

PRESS RELEASE



PHILIP MORRIS INTERNATIONAL

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PHILIP MORRIS INTERNATIONAL INC. (PMI) ANNOUNCES NEW BUSINESS TRANSACTION IN THE PHILIPPINES

NEW YORK, February 25, 2010 – Philip Morris International Inc. (NYSE / Euronext Paris: PM) today announced that Philip Morris Philippines Manufacturing Inc. (PMPMI), an affiliate of PMI, and Fortune Tobacco Corporation (FTC), have signed an agreement to unite their respective business activities by transferring selected assets and liabilities of PMPMI and FTC to a new company to be called PMFTC, with each party holding an equal economic interest. The Chairman of PMFTC will be Mr. Lucio Tan, currently Chairman of FTC. PMI will manage the day-to-day operations of PMFTC.

PMFTC is poised to benefit from the complementary nature of each shareholder's brand portfolio and the cost synergies derived from the integration of manufacturing, procurement and distribution. Both companies have contributed their trademarks to PMFTC which will also manufacture *Marlboro* and *Philip Morris* under long-term license agreements.

"This transaction is a tremendous strategic fit for our business that will cement our leadership in South East Asia," said Matteo Pellegrini, President of PMI's Asia Region. "We firmly believe it will provide us with the talent, infrastructure and expertise to further build our united portfolio of strong brands in this important cigarette market and will benefit the Philippines economy through the further development and expansion of tobacco growing, exports and investments in people and capital."

PMFTC's incremental contribution to PMI's earnings per share in 2010, a year which will focus on integration, is expected to be immaterial. It is anticipated that PMFTC's contribution to PMI's earnings per share will be accretive in 2011, as cost synergies begin to be realized.

The Philippines is one of the largest global cigarette markets with an estimated 2009 volume of 85 billion cigarettes. FTC is one of the five largest privately-owned cigarette companies in the world. PMPMI is present mainly in the premium price segment, while FTC, with leading brands such as *Fortune* and *Champion*, which recorded an estimated combined market share of 46.8% in 2009, competes mainly in the value segment.

About Philip Morris International Inc.

Philip Morris International Inc. (PMI) is the leading international tobacco company, with seven of the world's top 15 brands, including *Marlboro*, the number one cigarette brand worldwide. PMI has more than 77,000 employees and its products are sold in approximately 160 countries. In 2009, the company held an estimated 15.4% share of the total international cigarette market outside of the U.S., or 26.0% excluding the People's Republic of China and the U.S. For more information, see www.pmintl.com.