



PHILIP MORRIS INTERNATIONAL

INVESTOR FACT SHEET FULL-YEAR 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 77,000 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 15.4% share of the total international cigarette market outside the U.S., or 26.0% excluding the People's Republic of China and the U.S.

HIGHLIGHTS

■ **On February 11, 2010:**

PMI Reported 2009 Full-Year Results.

■ Reported diluted earnings per share of \$3.24, versus \$3.31 in 2008. Reported diluted earnings per share excluding currency of \$3.77, up 13.9%.

■ Adjusted diluted earnings per share of \$3.29, versus \$3.31 in 2008. Adjusted diluted earnings per share excluding currency of \$3.82, up 15.4%.

■ PMI announced a new share repurchase program of \$12 billion over 3 years to commence in May 2010.

■ **In February 2010**, PMI announced the creation of a new company in the Philippines resulting from the unification of the business operations of Fortune Tobacco Corporation and Philip Morris Philippines Manufacturing Inc.

■ **During 2009**, PMI repurchased 129.7 million shares of its common stock for \$5.5 billion.

■ **During 2009**, PMI increased its regular quarterly dividend by 7.4% to an annualized rate of \$2.32 per share.

■ **In September 2009**, PMI acquired Swedish Match South Africa (Proprietary) Limited, for approximately \$256 million.

■ **In July 2009**, PMI announced an agreement to purchase the Colombian cigarette manufacturer, Productora Tabacalera de Colombia, Protabaco Ltda., for \$452 million.

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

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

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.pmi.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.

Computershare Trust Company, N.A.

P.O. Box 43078

Providence, RI 02940-3078 USA

1-877-745-9350 (Within U.S. and Canada)

1-781-575-4310 (Outside U.S. and Canada)

E-mail address: pmi@computershare.com

CONSOLIDATED FINANCIAL REVIEW

(in millions of dollars, except per share data)

■ SELECTED FINANCIAL HIGHLIGHTS	For the Years Ended December 31,		
	2009	2008	% Change
Net revenues	\$62,080	\$63,640	(2.5)%
Cost of sales	9,022	9,328	(3.3)%
Excise taxes on products	37,045	37,935	(2.3)%
Gross profit	16,013	16,377	(2.2)%
Operating income	10,040	10,248	(2.0)%
Earnings before income taxes	9,243	9,937	(7.0)%
Provision for income taxes	2,691	2,787	(3.4)%
Net earnings	6,552	7,150	(8.4)%
Net earnings attributable to noncontrolling interests	210	260	(19.2)%
Net earnings attributable to PMI	6,342	6,890	(8.0)%
Basic earnings per share	3.25	3.32	(2.1)%
Diluted earnings per share	3.24	3.31	(2.1)%

■ RESULTS BY BUSINESS SEGMENT	For the Years Ended December 31,			
	2009	2008	% Change	Excluding Currency
European Union				
Net revenues	\$28,550 ⁽¹⁾	\$30,265	(5.7)%	4.1%
Net revenues, excluding excise taxes on products	9,041	9,688	(6.7)%	2.2%
Operating companies income ⁽²⁾	4,506	4,738	(4.9)%	5.3%
Eastern Europe, Middle East & Africa (EEMA)				
Net revenues	13,865 ⁽¹⁾	14,817	(6.4)%	14.0%
Net revenues, excluding excise taxes on products	6,795	7,504	(9.4)%	8.8%
Operating companies income ⁽²⁾	2,663	3,119	(14.6)%	14.0%
Asia				
Net revenues	12,413 ⁽¹⁾	12,222	1.6%	7.6%
Net revenues, excluding excise taxes on products	6,528	6,185	5.5%	6.2%
Operating companies income ⁽²⁾	2,436	2,057	18.4%	11.3%
Latin America & Canada				
Net revenues	7,252 ⁽¹⁾	6,336	14.5%	29.8%
Net revenues, excluding excise taxes on products	2,671	2,328	14.7%	28.8%
Operating companies income ⁽²⁾	666	520	28.1%	59.2%



■ BALANCE SHEET HIGHLIGHTS AND RATIOS	As of December 31,	
	2009	2008
Inventories	\$ 9,207	\$ 9,664
Property, plant and equipment, net	6,390	6,348
Total assets	34,552	32,972
Total debt	15,416	11,961
Total liabilities	28,407	25,068
Total stockholders' equity	6,145	7,904
Total debt to EBITDA	1.42 to 1 ⁽³⁾	1.08 to 1 ⁽³⁾
Net debt to EBITDA	1.27 to 1 ⁽³⁾	0.94 to 1 ⁽³⁾

■ CASH FLOW STATEMENT HIGHLIGHTS	For the Years Ended December 31,	
	2009	2008
Net cash provided by operating activities	\$ 7,884	\$ 7,935
Capital expenditures	715	1,099
Long-term debt proceeds	2,987	11,892
Repurchases of common stock	5,625	5,256
Dividends paid to public stockholders	4,327	2,060

(1) 2009 Currency decreased net revenues as follows: European Union \$(2,947), EEMA \$(3,025), Asia \$(740), Latin America & Canada \$(972); totaling \$(7,684).

