



Tokyo, February 12, 2026

2025 Earnings Report

FY2025 Highlights^{*1} (vs. FY2024)

- Revenue increased by 13.4% to JPY 3,467.7 billion
- Core revenue at constant FX increased by 13.9% to JPY 3,347.8 billion
- Adjusted operating profit increased by 21.5% to JPY 902.2 billion
- Adjusted operating profit at constant FX increased by 24.9% to JPY 927.5 billion
- Operating profit increased by 175.9%^{*2} to JPY 867.0 billion
- Profit increased by 188.9%^{*2} to JPY 499.1 billion
- Free cash flow increased by JPY 102.2 billion to JPY 272.7 billion
- The Company plans to pay an annual dividend per share of JPY 234^{*3}

^{*1} Since Q3 2025 the pharmaceutical business has been classified as discontinued operations. As a result, profits or losses from discontinued operations are presented separately from continuing operations. All figures above, except for free cash flow, are based on continuing operations; prior-year YTD results are restated like-for-like.

^{*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 Company recorded a provision for loss on litigation in Canada of JPY 375.6 billion as an operating expense in the previous fiscal year. Excluding 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, operating profit and profit from continuing operations increased by +22.4% and +6.9%, respectively.

^{*3} Profit on Note ^{*2} basis was JPY 488.6 billion. A dividend payout ratio based on this profit is expected to be 85.0%. Details pertaining to the adjustment for the financial impact related to the litigation settlement in Canada (Canada Adjustment) are covered in 'Canada Adjustment' on page 3.

FY2026 Forecasts (vs. FY2025)^{*4}

- Revenue is forecast to increase by 6.6% to JPY 3,697.0 billion
- Core revenue at constant FX is forecast to increase by 3.6% to JPY 3,434.0 billion^{*5}
- Adjusted operating profit is forecast to increase by 7.9% to JPY 955.0 billion^{*5}
- Adjusted operating profit at constant FX is forecast to increase by 8.9% to JPY 964.0 billion^{*5}
- Operating profit is forecast to increase by 6.2% to JPY 921.0 billion
- Profit is forecast to increase by 14.2% to JPY 570.0 billion
- Free cash flow is forecast to increase by JPY 257.3 billion to JPY 530.0 billion
- The Company aims to offer an annual dividend per share of JPY 242 (a dividend payout ratio of 75.2%)^{*6}

^{*4} The prior-year results except for free cash flow are based on continuing operations.

^{*5} Based on figures after the Canada Adjustment. The prior-year results are also adjusted like-for like.

^{*6} Based on profit after the Canada Adjustment (JPY 571.0 billion)

Please refer to 'Data Sheets' on page 16 for more financial figures.

Comments from Takehiko Tsutsui, President and CEO of the JT Group:

"In FY2025, the JT Group delivered an exceptional performance, achieving record highs across all indicators from revenue to profit, following constant growth over the years. The results were driven primarily by organic growth in the tobacco business, bolstered by the acquisition of the Vector Group.

These achievements are the outcome of the strategic investments we have actively pursued over the years. In our Business Plan 2026, covering the period from 2026 to 2028, we intend to accelerate investments in Heated Products with the aim of establishing them as the second pillar of profit growth, alongside Combustibles, in future years. Furthermore, we are targeting high single digit growth at a CAGR^{*7} in consolidated adjusted operating profit at constant FX, driven by the tobacco business.

Going forward, we will continue to pursue the JT Group Purpose^{*8} while practicing the 4S model^{*9}, our management principles, to consistently exceed consumer expectations, and achieve sustainable profit growth over the mid- to long-term, thereby enhancing value for our stakeholders."

^{*7} Compound Annual Growth Rate

^{*8} The JT Group Purpose "Fulfilling Moments, Enriching Life" is designed to clarify the direction to being a sustainable entity in a situation where discontinuous changes are occurring on various scales in nature, society, and individuals, as well as the uncertainty and complexity in the operating environment is increasing. The area of "human enrichment" undergoes changes in various ways with the times and the people, and the JT Group strives to evolve constantly so that we can continue to be entrusted within this area by society and make valuable contributions in the future.

^{*9} Under 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. For more details, please visit our website (https://www.jt.com/about/management_principles/index.html).

Investors' Meeting

An investors' meeting with members of the investor community will be held on February 12, 2026 at 6:30pm Tokyo time. An on-demand audio recording of this conference will be available on our website (https://www.jt.com/investors/results/presentation_financial). For detailed information on the consolidated financial results, please visit the Company's website (<https://www.jt.com/investors/>).

Note on Hyperinflationary Adjustments

The results for fiscal year 2024 and fiscal year 2025 as well as the forecasts for fiscal year 2026 on a reported basis have been adjusted to include the impact of hyperinflationary accounting, which has been applied since Q3 2020, in accordance with the requirements stipulated in IAS 29. 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.

As of Q4 2025, the impacts of the hyperinflationary accounting and hyperinflation include those in Iran, Myanmar and Turkey. From Q4 2025, Myanmar has been included. In Sudan, due to the liquidation of the subsidiary, the adjustment to the financial statements of the subsidiary was completed in the fourth quarter.

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 below, to deduct the Annual Contribution^{*1} and impact on non-cash profit and loss (remeasurement of liability^{*2} and discounted interest expense^{*3}) associated with this payable portion.

Consolidated

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

Tobacco Business

	Results		Forecasts	
	FY2025	FY2024 for comparison	FY2026	FY2025 for comparison
Core revenue	-	-		
Adjusted operating profit	-	-	Deduct Annual Contribution ^{*1}	

*¹ Revenue and profit corresponding to each annual payment

*² 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).

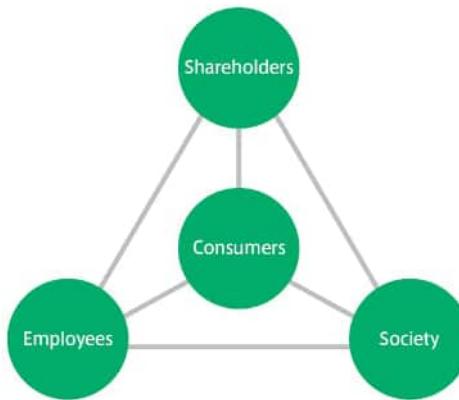
*³ The total amount that JTI-Mac is expected to pay in the future has been recorded as other financial liabilities measured at its discounted present value. The difference between the other financial liabilities and the amount resulting from the unwinding of the other financial liabilities recorded as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

Business Plan 2026

- **Our Management Principle: To pursue the 4S model**

Under 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. The 4S model has allowed us to achieve sustainable profit growth in the past years and this model will continue to increase our value in the mid-to long-term.

(The 4S Model)



- **JT Group Purpose**

Fulfilling Moments, Enriching Life

We at JT Group have always been a part of moments that foster a more enriching life.

Regardless of the changing times, from advances in science and technology to diversifying values, we will continue to cherish a life that finds fulfillment in the moment.

The times we accept our true selves. The times we share the joy with loved ones, and the times we lift each other up. These strings of moments add to the beautiful days that make up a wonderful life. And we hope that these make a better society, a better world, and even a better future.

These were the times we shared over the years.

JT Group will take these fulfilling moments to the next level.

We will continue enriching lives through our businesses and endeavors with our growing customers and partners.

JT Group will do everything it can to make the world say that today is another good day.

- **Mid- to Long-Term Target**

- Achieve mid to high single digit compounded annual growth rate of consolidated adjusted operating profit at constant FX.

- **Resource Allocation Policy**

- **The 4S model guides our resource allocation**

- Prioritize business investments^{*1} for sustainable profit growth in the mid-to long-term.
 - Strike a balance between profit growth through business investments and shareholder returns.

- **Shareholder Return Policy**

- Aim to enhance shareholder returns by realizing the Company's mid- to long-term profit growth, while maintaining a strong financial base^{*2}.
 - Target a dividend payout ratio of about 75%^{*3}, a competitive level^{*4} in the capital markets.
 - Consider implementing a share buy-back program, mainly taking into account the Company's financial outlook of the respective year and mid-term capital needs.

Notes:

^{*1} Investment towards the growth of the tobacco business is of our highest priority. Pursue growth of Adjusted Operating Profit at constant FX through quality top-line growth through the continuous provision of new value and satisfaction to our customers and society.

^{*2} JT Group will maintain a strong financial base that secures stability in case of changes in business environment such as economic crises and flexibility enabling expeditious responses to business investment opportunities.

^{*3} To be in the range of approximately ±5%

^{*4} Monitor the 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.

FY2025 Financial Results

Consolidated Results*¹

(billions of JPY)	Q4 2025	Q4 2024	Variance	YTD 2025	YTD 2024	Variance
Revenue	833.6	729.5	+14.3%	3,467.7	3,056.7	+13.4%
Core revenue at constant FX	767.5	700.8	+9.5%	3,347.8	2,938.3	+13.9%
Adjusted operating profit	87.5	75.3	+16.2%	902.2	742.6	+21.5%
Adjusted operating profit at constant FX	78.5	75.3	+4.3%	927.5	742.6	+24.9%
Operating profit	104.1	-317.2	- * ²	867.0	314.2	+175.9%* ²
Profit	-12.3	-265.9	-	499.1	172.7	+188.9%* ²
Free cash flow	-	-	-	272.7	170.5	+102.2 BN

*¹ All figures above, except for free cash flow are based on continuing operations. Prior-year QTD and YTD results are restated like-for-like.

