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THE FOLLOWING SUBMISSION HAS BEEN ACCEPTED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION.

COMPANY: Philip Morris International Inc.
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PLEASE REFER TO THE ACCESSION NUMBER LISTED ABOVE FOR FUTURE INQUIRIES.

REGISTRANT(S):

1. CIK: 0001413329
COMPANY: Philip Morris International Inc.
FORM TYPE: 8-K
FILE NUMBER(S):
1. 001-33708

ITEM(S):

1. 2.02
2. 9.01

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): April 19, 2012

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 April 19, 2012, Philip Morris International Inc. (the "Company") issued a press release announcing its financial results for the quarter ended March 31, 2012 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 April 19, 2012 (furnished pursuant to Item 2.02)

99.2 Conference Call Transcript dated April 19, 2012 (furnished pursuant to Item 2.02)

99.3 Webcast Slides dated April 19, 2012 (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: April 19, 2012

EXHIBIT INDEX

Exhibit No.	Description
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99.3	Webcast Slides dated April 19, 2012 (furnished pursuant to Item 2.02)

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 2012 FIRST-QUARTER RESULTS

- Reported and adjusted diluted earnings per share of $1.25, up by 17.9%, or by 19.8% excluding currency, versus $1.06 in 2011, as detailed in the attached Schedules 8 and 9
- Cigarette shipment volume growth of 5.4%, or 5.3% excluding acquisitions
- Reported net revenues, excluding excise taxes, up by 9.7% to $7.4 billion, or by 10.9% excluding currency and acquisitions
- Reported operating companies income up by 13.4% to $3.5 billion, or by 14.5% excluding currency and acquisitions
- Adjusted operating companies income, which reflects the items detailed in the attached Schedule 7, up by 13.1% to $3.5 billion, or by 14.2% excluding currency and acquisitions
- Operating income up by 13.2% to $3.4 billion
- Repurchased 18.1 million shares of its common stock for $1.5 billion
- PMI revises, for prevailing exchange rates only, its 2012 full-year reported diluted earnings per share forecast to be in a range of $5.20 to $5.30, versus $4.85 in 2011
- Excluding a forecasted total unfavorable currency impact of approximately $0.15 for the full-year 2012, reported diluted earnings per share are projected to increase by approximately 10% to 12% versus adjusted diluted earnings per share of $4.88 in 2011, as detailed in the attached Schedule 10, unchanged from the forecast provided on February 23, 2012

NEW YORK, April 19, 2012 – Philip Morris International Inc. (NYSE / Euronext Paris: PM) today announced its 2012 first-quarter results.

"We have begun 2012 with strong momentum, driven by our best quarterly organic volume performance since the spin-off in March 2008," said Louis C. Camilleri, Chairman and Chief Executive Officer.

"Given the recent strengthening of the U.S. Dollar, we are revising our reported full-year diluted EPS guidance for 2012 by $0.05, reflecting prevailing exchange rates only. We remain confident in our ability to increase constant-currency adjusted diluted EPS this year by 10-12%, matching our mid- to long-term annual growth target."

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 April 19, 2012. Access is available at www.pmi.com.

<u>Dividends and Share Repurchase Program</u>

During the first quarter, PMI spent $1.5 billion to repurchase 18.1 million shares, as shown in the table below.

<u>Current $12 Billion, Three-Year Program</u>

	Value ($ Mio.)	Shares 000
May-December 2010	2,953	55,933
January-December 2011	5,400	80,514
January-March 2012	1,500	18,057
Total Under Program	**9,853**	**154,504**

Since May 2008, when PMI began its first share repurchase program, the company has spent an aggregate of $22.9 billion to repurchase 432.1 million shares at an average price of $52.88 per share, or 20.5% of the shares outstanding at the time of the spin-off in March 2008.

PMI has a share repurchase target for 2012 of $6.0 billion.

<u>2012 Full-Year Forecast</u>

PMI revises, for prevailing exchange rates only, its 2012 full-year reported diluted earnings per share forecast to be in a range of $5.20 to $5.30, versus $4.85 in 2011. Excluding a forecasted total unfavorable currency impact of approximately $0.15 for the full-year 2012, reported diluted earnings per share are projected to increase by approximately 10% to 12% versus adjusted diluted earnings per share of $4.88 in 2011, as detailed in the attached Schedule 10, unchanged from the earnings per share forecast provided on February 23, 2012. The forecasted $0.15 in unfavorable currency for the full-year 2012, based on prevailing exchange rates, represents an increase of $0.05 compared to the $0.10 of full-year unfavorable currency forecast previously disclosed on February 23, 2012. This guidance excludes the impact of any potential future acquisitions, unanticipated 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.

<u>2012 FIRST-QUARTER CONSOLIDATED RESULTS</u>

In this press release, "PMI" refers to Philip Morris International Inc., and its subsidiaries. The term "net revenues" refers to operating revenues from the sale of our products, excluding excise taxes and net of sales and promotion incentives. Operating Companies Income, or "OCI", is defined as operating income before general corporate expenses and the amortization of intangibles. PMI's management evaluates business segment performance and allocates resources based on OCI. Management also reviews OCI, operating margins and Earnings Per Share, or "EPS", on an adjusted basis (which may exclude the impact of currency and other items such as acquisitions, asset impairment and exit costs and discrete tax items), Earnings Before Interest, Taxes, Depreciation, and Amortization, or "EBITDA", free cash flow, defined as net cash provided by operating activities less capital expenditures, and net debt. References to total international cigarette market, defined as worldwide cigarette volume excluding the United States, total cigarette market, total market and market shares are PMI estimates based on the latest available data from a number of internal and external sources and may, in defined instances, exclude the People's Republic of China and/or PMI's duty-free business. Comparisons are to the same prior-year period unless otherwise *stated. For a reconciliation of non-GAAP measures to corresponding GAAP measures, see the relevant schedules provided with this release.*

NET REVENUES

PMI Net Revenues ($ Millions)

	First-Quarter			
	2012	2011	Change	Excl. Curr.
European Union	$2,053	$2,001	2.6%	5.3%
Eastern Europe, Middle East & Africa	1,835	1,687	8.8%	13.1%
Asia	2,777	2,323	19.5%	16.4%
Latin America & Canada	783	780	0.4%	5.4%
Total PMI	**$7,448**	**$6,791**	**9.7%**	**11.0%**

Net revenues of $7.4 billion were up by 9.7%, despite unfavorable currency of $92 million. Excluding currency, net revenues increased by 11.0%, driven equally by favorable pricing of $369 million and favorable volume/mix of $370 million. Excluding currency and acquisitions, net revenues increased by 10.9%.

OPERATING COMPANIES INCOME

PMI Operating Companies Income ($ Millions)

	First-Quarter			
	2012	2011	Change	Excl. Curr.
European Union	$1,030	$1,006	2.4%	4.9%
Eastern Europe, Middle East & Africa	810	722	12.2%	18.3%
Asia	1,407	1,093	28.7%	23.9%
Latin America & Canada	237	251	(5.6)%	1.2%
Total PMI	**$3,484**	**$3,072**	**13.4%**	**14.5%**

Reported operating companies income was up by 13.4% to $3.5 billion, despite unfavorable currency of $33 million. Excluding currency, operating companies income was up by 14.5%, driven by higher pricing, and favorable volume/mix of $224 million, partly offset by higher manufacturing costs in the EU, notably related to the mandated implementation of reduced cigarette ignition propensity standards, a process which began in the fourth quarter of 2011, increased marketing investment, notably in Germany and Russia, and increased business infrastructure investment in Russia. Adjusted operating companies income grew by 13.1% as shown in the table below and detailed on Schedule 7. Adjusted operating companies income, excluding currency and acquisitions, increased by 14.2%.

PMI Operating Companies Income ($ Millions)

	First-Quarter		
	2012	2011	Change
Reported OCI	$3,484	$3,072	13.4%
Asset impairment & exit costs	(8)	(16)	
Adjusted OCI	**$3,492**	**$3,088**	**13.1%**
Adjusted OCI Margin*	46.9%	45.5%	1.4 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 and acquisitions, was up by 1.3 percentage points to 46.8%, as detailed on Schedule 7.

SHIPMENT VOLUME & MARKET SHARE

PMI Cigarette Shipment Volume by Segment (Million Units)

	First-Quarter		
	2012	2011	Change
European Union	47,789	48,522	(1.5)%
Eastern Europe, Middle East & Africa	65,928	63,643	3.6%
Asia	81,030	72,092	12.4%
Latin America & Canada	24,343	23,663	2.9%
Total PMI	**219,090**	**207,920**	**5.4%**

2012 First-Quarter

PMI's cigarette shipment volume was up by 5.4%, or by 5.3% excluding acquisitions, driven by growth from all of PMI's top 10 cigarette brands, up by a combined 7.8%. It is estimated that cigarette shipment volume increased by approximately 1% due to the leap year effect.

In the EU, PMI's total cigarette shipment volume decreased by 1.5%, predominantly due to a lower total market, notably in southern Europe, partly offset by growth in Austria, France and Germany. In EEMA, PMI's total cigarette shipment volume grew by 3.6%, driven mainly by a higher total market and share in Algeria, Saudi Arabia and Turkey, partly offset by a lower total market in Egypt, due to a surge in illicit trade. In Asia, PMI's total cigarette shipment volume increased by 12.4%, fueled by a higher total market and share in Indonesia, Japan, Korea, and Thailand, and a higher total market in the Philippines. In Latin America & Canada, PMI's total cigarette shipment volume increased by 2.9%, mainly due to a higher total market and share in Argentina and a favorable comparison with the first quarter of 2011 in Mexico, partly offset by volume declines in Colombia and Brazil.

Total cigarette shipments of *Marlboro* of 72.1 billion units were up by 5.2%, driven primarily by growth in EEMA of 7.6%, in particular in Algeria and Saudi Arabia, in Asia of 10.0%, notably in Indonesia, Japan, Korea and Vietnam, and in Latin America & Canada of 9.5%, notably in Argentina and Mexico. The growth was partly offset by a decline in the EU of 2.2%, mainly due to France, Italy and Poland, partly offset by Hungary.

Total cigarette shipments of *L&M* of 21.3 billion units were up by 4.4%, reflecting growth in the EU, Asia and Latin America & Canada, and an essentially flat performance in EEMA. Total cigarette shipments of *Bond Street* of 10.0 billion units increased by 4.9%, led mainly by growth in Kazakhstan and Ukraine, partly offset by a decline in Russia. Total cigarette shipments of *Philip Morris* of 9.6 billion units increased by 1.2%, mainly reflecting growth in Argentina, France and Italy, partly offset by a decline in the Philippines. Total cigarette shipments of *Parliament* of 9.3 billion units were up by 10.6%, fueled by growth in EEMA and Asia. Total cigarette shipments of *Chesterfield* of 8.2 billion units were up by 2.3%, driven by growth in the EU, primarily in Portugal and Spain, partly offset by a decline in EEMA, mainly in Ukraine. Total cigarette shipments of *Lark* of 7.5 billion units increased by 15.1%, driven predominantly by growth in EEMA and Asia.

Total shipment volume of other tobacco products (OTP), in cigarette equivalent units, excluding acquisitions, grew by 15.1%, notably in Belgium, Germany and Italy. Total shipment volume for cigarettes and OTP combined was up by 5.6%, excluding acquisitions.

PMI's market share performance was stable, or registered growth, in a number of key markets, including Algeria, Argentina, Austria, Belgium, Canada, Germany, Indonesia, Japan, Kazakhstan, Korea, Mexico, the Netherlands, Russia, Saudi Arabia, Switzerland, Thailand, Turkey and the United Kingdom.

EUROPEAN UNION REGION (EU)

2012 First-Quarter

In the EU, net revenues increased by 2.6% to $2.1 billion, despite unfavorable currency of $54 million resulting from a strengthening of the U.S. Dollar, mainly versus the Euro. Excluding currency, net revenues increased by 5.3%, mainly reflecting favorable pricing of $106 million. Volume/mix was flat, with a higher total market in Germany partially offset by a lower total market in Portugal and a lower total market and share in Italy.

Operating companies income increased by 2.4% to $1.0 billion, predominantly due to favorable pricing, and despite unfavorable currency of $25 million, higher manufacturing costs, mainly related to the mandated implementation of reduced cigarette ignition propensity standards, which began in the fourth quarter of 2011, and higher marketing costs, principally reflecting marketing investment behind *Marlboro* in Germany. Volume/mix was down by $12 million. Excluding the unfavorable impact of currency, operating companies income increased by 4.9%.

Adjusted operating companies income increased by 1.3%, as shown in the table below and detailed on Schedule 7. Adjusted operating companies income, excluding currency, increased by 3.7%.

EU Operating Companies Income ($ Millions)

	First-Quarter		
	2012	**2011**	**Change**
Reported OCI	$1,030	$1,006	2.4%
Asset impairment & exit costs	0	(11)	
Adjusted OCI	**$1,030**	**$1,017**	**1.3%**
Adjusted OCI Margin*	50.2%	50.8%	(0.6) 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 down by 0.7 percentage points to 50.1%, as detailed on Schedule 7, primarily as a result of the aforementioned higher costs.

The total cigarette market in the EU declined by 1.3% to 126.0 billion units, due primarily to tax-driven price increases, the unfavorable economic environment, particularly in southern Europe, and related austerity measures, the growth of the OTP segment, notably in Italy, and the prevalence of illicit trade, mainly in Greece and Spain.

PMI's cigarette shipment volume in the EU declined by 1.5%, due principally to a lower total market, mainly in Greece, Italy and Portugal, partly offset by Germany. Shipment volume of *Marlboro* decreased by 2.2%, mainly due to lower total markets and share, particularly in France and Italy, and to lower share, primarily in Germany and Poland, partially offset by higher share in the Czech Republic, Hungary and Switzerland. Shipment volume of *L&M* was up by 4.8%, driven by higher share in Germany, Poland and the Slovak Republic. Shipment volume of *Chesterfield* was up by 12.0%, driven by higher share in Austria, France, Germany, Portugal, Spain and the U.K.

PMI's market share in the EU was down by 0.5 share points to 37.3% as gains, notably in Belgium, Germany and Greece, were more than offset by declines, primarily in the Czech Republic, France, Italy and Poland. *Marlboro*'s share was down by 0.3 points to 17.5%, reflecting a higher share mainly in Belgium, the Czech Republic, Greece, Hungary and Portugal, which was more than offset by lower share mainly in France, Germany and Poland. *L&M*'s market share was up by 0.3 points to 6.5%, driven by gains in Germany and Poland, partly offset by Portugal. *Chesterfield*'s market share was up by 0.4 points to 3.3%, driven mainly by Portugal and Spain. *Philip Morris*' market share was essentially flat at 2.0%, with gains, notably in the Czech Republic, Greece and Italy, offset by declines mainly in Spain.

PMI's shipment of OTP, in cigarette equivalent units, grew by 28.9%, well in excess of the 4.9% growth in the total OTP market, mainly reflecting a higher total market in Spain, higher share in Hungary, and a higher total market and share in Belgium, France, Germany and Italy. This growth was partly offset by a lower total market in the Netherlands and a lower total market and share in Poland. PMI's OTP total market share was 12.5%, up by 1.8 points, driven by gains notably in Belgium, up by 3.2 points to 14.2%, France, up by 2.5 points to 21.8%, Germany, up by 1.3 points to 15.9%, and Italy, up by 24.6 points to 24.8%.

EU Key Market Commentaries

In the Czech Republic, the total cigarette market was down by 2.9% to 4.6 billion units. PMI's shipments were down by 6.0%. Market share was down by 1.4 points to 43.6%, principally reflecting continued share declines for lower-margin local brands, such as *Petra* and *Sparta*, down by a combined 1.5 points, and *Red & White*, down by 0.4 points to 12.7%. This decline was partly offset by a higher share for *Marlboro*, up by 1.0 point to 7.5%, benefiting from the April 2011 launch of *Marlboro Core Flavor* and *Marlboro Gold Touch*, and a higher share for *Philip Morris*, re-launched during the quarter, up by 0.5 points to 2.8%. Market share continues to show sequential improvement, up by 1.5 points compared to the fourth-quarter 2011, driven by *Marlboro* and *Philip Morris*.

