



Tokyo, August 2, 2024

## **2024 Second Quarter Results**

### **2024 Second Quarter Highlights (vs. 2023 Second Quarter)**

- Revenue increased by 12.7% to JPY 1,569.9 billion.
- Core revenue at constant FX increased by 6.2% to JPY 1,422.4 billion.
- Adjusted operating profit at constant FX increased by 2.7% to JPY 454.8 billion.
- On a reported basis, adjusted operating profit increased by 2.3 % to JPY 453.1 billion.
- Operating profit increased by 4.6% to JPY 432.7 billion.
- Profit increased by 6.3% to JPY 305.2 billion.
- The Company announced to offer an interim dividend per share of JPY 97 as initially planned.

### **2024 Forecasts (vs. Initial Forecasts)**

- Revenue forecast is revised upward by JPY 93.0 billion, resulting in a 9.4% increase year on year.
- Core revenue at constant FX is revised upward by JPY 20.0 billion, resulting in a 4.7% increase year on year.
- Adjusted operating profit at constant FX is revised upward by JPY 17.0 billion, resulting in a 2.3% increase year on year.
- On a reported basis, adjusted operating profit is revised upward by JPY 22.0 billion, resulting in a 2.5% decrease year on year.
- Operating profit forecast is revised upward by JPY 12.0 billion, resulting in a 1.8% decrease year on year.
- Profit forecast is revised upward by JPY 20.0 billion, resulting in a 1.5% decrease year on year.
- Free cash flow is revised upward by JPY 16.0 billion, resulting in JPY 67.7 billion decrease year on year.
- As announced in the initial forecast, the Company plans to offer an annual dividend per share of JPY 194.

Please refer to 'Data Sheets' on page 13 for more financial figures.

### **Comments from Masamichi Terabatake, President and CEO of the JT Group:**

"The JT Group posted another strong set of results for the first half, driven by continued market share gains and solid pricing in the tobacco business.

Total volume increased by 2.0% year-on-year, with combustibles growing 1.7% and RRP up by a strong 25.5%. RRP volume was mainly driven by Ploom in the HTS segment, our investment priority, resulting in RRP-related revenue increasing by approximately 29% year-on-year.

In the Japanese market, Ploom volume increased approximately 36% year-on-year, growing at a faster pace than total HTS demand in the market. Additionally, the geo-expansion of Ploom has now reached 21 markets, with sales volumes in markets outside Japan also steadily increasing.

For the full-year performance forecast, we have revised our adjusted operating profit at constant FX upward, reflecting the positive momentum in the first half. On a reported basis, we have also revised our forecast upward, considering the continued impact of the current positive foreign exchange trend.

The dividend per share guidance for the full year remains unchanged taking into account our dividend policy at 194 yen per share. The interim dividend is 97 yen per share.

Amid the uncertainty and complexity impacting our operating environment, the JT Group will continue to take appropriate business decisions in accordance with the 4S model\*, our management principle, and work as one team to achieve our business plan. We will also continue to make efforts to bring to life our JT Group Purpose\*\* and the Purpose of each business."

\* 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 [https://www.it.com/about/management\\_principles/index.html](https://www.it.com/about/management_principles/index.html)

\*\* The JT Group Purpose “Fulfilling Moments, Enriching Life” is designed to clarify the direction to being a sustainable entity. 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 with this area by society and make valuable contributions in the future

#### **Investors’ Meeting**

A conference call with members of the investor community will be held on August 2, 2024 at 5:00pm Tokyo time. An on-demand audio recording of this conference will be available on our website ([https://www.it.com/investors/results/presentation\\_financial](https://www.it.com/investors/results/presentation_financial)). For detailed information on the consolidated financial results, please visit the Company’s website (<https://www.it.com/investors/>).

#### **Note on Hyperinflationary Adjustments**

The results for fiscal year 2023 and fiscal year 2024 as well as the forecasts for fiscal year 2024 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 Q2 2024, the markets impacted by hyperinflationary accounting and hyperinflation include those in Ethiopia, Iran, Sudan and Turkey.

## Q2 2024 Quarter Results

### Consolidated Results

(billions of JPY)	Q2 2024	Q2 2023	Variance	2024 YTD	2023 YTD	Variance
<b>Revenue</b>	<b>829.6</b>	727.5	+14.0%	<b>1,569.9</b>	1,392.8	+12.7%
<b>Adjusted operating profit</b>	<b>226.4</b>	219.5	+3.1%	<b>453.1</b>	442.8	+2.3%
<b>Operating profit</b>	<b>216.8</b>	207.2	+4.7%	<b>432.7</b>	413.6	+4.6%
<b>Profit</b>	<b>147.9</b>	142.3	+3.9%	<b>305.2</b>	287.0	+6.3%
<b>Core revenue at constant FX</b>	<b>745.7</b>	698.9	+6.7%	<b>1,422.4</b>	1,339.0	+6.2%
<b>Adjusted operating profit at constant FX</b>	<b>223.8</b>	219.5	+2.0%	<b>454.8</b>	442.8	+2.7%

### Q2 2024

- **Revenue**  
Revenue increased by 14.0%, mainly driven by the increase in the tobacco business. At constant FX, core revenue increased by 6.7%.
- **Adjusted operating profit**  
Adjusted operating profit increased by 3.1%, driven by the increase in the tobacco and processed food businesses. At constant FX, adjusted operating profit increased by 2.0%.
- **Operating profit**  
Operating profit increased by 4.7%, driven by the increase in adjusted operating profit, as well as by reduced amortization of trademark rights in the adjusted items.
- **Profit**  
Profit increased by 3.9%, driven by the increase in operating profit.

### 2024 YTD

- **Revenue**  
Revenue increased by 12.7%, mainly driven by the increase in the tobacco business. At constant FX, core revenue increased by 6.2%.
- **Adjusted operating profit**  
Adjusted operating profit increased by 2.3%, driven by the increase in the tobacco and processed food businesses. At constant FX, adjusted operating profit increased by 2.7%.
- **Operating profit**  
Operating profit increased by 4.6%, driven by the increase in adjusted operating profit, as well as by reduced amortization of trademark rights in the adjusted items.
- **Profit**  
Profit increased by 6.3%, driven by the increase in operating profit and lower financing costs.

## Results by Business Segment

### Tobacco Business

(billions of JPY)	Q2 2024	Q2 2023	Variance	2024 YTD	2023 YTD	Variance
<b>Core revenue</b>	<b>738.5</b>	638.1	+15.7% (+7.6%)*	<b>1,391.8</b>	1,217.2	+14.3% (+7.1%)*
<b>Adjusted operating profit</b>	<b>240.2</b>	225.0	+6.7% (+5.6%)*	<b>472.1</b>	450.2	+4.9% (+5.3%)*
<b>Reference</b> (billions of units, billions of JPY)						
<b>Total volume</b>	<b>142.0</b>	139.2	+2.0%	<b>274.9</b>	269.3	+2.0%
<b>Combustibles volume</b>	<b>139.3</b>	137.0	+1.6%	<b>269.6</b>	265.2	+1.7%
<b>RRP volume</b>	<b>2.7</b>	2.1	+25.7%	<b>5.2</b>	4.2	+25.5%
<b>RRP-related revenue</b>	<b>26.9</b>	19.2	+40.1%	<b>50.7</b>	39.5	+28.6%

\*At constant FX

- The tobacco business delivered another set of strong results in the second quarter, fueled by ongoing market share momentum and a solid pricing contribution to core revenue and adjusted operating profit. As a result, year-to-date performance is robust, enabling the appropriate levels of investment to expand our presence in HTS, with Ploom now available in 21 markets.

