



FOR IMMEDIATE RELEASE

Tokyo, March 10, 2025

**(Revision) Partial revisions of  
 “2024 Full Year Results & 2025 Forecasts (All Presentation)”**

Japan Tobacco Inc. (JT) (TSE: 2914) hereby announces that we have made certain revisions to “2024 Full Year Results & 2025 Forecasts (All Presentation)” announced on February 13, 2025.

1. Reason for revisions

As announced today in the "Notice Regarding Settlement of all Tobacco Claims against the JT Group's Canadian subsidiary, and Provision for Litigation Losses" JT Group will retroactively record a provision for litigation losses of 375.6 billion yen (approximately 3.4 billion Canadian dollars) in operating expenses as an adjusting subsequent event after the reporting period in the fiscal year ended December 2024. Accordingly, the Company will amend related slides.

2. Parts of revisions

The revisions are highlighted in red.

<Page 22: 2024 Consolidated Results>

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3. Attachments

The revised “2024 Full Year Results & 2025 Forecasts (All Presentation)” is attached.

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 62 factories worldwide, operating in three business segments: tobacco, pharmaceutical, 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 Moment, Enriching Life” purpose, the Group aims to ensure sustainable and valuable contributions to its stakeholders over the long term. In addition to our three 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/>.

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For Media Yunosuke Miyata, Director: [jt.media.relations@jt.com](mailto:jt.media.relations@jt.com)



# JT Group Business Plan 2025

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**Masamichi Terabatake**  
JT Group Chief Executive Officer

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

# FORWARD-LOOKING STATEMENTS



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

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

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

# Agenda



FY2024 Overview



Business Plan 2025



Sustainability



JT Group - Tobacco Business: Focus on FY 2024 Performance



JT Group 2024 Results & 2025 Forecasts



Closing Remarks

# FY2024 Overview

## Revenue and AOP\* reached record highs



- **Another year of consolidated AOP growth at constant FX, exceeding initial forecasts and prior year results**
  - **Tobacco**: Strong growth in revenue & AOP. AOP at constant FX increased 9.7% year-on-year
    - Combustibles: Continued market share momentum and strong pricing resulted in robust revenue growth. The successful acquisition of Vector Group Ltd. (VGR) drove AOP growth as well as the solid top-line
    - RRP: Volume and revenue increased driven by Ploom geo-expansion and steady SoS increase
  - **Pharmaceutical**: AOP decreased due to the absence of one-time compensation gains from licensed compounds as well as lower overseas royalty income
  - **Processed Food**: AOP increased driven by positive contribution from price revisions, as well as sales increase in the seasonings business

vs 2023

At constant FX:

- ✓ Consolidated Core Revenue: **+8.4%**
- ✓ Consolidated AOP: **+7.5%**

vs 2024  
Initial forecast

At constant FX:

- ✓ Consolidated Core Revenue: **+4.3%**
- ✓ Consolidated AOP: **+7.5%**

- **DPS: JPY 194 (planned)**

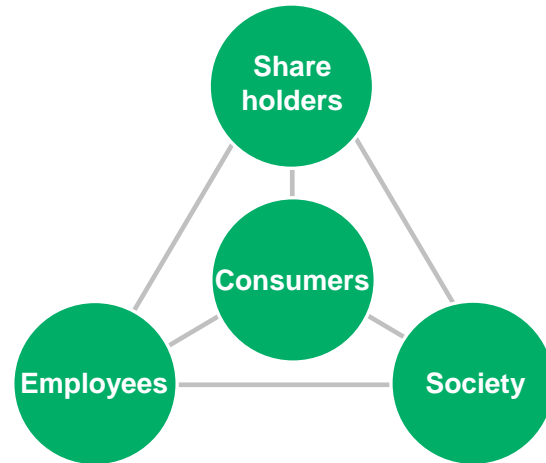
# Business Plan 2025

## 4S Model and JT Group Purpose guide our resource allocation



### Resource allocation policy

- Prioritize business investments for sustainable profit growth in the mid- to long-term
- Strike a balance between profit growth through business investments, and shareholder returns



Fulfilling  
Moments,  
Enriching Life



### Shareholder return policy

- Enhance shareholder returns by delivering mid- to long-term profit growth while maintaining a strong financial base<sup>1)</sup>
- Target a dividend payout ratio of about 75%<sup>2)</sup>, a competitive level<sup>3)</sup> 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

Note: 1) The Group will maintain a strong financial base that secures stability in case of changes in the business environment such as economic crises and flexibility enabling expeditious responses to business investment opportunities 2) To be in the range of approximately  $\pm 5\%$  3) 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

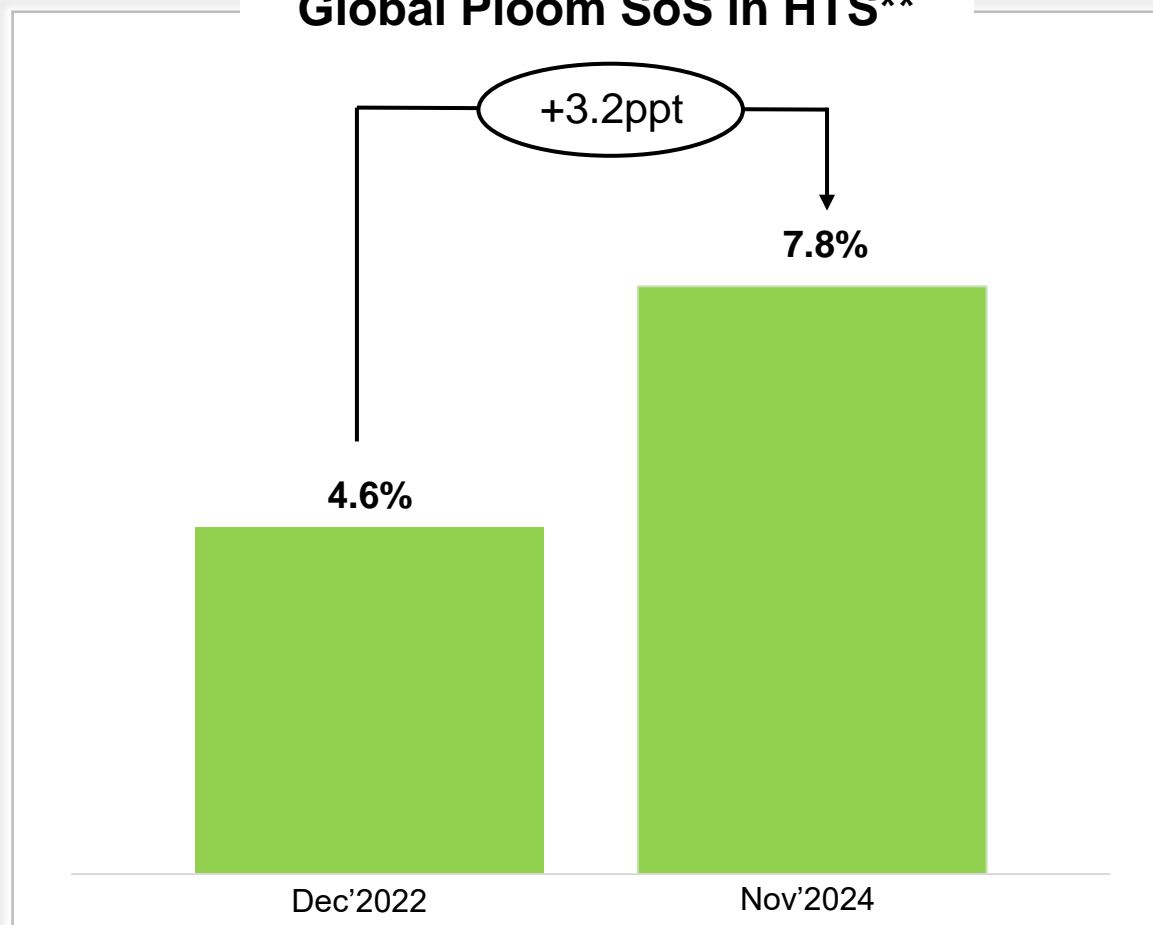
***Tobacco business : Core profit driver to enable mid- to long-term sustainable profit growth***

