

# The receipt of dividend payments from international tobacco profits

Estimated payments to institutional shareholders in fiscal 2009.

## Key findings

- About two-thirds of the shareholders of the four large multinational tobacco companies are institutional shareholders.
- The four large multinational tobacco companies distributed about \$9.5 billion dollars in dividend payments on profits made in the 2009 fiscal year. Of that amount, about \$8.4 billion (88%) was derived from transnational tobacco sales (i.e. sales in a country other than the home nation of the multinational tobacco company).
- The “top 10” recipient nations of dividend payments from multinational tobacco companies are:

| Country           | % of all dividend payments | % of dividend payments to identified shareholders |
|-------------------|----------------------------|---|
| 1. United States  | 36%                        | 57%   |
| 2. United Kingdom | 20%                        | 31%   |
| 3. Japan          | 5%                         | 7%  |
| 4. Luxembourg     | 2%                         | 3%  |
| 5. Switzerland    | 1.3%                       | 2%  |
| 6. Germany        | 1.1%                       | 1.5%  |
| 7. Canada         | 0.9%                       | 1.4%  |
| 8. Netherlands    | 0.7%                       | 1.1%  |
| 9. Lebanon        | 0.6%                       | 0.9%  |
| 10. South Africa  | 0.6%                       | 0.9%  |

- About one third of dividend payments from the four large tobacco multinationals is sent to institutional shareholders located in FCTC countries. About one-third is sent to institutional shareholders in non-FCTCC countries. The final third is sent to non-institutional shareholders.
- Philip Morris International reports that one-half of its sales and one-third of its profits come from developing countries (33%).<sup>1</sup> Of the \$1.3 billion in dividends it paid as a result of sales in developing countries, \$860 million went to the United States, \$68 million went to the United Kingdom, and \$18 million went to Canada.
- BAT reports that three-quarters of its cigarettes are sold in developing countries, and that two-thirds of its profits come from developing countries.<sup>2</sup> Of the \$2 billion it paid in dividends as a result of sales in developing countries, \$1 billion went to institutional investors known to be based in FCTC Parties, including \$743 million to shareholders in the United Kingdom.
- One quarter of dividends received in Canada are a result of direct investments by pension plans which operate under government authority. The largest of these is the Canada Pension Plan Investment Board, which receive 9% of all dividends derived from these tobacco companies. Others include the Caisse de depot (6.7%), the British Columbia Investment Management Corporation (5.3%), and three Ontario pension plans (totalling 3.1%).

## Methods

Tobacco companies distribute a portion of their net earnings to their shareholders in the form of dividend payments. For publicly traded companies, profits and dividend payments are a matter of public record (through Annual reports). Lists of shareholders are not public, except when the shareholders are registered with stock exchanges, as is the case with more than half of the shareholders of the four largest global tobacco companies (Philip Morris International, British American Tobacco, Imperial Tobacco Group, Japan Tobacco).

Each company declared dividends on its shares of the following amounts:

| Company                      | Fiscal Year End    | Dividend Declared | US\$ equivalent |
|------------------------------|--------------------|-------------------|-----------------|
| Philip Morris International. | December 31, 2009  | USD 2.32          | USD 2.32        |
| British American Tobacco     | December 31, 2009  | GBP 0.995         | USD 1.61        |
| Imperial Tobacco             | September 30, 2009 | GBP 0.73          | USD 1.17        |
| Japan Tobacco                | March 31, 2010     | JPY 5,800         | USD 62.08       |

Because shares are frequently bought and sold, recorded shareholdings fluctuate with every market transaction. We used a snapshot of registered shareholdings produced by the Toronto Stock Exchange on September 28, 2010 to establish residency of institutional shareholders on that date. Private shareholders (who own about one-third of the shares of each company) are not identified.

## Results

The results are shown on the tables below.

- Table 1 shows the distribution of shares on September 30, 2010.
- Table 2 shows an approximation of receipt of dividend payments in 2010 to institutional shareholders from all companies for fiscal year with the most months in 2009.
- Table 3 shows an approximation of receipt of dividend payments from Philip Morris International by regional source of income for the fiscal year with the most months in 2009.
- Table 4 shows an approximation of receipt of dividend payments from British American Tobacco by regional source of income for the fiscal year with the most months in 2009.
- Table 5 shows an approximation of receipt of dividend payments from Imperial Tobacco by regional source of income for the fiscal year with the most months in 2009.
- Table 6 shows an approximation of receipt of dividend payments from Japan Tobacco by regional source of income for the fiscal year with the most months in 2009.
- Table 7: Estimated Receipt of dividend payments from Repatriated Sales of Tobacco Products (i.e. derived from revenues from tobacco sales by multinational companies in countries outside of their national headquarters).
- Table 8: Shareholdings of Canadian institutional investors in multinational tobacco companies, September 30, 2010, number of shares
- Table 9: Estimated Receipt of dividend payments to Canadian institutional shareholders from multinational tobacco companies in fiscal 2009-10

