

Financial Highlights

Japan Tobacco Inc. and Consolidated Subsidiaries / Years ended March 31

002

JAPAN TOBACCO INC.
Annual Report 2009

Financial
Highlights

	Millions of yen				Millions of U.S. dollars (Note 1)	
	2005	2006	2007	2008	2009	2009
For the year:						
Net Sales including excise taxes	¥4,664,514	¥4,637,657	¥4,769,387	¥6,409,727	¥6,832,307	\$69,554
Domestic Tobacco	3,491,488	3,405,281	3,416,274	3,362,398	3,200,494	32,581
International Tobacco	792,705	881,188	999,658	2,639,969	3,118,319	31,745
Pharmaceutical	57,676	49,257	45,452	49,064	56,758	578
Food	265,380	278,378	286,554	336,420	435,966	4,439
Others	57,265	23,553	21,449	21,876	20,770	211
Net Sales excluding excise taxes (Note 2)	1,684,404	1,596,151	1,633,186	2,068,368	2,295,117	23,365
Domestic Tobacco	874,292	760,630	729,383	715,018	679,302	6,915
International Tobacco	429,791	484,333	550,347	945,989	1,102,320	11,222
Pharmaceutical	57,676	49,257	45,452	49,064	56,758	578
Food	265,380	278,378	286,554	336,420	435,966	4,439
Others	57,265	23,553	21,449	21,876	20,770	211
EBITDA (Note 3)	400,115	433,391	464,634	602,096	646,217	6,579
Domestic Tobacco	296,031	305,753	326,470	306,726	272,280	2,772
International Tobacco	65,462	94,093	112,668	270,757	337,968	3,441
Pharmaceutical	5,474	(1,803)	(8,197)	(6,269)	4,890	50
Food	7,931	11,869	12,018	8,353	17,030	173
Others	26,810	22,140	21,586	22,055	13,150	134
Elimination/Corporate	(1,593)	1,339	89	474	899	9
Depreciation and Amortization (Note 3)	126,744	126,445	132,643	171,542	282,411	2,875
Operating Income	273,371	306,946	331,991	430,554	363,806	3,703
Domestic Tobacco	215,833	220,095	245,388	222,348	188,259	1,917
International Tobacco	44,458	71,031	81,085	205,360	174,772	1,779
Pharmaceutical	1,855	(5,057)	(11,207)	(9,644)	1,020	10
Food	1,948	6,325	6,705	667	(11,451)	(117)
Others	10,427	8,673	9,331	10,448	9,695	99
Elimination/Corporate	(1,150)	5,879	689	1,375	1,511	15
Net Income	62,584	201,542	210,772	238,702	123,400	1,256
Free Cash Flow (FCF) (Note 4)	269,459	145,590	223,007	(1,493,717)	240,199	2,445
At year-end:						
Total Assets	2,982,056	3,037,379	3,364,663	5,087,214	3,879,803	39,497
Interest-bearing Debt (Note 5)	230,716	216,608	219,269	1,389,296	996,079	10,140
Liabilities	1,430,256	1,217,306	1,340,047	2,932,585	2,255,515	22,962
Total Equity	1,498,204	1,762,512	2,024,616	2,154,629	1,624,288	16,536
Ratios:						
Return on equity (ROE)	4.2%	12.4%	11.3%	11.8%	6.8%	—
Return on assets (ROA)	9.2%	10.4%	10.7%	10.5%	8.4%	—
Equity Ratio	50.2%	58.0%	58.3%	40.8%	40.0%	—
Amounts per share: (in yen) (Note 6)						
Net Income (Note 7)	¥ 6,418	¥ 21,017	¥ 22,001	¥ 24,916	¥ 12,880	—
Total Equity	156,363	183,956	204,618	216,707	162,088	—
Cash Dividends Applicable to the Year	2,600	3,200	4,000	4,800	5,400	—

Notes: 1. Figures stated in U.S. dollars in this report are translated at the rate of ¥98.23 per \$1, as of March 31, 2009.

2. Net sales excluding taxes: Excluding imported tobacco in the domestic tobacco and distribution business in the international tobacco, respectively.

