JAPAN TOBACCO INC.
2-1, Toranomon 2-chome, Minato-ku
Tokyo 105-8422 JAPAN
Phone:03-3582-3111

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JT's Consolidated Financial Results for FY2015 Third Quarter

Business momentum confirmed as strong performance continues

Results for January 1 – September 30, 2015 on a Like-for-Like basis[1]

- Revenue grew 0.7% due to robust price/mix and the appreciation of the US Dollar against the Japanese Yen in the international tobacco business and growth in the pharmaceutical and the processed food businesses, offset by negative local currency movements against the US Dollar in the international tobacco business.

- Adjusted operating profit at constant FX increased 11.6%. This was mainly driven by robust price/mix in the international tobacco business. On a reported basis, adjusted operating profit declined 2.6%, affected by unfavorable local currency movements against the US Dollar.

- Profit from continuing operations[2] declined 5.2% due to a decrease in operating profit, but was partly offset by lower income taxes. Profit attributable to owners of the parent, which combines profits from continuing and discontinued operations, grew 21.5% due to the gains relating to the transfer of shares the Company held in its subsidiaries conducting vending machine operations.

- The International Tobacco Business delivered strong results at constant FX with adjusted operating profit growing 13.3% in US Dollars, driven by a robust price/mix and positive GFB performance. On a reported basis adjusted operating profit declined 21.4% due to ongoing local currency fluctuations against the US Dollar. In Japanese Yen, adjusted operating profit decreased 7.7%, partially offset by the appreciation of the US Dollar.

- The Japanese Domestic Tobacco Business showed 5.1% growth in adjusted operating profit due to the price/mix effect and the effects of the measures to strengthen the competitiveness of the Japanese domestic tobacco business.

Forecast for FY2015

- Adjusted operating profit at constant FX is forecast to grow 8.6% from FY2014, with upward revision of ¥11.0 billion from the previous forecast due to the strong business momentum in the tobacco businesses and pharmaceutical business.

- The forecast for profit from continuing operations[2] remains unchanged. The forecast for profit attributable to owners of the parent, which combines profits from continuing and discontinued operations, has been revised upwards by ¥3.0 billion due to re-assessment of expenses relating to the withdrawal from the manufacture and sale of JT beverage products.

- Dividend: The Company has revised forecast fiscal year-end dividend per share upwards by ¥10 to ¥64. Accordingly, a total annual dividend per share of ¥118 is now forecast, including the interim dividend of ¥54.

Mitsuomi Koizumi, President and Chief Executive Officer of JT, commented:
"Our international tobacco business demonstrated solid performance, driven by increased GFB shipment volume and significant pricing benefits. We will accelerate our investments to strengthen brand equity, geographic reach and our emerging products portfolio to continue achieving sustainable mid- to long-term profit growth. Domestically, against the backdrop of increasingly intensifying competition, initiatives to strengthen the product portfolio and brand equity further have ensured that our market share remains stable. The ongoing solid business momentum gives us confidence to achieve mid- to long-term profit growth at constant FX, allowing us to revise the forecast for year-end dividend per share upwards."

Consolidated Financial Results for January 1 – September 30, 2015

(billions of Yen)	January - September		Difference	Net Change
	2014	**2015**		
Revenue	1,677.0	1,688.5	11.5	0.7%
Adjusted operating profit	523.9	510.3	-13.6	-2.6%
Operating profit	491.1	455.9	-35.2	-7.2%
Profit from continuing operations[2] (attributable to owners of the parent)	334.4	317.1	-17.4	-5.2%
Profit from discontinued operations[2] (attributable to owners of the parent)	-1.5	87.3	88.8	-
Profit attributable to owners of the parent	333.0	404.4	71.4	21.5%

At constant FX:

Adjusted operating profit	523.9	584.9	61.0	11.6%

Note: From the nine months ended September 30, 2015, continuing operations and discontinued operations have been presented separately. To reflect the changes in the method of presentation, the consolidated statement of income for the comparable period have been accordingly changed.

- **Revenue**
  Revenue grew 0.7% due to robust price/mix and the appreciation of the US Dollar against the Japanese Yen in the international tobacco business and strong business momentum in the pharmaceutical and the processed food businesses, more than offsetting the unfavorable local currency movements against the US Dollar in the international tobacco business.

- **Adjusted Operating Profit**
  Adjusted operating profit at constant FX grew 11.6% mainly due to the robust price/mix effect in the international tobacco business. Adjusted operating profit on a reported basis declined 2.6%, affected by unfavorable local currency movements against the US Dollar. The negative impact was partly offset by the appreciation of the US Dollar against the Japanese Yen.

- **Operating Profit**
  Operating profit decreased 7.2% due to the losses related to the disposal of real estate assets as well as lower gains from the sale of real estate assets compared to the same period in the previous year.

- **Profit from continuing operations**
  Profit from continuing operations declined 5.2% due to a decrease in operating profit, partly offset by lower income taxes.

- **Profit from discontinued operations**
  Profit from discontinued operations was ¥87.3 billion due to the gains relating to the transfer of shares the Company held in its subsidiaries conducting vending machine operations, partly offset by expenses relating to the withdrawal from the manufacture and sale of JT beverage products.

- **Profit Attributable to Owners of the Parent**
  Profit attributable to owners of the parent, which combines profits from continuing and discontinued operations, grew 21.5%.

