



Q4 2022 Earnings - Quarterly Metrics		
Smokeable	Q4 2022	△ vs. Q4 2021
Marlboro Price Gap (vs. Lowest Effective)	41%	
Marlboro Net Pack Price	\$8.46	\$0.51
Lowest Effective Price	\$5.99	\$0.26
<u>Discount Segment Retail Share</u>	<u>27.8%</u>	<u>1.7pp</u>
Major Manufacturer Branded Discount	15.4%	+0.5pp
Deep Discount	12.4%	+1.2pp
PM USA Menthol Retail Share	9.2%	(0.3pp)
Estimated Weighted Average State Excise Tax per pack	\$1.89	\$—
PM USA Cigarette Wholesale Inventory Estimates:	(in billion units)	
End of Q4 2022	2.4	
End of Q3 2022	2.4	
End of Q4 2021	2.5	
End of Q3 2021	2.5	
Cigarette Industry Wholesale Inventory:	(in billion units)	
End of Q4 2022	8.1	
End of Q3 2022	7.0	
End of Q4 2021	8.5	
End of Q3 2021	8.2	

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

Oral Tobacco	Q4 2022	△ vs. Q4 2021
Copenhagen Price Gap (vs Leading Discount Brand)	16%	
Copenhagen Retail Price	\$6.19	\$0.39
Leading Discount Brand	\$5.33	\$0.31

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

Other	Q4 2022	FY2022
Capital Expenditures	\$58 million	\$205 million
Ongoing Depreciation and Amortization	\$63 million	\$226 million

Smokeable Shipping Days					
	Q1	Q2	Q3	Q4	FY
2022	64	65	66	65	260
2023	65	65	65	65	260

Cigarette Industry Volume Decomposition Estimates

Twelve Months Ended

	3/31/22	6/30/22	9/30/22	12/31/22
Secular Decline Rate ¹	(2.5)%	(2.5)%	(2.5)%	(2.5)%
Cigarette Price Elasticity	(1.8)%	(1.7)%	(1.6)%	(1.6)%
Additional Cross Category Movement	(0.1)%	(0.2)%	(0.1)%	(0.1)%
Macroeconomic & Other Factors ²	(1.6)%	(2.6)%	(3.3)%	(3.8)%
Estimated Industry Decline	(6.0)%	(7.0)%	(7.5)%	(8.0)%

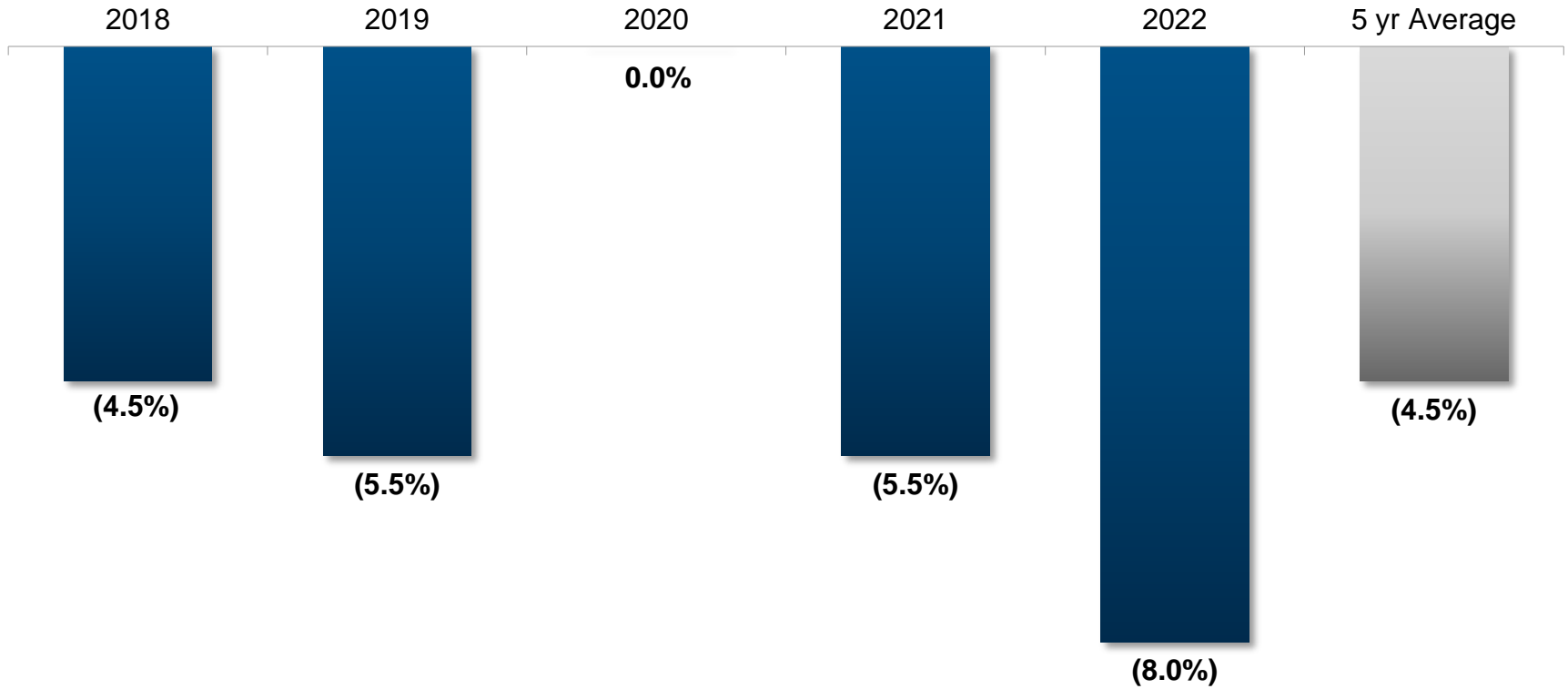
¹ Includes approximately 1% historical movement across tobacco categories

