

British American Tobacco (1998) Limited

Registered Number 03422701

Annual report and financial statements

For the year ended 31 December 2017



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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 2017.

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 2017

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 £3,626,890,000 (2016: £4,004,907,000).

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"), 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 agreed to issue to BAT plc an assignable obligation owed by BATUS to issue shares to the holder of that obligation. This assignable obligation was 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 British American Tobacco p.l.c. in exchange for consideration of the same value represented by the assignable warrant noted above. Following this transaction the share premium account of the Company has increased with the amount of £23,223,430,337 up to the total value of the warrant. 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 £882,678,739.

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



Oliver Marin
Assistant Secretary

14 September 2018

Directors' report

The Directors present their report together with the audited financial statements of the Company for the year ended 31 December 2017.

Dividends

During the year the Company paid dividends amounting to £3,628,324,000 (2016: £3,000,000,000).

Board of Directors

The names of the persons who served as Directors of the Company during the period 1 January 2017 to the date of this report are as follows:

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

Directors' indemnities

Throughout the period 1 January 2017 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.

Research and development

No research & development expenditure has been incurred during the year (2016: £nil).

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2016: £nil).

Employees

The average number of employees employed by the Company during the year was nil (2016: nil).

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Directors' report (continued)

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, the 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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

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



Oliver Martin
Assistant Secretary

14 September 2018

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

Opinion

We have audited the financial statements of British American Tobacco (1998) Limited ("the company") for the year ended 31 December 2017 which comprise the Profit and loss account, Statement of changes in equity, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework* and;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon. Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on pages 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Jeremy Hall, (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London. E14 5GL
14 September 2018

Profit and loss account for the year ended 31 December 2017

	Note	2017 £'000	2016 £'000
Continuing operations			
Other operating expenses	2	-	-
Operating result		-	-
Income from shares in Group undertakings	3	3,628,324	4,000,000
Interest receivable and similar income	4	90,637	84,370
Interest payable and similar expenses	5	(92,071)	(79,463)
Profit before taxation		3,626,890	4,004,907
Tax on profit	6	-	-
Profit for the financial year		3,626,890	4,004,907

There is no difference between the profit 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 2017

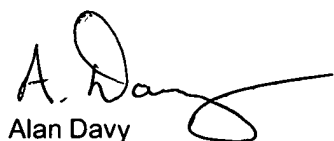
	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total Equity £'000
1 January 2016	12	3,617,281	1,498,670	5,115,963
Profit for the financial year	-	-	4,004,907	4,004,907
Dividends paid	-	-	(3,000,000)	(3,000,000)
31 December 2016	12	3,617,281	2,503,577	6,120,870
Increase in share capital	3	-	-	3
Increase in share premium	-	23,223,431	-	23,223,431
Profit for the financial year	-	-	3,626,890	3,626,890
Dividends paid	-	-	(3,628,324)	(3,628,324)
Balance at 31 December 2017	15	26,840,712	2,502,143	29,342,870

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

Balance sheet as at 31 December 2017

	Note	2017 £'000	2016 £'000
Fixed assets			
Investments in Group undertakings	7	27,453,899	4,017,466
		27,453,899	4,017,466
Current assets			
Debtors: amounts falling due within one year	8a	4,699,044	2,132,500
Debtors: amounts falling due after one year	8b	-	3,044,227
		4,699,044	5,176,727
Creditors: amounts falling due within one year	9a	(2,804,479)	(23,633)
Net current assets		1,894,565	5,153,094
Total assets less current liabilities		29,348,464	9,170,560
Creditors: amounts falling due after more than one year	9b	(5,283)	(3,049,511)
Provisions for liabilities and other charges		(311)	(179)
Net assets		29,342,870	6,120,870
Capital and reserves			
Called up share capital	10	15	12
Share premium account		26,840,712	3,617,281
Profit and loss account		2,502,143	2,503,577
Total shareholders' funds		29,342,870	6,120,870

The financial statements on pages 7 to 32 were approved by the Directors on 14 September 2018 and signed on behalf of the Board.


Alan Davy
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 2017

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 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 legal matters; and
- the exemptions taken under IFRS 1 on the first time adoption of FRS 101.

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 judgement 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.

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.

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. All exchange differences are taken to the profit and loss account in the year except for differences arising on the retranslation of qualifying cash flow hedges, which are recognised in other comprehensive income.

Notes to the financial statements for the year ended 31 December 2017

1 Accounting policies (continued)

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 companies

Investments in Group companies 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.

Future changes to accounting policies

IFRS 15 Revenue from Contracts with Customers. This new standard replaces IAS 18, with the effective implementation date being 1 January 2018. The anticipated impact from restatement of the Company's Financial Statements for 2017 and 2016 is considered immaterial.

Notes to the financial statements for the year ended 31 December 2017

2 Other operating expenses

Auditor's fees of £5,000 were borne by a fellow Group undertaking (2016: £5,000).

There were no employees (2016: none) and no staff costs during the year (2016: £nil).

None of the Directors received any remuneration in respect of their services as a Director of the Company during the year (2016 £nil). The Company considers that there is no practicable method to allocate a portion of the emoluments the Directors receive from their respective Group company employer for any qualifying services in respect of the Company, as these are considered to be incidental and part of the Directors overall management responsibilities within the Group.

