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FOR IMMEDIATE RELEASE

**JT Reports International Tobacco Business Results for
January - March 2007**

Tokyo, April 27, 2007 -- Japan Tobacco Inc. (JT) (TSE: 2914) announced today its international tobacco business results for the three-month period between January 1 and March 31, 2007.

In the quarter that ended March 31, 2007, JT International (JTI), JT's international tobacco business operation, maintained its growth momentum. Total sales volume increased 10.8 percent to 57.7 billion cigarettes, and Global Flagship Brand (GFB)¹ sales volume increased 12.2 percent to 36.4 billion cigarettes, compared to the same period last year.

The gain in GFB sales volume was driven mainly by Camel in Spain and France; Winston in Russia, Spain, Turkey, Ukraine and Iran; and Mild Seven in Korea and Russia.

Net sales including tax increased 22.7 percent to US\$2.282 billion, and net sales excluding tax amounted to US\$1.258 billion, an increase of 23.6 percent from the previous year. Net sales per thousand cigarettes, excluding tax, rose 11.5 percent to US\$21.8.

¹ GFB: Global Flagship Brands include Camel, Winston, Mild Seven, and Salem.



International Tobacco Business Results for January – March 2007

(2007 Jan-Mar results are preliminary)

	2006	2007
	Jan-Mar	Jan-Mar
Total sales volume (billions of cigarettes)	52.1	57.7
GFB sales volume (billions of cigarettes)	32.4	36.4
Net sales, including tax (millions of US\$)	1,860	2,282
Net sales, excluding tax (millions of US\$)	1,018	1,258
Net sales per thousand cigarettes, excluding tax (US\$)	19.5	21.8

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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 ¥4.769 trillion in the fiscal year ended March 31, 2007.