



FOR IMMEDIATE RELEASE

Tokyo, February 7, 2019

Notice Concerning the Decision of Share Buybacks

(Share buybacks pursuant to the Articles of Incorporation
based on the provision of paragraph 2 of Article 165 of the Companies Act)

Japan Tobacco Inc. (JT) (TSE: 2914) announced that the Board of Directors has made a resolution on particulars related to the acquisition of the Company's own shares on February 7, 2019 as stated below, pursuant to the provision of Article 156 of the Companies Act, which is applied under the Act's provision of paragraph 3 of Article 165.

1. Reason for share buybacks

Based on Shareholder Return Policy, the Company will conduct share buybacks as part of the shareholder return.

(Shareholder Return Policy)

Aim to enhance shareholder returns considering the Company's mid- to long-term profit growth trend, while maintaining a strong financial base¹ which enables to manage possible environmental changes even while continuously conducting proactive business investments. The details are as follows.

- Work toward stable and consistent growth in dividend per share
- Consider implementing a share buy-back program, taking into account the Company's mid-term operating environment and financial outlook
- Continue to closely monitor shareholder returns of global FMCG companies²

2. Details of share buybacks

- Type of shares: Common stock
- Number of shares: Up to 23,000,000 shares
(1.28% of the total shares issued and outstanding excluding the Company's own shares)
- Total amount: Up to Yen 50,000,000,000
- Period: From February 8, 2019 to April 22, 2019
- Method of repurchase: Purchase on the stock exchange via trust bank

(Reference)

The Company's own shares held as of December 31, 2018

- Total number of the Company's shares issued and outstanding (excluding the Company's own shares): 1,791,423,359 shares
- Number of the Company's own shares held: 208,576,641 shares

¹ As its financial policy, the Company will maintain a strong financial base that secures stability in case of changes in business environment such as economic crises and flexibility enabling expeditious responses to business investment opportunities.

² A global Fast-Moving Consumer Goods (daily consumer goods) company which has a stakeholder model similar to our "4S" model, and has realized strong business growth.

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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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