



Q4 2018 Earnings - Quarterly Metrics		
Smokeable	Q4 2018	△ vs. Q4 2017
<i>Marlboro</i> Price Gap (vs. Lowest Effective)	31%	
<i>Marlboro</i> Net Pack Price	\$6.88	\$0.16
Lowest Effective Price	\$5.24	\$0.07
<u>Discount Segment Retail Share</u>	<u>24.0%</u>	<u>-- pp</u>
Major Manufacturer Branded Discount	15.7%	(0.6pp)
Deep Discount	8.3%	+0.6pp
PM USA Menthol Retail Share	10.1%	+0.1pp
Estimated Weighted Average State Excise Tax per pack	\$1.79	\$0.04
2018 PM USA Wholesale Inventory Estimates:	(in billion units)	
End of Q4 2018	2.4	
End of Q3 2018	3.6	
End of Q4 2017	2.6	
End of Q3 2017	4.0	
2018 Cigarette Industry Wholesale Inventory (PM USA Estimates):	(in billion units)	
End of Q4 2018	5.4	
End of Q3 2018	7.6	
End of Q4 2017	5.9	
End of Q3 2017	8.3	

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

Smokeless	Q4 2018	△ vs. Q4 2017
<i>Copenhagen</i> Price Gap (vs Leading Discount Brand)	21%	
<i>Copenhagen</i> Retail Price	\$4.85	\$0.09
Leading Discount Brand	\$4.02	\$0.22

Note: All Smokeable and Smokeless prices reflect IRI restatement.

Other	Q4 2018	FY 2018
Capital Expenditures	\$106 million	\$238 million
Ongoing Depreciation and Amortization	\$59 million	\$227 million

Smokeable Shipping Days					
	Q1	Q2	Q3	Q4	FY
2018	65	65	65	66	261
2019	64	65	66	66	261