[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.]

Overview of Consolidated Financial Results for the Fiscal Year Ended March 31, 2009

The consolidated financial statements for the fiscal year ended March 31, 2009 (from April 1, 2008 to March 31, 2009), as resolved by the Board of Directors at a meeting held on April 30, 2009 and publicized thereon, are as follows.

Please note that amounts are rounded down to the nearest ¥1 million.

These consolidated financial statements were not prepared in accordance with the “Regulation for Terminology, Forms and Preparation of Consolidated Financial Statements” (Ministry of Finance Ordinance No. 28 of 1976).

No audit report was received due to the non-completion of the audit by the auditing firm as provided in Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

Consolidated financial statements
(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2008	As of March 31, 2009
Assets		
Current assets		
Cash and deposits	213,885	164,957
Notes and accounts receivable-trade	325,075	290,068
Short-term investment securities	4,952	4,910
Merchandise and finished goods	138,870	122,970
Semi-finished goods	120,527	119,290
Work in process	7,938	6,561
Raw materials and supplies	226,735	215,334
Deferred tax assets	32,008	29,675
Other	169,205	145,076
Allowance for doubtful accounts	(4,504)	(3,162)
Total current assets	1,234,695	1,095,682
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	679,899	621,469
Accumulated depreciation	(398,157)	(386,615)
Buildings and structures, net	281,742	234,853
Machinery, equipment and vehicles	704,663	642,148
Accumulated depreciation	(485,689)	(453,155)
Machinery, equipment and vehicles, net	218,973	188,993
Tools, furniture and fixtures	220,932	165,434
Accumulated depreciation	(147,817)	(103,012)
Tools, furniture and fixtures, net	73,114	62,422
Land	157,380	147,219
Construction in progress	32,120	35,253
Total property, plant and equipment	763,332	668,742
Intangible assets		
Goodwill	2,106,887	1,453,961
Right of trademark	613,496	347,372
Other	39,023	30,509
Total intangible assets	2,759,407	1,831,843
Investments and other assets		
Investment securities	132,173	90,230
Long-term loans receivable	4,409	9,190
Deferred tax assets	110,708	128,786
Other	112,743	97,022
Allowance for doubtful accounts	(30,075)	(41,695)
Allowance for loss on investments	(180)	-
Total investments and other assets	329,778	283,534
Total noncurrent assets	3,852,518	2,784,121
Total assets	5,087,214	3,879,803

(Millions of yen)

	As of March 31, 2008	As of March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable-trade	175,369	158,544
Short-term loans payable	269,034	113,231
Current portion of bonds	73,054	190,363
Current portion of long-term loans payable	6,668	26,380
Lease obligations	1,340	5,512
Accounts payable-other	79,014	62,824
National tobacco excise taxes payable	200,875	172,986
National tobacco special excise taxes payable	10,898	10,470
Local tobacco excise taxes payable	88,839	85,541
Income taxes payable	71,693	51,777
Accrued consumption taxes	62,654	43,847
Deferred tax liabilities	6,547	2,915
Provision	41,481	39,172
Other	196,924	129,835
Total current liabilities	1,284,396	1,093,403
Noncurrent liabilities		
Bonds payable	643,631	349,794
Long-term loans payable	396,907	299,563
Lease obligations	1,111	11,234
Deferred tax liabilities	174,395	110,389
Provision for retirement benefits	283,387	259,145
Provision for directors' retirement benefits	743	623
Provision for loss on guarantees	257	695
Other	147,754	130,665
Total noncurrent liabilities	1,648,188	1,162,111
Total liabilities	2,932,584	2,255,514
Net assets		
Shareholders' equity		
Capital stock	100,000	100,000
Capital surplus	736,400	736,400
Retained earnings	1,344,490	1,224,989
Treasury stock	(74,578)	(74,578)
Total shareholders' equity	2,106,311	1,986,810
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	21,338	8,437
Deferred gains or losses on hedges	219	92
Pension liability adjustment of foreign consolidated subsidiaries	(10,711)	(18,965)
Foreign currency translation adjustment	(41,085)	(423,561)
Total valuation and translation adjustments	(30,238)	(433,997)
Subscription rights to shares	185	364
Minority interests	78,370	71,109
Total net assets	2,154,629	1,624,288
Total liabilities and net assets	5,087,214	3,879,803

