



PHILIP MORRIS INTERNATIONAL

INVESTOR FACT SHEET SECOND QUARTER 2009

PROFILE

- March 28, 2008 Altria Group, Inc. completed the spin-off of Philip Morris International Inc. (PMI)
- PMI is an independent U.S. corporation with headquarters in New York
- Our center of operations is in Lausanne, Switzerland
- We employ over 75,000 people — over 100 nationalities
- PMI is the leading international tobacco company
- Our brands are sold in approximately 160 countries
- We own 7 of the top 15 brands in the world
- We held an estimated 15.6% cigarette market share outside the USA in 2008

NEWS

■ **On July 23, 2009:**

PMI reported 2009 Second-Quarter results.

■ Reported diluted earnings per share of \$0.79, were down 1.3% from \$0.80 in 2008. Excluding currency, reported diluted earnings per share were up 22.5%.

■ Adjusted 2009 Second-Quarter diluted earnings per share of \$0.83, were down 4.6% from 2008 adjusted diluted earnings per share of \$0.87. Excluding currency, adjusted diluted earnings per share were up 17.2%.

Additional information is available at www.pmintl.com/investors

■ A Reconciliation of Non-GAAP Measures is included at the end of this investor fact sheet.

SHAREHOLDER INFORMATION



■ Philip Morris International Inc. is listed on the New York Stock Exchange under the ticker symbol "PM."

■ **Investor Relations:**

New York: 917-663-2233

Lausanne: 41(0)58-242-4666

■ **Shareholder Publications:**

For filings with the Securities and Exchange Commission, please visit: www.pmintl.com/investors.

■ **Shareholder Response Center:**

Computershare Trust Company, N.A., our transfer agent, will answer questions about your accounts, certificates, dividends or the Direct Stock Purchase and Dividend Reinvestment Plan.

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CONSOLIDATED FINANCIAL REVIEW

(in millions of dollars, except per share data)

| ■ SELECTED FINANCIAL HIGHLIGHTS | For the Quarters Ended June 30, | | |
|---|---------------------------------|----------|----------|
| | 2009 | 2008 | % Change |
| Net revenues | \$15,213 | \$16,703 | (8.9)% |
| Cost of sales | 2,185 | 2,462 | (11.3)% |
| Excise taxes on products | 9,079 | 9,994 | (9.2)% |
| Gross profit | 3,949 | 4,247 | (7.0)% |
| Operating income | 2,429 | 2,608 | (6.9)% |
| Earnings before income taxes | 2,236 | 2,547 | (12.2)% |
| Provision for income taxes | 639 | 790 | (19.1)% |
| Net earnings | 1,597 | 1,757 | (9.1)% |
| Net earnings attributable to noncontrolling interests | 51 | 65 | (21.5)% |
| Net earnings attributable to PMI | 1,546 | 1,692 | (8.6)% |
| Basic earnings per share | 0.79 | 0.81 | (2.5)% |
| Diluted earnings per share | 0.79 | 0.80 | (1.3)% |

| ■ RESULTS BY BUSINESS SEGMENT | For the Quarters Ended June 30, | | | Excluding Currency |
|--|---------------------------------|----------|----------|-----------------------|
| | 2009 | 2008 | % Change | |
| European Union | | | | |
| Net revenues | \$ 7,155 ⁽¹⁾ | \$ 8,279 | (13.6)% | 4.7% |
| Net revenues, excluding excise taxes on products | 2,280 | 2,644 | (13.8)% | 3.4% |
| Operating companies income ⁽²⁾ | 1,163 | 1,287 | (9.6)% | 9.1% |
| Eastern Europe, Middle East & Africa (EEMA) | | | | |
| Net revenues | 3,400 ⁽¹⁾ | 3,802 | (10.6)% | 15.8% |
| Net revenues, excluding excise taxes on products | 1,640 | 1,933 | (15.2)% | 8.7% |
| Operating companies income ⁽²⁾ | 635 | 813 | (21.9)% | 10.9% |
| Asia | | | | |
| Net revenues | 2,947 ⁽¹⁾ | 3,170 | (7.0)% | 7.9% |
| Net revenues, excluding excise taxes on products | 1,573 | 1,604 | (1.9)% | 6.7% |
| Operating companies income ⁽²⁾ | 619 | 523 | 18.4% | 17.6% |
| Latin America & Canada | | | | |
| Net revenues | 1,711 ⁽¹⁾ | 1,452 | 17.8% | 39.6% |
| Net revenues, excluding excise taxes on products | 641 | 528 | 21.4% | 42.8% |
| Operating companies income ⁽²⁾ | 71 | 23 | +100% | +100% |