### Q2 2024

- Core revenue and adjusted operating profit**  
Core revenue increased by 15.7%, and by 7.6% at constant FX, mostly driven by a strong price/mix contribution of JPY 46.0 billion from all clusters, supported by favorable currency movements. RRP-related revenue grew by a strong 40.1%, fueled by Japan and launched markets. Adjusted operating profit increased by 6.7%, and by 5.6% at constant FX, as the positive price/mix contribution more than offset a negative geographic mix and higher costs partly related to the Ploom geo-expansion.
- Volume and Market share**  
Total volume increased by 2.0%, driven by solid growth in the Asia and EMA clusters, partially offset by impacts from lower industry volume in Western Europe. Volume in the combustibles category grew by 1.6%, mainly fueled by Global Flagship Brands, with Camel up by +8.5%. In the RRP category, volume grew by 25.7%, mainly driven by Ploom's continued growth in Japan (+36.3%) and the incremental contribution from launched markets.  
Market share gains continued, including in the key markets of Italy, the Philippines and Taiwan.

### 2024 YTD

- Core revenue and adjusted operating profit**  
Core revenue increased by 14.3%, and by 7.1% at constant FX, driven by a robust price/mix contribution of JPY 89.2 billion from all clusters, and favorable currency movements, more than offsetting a negative geographic mix variance of JPY 2.5 billion in the Asia and Western Europe clusters. RRP-related revenue grew by 28.6%, mainly fueled by the Ploom volume increase. Adjusted operating profit increased by 4.9%, and by 5.3% at constant FX, driven by the solid price/mix contribution, more than offsetting the negative geographic mix, unfavorable currency movements, as

well as the impact of product cost increases and increased investment in the geo-expansion of Ploom.

- **Volume and Market share**

Continued market share gains and the growing RRP contribution led to total volume increasing by 2.0%, or 2.1% excluding inventory movements. Solid growth in the EMA cluster was partially offset by a decline in Asia and Western Europe, due to lower industry volumes. Combustibles volume increased by 1.7%, with GFB volume up by 4.0%, notably Winston (+5.0%) and Camel (+9.5%). RRP volume grew by 25.5%, driven by Ploom increasing volume by 35.5% in Japan and by over 2.5 times outside of Japan.

Market share gains continued in many markets, including the key markets of Italy, the Philippines, Russia and Taiwan.

## Tobacco Business Performance Review by Cluster

### Asia

(billions of JPY)	2024 YTD	2023 YTD	Variance
<b>Core revenue</b>	<b>406.1</b>	392.6	+3.5% (-0.2%)*
<b>Adjusted operating profit</b>	<b>140.4</b>	145.2	-3.2% (-2.1%)*
<b>Reference</b> (billions of units)			
<b>Total volume</b>	<b>62.7</b>	63.5	-1.2%

\*At constant FX

- **Core revenue and adjusted operating profit**

Core revenue increased by 3.5%, driven by favorable currency movements. At constant FX, core revenue decreased by 0.2%, as the positive price/mix contribution could not offset the negative volume variance, mainly in Japan and the Philippines.

Adjusted operating profit decreased by 3.2%, and by 2.1% at constant FX, as the positive price/mix contribution could not offset a negative volume variance, increased costs and unfavorable currency movements.

- **Volume and market share**

Total volume decreased by 1.2%, mainly due to lower combustibles industry volume in the key markets of Japan, the Philippines and Taiwan, more than offsetting growth in Bangladesh, Indonesia and Myanmar. GFB volume increased by 1.6%, benefiting from the strong Camel growth in the Philippines. Market share increased in Bangladesh, Cambodia, Indonesia, Malaysia, the Philippines, Singapore, South Korea and Taiwan.

- **By market**

**In Japan**, share of segment increased in both combustibles and RRP, while total volume decreased by 2.2%, driven by a declining combustibles industry volume. Total tobacco market share was down to 41.4%.

In combustibles, while Camel volume expanded, volume decreased by 5.1%, due to a category industry volume contraction estimated at 6.7%.

In RRP, a category estimated at 42.1% (shipment basis) of the total tobacco industry size, volume increased by 21.3% and category share grew by 0.8ppt to 13.5%. Within the HTS segment, Ploom

volume grew by 35.5% and continued to gain share, reaching an HTS segment share of 11.2%, up by 1.7ppt.

Core revenue decreased due to the negative contribution from both volume and price/mix.

**In the Philippines**, total volume decreased by 6.2%, due to a large industry volume decline partially offset by solid market share gains. GFB volume increased by a strong 16.9%, fueled by Camel. Total tobacco market share grew by an estimated 2.2ppt to 43.7%.

Core revenue at constant FX increased, driven by a favorable price/mix contribution offsetting the negative volume variance.

**In Taiwan**, total and GFB volumes decreased by 0.8% and 0.7%, respectively, due to industry volume contraction partially offset by continued market share gains. Total tobacco market share increased by 0.7ppt to 50.8%, driven by gains from most brands, including MEVIUS and LD.

Core revenue at constant FX increased, driven by a favorable price/mix contribution offsetting the negative volume variance.

## Western Europe

(billions of JPY)	2024 YTD	2023 YTD	Variance
<b>Core revenue</b>	<b>354.4</b>	303.0	+17.0% (+2.8%)*
<b>Adjusted operating profit</b>	<b>149.9</b>	137.9	+8.7% (-3.8%)*
<b>Reference</b> (billions of units)			
<b>Total volume</b>	<b>52.0</b>	53.5	-2.8%

\*At constant FX

- Core revenue and adjusted operating profit**  
 Core revenue increased by 17.0%, driven by favorable currency movements and a positive price/mix contribution, mainly in France, Germany, Spain and the UK, more than offsetting the negative volume variance, primarily in the UK. At constant FX, core revenue increased by 2.8%.  
 Adjusted operating profit increased by 8.7%, driven by favorable currency movements. At constant FX, adjusted operating profit decreased by 3.8%, as the favorable price/mix contribution could not offset a negative volume variance and increased costs, including investments to support the expansion of Ploom.
- Volume and market share**  
 Despite continued market share gains, total and GFB volumes decreased by 2.8% and 0.3%, respectively, mainly due to industry volume contraction across the cluster, notably in the UK. Market share increased in France, Ireland, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Portugal and Switzerland.
- By market**  
**In Italy**, total volume increased by 8.3%, and 4.5% when excluding inventory movements, driven by market share gains and the growing Ploom volume contribution, supported by an industry volume increase. GFB volume grew by 7.2%, fueled by Winston and Camel. Total tobacco market share increased by 0.7ppt to 23.7%.  
 Core revenue at constant FX increased, driven by the favorable volume variance, more than offsetting a negative price/mix contribution.

**In Spain**, Camel fueled a GFB volume increase of 2.0%, while total volume decreased by 0.3%, and 4.2% when excluding inventory movements, mainly due to industry contraction and a lower total market share. Total tobacco market share decreased by 0.4ppt to 27.7%.

Core revenue at constant FX increased, driven by a favorable price/mix variance.

**In the UK**, total volume declined by 17.0%, due to the significant industry volume contraction resulting from excise tax-led price increases. Total tobacco market share declined by 1.3ppt to 43.0%, despite gains by Benson & Hedges.

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

## EMA

(billions of JPY)	2024 YTD	2023 YTD	Variance
<b>Core revenue</b>	<b>631.3</b>	521.7	+21.0% (+15.1%)*
<b>Adjusted operating profit</b>	<b>181.7</b>	167.2	+8.7% (+19.1%)*

### Reference (billions of units)

<b>Total volume</b>	<b>160.1</b>	152.4	+5.1%
---------------------	--------------	-------	-------

\*At constant FX

- **Core revenue and adjusted operating profit**

Core revenue increased by 21.0%, and by 15.1% at constant FX, driven by a positive volume variance, mainly in Global Travel Retail and Russia, a solid price/mix contribution, primarily in Canada, Egypt, Global Travel Retail, Kazakhstan, Romania, Russia and Ukraine, and favorable currency movements. Adjusted operating profit grew by 8.7%, as the revenue growth more than offset a higher costs variance and unfavorable currency movements. At constant FX, adjusted operating profit increased by 19.1%.

