



Illicit cigarette and heated tobacco consumption, and oral nicotine share in Europe

2025 results | 20th annual report

—
03 June 2026



Important notice

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Information sources, the scope of our work, and scope and source limitations are set out in the footnotes and methodology contained within this Report. The scope of our work, information sources used, and any scope and source limitations were fixed by agreement with the beneficiary. We have satisfied ourselves, where possible, that the information presented in this Report is consistent with the information sources used, but we have not sought to establish the reliability of the information sources by reference to other evidence. We relied upon and assumed without independent verification, the accuracy and completeness of information available from public and third-party sources

The findings contained in this Report are those of KPMG LLP. The Report does not include opinions of PMP SA

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In particular, and without limiting the general statement above, although we have prepared this Report in agreement with the beneficiary, this Report has not been prepared for the benefit of any other manufacturer of tobacco products nor for any other person or entity who might have an interest in the matters discussed in this Report, including for example those who work in or monitor the tobacco or public health sectors or those who provide goods or services to those who operate in those sectors



Glossary

Average daily consumption	Daily average consumption by the population of the legal smoking age
BAT	British American Tobacco plc
bn	Billion
~	Approximately
C&C	Counterfeit and Contraband, including Illicit Whites
CAGR	Compound Annual Growth Rate
Cans	Small, often cylindrical containers, typically made of plastic or metal, that hold individual nicotine pouches. For the purposes of this Report we assume each can holds 20 nicotine pouches / snus
Chewing tobacco	A smokeless tobacco product that is chewed or held in the mouth to deliver nicotine into the bloodstream
Cigarette	Any factory-made product that contains tobacco and is intended to be burned under ordinary conditions of use
Consumption	Actual total consumption of cigarettes in a market, including Legal Domestic Consumption (LDC) and illicit products as well as those legally purchased overseas
Contraband (CB)	Genuine products that have been either bought in a lower-tax country and which exceed legal border limits or acquired without taxes for export purposes to be illegally re-sold (for financial profit) in a higher priced market
Counterfeit (CF)	Cigarettes that are illegally manufactured and sold by a party other than the original trademark owner. In this Report, counterfeit volumes are reported from the manufacturers (BAT, IB, JTI and PMI) participating in the empty pack surveys conducted by third party research agencies. No other counterfeit is included in the volumes reported due to lack of information
Country of origin	Country from which the packs collected are deemed to have originated. This is determined by either the tax stamp on the pack or in cases where the tax stamp is not shown, on the health warning and packaging characteristics
Domestically labelled	Domestically labelled product – product that labelling indicates originates from the market in which it is consumed
Duty Free	Cigarettes bought without payment of customs or excise duties. Consumers may buy Duty Free Cigarettes when travelling into or out of the EU27 (including Switzerland and Norway) by land, air or sea at legal Duty Free shops
EC	European Commission
Eligible for sale products	Products that are eligible for sale in the market in which the product is consumed. This encompasses domestically labelled products which comply with regulations in the market of study
EU/EU27	European Union
European Flows Calculation	The primary methodology for measuring consumption in a market. The methodology has been developed by KPMG LLP on a bespoke basis for the specific purpose of measuring inflows and outflows of cigarettes in the scope of this project
Heated tobacco sticks	Units of tobacco which are inserted into a heated tobacco device

Glossary (cont.)

IB	Imperial Brands PLC
Illegal products labelled “For Duty Free Sale”	Products marked as Duty Free or for export, but sold illegally through domestic retail channels
Illicit Whites (IW)	Cigarettes that are usually manufactured legally in one country/market but which the evidence suggests have been smuggled across-borders during their transit to the destination market under review where they have limited or no legal distribution and are sold without payment of tax
Illicit Whites with no country-specific labelling	Packs of Illicit Whites Cigarettes which have “duty free” or no identifiable labelling on the packs
IMS	In Market Sales (the primary source of Legal Domestic Sales volumes)
Inflows	Inflows of Non-Domestic product into a market. Refer to the methodology section for further details
IQOS	IQOS is a tobacco heating product manufactured by PMI
JTI	JT International SA
KPMG LLP	KPMG Limited Liability Partnership, also abbreviated to KPMG
LDC	Legal Domestic Consumption is defined as Legal Domestic Sales (LDS) net of outflows
LDS	Legal Domestic Sales of genuine domestic product through legitimate, domestic channels based on In Market Sales (IMS) data
m	Million
N	Number of survey responses
ND / Non-Domestically labelled	Non-Domestic product – product that originates from a different market than the one in which it is consumed
ND(L)	Non-Domestic (Legal) – product that is brought into the market legally by consumers, such as during a cross-border trip
Nicotine pouch	Small pouches containing nicotine and often flavorings that are placed between the lip and gum to deliver nicotine into the bloodstream
Nicotine pouch prevalence	The percentage of nicotine pouch users in the total population
Non-government-controlled areas	Areas in the northern part of Cyprus, where the Government of the Republic of Cyprus does not exercise effective control. As defined by the European Commission’s Green Line Regulation
Not eligible for sale products	Products that are not eligible for sale in the market in which the product is consumed. This encompasses Non-Domestically labelled products, domestically labelled products which do not comply with regulations in the market of study, and Counterfeit products

Glossary (cont.)

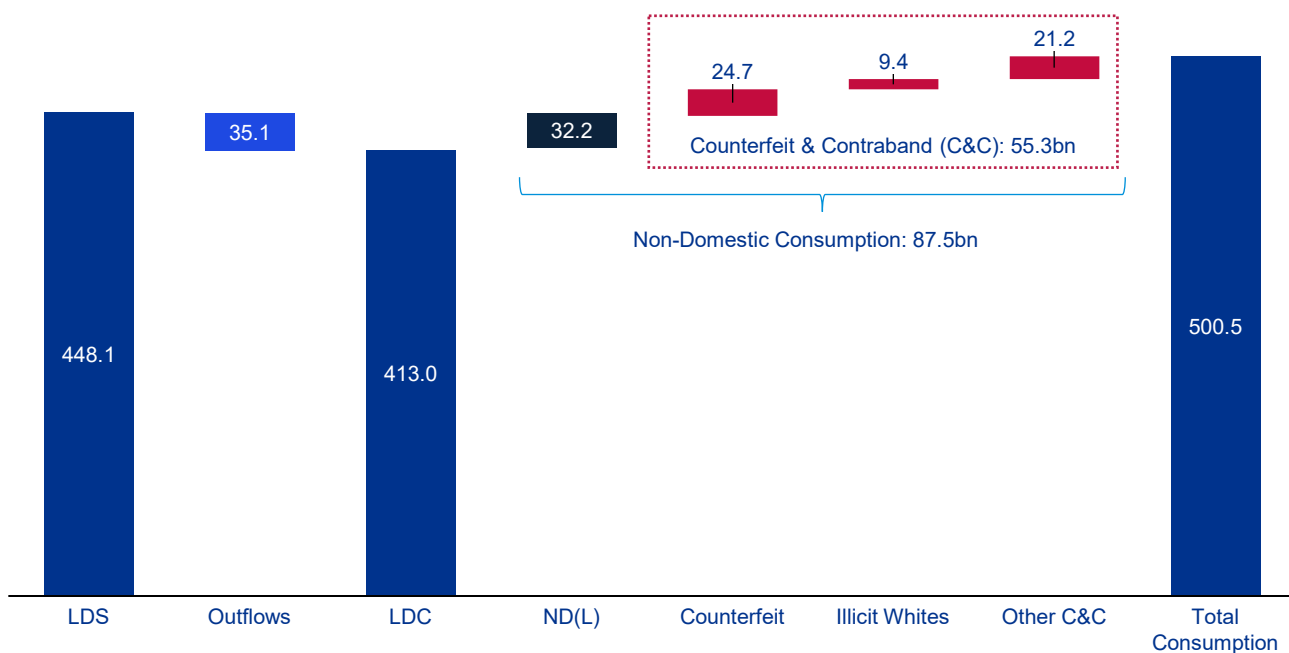
OCG	Organised Crime Group
OLAF	Office européen de lutte antifraude also known as the European Anti-Fraud Office
Oral nicotine products	Non-combustible, orally used products that contain nicotine and are intended for recreational or consumer use, including nicotine pouches, snus, and chewing tobacco
Outflows	Outflows of product from a market. For the purposes of the European Flows Calculation, outflows are to other markets in the study. Refer to the methodology section for further details
PMI	Philip Morris International
PMPSA	Philip Morris Products SA
ppt	Percentage point
Reporting period	The period covered by this Report (2021-2025)
Smoking prevalence	The percentage of smokers in the total population of the legal smoking age
Snus	Small pouches containing tobacco and often flavourings that are placed between the lip and gum to deliver nicotine into the bloodstream
Tobacco taxes	The sum of all types of taxes levied on tobacco products, including VAT. There are two basic methods of tobacco taxation: Normal or specific taxes are based on a set amount of tax per unit (e.g. cigarette); these taxes are differentiated according to the type of tobacco. Ad valorem taxes are assessed as a percentage mark up on a determined value, usually the retail selling price or a wholesale price and includes any VAT
Total measured consumption	Total cigarette consumption for those categories of consumption which are able to be measured. In Ukraine, pack swap research does not identify the origin markets of packs collected. Due to this limitation no estimate of ND(L) can be made
Unspecified	Unspecified market variant refers to cigarette packs which do not bear specific market labelling or Duty Free labelling
UNWTO	United Nations World Tourism Organisation
WAP	The weighted average price for cigarettes calculated by reference to the total value of all cigarettes released for consumption, based on the retail selling price including all taxes, divided by the total quantity of cigarettes released for consumption. The WAP is provided by the European Commission Excise Duty Tables

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KPMG's European Flows Calculation: Categorising cigarette consumption

Estimate of total cigarette consumption in 38 European markets, 2025
(bn cigarettes)^{(1)(a)(b)}



- The chart above illustrates KPMG's core approach to estimating the size and scale of illicit cigarette consumption, known as Counterfeit & Contraband (C&C), which includes Illicit Whites
- KPMG's approach, using empty pack surveys (from market research agencies commissioned by tobacco manufacturers) and Legal Domestic Sales (provided by manufacturers and third-party market research agencies) allows us to split total cigarette consumption into its constituent parts
- Legal Domestic Sales, available in every country, underpin the initial volume estimate, whilst empty pack surveys enable KPMG to estimate the additional 'Non-Domestic' component of consumption, which can be further analysed depending on the source and brand of each pack
- KPMG's flows calculation ensures that the calculation of inflows and outflows around the 38 European markets are balanced, so that the overall consumption in each country can be estimated.
- Definitions for each component of cigarette consumption are available in the Methodology section
- This Report also highlights heated tobacco consumption in 22 European markets and, for the first time, oral nicotine product shares in 15 European markets. A detailed overview of the methodology for this can be found in the Appendices

Note: (a) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report; (b) The 38 markets are the EU27, Moldova, Norway, Switzerland, Ukraine, the UK, Albania, Bosnia & Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia

Source: (1) KPMG European Flows Calculation 2025

About this Report

This Report is the 2025 edition of an annual study assessing the size and evolution of the illicit cigarette market across 38 European countries. The study has been undertaken on an annual basis between 2006 and 2026 (covering data for calendar years 2005 to 2025) with this Report marking the twentieth consecutive year of this analysis

This edition of the Report was commissioned by Philip Morris Products SA for data covering calendar years 2021 to 2025

This study covers 38 European markets, which are the EU27, Albania, Bosnia & Herzegovina, Kosovo, Moldova, Montenegro, North Macedonia, Norway, Serbia, Switzerland, Ukraine and the UK

This study contains an overview of the 38 markets as well as a comparison between EU27 markets and non-EU27 markets. There are also individual reports for each of the 38 markets. More information on the agreed scope of work can be seen in the appendices to this Report

It should be noted that external issues such as the COVID-19 pandemic and the ongoing war in Ukraine impacted the results between 2021 and 2022, and 2022 onwards respectively

The methodology used to estimate the size of the illicit cigarette market in connection with the previous annual studies has continued to be applied consistently in this Report, with the underlying data sources remaining the same. The methodology is underpinned by a combination of hard data, such as legal sales of cigarettes, travel data, publicly available data points, such as smoking prevalence and average prices of cigarettes, and the empty pack surveys separately commissioned by a number of tobacco manufacturers and undertaken by independent market research agencies. KPMG's approach is to review these data points to produce the relevant estimates. Details of the overall methodology is provided within this Report

This Report refers to interviews with law enforcement, which took place as part of the research process for this study

This Report also highlights heated tobacco consumption in 22 European markets and, for the first time, oral nicotine product shares in 15 European markets



Executive summary

01

Executive summary

55.3bn

Counterfeit & Contraband cigarettes consumed

+3.1bn
on 2024
+5.9%
on 2024



Of total cigarette consumption was C&C

+1.1 ppt
on 2024



€22.4bn

Estimated tax revenue lost^(a)

+€3.0bn
on 2024
+15.2%
on 2024



Total cigarette consumption in the 38 European markets continued to decline in 2025

- Total cigarette consumption declined by 4.1% in 2025, or 21.4bn cigarettes, to 500.5bn cigarettes. This decline reflects a continued contraction in Legal Domestic Consumption (LDC)⁽¹⁾
- LDC fell by 5.5%, continuing the long-term decline across the 38 European markets
- Non-Domestic volumes increased by 3.1%, partially offsetting the decline in LDC
- Within Non-Domestic volumes, illicit cigarette volumes (C&C) contributed all of the growth, whereas legal Non-Domestic (ND(L)) volumes declined

Contraband & Counterfeit (C&C) increased

- Illicit consumption increased by 3.1bn cigarettes (+5.9%) to 55.32bn, and accounted for ~11.1% of total consumption in 2025
- Had these cigarettes been legally purchased in the markets in which they were consumed, an additional ~€22.4bn in taxes would have been raised in the 38 markets, of which €16.7bn relates to EU27 markets^(a)
- The growth in illicit consumption has been due to volume growth across a wide number of markets, but especially in France, the UK and Belgium. However, volume declines in Ukraine and Greece have somewhat offset this growth
- Illicit cigarettes were more than 20% of total cigarette consumption in France (41%), Ireland (35%), the UK (32%), Belgium (25%), Cyprus (24%), the Netherlands (22%) and Lithuania (21%)

Counterfeit volumes increased, while Illicit Whites and Other C&C volumes decreased

- The composition of C&C in the 38 European markets continues to evolve, with increased volumes of Counterfeit^(b) a smaller increase in Other C&C, and reduced volumes of Illicit Whites in 2025
- Counterfeit volumes increased by 13.0% and Other C&C volumes by 0.4% with Illicit Whites volumes decreasing by 1.4%

Law enforcement interviews indicate organised criminal groups are scaling and decentralising operations to increase resilience and exploit enforcement gaps⁽²⁾

- Production and supply chains are fragmenting across jurisdictions with activities split into separate stages. Counterfeits are also becoming more advanced. This is making detection more challenging
- Illicit flows are increasingly driven by export demand and price differences, with some countries evolving into production and transit hubs rather than end-markets for illicit cigarettes
- Diversified logistics across multiple transport modes and direct-to-consumer channels (e.g. via online or social media), combined with more segmented supply chains, are bypassing traditional retail channels. This is shifting enforcement focus upstream to tracking raw materials and logistics networks

Heated tobacco consumption is growing, primarily driven by Legal Domestic Sales

- Our analysis indicates that heated tobacco consumption in the 22 European markets studied is primarily driven by Legal Domestic Sales (LDS), which grew by 6.9% in 2025
- Contraband consumption of heated tobacco represented 1.2% of total consumption, a lower share than that identified within cigarettes albeit this share varies across markets. No Counterfeit flows were identified
- The highest contraband volumes were identified in Germany and Austria, with Netherlands having the highest share of contraband consumption and a large increase in Non-Domestic share
- Legal Non-Domestic inflows varied, with Germany having the highest volume at ~2.4 billion heated tobacco sticks (30.9% of total consumption)

Oral nicotine consumption is dominated by nicotine pouches, but market composition varies across the 15 countries studied

- Nicotine pouches account for most oral nicotine products across the markets studied^(c), with Norway an exception where snus dominates due to restrictions on nicotine pouch sales
- Snus retains a large share of oral nicotine in Norway and Sweden, reflecting established consumer use and permissive regulation, despite being banned in most EU markets and the UK
- Variation in national regulations drives wide differences in the presence of products not eligible for sale, with the highest Non-Domestic shares in markets imposing category sales restrictions
- Despite restrictions on the sale of nicotine pouches in Belgium, Germany and the Netherlands, mystery shopping data suggests these products are still readily available via retail channels⁽³⁾

Notes: (a) Tax revenue lost represents estimated excise & VAT if C&C volumes had been consumed legally in the countries of study; (b) Counterfeit can only be identified by manufacturers forensically examining their brands collected in empty pack surveys. As only BAT, IB, JTI and PMI participate in the empty pack surveys used in this Report, Counterfeit can only be identified from these manufacturers (c) Refer to the oral nicotine section of this Executive Summary section for details of the markets included

Sources: (1) 38 market/ EU27 level results are an aggregation of the European Flows Calculation results for the 38 markets/ EU27, a detailed methodology and list of sources for each market is available in the methodology section of this Report; (2) KPMG interviews with European law enforcement agencies (3) Mystery shopper research conducted in Belgium, Germany and the Netherlands

Law enforcement observations

Our scope of work includes interviewing some law enforcement agencies across Europe to gain their insights on emerging trends in their country and to consider how we could enhance our analysis to better inform them in addressing illicit tobacco flows. We note that reductions in the availability of illicit, typically low-cost tobacco, contributes to their wider tobacco control efforts. As set out below, a key finding of our work is that Organised Crime Groups (OCGs) are reshaping production, logistics and routes to market

Production is scaling and decentralising into multi-country networks

- Manufacturing is increasingly split across jurisdictions, with distinct production, packaging and storage nodes
- Growing evidence of EU-based and Western European illicit factories, often producing for export markets
- Counterfeiting is more sophisticated, replicating tax stamps, and including security features such as functioning QR codes

Supply chains are becoming modular, distributed and harder to disrupt

- OCGs operate multi-node supply chains, separating raw materials, production, storage and transport
- Raw materials, machinery and packaging move independently, creating upstream enforcement gaps
- Use of shell entities, strawmen and compartmentalised roles reduces traceability

Cross-border logistics are shifting towards speed, flexibility and resilience

- Large container flows are increasingly replaced by smaller, higher-frequency movements
- Air freight, passengers, parcels and drones are complementing traditional land and sea routes
- Shipments are rapidly broken down and redistributed, shortening the distribution cycle

Production, transit and consumption are increasingly decoupled

- Some countries are evolving into production and transit hubs, rather than end-markets
- Illicit flows are driven by price differentials and export demand, not just the scale of local consumption
- Domestic consumption trends increasingly mask underlying illicit production and transit activity in markets

Routes to consumers are diversifying beyond traditional retail

- Growing use of direct-to-consumer channels, including social media, messaging platforms and delivery networks
- These channels are allowing OCGs to increasingly bypass regulated retail and enforcement checkpoints

Enforcement focus is shifting upstream and cross-border

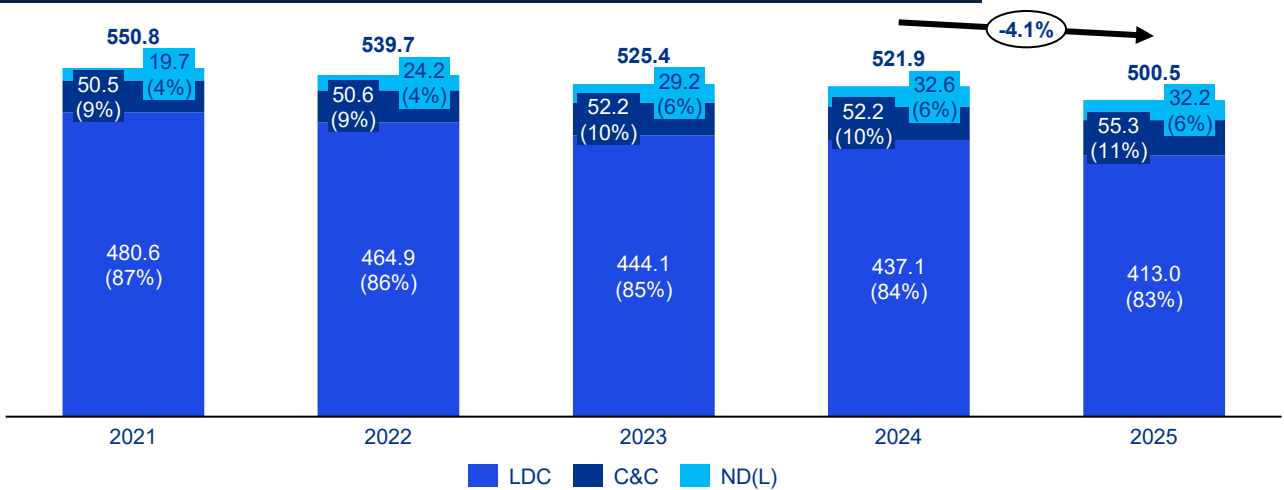
- Key areas of enforcement focus are broadening to include raw materials, logistics networks and cross-jurisdiction coordination
- OCGs are combining industrial capability with advanced counter-surveillance, increasing resilience to disruption
- Effective response requires end-to-end, multi-country targeting of the value chain, not point-of-sale interventions

Source: (1) Interviews with 18 EU27 law enforcement agencies, and 4 Non-EU law enforcement agencies

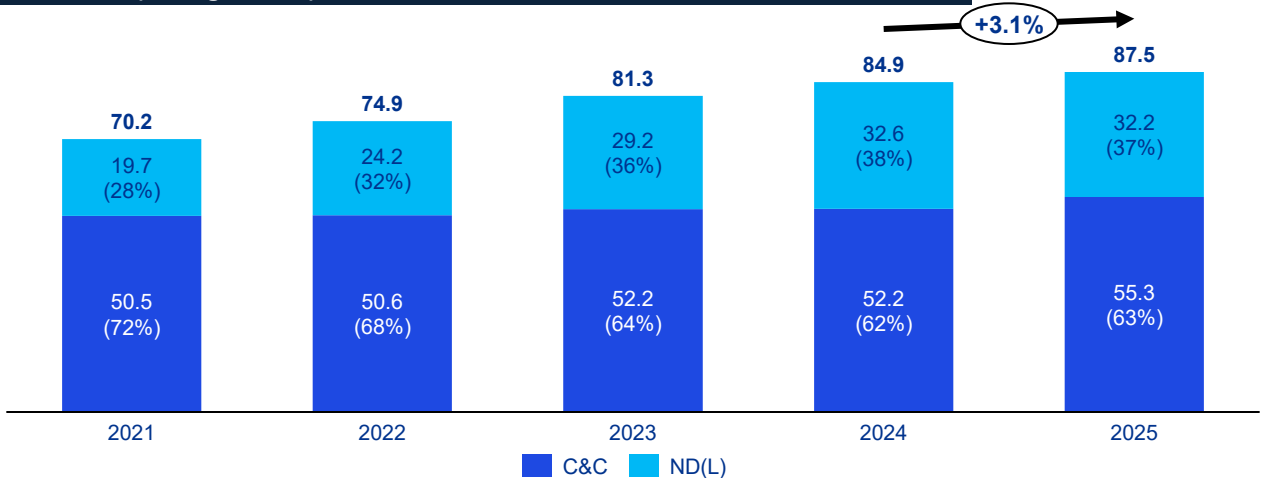
Cigarette consumption trends

- Total cigarette consumption across the 38 markets declined by 4.1% in 2025, continuing the downward trend observed since 2021
- This decline was driven by Legal Domestic Consumption (LDC) which declined by 5.5% to 413.0bn cigarettes
- Non-Domestic consumption (i.e. ND(L) and C&C combined) increased by 3.1%, driven by illicit flows (C&C)
- Illicit flows increased by 5.9% and accounted for 63% of total Non-Domestic consumption
- Legal Non-Domestic volumes (ND(L)) decreased by 1.4% in 2025, reversing several years of growth from the lower figures observed in 2021 due to COVID-related travel restrictions⁽²⁾⁽³⁾. Nonetheless, ND(L) volumes remain below levels observed prior to the pandemic (i.e. 2019 and prior years)

Total manufactured cigarette consumption in 38 European markets, 2021-2025 (bn cigarettes)⁽¹⁾



Non-Domestic cigarette consumption in 38 European markets, 2021-2025 (bn cigarettes)⁽¹⁾

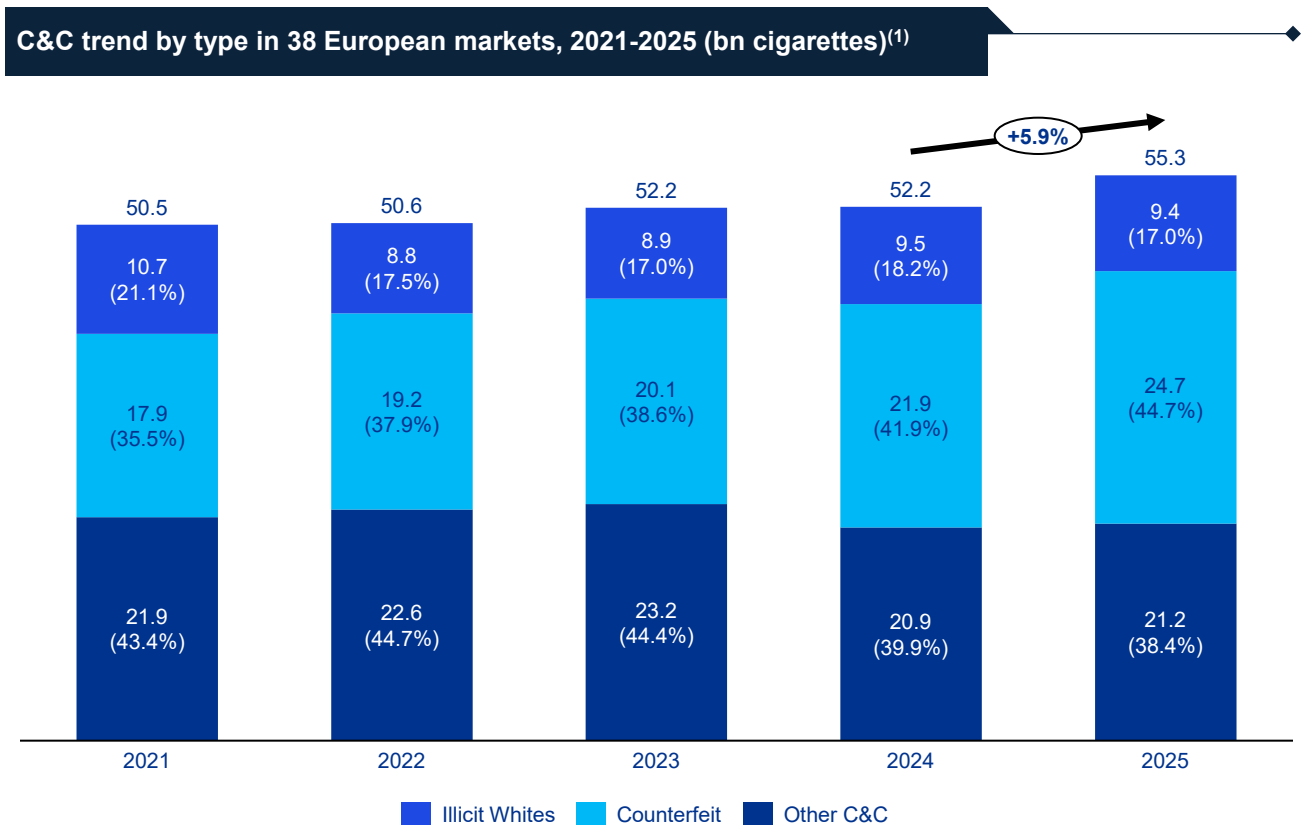


Note: (a) Due to rounding, the difference between totals shown in the chart or commentary may vary from the actuals

Sources: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report; (2) UNWTO; (3) Euromonitor International

C&C trends by type

- Total C&C volumes increased by 5.9% to 55.3bn cigarettes in 2025
- Across the 38 European markets, C&C growth in 2025 has been predominantly driven by increased Counterfeit volumes. Volumes of Illicit Whites and Other C&C have remained relatively stable
 - Counterfeit volumes increased by 13.0% to 24.7bn cigarettes
 - Illicit Whites volumes decreased by 1.4% to 9.4bn cigarettes
 - Other C&C volumes increased by 1.8% to 21.2bn cigarettes



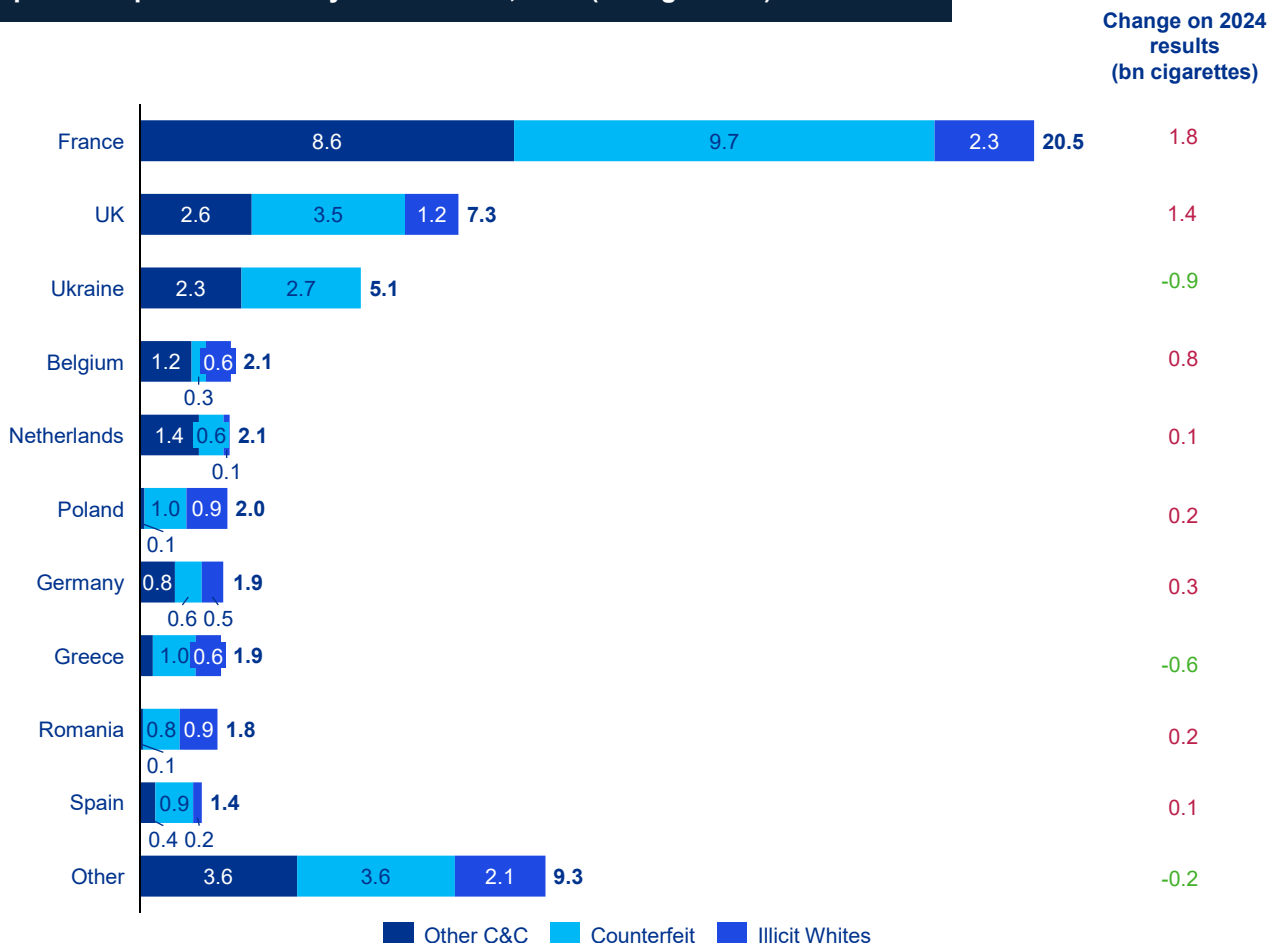
Notes: (a) Due to rounding, the difference between totals shown in the chart or commentary may vary from the actuals; (b) Counterfeit can only be identified by manufacturers forensically examining their brands collected in empty pack surveys. As only BAT, IB, JTI and PMI participate in the empty pack surveys used in this Report, Counterfeit can only be identified from these manufacturers

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

C&C key markets

- Overall growth in illicit consumption has been due to growth across a wide number of markets
- France remains the largest market for illicit cigarettes across the 38 markets in the study and saw the largest increase in illicit consumption in 2025 at 1.8bn cigarettes. This was driven by a 24% (1.9bn cigarette) increase in Counterfeit and a 2.7% (0.2bn) increase in Other C&C, partly offset by an 12.1% (0.3bn) decrease in Illicit Whites
- The UK's C&C volumes increased by 1.4bn in 2025, driven by an 88.7% (0.6bn) increase in Illicit Whites, a 36.6% (0.7bn) increase in Other C&C and a 3.2% (0.1bn) increase in Counterfeit
- Belgium's C&C volumes increased by 0.8bn in 2025, driven by an 88.2% (0.3bn) increase in Illicit Whites, a 36.7% (0.3bn) increase in Other C&C and a 153.6% (0.2bn) increase in Counterfeit
- Ukraine saw the largest decline in illicit consumption, with C&C volumes decreasing by 0.9bn or 15% in 2025, driven by a 19.3% (0.6bn) decrease in Other C&C and a 11.5% (0.4bn) decrease in Counterfeit
- Greece's C&C volumes decreased by 0.6bn in 2025, driven by a 27.8% (0.4bn) decrease in Counterfeit and a 33.4% (0.3bn) decrease in Illicit Whites, partly offset by a 24.1% (0.1bn) increase in Other C&C

Top 10 European markets by C&C volume, 2025 (bn cigarettes)⁽¹⁾



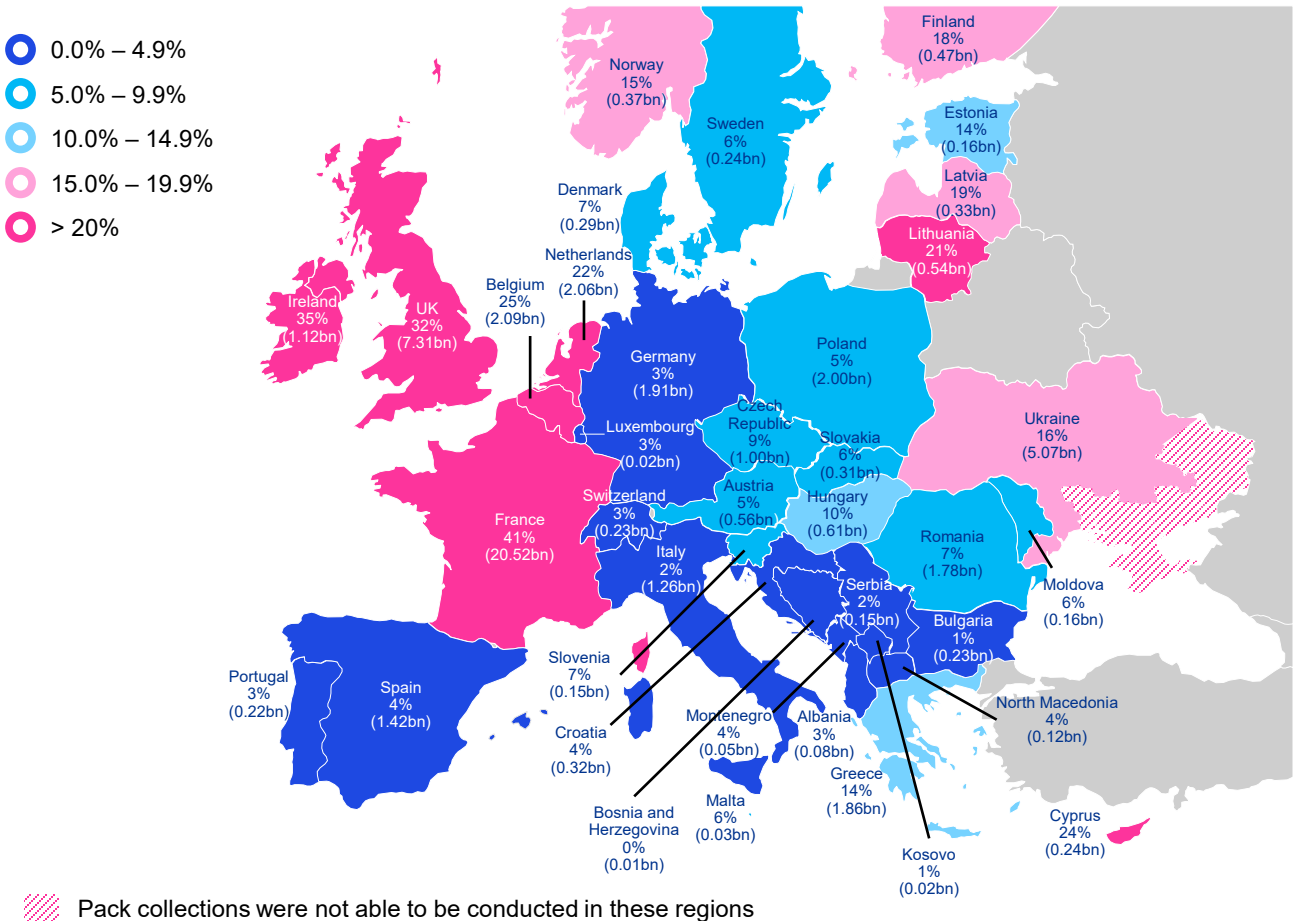
Note: (a) Due to rounding, the difference between 2024 and 2025 totals shown in the chart or commentary may vary from the actuals

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

C&C consumption trend

- In 7 out of 38 European markets, illicit consumption exceeded 20% of total cigarette consumption
- The highest illicit consumption shares were in France (41%), Ireland (35%), the UK (32%), Belgium (25%), Cyprus (24%), the Netherlands (22%) and Lithuania (21%)
- Bosnia & Herzegovina, Kosovo, Bulgaria, Serbia, Italy, Germany, Albania and Portugal had the lowest shares

C&C as a percentage of total consumption, 2025 (%)⁽¹⁾



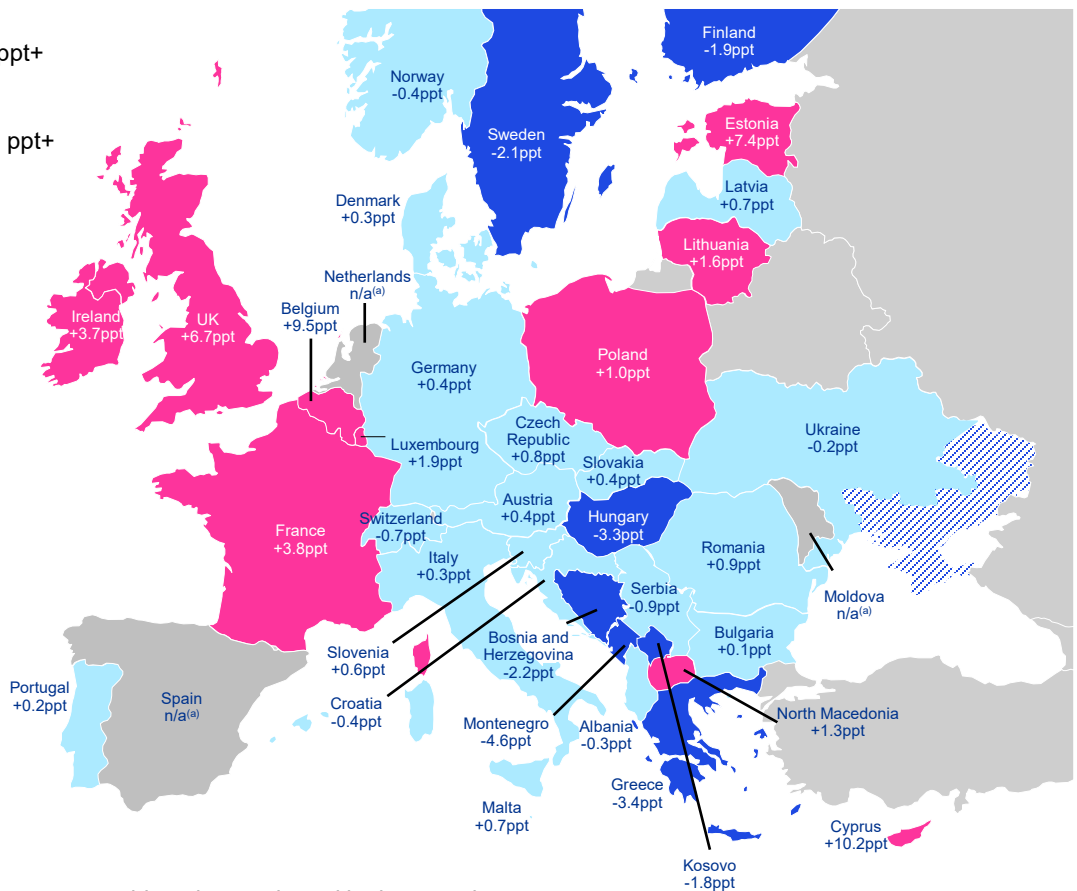
Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

C&C consumption trend (cont.)

- While many markets experienced a broadly stable C&C share in 2025 compared to the prior year, there were several markets with large changes (both up and down) which have driven the overall change in C&C at the European level
- Cyprus, Belgium, Estonia and the UK had the largest increase in the share of C&C in 2025, with C&C share increasing by 10.2 ppt in Cyprus, 9.5 ppt in Belgium, 7.4 ppt in Estonia and 6.7 ppt in the UK vs 2024
- Montenegro, Greece and Hungary had the largest decrease in share of C&C, with C&C share decreasing by 4.6 ppt in Montenegro, 3.4 ppt in Greece and 3.3 ppt in Hungary vs 2024

Change in share of C&C consumption vs prior year, 2025 (ppt)⁽¹⁾

- Increased by 1 ppt+
- Stable
- Decreased by 1 ppt+



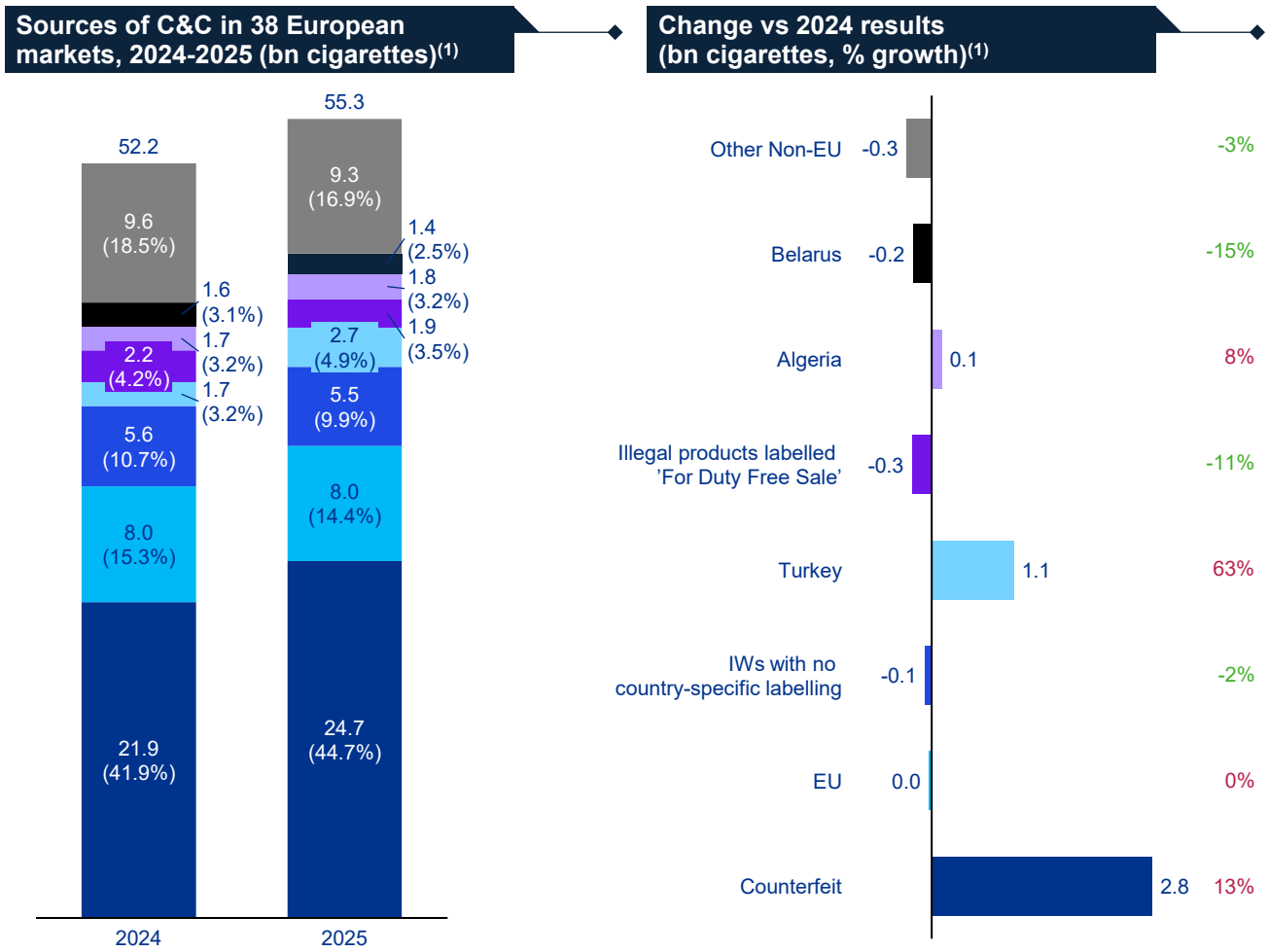
/// Pack collections were not able to be conducted in these regions

Note: (a) Year on year comparators not available. Refer to the relevant country pack for further details

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

C&C sources

- Growth in overall illicit (C&C) consumption in 2025 masks shifts across individual source categories
- Counterfeit remained the largest source of illicit cigarettes, increasing by 2.8bn cigarettes and accounting for 44.7% of total C&C in 2025 (vs 41.9% in 2024)
- Illicit cigarettes that can be identified as flowing from one EU country to another remained stable year on year
- Illicit Whites with no country-specific labelling decreased by 0.1bn and accounted for 9.9% of total C&C in 2025 (vs 10.7% in 2024)
- Illicit inflows from Turkey increased by 1.1 bn in 2025
- Illicit cigarettes illegally labelled for 'For Duty Free Sale' decreased by 0.3bn^(b)
- C&C Inflows from Algeria increased by 0.1bn in 2025
- Illicit inflows from Belarus decreased by 0.2bn
- Illicit inflows from Other Non-EU27 markets decreased by 0.3bn



Notes: (a) Due to rounding, the difference between 2024 and 2025 totals shown in the chart or commentary may vary from the actuals; (b) Cigarettes illegally labelled for 'For Duty Free Sale' are only identified in the Ukraine empty pack surveys

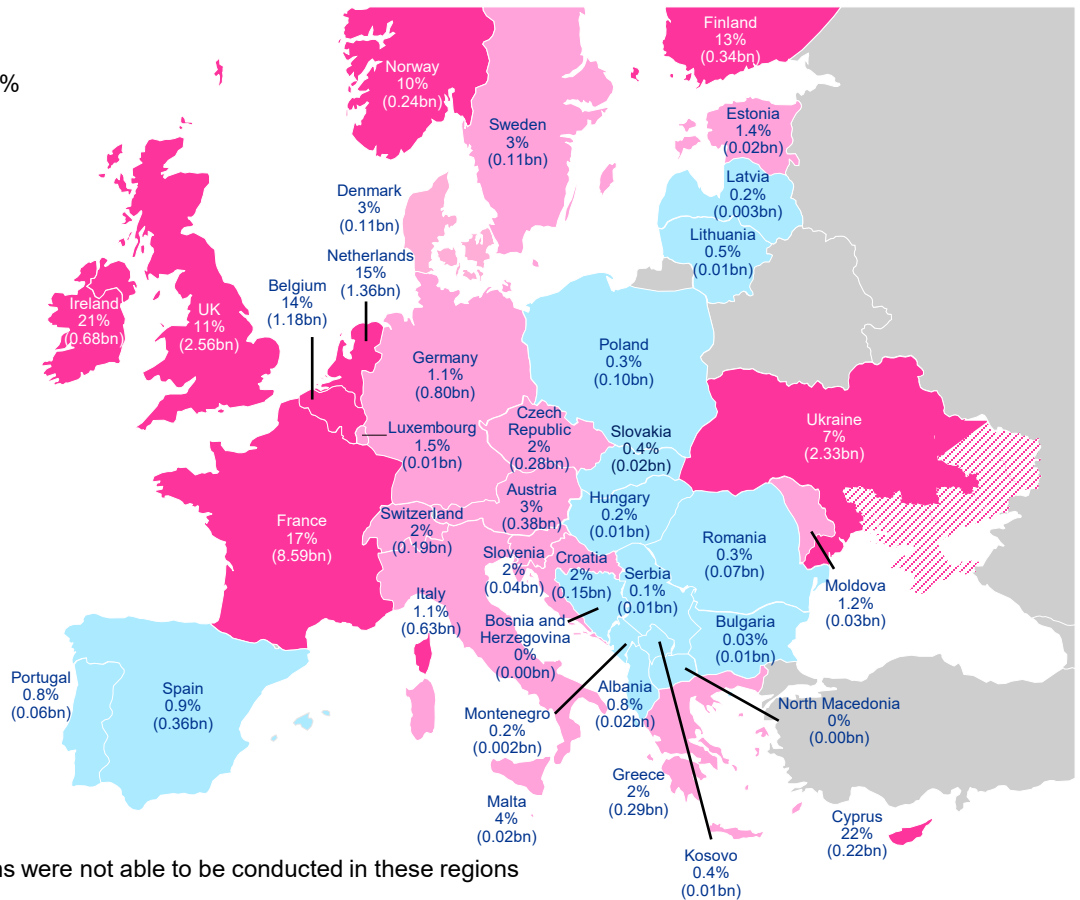
Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

Focus on Other C&C

- Other C&C volumes increased by 0.38bn to 21.2bn cigarettes across the 38 markets in 2025, or 4.2% of total cigarette consumption in the 38 markets in this study (4.0% in 2024)
- At a market level, the highest Other C&C shares were observed in Cyprus (22%), Ireland (21%) and France (17%)
- France is the largest market for Other C&C in the study, accounting for 40% of all Other C&C consumed in the 38 markets by volume
- The lowest Other C&C shares were observed in a number of Eastern European markets

Other C&C as a percentage of total consumption, 2025 (%)⁽¹⁾

- >5%
- >=1% and <=5%
- <1%



▨ Pack collections were not able to be conducted in these regions

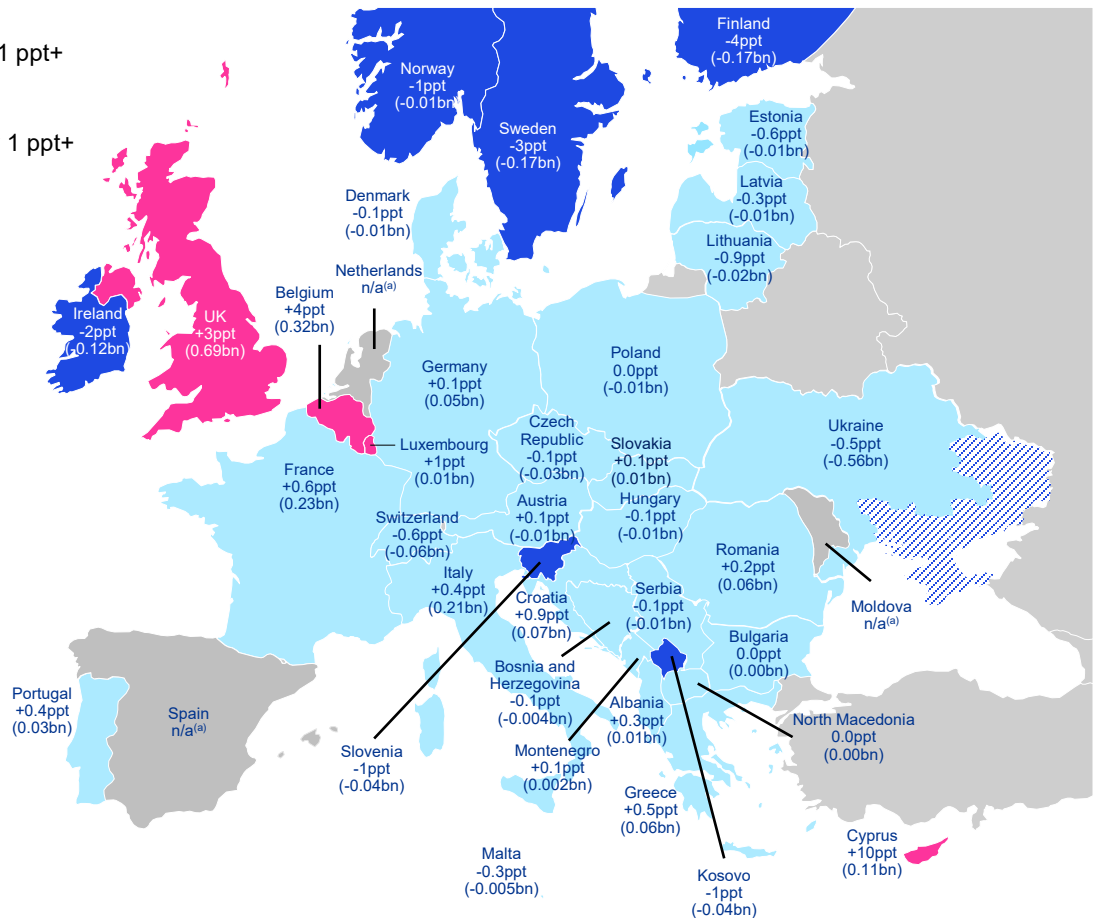
Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

Focus on Other C&C (cont.)

- The share of Other C&C increased by more than 1 ppt in 4 of the 38 markets in this report
- The largest increases in share of Other C&C in 2025 were observed in Cyprus (+10 ppt), Belgium (+4 ppt) and the UK (+3 ppt)
- The largest declines were observed in Finland (-4 ppt) and Sweden (-3 ppt)

Change in share of Other C&C consumption vs prior year, 2025 (ppt and absolute)

- Increased by 1 ppt+
- Stable
- Decreased by 1 ppt+



/// Pack collections were not able to be conducted in these regions

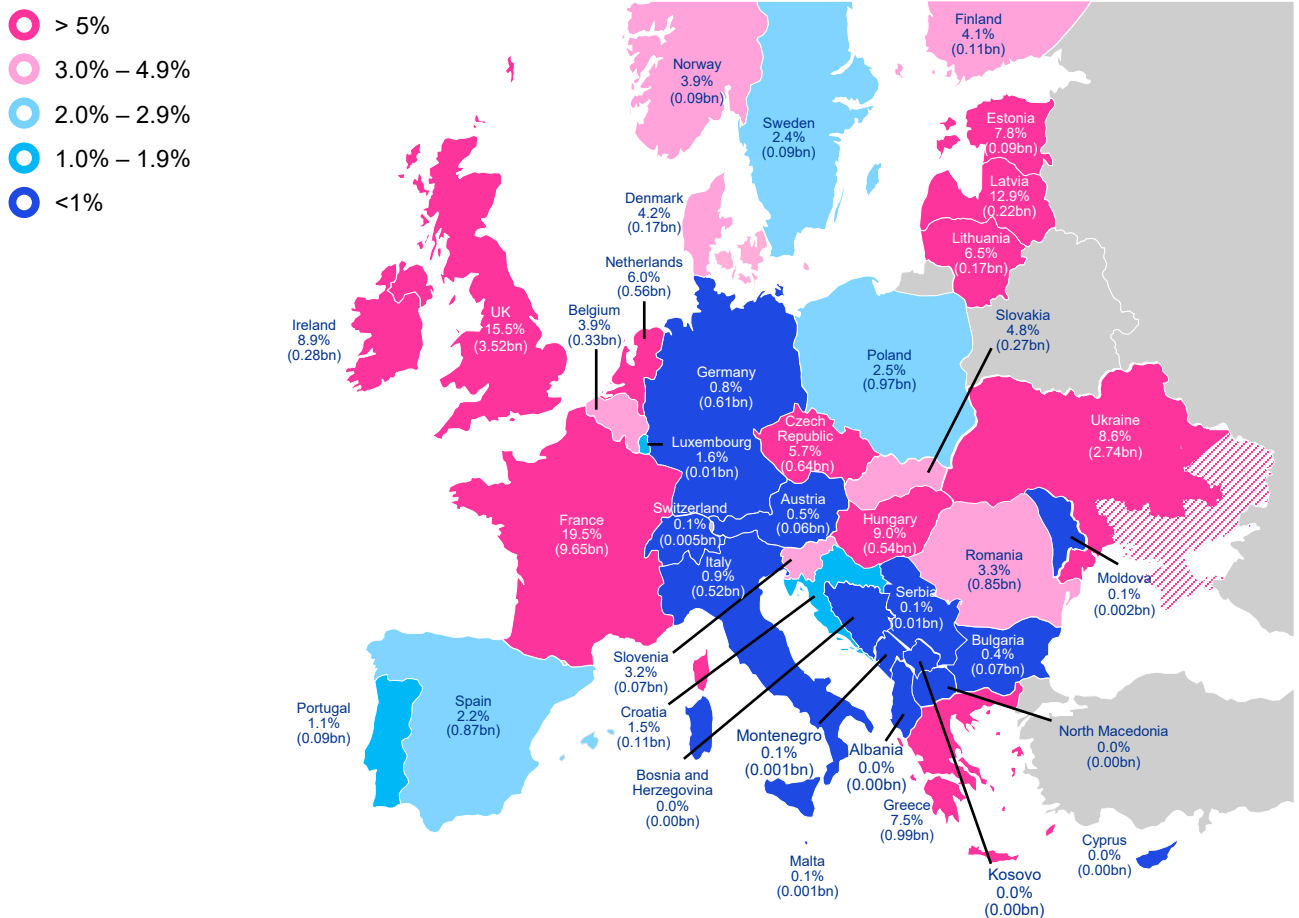
Note: (a) Year on year comparators not available. Refer to the relevant country pack for further details

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

Focus on Counterfeit: Share of consumption

- Counterfeit volumes continued to increase in 2025 (+2.8bn cigarettes) and now represent 4.9% of total cigarette consumption in the 38 markets in the Report, up from 4.2% in 2024
- In volume terms, Counterfeit consumption was highest in France, the UK, Ukraine and Greece, with the highest shares in France (19.5%), the UK (15.5%) and Latvia (12.9%)
- Interviews with law enforcement⁽²⁾ and data on raids of illegal cigarette factories⁽³⁾ indicate that significant volumes of the Counterfeit detected in this study could be manufactured in illegal factories within the 38 markets in this study. These law enforcement interviews also highlighted a growing tendency for manufacturing to move closer to end consumption markets
- Furthermore, as only participating manufacturers^(a) forensically examine the packs collected in the empty pack survey to identify Counterfeit, actual Counterfeit volumes in the 38 markets in this study may be even higher than shown in this Report. This is supported by interviews with European law enforcement representatives who have noted that raided illegal cigarette factories are increasingly producing Counterfeit of Illicit Whites brands⁽²⁾

Counterfeit as a percentage of total consumption, 2025 (%)^{(1)(b)}



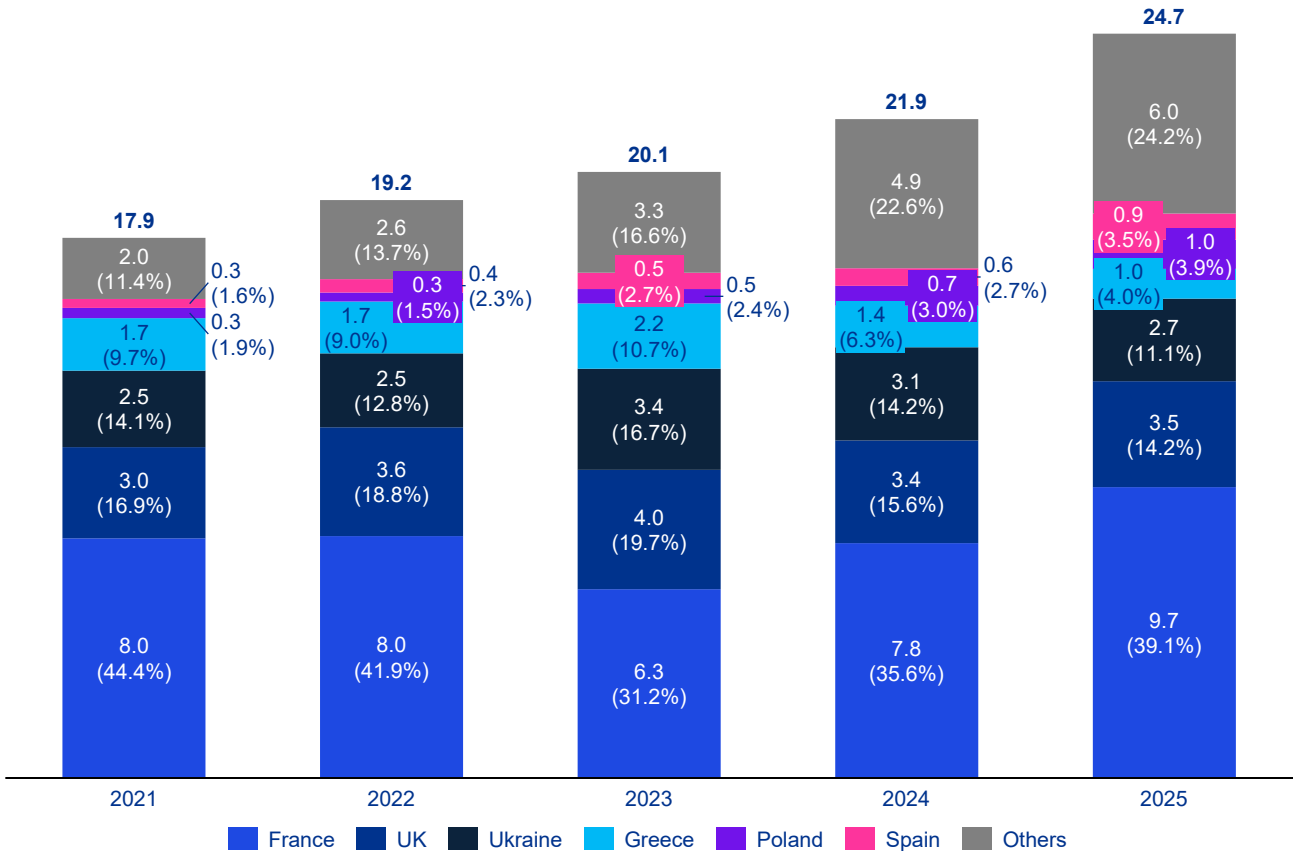
█ Pack collections were not able to be conducted in these regions

Note: (a) PMI, JTI, BAT and IB. Refer to methodology section for further details; (b) Due to rounding, the difference between colour and label may vary
 Sources: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report; (2) Law enforcement interviews, refer to page 11 for further details; (3) European Factory Raids data 2021-2025 provided by PMI

Focus on Counterfeit: Key markets

- Growth in Counterfeit consumption in 2025 was driven primarily by France (+1.9bn vs 2024), Poland (+0.3bn), Spain (+0.3bn), the UK (+0.1bn) and 'Other' smaller markets (+1.0bn)
- In 2025, Ukraine (-0.4bn vs 2024) and Greece (-0.4bn) saw a continuation of the decline in Counterfeit volumes observed in 2024

Counterfeit volumes in 38 European markets, 2021-2025 (bn cigarettes)^{(1)(a)(b)}



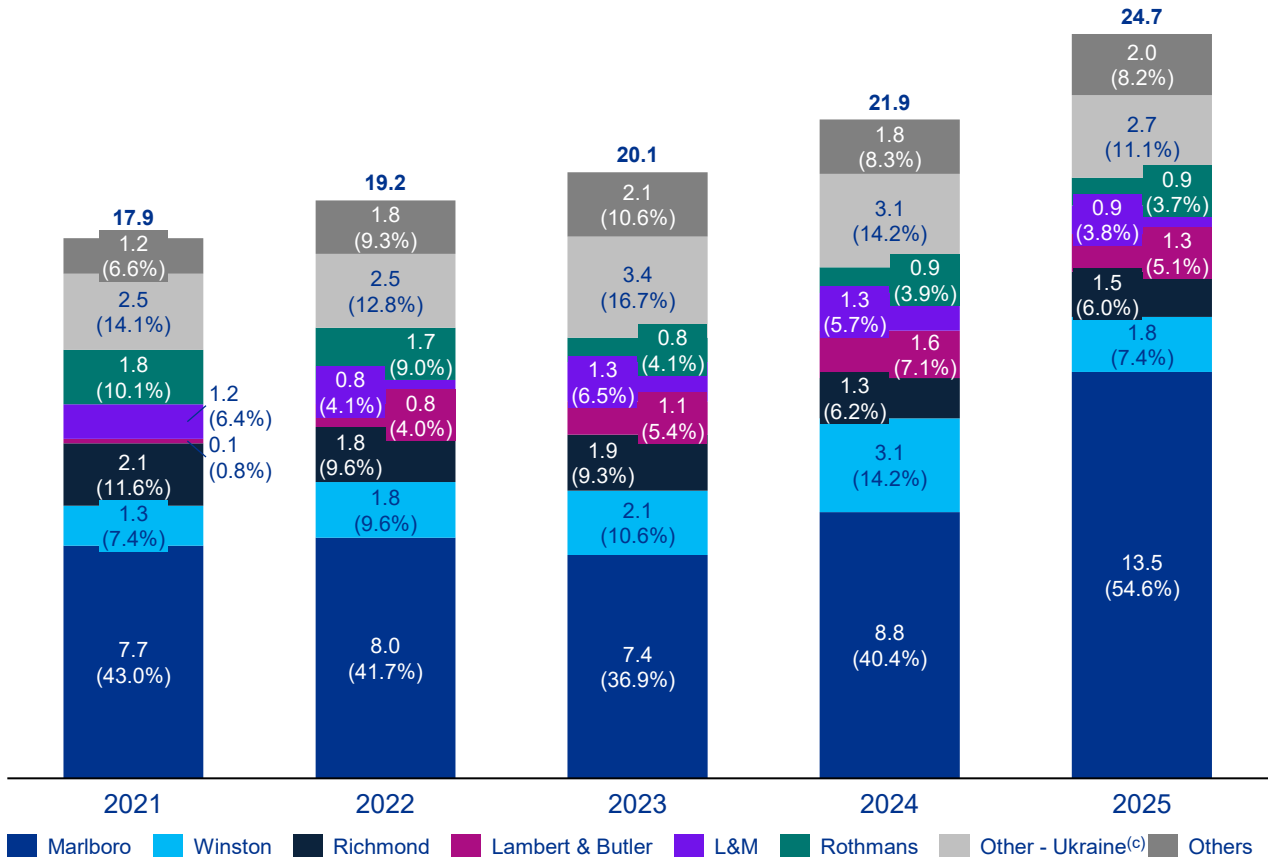
Notes: (a) Counterfeit can only be identified by manufacturers forensically examining their brands collected via empty pack surveys. As only BAT, IB, JTI and PMI participate in the empty pack surveys used in this Report, Counterfeit can only be identified from these manufacturers; (b) Due to rounding, the difference between 2024 and 2025 totals shown in the chart or commentary may vary from the actuals

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

Focus on Counterfeit: Key brands

- Marlboro remained the most counterfeited brand, increasing its share further in 2025, and represented 54.6% of all Counterfeit consumption across the 38 markets (+14.2ppt or 4.7bn cigarettes)^(a)
- Counterfeited Richmond grew (+0.14bn cigarettes), while counterfeited Winston (-1.3bn) and Lambert & Butler (-0.3bn) declined following several years of growth between 2021 and 2024
- Discussions with European law enforcement agencies indicate that Counterfeit cigarettes increasingly feature falsified tax stamps and other anti-counterfeiting measures such as functioning QR codes, making identification by law enforcement agencies more challenging⁽²⁾

Counterfeit brands in 38 European markets, 2021-2025 (bn cigarettes)^{(1)(a)(b)(c)}



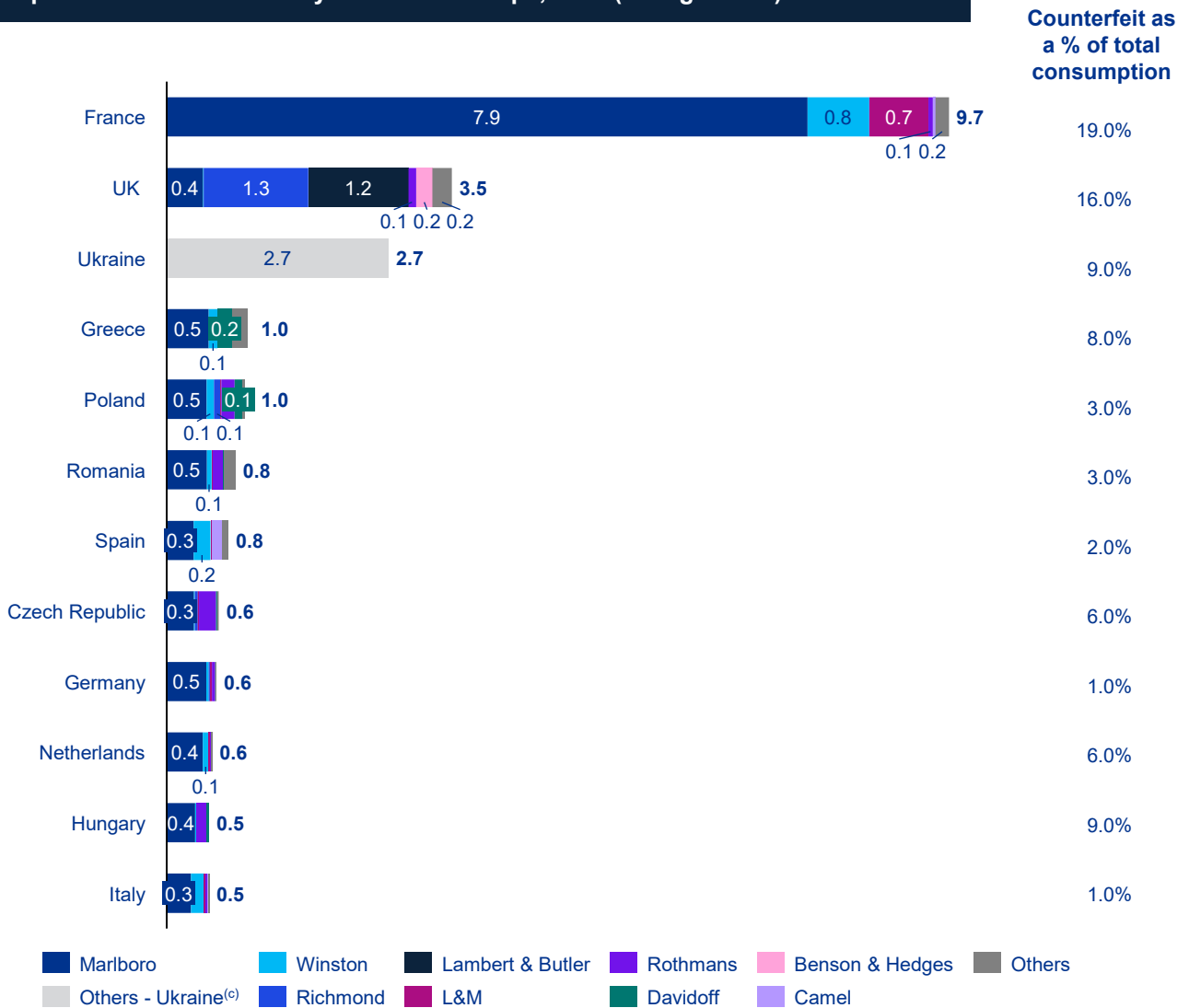
Notes: (a) Counterfeit can only be identified by manufacturers forensically examining their brands collected via empty pack surveys. As only BAT, IB, JTI and PMI participate in the empty pack surveys used in this Report, Counterfeit can only be identified from these manufacturers; (b) Due to rounding, the difference between totals shown in the chart or commentary may vary from the actuals; (c) Figures and charts exclude brand details for Counterfeit identified in Ukraine as this is not included in the empty pack survey data

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report (2) KPMG discussion with European law enforcement agencies

Focus on Counterfeit: Key brands by market

- Whilst Marlboro was the most consumed Counterfeit brand, markets demonstrate differences in consumption when it comes to the second and third largest brands
- The UK remains the most distinct market with counterfeited Richmond and Lambert & Butler being the most consumed Counterfeit brands

Top 3 Counterfeit brands by volume in Europe, 2025 (bn cigarettes)^{(1)(a)(b)(c)}



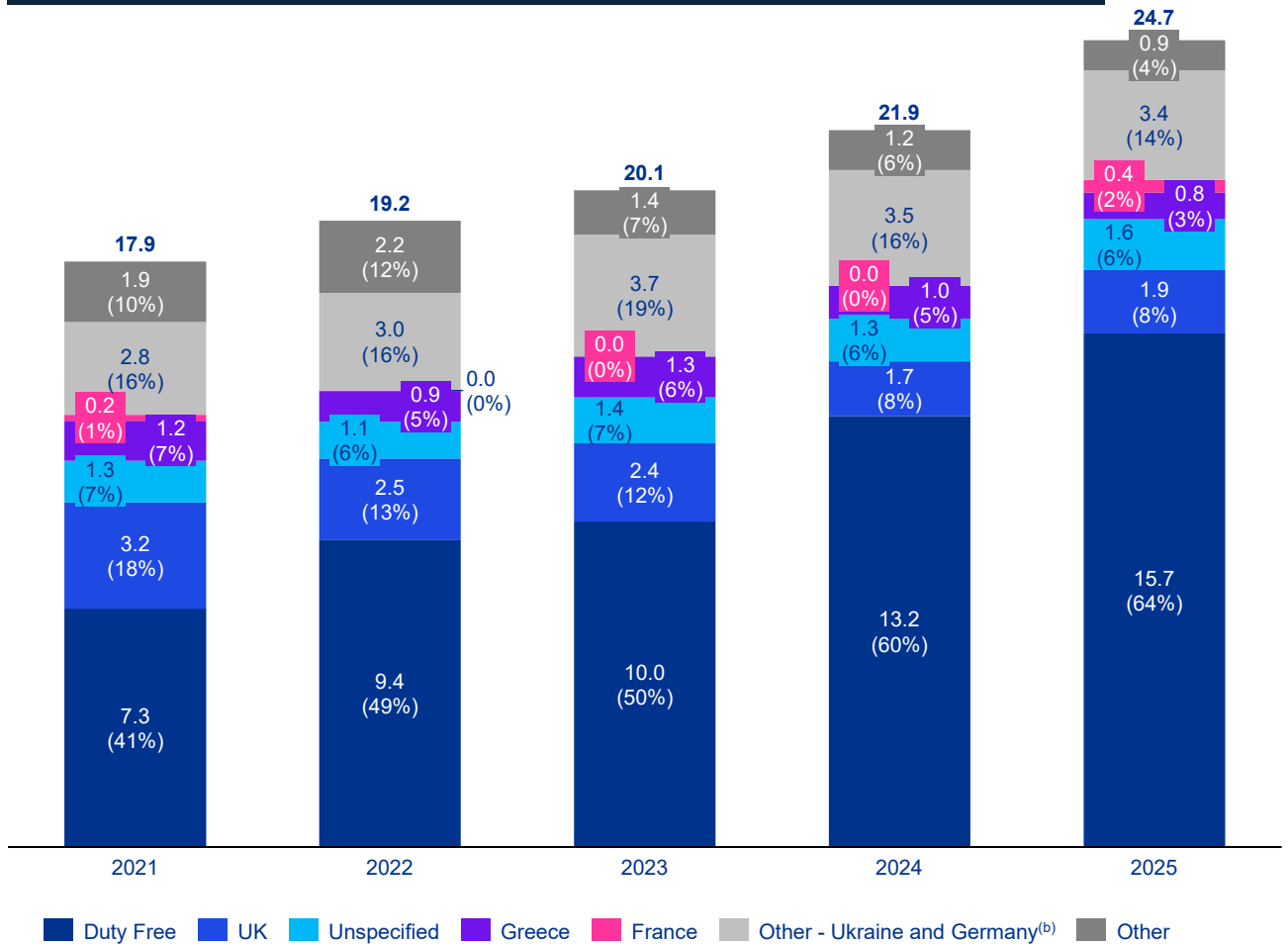
Notes: (a) Counterfeit can only be identified by manufacturers forensically examining their brands collected via empty pack surveys. As only BAT, IB, JTI and PMI participate in the empty pack surveys used in this Report, Counterfeit can only be identified from these manufacturers; (b) These markets represent the top 10 Counterfeit consumption markets by volume in 2025. Counterfeit volumes by brand for the remaining markets are grouped together in 'Other'; (c) Counterfeit pack labelling was not available for Ukraine

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

Focus on Counterfeit: Pack labelling

- Counterfeit packs identified bore the labelling of 52 different markets in 2025 (in line with 2024)
- Counterfeit is increasingly bearing Duty Free labelling, which increased by 2.5bn cigarettes in 2025 and now represents 64% of all Counterfeit packs
- Where Counterfeit packs bore market-specific labelling, the largest volumes were identified to be intended for consumption in the UK, Greece and France

Counterfeit by pack labelling in 38 European markets, 2021-2025 (bn cigarettes)^{(1)(a)(b)}



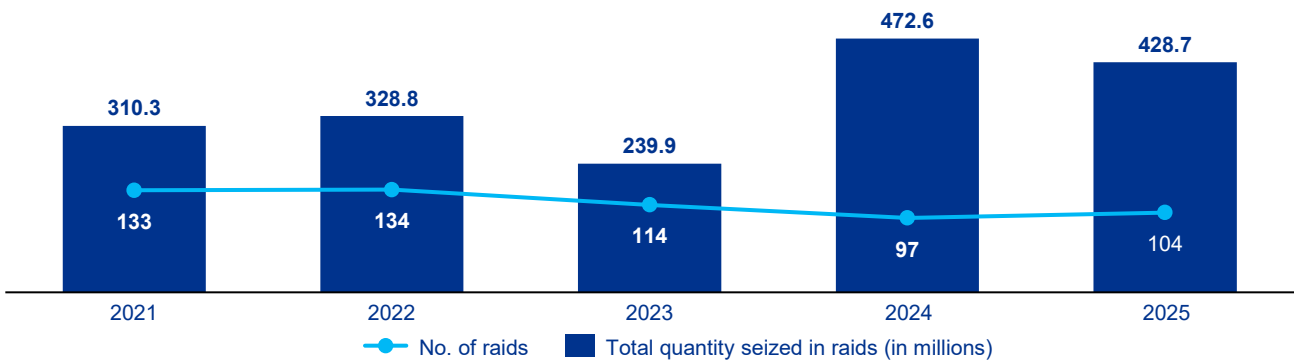
Notes: (a) Counterfeit can only be identified by manufacturers forensically examining their brands collected via empty pack surveys. As only BAT, IB, JTI and PMI participate in the empty pack surveys used in this Report, Counterfeit can only be identified from these manufacturers; (b) Figures and charts exclude labelling details for Counterfeit identified in Germany and Ukraine. Counterfeit pack labelling was not available for Ukraine in 2023-2025, and for Germany in 2021-2022, therefore, to allow like for like comparison, Counterfeit volumes identified in these markets have been included in 'Other - Ukraine and Germany' across all years

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

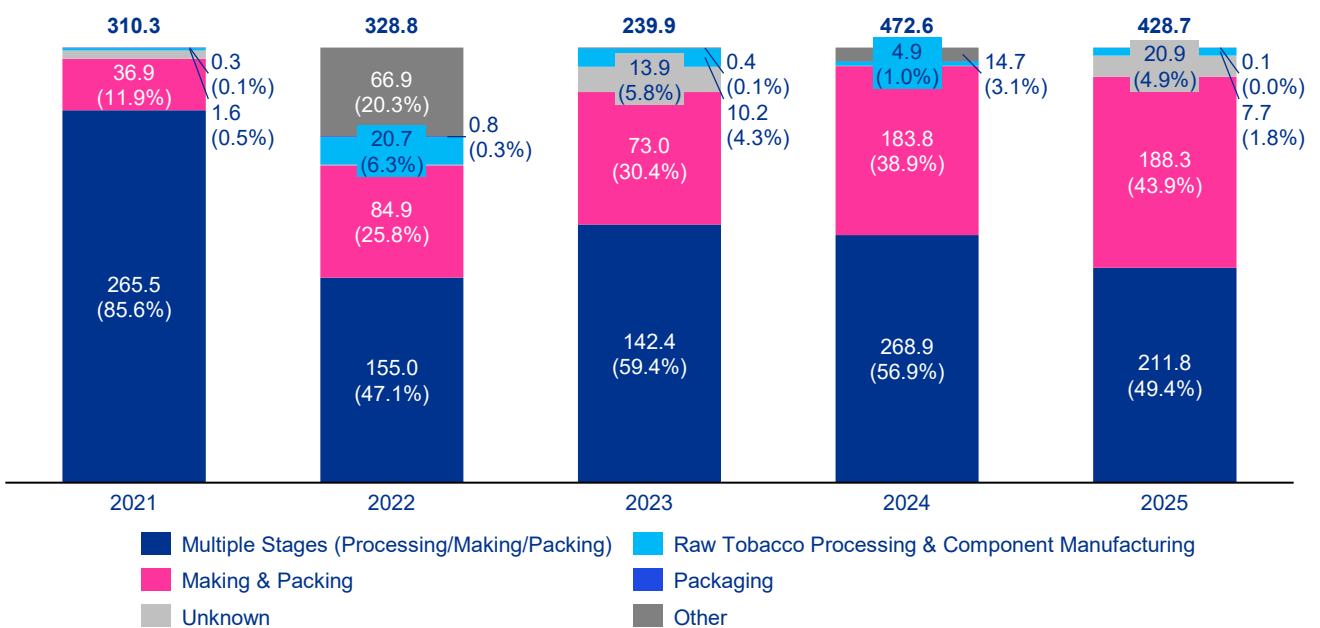
Focus on Counterfeit: Factory raids

- In 2025, the quantity of cigarettes seized in factory raids declined vs 2024 to ~429 million cigarettes, but remained higher than quantities seized across 2021 to 2023
- Quantities and share seized from factories undertaking the Making & Packing stages experienced growth in 2025, with a lower share of factories involved in Multiple Production stages
- Trends observed over the last five years indicate the value chain mix has decentralised post-COVID, with quantities seized from raids reflecting a highly centralised manufacturing process in 2021 during the pandemic. Discussions with European law enforcement agencies indicate this trend has continued in 2025, with materials and manufacturing stages increasingly split across regions or jurisdictions to evade detection and de-risk the impact of seizures on operations⁽¹⁾

Total quantity seized in factory raids (million cigarettes) and number of factory raids in 38 European markets, 2021-2025^{(2)(a)(b)}



Quantity seized in factory raids (million cigarettes) by factory type in 38 European markets (% of total seizures in factory raids), 2021-2025^{(2)(b)(c)(d)}

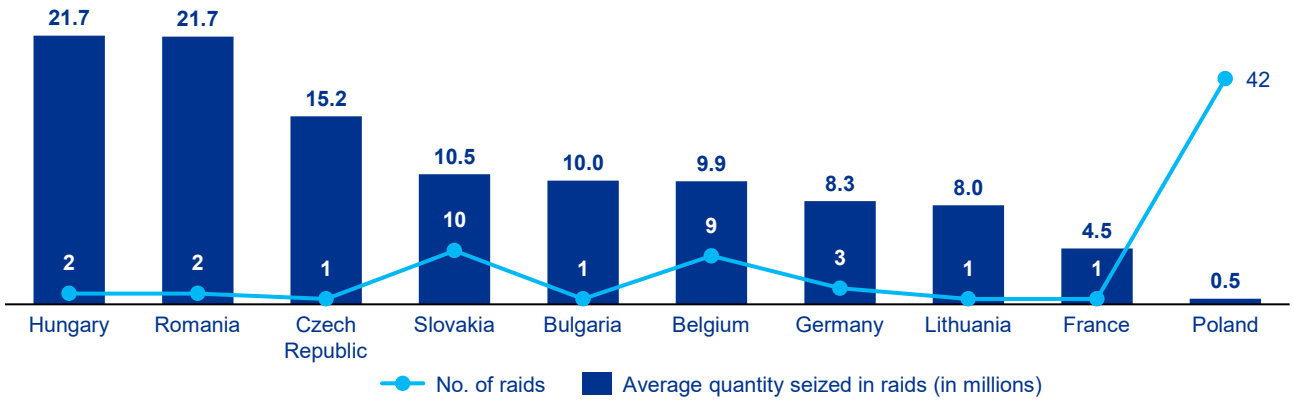


Notes: (a) Number of raids and quantities seized relate to factory raids only, i.e. exclude goods in transit, border crossing seizures etc.; (b) As intelligence continues to be released, changes to numbers published historically can occur to update for emerging information; (c) Categorisation of the type of raids for the European factory raids data is based on KPMG analysis; (d) 'Others' includes storage facilities, Shisha / hookah / water pipe tobacco production, cigarette packaging facilities, Raw Tobacco Processing & Component Manufacturing, and e-cigarettes or e-liquids production

Source: (1) KPMG discussion with European law enforcement agencies; (2) European Factory Raids data 2021-2025 provided by PMI

Focus on Counterfeit: Factory raids (cont.)

Average quantity seized in factory raids (million cigarettes) and number of factory raids for top markets in Europe, 2025^{(1)(a)}



- In 2025, the average quantity of cigarettes seized per factory raid continued to differ by market
- Hungary and Romania saw the largest number of cigarettes seized across a limited number of large raids
- Poland continued to have the largest number of raids, with relatively lower volumes seized per raid compared to other markets. In 2025 raids in Poland saw greater focus on Making & Packing compared to 2024 where raids were more focused on Multiple Stage manufacturing

Quantity seized in factory raids (million cigarettes) for top markets by factory type in Europe, 2025^{(1)(b)}

Market	Factory Type				
	High	Medium	Low	No quantity seized	Value in the grid represents Quantity seized for 2025
	Multiple Stages (Processing/ Making/ Packing)	Making & Packing	Unknown	Raw Tobacco Processing & Component Manufacturing	Others
Slovakia	81.0	24.1			
Belgium	4.7	84.8			
Hungary	23.5	20.0			
Romania		23.3	20.0		
Italy	31.0				
Germany	25.0				
Spain	16.1	3.6		3.1	
Poland	5.3	12.7	0.9	0.1	0.1
Czech Republic	15.2				
Bulgaria	10.0				
Greece		8.3			
Other Countries		11.5		4.5	
Total	211.8	188.3	20.9	7.7	0.1

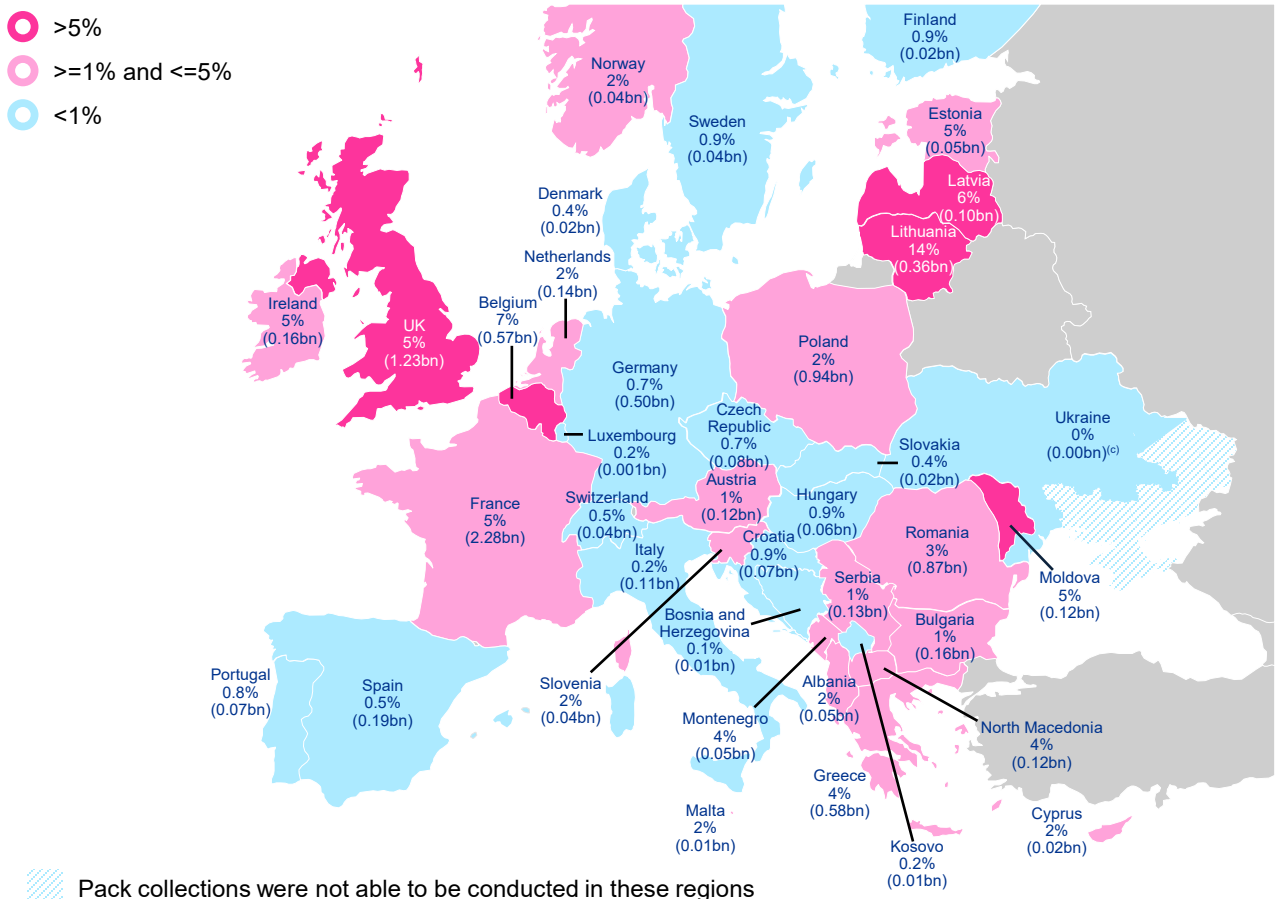
Notes: (a) Number of raids and quantities seized relate to factory raids only, i.e. exclude goods in transit, border crossing seizures etc.; (b) Categorisation of the type of raids for the European factory raids data is based on KPMG analysis

Source: (1) European Factory Raids data 2021-2025 provided by PMI

Focus on Illicit Whites

- Lithuania and Latvia, located near the border of source market Belarus^(a), along with Belgium and the UK, had the highest Illicit Whites shares of total consumption
- The highest volume flows of Illicit Whites were measured in France, the UK, Poland, Romania and Greece, with these five markets accounting for 63% of the total Illicit Whites flows identified in the 38 markets in the study

Illicit Whites as a percentage of total consumption, 2025, % (bn cigarettes)^{(1)(b)}



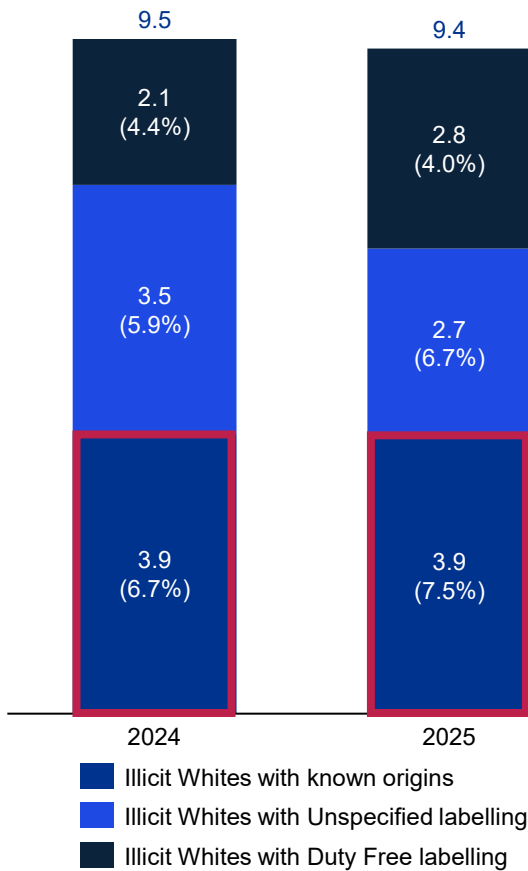
Note: (a) Refer to following page for more details on sources of Illicit Whites; (b) Due to rounding, some regions shaded in different colours may show the same percentage value; (c) Ukraine data limitations prevent identification of Illicit Whites volumes

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

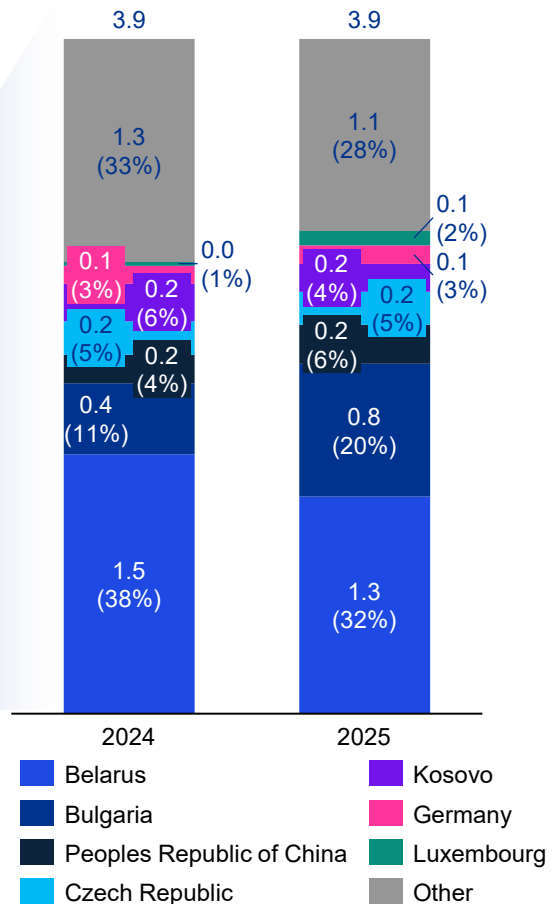
Focus on Illicit Whites (cont.)

- Illicit Whites volumes decreased by 1.4% to 9.4bn cigarettes in 2025
- Illicit Whites with known origins decreased by 0.05 bn to 3.89bn cigarettes in 2025
- Within Illicit Whites with known origins, Belarus remains the largest source, albeit with declining volumes (-0.2bn cigarettes), with most of the growth due to flows from Bulgaria (+0.4bn)
- Illicit Whites with no country-specific labelling form the majority of Illicit Whites volumes
- Illicit Whites with no country-specific labelling either have no health warnings, meaning they are of 'Unspecified' origin, or are labelled as Duty Free. This generic labelling makes identification of the source market difficult
- Illicit Whites with Unspecified labelling decreased by 0.8bn cigarettes in 2025
- Illicit Whites with Duty Free labelling increased by 0.8bn cigarettes in 2025

Illicit Whites volumes in Europe 38 (% of total C&C), 2024-2025⁽¹⁾



Sources of Illicit Whites in Europe 38, 2024-2025⁽¹⁾



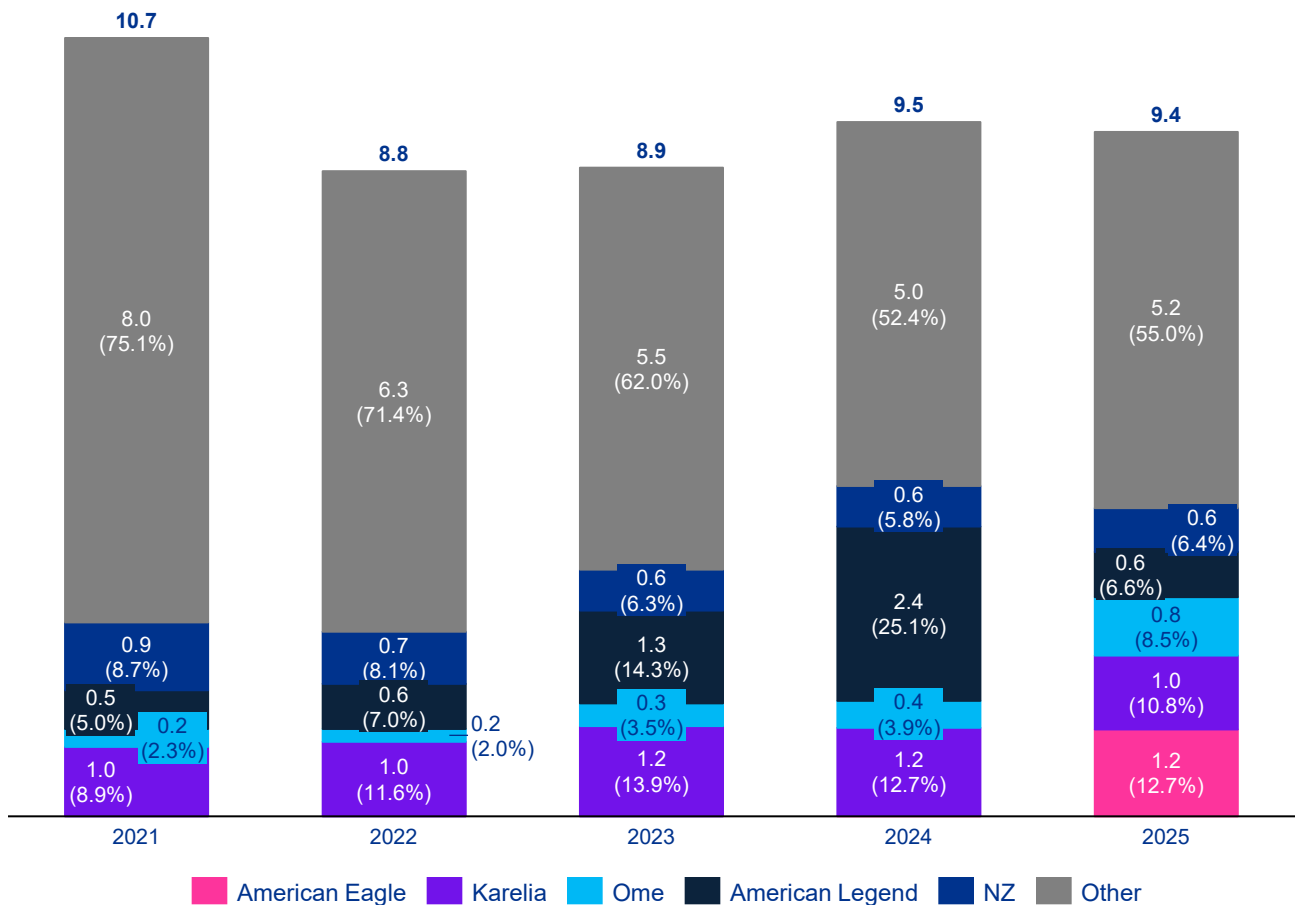
Note: (a) Due to rounding, the difference between totals shown in the chart or commentary may vary from the actuals

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

Focus on Illicit Whites (cont.)

- Illicit Whites volumes declined to 9.4bn cigarettes in 2025, following growth in 2024. This decline masks an ongoing mix change at the brand level
- The top 5 Illicit Whites brands accounted for approximately 45% of Illicit Whites consumption across the 38 markets in 2025, an increase from approximately 25% in 2021. This demonstrates that in volume terms Illicit Whites consumption has consolidated at a brand level
- American Eagle became the largest Illicit Whites brand in 2025, with flows increasing by 1.2bn cigarettes from nil in 2024. Flows of Ome also increased (+0.4bn)
- Flows of American Legend declined (-1.8bn) as did flows of Karelia (-0.2bn)
- Since our analysis cannot identify whether Illicit Whites are Counterfeit or not, it is possible that we may be overstating the Illicit Whites issue and understating the Counterfeit issue, especially given the growth seen in Counterfeit and law enforcement observations that Counterfeit of Illicit Whites brands are increasingly discovered in illegal factor raids^{(1)(a)}

Illicit Whites by brand in Europe 38, 2021-2025 (bn cigarettes)⁽²⁾



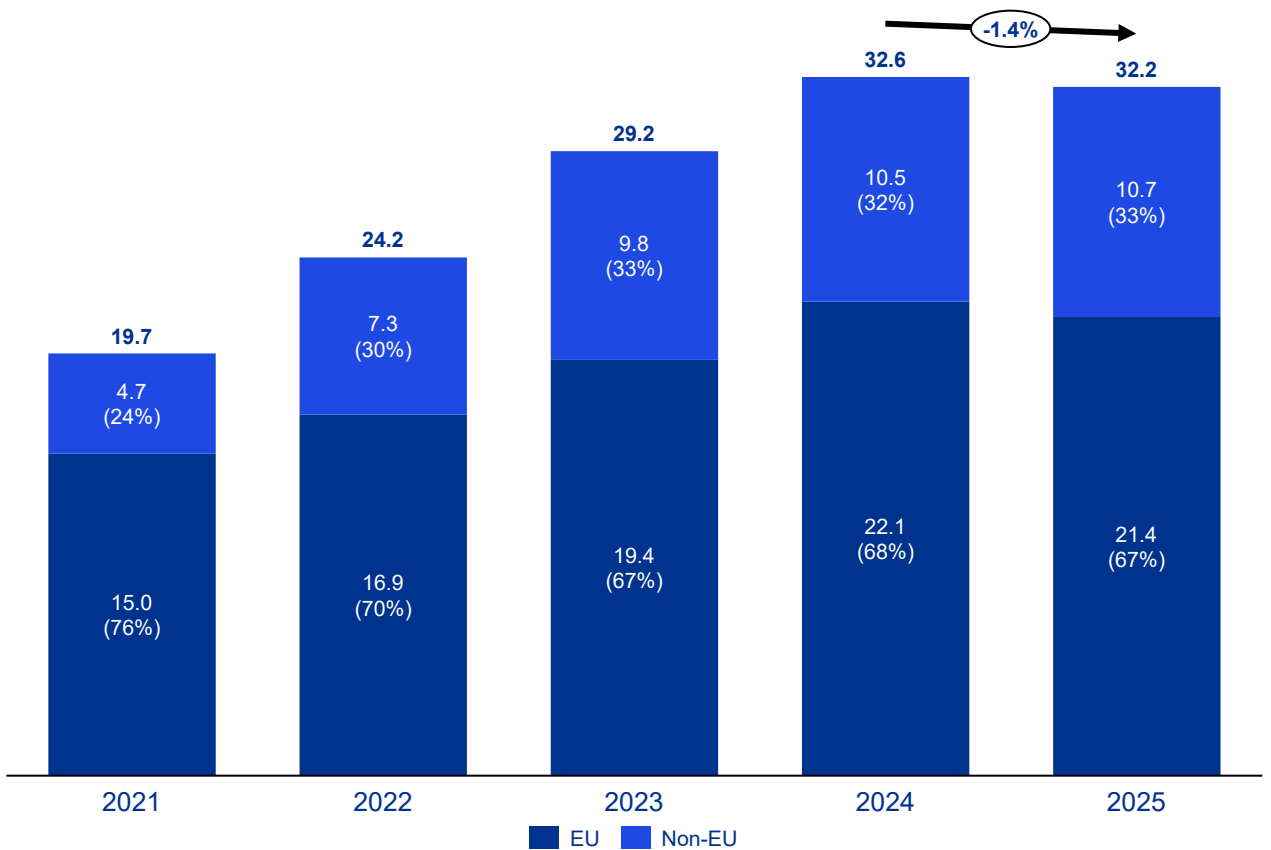
Note: (a) We cannot identify Counterfeit Illicit White volumes in this Report as the manufacturers do not participate in the empty pack surveys and therefore do not analyse if the packs collected are genuine

Source: (1) Interviews with 18 EU27 law enforcement agencies, and 4 European law enforcement agencies; (2) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

Non-Domestic Legal trend (ND(L))

- Non-Domestic Legal (ND(L)) volumes declined by 1.4% to 32.2bn cigarettes in 2025, following growth in the immediate post-COVID period
- The split between EU and Non-EU sources remained broadly unchanged since 2023, with EU markets continuing to account for around two-thirds of ND(L) volumes
- Despite the year-on-year decline in 2025, ND(L) volumes remain higher than during the COVID-impacted period in 2021 and part of 2022 when travel restrictions and border controls were in place

Source of ND(L) in 38 European markets, 2021-2025 (bn cigarettes)^{(1)(a)}



Note: (a) Due to rounding, the difference between totals shown in the chart may vary from the actuals

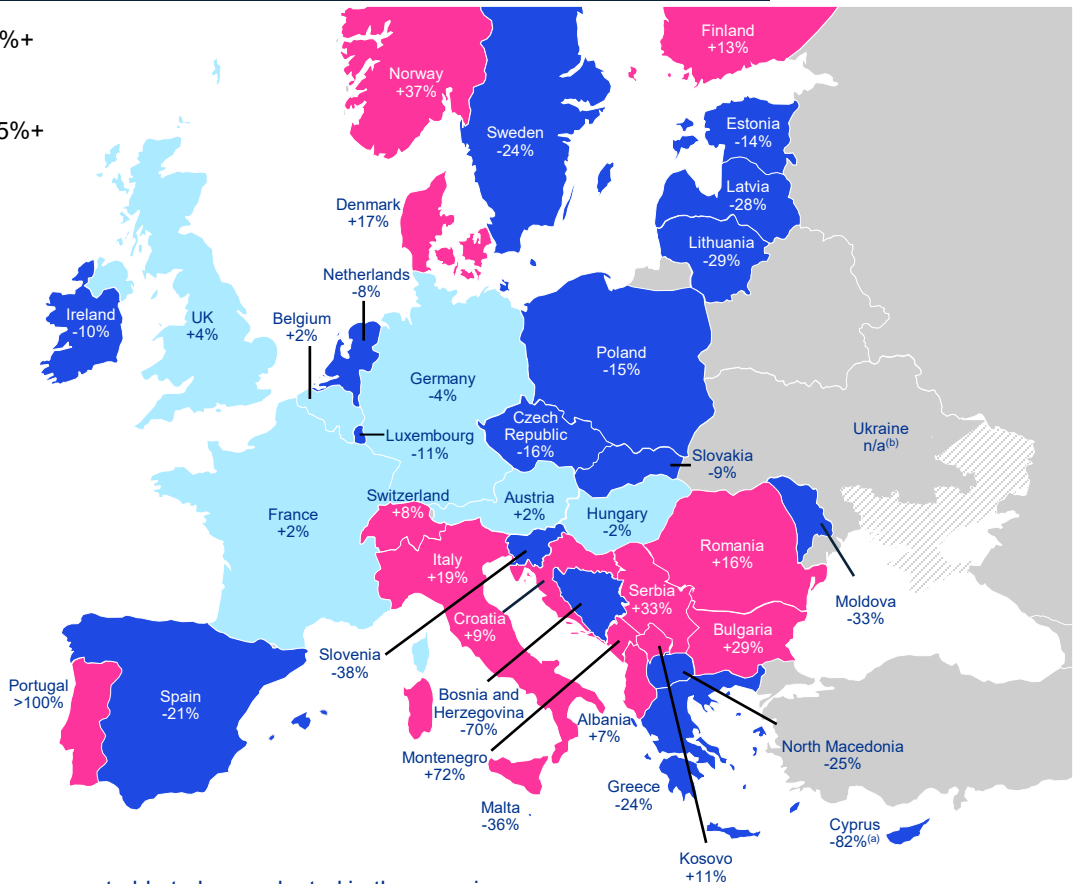
Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

Non-Domestic Legal trend (ND(L)) (cont.)