*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 Company recorded a provision for loss on litigation in Canada of JPY 375.6 billion as an operating expense in the previous fiscal year. Excluding 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, operating profit and profit from continuing operations increased as follows. Operating profit: +41.3% (Q4), +22.4% (YTD). Profit: +6.9% (YTD)

Q4 2025

- **Revenue**
At constant FX: Core revenue increased by 9.5%, driven by the increase in the tobacco and processed food businesses.
At reported: Revenue increased by 14.3%.
- **Adjusted operating profit**
At constant FX: Adjusted operating profit increased by 4.3%, driven by the increase in the tobacco and processed food businesses.
At reported: Adjusted operating profit increased by 16.2%.
- **Operating profit**
Operating profit increased significantly, driven by the absence of the provision for litigation losses related to the settlement of the litigation in Canada recorded in 2024, and the increase in adjusted operating profit.
- **Profit**
Profit improved significantly, driven by the increase in operating profit more than offsetting higher financial costs mainly due to FX losses arising from a rapid deterioration in the exchange rate in Iran.

YTD 2025

- **Revenue**
At constant FX: Core revenue increased by 13.9%, driven by the increase in the tobacco and processed food businesses.
At reported: Revenue increased by 13.4%.
- **Adjusted operating profit**
At constant FX: Adjusted operating profit increased by 24.9%, driven by the increase in the tobacco and processed food businesses.
At reported: Adjusted operating profit increased by 21.5%.
- **Operating profit**
Operating profit increased by 175.9%, mainly driven by the absence of the provision for litigation losses as mentioned above, as well as the increase in adjusted operating profit.
- **Profit**
Profit increased by 188.9%, mainly driven by the increase in operating profit more than offset the higher financial costs, as well as the increase in the corporate income tax expenses.
- **Free cash flow**
Free cash flow increased by JPY 102.2 billion to JPY 272.7 billion, driven by the absence of payments related to the Vector Group acquisition in 2024 and the increase in adjusted operating profit more than offset the upfront payment related to the settlement of the litigation in Canada.

Results by Business Segment

Tobacco Business

(billions of JPY)	Q4 2025	Q4 2024	Variance	YTD 2025	YTD 2024	Variance
Core revenue	755.9	656.3	+15.2% (+10.1%)*	3,184.4	2,778.6	+14.6% (+14.6%)*
Adjusted operating profit	106.8	92.2	+15.8% (+6.1%)*	952.2	791.8	+20.3% (+23.5%)*
Reference (billions of units, billions of JPY)						
Total volume	139.2	136.0	+2.4%	577.8	565.3	+2.2%
Combustibles volume	135.3	133.0	+1.7%	563.8	554.4	+1.7%
RRP volume	3.9	3.0	+30.4%	14.0	10.9	+28.0%
Heated Products volume	3.2	2.3	+40.7%	11.3	8.2	+38.6%
RRP-related revenue	31.2	23.2	+34.2%	122.5	98.9	+23.9%

* At constant FX

- The tobacco business delivered an exceptional year-on-year performance, fueled by solid volume growth resulting from share gains in Combustibles, the inclusion of the Vector Group and an increase in RRP volume. In addition, the above historical average pricing contribution supported a significant improvement in return on investment improvement in Combustibles. In RRP, Ploom was the fastest growing Heated Products brand, boosted by the launch of AURA which was available in 17 markets at the end of 2025.

Q4 2025

- **Core revenue**

At constant FX: Core revenue grew by 10.1%, fueled by all clusters and taking into account the lapping of the Vector Group acquisition. The drivers were a price/mix contribution of JPY 54.5 billion and a favorable volume variance of JPY 11.7 billion. RRP-related revenue grew by 34.2%, fueled by double-digit volume growth in all clusters.

At reported: Core revenue increased by 15.2%.

- **Adjusted operating profit**

At constant FX: Adjusted operating profit grew by 6.1%, driven by the increase in core revenue, partially offset by higher investments towards RRP, skewed to the second half, and inflation-led cost increases.

At reported: Adjusted operating profit increased by 15.8%.

- **Volume and Market share**

Strong RRP volume growth, mainly in Japan, and continued market share gains in Combustibles, most notably in Turkey, as well as resilient industry volumes in certain markets, resulted in total volume increasing by 2.4%, or by 2.7% when excluding inventory adjustments.

In Combustibles, robust growth in the EMA cluster, mainly fueled by an exceptional share performance in Turkey, and a resilient Asia cluster, drove volume up by 1.7%, led by the Global Flagship Brands (GFB) Winston (+6.0%) and Camel (+6.3%).

RRP volume grew by 30.4%, fueled by significant Ploom growth (+40.7%), driven by AURA, and contributions from all clusters, most notably Asia.

Total tobacco market share grew in approximately 50 markets, including the key markets of Italy, Japan, Romania, Spain, Taiwan, Turkey, the UK and the USA.

YTD 2025

- **Core revenue**

At constant FX: Core revenue increased by 14.6%, driven by a robust price/mix contribution of JPY 298.8 billion from all clusters, as well as by a favorable volume variance of JPY 108.1 billion, including the Vector Group contribution. RRP-related revenue grew by 23.9%, mainly fueled by Heated Products.

At reported: Core revenue also increased by 14.6%.

- **Adjusted operating profit**

At constant FX: Adjusted operating profit increased by 23.5%, driven by the solid core revenue growth, partially offset by higher investments towards RRP and the impact of inflation-led cost increases.

At reported: Adjusted operating profit grew by 20.3%, due to several stronger cost-related currencies, and certain weaker emerging currencies.

- **Volume and Market share**

Continued market share gains in Combustibles, combined with the accelerated RRP volume growth and the contribution from the Vector Group, led to total volume increasing by 2.2%, or 2.6% when excluding inventory movements. Strong growth in the EMA cluster and higher volume in the Asia cluster, more than offset a decline in Western Europe, where lower industry volumes impacted several markets.

Combustibles volume increased by 1.7%, with Winston (+4.9%) and Camel (+4.3%) driving a 2.8% increase in GFB volume.

RRP volume grew by 28.0%, driven by Ploom volume increasing 38.6%, particularly in Japan.

Total market share increased in approximately 50 markets, including the key markets of Italy, Romania, Spain, Taiwan, Turkey, the UK and the USA.

Tobacco Business Performance Review by Cluster

Asia

(billions of JPY)	FY 2025	FY 2024	Variance
Core revenue	864.2	802.3	+7.7% (+7.8%)*
Adjusted operating profit	224.6	219.6	+2.2% (+6.7%)*

Reference (billions of units)

Total volume	128.0	127.3	+0.6%
Combustibles volume	116.4	118.3	-1.6%
RRP volume	11.6	9.0	+28.8%

* At constant FX

- **Core revenue**

At constant FX: Core revenue increased by 7.8%, driven by a positive price/mix variance, notably in Bangladesh, Japan and the Philippines, and a slight positive volume contribution, mainly in Bangladesh and Japan.

At reported: Core revenue grew by 7.7%.

- **Adjusted operating profit**

At constant FX: Adjusted operating profit grew by 6.7%, driven by the core revenue increase, which more than offset incremental RRP investments and inflation-led cost increases.

At reported: Adjusted operating profit increased by 2.2%.

- **Volume and market share**

Total volume grew by 0.6%, as the strong RRP volume growth (+28.8%) offset the lower Combustibles volume (-1.6%), mainly due to Japan and the Philippines, despite growth in Bangladesh.

Total tobacco market share increased in Bangladesh, Myanmar, Singapore, Taiwan and Thailand.

- **By market**

In Japan, total volume decreased by 1.2%, due to a decline in Combustibles, partially offset by the continued increase in RRP volume.

Total industry volume was almost flat as the decline in Combustibles was offset by RRP growing by 8.1%. RRP industry volume was estimated at 46.4% (shipment basis) of the total industry size.

Combustibles volume decreased by 6.0%, due to an industry volume contraction estimated at 6.5%.

JT's share within Combustibles grew by 0.3ppt to 62.0%.

RRP volume increased by 27.1% and JT's share grew by 2.4ppt to reach 16.4%. Within Heated Products, Ploom volume grew by 35.0%, boosted by AURA and EVO sticks, and continued to gain share, reaching a Heated Products category share of 14.4%, up by 2.8ppt.

Although share grew within both Combustibles and RRP, total market share declined to 40.8%.

Core revenue increased, driven by a favorable price/mix variance and supported by a positive contribution from RRP in volume.

In the Philippines, where the industry volume grew slightly, total volume decreased by 3.0%, following total market share declining by 0.7ppt to 49.0%. This was despite Camel growing volume and market share.

Core revenue at constant FX increased, driven by a positive price/mix contribution that exceeded the negative volume variance.

In Taiwan, total volume was almost flat (-0.1%) in a declining industry, as RRP volume growth following the launch of Ploom mostly offset the decline in Combustibles. Year-to-date market share increased by 1.9ppt to 53.0%, including gains by Winston and LD.

Core revenue at constant FX was flat.

