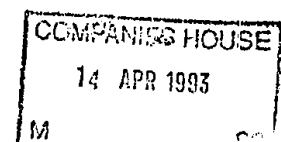
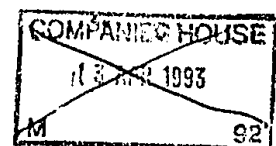


B.A.T (U.K. HOLDINGS) LIMITED

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1992**

Registered no. 227745



B.A.T (U.K. Holdings) Limited**Report of the directors
for the year ended 31 December 1992**

The directors present their report and the audited financial statements for the year ended 31 December 1992.

Principal activities

The company has investments in subsidiaries operating in the tobacco industry.

Review of business and future developments

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

Dividends

The directors recommend the payment of a dividend of £130,000,000. There was no transfer to reserves for the financial year.

Directors

B D Bramley (Chairman)

P N Adams

N G Brookes

N Davis

K S Dunt (Appointed 1 January 1992)

R S Hartley

R H Pilbeam

J Rembiszewski

D S Watterton

19-004-93

B.A.T (U.K. Holdings) Limited

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Directors' interests in the shares of the company

The interests of those persons, who were directors at 31 December 1992, in the share capital and share option schemes of B.A.T Industries p.l.c. and its subsidiaries are disclosed in the Directors' Report of British-American Tobacco Company Limited, of which this company is a wholly owned subsidiary.

By order of the board



R. H. PILBEAM

Dated: 3rd March 1993

**Report of the auditor to the members of
B.A.T (U.K. Holdings) Limited**

We have audited the financial statements on pages 5 to 9 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1992 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand

Coopers & Lybrand
Chartered Accountants and Registered Auditor

London

3 March 1993

B.A.T (U.K. Holdings) Limited

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**Profit and loss account
for the year ended 31 December 1992**

	<u>Notes</u>	<u>1992</u> <u>£000's</u>	<u>1991</u> <u>£000's</u>
Income from shares in a group undertaking		130,000	89,000
Profit on ordinary activities before taxation		130,000	89,000
Tax on profit on ordinary activities		-	-
Profit on ordinary activities after taxation		130,000	89,000
Dividend proposed		130,000	89,000
Retained profit for the year		-	-
Statement of retained profits			
Retained profits at 1 January		299	299
Retained profit for the year		-	-
Retained profits at 31 December		299	299

B.A.T (U.K. Holdings) Limited

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Balance Sheet - 31 December 1992

	<u>Notes</u>	<u>1992</u> <u>£000's</u>	<u>1992</u> <u>£000's</u>	<u>1991</u> <u>£000's</u>	<u>1991</u> <u>£000's</u>
Fixed assets					
Investments	3		1,003		1,003
Current assets					
Debtors	4	130,000		89,000	
Creditors: amounts falling due within one year	5	130,704		89,704	
Net current liabilities			(704)		(704)
Total assets less current liabilities			299		299
Capital and reserves					
Called up share capital	6		-		-
Profit and loss account			299		299
			299		299

The financial statements on pages 5 to 9 were approved by the Directors on 3rd March 1993 and are signed on their behalf by:

Director



R.H. PILBEAM

B.A.T (U.K. Holdings) Limited

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Notes to the financial statements for the year ended 31 December 1992

1.1 Principal accounting policies

The financial statements are prepared in accordance with Accounting Standards applicable in the United Kingdom. A cash flow statement is not submitted, as the Company, being a wholly owned subsidiary undertaking of a parent undertaking established under UK law, includes cash flow information in the financial statements of the parent undertaking. A summary of the accounting policies, which have been applied consistently, is set out below.

1.2 Basis of accounting

The financial statements are prepared in accordance with the historical cost basis of accounting.

1.3 Group financial statements

Group financial statements are not submitted as the Company is a wholly owned subsidiary of a company incorporated in Great Britain.

1.4 Translation of assets and liabilities

Assets and liabilities are translated at rates of exchange ruling at the end of the financial year. Transactions expressed in currencies other than sterling are translated into sterling at actual rates. Exchange differences on remittances are reflected in trading profit.

1.5 Investments valuation

Investments are shown at cost less provisions consistent with the concept of prudence.

1.6 Accounting for income

Income is accounted for on a receivable basis. Where delays are anticipated in the receipt of monies from overseas companies provision is made in accordance with the concept of prudence.

1.7 Taxation

No account is taken of tax which may be payable on the realisation of investments, or in the event of the distribution of profits retained by the subsidiary undertaking.

B.A.T (U.K. Holdings) Limited

**Notes to the financial statements
for the year ended 31 December 1992**

2 Administration expenses

None of the directors received any remuneration in respect of their services to the company during the period. (1991 - Nil).

There were no staff costs during the period (1991 - Nil).

**3 Tangible Fixed Assets
Investments**

**% Nominal
Value Held
Directly**

Ordinary Shares of £1 each

3.1 Investments in subsidiaries

3.1.1 Unlisted

B.A.T Services Limited	100
B.A.T (U.K. and Export) Limited	100

3.1.2 Shareholding at cost

	<u>1992</u> <u>£000's</u>	<u>1991</u> <u>£000's</u>
B.A.T (U.K. and Export) Limited	<u>1,003</u>	<u>1,003</u>

3.1.3 The directors are of the opinion that the investments have an aggregate value of not less than the amount at which they are stated in the balance sheet.

4 Debtors

	<u>1992</u> <u>£000's</u>	<u>1991</u> <u>£000's</u>
Amounts falling due within one year		
Dividend receivable from subsidiary undertaking	130,000	89,000
	<u>130,000</u>	<u>89,000</u>

5 Creditors: amounts falling due within one year

	<u>1992</u> <u>£000's</u>	<u>1991</u> <u>£000's</u>
Amounts owed to parent undertaking	704	704
Dividend proposed	130,000	89,000
	<u>130,704</u>	<u>89,704</u>

B.A.T (U.K. Holdings) Limited**Notes to the financial statements
for the year ended 31 December 1992****6 Share capital**

	Ordinary Shares of £1 each	
	1992	1991
	£	£
Authorised - value	<u>1,000</u>	<u>1,000</u>
number	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
value	<u>6</u>	<u>6</u>
number	<u>6</u>	<u>6</u>

7 Holding company

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.

8 Copies of the report and accounts

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