Results by Business Segment

International Tobacco Business

(billions of units, billions of Yen)	January - September		Net Change
	2014	2015	
Total shipment volume[3]	296.6	295.6	-0.4%
GFB shipment volume	194.3	205.4	5.7%
Core revenue[4]	936.9	946.9	1.1 %
Adjusted operating profit	355.7	328.5	-7.7%

GFB shipment volume grew 5.7%, mainly driven by the Benelux, Canada, Czech Republic, France, Germany, Iran, Italy, Romania, South East Asia, Spain, Taiwan, Turkey and Ukraine. Total shipment volume declined by a modest 0.4%, mainly due to the Middle East and Russia, partly offset by GFB growth and favorable trade inventory movements in Iran and Turkey. Market share[5] continued to grow in most of the key markets, namely France, Italy, Spain, Taiwan, Turkey and the UK.

In US Dollars, core revenue and adjusted operating profit at constant FX grew 7.3% and 13.3%, respectively, driven by a robust price/mix and positive GFB performance. As a result of continued currency fluctuations against the US Dollar, on a reported basis, core revenue and adjusted operating profit declined 14.0% and 21.4% respectively. In Japanese Yen, core revenue increased 1.1% and adjusted operating profit decreased 7.7% due to the appreciation of the US Dollar.

Japanese Domestic Tobacco Business

(billions of units, billions of Yen)	January – September		Net Change
	2014	2015	
Total sales volume	83.9	81.3	-3.1%
Core revenue	483.5	478.2	-1.1%
Adjusted operating profit	187.9	197.6	5.1%

Total sales volume decreased 3.1% due to the industry volume decline and intensified competition in the sub-premium price segment. Core revenue declined 1.1% as a result of lower total sales volume, partly offset by the improved price/mix effect, which mainly occurred in the first quarter, and higher domestic sales of duty-free products. Adjusted operating profit grew 5.1% due to the price/mix effect, as well as the effects of the measures to strengthen the competitiveness of the Japanese domestic tobacco business that accrued from the second quarter.

In order to strengthen brand equity further, the Company continued to undertake marketing and sales initiatives primarily focused on Mevius. In the framework of activities to fortify the brand portfolio, two Seven Stars menthol products were launched to support our growth in the expanding menthol segment. This was in addition to the recent integration of the Caster and Cabin brands with Winston. In a highly challenging competitive environment, JT's overall share of market has remained stable at 59.9% for the nine-month period.

Pharmaceutical Business

(billions of Yen)	January - September		Difference
	2014	2015	
Revenue	46.7	53.4	6.7
Adjusted operating profit	-6.8	-3.3	3.5

Revenue increased 14.5% due to royalty revenue growth and higher sales at Torii Pharmaceutical, reaching ¥53.4 billion. Adjusted operating profit improved ¥3.5 billion to -¥3.3 billion as a result of revenue increase.

Processed Food Business

(billions of Yen)	January – September		Difference
	2014	2015	
Revenue	116.2	120.5	4.3
Adjusted operating profit	-0.1	1.3	1.4

The processed food business has continued to focus on staple food such as frozen noodles, frozen rice, packed cooked rice and frozen baked bread. Revenue increased ¥4.3 billion to ¥120.5 billion, driven by the improved sales of frozen and ambient processed food products. Adjusted operating profit increased ¥1.4 billion to ¥1.3 billion as a result of higher revenue.

Beverage Business

The Company withdrew from the manufacture and sale of JT beverage products at the end of September 2015. In addition, it transferred all the shares JT held in its subsidiaries conducting vending machine operation business, Japan Beverage Holdings Inc. and JT A-Star Co., Ltd to Suntory Beverage & Food Limited on July 31, 2015. The transaction also included the transfer of JT's beverage brands "Roots" and "Momono Tennensui".

Consolidated Forecast for FY2015

(billions of Yen)	FY2014 Actual	FY2015 Previous Forecast	**FY2015 Revised Forecast**	Change from FY2015 Previous Forecast	Change from FY2014 Actual
Revenue	2,259.2	2,260.0	**2,250.0**	-10.0	-9.2 (-0.4%)
Adjusted operating profit	661.0	614.0	**618.0**	4.0	-43.0 (-6.5%)
Operating profit	572.6	554.0	**554.0**	-	-18.6 (-3.3%)
Profit from continuing operations[2] (attributable to owners of the parent)	391.4	387.0	**387.0**	-	-4.4 (-1.1%)
Profit from discontinued operations[2] (attributable to owners of the parent)	-2.4	84.0	**87.0**	3.0	89.4 (-)
Profit attributable to owners of the parent	389.1	471.0	**474.0**	3.0	84.9 (21.8%)

At constant FX:

Adjusted operating profit	661.0	707.0	**718.0**	11.0	57.0 (8.6%)

Note: From the nine months ended September 30, 2015, continuing operations and discontinued operations have been presented separately. To reflect the changes in the method of presentation, the consolidated statement of income for the FY2014 actual and the FY2015 previous forecast have been accordingly changed.

- The forecast for revenue has been revised downwards by ¥10.0 billion due to the unfavorable revision of the exchange rate assumption[6] in the international tobacco business.