Western Europe

(billions of JPY)	FY 2025	FY 2024	Variance
Core revenue	735.6	688.9	+6.8% (+4.1%)*
Adjusted operating profit	277.6	257.1	+8.0% (+5.4%)*
Reference (billions of units)			
Total volume	97.1	101.0	-3.9%
Combustibles volume	95.7	99.8	-4.1%
RRP volume	1.4	1.2	+14.3%

* At constant FX

- **Core revenue**

At constant FX: Core revenue increased by 4.1%, driven by a positive price/mix variance, mainly in the BeNeLux markets, Italy, Spain and the UK, which more than offset a negative volume contribution, mainly in the BeNeLux markets, France and the UK.

At reported: Core revenue grew by 6.8%.

- **Adjusted operating profit**

At constant FX: Adjusted operating profit grew by 5.4%, driven by the core revenue increase, which more than offset the higher investments towards RRP and inflation-led cost increases.

At reported: Adjusted operating profit increased by 8.0%.

- **Volume and market share**

Total volume decreased by 3.9%, due to industry volume contraction in Combustibles, primarily in Belgium, France, the Netherlands and the UK. RRP volume grew by 14.3%, fueled by continued Heated Products share of segment gains.

Total tobacco market share grew in most markets, including Austria, Belgium, France, Germany, Ireland, Italy, the Netherlands, Portugal, Spain, Sweden, Switzerland and the UK.

- **By market**

In Italy, total volume declined by 0.7%, due to unfavorable inventory movements. Excluding inventory movements, total volume increased by 0.9%, fueled by market share gains and Ploom growth. Total tobacco market share grew by 0.2ppt to 23.8%, driven by the share gains in Combustibles (+0.9ppt) and higher Heated Products share (+0.1ppt).

Core revenue at constant FX increased, driven by the positive price/mix contribution.

In Spain, total volume decreased by 2.2%, due to unfavorable inventory movements. Excluding these, total volume grew by 0.8%, driven by Ploom growth. Total tobacco market share was stable at 27.8%, fueled by increases in Heated Products (+0.9ppt) and in Combustibles (+0.1ppt).

Core revenue at constant FX increased as the positive price/mix contribution more than offset the negative volume variance.

In the UK, total volume declined by 15.8%, due to industry volume contraction resulting from excise tax-led price increases and high volume of illicit trade. RRP volume grew 21.2%, fueled by Nordic Spirit. Total tobacco market share increased by 0.5ppt to 43.7%, driven by Mayfair.

Core revenue at constant FX decreased as the positive price/mix contribution could not fully offset the negative volume variance.

EMA

(billions of JPY)	FY 2025	FY 2024	Variance
Core revenue	1,584.6	1,287.4	+23.1% (+24.5%)*
Adjusted operating profit	450.0	315.0	+42.9% (+49.9%)*
<hr/>			
Reference (billions of units)			
Total volume	352.7	337.0	+4.6%
Combustibles volume	351.7	336.3	+4.6%
RRP volume	1.0	0.7	+40.6%

* At constant FX

- **Core revenue**

At constant FX: Core revenue grew by 24.5%, driven by a favorable volume variance, mainly from the Vector Group contribution, as well as in Global Travel Retail (GTR) and Turkey, and by a strong positive price/mix contribution, notably in GTR, Kazakhstan, Poland, Romania, Russia, Turkey and the USA.

At reported: Core revenue increased by 23.1%.

- **Adjusted operating profit**

At constant FX: Adjusted operating profit grew by 49.9%, driven by the solid core revenue increase which offset higher investments towards RRP, as well as inflation-led cost increases.

At reported: Adjusted operating profit increased by 42.9%.

- **Volume and market share**

Total volume increased by 4.6%, mainly driven by an exceptional contribution from Turkey, the inclusion of the Vector Group, as well as an increase in GTR. Combustibles volume increased by 4.6%, fueled by GFBs growing by 5.5%, specifically Winston (+7.9%), Camel (+5.6%) and MEVIUS (+5.8%). RRP volume grew by 40.6%, notably driven by Azerbaijan, the Czech Republic, Kazakhstan, Poland, Slovakia and GTR.

Total tobacco market share increased across the cluster, including in the key markets of Romania, Turkey and the USA.

- **By market**

In Romania, total volume declined by 1.3%, as the increase in market share and Ploom volume growth were offset by the decrease in Combustibles industry volume. Total tobacco market share increased by 0.3ppt to 26.4%, fueled by share gains in Combustibles (+0.8ppt) and higher Heated Products share (+0.5ppt).

Core revenue at constant FX increased, as the positive price/mix contribution more than offset a negative volume variance.

In Russia, within an industry volume estimated to grow by 3.5%, total volume increased by 1.0%, and by 2.2% when excluding inventory movements. GFB volume was up by 1.8%, supported by the growth of Winston (+3.3%) and Camel (+10.2%). Combustibles market share was up by 0.2ppt to 41.8%, while total market share declined by 0.5ppt due to growth of the Heated Products category.

Core revenue at constant FX grew, driven by the positive contribution of price/mix and volume.

In Turkey, within a growing industry, total volume increased by 25.8%, and by 24.9% when excluding inventory adjustments, driven by Winston (+34.1%), Camel (+8.1%), and LD (+20.1%). Total tobacco market share increased by an exceptional 4.0ppt to 31.1%.

Core revenue at constant FX increased, driven by the positive contribution of volume and price/mix.

In the USA, boosted by the inclusion of the Vector Group and continued growth of LD (+23.9%), total volume increased. Combustibles market share grew by 4.8ppt to 8.4%, driven by LD and the inclusion of the Vector Group brands following the acquisition.

Core revenue at constant FX increased, driven by the positive volume contribution, mainly from the Vector Group acquisition, and a favorable price/mix variance.

Source:

Figures for market share are based on JT Group estimates on year-to-date average. Year-to-date share of market growth for 2025 is calculated against year-to-date shares of market at the end of the respective period in 2024.

Figures for industry volume are based on JT Group estimates on sum of year-to-date period. Year-to-date industry volume variance for 2025 is calculated against year-to-date industry volume at the end of the respective period in 2024.

Processed Food Business

(billions of JPY)	Q4 2025	Q4 2024	Variance	YTD 2025	YTD 2024	Variance
Revenue	44.3	43.7	+0.6	159.5	157.2	+2.3
Adjusted operating profit	3.0	1.7	+1.3	8.6	8.1	+0.5

Q4 2025

- **Revenue**

Revenue increased, mainly driven by price revisions of packed cooked rice in the frozen and ambient foods business.

- **Adjusted operating profit**

Adjusted operating profit increased, driven by profitability improvement by price revisions more than offset higher raw material costs.

YTD 2025

- **Revenue**

Revenue increased, driven by price revisions in the frozen and ambient foods business.

- **Adjusted operating profit**

Adjusted operating profit increased, mainly driven by the revenue increase more than offset higher raw material costs.

FY2026 Forecasts

Consolidated Forecasts

(billions of JPY)	2026 Forecasts	2025 Results ^{*3}	Variance
Revenue	3,697.0	3,467.7	+6.6%
Core revenue at constant FX^{*1}	3,434.0	3,314.5	+3.6%
Adjusted operating profit^{*1}	955.0	885.2	+7.9%
Adjusted operating profit at constant FX^{*1}	964.0	885.2	+8.9%
Operating profit	921.0	867.0	+6.2%
Profit^{*2}	570.0	499.1	+14.2%
Free cash flow	530.0	272.7	+257.3 BN
Basic EPS (JPY)^{*2}	321.06	281.11	+14.2%

^{*1} Based on figures after the Canada Adjustment. The prior-year results are also adjusted like-for-like.

^{*2} Profit for FY2026 after the Canada Adjustment is JPY 571.0 billion. Profit for FY2025 after the Canada Adjustment and the one-time loss from the disposal of goodwill due to the liquidation of the Sudanese subsidiary was JPY 488.6 billion. The basic EPS based on these profits are JPY 321.62 for FY2026 and JPY 275.21 for FY2025.

^{*3} All figures except for free cash flow are based on continuing operations.

- **Revenue**

At constant FX: Core revenue is expected to increase by 3.6%, driven by an increase in the tobacco and processed food businesses.
At reported: Revenue is expected to increase by 6.6%.
- **Adjusted operating profit**

At constant FX: Adjusted operating profit is expected to increase by 8.9%, driven by an increase in the tobacco business.
At reported: Adjusted operating profit is expected to increase by 7.9%.
- **Operating profit**

Operating profit is expected to increase by 6.2%, mainly driven by an increase in adjusted operating profit and the absence of the one-time loss from the disposal of goodwill due to the liquidation of the Sudanese subsidiary, as well as a decrease in amortization of trademarks arising from past company acquisitions. These are expected to more than offset the absence of contribution from remeasurement of liability related to the settlement of the litigation in Canada in 2025 and lower gain on sale of real estate.
- **Profit**

Profit is expected to increase by 14.2%, driven by an increase in operating profit and improved financial costs due to the absence of FX losses arising from a rapid deterioration in the exchange rate in Iran.
- **Free cash flow**

Free cash flow is expected to increase by JPY 257.3 billion to JPY 530.0 billion, mainly driven by an increase in adjusted operating profit and the absence of the upfront payment related to the settlement of the litigation in Canada.

Forecasts by Business Segment

Tobacco Business^{*1}

(billions of JPY)	2026 Forecasts	2025 Results	Variance
Core revenue	3,371.0	3,152.2	+6.9% (+3.4%) ^{*2}
Adjusted operating profit	1,006.0	935.1	+7.6% (+8.5%) ^{*2}

^{*1} Based on figures after the Canada Adjustment. The prior-year results are also adjusted like-for-like.

