[This is an English translation prepared for reference purpose only. Should there be any inconsistency between the translation and the original 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: March 28, 2019

Company name (Japanese): 日本たばこ産業株式会社 (Nihon Tabako Sangyo Kabushiki-

Kaisha)

Company name (English): JAPAN TOBACCO INC.

Title and name of representative: Masamichi Terabatake, President, Chief Executive Officer and

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Contact person: Kei Nakano, Senior Vice President, Communications

Place where the document is available for Tokyo Stock Exchange, Inc.

public inspection: (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

1. Reason for filing

An event that materially impacts the financial position, operating results and cash flow condition of Japan Tobacco Inc. (JT) has occurred. 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, and item 12 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs.

2. Content of report

- (1) Date of occurrence of the aforementioned event March 27, 2019
- (2) Detail of the aforementioned event JT received a dividend of \$500 million (approximately ¥55 billion) from its consolidated subsidiary, JT International Group Holding B.V.
- (3) Impact of aforementioned event on profit/loss

 The dividend income of \$500 million (approximately ¥55 billion) will be recorded as non-operating income in JT's non-consolidated financial statements for the fiscal year ending December 31, 2019. However, as this dividend is received from its consolidated subsidiary, it will not have any impact on JT's consolidated financial results for the fiscal year ending December 31, 2019.