- 2025 saw a 1.4% decrease in ND(L) flows across Europe
- Evolution of ND(L) was mixed across the 38 markets, with ND(L) increasing by more than 5% in 13 of the 38 markets ND(L) and declining by more than 5% in 18 of the 38 markets

Rate of ND(L) change, 2025 (%)^{(1)(a)(b)}

- Increased by 5%+
- Stable
- Decreased by 5%+



/// Pack collections were not able to be conducted in these regions

Notes: (a) Cyprus ND(L) and C&C flows for 2023, 2024 and 2025 are not comparable with historical figures. Refer to the Cyprus country pack for further details; (b) Pack swap survey data for Ukraine does not contain information regarding the origin of packs collected. Therefore, inflows to Ukraine have not been broken down by origin and consequently ND(L) inflows cannot be estimated

Source: (1) 38 market level results are an aggregation of the European Flows Calculation results for the 38 markets, a detailed methodology and list of sources for each market is available in the methodology section of this Report

EU27 key figures



3.7%

Total cigarette consumption decrease in 2025



41.8 bn

Counterfeit & Contraband cigarettes consumed

(+2.8bn or +7.2% vs 2024)



10.3%

Of total consumption was C&C

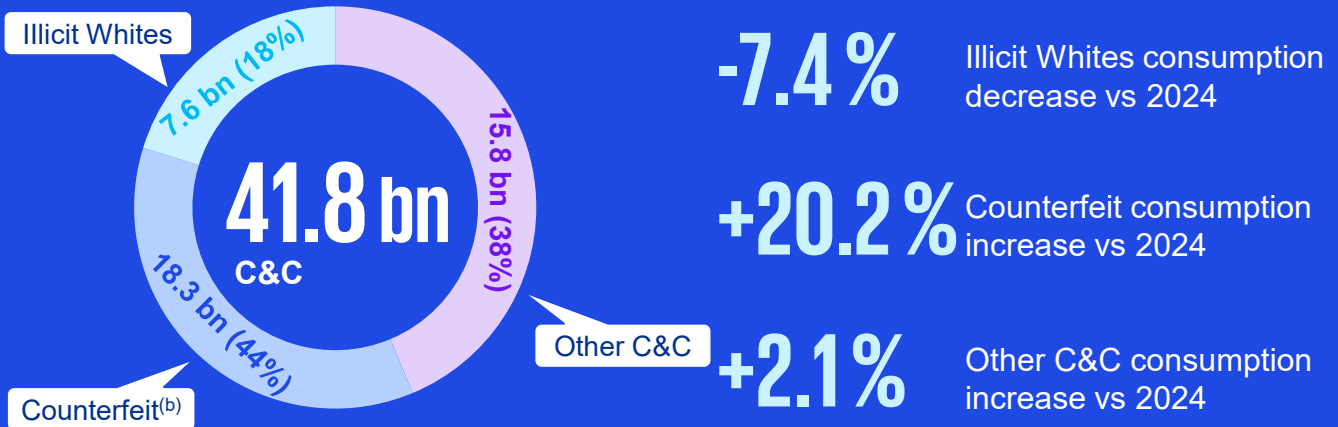
(+1.1 ppt vs 2024)



€16.7 bn

Estimated tax revenue lost^(a)

(+€1.8bn vs 2024)



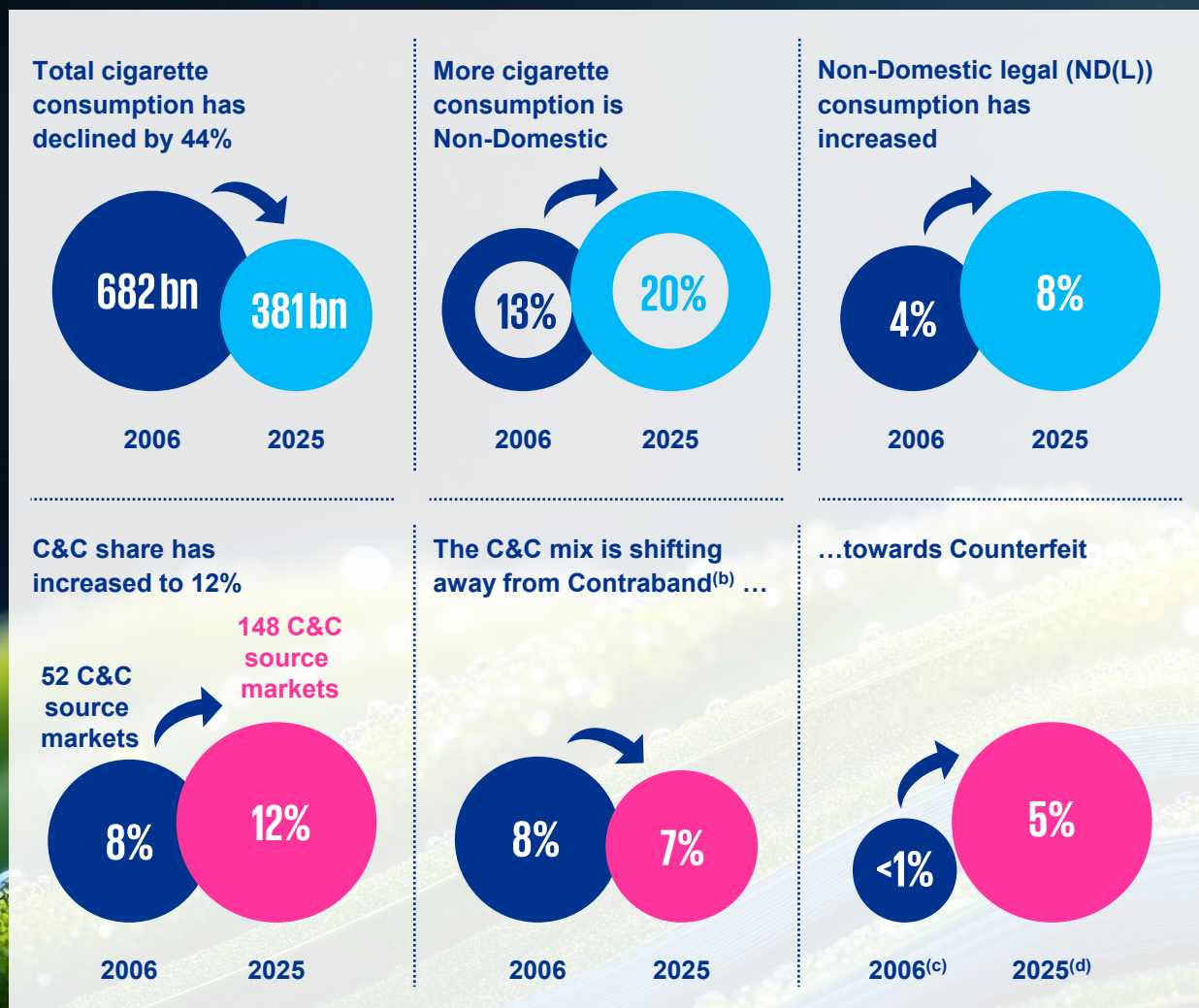
Notes: (a) Tax revenue lost represents estimated excise & VAT if C&C volumes had been consumed legally in the countries of study; (b) Counterfeit can only be identified by manufacturers forensically examining their brands collected in empty pack surveys. As only BAT, IB, JTI and PMI participate in the empty pack surveys used in this Report, Counterfeit can only be identified from these manufacturers

Source: (1) 38 market/ EU27 level results are an aggregation of the European Flows Calculation results for the 38 markets/ EU27, a detailed methodology and list of sources for each market is available in the methodology section of this Report

2006 vs 2025 results

- The 2025 results included in this Report mark the 20th consecutive year of this Report. Comparing the 25 EU markets that were included in the 2006 report against the same 25 markets in 2025 highlights the evolution of European cigarette consumption
 - Total cigarette consumption has declined by -44%
 - Non-Domestic cigarette share has increased from 13% in 2006 to 20% in 2026. With increases in both ND(L) (+4 ppts to 8%) and C&C (+4 ppts to 12%)
 - The number of markets from which illicit cigarettes have been identified has risen from 52 to 148, indicating a more globally dispersed supply chain for illicit cigarettes
 - The C&C mix has shifted towards Counterfeit, with Counterfeit accounting for 5% of total cigarette consumption in 2025 vs less than 1% in 2006

2006 vs 2025 insights for 25 markets^{(1)(a)}



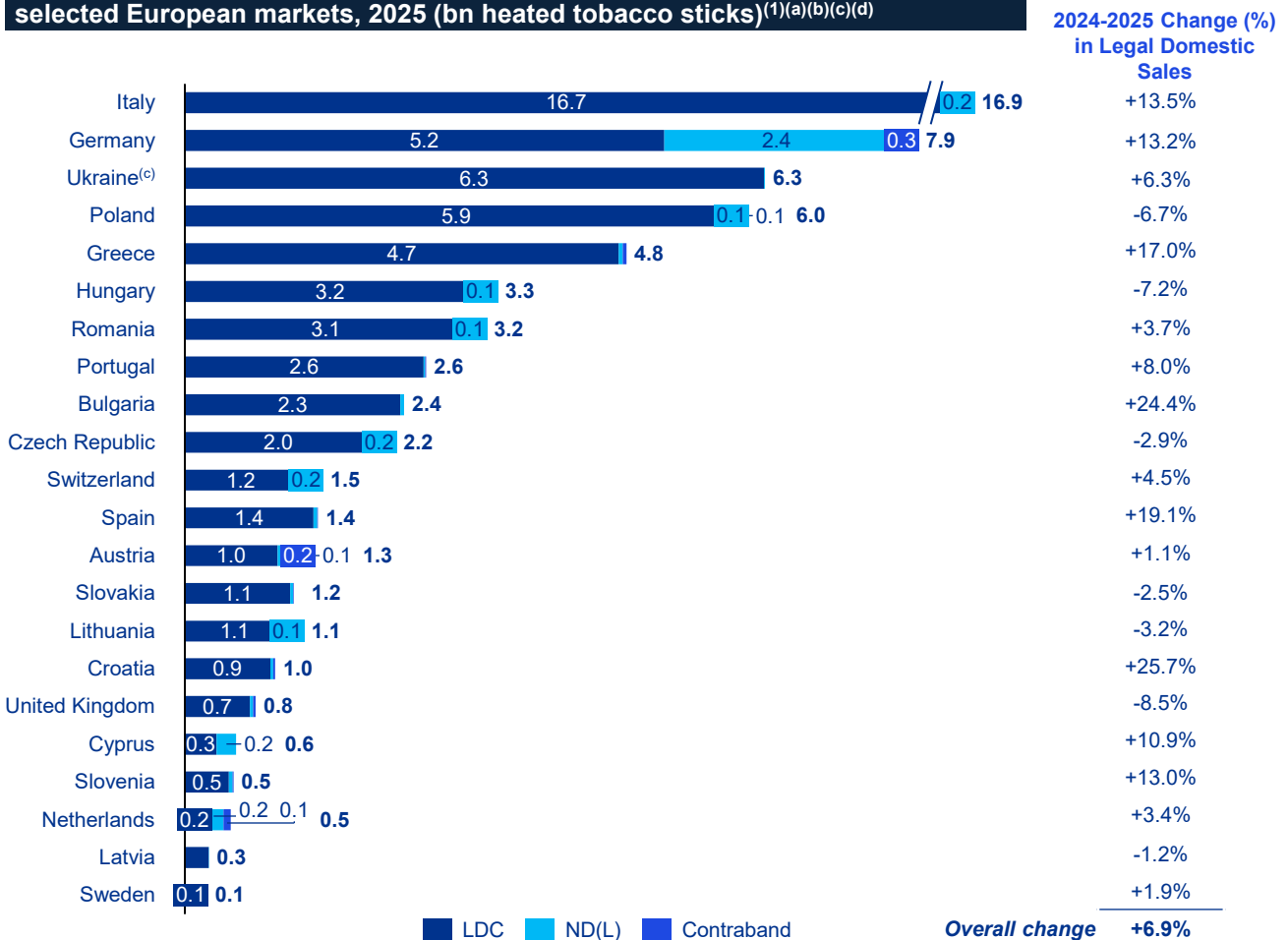
Notes: (a) The 25 markets are: Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, and the UK; (b) Contraband includes Other C&C and Illicit Whites; (c) Includes PMI Counterfeit only in 2006 as PMI were the only manufacturer to forensically examine packs in 2006; (d) Counterfeit can only be identified by manufacturers forensically examining their brands collected in empty pack surveys. As only BAT, IB, JTI and PMI participate in the empty pack surveys used in this Report, Counterfeit can only be identified from these manufacturers

Source: (1) 25 market level results are an aggregation of the European Flows Calculation results for the 25 markets, a detailed methodology and list of sources for each market in 2025 is available in the methodology section of this Report

Heated tobacco consumption in selected European markets

- Across the majority of the 22 markets studied in 2025^{(c)(d)} heated tobacco remains a relatively new and growing category, with growth driven primarily by increasing Legal Domestic Sales and Legal Domestic Consumption. In 2025, Legal Domestic Sales across these 22 markets rose by 6.9% vs. 2024
- The highest growth in Legal Domestic Sales was observed in Croatia (+25.7%), Bulgaria (+24.4%), Spain (+19.1%) and Greece (+17.0%)
- Italy was the largest consumer of heated tobacco in the study, followed by Germany, Ukraine^(c) and Poland
- In the majority of markets included in this report, Non-Domestic inflows (comprised of both legal inflows (ND(L)) and Contraband) were low in absolute terms compared to cigarettes. The highest Non-Domestic inflow was in Germany, at 2.7bn heated tobacco sticks, the large majority of which was legal
- Contraband accounted for 1.2% of total heated tobacco consumption in across the 22 markets in 2025, while legal Non-Domestic flows accounted for 6.4%
- In most markets Contraband volumes were a small element of total heated tobacco consumption and were driven by flows from lower priced markets. No Counterfeit heated tobacco flows were identified

Heated tobacco total consumption split by LDC and Non-Domestic volume in 22 selected European markets, 2025 (bn heated tobacco sticks)^{(1)(a)(b)(c)(d)}



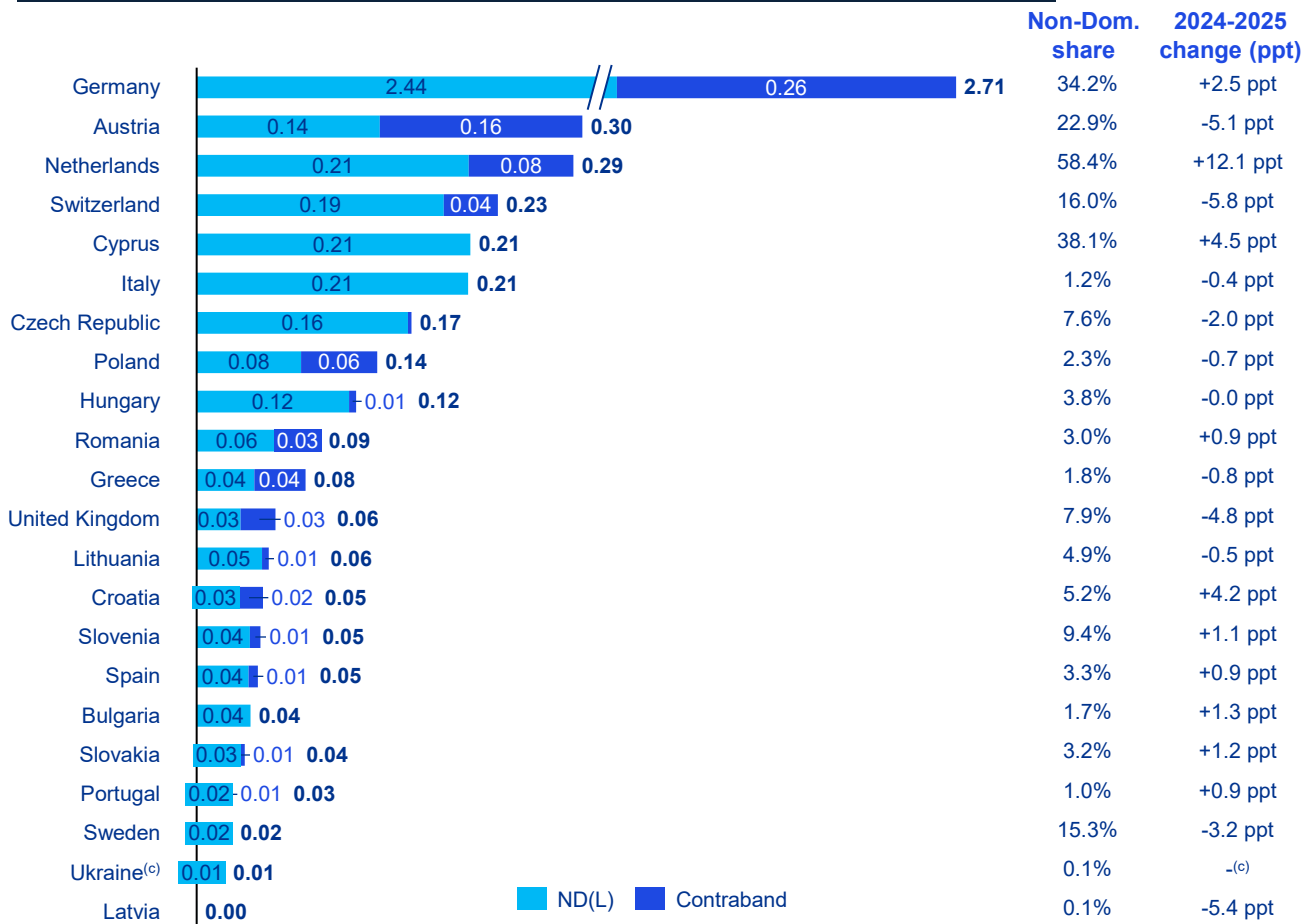
Notes: (a) A methodology section and list of sources for each market is available in the methodology section of this Report; (b) Due to rounding, the difference between totals shown in the chart or commentary may vary from the actuals; (c) Ukraine total consumption data is available for 2024 only, with Ukraine 2024 data included to illustrate scale compared to other markets. Legal Domestic Sales data for Ukraine is available for both 2024 and 2025; (d) The 22 markets included in the study are selected based on availability of empty pack or consumer survey data, and the relative size of the market

Source: (1) KPMG European Flows Calculation, 2025

Non-Domestic heated tobacco consumption

- Despite Non-Domestic inflows being relatively low in absolute terms compared to cigarettes, Non-Domestic shares vary by market
- The Netherlands has the highest share of Non-Domestic inflows (58.4% of total consumption), with several other markets exhibiting double-digit shares of Non-Domestic consumption; Cyprus (38.1%), Germany (34.2%), Austria (22.9%), Switzerland (16.0%) and Sweden (15.3%)
- The largest increases in Non-Domestic share in 2025 were observed in the Netherlands (+12.1 ppt) and Cyprus (+4.5ppt), and the largest declines in Switzerland (-5.8ppt) and Latvia (-5.4 ppt)
- The highest Contraband volumes were identified in Germany (0.26bn heated tobacco sticks) and Austria (0.16bn), but remain a small share of overall consumption of heated tobacco

Non-Domestic consumption split by legal and Contraband volumes in 22 selected European markets, 2025 (bn heated tobacco sticks)^{(1)(a)(b)(c)(d)}



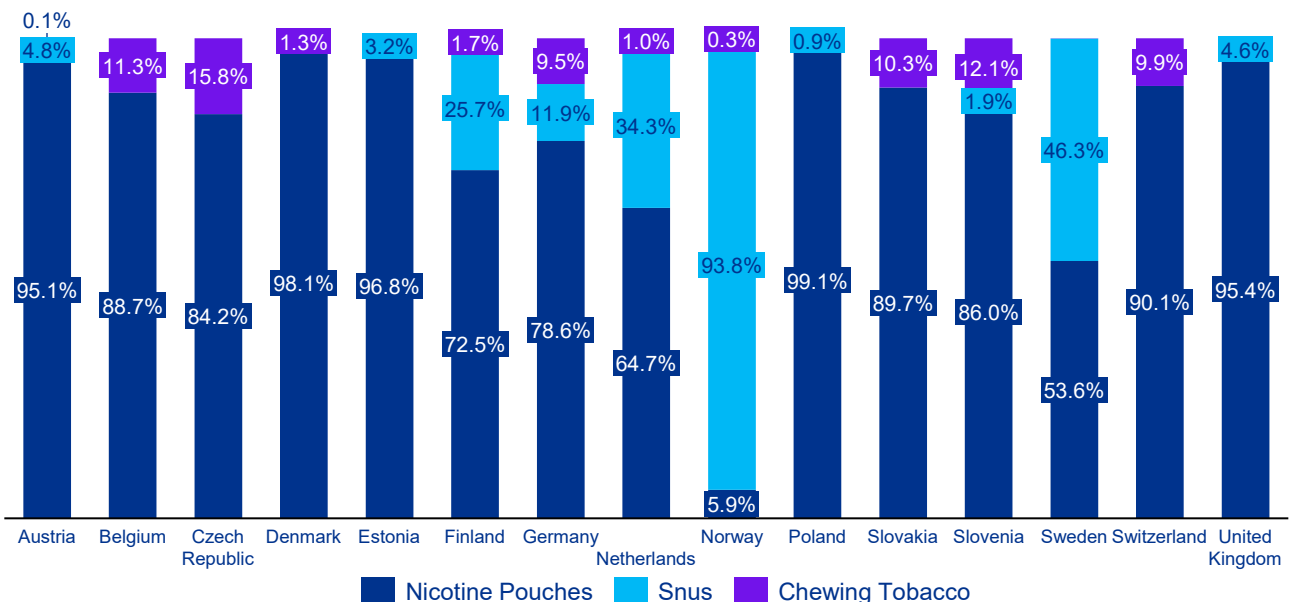
Notes: (a) A methodology section and list of sources for each market is available in the methodology section of this Report; (b) Due to rounding, the difference between totals shown in the chart or commentary may vary from the actuals; (c) Ukraine data is available for 2024 only, with Ukraine 2024 data included to illustrate scale compared to other markets; (d) The 22 markets included in the study are selected based on availability of empty pack or consumer survey data, and the relative size of the market

Source: (1) KPMG European Flows Calculation, 2025

Oral nicotine product share in selected European markets

- Due to the nascency of the nicotine pouches sub-category within oral tobacco and nicotine containing products, robust and detailed legal domestic sales data is not currently available for all markets. As a result, a volumetric estimate of total consumption is not within the scope of this Report
- Composition of the oral nicotine market differs across the countries covered in this report
- Nicotine pouches are the most prevalent form of oral nicotine, accounting for the majority of oral nicotine products collected in the empty can surveys in all markets, apart from Norway where snus dominates
- Snus holds a large share of oral nicotine products in Norway and Sweden. Snus is a traditional and long-established tobacco product in Sweden. High share of snus in Norway may be linked to the regulatory landscape in Norway, which prohibits the sale of nicotine pouches, and its proximity to Sweden. Finland similarly shows high snus prevalence despite a sales ban, likely reflecting its traditional use across the Nordic region. See the following page for further details on regulations
- Chewing tobacco share is lower than that of nicotine pouches or snus, but still maintains double-digit share in a number of markets
- An overview of the regulatory landscape for these product categories by market is provided on the following page, however: sale of snus is banned in EU markets (with the exception of Sweden) and is banned in the UK. Sale of snus is permitted in Norway and Switzerland. There is a ban on sale of nicotine pouches in Belgium and the Netherlands, and a de facto ban on sale of nicotine pouches in Germany^(a) and Norway^(b) which prevents them from being placed on the market
- Despite these sales restrictions, empty can survey results indicate these products are still available to consumers in these markets. Furthermore, mystery shopper surveys indicate that some retailers offer nicotine pouches and snus in Belgium, the Netherlands and Germany, with these products often bearing Non-Domestic labelling or Counterfeit^{(2)(e)}

Oral nicotine product share by market (%) – 2025^{(1)(c)(d)}



Note: (a) German authorities (including state enforcement bodies) classify nicotine pouches as “novel foods” under EU food law, with nicotine considered an unauthorised novel ingredient. As a result, under German and EU food law, nicotine pouches cannot be lawfully placed on the German market; (b) Nicotine pouches are subject to a regulatory approval framework in Norway, but no products have been authorised to date (c) Refer to the methodology section for definitions of nicotine pouch, snus and chewing tobacco products; (d) The 15 markets included in the study are selected based on availability of empty can survey data (e) Refer to methodology section for further details

Sources: (1) KPMG analysis of empty can surveys (refer to methodology and appendices for further details on empty can surveys); (2) Market research agency mystery shopper surveys undertaken in Belgium, Germany and the Netherlands in 2025

Share of oral nicotine products not eligible for sale

- Not eligible for sale products are defined as products that are not eligible for sale in the market in which the product is consumed, and does not necessarily mean the products are illicit. Not eligible for sale products encompass Non-Domestically labelled products, domestically labelled products which do not comply with regulations in the market of study, and Counterfeit products^(a)
- Regulatory frameworks vary across markets, resulting in differing market structures
- Some markets have minimal / no restrictions on sale of oral nicotine products other than snus, and exhibit relatively lower shares of not eligible for sale products (e.g. Slovenia and Estonia)
- Certain markets have implemented limits on nicotine levels in nicotine pouches that can be sold (e.g. Czech Republic and Slovakia), and most of the market is comprised of eligible for sale products
- Other markets have broader restrictions such as category bans (e.g. on sale of nicotine pouches in Belgium and the Netherlands) or de facto bans (e.g. on sale of nicotine pouches in Germany^(b)), leading to high shares of not eligible for sale products due to higher Non-Domestically labelled inflows. However, eligible for sale shares are present as some categories are not restricted (e.g. chewing tobacco in Belgium and Germany)
- High not eligible for sale shares in the Netherlands, Belgium and Germany are indicative of substantial availability of restricted oral nicotine products in these markets. This is further supported by mystery shopping research⁽²⁾ which indicates nicotine pouches and snus remain widely available for purchase

Share of oral nicotine products eligible and not eligible for sale (%) – 2025^{(1)(a)(b)(c)}

	Regulatory landscape ^(g)			Not eligible for sale product share			Total
	Nicotine Pouches	Snus	Chewing tobacco	Nicotine Pouches	Snus	Chewing tobacco	
							■ Not eligible for sale ■ Eligible for sale
Netherlands	Sales ban	Sales ban		65%	34%	1%	100%
Germany ^(b)	Sales ban	Sales ban		78%	12%	2%	92% 8%
Belgium	Sales ban	Sales ban		89%	0%	0%	89% 11%
Finland	Nic. limit	Sales ban		30%	26%	2%	58% 42%
Austria		Sales ban	Sales ban	12%	5%	0%	17% 83%
Norway ^(d)	Sales ban			4%	12%	0%	16% 84%
UK		Sales ban		11%	5%	0%	16% 84%
Denmark ^(e)	Nic. limit	Sales ban		14%	0%	0%	14% 86%
Switzerland				12%	0%	1%	13% 87%
Slovenia		Sales ban		6%	2%	1%	9% 91%
Estonia		Sales ban		6%	3%	0%	9% 91%
Czech Rep.	Nic. limit	Sales ban		8%	0%	1%	9% 91%
Slovakia	Nic. limit	Sales ban		4%	0%	1%	5% 95%
Poland ^(f)	Nic. limit	Sales ban		3%	1%	0%	4% 96%
Sweden				0%	0%	0%	100%

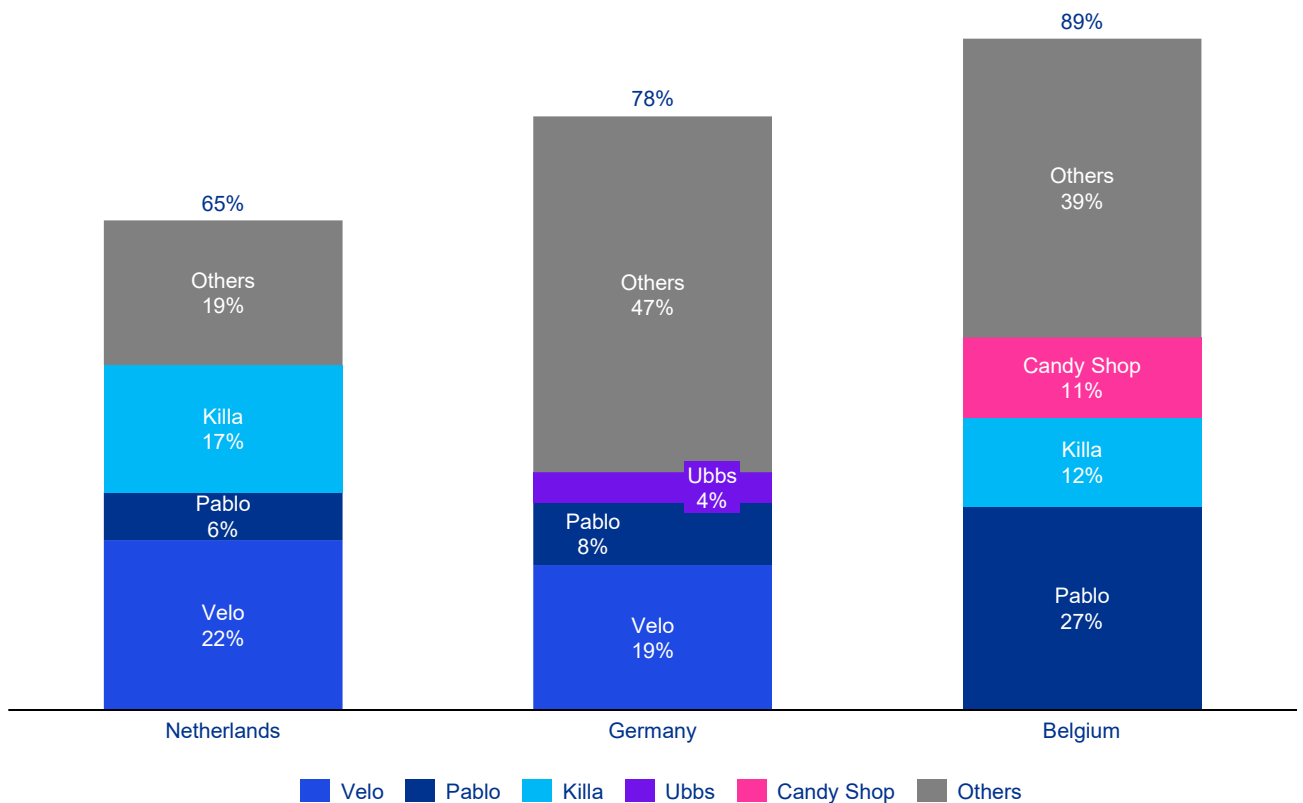
Note: (a) Due to the nascency of the nicotine pouches category within oral nicotine, sales data is not currently available for all markets. As a result, total consumption volumes cannot be estimated. In addition, due to oral nicotine products being readily available online, it is not possible to determine which products have been bought online vs bought during a cross-border trip. These limitations prevent use of traveller volumes to estimate legal oral nicotine inflows (ND(L)) and illicit oral nicotine inflows (C&C or Contraband) as set out for cigarettes and heated tobacco; (b) German authorities (including state enforcement bodies) classify nicotine pouches as "novel foods" under EU food law, with nicotine considered an unauthorised novel ingredient. As a result, under German and EU food law, nicotine pouches cannot be lawfully placed on the German market; (c) Nicotine pouches sales ban relates to nicotine containing pouches only; (d) Nicotine pouches are subject to a regulatory approval framework in Norway, but no products have been authorised to date (e) Nicotine limit was enacted 1 July 2025, with a sell off period until 31 March 2026 for products made before 1 July 2025. As we cannot ascertain date of manufacture in empty can surveys, not eligible for sale share noted above does not include products in excess of this strength limit; (f) Nicotine limit was enacted 5 July 2025, with a 6-month notification period for existing products. As we cannot ascertain whether products were placed on the market prior to enactment or within the transitional period from empty can surveys, not eligible for sale share noted above excludes products exceeding this strength limit (g) Regulations are those in place in calendar year 2025. Refer to the methodology section for further details

Source: (1) KPMG analysis of empty can surveys (refer to appendices for further details on empty can surveys); (2) Mystery shopper research conducted in Belgium, Germany and the Netherlands in 2025 by market research agencies. Refer to methodology section for further details

Concentration of not eligible for sale nicotine pouches by market

- The highest not eligible for sale shares were observed in the Netherlands, Germany and Belgium, predominantly driven by nicotine pouches
- Non-Domestically labelled products (i.e. products bearing labelling that indicates they were not destined to be sold in markets in which they are consumed) are included within not eligible for sale shares. As such, product flows being categorised as not eligible for sale does not necessarily indicate they are not eligible for sale or non-compliant with regulations in their market of origin. Product flows of nicotine pouches noted below also contain Counterfeit products
- Analysis indicates that the large majority of not eligible for sale nicotine pouch product flows below are due to the products being Non-Domestic to the market^(a) and that they may be compliant with regulation in their market of origin

Not eligible for sale top 3 nicotine pouch product flows (includes Counterfeit), top not eligible for sale nicotine pouches markets, 2025 (%)^{(1)(a)}



Note: (a) Refer to page 335 for further details; (b) Due to the nascency of the nicotine pouches category within oral nicotine, sales data is not currently available for all markets. As a result, total consumption volumes cannot be estimated. In addition, due to oral nicotine products being readily available online, it is not possible to determine which products have been bought online vs bought during a cross-border trip. These limitations prevent use of traveller volumes to estimate legal oral nicotine inflows (ND(L)) and illicit oral nicotine inflows (C&C or Contraband) as set out for cigarettes and heated tobacco

Source: (1) KPMG analysis of empty can surveys (refer to appendices for further details on empty can surveys)

Country profiles

02

Albania



C&C cigarette consumption and total consumption

3.0bn

Cigarettes consumed



+0.03bn on 2024

0.1bn

C&C cigarettes consumed



-0.01bn on 2024

2.6%

Of total consumption was C&C



-0.34ppt on 2024

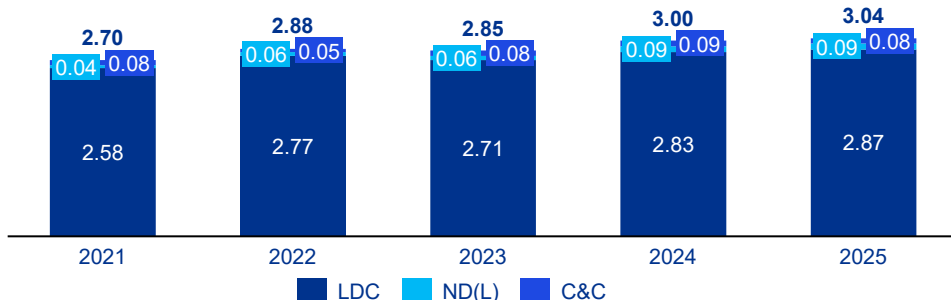
€7m

Total tax revenue lost from C&C^(b)



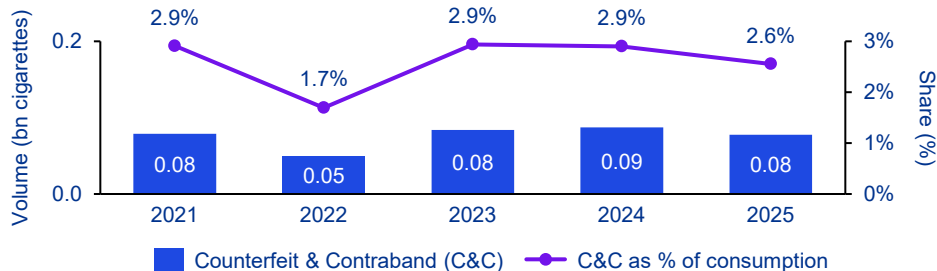
-€2m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

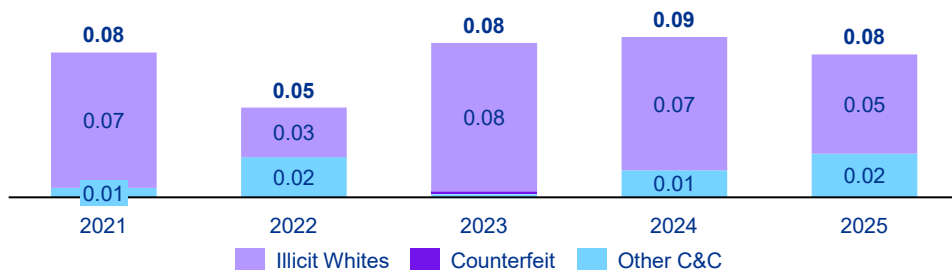


- C&C as a share of total cigarette consumption decreased by 0.3 ppt in 2025 to 2.6%
- Volume declines in Illicit Whites were partly offset by an increase in Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Albania Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	2.71	2.96	2.95	3.09	3.27	6%
Outflows	(0.12)	(0.19)	(0.24)	(0.26)	(0.40)	54%
Legal Domestic Consumption (LDC)	2.58	2.77	2.71	2.83	2.87	1%
Non-Domestic Legal (ND(L))	0.04	0.06	0.06	0.09	0.09	7%
Counterfeit and Contraband (C&C)	0.08	0.05	0.08	0.09	0.08	(11%)
Total Non-Domestic	0.12	0.11	0.15	0.17	0.17	(2%)
Total Consumption	2.70	2.88	2.85	3.00	3.04	1%

- Total cigarette consumption remained largely stable in 2025
- Outflows increased by 54% in 2025 with increased outflows to the UK, Italy and France and a decrease in outflows to Belgium
- Non-Domestic inflows remained relatively stable in volume terms, with increasing inflows from Kosovo and Greece offset by declines in flows of Illicit Whites with no country-specific labelling

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Albania					
Billion cigarettes	2021	2022	2023	2024	2025
Duty Free Labelled	0.00	0.00	0.04	0.05	0.05
Kosovo	0.01	0.03	0.02	0.03	0.04
IWs with no country-specific labelling	0.07	0.02	0.04	0.06	0.04
Greece	0.01	0.02	0.01	0.01	0.02
Other	0.03	0.04	0.03	0.03	0.03
Total Non-Domestic inflows	0.12	0.11	0.15	0.17	0.17

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Albania					
Billion cigarettes	2021	2022	2023	2024	2025
UK	(0.01)	(0.03)	(0.08)	(0.06)	(0.14)
Italy	(0.06)	(0.08)	(0.06)	(0.05)	(0.13)
Belgium	0.00	(0.01)	(0.02)	(0.07)	(0.04)
France	(0.00)	(0.00)	(0.00)	(0.00)	(0.02)
Other	(0.06)	(0.07)	(0.08)	(0.07)	(0.07)
Total Outflows	(0.12)	(0.19)	(0.24)	(0.26)	(0.40)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

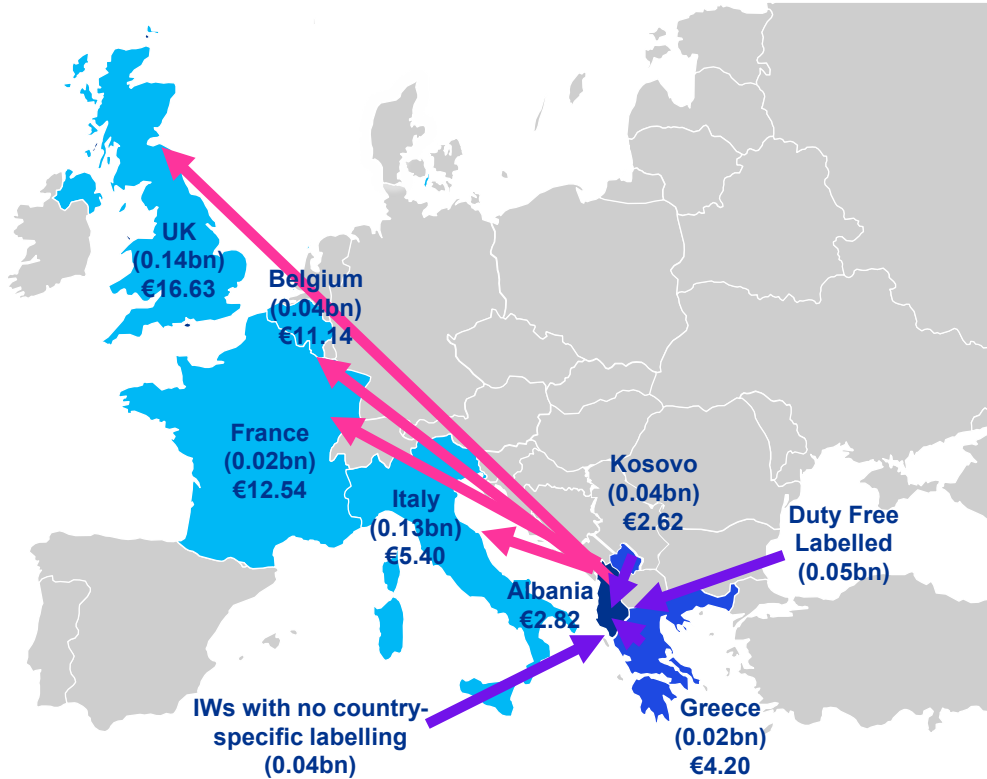
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

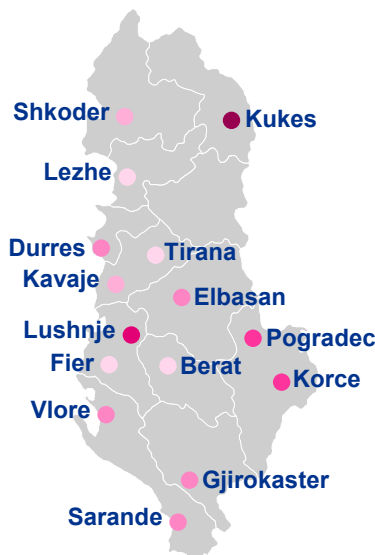
- Albania
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by city^{(1)(b)(c)(d)}

Low High

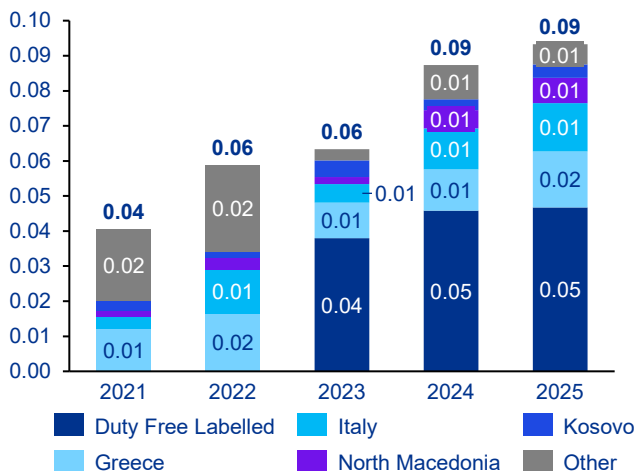


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) EPS for this country does not collate results by region; (c) C&C% by city shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the city. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the city; (d) Data not available for regions in grey

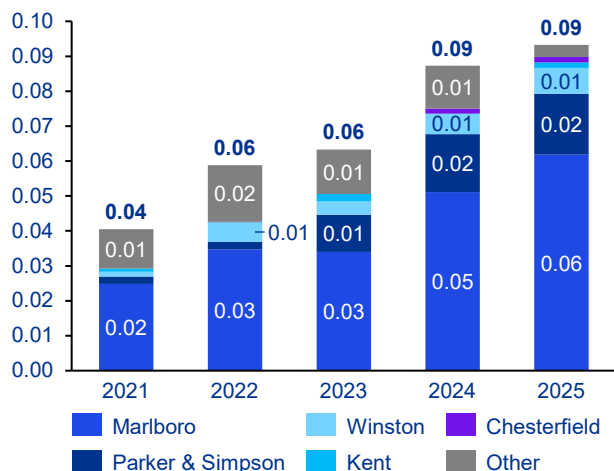
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

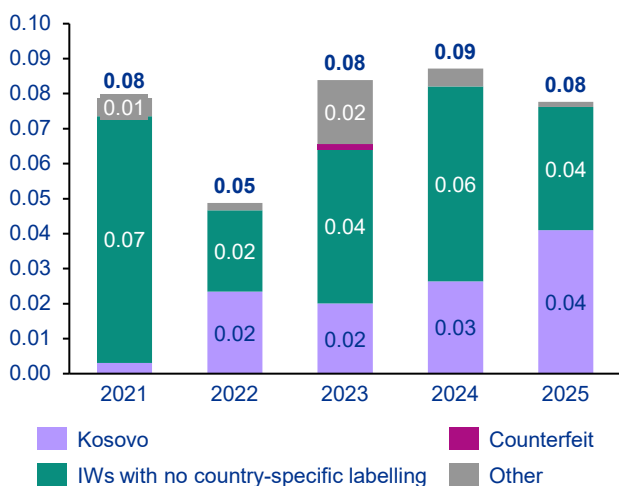


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}

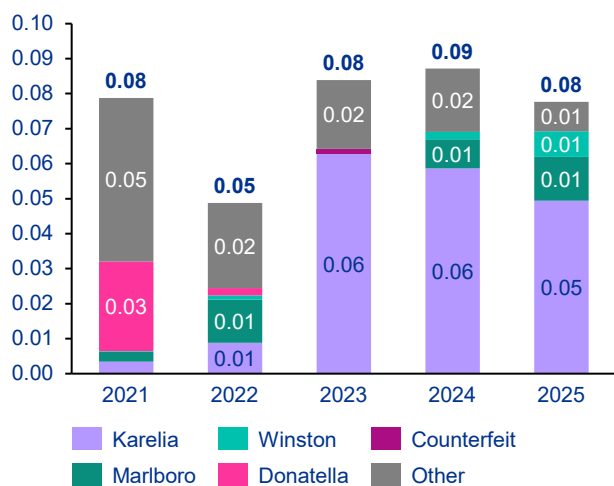


- Legal inflow (ND(L)) volumes increased marginally in 2025, with an increase in flows from Greece
- Illicit inflows (C&C) decreased in 2025, primarily driven by a decrease in Illicit Whites with no country-specific labelling, albeit this was partly offset by an increase inflows from Kosovo
- At the brand level, Karelia continued to form the largest component of illicit flows

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Austria



C&C cigarette consumption and total consumption

11.7bn

Cigarettes consumed



-0.37bn on 2024

0.6bn

C&C cigarettes consumed



+0.04bn on 2024

4.8%

Of total consumption was C&C



+0.44ppt on 2024

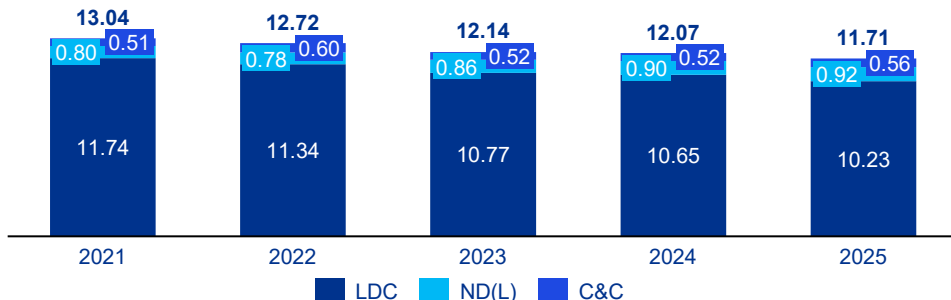
€128m

Total tax revenue lost from C&C^(b)



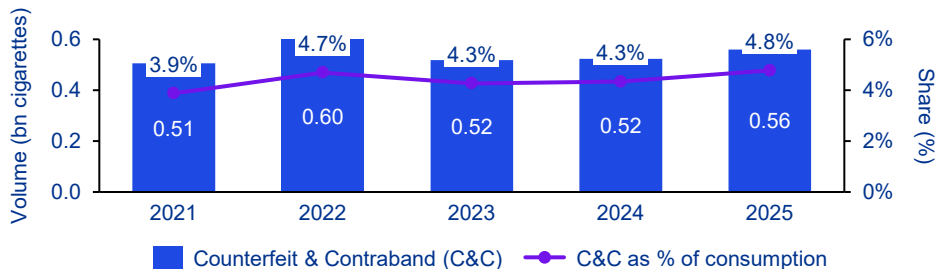
+€12m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

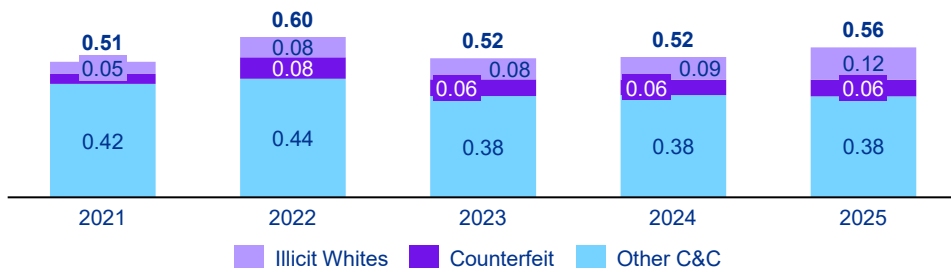


– C&C as a share of total consumption increased by 0.4 ppt in 2025 and accounted for 4.8% of total consumption, driven by an increase in Illicit Whites

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Austria Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	12.12	11.72	11.29	11.22	10.73	(4%)
Outflows	(0.38)	(0.38)	(0.52)	(0.57)	(0.50)	(12%)
Legal Domestic Consumption (LDC)	11.74	11.34	10.77	10.65	10.23	(4%)
Non-Domestic Legal (ND(L))	0.80	0.78	0.86	0.90	0.92	2%
Counterfeit and Contraband (C&C)	0.51	0.60	0.52	0.52	0.56	7%
Total Non-Domestic	1.30	1.38	1.38	1.43	1.48	4%
Total Consumption	13.04	12.72	12.14	12.07	11.71	(3%)

- Total cigarette consumption decreased by 3% in 2025, with a decline in Legal Domestic Sales partly offset by an increase in Non-Domestic inflows
- Non-Domestic inflows increased by 4%, primarily driven by increased inflows from Slovenia, Croatia and Serbia
- Outflows decreased by 12%, with decreased outflows to Germany, the Netherlands and 'Other' smaller markets

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Austria					
Billion cigarettes	2021	2022	2023	2024	2025
Slovenia	0.24	0.20	0.19	0.18	0.22
Croatia	0.03	0.04	0.08	0.12	0.14
Duty Free Labelled	0.07	0.10	0.11	0.11	0.12
Serbia	0.08	0.10	0.09	0.07	0.10
Slovakia	0.13	0.12	0.11	0.10	0.10
Other	0.75	0.83	0.80	0.85	0.81
Total Non-Domestic inflows	1.30	1.38	1.38	1.43	1.48

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Austria					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(0.25)	(0.24)	(0.26)	(0.38)	(0.32)
Netherlands	(0.01)	(0.01)	(0.02)	(0.04)	(0.03)
France	(0.01)	(0.02)	(0.03)	(0.02)	(0.02)
Other	(0.12)	(0.12)	(0.21)	(0.14)	(0.12)
Total Outflows	(0.38)	(0.38)	(0.52)	(0.57)	(0.50)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

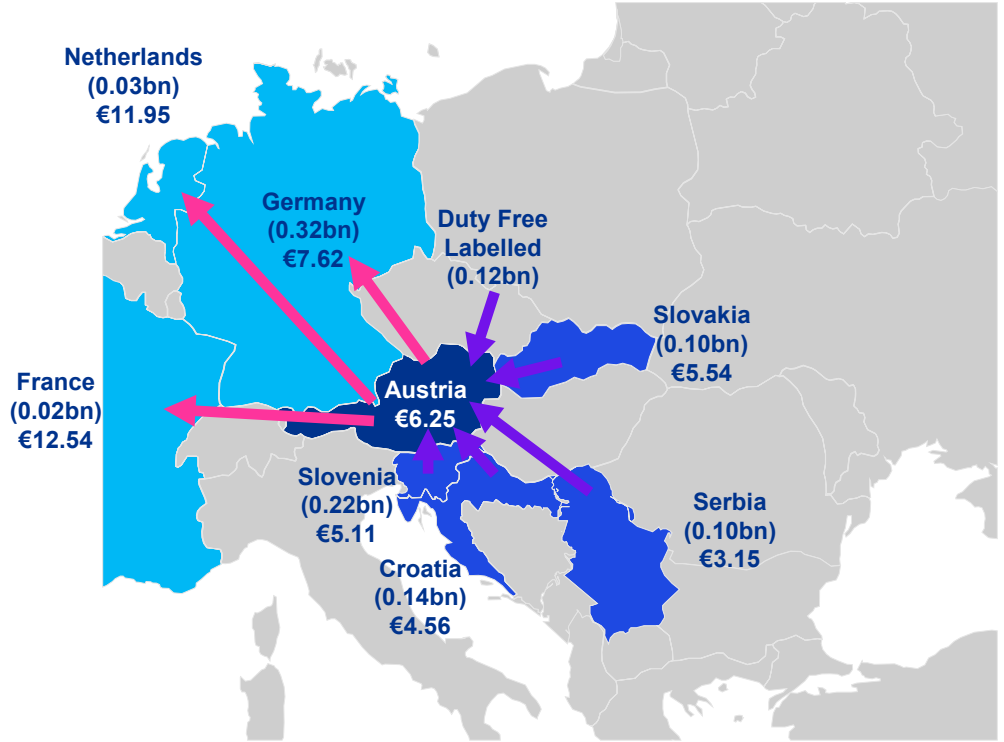
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

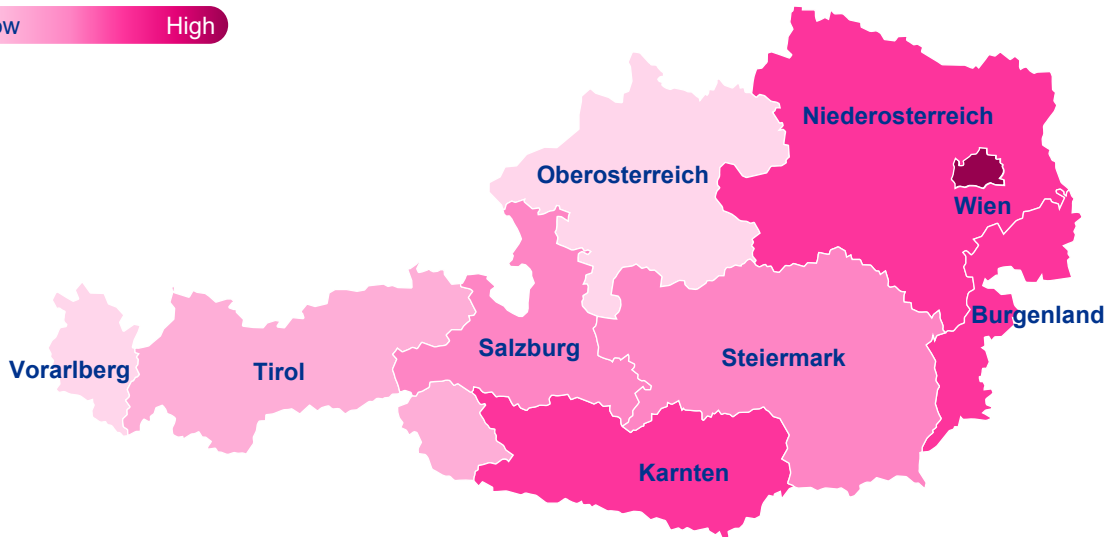
- Austria
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)}

Low → High

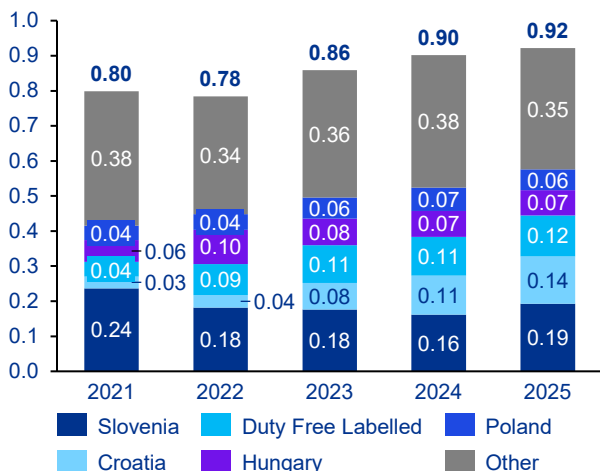


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region

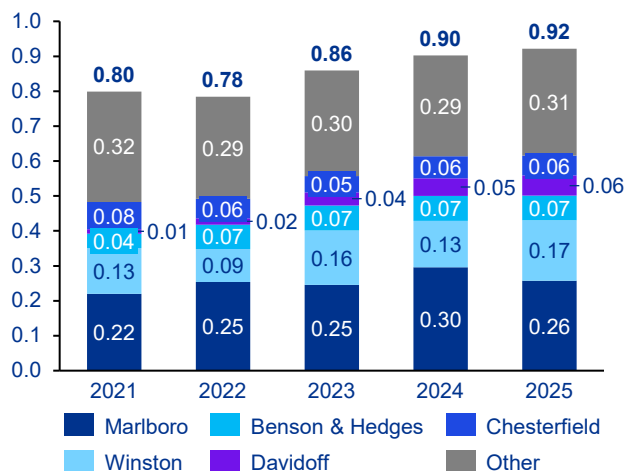
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

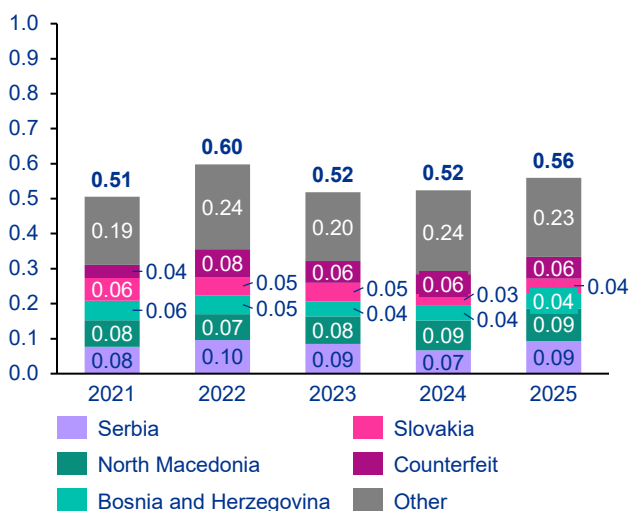


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾



- Legal inflows (ND(L)) increased by 2% with increased flows from Slovenia, Croatia and Duty Free labelled. Flows from Poland and 'Other' smaller markets decreased
- Illicit inflows (C&C) increased by 7%, with increased flows from Serbia and Slovakia

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Belgium



C&C cigarette consumption and total consumption

8.4bn

Cigarettes consumed



-0.12bn on 2024

2.1bn

C&C cigarettes consumed



+0.79bn on 2024

24.8%

Of total consumption was C&C



+9.54ppts on 2024

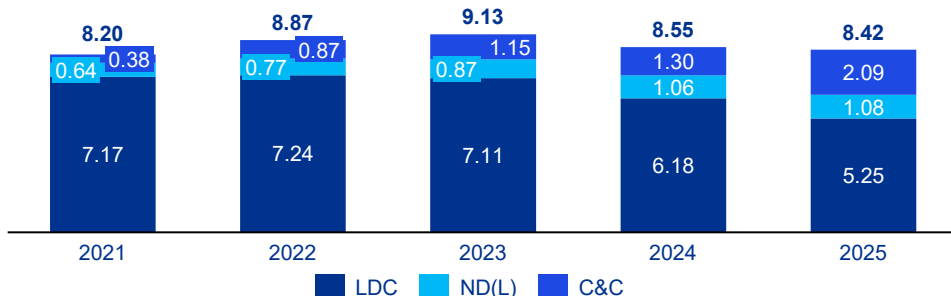
€963m

Total tax revenue lost from C&C^(b)



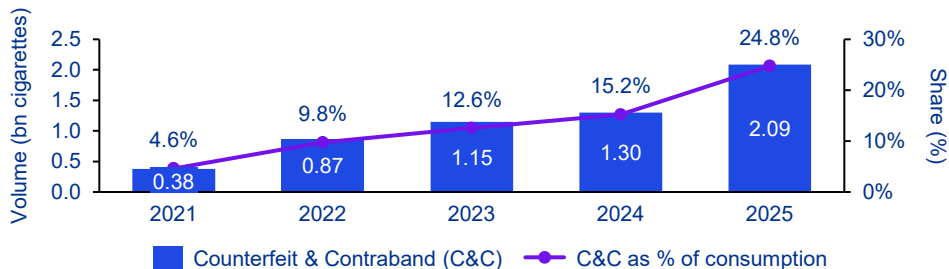
+€420m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

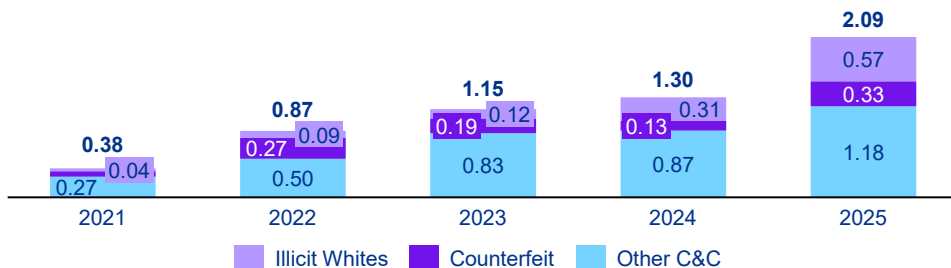


– C&C as a share of total cigarette consumption increased by 9.5 ppt to 24.8% in 2025, driven by an increase in Illicit Whites, Counterfeit and Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Belgium Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	8.91	8.62	8.05	6.80	5.59	(18%)
Outflows	(1.74)	(1.38)	(0.94)	(0.61)	(0.34)	(45%)
Legal Domestic Consumption (LDC)	7.17	7.24	7.11	6.18	5.25	(15%)
Non-Domestic Legal (ND(L))	0.64	0.77	0.87	1.06	1.08	2%
Counterfeit and Contraband (C&C)	0.38	0.87	1.15	1.30	2.09	60%
Total Non-Domestic	1.02	1.63	2.02	2.36	3.17	34%
Total Consumption	8.20	8.87	9.13	8.55	8.42	(1%)

- Total cigarette consumption decreased by 1%, as a decline in legal domestic sales was largely offset by increased Non-Domestic inflows
- Non-Domestic inflows increased by 34% to 3.17bn sticks in 2025, with increased inflows from Bulgaria, Counterfeit, Turkey, and Other smaller volume sources
- Outflows declined by 45%, continuing the long-term declining trend over the reporting period, and were primarily driven by reduced outflows to France and the Netherlands

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Belgium					
Billion cigarettes	2021	2022	2023	2024	2025
Bulgaria	0.18	0.33	0.55	0.77	1.18
Luxembourg	0.43	0.43	0.46	0.74	0.73
Counterfeit	0.07	0.27	0.19	0.13	0.33
Turkey	0.03	0.11	0.25	0.16	0.27
Other	0.31	0.50	0.57	0.56	0.67
Total Non-Domestic inflows	1.02	1.63	2.02	2.36	3.17

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Belgium					
Billion cigarettes	2021	2022	2023	2024	2025
France	(0.70)	(0.60)	(0.73)	(0.40)	(0.23)
Netherlands	(0.91)	(0.73)	(0.15)	(0.15)	(0.07)
Other	(0.13)	(0.05)	(0.06)	(0.06)	(0.04)
Total Outflows	(1.74)	(1.38)	(0.94)	(0.61)	(0.34)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

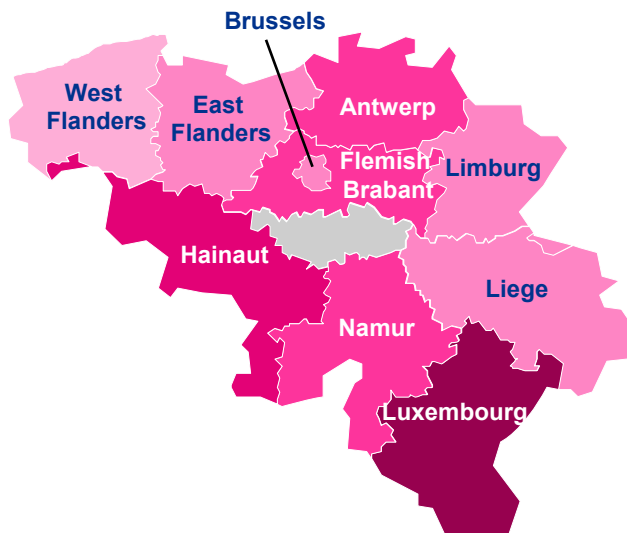
- Belgium
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

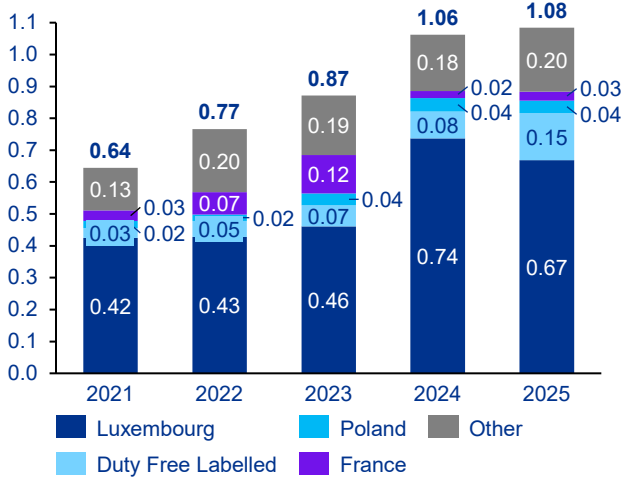


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

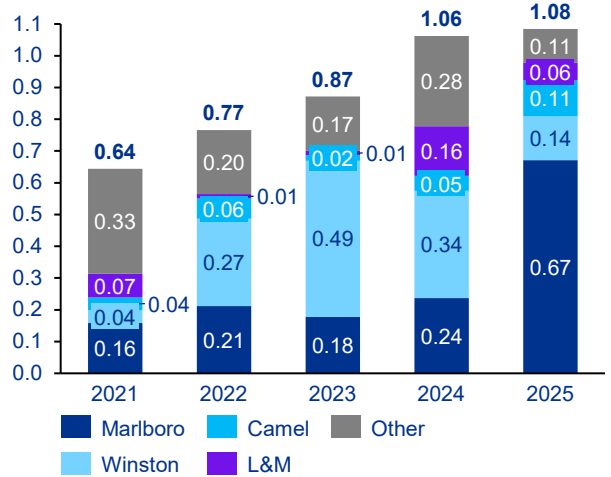
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

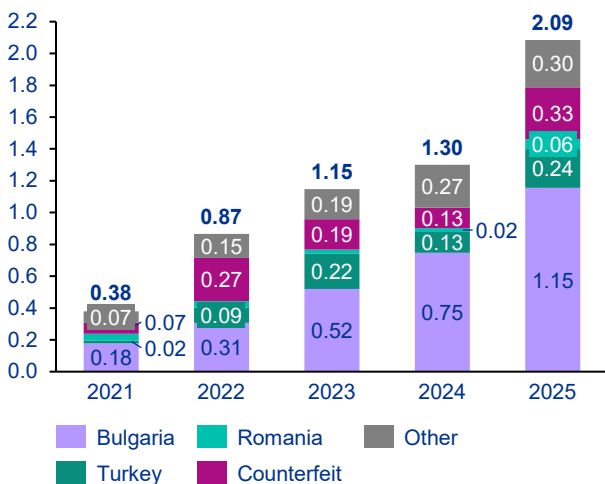


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

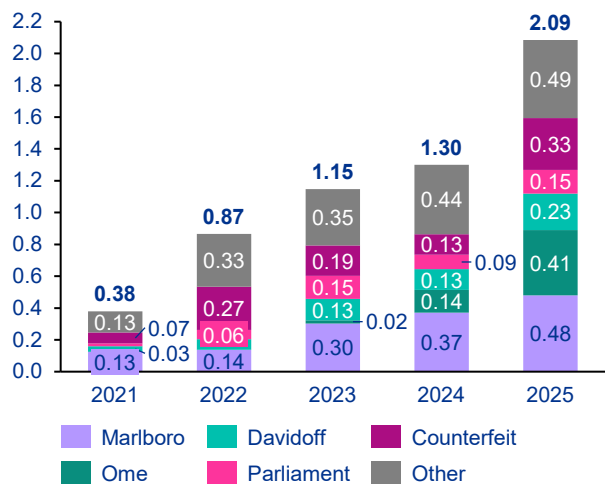


- Legal inflows (ND(L)) increased by 2% in 2025. Legal flows of Duty Free Labelled cigarettes increased, while inflows from Luxembourg declined
- Illicit inflows (C&C) increased by 60% to 2.09bn sticks in 2025, reaching the highest levels observed during the reporting period. This was primarily driven by an increase in illicit flows from Bulgaria, Turkey and Counterfeit
- Bulgaria has consistently remained the largest source of illicit inflows into Belgium, with inflows increasing throughout the reporting period

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Bosnia and Herzegovina



C&C cigarette consumption and total consumption

4.8bn

Cigarettes consumed



-0.003bn on 2024

0.01bn

C&C cigarettes consumed



-0.11bn on 2024

0.1%

Of total consumption was C&C



-2.23ppts on 2024

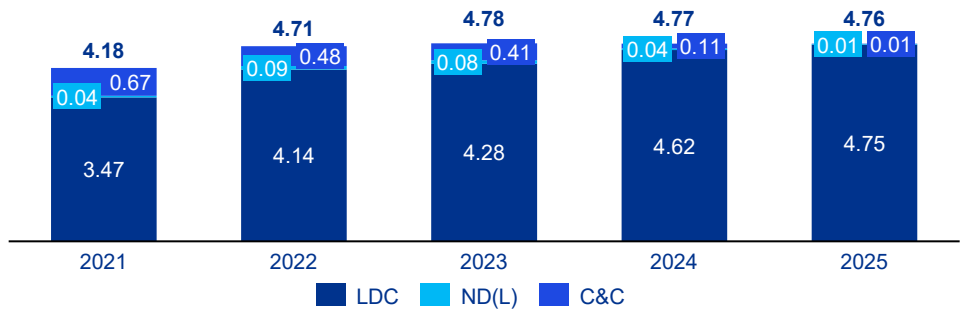
€1m

Total tax revenue lost from C&C^(c)



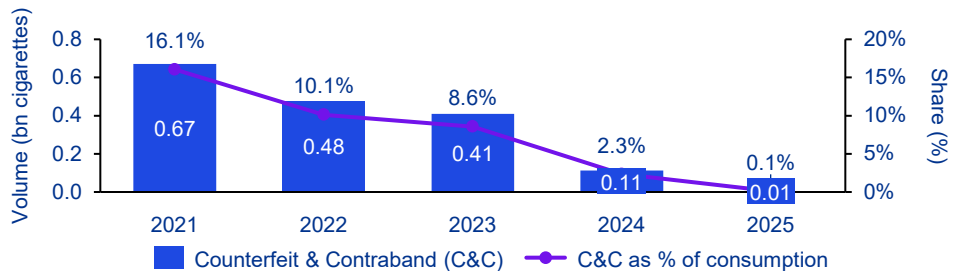
-€14m on 2024

Total consumption – 2021-2025 (bn cigarettes)^{(1)(2)(a)}

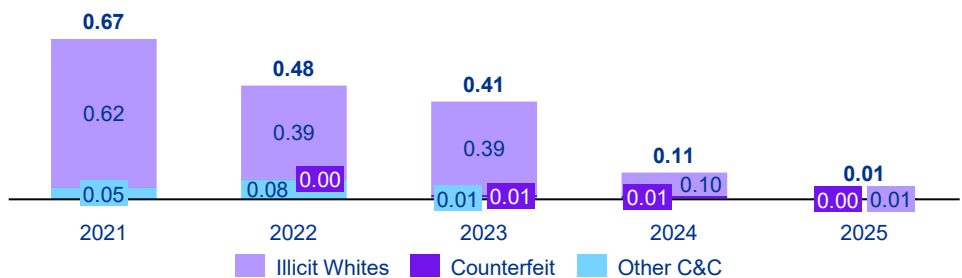


– C&C as a share of total consumption decreased by 2.2ppts to 0.1% in 2025, primarily driven by a decline in Illicit Whites

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025^{(1)(2)(a)}



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)(b)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(a)(b)}

Total Bosnia and Herzegovina Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	3.78	4.46	4.59	4.89	5.03	3%
Outflows	(0.31)	(0.31)	(0.30)	(0.27)	(0.28)	4%
Legal Domestic Consumption (LDC)	3.47	4.14	4.28	4.62	4.75	3%
Non-Domestic Legal (ND(L))	0.04	0.09	0.08	0.04	0.01	(70%)
Counterfeit and Contraband (C&C)	0.67	0.48	0.41	0.11	0.01	(95%)
Total Non-Domestic	0.71	0.56	0.49	0.15	0.02	(88%)
Total Consumption	4.18	4.71	4.78	4.77	4.76	(0%)

- Total cigarette consumption remained relatively stable in 2025, with an increase in Legal Domestic Sales offset by a decline in Non-Domestic inflows
- Non-Domestic inflows declined by 88%, continuing the declining trend observed since 2021, driven by reduced inflows of Illicit Whites with no country-specific labelling
- Outflows increased by 4%, primarily driven by increased outflows to Croatia

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Bosnia and Herzegovina					
Billion cigarettes	2021	2022	2023	2024	2025
Serbia	0.05	0.08	0.01	0.01	0.01
Montenegro	0.00	0.02	0.00	0.00	0.01
IWs with no country-specific labelling	0.58	0.31	0.37	0.09	0.00
Other	0.08	0.15	0.12	0.05	0.01
Total Non-Domestic inflows	0.71	0.56	0.49	0.15	0.02

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Bosnia and Herzegovina					
Billion cigarettes	2021	2022	2023	2024	2025
Croatia	(0.09)	(0.13)	(0.11)	(0.07)	(0.11)
Austria	(0.06)	(0.06)	(0.04)	(0.04)	(0.05)
Germany	(0.05)	(0.05)	(0.04)	(0.05)	(0.03)
Slovenia	(0.05)	(0.02)	(0.06)	(0.05)	(0.03)
Other	(0.07)	(0.06)	(0.05)	(0.06)	(0.07)
Total Outflows	(0.31)	(0.31)	(0.30)	(0.27)	(0.28)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Bosnia & Herzegovina
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low High

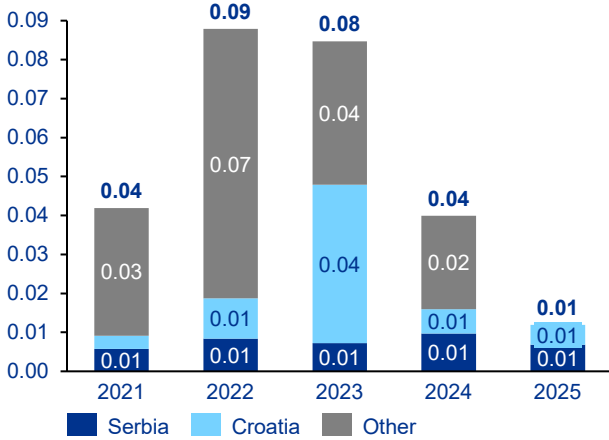


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

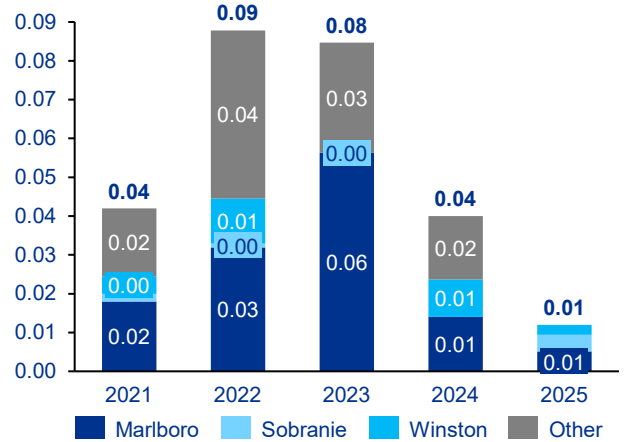
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025 (bn cigarettes)⁽¹⁾

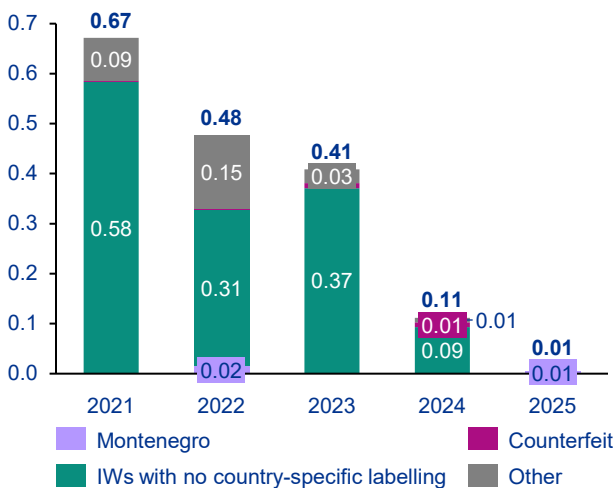


ND(L) by brand – 2021-2025 (bn cigarettes)⁽¹⁾

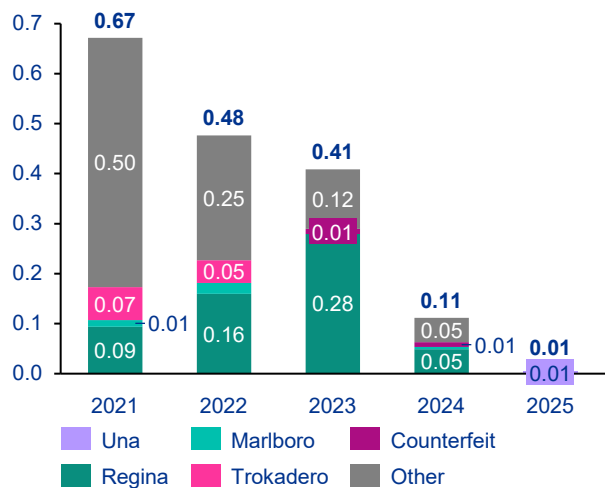


- Legal inflows (ND(L)) declined by 70% in 2025, driven by reduced flows from ‘Other’ smaller markets
- Illicit inflows (C&C) decreased by 95% as inflows of Illicit Whites with no country-specific labelling declined

C&C by country of origin – 2021-2025 (bn cigarettes)^{(1)(a)(b)}



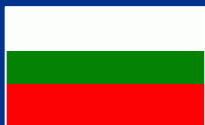
C&C by brand – 2021-2025 (bn cigarettes)^{(1)(a)(b)}



Note: (a) ND(L) and C&C country / brand breakdowns are only shown for the years where an empty pack survey was undertaken; (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Bulgaria



C&C cigarette consumption and total consumption

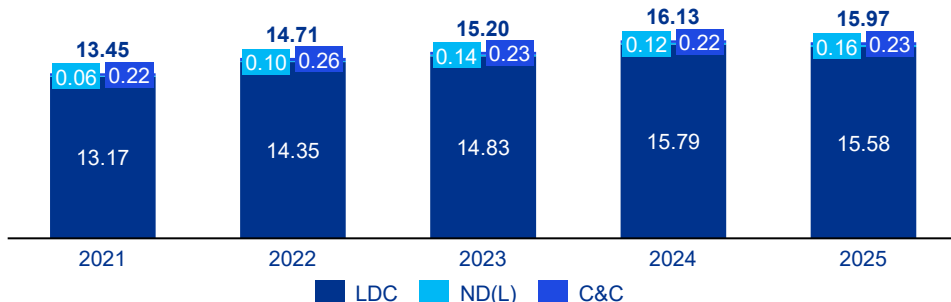
16.0bn

Cigarettes consumed



-0.16bn on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾



0.2bn

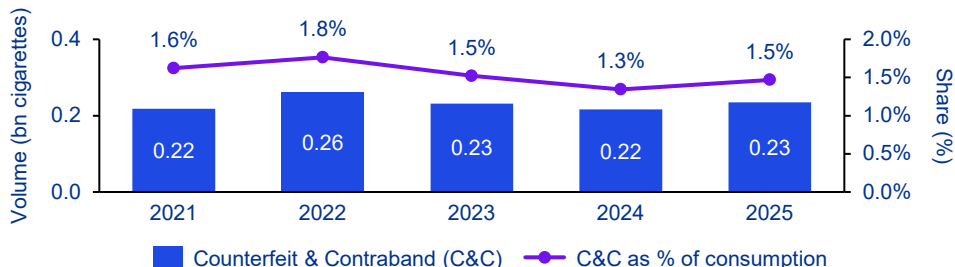
C&C cigarettes consumed



+0.02bn on 2024

– C&C as a share of total consumption increased by 0.2ppts to 1.5% in 2025, driven by an increase in inflows of Counterfeit

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



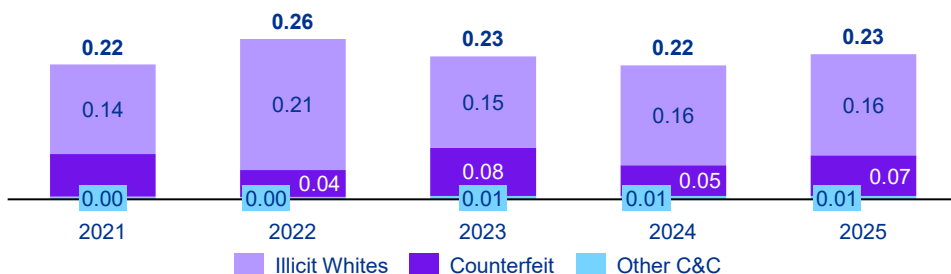
1.5%

Of total consumption was C&C



+0.13ppt on 2024

C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



€32m

(BGN63m)⁽³⁾

Total tax revenue lost from C&C^(b)



+€5m on 2024

Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = BGN 1.956, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(c)}

Total Bulgaria Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	15.21	15.90	16.83	18.01	18.51	3%
Outflows	(2.04)	(1.55)	(2.00)	(2.22)	(2.94)	32%
Legal Domestic Consumption (LDC)	13.17	14.35	14.83	15.79	15.58	(1%)
Non-Domestic Legal (ND(L))	0.06	0.10	0.14	0.12	0.16	29%
Counterfeit and Contraband (C&C)	0.22	0.26	0.23	0.22	0.23	8%
Total Non-Domestic	0.28	0.36	0.37	0.34	0.39	16%
Total Consumption	13.45	14.71	15.20	16.13	15.97	(1%)

- Total Consumption decreased by 1% in 2025, driven by a decrease in Legal Domestic Consumption
- Non-Domestic inflows increased by 16%, with increased flows from Duty Free Labelled, Counterfeit, Turkey and 'Other' smaller market inflows
- Outflows from Bulgaria increased by 32%, driven by increased flows to Belgium, Romania and France. Outflows to 'Other' smaller markets declined

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(c)}

Non-Domestic inflows to Bulgaria					
Billion cigarettes	2021	2022	2023	2024	2025
IWs with no country-specific labelling	0.14	0.21	0.13	0.15	0.14
Duty Free Labelled	0.03	0.04	0.05	0.06	0.07
Counterfeit	0.07	0.04	0.08	0.05	0.07
Turkey	0.01	0.02	0.03	0.01	0.03
Other	0.04	0.04	0.08	0.07	0.09
Total Non-Domestic inflows	0.28	0.36	0.37	0.34	0.39

Total outflows by destination – 2021-2025^{(1)(a)(b)(c)}

Outflows from Bulgaria					
Billion cigarettes	2021	2022	2023	2024	2025
Belgium	(0.18)	(0.33)	(0.55)	(0.77)	(1.18)
Romania	(0.03)	(0.05)	(0.23)	(0.41)	(0.66)
France	(0.46)	(0.25)	(0.25)	(0.14)	(0.31)
Germany	(0.25)	(0.32)	(0.36)	(0.30)	(0.29)
Other	(1.11)	(0.59)	(0.62)	(0.60)	(0.50)
Total Outflows	(2.04)	(1.55)	(2.00)	(2.22)	(2.94)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Outflows of the brand Davidoff from Bulgaria were in excess of sales of the brand in Bulgaria (after accounting for domestic consumption), indicating the brand was potentially being oversampled in those markets. Therefore, outflows of this brand from Bulgaria have been capped at Legal Domestic Sales of the brand in Bulgaria less domestic consumption of the brand in Bulgaria (and the resulting inflows into other markets reduced accordingly); (c) Due to rounding, figures in the tables may not add up to the total

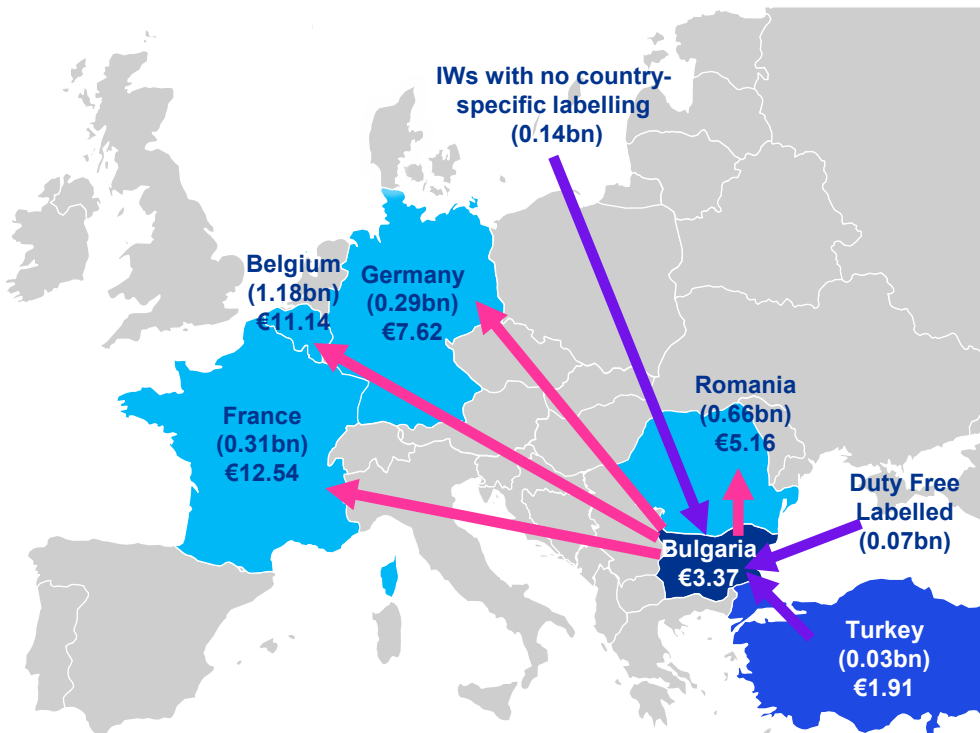
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

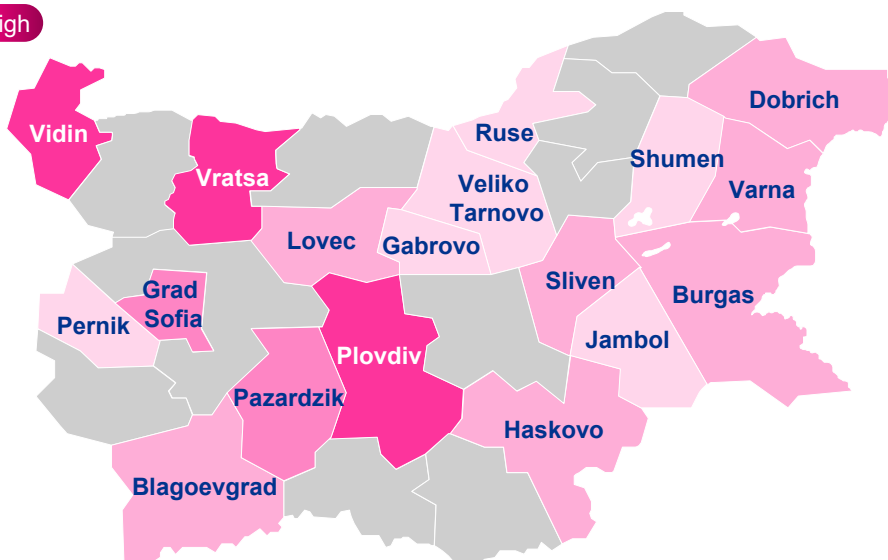
- Bulgaria
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low High

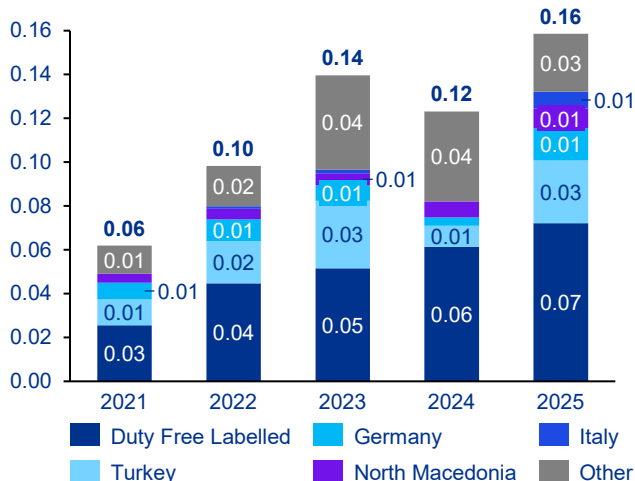


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

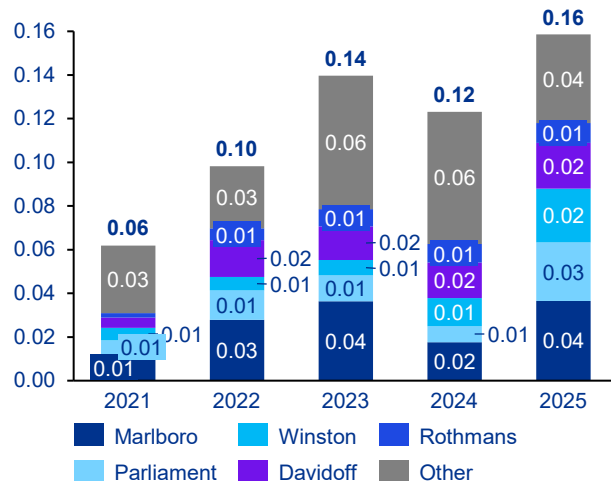
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

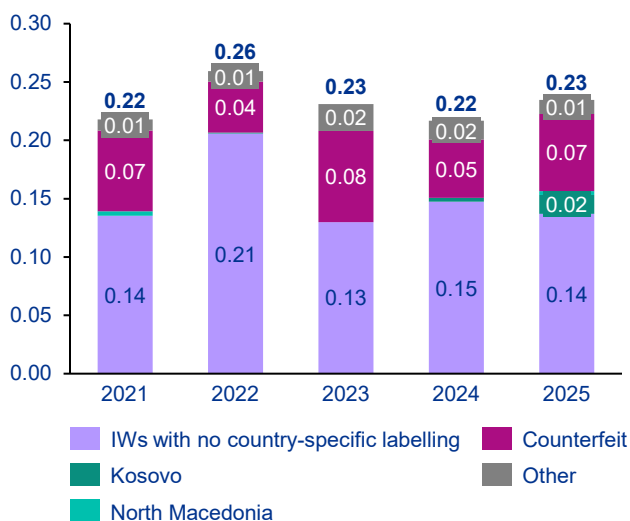


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

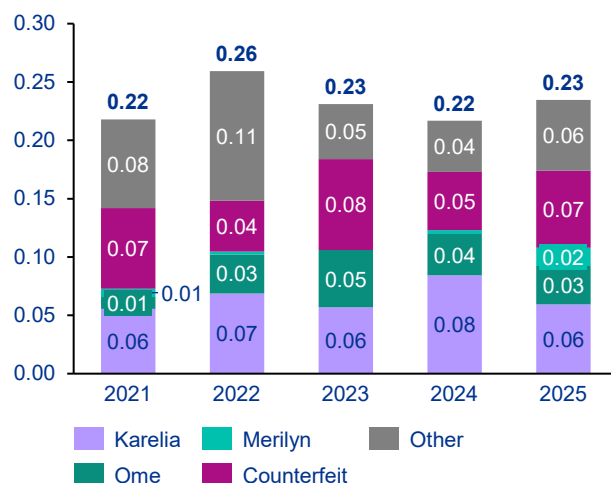


- Legal inflows (ND(L)) increased by 29% in 2025, primarily driven by increased legal inflows from Turkey
- Illicit inflows (C&C) increased by 8%. Illicit Whites with no country-specific labelling remain the largest source of C&C

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Croatia



C&C cigarette consumption and total consumption

7.2bn

Cigarettes consumed

+0.38bn on 2024

0.3bn

C&C cigarettes consumed

-0.01bn on 2024

4.5%

Of total consumption was C&C

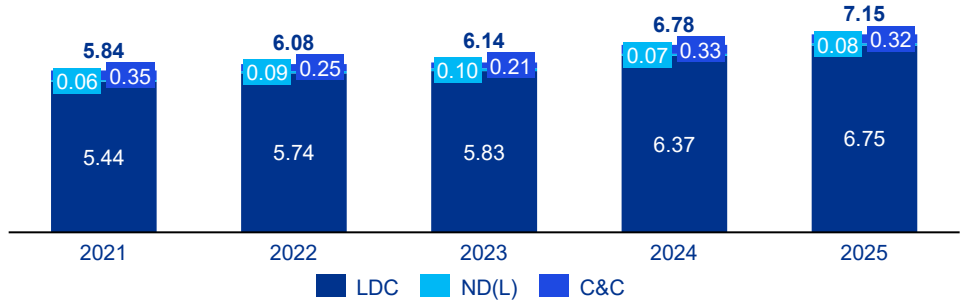
-0.36ppt on 2024

€59m

Total tax revenue lost from C&C^(b)

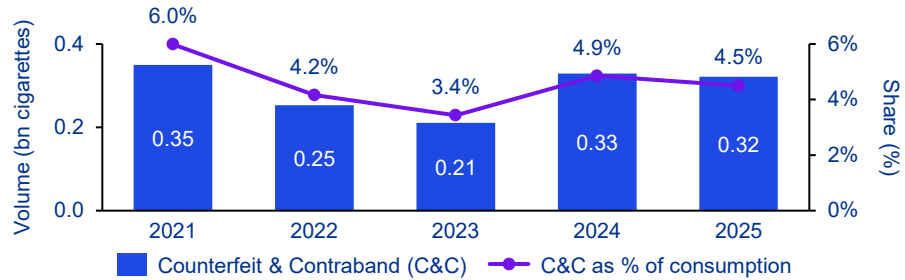
+€2m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

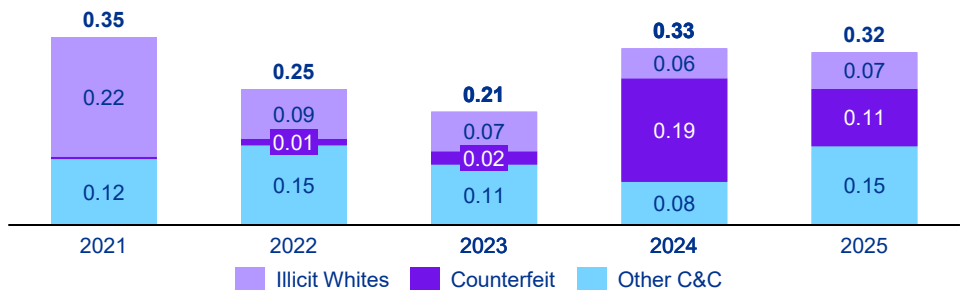


– C&C as a share of total consumption decreased by 0.4ppts to 4.5% in 2025, with a decline in Counterfeit volumes partially offset by an increase in Other C&C and a smaller increase in Illicit Whites

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025;

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025⁽¹⁾⁽²⁾

Total Croatia Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	5.74	6.03	6.37	7.01	7.37	5%
Outflows	(0.30)	(0.29)	(0.54)	(0.63)	(0.62)	(2%)
Legal Domestic Consumption (LDC)	5.44	5.74	5.83	6.37	6.75	6%
Non-Domestic Legal (ND(L))	0.06	0.09	0.10	0.07	0.08	9%
Counterfeit and Contraband (C&C)	0.35	0.25	0.21	0.33	0.32	(2%)
Total Non-Domestic	0.41	0.34	0.31	0.40	0.40	(0%)
Total Consumption	5.84	6.08	6.14	6.78	7.15	6%

- Total consumption increased by 6% in 2025, driven by an increase in Legal Domestic Sales
- Non-Domestic inflows remained stable in 2025 with an increase flows from Bosnia and Herzegovina, Serbia and 'Other' smaller markets offset by decline in Counterfeit
- Outflows decreased by 2% with Germany remaining the largest destination

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Croatia					
Billion cigarettes	2021	2022	2023	2024	2025
Bosnia and Herzegovina	0.09	0.13	0.11	0.07	0.11
Counterfeit	0.00	0.01	0.02	0.19	0.11
Serbia	0.02	0.01	0.02	0.01	0.05
Other	0.29	0.18	0.16	0.12	0.14
Total Non-Domestic inflows	0.41	0.34	0.31	0.40	0.40

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Croatia					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(0.13)	(0.14)	(0.16)	(0.25)	(0.24)
Austria	(0.03)	(0.04)	(0.08)	(0.12)	(0.14)
Slovenia	(0.06)	(0.02)	(0.06)	(0.06)	(0.06)
Netherlands	(0.01)	(0.00)	(0.07)	(0.06)	(0.06)
Other	(0.08)	(0.08)	(0.18)	(0.13)	(0.12)
Total Outflows	(0.30)	(0.29)	(0.54)	(0.63)	(0.62)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown;

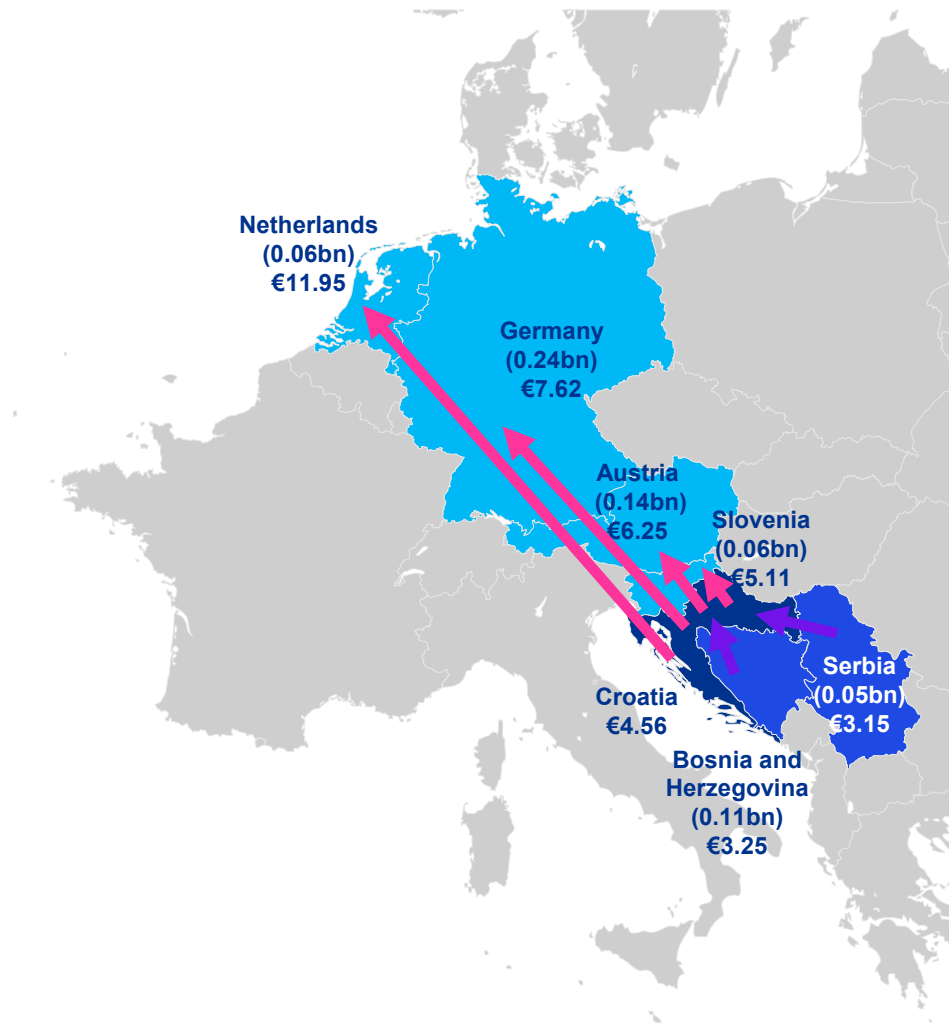
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows

Key inflows and outflows^{(1)(2)(a)}

- Croatia
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack

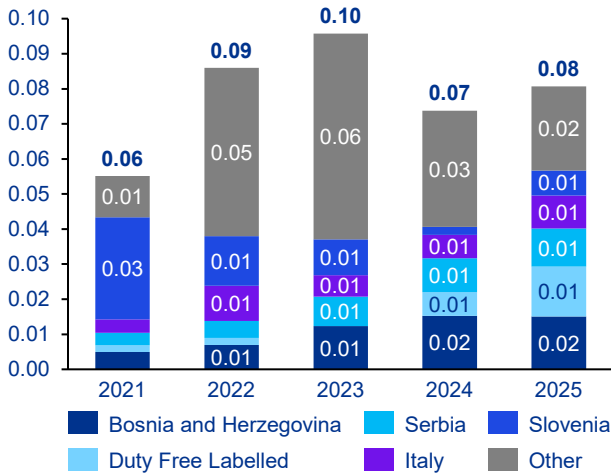


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown

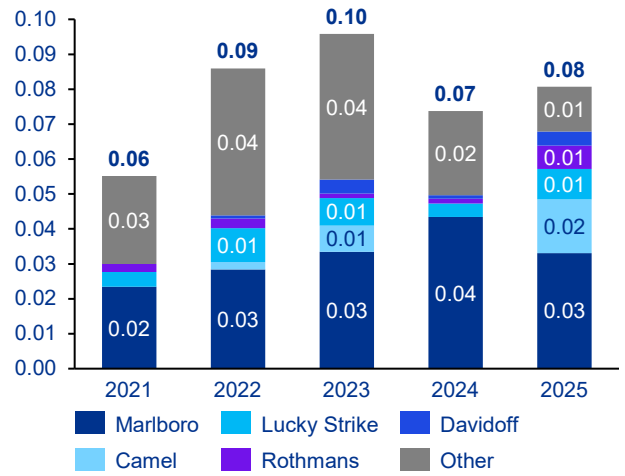
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

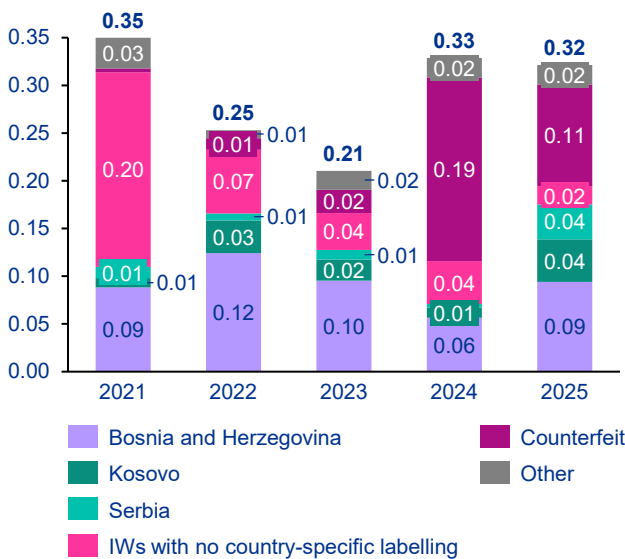


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

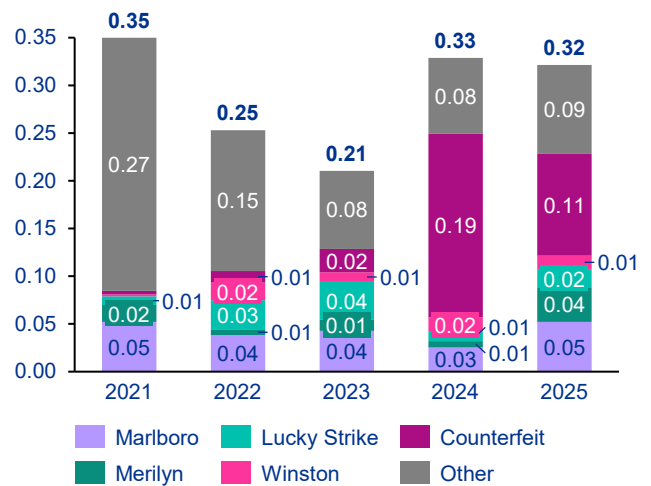


- Legal inflows (ND(L)) increased by 9% in 2025, driven by an increase in legal inflows from Slovenia and Duty Free labelled cigarettes
- Illicit inflows (C&C) decreased by 2%, with increased flows from Bosnia and Herzegovina, Kosovo and Serbia more than offset by decreased flows of Counterfeit and Illicit Whites with no country-specific labelling

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Cyprus



C&C cigarette consumption and total consumption

1.0bn

Cigarettes consumed

+0.06bn on 2024

0.2bn

C&C cigarettes consumed

+0.03bn on 2024

16.3%

Of total consumption was C&C^(c)

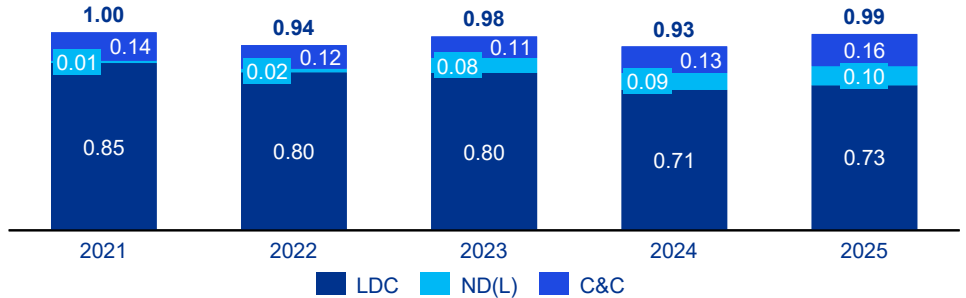
+1.98pts on 2024

€27m

Total tax revenue lost from C&C^(c)

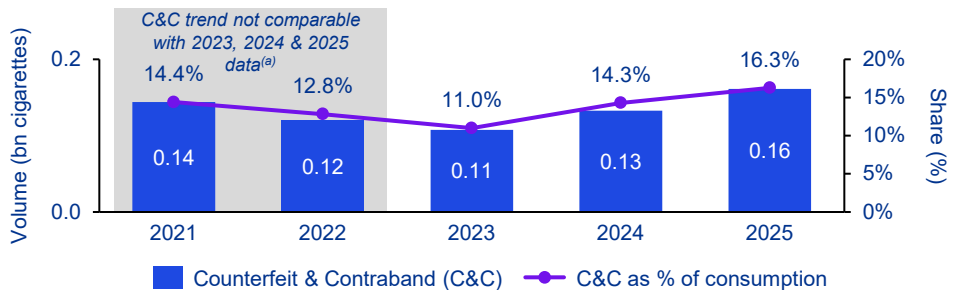
+€5m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

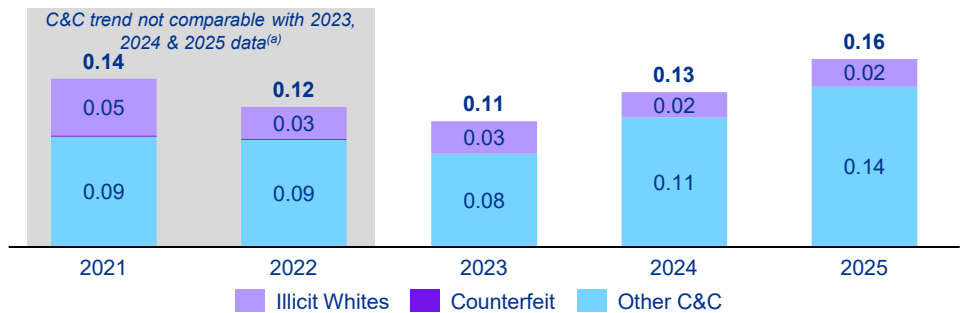


– C&C as a share of total consumption increased by 2.0 ppts to 16.3% in 2025. This growth was primarily driven by growth in Other C&C, which reached the highest level observed over the reporting period

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(b)}



Note: (a) ND(L) and C&C flows for 2023 to 2025 are not comparable with historical figures. 2023 was the first year where traveller flows between Cyprus and the Non-government-controlled areas of Cyprus was available, with these traveller flows used to calculate an ND(L) vs C&C split for Non-Domestic inflows from the Non-government-controlled areas (b) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (c) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (d) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(a)(c)}

Total Cyprus Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	0.86	0.86	0.86	0.89	0.90	2%
Outflows	(0.02)	(0.06)	(0.06)	(0.18)	(0.17)	(3%)
Legal Domestic Consumption (LDC)	0.85	0.80	0.80	0.71	0.73	3%
Non-Domestic Legal (ND(L))	0.01	0.02	0.08	0.09	0.10	13%
Counterfeit and Contraband (C&C)	0.14	0.12	0.11	0.13	0.16	21%
Total Non-Domestic	0.16	0.14	0.18	0.22	0.26	18%
Total Consumption	1.00	0.94	0.98	0.93	0.99	7%

- Total cigarette consumption increased by 7% in 2025, primarily due to increased illicit inflows (C&C)
- Non-Domestic inflows increased by 18% in 2025, driven by inflows from the non-government-controlled areas of Cyprus. Non-Domestic inflows include flows of cigarettes across the Green Line between the Republic of Cyprus and non-government-controlled areas of Cyprus
- Inflows from the non-government-controlled areas have tripled since 2021
 - In 2023, 2024 and 2025, traveller data was made available to estimate legal flows between Cyprus and the non-government-controlled areas of Cyprus. As a result, the ND(L) and C&C flows from onwards are not comparable with 2021 and 2022
- Outflows decreased in 2025, with lower flows to Greece and smaller destination markets grouped within 'Other'. Outflows to the UK increased

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(b)}

Non-Domestic inflows to Cyprus					
Billion cigarettes	2021	2022	2023	2024	2025
Non-government-controlled areas	0.06	0.08	0.12	0.15	0.18
Duty Free Labelled	0.04	0.03	0.04	0.04	0.05
Other	0.06	0.03	0.03	0.02	0.02
Total Non-Domestic inflows	0.16	0.14	0.18	0.22	0.26

Total outflows by destination – 2021-2025^{(1)(b)}

Outflows from Cyprus					
Billion cigarettes	2021	2022	2023	2024	2025
UK	(0.00)	(0.04)	(0.03)	(0.07)	(0.10)
Greece	(0.01)	(0.01)	(0.01)	(0.06)	(0.05)
Other	(0.01)	(0.01)	(0.02)	(0.04)	(0.02)
Total Outflows	(0.02)	(0.06)	(0.06)	(0.18)	(0.17)

Note: (a) ND(L) and C&C flows for 2023 to 2025 are not comparable with historical figures. 2023 was the first year where traveller flows between Cyprus and the Non-government-controlled areas of Cyprus was available, with these traveller flows used to calculate an ND(L) vs C&C split for Non-Domestic inflows from the Non-government-controlled areas; (b) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (c) Due to rounding, figures in the table may not sum to the totals shown

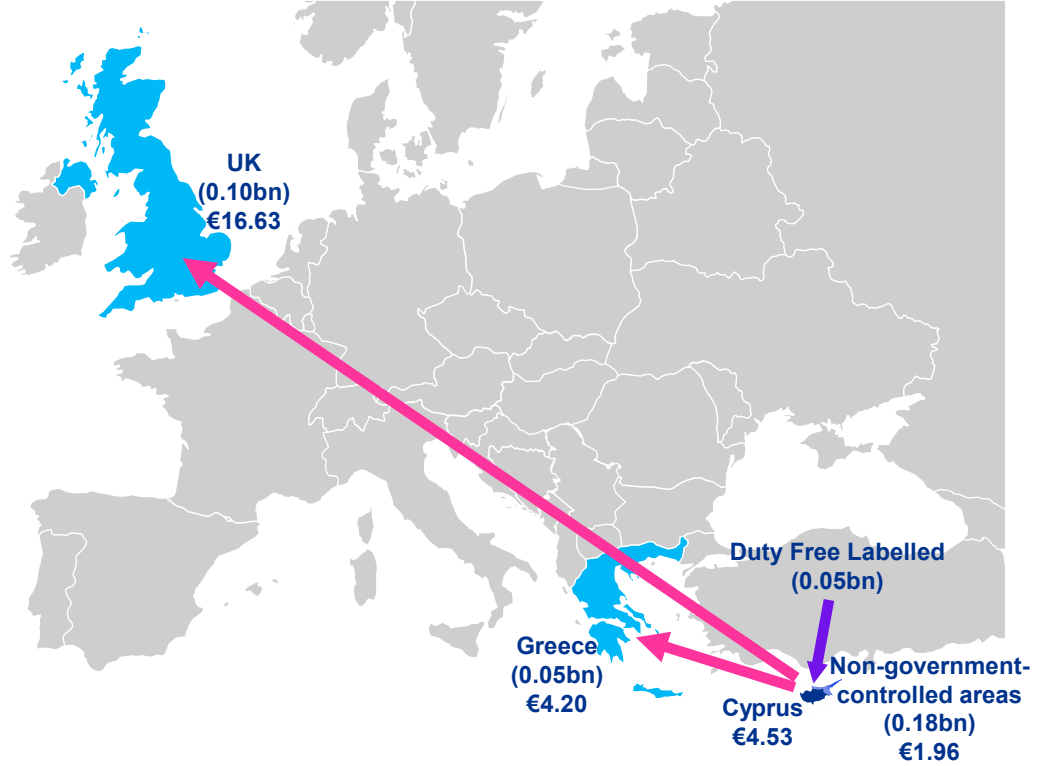
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

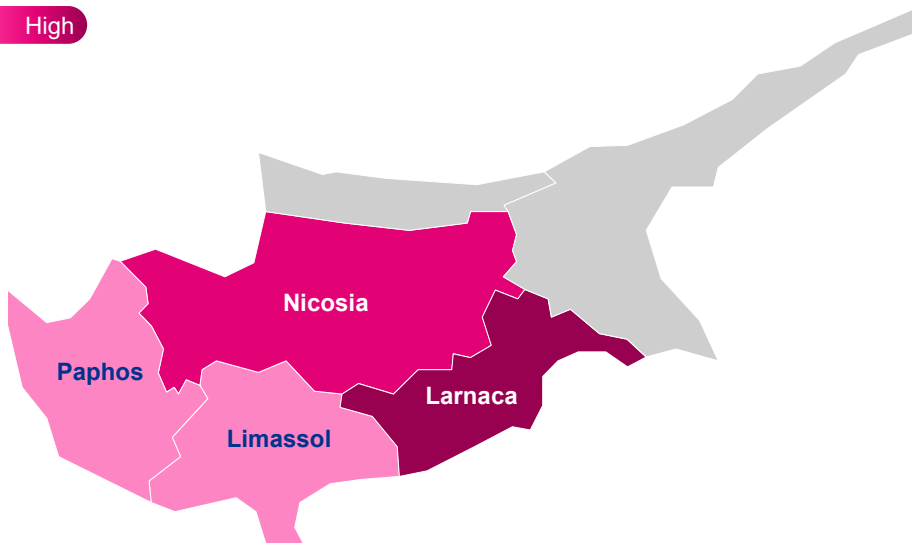
- Cyprus
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

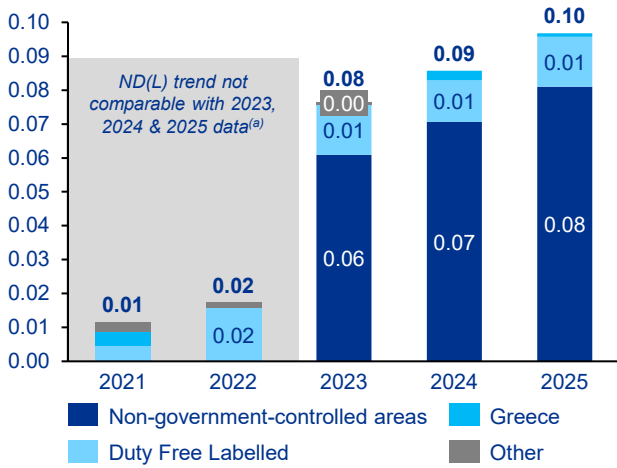


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

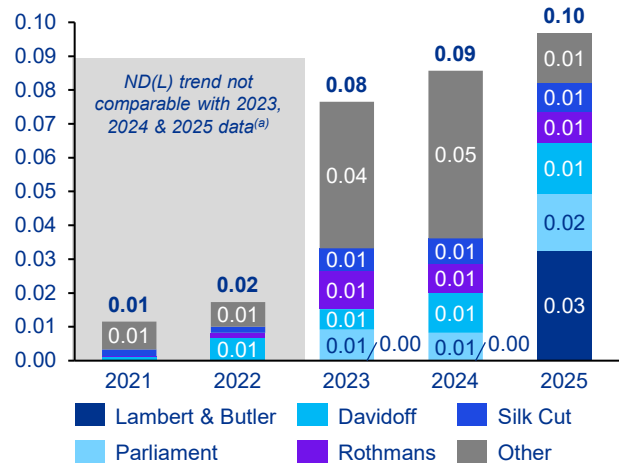
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

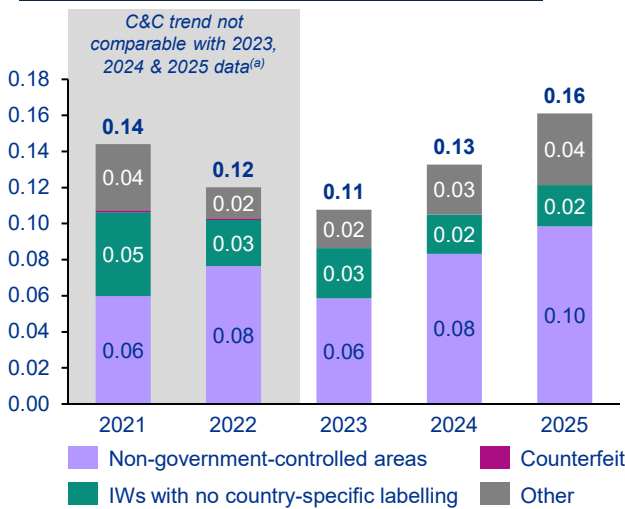


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



- Legal flows (ND(L)) into Cyprus include flows of cigarettes across the Green Line between the Republic of Cyprus and non-government-controlled areas of Cyprus
- Legal flows increased by 13% in 2025 due to an increase in legal flows from the non-government-controlled areas of Cyprus
- Illicit flows (C&C) increased by 21% driven by increased flows from the non-government-controlled areas of Cyprus and from smaller volume source markets included within ‘Other’

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



Note: (a) ND(L) and C&C flows for 2023 to 2025 are not comparable with historical figures. 2023 was the first year where traveller flows between Cyprus and the Non-government-controlled areas of Cyprus were available, with these traveller flows used to calculate an ND(L) vs C&C split for Non-Domestic inflows from the Non-government-controlled areas; (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Czech Republic



C&C cigarette consumption and total consumption

11.3bn

Cigarettes consumed



-0.91bn on 2024

1.0bn

C&C cigarettes consumed



+0.02bn on 2024

8.9%

Of total consumption was C&C



+0.84ppt on 2024

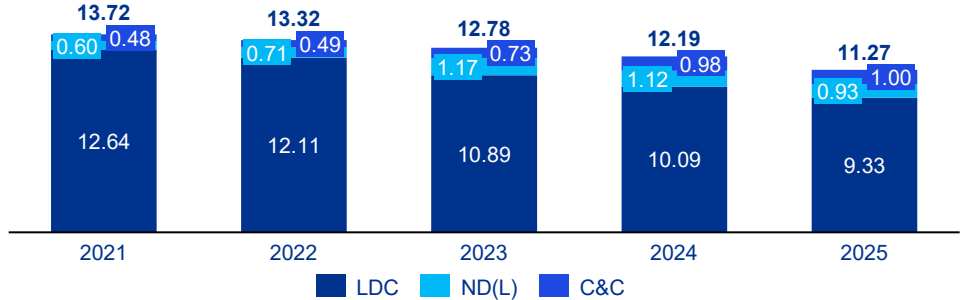
€241m

Total tax revenue lost from C&C^(b)



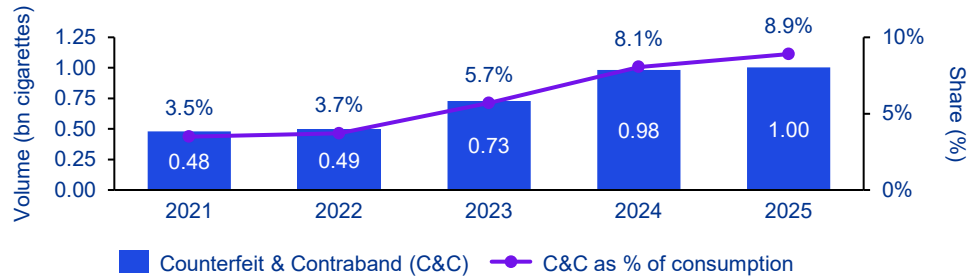
+€28m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

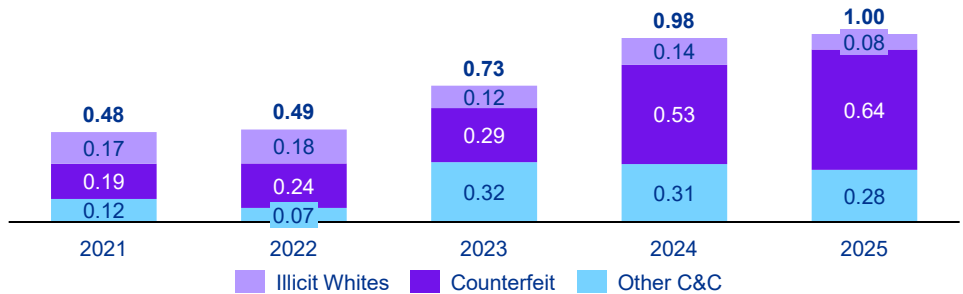


– C&C as a share of total consumption increased by 0.8ppt to 8.9% in 2025. This increase was driven by a rise in Counterfeit, which reached the highest level observed during the reporting period

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Czech Republic Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	15.20	14.45	12.77	11.97	11.04	(8%)
Outflows	(2.56)	(2.34)	(1.89)	(1.89)	(1.70)	(10%)
Legal Domestic Consumption (LDC)	12.64	12.11	10.89	10.09	9.33	(7%)
Non-Domestic Legal (ND(L))	0.60	0.71	1.17	1.12	0.93	(16%)
Counterfeit and Contraband (C&C)	0.48	0.49	0.73	0.98	1.00	2%
Total Non-Domestic	1.08	1.21	1.89	2.10	1.94	(8%)
Total Consumption	13.72	13.32	12.78	12.19	11.27	(8%)

- Total cigarette consumption declined by 8% in 2025, primarily driven by a reduction in Legal Domestic Sales
- Non-Domestic inflows declined by 8% in 2025, with decreased inflows from Poland and 'Other' smaller source markets. Inflows of Counterfeit increased
- Outflows decreased by 10%, primarily driven by a decline in outflows to Germany. Germany accounted for ~90% of outflows

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Czech Republic					
Billion cigarettes	2021	2022	2023	2024	2025
Poland	0.21	0.47	0.95	1.06	0.96
Counterfeit	0.19	0.24	0.29	0.53	0.64
Other	0.67	0.50	0.66	0.51	0.33
Total Non-Domestic inflows	1.08	1.21	1.89	2.10	1.94

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Czech Republic					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(2.31)	(2.15)	(1.69)	(1.73)	(1.53)
Other	(0.25)	(0.20)	(0.19)	(0.15)	(0.18)
Total Outflows	(2.56)	(2.34)	(1.89)	(1.89)	(1.70)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

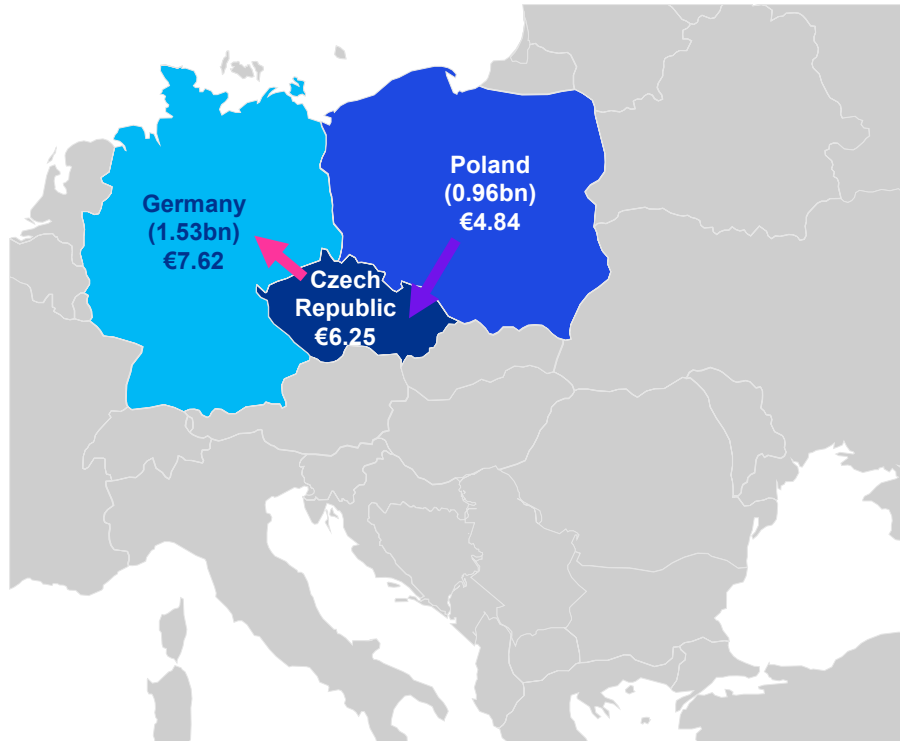
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Czech Republic
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

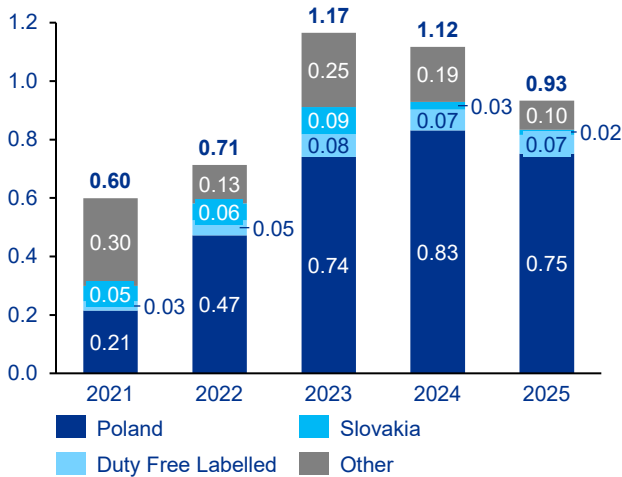


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

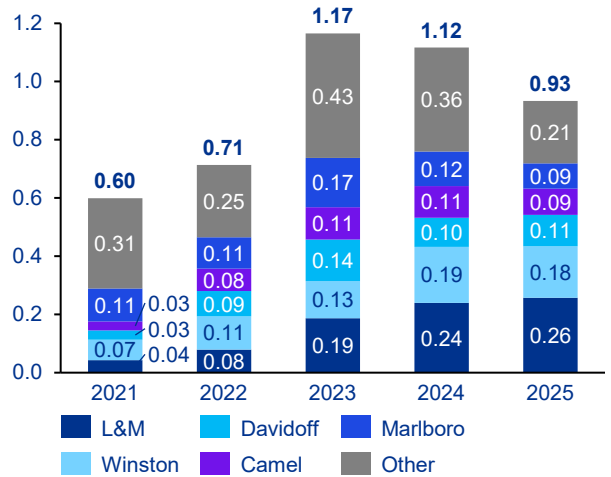
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

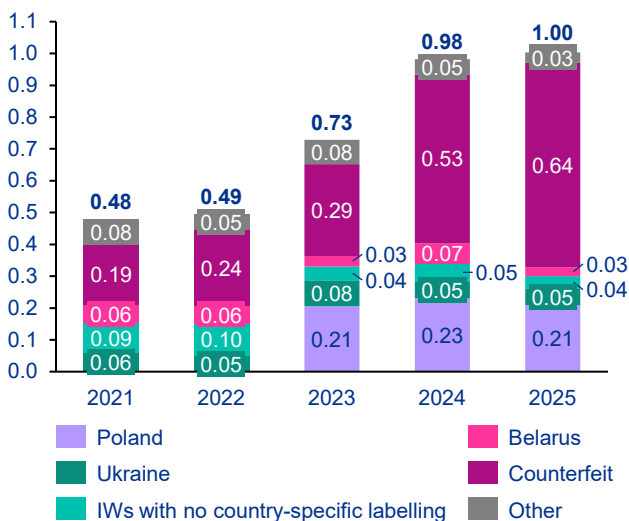


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

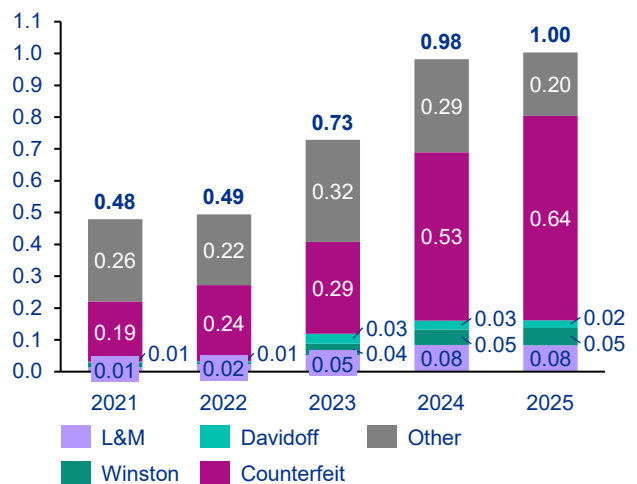


- Legal inflows (ND(L)) decreased by 16% in 2025, driven by a decrease in legal flows from Poland and ‘Other’ smaller markets
- Illicit inflows (C&C) grew by 2% in 2025 driven by Counterfeit. Counterfeit accounted for 64% of total illicit flows in 2025 (vs 53% in 2024)

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Denmark



C&C cigarette consumption and total consumption

3.9bn

Cigarettes consumed



-0.05bn on 2024

0.3bn

C&C cigarettes consumed



+0.01bn on 2024

7.4%

Of total consumption was C&C



+0.31ppt on 2024

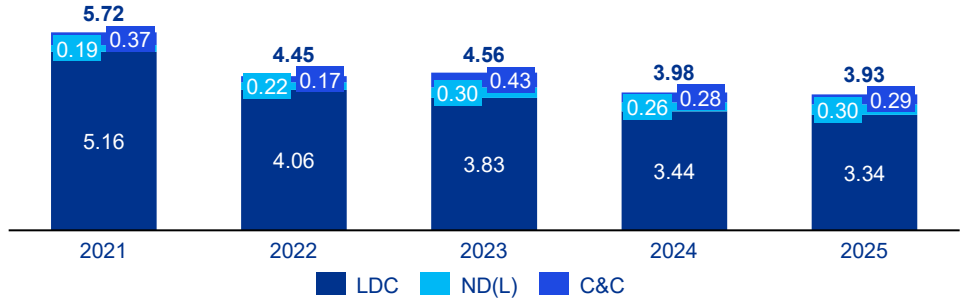
€101m

Total tax revenue lost from C&C^(b) (DKK 753m)⁽³⁾



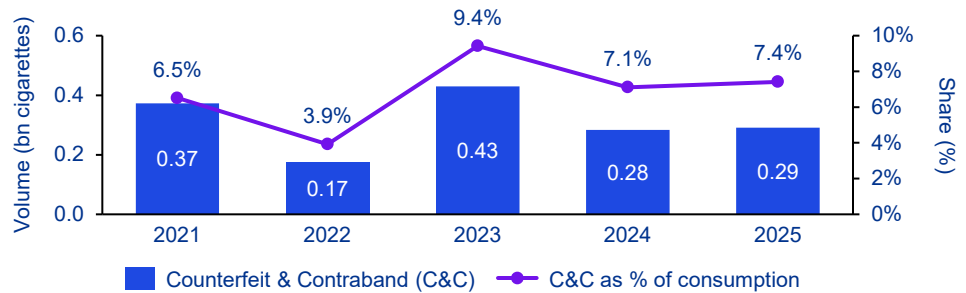
+€3m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

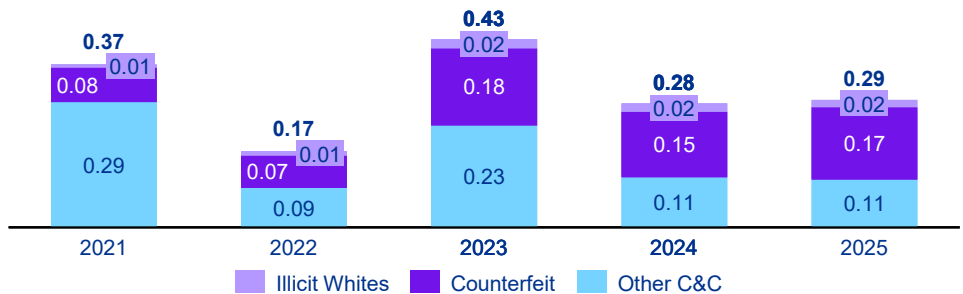


– C&C as a share of total consumption increased to 7.4% in 2025, driven by an increase in Counterfeit

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = DKK 7.469, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Denmark Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	5.20	4.13	3.91	3.61	3.46	(4%)
Outflows	(0.04)	(0.06)	(0.08)	(0.17)	(0.13)	(25%)
Legal Domestic Consumption (LDC)	5.16	4.06	3.83	3.44	3.34	(3%)
Non-Domestic Legal (ND(L))	0.19	0.22	0.30	0.26	0.30	17%
Counterfeit and Contraband (C&C)	0.37	0.17	0.43	0.28	0.29	3%
Total Non-Domestic	0.56	0.39	0.73	0.54	0.59	10%
Total Consumption	5.72	4.45	4.56	3.98	3.93	(1%)

- Total cigarette consumption declined by 1% in 2025, driven by lower Legal Domestic Consumption
- Non-Domestic inflows increased by 10%, with higher flows from Counterfeit, Duty Free labelled, Germany and 'Other' smaller markets. Inflows from Poland declined
- Outflows declined by 25%, with lower flows to Norway and Sweden

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)}

Non-Domestic inflows to Denmark					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.08	0.07	0.18	0.15	0.17
Duty Free Labelled	0.06	0.04	0.07	0.07	0.08
Sweden	0.07	0.05	0.10	0.07	0.07
Poland	0.08	0.05	0.11	0.10	0.07
Germany	0.05	0.02	0.04	0.02	0.03
Other	0.23	0.16	0.24	0.13	0.17
Total Non-Domestic inflows	0.56	0.39	0.73	0.54	0.59

Total outflows by destination – 2021-2025^{(1)(a)}

Outflows from Denmark					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(0.01)	(0.01)	(0.03)	(0.05)	(0.05)
Norway	(0.01)	(0.01)	(0.01)	(0.06)	(0.03)
Sweden	(0.01)	(0.02)	(0.01)	(0.04)	(0.01)
Other	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)
Total Outflows	(0.04)	(0.06)	(0.08)	(0.17)	(0.13)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

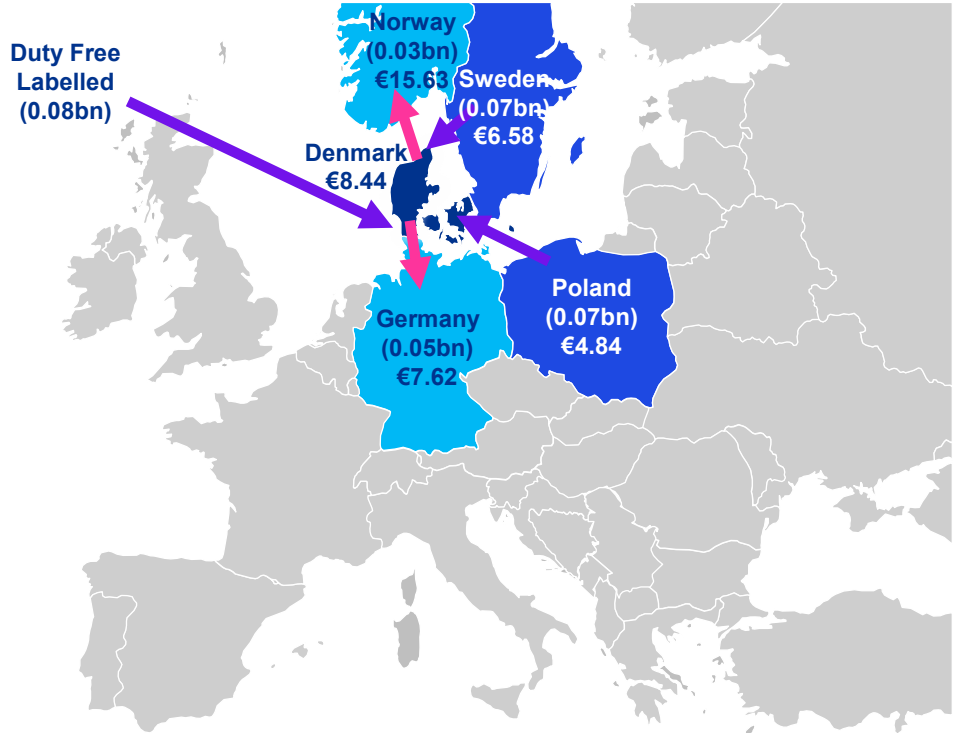
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

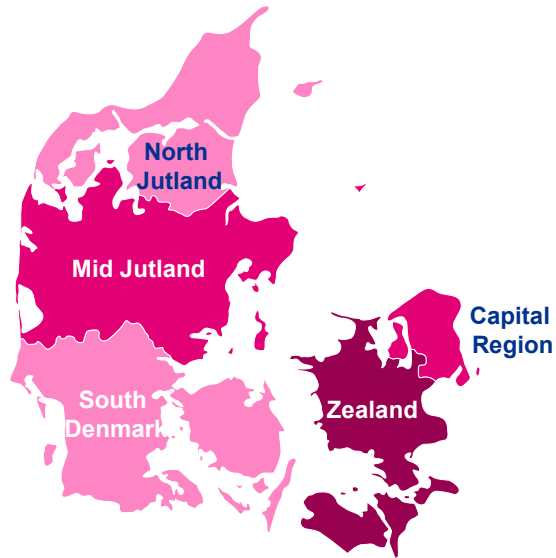
- Denmark
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

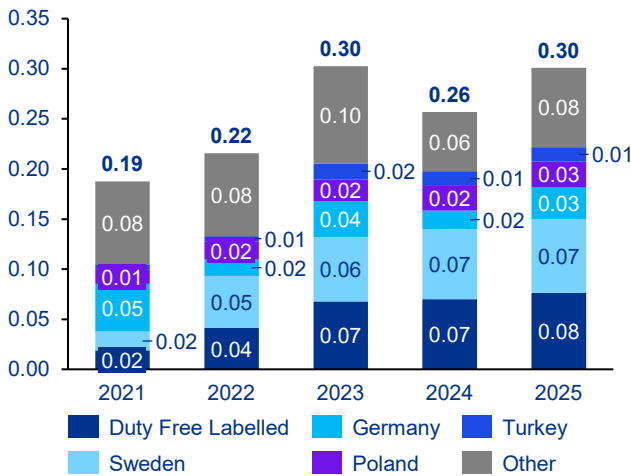


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

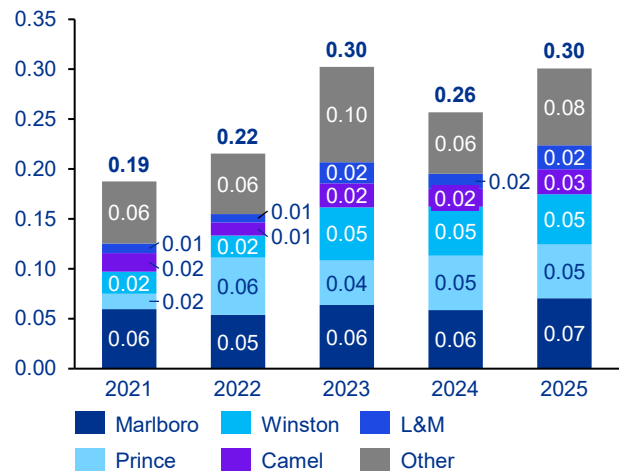
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

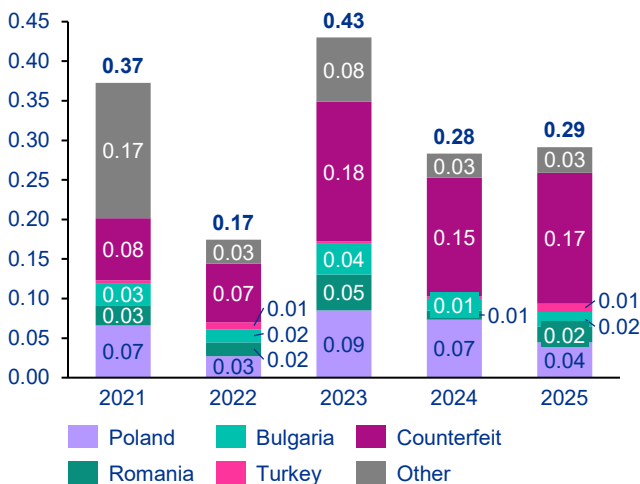


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

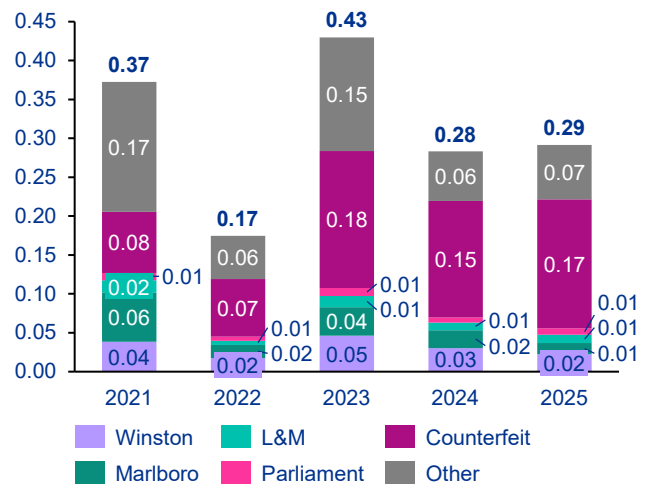


- Legal inflows (ND(L)) increased by 17% in 2025 and returned to 2023 levels, primarily driven by an increase in flows from ‘Other’ smaller markets
- Illicit flows (C&C) increased by 3% in 2025, with decrease in flows from Poland offset by an increase in flows from Counterfeit, Romania, Bulgaria and Turkey

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Estonia



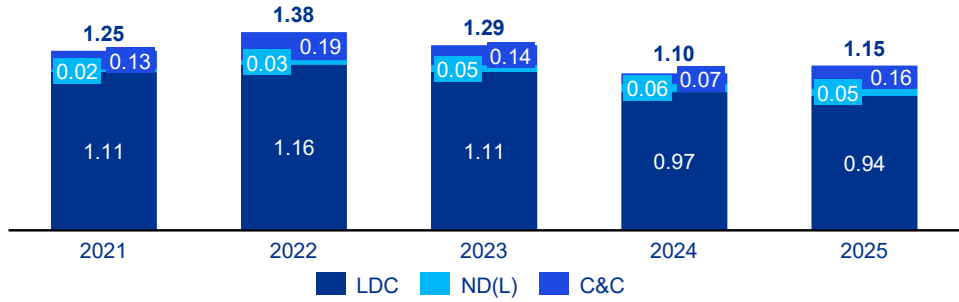
C&C cigarette consumption and total consumption

1.1bn

Cigarettes consumed

+0.05bn on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾



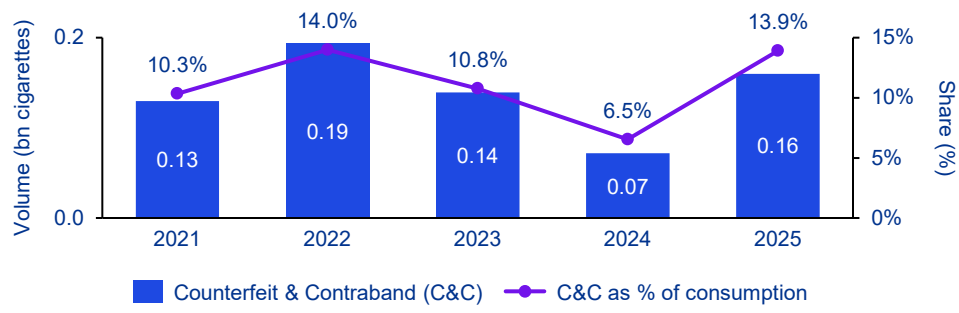
0.2bn

C&C cigarettes consumed

+0.09bn on 2024

- C&C as a share of total consumption increased by 7.4ppts to 13.9% in 2025
- This increase was driven by growth in Counterfeit and Illicit Whites.
- Counterfeit volumes reached the highest levels observed during the reporting period

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾

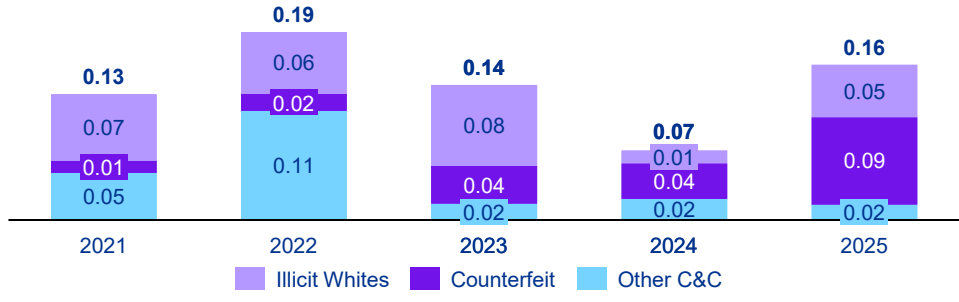


13.9%

Of total consumption was C&C

+7.37ppts on 2024

C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



€41m

Total tax revenue lost from C&C^(b)

+€25m on 2024

Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Estonia Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	1.42	1.39	1.32	1.23	1.12	(9%)
Outflows	(0.32)	(0.23)	(0.21)	(0.26)	(0.18)	(33%)
Legal Domestic Consumption (LDC)	1.11	1.16	1.11	0.97	0.94	(3%)
Non-Domestic Legal (ND(L))	0.02	0.03	0.05	0.06	0.05	(14%)
Counterfeit and Contraband (C&C)	0.13	0.19	0.14	0.07	0.16	>100%
Total Non-Domestic	0.15	0.23	0.18	0.13	0.21	62%
Total Consumption	1.25	1.38	1.29	1.10	1.15	5%

- Total cigarette consumption increased by 5% in 2025, driven by an increase in Non-Domestic inflows
- Non-Domestic inflows increased by 62%, with an increase in flows from Belarus and an increase in Counterfeit
- Outflows declined by 33%, driven by lower flows to Finland

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Estonia					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.01	0.02	0.04	0.04	0.09
Belarus	0.06	0.05	0.08	0.01	0.06
Duty Free Labelled	0.01	0.03	0.03	0.03	0.03
Other	0.06	0.13	0.04	0.05	0.03
Total Non-Domestic inflows	0.15	0.23	0.18	0.13	0.21

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Estonia					
Billion cigarettes	2021	2022	2023	2024	2025
Finland	(0.30)	(0.22)	(0.19)	(0.24)	(0.16)
Other	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)
Total Outflows	(0.32)	(0.23)	(0.21)	(0.26)	(0.18)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

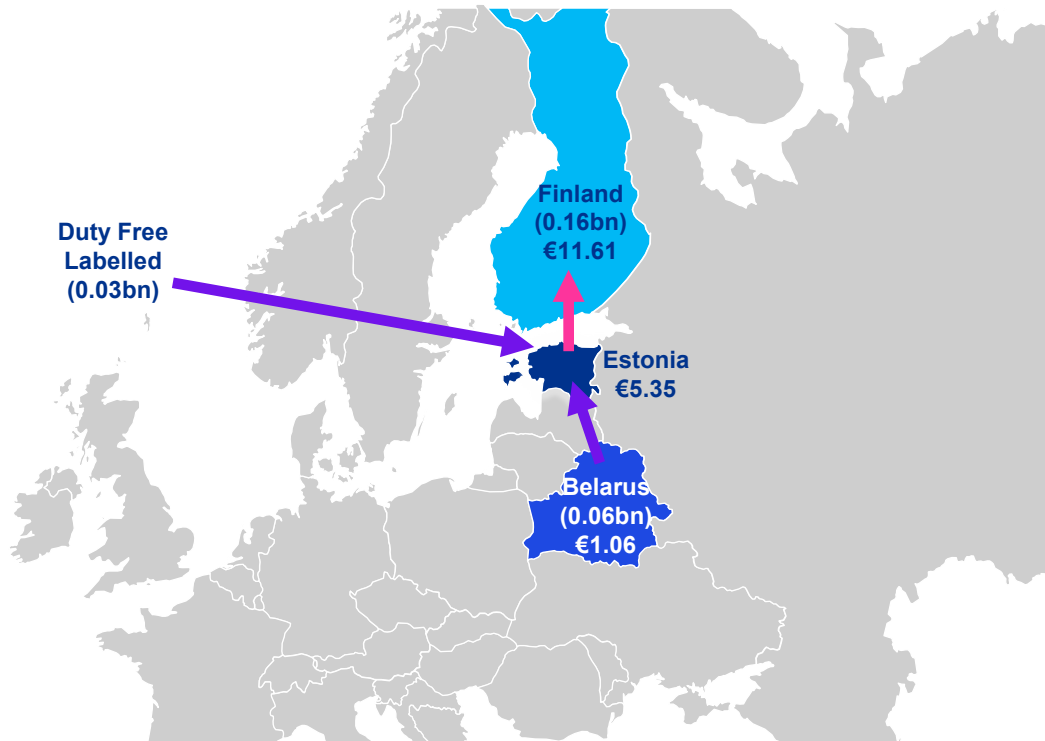
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

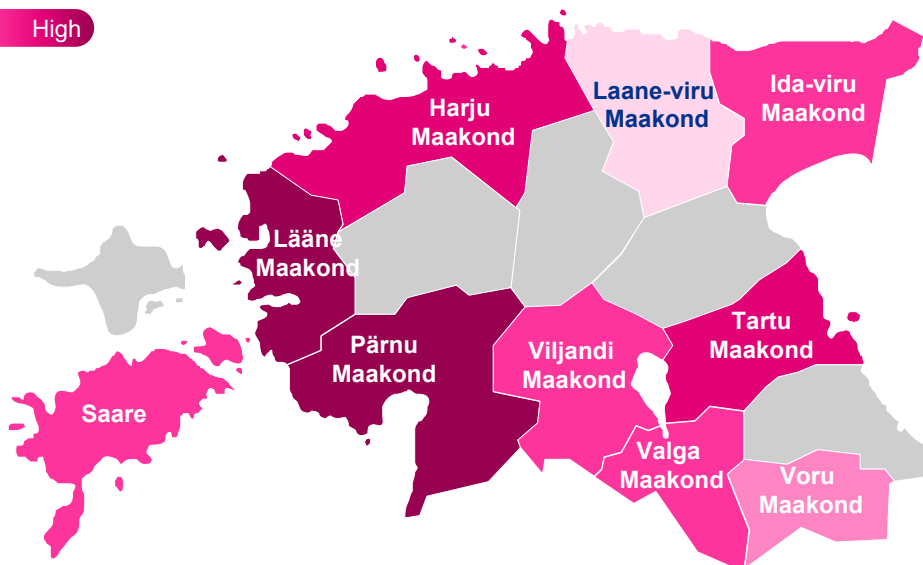
- Estonia
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
Country (Inflow/
Outflow Volume)
Weighted Average
Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

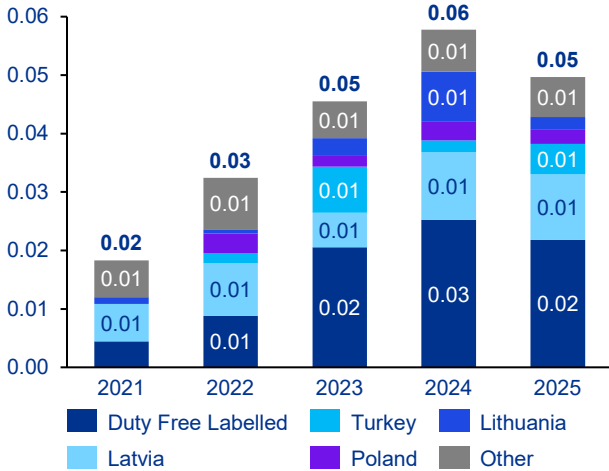


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

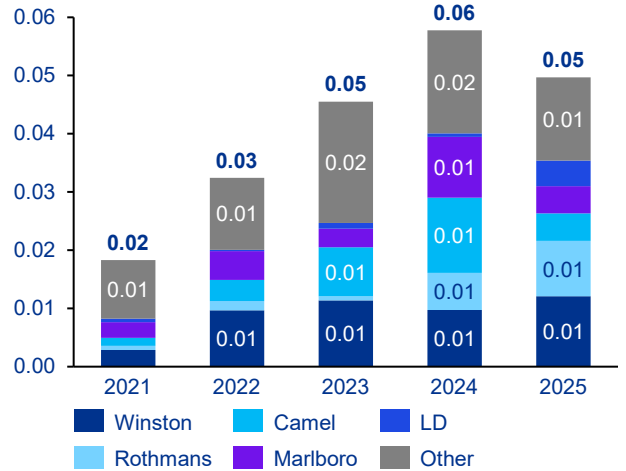
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

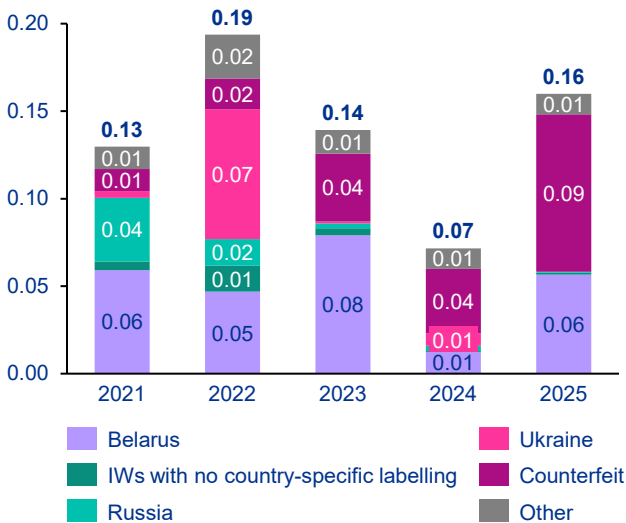


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

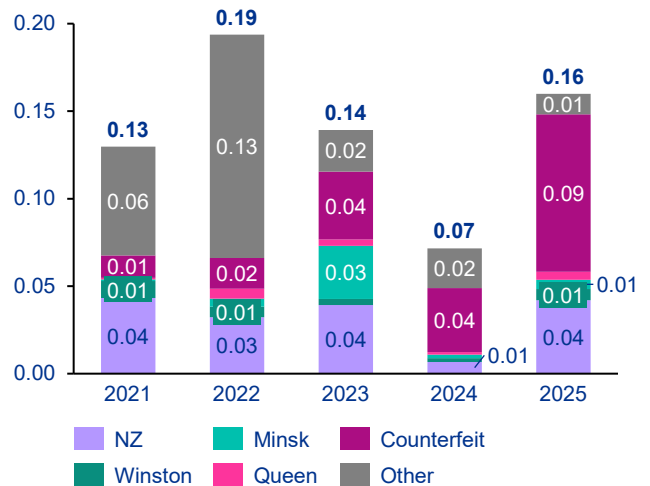


- Legal inflows (ND(L)) declined by 14% in 2025, mainly driven by a decline in flows of Duty Free labelled cigarettes and inflows from Lithuania
- Illicit inflows (C&C) increased by ~0.09bn cigarettes, primarily driven by higher flows from Belarus and Counterfeit

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Finland



C&C cigarette consumption and total consumption

2.7bn

Cigarettes consumed



-0.40bn on 2024

0.5bn

C&C cigarettes consumed



-0.13bn on 2024

17.6%

Of total consumption was C&C



-1.86ppts on 2024

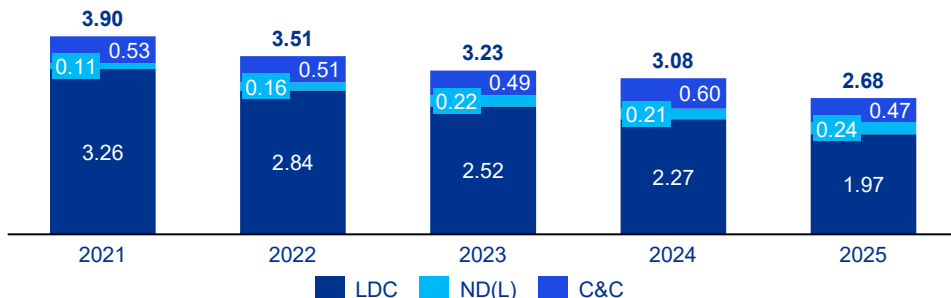
€230m

Total tax revenue lost from C&C^(b)



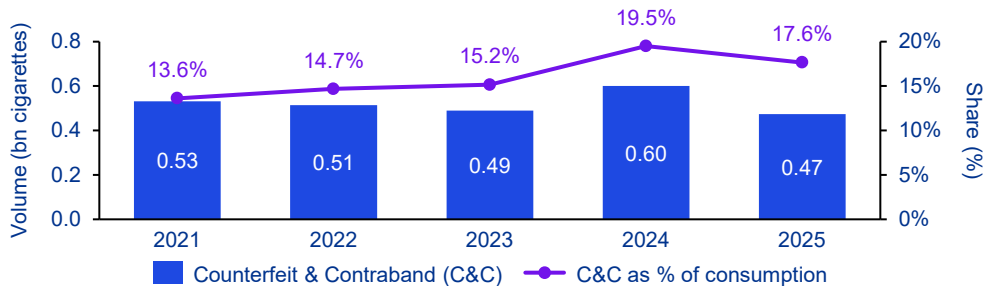
+€7m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

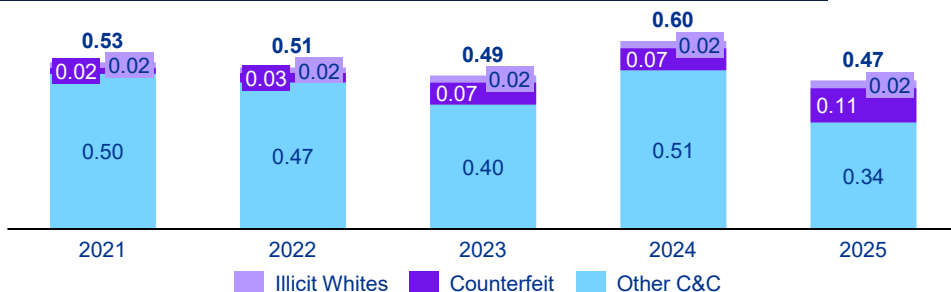


- C&C as a share of total consumption declined by 1.9ppts in 2025 to 17.6%
- This overall decline was driven by a decrease in Other C&C. Illicit White volumes remained stable. However, there was an increase in Counterfeit.

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Finland Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	3.26	2.85	2.54	2.28	1.99	(13%)
Outflows	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0%)
Legal Domestic Consumption (LDC)	3.26	2.84	2.52	2.27	1.97	(13%)
Non-Domestic Legal (ND(L))	0.11	0.16	0.22	0.21	0.24	13%
Counterfeit and Contraband (C&C)	0.53	0.51	0.49	0.60	0.47	(21%)
Total Non-Domestic	0.64	0.67	0.71	0.81	0.71	(12%)
Total Consumption	3.90	3.51	3.23	3.08	2.68	(13%)

- Total consumption decreased by 13% in 2025, driven by a decline in Legal Domestic Sales
- Non-Domestic inflows decreased by 12%, with lower inflows from Estonia, Duty Free Labelled and 'Other' smaller markets
- Outflows from Finland remained stable

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Finland					
Billion cigarettes	2021	2022	2023	2024	2025
Duty Free Labelled	0.16	0.17	0.17	0.22	0.19
Estonia	0.30	0.22	0.19	0.24	0.16
Counterfeit	0.02	0.03	0.07	0.07	0.11
Other	0.16	0.25	0.27	0.29	0.26
Total Non-Domestic inflows	0.64	0.67	0.71	0.81	0.71

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Finland					
Billion cigarettes	2021	2022	2023	2024	2025
Sweden	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Other	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)
Total Outflows	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

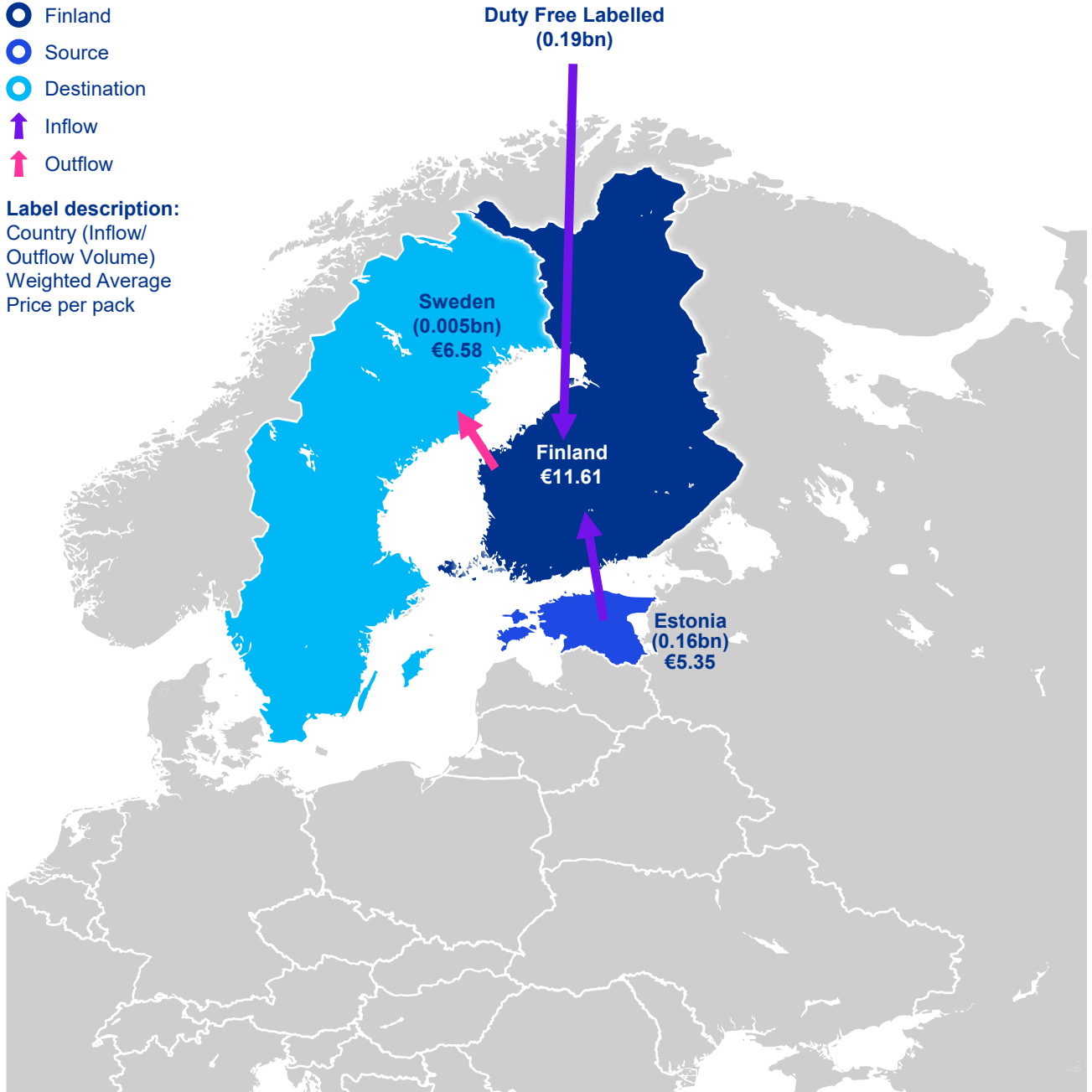
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows

Key inflows and outflows^{(1)(2)(a)}

- Finland
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack

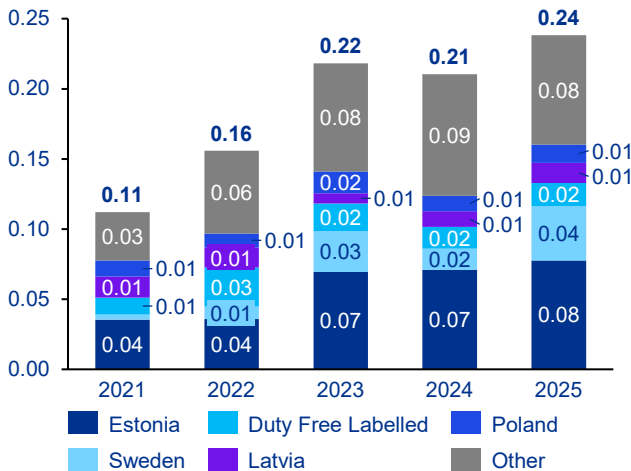


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown

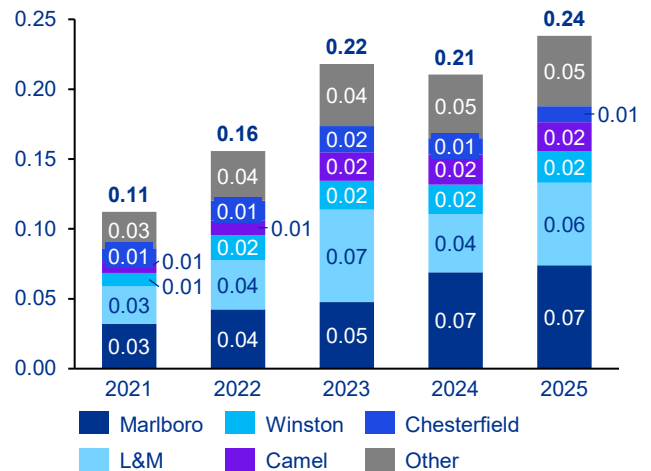
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

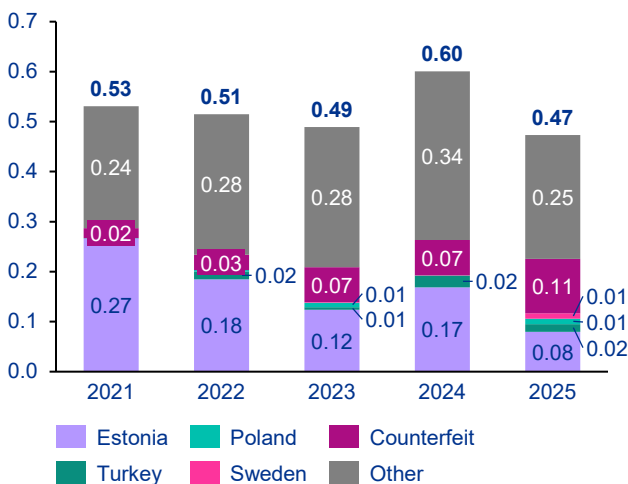


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

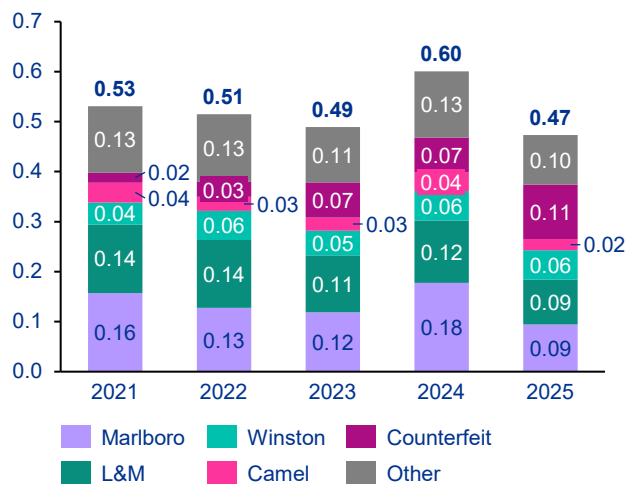


- Legal inflows (ND(L)) increased by 13% in 2025 and reached the highest levels observed in the reporting period, primarily driven by increased flows from Sweden
- Illicit flows (C&C) decreased by 21% in 2025 in 2025 and reached the lowest levels observed in the reporting period, with lower flows from Estonia and ‘Other’ smaller markets. However, there was an increase in Counterfeit flows.

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

France



C&C cigarette consumption and total consumption

49.5bn

Cigarettes consumed



-0.33bn on 2024

20.5bn

C&C cigarettes consumed



+1.77bn on 2024

41.4%

Of total consumption was C&C



+3.8ppts on 2024

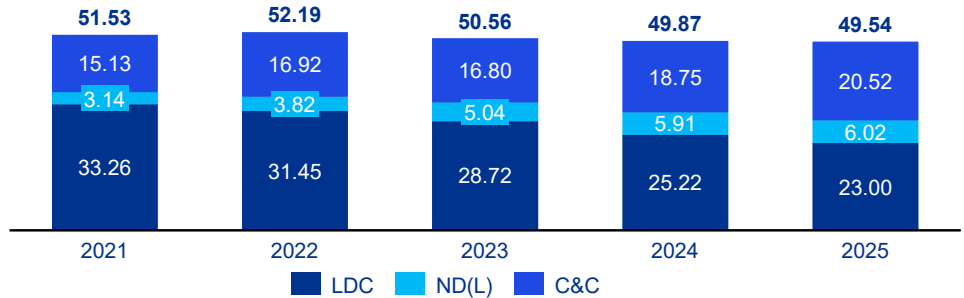
€10,369m

Total tax revenue lost from C&C^(b)



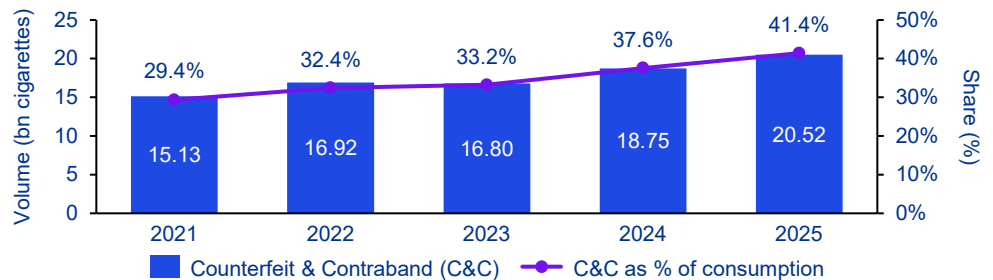
+€895m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

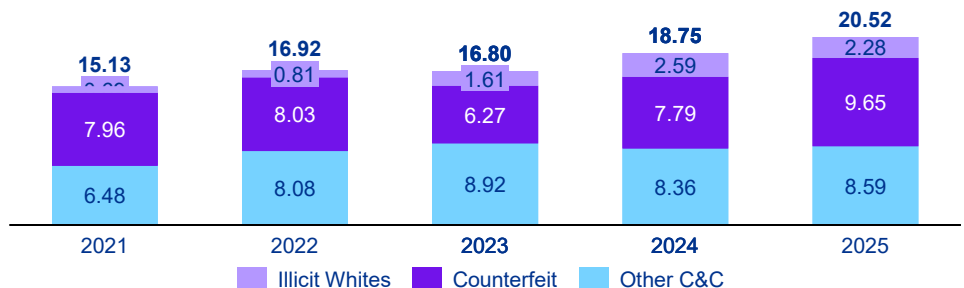


- C&C as a share of total consumption increased by 3.8 ppts to 41.4% in 2025, the highest share observed during the reporting period
- This increase in illicit consumption was primarily driven by an increase in Counterfeit flows. Other C&C inflows also increased, while flows Illicit Whites declined

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total France Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	33.48	31.73	29.13	25.55	23.33	(8.7%)
Outflows	(0.22)	(0.28)	(0.41)	(0.33)	(0.33)	(0.5%)
Legal Domestic Consumption (LDC)	33.26	31.45	28.72	25.22	23.00	(8.8%)
Non-Domestic Legal (ND(L))	3.14	3.82	5.04	5.91	6.02	1.9%
Counterfeit and Contraband (C&C)	15.13	16.92	16.80	18.75	20.52	9.4%
Total Non-Domestic	18.27	20.74	21.84	24.66	26.54	7.6%
Total Consumption	51.53	52.19	50.56	49.87	49.54	(0.7%)

- Total cigarette consumption declined by 0.7% in 2025, as a decline in Legal Domestic Sales was partly offset by an increase in Non-Domestic inflows
- Non-Domestic inflows increased by 7.6%, primarily driven by 9.4% growth in Illicit consumption (C&C)
 - Illicit consumption (C&C) formed ~77% of Non-Domestic inflows in 2025 vs ~76% in 2024
 - Counterfeit's share of total cigarette consumption increased from ~16% in 2024 to ~19% in 2025, reaching the highest volume observed during the reporting period
 - Legal inflows (ND(L)) increased by 1.9%
- Outflows remained stable overall vs 2024, and were a small share of Legal Domestic Sales in France

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to France					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	7.96	8.03	6.27	7.79	9.65
Spain	2.56	2.62	3.23	3.36	3.25
Algeria	0.32	1.06	1.45	1.94	2.08
IWs with no country-specific labelling	0.43	0.53	1.16	2.33	1.91
Duty Free Labelled	0.85	1.36	1.40	1.06	1.63
Other	6.16	7.14	8.33	8.17	8.03
Total Non-Domestic inflows	18.27	20.74	21.84	24.66	26.54

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from France					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(0.05)	(0.05)	(0.06)	(0.06)	(0.09)
Switzerland	(0.07)	(0.05)	(0.05)	(0.06)	(0.05)
Netherlands	(0.04)	(0.04)	(0.05)	(0.06)	(0.03)
UK	(0.01)	(0.01)	(0.02)	(0.03)	(0.03)
Other	(0.06)	(0.13)	(0.24)	(0.13)	(0.13)
Total Outflows	(0.22)	(0.28)	(0.41)	(0.33)	(0.33)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

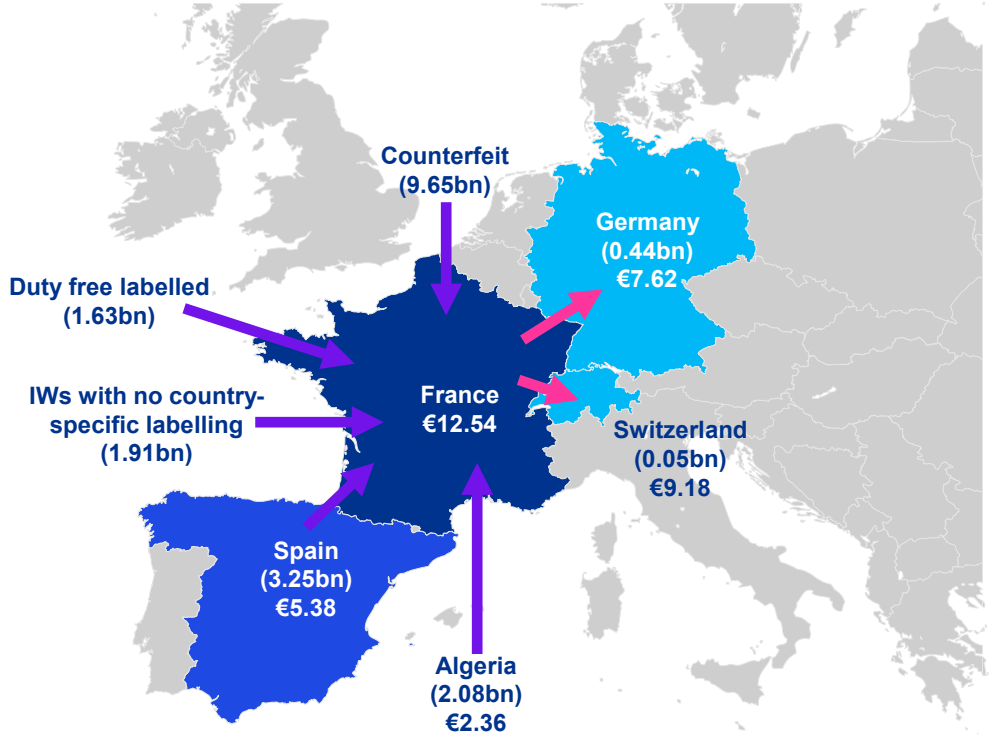
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

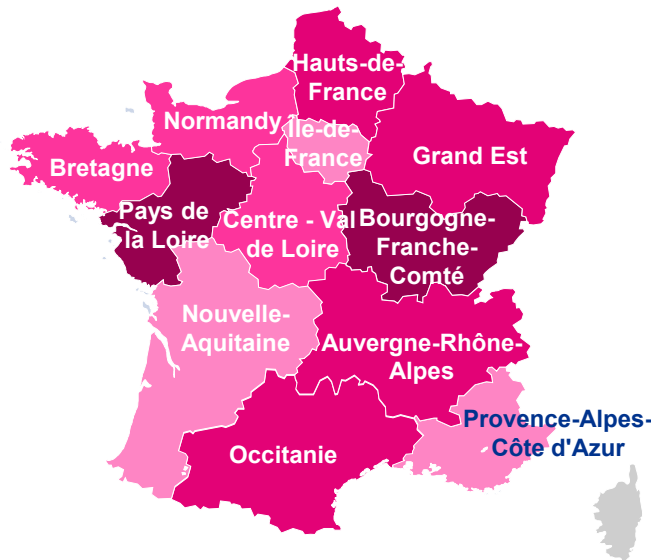
- France
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

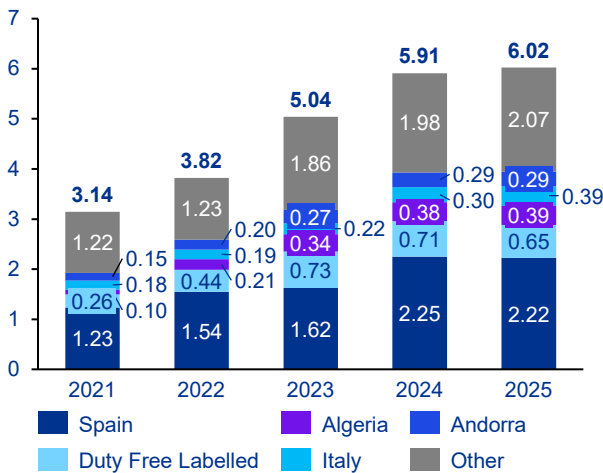


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

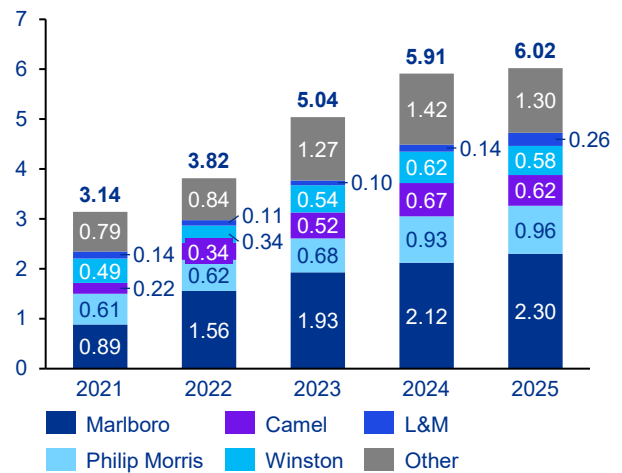
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

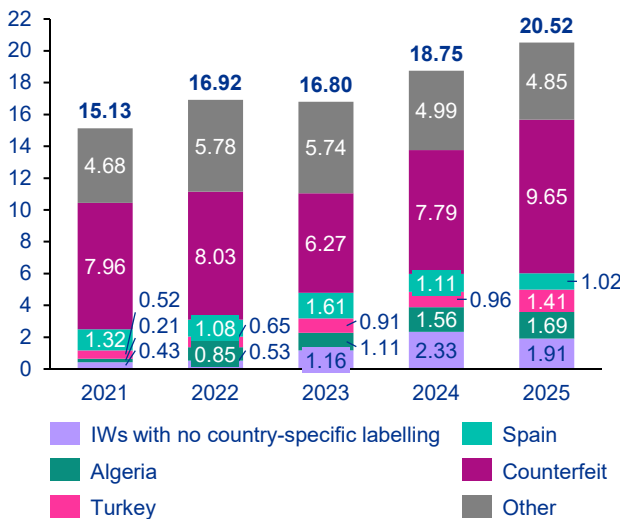


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

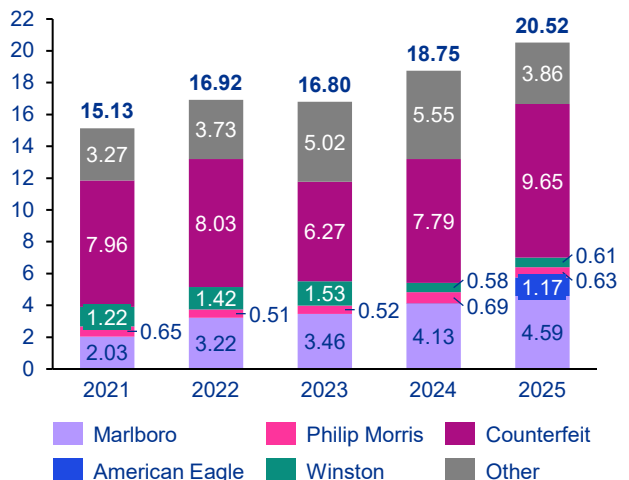


- Legal inflows (ND(L)) increased by 1.9% in 2025, a slower growth rate compared to the period from 2021 to 2024. Spain remained the largest source of ND(L) in 2025
- Illicit (C&C) inflows increased by 9.4% in 2025, primarily driven by increased flows of Counterfeit and flows from Turkey and Algeria. This increase was partially offset by declining flows of Illicit Whites with no country-specific labelling and flows from Spain and 'Other' smaller source markets
- In 2025, an illicit inflow of ~1.2bn American Eagle cigarettes emerged, accounting for ~6% of illicit consumption. This brand was detected for the first time in 2025 and is classified as an Illicit White

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Germany



C&C cigarette consumption and total consumption

75.2bn

Cigarettes consumed



-0.49bn on 2024

1.9bn

C&C cigarettes consumed



+0.26bn on 2024

2.5%

Of total consumption was C&C



+0.36ppt on 2024

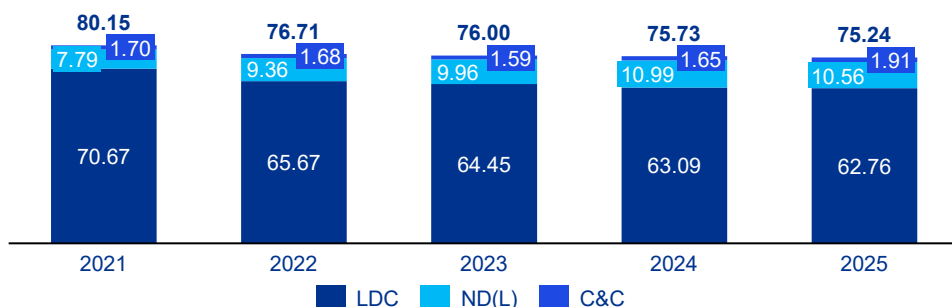
€486m

Total tax revenue lost from C&C^(b)



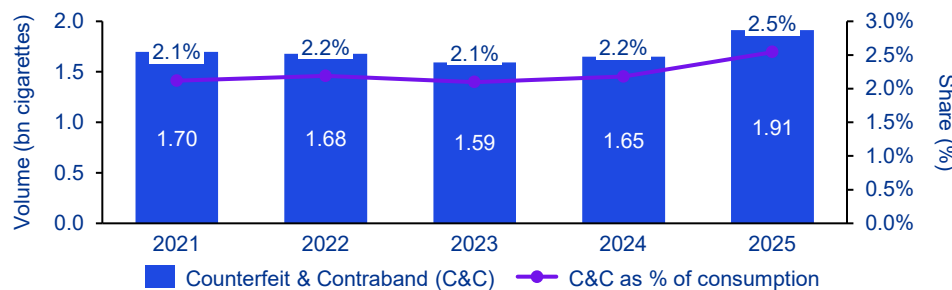
+€85m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

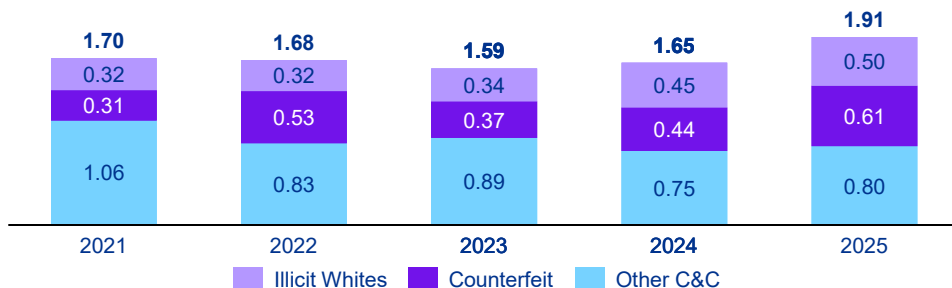


- C&C as a share of total consumption increased to 2.5% in 2025
- This increase in C&C was driven by increases in flows of Counterfeit, Illicit Whites, and Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)(d)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts; (d) For 2023-2025, Germany results are driven by an empty pack survey instead of a yellow bag survey to allow the inclusion of Counterfeit data for all manufacturers participating in the empty pack survey (vs PMI data only in the yellow bag survey). As a result, Counterfeit volumes may not be directly comparable for 2023, 2024 and 2025 with years prior to these

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Germany Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	71.62	66.54	65.43	64.52	63.95	(1%)
Outflows	(0.95)	(0.87)	(0.98)	(1.44)	(1.19)	(18%)
Legal Domestic Consumption (LDC)	70.67	65.67	64.45	63.09	62.76	(1%)
Non-Domestic Legal (ND(L))	7.79	9.36	9.96	10.99	10.56	(4%)
Counterfeit and Contraband (C&C)	1.70	1.68	1.59	1.65	1.91	16%
Total Non-Domestic	9.49	11.04	11.55	12.64	12.48	(1%)
Total Consumption	80.15	76.71	76.00	75.73	75.24	(1%)

- Total cigarette consumption decreased by 1% in 2025, with a decline in both Legal Domestic Consumption and Non-Domestic inflows
- Non-Domestic inflows decreased by 1% in 2025, reversing a period of growth observed between 2021 and 2024. This 2025 decline was driven by lower inflows from Poland and Czech Republic
- Outflows declined by 18% with flows declining to the majority of destination markets

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Germany					
Billion cigarettes	2021	2022	2023	2024	2025
Poland	3.82	4.66	5.19	5.53	5.24
Czech Republic	2.31	2.15	1.69	1.73	1.53
Duty Free Labelled	0.53	0.67	1.06	1.17	1.25
Luxembourg	0.37	0.55	0.64	0.75	0.74
Counterfeit	0.31	0.53	0.37	0.44	0.61
Other	2.15	2.48	2.60	3.02	3.10
Total Non-Domestic inflows	9.49	11.04	11.55	12.64	12.48

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Germany					
Billion cigarettes	2021	2022	2023	2024	2025
Netherlands	(0.23)	(0.19)	(0.29)	(0.49)	(0.44)
France	(0.12)	(0.22)	(0.19)	(0.30)	(0.25)
Switzerland	(0.10)	(0.09)	(0.04)	(0.14)	(0.12)
Poland	(0.06)	(0.08)	(0.07)	(0.09)	(0.09)
Austria	(0.10)	(0.07)	(0.07)	(0.08)	(0.06)
Other	(0.33)	(0.23)	(0.32)	(0.34)	(0.22)
Total Outflows	(0.95)	(0.87)	(0.98)	(1.44)	(1.19)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

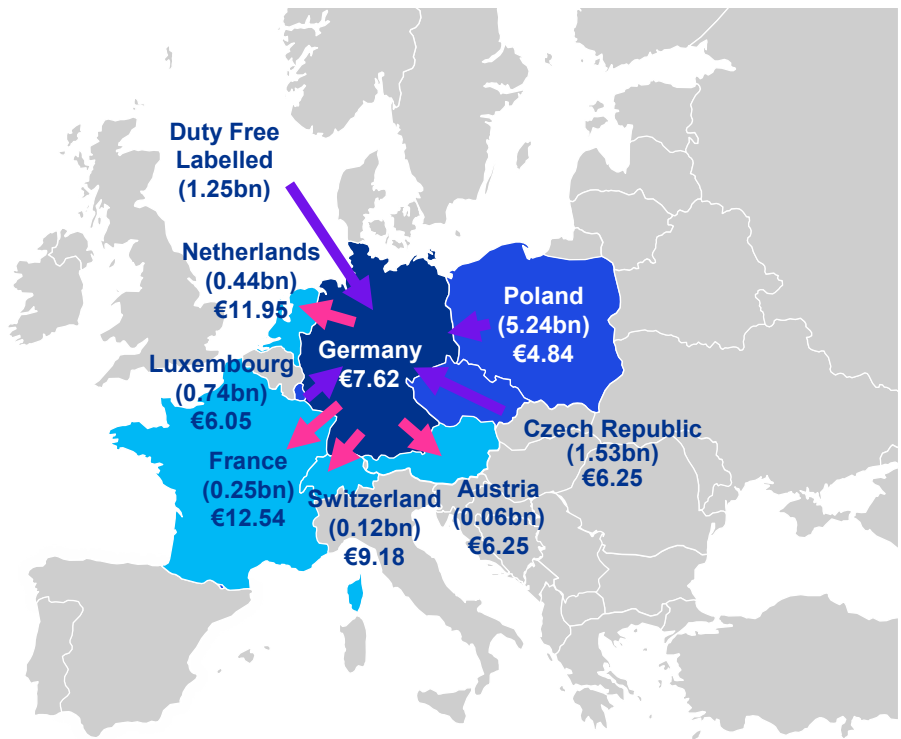
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Germany
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)(d)}

Low → High

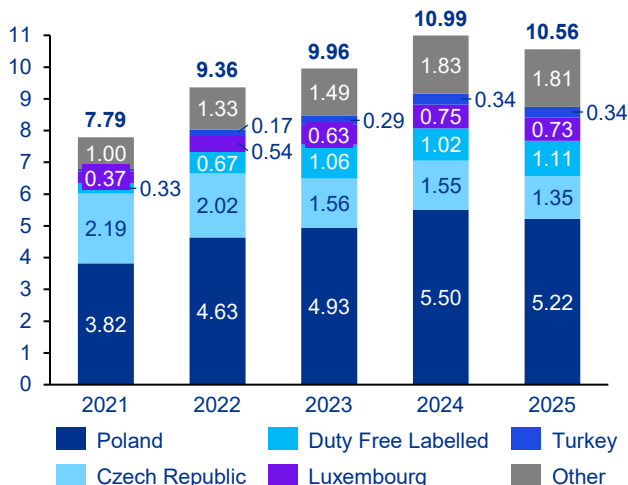


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region (c) Data not available for regions in grey (d) C&C incidence is relatively low across all regions and differs by just 3ppt with the lowest C&C percentage in lower Saxony at 1.5% and highest C&C% in Saxony at 4.5%

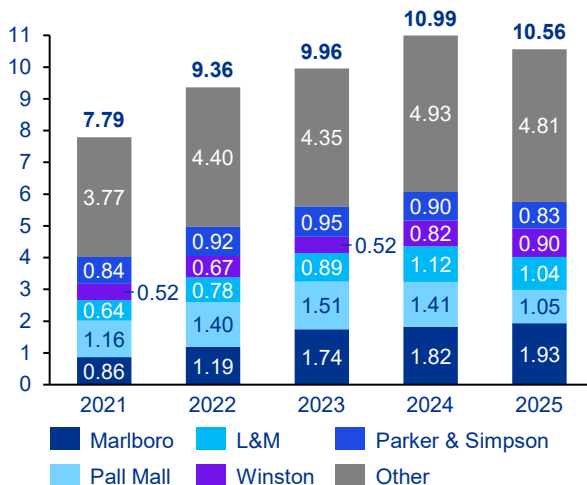
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

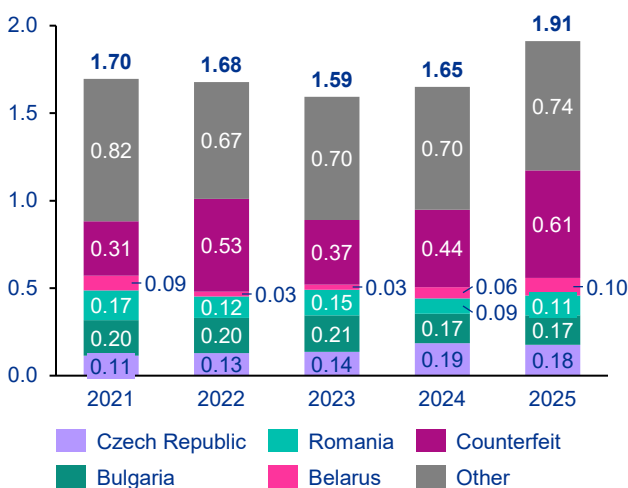


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

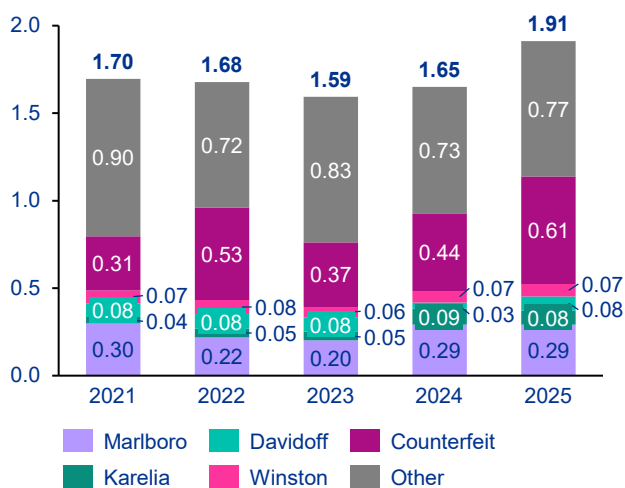


- Legal inflows (ND(L)) decreased by 4% in 2025, primarily driven by reduced legal flows from Poland and the Czech Republic
- Illicit (C&C) inflows increased by 16% in 2025, with higher flows from Counterfeit, Belarus, Romania, and 'Other' smaller source markets

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Greece



C&C cigarette consumption and total consumption

13.2bn

Cigarettes consumed



-0.91bn on 2024

1.9bn

C&C cigarettes consumed



-0.61bn on 2024

14.1%

Of total consumption was C&C



-3.45ppts on 2024

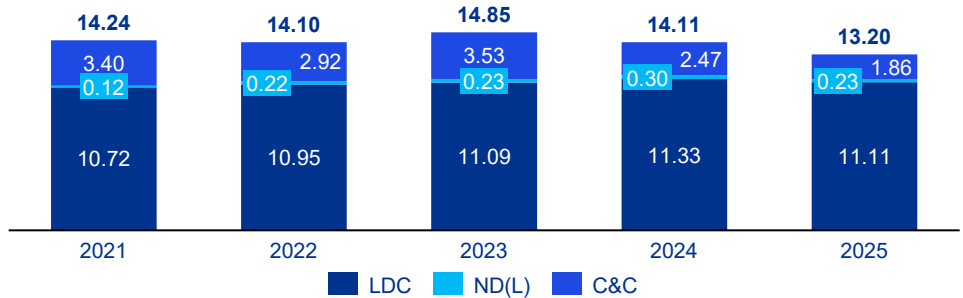
€330m

Total tax revenue lost from C&C^(b)



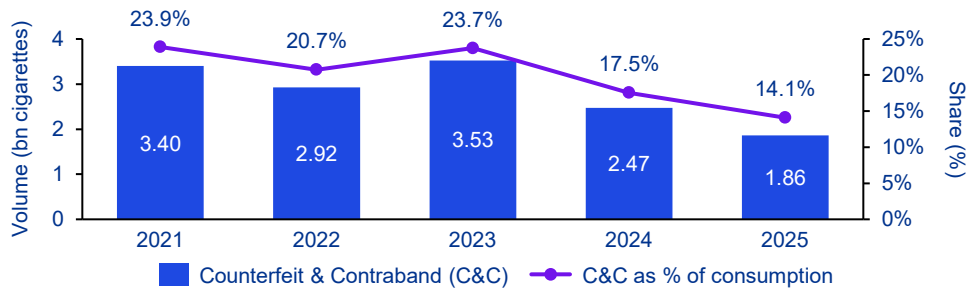
-€108m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

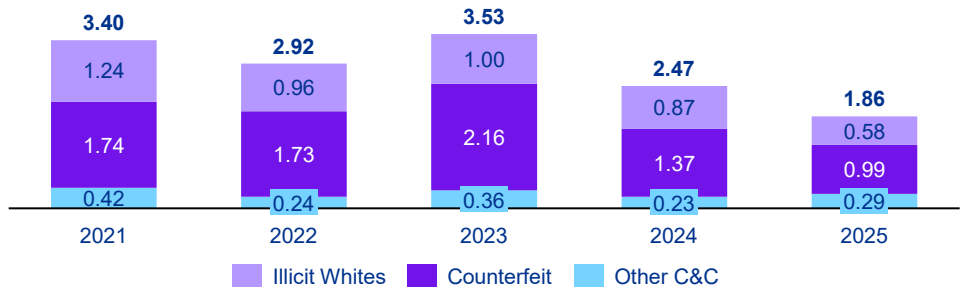


- Both C&C as a share of total cigarette consumption and C&C volumes decreased in 2025, reaching the lowest levels observed during the reporting period
- The decline was driven by a decrease in flows of Counterfeit and Illicit Whites, while Other C&C flows increased

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Greece Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	11.12	11.33	11.49	11.90	11.72	(1%)
Outflows	(0.40)	(0.38)	(0.40)	(0.56)	(0.61)	10%
Legal Domestic Consumption (LDC)	10.72	10.95	11.09	11.33	11.11	(2%)
Non-Domestic Legal (ND(L))	0.12	0.22	0.23	0.30	0.23	(24%)
Counterfeit and Contraband (C&C)	3.40	2.92	3.53	2.47	1.86	(25%)
Total Non-Domestic	3.52	3.15	3.76	2.77	2.09	(25%)
Total Consumption	14.24	14.10	14.85	14.11	13.20	(6%)

- Total cigarette consumption decreased by ~6% in 2025, driven by a decrease in Non-Domestic inflows and a smaller decrease in Legal Domestic Sales
- Non-Domestic inflows decreased by ~25%, reaching the lowest level observed during the reporting period. These flows primarily comprised of Counterfeit and Illicit Whites with no country-specific labelling
- Outflows increased by ~10%, primarily driven by increased outflows to France

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Greece					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	1.74	1.73	2.16	1.37	0.99
IWs with no country-specific labelling	1.21	0.90	0.95	0.79	0.54
Duty Free Labelled	0.21	0.18	0.32	0.21	0.29
Other	0.35	0.34	0.33	0.40	0.27
Total Non-Domestic inflows	3.52	3.15	3.76	2.77	2.09

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Greece					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(0.10)	(0.14)	(0.11)	(0.18)	(0.17)
Netherlands	(0.03)	(0.01)	(0.06)	(0.13)	(0.12)
France	(0.05)	(0.04)	(0.06)	(0.08)	(0.12)
Italy	(0.00)	(0.01)	(0.02)	(0.04)	(0.04)
Other	(0.21)	(0.18)	(0.15)	(0.14)	(0.16)
Total Outflows	(0.40)	(0.38)	(0.40)	(0.56)	(0.61)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

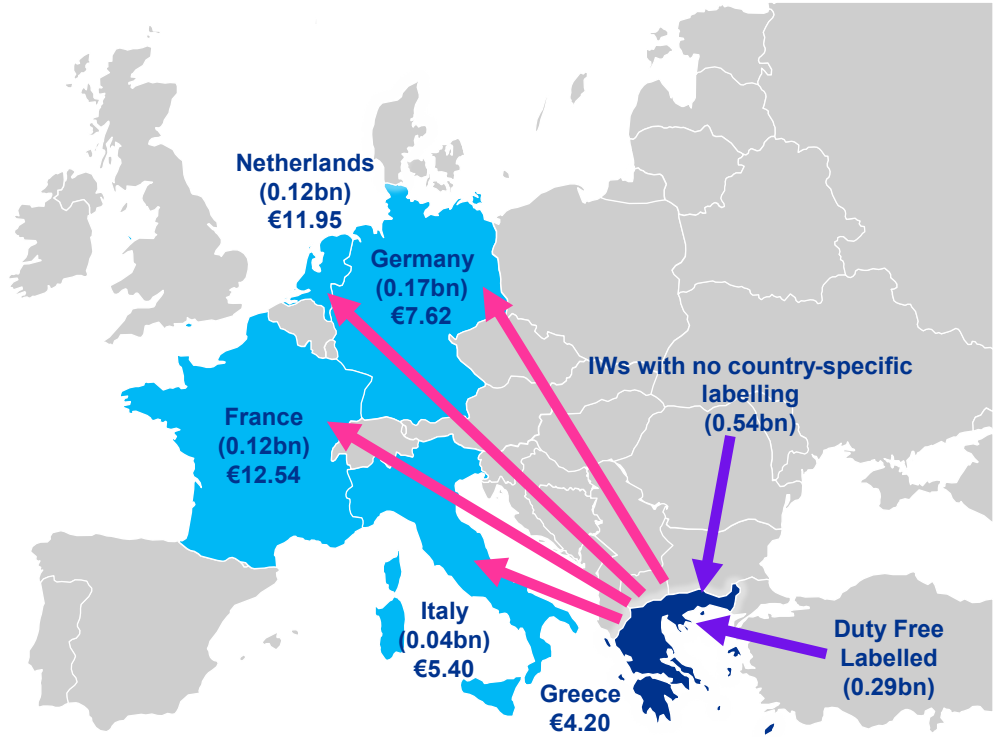
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Greece
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by city^{(1)(b)(c)(d)}

Low → High

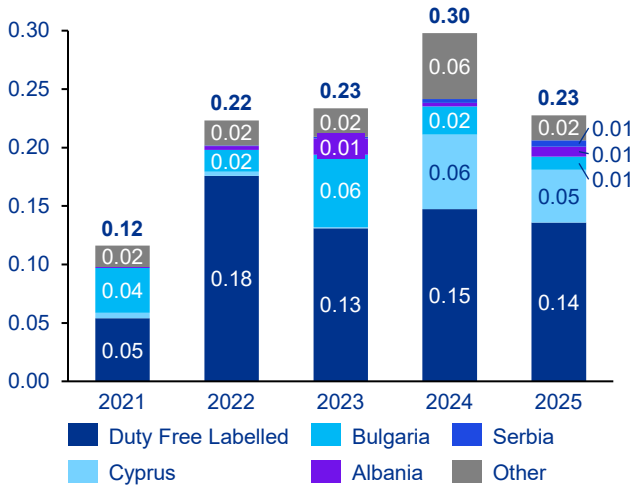


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) EPS for this country does not collate results by region; (c) C&C% by city shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the city. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the city; (d) Data not available for regions in grey

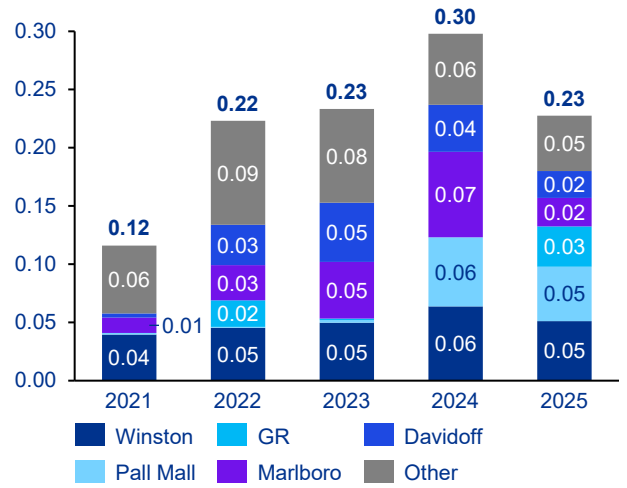
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

