

# Altria's First-Quarter 2025 Earnings Conference Call

*April 29, 2025*



Altria

— FAMILY OF COMPANIES —

# Safe Harbor Statement

Statements, including earnings guidance, in this presentation that are not reported financial results or other historical information are “forward-looking statements” within the meaning of Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on our current plans, estimates and expectations, and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. Altria undertakes no obligation to publicly update or revise any forward-looking statement other than in the normal course of our public disclosure obligations. The risks and uncertainties relating to the forward-looking statements in this presentation include those described in Altria’s publicly filed reports, including our Annual Report on Form 10-K for the year ended December 31, 2024, and under the heading “Forward-Looking and Cautionary Statements” in our earnings press release, dated April 29, 2025.

Reconciliations of non-GAAP financial measures included in this presentation to the most comparable GAAP measures are available on Altria’s website at [altria.com](http://altria.com).

Responsibly lead  
the transition of adult smokers  
to a smoke-free future.

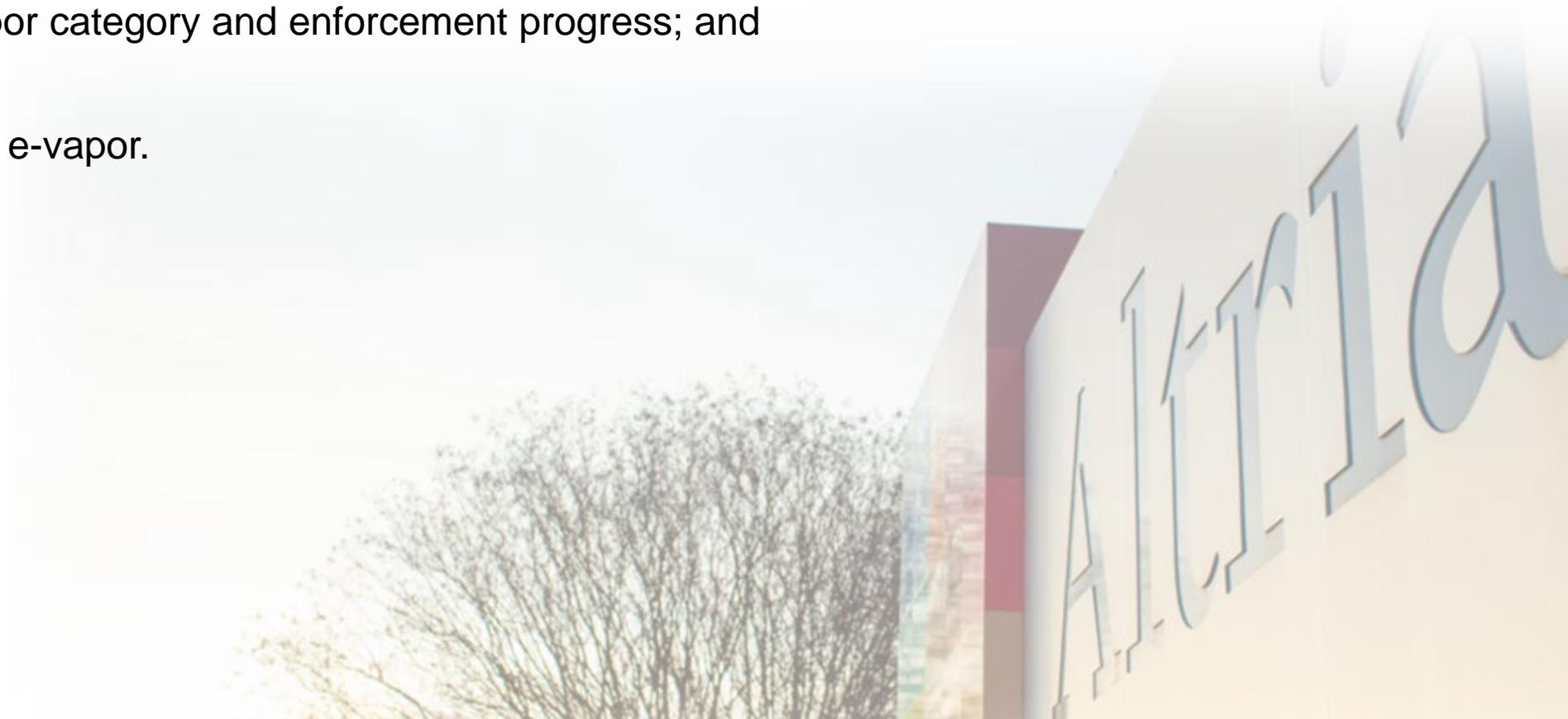
Moving beyond smoking™



Altria

# Agenda

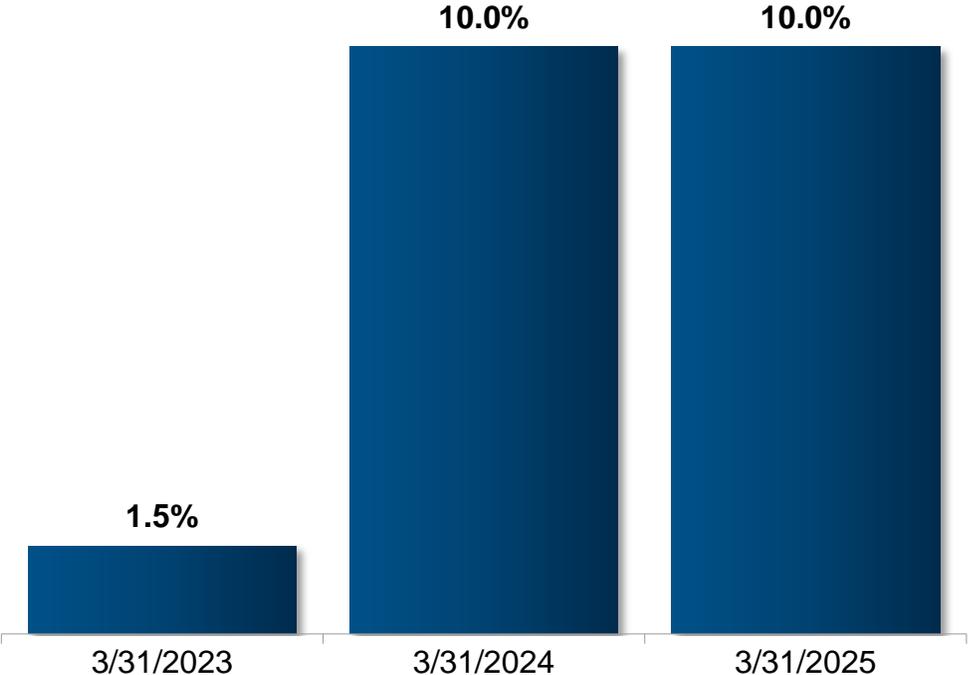
- Encouraging first-quarter results from *on!*;
- The state of the e-vapor category and enforcement progress; and
- Our path forward with e-vapor.



# U.S. Oral Tobacco Category and *on!* Shipment Volume

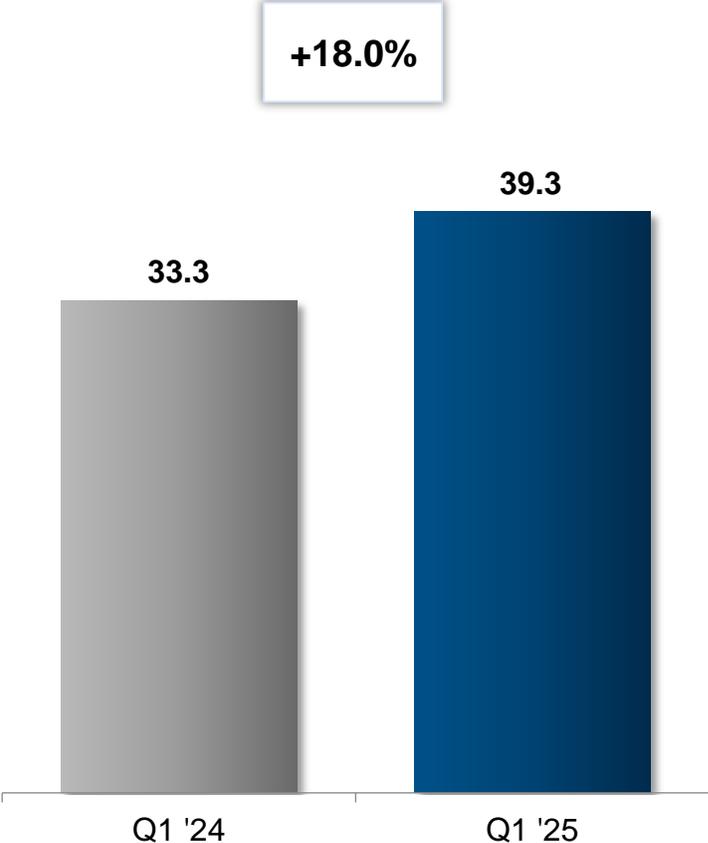
## Oral Tobacco Industry Volume Growth

(six months ended)



## *on!* Shipment Volume

(cans in millions)