In France, the total cigarette market was down by 1.9% to 12.6 billion units, mainly reflecting the impact of price increases in the fourth quarter of 2011. PMI's shipments in the first quarter of 2012 were up by 0.7%. PMI's market share was down by 0.8 points to 39.6%, mainly due to *Marlboro*, down by 0.8 points to 24.7%, reflecting its crossing of the €6.00 per pack price threshold ahead of competitive brands. Market share of premium *Philip Morris* was stable at 8.2% and share of *Chesterfield* was up by 0.2 points to 3.2%.

In Germany, the total cigarette market was up by 3.1% to 20.0 billion units. PMI's shipments were up by 3.7% and market share grew by 0.2 points to 35.9%. While share of *Marlboro* was down by 0.8 points to 20.4%, reflecting the timing of tax-driven price increases during the quarter compared to competitive brands, share of *L&M*, the fastest-growing cigarette brand in the market, was up by 1.2 points to 11.2%, and share of *Chesterfield* was up by 0.2 points to 0.9%.

In Italy, the total cigarette market was down by 6.1% to 18.6 billion units, reflecting the unfavorable impact of a €0.10 per pack excise tax-driven price increase in July 2011, a VAT-driven price increase of €0.20 per pack in September 2011 and a €0.10 per pack increase in March 2012, a more unfavorable economic environment, and strong growth in the fine cut market. PMI's shipments were down by 3.1%, partially offset by favorable distributor inventory movements. PMI's market share declined by 0.9 points to 52.6% with *Marlboro*, mid-price *Chesterfield* and low-price *Diana* down by 0.2, 0.1 and 0.6 points to 22.3%, 3.5% and 12.8%, respectively. The decline in market share, particularly in the low-price segment due to growth of international low-price brands, was partially offset by the launch in the quarter of *Philip Morris Selection* in the low-price segment. Achieving a share of 0.4%, the success of *Philip Morris Selection* contributed to the brand's overall growth of 0.4 points to 3.7%, as well as PMI's sequential total market share growth of 0.3 points versus the fourth quarter of 2011.

In Poland, the total cigarette market was up by 1.0% to 13.1 billion units. PMI's shipments were down by 3.2%. PMI's market share was down by 1.4 points to 32.8%, mainly due to lower share of low-price *Red & White*, down by 0.7 points to 4.9%, partially offset by *L&M*, up by 1.3 points to 14.9%, and *Chesterfield*, up by 0.2 points to 1.7%. Share of *Marlboro* was down by 1.0 point to 9.4%, reflecting the combination of tax-driven price increases in January 2012 and the subsequent timing of price implementation by competitors.

In Spain, the total cigarette market was up by 0.6% to 12.8 billion units. While PMI's shipments were essentially flat, market share was down slightly by 0.2 points to 30.2%, with higher share of *Chesterfield*, revamped in the quarter and up by 0.8 points to 8.9%, offset by *Marlboro*, down by 0.2 points to 13.9%, *L&M*, down by 0.2 points to 6.5% and *Philip Morris*, down by 0.4 points to 0.7%.

EASTERN EUROPE, MIDDLE EAST & AFRICA REGION (EEMA)

2012 First-Quarter

In EEMA, net revenues increased by 8.8% to $1.8 billion, despite unfavorable currency of $73 million. Excluding the impact of currency and acquisitions, net revenues increased by 12.6%, primarily due to favorable pricing of $102 million and favorable volume/mix of $110 million, the third consecutive quarter of favorable volume/mix.

Operating companies income increased by 12.2% to $810 million, despite unfavorable currency of $44 million. Excluding the impact of currency and acquisitions, operating companies income increased by 18.3%, due primarily to higher pricing and favorable volume/mix, partly offset by higher costs, principally related to investments in marketing and business infrastructure, mainly in Russia. Adjusted operating companies income increased by 11.9%, as shown in the table below and detailed on Schedule 7. Adjusted operating companies income, excluding currency and acquisitions, increased by 18.0%.

EEMA Operating Companies Income ($ Millions)

	First-Quarter		
	2012	**2011**	**Change**
Reported OCI	$ 810	$ 722	12.2%
Asset impairment & exit costs	0	(2)	
Adjusted OCI	**$ 810**	**$ 724**	**11.9%**
Adjusted OCI Margin*	44.1%	42.9%	1.2 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 2.1 percentage points to 45.0%, as detailed on Schedule 7.

PMI's cigarette shipment volume in EEMA increased by 3.6%, predominantly due to a higher total market and share in Algeria, Saudi Arabia and Turkey, partly offset by a lower total market in Egypt reflecting a surge in illicit trade.

PMI's cigarette shipment volume of premium brands grew by 8.7% in EEMA, driven by *Marlboro,* up by 7.6%, mainly reflecting growth in North Africa and the Middle East, and *Parliament*, up by 13.3%, reflecting growth in Kazakhstan, Russia, Turkey and Ukraine.

EEMA Key Market Commentaries

In Russia, PMI's shipment volume in the first quarter increased by 0.5%, despite unfavorable distributor inventory movements. Shipment volume of PMI's premium portfolio was up by 1.2%, driven primarily by *Parliament*, up by 10.5% offsetting a decline in *Marlboro* of 15.1%. In the mid-price segment, shipment volume was up by 4.8%, mainly due to *Chesterfield*, up by 2.0%, and *L&M*, up by 18.0%, the second consecutive quarter of growth since the fourth quarter of 2004. In the low-price segment, shipment volume was down by 1.4%, due to a decline of *Bond Street* and *Optima* of 2.0% and 9.5%, respectively, partly offset by growth of *Next* and *Apollo Soyuz,* up by 10.9% and 1.5%, respectively. PMI's February year-to-date market share of 26.2%, as measured by Nielsen, was up by 0.7 points. Market share of *Parliament* was up by 0.3 points to a record 3.2%; *Marlboro* was down by 0.2 points to 2.0%; *L&M* and *Chesterfield* were essentially flat at 2.5% and 3.4%, respectively; *Bond Street* was up by 0.4 points to 6.2%; and *Next* was up by 0.4 points to 2.9%.

In Turkey, the total cigarette market increased by an estimated 3.0% to 20.6 billion units, reflecting recovery after the October 2011 excise tax-driven price increase. PMI's shipment volume increased by 9.7% across all price segments, notably premium shipment volume, up by 10.7%. PMI's February year-to-date market share, as measured by Nielsen, grew by 0.7 points to 44.6%, driven by premium *Parliament,* mid-price *Muratti* and low-price *Lark*, up by 0.8, 0.7 and 0.1 share points to 8.3%, 6.4% and 12.0%, respectively, partly offset by a decline in low-price *L&M*, down by 0.4 points to 8.4%. Market share of *Marlboro* was down slightly by 0.1 point to 9.1%.

In Ukraine, the total cigarette market grew by 5.6% to 18.4 billion units, reflecting a stabilization of the total market and favorable distributor inventory movements, despite the unfavorable impact of excise tax increases on January 1, 2012. PMI's shipment volume increased by 2.1%, driven by premium *Parliament*, up by 31.0%, and by low-price *Bond Street*, up by 28.6%. PMI's February year-to-date market share, as measured by Nielsen, was down by 0.3 points to 32.2%, mainly due to a decline in PMI's low-price segment reflecting the timing and level of price increases by competitors. Share for premium *Parliament* was up by 0.6 points to 3.1%. Share of *Marlboro* was up slightly by 0.1 point to 5.8%.

ASIA REGION

2012 First-Quarter

In Asia, net revenues increased by 19.5% to $2.8 billion, including favorable currency of $74 million. Excluding the impact of currency and acquisitions, net revenues increased by 16.3%, reflecting the favorable impact of pricing of $144 million and favorable volume/mix of $235 million, principally in Indonesia, Japan and Korea.

Operating companies income surged by 28.7% to reach $1.4 billion. Excluding the favorable impact of currency of $53 million, operating companies income increased by 23.9%, reflecting strong growth in Australia, Indonesia, Japan, Korea and the Philippines. Adjusted operating companies income increased by 28.5% as shown in the table below and detailed on Schedule 7. Adjusted operating companies income, excluding currency, increased by 23.7%.

Asia Operating Companies Income ($ Millions)

	First-Quarter		
	2012	2011	Change
Reported OCI	$1,407	$1,093	28.7%
Asset impairment & exit costs	0	(2)	
Adjusted OCI	**$1,407**	**$1,095**	**28.5%**
Adjusted OCI Margin*	50.7%	47.1%	3.6 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 3.0 percentage points to 50.1%, as detailed on Schedule 7.

PMI's cigarette shipment volume in Asia increased by 12.4%, predominantly due to growth in Indonesia, Japan, Korea, the Philippines and Thailand.

Shipment volume of *Marlboro* was up by 10.0%, driven by growth in Indonesia, Japan, Korea and Vietnam.

Asia Key Market Commentaries

In Indonesia, the total cigarette market was up by 12.2% to 77.2 billion units, driven by growth across all price segments, as well as by a favorable comparison with the first quarter of 2011. PMI's shipment volume surged by 24.9%. PMI's market share was up by 3.5 points to a record 33.4%, driven notably by *Sampoerna A* in the premium segment, up by 1.6 points to 13.1%, mid-price *U Mild*, up by 1.0 point to 2.7%, and low-price *Trend Mild* at 0.8% following its launch in March 2011. *Marlboro*'s market share was up by 0.3 points to 4.7% and its share of the "white" cigarettes segment increased by 3.8 points to 68.8%.

In Japan, the total cigarette market increased by 5.0% to 46.5 billion units, mainly reflecting a favorable comparison with the first quarter of 2011, which experienced prolonged trade de-loading following the October 1, 2010, excise tax-driven price increase. Excluding the de-loading effect, the total cigarette market is estimated to have declined by approximately 2%. PMI's shipment volume was up by 6.7%, driven by the higher comparative total market, and by a favorable market share retention subsequent to the disruption of PMI's principal competitor's supply chain following the tragic events of March 2011. While PMI's market share in each of the first two months of the quarter was ahead of the 2011 exit share of 28.2%, trade inventory loading in March, associated with the launch of new competitive products, partly resulted in a quarterly share of 28.0%, down by 0.2 points compared to the 2011 exit share. Compared to the first quarter of 2011, PMI's market share was up by 2.4 points, driven partly by *Marlboro, Philip Morris* and *Virginia S.*, up by 0.6, 0.2, and 0.2 points, to 12.3%, 2.4%, and 2.0%, respectively. Market share of *Lark* was 8.7%, up by 1.5 points, aided by the successful introduction in the quarter of *Lark Hybrid One 100s*.

In Korea, the total cigarette market increased by 1.5% to 20.4 billion units. PMI's shipment volume increased by 15.7%, driven by the annualization of 2011 market share gains. PMI's market share in the quarter reached 20.4%, up by 2.6 points, led by *Marlboro* and *Parliament*, up by 1.5 and 1.0 points to 8.8% and 7.0%, respectively. PMI's market share in the month of March was 17.7%, reflecting the impact of PMI's February price increases.

In the Philippines, the total cigarette market increased by 7.0% to 25.2 billion units, mainly driven by the growth of the low-price segment and favorable trade inventory movements in March. PMI's shipment volume was up by 4.7%, mainly driven by the growth of *Fortune*. PMI's market share declined by 2.1 points to 93.4%, mainly due to the impact of the January 2012 price increase. *Marlboro*'s market share was down by 1.8 points to 21.0%.

LATIN AMERICA & CANADA REGION

2012 First-Quarter

In Latin America & Canada, net revenues increased by 0.4% to $783 million, despite unfavorable currency of $39 million. Excluding the impact of currency, net revenues increased by 5.4%, reflecting favorable pricing of $17 million and favorable volume/mix of $25 million, mainly driven by Argentina and Mexico.

Operating companies income decreased by 5.6% to $237 million. Excluding the unfavorable impact of currency of $17 million, operating companies income increased by 1.2%, primarily reflecting favorable pricing and volume/mix, partly offset by higher costs, notably organizational restructuring in Venezuela and increased investments in distribution networks in Colombia. Adjusted operating companies income decreased by 2.8% as shown in the table below and detailed on Schedule 7. Adjusted operating companies income, excluding currency, increased by 4.0%.

Latin America & Canada Operating Companies Income ($ Millions)

	First-Quarter		
	2012	2011	Change
Reported OCI	$ 237	$ 251	(5.6)%
Asset impairment & exit costs	(8)	(1)	
Adjusted OCI	**$ 245**	**$ 252**	**(2.8)%**
Adjusted OCI Margin*	31.3%	32.3%	(1.0) 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 decreased by 0.4 percentage points to 31.9%, as detailed on Schedule 7.

PMI's cigarette shipment volume in Latin America & Canada increased by 2.9%, mainly driven by a higher total market and share in Argentina and a favorable comparison with the first quarter of 2011 in Mexico reflecting trade inventory de-loading following the significant January 1, 2011, excise tax increase. Shipment volume of *Marlboro* increased by 9.5%, principally driven by Argentina and Mexico.

Latin America & Canada Key Market Commentaries

In Argentina, the total cigarette market grew by 2.5% to 11.3 billion units. PMI's cigarette shipment volume increased by 3.9%. PMI's market share was up by 0.7 points to 75.1%, reflecting growth of *Marlboro*, up by 1.0 point to 24.8%, and of mid-price *Philip Morris*, up by 0.5 share points to 38.6%. Share of low-price *Next* was down by 0.4 points to 3.3%.

In Canada, the total tax-paid cigarette market was essentially flat at 6.9 billion units, reflecting a continuous, albeit slowing, return of illicit trade to the legitimate market, and improved economic conditions. PMI's cigarette shipment volume declined slightly by 0.2%. PMI's market share was flat at 33.9%, with premium brands *Benson & Hedges* and *Belmont* up by 0.2 points each to 2.1% and 1.9%, respectively, and low-price brand *Next* up by 0.9 points to 7.3%, partly offset by mid-price *Number 7* and *Canadian Classics*, and low-price *Accord* and *Quebec Classique*, down by 0.1, 0.2, 0.3 and 0.4 share points, to 4.0%, 8.5%, 3.4% and 2.5%, respectively.

In Mexico, the total cigarette market was up by 13.0% to 8.3 billion units, primarily due to a favorable comparison with the first quarter of 2011 reflecting trade inventory de-loading following the significant January 1, 2011, excise tax increase. PMI's cigarette shipment volume increased by 19.1%, driven by the aforementioned prior-year inventory movements. PMI's market share grew by 3.8 points to 74.3%, led by *Marlboro*, up by 4.0 share points to 54.3%, and *Benson & Hedges*, up by 0.3 points to 6.3%. Market share of low-price *Delicados*, the second best-selling brand in the market, decreased by 0.2 points to 10.8%.

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 2011, the company held an estimated 16.0% share of the total international cigarette market outside of the U.S., or 28.1% 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. Achievement of projected results is subject to risks, uncertainties and inaccurate assumptions. In the event that risks or uncertainties materialize, or underlying assumptions prove inaccurate, actual results could vary materially from those contained in such forward-looking statements. Pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, PMI is identifying important factors that, individually or in the aggregate, could cause actual results and outcomes to differ materially from those contained in any forward-looking statements made by PMI.

PMI's business risks include: significant increases in cigarette-related taxes; the imposition of discriminatory excise tax structures; fluctuations in customer inventory levels due to increases in product taxes and prices; increasing marketing and regulatory restrictions, often with the goal of preventing the use of tobacco products; health concerns relating to the use of tobacco products and exposure to environmental tobacco smoke; litigation related to tobacco use; intense competition; the effects of global and individual country economic, regulatory and political developments; changes in adult smoker behavior; lost revenues as a result of counterfeiting, contraband and cross-border purchases; governmental investigations; unfavorable currency exchange rates and currency devaluations; adverse changes in applicable corporate tax laws; adverse changes in the cost and quality of tobacco and other agricultural products and raw materials; and the integrity of its information systems. PMI's future profitability may also be adversely affected should it be unsuccessful in its attempts to produce products with the potential to reduce the risk of smoking-related diseases; if it is unable to successfully introduce new products, promote brand equity, enter new markets or improve its margins through increased prices and productivity gains; if it is unable to expand its brand portfolio internally or through acquisitions and the development of strategic business relationships; or if it is unable to attract and retain the best global talent.

