

British American Tobacco (1998) Limited

Registered Number 03422701

Annual report and financial statements

For the year ended 31 December 2016

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Strategic report

The Directors present their strategic report on British American Tobacco (1998) Limited (the "Company") for the year ended 31 December 2016.

Principal activities

The Company acts as an investment holding company in subsidiary undertakings of the British American Tobacco p.l.c. Group (the "Group") which are active in the tobacco industry.

Review of the year ended 31 December 2016

The profit for the financial year attributable to British American Tobacco (1998) Limited shareholders after deduction of all charges and the provision of taxation amounted to £4,004,907,000 (2015: £1,013,193,000).

The Directors expect the Company's activities to continue on a similar basis in the foreseeable future.

Key performance indicators

Given the nature of the Company's activities, the Company's Directors believe that key performance indicators are not necessary or appropriate for an understanding of the Company's specific development, performance or the position of its business. However, key performance indicators relevant to the Group, and which may be relevant to the Company, are disclosed in the Strategic Report in the Annual Report of British American Tobacco p.l.c. and do not form part of this report.

Principal risks and uncertainties

The principal risks and uncertainties of the Company, including financial risk management, are integrated with the principal risks of the Group and are monitored by audit committees to provide a framework for identifying, evaluating and managing risks faced by the Group. Accordingly, the key Group risk factors that may be relevant to the Company are disclosed in the Annual Report of British American Tobacco p.l.c. and do not form part of this report.

By Order of the Board



Ms J.B. Patel
Secretary

22 September 2017

Directors' report

The Directors present their report together with the audited financial statements of the Company for the year ended 31 December 2016.

Dividends

During the year the Company paid dividends amounting to £3,000,000,000 (2015: £1,000,000,000).

Board of Directors

The names of the persons who served as Directors of the Company during the period 1 January 2016 to the date of this report are as follows:

John Benedict Stevens
Giovanni Giordano
Jerome Bruce Abelman
Alan Davy
Kingsley Wheaton

Post Balance Sheet events

On 17 January 2017, the Company's ultimate parent, British American Tobacco p.l.c. ("BAT plc"), announced that it had agreed the terms of a recommended offer with Reynolds American Inc. ("RAI") for BAT plc to acquire the remaining 57.8% of RAI it did not already own. The proposed merger was accepted by both parties' shareholders on 19 July 2017.

Pursuant to the Merger Agreement, BAT plc, on behalf of its indirect subsidiary BATUS Holdings Inc ("BATUS"), has agreed to issue new shares, represented by American Depositary Shares, for the benefit of RAI shareholders. In consideration for BAT plc issuing new shares, BATUS has agreed to issue to BAT plc an assignable obligation owed by BATUS to issue shares to the holder of that obligation. This assignable obligation is transferred down the chain of Group companies from BAT plc to BATUS, in exchange for the issue of shares by each subsidiary company to its direct parent.

As a consequence, on 25 July 2017, the Company issued 2,915 new shares with a nominal value of £2,915 to its immediate parent, BAT plc. On the same day, the Company transferred the assignable warrant to its direct subsidiary British American Tobacco (2012) Limited in exchange for 882,678,739 new shares with a nominal value of £882,678,739.

Directors' indemnities

Throughout the period 1 January 2016 to the date of this report, an indemnity has been in force under which Mr J.B. Stevens, as a Director of the Company, is, as to the extent permitted by law, indemnified by British American Tobacco p.l.c., the ultimate parent undertaking, in respect of all costs, charges, expenses or liabilities which he may incur in or about the execution of his duties to the Company or as a result of things done by him as a Director on behalf of the Company.

The Company has entered into indemnities with the other Directors, under which they, as Directors of the Company, are, to the extent permitted by law, indemnified in respect of all costs, charges, expenses or liabilities which they may incur in or about the execution of their duties to the Company or as a result of things done by them as a Director on behalf of the Company since their appointment.

Directors' report (continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic report, Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Directors' declaration in relation to relevant audit information

Having made appropriate enquiries, each of the Directors who held office at the date of approval of this report confirms that:

- (a) to the best of his or her knowledge and belief, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) he or she has taken all steps that a Director might reasonably be expected to have taken in order to make himself or herself aware of relevant audit information and to establish that the Company's auditor is aware of that information.

By Order of the Board



Ms J.B. Patel
Secretary

22 September 2017

Independent auditor's report to the members of British American Tobacco (1998) Limited

We have audited the financial statements of British American Tobacco (1998) Limited for the year ended 31 December 2016 set out on pages 7 to 34. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on pages 3 to 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Our opinion on the financial statements

In our opinion, British American Tobacco (1998) Limited financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of British American Tobacco (1998) Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jeremy Hall, (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
27 September 2017

Profit and loss account for the year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Continuing operations			
Other operating charges	2	-	-
Operating profit		-	-
Income from shares in Group undertakings	3	4,000,000	1,000,000
Interest receivable and similar income	4	84,370	70,662
Interest payable and similar charges	5	(79,463)	(57,469)
Profit on ordinary activities before taxation		4,004,907	1,013,193
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		4,004,907	1,013,193

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

There are no recognised gains or losses other than the profit for the financial year and therefore no Statement of other comprehensive income has been presented.

Statement of changes in equity for the year ended 31 December 2016

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total Equity £'000
1 January 2015	12	3,617,281	1,485,477	5,102,770
Profit for the financial year	-	-	1,013,193	1,013,193
Dividends paid	-	-	(1,000,000)	(1,000,000)
1 January 2016	12	3,617,281	1,498,670	5,115,963
Profit for the financial year	-	-	4,004,907	4,004,907
Dividends paid	-	-	(3,000,000)	(3,000,000)
Balance at 31 December 2016	12	3,617,281	2,503,577	6,120,870

The accompanying notes are an integral part of the financial statements.

Balance sheet as at 31 December 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Investments in Group undertakings	7	4,017,466	3,846,966
		4,017,466	3,846,966
Current assets			
Debtors: amounts falling due within one year	8a	2,132,500	1,289,708
Debtors: amounts falling due after one year	8b	3,044,227	2,552,141
		5,176,727	3,841,849
Creditors: amounts falling due within one year	9a	(23,633)	(15,382)
Net current assets		5,153,094	3,826,467
Total assets less current liabilities		9,170,560	7,673,433
Creditors: amounts falling due after more than one year	9b	(3,049,511)	(2,557,424)
Provisions for liabilities and other charges		(179)	(46)
Net assets		6,120,870	5,115,963
Capital and reserves			
Called up share capital	10	12	12
Share premium account		3,617,281	3,617,281
Profit and loss account		2,503,577	1,498,670
Total shareholders' funds		6,120,870	5,115,963

The financial statements on pages 7 to 34 were approved by the Directors on 22 September 2017 and signed on behalf of the Board.



K Wheaton
Director

Registered number
03422701

The accompanying notes are an integral part of the financial statements.

Notes to the financial statements for the year ended 31 December 2016

1 Accounting policies

Basis of accounting

The financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("IFRS"), but makes amendments where necessary in order to comply with the Companies Act 2006 and where advantage of disclosure exemptions available under FRS 101 have been taken.

The preparation of the financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. The key estimates and assumptions are set out in the accounting policies below, together with the related notes to the accounts.

The most significant items include:

- the review of asset values and impairment testing of non-financial assets;
- the estimation of amounts to be recognised in respect of taxation; and
- the exemptions taken under IFRS 1 on the first time adoption of FRS 101 at 1 January 2014.

Such estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable in the circumstances and constitute management's best judgment at the date of the financial statements. In the future, actual experience may deviate from these estimates and assumptions, which could affect the financial statements as the original estimates and assumptions are modified, as appropriate, in the year in which the circumstances change.

The Company is included in the consolidated financial statements of British American Tobacco p.l.c. which is incorporated in the United Kingdom and registered in England and Wales. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The accounting policies set out below, have unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing the opening balance sheet at 1 January 2014 for the purpose of the transition to FRS 101.

Cash flow statement

The Company is a wholly owned subsidiary of British American Tobacco p.l.c. The cash flows of the Company are included in the consolidated cash flow statement of British American Tobacco p.l.c. which is publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 101.

Notes to the financial statements for the year ended 31 December 2016

1 Accounting policies (continued)

Foreign currencies

The functional currency of the Company is sterling. Transactions arising in currencies other than sterling are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities expressed in currencies other than sterling are translated at rates of exchange ruling at the end of the financial year.

Income

Income is recognised in the Profit and loss account when all contractual or other applicable conditions for recognition have been met. Provisions are made for bad and doubtful debts where there is an expectation that all or a portion of the amount due will not be recovered.

Investments in Group undertakings

Investments in Group undertakings are stated at cost, together with subsequent capital contributions, less provisions for any impairment in value, where appropriate.

Provisions

Provisions are recognised when either a legal or constructive obligation as a result of a past event exists at the balance sheet date, it is probable that an outflow of economic resources will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation.

Taxation

Taxation is that chargeable on the profits for the period, together with deferred taxation.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided in full using the liability method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. As required under IAS 12 *Income Taxes*, deferred tax assets and liabilities are not discounted.

Deferred tax is determined using the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

Tax is recognised in the Profit and loss account except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or changes in equity.

The Company has exposures in respect of the payment or recovery of a number of taxes. Liabilities or assets for these payments or recoveries are recognised at such time as an outcome becomes probable and when the amount can reasonably be estimated.

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Notes to the financial statements for the year ended 31 December 2016

2 Other operating charges

Auditor's fees of £5,000 were borne by a fellow Group undertaking (2015: £4,000).

There were no employees (2015: none) and no staff costs during the year (2015: £nil).

None of the Directors received any remuneration in respect of their services as a Director of the Company during the year (2015 £nil).

3 Income from shares in Group undertakings

	2016 £'000	2015 £'000
Income from shares in Group undertakings	4,000,000	1,000,000

Income from shares in Group undertakings represents dividends received from British American Tobacco (2012) Limited.

