



PHILIP MORRIS
INTERNATIONAL



Investor Information
October 2022

This Investor Information posting includes summaries of information set forth in PMI's quarterly report Form 10-Q for the nine months ended and the quarter ended September 30, 2022, annual report on Form 10-K for the year ended December 31, 2021, as well as press releases and presentations referenced in this document, and such summaries are qualified by reference to such documents, which are available at <https://www.pmi.com/investor-relations>

Web Site: www.pmi.com

New PMI Investor Relations Mobile Application:

The PMI Investor Relations Mobile Application, which is powered by *theIRApp*, provides users with simple, comprehensive and up-to-date access to all the company's previously disclosed investor relations materials such as: press releases, SEC filings, investor materials, and live and archived audio webcasts of earnings calls and investor presentations



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Reference Materials

You will find all our latest public disclosures and other investor information for Philip Morris International on the [IR website](#) including:

- [Earnings Results](#) (Latest Earnings Q3, 2022, published October 20, 2022)
- [Virtual CAGNY 2022](#) (February 23, 2022)
- [Virtual Investor Day](#) (February 10, 2021)
- [Sustainability Resources](#)

Please see the appendix for reconciliations of non-GAAP to GAAP measures

Introduction

- Additional heated tobacco unit market data, a glossary of terms, including the definition for reduced-risk products, or "RRPs," as well as adjustments, other calculations and reconciliations to the most directly comparable U.S. GAAP measures, are at the end of this presentation
- Unless otherwise stated, all references to IQOS are to our IQOS heat-not-burn products, and all references to smoke-free products refer to RRP
- Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions and disposals
- Figures and comparisons presented on a pro forma basis entirely exclude PMI's operations in Russia and Ukraine
- Starting in the second quarter of 2022, and on a comparative basis, PMI will exclude amortization and impairment of acquired intangibles from its adjusted results

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Forward-Looking and Cautionary Statements

- This presentation contains projections of future results and other forward-looking statements, including statements regarding business plans and strategies. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. In the event that risks or uncertainties materialize, or underlying assumptions prove inaccurate, actual results could vary materially from those contained in such forward-looking statements. Pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, PMI is identifying important factors that, individually or in the aggregate, could cause actual results and outcomes to differ materially from those contained in any forward-looking statements made by PMI
- PMI's business risks include: excise tax increases and discriminatory tax structures; increasing marketing and regulatory restrictions that could reduce our competitiveness, eliminate our ability to communicate with adult consumers, or ban certain of our products in certain markets or countries; health concerns relating to the use of tobacco and other nicotine-containing products and exposure to environmental tobacco smoke; litigation related to tobacco use and intellectual property; intense competition; the effects of global and individual country economic, regulatory and political developments, natural disasters and conflicts; the impact and consequences of Russia's invasion of Ukraine; changes in adult smoker behavior; the impact of COVID-19 on PMI's business; lost revenues as a result of counterfeiting, contraband and cross-border purchases; governmental investigations; unfavorable currency exchange rates and currency devaluations, and limitations on the ability to repatriate funds; adverse changes in applicable corporate tax laws; adverse changes in the cost, availability, and quality of tobacco and other agricultural products and raw materials, as well as components and materials for our electronic devices; and the integrity of its information systems and effectiveness of its data privacy policies. PMI's future profitability may also be adversely affected should it be unsuccessful in its attempts to produce and commercialize reduced-risk products or if regulation or taxation do not differentiate between such products and cigarettes; if it is unable to successfully introduce new products, promote brand equity, enter new markets or improve its margins through increased prices and productivity gains; if it is unable to expand its brand portfolio internally or through acquisitions and the development of strategic business relationships; or if it is unable to attract and retain the best global talent, including women or diverse candidates. Future results are also subject to the lower predictability of our reduced-risk product category's performance
- In addition, important factors that could cause actual results to differ materially from those indicated by forward-looking statements include risks and uncertainties related to: the agreement with Altria Group Inc. (Altria) and the benefits of the transaction; the possibility that expected benefits related to recent or pending acquisitions, including the proposed transaction with Swedish Match, may not materialize as expected; the proposed transaction with Swedish Match not being timely completed, if completed at all; regulatory approvals required for the Swedish Match transaction not being timely obtained, if obtained at all, or being obtained subject to conditions; prior to the completion of the transaction, Swedish Match's business experiencing disruptions due to transaction-related uncertainty or other factors making it more difficult to maintain relationships with employees, customers, licensees, other business partners or governmental entities; difficulty retaining key Swedish Match employees; the outcome of any legal proceedings related to the proposed transaction with Swedish Match; and the parties being unable to successfully implement integration strategies or to achieve expected synergies and operating efficiencies within the expected time-frames or at all
- Important information for U.S. Swedish Match shareholders: The offer described in this release is made for the issued and outstanding shares of Swedish Match, a company incorporated under Swedish law, and is subject to Swedish disclosure and procedural requirements, which may be different from those of the United States. The offer is made in the United States pursuant to Section 14(e) of the U.S. Securities Exchange Act of 1934, as amended, and Regulation 14E thereunder, to the extent applicable, and otherwise in compliance with the disclosure and procedural requirements of Swedish law, including with respect to withdrawal rights, the offer timetable, notices of extensions, announcements of results, settlement procedures (including as regards to the time when payment of the consideration is rendered) and waivers of conditions, which may be different from requirements or customary practices in relation to U.S. domestic tender offers. Swedish Match's financial statements, including any included in any documents relating to the offer, have been or will be prepared in accordance with IFRS and may not be comparable to the financial statements or financial information of companies in the United States or other companies whose financial statements are prepared in accordance with U.S. GAAP. To the extent permissible under applicable law or regulations, PMI and its affiliates or its brokers and its brokers' affiliates (acting as agents for PMI or its affiliates, as applicable) may from time to time and during the pendency of the offer, and other than pursuant to the offer, directly or indirectly purchase or arrange to purchase shares of Swedish Match outside the United States, or any securities that are convertible into, exchangeable for or exercisable for such shares. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, and information about such purchases will be disclosed by means of a press release or other means reasonably calculated to inform shareholders of Swedish Match domiciled in the U.S. ("U.S. Holders") of such information, to the extent required by applicable laws and regulations. The receipt of cash pursuant to the offer by a U.S. Holder may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each shareholder is urged to consult an independent professional adviser regarding the tax consequences of accepting the offer
- PMI is further subject to other risks detailed from time to time in its publicly filed documents, including PMI's Annual Report on Form 10-K for the fourth quarter and year ended December 31, 2021, and the Form 10-Q for the quarter ended September 30, 2022. PMI cautions that the foregoing list of important factors is not a complete discussion of all potential risks and uncertainties. PMI does not undertake to update any forward-looking statement that it may make from time to time, except in the normal course of its public disclosure obligations

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Section 1: Q3/YTD Sept, 2022 Performance and 2021 Results

Strong Q3 Performance

- Excellent Q3 IQOS performance with 22% pro forma HTU shipment volume growth
- Robust growth in total volumes and market share
- *ILUMA* driving growth in launch markets
- Stable combustible volume with accelerated pricing



Q3, 2022: Excellent Net Revenue and EPS Growth

	Total PMI	Pro Forma
Shipment Volume (vs. PY)	+0.6%	+2.3%
Net Revenues (Organic variance vs. PY)	+6.7%	+6.9%
Net Revenue per Unit^(a) (Organic variance vs. PY)	+6.1%	+4.5%
OI Margin (Organic variance vs. PY)	(90)bps	(100)bps
Adj. Diluted EPS (Currency neutral variance vs. PY)	+8.2%	+8.3%
Adj. Diluted EPS	\$1.53	\$1.33

(a) Reflects total PMI adjusted net revenues divided by total PMI cigarette and HTU shipment volume
 Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions
 Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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YTD Sept, 2022: Excellent Net Revenue and EPS Growth

	Total PMI	Pro Forma
Shipment Volume (vs. PY)	+1.7%	+3.4%
Net Revenues (Organic variance vs. PY)	+7.0%	+7.7%
Net Revenue per Unit^(a) (Organic variance vs. PY)	+5.2%	+4.2%
OI Margin (Organic variance vs. PY)	(90)bps	(110)bps
Adj. Diluted EPS (Currency neutral variance vs. PY)	+8.8%	+9.7%
Adj. Diluted EPS	\$4.59	\$4.11

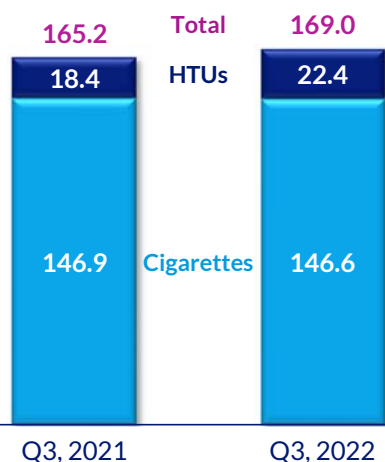
(a) Reflects total PMI adjusted net revenues divided by total PMI cigarette and HTU shipment volume
 Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions
 Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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Total Volume Growth Driven by HTUs

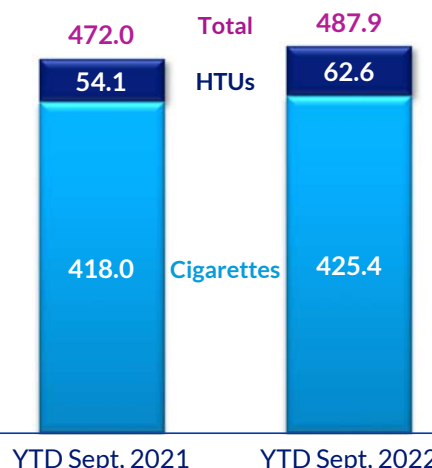
(shipment in billion units)

Q3 Pro Forma



Change vs. PY	IMS Growth vs. PY
+2.3%	+2.5%
+21.9%	+18.2%
(0.2)%	+0.5%

YTD Pro Forma



Change vs. PY	IMS Growth vs. PY
+3.4%	+3.4%
+15.8%	+19.2%
+1.8%	+1.4%

Q3, 2022 Total PMI HTU Shipment: 27.5 billion units

YTD Sept, 2022 Total PMI HTU Shipment: 77.1 billion units

Note: Total might not foot due to rounding

Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

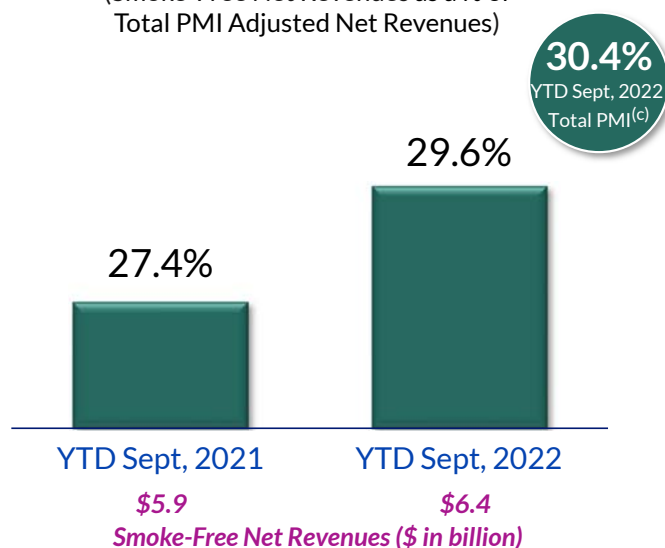
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IQOS Powerful Driver in Smoke-Free Transformation

Pro Forma HTU Volume Contribution^(a) (As a % of PMI Total Shipment Volume)



Pro Forma Smoke-Free Net Revenues^(b) (Smoke-Free Net Revenues as a % of Total PMI Adjusted Net Revenues)



(a) Total volume includes HTUs and cigarettes

(b) Smoke-free net revenues include RRP net revenues and net revenues from the Wellness and Healthcare segment

(c) Includes contribution from Russia and Ukraine

Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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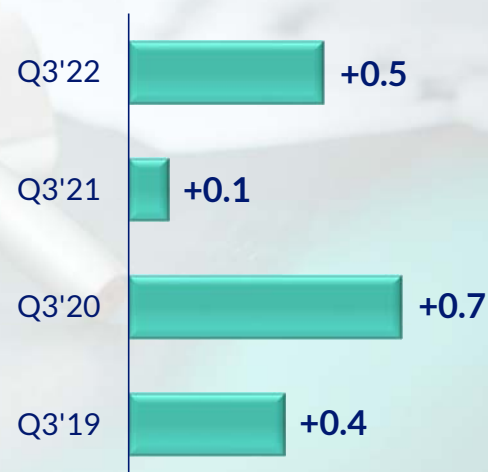
Continued IQOS User Growth

(in millions)

Pro Forma Total IQOS Users^(a)



Pro Forma Total IQOS Users^(a)
Quarterly Growth

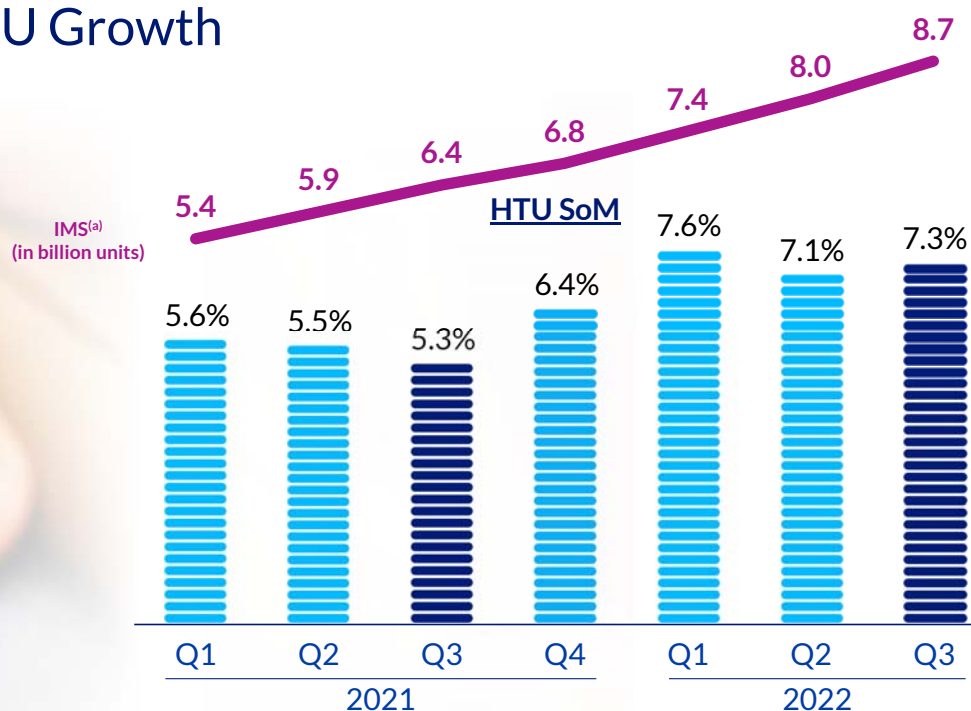


(a) See Glossary for definition

Source: PMI Financials or estimates, IQOS user panels and PMI Market Research. Earnings Q3 2022, published October 20, 2022

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EU Region: Strong HTU Growth



(a) Based on a four-quarter moving average

Note: Market share for HTUs is defined as the total sales volume for PMI HTUs as a percentage of the total estimated sales volume for cigarettes and HTUs

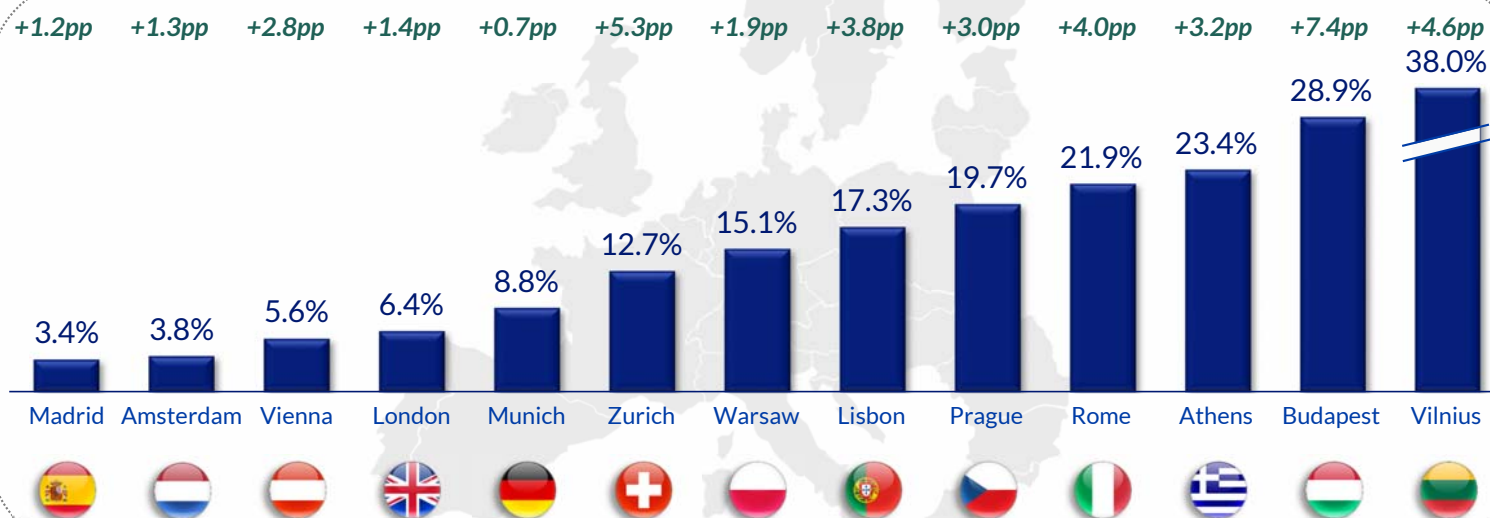
Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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EU Region: Strong Growth in Key City Shares

PMI HTU Offtake Share (Q3, 2022)

Change vs. PY



Note: Athens represents Attica Region

Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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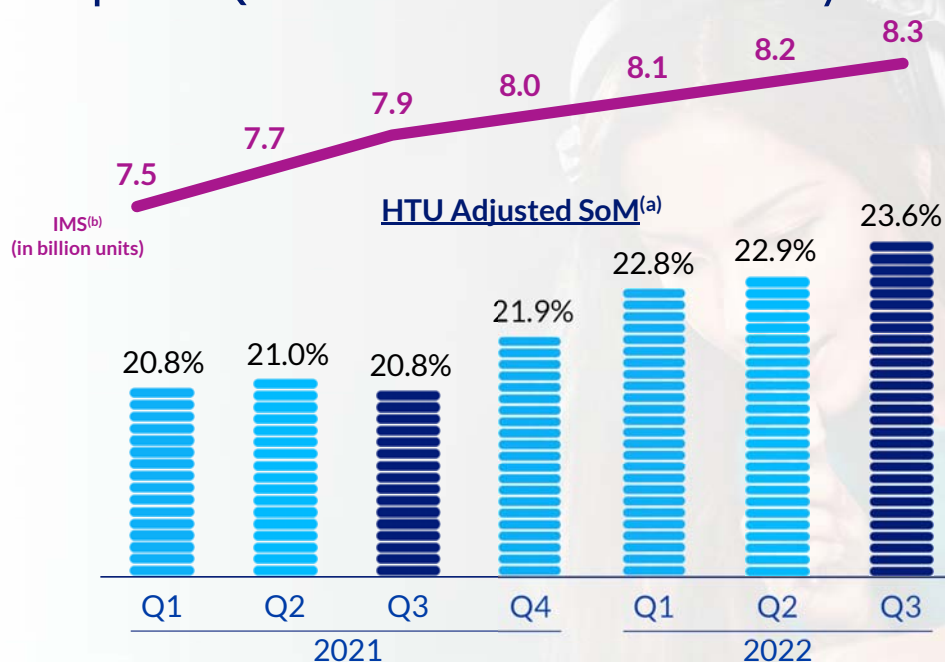
EU Region: HTU SoM Performance in Select Markets

	Q3, 2022	Growth vs. PY		Q3, 2022	Growth vs. PY		Q3, 2022	Growth vs. PY
Croatia	7.3%	+1.6pp	Italy	13.7%	+2.9pp	Romania	5.2%	+1.7pp
Czech Republic	13.5	+3.6	Latvia	10.0	+0.3	Slovak Republic	14.1	+3.0
Germany	3.7	+0.9	Lithuania	26.7	+4.4	Slovenia	9.5	+2.6
Greece	14.8	+2.7	Poland	9.7	+3.7	Switzerland	9.5	+3.7
Hungary	24.5	+7.8	Portugal	15.2	+3.7	UK	2.7	+0.8

Note: Select markets where HTU share is ≥ 1%. Sales volume of PMI HTUs as a percentage of the total industry sales volume for cigarettes and HTUs
Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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Japan: IQOS HTU Growth Driven by ILUMA



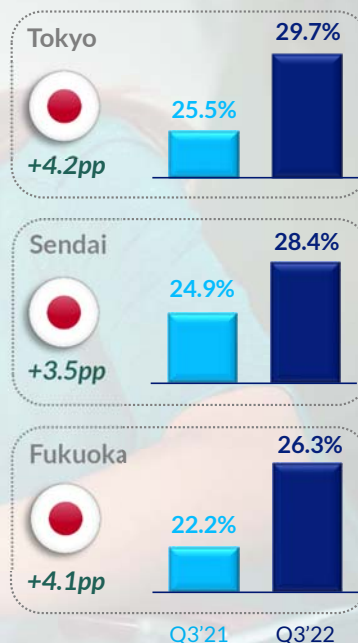
(a) Adjusted market share for HTUs is defined as the total sales volume for PMI HTUs as a percentage of the total estimated sales volume for cigarettes, HTUs and cigarillos and excluding the impact of estimated trade inventory movements

(b) Based on a four-quarter moving average

(c) Based on 3 C-Store Chains offtake. Base includes cigarettes, cigarillos and RRP

Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

PMI HTU Offtake Shares^(c)



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Low and Middle-Income Markets: Promising IQOS Growth



(a) Based on a four-quarter moving average

Note: 28 Low and Middle-Income markets where PMI commercialized IQOS at December 31, 2021, excluding Duty Free, Russia and Ukraine. Low and Middle-Income markets defined using World Bank classification at December 31, 2021 where available. Palestine is included as a Low and Middle-Income market. Market share for HTUs is defined as the total sales volume for PMI HTUs as a percentage of the total estimated sales volume for cigarettes and HTUs

Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

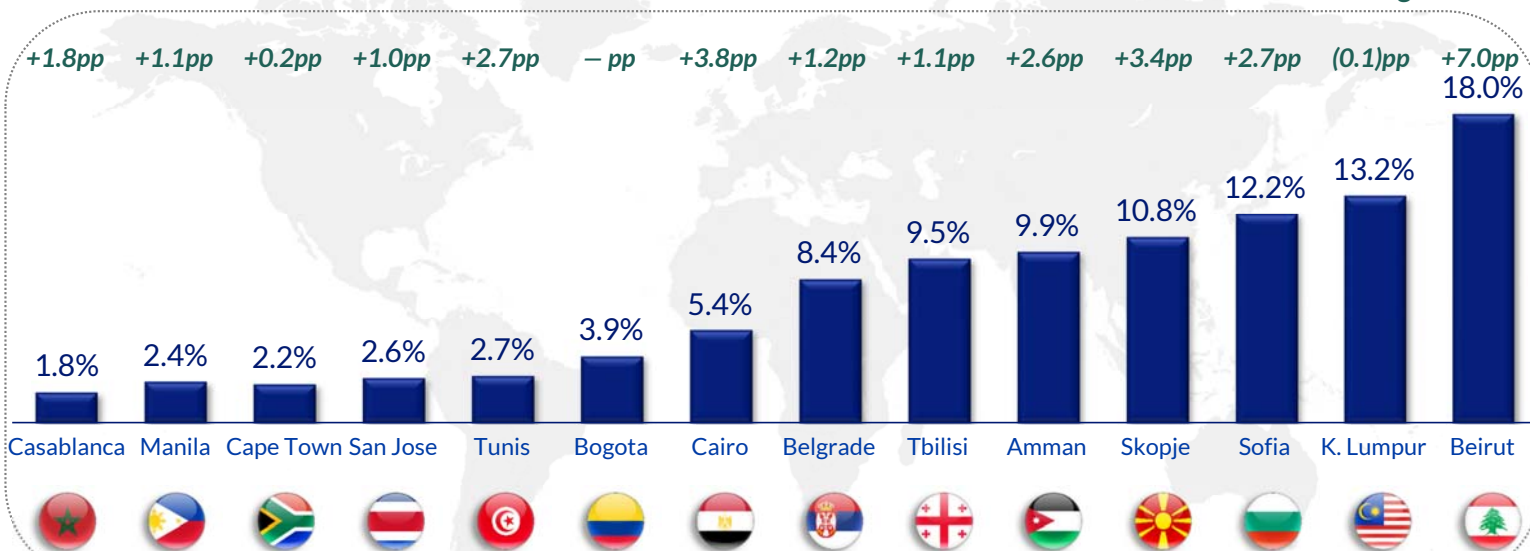
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Low and Middle-Income Markets: Promising Growth

(PMI HTU offtake share in Key Cities)

PMI HTU Offtake Shares (Q3, 2022)

Change vs. PY



Note: K. Lumpur stands for Kuala Lumpur. Amman represents West Amman, Cairo represents Urban Cairo, K. Lumpur represents Greater Kuala Lumpur, Manila represents Metro Manila, and Tunis represents Greater Tunis

Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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Historic Step to Unlock Full U.S. Potential of IQOS

- PMI to take full control of IQOS commercialization in the U.S. from April 30, 2024
- Provides certainty, secures near-term full PMI launch
- We can now truly bring IQOS, the world's leading smoke-free product, to the U.S., the world's largest smoke-free market at scale
- Full strategic and financial backing to maximize IQOS for the benefit of American adult smokers

Source: PMI Financials or estimates. Q3 2022 Earnings, published October 20, 2022

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Commercial Plans For Rapid Growth and Profitability

- U.S. market conducive to building awareness and scale
- Plan to start with full-scale launches in key cities and regions, moving rapidly to national penetration
- Target around 10% volume share by 2030 (of cigarettes and HTUs)
- U.S. IQOS growth purely incremental
- Fast path to profitability, attractive payback in >\$20 billion profit pool
- Concrete plans for fully-owned and managed route-to-market for IQOS and all our smoke-free portfolio, irrespective of Swedish Match offer

Source: PMI Financials or estimates. Q3 2022 Earnings, published October 20, 2022

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FY, 2021: Excellent Net Revenue and EPS Growth

Adjusted Net Revenues

(Organic variance vs. PY)

+7.6%

Net Revenue per Unit^(a)

(Organic variance vs. PY)

+5.3%

OI Margin

(Organic variance vs. PY)

+200^{bps}

Adjusted Diluted EPS

(Currency neutral variance vs. PY)

+15.3%

Operating Cash Flow

\$12.0^{bn}

(a) Reflects total adjusted PMI net revenues divided by total PMI cigarette and HTU shipment volume

Note: Adjusted OI and EPS and their growth rates presented include the amortization of acquired intangibles with immaterial impact

Source: PMI Financials or estimates. Earnings Q4 2021, published February 10, 2022

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2021 PMI Financial Results by Region

(\$ in billions)

	Adj. Net Revenues ^(a)			Adjusted OI		
	2021	% Change vs. PY		2021	% Change vs. PY	
		Total	Organic		Total	Organic
European Union	12.3	14.7 %	8.8 %	6.2	20.0 %	12.5 %
Eastern Europe	3.5	4.9 %	5.9 %	1.2	38.5 %	37.7 %
Middle East & Africa	3.5	14.6 %	18.3 %	1.4	34.8 %	46.7 %
South & Southeast Asia	4.4	- %	(2.3) %	1.5	(11.8) %	(13.9) %
East Asia & Australia	6.0	9.7 %	8.5 %	2.6	9.0 %	11.2 %
Americas	1.8	8.3 %	5.6 %	0.5	9.0 %	5.1 %
Wellness & Healthcare	0.1	- %	- %	(0.0)	- %	- %
Total PMI	31.7	10.3 %	7.6 %	13.5	15.3 %	13.0 %

(a) Adjusted net revenues exclude the impact related to the Saudi Arabia customs assessments (\$246 million)

Note: Net Revenues for Americas include revenues from shipments of Platform 1 devices, heated tobacco units and accessories to Altria Group, Inc., for sale under license in the U.S.