**TABLE 1: REGISTERED SHAREHOLDINGS IN TOBACCO COMPANIES, SEPTEMBER 30, 2010.**

|                            | Japan Tobacco |                   | Philip Morris International |                      | Imperial Tobacco Inc. |                      | British American Tobacco |                      |
|----------------------------|---------------|-------------------|-----------------------------|----------------------|-----------------------|----------------------|--------------------------|----------------------|
|                            | %             | Number            | %                           | Number               | %                     | Number               | %                        | Number               |
| Australia                  | 0.00%         | 170               | 0.08%                       | 1,428,251            | 0.04%                 | 393,858              | 0.08%                    | 1,631,479            |
| Hong Kong                  | 0.04%         | 4,079             | 0.00%                       | 50,102               | 0.07%                 | 795,607              | 0.05%                    | 1,096,724            |
| Japan                      | 52.50%        | 5,249,709         | 0.95%                       | 17,861,888           | 0.87%                 | 9,302,216            | 0.83%                    | 16,873,905           |
| Malaysia                   |               |                   |                             |                      |                       |                      | 0.06%                    | 1,117,216            |
| Singapore                  | 0.02%         | 1,922             | 0.00%                       | 57,122               | 0.00%                 | 200                  | 0.02%                    | 324,444              |
| South Korea                | 0.00%         | 493               |                             |                      |                       |                      | 0.06%                    | 1,199,033            |
| <b>WPRO - FCTC Parties</b> | <b>52.6%</b>  | <b>5,256,373</b>  | <b>1.03%</b>                | <b>19,397,363</b>    | <b>0.98%</b>          | <b>10,491,881</b>    | <b>1.10%</b>             | <b>22,242,801</b>    |
| Lebanon                    |               |                   |                             |                      | 0.17%                 | 1,763,073            | 1.67%                    | 33,744,530           |
| UAE                        |               |                   |                             |                      | 0.06%                 | 663,597              | 0.08%                    | 1,653,749            |
| <b>EMRO - FCTC Parties</b> |               |                   |                             |                      | <b>0.23%</b>          | <b>2,426,670</b>     | <b>1.75%</b>             | <b>35,398,279</b>    |
| Argentina                  |               |                   | 0.00%                       | 1,300                |                       |                      |                          |                      |
| Bermuda                    | 0.17%         | 17,373            |                             |                      |                       |                      |                          |                      |
| Canada                     | 0.18%         | 17,629            | 1.24%                       | 23,335,356           | 0.41%                 | 4,397,800            | 0.63%                    | 12,838,092           |
| Chile                      | 0.00%         | 31                | 0.00%                       | 3,231                |                       |                      | 0.00%                    | 10,967               |
| <b>AMRO - FCTC Parties</b> | <b>0.35%</b>  | <b>35,033</b>     | <b>1.24%</b>                | <b>23,339,887</b>    | <b>0.41%</b>          | <b>4,397,800</b>     | <b>0.63%</b>             | <b>12,849,059</b>    |
| South Africa               | 0.04%         | 3,897             | 0.06%                       | 1,135,772            | 0.01%                 | 89,622               | 1.47%                    | 29,790,756           |
| <b>AFRO - FCTC Parties</b> | <b>0.04%</b>  | <b>3,897</b>      | <b>0.06%</b>                | <b>1,135,772</b>     | <b>0.01%</b>          | <b>89,622</b>        | <b>1.47%</b>             | <b>29,790,756</b>    |
| Austria                    | 0.00%         | 427               | 0.01%                       | 105,568              | 0.01%                 | 54,775               | 0.01%                    | 199,420              |
| Belgium                    | 0.02%         | 2,000             | 0.10%                       | 1,882,754            | 0.25%                 | 2,639,457            | 0.13%                    | 2,577,980            |
| Czech Rep.                 |               |                   | 0.00%                       | 11,500               |                       |                      |                          |                      |
| Denmark                    | 0.61%         | 60,556            | 0.20%                       | 3,832,177            | 0.09%                 | 966,282              | 0.41%                    | 8,393,920            |
| Finland                    |               |                   |                             |                      | 0.11%                 | 1,172,282            | 0.06%                    | 1,133,425            |
| France                     | 0.07%         | 7,045             | 0.15%                       | 2,821,613            | 0.94%                 | 10,084,237           | 0.54%                    | 10,938,451           |
| Germany                    | 0.15%         | 14,584            | 0.70%                       | 13,199,762           | 1.67%                 | 17,833,629           | 1.39%                    | 28,124,725           |
| Greece                     |               |                   | 0.00%                       | 40,748               | 0.00%                 | 1,530                | 0.00%                    | 13,139               |
| Iceland                    |               |                   | 0.00%                       | 13,000               |                       |                      |                          |                      |
| Ireland                    | 0.05%         | 4,958             | 0.25%                       | 4,644,051            | 0.69%                 | 7,348,675            | 0.26%                    | 5,183,176            |
| Isle of Man                |               |                   |                             |                      |                       |                      | 0.02%                    | 466,493              |
| Italy                      | 0.02%         | 2,236             | 0.04%                       | 700,144              | 0.46%                 | 4,898,837            | 0.14%                    | 2,807,557            |
| Luxembourg                 | 0.23%         | 23,488            | 0.04%                       | 715,438              | 0.48%                 | 5,110,215            | 4.88%                    | 98,936,417           |
| Netherlands                | 0.07%         | 6,649             | 0.43%                       | 8,158,977            | 1.49%                 | 15,897,421           | 0.86%                    | 17,451,509           |
| Norway                     | 0.00%         | 137               | 0.00%                       | 36,606               | 0.01%                 | 89,726               | 0.01%                    | 256,800              |
| Poland                     |               |                   |                             |                      | 0.00%                 | 900                  |                          |                      |
| Portugal                   |               |                   | 0.00%                       | 38,024               | 0.00%                 | 4,655                | 0.01%                    | 182,057              |
| Spain                      | 0.00%         | 211               | 0.04%                       | 670,388              | 0.13%                 | 1,392,514            | 0.04%                    | 712,898              |
| Sweden                     | 0.11%         | 10,729            | 0.21%                       | 3,973,178            | 0.23%                 | 2,504,673            | 0.39%                    | 7,956,872            |
| UK                         | 1.91%         | 190,763           | 4.76%                       | 89,728,571           | 37.71%                | 402,744,032          | 34.53%                   | 699,287,656          |
| <b>EURO - FCTC Parties</b> | <b>3.24%</b>  | <b>323,783</b>    | <b>6.92%</b>                | <b>130,572,499</b>   | <b>44.27%</b>         | <b>472,743,840</b>   | <b>43.687%</b>           | <b>884,622,495</b>   |
| Guernsey                   |               |                   |                             | 2,708                |                       |                      |                          |                      |
| Jersey                     | 0.01%         | 1,307             | 0.01%                       | 233,830              | 0.02%                 | 221,192              | 0.02%                    | 398,393              |
| Lichenstein                | 0.00%         | 96                | 0.00%                       | 72,800               |                       |                      | 0.00%                    | 60,218               |
| Switzerland                | 0.16%         | 15,563            | 0.23%                       | 4,393,956            | 0.19%                 | 2,058,976            | 3.18%                    | 64,420,463           |
| Taiwan                     | 0.01%         | 518               | 0.00%                       | 94,130               | 0.01%                 | 69,567               | 0.01%                    | 115,689              |
| United States              | 7.88%         | 788,151           | 59.56%                      | 1,123,957,480        | 13.19%                | 140,815,511          | 10.69%                   | 216,517,274          |
| <b>Non Parties</b>         | <b>8.06%</b>  | <b>805,635</b>    | <b>59.82%</b>               | <b>1,128,754,904</b> | <b>13.41%</b>         | <b>143,165,246</b>   | <b>13.90%</b>            | <b>281,512,037</b>   |
| Other                      | 0.86%         | 86,102            | 0.08%                       | 1,570,412            | 2.95%                 | 31,502,241           | 0.98%                    | 19,903,716           |
| company own shares         | 4.19%         | 419,103           | 6.87%                       | 129,700,000          | 4.82%                 | 51,481,000           | 1.43%                    | 28,960,054           |
| Unknown                    | 30.70%        | 3,070,074         | 23.98%                      | 452,530,463          | 32.93%                | 351,644,581          | 35.06%                   | 710,085,425          |
| <b>Unknown/Other</b>       | <b>35.75%</b> | <b>3,575,279</b>  | <b>30.94%</b>               | <b>583,800,875</b>   | <b>40.70%</b>         | <b>434,627,822</b>   | <b>37.47%</b>            | <b>758,949,195</b>   |
| <b>Total</b>               | <b>100%</b>   | <b>10,000,000</b> | <b>100.0%</b>               | <b>1,887,000,000</b> | <b>100.0%</b>         | <b>1,067,942,881</b> | <b>100.0%</b>            | <b>2,025,364,622</b> |