² Primarily driven by high inflation levels

Source: ALCS CMI estimates

Adjusted Cigarette Industry Decline Rates

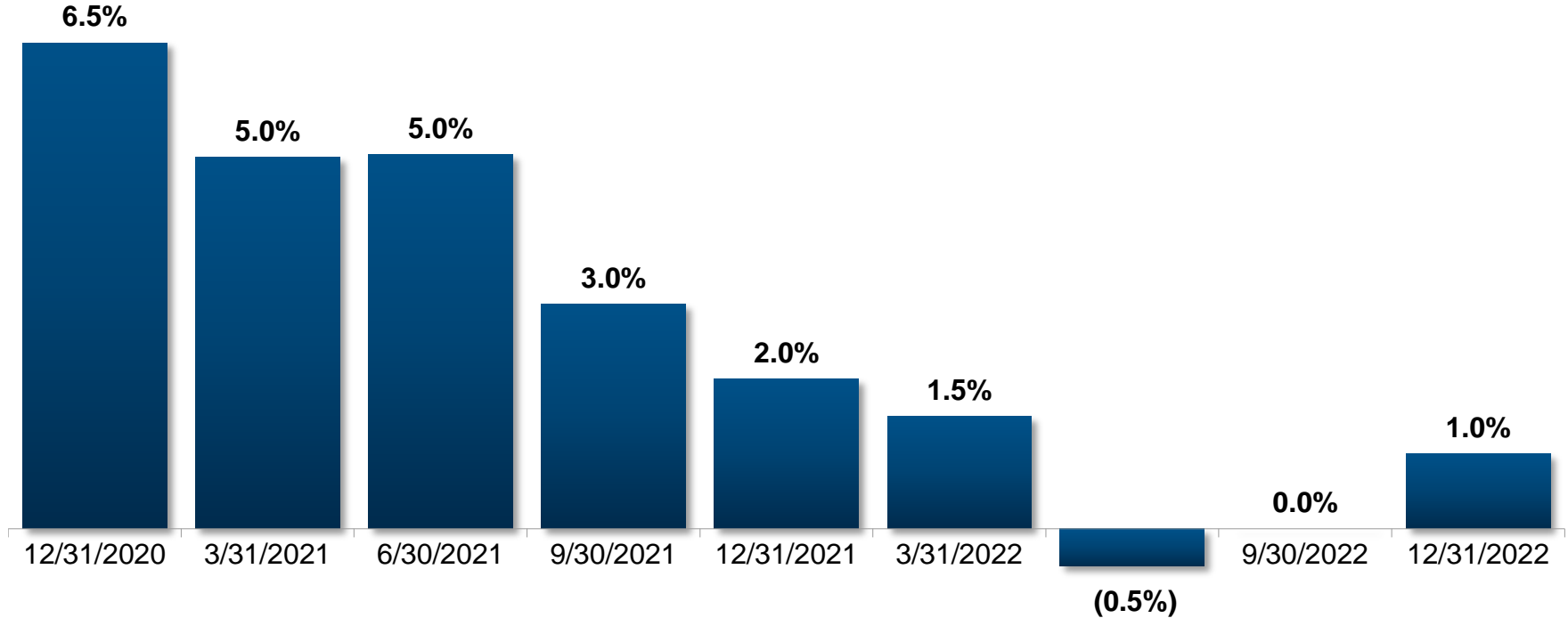
(FY 2018 - 2022)



