



Q3 2020 Earnings - Quarterly Metrics		
Smokeable	Q3 2020	△ vs. Q3 2019
Marlboro Price Gap (vs. Lowest Effective)	31%	
Marlboro Net Pack Price	\$7.39	\$0.26
Lowest Effective Price	\$5.65	\$0.22
<u>Discount Segment Retail Share</u>	<u>24.3%</u>	<u>0.2pp</u>
Major Manufacturer Branded Discount	14.9%	(0.6pp)
Deep Discount	9.4%	+0.8pp
PM USA Menthol Retail Share	9.9%	(0.1pp)
Estimated Weighted Average State Excise Tax per pack	\$1.83	\$0.01
2020 PM USA Cigarette Wholesale Inventory Estimates:	(in billion units)	
End of Q3 2020	3.4	
End of Q2 2020	2.5	
End of Q3 2019	3.7	
End of Q2 2019	2.5	
2020 Cigarette Industry Wholesale Inventory:	(in billion units)	
End of Q3 2020	8.6	
End of Q2 2020	6.4	
End of Q3 2019	8.4	
End of Q2 2019	5.7	

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

Oral Tobacco	Q3 2020	△ vs. Q3 2019
Copenhagen Price Gap (vs Leading Discount Brand)	18%	
Copenhagen Retail Price	\$5.37	\$0.24
Leading Discount Brand	\$4.55	\$0.17

Note: All Smokeable and Oral Tobacco prices reflect IRI restatement.

Other	Q3 2020	9M 2020
Capital Expenditures	\$56 million	\$162 million
Ongoing Depreciation and Amortization	\$62 million	\$192 million

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

Cigarette Industry Volume Decomposition Estimates

Twelve Months Ended

	03/31/20	06/30/20	09/30/20
Secular Decline Rate ¹	(2.5)%	(2.5)%	(2.5)%
Cigarette Price Elasticity	(1.3)%	(1.3)%	(1.3)%
Additional Cross Category Movement	(1.3)%	(0.1)%	0.2%
Macroeconomic & Other Factors	0.1%	0.4%	2.1%
Estimated Industry Decline	(5.0)%	(3.5)%	(1.5)%

