



PHILIP MORRIS  
INTERNATIONAL

2010  
INVESTOR DAY

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## Investor Day

### Lausanne, June 23, 2010

Louis C. Camilleri

*Chairman of the Board and Chief Executive Officer*

Philip Morris International



## 2010 Revised EPS Guidance

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- Revised PMI 2010 reported diluted EPS guidance is \$3.70 to \$3.80, based on prevailing exchange rates
- Globally, currency now broadly neutral compared to last year
- Guidance represents a reported diluted EPS growth rate of 14% to 17% compared to \$3.24 achieved in 2009
- Currency neutral annual growth rates are higher than those projected in April



# Agenda – Day 1

- 09:00 Nicholas Rolli  
Vice President, Investor Relations  
Welcome (Webcast begins)
- 09:10 Louis C. Camilleri  
Chairman and Chief Executive Officer  
Opening Remarks
- 09:30 Hermann Waldemer  
Chief Financial Officer  
Presentation & Q&A
- 10:30 Coffee break
- 10:50 André Calantzopoulos  
Chief Operating Officer  
Presentation & Q&A
- 12:00 Buffet lunch
- 13:00 Jacek Olczak  
President, European Union Region  
Presentation & Q&A
- 14:00 Miroslaw Zielinski  
President, EEMA Region  
Presentation & Q&A
- 15:00 Coffee break
- 15:20 James R. Mortensen  
President, Latin America & Canada  
Region Presentation & Q&A
- 16:00 Matteo Pellegrini  
President, Asia Region  
Presentation & Q&A  
(Webcast ends)



# Agenda – Day 2

- 08:40 Nicholas Rolli  
Introduction (Webcast begins)
- 08:45 Martin King  
Senior Vice President, Operations  
Presentation and Q&A
- 09:45 Closing Q&A Session  
Louis C. Camilleri  
André Calantzopoulos  
Hermann Waldemer
- 10:45 (Webcast ends)
- 11:00 *Marlboro* Communications Showroom  
Visit
- 12:00 Investor Day ends

## Optional Visit to Neuchâtel

- 12:00 Bus departs
- 13:00 Lunch at R&D Center
- 14:00 R&D Center and Factory Visit
- 16:00 Buses depart to Lausanne hotels and  
Geneva Airport



PHILIP MORRIS  
INTERNATIONAL

2010  
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**Investor Day**  
**Lausanne, June 23, 2010**



# Forward-Looking and Cautionary Statements

This presentation and related discussion contain statements that, to the extent they do not relate strictly to historical or current facts, constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current plans, estimates and expectations, and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. PMI undertakes no obligation to publicly update or revise any forward-looking statements, except in the normal course of its public disclosure obligations. The risks and uncertainties relating to the forward-looking statements in this presentation include those described under Item 1A. “Risk Factors” in PMI’s Form 10-Q for the quarter ended March 31, 2010, filed with the Securities and Exchange Commission.



# Glossary of Terms

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- References to PMI volumes refer to shipment volume, unless otherwise stated
- Industry volume and market shares are from a number of internal and external sources
- Organic volume refers to volume excluding acquisitions
- Net revenues exclude excise taxes
- Operating Companies Income (“OCI”) is defined as operating income before corporate expenses and amortization of intangibles.
- Reconciliations to U.S. GAAP measures are at the end of today’s web cast slides and are posted on our web site

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

### Adjustments for the Impact of Currency and Acquisitions For the Quarters Ended March 31, (\$ in millions) (Unaudited)

