Annual Meeting of Shareholders

May 17, 2012

Altria

Safe Harbor Statement

Statements, including earnings guidance, in this presentation that are not reported financial results or other historical information are “forward-looking statements” within the meaning of Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current plans, estimates and expectations, and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. Altria undertakes no obligation to publicly update or revise any forward-looking statement other than in the normal course of its public disclosure obligations. The risks and uncertainties relating to the forward-looking statements in this presentation include those described under the caption “Cautionary Factors that May Affect Future Results” in its Annual Report on Form 10-K for the year ended December 31, 2011 and its Quarterly Report on Form 10-Q for the period ended March 31, 2012.

Reconciliations of non-GAAP Financial measures included in this presentation to the most comparable GAAP measures are available on Altria’s website at altria.com.

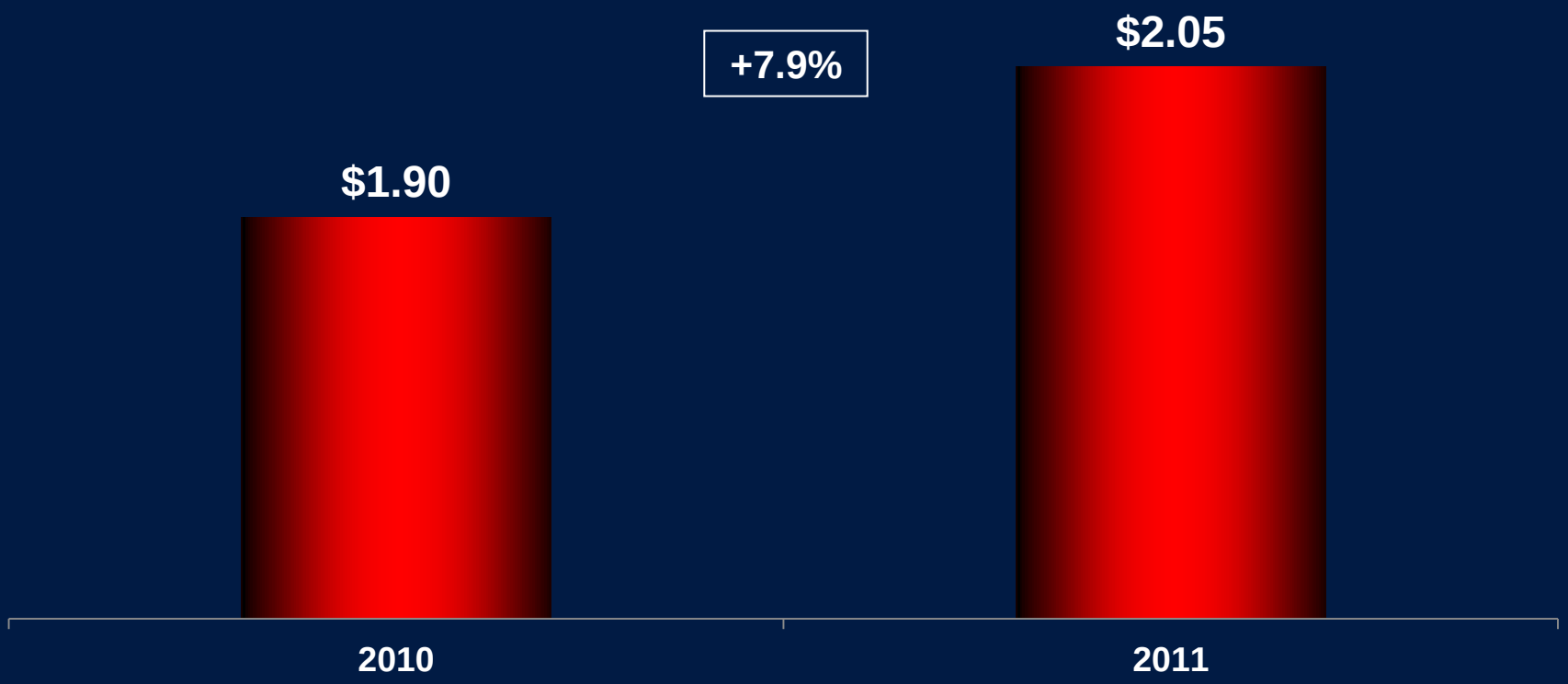
Altria

Altria's Results

- Delivered strong returns for shareholders in 2011
- Driven by strong premium tobacco brands
- Growing alcohol assets
- Strong balance sheet
- Successfully managed external challenges
  - Regulation
  - Litigation

Altria

Altria's Adjusted Diluted EPS*



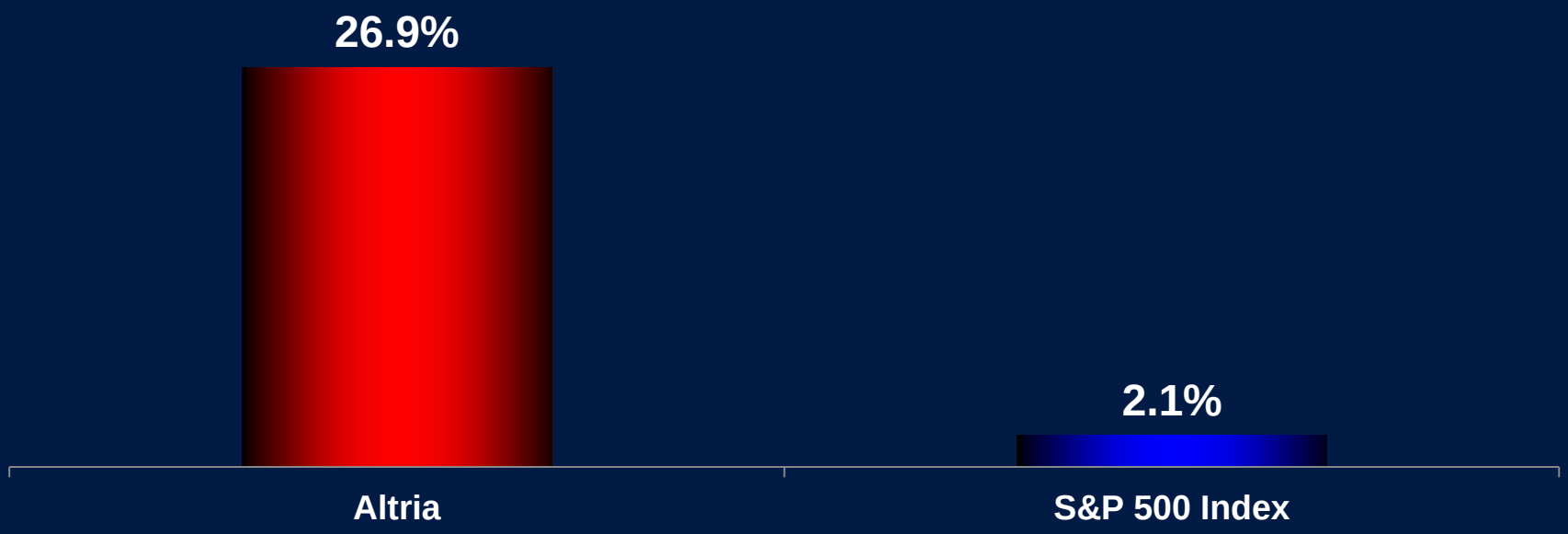
* As redefined; for reconciliation of non-GAAP to GAAP measures visit www.altria.com.

Source: Altria company reports

Altria

Total Shareholder Return

Full Year 2011



Note: Assumes quarterly reinvestment of dividends as of ex-dividend date.

Source: Bloomberg Yearly Return (Dec 31, 2010 – Dec 31, 2011)

Altria

Altria's Mission

Our Mission is to own and develop financially disciplined businesses that are leaders in responsibly providing adult tobacco and wine consumers with superior branded products.

Altria

Altria's Strategies

In pursuing our Mission, we have established the following goals for Altria and its subsidiary companies:

Invest in Leadership	Align with Society	Satisfy Adult Consumers	Create Substantial Value for Shareholders
We will invest in excellent people, leading brands and external stakeholders important to our businesses' success.	We will actively participate in resolving societal concerns that are relevant to our businesses.	We will convert our deep understanding of adult tobacco and wine consumers into better and more creative products that satisfy their preferences.	We will execute our business plans to create sustainable growth and generate substantial returns for shareholders.

Altria

Altria's Values

Integrity, Trust and Respect

Executing with Quality

Sharing with Others

Passion to Succeed

Driving Creativity into Everything We Do

Altria

Invest in Leadership

We will invest in excellent people, leading brands and external stakeholders important to our businesses' success.

Altria

Invest In Excellent People

Altria

People Development System

- Develops leaders at every level of organization
- Performance management
- Talent development

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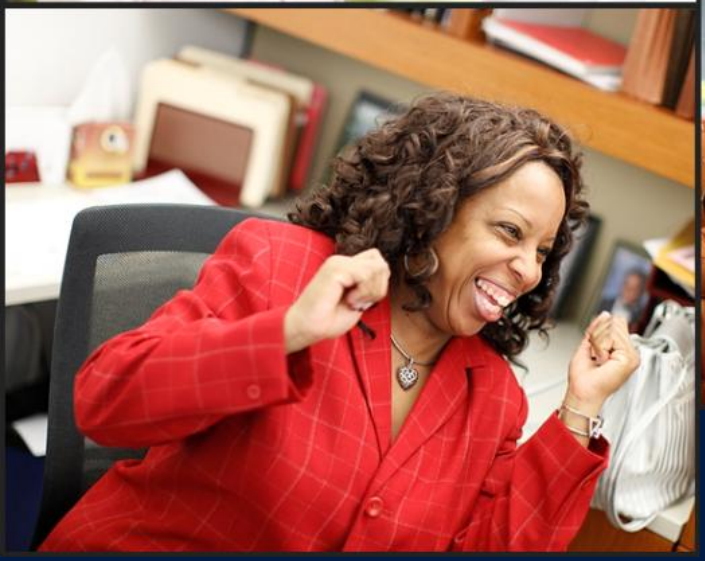

Invest in Business Partners

- Maintain strong relationships with our business partners
- Promote actions consistent with our Mission and Values

Altria

Supplier Code of Conduct

Altria

Minority Business Development Recognition

Altria

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

Source: *DiversityBusiness.com, January 16, 2012 – "Top 50 Multi-cultural"*

Promoting Agricultural Sustainability

Promoting Agricultural Sustainability

- Published Good Agricultural Practices (GAP) assessment data on altria.com
- Expanded resources and tools about GAP to growers

Source: altira.com; http://www.altria.com/en/cms/Responsibility/sustainable-agriculture/progress-metrics/default.aspx

Investing in Communities

Contributing Together

- Focus areas:
  - Culture
  - Education
  - Environment
  - Positive Youth Development
- Altria made nearly $50 million in cash and in-kind corporate contributions to non-profit organizations

Altria

Altria's Contributions

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

Investing in Communities

Altria

Altria Companies Employee Community Fund

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Employee Volunteerism

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Align with Society

We will actively participate in resolving societal concerns that are relevant to our businesses.

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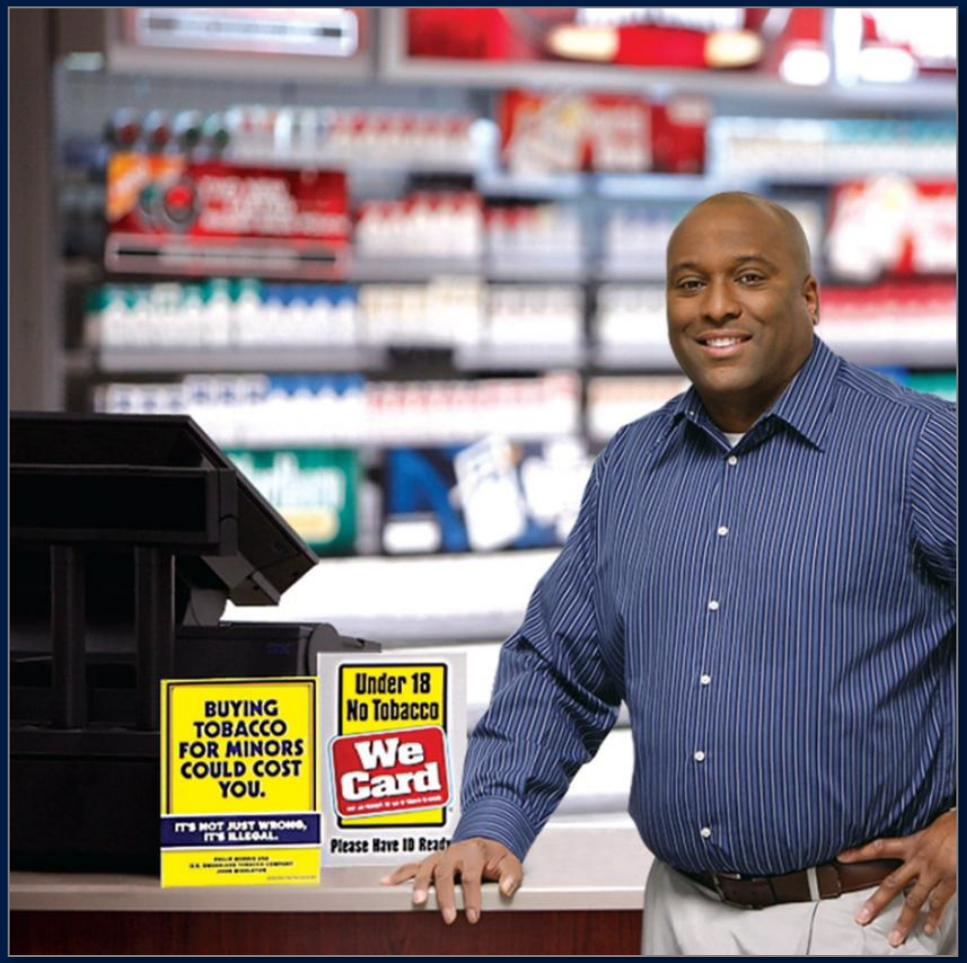
Supporting Underage Tobacco Use Prevention

- Implement annual plans to help reduce underage tobacco use
- Support school and community-based programs
- Grants made in 2011 are expected to reach:
  - ~1.5 million middle-school kids
  - ~775,000 adult influencers