3 Income from shares in Group undertakings

	2017 £'000	2016 £'000
Income from shares in Group undertakings	3,628,324	4,000,000

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

4 Interest receivable and similar income

	2017 £'000	2016 £'000
Interest receivable from Group undertakings	90,637	84,278
Fair value gain and similar income	-	88
Exchange gain	-	4
	90,637	84,370

5 Interest payable and similar expenses

	2017 £'000	2016 £'000
Interest payable to Group undertakings	91,925	79,330
Interest payable to external parties	132	133
Fair value loss and similar income	7	-
Exchange loss	7	-
	92,071	79,463

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

Notes to the financial statements for the year ended 31 December 2017

6 Taxation (continued)

The current taxation charge differs from the standard 19.25% (2016: 20%) rate of corporation taxation in the UK. The major causes of this difference are listed below:

	2017 £'000	2016 £'000
Profit for the year	3,626,890	4,004,907
Total tax expense	-	-
Profit excluding taxation	3,626,890	4,004,907
Tax using the UK corporation tax rate of 19.25% (2016: 20.00%)	698,176	800,981
Tax exempt revenues	(698,452)	(800,000)
Permanent differences	334	292
Group relief claimed for nil consideration	(58)	(1,273)
Total tax charge for the period	-	-

An amount of £1,735,000 (2016: £1,462,000) (taxation amount of £334,000 (2016: £292,000)) included in permanent differences above represents imputed taxation adjustments in respect of UK to UK transfer pricing.

7 Investments in Group undertakings

(1) Shares in Group Undertakings

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Kosovo, Republic of <i>Llapllaselle, Gracanice, Republika e Kosoves</i>				
British American Tobacco Kosovo Sh.p.k.	Ordinary	0.00	100.00	100.00
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	51.00	51.00
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 49,900	0.00	99.80	99.80
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	99.98	99.98
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

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco Australia Overseas Pty Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Australia Services Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Manufacturing Australia Pty Ltd.	Ordinary	0.00	100.00	100.00
Martins of Piccadilly Pty Ltd	Ordinary	0.00	100.00	100.00
Rothmans Asia Pacific Limited	Ordinary	0.00	50.00	100.00
Rothmans Asia Pacific Limited	Redeemable Pref A \$1.00 Each	0.00	50.00	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	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>				
Southward Insurance Ltd.	Common of No Par Value	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>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>				
British American Tobacco Co-ordination Centre/L.P. Co-ordination Centre VOF	Partnership stake in equity	0.00	100.00	100.00
<i>Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom</i>				
British American Tobacco Holdings Belgium N.V.	Shares of no value	0.00	100.00	100.00
Benin				
<i>Cotonou, Lot Numero H19, Quartiers Les Cocotiers, 01 BP 2520, Benin</i>				
British American Tobacco Benin SA	Issued	0.00	100.00	100.00
Bolivia				
<i>La Paz, Calle 3 No. 260, La Paz, Bolivia</i>				
BAT Bolivia S.R.L.	Ordinary	0.00	100.00	100.00
Bosnia and Herzegovina				
<i>Ulica Carice Milice br. 11, 78000 Banja Luka, Bosnia and Herzegovina</i>				

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco - BAT - BL d.o.o.	Quota	0.00	100.00	100.00
British American Tobacco d.o.o. Banja Luka <i>ul. Kralja Petra I Karadordevica br. 82, 78000 Banja Luka, Bosnia and Herzegovina</i>	Ordinary	0.00	100.00	100.00
FDBL-B d.o.o. Banja Luka <i>ul. Kolodvorska 12, 71000 Sarajevo-Novo Sarajevo, Bosnia and Herzegovina</i>	Ordinary	0.00	100.00	100.00
INOVINE BH d.o.o. <i>Fra Dominka Mandica 24 A, 88220 Široki Brijeg, Bosnia and Herzegovina</i>	Ordinary	0.00	100.00	100.00
IPRESS d.o.o. <i>ul. Kolodvorska 12, 71000 Sarajevo-Novo Sarajevo, Bosnia and Herzegovina</i>	Ordinary	0.00	100.00	100.00
OPRESA d.d. Sarajevo <i>ul. Azize Ša'cirbegovi'c 1, 71000 Sarajevo-Novo Sarajevo, Bosnia and Herzegovina</i>	Ordinary	0.00	97.45	97.45
TDR d.o.o. Sarajevo <i>Blajburških žrtava br. 62, Mostar, Bosnia and Herzegovina</i>	Ordinary	0.00	100.00	100.00
TOBACCO PRESS d.o.o. Mostar	Ordinary	0.00	100.00	100.00
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, Salas 101 a 1201, Rio de Janeiro, Brazil</i>				
Souza Cruz LTDA	Common	0.00	100.00	100.00
Yolanda Participacoes S.A.	Common of BRC No Par Value	0.00	100.00	100.00
Brunei Darussalam <i>6th Floor, Bang Hj Ahmad Laksamana Othman, 38-39, Jalan Sultan, Bandar Seri Begawan BS8811, Brunei Darussalam</i>				
Commercial Marketers and Distributors Sdn. Bhd. (BRN)	Ordinary	0.00	50.00	50.00
Bulgaria <i>115 M, Tsarigradsko Shose Blvd., Building D, Floor 5, Sofia, Mladost Municipality, 1784, Bulgaria</i>				
British American Tobacco Trading EOOD	Ordinary	0.00	100.00	100.00
Cambodia <i>1121 National Road 2, Prek Tanou Village, Sangkat Chak Ang Re Leu, Khan Mean Chey, Phnom Penh, Kingdom of Cambodia</i>				
British American Tobacco (Cambodia) Limited	Ordinary	0.00	71.00	71.00
British American Tobacco (Cambodge) International Limited	Ordinary	0.00	100.00	100.00
Cameroon <i>Rue Njo Njo, Bonapriso - B.P. 259, Douala, Cameroon</i>				
British American Tobacco Cameroun S.A.	Ordinary	0.00	99.75	99.75
Canada <i>45 O'Connor Street, Suite 1500, Ottawa, Ontario, K1P 1A4, Canada</i>				
2004969 Ontario Inc.	Common	0.00	100.00	100.00
30 Pedigree Court, Brampton, Ontario, L6T 5T8, Canada				
Imperial Tobacco Canada Limited	Common	0.00	100.00	100.00
3711 St-Antoine West, Montreal, Quebec, H4C 3P6, Canada				