**TABLE 2: ESTIMATED DIVIDEND PAYMENT FROM TOBACCO SALES FOR THE FISCAL YEAR WITH THE MOST MONTHS IN 2009**

| All figures in US\$   | Japan Tobacco      | Philip Morris International | Imperial Tobacco Inc. | British American Tobacco | Total        |                      |
|---|--------------------|-----------------------------|-----------------------|--------------------------|--------------|----------------------|
| <b>Estimated dividend payment per share (US\$ equivalent)</b> | <b>62.08</b>       | <b>2.32</b>                 | <b>1.17</b>           | <b>1.61</b>              | <b>%</b>     |                      |
| South Africa  | 241,926            | 2,634,991                   | 104,858               | 47,963,117               | 0.6%         | 50,944,892           |
| <b>AFRO total</b>   | <b>241,926</b>     | <b>2,634,991</b>            | <b>104,858</b>        | <b>47,963,117</b>        | <b>0.6%</b>  | <b>50,944,892</b>    |
| Bermuda   | 1,078,516          |                             |                       |                          |              | 1,078,516            |
| Canada  | 1,094,408          | 54,138,026                  | 5,145,426             | 20,669,328               | 0.9%         | 81,047,188           |
| Chile   | 1,924              | 7,496                       |                       | 17,657                   | 0.0%         | 27,077               |
| <b>AMRO total</b>   | <b>2,174,849</b>   | <b>54,145,522</b>           | <b>5,145,426</b>      | <b>20,686,985</b>        | <b>0.9%</b>  | <b>82,152,781</b>    |
| Lebanon   |                    |                             | 2,062,795             | 54,328,693               | 0.6%         | 56,391,489           |
| UAE   |                    |                             | 776,408               | 2,662,536                | 0.0%         | 3,438,944            |
| <b>EMRO Total</b>   |                    |                             | <b>2,839,204</b>      | <b>56,991,229</b>        | <b>0.7%</b>  | <b>59,830,433</b>    |
| Austria   | 26,508             | 244,918                     | 64,087                | 321,066                  | 0.0%         | 656,579              |
| Belgium   | 124,160            | 4,367,989                   | 3,088,165             | 4,150,548                | 0.1%         | 11,730,862           |
| Denmark   | 3,759,316          | 8,890,651                   | 1,130,550             | 13,514,211               | 0.3%         | 27,294,728           |
| Finland   |                    |                             | 1,371,570             | 1,824,814                | 0.0%         | 3,196,384            |
| France  | 437,354            | 6,546,142                   | 11,798,557            | 17,610,906               | 0.4%         | 36,392,959           |
| Germany   | 905,375            | 30,623,448                  | 20,865,346            | 45,280,807               | 1.1%         | 97,674,976           |
| Greece  |                    | 94,535                      | 1,790                 | 21,154                   | 0.0%         | 117,479              |
| Iceland   |                    | 30,160                      |                       |                          | 0.0%         | 30,160               |
| Ireland   | 307,793            | 10,774,198                  | 8,597,950             | 8,344,913                | 0.3%         | 28,024,854           |
| Italy   | 138,811            | 1,624,334                   | 5,731,639             | 4,520,167                | 0.1%         | 12,014,951           |
| Luxembourg  | 1,458,135          | 1,659,816                   | 5,978,952             | 159,287,631              | 1.9%         | 168,384,534          |
| Netherlands   | 412,770            | 18,928,827                  | 18,599,983            | 28,096,929               | 0.7%         | 66,038,509           |
| Norway  | 8,505              | 84,926                      | 104,979               | 413,448                  | 0.0%         | 611,858              |
| Poland  |                    |                             | 1,053                 |                          | 0.0%         | 1,053                |
| Portugal  |                    | 88,216                      | 5,446                 | 293,112                  | 0.0%         | 386,774              |
| Spain   | 13,099             | 1,555,300                   | 1,629,241             | 1,147,766                | 0.0%         | 4,345,406            |
| Sweden  | 666,056            | 9,217,773                   | 2,930,467             | 12,810,564               | 0.3%         | 25,624,861           |
| United Kingdom  | 11,842,567         | 208,170,285                 | 471,210,517           | 1,125,853,126            | 20.4%        | 1,817,076,495        |
| <b>EURO Total</b>   | <b>20,100,449</b>  | <b>302,901,518</b>          | <b>553,110,293</b>    | <b>1,423,491,163</b>     | <b>25.9%</b> | <b>2,299,603,422</b> |
| Australia   | 10,554             | 3,313,542                   | 460,814               | 2,626,681                | 0.1%         | 6,411,591            |
| Hong Kong   | 253,224            | 116,237                     | 930,860               | 1,765,726                | 0.0%         | 3,066,047            |
| Japan   | 325,901,935        | 41,439,580                  | 10,883,593            | 27,166,987               | 4.6%         | 405,392,095          |
| Malaysia  |                    |                             |                       | 1,798,718                | 0.0%         | 1,798,718            |
| Singapore   | 119,318            | 132,523                     | 234                   | 522,355                  | 0.0%         | 774,430              |
| South Korea   | 30,605             |                             |                       | 1,930,443                | 0.0%         | 1,961,049            |
| <b>WPRO Total</b>   | <b>326,315,636</b> | <b>45,001,882</b>           | <b>12,275,501</b>     | <b>35,810,910</b>        | <b>4.7%</b>  | <b>419,403,928</b>   |
| <b>FCTC Parties Total</b>                                     | <b>348,832,859</b> | <b>404,683,913</b>          | <b>573,475,281</b>    | <b>1,584,943,404</b>     | <b>32.7%</b> | <b>2,911,935,457</b> |
| Argentina   |                    | 3,016                       |                       |                          | 0.0%         | 3,016                |
| Czech Rep.  |                    | 26,680                      |                       |                          | 0.0%         | 26,680               |
| Guernsey  |                    | 6,283                       |                       |                          | 0.0%         | 6,283                |
| Isle of Man   |                    |                             |                       | 751,054                  | 0.0%         | 751,054              |
| Jersey  | 81,139             | 542,486                     | 258,795               | 641,413                  | 0.0%         | 1,523,832            |
| Lichenstein   | 5,960              | 168,896                     |                       | 96,951                   | 0.0%         | 271,807              |
| Switzerland   | 966,151            | 10,193,978                  | 2,409,002             | 103,716,945              | 1.3%         | 117,286,076          |
| Taiwan  | 32,157             | 218,382                     | 81,393                | 186,259                  | 0.0%         | 518,192              |
| United States   | 48,928,414         | 2,607,581,354               | 164,754,148           | 348,592,811              | 35.6         | 3,169,856,727        |
| <b>Non Parties Total</b>                                      | <b>50,013,821</b>  | <b>2,618,741,073</b>        | <b>167,503,338</b>    | <b>453,985,433</b>       | <b>37%</b>   | <b>3,290,243,665</b> |
| Unknown   | 190,590,194        | 1,049,870,674               | 411,424,160           | 1,143,237,534            | <b>36.3</b>  | 3,228,902,933        |
| Other   | 5,345,212          | 364,335,84                  | 36,857,622            | 32,044,983               | 0.9%         | 77,891,173           |
| <b>Unknown / Other</b>  | <b>195,935,406</b> | <b>1,053,514,030</b>        | <b>448,281,782</b>    | <b>1,175,282,517</b>     | <b>37.4</b>  | <b>3,306,794,106</b> |
| <b>TOTAL</b>  | <b>594,782,086</b> | <b>4,076,939,016</b>        | <b>1,186,421,197</b>  | <b>3,157,220,125</b>     |              | <b>9,449,142,795</b> |

**TABLE 3: ESTIMATED RECEIPT OF DIVIDEND PAYMENTS FROM PHILIP MORRIS INTERNATIONAL BY REGIONAL SOURCE OF INCOME FOR FISCAL 2009-10**

|                                   | OECD countries       | Non-OECD countries   | Eastern Europe, Middle East and Africa | Asia               | Latin America and Canada | European Union       | Total                 |
|-----------------------------------|----------------------|----------------------|--|--------------------|--------------------------|----------------------|-----------------------|
| <b>Percentage of total income</b> | <b>66%</b>           | <b>33%</b>           | <b>26%</b>                             | <b>24%</b>         | <b>6%</b>                | <b>44%</b>           | <b>100%</b>           |
| <b>Dividend per share</b>         | <b>\$ 1.53</b>       | <b>\$ 0.77</b>       | <b>\$0.60</b>                          | <b>\$0.55</b>      | <b>\$0.15</b>            | <b>\$1.02</b>        | <b>\$2.32</b>         |
| South Africa                      | 1,739,094            | 869,547              | 685,098                                | 632,398            | 158,099                  | 1,159,396            | 2,634,991             |
| <b>AFRO total</b>                 | <b>1,739,094</b>     | <b>869,547</b>       | <b>685,098</b>                         | <b>632,398</b>     | <b>158,099</b>           | <b>1,159,396</b>     | <b>2,634,991</b>      |
| Canada                            | 35,731,097           | 17,865,549           | 14,075,887                             | 12,993,126         | 3,248,282                | 23,820,731           | 54,138,026            |
| Chile                             | 4,947                | 2,474                | 1,949                                  | 1,799              | 450                      | 3,298                | 7,496                 |
| <b>AMRO total</b>                 | <b>35,736,044</b>    | <b>17,868,022</b>    | <b>14,077,836</b>                      | <b>12,994,925</b>  | <b>3,248,731</b>         | <b>23,824,030</b>    | <b>54,145,522</b>     |
| Austria                           | 161,646              | 80,823               | 63,679                                 | 58,780             | 14,695                   | 107,764              | 244,918               |
| Belgium                           | 2,882,873            | 1,441,436            | 1,135,677                              | 1,048,317          | 262,079                  | 1,921,915            | 4,367,989             |
| Denmark                           | 5,867,829            | 2,933,915            | 2,311,569                              | 2,133,756          | 533,439                  | 3,911,886            | 8,890,651             |
| France                            | 4,320,454            | 2,160,227            | 1,701,997                              | 1,571,074          | 392,769                  | 2,880,303            | 6,546,142             |
| Germany                           | 20,211,476           | 10,105,738           | 7,962,096                              | 7,349,627          | 1,837,407                | 13,474,317           | 30,623,448            |
| Greece                            | 62,393               | 31,197               | 24,579                                 | 22,688             | 5,672                    | 41,596               | 94,535                |
| Iceland                           | 19,906               | 9,953                | 7,842                                  | 7,238              | 1,810                    | 13,270               | 30,160                |
| Ireland                           | 7,110,971            | 3,555,485            | 2,801,292                              | 2,585,808          | 646,452                  | 4,740,647            | 10,774,198            |
| Italy                             | 1,072,060            | 536,030              | 422,327                                | 389,840            | 97,460                   | 714,707              | 1,624,334             |
| Luxembourg                        | 1,095,479            | 547,739              | 431,552                                | 398,356            | 99,589                   | 730,319              | 1,659,816             |
| Netherlands                       | 12,493,026           | 6,246,513            | 4,921,495                              | 4,542,918          | 1,135,730                | 8,328,684            | 18,928,827            |
| Norway                            | 56,051               | 28,026               | 22,081                                 | 20,382             | 5,096                    | 37,367               | 84,926                |
| Portugal                          | 58,222               | 29,111               | 22,936                                 | 21,172             | 5,293                    | 38,815               | 88,216                |
| Spain                             | 1,026,498            | 513,249              | 404,378                                | 373,272            | 93,318                   | 684,332              | 1,555,300             |
| Sweden                            | 6,083,730            | 3,041,865            | 2,396,621                              | 2,212,266          | 553,066                  | 4,055,820            | 9,217,773             |
| United Kingdom                    | 137,392,388          | 68,696,194           | 54,124,274                             | 49,960,868         | 12,490,217               | 91,594,925           | 208,170,285           |
| <b>EURO Total</b>                 | <b>199,915,002</b>   | <b>99,957,501</b>    | <b>78,754,395</b>                      | <b>72,696,364</b>  | <b>18,174,091</b>        | <b>133,276,668</b>   | <b>302,901,518</b>    |
| Australia                         | 2,186,938            | 1,093,469            | 861,521                                | 795,250            | 198,813                  | 1,457,959            | 3,313,542             |
| Hong Kong                         | 76,716               | 38,358               | 30,222                                 | 27,897             | 6,974                    | 51,144               | 116,237               |
| Japan                             | 27,350,123           | 13,675,061           | 10,774,291                             | 9,945,499          | 2,486,375                | 18,233,415           | 41,439,580            |
| Singapore                         | 87,465               | 43,733               | 34,456                                 | 31,806             | 7,951                    | 58,310               | 132,523               |
| <b>WPRO Total</b>                 | <b>29,701,242</b>    | <b>14,850,621</b>    | <b>11,700,489</b>                      | <b>10,800,452</b>  | <b>2,700,113</b>         | <b>19,800,828</b>    | <b>45,001,882</b>     |
| <b>FCTC Parties Total</b>         | <b>267,091,382</b>   | <b>133,545,691</b>   | <b>105,217,817</b>                     | <b>97,124,139</b>  | <b>24,281,035</b>        | <b>178,060,922</b>   | <b>404,683,913</b>    |
| Argentina                         | 1,991                | 995                  | 784                                    | 724                | 181                      | 1,327                | 3,016                 |
| Czech Rep.                        | 17,609               | 8,804                | 6,937                                  | 6,403              | 1,601                    | 11,739               | 26,680                |
| Guernsey                          | 4,146                | 2,073                | 1,633                                  | 1,508              | 377                      | 2,764                | 6,283                 |
| Jersey                            | 358,040              | 179,020              | 141,046                                | 130,197            | 32,549                   | 238,694              | 542,486               |
| Lichenstein                       | 111,471              | 55,736               | 43,913                                 | 40,535             | 10,134                   | 74,314               | 168,896               |
| Switzerland                       | 6,728,025            | 3,364,013            | 2,650,434                              | 2,446,555          | 611,639                  | 4,485,350            | 10,193,978            |
| Taiwan                            | 144,132              | 72,066               | 56,779                                 | 52,412             | 13,103                   | 96,088               | 218,382               |
| United States                     | 1,721,003,693        | 860,501,847          | 677,971,152                            | 625,819,525        | 156,454,881              | 1,147,335,796        | 2,607,581,354         |
| <b>Non Parties Total</b>          | <b>1,728,369,108</b> | <b>864,184,554</b>   | <b>680,872,679</b>                     | <b>628,497,858</b> | <b>157,124,464</b>       | <b>1,152,246,072</b> | <b>2,618,741,073</b>  |
| Unknown                           | 692,914,645          | 346,457,322          | 272,966,375                            | 251,968,962        | 62,992,240               | 461,943,097          | 1,049,870,674         |
| Other                             | 2,404,615            | 1,202,307            | 947,273                                | 874,405            | 218,601                  | 1,603,077            | 3,643,356             |
| <b>Unknown / Other</b>            | <b>695,319,260</b>   | <b>347,659,630</b>   | <b>273,913,648</b>                     | <b>252,843,367</b> | <b>63,210,842</b>        | <b>463,546,173</b>   | <b>1,053,514,030</b>  |
| <b>Total</b>                      | <b>2,690,779,751</b> | <b>1,345,389,875</b> | <b>1,060,004,144</b>                   | <b>978,465,364</b> | <b>244,616,341</b>       | <b>1,793,853,167</b> | <b>4,076,939,016*</b> |

