



# CAGNY Conference

February 18, 2026

Jacek Olczak, *Group CEO PMI*  
Emmanuel Babeau, *Group CFO PMI*

## Introduction

- A glossary of terms as well as adjustments, other calculations and reconciliations to the most directly comparable U.S. GAAP measures for non-GAAP financial measures cited in this presentation are available on our [Investor Relations website](#) with additional non-GAAP reconciliations available at the end of this presentation

# Forward-Looking and Cautionary Statements

- This presentation contains projections of future results and goals and other forward-looking statements, including statements regarding expected financial or operational performance; capital allocation plans; investment strategies; 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: marketing and regulatory restrictions that could reduce our competitiveness, disrupt our SFP commercialization efforts, eliminate our ability to communicate with adult consumers, or ban certain of our products in certain markets or countries; excise tax increases and discriminatory tax structures; health concerns relating to the use of tobacco and other nicotine-containing products; litigation related to tobacco and/or nicotine products and intellectual property rights; intense competition; inability to anticipate changes in adult consumer preferences; use and reliance on third-parties; the adverse effects of global and individual country economic, regulatory and political developments, natural disasters and conflicts; geopolitical instability affecting international trade; the impact and consequences of Russia's invasion of Ukraine; changes in adult smoker behavior; continued decline of tax-paid cigarettes; lost revenues as a result of counterfeiting, contraband and cross-border purchases; governmental investigations; unfavorable currency exchange rates and currency devaluations, sustained periods of elevated inflation, and limitations on the ability to repatriate funds; adverse changes in applicable corporate tax laws; disruptions in the credit markets or changes to its credit ratings; 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 product components 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 key markets or systemically, in its efforts 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; if there are prolonged disruptions of facilities used to produce its products; if it is unable to enter new markets or improve its margins through increased prices and productivity gains; if other market participants are more successful in their SFP commercialization efforts; if it is unable to attract and retain the best global talent; 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, 2025. PMI cautions that the foregoing list of important factors is not a complete discussion of all potential risks and uncertainties. PMI does not undertake to update any forward-looking statement that it may make from time to time, except in the normal course of its public disclosure obligations
- References to “PMI”, “we”, “our” and “us” mean Philip Morris International Inc., including its subsidiaries

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# PMI Executive Team Here Today



Jacek Olczak

Group CEO PMI



Emmanuel Babeau

Group CFO PMI



Fred De Wilde

CEO PMI International



Stacey Kennedy

CEO PMI U.S.



Stefano Volpetti

Chief Global Growth  
Officer



Massimo Andolina

President Europe Region



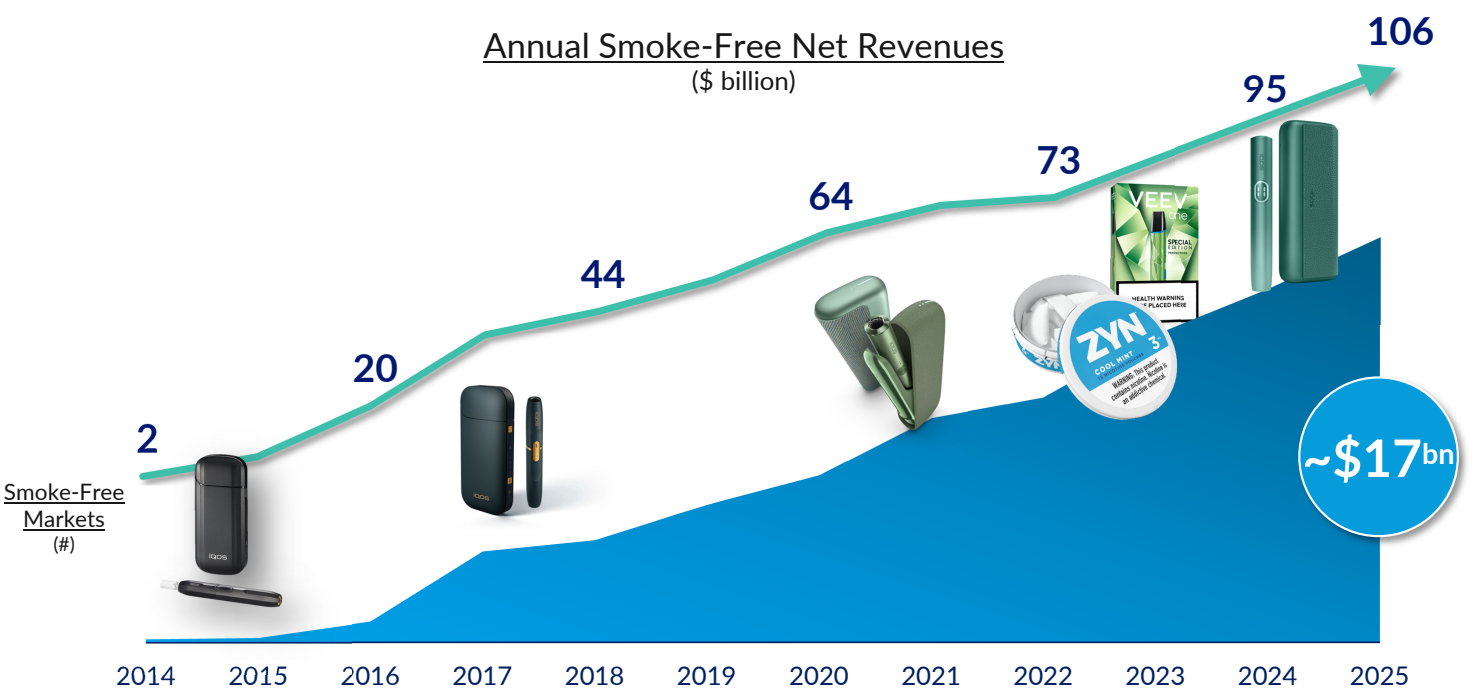
Yann Guérin

Group Chief Legal  
Officer

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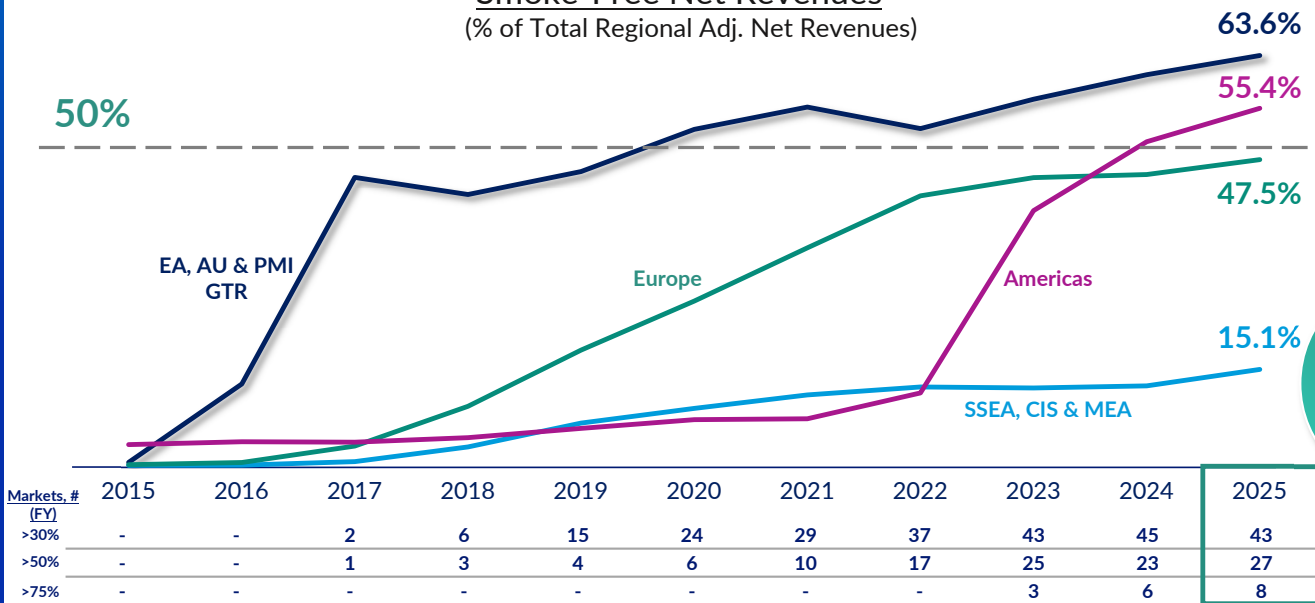
- Leading Industry Transformation, Evolution of Operating Environment
- The Multicategory Consumer
- Delivering Superior Returns to Shareholders

## Smoke-Free Reaching \$17 billion Top-Line & 106 Markets



# Becoming Substantially Smoke-Free By Net Revenues

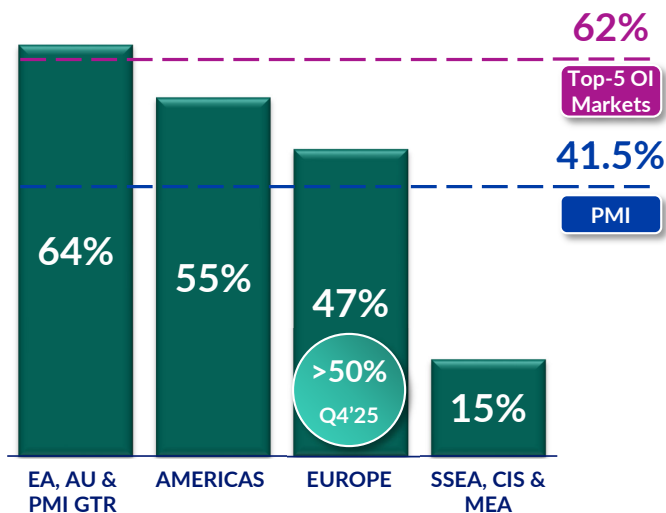
Smoke-Free Net Revenues<sup>(a)</sup>  
(% of Total Regional Adj. Net Revenues)



(a) Smoke-free represents Smoke-Free Business. Smoke-free business also includes wellness products, as well as consumer accessories, such as lighters and matches. For further information, please see Appendix and Reconciliation of non-GAAP Measures. Source: PMI Financials or estimates