Notes to the financial statements for the year ended 31 December 2017

7 Investments 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
Genstar Corporation	2nd Preferred shares	0.00	97.00	100.00
Genstar Corporation	Series F	0.00	3.00	100.00
Imperial Brands Limited	Common of No Par Value	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	0.00	50.00
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	99.51	99.51
British American Tobacco Chile Operaciones S.A.	Ordinary	0.00	98.50	98.50
Inversiones Casablanca S.A.	Ordinary	0.00	100.00	100.00
China				
<i>Unit 1001 in 901, 9/F, Building 3, No.8 Guanghuadongli, 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, The Democratic Republic				
<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	Ordinary	0.00	100.00	100.00
<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
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>Obala V. Nazora 1, 52210 Rovinj, Croatia</i>				
ADISTA d.o.o.	Ordinary	0.00	100.00	100.00
ISTRAGRAFIKA d.d.	Ordinary	0.00	100.00	100.00
ISTRAGRAFIKA d.d.	Preference	0.00	100.00	100.00
TDR d.o.o.	Ordinary	0.00	100.00	100.00
<i>Ivana Lučić'a 2/a, 10000 Zagreb, Croatia</i>				

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Croatia BAT HRVATSKA d.o.o. <i>Osječka 2, 33000 Virovitica, Croatia</i>	Ordinary	0.00	100.00	100.00
HRVATSKI DUHANI d.d. <i>Draškovićeva 27, 10000 Zagreb, Croatia</i>	Ordinary	0.00	89.55	89.55
INOVINE d.d.	Ordinary	0.00	88.80	88.80
Cuba <i>Calle San Jose y Princesa, Municipio 10 de Octubre, Ciudad de La Habana, Cuba</i>				
Brascuba Cigarrillos S.A.	Common	0.00	50.00	50.00
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	50.00	100.00
British American Tobacco (Czech Republic), s.r.o.	Ordinary of DM 166,600,000	0.00	50.00	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
Precis (1789) Denmark A/S	Ordinary	0.00	100.00	100.00
Djibouti <i>Rue de Magadiscio, Lot No. 133, Djibouti City, Djibouti</i>				
British American Tobacco Djibouti SARL	Ordinary	0.00	100.00	100.00
<i>Vester Farimagsgade 16, 1606 Copenhagen, Denmark</i>				
Tobacco Exporters International (Mer Rouge) SARL (in liquidation)	5000 DJF	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
British American Tobacco Egypt 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
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>				
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>Cœur Défense Tour A 100-110 Esplanade de Gaulle 92932 Paris La Défense Cedex, France</i>				