Combustibles	RRP	Capability
<p data-bbox="290 629 830 672"><u>Continuously improve ROI</u></p> <ul data-bbox="226 811 856 1172" style="list-style-type: none"><li>• Continuous top-line growth through pricing and SoM gain</li><li>• Maintain efforts to optimize costs</li><li>• Strive to deliver profitability and margin improvement</li></ul>	<p data-bbox="978 629 1569 772"><u>Prioritize investments in HTS and strive to achieve 2028 ambitions*</u></p> <ul data-bbox="945 811 1556 1190" style="list-style-type: none"><li>• Commit business resources towards HTS growth and establish a future profit growth engine</li><li>• Explore future growth opportunities in the other RRP segments</li></ul>	<p data-bbox="1742 629 2237 722"><u>Strengthen the business foundations</u></p> <ul data-bbox="1663 811 2300 1219" style="list-style-type: none"><li>• Consumer-centric approach</li><li>• Strong pipeline of development, mainly in RRP category</li><li>• Continue strengthening company wide strategic capabilities and manage key risks</li></ul>

Note: \*By the end of 2028, 1) reach mid-teens HTS SoS in key markets, including Japan and Italy 2) achieve break-even across the RRP category



Global Ploom SoS in HTS\*\*



Note: \*By the end of 2028, 1) reach mid-teens HTS SoS in key markets, including Japan and Italy  
2) achieve break-even across the RRP category  
\*\*13 markets where Ploom has at least 12 month of presence

- Ploom share gains continued, reaching an estimated 7.8% across our measured footprint (+3.2ppt vs. 2022)
  - On track with our 2028 ambition to reach mid-teens HTS SoS
- Improved awareness of Ploom across launched markets. Learnings and positive consumer feedback, greatly fine tuning our go-to market approach
- Continue RRP investment during Business Plan 2025, mainly towards marketing activities
  - Return on the RRP investments expected to develop over the plan period, in line with plan to break-even in 2028

***Pharmaceutical and Processed food businesses : Complement JT Group's profit growth***  
***D-LAB : Support the realization of JT Group Purpose and identify future growth opportunities***

<b>Pharmaceutical Business</b>	<p><b>Focus on R&amp;D towards next-generation strategic products and maximize value of each product</b></p> <ul style="list-style-type: none"><li>• Strengthen revenue foundation within Japanese domestic market and initiatives for improving profitability</li><li>• Reinforce drug discovery capabilities and build a unique pipeline</li><li>• Improve productivity by optimizing mid- to long-term business foundation</li></ul>
<b>Processed Food Business</b>	<p><b>Realize profitable top-line growth</b></p> <ul style="list-style-type: none"><li>• Optimize pricing opportunities</li><li>• Allocate more management resources towards high value-added products</li><li>• Accelerate initiatives for long-term business growth</li></ul>
<b>D-LAB</b>	<p><b>Corporate R&amp;D organization supporting the realization of JT Group Purpose</b></p> <ul style="list-style-type: none"><li>• Continue to explore long-term growth opportunities, focusing on the concept of “Fulfilling Moments, Enriching Life”</li><li>• Wide range of activities, including all five senses, such as aroma and diet, as well as breathing to support mental wellness</li></ul>

## *High single digit growth\**

\*consolidated adjusted operating profit at constant FX growth rate over the plan period 2025-27

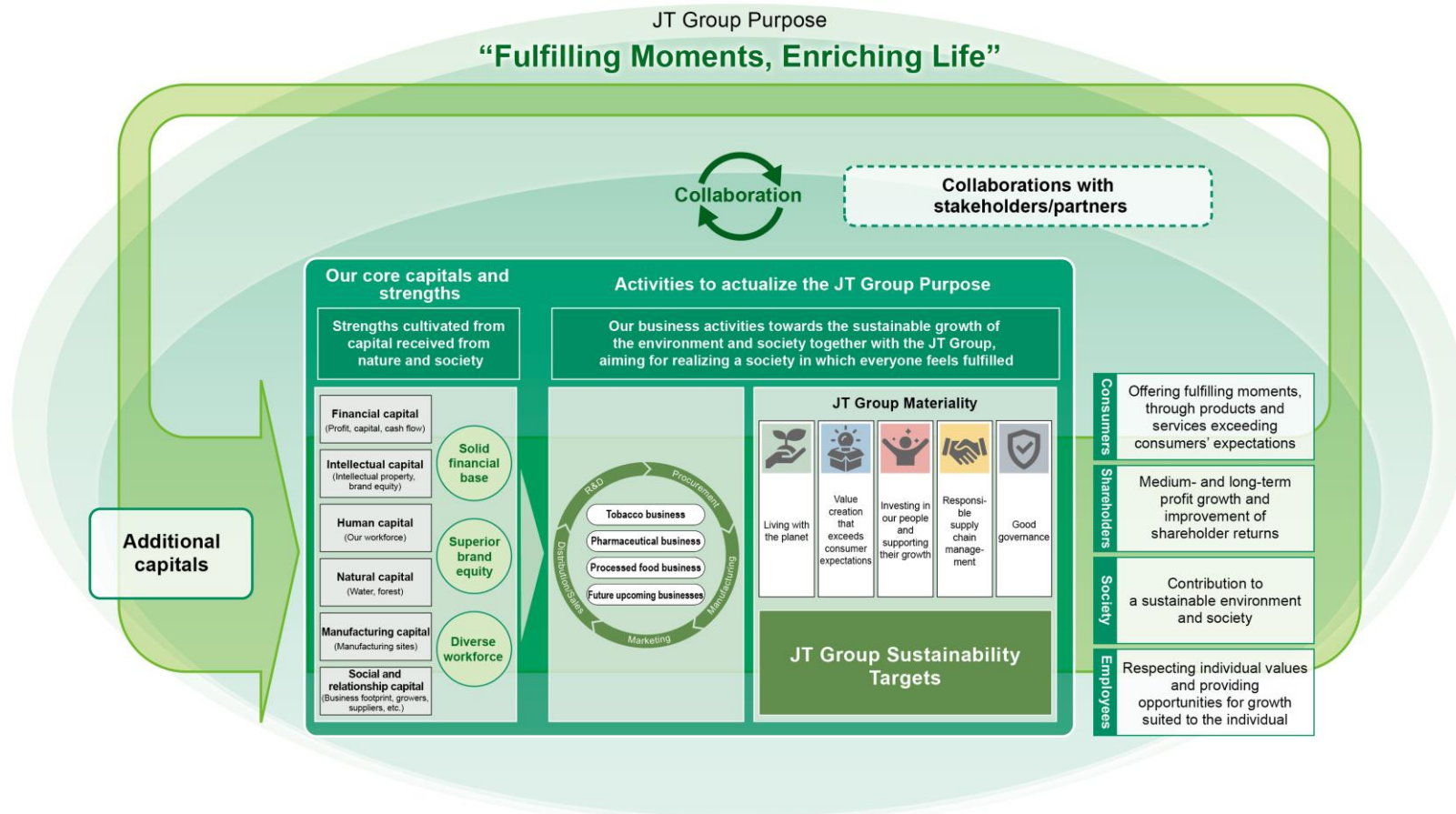
### **AOP Outlook for 2025-2027 of the plan period**

- Consolidated AOP at constant FX expected to grow high single digit, the upper-end of our growth algorithm
  - Continue to pursue mid to high single digit growth as our mid- to long-term targets
- Tobacco business: AOP at constant FX expected to grow high single digit, driven by continuous pricing contribution, combined with RRP development and the inclusion of VGR
- Pharmaceutical business: AOP expected to decrease in 2025 but profit level should return to its 2024 level during Business Plan 2025
- Processed food business: AOP expected to show stable growth (mid single digit)

# Sustainability



- Provide “fulfilling moments” to society by leveraging resources and strengths and taking actions based on the JT Group Materiality
- Together with nature and society, the JT Group to achieve sustainable growth by connecting capitals gained from a society to further value creation