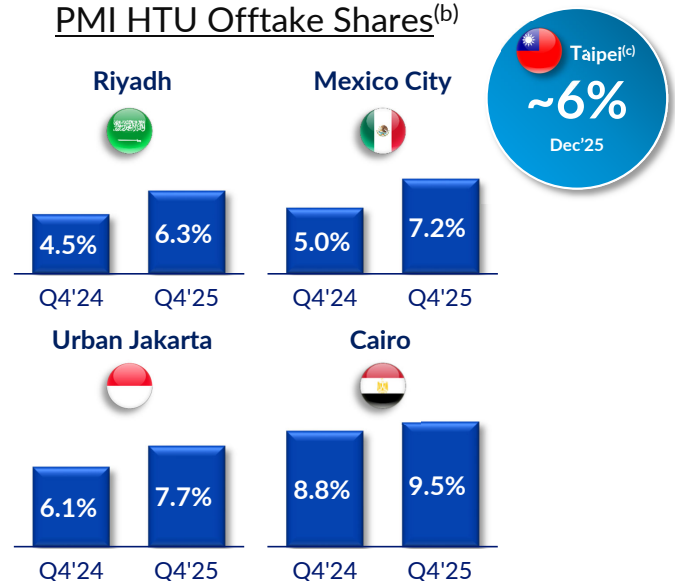
# Becoming Substantially Smoke-Free By Net Revenues

FY'25 Smoke-Free Net Revenues<sup>(a)</sup>  
(% of Total PMI Net Revenues)



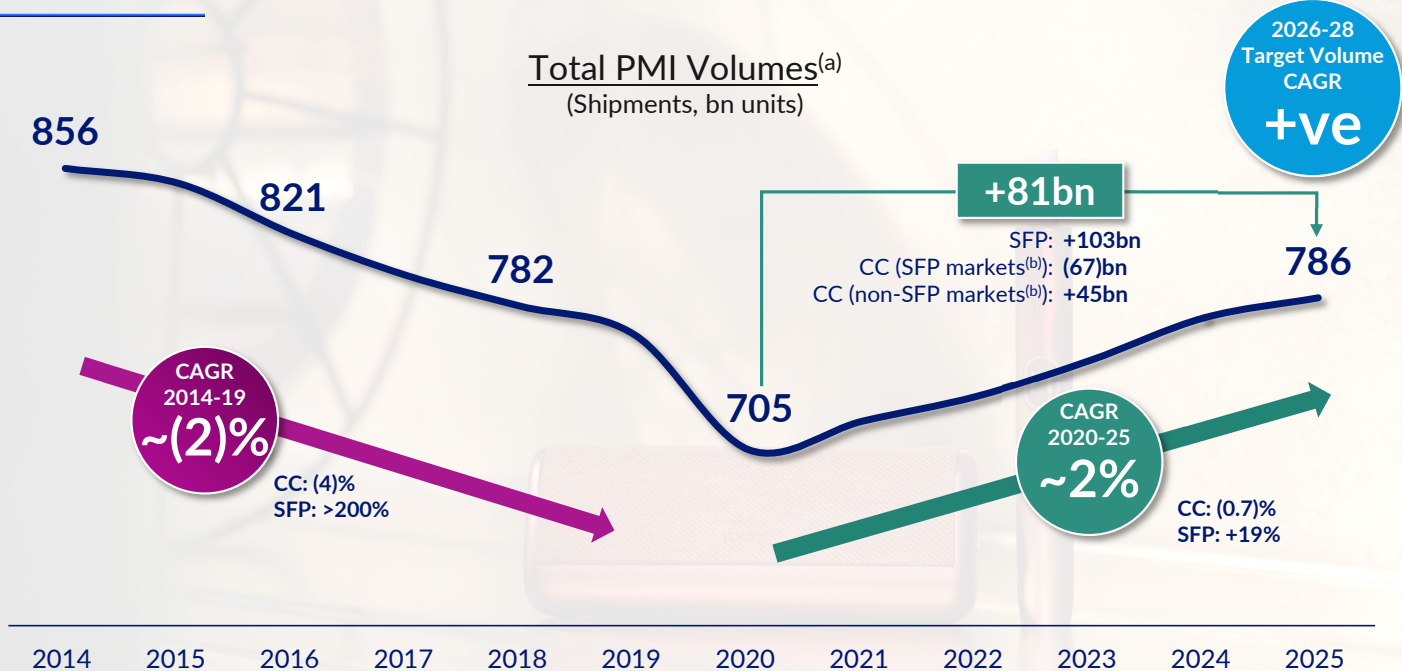
When accessible, SFPs perform well in Emerging Markets

PMI HTU Offtake Shares<sup>(b)</sup>



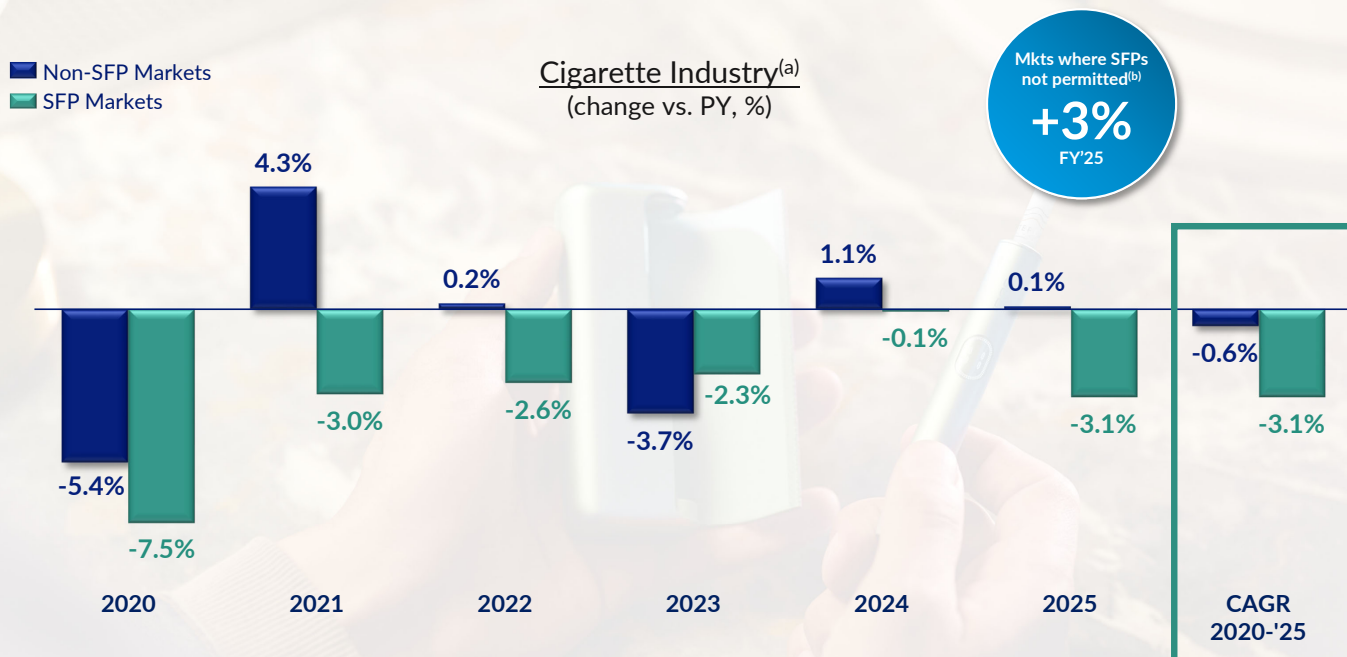
(a) Smoke-free represents Smoke-Free Business. (b) Base includes HTUs and cigarettes. (c) Based on Greater Taipei Nielsen data. Source: PMI Financials or estimates

# Transformed From Decline to Growth in Total Volumes



(a) Volumes for cigarettes, HTUs, Oral SFPs (excl. snuff, snuff leaf and U.S. chew) and e-vapor in equivalent units. (b) Based on 106 SFP markets as of December 2025. Note: CC refers to combustible cigarettes. Total may not foot due to rounding. Source: PMI Financials or estimates

# SFPs Accelerate Combustible Industry Declines



(a) Excluding China & U.S. Note: SFP markets defined as markets with PMI SFP SoM >2% in 2025. (b) Where Smoke free PMI products are not available either due to regulatory, fiscal or other reasons. Source: PMI Financials or estimates

# Evolving Understanding of Nicotine & Tobacco Harm Reduction

“The evidence suggests the proposed modified risk claim **“Using ZYN instead of cigarettes puts you at a lower risk of mouth cancer, heart disease, lung cancer, stroke, emphysema, and chronic bronchitis” is scientifically accurate.**

FDA, Meeting of the Tobacco Products Scientific Advisory Committee Modified Risk Tobacco Products Application by Swedish Match, January 2026

Evidence continues to support the modified exposure claim that **“Scientific studies have shown that switching completely from conventional cigarettes to the IQOS system significantly reduces your body’s exposure to harmful or potentially harmful chemicals.”**

FDA, Meeting of the Tobacco Products Scientific Advisory Committee Modified Risk Tobacco Products Renewal Applications for Philip Morris Products S.A., October 2025

**“As we look toward the future, I want to be clear about CTP’s direction. Our recent actions, the Pouch Pilot program, product authorizations, accelerated reduction in the PMTA backlog, enforcement activities and education and initiatives. They all form a cohesive framework based on tobacco harm reduction principles balanced with stringent youth protection.”**

Bret Koplow, Acting Director, Center for Tobacco Products FDA, October 2025

“It’s (Nicotine) clearly addictive. **It may have other health benefits.** We have an NIH study that shows [...] it reduces onset of Alzheimer’s and of dementia. And so, it’s infinitely preferential to smoking. I think that the **nicotine pouches are probably the safest way to consume nicotine.**”

Robert F. Kennedy Jr., U.S. Secretary of Health & Human Services, 2025

Current evidence suggests **nicotine itself confers little risk to health**, though acute exposure at typical levels from consumer nicotine products can result in addiction, short-term enhanced cognitive effects, elevated heart rate and blood pressure.

Royal College of Physicians, accessed April 2024

**Nicotine is addictive but carries few direct risks to health on its own.** It can be used in non-tobacco products such as NRT and vapes and is an effective aid to quitting smoking. However, it should not be used by people who do not already smoke.