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco France SAS	Ordinary EUR 15	0.00	100.00	100.00
<i>8 Rue La Boétie, 75008 Paris, France</i>				
Carreras 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>Weihersstraße 26, 95448 Bayreuth, Germany</i>				
Batberg Cigarettenfabrik GmbH	Ordinary	0.00	100.00	100.00
<i>Alsterufer 4, 20354 Hamburg, Germany</i>				
BATIG Gesellschaft für Beteiligungen m.b.H.	Ordinary € 340,000,000.00	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	0.00	100.00	100.00
British American Tobacco (Industrie) GmbH	Capital of €350 mio	0.00	100.00	100.00
TDR Germany GmbH	Ordinary	0.00	100.00	100.00
Ghana				
<i>F190/5 Josiah Tongogari Street, Opposite Tante Marie Restaurant, Labone-Accra, Ghana</i>				
British American Tobacco Ghana Limited	Ordinary	0.00	100.00	100.00
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 Bordage, 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>Units 2501 and 2506 to 2510, 25/F Island Place Tower, Island Place 510, King's Road, Hong Kong</i>				
American Cigarette Company Limited	Ordinary	0.00	100.00	100.00
British Cigarette Company (1964) Limited	Ordinary	0.00	100.00	100.00
<i>16/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong</i>				
British American Tobacco Asia-Pacific Region Limited	Ordinary of HK\$1	0.00	100.00	100.00
British-American Tobacco Company (Hong Kong) Limited	Ordinary	0.00	100.00	100.00
<i>11/F, One Pacific Place, 88 Queensway, Hong Kong</i>				
British American Tobacco China Investments Limited	Ordinary	0.00	100.00	100.00
Hungary				
<i>H-1124, Budapest, Csörsz utca 49-51. 3. em., Hungary</i>				
BAT Pécsi Dohánygyár Kft.	Ordinary	0.00	61.92	61.92
Indonesia				
<i>Capital Place Office Tower 6th Floor, Jl. Gatot Subroto Kav. 18, Jakarta 12710 Indonesia</i>				
PT Bentoel Internasional Investama, Tbk	Ordinary	0.00	85.74	85.74
<i>Jl. Raya Karanglo, 1st Floor, Desa Banjararum, Kecamatan Singosari, Jawa Timur 65153 Indonesia</i>				
PT Bentoel Prima	Series A	0.00	100.00	100.00
PT Bentoel Prima	Series B	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Iran, Islamic Republic of				
<i>No. 2 Saba Boulevard with Africa Boulevard, Tehran, 19667, Islamic Republic of Iran</i>				
B.A.T. Pars Company (Private Joint Stock)	Ordinary	0.00	100.00	100.00
<i>Unit 09, Level 9, 114, Kaj Abadi Street Valiasr, Tehran, 1966916545, Islamic Republic of Iran</i>				
TDR Parsian Company (PJS)	Ordinary	0.00	100.00	100.00
Iraq				
<i>Enkawa, Erbil, Kurdistan Region of Iraq</i>				
B.A.T. Iraqia Company for Tobacco Trading Limited	Ordinary	0.00	100.00	100.00
Ireland				
<i>The Greenhouse, 6th Floor, Block E, Mountainview, Leopardstown, Dublin, 18, Ireland</i>				
Carroll Group Distributors Limited	Ordinary	0.00	100.00	100.00
P.J. Carroll & Company Limited	'A' Ordinary	0.00	99.00	100.00
P.J. Carroll & Company Limited	'B' Ordinary	0.00	1.00	100.00
Rothmans of Pall Mall (Ireland) Limited	7% Preference	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 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	50.40	50.40
<i>Twickenham Park, Spanish Town, St. Catherine, Jamaica</i>				
Sans Souci Development Limited	Ordinary	0.00	50.40	50.40
Sans Souci Limited	Ordinary	0.00	50.40	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
British American Tobacco (CI) 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

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Kenya				
8 Likoni Road, Industrial Area, P.O. Box 30000-00100, Nairobi, Kenya				
African Cigarette Company (Overseas) Limited	Ordinary	0.00	60.00	60.00
BAT Kenya Tobacco Company Limited	Ordinary	0.00	60.00	60.00
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	60.00	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
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
Malawi				
Northgate Arcade, Highway Chipembere, Blantyre, Malawi				
British American Tobacco (Malawi) Limited	Ordinary	0.00	100.00	100.00
Malaysia				
Level 11, Sunway Geo Tower, Jalan Lagoon Selatan, Sunway South Quay, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia				
BAT Aspac Service Centre Sdn Bhd	Ordinary	0.00	100.00	100.00
Level 19, Wisma Guocoland, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia				
British American Tobacco (Malaysia) Berhad	Ordinary	0.00	50.00	50.00
British American Tobacco Malaysia Foundation	Ordinary	0.00	50.00	50.00
Commercial Marketers and Distributors Sdn. Bhd.	Ordinary	0.00	50.00	50.00
Rothmans Brands Sdn. Bhd.	Ordinary	0.00	50.00	50.00
Tobacco Importers and Manufacturers Sdn. Bhd.	Ordinary	0.00	50.00	50.00
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
Mali				
Hippodrome, Rue Djelibougou à Bamako - BP 2065, Mali				
British American Tobacco (Mali) sarl	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
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	0.00	100.00	100.00
British American Tobacco Mexico, S.A. de C.V.	Ordinary Series 'A'	0.00	0.00	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	62.50	100.00
British American Tobacco Servicios S.A. de C.V.	Share Class "2"	0.00	37.50	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 1	0.00	93.00	93.00
Montenegro				
<i>Rimski Trg 50, Podgorica, Republic of Montenegro</i>				
TDR d.o.o. Podgorica	Ordinary	0.00	100.00	100.00
Mozambique				
<i>2289 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	100.00	100.00
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>				
Aruba Properties B.V.	Ordinary	0.00	100.00	100.00
Aruba Properties II B.V.	Ordinary	0.00	100.00	100.00
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
British American Tobacco Exports B.V.	Ordinary	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 (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 (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 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

