



Jury unanimously rules in favor of R.J. Reynolds Tobacco Company in anti-trust lawsuit

WINSTON-SALEM, N.C. – October 15, 2004 – A jury in Federal Court – North District of Illinois today unanimously ruled in favor of R.J. Reynolds Tobacco Company in an anti trust suit brought against the company by Cigarettes Cheaper, a retailer headquartered in Benicia, Calif.

“We are pleased with today’s ruling,” said Darryl Marsch, senior counsel for R.J. Reynolds. “We have always believed that our trade programs are fair and equitable, and the unanimous ruling by the jury certainly confirms that.”

Cigarettes Cheaper had accused R.J. Reynolds of wrongfully denying the retailer the opportunity to participate in the tobacco company’s promotions and discount offers, in violation of Robinson-Patman anti trust laws.

“We consistently offered Cigarettes Cheaper the opportunity to participate in our programs,” Marsh added. “They simply kept turning us down.”

Earlier this year, a jury in the same court awarded R.J. Reynolds \$3.6 million in damages for trademark infringement committed by Cigarettes Cheaper.

[R.J. Reynolds Tobacco Company](#) (R.J. Reynolds) is an indirect wholly owned subsidiary of [Reynolds American Inc.](#) (NYSE: RAI). R.J. Reynolds is the second-largest tobacco company in the United States, manufacturing about one of every three cigarettes sold in the United States. R.J. Reynolds’ product line includes five of the nation’s 10 best-selling cigarette brands: Camel, Winston, KOOL, Salem and Doral. For more information about R.J. Reynolds, visit the company’s Web site at www.RJRT.com.