Source: ALCS CMI estimates – rounded to nearest 0.5%
Note: Estimates are subject to revision due to wholesaler resubmission of inventory data

Oral Tobacco Industry Volume Growth Estimates

Six Months Ended

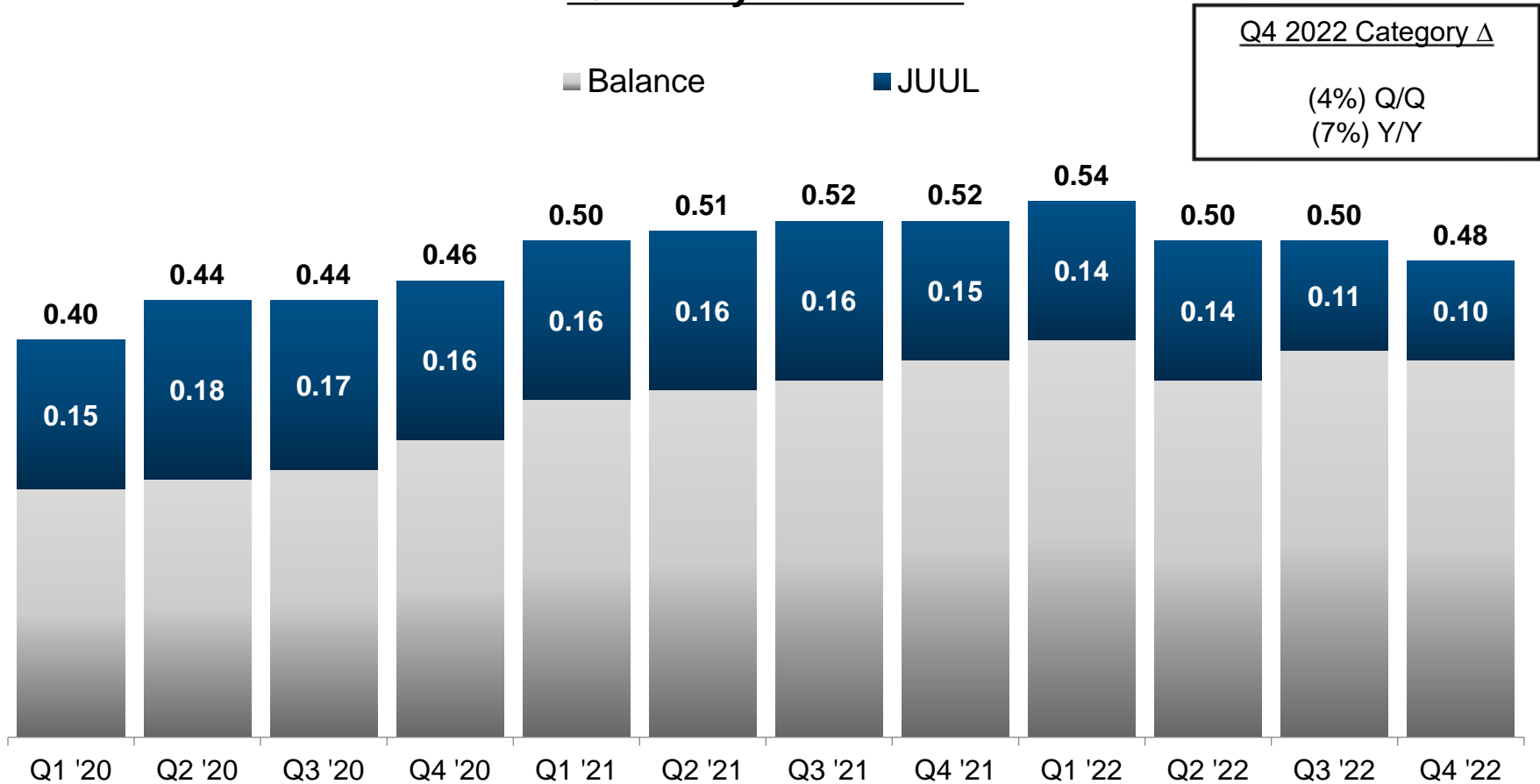


Source: ALCS CMII Estimates - rounded to the nearest 0.5%
Oral Tobacco industry includes MST, snus and oral nicotine pouch products
