



Q4 2021 Earnings - Quarterly Metrics		
Smokeable	Q4 2021	△ vs. Q4 2020
Marlboro Price Gap (vs. Lowest Effective)	39%	
Marlboro Net Pack Price	\$7.94	\$0.45
Lowest Effective Price	\$5.72	\$0.11
<u>Discount Segment Retail Share</u>	<u>26.0%</u>	<u>1.0pp</u>
Major Manufacturer Branded Discount	14.9%	+0.1pp
Deep Discount	11.1%	+0.9pp
PM USA Menthol Retail Share	9.5%	(0.3pp)
Estimated Weighted Average State Excise Tax per pack	\$1.89	\$0.06
PM USA Cigarette Wholesale Inventory Estimates:	(in billion units)	
End of Q4 2021	2.5	
End of Q3 2021	2.5	
End of Q4 2020	3.0	
End of Q3 2020	3.4	
Cigarette Industry Wholesale Inventory:	(in billion units)	
End of Q4 2021	8.5	
End of Q3 2021	7.8	
End of Q4 2020	7.0	
End of Q3 2020	8.6	

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

Oral Tobacco	Q4 2021	△ vs. Q4 2020
Copenhagen Price Gap (vs Leading Discount Brand)	16%	
Copenhagen Retail Price	\$5.80	\$0.31
Leading Discount Brand	\$5.01	\$0.32

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

Other	Q4 2021	FY2021
Capital Expenditures	\$67 million	\$169 million
Ongoing Depreciation and Amortization	\$54 million	\$244 million

Smokeable Shipping Days					
	Q1	Q2	Q3	Q4	FY
2021	64	65	66	66	261
2022	64	65	66	65	260

Cigarette Industry Volume Decomposition Estimates

Twelve Months Ended

	3/31/21	6/30/21	9/30/21	12/31/21
Secular Decline Rate ¹	(2.5)%	(2.5)%	(2.5)%	(2.5)%
Cigarette Price Elasticity	(1.3)%	(1.6)%	(1.7)%	(1.9)%
Additional Cross Category Movement	(0.1)%	(0.3)%	(0.2)%	(0.2)%
Macroeconomic & Other Factors ²	3.9%	2.9%	0.9%	(0.9)%
Estimated Industry Decline	0.0%	(1.5)%	(3.5)%	(5.5)%

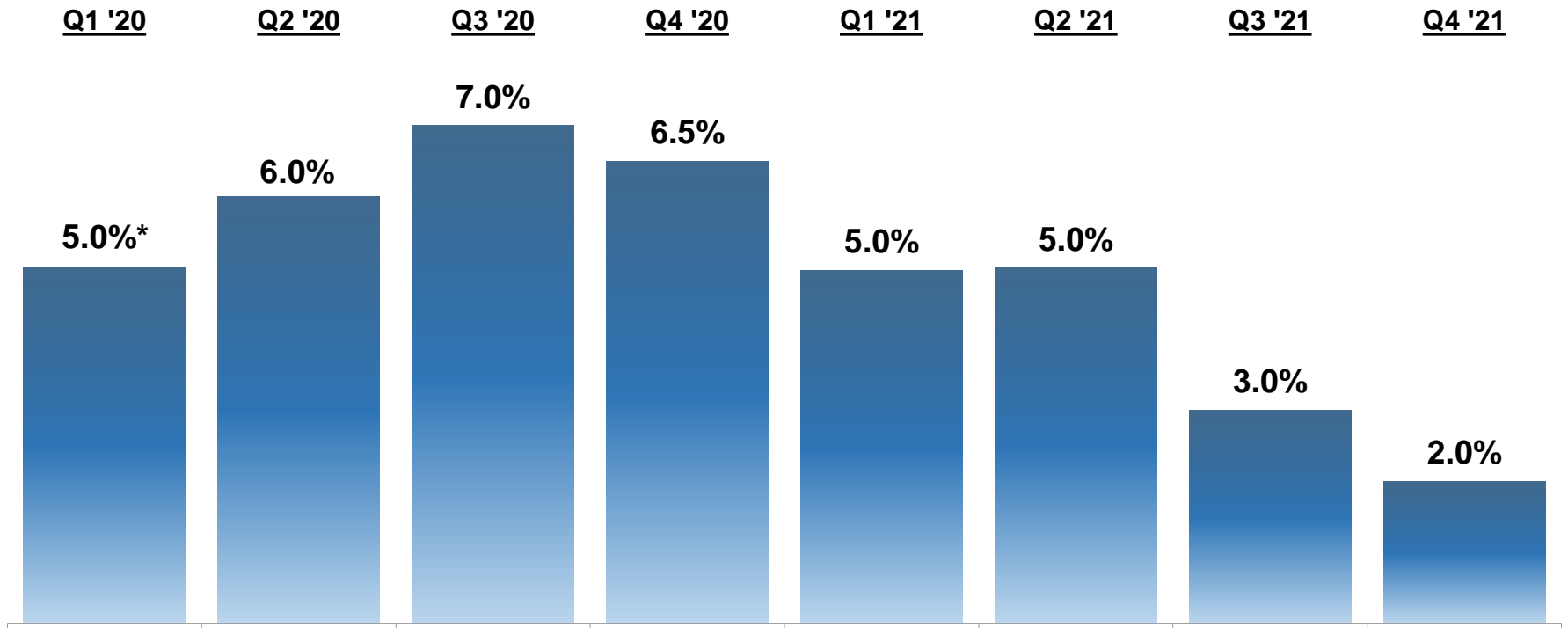
¹ Includes approximately 1% historical movement across tobacco categories

