



2024 Fourth-Quarter and Full-Year Results

February 6, 2025

Introduction

- A glossary of terms as well as adjustments, other calculations and reconciliations to the most directly comparable U.S. GAAP measures for non-GAAP financial measures cited in this presentation are available in Exhibit 99.2 to the company's Form 8-K dated February 6, 2025 and on our [Investor Relations website](#) with additional non-GAAP reconciliations available at the end of this presentation

Forward-Looking and Cautionary Statements

- This presentation contains projections of future results and goals and other forward-looking statements, including statements regarding expected financial or operational performance; capital allocation plans; investment strategies; market expectations; regulatory outcomes; sustainability plans and projections; business plans and strategies; and dividends. 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 and / or nicotine 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 natural disasters and pandemics 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 introduce, commercialize, and grow smoke-free 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; if it is unable to attract and retain the best global talent, including women or diverse candidates; or if it is unable to successfully integrate and realize the expected benefits from recent transactions and acquisitions. Future results are also subject to the lower predictability of our smoke-free business' performance
- 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, 2023 and the Form 10-Q for the quarter ended September 30, 2024, and the Form 10-K for the fourth quarter and year ended December 31, 2024 which will be filed today. 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
- References to “PMI”, “we”, “our” and “us” mean Philip Morris International Inc, including its subsidiaries

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2024: Outstanding Year for Smoke-Free Transformation

- Very strong organic top and bottom-line growth across all categories:
 - Fourth consecutive year of total volume growth
 - Continued IQOS growth momentum, increasing profitability
 - ZYN sequential volume acceleration
 - Strong combustible net revenue & profit growth
 - +15% organic OI growth, +10% in USD
- +9% USD Adj. diluted EPS growth, mitigating currency headwinds with price and cost actions
- Strong cashflow generation and deleveraging



Source: PMI Financials or estimates

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10 Years of Smoke-Free Transformation

2024 Key Milestones

- Nearly \$15bn smoke-free net revenues, >\$10bn total PMI adj. net earnings^(a)
- Smoke-free net revenues 40% of total PMI in Q4, ~60% in Top-5 OI markets^(b)
- Multi-category strategy deployed in ~50% of 95 smoke-free markets, >38.5m users
- >1bn oral smoke-free product^(c) cans (644m nicotine pouch cans)
- FDA authorization for all ZYN products currently marketed by Swedish Match in the U.S.

Adj. Smoke-Free Net Revenues
(\$ billion)



(a) Adjusted net earnings attributable to PMI. (b) Ranking based on FY'24 OI (c) Excluding snuff, snuff leaf and U.S. chew. Source: PMI Financials or estimates

FY24: Very Good Growth Across Key Metrics

	FY'24 vs. PY		FY'24
	Organic	Adj. incl. Curr. & Acq.	
Shipment Volume	+2.9%		774 ^{bn}
Net Revenues <i>(Adjusted)</i>	+9.8%	+7.4%	\$37.9 ^{bn}
Operating Income <i>(Adjusted)</i>	+14.9%	+10.1%	\$14.7 ^{bn}
Adj. Diluted EPS	+15.6% <i>(Curr. neutral)</i>	+9.3%	\$6.57
Operating Cashflow			\$12.2 ^{bn}

Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Shipment volume includes HTUs, cigarettes and oral SFPs excluding snuff, snuff leaf and U.S. chew. Source: PMI Financials or estimates

Q4: Very Good Growth Across Key Metrics

Q4'24

Shipment Volume

(Variance vs. PY)

Organic
+2.3%

Adj. incl.
Curr. & Acq.

Net Revenues

(Variance vs. PY)

+7.3%

+7.3%

Operating Income

(Variance vs. PY)

+11.8%

+15.3%

Adj. Diluted EPS

(Variance vs. PY)

+9.6%
(Curr. neutral)

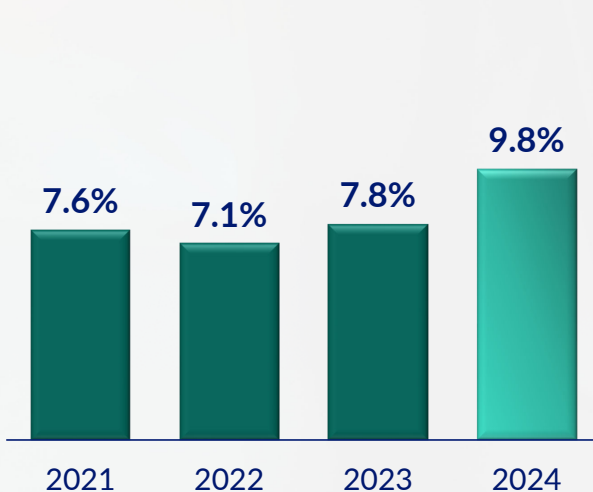
+14.0%

Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Shipment volume includes HTUs, cigarettes and oral SFPs excluding snuff, snuff leaf and U.S. chew. Source: PMI Financials or estimates

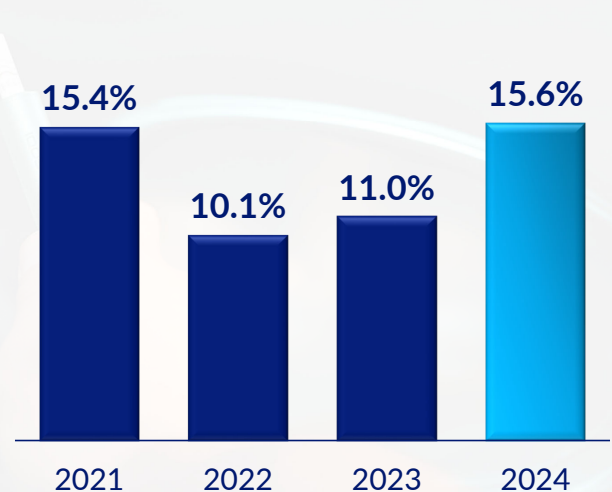
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Strong Top-line Momentum, Accelerating Profit Growth

Net Revenue Growth (Organic vs. PY)



Adj. Diluted EPS Growth (Currency neutral vs. PY)