- The forecast for adjusted operating profit at constant FX has been revised upwards by ¥11.0 billion due to upward revisions in the tobacco businesses and pharmaceutical business. As a result, the forecast for adjusted operating profit on a reported basis has been revised upwards by ¥4.0 billion, partly offset by the unfavorable revision of exchange rate assumptions.

- The forecasts for operating profit and profit from continuing operations remain unchanged.

- The forecast for profit attributable to owners of the parent, which combines profits from continuing and discontinued operations, has been revised upwards by ¥3.0 billion, reflecting upward revision of profit from discontinued operations as a result of re-assessment of expenses relating to the withdrawal from the manufacture and sale of JT beverage products.

Forecasts by Business Segment

- International Tobacco Business: The forecast for GFB shipment volume has been revised upwards by 3.0 billion cigarette equivalent units, reflecting the improved momentum in several markets, mainly in Europe. As a result, adjusted operating profit in US Dollars at constant FX is now forecast to be US$4.68 billion, an increase of 10.0% compared to the previous year. On a reported basis, adjusted operating profit remains at US$3.23 billion. The forecast for total shipment volume is unchanged due to non-GFB performance in the Middle East.

- Japanese Domestic Tobacco Business: While the forecast for total sales volume remains unchanged, the core revenue forecast has been revised upwards by ¥2.0 billion. The forecast for adjusted operating profit has been also revised upwards by ¥3.0 billion, reflecting higher core revenue and effective cost management.

- Pharmaceutical Business: The forecast for revenue remains unchanged. Expected higher one-off revenue relating to an original JT compound that has been out-licensed and the re-assessment of R&D expenses allowed the forecast for adjusted operating profit to be positively revised by ¥1.5 billion.

- Processed Food Business: Sales of frozen and ambient processed food products are expected to continue to grow in line with the previous forecast. Therefore, the forecast remains unchanged from the previous quarter.

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Japan Tobacco Inc. is a leading international tobacco company. Its products are sold in over 120 countries and its internationally recognized brands include Winston, Camel, Mevius and LD. With diversified operations, JT is also actively present in pharmaceuticals and processed foods. The company's revenue was ¥2.154 trillion (US$17,867 million(*)) in the fiscal year ended December 31, 2014(**).

**Translated at the rate of ¥120.55 per $1, as of December 31, 2014*
***Due to a change in the accounting period from March 31 to December 31, the fiscal year 2014 covered nine months for Japanese domestic businesses and 12 months for the consolidated subsidiaries which operate the Group's international tobacco business. On a comparable full calendar year basis, revenue was ¥2.433 trillion (US$20,186 million(*)).*

Notes

[1] Fiscal year 2014 was a transitional year for JT Group after changing its accounting period from March 31 to December 31. On a reported basis fiscal year 2014 covered nine months for Japanese domestic business and 12 months for the consolidated subsidiaries which operate the Group's international tobacco business. In order to present fiscal year 2015 results on a comparable basis, the Company refers to fiscal year 2014 as a full calendar year from January 1 to December 31.
[2] Profit from continuing/discontinued operations attributable to owners of the parent
[3] Including fine cut, cigars, pipe tobacco and snus, but excluding contract manufactured products, waterpipe tobacco and emerging products.
[4] Revenue including waterpipe tobacco and emerging products, but excluding revenue from distribution, contract manufacturing and other peripheral businesses.
[5] Source: IRI, Logista and Nielsen on a 12-month rolling average, unless otherwise specified, for cigarettes and fine cut at the end of September 2015. Spain is on a 12-month rolling average at the end of August 2015. 12-month share of market growth for August 2015 markets is calculated against a 12-month share of market at the end of September 2014.
[6] The exchange rate assumptions for US $1.00 have been revised as follows; Russian Ruble 60.00 from 57.50, UK Sterling 0.65 from 0.66, Swiss Franc 0.96 from 0.95, Taiwan Dollar 31.40 from 31.10, Turkish Lira 2.70 from 2.65 and Japanese Yen 120.70 from 121.00. The assumption for Euro remains unchanged at 0.90. Appreciation of the Japanese Yen and the Swiss Franc against the US dollar negatively affects the consolidated financial result numbers. Conversely, appreciation of the other currencies against the US dollar has a positive effect.

Additional definitions are provided at http://www.jt.com/media/definitions/index.html.

Contact: Ryohei Sugata, General Manager
Media and Investor Relations Division
Japan Tobacco Inc. Tokyo: +81-3-5572-4292
E-mail: jt.media.relations@jt.com

Results for FY2015 Third Quarter

(Jan-Sep Like-for-Like basis)

- Revenue, operating profit, adjusted operating profit from continuing operations and profit attributed to owners of the parent company from continuing and discontinued operations combined for January - September, 2014 would be disclosed in the Quarterly Securities Report, which will be subject to auditor's review.
- From FY2015 Q3, Beverage Business has been classified as discontinued operations. Consequently, profit (loss) and some items from continuing operations and discontinued operations are presented separately.
- In the continuing operations, transactions with Beverage Business are treated as if they were transactions with a third party. From FY2015 Q3, these transactions were not identified as "intercompany", thus not eliminated. As a result, financial performances from discontinued operations are not equal to those of Beverage Business.

