



Investor Day Lausanne, June 26/27, 2014

Reconciliation of Non-GAAP Measures



% Change in Reported Net Revenues

% Change in Reported Operating

Adjustments for the Impact of Currency and Acquisitions

For the Quarters Ended March 31,

(\$ in millions)

(Unaudited)

				2014									2013			ехс	luding Excise	Taxes
rted Net enues	Less Excise Taxes	Re ex	orted Net venues cluding se Taxes	Less irrency	Re ex Excis	oorted Net evenues cluding se Taxes & urrency	Less Acquisi- tions		Revolex cl Excise Curre	ted Net enues uding Taxes, ency &		 ported Net evenues	Less Excise Taxes	Re ex	orted Net venues cluding se Taxes	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
\$ 6,619	\$ 4,606	\$	2,013	\$ 51	\$	1,962	\$		\$	1,962	European Union	\$ 6,523	\$ 4,553	\$	1,970	2.2%	(0.4)%	(0.4)%
4,562	2,553		2,009	(126)		2,135				2,135	EEMA	4,423	2,380		2,043	(1.7)%	4.5%	4.5%
4,475	2,293		2,182	(366)		2,548				2,548	Asia	5,251	2,461		2,790	(21.8)%	(8.7)%	(8.7)%
2,123	1,410		713	(101)		814				814	Latin America & Canada	2,330	1,549		781	(8.7)%	4.2%	4.2%
\$ 17,779	\$ 10,862	\$	6,917	\$ (542)	\$	7,459	\$	-	\$	7,459	PMI Total	\$ 18,527	\$ 10,943	\$	7,584	(8.8)%	(1.6)%	(1.6)%

<u> </u>			2014							2013			C	ompanies In	come
Ope Com	ported erating panies come		Less urrency	O Co e	Reported Operating Companies Income xcluding Currency	Less Acquisi- tions	O _l Co I ex Cu	eported perating mpanies ncome ccluding rrency & quisitions			Ope Con	ported erating npanies come	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
\$	978	\$	28	\$	950	\$	\$	950	European Union		\$	938	4.3%	1.3%	1.3%
	927		(80)		1,007			1,007	EEMA			935	(0.9)%	7.7%	7.7%
	915		(215)		1,130			1,130	Asia			1,342	(31.8)%	(15.8)%	(15.8)%
	202		(52)		254			254	Latin America & Canada			254	(20.5)%		
\$	3,022	<u> </u>	(319)	\$	3,341	\$ -	\$	3,341	PMI Total		\$	3,469	(12.9)%	(3.7)%	(3.7)%



Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income & Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions

For the Quarters Ended March 31,

(\$ in millions) (Unaudited)

(Unaudited) % Change in Adjusted Operating 2013 Companies Income

Ope Con	ported erating npanies come	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Less Currency	Adjusted Operating Companies Income excluding Currency	Less Acquisi- tions	Adjusted Operating Companies Income excluding Currency & Acquisitions		Reported Operating Companies Income	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Adjusted	Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
\$	978	\$ -	\$ 978	\$ 28	\$ 950	\$ -	\$ 950	European Union	\$ 938	\$ -	\$ 938	4.3%	1.3%	1.3%
	927		927	(80)	1,007		1,007	EEMA	935		935	(0.9)%	7.7%	7.7%
	915	(23)	938	(215)	1,153		1,153	Asia	1,342	(3)	1,345	(30.3)%	(14.3)%	(14.3)%
	202		202	(52)	254		254	Latin America & Canada	254		254	(20.5)%		
\$	3,022	\$ (23)	\$ 3,045	\$ (319)	\$ 3,364	\$ -	\$ 3,364	PMI Total	\$ 3,469	\$ (3)	\$ 3,472	(12.3)%	(3.1)%	(3.1)%

					2014								2	013		% Points Chan	ge
Ope Com In exc	justed erating apanies come cluding rrency	ex Excis	Revenues cluding e Taxes & rrency ^(a)	Adjusted Operating Companies Income Margin excluding Currency	Ope Com In exc Curi	justed erating npanies come cluding rency & uisitions	exc Excis Cur	Revenues cluding se Taxes, rency & isitions ^(a)	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions		Op Cor	djusted erating npanies ncome	excl	evenues Iuding Taxes ^(a)	Adjusted Operating Companies Income Margin	Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions
\$	950	\$	1,962	48.4%	\$	950	\$	1,962	48.4%	European Union	\$	938	\$	1,970	47.6%	0.8	0.8
	1,007		2,135	47.2%		1,007		2,135	47.2%	EEMA		935		2,043	45.8%	1.4	1.4
	1,153		2,548	45.3%		1,153		2,548	45.3%	Asia		1,345		2,790	48.2%	(2.9)	(2.9)
	254		814	31.2%		254		814	31.2%	Latin America & Canada		254		781	32.5%	(1.3)	(1.3)
\$	3,364	\$	7,459	45.1%	\$	3,364	\$	7,459	45.1%	PMI Total	\$	3,472	\$	7,584	45.8%	(0.7)	(0.7)



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

For the Quarters Ended March 31,

(Unaudited)

	-	2014	2	2013	% Change
Reported Diluted EPS	\$	1.18	\$	1.28	(7.8)%
Adjustments:					
Asset impairment and exit costs		0.01		-	
Tax items		<u> </u>		0.01	
Adjusted Diluted EPS	\$	1.19	\$	1.29	(7.8)%
Less:					
Currency impact		(0.16)			
Adjusted Diluted EPS, excluding Currency	\$	1.35	\$	1.29	4.7%

