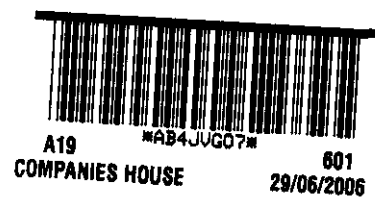


**GODFREY PHILLIPS LIMITED**  
**COMPANY REGISTRATION NO. 884749**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2004**



**GODFREY PHILLIPS LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

The Directors present their annual report and audited financial statements for the year ended 31 December 2004.

**Principal activity and review of business and future developments**

The Company did not trade during the year. However in view of the present uncertainties affecting companies operating in Zimbabwe, the Directors have assessed the carrying value of the investment held in MacMillan Maxwell and Company (Private) Limited, a non trading undertaking incorporated in Zimbabwe and booked a provision against this investment which has been charged to the income statement during the year.

**Results and Dividends**

The company made a loss after taxation for the year of £1,097 (2003: £nil). The directors do not recommend the payment of a dividend (2003: £nil).

**Directors**

The Directors of the Company who held office during the year and up to the date of signing of the financial statements were:

J.W.V. Psotta (resigned 12<sup>th</sup> January 2005)  
J.S. Cockburn (resigned 4<sup>th</sup> May 2005)  
M.G. Saine (appointed 10<sup>th</sup> January 2005)  
S. Bauer (appointed 3<sup>rd</sup> May 2005).

**Directors' interests in the shares of the company**

No Director held any interest at any time during the year in any of the share capital of the Company or of any other Group Undertaking which requires notification to the Company.

**Appointment of Auditors**

The Company has appointed PricewaterhouseCoopers LLP to act as its auditors. The auditors have indicated their willingness to act on behalf of the company and to continue in office. A resolution concerning their reappointment will be proposed at the Annual General Meeting.

**GODFREY PHILLIPS LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**  
**(CONTINUED)**

Statement of Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period.

The directors are required to 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 suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 December 2004 and that applicable accounting standards have been followed.

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

**By order of the board**



**S Bauer**  
**Director**

2006

**GODFREY PHILLIPS LIMITED**  
**INDEPENDENT REPORT OF THE AUDITORS TO THE MEMEBERS OF**  
**GODFREY PHILIPS LIMITED**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

**Respective responsibilities of the directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with the applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion has been prepared for and only for the company's members as a body in accordance with section 235 of the companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

**Basis of audit opinion**

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

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

**GODFREY PHILLIPS LIMITED**

**INDEPENDENT REPORT OF THE AUDITORS TO THE MEMEBERS OF**  
**GODFREY PHILIPS LIMITED (continued)**

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the companies Act 1985.

*PricewaterhouseCoopers*

**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**West London**

*5th June 2006*

**GODFREY PHILLIPS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER**  
**2004**

	NOTES	2004 £	2003 £
Amounts written off investments	4	<u>(1,097)</u>	<u>-</u>
Loss for the year before tax		(1,097)	-
Tax charge for the year	5	<u>-</u>	<u>-</u>
Loss after tax		<u>(1,097)</u>	<u>-</u>

The Company did not trade during the year or in the preceeding year.

There were no recognised gains or losses in the current year or in the prior year other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the loss on ordinary activities before taxation and the loss for the year (2003: £nil) stated above and their historical cost equivalents.

**GODFREY PHILLIPS LIMITED**

**BALANCE SHEET AS AT 31 DECEMBER 2004**

	NOTES	2004 £	2003 £
INVESTMENTS			
Shares in group undertaking	6	-	1,097
CURRENT ASSETS			
Debtors	7	102,927	102,927
		_____	_____
Net assets		102,927	104,024
		_____	_____
CAPITAL AND RESERVES			
Called up share capital	8	100,000	100,000
Profit and loss account	9	2,927	4,024
		_____	_____
Total Equity Shareholders Funds	10	102,927	104,024
		_____	_____

The financial statements on pages 5 to 10 were approved by the Board of Directors on  
and were signed on its behalf by:



S BAUER - DIRECTOR

## GODFREY PHILLIPS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

#### 1. Accounting policies

The financial statements have been prepared on the going concern basis, under the historical cost convention. The accounting policies, which have been consistently applied throughout the year, and in accordance with the Companies Act 1985 and applicable accounting standards in the UK are set out below:

##### (a) Cash flow statement and related party transactions

The company is a wholly owned subsidiary of Altria Group Inc. and is included in the consolidated financial statements of Altria Group Inc., whose accounts are publicly available for the year ended 31 December 2004. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996). On the same basis, the company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions (but not balances) with entities that are part of the Altria Group Inc. or investees of the Altria Group Inc. group.

