R.J. Reynolds Employees Vote Down Union

WINSTON-SALEM, N.C., May 12, 2006 — R.J. Reynolds Tobacco Company today announced that a majority of its production and maintenance workers voted today not to be exclusively represented by the International Association of Machinists and Aerospace Workers (IAM) and the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union (BCTGM).

The preliminary vote count stands at 1,228 against union representation, 862 for, and 23 challenged ballots.

“We thank the employees for the confidence they have placed in the company’s leadership team and in their management,” said Lynn J. Beasley, president and chief operating officer for R.J. Reynolds. “We must now all work together, as one team, to continue building a winning company."

The National Labor Relations Board is expected to certify the vote in approximately seven days.

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.

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