



Notice of Partial Correction to “Consolidated financial results for FY2014 first quarter”

Japan Tobacco Inc. (JT) (TSE:2914)) hereby announces that it has made correction to the document entitled “Consolidated financial results for FY2014 first quarter” announced on July 30, 2014. Corrections are highlighted in yellow.

Correction : Page 33, JT International Share of key markets (3 Month Average)

【Before correction】

JT International Share of key markets (3 Month Average)		Preliminary results				
		2013	2013	2013	2013	2014
		Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
France		19.9%	20.1%	20.2%	20.3%	20.6%
Italy		21.9%	21.7%	21.3%	20.7%	19.8%
Russia		36.2%	36.5%	36.2%	35.6%	34.6%
(GFB)		23.1%	23.6%	23.7%	23.5%	23.3%
Spain		21.2%	20.5%	21.7%	21.2%	21.7%*
Taiwan		40.0%	39.9%	38.3%	38.4%	38.1%
Turkey		26.8%	26.8%	26.9%	26.4%	27.5%
UK		40.4%	40.9%	41.1%	40.8%	41.2%

Source: IRI, Logista, Nielsen
Note: SOM figures are rounded off
* 2 month average as of May 2014

33

【After correction】

JT International Share of key markets (3 Month Average)		Preliminary results				
		2013	2013	2013	2014	2014
		Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
France		19.9%	20.1%	20.2%	20.3%	20.6%
Italy		21.9%	21.7%	21.3%	20.7%	19.8%
Russia		36.2%	36.5%	36.2%	35.6%	34.6%
(GFB)		23.1%	23.6%	23.7%	23.5%	23.3%
Spain		21.2%	20.5%	21.7%	21.2%	21.7%*
Taiwan		40.0%	39.9%	38.3%	38.4%	38.1%
Turkey		26.8%	26.8%	26.9%	26.4%	27.5%
UK		40.4%	40.9%	41.1%	40.8%	41.2%

Source: IRI, Logista, Nielsen
Note: SOM figures are rounded off
* 2 month average as of May 2014

33

<end>

Consolidated financial results for FY2014 first quarter

(April 1, 2014 through June 30, 2014)

**CFO and Senior Vice President
Naohiro Minami**

*Please be reminded that the figures shown on these slides may differ from those shown in the financial statements as they are intended to facilitate the understanding of individual businesses.

*For details of each indicator, please refer to annotations on slide 18.



Caution concerning Forward-Looking Statements

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements. These statements appear in a number of places in this presentation and include statements regarding the intent, belief, or current and future expectations of our management with respect to our business, financial condition and results of operations. In some cases, you can identify forward-looking statements by terms such as "may", "will", "should", "would", "expect", "intend", "project", "plan", "aim", "seek", "target", "anticipate", "believe", "estimate", "predict", "potential" or the negative of these terms or other similar terminology. These statements are not guarantees of future performance and are subject to various risks and uncertainties. Actual results, performance or achievements, or those of the industries in which we operate, may differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. In addition, these forward-looking statements are necessarily dependent upon assumptions, estimates and data that may be incorrect or imprecise and involve known and unknown risks and uncertainties. Forward-looking statements regarding operating results are particularly subject to a variety of assumptions, some or all of which may not be realized.

Risks, uncertainties or other factors that could cause actual results to differ materially from those expressed in any forward-looking statement include, without limitation:

- (1) decrease in demand for tobacco products in key markets;
- (2) restrictions on promoting, marketing, packaging, labeling and usage of tobacco products in markets in which we operate;
- (3) increases in excise, consumption or other taxes on tobacco products in markets in which we operate;
- (4) litigation around the world alleging adverse health and financial effects resulting from, or relating to, tobacco products ;
- (5) our ability to realize anticipated results of our acquisition or other similar investments;
- (6) competition in markets in which we operate or into which we seek to expand;
- (7) deterioration in economic conditions in areas that matter to us;
- (8) economic, regulatory and political changes, such as nationalization, terrorism, wars and civil unrest, in countries in which we operate;
- (9) fluctuations in foreign exchange rates and the costs of raw materials; and
- (10) catastrophes, including natural disasters.

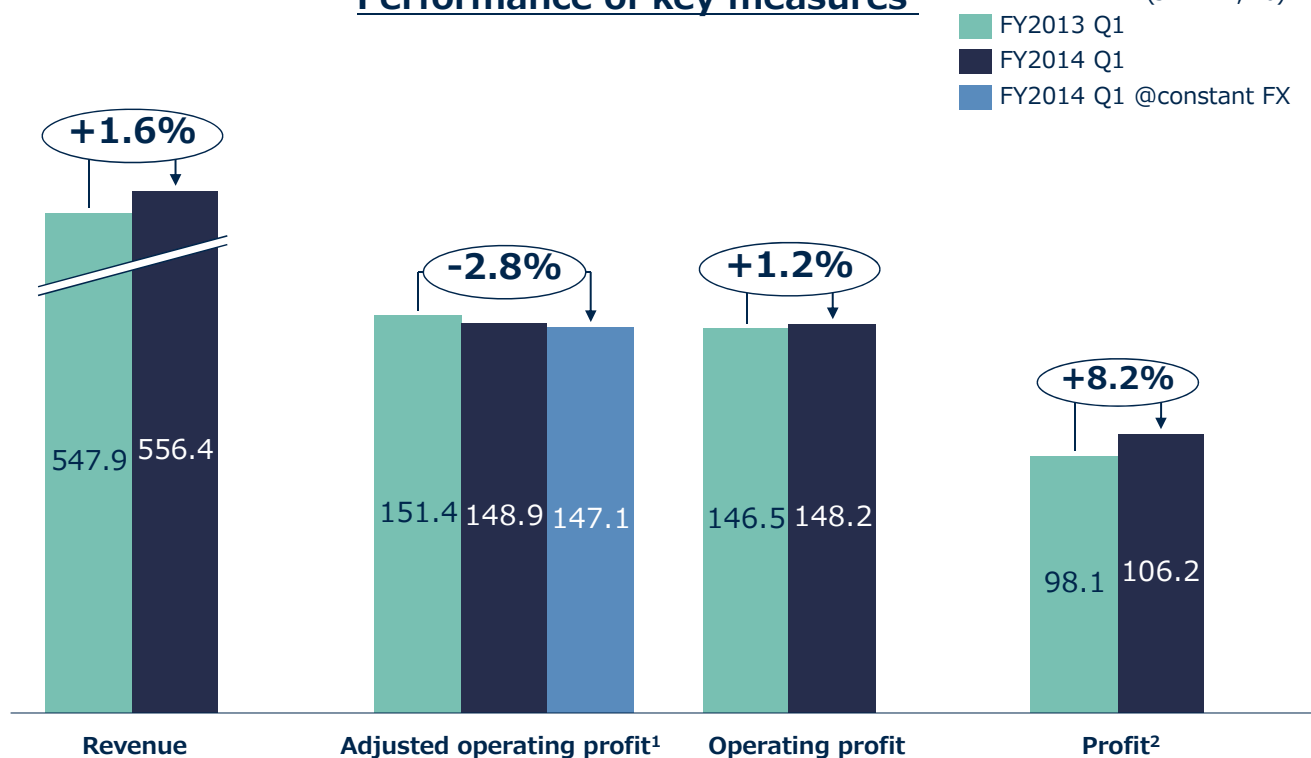
Consolidated financial results (Reported)

Consolidated financial results: Solid performance despite one-off slowdown in Japanese domestic tobacco business

Reported basis

Performance of key measures

(JPY BN, %)



Results by business segment (Reported)

International tobacco business (Jan-Mar):

Reported basis

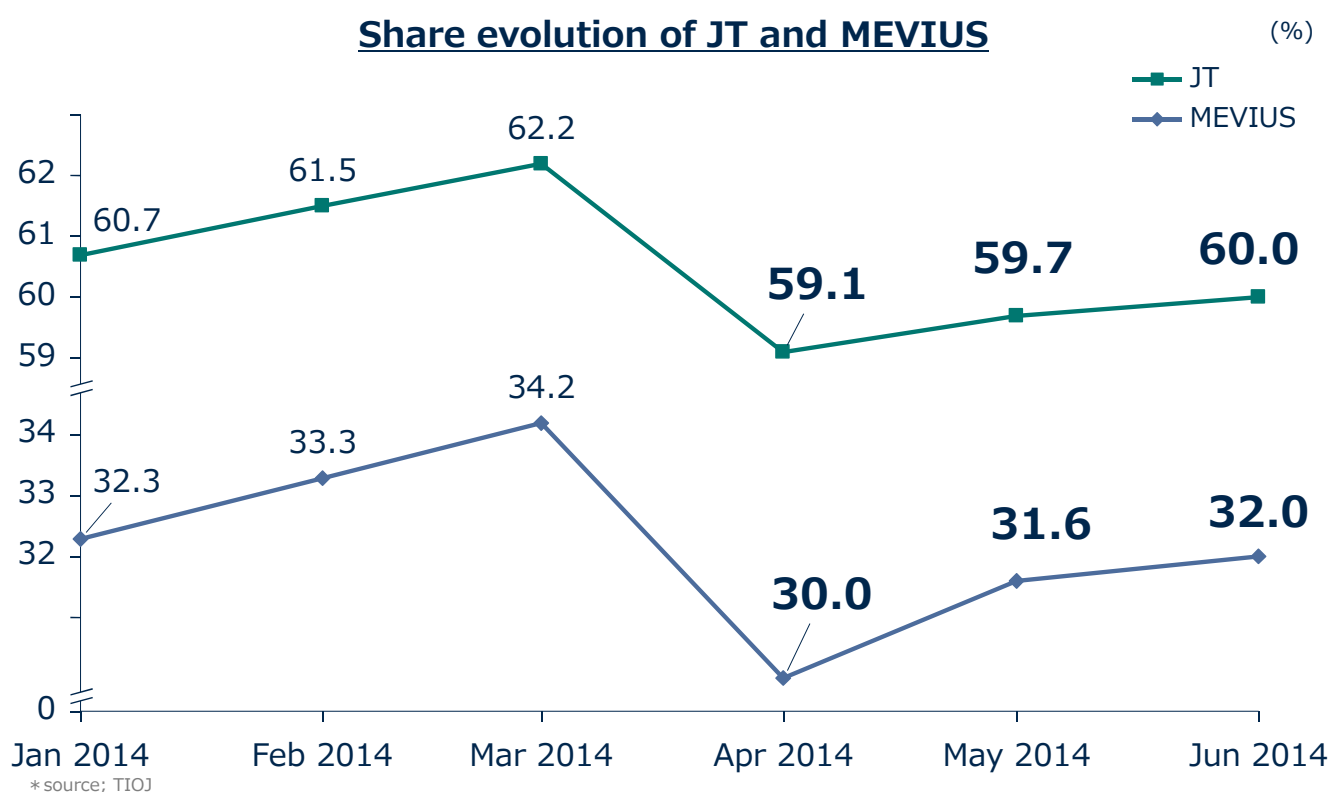
(BNU,MMUS\$,%)

	<u>2013 Jan-Mar</u>	<u>2014 Jan-Mar</u>	<u>change</u>
Total shipment volume³	92.8*	87.7	-5.4%
GFB shipment volume	58.5*	55.3	-5.5%
<u>@ constant FX</u>			
Core revenue⁴	2,729	2,868	+5.1%
Adjusted operating profit¹	976	1,117	+14.4%
<u>Reported</u>			
Core revenue⁴	2,729	2,761	+1.2%
Adjusted operating profit¹	976	1,022	+4.7%
<u>JPY basis (JPY BN)</u>			
Core revenue⁴	252.3	283.7	+12.5%
Adjusted operating profit¹	90.2	105.1	+16.4%

*Following a recent assessment of fine cut consumption, the conversion rate from tons to cigarette equivalent units for High Volume Tobacco has been adjusted since 2014. 2013 figures for Total and GFB shipment volume have been restated accordingly

Japanese domestic tobacco business (Apr-Jun): Steady JT share gain driven by MEVIUS performance

