



# **Japan Tobacco Inc. 2025 Investor Meeting**

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Please be reminded that the figures shown on these slides may differ from those shown in the financial statements as they are intended to facilitate the reader's understanding of individual businesses.

# FORWARD-LOOKING STATEMENTS



This presentation contains forward-looking statements. These statements appear in a number of places in this document and include statements regarding the intent, belief, or current and future expectations of our management with respect to our business, financial condition and results of operations. In some cases, you can identify forward-looking statements by terms such as “may”, “will”, “should”, “would”, “expect”, “intend”, “project”, “plan”, “aim”, “seek”, “target”, “anticipate”, “believe”, “estimate”, “predict”, “potential” or the negative of these terms or other similar terminology. These statements are not guarantees of future performance and are subject to various risks and uncertainties. Actual results, performance or achievements, or those of the industries in which we operate, may differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. In addition, these forward-looking statements are necessarily dependent upon assumptions, estimates and data that may be incorrect or imprecise and involve known and unknown risks and uncertainties. Forward-looking statements regarding operating results are particularly subject to a variety of assumptions, some or all of which may not be realized.

Risks, uncertainties or other factors that could cause actual results to differ materially from those expressed in any forward-looking statement include, without limitation:

1. increase in awareness of health concerns related to smoking;
2. regulatory developments; including, without limitation, tax increases and restrictions on sales, marketing, packaging, labeling and use of tobacco products, privately imposed restrictions and governmental investigations;
3. litigation around the world alleging adverse health and financial effects resulting from, or relating to, tobacco products;
4. our ability to further diversify our business beyond the traditional tobacco industry;
5. our ability to successfully expand internationally and make investments outside Japan;
6. competition, changing consumer preferences and behavior;
7. our ability to manage impacts derived from business diversification or business expansion;
8. economic, regulatory and political changes, such as nationalization, terrorism, wars and civil unrest, in countries in which we operate;
9. fluctuations in foreign exchange rates and the costs of raw materials; and
10. catastrophes, including natural disasters.

## JT Group Business Plan 2026

01

- FY2025 Overview
- The JT Group Purpose and the Management Principle (4S Model)
- Resource Allocation and Shareholder Return Policies
- Sustainability
- Targets for medium to long term and Business Environment Assumptions
- Business Strategies

**Takehiko Tsutsui**  
JT Group CEO

02 Tobacco Business: Focus on FY2025 Performance

**Eddy Pirard**  
JTI President & CEO

03 JT Group 2025 Results & 2026 Forecasts

**Hiromasa Furukawa**  
JT Group CFO

04 Closing Remarks

**Takehiko Tsutsui**  
JT Group CEO



**JT Group**  
**Business Plan 2026**

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**Takehiko Tsutsui**  
JT Group CEO

# FY2025 Overview



## An exceptional year driving record-high results across all indicators<sup>1</sup>

- Driven by the business investments we have made to date, we delivered record-high financial results, paving the way for sustainable growth into the future
- **Tobacco Business**
  - **Combustibles:** Outstanding organic top- and bottom-line growth further increased by the successful integration of the Vector Group Ltd.
  - **RRP:** Accelerated performance with the launch of Ploom AURA
  - Strengthened capabilities towards sustainable growth in both Combustibles and RRP
- **Processed Food Business**
  - Steady performance despite a challenging environment
- **Pharmaceutical Business - deconsolidated**
  - Successfully transferred to Shionogi & Co., Ltd.

Consolidated Adjusted Operating Profit (AOP) at constant FX<sup>1</sup>

JPY 927.5 Bn

vs 2024: +24.9%

Profit<sup>1</sup>

JPY 499.1 Bn

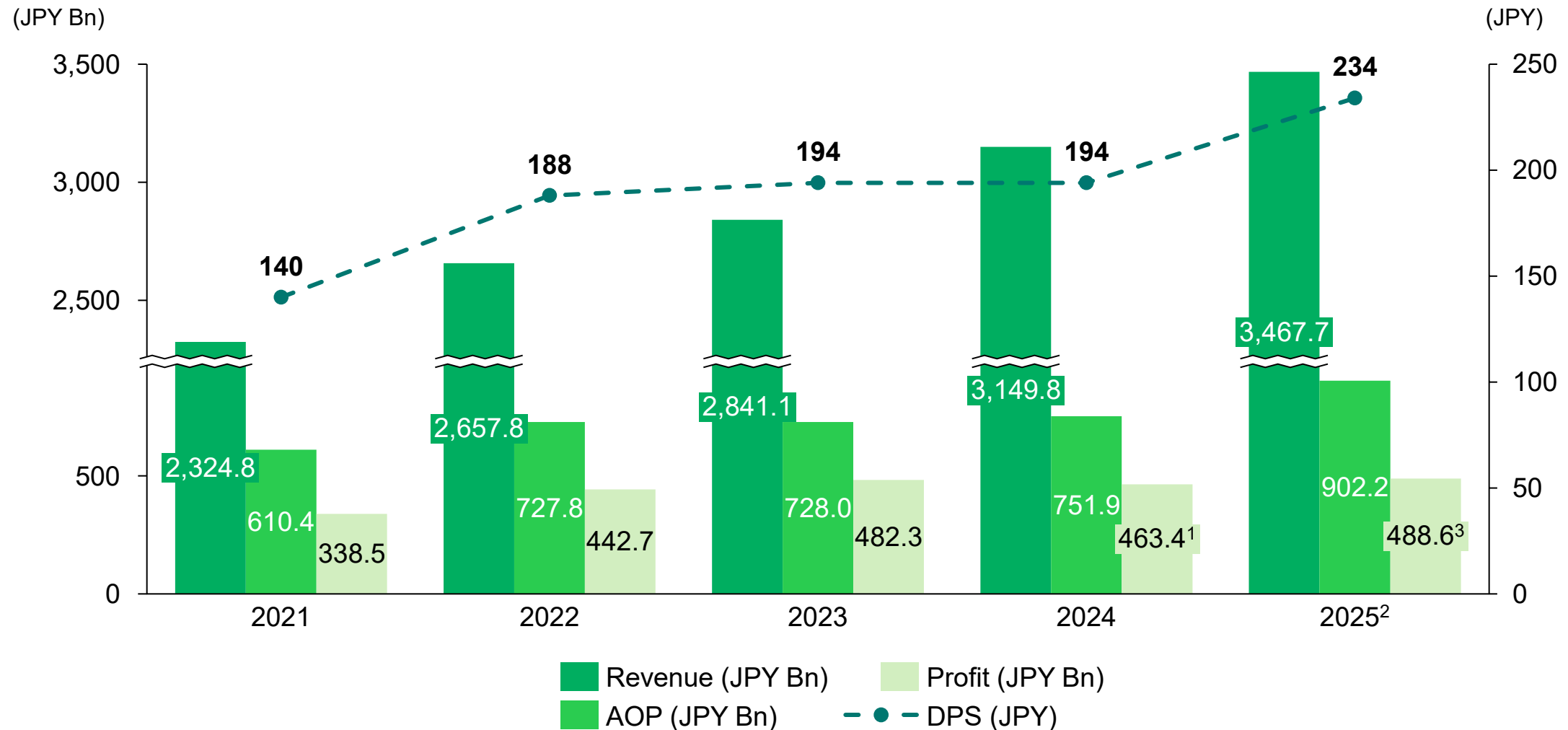
vs 2024: +188.9%  
(+6.9%)<sup>2</sup>

Planned dividend:  
record high @ JPY 234 per share

1. Revenue, adjusted operating profit, operating profit, and profit attributable to owners of the parent company are based on continuing operations and the results from the pharmaceutical business are excluded. 2024 results figure have been restated on a like-for-like basis.

2. In connection with lawsuits related to smoking and health against tobacco companies, including the Company's Canadian subsidiary, JTI-Macdonald Corp, following the approval by the Ontario Superior Court of a proposed plan aimed at reaching a final resolution with all claimants, including class action plaintiffs and all provincial and territorial governments, the JT Group recorded a provision for loss on litigation in Canada of JPY 375.6 billion as an operating expense in fiscal year 2024. The year-on-year growth rate excludes the effects of this provision and the impact of the remeasurement of liability in 2025 related to the comprehensive settlement, and the one-time loss from the disposal of goodwill due to the liquidation of the Sudanese subsidiary recorded in 2025.

# Our strategy aligned with the Purpose and the Management Principle has delivered sustainable profit growth and enhanced shareholder returns



1. The figure shown excludes a provision for a litigation loss of JPY 375.6 Bn related to the settlement of the litigations in Canada which was recorded in fiscal year 2024. Including this provision, profit was JPY 179.2 Bn.
2. Revenue, adjusted operating profit, operating profit, and profit attributable to owners of the parent company are based on continuing operations and the results from the pharmaceutical business are excluded.
3. The figure shown excludes the impact of the remeasurement of the provision for loss on litigation in Canada (Note: it was transferred to other financial liabilities in fiscal year 2025) and the one-time loss from the disposal of goodwill due to the liquidation of the Sudanese subsidiary. Including these impacts, profit is JPY 499.1 Bn.

