



PHILIP MORRIS INTERNATIONAL

Profile

- Philip Morris International Inc. (PMI) is a U.S. corporation with headquarters in New York
- Our center of operations is in Lausanne, Switzerland
- PMI is the leading international tobacco company
- Our brands are sold in approximately 180 countries
- We own 7 of the top 15 international cigarette brands in the world
- We held an estimated 16.0% share of the total international cigarette market outside the U.S., or 28.1% excluding the People's Republic of China and the U.S. in 2011

Highlights

• On July 19, 2012:

PMI Reported 2012 Second-Quarter results:

- Reported diluted earnings per share of \$1.36, versus \$1.35 in 2011. Reported diluted earnings per share, excluding currency, up 8.1% to \$1.46.
- Adjusted diluted earnings per share of \$1.36, versus \$1.34 in 2011. Excluding currency, adjusted diluted earnings per share were up 9.0% to \$1.46.
- During the second quarter of 2012, PMI spent \$1.5 billion to repurchase 17.8 million shares of its common stock. PMI has a share repurchase target for 2012 of \$6.0 billion.

Additional information is available at www.pmi.com/investors

• On June 21 and 22, 2012:

- PMI hosted its second Investor Day at its Operations Center in Lausanne, Switzerland in which senior management offered its perspective on the company's business outlook and long-term growth strategies. Investor Day presentations can be accessed at www.pmi.com/investors

• On June 13, 2012:

- PMI announced a new three-year share repurchase program of \$18 billion, which began on August 1, 2012, following completion of the existing three-year program of \$12 billion which began in May 2010, and which concluded ahead of schedule.
- A reconciliation of Non-GAAP Measures is included at the end of this investor fact sheet.

Shareholder Information



- Philip Morris International Inc. is listed on the New York Stock Exchange under the ticker symbol "PM".

• Investor Relations:

New York: 917-663-2233

Lausanne: 41(0)58-242-4666

• Shareholder Publications:

For our filings with the Securities and Exchange Commission and other publications and reports, please visit: www.pmi.com/investors

• Shareholder Response Center:

Computershare Trust Company, N.A., our transfer agent, will answer questions about your accounts, certificates, dividends or the Direct Stock Purchase and Dividend Reinvestment Plan.

Computershare Trust Company, N.A.

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Providence, RI 02940-3078 USA

1-877-745-9350 (Within U.S. and Canada)

1-781-575-4310 (Outside U.S. and Canada)

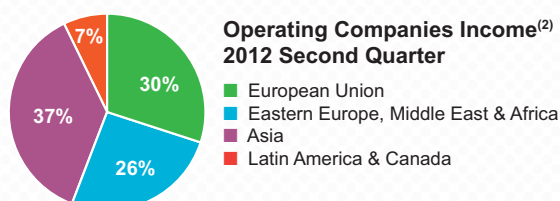
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Consolidated Financial Review

(in millions of dollars, except per share data)

● Selected Financial Highlights	For the Quarters Ended June 30,		
	2012	2011	% Change
Net revenues	\$20,037	\$20,234	(1.0)%
Cost of sales	2,666	2,844	(6.3)%
Excise taxes on products	11,917	11,961	(0.4)%
Gross profit	5,454	5,429	0.5%
Operating income	3,604	3,712	(2.9)%
Earnings before income taxes	3,395	3,504	(3.1)%
Provision for income taxes	988	1,019	(3.0)%
Net earnings	2,407	2,485	(3.1)%
Net earnings attributable to noncontrolling interests	90	76	18.4%
Net earnings attributable to PMI	2,317	2,409	(3.8)%
Basic earnings per share	1.36	1.35	0.7%
Diluted earnings per share	1.36	1.35	0.7%

