

FOR IMMEDIATE RELEASE

Tokyo, November 17, 2010

Tobacco Council Releases Determinations for 2011 Tobacco Cultivation

Japan Tobacco Inc. (JT) (TSE: 2914) announced today that the Leaf Tobacco Deliberative Council, chaired by Yoshio Kobayashi, released its annual determinations for domestic leaf tobacco cultivation area and grower prices for 2011, in response to a proposal submitted by JT earlier in the day.

The Council was in general agreement with JT's proposal, and determined that in 2011, the domestic tobacco cultivation area will be set at 14,301 hectares. The leaf tobacco grower price will be set at an average of \(\frac{\pma}{1}\),869.28 per kilogram for all leaf types.

JT will proceed with operations in 2011 based on the Council's determinations.

Cultivation area for each type of leaf tobacco in 2011

Units: Hectares

	Contracted cultivation area in 2010	Agreed cultivation area for 2011	Difference
Domestic leaf tobacco	118	109	-9
Burley leaf tobacco	4,663	4,342	-321
Flue-cured leaf tobacco	10,341	9,850	-491
Total	15,121	14,301	-820

About The Leaf Tobacco Deliberative Council

The Leaf Tobacco Deliberative Council is a council which confers on important matters concerning the cultivation and purchase of domestically grown leaf tobacco in response to inquiries by JT representatives. The council consists of no more than 11 members, appointed by JT with the approval of the Minister of Finance from among representatives of domestic leaf tobacco growers and academic appointees.

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Japan Tobacco Inc. is a leading international tobacco product company. Its products are sold in over 120 countries and its internationally recognized cigarette brands include Winston, Camel, Mild Seven and Benson & Hedges. With diversified operations, JT is also actively present in pharmaceuticals and foods. The company's adjusted net sales excluding tax(*) were JPY 1.980 trillion (US\$21,291 million(**)) in the fiscal year ended March 31, 2010.

^{*} Adjusted net sales excluding tax do not include revenue from the imported tobacco, domestic duty free, the China Division and other peripheral businesses in the domestic tobacco business. Nor does it include revenue from distribution, leaf tobacco, private label, contract manufacturing and other peripheral businesses in the international tobacco business.

^{**} Translated at the rate of JPY 93.04 per \$1, as of March 31, 2010