(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.

HISTORICAL INFORMATION

■ ESTIMATED INTERNATIONAL CIGARETTE MARKET	2009		2008	
	Including the PRC	Excluding the PRC	Including the PRC	Excluding the PRC
	(billions of cigarettes)		(billions of cigarettes)	
European Union	607	607	622	622
EEMA ^(a)	1,207	1,207	1,234	1,234
Asia	3,457	1,168	3,357	1,176
Latin America and Canada	289	289	306	306
Total ^{(b)(c)}	5,614	3,325	5,577	3,397

(a) Excluding international duty free.

(b) Including total industry international duty free volume of 57.5 billion units for 2008 and 53.8 billion units for 2009.

(c) May not foot due to rounding.

■ ESTIMATED PMI MARKET SHARE BY REGION	2009		2008	
	Including the PRC	Excluding the PRC	Including the PRC	Excluding the PRC
European Union	38.8%	38.8%	39.2%	39.2%
EEMA ^(a)	23.2	23.2	22.7	22.7
Asia	6.5	19.2	6.7	19.1
Latin America and Canada	35.8	35.8	34.6	34.6
Total ^(b)	15.4%	26.0%	15.7%	25.8%

(a) Excluding international duty free.

(b) Including estimated 36.8% and 37.6% share of the international duty free market for 2008 and 2009, respectively.

■ PMI SHARE OF MARKET AND PRICE SEGMENTS 2003 – 2009 ^(a)	2003	2009	% pts increase
Total			
OECD Markets ^(b)	32.3%	34.9%	2.6%
Non-OECD	14.7	21.0	6.3
Price Segments			
Premium ^(c)	50.4%	53.3%	2.9%
Non-Premium	13.3	17.0	3.7

(a) Excluding the PRC and international duty free.

(b) The 29 member countries of the Organization for Economic Co-operation and Development (excluding the United States) are: Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Spain, Sweden, Switzerland, Turkey and the United Kingdom.

(c) Including above premium.

■ MARLBORO SHIPMENT VOLUME AND ESTIMATED MARKET SHARES	2009			2008		
	Volume		Market Share	Volume		Market Share
	Billions of cigarettes	%		Billions of cigarettes	%	
European Union	111.1	36.8%	18.4%	116.4	37.5%	18.7%
EEMA	80.6	26.7	5.6 ^(a)	85.3	27.5	5.8 ^(a)
Asia	69.8	23.1	5.9 ^(b)	67.0	21.6	5.7 ^(b)
Latin America and Canada	40.5	13.4	13.9	42.0	13.5	13.7
Total ^(c)	302.0	100.0%	9.1% ^(b)	310.7	100.0%	9.1% ^(b)

(a) Excluding international duty free.

(b) Excluding the PRC.

(c) May not foot due to rounding.

RECONCILIATION OF NON-GAAP MEASURES

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

For the Years Ended December 31, (Unaudited)	2009	2008	% Change
Reported Diluted EPS	\$ 3.24	\$ 3.31	(2.1)%
Less:			
Currency Impact	(0.53)		
Reported Diluted EPS, excluding Currency	\$ 3.77	\$ 3.31	13.9%

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

For the Years Ended December 31, (Unaudited)	2009	2008	% Change
Reported Diluted EPS	\$ 3.24	\$ 3.31	(2.1)%
Less:			
Colombian Investment and Cooperation Agreement charge	(0.04)	—	
Asset impairment and exit costs	(0.01)	(0.02)	
Equity loss from RBH legal settlement	—	(0.06)	
Tax items	—	0.08	
Adjusted Diluted EPS	\$ 3.29	\$ 3.31	(0.6)%
Less:			
Currency Impact	(0.53)		
Adjusted Diluted EPS, excluding Currency	\$ 3.82	\$ 3.31	15.4%

Reconciliation of Operating Companies Income to Operating Income

For the Years Ended December 31, (Unaudited)	2009	2008	% Change
European Union	\$ 4,506	\$ 4,738	
EEMA	2,663	3,119	
Asia	2,436	2,057	
Latin America & Canada	666	520	
Operating Companies Income	\$10,271	\$10,434	(1.6)%
Amortization of intangibles	(74)	(44)	
General corporate expenses	(157)	(142)	
Operating Income	\$10,040	\$10,248	(2.0)%

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

(in millions, except ratios) (Unaudited)	For the Year Ended December 31, 2009	For the Year Ended December 31, 2008
Earnings before income taxes	\$ 9,243	\$ 9,937
Interest expense, net	797	311
Depreciation and amortization	853	842
EBITDA	\$10,893	\$11,090
	At December 31, 2009	At December 31, 2008
Short-term borrowings	\$ 1,662	\$ 375
Current portion of long-term debt	82	209
Long-term debt	13,672	11,377
Total debt	\$15,416	\$11,961
Less: Cash and cash equivalents	1,540	1,531
Net Debt	\$13,876	\$10,430
Ratios		
Total Debt to EBITDA	1.42	1.08
Net Debt to EBITDA	1.27	0.94