

WW OVERVIEW ON TOBACCO MARKET SITUATION (PRODUCTION, IMPORTS/EXPORTS) – MAY 2016

SOURCE: TAKEN FROM PUBLICLY AVAILABLE INFORMATION IN FEBRUARY 2016

Below terminology:

2015E = estimated tobacco volume production

2016P = projected tobacco volume production

1. Flue Cured Virginia (FCV) projected world production for 2016 is 3943 million kilos, a decrease vs. estimated 2015 volumes of 4257 million kilos.

■ North and Central Americas + Caribbean volumes slightly increase:

2015E	2016P
217 million kilos	225 million kilos

US volumes for 2016 are projected at 200 million kilos.

■ South America volumes decrease

2015E	2016P
667 million kilos	556 million kilos

Production in South America is continues to decrease since 2014.

■ Europe + CIS volumes slightly increase

2015E	2016P
126 million kilos	129 million kilos

After a decrease a slight increase is projected.

■ Africa + Middle East decrease

2015E	2016P
416 million kilos	369 million kilos

After a consistent increase till 2014 a further decrease is projected.

■ Asia (including China) + Oceania volumes decrease

2015E	2016P
2830 million kilos	2665 kilos

2. Burley world production is projected to decrease from 631 million kilos in 2015 to 592 million kilos in 2016.

■ North and Central Americas volumes increase

2015E	2016P
80 million kilos	85 million kilos

Volumes slightly increase but are still below the earlier years of stable production.

■ South America volumes decrease

2015E	2016P
124 million kilos	94 million kilos

■ Europe + CIS volumes stable

2015E	2016P
39 million kilos	40 million kilos

■ Africa + Middle East volumes stable

2015E	2016P
272 million kilos	272 million kilos

■ Asia (including China) + Oceania decrease

2015E	2016P
115 million kilos	101 million kilos