4 Interest receivable and similar income

	2016 £'000	2015 £'000
Interest receivable from Group undertakings	84,278	70,662
Fair value gain and similar income	92	-
	84,370	70,662

5 Interest payable and similar charges

	2016 £'000	2015 £'000
Interest payable to Group undertakings	79,330	57,469
Interest payable to external parties	133	-
	79,463	57,469

6 Taxation

Factors affecting the taxation charge

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

The current taxation charge differs from the standard 20.00% (2015: 20.25%) rate of corporation taxation in the UK. The major causes of this difference are listed below:

Notes to the financial statements for the year ended 31 December 2016

6 Taxation (continued)

	2016 £'000	2015 £'000
Profit for the year	4,004,907	1,013,193
Total tax expense	-	-
Profit excluding taxation	4,004,907	1,013,193
Tax using the UK corporation tax rate of 20.00% (2015: 20.25%)	800,981	205,171
Tax exempt revenues	(800,000)	(202,500)
Permanent differences	292	968
Group relief surrendered/(claimed) for nil consideration	(1,273)	(3,639)
Total tax charge for the period	-	-

An amount of £1,462,000 (2015: £4,782,000) (taxation amount of £292,000 (2015: £968,000)) included in permanent differences above represents imputed taxation adjustments in respect of UK to UK transfer pricing.

7 Investments

(1) Shares in Group Undertakings

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Albania <i>Rruga e Kavajes, Ish Kombinati Ushqimor, Tirana, Albania</i>				
British American Tobacco - Albania SH.P.K.	Ordinary	0.00	100.00	100.00
Algeria <i>Industrial Zone, Cheraga, El Omrane, Ouled Fayet Road, Lot 04 Ilot 789, Algiers, Algeria</i>				
British American Tobacco (Algerie) S.P.A.	Ordinary	0.00	50.99	50.99
Angola <i>Viana Park, Polo Industrial, Viana, Luanda, Angola</i>				
Agrangol Limitada	Ordinary	0.00	77.00	77.00
British American Tobacco - B.A.T. Angola, Limitada	USD 100	0.00	100.00	76.30
British American Tobacco - B.A.T. Angola, Limitada	USD 49,900	0.00	100.00	100.00
Fabrica de Tabacos de Cacuso	Ordinary	0.00	51.00	51.00
SETA, Sarl	Ordinary	0.00	98.00	98.00
Sociedade Geral de Distribuição e Comércio, Limitada	Ordinary	0.00	100.00	100.00
Sociedade Industrial Tabacos Angola LDA	Ordinary	0.00	76.60	76.60
Sociedade Unificada Tabacos Angola LDA	Ordinary	0.00	76.30	76.30
Argentina <i>San Martín 140, Floor 14, City of Buenos Aires, Argentina</i>				
British American Tobacco Argentina S.A.I.C.y F.	New Ordinary	0.00	99.95	99.95
Australia <i>166 William Street, Woolloomooloo, NSW 2011, Australia</i>				
American Cigarette Company (Overseas) Pty. Limited	Ordinary	0.00	100.00	100.00
B.A.T Australia Pty. Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (Australasia Holdings) Pty Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Australasia Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Australia Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Australia Overseas Pty Limited	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco Australia Services Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Australia Superannuation Pty Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Australia Vending Pty Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Manufacturing Australia Pty Ltd.	Ordinary	0.00	100.00	100.00
British American Tobacco South Pacific Exports Pty Limited	Ordinary	0.00	100.00	100.00
Carreras Proprietary Limited	Ordinary	0.00	100.00	100.00
Granville Tobacco Processors Pty. Limited	Ordinary	0.00	100.00	100.00
Martins of Piccadilly Pty Ltd	Ordinary	0.00	100.00	100.00
Nicovations Australia Pty Limited	Ordinary	0.00	100.00	100.00
Rothmans Asia Pacific Limited	Ordinary	0.00	100.00	100.00
	Redeemable Preference			
Rothmans Asia Pacific Limited	A\$1.00 each	0.00	100.00	100.00
T.A. Field Pty Limited	Ordinary	0.00	100.00	100.00
The Benson & Hedges Company Pty. Limited	Ordinary	0.00	100.00	100.00
The Nelson Tobacco Manufacturing Corporation Pty. Ltd	Ordinary	0.00	100.00	100.00
W.D. & H.O. Wills Holdings Limited	Ordinary	0.00	100.00	100.00
Wills (Pagewood) Pty Limited	Ordinary	0.00	100.00	100.00
Austria				
<i>Dr. Karl Lueger Platz 5, 1010, Wien, Austria</i>				
British American Tobacco (Austria) GmbH	Ordinary	0.00	100.00	100.00
Bahrain				
<i>Unit 1, Building 2126, Road 1734, Block 117, Hidd Town, Bahrain</i>				
British American Tobacco Middle East S.P.C.	Ordinary	0.00	100.00	100.00
Bangladesh				
<i>New DOHS Road, Mohakhali, Dhaka 1206, Bangladesh</i>				
British American Tobacco Bangladesh Company Limited (Listed)	Ordinary	0.00	72.91	72.91
Barbados				
<i>Braemar Court, Deighton Road, St, Michael, Barbados</i>				
B.C.O., Inc.	Ordinary	0.00	100.00	100.00
<i>Chancery Chambers, Chancery House, High Street, Bridgetown, Barbados</i>				
	Common of No Par Value			
Southward Insurance Ltd.		0.00	100.00	100.00
Belarus				
<i>7th Floor, 3 Kuprevicha Str., Minsk, 220141, Belarus</i>				
British-American Tobacco Trading Company Foreign Private Trading Unitary Enterprise	Capital (EUR 110,000)	0.00	100.00	100.00
British-American Tobacco Trading Company Foreign Private Trading Unitary Enterprise	Capital (US Dollar 40,000)	0.00	100.00	100.00
Belgium				
<i>Globe House, 4 Temple Place, WC2R 2PG, London, United Kingdom</i>				
	Shares of no value			
British American Tobacco Holdings Belgium N.V.		0.00	100.00	100.00
<i>Nieuwe Gentsesteenweg 21, 1702 Groot-Bijgaarden, Belgium</i>				
British American Tobacco Belgium S.A.	Ordinary	0.00	100.00	100.00
Tabacofina-Vander Elst N.V.	Ordinary	0.00	100.00	100.00
<i>Rue de Koninck 38, 1080 Sint-Jans-Molenbeek, Belgium</i>				

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco Co-ordination Centre/L.P. Co-ordination Centre VOF Benin <i>Cotonou, Lot Numero H19, Quartiers Les Cocotiers, 01 BP 2520, Benin</i>	Partnership stake in equity	0.00	100.00	100.00
British American Tobacco Benin SA Bosnia and Herzegovina <i>Fra Dominka Mandića 24 A, 88220 Široki Brijeg, Bosnia and Herzegovina</i>	Issued	0.00	100.00	100.00
IPRESS d.o.o. <i>Ulica Carice Milice br. 11, 78000 Banja Luka, Bosnia and Herzegovina</i>	Ordinary	0.00	51.00	49.7
British American Tobacco - BAT - BL d.o.o. <i>ul. Azize Šaćirbegović 1, 71000 Sarajevo-Novo Sarajevo, Bosnia and Herzegovina</i>	Quota	0.00	100.00	100.00
TDR d.o.o. Sarajevo <i>ul. Kolodvorska 12, 71000 Sarajevo-Novo Sarajevo, Bosnia and Herzegovina</i>	Ordinary	0.00	100.00	100.00
Inovine BH d.o.o. Opresa d.d.	Ordinary Ordinary	0.00 0.00	100.00 97.45	97.44 97.45
Botswana <i>Plot 64518, Fairgrounds, Office Park, Gaborone, Botswana</i>				
British American Tobacco Botswana (Pty) Limited	Ordinary	0.00	100.00	100.00
Business Venture Investments Botswana 6773 (Pty) Ltd.	Ordinary	0.00	100.00	100.00
Brazil <i>Rua Candelaria 66, Rio de Janeiro, Brazil</i>				
Yolanda Participacoes S.A. <i>Rua Candelaria 66, Salas 101 a 1201, Rio de Janeiro, Brazil</i>	Common of BRC No Par Value	0.00	100.00	100.00
Souza Cruz LTDA Brunei Darussalam <i>6th Floor, Bang Hj Ahmad Laksamana Othman, 38-39, Jalan Sultan, Bandar Seri Begawan BS8811, Brunei Darussalam</i>	Common	0.00	100.00	100.00
Commercial Marketers and Distributors Sdn. Bhd.(BRN)	Ordinary	0.00	100.00	50.00
Bulgaria <i>115 M, Tsanigradsko Shose Blvd., Building D, Floor 5, Sofia, Mladost Municipality, 1784, Bulgaria</i>				
British American Tobacco Trading EOOD Cambodia <i>1121 National Road 2, Prek Tanou Village, Sangkat Chak Ang Re Leu, Khan Mean Chey, Phnom Penh, Kingdom of Cambodia</i>	Ordinary	0.00	100.00	100.00
British American Tobacco (Cambodia) Limited <i>No.33, Street No. 294 (Corner of Street No. 29), Sangkat Tonle Bassac, Khan Cham Karmon, Phnom Penh, Cambodia</i>	Ordinary	0.00	71.00	71.00
British American Tobacco (Cambodge) International Limited Cameroon <i>Rue Njo, Bonapriso - B.P. 259, Douala, Cameroon</i>	Ordinary	0.00	100.00	100.00
British American Tobacco Cameroun S.A.	Ordinary	0.00	99.75	99.75
Canada <i>3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada</i>				
2004969 Ontario Inc.	Common	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Allan Ramsay and Company Limited	Common of No Par Value	0.00	100.00	100.00
Cameo Inc.	Common of No Par Value	0.00	100.00	100.00
Construction Romir Inc.	Common of No Par Value	0.00	100.00	100.00
Genstar Corporation	2nd Preferred shares	0.00	100.00	100.00
Genstar Corporation	Series F	0.00	100.00	100.00
Imperial Brands Limited	Common of No Par Value	0.00	100.00	100.00
Imperial Tobacco Canada Limited	Common	0.00	100.00	100.00
Imperial Tobacco Company Limited	Common of No Par Value	0.00	100.00	100.00
Imperial Tobacco Products Limited	Common of No Par Value	0.00	100.00	100.00
Imperial Tobacco Services Inc.	Common of no par value	0.00	100.00	100.00
John Player & Sons Limited	Common of No Par Value	0.00	100.00	100.00
Liggett & Myers Tobacco Company of Canada Limited	Class 'A' of No Par Value	0.00	50.00	50.00
Liggett & Myers Tobacco Company of Canada Limited	Class 'B' of No Par Value	0.00	100.00	100.00
Marlboro Canada Limited	Common of No Par Value	0.00	100.00	100.00
Medaillon Inc.	Common of No Par Value	0.00	100.00	100.00
Chile <i>Isidora Goyenechea 3000, piso 19, Las Codes, Chile</i>				
BAT Chile S.A.	Ordinary	0.00	100.00	99.41
British American Tobacco Chile Operaciones S.A.	Ordinary	0.00	99.5	99.5
Inversiones Casablanca S.A.	Ordinary	0.00	100.00	100.00
China <i>Unit 1001 in 901, 9/F, Building 3, No.8 Guanguadongli, Chaoyang District Beijing, People's Republic of China</i>				
British American Consulting (Beijing) Ltd	Registered capital	0.00	100.00	100.00
Colombia <i>Av. Cra. 72 # 80-94 Piso 10. Bogotá, Colombia</i>				
British American Tobacco Colombia S.A.S.	Ordinary	0.00	100.00	100.00
Vype Colombia S.A.S.	Ordinary	0.00	100.00	100.00
Congo <i>149, A&B Boulevard du 30 Juin, Gombe, Kinshasa, Democratic Republic of Congo</i>				
BAT Services Congo SARL	Ordinary	0.00	100.00	100.00
<i>1er étage, Immeuble du Centenaire, Gombe, Kinshasa, Democratic Republic of Congo</i>				
BAT Distribution SARL	Ordinary	0.00	100.00	100.00
British American Tobacco Congo SARL	Z	0.00	100.00	100.00
Costa Rica <i>325 Metros este del Puente de la Firestone, Llorente, Flores, Heredia, Costa Rica</i>				
BASS Americas S.A.	Ordinary	0.00	100.00	100.00
BATCCA Park Inversiones Inmobiliarias, S.A.	Ordinary	0.00	100.00	100.00
BATCCA Servicios S.A.	Ordinary	0.00	100.00	100.00
Croatia <i>Draškovićeva 27, 10000 Zagreb, Croatia</i>				
Inovine d.d.	Ordinary	0.00	88.80	88.80