Altria

Responsible Retailing



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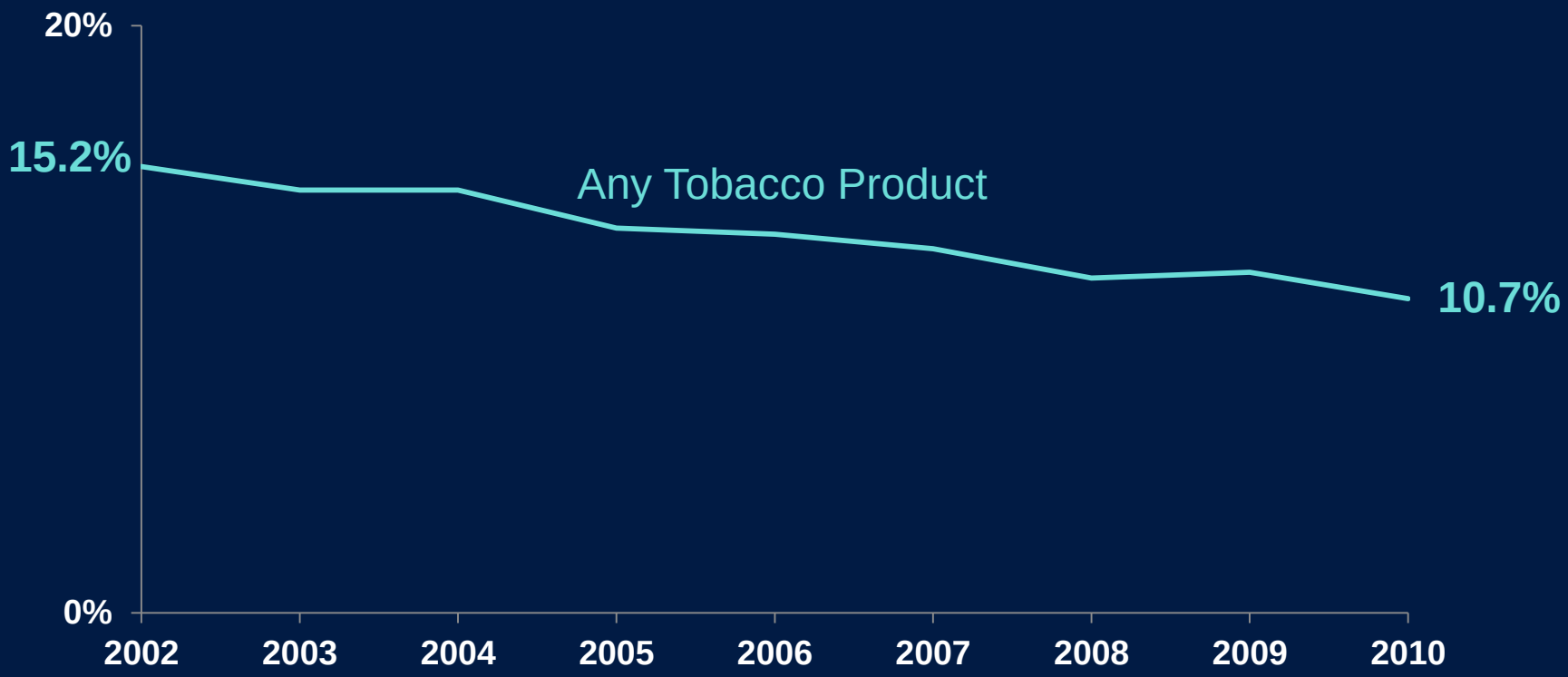
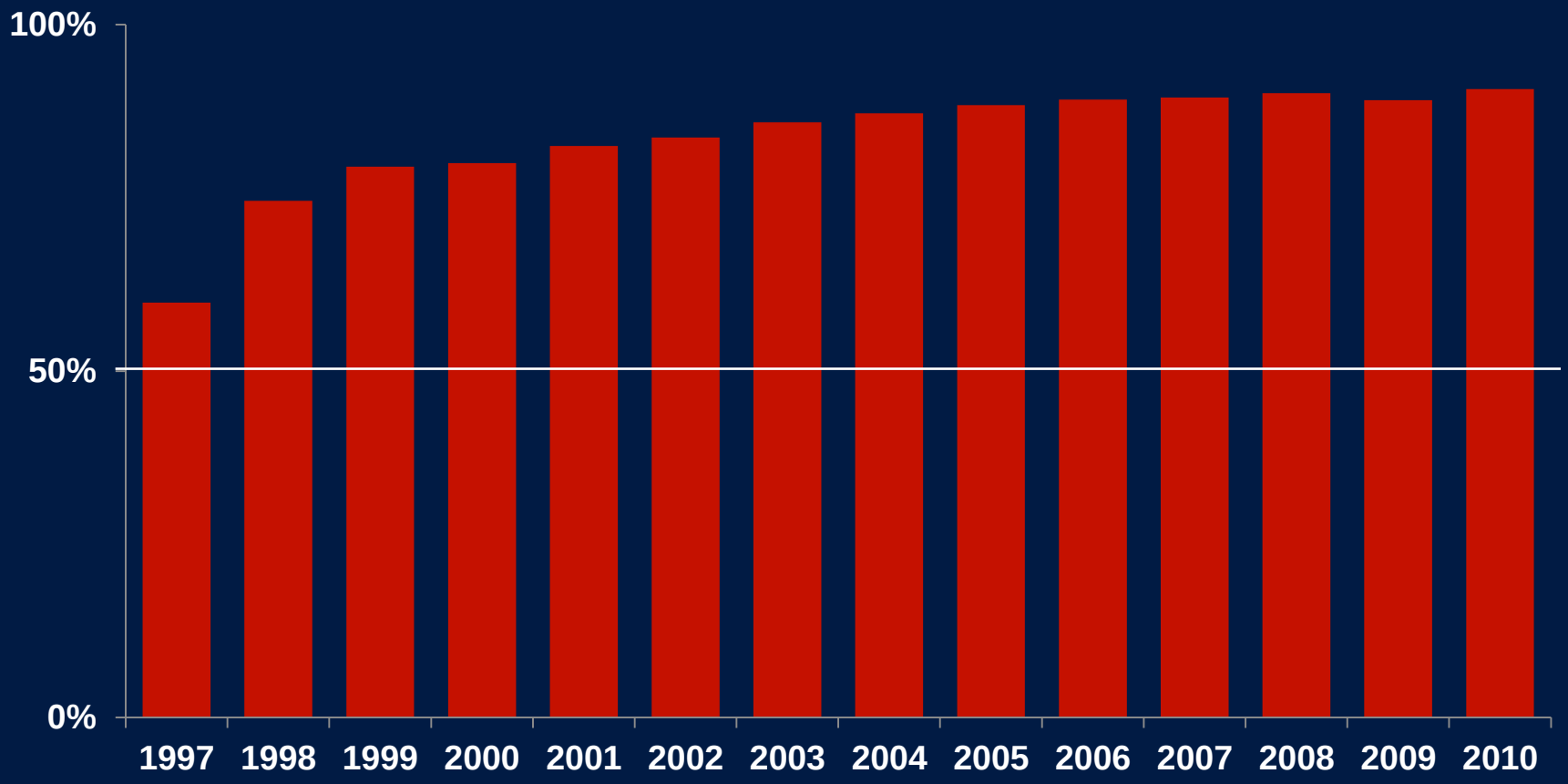
Underage Tobacco Use

National Survey on Drug Use and Health
(% of 12 to 17 year olds reporting past 30-day tobacco use)



Source: NSDUH

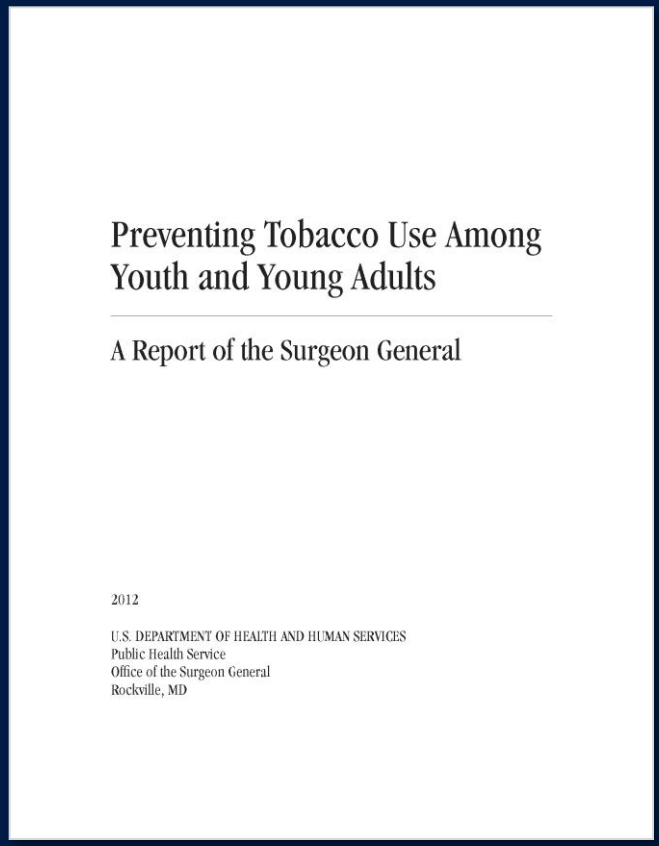
Compliance with Minimum Age Laws



Source: http://store.samhsa.gov/shin/content/SYNAR-11/SYNAR-11.pdf; Compliance is calculated as 100 pct minus the national weighted average retailer violation rate.

Surgeon General's Report

- Issued report in 2012
- Report applauded progress made to reduce youth tobacco use
- Reiterated public health policy recommendations



Altria

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

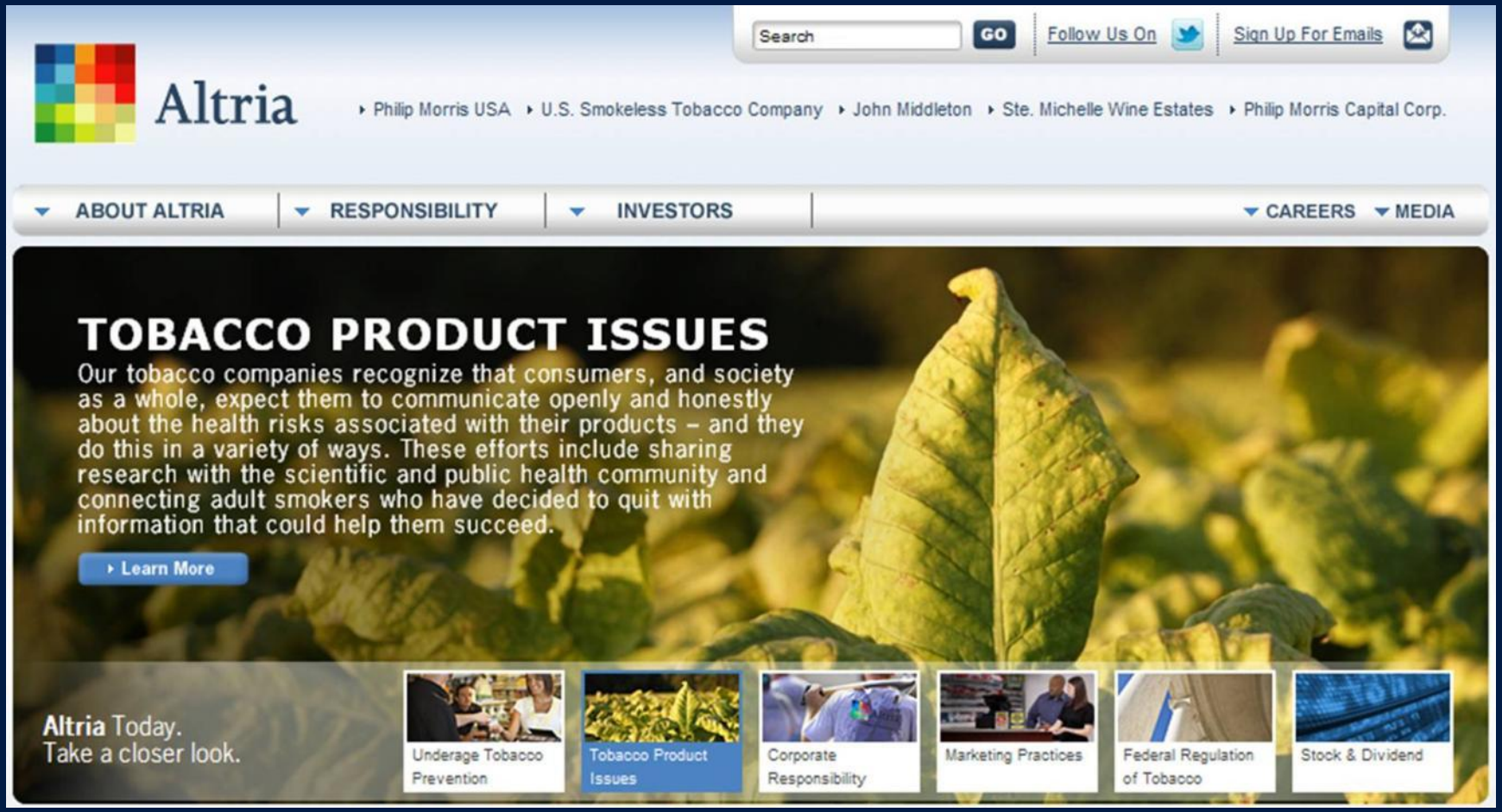
Source: Preventing Tobacco Use Among Youth and Young Adults, A Report of the Surgeon General, 2012

Surgeon General's Report

- Called for a variety of approaches
  - School-based policies and programs
  - Cessation options
  - Price increases
  - Smoking bans

Source: Preventing Tobacco Use Among Youth and Young Adults, A Report of the Surgeon General, 2012

Altria's Website: Tobacco Product Issues



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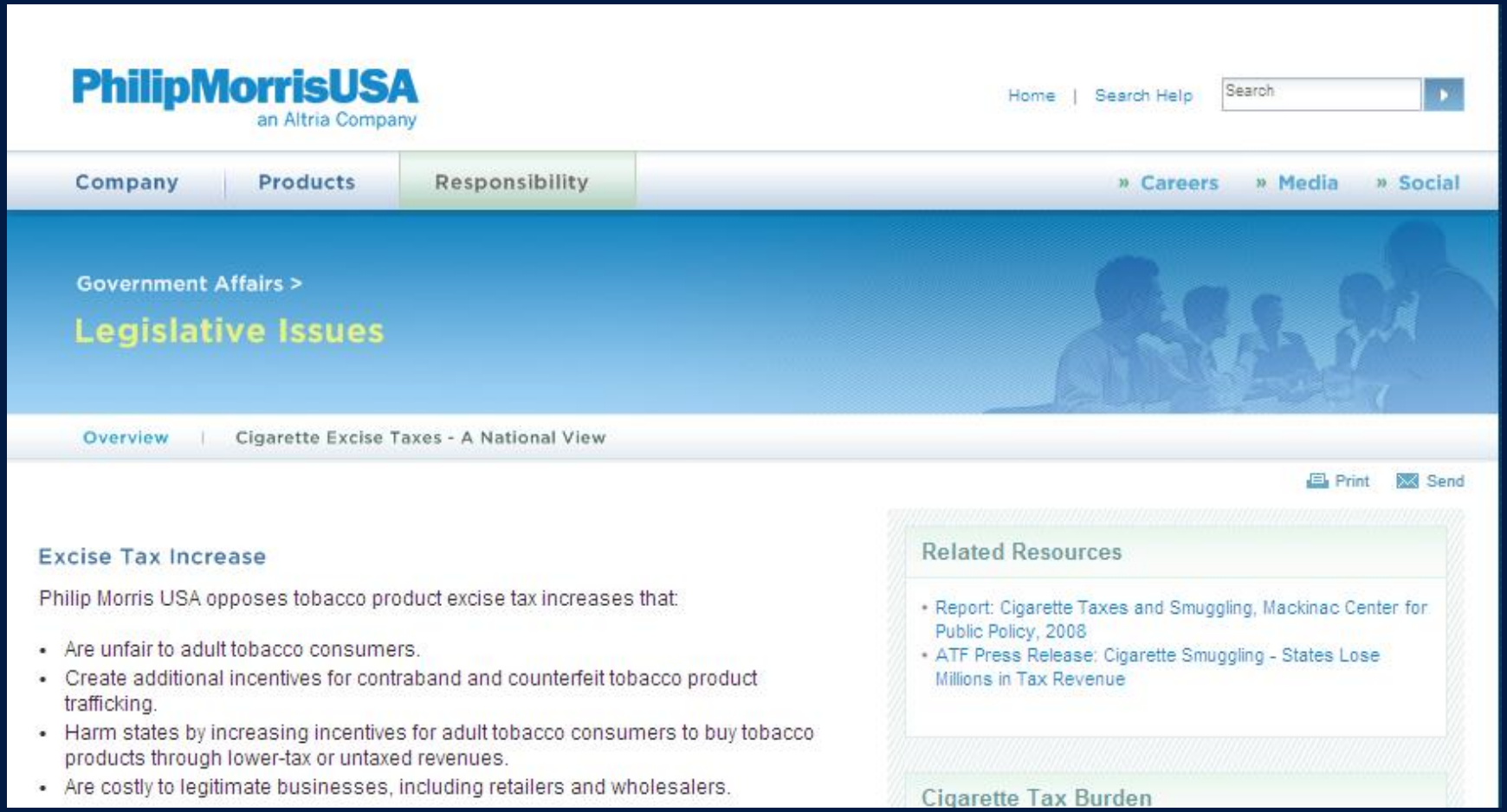
Altria's Website: Underage Tobacco Prevention

