



Reynolds American Inc.
P.O. Box 2990
Winston-Salem, NC 27102-2990

Contact: *Investor Relations:*
Bob Bannon
(336) 741-3359

Media:
David Howard
(336) 741-3489

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New subsidiary of Reynolds American Inc. to manage operating companies' trade marketing

WINSTON-SALEM, N.C. – Nov. 14, 2016 – Effective January 1, 2017, a new, wholly owned subsidiary of Reynolds American Inc. (RAI), RAI Trade Marketing Services Company (RAI TMS), will commence operations.

RAI TMS will facilitate the sales, distribution and retail/wholesale strategy execution for R.J. Reynolds Tobacco Company, American Snuff Company, LLC, Santa Fe Natural Tobacco Company, Inc. and R.J. Reynolds Vapor Company brands, under service agreements.

“With the creation of RAI TMS, the industry’s leading trade marketing teams will be united in purpose behind the industry’s best brand portfolio,” says Mike Auger, president of RAI TMS. “This new organization capitalizes on an opportunity to create an even stronger team, and to accelerate the marketplace momentum and long-term growth of RAI operating company brands.”

Auger adds, “It also offers benefits to business partners as they will have a single point of contact, and the field trade marketing team will continue to offer valuable guidance on business growth across the total tobacco category to retail partners.”

The new trade marketing structure will not result in job eliminations among current trade marketing employees. All trade marketing employees interested in moving forward with RAI TMS will have the opportunity to do so.

Web and Social Media Disclosure

RAI’s website, www.reynoldsamerican.com, is the primary source of publicly disclosed news, including quarterly earnings, for RAI and its operating companies. RAI also uses Twitter to publicly disseminate company news via [@RAI News](https://twitter.com/RAINews). It is possible that the information we post could be deemed to be material information. We encourage investors and others to register at www.reynoldsamerican.com to receive alerts when news about the company has been posted, and to follow RAI on Twitter at [@RAI News](https://twitter.com/RAINews).

ABOUT US

Reynolds American Inc. (NYSE: RAI) is the parent company of R.J. Reynolds Tobacco Company; Santa Fe Natural Tobacco Company, Inc.; American Snuff Company, LLC; Niconovum USA, Inc.; Niconovum AB; and R.J. Reynolds Vapor Company.

- R.J. Reynolds Tobacco Company is the second-largest U.S. tobacco company. R.J. Reynolds' brands include Newport, Camel and Pall Mall.
- Santa Fe Natural Tobacco Company, Inc. manufactures and markets Natural American Spirit products.
- American Snuff Company, LLC is the nation's second-largest manufacturer of smokeless tobacco products. Its leading brands are Grizzly and Kodiak.
- Niconovum USA, Inc. and Niconovum AB market innovative nicotine replacement therapy products in the United States and Sweden, respectively, under the ZONNIC brand name.
- R.J. Reynolds Vapor Company is a marketer of digital vapor cigarettes, manufactured on its behalf by R.J. Reynolds, under the VUSE brand name in the United States.

Copies of RAI's news releases, annual reports, SEC filings and other financial materials, including risk factors containing forward-looking information, are available at www.reynoldsamerican.com. To learn more about how Reynolds American and its operating companies are transforming the tobacco industry, visit [Transforming Tobacco](#).

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