



## PRELIMINARY ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 TT\$'000	2016 TT\$'000
<b>Gross turnover</b> – including excise	1,085,723	1,236,943
<b>Revenue</b>	867,649	1,018,365
Cost of sales	(205,128)	(219,150)
<b>Gross Profit</b>	662,521	799,215
<b>Expenses</b>		
Distribution costs	(12,695)	(12,125)
Administrative expenses	(67,285)	(71,001)
Other operating expenses	(34,064)	(23,312)
<b>Operating profit</b>	548,477	692,777
Interest income	1,195	879
<b>Profit before taxation</b>	549,672	693,656
Taxation	(169,454)	(178,161)
<b>Profit for the year</b>	380,218	515,495
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement of retirement and post-employment benefit obligations	10,879	16,487
Other comprehensive income – net of tax	10,879	16,487
<b>Total comprehensive income for the year</b>	391,097	531,982
Earnings per ordinary share	\$4.51	\$6.12

Anthony E Phillip  
Chairman

Jean-Pierre S du Coudray  
Managing Director

### CHAIRMAN'S REVIEW

West Indian Tobacco has recorded Profit Before Taxation of \$549.7 million and Total Comprehensive Income of \$391.1 million, for the Year ended 31 December 2017.

Given the prevailing economic conditions together with increased Excise and Corporation Tax, the business environment continued to be challenging. This resulted in significant changes in consumption patterns which adversely affected revenue. Similar challenges were also experienced by some of our CARICOM export markets. Nevertheless, the Company remains a net earner of foreign exchange which covers its operational requirements.

The Company continues to proactively respond to these evolving market conditions with ongoing reviews of its business strategies including Marketing, Distribution and Operations as well as prudent Cost Management. Also, the Company continues to engage with relevant authorities and stakeholders on the issue of the increased presence of suspected illicit products in the Market.

Directors have recommended a final dividend of \$1.46 per ordinary share and this, once approved by shareholders and added to the \$2.95 in dividends already paid in 2017, will provide for an overall dividend payment of \$4.41 per ordinary share. Based on the current share price, this represents approximately a 5% dividend yield. This will be paid on 07 May 2018 to shareholders of record at close of business on 18 April 2018. The Register of Shareholders will be closed on 19 and 20 April 2018 for the processing of transfers.

Anthony E Phillip  
Chairman  
21 February 2018

**THE WEST INDIAN TOBACCO COMPANY LIMITED**

A member of the **British American Tobacco** Group