Reported basis

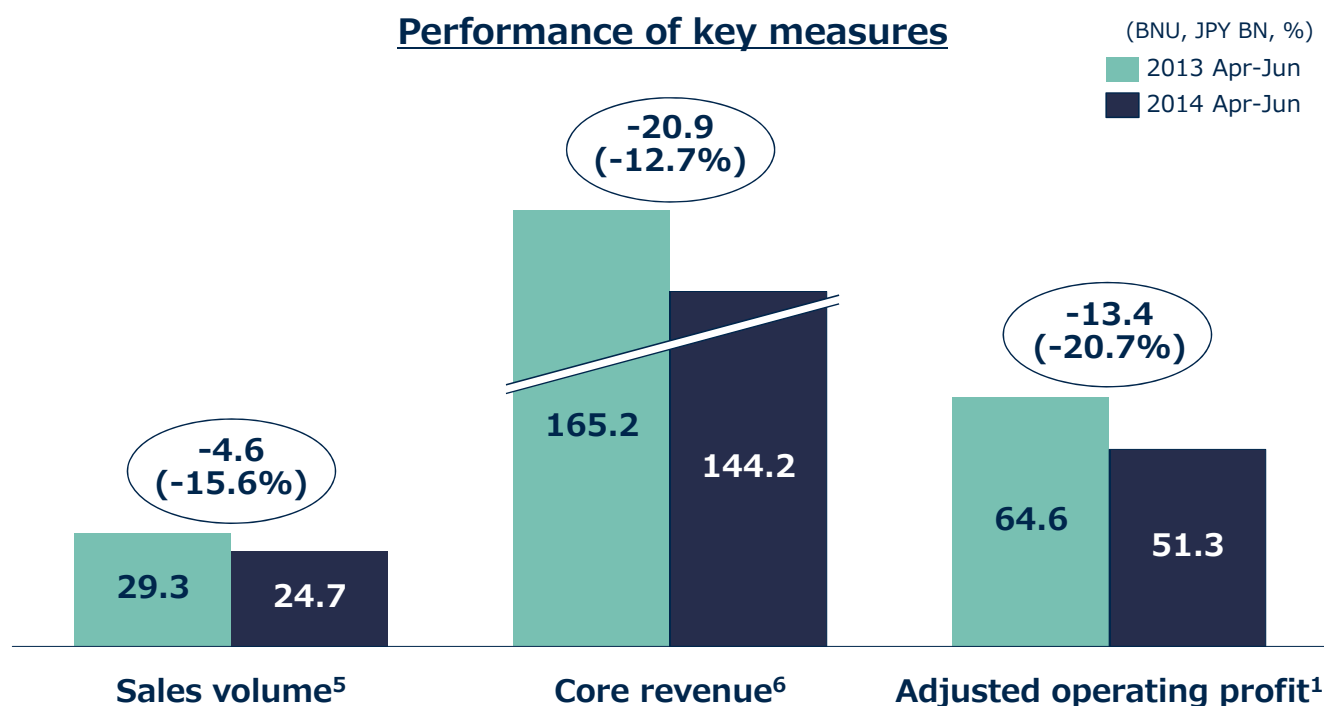


7

Japanese domestic tobacco business (Apr-Jun): Revenue and profit decreased due to one-off volume slowdown after consumption tax hike

Reported basis

- The temporary impact of the April consumption tax hike worn off by June



8

Pharmaceutical, Beverage, and Processed Food businesses (Apr-Jun):

Reported basis

	(JPY BN)		
	<u>2013 Apr-Jun</u>	<u>2014 Apr-Jun</u>	<u>Change</u>
Pharmaceutical business			
Revenue	16.8	13.1	-3.7
Adjusted operating profit ¹	-0.9	-3.8	-2.8
Beverage business			
Revenue	45.9	44.9	-1.0
Adjusted operating profit ¹	-1.6	-1.4	+0.2
Processed food business			
Revenue	37.4	37.3	-0.1
Adjusted operating profit ¹	0.1	0.0	-0.1

Progress of clinical development in Pharmaceutical business

- "JTT-252" (type2 diabetes mellitus) entered clinical trials
- "JTK-351" (HIV infection) entered clinical trials

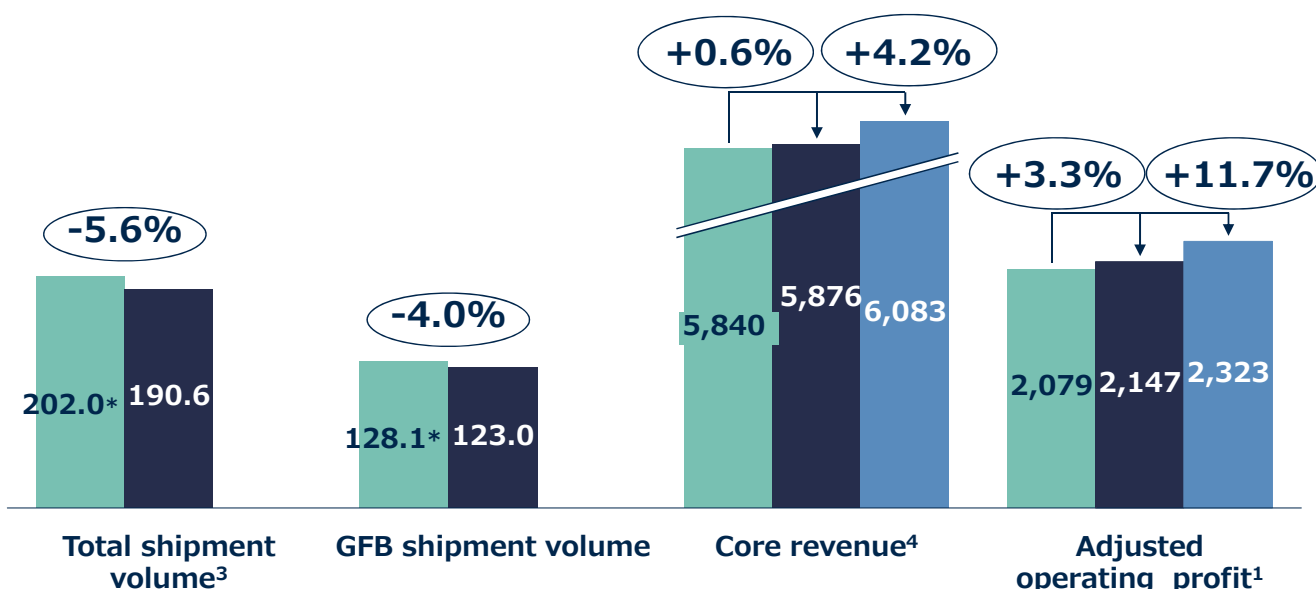
JT International preliminary results

JT International (Jan-Jun): Delivered double digit profit growth driven by robust pricing

Performance of key measures

(BNU,MMUS\$,%)

2013 Jan-Jun
2014 Jan-Jun
2014 Jan-Jun @constant FX



*Following a recent assessment of fine cut consumption, the conversion rate from tons to cigarette equivalent units for High Volume Tobacco has been adjusted since 2014. 2013 figures for Total and GFB shipment volume have been restated accordingly

11

JT International (S&WE, N&CE Jan-Jun):

- South & West Europe: Resilient volume performance and increasing GFB volume in the context of industry contraction
- North & Central Europe: Continued strong momentum driven by GFB

Growth rates by cluster

(%)

	Jan-Mar	Apr-Jun	Jan-Jun
South & West Europe			
Total shipment volume ³	-5.9%	+4.0%	-0.8%
GFB shipment volume	-3.8%	+6.9%	+1.6%
Core revenue ⁴ @constant FX	-8.8%	+1.5%	-3.6%
North & Central Europe			
Total shipment volume ³	+3.1%	+4.2%	+3.6%
GFB shipment volume	+8.3%	+9.7%	+9.1%
Core revenue ⁴ @constant FX	+9.9%	+11.9%	+10.9%

12

- CIS+: Strong pricing leading to core revenue growth, more than offsetting industry contraction
- Rest-of-the-World: Volume recovery in Apr-Jun quarter, led by strong performance in emerging markets

Growth rates by cluster

(%)

	Jan-Mar	Apr-Jun	Jan-Jun
CIS+			
Total shipment volume ³	-7.8%	-14.7%	-11.6%
GFB shipment volume	-4.9%	-10.9%	-8.3%
Core revenue ⁴ @constant FX	+14.6%	+4.2%	+8.8%
Rest-of-the-World			
Total shipment volume ³	-5.6%	-0.2%	-2.7%
GFB shipment volume	-13.6%	+1.2%	-5.8%
Core revenue ⁴ @constant FX	+0.2%	-1.2%	-0.6%

13

L-f-L basis (Reference)

Figures for like-for-like comparison are calculated by adding up quarterly results that have already been disclosed. For the details of the calculation method, please see Slide 36 in the appendix.

Japanese domestic tobacco business (Jan-Jun): Resilient top-line performance, in line with the annual forecast

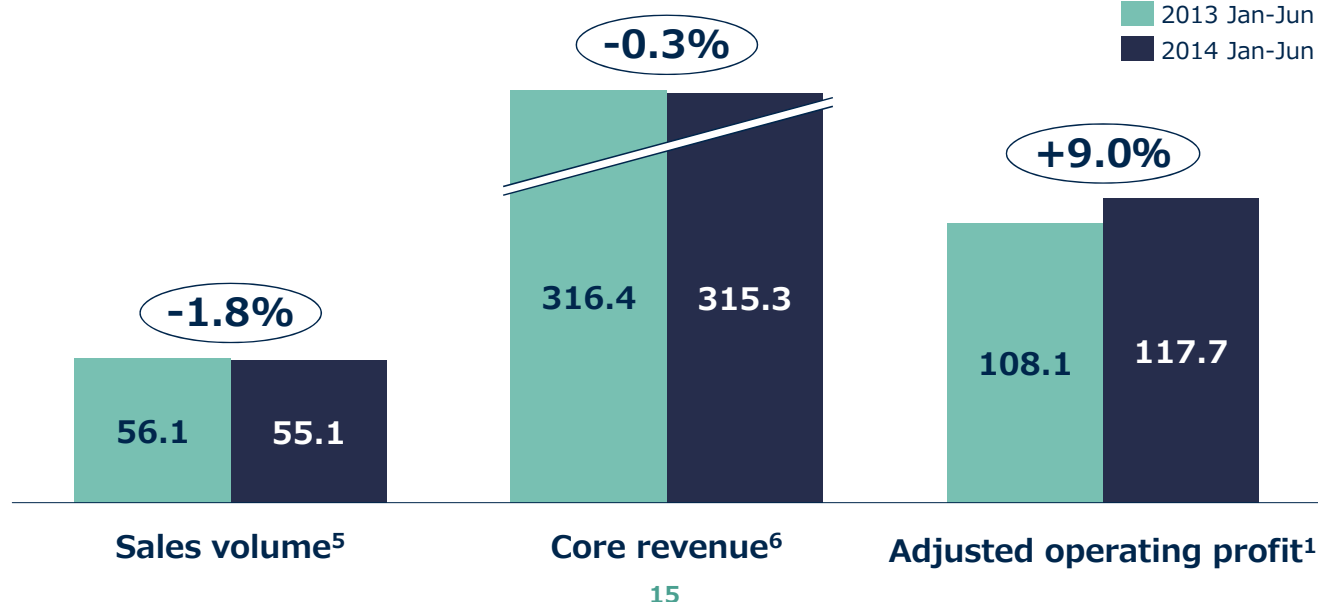
- The profit increased due to lower expenses on MEVIUS promotion compared to the prior year, and was within our expectation
- In the following quarters, while closely monitoring the operating environment changes, carry out planned brand equity enhancement activities

Performance of key measures

(BNU, JPY BN, %)

2013 Jan-Jun

2014 Jan-Jun



Consolidated results (Jan-Jun):

L-f-L basis

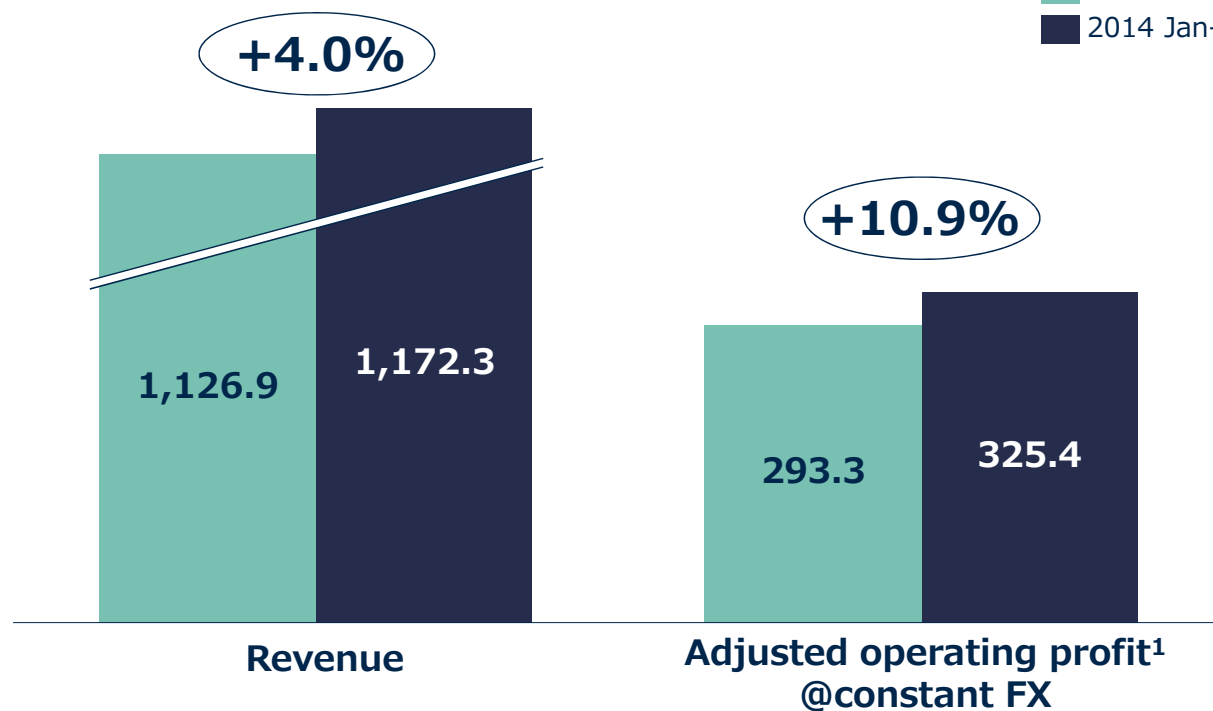
No change of forecast due to steady performance exceeding prior year's results