- **Volume and market share**

Total and GFB volumes increased by 5.1% and 6.3%, respectively, mainly driven by Brazil, Egypt, Iran, Russia, Saudi Arabia, Turkey and the ongoing growth in Global Travel Retail. Market share increased in Algeria, Azerbaijan, Brazil, Bulgaria, Canada, the Czech Republic, Iran, Jordan, Mexico, Poland, Russia, Serbia, the Slovak Republic, South Africa and the USA.

- **By market**

**In Romania**, despite GFB volume growing by 3.4%, total volume decreased by 2.2%, due to intensifying competition in the value price segment. Total tobacco market share declined 1.6ppt to 25.7%, although Camel continued to gain share.

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

**In Russia**, total volume grew by 5.7%, and by 3.7% when excluding inventory movements, driven by market share gains in an industry volume estimated to increase by 2.0%. GFB volume grew by 9.3%, fueled by Winston and Camel. Total tobacco market share reached 37.3%, gaining 0.3ppt.

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

**In Turkey**, total volume grew by 6.1%, and by 8.7% when excluding inventory movements, supported

by a higher industry volume due to improved consumption. GFB volume increased by 3.7%, fueled by Winston and LD. Total tobacco market share decreased by 0.4ppt to 27.3%.  
Core revenue at constant FX grew, driven by favorable volume and price/mix contributions.

*Source: the figures for total tobacco market share and industry volume variances are based on JT Group estimates on a year-to-date average. Year-to-date share of market growth for 2024 is calculated against year-to-date shares of market at the end of the respective period in 2023, except for Algeria, Azerbaijan, Lithuania, Spain and Switzerland, which are on a year-to-date period at the end of May 2024, and the Philippines, which is on a year-to-date period at the end of April 2024.*

*Year-to-date industry volume variance for 2024 is calculated against year-to-date industry volume at the end of the respective period in 2023, except for Turkey which is on a year-to-date period at the end of May 2024.*



## Pharmaceutical Business

(billions of JPY)	Q2 2024	Q2 2023	Variance	2024 YTD	2023 YTD	Variance
<b>Revenue</b>	<b>20.7</b>	22.7	-2.0	<b>44.1</b>	47.7	-3.6
<b>Adjusted operating profit</b>	<b>0.2</b>	3.1	-3.0	<b>4.0</b>	10.0	-6.1

### Q2 2024

- **Revenue and adjusted operating profit**

Revenue decreased, mainly due to the absence of one-time compensation gains from licensed compounds received in 2023, despite sales growth in the area of skin diseases and allergens at our consolidated subsidiary, Torii Pharmaceutical.

Adjusted operating profit decreased due to the absence of one-time compensation gains from licensed compounds in revenue and an increase in R&D expenditures.

### 2024 YTD

- **Revenue and adjusted operating profit**

Revenue and adjusted operating profit decreased for the same reasons given for the second quarter.

## Processed Food Business

(billions of JPY)	Q2 2024	Q2 2023	Variance	2024 YTD	2023 YTD	Variance
<b>Revenue</b>	<b>38.1</b>	37.8	+0.3	<b>73.8</b>	73.4	+0.4
<b>Adjusted operating profit</b>	<b>2.3</b>	1.5	+0.8	<b>4.4</b>	2.9	+1.4

### Q2 2024

- **Revenue and adjusted operating profit**

Revenue was broadly stable year on year, driven by a positive contribution from price revisions in the frozen and ambient foods, and the seasonings businesses implemented in the previous and current fiscal years, as well as a sales increase in the seasonings business. These factors offset the lower sales of household products as well as the impact of discontinuation of some products due to portfolio optimization in the frozen and ambient foods.

Adjusted operating profit increased, driven by the positive contribution from price revisions, offsetting an increase in raw material costs as well as unfavorable currency movements.

### 2024 YTD

- **Revenue and adjusted operating profit**

Revenue was broadly stable year on year for the same reasons highlighted in the second quarter.

Adjusted operating profit increased for the same reasons given for the second quarter.

## FY2024 Revised Forecasts

### Consolidated Forecasts

(billions of JPY)	2024 Revised Forecasts	2024 Initial Forecasts	Variance vs. Initial Forecasts	Variance vs. 2023 Results
<b>Revenue</b>	<b>3,109.0</b>	3,016.0	+93.0	+9.4%
<b>Adjusted operating profit</b>	<b>710.0</b>	688.0	+22.0	-2.5%
<b>Operating profit</b>	<b>660.0</b>	648.0	+12.0	-1.8%
<b>Profit</b>	<b>475.0</b>	455.0	+20.0	-1.5%
<b>Free cash flow</b>	<b>376.0</b>	360.0	+16.0	-67.7 billion
<b>Core revenue at constant FX</b>	<b>2,856.0</b>	2,836.0	+20.0	+4.7%
<b>Adjusted operating profit at constant FX</b>	<b>745.0</b>	728.0	+17.0	+2.3%
<b>Basic EPS* (JPY)</b>	<b>267.53</b>	256.29	+11.24	-1.5%

\*Based on profit

- **Revenue**  
Revenue forecast is revised upward by JPY 93.0 billion, resulting in a 9.4% increase year on year, driven by upward revisions across all businesses. At constant FX, core revenue is revised upward by JPY 20.0 billion, resulting in a 4.7% increase year on year.
- **Adjusted operating profit**  
Adjusted operating profit is revised upward by JPY 22.0 billion, driven by upward revisions of the tobacco and pharmaceutical businesses, resulting in a 2.5% decrease year on year. At constant FX, adjusted operating profit is revised upward by JPY 17.0 billion, resulting in a 2.3% increase year on year.
- **Operating profit**  
Operating profit is revised upward by JPY 12.0 billion, driven by upward revisions of adjusted operating profit which offset the increased costs in the adjusted items, resulting in a 1.8% decrease year on year.
- **Profit**  
Profit is revised upward by JPY 20.0 billion, resulting in a 1.5% decrease year on year, driven by an upward revision of operating profit as well as the lower financing costs.
- **Free cash flow**  
Free cash flow is revised upward by JPY 16.0 billion, resulting in a JPY 67.7 billion decrease year on year, driven by an upward revision in adjusted operating profit as well as improvement in working capital.

## Results by Business Segment

### Tobacco Business

(billions of JPY)	2024 Revised Forecasts	2024 Initial Forecasts	Variance vs. Initial Forecasts	Variance vs. 2023 Results
<b>Core revenue</b>	<b>2,747.0</b>	2,635.0	+112.0	+10.8% (+5.1%)*
<b>Adjusted operating profit</b>	<b>755.0</b>	725.0	+30.0	+0.7% (+5.4%)*

\*At constant FX

- **Core revenue and adjusted operating profit**

Core revenue forecast for the full year of 2024 is revised upward by JPY 112 billion, to reflect a strong first half in terms of robust pricing contributions, and a weak Japanese Yen. Taking into account this solid underlying performance, core revenue is now expected to increase by 10.8%, and by 5.1% at constant FX, versus 2023.

Adjusted operating profit forecast for the full year of 2024 is revised upward by JPY 30 billion, mainly reflecting the higher revenue contribution and contained supply chain cost increases. These factors will more than offset the incremental investments towards Ploom. As a result, adjusted operating profit is now expected to increase by 0.7%, and by 5.4% at constant FX, versus 2023.

- **Volume**

The forecast for total volume remains unchanged, despite the combustibles industry volume contraction in key markets, offset by continued market share gains and RRP volume expansion.

