[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.]

November 4, 2015

Consolidated Financial Results for the Nine Months Ended September 30, 2015 <under IFRS>

Name of the Listed Company: **JAPAN TOBACCO INC.** (Stock Code: 2914)
Listed Stock Exchange: Tokyo Stock Exchange
URL: http://www.jti.co.jp/
Representative: Mitsuomi Koizumi, President, Chief Executive Officer and Representative Director
Contact: Yuki Maeda, Senior Vice President and Chief Communications Officer
Telephone: +81-3-3582-3111
Scheduled date to file Quarterly Securities Report: November 5, 2015
Scheduled starting date of the dividend payments: –
Drawing up supplementary documents on quarterly financial results: Yes
Holding quarterly 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 nine months of the fiscal year ending December 31, 2015 (from January 1, 2015 to September 30, 2015)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before income taxes		Profit for the period	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2015	1,688,468	-	455,901	-	457,340	-	407,872	-
December 31, 2014	2,019,745	-	499,880	-	502,526	-	368,626	-

	Profit attributable to owners of the parent company		Comprehensive income for the period		Basic earnings per share	Diluted earnings per share
Nine months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2015	404,395	-	195,471	-	225.07	224.93
December 31, 2014	362,919	-	244,868	-	199.67	199.56

The Company has changed its fiscal year end from March 31 to December 31. The same change has been made to consolidated subsidiaries with fiscal year ends other than December 31. In accordance with these changes, the condensed interim consolidated financial statements for the nine months ended December31, 2014 were not prepared. The operating results of the previous fiscal year are presented as "Nine months ended December 31, 2014"instead.Moreover, year-on-year changes are not presented.

The Group classified "Beverage Business" as discontinued operations from the nine months ended September 30, 2015. As a result, profit (loss) from discontinued operations is presented separately from that from continuing operations on the condensed interim consolidated statement of income. Consequently, only revenue, operating profit and profit before income taxes from continuing operations are presented in the nine months ended September 30, 2015 and fiscal year (nine months) ended December 31, 2014.

(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
September 30, 2015	4,404,511	2,509,204	2,440,636	55.4	1,362.94
December 31, 2014	4,704,706	2,622,503	2,536,838	53.9	1,395.74

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2014	-	50.00	-	50.00	100.00
Year ending December 31, 2015	-	54.00	-		
Year ending December 31, 2015 (Forecast)				64.00	118.00

Note: Revisions to the cash dividends forecasts most recently announced: Yes

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2015 (January 1, 2015 to December 31, 2015)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending December 31, 2015	2,250,000	-	554,000	-	474,000	-	264.03

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

On September 29, 2015, JT Group entered into an agreement with the Reynolds American Inc. group of companies ("RAI") to acquire the Natural American Spirit business outside the United States which included the trademarks and all outstanding shares of RAI's subsidiaries outside the U.S. which sold the brand. The transaction is expected to be completed by early 2016 after completing necessary procedures. Consequently, the impact of this transaction is not included in the current consolidated earnings forecasts.

The Company has changed its fiscal year end from March 31 to December 31. The same change has been made to consolidated subsidiaries with fiscal year ends other than December 31. Consequently, year-on-year changes are not presented.

The Group classified "Beverage Business" as discontinued operations from the nine months ended September 30, 2015. As a result, profit (loss) from discontinued operations is presented separately from that from continuing operations on the condensed interim consolidated statement of income. Moreover, same is applied to the consolidated earnings forecasts and only revenue and operating profit from continuing operations are presented in the consolidated earnings forecasts

The forecasts for profit attributable to owners of the parent company and basic earnings per share for continuing operations only are as follows:

- Profit attributable to owners of the parent company 387,000 million yen
- Basic earnings per share 215.57 yen

Notes

(1) Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in change in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates
   a. Changes in accounting policies due to revisions in accounting standards under IFRS: Yes
   b. Changes in accounting policies due to other reasons: None
   c. Changes in accounting estimates: None
   Note: For details, please refer to "Matters regarding summary information (Notes), (2) Changes in accounting policies and changes in accounting estimates" on page 4.