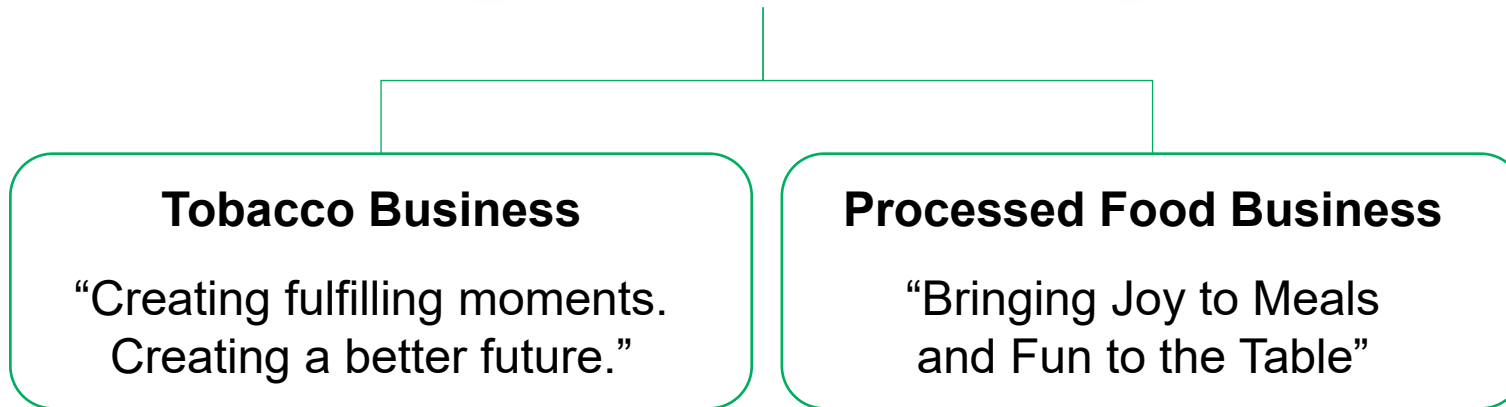


# The JT Group Purpose and the Management Principle - 4S Model



## The JT Group Purpose

### Fulfilling Moments, Enriching Life

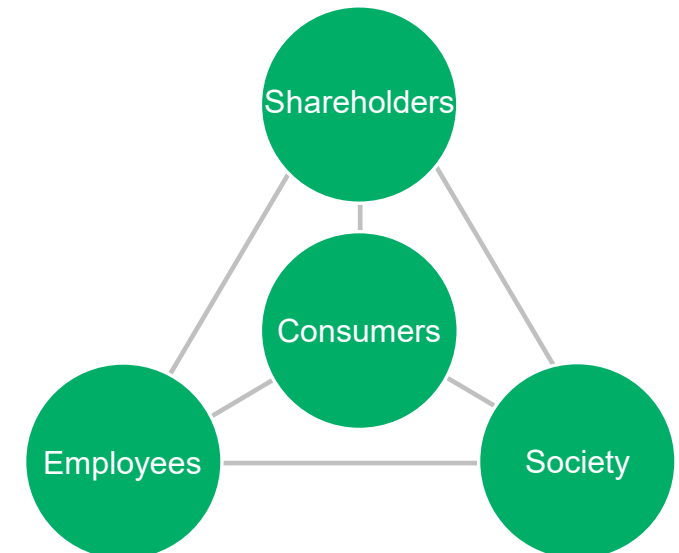


Corporate R&D org.  
**D-LAB**

To realize the JT Group Purpose, drive the research, exploration and creation of unknown “fulfilling moments” from a long-term perspective

## The 4S Model

“We strive to fulfill our responsibilities to our valued consumers, shareholders, employees and the wider society, carefully considering the respective interests of these four key stakeholder groups, and exceeding their expectations wherever we can.”



# JT Group Resource Allocation

The JT Group Purpose and the 4S Model continue to guide our resource allocation



## Resource Allocation Policy

- Prioritize business investments<sup>1</sup> for sustainable profit growth in the mid- to long-term by
  - Prioritizing the tobacco business, especially Combustibles and Heated Products
  - Developing the capabilities to fuel expansion and efficiencies
  - Ensuring growth optionality, such as M&A, to strengthen the Combustibles and RRP businesses
- Strike a balance between profit growth through business investments and shareholder returns

## Shareholder Return Policy

- Enhance shareholder returns by delivering mid- to long-term profit growth while maintaining a strong financial base<sup>2</sup>
- Target a dividend payout ratio of approximately 75%<sup>3</sup>, a competitive level<sup>4</sup> in the capital markets
- Consider implementing share buy-backs, mainly taking into account the Company's financial outlook of the respective year and mid-term capital needs

1. Investment in the growth of our tobacco business remains our highest priority. We will pursue AOP at constant FX growth by driving quality top-line growth, grounded in the continuous delivery of new value and satisfaction to our customers and society.

2. The Group will maintain a strong financial base that secures stability in case of volatile business environments, such as economic crises, and flexibility by enabling swift responses to business investment opportunities

3. Includes a range of approximately  $\pm 5\%$

4. Measured against shareholder return trends of Fast-Moving Consumer Goods companies, which have a stakeholder model similar to our 4S model and have realized strong business growth





# Business Plan 2026

Pursue sustainable profit growth over the medium to long term



JT Group's mid- to long-term growth algorithm: *Mid to high single digit\**

Outlook for the plan period 2026-2028

***High single digit\****

**Tobacco Business:  
the core driver of profit growth**

**Combustibles**

Focus on improving profitability

**RRP**

Prioritize resources behind  
Heated Products to establish  
a second profit growth engine

*High single digit\**

**Processed Food Business:  
complementing profit growth**

**Drive business growth through top-line expansion and  
enhanced cost-competitive edge**

- Maximize Price and Quantity (PQ) in the domestic market and expand business overseas
- Improving productivity

*Mid single digit\**

\*Average annual growth rates of AOP (Consolidated and Tobacco business; at constant FX)

# Business Plan 2026

## Tobacco Business - Strategy



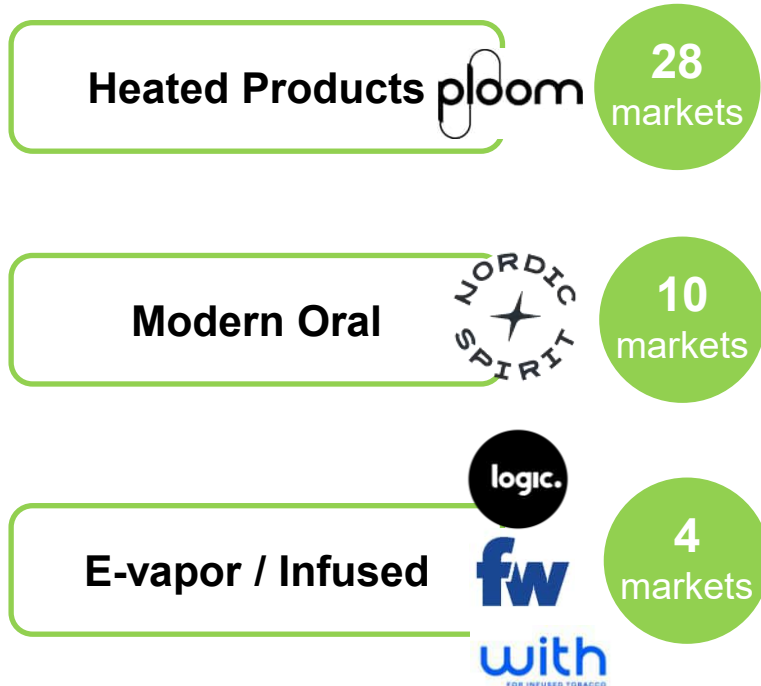
### Combustibles



- Top-line growth driven by robust pricing contribution and market share gains
- Profit margin improvement through focused investments and cost reduction

### Footprint Overview (As of Dec 2025)

### RRP



- Strengthen strategic investment in Heated Products
- Pursue business opportunities and strategies in each category
  - Continue selective investments
    - Select launch markets based on size and growth potential
    - Explore disruptive opportunities and consumer-centric innovations in Next Generation Proposition

