



Q2 2021 Earnings - Quarterly Metrics		
Smokeable	Q2 2021	△ vs. Q2 2020
Marlboro Price Gap (vs. Lowest Effective)	37%	
Marlboro Net Pack Price	\$7.74	\$0.45
Lowest Effective Price	\$5.67	\$0.15
<u>Discount Segment Retail Share</u>	<u>25.0%</u>	<u>0.1pp</u>
Major Manufacturer Branded Discount	14.7%	(0.3pp)
Deep Discount	10.3%	+0.4pp
PM USA Menthol Retail Share	9.7%	(0.2pp)
Estimated Weighted Average State Excise Tax per pack	\$1.89	\$0.07
PM USA Cigarette Wholesale Inventory Estimates:	(in billion units)	
End of Q2 2021	3.1	
End of Q1 2021	2.6	
End of Q2 2020	2.5	
End of Q1 2020	3.0	
Cigarette Industry Wholesale Inventory:	(in billion units)	
End of Q2 2021	7.8	
End of Q1 2021	7.1	
End of Q2 2020	6.4	
End of Q1 2020	7.0	

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

Oral Tobacco	Q2 2021	△ vs. Q2 2020
Copenhagen Price Gap (vs Leading Discount Brand)	16%	
Copenhagen Retail Price	\$5.64	\$0.26
Leading Discount Brand	\$4.86	\$0.32

Note: All Smokeable and Oral Tobacco prices reflect IRI restatement.

Other	Q2 2021	1H 2021
Capital Expenditures	\$27 million	\$53 million
Ongoing Depreciation and Amortization	\$65 million	\$128 million

Smokeable Shipping Days					
	Q1	Q2	Q3	Q4	FY
2020	65	65	66	66	262
2021	64	65	66	66	261

Cigarette Industry Volume Decomposition Estimates

Twelve Months Ended

	09/30/20	12/31/20	3/31/21	6/30/21
Secular Decline Rate ¹	(2.5)%	(2.5)%	(2.5)%	(2.5)%
Cigarette Price Elasticity	(1.3)%	(1.4)%	(1.3)%	(1.6)%
Additional Cross Category Movement	0.2%	0.1%	(0.1)%	(0.3)%
Macroeconomic & Other Factors	2.1%	3.8% ²	3.9% ²	2.9% ²
Estimated Industry Decline	(1.5)%	0.0%	0.0%	(1.5)%

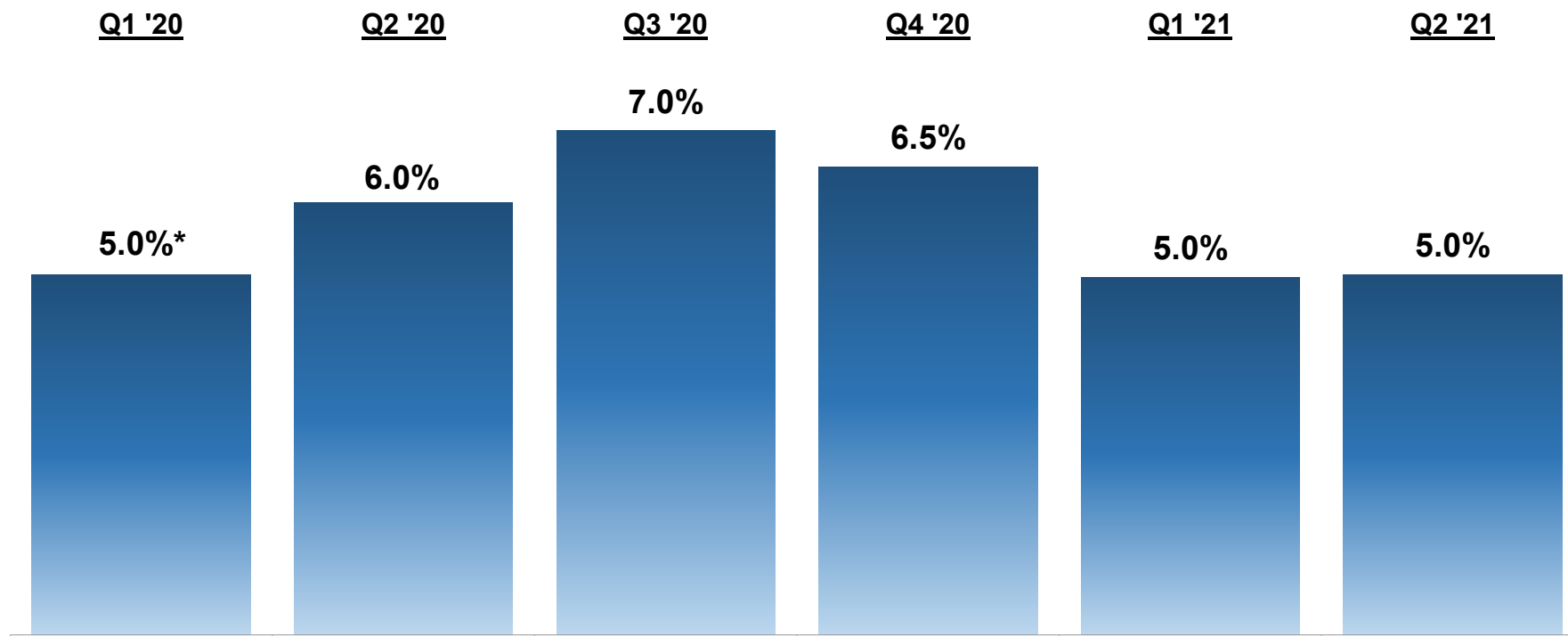
¹ Includes approximately 1% historical movement across tobacco categories