² Primarily driven by changes in adult smoker stay-at-home practices, impacting tobacco usage occasions and available tobacco discretionary spend

Source: AVI SCMI estimates

Oral Tobacco Industry Volume Growth Estimates

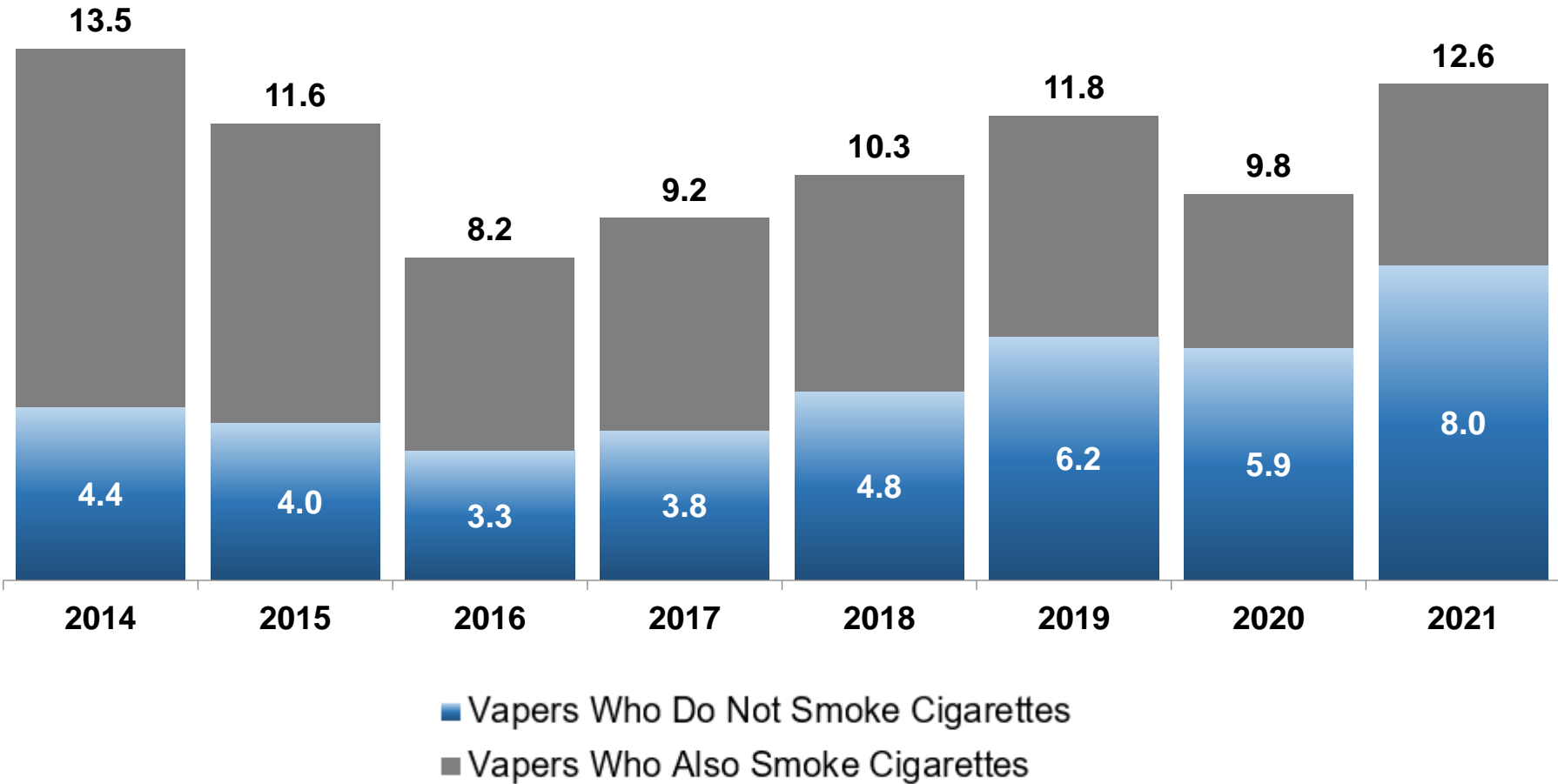
Six Months Ended



Source: AVI 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 December 2021



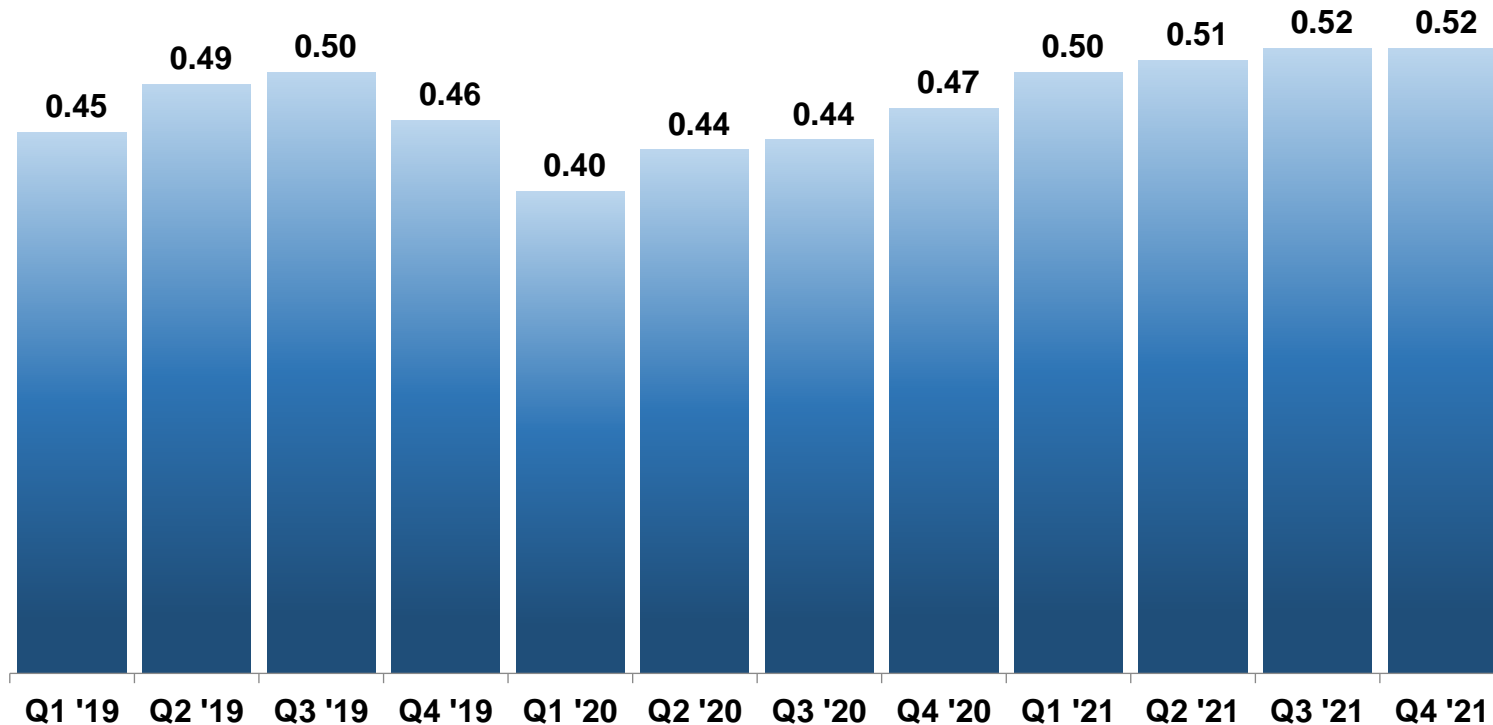
E-Vapor Category Volume

Estimated Equivalized Volume (in billions of units)

