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

FOR IMMEDIATE RELEASE

July 31, 2019

Notice Regarding Relocation of Head Office

Japan Tobacco Inc.(JT)(TSE:2914) has today announced the Board of Directors' resolution concerning the relocation of its head office, as outlined below.

1. **Address of the new Head Office**
   24-6, Toranomon 4-chome, Minato-ku, Tokyo, Kamiyacho Trust Tower

2. **Date of planned relocation**
   January, 2021

3. **Reason**
   In order to accelerate innovation and improve productivity through faster and better decision making, we will introduce new infrastructure and working practices for employees, which will create more opportunities to communicate across divisions and facilitate collaboration with external stakeholders.

4. **Financial Impacts**
   This announcement will not have any material impact on JT Group's consolidated performance in this fiscal year.

5. **Others**
   There is no change in the Article of Incorporation, as it stipulates that "the Company shall have its head office in Minato-ku, Tokyo."
   Please refer to the attached press release in detail.

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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/.

Contact: Masahito Shirasu, General Manager
Media and Investor Relations Division
Japan Tobacco Inc.
Tokyo: +81-3-5572-4292
E-mail: jt.media.relations@jt.com

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July 31, 2019

JT to relocate head office and accelerate innovation and productivity

TOKYO, Japan-- **Japan Tobacco Inc.(JT)(TSE:2914)** announces the relocation of its head office today, as resolved by the Board of Directors, from the JT Building (Toranomon 2-chome, Minato-ku) to Kamiyacho Trust Tower, an office building under construction by Mori Trust Co., Ltd. in Toranomon 4-chome, Minato-ku. The relocation is scheduled for January 2021.

The Group's operating environment remains uncertain. Globally, economic and political climates have been volatile, and in competition in our core Japanese tobacco business has been more challenging than ever.
Under such circumstances, responding to the changes in the market dynamics and diversifying consumers' needs is not enough for achieving a sustainable growth. Beyond that, each employee is expected to act with a mind-set to initiate and lead change; this will accelerate innovations and improve productivity. To best support this initiative, we are committed to providing our employees with every opportunity to communicate across divisions.

Kamiyacho Trust Tower is a complex of offices, hotels, residential units, medical facilities and commercial facilities, etc. It is a core of "Tokyo World Gate", a large urban development project, developed by Mori Trust Co., Ltd. One floor spans approximately 3,960 square meters, and provides sufficient space to promote internal communication and external collaboration. Based on the concept of ABW (Activity Based Working)[i], we will introduce infrastructure and new working practices for employees, which enable employees to select the optimal workplace in accordance with their assignments, thus creating more opportunities to interact and collaborate with colleagues from various divisions. When an individual space is necessary, the new office will also offer an environment where an employee can concentrate to engage in his or her task in an efficient and creative manner.

Following the relocation of our headquarters, we will proceed with the sale of JT buildings as part of our policy to divest our real estates and reorganize our asset portfolio to concentrate our management resources on our core businesses. This move will further improve our asset management efficiency and strengthen our financial foundation for sustainable profit growth.

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[i] ABW (Activity Based Working): This is a concept in which employees can independently select the optimal place according to the contents of their duties without securing a fixed position in their offices.

[New Head Office/Overview of Relocation]

Contract counterparty:	Mori Trust Co., Ltd.
Building name:	Kamiyacho Trust Tower
Address:	24-6, Toranomon 4-chome, Minato-ku, Tokyo, and others
Site area ：	16,210 ㎡
Total floor area:	195,190 ㎡
Structure and scale of the building:	
	Steel Structure and Reinforced Concrete Structure
	38 floors above ground and 3 floors below ground
Leased property	26th floor to 30th floor of the building 19,253.06 ㎡
Completion date	March 2020



The image of Kamiyacho Trust Tower ©Mori Trust Co., Ltd.

[Current Head Office Overview]

Building name:	JT Building
Address:	2-2-1, Toranomon, Minatoku, Tokyo
Site area ：	7,245.95 ㎡
Total floor area:	66,999.11 ㎡
Structure of the building:	Steel Structure and Reinforced Concrete Structure
Size of the building:	35 floors above ground/3 floors below ground/2 floors of tower
Completion date:	March 1995

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