(2) Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Net sales	6,409,726	6,832,307
Cost of sales	5,228,925	5,554,398
Gross profit	1,180,801	1,277,908
Selling, general and administrative expenses	750,247	914,102
Operating income	430,553	363,806
Non-operating income		
Interest income	11,238	10,104
Dividends income	2,171	2,172
Other	8,122	18,059
Total non-operating income	21,533	30,335
Non-operating expenses		
Interest expenses	41,758	51,356
Foreign exchange losses	31,789	21,801
Financial support for domestic leaf tobacco growers	2,004	768
Periodic mutual assistance association cost	2,333	2,024
Other	11,519	10,604
Total non-operating expenses	89,405	86,555
Ordinary income	362,681	307,586
Extraordinary income		
Gain on sales of noncurrent assets	66,747	46,461
Other	2,217	1,915
Total extraordinary income	68,964	48,377
Extraordinary loss		
Loss on sales of noncurrent assets	3,261	2,169
Loss on retirement of noncurrent assets	6,306	11,505
Impairment loss	3,825	16,364
Business restructuring costs	6,442	24,363
Introduction costs for vending machines with adult identification functions	12,878	13,468
Costs related to the recall of frozen foods products	5,623	-
Other	20,694	25,947
Total extraordinary losses	59,032	93,819
Income before income taxes and minority interests	372,614	262,143
Income taxes-current	117,271	126,732
Income taxes-deferred	11,107	8,240
Total income taxes	128,379	134,972
Minority interests in income	5,532	3,771
Net income	238,702	123,400

(3) Consolidated statements of changes in net assets

(Millions of yen)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Shareholders' equity		
Capital stock		
Balance at the end of previous period	100,000	100,000
Balance at the end of current period	100,000	100,000
Capital surplus		
Balance at the end of previous period	736,400	736,400
Balance at the end of current period	736,400	736,400
Retained earnings		
Balance at the end of previous period	1,158,337	1,344,490
Effect of changes in accounting policies applied to foreign subsidiaries	-	(193,658)
Changes of items during the period		
Changes of retained earnings due to the new accounting standard adopted by foreign consolidated subsidiaries applying U.S.GAAP	(10,548)	-
Dividends from surplus	(42,152)	(49,816)
Net income	238,702	123,400
Change of scope of consolidation	-	47
Change of scope of equity method	151	525
Total changes of items during the period	186,152	74,157
Balance at the end of current period	1,344,490	1,224,989
Treasury stock		
Balance at the end of previous period	(74,578)	(74,578)
Balance at the end of current period	(74,578)	(74,578)
Total shareholders' equity		
Balance at the end of previous period	1,920,159	2,106,311
Effect of changes in accounting policies applied to foreign subsidiaries	-	(193,658)
Changes of items during the period		
Changes of retained earnings due to the new accounting standard adopted by foreign consolidated subsidiaries applying U.S.GAAP	(10,548)	-
Dividends from surplus	(42,152)	(49,816)
Net income	238,702	123,400
Change of scope of consolidation	-	47
Change of scope of equity method	151	525
Total changes of items during the period	186,152	74,157
Balance at the end of current period	2,106,311	1,986,810

(Millions of yen)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	33,329	21,338
Changes of items during the period		
Net changes of items other than shareholders' equity	(11,990)	(12,901)
Balance at the end of current period	21,338	8,437
Deferred gains or losses on hedges		
Balance at the end of previous period	14,580	219
Changes of items during the period		
Net changes of items other than shareholders' equity	(14,360)	(127)
Balance at the end of current period	219	92
Pension liability adjustment of foreign consolidated subsidiaries		
Balance at the end of previous period	(15,560)	(10,711)
Pension liability adjustment of foreign consolidated subsidiaries		
Net changes of items other than shareholders' equity	4,848	(8,254)
Balance at the end of current period	(10,711)	(18,965)
Foreign currency translation adjustment		
Balance at the end of previous period	7,745	(41,085)
Changes of items during the period		
Net changes of items other than shareholders' equity	(48,831)	(382,475)
Balance at the end of current period	(41,085)	(423,561)
Total valuation and translation adjustments		
Balance at the end of previous period	40,094	(30,238)
Changes of items during the period		
Net changes of items other than shareholders' equity	(70,333)	(403,758)
Balance at the end of current period	(30,238)	(433,997)
Subscription rights to shares		
Balance at the end of previous period	-	185
Changes of items during the period		
Net changes of items other than shareholders' equity	185	179
Balance at the end of current period	185	364
Minority interests		
Balance at the end of previous period	64,362	78,370
Changes of items during the period		
Net changes of items other than shareholders' equity	14,008	(7,260)
Balance at the end of current period	78,370	71,109

