Reynolds American Inc. (NYSE: RAI) is the parent company of R.J. Reynolds Tobacco Company; American Snuff Company, LLC; Santa Fe Natural Tobacco Company, Inc.; Niconovum USA, Inc.; Niconovum AB; and R.J. Reynolds Vapor Company. R.J. Reynolds Tobacco Company is the second-largest U.S. tobacco company. The company's brands include two of the best-selling brands in the United States: Camel and Pall Mall. American Snuff Company, LLC is the nation's second-largest manufacturer of smokeless tobacco products. Its leading brands are Grizzly and Kodiak. Santa Fe Natural Tobacco Company, Inc. manufactures Natural American Spirit 100% additive-free natural tobacco products, including styles made with organic tobacco. Niconovum USA and Niconovum AB market innovative nicotine replacement therapy products in the U.S. and Sweden, respectively, under the ZONNIC brand name. R.J. Reynolds Vapor Company manufactures and markets VUSE digital vapor cigarettes. Copies of RAI's news releases, annual reports, SEC filings and other financial materials are available at www.reynoldsamerican.com. To learn more about how Reynolds American and its operating companies are transforming the tobacco industry, visit TransformingTobacco.com.

The Company at a Glance

Contents

Reynolds American Inc.

Reynolds American Inc. (NYSE: RAI) became a public company on July 30, 2004, following completion of a business transaction that combined the No. 2 and No. 3 U.S. tobacco companies, R.J. Reynolds Tobacco Company (RJR Tobacco) and the U.S. operations of Brown & Williamson Tobacco Corp. (B&W), under the Reynolds Tobacco name. At that time, R.J. Reynolds Tobacco Holdings, Inc. (NYSE: RJR), became a wholly owned subsidiary of Reynolds American - and RJR shareholders received one share of Reynolds American stock for every share of RJR stock they tendered. Since the time RAI stock began trading, former RJR Holdings shareholders have owned approximately 58 percent of the new company, and approximately 42 percent has been held by British American Tobacco p.l.c., through its Brown & Williamson subsidiary. Full integration of the operations of RJR Tobacco and B&W was completed in 2006. At the time of the business combination, RAI also purchased Lane, Limited from British American Tobacco. Reynolds American acquired Conwood, the second-largest U.S. smokeless tobacco company, in May 2006 (Conwood's name was changed Jan. 1, 2010 to American Snuff Company, LLC). Reynolds American acquired Niconovum AB, a Swedish-based nicotine replacement therapy company, in December 2009.

For more information about the 2004 business combination, **click here**.

Click here to view the prospectus that was sent to RJR shareholders to solicit their approval of these combination transactions.

- **Corporate Structure:** Reynolds American Inc. is the parent company of R.J. Reynolds Tobacco Company (R.J. Reynolds; R.J. Reynolds Tobacco; Reynolds Tobacco; RJR Tobacco or RJRT), American Snuff Company, LLC (American Snuff Co.), Santa Fe Natural Tobacco Company, Inc. (Santa Fe; SFNTC) and Niconovum AB (Niconovum).
- **Listing**: New York Stock Exchange Reynolds American Inc. common stock began trading on the New York Stock Exchange on Aug. 2, 2004.
- **Ticker symbol:** RAI
- **Shares outstanding:** Approximately 714.5 million (June 30, 2015)
- **Current Annualized Dividend**: $2.68 per share (click here for more information)
- **Litigation:** Some of Reynolds American Inc.'s subsidiaries are a party to a variety of litigation matters, ranging from business and commercial cases to employee benefit cases. One or more of RAI's subsidiaries are also named in some tobacco-related litigation.

For more information about tobacco litigation, please select a link below:
Click here to view the prospectus that was sent to RJR shareholders to solicit their approval of the combination transactions. See the section called "Reynolds American Business – Litigation Affecting the Cigarette Industry."
Click here to view RAI's latest Annual Report on Form 10-K filed with the SEC through the EDGAR database. See the section called "Litigation Affecting the Cigarette Industry."
Click here to view RAI's latest Quarterly Report on Form 10-Q filed with the SEC through the EDGAR database. See the section called "Legal Proceedings."