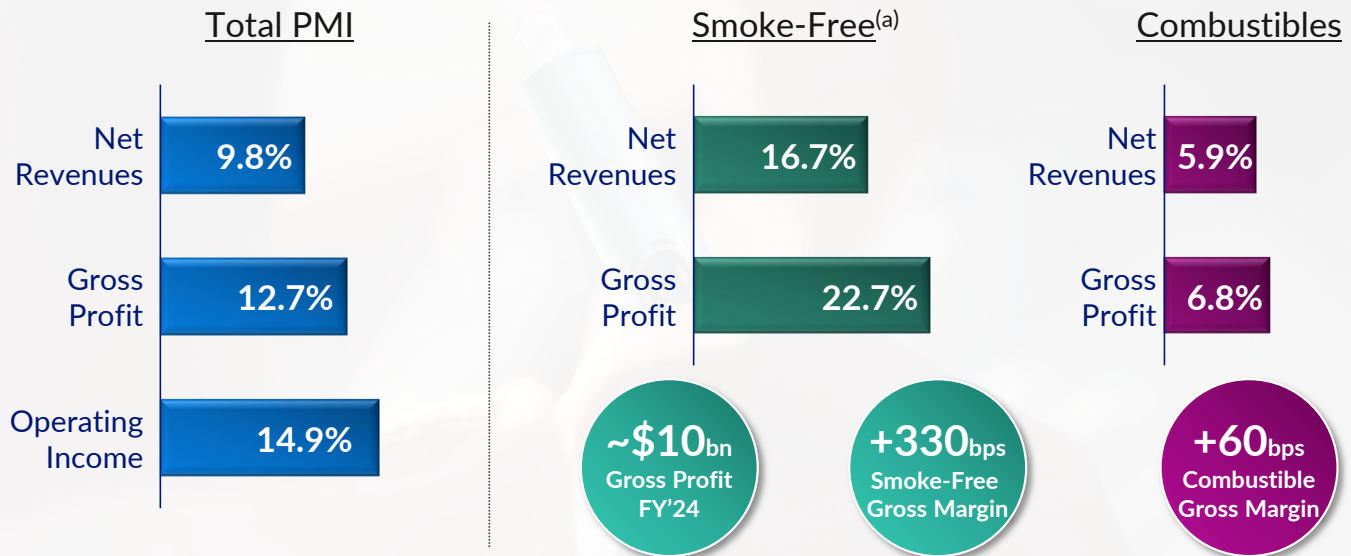


Note: Chart not to scale. Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Source: PMI Financials or estimates

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Accelerated Smoke-Free & Combustibles Performance

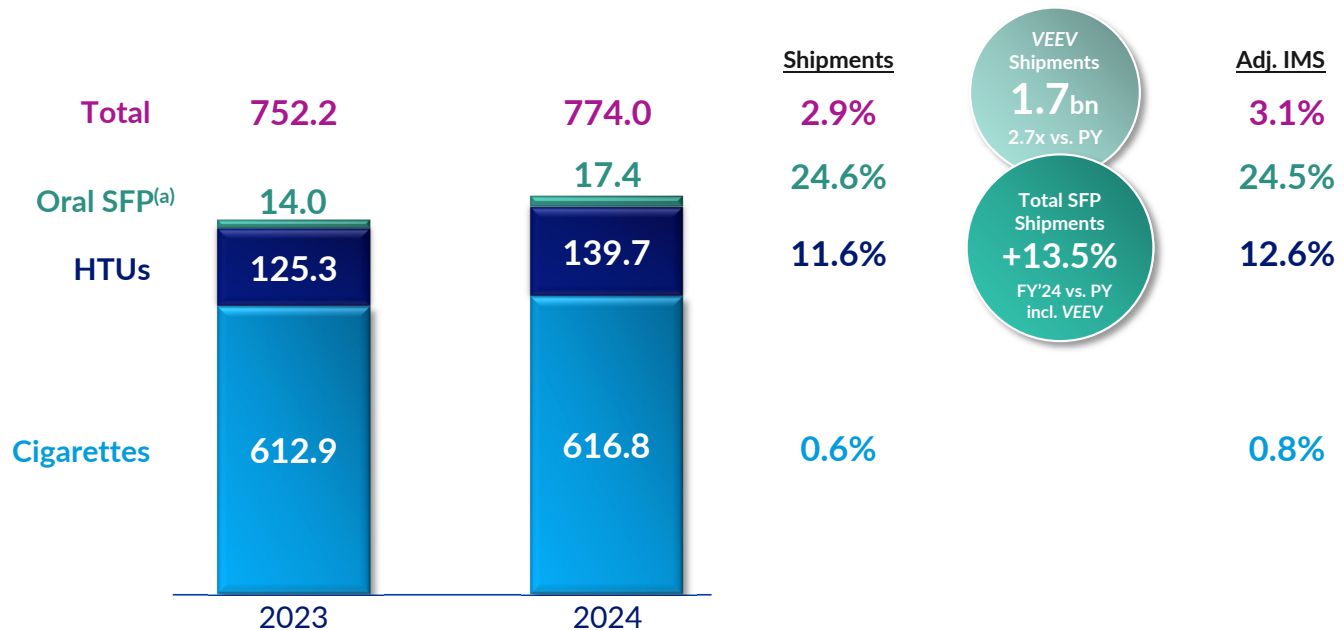
FY'24 Organic Growth vs. PY



(a) Represents Smoke-Free Business. Note: Organic gross margin growth is calculated based on organic gross profit, divided by organic net revenues. Chart not to scale. Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions. Source: PMI Financials or estimates

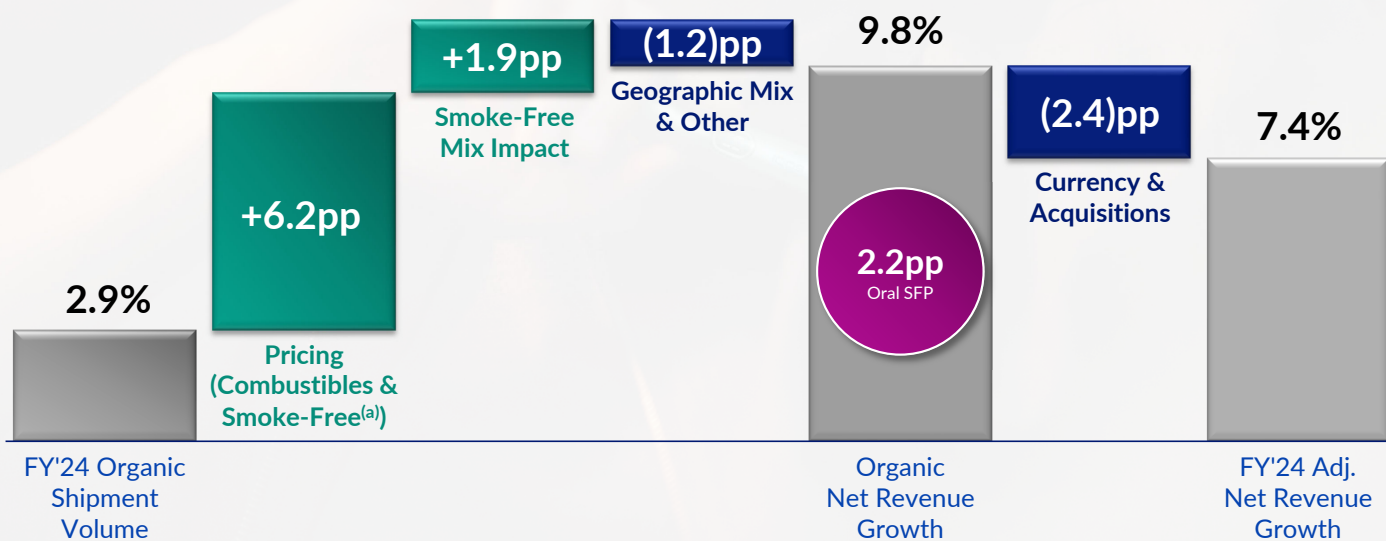
Fourth Consecutive Year of Volume Growth