Ash UK (action on smoking and health), November 2025

**Tax settings should be sought that take increased account of the risk profile of individual products, i.e., the aim is to set the tax (price) of alternative tobacco and nicotine products appropriately in relation to the price of tobacco products intended for smoking, and thus economically motivate smokers to switch to less risky alternatives to smoking.**

Czechia: The Action Plan Addiction Policy 2023-2025

# Increasing Regulatory & Fiscal Differentiation of SFPs

## Regulatory Policy (Jan'26)



Lifted a regulatory ban for at least one SFP or proceeded with **dedicated/improved regulatory framework**



Established (voluntary or mandatory) **product standards** on quality, safety and performance for at least one SFP

### Examples:



## Fiscal Policy (Jan'26)



Dedicated excise tax category for **Heated Tobacco Products**



Dedicated excise category for **e-vapor**



Dedicated excise category for **Modern Oral**



Multi-year tax plans covering at least one **SFP**



**Over 30 markets recognized or reiterated support for THR as a guiding principle for national Fiscal or Regulatory legislations**

(a) Include PMI non-launch markets where information is available. Note: Markets are PMI launched markets only unless otherwise stated. Dedicated excise categories in launch markets as of January 2026, including laws with effective date later in the year, e.g. UK effective October 1st 2026. Source: PMI Estimates

## However, Access Remains Blocked in Certain Key Markets

- High volume cigarette markets:



- Smaller but important markets:

- Hong Kong, Singapore, Australia



- Restricted on certain categories:

- Examples: Germany, Belgium, Canada, Ireland, Netherlands, France

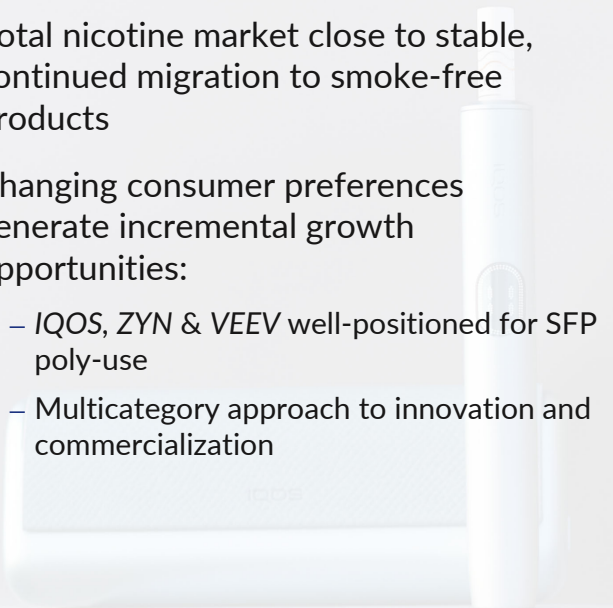
Source: PMI Financials or estimates

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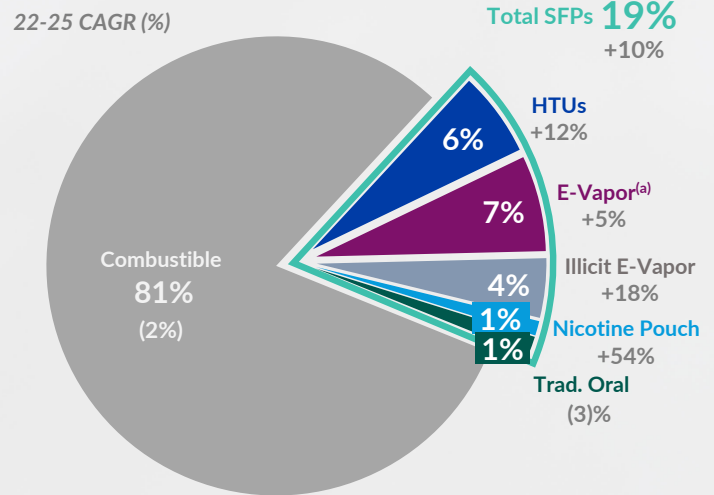
- 
- Leading Industry Transformation, Evolution of Operating Environment
  - The Multicategory Consumer
  - Delivering Superior Returns to Shareholders
- A photograph showing a person's hands holding a lit cigarette. The person is standing in front of a window with light-colored curtains. Bright sunlight is streaming through the window, creating a warm, hazy atmosphere. The cigarette is held between the fingers of the right hand, and the left hand is resting on the curtain. The bottom of the image is overlaid with a dark grey semi-transparent box containing three bullet points.

# SFP Growth Opportunity Remains Vast

- Total nicotine market close to stable, continued migration to smoke-free products
- Changing consumer preferences generate incremental growth opportunities:
  - IQOS, ZYN & VEEV well-positioned for SFP poly-use
  - Multicategory approach to innovation and commercialization



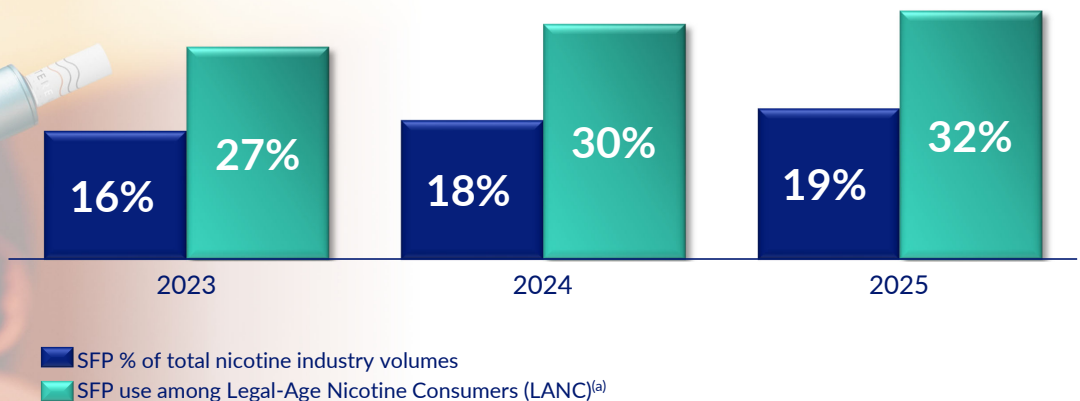
## 2025 Global Industry Volumes (est. equivalent units, excl. China)



Note: Excludes illicit cigarettes and certain traditional product categories. (a) Includes estimated size of open tank systems using 1ml equivalent to 10 units for all e-vapor.  
Source: PMI Financials or estimates

# Growing SFP Demand & Use Leads Volume Growth

## SFP Share of Nicotine Industry Volumes and Use (Global, excl. China)

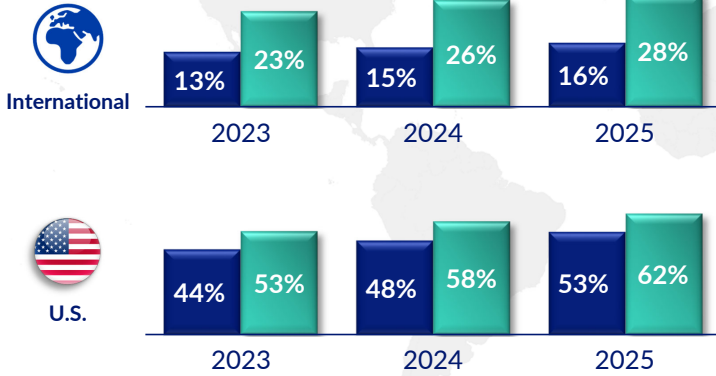


(a) Past 7 day use, based on consumer panel data from 64 markets (incl. U.S., excl. China) in Q3'25, Q3'24, Q3'23. Source: PMI Market Research, PMI Financials or estimates

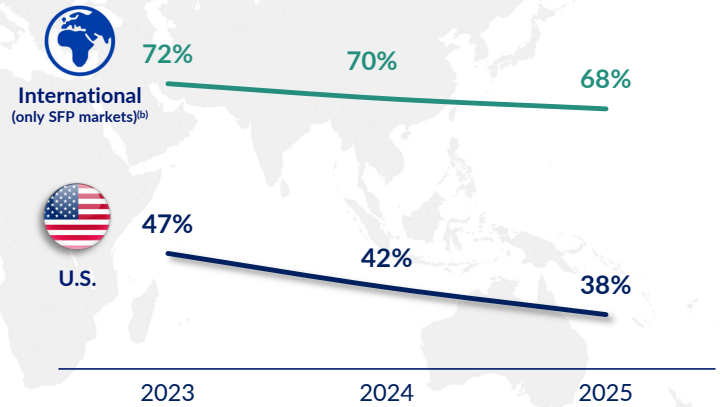
# Declining Exclusive Smokers, Dual Use Precedes Full Conversion

## SFP Share of Nicotine Industry Volumes and Use

■ SFP % on total nicotine industry volumes  
■ SFP use among LANC<sup>(a)</sup>



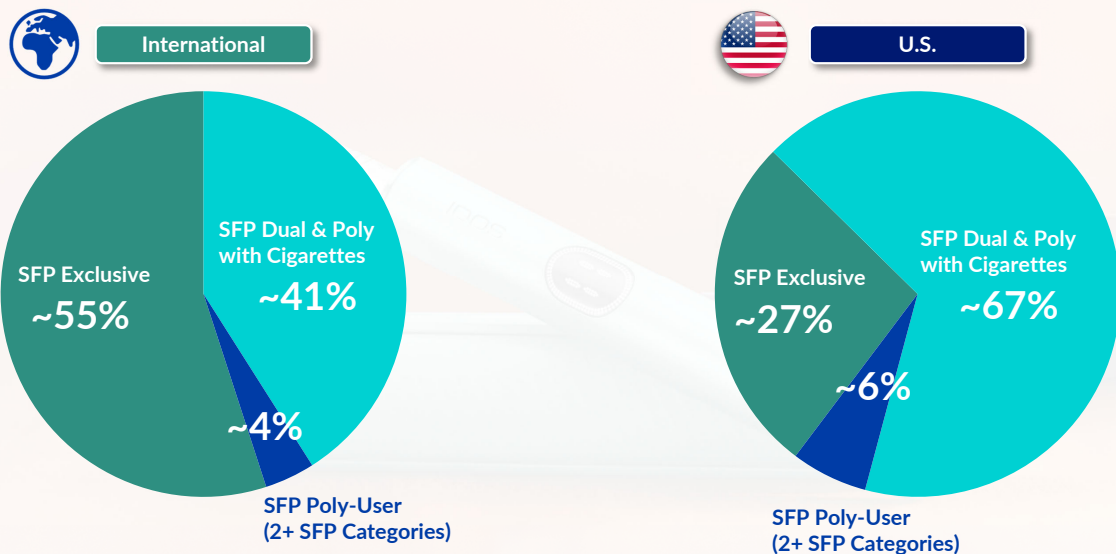
## Exclusive Cigarette Use (Past 7 days use among LANC, %)



