

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 23, 2025

Philip Morris International Inc.

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

1-33708
(Commission File Number)

13-3435103
(I.R.S. Employer
Identification No.)

**677 Washington Blvd, Ste.
1100** **Stamford** **Connecticut**
(Address of principal executive offices)

06901
(Zip Code)

Registrant's telephone number, including area code: (203) 905-2410

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	PM	New York Stock Exchange
3.375% Notes due 2025	PM25A	New York Stock Exchange
2.750% Notes due 2026	PM26A	New York Stock Exchange
2.875% Notes due 2026	PM26	New York Stock Exchange
0.125% Notes due 2026	PM26B	New York Stock Exchange
3.125% Notes due 2027	PM27	New York Stock Exchange
3.125% Notes due 2028	PM28	New York Stock Exchange
2.875% Notes due 2029	PM29	New York Stock Exchange
3.375% Notes due 2029	PM29A	New York Stock Exchange
3.750% Notes due 2031	PM31B	New York Stock Exchange
0.800% Notes due 2031	PM31	New York Stock Exchange
3.125% Notes due 2033	PM33	New York Stock Exchange
2.000% Notes due 2036	PM36	New York Stock Exchange
1.875% Notes due 2037	PM37A	New York Stock Exchange
6.375% Notes due 2038	PM38	New York Stock Exchange
1.450% Notes due 2039	PM39	New York Stock Exchange
4.375% Notes due 2041	PM41	New York Stock Exchange
4.500% Notes due 2042	PM42	New York Stock Exchange
3.875% Notes due 2042	PM42A	New York Stock Exchange
4.125% Notes due 2043	PM43	New York Stock Exchange
4.875% Notes due 2043	PM43A	New York Stock Exchange
4.250% Notes due 2044	PM44	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On April 23, 2025, Philip Morris International Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended March 31, 2025, as well as the accompanying glossary of key terms, definitions, explanatory notes, select financial information and reconciliations of non-GAAP financial measures. The earnings release is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference to this Item 2.02. The glossary of key terms, definitions, explanatory notes, select financial information and reconciliations of non-GAAP financial measures is attached as Exhibit 99.2 to this Current Report on Form 8-K and incorporated by reference to this Item 2.02.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 2.02 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in Item 2.02 of this Current Report on Form 8-K shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as may be expressly set forth by specific reference in such filing or document.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 [Philip Morris International Inc. Press Release, dated April 23, 2025 \(furnished pursuant to Item 2.02\).](#)

99.2 [Glossary of Key Terms, Definitions, Explanatory Notes, Select Financial Information and Reconciliations of Non-GAAP Financial Measures \(furnished pursuant to Item 2.02\).](#)

104 Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document and contained in Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHILIP MORRIS INTERNATIONAL INC.

By: /s/ DARLENE QUASHIE HENRY
Name: Darlene Quashie Henry
Title: Vice President, Associate General Counsel & Corporate Secretary

Date: April 23, 2025

PRESS RELEASE



PHILIP MORRIS INTERNATIONAL

**Philip Morris International Reports First-Quarter 2025 Results
and Raises 2025 Full-Year Adjusted Diluted EPS Forecast for Currency Only;
Reported Diluted EPS Grew 24.6% to \$1.72
Adjusted Diluted EPS Grew 12.7% to \$1.69; and by 17.3% excluding currency**

STAMFORD, CT, April 23, 2025 – Philip Morris International Inc. (PMI) (NYSE: PM) today announces its 2025 first-quarter results.¹

"We achieved exceptionally strong performance in the first quarter, with continued volume growth supporting an excellent top-line performance and very strong margin expansion," said Jacek Olczak, Chief Executive Officer.

"Our smoke-free business goes from strength to strength, delivering organic growth of over 20% in net revenues and over 33% in gross profit."

"We remain confident in our ability to deliver superior results, despite an uncertain and volatile global economic environment, and now forecast double-digit adjusted diluted EPS growth in dollar terms for the full-year."

Results Highlights

- **Smoke-free business (SFB):** Our smoke-free business, accounting for 42% of our total net revenues and 44% of our total gross profit, continued its strong momentum with increases of 14.4% in shipment volumes, 15.0% (20.4% organically) in net revenues and 27.7% (33.1% organically) in gross profit. Our smoke-free products are available in 95 markets, with a multicategory smoke-free portfolio already deployed to 46 markets.
- **Inhalable smoke-free products (SFP):** IQOS continues to strengthen its overall position as the second largest nicotine 'brand' in markets where present (gaining 1.0pp of combined cigarette and HTU industry volumes to cross 9% share) and driving the growth of the global heat-not-burn category, where we hold approximately 77% volume share. HTU adjusted in-market sales (IMS) volume, which excludes the net impact of estimated distributor and wholesaler inventory movements, grew by an estimated 9.4%, broadly in line with our expectations.
 - In Japan, IQOS adjusted IMS grew by an estimated 9.3%. IQOS HTU adjusted market share increased by 3.0pp to a record 32.2% with both *TEREA* and *SENTIA* further strengthening their #1 and #3 positions, respectively. In March, the overall HTU category exceeded 50% of total nicotine offtake share in 13 major cities and 8 prefectures.
 - In Europe, IQOS HTU adjusted market share increased by 1.2pp reaching a record 11.4%. Adjusted IMS grew, as expected, by an estimated 7.4%. Many markets grew double-digits, including at least high-teens growth in Spain, Germany, Bulgaria and Greece, strongly outweighing the annualization impact of the EU characterizing flavor ban, notably in Italy. IQOS HTU offtake share exceeded 30% in six key cities, including Budapest, Athens and Rome.
 - Outside Europe and Japan, strong adjusted IMS growth continued and offtake share increased in key cities across the globe, including Jakarta, Seoul and Mexico City.

¹ Explanation of PMI's use of non-GAAP measures cited in this document and reconciliations to the most directly comparable U.S. GAAP measures can be found in the "Non-GAAP Measures, Glossary and Explanatory Notes" section of this release, in Exhibit 99.2 to the company's Form 8-K dated April 23, 2025, and at www.pmi.com/2025Q1earnings.

In the e-vapor category, impressive results were underpinned by the more than doubling of shipment volumes, driven by Europe, and further gross margin expansion, as VEEV demonstrates its increasing importance to our multcategory smoke-free strategy.

- **Oral SFP:** Shipment volume increased by 27.2% in pouches or pouch equivalents (31.0% in cans), fueled by ZYN nicotine pouch growth in the U.S., where shipments exceeded 200 million cans. This represents 53% growth, exceeding our initial expectations, as production capacity increased ahead of schedule in the latter part of March, enabling some initial replenishment of distributor inventories, and demand remained strong. Outside the U.S., our nicotine pouch volume in cans also grew by 53%, with a continuation of promising momentum in a number of emerging markets, such as Pakistan and South Africa, as well as recent national launches across Europe, including the UK, Poland and Italy. Our Global Travel Retail business, which includes airports as a leading space for our multcategory approach, also continues to be an important growth driver.
- **Combustibles:** Volume growth coupled with strong pricing, partly offset by negative geographic mix, resulted in flat net revenues (up 3.8% organically) and another quarter of robust gross profit performance with growth of 2.0% (5.3% organically). Our global brands portfolio, driven by *Marlboro*, achieved further market share gains and our overall cigarette category share increased by 0.4 to 24.8%. For U.S. cigars, following a thorough review and evaluation of strategic options taking the current environment into consideration, we have decided not to pursue a sale or separation of the business at this time.
- **Dividend:** Declared regular quarterly dividend of \$1.35 per share, or an annualized \$5.40 per share.

Performance Highlights - First Quarter 2025

	Total PMI	SFP	HTU	Oral SFP	E-vapor ²	Cigarettes
Total Shipment Volume (units bn)	187.8	43.0	37.1	5.3	0.6	144.8
vs. Q1 2024	3.9%	14.4%	11.9%	27.2%	+100%	1.1%

	PMI	Smoke-Free Business	Combustibles
Net Revenues (\$ bn)	\$9.3	\$3.9	\$5.4
reported vs. Q1 2024	5.8%	15.0%	0.0%
organic vs. Q1 2024	10.2%	20.4%	3.8%
Gross Profit (\$ bn)	\$6.3	\$2.7	\$3.5
reported vs. Q1 2024	11.8%	27.7%	2.0%
organic vs. Q1 2024	16.0%	33.1%	5.3%
Operating Income (\$ bn)	\$3.5		
reported vs. Q1 2024	16.4%		
organic vs. Q1 2024	16.0%		

Note: Sum might not foot to total due to rounding.

