JT

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

FOR IMMEDIATE RELEASE

Tokyo, July 4, 2019

JT expands Ploom S sales area nationwide

Japan Tobacco Inc.(JT)(TSE:2914) announces that it will launch nationwide sales of Ploom S, a Heated Tobacco product, and three types of Ploom S tobacco sticks, gradually from August 5, 2019. Sales will start in convenience stores and tobacco retail stores. A selected number of tobacco retail stores will start upfront sales on July 22.

JT does not anticipate this announcement has any material impact on the Group's consolidated performance for the fiscal year 2019.

For detailed information, please see the attachment

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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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Japan Tobacco Inc.(JT)(TSE:2914) will be launching nationwide sales of Ploom S, a Heated Tobacco product, and three types of Ploom S tobacco sticks, gradually from August 5, 2019. Sales will start in approximately 57,000 convenience stores and 2,200 tobacco retail stores. A selected number of tobacco retail stores will start upfront sales on July 22. Additionally, since June 4, JT embarked on a campaign of Ploom S STARTER KIT sales at half price, 3,990 yen, while the regular retail price is 7,980 yen. With the expansion of sales area, the campaign will be extended to convenience stores and tobacco retail stores nationwide.

"We are delighted to expand the sales area of Ploom S. We can now provide a line-up of all 3 Ploom products, Ploom TECH, Ploom TECH+, and Ploom S, to consumers nationwide. We will continue to offer consumers choices to enjoy tobacco vapor products," said Masanao Takahashi, Vice President of the Marketing Group Product & Brand Division.

About Ploom S

Ploom S, a Heated Tobacco product, enables consumers to enjoy a superior taste of tobacco leaves through

JT's unique "Authentic Tobacco Flavoring Method" and the most suitable heating temperature, while

reducing the some smell. Compared to cigarettes, it produces less than 5% odor¹ and a more than 90%

reduction² in the levels of measured potentially harmful constituents.

<Pre><Pre>oduct Information>

Ploom S STARTER KIT: Device, AC adapter, Micro USB cable are included³ (Available at

approximately 57,000 convenience stores and 2,200 tobacco retail stores from August 5, 2019)

Heating type: High temperature heating (about 200 degrees⁴)

Color: Black and White

Recommended Retail Price: 7,980 yen (tax included)

*1: Results of the research based on the three-point comparative odor intensity indication method by six people who have passed the olfactory test. Cigarette

smoke and Ploom S tobacco vapor, which contains constituents derived from tobacco leaves, were diluted with odorless air in the bags, and the odor of each bag

was statistically quantified as the "dilution factor of just no odor".

*2: It does not imply that the health risk associated with the use of the product is relatively small compared with that of cigarettes. It compares the amounts of

nine constituents, the WHO recommends to reduce as a priority, which are contained in one puff of cigarette smoke and one puff of a tobacco vapor of Ploom S.

Standard test cigarette (3R4F) was selected as the test cigarette product.

*3 The Starter kit containing a cleaning stick is will be available in a limited quantity.

*4 The temperature inside the tobacco stick when used is about 200°C.

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