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
<i>Ivana Lučića 2/a, 10000 Zagreb, Croatia</i>				
BAT HRVATSKA d.o.o.	Ordinary	0.00	100.00	100.00
Bonaster d.o.o.	Ordinary	0.00	100.00	100.00
<i>Obala V. Nazora 1, 52210 Rovin, Croatia</i>				
Adiste d.o.o.	Ordinary	0.00	100.00	100.00
Istagratika d.d. Cardboard packaging production	Ordinary	0.00	100.00	100.00
TDR d.o.o.	Ordinary	0.00	100.00	100.00
<i>Osječka 2, 33000 Virovitica, Croatia</i>				
Hrvatski Duhani d.d. Tobacco Leaf Processing		0.00	89.55	89.55
Cuba				
<i>Calle San Jose y Princesa, Municipio 10 de Octubre, Ciudad de La Habana, Cuba</i>				
Brascuba Cigarrillos S.A.	Ordinary	0.00	50.00	37.63
Cyprus				
<i>Photiades Business Centre, 5th Floor, 8 Stasinou Avenue, Nicosia, CY-1060, Cyprus</i>				
B.A.T (Cyprus) Limited	Ordinary	0.00	100.00	100.00
Carreras of Cyprus (Export) Limited	Ordinary	0.00	100.00	100.00
Rothmans (Middle East) Limited	Ordinary	0.00	100.00	100.00
Rothmans Distribution Services Limited	Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall (Cyprus) Limited	Ordinary	0.00	100.00	100.00
Czech Republic				
<i>Karolinská 654/2, Prague 8 – Karlín, 186 00, Czech Republic</i>				
British American Tobacco (Czech Republic), s.r.o.	Ordinary of DM 3,400,000	0.00	100.00	100.00
British American Tobacco (Czech Republic), s.r.o.	Ordinary of DM 166,600,000	0.00	100.00	100.00
Denmark				
<i>Vester Farimagsgade 16, 1606 Copenhagen, Denmark</i>				
British American Tobacco Denmark A/S (House of Prince A/S)	Ordinary	0.00	100.00	100.00
British American Tobacco Denmark A/S (House of Prince A/S)	Ordinary	0.00	100.00	100.00
Precis (1789) Denmark A/S	Ordinary	0.00	100.00	100.00
Djibouti				
<i>B.P. 2392, Djibouti</i>				
Tobacco Exporters International (Mer Rouge) SARL	5000 DJF	0.00	100.00	100.00
<i>Rue de Magadiscio, Lot No. 133, Djibouti City, Djibouti</i>				
British American Tobacco Djibouti SARL	Ordinary	0.00	100.00	100.00
Egypt				
<i>10 Omar Ibn El Khattab St. City Stars Complex, Star Capital Towers 4A, 8th floor, Heliopolis, Cairo, Egypt</i>				
BETCO for General Services and Marketing LLC	Ordinary	0.00	100.00	100.00
BETCO for Trade and Distribution LLC	Ordinary	0.00	100.00	100.00
British American Tobacco North Africa LLC	Ordinary	0.00	100.00	100.00
<i>City Stars Complex, Star Capital 4A, 10th Floor, Omar Ibn El Khattab St., Heliopolis, Cairo, Egypt</i>				
British American Tobacco Egypt LLC	Ordinary	0.00	100.00	100.00
<i>Plot No.33, Taqseem Al Marwaha, Qatameya, Nasr City, Cairo, Egypt</i>				
English American Company for Importation and Trade LLC	Ordinary	0.00	100.00	100.00
Eritrea				
<i>P.O. Box 749, 62 Ras Alula Street, Asmara, Eritrea</i>				
British American Tobacco (Eritrea) Share Company	Ordinary	0.00	100.00	100.00
British American Tobacco (Eritrea) Share Company	Preference	0.00	100.00	100.00
British American Tobacco (Eritrea) Share Company	Preference	0.00	100.00	100.00
Estonia				

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Estonia <i>Mustamäe Tee 46, 10621 Tallinn, Estonia</i> British American Tobacco Estonia AS	Ordinary	0.00	100.00	100.00
Fiji <i>Lady Maria Road, Nabua, Suva, Fiji</i> British American Tobacco (Fiji) Marketing Limited	Ordinary	0.00	100.00	100.00
Central Manufacturing Company Limited	Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall (Fiji) Limited	Ordinary	0.00	100.00	100.00
Finland <i>Itamerentori 2, 00180, Helsinki, Finland</i> British American Tobacco Finland Oy	Ordinary	0.00	100.00	100.00
France <i>8 Rue La Boétie, 75008 Paris, France</i> Carreras France SAS	Ordinary	0.00	100.00	100.00
<i>Cœur Défense Tour A 100-110 Esplanade de Gaulle 92932 Paris La Défense Cedex, France</i>	Ordinary EUR 15	0.00	100.00	100.00
British American Tobacco France SAS	Ordinary	0.00	100.00	100.00
<i>France 23, rue du Roule, 75001 Paris, France</i> Nicoventures France S.A.S.	Ordinary	0.00	100.00	100.00
Germany <i>Alsterufer 4, 20354 Hamburg, Germany</i>	Ordinary € 340,000,000.00	0.00	100.00	100.00
BATIG Gesellschaft für Beteiligungen m.b.H.	Ordinary	0.00	100.00	100.00
British American Tobacco (Germany) GmbH	Ordinary	0.00	100.00	100.00
British American Tobacco (Hamburg International) GmbH	Ordinary Capital of € 350 mio	0.00	100.00	100.00
British American Tobacco (Industrie) GmbH	Ordinary	0.00	100.00	100.00
TDR Germany GmbH Hamburg	Ordinary	0.00	100.00	100.00
<i>Schillerstr. 10, 28195 Bremen, Germany</i> Chic Deutschland GmbH	Ordinary	0.00	100.00	100.00
<i>Weiherstraße 26, 95448 Bayreuth, Germany</i>	Ordinary DM 6,000,000	0.00	100.00	100.00
Batberg Cigarettenfabrik GmbH				
Ghana <i>F190/5 Josiah Tongogari Street, Opposite Tante Marie Restaurant, Labone-Accra, Ghana</i> British American Tobacco Ghana Limited	Ordinary	0.00	97.09	97.09
Greece <i>27, Ag. Thoma Street, Maroussi, 151 24, Greece</i> British American Tobacco Hellas S.A.	Ordinary	0.00	100.00	100.00
Guernsey <i>St Martin's House, Le Bording, St. Peter's Port, GY1 4AU, Guernsey</i> Belaire Insurance Company Limited	Ordinary	0.00	100.00	100.00
Guyana <i>90 Carmichael Street, South Cummingsburg, Georgetown, Guyana</i> Demerara Tobacco Company Limited	Ordinary	0.00	70.25	70.25
Honduras <i>Boulevard del Sur, Zona El Cacao, San Pedro Sula, Depart. de Cortés, Honduras</i> Tabacalera Hondureña S.A.	Ordinary	0.00	83.64	83.64
Hong Kong <i>11/F, One Pacific Place, 88 Queensway, Hong Kong</i> British American Tobacco China Investments Limited	Ordinary	0.00	100.00	100.00
<i>16/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong</i>				

