

**Quarterly Financial Statements (Unaudited)
for the quarter ended as at 31 March 2013**



**BRITISH AMERICAN
TOBACCO**
BANGLADESH

British American Tobacco Bangladesh Company Limited
Statement of Financial Position (Unaudited)
As at 31 March 2013

	Notes	31-Mar-2013	31-Dec-2012
		Taka '000s	Taka '000s
ASSETS			
Non-current assets:			
Property, plant and equipment	2	5,767,458	5,861,627
Current assets:			
Inventories	3	4,583,302	4,956,887
Trade and other receivables		776,984	937,873
Advance deposit and pre-payments		1,182,403	1,007,539
Cash and Cash Equivalents		4,290,671	2,270,567
Total current assets		10,833,360	9,172,866
Total assets		16,600,818	15,034,493
EQUITY AND LIABILITIES			
Shareholders' equity:			
Share capital		600,000	600,000
Capital reserve	4	64,896	64,896
Revenue reserve	5	7,585,724	6,368,044
Total equity		8,250,620	7,032,940
Non-current liabilities:			
Gratuity	6	253,832	240,592
Deferred tax liability	7	699,119	723,643
Obligation under finance lease (due after one year)		5,566	7,541
Total non-current liabilities		958,517	971,776
Current liabilities:			
Provision for expenses		2,886,371	2,188,035
Trade and other payables		2,636,461	3,245,676
Provision for Corporate Tax		1,860,207	1,585,731
Obligation under finance lease (due within one year)		8,642	10,335
Total current liabilities		7,391,681	7,029,777
Total equity and liabilities		16,600,818	15,034,493



Arun Kaul
Managing Director



Anthony Yong
Director



Md. Azizur Rahman
Company Secretary

British American Tobacco Bangladesh Company Limited
Statement of Comprehensive Income (Unaudited)
For the quarter ended 31 March 2013


	Notes	1-Jan-13 to 31-Mar-13	1-Jan-12 to 31-Mar-12
		Taka '000s	Taka '000s
Gross turnover		27,050,879	21,284,308
Supplementary duty & VAT		19,343,426	15,239,570
Net turnover	8	7,707,453	6,044,738
Cost of Sales		4,380,515	3,556,205
Gross profit		3,326,938	2,488,533
Operating expenses		1,327,019	1,213,306
Operating profit		1,999,919	1,275,227
Other Income		9,437	4,834
Net financial income/(Expense)		62,752	17,020
		2,072,108	1,297,081
Workers' profit participation fund		103,614	64,854
Profit before income tax		1,968,494	1,232,227
Income tax expense:			
Current tax	9.1	775,338	535,370
Deferred tax	9.2	(24,524)	8,672
		750,814	544,042
Profit for the period		1,217,680	688,185
Other comprehensive income		-	-
Total comprehensive income for the period		1,217,680	688,185
Total comprehensive income transfer to revenue reserve		1,217,680	688,185
Appropriations:			
Revenue reserve		1,217,680	688,185
		Taka	Taka
Earnings Per Share	10	20.29	11.47



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British American Tobacco Bangladesh Company Limited
Statement of Changes in Equity (unaudited)
For the quarter ended 31 March 2013

	Share capital	Revenue reserve	Capital reserve	Total Equity
	Taka '000s	Taka '000s	Taka '000s	Taka '000s
Balance at 1 January 2012	600,000	5,246,404	64,896	5,911,300
Dividend paid in Q1 2012	-	-	-	-
Profit for the quarter ended 31 March 2012	-	688,185	-	688,185
Balance as at 31 March 2012	600,000	5,934,589	64,896	6,599,485
Balance at 1 January 2013	600,000	6,368,044	64,896	7,032,940
Dividend paid in Q1 2013	-	-	-	-
Profit for the quarter ended 31 March 2013	-	1,217,680	-	1,217,680
Balance as at 31 March 2013	600,000	7,585,725	64,896	8,250,621



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British American Tobacco Bangladesh Company Limited
Statement of Cash Flows (Unaudited)
For the quarter ended 31 March 2013

	1-Jan-13 to 31-Mar-13	1-Jan-12 to 31-Mar-12
	Taka '000s	Taka '000s
Cash flows from operating activities:		
Collection from distributors, leaf export and others	27,355,847	21,412,840
Payment for costs and expenses	(5,518,142)	(5,066,848)
Supplementary duty and VAT paid	(19,238,755)	(15,001,644)
Cash generated from operation	2,598,950	1,344,348
Income tax paid	(500,861)	(336,202)
Interest received	62,752	17,020
Net cash flows from operating activities	2,160,841	1,025,165
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(135,021)	(44,879)
Proceeds from sale of property, plant and equipment	4	-
Net cash used in investing activities	(135,017)	(44,879)
Cash flows from financing activities:		
Finance lease obligation	(3,667)	(4,371)
Dividend paid	(2,053)	(537)
Net cash used in financing activities	(5,720)	(4,908)
Net increase/(decrease) in cash and cash equivalents for the quarter	2,020,104	975,378
Cash and cash equivalents at the beginning of the year	2,270,567	837,393
Cash and cash equivalents at the end of the quarter	4,290,671	1,812,771



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British American Tobacco Bangladesh Company Limited

Notes to the Financial Statements

For the quarter ended 31 March 2013

1. General Notes

The basis of preparation and significant accounting policies governing the quarterly statutory reporting has not been changed from the last reporting date. Hence no policy related general notes are being provided for Q1 2013 accounts.