# **JT Group - Tobacco Business Focus on FY 2024 Performance**

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**Eddy Pirard**  
JTI President & CEO

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# Combustibles and HTS drive another year of strong growth



Total Volume +2.4%

Core Revenue<sup>1)</sup> +9.1%

Adjusted OP<sup>1)</sup> +9.7%

**Clear strategic focus delivers record-high volume & high single-digit revenue & AOP growth**

RRP Volume +24%

HTS Volume +40%

HTS Revenue<sup>2)</sup> +44%

**In RRP, investment priority is given to HTS as a future profit growth engine**

- Ploom geo-expansion on target
- Continued share gains in and outside Japan
- HTS volume & revenue growing 40%+, while accelerating investment

Combustibles Volume +2%

GFB Volume +4%

Combustibles Revenue<sup>2)</sup> +9%

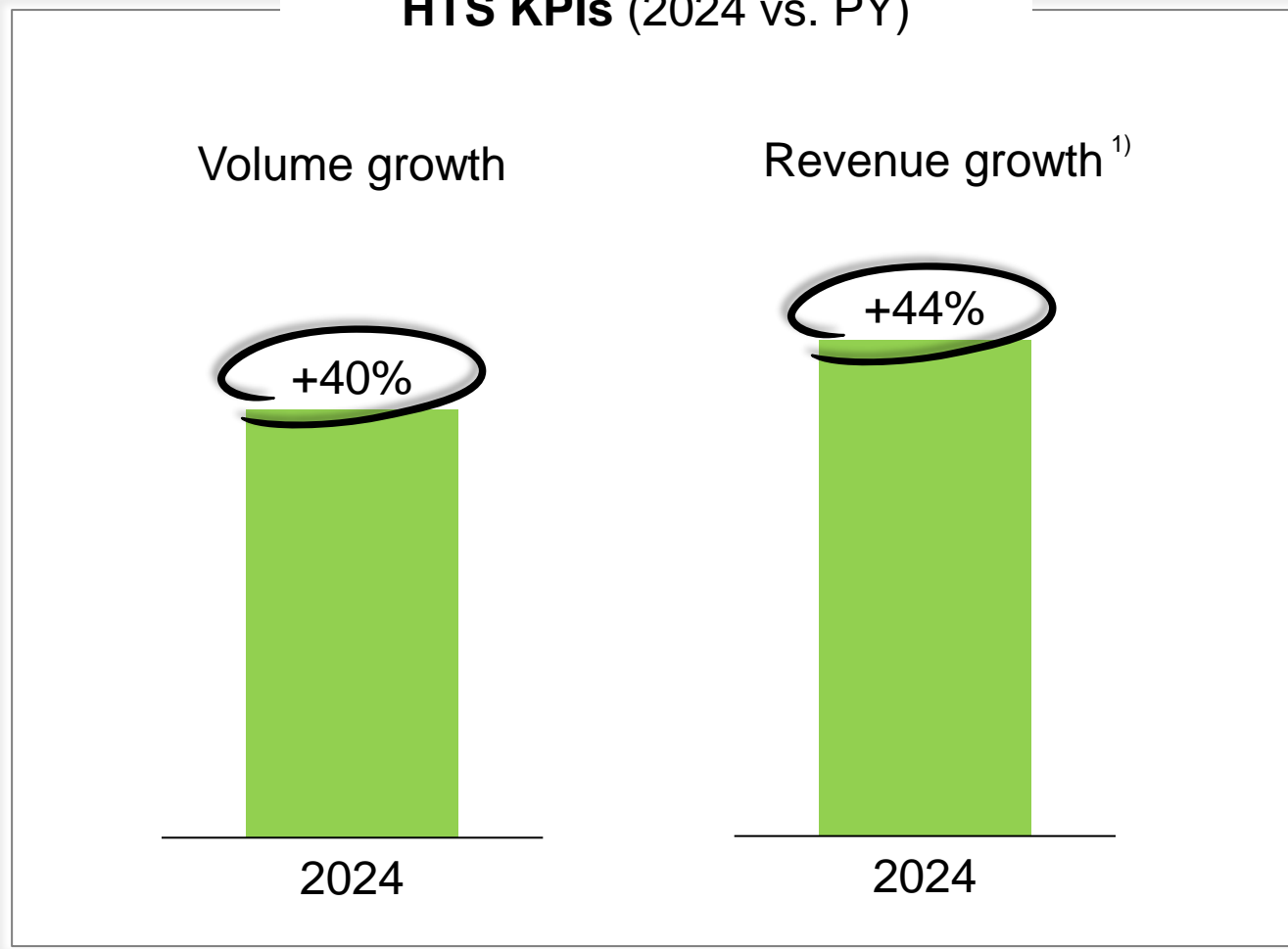
**In Combustibles, increasing returns by effectively growing the top-line**

- GFB volume and mix improvement, combined with continued share gains (+0.5ppt)
- Solid pricing environment and focused investment enhance profit margin
- Vector Group acquisition represents a step change in the large profit pool US market

# RRP top-line growth driven by prioritized investment in HTS



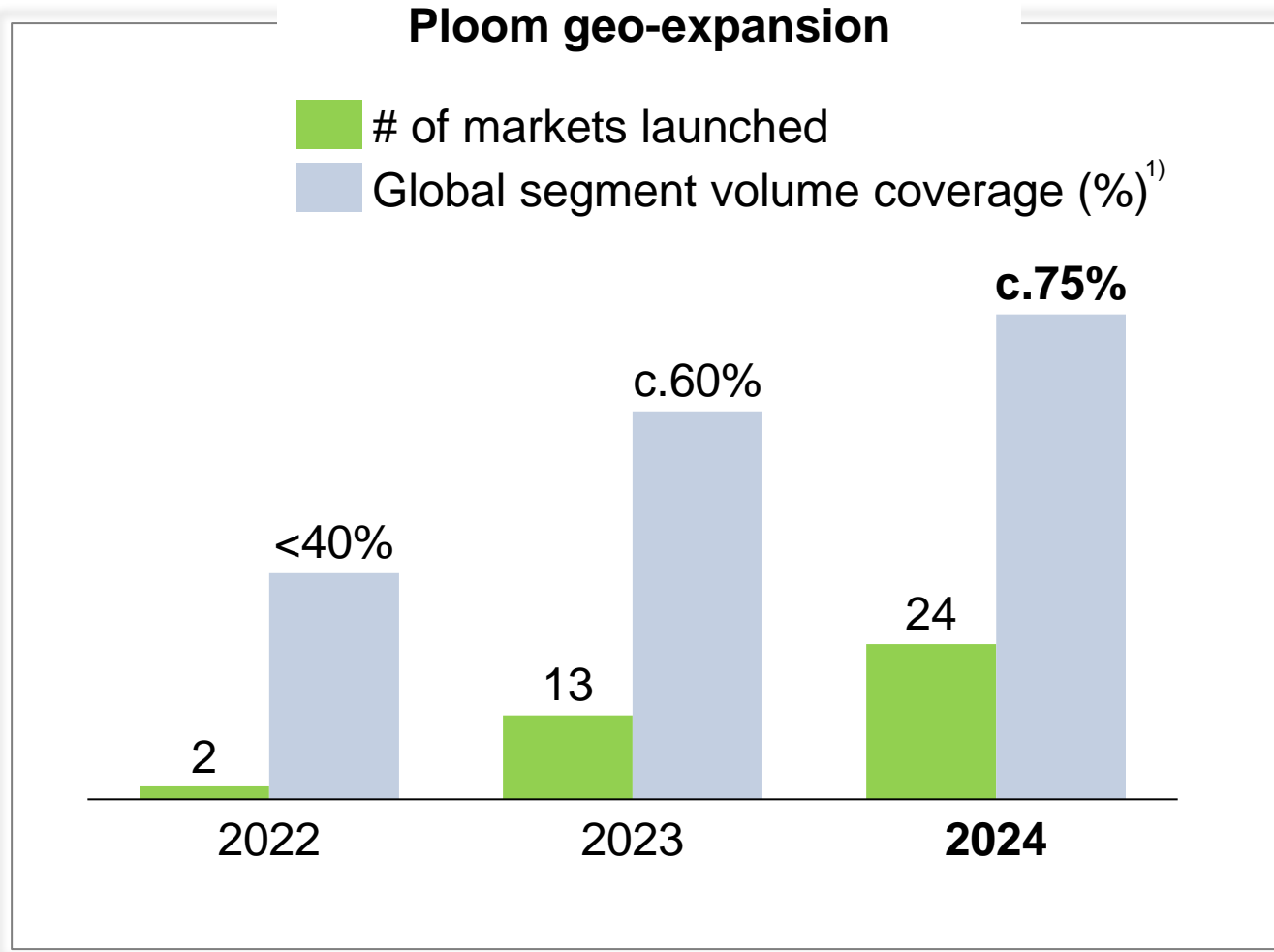
HTS KPIs (2024 vs. PY)



