



Q1 2020 Earnings - Quarterly Metrics		
Smokeable	Q1 2020	△ vs. Q1 2019
Marlboro Price Gap (vs. Lowest Effective)	32%	
Marlboro Net Pack Price	\$7.27	\$0.31
Lowest Effective Price	\$5.52	\$0.18
Discount Segment Retail Share	24.8%	+0.8pp
Major Manufacturer Branded Discount	15.3%	(0.3pp)
Deep Discount	9.5%	+1.1pp
PM USA Menthol Retail Share	9.9%	(0.1pp)
Estimated Weighted Average State Excise Tax per pack	\$1.82	\$0.03
2020 PM USA Cigarette Wholesale Inventory Estimates:	(in billion units)	
End of Q1 2020	2.9	
End of Q4 2019	2.1	
End of Q1 2019	2.0	
End of Q4 2018	2.4	
2020 Cigarette Industry Wholesale Inventory:	(in billion units)	
End of Q1 2020	7.0	
End of Q4 2019	5.1	
End of Q1 2019	4.6	
End of Q4 2018	5.4	

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

Oral Tobacco	Q1 2020	△ vs. Q1 2019
Copenhagen Price Gap (vs Leading Discount Brand)	18%	
Copenhagen Retail Price	\$5.30	\$0.33
Leading Discount Brand	\$4.51	\$0.29

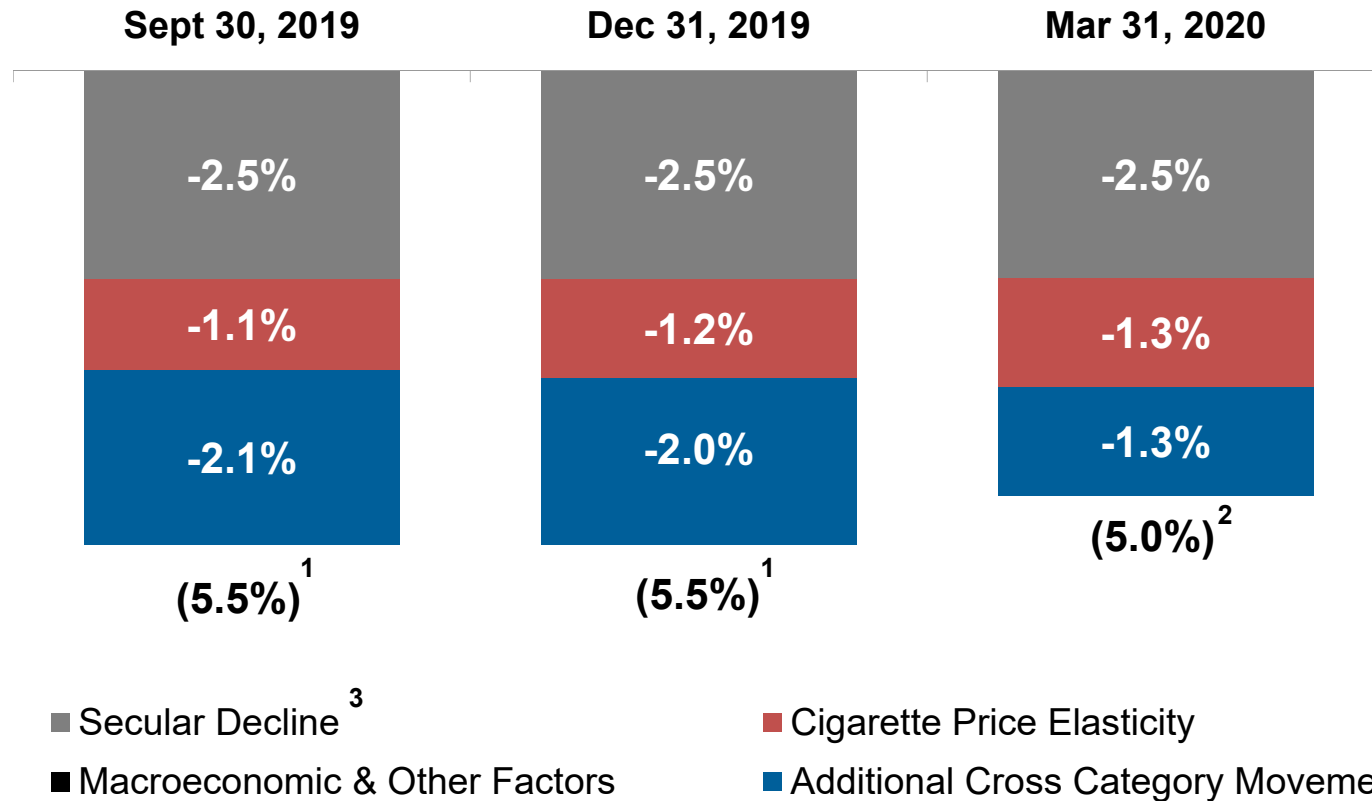
Note: All Smokeable and Oral Tobacco prices reflect IRI restatement.

