<u>285,530</u>	<u>142,765</u>	<u>(439)</u>	<u>397,506</u>	<u>539,832</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 2015.

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

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2016

		As at 30.06.2016	As at 31.12.2015
	Note	RM'000	RM'000
Non-current assets			
Property, plant and equipment		191,536	291,894
Computer software		383	490
Goodwill		411,618	411,618
Deferred tax assets		42,827	30,536
		<u>646,364</u>	<u>734,538</u>
Current assets			
Assets held for sale		60,694	-
Inventories		220,524	234,413
Receivables		222,753	203,751
Derivative financial instruments		826	5,089
Tax recoverable		398	398
Deposits, cash and bank balances		15,600	28,811
		<u>520,795</u>	<u>472,462</u>
Current liabilities			
Payables		433,338	304,717
Deferred income		1,509	2,606
Derivative financial instruments		5,302	10,736
Current tax liabilities		33,665	3,368
Borrowings	10	270,000	305,000
		<u>743,814</u>	<u>626,427</u>
Net current liabilities		(223,019)	(153,965)
		<u>423,345</u>	<u>580,573</u>
Capital and reserves			
Share capital		142,765	142,765
Cash flow hedge reserve		(2,713)	358
Retained earnings		247,145	403,500
Shareholders' funds		387,197	546,623
Non-current liabilities			
Deferred income		206	413
Deferred tax liabilities		35,942	33,537
		<u>423,345</u>	<u>580,573</u>
Net assets per share (RM)		1.36	1.91

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 2015.

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(Company No : 4372-M)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the financial period ended 30 June 2016

	Financial period ended 30.06.2016	Financial period ended 30.06.2015
	RM'000	RM'000
Operating activities		
Cash receipts from customers	2,082,163	2,429,901
Cash paid to suppliers and employees	(1,577,945)	(1,766,900)
Cash from operations	504,218	663,001
Income tax paid	(94,172)	(106,685)
Net cash flow from operating activities	410,046	556,316
Investing activities		
Property, plant and equipment		
- additions	(3,877)	(3,016)
- disposals	298	3,727
Disposal of assets held for sale	-	6,756
Interest income received	1,098	1,651
Net cash flow (used in)/from investing activities	(2,481)	9,118
Financing activities		
Dividends paid to shareholders	(379,754)	(445,426)
Interest expense paid	(6,023)	(5,349)
Repayment of revolving credit	(35,000)	(125,000)
Net cash flow used in financing activities	(420,777)	(575,775)
Decrease in cash and cash equivalents	(13,211)	(10,341)
Cash and cash equivalents as at 1 January	28,811	4,024
Cash and cash equivalents as at 30 June	15,600	(6,317)

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 2015.