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FOR IMMEDIATE RELEASE

**JT Reports International Tobacco Business Results for
January - December 2005**

Tokyo, February 9, 2006 --- Japan Tobacco Inc. (JT) (TSE: 2914) announced today its international tobacco business results for the full fiscal year that ended December 31, 2005¹.

The growth momentum of JT International (JTI) continued, with total sales volume for the full fiscal year increasing by 3.7 percent, and GFB² sales volume increasing by 1.8 percent compared to the previous year.

Total sales volume excluding the Japan market, where JTI products were transferred to JT in May 2005, grew 6.3 percent.

GFB sales volume excluding the Japan market increased by 5.6 percent. The gain in GFB sales was led by growth of Winston in Russia, Ukraine, Iran and Italy; Camel in France, Italy and Spain; and Mild Seven in Taiwan.

➤ **Preliminary sales results after consolidation adjustment for the full fiscal year that ended December 31, 2005**

	2004 Results	2005 Preliminary Results	Change
Total sales volume ³ (billions of cigarettes)	212.4	220.3	3.7%
GFB sales volume ³ (billions of cigarettes)	131.4	133.8	1.8%
Net sales, including tax ⁴ (millions of US\$)	7,287	7,987	9.6%
Net sales, excluding tax ⁴ (millions of US\$)	3,943	4,393	11.4%
Net sales per thousand cigarettes, excluding tax ⁵ (US\$)	18.6	19.9	7.4%

¹ The January to September international tobacco business results are incorporated into JT's nine months consolidated financial results that ended December 31, 2005

² GFB: Global Flagship Brands include Camel, Winston, Mild Seven and Salem.

³ Sales volume of JTI products (Camel, Winston, Salem etc.) for the Japan market and Japanese duty free from the beginning of May 2005 and on, are excluded from the table above because their sales were integrated into the domestic tobacco business, beginning May 2005.

⁴ These sales figures do not include sales of JTI products for the Japan market as sales of JTI products for the Japan market have been incorporated into the domestic tobacco business.

⁵ Net sales per thousand cigarettes, excluding tax = Net sales, excluding tax / Total sales volume*1000.



➤ **Quarterly and full fiscal year sales results after consolidation adjustment**

	2004 Results					2005 Preliminary Results				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Total sales volume (billions of cigarettes)	48.1	53.4	55.9	54.9	212.4	49.0	55.6	59.0	56.8	220.3
GFB sales volume (billions of cigarettes)	30.0	32.7	34.3	34.3	131.4	30.3	34.0	34.9	34.6	133.8
Net sales, including tax (millions of US\$)	1,708	1,807	1,914	1,858	7,287	1,880	2,050	2,089	1,968	7,987
Net sales, excluding tax (millions of US\$)	914	990	1,022	1,017	3,943	1,019	1,130	1,150	1,094	4,393
Net sales per thousand cigarettes, excluding tax (US\$)	19.0	18.5	18.3	18.5	18.6	20.8	20.3	19.5	19.3	19.9

➤ **GFB sales results** (Units: billions of cigarettes)

	2004 Results	2005 Preliminary Results	Change
Camel ⁶	35.1	35.2	0.3%
Winston ⁶	70.1	76.4	8.9%
Mild Seven	17.2	17.5	1.5%
Salem ⁶	8.9	4.8	-46.8%

➤ **Regional sales results** (Units: billions of cigarettes)

	2004 Results	2005 Preliminary Results	Change
Europe	38.1	39.2	2.8%
Americas	9.9	9.3	-5.7%
Asia ⁶	40.6	33.5	-17.4%
CIS, Middle East, Africa, etc.	123.8	138.3	11.7%

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Japan Tobacco Inc. is the world's third largest international manufacturer of tobacco products. The company manufactures internationally recognized cigarette brands including Camel, Winston, Mild Seven and Salem. Since its privatization in 1985, JT has actively diversified its operations into pharmaceuticals and foods. The company's net sales were ¥4.664 trillion in the fiscal year ended March 31, 2005.

⁶ Sales volume of JTI products (Camel, Winston, Salem etc.) for the Japan market and Japanese duty free from the beginning of May 2005 and on, are excluded from the table above because their sales were integrated into the domestic tobacco business, beginning May 2005.