- Total RRP volume and revenue grew by over 20% versus prior year
- Fueled by HTS volume & revenue both increasing by 40%+
- Ongoing exploration in other RRP categories
- Selective & flexible approach based on future market potential
- Increased investment prioritizing Ploom to accelerate top-line momentum
- RRP expected to be accretive to earnings at the latest by 2027

Note: 1) HTS revenue growth rate vs. PY at constant FX, based on internal unaudited performance

# Ploom geo-expansion on track to reach 80% coverage target



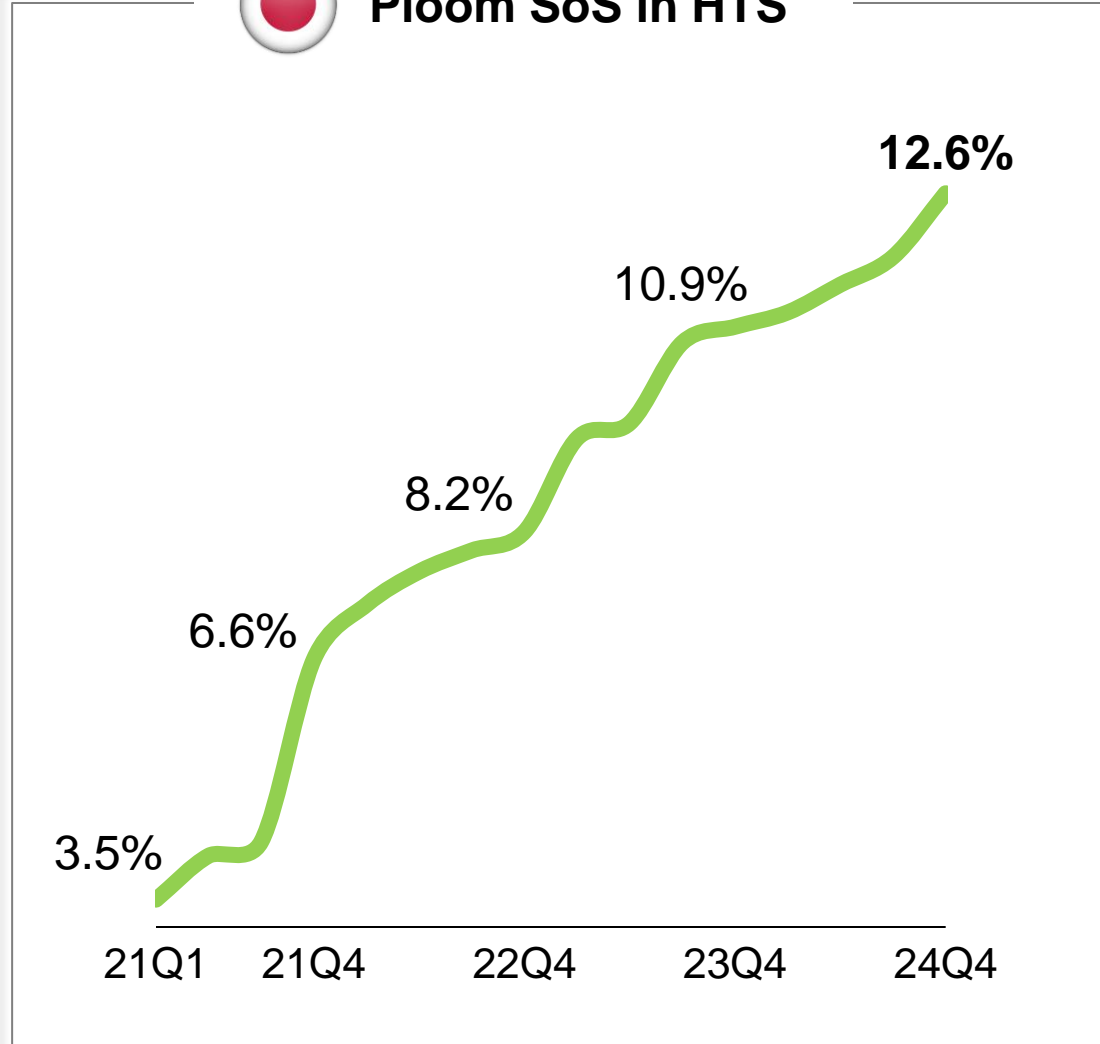
- Ploom is available in markets representing c.75% of global HTS volume
- On target to reach approx. 80% of global volume coverage by end of 2025
- Ploom geo-expansion increased to 24 markets
- 11 additional markets in 2024, including Jordan, the Philippines & South Korea in 4Q24
- Positive consumer feedback across markets, and accumulated learnings support the fine-tuning of our go-to market approach



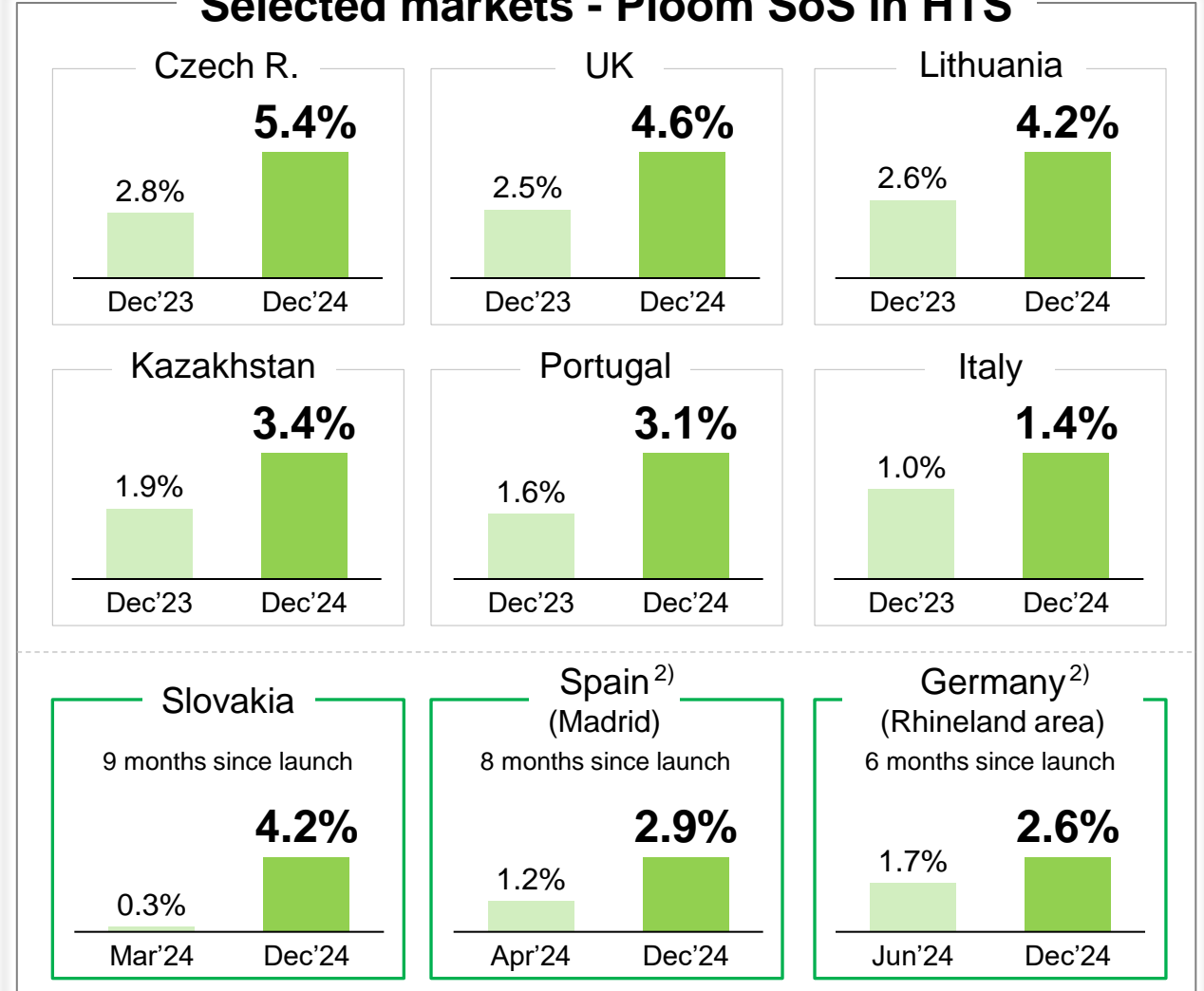
# Ploom continued to gain share across global HTS markets