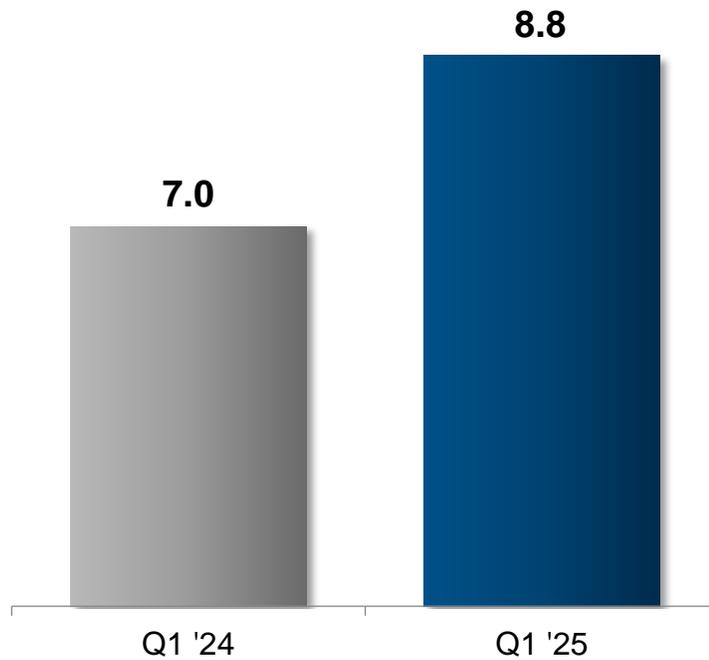
Source: ALCS CMI estimates. Rounded to the nearest 0.5%. Oral tobacco industry includes MST and ONP products (inclusive of tobacco-derived and synthetic oral nicotine pouches).

# Continued *on!* Share Momentum

## *on!* Share of Oral Tobacco Category

(total U.S.)

+1.8pp



Source: Circana Complete Market Oral Tobacco - Total US-Multi Outlet+ Conv, week ending 3/30/2025

Note: Beginning in Q1 2025, our reported oral tobacco products segment retail share performance data has been updated for the current and comparable periods to include synthetic oral nicotine pouch products.

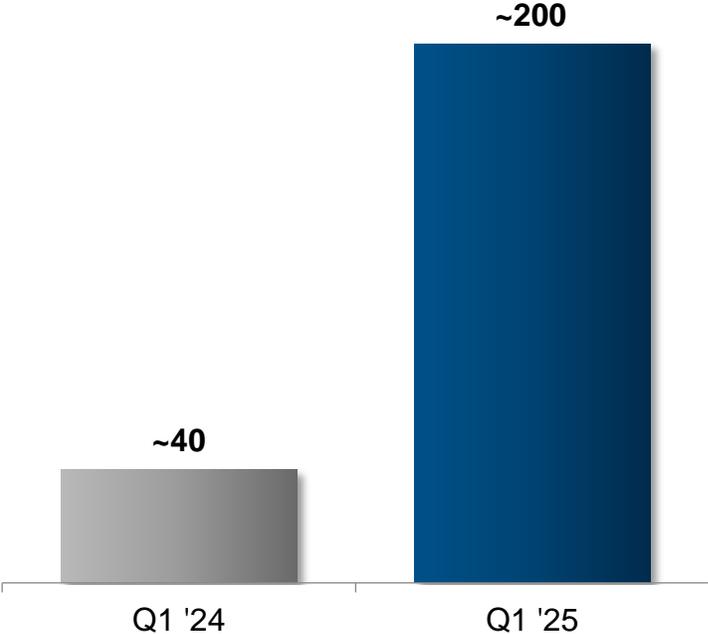
# on!'s Brand Equity is Growing



## on! Impressions

(in millions)

