

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Philip Morris International Inc.:

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Philip Morris International Inc. and its subsidiaries (the "Company") as of December 31, 2019 and 2018, and the related consolidated statements of earnings, comprehensive earnings, stockholders' (deficit) equity and of cash flows for each of the three years in the period ended December 31, 2019, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Fair Value of Equity Investment in Rothmans, Benson & Hedges Inc. ("RBH")

As described in Note 22 to the consolidated financial statements, the Company recorded the fair value of its continuing investment in RBH of \$3.28 billion within Investments in unconsolidated subsidiaries and equity securities in the consolidated balance sheets. This investment was recorded as of March 22, 2019, which represented the fair value at the date of deconsolidation. The estimated fair value of the underlying business was determined based on an income approach using a discounted cash flow analysis, as well as a market approach for certain contingent liabilities. The discounted cash flow analysis and market approach include management assumptions relevant for forecasting operating cash flows, which are subject to changes in business conditions, such as volumes, pricing, the terminal growth rate, discount rates, inflation scenarios, and other strategic plans. The difference between the carrying value of the assets and liabilities of RBH that were deconsolidated and the fair value of the continuing investment was recorded as a \$239 million pre-tax loss on deconsolidation within marketing, administration and research costs on the Company's consolidated statement of earnings.

The principal considerations for our determination that performing procedures relating to the deconsolidation of RBH is a critical audit matter are that there was significant judgment by management required when developing the fair value measurement of the continuing investment in RBH. This led to a high degree of auditor subjectivity, judgment and effort in performing procedures and evaluating the estimated fair value of RBH which included significant assumptions related to the terminal growth rate, discount rates, inflation scenarios, and operating cash flow projections; and to evaluate management's estimate of the value of certain contingent liabilities. The audit effort involved the use of professionals with specialized skill and knowledge to assist in evaluating the audit evidence obtained from these procedures.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the estimated fair value of the RBH investment, including controls over the discounted cash flow analysis and market approach, input data and key assumptions utilized in determination of the fair value. These procedures also included, among others, testing management's process for determining the fair value of the continuing investment in RBH as of the date of deconsolidation. This included evaluating the appropriateness of the discounted cash flow analysis and market approach to value the contingent liabilities including the reasonableness of the input data and significant assumptions used by management in developing the fair value measurement including the terminal growth rate, discount rates, inflation scenarios, operating cash flow projections, market size and market share data. Professionals with specialized skill and knowledge were used to assist in evaluating the Company's discounted cash flow analysis and market approach, and evaluation of significant assumptions, including the terminal growth rate, discount rates and inflation scenarios utilized by the Company. Evaluating whether the significant assumptions were reasonable involved considering (i) the past performance of the associated Canadian reporting unit, and (ii) whether they were consistent with evidence obtained in other areas of the audit.

Smoking and Health and Health Care Cost Recovery Contingencies

As described in Note 18 to the consolidated financial statements, the Company has 77 smoking and health cases and health care cost recovery actions pending. The Company records provisions in the consolidated financial statements for pending litigation when they determine that an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. Except as stated otherwise in Note 18, while it is reasonably possible that an unfavorable outcome in a case may occur, after assessing the information available, (i) management has not concluded that it is probable that a loss has been incurred in any of the pending smoking and health and health care cost recovery tobacco-related cases; (ii) management is unable to estimate the possible loss or range of loss for any of the pending smoking and health and health care cost recovery tobacco-related cases; and (iii) accordingly, no estimated loss has been accrued in the consolidated financial statements for unfavorable outcomes in these cases, if any.

The principal considerations for our determination that performing procedures relating to smoking and health and health care cost recovery contingencies is a critical audit matter are that there was significant judgment by management when determining the probability of a loss being incurred and an estimate of the amount or range of the potential loss for each case, which in turn led to a high degree of auditor

subjectivity, judgment and effort in evaluating management's assessment related to the loss contingencies associated with smoking and health and health care cost recovery related claims.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's evaluation of smoking and health and health care cost recovery litigation matters, including controls over determining the probability and range of loss as well as financial statement disclosures. These procedures also included, among others, evaluating the completeness of the Company's description of smoking and health and health care cost recovery contingencies, obtaining and evaluating the letters of audit inquiry with external and internal legal counsel, evaluating the reasonableness of management's assessment regarding whether an unfavorable outcome is reasonably possible or probable and reasonably estimable, and evaluating the sufficiency of the Company's smoking and health and health care cost recovery contingencies disclosures.

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Lausanne, Switzerland

February 7, 2020

PricewaterhouseCoopers SA has served as the Company's auditor since 2008.