1. Summary of business performance

(unit: JPY billion,%)

	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change
Continuing operations				
Revenue	1,677.0	1,688.5	+11.5	+0.7%
Operating profit	491.1	455.9	-35.2	- 7.2%
Adjusted operating profit*1	523.9	510.3	-13.6	- 2.6%
Profit before income taxes	487.6	457.3	-30.3	- 6.2%
Profit	339.3	320.3	-19.0	- 5.6%
Profit (attributable to owners of the parent company)	334.4	317.1	-17.4	- 5.2%
Basic EPS (JPY)	184.00	176.46	-7.54	- 4.1%
Discontinued operations				
Profit	-1.0	87.6	+88.6	–
Profit (attributable to owners of the parent company)	-1.5	87.3	+88.8	–
Continuing operations + Discontinued operations				
Profit	338.2	407.9	+69.6	+20.6%
Profit (attributable to owners of the parent company)	333.0	404.4	+71.4	+21.5%
Basic EPS (JPY)	183.19	225.07	+41.88	+22.9%

(Reference: Continuing operations) (unit: JPY billion,%)

	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change
Adjusted Operating profit at constant rates of exchange*1*2	523.9	584.9	+61.0	+11.6%

*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 : Jan-Sep, 2014 -Actual
Jan-Sep, 2015 -Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD and JPY vs USD as Jan-Sep, 2014

2.Breakdown of Revenue (continuing operations)

(unit: JPY billion,%)

	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change
Revenue	1,677.0	1,688.5	+11.5	+0.7%
Japanese domestic tobacco	511.2	504.8	-6.4	- 1.2%
Core revenue*1	483.5	478.2	-5.3	- 1.1%
International tobacco	990.0	995.5	+5.6	+0.6%
Core revenue*2	936.9	946.9	+10.0	+1.1%
Pharmaceutical	46.7	53.4	+6.7	+14.5%
Processed food	116.2	120.5	+4.3	+3.7%
Others	13.0	14.3	+1.2	+9.6%

(Reference) (unit: USD million,%)

	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change
International tobacco Core revenue*2	9,101	7,823	-1,279	- 14.0%
International tobacco Core revenue at constant rates of exchange*2*3	9,101	9,764	+662	+7.3%

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

*2 :Includes revenue from waterpipe tobacco and emerging products, but excludes revenue from distribution, contract manufacturing and other peripheral businesses.

*3 :Jan-Sep, 2014 -Actual
Jan-Sep, 2015 -Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD as Jan-Sep, 2014

Results for FY2015 Third Quarter

(Jan-Sep Like-for-Like basis)

- Revenue, operating profit, adjusted operating profit from continuing operations and profit attributed to owners of the parent company from continuing and discontinued operations combined for January - September, 2014 would be disclosed in the Quarterly Securities Report, which will be subject to auditor's review.
- From FY2015 Q3, Beverage Business has been classified as discontinued operations. Consequently, profit (loss) and some items from continuing operations and discontinued operations are presented separately.
- In the continuing operations, transactions with Beverage Business are treated as if they were transactions with a third party. From FY2015 Q3, these transactions were not identified as "intercompany", thus not eliminated. As a result, financial performances from discontinued operations are not equal to those of Beverage Business.

3.Adjusted Operating Profit by business segment*1(continuing operations)

(unit: JPY billion,%)

	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change
Consolidated Operating profit	491.1	455.9	-35.2	- 7.2%
Adjustment*2	32.8	54.4	+21.6	–
Adjusted Operating profit*1	523.9	510.3	-13.6	- 2.6%
Japanese domestic tobacco Operating profit	176.2	194.6	+18.4	+10.4%
Adjustment*2	11.7	3.0	-8.7	–
Adjusted Operating profit*1	187.9	197.6	+9.7	+5.1%
International tobacco Operating profit	325.5	289.8	-35.7	- 11.0%
Adjustment*2	30.2	38.7	+8.5	–
Adjusted Operating profit*1	355.7	328.5	-27.2	- 7.7%
Pharmaceutical Operating profit	-6.8	-3.3	+3.5	–
Adjustment*2	–	–	–	–
Adjusted Operating profit*1	-6.8	-3.3	+3.5	–
Processed food Operating profit	-0.1	1.5	+1.6	–
Adjustment*2	0.0	-0.2	-0.2	–
Adjusted Operating profit*1	-0.1	1.3	+1.4	–
Others/Elimination Operating profit	-3.7	-26.8	-23.1	–
Adjustment*2	-9.1	13.0	+22.1	–
Adjusted Operating profit*1	-12.8	-13.8	-1.0	–

(Reference) (unit: USD million,%)

	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change
International tobacco Adjusted Operating profit*1	3,454	2,715	-740	- 21.4%
International tobacco Adjusted Operating profit at constant rates of exchange*1*3	3,454	3,915	+460	+13.3%

(Reference) Depreciation and amortization: Continuing operations (unit: JPY billion)

	2014 Jan-Sep	2015 Jan-Sep	Change
Depreciation and amortization	95.7	99.2	+3.5
Japanese domestic tobacco	33.5	32.9	-0.6
International tobacco	51.5	56.3	+4.8
Pharmaceutical	3.1	3.4	+0.4
Processed food	5.0	4.8	-0.1
Others/Elimination	2.7	1.7	-0.9

*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 :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

*3 :Jan-Sep, 2014 -Actual
Jan-Sep, 2015 -Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD as Jan-Sep, 2014

