

# Consolidated Balance Sheets

(in millions of dollars, except share and per share data)

at December 31,	2010	2009
<b>Assets</b>		
Cash and cash equivalents	\$ 1,703	\$ 1,540
Receivables (less allowances of \$56 in 2010 and \$33 in 2009)	3,009	3,098
Inventories:		
Leaf tobacco	4,026	4,183
Other raw materials	1,314	1,275
Finished product	2,977	3,749
	<b>8,317</b>	9,207
Deferred income taxes	371	305
Other current assets	356	532
Total current assets	<b>13,756</b>	14,682
Property, plant and equipment, at cost:		
Land and land improvements	703	579
Buildings and building equipment	3,720	3,593
Machinery and equipment	7,857	7,591
Construction in progress	479	495
	<b>12,759</b>	12,258
Less: accumulated depreciation	6,260	5,868
	<b>6,499</b>	6,390
Goodwill	10,161	9,112
Other intangible assets, net	3,873	3,546
Other assets	761	822
<b>Total Assets</b>	<b>\$35,050</b>	\$34,552

See notes to consolidated financial statements.

at December 31,	2010	2009
<b>Liabilities</b>		
Short-term borrowings	\$ 1,747	\$ 1,662
Current portion of long-term debt	1,385	82
Accounts payable	835	670
Accrued liabilities:		
Marketing and selling	393	441
Taxes, except income taxes	4,884	4,824
Employment costs	739	752
Dividends payable	1,162	1,101
Other	920	955
Income taxes	601	500
Deferred income taxes	138	191
Total current liabilities	12,804	11,178
Long-term debt	13,370	13,672
Deferred income taxes	2,027	1,688
Employment costs	1,261	1,260
Other liabilities	467	609
Total liabilities	29,929	28,407
Contingencies (Note 21)		
Redeemable noncontrolling interests (Note 6)	1,188	
<b>Stockholders' Equity</b>		
Common stock, no par value (2,109,316,331 shares issued in 2010 and 2009)		
Additional paid-in capital	1,225	1,403
Earnings reinvested in the business	18,133	15,358
Accumulated other comprehensive losses	(1,140)	(817)
	18,218	15,944
Less: cost of repurchased stock (307,532,841 and 222,151,828 shares in 2010 and 2009, respectively)	14,712	10,228
Total PMI stockholders' equity	3,506	5,716
Noncontrolling interests	427	429
Total stockholders' equity	3,933	6,145
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$35,050</b>	<b>\$34,552</b>