Performance of key measures

(JPY BN, %)

2013 Jan-Jun

2014 Jan-Jun

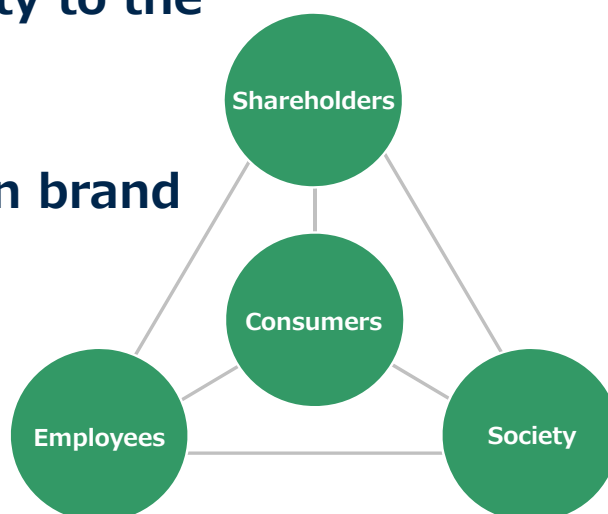


Closing :

➤ Solid start of FY2014 with the results of the first quarter

➤ Tobacco business

- to focus on adaptability to the changes in operating environment
- will further strengthen brand equity



17

<Annotations>

1 Adjusted operating profit:	Adjusted Operating Profit = Operating profit + Amortization cost of acquired intangibles + Adjusted items (income and costs)* *Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others
2 Profit:	Profit attributable to owners of the parent
3 Total shipment volume: (International tobacco business)	Includes fine cut, cigars, pipe tobacco and snus but excludes contract manufactured products and waterpipe tobacco products
4 Core revenue: (International tobacco business)	Includes revenue from waterpipe tobacco products, but excludes revenues from distribution, contract manufacturing and other peripheral businesses.
5 Sales volume: (Japanese domestic tobacco business)	Excludes sales volume of domestic duty free and the China business
6 Core revenue: (Japanese domestic tobacco business)	Excludes revenue from distribution of imported tobacco in the Japanese domestic tobacco business, among others

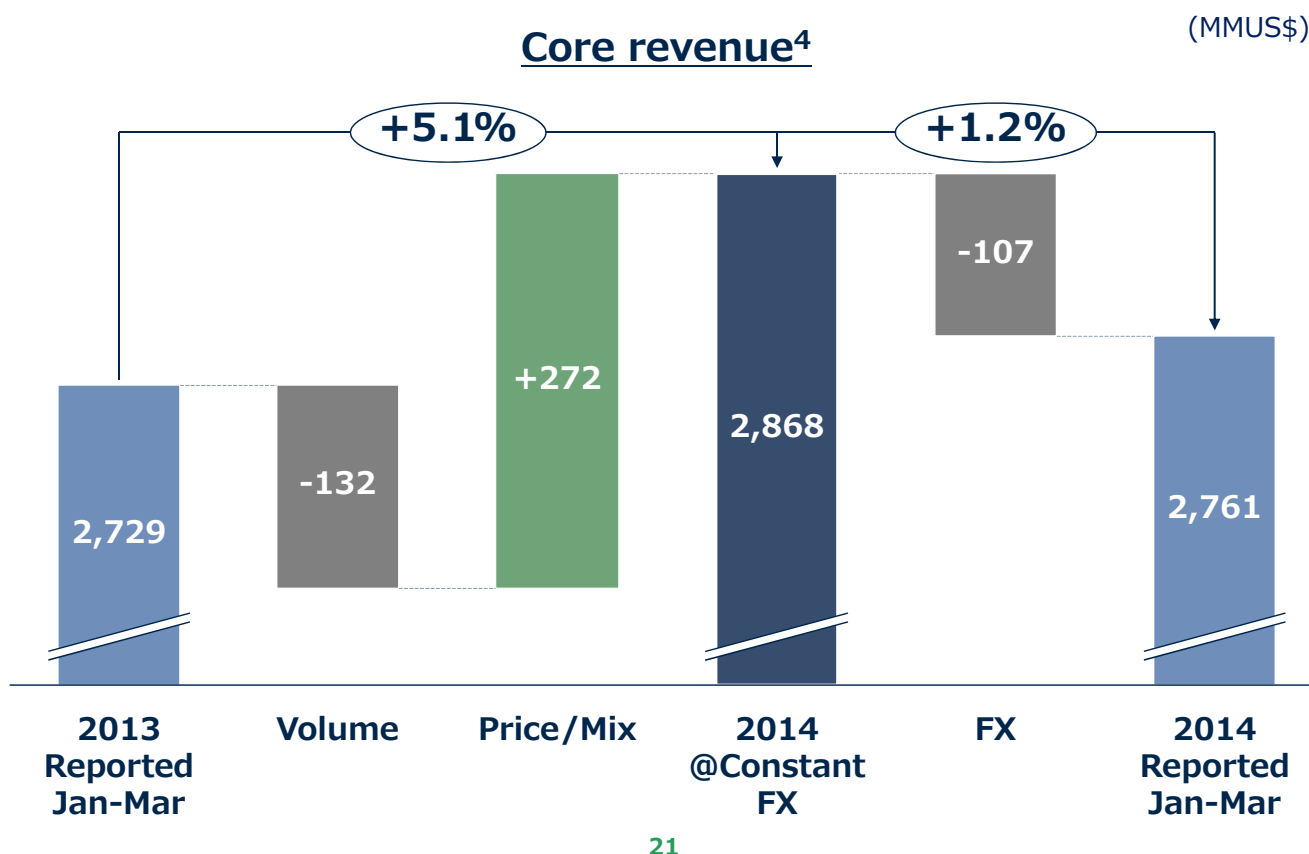
18

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Appendix

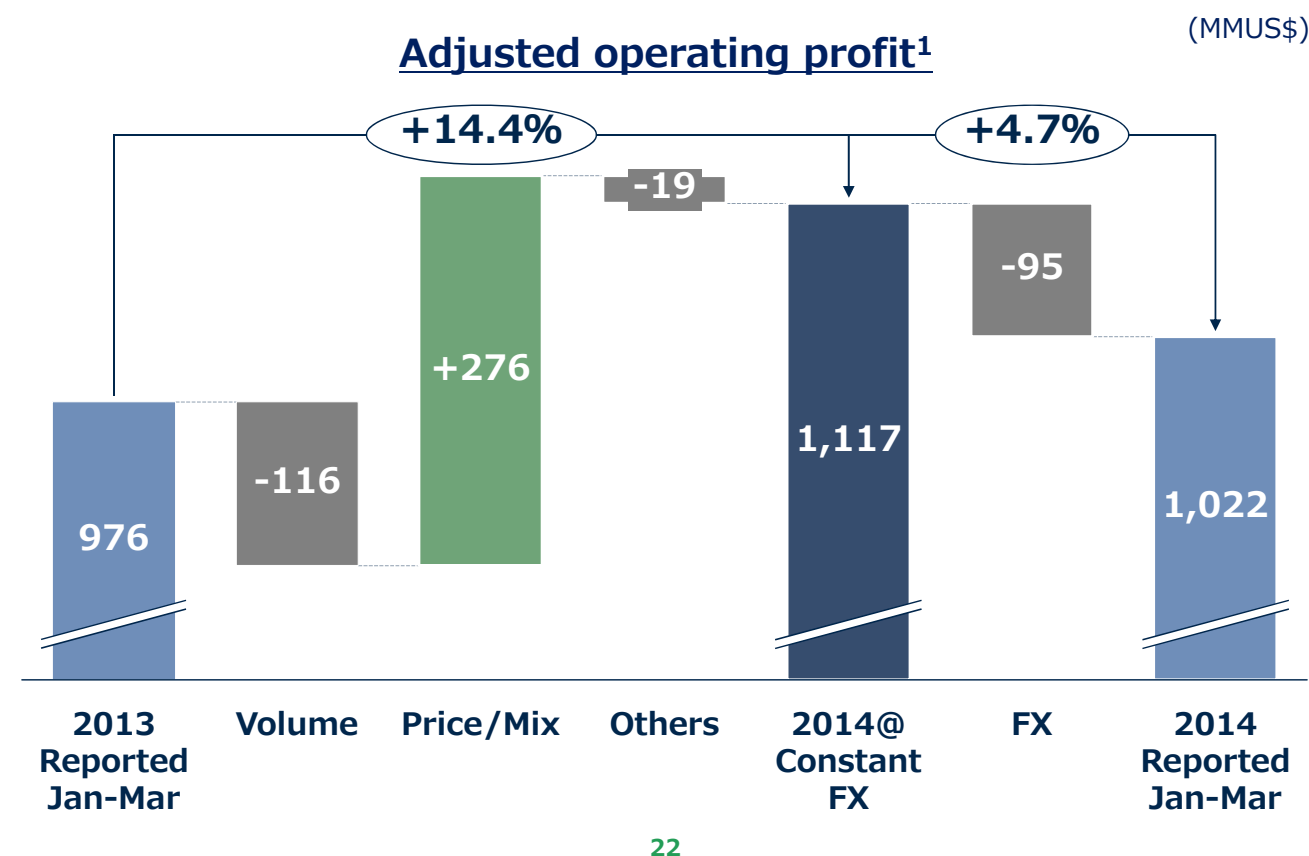
International tobacco business (Jan-Mar)

Reported basis



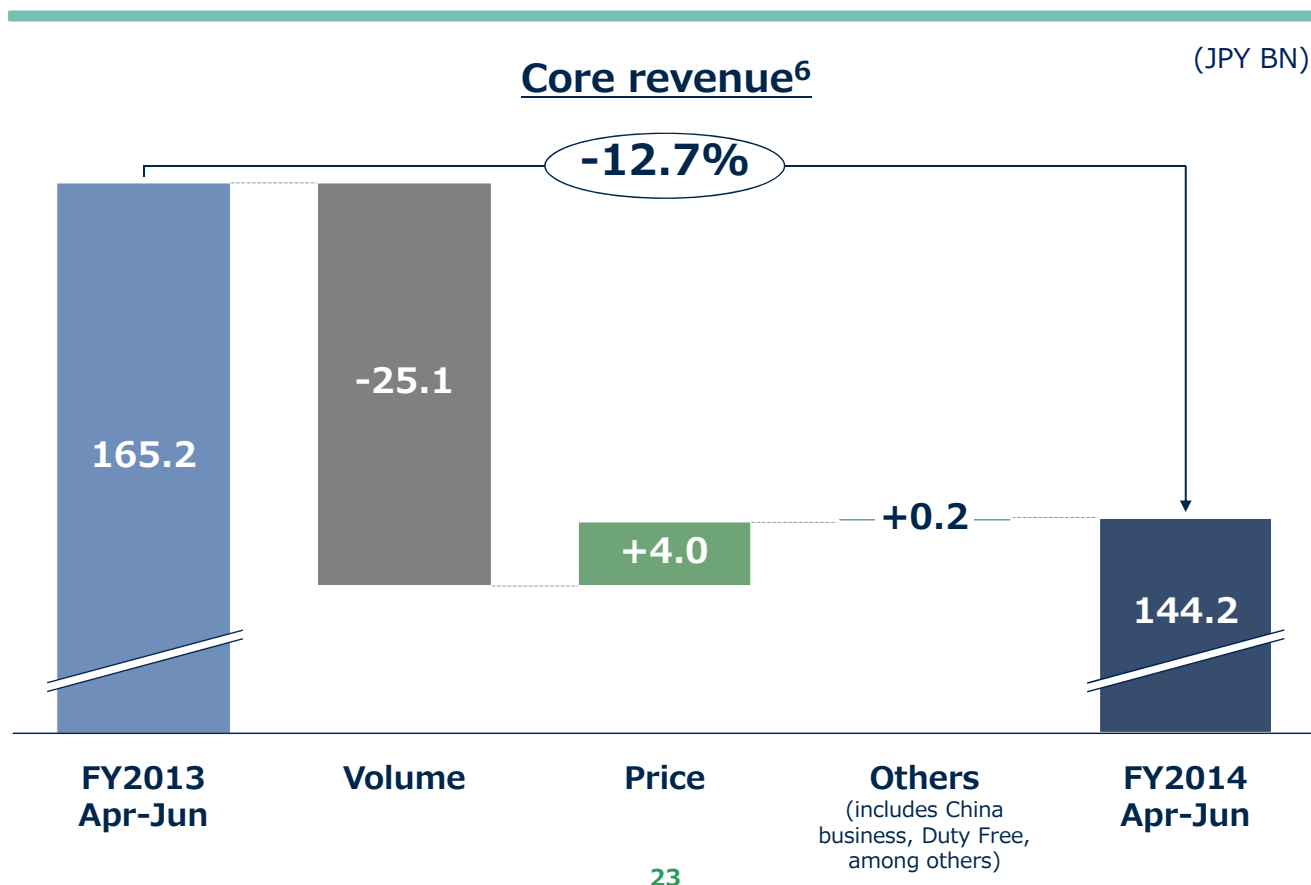
International tobacco business (Jan-Mar)