^{*2} At constant FX

- **Core revenue**

At constant FX: Core revenue is expected to increase by 3.4%, driven by a positive price/mix contribution in Combustibles and continued RRP-related revenue growth.

At reported: Core revenue is expected to increase by 6.9%, supported by favorable currency movements against the Japanese yen.

- **Adjusted operating profit**

At constant FX: Adjusted operating profit is expected to increase by 8.5%, driven by revenue growth and improved returns on investment in Combustibles, partially offset by continued investments in RRP and inflation-driven cost increases, including within the supply chain.

At reported: Adjusted operating profit is expected to increase by 7.6%, due to weaker emerging currencies and the appreciation of cost-related currencies against the Japanese yen.

- **Volume**

Sustained momentum in Combustibles market share gains, combined with RRP volume growth, should drive a resilient total volume, forecast to be between flat and a decline of approximately 1.0%, despite the contraction of the global Combustibles industry volume.

Processed Food Business

(billions of JPY)	2026 Forecasts	2025 Results	Variance
Revenue	170.0	159.5	+10.5
Adjusted operating profit	8.0	8.6	-0.6

- **Revenue**

Revenue is expected to increase by JPY 10.5 billion, mainly driven by a positive contribution from price revisions in the frozen and ambient foods business.

- **Adjusted operating profit**

Adjusted operating profit is expected to decrease by JPY 0.6 billion, mainly driven by the increase in raw material costs, more than offset the revenue increase.

Data Sheets

Results for FY2025

Since Q3 2025, the pharmaceutical business has been classified as discontinued operations. As a result, profits or losses from discontinued operations are presented separately from continuing operations, and the prior-year results are restated like-for-like.

1. Summary of consolidated results

(JPY BN)

	YTD 2025	YTD 2024	Variance (abs)	Variance (%)
Continuing operations				
Revenue	3,467.7	3,056.7	+411.0	+13.4%
Operating profit	867.0	314.2	+552.8*1	+175.9%*1
Adjusted operating profit	902.2	742.6	+159.6	+21.5%
Profit before income taxes	739.8	224.3	+515.5	+229.8%
Profit	499.1	172.7	+326.3*1	+188.9%*1
Basic EPS (JPY)	281.11	97.29	+183.82*1	+188.9%*1
Discontinued operations				
Profit	11.1	6.5	+4.6	+70.8%
Continuing operations + Discontinued operations				
Profit	510.2	179.2	+330.9	+184.6%
Basic EPS (JPY)	287.36	100.95	+186.41	+184.6%
DPS (JPY)	234*2	194	+40	+20.6%
ROE [Continuing operations + Discontinued operations]	13.0%	4.7%*3		

*1 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 Company recorded a provision for loss on litigation in Canada of JPY 375.6 billion as an operating expense in the previous fiscal year. Excluding 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, the changes in amount (abs) and rate (%) are as follows:

Operating profit: +JPY 154.1 billion (+22.4%), Profit for the year: +JPY 31.7 billion (+6.9%), Basic EPS: +JPY 17.89 (+7.0%)

*2 Profit for the year after applying the adjustments described in footnote *1 above was JPY 488.6 billion. A dividend payout ratio based on this profit is expected to be 85.0%.

*3 Excluding the impact of the provision for litigation losses related to the settlement of the litigation in Canada, ROE was 11.8%.

[Reference: Continuing operations]

(JPY BN)

	YTD 2025	YTD 2024	Variance (abs)	Variance (%)
Core revenue at constant FX	3,347.8	2,938.3	+409.5	+13.9%
Adjusted operating profit at constant FX	927.5	742.6	+184.9	+24.9%

2. Results by business segment [Continuing operations]

(JPY BN)

	YTD 2025	YTD 2024	Variance (abs)	Variance (%)
Consolidated revenue	3,467.7	3,056.7	+411.0	+13.4%
Tobacco	3,305.4	2,897.0	+408.4	+14.1%
Core revenue	3,184.4	2,778.6	+405.8	+14.6%
Processed food	159.5	157.2	+2.3	+1.5%
Others	2.8	2.5	+0.2	+8.4%
Consolidated operating profit	867.0	314.2	+552.8	+175.9%
Tobacco	905.4	354.6	+550.8	+155.3%
Processed food	7.9	8.0	-0.1	-1.4%
Others/Elimination	-46.2	-48.4	+2.2	-
Adjustments, total	-35.2	-428.4	+393.2	
Tobacco	-46.8	-437.2	+390.4	
Processed food	-0.7	-0.1	-0.6	
Others/Elimination	12.3	8.8	+3.5	
Consolidated adjusted operating profit	902.2	742.6	+159.6	+21.5%
Tobacco	952.2	791.8	+160.4	+20.3%
Processed food	8.6	8.1	+0.5	+6.4%
Others/Elimination	-58.5	-57.2	-1.3	-

Results for FY2025

3. Adjusted operating profit (and total adjustments) by business segment [Continuing operations] (JPY BN)

	YTD 2025	YTD 2024	Variance (abs)	Variance (%)
Consolidated: operating profit	867.0	314.2	+552.8	+175.9%
Adjustments, total	-35.2	-428.4	+393.2	
Amortization of acquired intangibles	-70.5	-55.7	-14.8	
Adjustments (income)	68.1	15.6	+52.5	
Adjustments (costs)	-32.8	-388.3	+355.6	
Consolidated: adjusted operating profit	902.2	742.6	+159.6	+21.5%
Tobacco: operating profit	905.4	354.6	+550.8	+155.3%
Adjustments, total	-46.8	-437.2	+390.4	
Amortization of acquired intangibles	-70.5	-55.7	-14.8	
Adjustments (income)	53.2	5.6	+47.7	
Adjustments (costs)	-29.5	-387.1	+357.6	
Tobacco: adjusted operating profit	952.2	791.8	+160.4	+20.3%
Processed food: operating profit	7.9	8.0	-0.1	-1.4%
Adjustments, total	-0.7	-0.1	-0.6	
Amortization of acquired intangibles	-	-	-	
Adjustments (income)	1.1	0.4	+0.7	
Adjustments (costs)	-1.8	-0.5	-1.3	
Processed food: adjusted operating profit	8.6	8.1	+0.5	+6.4%
Others / Elimination: operating profit	-46.2	-48.4	+2.2	-
Adjustments, total	12.3	8.8	+3.5	
Amortization of acquired intangibles	-	-	-	
Adjustments (income)	13.8	9.6	+4.1	
Adjustments (costs)	-1.4	-0.8	-0.7	
Others / Elimination: adjusted operating profit	-58.5	-57.2	-1.3	-

4. Depreciation and amortization* [Continuing operations] (JPY BN)

	YTD 2025	YTD 2024	Variance (abs)
Consolidated depreciation and amortization	165.3	148.4	+16.9
Tobacco	156.1	139.3	+16.8
Processed food	6.9	6.8	+0.1
Others/Elimination	2.2	2.3	-0.0

*Excluding depreciation from lease transactions

5. Consolidated financial position [Continuing operations, Discontinued operations]

(JPY BN)

	2025 Dec. end	2024 Dec. end	Variance (abs)
Total assets	8,419.2	8,370.7	+48.5
Total equity	4,115.4	3,848.7	+266.7
Equity attributable to owners of the parent company	4,086.9	3,766.6	+320.3
BPS (attributable to owners of the parent company) (JPY)	2,301.99	2,121.33	+180.66

6. Liquidity and interest-bearing debt [Continuing operations, Discontinued operations]

(JPY BN)

	2025 Dec. end	2024 Dec. end	Variance (abs)
Liquidity	1,012.8	1,184.5	-171.7
Interest-bearing debt	1,678.7	1,726.8	-48.1

Results for FY2025

7. Consolidated cash flow [Continuing operations, Discontinued operations] (JPY BN)

	YTD 2025	YTD 2024	Variance (abs)
Cash flows from operating activities	514.1	630.0	-116.0
Cash flows from investing activities	-265.0	-439.8	+174.8
Cash flows from financing activities	-475.5	-94.9	-380.6
Cash and cash equivalents, beginning of the period	1,084.6	1,040.2	+44.4
Foreign currency translation adj. on cash & cash equivalents	-27.0	-51.0	+24.0
Cash and cash equivalents, end of the period	831.1	1,084.6	-253.4
FCF	272.7	170.5	+102.2

8. Capital expenditures [Continuing operations] (JPY BN)

	YTD 2025	YTD 2024	Variance (abs)
Consolidated capital expenditures	155.1	143.7	+11.4
Tobacco	143.2	135.0	+8.2
Processed food	7.4	6.1	+1.3
Others/Elimination	4.6	2.6	+2.0

9. Tobacco business FX rate

	YTD 2025	YTD 2024	Variance (abs)	Variance (%)
100JPY / USD	0.67	0.66	+0.01	-1.2%
100JPY / RUB	55.90	61.14	-5.23	+9.4%
100JPY / GBP	0.51	0.52	-0.01	+1.9%
100JPY / EUR	0.59	0.61	-0.02	+2.9%
100JPY / CHF	0.56	0.58	-0.03	+4.6%
100JPY / TWD	20.85	21.21	-0.36	+1.7%
100JPY / PHP	38.43	37.84	+0.60	-1.5%

Results for FY2025

10. Consolidated statement of income [Continuing operations]

(JPY BN)

