



PHILIP MORRIS
INTERNATIONAL



Investor Information

May 2022

This Investor Information posting includes summaries of information set forth in PMI's quarterly report Form 10-Q for the quarter ended March 31, 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 Q1, 2022, published April 21, 2022)
- [Virtual CAGNY 2022](#) (February 23, 2022)
- [Virtual Investor Day](#) (February 10, 2021)
- [Sustainability Webcast](#) (June 2, 2021)
- [Sustainability Resources](#)

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

Introduction

- A glossary of key terms and definitions, including the definition for reduced-risk products, or "RRPs," additional heated tobacco unit market data, 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
- Unless stated otherwise, historical results through 2021 include Russia and Ukraine
- Figures and comparisons presented on a pro forma basis exclude PMI's operations in Russia and Ukraine entirely
- In the third quarter of 2021, we acquired Fertin Pharma A/S, Vectura Group plc. and OtiTopic, Inc. On March 31, 2022, we launched a new Wellness and Healthcare business Vectura Fertin Pharma, which consolidates these entities. The operating results of this new business are reported in the 'Other' category. Business operations of our Wellness and Healthcare business are managed and evaluated separately from the geographical segments

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Forward-Looking and Cautionary Statements

- This presentation and related discussion contains projections of future results and other forward-looking statements. 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; 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, PMI's business risks also include risks and uncertainties related to PMI's acquisitions of Fertin Pharma A/S ("Fertin"), OtiTopic, Inc. ("OtiTopic") and Vectura Group plc ("Vectura"), including, amongst other things: (1) the possibility that the integration of the operations of Fertin and Vectura with those of PMI may be more difficult and/or take longer than anticipated, and may not accelerate PMI's desired entry into additional smoke-free and beyond nicotine platforms as quickly as anticipated; (2) the possibility that the respective integrations of Fertin and Vectura into PMI may be more costly than anticipated and may have unanticipated adverse results relating to Fertin, Vectura or PMI's existing businesses; (3) the inability to gain access to or acquire differentiated proprietary assets, technology and/or pharmaceutical development expertise as anticipated by these acquisitions; (4) risks associated with third-party contracts containing consent and/or other contractual provisions that may be triggered by the acquisitions; (5) the success of the research and development efforts of Fertin, OtiTopic and Vectura, including the ability to obtain regulatory approval for new products, and the ability to commercialize or license these new products; (6) any unanticipated safety, quality or efficacy concerns and the impact of identified concerns associated with the products developed by Fertin, OtiTopic and Vectura; and (7) the ability of PMI to retain key personnel of Fertin and Vectura, or hire key talent to work in the Fertin and Vectura businesses due to their affiliation with PMI
- PMI is further subject to other risks detailed from time to time in its publicly filed documents, including the Form 10-Q for the quarter ended March 31, 2022 and the Form 10-K for the year ended December 31, 2021. 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 we may make from time to time, except in the normal course of its public disclosure obligations

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Focus on Supporting Our Employees Impacted by the Crisis in Ukraine

- Evacuated over 1,100 people (employees and their families) from the country and supported more than 2,700 others to move from conflict zones
- Delivering critical aid to those that remain in Ukraine
- Providing accommodation, assistance and support for a path forward for those who leave the country
- Contributed around \$10 million in funds and donated essential items to humanitarian efforts, further ~\$25 million in estimated costs for additional employee support



Source: 2022 Annual Shareholder Meeting, May 4, 2022

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Actively Working to Address Impact of War in Ukraine

Strong Business Outlook Excluding Russia and Ukraine

Ukraine

- Ukraine manufacturing suspended at Kharkiv facility
- Business activities most impacted in eastern Ukraine, some resumption in areas where conditions allow as we seek to maximize product availability for consumers, using inventories on hand
- Supporting all our Ukrainian employees:
 - Continuing to pay salaries
 - Substantial in-kind support to employees and their families
- Providing additional humanitarian aid

Russia

- PMI Board and senior executives working on options to exit the Russian market in an orderly manner, in context of complex and rapidly changing regulatory and operating environment
- Concrete steps already taken to scale back operations:
 - All new investments and product launches cancelled, including IQOS ILUMA and IQOS VEEV
 - Delisting 25% of cigarette products, including Marlboro and Parliament SKUs
 - Canceled \$150m investment to ultimately manufacture >20bn TEREA sticks in Russian facility
- Supporting our 3,200 employees, continuing to pay salaries and fulfilling our legal obligations

Source: PMI Financials or estimates. Q1 2022 Earnings, April 21, 2022

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Section 1: 2021 Results and Q1 2022 Performance

Very Strong Q1 Performance, Robust Year Ahead

- Excellent Q1 2022 organic net revenue and EPS growth
- Very strong quarter for *IQOS* user acquisition as device supply constraints ease:
 - >1 million user growth excl. Russia & Ukraine
 - 23% RRP pro forma organic net revenue growth
 - Pro forma smoke-free net revenues over 30% of total PMI
- PMI HTUs now the second largest nicotine brand in markets where *IQOS* is present, excl. Russia & Ukraine
- *IQOS ILUMA* superb start continues in Japan, Switzerland & Spain
- Volume and net revenue growth in combustibles with growing category share
- Strong start on a year of robust expected organic growth

Q1, 2022: Strong Start to the Year

	Total PMI	Pro Forma ^(b)
Net Revenues (Organic variance vs. PY)	+9.0%	+10.0%
Net Revenue per Unit^(a) (Organic variance vs. PY)	+5.3%	+4.9%
OI Margin (Organic variance vs. PY)	(30)^{bps}	(40)^{bps}
Adjusted Diluted EPS (Currency neutral variance vs. PY)	+14.0%	+16.0%

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

(b) Excl. Russia & Ukraine from all periods

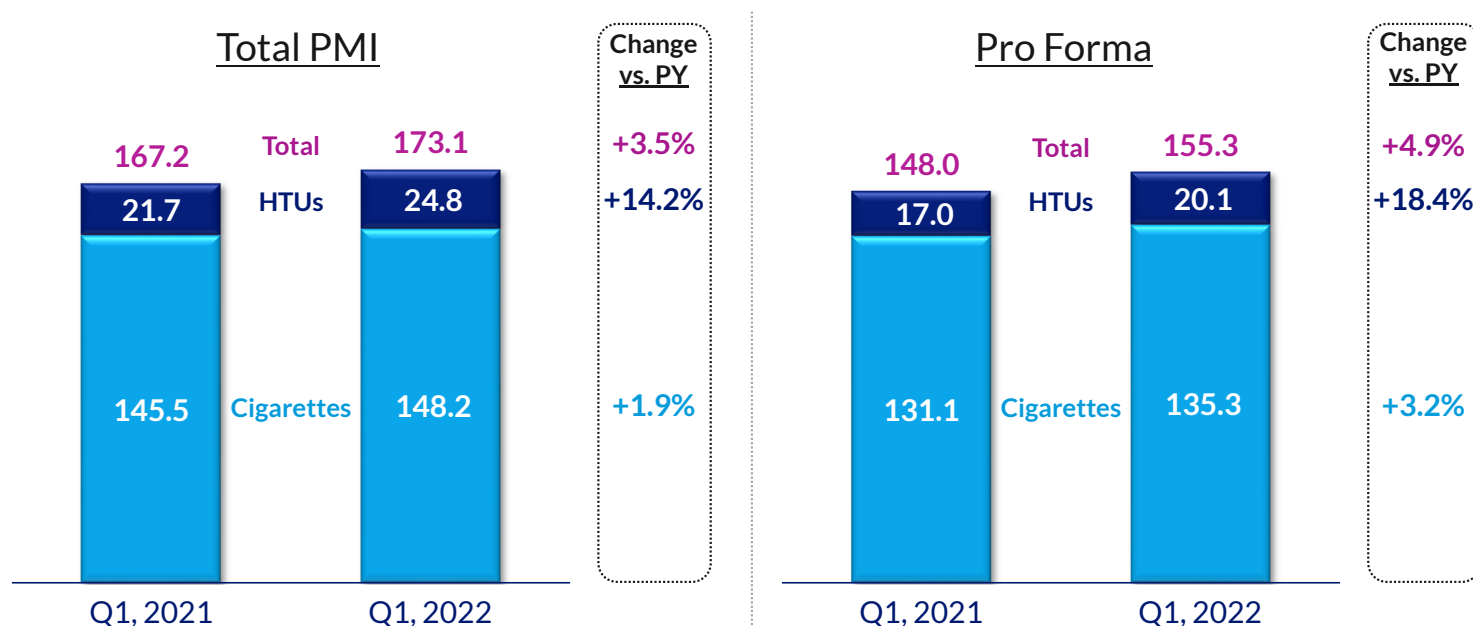
Note: Figures and comparisons presented on a pro forma basis entirely exclude PMI's operations in Russia and Ukraine

Source: PMI Financials or estimates

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Total PMI Shipment Volume: Excellent Growth

(billion units)



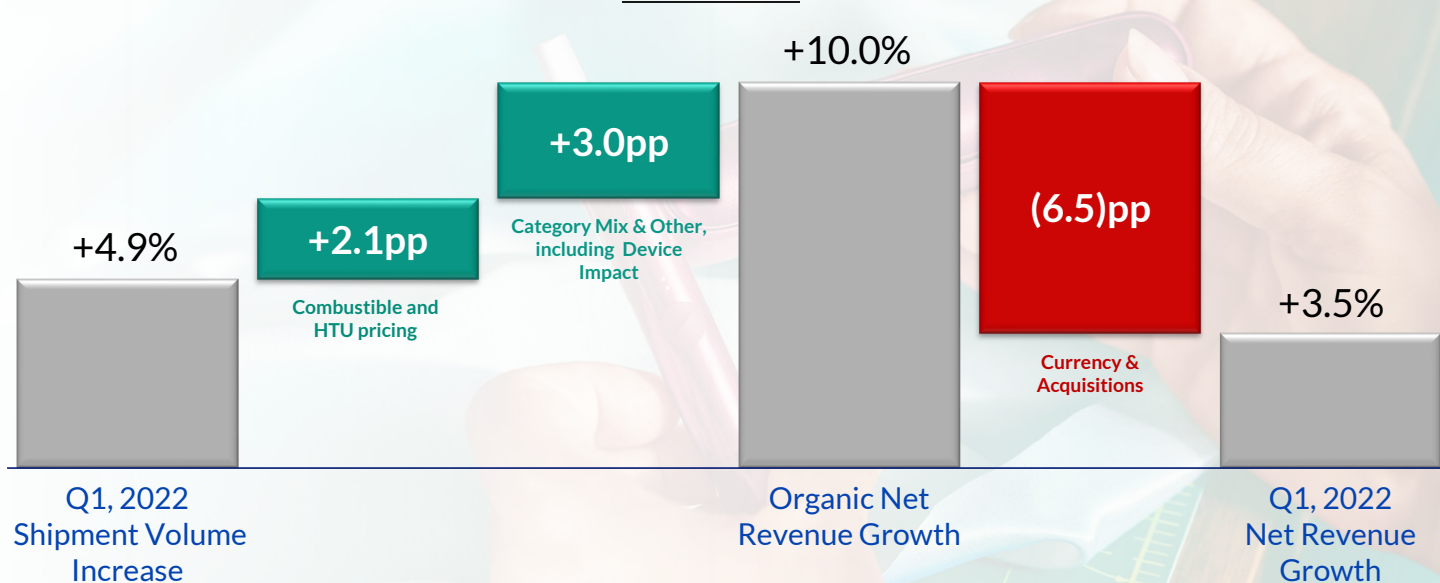
Note: Total might not foot due to roundings. Figures and comparisons presented on a pro forma basis entirely exclude PMI's operations in Russia and Ukraine

Source: PMI Financials or estimates

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Volume Growth & Twin Engines Powering Organic Net Revenues

Pro Forma

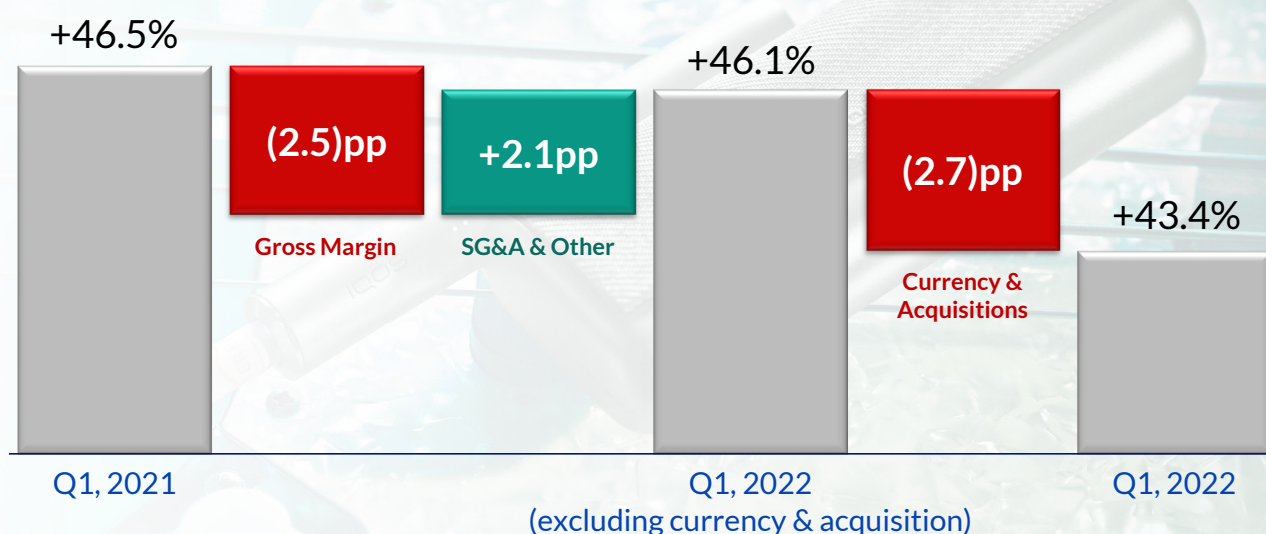


Note: Figures and comparisons presented on a pro forma basis entirely exclude PMI's operations in Russia and Ukraine
Source: PMI Financials or estimates

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Temporary COGS Headwinds Impacting OI Margin

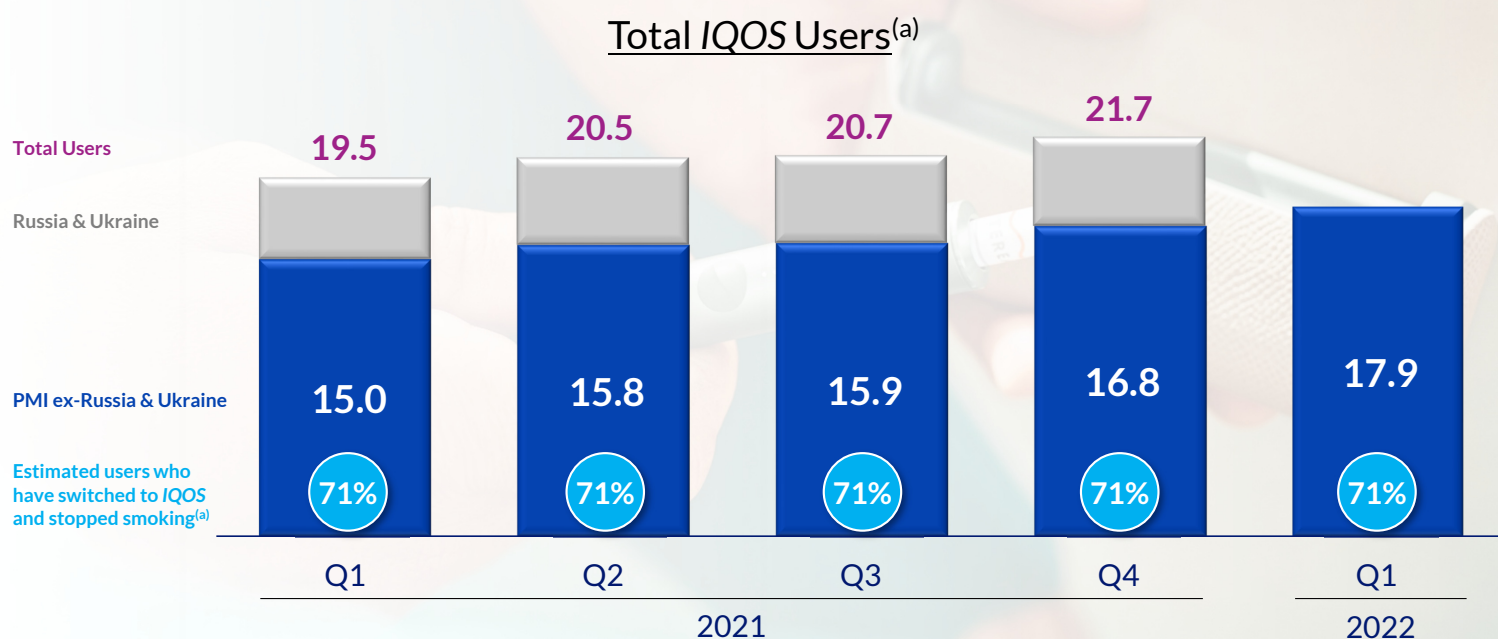
Pro Forma Adjusted OI Margin



Note: Figures and comparisons presented on a pro forma basis entirely exclude PMI's operations in Russia and Ukraine
Source: PMI Financials or estimates

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Strong IQOS User Growth Recovery



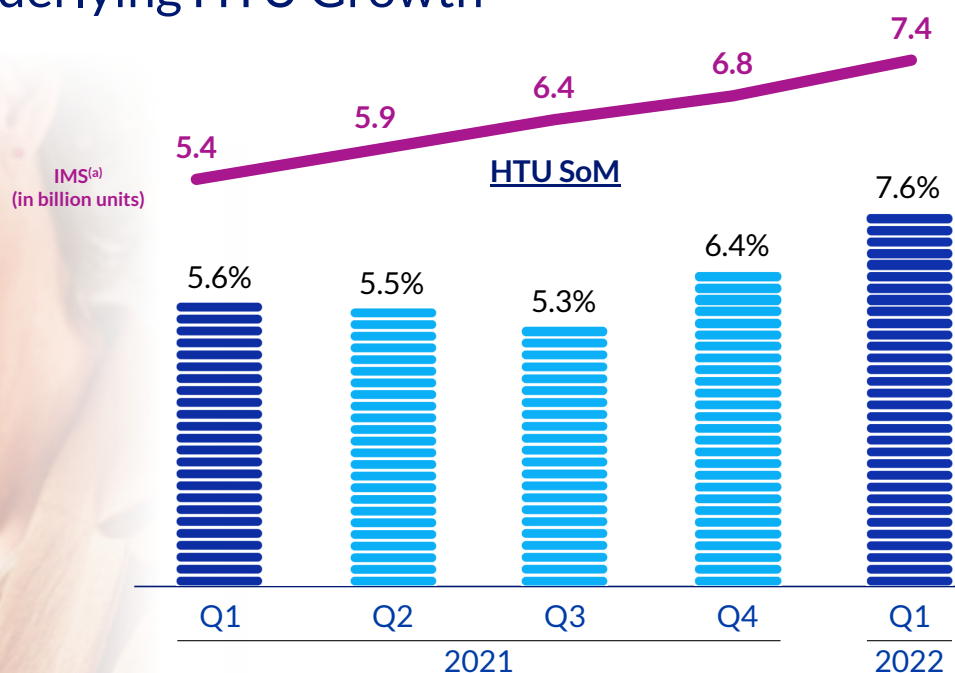
(a) See Glossary for definition

Note: Russia and Ukraine not included in total users for Q1, 2022

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

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EU Region: Strong Underlying HTU Growth