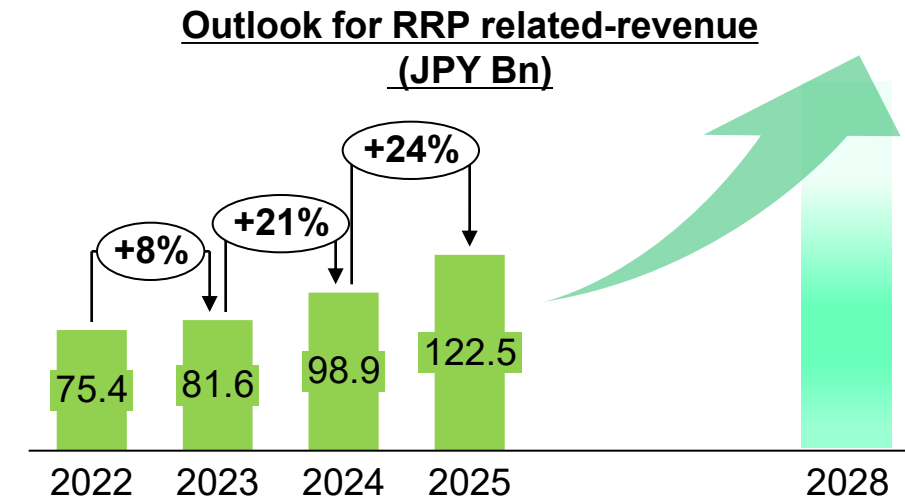
# Business Plan 2026

## Tobacco Business – Continue efforts towards achieving JT's RRP Ambitions\*



### Accelerating top-line growth

- Increase further the RRP-related revenue growth rate in the current business plan period
- Invest approx. JPY 800 Bn over the three-year period from 2026 to 2028
- Accelerate Ploom's volume momentum and continued category share growth in Heated Products, which is our top investment priority, by:
  - Acquiring new users through continuous marketing initiatives
  - Building Ploom's geographic presence across approx. 80% of the global Heated Products demand
  - Innovating and strengthening the Heated Products portfolio, both in terms of devices and consumables
- Improve profitability
  - Gross margin improvement by scaling up volume in Heated Products
  - Profitably explore other RRP categories



*\*By the end of 2028, reach mid-teens Heated Products SoS in key Heated Products markets and achieve break-even across the RRP business at brand contribution level representing gross margin less commercial expenditure and before allocation of overheads*



# **JT Group - Tobacco Business Focus on FY 2025 Performance**

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**Eddy Pirard**

JTI President & CEO



# Outstanding performance in 2025 across all KPIs



Total Volume	+2.2%
Core Revenue <sup>1)</sup>	+14.6%
Adjusted OP <sup>1)</sup>	+23.5%

**Clear strategic focus and execution excellence deliver best-in-class revenue & AOP growth**

## Prioritizing Ploom

- Successful Ploom AURA launches, receiving positive consumer feedback
- Continued share gains in and outside Japan
- Ploom volume growing c.40%, while accelerating investment

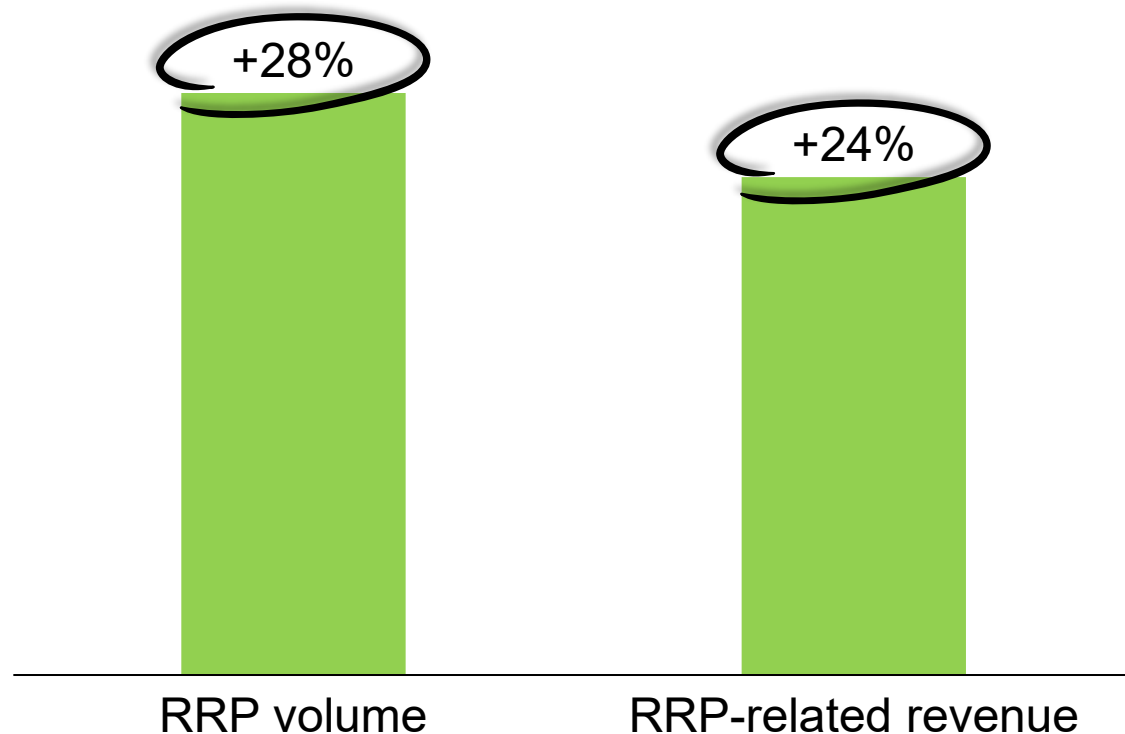
## Increasing returns in Combustibles

- GFB volume drove continued share gains
- Exceptional pricing, efficient investment and cost management enhanced profit margin
- Successful integration of Vector Group