	Reported Diluted EPS	Adjusting Items [*]	Adjusted Diluted EPS	Currency Impact	Adj. Diluted EPS ex. Currency
EPS	\$1.72	\$0.03	\$1.69	\$(0.07)	\$1.76
vs. Q1 2024	24.6%		12.7%		17.3%

(*) For a list of adjusting items refer to additional information section of this release

² One milliliter of e-vapor liquid equivalent to 10 units; 2024 volumes in billions of units: Q1 0.3, Q2 0.4, Q3 0.5, Q4 0.5

2025 Full-Year Forecast

	2025 Forecast			Full-Year	
	2025 Forecast		2024	2024	Growth
Reported Diluted EPS	\$7.01	-	\$7.14	\$ 4.52	
Adjustments:					
Restructuring charges	—			0.10	
Impairment of other intangibles	—			0.01	
Amortization of intangibles ⁽¹⁾	0.50			0.40	
Loss on sale of Vectura Group	—			0.13	
Egypt sales tax charge	—			0.03	
Megapolis localization tax impact	—			0.05	
Income tax impact associated with Swedish Match AB financing	(0.06)			0.14	
Impairment related to the RBH equity investment	—			1.49	
Fair value adjustment for equity security investments	(0.09)			(0.27)	
Tax items	—			(0.03)	
Total Adjustments	0.35			2.05	
Adjusted Diluted EPS	\$7.36	-	\$7.49	\$ 6.57	12.0% - 14.0%
Less: Currency				0.10	
Adjusted Diluted EPS, excluding currency	\$7.26	-	\$7.39	\$ 6.57	10.5% - 12.5%

(1) See forecast assumptions for details

Reported diluted EPS is forecast to be in a range of \$7.01 to \$7.14, at prevailing exchange rates, versus reported diluted EPS of \$4.52 in 2024. Excluding a total 2025 adjustment of \$0.35 per share, this forecast represents a projected increase of 12.0% to 14.0% versus adjusted diluted EPS of \$6.57 in 2024. Also excluding a favorable currency impact of \$0.10, at prevailing exchange rates, this forecast represents a projected increase of 10.5% to 12.5% versus adjusted diluted EPS of \$6.57 in 2024, as outlined in the above table. This forecast excludes restructuring charges expected to be incurred in the second-quarter of 2025 with respect to manufacturing footprint optimization in Germany. This will be treated as a reporting adjustment and we expect the pre-tax impact to be around EUR200 million (approximately \$230 million).

2025 Full-Year Forecast Assumptions

This forecast assumes:

- An estimated total international industry volume decline of around 1% for cigarettes and HTUs, excluding China and the U.S.;
- Total cigarette and smoke-free product shipment volume growth for PMI of up to 2% driven by smoke-free products volume growth of 12% to 14%. This factors absolute growth in HTU adjusted IMS volumes at a similar level to 2024, translating into 10% to 12% growth, with the HTU shipment growth rate broadly in line subject to shipment timing and trade inventory movements, and an acceleration in U.S. nicotine pouch shipment volume to reach 800 to 840 million cans, representing growth of 38% to 45%;
- Net revenue growth of around 6% to 8% on an organic basis;
- Organic operating income growth of 10.5% to 12.5%;

- Full-year amortization of acquired intangibles of \$0.50 per share, including the amortization of IQOS commercialization rights in the U.S. related to the agreement to end our commercial relationship with Altria Group, Inc. covering IQOS in the U.S.;
- An effective tax rate, excluding discrete tax events, of approximately 22.5% to 23.5%;
- Operating cash flow of more than \$11 billion at prevailing exchange rates, subject to year-end working capital requirements. This takes into account a 2025-specific payment relating to the German tax surcharge and the final U.S. Tax Cuts and Jobs Act payment, which together amount to approximately \$1 billion;
- Capital expenditures of around \$1.5 billion, including further investments in ZYN capacity in the U.S.;
- Further net debt to adjusted EBITDA ratio improvement as we continue to target a ratio of around 2x by the end of 2026;
- No dividend income from Rothmans, Benson & Hedges Inc., our deconsolidated Canadian affiliate;
- No share repurchases in 2025; and
- Second quarter adjusted diluted EPS of \$1.80 to \$1.85, including an estimated favorable currency impact of 6 cents at prevailing exchange rates.

Factors described in the Forward-Looking and Cautionary Statements section of this release represent continuing risks to these projections.

New Segment Structure

Following the sale of Vectura Group Ltd. on December 31, 2024, PMI updated its segment reporting to include ongoing Wellness and Healthcare results in the Europe segment. PMI's 2025 first-quarter financial results reflect the new segment structure. Historical financial information for the 2022 to 2024 period reflecting the above mentioned change was provided in a Form 8-K dated March 25, 2025. In addition, the "PMI Duty Free" business was renamed to "PMI Global Travel Retail", and as a result, the segment that includes it was renamed East Asia, Australia & PMI Global Travel Retail ("EA, AU & PMI GTR").

Conference Call

A conference call hosted by Emmanuel Babeau, Chief Financial Officer, will be webcast at 9:00 a.m., Eastern Time, on April 23, 2025. Access the webcast at www.pmi.com/2025Q1earnings.

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Operating Review - First Quarter 2025

Net Revenues (in millions)	Total PMI	Europe	SSEA, CIS & MEA	EA, AU & PMI GTR	Americas
2024	8,793	3,455	2,658	1,684	996
Price	526	216	168	22	120
Volume/Mix	377	80	4	87	206
Other	(6)	—	1	—	(7)
Acquisitions & Divestitures	(49)	(49)	—	—	—
Currency	(340)	(142)	(88)	(62)	(48)
2025	9,301	3,560	2,743	1,731	1,267
vs. Q1 2024	5.8%	3.0%	3.2%	2.8%	27.2%
Organic growth	10.2%	8.6%	6.5%	6.5%	32.0%

Operating Income (in millions)	Total PMI	Europe	SSEA, CIS & MEA	EA, AU & PMI GTR	Americas
2024	3,045	1,411	772	763	99
Price	526	216	168	22	120
Volume/Mix	450	46	77	135	192
Cost/Other	(407)	(189)	(136)	17	(99)
Acquisitions & Divestitures	43	24	19	—	—
Currency	(113)	(71)	20	(24)	(38)
2025	3,544	1,437	920	913	274
vs. Q1 2024	16.4%	1.8%	19.2%	19.7%	+100%
Organic growth	18.7%	5.2%	14.1%	22.8%	+100%
Adjustments ¹	(246)	(43)	(4)	(1)	(198)
2025 Adjusted OI	3,790	1,480	924	914	472
vs. Q1 2024	12.8%	(0.9)%	18.9%	19.6%	44.8%
Organic growth	16.0%	4.8%	13.9%	22.8%	56.4%
2024 Adjusted OI Margin	38.2%	43.2%	29.2%	45.4%	32.7%
2025 Adjusted OI Margin	40.7%	41.6%	33.7%	52.8%	37.3%
vs. Q1 2024	2.5pp	(1.6)pp	4.5pp	7.4pp	4.6pp
Organic growth	2.0pp	(1.5)pp	2.1pp	6.9pp	6.1pp

(¹) For a list of adjusting items refer to additional information section of this release or Schedules 8 and 9 in Exhibit 99.2 to the Form 8-K dated April 23, 2025.

HTU & Cigarettes Shipments (m units)	Total PMI	Europe	SSEA, CIS & MEA	EA, AU & PMI GTR	Americas
Heated Tobacco Units	37,089	13,072	6,502	17,364	151
vs. Q1 2024	11.9%	15.3%	7.0%	11.3%	29.1%
Cigarettes	144,753	35,338	83,744	11,395	14,276
vs. Q1 2024	1.1%	(4.7)%	4.4%	(1.5)%	(0.5)%
Total	181,842	48,410	90,246	28,759	14,427
vs. Q1 2024	3.1%	0.0%	4.6%	5.9%	(0.2)%

Oral SFP Shipments (m cans)	Total PMI	Europe	SSEA, CIS & MEA	EA, AU & PMI GTR	Americas
Nicotine Pouches	223.4	15.1	4.5	1.5	202.4
vs. Q1 2024	53.3%	22.9%	+100%	+100%	53.8%
Snus	60.2	56.5	—	3.1	0.6
vs. Q1 2024	(2.0)%	(7.0)%	—	—	(11.3)%
Moist Snuff	33.6	—	—	—	33.6
vs. Q1 2024	(2.3)%	—	—	—	(2.3)%
Other Oral SFP	0.6	0.6	—	—	0.0
vs. Q1 2024	(41.1)%	(42.4)%	—	—	—
Total	318	72	5	5	237
vs. Q1 2024	31.0%	(2.5)%	+100%	+100%	42.0%

Total PMI

- Estimated international industry volume (excluding China and the U.S.) for cigarettes and HTUs decreased by 0.6%.
- PMI's total shipment volume increased by 3.9% with smoke-free volumes up by 14.4%, with all SFP categories growing strongly, and cigarette volumes up by 1.1% driven by SSEA, CIS & MEA region.
- Net revenues increased by 10.2% on an organic basis, mainly reflecting: a favorable pricing variance, primarily due to higher combustible tobacco pricing; and favorable volume/mix, mainly driven by higher smoke-free products volume, notwithstanding unfavorable cigarette mix.
- Adjusted operating income increased by 16.0% on an organic basis, mainly reflecting: the same factors as for net revenues; partly offset by higher marketing, administration and research costs.