(a) Based on a four-quarter moving average

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

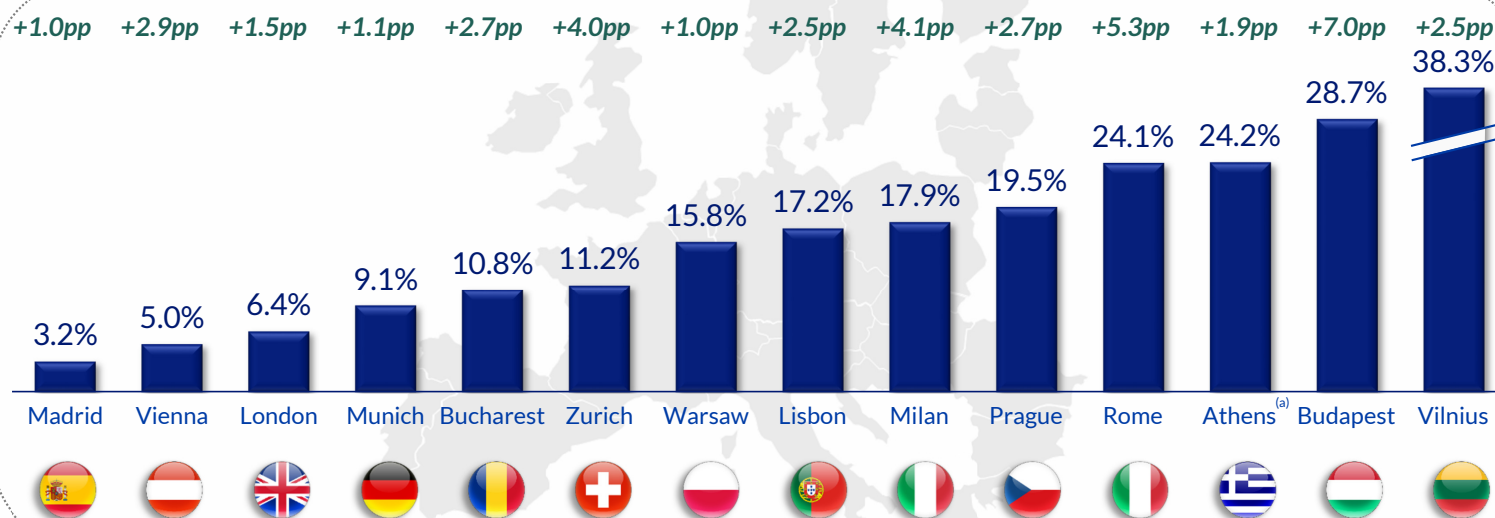
Source: PMI Financials or estimates

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Accelerating Key City Shares in Europe

PMI HTU Offtake Shares (Q1, 2022)

Change vs. PY



(a) Athens represents Attica Region
Source: PMI Financials or estimates

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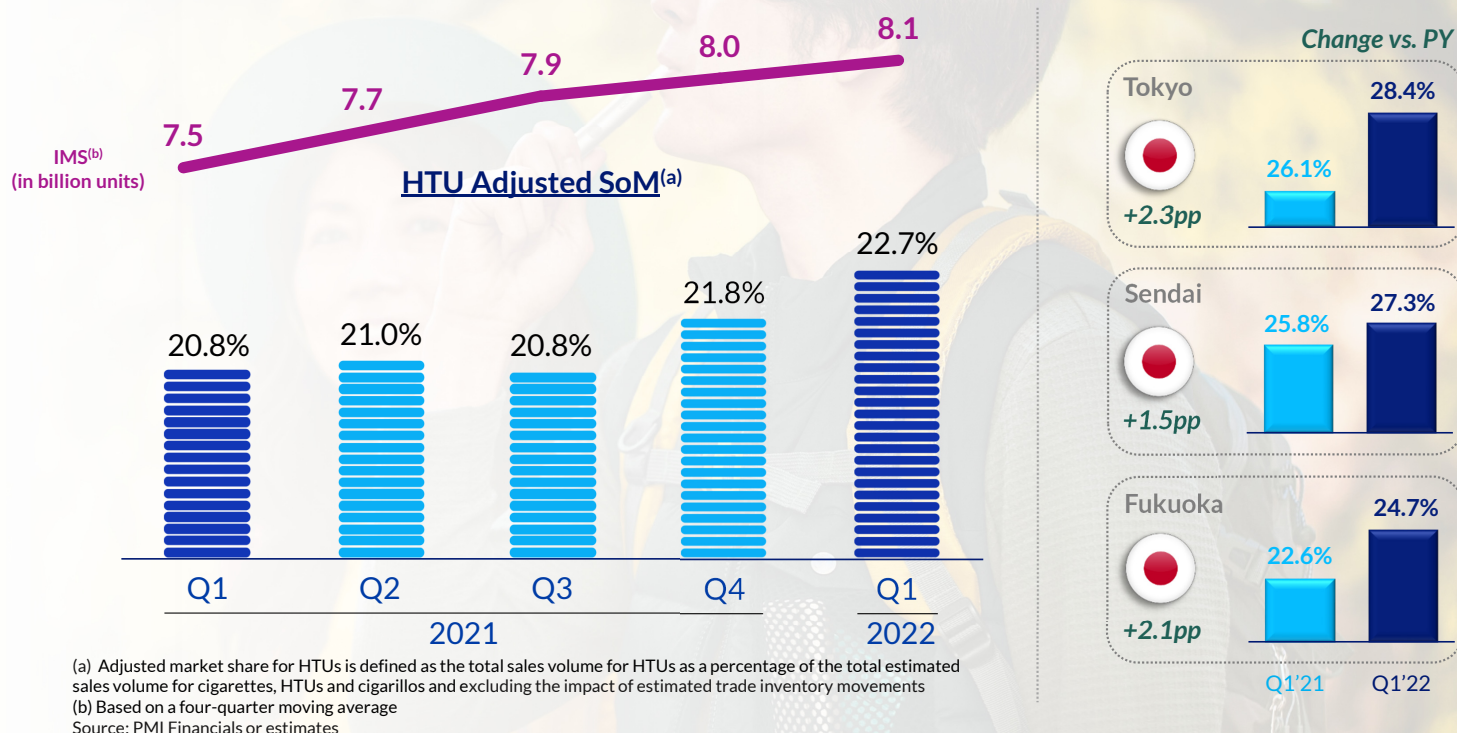
EU Region: HTU SoM Performance in Select Markets

	Q1, 2022	Growth vs. PY		Q1, 2022	Growth vs. PY		Q1, 2022	Growth vs. PY
Croatia	6.7%	+0.6pp	Italy	14.8%	+3.5pp	Romania	5.8%	+1.8pp
Czech Republic	12.5	(1.1)	Latvia	10.4	+1.1	Slovak Republic	14.4	+1.6
Germany	5.9	+2.3	Lithuania	26.3	+2.3	Slovenia	10.5	+3.5
Greece	17.2	+2.2	Poland	7.6	+2.2	Switzerland	9.0	+3.5
Hungary	25.1	+8.5	Portugal	15.3	+3.2	UK	2.6	+0.6

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

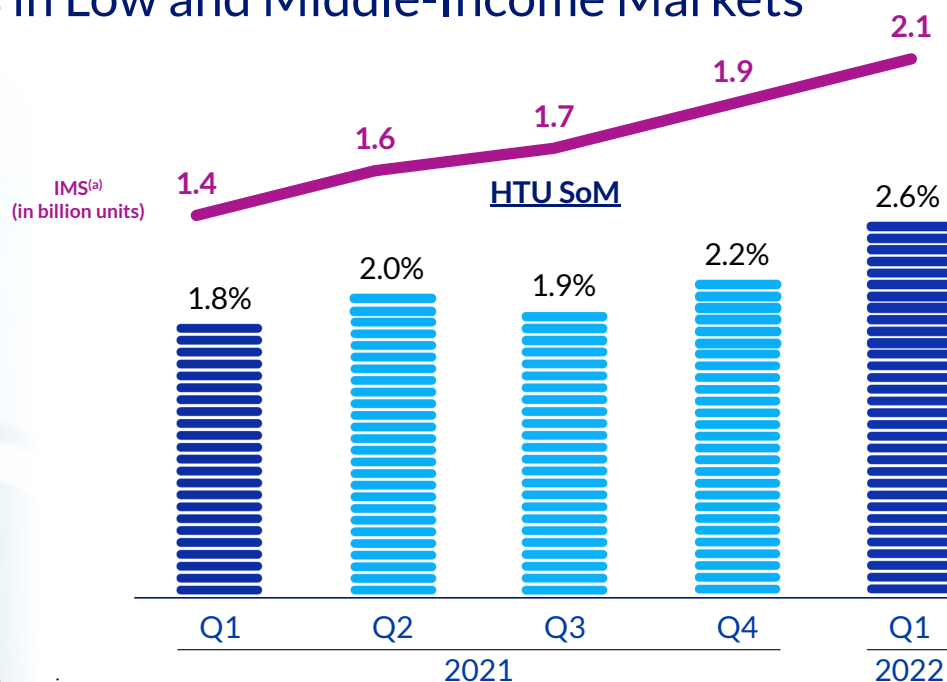
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Japan: Continued IQOS HTU Growth



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Encouraging Progress in Low and Middle-Income Markets



(a) Based on a four-quarter moving average

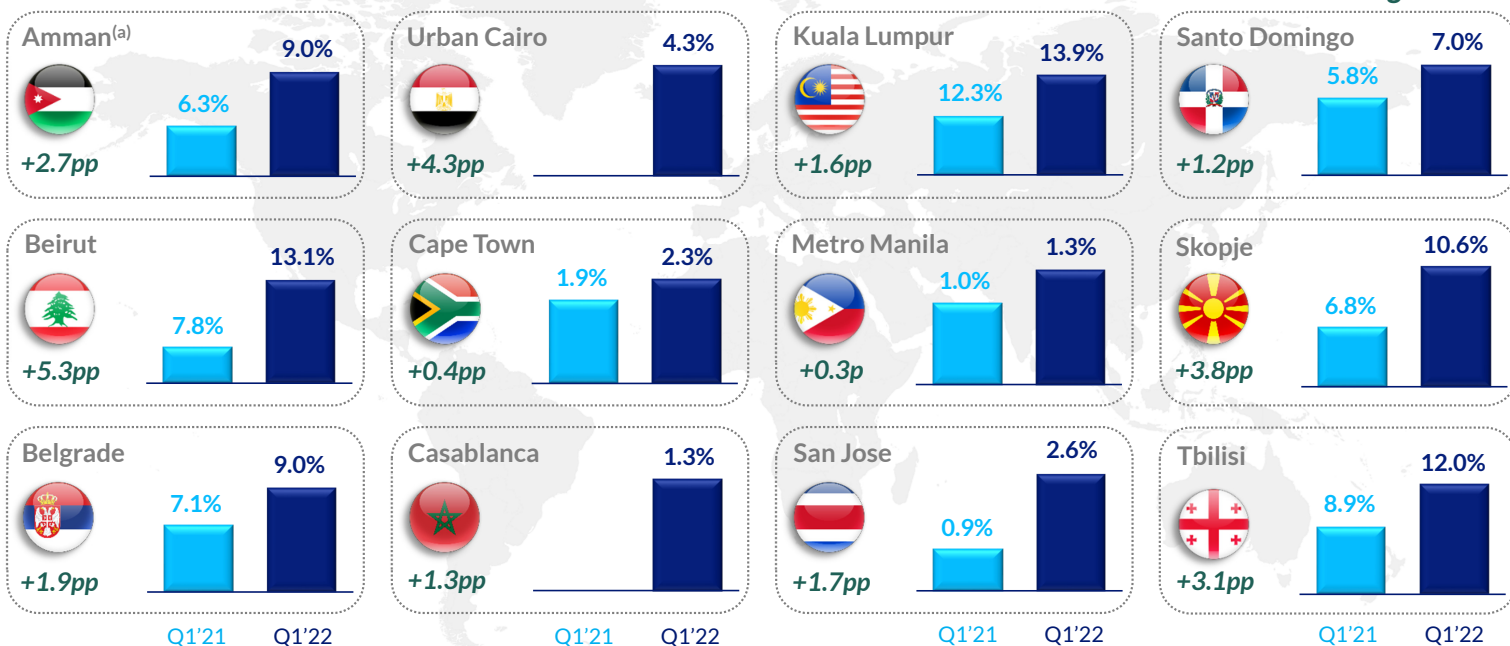
Note: 28 Low & Middle-Income markets where PMI commercialized IQOS at 31 December 2021, excluding Duty Free, Russia and Ukraine. Low & Middle-Income markets defined using World Bank classification where available. Palestine is included as a Low & Middle-Income market
 Source: PMI Financials or estimates

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Promising IQOS Growth in Low & Middle-Income Markets

(PMI HTU offtake share in Key Cities)

Change vs. PY



(a) Amman represents West Amman
Source: PMI Financials or estimates

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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)

+200bps

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
Source: PMI Financials or estimates

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 %
Other	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.

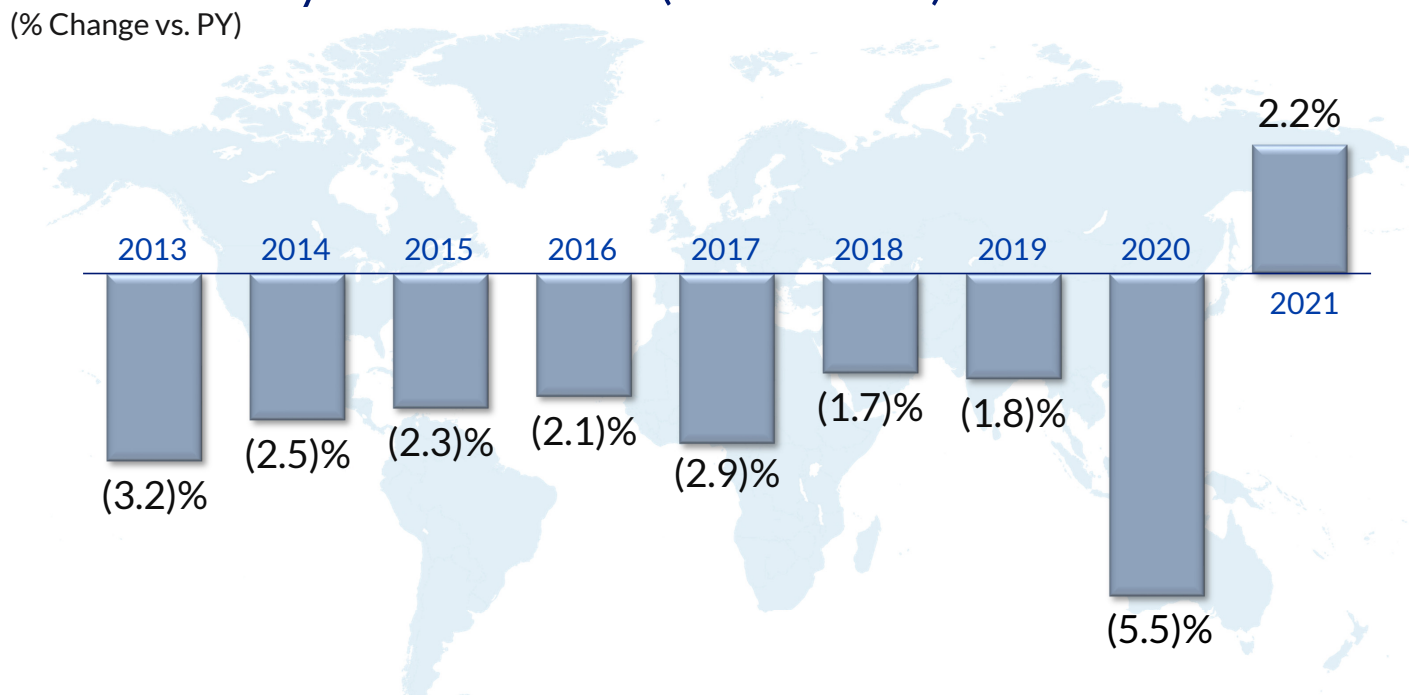
Sum of the drivers does not foot due to rounding

Source: PMI Financials or estimates

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Total Industry Volume Trend (2013-2021)

(% Change vs. PY)



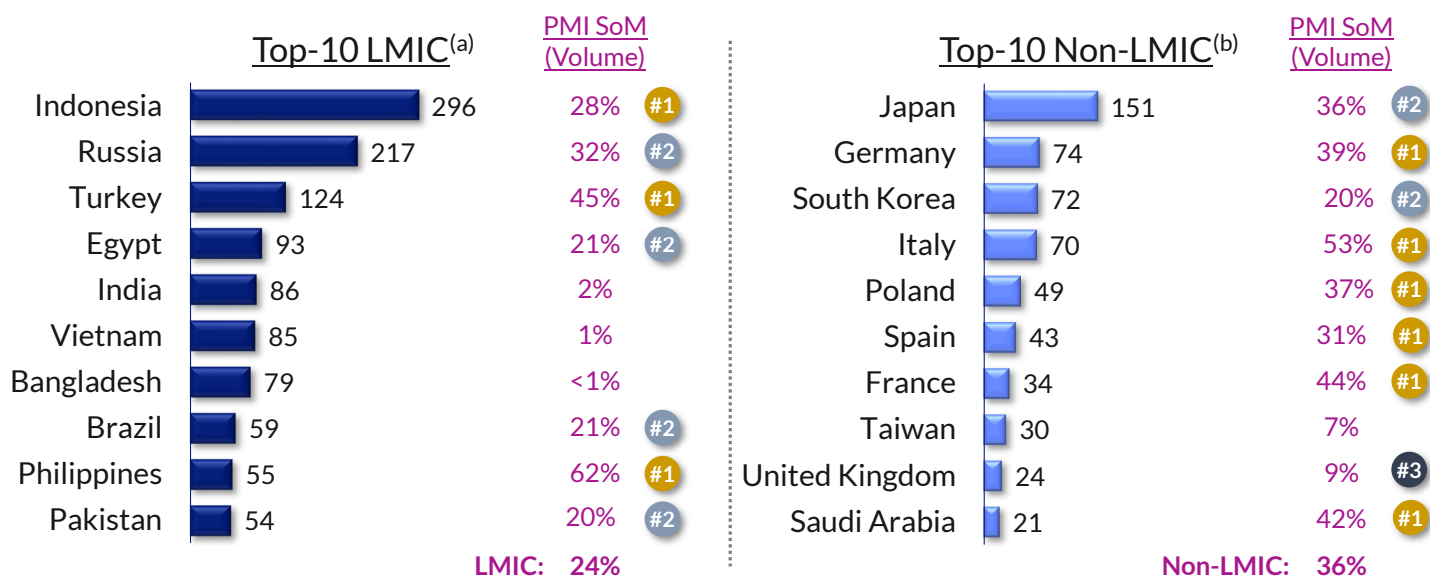
Note: Excluding China and the U.S. Reflects cigarettes and HTUs