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco Western Europe Region B.V.	Ordinary	0.00	100.00	100.00
Koninklijke Theodorus Niemeyer B.V.	Ordinary € 453.78	0.00	100.00	100.00
Molenssteegh 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 Investments B.V.	Ordinary	0.00	100.00	100.00
Rothmans UK Holdings B.V.	Ordinary	0.00	100.00	100.00
Chic Nederland 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	50.00	100.00
New Zealand (UK Finance) Limited	Ordinary	0.00	50.00	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
Nigeria				
<i>1, Tobacco Road, Oluyole Toll Gate, Ibadan, Nigeria</i>				
British American Tobacco (Nigeria) Limited	Ordinary	0.00	100.00	100.00
<i>Rising Sun Building, 2 Olumegbon Road, Ikoyi, Lagos, Nigeria</i>				
British American Tobacco Marketing Nigeria Limited	Ordinary	0.00	100.00	100.00
Northern Ireland				
<i>212-218 Upper Newtownards Road, Belfast, BT4 3ET, Northern Ireland</i>				
Murray, Sons & Company, Limited	Ordinary	0.00	100.00	100.00
Norway				
<i>Klaus Torgårdsvej 3, 0372 Oslo, Norway</i>				
British American Tobacco Norway AS	Ordinary	0.00	100.00	100.00
Pakistan				
<i>Serena Business Complex. Khayaban-e-Suhrwardy, Islamabad, Pakistan</i>				
British American Tobacco SAA Services (Private) Ltd	Ordinary	0.00	100.00	100.00
Pakistan Tobacco Company Limited	Ordinary	0.00	94.65	94.65
Phoenix (Private) Limited	Ordinary	0.00	91.51	91.51
Panama				
<i>Torre Banco Panama, Boulevard Costa Del Este y Aveida La Rotonda, Piso 14, Oficina 1400, Costa del Este Ciudad de Panama, Panama</i>				
BAT Caribbean, S.A.	Ordinary	0.00	100.00	100.00
British American Tobacco Central America S.A.	Ordinary of No Par Value	0.00	87.76	87.76
British American Tobacco Panama, S.A.	Ordinary	0.00	87.76	87.76
Tabacalera Istmena S.A.	Common	0.00	100.00	100.00
Papua New Guinea				
<i>Level 10, The Tower, Douglas Street, P O Box 632, Port Moresby, NCD, Papua New Guinea</i>				
British American Tobacco (PNG) Limited	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Papua New Guinea Tobacco Company Limited	Ordinary	0.00	100.00	100.00
Paradise Tobacco Company Limited	'A' Ordinary	0.00	50.00	100.00
Paradise Tobacco Company Limited	'B' Ordinary	0.00	50.00	100.00
Rothmans of Pall Mall (P.N.G.) Limited	'A' Ordinary	0.00	50.00	100.00
Rothmans of Pall Mall (P.N.G.) Limited	'B' Ordinary	0.00	50.00	100.00
Paraguay				
<i>Avenida Aviadores del Chaco, 2050, Edificio World Trade Center, T2, P17, Paraguay</i>				
British American Tobacco Productora de Cigarillos S.A.	Shares	0.00	100.00	100.00
Peru				
<i>Pasaje Santa Rosa 256, Ate, Lima, Perú.</i>				
British American Tobacco del Peru Holdings S.A.	Investment stock	0.00	0.00	98.35
British American Tobacco del Peru Holdings S.A.	Ordinary	0.00	98.35	98.35
British American Tobacco Del Peru, S.A.C.	Ordinary	0.00	100.00	100.00
Philippines				
<i>6th Floor Tuscan Building, Herrera Street, Legaspi Village, City of Makati, Philippines</i>				
Alhambra Industries Inc.	Common PHP 1,300 Par	0.00	50.00	100.00
Alhambra Industries Inc.	Pref. PHP 1,300 PAR	0.00	50.00	100.00
Poland				
<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>Ul. Tytoniowa 16, 16-300, Augustow, Poland</i>				
British-American Tobacco Polska S.A.	Ordinary	0.00	100.00	100.00
<i>Aleja Wojska Polskiego 23c, 63-500, Ostrzeszow, Poland</i>				
Nicoventures Poland Sp. z o.o.	Ordinary	0.00	100.00	100.00
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
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>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 INSITUTE sp.zo	Ordinary	0.00	100.00	100.00
Reunion				
<i>5 Immeuble Cap 2000, Avenue Théodore Drouhet, ZAC Horizon 2000 - 97420 Le Port, La Réunion</i>				
B.A.T. La Reunion SAS	Ordinary	0.00	100.00	100.00
Romania				
<i>319 Splaiul Independentei, Sema Parc "City 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 County, Romania</i>				
British-American Tobacco (Romania) Trading SRL	Social	0.00	100.00	100.00
<i>Bucharest Business Park - Building B2, 1A Bucuresti - Ploiesti (DN1) Road, Sector 1, Bucharest 013681, Romania</i>				
British-American Tobacco Romania Investment S.R.L.	Social	0.00	100.00	100.00
Russia				
<i>197229 Russia, Saint Petersburg, 3rd Konnaya lakhta, 38</i>				
Joint Stock Company "British American Tobacco-SPb"	Ordinary	0.00	100.00	100.00
Joint Stock Company "British American Tobacco-SPb"	Preference	0.00	100.00	100.00
<i>121614 Russia, Moscow, Krylatskaya st., 17, bld. 2</i>				
JSC 'International Tobacco Marketing Services'	Common	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Rwanda <i>Soras Building, 2nd Flr, Boulevard de la Revolution 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, Saint Lucia</i>				
Carisma Marketing Services Ltd.	Ordinary	0.00	100.00	100.00
<i>St Lucia Pointe Seraphine, Castries, Saint 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, Dakar, Senegal</i>				
Tobacco Marketing Consultant TMC S.A.R.L	Ordinary	0.00	100.00	100.00
Serbia <i>Bulevar Milutina Milankovic 1ž, Belgrade, 11070, Serbia</i>				
British American Tobacco South - East Europe doo <i>Kralja Stefana Provenčanog 209, Vranje, 17500, Serbia</i>	Quota	0.00	100.00	100.00
British American Tobacco Vranje a.d. Vranje	Ordinary-A	0.00	2.18	88.10
British American Tobacco Vranje a.d. Vranje	Ordinary-B	0.00	61.36	88.10
British American Tobacco Vranje a.d. Vranje	Ordinary-C	0.00	15.35	88.10
British American Tobacco Vranje a.d. Vranje	Ordinary-D	0.00	9.21	88.10
TDR d.o.o. Beograd	Ordinary	0.00	100.00	100.00
Singapore <i>15 Senoko Loop, Singapore, 758168</i>				
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
<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	50.00	100.00
RHL Investments Pte Limited	Redeemable Preference	0.00	50.00	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. - v likvidaciji	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>Kukum Highway, Ranadi, Honiara, Honiara, Solomon Islands</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

