

JT International Berhad



# Analysts' Briefing

*10<sup>th</sup> August 2012 (Friday)*

# 2012 Second Quarter Review

# Q2 2012 Industry Performance

## Malaysia Distributor-to-Trade Volume

	<u>Volume</u> <u>(mm units)</u>	<u>% Change</u> <u>vs Prior Year</u>	<u>SoM</u>	<u>+/- pts</u>
<b>Total Industry</b>	<b>3,390</b>	<b>1.2</b>	<b>100.0</b>	<b>--</b>
<b>JTI</b>	<b>712</b>	<b>-0.9</b>	<b>21.0</b>	<b>-0.4</b>
<b>OTHERS</b>	<b>2,678</b>	<b>1.7</b>	<b>79.0</b>	<b>0.4</b>

# Q2 2012 JTI Brand Performance

Malaysia Distributor-to-Trade Volume

<u>BRAND</u>	<u>Volume (mm units)</u>	<u>% Change vs Prior Year</u>	<u>SoM</u>	<u>+/- pts</u>
WINSTON	381	-2.8	11.2	-0.5
MILD SEVEN	181	12.5	5.3	0.5
CAMEL	13	-42.1	0.4	-0.3
SALEM	137	-4.1	4.0	-0.2
<b>JTI</b>	<u>712</u>	<u>-0.9</u>	<u>21.0</u>	<u>-0.4</u>

# Quarter-on-Quarter 2012 Industry Performance

## Malaysia Distributor-to-Trade Volume

	<u>VOLUME (mm units)</u>				<u>SoM</u>	
	<u>1Q 2012</u>	<u>% Change vs Prior Year</u>	<u>2Q 2012</u>	<u>% Change vs Prior Year</u>	<u>1Q 2012</u>	<u>2Q 2012</u>
<b>Total Industry</b>	<b>3,432</b>	<b>8.0</b>	<b>3,390</b>	<b>1.2</b>	<b>100.0</b>	<b>100.0</b>
<b>JTI</b>	<b>736</b>	<b>5.7</b>	<b>712</b>	<b>-0.9</b>	<b>21.5</b>	<b>21.0</b>
<b>OTHERS</b>	<b>2,695</b>	<b>8.7</b>	<b>2,678</b>	<b>1.7</b>	<b>78.5</b>	<b>79.0</b>

# Quarter-on-Quarter 2012 JTI Brand Performance

*Malaysia Distributor-to-Trade Volume*

<u>BRAND</u>	<u>VOLUME (mm units)</u>		<u>SoM</u>	
	<u>1Q 2012</u>	<u>2Q 2012</u>	<u>1Q 2012</u>	<u>2Q 2012</u>
WINSTON	387	381	11.3	11.2
MILD SEVEN	186	181	5.4	5.3
CAMEL	16	13	0.5	0.4
SALEM	147	137	4.3	4.0
<b>JTI</b>	<u>736</u>	<u>712</u>	<u>21.5</u>	<u>21.0</u>

# YTD Q2 2012 Industry Performance

## Malaysia Distributor-to-Trade Volume

	<u>Volume</u> <u>(mm units)</u>	<u>% Change</u> <u>vs Prior Year</u>	<u>SoM</u>	<u>+/- pts</u>
<b>Total Industry</b>	<b>6,821</b>	<b>4.5</b>	<b>100.0</b>	<b>--</b>
<b>JTI</b>	<b>1,448</b>	<b>2.4</b>	<b>21.2</b>	<b>-0.4</b>
<b>OTHERS</b>	<b>5,373</b>	<b>5.1</b>	<b>78.8</b>	<b>0.4</b>