Europe

- The estimated total market for cigarettes and HTUs decreased by 4.8% to 118.3 billion units, with a 6.6% decrease for cigarettes and continued HTU growth. Notable decreases in the estimated total market in Poland (down by 16.0%) and France (down by 12.8%) were partly offset by Bulgaria (up by 7.2%) and Luxembourg (up by 20.3%).
- PMI's total cigarette and HTU shipment volume was stable (48.4 billion units), with decreases in Poland (down by 14.4%) and Sweden (down by 66.9%, driven by prior year inventory movements) offset by increases in Italy (up by 8.5%) and Spain (up by 13.9%).
- PMI's HTU share of the total cigarette and HTU market increased by 1.2pp on an adjusted basis.
- Net revenues increased by 8.6% on an organic basis, reflecting a favorable pricing variance, mainly driven by higher combustible tobacco pricing; and favorable volume/mix, mainly driven by higher smoke-free products volume.
- Adjusted operating income increased by 4.8% on an organic basis, primarily reflecting the same factors as for net revenues; largely offset by higher marketing, administration and research costs.

SSEA, CIS & MEA

- The estimated total market for cigarettes and HTUs increased by 0.9% to 377.3 billion units. The increase in the estimated total market was mainly due to Turkey (up by 8.5%), India (up by 8.7%), and Indonesia (up by 2.6%), partly offset by Bangladesh (down by 16.2%).
- PMI's total cigarette and HTU shipment volume increased by 4.6% to 90.2 billion units, with increases in Turkey (up by 6.5%) and India (up 47.4%), partly offset by Saudi Arabia (down by 10.4%) and Tunisia (down by 31.7%).
- PMI's estimated HTU adjusted in-market sales volume increased by an estimated 11.1%.
- Net revenues increased by 6.5% on an organic basis, primarily reflecting: a favorable pricing variance, predominantly driven by higher combustible tobacco pricing; while higher cigarette and HTU volume was offset by unfavorable cigarette mix due to the below mentioned commercial model change in Indonesia.
- A change in our commercial model for the below tier-one cigarette segment in Indonesia in the fourth quarter of 2024 resulted in lower net revenue growth, with no meaningful impact on operating income.

- Adjusted operating income increased by 13.9% on an organic basis, primarily reflecting: a favorable pricing variance, predominantly driven by higher combustible tobacco pricing, as well as higher cigarette and HTU volume, partly offset by higher manufacturing costs (notably tobacco leaf) as well as marketing, administration and research costs.

East Asia, Australia & PMI Global Travel Retail

- The estimated total market for cigarettes and HTUs, excluding China, decreased by 2.0% to 74.4 billion units, with a decrease in cigarettes partly offset by HTU growth. The decrease in the estimated total market was mainly driven by South Korea (down by 6.4%) and Japan (down by 1.0%), partly offset by Global Travel Retail (up by 5.4%).
- PMI's total cigarette and HTU shipment volume increased by 5.9% to 28.8 billion units with growth in Japan (up by 5.3%) and Global Travel Retail (up by 25.7%), partly offset by Taiwan (down by 18.3%).
- PMI's estimated HTU adjusted in-market sales volume increased by an estimated 10.7%.
- Net revenues increased by 6.5% on an organic basis, primarily reflecting a favorable volume/mix, driven by higher smoke-free products volume.
- Adjusted operating income increased by 22.8% on an organic basis, driven by the same main factor as for net revenues and a comparison benefit from higher device shipments in the prior year, when ILUMA i was launched in Japan.

Americas

- The estimated total market for cigarettes and HTUs, excluding the U.S., increased by 1.3% to 45.2 billion units, predominantly reflecting an increase in the cigarette market. The increase in the estimated total market was mainly due to Brazil (up by 12.7%), partly offset by Mexico (down by 9.9%), and Canada (down by 19.3%).
- PMI's total cigarette and HTU shipment volume was flat (14.4 billion units), with decreases in Mexico (down by 10.9%) and Colombia (down by 12.3%), offset by increases in Brazil (up by 7.4%) and Argentina (up by 1.8%).
- Oral SFP shipments increased by 42.0% to 237 million cans, predominantly driven by ZYN nicotine pouches in the U.S.
- Net revenues increased by 32.0% on an organic basis, primarily reflecting: favorable volume/mix, predominantly driven by U.S. nicotine pouches, as well as a favorable pricing variance, driven by U.S. smoke-free products and cigarettes outside of the U.S.
- Adjusted operating income increased by 56.4% on an organic basis, primarily reflecting: the same factors as for net revenues; partly offset by higher marketing, administration and research costs, including incremental U.S. investments.

Additional Information

	First-Quarter	
	2025	2024
Reported Diluted EPS	\$ 1.72	\$ 1.38
Restructuring charges	—	0.09
Impairment of other intangibles	—	0.01
Amortization of intangibles	0.12	0.06
Income tax impact associated with Swedish Match AB financing	(0.06)	0.07
Fair value adjustment for equity security investments	(0.09)	(0.08)
Tax items	—	(0.03)
Adjusted Diluted EPS	\$ 1.69	\$ 1.50
Less: Currency	(0.07)	
Adjusted Diluted EPS, excluding Currency	\$ 1.76	\$ 1.50

Financial Summary - Quarters Ended March 31, (in millions)			Change Fav./(Unfav.)		Variance Fav./(Unfav.)					
	2025	2024	Total	Excl. Curr. & Acq./Div.	Total	Cur- rency	Acq./ Div.	Price	Vol/ Mix	Cost/ Other
Net Revenues	\$ 9,301	\$ 8,793	5.8%	10.2%	508	(340)	(49)	526	377	(6)
Cost of Sales ⁽¹⁾	(3,040)	(3,195)	4.9%	—%	155	106	49	—	73	(73)
Marketing, Administration and Research Costs ⁽²⁾	(2,717)	(2,553)	(6.4)%	(12.8)%	(164)	121	43	—	—	(328)
Operating Income	\$ 3,544	\$ 3,045	16.4%	18.7%	499	(113)	43	526	450	(407)
Restructuring charges	—	(168)	+100%	+100%	168	—	—	—	—	168
Amortization of intangibles	(246)	(120)	-(100)%	-(100)%	(126)	—	11	—	—	(137)
Impairment of other intangibles	—	(27)	+100%	3.7%	27	—	26	—	—	1
Adjusted Operating Income	\$ 3,790	\$ 3,360	12.8%	16.0%	430	(113)	6	526	450	(439)
Adjusted Operating Income Margin	40.7 %	38.2 %	2.5pp	2.0pp						

⁽¹⁾ Includes \$5 million in 2025 and \$16 million in 2024 related to the special items below.

⁽²⁾ Includes \$241 million in 2025 and \$299 million in 2024 related to the special items below.

	First-Quarter		
	2025	2024	Change (pp)
Total International Market Share⁽¹⁾	28.6 %	27.9 %	0.7
Cigarettes	23.0 %	22.8 %	0.2
HTU	5.7 %	5.1 %	0.6
Cigarette over Cigarette Market Share⁽²⁾	24.8 %	24.4 %	0.4

(1) Defined as PMI's cigarette and heated tobacco unit in-market sales volume as a percentage of total industry cigarette and heated tobacco unit sales volume, excluding China and the U.S., including cigarillos in Japan

(2) Defined as PMI's cigarette in-market sales volume as a percentage of total industry cigarette sales volume, excluding China and the U.S., including cigarillos in Japan

Note: Sum of share of market by product categories might not foot to total due to rounding.

