British American Tobacco Bangladesh Company Limited
Statement of Financial Position (Unaudited) as at 30th June 2011

**ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>30-Jun-2011 (Taka '000s)</th>
<th>31-Dec-2010 (Taka '000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>5,233,753</td>
<td>5,315,562</td>
</tr>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>7,924,663</td>
<td>4,366,664</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>60,767</td>
<td>488,053</td>
</tr>
<tr>
<td>Advance deposit and pre-payments</td>
<td>2,457,094</td>
<td>1,853,301</td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>265,915</td>
<td>1,343,853</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>10,708,439</td>
<td>8,053,871</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>15,942,192</strong></td>
<td><strong>13,369,433</strong></td>
</tr>
</tbody>
</table>

**EQUITY AND LIABILITIES**

<table>
<thead>
<tr>
<th></th>
<th>30-Jun-2011 (Taka '000s)</th>
<th>31-Dec-2010 (Taka '000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shareholders' equity:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>600,000</td>
<td>600,000</td>
</tr>
<tr>
<td>Capital reserve</td>
<td>64,896</td>
<td>64,896</td>
</tr>
<tr>
<td>Revenue reserve</td>
<td>3,741,367</td>
<td>5,575,813</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>4,406,263</td>
<td>6,240,709</td>
</tr>
<tr>
<td><strong>Non-current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gratuity</td>
<td>254,666</td>
<td>252,430</td>
</tr>
<tr>
<td>Deferred tax liability</td>
<td>649,804</td>
<td>517,989</td>
</tr>
<tr>
<td>Obligation under finance lease</td>
<td>26,072</td>
<td>34,901</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>930,542</td>
<td>805,320</td>
</tr>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>1,503,902</td>
<td>-</td>
</tr>
<tr>
<td>Short term bank loans</td>
<td>1,000,000</td>
<td>-</td>
</tr>
<tr>
<td>Provisions for expenses</td>
<td>1,686,160</td>
<td>1,596,984</td>
</tr>
<tr>
<td>Trade &amp; other payables</td>
<td>2,978,319</td>
<td>2,643,529</td>
</tr>
<tr>
<td>Provision for Corporate Tax</td>
<td>3,437,006</td>
<td>2,082,891</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>10,605,387</td>
<td>6,323,404</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td><strong>15,942,192</strong></td>
<td><strong>13,369,433</strong></td>
</tr>
</tbody>
</table>

Arun Kaul  
Managing Director

Zakir Ibne Hai  
Director

Md. Azizur Rahman  
Company Secretary
**British American Tobacco Bangladesh Company Limited**

Statement of Comprehensive Income (Unaudited) for the period of 1st January to 30th June 2011

<table>
<thead>
<tr>
<th></th>
<th>1-Jan-11 To 30-Jun-11</th>
<th>1-Jan-10 To 30-Jun-10</th>
<th>1-Apr-11 To 30-Jun-11</th>
<th>1-Apr-10 To 30-Jun-10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Turnover</strong></td>
<td>35,119,930</td>
<td>33,756,434</td>
<td>18,211,118</td>
<td>18,014,064</td>
</tr>
<tr>
<td><strong>Supplementary duty &amp; VAT</strong></td>
<td>24,443,429</td>
<td>23,288,499</td>
<td>12,508,343</td>
<td>12,342,872</td>
</tr>
<tr>
<td><strong>Net turnover</strong></td>
<td>10,676,501</td>
<td>10,467,935</td>
<td>5,702,775</td>
<td>5,671,192</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>6,075,593</td>
<td>6,772,217</td>
<td>3,181,697</td>
<td>3,866,586</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>4,600,908</td>
<td>3,695,718</td>
<td>2,521,078</td>
<td>1,804,606</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>2,220,584</td>
<td>1,344,551</td>
<td>1,205,960</td>
<td>450,061</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>2,380,324</td>
<td>2,351,167</td>
<td>1,315,118</td>
<td>1,354,545</td>
</tr>
<tr>
<td><strong>Net financial expenses</strong></td>
<td>31,395</td>
<td>4,995</td>
<td>15,037</td>
<td>19,013</td>
</tr>
<tr>
<td></td>
<td>2,348,929</td>
<td>2,346,172</td>
<td>1,267,365</td>
<td>1,335,532</td>
</tr>
<tr>
<td><strong>Workers' profit participation fund</strong></td>
<td>117,446</td>
<td>117,309</td>
<td>64,118</td>
<td>66,774</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>2,231,483</td>
<td>2,228,863</td>
<td>1,203,247</td>
<td>1,268,758</td>
</tr>
<tr>
<td><strong>Income tax expense:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Tax</strong></td>
<td>1,354,114</td>
<td>613,887</td>
<td>1,000,901</td>
<td>328,529</td>
</tr>
<tr>
<td><strong>Deferred Tax</strong></td>
<td>131,815</td>
<td>72,197</td>
<td>127,247</td>
<td>21,359</td>
</tr>
<tr>
<td></td>
<td>1,485,929</td>
<td>686,084</td>
<td>1,128,148</td>
<td>349,888</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>745,554</td>
<td>1,542,779</td>
<td>75,099</td>
<td>918,870</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td>745,554</td>
<td>1,542,779</td>
<td>75,099</td>
<td>918,870</td>
</tr>
<tr>
<td><strong>Total comprehensive income transfer to revenue reserve</strong></td>
<td>745,554</td>
<td>1,542,779</td>
<td>75,099</td>
<td>918,870</td>
</tr>
<tr>
<td></td>
<td>745,554</td>
<td>1,542,779</td>
<td>75,099</td>
<td>918,870</td>
</tr>
<tr>
<td><strong>Earnings Per Share</strong></td>
<td>12.43</td>
<td>25.71</td>
<td>1.25</td>
<td>15.31</td>
</tr>
</tbody>
</table>

* Current tax includes previous year’s tax payable adjustment as a result of change in the applicable corporate tax rate announced in the National Budget 2011-12.

