

PRESS RELEASE

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PHILIP MORRIS INTERNATIONAL

PHILIP MORRIS INTERNATIONAL INC. AND ALTRIA GROUP, INC. **ESTABLISH STRATEGIC FRAMEWORK TO COMMERCIALIZE** **REDUCED-RISK PRODUCTS AND E-CIGARETTES**

NEW YORK, December 20, 2013 – Philip Morris International Inc. (“PMI”) (NYSE / Euronext Paris: PM) announces today its establishment of a strategic framework with Altria Group, Inc. (“Altria”) to commercialize reduced-risk products and e-cigarettes. Under the terms of a set of licensing, supply and cooperation agreements, Altria will make available its e-cigarette products exclusively to PMI for commercialization outside the United States and PMI will make available two of its candidate reduced-risk tobacco products exclusively to Altria for commercialization in the United States. In the United States it is envisaged that PMI’s products would be regulated as Modified Risk Tobacco Products and any commercialization would be subject to U.S. Food and Drug Administration (“FDA”) authorization.

The agreements also provide for cooperation on the scientific assessment and regulatory engagement and authorization related to these products with the FDA, and for a similar framework for e-cigarettes with the relevant regulatory authorities in international markets. In addition, the agreements provide for the sharing of improvements to the existing generation of products.

“PMI firmly believes that reduced-risk tobacco products, as well as e-cigarettes, represent an important step toward achieving the public health goal of harm reduction, a potential paradigm shift for the industry and a significant growth opportunity for the company. Further to our plans for international test market introduction of our candidate reduced-risk products as of the second-half of 2014, this agreement establishes a roadmap for commercialization in the U.S., subject to FDA authorization. At the same time, it provides us with a platform to accelerate our entry into international e-cigarette markets while we continue to develop future versions,” said André Calantzopoulos, PMI’s Chief Executive Officer.

Philip Morris International Inc.

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 more than 180 markets. In 2012, the company held an estimated 16.3% share of the total international cigarette market outside of the U.S., or 28.8% excluding the People’s Republic of China and the U.S. For more information, see www.pmi.com.