Financial Highlights

Strong operating performance drives RAI's 2Q15 results. Company announces dividend increase, two-for-one stock split and increased full-year EPS guidance

On July 28, 2015, in its Second Quarter 2015 Earnings Release Reynolds American Inc. (NYSE: RAI) announced second-quarter 2015 adjusted EPS of $1.02, up 14.6 percent from the prior-year quarter, benefitting from higher cigarette and moist-snuff pricing. Adjusted EPS excludes charges for transaction-related and financing costs, and implementation costs, as well as a gain on divestiture. Reported second-quarter EPS was $3.38.

For the first half of 2015, adjusted EPS was $1.88, up 17.5 percent from the prior-year period. This excludes the above-referenced items, as well as a benefit from the 2003 NPM adjustment claim and charges for Engle progeny lawsuits and tobacco-related and other litigation. First-half reported EPS was $4.20.

RAI increased its 2015 adjusted EPS guidance on a split-adjusted basis to a range of $1.90 to $2.00, up 11.1 percent to 17.0 percent from 2014's split-adjusted EPS of $1.71. Guidance excludes the above-referenced items.

GAAP Balance Sheet Highlights (as of June 30, 2015)	
Cash and short-term investments:	**$4.0 billion**
Long-Term Debt:	**$17.6 billion**
Equity:	**$18.3 billion**

- **Reynolds American Inc. (RAI)** became the parent company of R.J. Reynolds Tobacco Company, Santa Fe Natural Tobacco Company, Inc. and Lane Limited on July 30, 2004, following completion of a business transaction that combined the No. 2 and No. 3 U.S. tobacco companies, R.J. Reynolds Tobacco Company and the U.S. operations of Brown & Williamson Tobacco Corp., under the Reynolds Tobacco name. At that time, R.J. Reynolds Tobacco Holdings, Inc. became a wholly owned subsidiary of Reynolds American. RAI began trading on the New York Stock Exchange under the ticker symbol RAI on Aug. 2, 2004.

- **R.J. Reynolds Tobacco Company was founded in 1875**, when 25-year-old Richard Joshua Reynolds started a chewing-tobacco manufacturing operation in the town of Winston, N.C. (Winston would later merge with the nearby village of Salem, creating the city known today as Winston-Salem.) Although the town of Winston had only a few hundred residents and no paved roads, Mr. Reynolds saw two potential keys to business success: Winston was a production center for flue-cured tobacco leaf, and the town sat on a newly built railroad line. Mr. Reynolds was the sixth of 16 children, and a Virginia native. He was a hands-on manager, who personally selected "recipes" and packaging for his products, and knew virtually every employee by name. He was instrumental in getting roads built in the town, helped establish a savings bank, and served as a city commissioner. He and his wife supported numerous educational and human-service efforts in the community. Someone once said about Mr. Reynolds, "He can see further ahead than most people can see behind them." Having started a chewing-tobacco business, he correctly anticipated the growth in popularity of smoking tobaccos - and introduced pipe tobaccos supported by memorable advertising campaigns. He then went on to revolutionize U.S. cigarette blends, marketing and packaging. In 1912, Mr. Reynolds devised an employee stock plan. It's been said that he feared Wall Street like he feared the devil - and he wanted as much voting stock as possible in the hands of his employees. He used a profit-sharing formula that paid shareholders an extra dividend - and would make many RJRT employees very "comfortable" in the years ahead.

- Around the same time, in the late 1870s, **Brown Brothers Tobacco Manufacturing Co**. was the largest tobacco company in nearby Mocksville, N.C. It was operated by George Brown and his brother, Rufus, who were sons of a tobacco merchant. In 1893, George Brown formed a new partnership with his brother-in-law, Robert Williamson, whose father owned two tobacco factories. One of these factories was located in the same town as Mr. Reynolds' factory, the town of Winston, and the other one was in Caswell County, N.C. Initially, the partnership took over Robert's father's business. Then the new company, Brown & Williamson, leased a small facility, hired 30 employees, and began manufacturing in February 1894.

- **In 1913, Reynolds Tobacco introduced Camel cigarettes**, containing a blend of several different types of tobacco - a blend that would come to be called "the American blend." Supported by a unique introductory "teaser" advertising campaign, Camel became the first nationally popular cigarette in the United States.

- **Reynolds Tobacco established virtually every packaging standard in the U.S. cigarette industry**. The 20-cigarette pack was introduced by Reynolds Tobacco in 1913, and in 1915 the company introduced the one-piece, 10-pack carton. In 1931, Reynolds Tobacco became the first company to package its cigarettes with a moisture-proof, sealed cellophane outer-wrap to preserve freshness.

