Reconciliation of Non-GAAP Measures

Adjustments for the Impact of Currency and Acquisitions

For the Years Ended December 31,	
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(in millions) (Unaudited)			2014	,							2013				in Reported ! luding Excise	
Reported Net Revenues	Less Excise Taxes	Reported Net Revenues excluding Excise Taxes	Less Currency	Reported Net Revenues excluding Excise Taxes & Currency	Acqui	Less	Exc	Reported Net Revenues excluding sise Taxes, urrency & quisitions		Reported Net Revenues	Less Excise Taxes	I	Reported Net Revenues excluding Excise Taxes	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
\$ 29,058	\$20,219	\$ 8,839	\$ 122	\$ 8,717	\$	11	\$	8,706	European Union	\$ 28,303	\$19,707	\$	8,596	2.8 %	1.4 %	1.3 %
21,928	13,006	8,922	(761)	9,683		1		9,682	EEMA	20,695	11,929		8,766	1.8 %	10.5 %	10.4 %
19,255	10,527	8,728	(1,022)	9,750		_		9,750	Asia	20,987	10,486		10,501	(16.9)%	(7.2)%	(7.2)%
9,865	6,587	3,278	(431)	3,709		1		3,708	Latin America & Canada	10,044	6,690		3,354	(2.3)%	10.6 %	10.6 %
\$ 80,106	\$50,339	\$ 29,767	\$ (2,092)	\$ 31,859	\$	13	\$	31,846	PMI Total	\$ 80,029	\$48,812	\$	31,217	(4.6)%	2.1 %	2.0 %
\$ 80,106	\$50,339	\$ 29,767	\$ (2,092) 2014	\$ 31,859	\$	13	\$	31,846	PMI Total	\$ 80,029	\$48,812 2013	\$	31,217	% Chang	2.1 % ge in Reported ompanies Inc	l Operating
\$ 80,106 Reported Operating Companies Income	\$50,339	\$ 29,767		\$ 31,859 Reported Operating Companies Incomie excluding Currency		Less isitions	(C Cu	31,846 Reported Operating 'ompanies Income excluding irrency & quisitions	PMI Total	\$ 80,029		1 0	31,217 Reported perating ompanies Income	% Chang	ge in Reported	l Operating
Reported Operating Companies	\$50,339	\$ 29,767	2014 Less	Reported Operating Companies Income excluding		Less	(C Cu Act	Reported Operating companies Income excluding urrency &	PMI Total	\$ 80,029		1 0	Reported perating ompanies	% Chang C	ge in Reported ompanies Inc Reported excluding	l Operating ome Reported excluding Currency &
Reported Operating Companies Income	\$50,339	\$ 29,767	2014 Less Currency	Reported Operating Companies Income excluding Currency	Acqui	Less	(C Cu Act	Reported Operating ompanies Income excluding irrency & quisitions		\$ 80,029			Reported perating mpanics Income	% Chang C	ge in Reported ompanies Inc Reported excluding Currency	Operating ome Reported excluding Currency & Acquisitions
Reported Operating Companies Income \$ 3,727	\$50,339	\$ 29,767	2014 Less Currency \$ 37	Reported Operating Companies Income excluding Currency \$ 3,690	Acqui	Less isitions (1)	(C Cu Act	Reported Operating iompanies Income excluding irrency & quisitions 3,691	European Union	\$ 80,029			Reported perating ompanies Income 4,238	% Chang C Reported (12.1)%	ge in Reported ompanies Inc Reported excluding Currency (12.9)%	l Operating ome Reported excluding Currency & Acquisitions (12.9.)%
Reported Operating Companies Income \$ 3,727 4,121	\$50,339	\$ 29,767	2014 <u>Less</u> <u>Currency</u> \$ 37 (611)	Reported Operating Companies Income excluding Currency \$ 3,690 4,732	Acqui	Less isitions (1) (8)	(C Cu Act	Reported Operating companies Income excluding rrrency & quisitions 3,691 4,740	European Union EEMA	\$ 80,029			Reported perating mpanies Income 4,238 3,779	% Chang C Reported (12.1)% 9.1 %	Reported excluding Currency (12.9.)% 25.2.%	Reported excluding Currency & Acquisitions (12.9)% 25.4 %

Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income, excluding Currency and Acquisitions

