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FOR IMMEDIATE RELEASE

Tokyo, August 6, 2013

**Notice regarding TableMark Transition to a Holding Company Structure
through a Company Split**

Please find enclosed an announcement that TableMark Co., Ltd., a consolidated subsidiary of Japan Tobacco Inc. (JT) (TSE: 2914), has commenced preparations for a transition to a holding company structure through a company split. This relates to an organizational redesign in JT Group's processed food business segment and is expected to have a minor effect on JT Group's consolidated performance.

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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 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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Tokyo, August 6, 2013

Notice of the Transition to a Holding Company Structure through a Company Split

Tokyo, August 6, 2013 --- TableMark Co., Ltd. (TableMark) announces that it has decided to commence preparations for a transition to a holding company structure at the meeting of the Board of Directors. The transition is expected to complete on 1 April 2014, subject to approval at the Company's extraordinary shareholders' meeting to be held in early October 2013 and approvals from the relevant authorities. Details of the transition will be announced in due course.

1. Objectives of the transition to a holding company structure

The Company now faces a changing business environment as a result of the aging of Japanese society, diversified consumer needs following shifts in lifestyle in Japan, increased raw material costs due to higher demand for global food supply, and steep fluctuations in foreign exchange. In the face of these changes, further flexible and competitive business operations are required so that the Company can swiftly respond to the changing business environment and achieve sustainable profit growth.

Since the integration of JT Group's processed food business and Katokichi Co., Ltd.¹ in July 2008, the Company has focused its resource on the core businesses. The Company strives to deliver steady growth across its business pillars of frozen and ambient processed food, bakery and seasoning businesses, and to establish a solid market presence.

The frozen and ambient processed food business will be able to further concentrate on its business operations through the company split, enhancing its ability to respond to the changing business environment. TableMark, as a pure holding company, will continue to be responsible for Group-wide audit, corporate planning and food safety control, aiming to accelerate the Group's business growth.

2. Method of the transition to a holding company structure

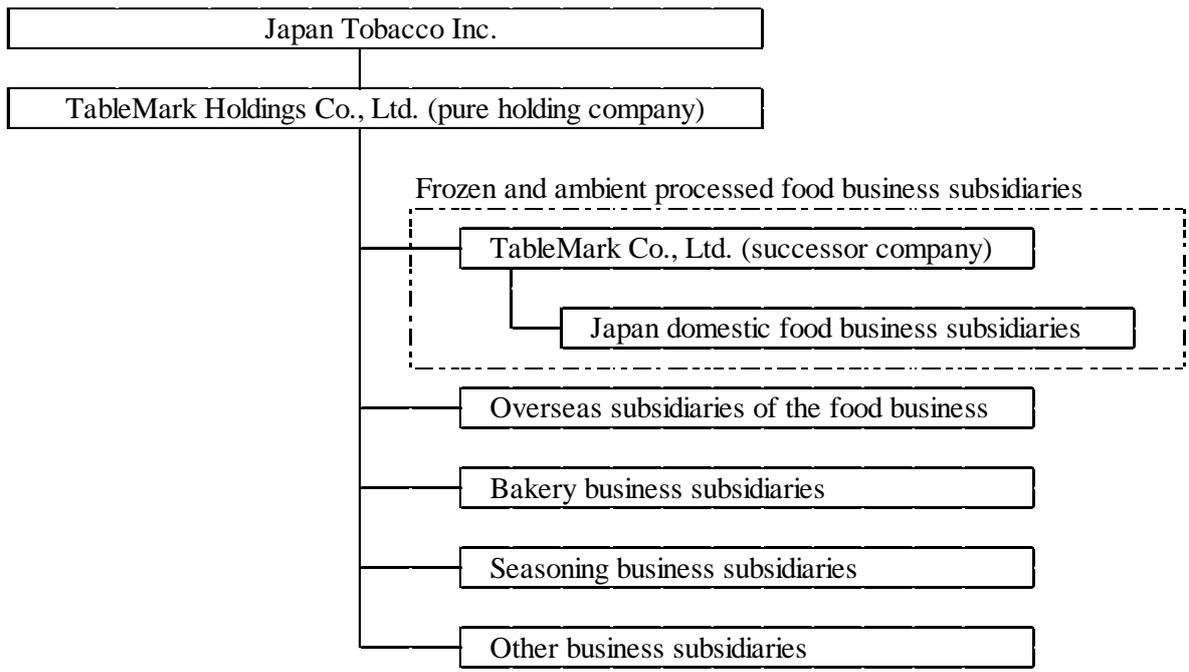
The transition will be conducted through an absorption-type demerger whereby the Company's frozen and ambient processed food business will be transferred to one of the Company's wholly-owned subsidiaries (the "Successor Company"). Subsequent to the demerger, the Company will become a pure holding company owning the stock of each group company including the Successor Company.

¹ JT acquired in 2008 and its name was changed to TableMark Co., Ltd. in 2010

3. Implementation Schedule (subject to change)

Early September 2013: Approval of a demerger agreement by the Board of Directors
Early October 2013: Approval of the demerger agreement at the shareholders' meeting
April 1, 2014: Effective date of the demerger; transition to a holding company structure

4. The group's organizational structure after the transition (subject to change)



Note: As of the day of activation of the holding company (planned on April 1, 2014), TableMark will become "TableMark Holdings Co., Ltd.", and the company name of the Successor Company will be "TableMark Co., Ltd." The international food business subsidiaries are to be exempt from the transition.