Altria

PM USA's Website: Cigarette Taxes



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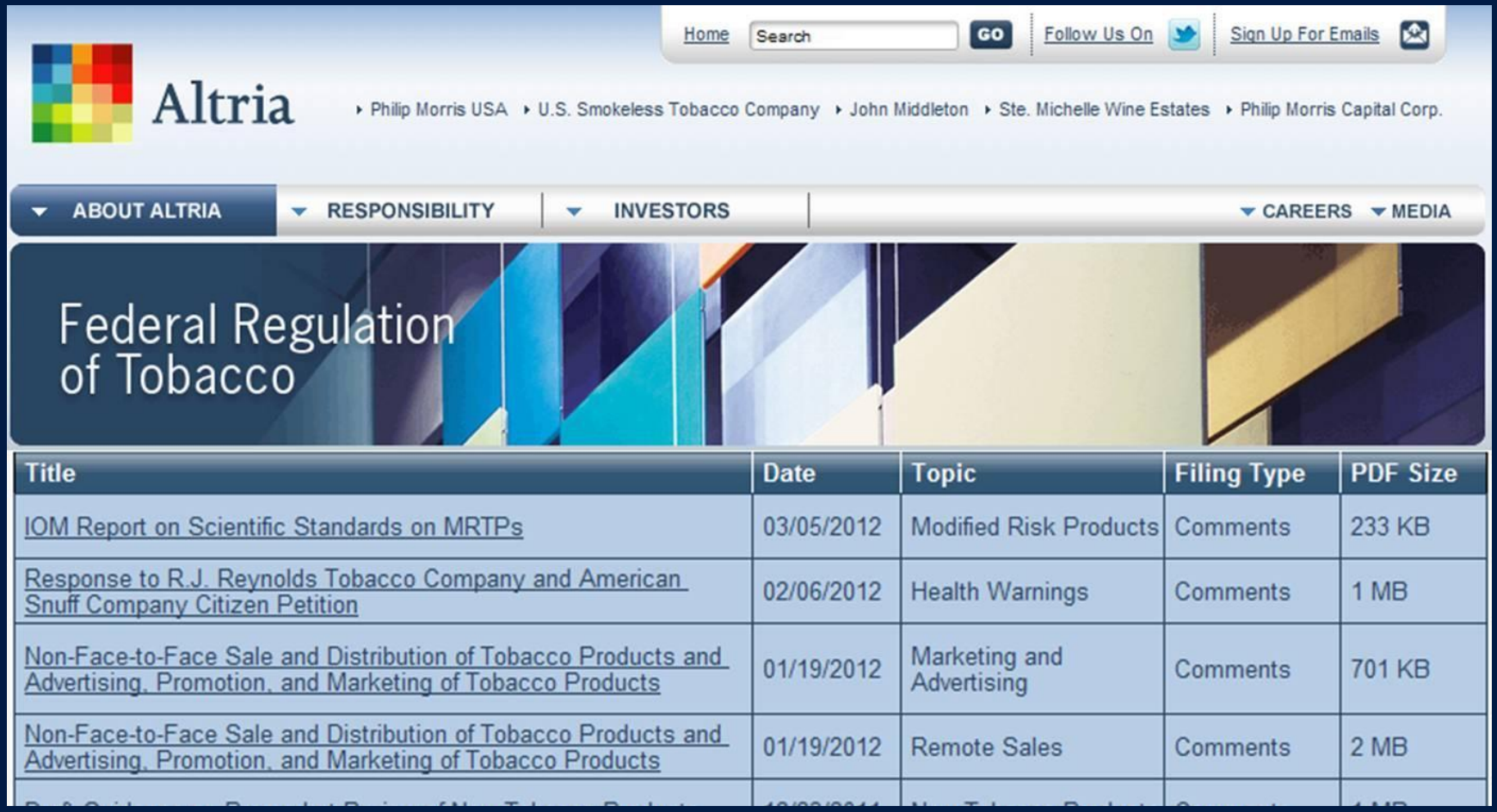
Altria's Website: Engagement with FDA



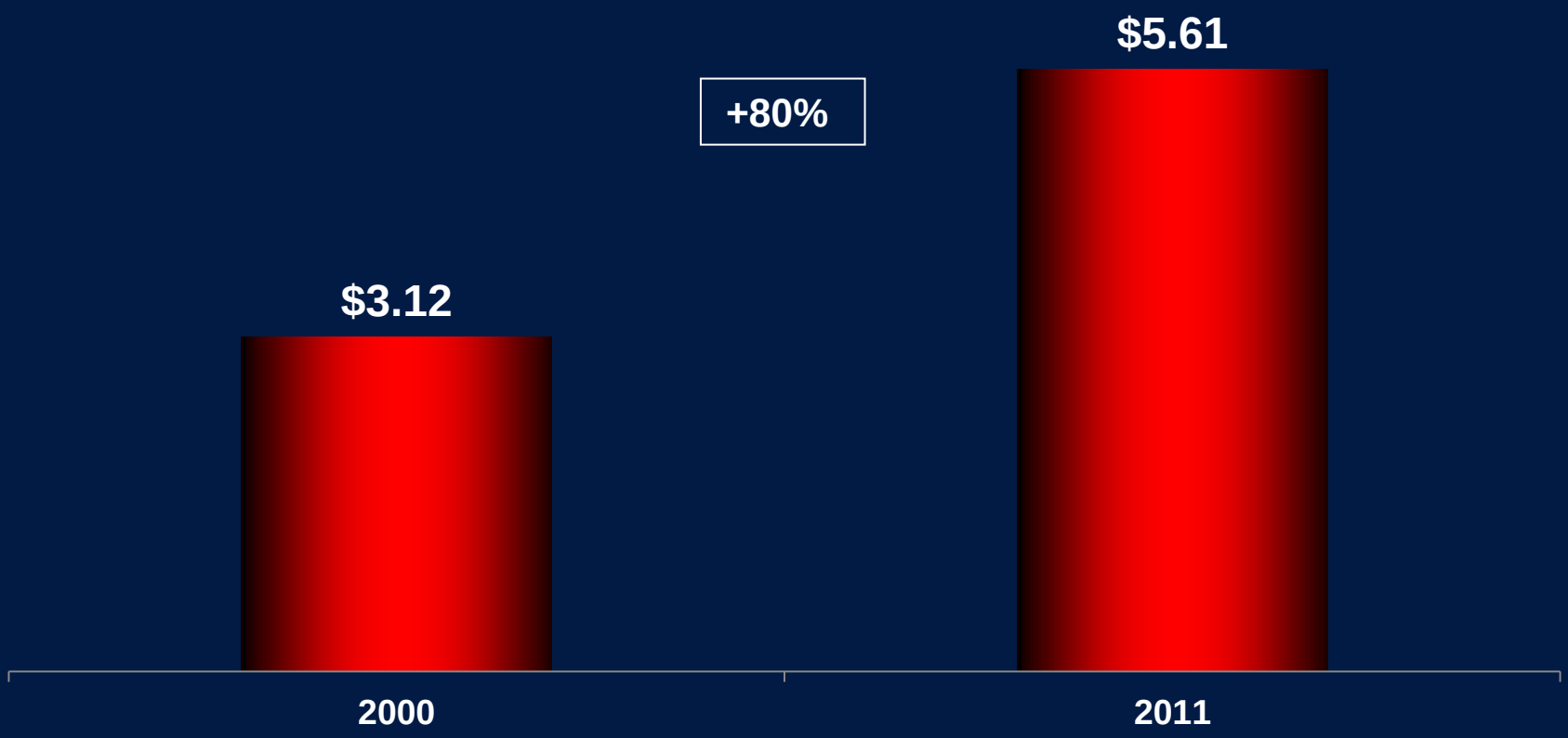
Title	Date	Topic	Filing Type	PDF Size
IOM Report on Scientific Standards on MRTPs	03/05/2012	Modified Risk Products	Comments	233 KB
Response to R.J. Reynolds Tobacco Company and American Snuff Company Citizen Petition	02/06/2012	Health Warnings	Comments	1 MB
Non-Face-to-Face Sale and Distribution of Tobacco Products and Advertising, Promotion, and Marketing of Tobacco Products	01/19/2012	Marketing and Advertising	Comments	701 KB
Non-Face-to-Face Sale and Distribution of Tobacco Products and Advertising, Promotion, and Marketing of Tobacco Products	01/19/2012	Remote Sales	Comments	2 MB

Altria's Website: Marketing Practices

QuitAssist® Website

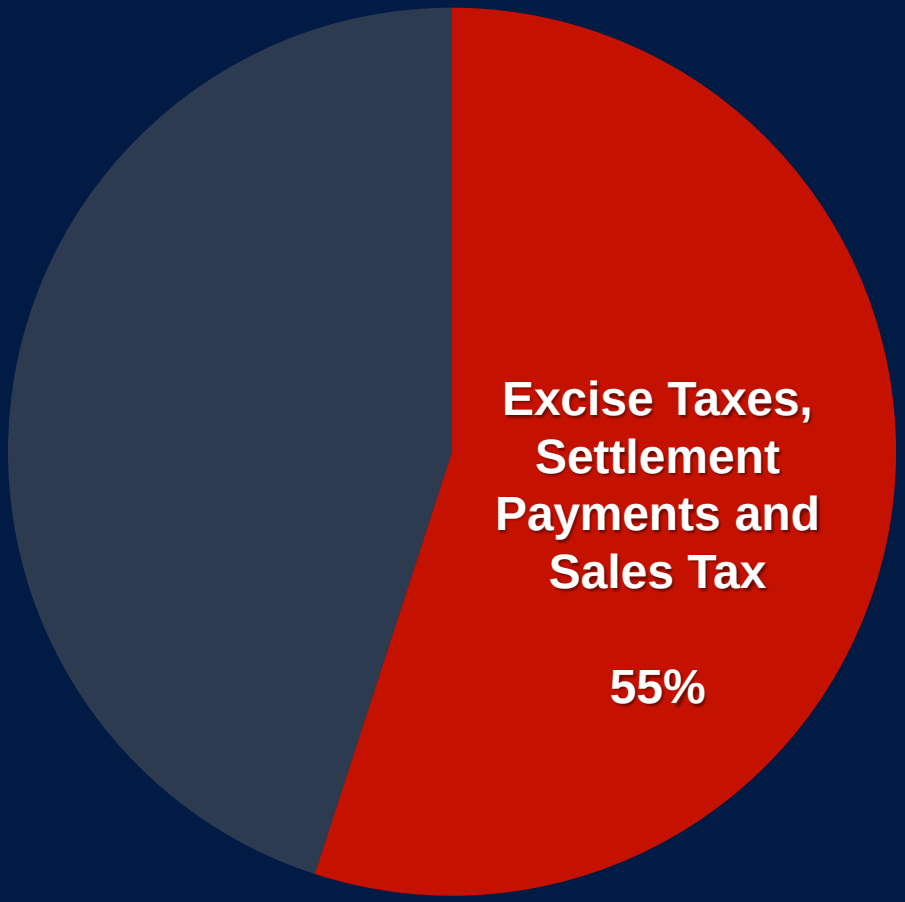
Altria

Cigarette Pack Pricing



Source: Orzechowski and Walker, Tax Burden on Tobacco, vol. 46

Cigarette Pack Price Components



Source: Orzechowski and Walker, Tax Burden on Tobacco, vol. 46

Tobacco Taxes and Settlement Payments

- Adult tobacco consumers paid >$35 billion in tobacco-related taxes in 2011
- PM USA paid >$59 billion to states under the tobacco settlement agreements since late 1990s
  - Encouraged states to fund youth smoking prevention and cessation programs

Source: Orzechowski and Walker, Tax Burden on Tobacco, vol. 46; ALCS

Underage Tobacco Use Regulation

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

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Underage Tobacco Use – Retail Compliance

- Federal law mandates:
  - Cigarettes and smokeless tobacco be sold behind the counter
  - Illegal to sell tobacco to minors

Source: Food & Drug Administration inspections from October 2010 through March 2012

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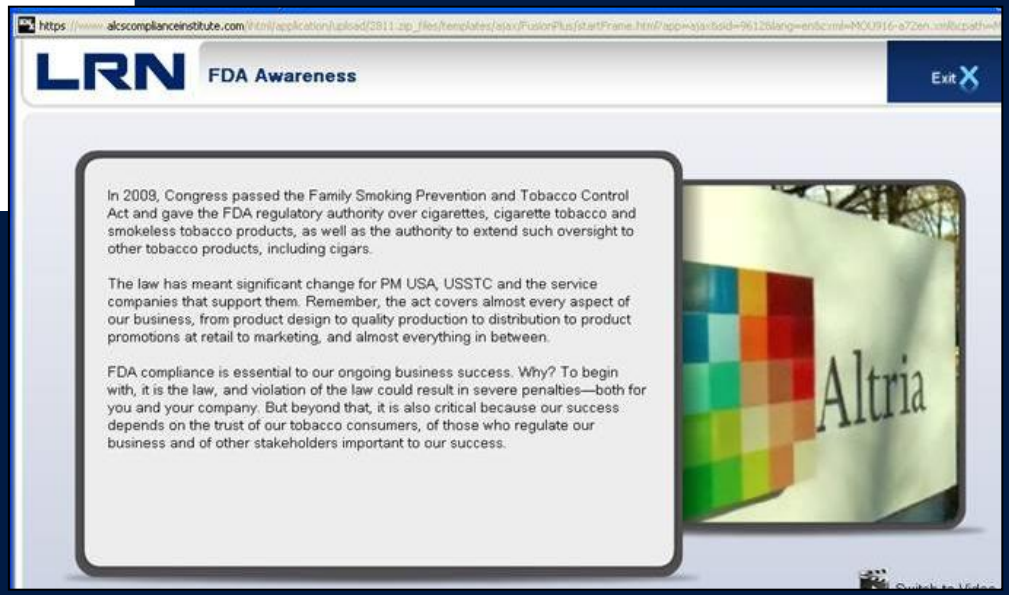
Employee Training – FDA Awareness

