

[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:   | June 27, 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:   | Mitsuomi Koizumi, 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, 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, Chief Communications Officer   |
| Places where the document to be filed is available for public inspection: | Japan Tobacco Inc. Saitama Sales Office<br>(55-1, Shimocho 1-chome, Omiya-ku, Saitama-shi, Saitama)<br>Japan Tobacco Inc. Yokohama Sales Office<br>(3-1, Kinkocho, Kanagawa-ku, Yokohama-shi, Kanagawa)<br>Japan Tobacco Inc. Nagoya Sales Office<br>(12-1, Iseyama 2-chome, Naka-ku, Nagoya-shi, Aichi)<br>Japan Tobacco Inc. Osaka Sales Office<br>(5-10, Oyodo-minami 1-chome, Kita-ku, Osaka-shi, Osaka)<br>Japan Tobacco Inc. Kobe Sales Office<br>(7-23, Nakayamate-dori 3-chome, Chuo-ku, Kobe-shi, Hyogo)<br>Tokyo Stock Exchange, Inc.<br>(2-1, Nihonbashi-kabutocho, Chuo-ku, Tokyo)<br>Osaka Securities Exchange Co., Ltd.<br>(8-16, Kitahama 1-chome, Chuo-ku, Osaka-shi, Osaka) |

## 1. Reason for filing

At the 27th Ordinary General Meeting of Shareholders of Japan Tobacco Inc. held on June 22, 2012, resolutions of items for resolution were made, 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 ix-2 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc.

## 2. Content of report

### a. Date of the General Meeting of Shareholders

June 22, 2012

### b. Detail of the items for resolution

#### Company's Proposals (Item 1 to Item 4)

##### Item 1: Appropriation of Surplus

###### (1) Type of assets to be paid as dividends:

Cash

###### (2) Allotment of assets to be paid as dividends and their aggregate amount:

¥6,000 per share of common stock of Japan Tobacco Inc.

Aggregate amount: ¥57,128,844,000

###### (3) Effective date for distribution of surplus:

June 25, 2012

##### Item 2: Partial Amendments to the Articles of Incorporation

New establishment of provision on the rights with respect to shares which are less than one share unit and provision for the demand for the sale of shares which are less than one share unit.

##### Item 3: Election of Nine (9) Directors

Election of Messrs. Hiroshi Kimura, Mitsuomi Koizumi, Yasushi Shingai, Noriaki Okubo, Akira Saeki, Hideki Miyazaki, and Mutsuo Iwai as Directors, and Mr. Motoyuki Oka and Ms. Main Koda as Outside Directors

##### Item 4: Election of One (1) Auditor

Election of Mr. Futoshi Nakamura as Auditor

#### Shareholder's Proposals (Item 5 to Item 8)

##### Item 5: Dividend Proposal

Payment of the year-end dividends on shares of common stock for the 27th fiscal year in the amount of JPY20,000 per share of common stock of Japan Tobacco Inc.

##### Item 6: Share Buy-back

Acquisition of Japan Tobacco Inc.'s own shares of common stock in exchange for cash as follows:

- Shares to be acquired: 1,600,000;
- Maximum aggregate amount of consideration: JPY800,000,000,000; and
- Period for the acquisition: Within 1 year from the end of the 27th Ordinary General Meeting of Shareholders of Japan Tobacco Inc.

##### Item 7: Partial Amendments to the Articles of Incorporation

New establishment of provision allowing the shareholder's meeting to resolve the matters in respect of cancellation of treasury shares

Item 8: Cancellation of All Existing Treasury Shares

Cancellation of all treasury shares of common stock subject to the approval and adoption of Item 7

- c. Number of voting rights that were exercised as the manifestation of the intention of approval, disapproval or abstention for the items for resolution; requirements for adoption thereof; and resolution results thereof