	YTD 2025	YTD 2024	Variance (abs)	Variance (%)
Revenue	3,467.7	3,056.7	+411.0	+13.4%
Cost of sales	1,519.1	1,379.3	+139.8	+10.1%
Gross profit	1,948.6	1,677.4	+271.2	+16.2%
Other operating income	83.3	31.1	+52.1	+167.5%
Share of profit in investments accounted for using the equity method	13.3	12.9	+0.4	+3.5%
SG & A	1,178.2	1,407.2	-229.1	-16.3%
Advertising expenses	62.4	52.6	+9.8	+18.6%
Promotion expenses	198.2	165.5	+32.7	+19.8%
Shipping and warehousing expenses	0.2	0.2	+0.0	+1.2%
Commission	88.8	79.5	+9.3	+11.7%
Employee benefit expenses	439.1	401.2	+37.9	+9.4%
R&D expenses	52.4	44.7	+7.7	+17.2%
Depreciation and amortization	116.9	102.6	+14.3	+13.9%
Impairment losses other than financial assets	10.5	2.7	+7.8	+287.3%
Losses on sale and disposal of PP&E, intangible assets and investment properties	3.3	1.8	+1.5	+81.9%
Other	206.3	556.3	-350.1	-62.9%
Operating profit	867.0	314.2	+552.8	+175.9%
Amortization of acquired intangibles	-70.5	-55.7	-14.8	
Adjustments (income)	68.1	15.6	+52.5	
Adjustments (costs)	-32.8	-388.3	+355.6	
Adjusted operating profit	902.2	742.6	+159.6	+21.5%
Financial income	67.9	69.0	-1.1	-1.5%
Dividend income	0.8	2.5	-1.6	-66.0%
Interest income	66.1	64.6	+1.5	+2.3%
Foreign exchange gain	-	-	-	-
Other	1.0	1.9	-0.9	-47.9%
Financial costs	195.2	158.9	+36.3	+22.8%
Interest expenses	76.2	42.5	+33.7	+79.3%
Employee benefit expenses	4.3	5.4	-1.1	-20.7%
Foreign exchange loss	104.0	100.2	+3.8	+3.7%
Other	10.8	10.8	-0.0	-0.3%
Profit before income taxes	739.8	224.3	+515.5	+229.8%
Income taxes	238.7	50.4	+188.3	+373.6%
Profit for the period	501.1	173.9	+327.1	+188.1%
Attributable to owners of the parent	499.1	172.7	+326.3	+188.9%
Attributable to non-controlling interests	2.0	1.2	+0.8	+68.6%

Results for FY2025

11. Consolidated financial position

[Continuing operations, Discontinued operations]

(JPY BN)

	2025Dec.end	2024Dec.end	Variance (abs)
Current assets	3,711.1	3,577.6	+133.5
Cash and cash equivalents	831.1	1,084.6	-253.4
Trade and other receivables	640.7	569.0	+71.7
Inventories	1,060.1	957.3	+102.9
Other financial assets ^{*1}	195.8	120.2	+75.6
Other current assets	977.6	826.8	+150.9
Non-current assets held-for-sale	5.7	19.8	-14.1
Non-current assets	4,708.1	4,793.2	-85.0
Property, plant & equipment	979.8	907.7	+72.1
Goodwill ^{*2}	2,923.1	2,914.3	+8.8
Intangible assets ^{*3}	395.7	486.5	-90.8
Investment property	3.1	3.7	-0.6
Retirement benefit assets	29.9	89.6	-59.6
Investments accounted for using the equity method	82.2	50.4	+31.8
Other financial assets ^{*1}	131.6	151.9	-20.3
Other non-current assets	4.2	5.5	-1.3
Deferred tax assets	158.5	183.6	-25.1
Total assets	8,419.2	8,370.7	+48.5

	2025Dec.end	2024Dec.end	Variance (abs)
Current liabilities	1,927.3	2,148.6	-221.4
Trade and other payables	711.7	659.5	+52.2
Bonds and borrowings ^{*4}	79.6	178.7	-99.0
Income tax payables	36.5	24.6	+11.9
Other financial liabilities ^{*4}	62.1	60.0	+2.1
Provisions	32.8	195.9	-163.1
Other current liabilities ^{*5}	1,004.3	1,029.9	-25.6
Liabilities directly associated with non-current assets held-for-sale	0.2	-	+0.2
Non-current liabilities	2,376.6	2,373.4	+3.2
Bonds and borrowings ^{*4}	1,599.1	1,548.1	+50.9
Other financial liabilities ^{*4}	205.6	49.2	+156.4
Retirement benefit liabilities	253.2	277.2	-24.0
Provisions	54.4	253.9	-199.6
Other non-current liabilities ^{*5}	134.7	120.4	+14.3
Deferred tax liabilities	129.6	124.5	+5.2
Total liabilities	4,303.9	4,522.0	-218.2
Equity	4,115.4	3,848.7	+266.7
Share capital	100.0	100.0	-
Capital surplus	737.1	736.7	+0.4
Treasury shares	-489.7	-488.6	-1.2
Other components of equity	526.1	381.6	+144.5
Retained earnings	3,213.6	3,036.9	+176.7
Non-controlling interests	28.5	82.1	-53.6
Total liabilities and equity	8,419.2	8,370.7	+48.5

*1: Other financial assets (current & non-current combined)

Other financial assets	327.4	272.2	+55.3
Derivative assets	13.8	18.9	-5.1
Equity securities	35.2	42.5	-7.3
Debt securities	10.5	76.6	-66.1
Time deposits	181.1	46.6	+134.5
Other	93.8	94.4	-0.6
Allowance for doubtful accounts	-6.9	-6.8	-0.1

*2: Goodwill ~ Cash-generating unit

Tobacco	2,897.7	2,888.9	+8.8
Processed food	25.4	25.4	-

*3: Intangible assets ~ Trademarks

Tobacco	84.5	137.6	-53.2
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*4: Bonds and borrowings and other financial liabilities (current & non-current combined)

Total financial liabilities	1,946.4	1,836.0	+110.4
Derivative liabilities	35.8	45.1	-9.3
Short-term borrowings	79.4	60.3	+19.1
Commercial paper	-	-	-
Current portion of long-term borrowings	0.2	2.9	-2.8
Current portion of bonds	-	115.4	-115.4
Long-term borrowings	120.7	735.4	-614.7
Bonds	1,478.4	812.7	+665.6
Other	231.9	64.1	+167.8

*5: Other liabilities (current & non-current combined)

Total other liabilities	1,139.1	1,150.4	-11.3
Tobacco excise tax payables	484.7	466.8	+17.8
Tobacco special excise tax payables	8.1	8.0	+0.1
Tobacco local excise tax payables	174.4	178.3	-3.8
Consumption tax payables	192.9	172.2	+20.7
Bonus to employees	106.7	97.1	+9.6
Employee's unused paid vacations liabilities	22.8	22.5	+0.4
Other	149.4	205.5	-56.1

FY2026 Forecasts

Prior-year results are presented on a continuing operations basis, except for ROE and FCF.

1. Summary of consolidated forecasts

(JPY BN)

	FY2026 Forecasts	FY2025 Results	Variance (abs)	Variance (%)
Revenue	3,697.0	3,467.7	+229.3	+6.6%
Core revenue at constant FX*1	3,434.0	3,314.5	+119.5	+3.6%
Adjusted operating profit*1	955.0	885.2	+69.8	+7.9%
Adjusted operating profit at constant FX*1	964.0	885.2	+78.8	+8.9%
Operating profit	921.0	867.0	+54.0	+6.2%
Profit*2	570.0	499.1	+70.9	+14.2%

*1 The figures presented are shown after the Canada Adjustment. Year-on-year comparisons are on a like-for-like basis.

*2 Profit for FY2026 after the Canada Adjustment is JPY 571.0 billion. Profit for FY2025 after the Canada Adjustment, and excluding the one-time loss from the disposal of goodwill due to the liquidation of the Sudanese subsidiary, was JPY 488.6 billion.

2. EPS, DPS, ROE

(JPY)

	FY2026 Forecasts	FY2025 Results	Variance (abs)	Variance (%)
Basic EPS*3	321.06	281.11	+39.95	+14.2%
DPS*4	242	234	+8	+3.4%
ROE	13.8%	13.0%	+0.8ppt	

*3 Based on profit for the period referenced in footnote *2 above of "1. Summary of consolidated forecasts," basic EPS is expected to be JPY 321.62 for FY2026. For FY2025, basic EPS was JPY 275.21.

*4 Based on profit for the period referenced in footnote *2 above of "1. Summary of consolidated forecasts," a dividend payout ratio is expected to be 75.2% for FY2026, and 85.0% for FY2025, respectively.

