



Strictly embargoed until Friday 21 April 2017

PHILIP MORRIS (UK AND IRELAND) BECOMES MULTI-CATEGORY BUSINESS

– NEXT STEP TOWARDS A SMOKE-FREE FUTURE

- *PM Limited (UK and Ireland) to integrate e-cigarette, heated tobacco products and conventional operations*
- *New structure designed to combine smoke-free products to provide smokers with a portfolio of potentially less harmful alternatives to cigarettes*
- *Significant business transformation represents PM's commitment to a smoke-free future*

Friday 21 April 2017, London: Philip Morris Limited (PM UK and Ireland), a subsidiary of Philip Morris International Inc. (PMI), today announces details of a business transformation, which will fully integrate its cigarette, heated tobacco and e-cigarette (e-vapor) businesses. The key driver for the change is to improve availability and boost adoption of the company's e-vapor brands, including *Vivid*, *Nicocig* and *MESH*, as well as to prepare for the nationwide roll-out of PM's heated tobacco product [IQOS](#). The integration represents another important step in the company's commitment to a smoke-free future.

From July 2017, the sales teams, supply chain, and marketing of Nicocigs Limited will be fully integrated into PM Limited (UK and Ireland), thereby creating a single multi-category business.

Currently, Nicocigs Limited manages and operates its own salesforce and marketing teams. From July, all business activities in the UK will be performed by PM Limited in a multi-category approach, bringing the total number of employees in the UK and Ireland to more than 300.

The integration will result in an improved operating model based on the strengths of a combined field force and support functions.

Commenting on the announcement, PM UK and Ireland Managing Director, Peter Nixon, said:

"Bringing all our operations together creates a true multi-category business enabling us to increase our focus on driving adoption of alternatives to smoking, such as electronic cigarettes and heated tobacco products.

"This is an exciting further step towards achieving our objective, in the UK and globally, of a smoke-free future."

ENDS

Notes to Editor:

Philip Morris International Inc.

Philip Morris International Inc. (PMI) is the world's leading international tobacco company, with six of the world's top 15 international brands and products sold in more than 180 markets. In addition to the manufacture and sale of cigarettes, including Marlboro, the number one global cigarette brand, and other tobacco products, PMI is engaged in the development and commercialization of Reduced-Risk Products (RRPs). RRPs is the term PMI uses to refer to products that present, are likely to present, or have the potential to present less risk of harm to smokers who switch to these products versus continued smoking. Through multidisciplinary capabilities in product development, state-of-the-art facilities, and industry-leading scientific substantiation, PMI aims to provide an RRP portfolio that meets a broad spectrum of adult smoker preferences and rigorous regulatory requirements. For more information, see www.pmi.com and www.pmiscience.com.

Philip Morris Limited:

Philip Morris Limited is the UK and Ireland affiliate of PMI. The company is responsible for the merchandising of PMI brands in the UK.

Smoke-Free Future

Philip Morris has made a commitment to develop, market, and sell smoke-free alternatives, and encourage adult smokers to switch to these alternatives, as quickly as possible around the world.

Nicocigs Ltd

Philip Morris Limited acquired UK-based Nicocigs Ltd in 2014. Nicocigs Ltd is one of the leading suppliers of disposable and rechargeable e-cigarettes in the UK, whose brands include *Nicocig*, *Vivid* and *MESH*.

Nicocig, launched in Birmingham in 2008, complements PMI's UK portfolio of non-combustible alternatives to cigarettes, which includes *IQOS*, a heated tobacco product that was launched in London in November 2016.

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