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## Gallaher Shareholders Vote in Favor of Recommended Cash Offer by JT

**Tokyo, March 9, 2007** -- Japan Tobacco Inc. (JT) (TSE: 2914) is pleased to announce that the requisite majority of shareholders of Gallaher Group Plc (Gallaher) (LSE: GLH.L) approved JT's proposed acquisition of Gallaher at the Court Meeting held in London earlier today. Following the Court Meeting, Gallaher shareholders also voted in favor of the implementation of the scheme of arrangement at the Extraordinary General Meeting.

JT expects the scheme of arrangement to become effective on April 18, 2007, subject to the satisfaction or waiver of any outstanding conditions which are set out in the Scheme Document.

"I am delighted to see that Gallaher's shareholders have given the deal their wholehearted support. Gallaher's significant European footprint and presence in the CIS region will further invigorate JT's international tobacco business, already our primary driving force," said Hiroshi Kimura, President and CEO of JT. "I look forward to completing the acquisition which represents another significant milestone for JT after the acquisition of RJR International in 1999. Combining the strong brand portfolio, expertise and dedicated workforces of JT and Gallaher will enhance our position as a leading global company in the industry."

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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 ¥4.637 trillion in the fiscal year ended March 31, 2006.*

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