

ANNUAL GENERAL MEETING 2020

Imperial Brands PLC

5 February 2020



Thérèse Esperdy
Chair



Oliver Tant
Chief Financial Officer



2019 Performance Overview

Growth in tobacco and NGP but overall results down



Revenue and profit growth in tobacco; revenue growth in NGP

Overall Group results fell short of our expectations

NGP challenges in USA and lower profit delivery in AAA division

Focused on driving a stronger performance going forward

Summary Financials

Net revenue growth; profit reflects NGP investment



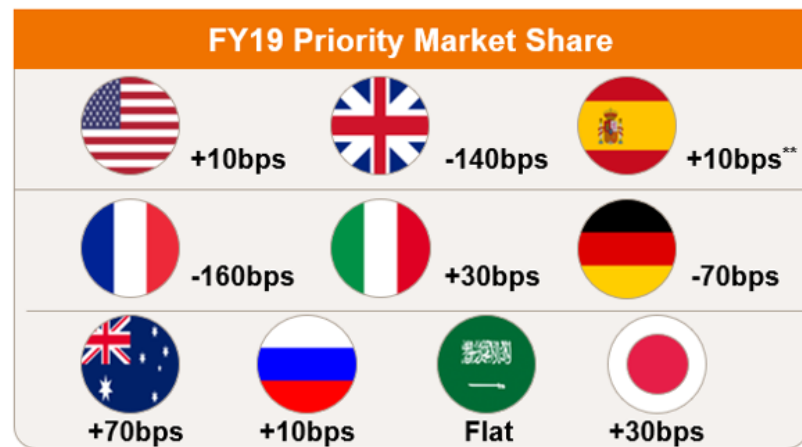
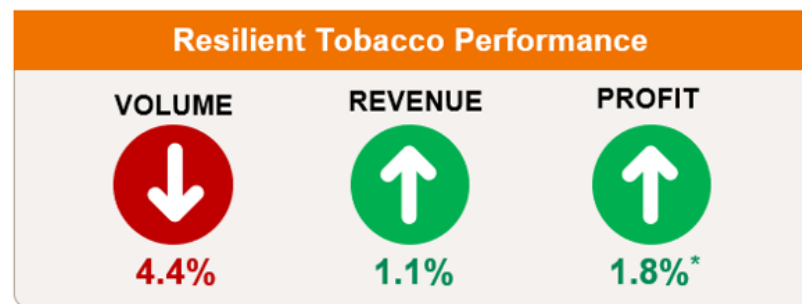
	£m	% change	% constant currency
NGP net revenue (£m)	285	52%	48%
Tobacco net revenue (£m)	7,713	2.7%	1.1%
Total adjusted operating profit (£m)	3,749	-0.5%	-2.4%
Adjusted earnings per share (pence)	273.3	0.4%	-1.6%
Cash conversion	95%		

Tobacco Maximisation

Resilient value creation model



- 6 of 10 priority markets in share growth
- Asset Brand net revenue up 4.4%
- Asset Brands account for 66% of our tobacco and NGP net revenue.
- Good results in Europe and USA



* Adjusted to exclude non-operating gains of £80m in FY18 profit up 4.0%

** Blond tobacco share +10 bps; share including dark tobacco segment -10bps YOY

Next Generation Products

Strengthening portfolio; adapting approach for 2020



- *myblu* established leading retail share positions in Europe and Japan
- City pilot of heated tobacco product Pulze in Japan
- Oral nicotine product launches in Europe
- Focused on improving performance in 2020
- Adapting approach; reshaping investment

Our Sustainability Strategy



- maintaining sustainable agricultural practices to ensure a consistent, quality supply of tobacco
- developing alternative products that are potentially less harmful to health
- behaving responsibly at all times and providing a safe and rewarding work environment for our employees

Stakeholder Panel



2020 Outlook



Tobacco to deliver revenue growth, high margins & cash flow

NGP challenges in vapour including impact of FDA flavours ban

Cost cutting programme to address short-term uncertainty

Focused on driving a stronger performance going forward



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