2010							2009			% Change in 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	
\$ 6,748	\$ 4,564	\$ 2,184	\$ 178	\$ 2,006	\$ 3	\$ 2,003	European Union	\$ 6,050	\$ 4,063	\$ 1,987	9.9 %	1.0 %	0.8 %
3,356	1,610	1,746	52	1,694	26	1,668	EEMA	2,831	1,379	1,452	20.2 %	16.7 %	14.9 %
3,562	1,689	1,873	172	1,701	75	1,626	Asia	2,857	1,267	1,590	17.8 %	7.0 %	2.3 %
1,921	1,228	693	51	642	-	642	Latin America & Canada	1,548	980	568	22.0 %	13.0 %	13.0 %
<b>\$ 15,587</b>	<b>\$ 9,091</b>	<b>\$ 6,496</b>	<b>\$ 453</b>	<b>\$ 6,043</b>	<b>\$ 104</b>	<b>\$ 5,939</b>	<b>PMI Total</b>	<b>\$ 13,286</b>	<b>\$ 7,689</b>	<b>\$ 5,597</b>	<b>16.1 %</b>	<b>8.0 %</b>	<b>6.1 %</b>

2010							2009			% Change in 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			
\$ 1,062	\$ 80	\$ 982	\$ 2	\$ 980	European Union	\$ 967	9.8 %	1.6 %	1.3 %			
770	8	762	9	753	EEMA	586	31.4 %	30.0 %	28.5 %			
724	81	643	(5)	648	Asia	661	9.5 %	(2.7)%	(2.0)%			
217	23	194	-	194	Latin America & Canada	155	40.0 %	25.2 %	25.2 %			
<b>\$ 2,773</b>	<b>\$ 192</b>	<b>\$ 2,581</b>	<b>\$ 6</b>	<b>\$ 2,575</b>	<b>PMI Total</b>	<b>\$ 2,369</b>	<b>17.1 %</b>	<b>8.9 %</b>	<b>8.7 %</b>			



# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income, excluding Currency and Acquisitions  
For the Quarters Ended March 31,  
(\$ in millions)  
(Unaudited)

2010							2009			% Change in Adjusted Operating Companies Income			
Reported Operating Companies Income	Less Asset Impairment & Exit Costs	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	Adjusted Operating Companies Income	Adjusted	Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions	
\$ 1,062	\$ -	\$ 1,062	\$ 80	\$ 982	\$ 2	\$ 980	European Union	\$ 967	\$ (1)	\$ 968	9.7 %	1.4 %	1.2 %
770	-	770	8	762	9	753	EEMA	586	-	586	31.4 %	30.0 %	28.5 %
724	-	724	81	643	(5)	648	Asia	661	-	661	9.5 %	(2.7)%	(2.0)%
217	-	217	23	194	-	194	Latin America & Canada	155	-	155	40.0 %	25.2 %	25.2 %
<b>\$ 2,773</b>	<b>\$ -</b>	<b>\$ 2,773</b>	<b>\$ 192</b>	<b>\$ 2,581</b>	<b>\$ 6</b>	<b>\$ 2,575</b>	<b>PMI Total</b>	<b>\$ 2,369</b>	<b>\$ (1)</b>	<b>\$ 2,370</b>	<b>17.0 %</b>	<b>8.9 %</b>	<b>8.6 %</b>

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, excluding Currency  
For the Quarters Ended March 31,  
(Unaudited)

	<u>2010</u>	<u>2009</u>	<u>% Change</u>
<b>Reported Diluted EPS</b>	\$ 0.90	\$ 0.74	21.6%
Less:			
Asset impairment and exit costs	-	-	
<b>Adjusted Diluted EPS</b>	\$ 0.90	\$ 0.74	21.6%
Less:			
Currency Impact	0.06		
<b>Adjusted Diluted EPS, excluding Currency</b>	<u>\$ 0.84</u>	<u>\$ 0.74</u>	13.5%

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
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Reconciliation of Operating Cash Flow to Free Cash Flow and Free Cash Flow, excluding Currency  
 Reconciliation of Operating Cash Flow to Operating Cash Flow, excluding Currency  
**For the Quarters Ended March 31,**  
 (\$ in millions)  
 (Unaudited)

	<u>2010</u>	<u>2009</u>	<u>% Change</u>
<b>Net cash provided by operating activities<sup>(1)</sup></b>	<b>\$ 1,974</b>	<b>\$ 1,427</b>	<b>38.3%</b>
Less:			
Capital expenditures	<u>150</u>	<u>145</u>	
<b>Free cash flow</b>	<b>\$ 1,824</b>	<b>\$ 1,282</b>	<b>42.3%</b>
Less:			
Currency impact	<u>116</u>		
<b>Free cash flow, excluding currency</b>	<b><u>\$ 1,708</u></b>	<b><u>\$ 1,282</u></b>	<b>33.2%</b>

