[This is an English translation of summarized consolidated financial results prepared for the convenience of non-resident shareholders. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail. Please refer to the supplementary document "Overview of Consolidated Financial Results for FY 3/2013 and Full-term Forecast for FY 3/2014" and JT's website (http://www.jti.co.jp/) for other information.]

April 25, 2013

Consolidated Financial Results for the Fiscal Year Ended March 31, 2013 <under IFRS>

Name of the Listed Company: **JAPAN TOBACCO INC.** (Stock Code: 2914)
Listed Stock Exchanges: Tokyo and Osaka Stock Exchanges
URL: http://www.jti.co.jp/
Representative: Mitsuomi Koizumi, President, Chief Executive Officer and Representative Director
Contact: Yasuyuki Tanaka, Senior Vice President and Chief Communications Officer
Telephone: +81-3-3582-3111
Scheduled date of Annual General Meeting of Shareholders: June 21, 2013
Scheduled date to file Securities Report: June 21, 2013
Scheduled starting date of the dividend payments: June 24, 2013
Drawing up supplementary documents on financial results: Yes
Holding investors' meeting: Yes (for analysts and institutional investors)

(Yen amounts are rounded to the nearest million, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2013 (from April 1, 2012 to March 31, 2013)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before income taxes		Profit for the year	
Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2013	2,120,196	4.2	532,360	15.9	509,560	15.5	351,518	7.0
March 31, 2012	2,033,825	(1.2)	459,180	14.4	441,355	14.6	328,559	32.1

	Profit attributable to owners of the parent company		Comprehensive income for the year		Basic earnings per share	Diluted earnings per share
Year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
March 31, 2013	343,612	7.1	544,356	183.3	181.07	180.99
March 31, 2012	320,883	31.9	192,143	–	168.50	168.44

	Ratio of profit to equity attributable to owners of the parent company	Ratio of profit before income taxes to total assets	Ratio of operating profit to revenue
Year ended	%	%	%
March 31, 2013	20.0	13.6	25.1
March 31, 2012	20.3	12.1	22.6

Reference: Share of profit (loss) in investments accounted for using the equity method:
Fiscal year ended March 31, 2013: ¥2,775 million; Fiscal year ended March 31, 2012: ¥2,047 million

Note: The Company conducted a share split at a ratio of 200 to one with July 1, 2012 as effective date. Consequently, basic earnings per share and diluted earnings per share are calculated on the assumption that this share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company to total assets	Equity attributable to owners of the parent company per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2013	3,852,639	1,892,012	1,806,125	46.9	993.75
March 31, 2012	3,667,007	1,714,626	1,634,050	44.6	858.09

Note: The Company conducted a share split at a ratio of 200 to one with July 1, 2012 as effective date. Consequently, equity attributable to owners of the parent company per share is calculated on the assumption that this share split was conducted at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Net cash flows from (used in) operating activities	Net cash flows from (used in) investing activities	Net cash flows from (used in) financing activities	Cash and cash equivalents at the end of the year
Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2013	466,608	(147,928)	(569,473)	142,713
March 31, 2012	551,573	(103,805)	(279,064)	404,740

2. Cash dividends

	Annual dividends per share					Total amount of dividends (total)	Payout ratio (consolidated)	Ratio of dividends to equity attributable to owners of the parent company (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2012	-	4,000.00	-	6,000.00	10,000.00	95,215	29.7	6.0
Year ended March 31, 2013	-	30.00	-	38.00	68.00	126,193	37.6	7.3
Year ending March 31, 2014 (Forecast)	-	46.00	-	46.00	92.00		40.3	

Note: The Company conducted a share split at a ratio of 200 to one with July 1, 2012 as effective date. Consequently, payout ratio (consolidated) and ratio of dividends to equity attributable to owners of the parent company (consolidated) are calculated on the assumption that this share split was conducted at the beginning of the previous fiscal year. However, the figures presented for annual dividends per share for the fiscal year ended March 31, 2012 are those from before this share split was conducted.