## Ploom SoS in HTS<sup>1)</sup>



## Selected markets - Ploom SoS in HTS

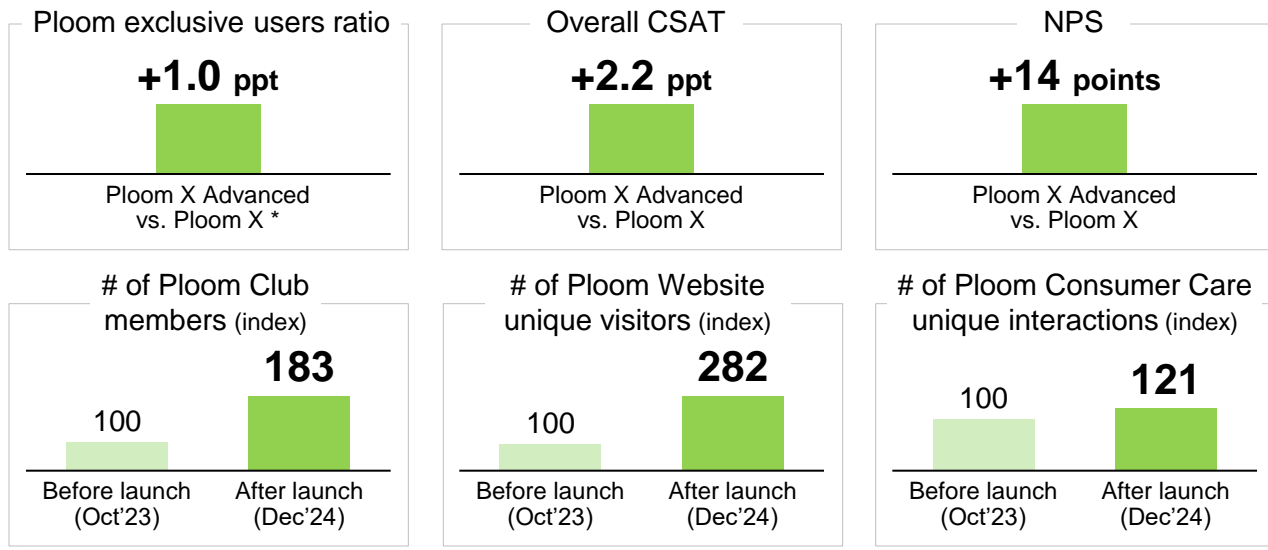


New markets in 2024

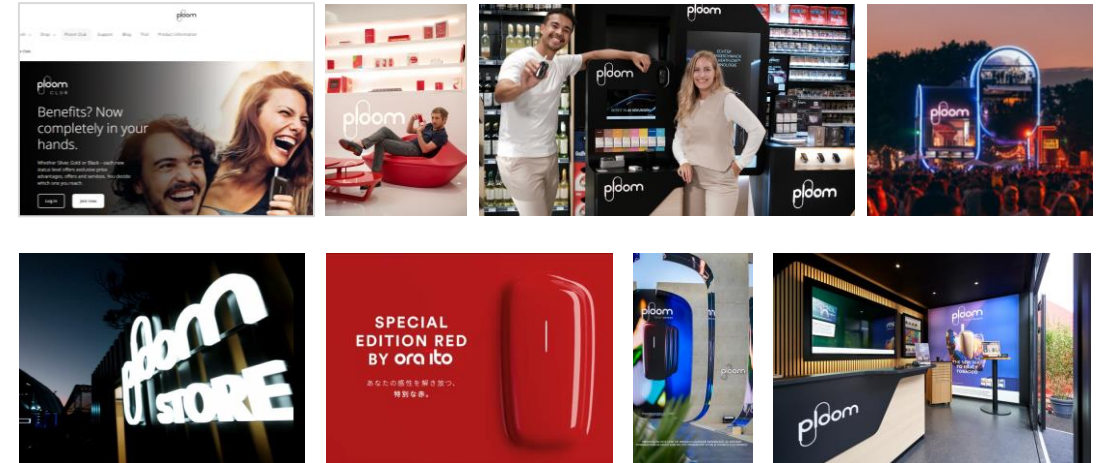
# Better consumer experiences – key to the success of Ploom



## Ploom X ADVANCED – Consumer Metrics



## International Markets 360° Consumer Activations



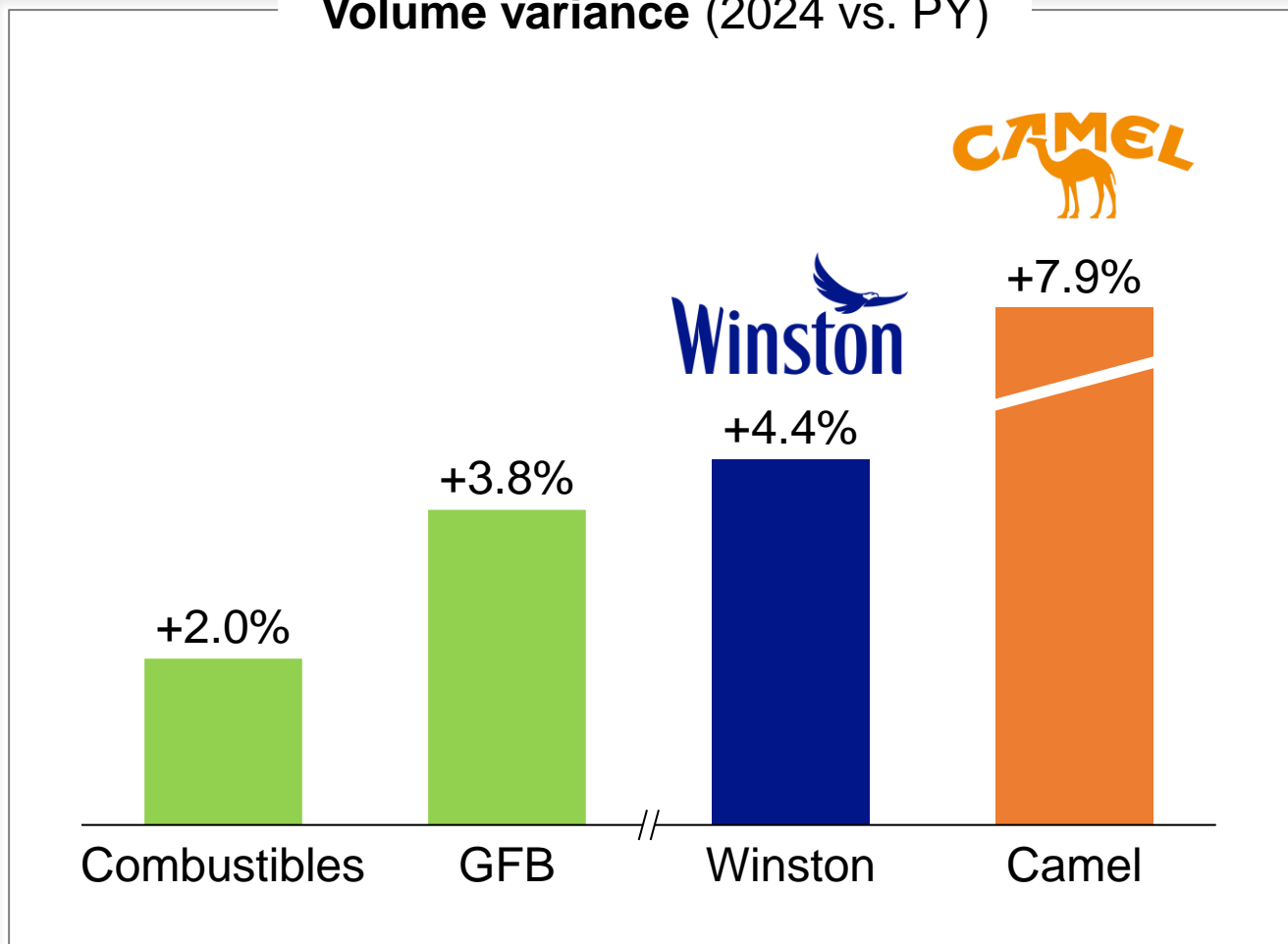
- Success of Ploom X ADVANCED in Japan, supported by better consumer experiences
  - Improved consumer KPIs
  - Increased # of Ploom consumer touchpoints

