

[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.]

[Cover]

Document to be filed:	Extraordinary Report
Filing to:	Director-General of the Kanto Local Finance Bureau
Date of filing:	January 30, 2012
Company name (Japanese):	日本たばこ産業株式会社 (<i>Nihon Tabako Sangyo Kabushiki-Kaisha</i>)
Company name (English):	JAPAN TOBACCO INC.
Title and name of representative:	Hiroshi Kimura, President, Chief Executive Officer and Representative Director
Location of head office:	2-1, Toranomom 2-chome, Minato-ku, Tokyo, Japan
Telephone number:	+81-3-3582-3111 (Main)
Contact person:	Yasuyuki Tanaka, Senior Vice President and Chief Communications Officer
Place of contact:	2-1, Toranomom 2-chome, Minato-ku, Tokyo, Japan
Telephone number:	+81-3-3582-3111 (Main)
Contact person:	Yasuyuki Tanaka, Senior Vice President and Chief Communications Officer
Places where the document to be filed is available for public inspection:	Japan Tobacco Inc. Saitama Sales Office (55-1, Shimocho 1-chome, Omiya-ku, Saitama-shi, Saitama) Japan Tobacco Inc. Yokohama Sales Office (3-1, Kinkocho, Kanagawa-ku, Yokohama-shi, Kanagawa) Japan Tobacco Inc. Nagoya Sales Office (12-1, Iseyama 2-chome, Naka-ku, Nagoya-shi, Aichi) Japan Tobacco Inc. Osaka Sales Office (5-10, Oyodo-minami 1-chome, Kita-ku, Osaka-shi, Osaka) Japan Tobacco Inc. Kobe Sales Office (7-23, Nakayamate-dori 3-chome, Chuo-ku, Kobe-shi, Hyogo) Tokyo Stock Exchange, Inc. (2-1, Nihonbashi-kabutocho, Chuo-ku, Tokyo) Osaka Securities Exchange Co., Ltd. (8-16, Kitahama 1-chome, Chuo-ku, Osaka-shi, Osaka) Nagoya Stock Exchange, Inc. (8-20, Sakae 3-chome, Naka-ku, Nagoya-shi, Aichi) Fukuoka Stock Exchange (14-2, Tenjin 2-chome, Chuo-ku, Fukuoka-shi, Fukuoka) Sapporo Securities Exchange (14-1, Minamiichijo-nishi 5-chome, Chuo-ku, Sapporo-shi, Hokkaido)

1. Reason for filing

Japan Tobacco Inc. (JT) resolved a change in a company that falls under the category of specified subsidiary of JT, therefore, this document is filed pursuant to the provisions of Article 24-5, paragraph 4 of the Financial Instruments and Exchange Act and Article 19, paragraph 2, item 3 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc.

2. Content of report

(1) Overview of specified subsidiary subject to change

- (i) Name: JT Canada LLC II Inc.
- (ii) Address: 1300-1969 Upper Water Street
Purdy's Wharf Tower II
Halifax, Nova Scotia
B3J 1M5, Canada
- (iii) Name of representative: Phaneuf, Luc
- (iv) Paid-in capital: 134 million Canadian dollars
- (v) Nature of business: Intermediate holding company

(2) Number of voting rights held by JT of the specified subsidiary and ratio thereof to voting rights held by all the shareholders, etc. of the specified subsidiary before and after change

	Number of voting rights	Ratio thereof to voting rights held by all the shareholders, etc.
Before change	1,000,001 (Indirect ownership: 1,000,001)	100% (Indirect ownership: 100%)
After change	0 (Indirect ownership: 0)	0% (Indirect ownership: 0%)

(3) Reason for change

As a result of capital improvement, a decision has been made to dissolve JT Canada LLC II Inc., which was established as an intermediate holding company in Canada after JT's acquisition of the non-U.S. tobacco business of RJR Nabisco Inc.

(4) Date of change

March 31, 2012 Completion of liquidation (planned)