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JT Applies to Amend Retail Prices of Tobacco Products in Japan in Response to a Planned Excise Tax Increase

Japan Tobacco Inc. (JT) (TSE:2914) today announces that it has applied to the Ministry of Finance for approval* to amend the retail prices of its tobacco products in Japan in conjunction with the planned excise tax increase on October 1, 2020 and the increase of excise tax on tobacco vapor products. The Company has applied for the retail price amendment for a total of 224 products, including 136 cigarette products, 16 cigarillo products, three pipe tobacco products, three cut tobacco products, 18 snuff tobacco products and 48 tobacco vapor products.

The Japanese domestic tobacco market continues to experience decreasing sales volumes due to structural factors including the aging and declining adult population together with increasingly stringent smoking restrictions. As a result, the costs for maintaining the product quality and services are rising. Under these circumstances, while JT has been implementing cost optimization measures in line with a projected further decline of sales volume, it has become even more challenging to maintain the same quality and services that meet our consumer's satisfaction.

In this context, JT has applied to amend the retail prices of cigarettes, which exceeds the excise tax hike of cigarettes (1.0 yen per stick), revised tax structure for tobacco vapor products and light weight cigarillos, while taking into account further increases in costs. JT, in principle, has decided to apply for 50 yen increase in the retail price per pack, however such increase varies among different brands and products, to ensure that the quality of each product will be maintained and that consumer expectations continue to be met.

The proposed retail prices will take effect on October 1, 2020, subject to approval from the Ministry of Finance.

JT will strive to continue to improve the quality of its products and services, in line with the expectations of its consumers.

Cigarettes Unit: JPY

Representative Products	Current Price	New Price
Natural American Spirit	530	570
Seven Stars and Peace (20)	510	560
MEVIUS and Pianissimo	490	540
Winston	450	500
Camel	400	450

Tobacco Vapor Products Unit: JPY

Representative Products	Current Price	New Price
MEVIUS for Ploom TECH	490	540
MEVIUS for Ploom TECH+	500	550
MEVIUS for Ploom S	490	540
Camel for Ploom S	460	500

Cigarillos Unit: JPY

Representative Products	Current Price	New Price
Camel Cigars	360	400
Wakaba Cigars	360	410
Echo Cigars	350	400

* In Japan, under the Tobacco Business Act, list prices for any tobacco products must be approved by the Ministry of Finance. Retailers are permitted to sell tobacco products only at list prices approved by the Minister of Finance.

* Details of the retail price amendment are shown in the Appendix

* This document has been prepared for the purpose of providing fair information to investors.
It is not for the purpose of promoting sales to customers or promoting smoking.

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Japan Tobacco Inc. is a leading international tobacco company with operations in more than 130 countries. With approximately 62,000 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 its Logic brand. The Group is also present in the pharmaceutical and processed food businesses. For more information, visit https://www.jt.com/.

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(Appendix)