## Pharmaceutical Business

(billions of JPY)	2024 Revised Forecasts	2024 Initial Forecasts	Variance vs. Initial Forecasts	Variance vs. 2023 Results
<b>Revenue</b>	<b>93.0</b>	88.5	+4.5	-1.9
<b>Adjusted operating profit</b>	<b>7.0</b>	4.0	+3.0	-10.4

- **Revenue and adjusted operating profit**

Revenue is expected to decrease by JPY 1.9 billion versus the previous year due to the absence of one-time compensation gains from licensed compounds received in FY 2023 as well as lower overseas royalty income, although the revenue is revised upward by JPY 4.5 billion from the initial forecast, reflecting top-line growth at our consolidated subsidiary, Torii Pharmaceutical.

Adjusted operating profit is upwardly revised by JPY 3.0 billion due to an upward revision of revenue and SG&A management, while adjusted operating profit is expected to decrease by JPY 10.4 billion versus the previous year due to the decrease in revenue and an increase in R&D expenditures.

## Processed Food Business

(billions of JPY)	2024 Revised Forecasts	2024 Initial Forecasts	Variance vs. Initial Forecasts	Variance vs. 2023 Results
<b>Revenue</b>	<b>156.5</b>	156.0	+0.5	+2.6
<b>Adjusted operating profit</b>	<b>7.0</b>	7.0	-	+0.2

- **Revenue and adjusted operating profit**

Revenue is revised upward by JPY 0.5 billion, representing sales growth in the seasonings business. As a result, revenue is expected to grow by JPY 2.6 billion versus the previous year.

Adjusted operating profit remains unchanged from the initial forecast due to upward revision of revenue offsetting unfavorable currency movements, representing an increase of JPY 0.2 billion versus the previous year.

# Data Sheets

## Results for 2024 Second Quarter

### 1. Summary of consolidated results

(JPY BN)

	Q2 YTD 2024	Q2 YTD 2023	Variance (abs)	Variance (%)
Revenue	1,569.9	1,392.8	+177.1	+12.7%
Operating profit	432.7	413.6	+19.1	+4.6%
Adjusted operating profit	453.1	442.8	+10.2	+2.3%
Profit before income taxes	399.1	373.4	+25.6	+6.9%
Profit	305.2	287.0	+18.2	+6.3%
Basic EPS*(JPY)	171.89	161.70	+10.19	+6.3%

\*Based on profit

[Reference]

(JPY BN)

	Q2 YTD 2024	Q2 YTD 2023	Variance (abs)	Variance (%)
Core revenue at constant FX	1,422.4	1,339.0	+83.5	+6.2%
Adjusted operating profit at constant FX	454.8	442.8	+12.0	+2.7%

### 2. Results by business segment

(JPY BN)

	Q2 YTD 2024	Q2 YTD 2023	Variance (abs)	Variance (%)
Consolidated revenue	1,569.9	1,392.8	+177.1	+12.7%
Tobacco	1,451.4	1,271.0	+180.3	+14.2%
Core revenue	1,391.8	1,217.2	+174.6	+14.3%
Pharmaceutical	44.1	47.7	-3.6	-7.5%
Processed food	73.8	73.4	+0.4	+0.6%
Others	0.7	0.7	-0.1	-7.4%
Consolidated operating profit	432.7	413.6	+19.1	+4.6%
Tobacco	449.6	418.4	+31.2	+7.5%
Pharmaceutical	4.0	10.0	-6.1	-60.2%
Processed food	4.3	3.8	+0.6	+14.7%
Others/Elimination	-25.3	-18.7	-6.6	-
Adjustments, total	-20.4	-29.3	+8.9	
Tobacco	-22.5	-31.8	+9.3	
Pharmaceutical	-	-	-	
Processed food	-0.0	0.8	-0.9	
Others/Elimination	2.1	1.7	+0.4	
Consolidated adjusted operating profit	453.1	442.8	+10.2	+2.3%
Tobacco	472.1	450.2	+21.9	+4.9%
Pharmaceutical	4.0	10.0	-6.1	-60.2%
Processed food	4.4	2.9	+1.4	+48.0%
Others/Elimination	-27.4	-20.3	-7.1	-

## Results for 2024 Second Quarter

### 3. Depreciation and amortization\*

(JPY BN)

	Q2 YTD 2024	Q2 YTD 2023	Variance (abs)
Consolidated depreciation and amortization	74.7	74.7	+0.1
Tobacco	68.2	69.0	-0.8
Pharmaceutical	2.0	2.0	-0.0
Processed food	3.3	3.2	+0.2
Others/Elimination	1.3	0.5	+0.7

\*Excluding depreciation from lease transactions

### 4. Consolidated financial position

(JPY BN)

	2024 Jun. end	2023 Dec. end	Variance (abs)
Total assets	7,868.7	7,282.1	+586.6
Total equity	4,525.3	3,912.5	+612.8
Equity attributable to owners of the parent company	4,441.2	3,830.2	+611.1
BPS (attributable to owners of the parent company) (JPY)	2,501.31	2,157.46	+343.85

### 5. Liquidity and interest-bearing debt

(JPY BN)

	2024 Jun. end	2023 Dec. end	Variance (abs)
Liquidity	1,100.8	1,080.9	+19.9
Interest-bearing debt	1,152.5	1,142.3	+10.2

### 6. Consolidated cash flow

(JPY BN)

	Q2 YTD 2024	Q2 YTD 2023	Variance (abs)
Cash flows from operating activities	260.2	206.9	+53.3
Cash flows from investing activities	-28.7	-102.7	+74.0
Cash flows from financing activities	-267.5	-163.3	-104.2
Cash and cash equivalents, beginning of the period	1,040.2	866.9	+173.3
Foreign currency translation adj. on cash & cash equivalents	83.6	19.4	+64.2
Cash and cash equivalents, end of the period	1,087.8	827.2	+260.6
FCF	179.8	154.9	+24.9

### 7. Capital expenditures

(JPY BN)

	Q2 YTD 2024	Q2 YTD 2023	Variance (abs)
Consolidated capital expenditures	58.2	46.8	+11.4
Tobacco	50.3	40.2	+10.1
Pharmaceutical	5.3	3.6	+1.8
Processed food	1.7	2.0	-0.3
Others/Elimination	0.9	1.0	-0.1

### 8. Tobacco business FX rate

	Q2 YTD 2024	Q2 YTD 2023	Variance (abs)	Variance (%)
100JPY/USD	0.66	0.74	-0.08	+12.7%
100JPY/RUB	59.67	56.97	+2.70	-4.5%
100JPY/GBP	0.52	0.60	-0.08	+15.7%
100JPY/EUR	0.61	0.69	-0.08	+12.7%
100JPY/CHF	0.58	0.68	-0.09	+15.7%
100JPY/TWD	20.97	22.65	-1.67	+8.0%
100JPY/PHP	37.41	40.95	-3.54	+9.5%

**FY2024 Revised Forecasts vs FY2023  
(as of August 2, 2024)**

**1. Summary of consolidated forecasts**

(JPY BN)

	FY2024 Revised Forecasts	FY2023 Results	Variance (abs)	Variance (%)
Revenue	3,109.0	2,841.1	+267.9	+9.4%
Operating profit	660.0	672.4	-12.4	-1.8%
Adjusted operating profit	710.0	728.0	-18.0	-2.5%
Profit	475.0	482.3	-7.3	-1.5%

[Reference]

(JPY BN)

	FY2024 Revised Forecasts	FY2023 Results	Variance (abs)	Variance (%)
Core revenue at constant FX	2,856.0	2,728.8	+127.2	+4.7%
Adjusted operating profit at constant FX	745.0	728.0	+17.0	+2.3%

**2. EPS, DPS, ROE**

(JPY)