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

As of September 30, 2015	2,000,000,000	shares
As of December 31, 2014	2,000,000,000	shares

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

As of September 30, 2015	209,290,431	shares
As of December 31, 2014	182,443,388	shares

   c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2015	1,796,783,900	shares
Nine months ended December 31, 2014	1,817,552,790	shares

The Company has changed its fiscal year end from March 31 to December 31. The same change has been made to consolidated subsidiaries with fiscal year ends other than December 31. In accordance with these changes, the condensed interim consolidated financial statements for the nine months ended December31, 2014 were not prepared. The average number of shares of the previous fiscal year is presented as that of "Nine months ended December 31, 2014" instead.

* Indication regarding execution of quarterly review procedures

At the time of disclosure of this quarterly financial results report, the review procedures for quarterly financial statements in accordance with the Financial Instruments and Exchange Act have been completed.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions and suppositions 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 STATEMENTS" for the assumptions and suppositions that form the assumptions for earnings forecasts and cautions concerning the use of earnings forecasts.

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

Matters regarding summary information (Notes)

(1) Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in change in scope of consolidation)

No items to report

(2) Changes in accounting policies and changes in accounting estimates

The significant accounting policies adopted for the condensed interim consolidated financial statements are the same as those for the consolidated financial statements for the fiscal year ended December 31, 2014, with the exception of the items described below.

The Group calculated income taxes for the nine months ended September 30, 2015, based on the estimated average annual effective tax rate.

(Changes in accounting policies)

The accounting standards and interpretations applied by the Group effective from the first quarter ended March 31, 2015, are as follows.

IFRS		Description of new standards/amendments
IFRS 9	Financial Instruments (Amended November 2013)	Amendment of hedge accounting
IAS 19	Employee Benefits	Clarification of the accounting treatment of contributions from employees or third parties that are required under the rules of a defined benefit plan

The effect of the application of the above standards and interpretations on the condensed interim consolidated financial statements is immaterial.

Of those mentioned above, the IFRS 9 amendment has been applied early.

* In addition to the information provided above, reference information regarding settlement of accounts and earnings forecasts are separately provided in the supplementary document “Consolidated financial results for FY2015 Third Quarter.”

FORWARD-LOOKING STATEMENTS

This material contains forward-looking statements. These statements appear in a number of places in this presentation and include statements regarding the intent, belief, or current and future expectations of our management with respect to our business, financial condition and results of operations. In some cases, you can identify forward-looking statements by terms such as “may”, “will”, “should”, “would”, “expect”, “intend”, “project”, “plan”, “aim”, “seek”, “target”, “anticipate”, “believe”, “estimate”, “predict”, “potential” or the negative of these terms or other similar terminology. These statements are not guarantees of future performance and are subject to various risks and uncertainties. Actual results, performance or achievements, or those of the industries in which we operate, may differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. In addition, these forward-looking statements are necessarily dependent upon assumptions, estimates and data that may be incorrect or imprecise and involve known and unknown risks and uncertainties. Forward-looking statements regarding operating results are particularly subject to a variety of assumptions, some or all of which may not be realized. Risks, uncertainties or other factors that could cause actual results to differ materially from those expressed in any forward-looking statement include, without limitation:

(1) decrease in demand for tobacco products in key markets;

(2) restrictions on promoting, marketing, packaging, labeling and usage of tobacco products in markets in which we operate;

(3) increases in excise, consumption or other taxes on tobacco products in markets in which we operate;

(4) litigation around the world alleging adverse health and financial effects resulting from, or relating to, tobacco products;

(5) our ability to realize anticipated results of our acquisition or other similar investments;

(6) competition in markets in which we operate or into which we seek to expand;

(7) deterioration in economic conditions in areas that matter to us;

(8) economic, regulatory and political changes, such as nationalization, terrorism, wars and civil unrest, in countries in which we operate;

(9) fluctuations in foreign exchange rates and the costs of raw materials; and

(10) catastrophes, including natural disasters.

