

**PRICE SENSITIVE INFORMATION COMMUNICATION TO THE
COMISIÓN NACIONAL DEL MERCADO DE VALORES**

Madrid, 6th September 2017

Block Trade of shares of Compañía De Distribución Integral Logista Holdings, S.A

Dear Sirs:

In accordance with article 228 of the revised text of the Spanish Securities Market Act, approved by the Royal Decree 4/2015, of 23 October, *Credit Suisse Securities (Europe) Limited and Goldman Sachs International* (the “**Joint Bookrunners**”), acting on behalf of Imperial Brands PLC (“**Imperial Brands**”), hereby announce they are currently conducting a private placement (the “**Placing**”) of 13,275,000 shares (the “**Placing Shares**”) of Compañía De Distribución Integral Logista Holdings, S.A (“**Logista**”), representing 10 per cent of its share capital. The Placing Shares are being offered to qualified institutional investors only.

Conditions of the Placing

The Placing will be carried out by way of an accelerated bookbuilt offer, and it is expected to last for no more than one day.

During this time, the Joint Bookrunners will market the Placing with the aim to receive indications of interest or offers to purchase the Placing Shares from potential investors.

Following completion of the Placing, and assuming the sale of the aforementioned number of shares, Imperial Brands will indirectly hold 79,650,001 Logista shares, representing approximately 60 per cent of Logista’s issued share capital. As is customary in such transactions, Imperial Brands has entered into a 90 day lock-up restriction from settlement, on its remaining Logista shares, whereby it has agreed not to dispose of any remaining shares without the Joint Bookrunners’ consent.

Results of the Placement

The final number of Placing Shares to be placed and the price per Placing Share will be agreed by Imperial Brands and the Joint Bookrunners at the close of the bookbuild process, and the results of the Placing will be announced as soon as practicable thereafter through an “hecho relevante”.

Yours sincerely,

Credit Suisse Securities (Europe) Limited
Goldman Sachs International

IMPORTANT INFORMATION

This document may not be distributed nor published, directly or indirectly, in the United States of America, Canada, Australia or Japan nor in any other jurisdiction in which the offer hereby referred to may be unlawful. The offering of the mentioned shares has not been and will not be registered under the US Securities Act of 1933, as amended nor under any other supervising authority of any State or other jurisdiction of the United States of America or under the protection of stock market legislation in Canada, Australia or Japan.

Therefore, and subject to certain exceptions, shares may not be offered or sold in or into the United States of America, Canada, Australia or Japan nor in any other jurisdiction in which this offering may be unlawful.

Credit Suisse Securities (Europe) and Goldman Sachs International, which in the United Kingdom are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, are acting exclusively for Imperial Brands PLC in connection with the Placing and will not be responsible to anyone other than Imperial Brands PLC for providing the protections offered to the clients of Credit Suisse Securities (Europe) Limited and Goldman Sachs International, respectively, nor will they be responsible for providing advice in relation to the Placing or any matters referred to in this announcement.