	<u>2010</u>	<u>2009</u>	<u>% Change</u>
<b>Net cash provided by operating activities<sup>(1)</sup></b>	<b>\$ 1,974</b>	<b>\$ 1,427</b>	<b>38.3%</b>
Less:			
Currency impact	<u>130</u>		
<b>Net cash provided by operating activities, excluding currency</b>	<b><u>\$ 1,844</u></b>	<b><u>\$ 1,427</u></b>	<b>29.2%</b>

(1) Operating cash flow

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income, excluding Currency and Acquisitions  
For the Years Ended December 31,  
(\$ in millions)  
(Unaudited)

2009							2008							% Change in 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				
\$ 4,506	\$ (29)	\$ 4,535	\$ (481)	\$ 5,016	\$ 40	\$ 4,976	European Union	\$ 4,738	\$ (66)	\$ 4,804	(5.6)%	4.4 %	3.6 %			
2,663	-	2,663	(893)	3,556	18	3,538	EEMA	3,119	(1)	3,120	(14.6)%	14.0 %	13.4 %			
2,436	-	2,436	146	2,290	-	2,290	Asia	2,057	(14)	2,071	17.6 %	10.6 %	10.6 %			
666	(135) <sup>(1)</sup>	801	(162)	963	202	761	Latin America & Canada	520	(127) <sup>(2)</sup>	647	23.8 %	48.8 %	17.6 %			
<b>\$ 10,271</b>	<b>\$ (164)</b>	<b>\$ 10,435</b>	<b>\$ (1,390)</b>	<b>\$ 11,825</b>	<b>\$ 260</b>	<b>\$ 11,565</b>	<b>PMI Total</b>	<b>\$ 10,434</b>	<b>\$ (208)</b>	<b>\$ 10,642</b>	<b>(1.9)%</b>	<b>11.1 %</b>	<b>8.7 %</b>			

(1) Represents 2009 Colombian investment and cooperation agreement charge

(2) Represents 2008 equity loss from RBH legal settlement (\$124 million) and asset impairment and exit costs (\$3 million)

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

### Adjustments for Impact of Currency and Acquisitions For the Years Ended December 31, (\$ in millions) (Unaudited)

2009							2008			% Change in 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
\$ 28,550	\$ 19,509	\$ 9,041	\$ (856)	\$ 9,897	\$ 61	\$ 9,836	\$ 30,265	\$ 20,577	\$ 9,688	(6.7)%	2.2 %	1.5 %
13,865	7,070	6,795	(1,373)	8,168	41	8,127	14,817	7,313	7,504	(9.4)%	8.8 %	8.3 %
12,413	5,885	6,528	(41)	6,569	-	6,569	12,222	6,037	6,185	5.5 %	6.2 %	6.2 %
7,252	4,581	2,671	(328)	2,999	462	2,537	6,336	4,008	2,328	14.7 %	28.8 %	9.0 %
<b>\$ 62,080</b>	<b>\$ 37,045</b>	<b>\$ 25,035</b>	<b>\$ (2,598)</b>	<b>\$ 27,633</b>	<b>\$ 564</b>	<b>\$ 27,069</b>	<b>\$ 63,640</b>	<b>\$ 37,935</b>	<b>\$ 25,705</b>	<b>(2.6)%</b>	<b>7.5 %</b>	<b>5.3 %</b>