| ■ BALANCE SHEET HIGHLIGHTS AND RATIOS | June 30, | December 31, |
|---------------------------------------|--------------------------|--------------------------|
| | 2009 | 2008 |
| Property, plant and equipment, net | \$ 6,121 | \$ 6,348 |
| Inventories | 8,229 | 9,664 |
| Total assets | 33,127 | 32,972 |
| Total debt | 14,074 | 11,961 |
| Stockholders' equity | 6,687 | 7,904 |
| Total debt to EBITDA | 1.32 to 1 ⁽³⁾ | 1.08 to 1 ⁽³⁾ |
| Net debt to EBITDA | 1.07 to 1 ⁽³⁾ | 0.94 to 1 ⁽³⁾ |

| ■ CASH FLOW STATEMENT HIGHLIGHTS | For the Six Months Ended June 30, | |
|---|-----------------------------------|----------|
| | 2009 | 2008 |
| Net cash provided by operating activities | \$ 4,573 | \$ 5,099 |
| Capital expenditures | 323 | 574 |
| Long-term debt proceeds | 2,987 | 7,667 |
| Repurchases of common stock | 2,850 | 1,948 |
| Dividends paid to public stockholders | 2,161 | — |

(1) 2009 Currency decreased net revenues as follows: European Union \$(1,516), EEMA \$(1,002), Asia \$(475), Latin America & Canada \$(316); totaling \$(3,309).

(2) PMI's management reviews operating companies income, which is defined as operating income before corporate expenses and amortization of intangibles, to evaluate segment performance and allocate resources. For a reconciliation of operating companies income to operating income, see Reconciliation of Non-GAAP Measures included at the end of this investor fact sheet.

(3) For the calculation of Total Debt to EBITDA and Net Debt to EBITDA ratios, refer to Reconciliation of Non-GAAP Measures included at the end of this investor fact sheet.

RECONCILIATION OF NON-GAAP MEASURES

Adjustments for the Impact of Currency and Acquisitions

For the Quarters Ended June 30, (in millions) (Unaudited)

| 2009 | | | | | | | 2008 | | | % Change on Reported Net Revenues excluding Excise Taxes | | |
|-----------------------|-------------------|--|---------------|---|-------------------|---|-----------------------|-------------------|--|--|-----------------------------|--|
| Reported Net Revenues | Less Excise Taxes | Reported Net Revenues excluding Excise Taxes | Less Currency | Reported Net Revenues excluding Excise Taxes & Currency | Less Acquisitions | Reported Net Revenues excluding Excise Taxes, Currency & Acquisitions | Reported Net Revenues | Less Excise Taxes | Reported Net Revenues excluding Excise Taxes | Reported | Reported excluding Currency | Reported excluding Currency & Acquisitions |
| \$ 7,155 | \$(4,875) | \$2,280 | \$ (453) | \$2,733 | \$ 22 | \$2,711 | \$ 8,279 | \$(5,635) | \$2,644 | (13.8)% | 3.4% | 2.5% |
| 3,400 | (1,760) | 1,640 | (461) | 2,101 | 3 | 2,098 | 3,802 | (1,869) | 1,933 | (15.2)% | 8.7% | 8.5% |
| 2,947 | (1,374) | 1,573 | (139) | 1,712 | — | 1,712 | 3,170 | (1,566) | 1,604 | (1.9)% | 6.7% | 6.7% |
| 1,711 | (1,070) | 641 | (113) | 754 | 158 | 596 | 1,452 | (924) | 528 | 21.4% | 42.8% | 12.9% |
| \$15,213 | \$(9,079) | \$6,134 | \$(1,166) | \$7,300 | \$183 | \$7,117 | \$16,703 | \$(9,994) | \$6,709 | (8.6)% | 8.8% | 6.1% |