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before income taxes		Profit for the year		Profit attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2014	2,368,000	11.7	616,000	15.7	598,000	17.4	423,000	20.3	415,000	20.8	228.34

Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): Yes
Excluded: One company (Name: JT Canada LLC II Inc.)

(2) Changes in accounting policies and changes in accounting estimates
a. Changes in accounting policies due to revisions in accounting standards under IFRS: None
b. Changes in accounting policies due to other reasons: None
c. Changes in accounting estimates: None

(3) Number of shares issued (common stock)
a. Total number of shares issued at the end of the period (including treasury shares)

As of March 31, 2013	2,000,000,000 shares
As of March 31, 2012	2,000,000,000 shares

b. Number of treasury shares at the end of the period

As of March 31, 2013	182,510,100 shares
As of March 31, 2012	95,705,200 shares

c. Average number of shares during the period

Fiscal year ended March 31, 2013	1,897,635,824 shares
Fiscal year ended March 31, 2012	1,904,294,800 shares

Note: The Company conducted a share split at a ratio of 200 to one with July 1, 2012 as effective date. Consequently, number of shares is calculated on the assumption that this share split was conducted at the beginning of the previous fiscal year.

(Reference) Summary of non-consolidated results

Non-consolidated financial results for the fiscal year ended March 31, 2013 (from April 1, 2012 to March 31, 2013) <under Japanese GAAP>

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2013	781,067	6.3	209,157	4.0	210,568	6.3	149,773	4.9
March 31, 2012	734,902	(1.9)	201,045	8.4	198,071	8.3	142,726	343.0

	Net income per share	Diluted net income per share
Year ended	Yen	Yen
March 31, 2013	78.93	78.89
March 31, 2012	74.95	74.92

Note: The Company conducted a share split at a ratio of 200 to one with July 1, 2012 as effective date. Consequently, net income per share and diluted net income per share are calculated on the assumption that this share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2013	2,784,914	1,714,529	61.5	942.65
March 31, 2012	3,016,651	1,924,739	63.8	1,010.20

Reference: Equity:
As of March 31, 2013: ¥1,713,255 million; As of March 31, 2012: ¥1,923,711 million

Note: The Company conducted a share split at a ratio of 200 to one with July 1, 2012 as effective date. Consequently, net assets per share are calculated on the assumption that this share split was conducted at the beginning of the previous fiscal year.

Note: Figures above in the table of non-consolidated financial results are prepared in accordance with Japanese GAAP.

* Indication regarding execution of audit procedures

At the time of disclosure of this financial results report, the audit procedures for financial statements in accordance with the Financial Instruments and Exchange Act are in progress.

* Proper use of earnings forecasts, and other special matters

(1) The forward-looking statements, including forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may differ substantially due to various factors. These forward-looking statements are not intended to be construed as our assurance for it to materialize in the future. Please refer to "Forward-looking and cautionary statements" on page 5 and in the supplementary document to the investors' meeting, "Overview of Consolidated Financial Results for FY 3/2013 and Full-term Forecast for FY 3/2014" for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use of earnings forecasts.

(2) The Company conducted a share split at a ratio of 200 to one with July 1, 2012 as effective date.

(3) Please refer to JT's website (http://www.jti.co.jp/) for materials for investors' meeting.

Forward-looking and cautionary statements

This material contains forward-looking statements about the business results of the Company and the JT Group. These forward-looking statements may include such expressions as “we believe,” “we expect,” “we anticipate,” “we forecast,” “we foresee,” “plan,” “strategy” and “possibility,” as well as similar expressions about future business activities, business results, events or assumed conditions. Forward-looking statements are provided on the basis of the judgments, predictions, expectations, plans, perceptions and evaluations, etc., of management based on the information that is currently available. These forward-looking statements are not intended to be construed as our assurance for it to materialize in the future, and we assume no duty or obligation to update any forward-looking statement or to advise of any change in the assumptions and factors on which they are based. Furthermore, forward-looking statements are subject to a wide range of risks and uncertainties, and actual business results may differ materially from the projections in the forward-looking statements. At present, the main envisaged risks and uncertainties or other factors that could cause actual results to differ materially from those expressed in any forward-looking statement include, without limitation:

1 health concerns relating to the use of tobacco products;
2 legal or regulatory developments and changes, including, without limitation, tax increases and restrictions on the sale of tobacco products, obligations to purchase leaf tobacco sourced in Japan, restrictions on packaging and labeling, restrictions on the marketing and usage of tobacco products, and governmental investigations and privately imposed smoking restrictions;
3 litigation in Japan and elsewhere;
4 our ability to further diversify our business beyond the tobacco industry;
5 our ability to successfully expand internationally and make investments outside of Japan;
6 competition, changing consumer preferences and decreasing tobacco demand;
7 the impact of any acquisitions or similar transactions;
8 local and global economic conditions;
9 fluctuations in foreign exchange rates and the costs of raw materials; and
10 natural disasters and other contingency situations.

Consolidated financial statements (IFRS)

(1) Consolidated statement of financial position

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and cash equivalents	404,740	142,713
Trade and other receivables	327,767	387,837
Inventories	446,617	473,042
Other financial assets	27,361	29,103
Other current assets	123,163	177,858
Subtotal	1,329,649	1,210,552
Non-current assets held-for-sale	1,401	2,594
Total current assets	1,331,050	1,213,146
Non-current assets		
Property, plant and equipment	619,536	672,316
Goodwill	1,110,046	1,316,476
Intangible assets	306,448	348,813
Investment property	67,387	58,995
Retirement benefit assets	14,371	14,825
Investments accounted for using the equity method	18,447	22,940
Other financial assets	67,548	71,781
Deferred tax assets	132,174	133,348
Total non-current assets	2,335,957	2,639,493
Total assets	3,667,007	3,852,639

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	298,663	312,741
Bonds and borrowings	211,766	44,301
Income tax payables	42,501	85,714
Other financial liabilities	8,039	8,550
Provisions	5,686	5,256
Other current liabilities	590,717	656,305
Subtotal	1,157,373	1,112,867
Liabilities directly associated with non-current assets held-for-sale	101	101
Total current liabilities	1,157,474	1,112,968
Non-current liabilities		
Bonds and borrowings	279,750	270,399
Other financial liabilities	20,994	18,844
Retirement benefit liabilities	315,020	343,095
Provisions	4,448	4,786
Other non-current liabilities	92,235	113,226
Deferred tax liabilities	82,460	97,309
Total non-current liabilities	794,906	847,658
Total liabilities	1,952,380	1,960,627
Equity		
Share capital	100,000	100,000
Capital surplus	736,410	736,411
Treasury shares	(94,574)	(344,573)
Other components of equity	(376,363)	(155,462)
Retained earnings	1,268,577	1,469,749
Equity attributable to owners of the parent company	1,634,050	1,806,125
Non-controlling interests	80,576	85,887
Total equity	1,714,626	1,892,012
Total liabilities and equity	3,667,007	3,852,639

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Revenue	2,033,825	2,120,196
Cost of sales	(892,034)	(899,392)
Gross profit	1,141,791	1,220,804
Other operating income	48,512	42,165
Share of profit in investments accounted for using the equity method	2,047	2,775
Selling, general and administrative expenses	(733,169)	(733,385)
Operating profit	459,180	532,360
Financial income	5,603	5,493
Financial costs	(23,429)	(28,292)
Profit before income taxes	441,355	509,560
Income taxes	(112,795)	(158,042)
Profit for the year	328,559	351,518
Attributable to:		
Owners of the parent company	320,883	343,612
Non-controlling interests	7,676	7,906
Profit for the year	328,559	351,518
Earnings per share		
Basic (Yen)	168.50	181.07
Diluted (Yen)	168.44	180.99