- In 1918, **Richard Joshua Reynolds** - Reynolds Tobacco's founder - died at the age of 68.

- In 1925, Brown & Williamson purchased J.G. Flynt Tobacco Co. and its trademarks, including the popular **Sir Walter Raleigh** smoking tobacco. The following year, the company bought **R.P. Richardson Company**, which had just started to market manufactured cigarettes.

- **On March 24, 1927**, in Winston-Salem, an announcement was made that **Brown & Williamson was being acquired by London-based British American Tobacco p.l.c. (BAT) and reorganized as Brown & Williamson Tobacco Corporation**. This enabled the company to increase its production capacity and expand its distribution beyond the Southeast.

- To expand its manufacturing capacity, construction began on a **new Brown & Williamson factory in Louisville, Ky., in 1927**. The company's Winston-Salem office personnel relocated to Louisville in January 1929, and in 1931, the company's executive offices in New York also moved to Louisville.

- Meanwhile, B&W's first national brand, **Raleigh**, was launched as a premium cigarette in 1928.

- In 1933, B&W launched **KOOL** cigarettes, the first U.S. menthol brand to gain nationwide distribution.

- In 1936, B&W introduced **Viceroy** as the industry's first cork-tipped filter product. In 1952, B&W began marketing Viceroy with a new "cellulose acetate" filter.

- In 1954, Reynolds Tobacco introduced **Winston** - the first filter cigarette to achieve a major success in the marketplace.

- Reynolds Tobacco introduced **Salem** - the first filter-tipped menthol cigarette, in 1956.

- The **Belair** menthol brand was launched nationally by B&W in 1960.

- The **Doral** brand was first introduced by Reynolds Tobacco in 1969. (It was repositioned and re-introduced in 1984.)

- **Santa Fe Natural Tobacco Company, Inc.**, maker of Natural American Spirit additive-free tobacco products, was founded in Santa Fe, N.M., in 1982 with the purpose of producing high-quality, natural, additive-free cigarettes and other tobacco products.

- B&W introduced **Barclay** in 1980, as an ultra-low "tar" product featuring an "Actron" filter. In 1984, B&W acquired the marketing rights for **GPC**. In 1987, B&W introduced **Capri**, a stylish cigarette with a circumference of only 17 millimeters, the first "superslim" cigarette.

- **Reynolds Tobacco began diversifying** into foods and other non-tobacco businesses in the 1960s. In 1970, the corporation formed a new parent company called **R.J. Reynolds Industries, Inc.**

- In September 1985, Reynolds Industries acquired Nabisco Brands. In 1986, the parent company was re-named **RJR Nabisco, Inc**.

- In November 1988, **RJR Nabisco entered a merger agreement with Kohlberg Kravis Roberts & Co. (KKR)** for the acquisition of RJR Nabisco by KKR. The merger was completed in April 1989. The acquisition was valued at $25 billion, marking the largest corporate transaction in history at that time. After being privately held for a period, the company's common stock returned to the stock market in 1991. In early 1995, KKR divested its remaining holdings in RJR Nabisco.

- As a result of BAT's acquisition of American Tobacco Company in 1994, the **Carlton**, **Pall Mall**, **Misty**, **Tareyton** and **Lucky Strike** brands were added to the B&W brand family, as those operations were integrated into B&W in 1995.

- **Prior to 1999**, RJR was a subsidiary of **RJR Nabisco Holdings Corp**. (RJRN). In 1999, following **the sale of the company's international tobacco business to Japan Tobacco, Inc.**, the remaining tobacco and food businesses were separated, and RJRN was renamed Nabisco Group Holdings Corp. (NGH).

- **On June 15, 1999, the former parent company, RJR Nabisco, Inc., was renamed R.J. Reynolds Tobacco Holdings, Inc.,** and became an independent, publicly traded company again, with R.J. Reynolds Tobacco Company as its wholly owned subsidiary**.** The separation was accomplished through a spin-off of the domestic tobacco business, on a tax-free basis in the United States, to RJR Nabisco's stockholders. In a stock distribution on June 14, 1999, RJR Nabisco stockholders of record as of May 27, 1999, received one share of RJR for every three shares of RJR Nabisco they owned.

