



PHILIP MORRIS INTERNATIONAL

PRESS RELEASE

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Philip Morris International Comments on Tribunal's Decision in Arbitration Between PMI and Uruguay

LAUSANNE, Switzerland – July 8, 2016 – Philip Morris International Inc. (PMI) (NYSE/Euronext Paris: PM) today comments on the decision of an ICSID tribunal in the arbitration between PMI and Uruguay regarding two regulations that Uruguay implemented in 2009. PMI brought the case under Uruguay's 1988 investment protection treaty with Switzerland, which provides a neutral forum for dispute resolution.

Marc Firestone, Philip Morris International Senior Vice President and General Counsel, said:

"For the last seven years, we have already been complying with the regulations at issue in the case, so today's outcome doesn't change the *status quo*. We've never questioned Uruguay's authority to protect public health, and this case wasn't about broad issues of tobacco policy. The arbitration concerned an important, but unusual, set of facts that called for clarification under international law, which the parties have now received. We thank the Tribunal for its assessment and respect its decision.

More broadly, we continue to believe that thoughtful diplomacy is important to resolving complex social phenomena. We reiterate our willingness to meet with representatives of the Uruguayan Government, especially to explore regulatory frameworks that would enable the hundreds of thousands of adult smokers in the country to have informed access to reduced-risk alternatives to smoking."

With this case now over, PMI is no longer a party to any investment protection claims.

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Philip Morris International Inc.

Philip Morris International Inc. (PMI) is the world's leading international tobacco company, with six of the world's top 15 international brands and products sold in more than 180 markets. In addition to the manufacture and sale of cigarettes, including *Marlboro*, the number one global cigarette brand, and other tobacco products, PMI is engaged in the development and commercialization of Reduced-Risk Products ("RRPs"). RRPs is the term PMI uses to refer to products with the potential to reduce individual risk and population harm in comparison to smoking cigarettes. Through multidisciplinary capabilities in product development, state-of-the-art facilities, and industry-leading scientific substantiation, PMI aims to provide an RRP portfolio that meets a broad spectrum of adult smoker preferences and rigorous regulatory requirements. For more information, see www.pmi.com and www.pmiscience.com.