

FOR IMMEDIATE RELEASE

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PHILIP MORRIS U.S.A. STATEMENT

NEW YORK, March 13, 1996 -- We remain confident in the strength of our litigation position, and we intend to fight and win all of the cases in which we are involved. We know nothing about the reported settlement between Liggett and certain plaintiffs lawyers, but we suspect that any such settlement would be a ploy in Mr. LeBow's effort to assume control of RJ Reynolds. We continue to believe that the FDA has no authority to regulate cigarettes and will continue our fight to block the FDA's initiative. We emphasize that many of the marketing restrictions which Mr. LeBow is reported to have agreed to are already part of Philip Morris' Action Against Access program, which is designed to prevent underage smokers from gaining access to cigarettes.

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