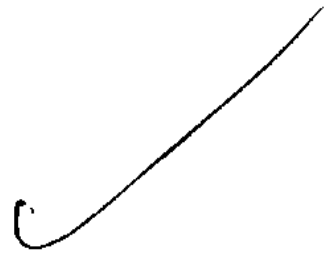


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CIPOLLONE DECISION

AMERICAN BRANDS STATEMENT

We are certainly pleased with the Supreme Court's decision in the Cipollone matter insofar as it upholds the preemption of certain claims. As to those claims which the Court has determined may not be preempted, our posture has not changed. As we have said before, each of these cases will ultimately be decided on its own merits. American Tobacco believes that it has meritorious defenses and it will vigorously defend these matters.

6/24/92