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
British American Tobacco GSD (South Africa) (Pty) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Holdings South Africa (Pty) Limited	'A' Redeemable Pref.	0.00	33.33	100.00
British American Tobacco Holdings South Africa (Pty) Limited	'B' Redeemable Pref. of R 0.01	0.00	33.33	100.00
British American Tobacco Holdings South Africa (Pty) Limited	Ordinary ZAR 0.01 Each	0.00	33.34	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
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
Intercontinental Tobacco Company (Pty) Ltd.	Ordinary ZAR 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 ZAR 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
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
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>Plot 1, Block 3B East, Gomhoreya Street, Khartoum, Sudan, PO Box 1381</i>				
Blue Nile Cigarette Company Limited	Ordinary	0.00	100.00	100.00
Sweden				
<i>Västra Trädgårdsgatan 15, 111 53 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

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
<i>Winds Global AB Winnington AB Winnington Holding AB</i>				
<i>Fiedler & Lundgren AB</i>	Ordinary	0.00	100.00	100.00
Switzerland				
<i>Zählerweg 4, 6300 Zug, Switzerland</i>				
<i>AD Tabacs International S.A.</i>	Registered	0.00	100.00	100.00
<i>American-Cigarette Company (Overseas) Limited</i>	Registered	0.00	100.00	100.00
<i>British American Tobacco International Limited in Liquidation</i>	Ordinary	0.00	100.00	100.00
<i>Rothmans of Pall Mall Limited</i>	Registered	0.00	100.00	100.00
<i>Route de France 17, 2926 Boncourt, Switzerland</i>				
<i>British American Tobacco Switzerland S.A.</i>	Registered	0.00	100.00	100.00
<i>British American Tobacco Switzerland Vending SA</i>	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>				
<i>Intertab S.A.</i>	Registered	0.00	50.00	50.00
Tanzania				
<i>Acacia Estate Building, Kinondoni Rd, P.O. Box 72484, Dar es Salaam, Tanzania</i>				
<i>BAT Distribution Tanzania Limited</i>	Ordinary	0.00	100.00	100.00
<i>British American Tobacco (Tanzania) Limited</i>	Ordinary	0.00	100.00	100.00
<i>Zanzibar Distribution Company Limited (In liquidation)</i>	Issued	0.00	99.00	99.00
Thailand				
<i>No. 179/74-80 Bangkok City Tower, 15th Floor, South Sathorn Rd., Thungmahamek, Sathorn, Bangkok, 10120, Thailand</i>				
<i>British American Tobacco (Thailand) Limited</i>	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>				
<i>The West Indian Tobacco Company Limited</i>	Ordinary	0.00	50.13	50.13
Turkey				
<i>Orjin Maslak is Merkezi, Eski Büyükdere Caddesi, No: 27, Kat: 9-10, Maslak, Sanyer, İstanbul, Türkiye - PK: 34485</i>				
<i>British American Tobacco Tutun Mamulleri Sanayi ve Ticaret Anonim Sirketi</i>	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>				
<i>British American Tobacco Uganda Limited</i>	Ordinary	0.00	90.00	90.00
Ukraine				
<i>13-15 Bolsunovska Str, Kyiv, 01014 Ukraine</i>				
<i>LLC "British American Tobacco Sales and Marketing Ukraine"</i>	Ordinary	0.00	100.00	100.00
<i>21 Nezalezhnosti Str, Pryluky, Chernihiv Region, 17502 Ukraine</i>				
<i>PJSC "A/T B.A.T.- Prilucky Tobacco Company"</i>	Ordinary	0.00	99.99	99.99
United Arab Emirates				
<i>Jumeriah Business Centre 3, 37th Floor, Jumeirah Lake Towers, Dubai, P.O. Box 337222, United Arab Emirates</i>				
<i>British American Tobacco GCC DMCC</i>	Ordinary	0.00	100.00	100.00
<i>British American Tobacco ME DMCC</i>	Ordinary	0.00	100.00	100.00
United Kingdom				
<i>Globe House, 1 Water Street, London, WC2R 3LA, United Kingdom</i>				
<i>10 MOTIVES LIMITED</i>	Ordinary	0.00	100.00	100.00
<i>Advanced Technologies (Cambridge) Limited</i>	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Agrega Limited	Ordinary-A	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
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 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 (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	0.00	100.00
British American Tobacco Italy Limited	Redeemable Preference A	0.00	0.00	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 Limited	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	33.33	100.00
Carreras Rothmans Limited	6% Second Pref. Shares	0.00	33.33	100.00
Carreras Rothmans Limited	Ordinary	0.00	33.34	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

