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R.J. Reynolds Tobacco Company will seek further review of government lawsuit

WINSTON-SALEM, N.C. – May 22, 2009 – R.J. Reynolds Tobacco Company is disappointed that the U.S. Court of Appeals for the District of Columbia affirmed many of the findings of the district court in the lawsuit *United States v. Philip Morris et al,* particularly the finding that cigarette manufacturers violated federal racketeering laws.

"R.J. Reynolds strongly believes that neither the evidence presented at trial nor the legal standards justify a finding of liability," said Martin L. Holton III, senior vice president and general counsel for R.J. Reynolds.

"R.J. Reynolds is pleased, however, that the Court of Appeals reaffirmed that the disgorgement of profits is not an available remedy in this case," Holton adds. "We are also pleased that the Court of Appeals affirmed the district court's decision not to require several of the remedies sought by the government, and ruled that some of the remedies the district court ordered were too broad."

R.J. Reynolds is considering its options including seeking review by the U.S. Supreme Court.

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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, Pall Mall, Kool, Winston, and Doral. For more information, visit www.RJRT.com.