Reconciliations of Non-GAAP Financial Measures

Altria Group, Inc. Annual Meeting of Shareholders

Richmond, VA

May 17, 2012

6601 West Broad Street, Richmond, VA 23230

Altria's Profile

Altria directly or indirectly owns 100% of each of Philip Morris USA Inc. (PM USA), U.S. Smokeless Tobacco Company LLC (USSTC), John Middleton Co. (Middleton), Ste. Michelle Wine Estates Ltd. (Ste. Michelle) and Philip Morris Capital Corporation. Altria holds a continuing economic and voting interest in SABMiller plc (SABMiller).

The brand portfolios of Altria's tobacco operating companies include such well-known names as **Marlboro**, **Copenhagen**, **Skoal** and **Black & Mild**. Ste. Michelle produces and markets premium wines sold under various labels, including **Chateau Ste. Michelle**, **Columbia Crest** and **Stag's Leap Wine Cellars**, and it exclusively distributes and markets **Antinori**, **Champagne Nicolas Feuillatte** and **Villa Maria Estate** products in the United States. Trademarks and service marks related to Altria referenced in this release are the property of, or licensed by, Altria or its subsidiaries. More information about Altria is available at altria.com.

Forward-Looking and Cautionary Statements

This press release and today's remarks contain projections of future results and other forward-looking statements that involve a number of risks and uncertainties and are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995.

Important factors that may cause actual results and outcomes to differ materially from those contained in the projections and forward-looking statements included in this press release are described in Altria's publicly filed reports, including its Annual Report on Form 10-K for the year ended December 31, 2011 and its Quarterly Report on Form 10-Q for the period ended March 31, 2012.

These factors include the following: Altria's tobacco businesses (PM USA, USSTC and Middleton) are subject to significant competition; changes in adult consumer preferences and demand for their products; fluctuations in raw material availability, quality and cost; reliance on key facilities and suppliers; reliance on critical information systems, many of which are managed by third party services providers; fluctuations in levels of customer inventories; the effects of global, national and local economic and market conditions; changes to income tax laws;

legislation, including actual and potential federal and state excise tax increases; increasing marketing and regulatory restrictions; the effects of price increases related to excise tax increases and concluded tobacco litigation settlements on trade inventories, consumption rates and consumer preferences within price segments; health concerns relating to the use of tobacco products and exposure to environmental tobacco smoke; privately imposed smoking restrictions; and, from time to time, governmental investigations.

Furthermore, the results of Altria's tobacco businesses are dependent upon their continued ability to promote brand equity successfully; to anticipate and respond to evolving adult consumer preferences; to develop new products and markets within and potentially outside the United States; to broaden brand portfolios in order to compete effectively; and to improve productivity.

Altria and its tobacco businesses are also subject to federal, state and local government regulation, including broad-based regulation of PM USA and USSTC by the U.S. Food and Drug Administration. Altria and its subsidiaries continue to be subject to litigation, including risks associated with adverse jury and judicial determinations, courts reaching conclusions at variance with the companies' understanding of applicable law, bonding requirements in the limited number of jurisdictions that do not limit the dollar amount of appeal bonds and certain challenges to bond cap statutes.

Altria cautions that the foregoing list of important factors is not complete and does not undertake to update any forward-looking statements that it may make except as required by applicable law. All subsequent written and oral forward-looking statements attributable to Altria or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements referenced above.

Non-GAAP Financial Measures

Altria reports its financial results, including diluted EPS, in accordance with U.S. generally accepted accounting principles (GAAP). Altria's management reviews OCI, which is defined as operating income before corporate expenses and amortization of intangibles, to evaluate segment performance and allocate resources. Altria's management also reviews OCI, operating margins and EPS on an adjusted basis, which excludes certain income and expense items that management believes are not part of underlying operations. These items include restructuring charges, SABMiller special items, certain PMCC leveraged lease charges, certain tax items, and tobacco and health judgments. Altria's management does not view any of these special items to be part of Altria's sustainable results as they may be highly variable and difficult to predict and can distort underlying business trends and results. Altria's management also reviews income tax rates on an adjusted basis. Altria's effective tax rate on operations may exclude certain tax items from its reported effective tax rate. Altria's management believes that adjusted measures for OCI, operating margins and EPS, as well as the effective tax rate on operations, provide useful insight into underlying business trends and results and provide a more meaningful comparison of year-over-year results. Altria's management uses adjusted measures internally for planning, forecasting and evaluating the performances of Altria's businesses, including allocating resources and evaluating results relative to employee compensation targets. These adjusted financial measures are not consistent with GAAP, and should thus be considered as supplemental in nature and not considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. Reconciliations of adjusted measures to corresponding GAAP measures are provided below.

Altria's Full-Year Earnings Per Share Guidance Excluding Special Items

	Full Year		
	2012 Guidance	**2011**	**Change**
Reported diluted EPS	**\$2.25 to \$2.31**	**\$ 1.64**	**37% to 41%**
Asset impairment, exit, integration and implementation costs	0.02	0.07	
SABMiller special items	(0.10)	0.03	
Tobacco and health judgments	-	0.05	
PMCC leveraged lease charge	-	0.30	
Tax items*	-	(0.04)	
Adjusted diluted EPS	**\$2.17 to \$2.23**	**\$ 2.05**	**6% to 9%**