1. 【Condensed interim consolidated financial statements】

(1) 【Condensed interim consolidated statement of financial position】

(Millions of yen)

	As of December 31, 2014	As of September 30, 2015
Assets		
Current assets		
Cash and cash equivalents	385,820	336,126
Trade and other receivables	448,402	423,616
Inventories	587,849	544,827
Other financial assets	43,907	20,857
Other current assets	230,530	250,327
Subtotal	1,696,507	1,575,753
Non-current assets held-for-sale	367	2,805
Total current assets	1,696,874	1,578,559
Non-current assets		
Property, plant and equipment	756,127	684,168
Goodwill	1,539,376	1,461,764
Intangible assets	364,912	343,823
Investment property	17,870	24,198
Retirement benefit assets	35,402	38,629
Investments accounted for using the equity method	76,825	66,061
Other financial assets	91,959	99,563
Deferred tax assets	125,361	107,747
Total non-current assets	3,007,832	2,825,952
Total assets	4,704,706	4,404,511

(Millions of yen)

	As of December 31, 2014	As of September 30, 2015
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	419,764	331,847
Bonds and borrowings	107,562	81,450
Income tax payables	54,942	104,020
Other financial liabilities	14,463	5,415
Provisions	9,200	25,789
Other current liabilities	754,169	573,677
Total current liabilities	1,360,098	1,122,198
Non-current liabilities		
Bonds and borrowings	101,001	215,625
Other financial liabilities	18,617	9,747
Retirement benefit liabilities	351,915	332,303
Provisions	25,425	12,059
Other non-current liabilities	121,792	114,619
Deferred tax liabilities	103,356	88,756
Total non-current liabilities	722,106	773,109
Total liabilities	2,082,204	1,895,306
Equity		
Share capital	100,000	100,000
Capital surplus	736,400	736,400
Treasury shares	(344,447)	(444,344)
Other components of equity	142,425	(69,683)
Retained earnings	1,902,460	2,118,263
Equity attributable to owners of the parent company	2,536,838	2,440,636
Non-controlling interests	85,665	68,568
Total equity	2,622,503	2,509,204
Total liabilities and equity	4,704,706	4,404,511

(2) Condensed interim consolidated statement of income and consolidated statement of comprehensive income

Condensed interim consolidated statement of income

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended September 30, 2015
Continuing operations		
Revenue	2,019,745	1,688,468
Cost of sales	(822,538)	(680,011)
Gross profit	1,197,208	1,008,457
Other operating income	47,419	3,942
Share of profit in investments accounted for using the equity method	7,812	4,869
Selling, general and administrative expenses	(752,559)	(561,368)
Operating profit	499,880	455,901
Financial income	13,808	12,706
Financial costs	(11,162)	(11,268)
Profit before income taxes	502,526	457,340
Income taxes	(132,811)	(137,077)
Profit for the period from continuing operations	369,715	320,263
Discontinued operations		
Profit for the period from discontinued operations	(1,088)	87,609
Profit for the period	368,626	407,872
Attributable to:		
Owners of the parent company	362,919	404,395
Non-controlling interests	5,708	3,477
Profit for the period	368,626	407,872
Interim earnings per share		
Basic (Yen)		
Continuing operations	200.55	176.46
Discontinued operations	(0.87)	48.60
Total basic earnings per share for the interim period	199.67	225.07
Diluted (Yen)		
Continuing operations	200.43	176.35
Discontinued operations	(0.87)	48.57
Total diluted earnings per share for the interim period	199.56	224.93

Reconciliation from "Operating profit" to "Adjusted operating profit"

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended September 30, 2015
Continuing operations		
Operating profit	499,880	455,901
Amortization cost of acquired intangibles	29,465	23,398
Adjustment items (income)	(44,302)	(614)
Adjustment items (costs)	103,641	31,650
Adjusted operating profit	588,684	510,334

Condensed interim consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended September 30, 2015
Profit for the period	368,626	407,872
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	3,725	9,396
Remeasurements of defined benefit plans	(14,164)	(1,400)
Total of items that will not be reclassified to profit or loss	(10,439)	7,996
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(114,242)	(220,654)
Net gain (loss) on derivatives designated as cash flow hedges	922	256
Total of items that may be reclassified subsequently to profit or loss	(113,319)	(220,398)
Other comprehensive income (loss), net of taxes	(123,759)	(212,401)
Comprehensive income (loss) for the period	244,868	195,471
Attributable to:		
Owners of the parent company	240,363	192,337
Non-controlling interests	4,505	3,133
Comprehensive income (loss) for the period	244,868	195,471

