



Q4 2019 Earnings - Quarterly Metrics		
Smokeable	Q4 2019	△ vs. Q4 2018
<i>Marlboro</i> Price Gap (vs. Lowest Effective)	32%	
<i>Marlboro</i> Net Pack Price	\$7.22	\$0.32
Lowest Effective Price	\$5.47	\$0.16
<u>Discount Segment Retail Share</u>	<u>24.5%</u>	<u>+0.6pp</u>
Major Manufacturer Branded Discount	15.4%	(0.3pp)
Deep Discount	9.1%	+0.9pp
PM USA Menthol Retail Share	10.0%	(0.1pp)
Estimated Weighted Average State Excise Tax per pack	\$1.82	\$0.03
2019 PM USA Cigarette Wholesale Inventory Estimates:	(in billion units)	
End of Q4 2019	2.1	
End of Q3 2019	3.7	
End of Q4 2018	2.4	
End of Q3 2018	3.6	
2019 Cigarette Industry Wholesale Inventory:	(in billion units)	
End of Q4 2019	5.1	
End of Q3 2019	8.5	
End of Q4 2018	5.4	
End of Q3 2018	7.6	

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

Smokeless	Q4 2019	△ vs. Q4 2018
<i>Copenhagen</i> Price Gap (vs Leading Discount Brand)	17%	
<i>Copenhagen</i> Retail Price	\$5.16	\$0.31
Leading Discount Brand	\$4.40	\$0.37

Note: All Smokeable and Smokeless prices reflect IRI restatement.

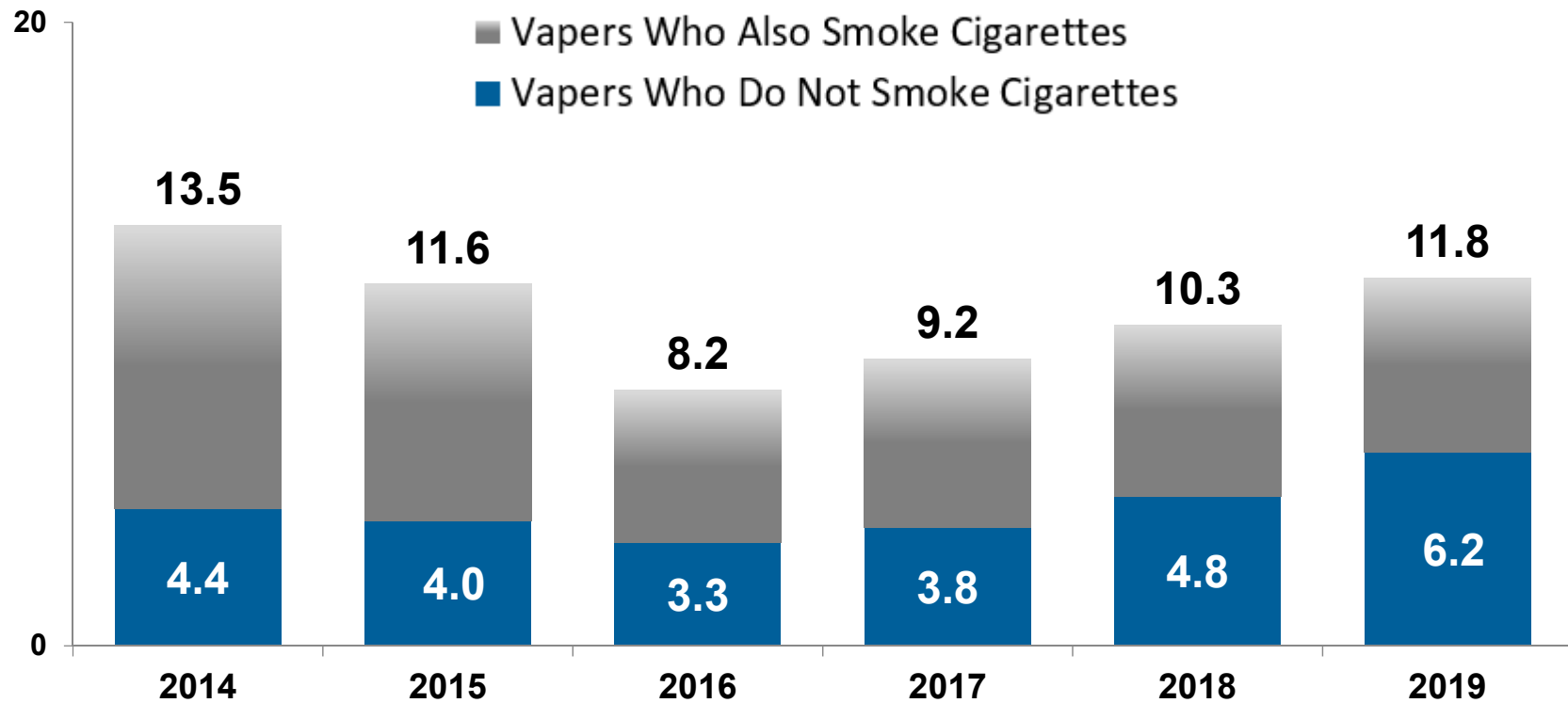
Other	Q4 2019	FY 2019
Capital Expenditures	\$86 million	\$246 million
Ongoing Depreciation and Amortization	\$63 million	\$226 million

Smokeable Shipping Days					
	Q1	Q2	Q3	Q4	FY
2019	64	65	66	66	261
2020	65	65	66	66	262

E-Vapor Category Growth

Adult Vapers 21+ in Millions

Past 30-Day Usage, 12 Month Moving



Note: Beginning July 2019, ATCT changed from LA+ to 21+. All historical data above represents 21+.

Source: ATCT July 2013 to December 2019

