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FOR IMMEDIATE RELEASE

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JT announces agreement with Gilead Sciences to develop and commercialize “cobicistat”, an investigational agent in Japan

Tokyo, December 22, 2011 --- Japan Tobacco Inc. (JT) (TSE: 2914) announced that the company has signed a licensing agreement with Gilead Sciences, Inc. (Gilead) of Foster City, California, U.S.A. for the exclusive rights to develop and commercialize cobicistat, Gilead’s investigational pharmacoenhancing or “boosting” agent, as a stand-alone product in Japan.

Cobicistat increases blood levels of certain HIV medicines, including JT’s original HIV integrase inhibitor JTK-303 (elvitegravir), to allow for once daily dosing. Cobicistat works by inhibiting the cytochrome P450 3A (CYP3A), an enzyme that metabolizes drugs in the body. Cobicistat and JTK-303 (elvitegravir) are also components of a single-tablet regimen¹ being developed by Gilead. Gilead submitted a New Drug Application for marketing approval of the single-tablet regimen to the U.S. Food and Drug Administration in October 2011. Phase III studies for the cobicistat stand alone product as a booster of HIV medicines are currently being conducted by Gilead outside of Japan.

This agreement enables JT to develop and commercialize cobicistat as a stand-alone product in Japan, to make further contributions to the treatment of HIV.

¹ The single-tablet regimen contains JTK-303 (elvitegravir), Emtriva[®] (emtricitabine), Viread[®] (tenofovir disoproxil fumarate) and cobicistat. Currently in the development phase, neither JTK-303 (elvitegravir) nor cobicistat has been approved anywhere in the world, including in Japan. Emtriva and Viread are registered trademarks of Gilead Sciences, Inc.

About Gilead Sciences, Inc. (NASDAQ: GILD)

Gilead Sciences is a biopharmaceutical company that discovers, develops and commercializes innovative therapeutics in areas of unmet medical need. The company's mission is to advance the care of patients suffering from life-threatening diseases worldwide. Headquartered in Foster City, California, Gilead has operations in North America, Europe and Asia Pacific.

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Japan Tobacco Inc. is a leading international tobacco product company. Its products are sold in over 120 countries and its internationally recognized cigarette brands include Winston, Camel, Mild Seven and Benson & Hedges. With diversified operations, JT is also actively present in pharmaceuticals and foods. The company's adjusted net sales() were ¥1.946 trillion (US\$23,415 million(**)) in the fiscal year ended March 31, 2011.*

** Adjusted net sales on a consolidated basis do not include excise tax and revenue from the imported tobacco, domestic duty free, the China Division and other peripheral businesses in the Japanese domestic tobacco business. Nor does it include excise tax and revenue from distribution, contract manufacturing and other peripheral businesses in the international tobacco business.*

***Translated at the rate of ¥83.15 per \$1, as of March 31, 2011*