3. Forecasts by business segment

(JPY BN)

	FY2026 Forecasts	FY2025 Results	Variance (abs)	Variance (%)
Consolidated revenue	3,697.0	3,467.7	+229.3	+6.6%
Tobacco	3,523.0	3,305.4	+217.6	+6.6%
Core revenue*5	3,371.0	3,152.2	+218.8	+6.9%
Processed food	170.0	159.5	+10.5	+6.6%
Others	4.0	2.8	+1.2	+45.2%
Consolidated operating profit	921.0	867.0	+54.0	+6.2%
Tobacco	970.0	905.4	+64.6	+7.1%
Processed food	7.0	7.9	-0.9	-11.3%
Others/Elimination	-56.0	-46.2	-9.8	-
Consolidated adjusted operating profit*5	955.0	885.2	+69.8	+7.9%
Tobacco*5	1,006.0	935.1	+70.9	+7.6%
Processed food	8.0	8.6	-0.6	-6.9%
Others/Elimination	-59.0	-58.5	-0.5	-

*5 Based on figures after the Canada Adjustment

4. FCF

(JPY BN)

	FY2026 Forecasts	FY2025 Results	Variance (abs)
FCF	530.0	272.7	+257.3

FY2026 Forecasts

5. Capital expenditures

(JPY BN)

	FY2026 Forecasts	FY2025 Results	Variance (abs)
Consolidated capital expenditures	174.0	155.1	+18.9
Tobacco	156.0	143.2	+12.8
Processed food	14.0	7.4	+6.6
Others/Elimination	4.0	4.6	-0.6

6. Assumptions of 2026 Forecasts

Tobacco business

- Total volume: A decrease of approx.1.0% to Flat vs. 2025
- GFB volume: A decrease of approx.1.0% to Flat vs. 2025

<Tobacco Business FX assumptions>

	FY2026 Forecasts	FY2025 Results	Variance (abs)	Variance (%)
100JPY / USD	0.65	0.67	-0.02	+2.9%
100JPY / RUB	51.61	55.90	-4.29	+8.3%
100JPY / GBP	0.48	0.51	-0.03	+5.7%
100JPY / EUR	0.55	0.59	-0.04	+7.8%
100JPY / CHF	0.50	0.56	-0.06	+11.2%
100JPY / TWD	19.74	20.85	-1.11	+5.6%
100JPY / PHP	37.74	38.43	-0.69	+1.8%

Tobacco Business Data

1. Summary

	2025	Q1	Q2	Q3	Q4	YTD	
Total volume	134.4	148.8	155.3	139.2	577.8	BNU	
(vs. PY)	-1.3%	+2.6%	+4.9%	+2.4%	+2.2%		
Combustibles volume	131.4	145.6	151.5	135.3	563.8	BNU	
(vs.PY)	-1.7%	+2.3%	+4.2%	+1.7%	+1.7%		
GFB volume	95.7	106.8	112.0	101.3	415.8	BNU	
(vs.PY)	-1.0%	+3.2%	+4.6%	+4.0%	+2.8%		
RRP volume	3.0	3.3	3.8	3.9	14.0	BNU	
(vs.PY)	+19.0%	+21.4%	+40.1%	+30.4%	+28.0%		
Heated Products volume	2.3	2.6	3.1	3.2	11.3	BNU	
(vs.PY)	+27.7%	+31.2%	+53.4%	+40.7%	+38.6%		
Core revenue	738.5	814.0	876.0	755.9	3,184.4	JPY BN	
(vs. PY)	+13.0%	+10.2%	+19.9%	+15.2%	+14.6%		
	(+14.0%)*	(+15.6%)*	(+18.3%)*	(+10.1%)*	(+14.6%)*		
RRP-related revenue	26.6	29.2	35.5	31.2	122.5	JPY BN	
(vs.PY)	+11.3%	+8.8%	+42.6%	+34.2%	+23.9%		
Adjusted operating profit	273.2	282.9	289.2	106.8	952.2	JPY BN	
(vs. PY)	+17.8%	+17.8%	+27.1%	+15.8%	+20.3%		
	(+20.9%)*	(+25.3%)*	(+31.1%)*	(+6.1%)*	(+23.5%)*		

*At constant FX

2. Breakdown of core revenue

(JPY BN)

	Q1	Q2	Q3	Q4	YTD
2024	653.3	738.5	730.5	656.3	2,778.6
Volume	+9.2	+32.5	+54.7	+11.7	+108.1
Price/Mix	+82.6	+82.6	+79.1	+54.5	+298.8
2025@PY	745.1	853.6	864.4	722.4	3,185.5
FX	-6.6	-39.6	+11.6	+33.5	-1.1
2025	738.5	814.0	876.0	755.9	3,184.4

3. Breakdown of adjusted operating profit

(JPY BN)

	Q1	Q2	Q3	Q4	YTD
2024	231.9	240.2	227.5	92.2	791.8
Volume	+7.6	+23.6	+30.1	-8.8	+52.5
Price/Mix	+81.7	+78.4	+78.6	+58.7	+297.5
Others	-40.8	-41.3	-37.9	-44.3	-164.3
2025@PY	280.4	300.9	298.3	97.8	977.5
FX	-7.2	-18.1	-9.1	+9.0	-25.3
2025	273.2	282.9	289.2	106.8	952.2

Tobacco Business Data

4. Contribution by cluster (vs. PY)

Sales Volume (BNU)										
Asia	Q1 2025		Q2 2025		Q3 2025		Q4 2025		YTD	
Total volume	29.9	-2.4%	32.5	+1.6%	32.8	+0.2%	32.7	+2.8%	128.0	+0.6%
Combustibles volume	27.5	-4.0%	29.8	-0.2%	29.7	-2.5%	29.4	+0.3%	116.4	-1.6%
GFB volume	19.9	-2.2%	21.4	+0.7%	21.6	-2.5%	21.3	-0.5%	84.2	-1.1%
RRP volume	2.4	+20.0%	2.7	+25.5%	3.1	+36.6%	3.3	+31.8%	11.6	+28.8%
Western Europe	Q1 2025		Q2 2025		Q3 2025		Q4 2025		YTD	
Total volume	23.7	-9.3%	25.3	-2.2%	26.0	-1.2%	22.1	-2.5%	97.1	-3.9%
Combustibles volume	23.4	-9.4%	25.0	-2.0%	25.6	-1.9%	21.7	-2.9%	95.7	-4.1%
GFB volume	17.2	-9.5%	18.6	+0.0%	19.1	+1.4%	16.3	-0.2%	71.3	-2.2%
RRP volume	0.3	-5.5%	0.3	-13.0%	0.4	+67.7%	0.4	+27.4%	1.4	+14.3%
EMA	Q1 2025		Q2 2025		Q3 2025		Q4 2025		YTD	
Total volume	80.8	+1.7%	91.0	+4.5%	96.5	+8.4%	84.4	+3.6%	352.7	+4.6%
Combustibles volume	80.6	+1.6%	90.7	+4.4%	96.3	+8.3%	84.2	+3.5%	351.7	+4.6%
GFB volume	58.6	+2.2%	66.8	+5.0%	71.3	+8.0%	63.6	+6.7%	260.4	+5.5%
RRP volume	0.2	+63.2%	0.3	+39.6%	0.3	+49.0%	0.2	+17.6%	1.0	+40.6%
Financials (JPY BN)										
Asia	Q1 2025		Q2 2025		Q3 2025		Q4 2025		YTD	
Core revenue	201.0	+0.7%	216.3	+4.7%	221.8	+9.3%	225.2	+16.5%	864.2	+7.7%
		(+1.2%)*		(+7.8%)*		(+8.8%)*		(+13.5%)*		(+7.8%)*
AOP	67.9	-7.8%	69.0	+3.3%	58.3	+7.6%	29.3	+17.3%	224.6	+2.2%
		(+0.8%)*		(+8.1%)*		(+8.6%)*		(+16.6%)*		(+6.7%)*
Western Europe	Q1 2025		Q2 2025		Q3 2025		Q4 2025		YTD	
Core revenue	176.7	+2.4%	187.1	+2.9%	201.4	+10.7%	170.3	+11.7%	735.6	+6.8%
		(+1.8%)*		(+5.2%)*		(+6.6%)*		(+2.6%)*		(+4.1%)*
AOP	81.0	+2.8%	79.1	+11.2%	91.5	+22.4%	26.0	-20.0%	277.6	+8.0%
		(+3.4%)*		(+14.3%)*		(+14.2%)*		(-29.4%)*		(+5.4%)*
EMA	Q1 2025		Q2 2025		Q3 2025		Q4 2025		YTD	
Core revenue	360.9	+28.3%	410.6	+17.3%	452.8	+31.0%	360.4	+16.1%	1,584.6	+23.1%
		(+30.7%)*		(+25.6%)*		(+30.1%)*		(+11.6%)*		(+24.5%)*
AOP	124.3	+56.5%	134.8	+31.8%	139.4	+41.4%	51.5	+48.4%	450.0	+42.9%
		(+57.0%)*		(+44.2%)*		(+56.4%)*		(+31.7%)*		(+49.9%)*

*At constant FX

Tobacco Business Data

5. Breakdown of core revenue by cluster

(JPY BN)

	Q1	Q2	Q3	Q4	YTD
2024	199.5	206.6	202.9	193.3	802.3
Volume	-7.3	+1.6	+1.4	+5.4	+1.1
Price/Mix	+9.7	+14.5	+16.6	+20.8	+61.5
2025@PY	201.9	222.7	220.8	219.5	865.0
FX	-0.9	-6.4	+0.9	+5.7	-0.8
2025	201.0	216.3	221.8	225.2	864.2
Western Europe	Q1	Q2	Q3	Q4	YTD
2024	172.6	181.8	182.0	152.5	688.9
Volume	-16.0	-10.8	-7.5	+0.8	-33.5
Price/Mix	+19.1	+20.2	+19.5	+3.2	+62.0
2025@PY	175.6	191.3	194.0	156.4	717.4
FX	+1.0	-4.2	+7.4	+13.9	+18.2
2025	176.7	187.1	201.4	170.3	735.6
EMA	Q1	Q2	Q3	Q4	YTD
2024	281.2	350.1	345.6	310.5	1,287.4
Volume	+32.5	+41.7	+60.9	+5.4	+140.6
Price/Mix	+53.8	+47.8	+43.1	+30.5	+175.2
2025@PY	367.5	439.6	449.5	346.5	1,603.1
FX	-6.7	-29.1	+3.2	+14.0	-18.5
2025	360.9	410.6	452.8	360.4	1,584.6