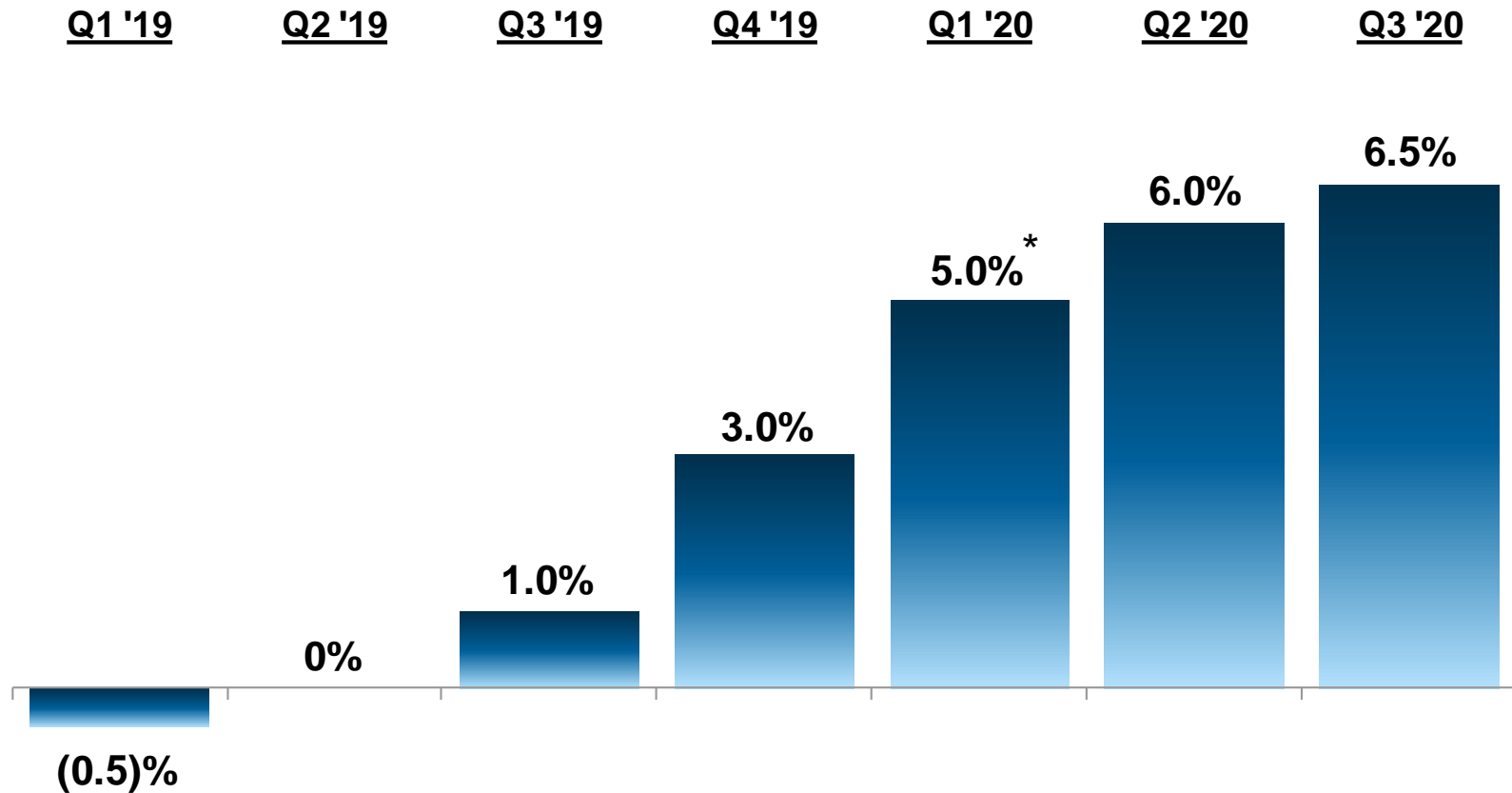
Source: ALCS CMI estimates

¹ Includes approximately 1% historical movement across tobacco categories



Oral Tobacco Industry Volume Growth Estimates

Six Months Ended

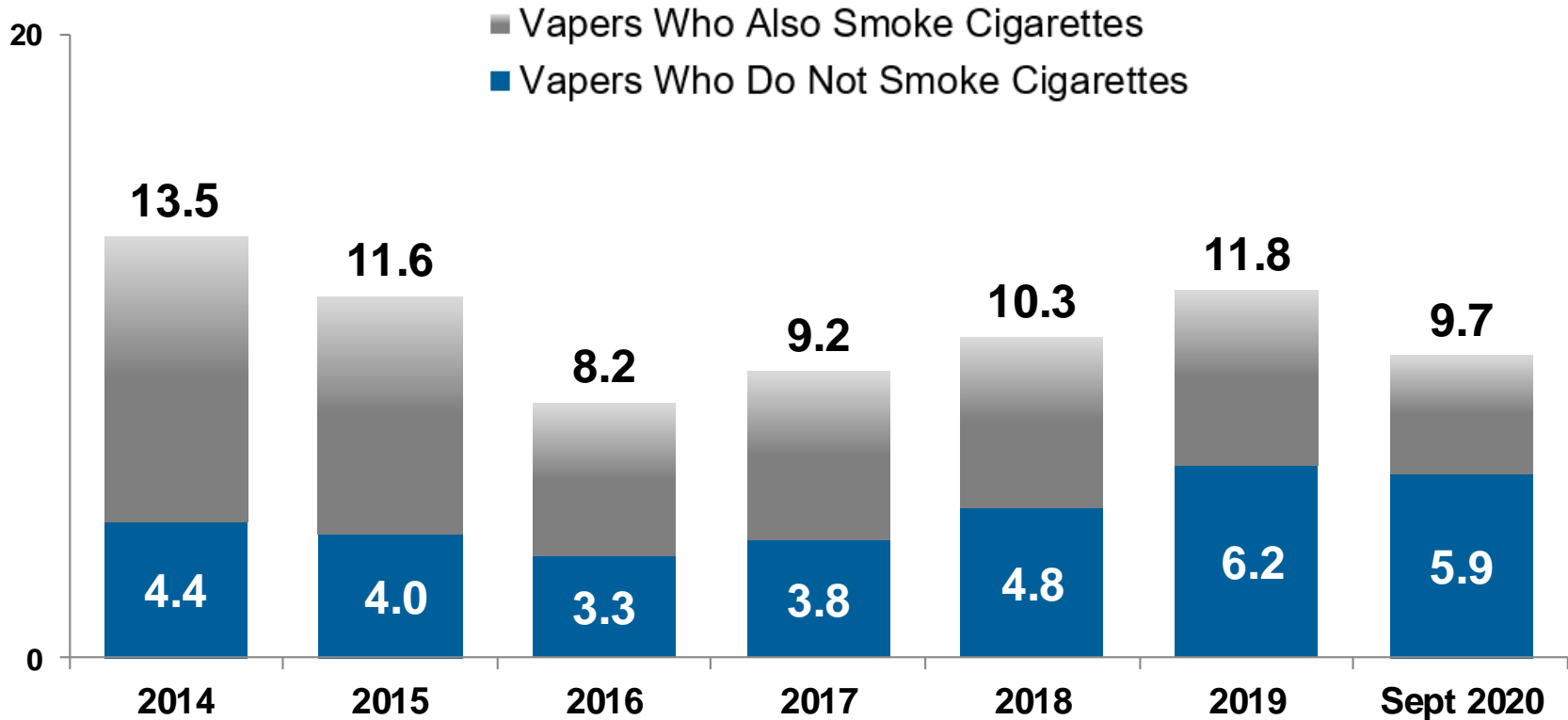


Altria

Source: ALCS CMI estimates - rounded to the nearest 0.5%
Oral Tobacco industry includes MST, snus and oral nicotine pouch products
* Q1 2020 includes an adjustment for estimated retail loading due to COVID-19