# Robust RRP top-line growth driven by Ploom



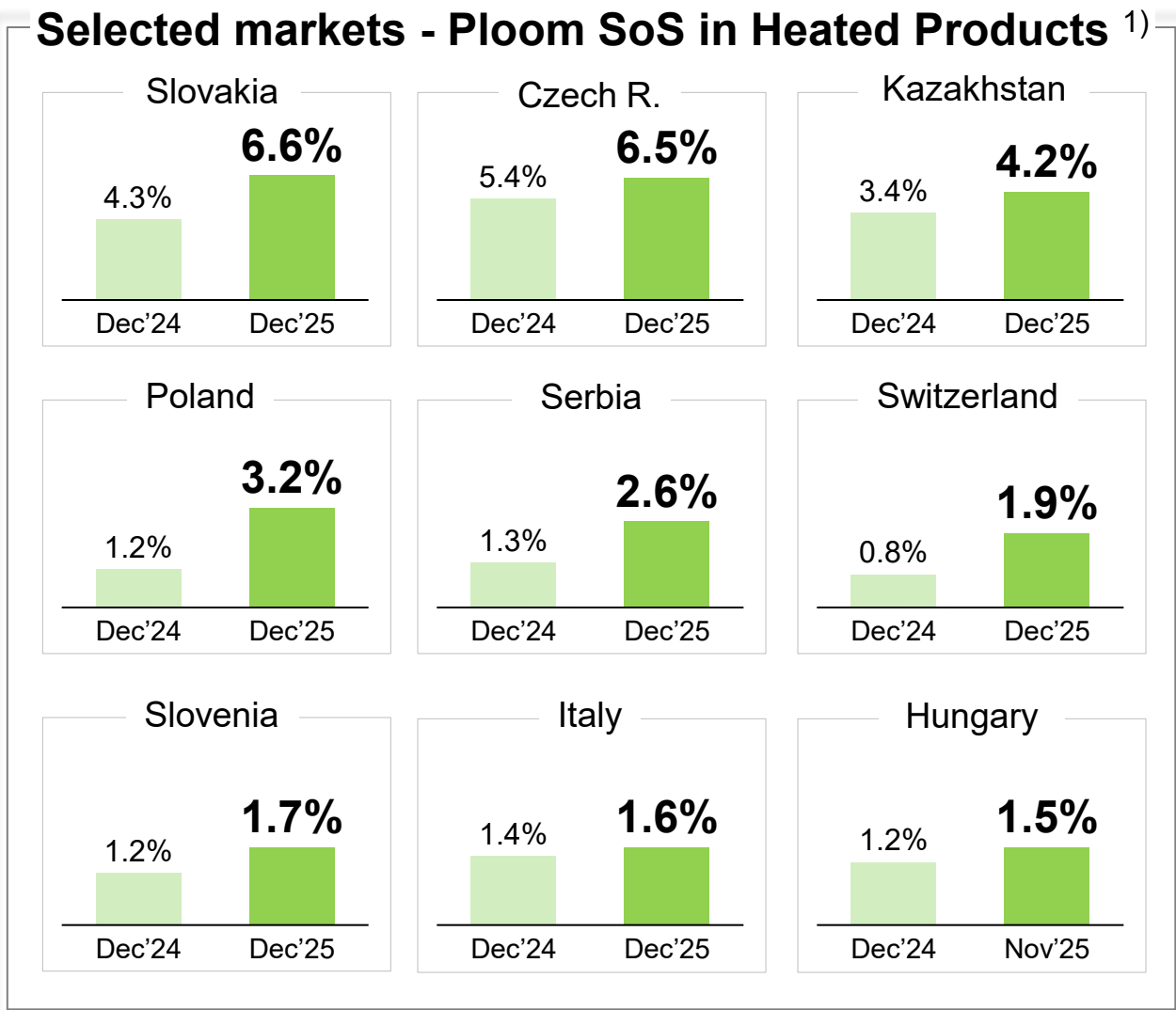
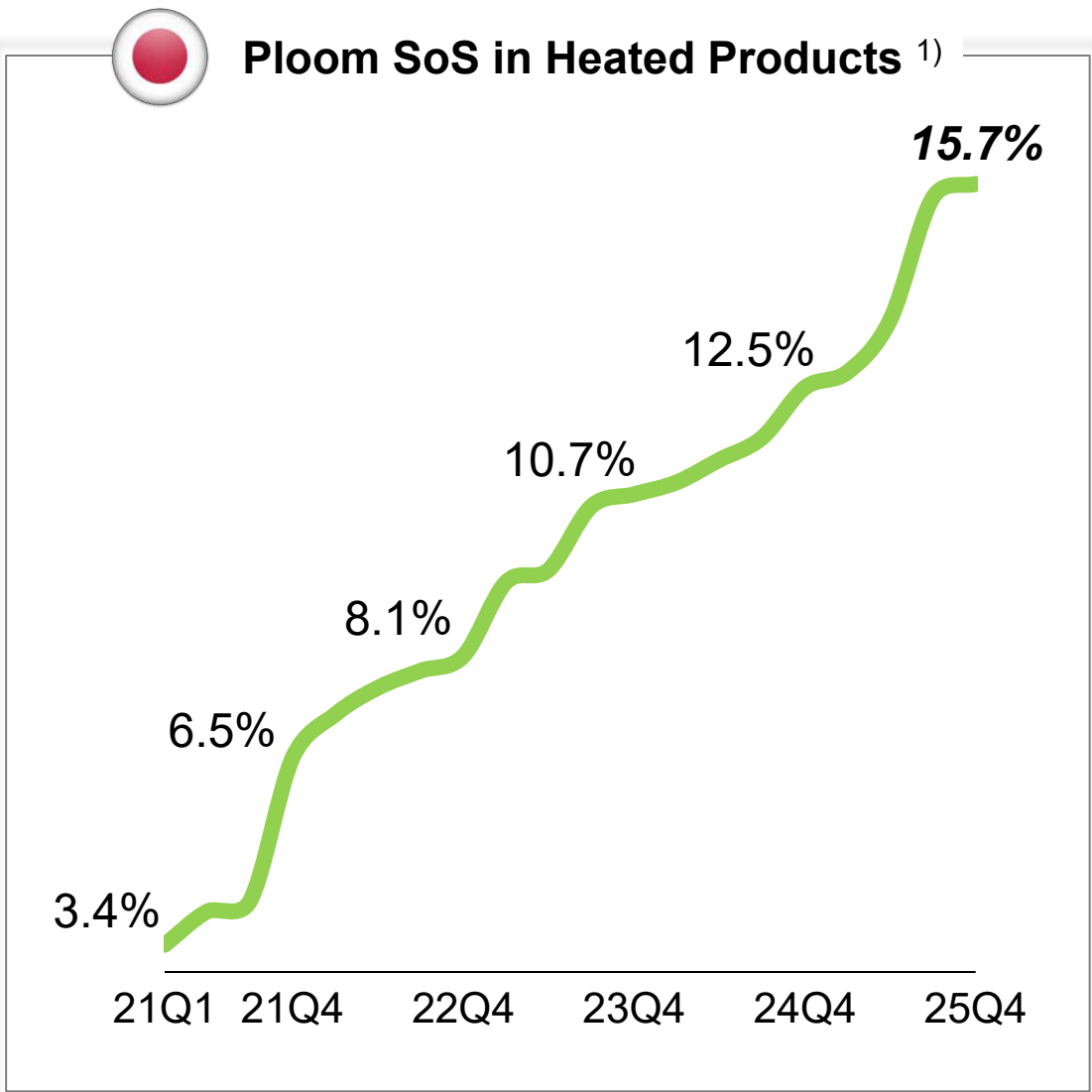
RRP KPIs (2025 vs. PY)



- Both total RRP volume and revenue grew by more than 20% versus prior year
- Fueled by ongoing Ploom growth, with volume increasing by close to 40%
- Increased investment behind Ploom to accelerate top-line momentum
- Selective & flexible approaches in other categories
  - Target selected Modern Oral markets
  - Continue to profitably explore E-Vapor



# Ploom continued to gain share across global markets

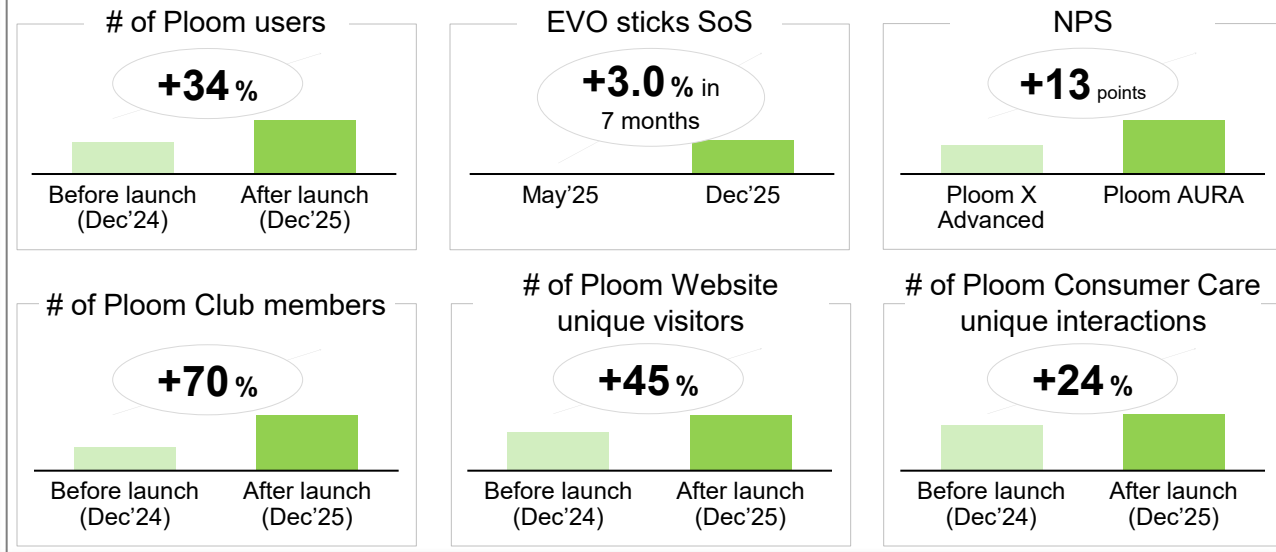


Note: 1) Ploom shipment volume / Heated Products industry shipment volume.

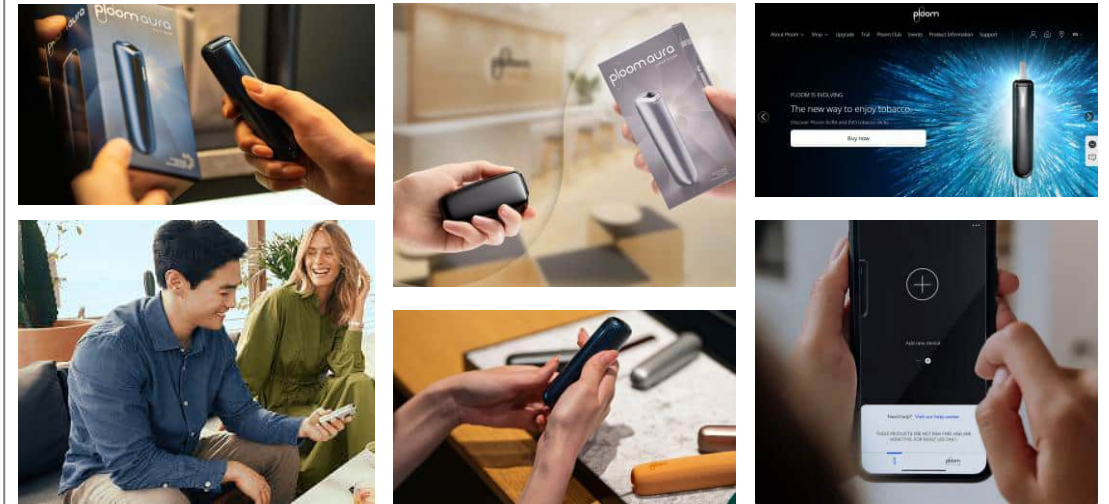
# Ploom AURA strengthens consumer experience and adoption