PMI is further subject to other risks detailed from time to time in its publicly filed documents, including the Form 10-K for the year ended December 31, 2011. PMI cautions that the foregoing list of important factors is not a complete discussion of all potential risks and uncertainties. PMI does not undertake to update any forward-looking statement that it may make from time to time, except in the normal course of its public disclosure obligations.

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PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Condensed Statements of Earnings
For the Quarters Ended March 31,
($ in millions, except per share data)
(Unaudited)

	2012	2011	% Change
Net revenues	**$18,022**	**$16,530**	**9.0%**
Cost of sales	2,442	2,295	6.4%
Excise taxes on products[(1)]	10,574	9,739	8.6%
Gross profit	5,006	4,496	11.3%
Marketing, administration and research costs	1,514	1,408	
Asset impairment and exit costs	8	16	
Operating companies income	**3,484**	**3,072**	**13.4%**
Amortization of intangibles	24	24	
General corporate expenses	57	41	
Operating income	**3,403**	**3,007**	**13.2%**
Interest expense, net	213	213	
Earnings before income taxes	3,190	2,794	14.2%
Provision for income taxes	958	807	18.7%
Net earnings	2,232	1,987	12.3%
Net earnings attributable to noncontrolling interests	71	68	
Net earnings attributable to PMI	**$ 2,161**	**$ 1,919**	**12.6%**
Per share data:[(2)]			
Basic earnings per share	**$ 1.25**	**$ 1.06**	**17.9%**
Diluted earnings per share	**$ 1.25**	**$ 1.06**	**17.9%**

(1) The segment detail of excise taxes on products sold for the quarters ended March 31, 2012 and 2011 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 March 31, 2012 and 2011 are shown on Schedule 4, Footnote 1.

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Selected Financial Data by Business Segment
For the Quarters Ended March 31,
($ in millions)
(Unaudited)

		Net Revenues excluding Excise Taxes				
		European Union	EEMA	Asia	Latin America & Canada	Total
2012	Net Revenues[1]	$ 6,470	$ 4,069	$ 5,177	$ 2,306	$ 18,022
	Excise Taxes on Products	(4,417)	(2,234)	(2,400)	(1,523)	(10,574)
	Net Revenues excluding Excise Taxes	**2,053**	**1,835**	**2,777**	**783**	**7,448**
2011	Net Revenues	$ 6,415	$ 3,671	$ 4,288	$ 2,156	$ 16,530
	Excise Taxes on Products	(4,414)	(1,984)	(1,965)	(1,376)	(9,739)
	Net Revenues excluding Excise Taxes	**2,001**	**1,687**	**2,323**	**780**	**6,791**
Variance	Currency	(54)	(73)	74	(39)	(92)
	Acquisitions	—	9	1	—	10
	Operations	106	212	379	42	739
	Variance Total	**52**	**148**	**454**	**3**	**657**
	Variance Total (%)	2.6%	8.8%	19.5%	0.4%	9.7%
	Variance excluding Currency	106	221	380	42	749
	Variance excluding Currency (%)	5.3%	13.1%	16.4%	5.4%	11.0%
	Variance excluding Currency & Acquisitions	106	212	379	42	739
	Variance excluding Currency & Acquisitions (%)	5.3%	12.6%	16.3%	5.4%	10.9%

(1) 2012 Currency (decreased) increased net revenues as follows:

European Union	$ (214)
EEMA	(316)
Asia	81
Latin America & Canada	(138)
	$ (587)

Schedule 3

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Selected Financial Data by Business Segment
For the Quarters Ended March 31,
($ in millions)
(Unaudited)

	Operating Companies Income				
	European Union	EEMA	Asia	Latin America & Canada	Total
2012	$ 1,030	$ 810	$1,407	$ 237	$3,484
2011	1,006	722	1,093	251	3,072
% Change	2.4%	12.2%	28.7%	(5.6)%	13.4%
Reconciliation:					
For the quarter ended March 31, 2011	**$ 1,006**	**$ 722**	**$1,093**	**$ 251**	**$3,072**
2011 Asset impairment and exit costs	11	2	2	1	16
2012 Asset impairment and exit costs	—	—	—	(8)	(8)
Acquired businesses	—	—	—	—	—
Currency	(25)	(44)	53	(17)	(33)
Operations	38	130	259	10	437
For the quarter ended March 31, 2012	**$ 1,030**	**$ 810**	**$1,407**	**$ 237**	**$3,484**

Schedule 4

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Diluted Earnings Per Share
For the Quarters Ended March 31,
($ in millions, except per share data)
(Unaudited)

	Diluted E.P.S.
2012 Diluted Earnings Per Share	$ 1.25[1]
2011 Diluted Earnings Per Share	$ 1.06[1]
Change	$ 0.19
% Change	17.9%
Reconcilliation:	
2011 Diluted Earnings Per Share	**$ 1.06**[1]
Special Items:	
2011 Asset impairment and exit costs	0.01
2011 Tax items	(0.01)
Currency	(0.02)
Impact of lower shares outstanding and share-based payments	0.05
Operations	0.16
2012 Diluted Earnings Per Share	**$ 1.25**[1]

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

	2012	2011
Net earnings attributable to PMI	$2,161	$1,919
Less distributed and undistributed earnings attributable to share-based payment awards	12	10
Net earnings for basic and diluted EPS	$2,149	$1,909
Weighted-average shares for basic EPS	1,719	1,793
Plus incremental shares from assumed conversions:		
Stock Options	—	1
Weighted-average shares for diluted EPS	1,719	1,794

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

	March 31, 2012	December 31, 2011
Assets		
Cash and cash equivalents	$ 3,576	$ 2,550
All other current assets	11,762	12,309
Property, plant and equipment, net	6,445	6,250
Goodwill	10,087	9,928
Other intangible assets, net	3,753	3,697
Other assets	776	754
Total assets	**$36,399**	**$ 35,488**
Liabilities and Stockholders' Equity		
Short-term borrowings	$ 4,085	$ 1,511
Current portion of long-term debt	1,410	2,206
All other current liabilities	9,788	11,077
Long-term debt	15,346	14,828
Deferred income taxes	2,007	1,976
Other long-term liabilities	2,148	2,127
Total liabilities	34,784	33,725
Redeemable noncontrolling interest	1,237	1,212
Total PMI stockholders' equity	112	229
Noncontrolling interests	266	322
Total stockholders' equity	378	551
Total liabilities and stockholders' equity	**$36,399**	**$ 35,488**
Total debt	$20,841	$ 18,545
Total debt to EBITDA	1.42 (1)	1.29 (1)
Net debt to EBITDA	1.17 (1)	1.12 (1)

(1) For the calculation of Total Debt to EBITDA and Net Debt to EBITDA ratios, refer to Schedule 11.

PHILIP MORRIS INTERNATIONAL INC.
and Subsidiaries
Reconciliation of Non-GAAP Measures
Adjustments for the Impact of Currency and Acquisitions
For the Quarters Ended March 31,
($ in millions)
(Unaudited)

2012								2011			% 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**
$ 6,470	$ 4,417	$ 2,053	$ (54)	$ 2,107	$ —	$ 2,107	European Union	$ 6,415	$4,414	$ 2,001	2.6%	5.3%	5.3%
4,069	2,234	1,835	(73)	1,908	9	1,899	EEMA	3,671	1,984	1,687	8.8%	13.1%	12.6%
5,177	2,400	2,777	74	2,703	1	2,702	Asia	4,288	1,965	2,323	19.5%	16.4%	16.3%
2,306	1,523	783	(39)	822	—	822	Latin America & Canada	2,156	1,376	780	0.4%	5.4%	5.4%
$ 18,022	**$10,574**	**$ 7,448**	**$ (92)**	**$ 7,540**	**$ 10**	**$ 7,530**	**PMI Total**	**$ 16,530**	**$9,739**	**$ 6,791**	**9.7%**	**11.0%**	**10.9%**

2012						2011	% 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**
$ 1,030	$ (25)	$ 1,055	$ —	$ 1,055	European Union	$ 1,006	2.4%	4.9%	4.9%
810	(44)	854	—	854	EEMA	722	12.2%	18.3%	18.3%
1,407	53	1,354	—	1,354	Asia	1,093	28.7%	23.9%	23.9%
237	(17)	254	—	254	Latin America & Canada	251	(5.6)%	1.2%	1.2%
$ 3,484	**$ (33)**	**$ 3,517**	**$ —**	**$ 3,517**	**PMI Total**	**$ 3,072**	**13.4%**	**14.5%**	**14.5%**

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 March 31,
($ in millions)
(Unaudited)

2012								2011			% 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**
$ 1,030	$ —	$ 1,030	$ (25)	$ 1,055	$ —	$ 1,055	European Union	$ 1,006	$ (11)	$ 1,017	1.3%	3.7%	3.7%
810	—	810	(44)	854	—	854	EEMA	722	(2)	724	11.9%	18.0%	18.0%
1,407	—	1,407	53	1,354	—	1,354	Asia	1,093	(2)	1,095	28.5%	23.7%	23.7%
237	(8)	245	(17)	262	—	262	Latin America & Canada	251	(1)	252	(2.8)%	4.0%	4.0%
$ 3,484	**$ (8)**	**$ 3,492**	**$ (33)**	**$ 3,525**	**$ —**	**$ 3,525**	**PMI Total**	**$ 3,072**	**$ (16)**	**$ 3,088**	**13.1%**	**14.2%**	**14.2%**

2012							2011			% Points Change	
Adjusted Operating Companies Income excluding Currency	**Net Revenues excluding Excise Taxes & Currency(1)**	**Adjusted Operating Companies Income Margin excluding Currency**	**Adjusted Operating Companies Income excluding Currency & Acquisitions**	**Net Revenues excluding Excise Taxes, Currency & Acquisitions(1)**	**Adjusted Operating Companies Income Margin excluding Currency & Acquisitions**		**Adjusted Operating Companies Income**	**Net Revenues excluding Excise Taxes(1)**	**Adjusted Operating Companies Income Margin**	**Adjusted Operating Companies Income Margin excluding Currency**	**Adjusted Operating Companies Income Margin excluding Currency & Acquisitions**
$ 1,055	$ 2,107	50.1%	$ 1,055	$ 2,107	50.1%	European Union	$ 1,017	$ 2,001	50.8%	(0.7)	(0.7)
854	1,908	44.8%	854	1,899	45.0%	EEMA	724	1,687	42.9%	1.9	2.1
1,354	2,703	50.1%	1,354	2,702	50.1%	Asia	1,095	2,323	47.1%	3.0	3.0
262	822	31.9%	262	822	31.9%	Latin America & Canada	252	780	32.3%	(0.4)	(0.4)
$ 3,525	**$ 7,540**	**46.8%**	**$ 3,525**	**$ 7,530**	**46.8%**	**PMI Total**	**$ 3,088**	**$ 6,791**	**45.5%**	**1.3**	**1.3**

(1) For the calculation of net revenues excluding excise taxes, currency and acquisitions, refer to Schedule 6.

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 March 31,
(Unaudited)

	2012	2011	% Change
Reported Diluted EPS	**$ 1.25**	**$ 1.06**	**17.9%**
Adjustments:			
Asset impairment and exit costs	—	0.01	
Tax items	—	(0.01)	
Adjusted Diluted EPS	**$ 1.25**	**$ 1.06**	**17.9%**
Less:			
Currency impact	(0.02)		
Adjusted Diluted EPS, excluding Currency	**$ 1.27**	**$ 1.06**	**19.8%**

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 March 31,
(Unaudited)

	2012	2011	% Change
Reported Diluted EPS	**$ 1.25**	**$1.06**	**17.9%**
Less:			
Currency impact	(0.02)		
Reported Diluted EPS, excluding Currency	**$ 1.27**	**$1.06**	**19.8%**

Schedule 10

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)

	2011
Reported Diluted EPS	**$ 4.85**
Adjustments:	
Asset impairment and exit costs	0.05
Tax items	(0.02)
Adjusted Diluted EPS	**$ 4.88**

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 March 31, 2012			For the Year Ended December 31, 2011
	April ~ December 2011	January ~ March 2012	12 months rolling	
Earnings before income taxes	$ 9,738	$ 3,190	$12,928	$ 12,532
Interest expense, net	587	213	800	800
Depreciation and amortization	754	227	981	993
EBITDA	**$ 11,079**	**$ 3,630**	**$14,709**	**$ 14,325**

	March 31, 2012	December 31, 2011
Short-term borrowings	$ 4,085	$ 1,511
Current portion of long-term debt	1,410	2,206
Long-term debt	15,346	14,828
Total Debt	**$20,841**	**$ 18,545**
Less: Cash and cash equivalents	3,576	2,550
Net Debt	**$17,265**	**$ 15,995**
Ratios		
Total Debt to EBITDA	**1.42**	**1.29**
Net Debt to EBITDA	**1.17**	**1.12**

Exhibit 99.2

Philip Morris International Inc.
2012 First-Quarter Results Conference Call
April 19, 2012

NICK ROLLI

(SLIDE 1.)

Welcome. Thank you for joining us. Earlier today, we issued a press release containing detailed information on our 2012 first-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 first-quarter 2012 and comparing them with the same period in 2011, unless otherwise stated. References to volumes are to 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 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 webcast slides, which are posted on our web site.

(SLIDE 3.)

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

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

Hermann.

HERMANN WALDEMER

(SLIDE 4.)

Thank you Nick, and good afternoon ladies and gentlemen.

We once again achieved excellent results in the first quarter of this year. Our organic cigarette volume increased by 5.3%, net revenues, excluding currency and acquisitions were up by 10.9%, adjusted OCI, also excluding currency and acquisitions, increased by 14.2%, and our adjusted diluted EPS, excluding currency, rose by 19.8%.

(SLIDE 5.)

Our strong business momentum continues and this should enable us to perform well during the remainder of 2012, notwithstanding the previously disclosed difficult comparison versus 2011 that we will face in the second quarter relating to the exceptional circumstances in the Japanese market during the post-tsunami crisis.

Consequently, we remain very confident in our ability to achieve the business results that we predicted when we issued our reported 2012 EPS guidance last February. However, since that time, the U.S. Dollar has strengthened against a number of currencies. As a result, we are facing a slightly stronger currency headwind and are now forecasting an impact of 15 cents in unfavorable currency this year, based on prevailing exchange rates, compared to the 10 cents previously disclosed in February.

As a result, for exchange rate reasons only, we are revising our reported diluted EPS guidance for 2012 by five cents to a range of $5.20 to $5.30. It should be stressed that, compared to our 2011 adjusted diluted EPS of $4.88, we are maintaining our forecast growth in reported diluted EPS for 2012 of approximately 10% to 12% on a currency neutral basis. Our forecast growth is fully in line with our long-term growth target for adjusted diluted EPS, excluding currency.

(SLIDE 6.)

One of the key elements favorably impacting our business is the reasonable excise tax environment. While there have been increases, most recently in Spain, we have not seen any disruptively large changes in any key markets this year. On the structural side, we continue to witness further improvements via a gradual increase in the specific proportion of excise taxes. Many governments now recognize that higher specific elements reinforce the predictability of government tobacco excise tax revenues.

(SLIDE 7.)

Pricing continues to be the most important single driver of our profitability. The pricing variance was $369 million in the quarter. We increased prices notably in Argentina, Germany, Indonesia, Italy, Korea, Mexico, the Philippines and Russia, and continued to benefit from the annualization of higher prices from last year. We also generated a positive volume/mix variance of $224 million at the OCI level, as we grew volume and benefited from consumer up-trading in a wide range of non-OECD markets.

(SLIDE 8.)

The 5.3% quarterly organic cigarette volume growth is our best performance since the March 2008 spin. While boosted by the leap year and an undemanding comparison to the prior year, the improvement was notable for its wide geographic spread. The Asia Region led the way with a 12.4% increase, the growth in the EEMA and Latin America & Canada Regions was around 3%, and the moderate decline in the EU Region of 1.5% was the best performance in many years. In fact, volume increased in the first quarter in 13 of our top 15 largest markets by volume.

(SLIDE 9.)

This performance reflects the breadth of our superior brand portfolio. In the first quarter, every one of our top ten brands by volume grew, with *Marlboro* notably adding 3.6 billion units compared to the first quarter of 2011.