(3) Condensed interim 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 shares	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income
As of April 1, 2014	100,000	736,400	(344,463)	1,443	229,990	293	19,380
Profit for the period	—	—	—	—	—	—	—
Other comprehensive income (loss)	—	—	—	—	(112,972)	922	3,753
Comprehensive income (loss) for the period	—	—	—	—	(112,972)	922	3,753
Acquisition of treasury shares	—	—	—	—	—	—	—
Disposal of treasury shares	—	—	16	(14)	—	—	—
Share-based payments	—	—	—	202	—	—	—
Dividends	—	—	—	—	—	—	—
Changes in the scope of consolidation	—	—	—	—	—	—	—
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	—	(597)	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	—	23
Other increase (decrease)	—	—	—	—	—	—	—
Total transactions with the owners	—	—	16	188	(597)	—	23
As of December 31, 2014	100,000	736,400	(344,447)	1,631	116,421	1,215	23,156
As of January 1, 2015	100,000	736,400	(344,447)	1,631	116,421	1,215	23,156
Profit for the period	—	—	—	—	—	—	—
Other comprehensive income (loss)	—	—	—	—	(220,135)	256	9,242
Comprehensive income (loss) for the period	—	—	—	—	(220,135)	256	9,242
Acquisition of treasury shares	—	—	(100,000)	—	—	—	—
Disposal of treasury shares	—	—	103	(80)	—	—	—
Share-based payments	—	—	—	292	—	—	—
Dividends	—	—	—	—	—	—	—
Changes in the scope of consolidation	—	—	—	—	—	—	(140)
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	—	(283)
Other increase (decrease)	—	—	—	—	—	(1,261)	—
Total transactions with the owners	—	—	(99,897)	213	—	(1,261)	(423)
As of September 30, 2015	100,000	736,400	(444, 344)	1, 844	(103,713)	211	31,975

(Millions of yen)

	Equity attributable to owners of the parent company					
	Other components of equity					
	Remeasurements of defined benefit plans	Total	Retained earnings	Total	Non-controlling interests	Total equity
As of April 1, 2014	—	251,107	1,762,566	2,505,610	90,481	2,596,091
Profit for the period	—	—	362,919	362,919	5,708	368,626
Other comprehensive income (loss)	(14,259)	(122,556)	—	(122,556)	(1,203)	(123,759)
Comprehensive income (loss) for the period	(14,259)	(122,556)	362,919	240,363	4,505	244,868
Acquisition of treasury shares	—	—	—	—	—	—
Disposal of treasury shares	—	(14)	(3)	0	—	0
Share-based payments	—	202	—	202	—	202
Dividends	—	—	(181,755)	(181,755)	(2,736)	(184,491)
Changes in the scope of consolidation	—	—	—	—	—	—
Changes in the ownership interest in a subsidiary without a loss of control	—	(597)	(26,985)	(27,581)	(7,623)	(35,204)
Transfer from other components of equity to retained earnings	14,259	14,282	(14,282)	—	—	—
Other increase (decrease)	—	—	—	—	1,039	1,039
Total transactions with the owners	14,259	13,874	(223,025)	(209,135)	(9,321)	(218,455)
As of December 31, 2014	—	142,425	1,902,460	2,536,838	85,665	2,622,503
As of January 1, 2015	—	142,425	1,902,460	2,536,838	85,665	2,622,503
Profit for the period	—	—	404,395	404,395	3,477	407,872
Other comprehensive income (loss)	(1,421)	(212,057)	—	(212,057)	(344)	(212,401)
Comprehensive income (loss) for the period	(1,421)	(212,057)	404,395	192,337	3,133	195,471
Acquisition of treasury shares	—	—	—	(100,000)	—	(100,000)
Disposal of treasury shares	—	(80)	(23)	0	—	0
Share-based payments	—	292	—	292	—	292
Dividends	—	—	(187,574)	(187,574)	(13,809)	(201,383)
Changes in the scope of consolidation	—	(140)	140	—	(6,044)	(6,044)
Changes in the ownership interest in a subsidiary without a loss of control	—	—	4	4	(321)	(318)
Transfer from other components of equity to retained earnings	1,421	1,137	(1,137)	—	—	—
Other increase (decrease)	—	(1,261)	—	(1,261)	(57)	(1,318)
Total transactions with the owners	1,421	(51)	(188,591)	(288,539)	(20,230)	(308,769)
As of September 30, 2015	—	(69,683)	2,118,263	2,440,636	68,568	2,509,204