**TABLE 4: ESTIMATED RECEIPT OF DIVIDEND PAYMENTS FROM BRITISH AMERICAN TOBACCO BY REGIONAL SOURCE OF INCOME FOR FISCAL 2009-10**

|                           | Americas           | Western Europe     | Asia Pacific       | Eastern Europe     | Africa and Middle East | Developing countries | Total                |
|---------------------------|--------------------|--------------------|--------------------|--------------------|------------------------|----------------------|----------------------|
| % of total income         | 27%                | 22%                | 26%                | 9%                 | 16%                    | 66%                  | 100%                 |
| Amount of dividend        | \$0.43             | \$0.35             | \$0.42             | \$0.14             | \$0.26                 | \$1.06               | \$1.61               |
| <b>AFRO</b>               |                    |                    |                    |                    |                        |                      |                      |
| South Africa              | 12,950,042         | 10,551,886         | 12,470,410         | 4,316,681          | 7,674,099              | 31,655,657           | 47,963,117           |
| <b>AFRO total</b>         | <b>12,950,042</b>  | <b>10,551,886</b>  | <b>12,470,410</b>  | <b>4,316,681</b>   | <b>7,674,099</b>       | <b>31,655,657</b>    | <b>47,963,117</b>    |
| Canada                    | 5,580,719          | 4,547,252          | 5,374,025          | 1,860,240          | 3,307,092              | 13,641,757           | 20,669,328           |
| Chile                     | 4,767              | 3,885              | 4,591              | 1,589              | 2,825                  | 11,654               | 17,657               |
| <b>AMRO total</b>         | <b>5,585,486</b>   | <b>4,551,137</b>   | <b>5,378,616</b>   | <b>1,861,829</b>   | <b>3,309,918</b>       | <b>13,653,410</b>    | <b>20,686,985</b>    |
| Lebanon                   | 14,668,747         | 11,952,313         | 14,125,460         | 4,889,582          | 8,692,591              | 35,856,938           | 54,328,693           |
| UAE                       | 718,885            | 585,758            | 692,259            | 239,628            | 426,006                | 1,757,274            | 2,662,536            |
| <b>EMRO Total</b>         | <b>15,387,632</b>  | <b>12,538,070</b>  | <b>14,817,720</b>  | <b>5,129,211</b>   | <b>9,118,597</b>       | <b>37,614,211</b>    | <b>56,991,229</b>    |
| Austria                   | 86,688             | 70,635             | 83,477             | 28,896             | 51,371                 | 211,904              | 321,066              |
| Belgium                   | 1,120,648          | 913,121            | 1,079,142          | 373,549            | 664,088                | 2,739,362            | 4,150,548            |
| Denmark                   | 3,648,837          | 2,973,126          | 3,513,695          | 1,216,279          | 2,162,274              | 8,919,379            | 13,514,211           |
| Finland                   | 492,700            | 401,459            | 474,452            | 164,233            | 291,970                | 1,204,377            | 1,824,814            |
| France                    | 4,754,945          | 3,874,399          | 4,578,836          | 1,584,982          | 2,817,745              | 11,623,198           | 17,610,906           |
| Germany                   | 12,225,818         | 9,961,778          | 11,773,010         | 4,075,273          | 7,244,929              | 29,885,333           | 45,280,807           |
| Greece                    | 5,712              | 4,654              | 5,500              | 1,904              | 3,385                  | 13,962               | 21,154               |
| Ireland                   | 2,253,127          | 1,835,881          | 2,169,677          | 751,042            | 1,335,186              | 5,507,643            | 8,344,913            |
| Italy                     | 1,220,445          | 994,437            | 1,175,243          | 406,815            | 723,227                | 2,983,310            | 4,520,167            |
| Luxembourg                | 43,007,660         | 35,043,279         | 41,414,784         | 14,335,887         | 25,486,021             | 105,129,837          | 159,287,631          |
| Netherlands               | 7,586,171          | 6,181,324          | 7,305,202          | 2,528,724          | 4,495,509              | 18,543,973           | 28,096,929           |
| Norway                    | 111,631            | 90,959             | 107,496            | 37,210             | 66,152                 | 272,876              | 413,448              |
| Portugal                  | 79,140             | 64,485             | 76,209             | 26,380             | 46,898                 | 193,454              | 293,112              |
| Spain                     | 309,897            | 252,508            | 298,419            | 103,299            | 183,643                | 757,525              | 1,147,766            |
| Sweden                    | 3,458,852          | 2,818,324          | 3,330,747          | 1,152,951          | 2,049,690              | 8,454,972            | 12,810,564           |
| United Kingdom            | 303,980,344        | 247,687,688        | 292,721,813        | 101,326,781        | 180,136,500            | 743,063,063          | 1,125,853,126        |
| <b>EURO Total</b>         | <b>384,342,614</b> | <b>313,168,056</b> | <b>370,107,702</b> | <b>128,114,205</b> | <b>227,758,586</b>     | <b>939,504,168</b>   | <b>1,423,491,163</b> |
| Australia                 | 709,204            | 577,870            | 682,937            | 236,401            | 420,269                | 1,733,610            | 2,626,681            |
| Hong Kong                 | 476,746            | 388,460            | 459,089            | 158,915            | 282,516                | 1,165,379            | 1,765,726            |
| Japan                     | 7,335,087          | 5,976,737          | 7,063,417          | 2,445,029          | 4,346,718              | 17,930,211           | 27,166,987           |
| Malaysia                  | 485,654            | 395,718            | 467,667            | 161,885            | 287,795                | 1,187,154            | 1,798,718            |
| Singapore                 | 141,036            | 114,918            | 135,812            | 47,012             | 83,577                 | 344,754              | 522,355              |
| South Korea               | 521,220            | 424,697            | 501,915            | 173,740            | 308,871                | 1,274,092            | 1,930,443            |
| <b>WPRO Total</b>         | <b>9,668,946</b>   | <b>7,878,400</b>   | <b>9,310,836</b>   | <b>3,222,982</b>   | <b>5,729,746</b>       | <b>23,635,200</b>    | <b>35,810,910</b>    |
| <b>FCTC Parties Total</b> | <b>427,934,719</b> | <b>348,687,549</b> | <b>412,085,285</b> | <b>142,644,906</b> | <b>253,590,945</b>     | <b>1,046,062,647</b> | <b>1,584,943,404</b> |
| Isle of Man               | 202,785            | 165,232            | 195,274            | 67,595             | 120,169                | 495,695              | 751,054              |
| Jersey                    | 173,181            | 141,111            | 166,767            | 57,727             | 102,626                | 423,332              | 641,413              |
| Lichenstein               | 26,177             | 21,329             | 25,207             | 8,726              | 15,512                 | 63,988               | 96,951               |
| Switzerland               | 28,003,575         | 22,817,728         | 26,966,406         | 9,334,525          | 16,594,711             | 68,453,184           | 103,716,945          |
| Taiwan                    | 50,290             | 40,977             | 48,427             | 16,763             | 29,801                 | 122,931              | 186,259              |
| United States             | 94,120,059         | 76,690,418         | 90,634,131         | 31,373,353         | 55,774,850             | 230,071,255          | 348,592,811          |
| <b>Non Parties Total</b>  | <b>122,576,067</b> | <b>99,876,795</b>  | <b>118,036,213</b> | <b>40,858,689</b>  | <b>72,637,669</b>      | <b>299,630,386</b>   | <b>453,985,433</b>   |
| Unknown                   | 308,674,134        | 251,512,258        | 297,241,759        | 102,891,378        | 182,918,005            | 754,536,773          | 1,143,237,534        |
| Other                     | 8,652,145          | 7,049,896          | 8,331,696          | 2,884,048          | 5,127,197              | 21,149,689           | 32,044,983           |
| <b>Unknown / Other</b>    | <b>317,326,280</b> | <b>258,562,154</b> | <b>305,573,454</b> | <b>105,775,427</b> | <b>188,045,203</b>     | <b>775,686,461</b>   | <b>1,175,282,517</b> |
| <b>Total</b>              | <b>852,449,434</b> | <b>694,588,428</b> | <b>820,877,233</b> | <b>284,149,811</b> | <b>505,155,220</b>     | <b>2,083,765,283</b> | <b>3,157,220,125</b> |

