R.J. Reynolds Tobacco Company Wins Unanimous Jury Verdict In Individual Smoking and Health Lawsuit

Winston-Salem, N.C. – May 16, 2006 – R.J. Reynolds Tobacco Company is pleased with the complete defense verdict handed down by a jury in Seattle, Wash., in the individual smoking and health lawsuit, Kimball v. R. J. Reynolds Tobacco Company. Phillip Kimball filed the suit as the estate administrator of his late wife, Carla Kimball, who died in 2001, 11 years after she had quit smoking.

“We applaud the jury’s unanimous verdict,” says Jeff Raborn, senior counsel for R.J. Reynolds. “The jury evaluated the evidence, applied common sense, and made the correct decision after just ninety minutes of deliberations.”

Phillip Kimball asked the jury to award more than $10 million in damages, claiming his wife developed lung cancer and died as a result of smoking Winston and Winston Lights 100s cigarettes manufactured by R.J. Reynolds.

“The plaintiff was well aware of the risks of smoking,” Raborn says. “In fact, the jury found that Mrs. Kimball was aware of the risks of smoking, and she knowingly assumed those risks. We obviously agree with this decision.”

The case was tried in U.S. District Court for the Western District of Washington in Seattle.

*R.J. Reynolds Tobacco Company, an indirect subsidiary of Reynolds American Inc. (NYSE: RAI), is the second-largest tobacco company in the United States, manufacturing about one of every three cigarettes sold in the country. The company’s brands include five of the 10 best-selling U.S. cigarette brands: Camel, Kool, Winston, Salem and Doral. For more information, visit www.RJRT.com.*