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

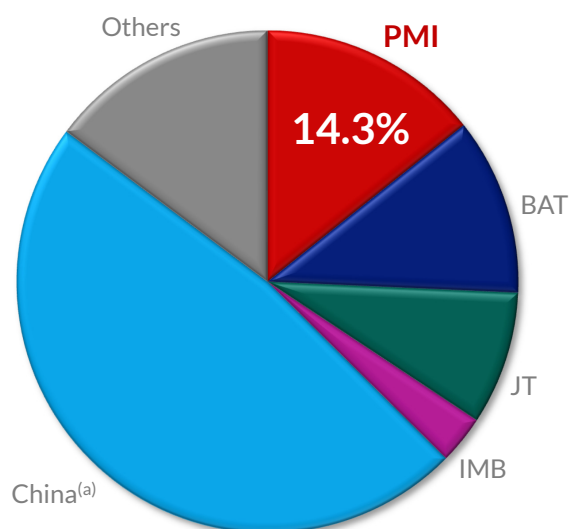
(b) Top-10 markets ranked by 2021 total industry volume, excluding the U.S., China and Duty Free

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)

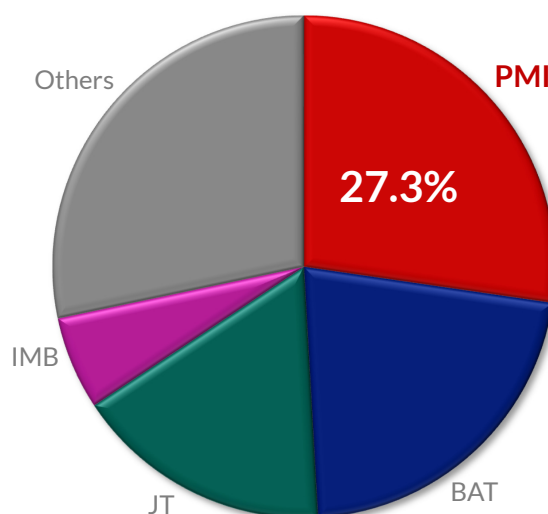
Source: PMI Financials or estimates

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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.

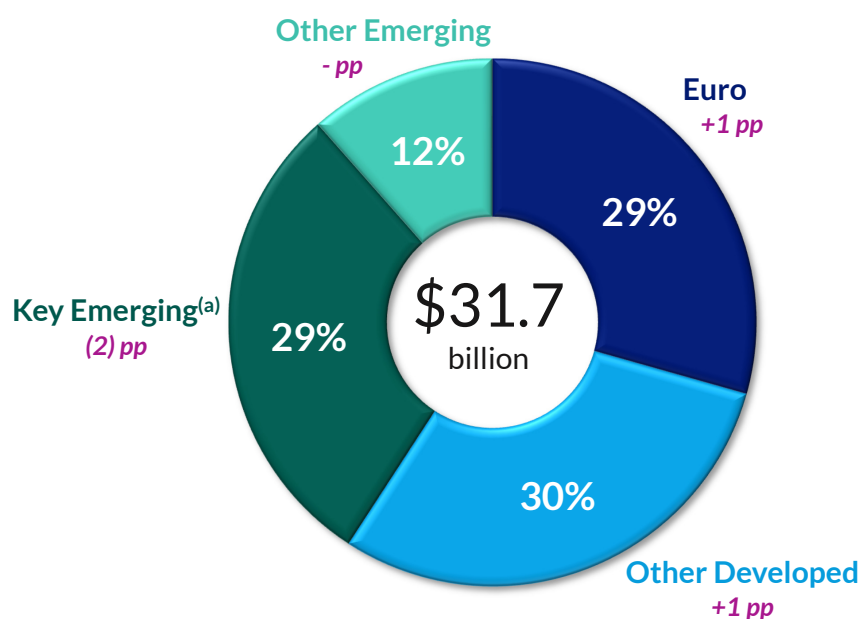
Note: Reflects cigarettes and HTUs

Source: PMI Financials or estimates

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2021 PMI Adjusted Net Revenues by Currency

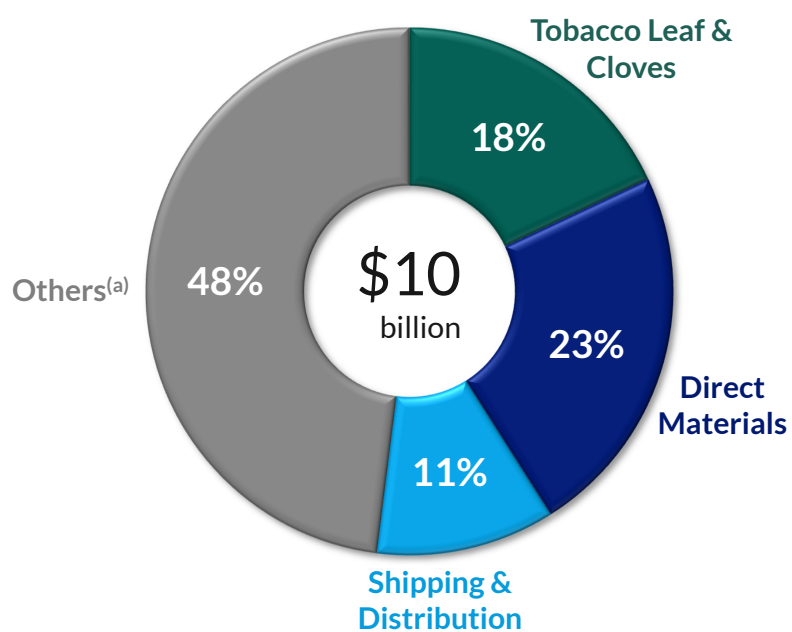
Change vs. 2020 (pp)



(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)
Other	-	-	-	-	(1.0)	-
Total PMI	40.3	38.4	39.5	40.8	42.6	2.0

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

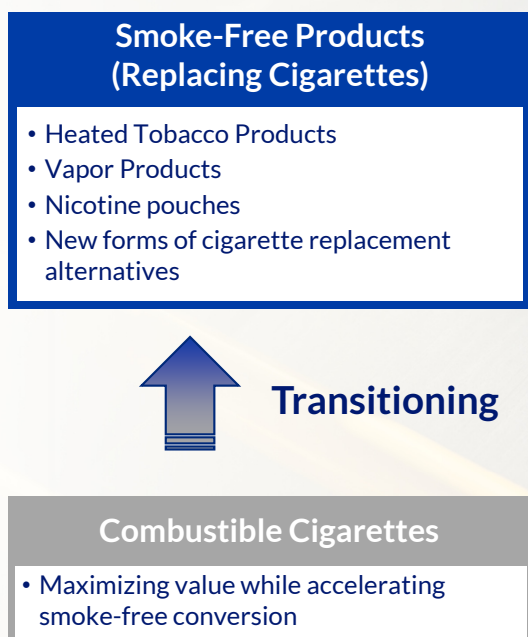
5.0%

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

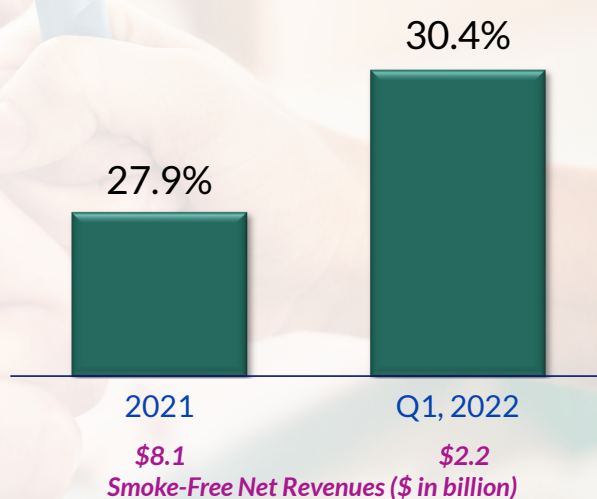
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Rapid Smoke-Free Transformation Continues

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 'Other' category

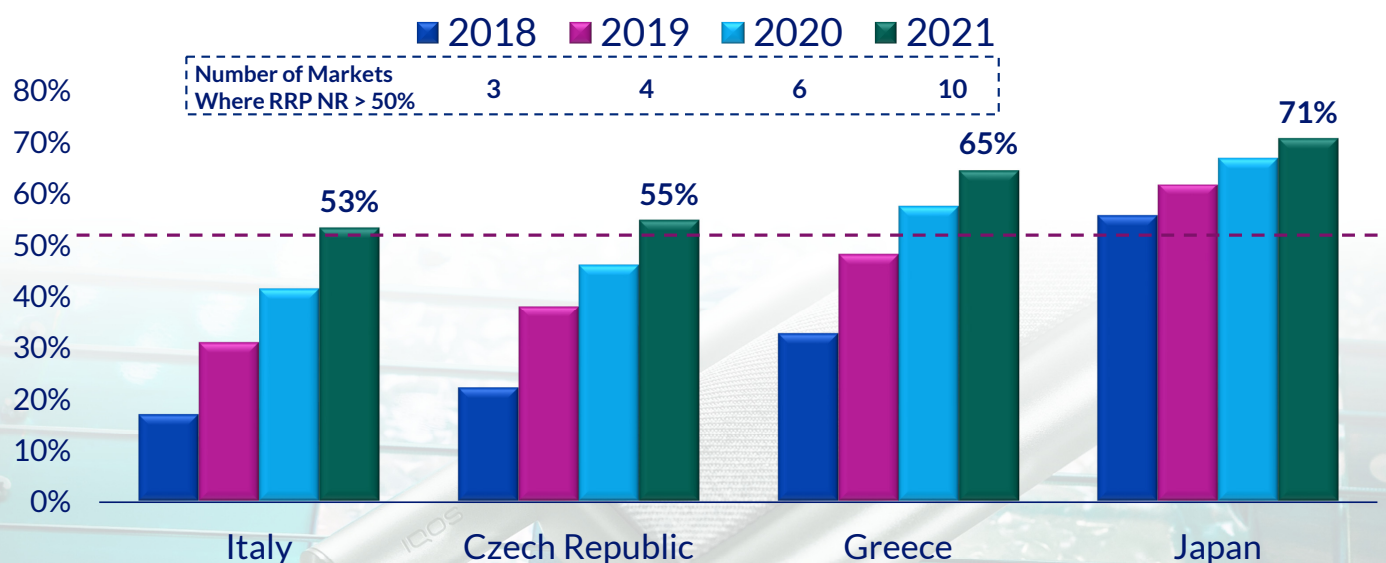
Note: Figures and comparisons presented on a pro forma basis entirely exclude PMI's operations in Russia and Ukraine

Source: PMI Financials or estimates

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Rapidly Transforming to a Majority Smoke-Free Business

(As a % of Total Net Revenues)

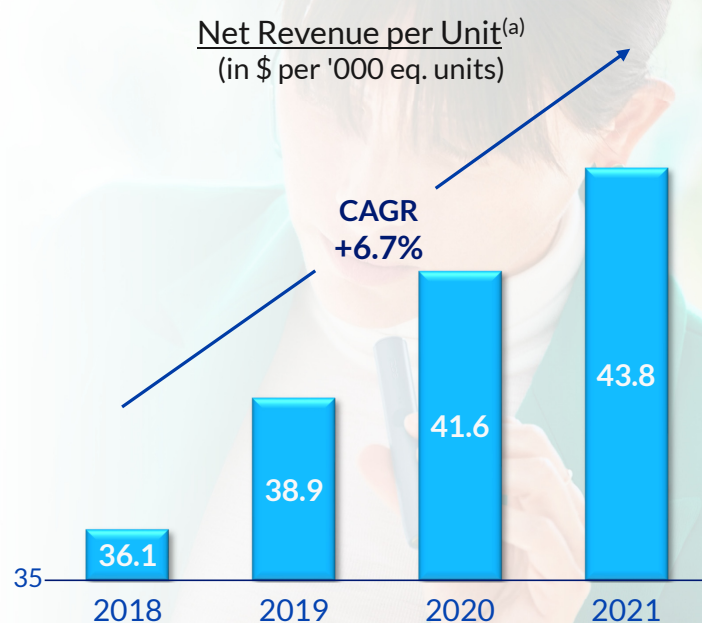


Note: Data reflects status as of year-end of respective year. 2021 data excludes Belarus
Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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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



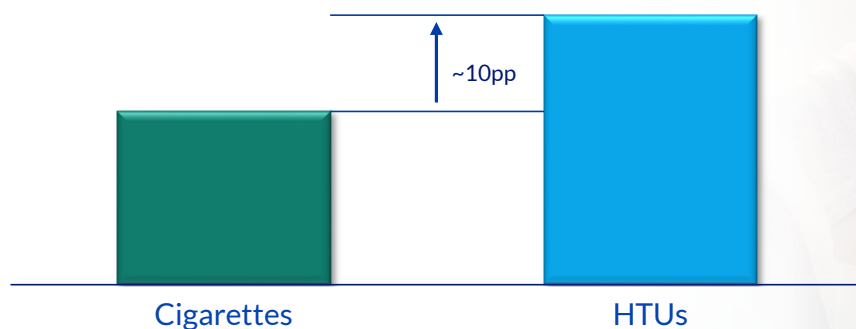
(a) Reflects total PMI adjusted net revenues divided by total PMI cigarette and HTU shipment volume, at 2021 exchange rates. Excludes the 'Other' category
Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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Gross Margins Are ~10pp Higher on HTUs

- Positive mix on revenue further boosted by higher gross margins
- Further upside from manufacturing & supply chain productivity
- Accelerated organic growth in gross profit

2020 % Gross Margin

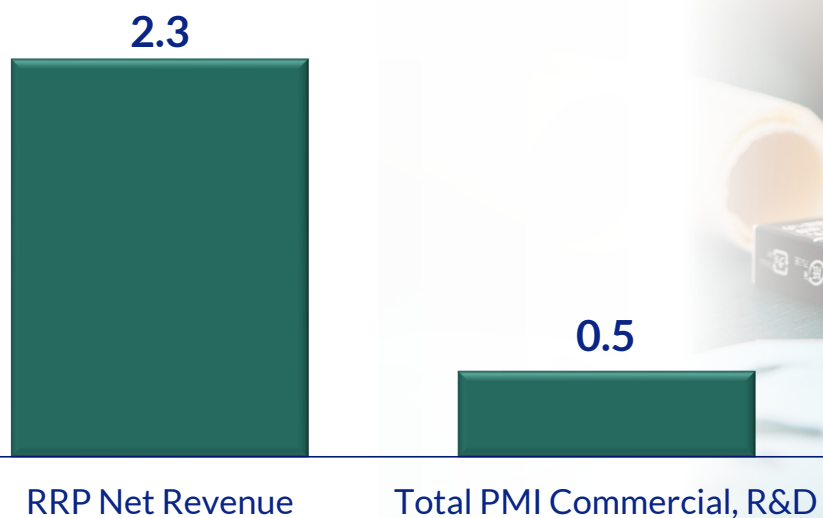


Source: PMI Financials or estimates. PMI Investor Day, February 10, 2021

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

2021 vs. 2020 Growth
(in \$bn)

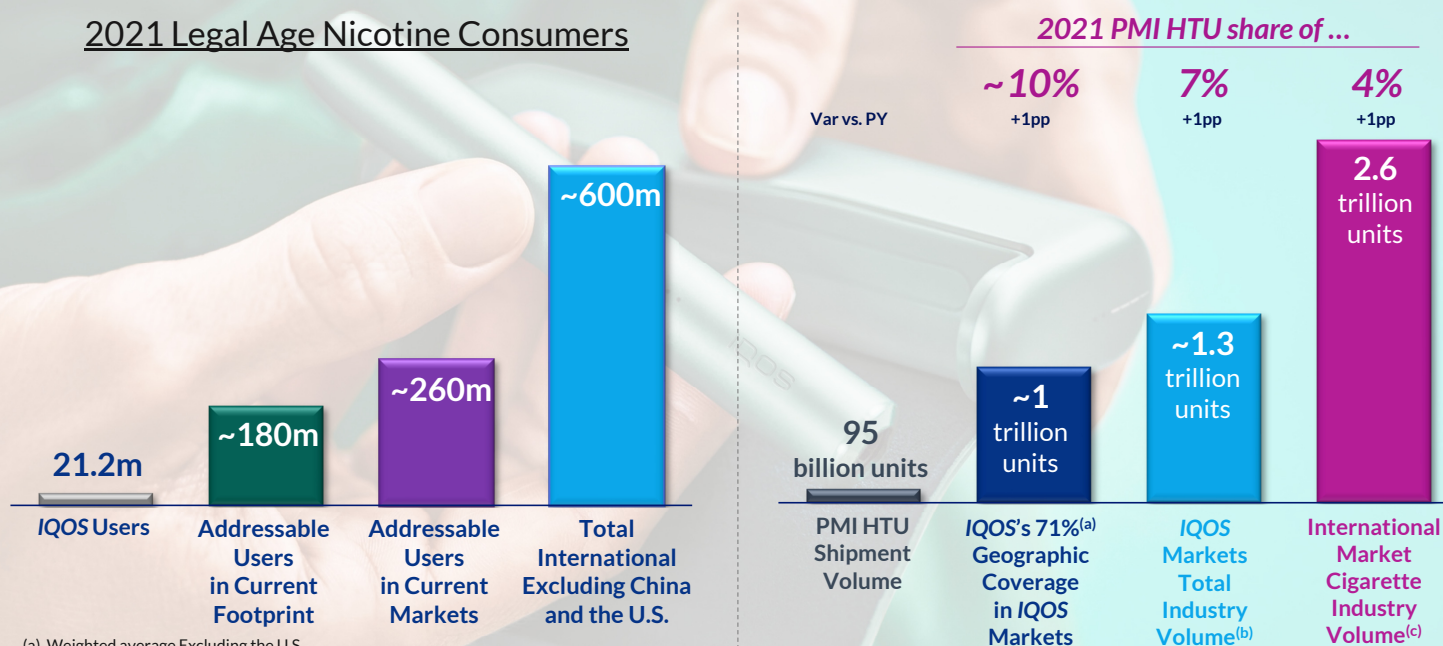


Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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The Opportunity for IQOS Remains Vast