² Primarily driven by adult smoker stay-at-home practices, contributing to more tobacco usage occasions and higher tobacco discretionary spend

Source: ALCS SCMI estimates

Oral Tobacco Industry Volume Growth Estimates

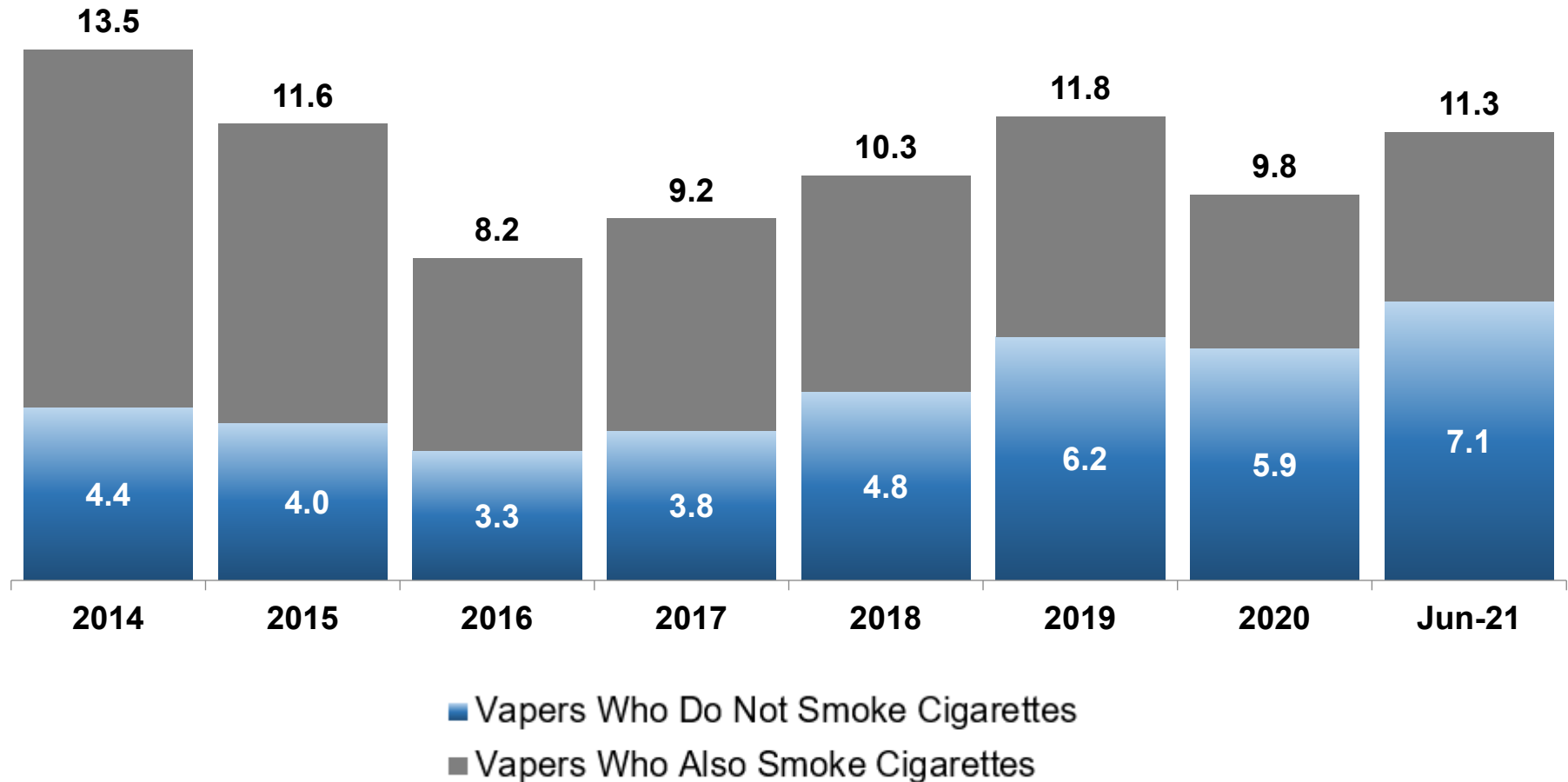
Six Months Ended



Source: ALCS SCMI estimates - rounded to the nearest 0.5%
Oral Tobacco industry includes MST, snus and oral nicotine pouch products
* Q1 2020 includes an adjustment for estimated retail loading due to COVID-19

