

British American Tobacco p.l.c.  
 Incorporated in England and Wales  
 (Registration number: 03407696)  
 Short name: BATS  
 Share code: BTI  
 ISIN number: GB0002875804  
 ("British American Tobacco p.l.c." or "the Company")

27 JULY 2022 – INTERIM RESULTS

**BRITISH AMERICAN TOBACCO p.l.c.**

HALF-YEAR REPORT TO 30 JUNE 2022



## NEW CATEGORIES GROWTH DRIVES FASTER TRANSFORMATION

PERFORMANCE HIGHLIGHTS	REPORTED		ADJUSTED		
	Current rates	Vs 2021	Current Rates	Vs 2021	
				current	constant
Cigarette and THP value share		+10 bps			
Cigarette and THP volume share		flat			
Consumers of non-combustible products <sup>1</sup>	20.4m	+2.1m			
Revenue (£m)	£12,869m	+5.7%	£12,869m	+5.7%	+3.7%
Revenue from New Categories (£m)	£1,283m	+45.4%	£1,283m	+45.4%	+45.0%
Profit from operations (£m)	£3,678m	-25.0%	£5,645m	+7.8%	+4.9%
New Category contribution (£m)			£ (222)m	-56.1%^	-55.4%^
Operating margin (%)	+28.6%	-11.7 ppts	+43.9%	+90 bps	+50 bps
Diluted EPS (pence)	80.8p	-42.9%	167.4p	+8.6%	+5.7%
Net cash generated from operating activities (£m)	£3,221m	+42.9%			
Adjusted cash generation from operations (£m)			£2,137m	+60.2%	+64.2%
Cash conversion (%)	+87.6%	+41.7 ppts	+77.3%	+10.6 ppts	
Borrowings (£m)	£44,875m	-0.3%			
Adjusted Net Debt (£m)			£39,990m	-1.2%	-7.5%

The use of non-GAAP measures, including adjusting items and constant currencies, are further discussed on pages 55 to 60, with reconciliations from the most comparable IFRS measure provided. Note – 1. Internal estimate. ^Improvement in New Categories contribution as losses reduce by 56.1% (or 55.4% at constant rates of exchange)

Faster Transformation	HY Results
<ul style="list-style-type: none"> <li>New Categories revenue up 45% to £1,283m*</li> <li>Non-combustible product consumers increased by 2.1m to 20.4m, with 14.6% of Group revenue delivered by non-combustible products, up 2.2 ppts from FY21</li> <li>Vapour revenue up 48%*, Vuse extended global category value share leadership, becoming U.S. No.1</li> <li>glo revenue up 44%*, with glo hyper volume share gains in Europe</li> <li>Modern Oral revenue up 37%*, driven by Velo, with continued volume share leadership in Europe</li> <li>All New Categories grew revenue faster than volume</li> <li>New Category contribution losses reduced by over 50% to £222m</li> </ul>	<ul style="list-style-type: none"> <li>Revenue up 3.7%* led by New Category growth</li> <li>Combustible revenue up 0.6%* against a strong U.S. comparator, price/mix was up 4.8%</li> <li>Cigarette value share up 10 bps</li> <li>£1.5bn Quantum savings delivered six months early, expect to deliver in excess of £1.5bn by end of 2022</li> <li>Adjusted profit from operations up 4.9%* includes an adverse transactional FX impact of 1.5%</li> <li>Adjusted operating margin up 90 bps</li> <li>Adjusted diluted EPS up 5.7% to 163.0p*</li> <li>Operating cashflow conversion of 77%, reflecting continued excellent cash generation</li> <li>Reported results mainly reflect charges in respect of Russia and the DOJ/OFAC investigations</li> </ul>

### Jack Bowles, Chief Executive:

"I am very proud that our continued New Categories growth momentum is driving Faster Transformation, with revenue growth of 45%\* in the first half of 2022, on top of 51%\* growth in FY2021. We are delivering both strong operational performance and transforming the business.