| 2009 | | | | | | | 2008 | | | % Change on Reported Operating Companies Income | | |
|-------------------------------------|---------------|--|-------------------|---|-------------------------------------|-------------------------------------|----------|-----------------------------|--|---|--|--|
| Reported Operating Companies Income | Less Currency | Reported Operating Companies Income excluding Currency | Less Acquisitions | Reported Operating Companies Income excluding Currency & Acquisitions | Reported Operating Companies Income | Reported Operating Companies Income | Reported | Reported excluding Currency | Reported excluding Currency & Acquisitions | | | |
| \$1,163 | \$(241) | \$1,404 | \$16 | \$1,388 | \$1,287 | \$1,287 | (9.6)% | 9.1% | 7.8% | | | |
| 635 | (267) | 902 | 2 | 900 | 813 | 813 | (21.9)% | 10.9% | 10.7% | | | |
| 619 | 4 | 615 | — | 615 | 523 | 523 | 18.4% | 17.6% | 17.6% | | | |
| 71 | (47) | 118 | 70 | 48 | 23 | 23 | +100% | +100% | +100% | | | |
| \$2,488 | \$(551) | \$3,039 | \$88 | \$2,951 | \$2,646 | \$2,646 | (6.0)% | 14.9% | 11.5% | | | |

Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income

For the Quarters Ended June 30, (in millions) (Unaudited)

| 2009 | | | | | | | 2008 | | | % Change on Adjusted Operating Companies Income | | |
|-------------------------------------|--|-------------------------------------|---------------|--|-------------------|---|-------------------------------------|--|-------------------------------------|---|-----------------------------|--|
| Reported Operating Companies Income | Less Asset Impairment/Exit Costs and Other | Adjusted Operating Companies Income | Less Currency | Adjusted Operating Companies Income excluding Currency | Less Acquisitions | Adjusted Operating Companies Income excluding Currency & Acquisitions | Reported Operating Companies Income | Less Asset Impairment/Exit Costs and Other | Adjusted Operating Companies Income | Adjusted | Adjusted excluding Currency | Adjusted excluding Currency & Acquisitions |
| \$1,163 | \$ (1) | \$1,164 | \$(241) | \$1,405 | \$16 | \$1,389 | \$1,287 | \$ (48) | \$1,335 | (12.8)% | 5.2% | 4.0% |
| 635 | — | 635 | (267) | 902 | 2 | 900 | 813 | — | 813 | (21.9)% | 10.9% | 10.7% |
| 619 | — | 619 | 4 | 615 | — | 615 | 523 | — | 523 | 18.4% | 17.6% | 17.6% |
| 71 | (135) ⁽¹⁾ | 206 | (47) | 253 | 70 | 183 | 23 | (124) ⁽²⁾ | 147 | 40.1% | 72.1% | 24.5% |
| \$2,488 | \$(136) | \$2,624 | \$(551) | \$3,175 | \$88 | \$3,087 | \$2,646 | \$(172) | \$2,818 | (6.9)% | 12.7% | 9.5% |

Reconciliation of Adjusted Operating Companies Income Margin Excluding Currency

For the Quarters Ended June 30, (in millions) (Unaudited)

| 2009 | | | 2008 | | | % Points Change | |
|--|---|---|-------------------------------------|--|--|---|--|
| Adjusted Operating Companies Income excluding Currency | Net Revenues excluding Excise Taxes & Currency ⁽³⁾ | Adjusted Operating Companies Income Margin excluding Currency | Adjusted Operating Companies Income | Net Revenues excluding Excise Taxes ⁽³⁾ | Adjusted Operating Companies Income Margin | Adjusted Operating Companies Income Margin excluding Currency | |
| \$1,405 | \$2,733 | 51.4% | \$1,335 | \$2,644 | 50.5% | 0.9 pp | |
| 902 | 2,101 | 42.9% | 813 | 1,933 | 42.1% | 0.8 pp | |
| 615 | 1,712 | 35.9% | 523 | 1,604 | 32.6% | 3.3 pp | |
| 253 | 754 | 33.6% | 147 | 528 | 27.8% | 5.8 pp | |
| \$3,175 | \$7,300 | 43.5% | \$2,818 | \$6,709 | 42.0% | 1.5 pp | |