6. Breakdown of adjusted operating profit by cluster

(JPY BN)

	Q1	Q2	Q3	Q4	YTD
2024	73.6	66.9	54.2	25.0	219.6
Volume	-8.0	-1.9	-8.3	+0.6	-17.6
Price/Mix	+9.4	+13.5	+16.5	+16.6	+56.1
Others	-0.8	-6.3	-3.6	-13.1	-23.7
2025@PY	74.1	72.2	58.9	29.1	234.4
FX	-6.3	-3.2	-0.5	+0.2	-9.8
2025	67.9	69.0	58.3	29.3	224.6
Western Europe	Q1	Q2	Q3	Q4	YTD
2024	78.8	71.1	74.7	32.5	257.1
Volume	-11.5	-8.2	-6.2	-0.4	-26.3
Price/Mix	+19.1	+19.9	+18.8	+3.2	+61.0
Others	-4.9	-1.6	-2.0	-12.3	-20.8
2025@PY	81.5	81.2	85.3	22.9	271.0
FX	-0.5	-2.2	+6.2	+3.0	+6.6
2025	81.0	79.1	91.5	26.0	277.6
EMA	Q1	Q2	Q3	Q4	YTD
2024	79.5	102.3	98.6	34.7	315.0
Volume	+27.1	+33.7	+44.6	-9.0	+96.5
Price/Mix	+53.2	+44.9	+43.3	+38.9	+180.4
Others	-35.1	-33.4	-32.4	-18.9	-119.8
2025@PY	124.7	147.5	154.1	45.7	472.1
FX	-0.4	-12.7	-14.7	+5.8	-22.1
2025	124.3	134.8	139.4	51.5	450.0

Tobacco Business Data

7. GFB volume by brand (vs. PY)

(BNU)

2025	Q1	Q2	Q3	Q4	YTD
Winston	50.2	56.7	59.4	53.2	219.5
	-0.9%	+6.5%	+7.8%	+6.0%	+4.9%
Camel	26.0	28.8	30.7	27.8	113.3
	+1.1%	+3.8%	+5.6%	+6.3%	+4.3%
MEVIUS	9.7	10.4	10.5	10.2	40.9
	-4.7%	-6.5%	-5.2%	-1.5%	-4.5%
LD	9.8	10.8	11.4	10.1	42.2
	-3.2%	-4.5%	-3.3%	-6.3%	-4.3%

8. FX actual (vs. PY)

2025	Q1	Q2	Q3	Q4	YTD
100JPY / USD	0.66	0.69	0.68	0.65	0.67
	+2.9%	-7.2%	-1.3%	+1.2%	-1.2%
100JPY / RUB	61.13	55.89	54.69	51.91	55.90
	+0.1%	+4.1%	+9.2%	+26.1%	+9.4%
100JPY / GBP	0.52	0.52	0.50	0.49	0.51
	+2.1%	-1.8%	+2.4%	+4.9%	+1.9%
100JPY / EUR	0.62	0.61	0.58	0.56	0.59
	-0.4%	-2.3%	+5.0%	+10.3%	+2.9%
100JPY / CHF	0.59	0.57	0.54	0.52	0.56
	-0.1%	+1.5%	+6.9%	+11.0%	+4.6%
100JPY / TWD	21.54	21.39	20.31	20.15	20.85
	-1.7%	-2.9%	+6.5%	+5.4%	+1.7%
100JPY / PHP	37.98	38.91	38.72	38.11	38.43
	-0.7%	-4.6%	-1.0%	+0.2%	-1.5%

Tobacco Business Data

9. Key markets

Source: JT Group estimates

Total SoM and SoV are computed based on Combustibles (excluding Waterpipe, Pipe tobacco and Cigars), Heated Products and Infused.

Japan

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	14.2	15.4	16.1	15.8	61.5	
	-3.6%	-2.3%	+1.0%	-0.4%	-1.2%	
Combustibles volume	11.8	12.7	13.0	12.6	50.1	
	-7.2%	-6.5%	-4.9%	-5.6%	-6.0%	
RRP volume	2.4	2.7	3.1	3.2	11.4	
	+19.3%	+24.6%	+36.0%	+27.6%	+27.1%	
Heated Products volume	2.0	2.3	2.7	2.8	9.9	
	+26.7%	+31.5%	+45.3%	+34.9%	+35.0%	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	40.0%	40.6%	41.4%	41.2%	40.8%	-0.4ppt
Combustibles SoM	33.1%	33.5%	33.4%	32.9%	33.2%	-2.1ppt
GFB (SoM)	23.1%	23.3%	23.2%	22.7%	23.1%	-1.6ppt
Winston (SoM)	3.0%	3.0%	2.9%	2.8%	2.9%	-0.3ppt
Camel (SoM)	6.1%	6.1%	6.1%	6.0%	6.1%	-0.2ppt
MEVIUS (SoM)	14.0%	14.2%	14.2%	13.9%	14.1%	-1.1ppt
Seven Stars (SoM)	4.4%	4.5%	4.5%	4.5%	4.5%	-0.0ppt
RRP SoM*	6.8%	7.1%	8.0%	8.3%	7.6%	+1.6ppt
Heated Products SoS	12.7%	13.6%	15.5%	15.7%	14.4%	+2.8ppt
Total SoV	39.9%	40.5%	41.3%	41.1%	40.7%	-0.6ppt

*Data for RRP SoM reflects Heated Products and Infused

The Philippines

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	5.3	5.8	5.5	5.5	22.1	
	-7.8%	+1.8%	-6.0%	+0.2%	-3.0%	
Combustibles volume	5.3	5.8	5.4	5.5	22.1	
	-7.9%	+1.7%	-6.1%	+0.2%	-3.0%	
RRP volume	0.0	0.0	0.0	0.0	0.0	
	-	-	-	-	-	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	48.3%	49.1%	49.2%	49.2%	49.0%	-0.7ppt
GFB (SoM)	29.7%	30.5%	30.8%	31.4%	30.6%	+2.2ppt
Winston (SoM)	7.7%	7.8%	8.0%	8.1%	7.9%	-0.8ppt
Camel (SoM)	21.2%	21.8%	22.0%	22.6%	21.9%	+2.5ppt
Heated Products SoS	0.9%	0.9%	1.1%	1.5%	1.1%	+0.6ppt
Total SoV	47.6%	48.4%	48.3%	48.4%	48.2%	+0.4ppt

Taiwan

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	3.4	3.4	3.5	3.5	13.7	
	-3.5%	-2.2%	+1.2%	+4.3%	-0.1%	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	52.4%	52.8%	53.5%	53.1%	53.0%	+1.9ppt
GFB (SoM)	42.3%	42.7%	43.2%	42.2%	42.6%	+1.1ppt
Winston (SoM)	13.9%	14.2%	14.3%	13.9%	14.1%	+0.3ppt
MEVIUS (SoM)	19.3%	19.1%	19.1%	18.4%	19.0%	-0.4ppt
LD (SoM)	9.1%	9.5%	9.8%	9.9%	9.6%	+1.2ppt
Total SoV	55.8%	56.1%	56.6%	55.8%	56.1%	+1.4ppt

Tobacco Business Data

Italy

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	4.7	5.1	5.4	4.4	19.6	
	-12.7%	+1.9%	+11.1%	-1.9%	-0.7%	
Combustibles volume	4.7	5.1	5.3	4.3	19.4	
	-12.3%	+2.5%	+9.4%	-2.4%	-0.9%	
RRP volume	0.0	0.0	0.1	0.1	0.3	
	-	-	-	-	-	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	23.6%	23.8%	23.8%	23.8%	23.8%	+0.2ppt
GFB (SoM)	18.7%	19.4%	19.5%	19.5%	19.3%	+0.4ppt
Winston (SoM)	12.3%	12.8%	12.8%	13.0%	12.7%	+0.3ppt
Camel (SoM)	6.4%	6.6%	6.7%	6.6%	6.6%	+0.1ppt
Heated Products SoS	1.4%	1.5%	1.6%	1.6%	1.5%	+0.1ppt
Total SoV	23.4%	23.8%	23.7%	23.7%	23.6%	+0.5ppt

Spain

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	3.9	3.7	3.9	3.0	14.4	
	-3.0%	-4.1%	+0.8%	-2.8%	-2.2%	
Combustibles volume	3.8	3.7	3.9	3.0	14.4	
	-3.0%	-4.2%	+0.7%	-2.8%	-2.3%	
RRP volume	0.0	0.0	0.0	0.0	0.0	
	-	-	-	-	-	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	27.6%	27.8%	27.9%	27.9%	27.8%	+0.0ppt
GFB (SoM)	25.9%	25.8%	25.9%	26.1%	25.9%	+0.2ppt
Winston (SoM)	14.5%	14.3%	14.3%	14.7%	14.4%	+0.2ppt
Camel (SoM)	11.4%	11.5%	11.6%	11.4%	11.5%	-0.0ppt
Heated Products SoS	1.0%	1.4%	1.4%	1.7%	1.4%	+0.9ppt
Total SoV	27.4%	27.7%	27.8%	28.0%	27.7%	-0.0ppt

