



Q3 2016 Earnings – Quarterly Metrics		
Smokeable	Q3 2016	Δ vs. Q3 2015
<i>Marlboro</i> Price Gap (vs. Lowest Effective)	29%	
<i>Marlboro</i> Net Pack Price	\$6.28	\$0.12
Lowest Effective Price	\$4.86	\$0.16
Discount Segment Retail Share	23.9	(0.6pp)
Estimated Weighted Average State Excise Tax per pack (September)	\$1.61	\$0.08
2016 PM USA Wholesale Inventory Estimates:	(in billion units)	
End of Q3 2016	3.3	
End of Q2 2016	2.3	
End of Q3 2015	3.0	
End of Q2 2015	2.8	
2016 Cigarette Industry Wholesale Inventory (PM USA Estimates):	(in billion units)	
End of Q3 2016	6.3	
End of Q2 2016	5.4	
End of Q3 2015	6.1	
End of Q2 2015	6.2	

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

Smokeless	Q3 2016	Δ vs. Q3 2015
<i>Copenhagen</i> Price Gap (vs Leading Discount Brand)	26%	
<i>Copenhagen</i> Retail Price	\$4.30	\$0.03
Leading Discount Brand	\$3.42	\$0.15

Other	Q3 2016	9M 2016
Capital Expenditures	\$51 million	\$128 million
Ongoing Depreciation and Amortization	\$51 million	\$149 million