2009							2008			% Change in 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	Less Currency	Reported Operating Companies Income excluding Currency & Acquisitions	Reported Operating Companies Income	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions	
\$ 4,506	\$ (481)	\$ 4,987	\$ 40	\$ 4,947	\$ 4,738	\$ (481)	\$ 4,257	\$ 4,738	(4.9)%	5.3 %	4.4 %	
2,663	(893)	3,556	18	3,538	3,119	(893)	2,645	3,119	(14.6)%	14.0 %	13.4 %	
2,436	146	2,290	-	2,290	2,057	146	2,143	2,057	18.4 %	11.3 %	11.3 %	
666	(162)	828	202	626	520	(162)	688	520	28.1 %	59.2 %	20.4 %	
<b>\$ 10,271</b>	<b>\$ (1,390)</b>	<b>\$ 11,661</b>	<b>\$ 260</b>	<b>\$ 11,401</b>	<b>\$ 10,434</b>	<b>\$ (1,390)</b>	<b>\$ 10,011</b>	<b>\$ 10,434</b>	<b>(1.6)%</b>	<b>11.8 %</b>	<b>9.3 %</b>	

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, excluding Currency  
For the Years Ended December 31,  
(Unaudited)

	<u>2009</u>	<u>2008</u>	<u>% Change</u>
<b>Reported Diluted EPS</b>	\$ 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	
<b>Adjusted Diluted EPS</b>	<u>\$ 3.29</u>	<u>\$ 3.31</u>	<b>(0.6)%</b>
Less:			
Currency Impact	<u>(0.53)</u>		
<b>Adjusted Diluted EPS, excluding Currency</b>	<u><u>\$ 3.82</u></u>	<u><u>\$ 3.31</u></u>	<b>15.4 %</b>

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

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			% Change in 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	
\$ 4,738	(66)	\$ 4,804	\$ 432	\$ 4,372	\$ 20	\$ 4,352	European Union	\$ 4,195	\$ (137)	\$ 4,332	10.9%	0.9%	0.5%
3,119	(1)	3,120	21	3,099	-	3,099	EEMA	2,431	(12)	2,443	27.7%	26.9%	26.9%
2,057	(14)	2,071	32	2,039	5	2,034	Asia	1,803	(28)	1,831	13.1%	11.4%	11.1%
520	(127) <sup>(1)</sup>	647	(4)	651	100	551	Latin America & Canada	514	(18)	532	21.6%	22.4%	3.6%
<b>\$ 10,434</b>	<b>\$ (208)</b>	<b>\$ 10,642</b>	<b>\$ 481</b>	<b>\$ 10,161</b>	<b>\$ 125</b>	<b>\$ 10,036</b>	<b>PMI Total</b>	<b>\$ 8,943</b>	<b>\$ (195)</b>	<b>\$ 9,138</b>	<b>16.5%</b>	<b>11.2%</b>	<b>9.8%</b>

(1) Represents 2008 equity loss from RBH legal settlement (\$124 million) and asset impairment and exit costs (\$3 million)

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

### Adjustments for Impact of Currency and Acquisitions For the Years Ended December 31, (\$ in millions) (Unaudited)

2008							2007			% Change in 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
\$ 30,265	\$ 20,577	\$ 9,688	\$ 899	\$ 8,789	\$ 26	\$ 8,763	European Union	\$ 26,829	\$ 17,994	\$ 8,835	9.7%	(0.5)%	(0.8)%
14,817	7,313	7,504	296	7,208	-	7,208	EEMA	12,166	5,820	6,346	18.2%	13.6%	13.6%
12,222	6,037	6,185	140	6,045	46	5,999	Asia	11,097	5,449	5,648	9.5%	7.0%	6.2%
6,336	4,008	2,328	47	2,281	157	2,124	Latin America & Canada	5,151	3,170	1,981	17.5%	15.1%	7.2%
<b>\$ 63,640</b>	<b>\$ 37,935</b>	<b>\$ 25,705</b>	<b>\$ 1,382</b>	<b>\$ 24,323</b>	<b>\$ 229</b>	<b>\$ 24,094</b>	<b>PMI Total</b>	<b>\$ 55,243</b>	<b>\$ 32,433</b>	<b>\$ 22,810</b>	<b>12.7%</b>	<b>6.6%</b>	<b>5.6%</b>