The UK

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	2.7	2.8	2.8	2.3	10.6	
	-18.3%	-12.5%	-17.1%	-14.8%	-15.8%	
Combustibles volume	2.6	2.7	2.7	2.2	10.2	
	-19.4%	-13.0%	-18.0%	-15.9%	-16.6%	
RRP volume	0.1	0.1	0.1	0.1	0.3	
	+40.8%	+7.7%	+19.2%	+21.5%	+21.2%	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	43.7%	43.7%	43.6%	43.7%	43.7%	+0.5ppt
GFB (SoM)	0.1%	0.1%	0.1%	0.1%	0.1%	+0.0ppt
Amber Leaf (SoM)	9.2%	9.1%	9.0%	8.9%	9.1%	-0.4ppt
Sterling (SoM)	10.6%	10.4%	10.2%	10.0%	10.3%	-0.8ppt
Benson & Hedges (SoM)	11.6%	11.8%	11.8%	11.7%	11.7%	-0.2ppt
Heated Products SoS	4.6%	5.0%	5.4%	5.0%	5.0%	+1.5ppt
Total SoV	44.1%	44.1%	44.2%	44.2%	44.2%	+0.3ppt

Tobacco Business Data

Romania

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	1.7	1.9	2.1	1.9	7.6	
	-0.3%	+0.6%	-1.2%	-4.2%	-1.3%	
Combustibles volume	1.6	1.9	2.1	1.9	7.5	
	-1.0%	+0.6%	-1.4%	-4.6%	-1.6%	
RRP volume	0.0	0.0	0.0	0.0	0.1	
	-	-	-	-	-	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	26.5%	26.4%	26.7%	25.9%	26.4%	+0.3ppt
GFB (SoM)	19.4%	18.8%	19.0%	18.5%	18.9%	+0.8ppt
Winston (SoM)	12.8%	12.6%	12.8%	12.3%	12.6%	+1.2ppt
Camel (SoM)	6.6%	6.2%	6.2%	6.2%	6.3%	-0.4ppt
Heated Products SoS	1.4%	1.6%	1.5%	1.2%	1.4%	+0.5ppt
Total SoV	27.6%	27.7%	28.1%	27.5%	27.7%	+0.7ppt

Russia

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	18.2	21.1	22.8	19.4	81.6	
	-1.6%	-0.3%	+4.7%	+0.6%	+1.0%	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	36.8%	36.9%	37.4%	36.5%	36.9%	-0.5ppt
GFB (SoM)	29.8%	30.0%	30.4%	29.8%	30.0%	-0.1ppt
Winston (SoM)	14.0%	14.2%	14.5%	14.1%	14.2%	+0.3ppt
Camel (SoM)	9.2%	9.5%	9.9%	9.9%	9.6%	+0.6ppt
LD (SoM)	6.5%	6.1%	5.9%	5.7%	6.1%	-1.0ppt
Total SoV	38.5%	38.9%	39.2%	38.8%	38.9%	-0.2ppt

Turkey*

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	10.1	12.7	14.4	12.9	50.1	
	+13.0%	+24.6%	+38.9%	+24.7%	+25.8%	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	28.8%	31.7%	31.8%	31.9%	31.1%	+4.0ppt
GFB (SoM)	26.0%	28.8%	29.0%	29.1%	28.3%	+3.8ppt
Winston (SoM)	18.5%	20.9%	21.1%	21.5%	20.6%	+3.5ppt
Camel (SoM)	5.3%	5.6%	5.5%	5.2%	5.4%	+0.0ppt
LD (SoM)	2.2%	2.3%	2.4%	2.4%	2.3%	+0.3ppt
Total SoV	27.9%	30.9%	31.2%	31.2%	30.5%	+4.3ppt

*Data for SoM and SoV includes Combustibles only

The USA*

Volume evolution

2025	Q1	Q2	Q3	Q4	YTD	(BNU)
Total volume	2.8	3.2	3.2	2.7	12.0	
	+284.2%	+246.8%	+226.4%	-6.0%	+115.3%	

Share evolution

2025	Q1	Q2	Q3	Q4	YTD	Var.
Total SoM	8.3%	8.4%	8.3%	8.4%	8.4%	+4.8ppt
LD (SoM)	2.4%	2.8%	2.9%	3.2%	2.9%	+0.7ppt
Montego (SoM)	4.4%	4.3%	4.2%	4.2%	4.3%	+3.3ppt

*Data for SoM includes Combustibles only

Definitions

Terms	Definitions
Revenue	Revenue excluding tobacco excise taxes and revenue from agent transactions.
~ 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.
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
Profit	Profit attributable to owners of the parent company.
Free cash flow (FCF)	The sum of cash flows from operating activities and investing activities, excluding the following items: <ul style="list-style-type: none"> • From operating CF: Depreciation from lease transactions, interest received, dividends received, interest paid and income taxes related to these items excluding lease transactions, and other items • From investing CF: Purchase of investment securities (both short-term and long-term), payments into time deposits, proceeds from sale or redemption of investment securities (both short-term and long-term), proceeds from withdrawal of time deposits and other investing activities not for business operation purposes
Liquidity	Cash and deposits + marketable securities + securities purchased under repurchase agreements.
Interest-bearing debt	Short-term bank loans + commercial papers + bonds + long-term borrowings.
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.
Combustibles	Combustibles include all tobacco products excluding contract-manufactured products and RRP.
Cigarettes	Also known as RMC (ready-made-cigarettes).
Fine cut tobacco (FCT)	Loose tobacco products also known as rolling tobacco. These can be used for both RYO (roll-your-own) cigarettes, i.e., using rolling papers, and MYO (make-your-own) cigarettes, i.e., by filling a filter tube with cut tobacco. In principle, 0.75 gram of loose tobacco is equivalent to a stick of cigarettes.
Water pipe tobacco	Products that vaporize water-filtered smoke produced by burning tobacco leaves, also known as shisha tobacco. One gram of tobacco leaves used for water pipe is equivalent to a stick of cigarettes.
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 Product, E-Vapor, Modern Oral and Traditional Oral.
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.

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.
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.
Traditional Oral	Products that deliver nicotine in the form of a closed pouch and contain tobacco leaf. To deliver nicotine and flavor, these pouches are inserted between the consumer's lip and gum. These products are also known as snus. Each pouch is equivalent to a stick of cigarettes.
Global Flagship Brands (GFB)	GFB includes four Brands namely Winston, Camel, MEVIUS and LD.
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.
GFB volume	GFB volume is the volume of GFB combustibles and GFB snus products which are Winston, Camel, MEVIUS and LD. This excludes Winston and Camel in the USA.
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 equivalent. This excludes Ploom devices, Ploom related accessories, etc.
Total tobacco industry volume	Industry volume by number of sticks based on internal estimates. This excludes Water pipe, pipe tobacco, cigars, E-Vapor, Modern Oral and Traditional Oral.
Combustibles industry volume	Industry volume of combustibles by number of sticks based on internal estimates. This excludes Water pipe, pipe tobacco and cigars.
RRP industry volume	Industry volume of RRP by number of sticks based on internal estimates. This excludes E-Vapor, Modern Oral and Traditional Oral.
Share of Value (SoV)	Share of total retail value of the market, which is computed by multiplying volume and tax-included retail sales price. This excludes Water pipe, pipe tobacco, cigars, E-Vapor, Modern Oral and Traditional Oral.
Clusters	The JT Group's tobacco markets are divided into three distinctive clusters: Asia, Western Europe, EMA. Please note that these three clusters are specifically designed to provide insight into our business for guidance purposes only and do not reflect the JT Group's management structure. <ul style="list-style-type: none"> • Asia cluster includes the tobacco regions of Japan and Asia Pacific • EMA cluster includes the tobacco regions of Eastern Europe, MENEAT, Americas and Global Travel Retail
Global Travel Retail (GTR)	GTR is the denomination of the duty-free markets in the tobacco businesses. The performance of these markets is included in the EMA cluster.

Additional definitions are provided at <https://www.jt.com/media/glossary/index.html>

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Japan Tobacco Inc. (JT) is a global company headquartered in Tokyo, Japan. It is listed on the primary section of the Tokyo Stock Exchange (ticker: 2914.T). JT Group has approximately 53,000 employees and 61 factories worldwide, operating in two business segments: tobacco and processed food. Within the tobacco business, the largest segment, products are sold in over 130 markets and its flagship brands include Winston, Camel, MEVIUS, and LD. The Group is committed to investing in Reduced-Risk Products and markets its heated tobacco products under its Ploom brand.

Consumers, shareholders, employees, and society are the four stakeholder groups (4S) at the heart of all of JT Group's activities. Inspired by its "Fulfilling Moments, Enriching Life" purpose, the Group aims to ensure sustainable and valuable contributions to its stakeholders over the long term. In addition to our two business segments, this goal is also supported by D-LAB, the JT Group's corporate R&D initiative, set up to search and create added-value business opportunities. For more information, visit <https://www.jt.com/>.

FORWARD-LOOKING STATEMENTS

This document 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.

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