FDA Awareness Training

February, 2011

1 I Altria Client Services I Compliance Institute I 5/11/2012 I FINAL



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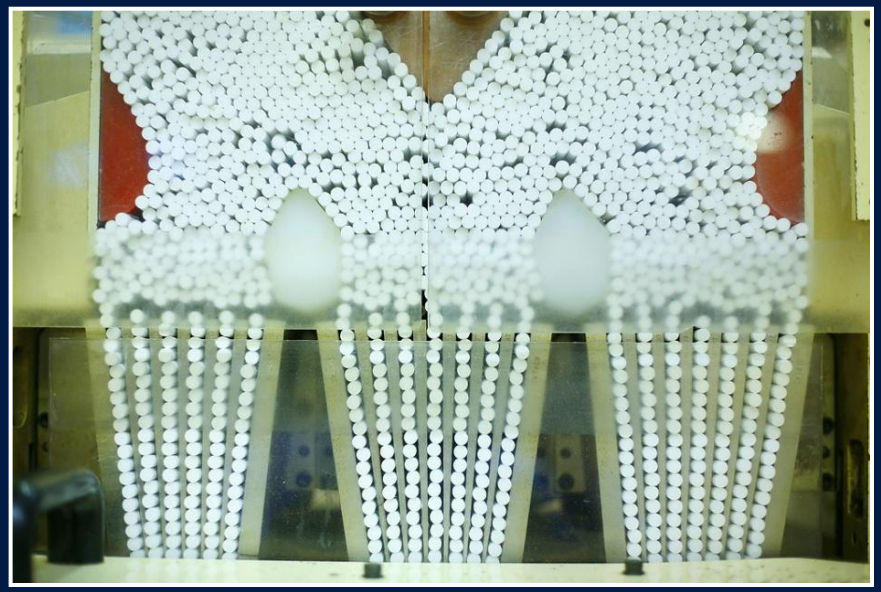
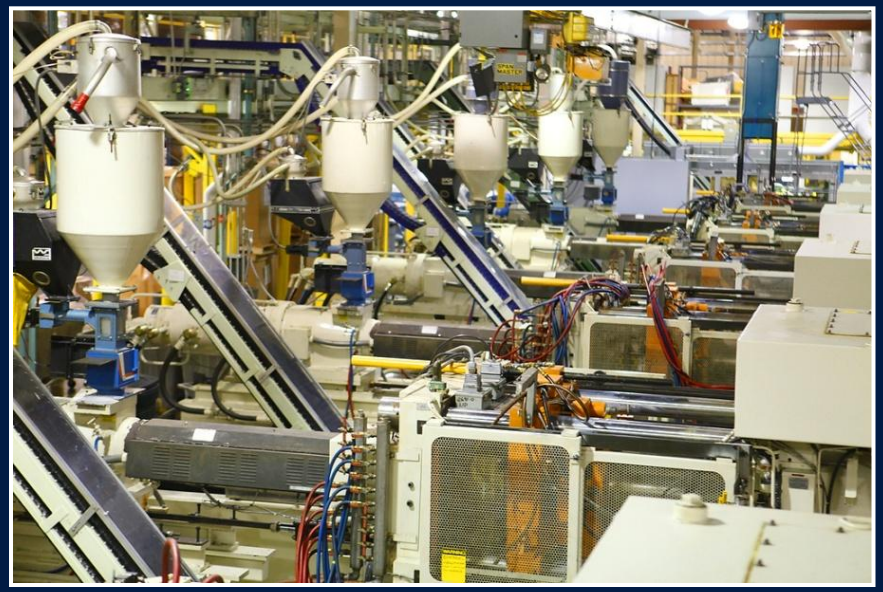
Manufacturing Infrastructure

- Continue to enhance manufacturing processes and quality management systems





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Environment Management

- Reduce
  - Energy use
  - Greenhouse gas emissions
  - Water use
- Increase
  - Recycling of waste

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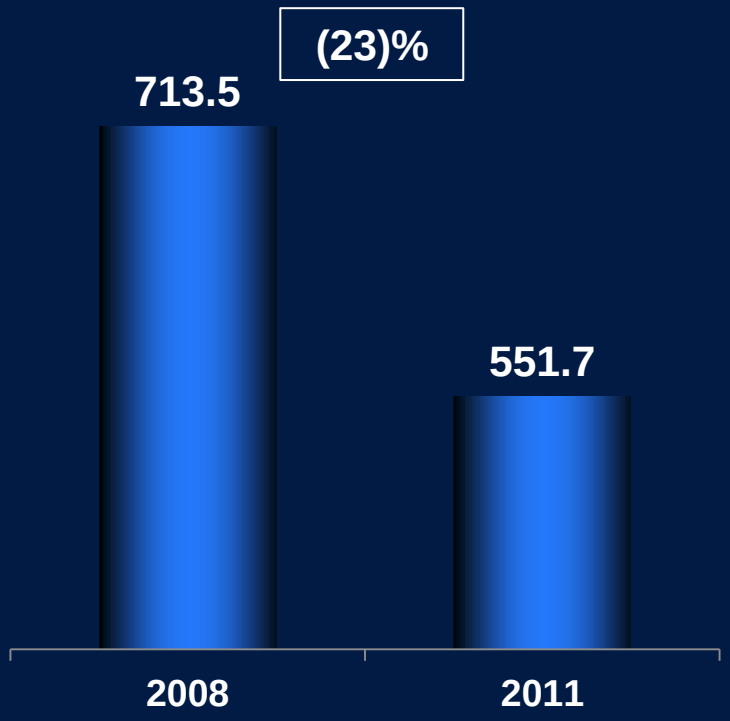
Environment Management

Energy Use
(Billions British Thermal Units in 000)



Greenhouse Gas Emissions
(Metric Tons)

Source: http://www.altria.com/en/cms/Responsibility/environmental-management/progress-metrics/default.aspx

Cigarette Litter Prevention Program

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

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Environment Management

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

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Satisfy Adult Consumers

We will convert our deep understanding of adult tobacco and wine consumers into better and more creative products that satisfy their preferences.

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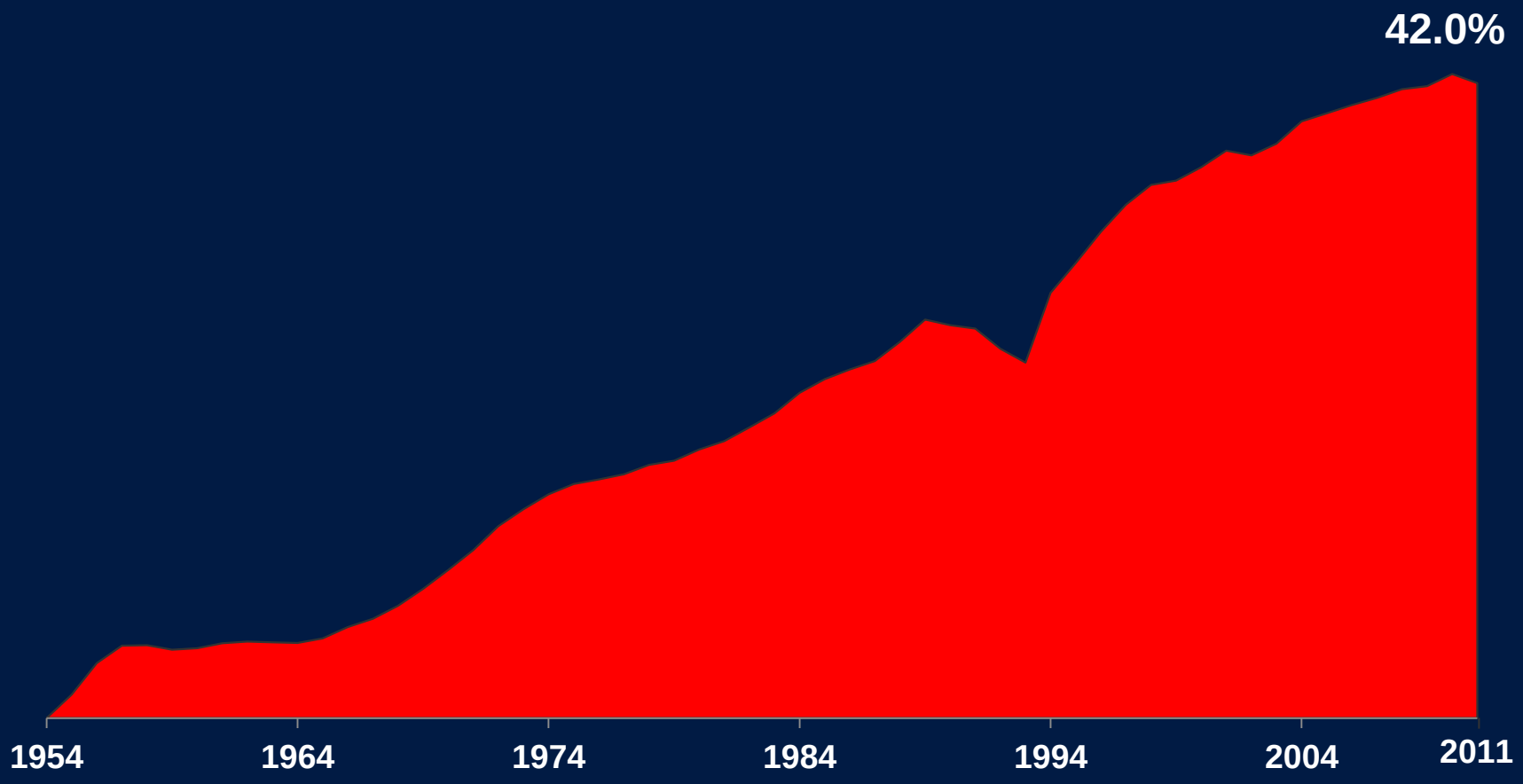
Marlboro's Retail Share



Source: Maxwell; MSAi Shipments; IRI/Capstone – Total Retail Panel; IRP SymphonyIRI Group/Capstone Projected Retail Panel

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Copenhagen and *Skoal*

- Unique positions with complementary product portfolio strategies designed to maximize USSTC's performance
- USSTC #1 position:

Forms:

- Fine-cut
- Long-cut
- Pouches

Taste Segments:

- Natural
- Mint
- Straight
- Blend

Source: SymphonyIRI Group InfoScan Smokeless Tobacco Database

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Adult Dippers' Perceptions of *Skoal*

- Modern
- Innovative
- Products deliver great taste
- Forms are easy to manage

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Source: ALCS MICR

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Smokeless Alternatives for Adult Smokers

- Focused on developing new smokeless tobacco products
- ~30% of adult smokers are interested in a spit-free smokeless alternative

Altria

New Smokeless Tobacco Products

- PM USA and USSTC introduced a number of new products into lead markets in 2011
- Lead markets are providing important learnings about adult consumer reactions
- Rich product pipeline in development

Altria

Working With Third Parties

- Develop and commercialize innovative products for adult tobacco consumers

- Forming a joint venture to market and sell these products outside of the United States

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

Working With Third Parties

okono

- Okono and its affiliates'
  - Product development
  - Manufacturing capabilities

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

New Tobacco Products

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

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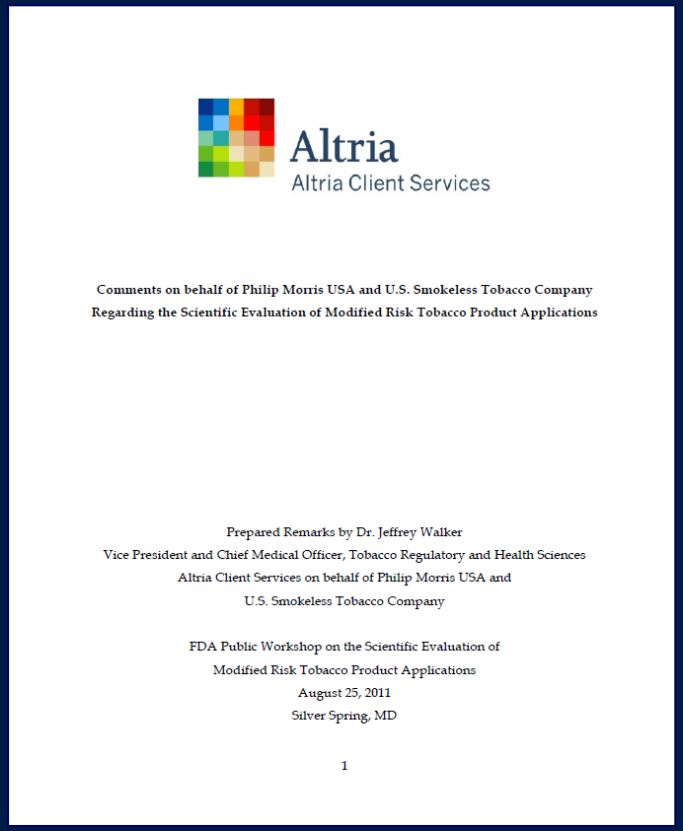
Engagement With FDA



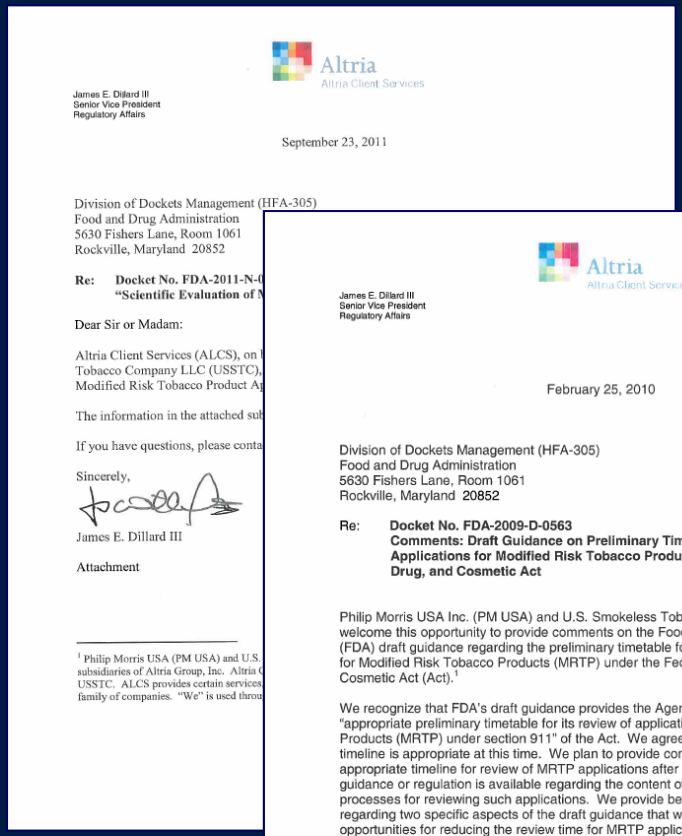
Altria
Altria Client Services

Comments on behalf of Philip Morris USA and U.S. Smokeless Tobacco Company Regarding the Scientific Evaluation of Modified Risk Tobacco Product Applications

Prepared Remarks by Dr. Jeffrey Walker
Vice President and Chief Medical Officer, Tobacco Regulatory and Health Sciences
Altria Client Services on behalf of Philip Morris USA and
U.S. Smokeless Tobacco Company

FDA Public Workshop on the Scientific Evaluation of
Modified Risk Tobacco Product Applications
August 25, 2011
Silver Spring, MD

1



Altria
Altria Client Services

James E. Dillard III
Senior Vice President
Regulatory Affairs

September 23, 2011

Division of Dockets Management (HFA-305)
Food and Drug Administration
5630 Fishers Lane, Room 1061
Rockville, Maryland 20852

Re: Docket No. FDA-2011-N-0
"Scientific Evaluation of M

Dear Sir or Madam:

Altria Client Services (ALCS), on b
Tobacco Company LLC (USSTC),
Modified Risk Tobacco Product Ap

The information in the attached sub

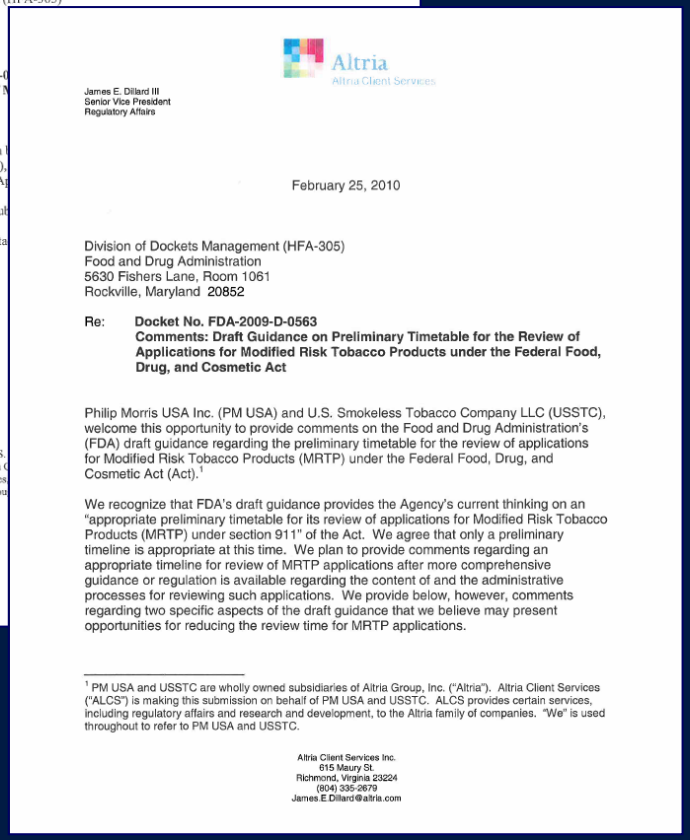
If you have questions, please conta

Sincerely,

James E. Dillard III

Attachment

[1] Philip Morris USA (PM USA) and U.S.
subsidiaries of Altria Group, Inc. Altria G
USSTC. ALCS provides certain services,
family of companies. "We" is used throu