2013



% Change in Reported Net Revenues

excluding Excise Taxes

2012

Adjustments for the Impact of Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions) (Unaudited)

	orted Net venues		Less Excise Taxes	Ex	ported Net Revenues excluding cise Taxes	Cu		Rev exc Excise Cu	orted Net venues cluding Taxes & rrency	Less Acquisi- tions	 Rev exc Excise Curr Acqu	orted Net venues cluding e Taxes, rency & uisitions		 oorted Net evenues	Less Excise Taxes	Rev exc Excis	rted Net renues Iuding e Taxes	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
\$	28,303	\$	19,707	\$	8,596	\$	205	\$	8,391	\$	\$	8,391	European Union	\$ 27,338	\$ 18,812	\$	8,526	0.8%	(1.6)%	(1.6)%
	20,695		11,929		8,766		(98)		8,864			8,864	EEMA	19,272	10,940		8,332	5.2%	6.4%	6.4%
	20,987		10,486		10,501		(726)		11,227			11,227	Asia	21,071	9,873		11,198	(6.2)%	0.3%	0.3%
	10,044		6,690		3,354		(146)		3,500			3,500	Latin America & Canada	9,712	6,391		3,321	1.0%	5.4%	5.4%
\$	80,029	\$	48,812	\$	31,217	\$	(765)	\$	31,982	\$	 \$	31,982	PMI Total	\$ 77,393	\$ 46,016	\$	31,377	(0.5)%	1.9%	1.9%
							2012								2012				ge in Reporte	
							2013								2012				ge in Reporte companies Inc	
Ope Com	ported erating npanies come						2013 Less Irrency	Ope Com In exc	ported erating npanies come cluding rrency	Less Acquisi- tions	Ope Com Ind exc Curr	ported erating npanies come sluding rency & uisitions			2012	Ope Con	ported erating ipanies come			
Ope Com	erating panies						Less irrency	Ope Com In exc	erating npanies come cluding	 Acquisi-	 Ope Com Ind exc Curr	erating npanies come cluding rency &	European Union		2012	Ope Con	erating panies	<u>c</u>	ompanies Ind Reported excluding	Reported excluding Currency & Acquisitions
Ope Com Inc	erating npanies come					Cu	Less irrency	Ope Com In exc Cu	erating npanies come cluding rrency	 Acquisi-	Ope Com Ind exc Curr Acqu	erating ipanies come cluding rency & uisitions	European Union EEMA		2012	Ope Com In	erating panies come	Reported	Reported excluding	Reported excluding Currency &
Ope Com Inc	erating npanies come					Cu	Less irrency	Ope Com In exc Cu	erating npanies come cluding rrency 4,146	\$ Acquisi- tions	 Ope Com Ind exc Curr Acqu	erating npanies come cluding rency & uisitions			2012	Ope Com In	erating panies come 4,187	Reported 1.2%	Reported excluding Currency	Reported excluding Currency & Acquisitions
Ope Com Inc	erating npanies come 4,238 3,779	-				Cu	Less arrency 92 (122)	Ope Com In exc Cu	erating npanies come cluding rrency 4,146 3,901	\$ Acquisi- tions	Ope Com Ind exc Curr Acqu	erating npanies come cluding rency & uisitions 4,146 3,901	EEMA		2012	Ope Com In	erating ipanies come 4,187 3,726	Reported 1.2% 1.4%	Reported excluding Currency (1.0)% 4.7%	Reported excluding Currency & Acquisitions



Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income & Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions)

(Unaudited) % Change in Adjusted Operating 2012 Companies Income

Ope Com	ported erating npanies come	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Less Currency	Oper Comp Inc excl	usted rating panies come luding rency	Δ.	Less Acquisi- tions	Op Cor Ir ex Cur	djusted perating mpanies ncome cluding rrency & juisitions		C	Reported Operating ompanies Income	Le Ass Impairr Exit (et nent &	Op Con	ljusted erating npanies come		Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
\$	4,238	\$ (13)	\$ 4,251	\$ 92	\$	4,159	\$		\$	4,159	European Union	\$	4,187	\$	(5)	\$	4,192	1.4%	(0.8)%	(0.8)%
	3,779	(264)	4,043	(122)	4,165				4,165	EEMA		3,726		(5)		3,731	8.4%	11.6%	11.6%
	4,622	(27)	4,649	(548)	5,197				5,197	Asia		5,197		(39)		5,236	(11.2)%	(0.7)%	(0.7)%
	1,134	(5)	1,139	(64)	1,203				1,203	Latin America & Canada		1,043		(34)		1,077	5.8%	11.7%	11.7%
\$	13,773	\$ (309)	\$ 14,082	\$ (642) \$	14,724	\$		\$	14,724	PMI Total	\$	14,153	\$	(83)	\$	14,236	(1.1)%	3.4%	3.4%

<u> </u>					2013									2012	<u> </u>	% Points Chang	ge
Ope Com Ind exc	usted rating panies come luding rency	ex Excis	Revenues cluding e Taxes & rrency ^(a)	Adjusted Operating Companies Income Margin excluding Currency	Op Cor Ir ex Cur	ljusted erating npanies come cluding rency & uisitions	exc Excis Curi	devenues cluding se Taxes, rency & isitions ^(a)	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions		Op Co	djusted perating mpanies ncome	ex	Revenues cluding se Taxes ^(a)	Adjusted Operating Companies Income Margin	Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions
\$	4,159	\$	8,391	49.6%	\$	4,159	\$	8,391	49.6%	European Union	\$	4,192	\$	8,526	49.2%	0.4	0.4
	4,165		8,864	47.0%		4,165		8,864	47.0%	EEMA		3,731		8,332	44.8%	2.2	2.2
	5,197		11,227	46.3%		5,197		11,227	46.3%	Asia		5,236		11,198	46.8%	(0.5)	(0.5)
	1,203		3,500	34.4%		1,203		3,500	34.4%	Latin America & Canada		1,077		3,321	32.4%	2.0	2.0
\$	14,724	\$	31,982	46.0%	\$	14,724	\$	31,982	46.0%	PMI Total	\$	14,236	\$	31,377	45.4%	0.6	0.6



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

For the Years Ended December 31,

(Unaudited)

	 2013	 2012	% Change
Reported Diluted EPS	\$ 5.26	\$ 5.17	1.7%
Adjustments:			
Asset impairment and exit costs	0.12	0.03	
Tax items	 0.02	0.02	
Adjusted Diluted EPS	\$ 5.40	\$ 5.22	3.4%
Less:			
Currency impact	 (0.34)		
Adjusted Diluted EPS, excluding Currency	\$ 5.74	\$ 5.22	10.0%

2012



% Change in Reported Net Revenues

excluding Excise Taxes

2011

Adjustments for the Impact of Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions) (Unaudited)