Adult Vapers 21+ - Past 30 Day Usage

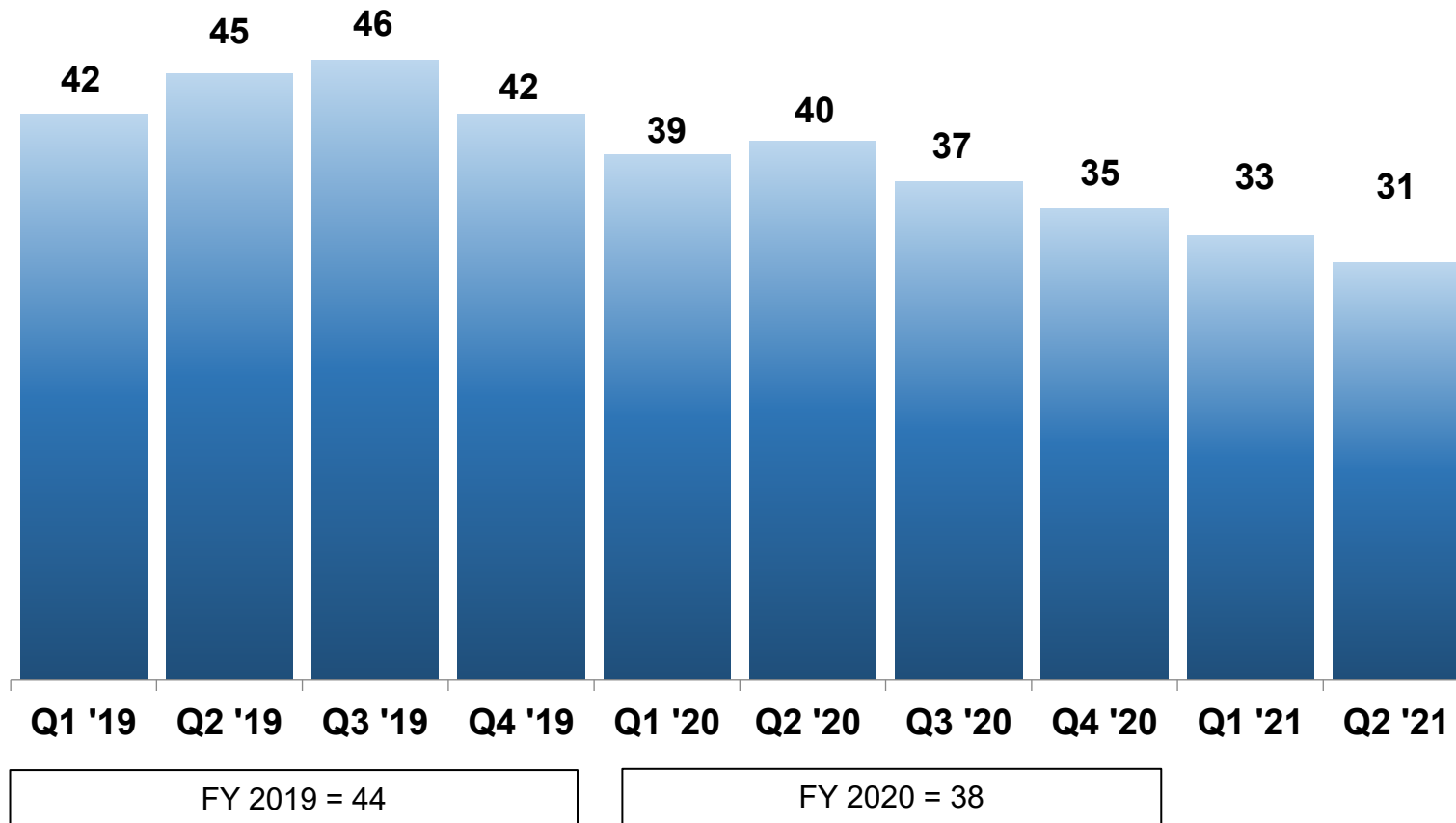
Twelve Months Ended (in millions)



Source: ATCT July 2013 to June 2021

JUUL Performance

Estimated Equivalized Volume Share of E-Vapor Category



Source: ALCS CMI Estimates

Note: Share based on volume equivalized to cartridges (1 disposable = 1 cartridge = 1mL e-liquid) Estimated category volume and share are subject to revisions based on the latest available data