Philip Morris International: A Global Smoke-Free Champion

Philip Morris International is a leading international consumer goods company, actively delivering a smoke-free future and evolving its portfolio for the long term to include products outside of the tobacco and nicotine sector. The company's current product portfolio primarily consists of cigarettes and smoke-free products, including heat-not-burn, nicotine pouch and e-vapor products. As of December 31, 2024, PMI's smoke-free products were available for sale in 95 markets, and PMI estimates they were used by 38.6 million adults around the world. The smoke-free business accounted for 42% of PMI's first-quarter 2025 total net revenues. Since 2008, PMI has invested over \$14 billion to develop, scientifically substantiate and commercialize innovative smoke-free products for adults who would otherwise continue to smoke, with the goal of completely ending the sale of cigarettes. This includes the building of world-class scientific assessment capabilities, notably in the areas of pre-clinical systems toxicology, clinical and behavioral research, as well as post-market studies. Following a robust science-based review, the U.S. Food and Drug Administration has authorized the marketing of Swedish Match's *General* snus and ZYN nicotine pouches and versions of PMI's IQOS devices and consumables - the first-ever such authorizations in their respective categories. Versions of IQOS devices and consumables and *General* snus also obtained the first-ever Modified Risk Tobacco Product authorizations from the FDA. With a strong foundation and significant expertise in life sciences, PMI has a long-term ambition to expand into wellness and healthcare areas and aims to enhance life through the delivery of seamless health experiences. References to "PMI", "we", "our" and "us" mean Philip Morris International Inc., and its subsidiaries. For more information, please visit www.pmi.com and www.pmiscience.com.

Forward-Looking and Cautionary Statements

This press release contains projections of future results and goals and other forward-looking statements, including statements regarding expected financial or operational performance; capital allocation plans; investment strategies; regulatory outcomes; market expectations; business plans and strategies. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. In the event that risks or uncertainties materialize, or underlying assumptions prove inaccurate, actual results could vary materially from those contained in such forward-looking statements. Pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, PMI is identifying important factors that, individually or in the aggregate, could cause actual results and outcomes to differ materially from those contained in any forward-looking statements made by PMI.

PMI's business risks include: excise tax increases and discriminatory tax structures; increasing marketing and regulatory restrictions that could reduce our competitiveness, eliminate our ability to communicate with adult consumers, or ban certain of our products in certain markets or countries; health concerns relating to the use of tobacco and other nicotine-containing products and exposure to environmental tobacco smoke; litigation related to tobacco and/or nicotine use and intellectual property; intense competition; the effects of global and individual country economic, regulatory and political developments, natural disasters and conflicts; the impact and consequences of Russia's invasion of Ukraine; changes in adult smoker behavior; the impact of natural disasters and pandemics on PMI's business; lost revenues as a result of counterfeiting, contraband and cross-border purchases; governmental investigations; unfavorable currency exchange rates and currency devaluations, and limitations on the ability to repatriate funds; adverse changes in applicable corporate tax laws; recent and potential future tariffs imposed by the U.S. and other countries; adverse changes in the cost, availability, and quality of tobacco and other agricultural products and raw materials, as well as components and materials for our electronic devices; and the integrity of its information systems and effectiveness of its data privacy policies.

PMI's future profitability may also be adversely affected should it be unsuccessful in its attempts to introduce, commercialize, and grow smoke-free products or if regulation or taxation do not differentiate between such products and cigarettes; if it is unable to successfully introduce new products, promote brand equity, enter new markets or improve its margins through increased prices and productivity gains; if it is unable to expand its brand portfolio internally or through acquisitions and the development of strategic business relationships; if it is unable to attract and retain the best global talent, including women or diverse candidates; or if it is unable to successfully integrate and realize the expected benefits from recent transactions and acquisitions. Future results are also subject to the lower predictability of our smoke-free products performance.

PMI is further subject to other risks detailed from time to time in its publicly filed documents, including PMI's Annual Report on Form 10-K for the fourth quarter and year ended December 31, 2024, and the Quarterly Report on Form 10-Q for the first quarter ended March 31, 2025, which will be filed in the coming days. PMI cautions that the foregoing list of important factors is not a complete discussion of all potential risks and uncertainties. PMI does not undertake to update any forward-looking statement that it may make from time to time, except in the normal course of its public disclosure obligations.

Non-GAAP Measures, Glossary and Explanatory Notes

Reconciliations of non-GAAP measures in this release to the most directly comparable U.S. GAAP measures can be found in Exhibit 99.2 to the Form 8-K dated April 23, 2025, and at www.pmi.com/2025Q1earnings. A glossary of key terms, definitions and explanatory notes is available in the aforementioned Exhibit 99.2 and on the same webpage, where additional financial schedules, as well as adjustments and other calculations have also been made available.

Management reviews net revenues, gross profit, 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, divestitures, restructuring costs, tax items and other special items. Additionally, starting in 2022 and on a comparative basis, for these measures other than net revenues and operating cash flow, PMI includes adjustments to add back amortization expense on acquisition related intangible assets that are recorded as part of purchase accounting and contribute to PMI's revenue generation, as well as impairment of intangible assets, if any. While amortization expense on acquisition related intangible assets is excluded in these adjusted measures, the net revenues generated from these acquired intangible assets are included in the company's adjusted measures, unless otherwise stated. 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.

Non-GAAP measures used in this release should neither be considered in isolation nor as a substitute for the financial measures prepared in accordance with U.S. GAAP.

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Key Market Data

Quarters Ended March 31,

Market	Total Market, bio units			PMI Shipments, bio units									PMI Market Share ⁽²⁾ , %					
				Total			Cigarette			HTU			Total			HTU		
	2025	2024	% Change	2025	2024	% Change	2025	2024	% Change	2025	2024	% Change	2025	2024	PP Change	2025	2024	PP Change
Total⁽¹⁾⁽²⁾	615.2	618.8	(0.6)	181.8	176.3	3.1	144.8	143.2	1.1	37.1	33.1	11.9	28.6	27.9	0.7	5.7	5.1	0.6
Europe																		
France	5.5	6.3	(12.8)	2.4	2.6	(7.0)	2.4	2.5	(6.5)	—	—	—	40.0	40.2	(0.2)	0.6	0.6	—
Germany⁽³⁾	15.4	16.1	(3.9)	6.0	6.3	(4.6)	4.8	5.3	(9.4)	1.2	1.0	20.9	38.1	39.7	(1.6)	7.7	6.3	1.4
Italy⁽³⁾	17.1	17.5	(2.3)	8.6	8.0	8.5	5.9	5.7	3.5	2.7	2.2	21.2	53.0	52.5	0.5	18.4	17.7	0.7
Poland⁽³⁾	11.8	14.1	(16.0)	5.2	6.1	(14.4)	4.2	4.8	(13.3)	1.0	1.3	(18.7)	44.1	42.9	1.2	9.7	9.0	0.7
Spain	9.3	9.7	(4.0)	3.2	2.8	13.9	2.9	2.6	14.3	0.3	0.2	10.3	28.7	28.9	(0.2)	3.1	2.7	0.4
SSEA, CIS & MEA																		
Egypt	20.1	19.4	3.4	5.9	5.3	11.9	5.7	5.0	14.0	0.2	0.3	(23.7)	28.8	26.9	1.9	1.8	1.9	(0.1)
Indonesia⁽⁴⁾	75.9	73.9	2.6	20.4	20.2	0.6	20.1	20.0	0.4	0.3	0.2	15.7	26.8	27.4	(0.6)	0.4	0.3	0.1
Philippines	11.9	11.9	(0.1)	5.6	5.5	2.0	5.5	5.4	1.3	0.1	0.1	50.9	46.8	45.9	0.9	0.9	0.6	0.3
Russia	47.5	46.7	1.6	16.4	15.5	5.7	12.1	11.5	5.6	4.3	4.0	6.1	33.0	32.4	0.6	10.1	9.5	0.6
Turkey	33.9	31.2	8.5	17.1	16.0	6.5	17.1	16.0	6.5	—	—	—	50.3	51.3	(1.0)	—	—	—
EA, AU & PMI GTR																		
Australia	1.1	1.4	(15.7)	0.5	0.5	(0.3)	0.5	0.5	(0.3)	—	—	—	44.4	37.6	6.8	—	—	—
Japan⁽²⁾	35.4	35.7	(1.0)	18.9	17.9	5.3	4.0	4.3	(7.9)	14.9	13.6	9.4	43.4	41.0	2.4	32.4	29.4	3.0
South Korea	15.4	16.5	(6.4)	3.3	3.4	(1.8)	1.8	2.0	(13.4)	1.6	1.4	15.5	21.5	20.4	1.1	10.1	8.2	1.9
Americas																		
Argentina	7.1	7.1	(0.7)	4.5	4.4	1.8	4.5	4.4	1.8	—	—	—	63.1	61.6	1.5	—	—	—
Mexico	5.7	6.3	(9.9)	3.3	3.7	(10.9)	3.3	3.7	(11.0)	—	—	—	58.0	58.7	(0.7)	0.8	0.7	0.1

(1) Market share estimates are calculated using IMS data, unless otherwise stated. Depending on the market and distribution model, IMS may represent an estimate. Consequently, past reported periods may be updated to ensure comparability and to incorporate the most current information.