*Q1 & Q2 2020 includes an adjustment for estimated retail loading due to COVID-19

E-Vapor Category Volume

Estimated Equivalized Volume (in billions of units)

Quarterly Estimates



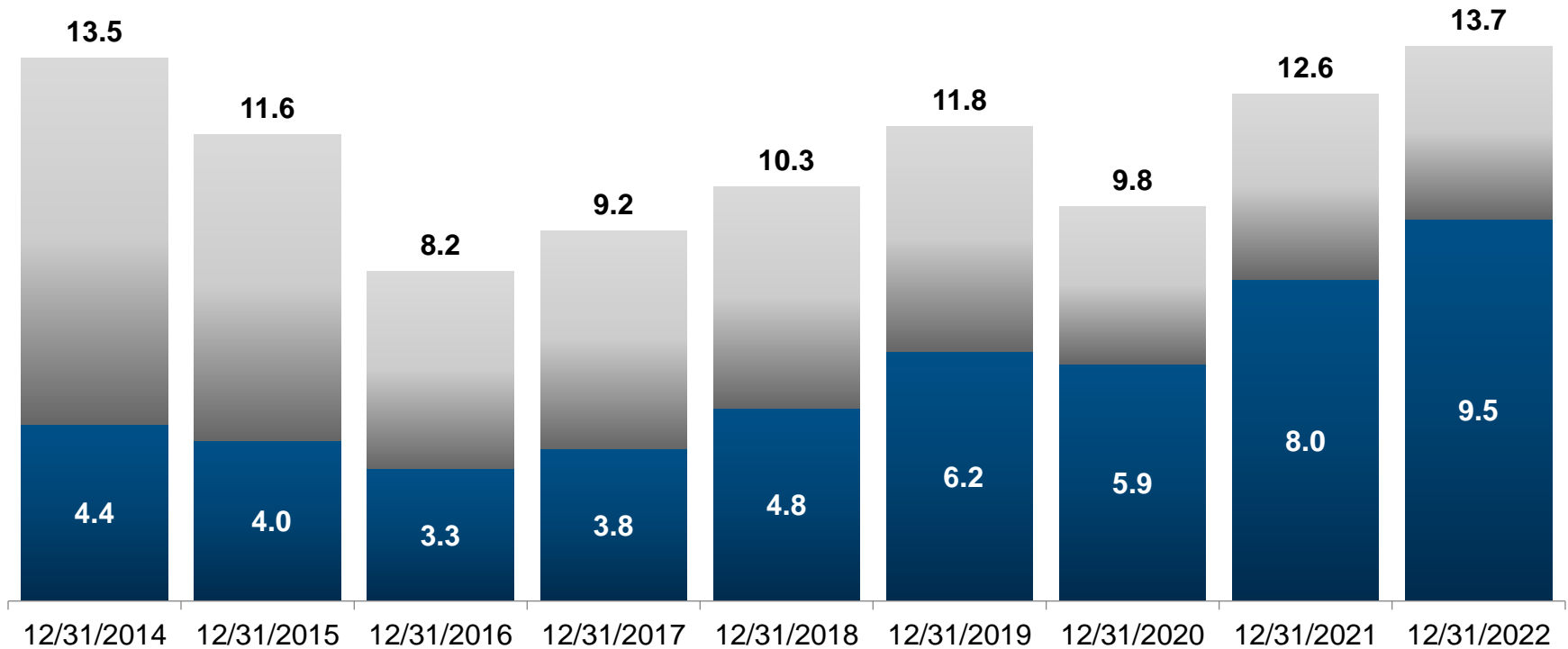
Source: ALCS CMI estimates

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

Adult Vapers 21+ - Past 30 Day Usage

Twelve Months Ended (in millions)