Altria
Altria Client Services

James E. Dillard III
Senior Vice President
Regulatory Affairs

February 25, 2010

Division of Dockets Management (HFA-305)
Food and Drug Administration
5630 Fishers Lane, Room 1061
Rockville, Maryland 20852

Re: **Docket No. FDA-2009-D-0563**
Comments: Draft Guidance on Preliminary Timetable for the Review of Applications for Modified Risk Tobacco Products under the Federal Food, Drug, and Cosmetic Act

Philip Morris USA Inc. (PM USA) and U.S. Smokeless Tobacco Company LLC (USSTC), welcome this opportunity to provide comments on the Food and Drug Administration's (FDA) draft guidance regarding the preliminary timetable for the review of applications for Modified Risk Tobacco Products (MRTP) under the Federal Food, Drug, and Cosmetic Act (Act).[1]

We recognize that FDA's draft guidance provides the Agency's current thinking on an "appropriate preliminary timetable for its review of applications for Modified Risk Tobacco Products (MRTP) under section 911" of the Act. We agree that only a preliminary timeline is appropriate at this time. We plan to provide comments regarding an appropriate timeline for review of MRTP applications after more comprehensive guidance or regulation is available regarding the content of and the administrative processes for reviewing such applications. We provide below, however, comments regarding two specific aspects of the draft guidance that we believe may present opportunities for reducing the review time for MRTP applications.

[1] PM USA and USSTC are wholly owned subsidiaries of Altria Group, Inc. ("Altria"). Altria Client Services ("ALCS") is making this submission on behalf of PM USA and USSTC. ALCS provides certain services, including regulatory affairs and research and development, to the Altria family of companies. "We" is used throughout to refer to PM USA and USSTC.

Altria Client Services Inc.
615 Maury St.
Richmond, Virginia 23224
(804) 335-2679
James.E.Dillard@altria.com

Altria

FDA Regulation

- Opportunity to benefit adult tobacco consumers
- These benefits include:
  - Providing a framework to evaluate tobacco products that are potentially less harmful than conventional cigarettes
  - Creating clear principles for accurate and scientifically grounded communications

Altria

Our Approach to FDA

- PM USA and USSTC have encouraged FDA to:
  - Develop scientifically rigorous and achievable evaluation criteria for modified risk tobacco products
  - Apply these criteria in a balanced way

Altria

Create Substantial Value for Shareholders

We will execute our business plans to create sustainable growth and generate substantial returns for shareholders.

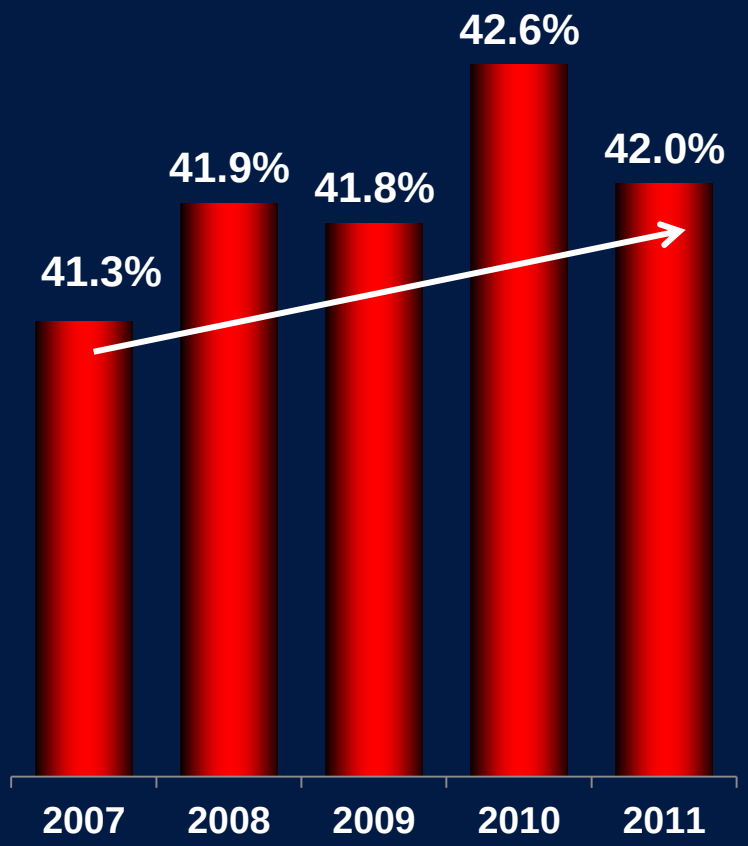
Altria

Cigarettes

- PM USA's objective is to maximize income
- Maintain modest share momentum on *Marlboro* over time

Altria

Marlboro's Retail Share



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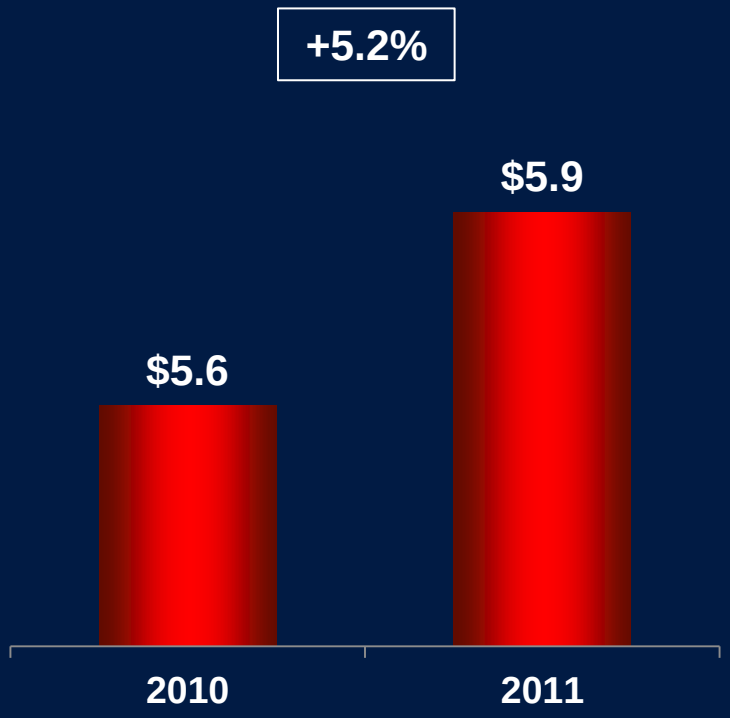
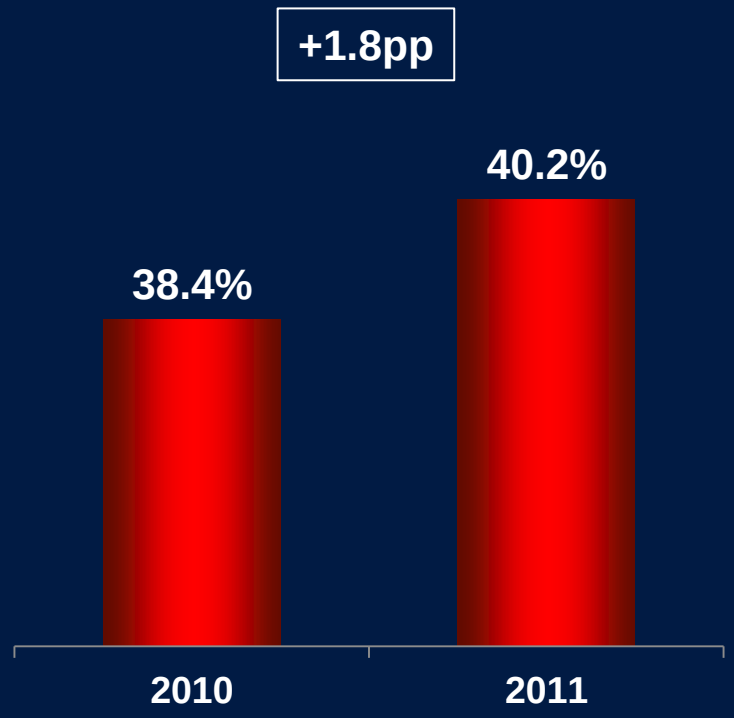
Source: 2007: ALCS - MICR estimate based on IRI/Capstone Projected Retail Panel, 2008 - 2011: IRP SymphonyIRI Group/Capstone Projected Retail Panel Database

Cigarettes Segment's Business Results

Adjusted OCI*
($ Billions)



Adjusted OCI Margins*



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* For reconciliations of non-GAAP to GAAP numbers visit www.altria.com; OCI = Operating Companies Income

Source: Altria Company Reports; Prior to 2012, Altria reported Cigarettes segment results. Effective January 1, 2012, Altria combined the former Cigarettes and Cigars segments into a single Smokeable Products segment

Machine-made Large Cigars

- Middleton focuses on building its position in machine-made large cigars with *Black & Mild*
- Middleton enhanced *Black & Mild*'s position through:
  - New products
  - Brand-building initiatives
  - Changes to manufacturing infrastructure

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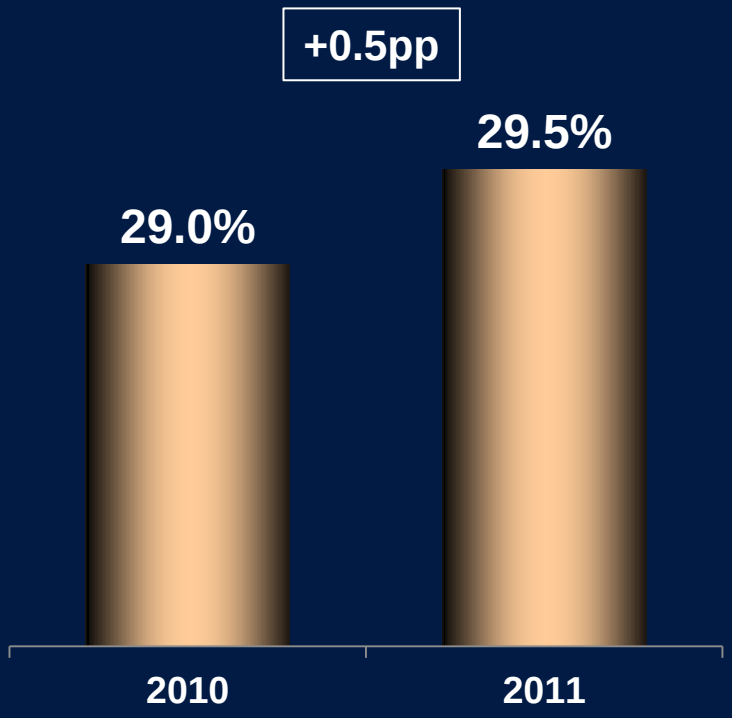
Altria

Black & Mild's Retail Share



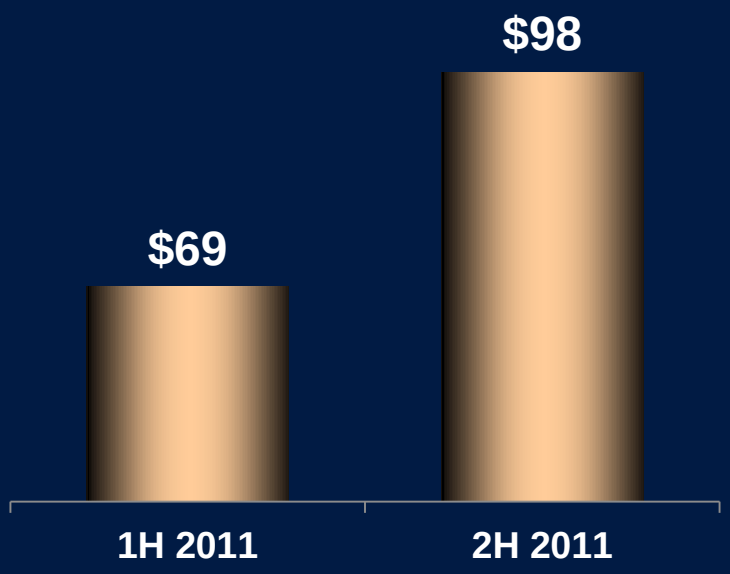
This space is blank because brand images which appeared in the original presentation have been removed

Source: SymphonyIRI Group InfoScan Cigar Database

Cigars Segment's Results

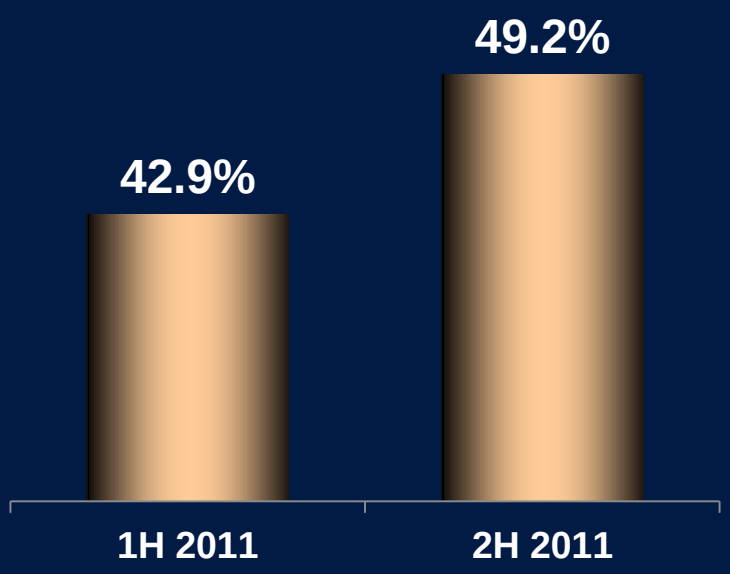
Adjusted OCI*
($ in Millions)

+42%



Adjusted OCI Margins*
(Percent)

+6.3pp



* For reconciliations of non-GAAP to GAAP measures visit www.altria.com

Source: Altria company reports ; Prior to 2012, Altria reported Cigars segment results. Effective January 1, 2012, Altria combined the former Cigarettes and Cigars segments into a single Smokeable Products segment