4.Consolidated financial position data (continuing operations + discontinued operations)

(unit: JPY billion)

	As of end of Dec. 2014	As of end of Sep. 2015	Change
Total Assets	4,704.7	4,404.5	-300.2
Total Equity	2,622.5	2,509.2	-113.3
Equity attributable to owners of the parent company	2,536.8	2,440.6	-96.2
BPS(attributable to owners of the parent company) (JPY)	1,395.74	1,362.94	-32.80

5.Liquidity*(continuing operations + discontinued operations)

(unit: JPY billion)

	As of end of Dec. 2014	As of end of Sep. 2015	Change
Liquidity	389.5	339.2	-50.3

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

6.Interest-bearing debt*(continuing operations + discontinued operations)

(unit: JPY billion)

	As of end of Dec. 2014	As of end of Sep. 2015	Change
Interest-bearing debt	228.2	304.7	+76.5

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

Results for FY2015 Third Quarter

(Jan-Sep Like-for-Like basis)

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- From FY2015 Q3, Beverage Business has been classified as discontinued operations. Consequently, profit (loss) and some items from continuing operations and discontinued operations are presented separately.
- In the continuing operations, transactions with Beverage Business are treated as if they were transactions with a third party. From FY2015 Q3, these transactions were not identified as "intercompany", thus not eliminated. As a result, financial performances from discontinued operations are not equal to those of Beverage Business.

7.Consolidated cash flows data(continuing operations + discontinued operations)

(unit: JPY billion,%)

	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change
Cash flows from operating activities	–	200.1	–	–
Cash flows from investing activities	–	-33.9	–	–
Cash flows from financing activities	–	-203.1	–	–
Cash and cash equivalents, beginning of the year	–	385.8	–	–
Foreign currency translation adjustments on cash and cash equivalents	–	-12.8	–	–
Cash and cash equivalents, end of the quarter	–	336.1	–	–
FCF*	215.3	154.3	-61.0	-28.3%

* :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(continuing operations)

(unit: JPY billion)

	2014 Jan-Sep	2015 Jan-Sep	Change
Capital expenditures	92.2	89.8	-2.4
Japanese domestic tobacco	28.8	28.6	-0.2
International tobacco	52.9	50.2	-2.7
Pharmaceutical	3.9	4.3	+0.4
Processed food	3.2	4.1	+0.9
Others/Elimination	3.5	2.6	-0.9

9.Business data

【Japanese domestic tobacco business】	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change	
JT sales volume*	83.9	81.3	-2.6	- 3.1%	BNU
Total demand	138.8	135.8	-3.0	- 2.2%	BNU
JT market share	60.5%	59.9%	-0.6%pt	–	
JT net sales after tax per 1,000 cigarettes	5,599	5,666	+67	+1.2%	JPY

* :Sales volume of domestic duty-free and China business is excluded, which was 2.5 billion for Jan-Sep, 2014 and 2.9 billion for Jan-Sep, 2015, respectively.

【International tobacco business】	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change	
Total shipment volume*	296.6	295.6	-1.1	- 0.4%	BNU
GFB shipment volume	194.3	205.4	+11.0	+5.7%	BNU
JPY/USD rate for consolidation	102.93	120.98	+18.05	+17.5%	JPY
RUB/USD rate for consolidation	35.39	59.32	+23.93	-40.3%	RUB
GBP/USD rate for consolidation	0.60	0.65	+0.05	-8.2%	GBP
EUR/USD rate for consolidation	0.74	0.90	+0.16	-17.7%	EUR
CHF/USD rate for consolidation	0.90	0.95	+0.05	-5.8%	CHF
TWD/USD rate for consolidation	30.13	31.46	+1.33	-4.2%	TWD
TRY/USD rate for consolidation	2.16	2.66	+0.49	-18.6%	TRY

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

(unit: JPY billion,%)

<Pharmaceutical business>	2014 Jan-Sep	2015 Jan-Sep	Change	Rates of Change
R&D expenses	21.5	22.4	+0.9	+4.0%

FY2015 Revised Forecasts
(as of November 4, 2015)

- From FY2015 Q3, Beverage Business has been classified as discontinued operations. Consequently, profit (loss) and some items from continuing operations and discontinued operations are presented separately.
- In the continuing operations, transactions with Beverage Business are treated as if they were transactions with a third party. From FY2015 Q3, these transactions were not identified as "intercompany", thus not eliminated. As a result, financial performances from discontinued operations are not equal to those of Beverage Business. In accordance with these adjustments, figures with * were modified from previously disclosed figures.