(4) Condensed interim consolidated statement of cash flows

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended September 30, 2015
Cash flows from operating activities		
Profit before income taxes	502,526	457,340
Profit before income taxes from discontinued operations	(227)	119,076
Depreciation and amortization	122,171	105,105
Impairment losses	21,877	9,267
Interest and dividend income	(13,560)	(12,511)
Interest expense	4,651	3,063
Share of profit in investments accounted for using the equity method	(7,812)	(4,869)
(Gains) losses on sale and disposal of property, plant and equipment, intangible assets and investment property	(31,315)	9,603
(Gains) losses on sale of investments in subsidiaries	—	(133,619)
(Increase) decrease in trade and other receivables	(12,130)	(10,204)
(Increase) decrease in inventories	(16,808)	20,496
Increase (decrease) in trade and other payables	83,885	(47,922)
Increase (decrease) in retirement benefit liabilities	(25,736)	(8,709)
(Increase) decrease in prepaid tobacco excise taxes	(23,963)	(19,772)
Increase (decrease) in tobacco excise tax payables	103,651	(124,233)
Increase (decrease) in consumption tax payables	37,550	(39,976)
Other	(37,055)	(17,631)
Subtotal	707,703	304,505
Interest and dividends received	22,569	16,792
Interest paid	(7,050)	(2,831)
Income taxes paid	(179,526)	(118,410)
Net cash flows from operating activities	543,696	200,056
Cash flows from investing activities		
Purchase of securities	(3,280)	(1,211)
Proceeds from sale and redemption of securities	4,769	2,793
Purchase of property, plant and equipment	(106,655)	(82,017)
Proceeds from sale of investment property	85,653	707
Purchase of intangible assets	(7,749)	(10,296)
Payments into time deposits	(852)	(765)
Proceeds from withdrawal of time deposits	778	716
Purchase of investments in subsidiaries	(20,977)	(67,639)
Proceeds from sale of investments in subsidiaries	—	126,107
Other	(800)	(2,290)
Net cash flows from investing activities	(49,110)	(33,896)

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended September 30, 2015
Cash flows from financing activities		
Dividends paid to owners of the parent company	(181,635)	(187,501)
Dividends paid to non-controlling interests	(2,663)	(13,342)
Capital contribution from non-controlling interests	44	—
Increase (decrease) in short-term borrowings and commercial paper	6,373	16,352
Repayments of long-term borrowings	(1,225)	(30,139)
Proceeds from issuance of bonds	—	114,724
Redemption of bonds	(170,670)	—
Repayments of finance lease obligations	(3,837)	(2,833)
Acquisition of treasury shares	—	(100,000)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(35,246)	(318)
Other	0	0
Net cash flows from financing activities	(388,859)	(203,057)
Net increase (decrease) in cash and cash equivalents	105,727	(36,896)
Cash and cash equivalents at the beginning of the period	253,219	385,820
Effect of exchange rate changes on cash and cash equivalents	26,874	(12,797)
Cash and cash equivalents at the end of the period	385,820	336,126

(5) Segment information

a. Outline of reportable segments

The reportable segments of the Group are determined based on the operating segments that are components of the 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 Group is mainly engaged in the manufacture and sale of tobacco products, prescription drugs and processed foods. With respect to tobacco products, operations are managed separately for domestic and overseas markets. The reportable segments of the Group are composed of four segments: “Domestic Tobacco Business,” “International Tobacco Business,” “Pharmaceutical Business,” and “Processed Food Business.” They are determined by types of products, characteristics, and markets.

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 “Processed Food Business” consists of the manufacture and sale of frozen and room-temperature processed foods, bakery products and seasonings.

Shares of Japan Beverage Holdings Inc., JT A-star Co., Ltd. and other subsidiaries conducting vending machine operation business were transferred to Suntory Beverage & Food Limited (“SBF”) in July 31, 2015 and the manufacture and sale of JT beverage products was discontinued at the end of September, 2015. Accordingly, for the nine months ended September 30, 2015, “Beverage Business” has been classified as discontinued operations and excluded from reportable segments.

b. Revenues and performances for reportable segments

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

For the nine months ended December 31, 2014

(Millions of yen)

	Reportable Segments					Other (Note 3)	Elimination	Consolidated
	Domestic Tobacco	International Tobacco (Note 2)	Pharma-ceuticals	Processed Food	Total			
Revenue								
External revenue (Note 4)	506,725	1,328,005	47,555	123,351	2,005,637	14,108	—	2,019,745
Intersegment revenue	12,776	39,445	—	21	52,242	4,046	(56,288)	—
Total revenue	519,501	1,367,450	47,555	123,373	2,057,879	18,154	(56,288)	2,019,745
Segment profit (loss)								
Adjusted operating profit (Note 1)	172,235	447,053	(6,914)	1,259	613,634	(25,266)	317	588,684