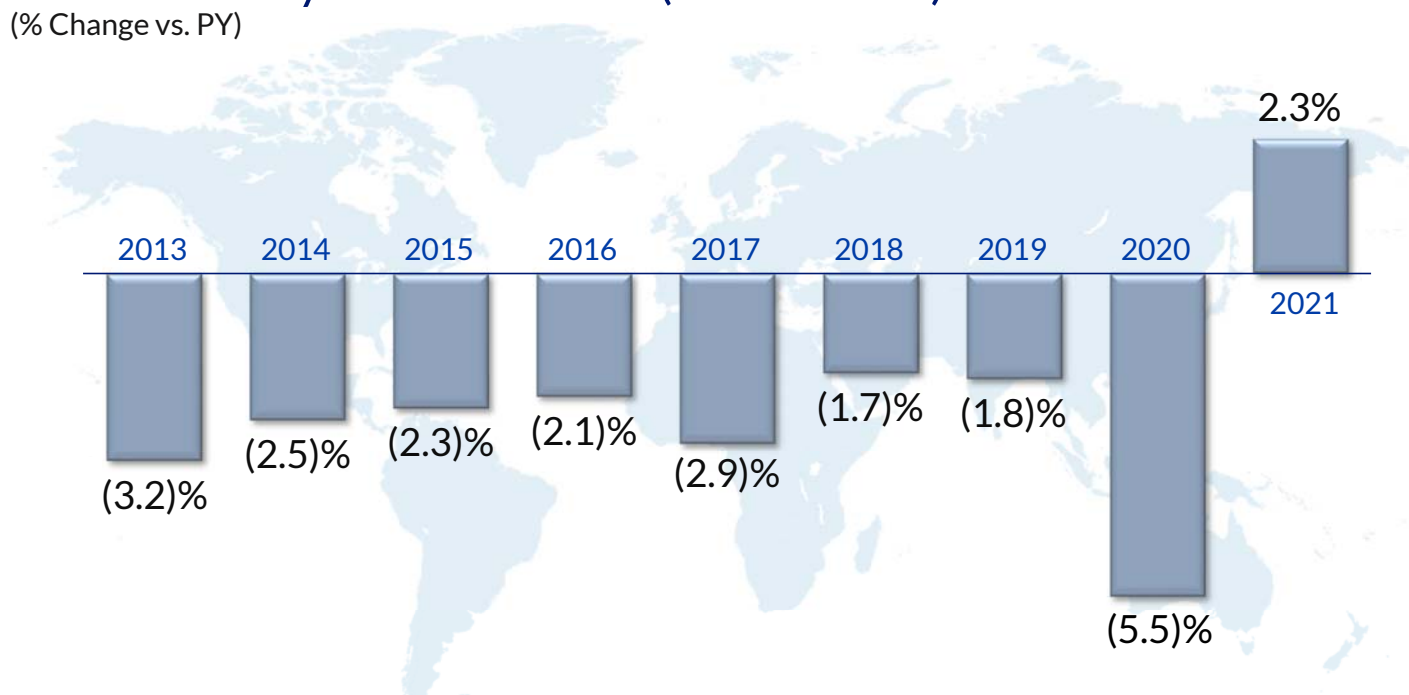
Sum of the drivers does not foot due to rounding. Adjusted OI and EPS and their growth rates presented include the amortization of acquired intangibles with immaterial impact

Source: PMI Financials or estimates

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Total Industry Volume Trend (2013-2021)

(% Change vs. PY)

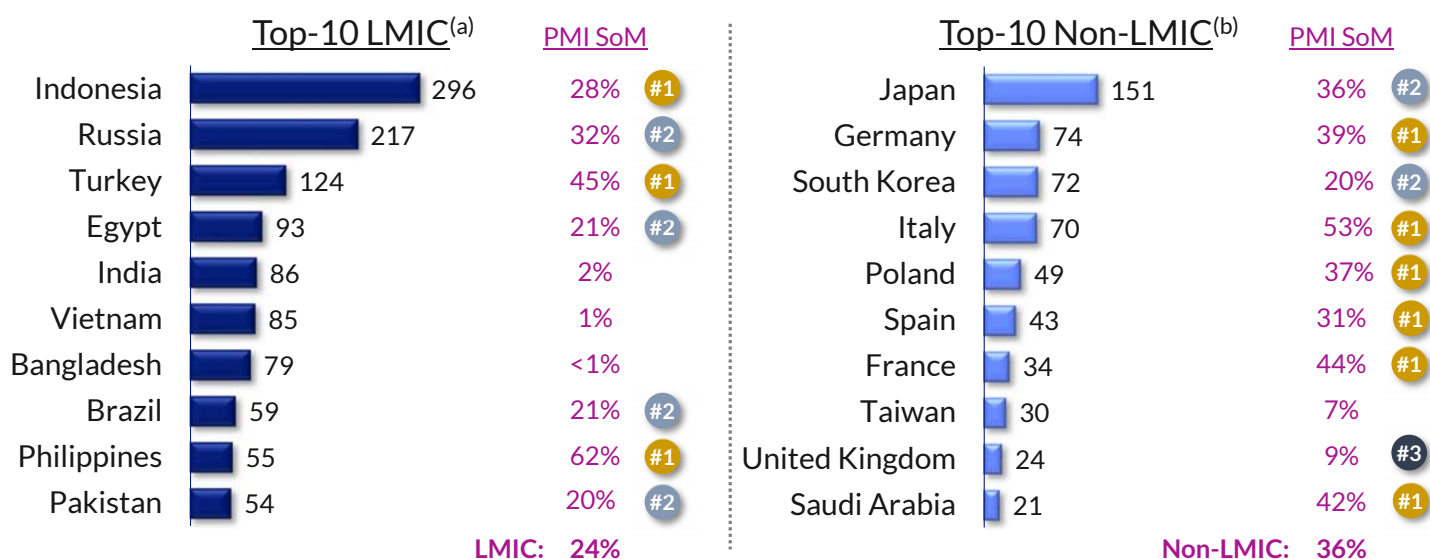


Note: Excluding China and the U.S. Reflects cigarettes and HTUs and includes cigarillos in Japan
Source: PMI Financials or estimates

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2021 Top Industry Volume Markets

(billion units)



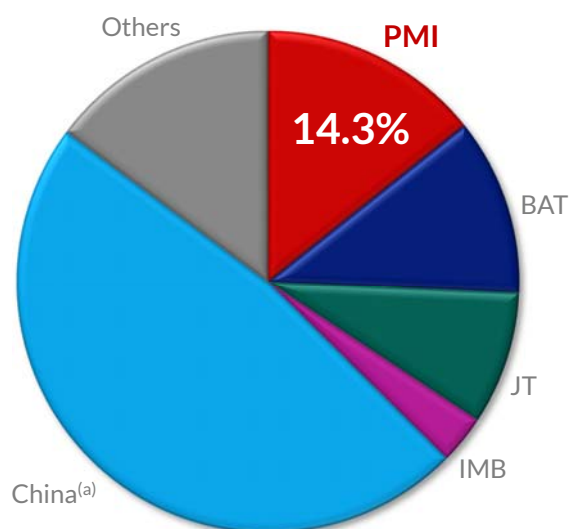
(a) Top-10 markets ranked by 2021 total industry volume, excluding the U.S. based on World Bank Classification issued list July 2021. LMIC classification Low to Middle Income

(b) Top-10 markets ranked by 2021 total industry volume, excluding the U.S., China and Duty Free

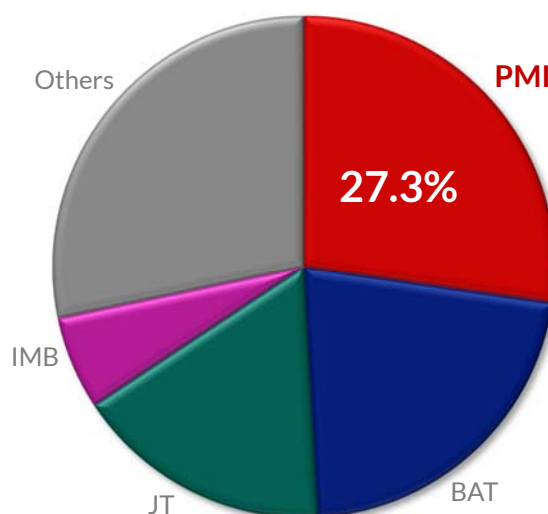
Note: As per our 2021 10-K filing, we do not sell products in Iran, North Korea and Syria. Reflects cigarettes and HTUs (where applicable). Industry volume includes cigarillos for Japan
Source: PMI Financials or estimates

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2021 PMI Total Market Share



International^(b)



International excl. China^(b)

(a) Excluding CNTC license production of Marlboro and Parliament cigarettes (2.4 billion units in 2021)

(b) Excluding the U.S.

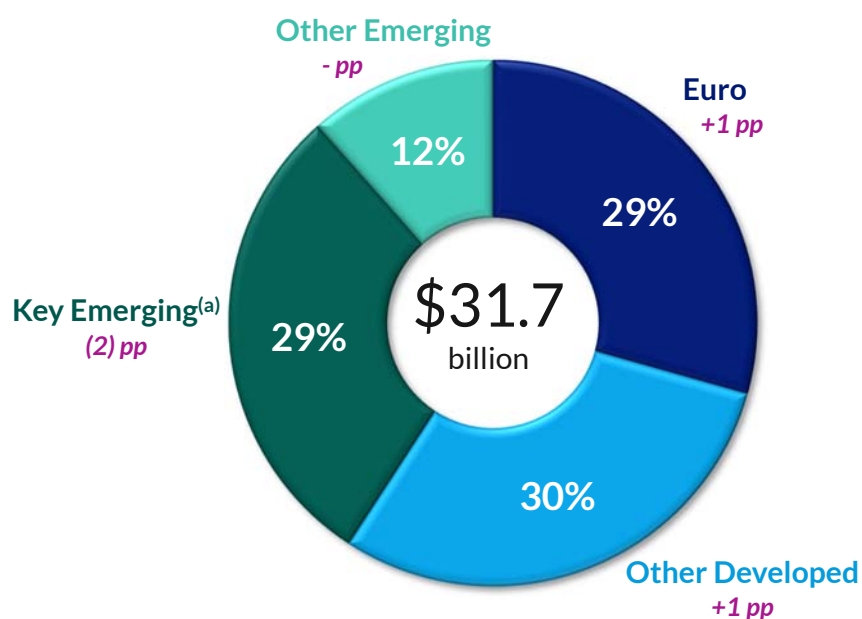
Note: Reflects cigarettes and HTUs. Industry volume includes cigarillos for Japan

Source: PMI Financials or estimates

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2021 PMI Adjusted Net Revenues by Currency

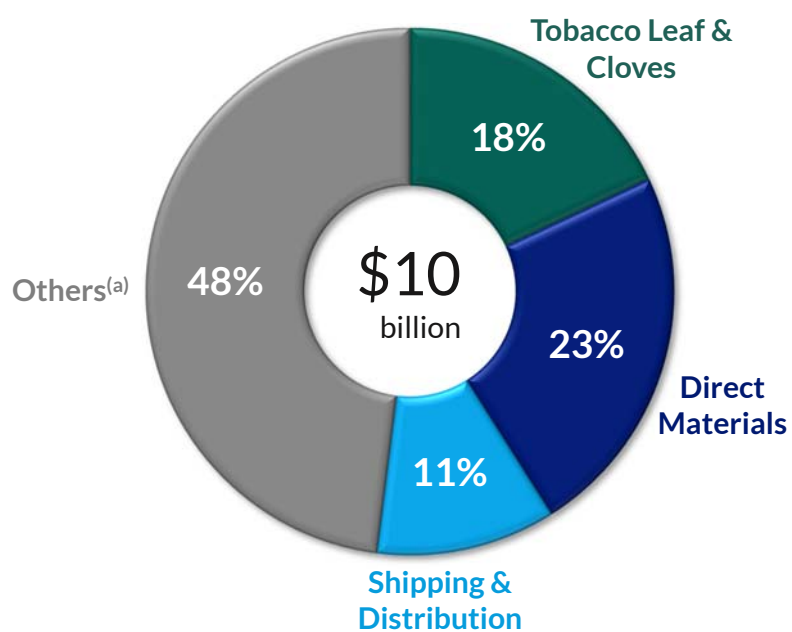
Change vs. 2020 (pp)



(a) Includes Czech Krona, Egyptian Pound, Indonesian Rupiah, Mexican Peso, Philippine Peso, Polish Zloty, Russian Ruble and Turkish Lira
 Note: Market classification is based on S&P Dow Jones Indices' 2021 country classification
 Source: PMI Financials or estimates

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2021 PMI Cost of Goods Sold



(a) Conversion, fixed manufacturing expenses and other costs
 Source: PMI Financials or estimates

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2021 PMI Costs by Currency

	Total (\$ billion)	Currency (%)				
		USD	EUR	CHF	IDR	Other
Tobacco ^(a)	1.9	21	51	—	17	10
Direct Materials	2.3	36	58	1	1	4
Other COGS ^(b)	5.9	28	22	7	13	29
Marketing, Overhead & Other Costs above OI	8.1	14	21	20	4	41
Total Adjusted Costs^{(c)(d)}	18.2	22	29	11	9	29

(a) Including cloves

(b) Other manufacturing related costs and shipping and distribution

(c) Total costs above adjusted OI of \$18.2 billion = adjusted cost of sales of \$10.0 billion + adjusted marketing, administration and R&D cost of 8.1 billion + \$0.1 billion amortization of intangibles. Does not tie due to rounding

(d) Excludes asset acquisition cost (\$51 million) related to OtiTopic Inc. in August 2021

Source: PMI Financials or estimates

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PMI Adjusted OI Margins

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	Organic Change 2021 vs. PY
European Union	44.4%	44.1%	43.9%	48.2%	50.4%	1.6pp
Eastern Europe	32.7	30.9	28.1	26.2	34.6	7.9
Middle East & Africa	47.2	39.5	41.7	33.8	39.8	8.2
South & Southeast Asia	34.3	37.5	42.9	39.4	34.7	(4.7)
East Asia & Australia	40.9	33.2	36.0	44.7	44.4	1.1
Americas	33.9	37.5	33.0	26.7	26.9	(0.2)
Wellness & Healthcare	-	-	-	-	(1.0)	-
Total PMI	40.3	38.4	39.5	40.8	42.6	2.0

Note: Include the amortization of acquired intangibles with immaterial impact
Source: PMI Financials or estimates

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Section 2: Smoke-Free Portfolio and Performance

Investing, Transforming & Delivering Sustainable Growth

>\$9bn

RRP Investments
(2008-21)

\$9.2bn

2021
Smoke-Free Net Revenues

\$36bn

5 Year (2017-21)
Total Dividends

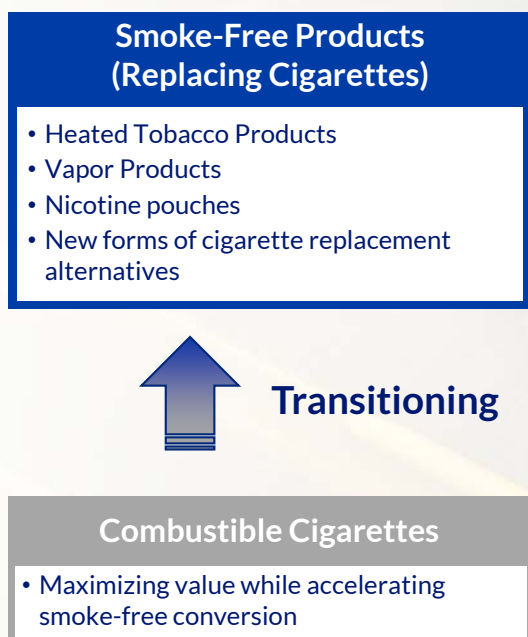
5.0%

Organic Net Revenues
5 year (2016-2021) CAGR

10.5%

Currency-Neutral
Adj. Diluted EPS
5 year (2016-2021) CAGR

Smoke-Free Products Core Engine of Sustainable Growth



2025 Ambition

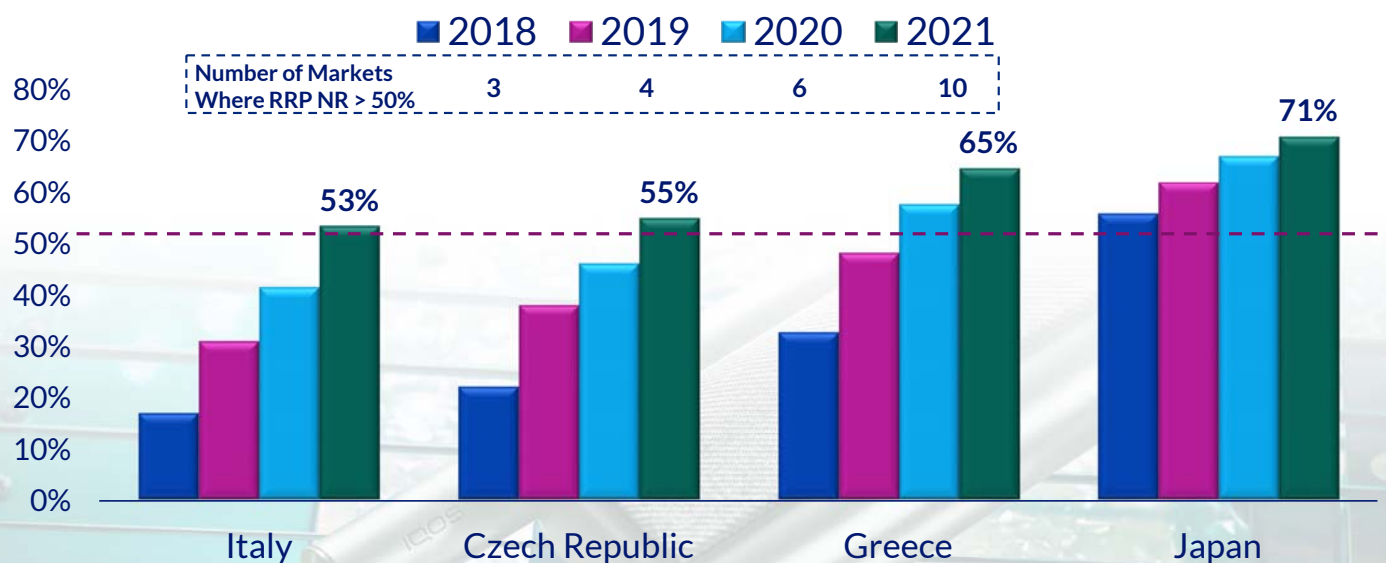
>50%

Net Revenues
from
Smoke-Free
Products

Source: PMI Financials or estimates

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Rapidly Transforming to a Majority Smoke-Free Business (As a % of Total Net Revenues)

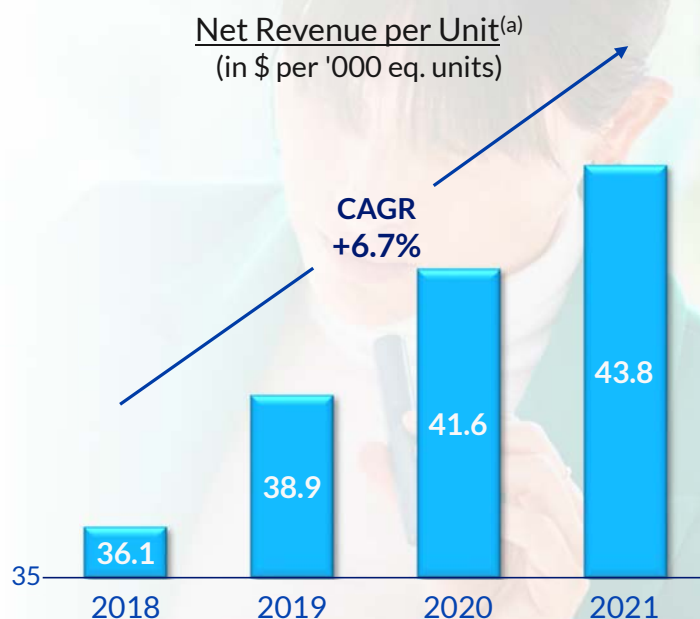


Note: Data reflects status as of year-end of respective year. 2021 data excludes Belarus
Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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Powerful Financial Model of Investment, Innovation & Growth

- We target stable to growing total PMI volume over the coming years as innovation-driven HTU growth offsets cigarette declines
- Positive revenue and margin impact from shift to smoke-free products
- Pricing in both categories, targeting cigarette pricing which at least balances volume declines

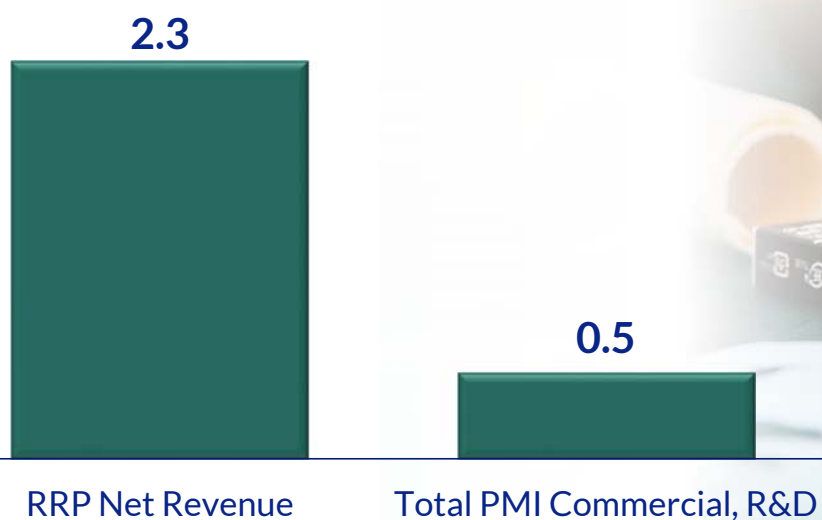


(a) Reflects total PMI adjusted net revenues divided by total PMI cigarette and HTU shipment volume, at 2021 exchange rates. Excludes the Wellness & Healthcare segment
Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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More Than \$1bn Growth in Positive Profit Contribution From IQOS in 2021

2021 vs. 2020 Growth
(in \$bn)

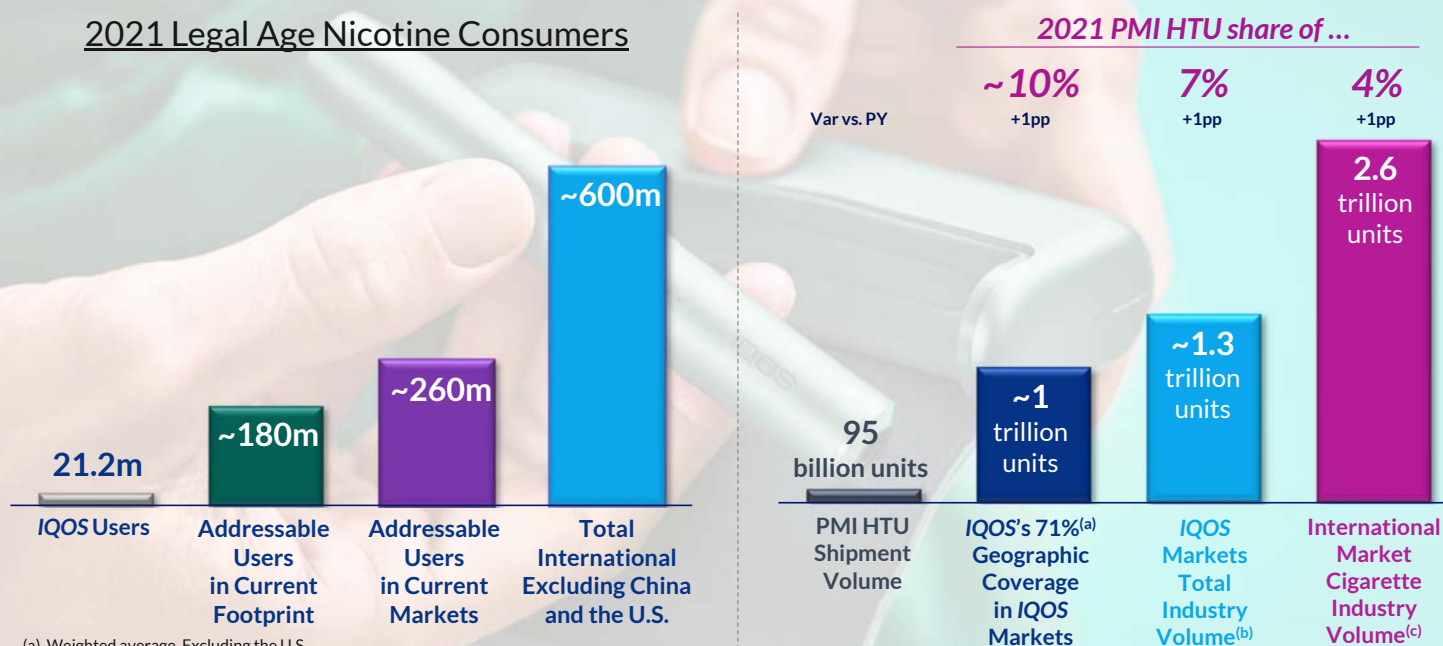


Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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The Opportunity for IQOS Remains Vast