Smokeless Products

- Increase income through volume growth, by focusing on *Copenhagen* and *Skoal*

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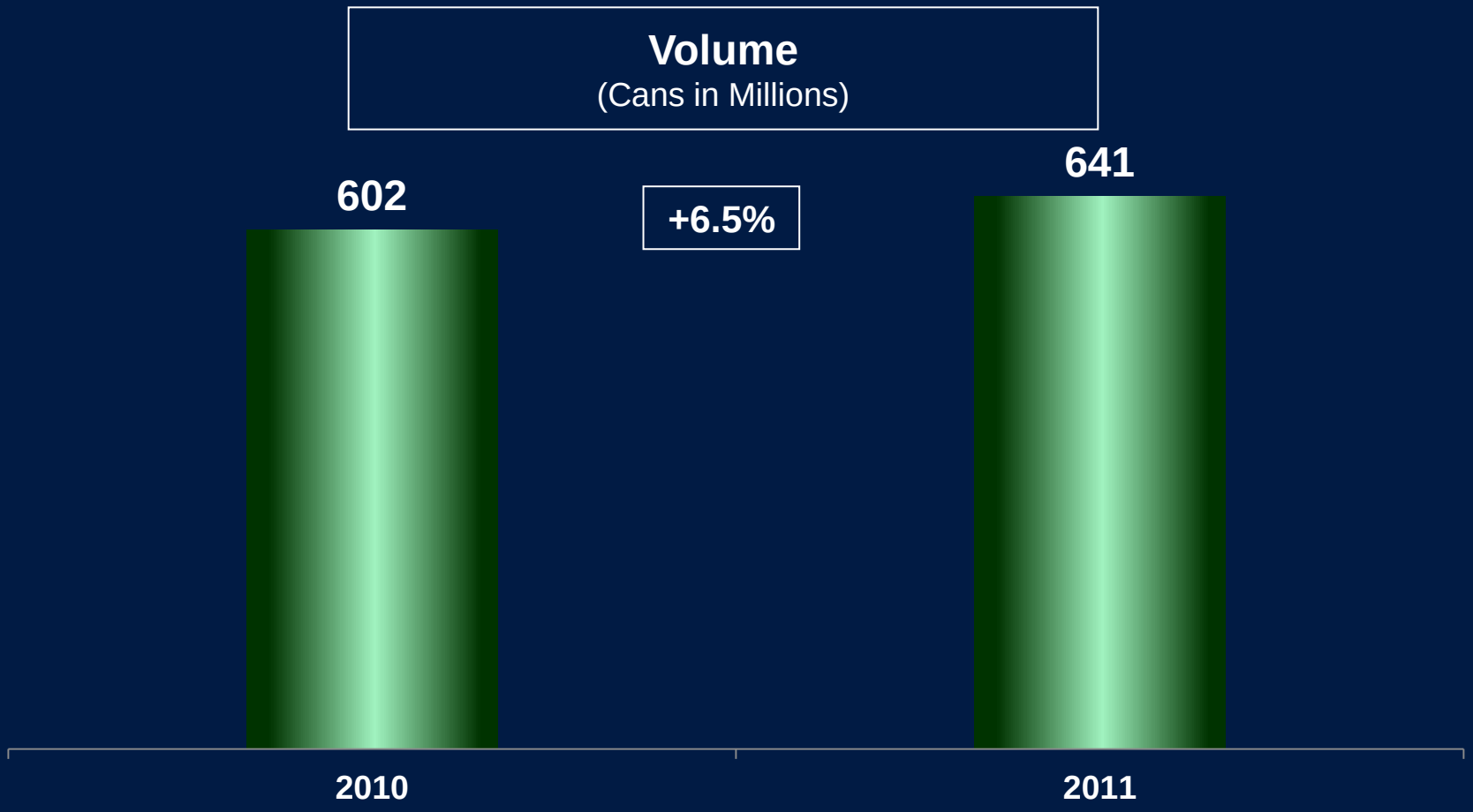
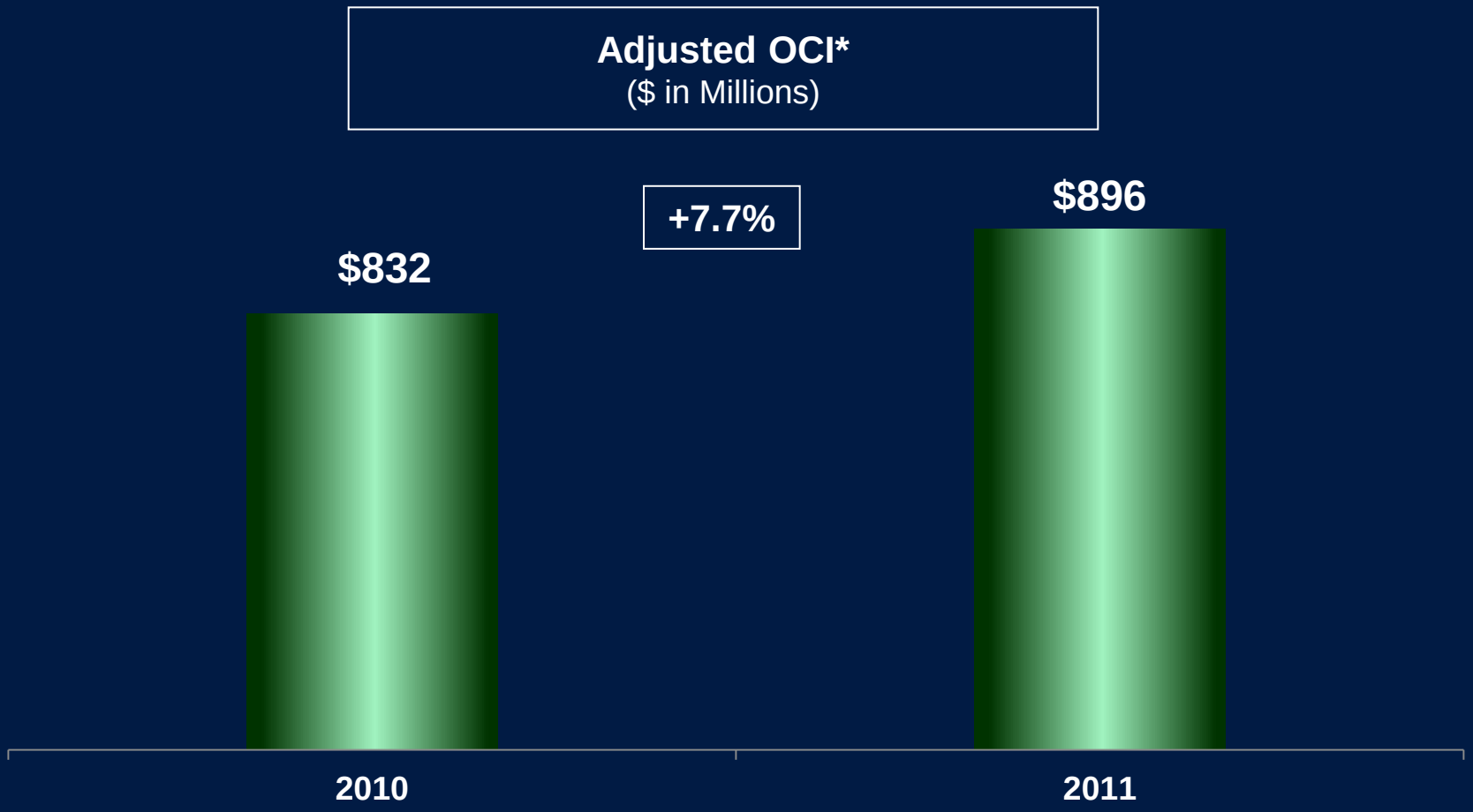
Altria

Copenhagen and *Skoal*'s Combined Volume



Source: Altria company reports

Smokeless Products Segment's Profitability



* For reconciliations of non-GAAP to GAAP measures visit www.altria.com; includes USSTC and PM USA's smokeless products

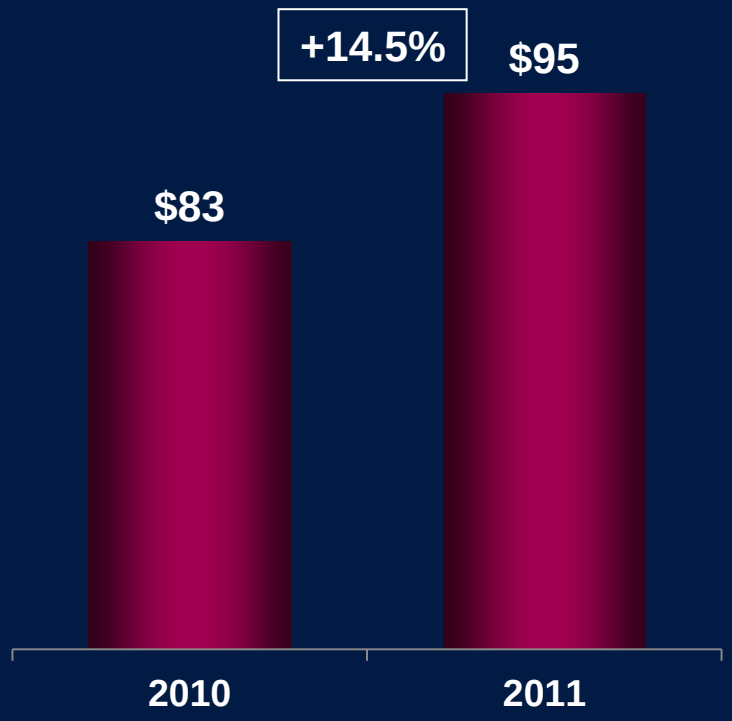
Source: Altria company reports

Altria

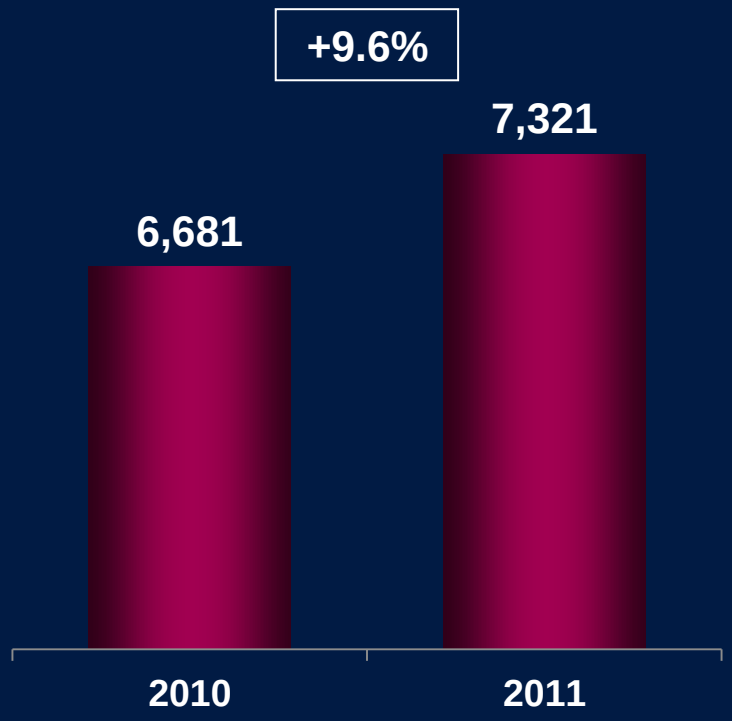
This space is blank because brand images which appeared in the original presentation have been removed

Wine Segment's Business Results

Adjusted OCI*
($ in Millions)



Volume
(Cases in Thousands)



* For reconciliations of non-GAAP to GAAP numbers visit www.altria.com

Source: Altria company reports

Cost Management Strategy

- Completed a multi-year $1.5 billion cost reduction program in Q3 2011
- Launched a new program that is expected to deliver $400 million in savings against previously planned spending by end of 2013

Altria

Altria's Balance Sheet

- Supports ability to return cash to shareholders
  - Dividends
  - Opportunistic share repurchases

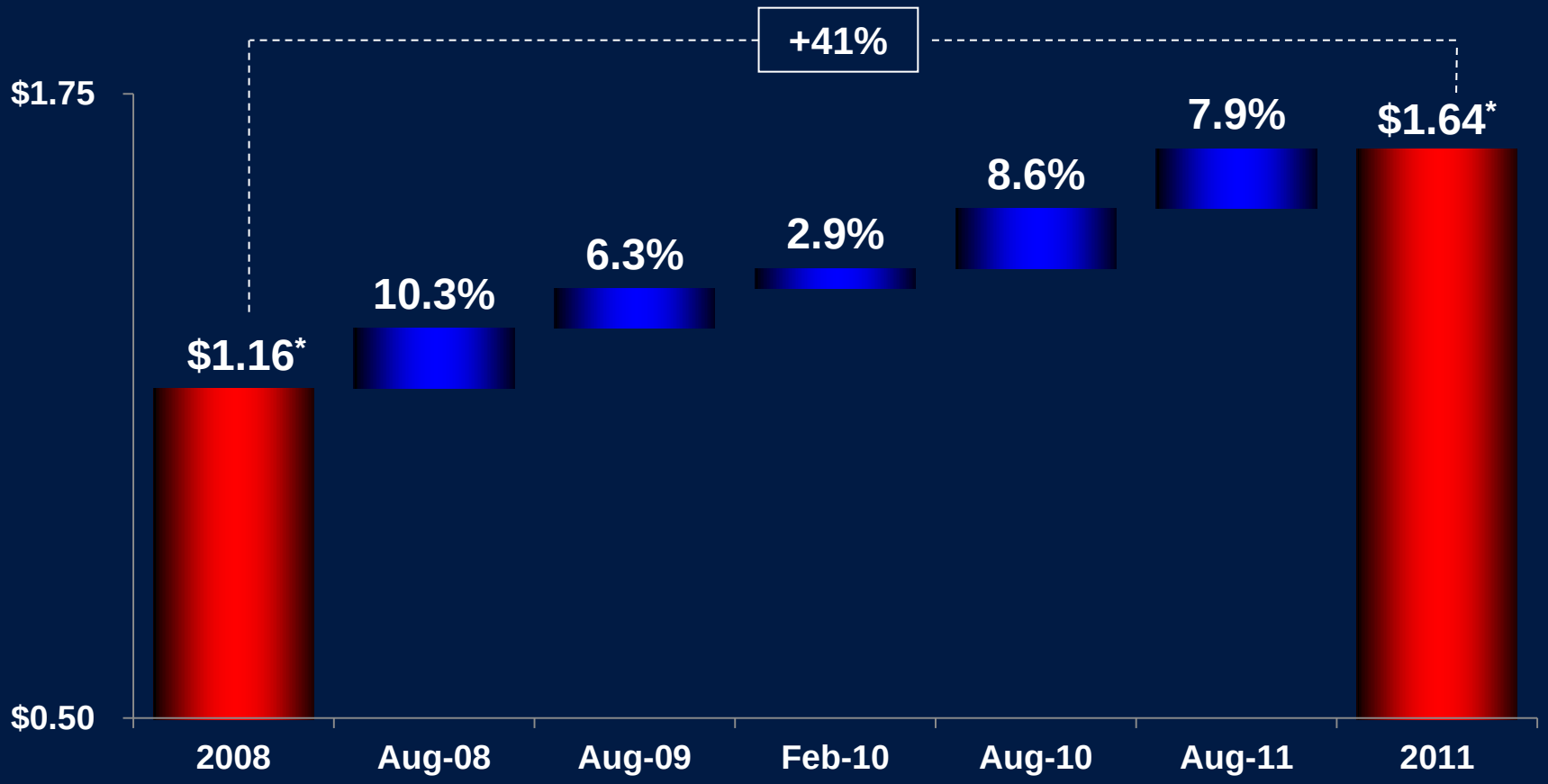
Altria

Returning Cash to Shareholders

- Dividends remain an important component of shareholder return
- ~80% dividend payout target
- Dividend payments remain subject to the discretion of Altria's Board of Directors

Altria

Altria's Dividend Increases Since PMI Spin-off



Note: 2008 annualized dividend rate is based on $0.29 per common share, declared May 28, 2008
2011 annualized dividend rate is based on $0.41 per common share, declared Aug 26, 2011

Source: Altria company reports

* Annualized rate

Altria

Returning Cash to Shareholders

- Dividends are an important component of shareholder return
- ~80% dividend payout target
- Paid $3.2 billion in dividends to shareholders in 2011
- Repurchased $1.3 billion of its shares in 2011