(shipments in bn units; change vs. PY)



(a) Volumes shown in pouch or pouch equivalents, excluding snuff, snuff leaf and U.S. chew
 Note: Total SFP volumes represent HTUs, Oral SFPs and VEEV volumes in equivalent units. Total may not foot due to rounding. Source: PMI Financials or estimates

Top-Line Growth Powered by Volumes, Pricing & Category Mix

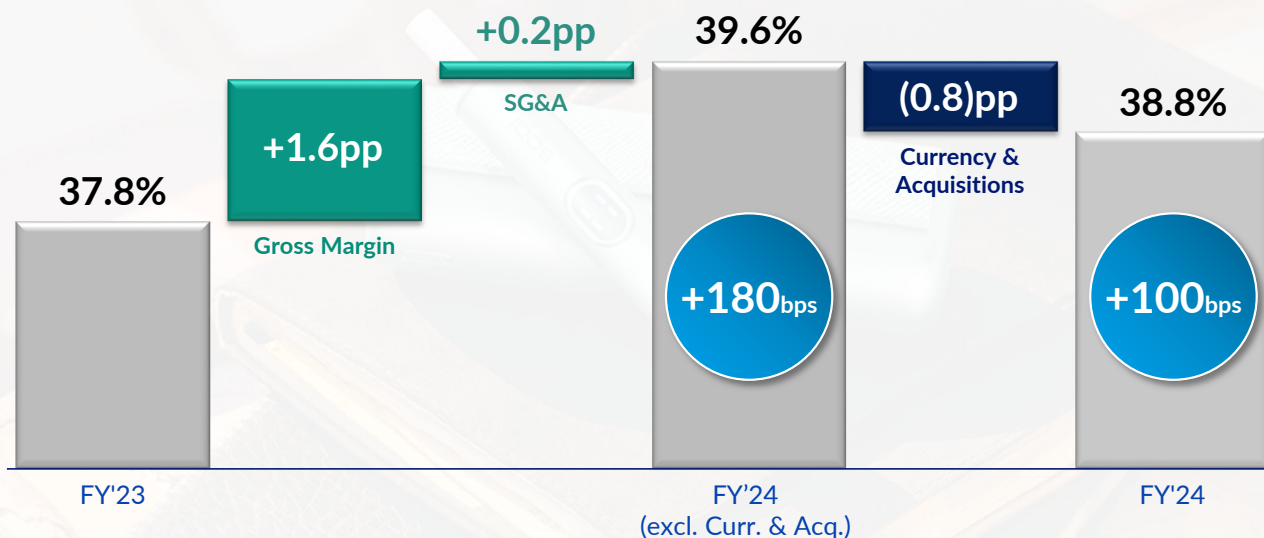


(a) Represents Smoke-Free Business. Note: Smoke-free mix represents the impact of an increased proportion of smoke-free products at higher net-revenue per unit and is calculated at total PMI level, excluding the impact from market mix. Total may not foot due to rounding. Source: PMI Financials or estimates

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OI Margin Expansion While Investing For Growth

FY'24 Adjusted OI Margin

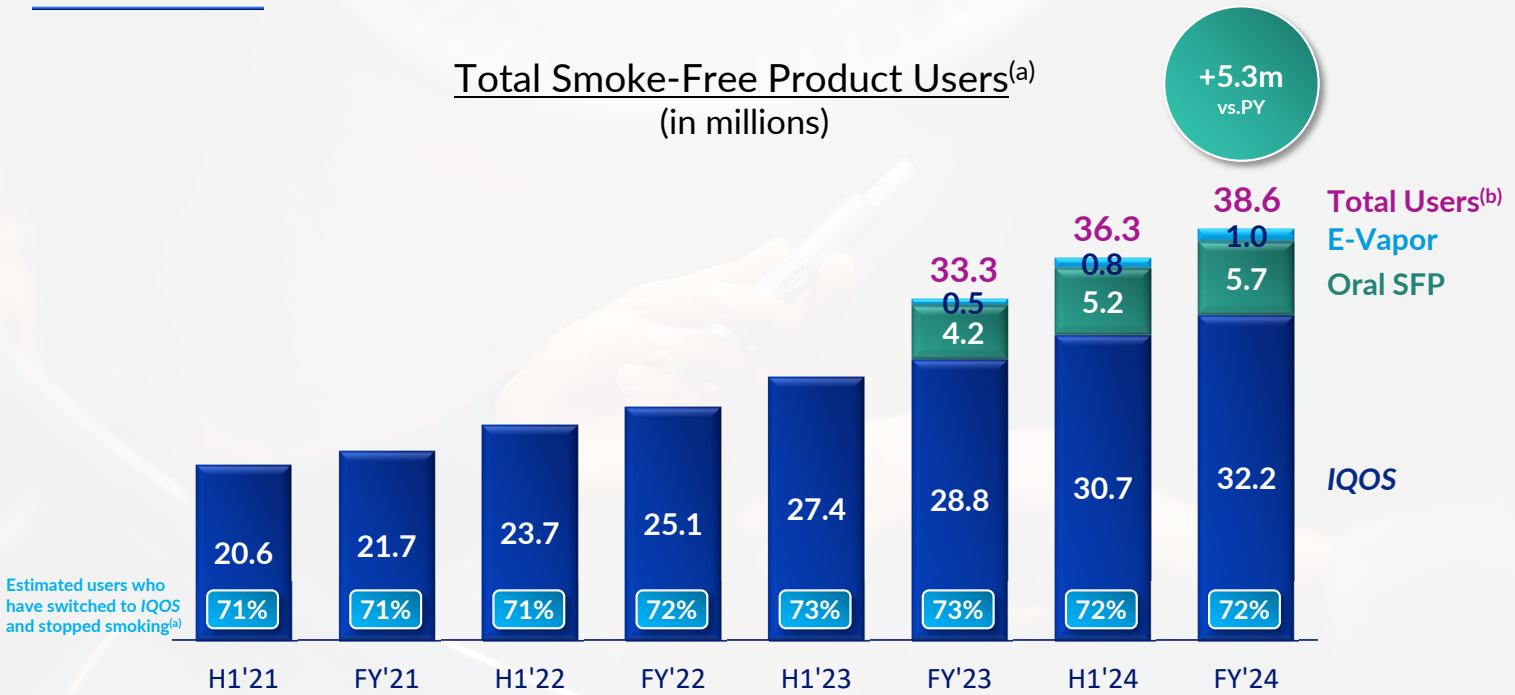


Note: Total may not foot due to rounding. Source: PMI Financials or estimates

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Over 38m Users of PMI Smoke-Free Products