2021 Legal Age Nicotine Consumers

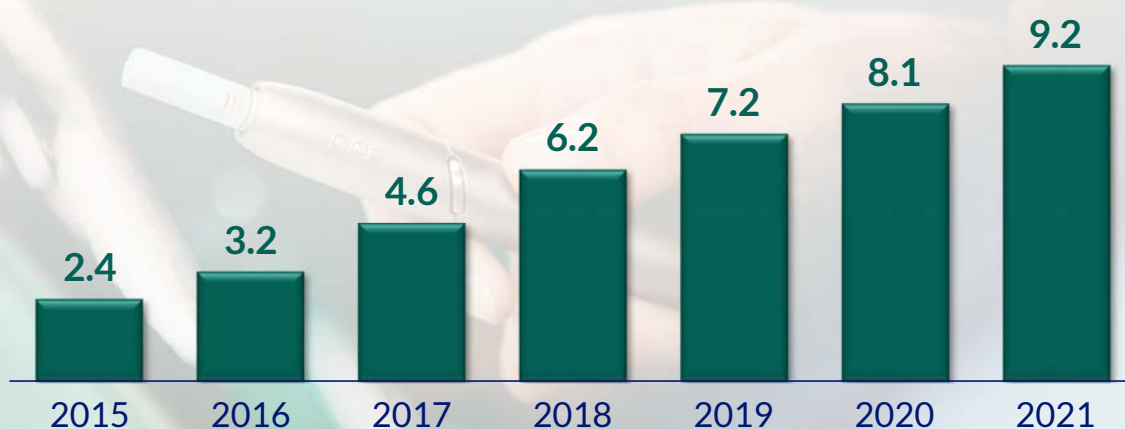


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Substantial Investment in Best-in-Class Capabilities

(in \$ billion)

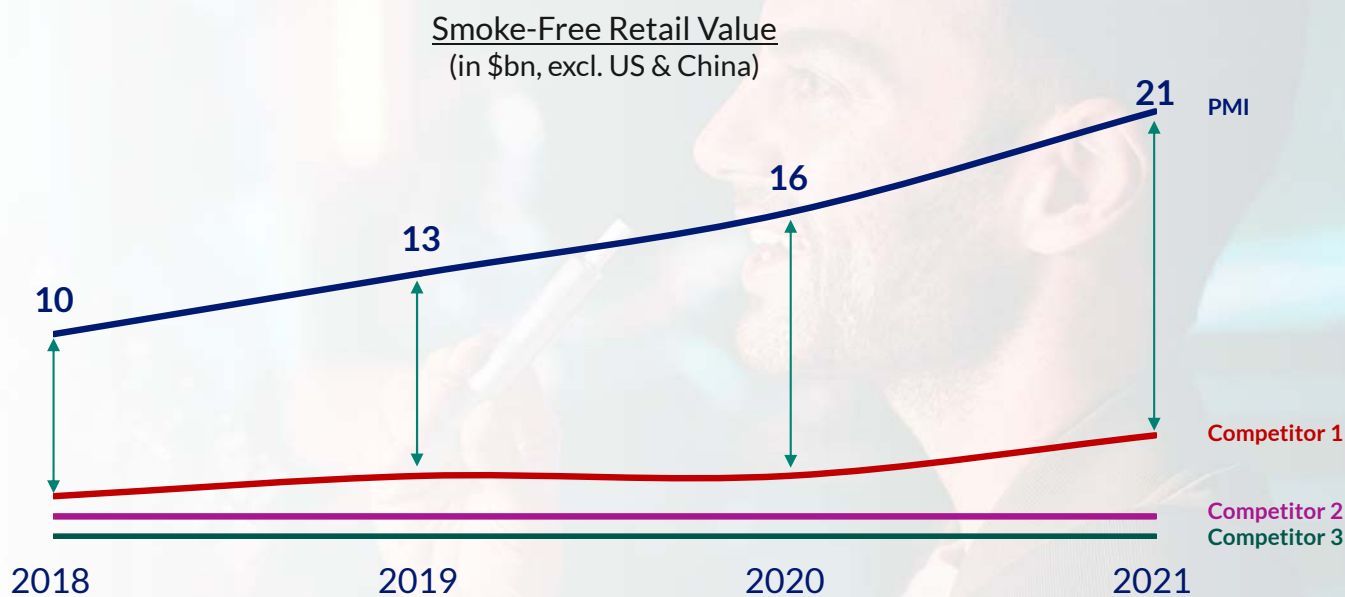
Cumulative RRP Investments



Note: Investments reflect research, product and commercial development, production capacity, scientific substantiation, and studies on adult smoker understanding. Does not include commercial deployment costs
 Source: PMI Financials or estimates

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Strong Innovation Pipeline & Commercial Engine



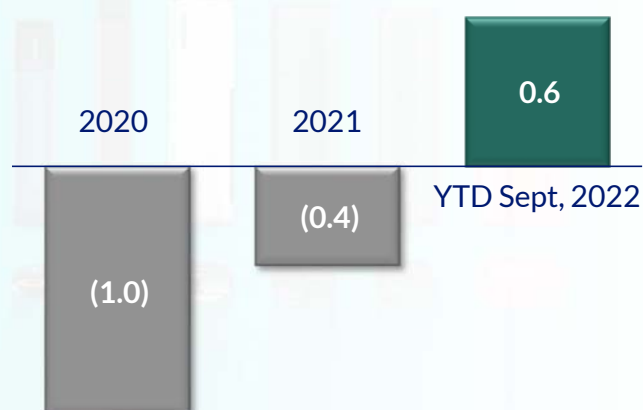
Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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Positive Total Market Share Momentum

- Market share gains driven by HTUs
- Maintaining stable global HTU category share of ~75%
- PMI HTUs #2 nicotine brand in markets where IQOS is present^(a)

Pro Forma International Share^(b) (Change vs. PY in pp)



(a) Reflects markets where IQOS HTUs are available in key cities or nationwide at September 30, 2022. All 'brands' except 'PMI HTUs' include cigarettes only. Excludes Russia and Ukraine
(b) Reflects sales volume of PMI as a percentage of the total industry sales volume for cigarettes and HTUs. Excluding Russia, Ukraine, China and the U.S. including cigarillos in Japan
Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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Heat-not-Burn: Introducing *IQOS ILUMA*

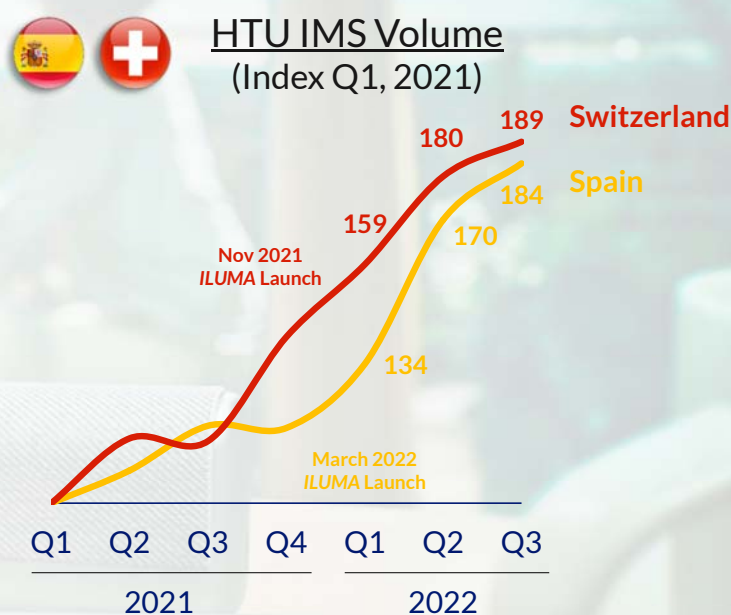
Intuitive Product for Acquisition and Retention

- Next generation of *IQOS*
 - *IQOS ILUMA*: Pleasure simplified
 - New internal heating technology
 - Based on Smartcore™ induction
 - Same great taste
 - Premium design and customization for enhanced lifestyle appeal, advanced features
 - 3 device designs covering 3 price points
 - New broad range of consumables
- Addresses consumer feedback on *IQOS* blade heating product
 - Robust and reliable, superior satisfaction
 - Simple and Intuitive:
 - No cleaning and simple use
 - Self-activation & stick recognition
 - Less explanation needed, positive for:
 - Time and cost of acquisition
 - After-care and retention
 - Supports easier switching, higher conversion for legal-age smokers

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EU Region: Very Positive *ILUMA* Performance

- *ILUMA* driving growth in Spain and Switzerland
- Encouraging initial performance in Greece
- Launched in Portugal earlier this month



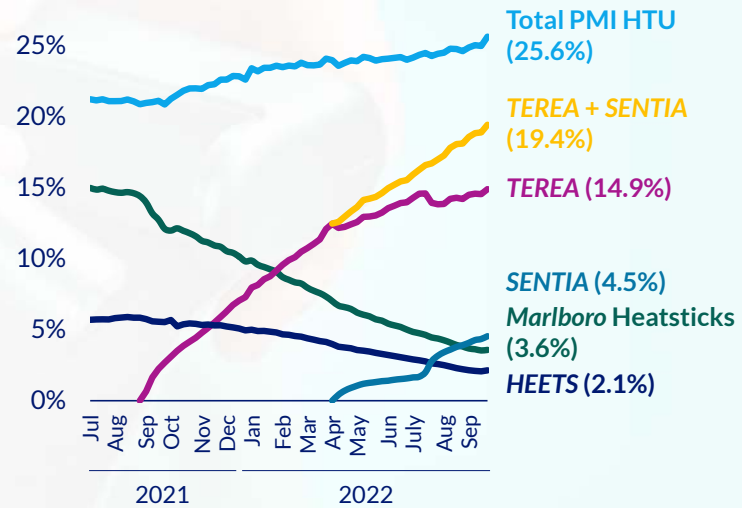
40

Japan: IQOS ILUMA Continued Success 1 Year Since Launch



- Strong conversion, consumer satisfaction and retention
- TEREA #2 nicotine brand
- SENTIA driving acquisition in mainstream segment
- Record exit HTU offtake share

Japan HTU Offtake Share^(a)



(a) Based on 3 C-Store Chains offtake. Base includes cigarettes, cigarillos and RRP
 Note: New users are former Legal Age Smokers or Legal Age Nicotine Users
 Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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Smoke-Free Portfolio



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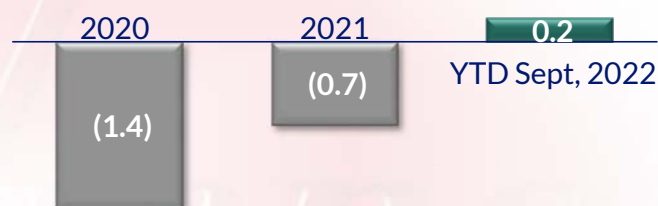


Section 3: PMI Cigarette Brand Portfolio Strategy and Performance

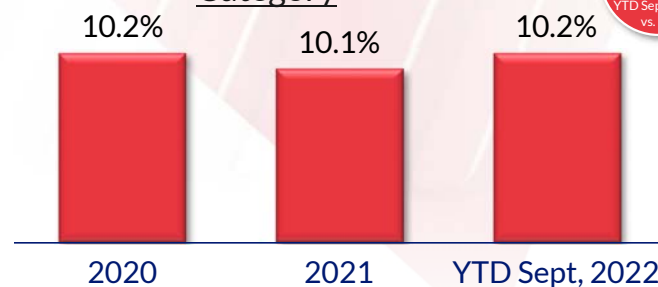
Robust Combustible Performance

- Strong Q3 pricing of 4.9% supporting robust net revenue growth
- Positive year-to-date category share despite impact of IQOS cannibalization
- *Marlboro* volumes grew ~4% reflecting higher share
- Continue to target stable category share to maximize switching to smoke-free products

Pro Forma Share of Cigarette Category
(Change vs. PY in pp)



Pro Forma *Marlboro* Share of Cigarette Category^(a)



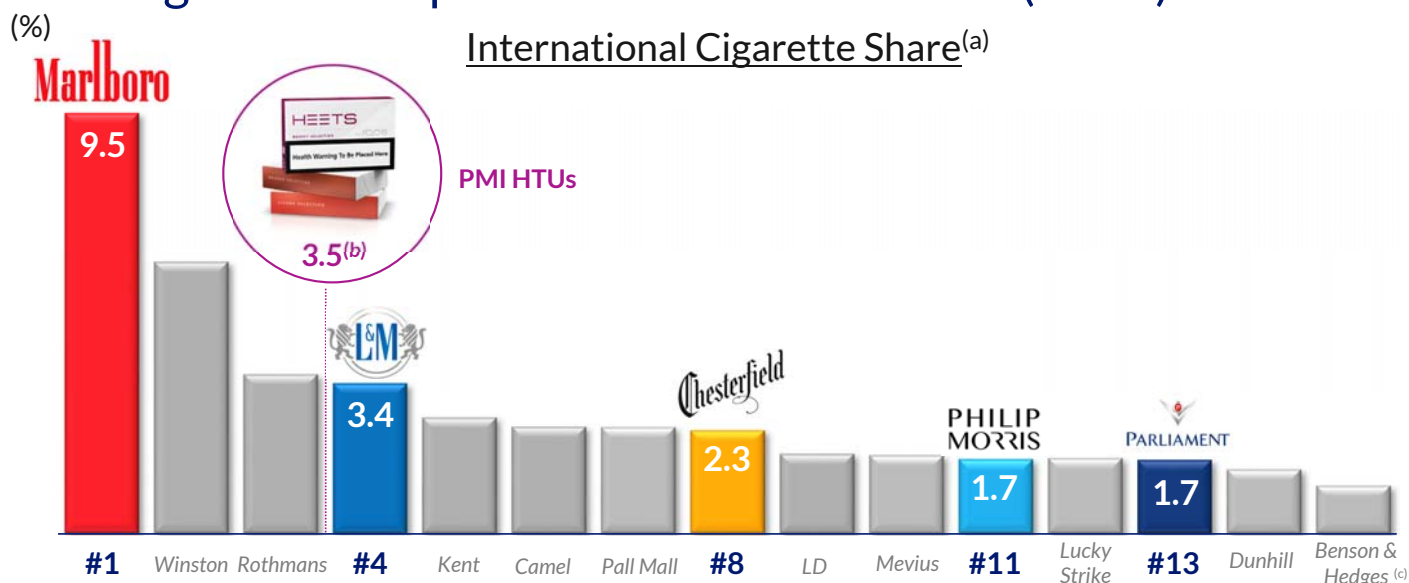
+4%
Volume Growth
(Total PMI)
YTD Sept, 2022
vs. PY

(a) Rolling 12-month share

Note: Excludes Russia, Ukraine, China and the U.S and includes cigarillos in Japan. Reflects sales volume of PMI cigarettes as a percentage of cigarette industry sales volume

Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

PMI Cigarettes: Top-15 International Brands (2021)



PMI Owns Five of the World's Top-15 International Cigarette Brands

(a) Sales volume of cigarette brand as a percentage of the total industry sales volume for cigarettes

(b) Sales volume of PMI HTUs as a percentage of the total industry sales volume for cigarettes and HTUs

(c) Reflects Benson & Hedges IMS volume of 28.9bio, deducted by 1.5bio which is sold by PMI, mainly in Argentina and Mexico, and 0.2bio which is sold by RBH Inc. in Canada

Note: Excluding China and the U.S. Philip Morris includes Philip Morris/Dubliiss. The cigarette shares presented include Russia and Ukraine

Source: PMI Financials or estimates

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Global Excise Tax Environment

- In general, governments recognize that revenue predictability and collection efficiency can be enhanced by regular and reasonable increases, high proportion of specific elements in excise tax structures, multi-year programs and income or inflation indexation:
 - Over the last 10 years the large majority of our key markets have shifted their structure towards a higher dependence on specific taxes – while lowering ad valorem rates
- EU excise tax:
 - Reasonable current EU framework, providing governments with structural flexibility between specific, ad valorem and minimum excise tax tools
- Excise taxes on smoke-free products significantly different from cigarettes in most geographies, consistent with tobacco harm reduction potential

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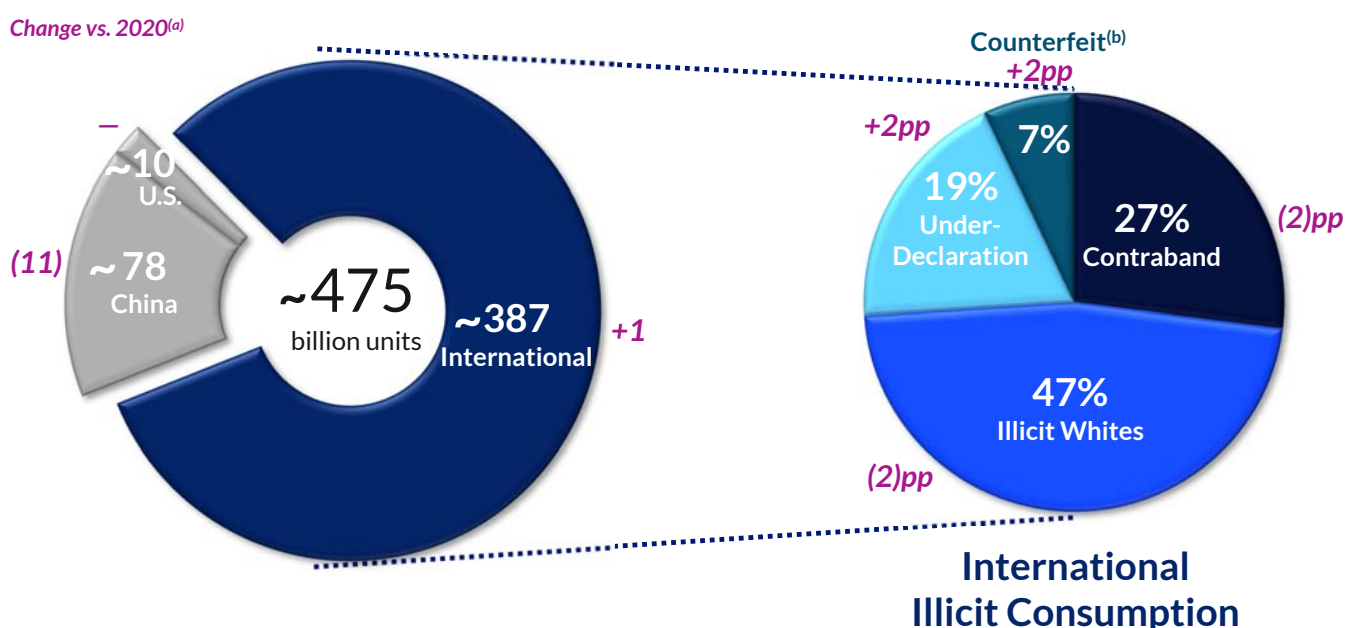
EU Regulatory and Fiscal Developments



- Increasing number of countries incorporating Tobacco Harm Reduction into fiscal and regulatory processes
- EU Tobacco Excise Directive (EU TED) Review:
 - Proposal for revision of TED expected in Q4.2022, likely to be adopted by the EU College of Commissioners
 - TED Proposal to be submitted to the EU Parliament for non-binding opinion and EU Council for discussion and possible agreement on final Directive text; Requires unanimous approval of 27 member states (final text may differ from published proposal)
 - Agreed directive transposed into national tax legislations of all 27 EU Member States; effective date c. 2025
- EU Tobacco Products Directive (EU TPD) Review:
 - Proposal for revision of TPD expected in 2024, further legislative actions under a new EU Commission and new EU Parliament (elections in 2024)
 - Ordinary legislative procedure (to kick off 2024/2025): EU Parliament and Council co-deciding; Qualified majority
 - Adopted directive transposed into national legislations of all Member States; implementation usually 12 months minimum
- Delegated directive withdrawing HTP exemption from characterizing flavor ban, June 29, 2022
 - Current TPD requires the Commission to propose this ban, based on a “substantial change of circumstances”
 - Submitted to the European Parliament and Council; both institutions have right to object (but not to amend)
 - If passed, would likely be effective in H2, 2023

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Cigarettes: Illicit Trade Overview (2021)



(a) Restatement of 2020 International Illicit Trade of 55 bio sticks mainly driven by Brazil (43 bio), Pakistan (5 bio), Russia (4 bio) and Others (3 bio) following last 2020 Illicit Trade reports submission

(b) Estimate for PMI worldwide and BAT, JT and IMB for selected markets

Source: PMI Financials or estimates

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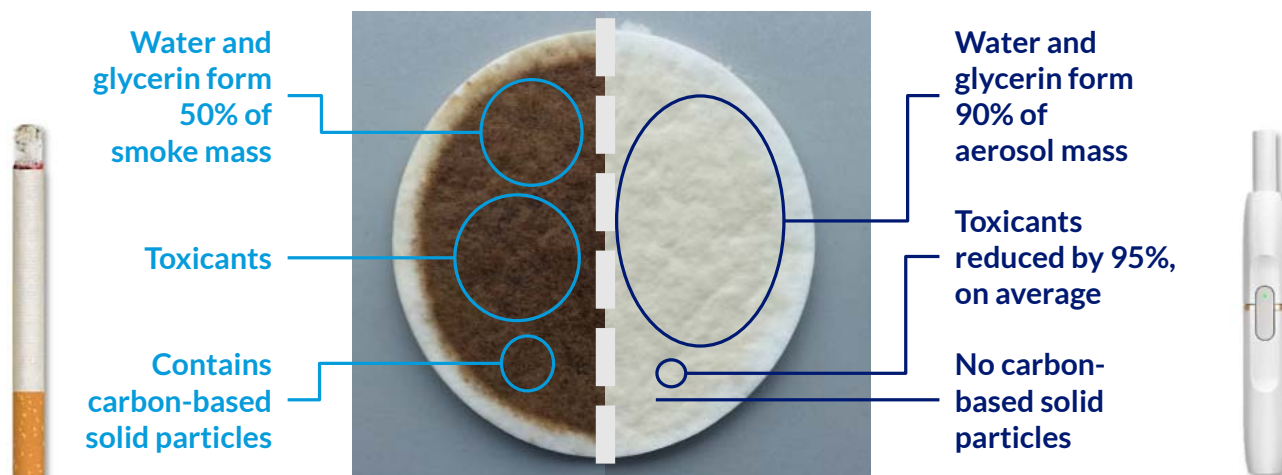
Section 4: PMI RRP Scientific Substantiation

Integrity of Our Scientific Assessment

- Adhere to internationally recognized standards including Good Laboratory Practices and Good Clinical Practices
- Actively share our methods and study results, making them available for public review
- Our systems toxicology methods and results are subjected to an even higher level of scientific scrutiny through the sbv IMPROVER methodology^(a):
 - Reviews of our IQOS studies were submitted to the FDA as part of our MRTP applications
- Continue to make the raw data from our non-clinical and clinical RRP studies available to the public through INTERVALS.science
- Welcome independent studies of our RRP. Encourage others to undertake serious non-clinical and clinical studies with IQOS
- Believe our consumers deserve our unwavering commitment to help them fully understand the benefits of switching to RRP

**We believe our scientific research capabilities are
on par with the best in the life science industries**

Why Heat Tobacco Rather than Burn it?



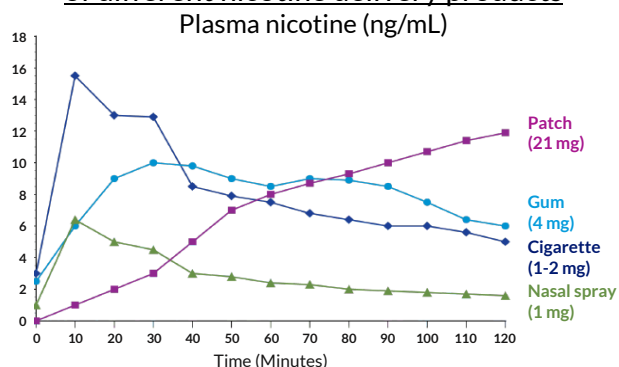
Smoke and aerosol were collected on a Cambridge filter pad using Health Canada Intense smoking regime

Source: PMI Research & Development

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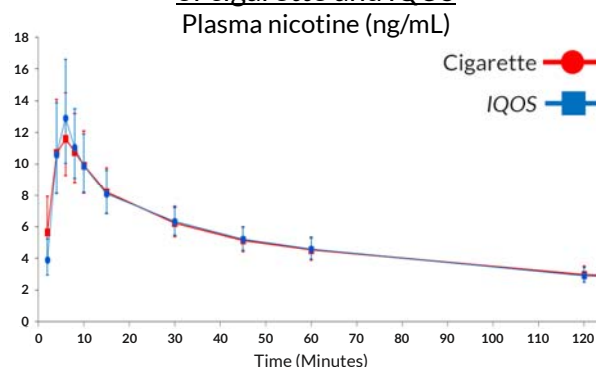
IQOS: Nicotine Pharmacokinetic Profile

Levels of nicotine in the blood following use of different nicotine delivery products



Note: The amount of nicotine in each product is shown in parentheses. The pattern produced by the nicotine lozenge and nicotine inhaler resemble that of nicotine gum. mg = milligram; mL = milliliter; ng = nanogram.
Source: Modified from Garrett et al. 2001

Levels of nicotine in the blood following use of cigarette and IQOS











Note: These data alone do not represent a claim of reduced exposure or reduced risk
Source: PMI Research & Development (PMI Investor Day, June 26, 2014)

- The amount and rate of nicotine absorbed by the body is influenced by the route of absorption
- No notable difference in the nicotine absorption between cigarette and IQOS

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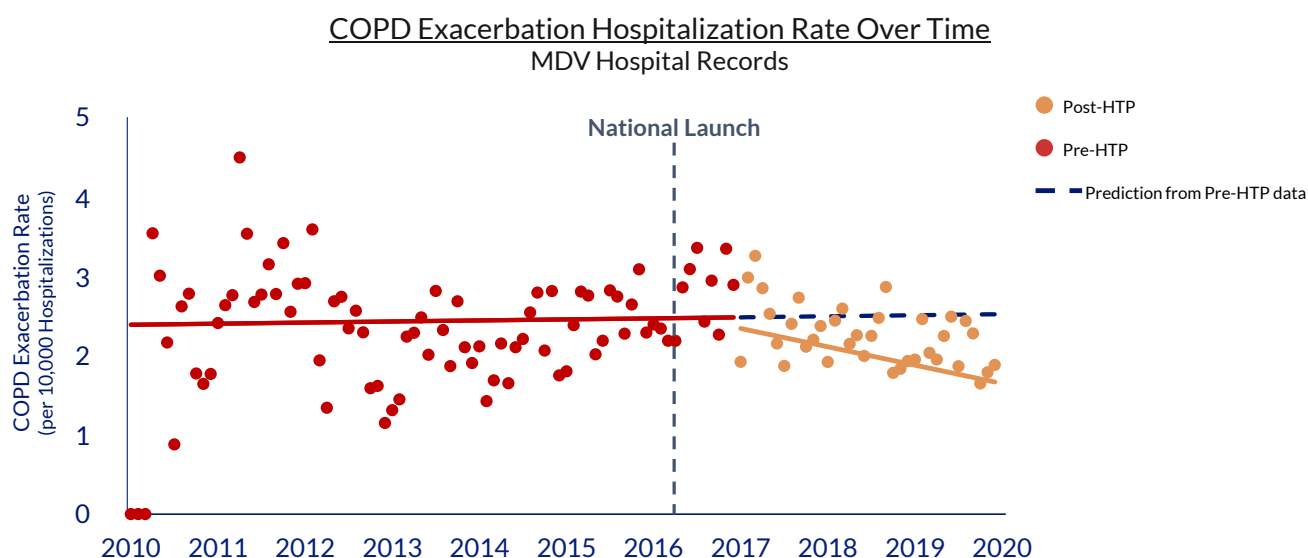
IQOS: Independent Verification on PMI Science (Select Governmental Reports)

-  **Superior Health Council of Belgium (SCH)** (Belgium, 2022): "e-cigarettes are substantially less harmful than smoking cigarettes and therefore are a better alternative for smokers [...] the vast majority of the risks of tobacco smoking are not caused by nicotine, but by the harmful substances that are released by the combustion of tobacco"
-  **Superior Health Council of Belgium (SCH)** (Belgium, 2020): "heat-not-burn products, while not safe, have a more favorable toxicity profile than cigarettes"
-  **China National Tobacco Quality Supervision and Test Centre** (China, 2019): "THS 2.2 delivered fewer harmful constituents than the conventional cigarette 3R4F."
-  **Federal Institute for Risk Assessment (BfR)** (Germany, 2018): "The herein confirmed reductions of relevant toxicants by about 80-99% are substantial."
-  **Food and Drug Administration (FDA)** (U.S., 2018): "The independent testing performed by STL [FDA's Southeast Tobacco Laboratory] confirmed the lower levels of selected [harmful and potentially harmful compounds] HPHCs in the aerosol from the HeatSticks compared to mainstream cigarette smoke."
-  **Public Health England** (UK, 2018): "Compared with cigarette smoke, heated tobacco products are likely to expose users and bystanders to lower levels of particulate matter and harmful and potentially harmful compounds. The extent of the reduction found varies between studies."
-  **National Institute for Public Health and the Environment (RIVM)** (the Netherlands, 2018): "The use of heatsticks with the IQOS is harmful to health, but probably less harmful than smoking tobacco cigarettes."
-  **UK Committee of Toxicology** (UK, 2017): "It is likely that there is a reduction in risk, though not to zero, to health for smokers who switch completely to heat-not-burn tobacco products."

