

JT Group will evolve into a stronger, more resilient company while fulfilling its social responsibility as a member of society.



President and CEO and Representative Director, JT

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JT Group's Response to the Great East Japan Earthquake

I would like to express my sincere sympathy for the people affected by the Great East Japan Earthquake. We at the JT Group pray for an early recovery from the disaster.

After the earthquake, the JT Group immediately set up a group-wide crisis management task force. Recognizing that continuing to conduct business is a critical responsibility of the JT Group, we quickly took actions — providing support for restoration work in the disaster zones, gathering information and considering countermeasures — while taking the greatest care to ensure the safety of employees.

Since some of our factories and facilities were damaged by the earthquake, we were temporarily forced to suspend shipments of tobacco products. We apologize for any inconvenience that it has caused to our consumers. As all of us at the JT Group have worked together to achieve quick restoration; shipments of our full lineup of 73 brands are to be resumed in early August. Since our pharmaceutical and food businesses suffered little damage, they have maintained normal production volumes. We have resolved to continue to strengthen our measures to ensure continued business operations in times of emergency.

We have strived to quickly provide appropriate information on the status of the damage and our restoration work. We will maintain transparency with regard to the circumstances of the JT Group by continuing to provide information to our consumers and society appropriately.

Since the earthquake occurred, we have conducted various relief activities to support the victims, including monetary donations by either the group companies or our business partners and employees, provision of relief goods and on-site meal preparation. We will consider further support from a long-term perspective with local governments and relevant organizations.

Steady Implementation of CSR

Our CSR is to execute the JT Group Mission through all our business activities. The essence of our CSR is to create, develop and nurture our unique brands to win consumers' trust, while understanding and respecting the environment and the diversity of societies and individuals.

As a result of a tobacco excise tax hike in October 2010, we were forced to raise our tobacco retail prices. The business environment has become more difficult for us than before. However, that is all the more reason for us to strive to ensure the quality and services worth the prices and develop brands that win consumers' trust. Moreover, as one of the social responsibilities of a tobacco company, we

will help create a society where smokers and nonsmokers can coexist in harmony through efforts such as raising awareness about smoking manners and making proposals for the separation of tobacco smoke.

In the pharmaceutical business, given the critical implications that it may have for human life, we must cultivate a strong sense of ethics and responsibility and behave responsibly by putting the health and welfare of patients first. To this end, we will maintain appropriate business operations while striving to ensure the high level of discipline required of experts in the pharmaceutical field.

In the food business, we are making efforts to establish the highest standard of safety management to fulfill our philosophy for this business: "Provide products that your loved ones want to eat." We will aim to gain and retain customers' approval by providing tasty and safe foods.

Moreover, the JT Group must strengthen its efforts to make sure that a sound and rich environment will be passed on to future generations. The world is paying increasing attention to environmental conservation efforts, including the fight against global warming and the preservation of biodiversity. As a result of the earthquake, Japan needs to review its energy policy. We will conduct environmental conservation activities from a long-term perspective to achieve harmony between business activity and the environment while keeping a watch on the post-earthquake social circumstances and business environment.

To foster a harmonious relationship with society as a "good corporate citizen," we are resolved to contribute to the local communities in which we operate. To do so, we will conduct a variety of social contribution activities.

Outside Japan too, the JT Group has steadily conducted CSR activities. Japan Tobacco International, the core of the international tobacco business, is vigorously conducting environmental conservation and social contribution activities so that it can fulfill its duties to the communities in which it operates and foster harmonious relationships.

Quest for Strength and Resilience

We expect that the earthquake that struck Japan on March 11, 2011, will have a significant impact on our values, economic, political and social systems, energy policy and company management. The JT Group must consider how it should conduct business post-March 11.

By overcoming this unprecedented disaster, the JT Group will evolve into a stronger, more resilient company. We are committed to achieving the recovery from this national catastrophe together with the Japanese people while fulfilling our social responsibility.