UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 20, 2011

Philip Morris International Inc.
(Exact name of registrant as specified in its charter)

Virginia	1-33708	13-3435103
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

120 Park Avenue, New York, New York	10017-5592
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (917) 663-2000

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On October 20, 2011, Philip Morris International Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended September 30, 2011 and held a live audio webcast to discuss such results. In connection with this webcast, the Company is furnishing to the Securities and Exchange Commission the following documents attached as exhibits to this Current Report on Form 8-K and incorporated herein by reference to this Item 2.02: the earnings release attached as Exhibit 99.1 hereto, the conference call transcript attached as Exhibit 99.2 hereto and the webcast slides attached as Exhibit 99.3 hereto.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 2.02 of this Current Report on Form 8-K, including Exhibits 99.1, 99.2 and 99.3, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in Item 2.02 of this Current Report on Form 8-K shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as may be expressly set forth by specific reference in such filing or document.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 Philip Morris International Inc. Press Release dated October 20, 2011 (furnished pursuant to Item 2.02)

99.2 Conference Call Transcript dated October 20, 2011 (furnished pursuant to Item 2.02)

99.3 Webcast Slides dated October 20, 2011 (furnished pursuant to Item 2.02)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHILIP MORRIS INTERNATIONAL INC.

By: /s/ JERRY WHITSON
Name: Jerry Whitson
Title: Deputy General Counsel and Corporate Secretary

DATE: October 20, 2011

EXHIBIT INDEX

Exhibit No.	Description
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Exhibit 99.1

PRESS RELEASE

PHILIP MORRIS INTERNATIONAL

Investor Relations:
New York: +1 (917) 663 2233
Lausanne: +41 (0)58 242 4666

Media:
Lausanne: +41 (0)58 242 4500

PHILIP MORRIS INTERNATIONAL INC. (PMI) REPORTS 2011 THIRD-QUARTER RESULTS; NARROWS 2011 EPS GUIDANCE TO A RANGE OF $4.75 TO $4.80

- Reported diluted earnings per share of $1.35, up by 36.4%, or by 32.3% excluding currency, versus $0.99 in 2010
- Adjusted diluted earnings per share of $1.37, as detailed in the attached Schedule 12, up by 37.0%, or by 33.0% excluding currency, versus $1.00 in 2010
- Cigarette shipment volume growth of 4.4%, excluding acquisitions
- Reported net revenues, excluding excise taxes, up by 26.4% to $8.4 billion, or by 15.9% excluding currency
- Reported operating companies income up by 29.2% to $3.8 billion, or by 23.1% excluding currency
- Adjusted operating companies income, which reflects the items detailed in the attached Schedule 11, up by 29.8% to $3.8 billion, or by 23.7% excluding currency and acquisitions
- Operating income up by 29.7% to $3.7 billion
- Free cash flow, defined as net cash provided by operating activities less capital expenditures:
  - Up for the quarter by 25.6% to $2.8 billion, or by 16.1% to $2.6 billion excluding currency, as detailed in the attached Schedule 19
  - Up for the first nine months of the year by 22.1% to $9.0 billion, or by 15.6% to $8.5 billion excluding currency, as detailed in the attached Schedule 19
- Increased its regular quarterly dividend during the quarter by 20.3% to an annualized rate of $3.08 per common share
- Repurchased 21.2 million shares of its common stock for $1.4 billion during the quarter
- PMI narrows its forecast for 2011 full-year reported diluted earnings per share to a range of $4.75 to $4.80, up by approximately 21% to 22.5% versus $3.92 in 2010
  - Excluding a forecasted total favorable currency impact of approximately $0.20 for the full-year 2011, reported diluted earnings per share are projected to increase by approximately 16% to 17.5% versus $3.92 in 2010, or by approximately 17.5% to 19% versus adjusted diluted earnings per share of $3.87 in 2010 as detailed in the attached Schedule 20

NEW YORK, October 20, 2011 – Philip Morris International Inc. (NYSE / Euronext Paris: PM) today announced its 2011 third-quarter results.

"While we benefited from a relatively undemanding comparison, our results this quarter were simply superb on each and every key performance measure. Our business in Japan was a key driver of our stellar results, but elsewhere we enjoyed very solid growth and improving trends in virtually all geographies," said Louis C. Camilleri, Chairman and Chief Executive Officer.

"It is heartening to witness that the efforts deployed by all our employees are being rewarded by such significant progress and continued strong momentum."

Conference Call

A conference call, hosted by Hermann Waldemer, Chief Financial Officer, with members of the investment community and news media, will be webcast at 9:00 a.m., Eastern Time, on October 20, 2011. Access is available at www.pmi.com.

Dividends and Share Repurchase Program

PMI increased its regular quarterly dividend during the quarter to $0.77, up 20.3% from $0.64, which represents an annualized rate of $3.08 per common share. Since its spin-off in March 2008, PMI has increased its regular quarterly dividend by 67.4% from the initial annualized dividend rate of $1.84 per common share.

During the third quarter, PMI spent $1.4 billion to repurchase 21.2 million shares of its common stock, as shown in the table below.

Current $12 Billion, Three-Year Program

	Value ($ Mio.)	Shares 000
May-December 2010	2,953	55,933
January-March 2011	1,356	22,154
April-June 2011	1,548	22,660
July-September 2011	1,448	21,210
Total Under Program	**7,305**	**121,957**

PMI's 2011 full-year forecast includes planned share repurchases of approximately $5.0 billion against its previously communicated three-year share repurchase program of $12 billion, initiated in May 2010.

Since May 2008, when PMI began its first share repurchase program, the company has spent an aggregate of $20.3 billion to repurchase 399.6 million shares at an average price of $50.81, or 18.9% of the shares outstanding at the time of the spin-off in March 2008.

2011 Full-Year Forecast

PMI narrows its forecast for 2011 full-year reported diluted earnings per share from its previous guidance range of $4.70 to $4.80 to a range of $4.75 to $4.80, up by approximately 21% to 22.5% versus $3.92 in 2010. Excluding a forecasted total favorable currency impact of approximately $0.20 for the full-year 2011, reported diluted earnings per share are projected to increase by approximately 16% to 17.5% versus $3.92 in 2010, or by approximately 17.5% to 19% versus adjusted diluted earnings per share of $3.87 in 2010 as detailed in the attached Schedule 20.

This guidance excludes the impact of any potential future acquisitions, asset impairment and exit cost charges, and any unusual events. The factors described in the Forward-Looking and Cautionary Statements section of this release represent continuing risks to these projections.

2011 THIRD-QUARTER CONSOLIDATED RESULTS

Management reviews operating companies income (OCI), which is defined as operating income before corporate expenses and amortization of intangibles, to evaluate segment performance and to allocate resources. In the following discussion, the term "net revenues" refers to net revenues, excluding excise taxes, unless otherwise stated. Management also reviews OCI, operating margins and EPS on an adjusted basis (which may exclude the impact of currency and other items such as acquisitions or asset impairment and exit costs), EBITDA, free cash flow and net debt. Management believes it is appropriate to disclose these measures to help investors analyze business performance and trends. For a reconciliation of operating companies income to operating income, see the Condensed Statements of Earnings provided with this release. Reconciliations of non-GAAP measures to corresponding GAAP measures are also provided with this release. References to total international cigarette market, total cigarette market, total market and market shares are PMI estimates based on latest available data from a number of sources. Comparisons are to the same prior-year period unless otherwise stated.

NET REVENUES

	PMI Net Revenues ($ Millions)							
	Third-Quarter				Nine Months Year-To-Date			
	2011	2010	Change	Excl. Curr.	2011	2010	Change	Excl. Curr.
European Union	$2,506	$2,139	17.2%	2.2%	$ 7,004	$ 6,618	5.8%	(0.2)%
Eastern Europe, Middle East & Africa	2,210	1,896	16.6%	11.9%	5,909	5,531	6.8%	4.8%
Asia	2,799	1,833	52.7%	39.2%	8,058	5,829	38.2%	28.0%
Latin America & Canada	847	746	13.5%	8.3%	2,455	2,193	11.9%	7.7%
Total PMI	**$8,362**	**$6,614**	**26.4%**	**15.9%**	**$23,426**	**$20,171**	**16.1%**	**10.1%**

Net revenues of $8.4 billion were up by 26.4%, including favorable currency of $697 million. Excluding currency, net revenues increased by 15.9%, primarily driven by favorable pricing of $564 million across all Regions, primarily in Asia, and favorable volume/mix of $472 million that benefited from a favorable comparison with 2010, particularly in Japan and Ukraine. The favorable volume/mix was driven by Asia, mainly Indonesia, Japan and Korea, and EEMA, and was partly offset by the EU, mainly Portugal and Spain. Volume/mix in Latin America & Canada was flat due to an erosion in Mexico. Excluding currency and acquisitions, PMI's net revenues increased by 15.7%.

OPERATING COMPANIES INCOME

PMI Operating Companies Income ($ Millions)	Third-Quarter 2011	2010	Change	Excl. Curr.	Nine Months Year-To-Date 2011	2010	Change	Excl. Curr.
European Union	$ 1,262	$ 1,113	13.4%	4.0%	$ 3,548	$3,280	8.2%	1.0%
Eastern Europe, Middle East & Africa	925	856	8.1%	11.8%	2,482	2,412	2.9%	4.3%
Asia	1,309	690	89.7%	74.6%	3,800	2,259	68.2%	52.7%
Latin America & Canada	255	244	4.5%	4.5%	774	699	10.7%	9.3%
Total PMI	**$ 3,751**	**$ 2,903**	**29.2%**	**23.1%**	**$10,604**	**$8,650**	**22.6%**	**16.1%**

Reported operating companies income was up by 29.2% to $3.8 billion, including favorable currency of $177 million. Excluding currency and acquisitions, operating companies income was up by 23.5%, primarily driven by higher pricing and favorable volume/mix, partly offset by unfavorable costs, partially related to airfreight of product to Japan in response to in-market shortages of competitors' products.

Adjusted operating companies income grew by 29.8% as shown in the table below and detailed on Schedule 11. Adjusted operating companies income, excluding currency and acquisitions, increased by 23.7%.

PMI Operating Companies Income ($ Millions)

	Third-Quarter 2011	2010	Change	Nine Months Year-To-Date 2011	2010	Change
Reported OCI	$3,751	$2,903	29.2%	$10,604	$8,650	22.6%
Asset impairment & exit costs	(43)	(20)		(60)	(20)	
Adjusted OCI	**$3,794**	**$2,923**	**29.8%**	**$10,664**	**$8,670**	**23.0%**
Adjusted OCI Margin*	45.4%	44.2%	1.2 p.p.	45.5%	43.0%	2.5 p.p.

* Margins are calculated as adjusted OCI, divided by net revenues, excluding excise taxes.

Adjusted operating companies income margin, excluding the impact of currency, was up by 3.0 percentage points to 47.2%, as detailed on Schedule 11. Excluding currency and acquisitions, adjusted operating companies income margin was up by 3.1 percentage points to 47.3%.

SHIPMENT VOLUME & MARKET SHARE

PMI Cigarette Shipment Volume by Segment (Million Units)

	Third-Quarter 2011	2010	Change	Nine Months Year-To-Date 2011	2010	Change
European Union	56,198	58,264	(3.5)%	161,913	169,617	(4.5)%
Eastern Europe, Middle East & Africa	79,053	75,228	5.1%	218,032	217,265	0.4%
Asia	79,053	70,188	12.6%	235,187	211,588	11.2%
Latin America & Canada	25,243	25,532	(1.1)%	73,512	76,436	(3.8)%
Total PMI	**239,547**	**229,212**	**4.5%**	**688,644**	**674,906**	**2.0%**

Excluding acquisitions, PMI's cigarette shipment volume was up by 4.4% for the quarter, or by 0.5% on a nine-month year-to-date basis, driven by growth from each of PMI's top ten brands.

In the EU, cigarette shipment volume decreased by 3.5%, predominantly due to lower total markets, mainly in Spain, and lower market share, mostly in Poland. In EEMA, cigarette shipment volume grew by 5.1%, primarily driven by growing total markets in the Middle East, market share gains in North Africa and Turkey, and a favorable comparison in Ukraine due to trade inventory movements in 2010. In Asia, PMI's cigarette shipment volume increased by 12.6%, fueled by double-digit growth in Indonesia, Japan, benefiting from the timing of shipments in 2010, and Korea. In Latin America & Canada, cigarette shipment volume decreased by 1.1%, mainly due to Mexico, reflecting a lower total market, partly offset by growth in Argentina, Brazil, Canada and Colombia.

Total cigarette shipments of *Marlboro* of 78.9 billion units were up by 3.9%, driven primarily by growth in EEMA of 10.2%, in particular in the Middle East and North Africa, and in Asia of 11.8%, notably in Indonesia, Japan and Korea. The growth was partly offset by a decline: in the EU of 3.4%, mainly reflecting lower total markets and share, primarily in Poland and Spain, partly offset by growth in France; and in Latin America & Canada of 3.0%, mainly due to a lower total market in Mexico, partly offset by growth in Argentina and Brazil.

Total cigarette shipments of *L&M* of 23.8 billion units were up by 3.9%, driven by growth in all four Regions. Total cigarette shipments of *Bond Street* of 12.4 billion units increased by 6.8%, led mainly by growth in Russia and Ukraine. Total cigarette shipments of *Philip Morris* of 9.8 billion units increased by 1.8%, mainly reflecting growth in Argentina, France and Japan. Total cigarette shipments of *Chesterfield* of 10.0 billion units were up by 7.0%, driven by growth in the EU, mainly in Portugal. Total cigarette shipments of *Parliament* of 10.6 billion units were up by 16.2%, fueled by growth in all four Regions. Total cigarette shipments of *Lark* of 9.7 billion units increased by 44.1%, driven primarily by growth in Japan.

Total shipment volume of other tobacco products (OTP), in cigarette equivalent units, excluding acquisitions, grew by 10.0%, notably in Belgium, France and Germany. Total shipment volume for cigarettes and OTP combined was up by 4.6%, excluding acquisitions.

PMI's market share performance was stable, or registered growth, in a number of key markets, including Algeria, Argentina, Australia, Austria, Belgium, Canada, France, Germany, Hong Kong, Indonesia, Japan, Korea, Mexico, the Netherlands, Russia, Singapore, Turkey and the United Kingdom.

EUROPEAN UNION REGION (EU)

2011 Third-Quarter Results

In the EU, net revenues increased by 17.2% to $2.5 billion, including favorable currency of $321 million. Excluding currency, net revenues grew by 2.2%, primarily reflecting higher pricing of $95 million, driven by France, Germany and Italy. The favorable pricing variance more than offset the unfavorable volume/mix of $49 million, primarily attributable to the adverse economic environment in the south of Europe, notably Greece, Portugal and Spain, and to a lower total market and share in Poland.

Operating companies income increased by 13.4% to $1.3 billion, due predominantly to favorable pricing, and favorable currency of $105 million, partly offset by unfavorable volume/mix. Excluding the favorable impact of currency, operating companies income was up by 4.0%.

Adjusted operating companies income increased by 12.4%, as shown in the table below and detailed on Schedule 11. Adjusted operating companies income, excluding currency and acquisitions, increased by 3.1%.

EU Operating Companies Income ($ Millions)

	Third-Quarter			Nine Months Year-To-Date		
	2011	2010	Change	2011	2010	Change
Reported OCI	$1,262	$1,113	13.4%	$3,548	$3,280	8.2%
Asset impairment & exit costs	(11)	(20)		(23)	(20)	
Adjusted OCI	**$1,273**	**$1,133**	**12.4%**	**$3,571**	**$3,300**	**8.2%**
Adjusted OCI Margin*	50.8%	53.0%	(2.2) p.p.	51.0%	49.9%	1.1 p.p.

