



JAPAN TOBACCO INC.
2-1, Toranomon 2-chome, Minato-ku
Tokyo 105-8422 JAPAN
Phone:03-3582-3111

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Tobacco Council Releases Determinations for 2019 Tobacco Cultivation

Japan Tobacco Inc. (JT) (TSE: 2914) announced today that the Leaf Tobacco Deliberative Council, chaired by Yoshio Kobayashi, released its annual determinations for domestic leaf tobacco cultivation area and grower prices for 2019, in response to a proposal submitted by JT earlier in the day.

The Council was in general agreement with JT's proposal, and determined that in 2019, the domestic tobacco cultivation area will be set at 6,886 hectares, a decrease of 4.8% compared to the contracted area¹ of the previous year. The leaf tobacco grower price will be set at an average of ¥1,912.32 per kilogram for all leaf types, an increase of 1.33% compared to the previous year.

JT will undertake its operations in 2019 based on the Council's determinations.

About The Leaf Tobacco Deliberative Council

The Leaf Tobacco Deliberative Council is a council which confers on important matters concerning the cultivation and purchase of domestically grown leaf tobacco in response to inquiries by the JT representative. The council consists of no more than 11 members, appointed by JT with the approval of the Minister of Finance from among representatives of domestic leaf tobacco growers and academic appointees.

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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/>.

Contacts: Masahito Shirasu, General Manager
Jo Oshiana Ogawa Associate Manager
Media and Investor Relations Division
Japan Tobacco Inc.
Tokyo: +81-3-5572-4292
E-mail: jt.media.relations@jt.com

¹ The contracted area includes inactive areas in Fukushima.