Reconciliation from operating profit to Adjusted EBITDA

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Operating profit	459,180	532,360
Depreciation and amortization	118,845	116,462
Adjustment items (income)	(29,932)	(34,234)
Adjustment items (costs)	29,039	7,536
Adjusted EBITDA	577,132	622,124

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Profit for the year	328,559	351,518
Other comprehensive income		
Exchange differences on translation of foreign operations	(130,331)	216,118
Net gain (loss) on derivatives designated as cash flow hedges	(166)	121
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	4,750	4,799
Actuarial gains (losses) on defined benefit retirement plans	(10,669)	(28,200)
Other comprehensive income (loss), net of taxes	(136,416)	192,838
Comprehensive income (loss) for the year	192,143	544,356
Attributable to:		
Owners of the parent company	185,425	536,068
Non-controlling interests	6,718	8,288
Comprehensive income (loss) for the year	192,143	544,356

(3) Consolidated statement of changes in equity

(Millions of yen)

	Equity attributable to owners of the parent company						
				Other components of equity			
	Share capital	Capital surplus	Treasury shares	Subscription rights to share	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges	Net gain (loss) on revaluation of available-for-sale securities
As of April 1, 2011	100,000	736,410	(94,574)	763	(257,262)	–	5,754
Cumulative effect of applying a new accounting standard	–	–	–	–	–	(142)	(5,754)
Profit for the year	–	–	–	–	–	–	–
Other comprehensive income (loss)	–	–	–	–	(129,966)	(166)	–
Comprehensive income (loss) for the year	–	–	–	–	(129,966)	(166)	–
Acquisition of treasury shares	–	–	–	–	–	–	–
Disposal of treasury shares	–	–	–	–	–	–	–
Share-based payments	–	–	–	265	–	–	–
Dividends	–	–	–	–	–	–	–
Changes in the ownership interest in a subsidiary without a loss of control	–	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	–	–	–
Other increase (decrease)	–	–	–	–	–	–	–
Total transactions with the owners	–	–	–	265	–	–	–
As of March 31, 2012	100,000	736,410	(94,574)	1,028	(387,228)	(309)	–
Profit for the year	–	–	–	–	–	–	–
Other comprehensive income (loss)	–	–	–	–	215,845	121	–
Comprehensive income (loss) for the year	–	–	–	–	215,845	121	–
Acquisition of treasury shares	–	–	(250,000)	–	–	–	–
Disposal of treasury shares	–	1	1	(2)	–	–	–
Share-based payments	–	–	–	247	–	–	–
Dividends	–	–	–	–	–	–	–
Changes in the ownership interest in a subsidiary without a loss of control	–	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	–	–	–
Other increase (decrease)	–	–	–	–	–	–	–
Total transactions with the owners	–	1	(249,999)	245	–	–	–
As of March 31, 2013	100,000	736,411	(344,573)	1,274	(171,383)	(187)	–

(Millions of yen)

