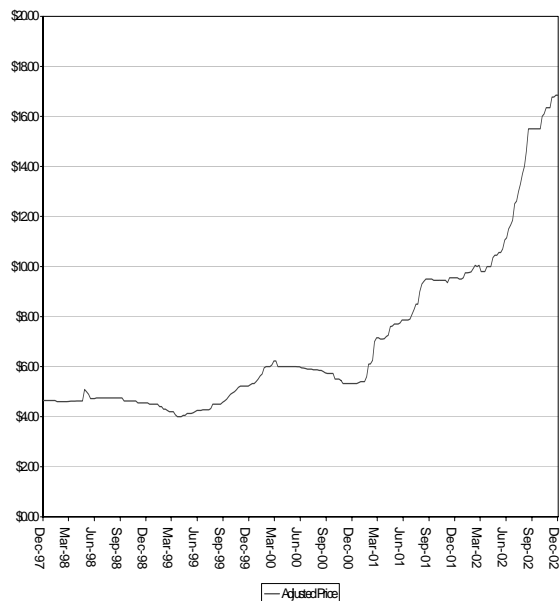




West Indian Tobacco Company Limited

Recent Price	\$ 17.30	EPS(est.2002)	\$ 0.95
52 Wk Range	\$ 9.50 - 17.30	Div.(est.2002)	\$ 1.00
Shares O/s	84,240,000	Yld(est.2002)	5.78%
Float	33,131,592	P/E (est.2002)	17.74 X
Market Cap.	\$ 1,457,352,000	Fiscal Yr End	December
ACTUAL	2001	2000	1999
P/E Ratio	13.2 X	8.2 X	10.4 X
EPS	\$ 0.74	\$ 0.65	\$ 1.01
Div. Payout	109.46%	131.82%	90.88%
ROE% (Avg)	50.47%	46.86%	43.00%
ROA% (Avg)	20.04%	17.93%	15.84%
B.V. / Share	\$ 1.37	\$ 1.55	\$ 1.23
LT Debt	Nil	Nil	Nil
Pref. Equity	Nil	Nil	Nil
Comm. Equity	\$ 115,530,000	\$ 130,851,000	\$ 103,693,000



It would also be interesting to see the effect of the new standards for tobacco marketing. After taking all these factors into consideration we have revised our forecast upwards. We now estimate earnings per share of 95¢ and a full year dividend of \$1.00 per share.

The Company

Formed in 1904, the principal activities of the Company are the manufacture and sale of cigarettes. The Company is associated with the manufacture of leading international brands of cigarettes such as du Maurier, Benson and Hedges, and private brands Mt.d'or and Broadway.

In May 1998, British-American Tobacco (Investment) Limited, a subsidiary of British American Tobacco p.l.c., (U.K.), acquired a further 1.13% shareholding in WITCO, bringing its shareholdings to 50.13%. The acquisition of the additional shares changed the status of the Company from an associate company to a subsidiary. The other major shareholder in WITCO is Royal Bank T&T Limited 11.32%.

In 1999, WITCO's parent, British American Tobacco merged with Rothmans International, the new post-merger Company obtained controlling interest in Jamaica's Carreras Group Limited. The Carreras Group was responsible for the Flamant and Craven A brands, which were then taken off the market due to poor sales.

**West Indian Tobacco Company Limited****Update – Half year ended June 30, 2002.**

The West Indian Tobacco Company Limited (WITCO) is leading the charge of half-year results expected over the next month from companies with a June 30th half-year. For the six months ended June 30, 2002 WITCO reported excellent results.

Net turnover for the six months ended June 30, 2002 reached \$143.865 million, an increase of 17.46% over the corresponding figure of \$122.483 million in 2001. Cost of Sales grew by 15.29% moving from \$44.287 million in 2001 to \$51.057 million in 2002. The lower increase in cost of sales allowed for a steeper increase in gross profit of 18.69% moving from \$78.196 million in 2001 to \$92.808 million in 2002. Distribution costs increased by 24.41% moving from \$2.294 million in 2001 to \$2.854 million in 2002. Administrative costs moved from \$11.418 million in 2001 to \$13.328 million in 2002, an increase of 16.73%. Other operating expenses increased by a much narrower 8.84% moving from \$18.225 million in 2001 to \$19.837 million in 2002. As a result the percentage increase in operating profit was higher than that of gross profit. Operating profit increased from \$46.259 million in 2001 to \$56.789 million in 2002, an increase of 22.76%. Interest income declined by 55.42% moving from \$2.380 million in 2001 to \$1.061 million in 2002. Profit before tax increased by 18.94% moving from \$48.639 million in 2001 to \$57.850 million in 2002. Profit after tax increased by a larger 20.03% as a result of a marginal decline in the effective tax rate. The actual profit after tax was \$37.666 million. The earnings per share for the six months ended June 30, 2002 was 44.71¢, an increase of 20.03% over the corresponding figure in 2001 of 37.25¢.

The directors have approved a second interim dividend of 16¢ per share bringing the total dividend for the year to 30¢ per share, which is 4¢ per share more than 2001. The dividend would be paid on August 15, 2002 to shareholders on record as at August 5, 2002.

The Chairman expects that the full year results would exceed the results for 2001. Sales performance in the domestic market was one of the main drivers of the increased profitability. Another driver that would have a long-term effect is the continued efforts at improving manufacturing capacity and product quality.

**West Indian Tobacco Company Limited****Income Statement Analysis (TT\$ millions)**

	2001	2000	1999	1998	1997
Rev.	257.140	227.024	206.172	173.504	173.033
Op. Inc.	91.551	79.671	63.203	40.771	54.473
Depr.	7.128	7.199	6.700	5.583	5.019
Int. Exp.	0.000	0.000	0.000	0.000	0.000
Pretax Inc.	95.160	83.846	65.674	42.827	54.473
Eff. Tax Rate	34.70%	34.50%	35.10%	34.40%	34.90%
Net Inc.	62.179	54.956	42.636	28.086	35.450

Bal. Sheet & Other Fin. Data (TT\$ millions)

Cash	18.351	8.748	7.780	1.997	1.518
Curr. Assets	98.219	110.458	106.010	60.830	67.661
Total Assets	205.952	208.516	195.947	146.362	134.554
Curr. Lia.	72.539	61.567	78.179	44.512	46.180
LT Debt	0.000	0.000	0.000	0.000	0.000
Common Eq.	115.530	130.851	103.693	94.263	81.514
Total Cap.	205.952	208.516	195.947	146.362	134.554
Cap Exp.	14.803	13.924	-0.466	11.983	7.990
Cash Flow	24.738	44.865	43.221	3.753	12.747

This document is based on information obtained from sources which we believe to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, West Indies Stockbrokers Limited. Expressions of opinion herein are subject to change without notice. This document is not, and should not be construed as, an offer or the solicitation of an offer to buy or sell securities. West Indies Stockbrokers Limited and or their officers, directors, and employees may own or have positions in any of the securities mentioned herein, and may from time to time add or dispose of any such securities. This document is for the information of clients only and is not for publication in the Press or elsewhere without the permission of West Indies Stockbrokers Limited. WISE is a subsidiary of RBTT Financial Holdings Limited