



Q1 2017 Earnings – Quarterly Metrics		
Smokeable	Q1 2017	Δ vs. Q1 2016
Marlboro Price Gap (vs. Lowest Effective)	29%	
Marlboro Net Pack Price*	\$6.36	\$0.16
Lowest Effective Price*	\$4.93	\$0.16
Discount Segment Retail Share	23.7%	(0.4 pp)
Estimated Weighted Average State Excise Tax per pack (effective April 1, 2017)	\$1.74	\$0.19
2017 PM USA Wholesale Inventory Estimates:	(in billion units)	
End of Q1 2017	2.6	
End of Q4 2016	2.4	
End of Q1 2016	2.7	
End of Q4 2015	2.4	
2017 Cigarette Industry Wholesale Inventory (PM USA Estimates):	(in billion units)	
End of Q1 2017	5.6	
End of Q4 2016	6.0	
End of Q1 2016	5.7	
End of Q4 2015	5.4	

Note: Wholesale inventory changes are one factor PM USA uses to estimate adjusted PM USA and industry volumes.

Smokeless	Q1 2017	Δ vs. Q1 2016
Copenhagen Price Gap (vs Leading Discount Brand)	25%	
Copenhagen Retail Price*	\$4.53	\$0.12
Leading Discount Brand*	\$3.61	\$0.15

Other	Q1 2017	Q1 2016
Capital Expenditures	\$33 million	\$26 million
Ongoing Depreciation and Amortization	\$52 million	\$49 million

* All Smokeable and Smokeless per pack prices reflect IRI's restatement.