- Growing confidence in our capability build-up:
  - In-depth consumer understanding
  - Efficient commercial engine
  - Innovation framework & pipelines
  - Digital marketing and consumer care

# Combustibles performance underpinned by continued GFB and share growth



Volume variance (2024 vs. PY)



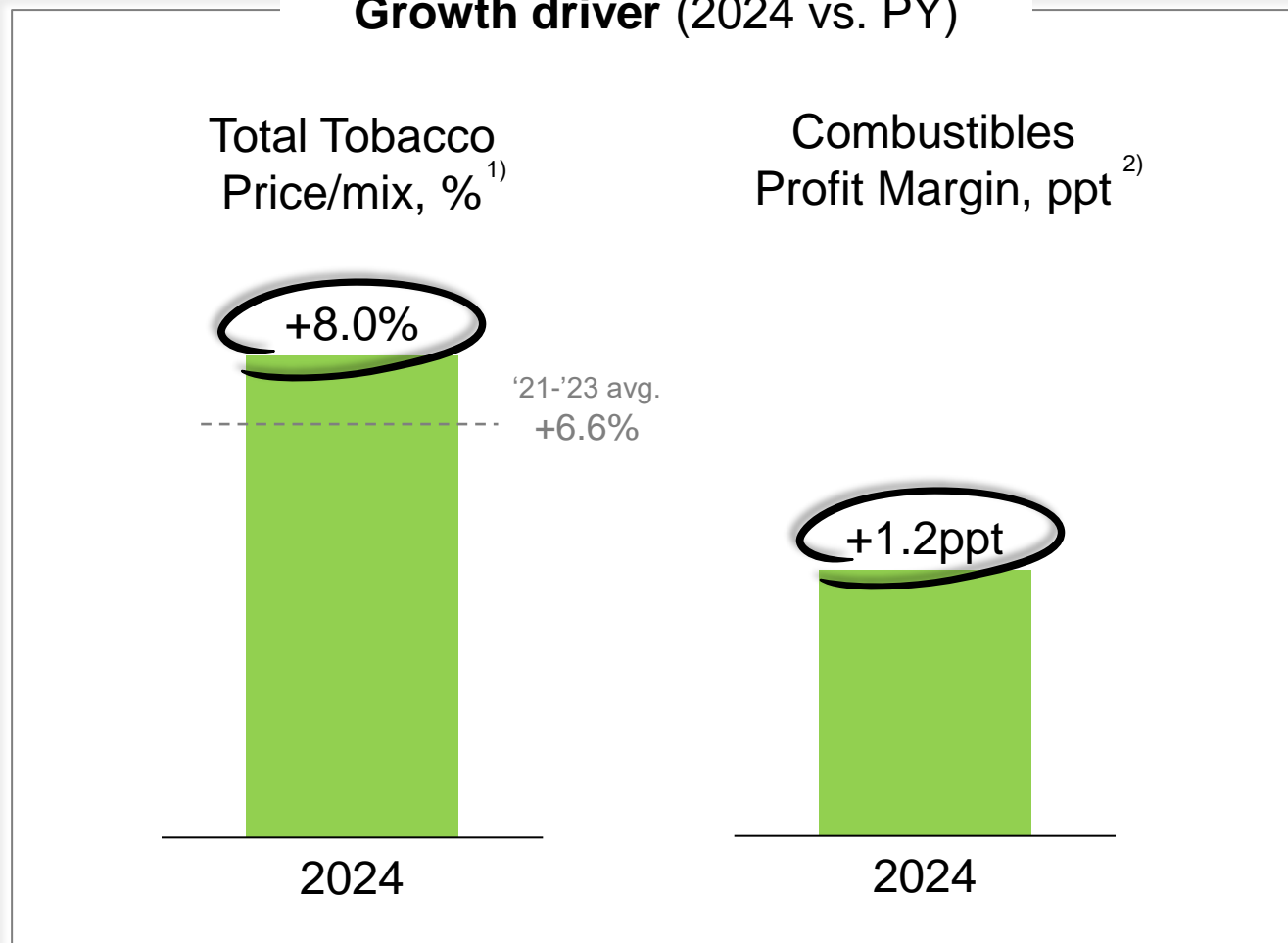
- Combustibles volume increased within an industry volume declining by 1.8%<sup>1)</sup>
  - 60+ markets grew volume
  - Vector acquisition
- GFB volume grew for the 6<sup>th</sup> consecutive year, reaching 73% of total volume
  - Winston & Camel strengthened their global #2 & #3 brand rankings
- Market share momentum continued, growing 0.5ppt<sup>1)</sup>
  - Increases in 50+ markets
  - Growth in majority of key markets including Italy, Japan, the Philippines and Taiwan
  - EMA cluster – market share grew 0.7ppt<sup>1)</sup>

Note: 1) Based on cigarettes + fine cut + little cigars in 70+ markets representing 90%+ of our volume

# Another record year for pricing fueling improved combustibles profitability



## Growth driver (2024 vs. PY)



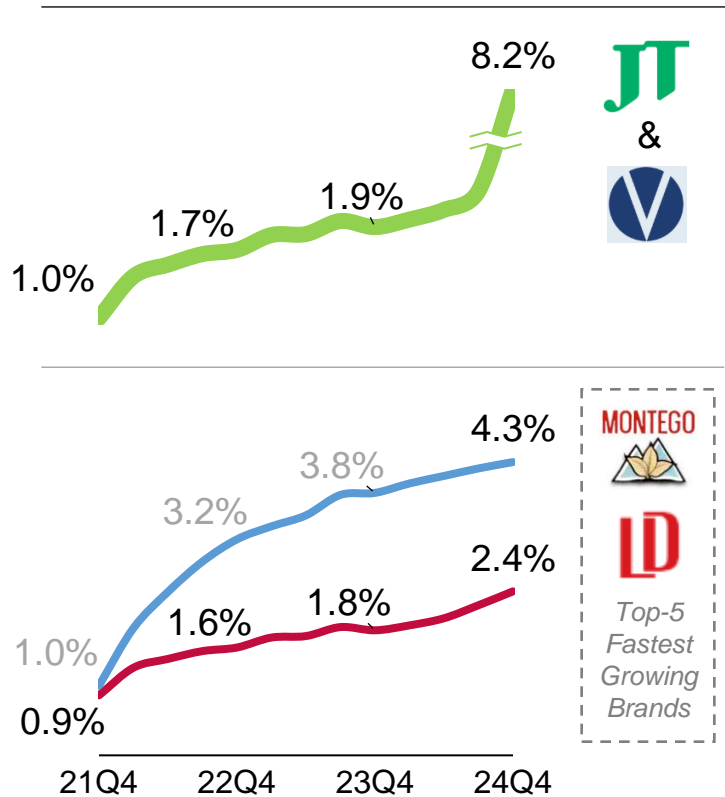
- Robust combustibles pricing continued
  - Driving high single-digit revenue growth
  - Offsetting impacts from ongoing inflationary pressure & down-trading
- Key pricing contributors per cluster included:
  - Asia | Indonesia, Philippines & Taiwan
  - EMA | Egypt, Romania, Russia & Turkey
  - W. Europe | France, Germany, Spain & UK
- Ongoing improvement in Combustibles' ROI by running the business efficiently and effectively