* Margins are calculated as adjusted OCI, divided by net revenues, excluding excise taxes.

Excluding the impact of currency, adjusted operating companies income margin was up by 0.5 percentage points to 53.5%, as detailed on Schedule 11.

The total cigarette market in the EU declined by 3.7%, due primarily to the impact of a lower total market: in Greece, reflecting the continuing adverse economic environment; in Spain, following the unfavorable impact of tax-driven price increases in June and December of 2010, the implementation of stricter indoor public smoking bans in January 2011, and continuing adverse economic conditions; and in Poland, reflecting excise-tax driven price increases in October 2010 and May 2011 combined with the implementation of a smoking ban in November 2010. Excluding Spain, the total cigarette market in the EU declined by 2.8%.

PMI's cigarette shipment volume in the EU declined by 3.5%, due mainly to the aforementioned reasons, partly offset by favorable distributor inventory movements, primarily in Spain. Shipment volume of *Marlboro* decreased by 3.4%, mainly due to lower total markets, particularly in Spain, and to lower share, primarily in Germany, Italy and Poland, partially offset by higher share in France and Hungary. Shipment volume of *L&M* was up by 1.5%, driven predominantly by higher share in Germany.

PMI's market share in the EU was down by 0.7 share points to 38.3% as gains, notably in France, Germany and the Netherlands, were more than offset by declines, mainly in the Czech Republic, Italy, Poland, Portugal and Spain. *Marlboro*'s share in the EU was down by 0.4 points to 18.0%, reflecting a higher share mainly in the Czech Republic, France, Greece, Hungary and the Netherlands, which was more than offset by lower share in Germany, Italy, Poland, Portugal and Spain. Compared to the second quarter of 2011, *Marlboro*'s share was down slightly by 0.1 point. *L&M*'s market share in the EU was up slightly by 0.1 point to 6.5%, primarily driven by gains in Germany, the Netherlands and Poland. Complementing *L&M*, market share of *Chesterfield* in the EU was up by 0.3 points to 3.2%.

EU Key Market Commentaries

In the Czech Republic, the total cigarette market was down by 2.3%, reflecting the unfavorable impact of excise tax-driven price increases in the first quarter of 2011. PMI's shipments were down by 9.1%. Market share was down by 3.3 points to 44.5%, principally reflecting continued share declines for lower-margin local brands, *Start*, *Petra* and *Sparta*, down by 3.2 points. This decline was partly offset by a higher share for *Marlboro*, up by 0.2 points to 7.2%, assisted by the April 2011 launch of *Marlboro Core Flavor* and *Marlboro Gold Touch*, and a higher share for *Red & White*, up by 0.7 points to 13.4%.

In France, the total cigarette market was down by 2.0%. PMI's shipments were up by 4.0%, and market share was up by 0.4 points to 40.4%, mainly reflecting a higher share for *Marlboro* and the premium *Philip Morris* brand, up by 0.2 and 0.5 points to 25.9% and 8.2%, respectively, as well as a higher share for *Chesterfield*, up by 0.2 points to 3.0%.

In Germany, the total cigarette market was up by 0.3%. PMI's shipments were up by 1.2% and market share grew by 0.3 points to 35.2%, driven by *L&M*, up by 1.1 points to 10.3%. Share of *Marlboro* was down by 0.8 points to 20.3%.

In Italy, the total cigarette market was down by 1.4%, reflecting the unfavorable impact of excise tax-driven price increases in the third quarter of 2010, price increases in July 2011, and a VAT-driven price increase of €0.20 per pack in September 2011. PMI's shipments were down by 1.0% and market share declined by 1.1 points to 53.0%. While *Marlboro*'s market share of 22.7% was down by 0.5 points compared to the third quarter of 2010, it was flat compared to the second quarter of 2011.

In Poland, the total cigarette market was down by 5.0%, reflecting the unfavorable impact of excise tax-driven price increases in the fourth quarter of 2010 and second quarter of 2011, as well as the introduction of an indoor public smoking ban in November of 2010. PMI's shipments were down by 11.3%. PMI's market share was down by 2.5 points to 35.1%, due mainly to lower share of *Marlboro*, down by 1.3 points to 9.7%, and low-price *Red & White*, down by 1.5 points to 5.1%, partially offset by *L&M*, up by 0.9 points to 16.9%, supported by the launch of *L&M Forward* in April 2011. Compared to the second quarter of 2011, PMI's market share was up by 0.2 points.

In Spain, the total cigarette market was down by 10.5%, largely due to the continuing adverse economic environment and the introduction of a total indoor public smoking ban in January 2011. PMI's shipments were down by 6.9%. PMI's market share was down by 1.4 points to 31.2%, reflecting lower trade purchases of PMI products in September as a result of the timing of competitive price increases later the same month. By comparison, PMI's market share in July and August was up by 1.1 points versus the same period in 2010. Share of *Marlboro* in the quarter of 15.1% was up by 0.5 points compared to the second quarter of 2011.

EASTERN EUROPE, MIDDLE EAST & AFRICA REGION (EEMA)

2011 Third-Quarter Results

In EEMA, net revenues increased by 16.6% to $2.2 billion, including favorable currency of $89 million. Excluding the impact of currency and acquisitions, net revenues increased by 11.2%, primarily due to favorable pricing of $65 million, primarily in the Middle East and Russia, and favorable volume/mix of $147 million.

Operating companies income increased by 8.1% to $925 million, despite unfavorable currency of $32 million that was largely due to the appreciation of the Euro, particularly in regard to manufacturing costs. Excluding the impact of currency and acquisitions, operating companies income increased by 13.3%, due primarily to higher pricing and favorable volume/mix, partly offset by higher costs, principally related to business building initiatives in Russia. Adjusted operating companies income increased by 9.9%, as shown in the table below and detailed on Schedule 11. Adjusted operating companies income, excluding currency and acquisitions, increased by 13.8%.

EEMA Operating Companies Income ($ Millions)

	Third-Quarter			Nine Months Year-To-Date		
	2011	2010	Change	2011	2010	Change
Reported OCI	$ 925	$ 856	8.1%	$2,482	$2,412	2.9%
Asset impairment & exit costs	(16)	0		(18)	0	
Adjusted OCI	**$ 941**	**$ 856**	**9.9%**	**$2,500**	**$2,412**	**3.6%**
Adjusted OCI Margin*	42.6%	45.1%	(2.5) p.p.	42.3%	43.6%	(1.3) p.p.

* Margins are calculated as adjusted OCI, divided by net revenues, excluding excise taxes.

Excluding the impact of currency and acquisitions, adjusted operating companies income margin was up by 1.1 percentage points to 46.2%, as detailed on Schedule 11.

PMI's cigarette shipment volume in EEMA increased by 5.1%, predominantly due to: the Middle East, primarily Saudi Arabia, mainly reflecting favorable distributor inventory movements; North Africa, mainly Algeria driven by a higher total market and share growth; Turkey, reflecting share growth; and Ukraine, reflecting favorable trade inventory movements. This increase was partly offset by a decline in Russia due to unfavorable distributor inventory movements and a lower total market.

PMI's cigarette shipment volume of premium brands grew by 10.5% in EEMA, driven by *Marlboro* and *Parliament*, up by 10.2% and 15.9%, respectively.

EEMA Key Market Commentaries

In Russia, PMI's shipment volume decreased by 3.5%. While shipment volume of PMI's premium portfolio was down by 7.1%, primarily due to a decline in *Marlboro* of 19.6%, shipment volume of *Parliament* was up by 0.4%. In the mid-price segment, shipment volume was down by 5.5%, due mainly to *Chesterfield*, down by 4.1%, and *L&M*, down by 3.2%. In the low-price segment, shipment volume of *Bond Street* was up by 3.0%. PMI's quarter-to-date August market share of 25.8%, as measured by A.C. Nielsen, was up slightly by 0.1 point. Market share for *Parliament*, in the premium segment, was up slightly by 0.1 point; *Marlboro*, in the premium segment, was down by 0.2 points; *L&M* in the mid-price segment was down by 0.4 share points; *Chesterfield* in the mid-price segment was up by 0.2 share points; and *Bond Street* in the low-price segment was up by 0.4 share points.

In Turkey, the total cigarette market was up by 5.6%, reflecting a recovery following the steep January 2010 excise tax increase. PMI's shipment volume increased by 21.6%. PMI's market share, as measured by A.C. Nielsen, grew by 3.9 points to a record 45.7%, driven by *Parliament*, *Muratti* and *L&M,* up by 1.3, 0.6 and 4.4 share points, respectively, partly offset by declines in *Lark* and *Bond Street*, down by 1.6 and 0.7 points, respectively. Market share of *Marlboro* was flat at 9.5% and up by 0.4 points compared to the second quarter of 2011.

In Ukraine, the total cigarette market grew by an estimated 8.6%, reflecting a favorable comparison with the third quarter of 2010 impacted by trade inventory movements following the excise tax increase of July 2010 and the favorable impact of competitive trade inventory movements in the third quarter of 2011. PMI's shipment volume increased by 10.2%. While PMI's market share, as measured by A.C. Nielsen, was down by 2.4 points to 32.4%, largely due to declines in PMI's medium and low-price segments, share for premium *Parliament* was up by 0.4 points to 2.8%. Share of *Marlboro* was flat at 5.6%.

ASIA REGION

2011 Third-Quarter Results

In Asia, net revenues increased strongly by 52.7% to $2.8 billion, including favorable currency of $248 million. Excluding the impact of currency, net revenues increased by 39.2%, reflecting the favorable impact of pricing of $342 million, primarily in Australia, Indonesia, Japan and the Philippines, and favorable volume/mix of $374 million, mainly in Japan, reflecting a weak prior year quarter resulting from the payback of distributor inventories built up in the second quarter of 2010 in anticipation of increased trade and consumer purchases, as well as in Indonesia and Korea. Excluding the impact of currency and acquisitions, net revenues increased by 39.1%.

Operating companies income surged by 89.7% to reach $1.3 billion. Excluding the favorable impact of currency of $104 million, operating companies income increased by 74.6%, driven by strong growth in Australia, Indonesia, Japan, Korea and the Philippines. Excluding the impact of currency and acquisitions, operating companies income increased by 74.3%. Adjusted operating companies income increased by 90.4% as shown in the table below and detailed on Schedule 11. Adjusted operating companies income, excluding currency and acquisitions, increased by 75.1%.

Asia Operating Companies Income ($ Millions)

	Third-Quarter			Nine Months Year-To-Date		
	2011	2010	Change	2011	2010	Change
Reported OCI	$1,309	$ 690	89.7%	$3,800	$2,259	68.2%
Asset impairment & exit costs	(5)	0		(7)	0	
Adjusted OCI	**$1,314**	**$ 690**	**90.4%**	**$3,807**	**$2,259**	**68.5%**
Adjusted OCI Margin*	46.9%	37.6%	9.3 p.p.	47.2%	38.8%	8.4 p.p.

* Margins are calculated as adjusted OCI, divided by net revenues, excluding excise taxes.

Excluding the impact of currency and acquisitions, adjusted operating companies income margin was up by 9.8 percentage points to 47.4%, as detailed on Schedule 11.

PMI's cigarette shipment volume in Asia increased by 12.6%, predominantly due to growth in Indonesia, Japan and Korea. The growth was partly offset by declines in Pakistan of 18.9%, due to the continued growth of illicit products, and in the Philippines of 3.0%, reflecting the unfavorable impact of excise tax-driven price increases in January 2011 and extreme weather conditions.

Shipment volume of *Marlboro* was up by 11.8%, driven mainly by growth in Indonesia, Japan, Korea and Vietnam.

Asia Key Market Commentaries

In Indonesia, the total cigarette market was up by 14.5%, driven mainly by growth in the low-price segment and moderate price increases compared to 2010. PMI's shipment volume increased by 22.5%, with all key brand families recording growth. Market share was up by 2.0 points to a record 31.2%, driven by growth from premium *Sampoerna A* and low-price *U Mild*, *Vegas Mild* and *Trend Mild*. Although *Marlboro*'s market share was down by 0.2 points to 4.2%, shipments grew by 8.9% and share of the "white" cigarettes segment increased by 3.6 points to 65.4%.

In Japan, the total cigarette market decreased by 29.5%, reflecting: an unfavorable comparison with the third quarter of 2010 which witnessed strong trade and consumer demand ahead of the October 1, 2010 tax-driven price increases; the subsequent unfavorable impact of these price increases; and the underlying market decline. PMI's shipment volume was up by 47.1%, driven mainly by a favorable comparison to the third quarter of 2010 which witnessed the payback of distributor inventories built up in the second quarter of 2010 in anticipation of the aforementioned tax-driven price increases, as well as by increased trade purchases compensating for in-market shortages of competitors' products in July 2011. Market share of 27.9% was up by 3.9 points, reflecting growth of *Marlboro, Lark*, the *Philip Morris* brand and *Virginia S.* by 1.0, 2.3, 0.2 and 0.3 points, to 12.0%, 8.7%, 2.5% and 2.1%, respectively.

In Korea, the total cigarette market declined by 0.5%. PMI's shipment volume increased by 22.4%, driven by market share increases. PMI's market share reached a record 21.1%, up by 4.1 points, driven by *Marlboro* and *Parliament*, up by 2.5 and 1.4 points to 9.4% and 7.1%, respectively.

In the Philippines, the total market declined by 1.8%, reflecting the impact of PMFTC Inc.'s excise-tax driven price increase of its key brand variants in January 2011 and extreme weather conditions. PMI's shipment volume was down by 3.0%. PMI's market share was down by 1.2 points to 93.4%. Share of *Marlboro* was down by 0.7 points to 21.1%.

LATIN AMERICA & CANADA REGION

2011 Third-Quarter Results

In Latin America & Canada, net revenues increased by 13.5% to $847 million, including favorable currency of $39 million. Excluding the impact of currency, net revenues increased by 8.3%, reflecting favorable pricing of $62 million, primarily in Argentina, Brazil, Canada and Mexico. Volume/mix was flat.

Operating companies income increased by 4.5% to $255 million, primarily reflecting favorable pricing. Adjusted operating companies income grew by 9.0% as shown in the table below and detailed on Schedule 11, and by the same percentage excluding currency.

Latin America & Canada Operating Companies Income ($ Millions)

	Third-Quarter			Nine Months Year-To-Date		
	2011	2010	Change	2011	2010	Change
Reported OCI	$ 255	$ 244	4.5%	$ 774	$ 699	10.7%
Asset impairment & exit costs	(11)	0		(12)	0	
Adjusted OCI	**$ 266**	**$ 244**	**9.0%**	**$ 786**	**$ 699**	**12.4%**
Adjusted OCI Margin*	31.4%	32.7%	(1.3) p.p.	32.0%	31.9%	0.1 p.p.

* Margins are calculated as adjusted OCI, divided by net revenues, excluding excise taxes.

Excluding the impact of currency, adjusted operating companies income margin increased by 0.2 percentage points to 32.9%, as detailed on Schedule 11.

PMI's cigarette shipment volume in Latin America & Canada decreased by 1.1%, due mainly to Mexico, partly offset by increases in Argentina, Brazil, Canada and Colombia. Shipment volume of *Marlboro* decreased by 3.0% due to Mexico.

Latin America & Canada Key Market Commentaries

In Argentina, the total cigarette market grew by 3.2%, reflecting growth in the economy. PMI's cigarette shipment volume increased by 4.0%. PMI's market share was up by 0.5 points to 74.3%, reflecting growth of *Marlboro*, up by 0.7 points to 24.2%, and of the mid-price *Philip Morris* brand, up by 0.2 share points to 37.8%. Share of low-price *Next* was down by 0.2 points to 3.5%.