1. Summary of business performance

(unit: JPY billion,%)

	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change
Continuing operations				
Revenue	2,259.2	2,250.0	-9.2	- 0.4%
Operating profit	572.6	554.0	-18.6	- 3.3%
Adjusted Operating profit*1	661.0	618.0	-43.0	- 6.5%
Profit	397.5	391.0	-6.5	- 1.6%
Profit（attributable to owners of the parent company)	391.4	387.0	-4.4	- 1.1%
Basic EPS(JPY)	215.37	215.57	+0.20	+0.1%
Discontinued operations				
Profit	-1.8	87.0	+88.8	－
Profit（attributable to owners of the parent company)	-2.4	87.0	+89.4	－
Continuing + Discontinued operations				
Profit	395.7	479.0	+83.3	+21.0%
Profit（attributable to owners of the parent company)	389.1	474.0	+84.9	+21.8%
Basic EPS(JPY)	214.06	264.03	+49.97	+23.3%
ROE (attributable to owners of the parent company)*2	15.5%	18.9%	+3.4ppt	－
DPS(JPY)	－	118.00	－	－

（Reference: Continuing operations）

	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change
Adjusted Operating profit at constant rates of exchange*1*3	661.0	718.0	+57.0	+8.6%

*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 :Based on Profit attributable to owners of parent company (continuing operations and discontinued operations) and Equity attributable to owners of the parent company

*3 :2014 Jan-Dec -Actual
FY2015 Forecasts- Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD and JPY vs USD as 2014 Jan-Dec

2.Breakdown of Revenue (continuing operations)

(unit: JPY billion,%)

	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change
Revenue	2,259.2	2,250.0	-9.2	- 0.4%
Japanese domestic tobacco	687.4*	679.0	-8.4	- 1.2%
Core revenue*1	649.8	640.0	-9.8	- 1.5%
International tobacco	1,328.0	1,317.0	-11.0	- 0.8%
Core revenue*2	1,258.2	1,254.0	-4.2	- 0.3%
Pharmaceutical	65.8	75.0	+9.2	+14.0%
Processed food	161.8*	168.0	+6.2	+3.8%
Others	16.3*	17.0	+0.7	+4.6%

（Reference） (unit: USD million,%)

	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change
International tobacco Core revenue*2	11,911	10,400	-1,511	- 12.7%
International tobacco Core revenue at constant rates of exchange*2*3	11,911	12,700	+789	+6.6%

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

*2 :Includes revenue from waterpipe tobacco and emerging products, but excludes revenue from distribution, contract manufacturing and other peripheral businesses.

*3 :2014 Jan-Dec -Actual
FY 2015 Forecasts -at the same foreign exchange rates between local currency vs USD as 2014 Jan-Dec

FY2015 Revised Forecasts
(as of November 4, 2015)

- From FY2015 Q3, Beverage Business has been classified as discontinued operations. Consequently, profit (loss) and some items from continuing operations and discontinued operations are presented separately.
- In the continuing operations, transactions with Beverage Business are treated as if they were transactions with a third party. From FY2015 Q3, these transactions were not identified as "intercompany", thus not eliminated. As a result, financial performances from discontinued operations are not equal to those of Beverage Business. In accordance with these adjustments, figures with * were modified from previously disclosed figures.

3.OP & Adjusted Operating profit*1 by business segment (continuing operations)

(unit: JPY billion,%)

	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change
Consolidated Operating profit	572.6	554.0	-18.6	- 3.3%
Japanese domestic tobacco	181.5	249.0	+67.5	+37.2%
International tobacco	379.5	340.0	-39.5	- 10.4%
Pharmaceutical	-7.3	-3.0	+4.3	–
Processed food	-1.2	2.5	+3.7	–
Others/Elimination	20.2*	-35.0	-55.2	–
Adjusted Operating profit*1	661.0	618.0	-43.0	- 6.5%
Japanese domestic tobacco*1	238.7	253.0	+14.3	+6.0%
International tobacco*1	447.1	390.0	-57.1	- 12.8%
Pharmaceutical*1	-7.3	-3.0	+4.3	–
Processed food*1	1.4	2.5	+1.1	+76.2%
Others/Elimination*1	-18.9*	-25.0	-6.1	–

(Reference) (unit: USD million,%)

	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change
International tobacco Adjusted Operating profit*1	4,253	3,230	-1,023	- 24.1%
International tobacco Adjusted Operating profit at constant rates of exchange*1*2	4,253	4,680	+427	+10.0%

*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 :2014 Jan-Dec -Actual
FY 2015 Forecasts -at the same foreign exchange rates between local currency vs USD as 2014 Jan-Dec

4.Consolidated cash flows (continuing operations + discontinued operations)

(unit: JPY billion,%)

	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change
FCF*	455.4	345.0	-110.4	-24.2%

* :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).

5.Capital expenditures(continuing operations)

(unit: JPY billion)

	2014 Jan-Dec	FY2015 Revised Forecasts	Change
Capital expenditures	130.2	134.0	+3.8
Japanese domestic tobacco	41.0	39.0	-2.0
International tobacco	74.2	76.0	+1.8
Pharmaceutical	4.7	6.0	+1.3
Processed food	4.7	6.0	+1.3
Others/Elimination	5.5	6.0	+0.5

6.Business data

【Japanese domestic tobacco business】	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change	
JT sales volume*	112.4	109.0	-3.4	- 3.0%	BNU

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

【International tobacco business】	2014 Jan-Dec	FY2015 Revised Forecasts	Change	Rates of Change	
Total shipment volume*	398.0	392.0	-6.0	- 1.5%	BNU
GFB shipment volume	262.2	270.0	+7.8	+3.0%	BNU
JPY/USD rate for consolidation	105.79	120.70	+14.91	+14.1%	JPY
RUB/USD rate for consolidation	38.40	60.00	+21.60	-36.0%	RUB
GBP/USD rate for consolidation	0.61	0.65	+0.04	-6.6%	GBP
EUR/USD rate for consolidation	0.75	0.90	+0.15	-16.3%	EUR
CHF/USD rate for consolidation	0.91	0.96	+0.05	-4.7%	CHF
TWD/USD rate for consolidation	30.31	31.40	+1.09	-3.5%	TWD
TRY/USD rate for consolidation	2.19	2.70	+0.51	-19.0%	TRY

