

**Reconciliations of the non-GAAP financial measures presented in the remarks by Billy Gifford, Altria Group, Inc.'s (Altria) Chief Executive Officer, at Altria's 2020 Annual Meeting of Shareholders.**

**Non-GAAP Financial Measures**

While Altria reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP), Altria's management also reviews certain financial results, including operating companies income (OCI) (which is defined as operating income before general corporate expenses and amortization of intangibles), OCI margins and diluted earnings per share (EPS), on an adjusted basis, which excludes certain income and expense items that management believes are not part of underlying operations. These items may include, for example, restructuring charges, asset impairment charges, acquisition-related costs, equity investment-related special items (including any changes in fair value for the equity investment and any related warrants and preemptive rights), certain tax items, charges associated with tobacco and health litigation items, and resolutions of certain nonparticipating manufacturer (NPM) adjustment disputes under the Master Settlement Agreement (such dispute resolutions are referred to as NPM Adjustment Items). Altria's management does not view any of these special items to be part of Altria's underlying results as they may be highly variable, may be infrequent, are difficult to predict and can distort underlying business trends and results.

Altria's management believes that adjusted financial measures provide useful additional insight into underlying business trends and results and provide a more meaningful comparison of year-over-year results. Altria's management uses adjusted financial measures for planning, forecasting and evaluating business and financial performance, including allocating resources and evaluating results relative to employee compensation targets. These adjusted financial measures are not consistent with GAAP and may not be calculated the same as similarly titled measures used by other companies. These adjusted financial measures should thus be considered as supplemental in nature and not considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. Reconciliations of historical adjusted financial measures to corresponding GAAP measures are provided below.

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**Altria and Consolidated Subsidiaries, Selected Financial Data for Smokeable Products**

(\$ in millions)

	Full Year Ended December 31,		
	2019	2018	Change
<b>Net Revenues</b>	\$ 21,996	\$ 22,297	
Excise taxes	(5,166)	(5,585)	
<b>Revenues net of excise taxes</b>	<b>\$ 16,830</b>	<b>\$ 16,712</b>	
<b>Reported OCI</b>	<b>\$ 9,009</b>	<b>\$ 8,408</b>	
NPM Adjustment Items	-	(145)	
Asset impairment, exit and implementation costs	92	83	
Tobacco and health litigation items	72	103	
<b>Adjusted OCI</b>	<b>\$ 9,173</b>	<b>\$ 8,449</b>	<b>8.6%</b>
<b>Adjusted OCI margins <sup>1</sup></b>	<b>54.5%</b>	<b>50.6%</b>	<b>3.9 pp</b>

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**Altria and Consolidated Subsidiaries, Selected Financial Data for Oral Tobacco Products <sup>2</sup>**

(\$ in millions)

	Full Year Ended December 31,		
	2019	2018	Change
<b>Net Revenues</b>	\$ 2,367	\$ 2,262	
Excise taxes	(127)	(131)	
<b>Revenues net of excise taxes</b>	<b>\$ 2,240</b>	<b>\$ 2,131</b>	
<b>Reported OCI</b>	<b>\$ 1,580</b>	<b>\$ 1,431</b>	
Asset impairment, exit, implementation and acquisition-related costs	26	23	
Tobacco and health litigation items	-	10	
<b>Adjusted OCI</b>	<b>\$ 1,606</b>	<b>\$ 1,464</b>	<b>9.7%</b>
<b>Adjusted OCI margins <sup>1</sup></b>	<b>71.7%</b>	<b>68.7%</b>	<b>3.0 pp</b>

## Altria and Consolidated Subsidiaries, Adjusted EPS Results

(\$ in millions, except per share data)