Details of the retail price amendments

No.	Category	Name	Current Price	New Price	Number of units / weight per pack
1	Cigarettes	Mevius	490	540	20
2	Cigarettes	Mevius Box	490	540	20
3	Cigarettes	Mevius 100's Box	490	540	20
4	Cigarettes	Mevius Lights	490	540	20
5	Cigarettes	Mevius Lights Box	490	540	20
6	Cigarettes	Mevius Lights 100's Box	490	540	20
7	Cigarettes	Mevius Super Lights	490	540	20
8	Cigarettes	Mevius Super Lights Box	490	540	20
9	Cigarettes	Mevius Super Lights 100's Box	490	540	20
10	Cigarettes	Mevius Extra Lights	490	540	20
11	Cigarettes	Mevius Extra Lights Box	490	540	20
12	Cigarettes	Mevius Extra Lights 100's Box	490	540	20
13	Cigarettes	Mevius One	490	540	20
14	Cigarettes	Mevius One Box	490	540	20
15	Cigarettes	Mevius One 100's Box	490	540	20
16	Cigarettes	Mevius Gold 6	490	540	20
17	Cigarettes	Mevius Gold One 100's	490	540	20
18	Cigarettes	Mevius Gold Impact 6 100's Slim	490	500	20
19	Cigarettes	Mevius Gold Impact One 100's Slim	490	500	20
20	Cigarettes	Mevius Gold Impact One 100's	490	540	20
21	Cigarettes	Mevius Premium Menthol FROZEN 8	490	540	20
22	Cigarettes	Mevius Premium Menthol FROZEN 5	490	540	20
23	Cigarettes	Mevius Premium Menthol FROZEN One	490	540	20
24	Cigarettes	Mevius Premium Menthol FROZEN One 100's	490	540	20
25	Cigarettes	Mevius Premium Menthol Option Purple 8	490	540	20
26	Cigarettes	Mevius Premium Menthol Option Purple 5	490	540	20
27	Cigarettes	Mevius Premium Menthol Option Purple One 100's	490	540	20
28	Cigarettes	Mevius Premium Menthol Option Purple 5 100's Slim	490	500	20
29	Cigarettes	Mevius Premium Menthol Option Purple One 100's Slim	490	500	20
30	Cigarettes	Mevius Premium Menthol Option Yellow 8	490	540	20
31	Cigarettes	Mevius Premium Menthol Option Yellow 5	490	540	20
32	Cigarettes	Mevius Premium Menthol Option Yellow One 100's	490	540	20
33	Cigarettes	Mevius Premium Menthol Option Red 8	490	540	20
34	Cigarettes	Mevius Premium Menthol Option Red 5	490	540	20

No.	Category	Name	Current Price	New Price	Number of units / weight per pack
35	Cigarettes	Mevius Premium Menthol Option Red One 100's	490	540	20
36	Cigarettes	Mevius Premium Menthol Option Muscat Green 5 100's Slim	490	500	20
37	Cigarettes	Mevius Premium Menthol Option Muscat Green One 100's Slim	490	500	20
38	Cigarettes	Mevius 100's Slim Box *4	490	500	20
39	Cigarettes	Mevius Super Lights 100's Slim Box *4	490	500	20
40	Cigarettes	Mevius One 100's Slim Box *4	490	500	20
41	Cigarettes	Seven Stars	510	560	20
42	Cigarettes	Seven Stars Box	510	560	20
43	Cigarettes	Seven Stars 10 Box	510	560	20
44	Cigarettes	Seven Stars 7 Box	510	560	20
45	Cigarettes	Seven Stars 4	510	560	20
46	Cigarettes	Seven Stars Menthol 12 Box	510	560	20
47	Cigarettes	Seven Stars Menthol 5 Box	510	560	20
48	Cigarettes	Winston Caster White 5	450	500	20
49	Cigarettes	Winston Caster White 5 Box	450	500	20
50	Cigarettes	Winston Caster White 3	450	500	20
51	Cigarettes	Winston Caster White 3 Box	450	500	20
52	Cigarettes	Winston Caster White One Box	450	500	20
53	Cigarettes	Winston Caster White One 100's Box	450	500	20
54	Cigarettes	Winston Cabin Red 8 Box	450	500	20
55	Cigarettes	Winston Cabin Red 8 100's Box	450	500	20
56	Cigarettes	Winston Cabin Red 5 Box	450	500	20
57	Cigarettes	Winston Cabin Red 2 Box	450	500	20
58	Cigarettes	Winston Cabin Red One 100's Box	450	500	20
59	Cigarettes	Winston Compact Blue 6 Box	410	450	19
60	Cigarettes	Winston Compact Blue 3 Box	410	450	19
61	Cigarettes	Winston Compact Blue One Box	410	450	19
62	Cigarettes	Winston Inazma Menthol 8 Box	450	500	20
63	Cigarettes	Winston Inazma Menthol One 100's Box	450	500	20
64	Cigarettes	Winston Sparkling Menthol 5 Box	450	500	20
65	Cigarettes	Winston Sparkling Menthol One 100's Box	450	500	20
66	Cigarettes	Winston	450	500	20
67	Cigarettes	Winston Compact Blue 6 Box *4	390	430	18
68	Cigarettes	Winston Compact Blue 3 Box *4	390	430	18
69	Cigarettes	Winston Compact Blue One Box *4	390	430	18
70	Cigarettes	Hope (10)	260	280	10

