

BAR

MARKETING & DISTRIBUTION LTD
129 YIGAL ALON St. TEL AVIV, 67443, ISRAEL
PHONE: 972-3-6952118 FAX: 972-3-6952110

1-APR-1998

Mr. Soterios Constantin
 British American Tobacco
 7 Rival Street
Tel Aviv
 Fax: 6881885

Dear Mr. Constantino,

1. I learned from the newspapers that you are reorganizing in Israel for the distribution of your cigarettes.
2. Bar - Marketing and Distribution is the largest company in Israel for the distribution of newspapers and various consumables (Duracell, Kodak, T.D.K. and Disney products).
3. I believe that Bar has an immediate solution, ready for your nationwide distribution needs.
4. Our distribution system is direct, without wholesalers.
5. There is a strong correlation between our sales points and the sales points where cigarettes are sold.
6. We have a modern computer system which guarantees real time control and information.
7. In addition to knowledge and professionalism, our company has financial stability. Among the company's shareholders is the Yedioh Aharonot group (the largest media group in Israel).
8. Our distribution system has leverage and marketing power at the sales points. Due to the nature of the newspapers, we hold one of the "keys" of the kiosks.
9. We visit all the customers - the sale points - every day.
10. We are willing to discuss with you the option of setting up a joint subsidiary - to guarantee the transparency and control of the system.
11. We hereby enclose a presentation - a detailed profile of our company, for your perusal.
12. We are very interested in meeting you at your convenience.

Sincerely,


 Boaz Dekel
 Director general