Adult Vapers 21+ – Past 30 Day Usage

Twelve Months Ended (in millions)

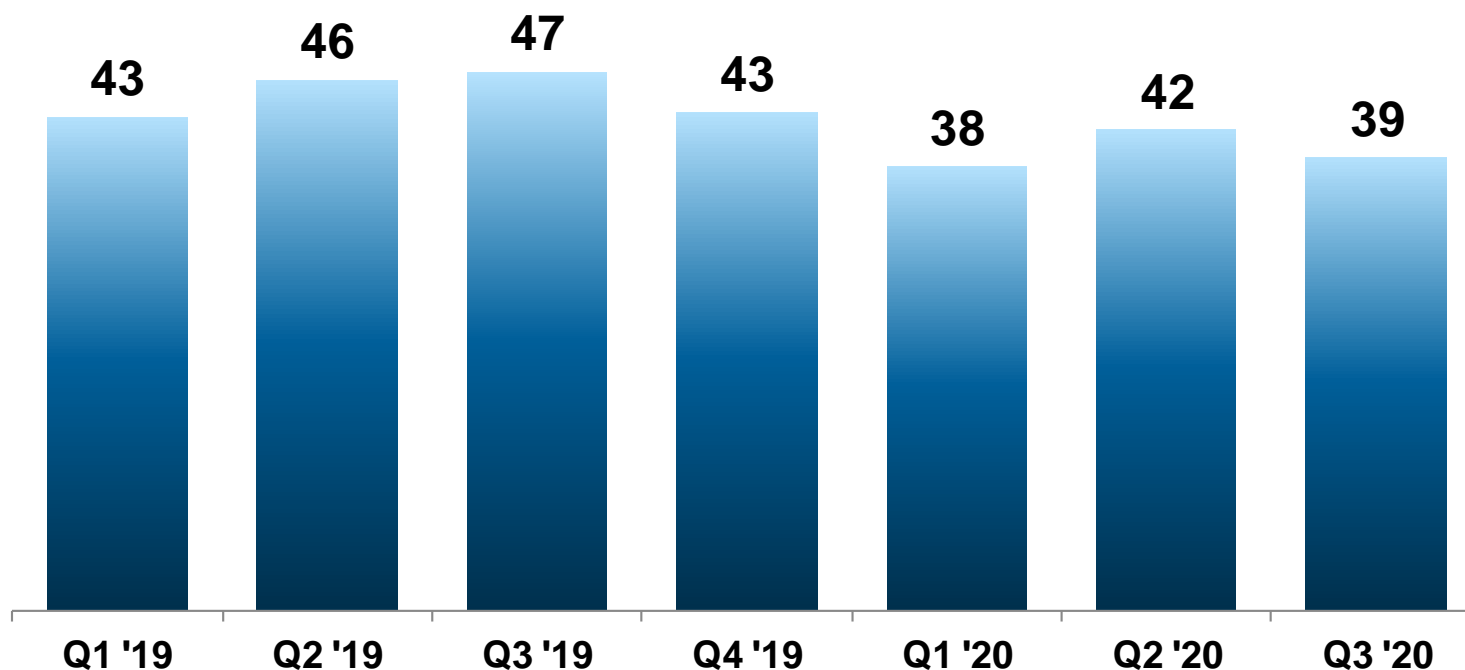


Source: ATCT July 2013 to September 2020



JUUL Performance

Estimated Equivalized Volume Share of Category



Source: ALCS CMI estimates

Note: Share based on volume equivalized to cartridges (1 disposable = 1 cartridge = 1mL e-liquid) Estimated category volume and share are subject to revisions based on the latest available data