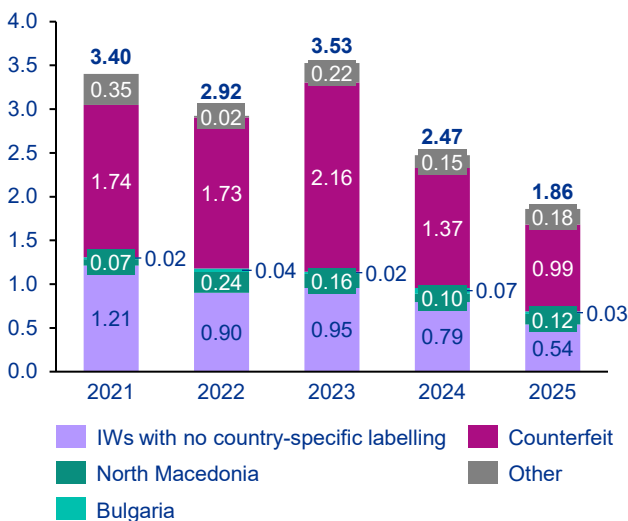


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

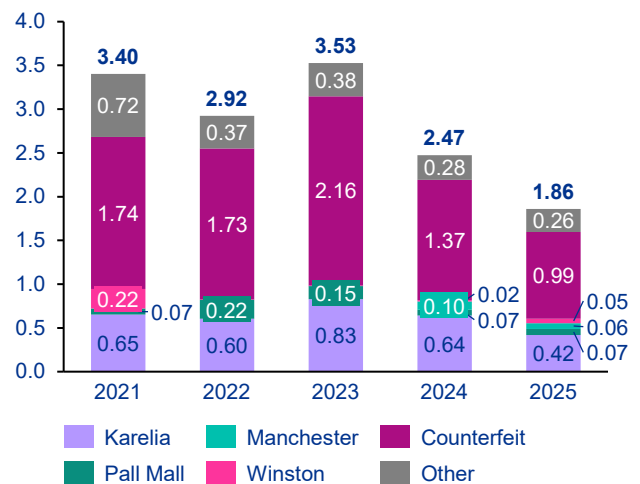


- Legal inflows (ND(L)) decreased by 24% in 2025, returning to similar levels as observed in 2022 and 2023. This decrease was largely driven by reduced flows from ‘Other’ smaller source markets
- Illicit (C&C) inflows decreased by 25% in 2025, driven by lower flows of both Counterfeit and Illicit Whites with no country specific labelling
- There have been continued successful raids on illegal cigarette factories and warehouses in Greece in 2025, with two raids reported in the year⁽²⁾

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025 (2) ekathimerini.com, Organized crime dealt fresh blow, March 2025

Hungary



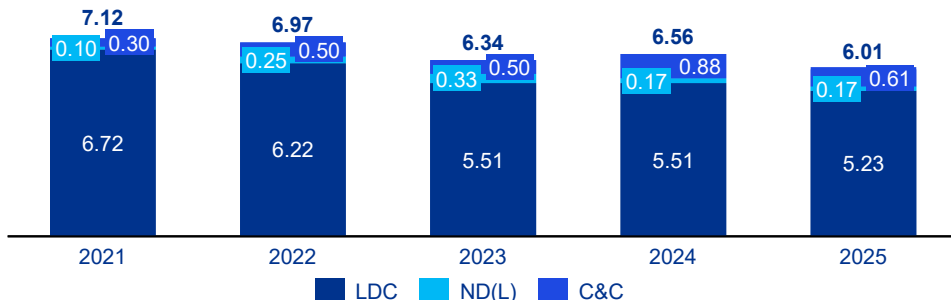
C&C cigarette consumption and total consumption

6.0bn

Cigarettes consumed

-0.55bn on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾



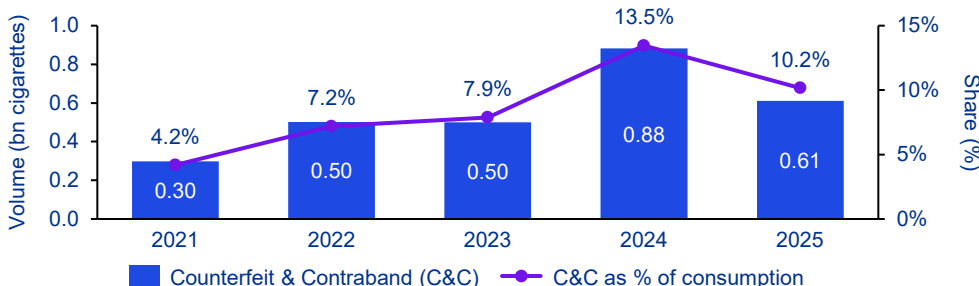
0.6bn

C&C cigarettes consumed

-0.27bn on 2024

- C&C as a share of total consumption decreased by 3.3ppts to 10.2% in 2025
- This decrease was primarily driven by a decline in Counterfeit flows alongside smaller declines in Illicit Whites and Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾

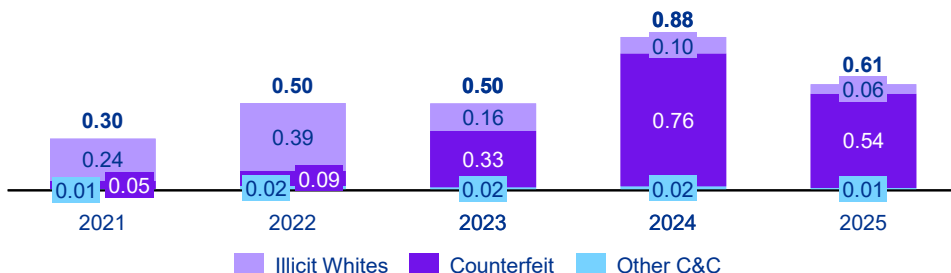


10.2%

Of total consumption was C&C

-3.29ppt on 2024

C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



€130m

Total tax revenue lost from C&C^(b)

(HUF 49,653m)⁽³⁾

-€45m on 2024

Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = HUF 381.68, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Hungarian Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	6.88	6.50	5.72	5.65	5.41	(4%)
Outflows	(0.17)	(0.28)	(0.21)	(0.14)	(0.17)	20%
Legal Domestic Consumption (LDC)	6.72	6.22	5.51	5.51	5.23	(5%)
Non-Domestic Legal (ND(L))	0.10	0.25	0.33	0.17	0.17	(2%)
Counterfeit and Contraband (C&C)	0.30	0.50	0.50	0.88	0.61	(31%)
Total Non-Domestic	0.40	0.75	0.83	1.05	0.78	(26%)
Total Consumption	7.12	6.97	6.34	6.56	6.01	(8%)

- Total cigarette consumption declined by 8% in 2025 with a decrease in both Legal Domestic Consumption and Non-Domestic inflows
- Non-Domestic inflows decreased by 26%, largely driven by a decline in Counterfeit
- Outflows increased by 20%, primarily due to higher outflows to the Netherlands

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Hungary					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.05	0.09	0.33	0.76	0.54
IWs with no country-specific labelling	0.21	0.37	0.14	0.08	0.04
Other	0.15	0.29	0.37	0.21	0.20
Total Non-Domestic inflows	0.40	0.75	0.83	1.05	0.78

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Hungary					
Billion cigarettes	2021	2022	2023	2024	2025
Austria	(0.06)	(0.11)	(0.08)	(0.08)	(0.07)
Netherlands	(0.00)	(0.01)	(0.00)	(0.01)	(0.03)
Germany	(0.02)	(0.03)	(0.03)	(0.02)	(0.02)
UK	(0.00)	(0.01)	(0.01)	(0.00)	(0.01)
Other	(0.08)	(0.12)	(0.08)	(0.03)	(0.04)
Total Outflows	(0.17)	(0.28)	(0.21)	(0.14)	(0.17)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

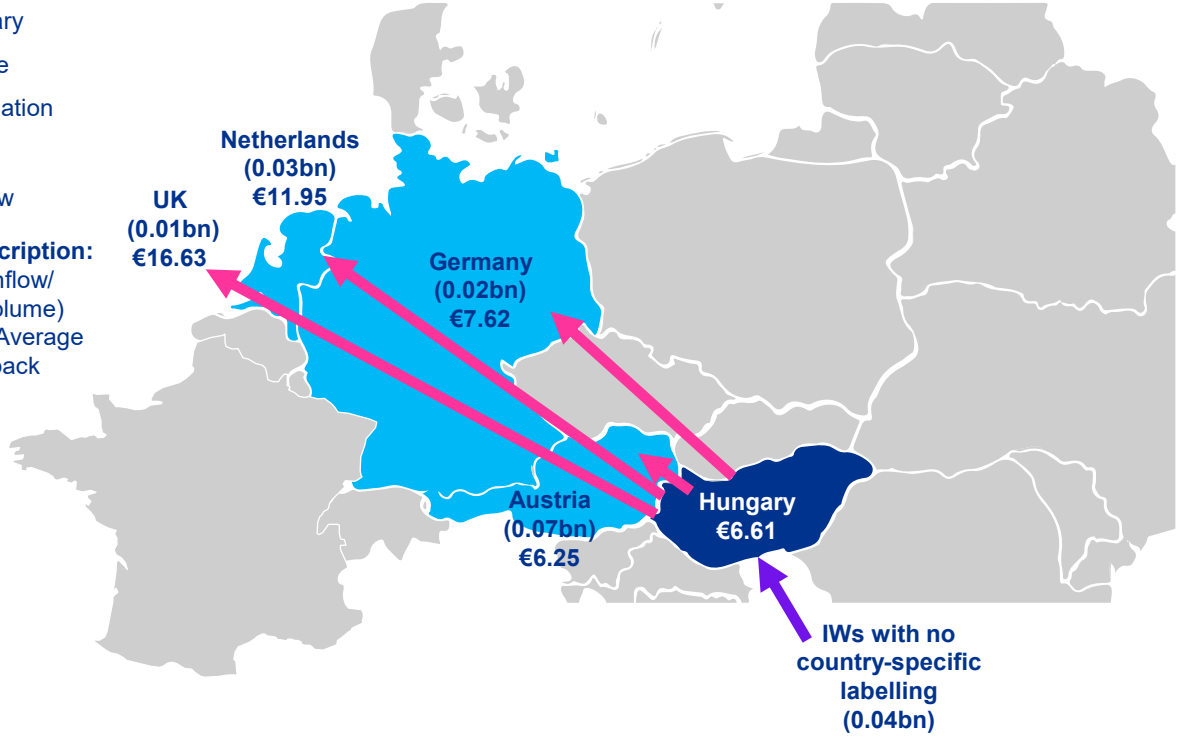
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

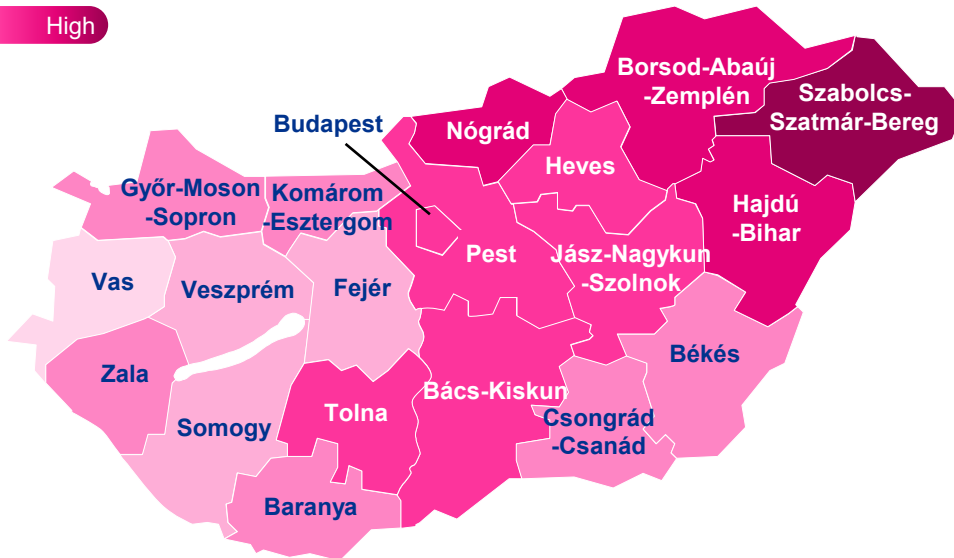
- Hungary
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
Country (Inflow/
Outflow Volume)
Weighted Average
Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

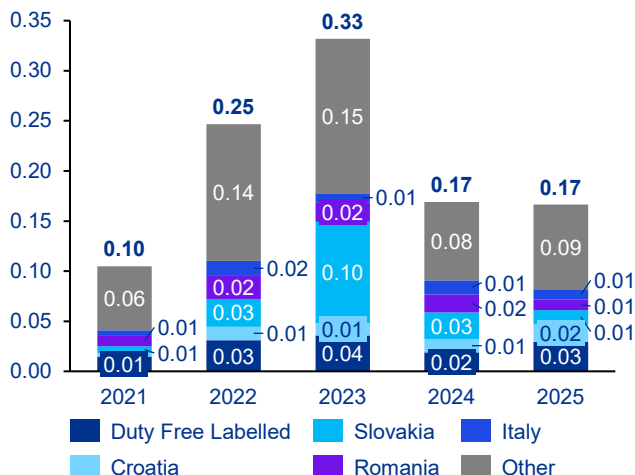


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

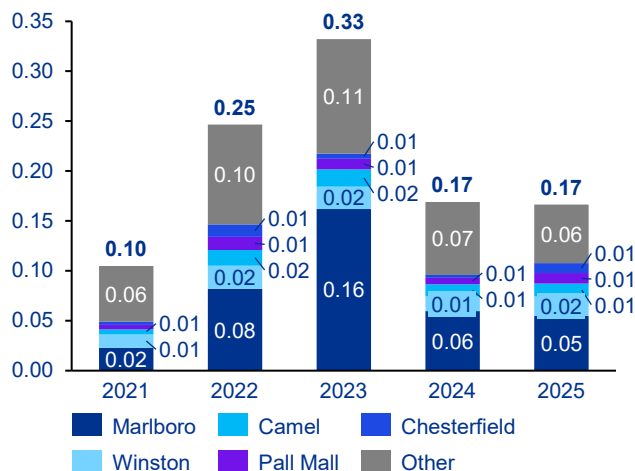
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

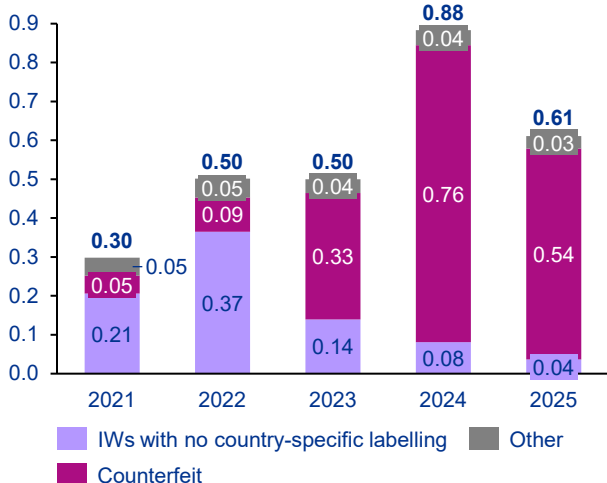


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

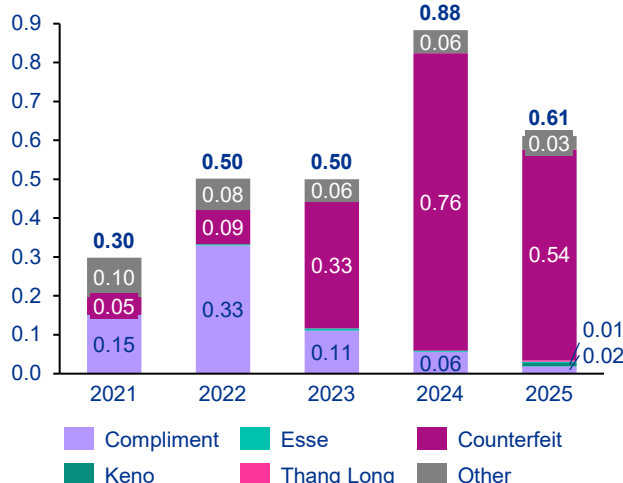


- Legal inflows (ND(L)) remained stable in volume terms in 2025 following a large decrease in 2024
- Illicit (C&C) inflows decreased by 31% in 2025, primarily driven by a fall in Counterfeit flows and a smaller decrease in Illicit Whites with no-country specific labelling
- Counterfeit accounted for ~88% of illicit inflows C&C in 2025, a similar share to that observed in 2024 (~86%)

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Ireland



C&C cigarette consumption and total consumption

3.2bn

Cigarettes consumed



-0.22bn on 2024

1.1bn

C&C cigarettes consumed



+0.05bn on 2024

35.2%

Of total consumption was C&C



+3.72ppts on 2024

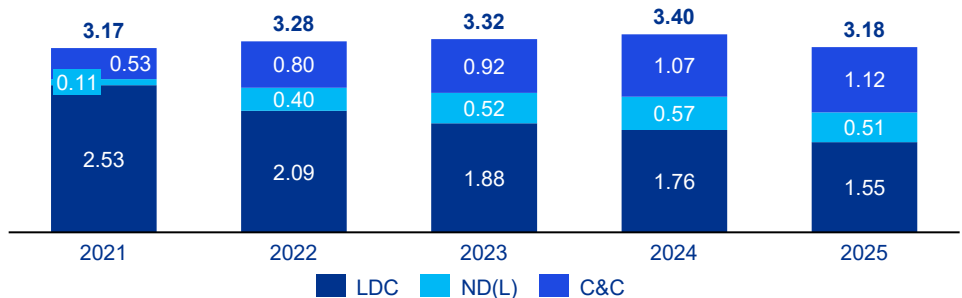
€810m

Total tax revenue lost from C&C^(b)



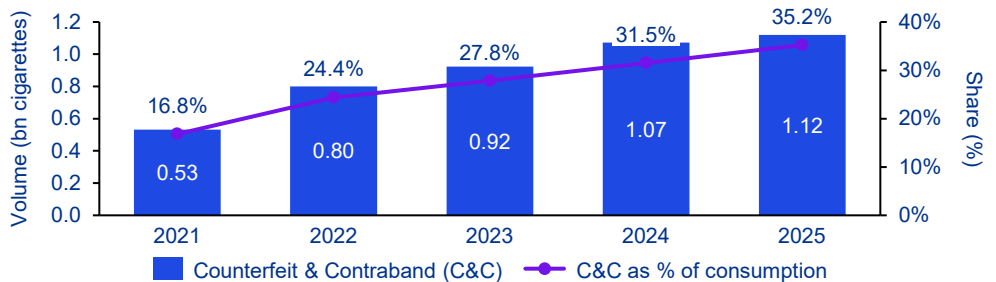
+€76m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

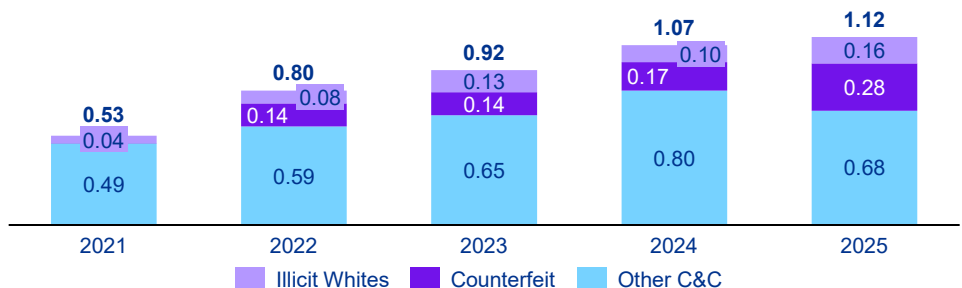


- C&C as a share of total consumption increased by 3.5 ppts to 35.2% in 2025, reaching the highest level observed over the reporting period
- This increase was driven by an increase in Counterfeit and Illicit Whites, partially offset by a decline in Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Ireland Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	2.54	2.16	1.91	1.78	1.59	(11%)
Outflows	(0.01)	(0.08)	(0.04)	(0.02)	(0.04)	>100%
Legal Domestic Consumption (LDC)	2.53	2.09	1.88	1.76	1.55	(12%)
Non-Domestic Legal (ND(L))	0.11	0.40	0.52	0.57	0.51	(10%)
Counterfeit and Contraband (C&C)	0.53	0.80	0.92	1.07	1.12	5%
Total Non-Domestic	0.64	1.20	1.44	1.64	1.63	(1%)
Total Consumption	3.17	3.28	3.32	3.40	3.18	(7%)

- Total cigarette consumption decreased by 7%, primarily driven by a decline in Legal Domestic Sales
- Non-Domestic inflows declined by 1% in 2025, with a decline in flows from Duty Free, Spain, Poland and 'Other' smaller volume source markets, partly offset by increased flows from Counterfeit and Romania
- Outflows increased by 0.02bn cigarettes in 2025, with increased flows to the UK

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Ireland					
Billion cigarettes	2021	2022	2023	2024	2025
Duty Free Labelled	0.07	0.23	0.29	0.33	0.30
Counterfeit	0.00	0.14	0.14	0.17	0.28
Romania	0.15	0.26	0.15	0.13	0.15
Spain	0.01	0.07	0.11	0.15	0.13
Poland	0.05	0.09	0.10	0.12	0.09
Other	0.36	0.41	0.65	0.74	0.68
Total Non-Domestic inflows	0.64	1.20	1.44	1.64	1.63

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Ireland					
Billion cigarettes	2021	2022	2023	2024	2025
UK	(0.01)	(0.06)	(0.01)	(0.00)	(0.02)
Other	(0.00)	(0.02)	(0.03)	(0.01)	(0.01)
Total Outflows	(0.01)	(0.08)	(0.04)	(0.02)	(0.04)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

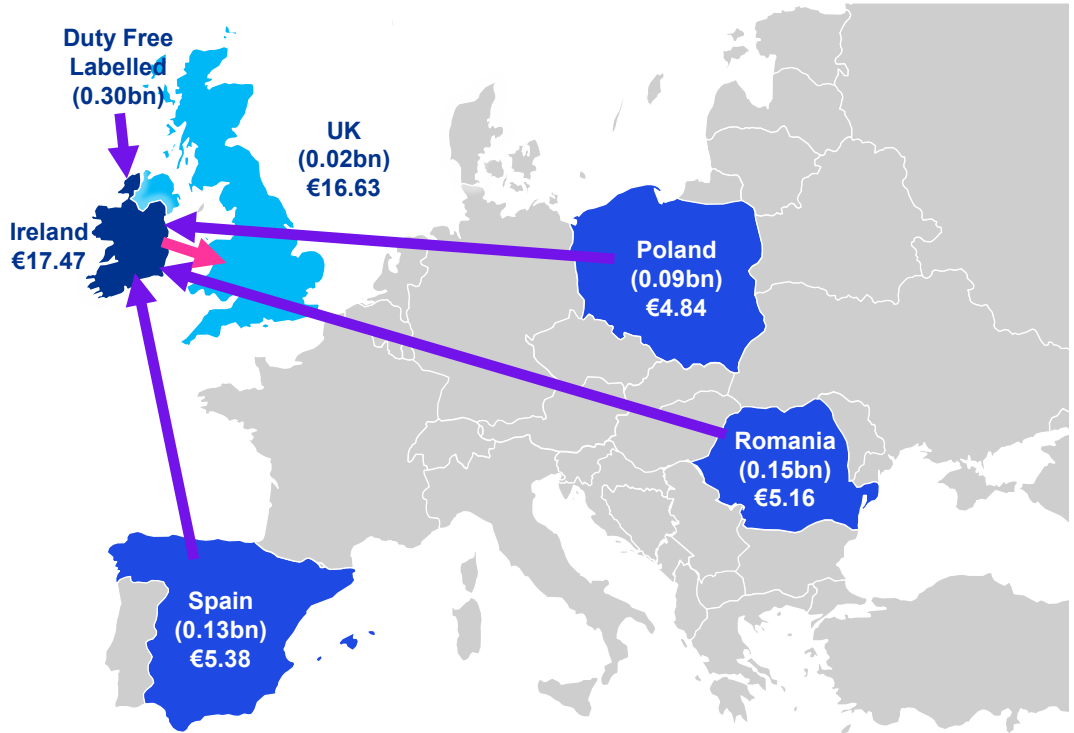
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

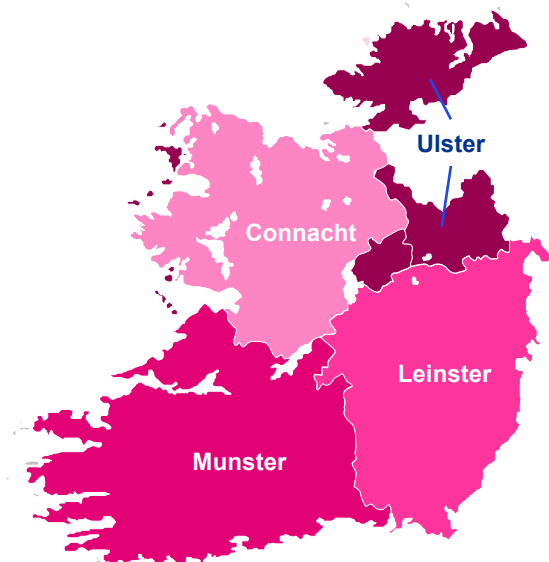
- Ireland
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
Country (Inflow/
Outflow Volume)
Weighted Average
Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

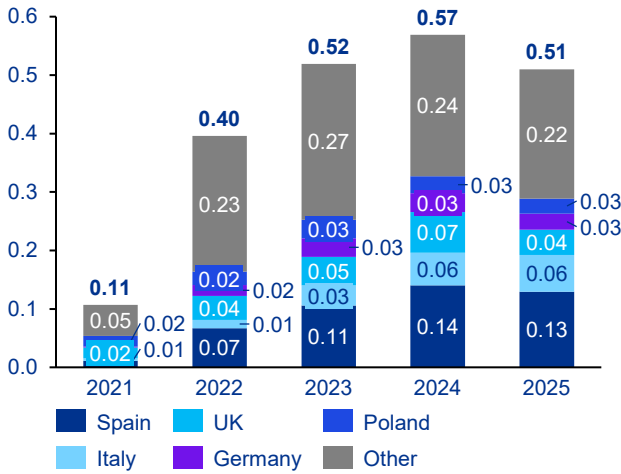


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

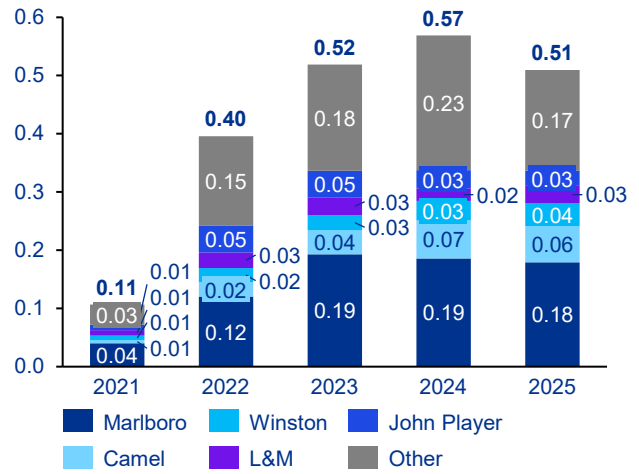
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

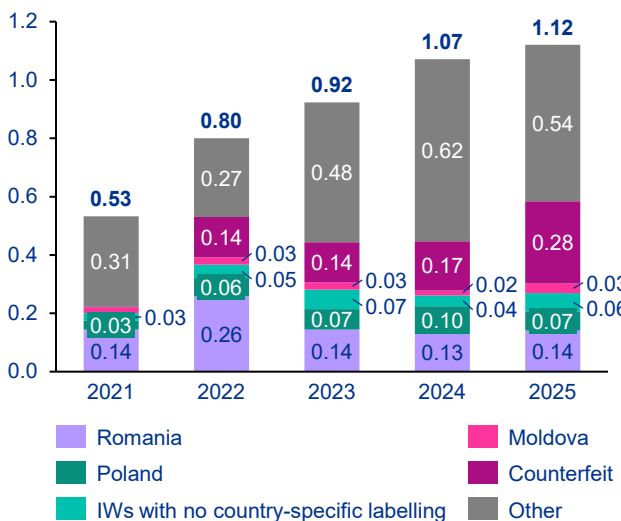


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

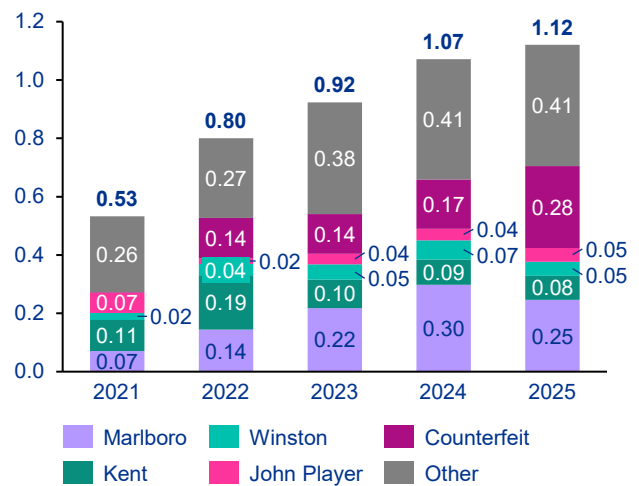


- Legal flows (ND(L)) decreased by 10% in 2025, primarily driven by a decrease in legal flows from UK and 'Other' smaller markets
- Illicit flows increased by 5%, largely driven by an increase in Counterfeit flows. These were partially offset by a decline in flows from 'Other' smaller markets

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Italy



C&C cigarette consumption and total consumption

58.4bn

Cigarettes consumed

-1.39bn on 2024

1.3bn

C&C cigarettes consumed

+0.17bn on 2024

2.2%

Of total consumption was C&C

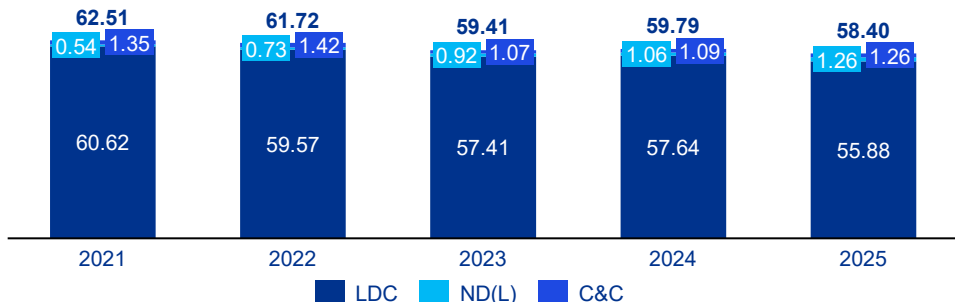
+0.34ppt on 2024

€270m

Total tax revenue lost from C&C^(b)

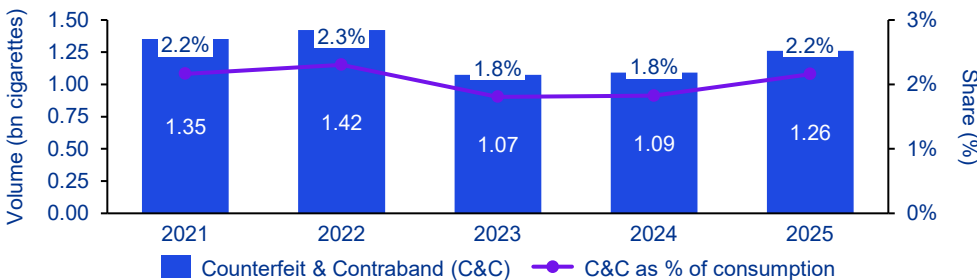
+€44m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

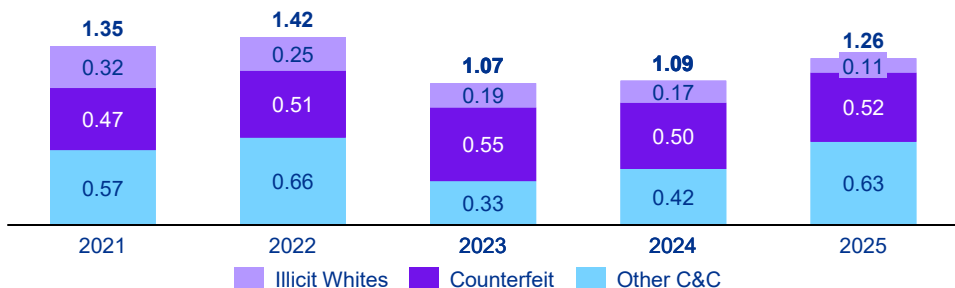


- C&C as share of Total Consumption increased by 0.4ppts in 2025 to ~2.2%, returning to similar levels as observed in 2021 and 2022
- Other C&C and Counterfeit flows increased, and were partially offset by a decline in Illicit Whites

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Logista, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Italy Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	61.11	60.22	58.35	58.72	57.00	(3%)
Outflows	(0.49)	(0.65)	(0.93)	(1.07)	(1.12)	4%
Legal Domestic Consumption (LDC)	60.62	59.57	57.41	57.64	55.88	(3%)
Non-Domestic Legal (ND(L))	0.54	0.73	0.92	1.06	1.26	19%
Counterfeit and Contraband (C&C)	1.35	1.42	1.07	1.09	1.26	16%
Total Non-Domestic	1.89	2.15	2.00	2.15	2.52	17%
Total Consumption	62.51	61.72	59.41	59.79	58.40	(2%)

- Total cigarette consumption declined by 2% in 2025. This was primarily driven by reduced Legal Domestic Sales, partly offset by higher Non-Domestic inflows
- Non-Domestic inflows increased by 17%, reaching the highest level observed in the reporting period with an increase in flows from all major sources
- Outflows increased by 4% with an increase in flows to France and Germany, and a decline in flows to Netherlands, Switzerland and 'Other' smaller markets

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Italy					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.47	0.51	0.55	0.50	0.52
Duty Free Labelled	0.25	0.34	0.33	0.35	0.50
Slovenia	0.32	0.46	0.26	0.34	0.38
Egypt	0.07	0.05	0.12	0.11	0.21
Albania	0.06	0.08	0.06	0.05	0.13
Other	0.72	0.71	0.68	0.79	0.77
Total Non-Domestic inflows	1.89	2.15	2.00	2.15	2.52

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Italy					
Billion cigarettes	2021	2022	2023	2024	2025
France	(0.18)	(0.19)	(0.22)	(0.31)	(0.39)
Netherlands	(0.02)	(0.07)	(0.10)	(0.20)	(0.18)
Germany	(0.08)	(0.11)	(0.10)	(0.13)	(0.16)
Switzerland	(0.07)	(0.07)	(0.10)	(0.10)	(0.08)
Other	(0.14)	(0.21)	(0.42)	(0.33)	(0.31)
Total Outflows	(0.49)	(0.65)	(0.93)	(1.07)	(1.12)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

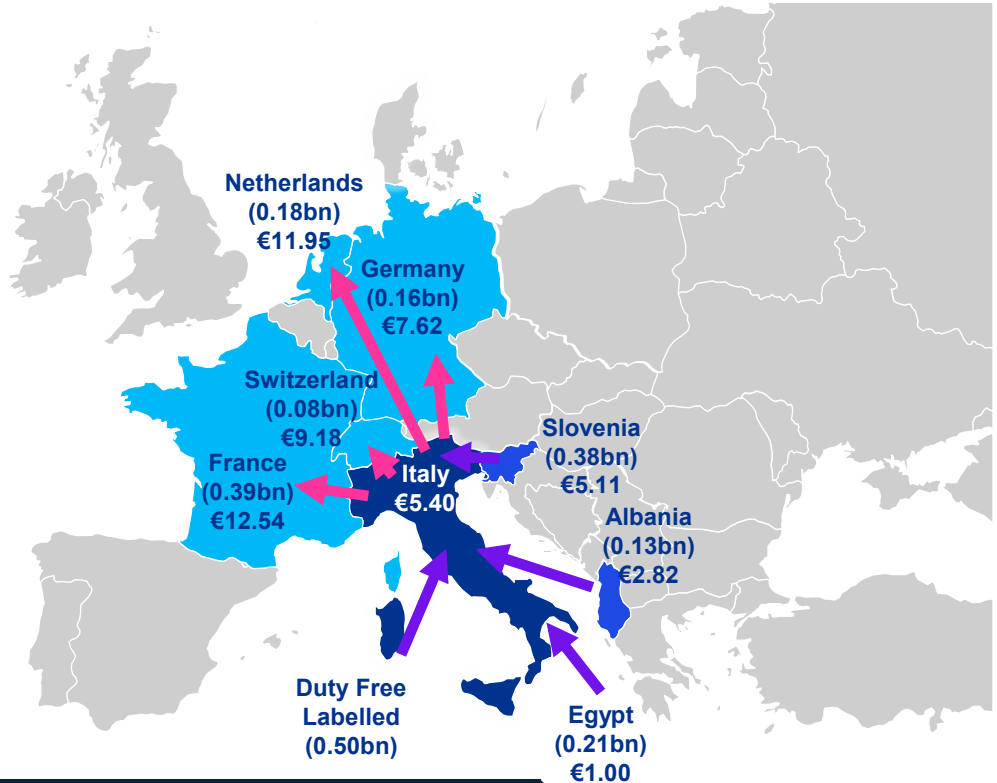
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Logista, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Italy
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low High

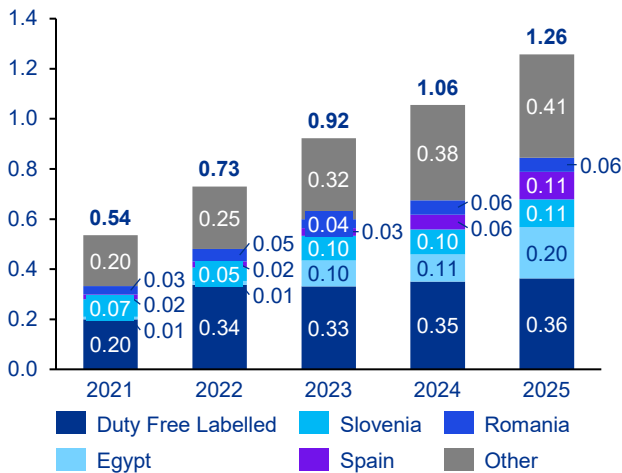


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

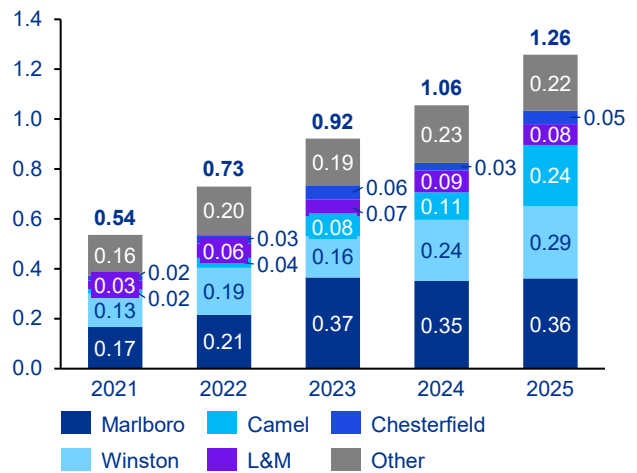
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

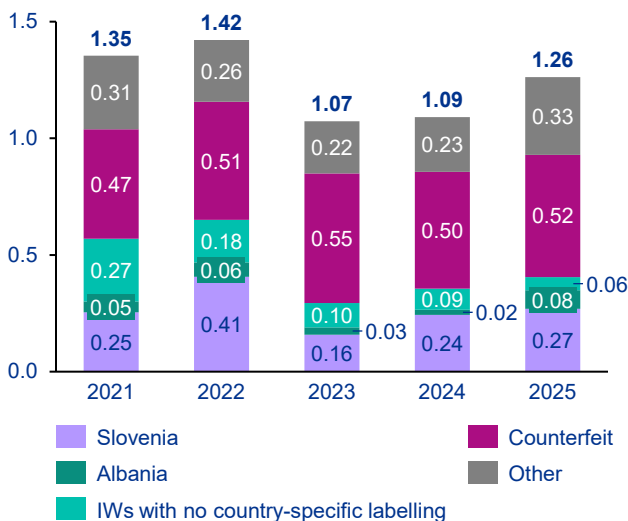


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

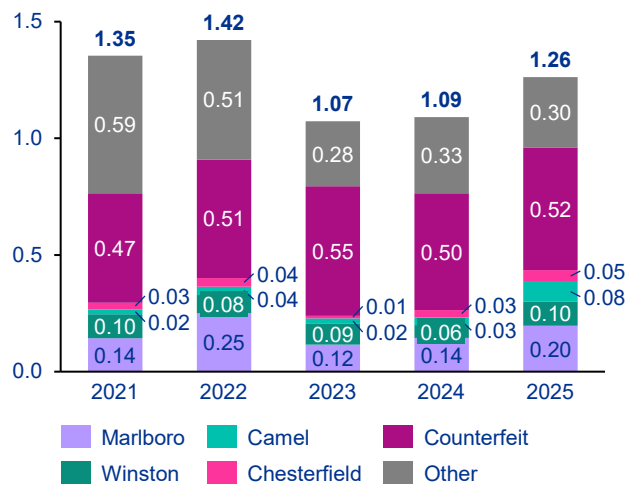


- Legal flows (ND(L)) increased by ~19% in 2025, reaching the highest level observed in the reporting period. The largest increases were in flows from Egypt, Spain and ‘Other’ smaller markets
- Illicit Consumption (C&C) increased by ~16%, primarily driven by an increase in flows from Slovenia, Albania, Counterfeit and Other smaller markets. These were partially offset by a decline in flows of Illicit Whites with no country-specific labelling

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Kosovo



C&C cigarette consumption and total consumption

3.4bn

Cigarettes consumed



+0.17bn on 2024

0.02bn

C&C cigarettes consumed



-0.06bn on 2024

0.6%

Of total consumption was C&C



-1.78ppts on 2024

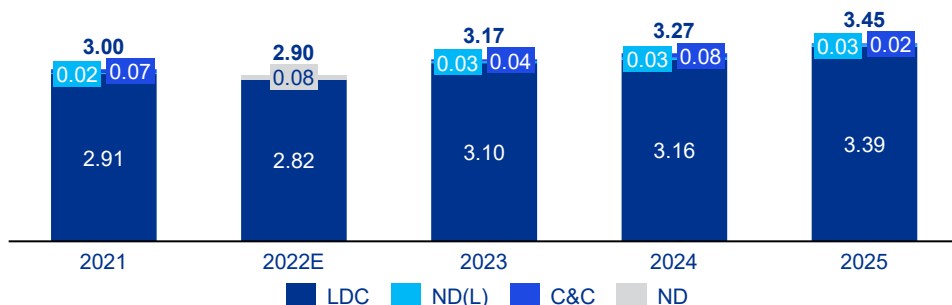
€2m

Total tax revenue lost from C&C^(c)



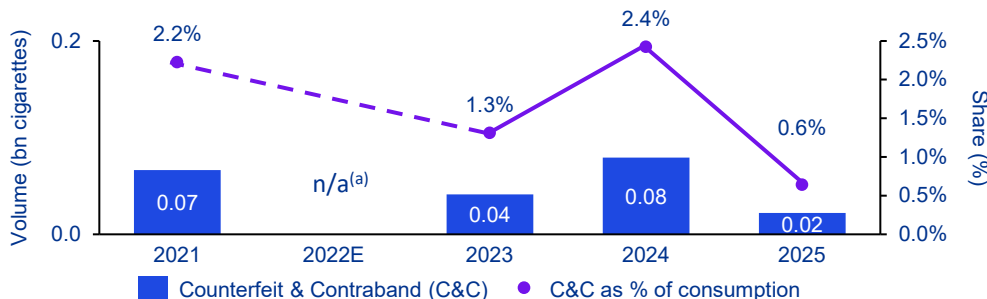
-€4m on 2024

Total consumption – 2021-2025 (bn cigarettes)^{(1)(2)(a)}

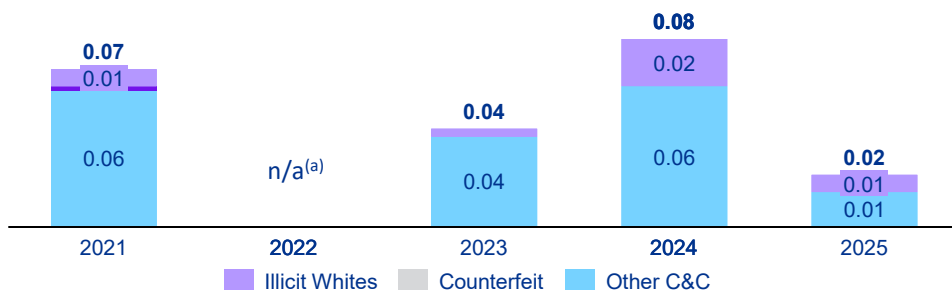


- C&C as a share of total consumption decreased by 1.8ppts to 0.6% in 2025, the lowest levels observed in the reporting period
- This decrease was primarily driven by a decline in Other C&C with a smaller decline in Illicit Whites

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025^{(1)(2)(a)}



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)(b)}



Note: (a) ND(L) and C&C detail is only shown for years with empty pack surveys. No empty pack survey was available in 2022; (b) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (c) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (d) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(a)(c)}

Total Kosovo Consumption						
Billion cigarettes	2021	2022E	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	3.26	3.38	3.51	3.69	3.82	4%
Outflows	(0.35)	(0.55)	(0.41)	(0.52)	(0.43)	(18%)
Legal Domestic Consumption (LDC)	2.91	2.82	3.10	3.16	3.39	7%
Non-Domestic Legal (ND(L))	0.02		0.03	0.03	0.03	11%
Counterfeit and Contraband (C&C)	0.07		0.04	0.08	0.02	(72%)
Total Non-Domestic	0.09	0.08	0.07	0.11	0.06	(49%)
Total Consumption	3.00	2.90	3.17	3.27	3.45	5%

- Total cigarette consumption increased by 5% in 2025, as an increase in Legal Domestic Consumption was partly offset by a decline in Non-Domestic inflows
- Non-Domestic inflows declined by 49%, with a decline in inflows from Duty Free labelled and 'Other' smaller markets
- Outflows decreased by 18%, driven by a fall in flows to most destinations, except for Croatia and Albania where outflows increased

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)(c)}

Non-Domestic inflows to Kosovo					
Billion cigarettes	2021	2022E	2023	2024	2025
Duty Free Labelled	0.00		0.03	0.05	0.02
Serbia	0.01		0.01	0.01	0.01
Albania	0.02		0.00	0.01	0.01
Other	0.06		0.02	0.04	0.02
Total Non-Domestic inflows	0.09	0.08	0.07	0.11	0.06

Total outflows by destination – 2021-2025^{(1)(b)(c)}

Outflows from Kosovo					
Billion cigarettes	2021	2022E	2023	2024	2025
Germany	(0.05)	(0.05)	(0.06)	(0.10)	(0.09)
Switzerland	(0.07)	(0.03)	(0.06)	(0.08)	(0.07)
Croatia	(0.01)	(0.03)	(0.02)	(0.01)	(0.05)
Albania	(0.01)	(0.03)	(0.02)	(0.03)	(0.04)
Serbia	(0.03)	(0.10)	(0.10)	(0.08)	(0.03)
Other	(0.18)	(0.31)	(0.14)	(0.21)	(0.15)
Total Outflows	(0.35)	(0.55)	(0.41)	(0.52)	(0.43)

Note: (a) Detailed breakdowns of ND(L), C&C, inflows and outflows are only shown for years with empty pack surveys. No empty pack survey was available in 2022. Total Non-Domestic, and inflows and outflows totals for years where empty pack surveys were not conducted are estimates only based on extrapolations of empty pack survey results from the prior and following years; (b) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (c) Due to rounding, figures in the table may not sum to the totals shown

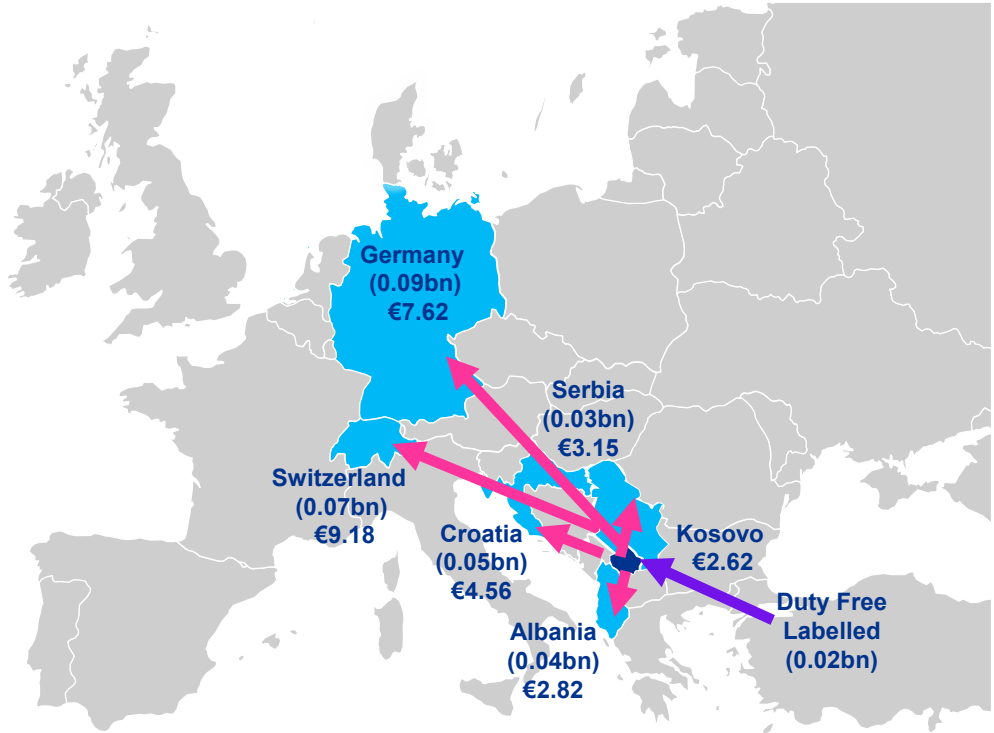
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Kosovo
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low High

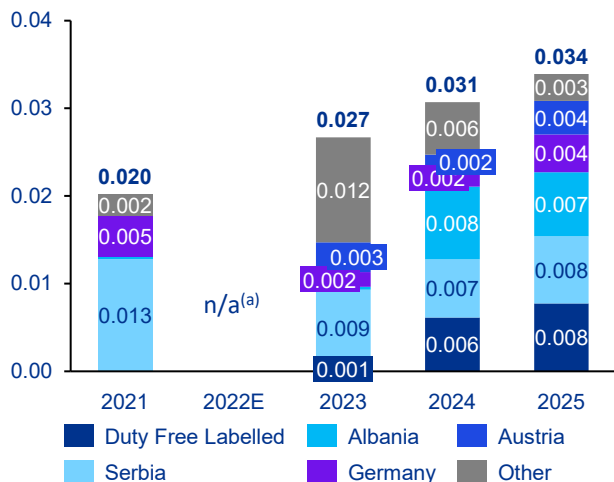


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

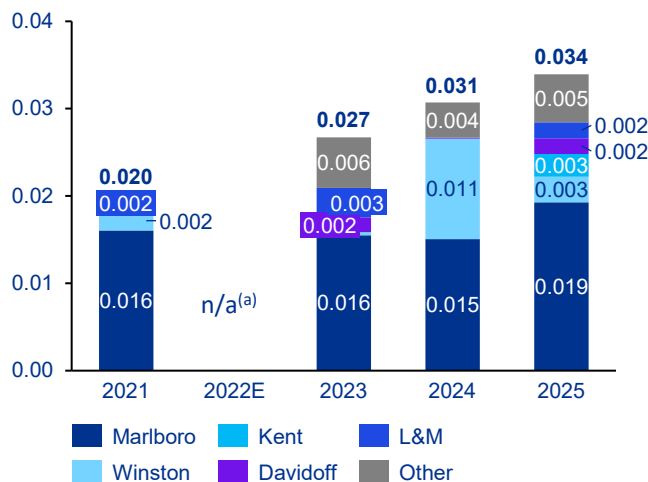
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

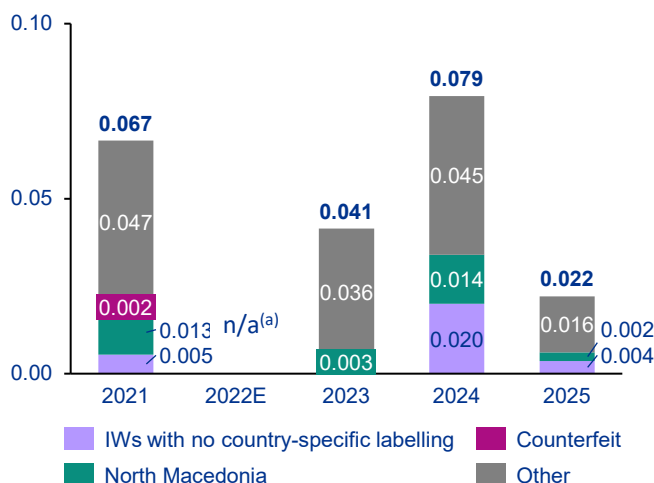


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}

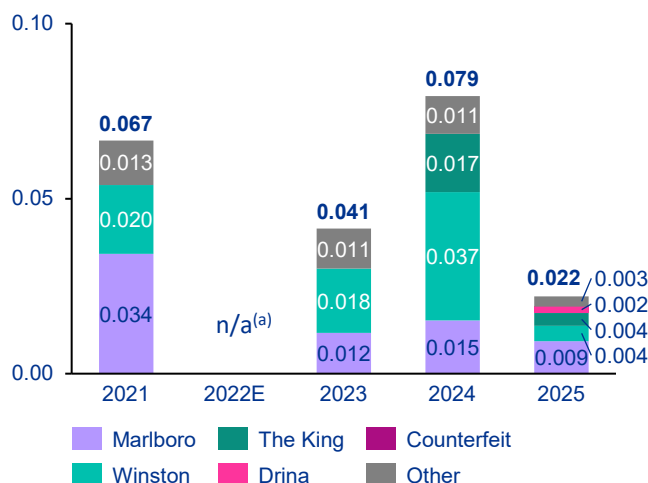


- Legal inflows (ND(L)) increased by 11% in 2025, largely due to an increase in flows from Duty Free labelled, Germany and Austria. Flows from ‘Other’ smaller source markets declined
- Illicit (C&C) inflows declined by 72% in 2025, with a decrease in flows of Illicit Whites with no country-specific labelling and from ‘Other’ smaller source markets

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



Note: (a) ND(L) and C&C country / brand breakdowns are only shown for the years where an empty pack survey was undertaken. No empty pack survey was available in 2022; (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Latvia



C&C cigarette consumption and total consumption

1.7bn

Cigarettes consumed



-0.13bn on 2024

0.3bn

C&C cigarettes consumed



-0.01bn on 2024

18.7%

Of total consumption was C&C



+0.71ppt on 2024

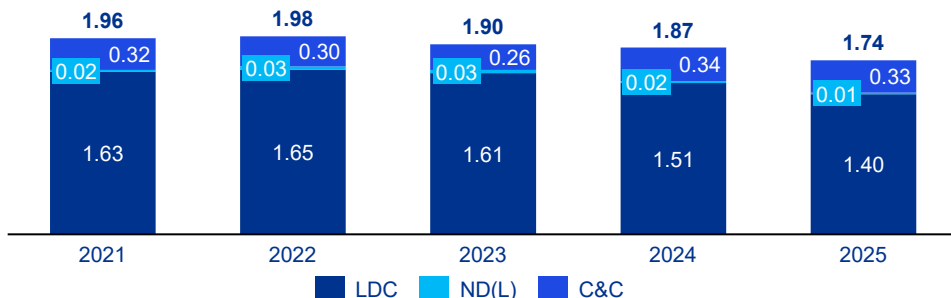
€74m

Total tax revenue lost from C&C^(b)



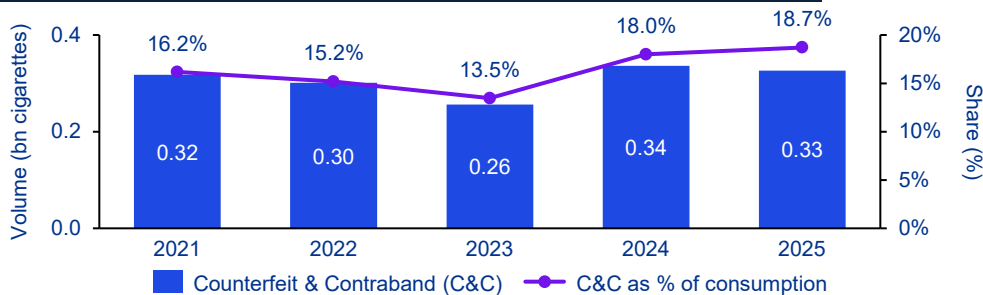
+€7m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

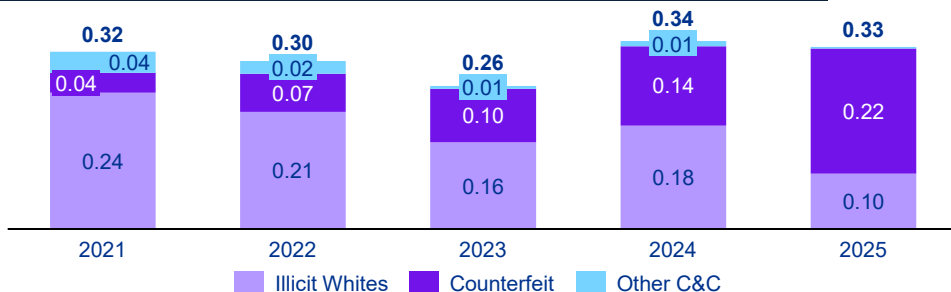


- C&C as a share of total consumption increased by 0.7ppts to 18.7% in 2025, the highest level observed in the reporting period
- This increase was driven by increased volumes of Counterfeit which were partially offset by a decline in Illicit Whites and a smaller decline in Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(a)(c)}

Total Latvia Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	1.80	1.85	1.74	1.65	1.51	(9%)
Outflows	(0.18)	(0.20)	(0.12)	(0.14)	(0.10)	(26%)
Legal Domestic Consumption (LDC)	1.63	1.65	1.61	1.51	1.40	(7%)
Non-Domestic Legal (ND(L))	0.02	0.03	0.03	0.02	0.01	(28%)
Counterfeit and Contraband (C&C)	0.32	0.30	0.26	0.34	0.33	(3%)
Total Non-Domestic	0.34	0.33	0.29	0.36	0.34	(4%)
Total Consumption	1.96	1.98	1.90	1.87	1.74	(7%)

- Total consumption decreased by 7% in 2025, primarily driven by a decline in Legal Domestic Consumption
- Non-Domestic inflows decreased by 4% in 2025, as an increase in Counterfeit flows was more than offset by decreased flows from Belarus and 'Other' small volume sources
- Outflows decreased by 26% in 2025, with decreased flows to Finland

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(b)(c)}

Non-Domestic inflows to Latvia					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.04	0.07	0.10	0.14	0.22
Belarus	0.25	0.22	0.16	0.18	0.10
Other	0.05	0.05	0.04	0.03	0.02
Total Non-Domestic inflows	0.34	0.33	0.29	0.36	0.34

Total outflows by destination – 2021-2025^{(1)(b)(c)}

Outflows from Latvia					
Billion cigarettes	2021	2022	2023	2024	2025
Finland	(0.05)	(0.08)	(0.06)	(0.06)	(0.02)
Estonia	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Sweden	(0.05)	(0.05)	(0.01)	(0.01)	(0.01)
Lithuania	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)
Denmark	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)
Other	(0.05)	(0.05)	(0.03)	(0.04)	(0.04)
Total Outflows	(0.18)	(0.20)	(0.12)	(0.14)	(0.10)

Note: (a) Latvia LDS has been calculated using State Revenue Service Data. In 2025, Latvia IMS volumes were 1.50bn vs. State Revenue Service volumes of 1.51bn; (b) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (c) Due to rounding, figures in the table may not sum to the totals shown

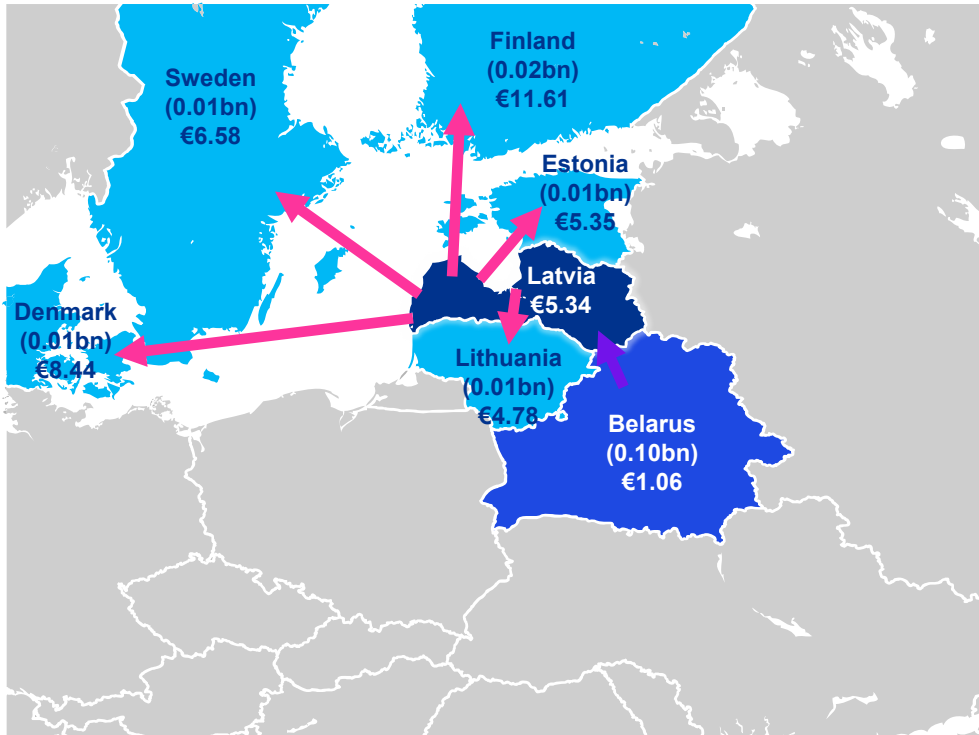
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

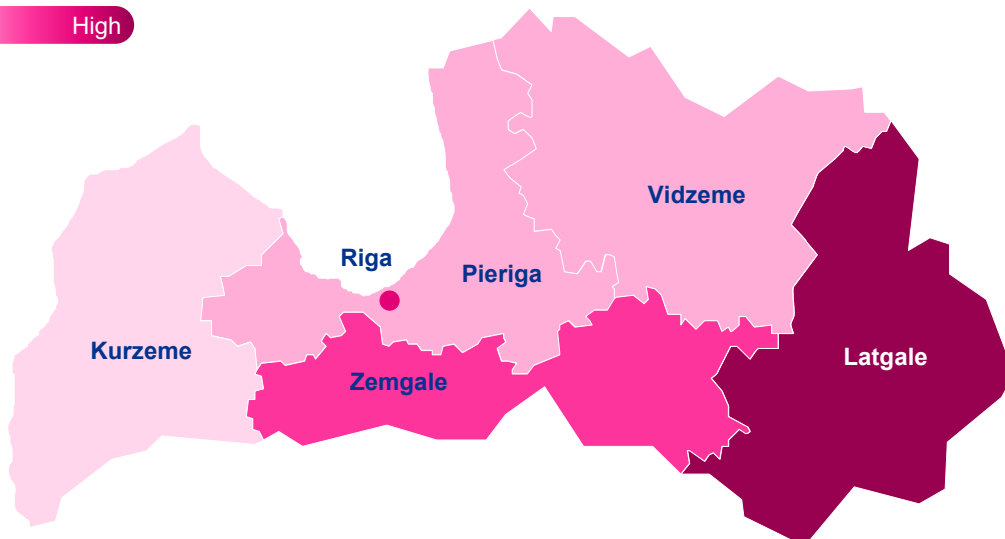
- Latvia
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low High

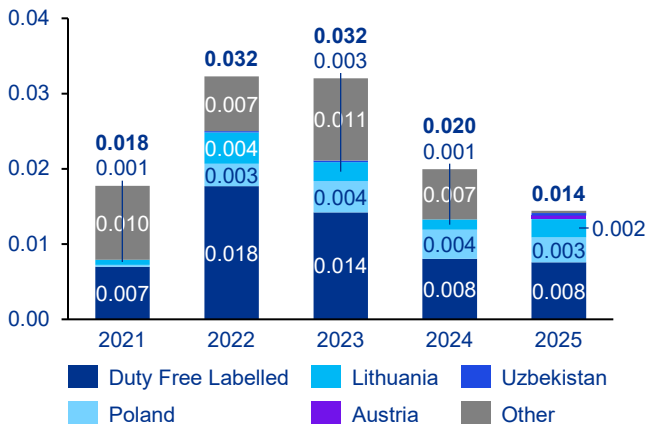


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

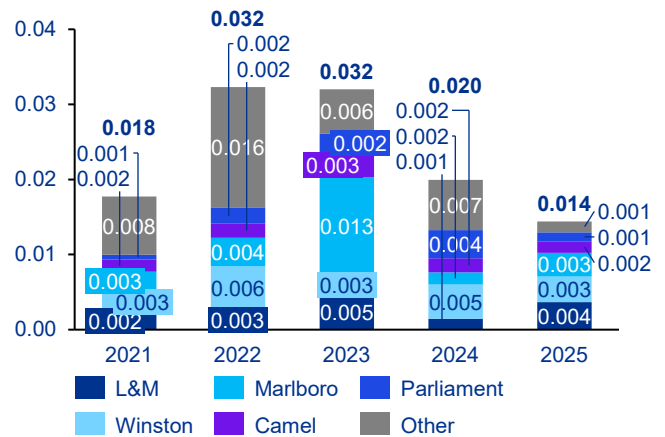
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025 (bn cigarettes)⁽¹⁾

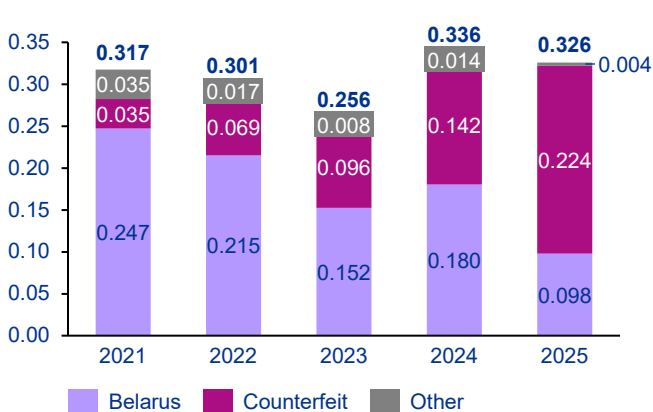


ND(L) by brand – 2021-2025 (bn cigarettes)⁽¹⁾

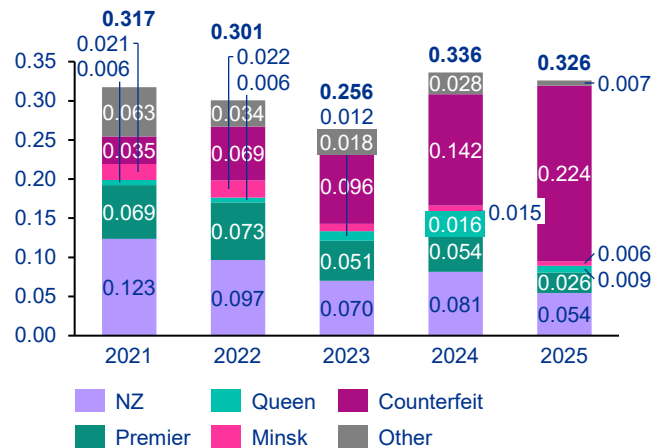


- Legal inflows (ND(L)) decreased by 28% in 2025, largely due to declining flows from Poland and ‘Other’ smaller markets
- Illicit inflows (C&C) decreased by 3% in 2025, primarily driven by a decrease in flows from Belarus despite an increase in Counterfeit

C&C by country of origin – 2021-2025 (bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025 (bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
 Source: (1) KPMG European Flows Calculation, 2021-2025

Lithuania



C&C cigarette consumption and total consumption

2.5bn

Cigarettes consumed



-0.05bn on 2024

0.5bn

C&C cigarettes consumed



+0.03bn on 2024

21.1%

Of total consumption was C&C



+1.59ppts on 2024

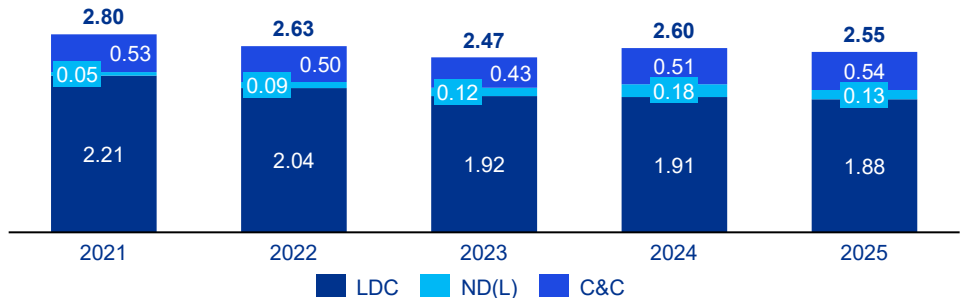
€109m

Total tax revenue lost from C&C^(b)



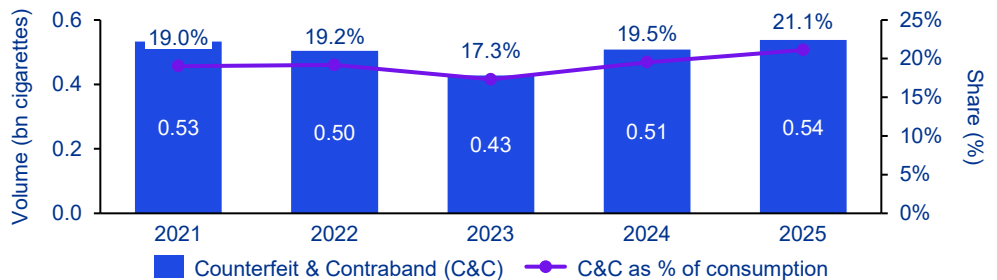
+€14m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

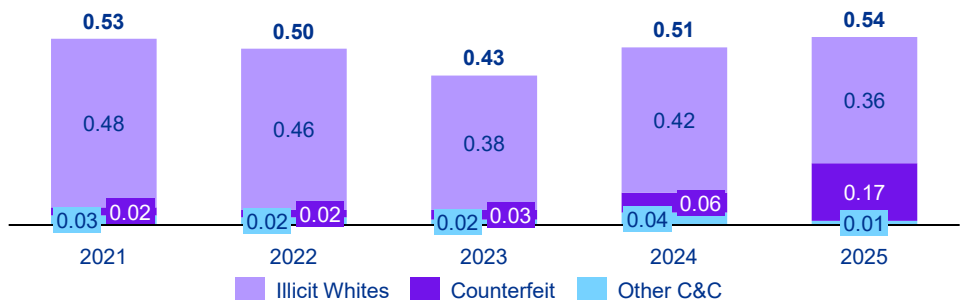


- C&C as a share of total cigarette consumption increased by 1.6ppts to 21.1% in 2025 and reached the highest level observed in the reporting period
- This increase was primarily driven by increase in Counterfeit volumes
- Illicit Whites and Other C&C volumes declined

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Lithuania Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	2.36	2.19	2.05	2.03	1.98	(2%)
Outflows	(0.15)	(0.15)	(0.13)	(0.12)	(0.10)	(15%)
Legal Domestic Consumption (LDC)	2.21	2.04	1.92	1.91	1.88	(2%)
Non-Domestic Legal (ND(L))	0.05	0.09	0.12	0.18	0.13	(29%)
Counterfeit and Contraband (C&C)	0.53	0.50	0.43	0.51	0.54	6%
Total Non-Domestic	0.58	0.59	0.55	0.69	0.67	(3%)
Total Consumption	2.80	2.63	2.47	2.60	2.55	(2%)

- Total consumption decreased by 2% in 2025, with a decrease in both Legal Domestic Sales and Non-Domestic inflows
- Non-Domestic inflows decreased by 3%, with decreased inflows from Belarus and 'Other' smaller source markets. Counterfeit inflows increased reaching the highest level observed in the reporting period
- Outflows decreased by 15% with reduced flows to Poland and 'Other' smaller markets

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Lithuania					
Billion cigarettes	2021	2022	2023	2024	2025
Belarus	0.49	0.46	0.39	0.44	0.36
Counterfeit	0.02	0.02	0.03	0.06	0.17
Other	0.07	0.11	0.13	0.20	0.14
Total Non-Domestic inflows	0.58	0.59	0.55	0.69	0.67

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Lithuania					
Billion cigarettes	2021	2022	2023	2024	2025
Ireland	(0.01)	(0.02)	(0.01)	(0.02)	(0.02)
Denmark	(0.01)	(0.01)	(0.02)	(0.01)	(0.01)
Poland	(0.01)	(0.01)	(0.02)	(0.02)	(0.01)
Netherlands	(0.00)	(0.01)	(0.00)	(0.01)	(0.01)
Germany	(0.05)	(0.06)	(0.02)	(0.01)	(0.01)
Other	(0.06)	(0.05)	(0.06)	(0.06)	(0.04)
Total Outflows	(0.15)	(0.15)	(0.13)	(0.12)	(0.10)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

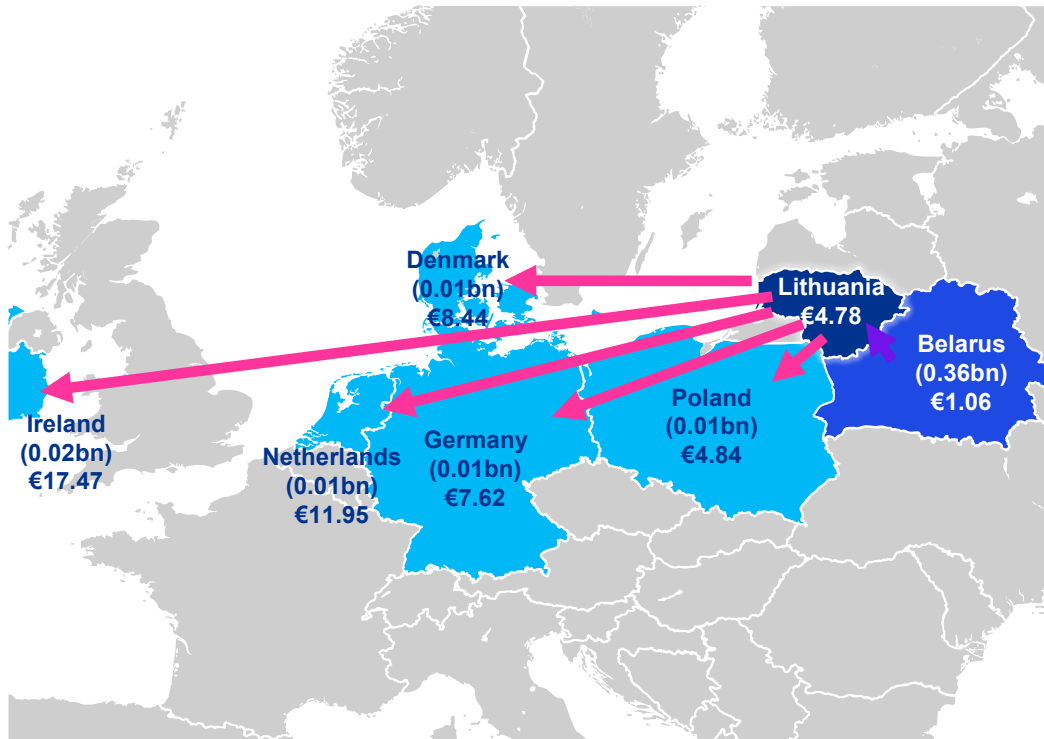
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

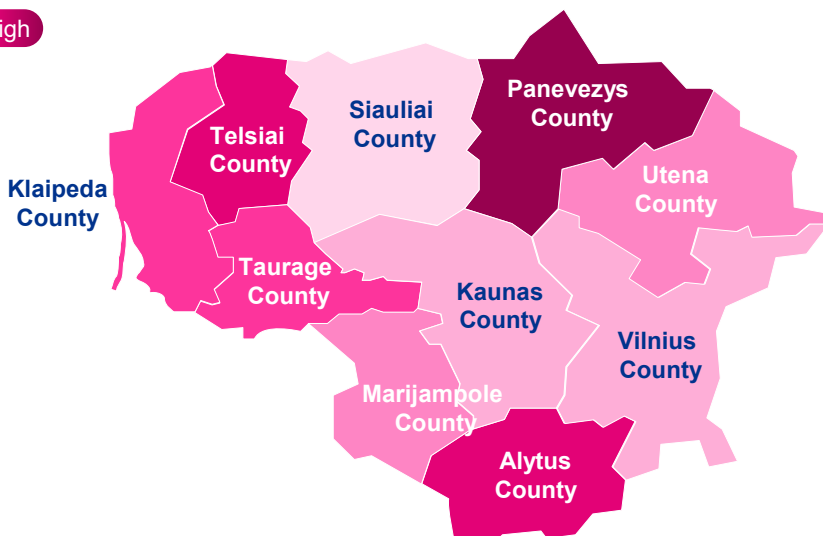
- Lithuania
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
Country (Inflow/
Outflow Volume)
Weighted Average
Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

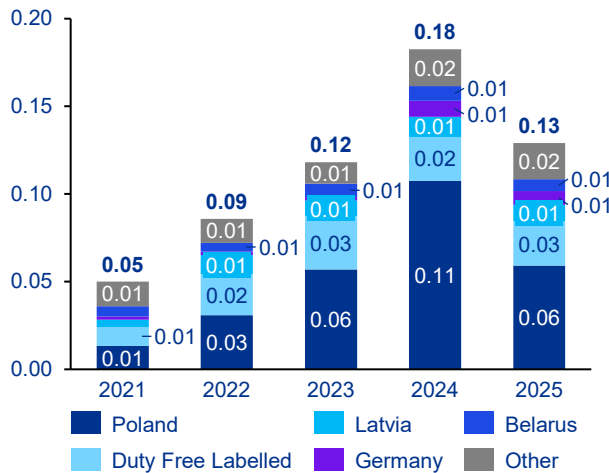


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

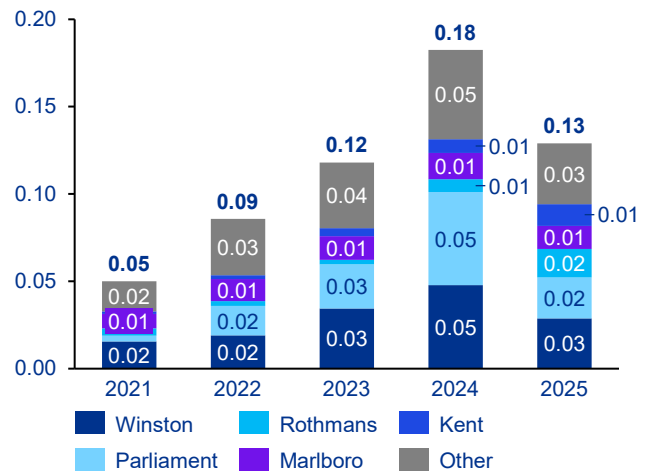
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

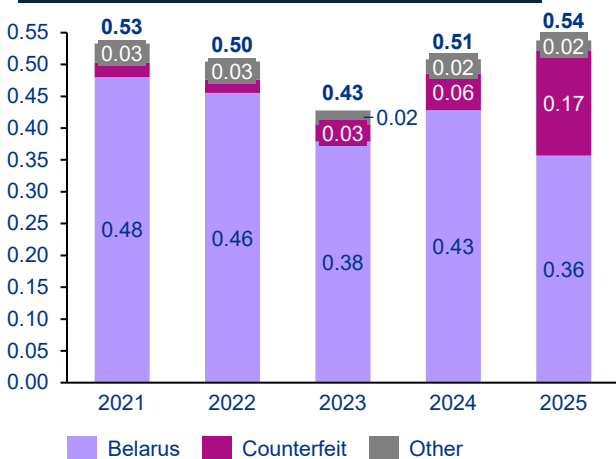


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

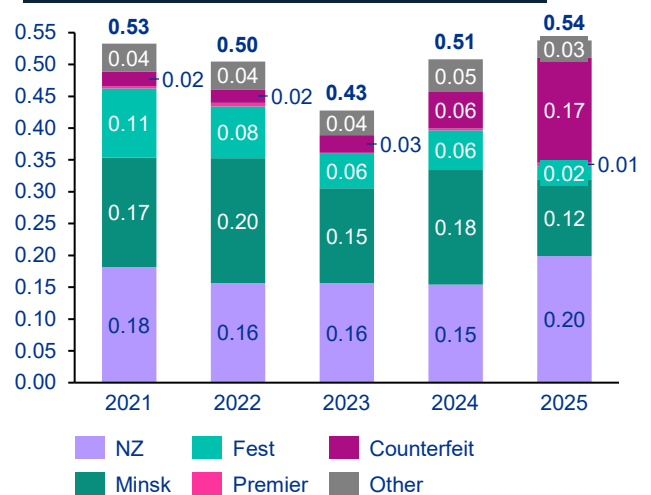


- Legal inflows ND(L) fell by 29% in 2025, primarily due to a decline in legal Polish inflows
- Illicit inflows (C&C) increased by 6%. Illicit inflows were predominantly from Belarus, albeit Belarus' share of C&C declined to ~67% (vs ~85% in 2024) as flows of Counterfeit increased
- Flows from Belarus are predominantly comprised of the brands NZ and Minsk

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Luxembourg



C&C cigarette consumption and total consumption

0.7bn

Cigarettes consumed



+0.05bn on 2024

0.023bn

C&C cigarettes consumed



+0.014bn on 2024

3.3%

Of total consumption was C&C



+1.93pts on 2024

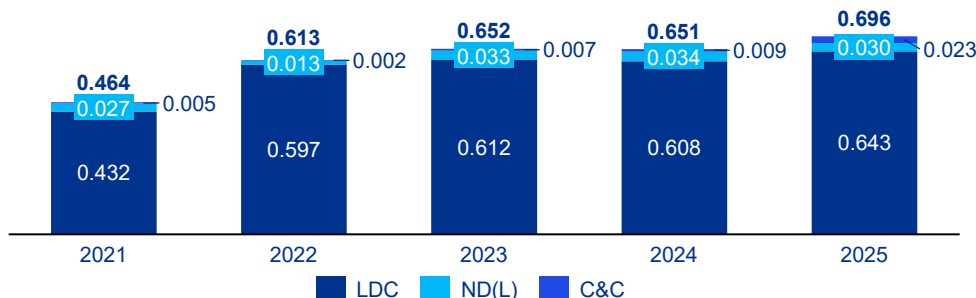
€4.6m

Total tax revenue lost from C&C^(b)



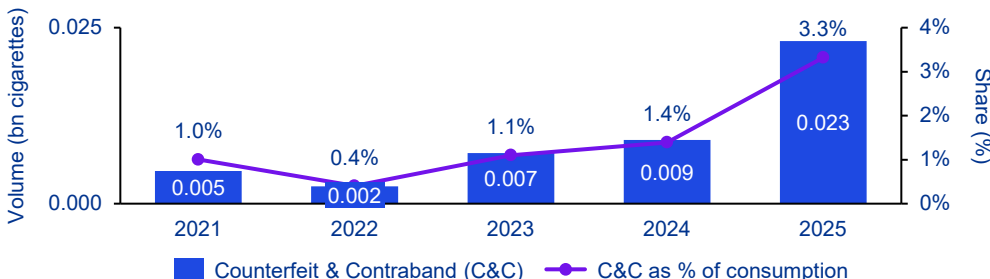
+€3.0m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

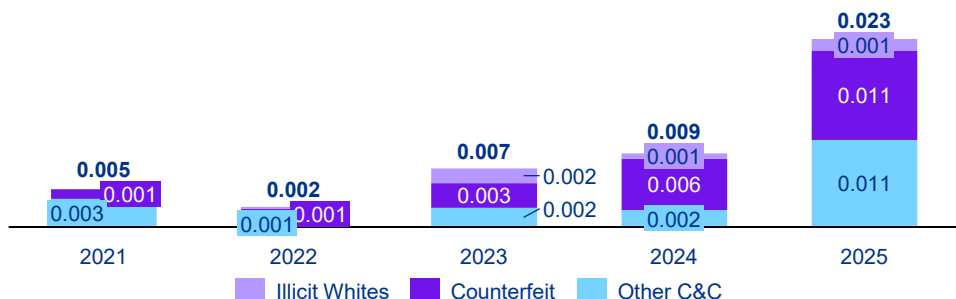


- C&C accounted for 3.3% of total cigarette consumption in 2025, the highest level observed during the reporting period
- This increase was driven by higher Other C&C and Counterfeit flows

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)(c)}

Total Luxembourg Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	3.53	4.04	4.34	5.08	5.36	5%
Outflows	(3.09)	(3.44)	(3.73)	(4.47)	(4.71)	5%
Legal Domestic Consumption (LDC)	0.43	0.60	0.61	0.61	0.64	6%
Non-Domestic Legal (ND(L))	0.03	0.01	0.03	0.03	0.03	(11%)
Counterfeit and Contraband (C&C)	0.00	0.00	0.01	0.01	0.02	155%
Total Non-Domestic	0.03	0.02	0.04	0.04	0.05	24%
Total Consumption	0.46	0.61	0.65	0.65	0.70	7%

- Total cigarette consumption increased by 7%, primarily driven by higher Legal Domestic Consumption
- Non-Domestic inflows increased in 2025, with increased flows from Germany and 'Other' smaller markets
- Illicit inflows (C&C) increased, albeit from a small base
- Outflows increased by 5%, reflecting increased outflows to 'Other' markets. Outflows to France declined

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Luxembourg					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.00	0.00	0.00	0.01	0.01
France	0.01	0.00	0.01	0.01	0.01
Belgium	0.01	0.00	0.01	0.01	0.01
Germany	0.00	0.00	0.01	0.00	0.01
Other	0.01	0.01	0.01	0.01	0.02
Total Non-Domestic inflows	0.03	0.02	0.04	0.04	0.05

Total outflows by destination – 2021-2025^{(1)(a)(b)(c)}

Outflows from Luxembourg					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(0.37)	(0.55)	(0.64)	(0.75)	(0.74)
Belgium	(0.43)	(0.43)	(0.46)	(0.74)	(0.73)
France	(1.10)	(0.89)	(1.10)	(0.66)	(0.47)
Other	(1.19)	(1.58)	(1.52)	(2.31)	(2.78)
Total Outflows	(3.09)	(3.44)	(3.73)	(4.47)	(4.71)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown (c) Outflows from Luxembourg identified via empty pack surveys in other European markets are not sufficient to account for the scale of Legal Domestic Sales reported in the Luxembourg market. As a result, additional analysis is conducted in Luxembourg to determine total cigarette consumption. Refer to the limitations of results pages in the appendices section for further details

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

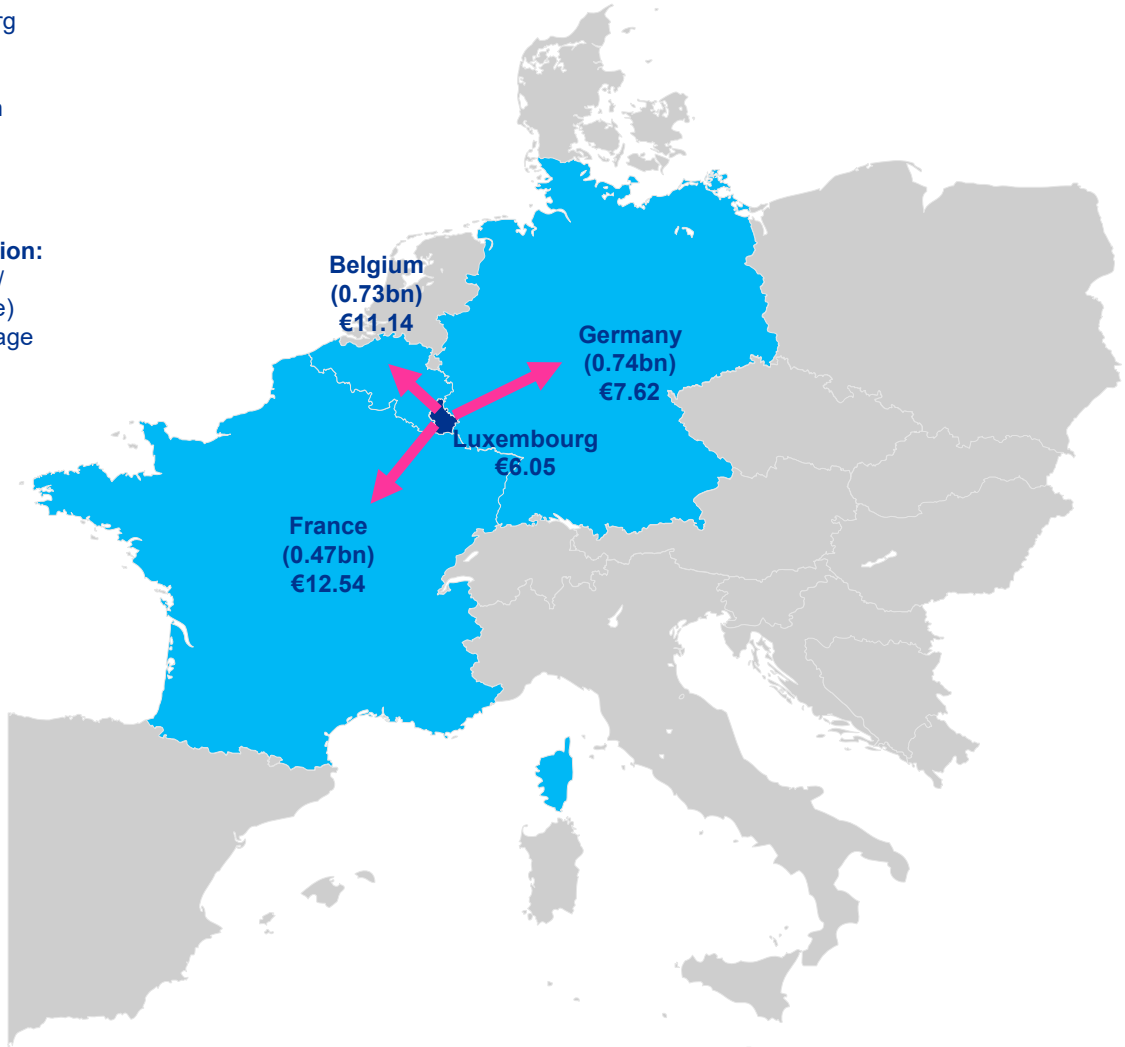
Key flows

Key inflows and outflows^{(1)(2)(a)}

- Luxembourg
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:

Country (Inflow/
Outflow Volume)
Weighted Average
Price per pack



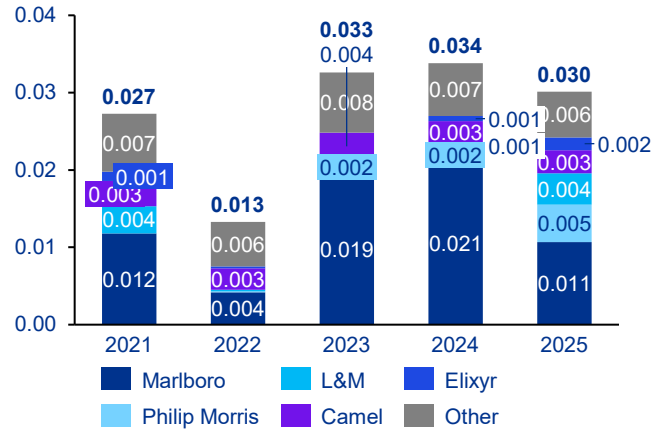
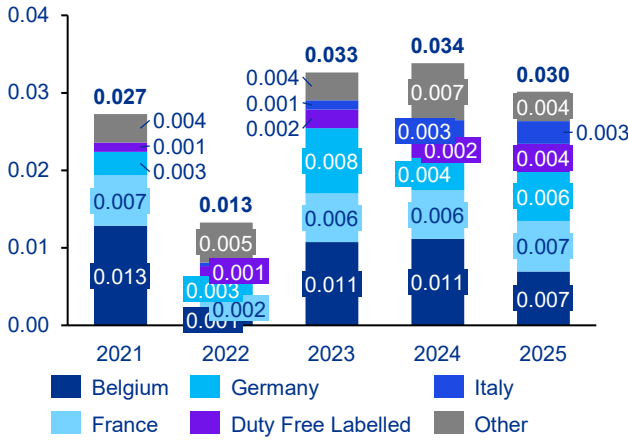
Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown

Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

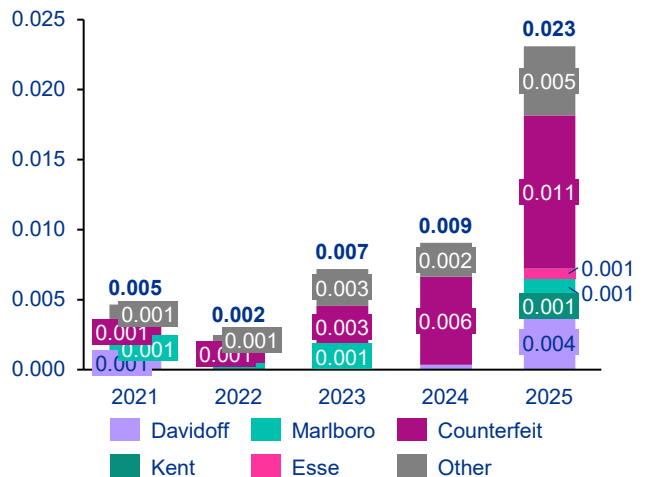
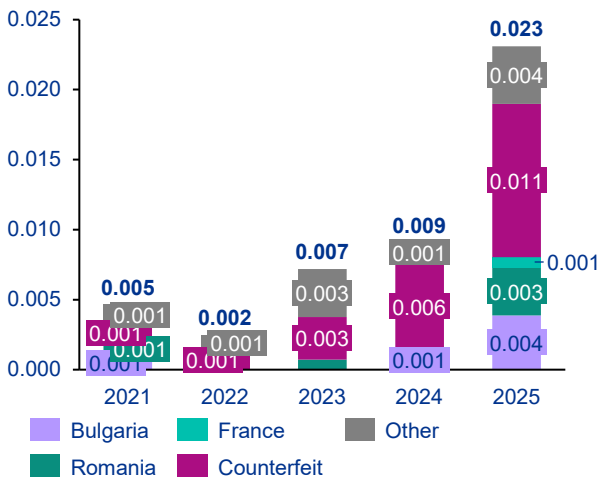
ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



- Legal inflows (ND(L)) decreased by 11%, largely driven by declining flows from Belgium
- Illicit inflows (C&C) increased in 2025, with larger flows from all major sources as well as ‘Other’ markets

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}

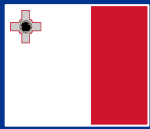
C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



Note: (a) Due to rounding, segments highlighted in the charts may not add up to the total; (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Malta



C&C cigarette consumption and total consumption

0.6bn

Cigarettes consumed



-0.08bn on 2024

0.032bn

C&C cigarettes consumed



0.00bn on 2024

5.6%

Of total consumption was C&C



+0.73ppt on 2024

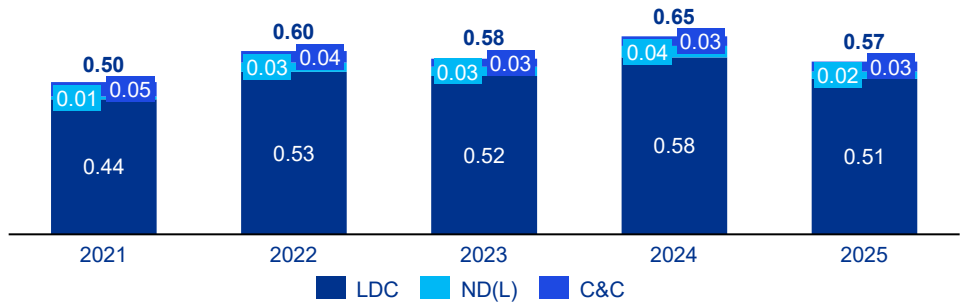
€6.8m

Total tax revenue lost from C&C^(b)



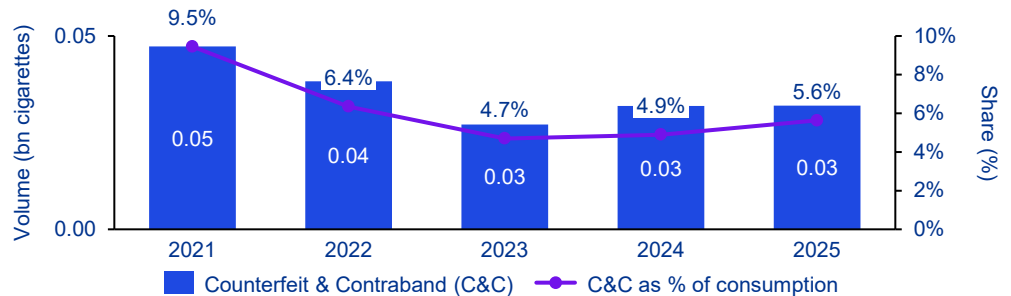
+€0.1m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

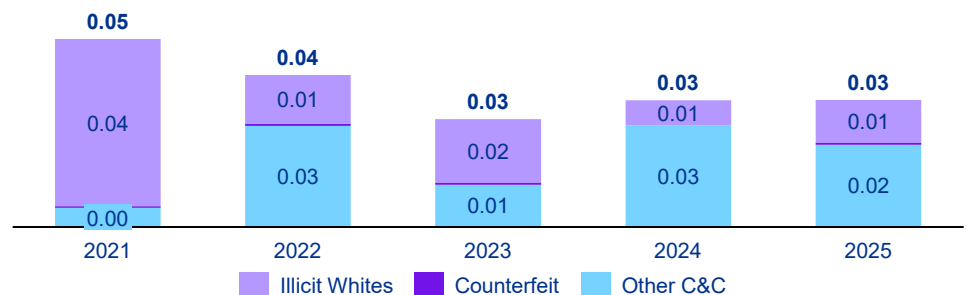


- C&C as a share of total cigarette consumption increased by 0.7ppts to 5.6% in 2025
- Whilst C&C volumes remained largely stable, there was a slight mix change towards Illicit Whites and away from Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Malta Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	0.47	0.57	0.57	0.63	0.60	(5%)
Outflows	(0.02)	(0.04)	(0.05)	(0.05)	(0.09)	80%
Legal Domestic Consumption (LDC)	0.44	0.53	0.52	0.58	0.51	(12%)
Non-Domestic Legal (ND(L))	0.01	0.03	0.03	0.04	0.02	(36%)
Counterfeit and Contraband (C&C)	0.05	0.04	0.03	0.03	0.03	0%
Total Non-Domestic	0.06	0.07	0.06	0.07	0.06	(19%)
Total Consumption	0.50	0.60	0.58	0.65	0.57	(13%)

- Total consumption decreased by 13% in 2025, primarily driven by a decline in Legal Domestic Consumption
- Non-Domestic inflows decreased, with lower flows from Poland and smaller markets included within 'Other'
- Outflows from Malta increased, with higher flows to France and the UK

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Malta					
Billion cigarettes	2021	2022	2023	2024	2025
Duty Free Labelled	0.00	0.01	0.01	0.01	0.01
IWs with no country-specific labelling	0.04	0.01	0.01	0.00	0.01
Poland	0.00	0.00	0.00	0.01	0.00
Other	0.01	0.05	0.04	0.05	0.03
Total Non-Domestic inflows	0.06	0.07	0.06	0.07	0.06

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Malta					
Billion cigarettes	2021	2022	2023	2024	2025
France	(0.02)	(0.01)	(0.01)	(0.01)	(0.03)
UK	(0.00)	(0.00)	(0.01)	(0.00)	(0.02)
Netherlands	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)
Other	(0.00)	(0.02)	(0.03)	(0.03)	(0.03)
Total Outflows	(0.02)	(0.04)	(0.05)	(0.05)	(0.09)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

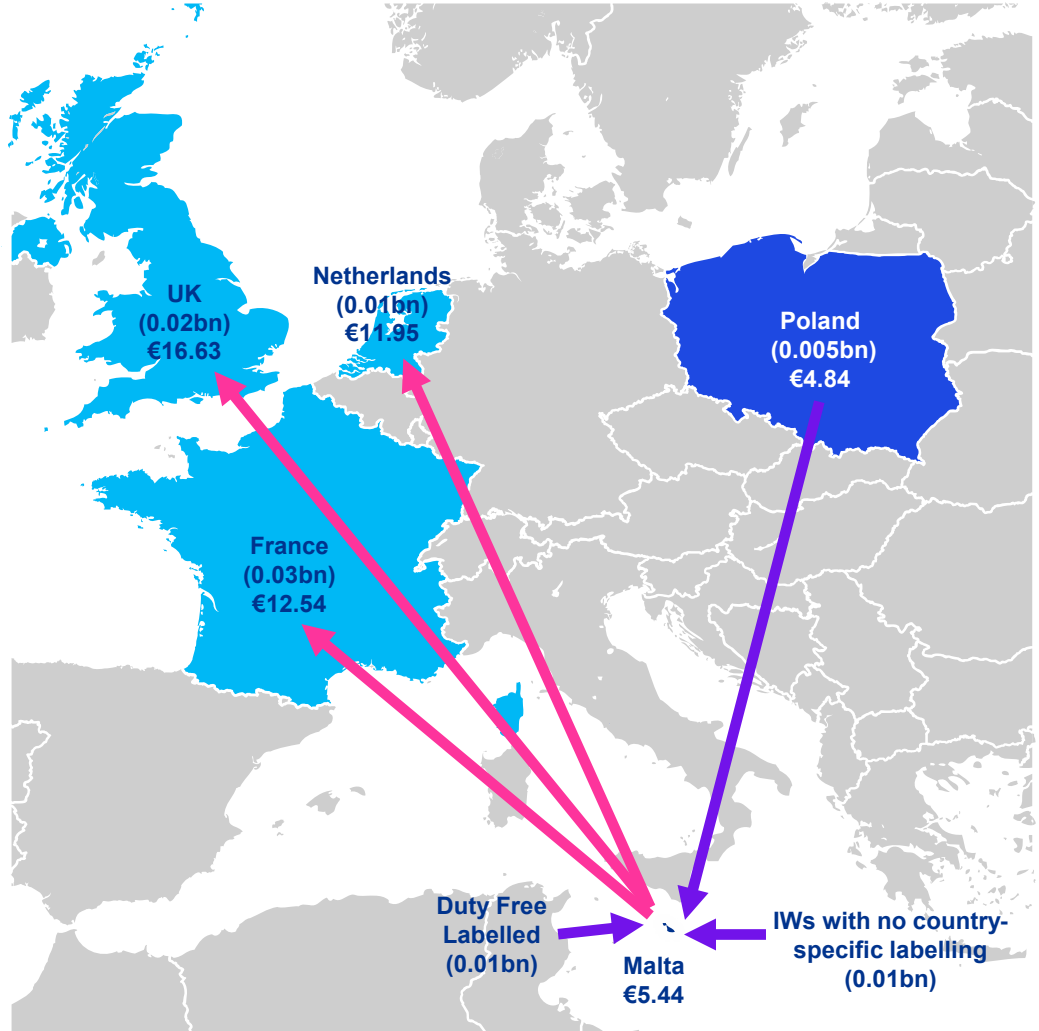
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows

Key inflows and outflows^{(1)(2)(a)}

- Malta
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack

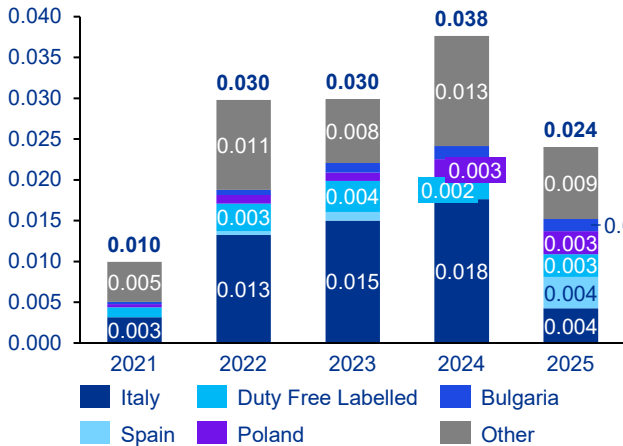


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown

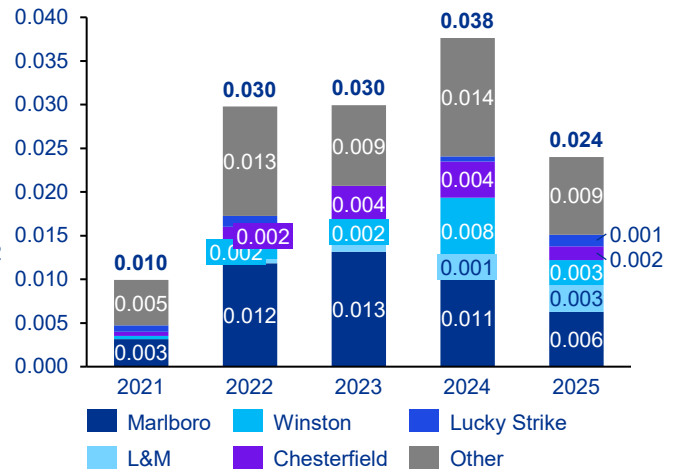
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

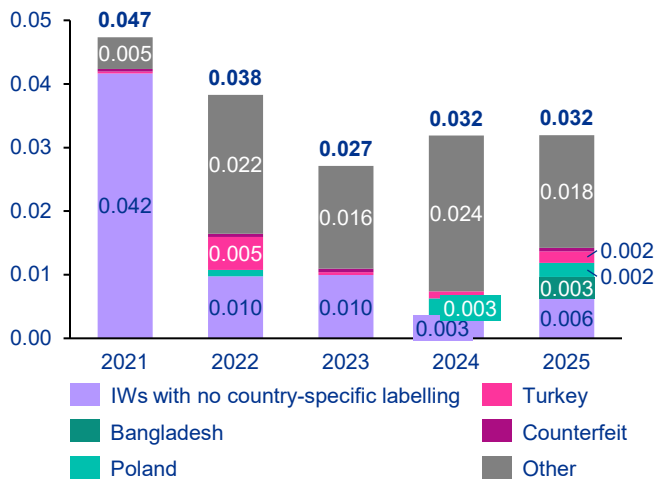


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}

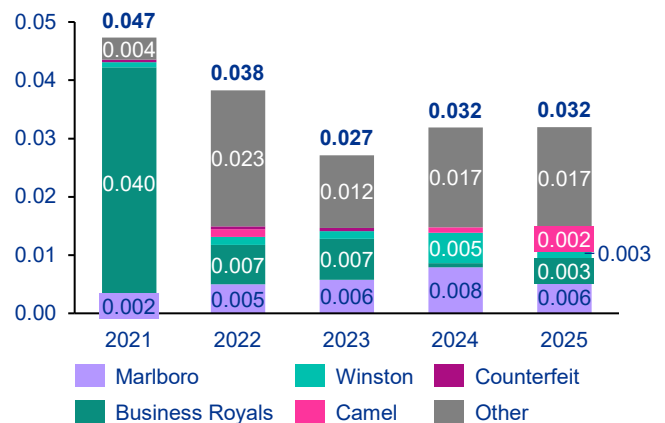


- Legal inflows (ND(L)) decreased by 36% in 2025, primarily driven by reduced flows from Italy
- C&C flows remained stable in 2025, with an increase in Illicit Whites with no country-specific labelling offset by a decline from ‘Other’ smaller markets

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



Note: (a) Due to rounding, segments highlighted in the charts may not add up to the total; (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Moldova



C&C cigarette consumption and total consumption

2.4bn

Cigarettes consumed

0.16bn

C&C cigarettes consumed

6.5%

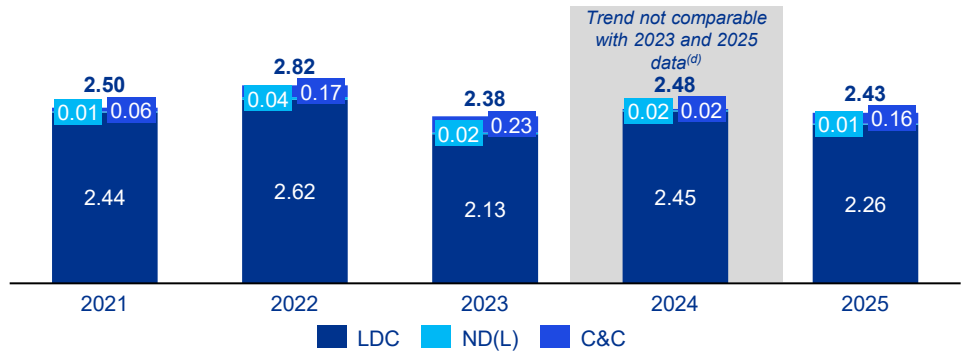
Of total consumption was C&C

€14m

(L276m)⁽³⁾

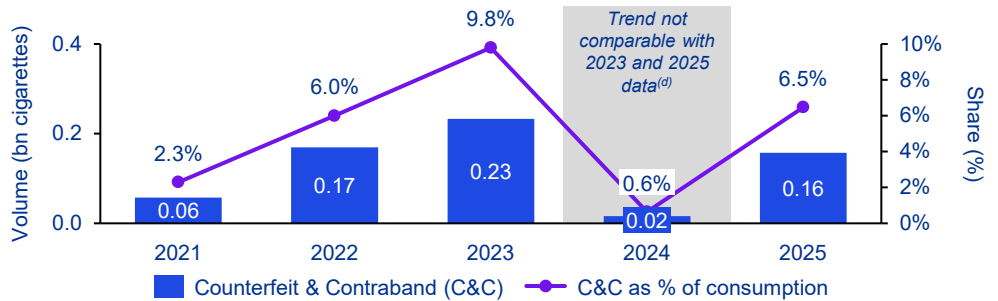
Total tax revenue lost from C&C^(b)

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

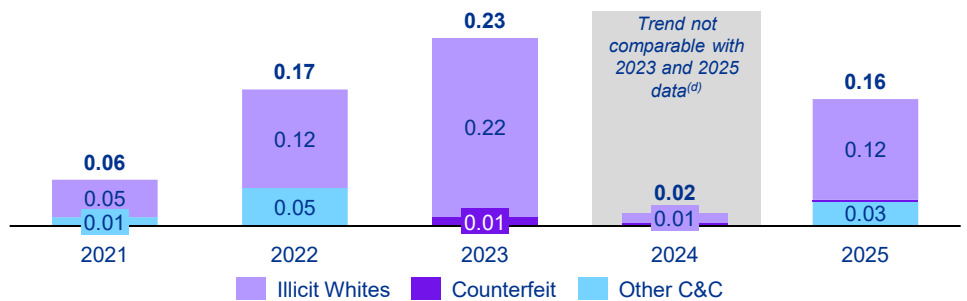


– C&C was 6.5% of total cigarette consumption in 2025, and was primarily comprised of Illicit Whites with a smaller share of Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts (d) After publication of the 2024 results, subsequent analysis indicates the presence of domestic illicit cigarettes in 2024 that are not included in the figures shown. Refer to the following page for further details

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = MDL 19.715, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)(c)}

Total Moldova Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	2.85	2.99	2.50	2.70	2.57	(5%)
Outflows	(0.42)	(0.38)	(0.38)	(0.25)	(0.31)	22%
Legal Domestic Consumption (LDC)	2.44	2.62	2.13	2.45	2.26	(8%)
Non-Domestic Legal (ND(L))	0.01	0.04	0.02	0.02	0.01	
Counterfeit and Contraband (C&C)	0.06	0.17	0.23	0.02	0.16	
Total Non-Domestic	0.07	0.21	0.26	0.04	0.17	
Total Consumption	2.50	2.82	2.38	2.48	2.43	

- Total consumption declined in 2025, driven by a decline in Legal Domestic Consumption
- Illicit Whites accounted for the majority of Non-Domestic inflows in 2025
- Additional analysis of 2024 empty pack survey results has highlighted the presence of domestically labelled packs which did not bear required tax stamps. These packs have also been identified in the 2025 empty pack survey and have classified as domestic illicit flows. We have not modified our 2024 results to reflect these revised figures. Consequently, the trends depicted between 2023, 2024 and 2025 above are not directly comparable^(d)
- Outflows increased by 22%, with higher outflows to Romania and 'Other' smaller destinations while outflows to France declined

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)(c)}

Non-Domestic inflows to Moldova					
Billion cigarettes	2021	2022	2023	2024	2025
Illicit Whites	0.05	0.12	0.22	0.01	0.12
Other	0.02	0.08	0.03	0.02	0.05
Total Non-Domestic inflows	0.07	0.21	0.26	0.04	0.17

Total outflows by destination – 2021-2025^{(1)(a)(c)}

Outflows from Moldova					
Billion cigarettes	2021	2022	2023	2024	2025
Romania	(0.21)	(0.17)	(0.13)	(0.05)	(0.09)
France	(0.07)	(0.10)	(0.15)	(0.12)	(0.08)
Other	(0.14)	(0.10)	(0.10)	(0.08)	(0.14)
Total Outflows	(0.42)	(0.38)	(0.38)	(0.25)	(0.31)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Non-Domestic Duty Paid and Duty Free are considered ND(L), Illicit Whites and Others are considered C&C; (c) Due to rounding, figures in the table may not sum to the totals shown (d) Had we revised the 2024 figures to reflect for the presence of domestic illicit flows, we illustratively estimate that: 2024 C&C volumes would have been 0.25bn cigarettes with C&C growth rate between 2024 and 2025 of -38%. 2024 total cigarette consumption volumes would have been 2.72bn cigarettes with a total consumption growth rate between 2024 and 2025 of -11%

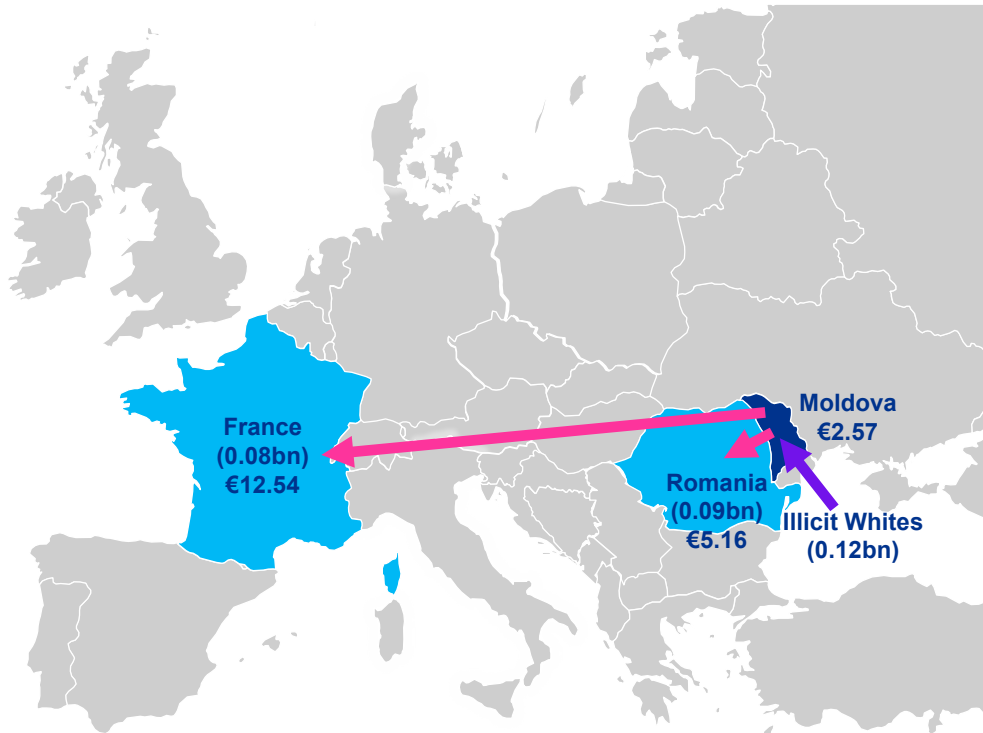
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Moldova
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack

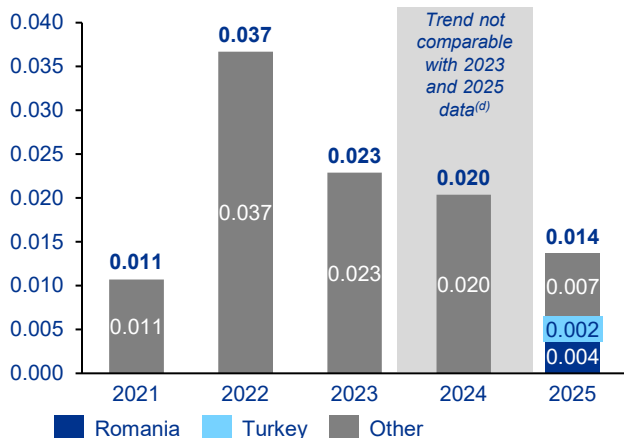


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown

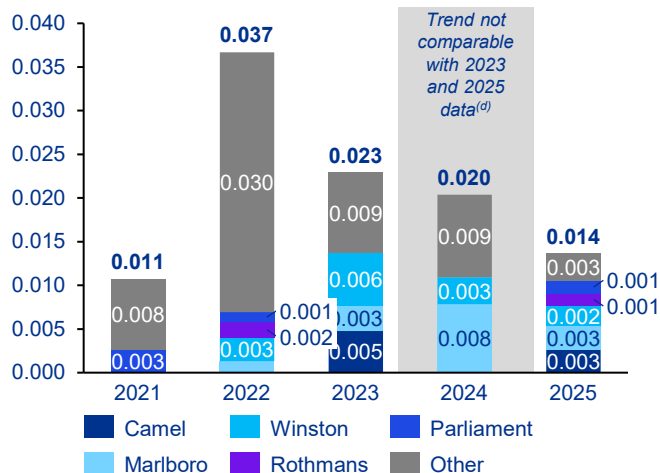
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}

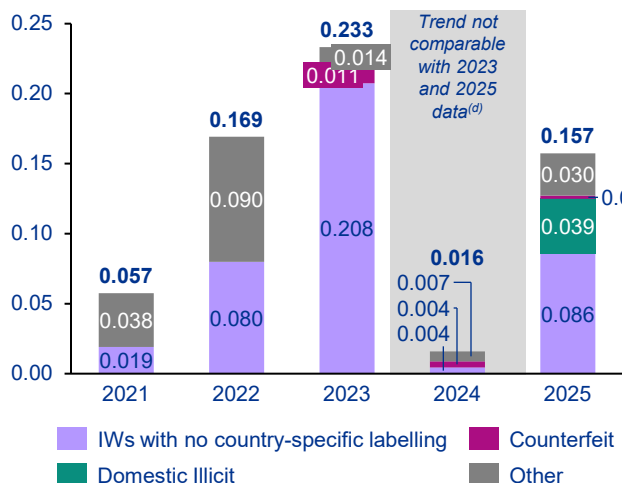


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}

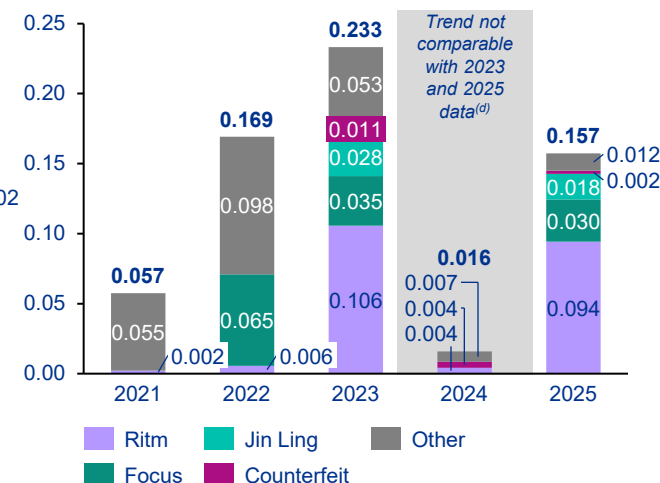


- Romania and Turkey were the largest sources of Legal inflows (ND(L)) in 2025^(b)
- Illicit inflows (C&C) in 2025 were primarily comprised of Illicit Whites with no country-specific labelling and domestic packs that did not bear the required tax stamps and are subsequently classified as domestic illicit
- In 2025, C&C was primarily comprised of the brands Ritm, Focus and Jin Ling

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(c)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(c)}



Note: (a) Due to rounding, segments highlighted in the charts may not add up to the total; (b) Full granularity on country of origin was not available in Moldovan pack swap survey between 2021 and 2024. As a result, ND(L) and C&C by country of origin is only available in 2025; (c) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys (d) Refer to prior page for further details

Source: (1) KPMG European Flows Calculation, 2021-2025

Montenegro



C&C cigarette consumption and total consumption

1.4bn

Cigarettes consumed



+0.12bn on 2024

0.05bn

C&C cigarettes consumed



-0.06bn on 2024

3.8%

Of total consumption was C&C



-4.60ppts on 2024

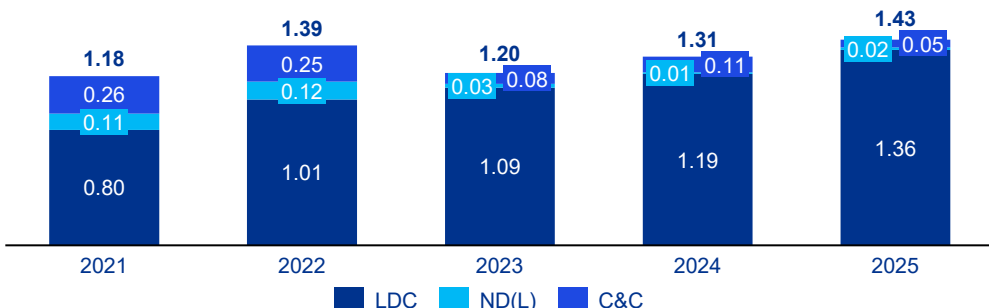
€6m

Total tax revenue lost from C&C^(b)



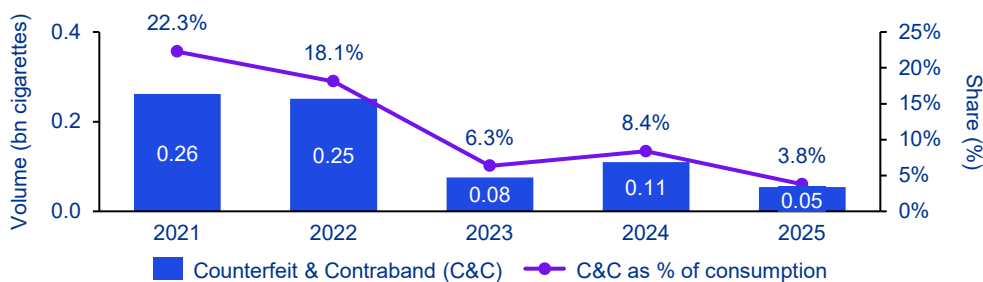
-€7m on 2024

Total consumption – 2021-2025 (bn cigarettes)^{(1)(2)(a)}

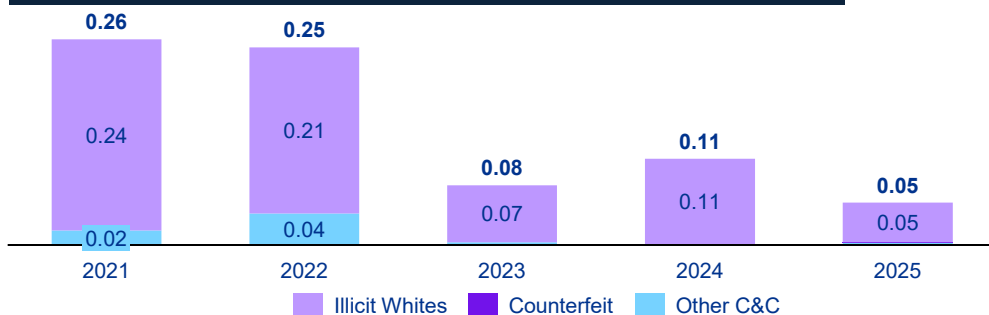


- C&C as a share of total consumption decreased by 4.6ppts to 3.8% in 2025, the lowest share observed during the reporting period
- This decrease was driven by a decline in flows of Illicit Whites

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025^{(1)(2)(a)}



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)(b)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Montenegro Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	0.82	1.05	1.12	1.22	1.38	13%
Outflows	(0.02)	(0.04)	(0.02)	(0.03)	(0.02)	(23%)
Legal Domestic Consumption (LDC)	0.80	1.01	1.09	1.19	1.36	14%
Non-Domestic Legal (ND(L))	0.11	0.12	0.03	0.01	0.02	72%
Counterfeit and Contraband (C&C)	0.26	0.25	0.08	0.11	0.05	(51%)
Total Non-Domestic	0.37	0.37	0.10	0.12	0.07	(41%)
Total Consumption	1.18	1.39	1.20	1.31	1.43	9%

- Total cigarette consumption increased by 9% in 2025, as a rise in Legal Domestic Consumption was partially offset by a decrease in Non-Domestic inflows
- Non-Domestic flows declined by 41%, driven by reduced flows from Kosovo. Inflows from ‘Other’ smaller source markets and Illicit Whites with no country-specific labelling increased
- Outflows from Montenegro remained low in 2025, and were primarily to Bosnia and Herzegovina

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Montenegro					
Billion cigarettes	2021	2022	2023	2024	2025
IWs with no country-specific labelling	0.19	0.08	0.04	0.01	0.02
Kosovo	0.05	0.16	0.03	0.10	0.02
Other	0.13	0.14	0.03	0.01	0.03
Total Non-Domestic inflows	0.37	0.37	0.10	0.12	0.07

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Montenegro					
Billion cigarettes	2021	2022	2023	2024	2025
Bosnia and Herzegovina	(0.00)	(0.02)	0.00	(0.00)	(0.01)
Other	(0.02)	(0.02)	(0.02)	(0.03)	(0.02)
Total Outflows	(0.02)	(0.04)	(0.02)	(0.03)	(0.02)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Montenegro
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low High

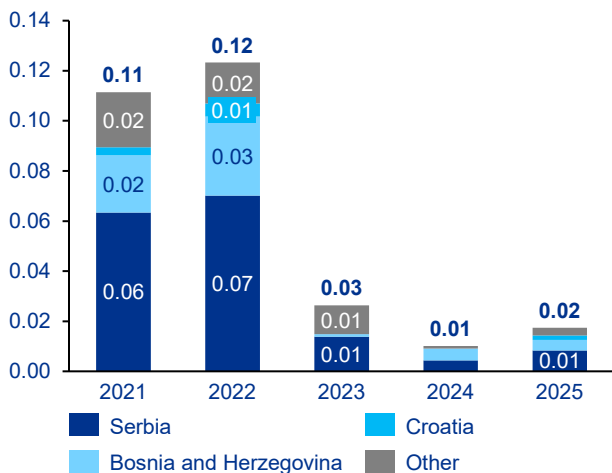


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

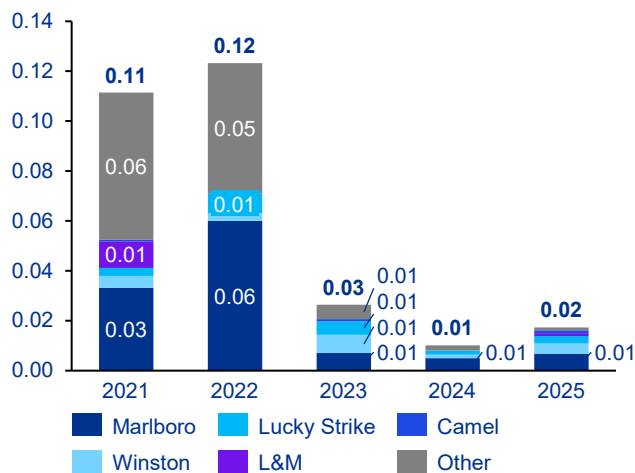
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

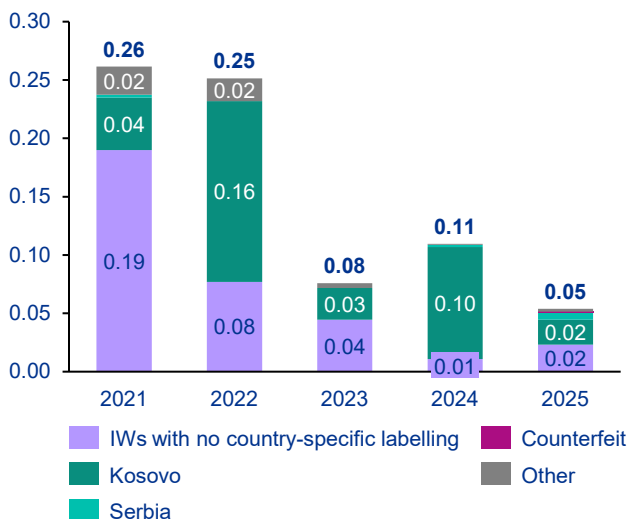


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}

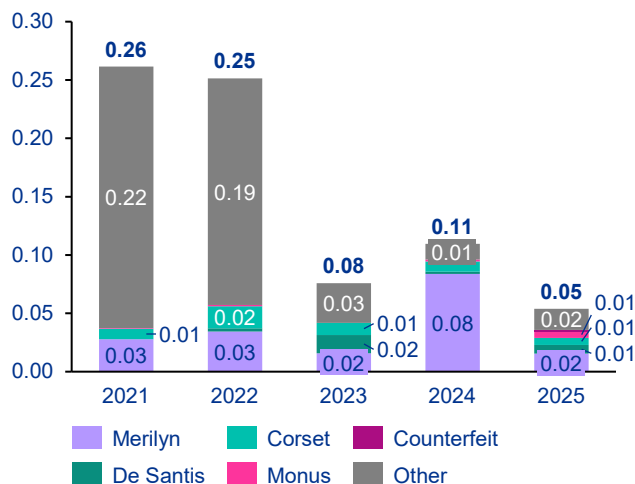


- Legal inflows (ND(L)) increased in 2025, but remained a small share of consumption
- Illicit (C&C) inflows decreased by 51% in 2025, primarily driven by a decline in flows from Kosovo

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



Note: (a) ND(L) and C&C country / brand breakdowns are only shown for the years where an empty pack survey was undertaken; (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Netherlands



C&C cigarette consumption and total consumption

9.3bn

Cigarettes consumed

2.1bn

C&C cigarettes consumed

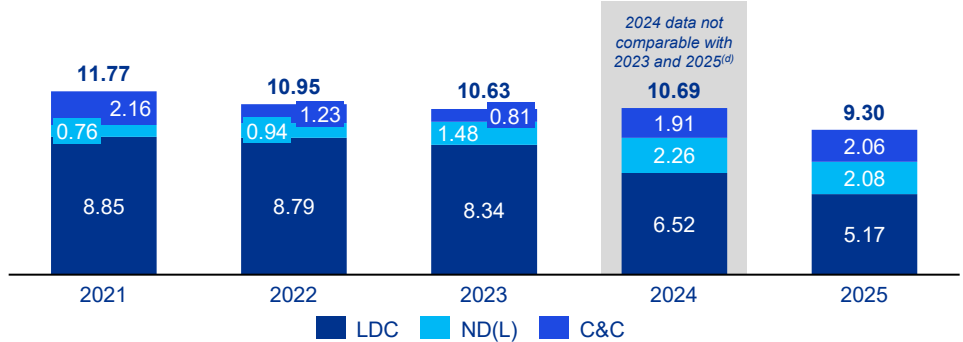
22.1%

Of total consumption was C&C

€987m

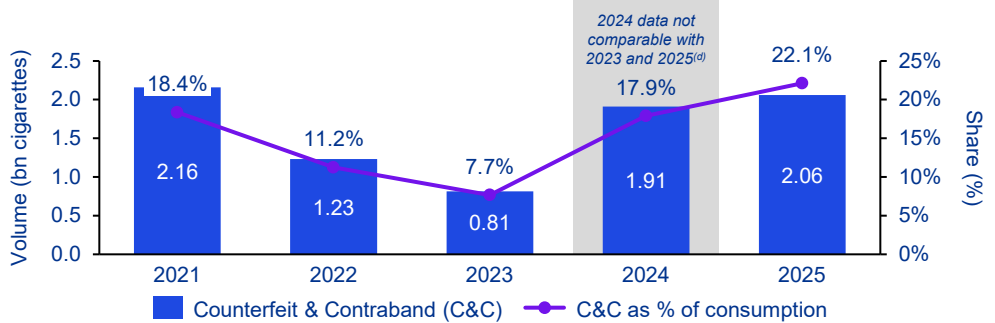
Total tax revenue lost from C&C^(b)

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

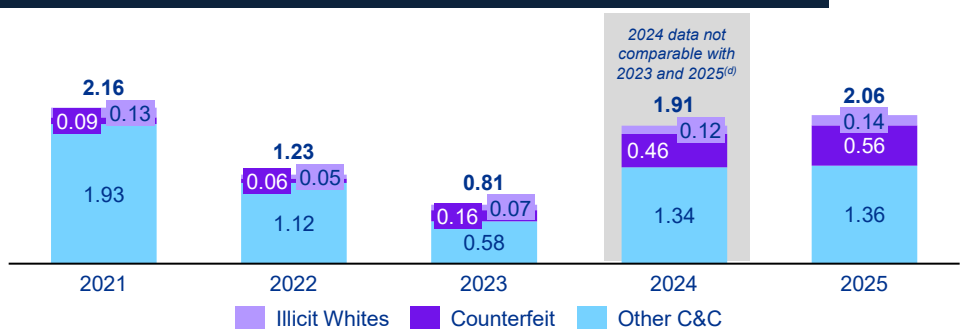


- C&C as a share of total consumption was 22.1% in 2025, the highest share observed across 2021 to 2023, and 2025
- Other C&C formed the largest component of C&C at 66%

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts (d) Refer to next page for further details

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Netherlands Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	9.08	9.01	8.64	6.73	5.37	(20%)
Outflows	(0.23)	(0.22)	(0.31)	(0.21)	(0.20)	(2%)
Legal Domestic Consumption (LDC)	8.85	8.79	8.34	6.52	5.17	(21%)
Non-Domestic Legal (ND(L))	0.76	0.94	1.48	2.26	2.08	(8%)
Counterfeit and Contraband (C&C)	2.16	1.23	0.81	1.91	2.06	
Total Non-Domestic	2.92	2.17	2.29	4.17	4.14	
Total Consumption	11.77	10.95	10.63	10.69	9.30	

- Total cigarette consumption was 9.3bn cigarettes in 2025
- Post publication of the 2024 results, additional analysis indicates that an excise-driven price increase in April 2024 (~+24%⁽³⁾) may have driven a larger than actual total consumption estimate in 2024. This is due to all empty pack surveys in 2024 being conducted after the price increase, when consumers were potentially more incentivised to purchase Non-Domestic products. Separately analysing pre and post price increase periods in 2024 suggests total cigarette consumption in 2024 of ~10.1bn cigarettes and a more moderate rate of decline of ~9% between 2024 and 2025 (vs. 13% reported above). This analysis indicates total consumption estimates for 2024 above are not comparable with those for 2023 and 2025
- The largest Non-Domestic inflows in 2025 were of Counterfeit and Duty Free labelled products. The largest country-specific inflows were from Germany, Spain, and Poland
- Outflows from the Netherlands were 0.20bn in 2025, with majority of the outflows to France and Germany

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Netherlands					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.09	0.06	0.16	0.46	0.56
Duty Free Labelled	0.21	0.19	0.35	0.50	0.50
Germany	0.23	0.19	0.29	0.49	0.44
Spain	0.05	0.07	0.13	0.41	0.40
Poland	0.11	0.18	0.19	0.26	0.31
Other	2.23	1.49	1.17	2.05	1.93
Total Non-Domestic inflows	2.92	2.17	2.29	4.17	4.14

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Netherlands					
Billion cigarettes	2021	2022	2023	2024	2025
France	(0.11)	(0.06)	(0.11)	(0.07)	(0.11)
Germany	(0.04)	(0.04)	(0.08)	(0.06)	(0.04)
Ireland	(0.00)	(0.02)	(0.02)	(0.03)	(0.01)
Other	(0.08)	(0.11)	(0.09)	(0.05)	(0.04)
Total Outflows	(0.23)	(0.22)	(0.31)	(0.21)	(0.20)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

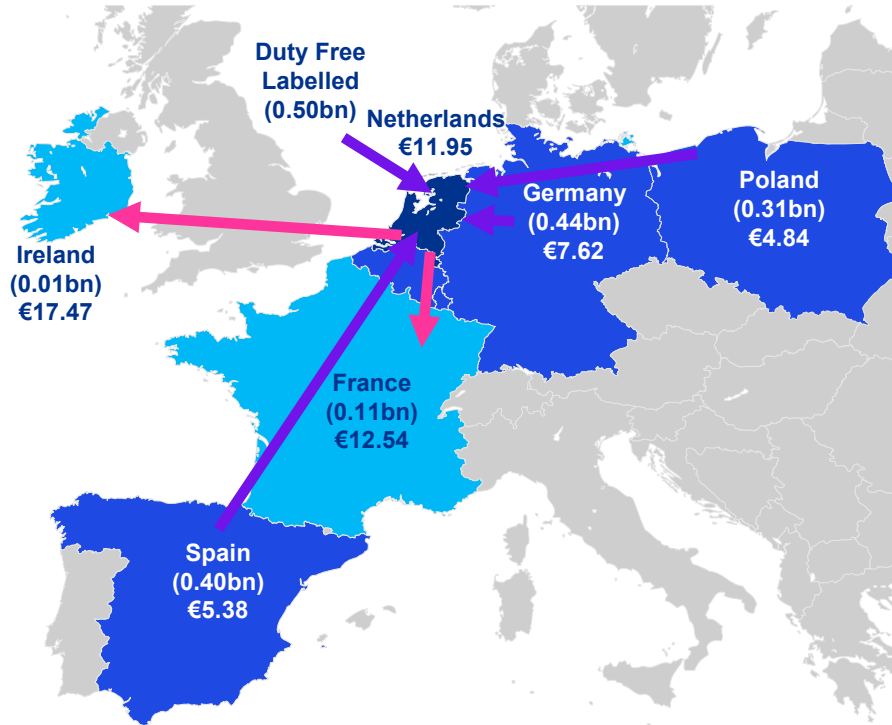
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025 (3) <https://www.government.nl/themes/family-health-and-care/smoking/government-measures-to-discourage-smoking>

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

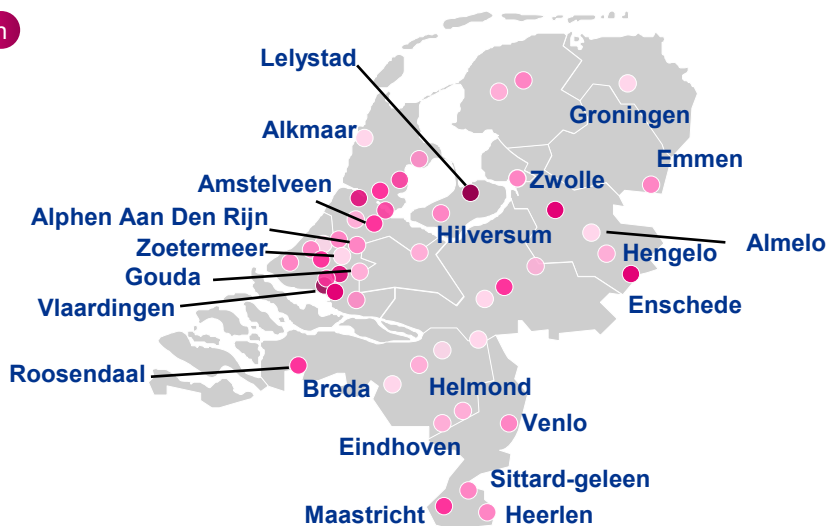
- Netherlands
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by city^{(1)(b)(c)(d)}

Low High

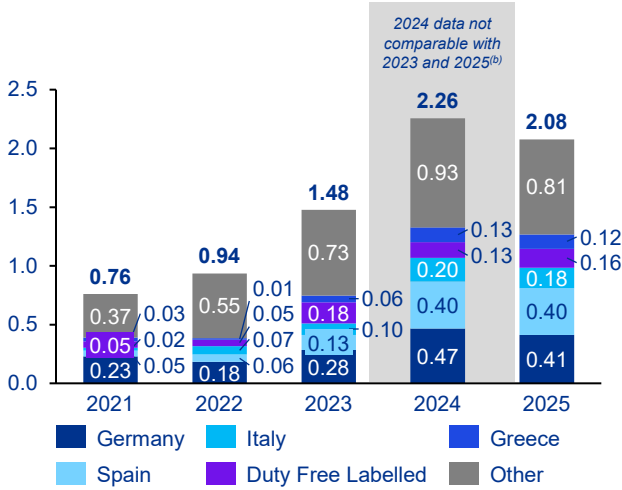


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) EPS for this country does not collate results by region; (c) C&C% by city shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the city. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the city; (d) Data not available for regions in grey

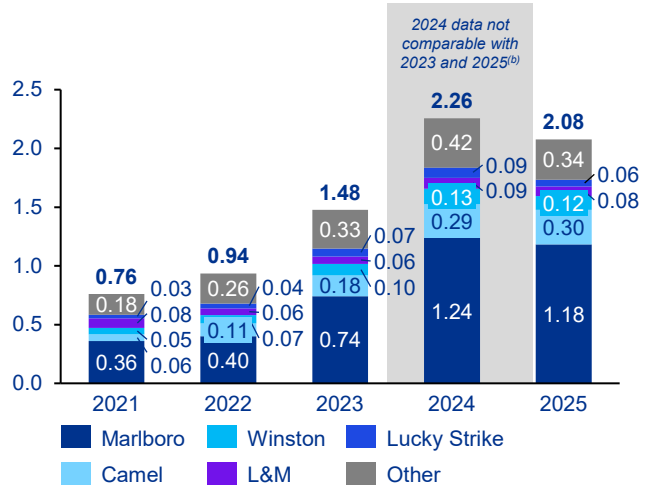
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

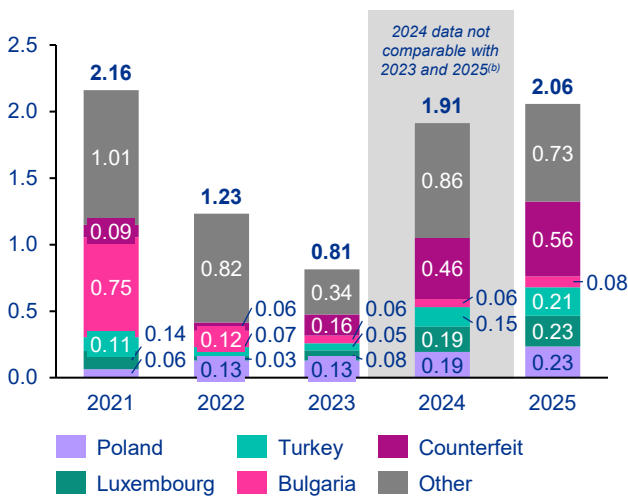


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

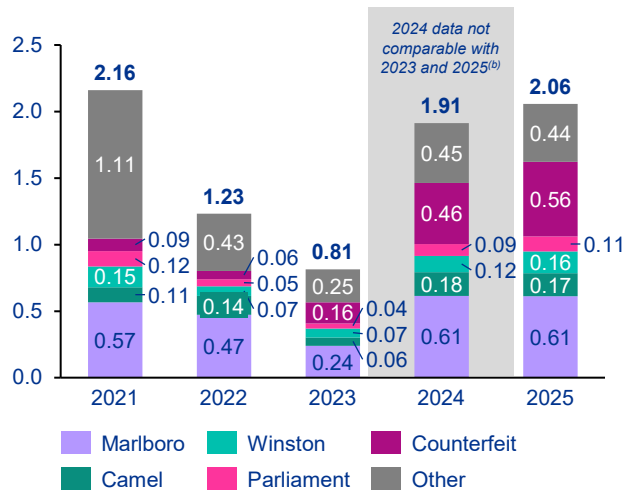


- Germany and Spain remained the largest sources of Legal inflows (ND(L)) in 2025
- Poland, Luxembourg and Spain remained the largest source markets of illicit inflows (C&C). Share of Counterfeit was 27% of illicit inflows in 2025

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

North Macedonia



C&C cigarette consumption and total consumption

3.3bn

Cigarettes consumed



-0.05bn on 2024

0.1bn

C&C cigarettes consumed



+0.04bn on 2024

3.6%

Of total consumption was C&C



+1.32ppts on 2024

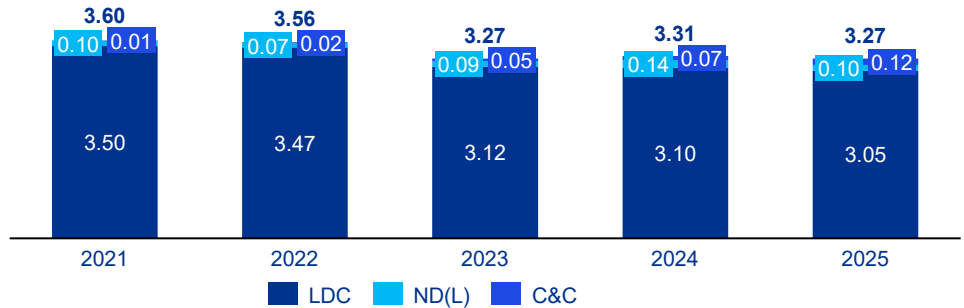
€11m

Total tax revenue lost from C&C^(b)



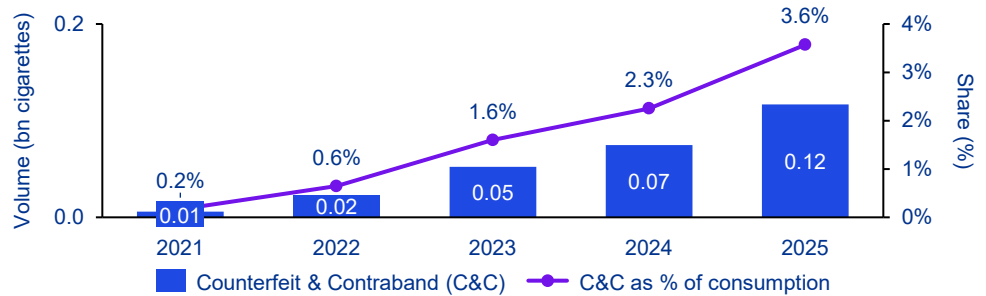
+4m on 2024

Total consumption – 2021-2025 (bn cigarettes)^{(1)(2)(a)}

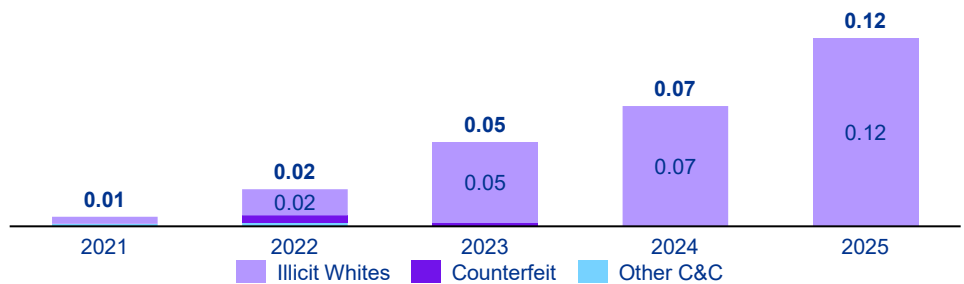


– C&C as a share of total consumption increased by 1.3 ppts to 3.6% in 2025. This was driven by an increase in Illicit Whites, which comprised the entirety of C&C flows

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025^{(1)(2)(a)}



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)(b)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total North Macedonia Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	3.60	3.55	3.50	3.42	3.43	0%
Outflows	(0.10)	(0.08)	(0.38)	(0.32)	(0.39)	20%
Legal Domestic Consumption (LDC)	3.50	3.47	3.12	3.10	3.05	(2%)
Non-Domestic Legal (ND(L))	0.10	0.07	0.09	0.14	0.10	(25%)
Counterfeit and Contraband (C&C)	0.01	0.02	0.05	0.07	0.12	56%
Total Non-Domestic	0.10	0.09	0.14	0.21	0.22	4%
Total Consumption	3.60	3.56	3.27	3.31	3.27	(1%)

- Total cigarette consumption declined by 1% in 2025, largely due to a decline in Legal Domestic Consumption
- Non-Domestic inflows increased by 4% driven by an increase in flows of Illicit Whites with no country-specific labelling. This was partially offset by decline in flows of Duty Free labelled cigarettes and flows from 'Other' smaller markets
- Outflows increased by 20% in 2025, primarily due to increasing outflows to Greece, Germany and Switzerland

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to North Macedonia					
Billion cigarettes	2021	2022	2023	2024	2025
IWs with no country-specific labelling	0.00	0.01	0.05	0.07	0.11
Duty Free Labelled	0.00	0.00	0.06	0.12	0.09
Other	0.10	0.08	0.03	0.02	0.01
Total Non-Domestic inflows	0.10	0.09	0.14	0.21	0.22

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from North Macedonia					
Billion cigarettes	2021	2022	2023	2024	2025
Greece	0.00	0.00	(0.17)	(0.10)	(0.12)
Austria	0.00	0.00	(0.08)	(0.09)	(0.09)
Germany	0.00	0.00	(0.04)	(0.02)	(0.04)
Switzerland	0.00	0.00	(0.03)	(0.01)	(0.03)
Other	(0.10)	(0.08)	(0.07)	(0.10)	(0.11)
Total Outflows	(0.10)	(0.08)	(0.38)	(0.32)	(0.39)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

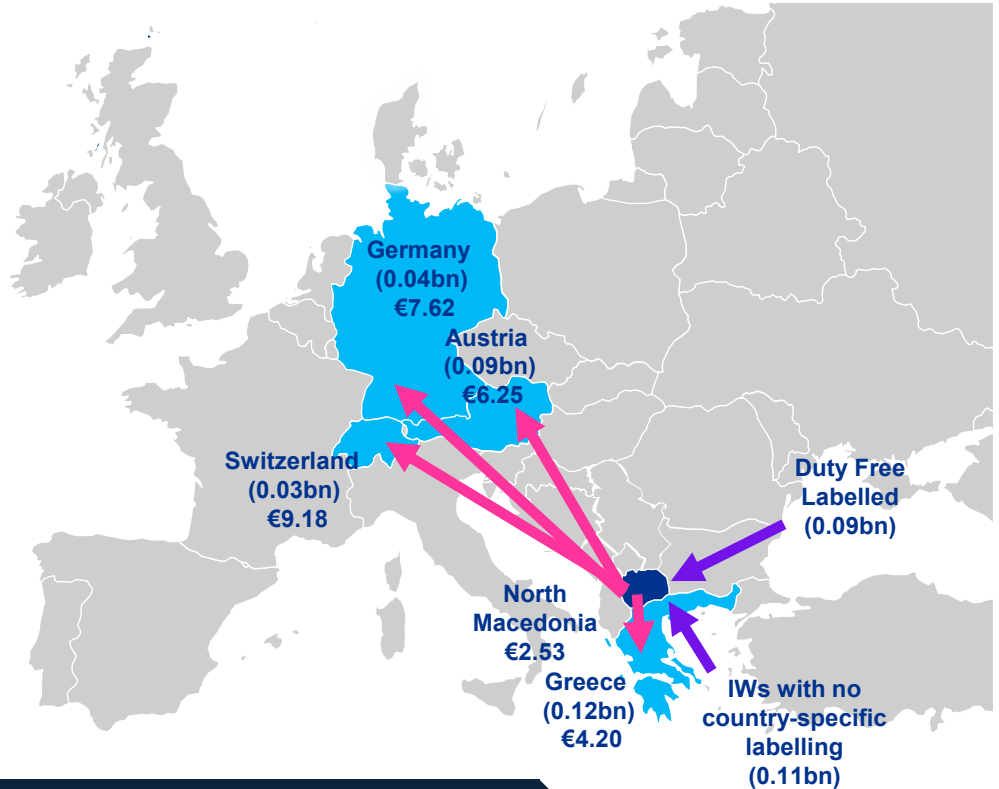
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

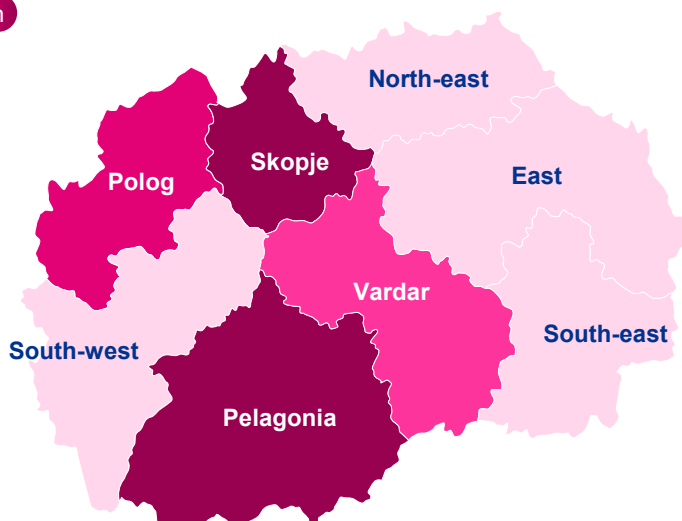
- North Macedonia
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low High

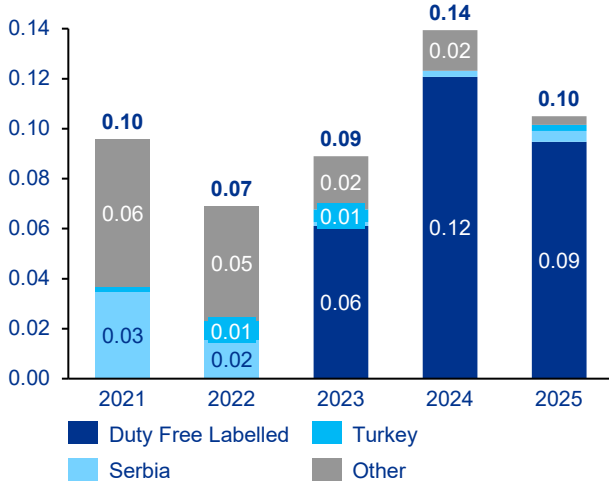


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

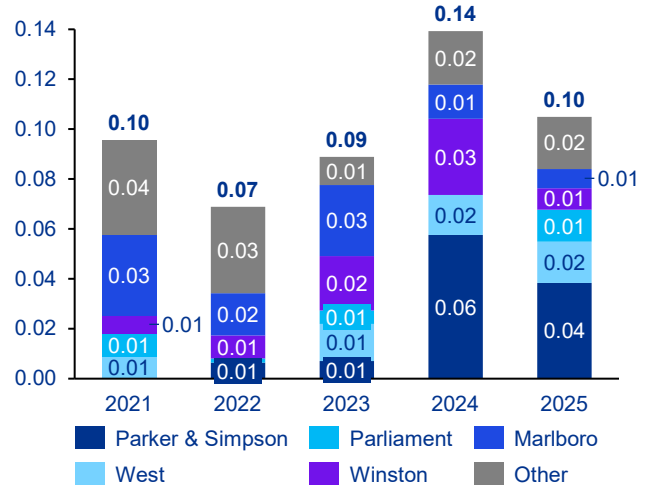
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

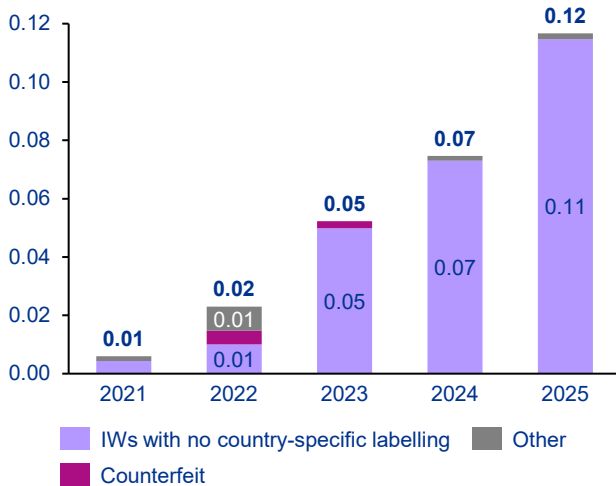


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

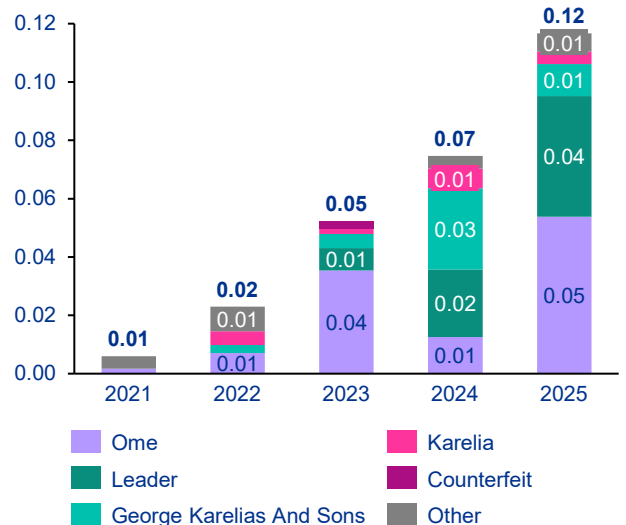


- Legal inflows (ND(L)) decreased by 25% in 2025, driven by a decline in inflows of Duty Free Labelled cigarettes. Duty Free labelled cigarettes have been the largest source of legal inflows since 2023
- Illicit (C&C) inflows increased by 56% in 2025, driven by increased flows of Illicit Whites with no country-specific labelling
- At the brand level, Ome and Leader were the main contributors to the increase in illicit inflows in 2025, while flows of George Karelias and Sons declined

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

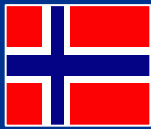


C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Norway



C&C cigarette consumption and total consumption

2.4bn

Cigarettes consumed



+0.22bn on 2024

0.4bn

C&C cigarettes consumed



+0.03bn on 2024

15.5%

Of total consumption was C&C



-0.40ppt on 2024

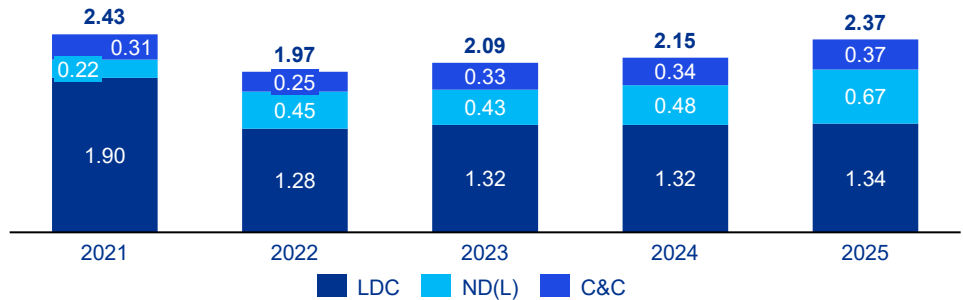
€160m

Total tax revenue lost from C&C^(b)
(NOK1,892m)⁽³⁾



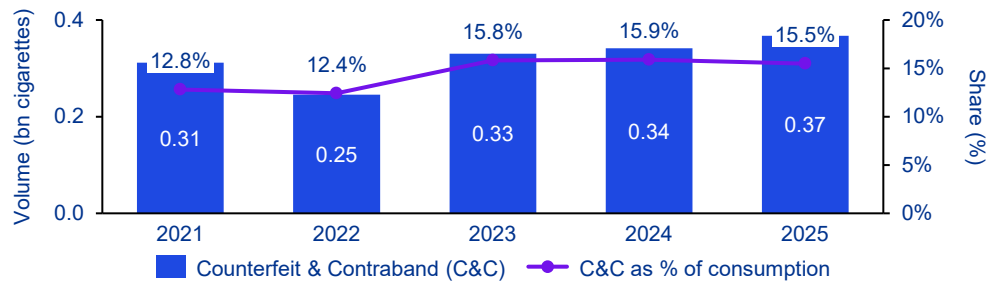
+€20m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

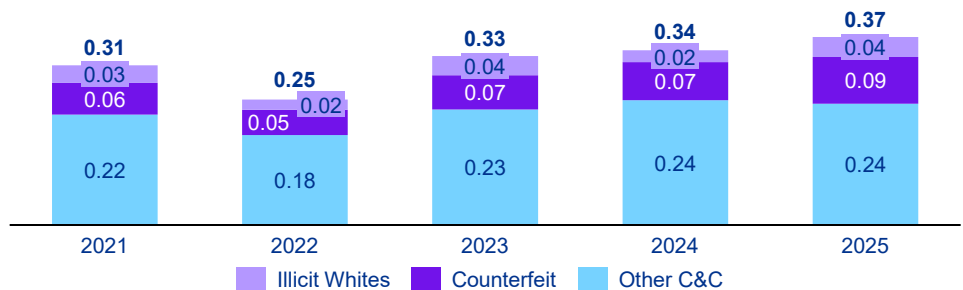


- C&C as a share of total consumption decreased by 0.4ppts to 15.5% in 2025. This decrease was despite growth in overall C&C volumes, due to C&C growth being lower than that of in total cigarette consumption
- Inflows of Illicit Whites and Counterfeit increased in 2025

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = NOK 11.803, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Norway Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	1.91	1.29	1.34	1.35	1.38	2%
Outflows	(0.01)	(0.01)	(0.01)	(0.03)	(0.04)	54%
Legal Domestic Consumption (LDC)	1.90	1.28	1.32	1.32	1.34	1%
Non-Domestic Legal (ND(L))	0.22	0.45	0.43	0.48	0.67	37%
Counterfeit and Contraband (C&C)	0.31	0.25	0.33	0.34	0.37	8%
Total Non-Domestic	0.54	0.70	0.76	0.83	1.03	25%
Total Consumption	2.43	1.97	2.09	2.15	2.37	10%

- Total cigarette consumption increased by 10% in 2025, primarily driven by an increase in Non-Domestic inflows
- Non-Domestic inflows increased by 25%, with the largest increases in flows from Sweden and Duty Free Labelled
- Outflows increased by 54%, with increased flows to the Netherlands and Denmark

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Norway					
Billion cigarettes	2021	2022	2023	2024	2025
Sweden	0.09	0.17	0.22	0.28	0.38
Duty Free Labelled	0.09	0.21	0.15	0.13	0.20
Counterfeit	0.06	0.05	0.07	0.07	0.09
Poland	0.11	0.07	0.10	0.08	0.07
Romania	0.01	0.03	0.05	0.04	0.05
Other	0.16	0.17	0.17	0.22	0.24
Total Non-Domestic inflows	0.54	0.70	0.76	0.83	1.03

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Norway					
Billion cigarettes	2021	2022	2023	2024	2025
Netherlands	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
Sweden	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)
Denmark	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)
Other	(0.01)	(0.00)	(0.00)	(0.02)	(0.02)
Total Outflows	(0.01)	(0.01)	(0.01)	(0.03)	(0.04)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

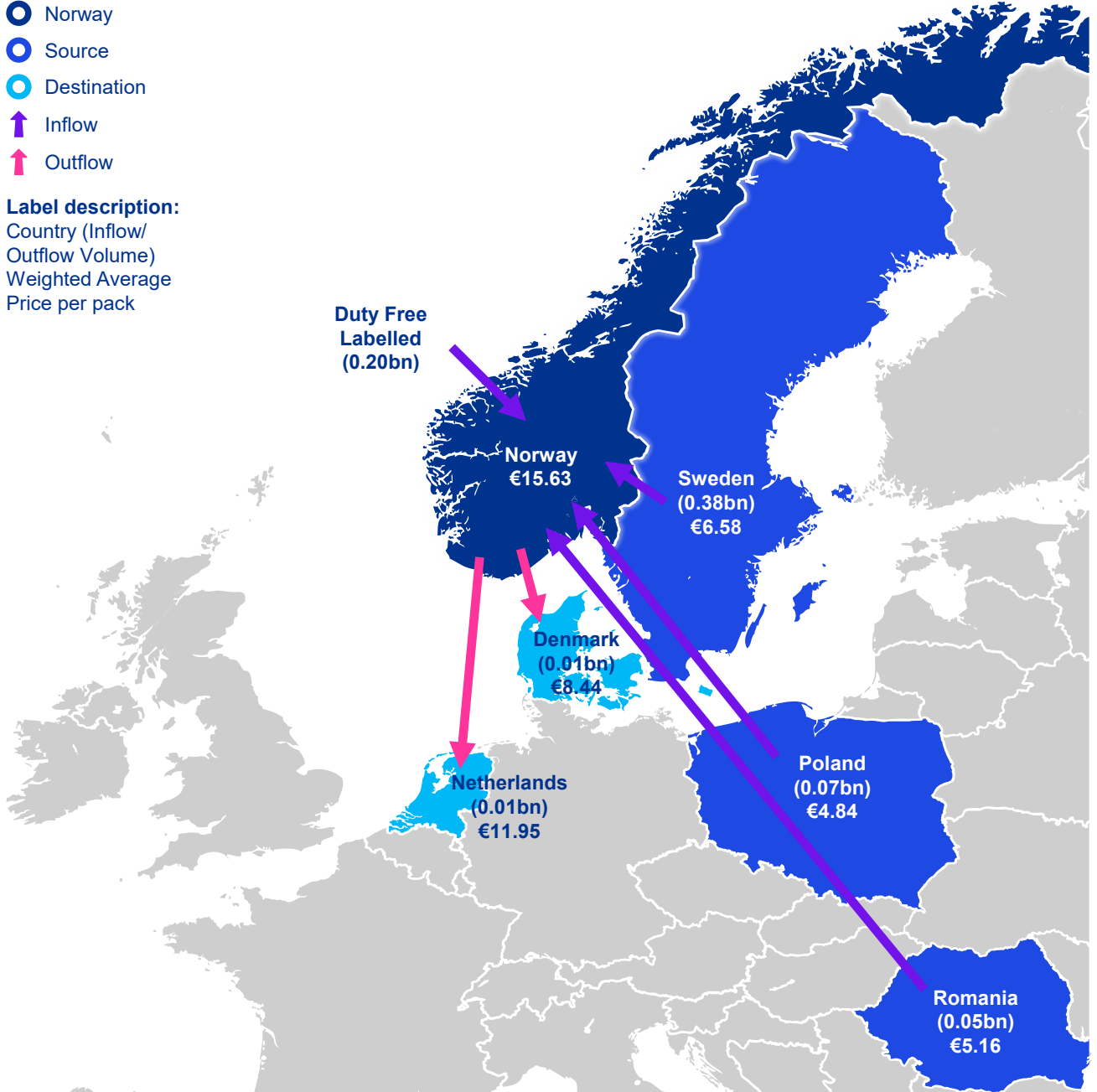
Key flows

Key inflows and outflows^{(1)(2)(a)}

- Norway
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:

Country (Inflow/
Outflow Volume)
Weighted Average
Price per pack

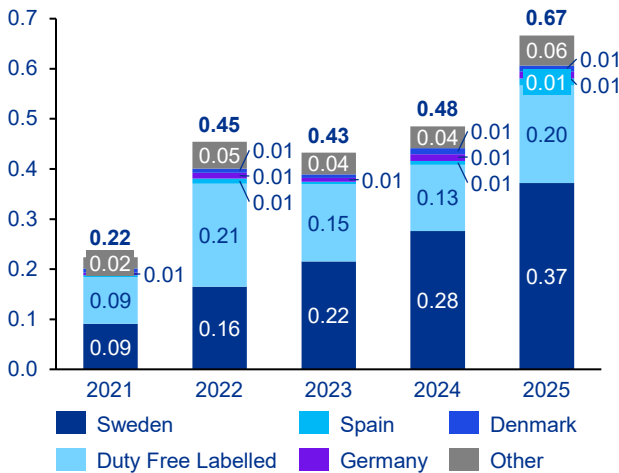


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown

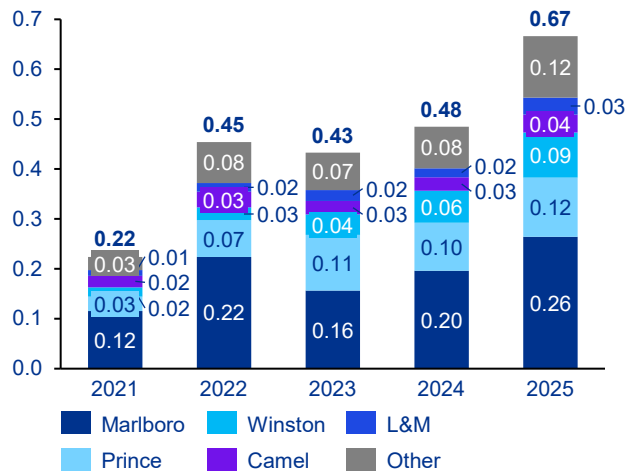
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

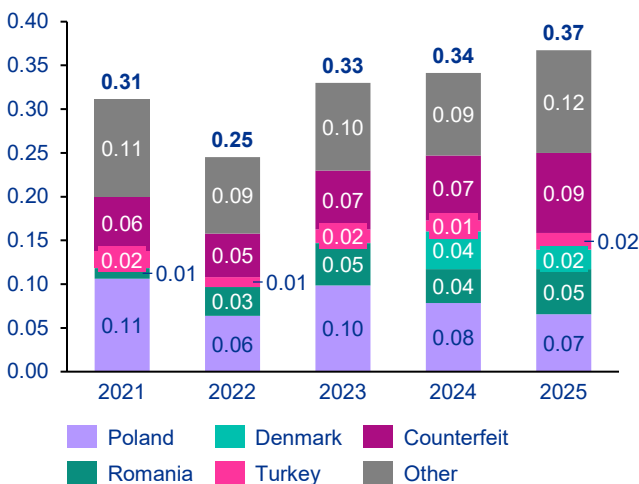


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

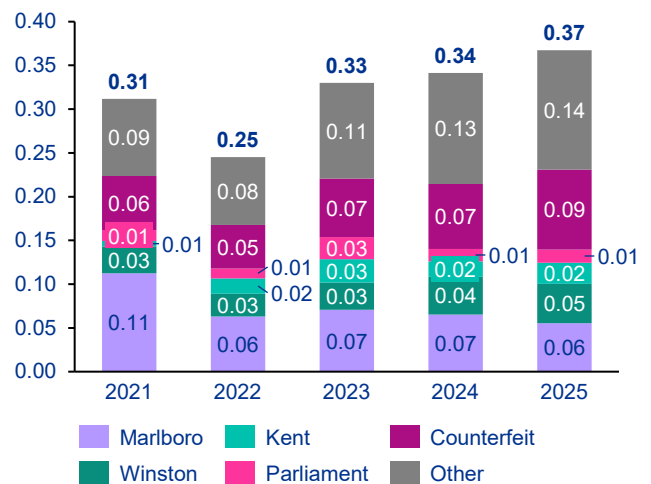


- Legal inflows (ND(L)) increased by 37% in 2025, reaching the highest levels observed in the reporting period. This increase was primarily driven by a rise in legal inflows from Sweden and Duty Free labelled
- Illicit (C&C) inflows increased by 8% in 2025, mainly driven by increased flows of Counterfeit and flows from 'Other' smaller source markets, while flows from Denmark and Poland declined

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Poland



C&C cigarette consumption and total consumption

37.8bn

Cigarettes consumed



-5.75bn on 2024

2.0bn

C&C cigarettes consumed



+0.15bn on 2024

5.3%

Of total consumption was C&C



+1.04ppts on 2024

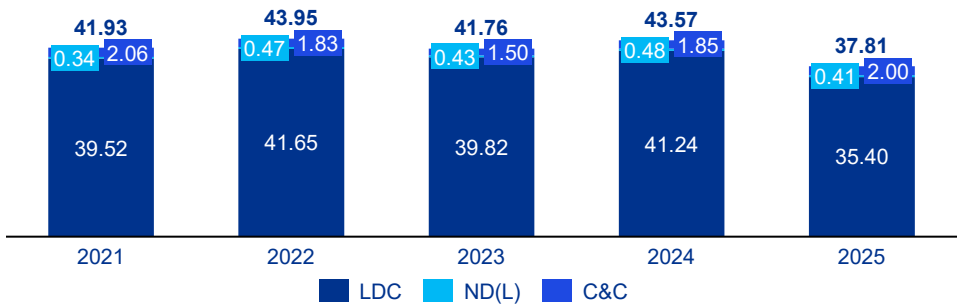
€441m

Total tax revenue lost from C&C^(b)



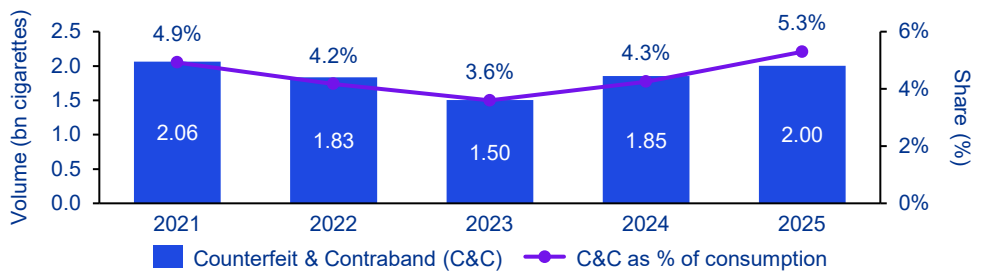
+€129m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

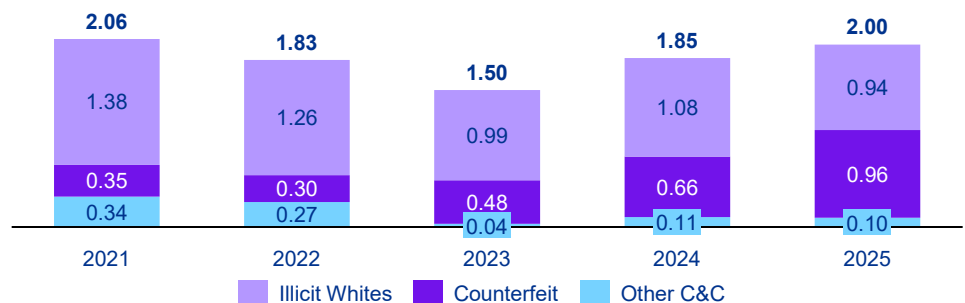


- C&C as a share of total consumption increased by 1.0 ppt to 5.3% in 2025, the highest share observed over the reporting period
- This increase was driven by an increase in Counterfeit flows. Other C&C flows remained stable and Illicit Whites declined

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Poland Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	45.54	49.39	49.20	49.91	43.45	(13%)
Outflows	(6.03)	(7.75)	(9.37)	(8.68)	(8.05)	(7%)
Legal Domestic Consumption (LDC)	39.52	41.65	39.82	41.24	35.40	(14%)
Non-Domestic Legal (ND(L))	0.34	0.47	0.43	0.48	0.41	(15%)
Counterfeit and Contraband (C&C)	2.06	1.83	1.50	1.85	2.00	8%
Total Non-Domestic	2.41	2.30	1.93	2.33	2.41	3%
Total Consumption	41.93	43.95	41.76	43.57	37.81	(13%)

- Total cigarette consumption declined by 13% in 2025, driven by a decrease in Legal Domestic Sales
- This decline in Legal Domestic Sales of cigarettes in 2025 coincides with a similar scale of increase in e-liquid/vaping Legal Domestic Sales, indicating category switching has occurred in 2025⁽²⁾
- Non-Domestic inflows increased by 3%, primarily driven by an increase in Counterfeit, which was partly offset by a decline in flows from Belarus
- Outflows decreased by 7% in 2025, with a fall in outflows to all major destination markets as well as 'Other' smaller markets

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Poland					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.35	0.30	0.48	0.66	0.96
Belarus	1.01	0.89	0.74	0.73	0.58
IWs with no country-specific labelling	0.30	0.30	0.21	0.30	0.31
Ukraine	0.34	0.22	0.08	0.16	0.15
Other	0.42	0.59	0.43	0.47	0.41
Total Non-Domestic inflows	2.41	2.30	1.93	2.33	2.41

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Poland					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(3.82)	(4.66)	(5.19)	(5.53)	(5.24)
Czech Republic	(0.21)	(0.47)	(0.95)	(1.06)	(0.96)
UK	(0.72)	(0.60)	(0.78)	(0.76)	(0.57)
Other	(1.26)	(2.01)	(2.45)	(1.33)	(1.27)
Total Outflows	(6.03)	(7.75)	(9.37)	(8.68)	(8.05)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

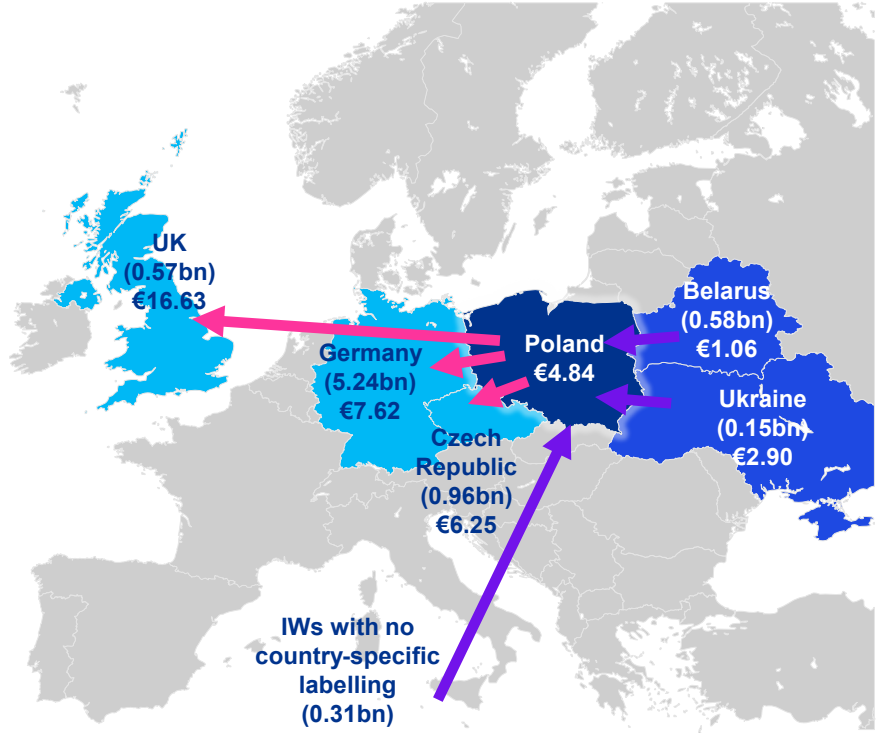
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Poland
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

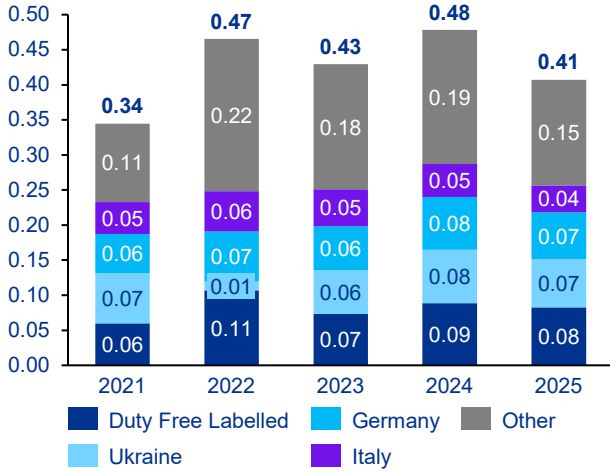


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

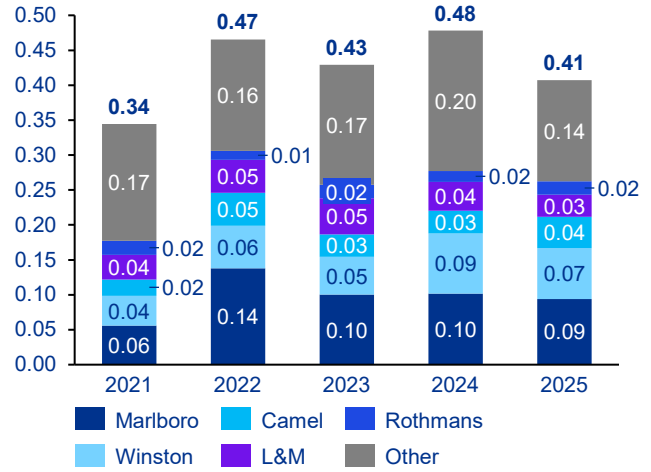
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

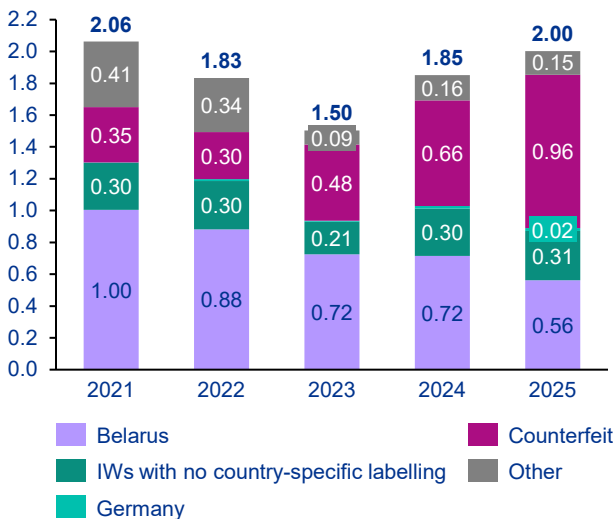


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

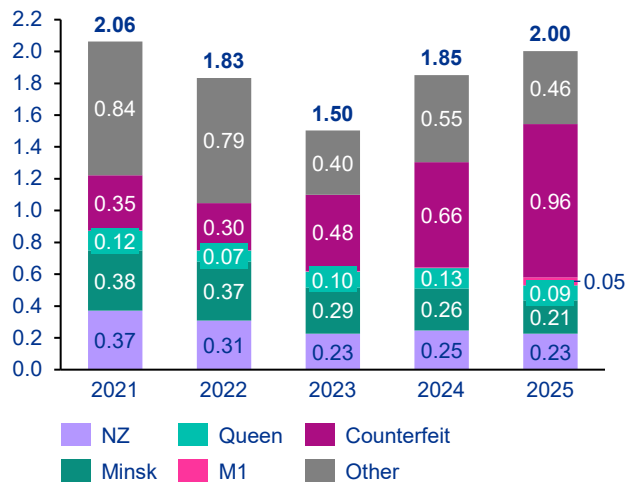


- Legal inflows (ND(L)) decreased by 15% in 2025 with a reduction in inflows from all main sources as well as ‘Other’ smaller markets
- Illicit (C&C) inflows increased by 8% in 2025, primarily driven by increased flows of Counterfeit. This increase was partially offset by declining inflows from Belarus

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Portugal



C&C cigarette consumption and total consumption

8.2bn

Cigarettes consumed



-0.32bn on 2024

0.2bn

C&C cigarettes consumed



+0.01bn on 2024

2.7%

Of total consumption was C&C



+0.25ppt on 2024

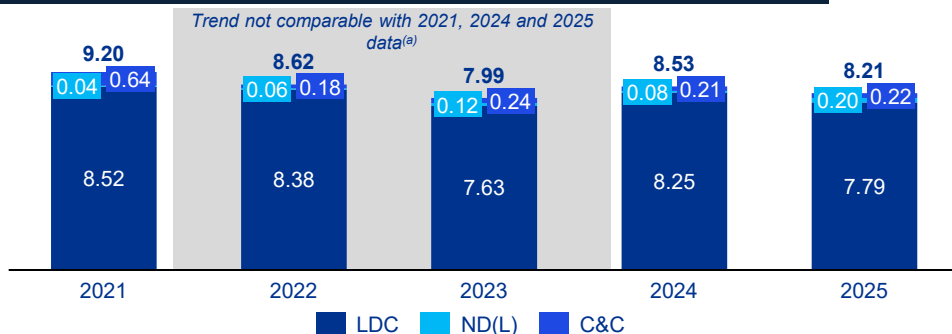
€45m

Total tax revenue lost from C&C^(b)



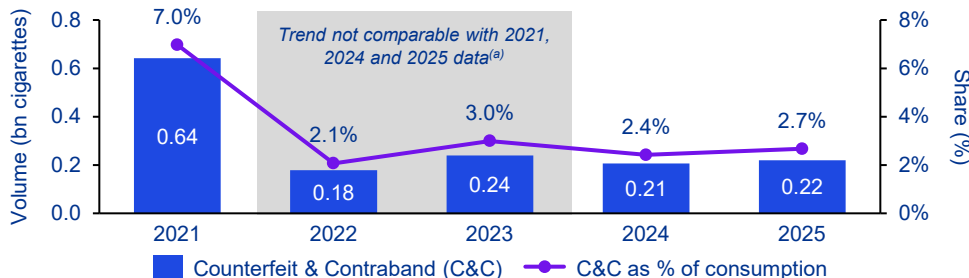
+€3m on 2025

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

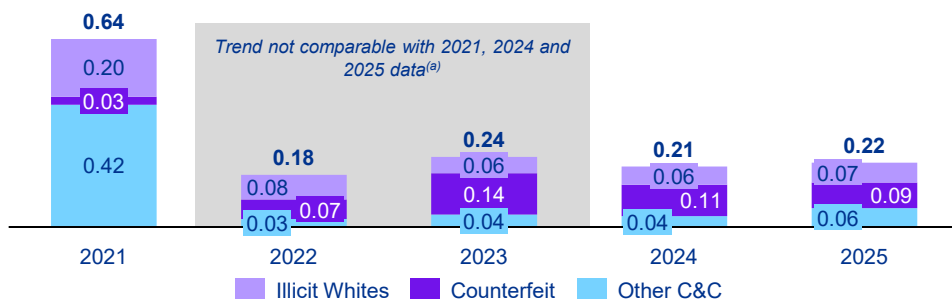


– C&C as a share of total consumption increased by 0.3ppts in 2025, or 0.01bn cigarettes, driven by higher inflows of Other C&C and Illicit Whites. Flows of Counterfeit declined.

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(b)}



Note: (a) Due to the revision of 2022 and 2023 LDS data the trends depicted between 2021, 2024 and 2025 above are not directly comparable. As a result, year-on-year comparators are excluded; (b) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (c) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (d) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(a)(c)}

Total Portugal Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	8.77	8.68	8.03	8.74	8.51	(3%)
Outflows	(0.25)	(0.30)	(0.40)	(0.49)	(0.72)	45%
Legal Domestic Consumption (LDC)	8.52	8.38	7.63	8.25	7.79	(5%)
Non-Domestic Legal (ND(L))	0.04	0.06	0.12	0.08	0.20	>100%
Counterfeit and Contraband (C&C)	0.64	0.18	0.24	0.21	0.22	6%
Total Non-Domestic	0.68	0.24	0.36	0.28	0.42	47%
Total Consumption	9.20	8.62	7.99	8.53	8.21	(4%)

- Following the release of the 2023 results, the Legal Domestic Sales (LDS) data for Portugal for the years 2022 and 2023 has been revised. This revision raised the 2022 LDS to 9.11 billion (+0.43 billion) and the 2023 LDS to 8.91 billion (+0.88 billion). We have not modified our historical results to reflect these revised figures. Consequently, the trends depicted between 2021, 2024 and 2025 above are not directly comparable^(a)
- Total cigarette consumption decreased by 4% in 2025, with a decline in Legal Domestic Consumption partially offset by an increase in Non-Domestic inflows
- Non-Domestic inflows to Portugal increased by 47% as flows from Spain, Duty Free labelled and Angola increased. Counterfeit flows and flows from 'Other' smaller markets declined
- Outflows increased by ~45%, primarily driven by higher flows to France

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(b)(c)}

Non-Domestic inflows to Portugal					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.03	0.07	0.14	0.11	0.09
Spain	0.00	0.02	0.03	0.02	0.07
Duty Free Labelled	0.04	0.03	0.05	0.01	0.07
Angola	0.00	0.01	0.01	0.00	0.07
IWs with no country-specific labelling	0.20	0.06	0.05	0.02	0.01
Other	0.42	0.05	0.07	0.13	0.10
Total Non-Domestic inflows	0.68	0.24	0.36	0.28	0.42

Total outflows by destination – 2021-2025^{(1)(b)(c)}

Outflows from Portugal					
Billion cigarettes	2021	2022	2023	2024	2025
France	(0.13)	(0.15)	(0.19)	(0.20)	(0.44)
Netherlands	(0.01)	(0.02)	(0.04)	(0.10)	(0.09)
Spain	(0.03)	(0.04)	(0.03)	(0.05)	(0.05)
Other	(0.08)	(0.10)	(0.14)	(0.15)	(0.14)
Total Outflows	(0.25)	(0.30)	(0.40)	(0.49)	(0.72)

Note: (a) The revision of LDS follows provision of a new source of LDS information that provides more accurate information on legal sales volumes; (b) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (c) Due to rounding, figures in the tables may not add up to the totals

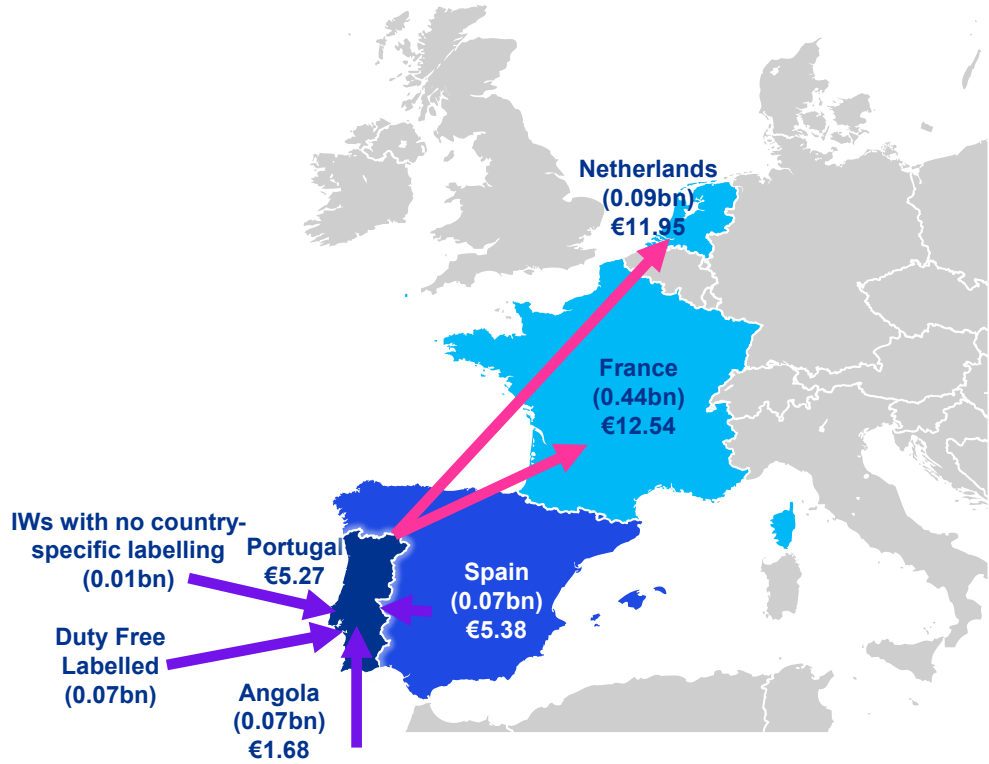
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows

Key inflows and outflows^{(1)(2)(a)}

- Portugal
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack

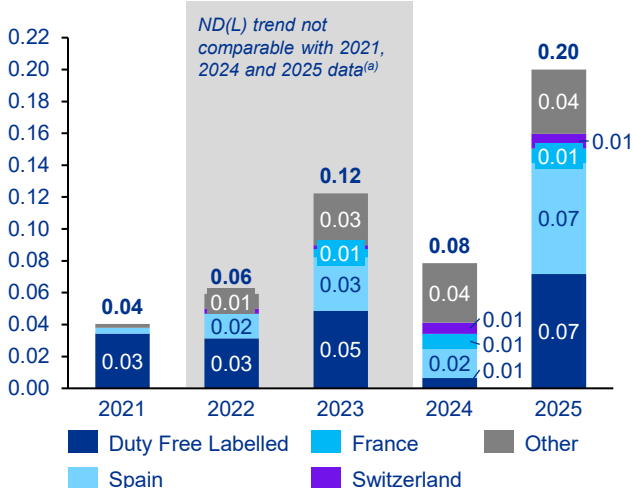


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) Regional data is not available in the empty pack survey. No breakdown of C&C share by region is shown

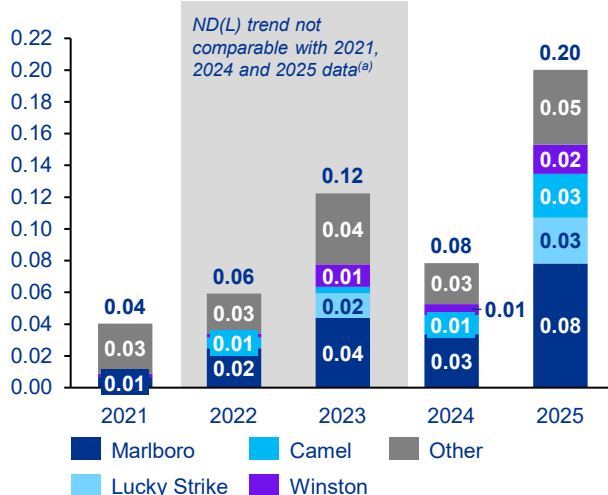
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

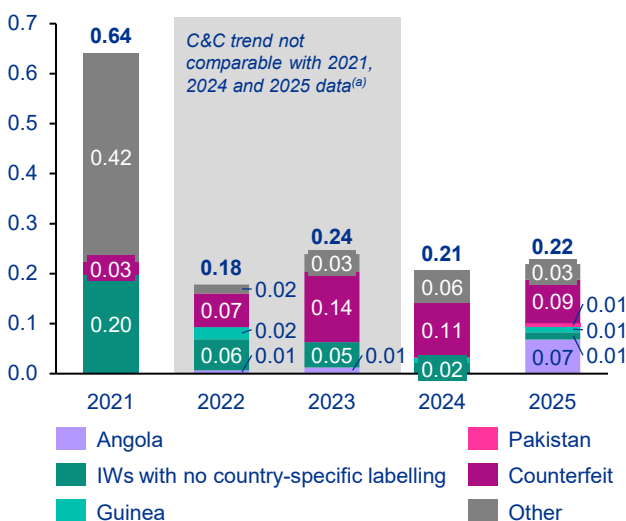


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}

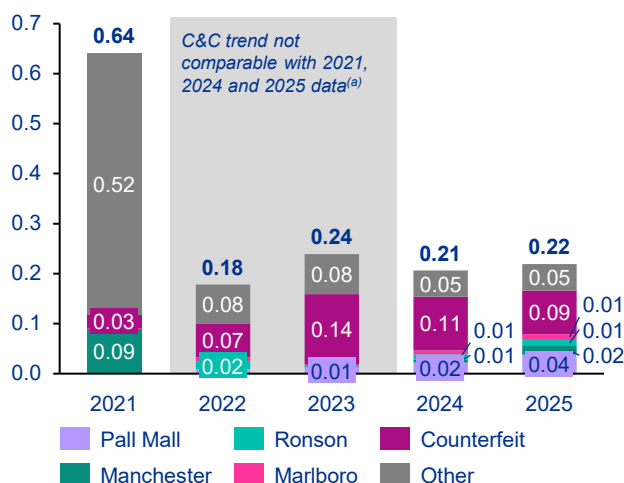


- Legal inflows (ND(L)) increased to 0.20bn cigarettes in 2025 as flows from Duty Free Labelled and Spain increased
- Illicit flows (C&C) increased by 6%, primarily driven by increasing flows from Angola. This increase was partly offset by a decline in Counterfeit flows and flows from ‘Other’ smaller markets

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



Note: (a) Due to the revision of 2022 and 2023 LDS data the trends depicted between 2021, 2024 and 2025 above are not directly comparable. As a result, year-on-year comparators are excluded; (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Romania



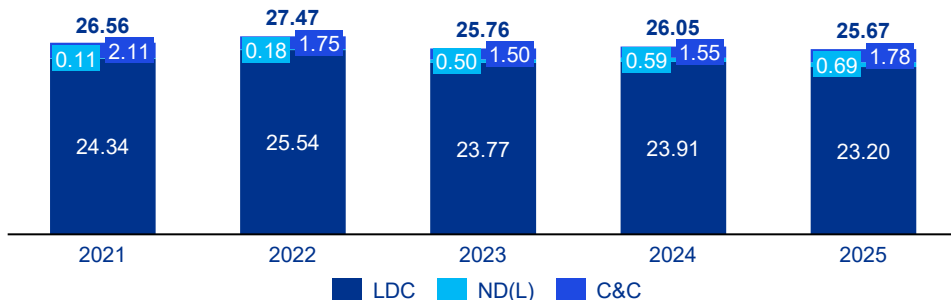
C&C cigarette consumption and total consumption

25.7bn

Cigarettes consumed

-0.38bn on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾



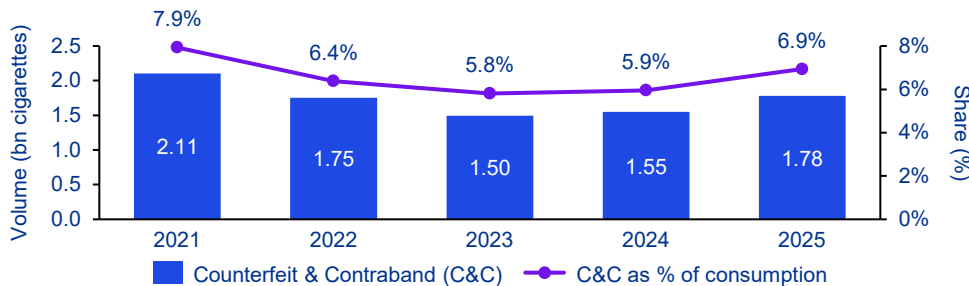
1.8bn

C&C cigarettes consumed

+0.23bn on 2024

- C&C as a share of total consumption increased by 1 ppt in 2025 to 6.9%
- This increase was driven by an increase in Counterfeit and Other C&C, while Illicit Whites declined

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾

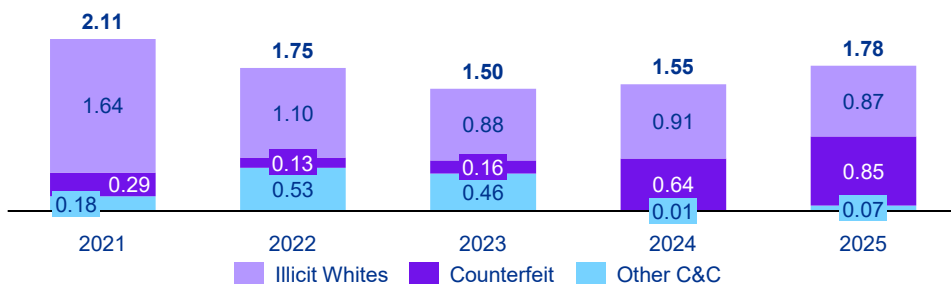


6.9%

Of total consumption was C&C

+0.98ppt on 2024

C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



€324m

Total tax revenue lost from C&C^(b)
(RON1,648m)⁽³⁾

+€56m on 2024

Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = RON 5.091, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Romania Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	25.70	27.45	26.30	26.15	25.20	(4%)
Outflows	(1.36)	(1.91)	(2.54)	(2.24)	(1.99)	(11%)
Legal Domestic Consumption (LDC)	24.34	25.54	23.77	23.91	23.20	(3%)
Non-Domestic Legal (ND(L))	0.11	0.18	0.50	0.59	0.69	16%
Counterfeit and Contraband (C&C)	2.11	1.75	1.50	1.55	1.78	15%
Total Non-Domestic	2.22	1.93	2.00	2.14	2.47	15%
Total Consumption	26.56	27.47	25.76	26.05	25.67	(1%)

- Total consumption declined in 2025, driven by a decline in Legal Domestic Consumption. This was partially offset by an increase in Non-Domestic inflows
- Non-Domestic inflows increased 15% with an increase in Counterfeit, flows of Illicit Whites with no country-specific labelling and flows from Bulgaria. These increases were partially offset by reduced flows from 'Other' smaller markets
- Outflows decreased by 11%, primarily driven by a decline in flows to France

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Romania					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.29	0.13	0.16	0.64	0.85
IWs with no country-specific labelling	1.40	0.93	0.74	0.41	0.69
Bulgaria	0.03	0.05	0.23	0.41	0.66
Other	0.50	0.82	0.87	0.69	0.27
Total Non-Domestic inflows	2.22	1.93	2.00	2.14	2.47

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Romania					
Billion cigarettes	2021	2022	2023	2024	2025
France	(0.31)	(0.53)	(0.99)	(1.14)	(0.83)
UK	(0.34)	(0.58)	(0.75)	(0.43)	(0.47)
Germany	(0.19)	(0.18)	(0.20)	(0.16)	(0.15)
Ireland	(0.15)	(0.26)	(0.15)	(0.13)	(0.15)
Other	(0.36)	(0.37)	(0.44)	(0.38)	(0.40)
Total Outflows	(1.36)	(1.91)	(2.54)	(2.24)	(1.99)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

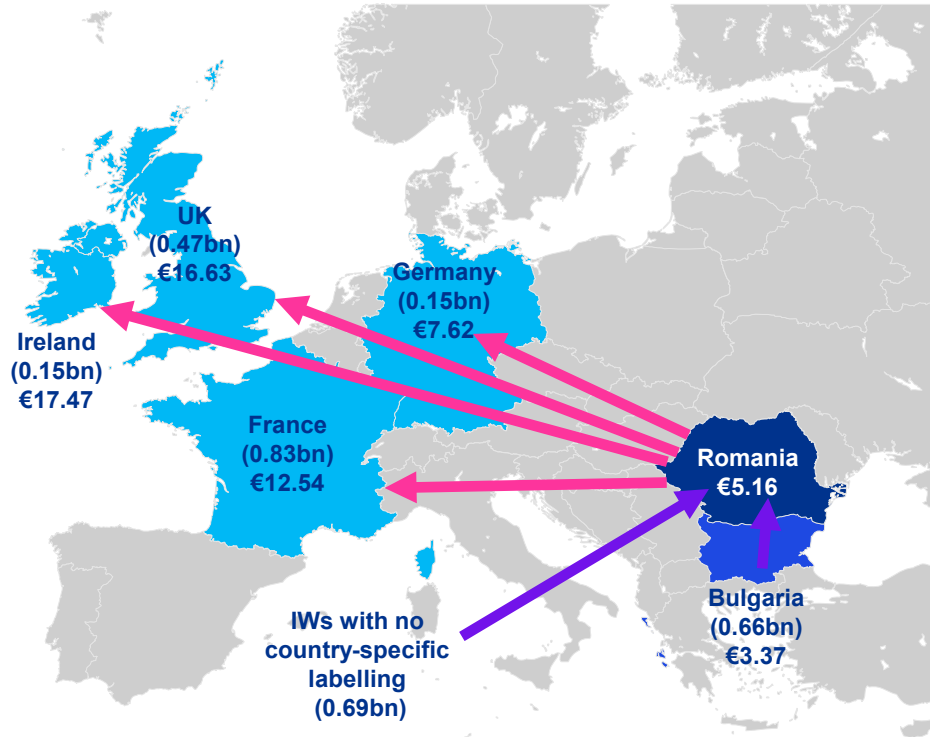
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows

Key inflows and outflows^{(1)(2)(a)}

- Romania
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack

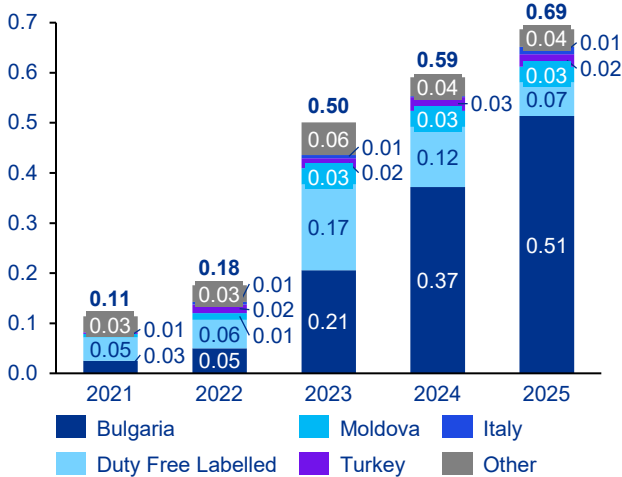


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown

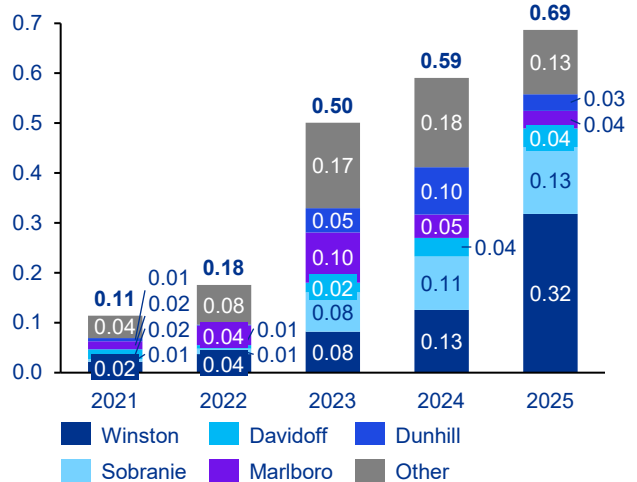
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

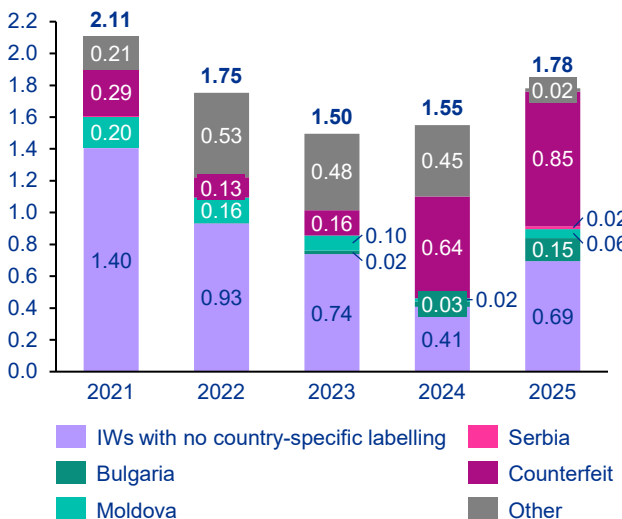


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

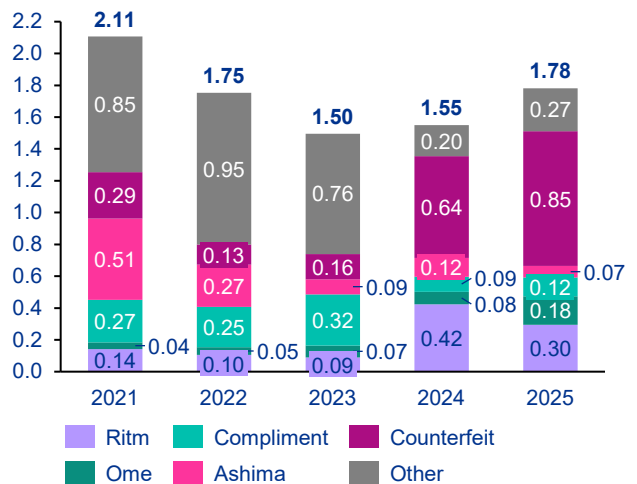


- Legal inflows (ND(L)) increased by 16% in 2025 driven by an increase in flows from Bulgaria, which were partially offset by a decline in flows of Duty Free Labelled products
- Illicit inflows (C&C) increased by 15%, driven by increasing flows from Counterfeit, flows from Bulgaria and inflows of Illicit Whites with no country-specific labelling. Flows from ‘Other’ small markets declined

