

Mr. Jonathan McKinley Secretary, COMPAG Economic Development and Labour Bureau Government Secretariat Central Government Offices Lower Albert Road Hong Kong

2 February 2007

Dear Mr. McKinley,

Thank you for your letters of 6 November 2006 and of 14 December 2006 regarding Hong Kong's Competition Policy.

We note that your letters are addressed to the Tobacco Institute of Hong Kong Limited (the "Institute") and would like to bring to your attention that the Institute was dissolved in January 2005. Following, the Tobacco Association of Hong Kong (the "Association") was established in April 2005 to replace the Institute as the representative of the tobacco industry.

The Association is formed by major leading companies in the tobacco and related industries who are committed to a collective industry effort to address tobacco-related issues. Founding members are British-American Tobacco Company (HK) Ltd., Japan Tobacco Inc., The Pacific Cigar Company Limited, and SUTL Corporation (Hong Kong) Limited.

The Association is committed to establishing an ongoing, constructive working relationship and dialogues with the Government and other key stakeholders, and drives the Hong Kong tobacco industry to continuously support important tobacco related issues including youth smoking prevention and anti-illicit cigarette initiative.

The Association's office bearers are:

Chairman: Liel Miranda (Marketing Director, British American Tobacco China)

Vice-Chairman: Icy Leung

(Business Unit Manager, British American Tobacco Hong Kong)

Vice-Chairman: Fujio Seyama (Director, Japan Tobacco Hong Kong Limited)

Executive Secretary: Philip Ho

(Head of Corporate and Regulator Affairs, British American

Tobacco Hong Kong)



We would appreciate your Bureau to contact us directly on any matters related to the tobacco industry. I may be reached at

Thank you for your attention.

Sincerely,

Philip Ho

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Executive Secretary