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco Asia-Pacific Region Limited	Ordinary shares of HK\$1 each	0.00	100.00	100.00
British-American Tobacco Company (Hong Kong) Limited <i>Units 2501 and 2506 to 2510, 25/F Island Place Tower, Island Place 510, King's Road, Hong Kong</i>	Ordinary	0.00	100.00	100.00
American Cigarette Company Limited	Ordinary	0.00	100.00	100.00
British Cigarette Company (1964) Limited Hungary <i>H-1124, Budapest, Csörsz utca 49-51. 3. em., Hungary</i>	Ordinary	0.00	100.00	100.00
BAT Pécsi Dohánygyár Kft. Indonesia <i>Capital Place 6th Floor, Jl. Gatot Subroto Kav. 18, Jakarta 12710 Indonesia</i>	Ordinary	0.00	100.00	100.00
PT Bentoel Internasional Investama, Tbk <i>Jl. Halmahera No. 98-100, Ciptomulyo, Sukun, Malang, Jawa Timur 65117 Indonesia</i>	Ordinary	0.00	92.48	92.48
PT Lestariaputra Wirasejati	Ordinary	0.00	100.00	92.48
PT Pantura Tobacco <i>Jl. Ichwan Ridwan Rais No. 47, Tanjungrejo Sukun, Kotamadya Malang, Jawa Timur 65147 Indonesia</i>	Ordinary	0.00	100.00	92.48
PT Bintang Boladunia <i>Jl. Niaga 4A, Ciptomulyo, Sukun, Malang, Jawa Timur 65148 Indonesia</i>	Ordinary	0.00	100.00	92.48
PT Java Tobacco <i>Jl. Pulau Galang No. 2B, Ciptomulyo, Sukun, Kotamadya Malang, Jawa Timur 65148 Indonesia</i>	Ordinary	0.00	100.00	92.48
PT Cipta Pesona Bintang	Ordinary	0.00	100.00	92.48
PT Perusahaan Dagang Suburaman <i>Jl. Raya Karangduren RT 05/04, Desa Banjararum, Kecamatan Singosari, Kabupaten Malang, Jawa Timur 65162 Indonesia</i>	Ordinary	0.00	100.00	92.48
PT Bintang Jagat Sejati <i>Jl. Raya Karanglo, Desa Banjararum, Kecamatan Singosari, Jawa Timur 65153 Indonesia</i>	Ordinary	0.00	100.00	92.48
PT Amiseta	Ordinary	0.00	100.00	92.48
PT Bentoel Prima	Series A	0.00	100.00	92.48
PT Bentoel Prima	Series B	0.00	100.00	92.48
PT Perusahaan Dagang dan Industri Tresno <i>Jl. Susanto No. 2B, Ciptomulyo, Sukun, Malang, Jawa Timur 65148 Indonesia</i>	Ordinary	0.00	100.00	92.48
PT Bentoel Distribusi Utama Iran, Islamic Republic of <i>No. 2 Saba Boulevard with Africa Boulevard, Tehran, 19667, Islamic Republic of Iran</i>	Ordinary	0.00	100.00	100.00
B.A.T. Pars Company (Private Joint Stock) <i>Unit 09, Level 9, 114, Kaj Abadi Street Valiasr, Tehran, 1966916545, Islamic Republic of Iran</i>	Ordinary	0.00	100.00	100.00
TDR Parisian Co Iraq <i>Enkawa, Erbil, Kurdistan Region of Iraq</i>	Ordinary	0.00	100.00	100.00
B.A.T. Iraqia Company for Tobacco Trading Limited Ireland <i>The Greenhouse, 6th Floor, Block E, Mountainview, Leopardstown, Dublin, 18, Ireland</i>	Ordinary	0.00	100.00	100.00
BAT Investments (Ireland) Limited	Ordinary	0.00	100.00	100.00
Carreras (Ireland) Limited	Ordinary	0.00	100.00	100.00
Carroll Group Distributors Limited	Ordinary	0.00	100.00	100.00
Murray Tobacco Limited	7% Preference	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
P.J. Carroll & Company Limited	A' Ordinary	0.00	100.00	100.00
P.J. Carroll & Company Limited	B' Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall (Ireland) Limited	7% Preference	0.00	100.00	100.00
William Ruddell Limited	Ordinary	0.00	100.00	100.00
Isle of Man				
<i>2nd Floor, St Mary's Court, 20 Hill Street, Douglas, IM1 1EU, Isle of Man</i>				
Abbey Investment Company Limited	Ordinary	0.00	100.00	100.00
The Raleigh Investment Company Limited	Ordinary	0.00	100.00	100.00
Tobacco Investments Limited	Ordinary	0.00	100.00	100.00
Tobacco Manufacturers (India) Limited	Ordinary	0.00	100.00	100.00
Israel				
<i>Yad Harutzim St. Siim Park Building #9E, P.O.Box 8811 Netanya South 42504, Israel</i>				
Overseas Tobacco Limited	Ordinary of NIS 1	0.00	100.00	100.00
Italy				
<i>Via Amsterdam 147, 00144 Rome, Italy</i>				
British American Tobacco Italia S.p.A.	Ordinary	0.00	100.00	100.00
Jamaica				
<i>13A Ripon Road, Kingston 5, Jamaica</i>				
Carreras Limited	Ordinary of JMD 0.25	0.00	50.40	50.40
Cigarette Company of Jamaica Limited	Ordinary	0.00	100.00	50.40
<i>Twickenham Park, Spanish Town, St. Catherine, Jamaica</i>				
Sans Souci Development Limited	Ordinary	0.00	100.00	50.40
Sans Souci Limited	Ordinary	0.00	100.00	50.40
Japan				
<i>Atago Mori Tower 21F, 2-5-1 Arago, Minato-Ku, Tokyo, 105-622, Japan</i>				
British American Tobacco Japan, Ltd.	Ownership Interest	0.00	100.00	100.00
Jersey				
<i>3rd Floor, 24 Hill Street, St Helier, JE2 4UA, Jersey</i>				
BAT (CI) Finance Limited	Ordinary	0.00	100.00	100.00
BAT (CI) Holdings Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (CI) Limited	Ordinary	0.00	100.00	100.00
Inter-Euro Holdings (Jersey) Limited	Ordinary	0.00	100.00	100.00
Pathway 1 (Jersey) Limited	Ordinary	0.00	100.00	100.00
Pathway 2 (Jersey) Limited	Mandatory Redeemable Preference	0.00	100.00	100.00
Pathway 2 (Jersey) Limited	Ordinary	0.00	100.00	100.00
Pathway 4 (Jersey) Limited	Ordinary	0.00	100.00	100.00
Pathway 5 (Jersey) Limited	Ordinary	0.00	100.00	100.00
Jordan				
<i>Salman Quadah Street, Behind Abdoun Mall Opp. Khaled Khreisat Complex, Villa No. (1), Abdoun, Amman, Jordan</i>				
British American Tobacco - Jordan Private Shareholding Company Limited	Ordinary	0.00	100.00	100.00
Kazakhstan				
<i>Kazybek bi 20 A, Almaty, Republic of Kazakhstan</i>				
British American Tobacco Kazakhstan Trading Limited Liability Partnership	Capital only	0.00	100.00	100.00
Kenya				
<i>8 Likoni Road, Industrial Area, P.O. Box 30000-00100, Nairobi, Kenya</i>				
African Cigarette Company (Overseas) Limited	Ordinary	0.00	100.00	60.00
BAT Kenya Tobacco Company Limited	Ordinary	0.00	100.00	60.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
9 Likoni Road, Industrial Area, P.O. Box 30000-00100, Nairobi, Kenya British American Tobacco Area Limited	Ordinary	0.00	100.00	100.00
10 Likoni Road, Industrial Area, P.O. Box 30000-00100, Nairobi, Kenya British American Tobacco Kenya plc	Ordinary	0.00	60.00	60.00
11 Likoni Road, Industrial Area P.O. Box 30000-00100, Nairobi, Kenya East African Tobacco Company (Kenya) Limited	Ordinary	0.00	100.00	60.00
Korea, Republic of Gangnam Finance Center, 152 Teheran-ro, Gangnam-gu, Seoul, Republic of Korea British American Tobacco Korea Limited	Common	0.00	100.00	100.00
141, Gongdan1-ro, Sanam-Myun, Sacheon City, Kyungsangnamdo, Republic of Korea British American Tobacco Korea Manufacturing Limited	Ordinary	0.00	100.00	100.00
Kosovo Llapllaselle, Gracanice, Republika e Kosoves TDR shp.p.k. Pristina	Ordinary	0.00	100.00	100.00
Latvia Mukusalas iela 101, Riga LV-1004, Latvia British American Tobacco Latvia SIA	Ordinary	0.00	100.00	100.00
Lithuania Verkiu str. 29, LT 09108 Vilnius, Lithuania UAB British American Tobacco Lietuva	Ordinary	0.00	100.00	100.00
Luxembourg 2, Avenue Charles de Gaulle, 1653 Luxembourg, Grand Duchy of Luxembourg British American Tobacco Brands (Switzerland) Limited	Registered	0.00	100.00	100.00
Macedonia, Former Yugoslav Republic of BOULEVARD "8-mi SEPTEMVRI" No 16 SKOPJE – KARPOSH, KARPOSH, Republic of Macedonia TDE Skopje d.o.o.e.i. Skopje	Ordinary	0.00	100.00	100.00
Malawi Northgate Arcade, Highway Chipembere, Blantyre, Malawi British American Tobacco (Malawi) Limited	Ordinary	0.00	100.00	100.00
Malaysia Level 8, Symphony House, Block D13, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301, Petaling Jaya, Selangor Darul Ehsan, Malaysia British American Tobacco GSD (Kuala Lumpur) Sdn Bhd	Ordinary	0.00	100.00	100.00
Lot L4-E-1A & 1B, Enterprise 4, Technology Park Malaysia, Lebuhraya Puchong Sg Besi, Bukit Jalil, 57000 Kuala Lumpur, Malaysia BAT Aspac Service Centre Sdn Bhd	Ordinary	0.00	100.00	100.00
Virginia Park, Jalan Universiti, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia British American Tobacco (Malaysia) Berhad	Ordinary	0.00	50.00	50.00
British American Tobacco Malaysia Foundation	Ordinary	0.00	100.00	50.00
Commercial Importers and Distributors Sdn. Bhd.	Ordinary	0.00	100.00	50.00
Commercial Marketers and Distributors Sdn. Bhd.	Ordinary	0.00	100.00	50.00
Rothmans Brands Sdn. Bhd.	Ordinary	0.00	100.00	50.00
The Leaf Tobacco Dev. Corp. of Malaya Sdn. Bhd.	Ordinary	0.00	100.00	50.00
Tobacco Blenders and Manufacturers Sdn. Bhd.	Ordinary	0.00	100.00	50.00
Tobacco Importers and Manufacturers Sdn. Bhd.	Ordinary	0.00	100.00	50.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Mali <i>Hippodrome, Rue 249X218, Porte 569, Bamako, BP 2065, Mali</i>				
British American Tobacco (Mali) sarl	Ordinary	0.00	100.00	100.00
Malta <i>PM Building, Level 2, Mriehel Industrial Zone, Bone Street, Mriehel, BKR3000, Malta</i>				
British American Tobacco (Malta) Limited	Ordinary	0.00	100.00	100.00
Central Cigarette Company Limited	Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall (Malta) Limited	Ordinary	0.00	100.00	100.00
Mexico <i>Francisco I Madero 2750 Poniente, Colonia Centro, Monterrey, Nuevo León, C.P. 64000, Mexico</i>				
British American Tobacco Mexico Comercial, S.A. de C.V.	Ordinary shares	0.00	100.00	100.00
British American Tobacco Mexico Distribuciones, S.A. de CV	Ordinary Class I	0.00	100.00	100.00
British American Tobacco Mexico Distribuciones, S.A. de CV	Ordinary Variable Class II	0.00	100.00	100.00
British American Tobacco Mexico, S.A. de C.V.	Ordinary Series 'A'	0.00	100.00	100.00
British American Tobacco Mexico, S.A. de C.V.	Ordinary Series 'B'	0.00	100.00	100.00
British American Tobacco Servicios S.A. de C.V.	Share Class "1"	0.00	100.00	100.00
British American Tobacco Servicios S.A. de C.V.	Share Class "2"	0.00	100.00	100.00
Cigarrera La Moderna, S.A. de C.V.	Ordinary	0.00	100.00	100.00
<i>Predio Los Sauces Sin número, Colonia Los Sauces, C.P. 63195, Tepic, Nayarit, Mexico</i>				