Reported Net Revenues Excise Taxes Excise Exc														_							
19,272				Excise	R e	Revenues excluding		R e Exci	levenues xcluding ise Taxes &	Acquisi-	R e: Exc Cı	evenues xcluding sise Taxes, urrency &				Excise	Re ex	orted Net evenues cluding ise Taxes	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
19,272	\$	27.338	\$	18.812	\$	8.526	\$ (716)	\$	9.242	\$	\$	9.242	European Union	\$	29.768	\$ 20.556	\$	9,212	(7.4)%	0.3%	0.3%
21,071 9,873 11,198 (116) 11,314 1 11,313 Asia 19,590 8,885 9,712 6,391 3,321 (196) 3,517 - 3,517 Latin America & Canada 9,536 6,237										27								7,881	5.7%	11.6%	11.3%
\$ 77,393 \$ 46,016 \$ 31,377 \$ (1,495) \$ 32,872 \$ 28 \$ 32,844 PMI Total \$ 76,346 \$ 45,249 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$										1		11,313						10,705	4.6%	5.7%	5.7%
2012 2011		9,712		6,391		3,321	(196)		3,517			3,517	Latin America & Canada		9,536	6,237		3,299	0.7%	6.6%	6.6%
Reported	\$	77.393	<u> </u>	46.016	\$	31.377	\$ (1,495)	\$	32.872	\$ 28	\$	32.844	PMI Total	\$	76.346	\$ 45.249	\$	31,097	0.9%	5.7%	5.6%
Reported Operating Companies Reported Operating Companies Income Reported Operating Companies Income Example of the companies Income Income							2012									2011				ge in Reporte companies Inc	
3,726 (199) 3,925 4 3,921 EEMA 5,197 39 5,158 - 5,158 Asia	Op Cor	erating npanies	_					O Cc e	perating ompanies Income xcluding	Acquisi-	O Co e: Cu	perating ompanies Income xcluding urrency &					Op Cor	eported perating mpanies ncome	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
3,726 (199) 3,925 4 3,921 EEMA 5,197 39 5,158 - 5,158 Asia	\$	4.187					\$ (384)	\$	4.571	\$	\$	4.571	European Union				\$	4,560	(8.2)%	0.2%	0.2%
										4								3,229	15.4%	21.6%	21.4%
1,043 - 1,106 - 1,106 Latin America & Canada		5,197					39		5,158			5,158	Asia					4,836	7.5%	6.7%	6.7%
		1,043					(63)		1,106			1,106	Latin America & Canada					988	5.6%	11.9%	11.9%
\$ 14,153 \$ (607) \$ 14,760 \$ 4 \$ 14,756 PMI Total \$	\$	14.153	-				\$ (607)	\$	14.760	\$ 4	\$	14.756	PMI Total				\$	13,613	4.0%	8.4%	8.4%



Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income & Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions)

(Unaudited)

% Change in Adjusted Operating Companies Income

2011

Ope Com	oorted erating panies come	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Less Currency	Adjusted Operating Companies Income excluding Currency	s	Less Acquisi- tions	Ċ	Adjusted Operating Companies Income excluding Currency & acquisitions		Reported Operating Companies Income	Less Asset Impairment & Exit Costs	(Adjusted Operating Companies Income		Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
\$	4,187	\$ (5)	\$ 4,192	\$ (384)	\$ 4,5	576	\$ -	\$	4,576	European Union	\$ 4,560	\$ (45)	\$	4,605	(9.0)%	(0.6)%	(0.6)%
	3,726	(5)	3,731	(199)	3,9	930	4		3,926	EEMA	3,229	(25)		3,254	14.7%	20.8%	20.7%
	5,197	(39)	5,236	39	5,1	197			5,197	Asia	4,836	(15)		4,851	7.9%	7.1%	7.1%
	1,043	(34)	1,077	(63)	1,1	140			1,140	Latin America & Canada	988	(24)		1,012	6.4%	12.6%	12.6%
\$	14,153	\$ (83)	\$ 14,236	\$ (607)	\$ 14,8	343	\$ 4	\$	14,839	PMI Total	\$ 13,613	\$ (109)	\$	13,722	3.7%	8.2%	8.1%

					2012									2011		% Points Chan	ige
Op Cor In ex	ljusted erating npanies come cluding rrency	ex Excis	Revenues cluding se Taxes & rrency ^(a)	Adjusted Operating Companies Income Margin excluding Currency	Op Con In exc Cur	ljusted erating npanies acome cluding rency & uisitions	exc Excis Cur	Revenues cluding se Taxes, rency & iisitions ^(a)	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions		Op Cor	djusted perating mpanies ncome	ex	Revenues cluding <u>se Taxes^(a)</u>	Adjusted Operating Companies Income Margin	Adjusted Operating Companies Income Margin excluding Currency	Companies Income Margin excluding
\$	4,576	\$	9,242	49.5%	\$	4,576	\$	9,242	49.5%	European Union	\$	4,605	\$	9,212	50.0%	(0.5) (0.5)
	3,930		8,799	44.7%		3,926		8,772	44.8%	EEMA		3,254		7,881	41.3%	3.4	3.5
	5,197		11,314	45.9%		5,197		11,313	45.9%	Asia		4,851		10,705	45.3%	0.6	0.6
	1,140		3,517	32.4%		1,140		3,517	32.4%	Latin America & Canada		1,012		3,299	30.7%	1.7	1.7
\$	14,843	\$	32,872	45.2%	\$	14,839	\$	32,844	45.2%	PMI Total	\$	13,722	\$	31,097	44.1%	1.1	1.1



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

For the Years Ended December 31,

(Unaudited)

	- :	2012	2011	% Change
Reported Diluted EPS	\$	5.17	\$ 4.85	6.6%
Adjustments:				
Asset impairment and exit costs		0.03	0.05	
Tax items		0.02	(0.02)	
Adjusted Diluted EPS	\$	5.22	\$ 4.88	7.0%
Less:				
Currency impact		(0.23)		
Adjusted Diluted EPS, excluding Currency	\$	5.45	\$ 4.88	11.7%