(SLIDE 10.)

We are thus able to continue our strong market share growth momentum. Our market share in our top 30 OCI markets was estimated at 37.3% in the first quarter of 2012, compared to 36.6% for the full-year 2011 and 35.5% in 2010.

(SLIDE 11.)

Asia is our principal growth engine. The Region as a whole is benefiting from a solid economic environment, a growing adult population in many key markets, and increasing consumer purchasing power.

Our organic cigarette volume grew by 12.4%, led by Indonesia. Excluding currency and acquisitions, net revenues and adjusted OCI increased by 16.3% and 23.7% respectively.

(SLIDE 12.)

Total industry volume in Indonesia grew at a double-digit pace in the first quarter. On a full-year basis, we forecast an increase in a range of 6% to 8%. Meanwhile, our shipment volume grew by 24.9% in the quarter, making Indonesia the single largest market for PMI by shipment size.

Our market share was 3.5 points higher at 33.4%. This tremendous result was achieved through the excellent momentum behind our leading machine-made premium lower tar and nicotine brand, *Sampoerna A*, and the strength of our overall portfolio, which also includes premium *Marlboro*, mid-price *U Mild* and low-price brands. Our premium portfolio added over 3 billion units and accounted for over 60% of our market share gain in the quarter.

(SLIDE 13.)

The underlying trend in Japanese industry volume has continued to improve. We are forecasting a moderate underlying market decline of approximately 2% in 2012, as smoking incidence has remained stable since the middle of last year.

Our first-quarter market share was 28.0%, well above the previous year's 25.6% and just slightly below the fourth-quarter 2011 level. Our share was impacted by trade purchases of new JT products in March, when it dropped to 27.3%. So far, we have had just one new launch this year, *Lark Hybrid One* 100mm, which achieved a satisfactory 0.4% market share in March. Both *Marlboro* and *Lark* remain strong, and we have a full pipeline of new consumer-relevant innovative variants that we plan to launch in the coming months.

(SLIDE 14.)

In Korea, we implemented in mid-February a price increase of 200 Won per pack to 2,700 Won on *Marlboro*, *Parliament* and *Lark*, which accounted for over 80% of our volume in 2011, while making some necessary tactical price adjustments to *Virginia Slims*. The preliminary indications are that, as expected, we have given back a large part of the share gains from the previous temporary price advantage in return for a significant margin improvement.

Our endeavors to secure a reasonable long-term reform of excise taxation have been delayed by the parliamentary elections that took place earlier this month, but we will renew our efforts now that they are over.

(SLIDE 15.)

Our results in the EEMA Region were very strong in the quarter. Organic cigarette volume grew by 3.4%, driven in particular by Algeria, Saudi Arabia and Turkey, and only partly offset by a reduction in sales in Egypt due to a surge in illicit trade. Our mix was favorable as adult smokers traded up to premium and mid-price brands. We increased prices in the quarter, most notably in Russia, and pricing was also a key driver of our higher profitability. Excluding currency and acquisitions, net revenues and adjusted OCI were 12.6% and 18.0% higher, respectively, while we continued to increase our investments behind *Marlboro* and other key brands.

(SLIDE 16.)

The strength of the economy has enabled the Turkish market to rapidly absorb the impact of the tax-driven price increases that occurred in the fourth quarter of last year. Our volume increased by nearly 10% in the first quarter of this year, as our portfolio continued to perform strongly, and our Year-to-Date February Nielsen share grew by 0.7 points to 44.6%. Our mix has also improved behind premium *Parliament* and mid-price *Muratti.*

(SLIDE 17.)

In Russia, recent price increases have not dented adult smokers' appetite for up-trading. Our above-premium brand *Parliament* continues to perform very strongly and gained a further 0.3 points to reach a record 3.2% Nielsen share Year-to-Date February. Along with the strong performance of low-price *Bond Street* and *Next* slims, this has enabled us to grow our overall Nielsen share through the end of February from 25.5% last year to 26.2%. We remain optimistic that we can further strengthen our position in Russia as the preliminary results of our new marketing programs and additional investments behind *Marlboro* and other key brands are showing early signs of promise.

(SLIDE 18.)

In the EU Region, total industry volume was down a modest 1.3%, despite weak economic conditions notably in Greece and Spain.

Both *L&M* and *Chesterfield* continued to gain share in the Region. Their market shares were up 0.3 and 0.4 points, respectively, to a combined 9.8%. *L&M* is growing in particular in Germany, Poland and Slovakia, while *Chesterfield* is performing particularly well in Austria, Portugal and Spain. *Marlboro*'s performance remains resilient, though its market share was down in the Region as a whole by 0.3 points to 17.5%. *Marlboro* gained share notably in Belgium, the Czech Republic, Greece, Hungary and Portugal, while its share loss in Germany was attributable to a temporary price disadvantage.

Higher prices, notably in France, Germany, Italy, Poland, Spain and the UK, enabled us to return to solid profit growth in the Region. Net revenues and adjusted OCI were 5.3% and 3.7% higher respectively, excluding currency. During the quarter, we continued to invest behind the new *Marlboro* campaign and consumer-relevant innovative line extensions, such as *Marlboro Beyond*.

(SLIDE 19.)

Unemployment continues to increase in Spain with no short-term expectation for any improvement. This is putting further pressure on the total market volume for cigarettes. During the first quarter, PMI's market share declined slightly to 30.2%, despite an improved performance for *Chesterfield*.

As part of their measures to reduce the budget deficit, the Spanish Government recently increased excise taxes on cigarettes, along with a restructuring that increased the relative importance of the specific element. In response, we raised our prices by 25 Euro cents per pack across our portfolio, despite the Government's failure to increase the Minimum Excise Tax.

(SLIDE 20.)

In Italy, cigarette industry volume declined by 6.1% in the first quarter, partly offset by strong growth in the fine cut market, which remains relatively small at around 6% of total tobacco consumption. The key drivers of this decline are higher prices that have boosted industry margins and government revenues, and more difficult economic conditions.

While unemployment still remains below 10% in Italy, consumer purchasing power is under pressure. There has therefore been some consumer down-trading from premium and mid-price cigarettes to low-price international cigarette brands and fine cut. This led to an erosion of 0.9 points in our cigarette market share to 52.6% in the first quarter.

To address these trends, we launched *Chesterfield* fine cut in the second quarter of 2011. This move has reinforced the brand, as it has steadily increased its share of the total tobacco market, and enabled us to achieve market leadership in fine cut in the first quarter of this year with a 28.3% share. Our latest initiative was the launch during the first quarter of this year of *Philip Morris Selection* in the growing international low-price cigarette category, where we are under-represented.

Along with the higher prices, these strategies should enable us to maintain our profitability in this important market going forward.

(SLIDE 21.)

The economies in the Northern part of Europe show more favorable trends, as illustrated by Germany. Cigarette industry volume was up 3.1% in the first quarter, as the economy remained robust and contraband was reduced. The German authorities recently closed down two important smuggling rings, whose annual supply was estimated at some 400 million cigarettes.

Marlboro was the first key brand to be sold in Germany at higher prices following the January tax increase, and thus suffered a market share decline in the first quarter of 0.8 points to 20.4%. Nearly all competitive brands are now selling at new prices so we expect an improved *Marlboro* performance going forward. Our optimism is backed by the promising results from the initial phases of the new *Marlboro* “Don’t Be a Maybe” campaign. *Marlboro*’s share amongst Young Adult Smokers (minimum 18 to 24 years old) increased by five points in the first quarter to become the leading brand in this adult age group – along with *L&M* – with a 20% smoker share for each of the two brands.

PMI achieved an overall increase of 0.2 points in its cigarette market share in the first quarter at 35.9%. This was driven by the continued strong performance of *L&M*. The brand grew a further 1.2 share points in the quarter to 11.2%. As this remains well below its Young Adult Smoker share, we expect to be able to continue to expand *L&M*’s share in the German market going forward.

We also successfully increased our quarterly share in the fine cut market, with a gain of 0.9 points to 15.8%. This was driven by our two key cigarette brands, *Marlboro* and *L&M*.

(SLIDE 22.)

The Latin America & Canada Region was a solid contributor again in the quarter. Organic cigarette volume grew by 2.9%, thanks to share and market growth in Argentina, and favorable timing and trade inventory movements in Mexico. We increased our share in Colombia and Mexico, where *Marlboro* continued to perform well, with gains of 1.5 and 4.0 points, respectively. Excluding currency, adjusted OCI increased by 4.0%.

(SLIDE 23.)

On a global basis, the illicit trade in cigarettes is estimated at some 600 billion units. While at times a risk, it also offers PMI a very significant volume and profitability opportunity.

The potential benefits of cooperation underpin our joint efforts with many authorities across the world. Canada, Germany and Romania are recent examples of successful reductions in contraband. In this context, we welcome measures being proposed by the provincial government in Ontario to reinforce its laws against illicit trade. Based on similar measures, the Quebec Government has stated that it increased its provincial tobacco tax revenues by more than $200 million over the last two years.

(SLIDE 24.)

Free cash flow was $1.7 billion in the first quarter, a decline of 23.0%, excluding currency. Net earnings increased by $245 million, or 12.3%, confirming that the business fundamentals are in excellent shape. This was, however, more than offset by a $742 million increase in our working capital and other requirements, due mainly to the timing of receivables in the quarter and industry forestalling in the EU Region, a phenomenon that should be fully reversed as the year unfolds.

Let me remind you that forestalling occurs when manufacturers build up inventory in excess of normal supply chain requirements ahead of an excise tax increase. This competitive phenomenon becomes an issue whenever the payment of the excise taxes occurs prior to the depletion of the finished goods inventory. We are therefore working with governments to introduce and, where necessary, reinforce anti-forestalling measures. This would reduce our working capital requirements and provide governments with higher tax revenues without undue delay.

In addition, capital expenditures are higher this year. We are investing in productivity-enhancing factory modernization, equipment for innovative new products, the consolidation of our operations in the Philippines, the expansion of our capacity in Indonesia, and other projects. At the same time, we are on track to deliver on our $300 million pre-tax productivity target in 2012.

(SLIDE 25.)

During the first quarter, we spent $1.5 billion to repurchase 18.1 million shares at an average price of $83.07. Our target remains to spend $6 billion on share repurchases this year. Since the spin through the end of March this year, we repurchased a total of 432.1 million shares at an average price of $52.88.

Our annualized dividend of $3.08 per share generated an attractive yield of 3.5% at the market close last Friday. Since 2008, we have increased our dividend rate by 67.4% under our policy that targets a 65% dividend payout ratio.

(SLIDE 26.)

We continue to generate superior shareholder returns compared to our tobacco peers, our wider consumer products peer group and the broader market.

(SLIDE 27.)

In conclusion, the first quarter of 2012 has been another excellent one for PMI. Organic volume was very strong and we benefited from consumer up-trading in non-OECD markets. All our key brands are performing very well, led by *Marlboro* and *Parliament*. We are fully on track to deliver again in 2012 against our currency-neutral long-term target of 10% to 12% adjusted diluted EPS growth.

In the first quarter, we once more outperformed our tobacco and broader consumer product peers in terms of shareholder returns. We remain very confident about our outlook for the remainder of the year and beyond, notwithstanding the difficult comparison we will face in the second quarter due to Japan.

(SLIDE 28.)

Thank you for your continued interest in our company and its excellent growth prospects. 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

2012 First-Quarter Results

April 19, 2012

Introduction

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- Unless otherwise stated, we will be talking about results for the first-quarter 2012 and comparing them with the same period in 2011
- 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 webcast slides and are posted on our web site

Forward-Looking and Cautionary Statements

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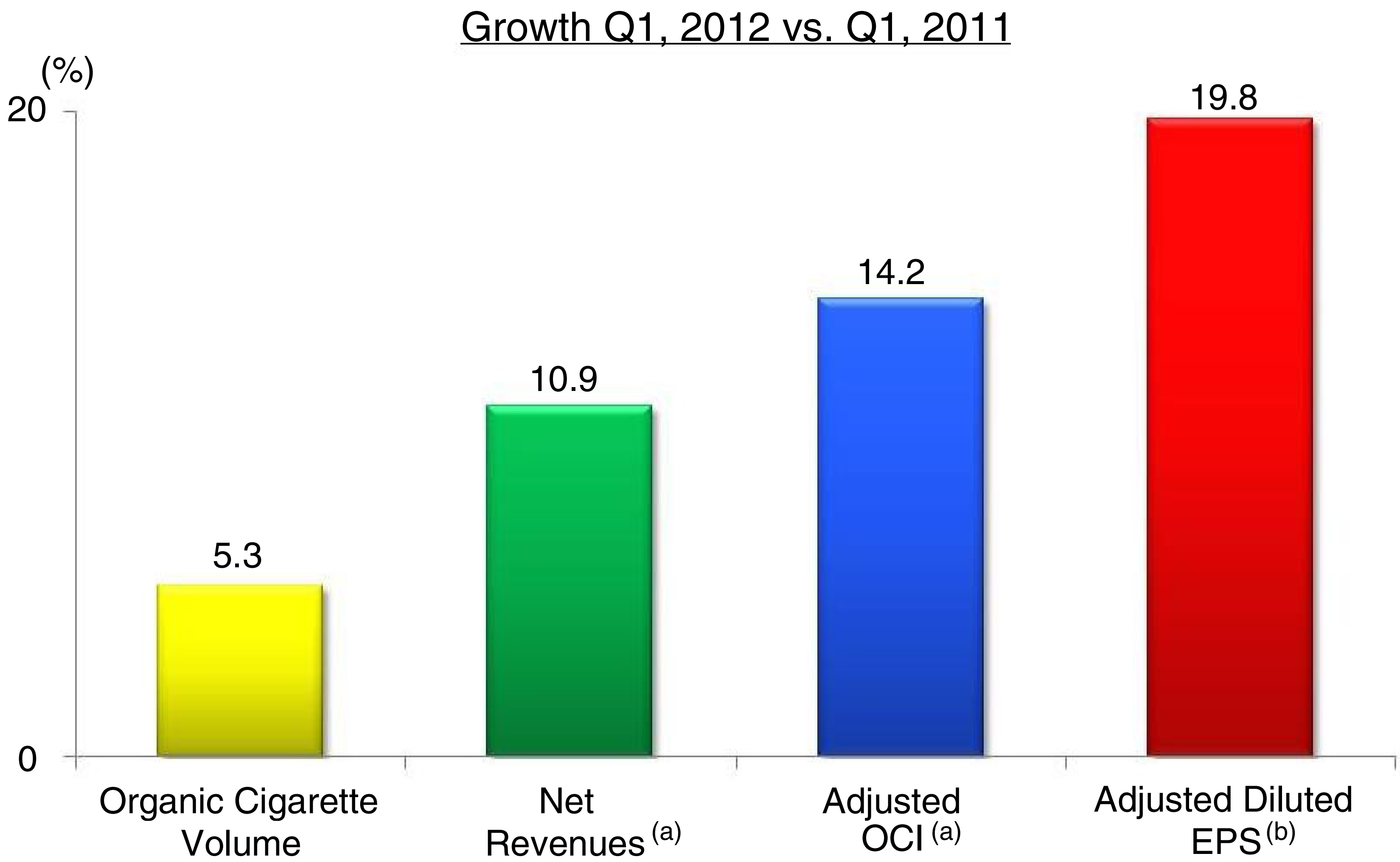
- This presentation and related discussion contain forward-looking statements. Achievement of projected results is subject to risks, uncertainties and inaccurate assumptions, and PMI is identifying important factors that, individually or in the aggregate, could cause actual results to differ materially from those contained in any forward-looking statements made by PMI
- PMI's business risks include: significant increases in cigarette-related taxes; the imposition of discriminatory excise tax structures; fluctuations in customer inventory levels due to increases in product taxes and prices; increasing marketing and regulatory restrictions, often with the goal of preventing the use of tobacco products; health concerns relating to the use of tobacco products and exposure to environmental tobacco smoke; litigation related to tobacco use; intense competition; the effects of global and individual country economic, regulatory and political developments; changes in adult smoker behavior; lost revenues as a result of counterfeiting, contraband and cross-border purchases; governmental investigations; unfavorable currency exchange rates and currency devaluations; adverse changes in applicable corporate tax laws; adverse changes in the cost and quality of tobacco and other agricultural products and raw materials; and the integrity of its information systems. PMI's future profitability may also be adversely affected should it be unsuccessful in its attempts to produce products with the potential to reduce the risk of smoking-related diseases; if it is unable to successfully introduce new products, promote brand equity, enter new markets or improve its margins through increased prices and productivity gains; if it is unable to expand its brand portfolio internally or through acquisitions and the development of strategic business relationships; or if it is unable to attract and retain the best global talent
- PMI is further subject to other risks detailed from time to time in its publicly filed documents, including the Form 10-K for the year ended December 31, 2011. PMI cautions that the foregoing list of important factors is not a complete discussion of all potential risks and uncertainties. PMI does not undertake to update any forward-looking statement that it may make from time to time, except in the normal course of its public disclosure obligations