Reported basis



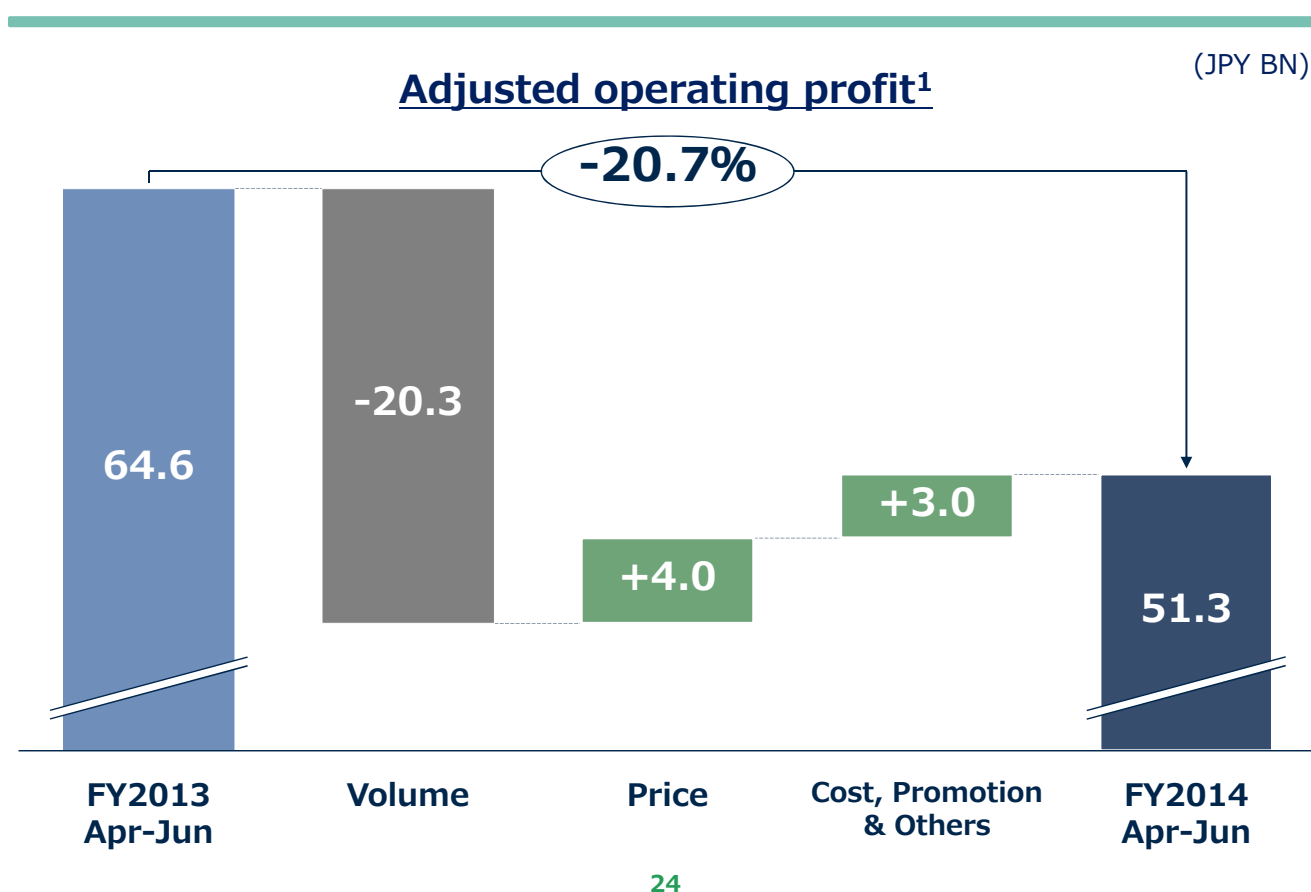
Japanese domestic tobacco business (Apr-Jun)

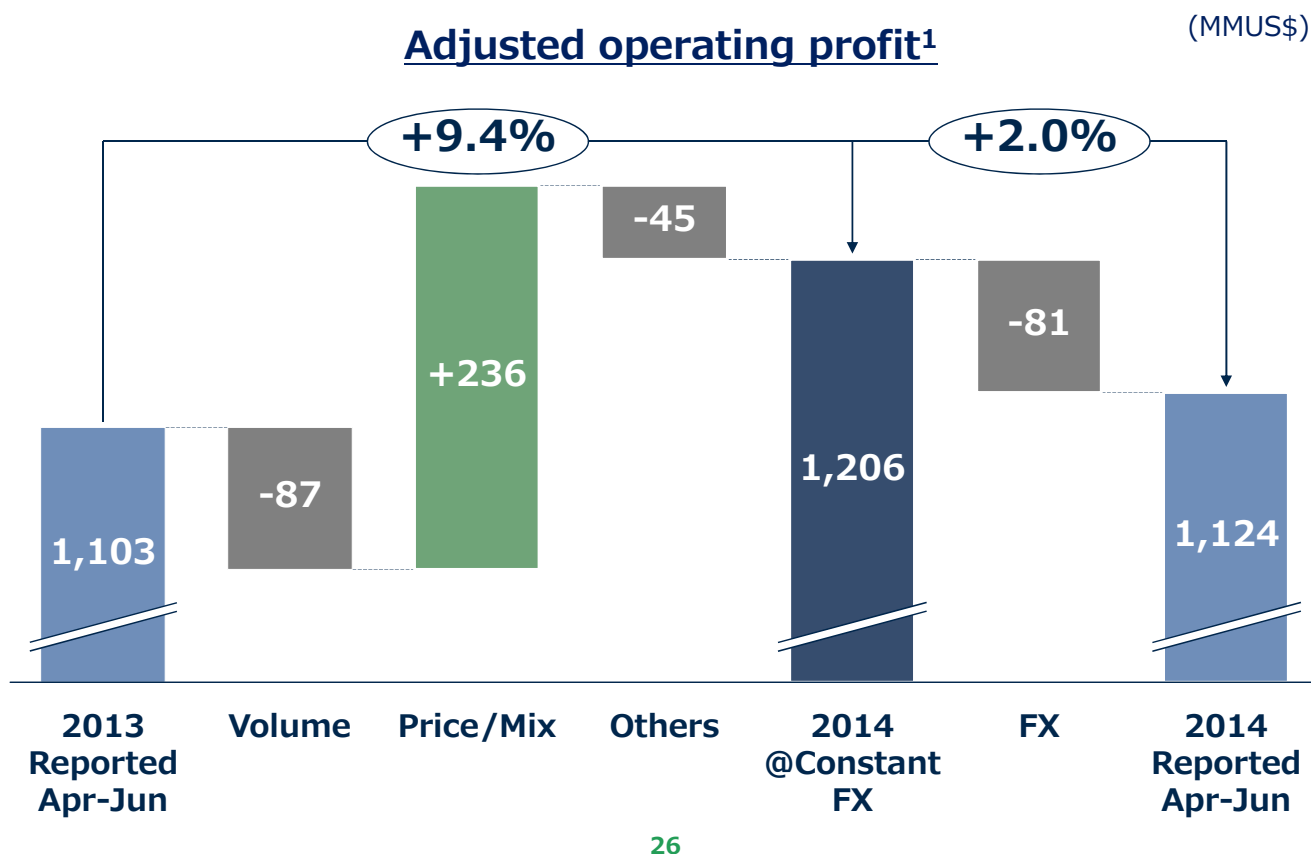
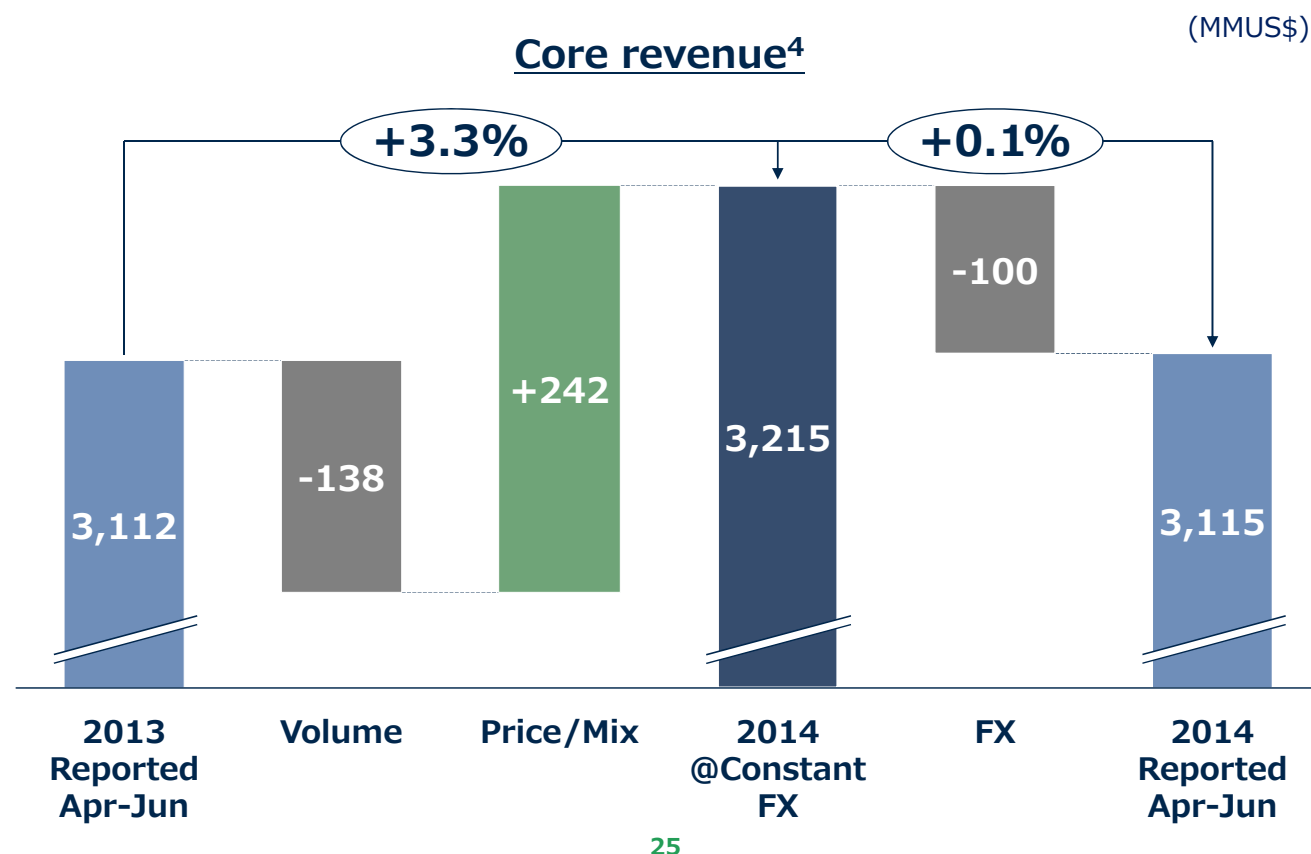
Reported basis