Note: To date, several governmental agencies have published their scientific findings that analyze the harm-reduction potential of certain RRP's versus continuing smoking, including the above select examples. Refer to Form 10-Q for the quarter ended September 30, 2022, for additional information

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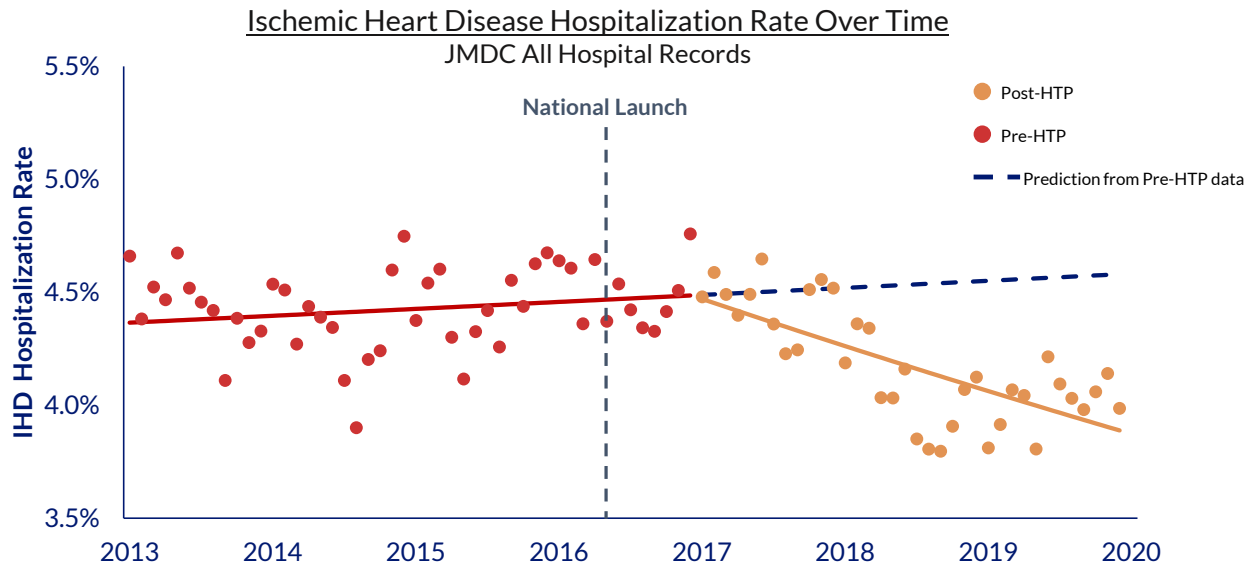
Real-World Evidence: Japan Study on COPD



Note: Model adjusting for age and sex. COPD stands for Chronic Obstructive Pulmonary Disease. Observational time-trend analysis looking at temporal associations and not designed to assess cause and effect. Specific factors associated with changing hospitalization rates over time have not been fully analyzed. Subject to inherent limitations of ecological analysis. Source: MDV Diagnosis Procedure Combination Data. <https://en.mdv.co.jp/> (January 13, 2021). CAGNY 2022, February 23, 2022

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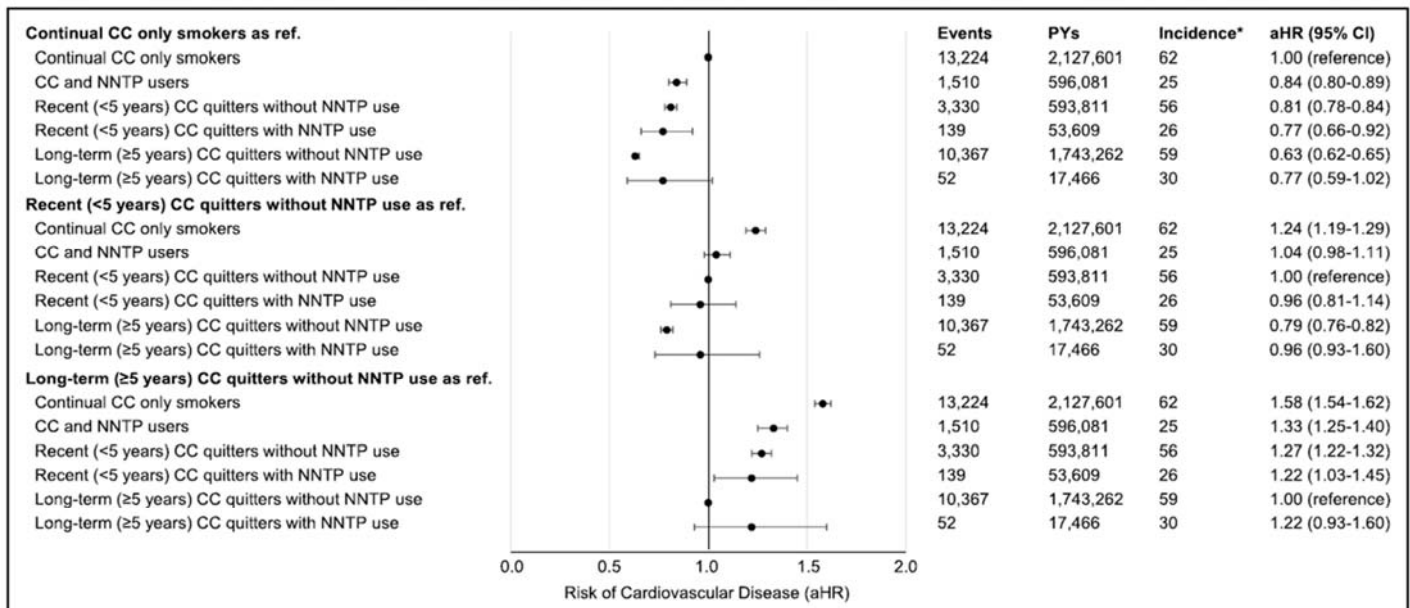
Real-World Evidence: Japan Study on IHD



Note: HTP stands for Heated Tobacco Products. Model: adjusting for age and sex – other confounding factors that could influence hospitalization rates have not been fully analyzed. Observational time-trend analysis looking at temporal associations and not designed to assess cause and effect. Specific factors associated with changing hospitalization rates over time have not been fully analyzed. Subject to inherent limitations of ecological analysis.
Source: JMDC all event data (Data available on www.jmdc.co.jp/en). CAGNY 2022, February 23, 2022

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Switching to Smoke-free Products is Associated with Lower Cardiovascular Disease Risk than Continuing to Smoke



Source: Choi S, et al. Combined Associations of Changes in Noncombustible Nicotine or Tobacco Product (NNTP) and Combustible Cigarette (CC) Use Habits With Subsequent Short-Term Cardiovascular Disease Risk Among South Korean Men. A Nationwide Cohort Study. *Circulation*. 2021. Observation period 2018-Dec 2019
Data available on <https://doi.org/10.1161/CIRCULATIONAHA.121.054967>. CAGNY 2022, February 23, 2022

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Switching to Smoke-Free Products is Associated with Lower Cardiovascular Disease Risk than Continuing to Smoke



Continual CC only smokers as ref.

	Events	PYs	Incidence*	aHR (95% CI)
Continual CC only smokers	13,224	2,127,601	62	1.00 (reference)
CC and NNTP users	1,510	596,081	25	0.84 (0.80-0.89)
Recent (<5 years) CC quitters without NNTP use	3,330	593,811	56	0.81 (0.78-0.84)
Recent (<5 years) CC quitter with NNTP use	139	53,609	26	0.77 (0.66-0.92)
Long-term (≥5 years) CC quitters without NNTP use	10,367	1,743,262	59	0.63 (0.62-0.65)
Long-term (≥5 years) CC quitter with NNTP use	52	17,466	30	0.77 (0.59-1.02)

- Independent study using epidemiological government data
- Switching to smoke-free products associated with 23% lower risk among both recent and long-term switchers
- Long-term cessation associated with 37% lower risk of cardiovascular disease
- Over 95% of the South Korean smoke-free market is heated tobacco products

Source: Choi S, et al. Combined Associations of Changes in Noncombustible Nicotine or Tobacco Product (NNTP) and Combustible Cigarette (CC) Use Habits With Subsequent Short-Term Cardiovascular Disease Risk Among South Korean Men. A Nationwide Cohort Study. *Circulation*. 2021. Observation period 2018-Dec 2019
Data available on <https://doi.org/10.1161/CIRCULATIONAHA.121.054967>. CAGNY 2022, February 23, 2022

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Delivering a Smoke-Free Future

Section 5: Wellness and Healthcare

Significant Long-Term Opportunity in New Growth Areas

Wellness

- Innovative oral and inhalable consumer health products
- Sleep, Energy, Calm and Focus

Healthcare

- Innovative drug/device combinations
- Focus on existing Rx molecules
- Unmet patient needs: Cardiovascular, Pain, Neurology, Allergy

Filling Pipeline to Achieve Initial Milestone of \geq \$1 billion in Net Revenues by 2025 on Long-term Growth Trajectory

Source: CAGNY 2022, February 23, 2022

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Investing in Wellness & Healthcare for Long-Term Growth

- Natural long-term evolution into a broader lifestyle, consumer wellness and healthcare company
- Developing best-in-class differentiated products meeting high unmet patient and consumer needs
- Vectura & Fertin technology platforms at forefront of innovation
- Investing in platforms for long-term growth:
 - Intend to invest broadly stable \$150-200m per annum over next 3 years
 - Acceleration of revenue targeted from 2024
 - Pursuing opportunities with strong returns and cash generation
 - Focus on organic development



Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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Innovating in Large & Growing Markets

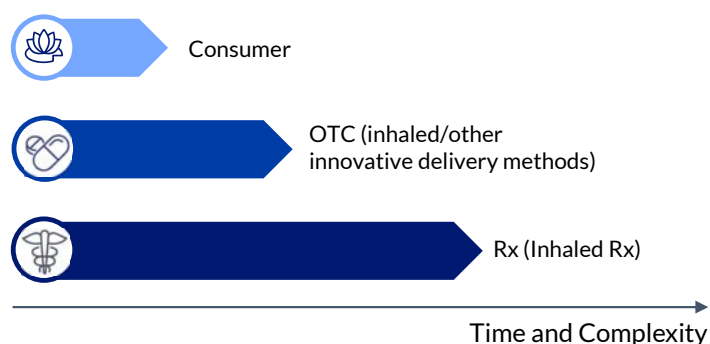
	Addressable Market (Areas of Interest) 2025	CAGR (2021-2030)	Example Areas of Opportunity	Product Focus Areas
Wellness o/w Cannabinoids	\$33bn \$4bn	8%	<ul style="list-style-type: none"> • Sleep Aid • Energy & Focus • Calm & Anxiety 	<ul style="list-style-type: none"> • Botanicals • CBD
Healthcare o/w Cannabinoids	\$56bn \$24bn	15%	<ul style="list-style-type: none"> • Acute and Chronic Conditions • Pain Management • Better Efficacy and Safety 	<ul style="list-style-type: none"> • Myocardial infarction: Asprihale • Neurology, e.g. Migraine • Pain Management: Medical Cannabis • Allergy • Smoking Cessation / Cigarette Replacement Alternatives
Total	\$89bn	11%		

Note: o/w refers to 'Of Which'

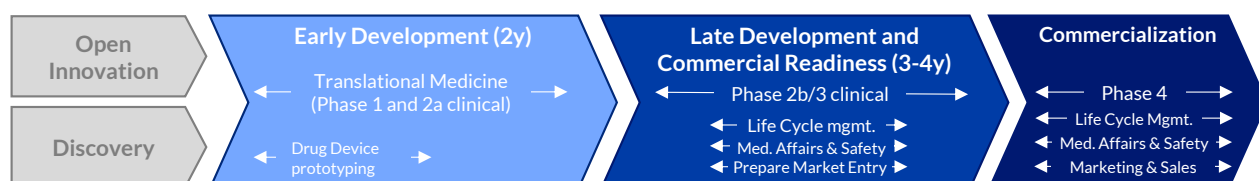
Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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Longer Business Cycle, Attractive Opportunities



Rx timeline



Note: Rx stands for prescription. CAGNY 2022, February 23, 2022

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Section 6: Sustainability at PMI

Sustainability at the Core of Our Strategy

Enhancing approach to sustainability:

- Updated statement of purpose recognizing role of wellness and healthcare in our transformation
- New sustainability materiality assessment performed confirming product health impact is our core priority
- Sustainability Index introduced in Proxy statement, explicitly linking ESG performance to long-term executive compensation

Product health impact:

- Growing penetration of smoke-free products to accelerate the end of smoking
- Continued positive regulatory developments recognizing harm reduction credentials of smoke-free products



PMI's Updated Statement of Purpose

Transforming for good

“

The Company is actively accelerating the decline of cigarette smoking beyond what traditional tobacco control measures can achieve alone.

“

PMI remains committed to accelerating the end of smoking and laying the foundations of a strong business in areas of wellness and healthcare as we strive to develop commercially successful products that have a net positive impact on society.

“

This means not only transforming the Company to deliver on its purpose but also inspiring the industry to follow its lead.

“

PMI's key stakeholder constituencies, which are fundamental to both the achieving of its purpose and to the pace of its progress, will be affected in different ways by PMI's transformation.

“

PMI believes that with the right regulatory encouragement and support from civil society, cigarette sales can end within 10 to 15 years in many countries.

Changes to our strategy and vision prompted the revision of our Statement of Purpose to encompass our strategic efforts to venture toward becoming a wellness and healthcare company. Issued by PMI's board, it was published in the 2022 Proxy Statement as an update to the letter to shareholders published in the 2017 Proxy Statement and the Statement of Purpose published in the 2020 Proxy Statement.

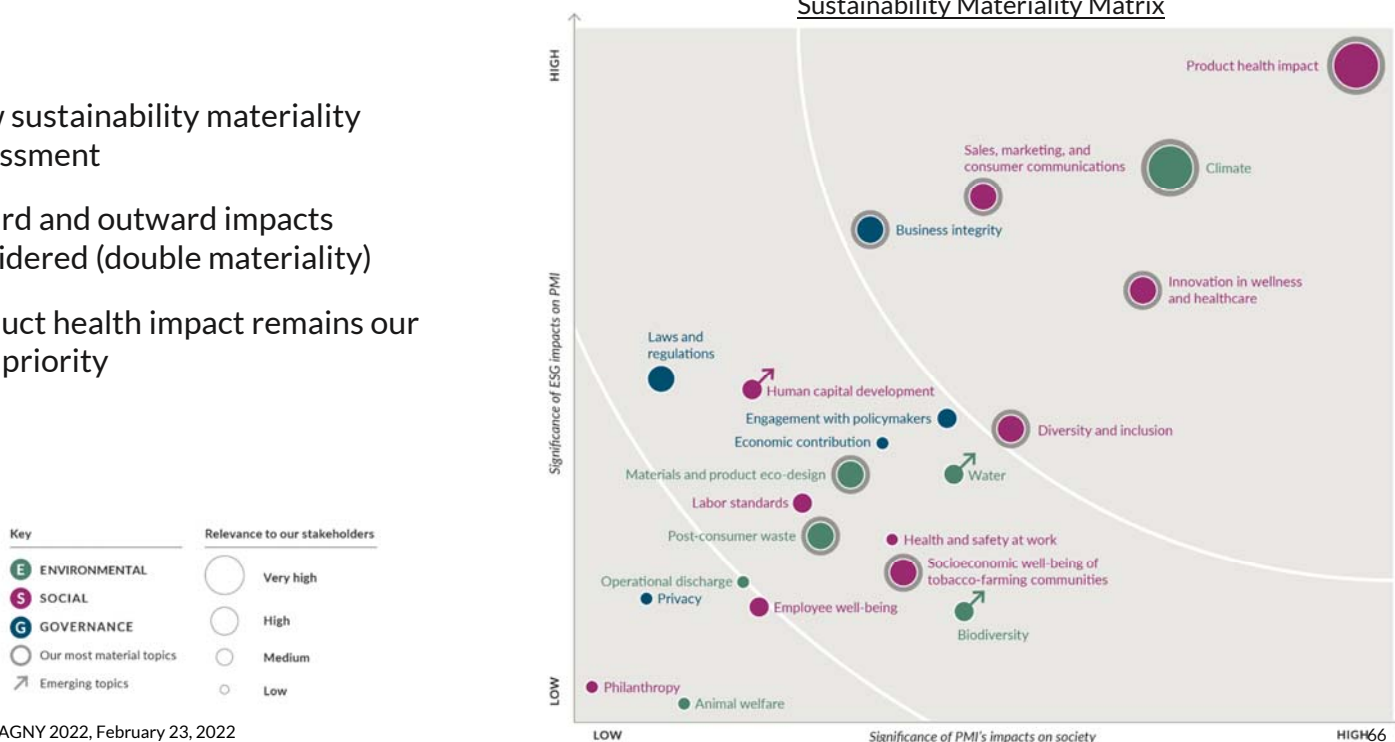
[Read PMI's Statement of Purpose](#)

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Sustainability: Identifying Strategic Priorities

- New sustainability materiality Assessment
- Inward and outward impacts considered (double materiality)
- Product health impact remains our core priority

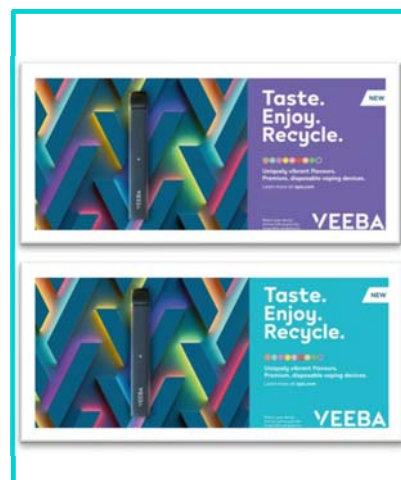
Sustainability Materiality Matrix



Source: CAGNY 2022, February 23, 2022

Integrating Sustainability Into Innovation

Addressing the environmental impact of our products

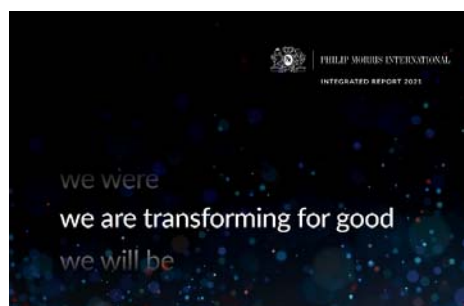


Source: [pmi_post-consumer-waste-fact-sheet_digital.pdf](#), Earnings Q3 2022, published October 20, 2022

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Transparent, Robust ESG Reporting

External Recognition of Our Sustainability Efforts



Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA



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Business Transformation Metrics

Shifting Our Resources to Deliver a Smoke-Free Future

	2015	2016	2017	2018	2019	2020	2021
Adjusted R&D expenditure (smoke-free/total)	70%	72%	74%	92%	98%	99%	99%
Commercial expenditure (Marketing) (smoke-free/total)	8%	15%	39%	60%	71%	76%	73%
Adjusted Net revenues (smoke-free/total)	0.2%	2.7%	12.7%	13.8%	18.7%	23.8%	29.1%
Smoke-free product shipment ratio ^(a) (smoke-free/total)	0.1%	0.9%	4.4%	5.1%	7.6%	10.4%	12.8%
Estimated users who have stopped smoking and switched to IQOS ^(b) (in millions)	-	1.5	4.7	6.6	9.6	13.0	15.3
Number of markets where net revenues from smoke-free products exceed 50% of total net revenues	-	-	1	3	4	6	10

(a) The smoke-free product shipment ratio is computed based on millions of units. Smoke-free products include heated tobacco units, e-cigarettes, snus and nicotine pouches. Total products include smoke-free products, cigarettes and other combustible products

(b) See Glossary for definition

Note: Data reflects status as of year-end of respective year. 2021 data excludes Belarus. Figures presented for 2021 and 2020 include Russia and Ukraine. Given the uncertainty and volatility regarding the company's operations in Russia and Ukraine, in PMI's Q1 2022 earnings release on April 21, 2022, PMI also provided figures and comparisons on a pro forma basis, which exclude the company's operations in these two markets for all periods and provide a more comparable view of PMI's business performance

Source: PMI Financials or estimates, IQOS user panels and PMI Market Research

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Delivering a Smoke-Free Future

Section 7: Capital Structure and Returns to Shareholders

Rewarding Our Shareholders: Attractive Dividend

- Dividends are the primary use of our operating cash flow^(a) after capital expenditures
- Increased dividend by 1.6% in September 2022:
 - Fifteen consecutive year with a dividend increase
 - Total increase of approximately 176% since 2008



(a) Net cash provided by operating activities

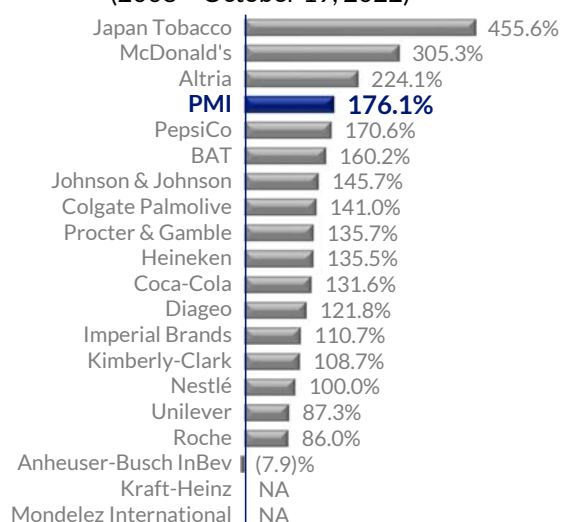
Note: Dividends for 2008 and 2022 are annualized rates. The 2008 annualized rate is based on a quarterly dividend of \$0.46 per common share, declared June 18, 2008. The 2022 annualized rate is based on a quarterly dividend of \$1.27 per common share, declared September 14, 2022.

Source: PMI Financials or estimates

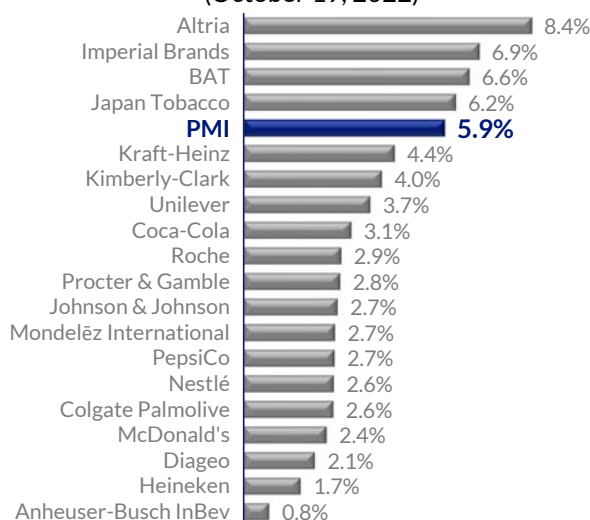
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Rewarding Our Shareholders: Attractive Dividend

Dividend Growth: Peer Group (2008 – October 19, 2022)



Trailing Dividend Yield: Peer Group (October 19, 2022)



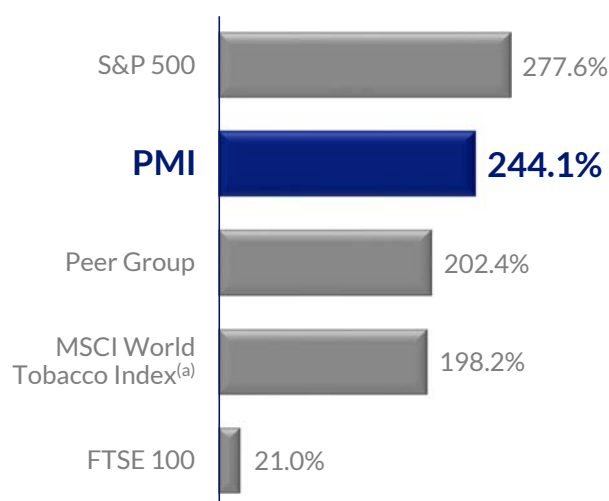
Note: PMI reflects absolute growth in annualized announced dividends from time of first PMI dividend of \$0.46 in June 2008 through October 19, 2022. Companies in the Peer Group reflect absolute growth from FY 2008 dividends or Q2, 2008 annualized dividend through current last twelve months dividends or current last quarter annualized dividend as appropriate. Dividend yield represents the trailing annualized dividend on October 19, 2022, over the closing share price on that date. The current annualized dividend rate for PMI is \$5.08. The closing share price for PMI was \$86.47 on October 19, 2022. NA stands for not available.

