



BAT posts 44% rise in 4Q net profit

BY WONG EE LIN

KUALALUMPUR: British American Tobacco (M) Bhd's (BAT) net profit rose by 43.59% to RM116.37 million in the fourth quarter ended Dec 31, 2018 (4QFY18) from RM81.04 million last year as revenue climbed 12.52% and operating expenses fell.

Revenue grew to RM770.62 million from RM684.86 million, its filing to Bursa Malaysia yesterday showed. Operating expenses fell to RM80.48 million from RM102.9 million on improved cost efficiencies.

As such, earnings per share climbed to 40.8 sen from 28.4 sen previously.

It declared a fourth interim dividend of 47 sen per share or a total RM134.2 million, payable on March 19, bringing its full FY18 payout to 155 sen per share versus FY17's 169 sen per share.

For the full year, its net profit fell 4.89% to RM468.53 million from RM492.64 million a year ago, as revenue slid 3.2% to RM2.83 billion from RM2.92 billion.

In a separate statement BAT said it has kept its market share stable at 56.3% on an annual basis. From a double-digit decline in the last two years, its domestic volume saw a smaller contraction of 4.6%.

Domestic and duty-free rev-

enue declined 1.6%, while profit from operations fell 2.2% — which are a significantly lower decline rate compared to 2016 and 2017, it said.

“Despite 2018 being a challenging year, we are very encouraged by our overall results for the fourth quarter and throughout 2018. Even with the re-introduction of sales and services tax (SST) and the resulting SST led to price increase, BAT's results demonstrate our market leadership in executing sound strategic decisions that helped us retain market share while driving growth where it matters,” said BAT Malaysia managing director Erik Stoel.



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SUMMARIES

KUALA LUMPUR: British American Tobacco (M) Bhd's (BAT) net profit rose by 43.59% to RM116.37 million in the fourth quarter ended Dec 31, 2018 (4QFY18) from RM81.04 million last year as revenue climbed 12.52% and operating expenses fell. Revenue grew to RM770.62 million from RM684.86 million, its filing to Bursa Malaysia yesterday showed. Operating expenses fell to RM80.48 million from RM102.9 million on improved cost efficiencies. As such, earnings per share climbed to 40.