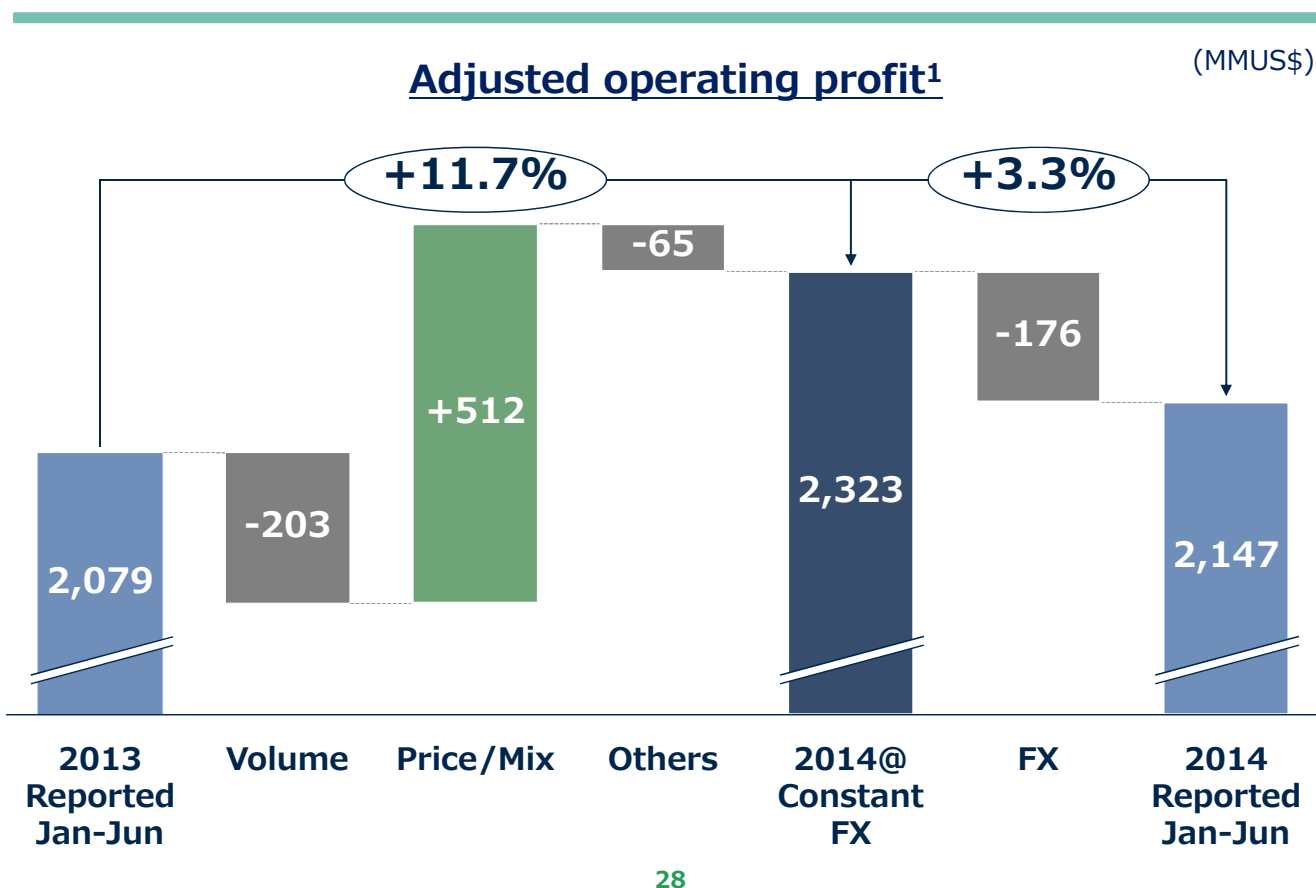
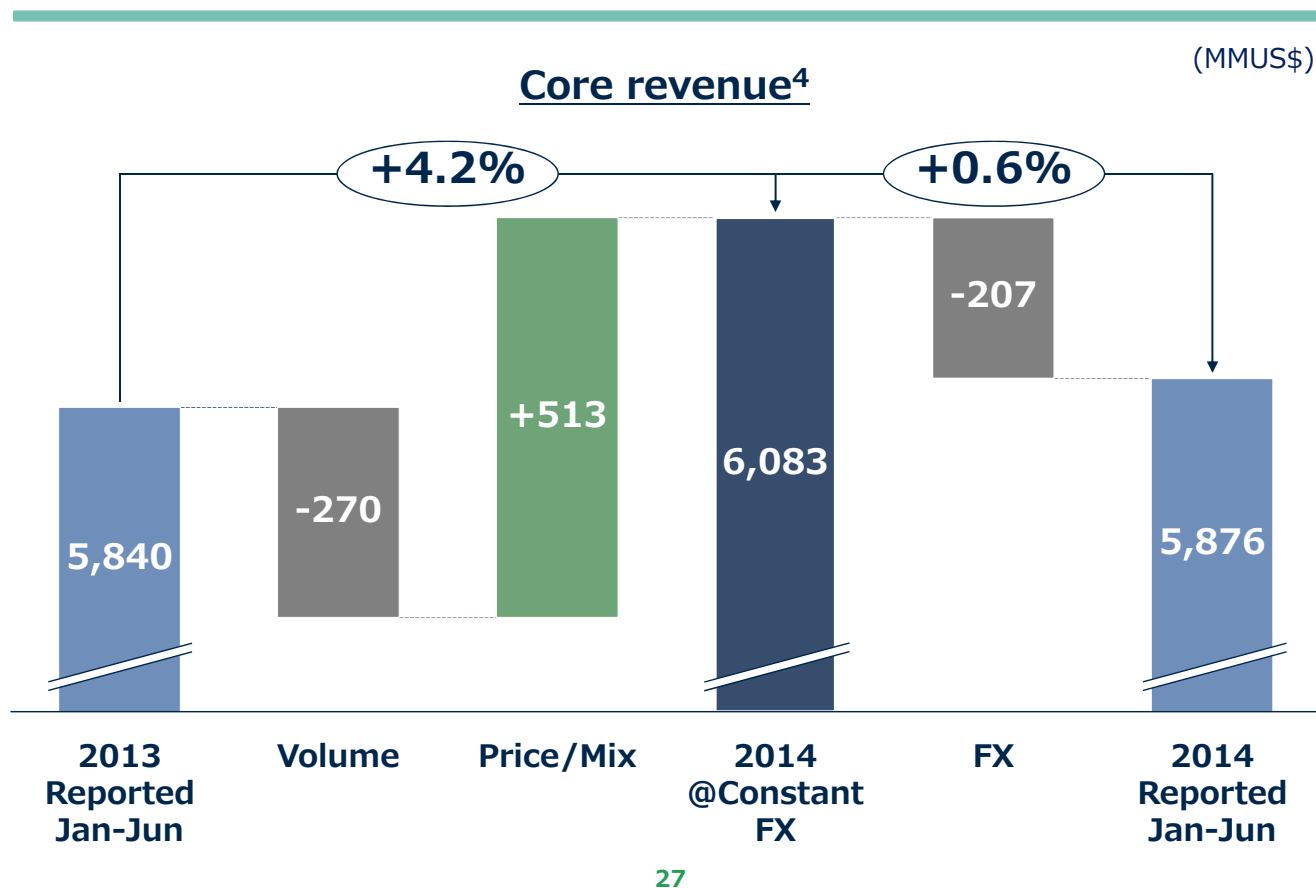


Japanese domestic tobacco business (Apr-Jun)

Reported basis







JT International (Jan-Jun)

Total shipment volume

Preliminary results

	2014 Jan-Mar	2014 Apr-Jun	2014 Jan-Jun
JTI	-5.4%	-5.8%	-5.6%
South & West Europe	-5.9%	4.0%	-0.8%
France	-7.4%	1.7%	-2.7%
Italy	-9.5%	3.6%	-2.6%
Spain	-8.7%	9.6%	0.2%
Switzerland	-5.0%	10.6%	3.2%
North & Central Europe	3.1%	4.2%	3.6%
Austria	1.2%	-1.0%	0.0%
Ireland	-3.1%	4.5%	0.8%
Poland	1.6%	1.8%	1.7%
Sweden	-0.4%	2.3%	1.1%
UK	-2.5%	-0.4%	-1.4%
CIS+	-7.8%	-14.7%	-11.6%
Kazakhstan	-16.3%	-23.1%	-20.2%
Romania	7.6%	-2.4%	2.0%
Russia	-12.1%	-18.8%	-15.8%
Ukraine	-2.4%	-5.3%	-4.1%
Rest-of-the-World	-5.6%	-0.2%	-2.7%
Canada	-9.2%	-2.1%	-5.3%
Malaysia	-6.6%	-5.4%	-6.0%
Taiwan	-11.5%	-8.7%	-10.1%
Turkey	-32.1%	1.2%	-15.0%

Total Shipment Volume: Includes fine cut, cigars, pipe tobacco and snus but excludes contract manufactured products and waterpipe tobacco products

29

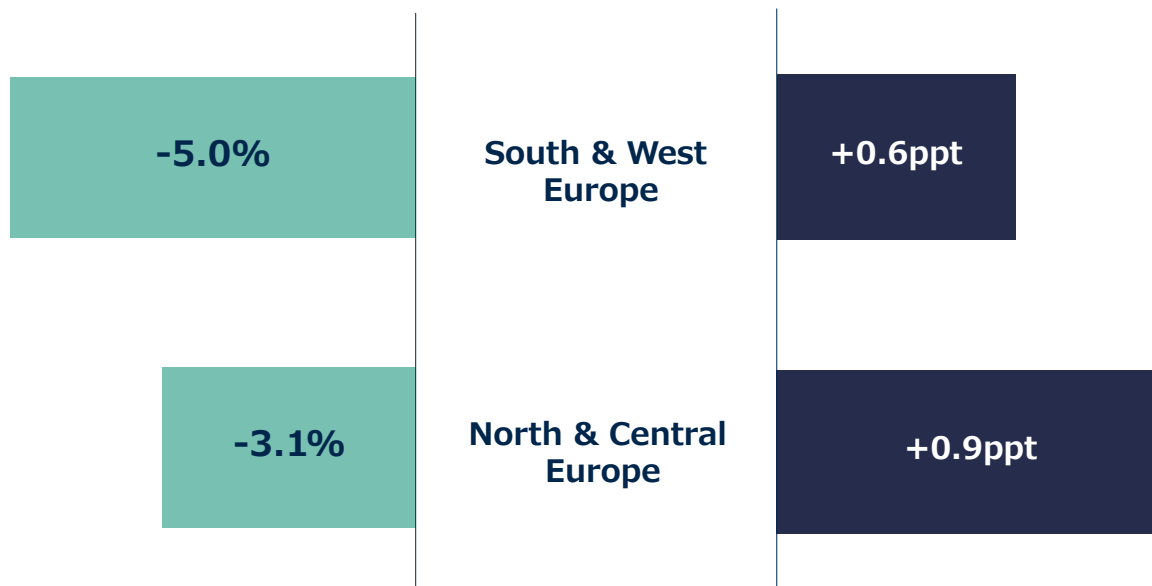
JT International

Industry size & Share of market variance in S&WE and N&CE

Preliminary results

Industry size variance(%)
12 month May 13 vs 12 month May 14

Share of Market variance(%)
12 month ave. May 13 vs 12 month ave. May 14



Source: JTI estimate

30

15

JT International (Jan-Jun) GFB shipment volume

Preliminary results

	<u>2014</u> <u>Jan-Mar</u>	<u>2014</u> <u>Apr-Jun</u>	<u>2014</u> <u>Jan-Jun</u>
 (BNU)			
GFB Shipment Volume	55.3 (-5.5%)	67.7 (-2.8%)	123.0 (-4.0%)
 Winston	27.6 (-7.1%)	34.1 (-9.5%)	61.7 (-8.5%)
 Camel	8.8 (-3.7%)	11.8 (17.7%)	20.5 (7.4%)
 MEVIUS	4.0 (-8.1%)	4.4 (-3.7%)	8.4 (-5.8%)
 B&H	2.4 (5.4%)	2.8 (15.0%)	5.3 (10.3%)
 Silk Cut	0.7 (-12.2%)	0.7 (-0.8%)	1.5 (-6.7%)
 LD	9.6 (-2.6%)	11.3 (-1.7%)	21.0 (-2.1%)
 Sobranie	0.5 (7.1%)	0.6 (14.2%)	1.1 (11.0%)
Glamour	1.6 (-10.2%)	1.9 (-11.7%)	3.5 (-11.0%)

Note: Figures in () are percent change versus previous year

31

JT International Share of key markets (12 Month Average)

Preliminary results

	<u>2013</u> <u>Jun</u>	<u>2014</u> <u>Jun</u>	<u>Change</u>
France	19.3%	20.3%	+1.0ppt
Italy	21.6%	20.9%	-0.7ppt
Russia	36.2%	35.7%	-0.5ppt
(GFB)	22.4%	23.5%	+1.1ppt
Spain	20.4%	21.2%*	+0.8ppt
Taiwan	39.4%	38.7%	-0.8ppt
Turkey	26.4%	26.9%	+0.5ppt
UK	40.2%	41.0%	+0.9ppt

Source: IRI, Logista, Nielsen
Note: SOM figures are rounded off
*12 month average as of May 2014

32

JT International Share of key markets (3 Month Average)

	<u>2013</u> <u>Apr-Jun</u>	<u>2013</u> <u>Jul-Sep</u>	<u>2013</u> <u>Oct-Dec</u>	<u>2014</u> <u>Jan-Mar</u>	<u>2014</u> <u>Apr-Jun</u>
France	19.9%	20.1%	20.2%	20.3%	20.6%
Italy	21.9%	21.7%	21.3%	20.7%	19.8%
Russia	36.2%	36.5%	36.2%	35.6%	34.6%
(GFB)	23.1%	23.6%	23.7%	23.5%	23.3%
Spain	21.2%	20.5%	21.7%	21.2%	21.7%*
Taiwan	40.0%	39.9%	38.3%	38.4%	38.1%
Turkey	26.8%	26.8%	26.9%	26.4%	27.5%
UK	40.4%	40.9%	41.1%	40.8%	41.2%

Source: IRI, Logista, Nielsen
 Note: SOM figures are rounded off
 * 2 month average as of May 2014

33

JT International Tax and price increase

	excise tax change	price increase
France	<i>Jan, Julⁱ⁾ 2013 Jan 2014</i>	<i>Jul 2013 Jan 2014</i>
Italy	-	-
Russia	<i>Jan 2013 Jan 2014</i>	<i>Jun, Dec 2013 May 2014</i>
Spain	<i>Jan, Junⁱ⁾ 2013</i>	<i>Jan, Jul 2013 Jun-Jul 2014</i>
Taiwan	-	<i>Jul, Sep-Octⁱⁱ⁾ 2013</i>
Turkey	<i>Jan, Jul 2013 Jan, Jul 2014</i>	<i>Jan 2013 Jan 2014</i>
UK	<i>Mar 2013 Mar 2014</i>	<i>Mar, Sep 2013 Mar, May 2014</i>

i)Tax Structure change

ii)Price increase for some brands each month

34

FX actual vs.PY

	<u>2014</u> <u>Jan-Mar</u>	<u>2014</u> <u>Apr-Jun</u>	<u>2014</u> <u>Jan-Jun</u>
RUB/\$	34.97	35.00	34.98
	(-13.1%)	(-9.6%)	(-11.3%)
GBP/\$	0.60	0.59	0.60
	(+6.5%)	(+9.6%)	(+8.0%)
EUR/\$	0.73	0.73	0.73
	(+3.8%)	(+5.0%)	(+4.4%)
CHF/\$	0.89	0.89	0.89
	(+4.1%)	(+6.0%)	(+5.1%)
TWD/\$	30.27	30.12	30.19
	(-2.6%)	(-0.9%)	(-1.8%)
TRY/\$	2.21	2.11	2.16
	(-19.6%)	(-13.0%)	(-16.4%)
UAH/\$	8.86	11.69	10.27
	(-9.7%)	(-31.6%)	(-22.2%)
JPY/\$	102.77	102.17	102.46
	(-10.0%)	(-3.3%)	(-6.6%)