	FY2024 Revised Forecasts	FY2023 Results	Variance (abs)	Variance (%)
Basic EPS*	267.53	271.69	-4.16	-1.5%
DPS	194	194	-	-
Dividend payout ratio*	72.5%	71.4%		
ROE*	11.8%	13.1%	-1.3ppt	

\*Based on profit

**3. Forecasts by business segment**

(JPY BN)

	FY2024 Revised Forecasts	FY2023 Results	Variance (abs)	Variance (%)
Consolidated revenue	3,109.0	2,841.1	+267.9	+9.4%
Tobacco	2,858.0	2,590.9	+267.1	+10.3%
Core revenue	2,747.0	2,478.6	+268.4	+10.8%
Pharmaceutical	93.0	94.9	-1.9	-2.0%
Processed food	156.5	153.9	+2.6	+1.7%
Others	1.5	1.4	+0.1	+4.3%
Consolidated operating profit	660.0	672.4	-12.4	-1.8%
Tobacco	699.0	677.1	+21.9	+3.2%
Pharmaceutical	7.0	17.4	-10.4	-59.8%
Processed food	7.0	7.7	-0.7	-9.0%
Others/Elimination	-53.0	-29.8	-23.2	-
Consolidated adjusted operating profit	710.0	728.0	-18.0	-2.5%
Tobacco	755.0	749.8	+5.2	+0.7%
Pharmaceutical	7.0	17.4	-10.4	-59.8%
Processed food	7.0	6.8	+0.2	+2.2%
Others/Elimination	-59.0	-46.0	-13.0	-



**FY2024 Revised Forecasts vs FY2023  
(as of August 2, 2024)**

**4. Free cash flow**

(JPY Bn)

	FY2024 Revised Forecasts	FY2023 Results	Variance (abs)
FCF	376.0	443.7	-67.7

**5. Capital expenditures**

(JPY Bn)

	FY2024 Revised Forecasts	FY2023 Results	Variance (abs)
Consolidated capital expenditures	164.0	125.4	+38.6
Tobacco	142.0	105.1	+36.9
Pharmaceutical	10.0	7.3	+2.7
Processed food	10.0	5.8	+4.2
Others/Elimination	2.0	7.1	-5.1

**6. Assumptions of 2024 Forecasts**

Tobacco business

- Total volume: a decrease of approx. 0.5~1.0% (vs. 540.1 BnU in 2023)
- GFB volume: flat to an increase of 0.5% (vs. 389.8 BnU in 2023)

<Tobacco Business FX assumptions>

	FY2024 Revised Forecasts	FY2023 Results	Variance (abs)	Variance (%)
100YEN / USD	0.65	0.71	-0.06	+9.4%
100YEN / RUB	59.60	60.44	-0.84	+1.4%
100YEN / GBP	0.52	0.57	-0.05	+10.3%
100YEN / EUR	0.61	0.66	-0.05	+8.1%
100YEN / CHF	0.58	0.64	-0.06	+10.5%
100YEN / TWD	21.00	22.18	-1.18	+5.6%
100YEN / PHP	37.20	39.63	-2.43	+6.5%

**FY2024 Revised Forecasts  
vs Initial Forecasts  
(as of August 2, 2024)**

**1. Summary of consolidated forecasts**

(JPY BN)

	FY2024 Revised Forecasts	FY2024 Initial Forecasts	Variance (abs)	Variance (%)
Revenue	3,109.0	3,016.0	+93.0	+3.1%
Operating profit	660.0	648.0	+12.0	+1.9%
Adjusted operating profit	710.0	688.0	+22.0	+3.2%
Profit	475.0	455.0	+20.0	+4.4%

[Reference]

(JPY BN)

	FY2024 Revised Forecasts	FY2024 Initial Forecasts	Variance (abs)	Variance (%)
Core revenue at constant FX	2,856.0	2,836.0	+20.0	+0.7%
Adjusted operating profit at constant FX	745.0	728.0	+17.0	+2.3%

**2. EPS, DPS, ROE**

(JPY)

	FY2024 Revised Forecasts	FY2024 Initial Forecasts	Variance (abs)	Variance (%)
Basic EPS*	267.53	256.29	+11.24	+4.4%
DPS	194	194	-	-
Dividend payout ratio*	72.5%	75.7%		
ROE*	11.8%	11.6%	+0.2ppt	

\*Based on profit

**3. Forecasts by business segment**

(JPY BN)

	FY2024 Revised Forecasts	FY2024 Initial Forecasts	Variance (abs)	Variance (%)
Consolidated revenue	3,109.0	3,016.0	+93.0	+3.1%
Tobacco	2,858.0	2,770.0	+88.0	+3.2%
Core revenue	2,747.0	2,635.0	+112.0	+4.3%
Pharmaceutical	93.0	88.5	+4.5	+5.1%
Processed food	156.5	156.0	+0.5	+0.3%
Others	1.5	1.5	-	-
Consolidated operating profit	660.0	648.0	+12.0	+1.9%
Tobacco	699.0	679.0	+20.0	+2.9%
Pharmaceutical	7.0	4.0	+3.0	+75.0%
Processed food	7.0	7.0	-	-
Others/Elimination	-53.0	-42.0	-11.0	-
Consolidated adjusted operating profit	710.0	688.0	+22.0	+3.2%
Tobacco	755.0	725.0	+30.0	+4.1%
Pharmaceutical	7.0	4.0	+3.0	+75.0%
Processed food	7.0	7.0	-	-
Others/Elimination	-59.0	-48.0	-11.0	-

**FY2024 Revised Forecasts  
vs Initial Forecasts  
(as of August 2, 2024)**

**4. Free cash flow**

(JPY BN)

	FY2024 Revised Forecasts	FY2024 Initial Forecasts	Variance (abs)
FCF	376.0	360.0	+16.0

**5. Capital expenditures**

(JPY BN)

	FY2024 Revised Forecasts	FY2024 Initial Forecasts	Variance (abs)
Consolidated capital expenditures	164.0	154.0	+10.0
Tobacco	142.0	134.0	+8.0
Pharmaceutical	10.0	9.0	+1.0
Processed food	10.0	10.0	-
Others/Elimination	2.0	1.0	+1.0

**6. Assumption of 2024 Forecasts**

Tobacco business	Revised Forecasts	Initial Forecasts
Total volume	a decrease of approx. 0.5~1.0% vs. 2023	a decrease of approx. 0.5~1.0% vs. 2023
GFB volume	flat to an increase of 0.5% vs. 2023	flat to an increase of 0.5% vs. 2023

<Tobacco Business FX assumptions>

	FY2024 Revised Forecasts	FY2024 Initial Forecasts	Variance (abs)	Variance (%)
100YEN / USD	0.65	0.69	-0.04	+6.2%
100YEN / RUB	59.60	63.45	-3.85	+6.5%
100YEN / GBP	0.52	0.54	-0.02	+3.8%
100YEN / EUR	0.61	0.63	-0.02	+3.3%
100YEN / CHF	0.58	0.59	-0.01	+1.7%
100YEN / TWD	21.00	21.40	-0.40	+1.9%
100YEN / PHP	37.20	38.60	-1.40	+3.8%

# Tobacco Business Data

## 1. Summary

2024	Q1	Q2	Q3	Q4	YTD	
<b>Total volume</b>	132.9	142.0			274.9	BNU
(vs. PY)	+2.1%	+2.0%			+2.0%	
<b>Combustibles volume</b>	130.3	139.3			269.6	BNU
(vs.PY)	+1.7%	+1.6%			+1.7%	
<b>GFB volume</b>	96.8	103.5			200.2	BNU
(vs.PY)	+6.3%	+2.0%			+4.0%	
<b>RRP volume</b>	2.5	2.7			5.2	BNU
(vs.PY)	+25.2%	+25.7%			+25.5%	
<b>Core revenue</b>	653.3	738.5			1,391.8	JPY BN
(vs. PY)	+12.8%	+15.7%			+14.3%	
	(+6.6%)*	(+7.6%)*			(+7.1%)*	
<b>RRP-related revenue</b>	23.9	26.9			50.7	JPY BN
(vs.PY)	+17.7%	+40.1%			+28.6%	
<b>Adjusted operating profit</b>	231.9	240.2			472.1	JPY BN
(vs. PY)	+3.0%	+6.7%			+4.9%	
	(+4.9%)*	(+5.6%)*			(+5.3%)*	