Other	Q1 2020	Q1 2019
Capital Expenditures	\$52 million	\$38 million
Ongoing Depreciation and Amortization	\$65 million	\$53 million

Smokeable Shipping Days					
	Q1	Q2	Q3	Q4	FY
2019	64	65	66	66	261
2020	65	65	66	66	262

Cigarette Industry Volume Decomposition Estimates

Twelve Months Ending



Source: ALCS CMI estimates

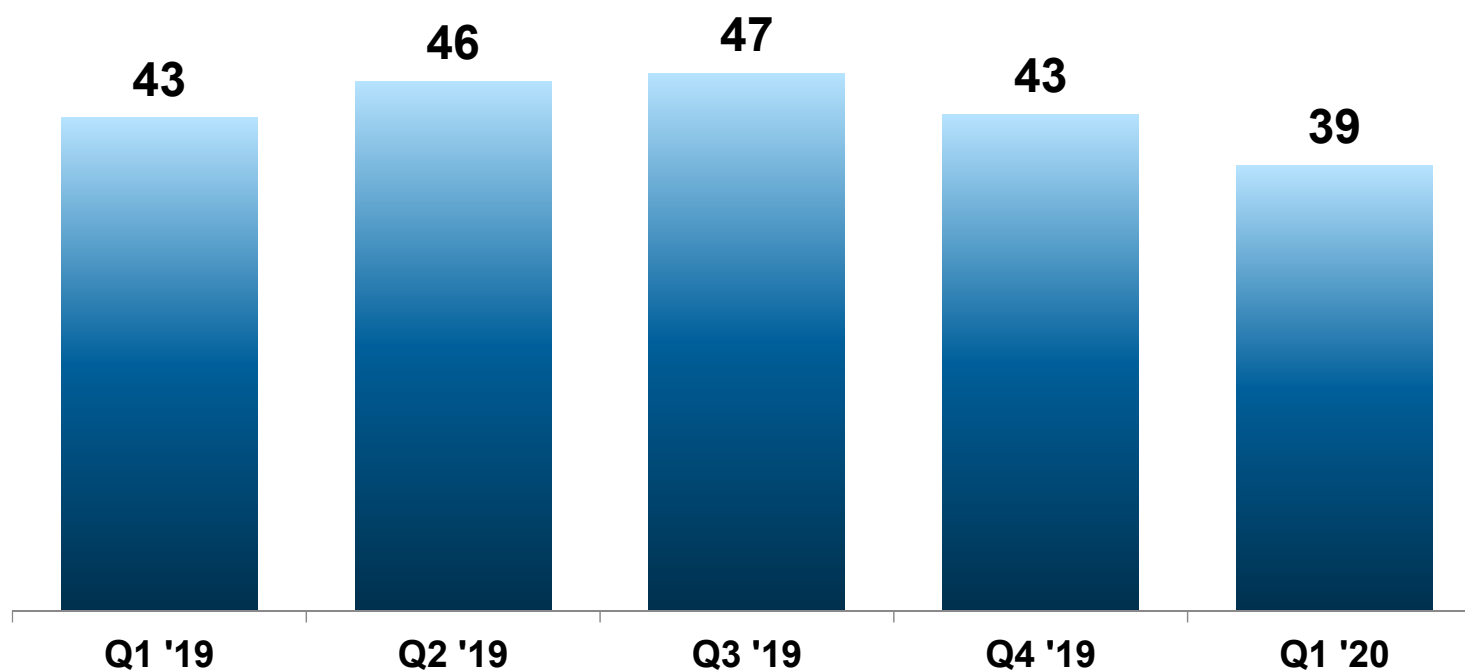
¹ Macroeconomic & Other Factors were a 0.2% tailwind to the cigarette industry volume decline rate for LTM 9/30/19 and 12/31/19

² Macroeconomic & Other Factors were a 0.1% tailwind to the cigarette industry volume decline rate for LTM 3/31/20

³ Includes approximately 1% historical movement across tobacco categories

JUUL Performance

Estimated Equivalized Volume Share of 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