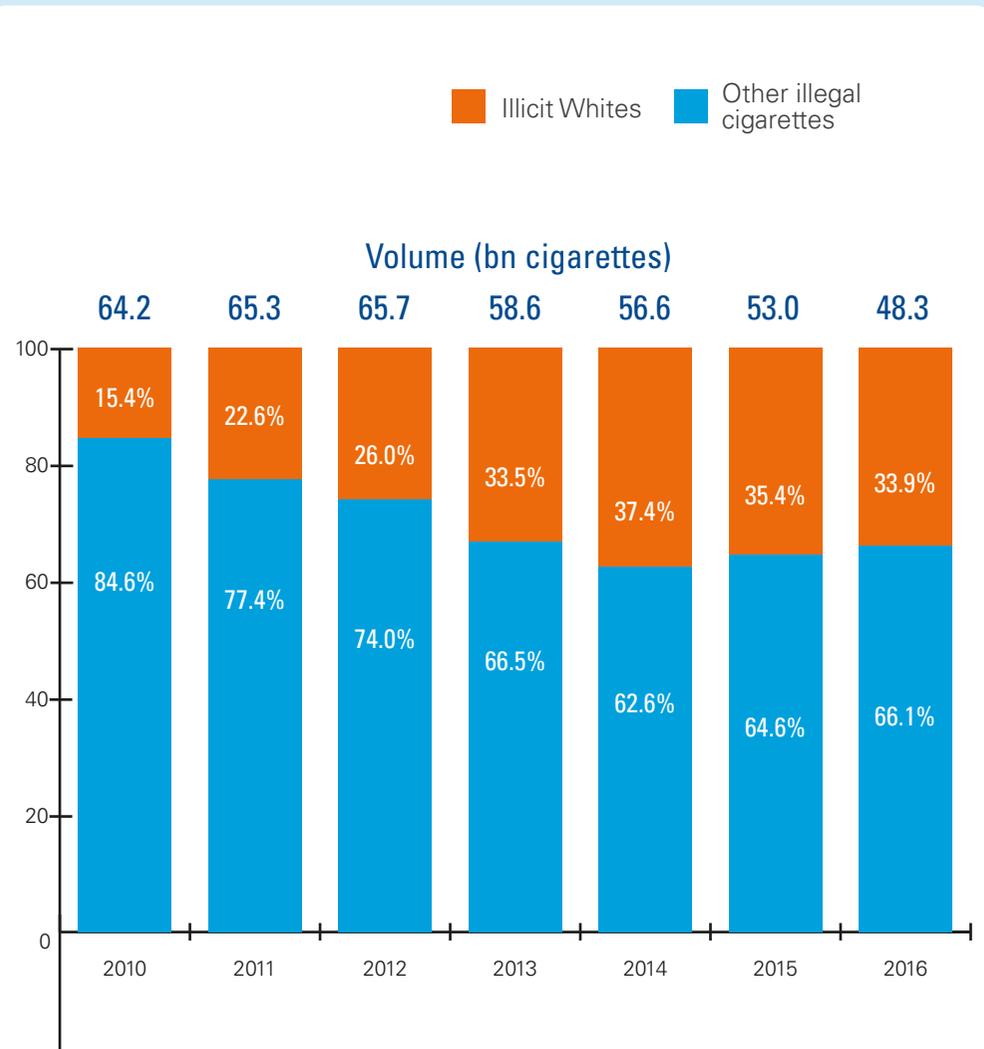


Illicit Whites: The Biggest Problem

Illicit Whites comprise 33.9% of all illicit cigarettes in the EU

Split between illicit whites and other illegal cigarettes



Source: KPMG Sun 2016

Illicit Whites Volume (bn cigarettes)



Illicit Whites (as defined in KPMG Sun 2016): Cigarettes that are usually manufactured legally in one country/market but which the evidence suggests have been smuggled across borders during their transit to the destination market under review where they have limited or no legal distribution and are sold without payment of tax.