	Equity attributable to owners of the parent company						
	Other components of equity						
	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Actuarial gains (losses) on defined benefit retirement plans	Total	Retained earnings	Total	Non-controlling interests	Total equity
As of April 1, 2011	–	–	(250,745)	1,034,054	1,525,145	76,166	1,601,311
Cumulative effect of applying a new accounting standard	5,551	–	(344)	97	(247)	47	(201)
Profit for the year	–	–	–	320,883	320,883	7,676	328,559
Other comprehensive income (loss)	4,684	(10,009)	(135,458)	—	(135,458)	(958)	(136,416)
Comprehensive income (loss) for the year	4,684	(10,009)	(135,458)	320,883	185,425	6,718	192,143
Acquisition of treasury shares	–	–	–	–	–	–	–
Disposal of treasury shares	–	–	–	–	–	–	–
Share-based payments	–	–	265	–	265	–	265
Dividends	–	–	–	(76,172)	(76,172)	(2,138)	(78,310)
Changes in the ownership interest in a subsidiary without a loss of control	–	–	–	(366)	(366)	(137)	(503)
Transfer from other components of equity to retained earnings	(89)	10,009	9,920	(9,920)	–	–	–
Other increase (decrease)	–	–	–	–	–	(80)	(80)
Total transactions with the owners	(89)	10,009	10,185	(86,458)	(76,273)	(2,355)	(78,628)
As of March 31, 2012	10,146	–	(376,363)	1,268,577	1,634,050	80,576	1,714,626
Profit for the year	–	–	–	343,612	343,612	7,906	351,518
Other comprehensive income (loss)	4,691	(28,201)	192,456	—	192,456	382	192,838
Comprehensive income (loss) for the year	4,691	(28,201)	192,456	343,612	536,068	8,288	544,356
Acquisition of treasury shares	–	–	–	–	(250,000)	–	(250,000)
Disposal of treasury shares	–	–	(2)	–	0	–	0
Share-based payments	–	–	247	–	247	–	247
Dividends	–	–	–	(114,258)	(114,258)	(4,061)	(118,319)
Changes in the ownership interest in a subsidiary without a loss of control	–	–	–	17	17	(522)	(505)
Transfer from other components of equity to retained earnings	(2)	28,201	28,199	(28,199)	–	–	–
Other increase (decrease)	–	–	–	–	–	1,606	1,606
Total transactions with the owners	(2)	28,201	28,444	(142,439)	(363,993)	(2,977)	(366,970)
As of March 31, 2013	14,835	–	(155,462)	1,469,749	1,806,125	85,887	1,892,012

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Cash flows from operating activities		
Profit before income taxes	441,355	509,560
Depreciation and amortization	118,845	116,462
Impairment losses	7,013	3,213
Interest and dividend income	(3,646)	(5,137)
Interest expense	14,377	10,134
Share of profit in investments accounted for using the equity method	(2,047)	(2,775)
(Gain) loss on sale and disposal of property, plant and equipment, intangible assets, and investment property	(22,444)	(29,218)
(Increase) decrease in trade and other receivables	(30,207)	(24,118)
(Increase) decrease in inventories	27,388	10,791
Increase (decrease) in trade and other payables	(5,365)	1,576
Increase (decrease) in retirement benefit liabilities	(9,686)	(15,350)
(Increase) decrease in prepaid tobacco excise taxes	(1,785)	(31,377)
Increase (decrease) in tobacco excise tax payable	148,260	12,802
Increase (decrease) in consumption tax payable	14,807	(3,093)
Other	(13,002)	16,334
Subtotal	683,863	569,804
Interest and dividends received	6,181	6,764
Interest paid	(16,006)	(8,703)
Income taxes paid	(122,464)	(101,258)
Net cash flows from operating activities	551,573	466,608
Cash flows from investing activities		
Purchase of securities	(5,697)	(19,161)
Proceeds from sale and redemption of securities	21,622	3,426
Purchase of property, plant and equipment	(95,705)	(114,240)
Proceeds from sale of investment property	34,545	33,425
Purchase of intangible assets	(18,252)	(18,611)
Payments into time deposits	(46,648)	(26,647)
Proceeds from withdrawal of time deposits	34,854	45,665
Purchase of investments in subsidiaries	(33,622)	(54,128)
Proceeds from sale ofinvestments in subsidiaries	730	–
Other	4,369	2,343
Net cash flows used in investing activities	(103,805)	(147,928)

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Cash flows from financing activities		
Dividends paid to owners of the parent company	(76,165)	(114,236)
Dividends paid to non-controlling interests	(2,138)	(4,009)
Capital contribution from non-controlling interests	629	216
Increase (decrease) in short-term borrowings and commercial paper	(2,408)	(23,012)
Proceeds from long-term borrowings	–	518
Repayments of long-term borrowings	(59,879)	(81,165)
Redemption of bonds	(133,333)	(92,466)
Repayments of finance lease obligations	(5,268)	(4,814)
Acquisition of treasury shares	–	(250,000)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(503)	(505)
Other	–	0
Net cash flows used in financing activities	(279,064)	(569,473)
Net increase (decrease) in cash and cash equivalents	168,704	(250,793)
Cash and cash equivalents at the beginning of the year	244,240	404,740
Effect of exchange rate changes on cash and cash equivalents	(8,204)	(11,235)
Cash and cash equivalents at the end of the year	404,740	142,713

(5) Notes on premise of going concern

No items to report.