(a) Past 7 day use based on consumer panel data in Q3'25, Q3'24, Q3'23. International based on 63 international markets (excl. U.S. and China). (b) Based on the 56 markets of these 63 where PMI is present with SFPs. Source: PMI Market Research, PMI Financials or estimates

# Faster Full Conversion Where HnB is Present

## SFP Industry User Breakdown (% of SFP Users)<sup>(a)</sup>

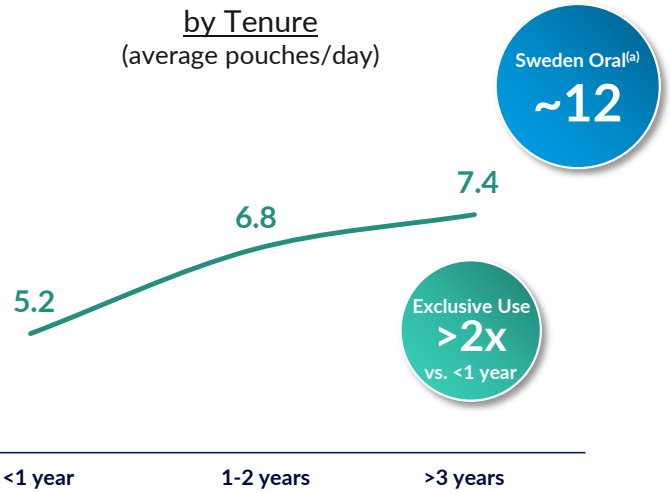


(a) Past 7 day use based on consumer panel data in Q3'25. International based on 63 international markets (excl. U.S. and China). Source: PMI Market Research, PMI Financials or estimates

# Nicotine Pouches Have Specific Role in Switching Smokers

- First-use of nicotine pouches usually situational, change in ritual from inhalable to oral
- Share of nicotine occasions rises on average over time, aiding greater full smoke-free conversion
- Poly-use with other SFPs is higher than e-vapor and HnB, which has highest exclusive use
- Exclusive oral users small in number but growing rapidly
- Growth tailwind for the category over time

U.S. Nicotine Pouch Use  
by Tenure  
(average pouches/day)



(a) Average pouches per day, based on consumer panel data as of Q4'25. Note: Estimates of daily consumption based on a number of simplifying assumptions and do not represent actual nicotine uptake by SFP users, which is a function of a number of factors, including, but not limited to type of product used, duration of use, and patterns of use. Source: PMI Market Research

# Multicategory Accelerating Smoke-Free Category Growth



FY'25 PMI SFP IMS Growth<sup>(a)</sup>

1 SFP Markets

~10%

Multicategory Markets (52)

>15%

Unlocking growth in markets with low PMI CC presence (e.g., Taiwan, Romania, South Africa)

(a) Including HTUs, e-vapor pods and disposables, nicotine pouches. Note: SFP markets defined as markets with PMI SFP SoM >2% in 2025. Multicategory markets as of Dec'25. Excluding Poland, due to e-vapor industry regulatory changes. Source: PMI Financials or estimates

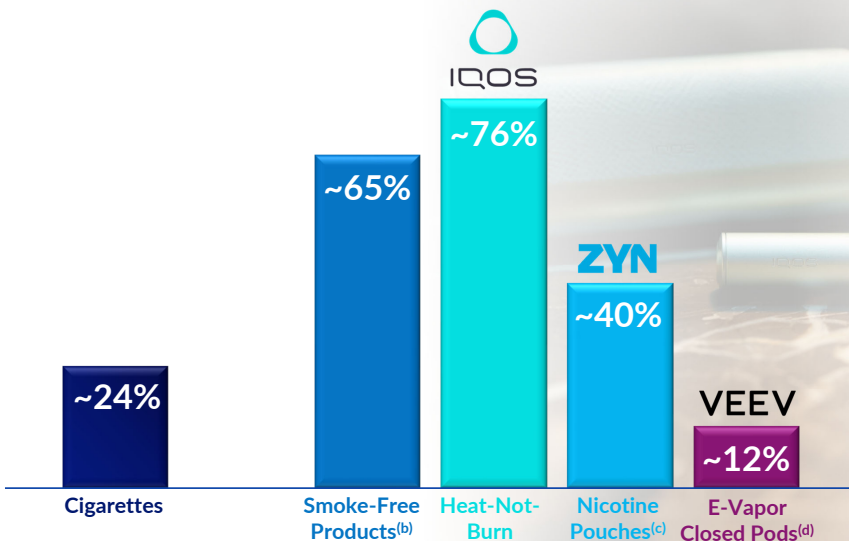


## IQOS Infrastructure Supports Multicategory Growth

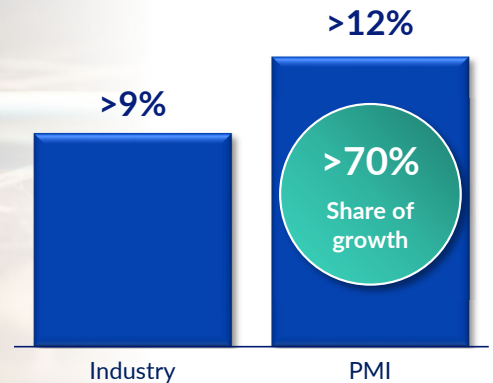
Source: PMI Financials or estimates

## Strong Position in SFPs, Outgrowing Industry

2025 PMI Category Volume Share<sup>(a)</sup>



2025 SFP Volume Growth (Change vs. PY<sup>(e)</sup>)



(a) Excluding China. PMI share of category IMS in markets where present in each category. Nb. PMI does not sell cigarettes in the U.S., hence cigarette share is international only. (b) In equivalent units. Excludes open tank e-vapor systems and traditional oral products. (c) In pouches. (d) In pods. (e) Reflects estimated IMS growth in categories where PMI is present across 106 smoke-free markets. Excl. illicit products, e-vapor open tanks. Source: PMI Financials or estimates

# Continuous Innovation Across SFPs, Expanding Technologies

## IQOS



## ZYN

Nicotine Levels

1.5 mg

3-4 mg

6 mg

9-10 mg

11 mg

>11 mg



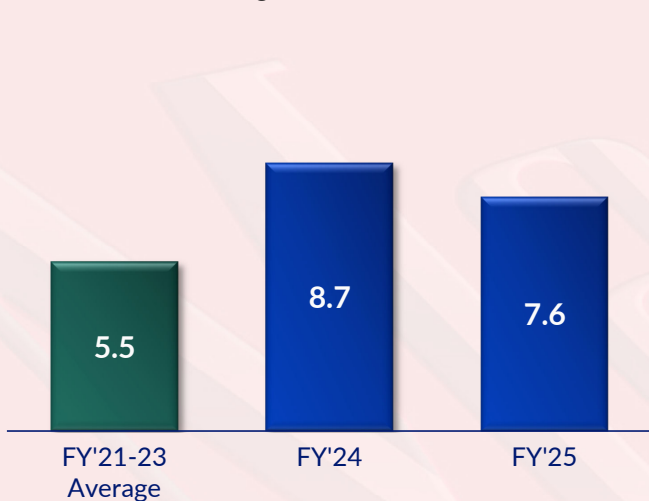
## VEEV



Future Innovations

# Resilient Combustible Leadership Supports Smoke-Free Success

Combustible Pricing  
(% growth vs. PY)<sup>(a)</sup>



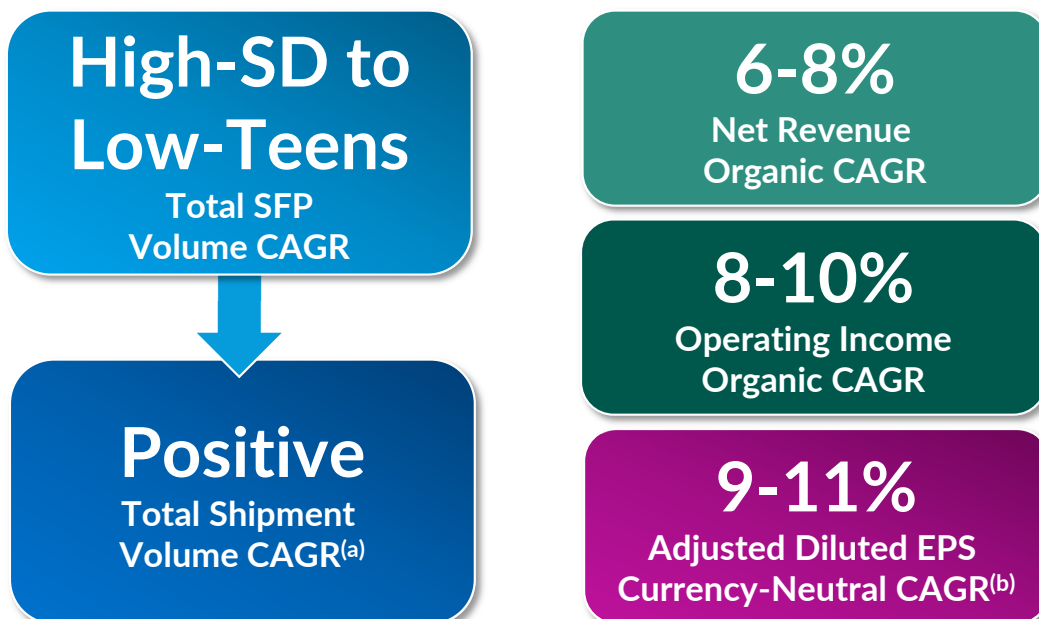
Marlboro Cigarette Category Share<sup>(b)</sup>  
(%)



(a) Pricing variance is based on adjusted net revenues (b) Excluding China and the U.S. and including cigarillos in Japan. Source: PMI Financials or estimates