**TABLE 5: ESTIMATED RECEIPT OF DIVIDEND PAYMENTS FROM IMPERIAL TOBACCO GROUP BY REGIONAL SOURCE OF INCOME FOR FISCAL 2009-10**

|  | United Kingdom     | Europe             | Americas           | Rest of World      | domestic (UK) sales | international      | Total                |
|--|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|----------------------|
| <b>Percentage of total income</b>      | <b>22%</b>         | <b>45%</b>         | <b>10%</b>         | <b>22%</b>         | <b>22%</b>          | <b>78%</b>         | <b>100%</b>          |
| <b>Proportional dividend per share</b> | <b>\$0.26</b>      | <b>\$0.53</b>      | <b>\$0.12</b>      | <b>\$0.26</b>      | <b>\$0.26</b>       | <b>\$0.91</b>      | <b>\$1.17</b>        |
| South Africa                           | 23,069             | 47,186             | 10,486             | 23,069             | 23,069              | 81,789             | 104,858              |
| <b>AFRO total</b>                      | <b>23,069</b>      | <b>47,186</b>      | <b>10,486</b>      | <b>23,069</b>      | <b>23,069</b>       | <b>81,789</b>      | <b>104,858</b>       |
| Canada                                 | 1,131,994          | 2,315,442          | 514,543            | 1,131,994          | 1,131,994           | 4,013,432          | 5,145,426            |
| <b>AMRO total</b>                      | <b>1,131,994</b>   | <b>2,315,442</b>   | <b>514,543</b>     | <b>1,131,994</b>   | <b>1,131,994</b>    | <b>4,013,432</b>   | <b>5,145,426</b>     |
| Lebanon                                | 453,815            | 928,258            | 206,280            | 453,815            | 453,815             | 1,608,980          | 2,062,795            |
| UAE                                    | 170,810            | 349,384            | 77,641             | 170,810            | 170,810             | 605,599            | 776,408              |
| <b>EMRO Total</b>                      | <b>624,625</b>     | <b>1,277,642</b>   | <b>283,920</b>     | <b>624,625</b>     | <b>624,625</b>      | <b>2,214,579</b>   | <b>2,839,204</b>     |
| Austria                                | 14,099             | 28,839             | 6,409              | 14,099             | 14,099              | 49,988             | 64,087               |
| Belgium                                | 679,396            | 1,389,674          | 308,816            | 679,396            | 679,396             | 2,408,768          | 3,088,165            |
| Denmark                                | 248,721            | 508,747            | 113,055            | 248,721            | 248,721             | 881,829            | 1,130,550            |
| Finland                                | 301,745            | 617,206            | 137,157            | 301,745            | 301,745             | 1,069,825          | 1,371,570            |
| France                                 | 2,595,683          | 5,309,351          | 1,179,856          | 2,595,683          | 2,595,683           | 9,202,875          | 11,798,557           |
| Germany                                | 4,590,376          | 9,389,406          | 2,086,535          | 4,590,376          | 4,590,376           | 16,274,970         | 20,865,346           |
| Greece                                 | 394                | 806                | 179                | 394                | 394                 | 1,396              | 1,790                |
| Ireland                                | 1,891,549          | 3,869,077          | 859,795            | 1,891,549          | 1,891,549           | 6,706,401          | 8,597,950            |
| Italy                                  | 1,260,961          | 2,579,238          | 573,164            | 1,260,961          | 1,260,961           | 4,470,679          | 5,731,639            |
| Luxembourg                             | 1,315,369          | 2,690,528          | 597,895            | 1,315,369          | 1,315,369           | 4,663,582          | 5,978,952            |
| Netherlands                            | 4,091,996          | 8,369,992          | 1,859,998          | 4,091,996          | 4,091,996           | 14,507,986         | 18,599,983           |
| Norway                                 | 23,095             | 47,241             | 10,498             | 23,095             | 23,095              | 81,884             | 104,979              |
| Poland                                 | 232                | 474                | 105                | 232                | 232                 | 821                | 1,053                |
| Portugal                               | 1,198              | 2,451              | 545                | 1,198              | 1,198               | 4,248              | 5,446                |
| Spain                                  | 358,433            | 733,159            | 162,924            | 358,433            | 358,433             | 1,270,808          | 1,629,241            |
| Sweden                                 | 644,703            | 1,318,710          | 293,047            | 644,703            | 644,703             | 2,285,765          | 2,930,467            |
| United Kingdom                         | 103,666,314        | 212,044,733        | 47,121,052         | 103,666,314        | 103,666,314         | 367,544,204        | 471,210,517          |
| <b>EURO Total</b>                      | <b>121,684,264</b> | <b>248,899,632</b> | <b>55,311,029</b>  | <b>121,684,264</b> | <b>121,684,264</b>  | <b>431,426,028</b> | <b>553,110,293</b>   |
| Australia                              | 101,379            | 207,366            | 46,081             | 101,379            | 101,379             | 359,435            | 460,814              |
| Hong Kong                              | 204,789            | 418,887            | 93,086             | 204,789            | 204,789             | 726,071            | 930,860              |
| Japan                                  | 2,394,390          | 4,897,617          | 1,088,359          | 2,394,390          | 2,394,390           | 8,489,202          | 10,883,593           |
| Singapore                              | 51                 | 105                | 23                 | 51                 | 51                  | 183                | 234                  |
| <b>WPRO Total</b>                      | <b>2,700,610</b>   | <b>5,523,975</b>   | <b>1,227,550</b>   | <b>2,700,610</b>   | <b>2,700,610</b>    | <b>9,574,891</b>   | <b>12,275,501</b>    |
| <b>FCTC Parties Total</b>              | <b>126,164,562</b> | <b>258,063,877</b> | <b>57,347,528</b>  | <b>126,164,562</b> | <b>126,164,562</b>  | <b>447,310,719</b> | <b>573,475,281</b>   |
| Jersey                                 | 56,935             | 116,458            | 25,879             | 56,935             | 56,935              | 201,860            | 258,795              |
| Switzerland                            | 529,980            | 1,084,051          | 240,900            | 529,980            | 529,980             | 1,879,021          | 2,409,002            |
| Taiwan                                 | 17,907             | 36,627             | 8,139              | 17,907             | 17,907              | 63,487             | 81,393               |
| United States                          | 36,245,913         | 74,139,367         | 16,475,415         | 36,245,913         | 36,245,913          | 128,508,235        | 164,754,148          |
| <b>Non Parties Total</b>               | <b>36,850,734</b>  | <b>75,376,502</b>  | <b>16,750,334</b>  | <b>36,850,734</b>  | <b>36,850,734</b>   | <b>130,652,603</b> | <b>167,503,338</b>   |
| Unknown                                | 90,513,315         | 185,140,872        | 41,142,416         | 90,513,315         | 90,513,315          | 320,910,845        | 411,424,160          |
| Other                                  | 8,108,677          | 16,585,930         | 3,685,762          | 8,108,677          | 8,108,677           | 28,748,945         | 36,857,622           |
| <b>Unknown / Other</b>                 | <b>98,621,992</b>  | <b>201,726,802</b> | <b>44,828,178</b>  | <b>98,621,992</b>  | <b>98,621,992</b>   | <b>349,659,790</b> | <b>448,281,782</b>   |
| <b>Total</b>                           | <b>261,012,663</b> | <b>533,889,539</b> | <b>118,642,120</b> | <b>261,012,663</b> | <b>261,012,663</b>  | <b>925,408,534</b> | <b>1,186,421,197</b> |