Company's Proposals (Item 1 to Item 4)

| Item for Resolution  | Affirmatives | Negatives | Abstentions | Affirmation Rate | Resolution Result |
|----------------------|--------------|-----------|-------------|------------------|-------------------|
| Item 1               | 7,213,552    | 962,483   | 153,044     | 84%              | Adopted           |
| Item 2               | 8,265,177    | 87,587    | 153,081     | 97%              | Adopted           |
| Item 3               |              |           |             |                  |                   |
| Mr. Hiroshi Kimura   | 8,287,686    | 65,089    | 153,044     | 97%              | Adopted           |
| Mr. Mitsuomi Koizumi | 8,299,329    | 53,446    | 153,044     | 97%              | Adopted           |
| Mr. Yasushi Shingai  | 8,312,102    | 34,948    | 158,769     | 97%              | Adopted           |
| Mr. Noriaki Okubo    | 8,299,183    | 47,867    | 158,769     | 97%              | Adopted           |
| Mr. Akira Saeki      | 8,298,292    | 48,758    | 158,769     | 97%              | Adopted           |
| Mr. Hideki Miyazaki  | 8,290,719    | 56,331    | 158,769     | 97%              | Adopted           |
| Mr. Mutsuo Iwai      | 8,304,206    | 42,844    | 158,769     | 97%              | Adopted           |
| Mr. Motoyuki Oka     | 8,343,764    | 15,246    | 146,809     | 98%              | Adopted           |
| Ms. Main Koda        | 8,344,193    | 14,817    | 146,809     | 98%              | Adopted           |
| Item 4               |              |           |             |                  |                   |
| Mr. Futoshi Nakamura | 8,288,016    | 71,016    | 146,809     | 97%              | Adopted           |

Shareholder's Proposals (Item 5 to Item 8)

| Item for Resolution | Affirmatives | Negatives | Abstentions | Rejection Rate | Resolution Result |
|---------------------|--------------|-----------|-------------|----------------|-------------------|
| Item 5              | 1,090,480    | 7,157,620 | 18,886      | 84%            | Rejected          |
| Item 6              | 1,358,713    | 7,121,769 | 25,145      | 83%            | Rejected          |
| Item 7              | 1,367,523    | 7,126,819 | 11,313      | 83%            | Rejected          |
| Item 8              | -            | -         | -           | -              | -                 |

Notes:

- Requirements for adoption of each item are as follows:

The requirement for adoption of Item 1, Item 5, Item 6 and Item 8 is a majority of the affirmative votes of the shareholders who are entitled to exercise their voting rights and present at the meeting.

The requirement for adoption of Item 2 and Item 7 is two thirds or more of the affirmative votes of the shareholders who are entitled to exercise their voting rights and present at the meeting where the shareholders holding one third or more of the total voting rights of the shareholders who are entitled to exercise their voting rights are present.

The requirement for adoption of Item 3 and Item 4 is a majority of the affirmative votes of the shareholders who are entitled to exercise their voting rights and present at the meeting where the shareholders holding one third or more of the total voting rights of the shareholders who are entitled to exercise their voting rights are present.

- Affirmation rates represent the ratio of the number of affirmative voting rights of shareholders whose affirmative votes

or negative votes on each item were confirmed to have been exercised prior to the date of the meeting or at the meeting to the 8,505,904 voting rights of all the shareholders who were entitled to exercise their voting rights and present at the meeting.

The rejection rate for Item 5 represents the ratio of the number of negative voting rights of shareholders whose affirmative votes or negative votes on this item were confirmed to have been exercised prior to the date of the meeting or at the meeting to the 8,444,312 voting rights of all the shareholders who were entitled to exercise their voting rights and present at the meeting.

Rejection rates for Item 6 and Item 7 represent the ratio of the number of negative voting rights of shareholders whose affirmative votes or negative votes on each item were confirmed to have been exercised prior to the date of the meeting or at the meeting to the 8,505,867 voting rights of all the shareholders who were entitled to exercise their voting rights and present at the meeting.

3. Item 8 was not treated as a proposal because Item 8 was subject to the approval and adoption of Item 7, and Item 7 was rejected.

d. Reason why a portion of the number of voting rights of the shareholders present at the meeting was not included in the calculation

Since the results of the counting of the number of voting rights of shareholders whose affirmative votes or negative votes on each item were confirmed to have been exercised prior to the date of the meeting or at the meeting on each item met the requirements for adoption of the Company's proposals and for rejection of the shareholders' proposals, and the resolutions have been legally adopted pursuant to the Companies Act, the number of other voting rights was not included in the calculation.