



B #:	0441-14
Date:	March 12, 2014
To:	All Participants
Category:	Dividends
From:	Tax Reporting Service
Attention:	Managing Partner/Officer, Cashier, Dividend Mgr., Tax Mgr.
Subject:	Important Tax Information Philip Morris International 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

March 12, 2014

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

Re: Philip Morris International Inc.

Dear Amilja:

This is to advise you that the Board of Directors of Philip Morris International Inc. ("PMI") at its meeting today, March 12, 2014, declared the company's regular quarterly dividend of \$0.94 per common share, payable on April 11, 2014, to stockholders of record as of March 27, 2014. The ex-dividend date is March 25, 2014.

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

Investor Relations:

New York: +1 (917) 663 2233

Lausanne: +41 (0)58 242 4666

Media:

Lausanne: +41 (0)58 242 4500

PHILIP MORRIS INTERNATIONAL (PMI) **DECLARES REGULAR QUARTERLY DIVIDEND OF \$0.94 PER SHARE;** **ANNOUNCES RETIREMENTS FROM THE BOARD OF DIRECTORS**

NEW YORK, March 12, 2014 -- The Board of Directors of Philip Morris International Inc. (NYSE / Euronext Paris: PM) today declared a regular quarterly dividend of \$0.94 per common share, payable on April 11, 2014, to shareholders of record as of March 27, 2014. The ex-dividend date is March 25, 2014. For more details on stock, dividends and other information, see www.pmi.com/investors.

PMI also announced that Mathis Cabiallavetta and J. Dudley Fishburn will retire from the Board of Directors at the Annual Meeting of Shareholders in May this year. "Mathis and Dudley have served on the Board since our spin-off, and for many years prior to that ably served on the Board of our former parent company. We have benefited tremendously from their dedicated service and invaluable advice. They leave with our most heartfelt gratitude," said Louis C. Camilleri, Chairman of the Board.

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 2013, the company held an estimated 15.7% share of the total international cigarette market outside of the U.S., or 28.2% 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 98% of dividends declared in 2014 will be exempt from U.S. withholding tax on this basis.** Consistent with the above determination:

- If a non-U.S. shareholder does not claim the benefits of a reduced rate of withholding tax under an income tax treaty, 30% U.S. withholding tax should be applied to 2% 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 2% 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, \$0.60 of U.S. withholding tax ($\$100 \times .02 \times .30$) should be withheld from the payment so that the non-U.S. shareholder receives a net dividend payment of \$99.40.
- *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, \$0.30 of U.S. withholding tax ($\$100 \times .02 \times .15$) should be withheld from the payment so that the non-U.S. shareholder receives a net dividend payment of \$99.70.

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 2015 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.