2021 Legal Age Nicotine Consumers



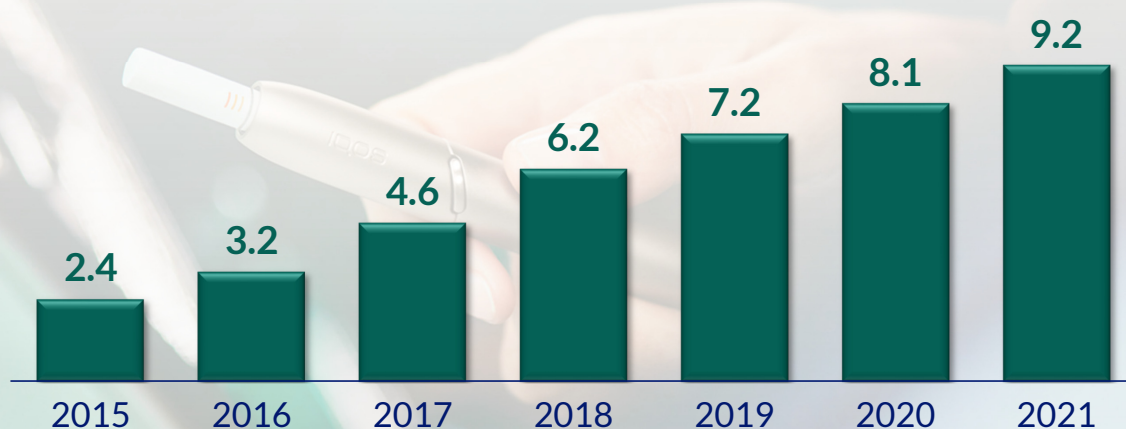
(a) Weighted average Excluding the U.S.
 (b) Excluding the U.S.
 (c) Excluding China and the U.S.
 Note: Total volume reflects cigarettes and HTUs
 Source: PMI Financials or estimates (2021)

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Substantial Investment in Best-in-Class Capabilities

(in \$ billion)

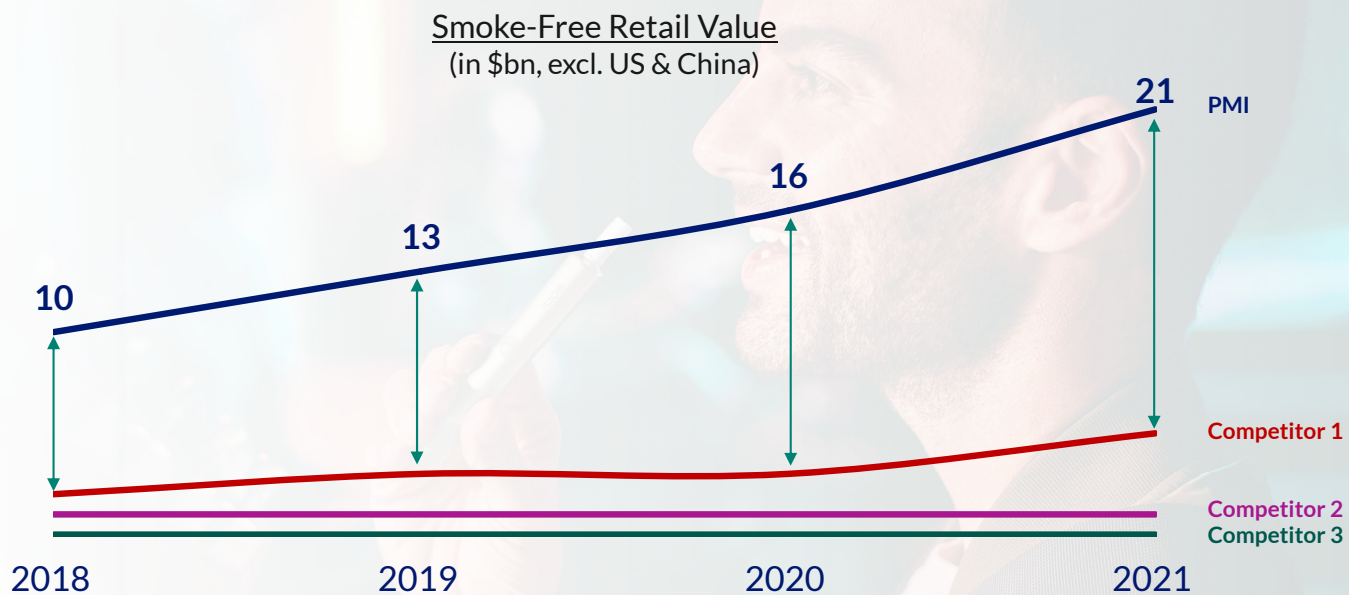
Cumulative RRP Investments



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



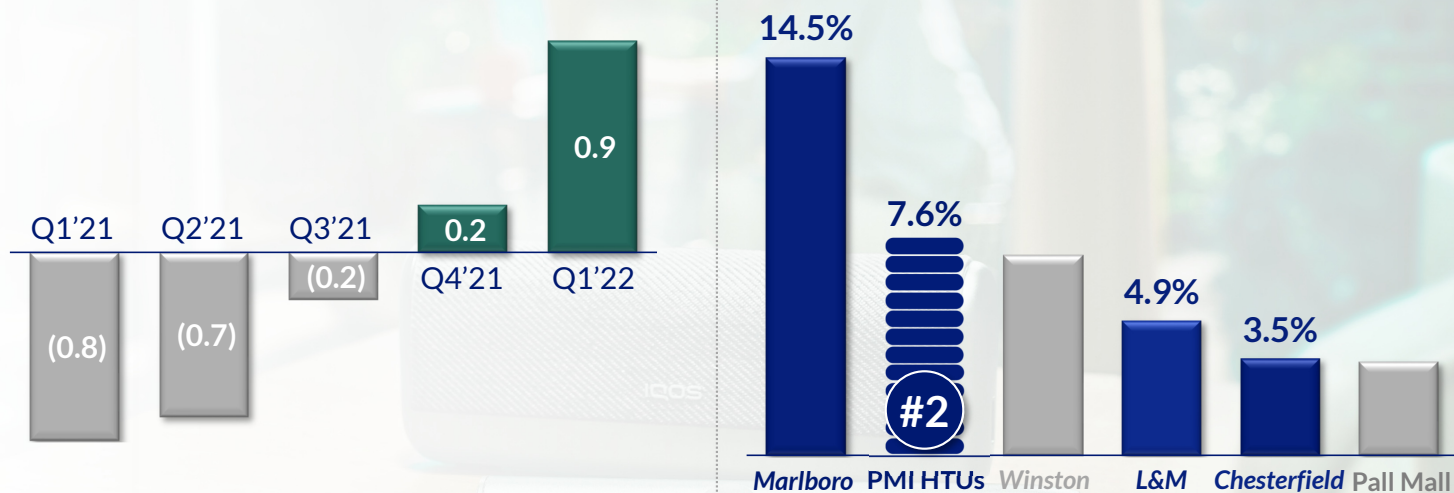
Source: PMI Financials or estimates. CAGNY 2022, February 23, 2022

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Positive Total Market Share Momentum

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

Q1'22 International Nicotine Brand
Share in IQOS Markets^(a)



(a) Reflects 66 markets where IQOS HTUs are available in key cities or nationwide at March 31, 2022. Excludes Russia, Ukraine and the U.S.

Note: Reflects sales volume as a percentage of the total industry sales volume for cigarettes and HTUs. Excluding Russia, Ukraine, China and the U.S. All 'brands' except 'PMI HTUs' include cigarettes only. Figures and comparisons presented on a pro forma basis entirely exclude PMI's operations in Russia and Ukraine

Source: PMI Financials or estimates

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Significant Expansion of Multi-Category Portfolio to Drive Smoke-Free Transformation

Heat-not-Burn



E-vapor



Nicotine Pouches



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Heat-not-Burn: Introducing IQOS ILUMA

Intuitive Product for Acquisition and Retention

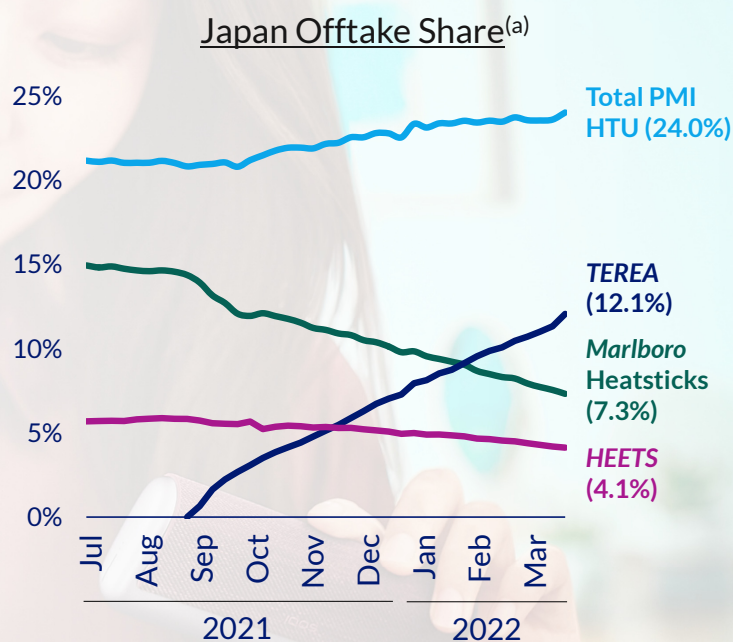
- Next generation of IQOS
- IQOS ILUMA: Pleasure simplified
- New internal heating technology
 - Based on Smartcore™ induction
- Same great taste
- Premium design and customization for enhanced lifestyle appeal, advanced features
- 3 device designs covering 3 price points
- New broad range of consumables
- 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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Superb Results of IQOS ILUMA in Japan (Q1, 2022 Update)

- Over 20% of *ILUMA* users are new users, and over 30% of total IQOS users now using *ILUMA*
- Higher conversion rates
- *TEREA* the fastest-growing launch in the smoke-free category with 12% offtake share in 6 months, overtaking IQOS blade consumables
- *ILUMA ONE* launched in March
- *SENTIA* HTUs launching in April in select prefectures at mainline price

(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



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Positive Start for IQOS ILUMA in Switzerland & Spain (Q1, 2022 Update)



Switzerland

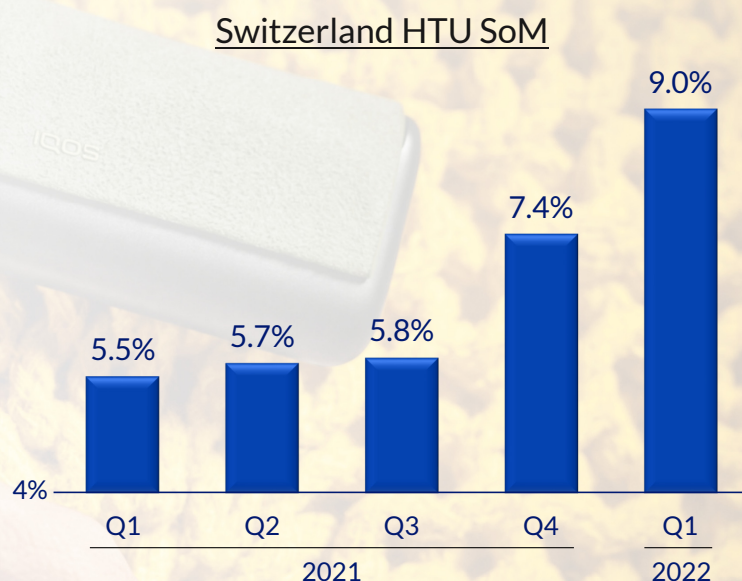
- Switzerland exhibiting similar or better early trends since early November launch
- Accelerated adult smoker acquisition and upgrades from existing users
- *TEREA* now approaching 2/3 PMI HTU sales



Spain

- Over 10% of existing users upgraded in first month
- 50% increase in IQOS device sales to new users
- *TEREA* offtake exiting March at ¼ of HTU sales
- Significant increase in Net Promoter Score

Note: New users are former Legal Age Smokers or Legal Age Nicotine Users
 Source: PMI Financials or estimates



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Heat-not-Burn: *LIL* and *LIL HYBRID*

- Broadening our portfolio to accelerate user acquisition and grow the category, expand target audience of adult smokers:
 - High conversion, driving new adult users in-switching from cigarettes
- IQOS introduction drives awareness and credibility
- PMI commercial engine drives take-up and retention
- *LIL SOLID*: simple, intuitive, cost-effective, reliable
- *LIL HYBRID*: addresses need for vapor-type experience

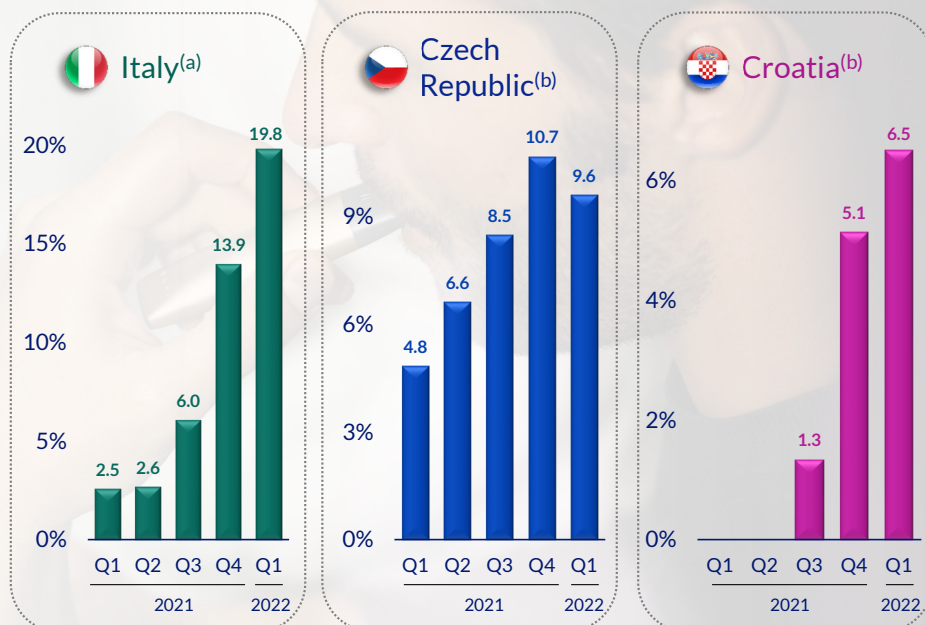


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IQOS VEEV: Strong Progress (Q1, 2022 Update)

- Strong progress following distribution and consumable range expansions
- Achieved despite average device price premium of 20-30%
- Further market roll-outs planned this year
- Present in 7 markets

VEEV Offtake Share (Closed System Pods, in %)



(a) Source: Nielsen, Indirect retail only

(b) Source: Key Account sales

Note: IMS share data based on ml

Source: PMI Financials or estimates

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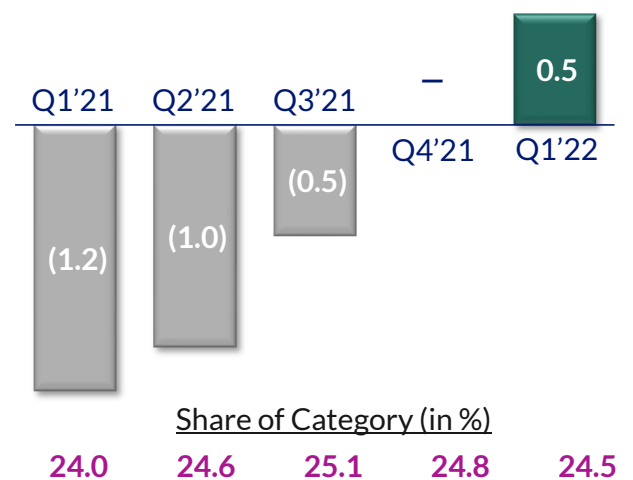


Section 3: PMI Cigarette Brand Portfolio Strategy and Performance

Robust Combustible Trends Support Smoke-Free Future

- Volume recovery notably driven by Indonesia, Philippines, Spain and Duty Free
- PMI portfolio performing well with growing category share
- Continue to target stable share of declining cigarette category over time to maximize switching to smoke-free products

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

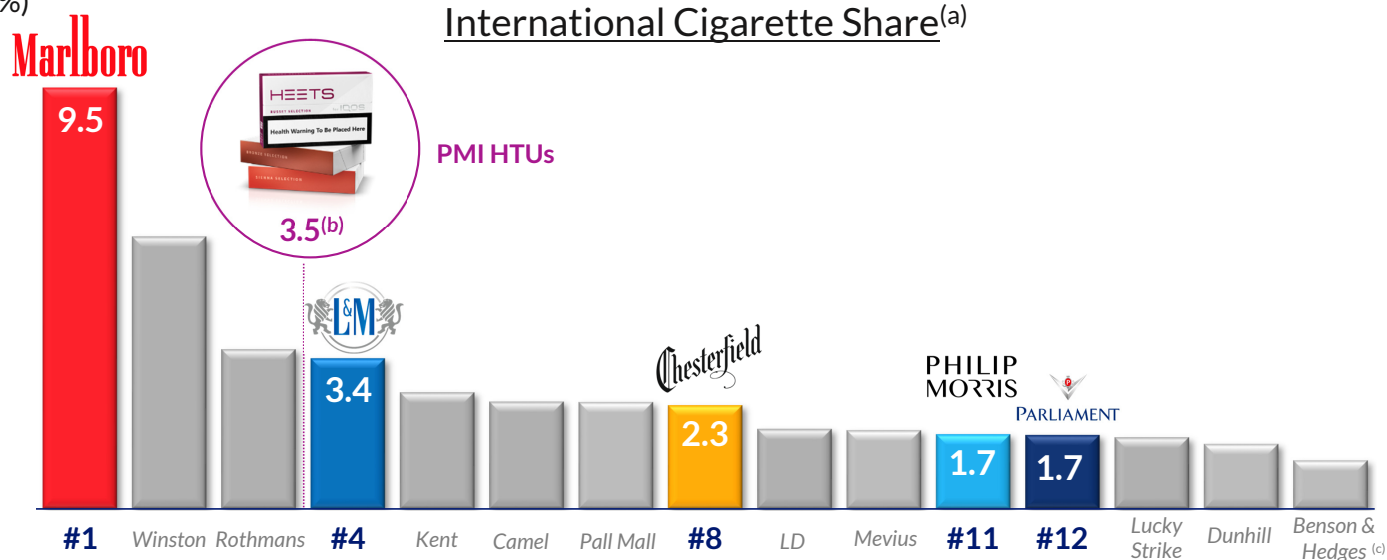


Note: Excluding Russia, Ukraine, China and the U.S. Reflects sales volume of PMI cigarettes as a percentage of cigarette industry sales volume. Figures and comparisons presented on a pro forma basis entirely exclude PMI's operations in Russia and Ukraine
Source: PMI Financials or estimates

