DTCC *Important Notice* The Depository Trust Company

B #:	0979-13
Date:	June 12, 2013
То:	All Participants
Category:	Dividends
From:	Tax Reporting Service
Attention:	Managing Partner/Officer, Cashier, Dividend Mgr., Tax Mgr.
	Important Tax Information
Subject:	PMI Global Services Inc.
	CUSIP:718172109

The Depository Trust Company received the attached correspondence containing Tax Information. If applicable, please consult your tax advisor to ensure proper treatment of this event.

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PMI GLOBAL SERVICES INC.

120 PARK AVENUE • NEW YORK, NY 10017

KAREN E. ZANI ASSISTANT CORPORATE SECRETARY PHILIP MORRIS INTERNATIONAL INC. DIRECT: (917) 663-2781 Karen.Zani@pmi.com

June 12, 2013

Amilja Regan Computershare Newport Tower 480 Washington Boulevard 29th Floor Jersey City, NJ 07310

Re: <u>Philip Morris International Inc.</u>

Dear Amilja:

This is to advise you that the Board of Directors of Philip Morris International Inc. ("PMI") at its meeting today, June 12, 2013, declared the company's regular quarterly dividend of \$0.85 per common share, payable on July 12, 2013, to stockholders of record as of June 27, 2013. The ex-dividend date is June 25, 2013.

Attached is a copy of the press release regarding the dividend, as well as payment instructions related to PMI's 80/20 Company Status.

Sincerely,

cc: Markus Mueller Jerry Whitson

PRESS RELEASE

PHILIP MORRIS INTERNATIONAL

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PHILIP MORRIS INTERNATIONAL (PMI) DECLARES REGULAR QUARTERLY DIVIDEND OF \$0.85 PER SHARE

NEW YORK, June 12, 2013 -- The Board of Directors of Philip Morris International Inc. (NYSE / Euronext Paris: PM) today declared a regular quarterly dividend of \$0.85 per common share, payable on July 12, 2013, to shareholders of record as of June 27, 2013. The ex-dividend date is June 25, 2013.

For more details on stock, dividends and other information, see www.pmi.com/investors.

Philip Morris International Inc.

Philip Morris International Inc. (PMI) is the leading international tobacco company, with seven of the world's top 15 international brands, including *Marlboro*, the number one cigarette brand worldwide. PMI's products are sold in more than 180 markets. In 2012, the company held an estimated 16.3% share of the total international cigarette market outside of the U.S., or 28.8% excluding the People's Republic of China and the U.S. For more information, see www.pmi.com.

Instructions to Dividend Paying Agents regarding 80/20 Company Status:

PMI has determined that it qualifies as an "80/20 company" for U.S. tax purposes because more than 80% of its total gross income is from active foreign businesses. In the case of dividends declared by an 80/20 company and paid to a non-U.S. shareholder, the proportion of dividends equal to the company's gross foreign source income over its total gross income for a specified three-year testing period preceding the year of the dividend is exempt from U.S. withholding tax. **PMI has determined that 94% of dividends declared in 2013 will be exempt from U.S. withholding tax on this basis**. Consistent with the above determination:

- If a non-U.S. shareholder <u>does not</u> claim the benefits of a reduced rate of withholding tax under an income tax treaty, 30% U.S. withholding tax should be applied to 6% of the total gross dividend declared by PMI and paid to such non-U.S. shareholder (provided that such non-U.S. shareholder has not provided a W-8ECI indicating that dividends received by it are effectively connected with its conduct of a U.S. trade or business); or
- If a non-U.S. shareholder claims the benefits of a reduced rate of withholding tax under an income tax treaty by providing a Form W-8BEN, U.S. withholding tax at the relevant reduced treaty rate should be applied to 6% of the total gross dividend declared by PMI and paid to such non-U.S. shareholder.

Examples

- *No Treaty Benefits:* Assuming a \$100 gross dividend received by a non-U.S. shareholder that does not claim treaty benefits, \$1.80 of U.S. withholding tax (\$100 x .30 x .06) should be withheld from the payment so that the non-U.S. shareholder receives a net dividend payment of \$98.20.
- 15% Treaty Rate: Assuming a \$100 gross dividend received by a non-U.S. shareholder that is entitled to a 15% rate of withholding tax under an income tax treaty, \$0.90 of U.S. withholding tax ($100 \times .15 \times .06$) should be withheld from the payment so that the non-U.S. shareholder receives a net dividend payment of \$99.10.

No Implications as to Future Dividends

The determination of the portion of PMI's dividend that is exempt from U.S. withholding tax must be determined annually and therefore may fluctuate for dividends declared in 2014 and in subsequent years. PMI will provide specific instructions in advance of any dividend as to the amount of the dividend, if any, that it has determined is exempt from withholding under the 80/20 company rules.