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### **JT Announces the Revision of JT's Subsidiary's Earnings Forecasts**

Japan Tobacco Inc. (JT) announced today that its consolidated subsidiary, Green Foods Co., Ltd., has revised its earnings forecasts for the fiscal year ending March 31, 2010 (April 1, 2009 to March 31, 2010) as per the attached documents.

This revision will not change JT's consolidated earnings forecasts.

(Attached materials)

Disclosure material of Green Foods Co., Ltd.

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**Green Foods Announces Recognition of Provision of Allowance for  
Doubtful Accounts, Occurrence of Extraordinary Losses and  
Revisions of Six Months and Full-Year Non-Consolidated  
Earnings Forecasts for the Fiscal Year Ending March 31, 2010**

Green Foods Co., Ltd. (hereinafter, “Green Foods”) announced today that it recorded a provision of allowance for doubtful accounts pertaining to its claims and extraordinary losses and accordingly revised its six months and full-year non-consolidated earnings forecasts for the fiscal year ending March 31, 2010, which were publicly announced on April 30, 2009.

1. Recognition of provision of allowance for doubtful accounts (consolidated and non-consolidated)

(1) Provision of allowance for doubtful accounts

To ensure high-quality raw materials, Green Foods paid advances as support for purchase funds to collaborating plants located in China. The collection of said advances was effected by offsetting the receivables generated at the debtor for Green Food purchases of conger eels and other products with the claims generated at Green Foods in connection with said advances.

However, comprehensively taking into account the decrease in purchases as a result of a stricter purchase management system implemented by Green Foods following problems associated with food safety as well as business conditions at collaborating plants, Green Foods recognized a provision of allowance for doubtful accounts of ¥246 million.

2. Occurrence of extraordinary losses (consolidated)

(1) Loss on valuation of inventories

On a consolidated basis, a revaluation of raw materials in stock, etc. of Zhoushan Gulin Foods Co., Ltd., a subsidiary of Green Foods, resulted in recognition of a loss on valuation of inventories of ¥269 million.

(2) Provision of allowance for doubtful accounts

On a consolidated basis, Green Foods recognized a provision of allowance for doubtful accounts pertaining to ¥107 million in tax refund receivables associated with the recording of a loss on valuation of inventories for Zhoushan Gulin Foods Co., Ltd., a subsidiary of Green Foods.

### 3. Revisions of non-consolidated earnings forecasts for fiscal year ending March 31, 2010

#### (1) Six month forecasts (April 1, 2009 to September 30, 2009)

(Millions of yen)

	Net sales	Operating income (loss)	Ordinary income (loss)	Net income (loss)
Previous forecast (A)	7,782	164	71	71
Revised forecast (B)	7,782	(81)	(175)	(175)
Change (B – A)	0	(246)	(246)	(246)
Change (%)	0.0%	–	–	–

#### (2) Fiscal year forecasts (April 1, 2009 to March 31, 2010)

(Millions of yen)

	Net sales	Operating income (loss)	Ordinary income (loss)	Net income (loss)
Previous forecast (A)	15,881	360	172	172
Revised forecast (B)	15,881	113	(73)	(73)
Change (B – A)	0	(246)	(246)	(246)
Change (%)	0.0%	(68.3)%	–	–

#### (3) Reason for revision

##### Six months (non-consolidated):

The recognition of the aforementioned provision of allowance for doubtful accounts of ¥246 million in selling, general and administrative expenses resulted in the revision of the forecast for operating loss to ¥81 million, with ordinary loss revised to ¥175 million and net loss to ¥175 million.

##### Fiscal year (non-consolidated):

Revisions of fiscal year earnings forecasts are in accordance with revisions of the earnings forecasts for the six months.

#### (4) Other

The consolidated earnings forecasts for the fiscal year ending March 31, 2010 are currently not disclosed because Green Foods expects its earnings to significantly fluctuate as per its “Consolidated Financial Results for the Fiscal Year Ended March 31, 2009,” which were publicly announced on April 30, 2009. They will be disclosed as soon as possible they become available.

Note: The figures provided in the above forecasts are forward-looking estimates based on information that was available at the time. Making such estimates involves many uncertainties. Actual earnings, etc. may be different to the figures stated here as a result of a change of circumstances etc.