## Ploom AURA – Consumer Metrics



## International Markets Ongoing transition to Ploom AURA



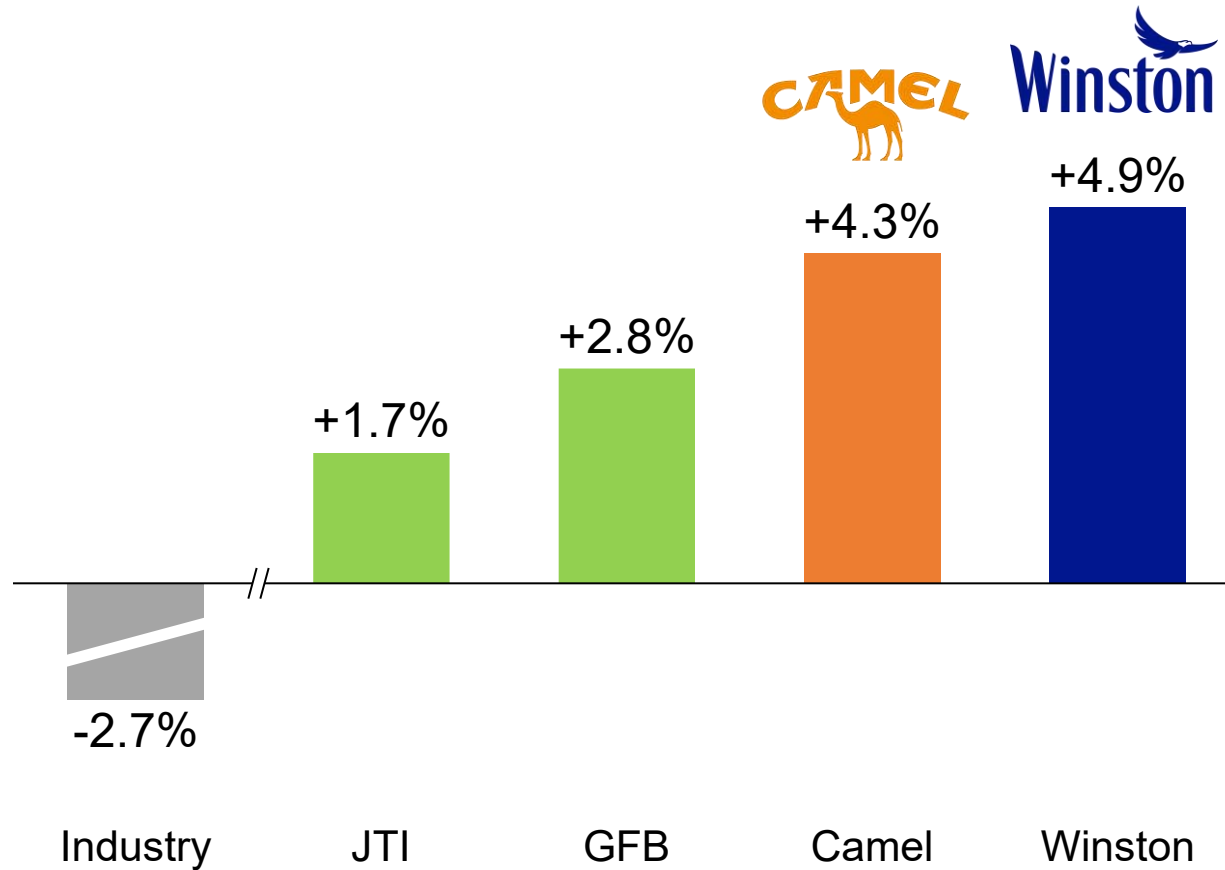
- Growth momentum of Ploom AURA in Japan, driven by;
  - Improved consumer KPIs, with positive consumer feedback mainly on taste and design
  - Higher number of consumer touchpoints
  - Premium EVO sticks complementing MEVIUS & Camel

- Transitioned to AURA in 19 markets as of Feb'26
  - Leveraging in-depth consumer understanding, digital marketing and consumer care
  - Building EVO as a global Heated Products brand

# GFB volume growth underpins our Combustibles performance

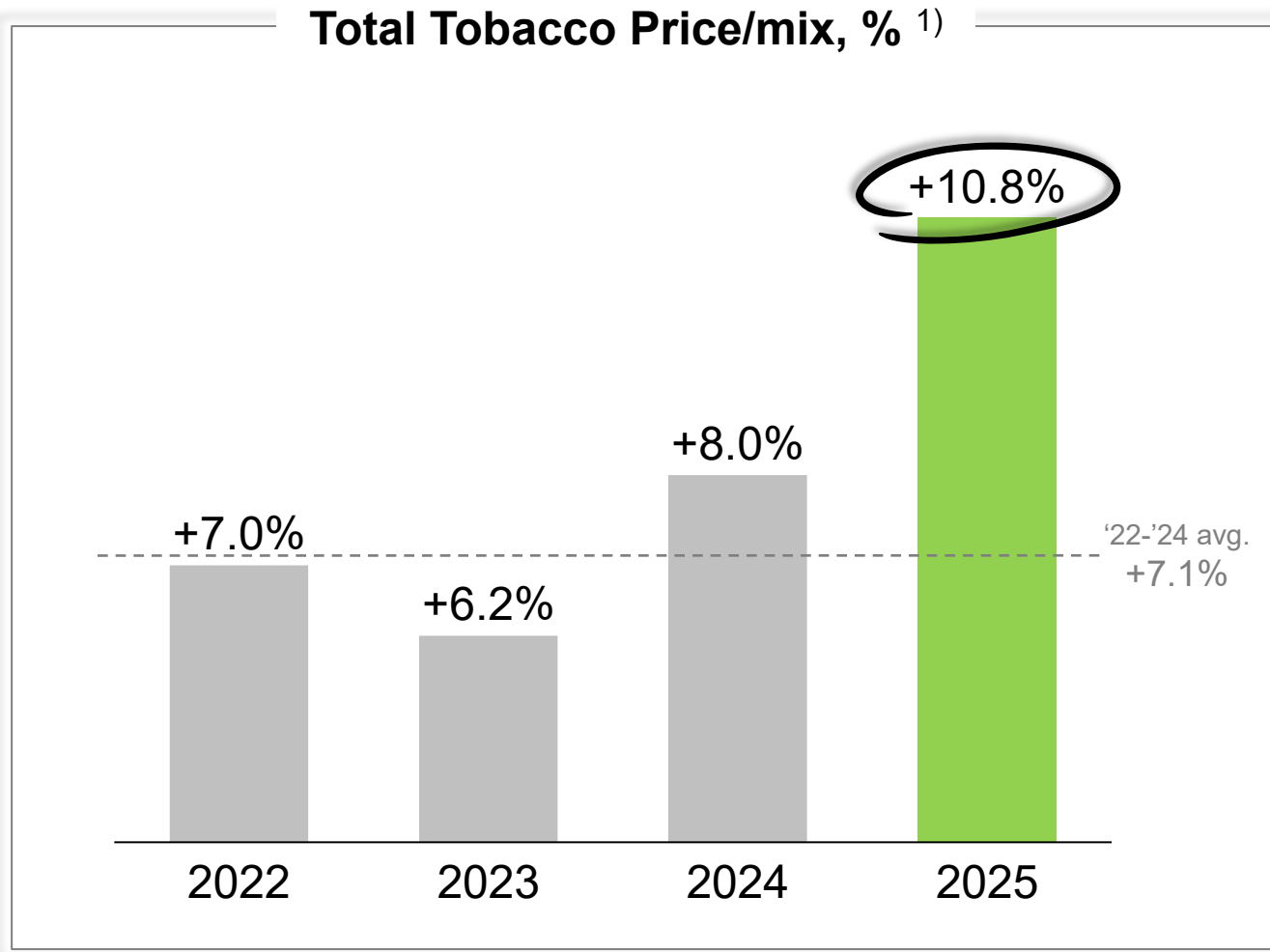


Combustibles volume variance (2025 vs. PY)