# Step-changing our presence in the large US profit pool

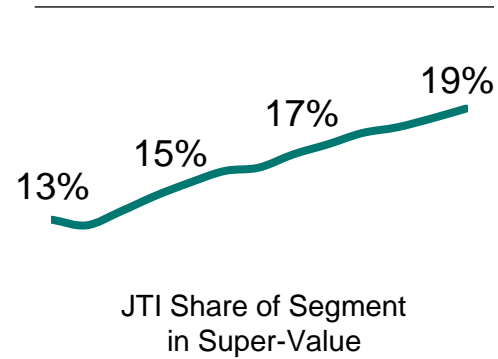


## USA cigarettes market trend

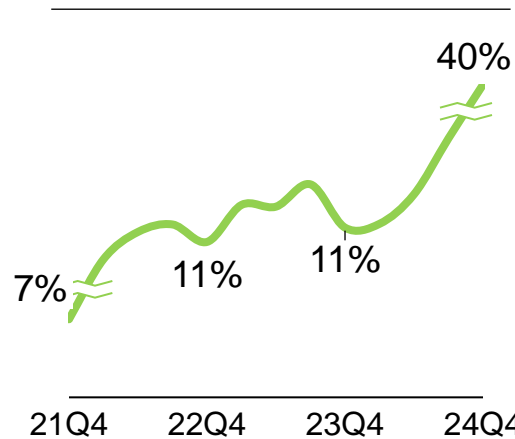
Market Share



Super-Value Segment  
(% composition in total industry)



JTI Share of Segment  
in Super-Value



- Became the 4<sup>th</sup> largest player in the US by acquiring Vector Group Ltd.
- USA to be one of our top-10 profit markets
  - Gross margin/stick c.3x higher than in existing footprint
  - Rebalance of our currency exposure
- Portfolio well-positioned to address consumer trends in the growing Super-Value segment
- New USA Leadership Team in place since January 2025, balancing expertise and experience from both JTI and LVB\*
- Horizon, our JV with Altria, is on track and expects PMTA & MRTP submissions for Ploom mid-2025

## **Acceleration of Ploom adoption and consumer acquisition**

- Winning consumers to drive continuous share gains
- Consumer-centric innovations to strengthen Ploom offerings

## **Continuation of momentum in Combustibles, focusing on ROI**

- Share of market growth driven by strong GFB equity offsetting industry volume contraction
- Core revenue growth and margin improvement fueled through sustainable pricing
- Integration of Vector Group driving a step-change in performance in the large US profit pool

## **Enhanced efficiency**

- Cost containment through initiatives to offset ongoing inflationary pressures



**JT Group**

# **2024 Results & 2025 Forecasts**

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**Hikomasa Furukawa**

JT Group Chief Financial Officer

# 2024 Consolidated Results: Revenue and AOP\* reached record highs



(JPY BN)	FY2024	vs.2023 (%)	Excl. Canadian settlement**
At constant FX			
Core revenue	<b>2,958.4</b>	+8.4%	—
AOP	<b>7,827</b>	+7.5%	—
Reported			
Revenue	<b>3,149.8</b>	+10.9%	—
AOP	<b>751.9</b>	+3.3%	—
Operating profit	<b>323.5</b>	-51.9%	+3.7%
Profit	<b>179.2</b>	-62.8%	-3.9%
FCF	<b>170.5</b>	-273.2 Bn	—

2024 planned annual DPS at JPY 194

Dividend payout ratio 74.3% excluding Canadian settlement\*\*

Note: The results for fiscal year 2023 and fiscal year 2024 on a reported basis have been adjusted to include the impact of hyperinflationary accounting in accordance with the requirements stipulated in IAS 29. The results for fiscal year 2023 and fiscal year 2024 on a constant FX basis have been calculated to exclude amounts of revenue and profit that have increased due to hyperinflation in certain markets.

## Revenue and AOP

- Revenue growth fueled by solid pricing contribution in the tobacco business, and steady sales increase in the processed food business
- AOP growth driven by the tobacco and processed food businesses. VGR acquisition also supported the growth.

## FX (Tobacco business)

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

## Operating profit

- Decrease due to the provision of JPY 375.6 BN for litigation losses related to the Canadian settlement, despite an increase in AOP

## Profit

- Decrease due to lower operating profit and higher financial costs

## FCF

- Decrease due to payments related to the acquisition of VGR

\*AOP=Adjusted operating profit

\*\*Excluding a provision of 375.6 BN yen related to a comprehensive settlement of the Canadian litigations, which was retrospectively recorded as operating expense in the fiscal year ended December 31, 2024



# Tobacco Business Financial Results:

## Strong profit growth driven by solid pricing contribution



(JPY BN)	FY2024	vs.2023 (%)
Core revenue	<b>2,778.6</b>	+12.1%
at constant FX	<b>2,705.2</b>	+9.1%
AOP	<b>791.8</b>	+5.6%
at constant FX	<b>822.7</b>	+9.7%

### Volume

- Positive volume variance fueled by higher total volume, more than offsetting the impact of negative geographical mix. Acquisition of VGR supported the growth.

### Price/Mix

- Robust pricing contribution in multiple markets, more than offsetting the impact of unfavorable product mix due to downtrading

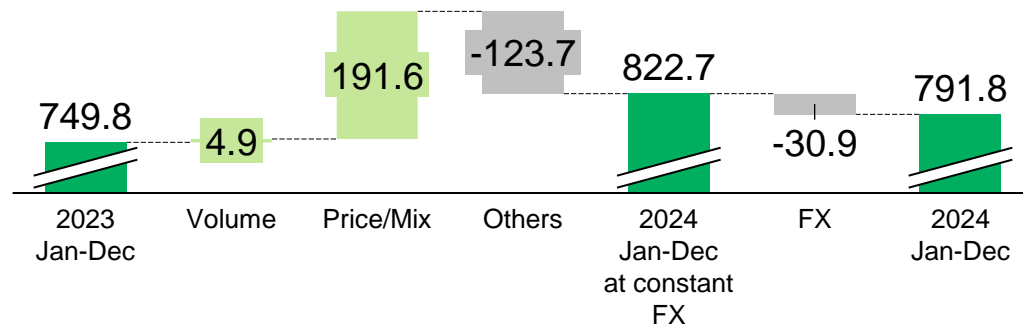
### Others

- Incremental investments towards Ploom
- Inflation-led cost increases

### FX

- Unfavorable impact on AOP due to the depreciation of emerging currencies and appreciation of cost-related currencies, partially offset by the positive impact of a weaker JPY

Roadmap of AOP variance (JPY BN)



Note: The results for fiscal year 2023 and fiscal year 2024 on a reported basis have been adjusted to include the impact of hyperinflationary accounting in accordance with the requirements stipulated in IAS 29. The results for fiscal year 2023 and fiscal year 2024 on a constant FX basis have been calculated to exclude amounts of revenue and profit that have increased due to hyperinflation in certain markets.

