

Consolidated Statements of Earnings

(in millions of dollars, except per share data)

for the years ended December 31,	2012	2011	2010
Net revenues	\$77,393	\$76,346	\$67,713
Cost of sales	10,373	10,678	9,713
Excise taxes on products	46,016	45,249	40,505
Gross profit	21,004	20,419	17,495
Marketing, administration and research costs	6,978	6,880	6,160
Asset impairment and exit costs (Note 5)	83	109	47
Amortization of intangibles	97	98	88
Operating income	13,846	13,332	11,200
Interest expense, net	859	800	876
Earnings before income taxes	12,987	12,532	10,324
Provision for income taxes	3,833	3,653	2,826
Net earnings	9,154	8,879	7,498
Net earnings attributable to noncontrolling interests	354	288	239
Net earnings attributable to PMI	\$ 8,800	\$ 8,591	\$ 7,259
Per share data (Note 10):			
Basic earnings per share	\$ 5.17	\$ 4.85	\$ 3.93
Diluted earnings per share	\$ 5.17	\$ 4.85	\$ 3.92

Consolidated Statements of Comprehensive Earnings

(in millions of dollars)

for the years ended December 31,	2012	2011	2010
Net earnings	\$9,154	\$ 8,879	\$7,498
Other comprehensive earnings (losses), net of income taxes:			
Currency translation adjustments, net of income taxes of \$6 in 2012, \$10 in 2011 and (\$107) in 2010	15	(852)	(43)
Change in net loss and prior service cost:			
Net losses and prior service costs, net of income taxes of \$144 in 2012, \$148 in 2011 and \$43 in 2010	(943)	(1,031)	(318)
Less amortization of net losses, prior service costs and net transition costs, net of income taxes of (\$37) in 2012, (\$23) in 2011 and (\$20) in 2010	160	94	76
Change in fair value of derivatives accounted for as hedges:			
(Gains)/losses transferred to earnings, net of income taxes of \$3 in 2012, (\$2) in 2011 and (\$3) in 2010	(22)	18	33
Gains/(losses) recognized, net of income taxes of (\$14) in 2012, (\$1) in 2011 and \$6 in 2010	99	(5)	(50)
Change in fair value of equity securities	—	(1)	(10)
Total other comprehensive losses	(691)	(1,777)	(312)
Total comprehensive earnings	8,463	7,102	7,186
Less comprehensive earnings attributable to:			
Noncontrolling interests	210	137	208
Redeemable noncontrolling interest	194	97	42
Comprehensive earnings attributable to PMI	\$8,059	\$ 6,868	\$6,936

See notes to consolidated financial statements.