Procesadora de Tabacos de Mexico, S.A. de C.V.	Ordinary Class I	0.00	93.00	93.00
Moldova, Republic of <i>65, Stephan cel Mare Str., off. 414-417, Chisinau, MD2001, Republic of Moldova</i>				
British American Tobacco-Moldova S.R.L.	Ordinary	0.00	100.00	100.00
Montenegro <i>Rimski Trg 50, Podgorica, Republic of Montenegro</i>				
TDR d.o.o. Podgorica	Ordinary	0.00	100.00	100.00
Mozambique <i>2290 Avenida de Angola, Maputo, Mozambique</i>				
British American Tobacco Mozambique Limitada	Quota of MT 2,123,250	0.00	95.00	95.00
Sociedade Agricola de Tabacos Limitada	Quota	0.00	95.00	95.00
Myanmar <i>55/56, Schwe Thanlwin, Industrial Zone, Hlaing Thar Yar Township, Yangon, Myanmar</i>				
British American Tobacco Myanmar Limited	Ordinary	0.00	51.00	51.00
British American Tobacco Myanmar Services Limited	Ordinary	0.00	100.00	100.00
Namibia <i>Shop 48, Second Floor Old Power Station Complex, Armstrong Street, Windhoek, Namibia</i>				
British American Tobacco Namibia (Pty) Limited	Ordinary	0.00	100.00	100.00
Netherlands <i>Handelsweg 53 A, 1181 ZA, Amstelveen, Netherlands</i>				
B.A.T. Netherlands Finance B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco European Operations Centre B.V.	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco Exports B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Financial Holdings Cooperatief W.A.	Capital	0.00	100.00	100.00
British American Tobacco Financial Holdings Cooperatief W.A.	Capital	0.00	100.00	100.00
British American Tobacco Holdings (Australia) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (Caricom) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (Hong Kong) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (Malaysia) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (South Africa) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (Sri Lanka) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (The Netherlands) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (Venezuela) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (Vietnam) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco International (Holdings) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco International Europe (Nederland) B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco International Investments B.V.	Ordinary shares of EUR 0.45	0.00	100.00	100.00
British American Tobacco Manufacturing B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Nederland B.V.	Ordinary	0.00	100.00	100.00
British American Tobacco Western Europe Region B.V.	Ordinary	0.00	100.00	100.00
Chic Nederland B.V.	Ordinary	0.00	100.00	100.00
Koninklijke Theodorus Niemeyer B.V.	Ordinary € 453.78	0.00	100.00	100.00
Molensteegh Invest B.V.	Ordinary	0.00	100.00	100.00
Precis (1789) B.V.	Ordinary	0.00	100.00	100.00
Precis (1790) B.V.	Ordinary	0.00	100.00	100.00
Rothmans Far East B.V.	Ordinary	0.00	100.00	100.00
Rothmans International Holdings B.V.	Ordinary EUR 0.15	0.00	100.00	100.00
Rothmans International Holdings II B.V.	Ordinary	0.00	100.00	100.00
Rothmans Tobacco Enterprises B.V.	Ordinary	0.00	100.00	100.00
Rothmans Tobacco Investments B.V.	Ordinary	0.00	100.00	100.00
Rothmans UK Holdings B.V.	Ordinary	0.00	100.00	100.00
Turmac Tobacco Company B.V.	Ordinary	0.00	100.00	100.00
New Zealand				
<i>2 Watt Street, Parnell, Auckland, 1052, New Zealand</i>				
British American Tobacco (New Zealand) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings (New Zealand) Limited	Ordinary NZ\$	0.00	100.00	100.00
<i>25 Princess Street, Palmerston North, New Zealand</i>				
New Zealand (UK Finance) Limited	Non-Participating Preference	0.00	100.00	100.00
New Zealand (UK Finance) Limited	Ordinary	0.00	100.00	100.00
<i>Bell Gully, Level 22, Vero Centre, 48 Shortland Street, Auckland, 1010, New Zealand</i>				
Nicovations New Zealand Limited	Ordinary	0.00	100.00	100.00
Niger				
<i>C/O Niger Briques SARL, Grand, Marché Niamey BP2401, Niamey-Niger</i>				
British American Tobacco Niger	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Nigeria				
1, Tobacco Road, Oluyole Toll Gate, Ibadan, Nigeria				
British American Tobacco (Nigeria) Limited	Ordinary	0.00	100.00	100.00
Plot PC 35, Idowu Taylor Street, Victoria Island, Lagos, Nigeria				
British American Tobacco Exports (Nigeria) Limited	Ordinary	0.00	100.00	100.00
Rising Sun Building, 2 Olumegbon Road, Ikoyi, Lagos, Nigeria				
British American Tobacco Marketing Nigeria Limited	Ordinary	0.00	100.00	100.00
Norway				
Klaus Torgårdsvej 3, 0372 Oslo, Norway				
British American Tobacco Norway AS	Ordinary	0.00	100.00	100.00
Pakistan				
Serena Business Complex. Khayaban-e-Suhrwardy, Islamabad, Pakistan				
British American Tobacco SAA Services (Private) Ltd	Ordinary	0.00	100.00	100.00
Pakistan Tobacco Company Limited	Ordinary	0.00	94.66	94.66
Phoenix (Private) Limited	Ordinary	0.00	100.00	94.66
Panama				
Torre Banco Panama, Boulevard Costa Del Este y Aveida La Rotonda, Piso 14, Oficina 1400, Costa del Este Ciudad de Panama, Panama				
BAT Caribbean, S.A.	Ordinary	0.00	100.00	100.00
	Ordinary of No Par Value	0.00	87.76	87.76
British American Tobacco Central America S.A.	Ordinary	0.00	100.00	87.76
British American Tobacco Panama, S.A.	Common	0.00	100.00	100.00
Tabacalera Istmena S.A.				
Papua New Guinea				
Level 4 Mogoru Moto Building, Champion Parade, Port Moresby, NCD, Papua New Guinea				
Rothmans of Pall Mall (P.N.G.) Limited	A' Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall (P.N.G.) Limited	B' Ordinary	0.00	100.00	100.00
Level 10 Deloitte Tower, Douglas Street, Port Moresby, NCD, Papua New Guinea				
British American Tobacco (PNG) Limited	Ordinary	0.00	100.00	100.00
Papua New Guinea Tobacco Company Limited	Ordinary	0.00	100.00	100.00
Paradise Tobacco Company Pty. Limited	A' Ordinary	0.00	100.00	100.00
Paradise Tobacco Company Pty. Limited	B' Ordinary	0.00	100.00	100.00
Paraguay				
Avenida Brasilia No 767, Asuncion, Paraguay				
British American Tobacco Productora de Cigarrillos S.A.	Shares	0.00	100.00	100.00
Peru				
Pasaje Santa Rosa 256, Ate, Lima, Perú.				
British American Tobacco del Peru Holdings S.A.A.	Investment	0.00	100.00	100.00
British American Tobacco del Peru Holdings S.A.A.	Ordinary	0.00	100.00	100.00
British American Tobacco Del Peru, S.A.C.	Ordinary	0.00	100.00	100.00
Philippines				
6th Floor Tuscan Building, Herrera Street, Legaspi Village, City of Makati, Philippines				
Alhambra Industries Inc.	Common PHP 1,300 Par Pref. PHP	0.00	100.00	100.00
Alhambra Industries Inc.	1,300 Par	0.00	100.00	100.00
Poland				
Aleja Wojska Polskiego 23c, 63-500, Ostrzeszow, Poland				
CHIC SP.ZO.O.	Ordinary	0.00	100.00	100.00
CHIC sp.zo.osp.k.	Ordinary	0.00	100.00	100.00
eSMOKING Liquids sp.zo.o	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
eSMOKING Liquids sp.zo.o.sp.k	Ordinary	0.00	100.00	100.00
Chic Investments sp.zo.o	Ordinary	0.00	100.00	100.00
<i>Krakowiakow 48, 02-255, Warszawa, Poland</i>				
British American Tobacco Polska Trading sp. z o.o.	Ordinary	0.00	100.00	100.00
<i>PLAC ANDERSA 7, 61-894, Poznan, Poland</i>				
Chic Holding sp.zo.o	Ordinary	0.00	100.00	100.00
<i>Rubiez 46, 61-612, Poznan, Poland</i>				
eSMOKING INSTITUTE sp.zo	Ordinary	0.00	100.00	100.00
<i>Ul. Ilzecka 26, 02-135, Warsaw, Poland</i>				
Nicoventures Poland Sp. z.o.o.	Ordinary	0.00	100.00	100.00
<i>Ul. Tytoniowa 16, 16-300, Augustow, Poland</i>				
British-American Tobacco Polska S.A.	Ordinary	0.00	100.00	100.00
Portugal				
<i>Avenida Engenheiro Duarte Pacheco 26, 7 Piso</i>				
<i>1070, Lisboa, Portugal</i>				
COTAPO Empreendimentos Comerciais e Industriais S.A.	Ordinary	0.00	100.00	100.00
Reunion				
<i>5, Immeuble Cap, Avenue Théodore Drouhet, ZAC</i>				
<i>Horizon 2000, Le Port, 97420, Ile de la Réunion</i>				
B.A.T. La Reunion SAS	Ordinary	0.00	100.00	100.00
Romania				
<i>319 Splaiul Independentei, Sema Parc "City</i>				
<i>Buiding", 1st Floor, 6th Sector, Bucharest, Romania</i>				
British American Shared Services (Europe) S.R.L.	Ordinary	0.00	100.00	100.00
<i>Ploiesti, 17-19 Laboratorului Street, Prahova</i>				
<i>County, Romania</i>				
British-American Tobacco (Romania) Investment S.R.L.	Social	0.00	100.00	100.00
<i>Bucharest Business Park - Building B2, 1A</i>				
<i>Bucuresti - Ploiesti (DN1) Road, Sector 1, Bucharest</i>				
<i>013681, Romania</i>				
British-American Tobacco (Romania) Trading SRL	Social	0.00	100.00	100.00
Russian Federation				
<i>197229 Russia, Saint Petersburg, 3rd Konnaya</i>				
<i>Iakhta, 39</i>				
CJSC 'British American Tobacco-SPb'	Ordinary	0.00	100.00	100.00
CJSC 'British American Tobacco-SPb'	Preference	0.00	100.00	100.00
<i>121614 Russia, Moscow, Krylatskaya st., 17, bld. 2</i>				
CJSC 'International Tobacco Marketing Services'	Common	0.00	100.00	100.00
Rwanda				
<i>Soras Building, 2nd Flr, Boulevard de la Revolution</i>				
<i>P.O Box 650 Kigali, Rwanda</i>				
British American Tobacco Rwanda Limited	Issued	0.00	100.00	100.00
Saint Lucia				
<i>c/o ADCO Incorporated, 10 Manoel Street, Castries,</i>				
<i>Saint Lucia</i>				
Carisma Marketing Services Ltd.	Ordinary	0.00	100.00	100.00
<i>ries, St Lucia Pointe Seraphine, Castries, Saint</i>	Shares			
<i>Lucia</i>				
Rothmans Holdings (Caricom) Limited	Ordinary	0.00	100.00	100.00
Samoa				
<i>Vaitele, Apia, Samoa. P.O.Box 1304.</i>				
British American Tobacco (Samoa) Limited	Ordinary	0.00	100.00	100.00
Senegal				
<i>Almadies, Route Hôtel Méridien en Face Club Med,</i>				
<i>Dakar, Senegal</i>				
Tobacco Marketing Consultant TMC S.A.R.L.	Ordinary	0.00	100.00	100.00
Serbia				