\*at constant FX

## 2. Breakdown of core revenue

(JPY BN)

	Q1	Q2	Q3	Q4	YTD
2023	579.1	638.1			1,217.2
Volume	-4.8	+2.4			-2.5
Price/Mix	+43.1	+46.0			+89.2
2024@PY	617.4	686.6			1,303.9
FX	+36.0	+52.0			+87.9
2024	653.3	738.5			1,391.8

## 3. Breakdown of adjusted operating profit

(JPY BN)

	Q1	Q2	Q3	Q4	YTD
2023	225.1	225.0			450.2
Volume	-9.0	-3.5			-12.5
Price/Mix	+40.7	+44.1			+84.8
Others	-20.6	-28.0			-48.6
2024@PY	236.2	237.7			473.8
FX	-4.3	+2.6			-1.7
2024	231.9	240.2			472.1

## Tobacco Business Data

### 4. Contribution by cluster (vs. PY)

#### Sales Volume (BNU)

Asia	Q1 2024		Q2 2024		Q3 2024	Q4 2024	YTD	
<b>Total volume</b>	30.7	-4.5%	32.0	+2.1%			62.7	-1.2%
<b>GFB volume</b>	20.3	-0.2%	21.2	+3.4%			41.6	+1.6%
<hr/>								
Western Europe	Q1 2024		Q2 2024		Q3 2024	Q4 2024	YTD	
<b>Total volume</b>	26.1	+0.2%	25.9	-5.7%			52.0	-2.8%
<b>GFB volume</b>	19.1	+4.0%	18.6	-4.3%			37.6	-0.3%
<hr/>								
EMA	Q1 2024		Q2 2024		Q3 2024	Q4 2024	YTD	
<b>Total volume</b>	76.1	+5.7%	84.1	+4.6%			160.1	+5.1%
<b>GFB volume</b>	57.4	+9.6%	63.7	+3.5%			121.0	+6.3%

#### Financials (JPY BN)

Asia	Q1 2024		Q2 2024		Q3 2024	Q4 2024	YTD	
<b>Core revenue</b>	199.5	+1.7%	206.6	+5.2%			406.1	+3.5%
		(-1.7%)*		(+1.4%)*				(-0.2%)*
<b>AOP</b>	73.6	-3.0%	66.9	-3.5%			140.4	-3.2%
		(-1.8%)*		(-2.5%)*				(-2.1%)*
<hr/>								
Western Europe	Q1 2024		Q2 2024		Q3 2024	Q4 2024	YTD	
<b>Core revenue</b>	172.6	+22.9%	181.8	+11.9%			354.4	+17.0%
		(+7.1%)*		(-1.0%)*				(+2.8%)*
<b>AOP</b>	78.8	+21.8%	71.1	-2.8%			149.9	+8.7%
		(+6.9%)*		(-13.2%)*				(-3.8%)*
<hr/>								
EMA	Q1 2024		Q2 2024		Q3 2024	Q4 2024	YTD	
<b>Core revenue</b>	281.2	+16.0%	350.1	+25.4%			631.3	+21.0%
		(+13.0%)*		(+17.0%)*				(+15.1%)*
<b>AOP</b>	79.5	-6.0%	102.3	+23.9%			181.7	+8.7%
		(+9.4%)*		(+29.0%)*				(+19.1%)*

\*at constant FX

## Tobacco Business Data

### 5. Breakdown of core revenue by cluster

(JPY BN)

Asia	Q1	Q2	Q3	Q4	YTD
2023	196.2	196.4			392.6
Volume	-9.6	+0.3			-9.3
Price/Mix	+6.3	+2.4			+8.6
2024@PY	192.8	199.1			392.0
FX	+6.7	+7.5			+14.2
2024	199.5	206.6			406.1

  

Western Europe	Q1	Q2	Q3	Q4	YTD
2023	140.5	162.5			303.0
Volume	-4.4	-10.8			-15.2
Price/Mix	+14.4	+9.1			+23.6
2024@PY	150.5	160.8			311.3
FX	+22.1	+21.0			+43.1
2024	172.6	181.8			354.4

  

EMA	Q1	Q2	Q3	Q4	YTD
2023	242.4	279.2			521.7
Volume	+9.2	+12.8			+22.0
Price/Mix	+22.4	+34.6			+57.0
2024@PY	274.0	326.6			600.6
FX	+7.2	+23.5			+30.6
2024	281.2	350.1			631.3

### 6. Breakdown of adjusted operating profit by cluster

(JPY BN)

Asia	Q1	Q2	Q3	Q4	YTD
2023	75.8	69.3			145.2
Volume	-8.2	+1.4			-6.8
Price/Mix	+7.2	+1.6			+8.8
Others	-0.3	-4.8			-5.1
2024@PY	74.5	67.6			142.0
FX	-0.9	-0.7			-1.6
2024	73.6	66.9			140.4

  

Western Europe	Q1	Q2	Q3	Q4	YTD
2023	64.7	73.1			137.9
Volume	-3.8	-10.3			-14.1
Price/Mix	+13.5	+9.1			+22.6
Others	-5.2	-8.4			-13.6
2024@PY	69.2	63.5			132.7
FX	+9.7	+7.6			+17.2
2024	78.8	71.1			149.9

  

EMA	Q1	Q2	Q3	Q4	YTD
2023	84.6	82.6			167.2
Volume	+3.0	+5.4			+8.4
Price/Mix	+20.0	+33.5			+53.5
Others	-15.0	-14.9			-29.9
2024@PY	92.5	106.6			199.1
FX	-13.1	-4.3			-17.4
2024	79.5	102.3			181.7

## Tobacco Business Data

### 7. GFB volume by brand (vs. PY)

(BNU)

2024	Q1	Q2	Q3	Q4	YTD
<b>Winston</b>	50.7 +9.8%	53.3 +0.8%			103.9 +5.0%
<b>Camel</b>	25.7 +10.5%	27.7 +8.5%			53.4 +9.5%
<b>MEVIUS</b>	10.2 -5.5%	11.1 -1.6%			21.3 -3.5%
<b>LD</b>	10.2 -5.8%	11.3 -3.7%			21.5 -4.7%

### 8. FX actual (vs. PY)

2024	Q1	Q2	Q3	Q4	YTD
<b>100JPY / USD</b>	0.67 +12.1%	0.64 +13.3%			0.66 +12.7%
<b>100JPY / RUB</b>	61.17 -10.1%	58.17 +1.4%			59.67 -4.5%
<b>100JPY / GBP</b>	0.53 +17.0%	0.51 +14.2%			0.52 +15.7%
<b>100JPY / EUR</b>	0.62 +13.4%	0.60 +12.0%			0.61 +12.7%
<b>100JPY / CHF</b>	0.59 +18.7%	0.58 +12.6%			0.58 +15.7%
<b>100JPY / TWD</b>	21.18 +8.4%	20.77 +7.5%			20.97 +8.0%
<b>100JPY / PHP</b>	37.71 +9.8%	37.11 +9.1%			37.41 +9.5%

# Tobacco Business Data

## 9. Key markets

Source: JT Group estimates

Total SoV and SoM are computed based on combustibles and heated tobacco products.

The Philippines and Spain are at the end of April and May 2024, respectively.