% Change in Reported Net Revenues excluding Excise Taxes

% Change in Reported Operating

Companies Income

13.7%

2010

11,465

18.7%

Adjustments for the Impact of Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions) (Unaudited)

 orted Net venues	Less Excise Taxes	Re ex	orted Net evenues cluding ise Taxes	Less rrency	Re ex Excis	orted Net evenues cluding se Taxes & urrency	Less Acquisi- tions	Re excis Excis	orted Net venues cluding se Taxes, rrency & uisitions		 orted Net	Less Excise Taxes	Re exc	orted Net venues cluding se Taxes	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
\$ 29,768	\$ 20,556	\$	9,212	\$ 440	\$	8,772	\$	\$	8,772	European Union	\$ 28,050	\$ 19,239	\$	8,811	4.6%	(0.4)%	(0.4)%
17,452	9,571		7,881	49		7,832	25		7,807	EEMA	15,928	8,519		7,409	6.4%	5.7%	5.4%
19,590	8,885		10,705	690		10,015	112 ^(a)		9,903	Asia	15,235	7,300		7,935	34.9%	26.2%	24.8%
9,536	6,237		3,299	70		3,229			3,229	Latin America & Canada	8,500	5,447		3,053	8.1%	5.8%	5.8%
\$ 76,346	\$ 45,249	\$	31,097	\$ 1,249	\$	29,848	\$ 137	\$	29,711	PMI Total	\$ 67,713	\$ 40,505	\$	27,208	14.3%	9.7%	9.2%

Oper Comp	orted ating vanies ome	ess rency	Reported Operating Companies Income excluding Currency	Less Acquisi- tions	(Reported Operating Companies Income excluding Currency & Acquisitions		Ope Com	ported erating npanies come	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
\$	4,560 3,229 4,836 988	\$ 277 (97) 400 (2)	\$ 4,283 3,326 4,436 990	\$ (1) (13) 28	(b)	4,284 3,339 4,408 990	European Union EEMA Asia Latin America & Canada	\$	4,311 3,152 3,049 953	5.8% 2.4% 58.6% 3.7%	(0.6)% 5.5% 45.5% 3.9%	(0.6)% 5.9% 44.6% 3.9%

PMI Total

13,021

13,613

2011

578 \$

13,035 \$

13.6%

⁽a) Includes the business combination in the Philippines (\$ 105)

⁽b) Includes the business combination in the Philippines (\$ 23)



Companies Income

Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income & Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions)

(Unaudited) % Change in Adjusted Operating 2010

Ope Con	ported erating npanies come	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Le: Curre		Adjusted Operating Companies Income excluding Currency	Less Acquisi- tions	O Co l e: Cu	adjusted perating ompanies income scluding arrency & quisitions		Reported Operating Companies Income	A Impai	.ess .sset irment & t Costs	Op Cor	ljusted erating npanies come		Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
\$	4,560	\$ (45)	\$ 4,605	\$	277	\$ 4,328	\$ (1)	\$	4,329	European Union	\$ 4,311	\$	(27)	\$	4,338	6.2%	(0.2)%	(0.2)%
	3,229	(25)	3,254		(97)	3,351	(1)		3,352	EEMA	3,152				3,152	3.2%	6.3%	6.3%
	4,836	(15)	4,851		400	4,451	28 ^(a)		4,423	Asia	3,049		(20)		3,069	58.1%	45.0%	44.1%
	988	(24)	1,012		(2)	1,014			1,014	Latin America & Canada	953				953	6.2%	6.4%	6.4%
\$	13,613	\$ (109)	\$ 13,722	\$	578	\$ 13,144	\$ 26	\$	13,118	PMI Total	\$ 11,465	\$	(47)	\$	11,512	19.2%	14.2%	14.0%

<u> </u>					2011									2010		% Points Chan	ge
Ope Com In exc	justed erating apanies come cluding rrency	excise	Revenues cluding e Taxes & rency ^(b)	Adjusted Operating Companies Income Margin excluding Currency	Op Cor Ir ex Cur	ljusted erating npanies come cluding rency & uisitions	exc Excis Curi	devenues cluding se Taxes, rency & isitions ^(b)	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions		Op Co	djusted perating mpanies ncome	ex	Revenues cluding e Taxes ^(b)	Adjusted Operating Companies Income Margin	Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions
\$	4,328	\$	8,772	49.3%	\$	4,329	\$	8,772	49.4%	European Union	\$	4,338	\$	8,811	49.2%	0.1	0.2
	3,351		7,832	42.8%		3,352		7,807	42.9%	EEMA		3,152		7,409	42.5%	0.3	0.4
	4,451		10,015	44.4%		4,423		9,903	44.7%	Asia		3,069		7,935	38.7%	5.7	6.0
	1,014		3,229	31.4%		1,014		3,229	31.4%	Latin America & Canada		953		3,053	31.2%	0.2	0.2
\$	13,144	\$	29,848	44.0%	\$	13,118	\$	29,711	44.2%	PMI Total	\$	11,512	\$	27,208	42.3%	1.7	1.9

⁽a) Includes the business combination in the Philippines (\$ 23)

⁽b) For the calculation of net revenues excluding excise taxes, currency and acquisitions, refer to previous slide



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

For the Years Ended December 31,

(Unaudited)

	2011	 2010	% Change
Reported Diluted EPS	\$ 4.85	\$ 3.92	23.7%
Adjustments:			
Asset impairment and exit costs	0.05	0.02	
Tax items	(0.02)	(0.07)	
Adjusted Diluted EPS	\$ 4.88	\$ 3.87	26.1%
Less:			
Currency impact	0.19		
Adjusted Diluted EPS, excluding Currency	\$ 4.69	\$ 3.87	21.2%

2010

694

27.208



% Change in Reported Net Revenues excluding Excise Taxes

5.9%

2009

37.045

25.035

8.7%

62.080

Adjustments for the Impact of Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions) (Unaudited)

Reported Net Reported Net Revenues excluding Reported Net Revenues **Reported Net** Reported excluding Less Revenues Less Excise Taxes. Less Revenues Reported excluding Reported Net Excise Less **Excise Taxes &** Acquisi-**Currency &** Reported Net Excise excluding excluding **Currency &** excluding Currency Revenues **Taxes Excise Taxes** Currency tions **Acquisitions** Revenues **Taxes Excise Taxes** Reported Currency **Acquisitions** 28.050 19.239 \$ 8.811 (172) \$ 8.983 \$ **European Union** 28.550 \$ 19.509 \$ 9.041 (2.5)%(0.6)%(0.7)%8.980 **EEMA** 7,333 7,070 15,928 8,519 7.409 80 7,253 13,865 6,795 9.0% 7.9% 6.7% 548 ^(a) 15.235 7.300 7.935 611 7,324 6.776 Asia 12.413 5.885 6,528 21.6% 12.2% 3.8% 8,500 5.447 3.053 179 2,874 2.874 Latin America & Canada 7,252 4.581 2,671 14.3% 7.6% 7.6%