No.	Category	Name	Current Price	New Price	Number of units / weight per pack
71	Cigarettes	Hope Lights	260	280	10
72	Cigarettes	Hope Super Lights	260	280	10
73	Cigarettes	Hope Menthol	260	280	10
74	Cigarettes	Peace (50)	1300	1400	50
75	Cigarettes	Peace (10)	260	280	10
76	Cigarettes	Peace (20)	510	560	20
77	Cigarettes	Peace Lights Box	510	560	20
78	Cigarettes	Peace Super Lights Box	510	560	20
79	Cigarettes	Peace Aroma Royal 100's Box	550	600	20
80	Cigarettes	Peace Aroma Crown 100's Box	550	600	20
81	Cigarettes	Peace Aroma Infinity	540	590	20
82	Cigarettes	Camel Box	400	450	20
83	Cigarettes	Camel Lights Box	400	450	20
84	Cigarettes	Camel Lights Box *2	400	450	20
85	Cigarettes	Camel Menthol Lights Box	400	450	20
86	Cigarettes	Salem Lights Box	490	540	20
87	Cigarettes	Natural American Spirit Organic Leaf Turquoise	530	570	20
88	Cigarettes	Natural American Spirit Organic Leaf Gold	530	570	20
89	Cigarettes	Natural American Spirit Organic Leaf One	530	570	20
90	Cigarettes	Natural American Spirit Perique Box	530	570	20
91	Cigarettes	Natural American Spirit Organic Mint	530	570	20
92	Cigarettes	Natural American Spirit Organic Mint Light	530	570	20
93	Cigarettes	Natural American Spirit Organic Mint Ultra Light	530	570	20
94	Cigarettes	Natural American Spirit Organic Mint One	530	570	20
95	Cigarettes	Natural American Spirit Light	530	570	20
96	Cigarettes	Natural American Spirit Ultra Light	530	570	20
97	Cigarettes	Natural American Spirit Agate	530	570	20
98	Cigarettes	Natural American Spirit Organic Mint (14) *4	380	400	14
99	Cigarettes	Natural American Spirit Organic Mint Light (14) *4	380	400	14
100	Cigarettes	Natural American Spirit Organic Mint Ultra Light (14) *4	380	400	14
101	Cigarettes	Natural American Spirit Organic Mint One (14) *4	380	400	14
102	Cigarettes	Pianissimo Aria Menthol	490	540	20
103	Cigarettes	Pianissimo Pétil Menthol	490	540	20
104	Cigarettes	Pianissimo Fram Menthol	490	540	20
105	Cigarettes	Pianissimo Lucia Menthol	490	540	20
106	Cigarettes	Pianissimo Precia Menthol	490	540	20