(6) Notes to consolidated financial statements

(Segment information)

a. Outline of reportable segments

The reportable segments of the JT Group are determined based on the operating segments that are components of the JT Group about which separate financial information is available and are evaluated regularly by the Board of Directors in deciding how to allocate resources and in assessing performance.

The JT Group is mainly engaged in the manufacture and sale of tobacco products, prescription drugs, beverages and processed foods. With respect to tobacco products, operations are managed separately for domestic and overseas markets. The reportable segments of the JT Group are composed of five segments: "Domestic Tobacco Business," "International Tobacco Business," "Pharmaceutical Business," "Beverage Business" and "Processed Food Business." They are determined by types of products, characteristics, and markets.

The Group changed its organization structure effective July 1, 2012, and the "Beverage Business" and the "Processed Food Business," which were previously combined in "Food Business," became individual reportable segments used by management in deciding how to allocate resources and in assessing performance. Accordingly, separate segment disclosures for the "Beverage Business" and the "Processed Food Business" have been included in the segment information since the second quarter ended September 30, 2012. The comparative segment information for the fiscal year ended March 31, 2012 is retrospectively adjusted.

The "Domestic Tobacco Business" manufactures and sells tobacco products in domestic areas (which include duty-free shops in Japan and markets in China, Hong Kong, and Macau where the Company's China Division operates). The "International Tobacco Business" manufactures and sells tobacco products overseas mainly through JT International S.A., which controls manufacturing and sales operations. The "Pharmaceutical Business" consists of research and development, and the manufacture and sale of prescription drugs. The "Beverage Business" consists of the manufacture and sale of beverages. The "Processed Food Business" consists of the manufacture and sale of processed foods and seasonings.

b. Revenues and performances for reportable segments
Revenues and performances for reportable segments are as follows. The Board of Directors assesses the segment performance and determines resource allocation after reviewing revenues and adjusted EBITDA. Since financial income, financial costs and income taxes are managed by the JT Group head office, these income and expenses are excluded from the segment performance. Transactions within the segments are based on mainly the prevailing market price.

For the fiscal year ended March 31, 2012

(Millions of yen)

	Reportable Segments								
	Domestic Tobacco	International Tobacco (Note 2)	Pharmaceutical	Beverage	Processed Food	Total	Other (Note 3)	Elimination	Consolidated
Revenue									
External revenue (Note 4)	646,187	966,255	47,407	188,768	170,652	2,019,269	14,556	–	2,033,825
Intersegment revenue	28,115	27,497	–	85	770	56,467	9,257	(65,724)	–
Total revenue	674,303	993,752	47,407	188,853	171,422	2,075,736	23,813	(65,724)	2,033,825
Segment profit (loss)									
Adjusted EBITDA (Note 1)	262,257	314,755	(10,031)	14,584	5,416	586,981	(8,852)	(997)	577,132
Other items									
Depreciation and amortization	39,567	55,227	3,465	10,092	7,436	115,788	3,376	(319)	118,845
Impairment losses on other than financial assets	314	4,610	–	–	413	5,336	1,677	–	7,013
Reversal of impairment losses on other than financial assets	5	–	–	–	77	82	–	–	82
Share of profit (loss) in investments accounted for using the equity method	31	1,922	–	–	13	1,966	81	–	2,047
Capital expenditures	56,224	39,141	3,897	8,102	7,308	114,671	4,321	(0)	118,992

For the fiscal year ended March 31, 2013

(Millions of yen)