I am especially proud that the number of consumers using our non-combustible brands has passed the milestone of 20m in the first half. Our A Better Tomorrow purpose, partnered with our well-established multi-category strategy, continues to drive growth.

Our three strong, global New Category brands underpinned our revenue performance, with non-combustibles now representing 14.6% of revenue. Revenue growth was ahead of volume growth in all three New Categories. We are confident in delivering £5bn New Category revenue, and profitability, by 2025.

Furthermore, New Category contribution improved by over 50% in H1, with losses reduced by £281m\* in the period alongside a continued increase in investment in our transformation, with a total of £1.1bn invested in New Categories in the first half.

From an innovation perspective, the second half promises to be exciting. We are launching our new glo system proposition, hyper X2, and a new consumables range in the THP category, where we are enjoying strong growth. In addition, we continue to build on our international leadership position in Vapour, expanding our portfolio with the launch of Vuse Go, our new disposable Vapour platform. This will be scaled-up and rolled out into a number of new markets following our successful UK pilot launch in the first half of 2022.

Our combustibles business continues to grow value share enabled by robust pricing. In addition, we have delivered £1.5bn Quantum savings six months early, and our progress continues. We now expect to achieve in excess of £1.5bn by year end.

We have a strong and resilient portfolio in the U.S., growing value share in both combustibles and vapour. We continue to grow our premium value share in combustibles and to date we see no acceleration of downtrading in our combustibles portfolio.

We are not immune, of course, to the increasing macro-economic pressures, exacerbated by the conflict in Ukraine. However, we are well positioned to navigate the current turbulent environment due to our powerful brands, operational agility and continued strong cash generation.

I am very pleased that, thanks to the hard work and commitment of BAT employees all over the world, we are delivering our operational performance and business transformation at pace in a challenging environment.

With this strong start to the year, I am confident in achieving our full year guidance. While understanding that there is more to do, these results demonstrate the strong progress we are making in our Faster Transformation towards A Better Tomorrow."

\* at constant rates of exchange

## CHIEF EXECUTIVE'S STATEMENT

### FASTER TRANSFORMATION OF OUR BUSINESS

"During the first half of 2022, our Faster Transformation demonstrated the benefits of our multi-category strategy. Our A Better Tomorrow purpose, which drives a reduction in the health impact of our business, is based on our three core beliefs:

- Rigorous science should underpin our portfolio of reduced-risk products\*\*†;
- Product innovation is essential to satisfy evolving global consumer needs; and
- Sustainability is at the centre of our business decisions and heart of our strategy.

We continue to make substantial investments in our science and R&D and have built a substantial body of science to support our New Category products, including pioneering clinical studies of glo and Vuse.

- Based on over 135 of our own studies, and third-party data across emissions, toxicology and the growing body of clinical and population studies, we believe our products are scientifically substantiated as reduced risk\*\*\* compared to smoking and that this science supports the role and use of these products in Tobacco Harm Reduction.
- The science shows that, for Vuse and glo harmful components are 90-99% less than cigarettes, with toxicology between 95% to 99% less. For Velo, studies show it contains less harmful components than snus.

Further to our vapour portfolio expansion, in July 2022, we launched our new THP innovation platform - glo hyper X2 - a smaller, lighter, induction heating device with an ergonomic design and separate boost button. This platform will be enabled by a re-designed Neo consumables range. The roll-out has started in Japan, with rapid roll-outs to other markets planned in the second half of 2022.

We continue to take an active approach to reducing our environmental impact, having signed up to the UN-backed Race to Zero campaign. I am pleased to report that we now have 18 certified carbon neutral^ manufacturing and commercial facilities with two added in the first half of 2022.

Driving even Faster Transformation, while navigating the macro environment, will be our priority during the second half of the year. The strength of our New Category portfolio, combined with our focus on science, innovation and sustainability, underpins our confidence in delivering another strong year in 2022."

## FINANCE & TRANSFORMATION DIRECTOR'S OUTLOOK STATEMENT

### TRANSFORMING AND DELIVERING

"Our first half performance demonstrates our delivery and our Faster Transformation in action. We continue to build on our momentum, supported by our New Categories becoming a greater driver of Group performance.