In Canada, the total tax-paid cigarette market was up by 1.3%, due mainly to a favorable comparison with the third quarter of 2010, which included the payback of trade inventory movements in June 2010 in anticipation of the harmonized sales tax implementation in the provinces of Ontario and British Columbia. PMI's cigarette shipment volume increased by 5.2%. PMI's market share grew by 1.3 points to 34.3%, with premium brand *Belmont* up by 0.2 points to 1.9% and low-price brand *Next* up by 2.7 points to 7.0%, partly offset by mid-price *Number 7* and *Canadian Classics*, and low-price *Accord*, down by 0.3, 0.3 and 0.7 share points, to 4.1%, 8.8% and 3.5%, respectively.

In Mexico, the total cigarette market was down by 18.0%, primarily due to the significant January 1, 2011, excise tax increase which resulted in a 26.7% increase in the retail price of *Marlboro* and a surge in the availability of illicit products. Although PMI's cigarette shipment volume decreased by 15.1%, market share grew by 2.6 points to 73.2%, led by *Marlboro*, up by 3.1 share points to a quarterly record of 52.8%, and *Benson & Hedges*, up by 0.5 points to 6.1%. Market share of low-price *Delicados*, the second best-selling brand in the market, declined by 0.7 points to 11.1%.

Philip Morris International Inc. Profile

Philip Morris International Inc. (PMI) is the leading international tobacco company, with seven of the world's top 15 international brands, including *Marlboro*, the number one cigarette brand worldwide. PMI's products are sold in approximately 180 countries. In 2010, the company held an estimated 16.0% share of the total international cigarette market outside of the U.S., or 27.6% excluding the People's Republic of China and the U.S. For more information, see www.pmi.com.

Forward-Looking and Cautionary Statements

This press release contains projections of future results and other forward-looking statements that involve a number of risks and uncertainties and are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. The following important factors could cause actual results and outcomes to differ materially from those contained in such forward-looking statements.

Philip Morris International Inc. and its tobacco subsidiaries (PMI) are subject to intense price competition; changes in consumer preferences and demand for their products; fluctuations in levels of customer inventories; increases in raw material costs; the effects of global economic developments and individual country economic and market conditions; unfavorable currency movements and changes to income tax laws. Their results are dependent upon their continued ability to promote brand equity successfully; to anticipate and respond to new consumer trends; to develop new products and markets and to broaden brand portfolios in order to compete effectively; to be able to protect and enhance margins through price increases; and to improve productivity.

PMI is also subject to legislation and governmental regulation, including actual and potential excise tax increases; discriminatory excise tax structures; increasing marketing and regulatory restrictions; the effects of price increases related to excise tax increases on consumption rates and consumer preferences within price segments; health concerns relating to the use of tobacco products and exposure to environmental tobacco smoke; privately imposed smoking restrictions; and governmental investigations.

PMI is subject to litigation, including risks associated with adverse jury and judicial determinations, and courts reaching conclusions at variance with PMI's understanding of applicable law.

PMI is further subject to other risks detailed from time to time in its publicly filed documents, including the Form 10-Q for the quarter ended June 30, 2011. PMI cautions that the foregoing list of important factors is not complete and does not undertake to update any forward-looking statements that it may make, except in the normal course of its public disclosure obligations.

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Schedule 1

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Condensed Statements of Earnings
For the Quarters Ended September 30,
($ in millions, except per share data)
(Unaudited)

	2011	2010	% Change
Net revenues	**$ 20,706**	**$ 16,936**	**22.3 %**
Cost of sales	2,847	2,290	24.3 %
Excise taxes on products (1)	12,344	10,322	19.6 %
Gross profit	5,515	4,324	27.5 %
Marketing, administration and research costs	1,721	1,401	
Asset impairment and exit costs	43	20	
Operating companies income	**3,751**	**2,903**	**29.2 %**
Amortization of intangibles	25	22	
General corporate expenses	49	45	
Operating income	**3,677**	**2,836**	**29.7 %**
Interest expense, net	192	214	
Earnings before income taxes	3,485	2,622	32.9 %
Provision for income taxes	1,024	730	40.3 %
Net earnings	2,461	1,892	30.1 %
Net earnings attributable to noncontrolling interests	84	70	
Net earnings attributable to PMI	**$ 2,377**	**$ 1,822**	**30.5 %**
Per share data:(2)			
Basic earnings per share	**$ 1.35**	**$ 0.99**	**36.4 %**
Diluted earnings per share	**$ 1.35**	**$ 0.99**	**36.4 %**

(1) The segment detail of excise taxes on products sold for the quarters ended September 30, 2011 and 2010 is shown on Schedule 2.

(2) Net earnings and weighted-average shares used in the basic and diluted earnings per share computations for the quarters ended September 30, 2011 and 2010 are shown on Schedule 4, Footnote 1.

Schedule 2

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Selected Financial Data by Business Segment
For the Quarters Ended September 30,
($ in millions)
(Unaudited)

		Net Revenues excluding Excise Taxes				
		European Union	EEMA	Asia	Latin America & Canada	Total
2011	Net Revenues [1]	$ 8,155	$ 4,921	$ 5,143	$ 2,487	$ 20,706
	Excise Taxes on Products	(5,649)	(2,711)	(2,344)	(1,640)	(12,344)
	Net Revenues excluding Excise Taxes	**2,506**	**2,210**	**2,799**	**847**	**8,362**
2010	Net Revenues	$ 7,045	$ 4,184	$ 3,629	$ 2,078	$ 16,936
	Excise Taxes on Products	(4,906)	(2,288)	(1,796)	(1,332)	(10,322)
	Net Revenues excluding Excise Taxes	**2,139**	**1,896**	**1,833**	**746**	**6,614**
Variance	Currency	321	89	248	39	697
	Acquisitions	—	13	2	—	15
	Operations	46	212	716	62	1,036
	Variance Total	**367**	**314**	**966**	**101**	**1,748**
	Variance Total (%)	17.2%	16.6%	52.7%	13.5%	26.4%
	Variance excluding Currency	46	225	718	62	1,051
	Variance excluding Currency (%)	2.2%	11.9%	39.2%	8.3%	15.9%
	Variance excluding Currency & Acquisitions	46	212	716	62	1,036
	Variance excluding Currency & Acquisitions (%)	2.2%	11.2%	39.1%	8.3%	15.7%

(1) 2011 Currency increased net revenues as follows:

European Union	$ 1,061
EEMA	108
Asia	467
Latin America & Canada	109
	$ 1,745

Schedule 3

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Selected Financial Data by Business Segment
For the Quarters Ended September 30,
($ in millions)
(Unaudited)

	Operating Companies Income				
	European Union	EEMA	Asia	Latin America & Canada	Total
2011	$ 1,262	$ 925	$1,309	$ 255	$3,751
2010	1,113	856	690	244	2,903
% Change	13.4%	8.1%	89.7%	4.5%	29.2%
Reconciliation:					
For the quarter ended September 30, 2010	**$ 1,113**	**$ 856**	**$ 690**	**$ 244**	**$2,903**
2010 Asset impairment and exit costs	20	—	—	—	20
2011 Asset impairment and exit costs	(11)	(16)	(5)	(11)	(43)
Acquired businesses	—	(1)	2	—	1
Currency	105	(32)	104	—	177
Operations	35	118	518	22	693
For the quarter ended September 30, 2011	**$ 1,262**	**$ 925**	**$1,309**	**$ 255**	**$3,751**

Schedule 4

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Diluted Earnings Per Share
For the Quarters Ended September 30,
($ in millions, except per share data)
(Unaudited)

	Diluted E.P.S.
2011 Diluted Earnings Per Share	$ 1.35[1]
2010 Diluted Earnings Per Share	$ 0.99[1]
Change	$ 0.36
% Change	36.4 %
Reconciliation:	
2010 Diluted Earnings Per Share	**$ 0.99[1]**
Special Items:	
2011 Asset impairment and exit costs	(0.02)
2011 Tax items	—
2010 Asset impairment and exit costs	0.01
2010 Tax items	—
Currency	0.04
Interest	0.01
Change in tax rate	(0.03)
Impact of lower shares outstanding and share-based payments	0.06
Operations	0.29
2011 Diluted Earnings Per Share	**$ 1.35[1]**

(1) Basic and diluted EPS were calculated using the following (in millions):

	Q3 2011	Q3 2010
Net earnings attributable to PMI	$2,377	$1,822
Less distributed and undistributed earnings attributable to share-based payment awards	14	8
Net earnings for basic and diluted EPS	$2,363	$1,814
Weighted-average shares for basic EPS	1,749	1,828
Plus incremental shares from assumed conversions:		
Stock Options	—	2
Weighted-average shares for diluted EPS	1,749	1,830

Schedule 5

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Condensed Statements of Earnings
For the Nine Months Ended September 30,
($ in millions, except per share data)
(Unaudited)

	2011	2010	% Change
Net revenues	**$57,470**	**$49,906**	**15.2%**
Cost of sales	7,986	7,212	10.7%
Excise taxes on products (1)	34,044	29,735	14.5%
Gross profit	15,440	12,959	19.1%
Marketing, administration and research costs	4,776	4,289	
Asset impairment and exit costs	60	20	
Operating companies income	**10,604**	**8,650**	**22.6%**
Amortization of intangibles	73	65	
General corporate expenses	135	128	
Operating income	**10,396**	**8,457**	**22.9%**
Interest expense, net	613	660	
Earnings before income taxes	9,783	7,797	25.5%
Provision for income taxes	2,850	2,109	35.1%
Net earnings	6,933	5,688	21.9%
Net earnings attributable to noncontrolling interests	228	181	
Net earnings attributable to PMI	**$ 6,705**	**$ 5,507**	**21.8%**
Per share data:(2)			
Basic earnings per share	**$ 3.76**	**$ 2.96**	**27.0%**
Diluted earnings per share	**$ 3.76**	**$ 2.96**	**27.0%**

(1) The segment detail of excise taxes on products sold for the nine months ended September 30, 2011 and 2010 is shown on Schedule 6.

(2) Net earnings and weighted-average shares used in the basic and diluted earnings per share computations for the nine months ended September 30, 2011 and 2010 are shown on Schedule 8, Footnote 1.

Schedule 6

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Selected Financial Data by Business Segment
For the Nine Months Ended September 30,
($ in millions)
(Unaudited)

		Net Revenues excluding Excise Taxes				
		European Union	EEMA	Asia	Latin America & Canada	Total
2011	Net Revenues [1]	$ 22,650	$13,195	$14,577	$ 7,048	$ 57,470
	Excise Taxes on Products	(15,646)	(7,286)	(6,519)	(4,593)	(34,044)
	Net Revenues excluding Excise Taxes	**7,004**	**5,909**	**8,058**	**2,455**	**23,426**
2010	Net Revenues	$ 21,053	$11,665	$11,094	$ 6,094	$ 49,906
	Excise Taxes on Products	(14,435)	(6,134)	(5,265)	(3,901)	(29,735)
	Net Revenues excluding Excise Taxes	**6,618**	**5,531**	**5,829**	**2,193**	**20,171**
Variance	Currency	402	115	598	93	1,208
	Acquisitions	—	13	110	—	123
	Operations	(16)	250	1,521	169	1,924
	Variance Total	**386**	**378**	**2,229**	**262**	**3,255**
	Variance Total (%)	5.8%	6.8%	38.2%	11.9%	16.1%
	Variance excluding Currency	(16)	263	1,631	169	2,047
	Variance excluding Currency (%)	(0.2)%	4.8%	28.0%	7.7%	10.1%
	Variance excluding Currency & Acquisitions	(16)	250	1,521	169	1,924
	Variance excluding Currency & Acquisitions (%)	(0.2)%	4.5%	26.1%	7.7%	9.5%

(1) 2011 Currency increased net revenues as follows:

European Union	$ 1,342
EEMA	116
Asia	1,070
Latin America & Canada	239
	$ 2,767

Schedule 7

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Selected Financial Data by Business Segment
For the Nine Months Ended September 30,
($ in millions)
(Unaudited)

	Operating Companies Income				
	European Union	EEMA	Asia	Latin America & Canada	Total
2011	$ 3,548	$2,482	$3,800	$ 774	$10,604
2010	3,280	2,412	2,259	699	8,650
% Change	8.2%	2.9%	68.2%	10.7%	22.6%
Reconciliation:					
For the nine months ended September 30, 2010	**$ 3,280**	**$2,412**	**$2,259**	**$ 699**	**$ 8,650**
2010 Asset impairment and exit costs	20	—	—	—	20
2011 Asset impairment and exit costs	(23)	(18)	(7)	(12)	(60)
Acquired businesses	(1)	(1)	26	—	24
Currency	236	(33)	351	10	564
Operations	36	122	1,171	77	1,406
For the nine months ended September 30, 2011	**$ 3,548**	**$2,482**	**$3,800**	**$ 774**	**$10,604**

Schedule 8

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Diluted Earnings Per Share
For the Nine Months Ended September 30,
($ in millions, except per share data)
(Unaudited)

	Diluted E.P.S.
2011 Diluted Earnings Per Share	$ 3.76[1]
2010 Diluted Earnings Per Share	$ 2.96[1]
Change	$ 0.80
% Change	27.0 %
Reconciliation:	
2010 Diluted Earnings Per Share	**$ 2.96**[1]
Special Items:	
2011 Asset impairment and exit costs	(0.03)
2011 Tax items	0.02
2010 Asset impairment and exit costs	0.01
2010 Tax items	(0.07)
Currency	0.19
Interest	0.02
Change in tax rate	(0.04)
Impact of lower shares outstanding and share-based payments	0.17
Operations	0.53
2011 Diluted Earnings per Share	**$ 3.76**[1]

(1) Basic and diluted EPS were calculated using the following (in millions):

	YTD September 2011	YTD September 2010
Net earnings attributable to PMI	$ 6,705	$ 5,507
Less distributed and undistributed earnings attributable to share-based payment awards	38	25
Net earnings for basic and diluted EPS	$ 6,667	$ 5,482
Weighted-average shares for basic EPS	1,771	1,849
Plus incremental shares from assumed conversions:		
Stock Options	—	3
Weighted-average shares for diluted EPS	1,771	1,852

Schedule 9

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Condensed Balance Sheets
($ in millions, except ratios)
(Unaudited)

	September 30, 2011	December 31, 2010
Assets		
Cash and cash equivalents	$ 3,391	$ 1,703
All other current assets	11,699	12,053
Property, plant and equipment, net	6,411	6,499
Goodwill	10,087	10,161
Other intangible assets, net	3,774	3,873
Other assets	858	761
Total assets	**$ 36,220**	**$ 35,050**
Liabilities and Stockholders' Equity		
Short-term borrowings	$ 2,563	$ 1,747
Current portion of long-term debt	2,326	1,385
All other current liabilities	11,161	9,672
Long-term debt	12,870	13,370
Deferred income taxes	1,983	2,027
Other long-term liabilities	1,663	1,728
Total liabilities	32,566	29,929
Redeemable noncontrolling interest	1,216	1,188
Total PMI stockholders' equity	2,130	3,506
Noncontrolling interests	308	427
Total stockholders' equity	2,438	3,933
Total liabilities and stockholders' equity	**$ 36,220**	**$ 35,050**
Total debt	$ 17,759	$ 16,502
Total debt to EBITDA	1.26(1)	1.36(1)
Net debt to EBITDA	1.02(1)	1.22(1)

(1) For the calculation of Total Debt to EBITDA and Net Debt to EBITDA ratios, refer to Schedule 18.

