



FOR IMMEDIATE RELEASE

Tokyo, September 4, 2018

JT Issues Twelfth, Thirteenth and Fourteenth Series Straight Bonds

Japan Tobacco Inc. (JT) (TSE: 2914) announces today that it has determined the terms of its straight bonds with general mortgage (hereinafter also referred to as “Bond” or “Bonds”) in Japan. The terms of the Bonds are as follows:

The Twelfth Series Straight Bonds with General Mortgage (Five Years)

1. Total amount of issue: 60 billion yen
2. Denomination of each Bond: 100 million yen
3. Interest rate: 0.110% per annum
4. Issue price: 100 yen per face value of 100 yen
5. Redemption price: 100 yen per face value of 100 yen
6. Maturity and Redemption
Final redemption date: September 8, 2023 (Five years)
Redemption prior to maturity: The company may, at any time after the date of payment, purchase the Bonds and have such purchased Bonds canceled.
7. Interest payment dates: March 10 and September 10 of each year
8. Offering period: September 4, 2018
9. Payment date: September 10, 2018
10. Method of offering: Public offering in Japan
11. Mortgage: General mortgage
12. Underwriters: Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and SMBC Nikko Securities Inc. shall serve as the lead-manager; Nomura Securities Co.,Ltd. and Daiwa Securities Co. Ltd. as the manager for this syndication.
13. Place of application: Head and branch offices of underwriters in Japan
14. Book-entry transfer institution: Japan Securities Depository Center, Incorporated
15. Bond administrator: Mizuho bank, Ltd.
16. Ratings: The Bonds have been given ratings of “AA” from Rating and Investment Information, Inc.
17. Use of proceed: Funds are to be used for repayment of short-term debts.

The Thirteenth Series Straight Bonds with General Mortgage (Ten Years)

1. Total amount of issue: 30 billion yen
2. Denomination of each Bond: 100 million yen
3. Interest rate: 0.355% per annum
4. Issue price: 100 yen per face value of 100 yen
5. Redemption price: 100 yen per face value of 100 yen
6. Maturity and Redemption
Final redemption date: September 8, 2028 (Ten years)
Redemption prior to maturity: The company may, at any time after the date of payment, purchase the Bonds and have such purchased Bonds canceled.
7. Interest payment dates: March 10 and September 10 of each year
8. Offering period: September 4, 2018
9. Payment date: September 10, 2018
10. Method of offering: Public offering in Japan
11. Mortgage: General mortgage
12. Underwriters: Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and SMBC Nikko Securities Inc. shall serve as the lead-manager; Nomura Securities Co.,Ltd. and Daiwa Securities Co. Ltd. as the manager for this syndication.
13. Place of application: Head and branch offices of underwriters in Japan
14. Book-entry transfer institution: Japan Securities Depository Center, Incorporated
15. Bond administrator: Mizuho bank, Ltd.
16. Ratings: The Bonds have been given ratings of “AA” from Rating and Investment Information, Inc.
17. Use of proceed: Funds are to be used for repayment of short-term debts.

The Fourteenth Series Straight Bonds with General Mortgage (Twenty Years)

1. Total amount of issue: 10 billion yen
2. Denomination of each Bond: 100 million yen
3. Interest rate: 0.758% per annum
4. Issue price: 100 yen per face value of 100 yen
5. Redemption price: 100 yen per face value of 100 yen
6. Maturity and Redemption
Final redemption date: September 10, 2038 (Twenty Years)
Redemption prior to maturity: The company may, at any time after the date of payment, purchase the Bonds and have such purchased Bonds canceled.
7. Interest payment dates: March 10 and September 10 of each year
8. Offering period: September 4, 2018
9. Payment date: September 10, 2018
10. Method of offering: Public offering in Japan
11. Mortgage: General mortgage
12. Underwriters: Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and SMBC Nikko Securities Inc. shall serve as the lead-manager; Nomura Securities Co.,Ltd. and Daiwa Securities Co. Ltd. as the manager for this syndication.
13. Place of application: Head and branch offices of underwriters in Japan
14. Book-entry transfer institution: Japan Securities Depository Center, Incorporated
15. Bond administrator: Mizuho bank, Ltd.
16. Ratings: The Bonds have been given ratings of “AA” from Rating and Investment Information, Inc.
17. Use of proceed: Funds are to be used for repayment of short-term debts.

Note: This press release is intended as general information regarding Japan Tobacco Inc.'s issuance of straight Bonds with general mortgage and shall not be considered an offering of securities. This press release shall not be construed as an offering of securities in any region including the United States or Canada. The securities will not be or have not been registered under the Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the Securities Act.

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Japan Tobacco Inc. is a leading international tobacco company with operations in more than 130 countries. With close to 60,000 employees, it manufactures and sells some of the world's best-known brands including Winston, Camel, MEVIUS and LD. The JT Group is committed to investing in Reduced-Risk Products (RRP) and currently markets Ploom TECH, its tobacco vapor product, and various e-cigarette products under the Logic brand. The Group is also present in the pharmaceutical and processed food businesses. For more information, visit <https://www.jt.com/>.

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