We continued to invest in our transformation, with over £1 billion invested in New Categories in the first half. In addition, we improved the contribution from New Categories, with losses down for the second consecutive period, reducing by a further £281 million, at constant rates. Our New Category business is already delivering a positive financial contribution in 9 markets.

Progress at our state-of-the-art Innovation Hub in Trieste, Italy also continues. The Hub will host a New Categories manufacturing site, innovation lab and digital centre of excellence.

Strong pricing in combustibles and value share growth, up a further 10 bps, continue to fund our transformation. U.S. combustible volume was down 13.4%, mainly due to industry volume decline which reflected the impact of macro factors, including higher fuel prices and a return to more normal consumer consumption patterns post COVID.

Adjusted operating margin growth of 90 bps was supported by a further c£275 million of Quantum savings in the first half of 2022. We now expect to achieve in excess of £1.5 billion annualised savings by the end of 2022. Reported results were impacted by impairment charges in respect of Russia assets (£957 million, as described on pages 33 and 34), a charge of £450 million related to the investigation in respect of alleged

historical breach of sanctions (described on page 20) and other charges recognised related to Quantum (including the exit from Egypt and planned factory closure in Singapore), with reported EPS down 42.9%.

On an adjusted, constant currency basis, EPS was up 5.7% reflecting our continued strong performance, absorbing the impact of a very strong comparator in the U.S., and the sale of our business in Iran in August 2021. While we are not immune to the current macro environment, we are confident in our full year guidance, irrespective of the timing of the transfer of our Russian business.

We expect to generate £40 billion of free cash flow before dividends over the next five years. With our active capital allocation framework, we are committed to delivering enhanced long-term value for shareholders. We have already repurchased 37.7 million shares at a cost of £1.3 billion as part of our £2 billion share repurchase programme for 2022. Liquidity remains strong with average debt maturity close to 10 years, and 90% of our debt is fixed. Our medium-term rating target remains BBB+/Baa1, with a current rating of BBB+ (negative outlook)/Baa2 (stable outlook)\*\*\*.

In summary, our robust first half results give us confidence in our full year guidance. We are making strong progress towards our Faster Transformation and building a sustainable Enterprise of the Future."

#### On track for FULL YEAR 2022 guidance:

- Global tobacco industry volume expected to be down c.3.0% partly due to the U.S., Turkey and uncertainty over Russia / Ukraine.
- Constant currency revenue growth of 2-4% and continued strong progress towards £5bn New Category revenue in 2025.
- Mid-single figure constant currency adjusted EPS growth, including continued expectation of c.2% transactional FX headwind.
- Expected translational FX tailwind of c.6% on full year adjusted diluted EPS growth.
- Operating cashflow conversion in excess of 90%. Adjusted net debt/Adjusted EBITDA expected within our 2-3x corridor.
- Commitment to dividend growth in sterling terms and our long-term 65% dividend pay-out ratio.

\*\* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk-free and are addictive.

\*\*\*A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to withdrawal or revision at any time. Each rating should be evaluated separately of any other rating.

† Our vapour product Vuse (including Alto, Solo, Ciro and Vibe), and certain products including Velo, Grizzly, Kodiak, and Camel Snus, which are sold in the U.S., are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.

^ Carbon neutrality relates to Scope 1 & 2 greenhouse gas (GHG) emissions, achieved by a combination of initiatives, including energy efficiency, emissions reduction, renewable energy use, the purchase of renewable energy certificates and offsetting.

#### Other Information

##### DIVIDENDS

On 11 February 2022, the Company announced that the Board had declared an interim dividend of 217.8p per ordinary share of 25p, payable in four equal quarterly instalments of 54.45p per ordinary share in May 2022, August 2022, November 2022 and February 2023.