Schedule 10

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Adjustments for the Impact of Currency and Acquisitions
For the Quarters Ended September 30,
($ in millions)
(Unaudited)

2011 Reported Net Revenues	2011 Less Excise Taxes	2011 Reported Net Revenues excluding Excise Taxes	2011 Less Currency	2011 Reported Net Revenues excluding Excise Taxes & Currency	2011 Less Acquisi-tions	2011 Reported Net Revenues excluding Excise Taxes, Currency & Acquisitions		2010 Reported Net Revenues	2010 Less Excise Taxes	2010 Reported Net Revenues excluding Excise Taxes	% Change in Reported Net Revenues excluding Excise Taxes: Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
$ 8,155	$ 5,649	$ 2,506	$ 321	$ 2,185	$ —	$ 2,185	European Union	$ 7,045	$ 4,906	$ 2,139	17.2%	2.2%	2.2%
4,921	2,711	2,210	89	2,121	13	2,108	EEMA	4,184	2,288	1,896	16.6%	11.9%	11.2%
5,143	2,344	2,799	248	2,551	2	2,549	Asia	3,629	1,796	1,833	52.7%	39.2%	39.1%
2,487	1,640	847	39	808	—	808	Latin America & Canada	2,078	1,332	746	13.5%	8.3%	8.3%
$ 20,706	**$12,344**	**$ 8,362**	**$ 697**	**$ 7,665**	**$ 15**	**$ 7,650**	**PMI Total**	**$ 16,936**	**$10,322**	**$ 6,614**	**26.4%**	**15.9%**	**15.7%**

2011 Reported Operating Companies Income			2011 Less Currency	2011 Reported Operating Companies Income excluding Currency	2011 Less Acquisi-tions	2011 Reported Operating Companies Income excluding Currency & Acquisitions		2010 Reported Operating Companies Income	% Change in Reported Operating Companies Income: Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
$ 1,262			$ 105	$ 1,157	$ —	$ 1,157	European Union	$ 1,113	13.4%	4.0%	4.0%
925			(32)	957	(13)	970	EEMA	856	8.1%	11.8%	13.3%
1,309			104	1,205	2	1,203	Asia	690	89.7%	74.6%	74.3%
255			—	255	—	255	Latin America & Canada	244	4.5%	4.5%	4.5%
$ 3,751			**$ 177**	**$ 3,574**	**$ (11)**	**$ 3,585**	**PMI Total**	**$ 2,903**	**29.2%**	**23.1%**	**23.5%**

Schedule 11

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income &
Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions
For the Quarters Ended September 30,
($ in millions)
(Unaudited)

2011 Reported Operating Companies Income	2011 Less Asset Impairment & Exit Costs	2011 Adjusted Operating Companies Income	2011 Less Currency	2011 Adjusted Operating Companies Income excluding Currency	2011 Less Acquisitions	2011 Adjusted Operating Companies Income excluding Currency & Acquisitions		2010 Reported Operating Companies Income	2010 Less Asset Impairment & Exit Costs	2010 Adjusted Operating Companies Income	% Change in Adjusted Operating Companies Income: Adjusted	Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
$ 1,262	$ (11)	$ 1,273	$ 105	$ 1,168	$ —	$ 1,168	European Union	$ 1,113	$ (20)	$ 1,133	12.4%	3.1%	3.1%
925	(16)	941	(32)	973	(1)	974	EEMA	856	—	856	9.9%	13.7%	13.8%
1,309	(5)	1,314	104	1,210	2	1,208	Asia	690	—	690	90.4%	75.4%	75.1%
255	(11)	266	—	266	—	266	Latin America & Canada	244	—	244	9.0%	9.0%	9.0%
$ 3,751	**$ (43)**	**$ 3,794**	**$ 177**	**$ 3,617**	**$ 1**	**$ 3,616**	**PMI Total**	**$ 2,903**	**$ (20)**	**$ 2,923**	**29.8%**	**23.7%**	**23.7%**

2011 Adjusted Operating Companies Income excluding Currency	2011 Net Revenues excluding Excise Taxes & Currency(1)	2011 Adjusted Operating Companies Income Margin excluding Currency	2011 Adjusted Operating Companies Income excluding Currency & Acquisitions	2011 Net Revenues excluding Excise Taxes, Currency & Acquisitions(1)	2011 Adjusted Operating Companies Income Margin excluding Currency & Acquisitions		2010 Adjusted Operating Companies Income	2010 Net Revenues excluding Excise Taxes(1)	2010 Adjusted Operating Companies Income Margin	% Points Change: Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions
$ 1,168	$ 2,185	53.5%	$ 1,168	$ 2,185	53.5%	European Union	$ 1,133	$ 2,139	53.0%	0.5	0.5
973	2,121	45.9%	974	2,108	46.2%	EEMA	856	1,896	45.1%	0.8	1.1
1,210	2,551	47.4%	1,208	2,549	47.4%	Asia	690	1,833	37.6%	9.8	9.8
266	808	32.9%	266	808	32.9%	Latin America & Canada	244	746	32.7%	0.2	0.2
$ 3,617	**$ 7,665**	**47.2%**	**$ 3,616**	**$ 7,650**	**47.3%**	**PMI Total**	**$ 2,923**	**$ 6,614**	**44.2%**	**3.0**	**3.1**

(1) For the calculation of net revenues excluding excise taxes, currency and acquisitions, refer to Schedule 10.

Schedule 12

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, excluding Currency
For the Quarters Ended September 30,
(Unaudited)

	2011	2010	% Change
Reported Diluted EPS	**$ 1.35**	**$ 0.99**	**36.4%**
Adjustments:			
Asset impairment and exit costs	0.02	0.01	
Tax items	—	—	
Adjusted Diluted EPS	**$ 1.37**	**$ 1.00**	**37.0%**
Less:			
Currency impact	0.04		
Adjusted Diluted EPS, excluding Currency	**$ 1.33**	**$ 1.00**	**33.0%**

Schedule 13

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Reported Diluted EPS to Reported Diluted EPS, excluding Currency
For the Quarters Ended September 30,
(Unaudited)

	2011	2010	% Change
Reported Diluted EPS	**$1.35**	**$0.99**	**36.4%**
Less:			
Currency impact	0.04		
Reported Diluted EPS, excluding Currency	**$1.31**	**$0.99**	**32.3%**

Schedule 14

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Adjustments for the Impact of Currency and Acquisitions
For the Nine Months Ended September 30,
($ in millions)
(Unaudited)

2011								2010			% Change in Reported Net Revenues excluding Excise Taxes		
Reported Net Revenues	**Less Excise Taxes**	**Reported Net Revenues excluding Excise Taxes**	**Less Currency**	**Reported Net Revenues excluding Excise Taxes & Currency**	**Less Acquisi-tions**	**Reported Net Revenues excluding Excise Taxes, Currency & Acquisitions**		**Reported Net Revenues**	**Less Excise Taxes**	**Reported Net Revenues excluding Excise Taxes**	**Reported**	**Reported excluding Currency**	**Reported excluding Currency & Acquisitions**
$ 22,650	$15,646	$ 7,004	$ 402	$ 6,602	$ —	$ 6,602	European Union	$ 21,053	$14,435	$ 6,618	5.8%	(0.2)%	(0.2)%
13,195	7,286	5,909	115	5,794	13	5,781	EEMA	11,665	6,134	5,531	6.8%	4.8%	4.5%
14,577	6,519	8,058	598	7,460	110 (1)	7,350	Asia	11,094	5,265	5,829	38.2%	28.0%	26.1%
7,048	4,593	2,455	93	2,362	—	2,362	Latin America & Canada	6,094	3,901	2,193	11.9%	7.7%	7.7%
$ 57,470	**$34,044**	**$ 23,426**	**$ 1,208**	**$ 22,218**	**$ 123**	**$ 22,095**	**PMI Total**	**$ 49,906**	**$29,735**	**$ 20,171**	**16.1%**	**10.1%**	**9.5%**

2011						2010	% Change in Reported Operating Companies Income		
Reported Operating Companies Income	**Less Currency**	**Reported Operating Companies Income excluding Currency**	**Less Acquisi-tions**	**Reported Operating Companies Income excluding Currency & Acquisitions**		**Reported Operating Companies Income**	**Reported**	**Reported excluding Currency**	**Reported excluding Currency & Acquisitions**
$ 3,548	$ 236	$ 3,312	$ (1)	$ 3,313	European Union	$ 3,280	8.2%	1.0%	1.0%
2,482	(33)	2,515	(13)	2,528	EEMA	2,412	2.9%	4.3%	4.8%
3,800	351	3,449	26 (2)	3,423	Asia	2,259	68.2%	52.7%	51.5%
774	10	764	—	764	Latin America & Canada	699	10.7%	9.3%	9.3%
$ 10,604	**$ 564**	**$ 10,040**	**$ 12**	**$ 10,028**	**PMI Total**	**$ 8,650**	**22.6%**	**16.1%**	**15.9%**

(1) Includes the business combination in the Philippines ($ 105).
(2) Includes the business combination in the Philippines ($ 23).

Schedule 15

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income &
Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions
For the Nine Months Ended September 30,
($ in millions)
(Unaudited)

2011								2010			% Change in Adjusted Operating Companies Income		
Reported Operating Companies Income	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Less Currency	Adjusted Operating Companies Income excluding Currency	Less Acquisitions	Adjusted Operating Companies Income excluding Currency & Acquisitions		Reported Operating Companies Income	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Adjusted	Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
$ 3,548	$ (23)	$ 3,571	$ 236	$ 3,335	$ (1)	$ 3,336	European Union	$ 3,280	$ (20)	$ 3,300	8.2%	1.1%	1.1%
2,482	(18)	2,500	(33)	2,533	(1)	2,534	EEMA	2,412	—	2,412	3.6%	5.0%	5.1%
3,800	(7)	3,807	351	3,456	26[(1)]	3,430	Asia	2,259	—	2,259	68.5%	53.0%	51.8%
774	(12)	786	10	776	—	776	Latin America & Canada	699	—	699	12.4%	11.0%	11.0%
$ 10,604	**$ (60)**	**$ 10,664**	**$ 564**	**$ 10,100**	**$ 24**	**$ 10,076**	**PMI Total**	**$ 8,650**	**$ (20)**	**$ 8,670**	**23.0%**	**16.5%**	**16.2%**

2011								2010			% Points Change	
Adjusted Operating Companies Income excluding Currency	Net Revenues excluding Excise Taxes & Currency[(2)]	Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income excluding Currency & Acquisitions	Net Revenues excluding Excise Taxes, Currency & Acquisitions[(2)]	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions		Adjusted Operating Companies Income	Net Revenues excluding Excise Taxes[(2)]	Adjusted Operating Companies Income Margin		Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions
$ 3,335	$ 6,602	50.5%	$ 3,336	$ 6,602	50.5%	European Union	$ 3,300	$ 6,618	49.9%		0.6	0.6
2,533	5,794	43.7%	2,534	5,781	43.8%	EEMA	2,412	5,531	43.6%		0.1	0.2
3,456	7,460	46.3%	3,430	7,350	46.7%	Asia	2,259	5,829	38.8%		7.5	7.9
776	2,362	32.9%	776	2,362	32.9%	Latin America & Canada	699	2,193	31.9%		1.0	1.0
$ 10,100	**$ 22,218**	**45.5%**	**$ 10,076**	**$ 22,095**	**45.6%**	**PMI Total**	**$ 8,670**	**$ 20,171**	**43.0%**		**2.5**	**2.6**

(1) Includes the business combination in the Philippines ($ 23).
(2) For the calculation of net revenues excluding excise taxes, currency and acquisitions, refer to Schedule 14.

Schedule 16

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, excluding Currency
For the Nine Months Ended September 30,
(Unaudited)

	2011	2010	% Change
Reported Diluted EPS	**$ 3.76**	**$ 2.96**	**27.0%**
Adjustments:			
Asset impairment and exit costs	0.03	0.01	
Tax items	(0.02)	(0.07)	
Adjusted Diluted EPS	**$ 3.77**	**$ 2.90**	**30.0%**
Less:			
Currency impact	0.19		
Adjusted Diluted EPS, excluding Currency	**$ 3.58**	**$ 2.90**	**23.4%**

Schedule 17

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Reported Diluted EPS to Reported Diluted EPS, excluding Currency
For the Nine Months Ended September 30,
(Unaudited)

	2011	2010	% Change
Reported Diluted EPS	**$ 3.76**	**$ 2.96**	**27.0%**
Less:			
Currency impact	0.19		
Reported Diluted EPS, excluding Currency	**$ 3.57**	**$ 2.96**	**20.6%**

Schedule 18

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Calculation of Total Debt to EBITDA and Net Debt to EBITDA Ratios
($ in millions, except ratios)
(Unaudited)

	For the Year Ended September 30, 2011			For the Year Ended December 31, 2010
	October ~ December 2010	January ~ September 2011	12 months rolling	
Earnings before income taxes	$ 2,527	$ 9,783	$ 12,310	$ 10,324
Interest expense, net	216	613	829	876
Depreciation and amortization	255	743	998	932
EBITDA	**$ 2,998**	**$ 11,139**	**$ 14,137**	**$ 12,132**

	September 30, 2011	December 31, 2010
Short-term borrowings	$ 2,563	$ 1,747
Current portion of long-term debt	2,326	1,385
Long-term debt	12,870	13,370
Total Debt	**$ 17,759**	**$ 16,502**
Less: Cash and cash equivalents	3,391	1,703
Net Debt	**$ 14,368**	**$ 14,799**
Ratios		
Total Debt to EBITDA	**1.26**	**1.36**
Net Debt to EBITDA	**1.02**	**1.22**

Schedule 19

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Operating Cash Flow to Free Cash Flow and Free Cash Flow, excluding Currency
Reconciliation of Operating Cash Flow to Operating Cash Flow, excluding Currency
For the Quarters and Nine Months Ended September 30,
($ in millions)
(Unaudited)

	For the Quarters Ended September 30,			For the Nine Months Ended September 30,		
	2011	2010	% Change	2011	2010	% Change
Net cash provided by operating activities[(a)]	**$ 3,053**	**$ 2,417**	**26.3%**	**$ 9,568**	**$ 7,856**	**21.8%**
Less:						
Capital expenditures	223	164		568	483	
Free cash flow	**$ 2,830**	**$ 2,253**	**25.6%**	**$ 9,000**	**$ 7,373**	**22.1%**
Less:						
Currency impact	214			478		
Free cash flow, excluding currency	**$ 2,616**	**$ 2,253**	**16.1%**	**$ 8,522**	**$ 7,373**	**15.6%**

	2011	2010	% Change	2011	2010	% Change
Net cash provided by operating activities[(a)]	**$ 3,053**	**$ 2,417**	**26.3%**	**$ 9,568**	**$ 7,856**	**21.8%**
Less:						
Currency impact	236			515		
Net cash provided by operating activities, excluding currency	**$ 2,817**	**$ 2,417**	**16.5%**	**$ 9,053**	**$ 7,856**	**15.2%**

(a) Operating cash flow.

Schedule 20

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS
For the Year Ended December 31,
(Unaudited)

	2010
Reported Diluted EPS	**$ 3.92**
Adjustments:	
Tax items	**(0.07)**
Asset impairment and exit costs	**0.02**
Adjusted Diluted EPS	**$ 3.87**

Exhibit 99.2

Philip Morris International Inc.
2011 Third-Quarter Results Conference Call
October 20, 2011
Draft 19 October 4pm

NICK ROLLI

(SLIDE 1.)

Welcome. Thank you for joining us. Earlier today, we issued a news release containing detailed information on our 2011 third-quarter results. You may access the release on our web site at www.pmi.com.

(SLIDE 2.)

During our call today, we will be talking about results for the third-quarter 2011 and comparing them with the same period in 2010, unless otherwise stated. References to PMI volumes are for PMI shipments. Industry volume and market shares are the latest data available from a number of internal and external sources. Organic volume refers to volume excluding acquisitions. Net revenues exclude excise taxes. Operating Companies Income, or "OCI", is defined as operating income before general corporate expenses and the amortization of intangibles.

You will find data tables showing how we made adjustments to net revenues and OCI for currency, acquisitions, asset impairment, exit and other costs, free cash flow calculations, and adjustments to Earnings per Share, or "EPS", as well as reconciliations to U.S. GAAP measures, at the end of today's web cast slides, which are posted on our web site.