No.	Category	Name	Current Price	New Price	Number of units / weight per pack
107	Cigarettes	Pianissimo Dia’s Menthol	490	540	20
108	Cigarettes	Pianissimo Icene Menthol 5	490	540	20
109	Cigarettes	Pianissimo Icene Menthol One	490	540	20
110	Cigarettes	Pianissimo Bevel	490	540	20
111	Cigarettes	Hi-Lite	450	490	20
112	Cigarettes	Hi-Lite Menthol	450	490	20
113	Cigarettes	Uruma	450	500	20
114	Cigarettes	Peace Virginia Leaf of Japan	550	600	20
115	Cigarettes	Peace Virginia Leaf of America	550	600	20
116	Cigarettes	Peace Virginia Leaf of Brazil	550	600	20
117	Cigarettes	Seven Stars Nippon Leaf Daruma *4	530	580	20
118	Cigarettes	Camel Natural Box *3	490	520	20
119	Cigarettes	Camel Natural Lights Box *3	490	520	20
120	Cigarettes	Winston Compact Menthol Purple One Box *3	410	450	19
121	Cigarettes	Winston Compact Menthol Purple 5 Box *3	410	450	19
122	Cigarettes	Seven Stars Menthol 8 Box *3	510	560	20
123	Cigarettes	Mevius Gold 6 100's *3	490	540	20
124	Cigarettes	Mevius Gold 3 100's *3	490	540	20
125	Cigarettes	Winston Inazma Menthol 5 Box *3	450	500	20
126	Cigarettes	Winston Sparkling Menthol 8 Box *3	450	500	20
127	Cigarettes	Winston mini Bitter Red 12 *3	400	450	20
128	Cigarettes	Winston mini Straight Blue 8 *3	400	450	20
129	Cigarettes	Winston mini Sweet White One *3	400	450	20
130	Cigarettes	Pianissimo Temore 6 *3	500	540	20
131	Cigarettes	Pianissimo Temore One *3	500	540	20
132	Cigarettes	Wakaba *3	450	500	20
133	Cigarettes	Echo *3	440	490	20
134	Cigarettes	Golden Bat *3	420	470	20
135	Cigarettes	Seven Stars (10) *3	260	280	10
136	Cigarettes	Natural American Spirit Agate (10)	270	290	10
137	Tobacco vapor	MEVIUS REGULAR for Ploom TECH	490	540	2.8g/2.5g *1
138	Tobacco vapor	MEVIUS REGULAR for Ploom TECH *2	490	540	2.8g/2.5g *1
139	Tobacco vapor	MEVIUS MENTHOL for Ploom TECH	490	540	2.8g/2.5g *1

No.	Category	Name	Current Price	New Price	Number of units / weight per pack
140	Tobacco vapor	MEVIUS MENTHOL for Ploom TECH *2	490	540	2.8g/2.5g *1
141	Tobacco vapor	MEVIUS BROWN for Ploom TECH	490	540	2.8g/2.5g *1
142	Tobacco vapor	MEVIUS RED COOLER for Ploom TECH	490	540	2.8g/2.5g *1
143	Tobacco vapor	MEVIUS PURPLE COOLER for Ploom TECH	490	540	2.8g/2.5g *1
144	Tobacco vapor	MEVIUS MIX GREEN COOLER for Ploom TECH *3	490	540	2.8g/2.5g *1
145	Tobacco vapor	Pianissimo Gold for Ploom TECH *3	490	540	2.8g/2.5g *1
146	Tobacco vapor	Pianissimo Aria Menthol for Ploom TECH	490	540	2.8g/2.5g *1
147	Tobacco vapor	Pianissimo Pink Cooler for Ploom TECH	490	540	2.8g/2.5g *1
148	Tobacco vapor	Pianissimo Yellow Cooler for Ploom TECH *3	490	540	2.8g/2.5g *1
149	Tobacco vapor	MEVIUS MILD for Ploom TECH+	500	550	3.0g/3.0g *1
150	Tobacco vapor	MEVIUS MILD for Ploom TECH+ *2	500	550	3.0g/3.0g *1
151	Tobacco vapor	MEVIUS ROAST for Ploom TECH+	500	550	3.0g/3.1g *1
152	Tobacco vapor	MEVIUS COLD MINT for Ploom TECH+	500	550	3.0g/3.1g *1
153	Tobacco vapor	MEVIUS COLD MINT for Ploom TECH+ *2	500	550	3.0g/3.1g *1
154	Tobacco vapor	MEVIUS CLEAR MINT for Ploom TECH+	500	550	3.0g/3.1g *1
155	Tobacco vapor	MEVIUS CLEAR MINT for Ploom TECH+ *2	500	550	3.0g/3.1g *1
156	Tobacco vapor	MEVIUS GOLD ROAST for Ploom TECH+	500	550	3.0g/3.1g *1
157	Tobacco vapor	MEVIUS GOLD CLEAR MINT for Ploom TECH+	500	550	3.0g/3.1g *1

