

press release

2 February 2011

Imperial Tobacco scores in emerging markets

- Emerging markets responsible for high sales figures
- The Share Centre currently list Imperial Tobacco as a 'sell' for investors

Nick Raynor, investment adviser at The Share Centre explains why today's update from Imperial Tobacco confirms his 'sell' recommendation.

"Today's update shows that despite the developed world cutting back in the tobacco market, it is emerging markets and the US who are driving the growth in the sector.

"The UK and German markets report no change in sales. However, the introduction of the smoking ban in Spain has had a negative impact – since January 2011 sales are down 10%. With Russia considering introducing similar measures, there may be further declines on the horizon for Imperial Tobacco.

"As the developed world seemingly becomes increasingly health conscious, it is the emerging markets who are keeping sales above water. As a result of these figures the share price has increased, demonstrating that the market possibly didn't factor in such good figures from the emerging markets sector.

"Despite the positive figures and today's increase in the share price, we believe this is only a brief respite for investors. As the global trend to reduce smoking gathers momentum and emerging markets become more educated and aware of the risks involved with smoking, this will have a long term detrimental affect on the tobacco sector. This is why we continue to recommend investors 'sell' Imperial Tobacco."

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About The Share Centre:

The Share Centre was established in 1990 to provide value-for-money share services for private investors. Its range of services includes buying and selling shares (by Internet, telephone and post) and a comprehensive share administration and safe custody service. Tax-efficient investment 'wrappers' including ISAs, CTFs and SIPPs are also available.

The Share Centre's Advice team provides comment on market sectors, individual shares and funds on www.share.com. Access is available to customers and registered users of the site. Registration is free. To understand how our Advice team arrive at their views please read our [Investment Research Policy](#)

In addition, account customers can receive individual telephone advice on UK-listed shares and on funds traded via the CoFunds trading platform.

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