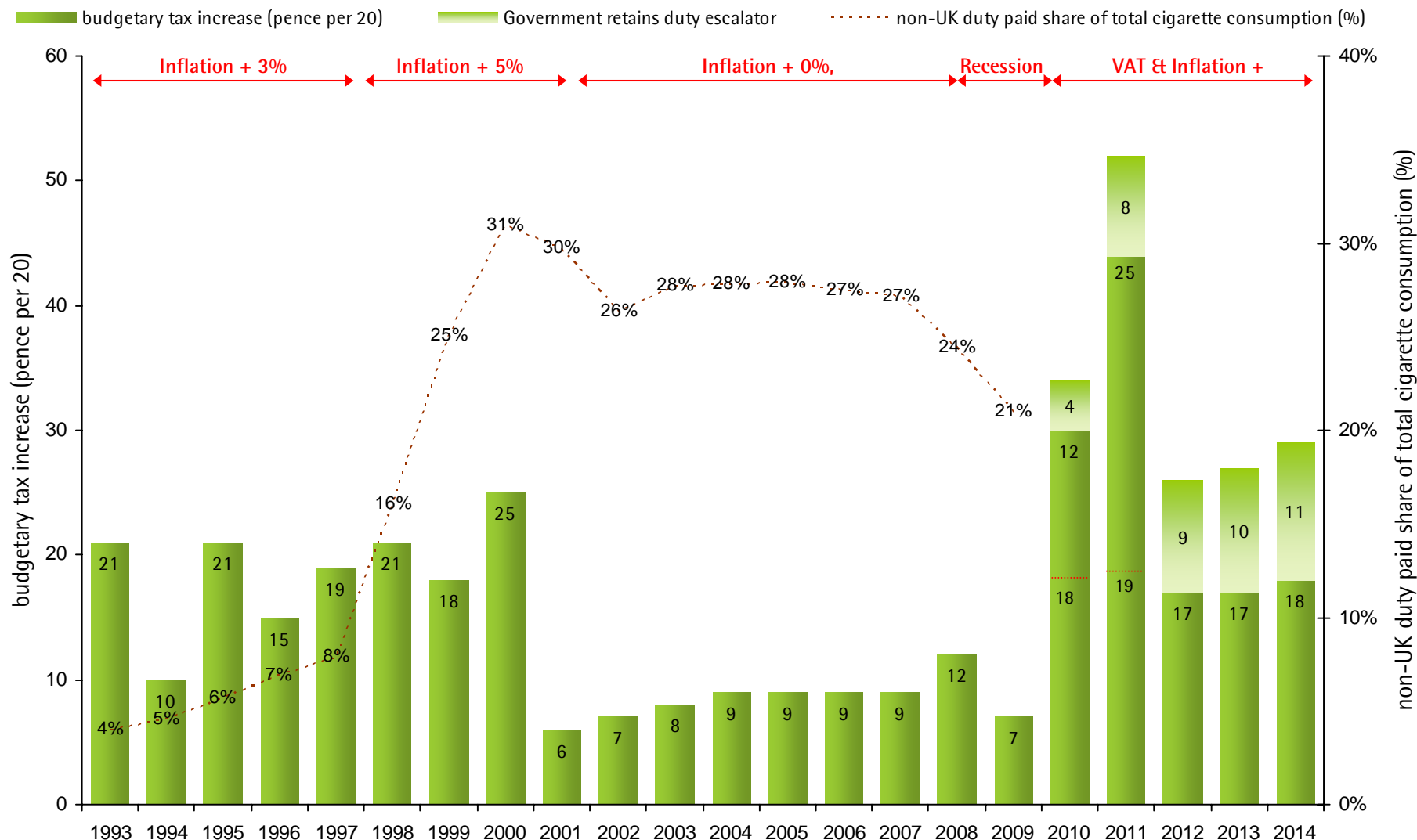


Tax policy is the root cause of illicit tobacco

- Tax increases for 2012-2015 reflect OBR inflation forecast & retention of the duty escalator



Note: NUKDP (crossborder & illicit) figures are based on TMA agreed estimates