Fo	r the Yea	irs Ei	nded Dec	emb	oer 31,																		
	millions naudited					2	2014											2013				% Change in A Operating Compar	
Op Co	eported oerating mpanies ncome	Imp	Less Asset pairment & Exit Costs		djusted perating ompanies Income		Less	Op Col In ex	djusted oerating mpanies ncome cluding ırrency	Acc	Less quisitions	O Ca l er Cu	Adjusted perating ompanies Income xcluding urrency & quisitions		0 C	Reported Operating ompanies Income	Imp	Less Asset pairment & Exit Costs	OJ Co	djusted perating mpanies ncome	Adjusted	Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
\$	3,727	\$	(490)	\$	4,217	\$	37	\$	4,180	\$	(1)	\$	4,181	European Union	\$	4,238	\$	(13)	\$	4,251	(0.8)%	(1.7)%	(1.6)%
	4,121		(2)		4,123		(611)		4,734		(8)		4,742	EEMA		3,779		(264)		4,043	2.0 %	17.1 %	17.3 %
	3,187		(35)		3,222		(656)		3,878		—		3,878	Asia		4,622		(27)		4,649	(30.7)%	(16.6)%	(16.6)%
	1,030		(8)		1,038		(243)		1,281		(1)		1,282	Latin America & Canada		1,134		(5)		1,139	(8.9)%	12.5 %	12.6 %
\$	12,065	\$	(535)	\$	12,600	\$ ((1,473)	\$	14,073	\$	(10)	\$	14,083	PMI Total	\$	13,773	\$	(309)	\$	14,082	(10.5)%	(0.1)%	_%

Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions

For the Years Ended December 31,

(in	n millions))															
(U	(Unaudited)			2014							_		2013		% Points Change		
Oj Co I ex	djusted perating ompanies Income xcluding urrency	Net Revenues excluding Excise Taxes & Currency (1)	Adjusted Operating Companies Income Margin excluding Currency		OI Co I ex Cu	djusted perating mpanies ncome cluding rrency & uuisitions	ex Cu	Net evenues ccluding Excise Taxes, rrency & quisitions (1)	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions			Adjusted perating ompanies Income	Net Revenues excluding Excise Taxes(1)	Adjusted Operating Companies Income Margin	Adjustec Operatin Compani Income Margin excludin; Currenc	g Companies s Income Margin excluding g Currency &	
\$	4,180	\$ 8,717	48.0%		\$	4,181	\$	8,706	48.0%	European Union	\$	4,251	\$ 8,596	49.5%	(1	.5) (1.5)	
	4,734	9,683	48.9 %			4,742		9,682	49.0 %	EEMA		4,043	8,766	46.1 %	2	.8 2.9	
	3,878	9,750	39.8 %			3,878		9,750	39.8 %	Asia		4,649	10,501	44.3 %	(4	.5) (4.5)	
	1,281	3,709	34.5 %			1,282		3,708	34.6%	Latin America & Canada		1,139	3,354	34.0%	(.5 0.6	
\$	14,073	\$ 31,859	44.2%		\$	14,083	\$	31,846	44.2%	PMI Total	\$	14,082	\$ 31,217	45.1%	(0	.9) (0.9)	

(1) For the calculation of net revenues excluding excise taxes, currency and acquisitions, refer to the "Adjustments for the Impact of Currency and Acquisitions" reconciliation in this section.

Reconciliation of Reported Diluted EPS to Reported Diluted EPS, excluding Currency

For the Years Ended December 31, (Unaudited)	2014	2013	% Change
Reported Diluted EPS	\$ 4.76	\$ 5.26	(9.5)%
Less:			
Currency impact	(0.80)		
Reported Diluted EPS, excluding Currency	\$ 5.56	\$ 5.26	5.7 %

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, excluding Currency

			-		
For the Years Ended December 31, (Unaudited)	2014			2013	% Change
Reported Diluted EPS	\$	4.76	\$	5.26	(9.5)%
Adjustments:					
Asset impairment and exit costs		0.26		0.12	
Tax items		—		0.02	
Adjusted Diluted EPS	\$	5.02	\$	5.40	(7.0)%
Less:					
Currency impact		(0.80)			
Adjusted Diluted EPS, excluding Currency	\$	5.82	\$	5.40	7.8 %

Reconciliation of Operating Income to Operating Companies Income

For the Years Ended December 31, (in millions) (Unaudited)	 2014	2013	% Change
Operating Income	\$ 11,702 \$	13,515	(13.4)%
Excluding:			
- Amortization of intangibles	93	93	
- General corporate expenses (included in marketing, administration and research costs)	165	187	
Plus: Equity (income)/loss in unconsolidated subsidiaries, net	(105)	22	
Operating Companies Income	\$ 12,065 \$	13,773	(12.4)%

Reconciliation of Operating Cash Flow to Free Cash Flow and Free Cash Flow, excluding Currency

For the Years Ended December 31, (in millions) (Unaudited)	2014	2013	% Change
Net cash provided by operating activities(a)	\$ 7,739 \$	10,135	(23.6)%
Less:			
Capital expenditures	1,153	1,200	
Free cash flow	\$ 6,586 \$	8,935	(26.3)%
Less:			
Currency impact	(1,639)		
Free cash flow, excluding currency	\$ 8,225 \$	8,935	(7.9)%

(a) Operating cash flow.