The May 2022 quarterly dividend was paid to shareholders on the UK main register and South Africa branch register on 4 May 2022 and to holders of American Depositary Shares (ADSs) on 9 May 2022. The three remaining quarterly dividends will be paid to shareholders registered on either the UK main register or the South Africa branch register, and to holders of ADSs, each on the applicable record dates set out under the heading 'Key Dates' below.

#### General dividend information

Under IFRS, the interim dividend is recognised in the period that it is paid. Therefore, the results for the six months ended 30 June 2022 reflect the fourth quarterly dividend from the declaration made on 17 February 2021 of 53.90p per ordinary share and the first quarterly dividend from the declaration made on 10 February 2022, of 54.45p per ordinary share as these were paid in February 2022 and May 2022, respectively.

	For the six months ended 30 June 2022	
	Pence per share	US\$ per ADS
Quarterly payment paid in February 2022	53.90	0.7248860
Quarterly payment paid in May 2022	54.45	0.6754340
	108.35	1.4003200

#### Holders of ADSs

For holders of ADSs listed on the New York Stock Exchange (NYSE), the record dates and payment dates are set out below. The equivalent quarterly dividends receivable by holders of ADSs in US dollars will be calculated based on the exchange rate on the applicable payment date. A fee of US\$0.005 per ADS will be charged by Citibank, N.A. in its capacity as depositary bank for the BAT American Depositary Receipt (ADR) programme in respect of each quarterly dividend payment.

#### South Africa Branch Register

In accordance with the JSE Limited (JSE) listing requirements, the finalisation information relating to shareholders registered on the South Africa branch register (comprising the amount of the dividend in South African rand, the exchange rate and the associated conversion date) will be published on the dates stated below, together with South Africa dividends tax information.

The quarterly dividends are regarded as 'foreign dividends' for the purposes of the South Africa Dividends Tax. For the purposes of South Africa Dividends Tax reporting, the source of income for the payment of the quarterly dividends is the United Kingdom.

#### Key dates

In compliance with the requirements of the London Stock Exchange (LSE), the NYSE and Strate, the electronic settlement and custody system used by the JSE, the following salient dates for the quarterly dividends payments are applicable. All dates are 2022, unless otherwise stated.

Event	Payment No. 2	Payment No. 3	Payment No. 4
Preliminary announcement (includes declaration data required for JSE purposes)		11 February	
Publication of finalisation information (JSE)	28 June	20 September	12 December
No removal requests permitted between the UK main register and the South Africa branch register	28 June- 11 July (inclusive)	20 September- 3 October (inclusive)	12 December- 27 December (inclusive)
Last Day to Trade (LDT) cum dividend (JSE)	5 July	27 September	20 December
Shares commence trading ex- dividend (JSE)	6 July	28 September	21 December
No transfers permitted between the UK main register and the South Africa branch register	6 July- 11 July (inclusive)	28 September - 3 October (inclusive)	21 December- 27 December (inclusive)
No shares may be dematerialised or rematerialised on the South Africa branch register	6 July- 11 July (inclusive)	28 September- 3 October (inclusive)	21 December- 27 December (inclusive)
Shares commence trading ex- dividend (LSE and NYSE)	7 July	29 September	22 December
Record date (JSE, LSE and NYSE)	8 July	30 September	23 December
Last date for receipt of Dividend Reinvestment Plan (DRIP) elections (LSE)	27 July	20 October	12 January 2023
Payment date (LSE and JSE)	17 August	10 November	2 February 2023
ADS payment date (NYSE)	22 August	15 November	6 February 2023

#### Note:

- (1) The dates set out above may be subject to any changes to public holidays arising and changes or revisions to the LSE, JSE and NYSE timetables. Any confirmed changes to the dates will be announced.
- (2) JSE finalisation information published on 28 June 2022 can be found on the British American Tobacco website [www.bat.com](http://www.bat.com).

#### SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the Directors of the Company. It is only a summary of the information contained in the full Half-Year Report to 30 June 2022 (the "Results Announcement") and does not contain full or complete details. Any investment decisions should be based on consideration of the full Results Announcement available via the JSE at <https://senspdf.jse.co.za/documents/2022/JSE/ISSE/BTI/BATHY22.pdf> and on the Company's website at [www.bat.com](http://www.bat.com).