Source: FactSet

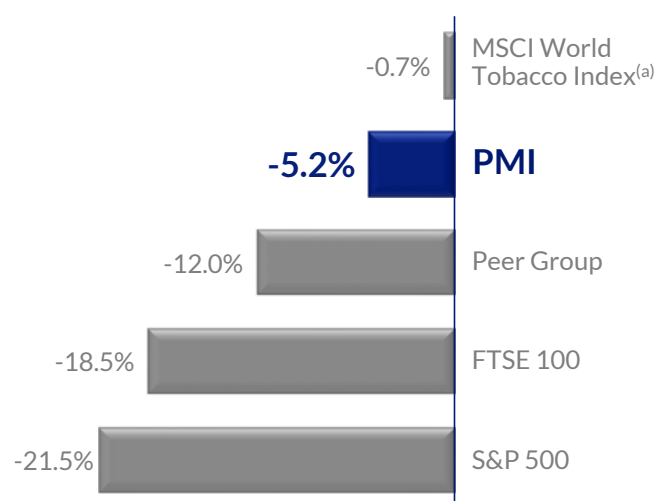
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Rewarding Our Shareholders: Total Return

Spin (March 28, 2008) – October 19, 2022



January 1, 2022 – October 19, 2022



(a) Includes PMI, Altria, BAT, Imperial Brands, Japan Tobacco and Swedish Match

Note: TSR in USD. The MSCI World Tobacco Index and the company peer group represent the market weighted-average return of the index/group. PMI total shareholder return pro forma for additional \$0.46 per share dividend paid in April 2008 impacts the period March 28, 2008 – October 19, 2022. Exchange rates are as of March 28, 2008, January 1, 2022 and October 19, 2022.

The company peer group is defined in the Glossary

Source: FactSet, Bloomberg, and MSCI World Tobacco Index

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Exceptional Cash Flow Generation, Strong Balance Sheet

- Strong operating cash flow growth through September 30, 2022
- Financing in EUR provides balance sheet currency offset:
 - Net debt \$1.5bn lower vs. December 2021, now below 1.6x Adjusted EBITDA
- Strong deleveraging ability
- Reinvesting in innovation and growth
- Increased dividend in September in line with long-term commitment to return cash to shareholders

Note: Operating cash flow is defined as net cash provided by operating activities

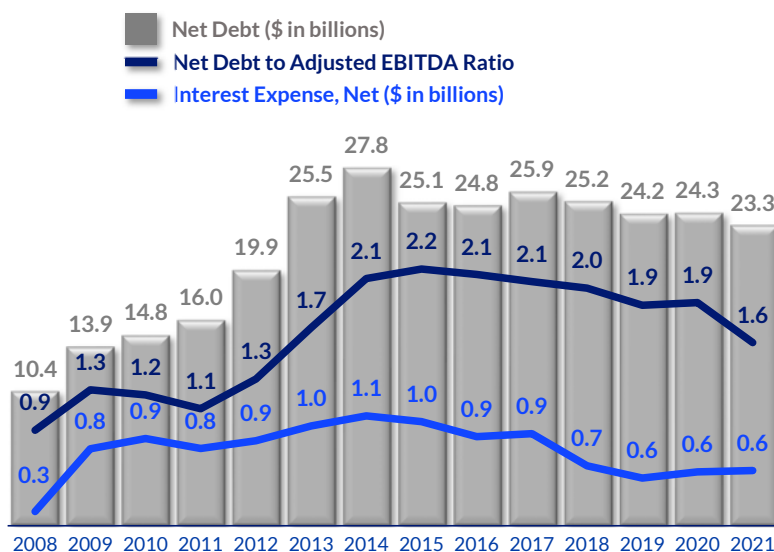
Source: PMI Financials or estimates. Earnings Q3 2022, published October 20, 2022

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Solid Capital Structure

- Long-term credit ratings and outlook:
 - Moody's: A2 (Rating(s) Under Review)
 - Standard & Poor's: A (CreditWatch Negative)
 - Fitch: A (Rating Watch Negative)
- Strong liquidity profile backed by \$6.3 billion stand-by revolving credit facilities
- Stable capital structure with relative weighting towards longer maturity and fixed-rate instruments

Net Debt, Leverage and Interest Expense Evolution



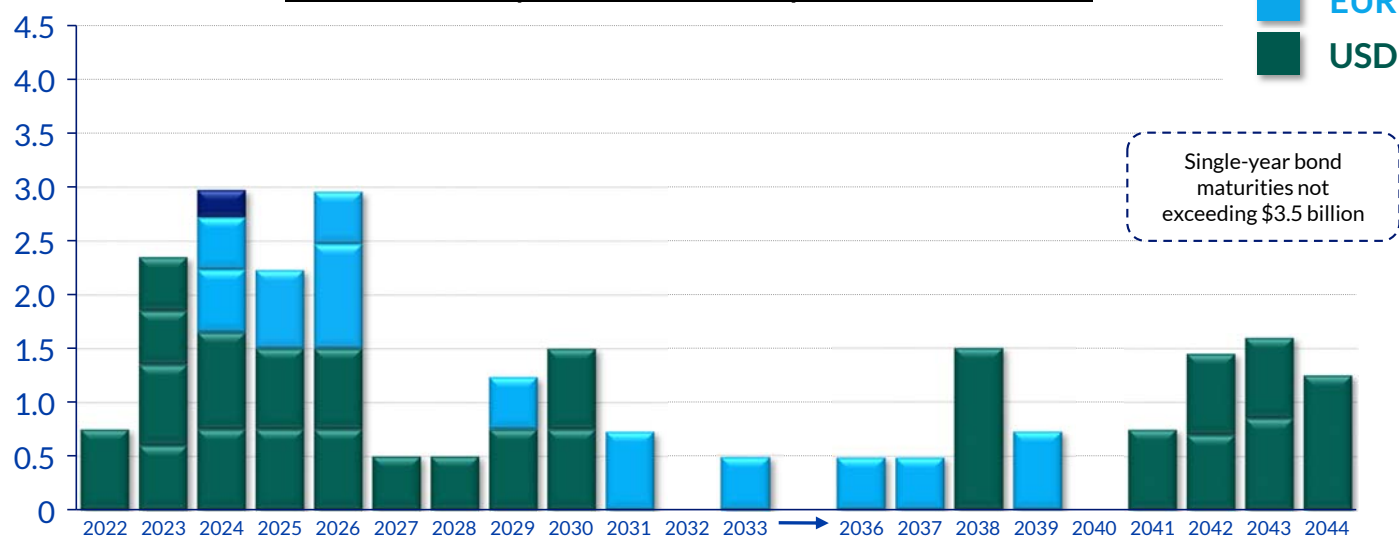
Note: 2022 September Net Debt to Adjusted EBITDA Ratio and Interest Expense, Net shown on a 12 months rolling basis
Source: PMI Financials or estimates (as of September 30, 2022)

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Well-Laddered Bond Portfolio

(\$ in billions)

Bond Maturity Profile as of September 30, 2022

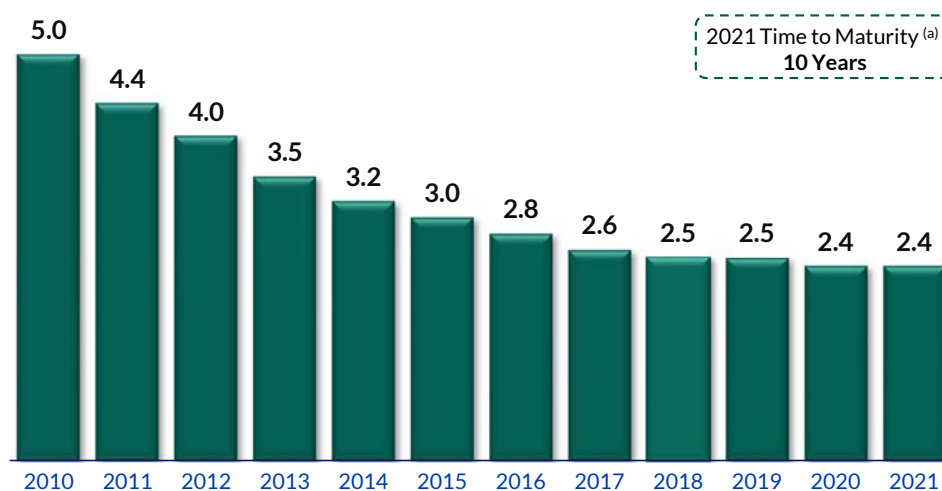


Source: PMI Financials or estimates

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Debt Financing at Attractive Terms

Weighted-Average All-in Financing Cost of Total Debt (%)



(a) Weighted-average time to maturity of total long-term debt excludes the current portion of the bond portfolio and reflects the weighted-average at year-end
Source: PMI Financials or estimates

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PHILIP MORRIS INTERNATIONAL

Designing a Smoke-Free Future

Section 8: Appendix, Glossary and Reconciliation of non-GAAP Measures

Appendix, Glossary of Key Terms and Definitions, and Reconciliation of Non-GAAP Measures

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Industry Volume Overview – EU (Billion Cigarette Equivalent Units)

<u>Market</u>	<u>Product Group</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
France	Cigarettes	52.3	48.3	45.7	46.2	45.7	45.1	40.9	37.8	36.4	34.1
	HTU	-	-	-	-	-	0.0	0.0	0.1	0.2	0.2
	OTP	15.5	15.8	15.4	16.3	16.4	15.7	14.3	13.6	15.2	14.3
Germany	Cigarettes	83.4	79.6	80.4	80.0	78.1	76.7	74.8	72.4	73.0	71.6
	HTU	-	-	-	-	0.0	0.1	0.4	0.9	1.7	2.4
	OTP	44.0	44.1	43.5	43.0	42.5	41.3	40.9	40.3	42.2	41.3
Italy	Cigarettes	78.7	74.0	74.4	73.8	72.1	69.3	67.5	64.6	61.7	61.1
	HTU	-	-	-	0.0	0.1	0.5	1.5	3.3	5.7	9.3
	OTP	6.9	6.8	6.9	7.2	7.4	8.1	8.5	8.9	9.4	9.3
Poland	Cigarettes	52.1	46.6	42.1	41.1	41.3	41.6	42.8	45.0	43.2	45.6
	HTU	-	-	-	-	-	0.1	0.4	1.2	2.4	3.8
	OTP	3.8	3.4	3.6	4.0	4.1	5.0	5.5	6.2	7.2	7.8
Spain	Cigarettes	53.7	47.7	47.0	46.7	46.7	44.9	44.8	45.1	41.4	42.1
	HTU	-	-	-	-	0.0	0.1	0.2	0.3	0.4	0.5
	OTP	13.6	14.1	13.1	12.8	12.5	12.4	12.6	13.4	14.2	14.3

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 27, 2022

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Industry Volume Overview – EU (cont'd)

(Billion Cigarette Equivalent Units)

Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Croatia	Cigarettes	7.2	6.6	6.1	6.1	6.0	6.2	6.2	6.1	5.7	5.7
	HTU	-	-	-	-	-	-	0.1	0.2	0.3	0.4
	OTP	-	-	0.3	0.3	0.2	0.3	0.3	0.3	0.4	0.4
Czech Republic	Cigarettes	20.5	19.8	20.1	20.4	20.5	20.3	20.0	19.7	17.0	15.2
	HTU	-	-	-	-	-	0.1	0.5	1.2	1.7	2.1
	OTP	2.0	2.2	2.3	2.6	2.5	2.4	2.2	2.2	1.9	1.7
Greece	Cigarettes	20.4	18.1	16.8	16.4	15.3	13.8	12.8	12.1	10.9	11.1
	HTU	-	-	-	-	-	0.2	0.6	1.2	1.5	2.0
	OTP	4.8	4.0	4.0	4.1	4.2	3.8	3.9	4.2	4.3	4.4
Hungary	Cigarettes	12.0	9.6	7.4	7.3	7.4	7.6	8.1	8.3	7.7	6.9
	HTU	-	-	-	-	-	-	-	0.2	0.8	1.6
	OTP	7.3	8.1	9.7	10.4	10.4	9.1	8.4	7.8	7.7	7.3
Latvia	Cigarettes	1.8	1.8	1.9	1.9	1.9	1.9	2.0	1.9	1.8	1.7
	HTU	-	-	-	-	-	-	-	0.1	0.2	0.2
	OTP	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 27, 2022

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Industry Volume Overview – EU (cont'd)

(Billion Cigarette Equivalent Units)

Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lithuania	Cigarettes	2.7	2.8	2.9	3.1	3.1	2.9	2.8	2.7	2.4	2.4
	HTU	-	-	-	-	-	-	0.1	0.4	0.6	0.7
	OTP	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2
Norway	Cigarettes	1.9	1.8	1.8	1.8	1.7	1.7	1.4	1.4	1.9	1.9
	OTP	1.2	1.1	1.1	1.0	1.0	0.9	0.7	0.7	0.9	0.9
	Snus	1.6	1.6	1.8	1.8	1.9	1.9	2.0	2.1	2.9	3.5
Portugal	Cigarettes	10.1	9.9	9.6	9.7	9.8	10.2	9.7	9.7	9.0	8.8
	HTU	-	-	-	-	-	0.1	0.3	0.6	0.9	1.2
	OTP	2.4	2.2	2.2	1.8	1.5	1.2	1.0	1.0	1.0	1.0
Romania	Cigarettes	25.7	24.5	23.4	24.0	24.2	24.3	24.4	25.5	25.6	25.9
	HTU	-	-	-	-	-	0.2	0.5	0.7	0.9	1.3
	OTP	-	-	-	-	-	-	-	-	0.1	0.2
Slovak Republic	Cigarettes	7.2	6.9	7.0	7.1	7.1	7.2	7.1	7.1	6.9	6.4
	HTU	-	-	-	-	-	-	0.3	0.5	0.7	0.9
	OTP	0.1	0.2	0.3	0.5	0.5	0.3	0.3	0.3	-	-

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 27, 2022

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Industry Volume Overview – EU (cont'd)

(Billion Cigarette Equivalent Units)

Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Slovenia	Cigarettes	4.6	3.9	3.7	3.6	3.6	3.5	3.5	3.4	3.2	3.2
	HTU	-	-	-	-	-	-	0.1	0.1	0.2	0.3
	OTP	-	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.2
Sweden	Cigarettes	6.0	5.8	6.0	5.7	5.7	5.4	5.3	5.2	5.0	4.8
	OTP	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1
	Snus	7.4	7.7	8.0	8.0	8.3	8.5	8.9	9.0	8.8	8.8
Switzerland	Cigarettes	11.1	10.6	10.2	9.8	9.4	9.3	9.1	8.8	9.2	8.9
	HTU	-	-	-	-	-	0.1	0.2	0.3	0.4	0.6
	OTP	1.1	1.2	1.3	1.3	1.4	1.4	1.4	1.5	1.6	1.7
United Kingdom	Cigarettes	40.6	35.8	33.8	31.4	29.6	27.9	26.0	23.5	24.1	23.7
	HTU	-	-	-	-	-	-	-	0.1	0.3	0.5
	OTP	10.6	10.7	10.4	10.0	10.3	10.5	10.6	10.7	13.8	14.4

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 27, 2022

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Industry Volume Overview – EE, MEA&DF and S&SA

(Billion Cigarette Equivalent Units)

Eastern Europe

Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Russia	Cigarettes	374.9	346.4	314.1	294.1	280.0	259.7	236.3	217.7	203.7	196.9
	HTU	-	-	-	-	-	0.3	2.6	8.8	15.4	19.9

Middle East and Africa

Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Egypt	Cigarettes	77.7	79.9	82.0	78.4	83.2	86.4	86.0	87.4	85.8	93.1
	HTU	-	-	-	-	-	-	-	-	-	0.2
Turkey	Cigarettes	99.2	91.7	94.7	103.2	105.5	106.2	118.5	119.7	114.8	124.2

South and Southeast Asia

Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Indonesia	Cigarettes	302.3	314.5	319.0	320.0	315.6	303.5	302.5	305.2	276.2	296.2
Philippines	Cigarettes	108.9	91.0	94.9	90.2	79.3	74.9	73.2	70.5	62.0	55.3

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.
Source: PMI estimates as of October 27, 2022

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Industry Volume Overview – E&EA

(Billion Cigarette Equivalent Units)

Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Australia	Cigarettes	18.8	18.7	16.8	16.5	15.7	13.9	12.8	12.0	11.0	9.7
	OTP	3.1	3.2	3.3	3.4	3.5	3.5	3.8	3.9	3.7	3.2
Japan	Cigarettes	196.6	192.6	186.2	182.3	173.8	151.4	132.7	121.1	102.8	94.4
	HTU	-	-	-	0.2	5.2	20.0	34.6	36.7	40.1	45.0
	OTP	-	-	-	-	-	-	0.9	4.0	12.3	11.1
South Korea	Cigarettes	89.3	88.4	88.1	67.3	73.6	69.0	62.8	61.2	64.1	62.8
	HTU	-	-	-	-	-	1.6	6.8	7.3	7.5	8.9
New Zealand	Cigarettes	2.0	1.9	1.8	1.8	1.8	1.7	1.7	1.5	1.4	1.2
	HTU	-	-	-	-	-	-	-	-	-	-
	OTP	1.0	0.9	0.9	0.9	0.8	0.8	0.7	0.8	0.8	0.7
Singapore	Cigarettes	2.6	2.7	2.8	2.8	2.8	2.8	2.8	2.7	3.1	3.0

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine products, and shisha. The volumes may not reflect actual domestic consumption.

Source: PMI estimates as of October 27, 2022

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Industry Volume Overview – Americas

(Billion Cigarette Equivalent Units)

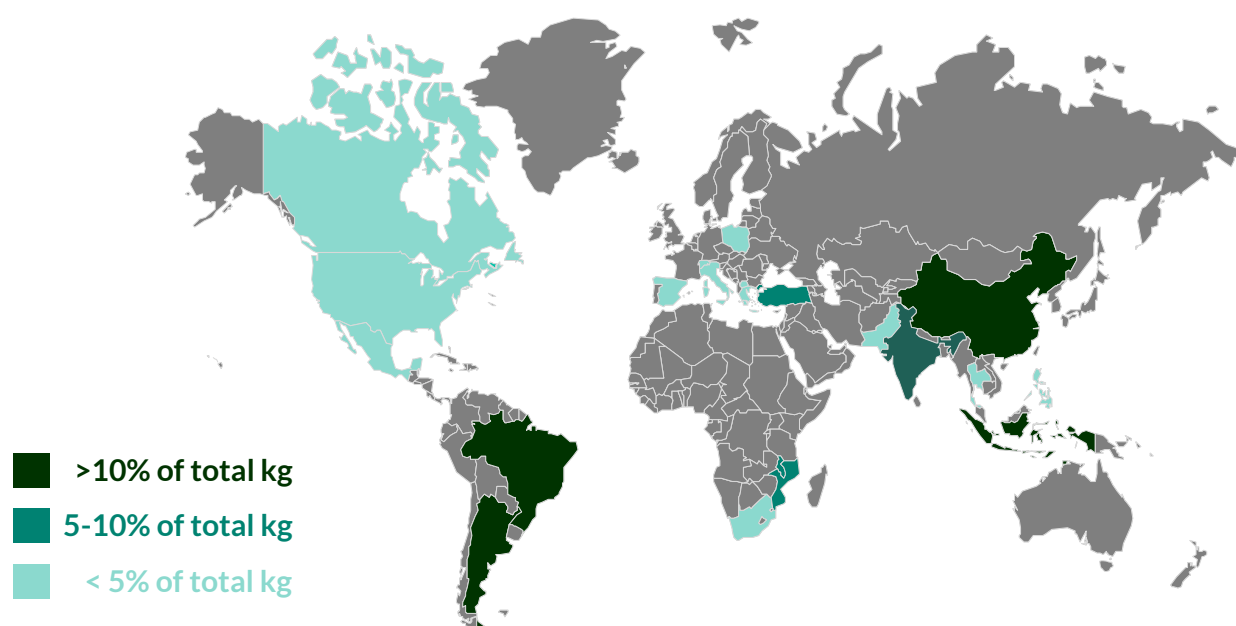
Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Argentina	Cigarettes	43.7	42.5	41.9	40.8	38.7	38.2	36.9	34.1	31.0	30.1
	OTP	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.1	0.1	0.2
Mexico	Cigarettes	33.6	34.6	33.5	33.8	36.2	35.8	35.5	35.5	30.5	31.8
	HTU	-	-	-	-	-	-	-	0.0	0.1	0.1

Note: Industry volumes are PMI estimates for tax-paid in-market sales (sales to the retail channel, depending on the market and distribution model) based on the latest available data from a number of internal and external sources. The figures include volumes above 50 million units for cigarettes, other tobacco products ("OTP": primarily make-your-own tobacco, roll-your-own tobacco, pipe tobacco, cigars and cigarillos), and heated tobacco units (HTUs), where applicable. The figures exclude other tobacco and nicotine product categories that may be present in certain markets, most notably e-cigarettes, oral tobacco and nicotine pouch, and shisha. The volumes may not reflect actual domestic consumption.

Source: PMI estimates as of October 27, 2022

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PMI Tobacco Leaf Purchases by Geography (2021)



Source: PMI Operations

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PMI Manufacturing Footprint (2021)



(a) Includes facilities in Denmark, Greece, Italy, South Korea, Poland, Romania, Russia and Switzerland that are fully or partially dedicated to the production of HTUs or other nicotine-containing products

Note: On February 25, 2022 PMI announced the temporary suspension of its operations in Ukraine, including at its factory in Kharkiv

Source: PMI Operations and Form 10-K for the year ended December 31, 2021 (p. 15)

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Cigarette Excise Tax Structures: Select Markets

(October 1, 2022)

Argentina		
	%	
	Nominal	RSP ^(f)
Social Assistance Fund (SAF) ^(a)	7.00	7.00
Special Tobacco Fund (STF) ^(b)	7.35	8.26
Excise Tax ^(c)	70.00	55.12
VAT ^(d)	21.00	4.96
Turnover Tax ^(e)	3.70	0.62
Tax Burden		75.96
(a) 7% x RSP (b) [7.35% x (RSP – SAF – VAT)] + ARS 6.0733 (as of July 2022) (c) 70% x (RSP – SAF – VAT – STF). Minimum excise tax: ARS 177.93 (September 2022 – November 2022) (d) (NEFP + Wholesaler & Retailer margin) x 21% (e) NEFP x 3.70% (f) Based on Philip Morris soft pack (ARS 340.00) Note: NEFP is net ex-factory price		

Australia	
Tobacco Excise Tax (AUD/Kg)	1,629.14
Tobacco Excise Tax (AUD/000) ^(a)	1,140.40
VAT (Nominal)	10%
(a) If not exceeding 0.8g per cigarette	

France	
Ad Valorem Excise Tax	55.00%
Specific Excise Tax (EUR/000)	63.60
Minimum Excise Tax (EUR/000)	336.70
VAT (Nominal)	20.0%

Egypt			
Price Tier (RSP per pack in EGP)	1 (0 – 24)	2 (+24-35)	3 (35+)
Ad Valorem Excise Tax (% of RSP)	50%	50%	50%
Specific Excise Tax (EGP/000)	200.0	325.0	350.0
Health Tax (EGP/000)	55.0	55.0	55.0

Germany	
Ad Valorem Excise Tax	19.84%
Specific Excise Tax (EUR/000)	108.80
Minimum Total Tax (EUR/000) (a)	222.76
VAT (Nominal)	19.0%
(a) Minimum Total Tax (MTT) also includes the VAT	

Note: 20 cigarettes per pack

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Cigarette Excise Tax Structures: Select Markets (cont.)

(October 1, 2022)

Japan		Mexico		Italy	
National – Tobacco Tax (JPY/pack)	136.04	Ad Valorem Excise Tax ^(a)	160%	Ad Valorem Excise Tax	51.24%
National – Special Tobacco Tax (JPY/pack)	16.40	Specific Excise Tax (MXN/000)	548.40	Specific Excise Tax (EUR/000)	22.26
Local Excise Tax (JPY/pack)	152.44	VAT (Nominal)	16%	Minimum Total Tax (EUR/000) ^(a)	194.72
Total (JPY/pack)	304.88	(a) Ad valorem excise tax is 160% of manufacturer / wholesale price to retail excluding taxes (VAT and Excise)		VAT (Nominal)	22.0%
VAT (Nominal)	10%			(a) Minimum Total Tax also includes the VAT	
South Korea		Philippines		Spain	
Tobacco Consumption Tax (KRW/pack)	1,007	Specific Excise Tax (PHP/pack) ^(a)	55.0	Ad Valorem Excise Tax	51.00%
Public Health Tax (KRW/pack)	841	(a) January 1, 2023 (PHP 60.00); January 1, 2024 onwards (+5% / year)		Specific Excise Tax (EUR/000)	24.70
Education Tax (KRW/pack)	443			Minimum Excise Tax (EUR/000)	131.50
Green Fund Tax (KRW/pack)	25			VAT (Nominal)	21.0%
Individual Consumption Tax (KRW/pack)	594				
Farmer's Subsidy Tax (KRW/pack)	5				
Total (KRW/pack)	2,916				
VAT (Nominal)	10%				
		Poland		Turkey	
		Ad Valorem Excise Tax	32.05%	Ad Valorem Excise Tax (% of RSP)	63.0%
		Specific Excise Tax (PLN/000)	228.10	Specific Excise Tax (TRY/000)	39.325
		Minimum Excise Tax (PLN/000)	487.55	Minimum Excise Tax (TRY/000)	791.60
		VAT (Nominal)	23.0%	VAT (Nominal)	18%

Note: 20 cigarettes per pack

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Excise Tax Structure: Indonesia

(October 1, 2022)

CC – Cigarette Type	Volume Tier	Price Tier ^(a)	Minimum HJE ^(b) (IDR/stick)		Total Excise + Regional Tax (IDR/stick)	
			Current	Previous ^(c)	Current	Previous ^(c)
Machine-Made Kretek (SKM)	Volume Tier 1 (> 3 billion units)	1	1,905	1,700	1,083.5	951.5
	Volume Tier 2 (≤ 3 billion units)	1	1,140	1,276 1,020	660.0	588.5 577.5
Whites (SPM)	Volume Tier 1 (> 3 billion units)	1	2,005	1,790	1,171.5	1,028.5
	Volume Tier 2 (≤ 3 billion units)	1	1,135	1,486 1,015	698.5	621.5 610.5
Hand-Rolled Kretek (SKT) / Hand-Rolled White (SPT)	Volume Tier 1 (> 2 billion units)	1	1,636	1,461	484.0	467.5
		2	1,135	1,015	379.5	363.0
	Volume Tier 2 (> 500 million units–2 billion units)	1	600	535	225.5	220.0
	Volume Tier 3 (≤ 500 million units)	1	505	450	126.5	121.0

(a) 2022 excise tax structure includes a reduction of tax tiers from 10 to 8, with the elimination of the Price Tier within Volume Tier 2 in the SKM & SPM categories

(b) HJE stands for banderole price

(c) Previous rates effective from February 1 to December 31, 2021

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Excise Tax Structure: Japan

(October 1, 2022)

Cigarettes

- Excise tax increases of JPY 20/pack in October 2018, 2020 and 2021:
 - No increase in October 2019, due to nominal VAT increase from 8% to 10%

Heated Tobacco Products (HTPs)

- "Heated tobacco" category:
 - Dedicated excise tax category for heated tobacco products (previously: pipe tobacco category)
 - Taxable base for the specific excise tax is weight of heated tobacco
 - For products using liquid to create an aerosol, the liquid portion is considered as tobacco for tax purposes
- Heated tobacco excise tax is being phased in over a five-year period (2018-2022), with the fifth year reflecting 100% of the new system (heated tobacco category). See next slide for details

Note: 20 cigarettes/heated tobacco units per pack

HTP Excise Tax Structure

	Pipe Tobacco Category	Heated Tobacco Category
RSP (JPY/pack)	600	600
VAT (Nominal)	10%	10%
RSP Net of VAT (JPY/pack)	545	545
Effective Specific Rate (JPY/kg)	15,244	19,055 ^(a)
Tax Base	Full product weight (14.9 g/pack) ^(b)	Heated tobacco weight (5.4 g/pack) ^(c)
Specific Yield (JPY/000)	11,357	5,145
Effective Ad Valorem Rate	n/a	30%
Tax Base	n/a	RSP net of VAT
Ad Valorem Yield (JPY/000)	n/a	8,182
Total Excise Tax Yield (JPY/000)	11,357	13,327
	0%	100%

Heated Tobacco Category: Indicative Excise Tax
Payable as of October 1, 2022 (JPY/000)

13,327

(a) Reflects effective specific rate for the fifth year of five-year-phase-in period

(b) Reflects indicative "total weight" for Marlboro Menthol HeatSticks

(c) Reflects indicative "heated tobacco weight" for Marlboro Menthol HeatSticks

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Multi-Year Tobacco Tax Plan: Japan

(October 1, 2022)

	<u>Previous</u>	<u>Oct 1, 2018 – Sept 30, 2019</u>	<u>Oct 1, 2019 – Sept 30, 2020</u>	<u>Oct 1, 2020 – Sept 30, 2021</u>	<u>Oct 1, 2021 – Sept 30, 2022</u>	<u>Oct 1, 2022 and Onwards</u>
VAT (Nominal)	8%	8%	10%	10%	10%	10%
Excise Tax: Cigarettes (JPY/000)	12,244	13,244	13,244	14,244	15,244	15,244
Excise Tax: Pipe Tobacco (JPY/kg) ^(a)	12,244	13,244	13,244	14,244	15,244	15,244
Excise Tax: New HTP Category						
-Effective Specific Rate (JPY/kg) ^(b)	-	16,555	16,555	17,805	19,055	19,055
-Effective Ad Valorem Rate ^{(c)(d)}	-	30%	30%	30%	30%	30%
HTP Phase-in Period						
-Portion of New HTP System	-	20%	40%	60%	80%	100%
-Portion of Previous System	-	80%	60%	40%	20%	0%

(a) Previously, HTPs were taxed based on pipe tobacco excise tax rate

(b) Taxable base is weight of heated tobacco

(c) Taxable base is RSP net of VAT

(d) Effective ad valorem rate is calculated as the excise tax incidence based on announced average RSP

Note: Based on current law

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IQOS Retail Selling Prices: European Union

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
ANDORRA	EUR				69.0	99.0	69.0	49.0	3.55 ^(b)	3.65
AUSTRIA	EUR				49.0				5.20	6.00
BULGARIA	BGN				90				5.50	5.70
CANARY ISLANDS	EUR					99.0	59.0	29.0	3.00 ^(b)	4.00
CROATIA	HRK	220.0			370.0				29.00	35.0
CYPRUS	EUR				59.0	109.0	69.0	39.0	4.00	4.90
CZECH REPUBLIC	CZK				990				112.0	144.0
DENMARK	DKK				299.0				46.0	59.0

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

(b) HEETS and Terea with equal pricing

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: European Union (cont.)