(2) Total market and market share estimates include cigarillos in Japan

(3) PMI market share reflects estimated adjusted IMS volume share (see Glossary for definition); Total Market is based on reported IMS

(4) 2025 includes 1.9 billion units of cigarettes shipment volume under an arrangement where PMI acts as brand management and fulfillment services agent

Note: % change for Total Market and PMI shipments is computed based on millions of units. "-" indicates volume below 50 million units and market share below 0.1%

Philip Morris International Inc.
Glossary of Key Terms, Definitions
and Explanatory Notes; and
Select Financial Information and Reconciliations of
Non-GAAP Financial Measures
2025 First-Quarter Results
April 23, 2025

Glossary of Key Terms, Definitions and Explanatory Notes

General

- "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.
- Comparisons are made to the same prior-year period unless otherwise stated.
- References to total industry (or total market), PMI shipment volume and PMI market share performance reflect cigarettes and heated tobacco units, unless otherwise stated.
- As of the first quarter of 2022, total industry volume, PMI in-market sales volume and PMI market share for the following geographies include the cigarillo category in Japan: the total international market, EA, AU & PMI GTR 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 (or total market) and market shares are PMI estimates for tax-paid products based on data from a number of internal and external sources and may, in defined instances, exclude the People's Republic of China. Past reported periods may be updated to ensure comparability and to incorporate the most current information for industry and market share reporting.
- "Combustible tobacco products" is the term PMI uses to refer to cigarettes and other tobacco products that are combusted.
- In-market sales or "IMS" is defined as sales to the trade channels, which serve the end legal age nicotine users. Depending on the market and distribution model, IMS may represent an estimate. Consequently, past reported periods may be updated to ensure comparability and to incorporate the most current information.
- From time to time, PMI's shipment volumes and IMS are subject to the impact of distributor inventory movements (or wholesaler inventory movements in certain markets where PMI does not sell to distributors), 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, IMS, certain estimated total industry/market volumes and estimated market share 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's shipment volumes, IMS, estimated total industry/market volumes and estimated market share in such circumstances on a basis that excludes the impact of distributor and/or estimated trade inventory movements, improves the comparability of performance and trends for these measures over different reporting periods.
- "Total shipment volume" is defined as the combined total of cigarette, heated tobacco, oral smoke-free products (excluding snuff, snuff leaf and U.S. chew) and e-vapor shipment volume in equivalent units, unless otherwise stated.
- "SSEA, CIS & MEA" stands for South & Southeast Asia, Commonwealth of Independent States, and Middle East & Africa.
- "EA, AU & PMI GTR" stands for East Asia, Australia and PMI Global Travel Retail.
- Following the sale of Vectura Group Ltd. on December 31, 2024, we updated our segment reporting in January 2025 by including the ongoing Wellness & Healthcare segment results in the Europe segment. In addition, PMI renamed its "PMI Duty Free" business to "PMI Global Travel Retail" effective in the first quarter of 2025. As a result of this change, our segment that includes our duty free business was renamed East Asia, Australia & PMI Global Travel Retail ("EA, AU & PMI GTR"). As of the first quarter of 2025, PMI began reporting on this basis.
- Following the deconsolidation of PMI's Canadian subsidiary, Rothmans, Benson & Hedges, Inc. (RBH) on March 22, 2019, PMI continues to report the volume and corresponding royalty revenues of brands sold by RBH for which other PMI subsidiaries are the trademark owner. These include *Next*, *TEREA* and *VEEV*. The volume and corresponding royalty revenues for these brands sold by RBH were not material to PMI for all periods presented.

- Within the tables and schedules presented throughout this earnings release, certain columns and rows may not add due to the use of rounded numbers for disclosure purposes.

Financial

- "Cost of sales" consists principally of: tobacco leaf, non-tobacco raw materials, labor and manufacturing costs; shipping and handling costs; and the cost of devices produced by third-party electronics manufacturing service providers. Estimated costs associated with device warranty programs are generally provided for in cost of sales in the period the related revenues are recognized.
- "Marketing, administration and research costs" include the costs of marketing and selling our products, other costs generally not related to the manufacture of our products (including general corporate expenses), and costs incurred to develop new products. The most significant components of our marketing, administration and research costs are marketing and sales expenses and general and administrative expenses.
- "Cost/Other" in the Consolidated Financial Summary table of total PMI and the four segments of this release reflects the currency and acquisition/divestiture-neutral variances of: cost of sales (excluding the volume/mix cost component); marketing, administration and research costs (including restructuring costs); and amortization and impairment of intangibles. "Cost/Other" also includes the currency and acquisition/divestiture-neutral net revenue variance, unrelated to volume/mix and price components, attributable to: fees for certain distribution rights billed to customers in certain markets in the SSEA, CIS & MEA Region.
- "Adjusted Operating Income Margin" is calculated as adjusted operating income, divided by adjusted net revenues.
- "Adjusted EBITDA" is defined as earnings before interest, taxes, depreciation, amortization and equity (income)/loss in unconsolidated subsidiaries, excluding restructuring costs, impairment of intangibles, and unusual items.
- "Net debt" is defined as total debt, less cash and cash equivalents.
- Growth rates presented on an organic basis reflect adjusted results, excluding currency, acquisitions and divestitures.
- Management reviews net revenues, gross profit, 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, divestitures, restructuring costs, tax items and other special items. Additionally, starting in 2022 and on a comparative basis, for these measures other than net revenues and operating cash flow, PMI includes adjustments to add back amortization expense on acquisition related intangible assets that are recorded as part of purchase accounting and contribute to PMI's revenue generation, as well as impairment of intangible assets, if any. While amortization expense on acquisition related intangible assets is excluded in these adjusted measures, the net revenues generated from these acquired intangible assets are included in the company's adjusted measures, unless otherwise stated. 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.
- When PMI provides its expectation for adjusted net revenues, adjusted operating income and margin, adjusted earnings per share and adjusted operating cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures, as described above, generally is not available without unreasonable effort due to potentially high variability, complexity, and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as restructuring costs, amortization and impairment of acquired intangibles and other special items, changes in currency exchange rates, the impact and timing of potential acquisitions and divestitures, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

- Non-GAAP measures used by PMI should neither be considered in isolation nor as a substitute for the financial measures prepared in accordance with U.S. GAAP. For a reconciliation of non-GAAP measures to the most directly comparable U.S. GAAP measures, see the "Select Financial Information and Reconciliations of Non-GAAP Financial Measures" section of this document.
- U.S. GAAP Treatment of a country as a Highly Inflationary Economy: following the categorization of a country by the International Practices Task Force of the Center for Audit Quality as having a three-year cumulative inflation rate greater than 100%, the country is considered highly inflationary in accordance with U.S. GAAP. For such countries, PMI accounts for the operations of its local affiliates as highly inflationary, and to treat the U.S. dollar as the functional currency of the affiliates. Such treatment was effective July 1, 2018, for Argentina, April 1, 2022, for Turkey, and October 1, 2024 for Egypt.
- "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 to be reflected directly in the income statement. Adjustments reflect share price movements in PMI's investments in India and Sri Lanka.
- "Income tax impact associated with Swedish Match AB financing" reflects a deferred tax benefit (cost) for unrealized foreign currency losses (gains) on intercompany loans related to the Swedish Match acquisition financing reflected in PMI's consolidated statements of earnings. The underlying pre-tax foreign currency movements fully offset in the consolidated statements of earnings and were reflected as currency translation adjustments in PMI's consolidated statements of stockholders' (deficit) equity.
- Egypt sales tax charge: In the third quarter of 2024, following a ruling issued by the Higher Administrative Court in Egypt and subsequent evaluation of available remedies, PMI concluded that an adverse outcome was probable and recorded a pre-tax charge of \$45 million in relation to tax assessments for general sales tax deducted on imported cutfiller for the years 2014 to 2016.
- Loss on Sale of Vectura Group: In September 2024, PMI announced the execution of a definitive agreement to sell Vectura to Molex Asia Holdings Ltd. On December 31, 2024, we completed the sale. As a result, PMI recorded a pre-tax loss in 2024 of \$199 million, primarily related to an impairment charge of \$198 million recorded in the third quarter related to Vectura's classification as held for sale.