25.883

% Change in Reported Operating
2010 2009 Companies Income

PMI Total

Op Co	eported perating mpanies ncome	<u>. (</u>	Les Curre		O Co I ex	Reported operating ompanies Income xcluding Currency	_	Less Acquisi- tions	O _l Co I ex Cu	eported perating pmpanies Income scluding urrency & quisitions		Co	Reported Operating ompanies Income	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
\$	4,311	\$	5 (191)	\$	4,502	\$	2	\$	4,500	European Union	\$	4,506	(4.3)%	(0.1)%	(0.1)%
	3,152			107		3,045		28		3,017	EEMA		2,663	18.4%	14.3%	13.3%
	3,049			342		2,707		84 ^{(b}		2,623	Asia		2,436	25.2%	11.1%	7.7%
	953			85		868		(3)		871	Latin America & Canada		666	43.1%	30.3%	30.8%
\$	11,465		5	343	\$	11,122	\$	111	\$	11,011	PMI Total	\$	10,271	11.6%	8.3%	7.2%

⁽a) Includes the business combination in the Philippines

40.505

67,713 \$

26.514 \$

631

3.4%

⁽b) Includes the business combination in the Philippines, including \$20 million of asset impairment and exit costs due to a contract termination



Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income & Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions)

(Unaudited) % Change in Adjusted Operating 2009 Companies Income

Op Con	ported erating npanies come	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Less Currenc	O Co I ex	Adjusted Operating Operating Income Excluding Currency	Less Acquisi- tions	O _l Co I ex Cu	djusted perating mpanies ncome coluding rrency & quisitions		C	Reported Operating companies Income	lm; Ex	Less Asset pairment, it Costs & Other	Op Co	djusted perating mpanies ncome		Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
\$	4,311	\$ (27)	\$ 4,338	\$ (19 ⁻	1) \$	4,529	\$ 2	\$	4,527	European Union	\$	4,506	\$	(29)	\$	4,535	(4.3)%	(0.1)%	(0.2)%
	3,152		3,152	10		3,045	28		3,017	EEMA		2,663				2,663	18.4%	14.3%	13.3%
	3,049	(20)	3,069	34:	ž į	2,727	104 ^(a)		2,623	Asia		2,436				2,436	26.0%	11.9%	7.7%
	953		953	8		868	(3)		871	Latin America & Canada		666		(135) ^{(t}		801	19.0%	8.4%	8.7%
\$	11,465	\$ (47)	\$ 11,512	\$ 34	3 \$	11,169	\$ 131	\$	11,038	PMI Total	\$	10,271	\$	(164)	\$	10,435	10.3%	7.0%	5.8%

<u> </u>					2010									2009	<u>,</u>	% Points Chan	ge
Op Con In exc	justed erating apanies come duding rrency	ex Excis	Revenues cluding e Taxes & rrency ^(c)	Adjusted Operating Companies Income Margin excluding Currency	O) Co I ex Cu	djusted perating mpanies ncome ccluding rrency & quisitions	exc Excise Curr	evenues luding e Taxes, rency & sitions ^(c)	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions		O _l Co	Adjusted Operating Net Revenues Companies excluding Income Excise Taxes ^(c)			Adjusted Operating Companies Income Margin	Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions
\$	4,529	\$	8,983	50.4%	\$	4,527	\$	8,980	50.4%	European Union	\$	4,535	\$	9,041	50.2%	0.2	0.2
	3,045		7,333	41.5%		3,017		7,253	41.6%	EEMA		2,663		6,795	39.2%	2.3	2.4
	2,727		7,324	37.2%		2,623		6,776	38.7%	Asia		2,436		6,528	37.3%	(0.1)	1.4
	868		2,874	30.2%		871		2,874	30.3%	Latin America & Canada		801		2,671	30.0%	0.2	0.3
\$	11,169	\$	26,514	42.1%	\$	11,038	\$	25,883	42.6%	PMI Total	\$	10,435	\$	25,035	41.7%	0.4	0.9

⁽a) Includes the business combination in the Philippines

⁽b) Represents the 2009 Colombian investment and cooperation agreement charge

⁽c) For the calculation of net revenues excluding excise taxes, currency and acquisitions, refer to previous slide



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

For the Years Ended December 31,

(Unaudited)

	2	2010	 2009	% Change
Reported Diluted EPS	\$	3.92	\$ 3.24	21.0%
Adjustments:				
Colombian investment and cooperation agreement charge		-	0.04	
Asset impairment and exit costs		0.02	0.01	
Tax items		(0.07)		
Adjusted Diluted EPS	\$	3.87	\$ 3.29	17.6%
Less:				
Currency impact		0.12		
Adjusted Diluted EPS, excluding Currency	\$	3.75	\$ 3.29	14.0%



% Change in Reported Net Revenues

Adjustments for the Impact of Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions) (Unaudited)