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Serbia



9.9bn

Cigarettes consumed

↔ 0.00bn on 2024

0.2bn

C&C cigarettes consumed

↓ -0.10bn on 2024

1.5%

Of total consumption was C&C

↓ -0.98ppt on 2024

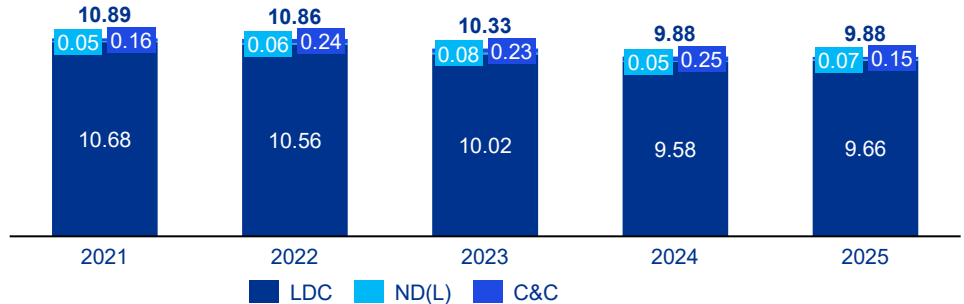
€18m

Total tax revenue lost from C&C^(c)

↓ -€14m on 2024

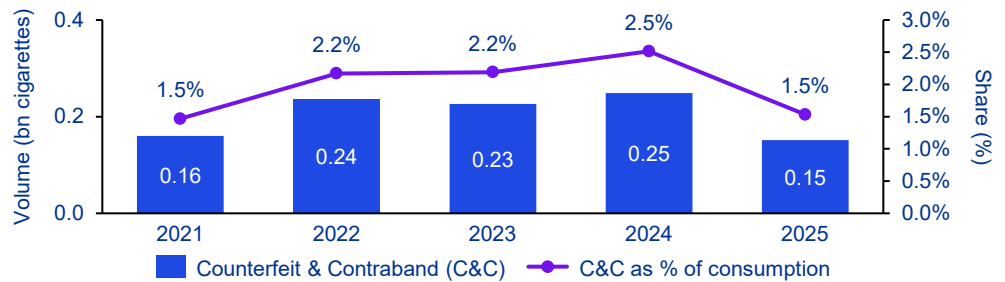
C&C cigarette consumption and total consumption

Total consumption – 2021-2025 (bn cigarettes)^{(1)(2)(a)}

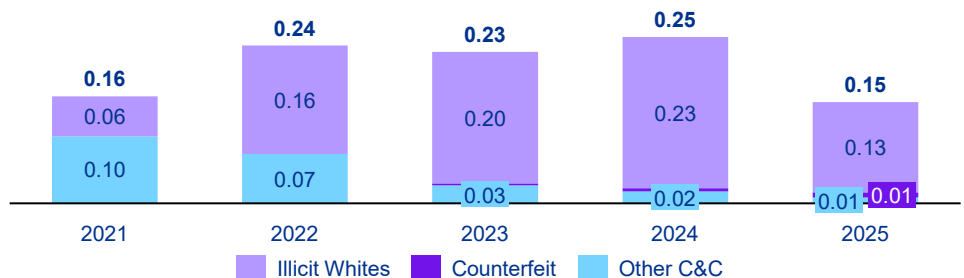


– C&C as a share of total consumption fell by 1.0 ppts to 1.5% in 2025, largely driven by a decline in Illicit Whites

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025^{(1)(2)(a)}



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)(b)}



Note: (a) ND(L) and C&C detail is only shown for years with empty pack surveys; (b) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (c) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (d) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Serbia Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	11.22	11.14	10.47	10.08	10.19	1%
Outflows	(0.53)	(0.58)	(0.45)	(0.50)	(0.53)	7%
Legal Domestic Consumption (LDC)	10.68	10.56	10.02	9.58	9.66	1%
Non-Domestic Legal (ND(L))	0.05	0.06	0.08	0.05	0.07	33%
Counterfeit and Contraband (C&C)	0.16	0.24	0.23	0.25	0.15	(39%)
Total Non-Domestic	0.21	0.30	0.31	0.30	0.22	(27%)
Total Consumption	10.89	10.86	10.33	9.88	9.88	(0%)

- Total consumption remained stable in 2025, as an increase in Legal Domestic Consumption offset a decline in Non-Domestic inflows
- Non-Domestic flows declined by 27%, with reduced inflows of Illicit Whites with no country-specific labelling and inflows from Kosovo
- Outflows increased by 7%, primarily due to increased outflows to Austria, Croatia and Romania

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Serbia					
Billion cigarettes	2021	2022	2023	2024	2025
IWs with no country-specific labelling	0.06	0.08	0.12	0.14	0.10
Kosovo	0.03	0.10	0.10	0.08	0.03
Duty Free Labelled	0.00	0.00	0.04	0.02	0.03
Other	0.12	0.11	0.06	0.05	0.05
Total Non-Domestic inflows	0.21	0.30	0.31	0.30	0.22

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Serbia					
Billion cigarettes	2021	2022	2023	2024	2025
France	(0.13)	(0.16)	(0.13)	(0.22)	(0.20)
Austria	(0.08)	(0.10)	(0.09)	(0.07)	(0.10)
Croatia	(0.02)	(0.01)	(0.02)	(0.01)	(0.05)
Germany	(0.05)	(0.05)	(0.05)	(0.05)	(0.03)
Romania	(0.00)	(0.00)	(0.01)	0.00	(0.03)
Other	(0.26)	(0.26)	(0.15)	(0.14)	(0.13)
Total Outflows	(0.53)	(0.58)	(0.45)	(0.50)	(0.53)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (c) Due to rounding, figures in the table may not sum to the totals shown

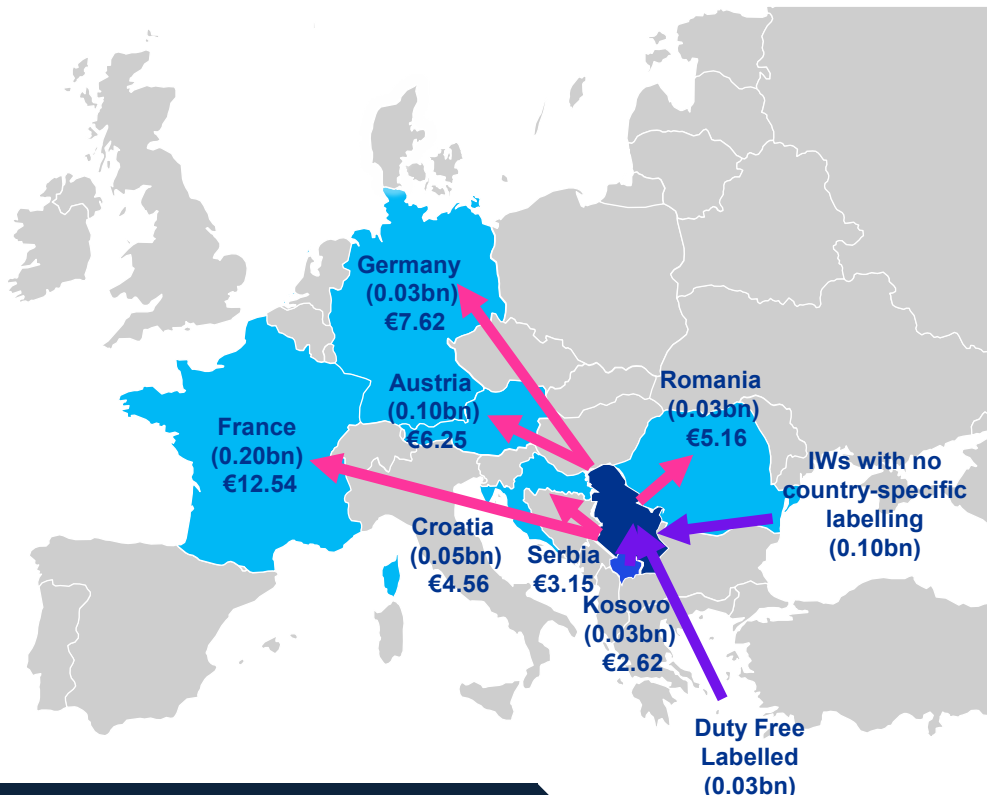
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Serbia
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by city^{(1)(b)(c)(d)}

Low → High

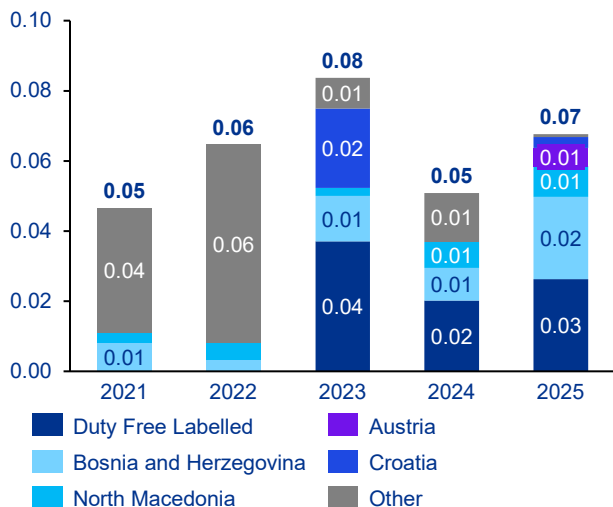


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) EPS for this country does not collate results by region; (c) C&C% by city shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the city. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the city; (d) Data not available for regions in grey

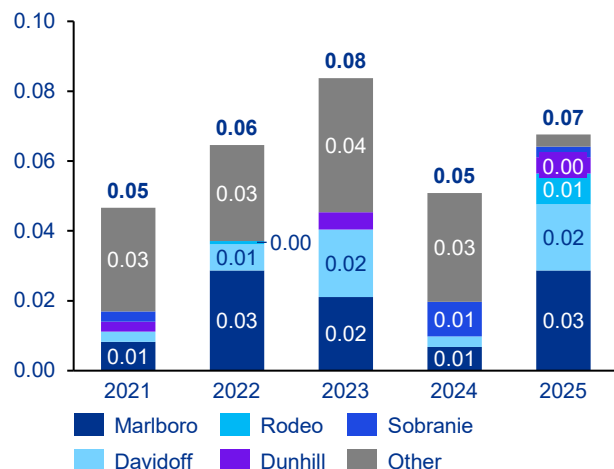
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

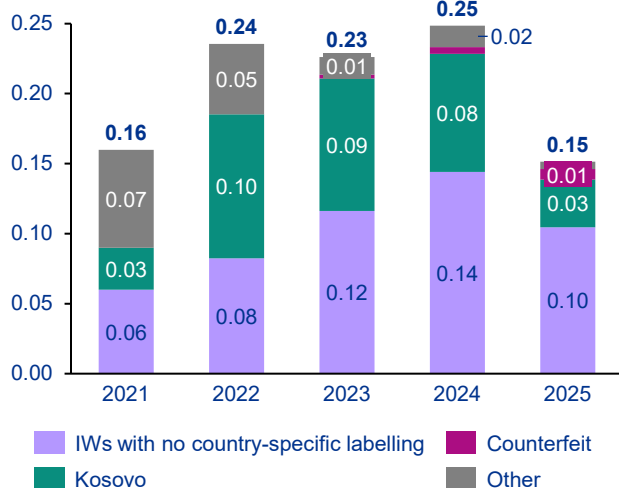


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}

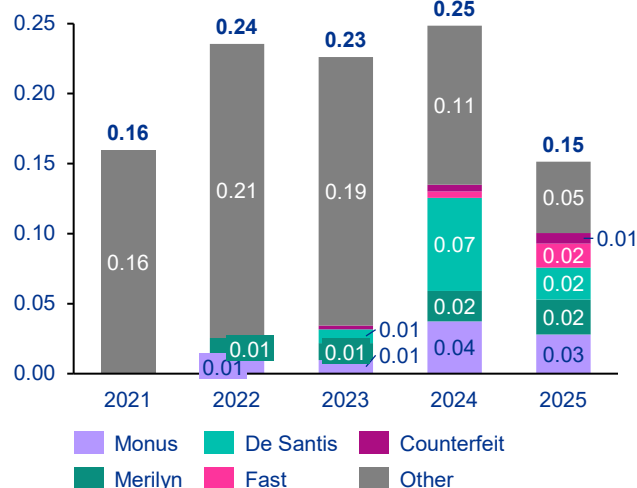


- Legal inflows (ND(L)) increased by 33% in 2025 driven by flows from Duty Free Labelled, Bosnia and Herzegovina and Austria
- Illicit inflows (C&C) declined by 39%, primarily driven by a decline in flows of Illicit Whites with no country specific labelling and flows from Kosovo

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



Note: (a) ND(L) and C&C country / brand breakdowns are only shown for the years where an empty pack survey was undertaken; (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys

Source: (1) KPMG European Flows Calculation, 2021-2025

Slovakia



C&C cigarette consumption and total consumption

5.6bn

Cigarettes consumed



-0.11bn on 2024

0.3bn

C&C cigarettes consumed



+0.02bn on 2024

5.6%

Of total consumption was C&C



+0.42ppt on 2024

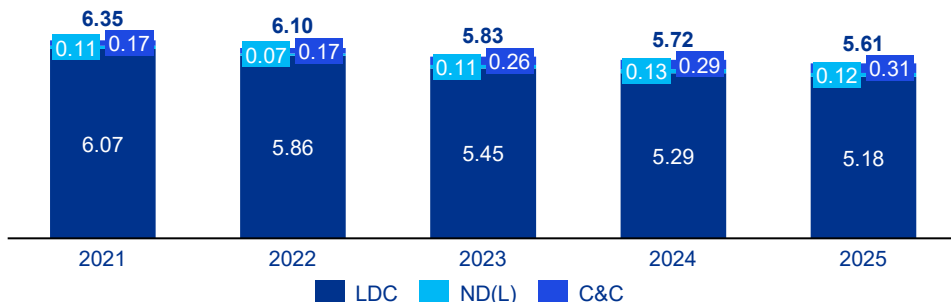
€64m

Total tax revenue lost from C&C^(b)



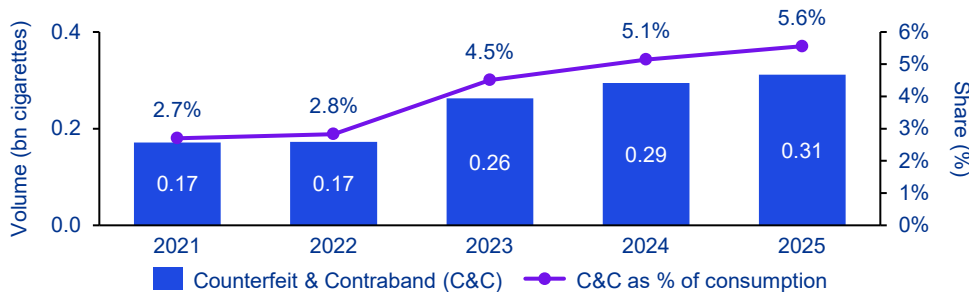
+€7m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

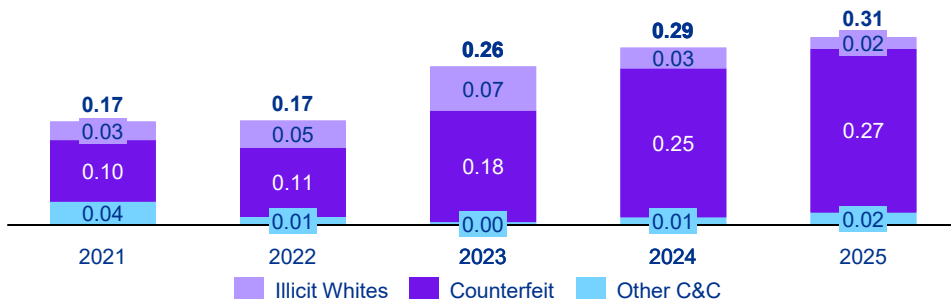


- C&C as a share of total cigarette consumption increased by 0.5ppts to 5.6% in 2025, the highest observed during the reporting period
- This increase was driven by an increase in Counterfeit and Other C&C. Flows of Illicit Whites declined

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Slovakia Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	6.36	6.17	5.87	5.59	5.38	(4%)
Outflows	(0.29)	(0.32)	(0.42)	(0.29)	(0.20)	(31%)
Legal Domestic Consumption (LDC)	6.07	5.86	5.45	5.29	5.18	(2%)
Non-Domestic Legal (ND(L))	0.11	0.07	0.11	0.13	0.12	(9%)
Counterfeit and Contraband (C&C)	0.17	0.17	0.26	0.29	0.31	6%
Total Non-Domestic	0.28	0.25	0.37	0.43	0.43	1%
Total Consumption	6.35	6.10	5.83	5.72	5.61	(2%)

- Total consumption declined by 2% in 2025 due to a decline in Legal Domestic Consumption
- Non-Domestic inflows remained largely stable in volume terms
- Outflows decreased by 31%, with a decline in outflows to all major markets excluding Austria where outflows remained flat

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Slovakia					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.10	0.11	0.18	0.25	0.27
Poland	0.01	0.02	0.03	0.03	0.03
Czech Republic	0.05	0.02	0.03	0.03	0.03
Ukraine	0.00	0.01	0.01	0.01	0.02
Other	0.11	0.08	0.12	0.11	0.09
Total Non-Domestic inflows	0.28	0.25	0.37	0.43	0.43

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Slovakia					
Billion cigarettes	2021	2022	2023	2024	2025
Austria	(0.13)	(0.12)	(0.11)	(0.10)	(0.10)
Germany	(0.06)	(0.07)	(0.04)	(0.05)	(0.04)
Czech Republic	(0.05)	(0.06)	(0.09)	(0.03)	(0.02)
Hungary	(0.01)	(0.03)	(0.10)	(0.03)	(0.01)
Other	(0.04)	(0.03)	(0.06)	(0.09)	(0.03)
Total Outflows	(0.29)	(0.32)	(0.42)	(0.29)	(0.20)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

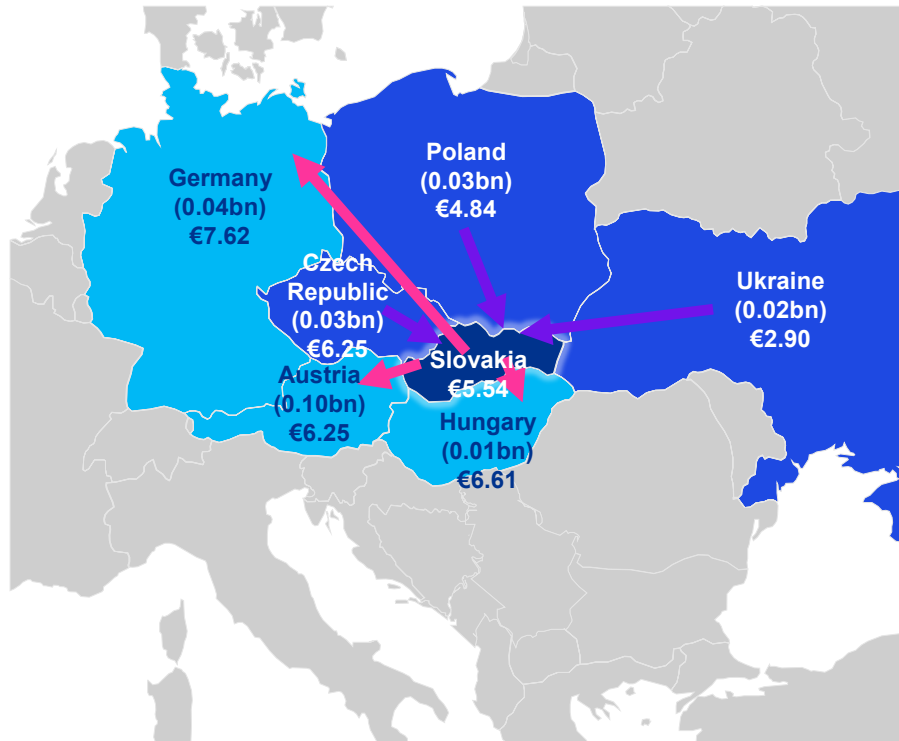
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

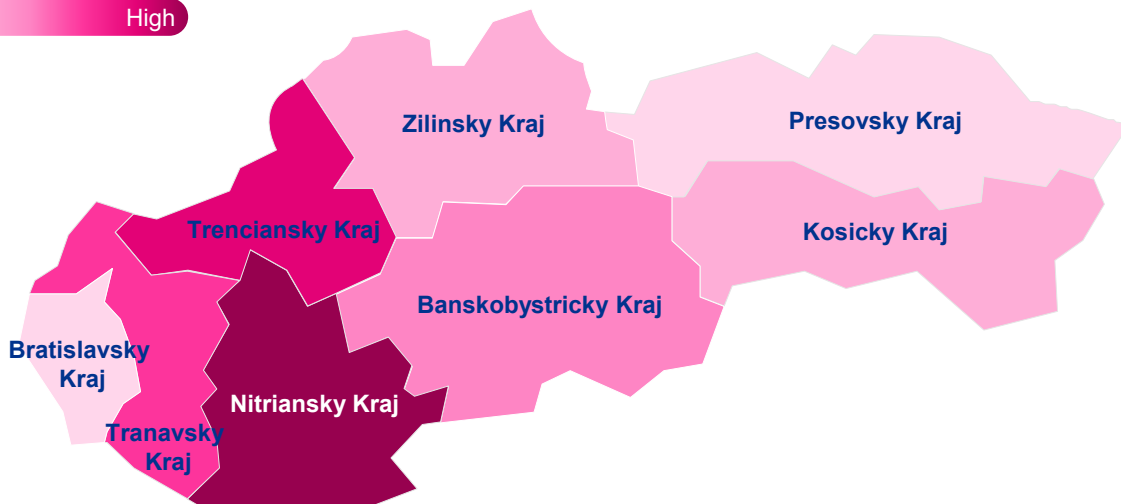
- Slovakia
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

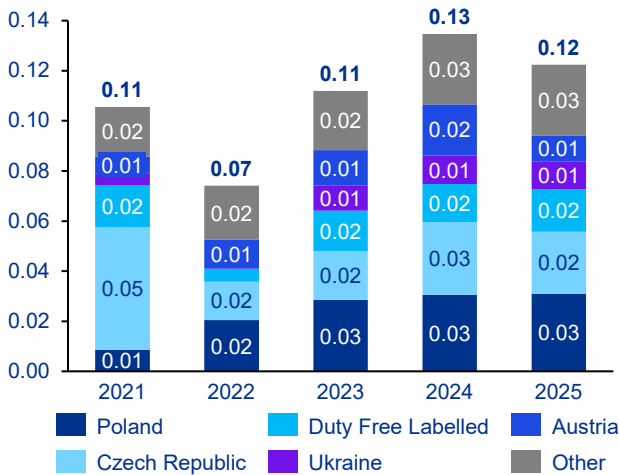


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

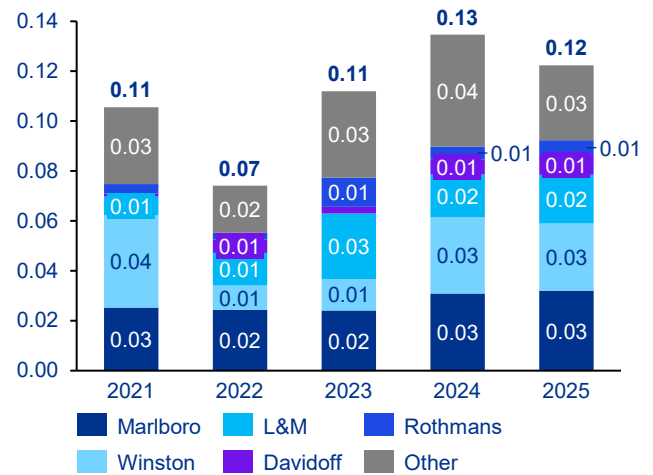
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

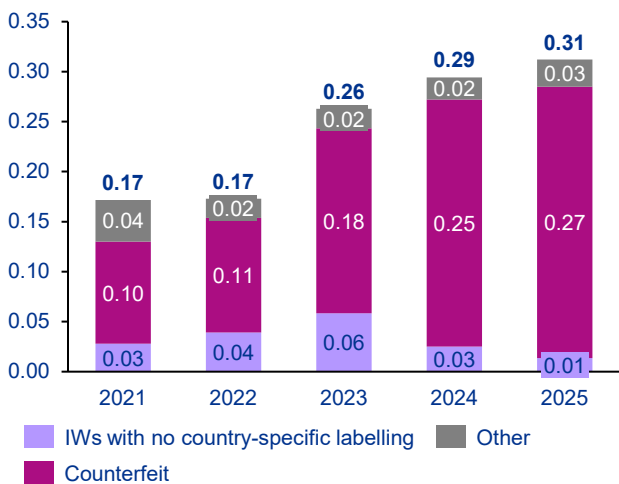


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

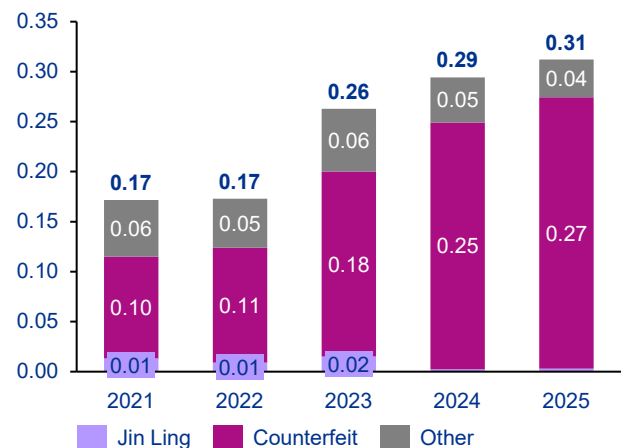


- Legal inflows(ND(L)) declined by 9%, with a decrease in flows from the Czech Republic and Austria
- Illicit (C&C) inflows increased by 6%, driven by an increase in Counterfeit and flows from ‘Other’ smaller markets. Flows of Illicit Whites with no country-specific labelling declined

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Slovenia



C&C cigarette consumption and total consumption

2.3bn

Cigarettes consumed



-0.31bn on 2024

0.2bn

C&C cigarettes consumed



-0.01bn on 2024

6.7%

Of total consumption was C&C



+0.57ppt on 2024

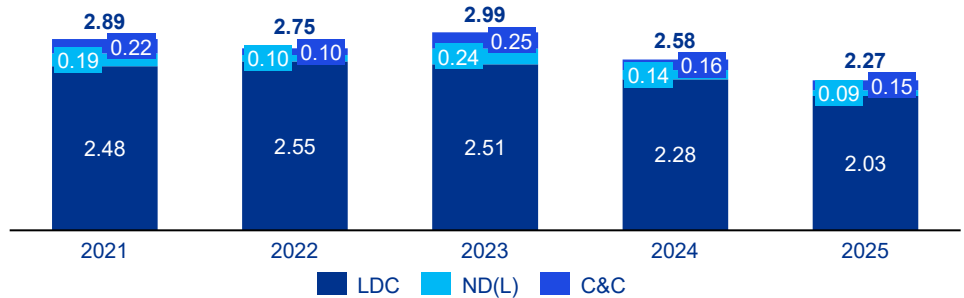
€30m

Total tax revenue lost from C&C^(b)



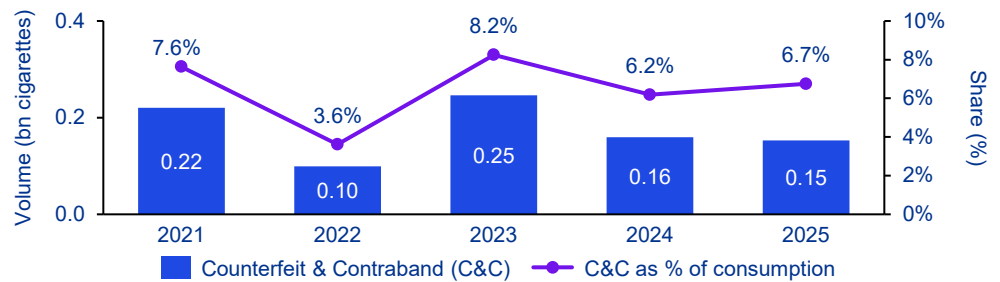
+€0.04m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

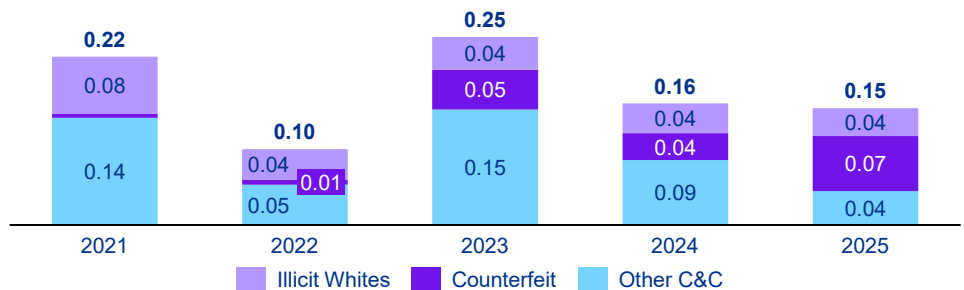


– C&C as a share of total consumption increased by 0.6ppts to 6.7% in 2025, with an increase in Counterfeit offset by a decline in Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Slovenia Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	3.19	3.33	3.06	2.88	2.70	(6%)
Outflows	(0.71)	(0.78)	(0.56)	(0.60)	(0.67)	12%
Legal Domestic Consumption (LDC)	2.48	2.55	2.51	2.28	2.03	(11%)
Non-Domestic Legal (ND(L))	0.19	0.10	0.24	0.14	0.09	(38%)
Counterfeit and Contraband (C&C)	0.22	0.10	0.25	0.16	0.15	(4%)
Total Non-Domestic	0.41	0.20	0.48	0.30	0.24	(20%)
Total Consumption	2.89	2.75	2.99	2.58	2.27	(12%)

- Total consumption decreased by 12% with a decline in Legal Domestic Consumption and Non-Domestic inflows
- Non-Domestic inflows declined by 20%, primarily due to a decrease in flows from Bosnia and Herzegovina and 'Other' smaller markets
- Outflows increased by 12% driven by an increase in flows to Italy and Austria

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Slovenia					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.00	0.01	0.05	0.04	0.07
Croatia	0.06	0.02	0.06	0.06	0.06
Bosnia and Herzegovina	0.05	0.02	0.06	0.05	0.03
Kosovo	0.02	0.02	0.02	0.02	0.03
Serbia	0.03	0.01	0.02	0.02	0.01
Other	0.26	0.12	0.27	0.11	0.04
Total Non-Domestic inflows	0.41	0.20	0.48	0.30	0.24

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Slovenia					
Billion cigarettes	2021	2022	2023	2024	2025
Italy	(0.32)	(0.46)	(0.26)	(0.34)	(0.38)
Austria	(0.24)	(0.20)	(0.19)	(0.18)	(0.22)
Other	(0.14)	(0.12)	(0.11)	(0.08)	(0.07)
Total Outflows	(0.71)	(0.78)	(0.56)	(0.60)	(0.67)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Slovenia
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

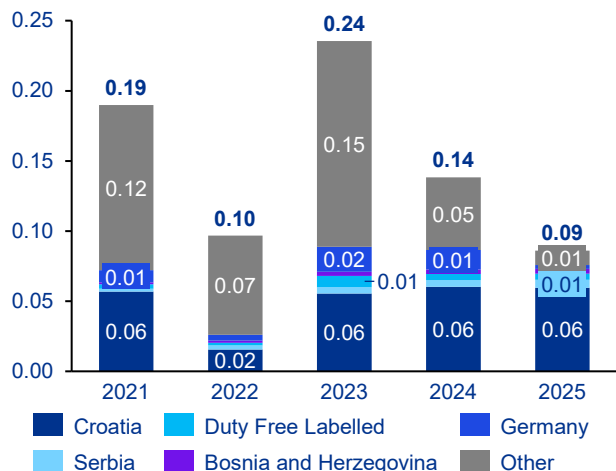


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

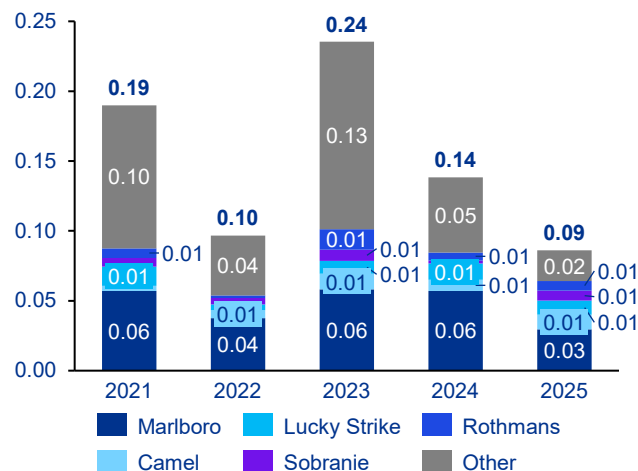
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

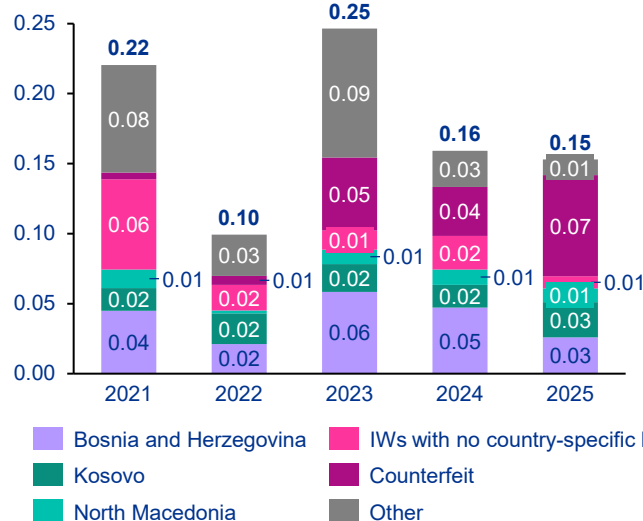


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

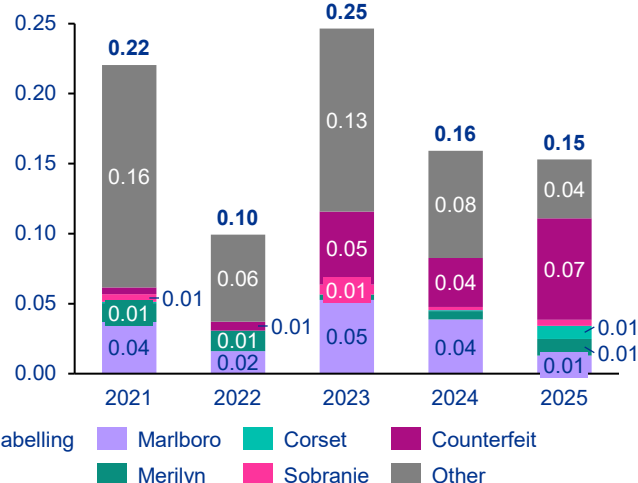


- Legal flows (ND(L)) decreased by 38% in 2025, primarily driven by a decrease in legal flows from ‘Other’ smaller source markets
- Illicit flows (C&C) declined by 4%. An increase in flows of Counterfeit and flows from Kosovo were offset by declines in flows from Bosnia and Herzegovina, ‘Other’ small markets and Illicit Whites with no country-specific labelling

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Spain



C&C cigarette consumption and total consumption

39.9bn

Cigarettes consumed

1.4bn

C&C cigarettes consumed

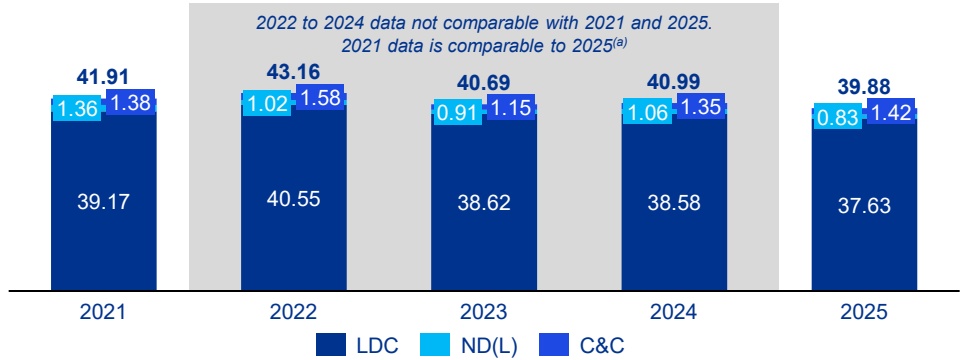
3.6%

Of total consumption was C&C

€284m

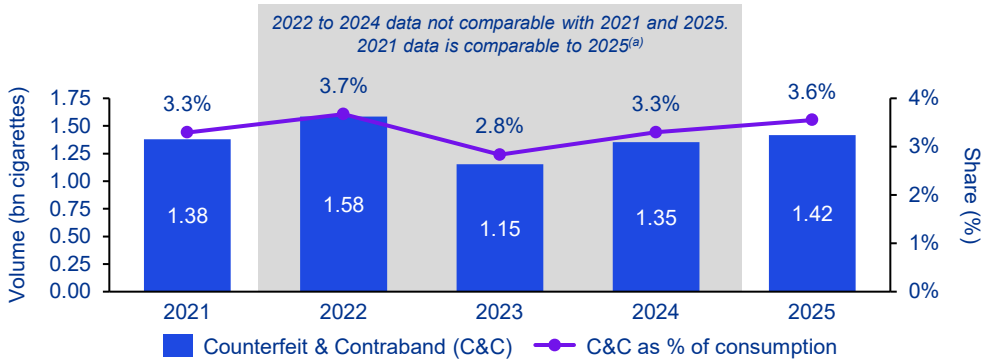
Total tax revenue lost from C&C^(c)

Total consumption – 2021-2025 (bn cigarettes)^{(1)(2)(a)}

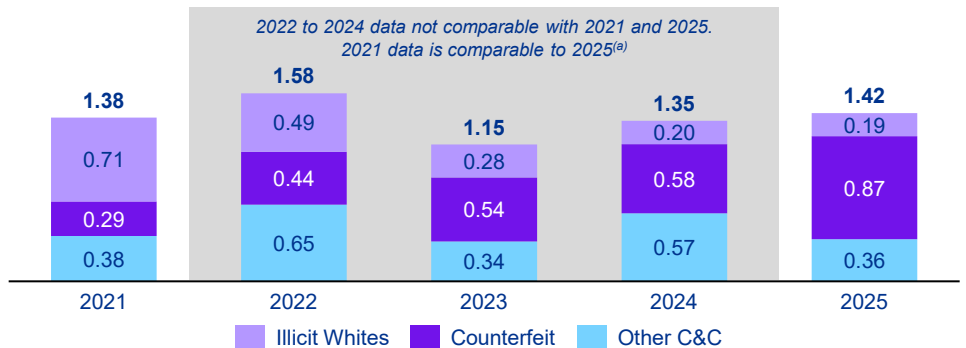


- C&C formed 3.6% of total cigarette consumption in 2025
- The majority of C&C in 2025 was comprised of Counterfeit

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025^{(1)(2)(a)}



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)(b)}



Note: (a) Due to the provision of additional data on the origins of packs collected in the EPS in 2025, which was not available in 2022, 2023 and 2024, the trends depicted between 2022 and 2024 above are not directly comparable with 2021 and 2025. As a result year-on-year comparators are excluded (b) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (c) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (d) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)(c)}

Total Spain Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	42.12	43.79	42.54	42.95	42.04	(2%)
Outflows	(2.95)	(3.24)	(3.92)	(4.37)	(4.41)	1%
Legal Domestic Consumption (LDC)	39.17	40.55	38.62	38.58	37.63	(2%)
Non-Domestic Legal (ND(L))	1.36	1.02	0.91	1.06	0.83	
Counterfeit and Contraband (C&C)	1.38	1.58	1.15	1.35	1.42	
Total Non-Domestic	2.74	2.61	2.07	2.41	2.25	
Total Consumption	41.91	43.16	40.69	40.99	39.88	

- In 2025, additional data was made available which illustrated a proportion of packs collected in the empty pack survey that were classified as being of unspecified origin in 2022 to 2024 originated from Gibraltar, and that some of these packs were Counterfeit in 2025. This additional information impacts total consumption and Non-Domestic trends between 2021 and 2025. Consequently, the trends depicted between 2022 and 2024 above are not directly comparable with the results in 2021 and 2025^(c)
- Had this additional data been available in 2024, we estimate that inflows from Gibraltar would have increased by ~20% in 2025, a much lower increase than the evolution indicated in the table below
- Outflows increased marginally in 2025. Declining outflows to France were offset by increased flows to 'Other' markets

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)(c)}

Non-Domestic inflows to Spain					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.29	0.44	0.54	0.58	0.87
Gibraltar	1.19	0.30	0.13	0.18	0.61
Duty Free Labelled	0.11	0.17	0.24	0.22	0.24
IWs with no country-specific labelling	0.65	0.46	0.22	0.16	0.10
Unspecified	0.06	0.52	0.28	0.53	0.01
Other	0.44	0.71	0.65	0.74	0.42
Total Non-Domestic inflows	2.74	2.61	2.07	2.41	2.25

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Spain					
Billion cigarettes	2021	2022	2023	2024	2025
France	(2.56)	(2.62)	(3.23)	(3.36)	(3.25)
Netherlands	(0.05)	(0.07)	(0.13)	(0.41)	(0.40)
Other	(0.34)	(0.55)	(0.56)	(0.59)	(0.76)
Total Outflows	(2.95)	(3.24)	(3.92)	(4.37)	(4.41)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown (c) The provision of additional origin and Counterfeit data in 2025 was due to additional manufacturer analysis on the origin and Counterfeit share of packs collected in the 2025 empty pack survey. As a result, the Non-Domestic and total consumption trends depicted between 2022 and 2024 above are not directly comparable with 2021 and 2025, and year-on-year comparators are excluded. Refer to the methodology section of the report for further details

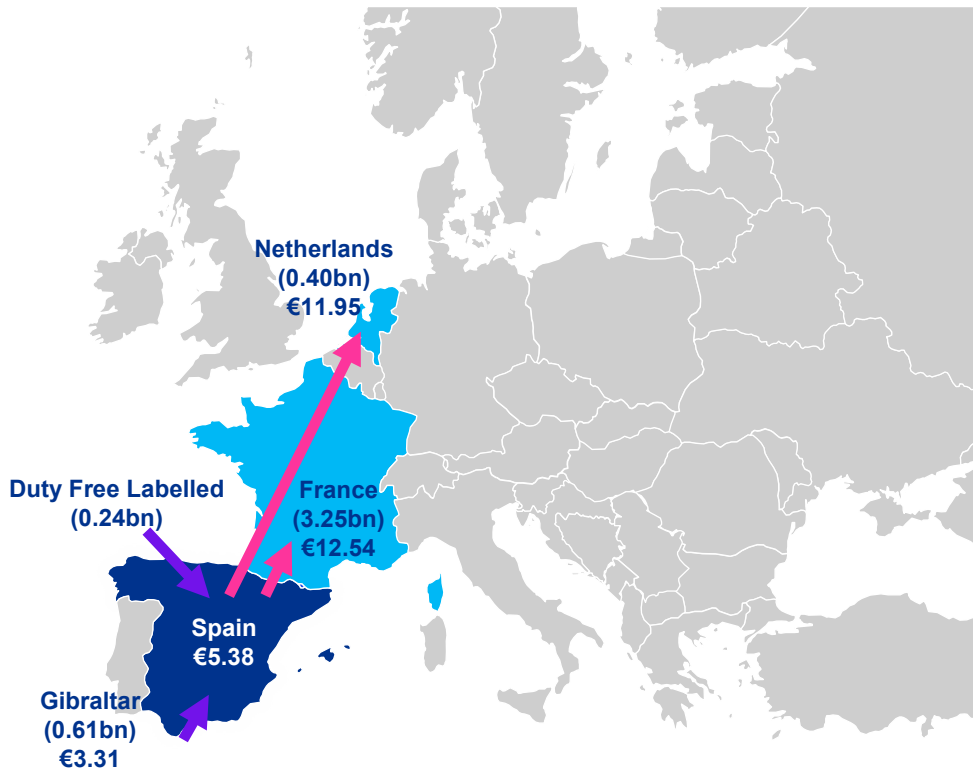
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Spain
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

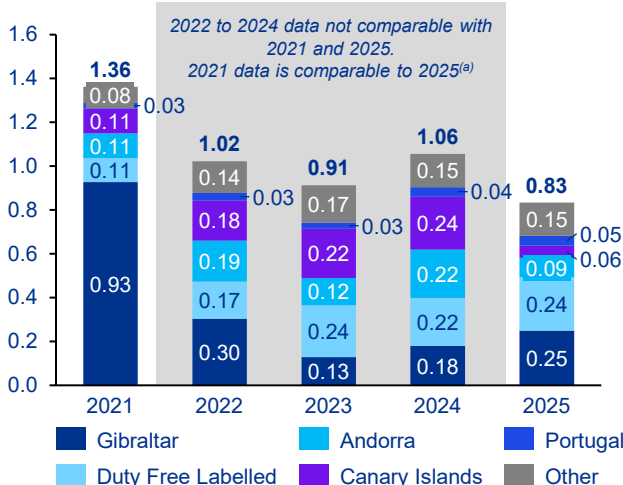


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

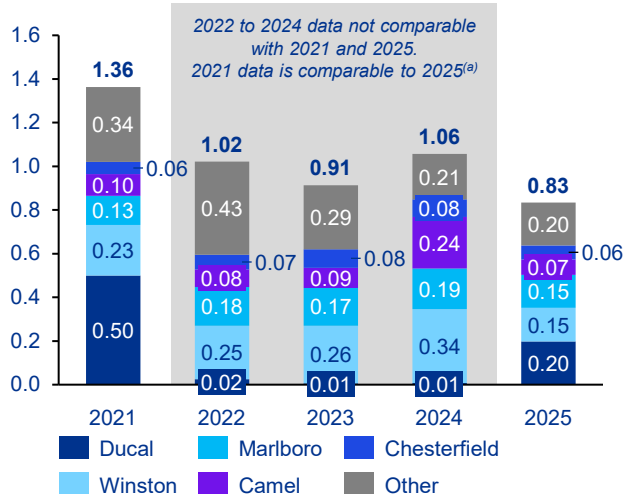
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}

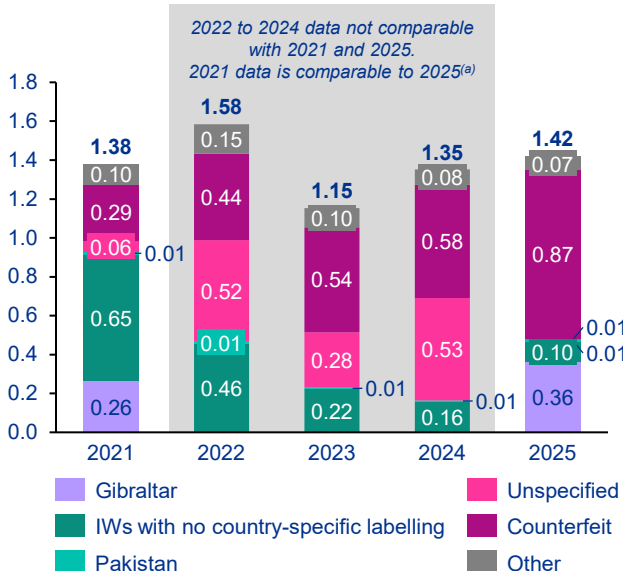


ND(L) by brand – 2021-2025
(bn cigarettes)^{(1)(a)}

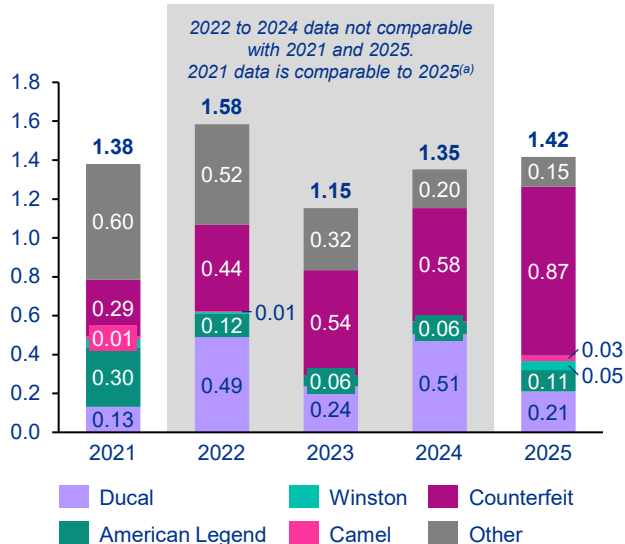


- The largest legal flows (ND(L)) in 2025 were from Gibraltar and Duty Free labelled
- The decline in ND(L) flows from the Canary Islands in 2025 appears to be illustrative of a high share of Canary Islands packs in the second 2024 Spanish empty pack survey, conducted between October and November 2024^(c)
- Illicit inflows (C&C) in 2025 were primarily comprised of Counterfeit and flows from Gibraltar
- Counterfeit volumes represented ~61% of illicit consumption in 2025

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



Note: (a) Due to the provision of additional data on the origins of packs collected in the EPS in 2025, which was not available in 2022, 2023 and 2024, the trends depicted between 2022 and 2024 above are not directly comparable with 2021 and 2025 (b) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys (c) Two empty pack surveys were conducted in Spain in 2024 across Q2 (April and May 2024) and Q4 (October and November 2024), with a higher share of packs from the Canary Islands recorded in the Q4 survey. Illustratively, were the share of Canary Islands packs to be more in line with the share recorded in Q2 2024 (April and May 2024) and Q2 2025 (April and May 2025), we estimate ND(L) from the Canary Islands would have been approximately 0.14bn cigarettes in 2024 vs the 0.24bn cigarettes in 2024 stated above. Note that flows from the Canary Islands are not subject to the same non-comparability issues as noted for Gibraltar flows on prior pages

Source: (1) KPMG European Flows Calculation, 2021-2025

Sweden



C&C cigarette consumption and total consumption

3.8bn

Cigarettes consumed



-0.68bn on 2024

0.2bn

C&C cigarettes consumed



-0.14bn on 2024

6.3%

Of total consumption was C&C



-2.10ppts on 2024

€62m

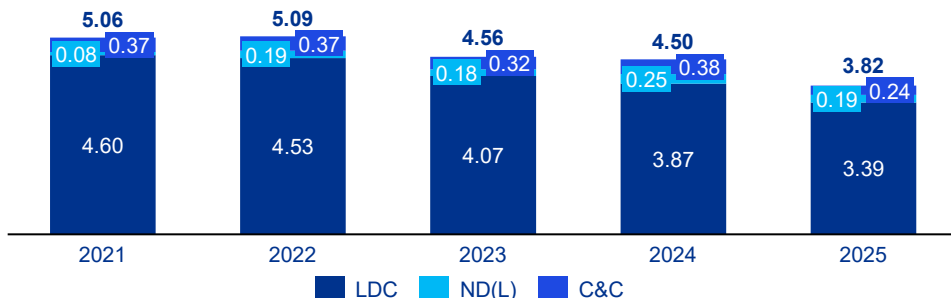
(SEK679m)⁽³⁾

Total tax revenue lost from C&C^(b)



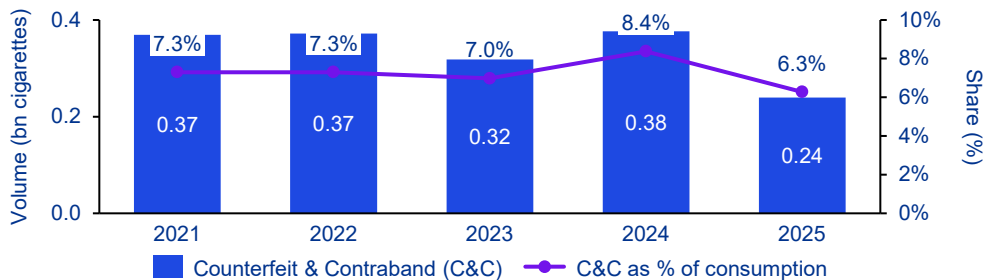
-€30m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

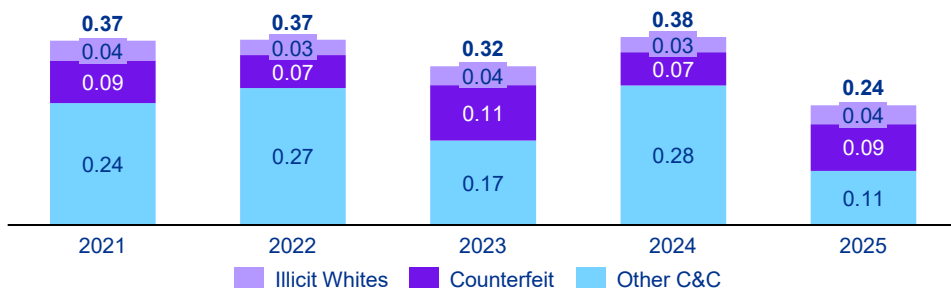


- C&C as a share of total cigarette consumption declined by 2.1ppts to 6.3% in 2025, the lowest share observed during the reporting period
- The decline was driven by a decrease in Other C&C. Counterfeit and Illicit Whites increased, albeit to a lesser extent

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = SEK 10.995, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Sweden Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	4.79	4.79	4.46	4.28	3.94	(8%)
Outflows	(0.18)	(0.26)	(0.39)	(0.41)	(0.55)	34%
Legal Domestic Consumption (LDC)	4.60	4.53	4.07	3.87	3.39	(12%)
Non-Domestic Legal (ND(L))	0.08	0.19	0.18	0.25	0.19	(24%)
Counterfeit and Contraband (C&C)	0.37	0.37	0.32	0.38	0.24	(36%)
Total Non-Domestic	0.45	0.56	0.49	0.63	0.43	(31%)
Total Consumption	5.06	5.09	4.56	4.50	3.82	(15%)

- Total consumption declined by 15% in 2025, driven by a decrease in both Legal Domestic Consumption and Non-Domestic inflows
- Non-Domestic inflows declined by 31% as flows of Duty Free Labelled cigarettes and flows from Poland and 'Other' smaller markets decreased. However, flows from Counterfeit, Mongolia and Belarus increased.
- Outflows increased by 34%, driven by increasing outflows to Norway and 'Other' smaller markets

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Sweden					
Billion cigarettes	2021	2022	2023	2024	2025
Duty Free Labelled	0.07	0.15	0.10	0.16	0.10
Counterfeit	0.09	0.07	0.11	0.07	0.09
Poland	0.07	0.09	0.06	0.09	0.02
Mongolia	0.00	0.00	0.01	0.01	0.02
Belarus	0.03	0.00	0.00	0.00	0.02
Other	0.20	0.24	0.21	0.31	0.18
Total Non-Domestic inflows	0.45	0.56	0.49	0.63	0.43

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Sweden					
Billion cigarettes	2021	2022	2023	2024	2025
Norway	(0.09)	(0.17)	(0.22)	(0.28)	(0.38)
Denmark	(0.07)	(0.05)	(0.10)	(0.07)	(0.07)
Other	(0.02)	(0.04)	(0.07)	(0.06)	(0.10)
Total Outflows	(0.18)	(0.26)	(0.39)	(0.41)	(0.55)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

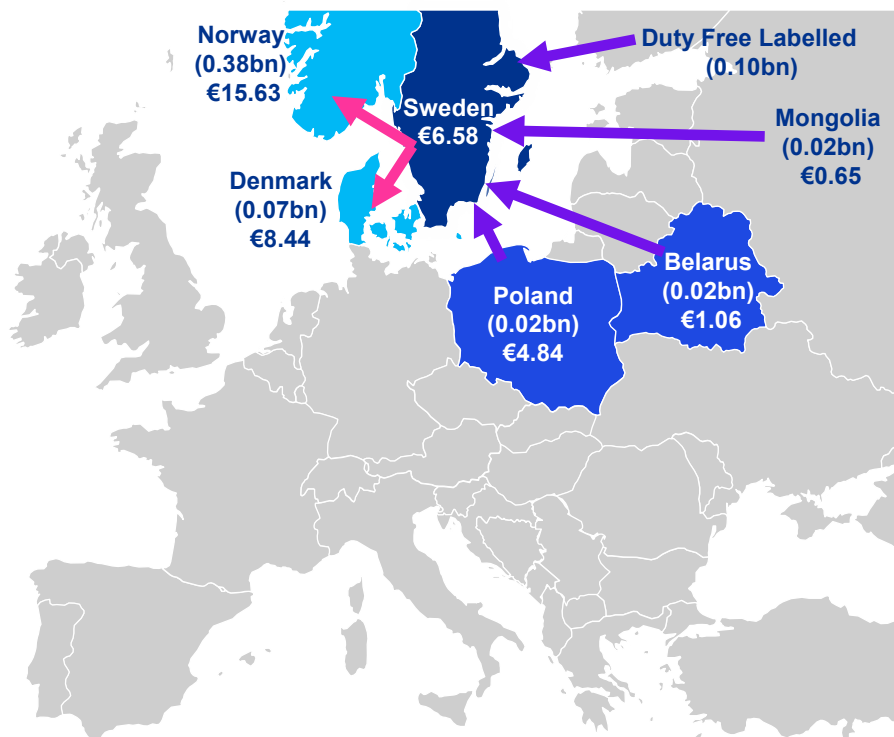
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

- Sweden
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
 Country (Inflow/
 Outflow Volume)
 Weighted Average
 Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

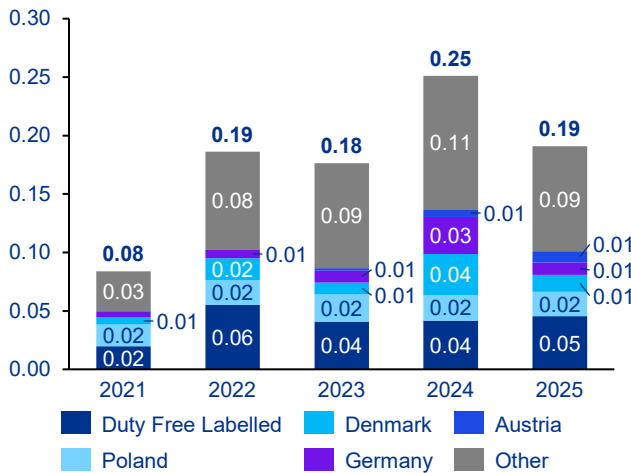


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

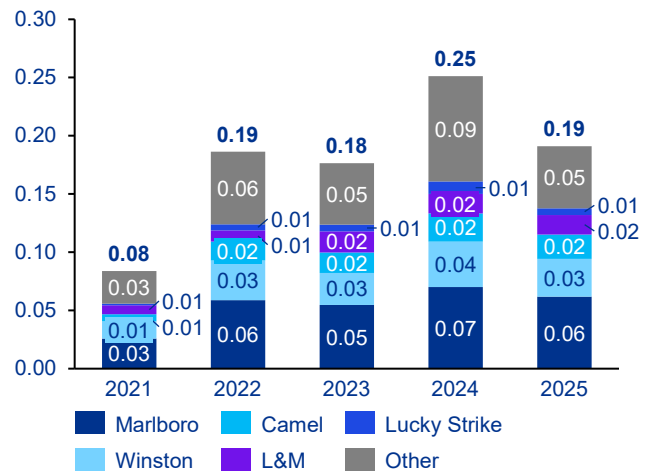
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

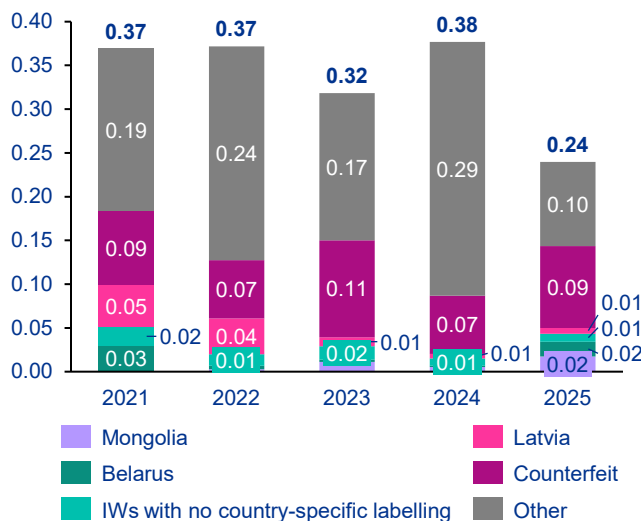


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

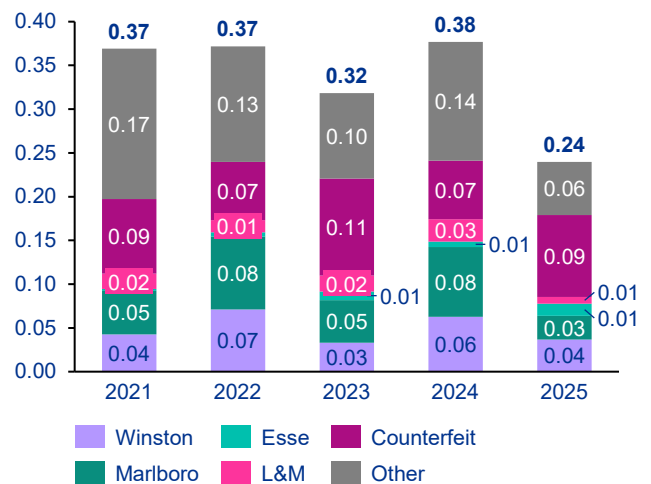


- Legal flows (ND(L)) declined by 24% in 2025 as flows from Denmark, Germany and ‘Other’ smaller markets reduced
- Illicit flows (C&C) decreased by 36%, primarily driven by a decrease in flows from ‘Other’ smaller markets . However, there were increased inflows of Counterfeit and flows from Belarus and Mongolia

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Switzerland



C&C cigarette consumption and total consumption

8.3bn

Cigarettes consumed



-0.30bn on 2024

0.2bn

C&C cigarettes consumed



-0.07bn on 2024

2.8%

Of total consumption was C&C



-0.67ppt on 2024

€66m

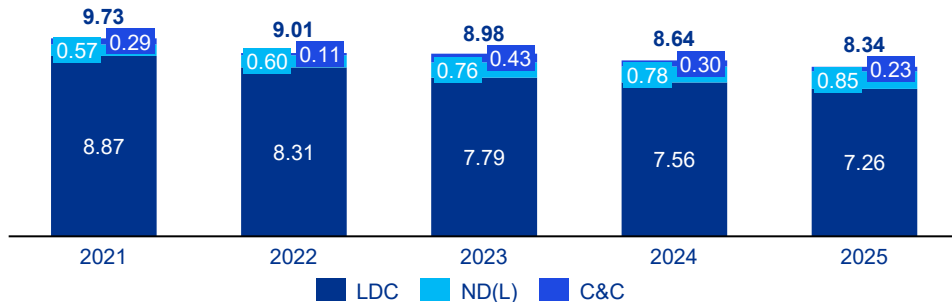
(CHF62m)⁽³⁾

Total tax revenue lost from C&C^(b)



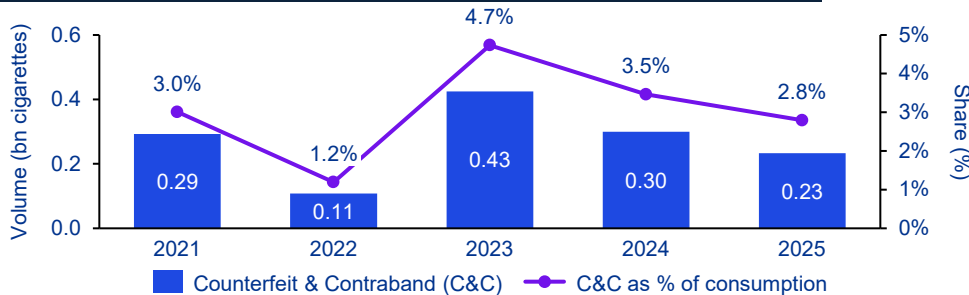
-€16.3m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

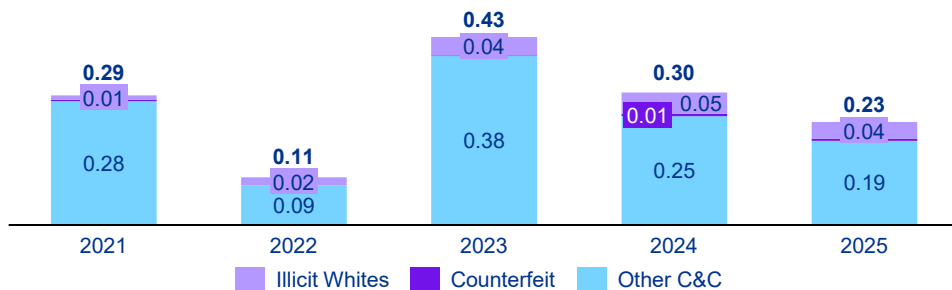


- C&C as a share of total consumption declined by 0.7ppts in 2025 to 2.8%
- All categories of illicit consumption declined, with the largest decline within Other C&C

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = CHF 0.938, InfoEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total Switzerland Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	8.94	8.46	7.99	7.78	7.51	(4%)
Outflows	(0.07)	(0.15)	(0.20)	(0.23)	(0.25)	12%
Legal Domestic Consumption (LDC)	8.87	8.31	7.79	7.56	7.26	(4%)
Non-Domestic Legal (ND(L))	0.57	0.60	0.76	0.78	0.85	8%
Counterfeit and Contraband (C&C)	0.29	0.11	0.43	0.30	0.23	(22%)
Total Non-Domestic	0.87	0.71	1.19	1.08	1.08	0%
Total Consumption	9.73	9.01	8.98	8.64	8.34	(3%)

- Total cigarette consumption declined by 3% in 2025, driven by a decrease in Legal Domestic Sales
- Non-Domestic inflows remained largely stable overall in 2025. Increased flows of Duty Free Labelled cigarettes and flows from Spain increased, and were offset by declining flows from Germany, Italy, Kosovo and 'Other' smaller markets
- Outflows increased by 12%, driven by an increase in flows to Germany and Italy

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to Switzerland					
Billion cigarettes	2021	2022	2023	2024	2025
Duty Free Labelled	0.22	0.27	0.39	0.35	0.41
Germany	0.10	0.09	0.04	0.14	0.12
Italy	0.07	0.07	0.10	0.10	0.08
Kosovo	0.07	0.03	0.06	0.08	0.07
Spain	0.04	0.02	0.04	0.03	0.06
Other	0.36	0.22	0.56	0.38	0.34
Total Non-Domestic inflows	0.87	0.71	1.19	1.08	1.08

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from Switzerland					
Billion cigarettes	2021	2022	2023	2024	2025
Germany	(0.02)	(0.03)	(0.04)	(0.06)	(0.08)
France	(0.02)	(0.03)	(0.04)	(0.06)	(0.06)
Netherlands	(0.01)	(0.02)	(0.03)	(0.03)	(0.03)
Italy	(0.02)	(0.03)	(0.03)	(0.01)	(0.03)
Other	(0.02)	(0.04)	(0.06)	(0.06)	(0.06)
Total Outflows	(0.07)	(0.15)	(0.20)	(0.23)	(0.25)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

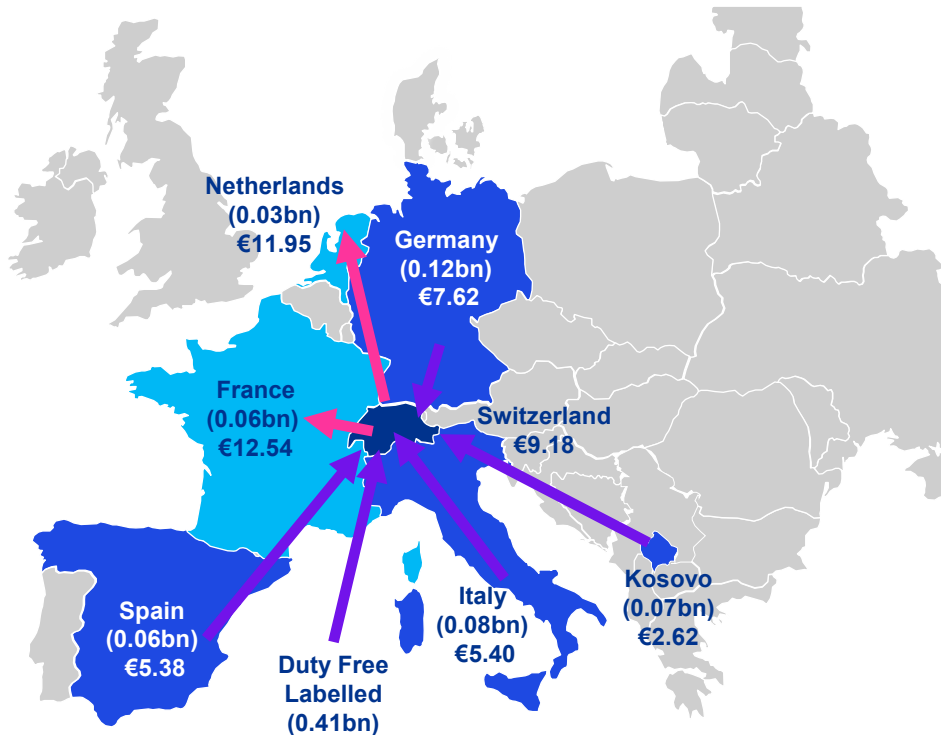
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

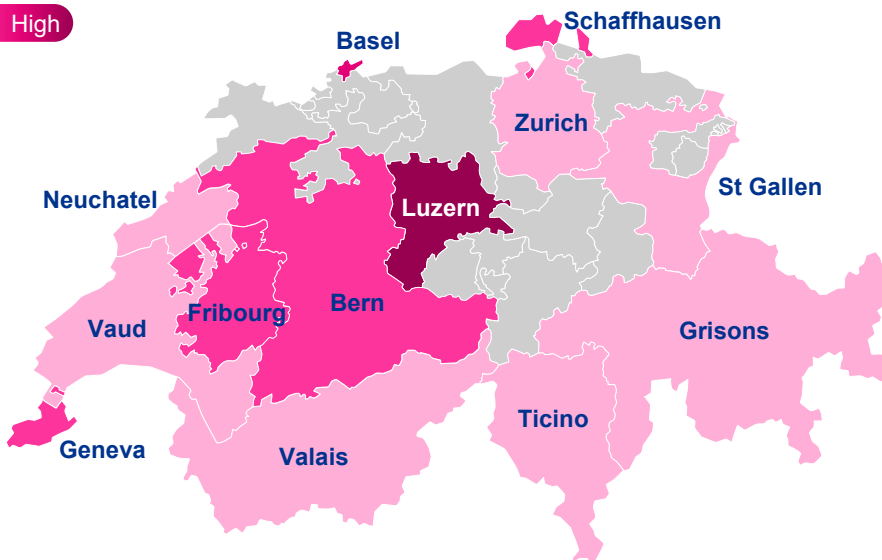
- Switzerland
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
Country (Inflow/
Outflow Volume)
Weighted Average
Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

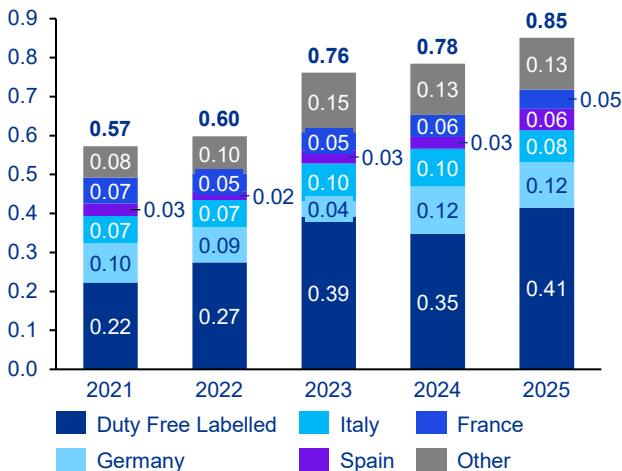


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

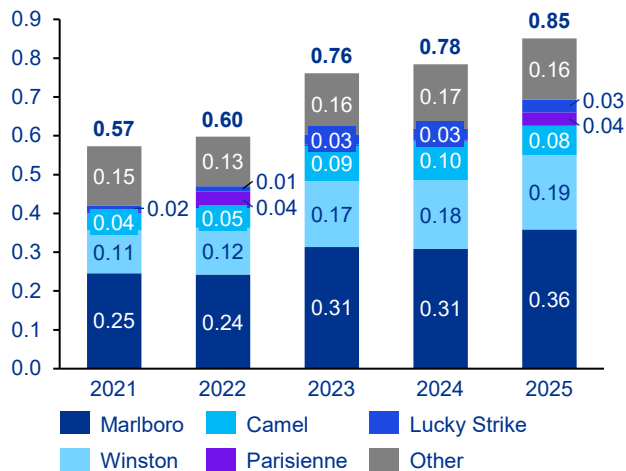
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

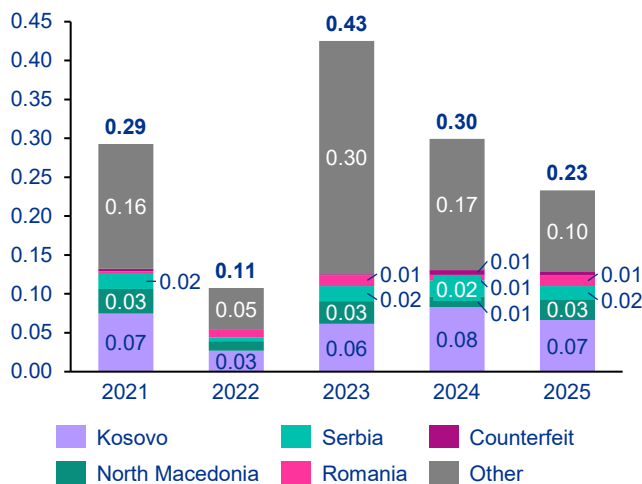


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

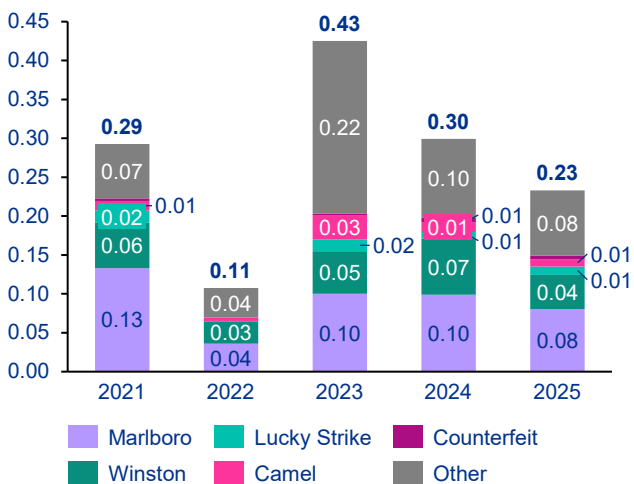


- Legal flows (ND(L)) increased by 8% in 2025, driven by increasing flows of Duty Free Labelled cigarettes and flows from Spain
- Illicit flows (C&C) declined by 22% in 2025, primarily due to reduced flows from ‘Other’ smaller markets

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Ukraine



C&C cigarette consumption and total consumption

31.9bn

Cigarettes consumed



-5.29bn on 2024

5.1bn

C&C cigarettes consumed



-0.91bn on 2024

15.9%

Of total consumption was C&C



-0.20ppt on 2024

€568m

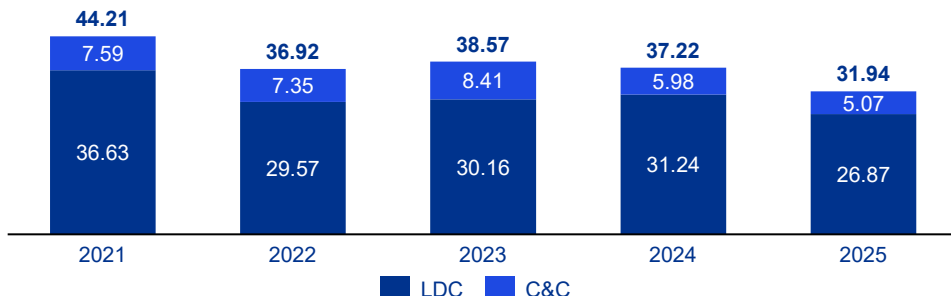
(UAH27,808m)⁽³⁾

Total tax revenue lost from C&C^(c)



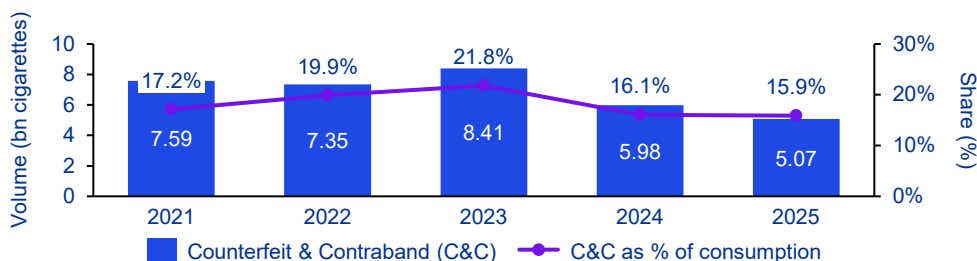
+€101m on 2024

Total measured consumption – 2021-2025 (bn cigarettes)^{(1)(2)(a)}

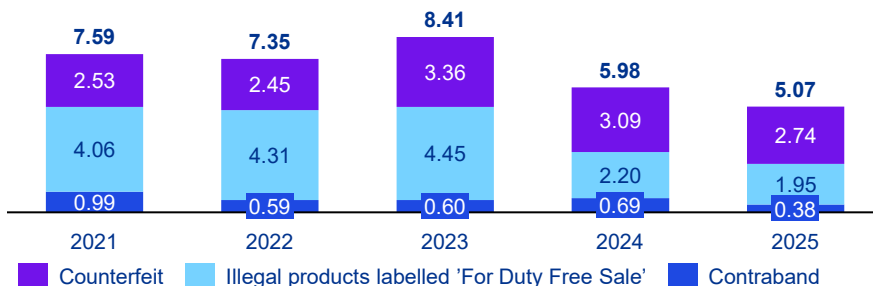


– C&C as a share of total cigarette consumption decreased by 0.2ppts to 15.9% in 2025

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(b)}



Note: (a) Pack swap survey data for Ukraine does not contain information regarding the origin of packs collected. Therefore, Non-Domestic Legal (ND(L)) inflows cannot be estimated. Refer to the Methodology section for further details; (b) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (c) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (d) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = UAH 48,992, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total measured manufactured cigarette consumption – 2021-2025^{(1)(2)(a)(c)}

Total measured Ukraine Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	37.50	30.27	30.54	31.62	27.21	(14%)
Outflows	(0.87)	(0.71)	(0.38)	(0.39)	(0.34)	(11%)
Legal Domestic Consumption (LDC)	36.63	29.57	30.16	31.24	26.87	(14%)
Non-Domestic Legal (ND(L)) ^(a)	n/a	n/a	n/a	n/a	n/a	n/a
Counterfeit and Contraband (C&C)	7.59	7.35	8.41	5.98	5.07	(15%)
Total Non-Domestic	7.59	7.35	8.41	5.98	5.07	(15%)
Total Measured Consumption	44.21	36.92	38.57	37.22	31.94	(14%)

- Total cigarette consumption declined by 14% in 2025, driven by a decline in Legal Domestic Sales and a smaller decline in Non-Domestic inflows
- Non-Domestic inflows decreased by 15% in 2025, with decreases across all sources
- Outflows decreased by 11%, as flows to Poland, Czech Republic and 'Other' smaller markets declined, but were partially offset by increased flows to Germany and Slovakia

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)(c)}

Non-Domestic inflows to Ukraine					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	2.53	2.45	3.36	3.09	2.74
Illegal products labelled 'For Duty Free Sale'	4.06	4.31	4.45	2.20	1.95
Contraband	0.99	0.59	0.60	0.69	0.38
Total Non-Domestic inflows	7.59	7.35	8.41	5.98	5.07

Total outflows by destination – 2021-2025^{(1)(b)(c)}

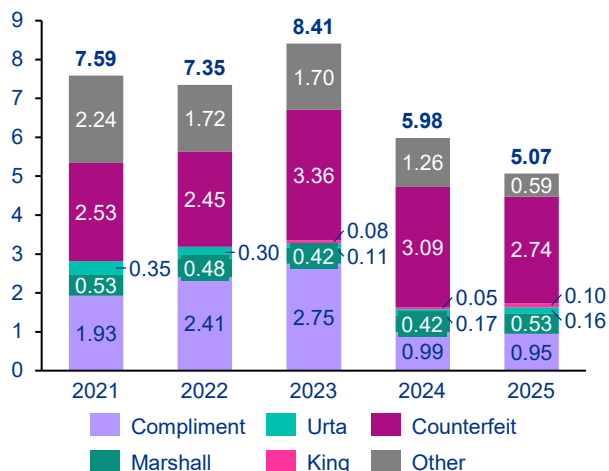
Outflows from Ukraine					
Billion cigarettes	2021	2022	2023	2024	2025
Poland	(0.34)	(0.22)	(0.08)	(0.16)	(0.15)
Czech Republic	(0.06)	(0.05)	(0.08)	(0.06)	(0.05)
Germany	(0.09)	(0.07)	(0.05)	(0.03)	(0.04)
France	(0.17)	(0.18)	(0.02)	(0.02)	(0.02)
Slovakia	(0.00)	(0.01)	(0.01)	(0.01)	(0.02)
Other	(0.21)	(0.19)	(0.14)	(0.11)	(0.06)
Total Outflows	(0.87)	(0.71)	(0.38)	(0.39)	(0.34)

Note: (a) Pack swap survey data for Ukraine does not contain information regarding the origin of packs collected. Therefore, inflows to Ukraine have not been broken down by origin and ND(L) inflows cannot be estimated. Refer to the Methodology section for further details; (b) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (c) Due to rounding, figures in the table may not sum to the totals shown

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

C&C flows

C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)(b)}



- Illicit consumption (C&C) declined by 15% in 2025, primarily driven by a decline in flows of Counterfeit, Compliment and ‘Other’ smaller brands
- C&C flows of the brands Marshall and King increased in 2025
- Counterfeit remains the largest constituent of illicit consumption (C&C) in Ukraine
- Regions impacted by the ongoing war in Ukraine have been excluded from pack swap surveys from 2022 onwards. C&C share may differ in these regions compared with the regions where packs swaps have been undertaken. We have not sought to quantify this difference in our analysis

Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Pack swap survey data for Ukraine does not contain information regarding the origin of packs collected. Therefore, inflows to Ukraine have not been broken down by origin and ND(L) inflows cannot be estimated. As such, ND(L) by country of origin and brand, and C&C by country of origin cannot be estimated

Source: (1) KPMG European Flows Calculation, 2021-2025

United Kingdom



C&C cigarette consumption and total consumption

22.6bn

Cigarettes consumed



-0.57bn on 2024

7.3bn

C&C cigarettes consumed



+1.37bn on 2024

32.3%

Of total consumption was C&C



+6.7ppt on 2024

€4,871m

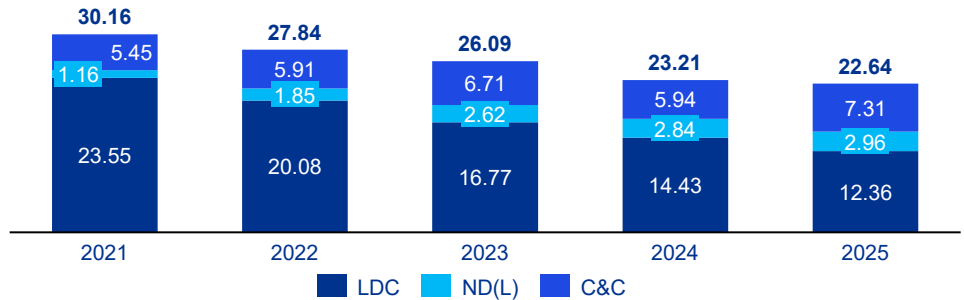
(GBP4,262m)⁽³⁾

Total tax revenue lost from C&C^(b)



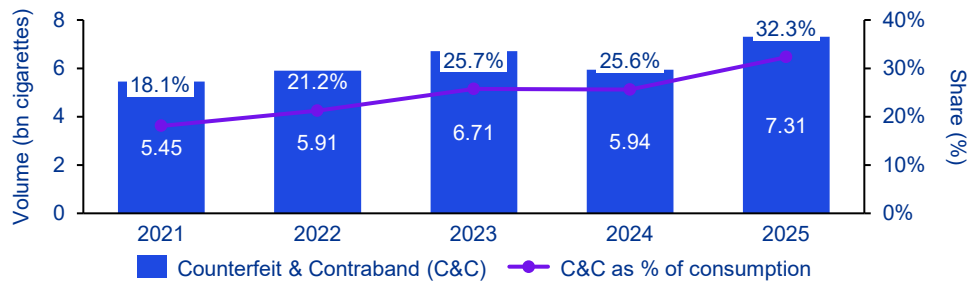
+€1,083m on 2024

Total consumption – 2021-2025 (bn cigarettes)⁽¹⁾⁽²⁾

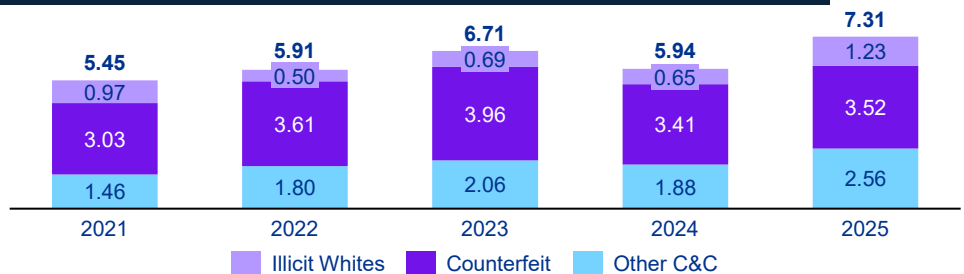


- C&C as a share of Total Consumption increased to 32.3% in 2025, the highest share observed in the recording period
- This increase was driven by increase across all components of C&C consumption, with the largest increases in that of Other C&C and Illicit Whites

Manufactured cigarette C&C volumes and share of overall cigarette consumption – 2021-2025⁽¹⁾⁽²⁾



C&C consumption by type – 2021-2025 (bn cigarettes)^{(1)(2)(a)}



Note: (a) C&C breakdown chart only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys; (b) Total tax revenue lost represents estimated excise and VAT if C&C volumes had been consumed legally in the country of study; (c) Due to rounding, segments highlighted in the charts may not add up to the total and year-on-year changes highlighted in the sidebar may differ from the charts

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025; (3) EUR 1 = GBP 0.875, InforEuro, European Commission, December 2025

Manufactured cigarette consumption, inflows and outflows

Total manufactured cigarette consumption – 2021-2025^{(1)(2)(b)}

Total UK Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	23.68	20.34	17.03	14.70	12.60	(14%)
Outflows	(0.13)	(0.26)	(0.26)	(0.27)	(0.24)	(10%)
Legal Domestic Consumption (LDC)	23.55	20.08	16.77	14.43	12.36	(14%)
Non-Domestic Legal (ND(L))	1.16	1.85	2.62	2.84	2.96	4%
Counterfeit and Contraband (C&C)	5.45	5.91	6.71	5.94	7.31	23%
Total Non-Domestic	6.61	7.76	9.32	8.78	10.27	17%
Total Consumption	30.16	27.84	26.09	23.21	22.64	(2%)

- Total cigarette consumption in the United Kingdom continued its long-term declining trend, declining by 2% in 2025. This decline was primarily driven by decreased Legal Domestic Sales, albeit this was partly offset by increased Non-Domestic inflows
- Non-Domestic inflows increased by 17% driven by increased flows of Counterfeit, Duty Free Labelled, Illicit Whites with no country-specific labelling, flows from Turkey and 'Other' smaller markets
- Outflows declined by 10%, driven by a decrease in flows to Netherlands, Ireland and 'Other' smaller markets. These decreases were partially offset by increased flows to France

Total Non-Domestic inflows by country of origin – 2021-2025^{(1)(a)(b)}

Non-Domestic inflows to UK					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	3.03	3.61	3.96	3.41	3.52
Duty Free Labelled	0.47	1.17	1.56	1.85	2.12
IWs with no country-specific labelling	0.39	0.22	0.38	0.43	0.95
Turkey	0.14	0.22	0.43	0.42	0.79
Poland	0.72	0.60	0.78	0.76	0.57
Other	1.85	1.95	2.21	1.91	2.32
Total Non-Domestic inflows	6.61	7.76	9.32	8.78	10.27

Total outflows by destination – 2021-2025^{(1)(a)(b)}

Outflows from UK					
Billion cigarettes	2021	2022	2023	2024	2025
France	(0.05)	(0.06)	(0.06)	(0.08)	(0.12)
Netherlands	(0.00)	(0.05)	(0.06)	(0.07)	(0.05)
Ireland	(0.02)	(0.04)	(0.05)	(0.07)	(0.04)
Other	(0.06)	(0.11)	(0.10)	(0.05)	(0.03)
Total Outflows	(0.13)	(0.26)	(0.26)	(0.27)	(0.24)

Note: (a) The inflow and outflow tables only show the top five sources/destinations or countries that make up 80% of total flows; (b) Due to rounding, figures in the table may not sum to the totals shown

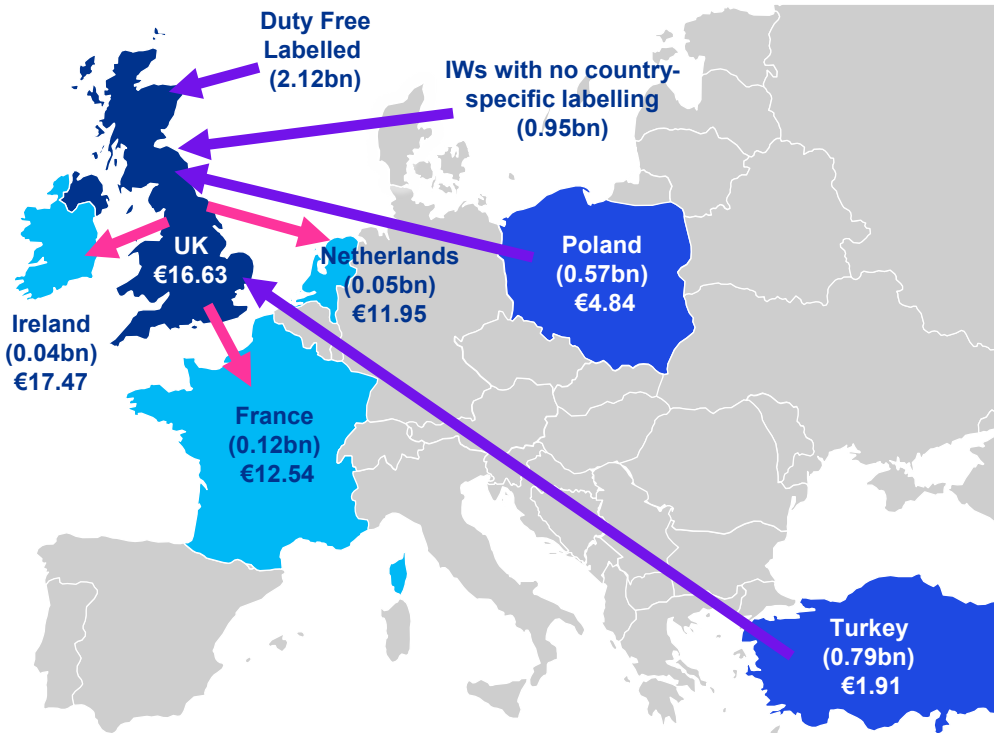
Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Key flows and C&C consumption patterns

Key inflows and outflows^{(1)(2)(a)}

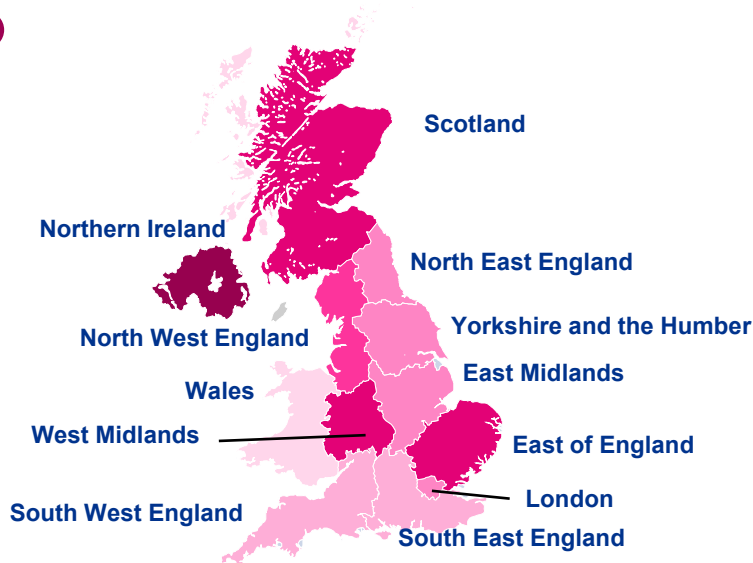
- UK
- Source
- Destination
- ↑ Inflow
- ↑ Outflow

Label description:
Country (Inflow/
Outflow Volume)
Weighted Average
Price per pack



C&C % by region^{(1)(b)(c)}

Low → High

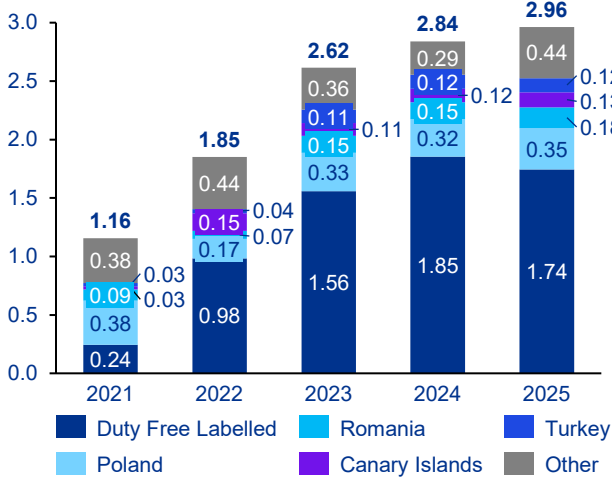


Note: (a) For countries with both inflows and outflows, only the larger of the two flows have been shown; (b) C&C% by region shown is the C&C share (including Counterfeit, Illicit Whites and Other C&C) of total cigarette consumption in the region. C&C scale is specific to this market and is not comparable with other markets in the study. Lighter colour scales do not necessarily imply that there is no C&C consumption in the region; (c) Data not available for regions in grey

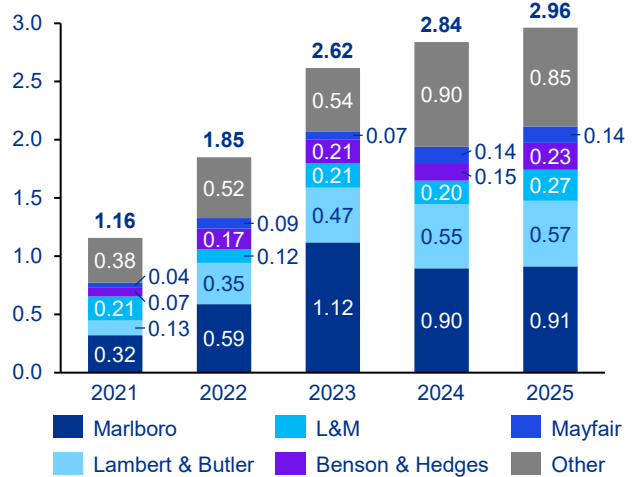
Source: (1) KPMG European Flows Calculation, 2025; (2) Prices and tax rates, EC Excise Duty, 2025; Tax rate and WAP, PMI, October 2025; Prices, Pack of 20 cigarettes of the most sold brands, WHO 2024; Prices, Euromonitor, 2024-2025

ND(L) and C&C flows

ND(L) by country of origin – 2021-2025
(bn cigarettes)⁽¹⁾

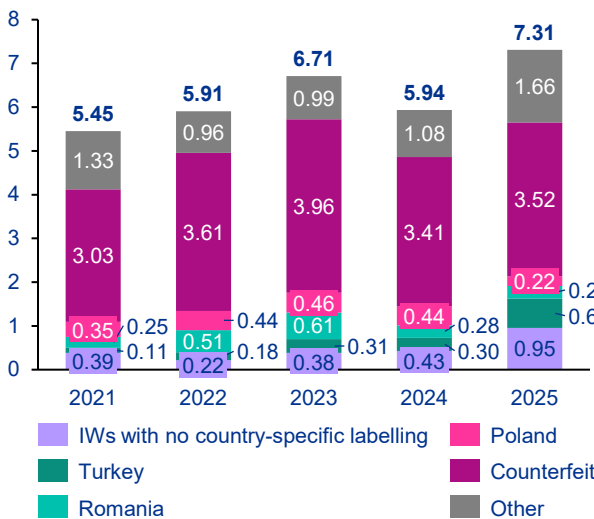


ND(L) by brand – 2021-2025
(bn cigarettes)⁽¹⁾

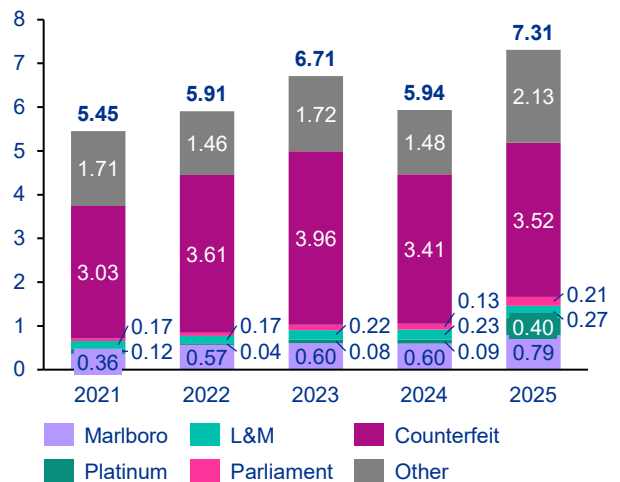


- Legal Flows (ND(L)) increased by ~4% in 2025, driven by higher flows from Poland, Romania and ‘Other’ smaller markets, while Duty Free Labelled flows declined
- Illicit flows (C&C) increased by 23%, primarily driven by Illicit Whites with no country-specific labelling, Counterfeit, flows from Turkey and ‘Other’ smaller markets. Illicit inflows from Poland declined

C&C by country of origin – 2021-2025
(bn cigarettes)^{(1)(a)}



C&C by brand – 2021-2025
(bn cigarettes)^{(1)(a)}



Note: (a) Only includes Counterfeit volumes related to brands of manufacturers who participate in the empty pack/yellow bag/pack swap surveys
Source: (1) KPMG European Flows Calculation, 2021-2025

Methodology - Cigarettes

03

Overview

<p>KPMG has developed and refined its methodology for estimating annual Counterfeit and contraband incidence across European markets since 2006</p>	<p>The methodology has been tested extensively and refined to seek to ensure that it delivers robust and justifiable results</p> <ul style="list-style-type: none"> • Our approach integrates multiple sources and custom-built analytical tools • From 2018, the annual study (previously known as Project SUN or Project Stella) was commissioned by Philip Morris International. In 2017, Project SUN was commissioned by the Royal United Services Institute (RUSI). RUSI contracted the work with funding from British American Tobacco and Philip Morris International to support RUSI's broader illicit trade research. As part of this, RUSI has also produced an Occasional Paper to shed light on some of the main organised crime dynamics accompanying the trends revealed by the KPMG data. In 2016, similarly, RUSI commissioned Project Sun with funding from British American Tobacco, Philip Morris International and Imperial Tobacco Limited. Prior to this, between 2013-2015, Project Sun was commissioned jointly by the four major tobacco manufacturers (British American Tobacco plc, Imperial Tobacco Limited, JT International SA and Philip Morris International Management SA). KPMG LLP were previously commissioned by Philip Morris International Management SA to produce reports covering 2006 to 2012 ('Project STAR') • As a part of the 2018 study, an external panel of experts with a background in law enforcement, brand protection and tobacco control was appointed by KPMG. The panel had a mandate to review the methodology, validate and challenge any assumptions used, and suggest improvements KPMG could make, which were then implemented in the study and the Report. For details on the panel of experts, refer to the 2018 Project Stella Report • EU markets and the UK have been included in the Report since the 2006 results. Norway and Switzerland were included in the 2014 results. Ukraine and Moldova were included in the 2022 results. Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo were included in the 2023 results
<p>The methodology is based primarily on objective evidence from LDS and empty pack/ pack swap survey results, which are input to the bespoke European Flows Calculation</p>	<p>The KPMG European Flows Calculation is a dynamic, iterative approach that is based on Legal Domestic Sales (LDS) and empty pack/ pack swap survey results and is used to estimate overall manufactured cigarette volumes</p> <ul style="list-style-type: none"> • The KPMG European Flows Calculation has been developed by KPMG to specifically estimate inflows and outflows of cigarettes between European countries for the purpose of the annual study and Report. It is an iterative, data-driven approach that uses LDS and empty pack survey results to estimate the volume of Non-Domestic outflows and inflows to and from the EU Member States, the UK, Norway, Switzerland, Ukraine, Moldova, Albania, Bosnia & Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo • LDS is the starting point of the methodology, from which outflows of legal sales to other countries are then subtracted to estimate Legal Domestic Consumption (LDC) • Inflows from other countries are then added to estimate the total consumption within a market. Due to limitations in the data available from pack swap surveys, additional assumptions have been made to estimate inflows to Ukraine and Moldova. Refer to the 'Limitations of Results' section of this Report for further details • This methodology has been developed by KPMG for the manufactured cigarettes market specifically. For that reason, an assessment of other tobacco products (both legal and illicit) is excluded from the scope of this Report

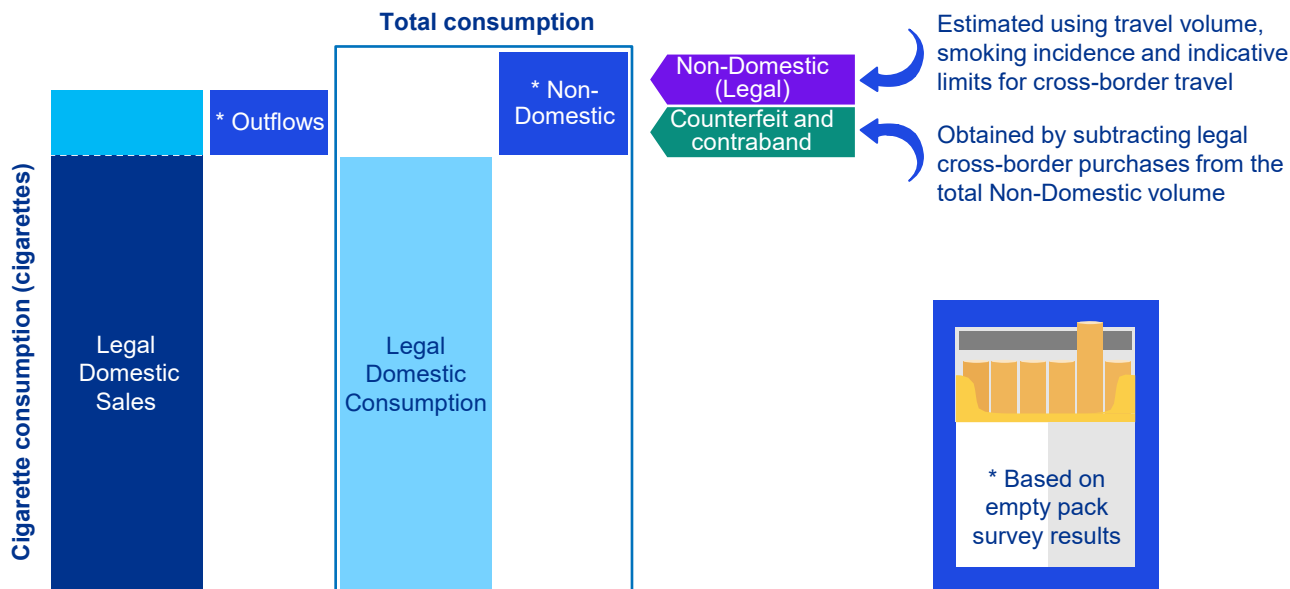
Overview (cont.)