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
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 Retail (UK) 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
Precis (2396) Limited	Ordinary	0.00	100.00	100.00
Ridirectors 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	Ordinary	0.00	100.00	100.00
<i>Globe House, 4 Temple Place, London, WC2R 2PG, United Kingdom</i>				
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 PCA) Limited	Ordinary	0.00	100.00	100.00
British American Tobacco (2009) Limited	Ordinary	0.00	96.91	100.00
British American Tobacco (2009) Limited	Redeemable Preference	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
Precis (1814) Limited	Redeemable Preference	0.00	0.00	100.00
Precis (1814) Limited	Redeemable Preference	0.00	0.00	100.00
Rothmans International Enterprises Limited	Ordinary	0.00	50.00	100.00
Rothmans International Enterprises Limited	SS£1	0.00	50.00	100.00
South Western Nominees Limited	Ordinary £1	0.00	100.00	100.00
South Western Nominees Limited	Ordinary US\$1	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

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Weston Investment Company Limited	Redeemable Preference	0.00	0.00	100.00
<i>One, Eton Street, Richmond Upon Thames, London, TW9 1EF, United Kingdom</i>				
British American Tobacco UK Limited	Ordinary	0.00	100.00	100.00
United States				
<i>251 Little Falls Drive, Wilmington, DE 19808, United States</i>				
B.A.T Capital Corporation	Of Common Stock of \$1	0.00	100.00	100.00
BATUS Holdings Inc.	Common Stock	0.00	100.00	100.00
BATUS Japan, Inc	Common	0.00	100.00	100.00
BATUS Retail Services, Inc.	Common - 2	0.00	50.00	100.00
BATUS Retail Services, Inc.	Common - Subscription Agreement	0.00	50.00	100.00
British American Tobacco (Brands) Inc.	Common	0.00	100.00	100.00
Brown & Williamson Holdings, Inc.	Common Stock	0.00	100.00	100.00
Imasco Holdings Group, Inc.	Class A	0.00	100.00	100.00
	Common of No Par Value			
Imasco Holdings, Inc.	Common of No Par Value	0.00	100.00	100.00
	Common of No Par Value			
ITL (USA) Limited	Common of No Par Value	0.00	100.00	100.00
	Common Stock of no par value			
Louisville Corporate Services, Inc.	Ordinary	0.00	100.00	100.00
Nicoventures U.S. Limited		0.00	100.00	100.00
<i>2710 Gateway Oaks Drive, Suite 150N, Sacramento CA 95833, United States</i>				
Genstar Pacific Corporation	Common	0.00	100.00	100.00
<i>2711 Centerville Road, Suite 400, Wilmington DE 19808, United States</i>				
BTI 2014 LLC	Ordinary	0.00	100.00	100.00
<i>401 N. Main Street, Winston-Salem, NC 27101, United States</i>				
Reynolds American Inc.	Common Stock	0.00	100.00	100.00
Uruguay				
<i>Juncal 1392, Montevideo, Uruguay</i>				
Kellian S.A.	Registered Common	0.00	100.00	100.00
Uzbekistan				
<i>77 Minor Passage, Tashkent, 100084, Uzbekistan</i>				
JSC JV "UZBAT A.O."	Ordinary	0.00	97.38	97.38
Venezuela				
<i>Registro Mercantil Primero de la Circunscripción, Judicial del Distrito, Capital y Estado, Miranda, Venezuela</i>				
Agrega de Venezuela, Agreven, C.A.	Ordinary	0.00	50.00	50.00
Agrobigott, C.A.	Ordinary	0.00	100.00	100.00
<i>Avenida Francisco de Miranda, Edificio Bigott, Los Ruices, Caracas – Estado Miranda, 1010, Venezuela</i>				
Compania Anonima Cigarrera Bigott Sucesores	Ordinary	0.00	100.00	100.00
Distribuidora Bigott, C.A.	Issued	0.00	100.00	100.00
Proyectos de Inversion BAT 1902 CA	Ordinary	0.00	100.00	100.00