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
ESTONIA	EUR	29.0			49.0				4.50	5.15
FRANCE	EUR	49.0	49.0		69.0				7.50	10.5
GERMANY	EUR				49.0				6.50	7.60
GREECE	EUR				59.0	109.0	69.0	39.0	4.00	4.60
HUNGARY	HUF				19,990				1,750	2,040
ITALY	EUR		59.0		59.0				5.00	6.00
LATVIA	EUR	29.0			49.0				4.00	4.20
LITHUANIA	EUR	19.0			49.0				4.00	4.55

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: European Union (cont.)

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
MONACO	EUR	49.0	49.0		69.0				7.50	10.5
NETHERLANDS	EUR	19.0			49.0				6.00	8.20
POLAND	PLN	69.0			99.0				15.50	18.50
PORTUGAL	EUR	19.0			39.0	89.0 ^(b)	59.0 ^(b)	39.0 ^(b)	4.50	5.40
ROMANIA	RON				249.0				18.0	23.5
SLOVAK REP.	EUR				39.0				4.00	4.80
SLOVENIA	EUR	39.0			49.0				4.00	4.70
SPAIN	EUR				69.0	99.0	69.0	39.0	4.85 ^(c)	5.00

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

(b) As of October 4, 2022

(c) Heets and Terea with equal pricing

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. Slovak Rep. is Slovak Republic

Source: PMI affiliates

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IQOS Retail Selling Prices: European Union (cont.)

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
SWEDEN	SEK				599.0				50.0	71.0
SWITZERLAND	CHF					119.0	79.0	49.0	8.00 ^(b)	9.00
UK	GBP				39.0				5.00	12.75

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

(b) Heets and Terea with equal pricing

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: Eastern Europe

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
ALBANIA	ALL				5,000				320.0	350.0
ARMENIA	AMD				19,999				750.0	900.0
BOSNIA & HERZ.	BAM				85.0				5.70	6.00
GEORGIA	GEL	99.0			129.0				7.00	7.20
ISRAEL	ILS				290.0				26.00	33.00
KAZAKHSTAN	KZT				21,500				690.0	710
KYRGYZSTAN	KGS				4,200				114.0	120
MOLDOVA	MDL				699.0				42.0	45.0

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. Bosnia & Herz. is Bosnia & Herzegovina

Source: PMI affiliates

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IQOS Retail Selling Prices: Eastern Europe (cont.)

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
MONTENEGRO	EUR				50.0				2.80	3.50
N. MACEDONIA	MKD				2,600				150.0	160.0
RUSSIA ^(b)	RUB	2,990			2,490				170.0	219.0
SERBIA	RSD				5,000				330.0	410.0
UKRAINE ^(c)	UAH				999.0				75.0	80.0
UZBEKISTAN	UZS				540,000				15,500	15,000

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

(b) HTU RSPs: RUB 170/pack for HEETS; RUB 190/pack for HEETS Creations

(c) Effective recommended RSPs for HTUs and effective maximum RSP for Marlboro cigarette packs (both reflecting the price to adult smokers including 5% sales tax)

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: Middle East & Africa

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
BAHRAIN	BHD				28.0				2.00	2.40
EGYPT	EGP				1,300				40.0	48.0
JORDAN	JOD				50.0				2.00	2.40
KUWAIT	KWD				25.0				0.80	0.90
LEBANON	LBP				1,800,000				53,000	70,750
MOROCCO	MAD				450.0				35.0	38.0
PALESTINE	ILS				240.0				23.0	26.0
REUNION	EUR				69.0				10.0	12.1

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: Middle East & Africa (cont.)

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
SAUDI ARABIA	SAR				280.0				25.0	28.0
SOUTH AFRICA	ZAR		550.0		750.0				43.0	54.0
TUNISIA	TND				250.0				8.8	9.2
TURKISH CYPRUS	TRY				949.0				28.0	29.0
UAE	AED				300.0				20.0	22.0

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. UAE is the United Arab Emirates

Source: PMI affiliates

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IQOS Retail Selling Prices: South & Southeast Asia

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
MALDIVES	MVR				1,700				85.0	95.0
PHILIPPINES	PHP				2,990				140.0	160.0

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: East Asia & Australia

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
JAPAN ^(b)	JPY		4,980		6,980	9,980	6,980	3,980	530/550 580/600	600
MALAYSIA	MYR				299.0				14.0	17.4
NEW ZEALAND ^(c)	NZD		99.0		139.0				16.0	39.2
SOUTH KOREA ^(d)	KRW				59,000				4,500	4,500

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

(b) HTU RSPs: SENTIA - JPY 530/pack; HEETS - JPY 550/pack; TERE - JPY 580/pack; MARLBORO HeatSticks - JPY 600/pack.

(c) On e-commerce, HTUs are sold at a bundle offer of NZD 150 for 10 packs

(d) HTU RSPs: TERE is expected to launch in November 2022 at KRW 4,800/pack

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack

Source: PMI affiliates

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IQOS Retail Selling Prices: Americas

(October 1, 2022)

		RSP ^(a)								
		IQOS Kit							Pack	
Market	Currency	2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
ARUBA	AWG				140.0				14.0	15.5
CANADA ^(b)	CAD		45.19		56.49				8.41	15.72
COLOMBIA	COP	115,000			180,000				7,500	9,000
COSTA RICA	CRC				37,500				2,200	2,300
CURACAO	ANG	100.0			140.0				11.50	13.50
DOMINICAN REP.	DOP	2,000			3,000				250.0	280
GUATEMALA	GTQ	275.0			390.0				22.0	26.0
MEXICO ^(c)	MXN	799.0			1,399				63.0	70.0

(a) Either a RSP, a recommended RSP or a maximum RSP, where applicable

(b) RSPs are for the Province of Ontario. HTU RSP is per 20 sticks equivalent based on individual 180s selling unit. HTUs are sold in cartons of 10 packs of 18 units (180s), and 3 packs of 18 units (54s), for CAD 66.99 and CAD 26.09 plus VAT (13%).

Cigarette RSP for pack of 20 cigarettes equivalent (RBH brand: Belmont 20s). Includes 13% VAT

(c) HTU RSP is for direct channels only. The HTU RSP for indirect channels is MXN 66.00

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. Dominican Rep. is Dominican Republic

Source: PMI affiliates

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LIL SOLID/HYBRID Retail Selling Prices

(October 1, 2022)

Market	Currency	LIL HYBRID	HTU Pack (Miix)	Cartridge	LIL SOLID	HTU Pack (Fiit)
ALBANIA	ALL				2,000	250.0
ARMENIA	AMD				9,999	650.0
BOSNIA & HERZ.	BAM				40.0	5.60
BULGARIA	BGN				50.0	5.20
CANARY ISLANDS	EUR				19.0	2.50
CYPRUS	EUR				29.0	3.50
CZECH REPUBLIC	CZK				490.0	99.0
GEORGIA	GEL				79	6.3
GREECE	EUR				29.0	3.50
GUATEMALA	GTQ				195.0	17.00
ITALY	EUR				39.0	4.50
JAPAN	JPY	3,980	510	80.0		
KAZAKHSTAN	KZT				8,500	660.0
KYRGYZSTAN	KGS				2,000	104.0
LEBANON	LBP				800,000	40,750

Note: Unless otherwise stated, 20 HTUs per pack. Bosnia & Herz. is Bosnia & Herzegovina
Source: PMI affiliates

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LIL SOLID/HYBRID Retail Selling Prices (cont.)

(October 1, 2022)

Market	Currency	LIL HYBRID	HTU Pack (Miix)	Cartridge	LIL SOLID	HTU Pack (Fiit)
LITHUANIA	EUR				19.0	2.99
MALAYSIA	MYR				99.0	12.0
MOLDOVA	MDL				399.0	37.0
MONTENEGRO	EUR				25.0	2.60
N. MACEDONIA	MKD				1,250	120.0
POLAND	PLN				49.0	10.99
PORTUGAL	EUR				19.0	4.00
ROMANIA	RON				99.0	18.0
RUSSIA	RUB				1,490/1,990 ^(a)	150.0
SERBIA	RSD				2,000	310.0
SLOVAK REPUBLIC	EUR				19.0	3.50
TURKISH CYPRUS	TRY				499.0	26.0
UKRAINE	UAH	399.0	65.0	5.00	599.0	73.0
UZBEKISTAN	UZS				250,000	13,500

(a) LIL 1.0 / LIL 2.0

Note: Unless otherwise stated, 20 HTUs per pack. Listed prices for Russia and Ukraine. N. Macedonia is North Macedonia
Source: PMI affiliates

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IQOS VEEV / VEEBA Retail Selling Prices

(October 1, 2022)

Market	Currency	Kit	Flavor Pod
CANADA (VEEV)	CAD	22.59	14.68/Pack (7.34/pod)
CANADA (VEEBA)	CAD	11.29	-
CROATIA	HRK	200.0	39.0/pack (19.50/pod)
CZECH REPUBLIC	CZK	599.0	179.0/pack (89.50/pod)
FINLAND	EUR	35.0	8.00/pack (4.00/pod)
FRANCE	EUR	10.0	8.00/pack (4.00/pod)
GREECE	EUR	25.0	6.00/pack (3.00/pod)
ITALY	EUR	25.0	9.00/pack (4.50/pod)
NEW ZEALAND	NZD	19.99	12.99 ^(a) /pack (6.50/pod)
SLOVAK REPUBLIK	EUR	19.0	2.95/pack (1.50/pod)
UKRAINE	UAH	399.0	199.0/pack (99.5/pod)

(a) Average of 3 prices offered for VEEV pods. Flavored: NZD 14.99; Mint/Menthol: NZD 13.99; Tobacco: NZD 9.99
Source: PMI affiliates

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Shiro Retail Selling Prices

(October 1, 2022)

Market	Currency	Slim	Mini
AUSTRIA	EUR	6.00	5.00
DENMARK	DKK	42.0-45.0 ^(b)	42.0
ESTONIA	EUR	4.99	4.49
FINLAND ^(a)	-	-	-
HUNGARY	HUF	1,940.00	-
ICELAND ^(c)	ISK	744	-
LATVIA	EUR	4.99	4.49
NORWAY ^(c)	NOK	61.0	-
SLOVENIA	EUR	4.50	-
SWEDEN ^(c)	SEK	46.10	46.10

(a) Travel Business only

(b) Strength dependent

(c) Free pricing

Source: PMI affiliates

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PMI Cigarettes Retail Selling Prices in Select Markets

(October 1, 2022)

		Above Premium	Premium	Mid-Price	Low-Price
Argentina ^(a)	ARS	<i>Parliament</i> 455.0	<i>Marlboro</i> 420.0	<i>Philip Morris</i> 340.0	<i>Chesterfield</i> 280.0
Australia ^(b)	AUD		<i>Marlboro</i> 42.12	<i>Peter Jackson</i> 37.13	<i>Bond Street</i> 31.75
Egypt	EGP	<i>Merit</i> 52.0	<i>Marlboro</i> 48.0	<i>L&M</i> 35.0	
France	EUR		<i>Marlboro</i> 10.50	<i>Philip Morris Blue</i> 10.2	<i>Philip Morris Filter Kings, /Chesterfield / L&M</i> 10.0
Germany	EUR	<i>Parliament</i> 8.00	<i>Marlboro</i> 7.60		<i>Chesterfield / L&M</i> 7.20
Indonesia ^(c)	IDR		<i>Sampoerna A Mild</i> 27,543	<i>Sampoerna A Ultra Mild</i> 24,462	<i>DSS Magnum Mild</i> 24,039
Italy	EUR		<i>Marlboro</i> 6.00		<i>Chesterfield / Philip Morris / L&M</i> 5.00
Japan ^(d)	JPY		<i>Marlboro Parliament</i> 600.0 580.0	<i>Lark</i> 540.0	<i>Philip Morris</i> 430.0

(a) RSPs for Philip Morris and Chesterfield are for the soft pack (best-selling variant)

(b) Australia Recommended RSP. Actual RSP may differ. Price for pack of 20 cigarettes equivalent (Marlboro 25s; Peter Jackson 30s and Bond Street 40s)

(c) Based on Nielsen September 2022 estimates. Reflects average observed retail selling prices. 16 cigarettes per pack. SKM low tar category segment

(d) RSPs for Marlboro regular and Parliament KS

Note: 20 cigarettes per pack unless otherwise stated. Low includes super-low. DSS is Dji Sam Soe

Source: PMI affiliates and Nielsen

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PMI Cigarettes Retail Selling Prices in Select Markets (cont.)

(October 1, 2022)

		Above Premium	Premium	Mid-Price	Low-Price
Mexico	MXN		<i>Marlboro</i> 70.0	<i>Marlboro Vista</i> 63.0	<i>Chesterfield</i> 56.0
Philippines ^(a)	PHP		<i>Marlboro</i> 160.0		<i>Fortune</i> 120.0
Poland	PLN		<i>Marlboro</i> 18.5	<i>L&M</i> 16.50	<i>Chesterfield</i> 14.99
Russia	RUB	<i>Parliament</i> 249.0	<i>Marlboro</i> 219.0	<i>Marlboro Crafted</i> 219.0	<i>Chesterfield Selection Compact^(b)</i> 149.0
South Korea	KRW		<i>Marlboro</i> 4,500		
Spain	EUR		<i>Marlboro</i> 5.00	<i>Chesterfield</i> 4.85	<i>L&M</i> 4.60
Turkey	TRY	<i>Parliament</i> 31.5	<i>Marlboro</i> 31.0	<i>Muratti</i> 29.0	<i>L&M</i> 27.5

(a) RSPs now reflect an equivalent price per cigarette, based on a per stick retail basis

(b) Best-selling variant in low segment

Note: 20 cigarettes per pack unless otherwise stated. Low includes super-low

Source: PMI affiliates

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Glossary: General Terms

- "PMI" refers to Philip Morris International Inc. and its subsidiaries. Trademarks and service marks that are the registered property of, or licensed by, the subsidiaries of PMI, are italicized
- Until March 28, 2008, PMI was a wholly owned subsidiary of Altria Group, Inc. ("Altria"). Since that time the company has been independent and is listed on the New York Stock Exchange (ticker symbol "PM")
- Comparisons are made to the same prior-year period unless otherwise stated
- References to total industry, total market, PMI shipment volume and PMI market share performance reflect cigarettes and heated tobacco units, unless otherwise stated
- As of the first quarter of 2022, total industry volume, PMI in-market sales volume and PMI market share for the following geographies include the cigarillo category in Japan: the total international market, East Asia & Australia Region, and Japanese domestic market
- References to total international market, defined as worldwide cigarette and heated tobacco unit volume excluding the U.S., total industry, total market and market shares are PMI estimates for tax-paid products based on the latest available data from a number of internal and external sources and may, in defined instances, exclude the People's Republic of China and/or PMI's duty free business
- 2021 and 2022 estimates for total industry volume and market share in certain geographies reflect limitations on the availability and accuracy of industry data during pandemic-related restrictions
- "OTP" is defined as "other tobacco products," primarily roll-your-own and make-your-own cigarettes, pipe tobacco, cigars and cigarillos, and does not include reduced-risk products
- "Combustible products" is the term PMI uses to refer to cigarettes and OTP, combined
- In-market sales, or "IMS," is defined as sales to the retail channel, depending on the market and distribution model
- "Total shipment volume" is defined as the combined total of cigarette shipment volume and heated tobacco unit shipment volume
- In the third quarter of 2021, PMI acquired Fertin Pharma A/S, Vectura Group plc. and OtiTopic, Inc. On March 31, 2022, PMI launched a new Wellness and Healthcare business consolidating these entities, Vectura Fertin Pharma. The operating results of this new business are reported in the Wellness and Healthcare segment. The business operations of PMI's Wellness and Healthcare segment are managed and evaluated separately from the geographical segments
- "RBH" refers to PMI's Canadian subsidiary, Rothmans, Benson & Hedges Inc.
- The Companies' Creditors Arrangement Act (CCAA) is a Canadian federal law that permits a Canadian business to restructure its affairs while carrying on its business in the ordinary course 111

Glossary: General Terms (cont.)

- "EU" is defined as the European Union Region
- "EE" is defined as the Eastern Europe Region
- "ME&A" is defined as the Middle East & Africa Region and includes PMI's duty free business
- "S&SA" is defined as the South & Southeast Asia Region
- "EA&A" is defined as the East Asia & Australia Region
- "AMCS" is defined as the Americas Region. It refers to the former Latin America & Canada segment, which was renamed as the Americas segment as of the third quarter of 2021. References to "Americas" may, in defined instances, exclude the U.S.
- Following the deconsolidation of PMI's Canadian subsidiary, Rothmans, Benson & Hedges, Inc. (RBH), PMI will continue to report the volume of brands sold by RBH for which other PMI subsidiaries are the trademark owner. These include HEETS, Next, Philip Morris and Rooftop
- From time to time, PMI's shipment volumes are subject to the impact of distributor inventory movements, and estimated total industry/market volumes are subject to the impact of inventory movements in various trade channels that include estimated trade inventory movements of PMI's competitors arising from market specific factors that significantly distort reported volume disclosures. Such factors may include changes to the manufacturing supply chain, shipment methods, consumer demand, timing of excise tax increases or other influences that may affect the timing of sales to customers. In such instances, in addition to reviewing PMI shipment volumes and certain estimated total industry/market volumes on a reported basis, management reviews these measures on an adjusted basis that excludes the impact of distributor and/or estimated trade inventory movements. Management also believes that disclosing PMI shipment volumes and estimated total industry/market volumes in such circumstances on a basis that excludes the impact of distributor and/or estimated trade inventory movements, such as on an IMS basis, improves the comparability of performance and trends for these measures over different reporting periods
- "ESG" stands for environmental, social, and governance
- "Illicit trade" refers to domestic non-tax paid products
- "SoM" stands for share of market
- "RSP" stands for retail selling price

Glossary: Financial Terms

- Net revenues related to combustible products refer to the operating revenues generated from the sale of these products, including shipping and handling charges billed to customers, net of sales and promotion incentives, and excise taxes. PMI recognizes revenue when control is transferred to the customer, typically either upon shipment or delivery of goods
- Net revenues related to RRPs represent the sale of heated tobacco units, heat-not-burn devices and related accessories, and other nicotine-containing products, primarily e-vapor and oral nicotine products, including shipping and handling charges billed to customers, net of sales and promotion incentives, and excise taxes. PMI recognizes revenue when control is transferred to the customer, typically either upon shipment or delivery of goods
- Net revenues related to Wellness and Healthcare segment primarily consist of operating revenues generated from the sale of inhaled therapeutics and oral and intra-oral delivery systems that are included in the operating results of PMI's new Wellness and Healthcare business, Vectura Fertin Pharma
- Net revenues related to Smoke-Free Products include RRP net revenues and Wellness and Healthcare net revenues
- Adjusted net revenues exclude the impact related to the Saudi Arabia customs assessments
- "COGS" stands for Cost Of Goods Sold
- "SG&A" stands for selling, general & administrative
- "Adjusted Operating Income Margin" is calculated as adjusted operating income, divided by adjusted net revenues
- "Net debt" is defined as total debt, less cash and cash equivalents
- Growth rates presented on an organic basis reflect adjusted results, excluding currency, acquisitions and disposals

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Glossary: Financial Terms (cont.)

- Management reviews net revenues, operating income, operating income margin, operating cash flow and earnings per share, or "EPS," on an adjusted basis, which may exclude the impact of currency and other items such as acquisitions, asset impairment and exit costs, tax items and other special items. Additionally, starting in 2022 and on a comparative basis, for these measures other than net revenues and operating cash flow, PMI will include adjustments to add back amortization expense on, and impairment of, acquisition related intangible assets that are recorded as part of purchase accounting and contribute to PMI's revenue generation, as well as impairment of intangible assets, if any. Currency-neutral and organic growth rates reflect the way management views underlying performance for these measures. PMI believes that such measures provide useful insight into underlying business trends and results. Management reviews these measures because they exclude changes in currency exchange rates and other factors that may distort underlying business trends, thereby improving the comparability of PMI's business performance between reporting periods. Furthermore, PMI uses several of these measures in its management compensation program to promote internal fairness and a disciplined assessment of performance against company targets. PMI discloses these measures to enable investors to view the business through the eyes of management
- The company believes that operating income / EPS adjusted for the amortization and impairment of acquired intangibles better reflects the underlying performance of the business and provides a better comparison to past operating performance. This partly reflects the non-cash nature of amortization expense. In addition, amortization of intangibles is driven by the purchase price allocated to a specific asset and is varied across acquisitions because of unique facts and circumstances, timing and terms of acquisition which result in amortization charges that could be inconsistent in size as compared to the revenues generated by those assets
- "Fair value adjustment for equity security investments" reflects the adjustment resulting from share price movements in passive investments for publicly traded entities that are not controlled or influenced by PMI. Under U.S. GAAP, such adjustments are required, since January 1, 2018, to be reflected directly in the income statement

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Glossary: Reduced-Risk Products

- Reduced-risk products ("RRPs") is the term PMI uses to refer to products that present, are likely to present, or have the potential to present less risk of harm to smokers who switch to these products versus continuing smoking. PMI has a range of RRP in various stages of development, scientific assessment and commercialization. PMI's RRP are smoke-free products that contain and/or generate far lower quantities of harmful and potentially harmful constituents than found in cigarette smoke
- "Aerosol" refers to a gaseous suspension of fine solid particles and/or liquid droplets
- "Combustion" is the process of burning a substance in oxygen, producing heat and often light
- "Smoke" is a visible suspension of solid particles, liquid droplets and gases in air, emitted when a material burns
- "Heated tobacco units," or "HTUs," is the term PMI uses to refer to heated tobacco consumables, which include the company's *HEETS*, *HEETS Creations*, *HEETS Dimensions*, *HEETS Marlboro* and *HEETS FROM MARLBORO* (defined collectively as *HEETS*), *Marlboro Dimensions*, *Marlboro HeatSticks*, *Parliament HeatSticks*, *SENTIA* and *TEREA*, as well as the KT&G-licensed brands, *Fiit* and *Miix* (outside of South Korea)
- Unless otherwise stated, all references to *IQOS* are to PMI's Platform 1 *IQOS* devices and heated tobacco consumables
- *IQOS* heat-not-burn devices are precisely controlled heating devices into which a specially designed and proprietary tobacco units are inserted and heated to generate an aerosol
- "PMI heat-not-burn products" include licensed KT&G heat-not-burn products
- "PMI HTUs" include licensed KT&G HTUs
- HTU "offtake volume" represents the estimated retail offtake of HTUs based on a selection of sales channels that vary by market, but notably include retail points of sale and e-commerce platforms
- HTU "offtake share" represents the estimated retail offtake volume of HTUs divided by the sum of estimated total offtake volume for cigarettes and HTUs
- Market share for HTUs is defined as the in-market sales volume for HTUs as a percentage of the total estimated industry sales volume for cigarettes and HTUs. For Japan, total estimated industry sales volume also includes cigarillos

Glossary: Reduced-Risk Products (cont.)

- "Total *IQOS* users" is defined as the estimated number of Legal Age (minimum 18 years) users of PMI heat-not-burn products, for which PMI HTUs represented at least a portion of their daily tobacco consumption over the past seven days

The estimated number of adults who have "switched to *IQOS* and stopped smoking" reflects:

- for markets where there are no heat-not-burn products other than PMI heat-not-burn products: daily individual consumption of PMI HTUs represents the totality of their daily tobacco consumption in the past seven days
- for markets where PMI heat-not-burn products are among other heat-not-burn products: daily individual consumption of HTUs represents the totality of their daily tobacco consumption in the past seven days, of which at least 70% is PMI HTUs.