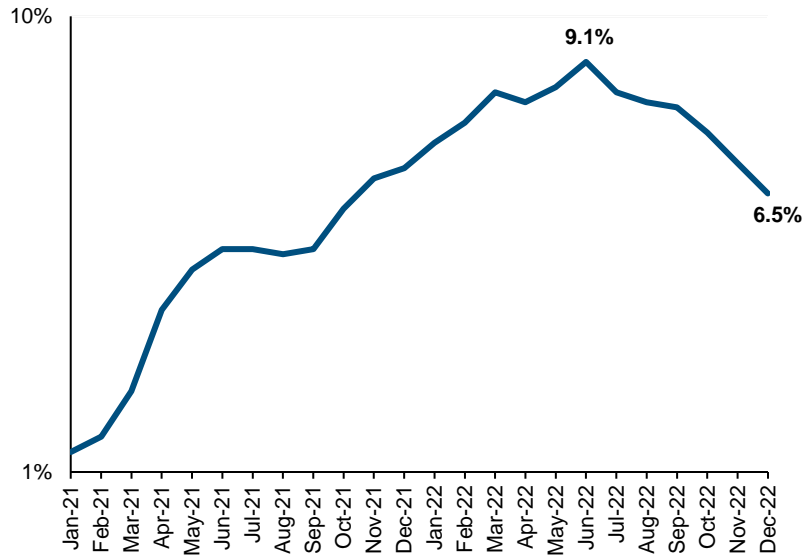
■ Vapers Who Do Not Smoke Cigarettes ■ Vapers Who Also Smoke Cigarettes



Source: ATCT December 2014 to December 2022

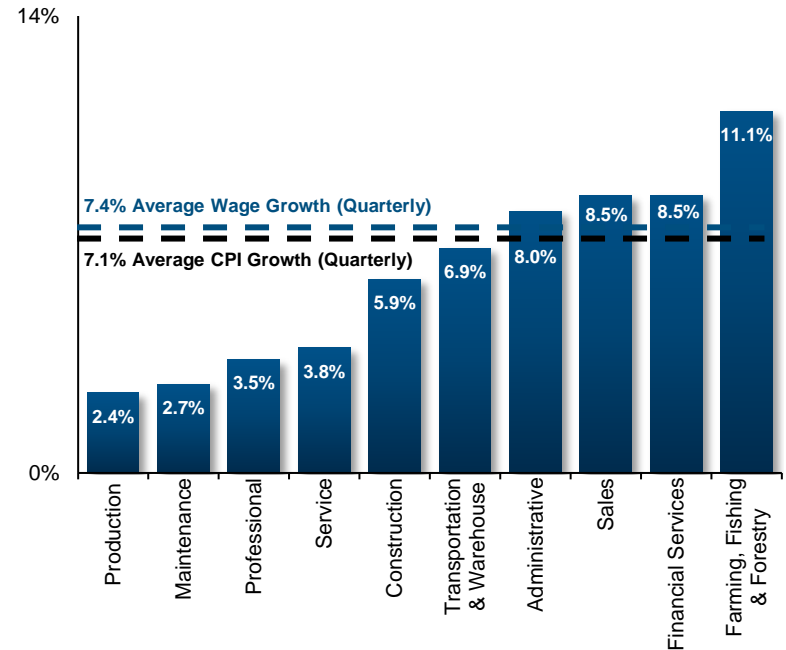
Macroeconomic Landscape

Monthly Consumer Price Index (Δ Year-over-Year)



Source: U.S. Bureau of Labor Statistics: 12-month percentage change, Consumer Price Index

Wage Growth by Occupation (Q4 2022 vs. Q4 2021)



Source: U.S. Bureau of Labor Statistics (BLS): Median usual weekly earnings of full-time wage and salary workers by occupation and sex, quarterly averages, not seasonally adjusted Consumer Price Index (CPI) for All Urban Consumers (CPI-U) over the same period