~5x

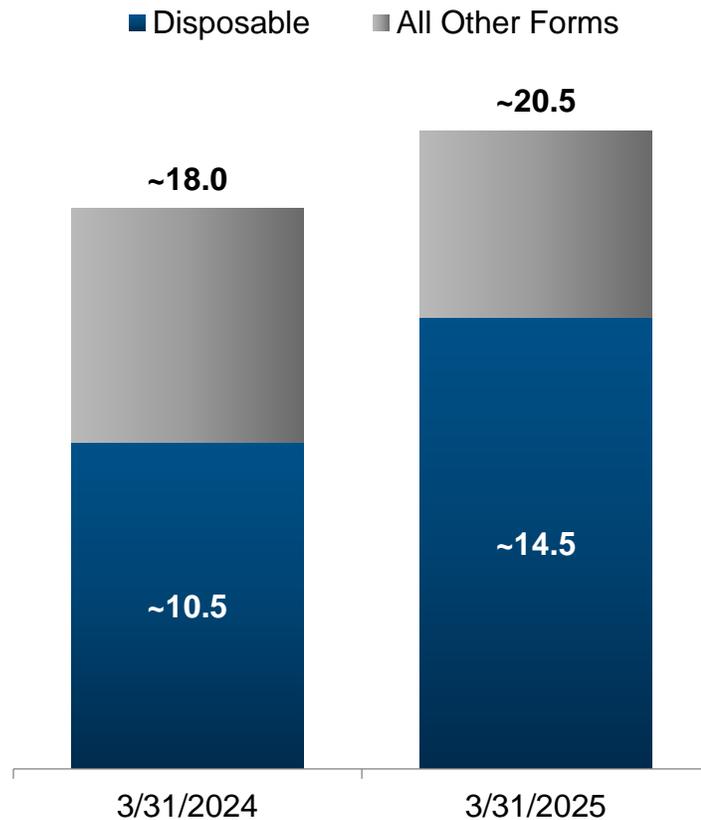


Source: Merkle Paid Media Tableau Report (Q1 2024 – Q1 2025).

# Illicit Products Continue to Drive E-Vapor Category Growth

## Vapers by Form – Past 30-Day Usage

(twelve months ended, in millions)



Source: ALCS Estimates; ATCT; STARS; Circana; ALCS Consumer Research; External Sources. Rounded to nearest 0.5. Numbers may not foot due to rounding.

EQ Estimation – For purposes of this theoretical analysis the following are assumed to be equivalent: 1 pack of cigarettes = ~1.5mL e-vapor consumable. Estimated category volume subject to revisions based on latest available data.



# NJOY U.S. International Trade Commission (ITC) Litigation



- The ITC's exclusion order and cease-and-desist orders took effect on March 31.
- NJOY intends to appeal the ITC's decision, and our teams continue to work to finalize a product solution that we believe addresses all four patents.

# Strengthening Our E-Vapor Portfolio

- Looking ahead, we believe it is critical to compete in the e-vapor category with products that align with the evolving expectations of today's consumers.
- We are combining the talent and capabilities we gained in the NJOY acquisition with our evolved view on today's vapers to broaden NJOY's pipeline of innovative e-vapor products.



Moving beyond smoking



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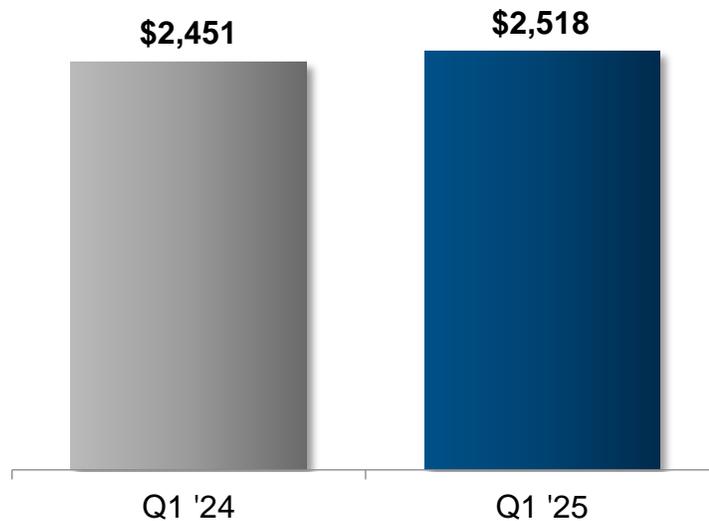
# Smokeable Products Segment

Adjusted Operating Companies Income\* (OCI) and Adjusted OCI Margins\*

## Adjusted OCI

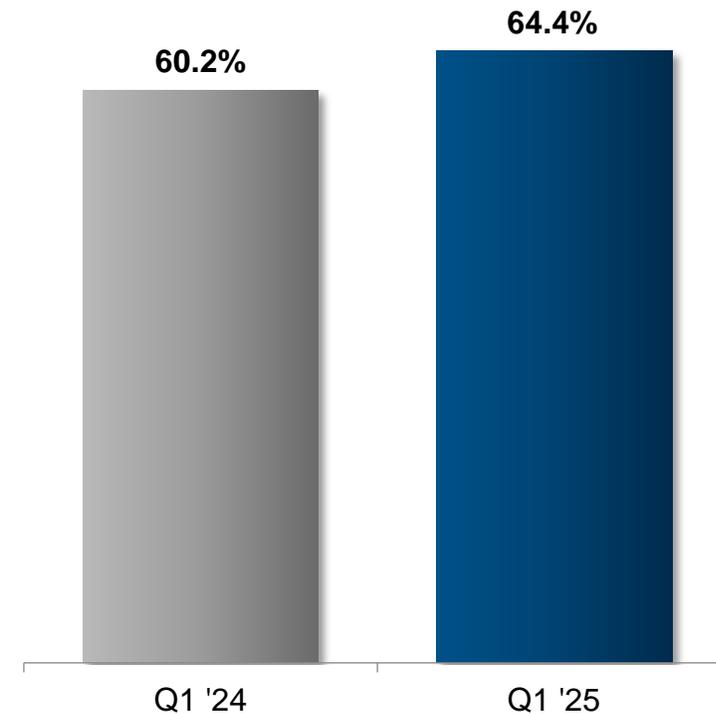
(\$ in millions)