PMI Cigarettes: Top-15 International Brands (2021)

(%)

International Cigarette Share^(a)



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

Source: PMI Financials or estimates

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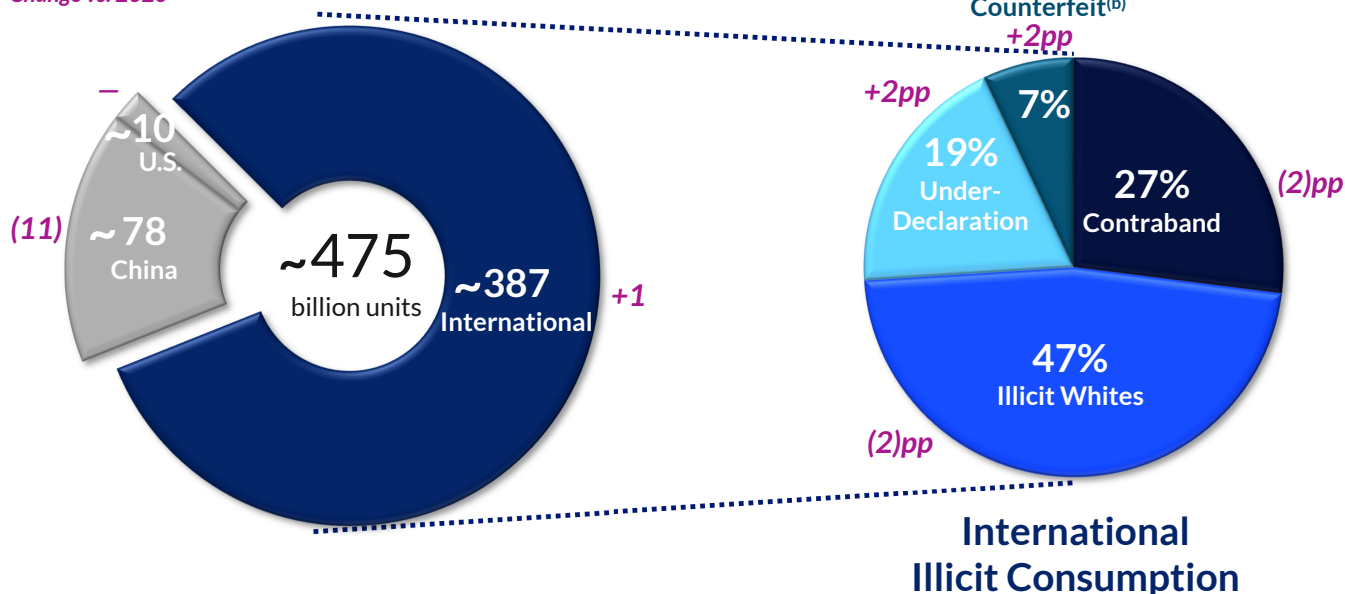
Global Excise Tax Environment

- 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
 - Process for EU Tobacco Excise Directive Revision^(a):
 - EU Commission's Evaluation Report (February 10, 2020) covering combusted tobacco products, novel tobacco products and e-cigarettes
 - EU Council Conclusions (June 2, 2020) requesting the EU Commission to prepare the necessary impact assessment plus legislative proposal, expected to be published in Q4, 2022
 - Any final amendments to TED require unanimous agreement by the 27 EU Member States, followed by transposition of TED into national tax legislation. The potential effective date for any changes to TED, after transposition period, is the beginning of 2024
- Excise taxes on smoke-free products significantly different from cigarettes in most geographies

(a) Council Directive 2011/64/EU of 21 June 2011 on the structure and rates of excise duty applied to manufactured tobacco

Cigarettes: Illicit Trade Overview (2021)

Change vs. 2020^(a)



(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

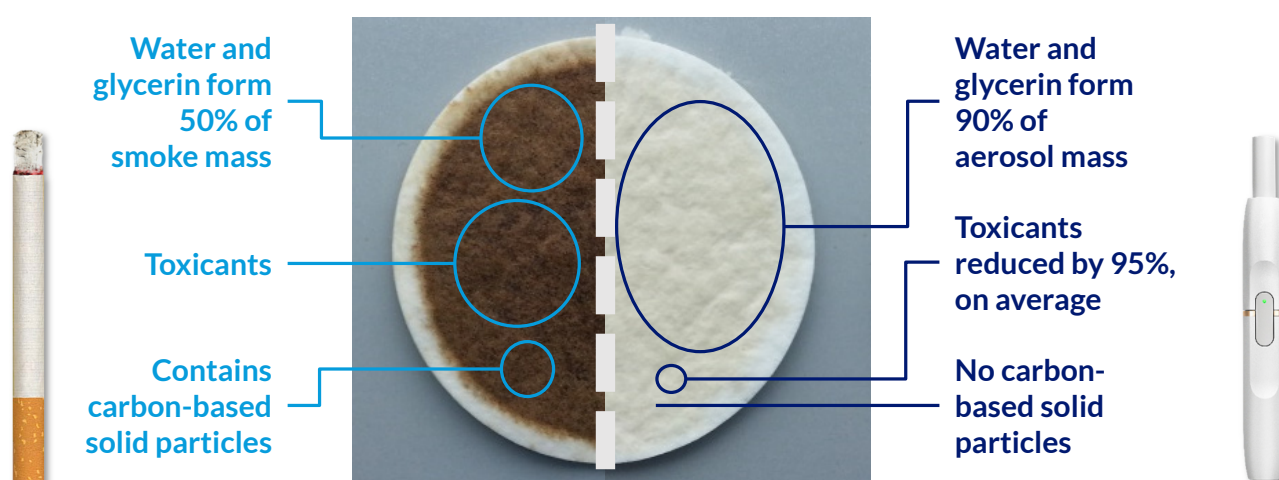
- Adhere to internationally recognized standards including Good Laboratory Practices and Good Clinical Practices
- Actively share our methods and study results, making them available for public review
- Our systems toxicology methods and results are subjected to an even higher level of scientific scrutiny 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

(a) sbv IMPROVER stands for Systems Biology Verification combined with Industrial Methodology for Process Verification in Research

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Why Heat Tobacco Rather than Burn it?



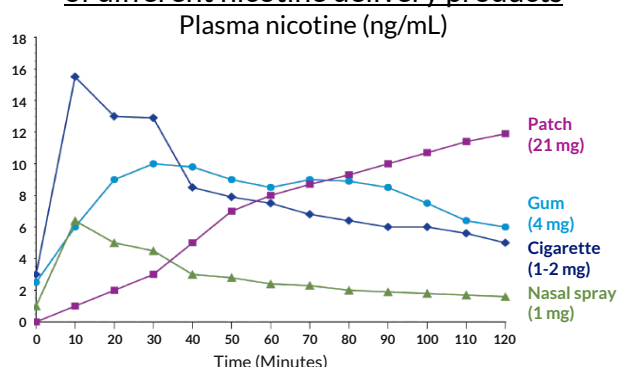
Smoke and aerosol were collected on a Cambridge filter pad using Health Canada Intense smoking regime

Source: PMI Research & Development

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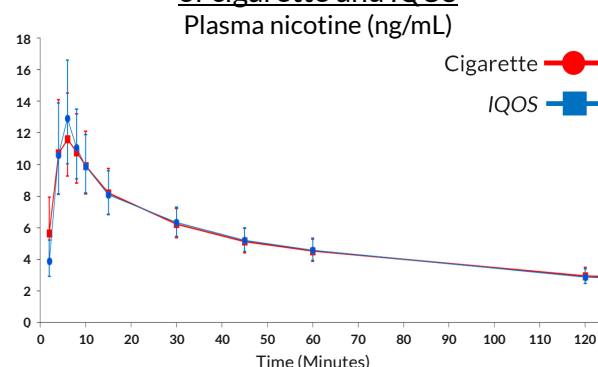
IQOS: Nicotine Pharmacokinetic Profile

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)



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."



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."

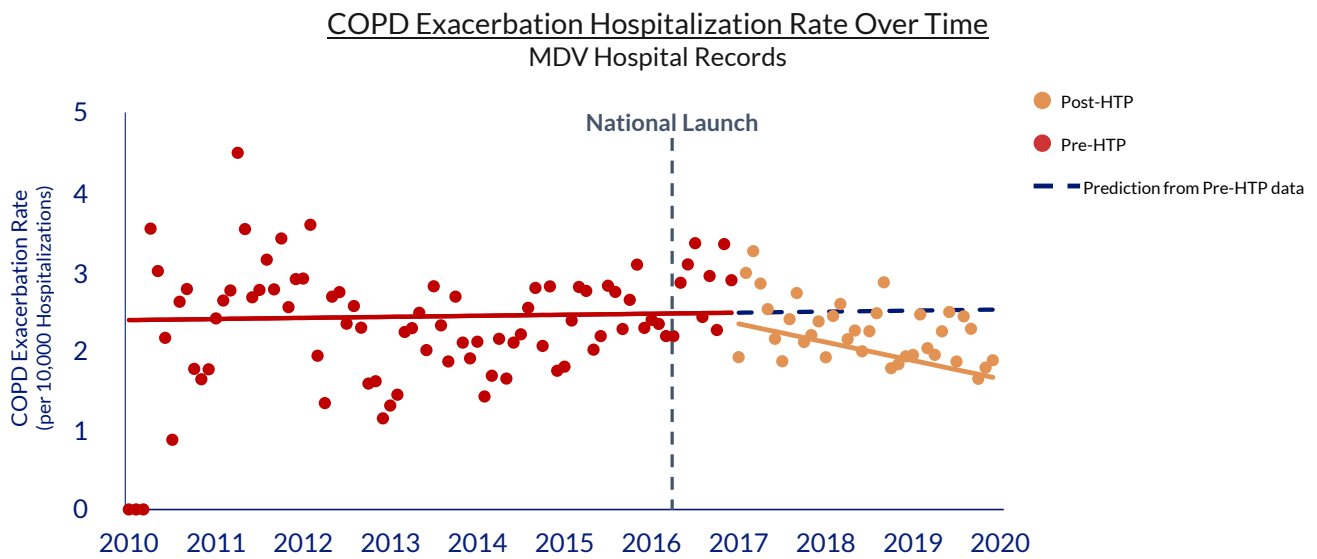


National Institute for Public Health and the Environment (RIVM) (the Netherlands, 2018): "The use of heatsticks with the IQOS is harmful to health, but probably less harmful than smoking tobacco cigarettes."

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-K for the year ended December 31, 2021, for additional information

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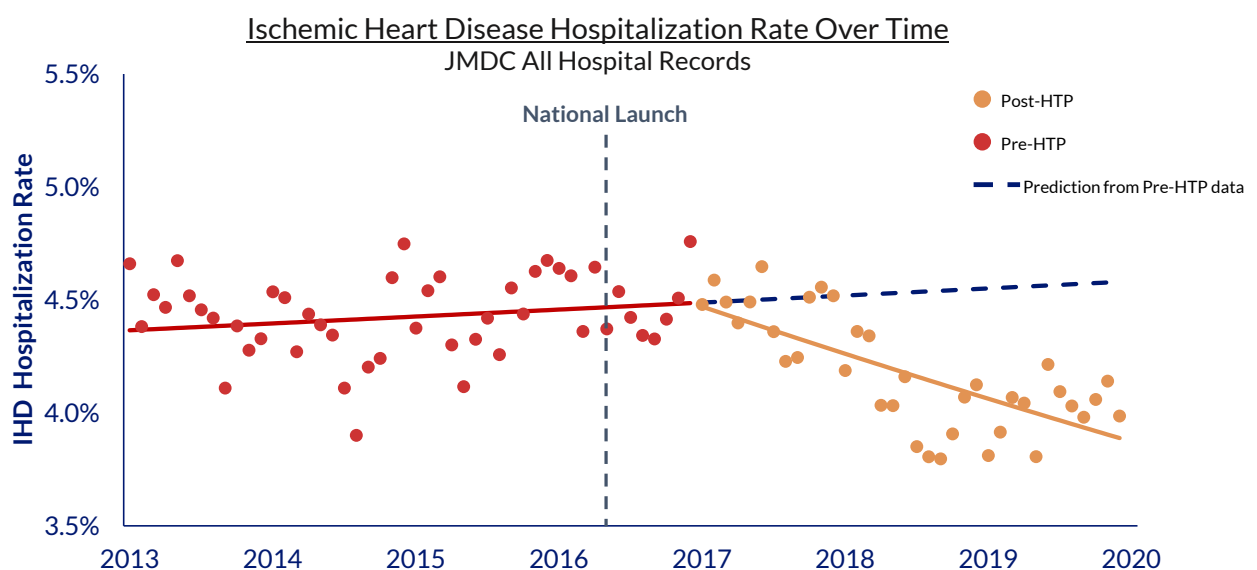
Real-World Evidence: Japan Study on COPD



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

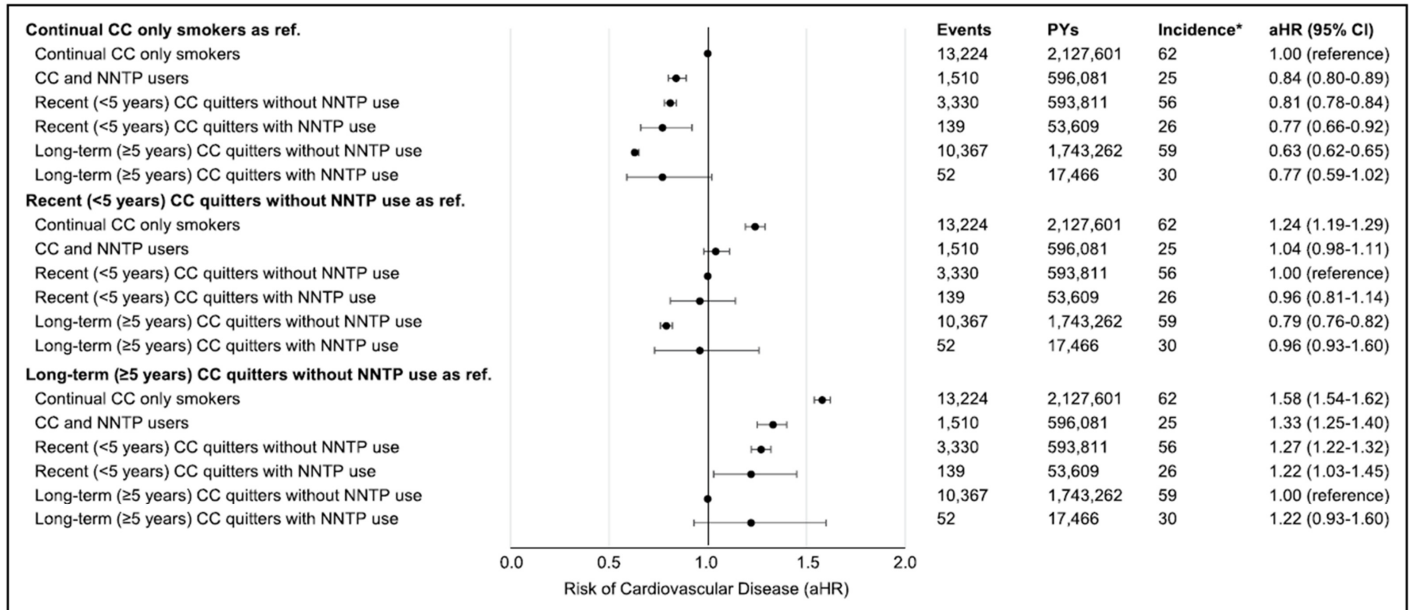


Note: HTP stands for Heated Tobacco Products. Model: adjusting for age and sex – other confounding factors that could influence hospitalization rates have not been fully analyzed. Observational time-trend analysis looking at temporal associations and not designed to assess cause and effect. Specific 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

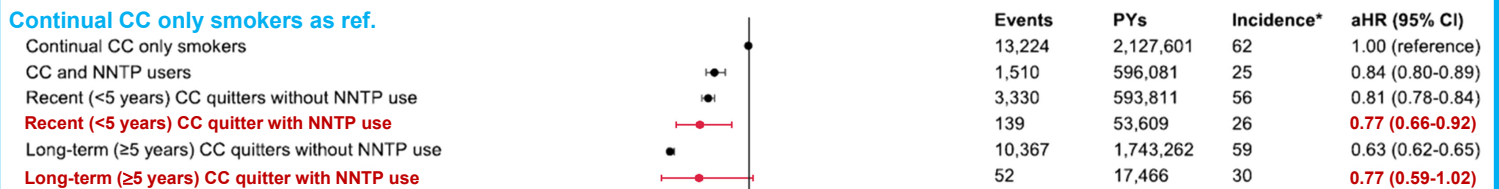


Source: Choi S, et al. Combined Associations of Changes in Noncombustible Nicotine or Tobacco Product (NNTP) and Combustible Cigarette (CC) Use Habits With Subsequent Short-Term Cardiovascular Disease Risk Among South Korean Men. A Nationwide Cohort Study. Circulation. 2021. Observation period 2018-Dec 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



- 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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Section 5: Wellness and Healthcare

Significant Long-Term Opportunity in New Growth Areas

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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

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



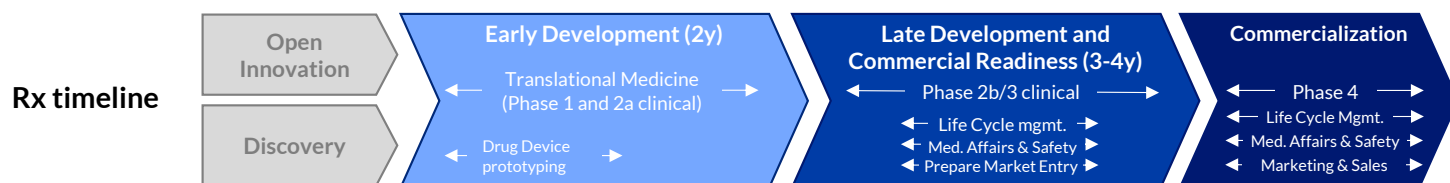
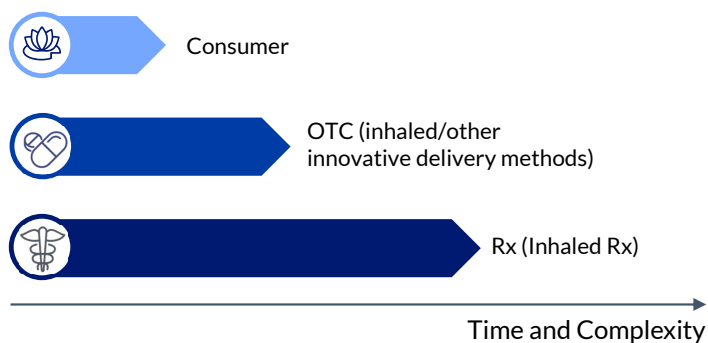
Innovating in Large & Growing Markets