- **During the 1990s**, totally separate and apart from its cigarette business, R.J. Reynolds Tobacco Company began designing, synthesizing and testing a portfolio of nicotinic compounds that might have therapeutic potential. These compounds have the potential to treat the symptoms, and possibly arrest the progress, of various diseases that have been shown to respond to nicotine and other compounds that have effects similar to those of nicotine. **Targacept, Inc**. was spun off from R.J. Reynolds Tobacco Company as a private, independent company in August 2000. Today, Targacept is a privately held company dedicated to the discovery and development of therapeutic products that interact with nicotinic receptors in the human nervous system with the potential to treat Alzheimer's disease, Parkinson's disease, depression, pain, schizophrenia, ulcerative colitis, obesity, anxiety, Lewy body dementia and Tourette's syndrome, among others. Reynolds American continues to own a minority interest in Targacept. For further information about Targacept, Inc., please visit their website at **www.Targacept.com.**

- **On Dec. 11, 2000, R.J. Reynolds Tobacco Holdings, Inc. acquired its former parent company, Nabisco Group Holdings Corp.,** in a transaction that netted RJR $1.6 billion in cash.

- In 2001 in Indianapolis, B&W began testing **Advance Lights**, a cigarette with reduced levels of many of the principal toxins found in cigarette smoke.

- **On Jan. 16, 2002, R.J. Reynolds Tobacco Holdings, Inc. acquired Santa Fe Natural Tobacco Company, Inc.** for $340 million in cash. Santa Fe manufactures Natural American Spirit cigarettes and other tobacco products, and markets them both nationally and internationally.

- **On July 16, 2002, R.J. Reynolds Tobacco Holdings, Inc. and Gallaher Group Plc entered into a joint venture** to manufacture and market a limited portfolio of American-blend cigarette brands, initially in four markets - France, Spain, the Canary Islands and Italy. The joint venture company, R.J. Reynolds-Gallaher International Sarl, is headquartered in Switzerland. It has since expanded into additional markets.

- **On Oct. 27, 2003, R.J. Reynolds Tobacco Holdings, Inc. and British American Tobacco p.l.c.** announced that they had signed an agreement to combine the U.S. assets and operations of R.J. Reynolds Tobacco Company and Brown & Williamson Tobacco Corporation, the second- and third-largest tobacco companies in the United

States.

- **On July 30, 2004**, following approval by RJR shareholders and U.S. and European regulatory authorities, **Reynolds American Inc. became the parent company of R.J. Reynolds Tobacco Company, Santa Fe Natural Tobacco Company and Lane Limited.** On a combined 2003 basis, the company would have had annual revenues of approximately $8.4 billion, annual U.S. domestic cigarette volume of 119 billion units, and more than 30 percent of the cigarette sales in the United States. Full integration of the operations of RJR Tobacco and B&W was expected to take 18 to 24 months after completion of the transaction and to yield at least $500 million in synergies.

- **On April 25, 2006, RAI announced that it would acquire Conwood,** the second-largest smokeless tobacco manufacturer in the United States, for $3.5 billion. (Conwood changed its name Jan. 1, 2010 to **American Snuff Company**, LLC – see later item) The purchase will be financed with $300 million in cash and $3.2 billion in new debt. Conwood had the No. 1 or No. 2 position in every smokeless category, and it had been the growth leader in the moist snuff category for the previous five years. This acquisition provided RAI with an opportunity to gain immediate scale and strength in the growing moist snuff category -- an important and significant platform that would have taken years to build.

- **On May 31, 2006, RAI completed its acquisition of Conwood**, the second-largest U.S. smokeless tobacco company. (See preceding item.) For more information about the completion of this acquisition, click here to see the May 31, 2006 Conwood press release.

- **On Nov. 24, 2009, Conwood announced it would change its name to American Snuff Company, LLC, effective Jan. 1, 2010.** For more information, click here to see the Nov. 24, 2009 press release.

- **On Dec. 2, 2009, RAI announced it would acquire Niconovum AB,** a Swedish developer of nicotine replacement therapy products, for 310 million Swedish kronor, or approximately $44 million**.** Niconovum markets innovative nicotine replacement therapy (NRT) products under the Zonnic brand name in Swede. Its nicotine gum, mouth spray and pouches use proprietary technology for nicotine delivery. For more information, click here to see the Dec. 2, 2009 RAI press release.

- **On Dec. 9, 2009, RAI completed its acquisition of Niconovum AB,** a Swedish-based nicotine replacement therapy company**.** For more information, click here for the Dec. 9, 2009 RAI press release.