No.	Category	Name	Current Price	New Price	Number of units / weight per pack
158	Tobacco vapor	MEVIUS RED MINT for Ploom TECH+	500	550	3.0g/3.1g *1
159	Tobacco vapor	MEVIUS PURPLE MINT for Ploom TECH+	500	550	3.0g/3.1g *1
160	Tobacco vapor	MEVIUS GOLD MUSCAT GREEN MINT for Ploom TECH+	500	550	3.0g/3.1g *1
161	Tobacco vapor	MEVIUS GOLD YELLOW MINT for Ploom TECH+	500	550	3.0g/3.1g *1
162	Tobacco vapor	MEVIUS GOLD RED MINT for Ploom TECH+	500	550	3.0g/3.1g *1
163	Tobacco vapor	MEVIUS REGULAR for Ploom S	490	540	9.8g/5.0g *1
164	Tobacco vapor	MEVIUS MENTHOL for Ploom S	490	540	10.2g/5.3g *1
165	Tobacco vapor	MEVIUS MENTHOL COOL EFFECT for Ploom S	490	540	10.2g/5.3g *1
166	Tobacco vapor	MEVIUS MENTHOL PURPLE for Ploom S	490	540	10.0g/5.2g *1
167	Tobacco vapor	CAMEL REGULAR for Ploom S	460	500	9.8g/5.0g *1
168	Tobacco vapor	CAMEL MENTHOL for Ploom S	460	500	10.2g/5.3g *1
169	Tobacco vapor	CAMEL MENTHOL RED for Ploom S	460	500	10.2g/5.3g *1
170	Tobacco vapor	CAMEL MENTHOL YELLOW for Ploom S	460	500	10.0g/5.2g *1
171	Tobacco vapor	CAMEL MENTHOL PURPLE for Ploom S *4	460	500	10.1g/5.3g *1
172	Tobacco vapor	CAMEL BLACK MINT MENTHOL for Ploom S *4	460	500	10.1g/5.3g *1
173	Tobacco vapor	MEVIUS AZUKI for Ploom TECH	490	540	2.8g/2.5g *1
174	Tobacco vapor	MEVIUS MATCHA COOLER for Ploom TECH	490	540	2.8g/2.5g *1
175	Tobacco vapor	Pianissimo Sakura Cooler for Ploom TECH	490	540	2.8g/2.5g *1

No.	Category	Name	Current Price	New Price	Number of units / weight per pack
176	Tobacco vapor	MEVIUS ENERGY SPARK MINT for Ploom TECH+	500	550	3.0g/3.1g *1
177	Tobacco vapor	MEVIUS ENERGY MOSCOW MULE MINT for Ploom TECH+ *4	500	550	3.0g/3.1g *1
178	Tobacco vapor	MEVIUS ENERGY PINA COLADA MINT for Ploom TECH+ *4	500	550	3.0g/3.1g *1
179	Tobacco vapor	MEVIUS MASCAT COOLER for Ploom TECH	490	540	2.8g/2.5g *1
180	Tobacco vapor	Pianissimo Lemon Lime Cooler for Ploom TECH	490	540	2.8g/2.5g *1
181	Tobacco vapor	MEVIUS VANILLA AROMA for Ploom TECH	490	540	2.8g/2.5g *1
182	Tobacco vapor	Pianissimo Blueberry Yogurt Cooler for Ploom TECH	490	540	2.8g/2.5g *1
183	Tobacco vapor	Pianissimo Morning Rose Cooler for Ploom TECH *4	490	540	2.8g/2.5g *1
184	Tobacco vapor	Pianissimo Midnight Jasmine Cooler for Ploom TECH *4	490	540	2.8g/2.5g *1
185	Cigarillos	Peace Little Cigars	550	580	20
186	Cigarillos	Camel Cigars Box	360	400	20
187	Cigarillos	Camel Cigars Lights Box	360	400	20
188	Cigarillos	Camel Cigars Menthol Box	360	400	20
189	Cigarillos	Camel Cigars Menthol Slims	330	380	20
190	Cigarillos	Camel Cigars Menthol Lights Slims	330	380	20
191	Cigarillos	Camel Cigars Ultra Lights Box	360	400	20
192	Cigarillos	Camel Cigars Menthol Lights Box	360	400	20
193	Cigarillos	Camel Cigars Menthol Ultra Lights Box	360	400	20
194	Cigarillos	Camel Cigars Menthol Ultra Lights 100’s Slims	330	380	20
195	Cigarillos	Camel Cigars Menthol Berry Capsule Box *4	360	400	20
196	Cigarillos	Camel Cigars Menthol Berry Capsule Lights Box *4	360	400	20
197	Cigarillos	Wakaba Cigars	360	410	20
198	Cigarillos	Echo Cigars	350	400	20
199	Cigarillos	Golden Bat Cigars	280	370	20
200	Cigarillos	Golden Bat Cigars Menthol	280	370	20
201	Cut tobacco	Koiki Matsukawa Kizami	480	520	10.0g
202	Cut tobacco	Koiki Daruma Kizami	480	520	10.0g