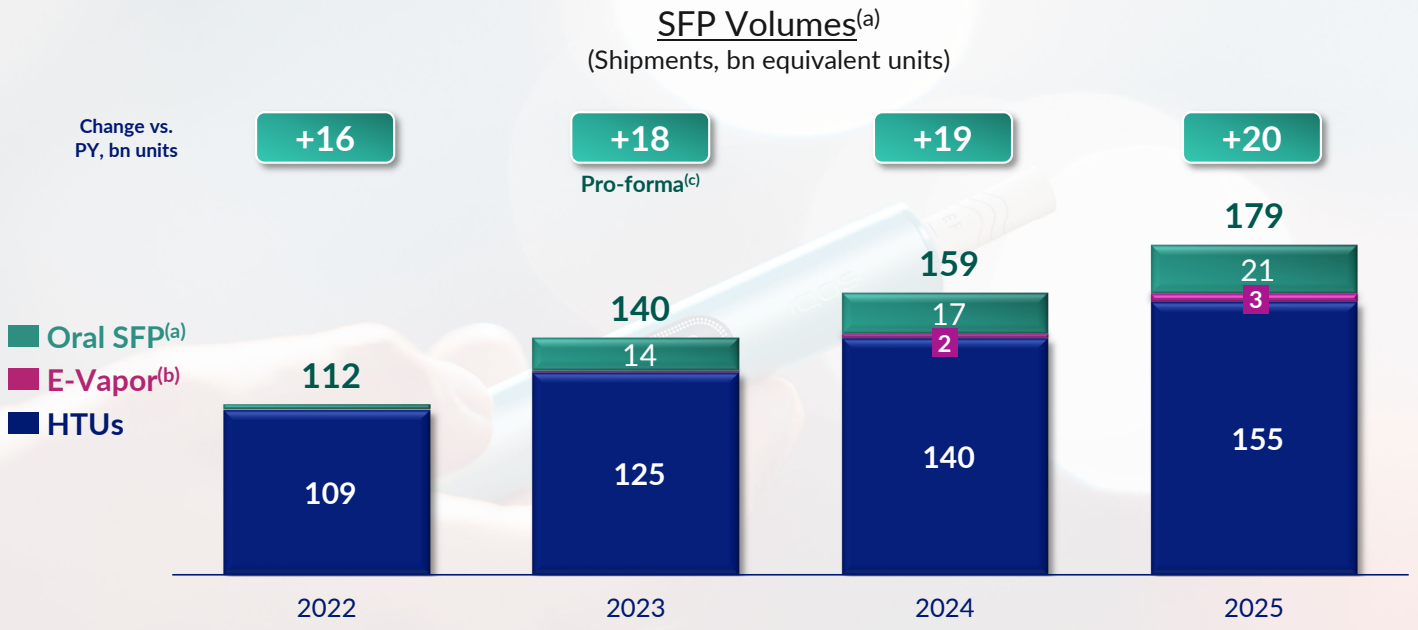
- Leading Industry Transformation, Evolution of Operating Environment
- The Multicategory Consumer
- Delivering Superior Returns to Shareholders

## Continuation of Best-in-Class Growth Targeted for 2026-28



(a) Shipment volume includes cigarettes and SFPs. (b) At current corporate income tax rates, excluding share repurchases. Note: Growth rates presented on an organic basis reflect currency-neutral adjusted results, excluding acquisitions and divestitures. Source: PMI Financials or estimates

# Multicategory Approach Driving SFP Volume Growth

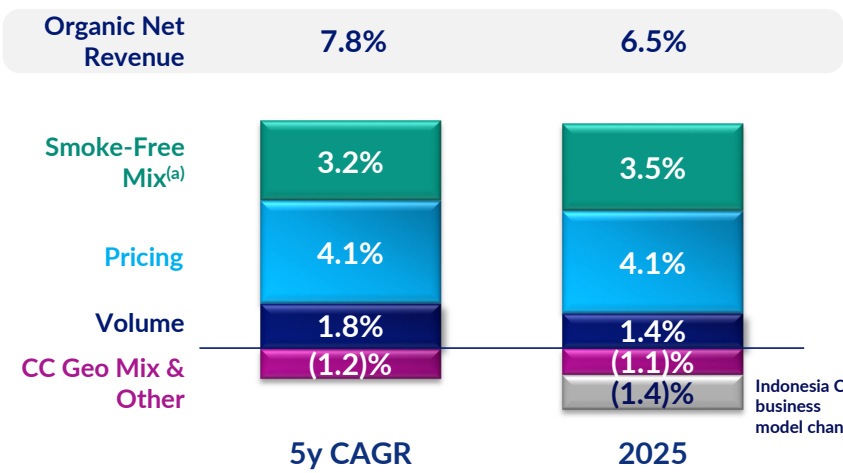


(a) Volumes shown in pouches or pouch equivalents, excluding snuff, snuff leaf and U.S. chew. (b) E-Vapor volumes shown in stick equivalent units. (c) Pro-forma includes 2022 Swedish Match volumes. Total may not foot due to rounding. Source: PMI Financials or estimates

# Strong and Sustainable Net Revenue Drivers

## Net Revenue Drivers

(Organic Variance vs. PY)

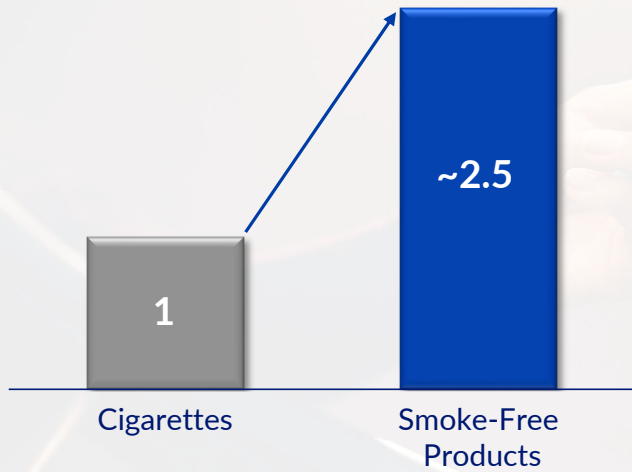


- Sustained positive volumes
- Consistent strong pricing across categories
- Smoke-free mix from improving portfolio quality
- Higher-growth, higher-quality business

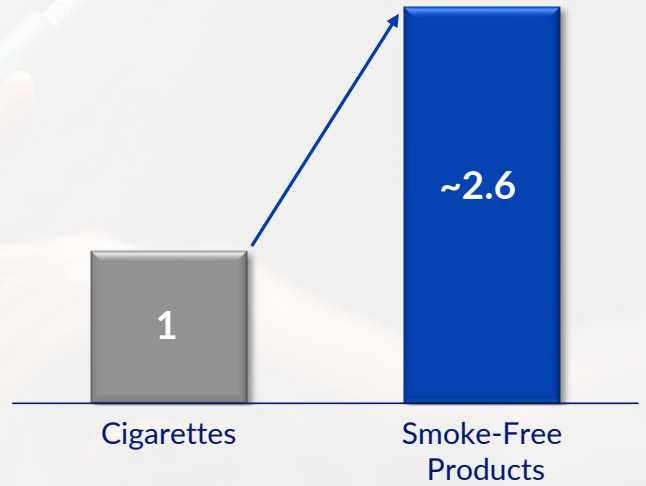
(a) Smoke-free mix represents the impact of an increased proportion of smoke-free products at higher net-revenue per unit and is calculated at total PMI level, excluding the impact from market mix. It also includes the impact from changes in device volumes and the growing weight of the U.S. smoke-free business. 5y Net Revenue CAGR includes immaterial impact from Indonesia CC business model change. Total may not foot due to rounding. Source: PMI Financials or estimates

# Substantial Mix Benefit from Transition to Smoke-Free

2025 Net Revenue Per Unit  
(SFPs in equivalent units)



2025 Adj. Gross Profit Per Unit  
(SFPs in equivalent units)

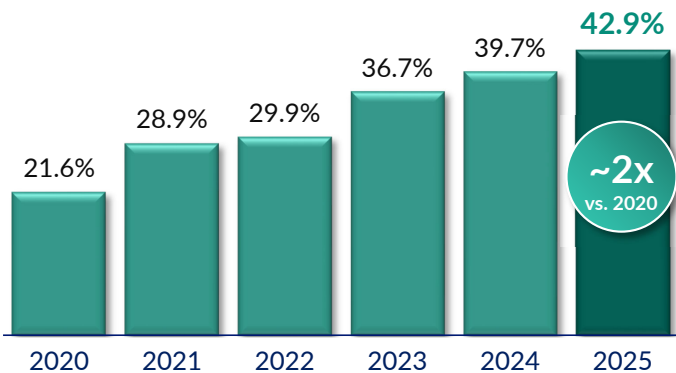


Source: PMI Financials or estimates

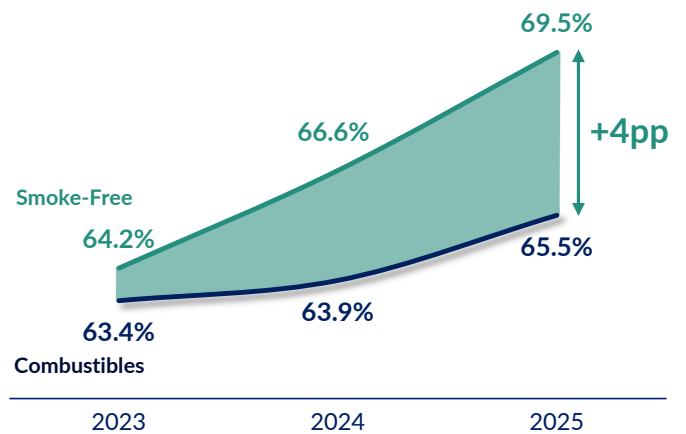
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# Smoke-Free Increasingly Profitable As Top-Line Grows

Smoke-Free Adj. Gross Profit<sup>(a)</sup>  
(% of Total PMI Adj. Gross Profit)