Smoke-Free

- Smoke-free business ("SFB") is the term PMI uses to refer to all of its smoke-free products. SFB also includes wellness and healthcare products, as well as consumer accessories, such as lighters and matches.
- Smoke-free products ("SFPs") is the term PMI uses to refer to all of its products that provide nicotine without combusting tobacco, such as heat-not-burn, e-Vapor, and oral smokeless, and that therefore generate far lower levels of harmful chemicals. As such, these products have the potential to present less risk of harm versus continued smoking.
- Wellness and Healthcare products primarily refer to products associated with inhaled therapeutics and oral and intra-oral delivery systems.
- "Heated tobacco units" or "HTU" is the term PMI uses to refer to heated tobacco consumables, which include our *BLENDS*, *DELIA*, *HEETS*, *HEETS Creations* (defined collectively as "*HEETS*"), *SENTIA*, *TEREA*, *TEREA CRAFTED*, and *TEREA Dimensions*, as well as the KT&G-licensed brands, *Fiit* and *Miix* (outside of South Korea). HTU's also include zero tobacco heat-not-burn consumables (*LEVIA*).
- Unless otherwise stated, market share for HTUs is defined as the in-market sales volume for HTUs as a percentage of the total estimated industry sales volume for cigarettes and HTUs. For Japan, total estimated industry sales volume also includes cigarillos.
- "Adjusted market share for HTUs" is defined as the total in-market sales volume for PMI HTUs as a percentage of the total estimated sales volume for cigarettes and HTUs, excluding the impact of estimated distributor and wholesaler inventory movements.
- Unless otherwise stated, all references to */QOS* are to PMI's */QOS* devices and heated tobacco consumables.

- IQOS heat-not-burn devices are precisely controlled heating devices into which a specially designed and proprietary tobacco units are inserted and heated to generate an aerosol.
- "PMI heat-not-burn products" or "PMI HTUs" or "IQOS HTUs" include licensed KT&G heat-not-burn products.
- "Total PMI SFPs users" is defined as the sum of "Total IQOS users", "Total oral smokeless users", "Total e-Vapor users" of PMI products minus "Poly-users across PMI SFPs categories".
- "Total IQOS users" is defined as the estimated number of Legal Age (minimum 18 years¹) 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.
- "Total PMI oral smokeless users" are defined as the estimated number of Legal Age (minimum 21 years in the U.S and minimum 18 years¹ outside the U.S) users of oral smokeless products who consumed at least one of PMI oral smokeless products (nicotine pouches in the U.S., and nicotine pouches or snus outside the U.S) over the past seven days.
- "Total PMI e-Vapor users" is defined as the estimated number of Legal Age (minimum 18 years¹) users of e-Vapor products, who consumed at least one of PMI e-Vapor products in the past seven days.
- "Poly-users across PMI SFPs categories" are defined as the estimated number of Legal Age (minimum 18 years¹) users who used multiple PMI SFPs over the past seven days.
- The above SFPs user metrics reflect PMI estimates, which are based on PMI's proprietary Nicotine Containing Products Tracker (NCPT). The methodology relies on NCPT e-Vapor, oral smokeless (except the U.S.) and poly-usage data, which is calibrated using Total IQOS users data, leveraging our deeper understanding of PMI's heat-not-burn category and its size. Total PMI oral smokeless users in the U.S. are approximated through volume-based estimations, as NCPT data for the U.S. is not currently available.
Note: PMI SFPs user estimates are derived from sample-based estimations from NCPT at 95% Confidence Interval. The accuracy and reliability of PMI SFPs users estimates may vary based on sample size, market maturity and availability of information.
- "Oral smoke-free product volume" excludes snuff, snuff leaf and U.S. chew and is measured in cans or, for the purposes of total shipment volumes, in pouches or pouch equivalents.
- "Other Oral SFP volume" includes tobacco bits and chew bags.
- Oral smoke-free products conversion: (i) nicotine pouches: 15 pouches per can in the U.S. and approximately 20 pouches per can outside the U.S.; (ii) snus products: weighted average 21 pouches equivalent per can; (iii) moist snuff products: weighted average 17 pouches equivalent per can; (iv) tobacco bits products: weighted average 30 pouches equivalent per can; (v) chew bags products: weighted average 20 pouches per can.
- E-vapor products conversion: one milliliter of e-vapor liquid equivalent to 10 units.

¹ Minimum 18 years or older depending on market regulation

Select Financial Information and Reconciliations of Non-GAAP Financial Measures

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Diluted Earnings Per Share (EPS)

(\$ in millions, except per share data) / (Unaudited)

Diluted EPS	Quarters Ended	
	March 31,	
2025 Diluted Earnings Per Share (1)	\$ 1.72	
2024 Diluted Earnings Per Share (1)	\$ 1.38	
Change	\$ 0.34	
% Change	24.6 %	
Reconciliation:		
2024 Diluted Earnings Per Share (1)	\$ 1.38	
2024 Restructuring charges	0.09	
2024 Amortization of intangibles	0.06	
2024 Impairment of other intangibles	0.01	
2024 Income tax impact associated with Swedish Match AB financing	0.07	
2024 Fair value adjustment for equity security investments	(0.08)	
2024 Tax Items	(0.03)	
2025 Amortization of intangibles	(0.12)	
2025 Income tax impact associated with Swedish Match AB financing	0.06	
2025 Fair value adjustment for equity security investments	0.09	
Currency	(0.07)	
Interest	0.03	
Change in tax rate	(0.03)	
Operations (2)	0.26	
2025 Diluted Earnings Per Share (1)	\$ 1.72	

(1) Basic and diluted EPS were calculated using the following (in millions):

	Quarters Ended	
	March 31,	
	2025	2024
Net Earnings attributable to PMI	\$ 2,690	\$ 2,148
Less: Distributed and undistributed earnings attributable to share-based payment awards (3)	8	6
Net Earnings for basic and diluted EPS	\$ 2,682	\$ 2,142
Weighted-average shares for basic EPS	1,556	1,553
Plus Contingently Issuable Performance Stock Units (3)	1	2
Weighted-average shares for diluted EPS	1,557	1,555

(2) Includes the impact of shares outstanding and share-based payments

(3) Including rounding adjustment

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

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,			
	2025	2024	% Change	
Reported Diluted EPS	\$ 1.72	\$ 1.38	24.6 %	
Less: Currency	(0.07)			
Reported Diluted EPS, excluding Currency	\$ 1.79	\$ 1.38	29.7 %	
	Quarters Ended March 31,			Year Ended
	2025	2024	% Change	2024
Reported Diluted EPS	\$ 1.72	\$ 1.38	24.6 %	\$ 4.52
Restructuring charges	—	0.09		0.10
Egypt sales tax charge	—	—		0.03
Loss on sale of Vectura Group	—	—		0.13
Impairment of other intangibles	—	0.01		0.01
Amortization of intangibles	0.12	0.06		0.40
Megapolis localization tax impact	—	—		0.05
Income tax impact associated with Swedish Match AB financing	(0.06)	0.07		0.14
Fair value adjustment for equity security investments	(0.09)	(0.08)		(0.27)
Impairment related to the RBH equity investment	—	—		1.49
Tax items	—	(0.03)		(0.03)
Adjusted Diluted EPS	\$ 1.69	\$ 1.50	12.7 %	\$ 6.57
Less: Currency	(0.07)			
Adjusted Diluted EPS, excluding Currency	\$ 1.76	\$ 1.50	17.3 %	

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

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 / Divestitures
(\$ in millions) / (Unaudited)

