[This is an English translation prepared for reference purpose only. Should there be any inconsistencies between the translation and the original Japanese text, the latter shall prevail.]

Overview of Business and Trends in Principal Management Benchmarks

1. Overview of Business（As of June 30, 2026）

The Group, consisting of the Company, its 226 consolidated subsidiaries and 21 companies accounted for by the equity method, is a global company operating the Tobacco Business and the Processed Food Business. The main business activities operated by the Group and the relationship of each subsidiary or affiliate to the Group's business activities are stated below.

Tobacco Business

The Tobacco Business consists of the manufacture and sale of tobacco products in various countries around the world, with JT International S.A. as the core company.

Major subsidiaries and affiliates

JT International S.A., LLC JTI Russia, Gallaher Ltd., JTI Polska Sp. z o. o., LLC Petro, JTI Tütün Ürünleri Sanayi A.Ş., TS Network Co., Ltd., Japan Filter Technology, Co., Ltd.

Others: 182 consolidated subsidiaries and 14 companies accounted for by the equity method

Processed Food Business

In the Processed Food Business, TableMark Co., Ltd. and certain other subsidiaries are engaged in manufacture and sale of frozen and ambient foods, and seasonings.

Major subsidiaries and affiliates

TableMark Co., Ltd.

Others: 19 consolidated subsidiaries and 2 companies accounted for by the equity method

In addition to the reportable segments mentioned above, the Group runs businesses including business relating to the rent of real estate. There are 25 consolidated subsidiaries and 5 companies accounted for by equity method deemed as subsidiaries and affiliates not affiliated to any reportable segment.

With regard to the Pharmaceutical Business, the Company entered into an agreement in May 2025 with Shionogi & Co., Ltd. regarding the transfer of the Pharmaceutical Business and the transfer of shares of Torii Pharmaceutical Co., Ltd. Subsequently, the Company transferred all its shareholdings in Torii Pharmaceutical Co., Ltd. in September 2025, and transferred the Pharmaceutical Business in December 2025.

2. Trends in principal management benchmarks

(1) Management benchmarks (consolidated)

Term	International Financial Reporting Standards				
	37th term	38th term	39th term	40th term	41st term
Accounting period	From January 1, 2021 to December 31, 2021	From January 1, 2022 to December 31, 2022	From January 1, 2023 to December 31, 2023	From January 1, 2024 to December 31, 2024	From January 1, 2025 to December 31, 2025
Revenue (Millions of yen)	2,324,838	2,657,832	2,841,077	3,056,709	3,467,675
Profit before income taxes (Millions of yen)	472,390	593,450	621,601	224,333	739,786
Profit for the year (Millions of yen)	340,181	444,174	485,310	182,596	513,214
Profit attributable to owners of the parent company (Millions of yen)	338,490	442,716	482,288	179,240	510,175
Comprehensive income (loss) for the year (Millions of yen)	540,258	998,229	668,217	288,612	686,418
Total equity (Millions of yen)	2,886,081	3,616,761	3,912,491	3,848,727	4,115,389
Total assets (Millions of yen)	5,774,209	6,548,078	7,282,097	8,370,732	8,419,240
Equity attributable to owners of the parent company per share (Yen)	1,583.10	1,994.78	2,157.46	2,121.33	2,301.99
Basic earnings per share (Yen)	190.76	249.45	271.69	100.95	287.36
Diluted earnings per share (Yen)	190.68	249.36	271.63	100.94	287.33
Ratio of equity attributable to owners of the parent company to total assets (%)	48.65	54.07	52.60	45.00	48.54
Ratio of profit to equity attributable to owners of the parent company (%)	12.70	13.94	13.09	4.72	12.99
Price earnings ratio (PER) (Times)	12.17	10.67	13.42	40.42	19.63
Net cash flows from operating activities (Millions of yen)	598,909	483,799	566,317	630,011	514,056
Net cash flows from investing activities (Millions of yen)	(97,499)	(101,822)	(125,432)	(439,766)	(264,986)
Net cash flows from financing activities (Millions of yen)	(353,138)	(306,176)	(270,500)	(94,906)	(475,471)
Cash and cash equivalents at the end of the year (Millions of yen)	721,731	866,885	1,040,206	1,084,567	831,135
Number of employees [Separately, average number of temporary employees] (Person)	55,381 [6,942]	52,640 [6,726]	53,239 [8,193]	53,593 [5,704]	52,867 [5,407]