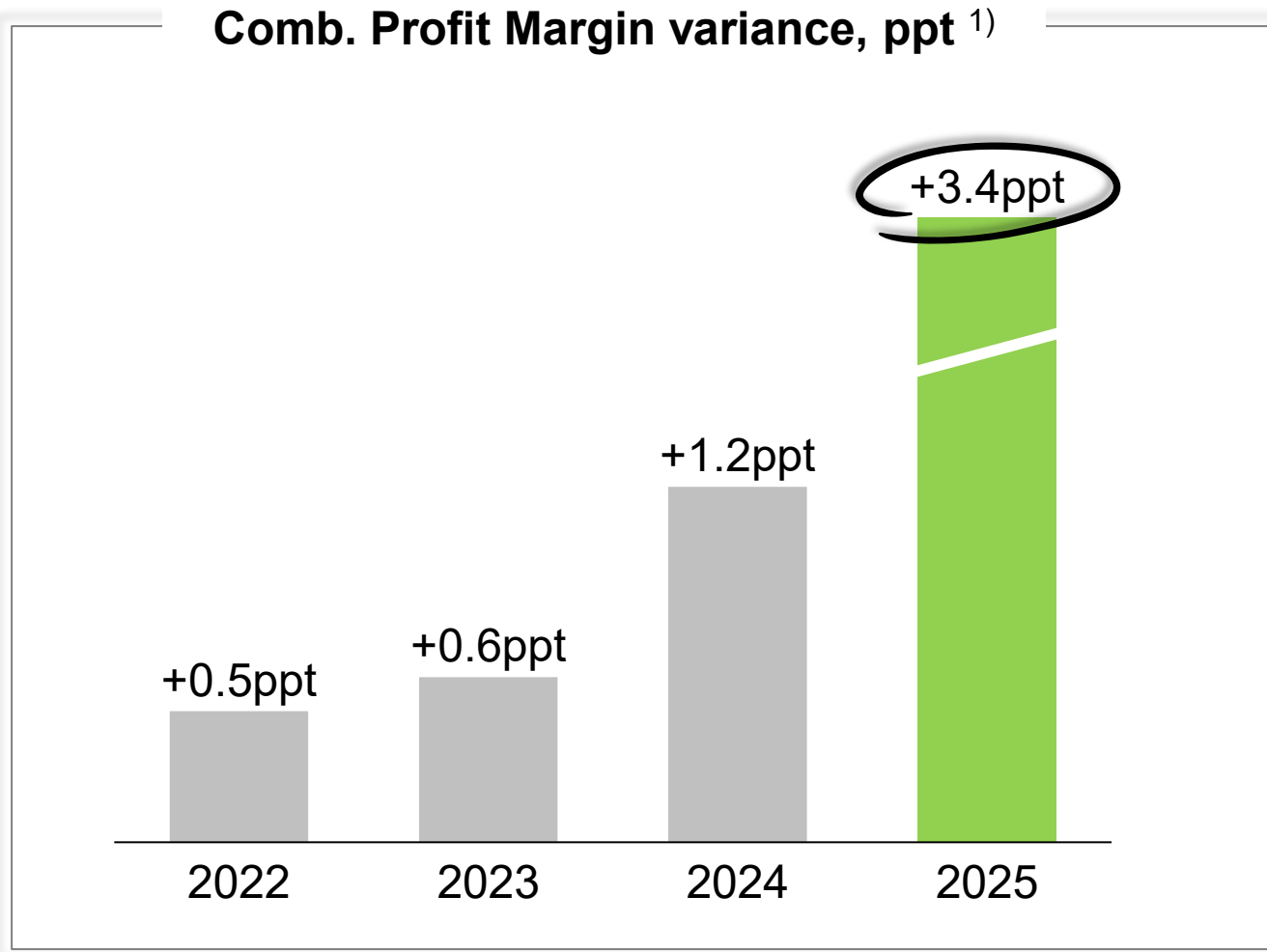
- Combustibles volume increased within an industry volume declining by 2.7%<sup>1)</sup>
- 50+ markets grew volume
- Successful Vector integration
- GFB volume grew for the 7<sup>th</sup> consecutive year, reaching approx. 75% of total volume
- Winston & Camel further strengthened their global #2 & #3 brand rankings
- Market share momentum continued, growing 1.3ppt<sup>1)</sup>
- Increases in c.60 markets and all clusters
- Gains in 9 out of 10 key markets

# Pricing exceeded historical average ...



- Exceptional Combustibles pricing, above historical average
  - Driving +15% revenue growth <sup>2)</sup>
  - More than offsetting impacts from ongoing inflationary pressure & down-trading
- Key pricing contributors per cluster included:
  - Asia | Bangladesh, Japan & Philippines
  - EMA | Poland, Romania, Russia & Turkey
  - W. Europe | Benelux, Italy, Spain & UK

# ... leading to a strong Combustibles ROI improvement



- Significant increase in Combustibles profit margin fueled by pricing and strategic drive on ROI
- Quality top-line growth led by continuous investment behind brand equity building, focused on GFBs
- Increasingly effective and efficient business operations (e.g. portfolio simplification, product cost optimization, etc.)
- Successful Vector acquisition

## **RRP – further accelerate consumer acquisition**

- Drive top-line expansion leveraging the ongoing roll-out of Ploom AURA and a broader EVO sticks portfolio
- Continue to profitably explore other RRP categories
- Increase investments in commercial initiatives and consumer-centric innovations

## **Combustibles – sustain growth momentum, focusing on ROI**

- Build on share of market momentum and GFB equity to offset industry volume contraction
- Fuel revenue growth and margin improvement, capitalizing on pricing opportunities
- Manage ongoing inflationary pressure on costs through efficiency initiatives



JT Group

# **2025 Results & 2026 Forecasts**

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**Hiromasa Furukawa**

JT Group Chief Financial Officer



# 2025 Consolidated Results: Record Highs Across All Indicators



(JPY Bn)	FY2025	vs. 2024
At constant FX		
Core revenue* <sup>1</sup>	<b>3,347.8</b>	+13.9%
AOP* <sup>1</sup>	<b>927.5</b>	+24.9%
Reported		
Revenue* <sup>1</sup>	<b>3,467.7</b>	+13.4%
AOP* <sup>1</sup>	<b>902.2</b>	+21.5%
Operating profit* <sup>1</sup>	<b>867.0</b>	+175.9% (+22.4%) * <sup>2</sup>
Profit	<b>510.2</b>	+184.6%
Continuing operations	<b>499.1</b>	+188.9% (+6.9%) * <sup>2</sup>
Discontinued operations	<b>11.1</b>	-
FCF	<b>272.7</b>	+102.2Bn

## Revenue · AOP

- Outstanding growth driven by the tobacco business, delivering strong organic performance alongside the inclusion of VGR <sup>1)</sup>

<sup>1)</sup>VGR= Vector Group Ltd.

## Currencies (Tobacco business)

- Unfavorable to AOP, mainly due to the depreciation of emerging currencies vs. JPY

## Operating profit

- Increase mainly driven by the absence of the provision for litigation losses recorded in 2024

## Profit (continuing operations)

- Increase driven by the operating profit growth, partially offset mainly by higher financial costs

## FCF

- Increase driven by the non-recurrence of the VGR acquisition payment incurred in 2024, as well as AOP growth

\*1:Revenue, Core revenue, AOP and Operating profit are based on continuing operations. 2024 results figure have been restated on a like-for-like basis.

\*2:In connection with lawsuits related to smoking and health against tobacco companies, including the Company's Canadian subsidiary JTI-Macdonald Corp, following the approval by the Ontario Superior Court of a proposed plan aimed at reaching a final resolution with all claimants, including class action plaintiffs and all provincial and territorial governments, the JT Group recorded a provision for loss on litigation in Canada of JPY 375.6 billion as an operating expense in fiscal year 2024. The year-on-year growth rate excludes the effects of this provision and the impact of the remeasurement of liability in 2025 related to the comprehensive settlement, and the one-time loss from the disposal of goodwill due to the liquidation of the Sudanese subsidiary recorded in 2025.

Note: The financial statements of subsidiaries operating in a hyperinflationary economy have been adjusted in accordance with the requirements of IAS 29, "Financial Reporting in Hyperinflationary Economies". The results on a constant FX basis have been calculated to exclude amounts of revenue and profit that have increased due to hyperinflation in certain markets.

# Tobacco Business Financial Results:

## Over 20% profit growth driven by top-line performance



(JPY BN)	FY2025	vs. 2024
Core revenue	3,184.4	+14.6%
at constant FX	3,185.5	+14.6%
AOP	952.2	+20.3%
at constant FX	977.5	+23.5%

### Volume

- Positive volume contribution, mainly driven by the EMA cluster, including the VGR contribution

### Price/Mix

- Exceptional pricing contribution fueled by many markets, including Japan, the Philippines, Russia, Turkey and the UK

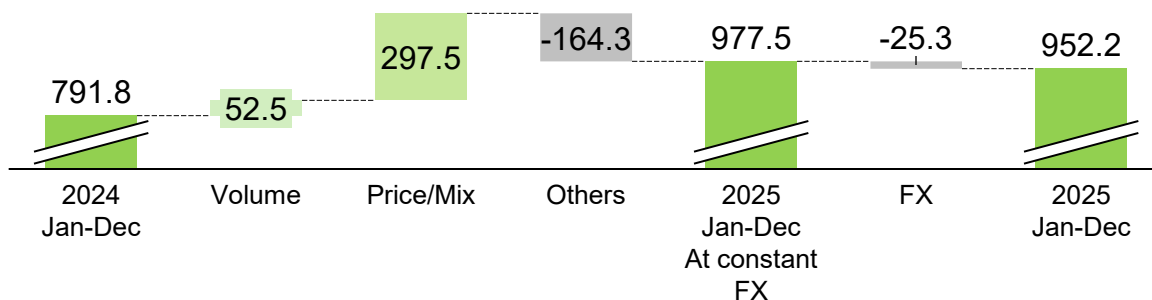
### Others

- Incremental investments towards Ploom
- Inflation-led cost increases, including across the supply chain

### Currencies

- Unfavorable to AOP, mainly due to the depreciation of emerging currencies vs. JPY

### Roadmap of AOP variance (JPY BN)



Note: The financial statements of subsidiaries operating in a hyperinflationary economy have been adjusted in accordance with the requirements of IAS 29, "Financial Reporting in Hyperinflationary Economies". The results on a constant FX basis have been calculated to exclude amounts of revenue and profit that have increased due to hyperinflation in certain markets.