No.	Category	Name	Current Price	New Price	Number of units / weight per pack
203	Cut tobacco	Koiki	480	520	10.0g
204	Pipe tobacco	Natural American Spirit Organic Blend Turquoise	1260	1360	40.0g
205	Pipe tobacco	Natural American Spirit Original Blend	1180	1280	40.0g
206	Pipe tobacco	Natural American Spirit Perique Blend	1180	1280	40.0g
207	Snuff tobacco	Zerostyle Stix Blue Mint holder set	430	470	3.6g
208	Snuff tobacco	Zerostyle Stix Blue Mint refill pack (2 cartridges)	320	360	3.6g
209	Snuff tobacco	Zerostyle Stix Brown Flavor holder set	430	470	3.3g
210	Snuff tobacco	Zerostyle Stix Brown Flavor refill pack (2 cartridges)	320	360	3.3g
211	Snuff tobacco	Zerostyle Stix Pink Flavor refill pack (2 cartridges)	320	360	3.5g
212	Snuff tobacco	Zerostyle Stix Green Mint refill pack (2 cartridges)	320	360	3.3g
213	Snuff tobacco	Zerostyle Stix Blue Mint refill pack (1 cartridge)	160	180	1.8g
214	Snuff tobacco	Zerostyle Stix Brown Flavor refill pack (1 cartridge)	160	180	1.6g
215	Snuff tobacco	Zerostyle Stix Green Mint refill pack (1 cartridge)	160	180	1.6g
216	Snuff tobacco	Zerostyle Stix Pink Flavor refill pack (1 cartridge)	160	180	1.7g
217	Snuff tobacco	Zerostyle Snus Matcha Latte	500	540	6.2g
218	Snuff tobacco	Zerostyle Snus Ume	500	540	6.2g
219	Snuff tobacco	Zerostyle Snus Regular	500	540	6.8g
220	Snuff tobacco	Zerostyle Snus Apple Mint	500	540	6.8g
221	Snuff tobacco	Zerostyle Snus Vanilla	500	540	6.8g
222	Snuff tobacco	Zerostyle Snus Cool Mint	500	540	6.8g
223	Snuff tobacco	Zerostyle Snus Spice	550	590	9.0g
224	Snuff tobacco	Zerostyle Snus Black Menthol	550	590	9.0g

Notes:

1. The excise tax system was revised for Tobacco Vapor products effective from October 1, 2018. The new tax system takes into consideration the taxable weight as per the old tax system and taxable weight as per the new tax system. Therefore, weights of the product under the old system and new system are both listed as old weight / new weight.
2. JT applied retail price amendment for two products per each brand below according to their manufacturing location.
   - Camel Lights Box
   - MEVIUS REGULAR for Ploom TECH
   - MEVIUS MENTHOL for Ploom TECH
   - MEVIUS MILD for Ploom TECH+
   - MEVIUS COLD MINT for Ploom TECH+
   - MEVIUS CLEAR MINT for Ploom TECH+
3. JT will delist the products after the stock is sold out in the retail stores.
4. JT plans to launch new products.