

**GODFREY PHILLIPS LIMITED**  
**COMPANY REGISTRATION NO. 884749**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2007**



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**Godfrey Phillips Limited**  
**Annual Report**

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**Godfrey Phillips Limited**  
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**Directors' report**  
**For the year ended 31 December 2007**

The directors present herewith the unaudited financial statements for the year ended 31 December 2007

**Activities and Results**

The company did not trade during the year and has made neither profits nor losses

**Directors**

The directors of the company who held office during the year and up to the date of signing of the financial statements were

M G Saine  
F Le Louarn (appointed 20<sup>th</sup> August 2007)  
S Bauer (Resigned 20<sup>th</sup> August 2007)  
M Ward

**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

**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 2007. 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**



**Frederic Le Louarn**  
**Director**

**Date:** 14/04/2008

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**Balance sheet as at 31 December 2007**

	Notes	2007 £	2006 £
<b>Current assets</b>			
Debtors	4	102,927	102,927
<b>Net current assets</b>		<u>102,927</u>	<u>102,927</u>
<b>Capital and reserves</b>			
Called up share capital	5	100,000	100,000
Profit and loss account	6	2,927	2,927
<b>Total equity shareholders' funds</b>	7	<u>102,927</u>	<u>102,927</u>

For the year ended 31 December 2007 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

These financial statements on pages 2 - 4 were approved by the board of directors on 14/4/08 and were signed on its behalf by



**Frederic Le Louarn**  
**Director**

Date: 14/04/2008

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**Notes to the financial statements**  
**For the year ended 31 December 2007**

**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 Philip Morris International Inc and is included in the consolidated financial statements of Philip Morris International Inc, whose accounts are publicly available for the year ended 31 December 2007. 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 Philip Morris International Inc or investees of the Philip Morris International 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**

There have been no changes in accounting policies during the year and all accounting policies from the previous year have been consistently applied.

**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 (2006: £nil). The company employed no staff during the period (2006: nil).

**3. Amounts written off investments**

As at the balance sheet date, the Company holds 100% of the 5,000 (2006: 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 company was liquidated in April 2007.

**4. Debtors**

	2007 £	2006 £
Amounts owed by parent and fellow subsidiary undertakings	102,927	102,927
	<u>102,927</u>	<u>102,927</u>

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**Notes to the financial statements**  
**For the year ended 31 December 2007 (continued)**

**5. Called up share capital**

	2007 £	2006 £
<b>Authorised, issued and fully paid</b>		
100,000 ordinary shares at £1 each	<u>100,000</u>	<u>100,000</u>

**6. Profit and loss account**

	2007 £'000	2006 £'000
Opening balance	2,927	2,927
Closing balance	<u>2,927</u>	<u>2,927</u>

**7. Reconciliation of movements on equity shareholders' funds**

	Total Shareholders' Funds	Total Shareholders' Funds
	2007 £	2006 £
Opening equity shareholders' funds	<u>102,927</u>	<u>102,927</u>
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 as of 28 March 2008 is Philip Morris International 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 Hunton & Williams LLP, 951E Byrd Street, Riverfront Plaza, East Tower, Richmond, Virginia 23219, the United States of America.