- **On Oct. 15, 2010,** RAI announced **a dividend increase, a two-for-one stock split and the 2011 retirement of CEO Susan Ivey.** For more information, click here for the Oct. 15, 2010 RAI press release.

- **On Dec. 6, 2010, RAI announced an increase to its dividend payout policy.** For more information, click here for the Dec. 6, 2010 RAI press release.

- **On Jan. 14, 2011, RAI announced it had reached an agreement to sell Lane, Limited to Scandinavian Tobacco Group A/S.** For more information, click here for the Jan. 14, 2011 RAI press release.

- **On Feb. 16, 2011,** RAI's board of directors announced an **8.2 percent dividend increase,** bringing the dividend in line with the 80 percent dividend payout target that the company announced in December. For more information, click here for the Feb. 16, 2011 RAI press release.

- **On March 1, 2011,** RAI announced it had **completed the sale of Lane, Limited** to Scandinavian Tobacco Group A/S. For more information, click here for the March 1, 2011 RAI press release.

- **On Oct. 25, 2011,** RAI announced a 5.7 percent, or $0.03 per share, increase in its **dividend** to an annualized $2.24 per share, payable on Jan. 3, 2012, to shareholders of record on Dec. 9, 2011. For more information, click here for the Oct. 25, 2011 RAI press release.

- **On May 3, 2012,** RAI announced **a dividend increase of 5.4 percent** and issued the results of the 2012 shareholders' meeting. For more information, click here for the May 3, 2012, press release.

- **On Oct. 24, 2012,** RAI announced it had commenced an underwritten public offering of $2.55 billion aggregate principal amount of senior notes. Click here for the press release

- **On May 9, 2013,** RAI announced **a dividend increase of 6.8 percent (to $0.63 per share)** and issued the results of the 2013 shareholders' meeting. For more information, click here.

- **On June 6, 2013,** R.J. Reynolds Vapor Company, which was formed in 2012, announced that starting July, its VUSE digital vapor cigarettes would be sold in retail outlets throughout Colorado. For more information, click here.

- **On Feb. 11, 2014,** RAI announced a 6.3 percent increase (to 67 cents) in the dividend to an annualized $2.68. For more information, click here.

- **On April 16, 2014,** RAI announced that Susan Cameron had been elected president and CEO, effective May 1, on Daan Delen's retirement. For more information, click here

- **On June 12, 2015**, RAI announced that it had completed its acquisition of Lorillard and related divestitures. For more information, click here

RISK FACTORS

Statements included in this press release that are not historical in nature are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. When used in this press release, forward-looking statements include, without limitation, statements regarding financial forecasts or projections, and RAI's and its subsidiaries' expectations, beliefs, intentions or future strategies that may be signified by the words "anticipate," "believe," "estimate," "expect," "intend," "may," "objective," "outlook," "plan," "project," "possible," "potential," "should" and similar expressions. These statements regarding future events or the future performance or results of RAI and its subsidiaries inherently are subject to a variety of risks, contingencies and other uncertainties that could cause actual results, performance or achievements to differ materially from those described in or implied by the forward-looking statements. These risks, contingencies and other uncertainties include:

- the information appearing under the caption "Risk Factors" included in RAI's most recent Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC) and in any updates to the risk factors in any quarterly or other report filed by RAI with the SEC subsequent to such Annual Report;

- the substantial and increasing taxation and regulation of tobacco products, including the regulation of tobacco products by the U.S. Food and Drug Administration (FDA);

- the effect of adverse governmental developments on RAI's subsidiaries' sales of products that contain menthol, including the possibility that the FDA will issue regulations prohibiting menthol, or restricting the use of menthol, in cigarettes;

- the possibility that the FDA will require the reduction of nicotine levels or the reduction or elimination of other constituents in cigarettes;

- the possibility that the FDA will issue regulations extending the FDA's authority over tobacco products to e-cigarettes, subjecting e-cigarettes to restrictions on, among other things, the manufacturing, marketing and sale of such products;

- decreased sales resulting from the future issuance of "corrective communications," required by the order in the *U.S. Department of Justice* case on five subjects, including smoking and health, and addiction;

- various legal actions, proceedings and claims relating to the sale, distribution, manufacture, development, advertising, marketing and claimed health effects of tobacco products that are pending or may be instituted against RAI or its subsidiaries;