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Arun Kaul  
Managing Director

Zakir Ibne Hai  
Director

Md. Azizur Rahman  
Company Secretary
## British American Tobacco Bangladesh Company Limited
### Statement of Cash Flows (Unaudited)
#### for the period of 1st January to 30th June 2011

<table>
<thead>
<tr>
<th></th>
<th>1-Jan-11 To 30-Jun-11</th>
<th>1-Jan-10 To 30-Jun-10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collection from distributors, leaf export and others</td>
<td>35,176,129</td>
<td>33,806,115</td>
</tr>
<tr>
<td>Payment for costs and expenses</td>
<td>(10,165,077)</td>
<td>(10,184,670)</td>
</tr>
<tr>
<td>Supplementary duty and VAT paid</td>
<td>(25,317,087)</td>
<td>(23,900,203)</td>
</tr>
<tr>
<td><strong>Cash generated from operation</strong></td>
<td>(306,035)</td>
<td>(278,758)</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(463,837)</td>
<td>(439,953)</td>
</tr>
<tr>
<td>Interest (paid)/received</td>
<td>(31,395)</td>
<td>(4,995)</td>
</tr>
<tr>
<td><strong>Net cash flows from operating activities</strong></td>
<td>(801,267)</td>
<td>(723,705)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>(228,138)</td>
<td>(864,827)</td>
</tr>
<tr>
<td>Proceeds from sale of property, plant and equipment</td>
<td>27,977</td>
<td>17,339</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(200,161)</td>
<td>(847,487)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short term bank loan</td>
<td>1,000,000</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Net proceeds from obligation under finance lease</td>
<td>(8,396)</td>
<td>(8,092)</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>(2,572,017)</td>
<td>(1,791,425)</td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td>(1,580,412)</td>
<td>(699,516)</td>
</tr>
<tr>
<td>Net (decrease)/increase in cash and cash equivalents for the period</td>
<td>(2,581,840)</td>
<td>(2,270,710)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the Period</td>
<td>1,343,853</td>
<td>2,000,165</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at the end of the Period</strong></td>
<td>(1,237,987)</td>
<td>(270,545)</td>
</tr>
<tr>
<td>Closing cash and cash equivalents have been arrived at as follows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>265,915</td>
<td>86,886</td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>(1,503,902)</td>
<td>(357,431)</td>
</tr>
<tr>
<td><strong>(1,237,987)</strong></td>
<td><strong>(270,545)</strong></td>
<td></td>
</tr>
</tbody>
</table>
## British American Tobacco Bangladesh Company Limited

### Statement of Changes in Equity (Unaudited)

**for the period of 1st January to 30th June 2011**

<table>
<thead>
<tr>
<th></th>
<th>Share capital</th>
<th>Revenue reserve</th>
<th>Capital reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Taka '000s</td>
<td>Taka '000s</td>
<td>Taka '000s</td>
<td>Taka '000s</td>
</tr>
<tr>
<td>Balance as at 1st January 2010</td>
<td>600,000</td>
<td>4,497,224</td>
<td>64,896</td>
<td>5,162,120</td>
</tr>
<tr>
<td>Dividend Paid</td>
<td>-</td>
<td>(1,800,000)</td>
<td>-</td>
<td>(1,800,000)</td>
</tr>
<tr>
<td>Profit for the period of 1st January to 30th June 2010</td>
<td>-</td>
<td>1,542,779</td>
<td>-</td>
<td>1,542,779</td>
</tr>
<tr>
<td><strong>Balance as at 30th June 2010</strong></td>
<td><strong>600,000</strong></td>
<td><strong>4,240,004</strong></td>
<td><strong>64,896</strong></td>
<td><strong>4,904,900</strong></td>
</tr>
<tr>
<td>Balance at 1st January 2011</td>
<td>600,000</td>
<td>5,575,813</td>
<td>64,896</td>
<td>6,240,709</td>
</tr>
<tr>
<td>Dividend Paid</td>
<td>-</td>
<td>(2,580,000)</td>
<td>-</td>
<td>(2,580,000)</td>
</tr>
<tr>
<td>Profit for the period of 1st January to 30th June 2011</td>
<td>-</td>
<td>745,554</td>
<td>-</td>
<td>745,554</td>
</tr>
<tr>
<td><strong>Balance as at 30th June 2011</strong></td>
<td><strong>600,000</strong></td>
<td><strong>3,741,367</strong></td>
<td><strong>64,896</strong></td>
<td><strong>4,406,263</strong></td>
</tr>
</tbody>
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British American Tobacco Bangladesh Company Limited
New D.O.H.S. Road Mohakhali
Dhaka 1206, P.O. Box 6069 Bangladesh
Tel: 02-8822791-5, 02-8827646-8, 02-8829716-8
Fax: 02-8822786, Web: www.batbangladesh.com