

Registered number: 2761029

RISECRETARIES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 1999



RISECRETARIES LIMITED

CONTENTS

	Page
Directors' Report	2 - 3
Balance Sheet	4
Notes to the Financial Statements	5 - 6
Statement of Directors' Responsibilities	7
Auditors' Report	8

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year to 31 March 1999.

Principal activity and results

During the year the Company has acted as Corporate Secretary to a number of Rothmans International Limited subsidiary companies and is expected to continue in that capacity for the foreseeable future.

The Company did not trade during the year and made neither profits nor losses.

Dividend

The directors do not recommend the payment of a dividend (1998 : £nil).

The Year 2000 Issue

The business and support operations of the Rothmans International B.V. group (the "group") have been assessed in order to determine the level of attention required to address the problems posed by the onset of the Year 2000. Taskforces within the Group's operations are implementing plans to deal with the issues identified. Progress towards completion of these plans is reported to the Audit Committee. The operation of our business depends not only on our own systems, but also to some degree on those of our suppliers, distributors and customers. Therefore, there remains an inevitable exposure to risk in the event that there is a failure by other parties to remedy their own Year 2000 issues. Where appropriate, this risk is being addressed through seeking assurance from such parties that this issue is being dealt with appropriately. Contingency plans embracing alternative ways of working are also being developed in the case of any failure to achieve the necessary solutions. Costs specifically directed towards the resolution of Year 2000 risks are being expensed as incurred.

The Introduction of the Euro

On 1 January 1999 eleven Member States of the European Union adopted the Euro as their local currency. The Euro is initially available only for currency trading and non-cash transactions, and during this interim period the existing local currencies of the participating countries remain legal tender as expressions of the Euro. The Group established a number of working parties in prior years to examine the actions its businesses were required to take in order to ensure a smooth transition to the Euro. As from 1 January 1999 the Group's businesses operating within the eleven Member States are able to transact with customers and suppliers using the Euro as appropriate. The costs incurred by the Group's businesses in achieving Euro functionality are not considered to be material and have been expensed as incurred.

Post balance sheet event

Set out in Note 7 are details of a post balance sheet event concerning Rothmans International B.V., (the company considered by the directors to be the parent company for operational purposes).

RISECRETARIES LIMITED

DIRECTORS' REPORT

Directors

The directors of the Company during the year ended 31 March 1999 were:

M A Oliver	
A G Cripps	(resigned 24 July 1998)
D J Booker	(appointed 23 July 1998)
G R Thomas	(appointed 23 July 1998)
B A Campbell	(resigned 24 July 1998)
A E Griffiths	
A P Phipkin	
W M Kuzminski	
M S Biss	

Subsequent to the year end, D N F Salter, P M Cook and M L Hendershot were appointed Directors on 26 July 1999, on 30 July 1999 W M Kuzminski resigned as a Director and M S Biss resigned as a Director on 10 September 1999.

Directors' Interests

According to the register, kept under Section 325 of the Companies Act 1985, no director holding office at 31 March 1999 had any notifiable interests in the shares, or in any options to subscribe for shares, in the capital of the Company, its parent companies or its fellow subsidiaries.

Auditors

The Company's auditors, Coopers & Lybrand, merged with Price Waterhouse on 1 July 1998, following which Coopers & Lybrand resigned and the directors appointed the new firm, PricewaterhouseCoopers, as auditors.

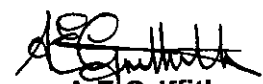
An Elective Resolution has been passed that, in accordance with Section 379A and 386 of the Companies Act 1985 (as amended) the Company dispense with the obligation under Section 384 of the Act to appoint auditors annually.

General Meetings

Elective resolutions have been passed in accordance with Section 379A of the Companies Act 1985 (as amended) to dispense with the laying of accounts before the Company in General Meeting (pursuant to Section 252 of the Act) and to dispense with the holding of the Annual General Meetings (pursuant to Section 366A of the Act).

