



Q1 2019 Earnings - Quarterly Metrics		
Smokeable	Q1 2019	△ vs. Q1 2018
<i>Marlboro</i> Price Gap (vs. Lowest Effective)	30%	
<i>Marlboro</i> Net Pack Price	\$6.96	\$0.23
Lowest Effective Price	\$5.35	\$0.13
<u>Discount Segment Retail Share</u>	<u>24.1%</u>	<u>+0.2pp</u>
Major Manufacturer Branded Discount	15.6%	(0.6pp)
Deep Discount	8.5%	+0.8pp
PM USA Menthol Retail Share	10.0%	(0.1pp)
Estimated Weighted Average State Excise Tax per pack	\$1.79	\$0.04
2019 PM USA Wholesale Inventory Estimates:	(in billion units)	
End of Q1 2019	2.0	
End of Q4 2018	2.4	
End of Q1 2018	3.9	
End of Q4 2017	2.6	
2019 Cigarette Industry Wholesale Inventory (PM USA Estimates):	(in billion units)	
End of Q1 2019	4.6	
End of Q4 2018	5.4	
End of Q1 2018	8.1	
End of Q4 2017	5.9	

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

Smokeless	Q1 2019	△ vs. Q1 2018
<i>Copenhagen</i> Price Gap (vs Leading Discount Brand)	18%	
<i>Copenhagen</i> Retail Price	\$4.95	\$0.19
Leading Discount Brand	\$4.19	\$0.32

Note: All Smokeable and Smokeless prices reflect IRI restatement.

Other	Q1 2019	Q1 2018
Capital Expenditures	\$38 million	\$34 million
Ongoing Depreciation and Amortization	\$53 million	\$53 million

Smokeable Shipping Days					
	Q1	Q2	Q3	Q4	FY
2018	65	65	65	66	261
2019	64	65	66	66	261