# Processed Food Business Financial Results



## Processed Food Business

(JPY BN)	FY2025	vs. 2024 variance
Revenue	159.5	+2.3
AOP	8.6	+0.5

### Revenue

- Increase driven by price revisions in the frozen and ambient foods business

### AOP

- Increase mainly driven by revenue growth offset the higher raw material costs

# 2026 Consolidated Financial Forecasts:

## Aiming for high single digit AOP growth at constant FX



(JPY BN)	FY2026	vs. 2025*1
Revenue	<b>3,697.0</b>	+6.6%
Core revenue at constant FX*2	<b>3,434.0</b>	+3.6%
AOP*2	<b>955.0</b>	+7.9%
AOP at constant FX*2	<b>964.0</b>	+8.9%
Operating profit	<b>921.0</b>	+6.2%
Profit*3	<b>570.0</b>	+14.2%
FCF	<b>530.0</b>	+257.3Bn

\*1: PY results are presented on a continuing operations basis, except for FCF.

\*2: Following the litigation settlement concerning smoking and health against tobacco companies including the Company's Canadian subsidiary JTI-Macdonald in Canada, as a defendant, the figures presented are shown after the Canada Adjustment, which excludes the effects of this settlement. Year-on-year comparisons are on a like-for-like basis.

\*3: Profit after the Canada Adjustment is expected to be 571.0 BN yen.

Note: The financial statements of subsidiaries operating in a hyperinflationary economy have been adjusted in accordance with the requirements of IAS 29, "Financial Reporting in Hyperinflationary Economies".

### Core revenue · AOP

- Strong business momentum in the tobacco business expected to continue, resulting in Core revenue and AOP increasing year-on-year

### Currencies (Tobacco business)

- Unfavorable impact to AOP, due to the depreciation of emerging currencies and the appreciation of cost-related currencies vs. JPY

### Operating profit

- Increase driven by AOP growth and lower amortization expenses for trademarks acquired in prior years, more than offsetting the absence of one-time profit recorded in 2025

### Profit

- Increase driven by higher operating profit and lower financial costs

### FCF

- Increase driven by AOP growth and the absence of the upfront payment related to the settlement of the litigation in Canada recorded in 2025

# Tobacco Business: Volume Outlook and Financial Forecasts



## Volume

	FY2026
Total volume	<b>A decrease of approx.1.0% to Flat vs. 2025</b>

### Volume assumption

- Sustained momentum in Combustibles market share gains, combined with RRP volume growth, expected to partially offset global Combustibles industry volume contraction

## Financials\*

(JPY BN)	FY2026	vs. 2025
Core revenue	<b>3,371.0</b>	<b>+6.9%</b>
at constant FX	<b>3,260.0</b>	<b>+3.4%</b>
AOP	<b>1,006.0</b>	<b>+7.6%</b>
at constant FX	<b>1,015.0</b>	<b>+8.5%</b>

### Financials

- Top-line growth, supported by continued pricing contribution and growth in RRP-related revenue, partially offset by increased RRP investments and higher inflation-led costs, including across the supply chain

### Currencies

- Unfavorable impact to AOP, due to the depreciation of emerging currencies and the appreciation of cost-related currencies vs. JPY

\* Figures are shown after the Canada Adjustment, and year-on-year comparisons are on a like-for-like basis.

Note: The financial statements of subsidiaries operating in a hyperinflationary economy have been adjusted in accordance with the requirements of IAS 29, "Financial Reporting in Hyperinflationary Economies".

## Processed Food Business

(JPY BN)	FY2026	vs. 2025 variance
Revenue	170.0	+10.5
AOP	8.0	-0.6

### Revenue

- Increase mainly driven by price revisions in the frozen and ambient foods business

### AOP

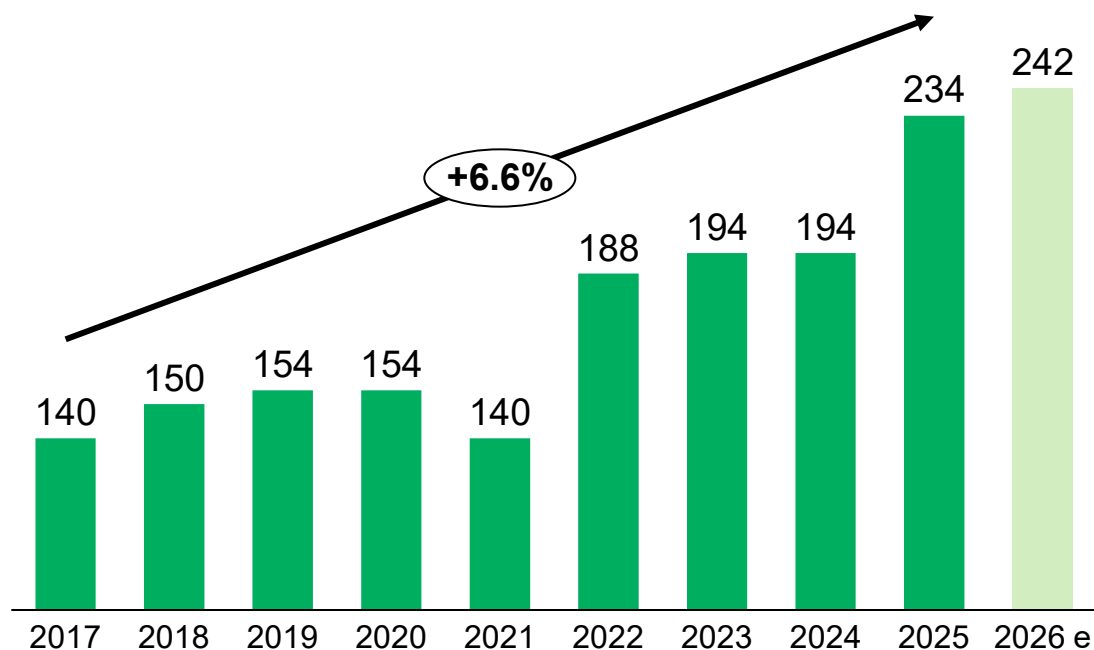
- Decrease mainly due to higher raw material costs, despite expected revenue growth

# Shareholder Returns



## Profit growth drives higher dividend per share

【Trend of dividends per share (JPY)】



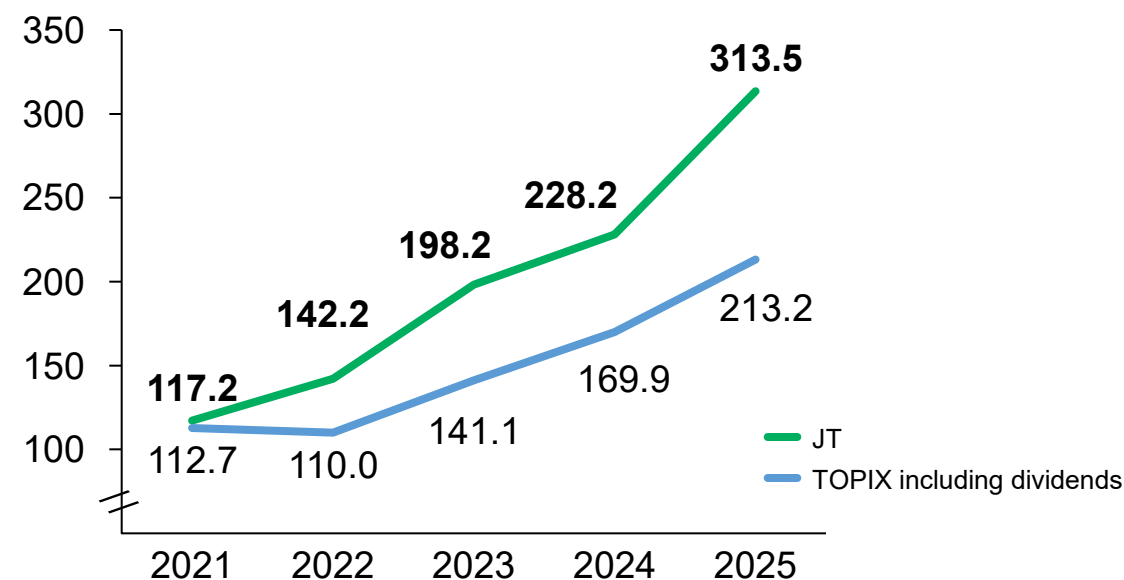
Note1: Dividend payout ratio for 2025 is expected to be 85.0%. This figure is calculated based on the profit for the year of 488.6 BN yen after the Canada Adjustment and deducting the one-time loss from the disposal of goodwill due to the liquidation of the Sudanese subsidiary.