### Japan

#### Volume evolution

	(BNU)				
2024	Q1	Q2	Q3	Q4	YTD
<b>Total volume</b>	14.7	15.8			30.5
	-2.5%	-1.8%			-2.2%
<b>Combustibles volume</b>	12.7	13.6			26.3
	-5.5%	-4.7%			-5.1%
<b>RRP volume</b>	2.0	2.2			4.2
	+20.8%	+21.8%			+21.3%
<b>HTS volume</b>	1.6	1.7			3.3
	+34.7%	+36.3%			+35.5%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	41.2%	41.6%			41.4%	-1.4ppt
<b>Combustibles SoM</b>	35.5%	35.9%			35.7%	-2.3ppt
GFB (SoM)	24.8%	25.1%			24.9%	-1.6ppt
Winston (SoM)	3.3%	3.3%			3.3%	-0.6ppt
Camel (SoM)	6.2%	6.4%			6.3%	+0.3ppt
MEVIUS (SoM)	15.3%	15.4%			15.3%	-1.4ppt
Seven Stars (SoM)	4.5%	4.6%			4.5%	-0.2ppt
<b>RRP SoM*</b>	5.7%	5.7%			5.7%	+1.0ppt
<b>HTS SoS</b>	11.0%	11.4%			11.2%	+1.7ppt
<b>Total SoV</b>	41.4%	41.7%			41.6%	-1.3ppt

\*Data for RRP SoM reflects heated tobacco sticks (HTS) and infused tobacco capusles (Infused)

### The Philippines\*

#### Volume evolution

	(BNU)				
2024	Q1	Q2	Q3	Q4	YTD
<b>Total volume</b>	5.7	5.7			11.5
	-16.4%	+6.8%			-6.2%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	43.8%	43.4%			43.7%	+2.2ppt
GFB (SoM)	24.3%	24.6%			24.3%	+4.7ppt
Winston (SoM)	11.4%	11.1%			11.3%	-0.3ppt
Camel (SoM)	12.8%	13.5%			13.0%	+5.0ppt
<b>Total SoV</b>	42.1%	41.8%			42.0%	+3.3ppt

\*Data for SoM and SoV includes combustibles only

### Taiwan\*

#### Volume evolution

	(BNU)				
2024	Q1	Q2	Q3	Q4	YTD
<b>Total volume</b>	3.5	3.4			6.9
	-2.0%	+0.4%			-0.8%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	50.9%	50.7%			50.8%	+0.7ppt
GFB (SoM)	41.4%	41.2%			41.3%	+0.4ppt
Winston (SoM)	14.4%	13.7%			14.0%	-0.2ppt
MEVIUS (SoM)	19.1%	19.3%			19.2%	+0.4ppt
LD (SoM)	7.8%	8.2%			8.0%	+0.2ppt
<b>Total SoV</b>	54.6%	54.6%			54.6%	+0.5ppt

\*Data for SoM and SoV includes combustibles only



## Tobacco Business Data

### Italy

#### Volume evolution

					(BNU)
2024	Q1	Q2	Q3	Q4	YTD
<b>Total volume</b>	5.4	5.0			10.4
	+12.5%	+4.0%			+8.3%
<b>Combustibles volume</b>	5.4	4.9			10.3
	+11.8%	+3.5%			+7.7%
<b>RRP volume</b>	0.1	0.1			0.2
	+102.0%	+58.9%			+77.9%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	24.0%	23.4%			23.7%	+0.7ppt
GFB (SoM)	20.0%	18.8%			19.4%	+0.2ppt
Winston (SoM)	13.5%	12.3%			12.9%	+0.4ppt
Camel (SoM)	6.5%	6.5%			6.5%	-0.2ppt
<b>HTS SoS</b>	1.3%	1.5%			1.4%	+1.2ppt
<b>Total SoV</b>	23.4%	23.2%			23.3%	+0.4ppt

### Spain

#### Volume evolution

					(BNU)
2024	Q1	Q2	Q3	Q4	YTD
<b>Total volume</b>	4.0	3.8			7.8
	+7.1%	-7.1%			-0.3%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	27.4%	28.0%			27.7%	-0.4ppt
GFB (SoM)	25.5%	25.6%			25.5%	+0.0ppt
Winston (SoM)	14.3%	14.1%			14.2%	-0.3ppt
Camel (SoM)	11.2%	11.5%			11.3%	+0.3ppt
<b>Total SoV</b>	27.3%	27.9%			27.6%	-0.3ppt

### The UK

#### Volume evolution

					(BNU)
2024	Q1	Q2	Q3	Q4	YTD
<b>Total volume</b>	3.3	3.2			6.5
	-16.1%	-17.9%			-17.0%
<b>Combustibles volume</b>	3.3	3.1			6.4
	-16.5%	-18.8%			-17.7%
<b>RRP volume</b>	0.1	0.1			0.1
	+21.5%	+53.7%			+37.8%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	43.2%	42.9%			43.0%	-1.3ppt
GFB (SoM)	0.1%	0.1%			0.1%	-0.0ppt
Amber Leaf (SoM)	9.7%	9.5%			9.6%	-0.7ppt
Sterling (SoM)	11.3%	11.1%			11.2%	-1.5ppt
Benson & Hedges (SoM)	11.8%	12.0%			11.9%	+0.5ppt
<b>HTS SoS</b>	2.7%	3.0%			2.8%	+2.0ppt
<b>Total SoV</b>	44.2%	43.6%			43.9%	-1.1ppt

## Tobacco Business Data

### Romania

#### Volume evolution

					(BNU)	
2024	Q1	Q2	Q3	Q4	YTD	
<b>Total volume</b>	1.7	1.9			3.6	
	-2.6%	-1.9%				-2.2%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	25.7%	25.8%			25.7%	-1.6ppt
GFB (SoM)	17.1%	17.6%			17.4%	-0.1ppt
Winston (SoM)	10.6%	10.8%			10.7%	-1.1ppt
Camel (SoM)	6.5%	6.8%			6.7%	+1.3ppt
<b>Total SoV</b>	26.6%	26.7%			26.7%	-1.4ppt

### Russia

#### Volume evolution

					(BNU)	
2024	Q1	Q2	Q3	Q4	YTD	
<b>Total volume</b>	18.5	21.2			39.7	
	+5.3%	+6.1%				+5.7%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	37.1%	37.4%			37.3%	+0.3ppt
GFB (SoM)	29.9%	30.3%			30.1%	+1.6ppt
Winston (SoM)	13.6%	14.1%			13.9%	+1.5ppt
Camel (SoM)	8.8%	8.9%			8.8%	+0.5ppt
LD (SoM)	7.4%	7.2%			7.3%	-0.4ppt
<b>Total SoV</b>	38.8%	39.0%			38.9%	+0.8ppt

### Turkey \*

#### Volume evolution

					(BNU)	
2024	Q1	Q2	Q3	Q4	YTD	
<b>Total volume</b>	8.9	10.2			19.1	
	+23.1%	-5.4%				+6.1%

#### Share evolution

2024	Q1	Q2	Q3	Q4	YTD	Var.
<b>Total SoM</b>	27.3%	27.4%			27.3%	-0.4ppt
GFB (SoM)	24.8%	24.7%			24.8%	-0.7ppt
Winston (SoM)	17.0%	17.2%			17.1%	+0.1ppt
Camel (SoM)	5.7%	5.5%			5.6%	-0.7ppt
LD (SoM)	2.1%	2.0%			2.1%	-0.0ppt
<b>Total SoV</b>	26.4%	26.5%			26.4%	-0.1ppt