Quarterly Estimates

Q4 2021 Category Δ

1% Q/Q Increase
12% YOY Increase

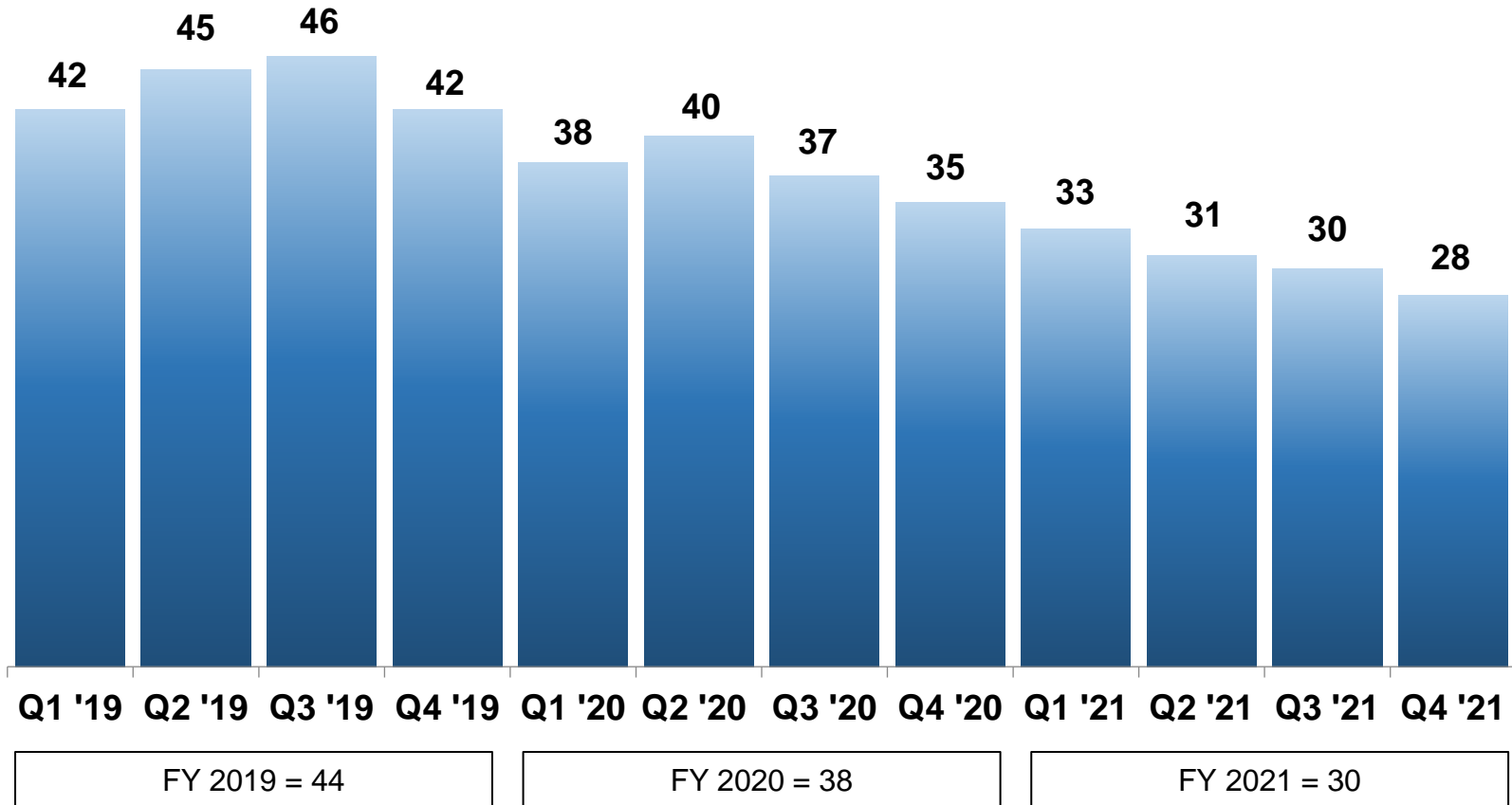


Source: AVI SCMI estimates

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

JUUL Performance

Estimated Equivalized Volume Share of E-Vapor Category



Source: AVI 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