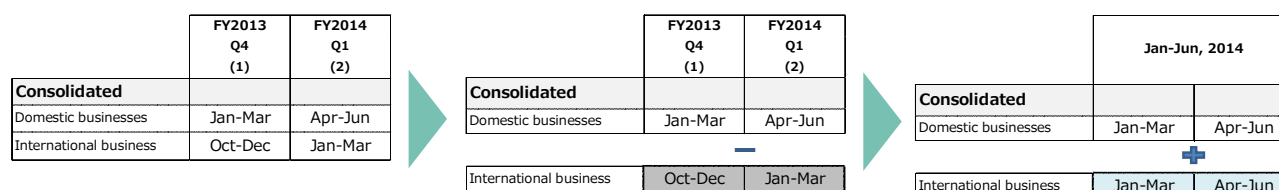
35

L-f-L basis (Jan-Jun)

Like-for-Like basis figures

- Like-for Like basis figures have not been audited
- Calculation method:
 - Combine of FY2013 fourth quarter (Jan-Mar 2014) and FY2014 first quarter (Apr-Jun 2014) results, using a simplified calculation method [(1)+(2)]
 - Exclude International Tobacco Business results for the corresponding period (Oct-Dec 2013, and Jan-Mar 2014)
 - Include preliminary International Tobacco Business results for Jan-Jun 2014 on a Japanese Yen basis

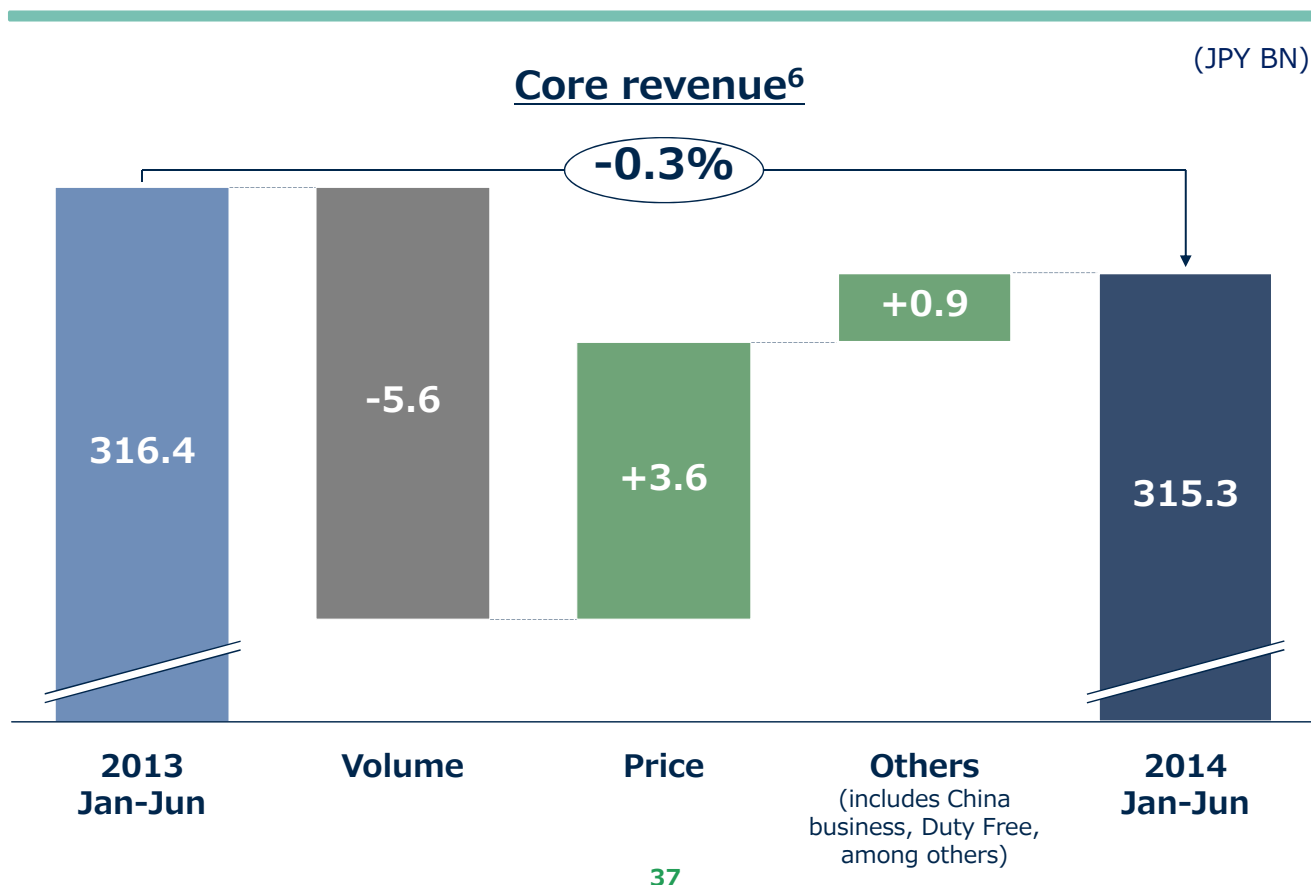
*Different calculation method to be used at the time of FY2014 full year results disclosure



36

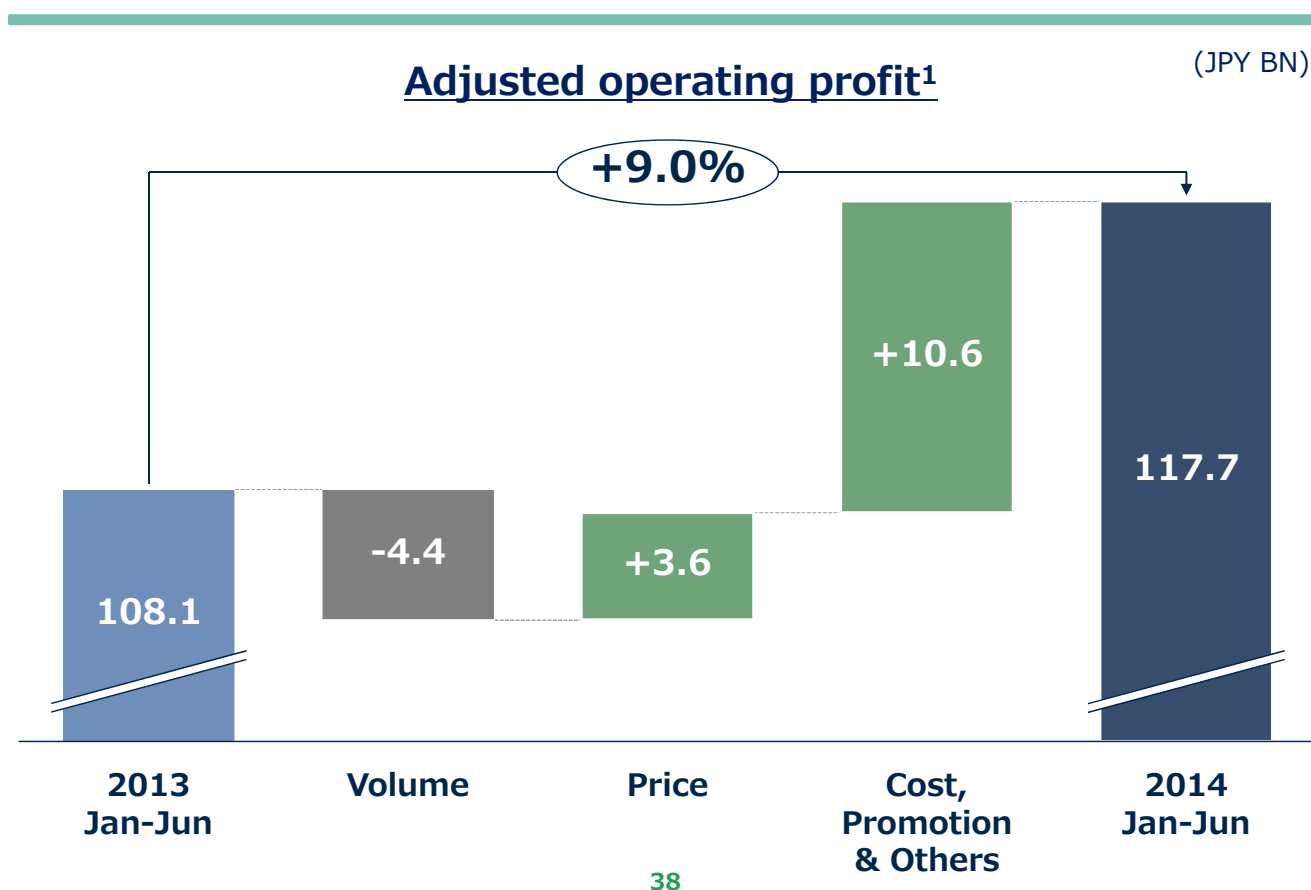
Japanese domestic tobacco business (Jan-Jun)

L-f-L basis



Japanese domestic tobacco business (Jan-Jun)

L-f-L basis



Basic EPS, DPS, Payout ratio

	<u>FY2013</u> <u>Act</u>	<u>FY2014</u> <u>Forecast</u>
Basic EPS (JPY)*	235.48	189.27
DPS (JPY)	96.00	100.00
Payout ratio (%)**	40.8%	52.8%

	<u>FY 2013</u> <u>Q1</u>	<u>FY 2014</u> <u>Q1</u>
Basic EPS (JPY)*	53.98	58.42

*Based on profit attributable to owners of the parent
**Payout ratio = Dividend per share/Basic EPS

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Results for FY2014 First Quarter

(April 1, 2014 through June 30, 2014)

1. Summary of Business Performance

(unit: JPY billion,%)

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
Revenue	547.9	556.4	+8.5	+1.6%
Operating profit	146.5	148.2	+1.7	+1.2%
Profit before income taxes	141.6	147.5	+5.9	+4.2%
Profit	99.9	107.8	+7.9	+7.9%
Profit(attributable to owners of parent company)	98.1	106.2	+8.1	+8.2%
Adjusted Operating profit* ¹	151.4	148.9	-2.5	-1.7%

(Reference)

(unit: JPY billion,%)

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
Adjusted Operating profit at constant rates of exchange* ²	151.4	147.1	-4.3	-2.8%

- *¹ : Adjusted Operating profit
= Operating profit + Amortization cost of acquired intangibles + Adjusted items (income and costs)*
*Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others
*² : FY2013Q1-Actual
FY2014Q1- Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD and JPY vs USD as FY2013

2. Breakdown of Revenue

(unit: JPY billion,%)

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
Revenue	547.9	556.4	+8.5	+1.6%
Japanese domestic tobacco	173.0	152.5	-20.5	-11.8%
Core revenue* ¹	165.2	144.2	-20.9	-12.7%
International tobacco* ²	271.1	305.1	+34.1	+12.6%
Core revenue* ³	252.3	283.7	+31.4	+12.5%
Pharmaceutical	16.8	13.1	-3.7	-22.2%
Beverage	45.9	44.9	-1.0	-2.2%
Processed foods	37.4	37.3	-0.1	-0.2%
Others	3.7	3.4	-0.2	-6.0%

(Reference)

(unit: USD million,%)

	2013 Jan-Mar	2014 Jan-Mar	Change	Rates of Change
International tobacco	2,729	2,761	+32	+1.2%
Core revenue* ³	2,729	2,868	+139	+5.1%

- *¹ : Excluding revenue from the distribution business of imported tobacco
*² : International tobacco business: 3M ended Mar. 2013 and 3M ended Mar. 2014
*³ : Includes revenue from waterpipe tobacco, but excludes revenues from distribution, contract manufacturing and other peripheral businesses.
*⁴ : 2013 Jan-Mar -Actual
2014 Jan-Mar -Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD and JPY vs USD as 2013

3. Adjusted Operating profit by business segment*¹

(unit: JPY billion,%)