(SLIDE 3.)

Today's remarks contain forward-looking statements and projections of future results, and I direct your attention to the Forward-Looking and Cautionary Statements disclosure in today's presentation and news release for a review of the various factors that could cause actual results to differ materially from projections.

It's now my pleasure to introduce Hermann Waldemer, Chief Financial Officer.

Hermann.

HERMANN WALDEMER

(SLIDE 4.)

Welcome ladies and gentlemen. I am extremely pleased to report that we achieved outstanding financial results in the third quarter. Net revenues, excluding currency and acquisitions, increased by 15.7% and adjusted OCI, excluding currency and acquisitions, was 23.7% higher. Finally, adjusted diluted EPS reached $1.37 per share and grew by a remarkable 33.0%, excluding currency. While these results were boosted by relatively easy year-on-year comparisons, in the third quarter, we comfortably surpassed all our mid to long-term currency neutral targets even excluding the whole of our business in Japan, and, year-to-date, we are well within these targets.

(SLIDE 5.)

Our business outlook has further improved since July, fully compensating recent unfavorable currency movements. This has enabled us to narrow our 2011 reported diluted EPS guidance to the upper half of our previous range, namely to $4.75 to $4.80. Compared to our adjusted diluted EPS of $3.87 in 2010, this translates into an improved growth rate excluding currency of approximately 17.5% to 19.0%, well above our mid to long-term currency neutral growth target, and approximately 22.5% to 24.0% at prevailing exchange rates.

(SLIDE 6.)

Our third quarter volume was exceptionally strong. We achieved an organic cigarette volume growth of 4.4%, led by the Asia Region with an increase of 12.6% and EEMA with 4.8%. On a year-to-date September basis, we have achieved organic volume growth of 0.5%.

While there has been a lot of focus on Japan volume, I would like to emphasize that we achieved organic volume growth of 2.3%, excluding Japan, in the third quarter. Furthermore, on a year-to-date basis, the combined increase in our volume in Indonesia and Korea was nearly double that of Japan.

(SLIDE 7.)

Our entire brand portfolio has performed very well. Every single one of our top ten brands achieved volume growth, both in the third quarter and year-to-date, be they international brands such as *Marlboro*, *L&M* and *Parliament*, or leading local brands such as *Fortune* in the Philippines and *Sampoerna A* in Indonesia. I would like to highlight the remarkable performance of *Parliament*, whose volume was up 16.2% in the quarter and 9.9% year-to-date.

(SLIDE 8.)

We are particularly pleased by the improved performance of *Marlboro*, which is gaining share on a global basis, excluding China and the USA. In the quarter, *Marlboro* volume increased at double-digit rates in both the Asia and EEMA Regions. On a year-to-date basis, *Marlboro* has gained 0.3 and 0.5 share points, respectively in these Regions.

Marlboro's slight share decline in the EU Region reflects the pressure on the premium segment from continued economic difficulties in parts of Southern Europe, as well as a moderate share loss in Germany. However, the brand gained share or was stable notably in Belgium, the Czech Republic, France, Hungary, the Netherlands and Poland.

The share decline in the Latin America & Canada Region masks the superb momentum of *Marlboro* across the Region and is the result of the over-indexation of *Marlboro* in Mexico, where industry volume has declined at a double-digit rate since the large tax-driven price increases in December last year.

(SLIDE 9.)

This very good performance is evidenced by significant share gains in the four key Latin American markets of Argentina, Brazil, Colombia and Mexico.

(SLIDE 10.)

Our excellent business momentum is reflected in our strong overall share performance. Year-to-date, our market share in our top 30 OCI markets was up 1.4 share points to 36.3%. In the quarter, we achieved a higher share in a clear majority of these 30 markets for an overall gain of 1.2 share points.

(SLIDE 11.)

On a Regional basis, our results in Asia, the growth engine of our company, were outstanding with net revenues and adjusted OCI, both excluding currency and acquisitions, up 39.1% and 75.1%, respectively. This was driven in particular by Indonesia, Japan, Korea and the Philippines.

We also enjoyed strong performances in the other three Regions. In EEMA, net revenues grew 11.2% and adjusted OCI 13.8%, both excluding currency and acquisitions. In Latin America & Canada, they were up 8.3% and 9.0%, respectively. Our results in the EU improved, with net revenues and adjusted OCI, excluding currency and acquisitions, up 2.2% and 3.1%, respectively.

(SLIDE 12.)

During the third quarter, PMI shipments to Japan reached 16.0 billion units, up 5.1 billion, or 47.1%, compared to the same period last year. The increase reflects the higher market share that we have achieved this year, as well as easy comparisons due to the payback in 2010 of our distributor inventory build-up in the second quarter of last year in anticipation of increased trade and consumer purchases ahead of the October tax-driven price increase.

Our third quarter market share of 27.9% was distorted by competitive trade re-loading following shortages of their products through August. We do not expect shipments to the trade to mirror consumer demand until at least the fourth quarter and possibly only in the first quarter next year. We remain, nevertheless, optimistic that we should be able to retain considerable additional market share. Our confidence is based on our ability to maintain a consumer off-take share in convenience stores, such as *Lawson*, at a level slightly above 30% in September and early October, after all competitive products were available to consumers again. This compared to a pre-earthquake share in these outlets of around 26%.

The other important element that we expect to be able to confirm in the fourth quarter is the evolution in the total market. We now forecast that industry volume will decrease this year by no more than 15%, a much lower rate of decline than the 20% forecast at the beginning of this year.

(SLIDE 13.)

Our business is also doing extremely well in Indonesia. Industry volume growth in the quarter was well over 10%, driven by increasing consumer purchasing power, limited inflation, higher consumer confidence, and positive demographic trends. Our volume rose 22.5% and our market share reached a record level of 31.2%, a gain of 2.0 share points. This very strong performance was led by *Sampoerna A*, which increased its market share by 0.9 points to 12.1%. Pricing remains robust and we expect the government to continue to implement plans to simplify the excise tax structure.

All these trends are very encouraging as Indonesia is a very profitable market with significant potential for further growth.

(SLIDE 14.)

Our market share in Russia was up slightly in the quarter through August to 25.8%, behind *Parliament* in premium, *Chesterfield* in the mid-price and *Bond Street* in the low-price segment. Our volume in the third quarter was down 3.5% due to distributor inventory adjustments, as well as the impact on the total market of recent price increases.

During the fourth quarter of this year, we expect the Russian Parliament to approve the new road map for excise taxes on tobacco products. This calls for increases that are higher than originally planned, yet still expected to be manageable, with two steps in 2012.

(SLIDE 15.)

PMI volume in Turkey rose by 21.6% in the third quarter, and our market share reached 45.7%, a gain of 3.9 points, led by *Parliament* in premium, *Muratti* in the mid-price and *L&M* in the low-price segment.

While the market had stabilized so far this year, we expect the recently announced excessive increase in the ad-valorem excise tax rate, along with an ineffective Minimum

Excise Tax, to cause considerable disruption. We will continue, therefore, to vigorously put forward our rational arguments for a more balanced excise tax structure in Turkey.

(SLIDE 16.)

Germany has benefited from more robust market volume trends this year. Total market volume in Germany was actually up 0.3% in the quarter for cigarettes and 3.8% for fine cut, continuing the positive trend of the first half of this year. Our cigarette volume grew by 1.2% in the third quarter and PMI gained 0.3 share points to reach 35.2%, thanks to the continued strong growth of *L&M*, which remained the fastest growing brand in the market and was able to more than offset the decline of *Marlboro*. PMI also gained share in the fine cut segment.

Of even greater importance, our profitability has been enhanced by the price increase that we implemented in the second quarter of this year, following the May excise tax increase. The next tax step will take place in January 2012.

(SLIDE 17.)

We have tremendous business momentum in France, where the overall market has remained stable so far this year. In the third quarter, we further increased our market share by 0.4 points to 40.4%, driven by the strong performance of our premium brands, *Marlboro* and *Philip Morris*. Furthermore, we achieved market leadership in the fine cut market with a share of 25.2%, thanks to the successful launch into this segment in February this year of *Marlboro*. The brand reached a 6.8% segment share in the third quarter.

Finally, we have just announced a price increase of €0.30 per pack across our whole cigarette portfolio. This should enhance our profitability going forward.

(SLIDE 18.)

Spain remains a troubled economy with very high unemployment and a difficult tobacco market. Industry cigarette volume is forecast to decline at least 15% in 2011. The pricing situation was resolved in September when we increased our retail prices by €0.25, bringing *Marlboro* to its previous level of €4.25 per pack and *L&M* to €3.75. This should enable our profitability to recover.

(SLIDE 19.)

With the temporary exception of Spain, the pricing environment continues to be very favorable. This is highlighted by the $564 million in pricing variance that we achieved in the third quarter this year and the $1.6 billion year-to-date. During 2011, we have implemented or announced price increases in the majority of our key markets, including Australia, Indonesia and the Philippines in Asia; Algeria, Russia, Saudi Arabia and

Ukraine in EEMA; France, Germany, Italy, Poland and Spain in the EU; and finally Argentina, Brazil and Canada in the Latin America & Canada Region.

(SLIDE 20.)

Our outlook on costs remains very favorable. Current tobacco leaf crop prices are stable to slightly declining on a worldwide average basis. Tobacco and direct material cost increases are very moderate and broadly in line with inflation, and are being offset by our continued productivity efforts. We expect to comfortably exceed our $250 million pretax target for cost savings this year.

The combination of strong pricing and limited cost increases has enabled us to continue to grow our superior adjusted OCI margins. On a PMI-wide basis, our adjusted OCI margin, excluding currency and acquisitions, reached 47.3% in the third quarter, a gain of 3.1 points.

(SLIDE 21.)

One reason for the absence of downward pressure on prices in our industry is the important role of excise taxes and the desire of governments to continue to grow revenues. This can be achieved through a judicious combination of reasonable excise tax increases, structural enhancements, and higher prices. There have been improvements in excise tax structures in several markets this year, and some countries have adopted multi-year tax plans, including Germany and Indonesia.

While government deficit financing needs point to renewed pressure on excise taxation as a source of additional revenues, most governments appear to have understood that large, disruptive excise tax increases do not improve revenue-generating capabilities over the mid to long-term. We do, however, expect some countries to seek to generate higher revenues by increasing VAT, which will push prices higher, though this should be manageable. Every year, there are nevertheless still a few governments that continue from time to time to introduce very large and disruptive excise tax increases. As I mentioned, this happened last week in Turkey and additional surprises remain possible, as it is still early in the budget process in many countries.

(SLIDE 22.)

When it comes to plain packaging, we believe that there is no sound evidence that such a regulation would reduce consumption, smoking incidence or youth smoking, or provide any other public health benefit. Indeed, plain packaging would undermine public health objectives by lowering prices and increasing illicit trade. In addition, it would violate intellectual property protections and breach international trade obligations. We, therefore, do not believe that plain packaging regulations should be widely adopted by other governments outside Australia.

Though the proposed Bill has not yet passed the Senate, the Australian Government seems intent on ignoring these adverse consequences and on introducing such a regulation. We are therefore vigorously pursuing several legal avenues to challenge this unreasonable proposal and protect our valuable brands.

(SLIDE 23.)

During the third quarter, our free cash flow increased by $577 million, or 25.6%, to $2.8 billion. Excluding currency, the increase was $363 million, or 16.1%. The increase was driven mainly by our excellent business results. On a year-to-date basis, our free cash flow was up more than $1.6 billion to $9.0 billion.

(SLIDE 24.)

Our confidence in the underlying strength of our business and our ability to continue to generate a growing cash flow is reflected in the 20.3% increase in our dividend that we announced last month.

As of the close on Tuesday, our dividend yield stood at a very attractive level of 4.6%. Since the spin in March 2008, we have increased the dividend by 67%, an achievement that few companies have matched over a period that included a major financial crisis, significant currency fluctuations, and an acute recession.

(SLIDE 25.)

During the third quarter, we spent $1.4 billion to repurchase a further 21.2 million shares. Since the March 2008 spin-off, we have now used over $20 billion to repurchase nearly 400 million shares at an average price of $50.81.

Over the same period, we have paid out over $14 billion in dividends, so in total we have returned nearly $35 billion to our shareholders.

(SLIDE 26.)

In conclusion, PMI had an outstanding third quarter. Organic volume grew by a remarkable 4.4%, with half this growth outside Japan. This was driven by the very strong performance of all our main brands, led by *Marlboro* and *Parliament*. Our market share momentum remained very strong. Net revenues and adjusted OCI, excluding currency and acquisitions, were up by 15.7% and 23.7%, respectively. Adjusted diluted EPS, excluding currency, increased by 33.0%. The pricing environment remains very favorable and the vast majority of governments continue to act rationally on excise taxation.

Our business outlook has improved further since July, enabling us to narrow our reported diluted 2011 EPS guidance to the upper half of our previous range, namely to $4.75 to $4.80, this despite recent unfavorable currency movements. Compared to our adjusted diluted EPS of $3.87 in 2010, this corresponds to an improved growth rate of approximately 22.5% to 24.0% at prevailing exchange rates and approximately 17.5% to 19.0%, excluding currency.

And finally, and perhaps most important, we have demonstrated again our focus on shareholder returns and shown our confidence in our bright future with the Board's decision in September to increase our dividend by a further 20.3%.

(SLIDE 27.)

Thank you. I will now be happy to answer your questions.

NICK ROLLI

Well, thank you for joining us. That concludes our call today. If you have any follow-up questions, please contact the investor relations team here in Lausanne.

Thank you again and have a nice day.

