



# A consistent strategy for building shareholder value



## BRITISH AMERICAN TOBACCO PERFORMANCE SUMMARY 2009



Annual General Meeting – 28 April 2010  
[www.bat.com/annualreport2009](http://www.bat.com/annualreport2009)

## OUR VISION

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Our vision is to achieve leadership of the global tobacco industry in order to create shareholder value.

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## OUR STRATEGY

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The strategy to deliver our vision is based on growth, productivity, responsibility and building a winning organisation. We use a range of indicators to assess our performance against our strategy.

These include our Key Performance Indicators, as well as our other Business Measures, financial and non-financial. These are also monitored and assessed frequently as we believe that they contribute to the success of the Group, particularly over the long term.



# RESULTS AT A GLANCE

British American Tobacco continued to deliver sustainable growth and had another very successful year. Group revenue was 17 per cent higher (10 per cent at constant rates of exchange). Group profit from operations was 15 per cent up, 20 per cent on adjusted profit from operations (10 per cent at constant rates).

Group volume from subsidiaries, at 724 billion, was up by 1 per cent.

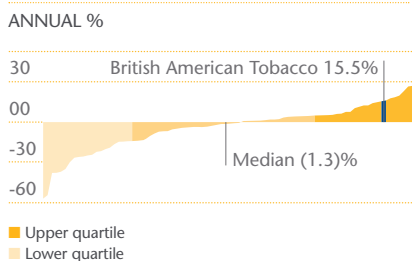
Adjusted diluted earnings per share were 19 per cent higher and dividends for the year also increased by 19 per cent.

## GROUP RESULTS 2009

	£ MILLION		PENCE
GROSS TURNOVER (including duty, excise and other taxes)	<b>40,713</b> +20%	BASIC EARNINGS PER SHARE	<b>137.0</b> +11%
REVENUE	<b>14,208</b> +17%	ADJUSTED DILUTED EARNINGS PER SHARE	<b>153.0</b> +19%
PROFIT FROM OPERATIONS	<b>4,101</b> +15%	DIVIDENDS PER SHARE	<b>99.5</b> +19%
ADJUSTED PROFIT FROM OPERATIONS	<b>4,461</b> +20%		
	BILLIONS		BILLIONS
GROUP CIGARETTE VOLUMES, EXCLUDING ASSOCIATES	<b>724</b> +1%	GROUP CIGARETTE VOLUMES, INCLUDING ASSOCIATES	<b>907</b> -1%

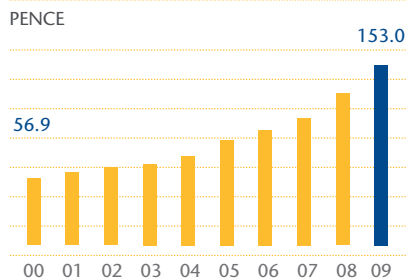
## TOTAL SHAREHOLDER RETURN

**FTSE 100** – 1 January 2007 to 31 December 2009  
The FTSE 100 comparison is based on three months' average values.



## 10 YEAR EARNINGS PER SHARE

Adjusted diluted EPS



**Cautionary statement:** this Performance Summary is extracted (without material adjustment) from, and should be read as an introduction to and in conjunction with, British American Tobacco p.l.c.'s 2009 Annual Report. The Performance Summary is provided for information only, and is not intended to be a substitute for reading the Annual Report. In particular, the Performance Summary does not constitute summary financial statements and it does not contain sufficient information to allow for as full an understanding of the results of the Group and the state of affairs of the Group, and the principal risks and uncertainties facing the Group, as would be provided by the full Annual Report. Shareholders may view a copy of the Annual Report on [www.bat.com](http://www.bat.com) or obtain a hard copy free of charge (see details on the back of this document). If you have sold or transferred all your shares in British American Tobacco p.l.c., you should send this document to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

## OUR GLOBAL DRIVE BRANDS

Dunhill, the 'perfectionist in tobacco', sells in more than 120 countries. It offers a diverse range of premium and super premium cigarettes and cigars at the top end of the tobacco market. 41 billion Dunhill cigarettes were sold in 2009, up 9 per cent on 2008. Key markets include South Korea, Malaysia, Brazil, Taiwan, Saudi Arabia, South Africa and Australia.

Kent is our largest premium brand, selling more than 61 billion cigarettes in 2009, down 4 per cent on 2008. Sold in more than 70 countries, Kent is positioned as 'the modern way to smoke'. Key markets include Russia, Japan, Eastern Europe and Chile.

Lucky Strike was launched in 1871 and remains one of the world's most iconic trademarks. It is among our leading premium brands and offers consumers a 'rich tobacco experience'. Its volumes rose 4 per cent to 26 billion cigarettes. Sold in more than 60 countries, key markets include Germany, Spain, Japan, France, Italy, Argentina and Chile.