# YTD Q2 2012 JTI Brand Performance

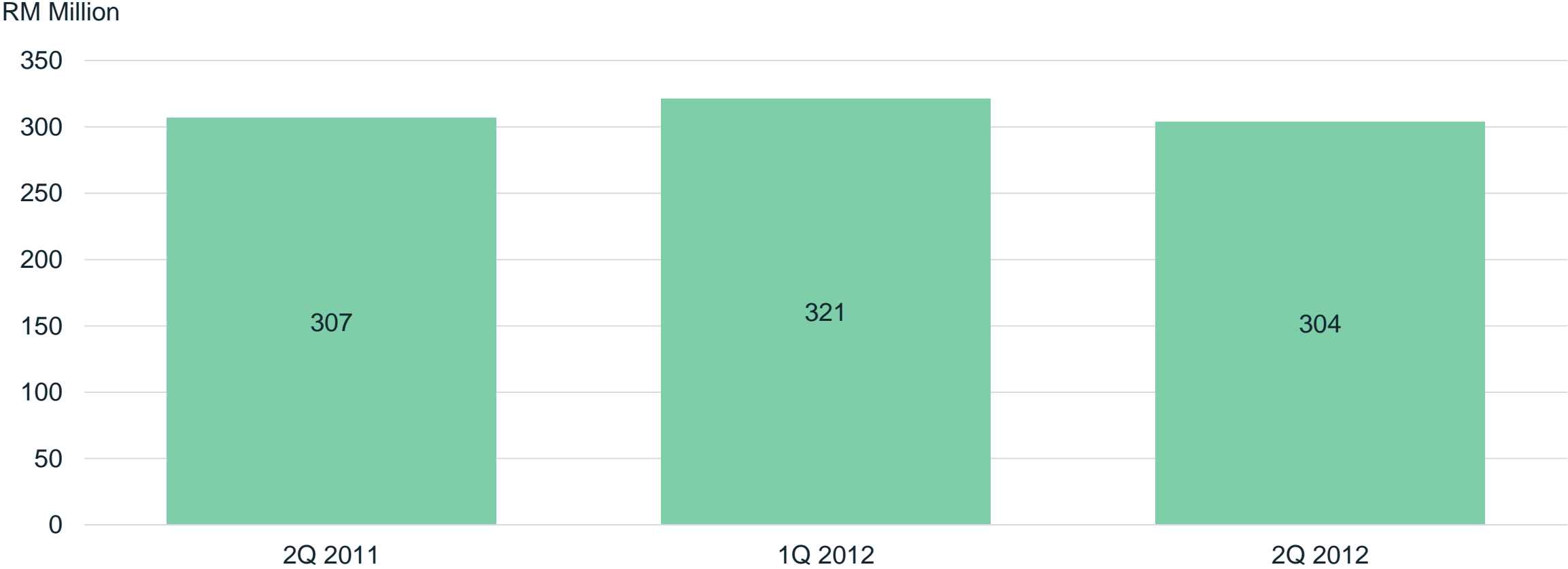
*Malaysia Distributor-to-Trade Volume*

<u>BRAND</u>	<u>Volume (mm units)</u>	<u>% Change vs Prior Year</u>	<u>SoM</u>	<u>+/- pts</u>
WINSTON	767	-1.9	11.2	-0.7
MILD SEVEN	367	18.3	5.4	0.6
CAMEL	29	-22.3	0.4	-0.1
SALEM	284	-0.1	4.2	-0.2
<b>JTI</b>	<b><u>1,448</u></b>	<b><u>2.4</u></b>	<b><u>21.2</u></b>	<b><u>-0.4</u></b>