	Addressable Market (Areas of Interest) 2025	CAGR (2021-2030)	Example Areas of Opportunity	Product Focus Areas
Wellness o/w <i>Cannabinoids</i>	\$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 <i>Cannabinoids</i>	\$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

Longer Business Cycle, Attractive Opportunities



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

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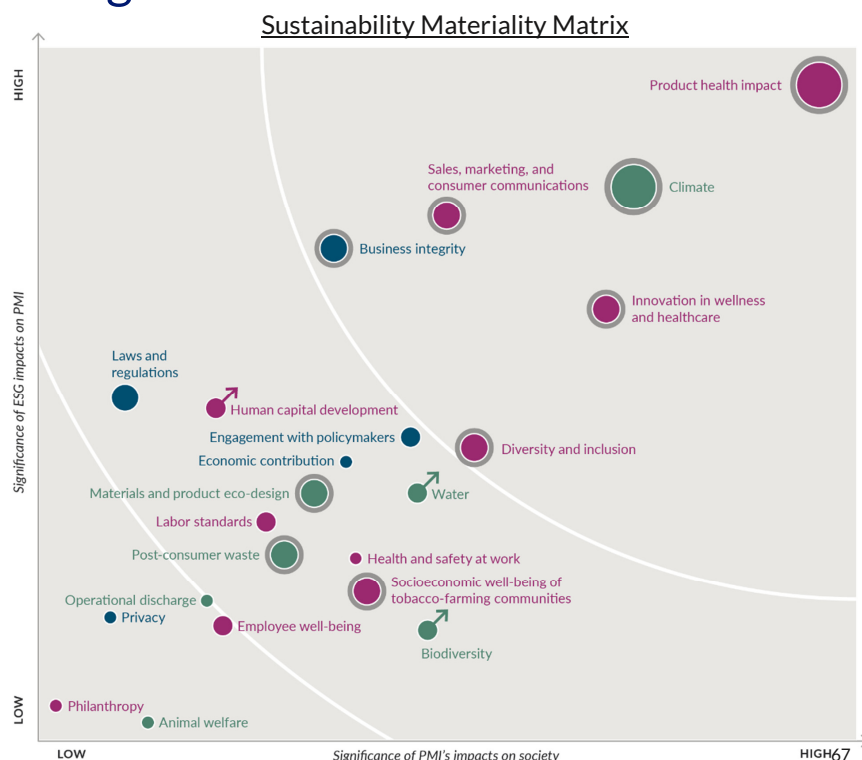
Delivering a Smoke-Free Future

Section 6: Sustainability at PMI

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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



Source: CAGNY 2022, February 23, 2022

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

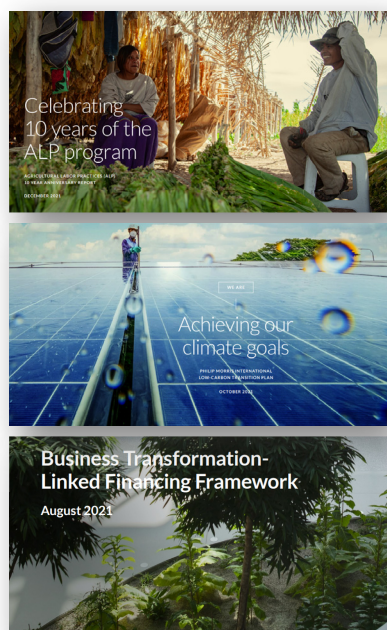
Product health impact:

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



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

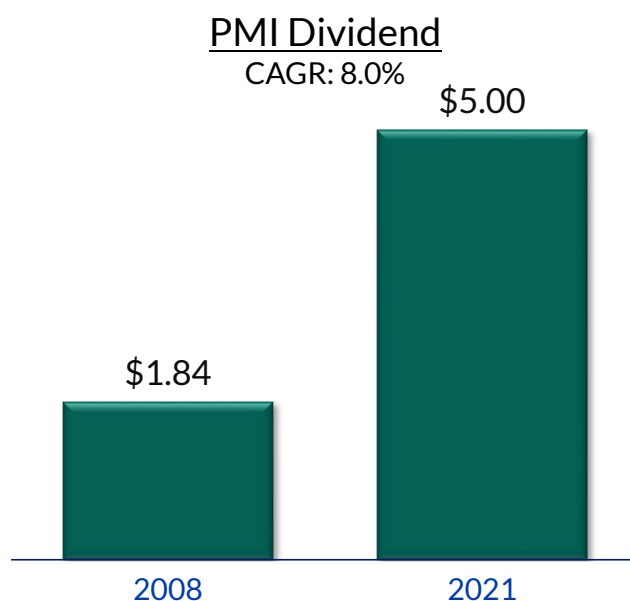
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Section 7: Capital Structure and Returns to Shareholders

Rewarding Our Shareholders: Attractive Dividend

- Dividends are the primary use of our operating cash flow^(a) after capital expenditures
- Increased dividend by 4.2% in September 2021:
 - Fourteen consecutive year with a dividend increase
 - Total increase of approximately 172% since 2008



(a) Net cash provided by operating activities

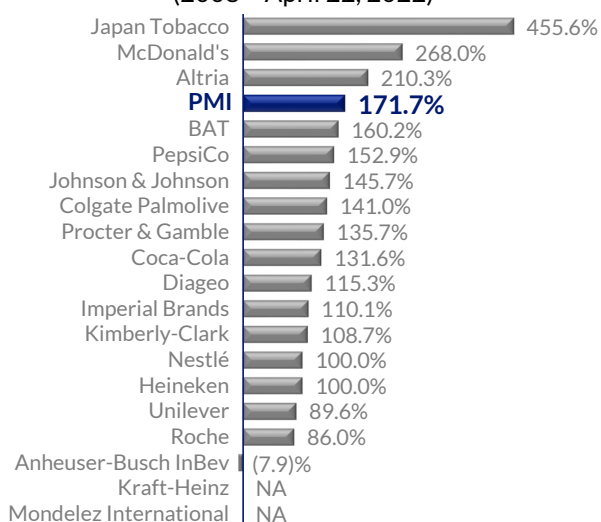
Note: Dividends for 2008 and 2021 are annualized rates. The 2008 annualized rate is based on a quarterly dividend of \$0.46 per common share, declared June 18, 2008. The 2021 annualized rate is based on a quarterly dividend of \$1.25 per common share, declared September 15, 2021

Source: PMI Financials or estimates

Rewarding Our Shareholders: Attractive Dividend

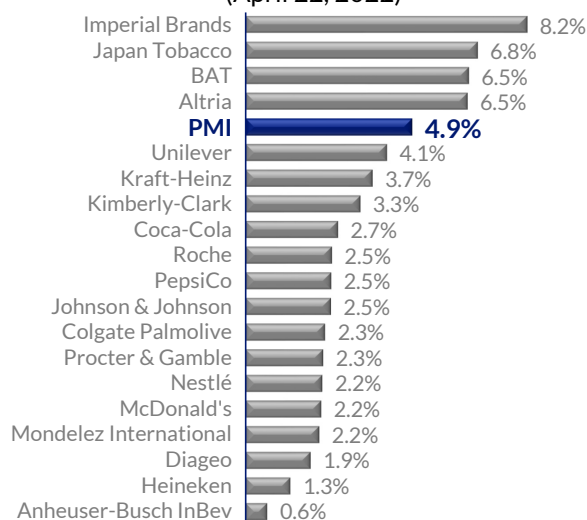
Dividend Growth: Peer Group

(2008 – April 22, 2022)



Trailing Dividend Yield: Peer Group

(April 22, 2022)

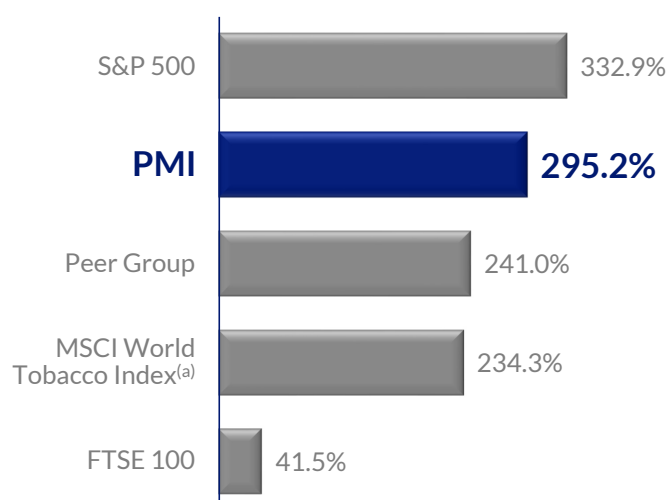


Note: PMI reflects absolute growth in annualized announced dividends from time of first PMI dividend of \$0.46 in June 2008 through April 22, 2022. Companies in the Peer Group reflect absolute growth from FY 2008 dividends or Q2, 2008 annualized dividend through current last twelve months dividends or current last quarter annualized dividend as appropriate. Dividend yield represents the trailing annualized dividend on April 22, 2022, over the closing share price on that date. The current annualized dividend rate for PMI is \$5.00. The closing share price for PMI was \$102.69 on April 22, 2022. NA stands for not available
Source: FactSet

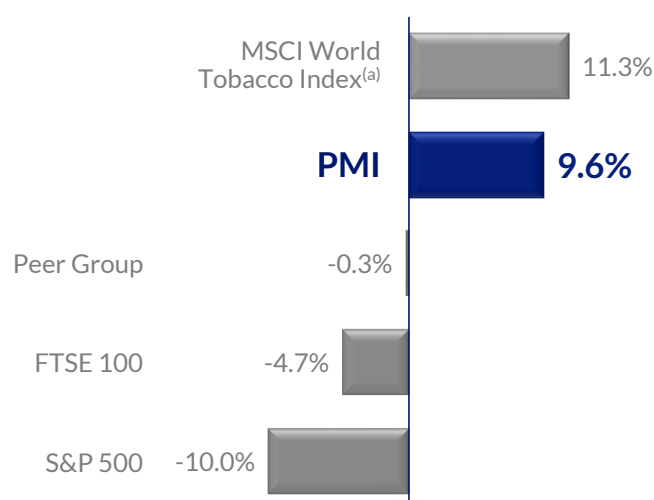
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Rewarding Our Shareholders: Total Return

Spin (March 28, 2008) – April 22, 2022



January 1, 2022 – April 22, 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 – April 22, 2022. Exchange rates are as of March 28, 2008, January 1, 2022 and April 22, 2022. The company peer group is defined in the Glossary

Source: FactSet, Bloomberg, and MSCI World Tobacco Index

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Capital Allocation

- Continued strong operating cash flow generation
- Main priority is reinvestment in growth of smoke-free products:
 - Continue driving the growth of IQOS
 - Investing in future capabilities
- Maintain progressive dividend policy while targeting long-term payout ratio of around 75% of adjusted diluted EPS
- Share repurchases through March 31, 2022: \$983m. Program suspended on May 11, 2022 with announcement of offer for Swedish Match AB^(a)

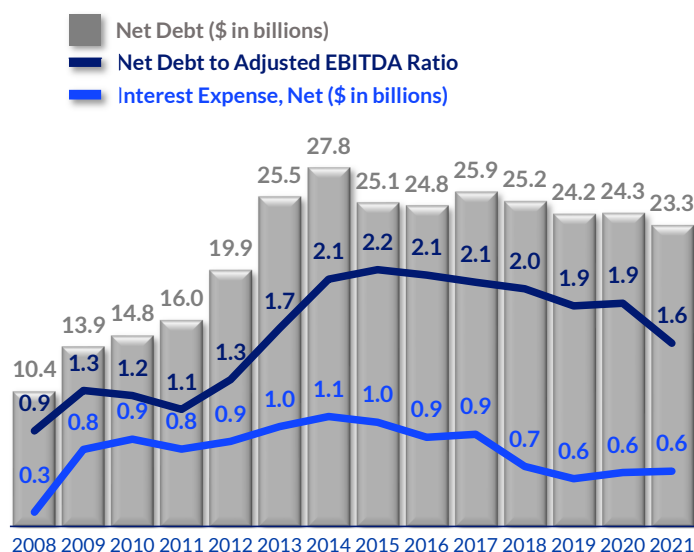
(a) For further information, refer to PMI Offer For Swedish Match AB webcast, published on May 11, 2022
Source: PMI Financials or estimates

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Solid Capital Structure

- Long-term credit ratings and outlook:
 - Moody's: A2 (stable)
 - Standard & Poor's: A (stable)
 - Fitch: A (stable)
- 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



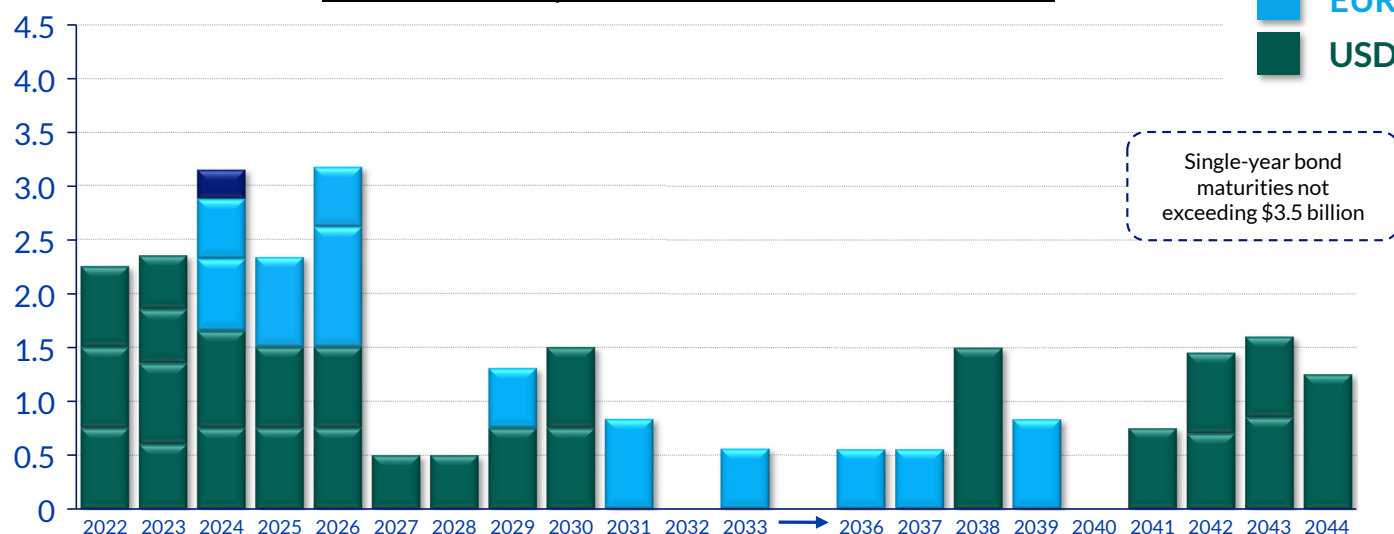
(a) Reflects ratings for Moody's, Standard & Poor's and Fitch, respectively
Source: PMI Financials or estimates (as of March 31, 2022)

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Well-Laddered Bond Portfolio

(\$ in billions)

Bond Maturity Profile as of March 31, 2022

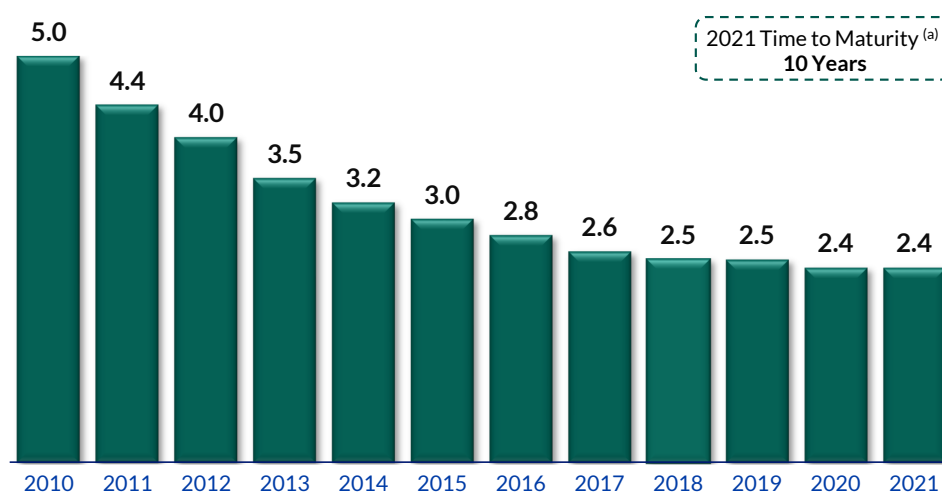


Source: PMI Financials or estimates

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

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

Industry Volume Overview – EU

(Billion Cigarette Equivalent Units)

Market	Product Group	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
France	Cigarettes	52.3	48.3	45.7	46.2	45.7	45.1	40.9	37.8	36.4	34.1
	HTU	-	-	-	-	-	-	-	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	-	-	-	-	-	0.1	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	-	-	-	-	0.1	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	45.5
	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	-	-	-	-	-	0.1	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 May 13, 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 May 13, 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	25.7
	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 May 13, 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 May 13, 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
Saudi Arabia	Cigarettes	28.3	29.4	31.1	32.3	31.6	26.1	20.6	20.8	21.6	20.9
	HTU	-	-	-	-	-	-	-	-	0.1	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 South 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 May 13, 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 May 13, 2022

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Industry Volume Overview – Americas

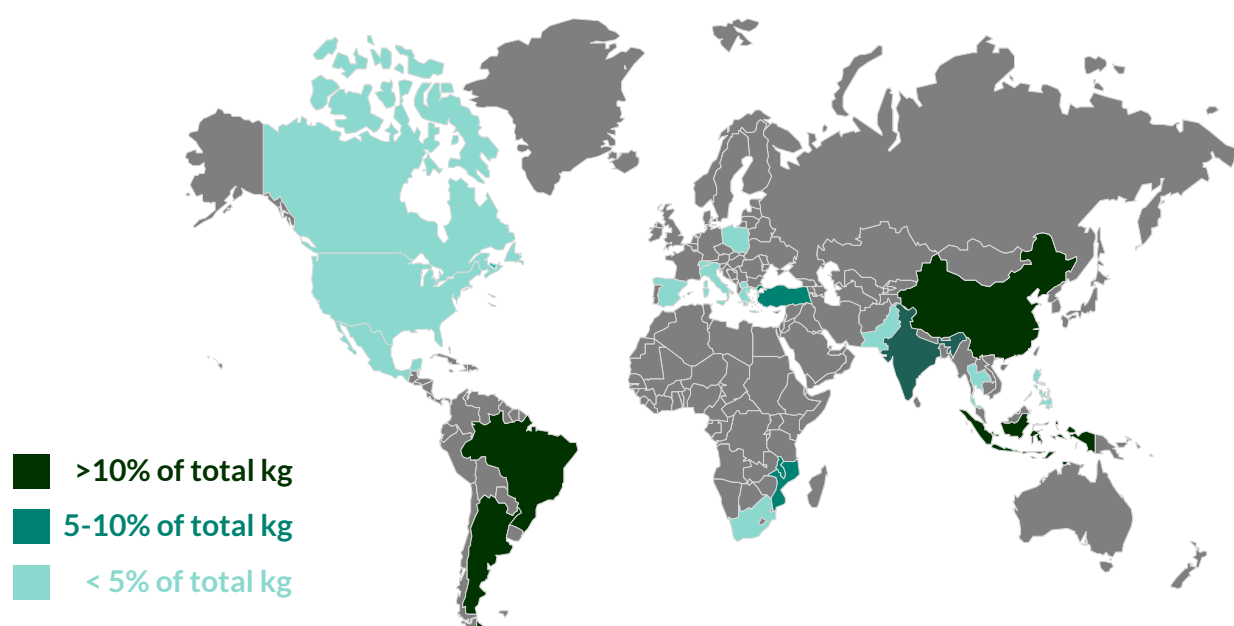
(Billion Cigarette Equivalent Units)