2. Property, plant and equipment

Particulars	Additions and transfers		Disposal/ adjustment during the period	Cost at 31 March 2013	Accumulated depreciation at 1 January 2013	Depreciation charge for the period	Disposal/ adjustment during the period	Accumulated depreciation 31 March 2013	Cost less accumulated depreciation 31 March 2013
	Cost at 1 January 2013	from WIP during the period							
Original cost:									
Freehold land	343,685	-	-	343,685	-	-	-	-	343,685
Freehold building	824,510	-	-	824,510	116,384	5,100	-	121,483	703,026
Leasehold building	222,719	-	-	222,719	92,709	2,373	-	95,082	127,637
Plant and machinery	7,493,121	-	(40,933)	7,452,188	4,236,665	168,294	(40,361)	4,364,598	3,087,590
Laboratory equipment	106,475	-	-	106,475	46,395	1,747	-	48,142	58,333
Office equipment	352,921	1,040	(233)	353,728	225,072	13,107	(213)	237,966	115,762
Furniture and fixtures	11,984,02	32	-	12,016	6,549,26	242	-	6,791	5,224
Air conditioners	212,396	-	-	212,396	160,294	6,731	-	167,025	45,371
Vehicles	577,173	3,165	(790)	579,548	327,885	30,882	(668)	358,099	221,449
	10,144,983	4,236	(41,956)	10,107,264	5,211,952	228,476	(41,242)	5,399,186	4,708,077
Buildings, plant and machinery etc. under construction	928,596	130,785	-	1,059,381	-	-	-	-	1,059,381
31-Mar-2013	11,073,579	135,021	(41,956)	11,166,645	5,211,952	228,476	(41,242)	5,399,186	5,767,458
31-Dec-2012	10,021,425	1,116,245	(64,091)	11,073,579	4,644,791	627,605	(60,443)	5,211,952	5,861,627

			31-Mar-2013	31-Mar-2012
			Taka '000	Taka '000
3. Inventories				
Leaf			2,599,779	3,331,867
Wrapping materials			619,980	413,728
Work in process			35,188	25,154
Finished goods			969,846	917,440
Consumable stores			358,509	268,698
			4,583,302	4,956,887
4. Capital reserve			64,896	64,896
Capital reserve represents non-remittable reserve of Tk 64,896 thousands which are 90% of the cumulative post tax profit on disposal of property, plant and equipment as defined and directed by Bangladesh Bank. The requirement to create such special reserve on profit from sale of property, plant and equipment has been withdrawn since 1993.				
5. Revenue reserve				
Opening balance			6,368,044	5,246,404
Less: Dividend paid			-	2,820,000
			6,368,044	2,426,404
Add: Net profit transferred from profit and loss account			1,217,680	3,941,640
Closing balance			7,585,724	6,368,044
6. Gratuity			253,832	240,592
This represents total liability of the Company on account of gratuity that would be payable if all eligible employees retire on the reporting date.				
7. Deferred tax liability				
Opening balance			723,643	669,079
Add: Addition			(24,524)	54,564
Closing balance			699,119	723,643
8. Net turnover				
	Unit	Qty	Q1 2013	Q1 2012
Gross Turnover	Million sticks	8,859	26,713,892	21,047,116
Supplementary duty and VAT			(19,308,765)	(15,213,549)
			7,405,127	5,833,567
Turnover from leaf tobacco export	Million Kg	1,802	336,987	237,192
Export duty			(34,661)	(26,021)
			302,326	211,171
			7,707,453	6,044,738

9. Tax

9.1 Current Tax

Provision for the quarter

Q1 2013	Q1 2012
<u>775,338</u>	<u>535,370</u>
<u>775,338</u>	<u>535,370</u>

9.2 Deferred Tax

Provision for the quarter

<u>(24,524)</u>	<u>8,672</u>
<u>(24,524)</u>	<u>8,672</u>

10. Earnings per share

10.1 Basic earnings per share

Basic earning per share has been calculated taking a capital base of 60,000,000 ordinary share of Tk. 10 each as issued up to 31 March 2013.

12 Events after the reporting date

For the year 2012, the Board of Directors recommended a final cash dividend of 400% i.e. Tk. 40 per share amounting to Tk. 2,400,000,000 at the board meeting held on 26 February, 2013, which was approved in the 40th annual General Meeting on 1 April 2013.



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