**TABLE 6: ESTIMATED RECEIPT OF DIVIDEND PAYMENTS FROM JAPAN TOBACCO BY REGIONAL SOURCE OF INCOME, FOR FISCAL 2009-10**

|   | Sales of tobacco<br>outside Japan | Sales of tobacco<br>inside Japan |
|---|-----------------------------------|----------------------------------|
| <b>Percentage of total income</b>                             | 37%                               | 63%                              |
| <b>Estimated dividend payment per share (US\$ equivalent)</b> | <b>\$22.35</b>                    | <b>\$39.23</b>                   |
| South Africa  | 87,093                            | 152,882                          |
| <b>AFRO total</b>   | <b>87,093</b>                     | <b>152,882</b>                   |
| Bermuda   | 388,266                           | 681,556                          |
| Canada  | 393,987                           | 691,599                          |
| Chile   | 693                               | 1,216                            |
| <b>AMRO total</b>   | <b>782,946</b>                    | <b>1,374,371</b>                 |
| Austria   | 9,543                             | 16,752                           |
| Belgium   | 44,698                            | 78,462                           |
| Denmark   | 1,353,354                         | 2,375,658                        |
| France  | 157,447                           | 276,381                          |
| Germany   | 325,935                           | 572,141                          |
| Ireland   | 110,805                           | 194,506                          |
| Italy   | 49,972                            | 87,720                           |
| Luxembourg  | 524,929                           | 921,452                          |
| Netherlands   | 148,597                           | 260,845                          |
| Norway  | 3,062                             | 5,375                            |
| Spain   | 4,716                             | 8,278                            |
| Sweden  | 239,780                           | 420,907                          |
| United Kingdom  | 4,263,324                         | 7,483,778                        |
| <b>EURO Total</b>   | <b>7,236,162</b>                  | <b>12,702,253</b>                |
| Australia   | 3,799                             | 6,669                            |
| Hong Kong   | 91,161                            | 160,022                          |
| Japan   | 117,324,696                       | 205,950,078                      |
| Singapore   | 42,954                            | 75,402                           |
| South Korea   | 11,018                            | 19,341                           |
| <b>WPRO Total</b>   | <b>117,473,629</b>                | <b>206,211,511</b>               |
| <b>FCTC Parties Total</b>                                     | <b>125,579,829</b>                | <b>220,441,018</b>               |
| Jersey  | 29,210                            | 51,275                           |
| Lichenstein   | 2,145                             | 3,766                            |
| Switzerland   | 347,814                           | 610,548                          |
| Taiwan  | 11,577                            | 20,322                           |
| United States   | 17,614,229                        | 30,919,763                       |
| <b>Non Parties Total</b>                                      | <b>18,004,975</b>                 | <b>31,605,674</b>                |
| Unknown   | 68,612,470                        | 120,441,338                      |
| Other   | 1,924,276                         | 3,377,847                        |
| <b>Unknown / Other</b>  | <b>70,536,746</b>                 | <b>123,819,185</b>               |
| <b>Total</b>  | <b>214,121,551</b>                | <b>375,865,878</b>               |

**TABLE 7: ESTIMATED RECEIPT OF DIVIDEND PAYMENTS FROM REPATRIATED SALES OF TOBACCO PRODUCTS (I.E. DERIVED FROM REVENUES FROM TOBACCO SALES BY MULTINATIONAL COMPANIES IN COUNTRIES OUTSIDE OF THEIR NATIONAL HEADQUARTERS).**

| Country where institutional shareholder is based | Dividend income from transnational tobacco sales (US\$) |
|--|---|
| South Africa                                     | 50,766,991  |
| <b>AFRO total</b>                                | <b>50,766,991</b>                                       |
| Bermuda  | 388,266   |
| Canada   | 79,214,773  |
| Chile  | 25,846  |
| <b>AMRO total</b>                                | <b>79,628,885</b>                                       |
| Lebanon  | 55,937,674  |
| UAE  | 3,268,135   |
| <b>EMRO Total</b>                                | <b>59,205,808</b>                                       |
| Austria  | 625,515   |
| Belgium  | 10,972,003  |
| Denmark  | 24,640,045  |
| Finland  | 2,894,639   |
| France   | 33,517,370  |
| Germany  | 92,505,160  |
| Greece   | 117,085   |
| Iceland  | 30,160  |
| Ireland  | 25,936,318  |
| Italy  | 10,665,151  |
| Luxembourg                                       | 166,135,958   |
| Netherlands                                      | 61,682,340  |
| Norway   | 583,320   |
| Poland   | 821   |
| Portugal   | 385,576   |
| Spain  | 3,978,590   |
| Sweden   | 24,553,882  |
| United Kingdom                                   | 1,705,830,939   |
| <b>EURO Total</b>                                | <b>2,165,054,871</b>                                    |
| Australia  | 6,303,458   |
| Hong Kong  | 2,699,194   |
| Japan  | 194,420,466   |
| Malaysia   | 1,798,718   |
| Singapore  | 698,015   |
| South Korea                                      | 1,941,461   |
| <b>WPRO Total</b>                                | <b>207,861,311</b>                                      |
| <b>FCTC Parties Total</b>                        | <b>2,562,517,865</b>                                    |
| <b>Non Parties</b>                               |   |
| Argentina  | 3,016   |
| Czech Rep.                                       | 26,680  |
| Guernsey   | 6,283   |
| Isle of Man                                      | 751,054   |
| Jersey   | 1,414,968   |
| Lichenstein                                      | 267,992   |
| Switzerland                                      | 116,137,759   |
| Taiwan   | 479,704   |
| United States                                    | 3,102,296,629   |
| <b>Non Parties Total</b>                         | <b>3,221,384,086</b>                                    |
| <b>Undeclared or unknown</b>                     |   |
| Unknown  | 2,582,631,523   |
| Other  | 66,361,560  |
| <b>Unknown / Other</b>                           | <b>2,648,993,083</b>                                    |
| <b>Total</b>                                     | <b>8,373,689,226</b>                                    |