Copies of the full Results Announcement may also be obtained during normal business hours from the Company's registered office and the Company's representative office in South Africa. Contact details are set out below.

#### FINANCIAL CALENDAR

December 2022  
Thursday 9 February 2023

Pre-close Trading Update  
Preliminary Statement 2022

#### PROPOSED DATES FOR QUARTERLY DIVIDEND PAYMENTS FOR THE YEAR ENDING 31 DECEMBER 2022

Event	Payment No. 1	Payment No. 2	Payment No. 3	Payment No. 4
Last day to trade (JSE)	20 March 2023	11 July 2023	26 September 2023	19 December 2023
Ex-dividend date (JSE)	22 March 2023	12 July 2023	27 September 2023	20 December 2023
Ex-dividend date (LSE and NYSE)	23 March 2023	13 July 2023	28 September 2023	21 December 2023
Record date (JSE, LSE and NYSE)	24 March 2023	14 July 2023	29 September 2023	22 December 2023
Payment date (LSE and JSE)	3 May 2023	18 August 2023	3 November 2023	1 February 2024
ADS payment date (NYSE)	8 May 2023	23 August 2023	8 November 2023	6 February 2024

#### Notes:

(1) A complete timetable for the quarterly dividend payments for the year ending 31 December 2022 and the declared amount will be included in the Preliminary Results Announcement in February 2023.  
(2) The dates set out above may be subject to any changes to public holidays arising and changes or revisions to the LSE, JSE and NYSE timetables. Any confirmed changes to the dates will be announced.

#### CORPORATE INFORMATION

British American Tobacco p.l.c. is a public limited company which is listed on the London Stock Exchange, New York Stock Exchange and the JSE Limited in South Africa. British American Tobacco p.l.c. is incorporated in England and Wales (No. 3407696) and domiciled in the UK.

#### Premium 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; +44 370 889 3159  
Share dealing tel: 0370 703 0084 (UK only)  
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 Proprietary Limited  
Private Bag X9000, Saxonwold 2132, South Africa  
Rosebank Towers, 15 Biermann Avenue, Rosebank, South Africa  
Tel: 0861 100 634; +27 11 870 8216  
Email enquiries: [web.queries@computershare.co.za](mailto:web.queries@computershare.co.za)  
Sponsor for the purpose of the JSE - Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities

#### American Depositary Receipts (ADRs)

NYSE (Symbol: BTI; CUSIP Number: 110448107)  
BAT's shares are listed on the NYSE in the form of American Depositary Shares (ADSs) and these are evidenced by American Depositary Receipts (ADRs), each one of which represents one ordinary share of British American Tobacco p.l.c. Citibank, N.A. is the depositary bank for the sponsored ADR programme.  
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 20 7511 7797; e-mail enquiries: [bat@team365.co.uk](mailto:bat@team365.co.uk) or the Company's Representative office in South Africa using the contact details below.

#### British American Tobacco p.l.c. - Registered office

Globe House, 4 Temple Place, London, WC2R 2PG, UK  
Tel: +44 20 7845 1000; facsimile: +44 20 7240 0555

#### British American Tobacco p.l.c. - Representative office in South Africa

Waterway House South  
No 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa  
PO Box 631, Cape Town 8000, South Africa  
Tel: +27 21 003 6712

## ENQUIRIES

### INVESTOR RELATIONS:

Mike Nightingale +44 (0)20 7845 1180  
Victoria Buxton +44 (0)20 7845 2012  
William Houston +44 (0)20 7845 1138  
John Harney +44 (0)20 7845 1263

### PRESS OFFICE:

Press Office +44 (0)20 7845 2888

### FORWARD-LOOKING STATEMENTS AND OTHER MATTERS

This announcement contains certain forward-looking statements, including "forward-looking" statements made within the meaning of the U.S. Private Securities Litigation Reform Act of 1995.