2008							2007			% Change in 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	Reported excluding Currency	Reported excluding Currency & Acquisitions		
\$ 4,738		\$ 432	\$ 4,306	\$ 20	\$ 4,286	European Union	\$ 4,195	12.9%	2.6%	2.2%		
3,119		21	3,098	-	3,098	EEMA	2,431	28.3%	27.4%	27.4%		
2,057		32	2,025	5	2,020	Asia	1,803	14.1%	12.3%	12.0%		
520		(4)	524	100	424	Latin America & Canada	514	1.2%	1.9%	(17.5)%		
<b>\$ 10,434</b>		<b>\$ 481</b>	<b>\$ 9,953</b>	<b>\$ 125</b>	<b>\$ 9,828</b>	<b>PMI Total</b>	<b>\$ 8,943</b>	<b>16.7%</b>	<b>11.3%</b>	<b>9.9%</b>		



# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income, excluding Currency and Acquisitions  
For the Years Ended December 31,  
(\$ in millions)  
(Unaudited)

2007							2006			% Change in 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	
\$ 4,195	\$ (137)	\$ 4,332	\$ 424	\$ 3,908	\$ (1)	\$ 3,909	European Union	\$ 3,500	\$ (165)	\$ 3,665	18.2%	6.6%	6.7%
2,431	(12)	2,443	98	2,345	-	2,345	EEMA	2,080	(2)	2,082	17.3%	12.6%	12.6%
1,803	(28)	1,831	(36)	1,867	11	1,856	Asia	1,847	(19)	1,866	(1.9)%	0.1%	(0.5)%
514	(18)	532	-	532	(66)	598	Latin America & Canada	1,013	538	475	12.0%	12.0%	25.9%
<b>\$ 8,943</b>	<b>\$ (195)</b>	<b>\$ 9,138</b>	<b>\$ 486</b>	<b>\$ 8,652</b>	<b>\$ (56)</b>	<b>\$ 8,708</b>	<b>PMI Total</b>	<b>\$ 8,440</b>	<b>\$ 352</b>	<b>\$ 8,088</b>	<b>13.0%</b>	<b>7.0%</b>	<b>7.7%</b>

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

### Adjustments for Impact of Currency and Acquisitions For the Years Ended December 31, (\$ in millions) (Unaudited)

2007							2006			% Change in 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	
\$ 26,829	\$ 17,994	\$ 8,835	\$ 757	\$ 8,078	\$ -	\$ 8,078	European Union	\$ 23,745	\$ 15,869	\$ 7,876	12.2%	2.6%	2.6%
12,166	5,820	6,346	330	6,016	-	6,016	EEMA	10,012	4,387	5,625	12.8%	7.0%	7.0%
11,097	5,449	5,648	76	5,572	118	5,454	Asia	10,139	4,634	5,505	2.6%	1.2%	(0.9)%
5,151	3,170	1,981	34	1,947	37	1,910	Latin America & Canada	4,406	2,643	1,763	12.4%	10.4%	8.3%
<b>\$ 55,243</b>	<b>\$ 32,433</b>	<b>\$ 22,810</b>	<b>\$ 1,197</b>	<b>\$ 21,613</b>	<b>\$ 155</b>	<b>\$ 21,458</b>	<b>PMI Total</b>	<b>\$ 48,302</b>	<b>\$ 27,533</b>	<b>\$ 20,769</b>	<b>9.8%</b>	<b>4.1%</b>	<b>3.3%</b>

2007							2006			% Change in 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			
\$ 4,195	\$ 424	\$ 3,771	\$ (1)	\$ 3,772	European Union	\$ 3,500	19.9%	7.7%	7.8%			
2,431	98	2,333	-	2,333	EEMA	2,080	16.9%	12.2%	12.2%			
1,803	(36)	1,839	11	1,828	Asia	1,847	(2.4)%	(0.4)%	(1.0)%			
514	-	514	(66)	580	Latin America & Canada	1,013	(49.3)%	(49.3)%	(42.7)%			
<b>\$ 8,943</b>	<b>\$ 486</b>	<b>\$ 8,457</b>	<b>\$ (56)</b>	<b>\$ 8,513</b>	<b>PMI Total</b>	<b>\$ 8,440</b>	<b>6.0%</b>	<b>0.2%</b>	<b>0.9%</b>			