(Millions of yen)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Total net assets		
Balance at the end of previous period	2,024,615	2,154,629
Effect of changes in accounting policies applied to foreign subsidiaries	-	(193,658)
Changes of items during the period		
Changes of retained earnings due to the new accounting standard adopted by foreign consolidated subsidiaries applying U.S.GAAP	(10,548)	-
Dividends from surplus	(42,152)	(49,816)
Net income	238,702	123,400
Change of scope of consolidation	-	47
Change of scope of equity method	151	525
Net changes of items other than shareholders' equity	(56,139)	(410,839)
Total changes of items during the period	130,013	(336,682)
Balance at the end of current period	2,154,629	1,624,288

Marginal notes for consolidated statements of changes in net assets

Notes: 1. “Pension liability adjustment of foreign consolidated subsidiaries” in valuation and translation adjustments was unfunded liabilities recorded by foreign consolidated subsidiaries that adopt U.S.GAAP.

2. Effective from January 1, 2007, the Accounting for Uncertainty in Income Taxes (FASB Interpretation No. 48, Financial Accounting Standards Board) was applied to foreign consolidated subsidiaries that adopt U.S.GAAP. Accordingly, the impacts that arose due to the application in the previous fiscal year (the fiscal year in which the new standard was adopted for the first time) were recorded as changes of retained earnings.

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	372,614	262,143
Depreciation and amortization	167,658	176,899
Impairment loss	3,825	16,364
Loss (gain) on sales and retirement of noncurrent assets	(60,768)	(41,499)
Amortization of goodwill	3,883	105,470
Loss (gain) on valuation of investment securities	11,154	7,062
Increase (decrease) in provision for retirement benefits	(4,932)	(13,159)
Interest and dividends income	(13,410)	(12,276)
Interest expenses	41,758	51,356
Decrease (increase) in notes and accounts receivable-trade	47,484	(43,141)
Decrease (increase) in inventories	27,114	(47,632)
Increase (decrease) in notes and accounts payable-trade	(16,650)	2,698
Increase (decrease) in accounts payable-other	(39,955)	(7,939)
Increase (decrease) in tobacco excise taxes payable	(213,133)	28,981
Other, net	(31,029)	(55,237)
Subtotal	295,612	430,091
Interest and dividends income received	18,226	15,551
Interest expenses paid	(36,083)	(55,957)
Income taxes paid	(132,724)	(114,414)
Net cash provided by (used in) operating activities	145,030	275,271
Net cash provided by (used in) investing activities		
Purchase of short-term investment securities	(2,353)	(1,360)
Proceeds from sales and redemption of securities	4,224	1,861
Purchase of property, plant and equipment	(124,832)	(112,408)
Proceeds from sales of property, plant and equipment	83,335	55,255
Purchase of intangible assets	(6,830)	(6,948)
Purchase of investment securities	(22,562)	-
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,608,080)	(3,060)
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	1,449	450
Other, net	7,015	1,202
Net cash provided by (used in) investing activities	(1,668,634)	(65,008)

(Millions of yen)

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	136,063	(125,182)
Proceeds from long-term loans payable	378,862	94,130
Repayment of long-term loans payable	(90,198)	(54,662)
Proceeds from issuance of bonds	149,723	-
Redemption of bonds	(10,000)	(70,810)
Cash dividends paid	(42,152)	(49,752)
Cash dividends paid to minority shareholders	(2,889)	(3,539)
Repayments of finance lease obligations	-	(6,606)
Other, net	(407)	(1,046)
Net cash provided by (used in) financing activities	519,000	(217,470)
Effect of exchange rate change on cash and cash equivalents	40,090	(39,590)
Net increase (decrease) in cash and cash equivalents	(964,513)	(46,797)
Cash and cash equivalents at beginning of period	1,179,522	215,008
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(953)
Cash and cash equivalents at end of period	215,008	167,257

(5) Significant preparation policy of consolidated financial statements

Matters related to the scope of consolidation

Number of consolidated subsidiaries: 274 companies

Major consolidated subsidiaries: TS Network Co., Ltd., Japan Filter Technology, Ltd., JT International S.A., Gallaher Ltd., Torii Pharmaceutical Co., Ltd., Katokichi Co., Ltd., Japan Beverage Inc., JT Real Estate Inc., JT Financial Service Corporation.