							2009							_		2008			exc	luding Excise	laxes
	orted Ne	ot	Less Excise Taxes	Re ex	orted Net evenues cluding ise Taxes		Less urrency	Rev exc Excise	rted Net enues luding Taxes & rency	Less Acquisi- tions	Re ex Exci Cu	ported Net evenues ccluding ise Taxes, rrency & quisitions			ported Net Revenues	Less Excise Taxes	Rev exc	rted Net renues luding e Taxes	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
\$	28,550	0 \$	19,509	\$	9,041	\$	(856)	\$	9,897	\$ 61	\$	9,836	European Union	\$	30,265	\$ 20,577	\$	9,688	(6.7)%	2.2%	1.5%
	13,86		7,070		6,795		(1,373)		8,168	41		8,127	EEMA		14,817	7,313		7,504	(9.4)%	8.8%	8.3%
	12,413		5,885		6,528		(41)		6,569			6,569	Asia		12,222	6,037		6,185	5.5%	6.2%	6.2%
	7,252	2	4,581		2,671		(328)		2,999	462		2,537	Latin America & Canada		6,336	4,008		2,328	14.7%	28.8%	9.0%
\$	62,080	0 \$	37,045	\$	25,035	\$	(2,598)	\$	27,633	\$ 564	\$	27,069	PMI Total	\$	63,640	\$ 37,935	\$	25,705	(2.6)%	7.5%	5.3%
							2009									2008				je in Reporte ompanies Ind	
Op Cor	eported erating npanies ncome						2009 Less urrency	Ope Com Inc excl	oorted rating panies come luding rency	Less Acquisi- tions	Op Cor Ir ex Cur	eported perating mpanies ncome scluding rrency & quisitions				2008	Ope Com	ported erating panies come	C		
Op Cor	erating npanies	_					Less urrency	Ope Com Ind excl Cur	rating panies come luding	 Acquisi-	Op Cor Ir ex Cur	Derating mpanies ncome coluding rrency &	European Union			2008	Ope Com	rating panies	C	ompanies Ind Reported excluding	Reported excluding Currency &
Op Cor In	erating mpanies ncome	 6				Cı	Less urrency	Ope Com Ind excl Cur	rating panies come luding rency	 Acquisi- tions	Op Col II ex Cul Acq	oerating mpanies ncome ccluding rrency & quisitions	European Union EEMA	_		2008	Ope Com Inc	rating panies come	C	ompanies Ind Reported excluding Currency	Reported excluding Currency & Acquisitions
Op Cor In	perating mpanies ncome	 6 3				Cı	Less urrency (481)	Ope Com Ind excl Cur	rating panies come luding rency 4,987	 Acquisitions 40	Op Col II ex Cul Acq	mpanies mpanies ncome ccluding rrency & quisitions				2008	Ope Com Inc	erating panies come	Reported (4.9)%	Reported excluding Currency	Reported excluding Currency & Acquisitions
Op Cor In	npanies ncome 4,506	 6 3 6				Cı	Less urrency (481) (893)	Ope Com Ind excl Cur	rating panies come luding rency 4,987 3,556	 Acquisitions 40 18	Op Col II ex Cul Acq	perating mpanies ncome coluding rrency & quisitions 4,947 3,538	EEMA			2008	Ope Com Inc	erating panies come 4,738 3,119	Reported (4.9)% (14.6)%	Reported excluding Currency 5.3% 14.0%	Reported excluding Currency & Acquisitions



Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income & Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions

For the Years Ended December 31,

(\$ in millions)

(Unaudited)

% Change in Adjusted Operating Companies Income

Ope Com	ported erating ipanies come	Less Asset Impairment, Exit Costs & Other	Adjusted Operating Companies Income	Les: Currer		Adjusted Operating Companies Income excluding Currency	Less Acquisi- tions	O Co e: Cu	Adjusted perating ompanies Income xcluding urrency & quisitions		Reported Operating Companies Income	Less Asset npairment, xit Costs & Other	(Adjusted Operating Companies Income	Adjusted	Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
\$	4,506	\$ (29)	\$ 4,535	\$ (4	181)	\$ 5,016	\$ 40	\$	4,976	European Union	\$ 4,738	\$ (66)	\$	4,804	(5.6)%	4.4%	3.6%
	2,663		2,663	3)	393)	3,556	18		3,538	EEMA	3,119	(1)		3,120	(14.6)%	14.0%	13.4%
	2,436		2,436	1	146	2,290			2,290	Asia	2,057	(14)		2,071	17.6%	10.6%	10.6%
	666	(135) ⁽	^{a)} 801	(1	162)	963	202		761	Latin America & Canada	520	(127)	b)	647	23.8%	48.8%	17.6%
\$	10,271	\$ (164)	\$ 10,435	\$ (1,3	390)	\$ 11,825	\$ 260	\$	11,565	PMI Total	\$ 10,434	\$ (208)	\$	10,642	(1.9)%	11.1%	8.7%

			2009						2008		% Points Change
Op Cor Ir ex	djusted lerating mpanies ncome cluding urrency	ex Excis	Revenues cluding e Taxes & rrency ^(c)	Adjusted Operating Companies Income Margin excluding Currency		Op Co	djusted perating mpanies ncome	ex	Revenues cluding se Taxes ^(c)	Adjusted Operating Companies Income Margin	Adjusted Operating Companies Income Margin excluding Currency
\$	5,016 3,556 2,290 963	\$	9,897 8,168 6,569 2,999	50.7% 43.5% 34.9% 32.1%	European Union EEMA Asia Latin America & Canada	\$	4,804 3,120 2,071 647	\$	9,688 7,504 6,185 2,328	49.6% 41.6% 33.5% 27.8%	1.1 1.9 1.4 4.3
\$	11,825	\$	27,633	42.8%	PMI Total	\$	10,642	\$	25,705	41.4%	1.4

- (a) Represents the 2009 Colombian investment and cooperation agreement charge
- (b) Represents the 2008 equity loss from RBH legal settlement (\$124 million) and asset impairment and exit costs (\$3 million)
- (c) For the calculation of net revenues excluding excise taxes, currency and acquisitions, refer to previous slide



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
\$	3.24	\$	3.31	(2.1)%
	(0.04)		-	
	(0.01)		(0.02)	
	-		(0.06)	
			0.08	
\$	3.29	\$	3.31	(0.6)%
	(0.53)			
\$	3.82	\$	3.31	15.4%
	\$	(0.04) (0.01) - - - \$ 3.29 (0.53)	\$ 3.24 \$ (0.04) (0.01) (0.53)	\$ 3.24 \$ 3.31 (0.04) - (0.02) (0.01) (0.02) - (0.06) - 0.08 \$ 3.29 \$ 3.31



Adjustments for the Impact of Currency and Acquisitions
For the Years Ended December 31,

(\$ in millions)

(Unaudited)

			2008							2007				in Reported luding Excise	Net Revenues Taxes
Reported Net E Revenues 1	Less ixcise Faxes	Reported Net Revenues excluding Excise Taxes			Less Acquisi- tions	Re ex Exci Cu	orted Net evenues cluding se Taxes, rrency & quisitions		orted Net venues	Less Excise Taxes	Exc	oorted Net evenues cluding ise Taxes	Reported		Reported excluding Currency & Acquisitions
\$ 63,640 \$	37,935	\$ 25,705	\$ 1,382	\$ 24,323	\$ 229	\$	24,094	PMI Total	\$ 55,243	\$ 32,433	\$	22,810	12.7%	6.6%	5.6%



Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income, excluding Currency and Acquisitions For the Years Ended December 31,

(\$ in millions) (Unaudited)