Excellent First-Quarter 2012 Results



(a) Excluding currency and acquisitions
(b) Excluding currency
Source: PMI Financials

2012 EPS Guidance

- Q1 results confirm our very strong business momentum
- Difficult comparison in Q2, 2012, due to the exceptional circumstances in Japan in 2011
- Forecast currency headwind of 15 cents at prevailing exchange rates
- Revised reported diluted EPS guidance for 2012 is \$5.20 to \$5.30, compared to \$4.85 in 2011
- On a currency-neutral basis, our revised guidance maintains a forecast growth rate of approximately 10% to 12%, compared to adjusted diluted EPS of \$4.88 in 2011

Source: PMI Financials and PMI forecasts

Excise Tax Environment Remains Reasonable

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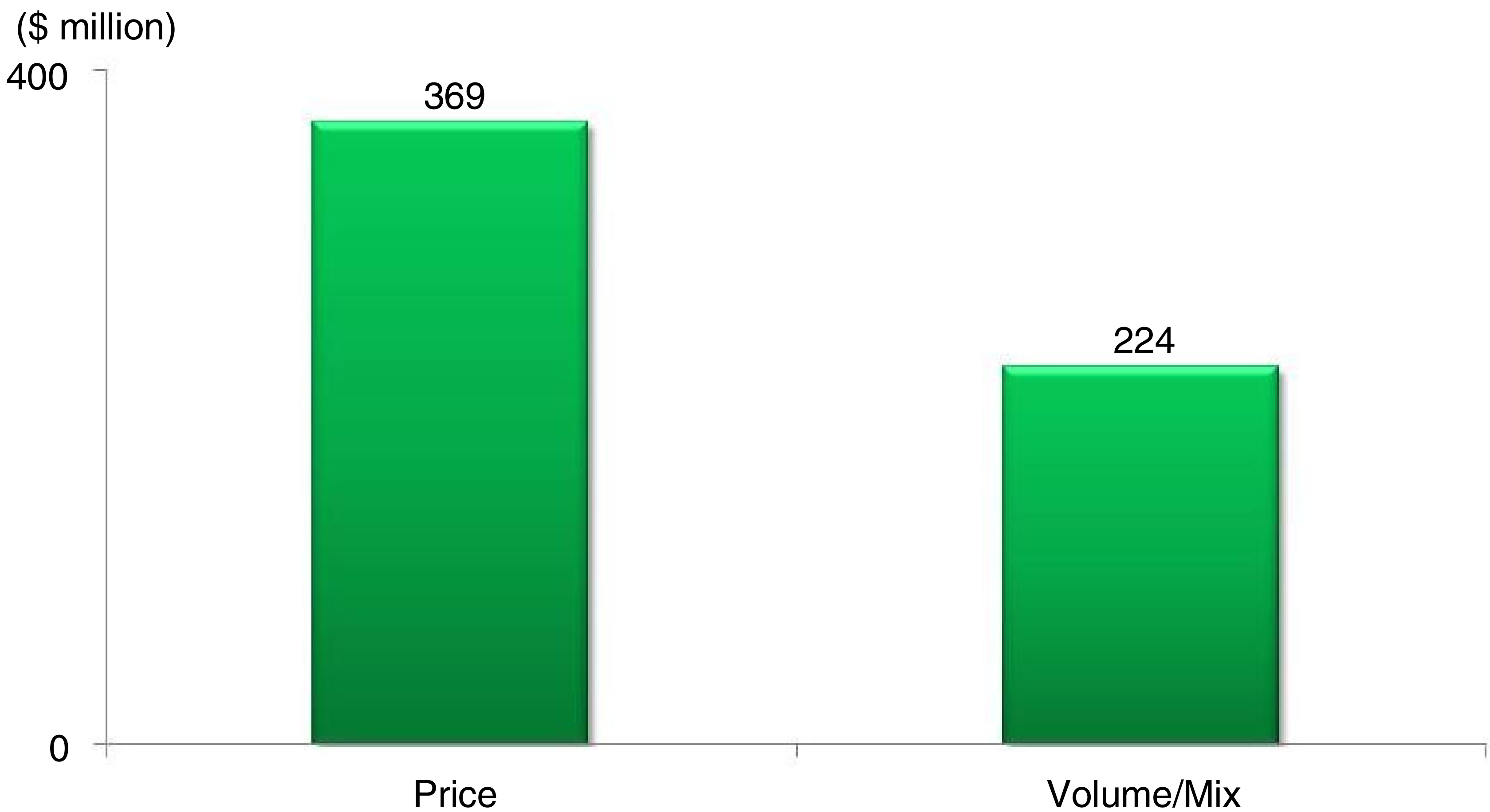
- No disruptively large excise tax increases in any key markets
- Structural improvements continue with increase in the relative importance of the specific element

Favorable Pricing and Volume/Mix Variances in Q1, 2012



Note: Variances at OCI level
Source: PMI Financials

Strong First-Quarter 2012 Organic Volume

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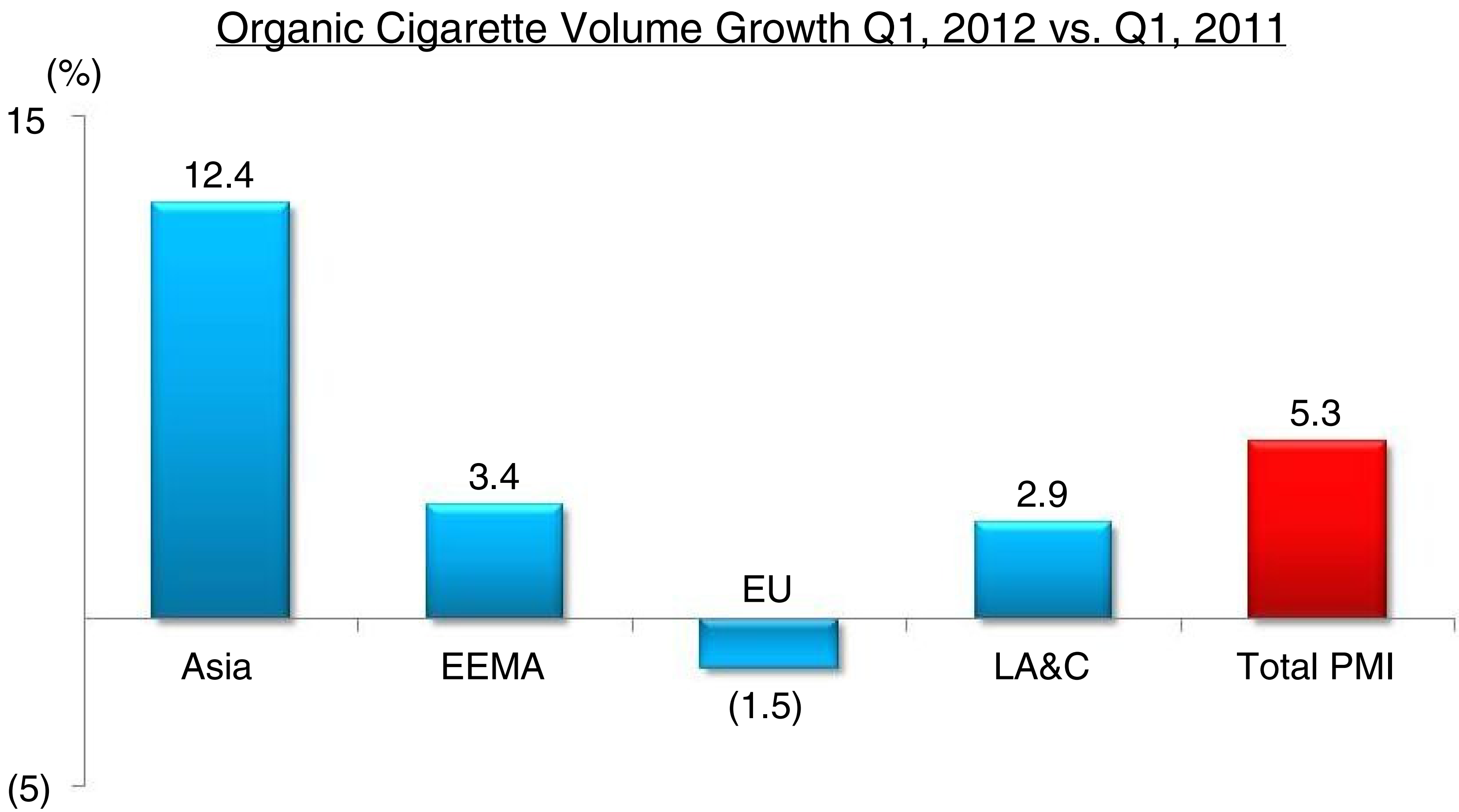
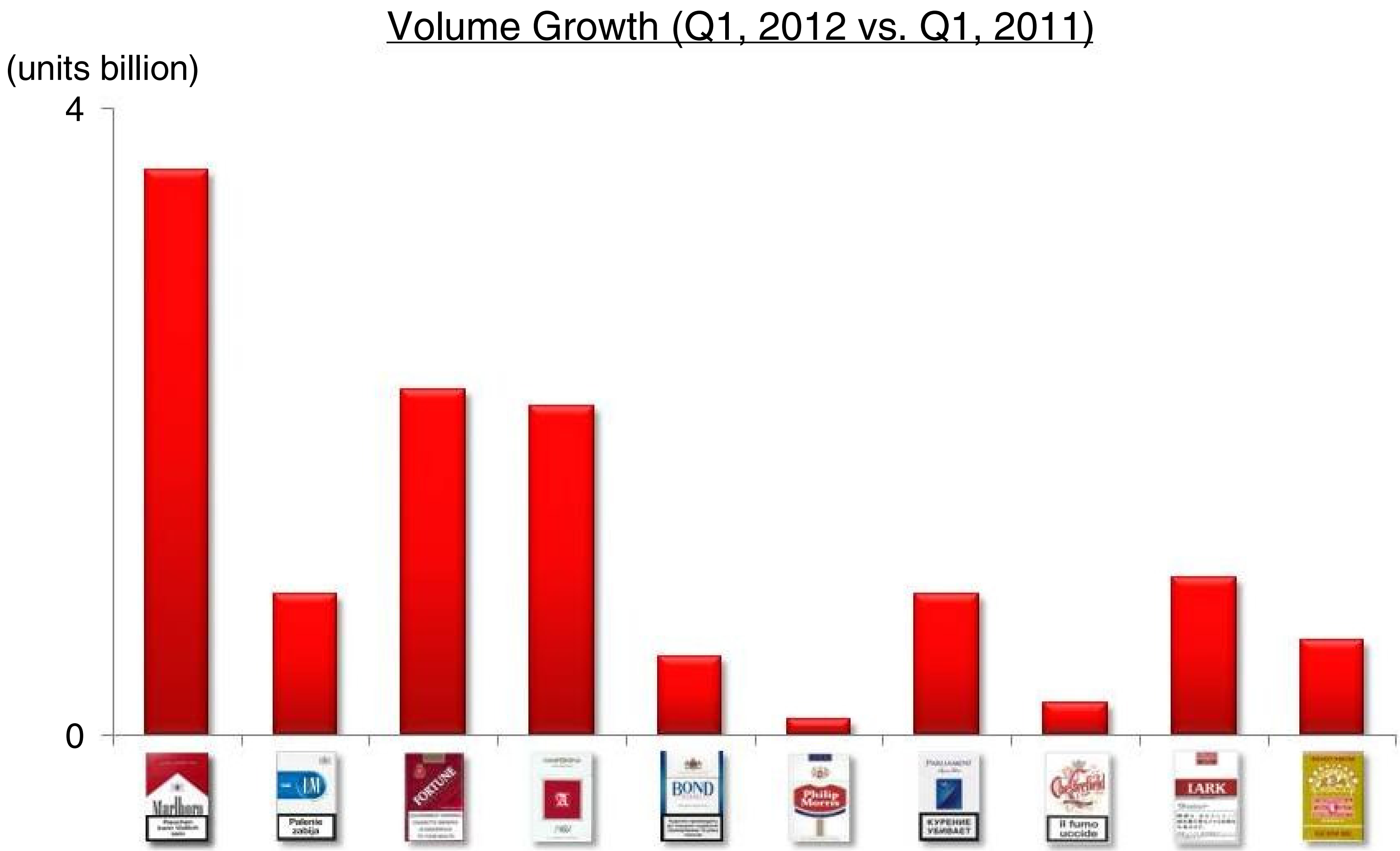