Exhibit 99.3

PHILIP MORRIS INTERNATIONAL

2011 Third-Quarter Results

October 20, 2011

Introduction

PHILIP MORRIS INTERNATIONAL

- Unless otherwise stated, we will be talking about results for the third-quarter 2011 and comparing them with the same period in 2010
- References to PMI volumes refer to PMI shipment data, unless otherwise stated
- Industry volume and market shares are the latest data available from a number of internal and external sources
- Organic volume refers to volume excluding acquisitions
- Net revenues exclude excise taxes
- OCI stands for Operating Companies Income, which is defined as operating income before general corporate expenses and the amortization of intangibles. OCI growth rates are on an adjusted basis, which excludes asset impairment, exit and other costs
- Data tables showing adjustments to net revenues and OCI for currency, acquisitions, asset impairment, exit and other costs, free cash flow calculations, adjustments to EPS, and reconciliations to U.S. GAAP measures are at the end of today’s web cast slides and are posted on our web site

Forward-Looking and Cautionary Statements

PHILIP MORRIS INTERNATIONAL

- This presentation and related discussion contain statements that, to the extent they do not relate strictly to historical or current facts, constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current plans, estimates and expectations, and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. PMI undertakes no obligation to publicly update or revise any forward-looking statements, except in the normal course of its public disclosure obligations. The risks and uncertainties relating to the forward-looking statements in this presentation include those described under Item 1A. “Risk Factors” in PMI’s Form 10-Q for the quarter ended June 30, 2011, filed with the Securities and Exchange Commission

2011 Third-Quarter Results

PHILIP MORRIS INTERNATIONAL

- Outstanding financial performance:

	Q3, 2011 Results[a]
Net Revenues	+15.7%
Adjusted OCI	+23.7%
Adjusted Diluted EPS	+33.0%

- In the quarter, we comfortably surpassed all our mid to long-term currency neutral annual growth targets even excluding our business in Japan

(a) All financial growth rates exclude currency. Net revenues and OCI growth rates also exclude acquisitions
Source: PMI Financials

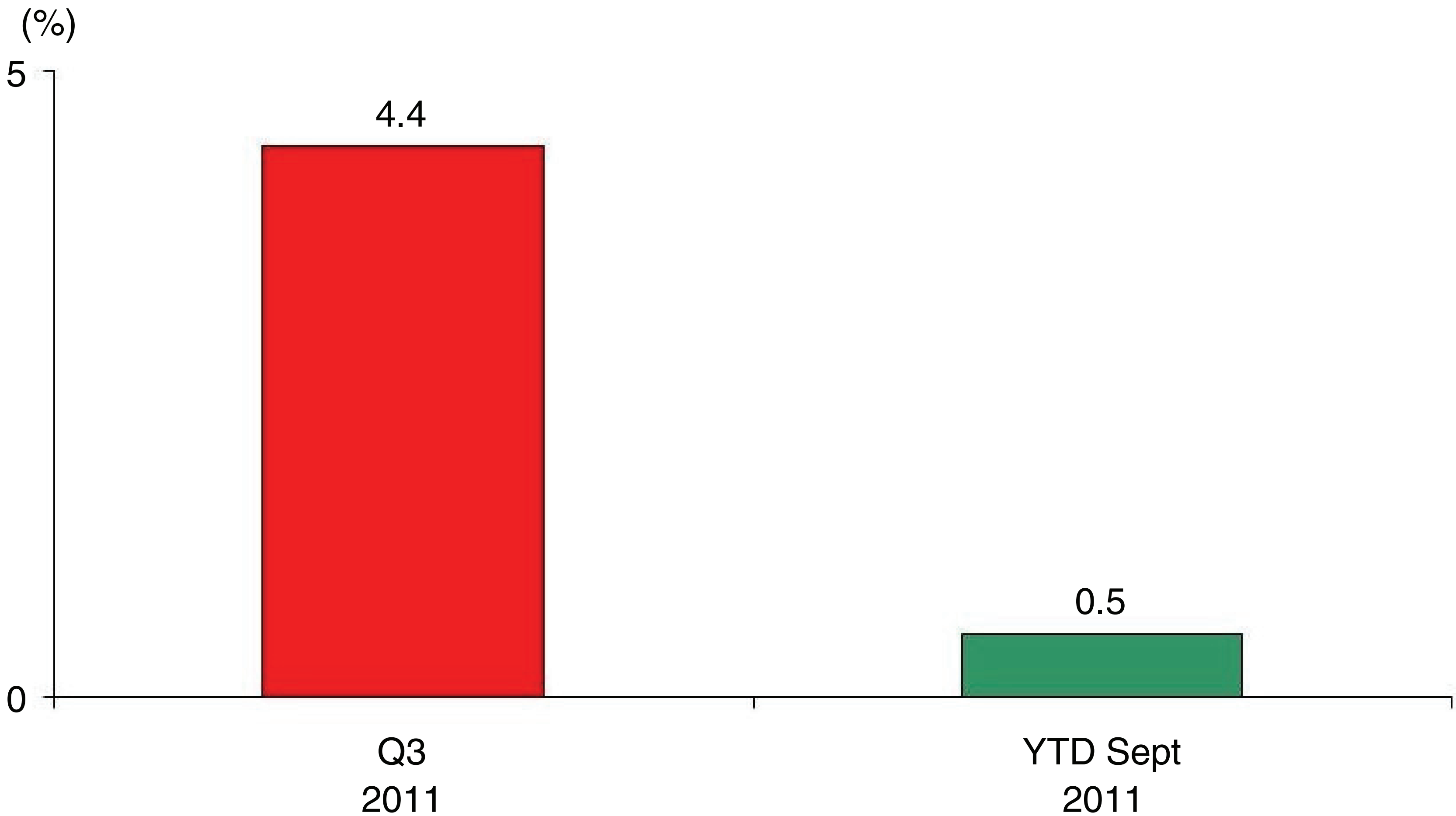
2011 EPS Guidance

PHILIP MORRIS INTERNATIONAL

- Business outlook further improved, fully compensating recent unfavorable currency movements
- Allows us to narrow our 2011 reported diluted EPS guidance range to $4.75 to $4.80 (upper half of previous range)
- Compared to our adjusted diluted EPS of $3.87 in 2010, this translates into improved growth rates of approximately 17.5% to 19.0% excluding currency, and approximately 22.5% to 24.0% at prevailing exchange rates

Source: PMI forecasts

PMI Organic Cigarette Volume Growth



Source: PMI Financials

PMI Brand Performance

	% Volume Growth vs. Prior Year	
	Q3, 2011	YTD Sept, 2011
Marlboro	3.9%	0.5%
L&M	3.9	2.9
Bond Street	6.8	2.2
Fortune	10.1	9.0(a)
Philip Morris	1.8	1.0
Parliament	16.2	9.9
Chesterfield	7.0	0.4
Sampoerna A	22.8	11.7
Lark	44.1	15.3
Dji Sam Soe	12.1	10.3

(a) March through September
Source: PMI Financials

Marlboro Market Shares

PHILIP MORRIS INTERNATIONAL

	Market Shares		
	YTD Sept, 2010	YTD Sept, 2011	Variance
Asia (a)	6.2%	6.5%	0.3pp
EEMA (b)	5.6	6.1	0.5
EU	18.1	17.9	(0.2)
LA&C	13.8	13.5	(0.3)
Total (a)(b)(c)	**8.8**	**9.0**	**0.2**

(a) Excluding PRC
(b) Excluding duty-free
(c) Also excluding the USA
Source: PMI estimates

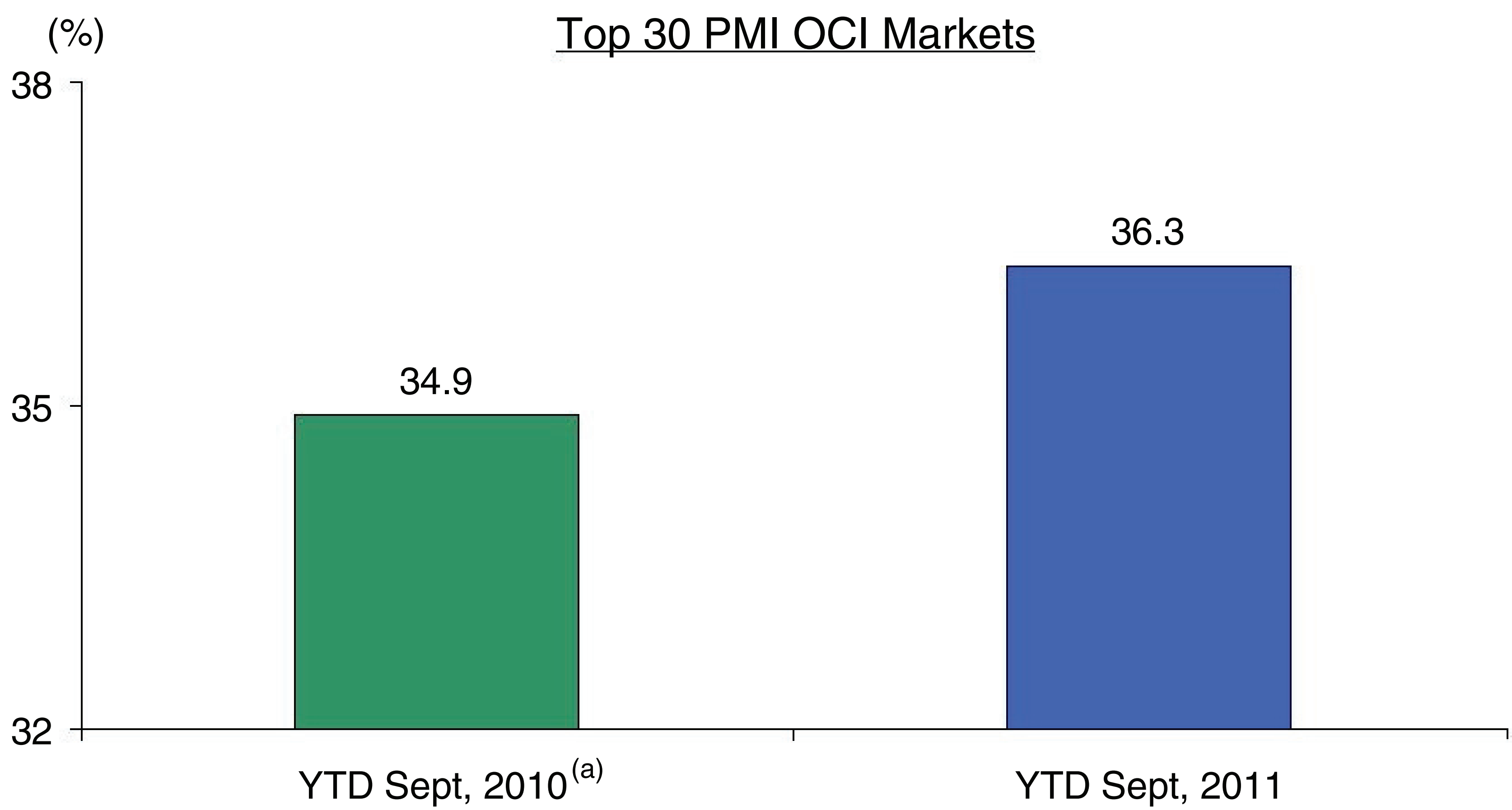
Marlboro Market Shares – LA&C Region

PHILIP MORRIS INTERNATIONAL

	Market Shares		
	YTD Sept, 2010	YTD Sept, 2011	Variance
Argentina	23.2%	24.0%	0.8pp
Brazil	6.7	7.0	0.3
Colombia	3.7	4.7	1.0
Mexico	48.9	51.8	2.9

Source: PMI estimates

PMI Market Share Developments



(a) Adjusted for Philippines pro forma Jan-Feb 2010
Source: PMI Financials and estimates

2011 Third-Quarter Results – by Region

PHILIP MORRIS INTERNATIONAL

	Q3, 2011 Results			
	Asia	EEMA	LA&C	EU
Net Revenues[a]	+39.1%	+11.2%	+8.3%	+2.2%
Adjusted OCI[a]	+75.1	+13.8	+9.0	+3.1

(a) Excluding currency and acquisitions
Source: PMI Financials

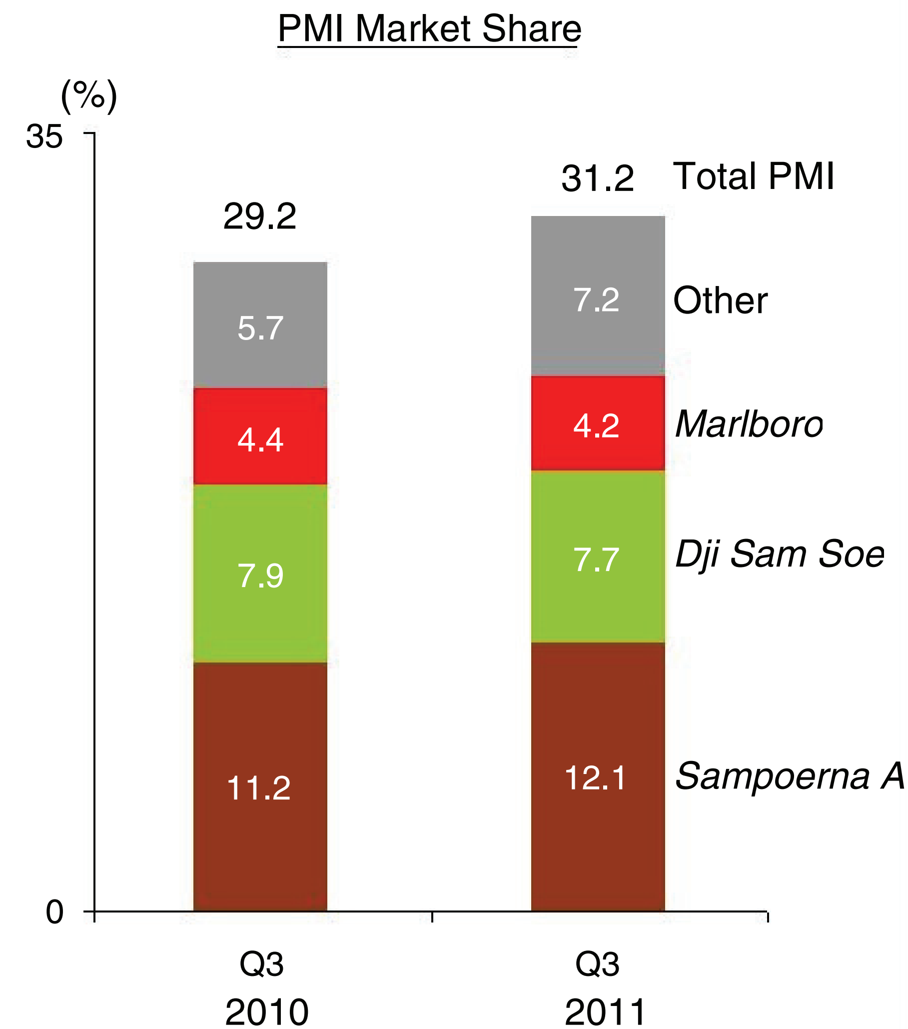
Japan

- PMI shipments up 47.1%:
  - Higher 2011 market share
  - Payback in Q3, 2010, for Q2, 2010, distributor inventory build-up
- September C-store consumer off-take share slightly above 30%, compared to around 26% pre-crisis
- Retention share only measurable in Q4, 2011, or Q1, 2012
- Industry volume decline not expected to exceed 15% this year

Source: PMI Financials, PMI estimates and Tobacco Institute of Japan

Indonesia

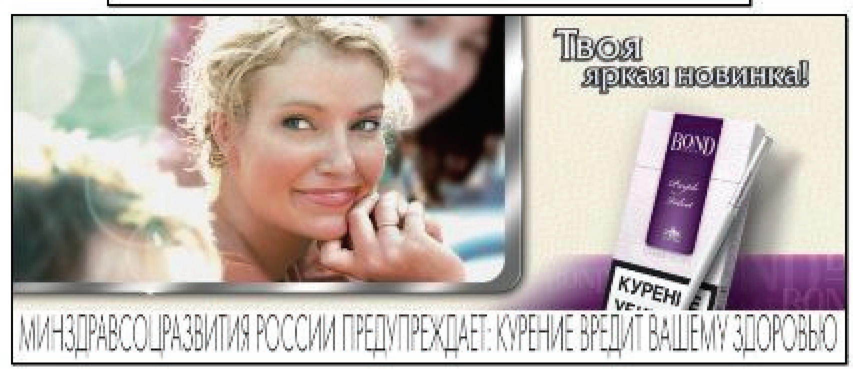
- PMI volume up 22.5% in Q3, 2011
- Record market share of 31.2% in Q3, 2011
- Indonesian economy remains strong and consumer purchasing power is increasing
- Government expected to continue to implement plans to simplify excise tax structure



Source: PMI Financials and PMI estimates

Russia

- Market share up slightly to 25.8% QTD Aug, 2011, behind:
  - *Parliament* in premium
  - *Chesterfield* in mid-price, and
  - *Bond Street* in low-price segment
- PMI volume down 3.5% in Q3, 2011, due to:
  - Distributor inventory adjustments
  - Lower total market
- During Q4, 2011, Russian Parliament expected to approve new manageable road map for excise taxes