In addition, a total of 17 companies, including JT BEVERAGE INC. and Fuji Foods Corporation, were included in the scope of consolidation from the current fiscal year.

A total of 38 companies, including JT Dining Service Inc., were excluded from the scope of consolidation due to the mergers with other consolidated subsidiaries or other reasons. A total of three companies, including Hans Continental Smallgoods Pty. Ltd., were excluded from the scope of consolidation as JT lost its controlling interests in those companies with commencements of procedures for business liquidation, etc. with a view to dissolutions. Former subsidiary Advance Support Co., Ltd. was accounted for by the equity method due to the decrease of JT's voting rights as a result of sales of investments in the company.

Respective amounts in aggregate of total assets, net sales, net income and retained earnings of non-consolidated subsidiaries do not have a material impact on the consolidated financial statements. For this reason, these companies are excluded from the scope of consolidation.

Changes in accounting policies

(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)

Effective from April 1, 2008, JT applied the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No. 18, May 17, 2006), and adjusted necessary items in the consolidation process.

As a result of this change, operating income, ordinary income and income before income taxes and minority interests for the current fiscal year decreased by ¥ 94,235 million respectively, and as of April 1, 2008, retained earnings decreased by ¥193,658 million as JT amortized goodwill posted at consolidated foreign subsidiaries. Also, income before income taxes and minority interests for the current fiscal year decreased by ¥911 million respectively, as JT posted the retrospective adjustment in the consolidated financial statement of income. The adjustment was caused by an accounting policy change in foreign subsidiaries as a result of a change of U.S. GAAP.

The effects on segment information are described at relevant portion.

(Accounting Standard for Lease Transactions and related regulations)

The accounting treatment before the change for finance lease transactions not involving the transfer of ownership followed the same method as the accounting treatment for operating lease transactions. However, effective from April 1, 2008, JT applied the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13 [Business Accounting Council Committee No. 1, June 17, 1993; revised March 30, 2007]) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16 [The Japanese Institute of Certified Public Accountants (JICPA) Accounting Standard Committee, January 18, 1994; revised March 30, 2007]), and the accounting treatment as the acquisition of an asset and the incurrence of an obligation by the lessee and as a sale by the lessor.

Also, the accounting treatment for finance lease transactions not involving the transfer of ownership commenced before the previous fiscal year involves recording lease assets as if acquired at the beginning of the fiscal year, where the present value of future minimum lease payments as of the end of the previous fiscal year (after deducting the interest amount) is the acquisition cost.

The impact of this change on operating income, ordinary income and income before income taxes and minority interests is immaterial.

Additional information

(Changes in useful lives of property, plant and equipment)

The useful lives of property, plant and equipment with respect to JT and its domestic consolidated subsidiaries was changed as a result of the use review of these assets in conjunction with the revision of the Corporate Tax Act. As an example, the useful lives of tobacco manufacturing facilities, which are JT's main machinery and equipment, was changed from 8 years to 10 years.

The impact of this change on operating income, ordinary income and income before income taxes and minority interests is immaterial.

Furthermore, details other than those described above are omitted as there have been no other material changes since JT's latest Securities Report (submitted June 24, 2008).