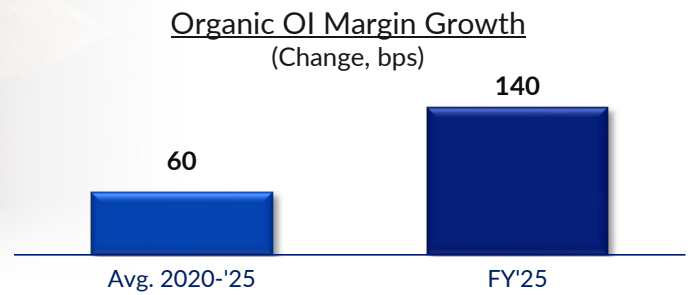
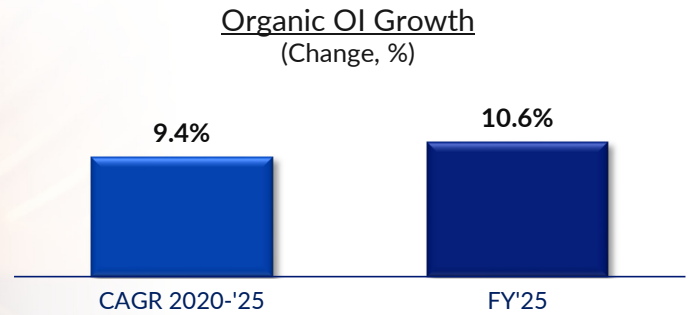
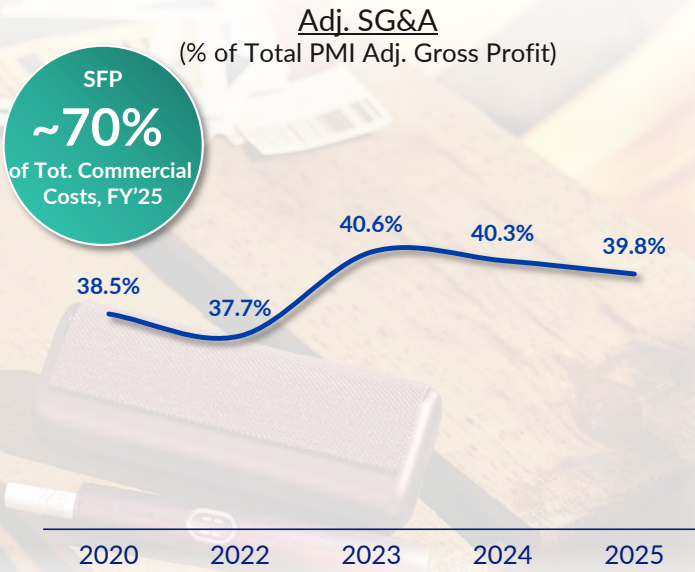
Adj. Gross Profit Margin  
(Smoke-Free<sup>(a)</sup> vs. Combustibles)



(a) Smoke-free represents Smoke-Free Business. For further information, please see Appendix and Reconciliation of non-GAAP Measures. Note: Adjusted gross profit margin calculated based on adjusted gross profit, divided by adjusted net revenues. Source: PMI Financials or estimates

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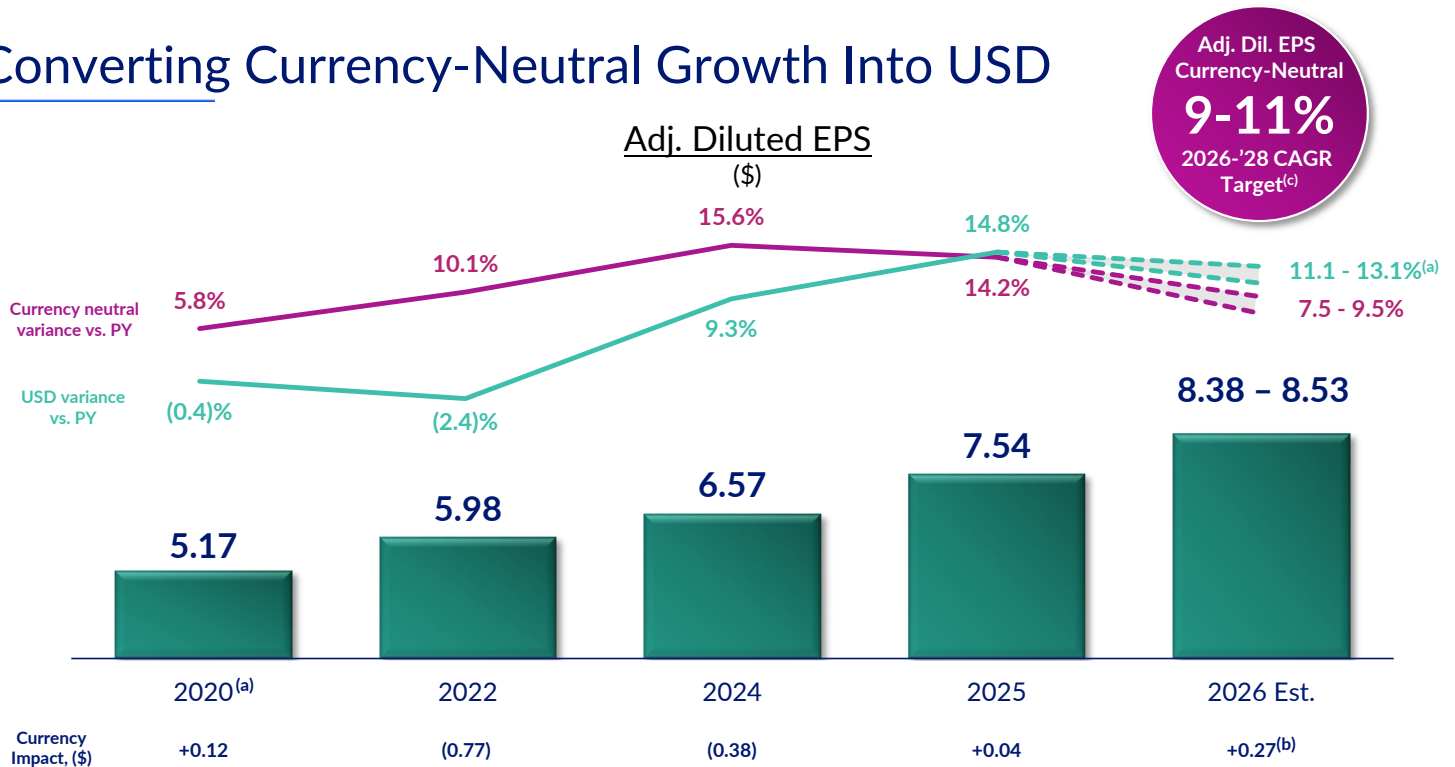
# OI Growth & Margin Expansion Built into Growth Model



Source: PMI Financials or estimates

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# Converting Currency-Neutral Growth Into USD



(a) 2020 Adjusted Diluted EPS, excluding intangible amortization and the net earnings attributable to RBH from January 1, 2019 to March 21, 2019, was \$5.21, representing a 1.0% increase in USD versus the prior year and a 7.2% increase on a currency-neutral basis. (b) See Q4'25 Earnings Release from Feb 6<sup>th</sup> 2026; at then prevailing exchange rates. (c) At current corporate income tax rates, excluding share repurchases.

Source: PMI Financials or estimates

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# Highly Cash Generative With Strong Balance Sheet

## Operating Cash Flow

- Expect robust 2026-28 Operating Cash Flow of ~\$45bn, at prevailing exchange rates, following ~\$34bn over last 3 years,

## Organic Growth

- Reinvest in innovation and growth of smoke-free portfolio:
  - Expect average annual 2026-28 capital expenditures of \$1.3-1.5 billion

## Dividends

- Steadfast commitment to progressive dividend policy

## Deleveraging

- Target close to 2.0x net debt to adjusted EBITDA at end-26, at prevailing exchange rates

## Capital Efficiency

- Strong cash conversion, comparing very favorably against our CPG peers
- ROIC >50% on average over the last 10 years

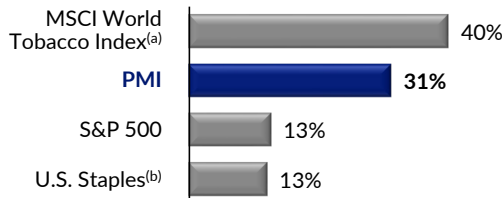
Source: PMI Financials or estimates

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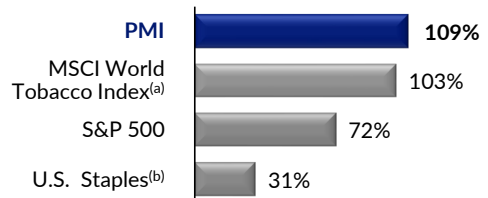
# Sustainable Performance with Superior Shareholder Returns

## Total Shareholder Return (\$)

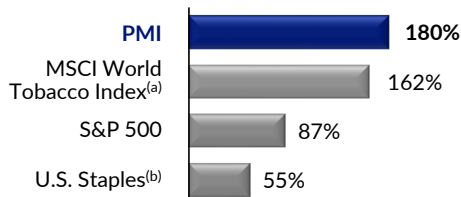
1 Year - Feb 13, 2025 - Feb 12, 2026



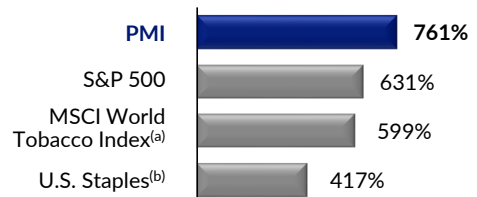
3 Years - Feb 13, 2023 - Feb 12, 2026



5 Years - Feb 13, 2021 - Feb 12, 2026



Since Spin - Mar 28, 2008 - Feb 12, 2026



(a) Includes PMI, Altria, BAT, Imperial Brands and Japan Tobacco. (b) Based on XLP Index. Note: Exchange rates are as of February 13, 2025 and February 12, 2026 for 1 year comparison, February 13, 2023 and February 12, 2026 for 3 years comparison, February 13, 2021 and February 12, 2026 for 5 years comparison, and March 28, 2008 and February 12, 2026 for Since Spin comparison. TSR including dividend reinvestment. Chart not to scale. Source: Bloomberg

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PHILIP MORRIS  
INTERNATIONAL

Championing a Smoke-Free World

# CAGNY Conference

## February 18, 2026

Have you downloaded the new PMI Investor Relations App yet?