Note2: Dividend for 2026 is determined based on the profit for the year after Canada Adjustment (571.0 BN yen), using the corresponding dividend payout ratio (75.2%).

Note3: In 2021, we revised our shareholder return policy and rebased dividends per share.

## Total shareholder return outperforming TOPIX

【TSR (%)】 ※Benchmark date: the end of December, 2020





# Closing Remarks

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**Takehiko Tsutsui**

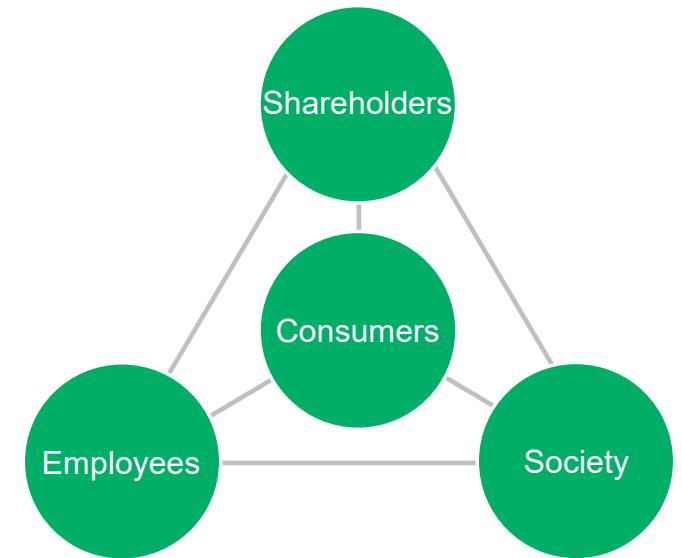
JT Group CEO

# Closing Remarks



- Strengthening our capability through consistent, forward-looking business investments over the years
- Record-high results supported by strong momentum in the tobacco business, despite a challenging business environment
- In the Business Plan 2026, continue to pursue our resource allocation policy and shareholder return policy, guided by the JT Group Purpose and the 4S Model
- Consolidated AOP at constant FX expected to grow high single digit over the plan period 2026-2028, driven by the tobacco business
- Enhance shareholder returns through sustainable profit growth over the medium to long term

Fulfilling  
Moments,  
Enriching Life



# Reference: Canada Adjustment



- The Company's local subsidiary, JTI-Macdonald Corp. (hereinafter referred to as "JTI-Mac"), was a party to ten health care cost recovery cases brought by the Canadian provinces and eight class actions where plaintiffs were seeking damages for harm allegedly caused by smoking of cigarettes. Following a decision of the Quebec Court of Appeal related to two class actions, JTI-Mac and its competitors and co-defendants, Rothmans, Benson & Hedges Inc. (hereinafter referred to as "RBH"), and Imperial Tobacco Canada Limited (hereinafter collectively with JTI-Mac and RBH referred to as the "Tobacco Companies"), had been operating under the protection of the Companies' Creditors Arrangement Act (hereinafter referred to as "CCAA") and participating in a Court-ordered mediation process with representatives of all claimant groups, including the Quebec class action plaintiffs.
- Ultimately, CCAA Plans of Compromise and Arrangement (hereinafter referred to as the "Plans"), under which the Tobacco Companies would pay to settle the litigation, were approved in March 2025, and implemented in August 2025. Under the terms of the Plans, JTI-Mac deposited its upfront contribution in August 2025.
- For the future annual payments under JTI-Mac's Plan (hereinafter referred to as the "payable portion"), a certain percentage of JTI-Mac's annual net income after tax (from 70% to 85%) will be paid.
- As a result of this matter, the annual payments to be made from 2026 onward are expected to cause a discrepancy between our recognized profit and loss and its cash flow.
- Therefore, in order to appropriately reflect the actual cash flow into the profit and loss under certain assumptions, we will make adjustments, as shown in the table on the right, to deduct the Annual Contribution<sup>\*1</sup> and impact on non-cash profit and loss (remeasurement of liability<sup>\*2</sup> and discounted interest expense<sup>\*3</sup>) associated with this payable portion.

## Consolidated

	Results		Forecasts	
	FY2025	FY2024 for comparison	FY2026	FY2025 for comparison
Revenue	-	-	-	-
Core revenue at constant FX	-	-	Deduct Annual Contribution <sup>*1</sup>	
Adjusted operating profit	-	-		
Adjusted operating profit at constant FX	-	-		
Operating profit	-	-	-	-
Profit	-	-	-	-
Profit (after Canada Adjustment)	Deduct impact of remeasurement of liability <sup>*2</sup>		Deduct 1) Annual Contribution <sup>*1</sup> 2) Discount interest expense <sup>*3</sup>	

## Tobacco Business

	Results		Forecasts	
	FY2025	FY2024 for comparison	FY2026	FY2025 for comparison
Core revenue	-	-	Deduct Annual Contribution <sup>*1</sup>	
Adjusted operating profit	-	-		

<sup>\*1</sup>: Revenue and profit corresponding to each annual payment.

<sup>\*2</sup>: Impact of the remeasurement of the provision for loss on litigation in Canada recorded in 2024 based on the latest estimation (Note: following the enactment of the Plans, the provision for loss on litigation in Canada was transferred to other financial liabilities in the third quarter of 2025).

<sup>\*3</sup>: The total amount that JTI-Mac is expected to pay in the future has been recorded as other financial liabilities measured at its discounted present value. The difference between the other financial liabilities and the amount resulting from the unwinding of the other financial liabilities recorded as discounted interest expense in the financial expense.

# <Definitions>



Adjusted operating profit (AOP)	Operating profit + amortization cost of acquired intangibles arising from business acquisitions + adjusted items (income and costs) *. *Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others
~ at constant FX	Constant FX is computed using the same foreign exchange rates as in the equivalent period in the previous fiscal year for the tobacco business. Results at constant FX are provided additionally and are not an alternative to financial reporting under International Financial Reporting Standards (IFRS).
Core revenue at constant FX (consolidated)	The sum of revenues in the processed food business and others, as well as the core revenue at constant FX in the tobacco business.
Core revenue (tobacco business)	Core revenue includes all revenue excluding those from distribution, contract manufacturing and other peripheral businesses.
RRP-related revenue	RRP-related revenue, as a part of core revenue, represents all the sale of RRP, principally consumables, devices and the related accessories.
Profit	Profit attributable to owners of the parent company.
Reduced-Risk Products (RRP)	Products with the potential to reduce the risks associated with smoking. In JT's portfolio, these products include Heated Products, Infused Tobacco, E-Vapor, Modern Oral and Traditional Oral.
Heated tobacco sticks (HTS)	Consumables containing tobacco leaves to be used with a Heated Products device that directly heat sticks. One stick is equivalent to a stick of cigarettes.
Heated Products	Products that involve a battery-powered device which directly heats stick-shaped consumables similar to cigarettes. These consumables are referred to as HTS and HNS. * Heated Nicotine Sticks (HNS) are consumables that deliver nicotine without tobacco leaves to be used with a Heated Products device that directly heat sticks.
Infused Tobacco (Infused)	Infused Products involve a battery-powered device that heats a liquid capsule to generate a vapor which passes through a tobacco containing consumable (i.e. not on a stick but rather a capsule or pod). One pack of consumables is equivalent to 20 sticks of cigarettes.
E-Vapor	Products that involve a battery-powered device which heats a consumable (i.e. pod, capsule or tank) containing a nicotine-based liquid without tobacco leaves. A 2ml of liquid is equivalent to 20 sticks of cigarettes.
Modern Oral	Products that deliver nicotine in the form of a closed pouch and contain no tobacco leaf as raw materials. To deliver nicotine and flavor, these pouches are inserted between the consumer's lip and gum. These products are also known as nicotine pouches. One nicotine pouch is equivalent to a stick of cigarettes.
Combustibles	Combustibles include all tobacco products excluding contract-manufactured products and RRP.

# <Definitions>



Total volume	The volume of tobacco-based products which excludes contract-manufactured products, RRP devices and related accessories.
Combustibles volume	The shipment volume of combustibles which excludes contract-manufactured products and RRP.
RRP volume	RRP sales volume in cigarette-stick equivalent. This excludes RRP devices, RRP related accessories, etc.
Heated Products volume / Ploom volume	Sales volume of Heated Products (Ploom) in cigarette-stick equivalents. This excludes Ploom devices, Ploom related accessories, etc.
Global Flagship Brands (GFB)	GFB includes four Brands namely Winston, Camel, MEVIUS and LD.