

## IMPERIAL BRANDS PLC

**Legal Entity Identifier (LEI) No. 549300DFVPOB67JL3A42**

**7 October 2025**

### **Imperial Brands on track to deliver full-year guidance for FY25 and announces further £1.45bn share buyback for FY26**

- Trading in line with guidance, underpinned by growth in both tobacco and NGP
- Expect market share gains in the US, Germany and Australia, to broadly offset declines in Spain and UK
- Another year of double-digit NGP net revenue growth
- Group adjusted operating profit growth expected to be a similar rate to last year, in line with guidance
- High-single-digit adjusted EPS growth in line with expectations, driven by adjusted operating profit growth and share count reduction from the ongoing buyback
- In line with our capital allocation framework, FY26 share buyback of £1.45bn announced, reflecting continued confidence in operational execution and strategic delivery

#### **Pre-close trading update FY25**

We are pleased to report another year of operational and financial delivery as we continue our long-term transformation to become a stronger challenger business, which is more consumer-centric, focused and agile. This is the fifth and final year of our 2021 strategy and our FY25 performance provides a strong foundation as we look ahead with confidence to the next phase of our strategy to 2030.

At constant currency, we are on track to deliver low single-digit tobacco and NGP net revenue growth for FY25, with Group adjusted operating profit growth at a similar rate to last year, in line with guidance. NGP losses are expected to be broadly flat year on year.

Constant currency tobacco and NGP net revenue growth is underpinned by strong combustible pricing and further double-digit growth in our NGP business. We expect market share gains in the US, Germany and Australia, to broadly offset declines in Spain and the UK. Over the past five years we have delivered strong share gains across our five priority markets.

At the same time, we have delivered strong pricing, more than offsetting volume declines, which have eased across the majority of our footprint, although we have seen some volatility in certain markets. NGP net revenue growth for the full year, at constant currency, is expected to be around the mid-point of a 12-14% range, as we build scale across our existing footprint.

We expect to deliver high single-digit constant currency adjusted earnings per share growth for the full year. This is supported by the growth in adjusted operating profit and the ongoing share buyback programme, partly offset by higher adjusted finance and tax costs as well as increased minority interests, given strong growth in some of our African markets.

At current exchange rates, foreign exchange translation is expected to be a c. 2.0 to 2.5% headwind to net revenue and c. 2.5 to 3.0% headwind to Group adjusted operating profit and earnings per share. The average number of shares for the year was 824.8 million shares.

Our adjusted operating cash conversion remains strong, and we expect our full-year leverage to continue to be at the lower end of our 2.0 to 2.5 range for adjusted net debt to EBITDA.

#### **Progress on 2030 strategy**

As part of our 2030 strategy, alongside driving sustainable value in combustibles and building scale in NGP, we are committed to building a simpler, more efficient organisation. In line with this ambition, we have recently started a consultation regarding the future of our factory in Langenhagen, Germany. The outcome of this process will be either a sale of the site to a third party or a closure. Costs expected in relation to this process are within the guidance given in March, and we will provide further details in due course.

#### **Clear capital allocation framework supporting shareholder returns**

As previously announced, the FY25 annual dividend increased by 4.5% to 160.32 pence per share, now paid in four equal quarterly payments.

We remain committed to returning surplus capital to shareholders via an ongoing "evergreen" share buyback over the next five years to FY30, with the Board determining the quantum of future buybacks on an annual basis. Consistent with our capital allocation framework, today we are announcing a £1.45 billion share buyback for FY26, which we expect to complete no later than 28 October 2026.

Our progressive dividend policy, together with our ongoing share buyback programme, will continue to deliver strong shareholder returns. Taking dividends and buyback together, we expect our capital returns to shareholders will exceed £2.7 billion in the coming fiscal year, representing around 11% of our current market capitalisation. Over the past five years from FY21 to FY25, we have delivered a cumulative c. £10 billion of capital returns to shareholders.

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Notes:

The Group uses 'adjusted' (non-GAAP) measures as we believe they provide a better comparison between reporting periods. The definition of our adjusted measures is unchanged from our full-year results. We also use the term 'constant currency', which removes the effect of exchange rate movements on the translation of the results of our overseas operations.

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