



FOR IMMEDIATE RELEASE

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**JT and Torii Discontinue Development of NK-1 Receptor Antagonist (JTS-661)
and Terminate Exclusive License Agreement with Menlo Therapeutics**

Japan Tobacco Inc. (JT) (TSE:2914) and Torii Pharmaceutical Co., Ltd. (Torii) (TSE:4551) have announced today that the companies decided to discontinue the development of JTS-661 (serlopitant). Simultaneously, JT and Torii have also announced the termination of the license agreement with Menlo Therapeutics Inc. (Menlo Therapeutics) which was entered into on August 10, 2016 for the development and commercialization of serlopitant in Japan.

JTS-661 is a candidate compound of the first-in-class oral drug for the treatment of pruritus as a neurokinin (NK-1) receptor antagonist expected to suppress pruritus involving the NK-1 signalling pathway. JT and Torii decided to discontinue development of JTS-661 and to terminate the license agreement with Menlo Therapeutics, following comprehensive reconsideration of the development plan.

The effects of this termination of the exclusive license agreement on the business performance of both JT and Torii's in this fiscal year will be immaterial.

About Menlo Therapeutics Inc.

Menlo Therapeutics Inc. is a late-stage biopharmaceutical company focused on the development of serlopitant, a once-daily oral NK-1 receptor antagonist, for the treatment of pruritus associated with various underlying dermatologic conditions and for refractory chronic cough.

For more information, please visit <https://www.menlotherapeutics.com>.

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Japan Tobacco Inc. is a leading international tobacco company with operations in more than 130 countries. With close to 60,000 employees, it manufactures and sells some of the world's best-known brands including Winston, Camel, MEVIUS, and LD. The JT Group is committed to investing in Reduced-Risk Products (RRP) and currently markets Ploom TECH, its tobacco vapor product, and various e-cigarette products under the Logic brand. The Group is also present in the pharmaceutical and processed food businesses. For more information, visit <https://www.jt.com/>.

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