(6) Notes to consolidated financial statements

(Segment information)

a. Operations by industry segment

Fiscal year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)

(Millions of yen)

	Domestic tobacco	International tobacco	Pharmaceuticals	Foods	Others	Total	Elimination and corporate	Consolidated total
I. Net sales and operating income (loss)								
Net sales								
(1) Sales to customers	3,362,397	2,639,968	49,063	336,420	21,876	6,409,726	-	6,409,726
(2) Intersegment sales or transfers	48,980	35,341	-	115	22,331	106,768	(106,768)	-
Total	3,411,378	2,675,309	49,063	336,535	44,207	6,516,495	(106,768)	6,409,726
Operating expenses	3,189,030	2,469,949	58,707	335,868	33,759	6,087,316	(108,143)	5,979,173
Operating income (loss)	222,347	205,359	(9,643)	666	10,448	429,179	1,374	430,553
II. Assets, depreciation and amortization other than goodwill, impairment loss and capital expenditures								
Assets	847,123	3,804,413	111,422	353,283	90,000	5,206,242	(119,028)	5,087,214
Depreciation and amortization other than goodwill	83,290	65,397	3,374	4,891	11,606	168,559	(900)	167,658
Impairment loss	344	345	-	380	-	1,069	2,755	3,825
Capital expenditures	57,201	48,430	4,257	6,033	14,792	130,715	(1,160)	129,554

Fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)

(Millions of yen)

	Domestic tobacco	International tobacco	Pharmaceuticals	Foods	Others	Total	Elimination and corporate	Consolidated total
I. Net sales and operating income (loss)								
Net sales								
(1) Sales to customers	3,200,493	3,118,318	56,757	435,966	20,770	6,832,307	-	6,832,307
(2) Intersegment sales or transfers	48,389	40,631	-	132	12,043	101,197	(101,197)	-
Total	3,248,883	3,158,949	56,757	436,099	32,814	6,933,505	(101,197)	6,832,307
Operating expenses	3,060,625	2,984,177	55,737	447,550	23,119	6,571,210	(102,709)	6,468,501
Operating income (loss)	188,258	174,772	1,020	(11,450)	9,694	362,294	1,511	363,806
II. Assets, depreciation and amortization other than goodwill, impairment loss and capital expenditures								
Assets	788,672	2,700,098	111,518	332,669	87,433	4,020,393	(140,590)	3,879,803
Depreciation and amortization other than goodwill	82,933	68,960	3,870	18,293	3,455	177,512	(612)	176,899
Impairment loss	-	-	-	3,829	-	3,829	12,534	16,364
Capital expenditures	46,506	59,776	3,425	23,201	1,128	134,037	234	134,272

Notes: 1. Operations by industry segment are categorized based on types of products, characteristics and markets.

2. Main products or services under each category are as follows:

   a. Domestic tobacco: Tobacco products (These include tobacco products sold at duty-free shops in Japan, as well as at markets in China, Hong Kong and Macao, markets that are under the control of our China Division.)

   b. International tobacco: Tobacco products elsewhere

   c. Pharmaceuticals: Prescription drugs

   d. Foods: Beverages and processed foods

   e. Others: Rent of real estate, leasing, engineering and others

3. The amounts of unallocated assets included in “Elimination and corporate” on the “Assets” row are as follows. Major

components are the surplus funds (cash and deposits, and short-term investment securities), the long-term investment funds (part of investment securities), the assets pertaining to basic research and the land not used for businesses.

(Fiscal year ended March 31, 2008) ¥99,421 million

(Fiscal year ended March 31, 2009) ¥96,835 million

4. The following table shows amortization of goodwill amounts by industry segment which are included in operating expenses for the fiscal year ended March 31, 2008 and fiscal year ended March 31, 2009.

(Millions of yen)

	Domestic tobacco	International tobacco	Pharmaceuticals	Foods	Others	Consolidated total
Fiscal year ended March 31, 2008	1,088	-	-	2,794	-	3,883
Fiscal year ended March 31, 2009	1,088	94,235	-	10,187	-	105,511

5. The domestic tobacco segment includes the sales by TS Network Co., Ltd., JT's consolidated subsidiary. TS Network Co., Ltd. distributes domestic tobacco products and sells imported tobacco products by wholesale. Net sales of imported tobacco products via TS Network Co., Ltd. were as follows.

   (Fiscal year ended March 31, 2008) ¥1,193,178 million

   (Fiscal year ended March 31, 2009) ¥1,135,319 million

6. With respect to the international tobacco segment, as the closing date of the accounting period of international consolidated subsidiaries including JT International S.A., the core company of this segment, is set on December 31, operating results from January 1, 2007 to December 31, 2007 have been included in the fiscal year ended March 31, 2008 and those from January 1, 2008 to December 31, 2008 have been included in the fiscal year ended March 31, 2009.