For the nine months ended September 30, 2015

(Millions of yen)

	Reportable Segments					Other (Note 3)	Elimination	Consolidated
	Domestic Tobacco	International Tobacco	Pharma-ceuticals	Processed Food	Total			
Revenue								
External revenue (Note 4)	504,775	995,537	53,410	120,464	1,674,186	14,282	—	1,688,468
Intersegment revenue	15,237	35,237	—	28	50,501	7,450	(57,951)	—
Total revenue	520,011	1,030,774	53,410	120,492	1,724,687	21,732	(57,951)	1,688,468
Segment profit (loss)								
Adjusted operating profit (Note 1)	197,617	328,498	(3,260)	1,306	524,161	(13,465)	(362)	510,334

Reconciliation from “Adjusted operating profit” to “Profit before income taxes”

For the nine months ended December 31, 2014

(Millions of yen)

	Reportable Segments					Other (Note 3)	Elimination	Consolidated
	Domestic Tobacco	International Tobacco (Note 2)	Pharma-ceuticals	Processed Food	Total			
Adjusted operating profit (Note 1)	172,235	447,053	(6,914)	1,259	613,634	(25,266)	317	588,684
Amortization cost of acquired intangibles	—	(29,465)	—	—	(29,465)	—	—	(29,465)
Adjustment items (income) (Note 5)	76	4,221	—	3	4,300	40,002	—	44,302
Adjustment items (costs) (Note 5)	(56,680)	(42,351)	—	(2,215)	(101,246)	(2,395)	—	(103,641)
Operating profit (loss)	115,631	379,458	(6,914)	(953)	487,222	12,341	317	499,880
Financial income								13,808
Financial costs								(11,162)
Profit before income taxes								502,526

For the nine months ended September 30, 2015

(Millions of yen)

	Reportable Segments					Other (Note 3)	Elimination	Consolidated
	Domestic Tobacco	International Tobacco	Pharma-ceuticals	Processed Food	Total			
Adjusted operating profit (Note 1)	197,617	328,498	(3,260)	1,306	524,161	(13,465)	(362)	510,334
Amortization cost of acquired intangibles	—	(23,398)	—	—	(23,398)	—	—	(23,398)
Adjustment items (income) (Note 5)	91	—	—	226	318	297	—	614
Adjustment items (costs) (Note 5)	(3,067)	(15,272)	—	(10)	(18,349)	(13,300)	—	(31,650)
Operating profit (loss)	194,641	289,828	(3,260)	1,523	482,732	(26,469)	(362)	455,901
Financial income								12,706
Financial costs								(11,268)
Profit before income taxes								457,340

(Note 1) For adjusted operating profit, amortization cost of acquired intangibles, and adjustment items (income and costs) are excluded from operating profit (loss).

(Note 2) The foreign subsidiaries group, which includes a core company of JT International S.A., that is part of the "International Tobacco Business" segment, continues to have December 31 as its fiscal year end date as before, and the profit or loss for the period from January 1, 2014 to December 31, 2014 is included in the nine months ended December 31, 2014.

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

(Note 4) Core revenue as part of the "Domestic Tobacco Business" and the "International Tobacco Business" is as follows:

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended September 30, 2015
Domestic Tobacco	478,692	478,234
International Tobacco	1,258,176	946,950

(Note 5) "Adjustment items (income)" include restructuring income of gain on sale of real estate. "Adjustment items (costs)" include restructuring costs of the closing down of a factory.

The breakdown of "Adjustment items (costs)" is as follows:

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended September 30, 2015
Restructuring costs	100,405	31,650
Other	3,236	—
Adjustment items (costs)	103,641	31,650

Restructuring costs for the nine months ended December 31, 2014 mainly relate to costs of measures to strengthen the competitiveness of "Domestic Tobacco Business" and restructuring of manufacturing facilities in Europe in the "International Tobacco Business." Restructuring costs for the nine months ended September 30, 2015 mainly relate to rationalization of distribution system and factory platform in some market in the "International Tobacco Business" and disposal of real estate.

(6) Notes on premise of going concern

No items to report