



BRITISH AMERICAN TOBACCO KENYA MARKS 50 YEARS ON THE NAIROBI SECURITIES EXCHANGE

Nairobi, 17 May 2019

The Kenya Stock Markets were today opened by the Managing Director of BAT Kenya Beverley Spencer-Obatoyinbo and Chairman George Maina to celebrate the Company's 50th anniversary of being quoted on the Nairobi Securities Exchange (NSE).

British American Tobacco Kenya plc (BAT Kenya) has a rich and long history in Kenya dating back to 1907 when it started operations in the market, eventually getting listed at the Nairobi Securities Exchange in 1969.

Speaking when she opened trading at the NSE, BAT Kenya Managing Director Beverly Spencer-Obatoyinbo said:

"We are proud of our Kenyan heritage, which goes back over 100 years in this market and this is a great achievement for us. Our longevity and success would not have been possible without the efforts and dedication of our past and present partners and stakeholders. We remain committed to delivering value to our shareholders, developing local talent and providing our customers with well-balanced portfolio of brands, which covers all major price points."

Through its market-leading brands, "Transforming Tobacco" ambition, talented people and valued partnerships, the company looks set to deliver continued value to its shareholders while investing in a sustainable and successful future. The advent of new technologies and potentially reduced risk products in the global tobacco industry, offers an opportunity for BAT Kenya to realise this ambition and provide consumers with broader choice, more innovation, less risk.

"As one of the leading tax contributors in Kenya, we continue to help drive the economic growth of Kenya. We are a strategic manufacturing hub for the British American Tobacco Group, exporting more than 60% of its output to over thirteen countries in Africa.

Having reported a profit after tax of KSh 4.1 billion in the period ending 31 December 2018, we paid a total of KSh 18.3 billion in the form of Excise Duty, VAT, Pay as You Earn (PAYE) and Corporation tax. In this regard, we remain committed to the highest standards of Corporate Governance," added Beverley.

Since the listing in 1969, the BAT Kenya Share Price has grown from KSh10 per share to KSh725 as at 31 December 2019, with a 93% dividend payout over the last five years.

BAT Kenya has generated direct and indirect employment opportunities for more than 80,000 Kenyans through tobacco farming, tobacco processing, cigarette manufacturing, tobacco product distribution, urban and rural retailing, wholesale trade, transport, logistics and domestic procurement. This includes over 400 permanent employees and over 5,000 contracted farmers in Migori, Bungoma and Meru counties.

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ABOUT BAT KENYA

British American Tobacco Kenya plc (BAT Kenya), is a limited liability company duly incorporated under the provisions of the Kenyan Companies Act. The company was established in Kenya in 1907 and has been listed on the Nairobi Securities Exchange (formerly Nairobi Stock Exchange) since 1969. It has approximately 5,000 shareholders around 4,000 of whom are local shareholders. The company is in the business of tobacco farming, tobacco processing, cigarette manufacture and the exporting and selling cigarettes and tobacco products.

BAT Kenya's tobacco growing operations partner with over 5,000 contracted farmers in the counties of Bungoma, Busia, Migori, Homa Bay, Meru, Embu and Tharaka Nithi. In the 2017 tobacco growing season, our farmers delivered 8.9 million tonnes of leaf and received KSh 1.5 billion in payment. BAT Kenya has generated direct and indirect employment opportunities for more than 80,000 Kenyans through tobacco farming, tobacco processing, cigarette manufacturing, tobacco product distribution, urban and rural retailing, wholesale trade, transport, logistics and domestic procurement. BAT Kenya currently employs about 400 permanent employees and has a manufacturing plant in Nairobi. This is a strategic manufacturing hub for the British American Tobacco Group, exporting more than 60% of its output to thirteen countries in Africa.

BAT Kenya has contributed to Kenya's economic growth through its continued and systematic year-on-year investments. Over the past five years, it has invested over KSh 8 billion in tobacco farming and processing including at the Green Leaf Threshing Plant in Thika and the cigarette manufacturing factory in Nairobi. In the past 5 years, BAT Kenya contributed over KSh 87 billion to national revenue through various taxes (Excise Duty, Value Added Tax (VAT), Pay as You Earn (PAYE) and Corporation Tax).

BAT Kenya operates a sustainable business and invests in various initiatives to reduce the impacts of its business and contribute to the development and protection the communities and ecosystems in which it operates. The Company drives various programmes in Sustainable Agriculture and Environmental conservation, including afforestation activities through which it has recorded over 50 million surviving trees planted since 1978.