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	30.6	31.9
	HTU	-	-	-	-	-	-	-	-	0.1	0.1
Canada	Cigarettes	29.3	28.9	27.3	26.7	26.3	24.6	23.3	21.5	20.6	18.7
	HTU	-	-	-	-	-	-	-	-	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 May 13, 2022

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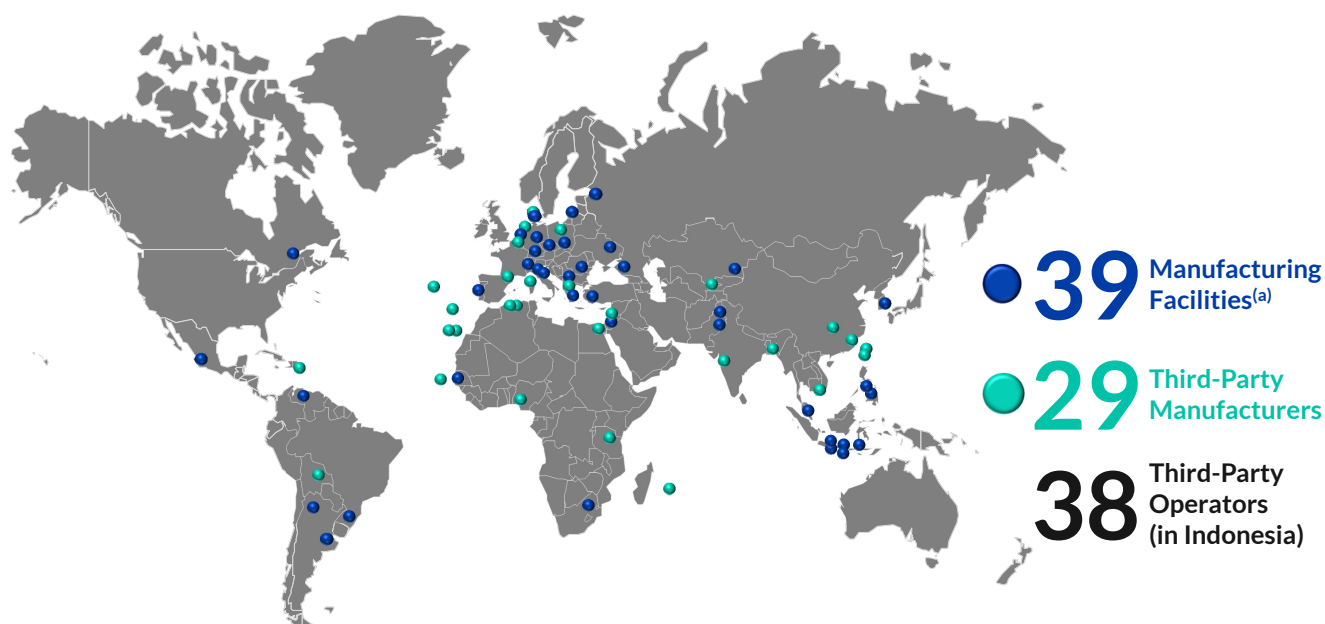
PMI Tobacco Leaf Purchases by Geography (2021)



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. On March 24, 2022 PMI announced concrete steps to scale down operations in the Russian Federation and its intention to exit the market

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

(April 1, 2022)

Argentina		
	%	
	Nominal	RSP ^(f)
Social Assistance Fund (SAF) ^(a)	7.00	7.00
Special Tobacco Fund (STF) ^(b)	7.35	8.70
Excise Tax ^(c)	70.00	54.80
VAT ^(d)	21.00	4.93
Turnover Tax ^(e)	3.70	0.62
Tax Burden		76.05
<p>(a) 7% x RSP (b) [7.35% x (RSP – SAF – VAT)] + ARS 5,352 (as of January 2021) (c) 70% x (RSP – SAF – VAT – STF). Minimum excise tax: ARS 130.68 (March 2022 – May 2022) (d) (NEFP + Wholesaler & Retailer margin) x 21% (e) NEFP x 3.70% (f) Based on <i>Philip Morris</i> soft pack (ARS 240.00) Note: NEFP is net ex-factory price</p>		

Australia	
Tobacco Excise Tax (AUD/Kg)	1,609.83
Tobacco Excise Tax (AUD/000) ^(a)	1,126.88
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%

Germany	
Ad Valorem Excise Tax	19.84%
Specific Excise Tax (EUR/000)	108.8
Minimum Total Tax (EUR/000) ^(a)	222.76
VAT (Nominal)	19.0%
(a) Minimum Total Tax (MTT) also includes the VAT	

Italy	
Ad Valorem Excise Tax	51.24%
Specific Excise Tax (EUR/000)	22.26
Minimum Total Tax (EUR/000) ^(a)	194.72
VAT (Nominal)	22.0%
(a) Minimum Total Tax also includes the VAT	

Note: 20 cigarettes per pack

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Cigarette Excise Tax Structures: Select Markets (cont.)

(April 1, 2022)

Japan		Mexico		Saudi Arabia	
National – Tobacco Tax (JPY/pack)	136.04	Ad Valorem Excise Tax ^(a)	160%	Ad Valorem Excise Tax (% of RSP) ^(a)	50.0%
National – Special Tobacco Tax (JPY/pack)	16.40	Specific Excise Tax (MXN/000)	548.40	VAT (Nominal)	15.0%
Local Excise Tax (JPY/pack)	<u>152.44</u>	VAT (Nominal)	16%	Minimum Reference Price (SAR/pack)	8.00
Total (JPY/pack)	304.88	(a) Ad valorem excise tax is 160% of manufacturer / wholesale price to retail excluding taxes (VAT and Excise)		(a) % of RSP before VAT, effective excise tax is 43.5% of RSP including VAT	
VAT (Nominal)	10%	Philippines		Spain	
South Korea		Specific Excise Tax (PHP/pack) ^(a)	55.00	Ad Valorem Excise Tax	51.00%
Tobacco Consumption Tax (KRW/pack)	1,007	(a) January 1, 2023 (PHP 60.00); January 1, 2024 onwards (+5% / year)		Specific Excise Tax (EUR/000)	24.70
Public Health Tax (KRW/pack)	841	Poland		Minimum Excise Tax (EUR/000)	131.50
Education Tax (KRW/pack)	443	Ad Valorem Excise Tax	32.05%	VAT (Nominal)	21.0%
Green Fund Tax (KRW/pack)	25	Specific Excise Tax (PLN/000)	228.10	Turkey	
Individual Consumption Tax (KRW/pack)	594	Minimum Excise Tax (PLN/000)	487.55	Ad Valorem Excise Tax (% of RSP)	63.0%
Farmer's Subsidy Tax (KRW/pack)	5	VAT (Nominal)	23.0%	Specific Excise Tax (TRY/000)	35.75
Total (KRW/pack)	2,916			Minimum Excise Tax (TRY/000)	719.70
VAT (Nominal)	10%			VAT (Nominal)	18.0%

Note: 20 cigarettes per pack

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Excise Tax Structure: Indonesia

(April 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

(April 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 fourth year reflecting 20% of the previous system (pipe tobacco category) and 80% 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)	580	580
VAT (Nominal)	10%	10%
RSP Net of VAT (JPY/pack)	527	527
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	7,909
Total Excise Tax Yield (JPY/000)	11,357	13,054
	20%	80%

Heated Tobacco Category: Indicative Excise Tax Payable as of October 1, 2021 (JPY/000)

12,716

(a) Reflects effective specific rate for the fourth 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

(April 1, 2022)

	Previous	Oct 1, 2018 – Sept 30, 2019	Oct 1, 2019 – Sept 30, 2020	Oct 1, 2020 – Sept 30, 2021	Oct 1, 2021 – Sept 30, 2022	Oct 1, 2022 and Onwards
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

(April 1, 2022)

RSP^(a)

Market	Currency	<u>IQOS Kit</u>							<u>Pack</u>	
		<u>2.4 Plus</u>	<u>3 Multi</u>	<u>3</u>	<u>3 DUO</u>	<u>ILUMA PRIME</u>	<u>ILUMA</u>	<u>ILUMA ONE</u>	<u>HTUs</u>	<u>Marlboro Cigarettes</u>
ALBANIA	ALL				5,000				320.0	350.0
ANDORRA	EUR				69.0				3.55	3.65
ARMENIA	AMD				19,999				750.0	900.0
ARUBA	AWG				140.0				14.0	15.5
AUSTRIA	EUR				69.0				5.0	6.00
BOSNIA & HERZ.	BAM	75.0			85.0				5.60	6.00
BULGARIA	BGN	70.0			115.0				5.50	5.70
CANADA ^(b)	CAD		45.19		56.49				8.29	15.61
CANARY ISLANDS	EUR	29.0	29.0		49.0	99.0	59.0	35.0	3.00 ^(c)	4.00
COLOMBIA	COP	150,000			230,000				7,500	8,800

(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, and 3 packs of 18 units, for CAD 65.99 and CAD 25.79. Cigarette RSP for pack of 20 cigarettes equivalent (RBH brand: Belmont 20s)

(c) HEETS and Terea with equal pricing

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 (cont.)

(April 1, 2022)

RSP^(a)

Market	Currency	<u>IQOS Kit</u>							<u>Pack</u>	
		<u>2.4 Plus</u>	<u>3 Multi</u>	<u>3</u>	<u>3 DUO</u>				<u>HTUs</u>	<u>Marlboro Cigarettes</u>
COSTA RICA	CRC				43,000				2,200	2,300
CROATIA	HRK	220.0			370.0				28.0	34.0
CURACAO	ANG	100.0			140.0				11.5	13.5
CYPRUS	EUR	39.0			59.0				4.00	4.90
CZECH REPUBLIC	CZK	990.0			1,490				112.0	139.0
DENMARK	DKK	399.0			499.0				46.0	59.0
DOMINICAN REP.	DOP	2,500			3,900				250.0	280.0
EGYPT	EGP				1,300				37.0	46.0
ESTONIA	EUR	29.0			49.0				4.50	5.15
FRANCE	EUR	49.0	49.0		69.0				7.50	10.50
GEORGIA	GEL	99.0			189.0				7.0	7.20
GERMANY	EUR				49.0				6.50	7.60

(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. Dominican Rep. is the Dominican Republic

Source: PMI affiliates

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IQOS: Retail Selling Prices (cont.)

(April 1, 2022)

RSP^(a)

Market	Currency	<u>IQOS Kit</u>							<u>Pack</u>	
		<u>2.4 Plus</u>	<u>3 Multi</u>	<u>3</u>	<u>3 DUO</u>	<u>ILUMA PRIME</u>	<u>ILUMA</u>	<u>ILUMA ONE</u>	<u>HTUs</u>	<u>Marlboro Cigarettes</u>
GREECE	EUR	39.0			59.0				4.00	4.60
GUATEMALA	GTQ	275.0			470.0				22.0	26.0
HUNGARY	HUF	14,990			19,990				1,520	1,799
ISRAEL	ILS		199.0		290.0				26.0	32.0
ITALY	EUR		59.0		59.0				5.00	6.00
JAPAN ^(b)	JPY		4,980		6,980	9,980	6,980	3,980	530.0/580.0	600.0
JORDAN	JOD				70.0				2.00	2.40
KAZAKHSTAN	KZT				27,500				640.0	660.0
SOUTH KOREA	KRW		90,000		130,000				4,500	4,500
KUWAIT	KWD				25.0				1.00	0.90
KYRGYZSTAN	KGS				4,200				108.0	114.0
LATVIA	EUR	29.0			49.0				4.00	4.00

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

(b) HTU RSPs: JPY 530/pack for HEETS; JPY 580/pack for Marlboro HeatSticks and Terea. Price as of April 18, 2022

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 (cont.)

(April 1, 2022)

RSP^(a)

Market	Currency	<u>IQOS Kit</u>					<u>Pack</u>	
		<u>2.4 Plus</u>	<u>3 Multi</u>	<u>3</u>	<u>3 DUO</u>		<u>HTUs</u>	<u>Marlboro Cigarettes</u>
LEBANON	LBP				1,200,000		23,000	32,750
LITHUANIA	EUR	49.0			69.0		4.00	4.55
MALAYSIA ^(b)	MYR	149.0	249.0		299.0		14.0	17.40
MALDIVES	MVR		1,250		1,700		85.0	95.0
MEXICO ^(c)	MXN	799.0	1,199		1,399		63.0	70.0
MOLDOVA	MDL	599.0			699.0		42.0	44.0
MONACO	EUR	49.0	49.0		69.0		7.50	10.50
MONTENEGRO	EUR	40.0			50.0		2.80	3.50
MOROCCO	MAD				450.0		35.0	38.0
NETHERLANDS	EUR	19.0			59.0		6.00	8.20
NEW ZEALAND ^(d)	NZD		99.0		139.0		16.0	39.20

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

(b) Malaysia HTU RSP based on HEETS

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

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

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 (cont.)

(April 1, 2022)

RSP^(a)

Market	Currency	IQOS Kit				Pack	
		2.4 Plus	3 Multi	3	3 DUO	HTUs	Marlboro Cigarettes
N. MACEDONIA	MKD				2,600	150.0	160.0
PALESTINE	ILS				340.0	23.0	26.0
PHILIPPINES	PHP		2,990		3,990	120.0	160.0
POLAND	PLN	69.0			99.0	15.50	18.50
PORTUGAL	EUR	29.0			49.0	4.50	5.30
REUNION	EUR				99.0	10.0	12.0
ROMANIA	RON	149.0			249.0	17.0	22.50
RUSSIA ^(b)	RUB	2,990			3,490	170.0	199.0
SAUDI ARABIA	SAR				350.0	25.0	28.0
SERBIA	RSD	3,500			5,000	330.0	400.0
SLOVAK REP.	EUR	49.0			59.0	3.90	4.80

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

(b) HTU RSPs: RUB 160/pack for HEETS; RUB 180/pack for HEETS Creations

Note: Excludes the U.S. and International Duty Free. Unless otherwise stated, 20 cigarettes / HTUs per pack. N. Macedonia is North Macedonia. Slovak Rep. is Slovak Republic. On March 24, 2022 PMI announced concrete steps to scale down operations in the Russian Federation and its intention to exit the market

Source: PMI affiliates

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IQOS: Retail Selling Prices (cont.)

(April 1, 2022)

RSP^(a)

Market	Currency	IQOS Kit							Pack	
		2.4 Plus	3 Multi	3	3 DUO	ILUMA PRIME	ILUMA	ILUMA ONE	HTUs	Marlboro Cigarettes
SLOVENIA	EUR	39.0			59.0				3.90	4.60
SOUTH AFRICA	ZAR		550.0		750.0				43.0	54.0
SPAIN	EUR	49.0	49.0		69.0	99.0	69.0	45.0	4.85 ^(b)	5.00
SWEDEN	SEK				799.0				50.0	70.0
SWITZERLAND	CHF				99.0	139.0	99.0	55.0	8.00 ^(b)	9.00
TUNISIA	TND				250.0				8.80	9.2
TURKISH CYPRUS	TRY				849.0				25.0	26.0
UKRAINE ^(c)	UAH				999.0				70.0	73.0
UZBEKISTAN	UZS				540,000				14,500	14,500
UAE	AED				300.0				20.0	22.0
UK	GBP				39.0				5.00	12.50

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

(b) Heets and Terea with equal pricing

(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. Slovak Rep. is the Slovak Republic. UAE is the United Arab Emirates. UK is the United Kingdom

Source: PMI affiliates

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RSPs for *LIL SOLID/HYBRID*

(April 1, 2022)

<u>Market</u>	<u>Currency</u>	<u><i>LIL HYBRID</i></u>	<u>HTU Pack (<i>Miix</i>)</u>	<u>Cartridge</u>	<u><i>LIL SOLID</i></u>	<u>HTU Pack (<i>Fiit</i>)</u>
ALBANIA	ALL				2,500	280.0
ARMENIA	AMD				9,999	650.0
BOSNIA & HERZ.	BAM				40.0	5.50
BULGARIA	BGN				50.0	5.20
CYPRUS	EUR				29.0	3.80
CZECH REPUBLIC	CZK				690.0	97.0
GREECE	EUR				29.0	3.50
ITALY	EUR				39.0	4.50
JAPAN ^(a)	JPY	3,980	510.0	80.0		
KAZAKHSTAN	KZT				8,500	610.0
KYRGYZSTAN	KGS				2,000	94.0
LEBANON	LBP				600,000	18,750

(a) As of April 18, 2022

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

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RSPs for *LIL SOLID/HYBRID* (cont.)