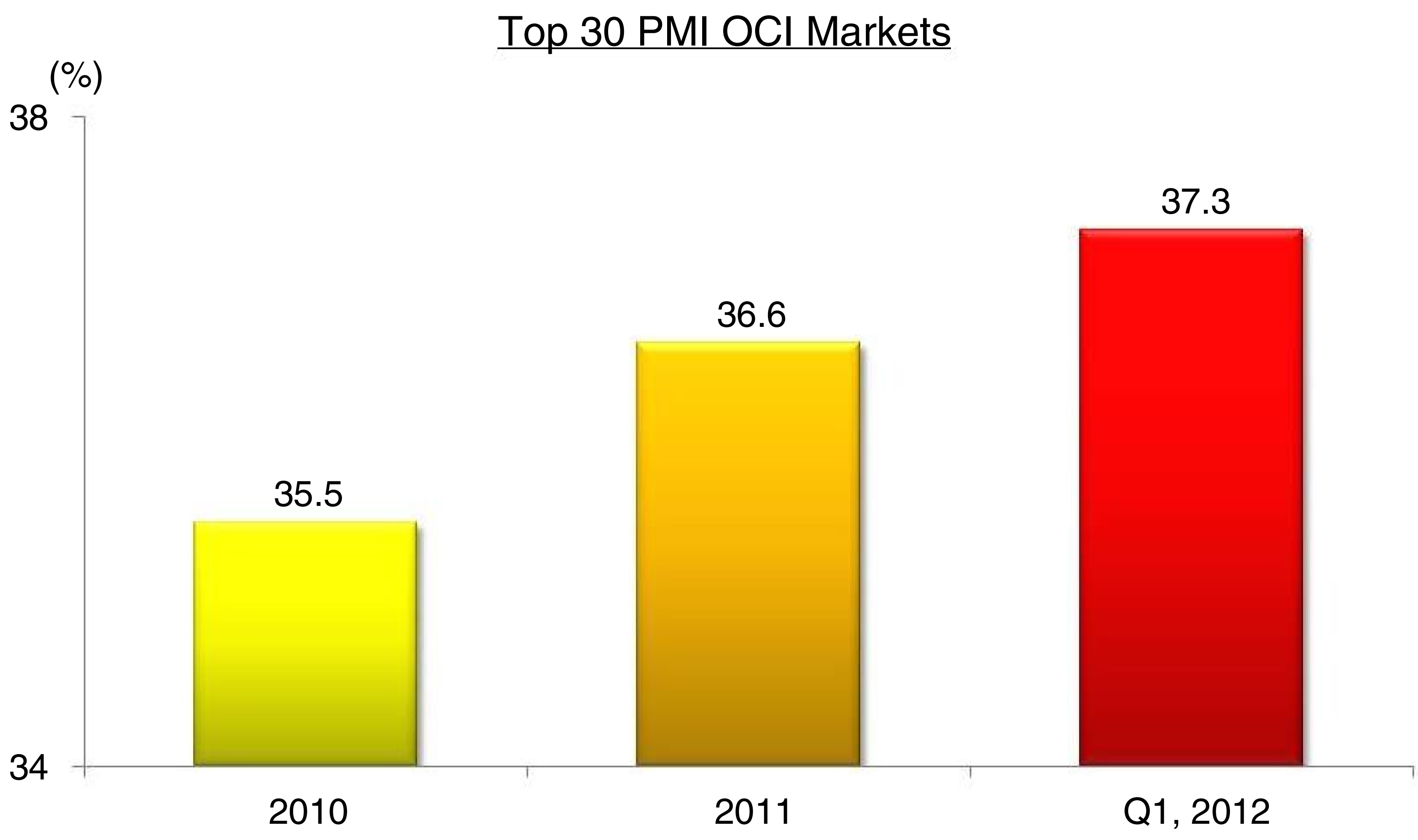
Source: PMI Financials

All Top Ten PMI Brands Grew Volume in Q1, 2012



Source: PMI Financials

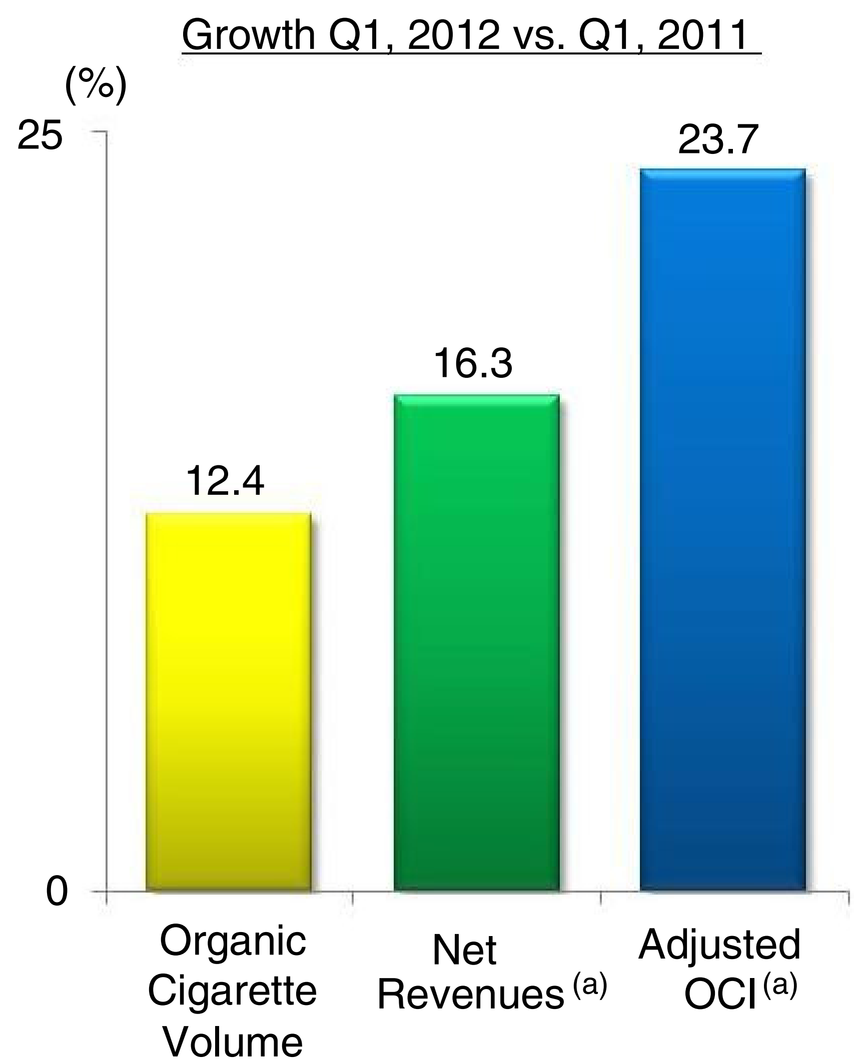
Growing Market Share in Key Markets



Note: Historical data adjusted for pro forma inclusion of business combination with Fortune Tobacco Corporation in the Philippines
Source: PMI Financials and PMI estimates

Asia: Our Principal Growth Engine

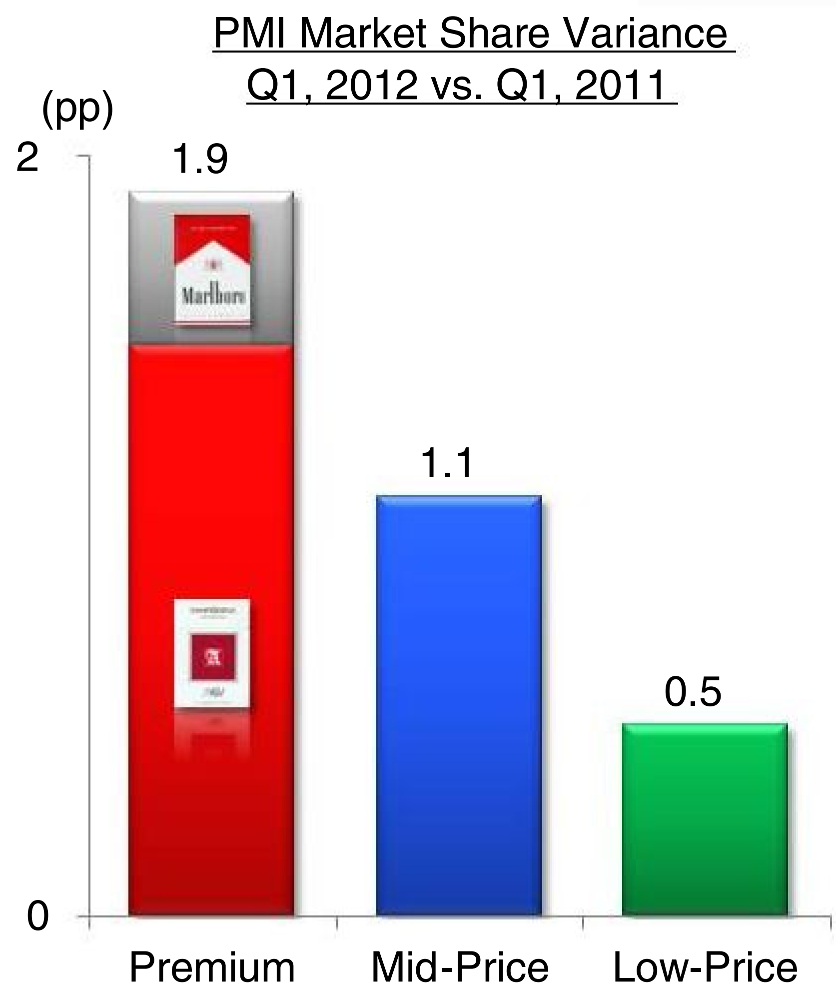
- Solid economic environment
- Growing adult population
- Increasing consumer purchasing power



(a) Excluding currency and acquisitions
Source: PMI Financials

Indonesia: Premium Brands Lead the Way

- Total industry volume up at double-digit rate in Q1, 2012
- Full-year industry volume growth forecast in 6% to 8% range
- PMI volume increased 24.9% in Q1, 2012
- Tremendous market share momentum, with 3.5 share points gained in Q1, 2012, to reach 33.4%



Source: PMI estimates and PMI Financials

Japan: Building off a Higher Base

- Industry volume underlying trend: more moderate decline of approximately 2% forecast in 2012
- PMI Q1, 2012 market share of 28.0% impacted by significant trade purchases of new JT products in March
- *Lark Hybrid One* 100's reached 0.4% market share in March
- *Marlboro* and *Lark* remain strong, and we have a full pipeline of innovative new launches planned

Source: PMI estimates and Tobacco Institute of Japan

Korea: Pricing to Boost Profitability

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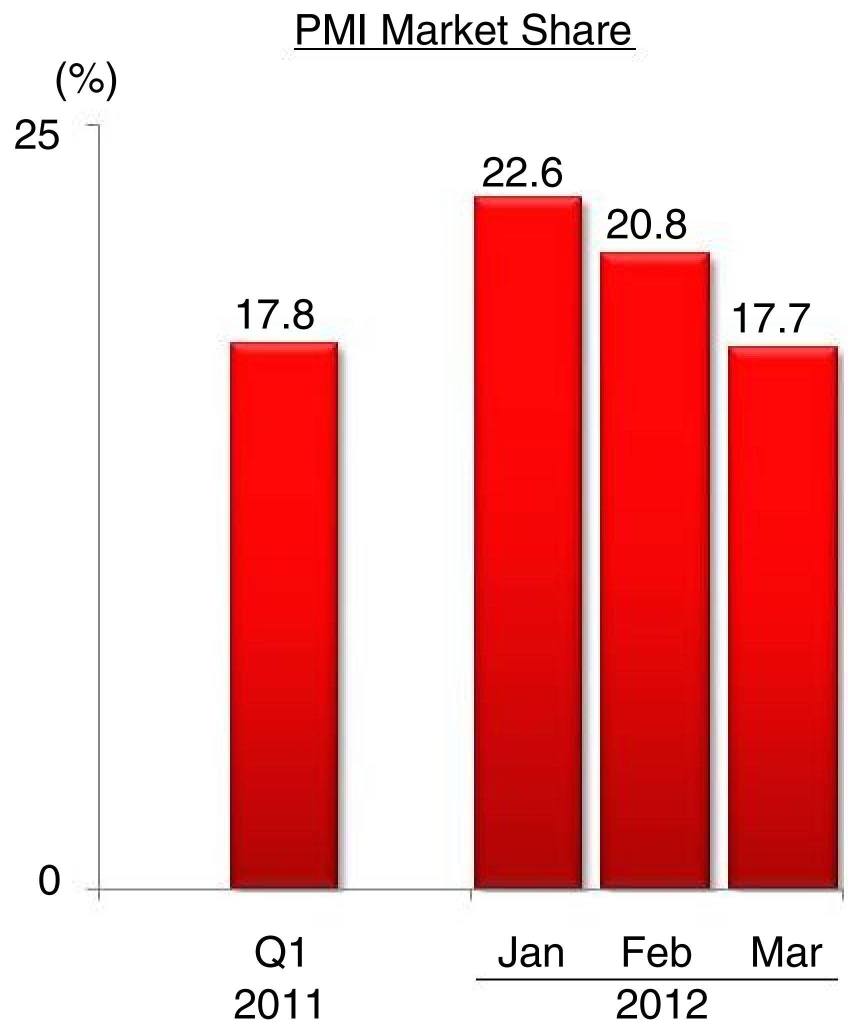
- Price increase on *Marlboro*, *Parliament* and *Lark* from 2,500 Won to 2,700 Won per pack in February
- Preliminary indications that we have given back, as expected, a large part of our share gain from previous temporary price advantage

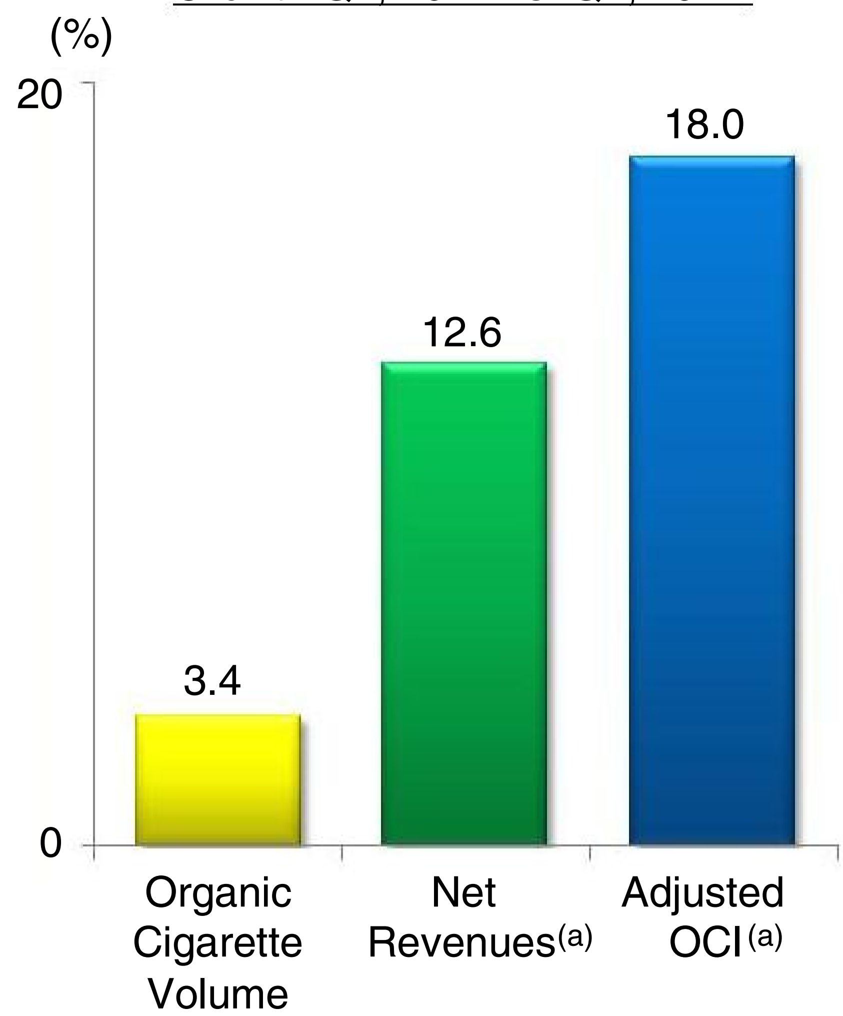


Source: Hankook Research

EEMA: Strong Contribution from Volume, Mix and Pricing

- Strong volume growth led by Algeria, Saudi Arabia and Turkey, partly offset by Egypt
- Favorable mix as consumers trade up to premium and mid-price brands
- Price increases a key driver of higher profitability
- Continued investments behind *Marlboro* and other key brands, notably in Russia

Growth Q1, 2012 vs. Q1, 2011



(a) Excluding currency and acquisitions
Source: PMI Financials

Turkey: PMI Momentum Continues

- Strong economy has enabled market to absorb Q4, 2011, tax-driven price increases
- Our volume increased nearly 10% in Q1, 2012
- We continued our strong share performance and mix has improved behind *Parliament* and *Muratti*

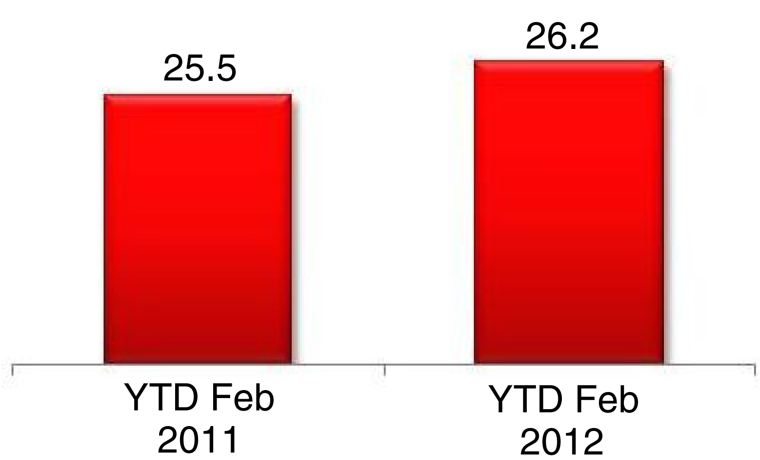
PMI Market Share

Source: PMI Financials and Nielsen

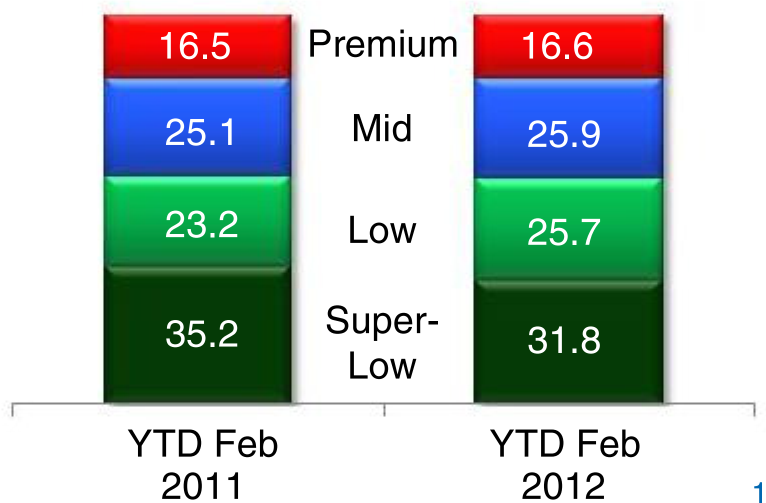
Russia: Share Gains, Investment Continues

