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FOR IMMEDIATE RELEASE

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Notice Concerning the Decision by the Quebec Court of Appeal

Japan Tobacco Inc. (JT) (TSE: 2914) today announced that on March 1 the Quebec Court of Appeal has dismissed an appeal by JTI-Macdonald Corp. (JTI-MC), a member of the JT Group, and other Canadian tobacco manufacturers in two class action lawsuits heard together in Montreal.

The Quebec Court of Appeal has substantively upheld the decision of the Superior Court, finding JTI-MC liable for \$1.77 billion (CAD). JTI-MC is currently reviewing the judgement and is considering all options, including asking for permission to appeal the decision to the Supreme Court of Canada.

The decision follows an appeal by JTI-MC and other Canadian tobacco manufacturers to a judgment released in June 2015 by the Quebec Superior Court. JTI-MC was ordered to pay about \$2 billion (CAD) in the judgment.

JTI-MC is the only JT Group company that is a party to these proceedings.

JT will issue a statement concerning JTI-MC's response to the decision once it has had an opportunity to review the judgment in detail.

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Japan Tobacco Inc. is a leading international tobacco company with operations in more than 130 countries. With over 63,000 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 its tobacco vapor products under the Ploom brand 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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