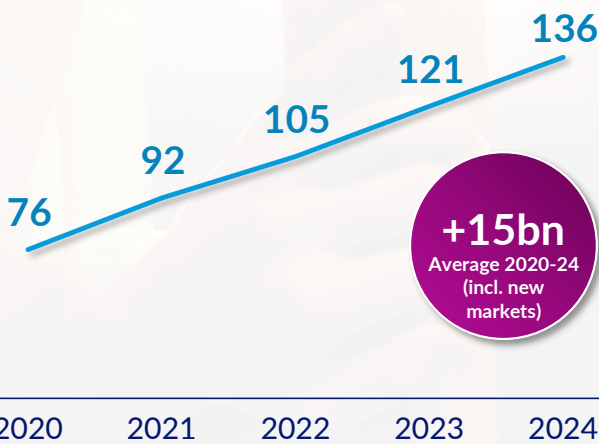
Total Smoke-Free Product Users^(a)
(in millions)



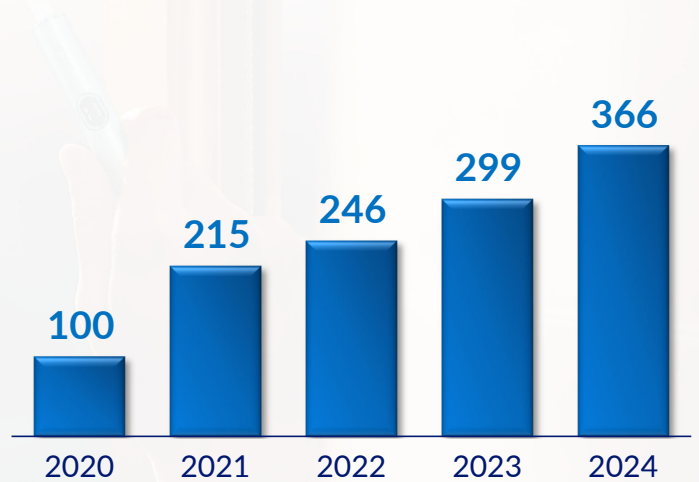
(a) See Glossary for definition. (b) Total Smoke-Free Product Users are net of estimated poly-users across categories. Note: periods up until H1'23 include only IQOS and exclude Swedish Match in FY'22 and H1'23. Source: PMI Financials or estimates and PMI Market Research

Continued IQOS HTU Momentum, Accelerating Profitability

HTU Adj. IMS
(billion units)

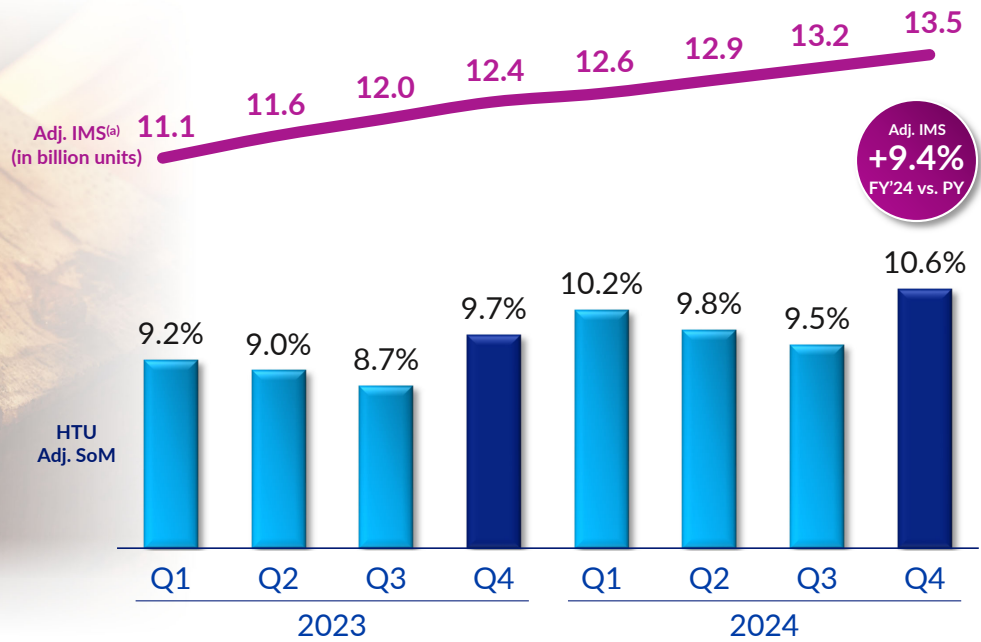


IQOS Product Contribution^(a)
(Indexed, 2020 = 100)



Note: HTU Adj. IMS in 2020 and 2021 represent reported IMS. (a) At constant exchange rates. Product contribution calculated as gross profit minus commercial and R&D costs. Source: PMI Financials or estimates