##### (b) Investments

Fixed asset investments are stated at cost to the company less provision for any impairment in value. Fixed asset investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

#### 2. Auditors' Remuneration

Auditors' Remuneration in respect of audit services for the years ended 31 December 2004 and 31 December 2003 was borne by a fellow group company.

#### 3. Directors' Remuneration and Employee Costs

No remuneration was paid to any person who served as a director during the year for their services in respect of this company (2003: £nil). The company employed no staff during the period (2003: nil).

None of the directors (2003: none) are accruing retirement benefits under defined benefit pension schemes or money purchase pension schemes in respect of their services as directors of the company.

**GODFREY PHILLIPS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2004 (continued)**

4. Amounts written off investments

The Company holds 100% of the ordinary shares of MacMillan Maxwell and Company of Zimbabwe (Private) Limited, a non trading undertaking incorporated in Zimbabwe. In view of the uncertainties affecting companies operating in Zimbabwe the Directors have assessed that full provision should be made against the investment in MacMillan Maxwell and Company of Zimbabwe (Private) Limited. The provision of £1,097 has been charged to the profit and loss account for the year ended 31 December 2004.

5. Taxation

	2004 £	2003 £
<u>Current tax</u>		
UK corporation tax at 30% (2003:30%)	-	-
Tax charge on profit on ordinary activities	-	-

The tax assessed for the period is higher than (2003: equal to) the standard rate of UK corporation tax of 30% (2003: 30%) and the differences are explained below:

	2004 £	2003 £
Loss on ordinary activities before tax	<u>(1,097)</u>	<u>-</u>
Corporation tax in the UK of 30% (2003: 30%)	(329)	-
<u>Effects of:</u>		
Expenses not deductible for tax purposes and other permanent differences	<u>329</u>	<u>-</u>
Total current tax charge for the year	<u>-</u>	<u>-</u>

**GODFREY PHILLIPS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2004 (continued)**

6. Investments

**Ordinary shares  
in subsidiary  
undertakings  
£**

Cost	
At 1 January and 31 December 2004	1,097
Provision for impairment	
At 1 January 2004	-
Charge for the year	<u>1,097</u>
At 31 December 2004	<u>1,097</u>
Net book value	
At 31 December 2004	-
At 31 December 2003	1,097

The principal subsidiary undertaking is MacMillan Maxwell and Company of Zimbabwe (Private) Limited, a 100% owned subsidiary incorporated in Zimbabwe.

The provision for impairment of £1,097 relates to the investment in MacMillan Maxwell and Company of Zimbabwe (Private) Limited which was written down to £nil during the year following the directors' assessment of the carrying value of this investment.

6. Debtors

**2004                  2003**  
**£                      £**

Amounts falling due within one year:		
Amounts owed by fellow subsidiary undertakings	<u>102,927</u>	<u>102,927</u>

7. Share Capital

**2004                  2003**  
**£                      £**

Authorised, issued and fully paid		
100,000 ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>

# GODFREY PHILLIPS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004 (continued)

8.	<u>Profit &amp; Loss account</u>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	At 1 January	4,024	4,024
	Retained profit for the year	(1,097)	-
	At 31 December	(2,927)	4,024

9.	<u>Reconciliation of Movements in Equity Shareholders' Funds</u>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	Opening equity shareholders' funds	104,024	104,024
	Loss for the year	(1,097)	-
	Closing equity shareholders' funds	102,927	104,024

### 10. Ultimate parent and controlling party

The immediate parent undertaking is FTR Holding S.A., a company incorporated in Switzerland which is the parent of the smallest group to consolidate these accounts. The ultimate parent undertaking is Altria Group Inc., a company incorporated in the United States of America which is the parent of the largest group to consolidate these accounts. Copies of the ultimate parent company's consolidated financial statements are publicly available and may be obtained from The Secretary, 120 Park Avenue, New York 10017, the United States of America.