● Results by Business Segment	For the Quarters Ended June 30,			
	2012	2011	% Change	Excluding Currency
European Union				
Net revenues	\$ 7,280 ⁽¹⁾	\$8,080	(9.9)%	(1.8)%
Net revenues, excluding excise taxes on products	2,285	2,497	(8.5)%	(0.7)%
Operating companies income ⁽²⁾	1,117	1,280	(12.7)%	(2.6)%
Eastern Europe, Middle East & Africa (EEMA)				
Net revenues	5,062 ⁽¹⁾	4,603	10.0%	20.0%
Net revenues, excluding excise taxes on products	2,151	2,012	6.9%	13.2%
Operating companies income ⁽²⁾	948	835	13.5%	23.1%
Asia				
Net revenues	5,317 ⁽¹⁾	5,146	3.3%	5.4%
Net revenues, excluding excise taxes on products	2,855	2,936	(2.8)%	(1.8)%
Operating companies income ⁽²⁾	1,364	1,398	(2.4)%	(2.6)%
Latin America & Canada				
Net revenues	2,378 ⁽¹⁾	2,405	(1.1)%	6.0%
Net revenues, excluding excise taxes on products	829	828	0.1%	6.3%
Operating companies income ⁽²⁾	249	268	(7.1)%	2.2%



● Balance Sheet Highlights and Ratios	June 30, 2012	December 31, 2011
Inventories	\$ 7,312	\$ 8,120
Property, plant and equipment, net	6,161	6,250
Total assets	35,798	35,488
Total debt	20,802	18,545
Total liabilities	35,652	33,725
Total stockholders' (deficit) equity	(1,116)	551
Total debt to EBITDA	1.43 ⁽³⁾	1.29 ⁽³⁾
Net debt to EBITDA	1.16 ⁽³⁾	1.12 ⁽³⁾

● Cash Flow Statement Highlights	For the Six Months Ended June 30,	
	2012	2011
Net cash provided by operating activities	\$ 5,378	\$ 6,515
Capital expenditures	476	345
Long-term debt proceeds	2,981	990
Repurchases of common stock	3,059	2,922
Dividends paid	2,663	2,308

(1) 2012 Currency decreased net revenues as follows: European Union \$(653), EEMA \$(462), Asia \$(108), Latin America & Canada \$(171); totaling \$(1,394).

(2) PMI's management reviews operating companies income, which is defined as operating income before general corporate expenses and amortization of intangibles, to evaluate segment performance and allocate resources. For a reconciliation of operating companies income to operating income, see Reconciliation of Non-GAAP Measures included at the end of this investor fact sheet.

(3) For the calculation of Total Debt to EBITDA and Net Debt to EBITDA ratios, refer to Reconciliation of Non-GAAP Measures included at the end of this investor fact sheet.

Reconciliation of Non-GAAP Measures

● Reconciliation of Operating Companies Income to Operating Income

For the Quarters Ended June 30, (in millions) (unaudited)	2012	2011	% Change
Operating companies income	\$3,678	\$3,781	(2.7)%
Amortization of intangibles	(25)	(24)	
General corporate expenses	(49)	(45)	
Operating income	\$3,604	\$3,712	(2.9)%

● Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, excluding Currency

For the Quarters Ended June 30, (unaudited)	2012	2011	% Change
Reported Diluted EPS	\$ 1.36	\$ 1.35	0.7%
Adjustments:			
Asset impairment and exit costs	—	—	
Tax items	—	(0.01)	
Adjusted Diluted EPS	\$ 1.36	\$ 1.34	1.5%
Less:			
Currency impact	(0.10)		
Adjusted Diluted EPS, excluding Currency	\$ 1.46	\$ 1.34	9.0%

● Reconciliation of Reported Diluted EPS to Reported Diluted EPS, excluding Currency

For the Quarters Ended June 30, (unaudited)	2012	2011	% Change
Reported Diluted EPS	\$ 1.36	\$1.35	0.7%
Less:			
Currency Impact	(0.10)		
Reported Diluted EPS, excluding Currency	\$ 1.46	\$1.35	8.1%