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
<i>Bulevar Mihaila Pupina 165G, Belgrade, 11070, Serbia</i>				
British American Tobacco South - East Europe doo Kralja Stefana Provenčanog 209, Vranje, 17500, Serbia	Quota	0.00	100.00	100.00
British American Tobacco Vranje a.d.	Ordinary-A	0.00	92.38	92.38
British American Tobacco Vranje a.d.	Ordinary-B	0.00	83.98	83.98
British American Tobacco Vranje a.d.	Ordinary-C	0.00	99.89	99.89
British American Tobacco Vranje a.d.	Ordinary-D	0.00	99.97	99.97
TDR d.o.o. Beograd	Ordinary	0.00	100.00	100.00
Singapore				
<i>15 Senoko Loop, Singapore, 758168</i>				
Agrega Asia Pacific Pte. Ltd.	Ordinary	0.00	100.00	100.00
British American Tobacco Asia Pacific Treasury Private Limited	Ordinary	0.00	100.00	100.00
British American Tobacco International Services Pte Ltd	Ordinary	0.00	100.00	100.00
British-American Tobacco (Singapore) Private Limited	Ordinary	0.00	100.00	100.00
British-American Tobacco Marketing (Singapore) Private Limited	Ordinary	0.00	100.00	100.00
Rothmans Industries Private Limited	Ordinary	0.00	100.00	100.00
<i>18 Ah Hood Road #12-51, Hiap Hoe Bldg at Zhongshan Park, Singapore, 329983</i>				
British American Tobacco Sales & Marketing Singapore Pte. Ltd.	Ordinary	0.00	100.00	100.00
RHL Investments Pte Limited	Ordinary	0.00	100.00	100.00
RHL Investments Pte Limited	Red. Pref.	0.00	100.00	100.00
Slovenia				
<i>Bravničarjeva ulica 13, 1000 Ljubljana, Slovenia</i>				
British American Tobacco d.o.o.	Ordinary	0.00	100.00	100.00
TDR Rovita d.o.o. Liubliana	Ordinary	0.00	100.00	100.00
Solomon Islands				
<i>Kukum Highway, Ranadi, Honiara, Honiara, Solomon Islands</i>				
Solomon Islands Tobacco Company Limited	Ordinary	0.00	100.00	100.00
South Africa				
<i>Waterway House South, 3 Dock Road, V&A Waterfront, Cape Town 8000, South Africa</i>				
Agrega EEMEA (Pty) Limited	Ordinary	0.00	100.00	100.00
Amalgamated Tobacco Corporation (South Africa) (Pty) Limited	Ordinary	0.00	100.00	100.00
American Cigarette Company (Overseas) Ltd.	Ordinary	0.00	100.00	100.00
Benson & Hedges (Pty) Limited	Ordinary	0.00	100.00	100.00
British American Shared Services Africa Middle East (Pty) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco GSD (South Africa) (Pty) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings South Africa (Pty) Limited	Redeemable Pref. B'	0.00	100.00	100.00
British American Tobacco Holdings South Africa (Pty) Limited	Redeemable Pref of ZAR 0.01	0.00	100.00	100.00
British American Tobacco Holdings South Africa (Pty) Limited	Ordinary ZAR 0.01 each	0.00	100.00	100.00
British American Tobacco Manufacturers South Africa (Pty) Ltd.	Ordinary ZAR 0.01 each	0.00	100.00	100.00
British American Tobacco Properties South Africa (Pty) Ltd.	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco Services South Africa (Pty) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco South Africa (Pty) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Southern Africa Markets (Pty) Limited	Ordinary	0.00	100.00	100.00
Brown & Williamson Tobacco Corporation (Pty) Limited	Ordinary	0.00	100.00	100.00
Business Venture Investments No 216 (Pty) Ltd.	Ordinary	0.00	100.00	100.00
Carlton Cigarette Company (Pty) Limited	Ordinary	0.00	100.00	100.00
Gauloises (Pty) Limited	Ordinary	0.00	100.00	100.00
	Ordinary ZAR			
Intercontinental Tobacco Company (Pty) Ltd.	0.01 each	0.00	100.00	100.00
John Chapman (Pty) Limited	Ordinary	0.00	100.00	100.00
John Player & Sons (Pty) Limited	Ordinary	0.00	100.00	100.00
Kentucky Tobacco Corporation (Pty) Limited	Ordinary	0.00	100.00	100.00
Martins of London (Pty) Limited	Ordinary	0.00	100.00	100.00
Rembrandt Tobacco Corporation (Overseas) Ltd	Ordinary	0.00	100.00	100.00
Riggio Tobacco Corporation of New York Ltd	Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall London Limited	Ordinary	0.00	100.00	100.00
St. Regis Tobacco Corporation Ltd	Ordinary	0.00	100.00	100.00
Stellenbosch Development Company (Pty) Limited	Ordinary	0.00	100.00	100.00
Thomas Bear's Son & Co (Pty) Limited	Ordinary	0.00	100.00	100.00
Tobacco Research and Development Institute (Pty) Limited	Ordinary	0.00	100.00	100.00
W.D. & H.O. Wills (Pty) Limited	Ordinary	0.00	100.00	100.00
Westminster Tobacco Company (Cape Town & London) (Pty) Limited	Ordinary ZA R			
	0.01 each	0.00	100.00	100.00
Winfield Tobacco Corporation (Pty) Limited	Ordinary	0.00	100.00	100.00
Winston Tobacco Company Limited	Ordinary	0.00	100.00	100.00
Spain				
<i>Torre Espacio, Paseo de la Castellana, 259D, 28046 Madrid, Spain</i>				
British American Tobacco Espana, S.A.	Euro	0.00	100.00	100.00
Sri Lanka				
<i>178 Srimath Ramanathan Mawatha, Colombo, 15, Sri Lanka</i>				
Ceylon Tobacco Company Plc	Ordinary	0.00	84.13	84.13
Sudan				
<i>Gomhoreya Street, Khartoum, Sudan, PO Box 1381</i>				
Blue Nile Cigarette Company Limited	Ordinary	0.00	100.00	100.00
Swaziland				
<i>Rhus Office Park, Kal Grant Street, P.O. Box 569, Mbabane, Swaziland</i>				
British American Tobacco Swaziland (Pty) Limited	Issued	0.00	100.00	100.00
Sweden				
<i>Warfvinges väg 35, 112 51 Stockholm, Sweden</i>				
British American Tobacco Sweden AB	Ordinary	0.00	100.00	100.00
British American Tobacco Sweden Holding AB	Ordinary	0.00	100.00	100.00
<i>Stenåldersgatan 23, 213 76 Malmö, Sweden</i>				
Fiedler & Lundgren AB	Ordinary	0.00	100.00	100.00
Switzerland				
<i>Zählerweg 4, 6300 Zug, Switzerland</i>				
AD Tabacs International S.A.	Registered	0.00	100.00	100.00
American-Cigarette Company (Overseas) Limited	Registered	0.00	100.00	100.00
British American Tobacco International Limited	Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall Limited	Registered	0.00	100.00	100.00
<i>Route de France 17, 2926 Boncourt, Switzerland</i>				
British American Tobacco Switzerland S.A.	Registered	0.00	100.00	100.00
British American Tobacco Switzerland Vending SA	Ordinary	0.00	100.00	100.00
<i>Route de la Glâne 107, c/o NBA Fiduciaire S.A. 1752 Villars-sur-Glâne, Switzerland</i>				