- Consumer up-trading continuing despite price increases
- PMI gaining share thanks to strength of:
  - *Parliament*
  - *Bond Street*
  - *Next*
- Continued investment in *Marlboro* and other key brands

PMI Market Share (%)



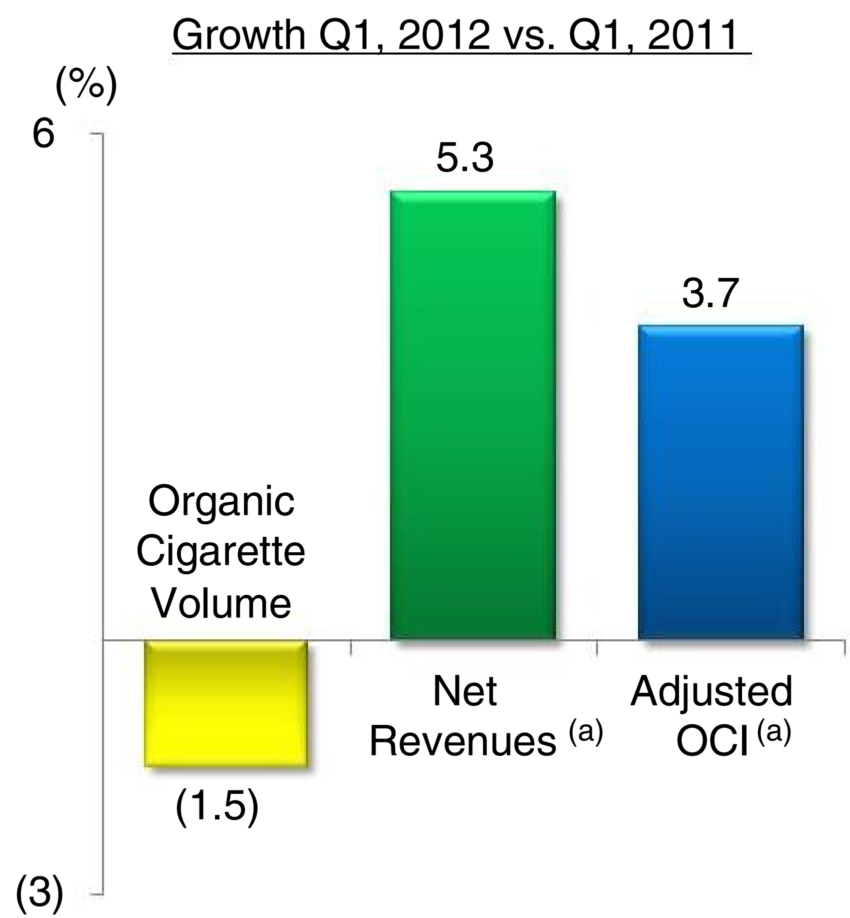
Price Segments (%)



Source: Nielsen

EU: An Improved Overall Performance

- Total industry volume declined by a modest 1.3% despite weak economic conditions notably in Greece and Spain
- Continued *L&M* and *Chesterfield* share growth
- Organic cigarette volume decline of 1.5% is best PMI quarterly performance in many years
- Price increases driving growth in net revenues and adjusted OCI

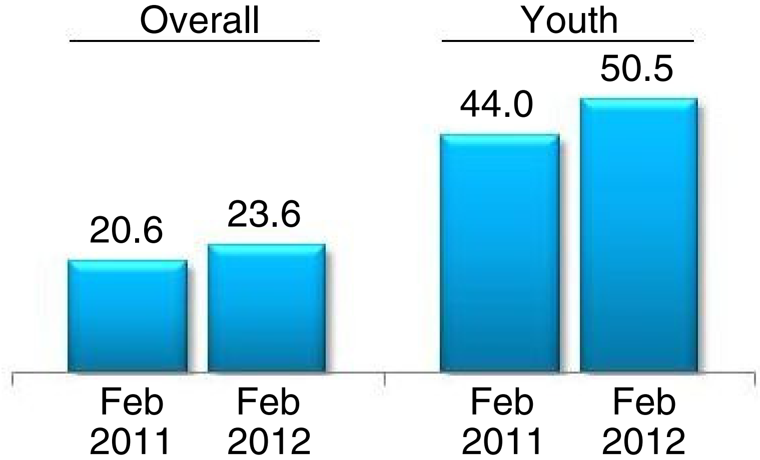


(a) Excluding currency
Source: PMI estimates and PMI Financials

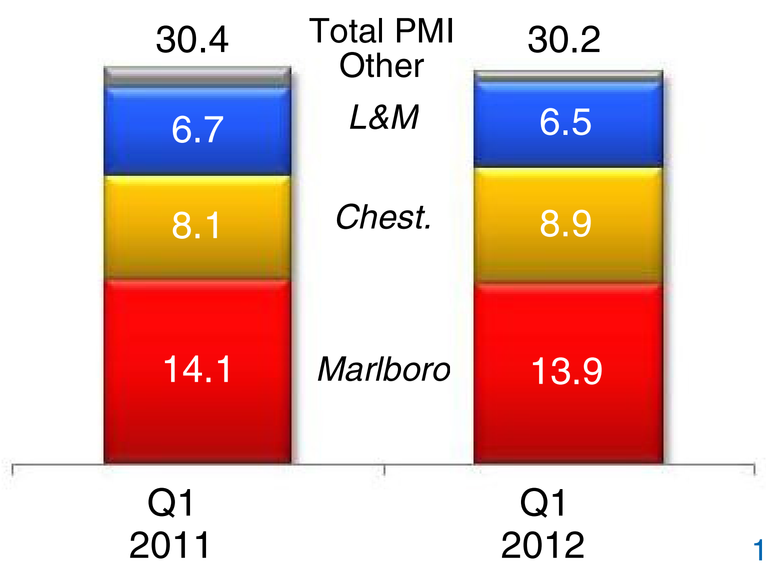
Spain: Difficult Economic Conditions

- Unemployment continues to increase, putting pressure on total cigarette market volume
- PMI market share was down 0.2 points in Q1, 2012, to 30.2%, in spite of an improvement in *Chesterfield*
- Following recent excise tax increases, PMI raised prices by €0.25/pack

Unemployment[(a)] (%)



PMI Market Share (%)

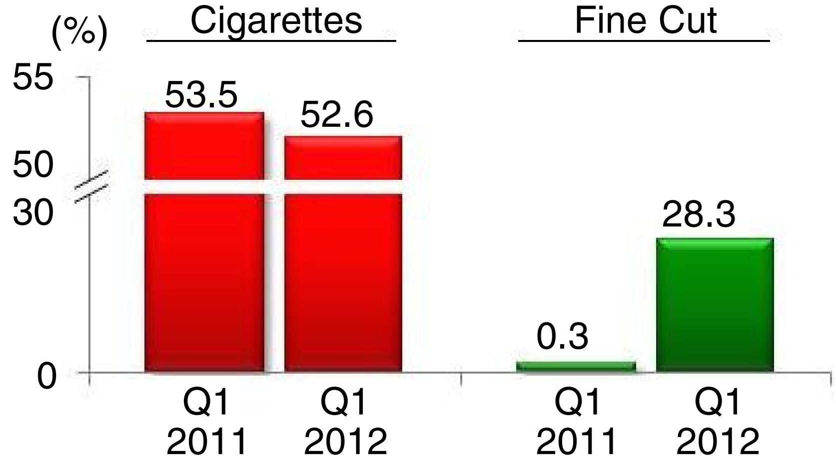


(a) "Youth" refers to Spain's working population under 25 years old
Note: *Chest.* is *Chesterfield*
Source: Eurostat and PMI estimates

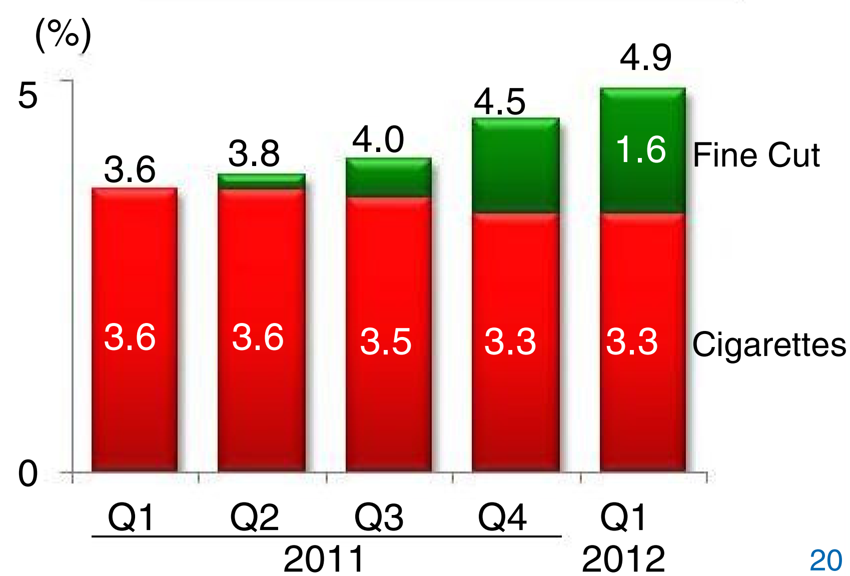
Italy: Profitability Remains Strong

- Higher prices and a weaker economy led to a 6.1% decline in cigarette industry volume in Q1, 2012, partly offset by the growth of fine cut
- Some consumer down-trading to low-price cigarettes and fine cut
- Launch of *Chesterfield* in fine cut in Q2, 2011, has provided PMI with leadership in fine cut
- PMI portfolio in international low-price segment strengthened through launch in Q1, 2012, of *Philip Morris Selection*

PMI Market Share



Chesterfield Share of Total Tobacco

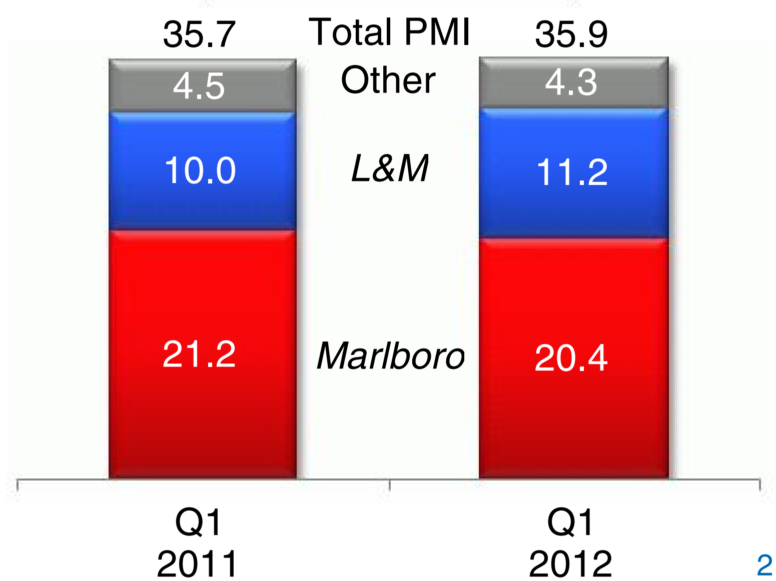


Source: PMI estimates

Germany: PMI Share Growth Continues

- Total industry volume up 3.1% in Q1, 2012, helped by a decline in illicit trade
- *Marlboro* first in market with new retail prices
- New *Marlboro* marketing campaign showing promising results: YAS[(a)] share up 5 points to 20%
- *L&M* growth continues unabated: market share up a further 1.2 points in Q1, 2012
- PMI share of fine cut market grew 0.9 points to 15.8%

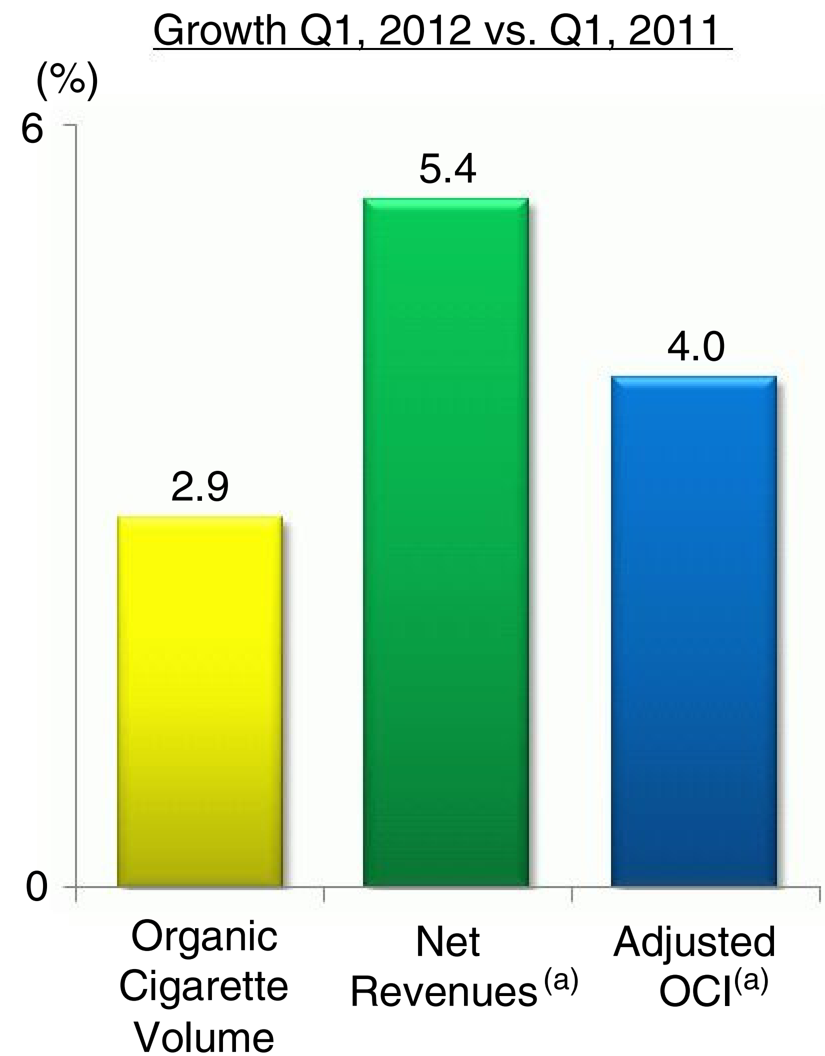
PMI Market Share (%)



(a) Young Adult Smokers: Legal Age (minimum 18) – 24 years old
Source: PMI estimates and PMI Market Research

Latin America & Canada: Solid Contribution to PMI Growth

- Volume growth, driven by:
  - Share and market growth in Argentina
  - Favorable timing and trade movements in Mexico
- *Marlboro* share:
  - Argentina +1.0pp to 24.8%
  - Brazil - 0.5pp to 6.8%
  - Colombia +1.5pp to 5.8%
  - Mexico +4.0pp to 54.3%



(a) Excluding currency
Source: PMI Financials and PMI estimates

PMI Intensifying Efforts to Combat Illicit Trade[a]