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

FY2015 Forecasts
Previous Forecasts vs Revised Forecasts
(as of November 4, 2015)

- From FY2015 Q3, Beverage Business has been classified as discontinued operations. Consequently, profit (loss) and some items from continuing operations and discontinued operations are presented separately.
- In the continuing operations, transactions with Beverage Business are treated as if they were transactions with a third party. From FY2015 Q3, these transactions were not identified as "intercompany", thus not eliminated. As a result, financial performances from discontinued operations are not equal to those of Beverage Business. In accordance with these adjustments, figures with * were modified from previously disclosed figures.

1. Summary of business performance

(unit: JPY billion,%)

	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change
Continuing Operations				
Revenue	2,260.0	2,250.0	- 10.0	- 0.4%
Operating profit	554.0	554.0	–	–
Adjusted Operating profit*1	614.0	618.0	+4.0	+0.7%
Profit	391.0	391.0	–	–
Profit（attributable to owners of the parent company)	387.0	387.0	–	–
Basic EPS(JPY)	215.57	215.57	–	–
Discontinued Operations				
Profit	85.0	87.0	+2.0	+2.4%
Profit（attributable to owners of the parent company)	84.0	87.0	+3.0	+3.6%
Continuing + Discontinued Operations				
Profit	476.0	479.0	+3.0	+0.6%
Profit（attributable to owners of the parent company)	471.0	474.0	+3.0	+0.6%
Basic EPS(JPY)	262.36	264.03	+1.67	+0.6%
ROE (attributable to owners of the parent company)*2	18.3%	18.9%	+0.6ppt	–
DPS(JPY)	108.00	118.00	10.00	–

（Reference: continuing operations）

	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change
Adjusted Operating profit at constant rates of exchange*1*3	707.0	718.0	+11.0	+1.6%

＊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 :Based on Profit attributable to owners of parent company (continuing operations and discontinued operations) and Equity attributable to owners of the parent company

＊3 :Regarding international tobacco business, at the same foreign exchange rates between local currency vs USD and JPY vs USD as 2014 Jan-Dec

2.Breakdown of Revenue(continuing operations)

(unit: JPY billion,%)

	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change
Revenue	2,260.0	2,250.0	-10.0	- 0.4%
Japanese domestic tobacco	676.0	679.0	+3.0	+0.4%
Core revenue＊1	638.0	640.0	+2.0	+0.3%
International tobacco	1,324.0	1,317.0	-7.0	- 0.5%
Core revenue＊2	1,261.0	1,254.0	-7.0	- 0.6%
Pharmaceutical	75.0	75.0	–	–
Processed food	168.0	168.0	–	–
Others	17.0*	17.0	–	–

（Reference）

(unit: USD million,%)

	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change
International tobacco Core revenue＊2	10,400	10,400	–	–
International tobacco Core revenue at constant rates of exchange＊2＊3	12,500	12,700	+200	+1.6%

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

＊2 :Includes revenue from waterpipe tobacco and emerging products, but excludes revenue from distribution, contract manufacturing and other peripheral businesses.

＊3 :At the same foreign exchange rates between local currency vs USD as 2014 Jan-Dec

FY2015 Forecasts
Previous Forecasts vs Revised Forecasts
(as of November 4, 2015)

- From FY2015 Q3, Beverage Business has been classified as discontinued operations. Consequently, profit (loss) and some items from continuing operations and discontinued operations are presented separately.
- In the continuing operations, transactions with Beverage Business are treated as if they were transactions with a third party. From FY2015 Q3, these transactions were not identified as "intercompany", thus not eliminated. As a result, financial performances from discontinued operations are not equal to those of Beverage Business. In accordance with these adjustments, figures with * were modified from previously disclosed figures.

3.OP & Adjusted Operating profit*1 by business segment(continuing operations)

(unit: JPY billion,%)

	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change
Consolidated Operating profit	554.0	554.0	—	—
Japanese domestic tobacco	247.0	249.0	+2.0	+0.8%
International tobacco	347.0	340.0	-7.0	- 2.0%
Pharmaceutical	-4.5	-3.0	+1.5	—
Processed food	2.5	2.5	—	—
Others/Elimination	-37.0	-35.0	+2.0	—
Adjusted Operating profit*1	614.0	618.0	+4.0	+0.7%
Japanese domestic tobacco*1	250.0	253.0	+3.0	+1.2%
International tobacco*1	390.0	390.0	—	—
Pharmaceutical*1	-4.5	-3.0	+1.5	—
Processed food*1	2.5	2.5	—	—
Others/Elimination*1	-25.0	-25.0	—	—

(Reference) (unit: USD million,%)

	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change
International tobacco Adjusted Operating profit*1	3,230	3,230	—	—
International tobacco Adjusted Operating profit at constant rates of exchange*1*2	4,595	4,680	+85	+1.8%

*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 :At the same foreign exchange rates between local currency vs USD as 2014 Jan-Dec

4.Consolidated cash flows(continuing operations + discontinued operations)

(unit: JPY billion,%)

	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change
FCF*	401.0	345.0	-56.0	-14.0%

* :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).