Net Revenues	Currency	Net Revenues excluding Currency	Acquisitions / Divestitures	Net Revenues excl. Currency & Acquisitions / Divestitures	Quarters Ended March 31,	Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions / Divestitures
					Combustible Tobacco	2024	% Change		
2025									
\$ 1,907	\$(68)	\$ 1,975	\$ —	\$ 1,975	Europe	\$ 1,931	(1.3)%	2.3 %	2.3 %
2,413	(74)	2,487	—	2,487	SSEA, CIS & MEA	2,346	2.9 %	6.0 %	6.0 %
603	(20)	622	—	622	EA, AU & PMI GTR	597	1.0 %	4.3 %	4.3 %
484	(46)	531	—	531	Americas	534	(9.3)%	(0.6)%	(0.6)%
\$ 5,406	\$(208)	\$ 5,614	\$ —	\$ 5,614	Total Combustible Tobacco	\$ 5,407	— %	3.8 %	3.8 %
					Smoke-Free	2024	% Change		
2025									
\$ 1,653	\$(74)	\$ 1,727	\$(49)	\$ 1,776	Europe	\$ 1,524	8.5 %	13.3 %	16.5 %
51	(2)	54	(49)	102	<i>of which, Wellness & Healthcare</i>	90	(42.8)%	(40.4)%	13.8 %
330	(14)	344	—	344	SSEA, CIS & MEA	312	5.8 %	10.3 %	10.3 %
1,128	(42)	1,171	—	1,171	EA, AU & PMI GTR	1,087	3.8 %	7.7 %	7.7 %
783	(2)	784	—	784	Americas	462	69.4 %	69.8 %	69.8 %
\$ 3,895	\$(132)	\$ 4,027	\$(49)	\$ 4,076	Total Smoke-Free	\$ 3,386	15.0 %	18.9 %	20.4 %
					PMI	2024	% Change		
2025									
\$ 3,560	\$(142)	\$ 3,702	\$(49)	\$ 3,751	Europe	\$ 3,455	3.0 %	7.1 %	8.6 %
2,743	(88)	2,831	—	2,831	SSEA, CIS & MEA	2,658	3.2 %	6.5 %	6.5 %
1,731	(62)	1,793	—	1,793	EA, AU & PMI GTR	1,684	2.8 %	6.5 %	6.5 %
1,267	(48)	1,315	—	1,315	Americas	996	27.2 %	32.0 %	32.0 %
\$ 9,301	\$(340)	\$ 9,641	\$(49)	\$ 9,690	Total PMI	\$ 8,793	5.8 %	9.6 %	10.2 %

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

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Net Revenues to Adjusted Net Revenues, excluding Currency and Acquisitions / Divestitures
(\$ in millions) / (Unaudited)

Net Revenues	Special Items	Adjusted Net Revenues	Currency	Adjusted Net Revenues excluding Currency	Acquisitions / Divestitures	Adjusted Net Revenues excluding Currency & Acquisitions / Divestitures		Net Revenues	Special Items	Adjusted Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions / Divestitures
							Quarters Ended March 31,				% Change		
2025								2024					
\$ 3,560	\$ —	\$ 3,560	\$ (142)	\$ 3,702	\$ (49)	\$ 3,751	Europe	\$ 3,455	\$ —	\$ 3,455	3.0 %	7.1 %	8.6 %
2,743	—	2,743	(88)	2,831	—	2,831	SSEA, CIS & MEA	2,658	—	2,658	3.2 %	6.5 %	6.5 %
1,731	—	1,731	(62)	1,793	—	1,793	EA, AU & PMI GTR	1,684	—	1,684	2.8 %	6.5 %	6.5 %
1,267	—	1,267	(48)	1,315	—	1,315	Americas	996	—	996	27.2 %	32.0 %	32.0 %
\$ 9,301	\$ —	\$ 9,301	\$ (340)	\$ 9,641	\$ (49)	\$ 9,690	Total PMI	\$ 8,793	\$ —	\$ 8,793	5.8 %	9.6 %	10.2 %

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

Reconciliation of Gross Profit by Product Category to Adjusted Gross Profit, excluding Currency and Acquisitions / Divestitures
(\$ in millions) / (Unaudited)

Gross Profit	Special Items (1)	Adjusted Gross Profit	Currency	Adjusted Gross Profit excluding Currency	Acquisitions / Divestitures	Adjusted Gross Profit excl. Currency & Acquisitions / Divestitures	Quarters Ended March 31,	Gross Profit	Special Items (1)	Adjusted Gross Profit	Total	Excluding Currency	Excluding Currency & Acquisitions / Divestitures			
2025							2024							% Change		
\$ 3,519	\$ —	\$ 3,519	\$ (134)	\$ 3,653	\$ 20	\$ 3,633	Combustible Tobacco	\$ 3,452	\$ —	\$ 3,452	2.0 %	5.8 %	5.3 %			
2025							2024							% Change		
\$ 2,742	\$ (5)	\$ 2,747	\$ (100)	\$ 2,847	\$ (31)	\$ 2,878	Smoke-Free	\$ 2,146	\$ (16)	\$ 2,163	27.0 %	31.6 %	33.1 %			
2025							2024							% Change		
\$ 6,261	\$ (5)	\$ 6,266	\$ (234)	\$ 6,500	\$ (11)	\$ 6,511	Total PMI	\$ 5,598	\$ (16)	\$ 5,614	11.6 %	15.8 %	16.0 %			

(1) 2025 first-quarter reflects amortization of intangibles in Smoke-free, all amounts are related to cost of goods sold. 2024 first-quarter reflects amortization of intangibles in Smoke-free, all amounts are related to cost of goods sold.

Note: Sum of product categories and special items might not foot due to roundings.

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

Adjustments of Operating Income for the Impact of Currency and Acquisitions / Divestitures
(\$ in millions) / (Unaudited)

Operating Income	Currency	Operating Income excluding Currency	Acqui-sitions / Divestitures	Operating Income excluding Currency & Acquisitions / Divestitures		Operating Income	Total	Excluding Currency	Excluding Currency & Acquisitions / Divestitures
2025					Quarters Ended March 31,	2024	% Change		
\$ 1,437	\$ (71)	\$ 1,508	\$ 24	\$ 1,484	Europe	\$ 1,411	1.8 %	6.9 %	5.2 %
920	20	900	19	881	SSEA, CIS & MEA	772	19.2 %	16.6 %	14.1 %
913	(24)	937	—	937	EA, AU & PMI GTR	763	19.7 %	22.8 %	22.8 %
274	(38)	312	—	312	Americas	99	+100%	+100%	+100%
\$ 3,544	\$ (113)	\$ 3,657	\$ 43	\$ 3,614	Total PMI	\$ 3,045	16.4 %	20.1 %	18.7 %

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Operating Income to Adjusted Operating Income, excluding Currency and Acquisitions / Divestitures

(\$ in millions) / (Unaudited)

Operating Income	Special Items (1)	Adjusted Operating Income	Currency	Adjusted Operating Income excluding Currency	Acquisitions / Divestitures	Adjusted Operating Income excluding Currency & Acquisitions / Divestitures		Operating Income	Special Items (1)	Adjusted Operating Income	Total	Excluding Currency	Excluding Currency & Acquisitions / Divestitures
2025							Quarters Ended March 31,	2024			% Change		
\$ 1,437	\$ (43)	\$ 1,480	\$ (71)	\$ 1,551	\$ (13)	\$ 1,564	Europe	\$ 1,411	\$ (82)	\$ 1,493	(0.9)%	3.9 %	4.8 %
920	(4)	924	20	904	19	885	SSEA, CIS & MEA	772	(5)	777	18.9 %	16.3 %	13.9 %
913	(1)	914	(24)	938	—	938	EA, AU & PMI GTR	763	(1)	764	19.6 %	22.8 %	22.8 %
274	(198)	472	(38)	510	—	510	Americas	99	(227)	326	44.8 %	56.4 %	56.4 %
\$ 3,544	\$ (246)	\$ 3,790	\$ (113)	\$ 3,903	\$ 6	\$ 3,897	Total PMI	\$ 3,045	\$ (315)	\$ 3,360	12.8 %	16.2 %	16.0 %

(1) See Schedule 8 Special Items details

Note: Sum of product categories and special items might not foot due to roundings.