Note: The above *IQOS* user metrics reflect PMI estimates, which are based on consumer claims and sample-based statistical assessments with an average margin of error of +/-5% at a 95% Confidence Interval in key volume markets. The accuracy and reliability of *IQOS* user metrics may vary based on individual market maturity and availability of information

As of December 2020, PMI heat-not-burn products and HTUs include licensed KT&G heat-not-burn products and HTUs, respectively

- "FDA" stands for the U.S. Food & Drug Administration
- "MRTP" stands for Modified Risk Tobacco Product, the term used by the U.S. FDA to refer to RRP
- "MRTP application" stands for Modified Risk Tobacco Product application under section 911 of the FD&C Act
- "PMTA" stands for Premarket Tobacco Application under section 910 of the FD&C Act
- "Acquisition" refers to our efforts to switch LAS from smoking cigarettes to RRP or to switch LAU from competing smoke-free products to PMI's RRP
- "Retention" refers to our efforts to deter LAU from going back to smoking cigarettes or from choosing a competing smoke-free product instead of a PMI RRP

Glossary: Reduced-Risk Products (cont.)

- "3R4F" is a reference cigarette for laboratory testing provided by the University of Kentucky. It is used for non-clinical investigations by tobacco manufacturers, contract and government laboratories, and academic institutions
- An "ambulatory study" is a study carried out under real world (actual use) conditions as opposed to a confined setting in a clinic
- A "biomarker" is used as a measure of how well the body responds to a treatment for a disease or condition. Biomarkers can be classified into biomarkers of exposure and clinical risk markers
- "Biomarkers of exposure" indicates exposure to a potentially hazardous substance
- "Clinical risk markers" represents a measurable biochemical, physiological, behavioral, or other alteration within an organism that, depending upon the magnitude, can be recognized as associated with an established or possible health impairment or disease
- "HPHCs" stands for harmful or potentially harmful constituents which have been identified as likely causes of tobacco related diseases
- "FDA" stands for the U.S. Food & Drug Administration
- "MRTP" stands for Modified Risk Tobacco Product, the term used by the U.S. FDA to refer to RRP
- "MRTP application" stands for Modified Risk Tobacco Product application under section 911 of the FD&C Act
- "PMTA" stands for Premarket Tobacco Application under section 910 of the FD&C Act
- "TPSAC" stands for the Tobacco Product Scientific Advisory Committee
- PMI presentation to TPSAC on MRTP applications for IQOS (January 24, 2018): <https://www.pmiscience.com/news/pmi-presents-our-modified-risk-tobacco-product-application-iqos-tobacco-products-scientific>
- FDA press release on PMTA applications for IQOS (April 30, 2019): <https://www.fda.gov/news-events/press-announcements/fda-permits-sale-iqos-tobacco-heating-system-through-premarket-tobacco-product-application-pathway>

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PMI: Peer Group

- | | |
|----------------------------------|--------------------------|
| • Altria | • Kimberly-Clark |
| • Anheuser-Busch InBev | • Kraft-Heinz |
| • BAT | • McDonald's |
| • Coca-Cola | • Mondelēz International |
| • Colgate-Palmolive | • Nestlé |
| • Diageo | • PepsiCo |
| • Heineken | • Procter & Gamble |
| • Imperial Brands ^(a) | • Roche |
| • Japan Tobacco | • Unilever |
| • Johnson & Johnson | |

(a) Formerly Imperial Tobacco
Source: Form 10-K for the year ended December 31, 2021 (p. 17)

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Reported Diluted EPS to Reported Diluted EPS, excluding Currency,
and Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS, excluding Currency
(Unaudited)

	Quarters Ended September 30,			Year Ended 2021
	2022	2021	% Change	
Reported Diluted EPS	\$ 1.34	\$ 1.55	(13.5)%	
Less: Currency	(0.19)			
Reported Diluted EPS, excluding Currency	\$ 1.53	\$ 1.55	(1.3)%	
	Quarters Ended September 30,			Year Ended 2021
	2022	2021	% Change	
Reported Diluted EPS	\$ 1.34	\$ 1.55	(13.5)%	\$ 5.83
Asset impairment and exit costs	-	0.02		0.12
Amortization and impairment of intangibles	0.08	0.01		0.05
Saudi Arabia customs assessments	-	-		0.14
Equity investee ownership dilution	-	(0.02)		(0.04)
Asset acquisition cost	-	0.03		0.03
Costs associated with Swedish Match AB offer	0.11	-		-
Adjusted Diluted EPS	\$ 1.53	\$ 1.59	(3.8)%	\$ 6.13
Less: Currency	(0.19)			
Adjusted Diluted EPS, excluding Currency	\$ 1.72	\$ 1.59	8.2%	

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Adjustments for the Impact of Russia and Ukraine, excluding Currency
(Unaudited)

	Quarters Ended September 30,			Variance excluding Currency
	2022	2021	Currency	
Adjusted Diluted EPS^(a)	\$ 1.53	\$ 1.59	\$ (0.19)	8.2%
Net Earnings attributable to Russia and Ukraine	0.20	0.15	0.04	
Pro Forma Adjusted Diluted EPS	\$ 1.33	\$ 1.44	\$ (0.23)	8.3%

(a) For the calculation of Adjusted Diluted EPS, see slide 119

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Net Revenues by Product Category and Adjustments of Net Revenues for the Impact of Currency and Acquisitions (\$ in millions) / (Unaudited)

Net Revenues	Currency	Net Revenues excluding Currency	Acquisitions	Net Revenues excluding Currency & Acquisitions	Quarters Ended September 30,	Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions
2022					Combustible Products	2021	% Change		
\$ 1,862	\$(276)	\$ 2,139	\$ 1	\$ 2,138	European Union	\$ 2,170	(14.2)%	(1.5)%	(1.5)%
732	46	686	-	686	Eastern Europe	635	15.4%	8.1%	8.1%
909	(51)	960	-	960	Middle East & Africa	901	0.9%	6.6%	6.6%
1,132	(75)	1,206	-	1,206	South & Southeast Asia	1,061	6.6%	13.7%	13.7%
515	(57)	572	-	572	East Asia & Australia	591	(13.0)%	(3.3)%	(3.3)%
463	(7)	470	-	470	Americas	438	5.8%	7.3%	7.3%
\$ 5,613	\$(419)	\$ 6,032	\$ 1	\$ 6,032	Total Combustible	\$ 5,796	(3.2)%	4.1%	4.1%
2022					Reduced-Risk Products	2021	% Change		
\$ 1,212	\$(189)	\$ 1,400	\$ 2	\$ 1,398	European Union	\$ 1,022	18.6%	37.1%	36.8%
377	33	344	-	344	Eastern Europe	306	23.0%	12.4%	12.4%
71	(6)	77	-	77	Middle East & Africa	44	60.2%	73.1%	73.1%
6	-	7	-	7	South & Southeast Asia	4	63.0%	71.8%	71.8%
685	(104)	789	-	789	East Asia & Australia	932	(26.4)%	(15.3)%	(15.3)%
11	-	11	-	11	Americas	18	(39.9)%	(37.5)%	(37.5)%
\$ 2,362	\$(267)	\$ 2,629	\$ 2	\$ 2,626	Total RRP	\$ 2,326	1.6%	13.0%	12.9%
2022					Wellness and Healthcare	2021	% Change		
\$ 57	\$(1)	\$ 58	\$ 47	\$ 11	Wellness and Healthcare	\$ -	-	-	-
2022					PMI	2021	% Change		
\$ 3,074	\$(465)	\$ 3,539	\$ 3	\$ 3,536	European Union	\$ 3,192	(3.7)%	10.9%	10.8%
1,109	79	1,030	-	1,030	Eastern Europe	941	17.9%	9.5%	9.5%
980	(57)	1,037	-	1,037	Middle East & Africa	945	3.7%	9.7%	9.7%
1,138	(75)	1,213	-	1,213	South & Southeast Asia	1,065	6.9%	13.9%	13.9%
1,200	(161)	1,361	-	1,361	East Asia & Australia	1,523	(21.2)%	(10.6)%	(10.6)%
474	(7)	481	-	481	Americas	456	3.9%	5.5%	5.5%
57	(1)	58	47	11	Wellness and Healthcare	-	-	-	-
\$ 8,032	\$(687)	\$ 8,719	\$ 50	\$ 8,669	Total PMI	\$ 8,122	(1.1)%	7.4%	6.7%

Note: Sum of product categories or Regions might not foot to Total PMI due to rounding. "-" indicates amounts between -\$0.5 million and +\$0.5 million

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Net Revenues to Adjusted Net Revenues, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Net Revenues	Special Items	Adjusted Net Revenues	Currency	Adjusted Net Revenues excluding Currency	Acquisitions	Adjusted Net Revenues excluding Currency & Acquisitions	Net Revenues	Special Items	Adjusted Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions
2022							Quarters Ended September 30,		2021		% Change	
\$ 3,074	\$ -	\$ 3,074	\$(465)	\$ 3,539	\$ 3	\$ 3,536	European Union	\$ 3,192	\$ -	\$ 3,192	(3.7)%	10.9%
1,109	-	1,109	79	1,030	-	1,030	Eastern Europe	941	-	941	17.9%	9.5%
980	-	980	(57)	1,037	-	1,037	Middle East & Africa	945	-	945	3.7%	9.7%
1,138	-	1,138	(75)	1,213	-	1,213	South & Southeast Asia	1,065	-	1,065	6.9%	13.9%
1,200	-	1,200	(161)	1,361	-	1,361	East Asia & Australia	1,523	-	1,523	(21.2)%	(10.6)%
474	-	474	(7)	481	-	481	Americas	456	-	456	3.9%	5.5%
57	-	57	(1)	58	47	11	Wellness and Healthcare	-	-	-	-	-
\$ 8,032	\$ -	\$ 8,032	\$(687)	\$ 8,719	\$ 50	\$ 8,669	Total PMI	\$ 8,122	\$ -	\$ 8,122	(1.1)%	7.4%

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Operating Income to Adjusted Operating Income, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Operating Income	Asset Impairment & Exit Costs and Others ^(a)	Adjusted Operating Income	Currency	Adjusted Operating Income excluding Currency	Acquisitions	Adjusted Operating Income excluding Currency & Acquisitions		Operating Income	Asset Impairment & Exit Costs and Others ^(b)	Adjusted Operating Income	Total	Excluding Currency	Excluding Currency & Acquisitions
2022							Quarters Ended September 30,	2021			% Change		
\$ 1,395	\$ (105)	\$ 1,500	\$ (318)	\$ 1,818	\$ -	\$ 1,818	European Union	\$ 1,680	\$ (20)	\$ 1,700	(11.8)%	6.9%	6.9%
425	(29)	454	74	380	-	\$ 380	Eastern Europe	338	(2)	340	33.5%	11.8%	11.8%
432	(26)	458	(2)	460	-	\$ 460	Middle East & Africa	388	(5)	393	16.5%	17.0%	17.0%
384	(28)	412	(31)	443	-	\$ 443	South & Southeast Asia	348	(9)	357	15.4%	24.1%	24.1%
398	(40)	438	(105)	543	-	\$ 543	East Asia & Australia	631	(22)	653	(32.9)%	(16.8)%	(16.8)%
85	(13)	98	2	96	-	\$ 96	Americas	121	(3)	124	(21.0)%	(22.6)%	(22.6)%
(151)	(121)	(30)	2	(32)	(17)	\$ (15)	Wellness and Healthcare	(51)	(51)	-	-	-	-
\$ 2,968	\$ (362)	\$ 3,330	\$ (378)	\$ 3,708	\$ (17)	\$ 3,725	Total PMI	\$ 3,455	\$ (112)	\$ 3,567	(6.6)%	4.0%	4.4%

(a) Third-Quarter 2022: charges related to the war in Ukraine (\$6 million), amortization and impairment of intangibles (\$139 million) and cost associated with Swedish Match AB offer (\$217 million)

(b) Third-Quarter 2021: asset impairment and exit costs (\$43 million), amortization and impairment of intangibles (\$18 million) and asset acquisition cost (\$51 million)

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Adjusted Operating Income Margin, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Adjusted Operating Income ^(a)	Adjusted Net Revenues ^(b)	Adjusted Operating Income Margin	Adjusted Operating Income excluding Currency ^(a)	Adjusted Net Revenues excluding Currency ^(b)	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income excluding Currency & Acquisitions ^(a)	Adjusted Net Revenues excluding Currency & Acquisitions ^(b)	Adjusted Operating Income Margin excluding Currency & Acquisitions		Adjusted Operating Income ^(a)	Adjusted Net Revenues ^(b)	Adjusted Operating Income Margin	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income Margin excluding Currency & Acquisitions
2022									Quarters Ended September 30,	2021			% Points Change	
\$ 1,500	\$ 3,074	48.8%	\$ 1,818	\$ 3,539	51.4%	1,818	\$ 3,536	51.4%	European Union	\$ 1,700	\$ 3,192	53.3%	(4.5)	(1.9)
454	1,109	40.9%	380	1,030	36.9%	380	1,030	36.9%	Eastern Europe	340	941	36.1%	4.8	0.8
458	980	46.7%	460	1,037	44.4%	460	1,037	44.4%	Middle East & Africa	393	945	41.6%	5.1	2.8
412	1,138	36.2%	443	1,213	36.5%	443	1,213	36.5%	South & Southeast Asia	357	1,065	33.5%	2.7	3.0
438	1,200	36.5%	543	1,361	39.9%	543	1,361	39.9%	East Asia & Australia	653	1,523	42.9%	(6.4)	(3.0)
98	474	20.7%	96	481	20.0%	96	481	20.0%	Americas	124	456	27.2%	(6.5)	(7.2)
(30)	57	(52.6)%	(32)	58	(55.2)%	(15)	11	-(100)%	Wellness and Healthcare	-	-	-	-	-
\$ 3,330	\$ 8,032	41.5%	\$ 3,708	\$ 8,719	42.5%	\$ 3,725	\$ 8,669	43.0%	Total PMI	\$ 3,567	\$ 8,122	43.9%	(2.4)	(1.4)

(a) For the calculation of Adjusted Operating Income and Adjusted Operating Income excluding currency and acquisitions refer to slide 123

(b) For the calculation of Adjusted Net Revenues excluding currency and acquisitions refer to slide 122

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

PMI & EE Region - Adjustments for the Impact of Russia and Ukraine, excluding Currency and Acquisitions
(\$ in millions) / (Unaudited)

	Quarters Ended September 30,				Variance excluding Currency & Acqui- sitions
	2022	2021	Currency	Acqui- sitions	
PMI					
Adjusted Net Revenues ^(a)	\$ 8,032	\$ 8,122	\$ (687)	\$ 50	6.7%
Net Revenues attributable to Russia and Ukraine	786	653	103	-	
Pro Forma Adjusted Net Revenues	\$ 7,246	\$ 7,469	\$ (790)	\$ 50	6.9%
Adjusted Operating Income ^(b)	\$ 3,330	\$ 3,567	\$ (378)	\$ (17)	4.4%
Operating Income attributable to Russia and Ukraine	376	288	75	-	
Pro Forma Adjusted Operating Income	\$ 2,954	\$ 3,279	\$ (453)	\$ (17)	4.4%
Adjusted Operating Income Margin	41.50%	43.9%	(1.0)pp	(0.5)pp	(0.9)pp
Adjusted OI margin attributable to Russia and Ukraine	0.7pp	-	-	-	
Pro Forma Adjusted Operating Income Margin	40.8%	43.9%	(1.6)pp	(0.5)pp	(1.0)pp
Eastern Europe					
Adjusted Net Revenues ^(a)	\$ 1,109	\$ 941	\$ 79	\$ -	9.5%
Net Revenues attributable to Russia and Ukraine	786	653	103	-	
Pro Forma Adjusted Net Revenues	\$ 323	\$ 288	\$ (24)	\$ -	20.5%
Adjusted Operating Income ^(b)	\$ 454	\$ 340	\$ 74	\$ -	11.8%
Operating Income attributable to Russia and Ukraine	376	288	75	-	
Corporate expenses apportioned to Russia and Ukraine	(63)	(58)	5	-	
Pro Forma Adjusted Operating Income	\$ 141	\$ 110	\$ (6)	\$ -	33.6%
Adjusted Operating Income Margin	40.9%	36.1%	4.0pp	-	0.8pp
Adjusted OI margin attributable to Russia and Ukraine ^(c)	(2.8)pp	(2.1)pp	-	-	
Pro Forma Adjusted Operating Income Margin	43.7%	38.2%	1.3pp	-	4.2pp

(a) For the calculation of Adjusted Net Revenues, see slide 122

(b) For the calculation of Adjusted Operating Income, see slide 123

(c) Includes also impact of corporate expenses apportioned to Russia and Ukraine

Note: Sum might not foot to Total due to rounding, which could impact variance %

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Net Revenues by Product Category and Adjustments for the Impact of Russia and Ukraine
(\$ in millions) / (Unaudited)

	Quarters Ended September 30,				
	2022	2021	Currency	Acqui- sitions	Variance excluding Currency & Acqui- sitions
Combustible Products					
Adjusted Net Revenues	\$ 5,613	\$ 5,796	\$ (419)	\$ 1	4.1%
Net Revenues attributable to Russia and Ukraine	482	403	65	-	
Pro Forma Adjusted Net Revenues	\$ 5,131	\$ 5,393	\$ (484)	\$ 1	4.1%
Reduced-Risk Products					
Adjusted Net Revenues	\$ 2,362	\$ 2,326	\$ (267)	\$ 2	12.9%
Net Revenues attributable to Russia and Ukraine	304	250	38	-	
Pro Forma Adjusted Net Revenues	\$ 2,058	\$ 2,076	\$ (305)	\$ 2	13.7%
Wellness and Healthcare					
Adjusted Net Revenues	\$ 57	\$ -	\$ (1)	\$ 47	-
Net Revenues attributable to Russia and Ukraine	-	-	-	-	
Pro Forma Adjusted Net Revenues	\$ 57	\$ -	\$ (1)	\$ 47	-
PMI					
Adjusted Net Revenues ^(a)	\$ 8,032	\$ 8,122	\$ (687)	\$ 50	6.7%
Net Revenues attributable to Russia and Ukraine	786	653	103	-	
Pro Forma Adjusted Net Revenues	\$ 7,246	\$ 7,469	\$ (790)	\$ 50	6.9%

(a) For the calculation of Adjusted Net Revenues, see slide 122

Note: Sum of product categories might not foot to Total PMI due to rounding. "-" indicates amounts between -\$0.5 million and +\$0.5 million

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Reported Diluted EPS to Reported Diluted EPS, excluding Currency,
and Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS, excluding Currency
(Unaudited)

	Nine Months Ended September 30,		
	2022	2021	% Change
Reported Diluted EPS	\$ 4.27	\$ 4.48	(4.7)%
Less: Currency	(0.58)		
Reported Diluted EPS, excluding Currency	\$ 4.85	\$ 4.48	8.3%

	Nine Months Ended September 30,			Year Ended
	2022	2021	% Change	2021
Reported Diluted EPS	\$ 4.27	\$ 4.48	(4.7)%	\$ 5.83
Asset impairment and exit costs	-	0.09		0.12
Amortization and Impairment of intangibles	0.12	0.03		0.05
Saudi Arabia customs assessments	-	0.14		0.14
Equity investee ownership dilution	-	(0.02)		(0.04)
Asset acquisition cost	-	0.03		0.03
Costs associated with Swedish Match AB offer	0.13	-		-
Charges related to the war in Ukraine	0.07	-		-
Fair value adjustment for equity security investments	0.03	-		-
Tax items	(0.03)	-		-
Adjusted Diluted EPS	\$ 4.59	\$ 4.75	(3.4)%	\$ 6.13
Less: Currency	(0.58)			
Adjusted Diluted EPS, excluding Currency	\$ 5.17	\$ 4.75	8.8%	

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Adjustments for the Impact of Russia and Ukraine, excluding Currency
(Unaudited)

	Nine Months Ended September 30,			
	2022	2021	Currency	Variance excluding Currency
Adjusted Diluted EPS^(a)	\$ 4.59	\$ 4.75	\$ (0.58)	8.8%
Net Earnings attributable to Russia and Ukraine	0.48	0.43	0.05	
Pro Forma Adjusted Diluted EPS	\$ 4.11	\$ 4.32	\$ (0.63)	9.7%

(a) For the calculation of Adjusted Diluted EPS, see slide 127

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Net Revenues by Product Category and Adjustments of Net Revenues for the Impact of Currency and Acquisitions (\$ in millions) / (Unaudited)

Net Revenues	Currency	Net Revenues excluding Currency	Acquisitions	Net Revenues excluding Currency & Acquisitions	Nine Months Ended September 30,	Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions
2022					Combustible Products	2021			
\$ 5,625	\$ (600)	\$ 6,226	\$ -	\$ 6,226	European Union	\$ 6,283	(10.5)%	(0.9)%	(0.9)%
1,774	15	1,759	-	1,759	Eastern Europe	1,681	5.5%	4.6%	4.6%
2,771	(241)	3,011	-	3,011	Middle East & Africa	2,208 ^(a)	25.5%	36.4%	36.4%
3,279	(157)	3,436	-	3,436	South & Southeast Asia	3,277	0.1%	4.9%	4.9%
1,644	(138)	1,782	-	1,782	East Asia & Australia	1,850	(11.2)%	(3.7)%	(3.7)%
1,339	(15)	1,354	-	1,354	Americas	1,278	4.8%	6.0%	6.0%
\$ 16,432	\$ (1,137)	\$ 17,569	\$ -	\$ 17,569	Total Combustible	\$ 16,577	(0.9)%	6.0%	6.0%
2022					Reduced-Risk Products	2021			
\$ 3,604	\$ (398)	\$ 4,001	\$ 10	\$ 3,991	European Union	\$ 2,967	21.4%	34.9%	34.5%
959	10	949	-	949	Eastern Europe	951	0.9%	(0.2)%	(0.2)%
206	(10)	217	-	217	Middle East & Africa	98	+100%	+100%	+100%
16	(1)	17	-	17	South & Southeast Asia	7	+100%	+100%	+100%
2,166	(241)	2,407	-	2,407	East Asia & Australia	2,659	(18.5)%	(9.5)%	(9.5)%
28	(1)	29	-	29	Americas	42.48	(34.2)%	(31.9)%	(31.9)%
\$ 6,979	\$ (640)	\$ 7,619	\$ 10	\$ 7,609	Total RRP	\$ 6,724	3.8%	13.3%	13.2%
2022					Wellness and Healthcare	2021			
\$ 199	\$ (1)	\$ 200	\$ 189	\$ 11	Wellness and Healthcare	\$ -	-	-	-
2022					PMI	2021			
\$ 9,229	\$ (998)	\$ 10,227	\$ 10	\$ 10,217	European Union	\$ 9,250	(0.2)%	10.6%	10.5%
2,733	25	2,708	-	2,708	Eastern Europe	2,632	3.8%	2.9%	2.9%
2,977	(251)	3,228	-	3,228	Middle East & Africa	2,306 ^(a)	29.1%	40.0%	40.0%
3,295	(158)	3,453	-	3,453	South & Southeast Asia	3,284	0.3%	5.1%	5.1%
3,810	(379)	4,189	-	4,189	East Asia & Australia	4,509	(15.5)%	(7.1)%	(7.1)%
1,367	(16)	1,383	-	1,383	Americas	1,320	3.6%	4.8%	4.8%
199	(1)	200	189	11	Wellness and Healthcare	-	-	-	-
\$ 23,610	\$ (1,778)	\$ 25,388	\$ 199	\$ 25,189	Total PMI	\$ 23,301	1.3%	9.0%	8.1%

(a) Includes a reduction in net revenues of \$246 million related to the Saudi Arabia customs assessments

Note: Sum of product categories or Regions might not foot to Total PMI due to rounding. "-" indicates amounts between -\$0.5 million and +\$0.5 million

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Net Revenues to Adjusted Net Revenues, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Net Revenues	Special Items	Adjusted Net Revenues	Currency	Adjusted Net Revenues excluding Currency	Acquisitions	Adjusted Net Revenues excluding Currency & Acquisitions	Net Revenues	Special Items	Adjusted Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions
2022							Nine Months Ended September 30,		2021		% Change	
\$ 9,229	\$ -	\$ 9,229	\$ (998)	\$ 10,227	\$ 10	\$ 10,217	European Union	\$ 9,250	\$ -	\$ 9,250	(0.2)%	10.6%
2,733	-	2,733	25	2,708	-	2,708	Eastern Europe	2,632	-	2,632	3.8%	2.9%
2,977	-	2,977	(251)	3,228	-	3,228	Middle East & Africa	2,306	(246) ^(a)	2,552	16.7%	26.5%
3,295	-	3,295	(158)	3,453	-	3,453	South & Southeast Asia	3,284	-	3,284	0.3%	5.1%
3,810	-	3,810	(379)	4,189	-	4,189	East Asia & Australia	4,509	-	4,509	(15.5)%	(7.1)%
1,367	-	1,367	(16)	1,383	-	1,383	Americas	1,320	-	1,320	3.6%	4.8%
199	-	199	(1)	200	189	11	Wellness and Healthcare	-	-	-	-	-
\$ 23,610	\$ -	\$ 23,610	\$ (1,778)	\$ 25,388	\$ 199	\$ 25,189	Total PMI	\$ 23,301	\$ (246)	\$ 23,547	0.3%	7.8%

(a) Represents the Saudi Arabia customs assessments

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Operating Income to Adjusted Operating Income, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Operating Income	Asset Impairment & Exit Costs and Others ^(a)	Adjusted Operating Income	Currency	Adjusted Operating Income excluding Currency	Acquisitions	Adjusted Operating Income excluding Currency & Acquisitions		Operating Income	Asset Impairment & Exit Costs and Others ^(b)	Adjusted Operating Income	Total	Excluding Currency	Excluding Currency & Acquisitions
2022							Nine Months Ended September 30,	2021			% Change		
\$ 4,441	\$ (146)	\$ 4,587	\$ (708)	\$ 5,295	\$ (2)	\$ 5,297	European Union	\$ 4,811	\$ (82)	\$ 4,893	(6.3)%	8.2%	8.3%
860	(158)	1,018	70	948	-	948	Eastern Europe	913	(12)	925	10.1%	2.5%	2.5%
1,451	(36)	1,487	(121)	1,608	-	1,608	Middle East & Africa	739	(265)	1,004	48.1%	60.2%	60.2%
1,135	(42)	1,177	(78)	1,255	-	1,255	South & Southeast Asia	1,208	(30)	1,238	(4.9)%	1.4%	1.4%
1,315	(51)	1,366	(261)	1,627	-	1,627	East Asia & Australia	2,041	(69)	2,110	(35.3)%	(22.9)%	(22.9)%
336	(19)	355	4	351	-	351	Americas	367	(13)	380	(6.6)%	(7.6)%	(7.6)%
(216)	(158)	(58)	2	(60)	(28)	(32)	Wellness and Healthcare	(51)	(51)	-	-	-	-
\$ 9,322	\$ (610) ^(a)	\$ 9,932	\$ (1,092)	\$ 11,024	\$ (30)	\$ 11,054	Total PMI	\$ 10,028	\$ (522) ^(b)	\$ 10,550	(5.9)%	4.5%	4.8%

(a) Nine Months Year-to-Date 2022: charges related to the war in Ukraine (\$128 million), amortization and impairment of intangibles (\$213 million) and cost associated with Swedish Match AB offer (\$269 million)

(b) Nine Months Year-to-Date 2021: asset impairment and exit costs (\$170 million), amortization and impairment of intangibles (\$55 million), asset acquisition cost (\$51 million) and Saudi Arabia customs assessment (\$246 million)