**TABLE 7: SHAREHOLDINGS OF CANADIAN INSTITUTIONAL INVESTORS IN MULTINATIONAL TOBACCO COMPANIES, SEPTEMBER 30, 2010, NUMBER OF SHARES**

|   | Japan Tobacco | Imperial Tobacco | British American Tobacco | Philip Morris International |
|---|---------------|------------------|--------------------------|-----------------------------|
| <b>Investments under government authority</b>     |               |                  |                          |                             |
| British Columbia Investment Management Corp.      |               | 457,757          | 601,122                  | 1,192,487                   |
| Caisse de Depot et Placement du Quebec            | 2,955         | 1,006,864        | 1,980,339                | 371,884                     |
| CPP Investment Board                              | 10,000        | 247,746          | 766,221                  | 2,242,201                   |
| Ontario Municipal Employees Retirement System     |               | 524,785          |                          | 65,233                      |
| Ontario Pension Board                             |               |                  |                          | 465,000                     |
| Ontario Teachers' Pension Plan Board              |               |                  |                          | 304,545                     |
| <b>Private Institutional investments</b>          |               |                  |                          |                             |
| AGF Investments Inc.                              | 375           |                  | 718,618                  | 482,055                     |
| Bank of Nova Scotia                               |               |                  |                          | 5,203                       |
| Bissett Investment Management Ltd.                |               |                  |                          | 108,400                     |
| BlackRock Asset Management Canada Limited         |               |                  |                          | 995,377                     |
| Bloombergsen Investment Partners                  |               |                  |                          | 226,685                     |
| Brookfield Asset Management, Inc.                 |               |                  |                          | 4,200                       |
| Burgundy Asset Management Ltd.                    |               |                  | 1,415,674                | 833,840                     |
| Cassels Investment Management Inc.                |               |                  |                          | 4,200                       |
| CI Investments Inc.                               | 81            | 8,905            | 762,758                  | 160,228                     |
| CIBC Global Asset Management Inc.                 | 412           | 101,773          | 221,278                  | 314,598                     |
| CIBC World Markets Inc.                           |               |                  |                          | 17,351                      |
| CN Investment Division                            |               |                  | 1,400,000                |                             |
| Computershare, Ltd.                               |               |                  | 1,161,701                |                             |
| Connor, Clark & Lunn Investment Mgmt., Ltd.       |               |                  | 292,079                  |                             |
| COTE 100 Inc.                                     |               |                  |                          | 550                         |
| Counsel Wealth Management                         |               |                  |                          | 39,483                      |
| Cumberland Private Wealth Management              |               |                  |                          | 22,800                      |
| Diversified Global Asset Management Corporation   |               |                  |                          | 4,520                       |
| Faircourt Asset Management Inc.                   |               |                  |                          | 12,000                      |
| Fiduciary Trust Company of Canada                 | 33            | 14,318           | 14,297                   | 2,970                       |
| Fiera Capital Inc.                                | 71            | 7,400            | 87,160                   | 83,800                      |
| Franklin Templeton Investments Corp.              |               |                  |                          | 191,250                     |
| Genus Capital Management Inc.                     | 51            |                  |                          |                             |
| Gluskin Sheff + Associates Inc.                   |               |                  |                          | 26,860                      |
| Goodman & Company, Investment Counsel             | 321           | 103,971          | 910,000                  | 508,290                     |
| Groupe Fonds Des Professionals                    | 33            |                  |                          |                             |
| GWL Investment Management Ltd.                    | 1,044         | 70,085           |                          | 24,512                      |
| Hansberger Global Investors, Inc. (Canada)        |               | 46,300           |                          |                             |
| Hexavest Inc.                                     | 248           | 26,978           | 94,815                   | 97,794                      |
| Hillsdale Investment Management Inc.              |               |                  |                          | 12,600                      |
| Hottinger Asset Management Canada, Inc. (Toronto) |               |                  |                          | 2,000                       |
| HSBC Global Asset Management (Canada) Limited     |               |                  | 72,603                   | 85,394                      |
| I. G. Investment Management, Ltd.                 |               |                  |                          | 3,099,628                   |
| Industrial Alliance Investment Management Inc.    |               |                  | 31,738                   | 5,900                       |
| Invesco Trimark Ltd.                              |               | 114,932          | 32,332                   | 744,775                     |
| Jarislowsky Fraser, Ltd.                          |               |                  |                          | 2,460,952                   |
| Jones Heward Investment Counsel Inc.              |               |                  |                          | 7,341                       |
| KBSH Capital Management Inc.                      |               |                  |                          | 2,700                       |
| Mackenzie Financial Corporation                   |               | 112,844          |                          | 215,563                     |

|  | Japan Tobacco | Imperial Tobacco | British American Tobacco | Philip Morris International |
|--|---------------|------------------|--------------------------|-----------------------------|
| McLean Budden Ltd.                             |               |                  |                          | 20,980                      |
| MFC Global Investment Management               | 856           | 208,530          | 401,992                  | 2,481,664                   |
| Natcan Investment Management Inc.              | 373           |                  | 279,533                  | 446,084                     |
| National Bank of Canada                        |               | 361,667          | 800,673                  |                             |
| Northern Rivers Capital Management, Inc.       |               |                  |                          | 7,900                       |
| Pro-Financial Asset Management, Inc.           | 11            |                  |                          |                             |
| PSP Investments                                |               |                  | 326,000                  | 345,469                     |
| RBC Asset Management, Inc.                     |               | 491,700          |                          | 656,347                     |
| RBC Capital Partners                           |               |                  |                          | 687,967                     |
| RBC Private Counsel Inc.                       |               |                  |                          | 18,115                      |
| Sarbit Advisory Services Inc.                  |               |                  |                          | 143,735                     |
| Sceptre Investment Counsel Ltd.                |               |                  |                          | 10,800                      |
| Scotia Asset Management L.P.                   |               |                  | 51,035                   | 300,000                     |
| Scotia Capital Inc.                            |               |                  |                          | 30,501                      |
| Scotia Managed Companies                       |               |                  |                          | 5,331                       |
| Seamark Asset Management Ltd.                  | 9             |                  |                          |                             |
| Sprucegrove Investment Management, Ltd.        |               | 282,459          |                          |                             |
| Standard Life Investments Inc.(Canada)         |               |                  | 78,910                   | 204,977                     |
| State Street Global Advisors Ltd. (Canada)     | 21            | 4,713            | 8,999                    | 31,822                      |
| Sun Life Assurance Company of Canada (Toronto) |               |                  |                          | 85,908                      |
| TD Asset Management Inc.                       | 735           | 168,000          | 328,215                  | 2,185,747                   |
| Tetrem Capital Management Ltd.                 |               |                  |                          | 166,840                     |
| The Empire Life Insurance Company              |               |                  |                          | 60,000                      |
| UBS Global Asset Management (Canada) Co.       |               | 36,073           |                          |                             |
| <b>Total</b>                                   | <b>17,629</b> | <b>4,397,800</b> | <b>12,838,092</b>        | <b>23,335,356</b>           |

**TABLE 8: ESTIMATED RECEIPT OF DIVIDEND PAYMENTS TO CANADIAN INSTITUTIONAL SHAREHOLDERS FROM MULTINATIONAL TOBACCO COMPANIES IN FISCAL 2009-10**