(April 1, 2022)

<u>Market</u>	<u>Currency</u>	<u><i>LIL HYBRID</i></u>	<u>HTU Pack (<i>Miix</i>)</u>	<u>Cartridge</u>	<u><i>LIL SOLID</i></u>	<u>HTU Pack (<i>Fiit</i>)</u>
MALAYSIA	MYR				99.0	12.0
MONTENEGRO	EUR				25.0	2.6
MOLDOVA	MDL				399.0	37.0
N.MACEDONIA	MKD				1,250	120.0
POLAND	PLN				49.0	10.99
ROMANIA	RON	119.0				17.0
RUSSIA	RUB				1,490/1,990 ^(a)	150.0
SERBIA	RSD				2,000	310.0
SLOVAK REPUBLIC	EUR				29.0	3.50
TURKISH CYPRUS	TRY				449.0	23.0
UKRAINE	UAH	999.0	65.0	30.0	599.0	68.0
UZBEKISTAN	UZS				250,000	12,500

(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. On March 24, 2022 PMI announced concrete steps to scale down operations in the Russian Federation and its intention to exit the market
Source: PMI affiliates

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RSPs for IQOS VEEV

(April 1, 2022)

<u>Market</u>	<u>Currency</u>	<u>Kit</u>	<u>Flavor Pod</u>
CANADA ^(a)	CAD	22.59	14.68/Pack (7.34/pod)
CROATIA	HRK	200.0	39.0/pack (19.50/pod)
CZECH REPUBLIC	CZK	599.0	179.0/pack (84.50/pod)
FINLAND	EUR	35.0	8.00/pack (4.00/pod)
ITALY	EUR	25.0	9.00/pack (4.50/pod)
NEW ZEALAND	NZD	29.99	14.99/pack (7.50/pod)
UKRAINE	UAH	799.0	199/pack (99.50/pod)

(a) RSPs are for the Province of Ontario. VEEV sales 2 pods per selling unit
Source: PMI affiliates

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RSPs for Shiro

(April 1, 2022)

<u>Market</u>	<u>Currency</u>	<u>Slim</u>	<u>Mini</u>
AUSTRIA	EUR	6.00	5.00
DENMARK	DKK	41.27	40.40
NORWAY	NOK	62.94	-
SWEDEN	SEK	47.56	46.57

Source: PMI affiliates

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PMI Cigarettes: RSPs in Select Markets

(April 1, 2022)

		Above Premium	Premium	Mid-Price	Low-Price
Argentina ^(a)	ARS	<i>Parliament</i> 310.0	<i>Marlboro</i> 285.0	<i>Philip Morris</i> 240.0	<i>Chesterfield</i> 205.0
Australia ^(b)	AUD		<i>Marlboro</i> 39.68	<i>Peter Jackson</i> 36.67	<i>Bond Street</i> 31.43
France	EUR		<i>Marlboro</i> 10.50	<i>Philip Morris Blue</i> 10.20	<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> 26,108	<i>Sampoerna A Ultra Mild</i> 22,958	<i>DSS Magnum Mild</i> 22,067
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
South Korea	KRW		<i>Marlboro</i> 4,500		

(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 March 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: RSPs in Select Markets (cont.)

(April 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> 18.50	<i>L&M</i> 16.50	<i>Chesterfield</i> 13.99
Russia ^(b)	RUB	<i>Parliament</i> 229.0	<i>Marlboro</i> 199.0	<i>Marlboro Crafted</i> 185.0	<i>Chesterfield Selection Compact^(c)</i> 129.0
Saudi Arabia	SAR		<i>Marlboro</i> 28.0	<i>L&M</i> 22.0	<i>Chesterfield</i> 18.0
Spain	EUR		<i>Marlboro</i> 5.00	<i>Chesterfield</i> 4.85	<i>L&M</i> 4.60
Turkey	TRY	<i>Parliament</i> 27.50	<i>Marlboro</i> 27.0	<i>Muratti</i> 25.0	<i>L&M</i> 23.50

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

(b) Maximum RSPs for mainline variants

(c) Best-selling variant in low segment

Note: 20 cigarettes per pack unless otherwise stated. Low includes super-low. On March 24, 2022 PMI announced concrete steps to scale down operations in the Russian Federation and its intention to exit the market

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
- Unless otherwise stated, references to total industry, total market, PMI shipment volume and PMI market share performance reflect cigarettes, and heated tobacco units
- 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
- Following the acquisitions of Fertin Pharma A/S, OtiTopic, Inc. and Vectura Group plc., PMI added the "Other" category in the third quarter of 2021. Business operations for the Other category are evaluated separately from the geographical operating 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

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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
- "OECD" is defined as Organisation for Economic Co-operation and Development
- "SoM" stands for share of market

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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 RRP's 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 in the Other category 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
- 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 (OI) Margin" is calculated as adjusted OI, divided by adjusted net revenues
- "Net debt" is defined as total debt, less cash and cash equivalents
- Growth rates presented on an organic basis for consolidated financial results reflect currency-neutral underlying results
- 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. 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
- "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's in various stages of development, scientific assessment and commercialization. PMI's RRP's 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* and *TEREA*, as well as the KT&G-licensed brands, *Fiit* and *Miix* (outside of South Korea)
- 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 total sales volume for HTUs as a percentage of the total estimated sales volume for cigarettes and HTUs

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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

- "Acquisition" refers to our efforts to switch LAS from smoking cigarettes to RRP's or to switch LAU from competing smoke-free products to PMI's RRP's
- "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's
- "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>

PMI: Peer Group

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

(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 March 31,		
	2022	2021	% Change
Reported Diluted EPS	\$ 1.50	\$ 1.55	(3.2)%
Less: Currency	(0.23)		
Reported Diluted EPS, excluding Currency	\$ 1.73	\$ 1.55	11.6%

	Quarters Ended March 31,			Year Ended
	2022	2021	% Change	2021
Reported Diluted EPS	\$ 1.50	\$ 1.55	(3.2)%	\$ 5.83
Asset impairment and exit costs	-	0.02		0.12
Charges related to the Russia-Ukraine conflict	0.03	-		-
Asset acquisition cost	-	-		0.03
Equity investee ownership dilution	-	-		(0.04)
Saudi Arabia customs assessments	-	-		0.14
Fair value adjustment for equity security investments	0.03	-		-
Tax items	-	-		-
Adjusted Diluted EPS	\$ 1.56	\$ 1.57	(0.6)%	\$ 6.08
Less: Currency	(0.23)			
Adjusted Diluted EPS, excluding Currency	\$ 1.79	\$ 1.57	14.0%	

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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 March 31,	Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions
2022					Reduced-Risk Products	2021	% Change		
\$ 1,202	\$ (82)	\$ 1,284	\$ 4	\$ 1,281	European Union	\$ 959	25.4%	34.0%	33.6%
270	(26)	295	-	295	Eastern Europe	304	(11.4)%	(3.0)%	(3.0)%
62	(1)	63	-	63	Middle East & Africa	21	+100%	+100%	+100%
5	-	5	-	5	South & Southeast Asia	2	+100%	+100%	+100%
803	(66)	869	-	869	East Asia & Australia	824	(2.5)%	5.5%	5.5%
8	-	8	-	8	Americas	12	(35.3)%	(32.5)%	(32.5)%
\$ 2,350	\$ (175)	\$ 2,525	\$ 4	\$ 2,521	Total RRP's	\$ 2,122	10.7%	19.0%	18.8%
2022					Other	2021	% Change		
\$ 66	\$ -	\$ 66	\$ 66	\$ -	Other	\$ -	-	-	-
2022					PMI	2021	% Change		
\$ 3,012	\$ (206)	\$ 3,218	\$ 4	\$ 3,214	European Union	\$ 2,909	3.5%	10.6%	10.5%
726	(72)	798	-	798	Eastern Europe	796	(8.8)%	0.3%	0.3%
991	(149)	1,140	-	1,140	Middle East & Africa	801	23.7%	42.3%	42.3%
1,123	(44)	1,167	-	1,167	South & Southeast Asia	1,173	(4.3)%	(0.5)%	(0.5)%
1,404	(106)	1,510	-	1,510	East Asia & Australia	1,472	(4.6)%	2.6%	2.6%
424	(13)	437	-	437	Americas	434	(2.3)%	0.7%	0.7%
66	-	66	66	-	Other	-	-	-	-
\$ 7,746	\$ (590)	\$ 8,336	\$ 70	\$ 8,266	Total PMI	\$ 7,585	2.1%	9.9%	9.0%

Note: Sum of product categories or Regions might not foot to Total PMI due to roundings. "-" 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	Acqui-sitions	Adjusted Net Revenues excluding Currency & Acqui-sitions		Net Revenues	Special Items	Adjusted Net Revenues	Total	Excluding Currency	Excluding Currency & Acqui-sitions
2022							Quarters Ended March 31,	2021			% Change		
\$ 3,012	\$ -	\$ 3,012	\$ (206)	\$ 3,218	\$ 4	\$ 3,214	European Union	\$ 2,909	\$ -	\$ 2,909	3.5%	10.6%	10.5%
726	-	726	(72)	798	-	798	Eastern Europe	796	-	796	(8.8)%	0.3%	0.3%
991	-	991	(149)	1,140	-	1,140	Middle East & Africa	801	-	801	23.7%	42.3%	42.3%
1,123	-	1,123	(44)	1,167	-	1,167	South & Southeast Asia	1,173	-	1,173	(4.3)%	(0.5)%	(0.5)%
1,404	-	1,404	(106)	1,510	-	1,510	East Asia & Australia	1,472	-	1,472	(4.6)%	2.6%	2.6%
424	-	424	(13)	437	-	437	Americas	434	-	434	(2.3)%	0.7%	0.7%
66	-	66	-	66	66	-	Other	-	-	-	-	-	-
\$ 7,746	\$ -	\$ 7,746	\$ (590)	\$ 8,336	\$ 70	\$ 8,266	Total PMI	\$ 7,585	\$ -	\$ 7,585	2.1%	9.9%	9.0%

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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
2022							Quarters Ended March 31,	2021			% Change		
\$ 1,527	\$ -	\$ 1,527	\$ (145)	\$ 1,672	\$ (2)	\$ 1,674	European Union	\$ 1,490	\$ (9)	\$ 1,499	1.9%	11.5%	11.7%
144	(42) ⁽¹⁾	186	(60)	246	-	246	Eastern Europe	261	(2)	263	(29.3)%	(6.5)%	(6.5)%
521	-	521	(115)	636	-	636	Middle East & Africa	335	(2)	337	54.6%	88.7%	88.7%
445	-	445	(25)	470	-	470	South & Southeast Asia	529	(3)	532	(16.4)%	(11.7)%	(11.7)%
571	-	571	(68)	639	-	639	East Asia & Australia	695	(31)	726	(21.3)%	(12.0)%	(12.0)%
121	-	121	(2)	123	-	123	Americas	134	(1)	135	(10.4)%	(8.9)%	(8.9)%
(31)	-	(31)	-	(31)	(24)	(7)	Other	-	-	-	-	-	-
\$ 3,298	\$ (42)	\$ 3,340	\$ (415)	\$ 3,755	\$ (26)	\$ 3,781	Total PMI	\$ 3,444	\$ (48)	\$ 3,492	(4.4)%	7.5%	8.3%

(1) Represents charges related to the war in Ukraine

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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 (1)	Adjusted Net Revenues (2)	Adjusted Operating Income Margin	Adjusted Operating Income excluding Currency (1)	Adjusted Net Revenues excluding Currency (2)	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income excluding Currency & Acquisitions (1)	Adjusted Net Revenues excluding Currency & Acquisitions (2)	Adjusted Operating Income Margin excluding Currency & Acquisitions		Adjusted Operating Income (1)	Adjusted Net Revenues (2)	Adjusted Operating Income Margin	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income Margin excluding Currency & Acquisitions
2022									Quarters Ended March 31,	2021			% Points Change	
\$ 1,527	\$ 3,012	50.7%	\$ 1,672	\$ 3,218	52.0%	\$ 1,674	\$ 3,214	52.1%	European Union	\$ 1,499	\$ 2,909	51.5%	(0.8)	0.5
186	726	25.6%	246	798	30.8%	246	798	30.8%	Eastern Europe	263	796	33.0%	(7.4)	(2.2)
521	991	52.6%	636	1,140	55.8%	636	1,140	55.8%	Middle East & Africa	337	801	42.1%	10.5	13.7
445	1,123	39.6%	470	1,167	40.3%	470	1,167	40.3%	South & Southeast Asia	532	1,173	45.4%	(5.8)	(5.1)
571	1,404	40.7%	639	1,510	42.3%	639	1,510	42.3%	East Asia & Australia	726	1,472	49.3%	(8.6)	(7.0)
121	424	28.5%	123	437	28.1%	123	437	28.1%	Americas	135	434	31.1%	(2.6)	(3.0)
(31)	66	(47.0)%	(31)	66	(47.0)%	(7)	-	-	Other	-	-	-	-	-
\$ 3,340	\$ 7,746	43.1%	\$ 3,755	\$ 8,336	45.0%	\$ 3,781	\$ 8,266	45.7%	Total PMI	\$ 3,492	\$ 7,585	46.0%	(2.9)	(1.0)

(1) For the calculation of Adjusted Operating Income and Adjusted Operating Income excluding currency and acquisitions refer to slide 117

(2) For the calculation of Adjusted Net Revenues and Adjusted Net Revenues excluding currency and acquisitions refer to slide 116

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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 March 31,			
	2022	2021	Currency	Variance excluding Currency
Adjusted Diluted EPS⁽¹⁾	\$ 1.56	\$ 1.57	\$ (0.23)	14.0%
Net Earnings attributable to Russia and Ukraine	0.10	0.13	(0.02)	
Proforma Adjusted Diluted EPS, excluding Russia and Ukraine	\$ 1.46	\$ 1.44	\$ (0.21)	16.0%

(1) For the calculation of Adjusted diluted EPS, see slide 114

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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
(Unaudited)

	Quarters Ended March 31,				Variance excluding Currency & Acqui- sitions
	2022	2021	Currency	Acqui- sitions	
PMI					
Adjusted Net Revenues ⁽¹⁾	\$ 7,746	\$ 7,585	\$ (590)	\$ 70	9.0%
Net Revenues attributable to Russia and Ukraine	474	561	(63)	-	
Proforma Adjusted Net Revenues, ex. Russia and Ukraine	\$ 7,272	\$ 7,024	\$ (527)	\$ 70	10.0%
Adjusted Operating Income ⁽²⁾	\$ 3,340	\$ 3,492	\$ (415)	\$ (26)	8.3%
Operating Income attributable to Russia and Ukraine	181	227	(38)	-	
Proforma Adjusted Operating Income, ex. Russia and Ukraine	\$ 3,159	\$ 3,265	\$ (377)	\$ (26)	9.1%
Adjusted Operating Income Margin	43.1%	46.0%	(1.9)pp	(0.7)pp	(0.3)pp
Adjusted Operating Income margin attributable to Russia and Ukraine	(0.3)pp	(0.5)pp			
Proforma Adjusted Operating Income Margin, ex. Russia and Ukraine	43.4%	46.5%	(1.9)pp	(0.8)pp	(0.4)pp

(1) For the calculation of Adjusted Net Revenues, see slide 116

(2) For the calculation of Adjusted Operating Income, see slide 117

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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
(Unaudited)

	Quarters Ended March 31,					Year Ended December 31,
	2022	2021	Currency	Acqui- sitions	Variance excluding Currency & Acquisitions	2021
Combustible Products						
Adjusted Net Revenues	\$ 5,330	\$ 5,463	\$ (415)	\$ -	5.2%	\$ 22,436
Net Revenues attributable to Russia and Ukraine	269	308	(41)	-		1,399
Pro Forma Adjusted Net Revenues	\$ 5,062	\$ 5,155	\$ (374)	\$ -	5.5%	\$ 21,037
Reduced-Risk Products						
Adjusted Net Revenues	\$ 2,350	\$ 2,122	\$ (175)	\$ 4	18.8%	\$ 9,115
Net Revenues attributable to Russia and Ukraine	205	253	(23)	-		1,072
Pro Forma Adjusted Net Revenues	\$ 2,145	\$ 1,869	\$ (153)	\$ 4	22.8%	\$ 8,042
Other						
Adjusted Net Revenues	\$ 66	\$ -	\$ -	\$ 66	+100%	\$ 101
Net Revenues attributable to Russia and Ukraine	-	-	-	-		-
Pro Forma Adjusted Net Revenues	\$ 66	\$ -	\$ -	\$ 66	+100%	\$ 101
PMI						
Adjusted Net Revenues	\$ 7,746	\$ 7,585	\$ (590)	\$ 70	9.0%	\$ 31,651
Net Revenues attributable to Russia and Ukraine	474	561	(63)	-		2,471
Pro Forma Adjusted Net Revenues	\$ 7,272	\$ 7,024	\$ (527)	\$ 70	10.0%	\$ 29,180

Note: For the calculation of Adjusted Net Revenues see slides 116 and 127. Sum of product categories might not foot to Total PMI due to roundings. "-" 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
(Unaudited)

	Quarters Ended March 31,			Year Ended December 31,
	2022	2021	% Change	2021
Cigarettes				
Shipment Volume	148,238	145,512	1.9%	624,875
Russia	10,772	12,101		52,499
Ukraine	2,211	2,359		10,669
Pro Forma Shipment Volume	135,255	131,052	3.2%	561,707
Heated Tobacco Units				
Shipment Volume	24,819	21,734	14.2%	94,976
Russia	3,359	3,582		16,309
Ukraine	1,383	1,193		5,168
Pro Forma Shipment Volume	20,076	16,959	18.4%	73,499
PMI				
Shipment Volume	173,057	167,246	3.5%	719,851
Russia	14,131	15,682		68,807
Ukraine	3,595	3,552		15,838
Pro Forma Shipment Volume	155,331	148,011	4.9%	635,206

Note: Sum of product categories might not foot to total due to roundings

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PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Reported Diluted EPS to Pro Forma Adjusted Diluted EPS
(Unaudited)

	Quarter Ended March 31, 2021	Quarter Ended June 30, 2021	Six Months Ended June 30, 2021	Quarter Ended September 30, 2021	Nine Months Ended September 30, 2021	Quarter Ended December 31, 2021	Year Ended December 31, 2021
Reported Diluted EPS	\$ 1.55	\$ 1.39	\$ 2.93	\$ 1.55	\$ 4.48	\$ 1.34	\$ 5.83
Asset impairment and exit costs	0.02	0.04	0.07	0.02	0.09	0.02	0.12
Asset acquisition cost	-	-	-	0.03	0.03	-	0.03
Equity investee ownership dilution	-	-	-	(0.02)	(0.02)	(0.01)	(0.04)
Saudi Arabia customs assessments	-	0.14	0.14	-	0.14	-	0.14
Tax items	-	-	-	-	-	-	-
Adjusted Diluted EPS	\$ 1.57	\$ 1.57	\$ 3.14	\$ 1.58	\$ 4.72	\$ 1.35	\$ 6.08
Net Earnings attributable to Russia & Ukraine	0.13	0.15	0.28	0.15	0.43	0.17	0.60
Pro Forma Adjusted Diluted EPS	\$ 1.44	\$ 1.42	\$ 2.86	\$ 1.43	\$ 4.29	\$ 1.18	\$ 5.48
Weighted-average shares for diluted EPS	1,560	1,560	1,560	1,560	1,560	1,557	1,559

Note: EPS is computed independently for each of the periods presented. Accordingly, the sum of the quarterly EPS amounts may not agree to the total for the year

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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						
Reduced-Risk Products	2021	2020	2019	2018	2017	2016	2015
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	\$ 9,115	\$ 6,827	\$ 5,587	\$ 4,096	\$ 3,640	\$ 733	\$ 64
Other	2021	2020	2019	2018	2017	2016	2015
Other	\$ 101	-	-	-	-	-	-
PMI	2021	2020	2019	2018	2017	2016	2015
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
Other	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 roundings. "-" 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%
Latin America & Canada	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%
Latin America & Canada	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)								
Pro Forma Adjusted Diluted EPS				\$ 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 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)	-	Other	-	-	-	-	-	-
\$ 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 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	-	Other	-	-	-	-	-	-
\$ 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 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)%	-	-	-	Other	-	-	-	-	-	-
\$ 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 129

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