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

### Adjustments for Impact of Currency and Acquisitions For the Years Ended December 31, (\$ in millions) (Unaudited)

2006							2005			% Change in 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	
\$ 23,745	\$ 15,869	\$ 7,876	\$ (152)	\$ 8,028	\$ -	\$ 8,028	European Union	\$ 23,813	\$ 15,364	\$ 8,449	(6.8)%	(5.0)%	(5.0)%
10,012	4,387	5,625	(23)	5,648	-	5,648	EEMA	8,951	3,867	5,084	10.6%	11.1%	11.1%
10,139	4,634	5,505	(179)	5,684	587	5,097	Asia	8,609	3,668	4,941	11.4%	15.0%	3.2%
4,406	2,643	1,763	14	1,749	50	1,699	Latin America & Canada	3,943	2,400	1,543	14.3%	13.4%	10.1%
<b>\$ 48,302</b>	<b>\$ 27,533</b>	<b>\$ 20,769</b>	<b>\$ (340)</b>	<b>\$ 21,109</b>	<b>\$ 637</b>	<b>\$ 20,472</b>	<b>PMI Total</b>	<b>\$ 45,316</b>	<b>\$ 25,299</b>	<b>\$ 20,017</b>	<b>3.8%</b>	<b>5.5%</b>	<b>2.3%</b>

2006							2005			% Change in 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	Less Currency	Reported Operating Companies Income excluding Currency & Acquisitions	Reported Operating Companies Income	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions	
\$ 3,500	\$ 2	\$ 3,498	\$ -	\$ 3,498	European Union	\$ 3,890	(10.0)%	(10.1)%	(10.1)%	(10.1)%		
2,080	10	2,070	-	2,070	EEMA	1,664	25.0%	24.4%	24.4%	24.4%		
1,847	(189)	2,036	219	1,817	Asia	1,801	2.6%	13.0%	0.9%	0.9%		
1,013	(5)	1,018	13	1,005	Latin America & Canada	465	100+%	100+%	100+%	100+%		
<b>\$ 8,440</b>	<b>\$ (182)</b>	<b>\$ 8,622</b>	<b>\$ 232</b>	<b>\$ 8,390</b>	<b>PMI Total</b>	<b>\$ 7,820</b>	<b>7.9%</b>	<b>10.3%</b>	<b>7.3%</b>	<b>7.3%</b>		

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

### Adjustments for Impact of Currency and Acquisitions For the Years Ended December 31, (\$ in millions) (Unaudited)

2005							2004			% Change in 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	
\$ 23,813	\$ 15,364	\$ 8,449	\$ 355	\$ 8,094	\$ 10	\$ 8,084	European Union	\$ 22,265	\$ 14,236	\$ 8,029	5.2%	0.8%	0.7%
8,951	3,867	5,084	81	5,003	-	5,003	EEMA	7,510	2,953	4,557	11.6%	9.8%	9.8%
8,609	3,668	4,941	90	4,851	666	4,185	Asia	6,586	2,860	3,726	32.6%	30.2%	12.3%
3,943	2,400	1,543	45	1,498	73	1,425	Latin America & Canada	3,276	1,983	1,293	19.3%	15.9%	10.2%
<b>\$ 45,316</b>	<b>\$ 25,299</b>	<b>\$ 20,017</b>	<b>\$ 571</b>	<b>\$ 19,446</b>	<b>\$ 749</b>	<b>\$ 18,697</b>	<b>PMI Total</b>	<b>\$ 39,637</b>	<b>\$ 22,032</b>	<b>\$ 17,605</b>	<b>13.7%</b>	<b>10.5%</b>	<b>6.2%</b>