● Adjustments for the Impact of Currency and Acquisitions

For the Quarters Ended June 30,

(in millions) (unaudited)													% Change in Reported Net Revenues excluding Excise Taxes	
2012							2011							
Reported Net Revenues	Less Excise Taxes	Reported Net Revenues excluding Excise Taxes	Less Currency	Reported Net Revenues excluding Excise Taxes & Currency	Less Acquisitions	Reported Net Revenues excluding Excise Taxes, Currency & Acquisitions	Reported Net Revenues	Less Excise Taxes	Reported Net Revenues excluding Excise Taxes	Reported Net Revenues excluding Excise Taxes	Less Currency	Reported Net Revenues excluding Excise Taxes & Currency & Acquisitions	Reported	Reported excluding Currency
\$ 7,280	\$ 4,995	\$2,285	\$(195)	\$2,480	\$—	\$2,480	\$ 8,080	\$ 5,583	\$2,497	\$2,497	(8.5)%	(0.7)%	(0.7)%	
5,062	2,911	2,151	(127)	2,278	11	2,267	4,603	2,591	2,012	2,012	6.9%	13.2%	12.7%	
5,317	2,462	2,855	(29)	2,884	—	2,884	5,146	2,210	2,936	2,936	(2.8)%	(1.8)%	(1.8)%	
2,378	1,549	829	(51)	880	—	880	2,405	1,577	828	828	0.1%	6.3%	6.3%	
\$20,037	\$11,917	\$8,120	\$(402)	\$8,522	\$11	\$8,511	\$20,234	\$11,961	\$8,273	\$8,273	(1.8)%	3.0%	2.9%	

2012							2011						% Change in Reported Operating Companies Income	
Reported Operating Companies Income	Less Currency	Reported Operating Companies Income excluding Currency	Less Acquisitions	Reported Operating Companies Income excluding Currency & Acquisitions	Less Currency	Reported Operating Companies Income excluding Currency & Acquisitions	Reported Operating Companies Income	Less Currency	Reported Operating Companies Income excluding Currency	Reported Operating Companies Income	Less Currency	Reported Operating Companies Income excluding Currency & Acquisitions	Reported	Reported excluding Currency
\$1,117	\$(130)	\$1,247	\$—	\$1,247	\$—	\$1,247	\$1,280	(12.7)%	(2.6)%	\$1,280	(12.7)%	(2.6)%	(2.6)%	
948	(80)	1,028	2	1,026	2	1,026	835	13.5%	23.1%	835	13.5%	23.1%	22.9%	
1,364	3	1,361	—	1,361	—	1,361	1,398	(2.4)%	(2.6)%	1,398	(2.4)%	(2.6)%	(2.6)%	
249	(25)	274	—	274	—	274	268	(7.1)%	2.2%	268	(7.1)%	2.2%	2.2%	
\$3,678	\$(232)	\$3,910	\$ 2	\$3,908	\$ 2	\$3,908	\$3,781	(2.7)%	3.4%	\$3,781	(2.7)%	3.4%	3.4%	

● Calculation of Total Debt to EBITDA and Net Debt to EBITDA Ratios

(in millions, except ratios) (unaudited)

	For the Year Ended June 30, 2012			
	July – December 2011	January – June 2012	12 months rolling	For the Year Ended December 31, 2011
Earnings before income taxes	\$6,234	\$6,585	\$12,819	\$12,532
Interest expense, net	379	422	801	800
Depreciation and amortization	505	449	954	993
EBITDA	\$7,118	\$7,456	\$14,574	\$14,325
			June 30, 2012	December 31, 2011
Short-term borrowings			\$ 2,694	\$ 1,511
Current portion of long-term debt			3,284	2,206
Long-term debt			14,824	14,828
Total Debt			\$20,802	\$18,545
Less: Cash and cash equivalents			3,846	2,550
Net Debt			\$16,956	\$15,995
Ratios				
Total Debt to EBITDA			1.43	1.29
Net Debt to EBITDA			1.16	1.12