In particular, these forward-looking statements include, among other statements, statements regarding the Group's future financial performance, planned product launches and future regulatory developments and business objectives (including with respect to sustainability and other environmental, social and governance matters), as well as: (i) certain statements in the Chief Executive commentary (pages 1 to 2); (ii) certain statements in the Finance and Transformation Director's Outlook Statement (page 2); (iii) certain statements in the Category Performance Review (pages 4 to 8); (iv) certain statements in the Regional Review section (pages 9 to 13); (v) certain statements in the Other Financial Information section (pages 14 to 17); (vi) certain statements in the Other Information section (pages 18 to 22); (vii) certain statements in the Notes to the Unaudited Interim Financial Statements section (pages 31 to 50), including the Liquidity and Contingent Liabilities and Financial Commitments sections; and (viii) certain statements in the Other Information section (pages 51 to 63), including the Non-GAAP Measures sections and under the heading "Dividends".

These statements are often, but not always, made through the use of words or phrases such as "believe", "anticipate", "could", "may", "would", "should", "intend", "plan", "potential", "predict", "will", "expect", "estimate", "project", "positioned", "strategy", "outlook", "target" and similar expressions. These include statements regarding our intentions, beliefs or current expectations concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the economic and business circumstances occurring from time to time in the countries and markets in which the British American Tobacco Group (the "Group") operates, including the projected future financial and operating impacts of the COVID-19 pandemic.

All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors. It is believed that the expectations reflected in this announcement are reasonable, but they may be affected by a wide range of variables that could cause actual results and performance to differ materially from those currently anticipated. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are uncertainties related to the following: the impact of competition from illicit trade; the impact of adverse domestic or international legislation and regulation; the inability to develop, commercialise and deliver the Group's New Categories strategy; adverse litigation and dispute outcomes and the effect of such outcomes on the Group's financial condition; the impact of significant increases or structural changes in tobacco, nicotine and New Categories related taxes; translational and transactional foreign exchange rate exposure; changes or differences in domestic or international economic or political conditions; the ability to maintain credit ratings and to fund the business under the current capital structure; the impact of serious injury, illness or death in the workplace; adverse decisions by domestic or international regulatory bodies; and changes in the market position, businesses, financial condition, results of operations or prospects of the Group.

A review of the reasons why actual results and developments may differ materially from the expectations disclosed or implied within forward-looking statements can be found by referring to the information contained under the headings "Cautionary statement", "Group Principal Risks" and "Group Risk Factors" in the 2021 Annual Report and Form 20-F of British American Tobacco p.l.c. (BAT). Additional information concerning these and other factors can be found in BAT's filings with the U.S. Securities and Exchange Commission ("SEC"), including the Annual Report on Form 20-F and Current Reports on Form 6-K, which may be obtained free of charge at the SEC's website, <http://www.sec.gov> and BAT's Annual Reports, which may be obtained free of charge from the British American Tobacco website [www.bat.com](http://www.bat.com).

No statement in this announcement is intended to be a profit forecast and no statement in this communication should be interpreted to mean that earnings per share of BAT for the current or future financial years would necessarily match or exceed the historical published earnings per share of BAT. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. The forward-looking statements reflect knowledge and information available at the date of preparation of this announcement and BAT undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on such forward-looking statements.

All financial statements and financial information provided by or with respect to the U.S. or Reynolds American Inc. (Reynolds American) are initially prepared on the basis of U.S. GAAP and constitute the primary financial statements or financial records of the U.S. / Reynolds American. This financial information is then converted to International Financial Reporting Standards as issued by the IASB and as adopted for use in the UK ("IFRS") for the purpose of consolidation within the results of the Group. To the extent any such financial information provided in this announcement relates to the U.S. or Reynolds American it is provided as an explanation of, or supplement to, Reynolds American's primary U.S. GAAP based financial statements and information.

Our vapour product Vuse (including Alto, Solo, Ciro and Vibe), and certain products including Velo, Grizzly, Kodiak, and Camel Snus, which are sold in the U.S., are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.