	Reportable Segments								
	Domestic Tobacco	International Tobacco (Note 2)	Pharmaceutical	Beverage	Processed Food	Total	Other (Note 3)	Elimination	Consolidated
Revenue									
External revenue (Note 4)	687,138	1,010,655	53,158	185,478	168,747	2,105,177	15,019	–	2,120,196
Intersegment revenue	28,402	31,029	–	108	647	60,186	9,398	(69,583)	–
Total revenue	715,541	1,041,683	53,158	185,586	169,394	2,165,362	24,417	(69,583)	2,120,196
Segment profit (loss)									
Adjusted EBITDA (Note 1)	281,320	343,304	(12,720)	12,429	7,357	631,691	(8,971)	(595)	622,124
Other items									
Depreciation and amortization	41,074	51,101	3,440	10,072	7,141	112,828	3,947	(313)	116,462
Impairment losses on other than financial assets	14	322	–	–	1,248	1,584	1,629	–	3,213
Reversal of impairment losses on other than financial assets	–	–	–	–	–	–	–	–	–
Share of profit (loss) in investments accounted for using the equity method	48	2,685	–	–	(11)	2,722	54	–	2,775
Capital expenditures	71,238	37,504	5,761	12,029	4,596	131,128	6,527	(206)	137,450

Reconciliation from Adjusted EBITDA to profit before income taxes

For the fiscal year ended March 31, 2012

(Millions of yen)

	Reportable Segments								
	Domestic Tobacco	International Tobacco (Note 2)	Pharmaceutical	Beverage	Processed Food	Total	Other (Note 3)	Elimination	Consolidated
Adjusted EBITDA (Note 1)	262,257	314,755	(10,031)	14,584	5,416	586,981	(8,852)	(997)	577,132
Depreciation and amortization	(39,567)	(55,227)	(3,465)	(10,092)	(7,436)	(115,788)	(3,376)	319	(118,845)
Adjustment items (income) (Note 5)	–	564	–	–	–	564	29,368	–	29,932
Adjustment items (costs) (Note 5)	(13,426)	(7,737)	–	–	(434)	(21,597)	(7,443)	–	(29,039)
Operating profit (loss)	209,265	252,355	(13,497)	4,492	(2,454)	450,160	9,697	(677)	459,180
Financial income									5,603
Financial costs									(23,429)
Profit before income taxes									441,355

For the fiscal year ended March 31, 2013

(Millions of yen)

	Reportable Segments								
	Domestic Tobacco	International Tobacco (Note 2)	Pharmaceutical	Beverage	Processed Food	Total	Other (Note 3)	Elimination	Consolidated
Adjusted EBITDA (Note 1)	281,320	343,304	(12,720)	12,429	7,357	631,691	(8,971)	(595)	622,124
Depreciation and amortization	(41,074)	(51,101)	(3,440)	(10,072)	(7,141)	(112,828)	(3,947)	313	(116,462)
Adjustment items (income) (Note 5)	1,200	395	–	–	–	1,595	32,639	–	34,234
Adjustment items (costs) (Note 5)	(154)	(3,057)	–	–	(6,039)	(9,250)	1,714	–	(7,536)
Operating profit (loss)	241,292	289,541	(16,160)	2,357	(5,822)	511,208	21,434	(282)	532,360
Financial income									5,493
Financial costs									(28,292)
Profit before income taxes									509,560

Notes: 1. For Adjusted EBITDA, depreciation and amortization and adjustment items (income and costs) are excluded from operating profit (loss).

2. The foreign subsidiaries group, which includes a core company of JT International S.A., that is part of the "International Tobacco Business" segment has December 31 as its fiscal year end date and the profit or loss for the period from January 1 to December 31 is included in the fiscal years ended March 31, 2012 and 2013, respectively.

3. "Other" includes business activities relating to rent of real estate and corporate expenses relating to corporate communication and operation of the head office.

4. Core revenue as part of the domestic tobacco business and the international tobacco business are as follows:

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Domestic Tobacco	611,925	654,000
International Tobacco	894,636	943,094

5. "Adjustment items (income)" include restructuring income of gain on sale of real estates. "Adjustment items (costs)" include restructuring costs of the closing down of the factory, the impact from revision to laws and regulations related to the mutual aid pension benefits system, cooperation fee for terminating leaf tobacco farming, and adjustments resulting from the ceasing of classification of non-current assets held-for-sale.

