



<b>Q3 2019 Earnings - Quarterly Metrics</b>		
<b>Smokeable</b>	<b>Q3 2019</b>	<b>△ vs. Q3 2018</b>
<i>Marlboro</i> Price Gap (vs. Lowest Effective)	31%	
<i>Marlboro</i> Net Pack Price	\$7.12	\$0.31
Lowest Effective Price	\$5.42	\$0.16
<u>Discount Segment Retail Share</u>	<u>24.2%</u>	<u>+0.4pp</u>
Major Manufacturer Branded Discount	15.4%	(0.4pp)
Deep Discount	8.8%	+0.8pp
PM USA Menthol Retail Share	10.0%	(0.1pp)
Estimated Weighted Average State Excise Tax per pack	\$1.82	\$0.04
2019 PM USA Wholesale Inventory Estimates:	(in billion units)	
End of Q3 2019	3.7	
End of Q2 2019	2.5	
End of Q3 2018	3.6	
End of Q2 2018	2.2	
2019 Cigarette Industry Wholesale Inventory (PM USA Estimates):	(in billion units)	
End of Q3 2019	8.5	
End of Q2 2019	5.7	
End of Q3 2018	7.6	
End of Q2 2018	4.9	

Note: Wholesale inventory changes are one factor PM USA uses to estimate adjusted PM USA and industry volumes.

<b>Smokeless</b>	<b>Q3 2019</b>	<b>△ vs. Q3 2018</b>
<i>Copenhagen</i> Price Gap (vs Leading Discount Brand)	17%	
<i>Copenhagen</i> Retail Price	\$5.11	\$0.30
Leading Discount Brand	\$4.35	\$0.35

Note: All Smokeable and Smokeless prices reflect IRI restatement.

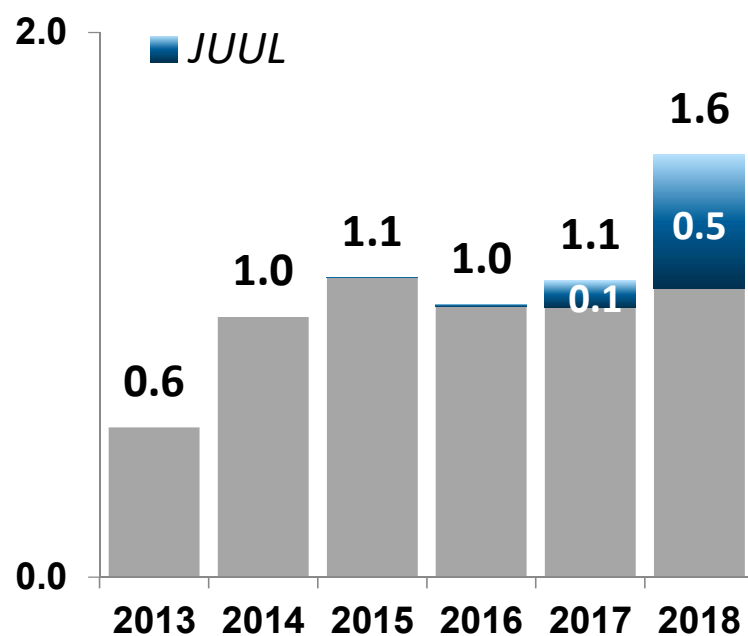
<b>Other</b>	<b>Q3 2019</b>	<b>9M 2019</b>
Capital Expenditures	\$81 million	\$160 million
Ongoing Depreciation and Amortization	\$57 million	\$163 million

<b>Smokeable Shipping Days</b>					
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>FY</b>
2018	65	65	65	66	261
2019	64	65	66	66	261

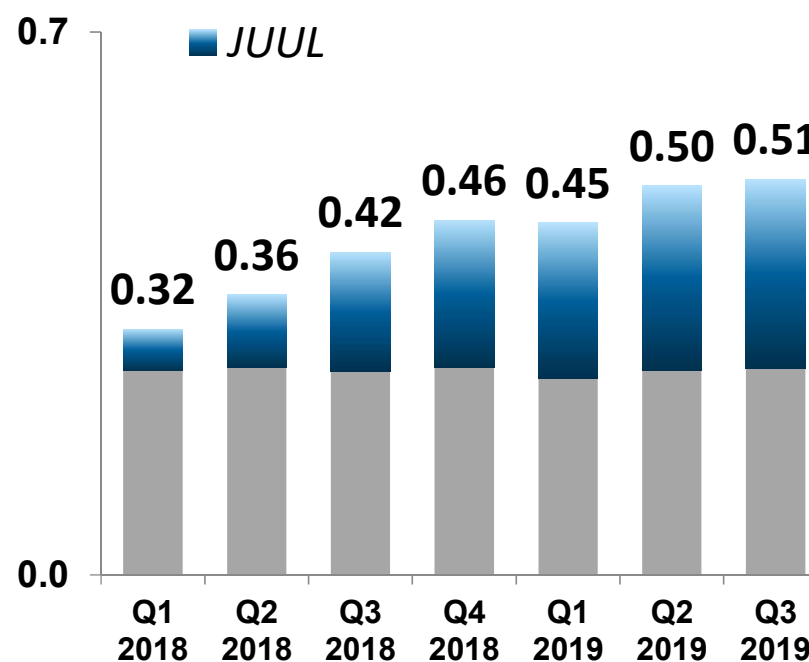
# E-Vapor Category Growth

Estimated Equivalized Volume (in billions of units)

Annual Estimates



Quarterly Estimates



JUUL's estimated market share of the E-vapor Category is ~48% in Q3 2019  
Source: ALCS CMI estimates  
Note: Share based on volume equivalized to cartridges (1 disposable = 1 cartridge = 1mL e-liquid)  
Estimated category volume and share are subject to revisions based on the latest available data