

May 18, 2012

Company Name: JAPAN TOBACCO INC.
Representative: Hiroshi Kimura, President, Chief Executive Officer and Representative Director
(Stock Code: 2914; Stock Exchanges: Tokyo/Osaka/Nagoya First Section, Fukuoka and Sapporo)
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Notice Concerning Amendments to Special Benefits for Shareholders

Japan Tobacco Inc. (JT) announced today that it resolved at a meeting of the Board of Directors held on the same date to make amendments to the special benefits for shareholders as shown below.

1. Reason for amendments

In the fiscal year ended March 31, 2005, JT introduced a system of special benefits for shareholders in order to give its shareholders a greater understanding of the JT Group's business through the use of JT Group's products. Since September 2008, JT has presented to shareholders its own products (including products of JT Group companies and gifts and novelties with the JT name; the same hereinafter) worth an amount in accordance with the number of shares held by the shareholder.

JT has decided to amend the special benefits for shareholders in order to enhance this system. This decision was made on the occasion of the resolution at a meeting of the Board of Directors held on April 13, 2012 to conduct a share split at the ratio of 1:200 or 200 shares to one share (substantially a 2-for-1 share split as a result of the adoption of a share unit system whereby one share unit comprises 100 shares) for the purpose of expanding the shareholder base.

2. Details of amendments

The present categories of "1 to less than 5 shares" and "5 or more shares" for the system of special benefits for shareholders will be changed to "200 to less than 1,000 shares" and "1,000 to less than 2,000 shares," respectively, in accordance with the share split ratio, and new categories of "100 to less than 200 shares" and "2,000 or more shares" will be added. The details of the special benefits by category are as follows.

Before amendment		After amendment	
Number of shares held	Special benefit	Number of shares held	Special benefit
		100 to less than 200 shares	JT's own products worth ¥1,000
1 to less than 5 shares	JT's own products worth ¥2,000	200 to less than 1,000 shares	JT's own products worth ¥2,000
5 or more shares	JT's own products worth ¥3,000	1,000 to less than 2,000 shares	JT's own products worth ¥3,000
		2,000 or more shares	JT's own products worth ¥6,000

* The specifics of the products as special benefits for shareholders after the amendment will be notified to shareholders by September 30, 2012.

3. Timing of amendments

Amended special benefits for shareholders will be put into effect starting from the special benefits for all shareholders holding 100 or more shares who appear in the shareholder registry as of September 30, 2012.

JT will continue to provide special benefits twice a year, and the shareholders eligible to receive special benefits are those holding 100 or more shares who appear in the shareholder registry as of March 31 and September 30 each year.

4. Inquiries from shareholders

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