(1) Represents 2009 Colombian investment and cooperation agreement charge.

(2) Represents 2008 equity loss from RBH legal settlement.

(3) For the calculation of net revenues excluding excise taxes and currency, refer to Adjustments for the Impact of Currency and Acquisitions above.

RECONCILIATION OF NON-GAAP MEASURES (CONTINUED)

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, Excluding Currency

| For the Quarters Ended June 30, (Unaudited) | 2009 | 2008 | % Change |
|---|--------|--------|----------|
| Reported Diluted EPS | \$0.79 | \$0.80 | (1.3)% |
| Adjustments: | | | |
| Colombian investment and cooperation agreement charge | 0.04 | — | |
| Asset impairment and exit costs | — | 0.01 | |
| Equity loss from RBH legal settlement | — | 0.06 | |
| Adjusted Diluted EPS | \$0.83 | \$0.87 | (4.6)% |
| Add: | | | |
| Currency Impact | 0.19 | | |
| Adjusted Diluted EPS, Excluding Currency | \$1.02 | \$0.87 | 17.2% |

Reconciliation of Reported Diluted EPS to Reported Diluted EPS, Excluding Currency

| For the Quarters Ended June 30, (Unaudited) | 2009 | 2008 | % Change |
|---|--------|--------|----------|
| Reported Diluted EPS | \$0.79 | \$0.80 | (1.3)% |
| Add: | | | |
| Currency Impact | 0.19 | | |
| Reported Diluted EPS, Excluding Currency | \$0.98 | \$0.80 | 22.5% |

Reconciliation of Operating Companies Income to Operating Income

| For the Quarters Ended June 30, (Unaudited) | 2009 | 2008 | % Change |
|---|---------|---------|----------|
| European Union | \$1,163 | \$1,287 | |
| EEMA | 635 | 813 | |
| Asia | 619 | 523 | |
| Latin America & Canada | 71 | 23 | |
| Operating Companies Income | \$2,488 | \$2,646 | (6.0)% |
| Amortization of intangibles | (21) | (7) | |
| General corporate expenses | (38) | (31) | |
| Operating Income | \$2,429 | \$2,608 | (6.9)% |

Calculation of Total Debt to EBITDA and Net Debt to EBITDA Ratios

(in millions, except ratios) (Unaudited)

| | June 30, 2009 | | | For the Year Ended December 31, 2008 |
|-----------------------------------|-------------------------|------------------------|----------------------|---|
| | July – December 2008 | January – June 2009 | 12 months rolling | |
| Earnings before income taxes | \$4,941 | \$4,398 | \$ 9,339 | \$ 9,937 |
| Interest expense, net | 175 | 351 | 526 | 311 |
| Depreciation and amortization | 438 | 395 | 833 | 842 |
| EBITDA | \$5,554 | \$5,144 | \$10,698 | \$11,090 |
| | | | June 30, 2009 | December 31, 2008 |
| Short-term borrowings | | | \$ 399 | \$ 375 |
| Current portion of long-term debt | | | 195 | 209 |
| Long-term debt | | | 13,480 | 11,377 |
| Total debt | | | \$14,074 | \$11,961 |
| Less: Cash and cash equivalents | | | 2,602 | 1,531 |
| Net Debt | | | \$11,472 | \$10,430 |
| Ratios | | | | |
| Total Debt to EBITDA | | | 1.32 | 1.08 |
| Net Debt to EBITDA | | | 1.07 | 0.94 |