\*Data for SoM and SoV includes RMC only

## Pharmaceutical Business

### Clinical Development as of August 2, 2024

<In-house development>

Code (Generic Name)	Potential Indication/Dosage form	Mechanism		Phase (Region)	Origin	Note
JTE-052 (delgocitinib)	Autoimmune/allergic diseases /Oral, Topical	JAK inhibitor	Suppresses overactive immune response via inhibition of Janus kinase (JAK) related to immune signal.	Phase1 (Japan)	In-house	
JTE-051	Autoimmune/allergic diseases /Oral	Interleukin-2 inducible T cell kinase inhibitor	Suppresses overactive immune response via inhibition of the signal to activate T cells related to immune response.	Phase2(Japan)	In-house	
				Phase2 (Overseas)		
JTT-662	Type 2 diabetes mellitus /Oral	SGLT1 inhibitor	Suppresses postprandial hyperglycemia and normalizes blood glucose level via inhibition of SGLT1.	Phase1 (Overseas)	In-house	
JTT-861	Chronic heart failure /Oral	PDHK inhibitor	Improves cardiac function by activation of pyruvate dehydrogenase (PDH) related to carbohydrate metabolism.	Phase2 (Overseas)	In-house	
JTE-061 (tapinarof)	Atopic dermatitis (pediatric) /Topical	AhR modulator	Suppresses skin inflammation via activation of the aryl hydrocarbon receptor (AhR)	Phase3 (Japan)	In-license	<ul style="list-style-type: none"> <li>• In-license from Dermavant Sciences GmbH</li> <li>• Co-development with Torii</li> </ul>
JTC-064	Neurodegenerative disease /Oral	PDHK inhibitor	Improves metabolic abnormalities by activation of pyruvate dehydrogenase (PDH)	Phase1 (Overseas)	In-house	
JTV-161	Pulmonary arterial hypertension /Oral	Pim-1 inhibitor	Suppresses pulmonary vascular cell proliferation by inhibiting Pim-1	Phase1 (Overseas)	In-house	
JTE-162	Autoinflammatory/ Autoimmune diseases /Oral	NLRP3 inhibitor	Suppresses immune response by inhibition of NLRP3 inflammasome	Phase1 (Overseas)	In-house	

Clinical trial phase presented above is based on the first dose.

We are also conducting additional studies to examine the potential for use in additional dosage forms.

<Licensed compounds >

Compound (JT's code)	Licensee	Mechanism		Note
trametinib	Novartis	MEK inhibitor	Inhibits cellular growth by specifically inhibiting the activity of MAPK/ERK pathway.	
delgocitinib	LEO Pharma ROHTO Pharmaceutical	JAK inhibitor	Suppresses overactive immune response via inhibition of Janus kinase (JAK) related to immune signal.	
enarodustat	JW Pharmaceutical Salubris	HIF-PH inhibitor	Increases red blood cells by stimulating production of erythropoietin, an erythropoiesis-stimulating hormone, via inhibition of HIF-PH.	

Updates since the previous announcement on May 9, 2024

•JTE-061: Manufacturing and Marketing Approval of VTAMA® Cream 1% for the Treatment of Atopic Dermatitis and Plaque Psoriasis in Japan (June 24, 2024)

## Definitions

Terms	Definitions
Revenue	Revenue excluding tobacco excise taxes and revenue from agent transactions.
Core revenue at constant FX	The sum of revenues in the pharmaceutical business, processed food business, and others, as well as the core revenue in the tobacco business, which is computed using the same foreign exchange rates as in the equivalent period in the previous fiscal year. Results at constant FX are provided additionally and are not an alternative to financial reporting under International Financial Reporting Standards (IFRS).
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).
Profit	Profit attributable to owners of the parent company.
Core revenue	Core revenue includes all revenue excluding those from distribution, contract manufacturing and other peripheral businesses.
RRP-related revenue	Reduced-Risk Products (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, waterpipe, heated tobacco products, oral and E-Vapor.
Cigarettes	Also known as Ready-Made-Cigarettes (RMC)
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.
Cigarillo	Products rolled in tobacco-based paper with a similar format to ready-made cigarettes and classified as “cigars” under the Tobacco Business Act of Japan.
Reduced-Risk Products (RRP)	Products with the potential to reduce the risks associated with smoking. In JT's portfolio, these products include heated tobacco sticks (HTS), infused tobacco capsules (Infused), E-Vapor and Oral.
Heated tobacco products (HTP)	Products that contain tobacco leaf and create a tobacco-enriched vapor by heating electronically the tobacco, either directly or indirectly, without any combustion.

Heated tobacco sticks (HTS)	High temperature heated tobacco products. One stick is equivalent to a stick of cigarettes.
Infused tobacco capsules (Infused)	Low temperature heated tobacco products. One pack of consumables is equivalent to 20 sticks of cigarettes.
E-Vapor	Products which consumers use by heating electronically a nicotine based liquid that contains no tobacco leaf. One closed tank capsule is equivalent to 20 sticks of cigarettes. A 10ml open tank refill is equivalent to 100 sticks of cigarettes.
Oral	Products delivering nicotine in the form of a closed pouch. These pouches can contain tobacco and are known as snus. Without tobacco, these consumables are referred to as nicotine pouches. To deliver nicotine and flavor, these pouches are inserted between the consumer's lip and gum. One snus or nicotine pouch is equivalent to a stick of cigarettes.
GFB (Global Flagship Brands)	GFB includes four Brands namely Winston, Camel, MEVIUS and LD
Total volume	The volume of tobacco-based products which excludes contract-manufactured products, waterpipe, RRP devices and related accessories.
Combustibles volume	The shipment volume of combustibles which excludes contract-manufactured products, snus, waterpipe, heated tobacco products and E-Vapor.
GFB volume	GFB (Global Flagship Brands) volume is the volume of GFB combustibles and GFB snus products which are Winston, Camel, MEVIUS and LD.
RRP volume	Reduced-Risk Products (RRP) sales volume in cigarette-stick equivalent. This excludes RRP devices, RRP related accessories, etc.
Ploom volume	Sales volume of Ploom heated tobacco sticks (HTS). This excludes Ploom devices, Ploom related accessories, etc.
Share of Value (SoV)	Share of total retail value of the market, which is computed by multiplying volume and tax-included retail sales price.
Total tobacco industry volume	Industry volume by number of sticks based on internal estimates.
Combustibles industry volume	Industry volume of combustibles by number of sticks based on internal estimates.
RRP industry volume	Industry volume of Reduced-Risk Products (RRP) by number of sticks based on internal estimates.

Clusters	<p>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.</p> <ul style="list-style-type: none"> <li>• Asia cluster includes the tobacco regions of Japan and Asia Pacific</li> <li>• EMA cluster includes the tobacco regions of Eastern Europe, MENEAT, Americas and Global Travel Retail</li> </ul>
Global Travel Retail (GTR)	Global Travel Retail is the new denomination reflecting the combination of the duty-free markets from the previous Japanese-domestic tobacco and international tobacco businesses. The performance of these markets is included in the EMA cluster.
Liquidity	Cash and deposits + marketable securities + securities purchased under repurchase agreements
Interest-bearing debt	Short-term bank loans + commercial papers + bonds + long-term borrowings
Free cash flow (FCF)	<p>The sum of cash flows from operating activities and investing activities, excluding the following items:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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"</li> </ul>

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

###

*Japan Tobacco Inc. is a leading international tobacco and vaping company and its products are sold in over 130 markets. With approximately 53,000 employees, it manufactures and sells some of the world's best-known brands including Winston, Camel, MEVIUS and LD. The JT Group is committed to investing in Reduced-Risk Products (RRP) and currently markets its heated tobacco products under its Ploom brand and various e-cigarette products under its Logic brand. The Group is also present in the pharmaceutical and processed food businesses. 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.

Contact Information:

Media and Investor Relations Division  
Japan Tobacco Inc.

For Investors: [jt.ir@jt.com](mailto:jt.ir@jt.com)

For Media: [jt.media.relations@jt.com](mailto:jt.media.relations@jt.com)