



FOR IMMEDIATE RELEASE

Tokyo, April 17, 2014

Launch of Riona[®] Tablets 250mg for the treatment of hyperphosphatemia in Japan

Tokyo, April 17, 2014 --- Japan Tobacco Inc. (JT) (TSE:2914) and Torii Pharmaceutical Co., Ltd. (Torii) (TSE:4551) announced today that Torii would launch Riona[®] Tablets 250mg in Japan on May 12, 2014. JT received manufacturing and marketing approval of this drug for the indication of the improvement of hyperphosphatemia in patients with chronic kidney disease (CKD) from the Japanese Ministry of Health, Labour and Welfare in January, 2014.

Riona[®] Tablets is a novel phosphate binder containing ferric citrate hydrate as the active pharmaceutical ingredient. This new agent binds to phosphate in the gastrointestinal tract and decreases serum phosphorus concentration through inhibiting phosphate absorption into the body. Clinical efficacy in the decrease of serum phosphorus concentration was proven in Phase 3 studies, in both on dialysis and not on dialysis CKD patients with hyperphosphatemia in Japan. Furthermore, no clinically significant findings on the safety and tolerability of Riona[®] Tablets were observed in the long-term administration studies.

JT and Torii expect to contribute to treat hyperphosphatemia in patients with CKD, including dialysis and non-dialysis dependent CKD, through marketing Riona[®] Tablets in Japan.

The effects on business performance of this launch are expected to be minor in this fiscal year, and are to be included in both the Group's consolidated and Torii's forecasts for the fiscal year 2014, announced on April 24, 2014.

About Riona® Tablets

Product Name: Riona® Tablets 250mg

Generic Name: Ferric Citrate Hydrate

Indication: Improvement of hyperphosphatemia in patients* with chronic kidney disease

*Both dialysis and non-dialysis dependent CKD patients are included.

Dosage and Administration:

The usual adult dosage for oral use begins at 500 mg of ferric citrate three times daily immediately after meals. Thereafter, the dosage should be adjusted based on the degree of symptoms and serum phosphorus concentration. The maximum daily dosage is 6,000 mg.

Package: Riona® Tablets 250mg : 100 tablets

NHI Drug Price: ¥ 99.80 per tablet

Approval Date: January 17, 2014

NHI Pricing Date: April 17, 2014

Launch Date: May 12, 2014

Manufacturing and Distributor: Japan Tobacco Inc.

Distributor: Torii Pharmaceutical Co., Ltd.

About ferric citrate hydrate

JT and Torii hold the exclusive rights to develop and commercialize ferric citrate hydrate in Japan, which were licensed in September 2007 from Keryx Biopharmaceuticals, Inc. Keryx filed its New Drug Application (NDA) and Marketing Authorisation Application (MAA) with the U.S. Food and Drug Administration (FDA) and the European Medicines Agency (EMA) respectively. In the United States, it has been assigned a Prescription Drug User Fee Act (PDUFA) goal date of June 7, 2014.

About hyperphosphatemia

Patients with CKD often suffer from hyperphosphatemia, as a result of lower phosphorous excretion from the kidney. Persisting hyperphosphatemia leads to calcareous deposition in various organs and periarticular tissues. In particular, a calcified blood vessel wall causes arterial sclerosis and increases the risk of cardiac infarct and angina. Furthermore, bone lesions can be caused by secondary hyperparathyroidism associated with the increase in secretion of parathyroid hormone, negatively affecting activities of daily living and quality of life. Therefore, it is important for hyperphosphatemia in patients with CKD, including dialysis and non-dialysis dependent CKD, to maintain the target level of serum phosphorus.

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Japan Tobacco Inc. is a leading international tobacco product company. Its products are sold in over 120 countries and its internationally recognized cigarette brands include Winston, Camel, Mevius/Mild Seven and Benson & Hedges. With diversified operations, JT is also actively present in pharmaceuticals, beverages and processed foods. The company's revenue was ¥2.120 trillion (US\$22,543 million()) in the fiscal year ended March 31, 2013.*

**Translated at the rate of ¥94.05 per \$1, as of March 29, 2013*

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