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Intertab S.A.	Registered	0.00	50.00	50.00
Tanzania				
<i>Acacia Estate Building, Kinondoni Rd, P.O. Box 72484, Dar es Salaam, Tanzania</i>				
BAT Distribution Tanzania Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (Tanzania) Limited	Ordinary	0.00	100.00	100.00
International Cigarette Distributors Limited	Issued	0.00	99.00	99.00
Zanzibar Distribution Company Limited	Issued	0.00	99.00	99.00
Thailand				
<i>No. 179/74-80 Bangkok City Tower, 15th Floor, South Sathorn Road, Thungmahamek Sub-District, Sathorn District, Bangkok, Thailand</i>				
British American Tobacco (Thailand) Limited	Ordinary	0.00	100.00	100.00
Trinidad and Tobago				
<i>Corner Eastern Main Road and Mt. D'or Road, Champs Fleurs, Trinidad and Tobago</i>				
The West Indian Tobacco Company Limited	Ordinary	0.00	50.13	50.13
Turkey				
<i>Veko Giz Plaza, Meydan Street, No: 3, B Blok, Floor: 18, Maslak, Sariyer, Istanbul, Turkey</i>				
British American Tobacco Tutun Mamulleri Sanayi ve Ticaret Anonim Sirketi	Registered	0.00	100.00	100.00
Uganda				
<i>7th Floor TWED Towers, Plot 10, Kafu Road, Nakasero, P.O. Box 7100, Kampala, Uganda</i>				
British American Tobacco Uganda Limited	Ordinary	0.00	90.00	90.00
Ukraine				
<i>13-15 Bolsunovska Str, Kyiv, 01014 Ukraine</i>				
British American Tobacco Sales and Marketing Ukraine LLC	Ordinary	0.00	100.00	100.00
<i>21 Nezalezhnosti Str, Pryluky, Chemihiv Region, 17502 Ukraine</i>				
A/T B.A.T.- Prilucky Tobacco Company	Ordinary	0.00	99.98	99.98
United Arab Emirates				
<i>Office No. 201-212, Building 10, Second Floor, Dubai Internet City, Dubai, United Arab Emirates</i>				
British American Tobacco FZ-LLC	Ordinary	0.00	100.00	100.00
<i>Jumeriah Business Centre 3, 37th Floor, Jumeirah Lake Towers, Dubai, P.O. Box 337222, United Arab Emirates</i>				
British American Tobacco GCC DMCC	Ordinary	0.00	100.00	100.00
British American Tobacco ME DMCC	Ordinary	0.00	100.00	100.00
United Kingdom				
<i>212-218 Upper Newtownards Road, Belfast, BT4 3ET, Northern Ireland</i>				
Murray, Sons & Company, Limited	Ordinary	0.00	100.00	100.00
<i>7 More London, Riverside, London, SE1 2RT, United Kingdom</i>				
Rysekks p.l.c. (IVL)	Ordinary	0.00	50.00	50.00
<i>Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom</i>				
Advanced Technologies (Cambridge) Limited	Ordinary	0.00	100.00	100.00
Agrega Limited	Ordinary-A	0.00	100.00	100.00
Agrega Limited	Ordinary-B	0.00	100.00	100.00
Allen & Ginter (UK) Limited	Ordinary	0.00	100.00	100.00
B.A.T (U.K. and Export) Limited	Ordinary	0.00	100.00	100.00
B.A.T Cambodia (Investments) Limited	Ordinary	0.00	100.00	100.00
B.A.T Far East Development Limited	Ordinary	0.00	100.00	100.00
B.A.T Far East Holding Limited	Ordinary	0.00	100.00	100.00
B.A.T Far East Leaf Limited	Ordinary	0.00	100.00	100.00
B.A.T Guangdong Limited	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
B.A.T Guizhou Limited	Ordinary	0.00	100.00	100.00
B.A.T Portugal Limited	Ordinary	0.00	100.00	100.00
B.A.T Russia Limited	Ordinary	0.00	100.00	100.00
B.A.T Services Limited	Ordinary	0.00	100.00	100.00
B.A.T Uzbekistan (Investments) Limited	Ordinary	0.00	100.00	100.00
B.A.T Vietnam Limited	Ordinary	0.00	100.00	100.00
B.A.T. (Westminster House) Limited	Ordinary	0.00	100.00	100.00
B.A.T. China Limited	Ordinary	0.00	100.00	100.00
BAT Finance COP Limited	Ordinary	0.00	100.00	100.00
BATUS Limited	Ordinary	0.00	100.00	100.00
Big Ben Tobacco Company Limited	Ordinary	0.00	100.00	100.00
British American Shared Services (GSD) Limited	Ordinary	0.00	100.00	100.00
British American Shared Services Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (AIT) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (AME) Exports Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (AME) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (GLP) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (Investments) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (Philippines) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (Serbia) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (South America) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco China Holdings Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Georgia Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Global Travel Retail Limited	Ordinary	0.00	100.00	100.00
British American Tobacco International Holdings (UK) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Investments (Central & Eastern Europe) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Italy Investments Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Italy Limited	Ordinary B	0.00	100.00	100.00
British American Tobacco Italy Limited	Ordinary C	0.00	100.00	100.00
British American Tobacco Italy Limited	Redeemable Preference A	0.00	100.00	100.00
British American Tobacco Korea (Investments) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Malaysia (Investments) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Peru Holdings Limited	Ordinary	0.00	100.00	100.00
British American Tobacco UK Pension Fund Trustee Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Western Europe Commercial Trading Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Western Europe Commercial Trading	Ordinary	0.00	100.00	100.00
British-American Tobacco (Mauritius) p.l.c.	Ordinary	0.00	100.00	100.00
Carreras Rothmans Limited	6% First Pref.	0.00	100.00	100.00
Carreras Rothmans Limited	6% Second Pref. Shares	0.00	100.00	100.00
Carreras Rothmans Limited	Ordinary	0.00	100.00	100.00
Chelwood Trading & Investment Company Limited	Ordinary	0.00	100.00	100.00
East African Tobacco Company (U.K.) Limited	Ordinary	0.00	100.00	100.00
Lord Extra Limited	Ordinary	0.00	100.00	100.00
Myddleton Investment Company Limited	Ordinary	0.00	100.00	100.00
Nicovations Limited	Ordinary	0.00	100.00	100.00
Nicoventures Holdings Limited	Ordinary	0.00	100.00	100.00
Nicoventures Trading Limited	Ordinary	0.00	100.00	100.00
Powhattan Limited	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Precis (2396) Limited	Ordinary	0.00	100.00	100.00
Ridirectors Limited	Ordinary	0.00	100.00	100.00
Rothmans (UK) Trading Limited	Ordinary	0.00	100.00	100.00
Rothmans Exports Limited	Ordinary	0.00	100.00	100.00
Rothmans International Limited	Ordinary	0.00	100.00	100.00
Rothmans International Services Limited	Ordinary	0.00	100.00	100.00
Rothmans International Tobacco (UK) Limited	Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall (Overseas) Limited	Ordinary	0.00	100.00	100.00
Rothmans Trading Limited	Ordinary	0.00	100.00	100.00
Ryservs (1995) Limited	Ordinary	0.00	100.00	100.00
Ryservs (No.3) Limited	Ordinary	0.00	100.00	100.00
Tobacco Exporters International Limited	Ordinary	0.00	100.00	100.00
Tobacco Marketing Consultants Limited	Ordinary	0.00	100.00	100.00
Venezuela Property Company Limited	Ordinary	0.00	100.00	100.00
Westanley Trading & Investment Company Limited	Ordinary	0.00	100.00	100.00
Westminster Tobacco Company Limited <i>Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom</i>	Ordinary	0.00	100.00	100.00
B.A.T Additional Retirement Benefit Scheme Trustee Limited	Ordinary	0.00	100.00	100.00
B.A.T Industries p.l.c.	Ordinary	0.00	100.00	100.00
BATLaw Limited	Ordinary	100.00	0.00	100.00
British American Global Shared Services Limited	Issued	0.00	100.00	100.00
British American Tobacco (2009) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (2009 PCA) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (2012) Limited	Ordinary	100.00	0.00	100.00
British American Tobacco (Corby) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (NGP) Limited	Ordinary	100.00	0.00	100.00
British American Tobacco Taiwan Logistics Limited	Ordinary	0.00	100.00	100.00
British American Ventures Limited	Ordinary	0.00	100.00	100.00
British-American Tobacco (Holdings) Limited	Ordinary	0.00	100.00	100.00
CG Ventures Limited	Ordinary	0.00	100.00	100.00
Louisville Securities Limited	Ordinary	0.00	100.00	100.00
Louisville Securities Limited	Redeemable Preference	0.00	100.00	100.00
Precis (1789) Limited	Ordinary	0.00	100.00	100.00
Precis (1790) Limited	Ordinary	0.00	100.00	100.00
Precis (1814) Limited	Ordinary	0.00	100.00	100.00
Rothmans International Enterprises Limited	Ordinary	0.00	100.00	100.00
Rothmans International Enterprises Limited	SS£1	0.00	100.00	100.00
South Western Nominees Limited	Ordinary	0.00	100.00	100.00
South Western Nominees Limited	Ordinary	0.00	100.00	100.00
Tobacco Insurance Company Limited	Ordinary	0.00	100.00	100.00
Weston (2009) Limited	Ordinary	0.00	100.00	100.00
Weston Investment Company Limited	Ordinary	0.00	100.00	100.00
Weston Investment Company Limited	Redeemable Preference	0.00	100.00	100.00
Weston Investment Company Limited <i>One, Eton Street, Richmond Upon Thames, London, TW9 1EF, United Kingdom</i>	Preference	0.00	100.00	100.00
British American Tobacco UK Limited	Ordinary	0.00	100.00	100.00
United States				
2711 Centerville Road, Suite 400, Wilmington DE 19808, United States				
BTI 2014 LLC	Ordinary	0.00	100.00	100.00
Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington Delaware 19808, United States				
BATUS Holdings Inc.	Common Stock	0.00	100.00	100.00
BATUS Japan, INC.	Common	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
	Common			
BATUS JAPAN, INC.	Stock of no par value	0.00	100.00	100.00
BATUS Retail Services, Inc.	Common - 2	0.00	100.00	100.00
	Common - Subscription			
BATUS Retail Services, Inc.	Agreement	0.00	100.00	100.00
British American Tobacco (Brands) Inc.	Common	0.00	100.00	100.00
	Common			
Brown & Williamson Holdings, Inc.	Stock	0.00	100.00	100.00
	Class A			
	Common - no			
Imasco Holdings Group, Inc.	par value	0.00	100.00	100.00
	Common of No			
Imasco Holdings, Inc.	Par Value	0.00	100.00	100.00
	Common of No			
ITL (USA) Limited	Par Value	0.00	100.00	100.00
	Common			
	Stock of no par			
Louisville Corporate Services, Inc.	value	0.00	100.00	100.00
Nicoventures U.S. Limited	Ordinary	0.00	100.00	100.00
CSC-Lawyers Incorporating Service, 2710 Gateway Oaks Drive, Suite 150N, Sacramento CA 95833-3505, United States				
Genstar Pacific Corporation	Common	0.00	100.00	100.00
Uruguay				
Juncal 1392, Montevideo, Uruguay				
	Registered			
Kellian S.A.	Common	0.00	100.00	100.00
Uzbekistan				
77 Minor Passage, Tashkent, 100084, Uzbekistan				
UZBAT A.O.	Ordinary	0.00	97.38	97.38
Venezuela				
Registro Mercantil Primero de la Circunscripción, Judicial del Distrito, Capital y Estado, Miranda, Venezuela				
Agrega de Venezuela, Agreven, C.A.	Ordinary	0.00	50.00	50.00
Agrobigott, C.A.	Ordinary	0.00	100.00	100.00
Avenida Francisco de Miranda, Edificio Bigott, Los Ruices, Caracas – Estado Miranda, 1010, Venezuela				
Compania Anonima Cigarrera Bigott Sucesores	Ordinary	0.00	100.00	100.00
Distribuidora Bigott, C.A.	Issued	0.00	100.00	100.00
Avenida Francisco de Miranda, Torre Regelfall, Municipio Chacao, Estado, Miranda, Caracas, Venezuela				
Proyectos de Inversion BAT 1902	Ordinary	0.00	99.50	99.50
Vietnam				
20/F Kumho Asiana Plaza, 39 Le Duan Street, Ben Nghe ward, District 1, Ho Chi Minh City, Vietnam				
British American Tobacco East Asia Area Services Company Limited	Charter Capital	0.00	100.00	100.00
Area 8, Long Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam				
British American Tobacco - Vinataba Limited	Quota	0.00	70.00	70.00
Zambia				
20992 Kafue Road, P O Box 30622, Lusaka, Zambia				
British American Tobacco (Zambia) plc	Ordinary	0.00	78.08	78.08
Zimbabwe				
Manchester Road 1, Southerton, Harare, Zimbabwe				