## Pharmaceutical Business

(JPY BN)	FY2024	vs. 2023 (abs)
Revenue	94.5	-0.4
AOP	9.2	-8.2

### Revenue

- Slightly 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

### AOP

- Decreased due to lower revenue and higher R&D expenditures

## Processed Food Business

(JPY BN)	FY2024	vs. 2023 (abs)
Revenue	157.2	+3.3
AOP	8.1	+1.2

### Revenue

- Increased driven by price revisions, as well as sales growth in the seasonings segment

### AOP

- Increased driven by higher revenue, offsetting increased raw materials costs

# 2025 Consolidated Financial Forecasts



(JPY BN)	FY2025	vs. 2024 (abs)	vs. 2024 (%)	Excl. Canadian settlement*
At constant FX				
Core revenue	<b>3,232.0</b>	+200.2	+6.6%	—
AOP	<b>815.0</b>	+63.1	+8.4%	—
Reported				
Revenue	<b>3,273.0</b>	+123.2	+3.9%	—
AOP	<b>735.0</b>	-16.9	-2.2%	—
Operating profit	<b>671.0</b>	+347.5	+107.4%	-3.8%
Profit	<b>450.0</b>	+270.8	+151.1%	-2.9%
FCF	<b>348.0</b>	+177.5		—

2025 proposed annual DPS at JPY 194  
Dividend payout ratio 76.5%

Note: The forecasts for fiscal year 2025 on a reported basis shown above have been adjusted to include the impact of hyperinflationary accounting in accordance with the requirements stipulated in IAS 29.

## Revenue and AOP

**At constant FX, both CR and AOP expected to increase year-on-year**

- **Revenue** expected to grow at both constant FX and reported, driven by pricing contributions and the inclusion of VGR in the tobacco business
- **AOP** at constant FX expected to increase mainly driven by profit growth in the tobacco business  
On a reported basis, expected to decrease due to the negative FX impact

## Operating profit and profit

**Both operating profit and profit expected to increase due to a favorable comparison**

- **Operating profit** is expected to increase driven by the absence of the provision of JPY 375.6 BN for litigation losses related to the Canadian settlement in 2024, more than offsetting a decrease in AOP and higher trademark amortization related to the VGR acquisition
- **Profit** expected to increase driven by the higher operating profit and lower financial costs, more than offsetting higher corporate income tax

## FCF

**Favorable comparison vs. 2024**

- Expected to increase mainly due to the non-recurrence of payments related to the VGR acquisition

\*Excluding a provision of 375.6 BN yen related to a comprehensive settlement of the Canadian litigations, which was retroactively recorded as operating expense in the fiscal year ended December 31, 2024

# Tobacco Business: Volume Outlook and Financial Forecasts



## Volume

	FY2025
Total volume	<b>A decrease of -2.0% to -1.0% vs. 2024</b>

## Financials

(JPY BN)	FY2025	vs. 2024 (abs)	vs. 2024 (%)
Core revenue	<b>2,925.0</b>	+146.4	+5.3%
at constant FX	<b>2,970.0</b>	+191.4	+6.9%
AOP	<b>776.0</b>	-15.8	-2.0%
at constant FX	<b>856.0</b>	+64.2	+8.1%

Note: The forecasts for fiscal year 2025 on a reported basis shown above have been adjusted to include the impact of hyperinflationary accounting in accordance with the requirements stipulated in IAS 29.

## Volume assumption

- (+) Continued market share gains in Combustibles
- (+) Full year inclusion of VGR
- (+) RRP volume growth, fueled by Ploom
- (-) Combustibles industry volume contraction in key markets, notably in Japan, the Philippines and Russia

## Financials constant FX basis

**Core revenue: +6.9% vs.2024**  
**AOP: +8.1% vs.2024**

- (+) Continued pricing contribution in combustibles
- (+) Full year Inclusion of VGR
- (+) RRP revenue growth, fueled by volume
- (-) Inflation-led cost increases and incremental investments towards Ploom

## Financials reported basis

**Core revenue: +5.3% vs.2024**  
**AOP: -2.0% vs.2024**

- Unfavorable foreign exchange impact on both core revenue and AOP, mainly due to the depreciation of certain emerging market currencies and the appreciation of cost-related currencies

# Pharmaceutical and Processed Food Businesses: Financial Forecasts



## Pharmaceutical Business

(JPY BN)	FY2025	vs. 2024 (abs)
Revenue	97.0	+2.5
AOP	4.0	-5.2

### Revenue

- Increase driven by revenue growth at Torii Pharmaceutical, more than offsetting lower royalty income

### AOP

- Decrease mainly due to higher R&D expenses, despite revenue growth

## Processed Food Business

(JPY BN)	FY2025	vs. 2024 (abs)
Revenue	163.0	+5.8
AOP	8.5	+0.4

### Revenue

- Increase driven by price revisions, as well as sales growth in the seasonings segment

### AOP

- Increase driven by revenue growth, more than offsetting higher costs mainly in raw materials

# Closing Remarks

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**Masamichi Terabatake**

JT Group Chief Executive Officer

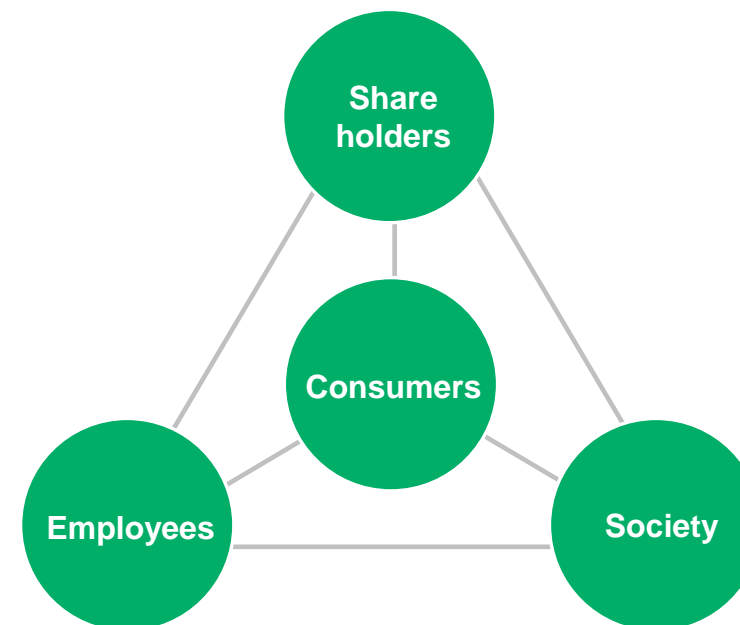
## FY2024 overview

- Steady progress to realize JT Group's Purpose
- Another strong AOP growth at constant FX while maintaining significant investments toward future profit growth
- Continued pricing contribution and market share gains in Combustibles along with RRP volume growth offset the cost increases in the Tobacco business

## Business plan 2025

- Resource allocation policy remains unchanged, guided by the 4S Model and JT Group Purpose
- Consolidated AOP at constant FX expected to grow high single digit under Business Plan 2025
- Aim to enhance shareholder returns by delivering sustainable profit growth mid- to long-term

Fulfilling  
Moments,  
Enriching Life



# <Definitions>



Adjusted operating profit(AOP) : Operating profit + amortization cost of acquired intangibles arising from business acquisitions + adjusted items (income and costs)\*  
\* Adjusted items (income and costs) = impairment losses on goodwill ± restructuring income and costs ± others

~at constant FX : Constant FX is computed using the same foreign exchange rates as in the equivalent period in the previous fiscal year for the tobacco business. Results at constant FX are provided additionally and are not an alternative to financial reporting under International Financial Reporting Standards (IFRS).

Core revenue at constant FX : 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).

Profit: : Profit attributable to owners of the parent company

Reduced-Risk Products (RRP) : Products with the potential to reduce the risks associated with smoking. In JT's portfolio, these products include heated tobacco sticks (HTS), infused-tobacco capsules (Infused), E-Vapor and Oral.

Heated tobacco sticks (HTS) : High temperature heated tobacco products. One stick is equivalent to a stick of cigarettes.

Combustibles : Combustibles include all tobacco products excluding contract manufactured products, waterpipe, heated tobacco products, oral and E-Vapor.

GFB :  
(Global Flagship Brands) Global Flagship Brands: Winston, Camel, MEVIUS and LD (4 brands)



# <Definitions>



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.
RRP volume :	Reduced-Risk Products (RRP) 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.
Core revenue :	Core revenue includes all revenue, excluding those from distribution, contract manufacturing and other peripheral businesses.