3. EBITDA = operating income + depreciation and amortization

Depreciation and amortization = depreciation of tangible fixed assets + amortization of intangible fixed assets + amortization of long-term prepaid expenses + amortization of goodwill

4. FCF = (cash flow from operating activities + cash flow from investing activities) excluding the following items:

From "cash flow from operating activities": Dividends received / interest received and its tax effect / interest paid and its tax effect

From "cash flow from investing activities": Cash outflow from purchase of marketable securities / proceeds from sales of marketable securities / cash outflow from purchases of investment securities / proceeds from sales of investment securities / others (but not business-related investment securities, which are included in the investment securities item)

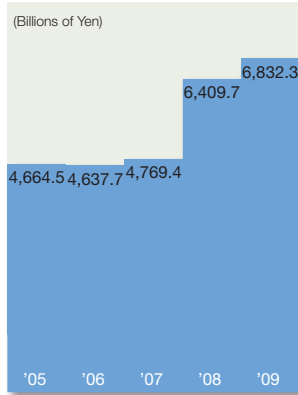
5. Interest-bearing Debt includes lease obligation from FY 2009

6. On April 1, 2006, a 5 for 1 stock split went into effect.

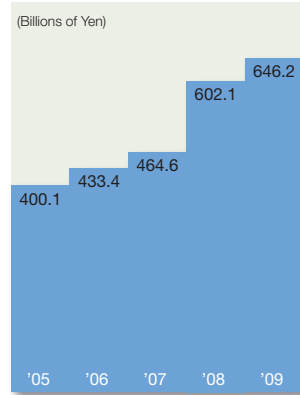
Amounts per share for the years ended March 2005 and 2006 are on the assumption that this stock split took place at the beginning of each fiscal year.

7. Diluted net income per share.

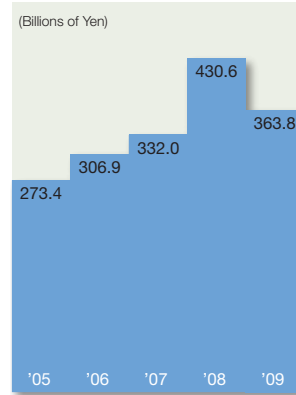
Net Sales including excise taxes



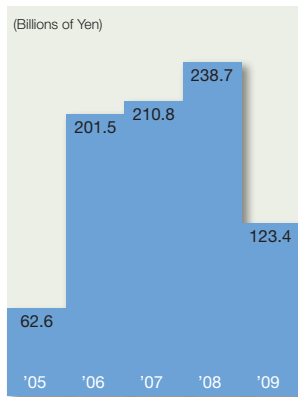
EBITDA



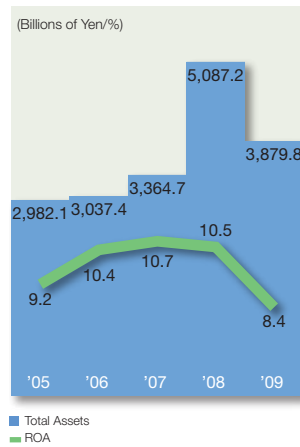
Operating Income



Net Income



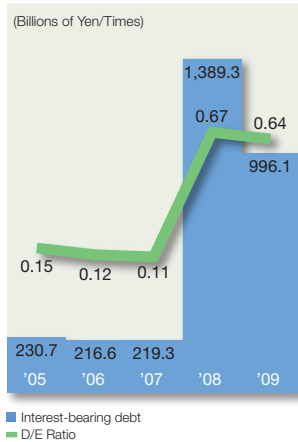
Total Assets/ROA



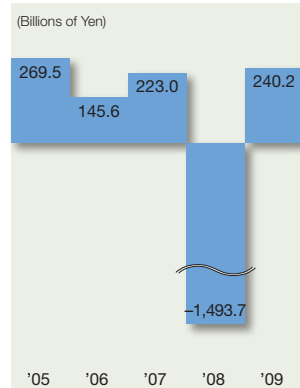
Total Equity/ROE



Interest-bearing Debt/D/E Ratio



Free Cash Flow



Cash Dividends Applicable to the Year