** Excludes the tax impact included in the 2011 PMCC leveraged lease charge.*

Altria's Full-Year Adjusted Earnings Per Share Results Excluding Special Items		
	Full Year	
	2011	2010
Reported diluted EPS	**$ 1.64**	**$ 1.87**
Asset impairment, exit, integration and implementation costs	0.07	0.04
UST acquisition-related costs*	-	0.01
SABMiller special items	0.03	0.03
PMCC leveraged lease charge	0.30	-
Tobacco and health judgments	0.05	-
Tax items**	(0.04)	(0.05)
Adjusted diluted EPS	**$ 2.05**	**$ 1.90**
	7.9%	

** Excludes exit and integration costs.*

*** Excludes the tax impact included in the 2011 PMCC leveraged lease charge.*

Altria's First-Quarter Adjusted Earnings Per Share Results Excluding Special Items		
	First Quarter	
	2012	2011
Reported diluted EPS	**$ 0.59**	**$ 0.45**
SABMiller special items	(0.10)	(0.01)
Adjusted diluted EPS	**$ 0.49**	**$ 0.44**
Adjusted Diluted EPS % change	**11.4%**	

Altria has determined that it is appropriate to revise its first quarter 2012 financial statements to reflect its share of the non-cash gains resulting from SABMiller's strategic alliance transactions with Anadolu Efes and Castel that were completed in the first quarter of 2012. This revision will result in a $0.11 increase to Altria's previously disclosed reported diluted earnings per share for the first quarter of 2012. Accordingly, Altria will reflect this revision in its financial statements for the six months ended June 30, 2012. SABMiller special items in the first quarter of 2012 reflect the $0.11 per share gain from SABMiller's strategic alliance transactions, partially offset by net costs of $0.01 per share related to other SABMiller special items.

Altria Group, Inc. and Consolidated Subsidiaries, Selected Financial Data by Reporting Segment for the Full-Years ended December 31, ($ in millions)								
	Full-Year Results							
	Cigarettes*		Smokeless		Cigars*		Wine	
	2011	2010	2011	2010	2011	2010	2011	2010
Reported OCI	$ 5,574	$ 5,451	$ 859	$ 803	$ 163	$ 167	$ 91	$ 61
Asset impairment, exit, implementation, integration and UST acquisition-related costs	179	99	37	24	4	2	4	22
Tobacco and health judgments	98	11	-	5	-	-	-	-
Adjusted OCI	$ 5,851	$ 5,561	$ 896	$ 832	$ 167	$ 169	$ 95	$ 83
Net Revenues	$ 21,403	$ 21,631						
Excise taxes	(6,846)	(7,136)						
Revenues net of excise taxes	$ 14,557	$ 14,495						
Adjusted OCI % change 2011 vs. 2010	5.2%		7.7%		(1.2)%		14.5%	
Adjusted OCI Margins[1]	40.2%	38.4%						
Adjusted OCI Margins[1] Percentage Point change 2011 vs. 2010	1.8 pp							

[1] Adjusted OCI margins are calculated as adjusted OCI divided by revenues net of excise taxes.

* Prior to 2012, Altria reported Cigarettes and Cigars segment results. Effective January 1, 2012, Altria combined the former Cigarettes and Cigars segments into a single Smokeable Products segment.

Altria Group, Inc. and Consolidated Subsidiaries, Selected Financial Data by Reporting Segment for the First-Quarter ended March 31, ($ in millions)						
	First Quarter Results					
	Smokeable		Smokeless		Wine	
	2012	2011	2012	2011	2012	2011
Reported OCI	$ 1,439	$ 1,369	$ 192	$ 193	$ 15	$ 12
Asset impairment, exit, implementation (gain) costs and UST acquistion-related costs	(14)	2	19	1	-	3
Adjusted OCI	$ 1,425	$ 1,371	$ 211	$ 194	$ 15	$ 15
Net Revenues	$ 5,100	$ 5,143				
Excise taxes	(1,622)	(1,670)				
Revenues net of excise taxes	$ 3,478	$ 3,473				
Adjusted OCI % change 2011 vs. 2010	3.9%		8.8%		- %	
Adjusted OCI Margins[1]	41.0%	39.5%				
Adjusted OCI Margins[1] Percentage Point change 2011 vs. 2010	1.5 pp					

[1] Adjusted OCI margins are calculated as adjusted OCI divided by revenues net of excise taxes.

* Prior to 2012, Altria reported Cigarettes and Cigars segment results. Effective January 1, 2012, Altria combined the former Cigarettes and Cigars segments into a single Smokeable Products segment.

Altria Group, Inc. and Consolidated Subsidiaries, Selected Financial Data by Reporting Segment for the First-Half ended June 30, and the Second-Half ended December 31, ($ in millions)							
	First-Half			Second-Half			
	Cigars*						
	Q1 2011	Q2 2011	1H 2011	Q3 2011	Q4 2011	2H 2011	1H vs. 2H % Change
Reported OCI	$ 22	$ 47	$ 69	$ 55	$ 39	$ 94	
Asset impairment, exit, integration and implementation costs	-	-	-	-	4	4	
Adjusted OCI	$ 22	$ 47	$ 69	$ 55	$ 43	$ 98	42.0%
Net Revenues	$ 117	$ 149	$ 266	$ 169	$ 132	$ 301	
Excise taxes	(51)	(54)	(105)	(60)	(42)	(102)	
Revenues net of excise taxes	$ 66	$ 95	$ 161	$ 109	$ 90	$ 199	
Adjusted OCI Margins[1]	33.3%	49.5%	42.9%	50.5%	47.8%	49.2%	6.3pp

[1] Adjusted OCI margins are calculated as adjusted OCI divided by revenues net of excise taxes.

* Prior to 2012, Altria reported Cigars segment results. Effective January 1, 2012, Altria combined the former Cigarettes and Cigars segments into a single Smokeable Products segment.

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