	Earnings (losses) before Income Taxes	Provision for Income Taxes	Net Earnings (Losses)	Net Earnings (Losses) Attributable to Altria	Diluted EPS
<b>For the year ended December 31, 2019</b>					
<b>2019 Reported</b>	\$ 766	\$ 2,064	\$ (1,298)	\$ (1,293)	\$ (0.70)
ABI-related special items <sup>3</sup>	(383)	(80)	(303)	(303)	(0.16)
Tobacco and health litigation items	77	19	58	58	0.03
Asset impairment, exit, implementation and acquisition-related costs	331	62	269	269	0.15
Impairment of JUUL equity securities	8,600	—	8,600	8,600	4.60
Cronos-related special items	928	288	640	640	0.34
Tax items	—	99	(99)	(99)	(0.05)
<b>2019 Adjusted for Special Items</b>	<b>\$ 10,319</b>	<b>\$ 2,452</b>	<b>\$ 7,867</b>	<b>\$ 7,872</b>	<b>\$ 4.21</b>
<b>For the year ended December 31, 2018</b>					
<b>2018 Reported</b>	\$ 9,341	\$ 2,374	\$ 6,967	\$ 6,963	\$ 3.68
NPM Adjustment Items	(145)	(36)	(109)	(109)	(0.06)
Tobacco and health litigation items	131	33	98	98	0.05
ABI-related special items <sup>3</sup>	(16)	(3)	(13)	(13)	—
Asset impairment, exit, implementation and acquisition-related costs	538	106	432	432	0.23
Loss on ABI/SABMiller business combination	33	7	26	26	0.01
Tax items	—	(197)	197	197	0.11
<b>2018 Adjusted for Special Items</b>	<b>\$ 9,882</b>	<b>\$ 2,284</b>	<b>\$ 7,598</b>	<b>\$ 7,594</b>	<b>\$ 4.02</b>
<b>Adjusted diluted EPS Growth 2019 vs. 2018</b>					<b>4.7%</b>

## Altria and Consolidated Subsidiaries, Adjusted EPS Results

(\$ in millions, except per share data)

	Earnings before Income Taxes	Provision for Income Taxes	Net Earnings	Net Earnings Attributable to Altria	Diluted EPS
<b>For the quarter ended March 31, 2020</b>					
<b>2020 Reported</b>	<b>\$ 2,108</b>	<b>\$ 558</b>	<b>\$ 1,550</b>	<b>\$ 1,552</b>	<b>\$ 0.83</b>
ABI-related special items	56	12	44	44	0.03
Implementation and acquisition-related costs	395	95	300	300	0.16
Tobacco and health litigation items	24	5	19	19	0.01
Cronos-related special items	89	(6)	95	95	0.05
Tax items	—	(24)	24	24	0.01
<b>2020 Adjusted for Special Items</b>	<b>\$ 2,672</b>	<b>\$ 640</b>	<b>\$ 2,032</b>	<b>\$ 2,034</b>	<b>\$ 1.09</b>
<b>For the quarter ended March 31, 2019</b>					
<b>2019 Reported</b>	<b>\$ 1,516</b>	<b>\$ 395</b>	<b>\$ 1,121</b>	<b>\$ 1,120</b>	<b>\$ 0.60</b>
ABI-related special items <sup>3</sup>	163	34	129	129	0.07
Asset impairment, exit, implementation and acquisition-related costs	159	34	125	125	0.06
Tobacco and health litigation items	17	4	13	13	0.01
Cronos-related special items	425	97	328	328	0.17
Tax items	—	(19)	19	19	0.01
<b>2019 Adjusted for Special Items</b>	<b>\$ 2,280</b>	<b>\$ 545</b>	<b>\$ 1,735</b>	<b>\$ 1,734</b>	<b>\$ 0.92</b>
<b>Adjusted diluted EPS Growth Q1 2020 vs. Q1 2019</b>					<b>18.5%</b>

<sup>1</sup> Adjusted OCI margins are calculated as adjusted OCI divided by revenues net of excise taxes.

<sup>2</sup> Prior to the first quarter of 2020, Altria's oral tobacco products segment was named smokeless products.

<sup>3</sup> Amounts have been recast to conform with current presentation for certain Anheuser-Busch InBev SA/NV (ABI) mark-to-market adjustments that were not previously identified as special items and that are now excluded from Altria's adjusted financial measures.