- the possibility that reports from the U.S. Surgeon General regarding the negative health consequences associated with cigarette smoking and second-hand smoke may result in additional litigation and/or regulation;

- the possibility of being required to pay various adverse judgments in the *Engle* Progeny cases and/or other litigation;

- the substantial payment obligations with respect to cigarette sales, and the substantial limitations on the advertising and marketing of cigarettes (and of RJR Tobacco's smoke-free tobacco products) under the Master Settlement Agreement and prior states' settlement agreements;

- the possibility that the arbitration award partially resolving disputes relating to the NPM adjustment provision under the Master Settlement Agreement (2003 NPM adjustment) will be vacated or otherwise modified;

- the possibility that the arbitration award with respect to certain of the states found to be non-diligent in connection with the 2003 NPM adjustment will be vacated or otherwise modified;

- the continuing decline in volume in the U.S. cigarette industry and RAI's and its subsidiaries' dependence on the U.S. cigarette industry and premium and super-premium brands;

- concentration of a material amount of sales with a limited number of customers and potential loss of these customers;

- competition from other manufacturers, including those resulting from industry consolidations or any new entrants in the marketplace;

- increased promotional activities by competitors, including manufacturers of deep-discount cigarette brands;

- the success or failure of new product innovations, including the digital vapor cigarette, VUSE;

- the success or failure of acquisitions or dispositions, which RAI or its subsidiaries may engage in from time to time, including the acquisition of Lorillard (Merger) and the divestiture (Divestiture) of certain brands and other assets to ITG;

- the responsiveness of both the trade and consumers to new products, marketing strategies and promotional programs;

- the reliance on outside suppliers to manage certain non-core business processes;

- the reliance on a limited number of suppliers for certain raw materials;
- the cost of tobacco leaf, and other raw materials and commodities used in products;
- the passage of new federal or state legislation or regulations;
- the effect of market conditions on interest rate risk, foreign currency exchange rate risk and the return on corporate cash, or adverse changes in liquidity in the financial markets;
- the impairment of goodwill and other intangible assets, including trademarks;
- the effect of market conditions on the performance of pension assets or any adverse effects of any new legislation or regulations changing pension and postretirement benefits accounting or required pension funding levels;
- the substantial amount of RAI debt, including the additional debt incurred and assumed in connection with the Merger;
- the possibility of decreases in the credit ratings assigned to RAI, and to the senior unsecured long-term debt of RAI;
- the possibility of changes in RAI's historical dividend policy;
- the restrictive covenants imposed under RAI's debt agreements;
- the possibility of natural or man-made disasters or other disruptions, including disruptions in information technology systems or security breaches, that may adversely affect manufacturing or other operations and other facilities or data;
- the loss of key personnel or difficulties recruiting and retaining qualified personnel;
- the inability to adequately protect intellectual property rights;
- the significant ownership interest in RAI of British American Tobacco p.l.c. (BAT) and its subsidiaries, collectively RAI's largest beneficial owner, and their rights under the governance agreement among the companies;
- the potential consequences due to the expiration of the standstill provisions of the governance agreement, and the expiration of RAI's shareholder rights plan on July 30, 2014;

- a termination of the governance agreement or certain of its provisions in accordance with its terms, including the limitations on Brown & Williamson Holdings, Inc.'s representation on the RAI board of directors and its committees;

- the potential for increased competition between RAI and BAT and their respective subsidiaries due to expiration of the non-competition agreement between RAI and BAT on July 30, 2014; and

- additional risks, contingencies and uncertainties associated with the Merger and Divestiture that could result in an adverse effect on the results of operations, cash flows and financial position of RAI and its subsidiaries and/or the failure to realize any anticipated benefits of the Merger and Divestiture to RAI shareholders, including:
  - the effect of the Merger and Divestiture on the ability to maintain business relationships, and on operating results and businesses generally;
  - the reliance of RJR Tobacco on ITG to manufacture Newport on RJR Tobacco's behalf for a period of time after the Merger and Divestiture;
  - RAI's obligations to indemnify ITG for specified matters and to retain certain liabilities related to the transferred assets;
  - the failure to realize projected synergies and other benefits from the Merger and Divestiture; and
  - the incurrence of significant post-transaction related costs in connection with the Merger and Divestiture.

Due to these risks, contingencies and other uncertainties, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except as provided by federal securities laws, RAI is not required to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.