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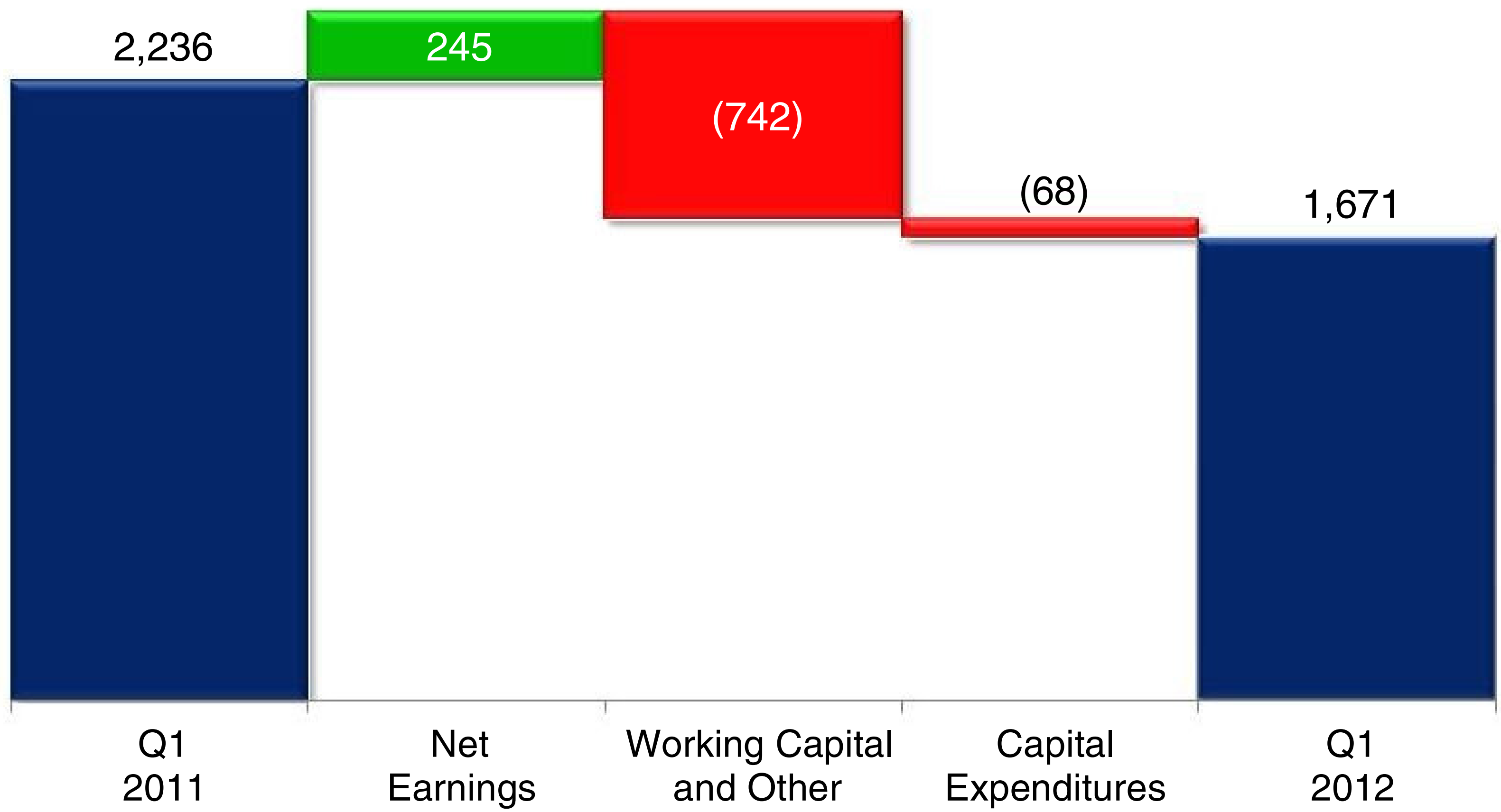
- Estimated globally at 600 billion cigarettes
- Significant volume and profitability opportunities for PMI from potential reduction
- PMI cooperating with authorities worldwide
- Canada, Germany and Romania are recent examples of successful reductions in illicit trade

(a) Illicit trade refers to domestic non-duty paid products
Source: PMI estimates

Free Cash Flow[a] Impacted by Working Capital Requirements

($ million)



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

Generous Returns to Shareholders

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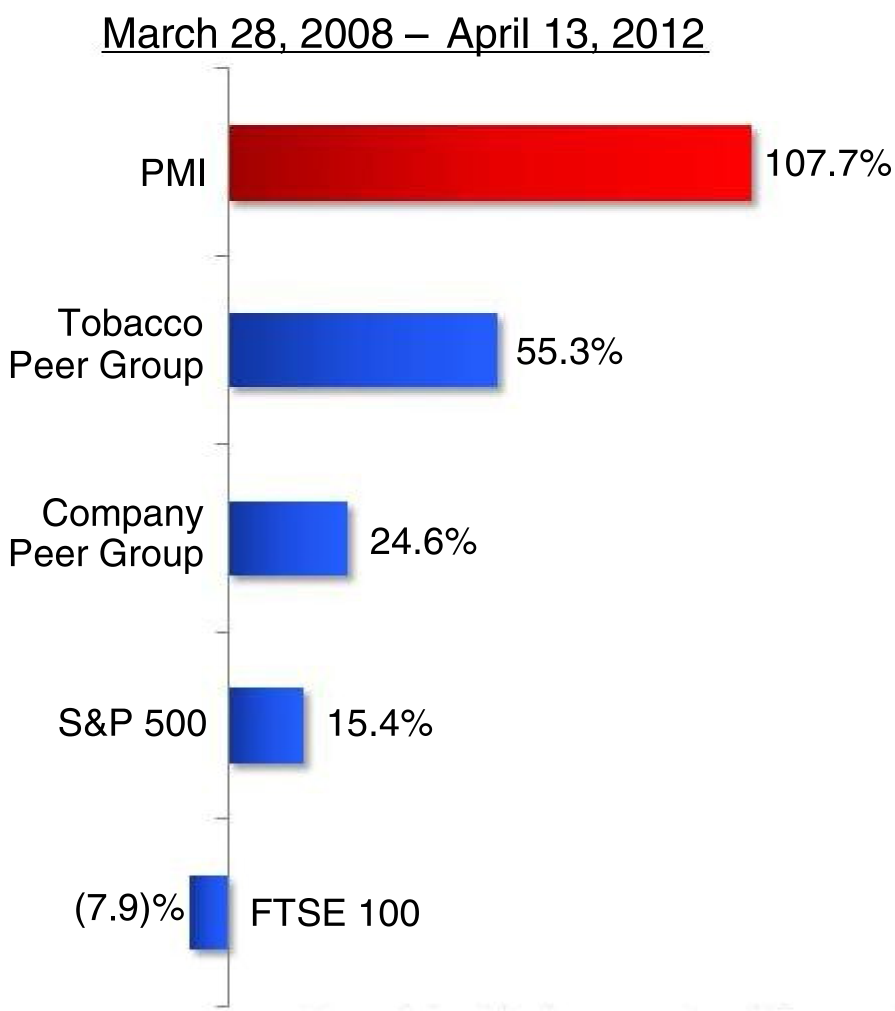
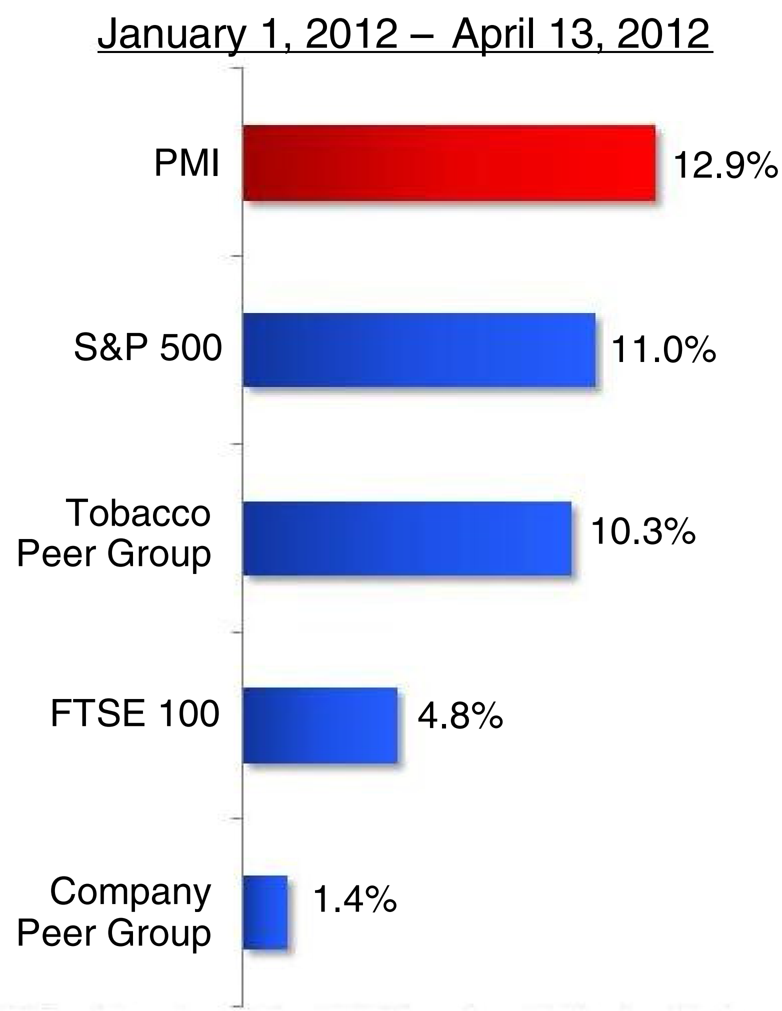
- In the first quarter of 2012, PMI spent $1.5 billion to repurchase 18.1 million shares. Target for 2012 is $6 billion
- Since 2008 spin, 432.1 million shares repurchased at an average price of $52.88
- Our annualized dividend of $3.08 per share generated a yield of 3.5% on April 13, 2012
- Since the spin, dividend rate increased by 67.4%

Source: PMI Financials

Superior Shareholder Returns





Note: Peer groups represent the market weighted average return of the group. PMI pro forma for additional $0.46 per share dividend paid in April 2008 impacts the period March 28, 2008 – April 13, 2012. Exchange rates are as of March 28, 2008, January 1, 2012 and April 13, 2012. A list of the Tobacco and Company Peer Groups is available in the reconciliation section

Source: FactSet, compiled by Centerview

Conclusion

- Excellent results in the first quarter of 2012
- Very strong organic volume and consumer up-trading in non-OECD markets
- Key brands performing very well, led by *Marlboro* and *Parliament*
- Expect to deliver against our currency-neutral long-term target of 10% to 12% growth in adjusted diluted EPS in 2012
- Confident about our outlook for remainder of year, notwithstanding the difficult comparison in the second quarter due to Japan

PHILIP MORRIS INTERNATIONAL

2012 First-Quarter Results

Questions & Answers

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

Adjustments for the Impact of Currency and Acquisitions
For the Quarters Ended March 31,
($ in millions)
(Unaudited)

2012								2011			% 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 Acquisitions	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
$ 6,470	$ 4,417	$ 2,053	$ (54)	$ 2,107	$ -	$ 2,107	European Union	$ 6,415	$ 4,414	$ 2,001	2.6%	5.3%	5.3%
4,069	2,234	1,835	(73)	1,908	9	1,899	EEMA	3,671	1,984	1,687	8.8%	13.1%	12.6%
5,177	2,400	2,777	74	2,703	1	2,702	Asia	4,288	1,965	2,323	19.5%	16.4%	16.3%
2,306	1,523	783	(39)	822	-	822	Latin America & Canada	2,156	1,376	780	0.4%	5.4%	5.4%
$ 18,022	**$ 10,574**	**$ 7,448**	**$ (92)**	**$ 7,540**	**$ 10**	**$ 7,530**	**PMI Total**	**$ 16,530**	**$ 9,739**	**$ 6,791**	**9.7%**	**11.0%**	**10.9%**

2012						2011	% Change in Reported Operating Companies Income		
Reported Operating Companies Income	Less Currency	Reported Operating Companies Income excluding Currency	Less Acquisitions	Reported Operating Companies Income excluding Currency & Acquisitions		Reported Operating Companies Income	Reported	Reported excluding Currency	Reported excluding Currency & Acquisitions
$ 1,030	$ (25)	$ 1,055	$ -	$ 1,055	European Union	$ 1,006	2.4%	4.9%	4.9%
810	(44)	854	-	854	EEMA	722	12.2%	18.3%	18.3%
1,407	53	1,354	-	1,354	Asia	1,093	28.7%	23.9%	23.9%
237	(17)	254	-	254	Latin America & Canada	251	(5.6)%	1.2%	1.2%
$ 3,484	**$ (33)**	**$ 3,517**	**$ -**	**$ 3,517**	**PMI Total**	**$ 3,072**	**13.4%**	**14.5%**	**14.5%**

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 March 31,

($ in millions)

(Unaudited)

2012								2011			% 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
$ 1,030	$ -	$ 1,030	$ (25)	$ 1,055	$ -	$ 1,055	European Union	$ 1,006	$ (11)	$ 1,017	1.3%	3.7%	3.7%
810	-	810	(44)	854	-	854	EEMA	722	(2)	724	11.9%	18.0%	18.0%
1,407	-	1,407	53	1,354	-	1,354	Asia	1,093	(2)	1,095	28.5%	23.7%	23.7%
237	(8)	245	(17)	262	-	262	Latin America & Canada	251	(1)	252	(2.8)%	4.0%	4.0%
$ 3,484	**$ (8)**	**$ 3,492**	**$ (33)**	**$ 3,525**	**$ -**	**$ 3,525**	**PMI Total**	**$ 3,072**	**$ (16)**	**$ 3,088**	**13.1%**	**14.2%**	**14.2%**

2012							2011			% 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
$ 1,055	$ 2,107	50.1%	$ 1,055	$ 2,107	50.1%	European Union	$ 1,017	$ 2,001	50.8%	(0.7)	(0.7)
854	1,908	44.8%	854	1,899	45.0%	EEMA	724	1,687	42.9%	1.9	2.1
1,354	2,703	50.1%	1,354	2,702	50.1%	Asia	1,095	2,323	47.1%	3.0	3.0
262	822	31.9%	262	822	31.9%	Latin America & Canada	252	780	32.3%	(0.4)	(0.4)
$ 3,525	**$ 7,540**	**46.8%**	**$ 3,525**	**$ 7,530**	**46.8%**	**PMI Total**	**$ 3,088**	**$ 6,791**	**45.5%**	**1.3**	**1.3**

(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

PHILIP MORRIS INTERNATIONAL

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS and Adjusted Diluted EPS, excluding Currency
For the Quarters Ended March 31,
(Unaudited)

	2012	2011	% Change
Reported Diluted EPS	**$ 1.25**	**$ 1.06**	**17.9%**
Adjustments:			
Asset impairment and exit costs	-	0.01	
Tax items	-	(0.01)	
Adjusted Diluted EPS	**$ 1.25**	**$ 1.06**	**17.9%**
Less:			
Currency impact	(0.02)		
Adjusted Diluted EPS, excluding Currency	**$ 1.27**	**$ 1.06**	**19.8%**

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

PHILIP MORRIS INTERNATIONAL

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

		2011
Reported Diluted EPS	**$**	**4.85**
Adjustments:		
Asset impairment and exit costs		0.05
Tax items		(0.02)
Adjusted Diluted EPS	**$**	**4.88**

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

PHILIP MORRIS INTERNATIONAL

Reconciliation of Operating Cash Flow to Free Cash Flow and Free Cash Flow, excluding Currency
For the Quarters Ended March 31,
($ in millions)
(Unaudited)

	For the Quarters Ended March 31,		
	2012	2011	% Change
Net cash provided by operating activities [a]	**$ 1,898**	**$ 2,395**	**(20.8)%**
Less:			
Capital expenditures	227	159	
Free cash flow	**$ 1,671**	**$ 2,236**	**(25.3)%**
Less:			
Currency impact	(50)		
Free cash flow, excluding currency	**$ 1,721**	**$ 2,236**	**(23.0)%**

(a) Operating Cash Flow

PMI Peer Groups

PHILIP MORRIS INTERNATIONAL

Company Peer Group

- Bayer
- BAT
- Coca-Cola
- Diageo
- GlaxoSmithKline
- Heineken
- Imperial Tobacco
- Johnson & Johnson
- Kraft
- McDonald's
- Nestlé
- Novartis
- PepsiCo
- Pfizer
- Roche
- Unilever
- Vodafone

Tobacco Peer Group

- Altria
- BAT
- Imperial Tobacco
- Japan Tobacco
- Lorillard
- Reynolds American

PHILIP MORRIS INTERNATIONAL

2012 First-Quarter Results

April 19, 2012