Registered No. 2761029
Registered Office:
Oxford Road
Aylesbury
Buckinghamshire HP21 8SZ

On behalf of the Board


A E Griffiths
Secretary

9th December 1999

RISECRETARIES LIMITED

BALANCE SHEET AS AT 31 MARCH 1999

	1999 £	1998 £
Operating assets		
Debtors		
Amounts falling due within one year		
Amounts owed by parent undertaking	1	1
	<u> </u>	<u> </u>
Capital and reserves		
Called up share capital (note 4)	1	1
	<u> </u>	<u> </u>

Approved by the Board of Directors on 9th December 1999 and
signed on its behalf by


M.A. OLIVER
Director

The notes set out on pages 5 and 6 form an integral part of these financial statements.

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.

RISECRETARIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting convention

The financial statements have been prepared on historical cost accounting principles and in accordance with applicable Accounting Standards in the United Kingdom.

2. Directors' emoluments and employee information

The directors did not receive any emoluments during the year, or during the preceding year. No staff were employed by the Company during the year, or during the preceding year.

3. Auditors' remuneration

Audit fees are borne by a fellow group company.

4. Share capital

The Company's share capital is as follows:

	Authorised £	Allotted and fully paid £
1 April 1998 and 31 March 1999 - £1 Ordinary shares	<u>100</u>	<u>1</u>

5. Related party transactions

No transactions are disclosed due to the Company being a 100% subsidiary of Rothmans International B.V..

6. Parent companies and controlling parties

As at 31 March 1999, the directors regard Compagnie Financière Richemont AG, a listed company incorporated in Switzerland, to be the ultimate parent company; shares representing 50% of the voting rights of that company are held by Compagnie Financière Rupert which, for the purposes of Financial Reporting Standard 8, is regarded by the directors as the ultimate controlling party. As at 31 March 1999, the directors consider that the company is controlled, for operational purposes, by Rothmans International B.V. At 31 March 1999 the Company's immediate parent company for which group accounts were drawn up was Rothmans International B.V., a company incorporated in The Netherlands.

Copies of the group accounts of Rothmans International B.V. are available from The Secretary, De Boelelaan 32, 1083 HJ Amsterdam, The Netherlands. Copies of the group accounts of Compagnie Financière Richemont AG are available from The Secretary, Rigistrasse 2, CH-6300 Zug, Switzerland.

Details of a post balance sheet event concerning parent companies and controlling parties are set out in Note 7 of these financial statements.

7. Post balance sheet event

On 11 January 1999, Compagnie Financière Richemont AG and British American Tobacco plc announced terms had been agreed for the proposed merger of the Rothmans International B.V. Group with British American Tobacco plc. British American Tobacco plc shareholders approved the merger at an extraordinary general meeting held on 8 April 1999. The transaction was completed on 7 June 1999 and from that date British American Tobacco plc became the ultimate parent company and ultimate controlling party of this company. Copies of the group accounts of British American Tobacco plc are available from The Secretary, British American Tobacco plc, Globe House, London, WC2R 2PG, the United Kingdom.

RISECRETARIES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following statement, which should be read in conjunction with the auditors' statement of auditors' responsibilities set out on the next page, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements.

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the financial statements on pages 4 to 6 the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed. The directors are required to use a going concern basis in preparing the financial statements unless this is inappropriate.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

RISECRETARIES LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors.

The directors are responsible for preparing the Annual Report including, as described on page 7, the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practice Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

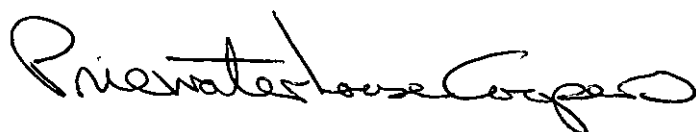
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 March 1999 and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and
Registered Auditors

London,

9/12/99