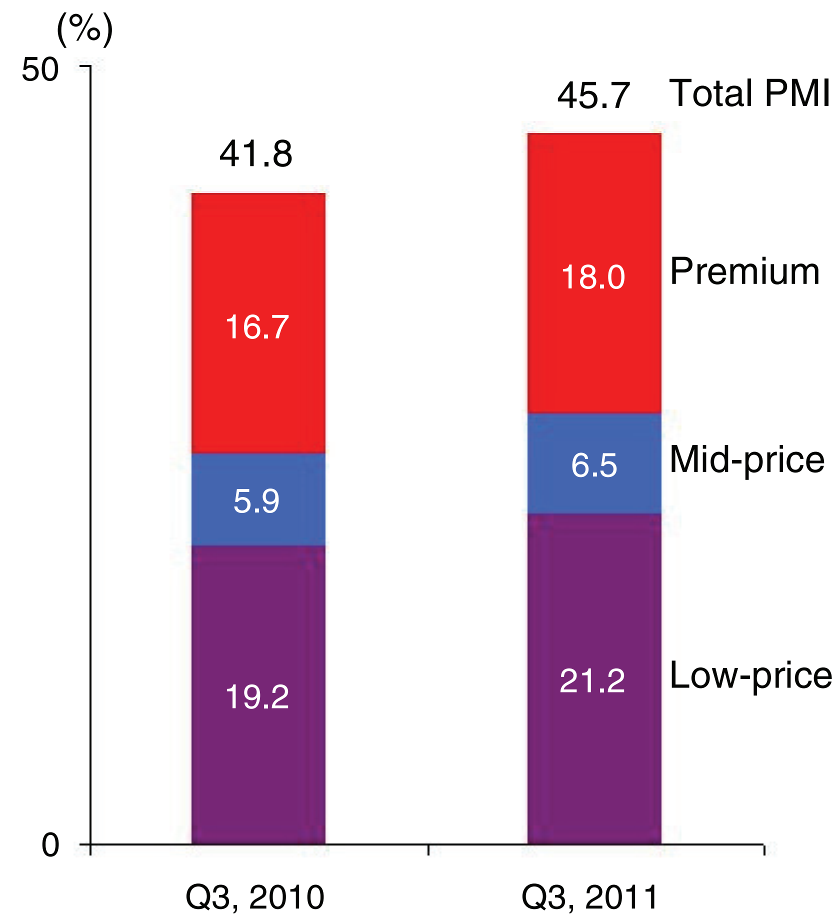


Source: A.C. Nielsen, PMI Finance and Russian Ministry of Finance

Turkey

- PMI volume up 21.6% in Q3, 2011
- Strong share gains driven by:
  - *Parliament* in premium
  - *Muratti* in mid-price, and
  - *L&M* in low-price
- Total market had stabilized, but recently announced, very large ad-valorem excise tax increase expected to be disruptive
- A more balanced excise tax structure is needed

PMI Market Share

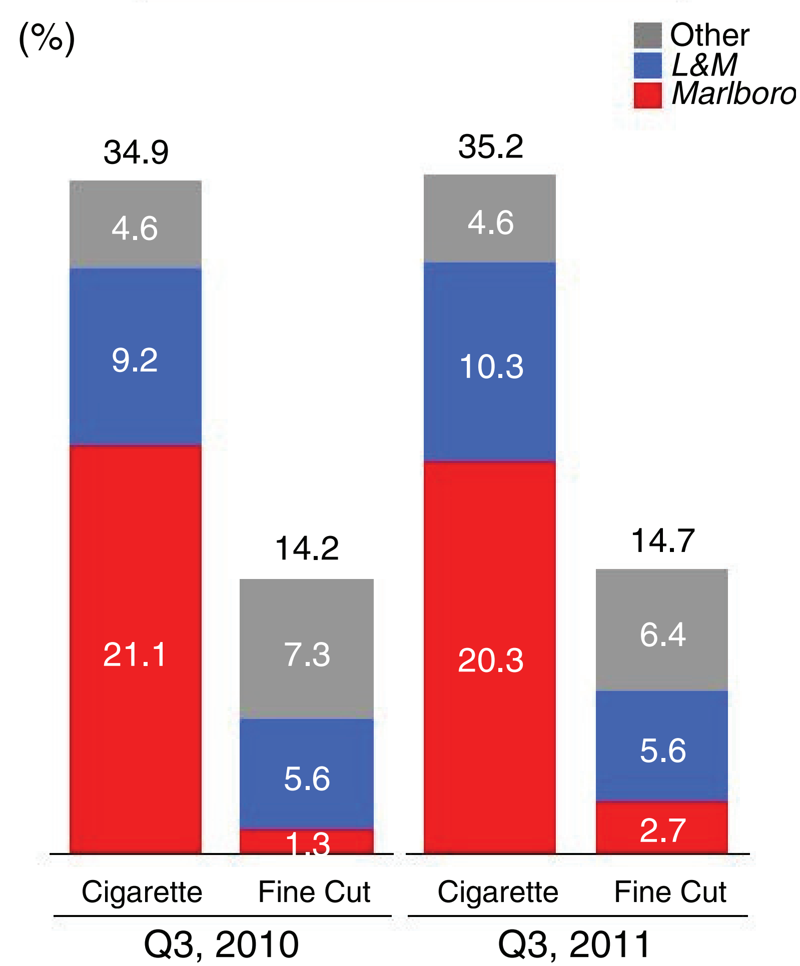


Source: PMI Financials, PMI estimates and A.C. Nielsen

Germany

- Germany had benefited from more robust market volume trends this year
- Q3, 2011, total German market volume:
  - Cigarettes +0.3%
  - Fine cut +3.8%
- PMI share gains in both cigarette and fine cut segments
- Price increase in Q2, 2011. Next tax step in Jan 2012

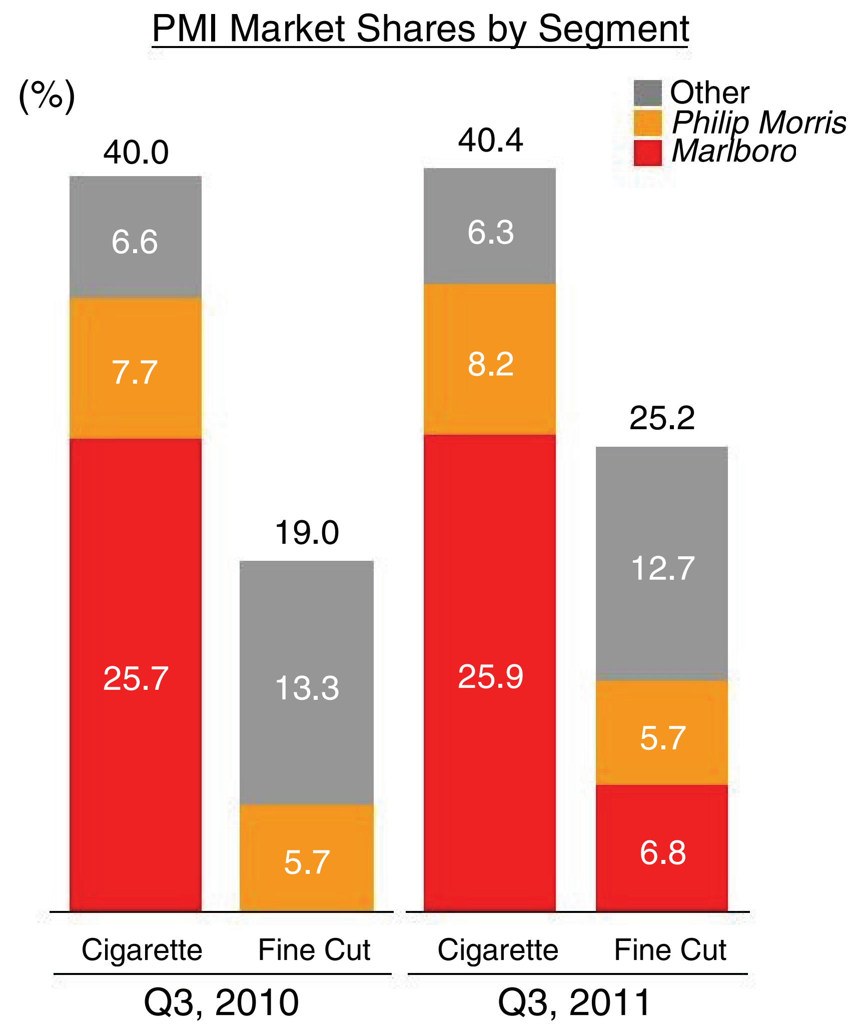
PMI Market Shares by Segment



Source: PMI Financials and PMI estimates

France

- Great momentum in a stable market
- Cigarette share gain of 0.4pp to 40.4%, driven by premium *Marlboro* and *Philip Morris*
- Strong growth in fine cut segment since launch of *Marlboro* in Feb 2011
- Cigarette price increase of €0.30/pack this month



Source: PMI estimates

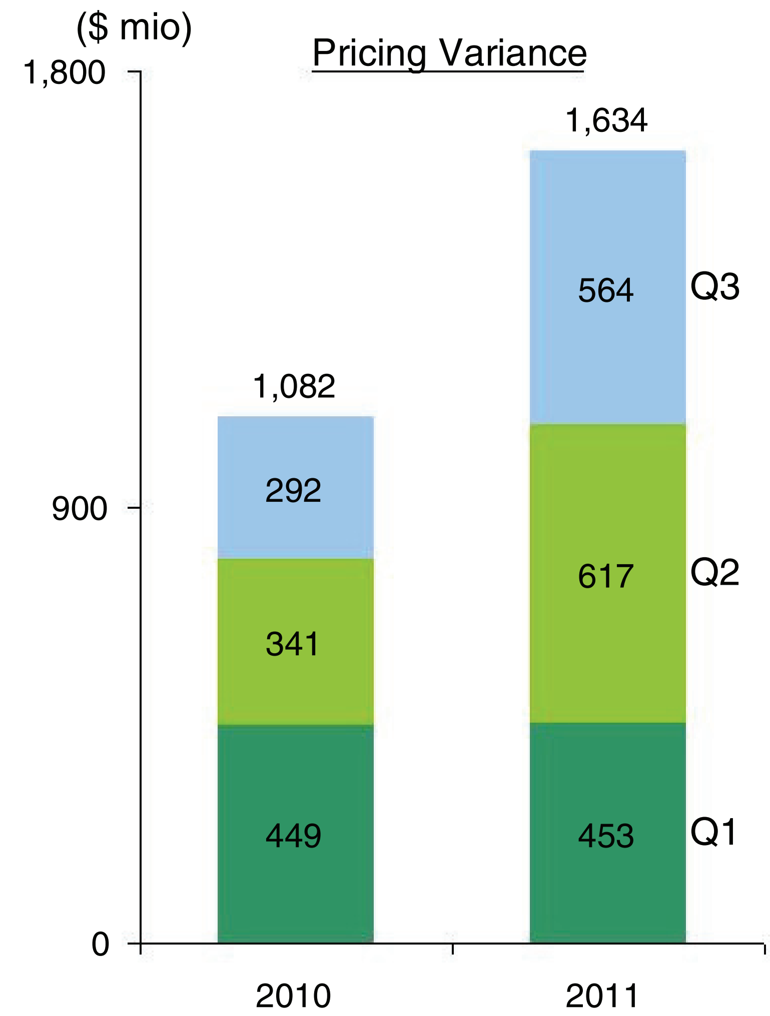
Spain

- Very high unemployment driving decline in cigarette industry volume of at least 15% in 2011
- Pricing situation was resolved in September:
  - *Marlboro* back to previous level of €4.25/pack
  - *L&M* raised to €3.75/pack

Source: PMI estimates

Pricing

- The pricing environment continues to be very favorable
- In 2011, PMI has implemented or announced price increases in:
  - Asia: Australia, Indonesia, Philippines
  - EEMA: Algeria, Russia, Saudi Arabia, Ukraine
  - EU: France, Germany, Italy, Poland, Spain
  - LA&C: Argentina, Brazil, Canada



Source: PMI Financials

Costs and Margins

PHILIP MORRIS INTERNATIONAL

- Stable tobacco leaf prices
- Moderate cost increases offset by productivity savings that will surpass $250 million in 2011

Adjusted OCI Margins

Third-Quarter

	2010	2011(a)	Variance(a)
Asia	37.6%	47.4%	9.8pp
EEMA	45.1	46.2	1.1
EU	53.0	53.5	0.5
LA&C	32.7	32.9	0.2
Total	**44.2**	**47.3**	**3.1**

(a) Excluding currency and acquisitions
Source: PMI Financials

Excise Taxation

PHILIP MORRIS INTERNATIONAL

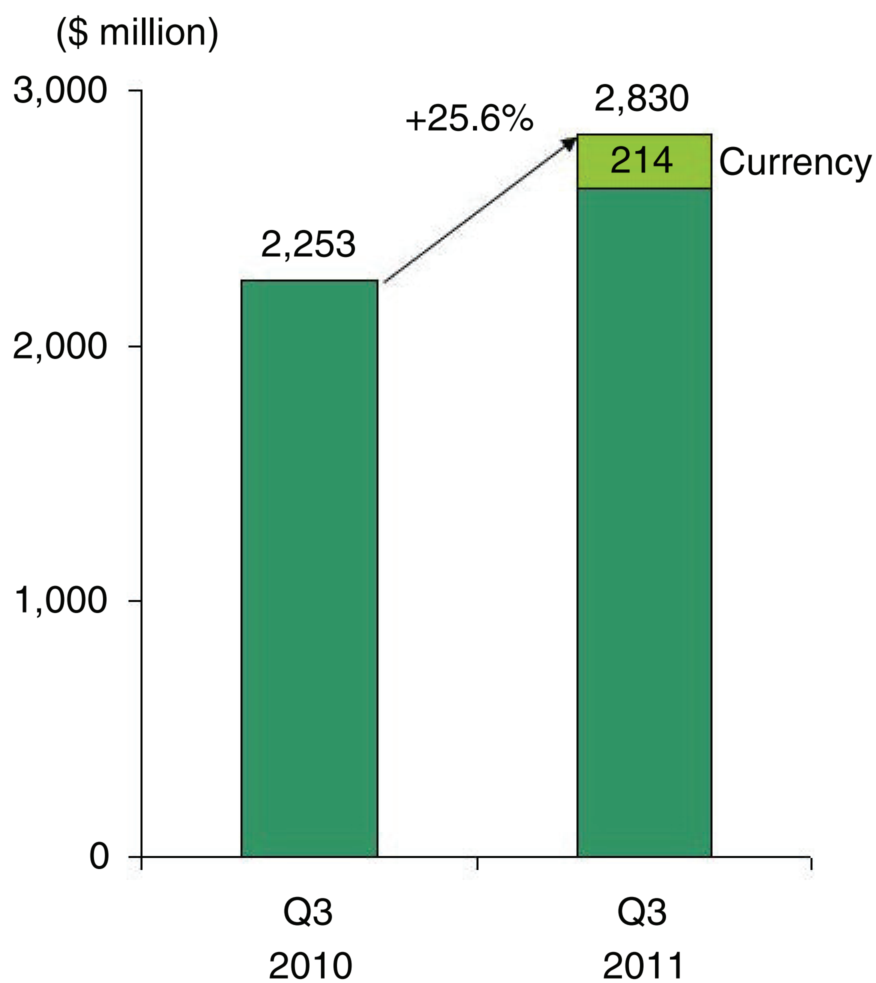
- Excise tax structures have improved and several countries have adopted multi-year tax plans
- Most governments appear to have understood that large excise tax increases are disruptive and do not improve revenue generation over mid to long-term
- We expect some VAT increases in 2012, but these should be manageable
- Every year, some governments introduce disruptive excise tax increases. This happened last week in Turkey and additional surprises remain possible