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Reported Operating Income to Adjusted Operating Income
(\$ in millions) / (Unaudited)

	Quarters Ended March 31,		Change Fav./(Unfav.)		Variance Fav./(Unfav.)					
	2025	2024	Total	Excl. Curr. & Acquisitions / Divestitures	Total	Currency	Acquisitions / Divestitures	Price	Vol/Mix	Cost/Other
PMI										
Reported Operating Income	\$ 3,544	\$ 3,045	16.4 %	18.7 %	\$ 499	\$ (113)	\$ 43	\$ 526	\$ 450	\$ (407)
Restructuring charges	—	(168)	100.0 %	100.0 %	168	—	—	—	—	168
Impairment of other intangibles	—	(27)	100.0 %	3.7 %	27	—	26	—	—	1
Amortization of intangibles	(246)	(120)	-(100)%	-(100)%	(126)	—	11	—	—	(137)
Adjusted Operating Income	\$ 3,790	\$ 3,360	12.8 %	16.0 %	\$ 430	\$ (113)	\$ 6	\$ 526	\$ 450	\$ (439)
Europe										
Reported Operating Income	\$ 1,437	\$ 1,411	1.8 %	5.2 %	\$ 26	\$ (71)	\$ 24	\$ 216	\$ 46	\$ (189)
Impairment of other intangibles	—	(26)	100.0 %	0.4 %	26	—	26	—	—	—
Amortization of intangibles	(43)	(55)	22.9 %	3.5 %	13	—	11	—	—	2
Adjusted Operating Income	\$ 1,480	\$ 1,493	(0.9)%	4.8 %	\$ (13)	\$ (71)	\$ (13)	\$ 216	\$ 46	\$ (191)
SSEA, CIS & MEA										
Reported Operating Income	\$ 920	\$ 772	19.2 %	14.1 %	\$ 148	\$ 20	\$ 19	\$ 168	\$ 77	\$ (136)
Amortization of intangibles	(4)	(5)	16.5 %	16.5 %	1	—	—	—	—	1
Adjusted Operating Income	\$ 924	\$ 777	18.9 %	13.9 %	\$ 147	\$ 20	\$ 19	\$ 168	\$ 77	\$ (137)
EA, AU & PMI GTR										
Reported Operating Income	\$ 913	\$ 763	19.7 %	22.8 %	\$ 150	\$ (24)	\$ —	\$ 22	\$ 135	\$ 17
Amortization of intangibles	(1)	(1)	0.4 %	0.4 %	—	—	—	—	—	—
Adjusted Operating Income	\$ 914	\$ 764	19.6 %	22.8 %	\$ 150	\$ (24)	\$ —	\$ 22	\$ 135	\$ 17
Americas										
Reported Operating Income	\$ 274	\$ 99	+100%	+100%	\$ 175	\$ (38)	\$ —	\$ 120	\$ 192	\$ (99)
Restructuring charges	—	(168)	100.0 %	100.0 %	168	—	—	—	—	168
Amortization of intangibles	(198)	(60)	-(100)%	-(100)%	(138)	—	—	—	—	(138)
Adjusted Operating Income	\$ 472	\$ 326	44.8 %	56.4 %	\$ 146	\$ (38)	\$ —	\$ 120	\$ 192	\$ (128)

Note: Sum of special items might not foot due to roundings. Special items between -\$0.5 million and +\$0.5 million are not displayed by segment.

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Reconciliation of Non-GAAP Measures

Reconciliation of Adjusted Operating Income Margin, excluding Currency and Acquisitions / Divestitures

(\$ 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 / Divestitures (1)	Adjusted Net Revenues excluding Currency & Acquisitions / Divestitures (2)	Adjusted Operating Income Margin excluding Currency & Acquisitions / Divestitures	Quarters Ended March 31,	Adjusted Operating Income (1)	Adjusted Net Revenues (2)	Adjusted Operating Income Margin	Adjusted Operating Income Margin	Adjusted Operating Income Margin excluding Currency	Adjusted Operating Income Margin excluding Currency & Acquisitions / Divestitures
2025										2024			% Points Change		
\$ 1,480	\$ 3,560	41.6 %	\$ 1,551	\$ 3,702	41.9 %	\$ 1,564	\$ 3,751	41.7 %	Europe	\$ 1,493	\$ 3,455	43.2 %	(1.6)	(1.3)	(1.5)
924	2,743	33.7 %	904	2,831	31.9 %	885	2,831	31.3 %	SSEA, CIS & MEA	777	2,658	29.2 %	4.5	2.7	2.1
914	1,731	52.8 %	938	1,793	52.3 %	938	1,793	52.3 %	EA, AU & PMI GTR	764	1,684	45.4 %	7.4	6.9	6.9
472	1,267	37.3 %	510	1,315	38.8 %	510	1,315	38.8 %	Americas	326	996	32.7 %	4.6	6.1	6.1
\$ 3,790	\$ 9,301	40.7 %	\$ 3,903	\$ 9,641	40.5 %	\$ 3,897	\$ 9,690	40.2 %	Total PMI	\$ 3,360	\$ 8,793	38.2 %	2.5	2.3	2.0

(1) For the calculation of Adjusted Operating Income and Adjusted Operating Income excluding currency and acquisitions refer to Schedule 7

(2) For the calculation of Adjusted Net Revenues excluding currency and acquisitions refer to Schedule 4

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

Condensed Statements of Earnings

(\$ in millions, except per share data) / (Unaudited)

	Quarters Ended March 31,		
	2025	2024	Change Fav./((Unfav.))
Net Revenues	\$ 9,301	\$ 8,793	5.8 %
Cost of sales	3,040	3,195	4.9 %
Gross profit	6,261	5,598	11.8 %
Marketing, administration and research costs	2,717	2,553	(6.4)%
Operating Income	3,544	3,045	16.4 %
Interest expense, net	241	299	19.4 %
Pension and other employee benefit costs	12	15	20.0 %
Earnings before income taxes	3,291	2,731	20.5 %
Provision for income taxes	659	676	2.5 %
Equity investments and securities (income)/loss, net	(205)	(191)	7.3 %
Net Earnings	2,837	2,246	26.3 %
Net Earnings attributable to noncontrolling interests	147	98	(50.0)%
Net Earnings attributable to PMI	\$ 2,690	\$ 2,148	25.2 %
Per share data: (1)			
Basic Earnings Per Share	\$ 1.72	\$ 1.38	24.6 %
Diluted Earnings Per Share	\$ 1.72	\$ 1.38	24.6 %

(1) Net Earnings and weighted-average shares used in the basic and diluted Earnings Per Share computations for the quarters ended March 31, 2025 and 2024 are shown on Schedule 1, Footnote 1

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
Condensed Balance Sheets
(\$ in millions) / (Unaudited)

	March 31, 2025	December 31, 2024
Assets		
Cash and cash equivalents	\$ 4,443	\$ 4,216
All other current assets	17,753	15,954
Property, plant and equipment, net	7,532	7,310
Goodwill	16,864	16,600
Other intangible assets, net	11,345	11,327
Equity investments	2,972	2,654
Other assets	4,170	3,723
Total assets	\$ 65,079	\$ 61,784
Liabilities and Stockholders' (Deficit) Equity		
Short-term borrowings	\$ 4,438	\$ 137
Current portion of long-term debt	6,360	3,392
All other current liabilities	17,289	19,386
Long-term debt	38,781	42,166
Deferred income taxes	2,817	2,517
Other long-term liabilities	4,320	4,056
Total liabilities	74,005	71,654
Total PMI stockholders' deficit	(10,901)	(11,750)
Noncontrolling interests	1,975	1,880
Total stockholders' (deficit) equity	(8,926)	(9,870)
Total liabilities and stockholders' (deficit) equity	\$ 65,079	\$ 61,784

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)

	Year Ended March 31, 2025			Year Ended December 31, 2024
	April ~ December 2024	January ~ March 2025	12 months rolling	
Net Earnings	\$ 5,257	\$ 2,837	\$ 8,094	\$ 7,503
Equity investments and securities (income)/loss, net	(446)	(205)	(651)	(637)
Provision for income taxes	2,341	659	3,000	3,017
Interest expense, net	844	241	1,085	1,143
Impairment related to the RBH equity investment	2,316	—	2,316	2,316
Depreciation, amortization and impairment of other intangibles	1,420	480	1,900	1,814
Restructuring charges and Others (1)	256	—	256	424
Adjusted EBITDA	\$ 11,988	\$ 4,012	\$ 16,000	\$ 15,580
			March 31, 2025	December 31, 2024
Short-term borrowings			\$ 4,438	\$ 137
Current portion of long-term debt			6,360	3,392
Long-term debt			38,781	42,166
Total Debt			\$ 49,579	\$ 45,695
Cash and cash equivalents			4,443	4,216
Net Debt			\$ 45,136	\$ 41,479
Ratios:				
Total Debt to Adjusted EBITDA			3.10	2.93
Net Debt to Adjusted EBITDA			2.82	2.66

(1) For the period April 2024 to December 2024 "Others" includes loss on sale of Vectura Group (\$199 million) and Egypt sales tax charge (\$45 million).

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
 Reconciliation of Non-GAAP Measures
Reconciliation of Operating Cash Flow to Operating Cash Flow, excluding Currency
 (\$ in millions) / (Unaudited)

	Quarters Ended March 31,		
	2025	2024	% Change
Net cash provided by (used in) operating activities (1)	\$ (350)	\$ 241	<(100)%
Less: Currency	91		
Net cash provided by (used in) operating activities, excluding currency	\$ (441)	\$ 241	<(100)%

(1) Operating cash flow