+2.7%



## Adjusted OCI Margins

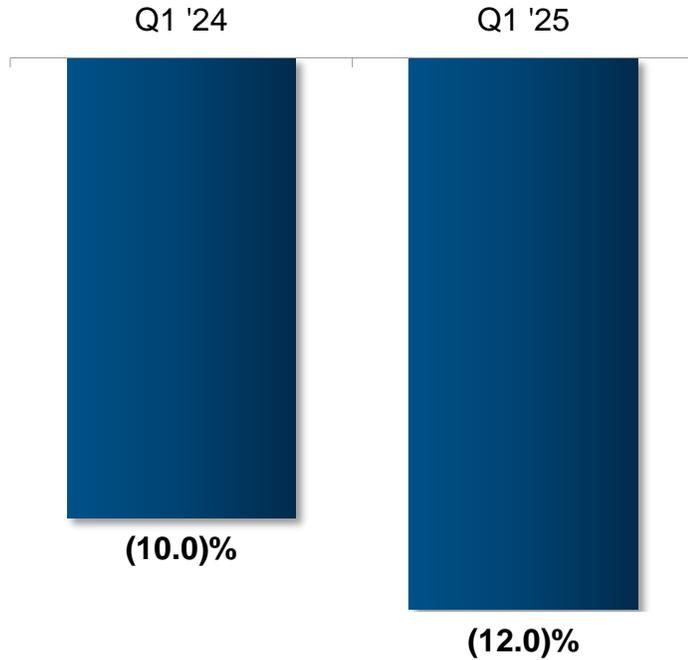
+4.2pp



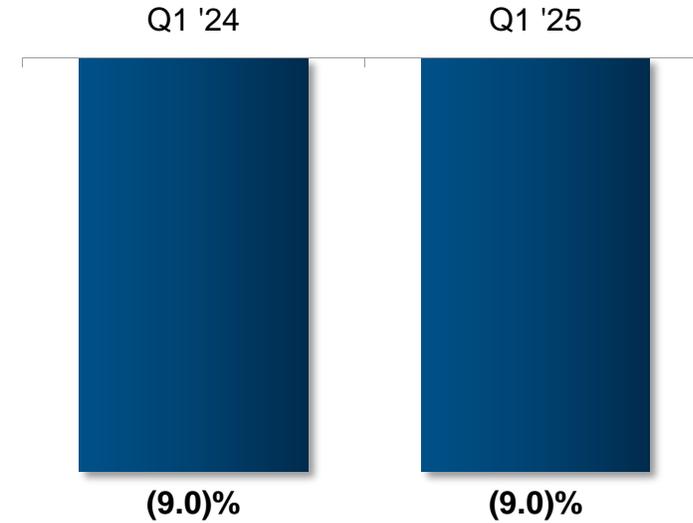
\*For reconciliations of non-GAAP to GAAP measures visit [altria.com](http://altria.com).

