

January 18, 2016

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Notice Concerning Amendments to Earnings Forecasts of JT's Subsidiary

Japan Tobacco Inc. (JT) today announced that Torii Pharmaceutical Co., Ltd., a consolidated subsidiary of JT, amended the full-year earnings forecasts for the December 2015 term (January 1, 2015 through December 31, 2015) as shown in the attached sheet.

The effects of this amendment on JT's consolidated financial results will be immaterial.

(Attachment)

Reference: "Torii Amends Full-Year Earnings Forecasts for Fiscal Year Ended December 31, 2015" (a material released by Torii Pharmaceutical Co., Ltd. as of January 18, 2016)

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(Reference)

January 18, 2016

Torii Pharmaceutical Co., Ltd.

Torii Amends Full-Year Earnings Forecasts for Fiscal Year Ended December 31, 2015

In consideration of the recent trend in earnings and other factors, Torii Pharmaceutical Co., Ltd. (“Torii”) has amended its full-year earnings forecasts for the fiscal year ended December 31, 2015, which were announced on October 30, 2015, as described below.

1. Amendments to Full-Year Earnings Forecasts for Fiscal Year Ended December 31, 2015 (January 1, 2015, through December 31, 2015)

	Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Net income per share (Yen)
Previous forecasts (A)	61,300	4,000	4,200	2,600	91.87
New forecasts (B)	62,370	4,910	5,130	3,520	124.38
Amount of change (B-A)	1,070	910	930	920	
Rate of change (%)	1.7	22.8	22.1	35.4	
(Reference) Actual cumulative amount for January to December 2014 (Note)	58,089	5,033	5,168	3,394	

(Note) The Company has changed every fiscal year end from March 31 to December 31 effective from the fiscal year ended December 31, 2014. Consequently, information for the 12-month period* from January 1 to December 31, 2014 has been presented for reference purposes.

* Information for the 12-month period = Actual results for the fiscal year ended March 31, 2014 (12 months) – Actual results for the first nine months of the fiscal year ended March 31, 2014 (9 months) + Actual results for the fiscal year ended December 31, 2014 (9 months)

2. Reasons for Amendments

Net sales are now expected to be higher than the previously announced forecast figure, largely due to strong sales of the mainstay products anti-HIV drug Truvada[®] Combination Tablets and anti-HIV drug Stribild[®] Combination Tablets, and Riona[®] Tablets for the treatment of hyperphosphatemia. Operating income and ordinary income are also expected to exceed the previously announced forecast figures due to the increase in net sales and factors such as positive effects of initiatives to curtail selling expenses. As a result, net income is also expected to be higher than the previously announced forecast figures, largely due to the increase in ordinary income and factors such as Torii having recorded a gain on sales of land in extraordinary income.

* The above-mentioned earnings forecasts are based on information available to Torii as of the date of this announcement. Actual business results may differ from the forecast figures herein.