<p>Empty pack/ pack swap survey results provide a robust indication of the incidence of Non-Domestic and Counterfeit packs and their country of origin</p>	<p>An empty pack survey relies purely on physical evidence, avoiding the potential for consumer bias found in interview-based methods</p> <ul style="list-style-type: none"> • Empty pack surveys were separately commissioned by the tobacco manufacturers and conducted by independent market research agencies using a consistent methodology across all the EU27 markets, the UK, Norway, Switzerland, Albania, Bosnia & Herzegovina, Montenegro, North Macedonia, Kosovo and Serbia, allowing for direct comparison of data and the identification of inflows and outflows between all the countries analysed • In Moldova, empty pack surveys were commissioned by PMI between 2018 and 2020. However, between 2021 and 2025, PMI, JTI, IB and BAT commissioned a pack swap survey. All surveys were conducted by independent research agencies • In Ukraine, pack swap surveys were conducted by independent research agencies between 2021 and 2025. The pack swap surveys were commissioned by PMI, JTI, IB and BAT • 602,506 packs were collected in 2025 as part of this research for 38 countries • Further detail regarding the reliability and validity of empty pack surveys, the sampling approach and results by country at a regional level are provided later in this Report • The external panel of experts involved in 2018 concluded that “the empty pack survey is the most reliable and objective approach to data collection available”
<p>Tourism and travel trends are used to estimate legal Non-Domestic cigarette purchases</p>	<p>Tourism and travel data provided by publicly-available third-party sources are used to estimate genuine, legal Non-Domestic tobacco purchases (including cross-border shopping) in each market based on inbound visitor inflows</p> <ul style="list-style-type: none"> • United Nations World Tourism Organisation (UNWTO) data is the primary source used to identify travel trends, supplemented with Euromonitor and other publicly available data • European Commission releases^(a) are the source of the weighted average price (WAP) of a pack of cigarettes in EU27 countries. For non-EU27 countries assessed in the study, WAP and tax rates were provided by PMP SA. Where flows come into a country from a higher priced country, they are assumed to be 100% legal, as there is no price incentive for smuggling • Due to limitations in data, Non-Domestic Legal (ND(L)) consumption cannot be estimated for Ukraine. Therefore, Total Measured Consumption (Total consumption excluding ND(L)) has been included in the Ukraine country report. Refer to the ‘Limitations of Results’ section in the appendix for further details
<p>There are some specific limitations in the methodology</p>	<p>Given the complexity of measuring C&C, we recognise there are some limitations within the methodology</p> <p>There are broadly two types of limitations: scope exclusions and source limitations</p> <ul style="list-style-type: none"> • Scope exclusions include areas which cannot or have not been accounted for in our scope of work and approach, such as geographic, brand (non-participating manufacturer counterfeit), category exclusions (other tobacco products) and legal domestic product flows out of the Europe • Source limitations include the availability of information and the potential errors inherent with any data sources such as sampling criteria, coverage issues and seasonality factors
<p>To help improve the accuracy of results, some minor refinements were necessary at a country level</p>	<p>Comparison of results from alternative sources identified a few markets where country-to-country flows required minor adjustment</p> <ul style="list-style-type: none"> • In nearly all instances, overall country results and flows from the KPMG European Flows Calculation appeared in line with estimates from other third-party sources. However, in a limited number of instances, specific adjustments were made to country-to-country flows where additional data provided by third parties or manufacturers allowed for further refinement of the analysis. Refer to page 240 for further details

Notes: (a) EC Excise Duty Tables, 2025

Overview (cont.)

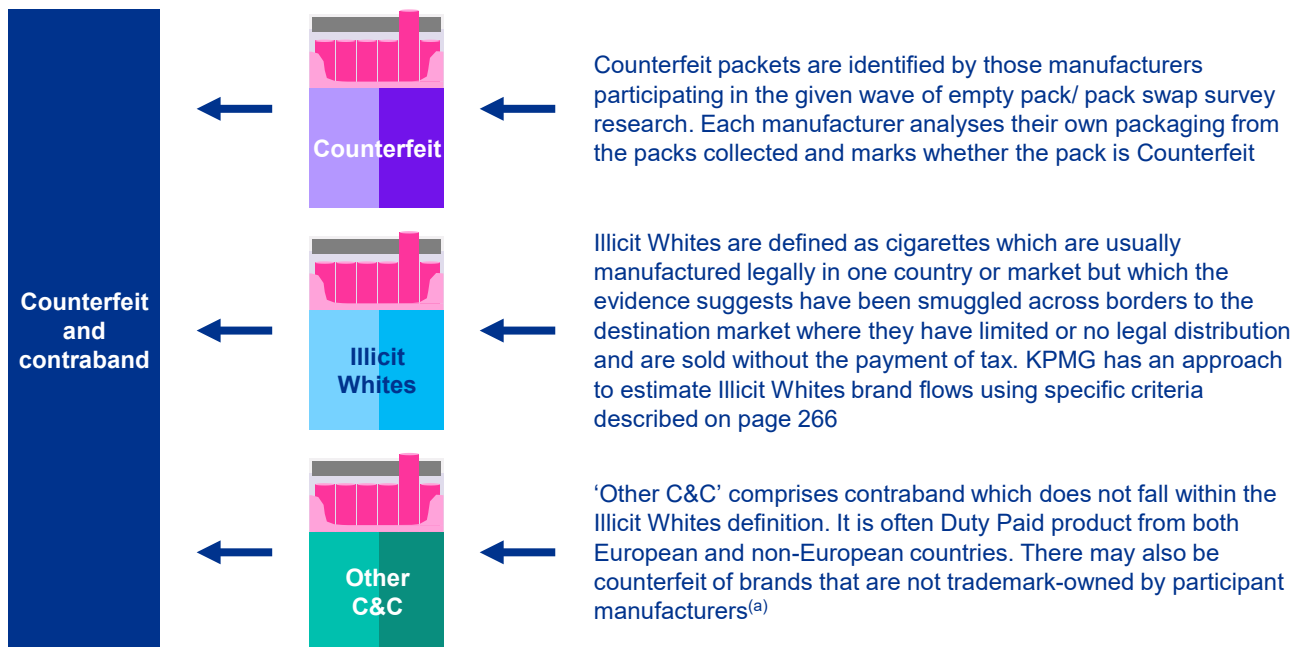
This methodology uses LDS, empty pack survey results and other consumer research to estimate the volume of C&C cigarettes consumed in 38 European markets



This methodology was developed by KPMG. It has been deployed consistently since 2006, enabling comparisons to be made between Counterfeit and contraband volumes from year to year

Overview (cont.)

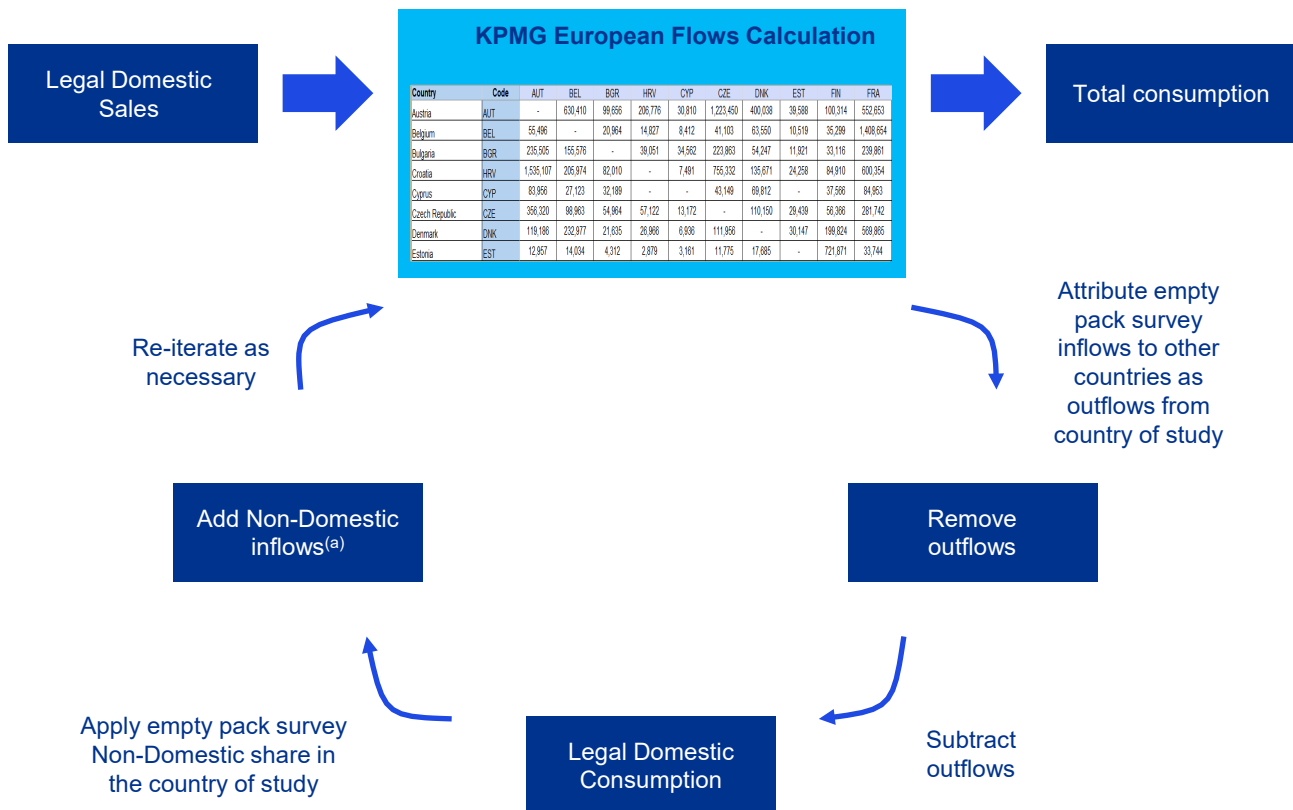
Counterfeit and contraband is allocated into three constituent parts: Counterfeit, Illicit Whites and Other C&C



Note: (a) Cigarette packs of brands that are not trademark owned by participant manufacturers are not analysed and are all considered to be genuine

KPMG European Flows Calculation

Primary information sources and tools – European Flows Calculation



The KPMG European Flows Calculation is a dynamic, iterative approach that is principally based on LDS and empty pack/ pack swap survey results

- LDS volumes are the starting point of the calculation from which outflows of legal sales to other countries are then subtracted to estimate Legal Domestic Consumption in a market
- Non-Domestic inflows from other countries are then added back in to give an estimate for the total consumption within a market
- The calculation is then re-iterated as necessary reflecting the relationship of inflows and outflows between all 27 EU countries, the UK, Norway, Switzerland, Ukraine, Moldova, Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Kosovo and Serbia
- Empty pack survey results provide an estimate of the share of Non-Domestic packs by country of origin in all markets
 - In the 27 EU markets, the UK, Norway, Switzerland, Albania, Bosnia & Herzegovina, Montenegro, North Macedonia, Kosovo and Serbia, empty pack survey results provide a consistent source of Non-Domestic packs by country of origin from which we can estimate total product outflow from each market to the other 37 markets
- Between 2021 and 2024, pack swap surveys in Moldova provide an estimate of legal and illicit inflows into the country at a summary level. Breakdown of these figures by country of origin is not available for the years 2021 to 2024. Country of origin data was available in 2025
- Pack swap surveys in Ukraine provide an estimate of illicit consumption in the country. Information on the origins of packs collected is not available and, therefore, ND(L) inflows cannot be estimated^(a)
- For Kosovo, empty pack surveys were not conducted for some of the historical years. These have been marked as 'n/a' in representation of results in the country profiles

Note: (a) The methodology to identify the ND(L) and C&C components of Non-Domestic flows is explained in the ND(L) methodology section

Legal Domestic Sales

LDS data is sourced from Nielsen and other independent agencies⁽¹⁾

- Since the beginning of this annual study in 2006, LDS estimates for all brands have been sourced from In Market Sales (IMS) data compiled by Nielsen, and other independent sources

Where appropriate, local state estimates of LDS have been used instead of the above approach

- In certain markets, publicly available estimates of legal manufactured cigarette sales are widely used by manufacturers, industry participants, government bodies and non-governmental organisations.
- In these instances, we have deemed it more appropriate to incorporate these recognised estimates of LDS in the KPMG European Flows Calculation. For 2025, this is the case with:
 - Latvia: LDS figure reported by the State Revenue Service

Source: (1) LDS data provided by Nielsen and other independent agencies. Refer to appendix section for a list of sources

Empty pack survey methodology

<p>Overview</p>	<p>An empty pack survey is a research system of collecting discarded empty cigarette packs, the results of which are used to estimate the share of domestic (duty paid), Non-Domestic and Counterfeit packs in each of the markets</p> <ul style="list-style-type: none"> • Empty pack surveys are conducted by independent market research agencies (e.g. Nielsen or Ipsos Doxa) in each of the countries sampled. The surveys are commissioned by the participating manufacturers and the sampling plan is designed by the agencies in conjunction with the manufacturers to help make the sampling plan statistically representative of consumption in the country for the whole year studied. • Results are based on a large sample of packs collected in various population centres throughout the countries, although the exact collection plan differs by country. Accuracy and credibility of results is driven by sound design of the sampling plan • Results are not subject to respondent behaviour and are therefore less prone to sampling errors than many other alternative methodologies • Results reflect actual overall Non-Domestic share and provide a good snapshot of brands consumed
<p>Process</p>	<p>Empty pack surveys rely purely on physical evidence, avoiding the potential for consumer bias in interview-based methods</p> <ul style="list-style-type: none"> • The independent market research agencies randomly collect empty packs of any brand and market variant from streets and easy access bins • Homes and workplaces are not visited, and the collection route specifically excludes sports stadia, shopping malls and stations, or any other locations where Non-Domestic incidence is likely to be higher as a result of a skewed population or demographic visiting these areas • Once packs are collected, they are sorted by manufacturer and brand and the number of packs with domestic versus Non-Domestic tax stamps counted to estimate the proportion of packs that did not originate from that jurisdiction (including Duty Free variants) <ul style="list-style-type: none"> - In cases where tax stamps are not shown on a packet, health warning and packaging characteristics are used to determine the source market and where no markings are found they are recorded as unspecified • For brands belonging to the major manufacturers, packs are sent to the manufacturers for analysis to determine which are genuine and which are Counterfeit. Only the manufacturers can determine this, based on ink, paper and other characteristics of the packaging • KPMG used the results of the empty pack surveys to extrapolate overall consumption in the market using LDS and the percentage of Non-Domestic cigarettes in the market as found through empty pack surveys • The process is repeated across all countries of study using an approach which iterates the level of Non-Domestic cigarettes until all inflows and outflows are equal
<p>Coverage</p>	<p>The total number of packs collected in each market is not solely based on population but is determined by a number of factors such as the size of the market, the likelihood of high Non-Domestic incidence and the manufacturers' share of the legal market. However, the locations where packs are collected 'in market' are based on city and regional populations to seek to ensure the sample is nationally representative</p> <ul style="list-style-type: none"> • Small surveys (less than 5,000 packs collected): Albania, Bosnia & Herzegovina, Croatia, Cyprus, Kosovo, Latvia, Luxembourg, Malta, Moldova, Montenegro, North Macedonia, Portugal, Serbia and Slovenia • Medium surveys (5,000-9,999 packs collected): Belgium, Estonia, Finland, Ireland, Lithuania, Norway, Slovakia and Switzerland • Large surveys (10,000 packs or more collected): Austria, Bulgaria, Czech Republic, Denmark, France, Germany, Greece, Hungary, Italy, Netherlands, Poland, Romania, Spain, Sweden, Ukraine and the UK

Empty pack survey methodology

Empty pack survey methodology⁽¹⁾



The empty pack survey is conducted in a consistent way for each country. It follows a four-step process:

1. Population centre selection

- The population centres chosen are representative of the country of study. Each population centre is divided into five sectors (north, south, east, west and centre). Each sector is subdivided into neighbourhoods of the same size (250-meter radius)

2. Pack collection

- Each neighbourhood is assigned a number of discarded packs for collection based on the size of the overall population centre in comparison with the national population. For example, in France 126 cities are sampled in each wave of 11,500 packs. Of all 46,000 packs collected, 5,040 are collected in Paris, which represents over 11% of the packs collected. The neighbourhoods sampled include residential, commercial and industrial areas
- A minimum number of packs are collected from each neighbourhood. Each neighbourhood has a specific starting point and a fixed route. The collectors accumulate as many empty packs as possible within each neighbourhood regardless of the quota requested in the sampling plan. Packs are collected from any manufacturer regardless of whether they participate in the survey. Collectors revisit the neighbourhood as many times as necessary in order to achieve the required quotas
- The training of collectors includes an explanation of the methodology and running of pilots prior to the collection. Each team of collectors is supervised by a team leader
- An additional 5% extra packs are collected in case there are issues with the existing sample

3. Pack processing

- The empty packs are placed into bags and stored at a safe collection point. Packs are discarded if they do not meet the survey quality requirements (e.g. torn, unreadable, rotten). Each survey qualified pack is cleaned and placed in a transparent nylon bag with a zipper that carries a unique barcode label indicating the serial number attributed to the pack (corresponding to the data sheet). The details are then entered into the survey "Data Sheet". The packs are delivered to the participating manufacturers in the given wave of empty pack survey in a way that enables easy processing and identification

4. Pack analysis

- The participating manufacturers check the packets belonging to their brands to identify Counterfeit and inform the agency that collates and updates the data sheets
- These data sheets are finally provided to KPMG by the manufacturers and analysed to estimate the Non-Domestic incidence and contraband and Counterfeit volumes

Source: (1) Third party market research agencies

Pack swap methodology

Overview

A pack swap is a research methodology based on collecting cigarette packs from respondents door to door. These packs are then assessed to estimate the share of domestic (duty paid), Non-Domestic and Counterfeit packs

- Pack swaps are conducted by independent market research agencies in Moldova (Nielsen & Ipsos Serbia) and Ukraine (Kantar). The surveys are commissioned by the participating manufacturers (PMI, JTI, IB and BAT) and the survey plan is designed by the agencies in conjunction with the manufacturers to help make the sampling plan nationally representative of consumption in the country for the whole year studied
- The outputs are based on the analysis of packs collected in various population centres throughout the countries
- Results summarise the share of non-duty paid cigarettes consumed in the markets
 - In Moldova, the packs are assessed by the research agency and classified into Duty-Free, Illicit Whites, Non-Domestic Duty Paid (NDDP) and Counterfeit
 - In Ukraine, the packs are assessed by the research agency and classified into Contraband, Illegal exports labelled 'For Duty Free Sale' and Counterfeit

Process

- Pack swap surveys are conducted across both rural and urban regions. Urban regions are subdivided into smaller sub-regions based on sub-regional population with a predetermined target for the number of packs to be collected in each region and sub-region to give a nationally representative picture of consumption in the country
- For Ukraine from 2022 to 2025, the research did not include the following areas impacted by the ongoing war: Luhansk, Donetsk, Kherson, Mykolaiv (except for the city of Mykolaiv), 70% of Kharkiv, Zaporizhzhia (except for the city of Zaporizhzhia)
- A random route 'door to door' approach is used to identify respondents in each region
- The independent market research agencies conduct short face to face interviews where respondents are offered to swap their current cigarette pack in exchange for an incentive, typically a voucher. If respondents decline the interview or to swap their pack, the interview is terminated
- An interviewer records the details of the swapped pack after interview completion
- Once the swapped packs are collected, the research agency sorts them by manufacturer and brand, and the number of packs with domestic versus Non-Domestic tax stamps is counted to determine the proportion of packs that did not originate from that jurisdiction (including Duty Free variants)
- The health warning labelling, excise stamp details and pack descriptors are then evaluated by the research agency to determine the source market
- For brands belonging to the participating manufacturers (BAT, IB, JTI, PMI), packs are sent to the manufacturers for analysis to determine which are genuine and which are Counterfeit
- KPMG used the results of the pack swaps to extrapolate overall consumption in the market using LDS and the percentage of Non-Domestic cigarettes in the market as found through the pack swaps
- The forensic analysis in Ukraine is conducted in a similar manner as the empty pack surveys wherein the participating companies analyse collected samples of their brands while packs of non-participating companies are sent to the Institute of Forensic Expertise – a government agency
 - The primary focus during the analysis is to establish the authenticity of fiscal stamps
 - Based on this analysis, Kantar also reports packs that have labelling not compliant with local legislation including no graphical health warning, text not in the local language, no fiscal stamps

Pack swap methodology

Process	<ul style="list-style-type: none"> - Additionally, during the pack swap study, respondents are asked questions related to the point of purchase to check if they have been purchased from a legitimate Duty-Free channel or from street vendors, open markets, shops or kiosks
Coverage	<ul style="list-style-type: none"> • The total number of packs collected in each market is not solely based on the population but is determined by a number of factors such as the size of the market, the likelihood of high Non-Domestic incidence and the manufacturers' share of the legal market. • However, the locations where packs are collected 'in market' are based on regional, city and city sub-region populations to seek to ensure the sample is nationally representative

Empty pack survey adjustment overview

Empty pack survey adjustments

Where necessary, we make adjustments to the empty pack survey results in our analysis in the form of reweighting different packs or quarterly surveys, based on additional evidence available. Adjustments are made to correct for issues identified in the empty pack survey. The main issues identified this year are covered below:

Empty pack survey	Explanation	Method	Countries where adjustment made
1. Brand oversampling	Domestic packs collected by brand in the empty pack survey deviate significantly from the domestic brand shares	<ul style="list-style-type: none"> Some brands may be oversampled which we can check through a comparison with the LDS KPMG assumes that an oversampling of brands domestically will result in an oversampling of brands Non-Domestically. As a result, the weights of Non-Domestic packs are adjusted using the assumption that Non-Domestic packs are oversampled to the same extent as domestic packs 	France (Marlboro)
2. Adjustments to specific country flows	The flows from some countries appear to have been over or under-sampled based on the timing of the survey, areas sampled, or sales from other countries	<ul style="list-style-type: none"> Adjustments were made when the empty pack surveys over or under sampled some flows as highlighted by other sources of data Some examples include: <ul style="list-style-type: none"> Border sales data from Spain and Belgium and indicated that inflows from these countries were being under sampled in the French empty pack survey. Hence, the inflows from these countries were adjusted Sales data and domestic consumption estimates based on empty pack survey results in Turkey and Bulgaria indicated that inflows from these countries were being over sampled in some markets. Hence, the inflows from these countries were adjusted A detailed list of empty pack survey adjustments and their impact can be found in the following pages 	Belgium, Bulgaria, France, Spain, UK

Empty pack survey adjustments

Empty pack survey – adjustments made in KPMG analysis^{(1)(a)}

Country	Sample dates	Packs collected	Number of cities	Adjustment	Impact
Albania	Q4: Nov	2,800	15	None	n/a
Austria	Q2: Apr-May Q4: Oct-Nov	13,000	24	None	n/a
Belgium	Q2: Apr-May Q4: Oct-Nov	5,600	18	Country flows adjustments: <ul style="list-style-type: none"> Analysis of sales at bordering regions with Luxembourg⁽²⁾ indicated that Luxembourg packs were being under sampled in the Belgian empty pack survey. Therefore, inflows from Luxembourg were adjusted using the rate of change of border sales from 2024 to 2025 	Inflows from Luxembourg increased from 0.50bn to 0.73bn
Bosnia and Herzegovina	Q2: May-Jun	1,300	7	None	n/a
Bulgaria	Q2: May Q4: Oct-Nov	11,600	20	Brand flows adjustments: <ul style="list-style-type: none"> Flows of the brands Davidoff, Marlboro, Dunhill and Sobranie from Bulgaria to other European markets were in excess of the sales of these brands in Bulgaria (after accounting for domestic consumption in the origin market), indicating the brands were potentially over-sampled in some empty pack surveys. Therefore, we limited outflows of these brands from Bulgaria to equal their sales less their domestic consumption in Bulgaria (per LDS and empty pack surveys) 	Outflows for these 4 brands from Bulgaria decreased from 2.33bn to 1.40bn
Croatia	Q4: Oct	3,000	8	None	n/a
Cyprus	Q4: Oct	1,000	4	None	n/a
Czech Republic	Q2: Apr-May Q4: Sep-Oct	21,004	30	None	n/a
Denmark	Q2: Mar-Apr Q4: Sep-Oct	10,900	9	None	n/a
Estonia	Q2: Apr Q3: Sep	6,600	14	None	n/a
Finland	Q2: Mar-Apr	5,000	10	None	n/a

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample

Source: (1) Empty pack surveys (2) GfK : Whs Sell-out cig sticks

Empty pack survey adjustments (cont.)

Empty pack survey – adjustments made in KPMG analysis^{(1)(a)}

Country	Sample dates	Packs collected	Number of cities	Adjustment	Impact
France	Q1: Feb-Mar Q2: May-Jun Q3: Sep Q4: Nov-Dec	46,000	126	<p>Country flows adjustments:</p> <ul style="list-style-type: none"> Inflows from Spain and Belgium were adjusted to reflect tourism trends and border sales, as these additional data points indicated higher flows into France than those indicated in the empty pack surveys <ul style="list-style-type: none"> Inflows from Belgium were adjusted using the rate of change of border sales from 2024 to 2025 Inflows from Spain were adjusted after assessing the rate of change in air and non-air travellers, local border populations, car ownership, average daily consumption, smoking incidence, adult population, etc. (from sources such as Eurobarometer, WHO, European Environment Agency, France National Institute of Statistics and Economic Studies, etc.), as well as the border sales data estimates from 2024 to 2025 Analysis of the inflows from Algeria, and of flows of Duty Free indicated that these packs were potentially oversampled in the France EPS. Inflows from these origin markets were adjusted using the growth rate of travellers from non-EU destinations to France (i.e. routes where Duty Free could be purchased) and Algeria⁽²⁾⁽³⁾ 	<ul style="list-style-type: none"> Inflows from Spain increased from 1.17bn to 3.25bn Inflows from Belgium increased from 0.03bn to 0.23bn Inflows from Algeria decreased from 2.49bn to 2.08bn Duty free inflows decreased from 2.21bn to 1.63bn

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample

Source: (1) Empty pack surveys (2) Growth in air passengers from Algeria to France, French Civil Aviation Authority (DGAC) (3) Growth in travellers from non-European Union regions to France, World Tourism Organization (WTO)

Empty pack survey adjustments (cont.)

Empty pack survey – adjustments made in KPMG analysis^{(1)(a)}

Country	Sample dates	Packs collected	Number of cities	Adjustment	Impact
France (continued)	Q1: Feb-Mar Q2: May-Jun Q3: Sep Q4: Nov-Dec	46,000	126	Brand flows adjustments: <ul style="list-style-type: none"> A comparison of Marlboro LDS with domestic packs collected in the empty pack survey indicated that the brand was oversampled in the empty pack survey. Therefore, the volume of Non-Domestic packs for Marlboro was reduced, using the assumption that Non-Domestic packs were oversampled to the same extent as domestic packs Flows of several brands from Turkey to other European markets were in excess of their sales in Turkey (after accounting for domestic consumption in the origin market), indicating these brands were potentially over-sampled in some empty pack surveys, including in France. Therefore, we limited outflows of these brands from Turkey to equal their sales less their domestic consumption in Turkey (per LDS and empty pack surveys)⁽²⁾. 	<ul style="list-style-type: none"> Inflows from Turkey decreased from 1.67bn to 1.47bn
Germany	Q1: Feb Q2: May Q3: Aug Q4: Nov	199,754	56	None	n/a
Greece	Q2: Apr-May Q3: Sep	12,000	20	None	n/a
Hungary	Q1: Feb-Apr Q3: Aug-Sep	23,200	40	None	n/a
Ireland	Q2: Apr-May	5,000	22	None	n/a
Italy	Q1: Feb-Mar Q2: May-Jun Q3: Jul-Aug Q4: Oct-Nov	40,000	85	None	n/a
Kosovo	Q4: Dec	1,800	7	None	

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample

Source: (1) Empty pack surveys; (2) Empty pack survey in Turkey

Empty pack survey adjustments (cont.)

Empty pack survey – adjustments made in KPMG analysis^{(1)(a)}

Country	Sample dates	Packs collected	Number of cities	Adjustment	Impact
Latvia	Q2: May	4,900	25	Brand flows adjustments: <ul style="list-style-type: none"> A separate empty pack survey conducted by JTI⁽²⁾ in Q3 provided additional data on the share of Counterfeit packs for PMI and JTI brands across 2025. This additional data on Counterfeit share has been included in our analysis 	CF flows increased from 0.19 bn to 0.22bn
Lithuania	Q2: Mar-Apr	5,800	20	Brand flows adjustments: <ul style="list-style-type: none"> A separate empty pack survey conducted by JTI⁽²⁾ in Q3 provided additional data on the share of Counterfeit packs for PMI and JTI brands across 2025. This additional data on Counterfeit share has been included in our analysis 	CF flows increased from 0.14 bn to 0.17bn
Luxembourg	Q2: May Q4: Dec	400	2	None	n/a
Malta	Q4: Oct-Nov	1,000	8	None	n/a
Moldova ^(b)	Q2: Apr-May Q4: Sep-Nov	3,055	1	None	n/a
Montenegro	Q4: Nov	1,000	4	None	n/a
Netherlands	Q2: May-Jun Q4: Oct	14,000	50	None	n/a
North Macedonia	Q4: Nov-Dec	1,200	10	None	n/a
Norway	Q2: May-Jun	5,000	8	None	n/a
Poland	Q2: Apr-May Q3: Jul-Aug Q4: Oct-Nov	36,000	40	None	n/a
Portugal	Q2: Apr-May	3,000	10	None	n/a

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) Moldova results are from a pack swap survey

Source: (1) Empty pack surveys / pack swap surveys; (2) Empty pack survey, Q3 2025, by JTI

Empty pack survey adjustments (cont.)

Empty pack survey – adjustments made in KPMG analysis^{(1)(a)}

Country	Sample dates	Packs collected	Number of cities	Adjustment	Impact
Romania	Q1: Jan-Feb Q2: May-Jun Q3: Jul-Sep Q4: Oct-Nov	10,096	41	Brand flows adjustment: <ul style="list-style-type: none"> Flows of the brand Ritm bearing Moldova labelling were more than the legal domestic sales of the brand in Moldova. Moldovan labelled Ritm packs were collected across a broad geographic dispersion in Romania, which did not indicate regional over-sampling in the Romanian empty pack survey, and the trademark owner confirmed the packs were not Counterfeit. As a result, we have labelled the origin of this brand as 'Unspecified' in our results 	Inflows of Ritm from Moldova reduced from 0.29bn to ~0.00bn Inflows of Ritm from Unspecified origins increased by 0.29bn This adjustment has nil impact to overall Non-Domestic consumption and/or C&C volumes for Romania
Serbia	Q1: Feb-Mar	2,700	15	None	n/a
Slovakia	Q2: Apr	5,000	25	None	n/a
Slovenia	Q4: Oct	3,000	8	None	n/a
Spain	Q2: Apr-May Q4: Oct	30,000	58	None	n/a
Sweden	Q2: Mar-Apr	10,000	29	None	n/a
Switzerland	Q3: Sep	5,600	20	None	n/a
UK	Q2: Apr-May	12,700	105	Brand flows adjustments: <ul style="list-style-type: none"> Flows of several brands from Turkey to other European markets were in excess of their sales in Turkey (after accounting for domestic consumption in the origin market), indicating these brands were potentially over-sampled in some empty pack surveys, including in the UK. Therefore, we limited outflows of these brands from Turkey to equal their sales less their domestic consumption in Turkey (per LDS and empty pack surveys)⁽²⁾ 	Inflows from Turkey decreased from 0.95bn to 0.79bn
Ukraine ^(b)	Q1: Feb Q2: Apr Q3: Jul Q4: Oct	12,000	87	None	n/a

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) Ukraine results are from a pack swap survey

Source: (1) Empty pack surveys / pack swap surveys ; (2) Empty pack surveys in Turkey

Gibraltar inflows to Spain

Additional detail on inflows to Spain has been made available in 2025^(a)

- In 2025, additional data was made available which illustrated a proportion of brands collected in the empty pack survey that were classified as being of unspecified origin in 2022 to 2024 originated from Gibraltar, and that some of these packs were Counterfeit in 2025
- This additional information impacts total consumption and Non-Domestic trends between 2021 and 2025
- We have not been able to modify our 2022 to 2024 historical results as this data was not available between 2022 and 2024
- In order to illustratively set out the impact of this additional data in 2025, we have set out below an estimate of the evolution of Spanish cigarette consumption had unspecified origin packs of these brands identified between 2022 and 2024 originated from Gibraltar in those years
- This illustrative scenario increases Non-Domestic and Non-Domestic Legal flows from Gibraltar, and reduces Non-Domestic flows from unspecified origins in 2022, 2023 and 2024. There is no impact on total cigarette consumption overall as the flows remain Non-Domestic in origin
- Please note that this analysis should be viewed as illustrative only, as the Counterfeit share of the packs of the brands reallocated below for the years 2022, 2023 and 2024 cannot be determined

Total manufactured cigarette consumption – Illustrative only – 2021-2025⁽¹⁾⁽²⁾

Total Spain Consumption						
Billion cigarettes	2021	2022	2023	2024	2025	2024-25 (%)
Legal Domestic Sales (LDS)	42.12	43.79	42.54	42.95	42.04	(2%)
Outflows	(2.95)	(3.24)	(3.92)	(4.37)	(4.41)	1%
Legal Domestic Consumption (LDC)	39.17	40.55	38.62	38.58	37.63	(2%)
Non-Domestic Legal (ND(L))	1.36	1.25	1.12	1.27	0.83	(35%)
Counterfeit and Contraband (C&C)	1.38	1.35	0.94	1.13	1.42	25%
Total Non-Domestic	2.74	2.61	2.07	2.41	2.25	(7%)
Total Consumption	41.91	43.16	40.69	40.99	39.88	(3%)

Total Non-Domestic inflows by country of origin – Illustrative only – 2021-2025⁽¹⁾

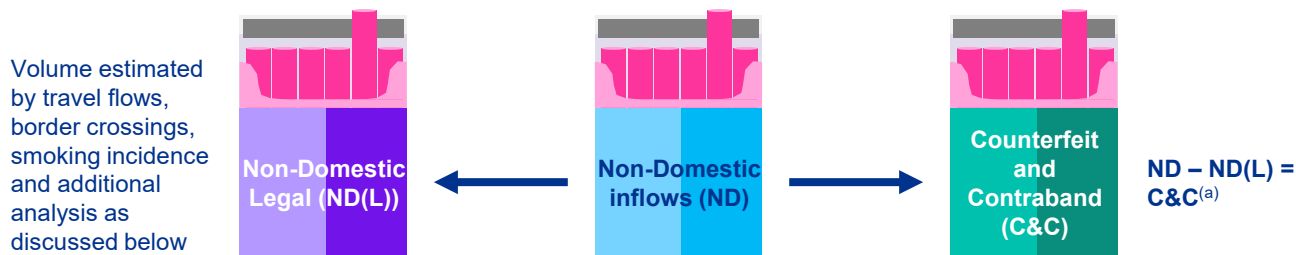
Non-Domestic inflows to Spain					
Billion cigarettes	2021	2022	2023	2024	2025
Counterfeit	0.29	0.44	0.54	0.58	0.87
Gibraltar	1.19	0.79	0.37	0.69	0.61
Duty Free Labelled	0.11	0.17	0.24	0.22	0.24
IWs with no country-specific labelling	0.65	0.46	0.22	0.16	0.10
Unspecified	0.06	0.03	0.04	0.02	0.01
Other	0.44	0.71	0.65	0.74	0.42
Total Non-Domestic inflows	2.74	2.61	2.07	2.41	2.25

Note: (a) The provision of additional origin and Counterfeit data in 2025 was due to additional manufacturer analysis on the origin and Counterfeit share of packs collected in the 2025 empty pack survey

Source: (1) KPMG European Flows Calculation, 2021-2025; (2) Nielsen, Legal Domestic Sales, 2021-2025

Non-Domestic Legal analysis

Primary information sources and tools – Non-Domestic Legal analysis and assumptions



ND(L) was estimated by analysis of travel trends, border crossings and cigarette pricing data. C&C volumes formed the remaining Non-Domestic balance after subtracting ND(L) from total Non-Domestic

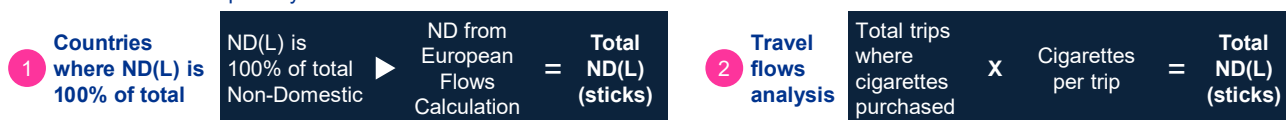
ND(L) was estimated using two methods:

1. Countries where ND(L) is 100% of total ND

- Non-Domestic cigarettes in the empty pack surveys from higher priced inbound tourist/visitor countries were categorised as legal, as long as these flows were not identified as Counterfeit or Illicit Whites brands, as there is no price incentive to smuggle

2. Travel flows analysis

- Business and tourism travel data from the World Tourism Organization (UNWTO), Euromonitor, national statistics offices and other publicly available sources were used to estimate the number of trips made by travellers over the age of 18
- This total number of trips was then multiplied by the average cigarette smoking prevalence of the country of origin to estimate the total number of trips by cigarette smokers. Smoking prevalence data for 2025 was provided by WHO and Euromonitor
- We assumed that the number of packs purchased per trip is equal to the Duty-Free allowance, or the indicative legal limit for cross-border travel
- The empty pack survey and European Flows Calculation form the basis of all Non-Domestic analysis. As a result, where the ND(L) calculation was greater than 100% of the flow calculated by the European Flows Calculation, it is capped at the volume generated by the European Flows Calculation
- In certain cases, travel data may not capture the extent of cross-border travel where such travel does not entail an overnight stay. Where this is a material source of cross-border flows, it is estimated based on regional border populations, retail sales data and other publicly available data



Example using illustrative data

1 Countries where ND(L) is 100% of total				
Country of Study	Country of Origin	ND (bn sticks) ⁽¹⁾	ND(L) (bn sticks)	% of ND
Switzerland	Italy	0.08	0.08	100%

Travelers flow analysis example

2 Travel Flow Analysis											
Country of study	Country of origin	ND (bn sticks) ⁽¹⁾	Category	Number of journeys (m) ⁽²⁾⁽³⁾	% of Population 18+ ⁽³⁾⁽⁴⁾	Smoking Prevalence ⁽³⁾⁽⁵⁾	Trips where cigarettes purchased (m)	Cigarettes per trip ^(b)	ND(L) (bn sticks)	Total ND(L) (bn sticks)	% of ND
Austria	Slovenia	0.22	Returners	0.43	83%	23%	0.083	40	0.07	0.19	88%
			Incomers	0.21	82%	21%	0.036	2	0.00		

Notes (a) KPMG estimates the split between C&C and ND(L) by calculating the ND(L) volume and subtracting from the total inflows

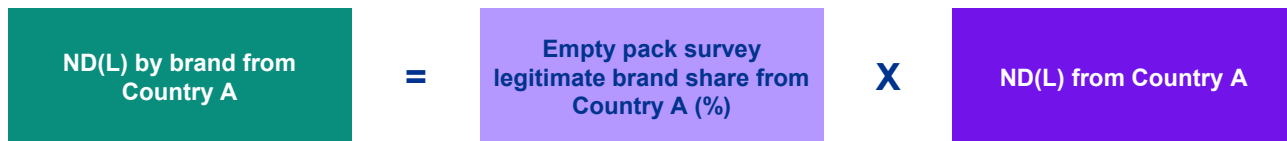
(b) Unless stated otherwise it is assumed that returning travellers purchase the indicative maximum allowed

Sources: (1) KPMG European Flows Calculation (2) UN WTO Tourism Factbook (3) Euromonitor (4) UNICEF (5) WHO

Non-Domestic Legal analysis (cont.)

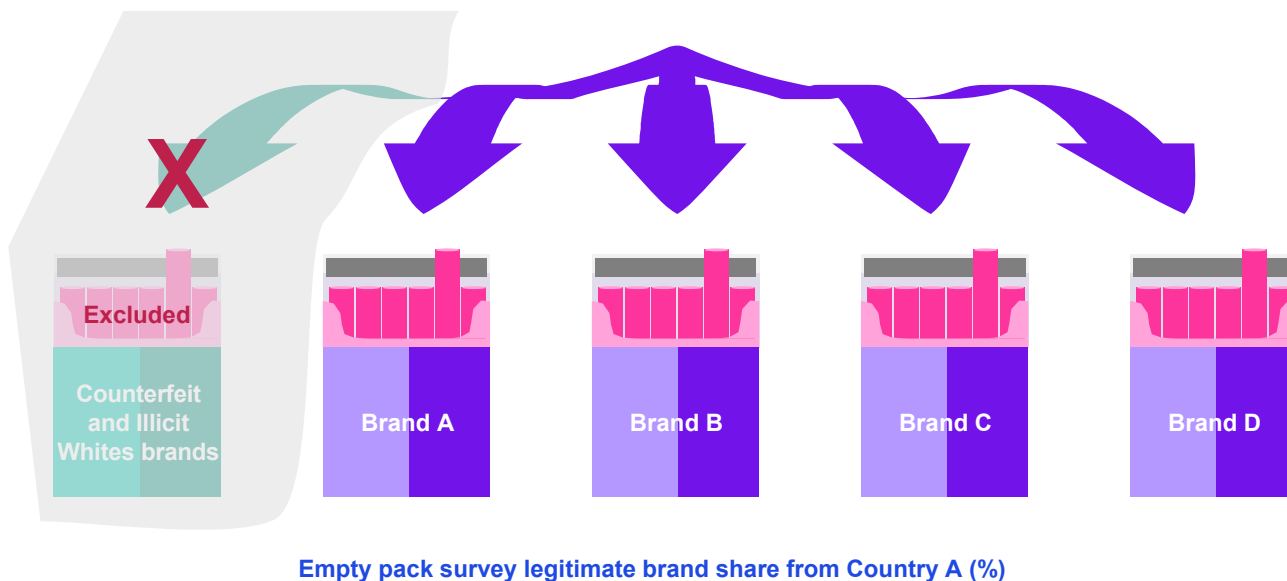
Non-Domestic Legal brand split analysis and assumptions

Illustrative example of ND(L) by brand approach



Illustrative example of Brand Share calculation

Non-Domestic Brands from Country A
(as per empty pack survey)



Having estimated the volume of ND(L) inflows on a country basis as detailed on the previous page, the brand share was estimated by analysis of the brands that were found in the empty pack survey from that country

The ND(L) inflow from each source country was split into brands by using the following approach

- Illicit Whites brands and Counterfeit packs were excluded from being potentially classified as ND(L) as these brands are always C&C, leaving only brands that could have potentially legal inflow volumes
- For the remaining potentially legal brands, the ND(L) percentage share was estimated to be the same as the Non-Domestic share of these brands
- ND(L) volume by brand was estimated as the product of the total ND(L) inflow and the brand percentage share

Non-Domestic Legal adjustments

Non-Domestic Legal adjustments

Country	Adjustment
Austria	<p>ND(L) from Czech Republic</p> <p>Assumed to be predominately legal due to the countries' proximity and high non-tourism travel volumes</p> <p>ND(L) from Slovenia</p> <p>Assumed to be predominately legal due to high non-tourism travel volumes (e.g. cross border shoppers and workers)</p> <p>ND(L) from Slovakia</p> <p>ND(L) in Eastern Border areas near Slovakia are assumed to be predominately legal given large price differentials and the high incidence of cross-border shopping from Austria per European Commission research⁽¹⁾</p>
Belgium	<p>ND(L) from Luxembourg</p> <p>Assumed to be predominately legal due to high non-tourism travel volumes</p>
Bulgaria	None
Croatia	None
Cyprus	None
Czech Republic	<p>ND(L) from Poland</p> <p>Border sales data in Poland was used to estimate the share of the inflow from Poland that was legal in 2023. This data was not available in 2024 and 2025. Given that Non-Domestic inflows from Poland remained relatively stable in 2025, and that these Polish packs were found in the same proportions in the same regions of the Czech Republic in 2025, the legal share of Polish inflows in 2025 has been kept consistent with 2024</p>
Denmark	None
Estonia	None
Finland	None
France	<p>ND(L) from Spain</p> <p>In addition to tourist ND(L), ND(L) flows into France were increased to account for legal flows through border shoppers (using data points on local border populations, car ownership, average daily consumption, smoking incidence, adult population, etc. to estimate the volume of cigarettes that could be bought legally by French smokers near the border). These data points were supplemented with border sales data. This border sales data suggests that border shopping is common in these bordering and cheaper markets, and border shopper crossings are not captured in tourist data</p> <p>ND(L) from Algeria</p> <p>ND(L) in France from Algeria was estimated using traveller volumes (incomers from air traffic report and returners extrapolated using 2021-25 outbound tourism CAGR), and traveller research carried out at airports in Algeria by Kantar TNS ('Tobacco brought back from Algeria to France by travellers of direct flights', May 2018) that indicated 33% of travellers carry tobacco products from Algeria to France. Our estimates on the number of travellers who purchase cigarettes was adjusted to take this figure into account. The indicative legal limit remains 200 cigarettes</p>

Sources: (1) ec.Europa.eu, Exploring cross-border integration in Europe

Non-Domestic Legal adjustments (cont.)

Non-Domestic Legal adjustments

Country	Adjustment
Germany	<p>ND(L) from Czech Republic</p> <p>Czech Republic ND(L) was estimated to be 1.35bn (from an initial 0.35bn) in this Report and was calculated by supplementing the WTO traveller numbers with border crossing data from the Czech Statistics Office. This is because WTO traveller data does not account for the high number of non-tourism related border crossings between Germany and Czech Republic related to workers and shoppers.</p> <p>The updated number of travellers was multiplied by the adult population %, smoking prevalence % and an assumed purchase volume of 420 cigarettes per person (cigarette number based on previous consumer research provided by PMI pre-2016)</p> <p>ND(L) from Luxembourg</p> <p>Assumed to be predominately legal due to the high number of border crossings</p>
Greece	None
Hungary	None
Ireland	None
Italy	None
Latvia	None
Lithuania	None
Luxembourg	None
Malta	None
Moldova	None
Netherlands	None
Norway	<p>ND(L) from Sweden</p> <p>Assumed to be predominately legal due to the high number of border crossings for shopping. Cigarettes are a popular border shopping purchase as prices in Sweden are almost half that in Norway</p> <p>ND(L) from World Wide Duty Free</p> <p>Assumed to be predominately legal. As Norway is a non-EU27 market, Norwegians can purchase Duty Free when travelling to the EU27 and abroad</p>

Non-Domestic Legal adjustments (cont.)

Non-Domestic Legal adjustments

Country	Adjustment
Poland	None
Portugal	None
Romania	None
Slovakia	None
Slovenia	None
Spain	<p>ND(L) from Andorra</p> <p>ND(L) was increased to 0.09bn (from an original 0.00bn) in 2025. This estimate is based on the number of Spanish visitors to Andorra, as reported by the Government of Andorra⁽¹⁾. The Andorra flow is considered predominately legal given the large number of tourist and cross border workers and shoppers</p> <p>ND(L) from Canary Islands</p> <p>ND(L) has been estimated at 0.06bn using total tourist data from the Canary Islands tourism dashboard⁽²⁾. This flow is considered predominately legal given high tourism volumes</p> <p>ND(L) from Gibraltar</p> <p>Travel volumes have been sourced from official government statistics⁽³⁾ as traveller flows between Spain and Gibraltar are not captured in WTO travel data. Additional government statistics are then used to split these travel volumes between tourists (who may be incentivised to purchase cigarettes up to the allowance of 200 cigarettes per trip) and cross-border workers⁽⁴⁾</p>
Sweden	None

Sources: (1) Government of Andorra: Number of visitors by nationality (2) Canary Islands Tourism Dashboard 2025 (3) Gibraltar Borders and Coastguard Agency (4) Government of Gibraltar: Frontier workers by nationality, Land frontier visitor arrivals

Non-Domestic Legal adjustments (cont.)

Non-Domestic Legal adjustments

Country	Adjustment
Switzerland	<p>ND(L) from Germany</p> <p>Assumed to be predominately legal given its proximity and large number of tourists and cross border workers</p> <p>ND(L) from World Wide Duty Free</p> <p>Assumed to be predominately legal. As Switzerland is a non-EU27 market, Swiss can purchase Duty Free when travelling to the EU27 and abroad</p>
UK	<p>ND(L) from Poland</p> <p>The smoking prevalence of Polish visitors to the UK was decreased from 22% to 21.6% to correspond to the proportions of male to female visitors (Polish men have a higher smoking prevalence, and there were more male than female visitors from Poland as sourced from the Office for National Statistics' 'Visits to and spending in UK: by sex, purpose of visit and country of residence 2024' dataset, which was extrapolated for 2025 using 2024-25 CAGR of inbound arrivals from Poland to UK sourced from Euromonitor)</p> <p>The smoking prevalence of UK visitors returning from Poland was also updated to 17.6% (the Polish smoking prevalence) to account for the fact that a large majority of these UK visitors are Polish, as sourced from the Office for National Statistics' 'Number of visits to specified countries: by main country visited and nationality 2024' which was extrapolated for 2025 using 2024-25 CAGR of outbound departures from UK to Poland sourced from Euromonitor</p> <p>Packs brought to the UK by Polish visitors was increased from 2 to 37 (based on previous consumer research provided by PMI pre-2016). This increased ND(L) from Poland from 0.32bn to 0.35bn</p> <p>ND(L) from Romania</p> <p>Packs brought to the UK by Romanian visitors were increased from 2 to 40 (based on previous consumer research provided by PMI pre-2016). Given the large price differentials between the UK and Romania, and the Romanian population in the UK, these travellers may be resident or working in the UK with the price incentive to purchase cigarettes up to the indicative legal limit. This increased pack number was combined with traveller statistics and smoking incidence data to estimate ND(L) from Romania per our standard methodology.</p>

Non-Domestic Legal analysis

Albania									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Greece	Outbound	Flows considered predominantly legal							0.02bn
	Inbound								
Italy	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
North Macedonia	Outbound	0.04mn	80%	21%	0.01mn	10	200	0.00bn	0.01bn
	Inbound	0.98mn	80%	40%	0.31mn	2	40	0.01bn	
Kosovo	Outbound	0.11mn	80%	21%	0.02mn	10	200	0.00bn	0.00bn
	Inbound	0.00mn	75%	29%	0.00mn	2	40	0.00bn	
Others									0.05bn
Total									0.09bn

Austria									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Slovenia	Outbound	Figure based on tourism statistics and border region consumption analysis							0.19bn
	Inbound								
Croatia	Outbound	Flows considered predominately legal							0.14bn
	Inbound								
Hungary	Outbound	Flows considered predominately legal							0.07bn
	Inbound								
Poland	Outbound	0.35mn	83%	23%	0.07mn	40	800	0.05bn	0.06bn
	Inbound	0.89mn	82%	21%	0.16mn	2	40	0.01bn	
Others									0.46bn
Total									0.92bn

Belgium									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Luxembourg	Outbound	Figure based on tourism statistics and border region consumption analysis							0.67bn
	Inbound								
Poland	Outbound	0.25mn	80%	23%	0.05mn	40	800	0.04bn	0.04bn
	Inbound	0.12mn	82%	21%	0.02mn	2	40	0.00bn	
France	Outbound	Flows considered predominantly legal							0.03bn
	Inbound								
Turkey	Outbound	0.62mn	80%	23%	0.12mn	10	200	0.02bn	0.02bn
	Inbound	0.09mn	75%	31%	0.02mn	2	40	0.00bn	
Others									0.32bn
Total									1.08bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Bosnia and Herzegovina									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Serbia	Outbound	0.20mn	82%	37%	0.06mn	10	200	0.01bn	0.01bn
	Inbound	0.17mn	83%	40%	0.06mn	2	40	0.00bn	
Croatia	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Illegal Duty Free Labelled Export	Outbound	0.00mn	0%	0%	0.00mn	0	0	0.00bn	0.00bn
	Inbound	0.00mn	0%	0%	0.00mn	0	0	0.00bn	
Cambodia	Outbound	0.00mn	82%	37%	0.00mn	10	200	0.00bn	0.00bn
	Inbound	0.00mn	65%	15%	0.00mn	2	40	0.00bn	
Others									0.00bn
Total									0.01bn

Bulgaria									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Turkey	Outbound	Flows considered predominantly legal							0.03bn
	Inbound								
Germany	Outbound	Figure based on tourism statistics and border region consumption analysis							0.01bn
	Inbound								
North Macedonia	Outbound	0.04mn	83%	39%	0.01mn	10	200	0.00bn	0.01bn
	Inbound	0.49mn	80%	40%	0.16mn	2	40	0.01bn	
Italy	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Others									0.10bn
Total									0.16bn

Croatia									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Bosnia and Herzegovina	Outbound	0.15mn	83%	35%	0.04mn	10	200	0.01bn	0.02bn
	Inbound	0.53mn	82%	37%	0.16mn	2	40	0.01bn	
Serbia	Outbound	0.13mn	83%	35%	0.04mn	10	200	0.01bn	0.01bn
	Inbound	0.27mn	83%	40%	0.09mn	2	40	0.00bn	
Italy	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Slovenia	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Others									0.04bn
Total									0.08bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Cyprus									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per Trip	# of cigarettes	ND(L) volume	Total ND(L)
Non-Government Controlled Areas	Outbound	Figure based on tourism statistics and border region consumption analysis							0.08bn
	Inbound								
Greece	Outbound	Flows considered predominately legal							0.00bn
	Inbound								
Unspecified	Outbound	0.00mn	0%	0%	0.00mn	0	0	0.00bn	0.00bn
	Inbound	0.00mn	0%	0%	0.00mn	0	0	0.00bn	
Laos	Outbound	0.00mn	82%	32%	0.00mn	10	200	0.00bn	0.00bn
	Inbound	0.00mn	64%	23%	0.00mn	2	40	0.00bn	
Others									0.01bn
Total									0.10bn

Czech Republic									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Poland	Outbound	Figure based on tourism statistics and border region consumption analysis							0.75bn
	Inbound								
Bulgaria	Outbound	Figure based on tourism statistics and border region consumption analysis							0.02bn
	Inbound								
Slovakia	Outbound	Flows considered predominantly legal							0.02bn
	Inbound								
Turkey	Outbound	0.44mn	81%	28%	0.10mn	10	200	0.02bn	0.02bn
	Inbound	0.13mn	75%	31%	0.03mn	2	40	0.00bn	
Others									0.13bn
Total									0.93bn

Denmark									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Sweden	Outbound	Flows considered predominantly legal							0.07bn
	Inbound								
Germany	Outbound	Flows considered predominantly legal							0.03bn
	Inbound								
Poland	Outbound	0.24mn	81%	15%	0.03mn	40	800	0.02bn	0.03bn
	Inbound	0.40mn	82%	21%	0.07mn	2	40	0.00bn	
Turkey	Outbound	0.54mn	81%	15%	0.07mn	10	200	0.01bn	0.01bn
	Inbound	0.12mn	75%	31%	0.03mn	2	40	0.00bn	
Others									0.16bn
Total									0.30bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Estonia									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Latvia	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Turkey	Outbound	0.16mn	81%	24%	0.03mn	10	200	0.01bn	0.01bn
	Inbound	0.01mn	75%	31%	0.00mn	2	40	0.00bn	
Poland	Outbound	Flows considered predominantly legal							0.00bn
	Inbound								
Lithuania	Outbound	Flows considered predominantly legal							0.00bn
	Inbound								
Others									0.03bn
Total									0.05bn

Finland									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Estonia	Outbound	0.72mn	82%	16%	0.10mn	40	800	0.08bn	0.08bn
	Inbound	0.12mn	81%	24%	0.02mn	2	40	0.00bn	
Sweden	Outbound	0.36mn	82%	16%	0.05mn	40	800	0.04bn	0.04bn
	Inbound	0.21mn	80%	10%	0.02mn	2	40	0.00bn	
Latvia	Outbound	0.13mn	82%	16%	0.02mn	40	800	0.01bn	0.01bn
	Inbound	0.02mn	81%	30%	0.01mn	2	40	0.00bn	
Poland	Outbound	0.12mn	82%	16%	0.02mn	40	800	0.01bn	0.01bn
	Inbound	0.07mn	82%	21%	0.01mn	2	40	0.00bn	
Others									0.09bn
Total									0.24bn

France									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Spain	Outbound	Figure based on tourism statistics and border region consumption analysis							2.22bn
	Inbound								
Algeria	Outbound	Figure based on tourism statistics and analysis							0.39bn
	Inbound								
Italy	Outbound	Flows considered predominately legal							0.39bn
	Inbound								
Andorra	Outbound	Figure based on tourism statistics and border region consumption analysis							0.29bn
	Inbound								
Others									2.73bn
Total									6.02bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Germany									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per Trip	# of cigarettes	ND(L) volume	Total ND(L)
Poland	Outbound								5.22bn
	Inbound								
Figure based on tourism statistics and border region consumption analysis									
Czech Republic	Outbound								1.35bn
	Inbound								
Figure based on tourism statistics and border region consumption analysis									
Luxembourg	Outbound								0.73bn
	Inbound								
Figure based on tourism statistics and border region consumption analysis									
Turkey	Outbound	9.42mn	83%	22%	1.69mn	10	200	0.34bn	0.34bn
	Inbound	0.37mn	75%	31%	0.09mn	2	40	0.00bn	
Others									2.92bn
Total									10.56bn

Greece									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Cyprus	Outbound								0.05bn
	Inbound								
Flows considered predominantly legal									
Bulgaria	Outbound								0.01bn
	Inbound								
Figure based on tourism statistics and border region consumption analysis									
Albania	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
Serbia	Outbound	0.07mn	84%	30%	0.02mn	10	200	0.00bn	0.01bn
	Inbound	0.85mn	83%	40%	0.28mn	2	40	0.01bn	
Others									0.16bn
Total									0.23bn

Hungary									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Croatia	Outbound								0.02bn
	Inbound								
Flows considered predominantly legal									
Slovakia	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
Romania	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
Italy	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
Others									0.11bn
Total									0.17bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Ireland									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per Trip	# of cigarettes	ND(L) volume	Total ND(L)
Spain	Outbound	Flows considered predominantly legal							0.13bn
	Inbound								
Italy	Outbound	Flows considered predominantly legal							0.06bn
	Inbound								
UK	Outbound	Flows considered predominantly legal							0.04bn
	Inbound								
Germany	Outbound	0.22mn	77%	18%	0.03mn	40	800	0.02bn	0.03bn
	Inbound	0.47mn	83%	22%	0.08mn	2	40	0.00bn	
Others									0.25bn
Total									0.51bn

Italy									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Egypt	Outbound	Figure based on tourism statistics and border region consumption analysis							0.20bn
	Inbound								
Slovenia	Outbound	0.54mn	85%	22%	0.10mn	40	800	0.08bn	0.11bn
	Inbound	4.45mn	82%	21%	0.76mn	2	40	0.03bn	
Spain	Outbound	Flows considered predominantly legal							0.11bn
	Inbound								
Romania	Outbound	0.22mn	85%	22%	0.04mn	40	800	0.03bn	0.06bn
	Inbound	2.44mn	81%	28%	0.56mn	2	40	0.02bn	
Others									0.78bn
Total									1.26bn

Kosovo									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Serbia	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Albania	Outbound	0.11mn	75%	29%	0.03mn	10	200	0.01bn	0.01bn
	Inbound	0.11mn	80%	21%	0.02mn	2	40	0.00bn	
Germany	Outbound	0.05mn	75%	29%	0.01mn	10	200	0.00bn	0.00bn
	Inbound	0.05mn	83%	22%	0.01mn	2	40	0.00bn	
Austria	Outbound	0.01mn	75%	29%	0.00mn	10	200	0.00bn	0.00bn
	Inbound	0.01mn	83%	23%	0.00mn	2	40	0.00bn	
Others									0.01bn
Total									0.03bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Latvia									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Poland	Outbound								0.00bn
	Inbound								
Flows considered predominantly legal									
Lithuania	Outbound								0.00bn
	Inbound								
Flows considered predominantly legal									
Austria	Outbound								0.00bn
	Inbound								
Flows considered predominantly legal									
Uzbekistan	Outbound	0.00mn	81%	30%	0.00mn	10	200	0.00bn	0.00bn
	Inbound	0.09mn	64%	10%	0.01mn	2	40	0.00bn	
Others									0.01bn
Total									0.01bn

Lithuania									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per Trip	# of cigarettes	ND(L) volume	Total ND(L)
Poland	Outbound								0.06bn
	Inbound								
Flows considered predominantly legal									
Latvia	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
Germany	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
Belarus	Outbound	0.64mn	83%	28%	0.15mn	2	40	0.01bn	0.01bn
	Inbound	0.10mn	81%	24%	0.02mn	2	40	0.00bn	
Others									0.05bn
Total									0.13bn

Luxembourg									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Belgium	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
France	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
Germany	Outbound								0.01bn
	Inbound								
Flows considered predominantly legal									
Italy	Outbound								0.00bn
	Inbound								
Flows considered predominantly legal									
Others									0.01bn
Total									0.03bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Malta									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Italy	Outbound	Flows considered predominantly legal							0.00bn
	Inbound								
Spain	Outbound	Flows considered predominantly legal							0.00bn
	Inbound								
Poland	Outbound	0.01mn	85%	24%	0.00mn	40	800	0.00bn	0.00bn
	Inbound	0.25mn	82%	21%	0.04mn	2	40	0.00bn	
Bulgaria	Outbound	0.01mn	85%	24%	0.00mn	40	800	0.00bn	0.00bn
	Inbound	0.04mn	83%	39%	0.01mn	2	40	0.00bn	
Others									0.01bn
Total									0.02bn

Moldova									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per Trip	# of cigarettes	ND(L) volume	Total ND(L)
Romania	Outbound	Flows considered predominately legal							0.00bn
	Inbound								
Turkey	Outbound	Flows considered predominately legal							0.00bn
	Inbound								
Greece	Outbound	0.00mn	77%	29%	0.00mn	10	200	0.00bn	0.00bn
	Inbound	0.00mn	84%	30%	0.00mn	2	40	0.00bn	
Germany	Outbound	0.00mn	77%	29%	0.00mn	10	200	0.00bn	0.00bn
	Inbound	0.11mn	83%	22%	0.02mn	2	40	0.00bn	
Others									0.01bn
Total									0.01bn

Montenegro									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per Trip	# of cigarettes	ND(L) volume	Total ND(L)
Serbia	Outbound	Flows considered predominately legal							0.01bn
	Inbound								
Bosnia and Herzegovina	Outbound	Flows considered predominately legal							0.00bn
	Inbound								
Croatia	Outbound	0.04mn	78%	37%	0.01mn	10	200	0.00bn	0.00bn
	Inbound	0.05mn	83%	35%	0.01mn	2	40	0.00bn	
North Macedonia	Outbound	0.01mn	78%	37%	0.00mn	10	200	0.00bn	0.00bn
	Inbound	0.05mn	80%	40%	0.01mn	2	40	0.00bn	
Others									0.00bn
Total									0.02bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Netherlands									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Germany	Outbound	Figure based on tourism statistics and border region consumption analysis							0.41bn
	Inbound								
Spain	Outbound	Flows considered predominantly legal							0.40bn
	Inbound								
Italy	Outbound	Flows considered predominantly legal							0.18bn
	Inbound								
Greece	Outbound	Flows considered predominantly legal							0.12bn
	Inbound								
Others									0.97bn
Total									2.08bn

North Macedonia									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Serbia	Outbound	Flows considered predominantly legal							0.00bn
	Inbound								
Turkey	Outbound	Flows considered predominantly legal							0.00bn
	Inbound								
Montenegro	Outbound	0.05mn	80%	40%	0.01mn	10	200	0.00bn	0.00bn
	Inbound	0.01mn	78%	37%	0.00mn	2	40	0.00bn	
Albania	Outbound	Flows considered predominantly legal							0.00bn
	Inbound								
Others									0.09bn
Total									0.10bn

Norway									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per Trip	# of cigarettes	ND(L) volume	Total ND(L)
Sweden	Outbound	Figure based on tourism statistics and border region consumption analysis							0.37bn
	Inbound								
Spain	Outbound	Figure based on tourism statistics and border region consumption analysis							0.01bn
	Inbound								
Germany	Outbound	0.42mn	80%	12%	0.04mn	5	100	0.00bn	0.01bn
	Inbound	1.33mn	83%	22%	0.24mn	2	40	0.01bn	
Denmark	Outbound	1.06mn	80%	12%	0.10mn	5	100	0.01bn	0.01bn
	Inbound	0.39mn	81%	15%	0.05mn	2	40	0.00bn	
Others									0.26bn
Total									0.67bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Poland									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Ukraine	Outbound	0.01mn	82%	21%	0.00mn	2	40	0.00bn	0.07bn
	Inbound	9.21mn	83%	23%	1.72mn	2	40	0.07bn	
Germany	Outbound	Figure based on tourism statistics and border region consumption analysis							0.07bn
	Inbound								
Italy	Outbound	Flows considered predominantly legal							0.04bn
	Inbound								
Belarus	Outbound	0.13mn	82%	21%	0.02mn	2	40	0.00bn	0.02bn
	Inbound	1.87mn	81%	24%	0.37mn	2	40	0.01bn	
Others									0.22bn
Total									0.41bn

Portugal									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Spain	Outbound	Flows considered predominantly legal							0.07bn
	Inbound								
France	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Switzerland	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Canary Islands	Outbound	0.12mn	84%	29%	0.03mn	10	200	0.01bn	0.01bn
	Inbound	0.00mn	84%	0%	0.00mn	0	0	0.00bn	
Others									0.11bn
Total									0.20bn

Romania									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Bulgaria	Outbound	2.69mn	81%	28%	0.62mn	40	800	0.49bn	0.51bn
	Inbound	1.61mn	83%	39%	0.52mn	2	40	0.02bn	
Moldova	Outbound	0.15mn	81%	28%	0.03mn	10	200	0.01bn	0.03bn
	Inbound	2.73mn	77%	29%	0.61mn	2	40	0.02bn	
Turkey	Outbound	Flows considered predominantly legal							0.02bn
	Inbound								
Italy	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Others									0.10bn
Total									0.69bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Serbia									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Bosnia and Herzegovina	Outbound								0.02bn
	Inbound								
North Macedonia	Outbound	0.11mn	83%	40%	0.04mn	10	200	0.01bn	0.01bn
	Inbound	0.13mn	80%	40%	0.04mn	2	40	0.00bn	
Austria	Outbound								0.01bn
	Inbound								
Croatia	Outbound								0.00bn
	Inbound								
Others									0.03bn
Total									0.07bn

Slovakia									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Poland	Outbound								0.03bn
	Inbound								
Czech Republic	Outbound								0.02bn
	Inbound								
Ukraine	Outbound	0.00mn	81%	29%	0.00mn	10	200	0.00bn	0.01bn
	Inbound	1.48mn	83%	23%	0.27mn	2	40	0.01bn	
Austria	Outbound								0.01bn
	Inbound								
Others									0.05bn
Total									0.12bn

Slovenia									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Croatia	Outbound								0.06bn
	Inbound								
Serbia	Outbound	0.10mn	82%	21%	0.02mn	10	200	0.00bn	0.01bn
	Inbound	0.17mn	83%	40%	0.06mn	2	40	0.00bn	
Bosnia and Herzegovina	Outbound	0.07mn	82%	21%	0.01mn	10	200	0.00bn	0.00bn
	Inbound	0.08mn	82%	37%	0.02mn	2	40	0.00bn	
Germany	Outbound								0.00bn
	Inbound								
Others									0.01bn
Total									0.09bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

Spain									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per Trip	# of cigarettes	ND(L) volume	Total ND(L)
Gibraltar	Outbound	Figure based on tourism statistics and border region consumption analysis							0.25bn
	Inbound								
Andorra	Outbound	Flows considered predominately legal							0.09bn
	Inbound								
Canary Islands	Outbound	Flows considered predominantly legal							0.06bn
	Inbound								
Portugal	Outbound	Flows considered predominantly legal							0.05bn
	Inbound								
Others									0.39bn
Total									0.83bn

Sweden									
Country		# of border crossings	Population 18+	Smoking Prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Poland	Outbound	0.35mn	80%	10%	0.03mn	40	800	0.02bn	0.02bn
	Inbound	0.15mn	82%	21%	0.03mn	2	40	0.00bn	
Denmark	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Germany	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Austria	Outbound	Flows considered predominantly legal							0.01bn
	Inbound								
Others									0.14bn
Total									0.19bn

Switzerland									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Germany	Outbound	Flows considered predominantly legal							0.12bn
	Inbound								
Italy	Outbound	Flows considered predominantly legal							0.08bn
	Inbound								
Spain	Outbound	Flows considered predominantly legal							0.06bn
	Inbound								
France	Outbound	Flows considered predominantly legal							0.05bn
	Inbound								
Others									0.55bn
Total									0.85bn

Note: Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Non-Domestic Legal analysis

UK ^(a)									
Country		# of border crossings	Population 18+	Smoking prevalence	Smoker trips	Packs per trip	# of cigarettes	ND(L) volume	Total ND(L)
Poland	Outbound	3.23mn	80%	18%	0.45mn	10	200	0.09bn	0.35bn
	Inbound	2.00mn	82%	22%	0.35mn	37	740	0.26bn	
Romania	Outbound	0.33mn	80%	12%	0.03mn	10	200	0.01bn	0.18bn
	Inbound	0.94mn	81%	28%	0.21mn	40	800	0.17bn	
Canary Islands	Outbound	6.47mn	80%	12%	0.64mn	10	200	0.13bn	0.13bn
	Inbound	0.00mn	84%	0%	0.00mn	0	0	0.00bn	
Turkey	Outbound	6.14mn	80%	12%	0.60mn	10	200	0.12bn	0.12bn
	Inbound	0.20mn	75%	31%	0.05mn	2	40	0.00bn	
Others									2.18bn
Total									2.96bn

Notes: (a) Smoking prevalence has been weighted to take account of the nationality and gender of the travellers between Poland and the UK; (b) Predominantly legal indicates that for the purposes of this Report cross-border travel volumes are sufficiently large that we have classified the flows as 100% ND(L), but recognise in reality that an element of the flow could be illicit as smuggling or imports over the allowed limits may occur

Source: (1) KPMG European Flows Calculation

Illicit Whites analysis

Illicit Whites brand flows accounted for ~18% of total C&C volumes in the 38 European markets

Illicit Whites are defined as

- Cigarettes which are usually manufactured legally in one country or market but which the evidence suggests have been smuggled across borders to the destination market where they have limited or no legal distribution and are sold without the payment of tax

KPMG undertook the following analysis to estimate which brands made up Illicit Whites brand flows:

- Non-Domestic volumes were compared to LDS on a country-by-country basis to estimate the Non-Domestic share of total consumption
- KPMG conservatively assumed that where Non-Domestic volumes of a brand represented over 99% of total consumption, it is classified as an Illicit Whites brand

Where Illicit Whites packs do not have any country-specific tax stamps, they are categorised as ‘Illicit Whites with no country-specific labelling’ in the Report. This includes Duty Free labelled packs

An Illicit Whites brand’s overall volume is the total of only those countries where the brand flow meets the 99% criteria

Many of the Illicit Whites flows are identified in high volumes in the empty pack survey. However, given our identification of Counterfeit product is limited to the empty pack survey participants, we cannot assess whether these flows are genuine or counterfeit

Illustrative example

Non-Domestic volumes by brand and destination country

Brand	Country 1	Country 2	Country 3	Country 4
Brand A	0.01	0.24	0.01	0.01

LDS by brand and by country

Brand	Country 1	Country 2	Country 3	Country 4
Brand A	-	0.00	-	0.01

Non-Domestic volumes as share of total consumption

Brand	Country 1	Country 2	Country 3	Country 4
Brand A	100%	100%	100%	38%

Illicit White volumes by brand and by destination country

Brand	Country 1	Country 2	Country 3	Country 4
Brand A	0.01	0.24	0.01	-

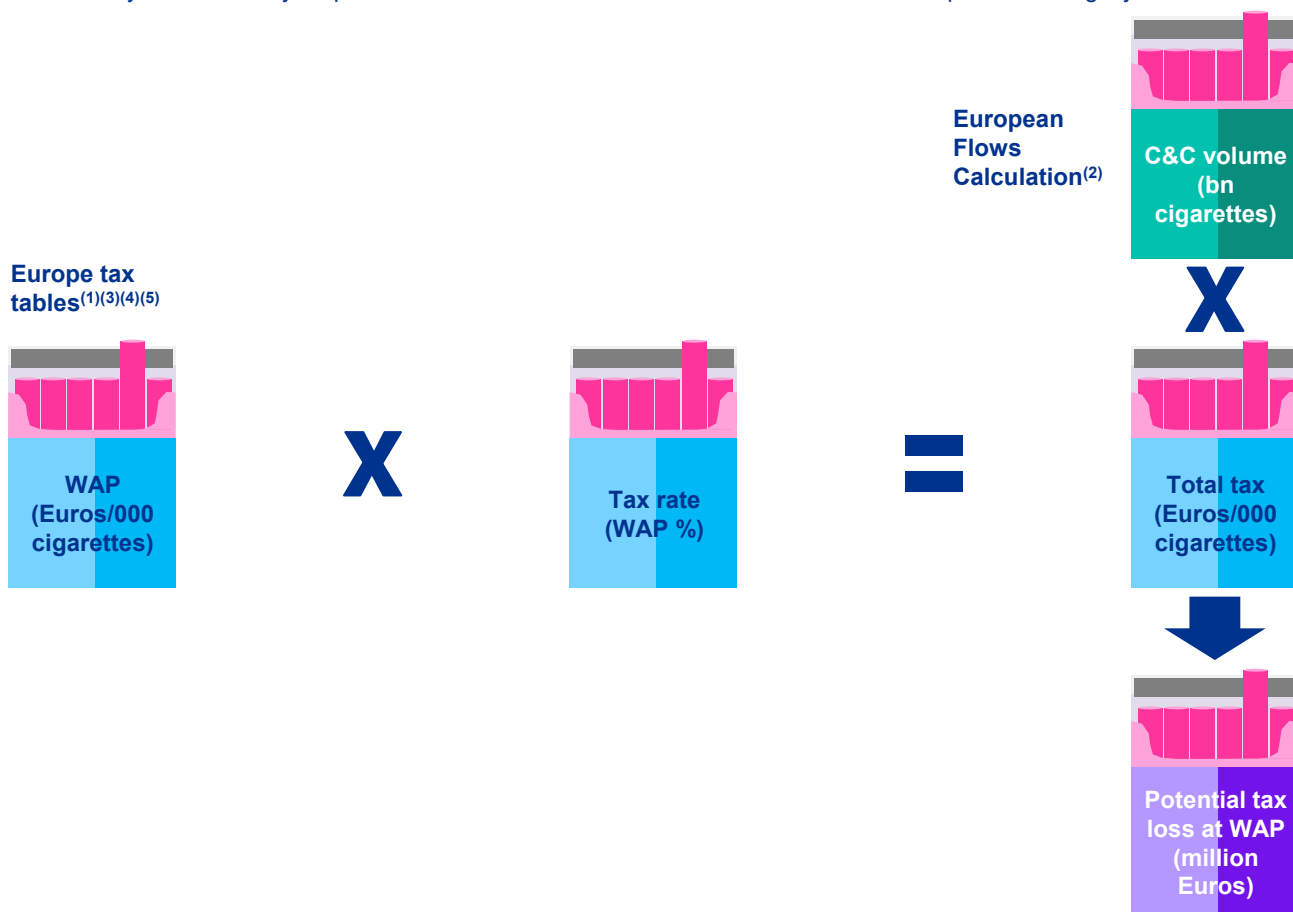
Classified as an Illicit White in country 1, 2 and 3 where there is limited or no evidence of legal distribution

Not classified as an Illicit White in country 4 where Non-Domestic volumes are 38% of consumption

Tax Revenue Loss

The Report estimates the excise and VAT revenue that would have been gained had the volume of C&C cigarettes consumed in a country been legally purchased in that country

- The calculation shown below was performed for each EU27 country:
 - European Commission Excise Duty Tables tax tables 2024 were used to estimate the Weighted Average Price^(a) for cigarettes in each country within the EU27
 - This is then multiplied by the tax rate (as a % of Weighted Average Price (WAP)) in each country within the EU27
 - The resultant tax take (per cigarette) is multiplied by the C&C consumption volumes for that country per the European Flows Calculation to give the total potential tax loss based on WAP
- KPMG also similarly estimated tax losses for Norway, Switzerland, UK, Ukraine, Moldova, Albania, Bosnia & Herzegovina, Montenegro, North Macedonia, Kosovo and Serbia using the tax rates in these countries and WAP data available through other sources⁽³⁾⁽⁴⁾⁽⁵⁾
- Total tax losses for the 38 European countries based on WAP were estimated to be €22.4bn in 2025
- Tax losses are estimated based on sales volumes and are not reflective of any other factors, like affordability or price elasticity and are always reported at what would have been lost if the C&C had been purchased legally



Note: (a) WAP denotes Weighted Average Price per pack of 20 cigarettes
 Sources: (1) For EU countries, tax rate and WAP from EC Excise Duty tables; (2) KPMG European Flows Calculation and analysis of data sources provided by manufacturers; (3) For UK, Norway, Switzerland, Kosovo and North Macedonia, WAP from PMI as on October 2025; (4) For UK, Norway, Switzerland, Ukraine, Albania, Bosnia & Herzegovina, Kosovo, Montenegro, Moldova, Serbia and North Macedonia, tax rate from PMI as on October 2025; (5) For Albania, Bosnia & Herzegovina, Montenegro, Serbia and other countries, WHO 2024 most sold brand prices extrapolated for 2025 using 2024-2025 CAGR from Euromonitor

Illegal factory seizure data

<p>Seizure data shown in this Report is based on data provided by PMPSA, and may differ from seizure data released from other sources</p>	<p>Seizure data included in this Report is based on information received from PMPSA</p> <ul style="list-style-type: none"> • Seizure data is gathered via two methods: <ul style="list-style-type: none"> - Publicly available press articles and legal notifications - Notifications from law enforcement agencies to legitimate manufacturers. Law enforcement agencies typically notify manufacturers when an illegal cigarette factory has been raided that is Counterfeiting a brand belonging to the legitimate manufacturer. This information may not always be in the public domain <p>This PMPSA seizure data may differ from seizure data released by other sources, e.g. law enforcement agencies, or OLAF</p> <ul style="list-style-type: none"> • In some cases, law enforcement agencies may not notify manufacturers or publicly announce seizures, e.g. when an investigation is ongoing • Classification of what constitutes a seizure may differ between agencies vs PMPSA. For example, some law enforcement agencies may not recognise a factory in the set-up phase as a seizure event, whereas these are included in the figures shown in this Report.
<p>Where required, we have converted seized tobacco volumes into cigarette equivalents</p>	<p>To allow a consistent and comparable measure of seizure events, we have converted some seizures events into cigarette equivalents</p> <ul style="list-style-type: none"> • Seizure events may discover cigarettes, processed or raw tobacco • Where processed or raw tobacco is seized, it has been converted into a cigarette equivalent with the assumption that 1 cigarette contains 0.7g of tobacco⁽²⁾
<p>Seizure data and the trends therein may not align with the illicit cigarette consumption results shown in this Report at an overall or subcategory level</p>	<p>There are differences between seizure data and the illicit cigarette consumption results in this Report, which may be due to the investigation-led nature of seizures</p> <ul style="list-style-type: none"> • For example, 36% of illicit cigarettes consumed within the EU27 were identified as Counterfeit in 2023 in this Report. However, 2023 OLAF seizures data notes that Counterfeit represented 22% of EU27 seizures^{(1)(a)} • Seizures are often intelligence led and tend to target specific manufacturing or transport operations. It is not possible to estimate what share of total illicit activity or consumption these seizures represent, as a result the mix and evolution of seizure activity is likely to differ to the total illicit cigarette consumption estimates contained in this Report

Note: (a) The OLAF seizures data corresponds to calendar year 2023;

Source: (1) OLAF, Tobacco smuggling: over 600 million illicit cigarettes seized thanks to OLAF in 2023, 11 April 2024 (2) Tobacco Product Standard for Nicotine Level of Combusted Cigarettes, FDA, 2018

Methodology – Heated tobacco

04

Overview

The estimations of heated tobacco total consumption and Contraband incidence in this Report utilise the KPMG European Flow Calculation methodology which was originally developed to estimate Illicit cigarette consumption in the EU and selected European markets. Refer to the methodology for estimating illicit cigarette consumption for further details. This heated tobacco methodology section highlights the differences between the methodologies used for cigarettes and heated tobacco

The estimates shown in this report are based on empty pack survey and consumer survey results

An empty pack survey was the source of estimates in the majority of markets

- For 20 of the 22 markets included in this Report, an empty pack survey was the sole source used to produce the estimates shown
- A consumer survey was used in Romania
- A combination of an empty pack survey and consumer survey was used in Germany
- Refer to the following pages for further details on empty pack and consumer surveys, as well as which source has been used for which market on pages 276 and 277

Empty pack survey results provide a robust indication of the incidence of Non-Domestic packs and their country of origin

An empty pack survey relies purely on physical evidence, avoiding the potential for consumer bias found in interview-based methods

- The empty pack surveys were commissioned by PMI and conducted by independent market research agencies across 21 markets (Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Germany^(a), Greece, Hungary, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom and Ukraine^(b)) allowing for direct comparison of data and the identification of inflows and outflows between all the countries analysed
- The surveys are commissioned by the participating manufacturers (one or more of British American Tobacco, Imperial Brands, Japan Tobacco International and Philip Morris International) and the sampling plan is designed by the agencies in conjunction with the manufacturers to help make the sampling plan statistically representative of consumption in the country for the whole year studied
- 39,901 packs were collected in 2025 as part of this research for the 21^(b) markets
- Refer to page 276 and 277 for an overview of those markets for which an empty pack survey was used to produce the analysis included in this Report

Note: (a) An empty pack survey and a consumer survey were conducted in Germany (b) Ukraine data is available for the calendar year 2024 only

Overview (cont.)

<p>In some markets, consumer surveys were used to provide an indication of the incidence of Non-Domestic packs and their country of origin</p>	<p>In Romania, a representative empty pack survey was not available due to the relatively small size of heated tobacco consumption, making it difficult to achieve a sufficient sample size. In this instance, a consumer survey was used to determine the incidence of Non-Domestic packs and their country of origin</p> <p>In Germany both a consumer survey and empty pack survey were available</p> <ul style="list-style-type: none"> • The Romania consumer survey was commissioned by PMI and conducted by an independent market research agencies (Ipsos Doxa) across a database of registered IQOS and Non-IQOS product users • As part of this research in Romania, photographs were collected, including unique identifiers (EAN numbers) of the heated tobacco packs respondents were currently consuming. This reduced the potential for consumer bias when disclosing what they were currently consuming, and enabled identification of the country of origin of packs and the subsequent calculation of inflows • 502 consumers were surveyed in 2025 in Romania • In Germany, the empty pack survey was carried out by PMI across a database of registered IQOS users • A cohort of between 3,500 and 3,700 consumers were surveyed in Germany on a monthly basis • In Germany, consumers were asked questions about the heated tobacco pack they are currently consuming, including the language of the health warning to determine which packs were Non-Domestic in origin
<p>Tourism and travel trends are used to estimate Legal Non-Domestic heated tobacco purchases</p>	<p>Tourism and travel data provided by publicly-available third-party sources are used to estimate genuine, Legal Non-Domestic heated tobacco purchases (including cross-border shopping) in each market based on inbound visitor inflows and price incentives</p> <ul style="list-style-type: none"> • Weighted average price (WAP) of a pack of heated tobacco in each market was provided by PMP SA. Where flows come into a market from a higher priced market, they are assumed to be legal, as there is no price incentive for smuggling given that consumers could buy heated tobacco more cheaply via legitimate channels
<p>To help improve the accuracy of results, minor refinements were necessary at a country level</p>	<p>Comparison of data from alternative sources identified one instance where country-to-country flows required adjustment</p> <ul style="list-style-type: none"> • In Germany, specific adjustments were made to Poland ND(L) and Czech Republic ND(L) flows where additional data provided by third parties allowed for further refinement of the analysis. Refer to page 281 for further details. • In Germany, Non-Domestic share and inflows by source market and brand were estimated using a combination of consumer survey and empty pack survey data (see Data sources by country on the following pages for further details)
<p>Illicit Whites</p>	<p>KPMG sought to identify Illicit Whites packs in both empty pack survey and consumer survey. However, we did not identify any Illicit Whites flows in the available survey data</p>
<p>Counterfeit</p>	<p>Packs collected in empty pack surveys were forensically examined by the participating manufacturers to identify if they were Counterfeit. However, no Counterfeit packs were identified</p>

Empty pack survey methodology

The empty pack survey methodology used to collect heated tobacco packs is consistent with that used to collect cigarette packs. Refer to the methodology for estimating illicit cigarette consumption for further details

Coverage

The total number of heated tobacco packs collected in each market is not solely based on population but is determined by number of factors such as the size of the market, the likelihood of high Non-Domestic incidence and the manufacturers' share of the legal market. However, locations where packs are collected 'in market' are based on city and regional populations to seek to ensure the sample is nationally representative. The number of packs collected in each market in 2025 are set out below.

- More than 500 packs were collected in the majority of markets in this Report⁽¹⁾:
 - Markets with less than 500 packs collected: Austria, Croatia, Cyprus, Slovenia, Spain, Sweden
 - Markets with 500-1,000 packs collected: Latvia, Lithuania, Netherlands, Portugal, Switzerland, Ukraine^(a), United Kingdom
 - Markets with over 1,000 packs collected: Bulgaria, Czech Republic, Germany, Greece, Hungary, Italy, Poland, Slovakia

Note: (a) Ukraine data is available for the calendar year 2024 only
Source: (1) Empty pack surveys

Consumer survey methodology

<p>Overview</p>	<p>A consumer survey is a survey of a panel of registered heated tobacco users which gathers detailed pack information to estimate the incidence of Domestic and Non-Domestic packs and brands in each of the markets. In addition, the consumer surveys also gather data on purchase channels for heated tobacco</p> <ul style="list-style-type: none"> — Survey respondents are selected to meet a pre-defined target sample size (refer to the coverage section below for details on sample sizes) with soft quotas on age and gender to be representative of heated tobacco users across the markets studied — Results reflect actual overall Non-Domestic share and provide a snapshot of brands consumed
<p>Process</p>	<p>The consumer surveys are based on a pre-defined questionnaire</p> <ul style="list-style-type: none"> — Respondents answer questions related to the pack of heated tobacco they are currently consuming, with questions covering country of purchase, brand, channel of purchase, price point etc. In Romania, they also provide a photograph of the pack. — In Romania, where photographs are provided, the European Article Number (EAN) of the respondent's current pack of heated tobacco is recorded. Where EANs correspond to PMI products, the EANs are verified by PMI against their EAN database to confirm the origin, variant, pack size etc. — In cases where EANs correspond to non-PMI products, health warning and packaging characteristics are used to determine the origin, variant, pack size etc, and where no markings are found they are recorded as unspecified — In Germany, health warnings are used to determine the origin — Once responses are collected, the number of Domestic versus Non-Domestic packs is counted to estimate the proportion of packs that did not originate from that jurisdiction (including Duty Free variants) — KPMG used the results of the consumer surveys to extrapolate overall consumption in the market using LDS, the percentage of Non-Domestic sticks and respondent consumption volumes as found through the surveys — The process is repeated across all countries of study using an approach which iterates the level of Non-Domestic sticks until all inflows and outflows are equal
<p>Coverage</p>	<p>The total number of consumers surveyed in each market is not solely based on population but is determined by a number of factors such as the size of the market, the number of registered heated tobacco users, and the likelihood of high Non-Domestic incidence. However, the users surveyed are based on predetermined quotes on age, gender etc. to seek to ensure a nationally representative sample</p> <ul style="list-style-type: none"> — Sample sizes across the markets where consumer surveys are used were : <ul style="list-style-type: none"> • Germany: A cohort of between 3,500 and 3,700 consumers on a monthly basis (conducted online across a panel of registered IQOS users) • Romania: 502 consumers (conducted both online and offline among a selection of registered IQOS users and users of other heated tobacco systems)

Source: (1) Consumer surveys

Outflows calculation

As data sources differed across the 22 markets in the Report (refer to page 276 and 277 for details), we have used the following three step methodology to combine the outflows indicated between markets for each survey source

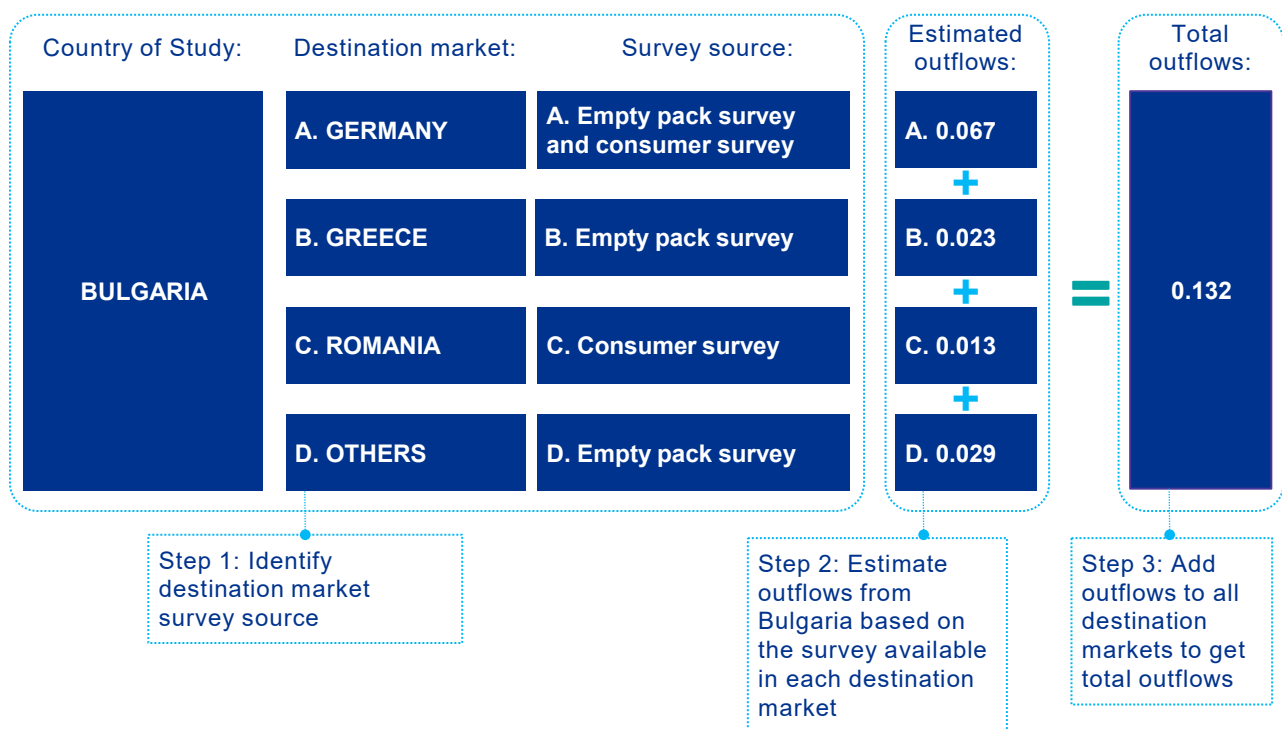


For outflows from a country of study, identify the survey source (empty pack survey or consumer survey) in the destination market

Estimate outflows to each destination market based on the destination market's survey source

Sum outflows to each destination market to get total outflows for the country of study

Illustrative example of outflows calculation



Consumer survey Contraband analysis

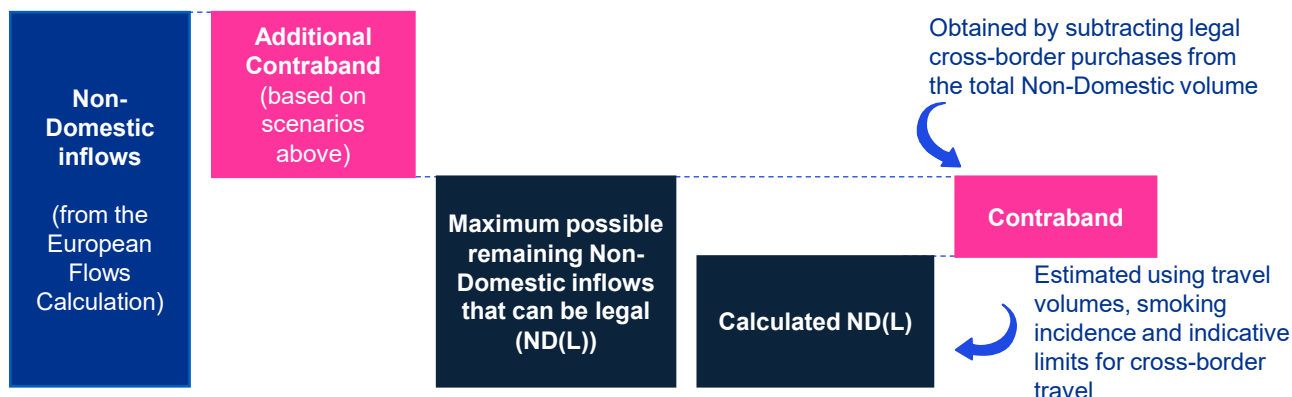
Regardless of data source used (empty pack or consumer survey), the KPMG European Flows Calculation provides an estimate of Non-Domestic consumption for all markets in this Report. In two markets in this Report (Germany and Romania) consumer surveys were used to estimate total heated tobacco consumption. The consumer survey responses in Romania contained additional data on place and channel of purchase that enabled an additional estimate of Contraband consumption that is not possible with empty pack survey results. The methodology used to carry out this additional estimate is set out below

Additional scenarios in which a pack of heated tobacco is considered Contraband in consumer survey results

<p>1. The county of origin does not correspond to where the pack was purchased</p>	<p>2. The consumer has purchased Non-Domestic heated tobacco in excess of allowed limits</p>	<p>3. The consumer has purchased Non-Domestic heated tobacco through consumer-to-consumer online channels</p>
<p>If the consumer has purchased the pack in their home country but the pack is Non-Domestic, or the pack is Domestic to the country of the consumer, but they have purchased it abroad</p>	<p>If the consumer states that the Non-Domestic pack they are currently consuming was part of a purchase of multiple packs from another country, and the total number of packs purchased was more than the legal limit</p>	<p>If the consumer has purchased a Non-Domestic pack from following channels: social media, consumer to consumer online marketplaces^(a), or social media messaging apps in a market where this is not permitted</p>

How this additional Contraband is reflected in our estimates shown

The additional Contraband volume identified in the consumer survey results through the scenarios set out above is considered alongside the calculation of Non-Domestic Legal volumes using travel volumes, smoking incidence and indicative limits for cross-border travel as set out below



Breakdown of Contraband by source⁽¹⁾

The table below sets out, for the markets where consumer surveys were used, how much Contraband is estimated using the three scenarios identified above, and how much is calculated using travel statistics etc.

Country	Additional contraband from consumer survey	Travel statistics estimated contraband	Total contraband (bn sticks)
Germany	0.00	0.26	0.26
Romania	0.03	0.00	0.03

Note: (a) Based on secondary research online marketplace purchase is not permissible in Romania, thus packs purchased through this channel are marked as Contraband in these countries
 Source: (1) KPMG European Flows Calculation, 2025

Data sources by country

Legal Domestic Sales (LDS)

- LDS data for all markets is sourced from In Market Sales (IMS) data compiled by Nielsen and other third-party market research agencies

2025 heated tobacco survey data sources

- For most markets in this Report the sole source of data available was an empty pack survey
- Refer to the table below for a more detailed breakdown of data source available by market in 2025

Survey sources used by market⁽¹⁾

Country	Empty pack survey available?	Consumer survey available?	Survey chosen for estimates shown in this Report	Rationale for survey source chosen
Austria	Yes	No	Empty pack survey	Only an empty pack survey was available
Bulgaria	Yes	No	Empty pack survey	Only an empty pack survey was available
Croatia	Yes	No	Empty pack survey	Only an empty pack survey was available
Cyprus	Yes	No	Empty pack survey	Only an empty pack survey was available
Czech Republic	Yes	No	Empty pack survey	Only an empty pack survey was available
Germany ^(a)	Yes	Yes	<p>Overall Non-Domestic incidence per the consumer survey</p> <p>Inflows by source and brand are per the empty pack survey</p>	<p>A consumer survey (a cohort of between 3,500 and 3,700 consumers surveyed monthly) and an empty pack survey (6,031 samples in total collected across all months in 2025) were both available</p> <p>The consumer survey was considered more representative of overall Non-Domestic incidence as it provided a longer-term time trend view of Non-Domestic incidence across a consistent cohort of consumers compared to the empty pack survey</p> <p>While the consumer survey offers a more comprehensive estimate of overall Non-Domestic incidence, it does not provide granularity on inflows by both brand and origin. As a result, overall Non-Domestic incidence was sourced from the consumer survey. Brand and origin splits were sourced from the empty pack survey data</p> <p>This combined approach provides both an estimate of Non-Domestic incidence while retaining visibility on brand and origin dynamics</p>

Note: (a) For Germany, a combination of empty pack survey and monthly consumer survey data for 2025 has been utilised

Source: (1) Empty pack surveys and consumer surveys

Data sources by country (cont.)

Survey sources used by market (cont.)⁽¹⁾

Country	Empty pack survey available?	Consumer survey available?	Survey chosen for estimates shown in this Report	Rationale for survey source chosen
Greece	Yes	No	Empty pack survey	Only an empty pack survey was available
Hungary	Yes	No	Empty pack survey	Only an empty pack survey was available
Italy	Yes	No	Empty pack survey	Only an empty pack survey was available
Latvia	Yes	No	Empty pack survey	Only an empty pack survey was available
Lithuania	Yes	No	Empty pack survey	An empty pack survey is the preferred source, as larger sample sizes are achieved
Netherlands	Yes	No	Empty pack survey	Only an empty pack survey was available
Poland	Yes	No	Empty pack survey	Only an empty pack survey was available
Portugal	Yes	No	Empty pack survey	Only an empty pack survey was available
Romania	No	Yes	Consumer survey	Only a consumer survey was available
Slovakia	Yes	No	Empty pack survey	Only an empty pack survey was available
Slovenia	Yes	No	Empty pack survey	Only an empty pack survey was available
Spain	Yes	No	Empty pack survey	Only an empty pack survey was available
Sweden	Yes	No	Empty pack survey	Only an empty pack survey was available
Switzerland	Yes	No	Empty pack survey	Only an empty pack survey was available
Ukraine ^(a)	Yes	No	Empty pack survey	Only an empty pack survey was available
United Kingdom	Yes	No	Empty pack survey	Only an empty pack survey was available

Note: (a) Ukraine data is available in 2024 only























Source: (1) Empty pack surveys and consumer surveys

Data sources by country (cont.)

Comparison of 2025 heated tobacco survey data sources

- The table below sets out the sample sizes and Non-Domestic incidence from the data source used for the markets in this Report (consumer survey or empty pack survey)

Sample size and Non-Domestic incidence by market, 2024-2025^{(1)(a)}

Market	Number of packs/respondents		Non-Domestic incidence ^(b)	
	2024	2025	2024	2025
Austria (empty pack survey) 	820	470	28%	23%
Bulgaria (empty pack survey) 	2,000	1,000	0%	2%
Croatia (empty pack survey) 	300	300	1%	5%
Cyprus (empty pack survey) 	400	400	34%	38%
Czech Republic (empty pack survey) 	6,000	6,000	8%	8%
Germany ^(c) (consumer survey) 	3,000	3,500	32%	34%
Greece (empty pack survey) 	2,000	2,000	3%	2%
Hungary (empty pack survey) 	8,000	8,000	4%	4%
Italy (empty pack survey) 	4,000	4,000	2%	1%
Latvia (empty pack survey) 	500	500	6%	0%
Lithuania (empty pack survey) 	900	900	5%	5%
Netherlands (empty pack survey) 	400	800	46%	58%
Poland (empty pack survey) 	4,000	4,000	3%	2%
Portugal (empty pack survey) 	700	700	0%	1%
Romania (consumer survey) 	513	502	2%	3%
Slovakia (empty pack survey) 	700	1,400	2%	3%
Slovenia (empty pack survey) 	400	400	8%	9%
Spain (empty pack survey) 	200	400	2%	3%
Sweden (empty pack survey) 	450	450	18%	15%
Switzerland (empty pack survey) 	950	950	22%	16%
Ukraine ^(d) (empty pack survey) 	600		0%	
UK ^(e) (consumer survey / empty pack survey) 	292	600	13%	8%

Note: (a) Sample size and ND incidence is shown as per the selected survey source for the market; (b) Non-Domestic incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey and consumer survey; (c) For Germany, figures relate to the consumer survey which was used as the source of overall Non-Domestic incidence; (d) Ukraine empty pack survey data is available for 2024 only; (e) In the UK a consumer survey was used in 2024. In 2025 only an empty pack survey was available

Source: (1) Empty pack surveys and consumer surveys

Data sources by country (cont.)

Survey dates and coverage, 2025^{(1)(a)}

Country	Survey type	Survey dates	Packs collected / Consumers surveyed	Number of cities covered
Austria	Empty pack survey	Q2: Apr-May	470	4
Bulgaria	Empty pack survey	Q2: May	1,000	15
Croatia	Empty pack survey	Q4: Oct	300	4
Cyprus	Empty pack survey	Q4: Oct	400	4
Czech Republic	Empty pack survey	Q2: Apr-May Q4: Sept-Oct	6,000	30
Germany	Consumer survey	Consumer survey: Monthly	Consumer survey: A cohort of between 3,500 and 3,700 consumers Empty pack survey: 6,031	Consumer survey: Data not available
	Empty pack survey	Empty pack survey: Q1, Q2, Q3, Q4 (all months)		Empty pack survey: 45
Greece	Empty pack survey	Q2: Apr-May Q3: Sep	2,000	9
Hungary	Empty pack survey	Q1: Feb-Apr Q3: Aug-Sept	8,000	40
Italy	Empty pack survey	Q2: May-Jun Q4: Oct-Nov	4,000	25
Latvia	Empty pack survey	Q2: May	500	8
Lithuania	Empty pack survey	Q2: Mar-Apr	900	10
Netherlands	Empty pack survey	Q2: May-June Q4: Sept-Oct	800	5
Poland	Empty pack survey	Q2: Apr-May Q4: Oct-Nov	4,000	14
Portugal	Empty pack survey	Q2: Apr-May	700	7
Romania	Consumer survey	Q2	502	Data not available
Slovakia	Empty pack survey	Q2: Apr	1,400	11
Slovenia	Empty pack survey	Q4: Oct-Nov	400	8

Note: (a) Packs collected is shown as per the selected survey source for the market

Source: (1) Empty pack surveys and consumer surveys

Data sources by country (cont.)