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Adjusted Operating Income Margin, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Adjusted Operating Income ^(a)	Adjusted Net Revenues ^(b)	Adjusted Operating Income Margin	Adjusted Operating Income excluding Currency ^(a)	Adjusted Net Revenues excluding Currency ^(b)	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income excluding Currency & Acquisitions ^(a)	Adjusted Net Revenues excluding Currency & Acquisitions ^(b)	Adjusted Operating Income Margin excluding Currency & Acquisitions		Adjusted Operating Income ^(a)	Adjusted Net Revenues ^(b)	Adjusted Operating Income Margin	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income Margin excluding Currency & Acquisitions
2022									Nine Months Ended September 30,	2021			% Points Change	
\$ 4,587	\$ 9,229	49.7%	\$ 5,295	\$ 10,227	51.8%	\$ 5,297	\$ 10,217	51.8%	European Union	\$ 4,893	\$ 9,250	52.9%	(3.2)	(1.1)
1,018	2,733	37.2%	948	2,708	35.0%	948	2,708	35.0%	Eastern Europe	925	2,632	35.1%	2.1	(0.1)
1,487	2,977	49.9%	1,608	3,228	49.8%	1,608	3,228	49.8%	Middle East & Africa	1,004	2,552	39.3%	10.6	10.5
1,177	3,295	35.7%	1,255	3,453	36.3%	1,255	3,453	36.3%	South & Southeast Asia	1,238	3,284	37.7%	(2.0)	(1.4)
1,366	3,810	35.9%	1,627	4,189	38.8%	1,627	4,189	38.8%	East Asia & Australia	2,110	4,509	46.8%	(10.9)	(8.0)
355	1,367	26.0%	351	1,383	25.4%	351	1,383	25.4%	Americas	380	1,320	28.8%	(2.8)	(3.4)
(58)	199	(29.1)%	(60)	200	(30.0)%	(32)	11	-(100)%	Wellness and Healthcare	-	-	-	-	-
\$ 9,932	\$ 23,610	42.1%	\$ 11,024	\$ 25,388	43.4%	\$ 11,054	\$ 25,189	43.9%	Total PMI	\$ 10,550	\$ 23,547	44.8%	(2.7)	(1.4)

(a) For the calculation of Adjusted Operating Income and Adjusted Operating Income excluding currency and acquisitions refer to slide 131

(b) For the calculation of Adjusted Net Revenues excluding currency and acquisitions refer to slide 130

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

PMI & EE Region - Adjustments for the Impact of Russia and Ukraine, excluding Currency and Acquisitions
(\$ in millions) / (Unaudited)

	Nine Months Ended September 30,				
	2022	2021	Currency	Acquisitions	Variance excluding Currency & Acquisitions
PMI					
Adjusted Net Revenues ^(a)	\$ 23,610	\$ 23,547	\$ (1,778)	\$ 199	7.0%
Net Revenues attributable to Russia and Ukraine	1,874	1,826	73	-	
Pro Forma Adjusted Net Revenues	\$ 21,736	\$ 21,721	\$ (1,851)	\$ 199	7.7%
Adjusted Operating Income ^(b)	\$ 9,932	\$ 10,550	\$ (1,092)	\$ (30)	4.8%
Operating Income attributable to Russia and Ukraine	870	772	87	-	
Pro Forma Adjusted Operating Income	\$ 9,062	\$ 9,778	\$ (1,179)	\$ (30)	5.0%
Adjusted Operating Income Margin	42.1%	44.8%	(1.3)pp	(0.5)pp	(0.9)pp
Adjusted OI margin attributable to Russia and Ukraine	0.4pp	(0.2)pp			
Pro Forma Adjusted Operating Income Margin	41.7%	45.0%	(1.7)pp	(0.5)pp	(1.1)pp
Eastern Europe					
Adjusted Net Revenues ^(a)	\$ 2,733	\$ 2,632	\$ 25	\$ -	2.9%
Net Revenues attributable to Russia and Ukraine	1,874	1,826	73	-	
Pro Forma Adjusted Net Revenues	\$ 859	\$ 806	\$ (48)	\$ -	12.5%
Adjusted Operating Income ^(b)	\$ 1,018	\$ 925	\$ 70	\$ -	2.5%
Operating Income attributable to Russia and Ukraine	870	772	87	-	
Corporate expenses apportioned to Russia and Ukraine	(195)	(166)	9	-	
Pro Forma Adjusted Operating Income	\$ 343	\$ 319	\$ (26)	\$ -	15.7%
Adjusted Operating Income Margin	37.2%	35.1%	2.2pp	-	(0.1)pp
Adjusted OI margin attributable to Russia and Ukraine ^(c)	(2.7)pp	(4.5)pp			
Pro Forma Adjusted Operating Income Margin	39.9%	39.6%	(0.8)pp	-	1.1pp

(a) For the calculation of Adjusted Net Revenues, see slide 130

(b) For the calculation of Adjusted Operating Income, see Schedule 131

(c) Includes also impact of corporate expenses apportioned to Russia and Ukraine

Note: Sum might not foot to Total due to rounding, which could impact variance %

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Net Revenues by Product Category and Adjustments for the Impact of Russia and Ukraine
(\$ in millions) / (Unaudited)

	Nine Months Ended September 30,				
	2022	2021	Currency	Acquisitions	Variance excluding Currency & Acquisitions
Combustible Products					
Adjusted Net Revenues	\$ 16,432	\$ 16,823	\$ (1,137)	\$ -	4.4%
Net Revenues attributable to Russia and Ukraine	1,119	1,047	50	-	
Pro Forma Adjusted Net Revenues	\$ 15,313	\$ 15,776	\$ (1,186)	\$ -	4.6%
Reduced-Risk Products					
Adjusted Net Revenues	\$ 6,979	\$ 6,724	\$ (640)	\$ 10	13.2%
Net Revenues attributable to Russia and Ukraine	755	779	23	-	
Pro Forma Adjusted Net Revenues	\$ 6,224	\$ 5,945	\$ (664)	\$ 10	15.7%
Wellness and Healthcare					
Adjusted Net Revenues	\$ 199	\$ -	\$ (1)	\$ 189	-
Net Revenues attributable to Russia and Ukraine	-	-	-	-	
Pro Forma Adjusted Net Revenues	\$ 199	\$ -	\$ (1)	\$ 189	-
PMI					
Adjusted Net Revenues ^(a)	\$ 23,610	\$ 23,547	\$ (1,778)	\$ 199	7.0%
Net Revenues attributable to Russia and Ukraine	1,874	1,826	73	-	
Pro Forma Adjusted Net Revenues	\$ 21,736	\$ 21,721	\$ (1,851)	\$ 199	7.7%

(a) For the calculation of Adjusted Net Revenues, see slide 130

Note: Sum of product categories might not foot to Total PMI due to rounding. "-" indicates amounts between -\$0.5 million and +\$0.5 million

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

PMI Shipment Volume Adjusted for the Impact of Russia and Ukraine
(\$ in millions) / (Unaudited)

Quarters Ended September 30,			Nine Months Ended September 30,		
2022	2021	% Change	2022	2021	% Change
Cigarettes					
161,966	164,843	(1.7)%	467,882	466,493	0.3%
13,691	14,959		37,334	40,354	
1,628	3,009		5,170	8,167	
146,647	146,874	(0.2)%	425,378	417,972	1.8%
Heated Tobacco Units					
27,508	23,489	17.1%	77,148	69,579	10.9%
4,016	3,797		11,283	11,661	
1,101	1,320		3,298	3,866	
22,391	18,373	21.9%	62,567	54,053	15.8%
Cigarettes & HTU					
189,474	188,332	0.6%	545,030	536,072	1.7%
17,707	18,756		48,616	52,015	
2,729	4,329		8,468	12,032	
169,038	165,247	2.3%	487,945	472,025	3.4%

Note: Sum of product categories might not foot to Total PMI due to rounding

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Net Revenues by Product Category
(\$ in millions) / (Unaudited)

Years Ended December 31,	Net Revenues						
	2021	2020	2019	2018	2017	2016	2015
Combustible Products							
European Union	\$ 8,211	\$ 8,053	\$ 8,093	\$ 8,435	\$ 8,048	\$ 8,105	\$ 8,039
Eastern Europe	2,240	2,250	2,438	2,597	2,657	2,478	2,735
Middle East & Africa	3,148 ^(a)	3,031	3,721	3,732	3,893	4,513	4,629
South & Southeast Asia	4,385	4,395	5,094	4,656	4,417	4,396	4,288
East Asia & Australia	2,414	2,468	2,693	3,073	3,156	3,619	3,880
Americas	1,790	1,670	2,179	3,037	2,937	2,841	3,159
Total RRP's	\$ 22,190	\$ 21,867	\$ 24,218	\$ 25,530	\$ 25,107	\$ 25,952	\$ 26,730
Reduced-Risk Products							
European Union	\$ 4,064	\$ 2,649	\$ 1,724	\$ 865	\$ 269	\$ 57	\$ 29
Eastern Europe	1,304	1,128	844	324	55	6	-
Middle East & Africa	145	57	321	382	94	4	-
South & Southeast Asia	11	1	-	-	-	-	-
East Asia & Australia	3,539	2,961	2,671	2,506	3,218	666	35
Americas	53	31	27	19	4	1	-
Total RRP's	\$ 9,115	\$ 6,827	\$ 5,587	\$ 4,096	\$ 3,640	\$ 733	\$ 64
Wellness & Healthcare							
Wellness & Healthcare	\$ 101	-	-	-	-	-	-
PMI							
European Union	\$ 12,275	\$ 10,702	\$ 9,817	\$ 9,298	\$ 8,318	\$ 8,162	\$ 8,068
Eastern Europe	3,544	3,378	3,282	2,921	2,711	2,484	2,735
Middle East & Africa	3,293 ^(a)	3,088	4,042	4,114	3,988	4,516	4,629
South & Southeast Asia	4,396	4,396	5,094	4,656	4,417	4,396	4,288
East Asia & Australia	5,953	5,429	5,364	5,580	6,373	4,285	3,915
Americas	1,843	1,701	2,206	3,056	2,941	2,842	3,159
Wellness & Healthcare	101	-	-	-	-	-	-
Total PMI	\$ 31,405	\$ 28,694	\$ 29,805	\$ 29,625	\$ 28,748	\$ 26,685	\$ 26,794

(a) Includes a reduction in net revenues of \$246 million related to the Saudi Arabia customs assessments

Note: Sum of Regions might not foot to Total PMI due to rounding. "-" indicates amounts between -\$0.5 million and +\$0.5 million

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Calculation of Adjusted Operating Income Margins
(\$ in millions) / (Rounded)

	Operating Income	Asset Impairment & Exit Costs and Others	Adjusted Operating Income	Net Revenues	Adjusted Operating Income Margin
Year Ended December 31, 2019					
European Union	\$ 3,970	\$ (342)	\$ 4,312	\$ 9,817	43.9%
Eastern Europe	547	(374)	921	3,282	28.1%
Middle East & Africa	1,684	-	1,684	4,042	41.7%
South & Southeast Asia	2,163	(20)	2,183	5,094	42.9%
East Asia & Australia	1,932	-	1,932	5,364	36.0%
Americas	235	(493)	728	2,206	33.0%
Total PMI	\$ 10,531	\$ (1,229)	\$ 11,760	\$ 29,805	39.5%
Year Ended December 31, 2018					
European Union	\$ 4,105	\$ -	\$ 4,105	\$ 9,298	44.1%
Eastern Europe	902	-	902	2,921	30.9%
Middle East & Africa	1,627	-	1,627	4,114	39.5%
South & Southeast Asia	1,747	-	1,747	4,656	37.5%
East Asia & Australia	1,851	-	1,851	5,580	33.2%
Americas	1,145	-	1,145	3,056	37.5%
Total PMI	\$ 11,377	\$ -	\$ 11,377	\$ 29,265	38.4%
Year Ended December 31, 2017					
European Union	\$ 3,691	\$ -	\$ 3,691	\$ 8,318	44.4%
Eastern Europe	887	-	887	2,711	32.7%
Middle East & Africa	1,884	-	1,884	3,988	47.2%
South & Southeast Asia	1,514	-	1,514	4,417	34.3%
East Asia & Australia	2,608	-	2,608	6,373	40.9%
Americas	997	-	997	2,941	33.9%
Total PMI	\$ 11,581	\$ -	\$ 11,581	\$ 28,748	40.3%

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Calculation of Total Debt to Adjusted EBITDA and Net Debt to Adjusted EBITDA Ratios
(\$ in millions, except ratios) / (Unaudited)

	2008 ^(a)	2009 ^(a)	2010 ^(a)	2011 ^(a)	2012 ^(a)	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net Earnings	\$ 7,150	\$ 6,552	\$ 7,498	\$ 8,879	\$ 9,154	\$ 8,850	\$ 7,658	\$ 7,032	\$ 7,250	\$ 6,341	\$ 8,286	\$ 7,728	\$ 8,592	\$ 9,710
Equity (income)/loss in unconsolidated subsidiaries, net	-	6	8	10	17	22	(105)	(105)	(94)	(59)	(60)	(149)	(16)	(149)
Provision for income taxes	2,787	2,691	2,826	3,653	3,833	3,670	3,097	2,688	2,768	4,307	2,445	2,293	2,377	2,671
Interest expense, net	311	797	876	800	859	973	1,052	1,008	891	914	665	570	618	628
Depreciation and amortization	842	853	932	993	898	882	889	754	743	875	989	964	981	998
Asset impairment, exit costs and other	208	164	47	109	83	309	535	68	-	-	-	1,229 ^(b)	30	513
Adjusted EBITDA	\$ 11,298	\$ 11,063	\$ 12,187	\$ 14,444	\$ 14,844	\$ 14,706	\$ 13,126	\$ 11,445	\$ 11,558	\$ 12,378	\$ 12,325	\$ 12,635	\$ 12,582	\$ 14,371
Short-term borrowings	\$ 375	\$ 1,662	\$ 1,747	\$ 1,511	\$ 2,419	\$ 2,400	\$ 1,208	\$ 825	\$ 643	\$ 499	\$ 730	\$ 338	\$ 244	\$ 225
Current portion of long-term debt	209	82	1,385	2,206	2,781	1,255	1,318	2,405	2,573	2,506	4,054	4,051	3,124	2,798
Long-term debt	11,377	13,672	13,370	14,828	17,639	24,023	26,929	25,250	25,851	31,334	26,975	26,656	28,168	24,783
Total Debt	\$ 11,961	\$ 15,416	\$ 16,502	\$ 18,545	\$ 22,839	\$ 27,678	\$ 29,455	\$ 28,480	\$ 29,067	\$ 34,339	\$ 31,759	\$ 31,045	\$ 31,536	\$ 27,806
Cash and cash equivalents	1,531	1,540	1,703	2,550	2,983	2,154	1,682	3,417	4,239	8,447	6,593	6,861	7,280	4,496
Net Debt	\$ 10,430	\$ 13,876	\$ 14,799	\$ 15,995	\$ 19,856	\$ 25,524	\$ 27,773	\$ 25,063	\$ 24,828	\$ 25,892	\$ 25,166	\$ 24,184	\$ 24,256	\$ 23,310
Ratios:														
Total Debt to Adjusted EBITDA	1.06	1.39	1.35	1.28	1.54	1.88	2.24	2.49	2.51	2.77	2.58	2.46	2.51	1.93
Net Debt to Adjusted EBITDA	0.92	1.25	1.21	1.11	1.34	1.74	2.12	2.19	2.15	2.09	2.04	1.91	1.93	1.62

(a) Certain amounts have been reclassified to conform with the year 2013 presentation due to the separate disclosure of equity (income)/loss in unconsolidated subsidiaries, net

(b) Includes the Canadian tobacco litigation-related expense (\$194 million), the loss on deconsolidation of RBH (\$239 million) and the Russia excise and VAT audit charge (\$374 million)

Note: In 2008, we included Equity Loss from RBH Legal Settlement (\$124 million) and in 2009 we included the Colombian Investment and Cooperation Agreement charge (\$135 million)

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Adjustments of Net Revenues for the Impact of Special Items, Currency and Acquisitions
(\$ in millions) / (Unaudited)

	Years Ended December 31,			Years Ended December 31,			Years Ended December 31,			Years Ended December 31,			Years Ended December 31,		
	2021	2020	% Change	2020	2019	% Change	2019	2018	% Change	2018	2017	% Change	2017	2016	% Change
Net Revenues	\$ 31,405	\$ 28,694		\$ 28,694	\$ 29,805		\$ 29,805	\$ 29,625		\$ 29,625	\$ 28,748		\$ 28,748	\$ 26,685	
Net Revenues attributable to RBH	-	-		-	(181) ^(b)		-	(742) ^(a)		-	-		-	-	
Saudi Arabia Customs Assessments	(246)	-		-	-		-	-		-	-		-	-	
Adj. Net Revenues	\$ 31,651	\$ 28,694	10.3%	\$ 28,694	\$ 29,624^(c)	(3.1)%	\$ 29,805	\$ 28,883^(c)	3.2%	\$ 29,625	\$ 28,748	3.1%	\$ 28,748	\$ 26,685	7.7%
Currency	678	-		(470)	-		(937)	-		(103)	-		(437)	-	
Adj. Net Revenues excluding Currency	\$ 30,973	\$ 28,694	7.9%	\$ 29,164	\$ 29,624	(1.6)%	\$ 30,742	\$ 28,883	6.4%	\$ 29,728	\$ 28,748	3.4%	\$ 29,185	\$ 26,685	9.4%
Acquisitions	109	-		-	-		-	-		-	-		-	-	
Adj. Net Revenues, ex. Currency & Acquisitions	\$ 30,864	\$ 28,694	7.6%^(d)	\$ 29,164	\$ 29,624	(1.6)%^(d)	\$ 30,742	\$ 28,883	6.4%^(d)	\$ 29,728	\$ 28,748	3.4%^(d)	\$ 29,185	\$ 26,685	9.4%^(d)

(a) Represents the impact attributable to RBH from March 22, 2018 through end of period date

(b) Represents the impact attributable to RBH from January 1, 2019 through March 21, 2019

(c) Pro forma

(d) On an organic basis

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS, excluding Currency
(Unaudited)

	Years Ended December 31,			Years Ended December 31,			Years Ended December 31,			Years Ended December 31,			Years Ended December 31,		
	2021	2020	% Change	2020	2019	% Change	2019	2018	% Change	2018	2017	% Change	2017	2016	% Change
Reported Diluted EPS	\$ 5.83	\$ 5.16	13.0%	\$ 5.16	\$ 4.61	11.9%	\$ 4.61	\$ 5.08	(9.3)%	\$ 5.08	\$ 3.88	30.9%	\$ 3.88	\$ 4.48	(13.4)%
Saudi Arabia customs assessments	0.14	-		-	-		-	-		-	-		-	-	
Asset impairment and exit costs	0.12	0.08		0.08	0.23		0.23	-		-	-		-	-	
Asset acquisition cost	0.03	-		-	-		-	-		-	-		-	-	
Equity investee ownership dilution	(0.04)	-		-	-		-	-		-	-		-	-	
Canadian tobacco litigation-related expense	-	-		-	0.09		0.09	-		-	-		-	-	
Loss on deconsolidation of RBH	-	-		-	0.12		0.12	-		-	-		-	-	
Russia excise and VAT audit charge	-	-		-	0.20		0.20	-		-	-		-	-	
Brazil indirect tax credit	-	(0.05)		(0.05)	-		-	-		-	-		-	-	
Fair value adjustment for equity security investments	-	0.04		0.04	(0.02)		(0.02)	-		-	-		-	-	
Tax items	-	(0.06)		(0.06)	(0.04)		(0.04)	0.02		0.02	0.84		0.84	-	
Adjusted Diluted EPS	\$ 6.08	\$ 5.17	17.6%	\$ 5.17	\$ 5.19	(0.4)%	\$ 5.19	\$ 5.10	1.8%	\$ 5.10	\$ 4.72	8.1%	\$ 4.72	\$ 4.48	5.4%
Currency	0.12	-		(0.32)	-		(0.13)	-		(0.11)	-		(0.21)	-	
Adjusted Diluted EPS, excluding Currency	\$ 5.96	\$ 5.17	15.3%	\$ 5.49	\$ 5.19	5.8%	\$ 5.32	\$ 5.10	4.3%	\$ 5.21	\$ 4.72	10.4%	\$ 4.93	\$ 4.48	10.0%
Net earnings attributable to RBH	-	-		-	(0.06) ^(a)		-	(0.26) ^(b)		-	-		-	-	
Adjusted Diluted EPS ex-RBH					\$ 5.13	7.0%		\$ 4.84	9.9%						

(a) Represents the impact attributable to RBH from January 1, 2019 through March 21, 2019

(b) Represents the impact attributable to RBH from March 22, 2018 through end of period date

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Net Revenues to Adjusted Net Revenues, excluding Currency and Acquisitions
(\$ in millions) / (Unaudited)

Net Revenues	Special Items	Adjusted Net Revenues	Currency	Adjusted Net Revenues excluding Currency	Acquisitions	Adjusted Net Revenues excluding Currency & Acquisitions		Net Revenues	Special Items	Adjusted Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions
2021							Years Ended December 31,	2020			% Change		
\$ 12,275	\$ -	\$ 12,275	\$ 618	\$ 11,657	\$ 8	\$ 11,649	European Union	\$ 10,702	\$ -	\$ 10,702	14.7%	8.9%	8.8%
3,544	-	3,544	(32)	3,576	-	3,576	Eastern Europe	3,378	-	3,378	4.9%	5.9%	5.9%
3,293	(246) ^(a)	3,539	(115)	3,654	-	3,654	Middle East & Africa	3,088	-	3,088	14.6%	18.3%	18.3%
4,396	-	4,396	99	4,297	-	4,297	South & Southeast Asia	4,396	-	4,396	-	(2.3)%	(2.3)%
5,953	-	5,953	62	5,891	-	5,891	East Asia & Australia	5,429	-	5,429	9.7%	8.5%	8.5%
1,843	-	1,843	46	1,797	-	1,797	Americas	1,701	-	1,701	8.3%	5.6%	5.6%
101	-	101	-	101	101	-	Wellness & Healthcare	-	-	-	-	-	-
\$ 31,405	\$ (246)	\$ 31,651	\$ 678	\$ 30,973	\$ 109	\$ 30,864	Total PMI	\$ 28,694	\$ -	\$ 28,694	10.3%	7.9%	7.6%

(a) Represents the Saudi Arabia customs assessments

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Operating Income to Adjusted Operating Income, excluding Currency and Acquisitions
(\$ in millions) / (Unaudited)

Operating Income	Asset Impairment & Exit Costs and Others	Adjusted Operating Income	Currency	Adjusted Operating Income excluding Currency	Acquisitions	Adjusted Operating Income excluding Currency & Acquisitions		Operating Income	Asset Impairment & Exit Costs	Adjusted Operating Income	Total	Excluding Currency	Excluding Currency & Acquisitions
2021							Years Ended December 31,	2020			% Change		
\$ 6,119	\$ (68) ^(a)	\$ 6,187	\$ 384	\$ 5,803	\$ 2	\$ 5,801	European Union	\$ 5,098	\$ (57) ^(a)	\$ 5,155	20.0%	12.6%	12.5%
1,213	(14) ^(a)	1,227	7	1,220	-	1,220	Eastern Europe	871	(15) ^(a)	886	38.5%	37.7%	37.7%
1,146	(263) ^(b)	1,409	(124)	1,533	-	1,533	Middle East & Africa	1,026	(19) ^(a)	1,045	34.8%	46.7%	46.7%
1,506	(21) ^(a)	1,527	36	1,491	-	1,491	South & Southeast Asia	1,709	(23) ^(a)	1,732	(11.8)%	(13.9)%	(13.9)%
2,556	(88) ^(a)	2,644	(53)	2,697	-	2,697	East Asia & Australia	2,400	(26) ^(a)	2,426	9.0%	11.2%	11.2%
487	(8) ^(a)	495	18	477	-	477	Americas	564	110 ^(d)	454	9.0%	5.1%	5.1%
(52)	(51) ^(c)	(1)	-	(1)	(1)	-	Wellness & Healthcare	-	-	-	-	-	-
\$ 12,975	\$ (513)	\$ 13,488	\$ 268	\$ 13,220	\$ 1	\$ 13,219	Total PMI	\$ 11,668	\$ (30)	\$ 11,698	15.3%	13.0%	13.0%

(a) Represents asset impairment and exit costs

(b) Includes the Saudi Arabia customs assessments (\$246 million) and asset impairment and exit costs (\$17 million)

(c) Represents asset acquisition cost related to OtiTopic Inc. in August 2021

(d) Includes the Brazil indirect tax credit \$119 million and asset impairment and exit costs (\$9 million)

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Adjusted Operating Income Margin, excluding Currency and Acquisitions (\$ in millions) / (Unaudited)

Adjusted Operating Income (a)	Adjusted Net Revenues (b)	Adjusted Operating Income Margin	Adjusted Operating Income excluding Currency (a)	Adjusted Net Revenues excluding Currency (b)	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income excluding Currency & Acquisitions (a)	Adjusted Net Revenues excluding Currency & Acquisitions (b)	Adjusted Operating Income Margin excluding Currency & Acquisitions		Adjusted Operating Income (a)	Adjusted Net Revenues (b)	Adjusted Operating Income Margin	Adjusted Operating Income Margin	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income Margin excluding Currency & Acquisitions
2021									Years Ended December 31,	2020			% Points Change		
\$ 6,187	\$ 12,275	50.4%	\$ 5,803	\$ 11,657	49.8%	\$ 5,801	\$ 11,649	49.8%	European Union	\$ 5,155	\$ 10,702	48.2%	2.2	1.6	1.6
1,227	3,544	34.6%	1,220	3,576	34.1%	1,220	3,576	34.1%	Eastern Europe	886	3,378	26.2%	8.4	7.9	7.9
1,409	3,539	39.8%	1,533	3,654	42.0%	1,533	3,654	42.0%	Middle East & Africa	1,045	3,088	33.8%	6.0	8.2	8.2
1,527	4,396	34.7%	1,491	4,297	34.7%	1,491	4,297	34.7%	South & Southeast Asia	1,732	4,396	39.4%	(4.7)	(4.7)	(4.7)
2,644	5,953	44.4%	2,697	5,891	45.8%	2,697	5,891	45.8%	East Asia & Australia	2,426	5,429	44.7%	(0.3)	1.1	1.1
495	1,843	26.9%	477	1,797	26.5%	477	1,797	26.5%	Americas	454	1,701	26.7%	0.2	(0.2)	(0.2)
(1)	101	(1.0)%	(1)	101	(1.0)%	-	-	-	Wellness & Healthcare	-	-	-	-	-	-
\$ 13,488	\$ 31,651	42.6%	\$ 13,220	\$ 30,973	42.7%	\$ 13,219	\$ 30,864	42.8%	Total PMI	\$ 11,698	\$ 28,694	40.8%	1.8	1.9	2.0

(a) For the calculation of Adjusted Operating Income and Adjusted Operating Income excluding currency and acquisitions refer to slide 142

(b) For the calculation of Adjusted Net Revenues excluding currency and acquisitions refer to slide 141