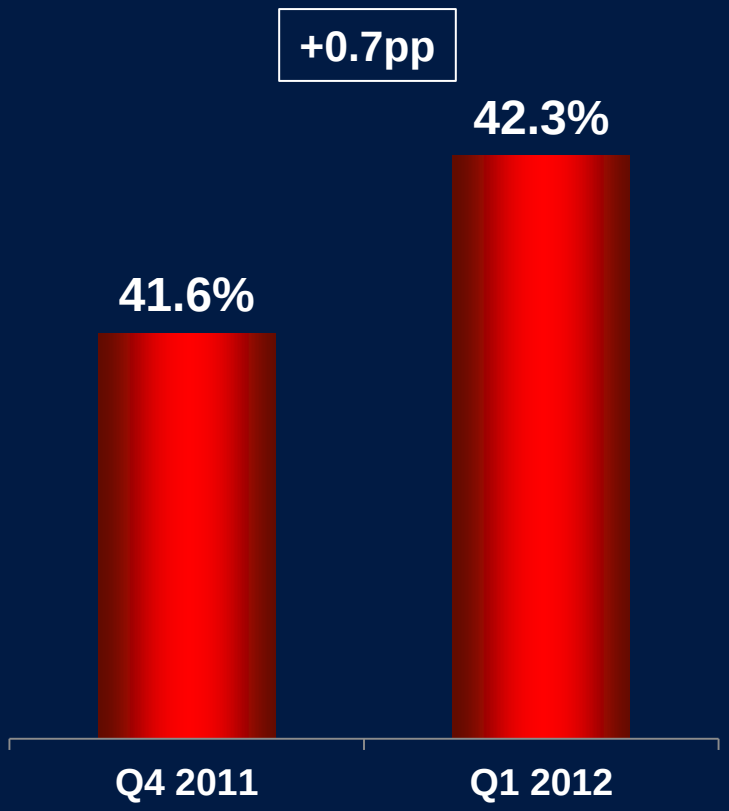
Altria

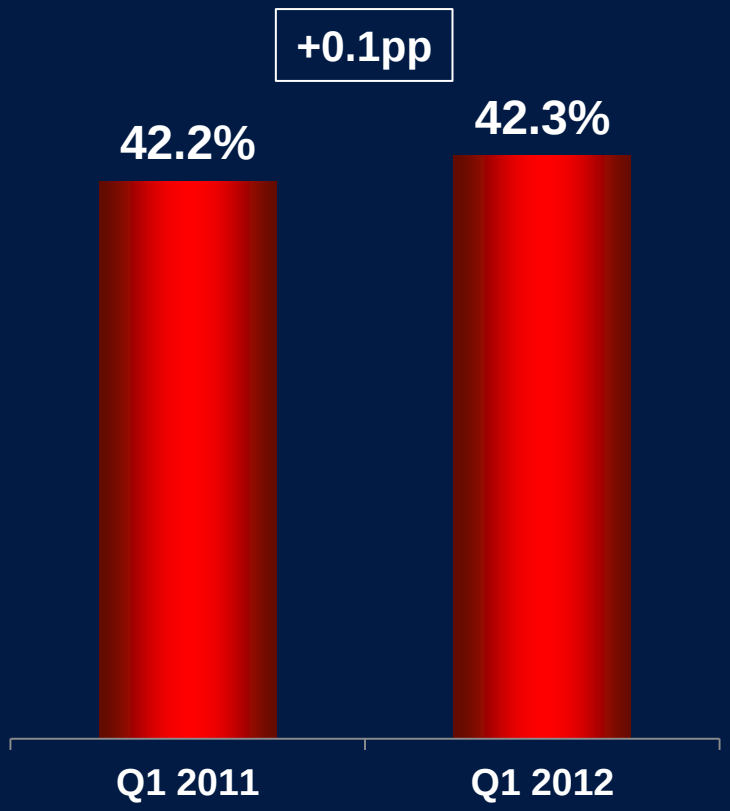
Q1 2012 Business Results

- Smokeable and smokeless products segments grew:
  - Adjusted OCI and margins
- Tobacco companies grew retail share

Altria

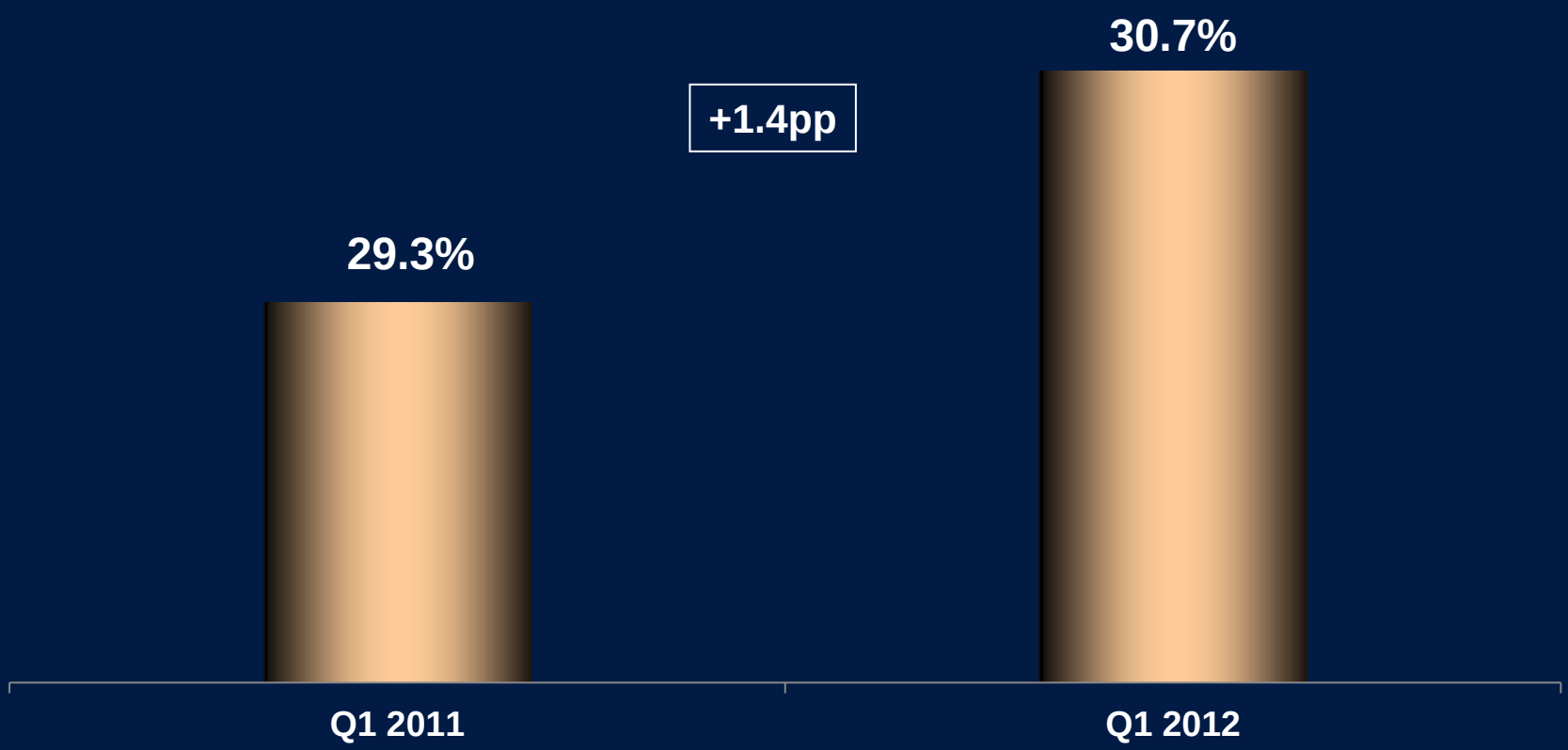
Marlboro's Retail Share





Source: IRP SymphonyIRI Group/Capstone Projected Retail Panel Database

Black & Mild's Retail Share

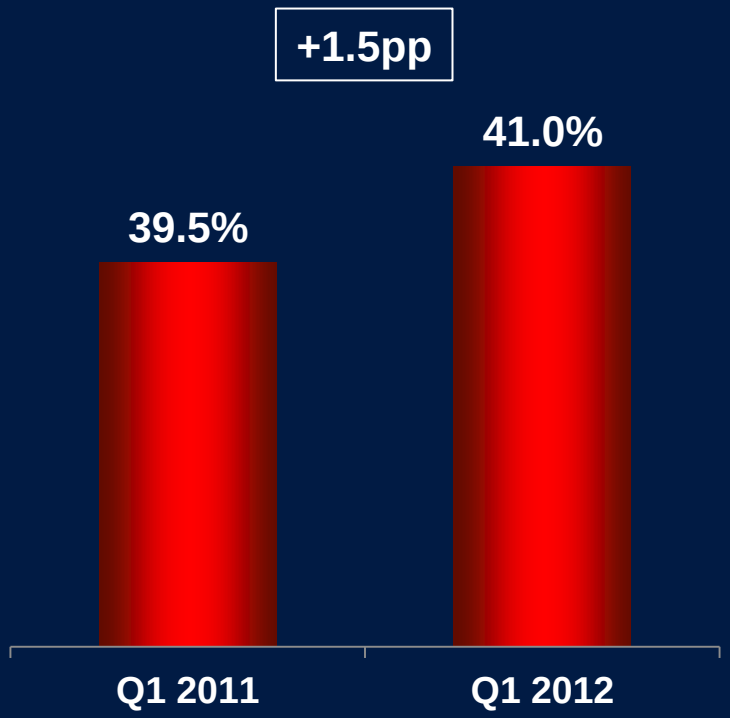


Source: SymphonyIRI Group Infoscan Cigar Database

Smokeable Products Segment's Results

Adjusted OCI*
($ Millions)

Adjusted OCI Margins*

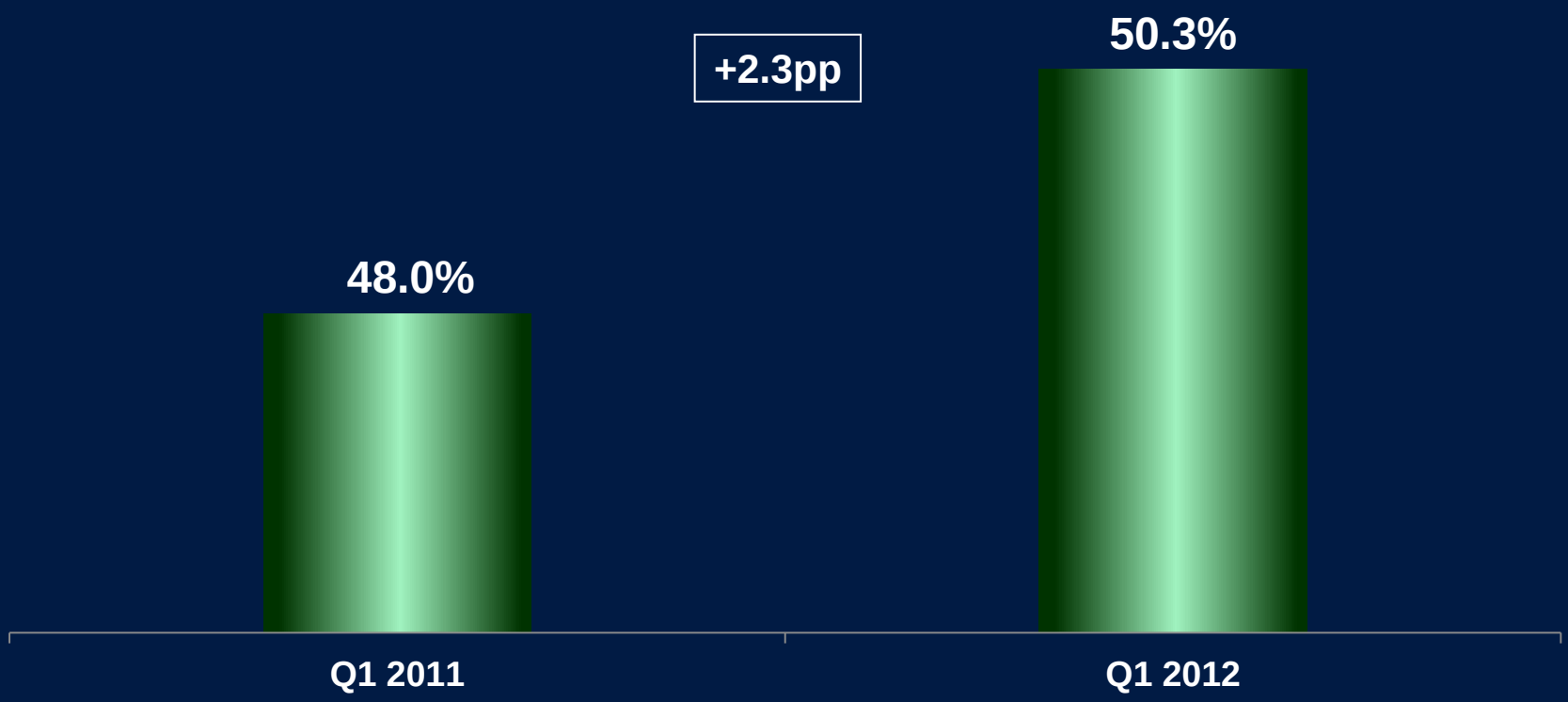


Altria

* As redefined; for reconciliation of non-GAAP to GAAP measures visit www.altria.com.