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
Consolidated Operating profit	146.5	148.2	+1.7	+1.2%
Adjustment* ³	4.9	0.6	-4.2	-86.8%
Adjusted Operating profit* ¹	151.4	148.9	-2.5	-1.7%
Japanese domestic tobacco Operating profit	65.7	51.2	-14.5	-22.0%
Adjustment* ³	-1.0	0.0	+1.1	-
Adjusted Operating profit* ¹	64.6	51.3	-13.4	-20.7%
International tobacco Operating profit* ²	83.9	97.8	+14.0	+16.6%
Adjustment* ^{2,3}	6.4	7.2	+0.9	+13.6%
Adjusted Operating profit* ¹⁺²	90.2	105.1	+14.8	+16.4%
Pharmaceutical Operating profit	-0.9	-3.8	-2.8	-
Adjustment* ³	-	-	-	-
Adjusted Operating profit* ¹	-0.9	-3.8	-2.8	-
Beverage Operating profit	-1.6	-1.4	+0.2	-
Adjustment* ³	-	-	-	-
Adjusted Operating profit* ¹	-1.6	-1.4	+0.2	-
Processed Foods Operating profit	0.2	0.4	+0.3	+189.7%
Adjustment* ³	-0.1	-0.4	-0.4	-
Adjusted Operating profit* ¹	0.1	0.0	-0.1	-67.2%
Other/Elimination Operating profit	-0.7	3.9	+4.6	-
Adjustment* ³	-0.4	-6.2	-5.8	-
Adjusted Operating profit* ¹	-1.1	-2.4	-1.3	-

(Reference)

(unit: USD million,%)

	2013 Jan-Mar	2014 Jan-Mar	Change	Rates of Change
International tobacco Adjusted Operating profit* ¹	976	1,022	+46	+4.7%
International tobacco Adjusted Operating profit at constant rates of exchange* ¹⁺⁴	976	1,117	+141	+14.4%

(Reference) Depreciation and amortization

(unit: JPY billion,%)

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
Depreciation and amortization	32.2	34.2	+2.1	+6.4%
Japanese domestic tobacco	11.1	11.2	+0.1	+0.6%
International tobacco* ²	15.1	16.8	+1.7	+11.2%
Pharmaceutical	0.9	1.0	+0.1	+15.3%
Beverage	2.6	2.7	+0.1	+4.9%
Processed foods	1.7	1.6	-0.1	-5.1%
Others/Elimination	0.8	0.9	+0.1	+14.8%

- *¹ : Adjusted Operating profit
= Operating profit + Amortization cost of acquired intangibles + Adjusted items (income and costs)*
*Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others
*² : International tobacco business: 3M ended Mar. 2013 and 3M ended Mar. 2014
³ : Adjustment = Amortization cost of acquired intangibles + Adjusted items (income and costs)
*Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others
*⁴ : 2013 Jan-Mar -Actual
2014 Jan-Mar -Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD and JPY vs USD as 2013

4. Consolidated financial position data

(unit: JPY billion)

	As of end of Mar. 2014	As of end of Jun. 2014	Change
Total Assets	4,616.8	4,399.2	-217.6
Total Equity	2,596.1	2,481.0	-115.1
Equity attributable to owners of the parent company	2,505.6	2,396.2	-109.4
BPS(attributable to owners of parent company) (yen)	1,378.57	1,318.38	-60.19

5. Liquidity*

(unit: JPY billion)

	As of end of Mar. 2014	As of end of Jun. 2014	Change
Liquidity	259.3	144.5	-114.7

* : Liquidity=cash and deposits+marketable securities+securities purchased under repurchase agreements

6. Interest-bearing debt*

(unit: JPY billion)

	As of end of Mar. 2014	As of end of Jun. 2014	Change
Interest-bearing debt	375.9	436.8	61.0

* : Interest-bearing debt = short-term bank loans + CP + bonds + long-term borrowings + lease obligation

7. Consolidated cash flows data

(unit: JPY billion,%)

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
Cash flows from operating activities	3.9	-27.1	-31.0	-
Cash flows from investing activities	-15.3	-27.4	-12.1	-
Cash flows from financing activities	-4.1	-51.9	-47.8	-
Cash and cash equivalents, beginning of the year	142.7	253.2	+110.5	+77.4%
Foreign currency translation adjustments on cash and cash equivalents	3.7	-8.1	-11.7	-
Cash and cash equivalents, end of the year* ¹	130.8	138.7	+7.8	+6.0%
FCF* ²	-19.5	-55.3	-35.8	-

- *¹ Included in "Cash and cash equivalents" at the end of this quarter is ¥46.0 billion (IRR 13,462.0 billion) held by the Group's Iranian subsidiary, JTI Pars PJS Co.. Due to international sanctions and other factors imposed on Iran, the subsidiary's ability to remit funds outside of Iran is restricted.
*² : FCF is total of cash flows from operating activities and investing activities excluding the following items:
Cash flows from interest and dividends received and its tax effect / interest paid and its tax effect in operating activities.
Cash flows from purchase of short-term investment securities, proceeds from sale and redemption of short-term investment securities, purchase of investment securities, proceeds from sale of investment securities, payments into time deposits, proceeds from withdrawal of time deposits and others in investing activities (those from purchase/sale of securities held for business operation are not included here).

8. Capital expenditures

(unit: JPY billion,%)

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
Capital expenditures	26.6	28.6	+2.0	+7.5%
Japanese domestic tobacco	8.9	8.0	-1.0	-10.7%
International tobacco*	10.1	15.0	+4.9	+49.2%
Pharmaceutical	0.4	0.7	+0.2	+51.5%
Beverage	4.6	3.1	-1.5	-32.0%
Processed foods	0.6	0.6	+0.0	+7.0%
Other/Elimination and corporate	2.0	1.2	-0.8	-40.0%

* : International tobacco business: 3M ended Mar. 2013 and 3M ended Mar. 2014

9. Business data

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
[Japanese domestic tobacco business]				
JT sales volume*	29.3	24.7	-4.6	-15.6%
Total demand	48.4	41.5	-7.0	-14.4%
JT market share	60.5%	59.6%	-0.8%pt	
JT net sales after tax per 1,000 cigarettes	5,491	5,652	+161	+2.9%

* : Sales volume of domestic duty-free and China business is excluded, which was 0.9 billion for FY2013Q1 and 0.8 billion for FY2014Q1, respectively.

	2013 Jan-Mar	2014 Jan-Mar	Change	Rates of Change
[International tobacco business]				
Total shipment volume*	92.8	87.7	-5.0	-5.4%
GFB shipment volume	58.5	55.3	-3.2	-5.5%
JPY/USD rate for consolidation	92.46	102.77	+10.31	-10.0%
RUB/USD rate for consolidation	30.40	34.97	+4.57	-13.1%
GBP/USD rate for consolidation	0.64	0.60	-0.04	+6.5%
EUR/USD rate for consolidation	0.76	0.73	-0.03	+3.8%
CHF/USD rate for consolidation	0.93	0.89	-0.04	+4.1%
TWD/USD rate for consolidation	29.47	30.27	+0.80	-2.6%

* : Total shipment volume includes fine cut, cigars, pipe tobacco and snus but excludes contract manufactured products and waterpipe tobacco products

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
<Pharmaceutical business>				
R&D expenses	7.5	7.0	-0.5	-7.1%

	FY2013 Q1	FY2014 Q1	Change	Rates of Change
<Beverage business>				
Sales of JT products	7.99	7.66	-0.33	-4.2%
Roots	4.04	3.68	-0.36	-8.9%

	As of end of Mar. 2014	As of end of Jun. 2014	Change
Number of beverage vending machines*	266,000	268,000	+2,000
JT-owned	44,000	44,000	+0
Combined	82,000	83,000	+1,000
Others	140,000	141,000	+1,000

- * : Beverage vending machines include vending machines for cans and packs, etc. and for cups owned by other companies and operated by our subsidiary. "JT-owned" vending machines are owned by JT.
"Combined" vending machines are owned by our subsidiaries or affiliates, and focus on selling JT brand Beverage but also sell non-JT brand Beverage.

2014 Forecasts
【Jan-Dec Like for Like basis】
(as of April 24, 2014)

-FY2014, a transitional period for the change in accounting period, will cover nine months from April 1, 2014 to December 31, 2014. The same change in the accounting period will be applied to those of the Company's consolidated subsidiaries whose current closing date is other than December 31.
-Based on the assumption that the fiscal year of the Company and all of its consolidated subsidiaries is 12 months from January to December, consolidated earnings forecasts for the year ending December 31, 2014 (on Jan-Dec Like for Like basis) will be as follows.

1. Summary of Business Performance

(unit: JPY billion,%)

	2013 Jan-Dec basis	2014 Jan-Dec basis	Change	Rates of Change
Revenue	2,372.2	2,430.0	+57.8	+2.4%
Operating profit	643.3	554.0	-89.3	-13.9%
Profit (attributable to owners of the parent)	443.6	370.0	-73.6	-16.6%
Basic EPS(yen) ^{*1}	242.12	203.57	-38.5	-15.9%
Adjusted Operating profit ^{*2}	613.0	623.0	+10.0	+1.6%

	2013 Jan-Dec basis	2014 Jan-Dec basis	Change	Rates of Change
Adjusted Operating profit at constant rates of exchange ^{*3}	613.0	650.0	+37.0	+6.0%

- ※1 :Based on profit attributable to owners of the parent
※2 :Adjusted Operating profit
= Operating profit + Amortization cost of acquired intangibles + Adjusted items (income and costs)*
*Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others
※3 :FY2013-Actual
FY2014: Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD and JPY vs USD as FY2013

2. Breakdown of Revenue

(unit: JPY billion,%)

	2013 Jan-Dec basis	2014 Jan-Dec basis	Change	Rates of Change
Revenue	2,372.2	2,430.0	+57.8	+2.4%
Japanese domestic tobacco	690.5	681.0	-9.5	-1.4%
Core revenue ^{*1}	656.3	646.0	-10.3	-1.6%
International tobacco	1,270.0	1,319.0	+49.0	+3.9%
Core revenue ^{*2}	1,200.7	1,247.0	+46.3	+3.9%
Pharmaceutical	58.2	63.0	+4.8	+8.3%
Beverage	183.8	188.0	+4.2	+2.3%
Processed Food	157.2	165.0	+7.8	+5.0%
Others	12.6	12.5	-0.1	-0.4%

(Reference)	2013	2014	Change	Rates of Change
International tobacco	12,273	12,400	+127	+1.0%
Core revenue ^{*2}	12,273	12,800	+527	+4.3%

- ※1 :Excluding revenue from the distribution business of imported tobacco
※2 :Includes revenue from waterpipe tobacco, but excludes revenues from distribution, contract manufacturing and other peripheral businesses.
※3 :2013-Actual
2014-at the same foreign exchange rates between local currency vs USD at 2013

3. OP & Adjusted Operating profit by business segment^{*1}

(unit: JPY billion,%)

	2013 Jan-Dec basis	2014 Jan-Dec basis	Change	Rates of Change
Consolidated Operating profit	643.3	554.0	-89.3	-13.9%
Japanese domestic tobacco	235.6	181.0	-54.6	-23.2%
International tobacco	376.4	398.0	+21.6	+5.7%
Pharmaceutical	-13.7	-13.0	+0.7	—
Beverage	-2.1	-1.5	+0.6	—
Processed Food	0.7	3.0	+2.3	+306.5%
Other/Elimination	46.3	-14.5	-60.8	-131.3%
Adjusted Operating profit ^{*1}	613.0	623.0	+10.0	+1.6%
Japanese domestic tobacco ^{*1}	234.6	234.5	-0.1	-0.1%
International tobacco ^{*1}	410.8	425.0	+14.2	+3.4%
Pharmaceutical ^{*1}	-13.7	-13.0	+0.7	—
Beverage ^{*1}	-2.1	-1.5	+0.6	—
Processed Food ^{*1}	0.6	3.0	+2.4	+387.8%
Other/Elimination ^{*1}	-17.3	-26.0	-8.7	—

(Reference)	2013	2014	Change	Rates of Change
International tobacco Adjusted Operating profit ^{*1}	4,206	4,230	+24	+0.6%
International tobacco Adjusted Operating profit at constant rates of exchange ^{*1*2}	4,206	4,630	+424	+10.1%

- ※1 :Adjusted Operating profit
= Operating profit + Amortization cost of acquired intangibles + Adjusted items (income and costs)*
*Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others
※2 :2013-Actual
2014-at the same foreign exchange rates between local currency vs USD at 2013

4. Business data

	2013 Jan-Dec basis	2014 Jan-Dec basis	Change	Rates of Change
Japanese domestic tobacco business	116.5	112.5	-4.0	-3.5%

* : Sales volume of domestic duty-free and China business is excluded

	2013	2014	Change	Rates of Change
International tobacco business	417.5	405.0	-12.5	-3.0%
Total shipment volume ^{*1}	267.5	263.0	-4.5	-1.7%
GFB shipment volume	97.73	100.00	+2.27	-2.3%
JPY/USD rate for consolidation	31.84	36.00	+4.16	-11.6%
RUB/USD rate for consolidation	0.64	0.60	-0.04	6.6%
GBP/USD rate for consolidation	0.75	0.72	-0.03	4.6%
EUR/USD rate for consolidation	0.93	0.88	-0.05	5.3%
CHF/USD rate for consolidation	29.68	30.30	+0.62	-2.0%

※1: Total shipment volume includes fine cut, cigars, pipe tobacco and snus, but excludes contract manufactured products and waterpipe tobacco

2014 Forecasts
[Reported basis]
(as of April 24, 2014)

-FY2014, a transitional period for the change in accounting period, will cover nine months from April 1, 2014 to December 31, 2014. The same change in the accounting period will be applied to those of the Company's consolidated subsidiaries whose current closing date is other than December 31.
-For its consolidated subsidiaries whose current closing date is December 31, the accounting period will remain unchanged, covering the twelve months from January 1, 2014 to December 31, 2014.

