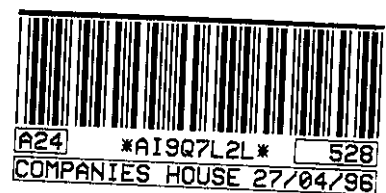


PENINSULAR TOBACCO COMPANY LIMITED

REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 1995

Registered no. 223593



Peninsular Tobacco Company Limited

Report of the directors for the period ended 31 December 1995

The directors present their report and the financial statements for the nine month period ended 31 December 1995.

Principal activities

The Company, which owns the trade marks of various brands of tobacco products in Burma, was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the period ended 31 December 1995.

Directors

P L Clarke (Chairman)
R V Cooper
J S Mossman
D E Salt

Directors' interests in the shares of the company

The interests of those persons, who were directors at 31 December 1995, in the share capital and share option schemes of B.A.T Industries p.l.c. and its subsidiaries are shown in the table below. Interests disclosed are those which existed on 1 April 1995 and 31 December 1995, together with interests acquired or exercised in the said share option schemes during that period.

B.A.T Industries p.l.c.

	<u>Ordinary 25p Shares</u>		<u>Share Options</u>			
	<u>Opening</u>	<u>Closing</u>	<u>Opening</u>	<u>Acquired</u>	<u>Exercised</u>	<u>Closing</u>
P L Clarke	1,395	7,332	35,233	7,060	24,620	17,673
R V Cooper	916	1,554	5,103	Nil	Nil	5,103
J S Mossman	22,272	21,311	8,040	2,560	Nil	10,630
D E Salt	46,972	47,784	12,080	10,210	Nil	22,290

Details of the share option schemes are included in the Report and Accounts of B.A.T Industries p.l.c.

Peninsular Tobacco Company Limited

Directors responsibilities

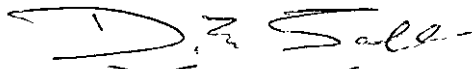
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select appropriate accounting policies and then apply them consistently, subject to any material departures being disclosed and explained;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless they consider that to be inappropriate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

Director:


D.E. SALT

Dated:

27 MAR 1996

Peninsular Tobacco Company Limited**Balance Sheet - 31 December 1995**

	<u>Period ended 31/12/95</u> £	<u>Period ended 31/12/95</u> £	<u>Year ended 31/3/95</u> £	<u>Year ended 31/3/95</u> £
Current Liabilities				
Amount owing to parent undertaking		<u>32,348</u>		<u>32,348</u>
Capital and Reserves				
Share capital (Ordinary shares of £1 each)				
Authorised - Value	50,000		50,000	
- Number	50,000		50,000	
Allotted, called up and fully paid				
- Value		50,000		50,000
- Number	50,000		50,000	
Deficiency of reserves		82,348		82,348
		<u>(32,348)</u>		<u>(32,348)</u>

**Notes to the financial statements
for the period ended 31 December 1995**

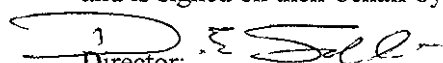
- 1 The Company's holding company is British-American Tobacco Company Limited and its ultimate holding company is B.A.T Industries p.l.c., both being incorporated in the United Kingdom, and registered in England and Wales.
- 2 The Company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the period ended 31 December 1995.
- 3 During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit nor a loss.
- 4 Copies of the report and accounts of B.A.T Industries p.l.c. may be obtained from:
The Company Secretary
Windsor House
50, Victoria Street
London SW1H 0NL

Copies of the report and accounts of British-American Tobacco Company Limited may be obtained from:

The Company Secretary
Millbank
Knowle Green
Staines
TW18 1DY

The above financial statement was approved by the Directors on
and is signed on their behalf by:

27 MAR 1996


Director: D. E. SALT