Europe: Broadening Growth Drivers, Underlying Momentum

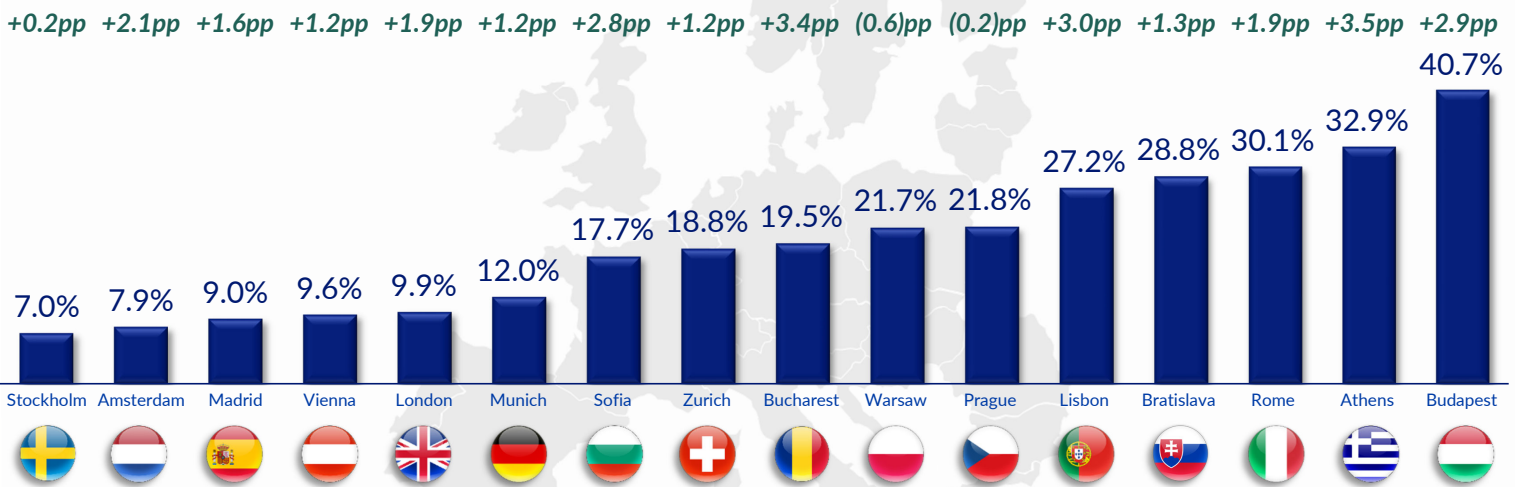


(a) Based on a four-quarter moving average. Source: PMI Financials or estimates

Impressive Progress in European Key Cities

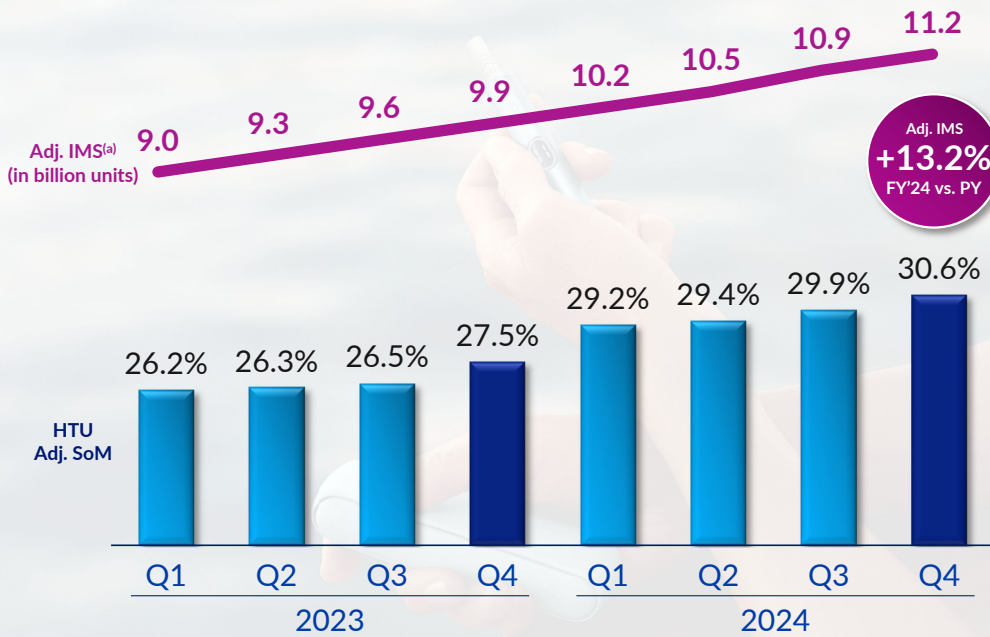
PMI HTU Offtake Share (Q4'24)

Change vs. PY

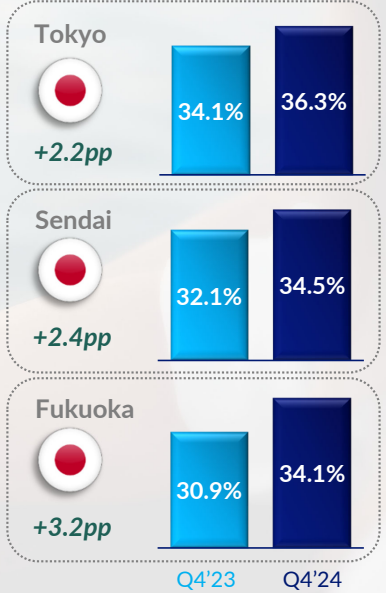


Source: PMI Financials or estimates

Japan: Continued Excellent IQOS Performance



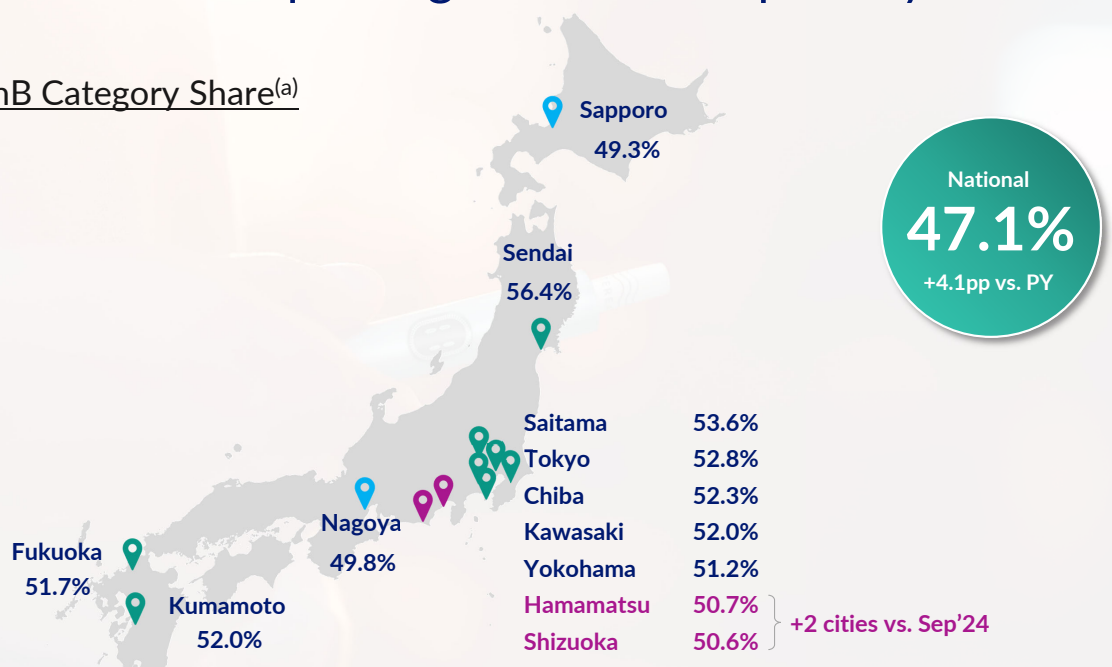
Japan HTU Offtake Share^(b)



(a) Based on a four-quarter moving average. (b) Based on 3 C-Store Chains offtake. Base includes cigarettes, cigarillos and HTUs. Source: PMI Financials or estimates