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(1) Shares in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
American-Cigarette Company (Overseas) (Private) Ltd	Ordinary	0.00	100.00	100.00
Rothmans Limited	Ordinary	0.00	100.00	100.00
Rothmans of Pall Mall (Malawi) Limited	Ordinary	0.00	100.00	43.13

(2) Indirect Investments in Associated Undertakings

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Angola <i>Viana Park, Polo Industrial, Viana, Luanda, Angola</i>				
Agrodande Limitada	Ordinary	0.00	32.50	32.50
Soc. Filtros Angola Sarl	Ordinary	0.00	39.14	39.14
Argentina <i>San Martín 140, Floor 14, City of Buenos Aires, Argentina</i>				
Agrega S.A.	Ordinary	0.00	75.00	43.74
Bosnia and Herzegovina <i>Drage Karamana bb, 75000 Tuzla, Bosnia and Herzegovina</i>				
Uncro Team d.o.o. <i>Krstine bb, 88260 Čitluk, Bosnia and Herzegovina</i>	Ordinary	0.00	100.00	24.36
Satelit Plus d.o.o. Čitluk <i>Viteza Mile Bošnjaka br. 32, 88240 Posušje, Bosnia and Herzegovina</i>	Ordinary	0.00	25.00	24.36
POS d.o.o. Posušje	Ordinary	0.00	100.00	24.36
Croatia <i>Slavonska avenija 11a, 10000 Zagreb, Croatia</i>				
Tisak d.d.	Ordinary	0.00	41.86	41.86
Hungary <i>H-6800 Hódmezővásárhely, Erzsébeti út 5/b, Hungary</i>				
Országos Dohányboltellátó Korlátolt Felelősségű Társaság	Ordinary	0.00	49.00	49.00
India <i>Virginia House, 37, J.L. Nehru Road, Kolkata, 700 071, India</i>				
ITC Limited <i>Azamabad, Andhra Pradesh, Hyderabad, 500 020, India</i>	Ordinary shares of IR1 each	0.00	29.89	29.89
VST Industries Limited	Ordinary	0.00	32.16	32.16
Nepal <i>Shree Bal Sadan, Gha 2-513, Kantipath, Kathmandu, Nepal</i>				
Surya Nepal Pvt. Limited	Ordinary	0.00	61.00	19.65
Nigeria <i>1, Tobacco Road, Oluyole Toll Gate, Ibadan, Nigeria</i>				
Nigerpak Limited	'B' ORDINARY	0.00	26.00	26.00
Serbia <i>Kralja Stefana Provenčanog 209, Vranje, 17500, Serbia</i>				
Veletabak d.o.o.	Ordinary	0.00	25.00	25.00
United States				

Notes to the financial statements for the year ended 31 December 2016

7 Investments (continued)

(2) Indirect Investments in Associated Undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
<i>Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington Delaware 19808, United States</i>				
Reynolds American Inc.	Common Stock	0.00	42.17	42.17
Vietnam				
<i>Lot 45C/I, Road #7, Vinh Loc Industrial Park, Binh Chanh District, Ho Chi Minh City, Vietnam</i>				
VINA-BAT Joint Venture Company Limited	Registered Charter Capital	0.00	49.00	49.00
Yemen				
<i>P.O. Box 14, Sanna, Yemen</i>				
Kamaram Industry and Investment Company	Ordinary	0.00	31.00	31.00
<i>P.O. Box 5302, Hoban, Taiz, Yemen</i>				
United Industries Company Limited	Ordinary	0.00	26.40	26.40
Zimbabwe				
<i>Manchester Road 1, Southerton, Harare, Zimbabwe</i>				
British American Tobacco Zimbabwe (Holdings) Limited	Ordinary	0.00	43.13	43.13

(3) Other Investments at fair value

Hong Kong				
<i>29/F, Oxford House, 979 King's Road, Taikoo Place, Quarry Bay, Hong Kong</i>				
CTBAT International Co. Limited	Ordinary	0.00	50.00	50.00

The subsidiary undertaking that principally affects the Company's financial position is British American Tobacco (2012) Limited. The principal activity of this undertaking is a holding company.

(4) Investments in Group undertakings

	Investments in Group undertakings £'000
Cost	
1 January 2016	3,846,966
Additions	170,500
31 December 2016	4,017,466
Impairment provisions	
1 January 2016	-
31 December 2016	-
Net book value	
1 January 2016	3,846,966
31 December 2016	4,017,466

The Directors are of the opinion that the individual investments in the Group undertakings have a value not less than the amount at which they are shown in the balance sheet.

Notes to the financial statements for the year ended 31 December 2016

8 Debtors

(a) Amounts falling due within one year

	2016 £'000	2015 £'000
Amounts owed by Group undertakings	2,132,500	1,289,708

Included within amounts owed by Group undertakings is an amount of £2,109,369,000 (2015: £1,272,321,000) which is unsecured, interest bearing and repayable on demand. The interest rate is based on LIBOR. All other amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

(b) Amounts falling due after one year

	2016 £'000	2015 £'000
Amounts owed by Group undertakings – gross	3,138,539	2,646,453
Allowance for bad debt	(94,312)	(94,312)
Amounts owed by Group undertakings - net	3,044,227	2,552,141

Amounts owed by Group undertakings of £1,816,534,000 (USD 2,244,600,000) (2015: £1,522,898,000 (USD 2,244,600,000)) are unsecured, interest bearing and repayable in 2018. The interest rate is based on USD 3M LIBOR+ 2.375%.

Amounts owed by Group undertakings of £1,227,694,000 (USD 1,517,000,000) (2015: £1,029,242,000 (USD 1,517,000,000)) are unsecured, repayable in 2018 and bear interest at a fixed rate of 2.589%.

9 Creditors

(a) Amounts falling due within one year

	2016 £'000	2015 £'000
Amounts owed to Group undertakings	23,633	15,382

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

(b) Amounts falling due after more than one year

	2016 £'000	2015 £'000
Deferred income	5,283	5,283
Amounts owed to Group undertakings	3,044,228	2,552,141
	3,049,511	2,557,424

Included within amounts due to Group undertakings is an amount of £3,044,228,000 (2015: £2,552,141,000) are unsecured and interest bearing at rates based on between 2.33% and 2.72% (2015: 2.13% and 2.20%) and repayable after more than one year.

10 Called up share capital

Ordinary shares of £1 each	2016	2015
Allotted, called up and fully paid		
- value	£11,904	£11,904
- number	11,904	11,904

Notes to the financial statements for the year ended 31 December 2016

11 Related party disclosures

As a wholly owned subsidiary the Company has taken advantage of the exemption under FRS 101 from disclosing transactions with other subsidiary undertakings of the British American Tobacco p.l.c. Group.

12 Contingent liabilities

The Company provides guarantees to third parties in respect of commitments entered into in the normal course of business by its direct subsidiary undertakings, including funding commitments for research and development, contract manufacturing arrangements, royalty payments due and rental commitments. These guarantees are uncapped. Post 1st January 2017, guarantees were cancelled in respect of royalty payments and certain contract manufacturing arrangements. Amounts paid by the Company's subsidiaries in respect of these guaranteed commitments in 2016 were estimated to be £7,960,000 (2015: £9,920,000), and are expected to be £5,500,000 in 2017. The maximum potential exposure under these guarantees until these contracts expire is currently estimated to be around £6,790,000. The Company does not expect the fulfilment of obligations under these guarantees to materially affect its financial position.

13 Post Balance Sheet events

On 17 January 2017, the Company's ultimate parent, British American Tobacco p.l.c. ("BAT plc"), announced that it had agreed the terms of a recommended offer with Reynolds American Inc. ("RAI") for BAT plc to acquire the remaining 57.8% of RAI it did not already own. The proposed merger was accepted by both parties' shareholders on 19 July 2017.

Pursuant to the Merger Agreement, BAT plc, on behalf of its indirect subsidiary BATUS Holdings Inc ("BATUS"), has agreed to issue new shares, represented by American Depositary Shares, for the benefit of RAI shareholders. In consideration for BAT plc issuing new shares, BATUS has agreed to issue to BAT plc an assignable obligation owed by BATUS to issue shares to the holder of that obligation. This assignable obligation is transferred down the chain of Group companies from BAT plc to BATUS, in exchange for the issue of shares by each subsidiary company to its direct parent.

As a consequence, on 25 July 2017, the Company issued 2,915 new shares with a nominal value of £2,915 to its immediate parent, BAT plc. On the same day, the Company transferred the assignable warrant to its direct subsidiary British American Tobacco (2012) Limited in exchange for 882,678,739 new shares with a nominal value of £882,678,739.

14 Parent undertakings

The Company's ultimate parent undertaking and ultimate controlling party is British American Tobacco p.l.c. being incorporated in the United Kingdom and registered in England and Wales. The Company's immediate parent undertaking is British American Tobacco p.l.c.. Group financial statements are prepared only at the British American Tobacco p.l.c. level and may be obtained from:

The Company Secretary
Globe House
4 Temple Place
London
WC2R 2PG