Notes: 1. The Group prepares the consolidated financial statements in accordance with International Financial Reporting Standards (hereinafter, "IFRS Accounting Standards").
2. The yen amounts are rounded to the nearest million.
3. Starting from the 41st term, the Group has classified the pharmaceutical business as discontinued operations, and presents reclassified figures for the 40th term here. Accordingly, revenue and profit before income taxes for the 40th term and 41st term are shown for continuing operations.

(2) Filing company's management benchmarks (non-consolidated)

Term	37th term	38th term	39th term	40th term	41st term
Accounting period	From January 1, 2021 to December 31, 2021	From January 1, 2022 to December 31, 2022	From January 1, 2023 to December 31, 2023	From January 1, 2024 to December 31, 2024	From January 1, 2025 to December 31, 2025
Net sales (Millions of yen)	592,220	542,181	537,261	530,247	566,521
Ordinary income (Millions of yen)	278,809	273,734	185,665	404,377	472,561
Net income (Millions of yen)	216,896	283,461	184,788	404,849	491,698
Share capital (Millions of yen)	100,000	100,000	100,000	100,000	100,000
Total number of shares issued (Thousands of shares)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Net assets (Millions of yen)	1,344,696	1,368,643	1,179,577	1,214,895	1,338,384
Total assets (Millions of yen)	2,487,979	2,363,267	2,293,951	2,303,789	2,742,366
Net assets per share (Yen)	757.10	770.57	664.12	684.01	753.52
Cash dividends per share (Yen) [Interim dividends per share] (Yen)	140 [65]	188 [75]	194 [94]	194 [97]	234 [104]
Net income per share (Yen)	122.23	159.72	104.10	228.02	276.90
Diluted net income per share (Yen)	122.18	159.66	104.07	227.98	276.87
Equity ratio (%)	54.0	57.9	51.4	52.7	48.8
Return on equity (ROE) (%)	15.88	20.91	14.51	33.83	38.52
Price earnings ratio (PER) (Times)	19.00	16.66	35.02	17.89	20.37
Dividend payout ratio (%)	114.5	117.7	186.4	85.1	84.5
Number of employees [Separately, average number of temporary employees] (Person)	7,154 [1,174]	5,819 [461]	5,940 [257]	5,994 [291]	5,303 [276]
Total shareholder return (%) [Comparative indicator: Dividend-included TOPIX] (%)	117.2 [112.7]	142.2 [110.0]	198.2 [141.1]	228.2 [169.9]	313.5 [213.2]
Highest share price (Yen)	2,417.0	2,871.5	3,858.0	4,622.0	5,962.0
Lowest share price (Yen)	1,898.0	2,000.0	2,537.5	3,453.0	3,700.0

Notes: 1. The financial statements of the filing company are prepared in accordance with Japanese GAAP.
2. The yen amounts are rounded to the nearest million.
3. The yearly highest share price and the yearly lowest share price on and after April 4, 2022 were those recorded on the Tokyo Stock Exchange (Prime Market) while those before that date were those recorded on the Tokyo Stock Exchange (First Section).
4. In March 2025, a comprehensive settlement plan aimed at reaching a comprehensive settlement with creditors, including class action plaintiffs, in connection with litigation concerning smoking and health involving JTI-Macdonald Corp., our Canadian subsidiary, was approved by the Ontario Superior Court of Justice (hereinafter referred to as "the settlement of litigation in Canada"). Out of the above cash dividends per share, the ¥130 year-end dividend for the 41st term is calculated based on profit from continuing operations for the year (consolidated basis: ¥488.6 billion) after adjustments for the impact of the remeasurement of liabilities associated with the settlement of litigation in Canada, as well as adjustments excluding the impact of the one-time loss from the disposal of goodwill due to the liquidation of the Sudanese subsidiary.