			2008				-		2007			ge in Adjuste companies In	d Operating come
Reported Operating Companies Income	Less Asset Impairment, Exit Costs & Other	Adjusted Operating Companies Income	Less Currency	Adjusted Operating Companies Income excluding Currency	Less Acquisi- tions	Adjusted Operating Companies Income excluding Currency & Acquisitions		Reported Operating Companies Income	Less Asset Impairment, Exit Costs & Other	Adjusted Operating Companies Income	Adjusted	Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
\$ 10,434	\$ (208)	\$ 10,642	\$ 481	\$ 10,161	\$ 125	\$ 10,036	PMI Total	\$ 8,943	\$ (195)	\$ 9,138	16.5%	11.2%	9.8%



Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS & Adjustments for the Impact of Currency and 2007 Pro Forma

For the Years Ended December 31,

(Unaudited)

				2008											200	7				e on Diluted Per Share	
Repo	orted ^{(a)(c)}	Less Asso Impairmer Exit Costs Other	nt/	Adjı	usted	ess	excl	usted uding rency			Re	eported ^{(a)(c)}	Less As Impairm Exit Cos Other	ent/ s &	Adju	sted	Forma ^(b)	*		Adjusted Excluding Currency	
\$	3.31	\$		\$	3.31	\$ 0.15	\$	3.16	Diluted	Earnings Per Share	\$	2.86	\$ ((.03)	\$	2.89	\$ (0.09)	\$ 2.80	18.2%	12.9%	

- (a) Refer to schedule 11 and 12 in the 2008 Full Year Earnings Release
- (b) For details on the pro forma adjustments, please refer to the schedule 14 in the 2008 Full Year Earnings Release
- (c) Effective January 1, 2009, PMI adopted the provisions of amended FASB authoritative guidance which requires that unvested share-based payment awards that contain non-forfeitable rights to dividends are participating securities and therefore shall be included in the earnings per share calculation pursuant to the two-class method



Calculation of Adjusted Operating Companies Income Margins (\$ in millions)
(Unaudited)

For the Year Ended December 31, 2008

	Op Cor	eported erating npanies ncome	lmp Exit	ss Asset airment, t Costs & Other	O _I Co	djusted perating mpanies ncome	_	orted Net venues	Less Excise Taxes	Re ex	orted Net venues cluding se Taxes	Adjusted Operating Companies Income Margin
European Union	\$	4,738	\$	(66)	\$	4,804	\$	30,265	\$ 20,577	\$	9,688	49.6%
EEMA		3,119		(1)		3,120		14,817	7,313		7,504	41.6%
Asia		2,057		(14)		2,071		12,222	6,037		6,185	33.5%
Latin America & Canada		520		(127) ^{(a}	1)	647		6,336	4,008		2,328	27.8%
PMI Total	\$	10,434	\$	(208)	\$	10,642	\$	63,640	\$ 37,935	\$	25,705	41.4%

For the Year Ended December 31, 2009

	Op Cor	eported erating npanies acome	Impa Exit	s Asset airment, Costs & Other	O _I Co	djusted perating mpanies ncome	_	orted Net	Less Excise Taxes	Rev	orted Net venues cluding se Taxes	Adjusted Operating Companies Income Margin
European Union EEMA	\$	4,506 2,663	\$	(29)	\$	4,535 2,663	\$	28,550 13,865	\$ 19,509 7,070	\$	9,041 6,795	50.2% 39.2%
Asia Latin America & Canada		2,436 666		- (135) ^{(t}	b)	2,436 801		12,413 7,252	5,885 4,581		6,528 2,671	37.3% 30.0%
PMI Total	\$	10,271	\$	(164)	\$	10,435	\$	62,080	\$ 37,045	\$	25,035	41.7%

⁽a) Includes equity loss from RBH Legal Settlement (\$124 million)

⁽b) Represents the 2009 Colombian Investment and Cooperation Agreement charge



Calculation of Adjusted Operating Companies Income Margins (\$ in millions) (Unaudited)

For the Year Ended December 31, 2010

	Op Cor	eported erating npanies ncome	Impa	ss Asset airment & it Costs	O _I Co	djusted perating mpanies ncome	oorted Net	Less Excise Taxes	Re exc	orted Net venues cluding se Taxes	Adjusted Operating Companies Income Margin
European Union	\$	4,311	\$	(27)	\$	4,338	\$ 28,050	\$ 19,239	\$	8,811	49.2%
EEMA		3,152				3,152	15,928	8,519		7,409	42.5%
Asia		3,049		(20)		3,069	15,235	7,300		7,935	38.7%
Latin America & Canada		953				953	8,500	5,447		3,053	31.2%
PMI Total	\$	11,465	\$	(47)	\$	11,512	\$ 67,713	\$ 40,505	\$	27,208	42.3%

For the Year Ended December 31, 2011

	Op Cor	eported erating npanies ncome	Impai	s Asset rment & t Costs	Op Cor	djusted erating mpanies ncome	_	 orted Net venues	Less Excise Taxes	Re ex	orted Net evenues cluding ise Taxes	Adjusted Operating Companies Income Margin
European Union	\$	4,560	\$	(45)	\$	4,605		\$ 29,768	\$ 20,556	\$	9,212	50.0%
EEMA		3,229		(25)		3,254		17,452	9,571		7,881	41.3%
Asia		4,836		(15)		4,851		19,590	8,885		10,705	45.3%
Latin America & Canada		988		(24)		1,012		9,536	6,237		3,299	30.7%
PMI Total	\$	13,613	\$	(109)	\$	13,722	_	\$ 76,346	\$ 45,249	\$	31,097	44.1%



Calculation of Adjusted Operating Companies Income Margins (\$ in millions) (Unaudited)

For the Year Ended December 31, 2012

	Op Con	ported erating npanies come	Impa	s Asset irment & t Costs	Op Cor	djusted berating mpanies ncome	•	orted Net	Less Excise Taxes	Re ex	orted Net venues cluding se Taxes	Adjusted Operating Companies Income Margin
European Union	\$	4,187	\$	(5)	\$	4,192	\$	27,338	\$ 18,812	\$	8,526	49.2%
EEMA		3,726		(5)		3,731		19,272	10,940		8,332	44.8%
Asia		5,197		(39)		5,236		21,071	9,873		11,198	46.8%
Latin America & Canada		1,043		(34)		1,077		9,712	6,391		3,321	32.4%
PMI Total	\$	14,153	\$	(83)	\$	14,236	\$	77,393	\$ 46,016	\$	31,377	45.4%