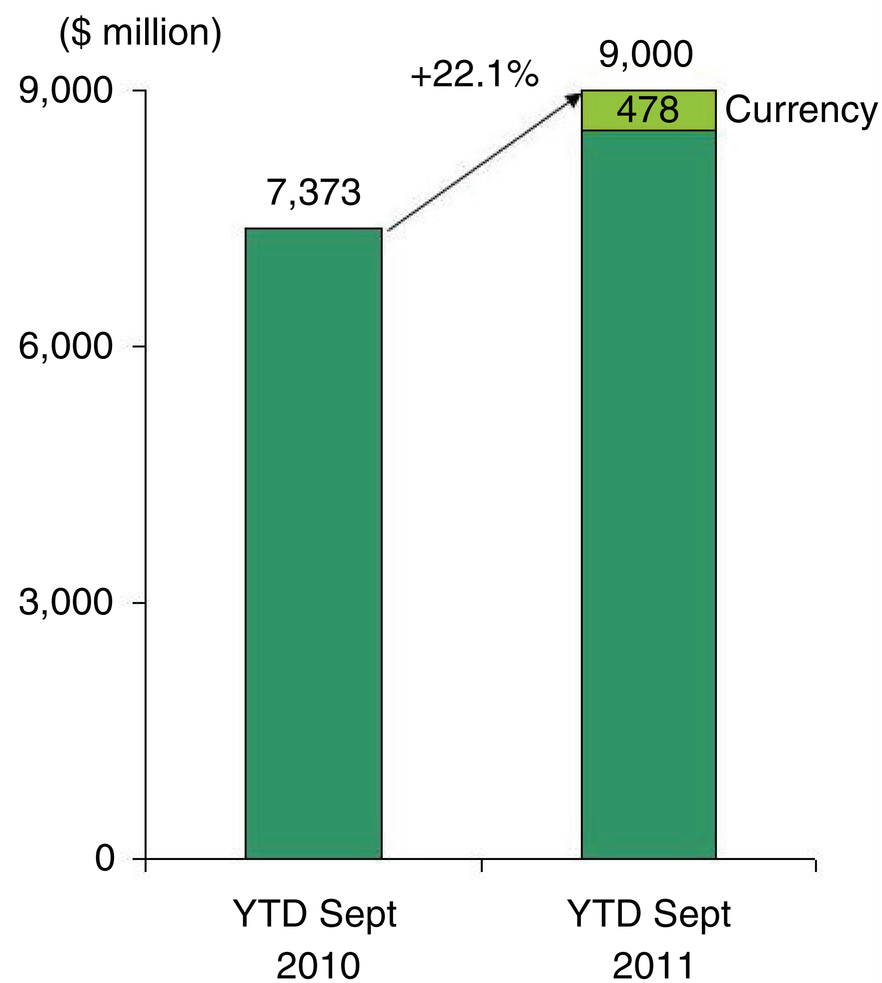
Plain Packaging

PHILIP MORRIS INTERNATIONAL

- We oppose such measures because:
  - No sound evidence it would reduce consumption, smoking incidence or youth smoking, or provide any other public health benefit
  - Undermines public health objectives by lowering prices and increasing illicit trade
  - Violates intellectual property protections and breaches international trade obligations
- We therefore do not believe that plain packaging regulations should be widely adopted
- We are vigorously pursuing several legal avenues to challenge the Australian Government’s plain packaging proposal

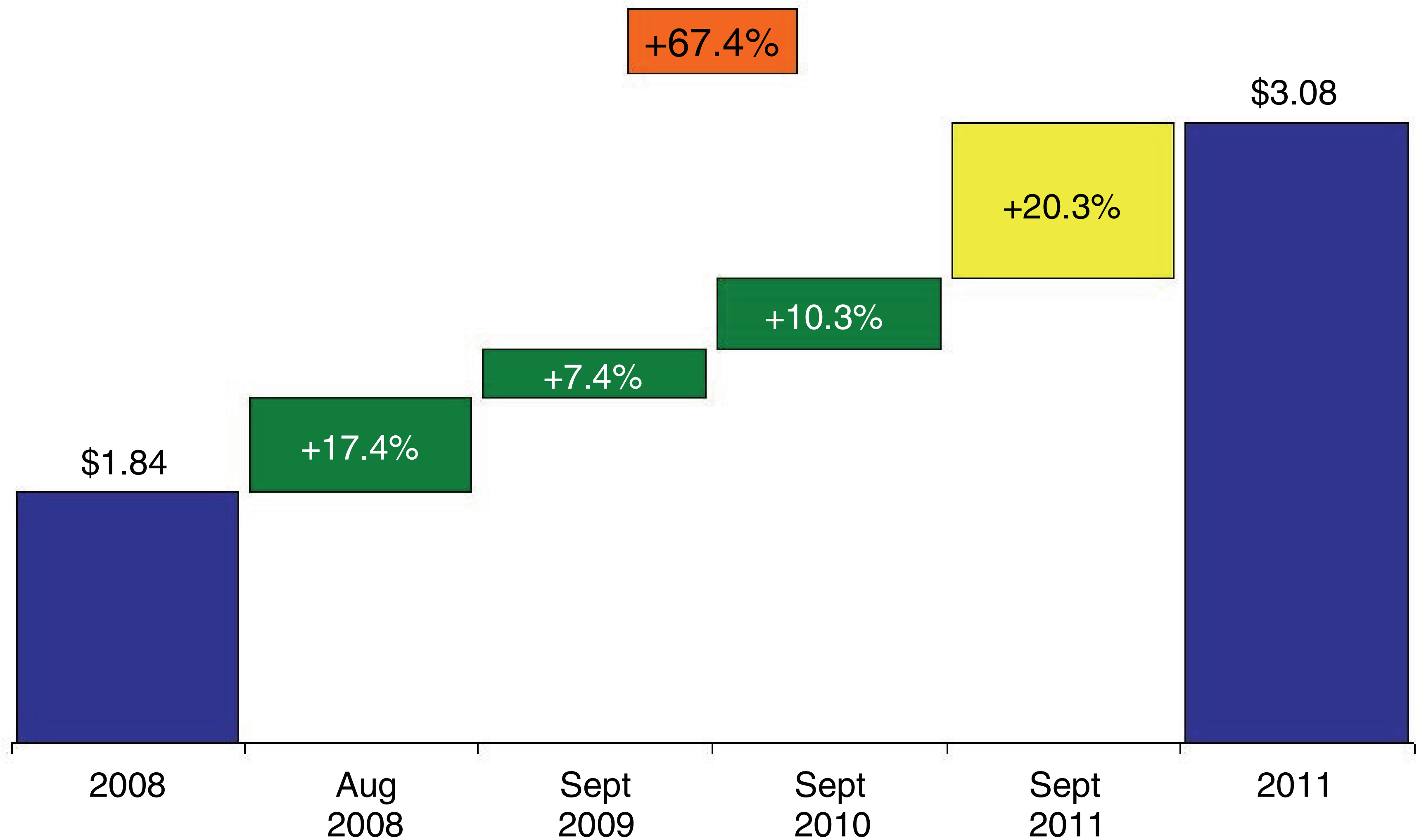
Free Cash Flow (a)





(a) Free cash flow equals net cash provided by operating activities less capital expenditures
Source: PMI Financials

Dividend Increases Since Spin-Off[a]



(a) Dividends for 2008 and 2011 are annualized rates. 2008 annualized rate is based on a quarterly dividend of $0.46 per common share, declared June 18, 2008. The annualized rate for 2011 is based on a quarterly dividend of $0.77 per common share, declared September 14, 2011

Source: PMI Financials

Share Repurchases and Dividends

PHILIP MORRIS INTERNATIONAL

- During the third quarter, PMI spent $1.4 billion to repurchase a further 21.2 million shares
- Since the March 2008 spin:
  - Over $20 billion spent to repurchase nearly 400 million shares at an average price of $50.81 per share
  - Over $14 billion paid out in dividends
  - Nearly $35 billion returned to our shareholders

Source: PMI Financials

Summary

- Outstanding third quarter:
  - Organic volume growth of 4.4%
  - Strong market share momentum and favorable pricing environment
  - Adjusted diluted EPS, excluding currency, increased by 33.0%
  - 2011 reported diluted EPS guidance range narrowed to $4.75-$4.80, with improved business outlook offsetting recent unfavorable currency movements
  - Compared to an adjusted diluted EPS of $3.87 in 2010, this corresponds to an increase of approximately 22.5% to 24.0% at prevailing exchange rates, and approximately 17.5% to 19.0%, excluding currency
- 20.3% dividend increase in September demonstrates our focus on shareholder returns and our belief in a bright future

Source: PMI Financials

PHILIP MORRIS INTERNATIONAL

2011 Third-Quarter Results

Questions & Answers

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
Reconciliation of Non-GAAP Measures

PHILIP MORRIS INTERNATIONAL

Adjustments for the Impact of Currency and Acquisitions
For the Quarters Ended September 30,
($ in millions)
(Unaudited)

2011								2010			% Change in Reported Net Revenues excluding Excise Taxes		
Reported Net Revenues	Less Excise Taxes	Reported Net Revenues excluding Excise Taxes	Less Currency	Reported Net Revenues excluding Excise Taxes & Currency	Less Acquisi-tions	Reported Net Revenues excluding Excise Taxes, Currency & Acquisitions		Reported Net Revenues	Less Excise Taxes	Reported Net Revenues excluding Excise Taxes	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
$ 8,155	$ 5,649	$ 2,506	$ 321	$ 2,185	$ -	$ 2,185	European Union	$ 7,045	$ 4,906	$ 2,139	17.2%	2.2%	2.2%
4,921	2,711	2,210	89	2,121	13	2,108	EEMA	4,184	2,288	1,896	16.6%	11.9%	11.2%
5,143	2,344	2,799	248	2,551	2	2,549	Asia	3,629	1,796	1,833	52.7%	39.2%	39.1%
2,487	1,640	847	39	808	-	808	Latin America & Canada	2,078	1,332	746	13.5%	8.3%	8.3%
$ 20,706	**$ 12,344**	**$ 8,362**	**$ 697**	**$ 7,665**	**$ 15**	**$ 7,650**	**PMI Total**	**$ 16,936**	**$ 10,322**	**$ 6,614**	**26.4%**	**15.9%**	**15.7%**

2011						2010	% Change in Reported Operating Companies Income		
Reported Operating Companies Income	Less Currency	Reported Operating Companies Income excluding Currency	Less Acquisi-tions	Reported Operating Companies Income excluding Currency & Acquisitions		Reported Operating Companies Income	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
$ 1,262	$ 105	$ 1,157	$ -	$ 1,157	European Union	$ 1,113	13.4%	4.0%	4.0%
925	(32)	957	(13)	970	EEMA	856	8.1%	11.8%	13.3%
1,309	104	1,205	2	1,203	Asia	690	89.7%	74.6%	74.3%
255	-	255	-	255	Latin America & Canada	244	4.5%	4.5%	4.5%
$ 3,751	**$ 177**	**$ 3,574**	**$ (11)**	**$ 3,585**	**PMI Total**	**$ 2,903**	**29.2%**	**23.1%**	**23.5%**

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
Reconciliation of Non-GAAP Measures

Reconciliation of Reported Operating Companies Income to Adjusted Operating Companies Income &
Reconciliation of Adjusted Operating Companies Income Margin, excluding Currency and Acquisitions
For the Quarters Ended September 30,
($ in millions)
(Unaudited)

2011								2010			% Change in Adjusted Operating Companies Income		
Reported Operating Companies Income	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Less Currency	Adjusted Operating Companies Income excluding Currency	Less Acquisi-tions	Adjusted Operating Companies Income excluding Currency & Acquisitions		Reported Operating Companies Income	Less Asset Impairment & Exit Costs	Adjusted Operating Companies Income	Adjusted	Adjusted excluding Currency	Adjusted excluding Currency & Acquisitions
$ 1,262	$ (11)	$ 1,273	$ 105	$ 1,168	$ -	$ 1,168	European Union	$ 1,113	$ (20)	$ 1,133	12.4%	3.1%	3.1%
925	(16)	941	(32)	973	(1)	974	EEMA	856	-	856	9.9%	13.7%	13.8%
1,309	(5)	1,314	104	1,210	2	1,208	Asia	690	-	690	90.4%	75.4%	75.1%
255	(11)	266	-	266	-	266	Latin America & Canada	244	-	244	9.0%	9.0%	9.0%
$ 3,751	**$ (43)**	**$ 3,794**	**$ 177**	**$ 3,617**	**$ 1**	**$ 3,616**	**PMI Total**	**$ 2,903**	**$ (20)**	**$ 2,923**	**29.8%**	**23.7%**	**23.7%**

2011							2010			% Points Change	
Adjusted Operating Companies Income excluding Currency	Net Revenues excluding Excise Taxes & Currency[(a)]	Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income excluding Currency & Acquisitions	Net Revenues excluding Excise Taxes, Currency & Acquisitions [(a)]	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions		Adjusted Operating Companies Income	Net Revenues excluding Excise Taxes[(a)]	Adjusted Operating Companies Income Margin	Adjusted Operating Companies Income Margin excluding Currency	Adjusted Operating Companies Income Margin excluding Currency & Acquisitions
$ 1,168	$ 2,185	53.5%	$ 1,168	$ 2,185	53.5%	European Union	$ 1,133	$ 2,139	53.0%	0.5	0.5
973	2,121	45.9%	974	2,108	46.2%	EEMA	856	1,896	45.1%	0.8	1.1
1,210	2,551	47.4%	1,208	2,549	47.4%	Asia	690	1,833	37.6%	9.8	9.8
266	808	32.9%	266	808	32.9%	Latin America & Canada	244	746	32.7%	0.2	0.2
$ 3,617	**$ 7,665**	**47.2%**	**$ 3,616**	**$ 7,650**	**47.3%**	**PMI Total**	**$ 2,923**	**$ 6,614**	**44.2%**	**3.0**	**3.1**

(a) For the calculation of net revenues excluding excise taxes, currency and acquisitions, refer to previous slide

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
Reconciliation of Non-GAAP Measures

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, excluding Currency
For the Quarters Ended September 30,
(Unaudited)

	2011	2010	% Change
Reported Diluted EPS	**$ 1.35**	**$ 0.99**	**36.4%**
Adjustments:			
Asset impairment and exit costs	0.02	0.01	
Tax items	-	-	
Adjusted Diluted EPS	**$ 1.37**	**$ 1.00**	**37.0%**
Less:			
Currency impact	0.04		
Adjusted Diluted EPS, excluding Currency	**$ 1.33**	**$ 1.00**	**33.0%**

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
Reconciliation of Non-GAAP Measures

Reconciliation of Operating Cash Flow to Free Cash Flow and Free Cash Flow, excluding Currency
For the Quarters and Nine Months Ended September 30,
($ in millions)
(Unaudited)

	For the Quarters Ended September 30, 2011	For the Quarters Ended September 30, 2010	% Change	For the Nine Months Ended September 30, 2011	For the Nine Months Ended September 30, 2010	% Change
Net cash provided by operating activities (a)	$ 3,053	$ 2,417	26.3%	$ 9,568	$ 7,856	21.8%
Less:						
Capital expenditures	223	164		568	483	
Free cash flow	$ 2,830	$ 2,253	25.6%	$ 9,000	$ 7,373	22.1%
Less:						
Currency impact	214			478		
Free cash flow, excluding currency	$ 2,616	$ 2,253	16.1%	$ 8,522	$ 7,373	15.6%

	For the Quarters Ended September 30, 2011	For the Quarters Ended September 30, 2010	% Change	For the Nine Months Ended September 30, 2011	For the Nine Months Ended September 30, 2010	% Change
Net cash provided by operating activities (a)	$ 3,053	$ 2,417	26.3%	$ 9,568	$ 7,856	21.8%
Less:						
Currency impact	236			515		
Net cash provided by operating activities, excluding currency	$ 2,817	$ 2,417	16.5%	$ 9,053	$ 7,856	15.2%

(a) Operating Cash Flow

PHILIP MORRIS INTERNATIONAL INC. and Subsidiaries
Reconciliation of Non-GAAP Measures

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS
For the Year Ended December 31,
(Unaudited)

	2010
Reported Diluted EPS	**$ 3.92**
Adjustments:	
Tax items	**(0.07)**
Asset impairment and exit costs	**0.02**
Adjusted Diluted EPS	**$ 3.87**

PHILIP MORRIS INTERNATIONAL

2011 Third-Quarter Results

October 20, 2011