2005							2004			% Change in 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	Less Currency	Reported Operating Companies Income	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions		
\$ 3,890	\$ 194	\$ 3,696	\$ 1	\$ 3,695	European Union	\$ 3,350	16.1%	10.3%	10.3%			
1,664	30	1,634	-	1,634	EEMA	1,554	7.1%	5.1%	5.1%			
1,801	54	1,747	323	1,424	Asia	1,298	38.8%	34.6%	9.7%			
465	24	441	9	432	Latin America & Canada	391	18.9%	12.8%	10.5%			
<b>\$ 7,820</b>	<b>\$ 302</b>	<b>\$ 7,518</b>	<b>\$ 333</b>	<b>\$ 7,185</b>	<b>PMI Total</b>	<b>\$ 6,593</b>	<b>18.6%</b>	<b>14.0%</b>	<b>9.0%</b>			

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

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

	March 31, 2010			For the Year Ended December 31, 2009	
	April ~ December 2009	January ~ March 2010	12 months rolling		
Earnings before income taxes	\$ 7,081	\$ 2,492	\$ 9,573	\$	9,243
Interest expense, net	639	223	862	\$	797
Depreciation and amortization	660	223	883	\$	853
<b>EBITDA</b>	<b>\$ 8,380</b>	<b>\$ 2,938</b>	<b>\$ 11,318</b>	<b>\$</b>	<b>10,893</b>
			<b>March 31, 2010</b>	<b>December 31, 2009</b>	
Short-term borrowings			\$ 1,050	\$	1,662
Current portion of long-term debt			151	\$	82
Long-term debt			14,809	\$	13,672
<b>Total Debt</b>			<b>\$ 16,010</b>	<b>\$</b>	<b>15,416</b>
Less: Cash and cash equivalents			850	\$	1,540
<b>Net Debt</b>			<b>\$ 15,160</b>	<b>\$</b>	<b>13,876</b>
<u>Ratios</u>					
<b>Total Debt to EBITDA</b>			<b>1.41</b>	<b>1.42</b>	
<b>Net Debt to EBITDA</b>			<b>1.34</b>	<b>1.27</b>	

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

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

	<b>March 31, 2008</b>		
	April ~ December 2007	January ~ March 2008	12 months rolling
Earnings before income taxes	\$ 7,033	\$ 2,449	\$ 9,482
Interest expense, net	-	75	75
Depreciation and amortization	585	201	786
<b>EBITDA</b>	<b>\$ 7,618</b>	<b>\$ 2,725</b>	<b>\$ 10,343</b>
			<b>March 31, 2008</b>
Short-term borrowings			\$ 793
Current portion of long-term debt			104
Long-term debt			6,643
<b>Total Debt</b>			<b>\$ 7,540</b>
Less: Cash and cash equivalents			1,231
<b>Net Debt</b>			<b>\$ 6,309</b>
<u>Ratios</u>			
<b>Total Debt to EBITDA</b>			<b>0.73</b>
<b>Net Debt to EBITDA</b>			<b>0.61</b>

# PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries

## Reconciliation of Non-GAAP Measures



PHILIP MORRIS  
INTERNATIONAL

Reconciliation of Reported Operating Income to Reported Operating Companies Income  
 Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income  
**For the Years Ended December 31,**  
 (\$ in millions, except volume in billions)  
 (Unaudited)

	<u>2003</u>	<u>2007</u>	<u>2009</u>
<b>Reported Operating Income</b>	<b>\$ 6,195</b>	<b>\$ 8,894</b>	<b>\$ 10,040</b>
Add back:			
Amortization of Intangibles & Corporate Expenses	<u>91</u>	<u>49</u>	<u>231</u>
<b>Reported Operating Companies Income</b>	<b>\$ 6,286</b>	<b>\$ 8,943</b>	<b>\$ 10,271</b>
Add back:			
Asset Impairment & Exit Costs and Other	(45)	195	164
<b>Adjusted Operating Companies Income</b>	<u><u>\$ 6,241</u></u>	<u><u>\$ 9,138</u></u>	<u><u>\$ 10,435</u></u>
 Cigarette Shipment Volume	 735.8	 848.6	 864.0



PHILIP MORRIS  
INTERNATIONAL

2010  
INVESTOR DAY

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**Investor Day**  
**Lausanne, June 23, 2010**