[This is an English translation 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.]

August 4, 2015

Company Name: JAPAN TOBACCO INC.
Representative: Mitsuomi Koizumi, President, Chief Executive Officer and Representative Director
(Stock Code: 2914; Stock Exchanges: Tokyo First Section)
Contact: Media and Investor Relations Division
Tel: +81-3-3582-3111 (Main)

Notice Regarding Determination of Certain Terms of Subscription Rights to Shares (Stock Compensation-Type Stock Options)

Japan Tobacco Inc. (JT) announced today that the amount to be paid in and other items related to the subscription rights to shares to be allotted to its Directors (excluding Outside Directors) and Executive Officers *(sikkoyakuin)* announced on July 17, 2015 have been determined, as follows.

1. Name of Subscription Rights to Shares:
Subscription Rights to Shares of Japan Tobacco Inc., 2015

2. Total Number of Subscription Rights to Shares:
576
(200 shares of common stock to be issued for one subscription right to share)

3. Amount to be paid in for Subscription Rights to Shares:
Per subscription right to share ¥711,200
(Per share ¥3,556)

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