Pall Mall is our leading global value-for-money brand, positioned to exceed consumer expectations. Introduced in 1899, it now sells in more than 80 countries, offering a range of cigarette and make-your-own products. Volumes were up 10 per cent on 2008 to 68 billion cigarettes. Key markets include Germany, Italy, Russia and Uzbekistan.



**KENT**



**PALL MALL**

## OUR REGIONS

	VOLUME (BNS)	REVENUE (£M)	ADJUSTED PROFIT FROM OPERATIONS (£M)
<b>ASIA-PACIFIC</b>	185 +3%	3,270 +20%	1,148 +24%
<b>AMERICAS</b>	151 -6%	3,156 +10%	1,186 +13%
<b>WESTERN EUROPE</b>	130 +6%	3,884 +21%	994 +31%
<b>EASTERN EUROPE</b>	131 -4%	1,628 +2%	409 -13%
<b>AFRICA AND MIDDLE EAST</b>	127 +11%	2,270 +31%	724 +41%

Adjusted profit from operations is derived after excluding adjusting items from profit from operations. Adjusting items include restructuring and integration costs, the 2008 Canadian Settlement, amortisation of trademarks and gains on disposal of businesses and trademarks.

## FROM THE CHAIRMAN

“We have a clear and consistent strategy that will maintain sustainable growth and build shareholder value.”

Richard Burrows Chairman

Dear Shareholder,

The Board has recommended a final dividend of 71.6p per share, an increase of 16 per cent, which will be paid on 6 May 2010 to shareholders on the register at 12 March 2010. This takes the total dividend for the year to 99.5p, an increase of 19 per cent, and maintains our target of paying out 65 per cent of sustainable earnings in dividends.

I am delighted to be here and optimistic about the future for British American Tobacco. We have a well established company in one of the more resilient industries. Indeed, as an outsider, I have been struck by both the broad stability of the tobacco sector and the opportunities for growth within it.

There are signs that the global economy is beginning to improve, although unemployment, which is an important influence on our business, may continue to rise in developed markets.

We have a very clear strategy and excellent management, with a well balanced portfolio of brands. Our unrivalled geographic spread mitigates risk for shareholders and will help us maintain sustainable growth and build shareholder value.

Richard Burrows Chairman



# SHAREHOLDER INFORMATION

## FINANCIAL CALENDAR 2010

28 April

Interim Management Statement

28 April

Annual General Meeting, The Mermaid Conference & Events Centre, London EC4V 3DB, UK

28 July

Half-Yearly Report

27 October

Interim Management Statement

## FINAL DIVIDEND 2009 – DATES IN 2010

25 February

Dividend announced (including amount of dividend per share in both sterling and rand, applicable exchange rate and conversion date)

5 March

Last day to trade (JSE)

8-12 March

No transfers between UK main register and South African branch register; no shares may be dematerialised or rematerialised

8 March

Ex-dividend date (JSE)

10 March

Ex-dividend date (LSE)

12 March

Record date (LSE and JSE)

6 May

Payment date (sterling and rand)

## LISTINGS AND SHAREHOLDER SERVICES

### Primary listing

London Stock Exchange (Share Code: BATS; ISIN: GB0002875804)

Computershare Investor Services PLC  
The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, UK  
tel: 0800 408 0094; +44 870 889 3159  
Share dealing tel: 0870 703 0084 (UK)  
Your account: [www.computershare.com/uk/investor/bri](http://www.computershare.com/uk/investor/bri)  
Share dealing: [www.computershare.com/dealing/uk](http://www.computershare.com/dealing/uk)  
web-based enquiries: [www.investorcentre.co.uk/contactus](http://www.investorcentre.co.uk/contactus)

### Secondary listing

JSE (Share Code: BTI)  
Shares are traded in electronic form only and transactions settled electronically through Strate

Computershare Investor Services (Pty) Ltd  
PO Box 61051, Marshalltown 2107, South Africa  
tel: 0861 100 925; +27 11 870 8222  
email enquiries: [web.queries@computershare.co.za](mailto:web.queries@computershare.co.za)

### American Depositary Receipts

NYSE Alternext U.S. (Symbol BTI; CUSIP No. 110448107)

Citibank Shareholder Services  
PO Box 43077, Providence, Rhode Island 02940-3077, USA  
tel: 1 888 985 2055 (toll-free) or +1 781 575 4555  
email enquiries: [citibank@shareholders-online.com](mailto:citibank@shareholders-online.com)  
website: [www.citi.com/dr](http://www.citi.com/dr)

### Publications

British American Tobacco Publications  
Unit 80, London Industrial Park, Roding Road,  
London E6 6LS, UK  
tel: +44 (0)20 7511 7797; facsimile: +44 (0)20 7540 4326  
email: [bat@team365.co.uk](mailto:bat@team365.co.uk)

Alternatively contact Computershare Investor Services (Pty) Ltd in South Africa using the details shown above

### Website

[www.bat.com](http://www.bat.com)



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