# Q1 Adjusted Cigarette Decline Rates

## Smokeable Products Segment



## Total Industry

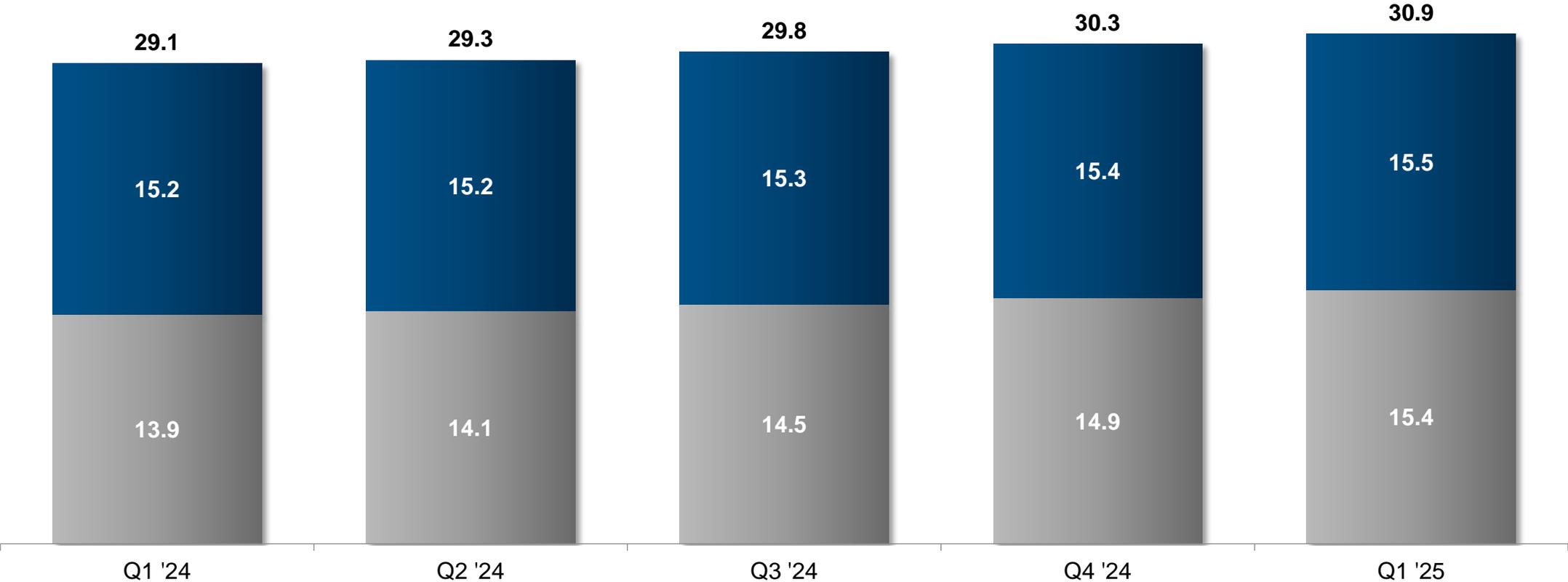


Source: ALCS CMI estimates. Rounded to the nearest 0.5%.

Note: Estimates are subject to revision due to wholesaler resubmission of inventory data.

# Discount Retail Share

■ Branded Discount (Major Manufacturers) ■ Deep Discount (All Other)

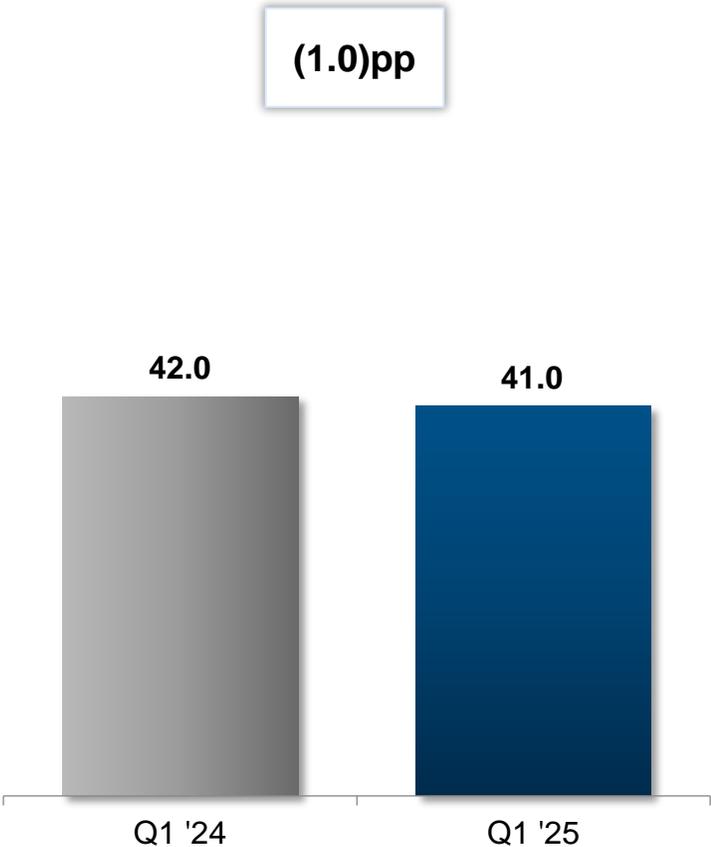


Source: Circana Complete Market/MSAi Blended Cigarette, week ending 3/30/2025.

