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FOR IMMEDIATE RELEASE

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JT Issues Ninth, Tenth and Eleventh Series Straight Bonds

Japan Tobacco Inc. (JT) (TSE: 2914) announced 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 Ninth 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:	0.217% 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:	July 15, 2020 (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:	January 15 and July 15 of each year
8.	Offering period:	July 8, 2015
9.	Payment date:	July 15, 2015
10.	Method of offering:	Public offering in Japan
11.	Mortgage:	General mortgage
12.	Underwriters:	Syndicate headed by Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Mizuho Securities Co., Ltd.
13.	Place of application:	Head and branch offices of underwriters in Japan
14.	Book-entry transfer institution:	Japan Securities Depository Center, Inc.
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 Tenth Series Straight Bonds with General Mortgage (Seven Years)

1.	Total amount of issue:	30 billion yen
2.	Denomination of each Bond:	100 million yen
3.	Interest rate:	0.358% 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:	July 15, 2022 (Seven 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:	January 15 and July 15 of each year
8.	Offering period:	July 8, 2015
9.	Payment date:	July 15, 2015
10.	Method of offering:	Public offering in Japan
11.	Mortgage:	General mortgage
12.	Underwriters:	Syndicate headed by Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Mizuho Securities Co., Ltd.
13.	Place of application:	Head and branch offices of underwriters in Japan
14.	Book-entry transfer institution:	Japan Securities Depository Center, Inc.
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 Eleventh Series Straight Bonds with General Mortgage (10 Years)

1.	Total amount of issue:	25 billion yen
2.	Denomination of each Bond:	100 million yen
3.	Interest rate:	0.599% 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:	July 15, 2025 (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:	January 15 and July 15 of each year
8.	Offering period:	July 8, 2015
9.	Payment date:	July 15, 2015
10.	Method of offering:	Public offering in Japan
11.	Mortgage:	General mortgage
12.	Underwriters:	Syndicate headed by Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Mizuho Securities Co., Ltd.
13.	Place of application:	Head and branch offices of underwriters in Japan
14.	Book-entry transfer institution:	Japan Securities Depository Center, Inc.
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. Its products are sold in over 120 countries and its internationally recognized brands include Winston, Camel, Mevius and LD. With diversified operations, JT is also actively present in pharmaceuticals and processed foods. The company's revenue was ¥2.154 trillion (US$17,867 million(*)) in the fiscal year ended December 31, 2014(**).

**Translated at the rate of ¥120.55 per $1, as of December 31, 2014*
***Due to a change in the accounting period from March 31 to December 31, the fiscal year 2014 covered nine months for Japanese domestic businesses and 12 months for the consolidated subsidiaries which operate the Group's international tobacco business. On a comparable full calendar year basis, revenue was ¥2.433 trillion (US$20,186 million(*)).*

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