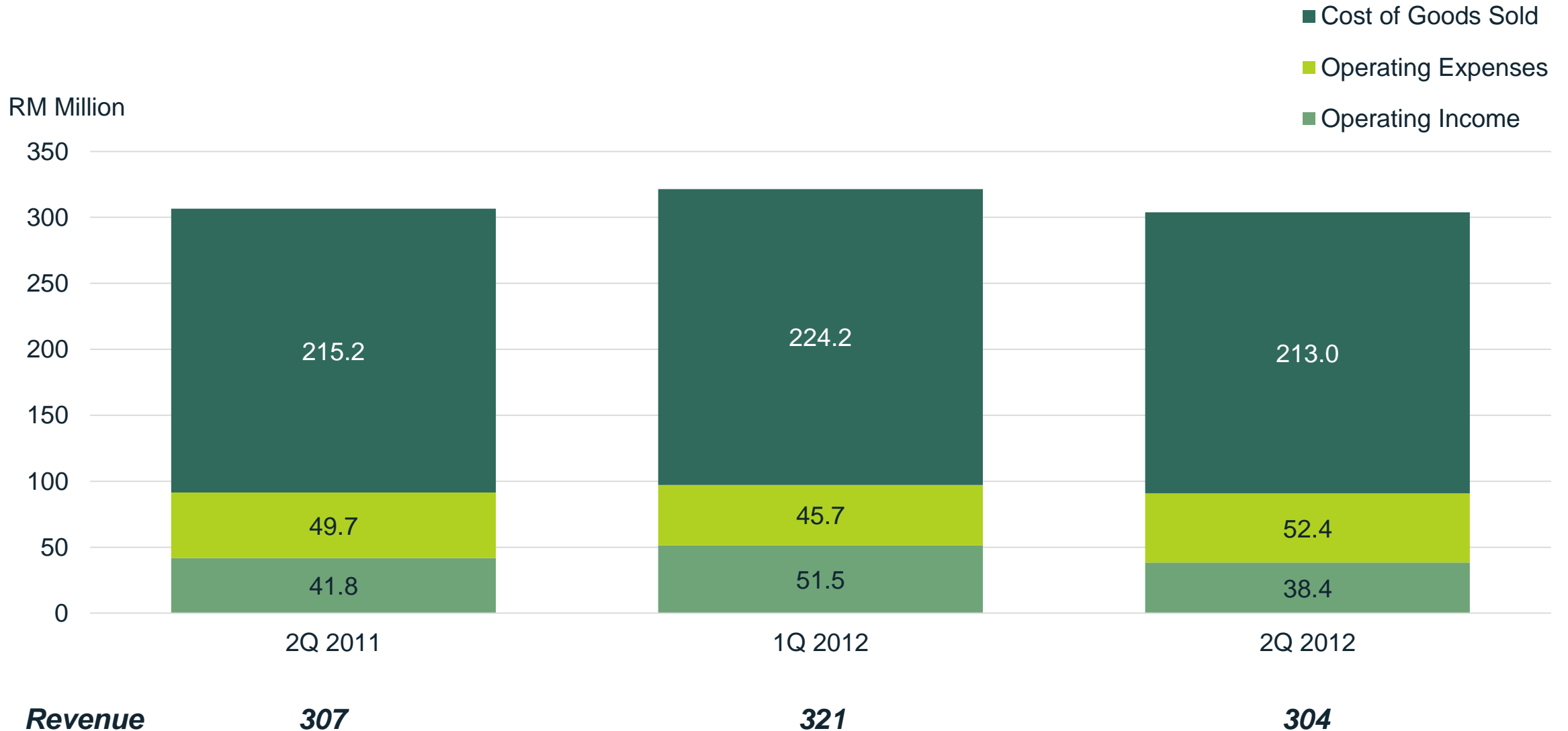


# Review of 2012 Second Quarter Financial Results

# Revenue Performance



# Operating Income Development



# Financial Review

	<u>2Q 2011</u> RM'000	<u>1Q 2012</u> RM'000	<u>2Q 2012</u> RM'000
Volume (in millions)	<u>726</u>	<u>753</u>	<u>720</u>
Revenue	306,638	321,379	303,783
Cost of Goods Sold	<u>215,155</u>	<u>224,215</u>	<u>213,028</u>
Gross Margin	91,483	97,164	90,755
Operating Expenses	<u>49,698</u>	<u>45,713</u>	<u>52,403</u>
Operating Income	41,785	51,451	38,352
Miscellaneous (Income) / Expenses	2,339	2,574	763
Other Financials (Income) / Expenses	<u>(1,454)</u>	<u>(1,765)</u>	<u>(1,915)</u>
PBT	40,900	50,642	39,504
Taxes	10,429	12,894	10,093
NET PROFIT	<u><u>30,471</u></u>	<u><u>37,748</u></u>	<u><u>29,411</u></u>

# Balance Sheet

	<u>30/06/11</u> <b>RM'000</b>	<u>31/12/11</u> <b>RM'000</b>	<u>30/06/12</u> <b>RM'000</b>
PROPERTY, PLANT & EQUIPMENT	113,478	111,079	112,006
Deferred Tax Assets	3,168	4,204	3,196
Cash & Short Term Investments	240,048	259,903	163,629
Inventories	74,678	82,716	84,857
Receivables	85,059	74,067	96,416
Amount due from Intercompany	5,096	7,922	5,358
<b>CURRENT ASSETS</b>	<b>404,881</b>	<b>424,608</b>	<b>350,260</b>
Payables	(53,941)	(47,896)	(49,254)
Provision for Taxation	(6,599)	(7,096)	(9,845)
Amount due to Intercompany	(9,830)	(3,587)	(5,471)
<b>CURRENT LIABILITIES</b>	<b>(70,370)</b>	<b>(58,579)</b>	<b>(64,570)</b>
<b>NET CURRENT ASSETS</b>	<b>334,511</b>	<b>366,029</b>	<b>285,690</b>
Deferred Liabilities	(25,036)	(26,790)	(25,670)
<b>NET ASSETS</b>	<b><u>426,121</u></b>	<b><u>454,522</u></b>	<b><u>375,222</u></b>
<b>SHAREHOLDERS' EQUITY</b>	<b><u>426,121</u></b>	<b><u>454,522</u></b>	<b><u>375,222</u></b>

# Half Year Performance

	<u>1H 2012</u> RM'000	<u>1H 2011</u> RM'000	<u>Variance</u> RM'000
Volume (in millions)	<u>1,473</u>	<u>1,414</u>	<u>59</u>
Revenue	625,162	597,365	27,797
Cost of Goods Sold	<u>437,243</u>	<u>417,947</u>	<u>(19,296)</u>
Gross Margin	187,919	179,418	<u>8,501</u>
Operating Expenses	<u>98,116</u>	<u>91,432</u>	<u>(6,684)</u>
Operating Income	89,803	87,986	1,817
Miscellaneous (Income) / Expenses	3,337	3,406	69
Other Financials (Income) / Expenses	<u>(3,680)</u>	<u>(2,652)</u>	<u>1,028</u>
PBT	90,146	87,232	<u>2,914</u>
Taxes	22,987	22,244	(743)
NET PROFIT	<u><u>67,159</u></u>	<u><u>64,988</u></u>	<u><u>2,171</u></u>

# Q & A