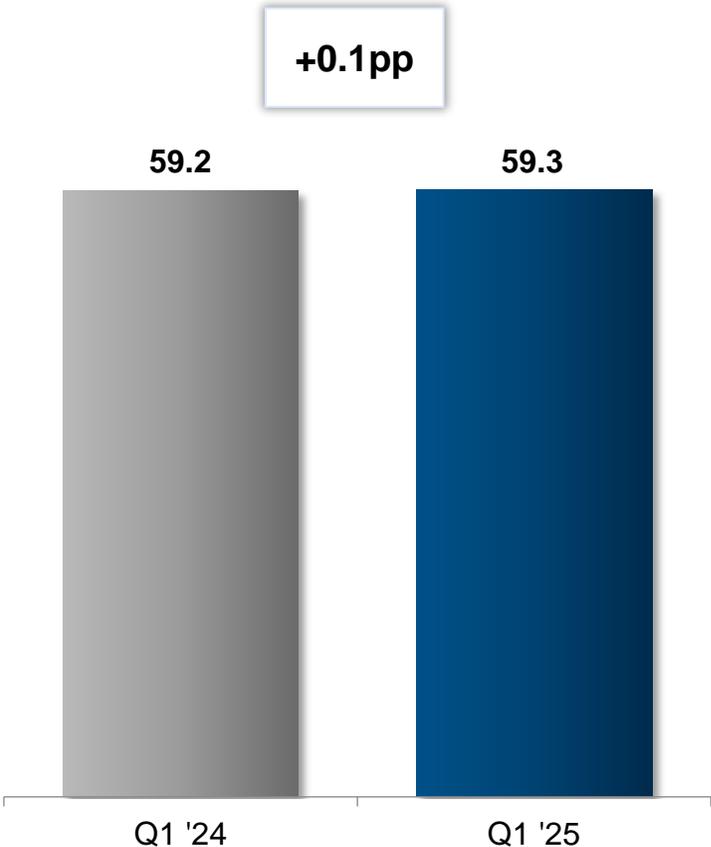


# Marlboro Retail Share and Share of Premium

Marlboro Retail Share



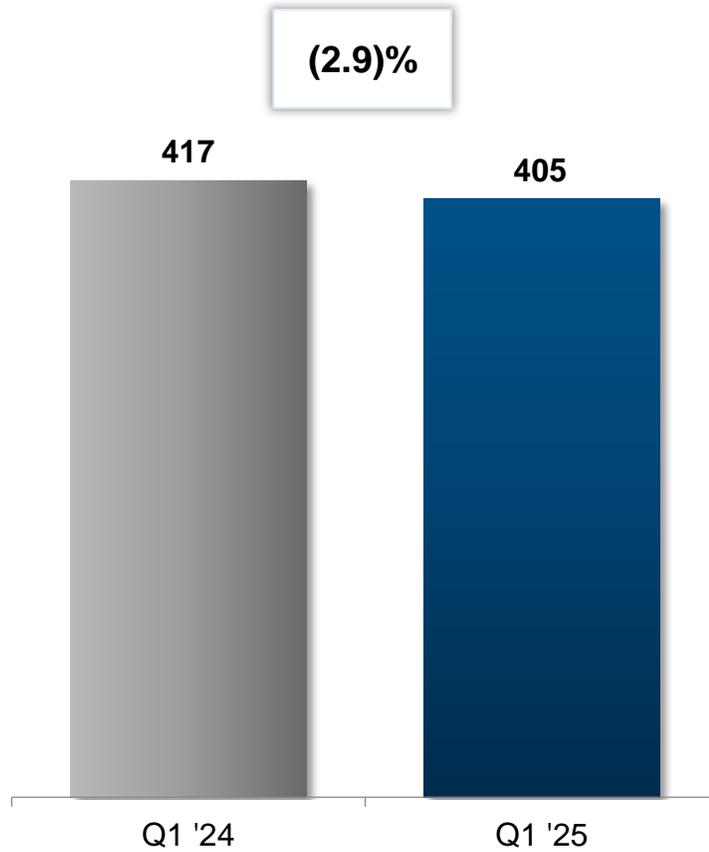
Marlboro Share of Premium



Source: Circana Complete Market/MSAi Blended Cigarette, week ending 3/30/2025.