5.Capital expenditures(continuing operations)

(unit: JPY billion)

	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change
Capital expenditures	149.0	134.0	-15.0
Japanese domestic tobacco	40.0	39.0	-1.0
International tobacco	89.0	76.0	-13.0
Pharmaceutical	6.0	6.0	—
Processed food	7.0	6.0	-1.0
Others/Elimination	6.0	6.0	—

6.Business data

【Japanese domestic tobacco business】	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change	
JT sales volume*	109.0	109.0	—	—	BNU

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

【International tobacco business】	FY2015 Previous Forecasts	FY2015 Revised Forecasts	Change	Rates of Change	
Total shipment volume*	392.0	392.0	—	—	BNU
GFB shipment volume	267.0	270.0	+3.0	+1.1%	BNU
JPY/USD rate for consolidation	121.00	120.70	-0.30	-0.2%	JPY
RUB/USD rate for consolidation	57.50	60.00	+2.50	-4.2%	RUB
GBP/USD rate for consolidation	0.66	0.65	-0.01	+1.5%	GBP
EUR/USD rate for consolidation	0.90	0.90	-	—	EUR
CHF/USD rate for consolidation	0.95	0.96	+0.01	-1.0%	CHF
TWD/USD rate for consolidation	31.10	31.40	+0.30	-1.0%	TWD
TRY/USD rate for consolidation	2.65	2.70	+0.05	-1.9%	TRY

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

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)

	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	26.8	29.3	30.3	30.1	116.5
2014	30.4	24.7	28.8	28.4	112.4
2015	25.5	27.6	28.2		

2. Quarterly Retail Price Sales

(billions of JPY)

	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	544.2	593.3	614.1	608.5	2,360.1
2014	615.6	520.4	607.0	598.4	2,341.3
2015	536.1	581.5	593.5		

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

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

(JPY)

	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	5,498	5,491	5,485	5,481	5,488
2014	5,483	5,672	5,675	5,670	5,617
2015	5,671	5,662	5,666		

* 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

(%)

	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
2013	59.5	60.5	60.7	61.1	60.5
2014	61.5	59.6	60.1	60.0	60.4
2015	59.9	60.0	59.7		

Market Share in Growing Segments

1. 1mg Tar

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

	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	14.4	14.3	14.5
2015	14.5	14.6	14.4		

(2) 1mg Tar Market Share (%)

	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	24.7	24.8	24.8
2015	24.9	25.1	25.0		

2. Menthol

(1) JT Menthol Product Share (%)

	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	9.4	9.5	9.4
2015	10.1	10.1	10.3		

(2) Menthol Market Share (%)

	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	26.7	27.1	26.8
2015	27.7	27.8	28.2		

3. JPY 450 or above*

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

	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	14.7	14.5	14.6
2015	14.2	14.2	14.3		

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

	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	35.8	35.6	35.7
2015	35.3	35.0	35.2		

Japan Tobacco Inc. Clinical Development as of November 4, 2015

＜In-house development＞

Code （Generic Name）	Potential Indication/Dosage form	Mechanism		Phase	Note
JTK303(elvitegravir)/ cobicistat/emtricitabine/ tenofovir alafenamide fumarate	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.	Preparing to file (Japan)	JTK-303(elvitegravir); In-house Cobicistat, Emtricitabine, Tenofovir Alafenamide; In-license (Gilead Sciences)
emtricitabine/ tenofovir alafenamide fumarate	HIV infection /Oral	Nucleoside reverse transcriptase inhibitor	Suppresses blood HIV levels by inhibiting the activity of reverse transcriptase, an enzyme involved in the replication of HIV.	Preparing to file (Japan)	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-052	Autoimmune/allergic diseases /Oral, Topical	JAK inhibitor	Suppresses overactive immune response via inhibition of Janus kinase (JAK) related to immune signal.	Phase2(Japan)	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-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
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
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.

＜Licensed compounds＞

Compound （JT's code）	Licensee	Mechanism		Note
elvitegravir (JTK-303)	Gilead Sciences	HIV Integrase inhibitor	Suppresses blood HIV levels by inhibiting the activity of integrase, an enzyme involved in the replication of HIV.	elvitegravir/cobicistat/emtricitabine/tenofovir alafenamide U.S. and EU marketing approvals submitted
trametinib	Novartis	MEK inhibitor	Inhibits cellular growth by specifically inhibiting the activity of MAPK/ERK Kinase (MEK1/2).	Melanoma Japan marketing approval submitted
Anti-ICOS monoclonal antibody	MedImmune	ICOS antagonist	Suppresses overactive immune response via inhibition of ICOS which regulates activation of T cells.	
JTE-052	LEO Pharma	JAK inhibitor	Suppresses overactive immune response via inhibition of Janus kinase (JAK) related to immune signal.	

Updates since the previous announcement on August 3, 2015:

<In-house development>
・JTE-350 (histamine dihydrochloride): approved in Japan (September, 28

＜Licensed compounds＞
・ Novartis announced that the European Commission has approved the combination of Tafinlar® (dabrafenib) and Mekinist® (trametinib
for the treatment of adult patients with unresectable or metastatic melanoma with a BRAF V600 mutation. (August, 25