

Japan Tobacco Inc.

Notice of Early Redemption to Holders

14 September 2021

Japan Tobacco Inc.

(the *Issuer*)

NOTICE OF EARLY REDEMPTION TO HOLDERS

**U.S.\$500,000,000 2.80 PER CENT. SENIOR NOTES DUE 2026 ISSUED ON 13
APRIL 2016 BY JAPAN TOBACCO INC. (XS1394761073) (the *Notes*)**

Terms used but not defined in this notice have the meaning given to them in the Terms and Conditions of the Notes (the *Conditions*).

The Issuer refers to Condition 6(f) (*Redemption at the Option of the Issuer (Issuer Make-Whole Call)*) of the Conditions of the Notes as set out in Part C of Schedule 2 to the Agency Agreement dated 31 March 2016 (*Condition 6(f)*), as supplemented by the Final Terms dated 7 April 2016 (the *Final Terms*), whereby the Issuer may, at its option, on giving not less than 30 nor more than 60 days' notice, redeem all, but not some only, of the Notes that remain outstanding (such Notes, the *Redeemable Notes*).

NOTICE IS HEREBY GIVEN that all of the Redeemable Notes will be redeemed at the Make-Whole Redemption Amount on 15 October 2021 (the *Make-Whole Redemption Date*), together with interest accrued to but excluding the Make-Whole Redemption Date, pursuant to Condition 6(f) as supplemented by the Final Terms. Following the Make-Whole Redemption Date, the Redeemable Notes shall be cancelled.

The Determination Date shall be 12 October 2021. The Make-Whole Redemption Amount per Calculation Amount (as defined in the Conditions of the Notes as supplemented by the Final Terms) and the amount of accrued interest per Calculation Amount will be notified to the Noteholders on 13 October 2021.

Payment in relation to the Notes will be made in accordance with the usual procedures of Clearstream, Luxembourg and/or Euroclear.