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Vietnam				
Area 8, Long Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam				
British American Tobacco - Vinataba (JV) Limited	Quota	0.00	70.00	70.00
20/F Kumho Mplaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam				
East Asia Area Services Company Limited	Charter Capital of USD 200,000	0.00	100.00	100.00
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				
American-Cigarette Company (Overseas) (Private) Ltd	Ordinary	0.00	100.00	100.00
Rothmans Limited	Ordinary	0.00	100.00	100.00
British American Tobacco Zimbabwe (Holdings) Limited	Ordinary	0.00	43.13	43.13

(2) Joint ventures and associated undertakings

Company	Share Class	Direct interest	Subsidiary Interest	Attributable Interest
Croatia				
Slavonska avenija 11a, 10000 Zagreb, Croatia				
Tisak d.d.	Ordinary	0.00	41.86	41.86
Hong Kong				
29/F, Oxford House, 979 King's Road, Taikoo Place, Quarry Bay, Hong Kong				
CTBAT International Co. Limited	Ordinary	0.00	50.00	50.00
Hungary				
H-6800 Hódmezővásárhely, Erzsébeti út 5/b, Hungary				
Országos Dohányboltellátó Korlátolt Felelősségű Társaság	Ordinary	0.00	49.00	49.00
India				
Virginia House, 37, J.L. Nehru Road, Kolkata, 700 071, India				
ITC Limited	Ordinary Shares of IR1 Each	0.00	29.69	29.69
Azamabad, Andhra Pradesh, Hyderabad, 500 020, India				
VST Industries Limited	Ordinary	0.00	32.16	32.16
Nepal				
Shree Bal Sadan, Gha 2-513, Kantipath, Kathmandu, Nepal				
Surya Nepal Pvt. Limited	Ordinary	0.00	19.65	19.65
Serbia				
Temerinska 102, Novi Sad, 21000, Serbia				
Veletabak d.o.o.	Ordinary	0.00	25.00	25.00
Yemen				
P.O. Box 14, Sanna, Yemen				
Kamran Industry and Investment Company	Ordinary	0.00	31.00	31.00
P.O. Box 5302, Hoban, Taiz, Yemen				
United Industries Company Limited	Ordinary	0.00	32.00	32.00

Notes to the financial statements for the year ended 31 December 2017

7 Investments in Group undertakings (continued)

(3) Investments in Group undertakings

	Investments in Group undertakings £'000
Cost	
1 January 2017	4,017,466
Additions	23,436,433
31 December 2017	27,453,899
Impairment provisions	
1 January 2017	-
31 December 2017	-
Net book value	
1 January 2017	4,017,466
31 December 2017	27,453,899

Out of total additions during the year an amount of £23,223,433,000 represents equity injection made in British American Tobacco (2012) Limited as a result of RAI acquisition. Other additions are related to equity injections made in Nicoventures Holdings Limited.

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.

8 Debtors

(a) Amounts falling due within one year

	2017 £'000	2016 £'000
Amounts owed by Group undertakings	4,699,044	2,132,500

Included within amounts owed by Group undertakings is an amount of £1,895,016,000 (2016: £2,109,369,000) which is unsecured, interest bearing and repayable on demand. The interest rate is based on LIBOR.

Amounts owed by Group undertakings of £1,659,287,000 (USD 2,244,600,000) (2016: £1,816,534,000 (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 £1,121,419,000 (USD 1,517,000,000) (2016: £1,227,694,000 (USD 1,517,000,000)) are unsecured, repayable in 2018 and bear interest at a fixed rate of 2.639%.

All other amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

(b) Amounts falling due after one year

	2017 £'000	2016 £'000
Amounts owed by Group undertakings – gross	94,312	3,138,539
Allowance for bad debt	(94,312)	(94,312)
Amounts owed by Group undertakings - net	-	3,044,227

Notes to the financial statements for the year ended 31 December 2017

9 Creditors

(a) Amounts falling due within one year

	2017 £'000	2016 £'000
Amounts owed to Group undertakings	2,804,479	23,633

Included in Amounts owed to Group undertakings there is an amount of £2,780,706,000 (USD 3,761,600,000) that is unsecured, repayable in 2018, and bearing interest based on USDLIBOR. Other amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

(b) Amounts falling due after more than one year

	2017 £'000	2016 £'000
Deferred income	5,283	5,283
Amounts owed to Group undertakings	-	3,044,228
	5,283	3,049,511

Included within amounts due to Group undertakings reported in 2016, there is an amount of £3,044,228,000 (USD 3,761,600,000) that was unsecured and interest bearing at rates based on USDLIBOR.

10 Called up share capital

Ordinary shares of £1 each	2017	2016
Allotted, called up and fully paid		
- value	£14,819	£11,904
- number	14,819	11,904

On 25 July 2017, the Company has issued 2,915 new shares to its immediate parent British American Tobacco p.l.c., as part of RAI Acquisition. As a consequence of this transaction, the Share Premium of the Company also increased with an amount of £23,223,430,337.

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 2017 were estimated to be £3,860,000 (2016: £7,960,000), and are expected to be £nil in 2018. The maximum potential exposure under these guarantees until these contracts expire is currently estimated to be around £524,000. The Company does not expect the fulfilment of obligations under these guarantees to materially affect its financial position.

Notes to the financial statements for the year ended 31 December 2017

13 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