Category Penetration Surpassing 50% In Multiple Key Cities

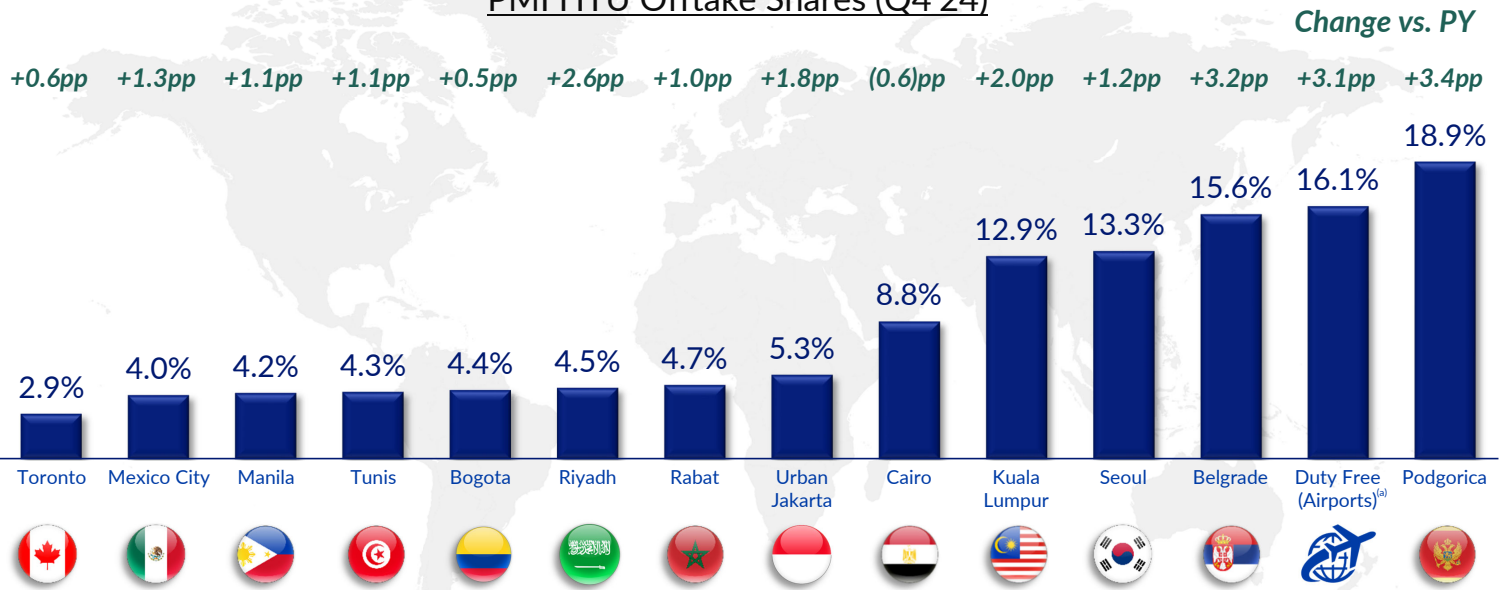
Dec'24 Offtake HnB Category Share^(a)



(a) Based on 3 C-Store Chains offtake. Base includes cigarettes, cigarillos and HTUs. Source: PMI Financials or estimates

Strong Key City Growth Across Global Markets

PMI HTU Offtake Shares (Q4'24)



(a) Duty Free includes airports where IQOS is available, offtake share based on Sep-Nov'24 vs. Sep-Nov'23.

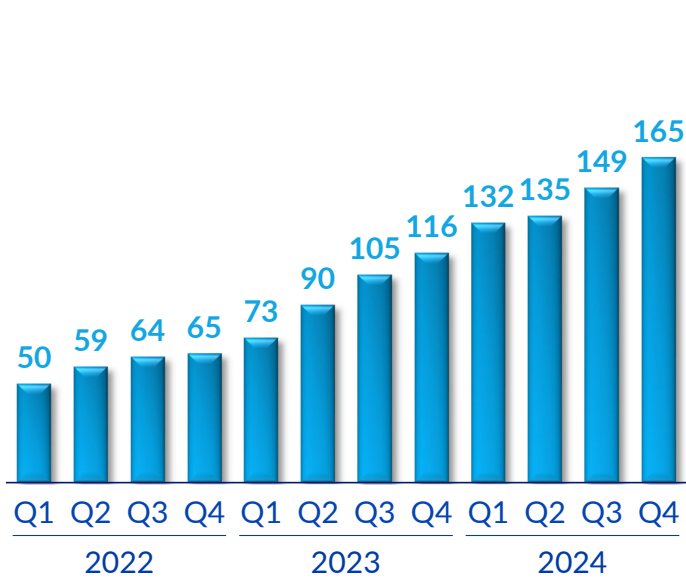
Note: Urban Jakarta represents West, Central and South Jakarta which include an estimated 1.5 million Legal Age Nicotine Users. Cairo represents Urban Cairo, Manila represents Metro Manila, Tunis represents Greater Tunis. Source: PMI Financials or estimates

U.S. IQOS 'Be The First' Campaign Continues

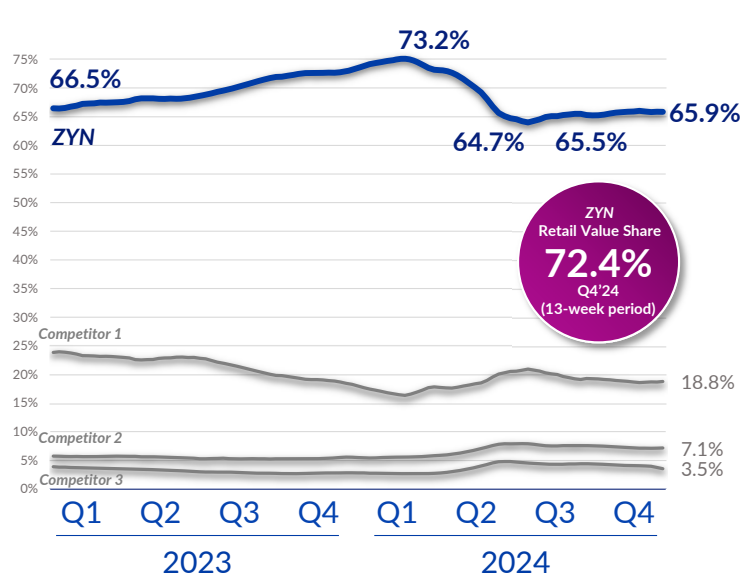


Strong ZYN Demand, Sequential Volume Acceleration

ZYN U.S. Shipment Volumes
(million cans)



U.S. Nicotine Pouch Category Volume Share
(4-week period, %)

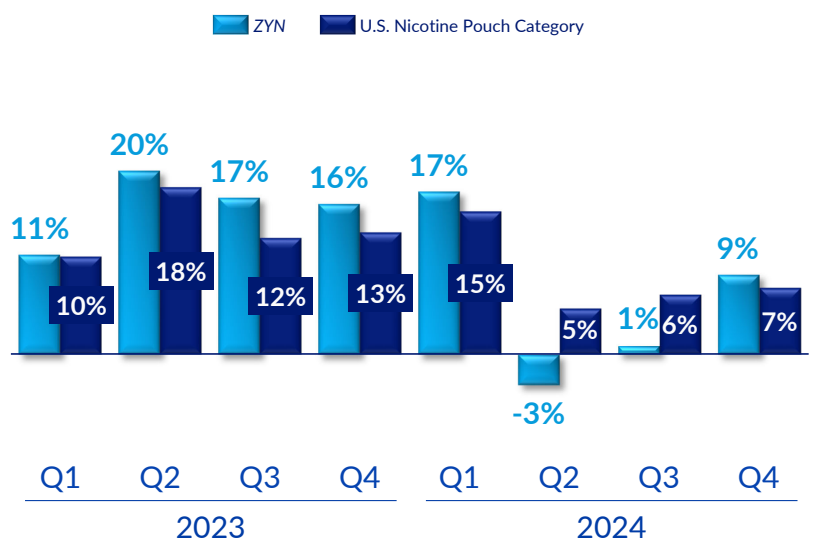


Source: PMI Financials or estimates, Circana, LLC, Nicotine Pouches, Week ending 12/29/24

