



Q4 2016 Earnings – Quarterly Metrics		
Smokeable	Q4 2016	Δ vs. Q4 2015
<i>Marlboro</i> Price Gap (vs. Lowest Effective)	29%	
<i>Marlboro</i> Net Pack Price	\$6.31	\$0.12
Lowest Effective Price	\$4.89	\$0.16
Discount Segment Retail Share	23.9%	(0.6) pp
Estimated Weighted Average State Excise Tax per pack (December 2016)	\$1.61	\$0.07
2016 PM USA Wholesale Inventory Estimates:	(in billion units)	
End of Q4 2016	2.4	
End of Q3 2016	3.3	
End of Q4 2015	2.4	
End of Q3 2015	3.0	
2016 Cigarette Industry Wholesale Inventory (PM USA Estimates):	(in billion units)	
End of Q4 2016	6.0	
End of Q3 2016	6.3	
End of Q4 2015	5.4	
End of Q3 2015	6.1	

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

Smokeless	Q4 2016	Δ vs. Q4 2015
<i>Copenhagen</i> Price Gap (vs Leading Discount Brand)	26%	
<i>Copenhagen</i> Retail Price	\$4.34	\$0.06
Leading Discount Brand	\$3.44	\$0.12

Other	Q4 2016	12M 2016
Capital Expenditures	\$61 million	\$189 million
Ongoing Depreciation and Amortization	\$55 million	\$204 million