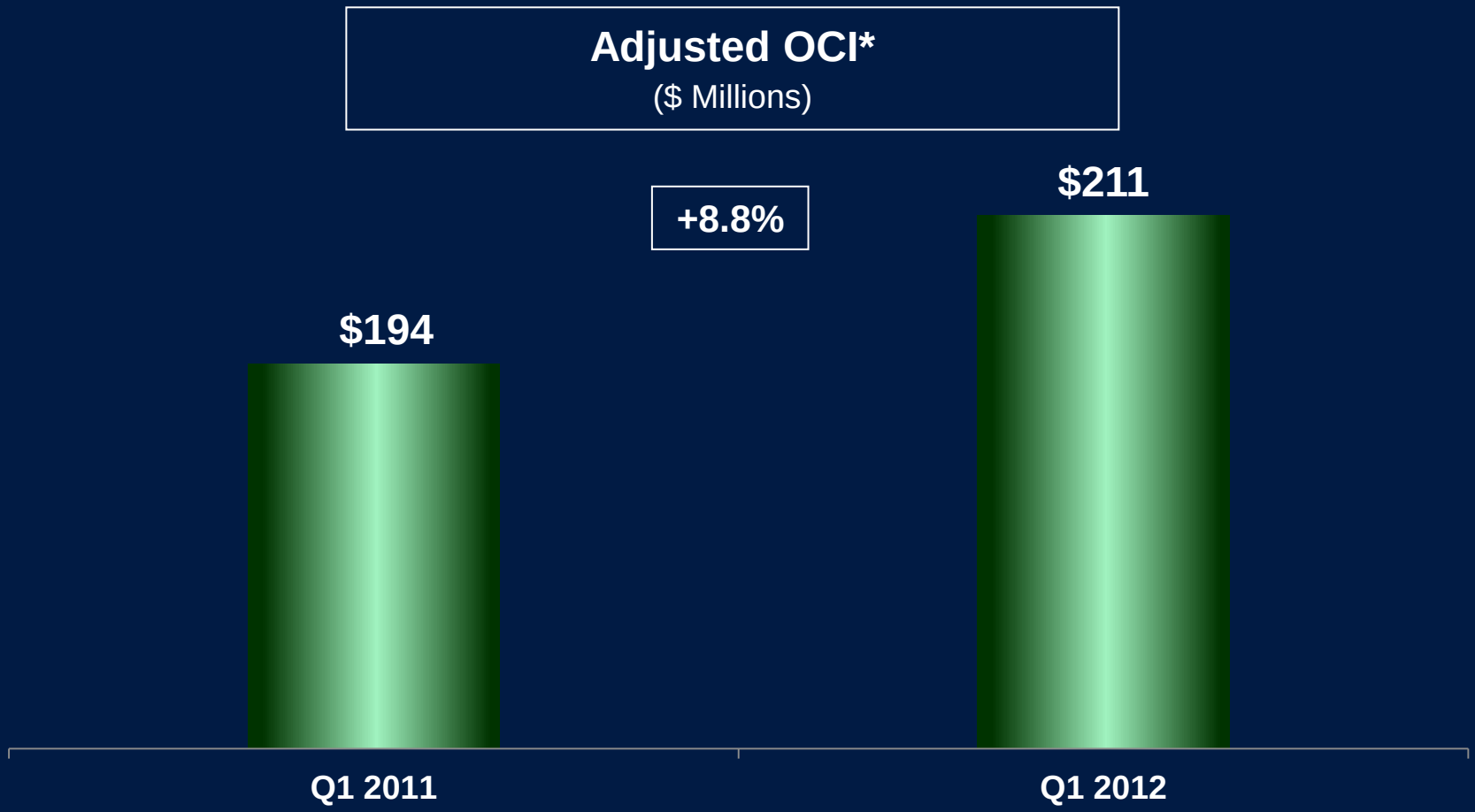
Source: Altria company reports

Copenhagen and *Skoal*'s Retail Share



Source: Symphony IRI Group Info Scan Smokeless Tobacco Database

Smokeless Products Segment's Results



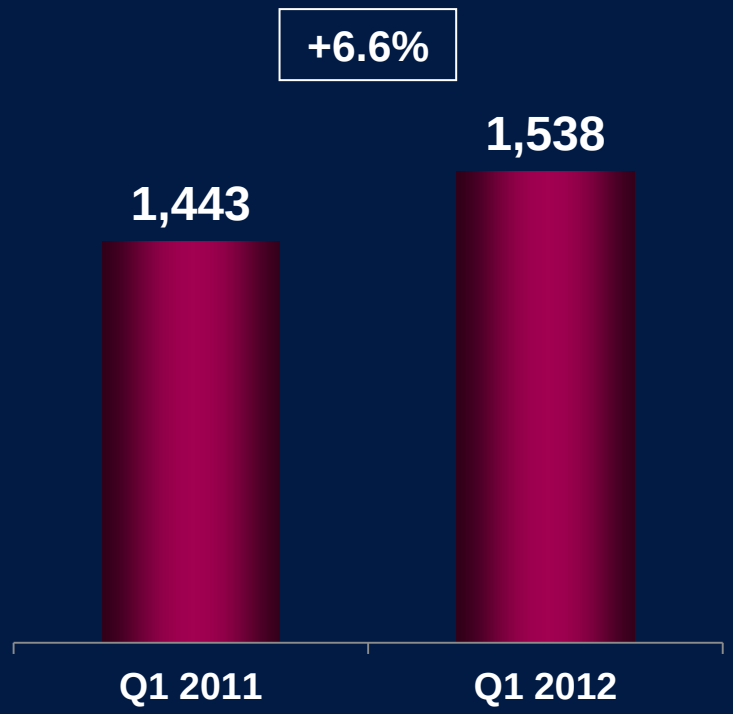
* As redefined; for reconciliation of non-GAAP to GAAP measures visit www.altria.com.

Source: Altria Company Reports

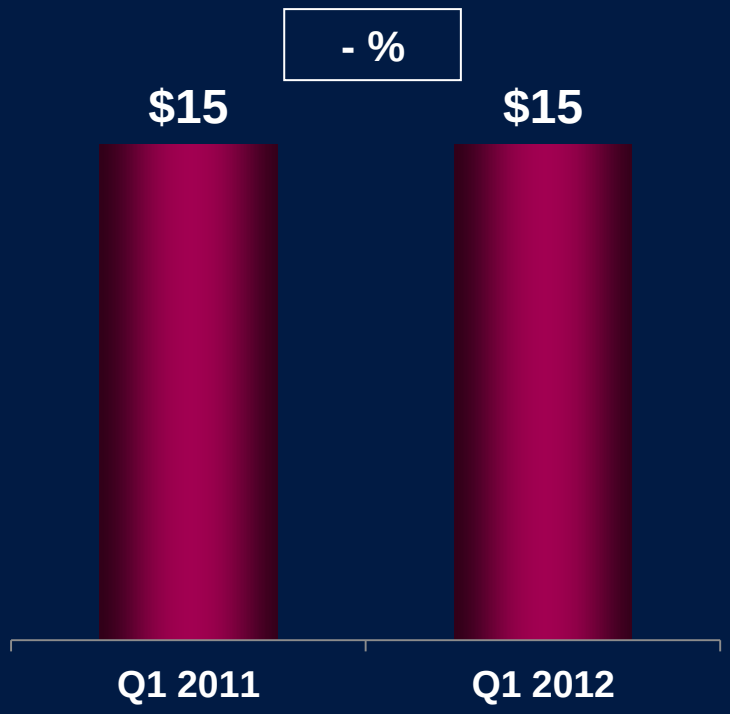
Altria

Wine Segment's Business Results

Volume
(Cases in Thousands)



Adjusted OCI*
($ in Millions)



Altria

* For reconciliations of non-GAAP to GAAP numbers visit www.altria.com

Source: Altria company reports

Q1 2012 Business Results

PhilipMorrisUSA an Altria Company

U.S. Smokeless Tobacco Co. an Altria Company

Philip Morris Capital Corporation an Altria Company

John Middleton an Altria Company

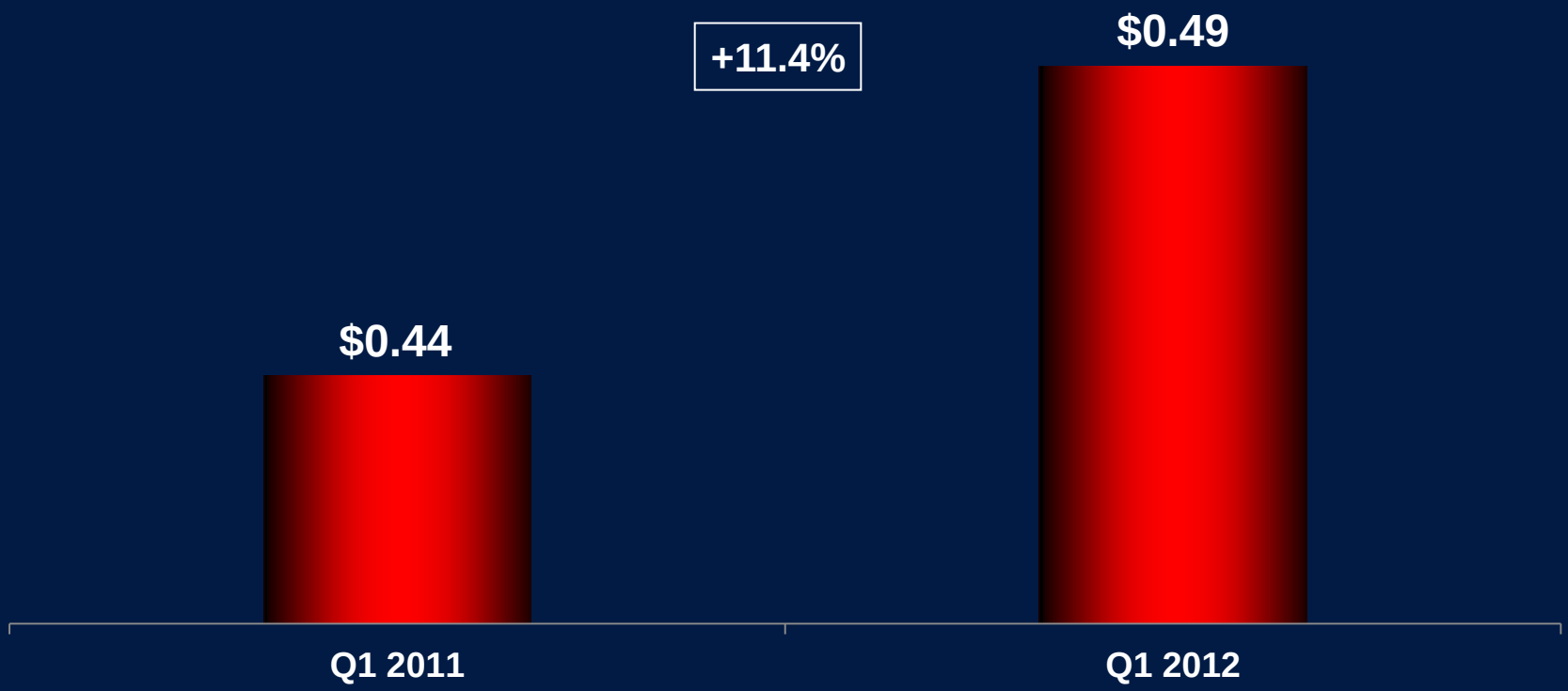
Ste Michelle Wine Estates an Altria Company

SAB Miller

Equity Investment in SABMiller

Altria

Altria's Q1 2012 Adjusted Diluted EPS*



* For reconciliations of non-GAAP to GAAP numbers visit www.altria.com

Source: Altria company reports

Altria

Altria's 2012 EPS Guidance

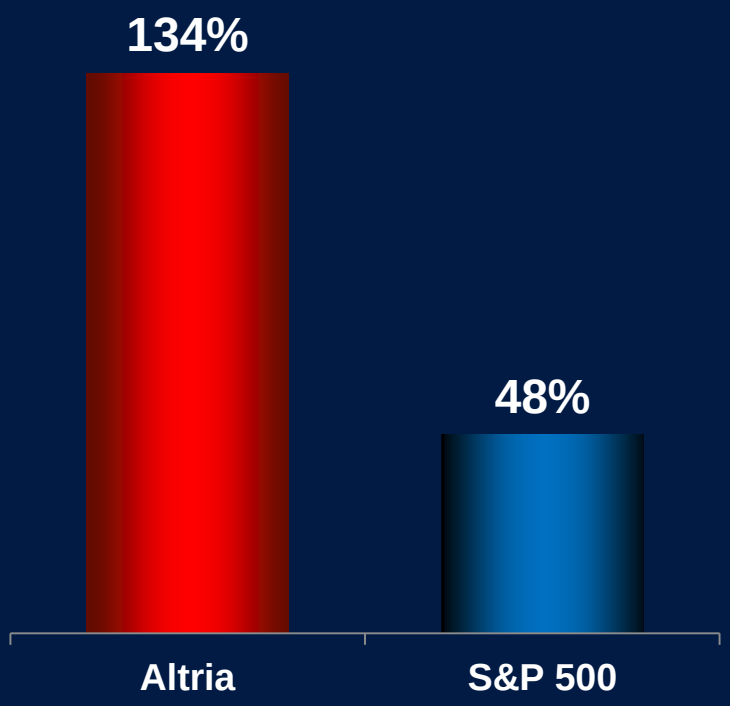
- Altria reaffirms that it expects 2012 adjusted diluted EPS* to grow 6% to 9% to a range of $2.17 to $2.23

* For reconciliations of non-GAAP to GAAP numbers visit www.altria.com

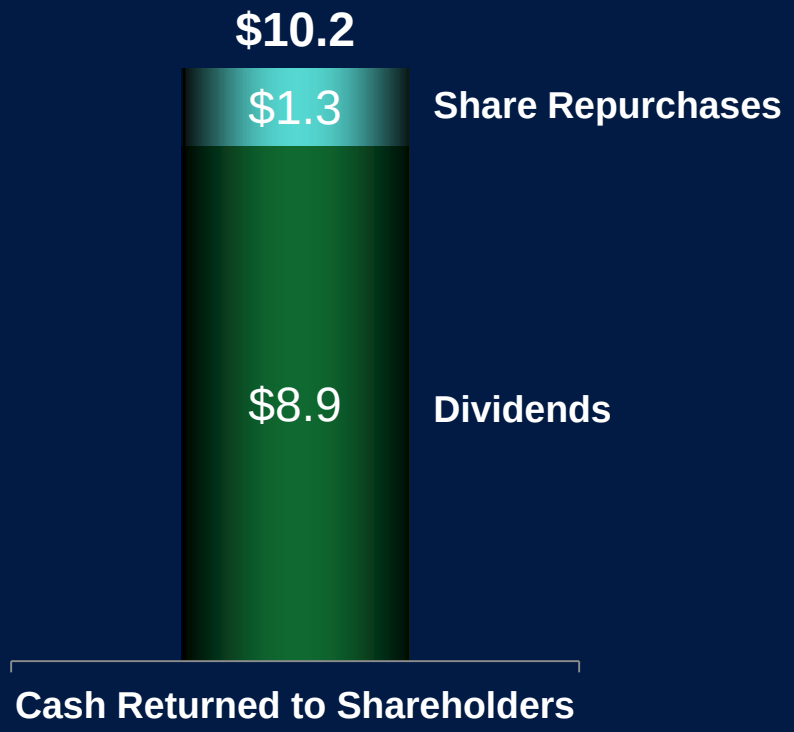
Altria

Altria's Strong Performance

Total Shareholder Return
(2009 – 2011)



Dividends / Share Repurchases
(2009 – 2011)



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Source: Altria company reports; Bloomberg Yearly Return (Dec 31, 2007 – Dec 31, 2011). Assumes quarterly reinvestment of dividends as of ex-dividend date.

Corporate Recognition

- 4th for corporate social responsibility
- 10th for financial soundness

FORTUNE
MOST ADMIRED COMPANIES

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

Source: *Fortune*, March 19, 2012

Corporate Recognition

- Altria ranked 15th

"100 Best Corporate Citizens List"

- Evaluation criteria
  - Environment management
  - Climate change
  - Employee relations
  - Human rights
  - Governance
  - Finance
  - Philanthropy

Altria

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

Source: *Corporate Responsibility Magazine*, March/April 2012 – Vol. 3, No. 2

Corporate Recognition

- Altria ranked 14th on its Clean Capitalism ranking

Corporate Knights
The Company for Clean Capitalism

Altria

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

Source: Corporate Knights, February 15, 2012;

Corporate Recognition

- Altria recognized as Leader in publicly disclosing political activities

Altria

Note: Trademarks used for discussion purposes only. All third party trademarks remain the property of the respective owners.

Source: Center for Political Accountability, October 28, 2011 2011 Baruch Index of Corporate Political Disclosure

Executive Compensation Programs

- Important contributor to strong shareholder returns
- Designed to align the interests of executives and shareholders
- Promote the Company's Mission and business strategies
- Reward achievement of corporate and individual performance goals
- Last year, shareholders approved on an advisory basis the compensation for the Company's named executive officers

Altria

Altria's Strengths

- Altria's strengths make it well-positioned for future growth
- Tobacco operating companies remain focused on growing share of the revenue and profit pools generated by adult tobacco consumers
- Premium tobacco brands:
  - Strong equity
  - Higher margins
  - Opportunities to grow

Altria

Altria's Strengths

- Deep understanding of adult tobacco consumers
- Access to intellectual property to pursue new revenue and profit streams
- Cost management
- Robust cash flows
- Strong balance sheet

Altria

Executive Management Changes

- Earlier this year, I informed the Board of my decision to retire as Chairman and CEO

Altria

Marty Barrington

Chairman and Chief Executive Officer

Altria

Dave Beran

President and Chief Operating Officer

Altria

Altria

Regulation G Disclosure

- For reconciliations and further explanations of non-GAAP financial measures, visit: altria.com