ZYN Leading Category Growth Again Despite Constraints

- Category trends driven by ZYN
- Stronger demand limits progress in retail availability:
 - Production capacity continues to grow
 - Target full normalization in H2'25
- Well-positioned for strong growth
- First and only FDA-authorized nicotine pouch brand

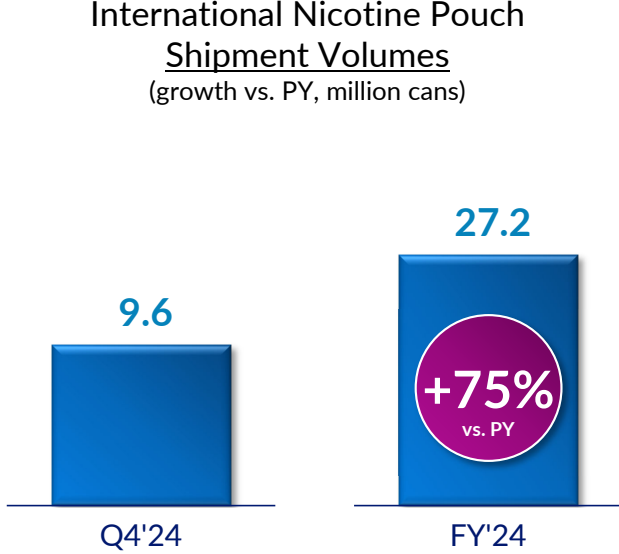
ZYN and U.S. Nicotine Pouch Category
(Offtake sequential volume change, %)



Source: PMI Financials or estimates, Circana, LLC, Nicotine Pouches, Week ending 12/29/24

Increasing Growth Contribution from ZYN Internationally

International Nicotine Pouch
Shipment Volumes
 (growth vs. PY, million cans)



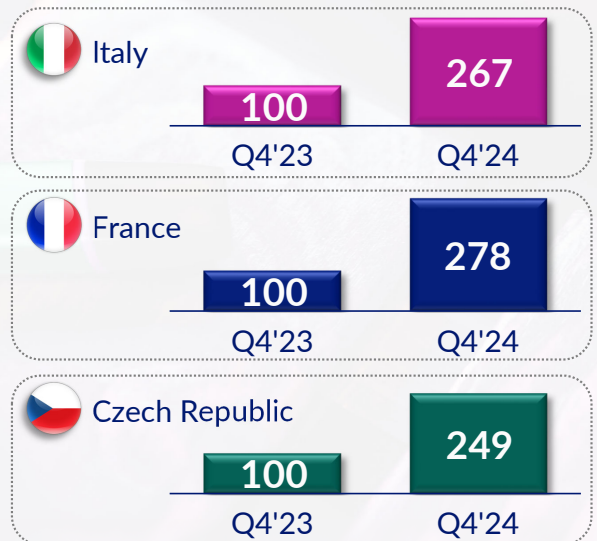
(a) Markets where PMI commercializes nicotine pouches, including U.S.
 Source: PMI Financials or estimates

Very Good VEEV Traction in Key Geographies

- Increasingly contributing to multi-category offer, generating incremental growth
- Top-3 pod brand in 13 European markets^(a):



VEEV ONE Offtake Volumes^(b)
 (Indexed, Q4'23 = 100)



(a) Based on Sep-Nov'24 offtake volumes. (b) Italy and Czech Republic based on Nielsen, Italy including tobacco shops only. France based on Strator.
 Source: PMI Financials or estimates

Combustibles: Strong Pricing & Efficiencies Drive Profitability

Combustible Pricing
(% organic growth vs. PY)^(a)



Combustible Gross Profit
(% organic growth vs. PY)



(a) Pricing variance is based on adjusted net revenues. Source: PMI Financials or estimates

- Growing total industry, essentially driven by markets where SFPs are banned:
 - Secular declines persist elsewhere
- Maximizing value with pricing and cost efficiencies
- Strong performance from *Marlboro* and global brands

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2025: Another Year of Superior Growth Expected

	2025 Outlook
Total Shipment Volumes ^(a)	Up to 2%
SFP Shipment Volumes ^(b)	12-14%
HTU Adj. IMS Growth	10-12%
U.S. ZYN Shipment Volumes, (cans)	780-820 ^m
Net Revenue Growth ^(c)	6-8%
Adj. OI Growth ^(c)	10.5-12.5%
Adj. Diluted EPS Growth ^(d)	10.5-12.5%
Adj. Diluted EPS Growth, USD ^(e)	7-9%

- Adjusted diluted EPS forecast of \$7.04 -7.17 incl. unfavorable currency impact of 22 cents^(e)
 - Includes Q1 forecast of \$1.58-1.63 with 4 cents of unfavorable currency^(e)

(a) Includes cigarettes and SFP volumes. (b) Includes HTUs, e-vapor unit equivalents and oral SFP in pouch or pouch equivalents, excluding snuff, snuff leaf and U.S. chew. (c) On an organic basis. (d) Currency neutral variance. (e) At prevailing rates. Source: PMI Financials or estimates

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Delivering Best-in-Class CPG Performance

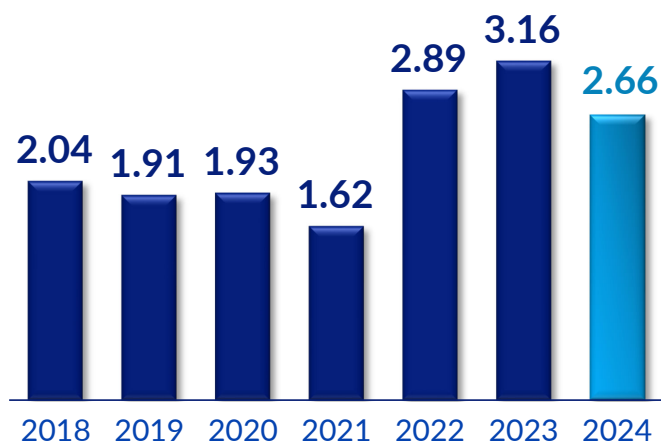
	FY'24	2025 Forecast	2024-26 CAGR Targets
Shipment Volume <i>(Variance vs. PY)</i>	<u>Organic</u> +2.9%	<u>Organic</u> Up to 2%	<u>Organic</u> Positive
Net Revenues <i>(Variance vs. PY)</i>	+9.8%	+6-8%	+6-8%
Operating Income <i>(Variance vs. PY)</i>	+14.9%	+10.5-12.5%	+8-10%
Adj. Diluted EPS <i>(Currency Neutral Variance vs. PY)</i>	+15.6%	+10.5-12.5%	+9-11%(a)

Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions/divestitures. Shipment volume for 2024 and 24-26 CAGR targets includes HTUs, cigarettes and oral SFPs excluding snuff, snuff leaf and U.S. chew. 2025 forecast also includes e-vapor. (a) At 2023 corporate income tax rates. Source: PMI Financials or estimates

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Highly Cash Generative With Focus on Deleveraging

Net Debt to Adjusted EBITDA Ratio^(a)



- Expect strong 2025 operating cash flow of ~\$11bn, broadly in line with 2024 before non-recurring tax and Germany payments^(b)
- Investing in innovation and growth:
 - Capital expenditures of around \$1.5 billion
- Unwavering commitment to progressive dividend
- Continue to target ~2.0x net debt to adjusted EBITDA by end of 2026, with further improvement in 2025

(a) As of December 31, on a 12-month rolling basis. (b) At prevailing rates, subject to year-end working capital requirements. Note: Operating cash flow is defined as net cash provided by operating activities. Source: PMI Financials or estimates

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Outstanding 2024 Delivery, Very Strong 2025 Expected

- Powerful combination of underlying momentum and proactive steps supports best-in-class growth profile:
 - Structural smoke-free top-line growth with superior economics
 - Investing for growth while driving profitability through mix, pricing, scale and efficiencies
- Smoke-free transformation delivering meaningful value for shareholders:
 - Broad-based performance drives cash generation
 - 17y of dividend growth, committed to shareholder returns



Source: PMI Financials or estimates

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2024 Fourth-Quarter and Full-Year Results Questions & Answers

Have you downloaded the PMI Investor Relations App?

The free IR App is available to download at the Apple App Store for iOS devices and at Google Play for Android mobile devices

Or go to: www.pmi.com/irapp

iOS Download



Android Download





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Appendix and Reconciliation of Non-GAAP Measures

Approximate Impact of Currency on 2024 EPS

(\$/share)

	FY 2024
Japanese Yen	\$(0.19)
Egyptian Pound	\$(0.14)
Russian Ruble	\$(0.07)
Euro	\$(0.04)
Argentine Peso	\$0.18
Others	\$(0.12)
Total PMI Currency Impact	\$(0.38)

Source: PMI Financials or estimates

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2025: EPS Guidance

(\$/share)

	Full-Year		
	2025 Forecast	2024	Growth
Reported Diluted EPS	\$6.55 - \$6.68	\$4.52	
Adjustments:			
- Restructuring charges	-	0.10	
- Impairment of goodwill and other intangibles	-	0.01	
- Amortization of Intangibles ^(a)	0.49	0.40	
- Loss on sale of Vectura Group	-	0.13	
- Egypt sales tax charge	-	0.03	
- Megapolis localization tax impact	-	0.05	
- Income tax impact associated with Swedish Match AB financing	-	0.14	
- Impairment related to the RBH equity investment	-	1.49	
- Fair value adjustment for equity security investments	-	(0.27)	
- Tax items	-	(0.03)	
- Total Adjustments	0.49	2.05	
Adjusted Diluted EPS	\$7.04 - \$7.17	\$6.57	7.2% - 9.1%
- Less: Currency	(0.22)		
Adjusted Diluted EPS, excluding currency	\$7.26 - \$7.39	\$6.57	10.5% - 12.5%

(a) See forecast assumptions in Earnings Release for details
Source: PMI Financials or estimates

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Select European Markets: PMI HTU Adjusted Share of Market

	FY'24	Change vs. PY		FY'24	Change vs. PY		FY'24	Change vs. PY
Austria	8.3%	+1.2pp	Italy	16.9%	+0.1pp	Slovak Republic	17.2%	+1.2pp
Czech Republic	14.9	-	Lithuania	28.1	+0.3	Slovenia	14.3	+2.0
Germany	6.2	+0.9	Poland	9.1	+0.1	Spain	2.8	+0.5
Greece	21.8	+2.3	Portugal	20.6	+2.4	Switzerland	12.8	+1.3
Hungary	32.3	+3.4	Romania	8.9	+1.1	United Kingdom	4.6	+1.1

Source: PMI Financials or estimates

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries Reconciliation of Non-GAAP Measures

Reconciliation of Net Earnings attributable to PMI to Adjusted Net Earnings attributable to PMI
(\$ in millions) / (Unaudited)

	Years ended December 31,		Change Fav./ (Unfav.)		Variance Fav./ (Unfav.)					
	2024	2023	Total	Excl. Curr. & Acquis.	Total	Currency	Acquisitions	Price	Vol/ Mix	Cost/ Other
Net Earnings attributable to PMI	\$ 7,057	\$ 7,813	(9.7)%	(2.2)%	(756)	(594)	9	2,203	764	(3,138)
Restructuring charges	(150)	(96)	(56.3)%	(56.3)%	(54)	-	-	-	-	(54)
Impairment of goodwill and other intangibles	(20)	(678)	97.1%	97.1%	658	-	-	-	-	658
Amortization of intangibles	(629)	(389)	(61.7)%	(61.7)%	(240)	-	-	-	-	(240)
Megaplis localization tax impact	(77)	-	-	-	(77)	-	-	-	-	(77)
Income tax impact associated with Swedish Match AB financing	(209)	170	-(100)%	-(100)%	(379)	-	-	-	-	(379)
Egypt sales tax charge	(39)	-	-	-	(39)	-	-	-	-	(39)
Loss on sale of Vectura Group	(206)	-	-	-	(206)	-	-	-	-	(206)
Impairment related to the RBH equity investment	(2,316)	-	-	-	(2,316)	-	-	-	-	(2,316)
FV Adjustment for equity security investments	418	38	+100%	+100%	380	-	-	-	-	380
Tax items	47	(173)	+100%	+100%	220	-	-	-	-	220
Other adjustments impacting 2023 only ^(a)	-	(411)	+100%	+100%	411	-	-	-	-	411
Adjusted Net Earnings attributable to PMI	\$ 10,238	\$ 9,352	9.5%	15.7%	886	(594)	9	2,203	764	(1,496)

(a) Represents adjustments impacting 2023 only: South Korea indirect tax charge (\$174 million), Termination of agreement with Foundation for a Smoke-Free World (\$111 million), Termination of distribution arrangement in the Middle East (\$70 million), Charges related to the war in Ukraine (\$43 million), and Swedish Match AB acquisition accounting related items (\$13 million). Source: PMI Financials or estimates

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