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

iOS Download



Android Download



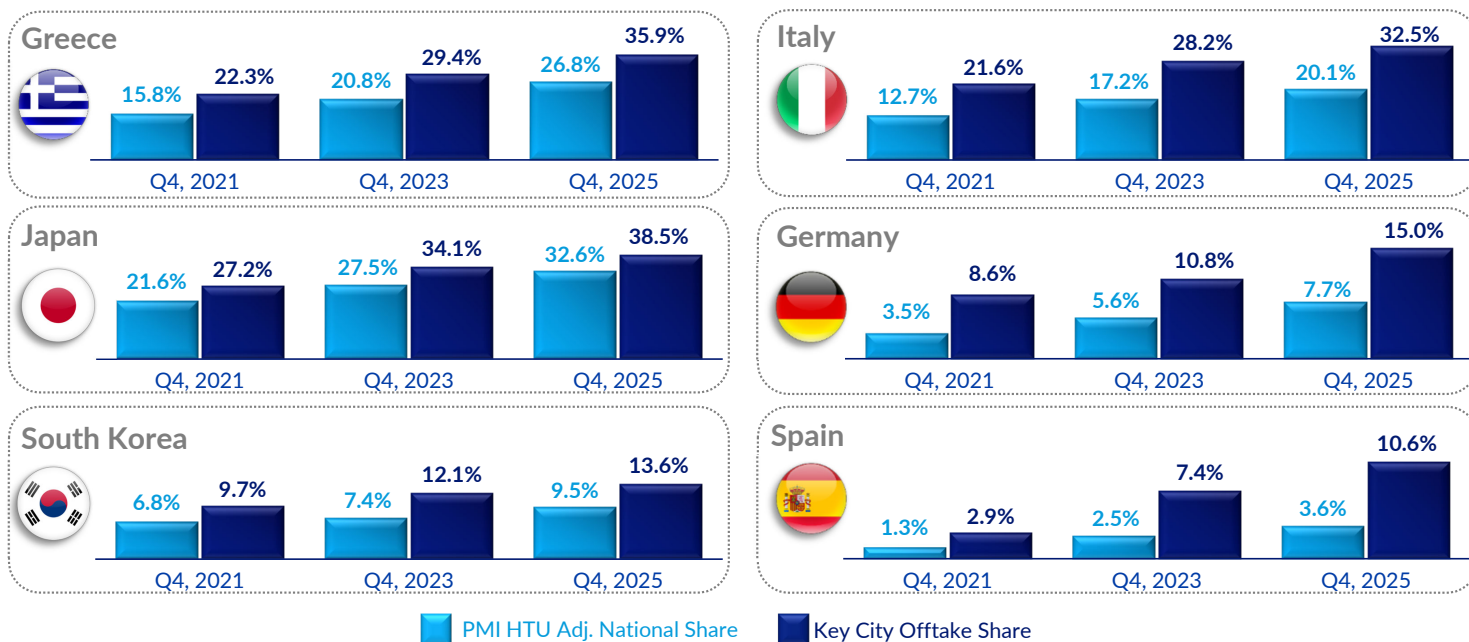
PHILIP MORRIS  
INTERNATIONAL

Championing a Smoke-Free World

# Appendix and Reconciliation of Non-GAAP Measures

# SFP Growth Built on Strong Lead Indicators

## PMI HTU Adjusted National & Key City Offtake Share of Total Cigarette and HTU Market



Note: Chart not to scale. 2021 National shares based on reported IMS. Key Cities selected are respectively: Athens, Rome, Tokyo, Munich, Seoul and Madrid. Source: PMI Financials or estimates

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

Reconciliation of Net Revenues to Net Revenues, excluding Indonesia Combustible business model change, Currency and Acquisition / Divestitures  
(\$ in millions) / (Unaudited)

Net Revenues	Currency	Net Revenues excluding Currency	Acquisitions / Divestitures	Net Revenues excl. Currency & Acquisitions / Divestitures	Indonesia Combustible business model change	Adj. Net Revenues excl. Indonesia Combustible business model change, currency & Acquisitions / Divestitures	Net Revenues	Total	Excluding Currency	Excl. Currency & Acquisitions / Divestitures	Excl. Indonesia Combustible business model change, currency & Acquisitions / Divestitures	
							Quarters Ended December 31,					
							2025	2024	% Change			
\$ 10,362	\$ 345	\$ 10,017	\$ (44)	\$ 10,061	\$ (92)	\$ 10,153	Total PMI	\$ 9,706	6.8%	3.2%	3.7%	4.6%
							Years Ended December 31,					
							2025	2024	% Change			
\$ 40,648	\$ 461	\$ 40,187	\$ (170)	\$ 40,357	\$ (500)	\$ 40,857	Total PMI	\$ 37,878	7.3%	6.1%	6.5%	7.9%

Source: PMI Financials or estimates

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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,					
	2020	2021	2022	2023	2024	2025
Combustible Tobacco	\$ 21,747	\$ 22,067 <sup>(a)</sup>	\$ 21,572	\$ 22,334 <sup>(b)</sup>	\$ 23,218	\$ 23,794
Smoke-Free	6,947	9,338	10,190	12,840	14,660	16,854
<b>Total PMI</b>	<b>\$ 28,694</b>	<b>\$ 31,405</b>	<b>\$ 31,762</b>	<b>\$ 35,174</b>	<b>\$ 37,878</b>	<b>\$ 40,648</b>

(a) 2021 Includes a reduction in net revenues of \$246 million related to the Saudi Arabia customs assessment. Excluding this impact total PMI adjusted net revenues are \$31,651 million and for combustible tobacco \$22,313 million. (b) 2023 Includes a reduction in net revenues of \$80 million related to the termination of distribution arrangement in the Middle East. Excluding this impact total PMI adjusted net revenues are \$35,254 million and for combustible tobacco \$22,414 million. Note: Sum of product categories might not foot to Total PMI due to roundings. Source: PMI Financials or estimates

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

SSEA, CIS & MEA Net Revenues by Product Category  
(\$ in millions) / (Unaudited)

	Years Ended December 31,	
	2021	2023
Combustible Tobacco	\$ 8,734 <sup>(a)</sup>	\$ 9,321 <sup>(b)</sup>
Smoke-Free	1,124	1,308
<b>Total SSEA, CIS &amp; MEA</b>	<b>\$ 9,858</b>	<b>\$ 10,629</b>

(a) 2021 Includes a reduction in net revenues of \$246 million related to the Saudi Arabia customs assessment. Excluding this impact, total SSEA, CIS & MEA adjusted net revenues are \$10,104 million and for combustible tobacco \$8,980 million. (b) 2023 Includes a reduction in net revenues of \$80 million related to the termination of distribution arrangement in the Middle East. Excluding this impact, total SSEA, CIS & MEA adjusted net revenues are \$10,709 million and for combustible tobacco \$9,401 million. Note: Sum of product categories might not foot to Total SSEA, CIS & MEA due to roundings. Source: PMI Financials or estimates

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

Net Revenues	Special Items	Adj. Net Revenues	Currency	Adj. Net Revenues excluding Currency	Acquisitions / Divestitures	Adj. Net Revenues excl. Currency & Acquisitions / Divestitures	Net Revenues	Special Items	Adj. Net Revenues	Total	Excluding Currency	Excluding Currency & Acquisitions / Divestitures		
							2025		Years Ended December 31,		2024		% Change	
\$ 40,648	\$ -	\$ 40,648	\$ 461	\$ 40,187	\$ (170)	\$ 40,357	Total PMI	\$ 37,878	\$ -	\$ 37,878	7.3%	6.1%	6.5%	
							2024		Years Ended December 31,		2023		% Change	
\$ 37,878	\$ -	\$ 37,878	\$ (841)	\$ 38,719	\$ -	\$ 38,719	Total PMI	\$ 35,174	\$ (80)	\$ 35,254	7.4%	9.8%	9.8%	
							2023		Years Ended December 31,		2022		% Change	
\$ 35,174	\$ (80)	\$ 35,254	\$ (1,112)	\$ 36,366	\$ 2,113	\$ 34,253	Total PMI	\$ 31,762	\$ -	\$ 31,762	11.0%	14.5%	7.8%	
							2022		Years Ended December 31,		2021		% Change	
\$ 31,762	\$ -	\$ 31,762	\$ (2,656)	\$ 34,418	\$ 515	\$ 33,903	Total PMI	\$ 31,405	\$ (246)	\$ 31,651	0.4%	8.7%	7.1%	
							2021		Years Ended December 31,		2020		% Change	
\$ 31,405	\$ (246)	\$ 31,651	\$ 678	\$ 30,973	\$ 109	\$ 30,864	Total PMI	\$ 28,694	\$ -	\$ 28,694	10.3%	7.9%	7.6%	

Source: PMI Financials or estimates

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

Reconciliation of Gross Profit by Product Category to Adjusted Gross Profit  
(\$ in millions) / (Unaudited)

	2020			2021			2022			2023			2024			2025		
	Gross Profit	Special Items	Adj. Gross Profit	Gross Profit	Special Items <sup>(a)</sup>	Adj. Gross Profit	Gross Profit	Special Items <sup>(b)</sup>	Adj. Gross Profit	Gross Profit	Special Items <sup>(c)</sup>	Adj. Gross Profit	Gross Profit	Special Items <sup>(d)</sup>	Adj. Gross Profit	Gross Profit	Special Items <sup>(d)</sup>	Adj. Gross Profit
Combustible Tobacco	\$ 14,986	\$ -	\$ 14,986	\$ 15,118	\$ (246)	\$ 15,364	\$ 14,475	\$ (57)	\$ 14,532	\$ 14,097	\$ (111)	\$ 14,208	\$ 14,830	\$ -	\$ 14,830	\$ 15,594	\$ -	\$ 15,594
Smoke-Free	4,139	-	4,139	6,257	-	6,257	5,885	(299)	6,184	8,184	(59)	8,243	9,719	(51)	9,770	11,688	(22)	11,710
<b>Total PMI</b>	<b>\$ 19,125</b>	<b>\$ -</b>	<b>\$ 19,125</b>	<b>\$ 21,375</b>	<b>\$ (246)</b>	<b>\$ 21,621</b>	<b>\$ 20,360</b>	<b>\$ (356)</b>	<b>\$ 20,716</b>	<b>\$ 22,281</b>	<b>\$ (170)</b>	<b>\$ 22,451</b>	<b>\$ 24,549</b>	<b>\$ (51)</b>	<b>\$ 24,600</b>	<b>\$ 27,282</b>	<b>\$ (22)</b>	<b>\$ 27,304</b>

(a) 2021 full-year includes a reduction in net revenues of \$246 million related to the Saudi Arabia customs assessments. (b) 2022 full-year includes Swedish Match AB acquisition accounting related items (\$125 million of which \$18 million in Combustible Tobacco and \$107 million in Smoke-Free), impairment of goodwill and other intangibles (\$112 million in Smoke-Free), charges related to the war in Ukraine (\$61 million of which \$39 million in Combustible Tobacco and \$22 million in Smoke-Free) and amortization of intangibles (\$58 million in Smoke-Free). (c) 2023 full-year includes termination of distribution arrangement in the Middle East (\$80 million in Combustible Tobacco), Swedish Match AB acquisition accounting related items (\$18 million in Combustible Tobacco), charges related to the war in Ukraine (\$13 million in Combustible Tobacco) and mainly amortization of intangibles in cost of goods sold (\$59 million in Smoke-free incl. W&H). (d) 2024 full-year and 2025 full-year 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. Source: PMI Financials or estimates

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

Reconciliation of Operating Income to Adjusted Operating Income  
(\$ in millions, except effective tax rate) / (Unaudited)

