

[This is an English translation prepared for reference purpose only. Should there be any inconsistencies between the translation and the original Japanese text, the latter shall prevail.]

Statement verifying eligibility for use of “Reference Method”

Company name: JAPAN TOBACCO INC.

Title and name of representative:

Masamichi Terabatake, President, Chief Executive Officer and Representative Director

1. The Company has been continuously submitting annual securities reports for a one-year period.
2. Share certificates issued by the Company are listed on the Tokyo Stock Exchange.
3. The Number of shares issued by the Company has a three-year average market capitalization of over ¥25 billion.

¥5,204,666 million

(reference)

Listed market capitalization (March 30, 2018)

Final share price on the Tokyo Stock Exchange	Total Number of Shares Issued		
¥3,066 ×	2,000,000,000 shares	=	¥6,132,000 million

Listed market capitalization (March 29, 2019)

Final share price on the Tokyo Stock Exchange	Total Number of Shares Issued		
¥2,745 ×	2,000,000,000 shares	=	¥5,490,000 million

Listed market capitalization (March 31, 2020)

Final share price on the Tokyo Stock Exchange	Total Number of Shares Issued		
¥1,996 ×	2,000,000,000 shares	=	¥3,992,000 million

(Notes) March 31, 2018 and March 31, 2019 were trading holidays. Therefore, the Company calculated the final share prices on the Tokyo Stock Exchange on March 30, 2018 and March 29, 2019, which were the trading dates immediately preceding the trading holidays.