|   | Japan Tobacco    | Imperial Tobacco   | British American Tobacco | Philip Morris       | Total               | %            |
|---|------------------|--------------------|--------------------------|---------------------|---------------------|--------------|
| <b>Investments under government authority</b>     |                  |                    |                          |                     |                     |              |
| British Columbia Investment Management Corp.      |                  | \$535,576          | \$967,806                | \$2,766,570         | \$4,269,952         | 5.3%         |
| Caisse de Depot et Placement du Quebec            | \$183,446        | \$1,178,031        | \$3,188,346              | \$862,771           | \$5,412,594         | 6.7%         |
| CPP Investment Board                              | \$620,800        | \$289,863          | \$1,233,616              | \$5,201,906         | \$7,346,185         | 9.1%         |
| Ontario Municipal Employees Retirement System     |                  | \$613,998          |                          | \$151,341           | \$765,339           | 0.9%         |
| Ontario Pension Board                             |                  |                    |                          | \$1,078,800         | \$1,078,800         | 1.3%         |
| Ontario Teachers' Pension Plan Board              |                  |                    |                          | \$706,544           | \$706,544           | 0.9%         |
| <b>Subtotal</b>                                   | <b>\$804,246</b> | <b>\$2,617,468</b> | <b>\$5,389,763</b>       | <b>\$10,767,932</b> | <b>\$19,579,414</b> | <b>0.24%</b> |
| <b>Private Institutional investments</b>          |                  |                    |                          |                     |                     |              |
| AGF Investments Inc.                              | \$23,280         |                    | \$1,156,975              | \$1,118,368         | \$2,298,623         | 2.8%         |
| Bank of Nova Scotia                               |                  |                    |                          | \$12,071            | \$12,071            | 0.0%         |
| Bissett Investment Management Ltd.                |                  |                    |                          | \$251,488           | \$251,488           | 0.3%         |
| BlackRock Asset Management Canada Limited         |                  |                    |                          | \$2,309,275         | \$2,309,275         | 2.8%         |
| Bloombergsen Investment Partners                  |                  |                    |                          | \$525,909           | \$525,909           | 0.6%         |
| Brookfield Asset Management, Inc.                 |                  |                    |                          | \$9,744             | \$9,744             | 0.0%         |
| Burgundy Asset Management Ltd.                    |                  |                    | \$2,279,235              | \$1,934,509         | \$4,213,744         | 5.2%         |
| Cassels Investment Management Inc.                |                  |                    |                          | \$9,744             | \$9,744             | 0.0%         |
| CI Investments Inc.                               | \$5,028          | \$10,419           | \$1,228,040              | \$371,729           | \$1,615,217         | 2.0%         |
| CIBC Global Asset Management Inc.                 | \$25,577         | \$119,074          | \$356,258                | \$729,867           | \$1,230,776         | 1.5%         |
| CIBC World Markets Inc.                           |                  |                    |                          | \$40,254            | \$40,254            | 0.0%         |
| CN Investment Division                            |                  |                    | \$2,254,000              |                     | \$2,254,000         | 2.8%         |
| Computershare, Ltd.                               |                  |                    | \$1,870,339              |                     | \$1,870,339         | 2.3%         |
| Connor, Clark & Lunn Investment Mgmt., Ltd.       |                  |                    | \$470,247                |                     | \$470,247           | 0.6%         |
| COTE 100 Inc.                                     |                  |                    |                          | \$1,276             | \$1,276             | 0.0%         |
| Counsel Wealth Management                         |                  |                    |                          | \$91,601            | \$91,601            | 0.1%         |
| Cumberland Private Wealth Management              |                  |                    |                          | \$52,896            | \$52,896            | 0.1%         |
| Diversified Global Asset Management Corporation   |                  |                    |                          | \$10,486            | \$10,486            | 0.0%         |
| Faircourt Asset Management Inc.                   |                  |                    |                          | \$27,840            | \$27,840            | 0.0%         |
| Fiduciary Trust Company of Canada                 | \$2,049          | \$16,752           | \$23,018                 | \$6,890             | \$48,709            | 0.1%         |
| Fiera Capital Inc.                                | \$4,408          | \$8,658            | \$140,328                | \$194,416           | \$347,809           | 0.4%         |
| Franklin Templeton Investments Corp.              |                  |                    |                          | \$443,700           | \$443,700           | 0.5%         |
| Genus Capital Management Inc.                     | \$3,166          |                    |                          |                     | \$3,166             | 0.0%         |
| Gluskin Sheff + Associates Inc.                   |                  |                    |                          | \$62,315            | \$62,315            | 0.1%         |
| Goodman & Company, Investment Counsel             | \$19,928         | \$121,646          | \$1,465,100              | \$1,179,233         | \$2,785,907         | 3.4%         |
| Groupe Fonds Des Professionals                    | \$2,049          |                    |                          |                     | \$2,049             | 0.0%         |
| GWL Investment Management Ltd.                    | \$64,812         | \$81,999           |                          | \$56,868            | \$203,679           | 0.3%         |
| Hansberger Global Investors, Inc. (Canada)        |                  | \$54,171           |                          |                     | \$54,171            | 0.1%         |
| Hexavest Inc.                                     | \$15,396         | \$31,564           | \$152,652                | \$226,882           | \$426,494           | 0.5%         |
| Hillsdale Investment Management Inc.              |                  |                    |                          | \$29,232            | \$29,232            | 0.0%         |
| Hottinger Asset Management Canada, Inc. (Toronto) |                  |                    |                          | \$4,640             | \$4,640             | 0.0%         |
| HSBC Global Asset Management (Canada) Limited     |                  |                    | \$116,891                | \$198,114           | \$315,005           | 0.4%         |
| I. G. Investment Management, Ltd.                 |                  |                    |                          | \$7,191,137         | \$7,191,137         | 8.9%         |
| Industrial Alliance Investment Management Inc.    |                  |                    | \$51,098                 | \$13,688            | \$64,786            | 0.1%         |
| Invesco Trimark Ltd.                              |                  | \$134,470          | \$52,055                 | \$1,727,878         | \$1,914,403         | 2.4%         |
| Jarislowsky Fraser, Ltd.                          |                  |                    |                          | \$5,709,409         | \$5,709,409         | 7.0%         |
| Jones Heward Investment Counsel Inc.              |                  |                    |                          | \$17,031            | \$17,031            | 0.0%         |
| KBSH Capital Management Inc.                      |                  |                    |                          | \$6,264             | \$6,264             | 0.0%         |
| Mackenzie Financial Corporation                   |                  | \$132,027          |                          | \$500,106           | \$632,134           | 0.8%         |
| McLean Budden Ltd.                                |                  |                    |                          | \$48,674            | \$48,674            | 0.1%         |
| MFC Global Investment Management                  | \$53,140         | \$243,980          | \$647,207                | \$5,757,460         | \$6,701,788         | 8.3%         |

|  | Japan Tobacco      | Imperial Tobacco   | British American Tobacco | Philip Morris       | Total               | %           |
|--|--------------------|--------------------|--------------------------|---------------------|---------------------|-------------|
| Natcan Investment Management Inc.              | \$23,156           |                    | \$450,048                | \$1,034,915         | \$1,508,119         | 1.9%        |
| National Bank of Canada                        |                    | \$423,150          | \$1,289,084              |                     | \$1,712,234         | 2.1%        |
| Northern Rivers Capital Management, Inc.       |                    |                    |                          | \$18,328            | \$18,328            | 0.0%        |
| Pro-Financial Asset Management, Inc.           | \$683              |                    |                          |                     | \$683               | 0.0%        |
| PSP Investments                                |                    |                    | \$524,860                | \$801,488           | \$1,326,348         | 1.6%        |
| RBC Asset Management, Inc.                     |                    | \$575,289          |                          | \$1,522,725         | \$2,098,014         | 2.6%        |
| RBC Capital Partners                           |                    |                    |                          | \$1,596,083         | \$1,596,083         | 2.0%        |
| RBC Private Counsel Inc.                       |                    |                    |                          | \$42,027            | \$42,027            | 0.1%        |
| Sarbit Advisory Services Inc.                  |                    |                    |                          | \$333,465           | \$333,465           | 0.4%        |
| Sceptre Investment Counsel Ltd.                |                    |                    |                          | \$25,056            | \$25,056            | 0.0%        |
| Scotia Asset Management L.P.                   |                    |                    | \$82,166                 | \$696,000           | \$778,166           | 1.0%        |
| Scotia Capital Inc.                            |                    |                    |                          | \$70,762            | \$70,762            | 0.1%        |
| Scotia Managed Companies                       |                    |                    |                          | \$12,368            | \$12,368            | 0.0%        |
| Seamark Asset Management Ltd.                  | \$559              |                    |                          |                     | \$559               | 0.0%        |
| Sprucegrove Investment Management, Ltd.        |                    | \$330,477          |                          |                     | \$330,477           | 0.4%        |
| Standard Life Investments Inc.(Canada)         |                    |                    | \$127,045                | \$475,547           | \$602,592           | 0.7%        |
| State Street Global Advisors Ltd. (Canada)     | \$1,304            | \$5,514            | \$14,488                 | \$73,827            | \$95,133            | 0.1%        |
| Sun Life Assurance Company of Canada (Toronto) |                    |                    |                          | \$199,307           | \$199,307           | 0.2%        |
| TD Asset Management Inc.                       | \$45,629           | \$196,560          | \$528,426                | \$5,070,933         | \$5,841,548         | 7.2%        |
| Tetrem Capital Management Ltd.                 |                    |                    |                          | \$387,069           | \$387,069           | 0.5%        |
| The Empire Life Insurance Company              |                    |                    |                          | \$139,200           | \$139,200           | 0.2%        |
| UBS Global Asset Management (Canada) Co.       |                    | \$42,205           |                          |                     | \$42,205            | 0.1%        |
| <b>Total</b>                                   | <b>\$1,094,408</b> | <b>\$5,145,426</b> | <b>\$20,669,328</b>      | <b>\$54,138,026</b> | <b>\$81,047,188</b> | <b>100%</b> |

<sup>1</sup> PMI. Annual report 2009 and February 17, 2010 investor fact sheet

<sup>2</sup> BAT presentation to the Morgan Stanley Consumer Retail Conference. Scripted comments accompanying slides. New York, November 2010.