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**FOR IMMEDIATE RELEASE**

**JT Board of Directors Raises Dividend Forecast**

**Tokyo, April 25, 2006**---Japan Tobacco Inc. (JT) (TSE: 2914) announced today that, based on the company's policy aiming to generate competitive returns for shareholders through the payment of dividends based on consolidated performance in relevant periods, its board of directors has revised the forecast for its year-end dividend to JPY 9,000. This would be an increase of JPY 2,000 over the earlier forecast of JPY 7,000, in consideration of the company's overall performance in the previous fiscal year. As a result, JT's expected dividend per share for the full fiscal year that ended March 31, 2006, totals JPY 16,000, including the interim dividend of JPY 7,000.

Fiscal Year Ended March 31, 2006	Interim Dividend (Apr – Sep)	Year-end Dividend (Oct – Mar)	Total
Previous Forecast (October 31, 2004)	Dividend JPY 7,000	Dividend JPY 7,000	JPY 14,000
Revised Forecast (April 25, 2006)	Dividend JPY 7,000	Dividend JPY 9,000	JPY 16,000

**Reference**

Fiscal Year Ended March 31, 2005	Dividend JPY 5,000	Dividend JPY 7,000	JPY 13,000
		Commemorative JPY 1,000 Dividend	

Note: The shares possessed before the stock split, effective on April 1, 2006, will be eligible for year-end dividends for the fiscal year ended March 31, 2006.

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*Japan Tobacco Inc. is the world's third largest international manufacturer of tobacco products. The company manufactures internationally recognized cigarette brands including Camel, Winston, Mild Seven and Salem. Since its privatization in 1985, JT has actively diversified its operations into pharmaceuticals and foods. The company's net sales were JPY 4.664 trillion in the fiscal year ended March 31, 2005.*