

PRICING SCENARIOS: RBH U.S. VOLUME

RBH MARGIN	TOTAL \$ MARGIN TO RBH	DIRECT MARGIN DIVERSION FROM RBH TO PM	DIRECT MARGIN DIVERSION FROM RBH TO TEI	NET SHAREHOLDER MARGIN GAINS & LOSSES RESULTING FROM RBH MARGIN DIVERSION			EPS IMPACT ON ROTHMANS INC. MINORITY SHAREHOLDERS
	\$100 MIL			PM	RI	ROTH INC. MINORITY	
\$25.00/M (Full Domestic Margin)		0	0	0	0	0	
\$20.00/M	\$ 80	15	5	7	-3.5	-3.5	\$1.35
\$15.00/M	\$ 60	30	10	14	-7.0	-7.0	\$2.70
\$10.00/M	\$ 40	45	15	21	-10.5	-10.5	\$4.06
\$5.00/M	\$ 20	60	20	28	-14.0	-14.0	\$5.41
0	\$ 0	75	25	35	-17.5	-17.5	\$6.76

NOTES:

1. Expected U.S. Duty Free & Domestic volume 4 billion units per year.
2. P.M. distributes 75% of RBH U.S. volume with Rothmans, B&H, Mark 10, Viscount.
3. TEI distributes 25% of RBH U.S. volume with Craven "A", Number 7 and Belvedere.
4. RBH/TEI pricing would mirror RBH/PM pricing.
5. Current RBH/TEI margin diversion approximately \$4 million.
6. Rothmans Inc. total shares outstanding 5.51 million, publicly held 1.587 million.

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