



Tokyo, September 1, 2021

**Notice of Tender Offers by JT and JT's Foreign Subsidiary**  
**and New Issuance of Foreign Currency Denominated Guaranteed Notes**  
**by JT's Foreign Subsidiary**

Japan Tobacco Inc. ("JT") (TSE: 2914) hereby announces that JT and JT's foreign subsidiary have determined to make offers to purchase the outstanding U.S. Dollar denominated senior notes by several concurrent tender offers with respect to the below notes. In addition, to raise funds for the tender offers, JT's foreign subsidiary intends to issue U.S. Dollar denominated guaranteed notes (the "New Notes") in the international securities markets as described below.

The purpose of the tender offers and the proposed issue of New Notes is to optimise and extend JT Group's debt maturity profile without increasing its total gross debt. JT believes that the tender offers and the issue of the New Notes will contribute to strengthening JT Group's financial base.

1. Overview of Target Notes of Tender Offers

Issuer	Target notes	Issue date	Maturity date	Tenor	Interest rate	Outstanding amount
JTIFS*	U.S. Dollar denominated Guaranteed Notes due 2023 ("2023 Notes")	September 28, 2018	September 28, 2023	5 years	3.500%	US\$525,000,000
JT	U.S. Dollar denominated Senior Notes due 2026 ("2026 Notes")	April 13, 2016	April 13, 2026	10 years	2.800%	US\$500,000,000
JTIFS*	U.S. Dollar denominated Guaranteed Notes due 2028 ("2028 Notes")	September 28, 2018	September 28, 2028	10 years	3.875%	US\$500,000,000

\* JT International Financial Services B.V., a JT foreign subsidiary

## 2. Overview of Tender Offers

1. Acceptance amounts	The Offeror intends to purchase any and all validly tendered 2023 Notes, and up to US\$500,000,000 in aggregate principal amount across the 2026 & 2028 Notes.
2. Expiration deadline	5:00 p.m. on September 7, 2021 (CET)
3. Expected settlement date	September 13, 2021
4. Other information	<p><b><u>Intention of redemption by make whole</u></b></p> <p>Following completion of the tender offers and provided the issue of the New Notes is successfully completed, JTIFS may redeem all remaining outstanding 2023 Notes in accordance with their terms and conditions at the relevant make whole redemption price.</p> <p>Also, if the aggregate amount of 2026 Notes and 2028 Notes validly tendered is less than US\$500,000,000, JT may also redeem all remaining outstanding 2026 Notes in accordance with their terms and conditions at the relevant make whole redemption price.</p> <p><b><u>Priority allocation in the New Notes</u></b></p> <p>When considering allocation of the New Notes, JTIFS may give preference to those noteholders who, prior to such allocation, have validly tendered or indicated their firm intention to tender the notes. However, JTIFS is not obliged to give such preference in the allocation of the New Notes.</p> <p>Further information is available in our announcement published at Luxembourg Stock Exchange: <a href="https://www.bourse.lu/home">https://www.bourse.lu/home</a></p>

## 3. Overview of New Notes (Expected)

1. Issuer	JT International Financial Services B.V.
2. Currency	U.S. Dollar
3. Total amount of issue	TBD
4. Tenor	10 years and 30 years
5. Issuance program	Euro MTN program

6. Method of offering	The New Notes will be offered in the international securities markets including Europe and Asia. The New Notes will not be offered within the U.S. or for the account of any U.S. persons (such terms as defined in Regulation S under the U.S. Securities Act).
7. Guarantor	Japan Tobacco Inc.
8. Use of proceeds	Funds will be used for the tender offer

Note: The process of the above issuance will be executed concurrently with the tender offers. The total amount of issuance, interest rate and other terms will be decided in the future. However, JT Group may decide not to implement the above issuance or decide to change the above terms.

< Overview of JT International Financial Services B.V., the Issuer >

1. Country of incorporation	Netherlands
2. Name	JT International Financial Services B.V.
3. Shareholders	Japan Tobacco Inc. (Indirect holding ratio: 100%)
4. Date of establishment	February 15, 2016
5. Paid-in capital	US\$1
6. Business description	Securing finances for the JT Group and financial management within the JT Group

Note: All dates listed in the tables above are in Central European Time.

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*Japan Tobacco Inc. is a leading international tobacco company with operations in more than 130 countries. With approximately 58,000 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 its heated tobacco products under its Ploom brand and various e-cigarette products under its 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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This press release has been prepared to publicly disclose information regarding a tender offer in relation to notes issued by JT and a foreign subsidiary of JT and the potential issue of the New Notes. Moreover, as the New Notes have not been filed or registered in accordance with the Financial Instruments and Exchange Act of Japan or applicable acts of other jurisdictions, if filing or registration of the New Notes is required pursuant to these laws and regulations, the New Notes may not be offered or sold in Japan or those other jurisdictions unless the New Notes are filed or registered or an exemption for such is acquired.