7. Changes in accounting policies

   (Fiscal year ended March 31, 2009)

   Practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements

   Effective from April 1, 2008, JT applied the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No. 18, May 17, 2006) as described in "(5) Significant preparation policy of consolidated financial statements" of "Consolidated financial statements." As a result of this change, the operating income for the international tobacco segment for the current fiscal year decreased by ¥94,235 million as compared to the case where the previous method was adopted.

b. Operations by geographical segment

Fiscal year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)

(Millions of yen)

	Japan	Western Europe	Others	Total	Elimination and corporate	Consolidated
I. Net sales and operating income (loss)						
Net sales						
(1) Sales to customers	3,711,762	1,678,769	1,019,194	6,409,726	-	6,409,726
(2) Intersegment sales or transfers	52,308	181,062	29,211	262,582	(262,582)	-
Total	3,764,071	1,859,832	1,048,405	6,672,309	(262,582)	6,409,726
Operating expenses	3,541,731	1,803,896	897,007	6,242,635	(263,462)	5,979,173
Operating income	222,339	55,936	151,398	429,674	879	430,553
II. Assets	1,160,749	3,436,184	420,169	5,017,103	70,110	5,087,214

Fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)

(Millions of yen)

	Japan	Western Europe	Others	Total	Elimination and corporate	Consolidated
I. Net sales and operating income (loss)						
Net sales						
(1) Sales to customers	3,672,003	2,038,028	1,122,275	6,832,307	-	6,832,307
(2) Intersegment sales or transfers	53,334	223,871	39,185	316,391	(316,391)	-
Total	3,725,338	2,261,900	1,161,461	7,148,699	(316,391)	6,832,307
Operating expenses	3,538,898	2,286,087	961,828	6,786,815	(318,314)	6,468,501
Operating income (loss)	186,439	(24,187)	199,632	361,883	1,922	363,806
II. Assets	1,083,961	2,378,679	351,079	3,813,720	66,082	3,879,803

Notes: 1. Geographical segments are categorized based on geographical proximity.

2. Countries or regions belonging to the segments other than Japan

   a. Western Europe: Switzerland, United Kingdom, Germany

   b. Others: Canada, Russia, Malaysia

3. The amount and details of unallocated assets included in “Elimination and corporate” on the “Assets” row is same as “Note 3.” of “a. Operations by industry segment.”

4. Changes in accounting policies

   (Fiscal year ended March 31, 2009)

   Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements

   Effective from April 1, 2008, JT applied the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No. 18, May 17, 2006) as described in “(5) Significant preparation policy of consolidated financial statements” of “Consolidated financial statements.” As a result of this change, the operating income for the Western Europe segment for the current fiscal year decreased by ¥94,235 million as compared to the case where the previous method was adopted.

   Furthermore, the following table shows amortization of goodwill amounts by geographical segment which are included in operating expenses for the fiscal year ended March 31, 2009.

(Millions of yen)

	Japan	Western Europe	Others	Consolidated total
Fiscal year ended March 31, 2009	11,276	94,235	-	105,511

c. Overseas sales

Fiscal year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)

			Western Europe	Others	Total
I.	Overseas sales	(Millions of yen)	1,634,920	1,070,540	2,705,461
II.	Consolidated sales	(Millions of yen)			6,409,726
III.	Percentage of overseas sales	(%)	25.5	16.7	42.2

Fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)

			Western Europe	Others	Total
I.	Overseas sales	(Millions of yen)	2,002,738	1,177,113	3,179,852
II.	Consolidated sales	(Millions of yen)			6,832,307
III.	Percentage of overseas sales	(%)	29.3	17.2	46.5

Notes: 1. Overseas sales figures consist of sales of JT and its consolidated subsidiaries in countries or regions outside Japan.
2. Geographical segments are categorized based on geographical proximity.
3. Countries or regions belonging to the segments
a. Western Europe: Switzerland, United Kingdom, Germany
b. Others: Canada, Russia, Malaysia

(Per share information)

Fiscal year ended March 31, 2008		Fiscal year ended March 31, 2009	
Net assets per share	¥216,707.27	Net assets per share	¥162,087.74
Net income per share	¥24,916.51	Net income per share	¥12,880.90
Diluted net income per share	¥24,916.26	Diluted net income per share	¥12,879.77

