WINSTON-SALEM, N.C. - Sept. 9, 2005 – The R.J. Reynolds Foundation has approved a grant request by the American Red Cross for $100,000 to the Red Cross Disaster Relief Fund to aid victims of Hurricane Katrina.

“We have all heard the reports and seen the pictures of the incredible devastation left by Katrina, and because of the magnitude of this disaster the foundation board believes it is important to make this donation,” says Steve Strawsburg, president of the R.J. Reynolds Foundation. “I am sure everyone agrees that at times like these we all need to do whatever we can to provide help to those in need.”

“Money from the Disaster Relief Fund will help provide things like medicine, clothing and food,” says Marcia Cole, executive director of the Northwest North Carolina chapter of the American Red Cross. “Over the coming weeks this money will help victims get back on their feet and begin putting their lives back together.”

Reynolds American Inc. (RAI) subsidiaries Lane Limited and Santa Fe Natural Tobacco Company, Inc. have contributed $15,000 each to the American Red Cross.

The R.J. Reynolds Foundation has also launched an “Employees for Employees” Hurricane Katrina Relief Fund. The Foundation will match dollar-for-dollar the first $100,000 contributed to the fund by employees. Employees of RAI and its subsidiaries that have been significantly affected by the disaster can apply for grant monies from the fund.

The company has committed to an immediate financial relief program to assist its employees in the Gulf region. Those employees will receive an immediate, non-repayable cash disbursement from the company and will have access to a no-interest loan, for a period of 12 months, from the company.

R.J. Reynolds’ Kool brand will be donating all proceeds from the ticket sales of the final leg of the New Jazz Philosophy Tour, a series of concerts across the country by some of today’s top artists, to hurricane relief efforts. The brand estimates the donation will be at least $200,000.

Additionally, Allegacy Federal Credit Union has set up an account for employees of
R.J. Reynolds to make donations to the American Red Cross, and employees are collecting items to donate to the Second Harvest Food Bank of Northwest North Carolina for hurricane victims.