For the Year Ended December 31, 2013

	Op Cor	eported eerating npanies ncome	Impai	s Asset rment & t Costs	Op Cor	djusted erating mpanies ncome	_	orted Net	Less Excise Taxes	Re ex	orted Net evenues cluding ise Taxes	Adjusted Operating Companies Income Margin
European Union	\$	4,238	\$	(13)	\$	4,251	\$	28,303	\$ 19,707	\$	8,596	49.5%
EEMA		3,779		(264)		4,043		20,695	11,929		8,766	46.1%
Asia		4,622		(27)		4,649		20,987	10,486		10,501	44.3%
Latin America & Canada		1,134		(5)		1,139		10,044	6,690		3,354	34.0%
PMI Total	\$	13,773	\$	(309)	\$	14,082	\$	80,029	\$ 48,812	\$	31,217	45.1%



Calculation of Adjusted Operating Companies Income Margins (\$ in millions) (Unaudited)

For the Quarter Ended March 31, 2013

	Op Con	ported erating npanies come	Impai	Asset ment & Costs	Op Con	ljusted erating npanies acome	•	orted Net	Less Excise Taxes	Rev exc	rted Net venues luding ve Taxes	Adjusted Operating Companies Income Margin
European Union	\$	938	\$		\$	938	\$	6,523	\$ 4,553	\$	1,970	47.6%
EEMA		935				935		4,423	2,380		2,043	45.8%
Asia		1,342		(3)		1,345		5,251	2,461		2,790	48.2%
Latin America & Canada		254				254		2,330	1,549		781	32.5%
PMI Total	\$	3,469	\$	(3)	\$	3,472	\$	18,527	\$ 10,943	\$	7,584	45.8%

For the Quarter Ended March 31, 2014

	Reported Operating Companies Income		Less Asset Impairment & Exit Costs		Adjusted Operating Companies Income		Reported Net Revenues			Less Excise Taxes	Re ex	orted Net venues cluding se Taxes	Adjusted Operating Companies Income Margin		
European Union	\$	978	\$		\$	978	\$	6,619	\$	4,606	\$	2,013	48.6%		
EEMA		927				927		4,562		2,553		2,009	46.1%		
Asia		915		(23)		938		4,475		2,293		2,182	43.0%		
Latin America & Canada		202				202		2,123		1,410		713	28.3%		
PMI Total	\$	3,022	\$	(23)	\$	3,045	\$	17,779	\$	10,862	\$	6,917	44.0%		

of Net Revenues excluding Excise Taxes



28.1%

Reconciliation of Operating Cash Flow to Free Cash Flow and Free Cash Flow as a Percent of Net Revenues Excluding Excise Taxes (\$ in millions) (Unaudited)

	For the Quarter Ended March 31,				Cumi	ulative Total											
	2014		2013		2012		2011		2010		2009		2008		2008 ~ March 31, 20		
Net cash provided by operating activities ^(a)	\$	715	\$	10,135	\$	9,421	\$	10,529	\$	9,437	\$	7,884	\$	7,935	\$	56,056	
Less: Capital expenditures		256		1,200		1,056		897		713		715		1,099		5,936	
Free Cash Flow	\$	459	\$	8,935	\$	8,365	\$	9,632	\$	8,724	\$	7,169	\$	6,836	\$	50,120	
	For th	ne Quarter Ended March 31,		For the Years Ended December 31,											Cumulative Total		
		2014		2013	2012		2011		2010		2009		2008		2008 ~ March 31, 2014		
Net Revenues	\$	17,779	\$	80,029	\$	77,393	\$	76,346	\$	67,713	\$	62,080	\$	63,640	\$	444,980	
Less: Excise Taxes		10,862	_	48,812	_	46,016		45,249		40,505	_	37,045	_	37,935		266,424	
Net Revenues excluding Excise Taxes	\$	6,917	\$	31,217	\$	31,377	\$	31,097	\$	27,208	\$	25,035	\$	25,705	\$	178,556	
Free Cash Flow as a Percent																	

(a) Operating Cash Flow 27



Calculation of Total Debt to EBITDA and Net Debt to EBITDA Ratios
(\$ in millions, except ratios)
(Unaudited)

For the Year Ended

				March 31, 2014			Dec	ember 31, 2013	December 31, 2012 ^(a)			ember 31, 2011 ^(a)		ember 31, 2010 ^(a)	December 31, 2009 ^(a)		December 31, 2008	
	April ~ December 2013		January ~ March 2014		12 months rolling													
Earnings before income taxes	\$	9,387	\$	2,683	\$	12,070	\$	12,542	\$	13,004	\$	12,542	\$	10,332	\$	9,249	\$	9,937
Interest expense, net		737		268		1,005		973		859		800		876		797		311
Depreciation and amortization		660		211		871		882		898		993		932		853		842
Extraordinary, unusual or non-recurring expenses, net ^(b)		306_		23		329		309		83		109		47		164		208
EBITDA	\$	11,090	\$	3,185	\$	14,275	\$	14,706	\$	14,844	\$	14,444	\$	12,187	\$	11,063	\$	11,298
			March 31, 2014		December 31, 2013		December 31, 2012 ^(a)		December 31, 2011 ^(a)		December 31, 2010 ^(a)		December 31, 2009 ^(a)		December 31, 2008			
Short-term borrowings					\$	3,284	\$	2,400	\$	2,419	\$	1,511	\$	1,747	\$	1,662	\$	375
Current portion of long-term debt						406		1,255		2,781		2,206		1,385		82		209
Long-term debt						25,989		24,023		17,639		14,828		13,370	<u> </u>	13,672		11,377
Total Debt					\$	29,679	\$	27,678	\$	22,839	\$	18,545	\$	16,502	\$	15,416	\$	11,961
Less: Cash and cash equivalents						1,823		2,154		2,983		2,550	<u> </u>	1,703		1,540		1,531
Net Debt					\$	27,856	\$	25,524	\$	19,856	\$	15,995	\$	14,799	\$	13,876	\$	10,430
<u>Ratios</u>																		
Total Debt to EBITDA						2.08		1.88		1.54		1.28		1.35		1.39		1.06
Net Debt to EBITDA						1.95		1.74		1.34		1.11		1.21		1.25		0.92

⁽a) Certain amounts have been reclassified to conform with the year 2013 presentation due to the separate disclosure of equity (income)/loss in unconsolidated subsidiaries, net

⁽b) Asset impairment, exit costs and other costs at operating income level