Note: Reconciliation of the differences between basic and diluted net income per share is as follows:

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Net income per share		
Net income (Millions of yen)	238,702	123,400
Amounts not available to common shareholders (Millions of yen)	-	-
Net income available to common shareholders (Millions of yen)	238,702	123,400
Average number of common shares during the period (Thousands of shares)	9,580	9,580
Diluted net income per share		
Dilutive effects (Millions of yen)	-	-
Number of increased common shares (Thousands of shares)	0	0
(Subscription rights to shares included (Thousands of shares))	(0)	(0)
Dilutive shares which are not included in the calculation of diluted net income per share as they have no dilutive effects	-	-

(Omission of disclosure)

Notes relating to lease transactions, related party transactions, income taxes, derivatives, retirement benefits, stock option and business combinations are omitted considering their minor significance on the Financial Results report.

(Additional information)

1. In July 2004, ZAO JTI Marketing and Sales ("M&S Corp."), a Russian consolidated subsidiary, received an assessment from the Moscow tax authorities in which it was ordered to pay approximately 2.4 billion rubles (approximately ¥6.9 billion) for the period from January to December 2000. The amount includes unpaid taxes (VAT, etc.), interest and additional taxes.

   Believing that the assessment by the Moscow tax authorities was based upon a misinterpretation of facts, M&S Corp. filed a lawsuit with the Moscow Arbitration Court seeking to invalidate the assessment. Although the court of first instance, the Court of Appeals and the Court of Cassation dismissed M&S Corp.'s argument, the Russian Federation Higher Arbitration Court reversed the lower courts' judgments and remanded the case to the court of first instance in April 2006. In October 2007, the court of first instance rendered judgment upholding M&S Corp.'s argument and invalidated the tax assessment, and both the Court of Appeals and the Court of Cassation dismissed the appeal by the tax authorities and upheld M&S Corp.'s argument in February and May 2008, respectively. In October of that year, Russian Federation Higher Arbitration Court refused to take the appeal by the tax authorities and the case is now closed.

2. On July 11, 2008, the Office of Fair Trading (OFT), the UK competition authority, announced that Gallaher Group Ltd. (former Gallaher Group Plc) and Gallaher Ltd. (together, hereinafter, "Gallaher"), JT's tobacco subsidiaries in the United Kingdom, have concluded an early resolution agreement with the OFT. Gallaher has agreed to pay a fine for anti-competitive business practices relating to the retail pricing of tobacco products in the UK market during the period prior to JT's acquisition of Gallaher.

   In August 2003, the OFT notified Gallaher of an inquiry into vertical agreements between manufacturers and retailers in the UK cigarette, tobacco and tobacco-related markets. Since that time Gallaher has been fully cooperating with the OFT regarding the investigation. Regarding this matter, the OFT issued a statement of objections on April 25, 2008. Following a careful and comprehensive review of the document, the JT Group decided to conclude an early resolution agreement with the OFT, which JT believes best serves the interests of all parties involved.

   A certain amount, based on the company's assumptions about the fine, has been booked as noncurrent liabilities in the purchase price allocation related to JT's acquisition of Gallaher Group Plc (now Gallaher Group Ltd.). In the Balance Sheet for the current fiscal year, the amount is included in current liabilities and noncurrent liabilities. This agreement requires us the cooperation with the OFT regarding the investigation. The fine of approximately £93 million (approximately ¥13.0 billion) to Gallaher is scheduled to be finally decided after such investigation has been completed. In cases where the payment amount is decided as the fine amount specified in this agreement, the difference between such fine and the liability already posted, approximately £71 million (approximately ¥10.0 billion), will be recorded as extraordinary income.

   While the agreement reached with the OFT relates only to Gallaher's past business activities prior to JT's acquisition of the Gallaher group of companies, JT considers that compliance with all applicable laws in each market in which it operates is of the utmost importance. JT will continue to enhance efforts to ensure compliance of the whole group of companies.

(Important subsequent events)

JT's board of directors decided on April 30, 2009 that the company would close three cigarette factories in Japan. The Morioka factory and the Yonago factory will cease to manufacture at the end of March 31, 2010, and the Odawara factory cease to manufacture at the end of March 31, 2011.

The impact of the initiative on the company's financial position has not yet been established.