



FOR IMMEDIATE RELEASE

Tokyo, February 13, 2024

Notice of Reduction in Amount of Legal Capital Surplus

Japan Tobacco Inc. (JT) (TSE: 2914) hereby announces a resolution from the Board of Directors held today to the effect that the Company will submit a proposal for a reduction in the amount of legal capital surplus to the 39th Ordinary General Meeting of Shareholders to be held on March 22, 2024.

1. Purpose of the reduction in the amount of legal capital surplus

To ensure that future capital policies will be executed in a prompt and flexible manner, the Company will reduce a portion of legal capital surplus and reclassify the reduced amount as other capital surplus, in accordance with the provision stipulated in Paragraph 1, Article 448 of the Companies Act.

2. Outline of the reduction in the amount of legal capital surplus

(1) Amount to be reduced in legal capital surplus

Legal capital surplus will be reduced by 100 billion yen, from 736,400,000,000 yen to 636,400,000,000 yen.

(2) Method of reducing amount of legal capital surplus

A portion of legal capital surplus will be reduced and reclassified as other capital surplus.

3. Schedule for the reduction in the amount of legal capital surplus

(1) Resolution at the Board of Directors: February 13, 2024

(2) Resolution at the Ordinary General Meeting of Shareholders: March 22, 2024 (planned)

(3) Creditor objection statement notice: April 8, 2024 (planned)

(4) Creditor objection statement final deadline: May 8, 2024 (planned)

(5) Effective date: June 28, 2024 (planned)

4. Future Outlook

This matter is a transfer between accounts within the Company's Net assets and will affect neither the amount of the Company's Net assets nor its operating performance.

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Japan Tobacco Inc. is a leading international tobacco and vaping company and its products are sold in over 130 markets. With approximately 53,000 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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