



JAPAN TOBACCO INC.
2-1, Toranomom 2-chome, Minato-ku
Tokyo 105-8422 JAPAN
Phone:03-3582-3111

FOR IMMEDIATE RELEASE

Tokyo, November 21, 2017

JT will appoint new President and Chief Executive Officer
Masamichi Terabatake will be President and Chief Executive Officer

Japan Tobacco Inc. (JT) (TSE: 2914) has announced certain planned board level changes. Mitsuomi Koizumi will step down as the Company's President and Chief Executive Officer but remain as the Company's Representative Director and Masamichi Terabatake will be appointed as the Company's President and Chief Executive Officer. Both appointments are to be effective from January 1, 2018, and are subject to approval of resolutions at the Company's Board of Directors' meeting, scheduled for November 27, 2017.

Effective from March 27, 2018, it is planned that Mr. Koizumi will then resign as a Representative Director and step down from the Board. Mr. Terabatake will be appointed as a Representative Director and so will become the Company's President, Chief Executive Officer and Representative Director. These appointments are subject to the ratification at the Ordinary General Meeting of Shareholders scheduled for March 27, 2018: and, approval of resolutions at the Company's Board of Directors' meeting immediately thereafter.

At present, Mr. Koizumi is the Company's President and Chief Executive Officer and Representative Director, while Mr. Terabatake is the Deputy CEO and Executive Vice President, Business Development and Corporate Strategy of JTI (Japan Tobacco International).

"For 36 years, ever since I joined the company, I have strived for the diversification and globalization of the JT Group. During my time as President and CEO (3 terms, in total 5 years and 6 months), I have executed aggressive investments to strengthen the foundations of a global growth company. Another key area of focus for me has been development of our people, as our people are the most valuable assets of our Group" said Mr. Koizumi.

Mr. Koizumi continued, "When assessing the business foundation of the JT Group, I judged that the right preparations have been made to hand over the management to the next generation. I decided to entrust JT Group's future to Mr. Terabatake, who possesses strong global business

sense and has demonstrated his ability as Deputy CEO and Executive Vice President, Business Development and Corporate Strategy of JTI.”

“In what is an increasingly fast-changing business environment, I firmly believe, that by passing the baton to the next generation, further sustainable growth of the JT Group will be achieved.”

“I am very grateful for all the support given to me and I would like to wish Mr. Terabatake well in his new role, knowing that he will be able to count on the same support in the future.”

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Japan Tobacco Inc. is a leading international tobacco company. Its products are sold in over 120 countries and its globally recognized brands include Winston, Camel, Mevius, LD and Natural American Spirit. With diversified operations, JT is also actively present in pharmaceuticals and processed foods. The company's revenue was ¥2.143 trillion (US\$19,703 million^()) in the fiscal year ended December 31, 2016.*

**Translated at the rate of ¥108.78 per \$1*

Contacts: Masahito Shirasu, General Manager
Media and Investor Relations Division
Japan Tobacco Inc.
Tokyo: +81-3-5572-4292
E-mail: jt.media.relations@jt.com

BIOGRAPHY

NAME : Mitsuomi KOIZUMI
DATE OF BIRTH : April 15, 1957
NATIONALITY: Japanese
BIRTH PLACE : Kanagawa, Japan

PROFESSIONAL EXPERIENCE :

June 2012 to present President and Chief Executive Officer and Representative Director
Japan Tobacco Inc.

June 2009 to June 2012 Executive Deputy President, President, Tobacco Business, and Representative Director
Japan Tobacco Inc.

July 2007 to June 2009 Executive Vice President, Chief Marketing & Sales Officer, Tobacco Business, and Member of the Board
Japan Tobacco Inc.

June 2007 Executive Vice President, Head of Sales General Division, Tobacco Business, Member of the Board
Japan Tobacco Inc.

June 2006 to June 2007 Executive Vice President, Head of Tobacco Business Planning Division, Tobacco Business
Japan Tobacco Inc.

June 2004 to June 2006 Senior Vice President, Head of Tobacco Business Planning Division, Tobacco Business
Japan Tobacco Inc.

June 2003 to June 2004 Senior Vice President,
Head of Human Resources & Labor Relations Group
Japan Tobacco Inc.

June 2001 to June 2003 Vice President, Corporate Strategy Division
Japan Tobacco Inc.

April 1981 Joined Japan Tobacco and Salt Public Corporation

EDUCATION BACKGROUND :

1981 Bachelor, Faculty of Economics
The University of Tokyo
Tokyo, Japan

BIOGRAPHY

NAME : Masamichi TERABATAKE

DATE OF BIRTH : November 26, 1965

NATIONALITY: Japanese

BIRTH PLACE : Hiroshima, Japan

PROFESSIONAL EXPERIENCE :

October 2017 to Present Deputy CEO, Executive Vice President,
Business Development & Corporate Strategy,
JT International S.A.

June 2014 to September 2017 Deputy CEO, Executive Vice President,
Emerging Products & Corporate Strategy,
JT International S.A.

June 2013 to June 2014 Deputy CEO, Executive Vice President, Corporate strategy,
JT International S.A.
Member of the Board, Japan Tobacco Inc.

June 2012 to May 2013 Senior Vice President, Chief Strategy Officer,
Japan Tobacco Inc.

March 2012 to June 2012 Senior Vice President, Chief Strategy Officer and in charge of
Food Business, Japan Tobacco Inc.

June 2011 to February 2012 Senior Vice President, Chief Strategy Officer and in charge of
Food Business, Vice President, Corporate Strategy Division,
Japan Tobacco Inc.

July 2008 to June 2011 Vice President, Corporate Strategy Division,
Japan Tobacco Inc.

July 2005 to June 2008 Vice President, Secretary's Office, Japan Tobacco Inc.

April 1989 Joined Japan Tobacco Inc.

EDUCATION BACKGROUND :

1989 Bachelor, Faculty of Engineering
Kyoto University
Kyoto, Japan

NUMBER OF SHARES HELD : 17,100 shares