The breakdown of adjustment items (costs) is as follows:

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Restructuring costs	14,052	11,811
Effect of revision to laws and regulations related to the mutual pension benefits plan	–	(4,279)
Cooperation fee for terminating leaf tobacco farming	12,469	4
Adjustments of ceasing classification as non-current assets held-for-sale	2,518	–
Adjustment items (costs)	29,039	7,536

Restructuring costs for the fiscal year ended March 31, 2012 include costs of closing down of the Hofu factory in the "Domestic Tobacco Business" and the Hainburg factory in the "International Tobacco Business."

Restructuring costs for the fiscal year ended March 31, 2013 include costs of rationalization measures in the "International Tobacco Business" and the dissolution of the processed fishery products business in the "Processed Food Business."

c. Geographic information

The regional breakdown of non-current assets and external revenue are as follows.

Non-current assets

(Millions of yen)

	Fiscal year 2012 As of March 31, 2012	Fiscal year 2013 As of March 31, 2013
Japan	556,102	577,208
Overseas	1,547,315	1,819,391
Consolidated	2,103,417	2,396,599

Note: Non-current assets are segmented by the location of the assets, and financial instruments, deferred tax assets and assets for retirement benefits are excluded.

External revenue

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Japan	1,051,702	1,089,661
Overseas	982,123	1,030,535
Consolidated	2,033,825	2,120,196

Note: The revenue is segmented by the sales destination.

d. Major customers information

The international tobacco business of the JT Group sells products to Megapolis group that engages in distribution and wholesale business in Russia, and other countries. The external revenue from the group is ¥236,050 million (11.6% of consolidated revenue) for the fiscal year ended March 31, 2012 and ¥268,566 million (12.7% of consolidated revenue) for the fiscal year ended March 31, 2013.

(Per share information)

(1) Basis of calculating basic earnings per share

a. Profit attributable to ordinary share holders of the parent company

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Profit attributable to owners of the parent company	320,883	343,612
Profit not attributable to ordinary share holders of the parent company	–	–
Profit used for calculation of basic earnings per share	320,883	343,612

b. Weighted-average number of ordinary shares outstanding during the year

(Thousands of shares)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Weighted-average number of ordinary shares during the year	1,904,295	1,897,636

(2) Basis of calculating diluted earnings per share

a. Profit attributable to diluted ordinary share holders

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Profit used for calculation of basic earnings per share	320,883	343,612
Profit adjustment	–	–
Profit used for calculation of diluted earnings per share	320,883	343,612

b. Weighted-average number of diluted ordinary shares outstanding during the year

(Thousands of shares)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Weighted-average number of ordinary shares during the year	1,904,295	1,897,636
Increased number of ordinary shares under subscription rights to shares	745	918
Weighted-average number of diluted ordinary shares during the year	1,905,040	1,898,553

(3) Adjusted diluted earnings per share

(Millions of yen)

	Fiscal year 2012 (From April 1, 2011 to March 31, 2012)	Fiscal year 2013 (From April 1, 2012 to March 31, 2013)
Profit used for calculation of adjusted diluted earnings per share	320,883	343,612
Adjustment items (income)	(29,932)	(34,234)
Adjustment items (costs)	29,039	7,536
Adjustments on income tax expense and non-controlling interests in relation to the above	2,025	12,772
Income tax expense related to revaluation loss on subsidiaries and associates	(31,207)	–
Adjusted profit for the year	290,808	329,687
Adjusted diluted earnings per share (Yen)	152.65	173.65

The weighted-average number of ordinary shares during the year and the weighted-average number of diluted ordinary shares during the year reflect the effect of the share split conducted at a ratio of 200 to one with June 30, 2012 as record date and July 1, 2012 as effective date.

(Significant events after the reporting period)

No items to report.