

GODFREY PHILLIPS LIMITED
COMPANY REGISTRATION NO. 884749
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2005

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GODFREY PHILLIPS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2005

1. The directors present herewith the unaudited financial statements for the year ended 31 December 2005.

2. Principal activities

The company was dormant during the year.

3. Dividends

The directors do not recommend the payment of a dividend (2004: £nil).

4. 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 12th January 2005)
J.S. Cockburn (resigned 4th May 2005)
M.G. Saine (appointed 10th January 2005)
S. Bauer (appointed 3rd May 2005)
M. Ward (appointed 2nd October 2006)

5. Directors' interests in the shares of the company

None of the directors 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.

GODFREY PHILLIPS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2005
(CONTINUED)

6. 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 confirm that suitable accounting policies have been used and applied consistently during the year, with the exception of the changes arising on the adoption of new accounting standards during the year as explained in note 1. They also confirm that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 2005. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

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

Date: 7 December 2006

GODFREY PHILLIPS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER
2005

	2005	2004
	£	£
Amounts written off investments	<u>-</u>	<u>(1,097)</u>
Loss for the year before tax	-	(1,097)
Tax charge for the year	<u>-</u>	<u>-</u>
Loss after tax	<u>-</u>	<u>(1,097)</u>

GODFREY PHILLIPS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

	NOTES	2005 £	2004 £
Current assets			
Debtors	4	102,927	102,927
		_____	_____
Net assets		<u>102,927</u>	<u>102,927</u>
Capital and reserves			
Called up share capital	5	100,000	100,000
Profit and loss account	6	2,927	2,927
		_____	_____
Total equity shareholders' funds	7	<u>102,927</u>	<u>102,927</u>

For the year ended 31 December 2005 the company was entitled to exemption under section 249aa(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2).

The directors acknowledge their responsibility for: (i) Ensuring the company keeps accounting records which comply with section 221; and (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements on pages 3 to 7 were approved by the Board of Directors on 7 December 2006 and were signed on its behalf by:



S Bauer - Director

GODFREY PHILLIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED **31 DECEMBER 2005**

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 2005. 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.

Changes in accounting policies

The accounting policies have been reviewed by the Board of Directors in accordance with FRS 18 "Accounting policies" during the year. FRS 21 "Events after the balance sheet date", FRS 25 "Financial instruments" and FRS 28 "Corresponding amounts" have been adopted during the year. The adoption of these policies has had no impact on the financial statements of the company.

2. Directors' emoluments

No remuneration was paid to any person who served as a director during the year for their services in respect of this company (2004: £nil). The company employed no staff during the period (2004: nil).

GODFREY PHILLIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005 (continued)

3. Amounts written off investments

The Company holds 100% of the 5,000 (2004: 5,000) ordinary shares of Zimbabwe \$2 in 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 full provision has been made against this investment. The provision of £1,097 was charged to the profit and loss account for the year ended 31 December 2004.

4. <u>Debtors</u>	2005 £	2004 £
Amounts falling due within one year:		
Amounts owed by fellow subsidiary undertakings	102,927	102,927

5. <u>Share Capital</u>	2005 £	2004 £
Authorised, issued and fully paid 100,000 ordinary Shares of £1 each	100,000	100,000

6. <u>Profit & loss account</u>	2005 £	2004 £
Opening balance	2,927	4,024
Retained loss for the year	<u>-</u>	<u>(1,097)</u>
Closing balance	<u>2,927</u>	<u>2,927</u>

GODFREY PHILLIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005 (continued)

7. Reconciliation of movements in equity shareholders' funds

	2005 £	2004 £
Opening equity shareholders' funds	102,927	104,024
Loss for the year	_____ -	(1,097)
Closing balance	<u>102,927</u>	<u>102,927</u>

8. Immediate and ultimate parent undertakings

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.