1. Summary of Business Performance

(unit: JPY billion,%)

	FY2013	FY2014
Revenue	2,399.8	2,150.0
Operating profit	648.3	482.0
Profit(attributable to owners of the parent)	428.0	344.0
Basic EPS(yen) ^{*1}	235.48	189.27
Adjusted Operating profit ^{*2}	641.8	552.0
DPS(yen)	96.00	100.00
Payout ratio ^{*3}	40.8%	52.8%
ROE(attributable to owners of the parent) ^{*4}	19.9%	13.8%

*1 :Based on profit attributable to owners of the parent

*2 :Adjusted Operating profit

= Operating profit + Amortization cost of acquired intangibles + Adjusted items (income and costs)^{*}

^{*}Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others

*3 : Payout ratio=Dividend per share/Basic EPS

*4 :Based on Profit attributable to owners of parent company and Equity attributable to owners of the parent company

2. Breakdown of Revenue

(unit: JPY billion,%)

	FY2013	FY2014
Revenue	2,399.8	2,150.0
Japanese domestic tobacco	710.3	501.0
Core revenue ^{*1}	676.2	475.0
International tobacco ^{*2}	1,270.0	1,319.0
Core revenue ^{*3}	1,200.7	1,247.0
Pharmaceutical	64.4	45.0
Beverage	184.5	146.0
Processed Food	156.9	130.0
Others	13.6	10.5

(Reference) (unit: USD million,%)

	2013	2014	Change	Rates of Change
International tobacco	12,273	12,400	+127	+1.0%
Core revenue ^{*2+3}				
International tobacco	12,273	12,800	+527	+4.3%
Core revenue at constant rates of exchange ^{*2+3+4}				

*1 :Excluding revenue from the distribution business of imported tobacco

*2 : International tobacco business: Year ended 2013 and year ending 2014

*3 :Includes revenue from waterpipe tobacco, but excludes revenues from distribution, contract manufacturing and other peripheral businesses.

*4 :2013-Actual

2014-at the same foreign exchange rates between local currency vs USD at 2013

3. OP & Adjusted Operating profit by business segment^{*1}

(unit: JPY billion,%)

	FY2013	FY2014
Consolidated Operating profit	648.3	482.0
Japanese domestic tobacco	258.1	115.0
International tobacco ^{*2}	376.4	398.0
Pharmaceutical	-9.0	-12.5
Beverage	-2.1	-1.0
Processed Food	-0.2	3.0
Other/Elimination	25.0	-21.5
Adjusted Operating profit ^{*1}	641.8	552.0
Japanese domestic tobacco ^{*1}	257.7	168.0
International tobacco ^{*1+2}	410.8	425.0
Pharmaceutical ^{*1}	-9.0	-12.5
Beverage ^{*1}	-2.1	-1.0
Processed Food ^{*1}	0.6	3.0
Other/Elimination ^{*1}	-16.2	-31.5

(Reference) (unit: USD million,%)

	2013	2014	Change	Rates of Change
International tobacco Adjusted Operating profit ^{*1+2}	4,206	4,230	+24	+0.6%
International tobacco Adjusted Operating profit at constant rates of exchange ^{*1+2+3}	4,206	4,630	+424	+10.1%

*1 :Adjusted Operating profit

= Operating profit + Amortization cost of acquired intangibles + Adjusted items (income and costs)^{*}

^{*}Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others

*2 :International tobacco business: Year ended 2013 and year ending 2014

*3 :2013-Actual

2014-at the same foreign exchange rates between local currency vs USD at 2013

4. Consolidated cash flows data

(unit: JPY billion,%)

	FY2013	FY2014
FCF ⁺	212.6	364.0

* : FCF is total of cash flows from operating activities and investing activities excluding the following items;

Cash flows from interest and dividends received and its tax effect / interest paid and its tax effect in operating activities;

Cash flows from purchase of short-term investment securities, proceeds from sale and redemption of short-term investment securities, purchase of investment securities, proceeds from sale of investment securities, payments into time deposits, proceeds from withdrawal of time deposits and others in investing activities (those from purchase/sale of securities held for business operation are not included here).

* : The number of FY2014 does not include acquisition of Zandera Ltd.

5. Capital expenditures

(unit: JPY billion,%)

	FY2013	FY2014
Capital expenditures	156.2	154.0
Japanese domestic tobacco	49.1	41.0
International tobacco [*]	78.5	89.0
Pharmaceutical	3.9	3.0
Beverage	14.6	9.0
Processed Food	4.9	6.0
Other/Elimination and corporate	5.1	6.0

* : International business: Year ended 2013 and year ending 2014

6. Business data

	FY2013	FY2014
[Japanese domestic tobacco business]		
JT sales volume [*]	120.1	82.0

* : Sales volume of domestic duty-free and China business is excluded

	2013	2014	Change	Rates of Change
[International tobacco business] ^{*1}				
Total shipment volume ^{*2}	417.5	405.0	-12.5	-3.0%
GFB shipment volume	267.5	263.0	-4.5	-1.7%
JPY/USD rate for consolidation	97.73	100.00	+2.27	-2.3%
RUB/USD rate for consolidation	31.84	36.00	+4.16	-11.6%
GBP/USD rate for consolidation	0.64	0.60	-0.04	6.6%
EUR/USD rate for consolidation	0.75	0.72	-0.03	4.6%
CHF/USD rate for consolidation	0.93	0.88	-0.05	5.3%
TWD/USD rate for consolidation	29.68	30.30	+0.62	-2.0%

*1 : International business: Year ended 2013 and year ending 2014

*2 : Total shipment volume includes fine cut, cigars, pipe tobacco and snus, but excludes contract manufactured products and waterpipe tobacco

Data of JT products in Japanese market

* Excludes sales from the China, Hong Kong, and Macau markets and domestic duty-free sales.

Japanese Domestic Tobacco Business Results

1. Quarterly Sales Volume (billions of cigarettes)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	294	302	298	268	1,162
FY 03/2014	293	303	301	304	1,201
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	268	293	303	301	1,165
2014	304	247			

2. Quarterly Retail Price Sales

(billions of JPY)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	5,967	6,129	6,052	5,442	23,589
FY 03/2014	5,933	6,141	6,085	6,156	24,315
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	5,442	5,933	6,141	6,085	23,601
2014	6,156	5,204			

* Retail price sales = sales volume × fixed retail price.

3. Quarterly Net Sales Excluding Excise Tax / Revenue Per Thousand Cigarettes

(JPY)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	5,508	5,505	5,499	5,498	5,503
FY 03/2014	5,491	5,485	5,481	5,483	5,485
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	5,498	5,491	5,485	5,481	5,488
2014	5,483	5,652			

* Net sales excluding excise tax /Revenue per thousand cigarettes
= (retail price sales-retailer margins-consumption tax-excise taxes)
/sales volume×1,000

4. Quarterly JT Market Share

(%)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	59.4	59.7	59.6	59.5	59.6
FY 03/2014	60.5	60.7	61.1	61.5	61.0
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	59.5	60.5	60.7	61.1	
2014	61.5	59.6			

Market Share in Growing Segments

1. 1mg Tar

(1) JT 1mg Tar Product Share (%)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	14.4	14.2	14.3	14.4	14.3
FY 03/2014	14.7	14.7	14.7	14.8	14.7
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	14.4	14.7	14.7	14.7	14.6
2014	14.8	14.5			

(2) 1mg Market Share (%)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	24.5	24.2	24.4	24.5	24.4
FY 03/2014	24.5	24.5	24.4	24.6	24.5
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	24.5	24.5	24.5	24.4	24.5
2014	24.6	25.0			

2. Menthol

(1) JT Menthol Product Share (%)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	7.5	7.6	7.4	7.7	7.6
FY 03/2014	8.3	8.8	9.0	9.0	8.8
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	7.7	8.3	8.8	9.0	8.5
2014	9.0	9.6			

(2) Menthol Market Share (%)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	25.6	25.7	25.6	26.2	25.8
FY 03/2014	26.3	26.3	26.4	26.1	26.3
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	26.2	26.3	26.3	26.4	26.3
2014	26.1	27.3			

3. JPY 450 or above*

(1) JT JPY 450 or above Product Share (%)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	14.7	14.8	14.5	14.5	14.6
FY 03/2014	14.5	14.4	14.7	14.7	14.6
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	14.5	14.5	14.4	14.7	14.5
2014	14.7	14.3			

(2) JPY 450 or above Product Market Share (%)

	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
FY 03/2013	36.6	36.9	39.5	36.6	36.7
FY 03/2014	36.1	35.9	36.0	35.9	36.0
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	36.6	36.1	35.9	36.0	36.1
2014	35.9	35.5			

Japan Tobacco Inc. Clinical Development as of July 30, 2014

<In-house development>

Code (Generic Name)	Potential Indication/Dosage form	Mechanism		Phase	Note
JTK303(elvitegravir)/ cobicistat/emtricitabine/ tenofovir alafenamide	HIV infection /Oral	HIV integrase inhibitor/ Nucleoside reverse transcriptase inhibitor	Suppresses blood HIV levels by inhibiting the activities of integrase and reverse transcriptase, enzymes involved in the replication of HIV.	Phase3 (Japan) Global Study*	<u>New Single Tablet Regimen</u> JTK-303(elvitegravir); In-house Cobicistat, Emtricitabine, Tenofovir Alafenamide; In-license (Gilead Sciences)
JTT-851	Type 2 diabetes mellitus /Oral	G protein-coupled receptor 40 agonist	Decreases blood glucose by stimulation of glucose-dependent insulin secretion.	Phase2 (Japan) Phase2 (Overseas)	In-house
JTZ-951	Anemia associated with chronic kidney disease /Oral	HIF-PHD inhibitor	Increases red blood cells by stimulating production of erythropoietin, an erythropoiesis-stimulating hormone, via inhibition of HIF-PHD.	Phase2(Japan) Phase1(Overseas)	In-house
JTE-051	Autoimmune/allergic diseases /Oral	Interleukin-2 inducible T cell kinase inhibitor	Suppresses overactive immune response via inhibition of the signal to activate T cells related to immune response.	Phase1(Overseas)	In-house
JTE-052	Autoimmune/allergic diseases /Oral, Topical	JAK inhibitor	Suppresses overactive immune response via inhibition of Janus kinase (JAK) related to immune signal.	Phase1(Japan)	In-house
JTE-151	Autoimmune/allergic diseases /Oral	RORγ antagonist	Suppresses overactive immune response via inhibition of ROR γ related to Th 17 activation.	Phase1(Overseas)	In-house
JTE-350** (histamine dihydrochloride)	Diagnostic product /Positive control solution in the skin prick test	Histamine receptor agonist	Induces wheal and flare as histamine reactions on the epidermis in the skin prick test.	Preparing to file (Japan)	In-license (ALK-Abelló) Co-development with Torii
JTT-251	Type 2 diabetes mellitus /Oral	PDHK inhibitor	Decreases blood glucose by activation of pyruvate dehydrogenase (PDH) related to carbohydrate metabolism.	Phase1(Overseas)	In-house
JTT-252	Type 2 diabetes mellitus /Oral	SGLT1 inhibitor	Decreases blood glucose by inhibition of sodium glucose co-transporter 1 (SGLT1) in small intestine.	Phase1(Overseas)	In-house
JTK-351	HIV infection /Oral	HIV integrase inhibitor	Suppresses blood HIV levels by inhibiting the activity of integrase, an enzyme involved in the replication of HIV.	Phase1(Japan)	In-house

Clinical trial phase presented above is based on the first dose.

*Part of global study conducted by Gilead Sciences.

**One of the medical products publicly offered for a development company by the Study Group on Unapproved and Off-label Drugs of High Medical Need,
set up by the Ministry of Health, Labour and Welfare.

<Licensed compounds>

Compound	Licensee	Mechanism		Note
elvitegravir	Gilead Sciences	HIV Integrase inhibitor	Suppresses blood HIV levels by inhibiting the activity of integrase, an enzyme involved in the replication of HIV.	<u>Elvitegravir</u> U.S. marketing approval submitted <u>New Single Tablet Regimen</u> (elvitegravir/cobicistat/emtricitabine/tenofovir alafenamide) Phase3
trametinib	GlaxoSmithKline	MEK inhibitor	Inhibits cellular growth by specifically inhibiting the activity of MAPK/ERK Kinase (MEK1/2).	<u>Metastatic melanoma, trametinib+dabrafenib</u> Phase3
Anti-ICOS monoclonal antibody	MedImmune	ICOS antagonist	Suppresses overactive immune response via inhibition of ICOS which regulates activation of T cells.	

Updates since the previous announcement on April 24, 2014:

<In-house development>

- JTT-252 has entered into the clinical trial stage (Phase1) overseas.
- JTK-351 has entered into the clinical trial stage (Phase1) in Japan.
- Development of JTK-303 (standalone-agent) in Japan has been terminated.

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- GlaxoSmithKline announced on July 4, 2014 that Mekinist (trametinib) has been approved for patients with unresectable or metastatic melanoma with a BRAF V600 mutation in the EU.