Survey dates and coverage, 2025^{(1)(a)}

Country	Survey type	Survey dates	Packs collected / Consumers surveyed	Number of cities covered
Spain	Empty pack survey	Q2: Apr-May Q4: Oct-Nov	400	9
Sweden	Empty pack survey	Q2: Apr-May	450	11
Switzerland	Empty pack survey	Q3: Sep-Oct	950	20
Ukraine ^(b)	Empty pack survey	Q1: Feb	600	3
UK	Empty pack survey	Q2: Apr-May	600	7

Note: (a) Packs collected is shown as per the selected survey source for the market; (b) Ukraine data is available in 2024 only

Source: (1) Empty pack surveys and consumer surveys

Non-Domestic legal adjustments

2025 Non-Domestic legal adjustments

- Comparison of data from alternative sources identified some markets where country-to-country flows required adjustment. These markets and the adjustments made are set out below

Country	Adjustment
Germany	<p>ND(L) from Poland</p> <ul style="list-style-type: none"> • Our initial European Flows Calculation results indicated ND(L) flows from Poland were ~0.65bn heated tobacco sticks. This is because WTO traveller data does not account for the high number of non-tourism related border crossings between Germany and Poland related to workers and shoppers. By supplementing WTO traveller statistics with border crossing data from the Poland Statistics Office, ND(L) increased to ~1.36bn heated tobacco sticks. This is in line with the approach taken for cigarettes in this Report
Germany	<p>ND(L) from Czech Republic</p> <ul style="list-style-type: none"> • Our initial EU flows calculation results indicated ND(L) flows from the Czech Republic were ~0.04bn sticks. This is because WTO traveller data does not account for the high number of non-tourism related border crossings between Germany and Czech Republic related to workers and shoppers. By supplementing WTO traveller statistics with border crossing data from the Czech Statistics Office, ND(L) increased to ~0.50bn sticks. This is in line with the approach taken for cigarettes in this Report

Methodology – Oral nicotine

05

Oral nicotine products included in this Report

Three categories of oral nicotine products are analysed in this Report

- An overview of these product categories is set out below

	Nicotine Pouches	Snus	Chewing tobacco
Definition	Small pouches containing nicotine and often flavourings that are placed between the lip and gum to deliver nicotine into the bloodstream	Small portions (including pouches) containing tobacco and often flavourings that are placed between the lip and gum to deliver nicotine into the bloodstream	A smokeless tobacco product that is chewed or held in the mouth to deliver nicotine into the bloodstream
Contents	<ul style="list-style-type: none"> • Nicotine • Plant fibres • Flavourings • Sweeteners 	<ul style="list-style-type: none"> • Tobacco • Water • Salt • Flavourings 	<ul style="list-style-type: none"> • Tobacco • Flavourings • Additives
Formats available	<ul style="list-style-type: none"> • Nicotine-containing or nicotine-free • Slim, mini, standard sizing 	<ul style="list-style-type: none"> • Loose snus (un-pouched) • Portion snus (pouched) • Varying moisture styles 	<ul style="list-style-type: none"> • Loose-leaf • Plug or twist (pressed or compacted leaves) • Pouched formats

Overview

<p>KPMG has developed a methodology for estimating the proportion of oral nicotine products not eligible for sale</p>	<p>The methodology has been developed and implemented for the first time in this report</p> <ul style="list-style-type: none"> • Our approach is based on empty can surveys • Further details on empty can surveys are included on the following pages • The methodology has been implemented on the 15 European markets for empty can survey results covering the calendar year 2025: Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, Germany, Netherlands, Norway, Poland, Slovakia, Slovenia, Sweden, Switzerland and the UK • The oral nicotine products included in this report are nicotine pouches, snus and chewing tobacco
<p>The methodology is based primarily on objective evidence from empty can survey results, which are overlaid with oral nicotine product regulations in each of the 15 markets</p>	<p>The methodology uses empty can survey results to estimate the proportion of oral nicotine products that are not eligible for sale in each market</p> <ul style="list-style-type: none"> • Empty can survey results are the starting point of the methodology. Empty can survey results provide an estimate of the share nicotine pouches, snus and chewing tobacco in each market. In addition, the empty can surveys also provide an estimate on the share of Non-Domestic and Counterfeit^(b) products in each market • Market regulations on oral nicotine products in place in calendar year 2025 are then overlaid on the results of the empty can surveys to understand if any of the cans collected are non-compliant with regulations in the market. These regulations include category bans or de facto category bans on domestic sale (e.g. of nicotine pouches, snus or chewing tobacco), or limits on the nicotine content that can be contained in domestically sold nicotine pouches. Our analysis indicates that in 2025 no restrictions on flavouring were in place in the 15 markets included. We will continue to monitor the evolution of the regulatory landscape in future years • Our results only consider non-compliance with respect to standards set in regulation for sale of products within the market of study, and do not consider voluntary standards which are in place in a number of markets • The proportion of products that are Non-Domestic, Non-Compliant with regulations in the market, or Counterfeit are then summed to produce an estimate of the total proportion of products not eligible for sale in each market • This methodology has been developed by KPMG for the nicotine pouches, snus and chewing tobacco specifically. For that reason, an assessment of other oral nicotine products is excluded from the scope of this Report
<p>A volumetric estimate of consumption is not within the scope of this Report</p>	<p>Data availability currently prevents an estimation of oral nicotine products in volume terms</p> <ul style="list-style-type: none"> • Due to the nascency of the nicotine pouches category within oral nicotine, sales data is not currently available for all markets. As a result, a volumetric estimate of total consumption is not within the scope of this Report • Due to this limitation, findings are based on empty can collections shares rather than a quantified view of total market volumes

This methodology uses empty can survey results to estimate the share of products not eligible for sale in 15 European markets^{(a)(b)}



Note: (a) Refer to the following pages for further details on the empty can surveys (b) Manufacturers participating in these surveys (British American Tobacco, Philip Morris International, and Imperial Brands) conduct forensic examinations of collected cans to distinguish genuine from Counterfeit products. Counterfeit flows can only be identified only for those brands owned by manufacturers who participate in the empty can surveys

Empty can survey overview

Empty can surveys are the foundation of the estimates of oral nicotine categorisation for the markets included in this Report^(a)

<p>Empty can surveys provide an indication of the incidence of Non-Domestic cans, their country of origin, and information that can determine compliance with local regulations</p>	<p>Empty can surveys are the foundation of the estimates of oral nicotine categorisation for the markets included in this Report. An empty can survey relies purely on physical evidence, avoiding the potential for consumer bias found in interview-based methods</p> <ul style="list-style-type: none"> The empty can surveys were commissioned by British American Tobacco, Philip Morris International and Imperial Brands and conducted by independent market research agencies (WPSM Group, Ipsos Doxa, ULTEX, NIQ or ALMARES) across 15 markets in 2024 & 2025 (Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, Germany, Netherlands, Norway, Poland, Slovakia, Slovenia, Sweden, Switzerland and the UK), allowing for direct comparison of data and the identification of inflows to the countries analysed The sampling plan is designed by the agencies in conjunction with the manufacturers to attempt to make the sampling plan representative of consumption in the country for the whole year studied 18,689 cans were collected in 2024 and 24,191 cans in 2025 as part of this research for the 15 markets Refer to pages 333-334 for an overview of empty can survey results per market
<p>Counterfeit cans have been identified as part of the empty can surveys</p>	<p>Forensic analysis by manufacturers identifies Counterfeit cans in the empty can surveys</p> <ul style="list-style-type: none"> Manufacturers participating in these surveys (British American Tobacco, Philip Morris International, and Imperial Brands) conduct forensic examinations of collected cans to distinguish genuine from Counterfeit products Counterfeit flows can only be identified only for those brands owned by manufacturers who participate in the empty can surveys
<p>There are some specific limitations in the methodology</p>	<p>Given the complexity of measuring share of oral nicotine products, we recognise there are some limitations within the methodology</p> <p>There are broadly two types of limitations: scope exclusions and source limitations</p> <ul style="list-style-type: none"> Scope exclusions include areas which cannot or have not been accounted for in our scope of work and approach, such as brand (non-participating manufacturer Counterfeit), category exclusions (other oral nicotine products), and the impact of online sales Source limitations include the potential errors inherent with any data source such as sampling criteria, coverage issues and seasonality factors

Note: (a) Refer to the appendices for further details on the empty can surveys

Empty can survey methodology

<p>Overview</p>	<p>An empty can survey is a research system of collecting discarded empty oral nicotine product cans, the results of which are used to estimate the share of domestic (duty paid), Non-Domestic and Counterfeit cans in each of the markets</p> <ul style="list-style-type: none"> • Empty can surveys are conducted by independent market research agencies (e.g. WPSM Group, Ipsos Doxa, ULTEX, NIQ or ALMARES) in each of the countries sampled. The surveys are commissioned by the participating manufacturers and the sampling plan is designed by the agencies in conjunction with the manufacturers to help make the sampling plan statistically representative of consumption in the country for the whole year studied. • Results are based on a large sample of cans collected in various population centres throughout the countries, although the exact collection plan differs by country. Accuracy and credibility of results is driven by sound design of the sampling plan • Results are not subject to respondent behaviour and are therefore less prone to sampling errors than many other alternative methodologies • Results reflect actual overall Non-Domestic share and provide a good snapshot of brands consumed
<p>Process</p>	<p>Empty can surveys rely purely on physical evidence, avoiding the potential for consumer bias in interview-based methods</p> <ul style="list-style-type: none"> • The independent market research agencies randomly collect empty cans of any brand and market variant from streets and easy access bins • Homes and workplaces are not visited, and the collection route specifically excludes sports stadia, shopping malls and stations, or any other locations where Non-Domestic incidence is likely to be higher as a result of a skewed population or demographic visiting these areas • Once cans are collected, they are sorted by manufacturer and brand and the number of cans with domestic versus Non-Domestic tax stamps counted to estimate the proportion of cans that did not originate from that jurisdiction (including Duty Free variants) <ul style="list-style-type: none"> - In cases where tax stamps are not shown on a can, health warning and packaging characteristics are used to determine the source market and where no markings are found they are recorded as unspecified • For brands belonging to the participating manufacturers, cans are sent to the manufacturers for analysis to determine which are genuine and which are Counterfeit. Only the manufacturers can determine this, based on ink, paper and other characteristics of the cans • KPMG used the results of the empty can surveys to produce the estimates shown in this Report
<p>Coverage</p>	<p>The total number of cans collected in each market is not solely based on population but is determined by a number of factors such as the size of the market, the likelihood of high Non-Domestic incidence and the manufacturers' share of the legal market. However, the locations where cans are collected 'in market' are based on city and regional populations to seek to ensure the sample is nationally representative</p>

Empty can survey methodology

Empty can survey methodology⁽¹⁾



The empty can survey is conducted in a consistent way for each country. It follows a four-step process:

1. Population centre selection

- The population centres chosen are representative of the country of study. Each population centre is divided into five sectors (north, south, east, west and centre). Each sector is subdivided into neighbourhoods of the same size (250-meter radius)

2. Can collection

- Each neighbourhood is assigned a number of discarded cans for collection based on the size of the overall population centre in comparison with the national population. For example, in Finland 10 cities are sampled in each wave of 2500 cans. Of all 5,000 cans collected, 1,440 are collected in Helsinki, which represents approximately 29% of the cans collected. The neighbourhoods sampled include residential, commercial and industrial areas
- A minimum number of cans are collected from each neighbourhood. Each neighbourhood has a specific starting point and a fixed route. The collectors accumulate as many empty cans as possible within each neighbourhood regardless of the quota requested in the sampling plan. Cans are collected from any manufacturer regardless of whether they participate in the survey. Collectors revisit the neighbourhood as many times as necessary in order to achieve the required quotas
- The training of collectors includes an explanation of the methodology and running of pilots prior to the collection. Each team of collectors is supervised by a team leader
- An additional 5% extra cans are collected in case there are issues with the existing sample

3. Can processing

- The empty cans are placed into bags and stored at a safe collection point. Cans are discarded if they do not meet the survey quality requirements (e.g. torn, unreadable). Each survey qualified can is cleaned and placed in a transparent nylon bag with a zipper that carries a unique barcode label indicating the serial number attributed to the can (corresponding to the data sheet). The details are then entered into the survey "Data Sheet". The cans are delivered to the participating manufacturers in the given wave of empty can survey in a way that enables easy processing and identification

4. Can analysis

- The participating manufacturers check the cans belonging to their brands to identify Counterfeit and inform the agency that collates and updates the data sheets
- These data sheets are finally provided to KPMG by the manufacturers and analysed to estimate the Non-Domestic incidence and contraband and Counterfeit volumes

Source: (1) Third party market research agencies

Mystery shopper survey overview

In addition to empty can surveys, mystery shopper research was also carried out in Belgium, Germany and the Netherlands in 2025 to provide an indication of product availability, retail practices, and supply characteristics

<p>Mystery shopper surveys provide an indication of retail availability, practices, and product characteristics</p>	<p>Full pack surveys rely on in-store observation and test purchases, providing evidence-based insights on product availability and retail behaviour</p> <ul style="list-style-type: none"> • Surveys are commissioned by manufacturers and conducted by an independent research agency (Ipsos Doxa / Ipsos GmbH). The agency sends trained mystery shoppers to visit retail outlets to assess availability, pricing, and sales conditions • Standardised scripts and protocols are used to seek to ensure consistency across markets and fieldwork waves • The methodology is based on direct observation and physical purchases, avoiding biases associated with consumer interviews
<p>Surveys follow a structured and representative fieldwork design</p>	<p>Retailers are selected and visited using predefined sampling plans to ensure consistent geographic and channel coverage</p> <ul style="list-style-type: none"> • Surveys cover large-scale samples of stores across multiple cities and regions: Belgium: ~260 stores across 5 cities Netherlands: ~490 stores across 8 cities Germany: >1,200 stores nationwide • Stores are selected using quotas per city/region, focusing on relevant outlet types (e.g. tobacco shops, or independent retailers). Visits are conducted under standardised conditions (typically afternoon) to ensure comparability across locations
<p>Mystery shoppers collect detailed evidence through structured purchase attempts</p>	<p>Mystery shoppers attempt to purchase products and systematically record retail and product-level data</p> <ul style="list-style-type: none"> • Shoppers attempt to purchase a defined number of products per store • After each visit, structured data is collected on: Availability (sold / not sold), Product attributes (brand, variant, flavour, strength, price), Retail practices (visibility, storage, service type), Transaction details (payment method, receipt issuance) • Evidence is supported through photos of receipts and purchased products
<p>Products are catalogued and analysed to determine authenticity and origin</p>	<p>All purchased products are systematically recorded and subject to forensic analysis by participating manufacturers</p> <ul style="list-style-type: none"> • Products collected during fieldwork are catalogued using a standardised methodology (as per the empty can study framework noted above. Items are then sent to forensic laboratories operated by participating manufacturers • Forensic analysis is used to distinguish genuine vs counterfeit products, identify market of origin and labelling characteristics. Note that forensic analysis to identify Counterfeit is limited to brands owned by participating manufacturers
<p>Results indicated wide availability of restricted products</p>	<p>Banned or de-facto banned products were available for purchase in all three markets</p> <ul style="list-style-type: none"> • Belgium: 13.8% of stores visited offered nicotine pouches, 7.3% offered snus • Netherlands: 2.0% of stores visited offered nicotine pouches, 5.5% offered snus • Germany: 15.8% of stores visited offered nicotine pouches, 16.8% offered snus
<p>There are some specific limitations in the methodology</p>	<p>Given the complexity of measuring availability of oral nicotine products, we recognise there are some limitations within the methodology</p> <ul style="list-style-type: none"> • Surveys reflect availability at a point in time and may not capture seasonality or supply fluctuations • Coverage is limited to selected store types and geographic scope, including explicit exclusions (e.g. major chains in Germany) • Results depend on store participation and willingness to sell products • Forensic identification is limited to participating manufacturers' brands only

Appendices - Cigarettes

06

Limitations of Results

The below noted limitations of results apply across 2021 to 2025

Limitation	Detail	Impact	Adjustment
Geographic coverage	<ul style="list-style-type: none"> We have limited our geographic coverage in some markets where additional territories are not covered by empty pack surveys In some instances (e.g. Greek islands), LDS data is also not available Regions impacted by the ongoing war in Ukraine have been excluded from pack swap surveys for 2022 to 2025 	<ul style="list-style-type: none"> Spanish results only cover consumption in mainland Spain and do not include the Canary Islands, Balearic Islands or Ceuta & Melilla French results cover only mainland France and do not include Corsica. As a result, LDS from Corsica is not included in France consumption figures Portuguese results only cover mainland Portugal and do not include Madeira or the Azores Greek results only cover mainland Greece and do not include the Greek islands UK results only cover Great Britain and Northern Ireland and do not include the Channel Islands or Isle of Man The following regions were excluded from the pack swap survey in Ukraine: Luhansk, Donetsk, Kherson, Zaporizhia (except for the city of Zaporizhzhia), Crimea, Mykolaiv (except for the city of Mykolaiv) and 70% of Kharkiv 	<ul style="list-style-type: none"> Not adjusted for
Non-major manufacturer Counterfeit	<ul style="list-style-type: none"> Empty pack survey results do not identify Counterfeit packs that have been made by manufacturers other than British American Tobacco, Imperial Tobacco, Japan Tobacco International, and Philip Morris International as only the manufacturer/trademark owner can confirm whether their brand pack is genuine 	<ul style="list-style-type: none"> In some instances, the volume of Legal Domestic Consumption may be overstated where domestic Counterfeit variants exist, leading to corresponding understatements of C&C volumes for some brands (although the impact is likely to be minimal) We cannot distinguish non-major manufacturer brand Counterfeit (Non-Domestic variants) and Contraband product, although this will not impact the overall volume of C&C Illicit Whites volumes may include Counterfeit In Ukraine and Germany, Counterfeit brand and/ or pack labelling data is not available for all years, so these markets are included in the 'Other' category when considering labelling of Counterfeit packs 	<ul style="list-style-type: none"> Not adjusted for
Non-EU27 outflows	<ul style="list-style-type: none"> To estimate consumption, we have assumed no outflows of LDS outside the 38 countries of study 	<ul style="list-style-type: none"> Non-European LDS outflows are not considered to be material for all countries of study except Luxembourg. This is because of the high prices in Europe relative to other parts of the world and Duty Free import restrictions. This is supported by market discussions and non-Europe empty pack surveys Luxembourg has significant sales of cigarettes compared to estimates of domestic cigarette consumption. In addition, packs collected in other European markets are not sufficient to explain the quantity of sales in Luxembourg. As a result, this Report estimates an outflow of Luxembourg cigarettes to non-European markets. This will continue to be monitored in future iterations of this Report 	<ul style="list-style-type: none"> Not adjusted for except Luxembourg

Limitations of Results (cont.)

Source	Limitation
Empty pack survey	<p>Whilst the empty pack survey for every country is designed by the third-party market research agencies to be representative of the overall population, in some countries, owing to the geographical circumstances or demographics it may not be possible to ensure that the sample is fully representative. This may be because:</p> <ul style="list-style-type: none"> • The sample is more heavily weighted towards populous, urban areas and therefore may not be fully representative of consumption habits in rural regions • Homes and workplaces or public spaces are not covered <p>Although empty pack survey dates are selected by the third-party market research agencies to seek to minimise seasonal factors, there may be specific events that impact the results such as significant price changes between countries and major national events which result in large numbers visiting the country, such as the Olympics or a World Cup</p> <ul style="list-style-type: none"> • In some instances, the timing of empty pack surveys has changed between years. To seek to ensure comparability of results, we analyse monthly LDS figures, consumption trends and visitor data and make adjustments where appropriate • Where there are specific outflows related to tourism limited to the summer months, the reported numbers may underrepresent the full picture as the empty pack survey will only capture one point in time • COVID-19 related lockdowns and travel restrictions have impacted the timings of empty pack surveys in some markets in the 2020 and 2021 results. To ensure comparability of results, we have analysed monthly LDS figures, consumption trends, visitor data and other data sources to make adjustments where appropriate. Refer to the 2020 results version of this Report for further details on the estimated impact of COVID-19 on the results and our methodology <p>Brand and market variant share can only be extrapolated with a degree of statistical accuracy for brands where a sufficiently large number of packs have been collected</p> <p>We analyse empty pack survey results to identify any outliers that may impact results, such as geographic concentrations of a specific brand or market variant. We also compare brand specific data to known sales in the source market to identify whether results are credible</p> <ul style="list-style-type: none"> • Where data suggests a sampling or data capture error may have occurred at a specific location, we adjust the results in our analysis accordingly <p>In some specific instances it is not possible to differentiate between Duty Free and Duty Paid variants from the empty packs collected</p> <ul style="list-style-type: none"> • In some countries it is possible to purchase Duty Free labelled product but, when travelling within the EU27, duty is in fact paid on the product. It is not possible for the third-party market research agencies, participating manufacturers or us to determine this distinction • The study also does not take account of various Duty Free loopholes that exist for some travel within the Europe and the EU27 <p>Prior to 2023, empty pack survey results for Germany were based on a monthly analysis of packs collected at recycling centres as well as street-based empty pack surveys. From 2023 onwards results are based on street-based empty pack surveys only to align collection methodologies with other markets in the study. Partial results from the historical recycling centre analysis were also available in 2023, and upon comparison both methods produced similar results, indicating that this change in collection locations has not significantly impacted the estimates produced in this Report</p>

Limitations of Results (cont.)

Source	Limitation
LDS	<ul style="list-style-type: none"> In some cases, tax stamp data on packs released for sale may not correspond to the calendar year and may also be distorted by inventory holdings in advance of increases in taxation. In these instances, we have used the LDS source considered by local country PMI management to be representative of smoker consumption during the calendar year, or official government data sources Slight timing variances may arise between the date the product was shipped and actual consumption but, following discussions with local PMI management, this is not considered significant and the full year LDS information we have is considered to be a fair and accurate representation in each market Following the release of the 2023 Report, Legal Domestic Sales (LDS) data for Portugal for the years 2022 and 2023 was revised by PMPA. The revision of LDS is due to provision of a new source of LDS information that provides more accurate information on legal sales volumes. We have not modified our historical results to reflect these revised figures. Consequently, the trends depicted between 2021 and 2024 are not directly comparable
ND(L)	<ul style="list-style-type: none"> From 2014, we have used business and tourism travel data from sources such as the UN World Tourism Organization (UNWTO) and national statistics offices to estimate the number of trips made We have estimated the volume of cigarettes purchased by travellers by assuming that smokers purchase the Duty Free limit, or the indicative legal limit for intra-EU27 travel This may over-weight ND(L) volume as a proportion of the total Non-Domestic flow In some markets consumer research help us to overcome some of these limitations, such as the number of packs purchased per trip We assume that traveller demographics are the same as the domestic population. It is likely that travellers will be older on average, with fewer under 18s. This may under-estimate ND(L) In order to estimate the ND(L) brand split, we used brand shares from the empty pack surveys. Refer to page 248 for details Pack swap survey data for Ukraine does not contain information regarding the origin of packs collected. Therefore, inflows to Ukraine cannot be broken down by origin and ND(L) inflows cannot be estimated Pack swap survey results for Moldova between 2021 and 2024 have been summarised by the market research agency into the following categories: Duty-Free, Non-Domestic Duty Paid (NDDP), Illicit Whites, Counterfeit and Unspecified. For the purposes of this Report, the first two categories have been considered to be legal inflows into Moldova and the last two along with Counterfeit have been considered C&C. Furthermore, data on origins of these packs is not available and, therefore, breakdown of ND(L) and C&C by country of origin cannot be estimated for these years. In 2025 further data granularity is available in the Moldova pack swap survey meaning that this limitation no longer applies
Illegal factory seizure data	<ul style="list-style-type: none"> Seizure data contained in this Report only includes data which is publicly available or of which PMPA have been notified by law enforcement agencies. The actual number of seizures and the quantities of cigarettes seized may be higher than that shown in this Report There may be a time delay between a seizure event and PMPA being notified of the seizure. Again, this may mean the actual number of seizures and the quantities of cigarettes seized is higher than that shown in this Report

Empty pack survey results by country

Empty pack survey results in 38 European markets, 2022-25^{(a)(b)}

Region	Number of packs collected				ND incidence in empty pack survey ^(c)			
	2022	2023	2024	2025	2022	2023	2024	2025
Albania	2,800	2,800	2,800	2,800	4%	5%	6%	6%
Austria	6,500	13,000	6,500	13,000	11%	12%	12%	13%
Belgium	5,600	5,600	5,600	5,600	21%	18%	30%	39%
Bosnia & Herzegovina	2,600	1,300	1,300	1,300	11%	12%	4%	0%
Bulgaria	23,200	11,600	11,600	11,600	2%	2%	2%	3%
Croatia	3,000	3,000	3,000	3,000	6%	5%	6%	6%
Cyprus	1,000	1,000	1,000	1,000	15%	20%	25%	27%
Czech Republic	21,004	31,506	21,004	21,004	9%	16%	17%	18%
Denmark	10,000	10,000	10,900	10,900	9%	16%	14%	15%
Estonia	6,600	6,600	6,600	6,600	16%	14%	12%	18%
Finland	5,000	5,000	5,000	5,000	19%	22%	26%	27%
France	46,000	34,500	46,000	46,000	34%	40%	51%	56%
Germany	120,000	181,591	198,954	199,754	15%	16%	17%	17%
Greece	18,000	12,000	12,000	12,000	22%	25%	20%	16%
Hungary ^(d)	17,240	17,000	23,200	23,200	11%	13%	16%	13%
Ireland	5,000	5,000	5,000	5,000	36%	44%	48%	51%
Italy	40,000	40,000	40,000	40,000	3%	3%	4%	5%
Kosovo	-	1,800	1,800	1,800	-	2%	4%	2%
Latvia	9,800	4,900	4,900	4,900	17%	15%	19%	18%
Lithuania	11,600	5,800	5,800	5,800	22%	22%	27%	26%
Luxembourg	400	400	400	400	17%	15%	15%	16%
Malta	1,000	1,000	1,000	1,000	11%	10%	11%	10%

Note: (a) Only base survey data in the empty pack surveys have been summarised in this table, i.e. 'focus' samples designed to investigate particular regional phenomena are excluded as they do not form part of the statistically representative national sample; (b) Regions and years with "-" indicates that EPS was not conducted in those countries for the particular year; (c) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report; (d) Pack survey count in 2024 and 2025 includes 'focus' samples

Empty pack survey results by country (cont.)

Empty pack survey results in 38 European markets, 2022-25^{(a)(b)}

Region	Number of packs collected				ND incidence in empty pack survey ^(c)			
	2022	2023	2024	2025	2022	2023	2024	2025
Moldova ^(d)	1,532	1,530	1,578	3,055	7%	12%	1%	7%
Montenegro	1,000	1,000	1,000	1,000	27%	10%	12%	8%
Netherlands	14,000	14,000	14,000	14,000	15%	22%	39%	45%
North Macedonia	1,200	1,200	1,200	1,200	3%	4%	6%	7%
Norway	5,000	5,000	5,000	5,000	35%	37%	39%	44%
Poland ^(e)	50,000	37,500	51,000	36,000	5%	5%	5%	6%
Portugal	3,000	3,000	3,000	3,000	3%	5%	3%	5%
Romania	15,076	12,101	12,058	10,096	7%	8%	8%	11%
Serbia	2,700	2,700	2,700	2,700	3%	4%	5%	3%
Slovakia	5,000	5,000	5,000	5,000	4%	6%	8%	8%
Slovenia	3,000	3,000	3,000	3,000	7%	16%	12%	13%
Spain	30,000	30,000	30,000	30,000	6%	5%	6%	6%
Sweden	10,000	10,000	10,000	10,000	11%	11%	14%	11%
Switzerland	5,600	5,600	5,600	5,600	8%	13%	13%	13%
UK	25,400	12,700	12,700	12,700	28%	36%	38%	46%
Ukraine ^(d)	5,527	9,000	12,000	12,000	19%	20%	15%	15%
Total	537,079	548,728	584,194	576,009	14%	15%	16%	20%

Note: (a) Only base survey data in the empty pack surveys have been summarised in this table, i.e. 'focus' samples designed to investigate particular regional phenomena are excluded as they do not form part of the statistically representative national sample; (b) Regions and years with "-" indicates that EPS was not conducted in those countries for the particular year; (c) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report; (d) Pack swap survey; (e) Pack survey count in 2024 and 2025 includes 'focus' samples

Empty pack survey results by country (cont.)

Albania and Austria results by region, 2022-25^{(1)(2)(a)}

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Berat	100	100	100	100	2%	5%	1%	3%
Durres	300	300	300	300	8%	6%	5%	6%
Elbasan	200	200	200	200	2%	5%	5%	7%
Fier	200	200	200	200	2%	5%	3%	6%
Gjirokastr	100	100	100	100	4%	23%	13%	3%
Kavaje	100	100	100	100	3%	6%	16%	6%
Korce	100	100	100	100	6%	5%	6%	12%
Kukes	100	100	100	100	4%	30%	30%	25%
Lezhe	100	100	100	100	6%	2%	2%	1%
Lushnje	100	100	100	100	5%	8%	5%	14%
Pogradec	100	100	100	100	6%	4%	6%	9%
Sarande	100	100	100	100	0%	5%	14%	13%
Shkoder	200	200	200	200	3%	4%	4%	8%
Tirana	800	800	800	800	3%	3%	5%	3%
Vlore	200	200	200	200	3%	5%	9%	5%
Total	2,800	2,800	2,800	2,800	4%	5%	6%	6%

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Burgenland	220	440	220	440	15%	12%	20%	19%
Kärnten	425	850	425	850	15%	13%	15%	18%
Niederösterreich	1,242	2,484	1,242	2,484	9%	11%	11%	11%
Oberösterreich	1,089	2,178	1,089	2,178	9%	7%	7%	6%
Salzburg	408	816	408	816	10%	16%	13%	13%
Steiermark	927	1,854	927	1,854	12%	14%	12%	16%
Tirol	552	1,104	552	1,104	8%	6%	10%	9%
Vorarlberg	287	574	287	574	3%	5%	9%	8%
Wien	1,350	2,700	1,350	2,700	15%	15%	16%	18%
Total	6,500	13,000	6,500	13,000	11%	12%	12%	13%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report; (c) No surveys conducted in years with blanks. Results shown in country packs for these years are estimates only based on extrapolations of empty pack survey results from the prior and following years

Sources: (1) Nielsen empty pack survey, 2022; (2) Ipsos Doxa empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Belgium and Bosnia & Herzegovina results by region, 2022-25^{(1)(2)(a)}

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Belgium								
Aalst	200	200	200	200	20%	16%	27%	37%
Anderlecht	240	240	240	240	24%	15%	31%	38%
Antwerp	1,100	1,100	1,100	1,100	21%	18%	26%	39%
Arlon	160	160	160	160	19%	20%	28%	45%
Bruges	240	240	240	240	24%	13%	24%	36%
Brussels	380	380	380	380	20%	16%	30%	35%
Charleroi	460	460	460	460	14%	17%	30%	40%
Genk	200	200	200	200	12%	12%	33%	35%
Ghent	500	500	500	500	25%	19%	32%	38%
Hasselt	200	200	200	200	22%	18%	31%	42%
Kortrijk	200	200	200	200	22%	19%	32%	37%
Leuven	200	200	200	200	19%	25%	31%	44%
Liege	440	440	440	440	18%	21%	33%	36%
Mechelen	200	200	200	200	24%	20%	37%	37%
Mons	200	200	200	200	18%	20%	38%	42%
Namur	240	240	240	240	19%	20%	39%	39%
Sambreville	160	160	160	160	26%	23%	38%	43%
Schaerbeek	280	280	280	280	23%	25%	27%	45%
Total	5,600	5,600	5,600	5,600	21%	18%	30%	39%


Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Bosnia & Herzegovina^(c)								
Banja Luka	600	300	300	300	18%	2%	5%	1%
Bijeljina	200	100	100	100	24%	28%	4%	3%
Brcko	200	100	100	100	26%	49%	13%	0%
Mostar	200	100	100	100	15%	6%	3%	0%
Sarajevo	1,000	500	500	500	7%	6%	2%	0%
Tuzla	200	100	100	100	9%	18%	9%	0%
Zenica	200	100	100	100	7%	23%	6%	0%
Total	2,600	1,300	1,300	1,300	11%	12%	4%	0%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report; (c) No surveys conducted in years with blanks. Results shown in country packs for these years are estimates only based on extrapolations of empty pack survey results from the prior and following years

Sources: (1) WSPM marketing empty pack surveys, 2022-2025; (2) Ipsos Doxa empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Bulgaria and Croatia results by region, 2022-25^{(1)(2)(a)}

 Bulgaria	Number of packs collected				ND incidence in empty pack survey ^(b)			
	Region	2022	2023	2024	2025	2022	2023	2024
Blagoevgrad	600	300	300	300	2%	2%	3%	1%
Burgas	1,332	666	666	666	2%	3%	4%	4%
Dobric	600	300	300	300	2%	3%	2%	1%
Gabrovo	600	300	300	300	3%	2%	2%	1%
Grad Sofia	7,056	3,528	3,528	3,528	2%	2%	2%	3%
Haskovo	1,524	762	762	762	3%	3%	2%	2%
Jambol	600	300	300	300	3%	6%	3%	0%
Kjustendil	-	-	-	-	-	-	-	-
Lovec	672	336	336	336	3%	1%	1%	2%
Montana	-	-	-	-	-	-	-	-
Pazardzik	600	300	300	300	1%	1%	1%	3%
Pernik	600	300	300	300	1%	2%	2%	1%
Plovdiv	2,828	1,414	1,414	1,414	3%	5%	4%	4%
Ruse	984	492	492	492	3%	2%	1%	1%
Sliven	600	300	300	300	4%	2%	3%	2%
Sumen	600	300	300	300	2%	1%	2%	3%
Varna	2,204	1,102	1,102	1,102	4%	2%	2%	2%
VelikoTarnovo	600	300	300	300	3%	1%	1%	1%
Vidin	600	300	300	300	5%	3%	2%	11%
Vratsa	600	300	300	300	3%	1%	1%	4%
Total	23,200	11,600	11,600	11,600	2%	2%	2%	3%

 Croatia	Number of packs collected				ND incidence in empty pack survey ^(b)			
	Region	2022	2023	2024	2025	2022	2023	2024
Osijek	187	187	187	187	4%	3%	3%	11%
Pula	129	129	129	129	5%	4%	0%	5%
Rijeka	267	267	267	267	5%	1%	3%	2%
Sesvete	136	136	136	136	4%	11%	7%	5%
Slavonski Brod	111	111	111	111	19%	28%	9%	8%
Split	370	370	370	370	12%	6%	6%	10%
Zadar	165	165	165	165	1%	0%	1%	3%
Zagreb	1,635	1,635	1,635	1,635	4%	4%	8%	5%
Total	3,000	3,000	3,000	3,000	6%	5%	6%	6%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Source: (1) Nielsen empty pack surveys, 2022-2025; (2) Ipsos Doxa empty pack surveys, 2023-2025

Empty pack survey results by country (cont.)

Cyprus, Czech Republic and Denmark results by region, 2022-25^{(1)(2)(3)(a)}

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Larnaca	150	150	150	150	15%	29%	19%	35%
Limassol	300	300	300	300	18%	16%	20%	18%
Nicosia	400	400	400	400	13%	21%	33%	32%
Paphos	150	150	150	150	18%	17%	17%	19%
Total	1,000	1,000	1,000	1,000	15%	20%	25%	27%

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Jihocesky Kraj	724	1,086	724	724	3%	11%	4%	2%
Jihomoravsky Kraj	2,148	3,222	2,148	2,148	7%	11%	8%	8%
Karlovarsky Kraj	300	450	300	300	12%	15%	9%	31%
Kralovehradecky Kraj	526	789	526	526	11%	15%	15%	17%
Liberecky Kraj	1,034	1,551	1,034	1,034	12%	21%	36%	39%
Moravosleslsky Kraj	3,332	4,998	3,332	3,332	22%	35%	43%	43%
Olomoucky Kraj	1,062	1,593	1,062	1,062	6%	15%	15%	19%
Pardubicky Kraj	510	765	510	510	7%	8%	18%	21%
Plzensky Kraj	948	1,422	948	948	4%	17%	6%	6%
Praha	7,114	10,671	7,114	7,114	6%	11%	12%	9%
Stredocesky Kraj	636	954	636	636	4%	10%	13%	15%
Ustecky Kraj	1,750	2,625	1,750	1,750	10%	15%	17%	24%
Vysocina	496	744	496	496	4%	8%	10%	10%
Zlinsky Kraj	424	636	424	424	6%	16%	5%	8%
Total	21,004	31,506	21,004	21,004	9%	16%	17%	18%


Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Capital Region	5,224	4,700	4,700	4,700	9%	16%	13%	17%
Hovedstaden	-	-	300	300	-	-	16%	10%
Mid Jutland	2,022	2,000	2,000	2,000	7%	19%	15%	16%
North Jutland	844	1,300	1,300	1,300	11%	13%	10%	16%
South Denmark	1,910	2,000	2,300	2,300	9%	16%	14%	11%
Zealand	-	-	300	300	-	-	14%	18%
Total	10,000	10,000	10,900	10,900	9%	16%	14%	15%


Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Nielsen empty pack surveys, 2022-2025; (2) Ulteq empty pack surveys, 2022-2025; (3) WSPM empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Estonia and Finland results by region, 2022-25^{(1)(2)(a)}

 Estonia	Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025
Har	3,200	3,200	3,200	3,200	17%	14%	13%	19%
Ida	1,100	1,100	1,100	1,100	15%	15%	11%	16%
Lääne	200	200	200	200	18%	18%	13%	21%
Lvi	200	200	200	200	21%	14%	10%	13%
Pär	300	300	300	300	17%	17%	9%	22%
Saa	200	200	200	200	13%	12%	12%	17%
Tar	800	800	800	800	16%	14%	10%	18%
Val	200	200	200	200	13%	18%	12%	22%
Vil	200	200	200	200	13%	20%	12%	17%
Vör	200	200	200	200	15%	12%	13%	13%
Total	6,000	6,600	6,600	6,600	16%	14%	12%	18%

 Finland	Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025
Etela-Karjala	-	-	-	-	-	-	-	-
Keski-Suomi	315	315	315	315	10%	17%	30%	17%
Kymenlaakso	193	193	193	193	23%	21%	24%	33%
Lappi	-	-	-	-	-	-	-	-
Paijat-Hame	271	271	271	271	12%	21%	19%	22%
Pirkanmaa	517	517	517	517	7%	17%	26%	26%
Pohjois-Karjala	-	-	-	-	-	-	-	-
Pohjois-Savo	267	267	267	267	9%	12%	24%	17%
Prohiois-Pohianmaa	454	454	454	454	10%	19%	28%	25%
Uusimaa	2,558	2,558	2,558	2,558	25%	26%	27%	29%
Varsinais-Suomi	425	425	425	425	22%	20%	24%	29%
Total	5,000	5,000	5,000	5,000	19%	22%	26%	27%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Nielsen empty pack surveys, 2022-2025; (2) WSPM empty pack survey, 2022-2025

Empty pack survey results by country (cont.)

France results by region, 2022-25^{(1)(a)}

France	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Alsace Lorraine Champagne Ardennes	-	-	-	-	33%	-	-	-
Aquitaine	4,000	-	-	-	34%	-	-	-
Auvergne Limousin	4,396	-	-	-	33%	-	-	-
Auvergne-Rhône-Alpes	5,760	4,320	5,760	5,760	33%	40%	50%	54%
Basse Haute Normandie	2,804	-	-	-	33%	-	-	-
Bourgogne-Franche-Comté	3,040	2,280	3,040	3,040	33%	42%	51%	56%
Bretagne	3,600	2,700	3,600	3,600	29%	40%	50%	57%
Centre - Val de Loire	2,000	1,500	2,000	2,000	39%	39%	52%	56%
Grand Est	-	3,000	4,000	4,000	-	39%	51%	56%
Hauts-de-France	-	3,297	4,396	4,396	-	41%	51%	55%
Île-de-France	7,200	5,400	7,200	7,200	33%	39%	51%	55%
Normandie	-	2,103	2,804	2,804	-	38%	49%	56%
Nouvelle Aquitaine	-	3,000	4,000	4,000	-	40%	52%	58%
Occitanie	3,200	2,400	3,200	3,200	33%	40%	51%	56%
Nord Picardie	4,000	-	-	-	35%	-	-	-
Pays de la Loire	2,400	1,800	2,400	2,400	34%	37%	53%	55%
Provence-Alpes-Côte d'Azur	3,600	2,700	3,600	3,600	38%	40%	54%	59%
Total	46,000	34,500	46,000	46,000	34%	40%	51%	56%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) WSPM empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Germany results by region, 2022-25^{(1)(2)(a)}

Germany	Number of packs collected ^(c)				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Lower Saxony	19,852	24,727	25,322	12,823	10%	10%	9%	12%
North Rhine-Westphalia	26,338	29,905	33,227	15,278	10%	11%	11%	11%
Rhineland-Palatinate	16,551	30,870	34,749	6,349	13%	13%	14%	17%
Baden-Württemberg	14,729	25,980	30,956	15,389	11%	10%	11%	11%
Bavaria	18,389	-	-	-	19%	-	-	-
Berlin	6,875	2,393	-	-	42%	28%	-	-
Brandenburg	8,914	16,235	24,038	4,199	35%	38%	40%	48%
Bremen	-	-	-	423	-	-	-	11%
Hessen	-	-	-	10,898	-	-	-	13%
Saxony	8,302	15,711	15,362	4,400	34%	29%	31%	29%
Saxony-Anhalt	-	-	-	3,813	-	-	-	29%
Bayern	-	30,836	35,300	16,841	-	17%	18%	18%
Mecklenburg-Western Pomerania	-	-	-	3,398	-	-	-	30%
Schleswig-Holstein	-	4,934	-	500	-	0%	-	10%
East	-	-	-	19,405	-	-	-	35%
Thüringen	-	-	-	5,353	-	-	-	23%
West	-	-	-	80,685	-	-	-	12%
Total	120,000	181,591	198,954	199,754	15%	16%	17%	17%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report; (c) Results for this year based on empty pack survey. This is different from the yellow bag survey results shared till last year

Sources: (1) Ipsos GmbH yellow bag survey, 2022; (2) Ipsos Doxa empty pack surveys, 2023-2025

Empty pack survey results by country (cont.)

Greece results by region, 2022-25^{(1)(a)}

Greece	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Attica	6,900	4,600	4,600	4,600	23%	28%	21%	17%
Central Greece	600	400	400	400	22%	21%	19%	13%
Central Macedonia	3,600	2,400	2,400	2,400	23%	24%	20%	16%
Crete	1,500	1,000	1,000	1,000	23%	25%	18%	15%
East Macedonia/Thrace	-	-	-	-	-	-	-	-
Epirus	600	400	400	400	25%	20%	18%	12%
Ionian Islands	600	400	400	400	18%	20%	20%	14%
South Aegean	600	400	400	400	21%	23%	19%	13%
Thessaly	1,800	1,200	1,200	1,200	20%	20%	19%	18%
West Greece	1,800	1,200	1,200	1,200	23%	29%	18%	16%
West Macedonia	-	-	-	-	-	-	-	-
Total	18,000	12,000	12,000	12,000	22%	25%	20%	16%

Note: (a) Only base survey data in the empty pack surveys/ yellow bag surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey/ yellow bag survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Nielsen empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Hungary and Ireland results by region, 2022-25⁽¹⁾(2)(3)(a)

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Bács-Kiskun	775	724	1,098	1,098	8%	12%	14%	12%
Baranya	605	597	702	702	9%	11%	13%	12%
Békés	555	481	810	810	11%	12%	15%	12%
Borsod-Abaúj-Zemplén	790	774	1,648	1,648	12%	18%	19%	17%
Budapest	6,250	6,870	8,082	8,082	12%	14%	16%	12%
Csongrád	900	844	1,486	1,486	10%	13%	16%	12%
Fejér	640	567	668	668	10%	10%	14%	10%
Gyor-Moson-Sopron	975	886	1,042	1,042	8%	12%	16%	12%
Hajdú-Bihar	990	949	1,366	1,366	13%	19%	17%	15%
Heves	390	325	382	382	15%	16%	15%	13%
Jász-Nagykun-Szolnok	315	281	576	576	12%	13%	16%	12%
Komárom-Esztergom	440	399	470	470	8%	10%	16%	13%
Nógrád	165	138	162	162	12%	22%	15%	17%
Pest	1,295	1,212	1,426	1,426	10%	9%	15%	12%
Somogy	285	254	546	546	11%	7%	12%	10%
Szabolcs-Szatmár-Bereg	485	495	1,320	1,320	13%	19%	22%	18%
Tolna	145	128	150	150	7%	9%	10%	13%
Vas	335	314	370	370	7%	9%	14%	11%
Veszprém	415	344	404	404	6%	10%	12%	12%
Zala	490	418	492	492	7%	7%	15%	11%
Total	17,240	17,000	23,200	23,200	11%	13%	16%	13%

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Connacht	400	400	400	400	34%	47%	47%	50%
Leinster	3,225	3,225	3,225	3,225	38%	43%	48%	51%
Munster	1,275	1,275	1,275	1,275	34%	43%	49%	52%
Ulster	100	100	100	100	22%	48%	38%	56%
Total	5,000	5,000	5,000	5,000	20%	44%	48%	51%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) GFK CPS empty pack survey, 2024; (2) Nielsen empty pack survey, 2025; (3) WSPM empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Italy, Kosovo and Latvia results by region, 2022-25^{(1)(2)(a)}

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Abruzzo	720	720	720	720	1%	1%	3%	2%
Calabria	880	880	880	880	1%	1%	2%	0%
Campania	3,720	3,720	3,720	3,720	8%	9%	10%	9%
Emilia Romagna	3,880	3,880	3,880	3,880	3%	2%	3%	2%
Friuli Venezia Giulia	640	640	640	640	35%	20%	29%	36%
Lazio	7,320	7,320	7,320	7,320	1%	1%	2%	3%
Liguria	1,680	1,680	1,680	1,680	2%	2%	1%	1%
Lombardia	4,480	4,480	4,480	4,480	3%	4%	4%	5%
Marche	600	600	600	600	2%	1%	2%	2%
Piemonte	2,920	2,920	2,920	2,920	2%	3%	3%	5%
Puglia	2,960	2,960	2,960	2,960	3%	3%	3%	3%
Sicilia	4,840	4,840	4,840	4,840	2%	2%	2%	3%
Toscana	1,920	1,920	1,920	1,920	1%	1%	1%	2%
Trentino Alto Adige	400	400	400	400	4%	3%	1%	3%
Umbria	720	720	720	720	1%	0%	1%	0%
Veneto	2,320	2,320	2,320	2,320	1%	3%	2%	4%
Total	40,000	40,000	40,000	40,000	3%	3%	4%	5%

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Dakovica	-	159	159	159	-	3%	14%	0%
Gnjilane	-	211	211	211	-	0%	1%	1%
Mitrovica	-	180	180	180	-	3%	2%	3%
Pec	-	190	190	190	-	4%	5%	2%
Pristina	-	563	563	563	-	2%	2%	2%
Prizren	-	331	331	331	-	3%	3%	2%
Urosevac	-	166	166	166	-	1%	3%	0%
Total	-	1,800	1,800	1,800	-	2%	4%	2%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report; (c) No surveys conducted in years with blanks. Results shown in country packs for these years are estimates only based on extrapolations of empty pack survey results from the prior and following years

Sources: (1) Ipsos Doxa empty pack surveys, 2022-2025; (2) Nielsen empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Lithuania, Luxembourg and Malta results by region, 2022-25^{(1)(2)(a)}

Latvia		Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025	
Kurzeme	1,200	600	600	600	14%	14%	14%	5%	
Latgale	1,400	700	700	700	29%	32%	40%	31%	
Pieriga	1,400	700	700	700	14%	15%	16%	12%	
Riga	4,000	2,000	2,000	2,000	16%	13%	17%	21%	
Vidzeme	800	400	400	400	15%	8%	16%	11%	
Zemgale	1,000	500	500	500	11%	10%	17%	15%	
Total	9,800	4,900	4,900	4,900	17%	15%	19%	18%	

Lithuania		Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025	
Alytus	600	300	300	300	23%	25%	32%	35%	
Kaunas	2,800	1,400	1,400	1,400	27%	26%	28%	20%	
Klaipeda	1,600	800	800	800	18%	14%	19%	28%	
Marijampole	400	200	200	200	26%	23%	35%	28%	
Panevezys	600	300	300	300	23%	29%	36%	50%	
Siauliai	800	400	400	400	18%	16%	10%	12%	
Taurage	200	100	100	100	26%	18%	32%	26%	
Telsiai	800	400	400	400	19%	19%	22%	31%	
Utena	600	300	300	300	18%	13%	30%	25%	
Vilnius	3,200	1,600	1,600	1,600	22%	24%	29%	27%	
Total	11,600	5,800	5,800	5,800	22%	22%	27%	26%	

Luxembourg		Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025	
Esch-Sur-Alzette	320	160	160	160	18%	19%	12%	18%	
Luxembourg	480	240	240	240	16%	13%	17%	14%	
Total	800	400	400	400	17%	15%	15%	16%	

Malta		Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025	
Northern	350	450	450	450	11%	10%	9%	8%	
Northern Harbour	550	450	450	450	12%	9%	11%	11%	
Southern Harbour	100	100	100	100	11%	14%	17%	14%	
Total	1,000	1,000	1,000	1,000	11%	10%	11%	10%	

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Nielsen Empty pack surveys, 2022-2025; (2) WSPM empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Montenegro, Netherlands and North Macedonia results by region, 2022-25^{(1)(2)(a)}

Montenegro		Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025	
Bijelo Polje	100	100	100	100	24%	11%	3%	4%	
Niksic	300	300	300	300	27%	12%	34%	20%	
Pljevlja	100	100	100	100	34%	13%	5%	6%	
Podgorica	500	500	500	500	26%	9%	5%	4%	
Total	1,000	1,000	1,000	1,000	27%	10%	12%	8%	

Netherlands		Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025	
Drenthe	202	202	202	202	18%	11%	36%	48%	
Flevoland	504	504	504	504	15%	23%	45%	43%	
Friesland	332	332	332	332	17%	15%	37%	44%	
Gelderland	1,084	1,084	1,084	1,084	10%	16%	41%	44%	
Groningen	364	364	364	364	24%	25%	36%	40%	
Limburg	752	752	752	752	15%	19%	42%	49%	
North Brabant	1,860	1,860	1,860	1,860	14%	18%	40%	43%	
North Holland	3,090	3,090	3,090	3,090	18%	26%	40%	46%	
Overijssel	992	992	992	992	12%	22%	39%	46%	
South Holland	3,944	3,944	3,944	3,944	15%	22%	37%	45%	
Utrecht	876	876	876	876	11%	22%	38%	42%	
Total	14,000	14,000	14,000	14,000	15%	22%	39%	45%	

North Macedonia ^(c)		Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025	
East	80	80	80	80	3%	0%	3%	0%	
North-East	100	100	100	100	5%	8%	3%	2%	
Pelagonia	200	200	200	200	2%	6%	6%	10%	
Polog	180	180	180	180	4%	6%	11%	6%	
Skopje	400	400	400	400	2%	3%	7%	8%	
South-East	80	80	80	80	4%	9%	10%	3%	
South-West	80	80	80	80	6%	3%	1%	1%	
Vardar	80	80	80	80	3%	1%	6%	4%	
Total	1,200	1,200	1,200	1,200	3%	4%	6%	7%	

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report (c) No surveys conducted in years with blanks. Results shown in country packs for these years are estimates only based on extrapolations of empty pack survey results from the prior and following years

Sources: (1) Ipsos Doxa empty pack surveys, 2022-2025; (2) WSPM empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Norway, Poland and Portugal results by region, 2022-25^{(1)(2)(3)(a)}

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Akershus	376	376	376	376	34%	30%	31%	37%
Hordaland	866	866	866	866	36%	39%	43%	41%
Oslo	2,012	2,012	2,012	2,012	35%	38%	40%	46%
Ostfold	248	248	248	248	36%	37%	39%	65%
Rogaland	419	419	419	419	36%	37%	33%	36%
Sor-Trondelag	579	579	579	579	36%	42%	37%	41%
Vest-Adger	227	227	273	273	35%	39%	30%	53%
Troms	273	273	227	227	39%	21%	52%	38%
Total	5,000	5,000	5,000	5,000	35%	37%	39%	44%

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Dolnoslaskie	4,000	3,000	3,900	2,800	5%	5%	6%	5%
Kujawsko-Pomorskie	3,700	2,775	2,775	1,950	4%	3%	4%	4%
Lodzkie	3,300	2,475	3,375	2,450	7%	6%	6%	7%
Lubelskie	1,600	1,200	2,550	1,800	3%	3%	3%	4%
Lubuskie	1,200	900	1,350	900	2%	2%	2%	4%
Malopolskie	3,900	2,925	2,925	2,200	5%	5%	3%	5%
Mazowieckie	9,000	6,750	8,100	5,810	8%	6%	8%	9%
Opolskie	600	450	1,800	1,200	2%	2%	2%	4%
Podkarpackie	800	600	2,850	1,900	7%	4%	3%	6%
Podlaskie	1,300	975	1,425	1,030	15%	13%	11%	12%
Pomorskie	3,100	2,325	2,325	1,740	2%	2%	2%	4%
Slaskie	9,800	7,350	7,350	5,050	5%	5%	5%	6%
Swietokrzyskie	900	675	1,575	1,050	3%	1%	4%	10%
Warminsko-Mazurskie	1,400	1,050	2,400	1,600	5%	4%	7%	9%
Wielkopolskie	3,000	2,250	4,050	2,900	4%	5%	4%	4%
Zachodniopomorskie	2,400	1,800	2,250	1,620	3%	2%	3%	8%
Total	50,000	37,500	51,000	36,000	5%	5%	5%	6%


Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Center	200	200	200	200	0%	1%	0%	2%
Lisboa	1,900	1,900	1,900	1,900	2%	3%	4%	5%
North	900	900	900	900	4%	7%	3%	6%
Total	3,000	3,000	3,000	3,000	3%	5%	3%	5%


Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) WSPM Group empty pack surveys, 2022-2025; (2) Almares Research empty pack surveys, 2022-2025; (3) Ipsos Doxa empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Romania and Serbia results by region, 2022-25^{(1)(2)(a)}

 Romania	Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025
Bucharest	1,467	1,259	1,115	1,015	5%	6%	7%	9%
Caras-Severin	258	156	219	176	8%	8%	19%	39%
Center	1,504	1,292	1,282	1,088	1%	2%	2%	2%
North-East	2,761	1,964	2,028	1,534	21%	24%	21%	16%
North-West	2,215	1,841	1,732	1,436	7%	8%	6%	8%
Satu Mare	-	-	-	-	-	-	-	-
South	2,044	1,682	1,955	1,591	4%	6%	7%	13%
South-East	1,991	1,682	1,450	1,217	6%	6%	6%	8%
South-West	1,593	1,262	1,365	1,229	6%	5%	8%	12%
West	1,243	963	912	810	6%	7%	6%	10%
Total	15,076	12,101	12,058	10,096	7%	8%	8%	11%

 Serbia ^(c)	Number of packs collected				ND incidence in empty pack survey ^(b)			
Region	2022	2023	2024	2025	2022	2023	2024	2025
Belgrade	1,000	1,000	1,000	1,000	3%	3%	5%	2%
Cacak	100	100	100	100	4%	2%	4%	7%
Kragujevac	200	200	200	200	3%	2%	7%	4%
Kraljevo	100	100	100	100		12%	6%	3%
Krusevac	100	100	100	100	2%	6%	7%	2%
Leskovac	100	100	100	100	4%	3%	1%	0%
Nis	200	200	200	200	2%	3%	9%	2%
Novi Pazar	100	100	100	100	1%	3%	7%	6%
Novi Sad	200	200	200	200	1%	4%	1%	2%
Pancevo	100	100	100	100	7%	0%	4%	2%
Smederevo	100	100	100	100	1%	0%	0%	0%
Subotica	100	100	100	100	1%	11%	4%	8%
Valjevo	100	100	100	100	2%	1%	0%	1%
Vranje	100	100	100	100	2%	3%	2%	0%
Zrenjanin	100	100	100	100	0%	4%	3%	3%
Total	2,700	2,700	2,700	2,700	3%	4%	5%	3%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report; (c) No surveys conducted in years with blanks. Results shown in country packs for these years are estimates only based on extrapolations of empty pack survey results from the prior and following years

Sources: (1) Novel Study, 2022-2025; (2) Ipsos Doxa empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Slovakia and Slovenia results by region, 2022-25^{(1)(2)(a)}

Slovakia	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Banskobystricky Kraj	450	450	450	450	1%	7%	4%	6%
Bratislavsky Kraj	1,200	1,200	1,200	1,200	2%	5%	7%	5%
Kosicky Kraj	800	800	800	800	7%	9%	9%	9%
Nitriansky Kraj	650	650	650	650	5%	7%	11%	14%
Presovsky Kraj	600	600	600	600	5%	6%	12%	6%
Trenciansky Kraj	400	400	400	400	7%	6%	7%	13%
Trnavsky Kraj	300	300	300	300	5%	14%	6%	9%
Zilinsky Kraj	600	600	600	600	2%	3%	4%	5%
Total	5,000	5,000	5,000	5,000	4%	6%	8%	8%

Slovenia	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Celje	210	210	210	210	6%	6%	10%	16%
Koper	139	139	139	139	22%	14%	16%	12%
Kranj	208	208	208	208	9%	7%	6%	10%
Ljubljana	1,539	1,539	1,539	1,539	5%	16%	11%	11%
Maribor	531	531	531	531	8%	28%	18%	14%
Novo Mesto	130	130	130	130	15%	8%	12%	5%
Ptuj	101	101	101	101	4%	18%	12%	16%
Velenje	142	142	142	142	5%	17%	1%	34%
Total	3,000	3,000	3,000	3,000	7%	16%	12%	13%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Nielsen empty pack surveys, 2022-2025; (2) WSPM empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Spain results by region, 2022-25^{(1)(2)(a)}

Spain	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Andalucia	5,176	5,176	5,176	5,176	20%	15%	19%	20%
Aragon	1,170	1,170	1,170	1,170	1%	2%	2%	1%
Asturias	858	858	858	858	3%	3%	3%	1%
Basque Country	1,534	1,534	1,534	1,534	3%	3%	2%	2%
Cantabria	304	304	304	304	3%	1%	2%	1%
CastillaY Leon	1,320	1,320	1,320	1,320	2%	1%	3%	2%
Castilla-La Mancha	296	296	296	296	1%	0%	1%	3%
Catalonia	5,394	5,394	5,394	5,394	3%	4%	5%	3%
Comunidad Valenciana	2,842	2,842	2,842	2,842	2%	2%	2%	1%
Extremadura	258	258	258	258	8%	18%	15%	14%
Galicia	1,130	1,130	1,130	1,130	5%	3%	4%	4%
La Rioja	262	262	262	262	1%	0%	0%	0%
Madrid	7,992	7,992	7,992	7,992	4%	4%	4%	4%
Murcia	1,126	1,126	1,126	1,126	2%	2%	2%	3%
Navarra	338	338	338	338	0%	1%	2%	1%
Total	30,000	30,000	30,000	30,000	6%	5%	6%	6%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Ipsos Doxa empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

Sweden results by region, 2022-25^{(1)(2)(a)}

Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Blekinge	150	150	150	150	18%	12%	11%	13%
Dalarna	150	150	150	150	7%	9%	12%	14%
Gastrikland	190	200	200	200	7%	6%	14%	18%
Halland	304	350	350	350	10%	10%	15%	8%
Jönköping	233	300	300	300	15%	13%	15%	13%
Kronoberg	154	200	200	200	8%	11%	15%	14%
Norrbotten	150	150	150	150	6%	7%	9%	10%
Örebro	272	300	300	300	7%	12%	10%	13%
Östergötland	500	550	550	550	14%	10%	11%	12%
Skåne	1,101	1,250	1,250	1,250	18%	13%	11%	12%
Smaland	150	150	150	150	10%	11%	8%	9%
Södermanland	316	350	350	350	12%	12%	11%	10%
Stockholm	3,284	2,700	2,700	2,700	10%	10%	21%	13%
Uppsala	355	500	500	500	9%	10%	9%	8%
Värmland	162	200	200	200	7%	6%	12%	6%
Västerbotten	359	400	400	400	8%	18%	11%	7%
Västernorrland	150	200	200	200	14%	7%	10%	11%
Västmanland	296	300	300	300	10%	9%	20%	12%
Västra Götaland	1,724	1,600	1,600	1,600	10%	11%	10%	9%
Total	10,000	10,000	10,000	10,000	11%	11%	14%	11%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Global Vox Populi empty pack surveys, 2022; (2) WSPM empty pack surveys, 2023-2025

Empty pack survey results by country (cont.)

Switzerland results by region, 2022-25^{(1)(a)}


+ Switzerland	Number of packs collected				ND incidence in empty pack survey ^(b)			
	Region	2022	2023	2024	2025	2022	2023	2024
Basel	400	400	400	400	5%	9%	22%	19%
Bern	900	900	900	900	5%	10%	8%	10%
Biel	-	-	-	-	-	-	-	-
Chur	-	-	-	-	-	-	-	-
Fribourg	200	200	200	200	6%	9%	12%	14%
Geneva	700	700	700	700	11%	19%	17%	16%
Grisons	200	200	200	200	7%	13%	10%	12%
Jura	-	-	-	-	-	-	-	-
Koniz	-	-	-	-	-	-	-	-
La Chaux De Fonds	-	-	-	-	-	-	-	-
Lausanne	-	-	-	-	-	-	-	-
Lugano	-	-	-	-	-	-	-	-
Luzern	200	200	200	200	6%	14%	9%	14%
Neuchatel	400	400	400	400	9%	12%	8%	12%
Schaffhausen	200	200	200	200	10%	13%	17%	11%
Sion	-	-	-	-	-	-	-	-
St Gallen	200	200	200	200	7%	14%	11%	10%
Thun	-	-	-	-	-	-	-	-
Thurgau	-	-	-	-	-	-	-	-
Ticino	200	200	200	200	12%	28%	23%	13%
Uster	-	-	-	-	-	-	-	-
Valais	200	200	200	200	9%	12%	10%	9%
Vaud	200	300	300	300	7%	12%	12%	15%
Vernier	-	-	-	-	-	-	-	-
Winterthur	-	-	-	-	-	-	-	-
Zurich	1,500	1,500	1,500	1,500	8%	12%	11%	12%
Total	5,600	5,600	5,600	5,600	8%	13%	13%	13%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) WSPM empty pack surveys, 2022-2025

Empty pack survey results by country (cont.)

UK results by region, 2022-25^{(1)(a)}

 UK Region	Number of packs collected				ND incidence in empty pack survey ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
East Midlands	2,000	1,000	1,000	1,000	23%	35%	41%	42%
East of England	2,200	1,100	1,100	1,100	28%	35%	41%	50%
London	3,000	1,500	1,500	1,500	26%	37%	38%	48%
North East England	1,000	500	500	500	41%	35%	38%	42%
North West England	2,598	1,299	1,299	1,299	30%	36%	34%	47%
Northern Ireland	1,000	500	500	500	22%	35%	36%	58%
Scotland	2,198	1,099	1,099	1,099	33%	44%	40%	48%
South East England	4,002	2,001	2,001	2,001	25%	34%	35%	43%
South West England	1,800	900	900	900	27%	32%	33%	40%
Wales	1,400	700	700	700	23%	29%	31%	38%
West Midlands	2,402	1,201	1,201	1,201	28%	38%	49%	52%
Yorkshire and The Humber	1,800	900	900	900	34%	38%	40%	47%
Total	25,400	12,700	12,700	12,700	18%	36%	38%	46%

Note: (a) Only base survey data in the empty pack surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Ipsos Doxa empty pack surveys, 2022-2025

Pack swap results by country

Moldova results by region, 2022-25^{(1)(a)}

Region	Number of pack swaps				ND incidence in pack swaps ^(b)			
	2022	2023	2024	2025	2022	2023	2024	2025
Anenii Noi	39	33	33	83	4%	11%	0%	13%
Mun. Bălți	77	78	82	145	1%	1%	2%	2%
Briceni	33	35	37	65	14%	21%	6%	9%
Basarabeasca	13	14	14	27	9%	42%	0%	7%
Mun. Chișinău	336	334	343	665	4%	4%	3%	3%
Cahul	54	53	52	108	10%	1%	2%	7%
Călărași	32	34	32	65	5%	28%	0%	2%
Cimișlia	26	24	27	49	6%	30%	4%	12%
Criuleni	32	27	33	66	3%	19%	6%	13%
Căușeni	43	41	40	85	3%	11%	0%	2%
Cantemir	21	22	22	46	20%	9%	5%	38%
Dubasari	12	10	10	19	0%	26%	0%	15%
Dondușeni	16	22	16	29	24%	15%	0%	33%
Drochia	33	34	33	67	17%	35%	0%	3%
Edineț	35	35	35	68	15%	18%	0%	15%
Fălești	33	39	37	65	15%	25%	2%	17%
Florești	38	37	38	71	10%	12%	0%	5%
Glodeni	21	26	25	46	19%	16%	0%	4%
Hâncesti	48	49	47	94	4%	10%	0%	4%
Ialoveni	44	45	57	92	3%	5%	2%	2%
Leova	22	22	34	70	3%	16%	0%	14%
Nisporeni	28	28	30	62	14%	29%	0%	4%
Ocnîța	23	20	25	48	25%	28%	0%	4%
Orhei	59	54	65	111	0%	0%	0%	3%
Râșcani	29	28	28	59	2%	0%	0%	9%
Rezina	30	24	23	46	1%	21%	0%	8%
Șoldănești	21	21	21	37	0%	11%	0%	2%
Sângerei	37	39	37	78	9%	4%	0%	6%
Soroca	40	39	40	84	14%	9%	0%	14%
Strășeni	46	46	45	101	6%	11%	0%	1%
Ștefan Vodă	33	29	27	59	12%	7%	0%	5%
Telenești	22	29	28	46	0%	16%	0%	11%
Taraclia	21	23	22	46	13%	11%	4%	15%
Ungheni	66	66	66	132	5%	21%	0%	11%
UTA Găgăuzia	69	70	74	121	15%	17%	3%	20%
Total	1,532	1,530	1,578	3,055	7%	12%	1%	7%

Note: (a) Only base survey data in the pack swap surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the pack swap survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report

Sources: (1) Ipsos Serbia Pack Swaps, 2022-2025

Pack swap results by country (cont.)

Ukraine results by region, 2022-25^{(1)(a)(b)}

Ukraine Region	Number of pack swaps				C&C incidence in pack swaps ^{(c)(d)}			
	2022	2023	2024	2025	2022	2023	2024	2025
Cherkas`ka	224	362	467	454	12%	16%	10%	14%
Chernihivs`ka	98	265	328	329	8%	8%	9%	5%
Chernivets`ka	157	291	407	397	17%	28%	13%	14%
Dnipropetrovs`ka	552	796	1,200	1,305	38%	38%	34%	34%
Donets`ka	-	-	-	-	-	-	-	-
Ivano-Frankivs`ka	258	490	570	362	4%	9%	6%	13%
Kharkivs`ka	266	478	701	750	26%	32%	28%	22%
Khersons`ka	-	-	2	-	-	-	0%	-
Khmelnys`ka	213	405	567	618	32%	32%	26%	16%
Kiev	608	820	1,190	1,271	12%	9%	9%	8%
Kirovohrads`ka	155	286	406	465	30%	37%	14%	19%
Kyivs`ka	290	431	596	586	20%	15%	13%	7%
Luhans`ka	-	-	-	-	-	-	-	-
Lvivs`ka	513	824	1,116	985	13%	20%	12%	16%
Mykolayivs`ka	-	106	164	225	-	-	6%	1%
Odes`ka	408	557	743	711	33%	39%	30%	30%
Poltavs`ka	209	383	556	627	18%	19%	10%	4%
Rivnens`ka	193	357	366	297	25%	27%	20%	17%
Sums`ka	179	229	286	329	12%	15%	15%	17%
Ternopils`ka	147	307	359	278	24%	15%	10%	8%
Vinnys`ka	299	481	571	492	13%	10%	10%	7%
Volyns`ka	145	328	348	350	1%	1%	3%	0%
Zakarpats`ka	245	366	442	439	14%	5%	3%	10%
Zaporiz`ska	92	131	159	147	17%	23%	13%	13%
Zhytomyrs`ka	267	294	456	584	1%	4%	2%	9%
Total^(d)	5,527	9,000	12,000	12,000	19%	20%	15%	15%

Note: (a) Only base survey data in the pack swap surveys have been summarised in the tables, i.e. 'focus' samples designed to investigate specific issues have been excluded as they do not form part of the national statistically representative sample; (b) Pack swap survey data for Ukraine does not contain information regarding the origin of packs collected. Therefore, inflows to Ukraine have not been broken down by origin and ND(L) inflows cannot be estimated and therefore all ND incidence is C&C incidence; (c) ND incidence listed in this table is based on the number of Non-Domestic packs collected in the pack swap survey. It doesn't account for differences due to country and brand adjustments made as a part of this study. Therefore, this incidence may differ from the ND incidence stated elsewhere in this Report; (d) C&C incidence at the regional level has been calculated using the total number of pack swaps in Ukraine multiplied by regional incidence of DP and DNP packs. Due to rounding in regional figures, sum of all regional packs may differ from the total number of pack swaps undertaken in Ukraine

Sources: (1) Kantar Pack Swaps, 2022-2025

Sources

Data sources

The sources listed below are those used only in this year's analysis and reporting. Sources for analysis and findings for previous years can be found in previous year reports.

Sources

Air passenger stats, Eurostat

Andorra customs duty free allowance, surfevasiopasdelacasa.com

Arrivals and overnight stays by country of origin in calendar year 2025, Statistik, Austria

Average daily consumption, GCTSONE tool, 2022

Attitudes of Europeans towards tobacco and electronic cigarettes, European Commission, 2024

Commercial air traffic, Civil aviation statistics, Ministries of Ecological transition, Regional planning, Transport, Urban development and housing (ecologie.gouv.fr), France, 2025

Estimate of current tobacco smoking prevalence (%) (age-standardized), WHO, 2025

Excise duty in Netherlands, Government of Netherlands

Discussion with various EU and European law enforcement authorities

European Factory Raids data 2019-2025 provided by PMI

Empty packs surveys, Independent agencies for 36 markets in study, 2021-2025

Exchange rates, InforEuro, European Commission, 2025

Forensic analysis data, PMI

Frontier workers by nationality, Department of Employment, HM Government of Gibraltar, 2025

Growth in air passengers from Algeria to France, French Civil Aviation Authority (DGAC), 2024-25

Inbound Arrivals, National Statistics Bureau Ukraine, 2017

KPMG analysis of UNWTO (UN World Tourism Organisation) and other sources for traveller data

KPMG European Flows Calculation 2025

KPMG European Flows Calculation 2021-2025 and analysis of data sources provided by manufacturers

KPMG interviews with law enforcement

Land frontier visitor arrivals, Borders and Coast Guard Agency, HM Government of Gibraltar, 2025

Number of Polish Visitors to the UK by Gender, ONS 2024

Legal Domestic Sales, Nielsen, 2021-2025

Pack Swap Surveys, Independent agencies for 2 markets in study, 2021-2025

Passenger car ownership, Eurostat, 2024

Population by department, sex and major age group, National Institute of Statistics and Economic Studies, France, 2024

Population 18+, Euromonitor: Total Population - Socio-economic indicators, 2025

Sources (cont.)

Data sources

The sources listed below are those used only in this year's analysis and reporting. Sources for analysis and findings for previous years can be found in previous year reports.

Sources

Prices and tax rates, European Commission Excise Duty Tables, December 2025

Prices, Calculated based on Retail Value RSP and Retail Volume estimates, Euromonitor: Tobacco, 2021-2025

Prices, Pack of 20 cigarettes of the most sold brand in a market, WHO 2024

Smoking population - number of adult smokers, Euromonitor: Tobacco, 2025

Spain Department of Statistics (www.ine.es)

Sales estimates in border regions of Spain-France, Belgium-France and Luxembourg-Belgium, PMI

Tax rate and WAP, PMI's GFIS systems, October 2025

Share of travellers carrying tobacco products from Algeria to France, Tobacco brought back from Algeria to France by travellers of direct flights, Kantar TNS for Philip Morris France, May 2018

Tobacco sales, State Revenue Service of Latvia, 2025

Tourism statistics (Inbound Arrivals and Outbound Departures, Number of trips), Euromonitor: Travel, 2021-2025

Tourism statistics (Inbound Arrivals and Outbound Departures, Number of visitors), UNWTO (UN World Tourism Organisation), 2022

Tourism statistics, Canary Islands Statistics Institute (ISTAC), Canary Islands Government, 2025

Guests in tourist accommodation establishments by country of residence, National Institute of Statistics Portugal, 2025

Volume- and value-based customs and tax allowances, General Directorate of Customs and Indirect Taxes (Douane.gouv.fr), France, 2024

Scope of work

Estimating the size, nature and financial impact (i.e., equivalent tax value) of illicit consumption of cigarettes in the EU27, the UK, Norway, Switzerland, Moldova, Ukraine, Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo for the calendar year 2025

Methodology and Reporting

1. The purpose of the study is to consider and comment on:

- a) the estimated size and composition of the total cigarette market (including counterfeit and contraband products), for each of the 27 EU member states, the UK, Norway, Switzerland, Moldova, Ukraine, Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo for 2025

2. The Contractor will prepare a Report which will be provided in PDF format which covers the results of the analysis undertaken as set out below:

- a) The findings from the work on the 38 markets will be used both individually and to produce a summary covering an overall view of the total market for Europe (with the UK, Norway, Switzerland, Moldova, Ukraine, Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo to be included in any individual country figures quoted), and an analysis of sources of illicit manufactured cigarettes, including reference to specific source countries and free trade zones where appropriate. The Contractor will also provide a section in the Report on counterfeit and contraband flows for each of the 38 markets
 - b) Each market section will consist of the equivalent of four pages if printed and will include a table detailing total manufactured cigarette consumption from 2021 to 2025, along with charts showing the Non-Domestic Legal (ND(L)) and Counterfeit & Contraband (C&C) volumes by source country and by brand. The commentary will be brief and factual and will source publicly available data on tobacco prices, traveller data and total tobacco consumption where relevant. The commentary will also source other quantitative and qualitative research and analysis as deemed necessary, for example in relation to trends in C&C
 - c) The Contractor's analysis of the cigarette market will be based on a methodology that incorporates primary research, market analysis, existing industry surveys and other sources of data
- For each of the 38 markets, the Contractor will use in-market cigarette sales data provided by PMP SA to estimate Legal Domestic Sales and estimate Legal Domestic Consumption by subtracting outflows to other markets based on the results of Empty Pack Surveys provided by PMP SA
 - The Contractor will analyse the results of the Empty Pack Surveys to estimate the level of Non-Domestic cigarette inflows for each market, which will then be added to Legal Domestic Consumption to estimate Total Consumption
 - Using publicly available data, the Contractor will analyse tourism flows, smoking incidence, cigarette purchase limits for travellers and border sales data to estimate the proportion of Non-Domestic inflows that could be considered to be legal, and as a direct result provide an estimate of the level of counterfeit and contraband for each of the 38 markets
 - The steps above will be undertaken to simultaneously analyse the inflows and outflows between all of the 38 markets using Excel and Alteryx analytical tools, which have been specifically developed for this purpose by the Contractor and are consistent with those used in previous engagements for the Client, using the data sources above
 - Additional data sources may be used to refine the Contractor's analysis

Scope of work (cont.)

- The Contractor will request meetings or interviews with Law Enforcement representatives to discuss the Contractor's initial findings and other relevant information regarding illicit cigarette consumption. Where Law Enforcement representatives agree to participate in such meetings or interviews the Contractor will, where appropriate, include in the Report, with their permission, a high-level aggregated summary of trends in illicit consumption that they have highlighted
- The Contractor will set out the estimation process in detail in a methodology section in the Report
- The Contractor will also conduct analysis on illicit whites. This will be reported in the consolidated section of the Report



Appendices – Heated tobacco

07

Limitations of Results

Source	Limitation
Counterfeit in consumer surveys	<p>Consumer survey results do not identify Counterfeit packs</p> <p>As no physical pack is collected on which to undertake forensic analysis it is not possible to identify Counterfeit volumes in the consumer surveys. As a result, it is possible that total consumption is understated for the markets where our estimates are based on consumer surveys</p> <ul style="list-style-type: none"> • However, no Counterfeit has been identified in the packs collected for those markets where an empty pack survey has been carried out, indicating that heated tobacco counterfeiting is likely to be a rare phenomenon and therefore the impact is likely to be minimal
Outflows to markets not included in the Report	<p>In order to estimate consumption, we have assumed no outflows of LDS outside of the 22 countries of study</p> <ul style="list-style-type: none"> • Excluding Switzerland, the UK and Ukraine, the 19 markets in this Report account for 87% of EU Legal Domestic Sales (LDS)^{(1)(a)} of heated tobacco, indicating that the EU markets included in this Report account for majority of heated tobacco consumption and therefore that outflows to other EU markets in this Report will be significantly smaller • Excluding Switzerland, the UK and Ukraine^(b) (which are covered within the scope of this Report), discussions with PMP SA market teams and non-EU empty pack survey data provided by PMP SA indicate non-EU outflows of heated tobacco packs are not material. This is because of the high prices in the EU relative to other parts of the world and Duty-Free import restrictions. • Nonetheless, outflows are likely to be understated
Consumer surveys	<p>In Romania the consumer survey is designed a third-party market research agency, and in Germany the consumer survey is designed by PMI. The consumer surveys are weighted by location, age and gender to seek to be representative of the national population</p> <p>Although consumer surveys are designed to be nationally representative of the population, there are certain limitations associated with consumer surveys, such as:</p> <ul style="list-style-type: none"> • Information obtained from a consumer survey is based on a sample rather than the entire population and therefore data is subject to sampling variability <p>In addition, there are limitations to using a consumer survey to estimate heated tobacco consumption</p> <ul style="list-style-type: none"> • Consumer surveys have historically under-reported tobacco product consumption, especially in countries where it has become increasingly socially less acceptable <p>For the purposes of this Report, only registered IQOS users for Germany were sampled as part of the consumer surveys</p> <ul style="list-style-type: none"> • Although IQOS users represent the majority of heated tobacco consumption in the markets included in this Report, purchase and consumption behaviours of non-IQOS users may differ. We have not been able to ascertain the impact of this in all the in-scope countries

Notes: (a) Based on available 2025 LDS of 19 EU markets (b) Ukraine data is available in 2024 only

Sources: (1) Nielsen, Legal Domestic Sales, 2021-2025

Limitations of Results (cont.)

Source	Limitation
Heated tobacco Prevalence	<p>Heated tobacco user prevalence data is used to estimate the number of travellers that are heated tobacco consumers</p> <p>Heated tobacco user prevalence data, sourced from PMPA, is available for the 22 countries in which we estimate heated tobacco consumption within this Report, as well as EU and a number of non-EU European markets. However, this data is not available for all countries</p> <p>For inbound non-resident traveller flows to the 22 heated tobacco markets included in this Report where the source market prevalence data is not available, the prevalence in the destination country has been used instead of that of the country of departure</p> <ul style="list-style-type: none"> • This may over or underestimate ND(L), however, given the majority of inflows are between markets where prevalence data exists for both markets, the impact of this assumption is likely to be small
Heated tobacco Weighted Average Price (WAP)	<p>The PMPA-provided WAP price data for heated tobacco is available for EU countries and 35 Non-EU markets</p> <p>Where EU or Non-EU prices were not available Euromonitor prices have been used, and where Euromonitor prices were also not available, then we have assumed that a price incentive exists (i.e. these source markets are cheaper than the markets in the Report) resulting in ND(L) volumes from these markets.</p> <ul style="list-style-type: none"> • This may overestimate ND(L), however, given WAP prices exist for the majority of major source markets the impact of this assumption is likely to be small

Sources

Data sources

The sources listed below are those used only in this year's analysis and reporting. Sources for analysis and findings for previous years can be found in previous year reports.

Sources

Air passenger flow, Eurostat

Alcohol, tobacco, cash and excise duties, European Union, Europe.eu, last updated on Dec 2025

Consumer surveys, Independent market research agencies for 1 market in study, 2021-2025

Empty packs surveys, Independent agencies for 21 markets in study, 2021-2025

Exchange rate (InforEuro), European Commission, 2025

Inbound Arrivals and Outbound Departures, Euromonitor: Travel; Number of Trips, 2021-2025

KPMG analysis of UNWTO and other sources for traveller data

KPMG European Flows Calculation 2024 for Ukraine

KPMG European Flows Calculation 2021-2025 and analysis of data sources provided by manufacturers

KPMG European Flows Calculation 2025

Market sizes (volume and value) by tobacco categories, Euromonitor: Tobacco; Retail Volume and Retail Value RSP excl. Sales Tax, EUR , 2021-2025

Legal Domestic Sales, Nielsen, 2021-2025

Population 18+, Euromonitor: Total Population- Socio-economic indicators, 2025

Population 18+, UNICEF, 2025

Prevalence for heated tobacco, PMPSA source, 2021-2023

Prices, Euromonitor: Tobacco- Calculated based on Retail Value RSP and Retail Volume estimates, 2021-2025

Tax rate and WAP, PMI's GFIS systems as of October 2025

Tourism statistics (Inbound and Outbound arrivals), Euromonitor: Travel- Number of Trips, 2021-2025























UNWTO Factbook

Data sources by country

Comparison of 2024 and 2025 heated tobacco survey data sources

- The table below sets out the sample sizes and Non-Domestic incidence from the data source used for the markets in this Report (consumer survey or empty pack survey)

Sample size and Non-Domestic incidence by market, 2024-2025^{(1)(a)}

Market		Number of packs/respondents		Non-Domestic incidence ^(b)	
		2024	2025	2024	2025
Austria (empty pack survey)		820	470	28%	23%
Bulgaria (empty pack survey)		2,000	1,000	0%	2%
Croatia (empty pack survey)		300	300	1%	5%
Cyprus (empty pack survey)		400	400	34%	38%
Czech Republic (empty pack survey)		6,000	6,000	8%	8%
Germany ^(c) (consumer survey)		3,000	3,500	32%	34%
Greece (empty pack survey)		2,000	2,000	3%	2%
Hungary (empty pack survey)		8,000	8,000	4%	4%
Italy (empty pack survey)		4,000	4,000	2%	1%
Latvia (empty pack survey)		500	500	6%	0%
Lithuania (empty pack survey)		900	900	5%	5%
Netherlands (empty pack survey)		400	800	46%	58%
Poland (empty pack survey)		4,000	4,000	3%	2%
Portugal (empty pack survey)		700	700	0%	1%
Romania (consumer survey)		513	502	2%	3%
Slovakia (empty pack survey)		700	1,400	2%	3%
Slovenia (empty pack survey)		400	400	8%	9%
Spain (empty pack survey)		200	400	2%	3%
Sweden (empty pack survey)		450	450	18%	15%
Switzerland (empty pack survey)		950	950	22%	16%
Ukraine ^(d) (empty pack survey)		600		0%	
UK ^(e) (consumer survey / empty pack survey)		292	600	13%	8%

Note: (a) Sample size and ND incidence is shown as per the selected survey source for the market; (b) Non-Domestic incidence listed in this table is based on the number of Non-Domestic packs collected in the empty pack survey and consumer survey; (c) For Germany, figures relate to the consumer survey which was used as the source of overall Non-Domestic incidence; (d) Ukraine empty pack survey data is available for 2024 only; (e) In the UK a consumer survey was used in 2024. In 2025 only an empty pack survey was available

Source: (1) Empty pack surveys and consumer surveys

Data sources by country (cont.)

Survey dates and coverage, 2025^{(1)(a)}

Country	Survey type	Survey dates	Packs collected / Consumers surveyed	Number of cities covered
Austria	Empty pack survey	Q2: Apr-May	470	4
Bulgaria	Empty pack survey	Q2: May	1,000	15
Croatia	Empty pack survey	Q4: Oct	300	4
Cyprus	Empty pack survey	Q4: Oct	400	4
Czech Republic	Empty pack survey	Q2: Apr-May Q4: Sept-Oct	6,000	30
Germany	Consumer survey	Consumer survey: Monthly	Consumer survey: A cohort of between 3,500 and 3,700 consumers Empty pack survey: 6,031	Consumer survey: Data not available
	Empty pack survey	Empty pack survey: Q1, Q2, Q3, Q4 (all months)		Empty pack survey: 45
Greece	Empty pack survey	Q2: Apr-May Q3: Sep	2,000	9
Hungary	Empty pack survey	Q1: Feb-Apr Q3: Aug-Sept	8,000	40
Italy	Empty pack survey	Q2: May-Jun Q4: Oct-Nov	4,000	25
Latvia	Empty pack survey	Q2: May	500	8
Lithuania	Empty pack survey	Q2: Mar-Apr	900	10
Netherlands	Empty pack survey	Q2: May-June Q4: Sept-Oct	800	5
Poland	Empty pack survey	Q2: Apr-May Q4: Oct-Nov	4,000	14
Portugal	Empty pack survey	Q2: Apr-May	700	7
Romania	Consumer survey	Q2	502	Data not available
Slovakia	Empty pack survey	Q2: Apr	1,400	11
Slovenia	Empty pack survey	Q4: Oct-Nov	400	8

Note: (a) Packs collected is shown as per the selected survey source for the market

Source: (1) Empty pack surveys and consumer surveys

Data sources by country (cont.)

Survey dates and coverage, 2025^{(1)(a)}

Country	Survey type	Survey dates	Packs collected / Consumers surveyed	Number of cities covered
Spain	Empty pack survey	Q2: Apr-May Q4: Oct-Nov	400	9
Sweden	Empty pack survey	Q2: Apr-May	450	11
Switzerland	Empty pack survey	Q3: Sep-Oct	950	20
Ukraine ^(b)	Empty pack survey	Q1: Feb	600	3
UK	Empty pack survey	Q2: Apr-May	600	7

Note: (a) Packs collected is shown as per the selected survey source for the market; (b) Ukraine data is available in 2024 only

Source: (1) Empty pack surveys and consumer surveys

Scope of work

Estimating the size, nature of illicit consumption of heated tobacco in Czech Republic, Germany, Greece, Hungary, Italy, Lithuania, Poland, Romania, Spain and the United Kingdom for the calendar year 2025. For the first time the report highlights the new 12 markets to estimate the size, nature of illicit consumption of heated tobacco. These 12 new markets are Austria, Bulgaria, Croatia, Cyprus, Latvia, Netherlands, Portugal, Slovakia, Slovenia, Sweden, Switzerland, Ukraine^(a)

1) The purpose of the Report is to consider and comment on:

a) the estimated size and composition of the total market (including illicit consumption), for heated tobacco in Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom and Ukraine^(a) for the calendar year 2025

2) The Contractor will present their findings estimating the size and nature of illicit consumption of heated tobacco in Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom and Ukraine^(a) for the calendar year 2025 within the Report

a) The findings from the work on the 22 countries will be used both individually and to produce a summary covering an overall view of the main findings and, if data allows, an analysis of sources of illicit goods, including reference to specific source countries, sales channels, and free trade zones where appropriate

b) The Contractor's analysis of the heated tobacco will be based on a methodology that incorporates primary research, market analysis, existing industry surveys and other sources of data:

- i. For each of the 22 countries, the Contractor will use Nielsen Legal Domestic Sales data provided by PMP SA, or other third-party research agencies, to estimate Legal Domestic Sales and, where relevant, estimate Legal Domestic Consumption by subtracting outflows to other countries based on the results of primary research provided by PMP SA
- ii. The Contractor will analyse the results of empty pack surveys and consumer research to estimate the level of Non-Domestic consumption in each country, which will then be added to Legal Domestic Consumption to estimate Total Consumption
- iii. Using publicly available data, the Contractor will analyse tourism flows, smoking incidence, purchase limits for travellers and border sales data to estimate the proportion of Non-Domestic inflows that could be considered to be legal, and as a direct result provide an estimate of the level of Counterfeit and Contraband for each of the 22 countries
- iv. The steps above will be undertaken to simultaneously analyse the inflows and outflows between all of the 22 countries using Excel and Alteryx analytical tools, which have been specifically developed for this purpose by the Contractor

c) Additional data sources may be used to refine the Contractor's analysis

d) The Contractor will request meetings or interviews with Law Enforcement representatives in Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom and Ukraine to discuss the Contractor's initial findings and other relevant information regarding illicit heated tobacco consumption. Where Law Enforcement representatives agree to participate in such meetings or interviews the Contractor will, where appropriate, include in the Report, with their permission, a high-level aggregated summary of trends in illicit consumption that they have highlighted

e) The Contractor will set out the estimation process in detail in a methodology section in the Report

Note: (a) Ukraine data is available in 2024 only



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Appendices – Oral nicotine

08

Limitations of results

Source	Limitation	Adjustments made
Empty can survey availability	<ul style="list-style-type: none"> An empty can survey was not available for Sweden in 2024 As a result, inflows of nicotine pouches to Sweden cannot be estimated in 2024 	<ul style="list-style-type: none"> Not adjusted for
Empty can survey sample sizes	<ul style="list-style-type: none"> In a number of markets, most notably Austria, Belgium, Slovenia and Switzerland, a lower number of cans were collected as part of the empty can surveys than in other markets included in this study. See page 332-333 for further details Given this relatively low sample size, this may provide an inaccurate snapshot of oral nicotine products in these markets. This potential for inaccuracy increases as the data is further disaggregated into product, brand and country of origin level breakdowns Where sample sizes are insufficient, certain breakdowns are not shown or are accompanied by cautionary notes 	<ul style="list-style-type: none"> Not adjusted for
Impact of online sales	<ul style="list-style-type: none"> Unlike some other nicotine product categories, oral nicotine products are readily available via online purchase In the majority of the markets included in this Report (with the exception of Finland where distance sales are prohibited) online imports are either permitted or not expressly prohibited by current regulation The existence of online sales makes the separation of Non-Domestic labelled products identified via empty can surveys into illicit or legal categories challenging, as it is not possible to determine whether products have been purchased online, sold domestically, or imported during a cross-border trip This limitation means that oral nicotine products are not separated into legal (ND(L)) or illicit (C&C) categories as with cigarettes or heated tobacco in this Report. Additional data or tracking of online sales of oral nicotine products would be required to provide a more granular analysis on the impact of online sales 	<ul style="list-style-type: none"> Not adjusted for

Limitations of results (cont.)

Source	Limitation	Adjustments made
Interpretation of not eligible for sale versus illicit products	<ul style="list-style-type: none"> • Products categorised as not eligible for sale are identified based on packaging characteristics. For domestically labelled products, these characteristics are evaluated for compliance with the regulatory framework of the market of study • This categorisation does not determine whether such products were obtained or supplied through licit or illicit channels • In particular, Non-Domestic products identified in the empty can surveys may have been legally purchased outside the market of study or imported for personal use • As a result, not eligible for sale products are not necessarily illicit 	<ul style="list-style-type: none"> • Not adjusted for
Inability to determine point of purchase or supply channel	<ul style="list-style-type: none"> • The empty can survey methodology does not allow for determination of where or how products were purchased, including whether products were obtained via domestic retail, cross-border purchases, or online channels • Where mystery shopper studies are referenced, these provide point-in-time indications of availability rather than a comprehensive assessment of supply channels • As such, no conclusions can be drawn regarding the relative contribution of different supply channels to the products identified. 	<ul style="list-style-type: none"> • Not adjusted for
Reliance on packaging characteristics to infer regulatory compliance	<ul style="list-style-type: none"> • The classification of products as compliant or non-compliant is based on observable packaging characteristics identified through empty can surveys • These packaging characteristics may not provide definitive proof of compliance. As a result, some products may be misclassified (e.g. correctly manufactured products with atypical packaging, or non-compliant products that mimic compliant packaging), introducing a degree of uncertainty into the estimates • In some cases, packaging information may be incomplete, unclear, or absent, which can limit the precision of compliance categorisation • This is particularly relevant for product types where nicotine strength or flavour information is not consistently disclosed on packaging 	<ul style="list-style-type: none"> • Not adjusted for
Strength-related analysis limitations (especially for snus and chewing tobacco)	<ul style="list-style-type: none"> • Information on nicotine strength is derived from packaging details captured in empty can surveys • For certain product categories, including snus and chewing tobacco, nicotine strength is not consistently stated on packaging • Consequently, analyses by strength may include an 'Unknown' category and should be interpreted with caution, particularly when assessing changes over time 	<ul style="list-style-type: none"> • Not adjusted for

Limitations of results (cont.)

Source	Limitation	Adjustments made
Sensitivity of year-on-year comparisons	<ul style="list-style-type: none"> Year-on-year comparisons may be influenced by the timing of regulatory changes, transitional provisions (such as sell-off periods), and the period during which empty can surveys were conducted As it is not possible to determine when products were manufactured or placed on the market, observed changes between years may reflect transitional dynamics rather than underlying structural shifts 	<ul style="list-style-type: none"> Not adjusted for
Focus on presence of oral nicotine products, not consumption behaviour	<ul style="list-style-type: none"> The findings of this Report reflect the presence and characteristics of products identified through empty can surveys The methodology does not measure user behaviour, frequency of use, volumes consumed, or purchasing patterns Accordingly, references to product shares relate to the composition of identified products rather than consumption behaviour or market penetration 	<ul style="list-style-type: none"> Not adjusted for
Identification of Counterfeit	<ul style="list-style-type: none"> Identification of Counterfeit products is limited to brands for which manufacturers participated in the authentication process associated with the empty can surveys As a result, Counterfeit volumes for other brands or manufacturers could not be assessed and are excluded from the findings, and Counterfeit share may be higher than that shown in this Report 	<ul style="list-style-type: none"> Not adjusted for
Lack of market sizing	<ul style="list-style-type: none"> Due to the nascency of the nicotine pouches category within oral nicotine, sales data is not currently available for all markets. As a result, a volumetric estimate of total consumption is not within the scope of this Report Due to this limitation, findings are based on empty can collections shares rather than a quantified view of total market volumes This limits the ability to assess the relative scale or materiality of not eligible for sale product segment within the overall market In particular, the absence of total market size baseline constrains interpretation of whether identified shares are significant in the context of total consumption 	<ul style="list-style-type: none"> Not adjusted for

Limitations of results (cont.)


Source	Limitation	Adjustments made
Cross-border regulatory variation	<ul style="list-style-type: none">• Regulatory frameworks governing oral nicotine products vary across jurisdictions included in the study• Differences in product standards, labelling requirements, sales channels and enforcement regimes affect how products are classified as eligible or not eligible for sale• These differences mean that products classified as eligible for sale in one market may not be in other markets, and vice versa. This limits the ability to apply a fully consistent methodology for categorisation across all markets• Consequently, cross-country comparisons should be interpreted with caution, as observed differences in results may reflect regulatory divergence rather than underlying market dynamics	<ul style="list-style-type: none">• Not adjusted for

Empty can survey results by country

2024 and 2025 empty can survey data

- The tables below set out additional details regarding the empty can survey for the markets in this Report

Weighted sample size and Not eligible for sale incidence by market, 2024-2025^{(1)(a)(b)}

Country		Weighted cans		Not eligible for sale incidence ^(c)	
		2024	2025	2024	2025
Austria (empty can survey)		190	986	12%	17%
Belgium (empty can survey)		103	301	100%	89%
Czech Republic (empty can survey)		493	1,003	62%	9%
Denmark (empty can survey)		5,030	4,990	16%	14%
Estonia (empty can survey)		554	920	10%	9%
Finland (empty can survey)		5,168	5,106	80%	58%
Germany (empty can survey)		616	1,026	90%	92%
Netherlands (empty can survey)		509	1,011	100%	100%
Norway (empty can survey)		5,761	5,748	11%	16%
Poland (empty can survey)		296	593	9%	4%
Slovakia (empty can survey)		412	434	1%	5%
Slovenia (empty can survey)		241	246	4%	9%
Sweden (empty can survey)		n/a	2,606	n/a	0%
Switzerland (empty can survey)		118	13	1%	13%
United Kingdom (empty can survey)		301	298	7%	16%

Survey dates and coverage, 2024-2025^{(1)(b)}

Country	2024			2025		
	Survey dates	Cans collected	# of cities	Survey dates	Cans collected	# of cities
Austria	Q4: Oct-Nov	190	21	Q2: Apr-May Q4: Oct-Nov	994	25
Belgium	Q3: Sep-Oct	100	1	Q4: Nov	300	2
Czech Republic	Q4: Sep-Oct	500	10	Q2: Apr-May Q4: Sep-Oct	1,000	10
Denmark	Q2: Apr Q3: Sep-Oct	5,000	6	Q2: Apr-May Q3: Sep-Oct	5,000	6
Estonia	Q2: May-Jun	500	5	Q2: Apr Q3: Sep	824	14
Finland	Q1: Feb-Mar Q4: Oct-Nov	5,000	10	Q1: Feb-Apr Q4: Sep-Nov	5,000	10
Germany	Q4: Oct-Nov	600	15	Q3: Sep	1,000	21
Netherlands	Q3: Sep-Oct	490	8	Q2: May-Jun Q4: Sep-Oct	980	8

Note: (a) Sample size and Not eligible for sale incidence is based on the empty can surveys (b) n/a indicates no empty can survey was conducted in that year (c) Non eligible for sale incidence refers to the percentage share of weighted cans which were either Non-Domestically labelled, counterfeit or did not comply with the regulations in the market in which they were collected

Source: (1) Empty can surveys

Empty can survey results by country (cont.)

Country	2024			2025		
	Survey dates	Cans collected	# of cities	Survey dates	Cans collected	# of cities
Norway	Q2: Apr-May Q3: Sep-Oct	5,000	8	Q2: Apr-May Q3: Jan-Mar, Jun, Sept-Oct	5,000	8
Poland	Q4: Oct-Dec	300	7	Q2: Apr-Jun Q4: Oct-Nov	600	7
Slovakia	Q3: Sep-Oct	400	2	Q3: Sep	400	2
Slovenia	Q4: Oct-Nov	200	8	Q4: Oct-Nov	200	8
Sweden	n/a	n/a	n/a	Q2: Mar-Apr	2,500	29
Switzerland	Q3: Sep	105	19	Q3: Sep	93	20
United Kingdom	Q4: Jan, Nov- Dec	304	4	Q2: Apr-May	300	4

Survey sample size, weighted cans, 2024-2025^{(1)(a)(b)}

Country	2024			2025		
	Eligible for sale	Not eligible for sale	Total	Eligible for sale	Not eligible for sale	Total
Austria	167	23	190	813	173	986
Belgium	0	103	103	34	267	301
Czech Republic	185	308	493	914	89	1,003
Denmark	4,215	815	5,030	4,268	722	4,990
Estonia	498	56	554	839	81	920
Finland	1,050	4,118	5,168	2,157	2,949	5,106
Germany	63	553	616	83	943	1,026
Netherlands	0	509	509	0	1,011	1,011
Norway	5,124	637	5,761	4,807	941	5,748
Poland	268	28	296	568	25	593
Slovakia	406	6	412	415	19	434
Slovenia	232	9	241	224	22	246
Sweden	n/a	n/a	n/a	2,601	5	2,606
Switzerland	117	1	118	88	13	101
United Kingdom	281	20	301	252	46	298

Note: (a) Sample size and eligible for sale / Not eligible for sale sample size listed in this table is based on the empty can survey (b) n/a indicates no empty can survey was conducted in that year

Source: (1) Empty can surveys

Products classified as not eligible for sale

This Report highlights a number of nicotine pouch product flows that are classified as not eligible for sale in the Netherlands, Belgium and Germany on page 38

There are three factors which determine if products collected in the empty can survey are classified as not eligible for sale in a market, these are:

1. The product is Non-Domestic to the market in which it was collected
2. The product is Counterfeit
3. The product is a domestically labelled product that is non-compliant with regulations in the market. These regulations include category sales bans (for example, of nicotine pouches in the Netherlands) and nicotine strength limits (for example, in the Czech Republic)

The table below sets out which of the three factors noted above have led to cans of these product flows being classified as not eligible for sale in the Netherlands, Germany and Belgium

Product	Reason for classification as not eligible for sale (share of all cans classified as not eligible for sale)		
	Non-Domestic	Counterfeit	Domestically labelled products non-compliant with local regulations
Velo	97%	3%	0%
Pablo	85%	0%	15%
Killa	99%	0%	1%
Ubbs	100%	0%	0%
Candy Shop	100%	0%	0%

The table above illustrates that across all product flows the large majority are classified as not eligible for sale as they are Non-Domestic to the market in which they are collected via the empty can surveys, but may be compliant with regulations in their market of origin

It should be noted that apart from Velo, Counterfeit cannot be identified for the product flows noted in the table above as the manufacturers do not participate in the empty can survey and forensically examine cans of their brands collected to determine if they are Counterfeit. This may mean that for these product flows Counterfeit share is understated and the share of Non-Domestic or domestically labelled products non-compliant with local regulations is overstated

Source: (1) Empty can surveys

Sources

Data sources

The sources listed below are those used to produce the estimates contained in this Report

Sources

Empty can surveys, Independent agencies for 15 markets in study, 2024-2025

Tax rate and WAP, PMI's GFIS systems as of October 2025

TobaccoIntelligence - Austria: oral tobacco and nicotine pouch regulation, June 2023

The Brussels Times - Nicotine pouches, Thalys and social tariffs: What changes in Belgium on 1 October?, Oct 2023

Full Pack Belgium Nicotine Pouches & Vape Report, Q4 2025, Ipsos Doxa, March 2026. 260 mystery shop visits, across Brussels, Antwerp, Gent, Liege and Charleroi

Schönherr - Regulation of nicotine pouches in the Czech Republic, June 2023

TobaccoIntelligence - Denmark: oral tobacco and nicotine pouch regulation, October 2024

GSTHR - Using snus in Estonia, 2023

Valtioneuvosto Statsradet - The Tobacco Act, April 2023

TobaccoIntelligence - Germany: oral tobacco and nicotine pouch regulation, July 2025

Nicotine pouches in Germany in 2025, PMI. 1,256 mystery shop visits, across 24 cities, covering all regions of Germany

GSTHR, using pouches in Netherlands, 2024

Nicotine pouches in Netherlands in 2025, PMI. 490 mystery shop visits, across 8 cities, covering most regions of Netherlands

Nordic Welfare Centre: Regulations across the Nordic and Baltic countries, 2025

Act on the protection of health against the consequences of tobacco and tobacco product use, May 2025

TobaccoIntelligence, Slovakia: oral tobacco and nicotine pouch regulation, May 2025

Tobacco control laws, Restriction on the Use of Tobacco Products and Related Products Act (ZOUTPI-B), 2025

Swedish Institute of Standards, Nicotine containing, tobacco-free oral products: Safety and quality related requirements, 2024

TobaccoIntelligence - Switzerland: oral tobacco and nicotine pouch regulation, July 2025

UK Parliament, Nicotine and Oral Tobacco: Safety, March 2025

Scope of work

Estimating the share and nature of oral nicotine products in Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, Germany, Netherlands, Norway, Poland, Slovakia, Slovenia, Sweden, Switzerland and the UK for the calendar year 2025

1) The purpose of the Report is to consider and comment on:

a) The estimated composition of the total market (including products not eligible for sale), for oral nicotine in the 15 countries for the calendar year 2025

2) KPMG will present their findings estimating the share and nature of oral nicotine in the 15 countries for the calendar year 2025 within a standalone KPMG branded Report

a) The findings from the work on the 15 countries will be used both individually and to produce a summary covering an overall view of the main findings and, if data allows, an analysis of sources of not eligible for sale goods, including reference to specific source countries, sales channels, and free trade zones where appropriate

b) Each country section will consist of the equivalent of 2-4 pages if printed, and will include a table detailing the breakdown of share in 2025, including eligible and not eligible for sale share. The commentary will be factual and will source publicly available data on category regulations and total category share where relevant. The commentary will also source other quantitative and qualitative research and analysis as deemed necessary, for example in relation to trends in products not eligible for sale

c) KPMG's analysis of oral nicotine will be based on a methodology that incorporates primary research, market analysis, existing industry surveys and other sources of data:

- i. For each of the 15 countries, KPMG will use empty can surveys provided by PMPSA, or other third-party research agencies, to estimate the share of domestic products, Non-Domestic products and other products in each country to estimate the breakdown of oral nicotine
- ii. Using publicly available data, KPMG will analyse the regulatory landscape, usage incidence, border sales data etc. to estimate the proportion of oral nicotine products that could be considered to be eligible for sale, and as a direct result provide an estimate of the share of products not eligible for sale for each of the 15 countries
- iii. The steps above will be undertaken using Excel and Alteryx analytical tools, which have been specifically developed for this purpose

d) Additional data sources may be used to refine KPMG's analysis

e) KPMG will set out the estimation process in a methodology section in the Report



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