	Years Ended December 31,					
	2020	2021	2022	2023	2024	2025
<b>Operating income</b>	<b>11,668</b>	<b>12,975</b>	<b>12,246</b>	<b>11,556</b>	<b>13,402</b>	<b>14,892</b>
Restructuring charges	(149)	(216)	-	(109)	(180)	(241)
Termination of distribution arrangement in the Middle East	-	-	-	(80)	-	-
Impairment of goodwill and other intangibles	-	-	(112)	(680)	(27)	(41)
Amortization of intangibles	(73)	(96)	(159)	(497)	(835)	(1,003)
Loss on expected sale of consumer accessories and other businesses	-	-	-	-	-	(94)
Germany excise tax classification litigation charge	-	-	-	-	-	(176)
RBH (Canada) Plan Implementation	-	-	-	-	-	19
Charges related to the war in Ukraine	-	-	(151)	(53)	-	-
Egypt sales tax charge	-	-	-	-	(45)	-
Loss on sale of Vectura Group	-	-	-	-	(199)	-
Megapolis localization tax impact	-	-	-	-	-	-
Swedish Match AB acquisition accounting related items	-	-	(125)	(18)	-	-
South Korea Indirect Tax Charge	-	-	-	(204)	-	-
Termination of agreement with Foundation for a Smoke-Free World	-	-	-	(140)	-	-
Costs associated with Swedish Match AB offer	-	-	(115)	-	-	-
Asset acquisition cost	-	(51)	-	-	-	-
Saudi Arabia customs assessments	-	(246)	-	-	-	-
Brazil indirect tax credit	119	-	-	-	-	-
<b>Adjusted Operating Income</b>	<b>11,771</b>	<b>13,584</b>	<b>12,908</b>	<b>13,337</b>	<b>14,688</b>	<b>16,428</b>

Source: PMI Financials or estimates

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

Operating Income	Special Items	Adj. Operating Income	Currency	Adj. Operating Income excluding Currency	Acquisitions / Divestitures	Adj. Operating Income excl. Currency & Acquisitions / Divestitures	Operating Income	Special Items	Adj. Operating Income	Total	Excluding Currency	Excluding Currency & Acquisitions / Divestitures	
							Years Ended December 31,			% Change			
2025							2024						
\$ 14,892	\$ (1,536)	\$ 16,428	\$ 154	\$ 16,274	\$ 31	\$ 16,243	Total PMI	\$ 13,402	\$ (1,286)	\$ 14,688	11.8%	10.8%	10.6%
2024							2023			% Change			
\$ 13,402	\$ (1,286)	\$ 14,688	\$ (682)	\$ 15,370	\$ 46	\$ 15,324	Total PMI	\$ 11,556	\$ (1,781)	\$ 13,337	10.1%	15.2%	14.9%
2023							2022			% Change			
\$ 11,556	\$ (1,781)	\$ 13,337	\$ (1,073)	\$ 14,410	\$ 1,027	\$ 13,383	Total PMI	\$ 12,246	\$ (662)	\$ 12,908	3.3%	11.6%	3.7%
2022							2021			% Change			
\$ 12,246	\$ (662)	\$ 12,908	\$ (1,507)	\$ 14,415	\$ 99	\$ 14,316	Total PMI	\$ 12,975	\$ (609)	\$ 13,584	(5.0)%	6.1%	5.4%
2021							2020			% Change			
\$ 12,975	\$ (609)	\$ 13,584	\$ 269	\$ 13,315	\$ 19	\$ 13,296	Total PMI	\$ 11,668	\$ (103)	\$ 11,771	15.4%	13.1%	13.0%

Source: PMI Financials or estimates

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

Reconciliation of Selling, General & Administrative Costs to Adjusted Selling, General & Administrative Costs  
(\$ in millions, except effective tax rate) / (Unaudited)

	Years Ended December 31,				
	2020	2022	2023	2024	2025
Marketing, Administration and Research Costs	7,457	8,114	10,060	11,147	12,349
Impairment of goodwill	-	-	665	-	41
<b>Selling, General &amp; Administrative (SG&amp;A) Costs</b>	<b>7,457</b>	<b>8,114</b>	<b>10,725</b>	<b>11,147</b>	<b>12,390</b>
Loss on deconsolidation of RBH	-	-	-	-	-
Canadian tobacco litigation-related expense	-	-	-	-	-
Russia excise and VAT audit charge	-	-	-	-	-
Restructuring charges	(149)	-	(109)	(180)	(241)
Amortization of intangibles	(73)	(101)	(439)	(784)	(980)
Brazil indirect tax credit	119	-	-	-	-
Asset acquisition cost	-	-	-	-	-
Charges related to the war in Ukraine	-	(89)	(38)	-	-
Costs associated with Swedish Match AB offer	-	(115)	-	-	-
Impairment of goodwill and other intangibles	-	-	(680)	(27)	(41)
South Korea Indirect Tax Charge	-	-	(204)	-	-
Termination of agreement with Foundation for a Smoke-Free World	-	-	(140)	-	-
Egypt sales tax charge	-	-	-	(45)	-
Loss on sale of Vectura Group	-	-	-	(199)	-
Loss on expected sale of consumer accessories and other businesses	-	-	-	-	(94)
Germany excise tax classification litigation charge	-	-	-	-	(176)
RBH (Canada) Plan Implementation	-	-	-	-	19
<b>Adjusted Selling, General &amp; Administrative (Adj. SG&amp;A) Costs</b>	<b>7,354</b>	<b>7,808</b>	<b>9,114</b>	<b>9,912</b>	<b>10,876</b>

Note: Sum of adjustments might not foot to Adj. SG&A costs due to roundings. Source: PMI Financials or estimates

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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 <sup>(a)</sup> ,			Years Ended December 31,			Years Ended December 31,					
	2020	2019	% Change	2020	2019	% Change	2022	2021	% Change	2024	2023	% Change	2025	2024	% Change
<b>Reported Diluted EPS</b>	<b>\$ 5.16</b>	<b>\$ 4.61</b>	<b>11.9%</b>	<b>\$ 5.16</b>	<b>\$ 4.61</b>	<b>11.9%</b>	<b>\$ 5.81</b>	<b>\$ 5.83</b>	<b>(0.3)%</b>	<b>\$ 4.52</b>	<b>\$ 5.02</b>	<b>(10.0)%</b>	<b>\$ 7.26</b>	<b>\$ 4.52</b>	<b>60.6%</b>
Restructuring charges	0.08	0.23		0.08	0.23		-	0.12		0.10	0.06		0.14	0.10	
Termination of distribution arrangement in the Middle East	-	-		-	-		-	-		-	0.04		-	-	
Impairment of goodwill and other intangibles	-	-		-	-		-	-		0.01	0.44		0.03	0.01	
Amortization of intangibles	-	-		0.04	0.03		0.15	0.05		0.40	0.25		0.50	0.40	
Saudi Arabia customs assessments	-	-		-	-		-	0.14		-	-		-	-	
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		-	-		-	-		-	-	
Equity investee ownership dilution	-	-		-	-		-	(0.04)		-	-		-	-	
Asset acquisition cost	-	-		-	-		-	0.03		-	-		-	-	
Charges related to the war in Ukraine	-	-		-	-		0.08	-		-	0.03		-	-	
Megapolis localization tax impact	-	-		-	-		-	-		0.05	-		-	0.05	
Swedish Match AB acquisition accounting related items	-	-		-	-		0.06	-		-	0.01		-	-	
Costs associated with Swedish Match AB offer	-	-		-	-		0.06	-		-	-		-	-	
Income tax impact associated with Swedish Match AB financing	-	-		-	-		(0.13)	-		0.14	(0.11)		(0.25)	0.14	
Egypt sales tax charge	-	-		-	-		-	-		0.03	-		-	0.03	
Loss on sale of Vectura Group	-	-		-	-		-	-		0.13	-		-	0.13	
South Korea indirect tax charge	-	-		-	-		-	-		-	0.11		-	-	
Termination of agreement with Foundation for a Smoke-Free World	-	-		-	-		-	-		-	0.07		-	-	
Impairment related to the RBH equity investment	-	-		-	-		-	-		1.49	-		-	1.49	
Fair value adjustment for equity security investments	0.04	(0.02)		0.04	(0.02)		(0.02)	-		(0.27)	(0.02)		(0.18)	(0.27)	
Brazil indirect tax credit	(0.05)	-		(0.05)	-		-	-		-	-		-	-	
Loss on expected sale of consumer accessories and other businesses	-	-		-	-		-	-		-	-		0.06	-	
Germany excise tax classification litigation charge	-	-		-	-		-	-		-	-		0.10	-	
RBH (Canada) Plan Implementation, including dividend income, net	-	-		-	-		-	-		-	-		(0.10)	-	
Impairment of Wellness business related equity investment	-	-		-	-		-	-		-	-		0.09	-	
Net earnings attributable to RBH	-	-		-	(0.06)		-	-		-	-		-	-	
Tax items	(0.06)	(0.04)		(0.06)	(0.04)		(0.03)	-		(0.03)	0.11		(0.11)	(0.03)	
<b>Adjusted Diluted EPS</b>	<b>\$ 5.17</b>	<b>\$ 5.19</b>	<b>(0.4)%</b>	<b>\$ 5.21</b>	<b>\$ 5.16</b>	<b>1.0%</b>	<b>\$ 5.98</b>	<b>\$ 6.13</b>	<b>(2.4)%</b>	<b>\$ 6.57</b>	<b>\$ 6.01</b>	<b>9.3%</b>	<b>\$ 7.54</b>	<b>\$ 6.57</b>	<b>14.8%</b>
Less: Currency	(0.32)	-		(0.32)	-		(0.77)	-		(0.38)	-		0.04	-	
<b>Adjusted Diluted EPS, excluding Currency</b>	<b>\$ 5.49</b>	<b>\$ 5.19</b>	<b>5.8%</b>	<b>\$ 5.53</b>	<b>\$ 5.16</b>	<b>7.2%</b>	<b>\$ 6.75</b>	<b>\$ 6.13</b>	<b>10.1%</b>	<b>\$ 6.95</b>	<b>\$ 6.01</b>	<b>15.6%</b>	<b>\$ 7.50</b>	<b>\$ 6.57</b>	<b>14.2%</b>

(a) Adjusted Diluted EPS, excluding the impact of net earnings attributable to RBH from January 1, 2019 through March 21, 2019, and amortization of intangibles. Source: PMI Financials or estimates

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PHILIP MORRIS  
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Championing a Smoke-Free World

# CAGNY Conference

February 18, 2026

Jacek Olczak, *Group CEO PMI*  
Emmanuel Babeau, *Group CFO PMI*