# John Middleton Cigars

## Reported Shipment Volume

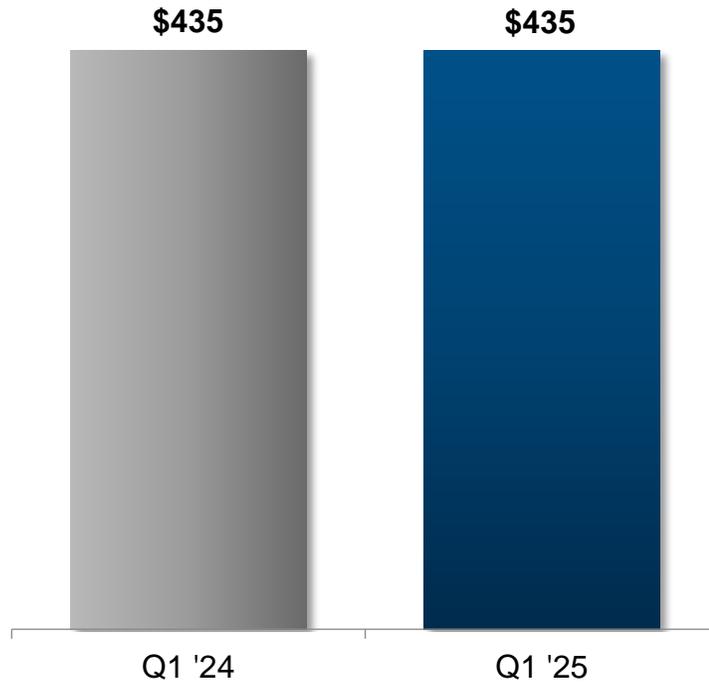


# Oral Tobacco Products Segment

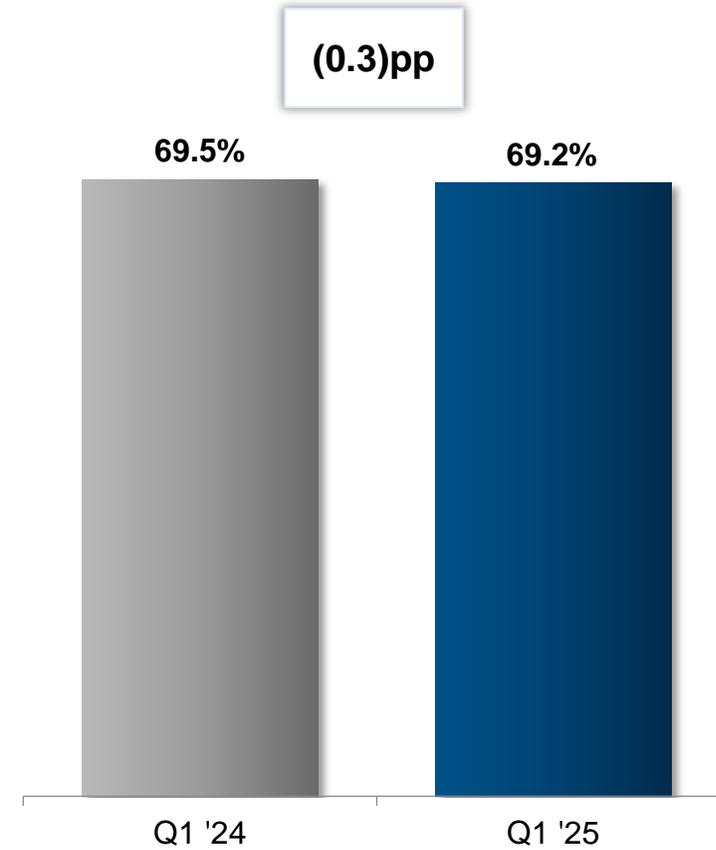
*Adjusted OCI\* and Adjusted OCI Margins\**

## Adjusted OCI

*(\$ in millions)*



## Adjusted OCI Margins



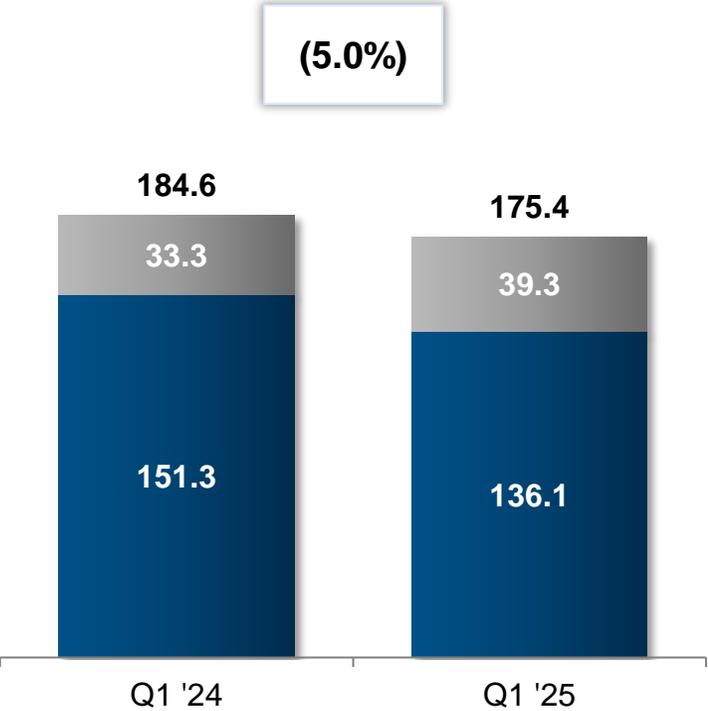
\*For reconciliations of non-GAAP to GAAP measures visit [altria.com](http://altria.com).

# Oral Tobacco Products Segment Volume

## Reported Shipment Volume

(in millions)

■ MST    ■ on!

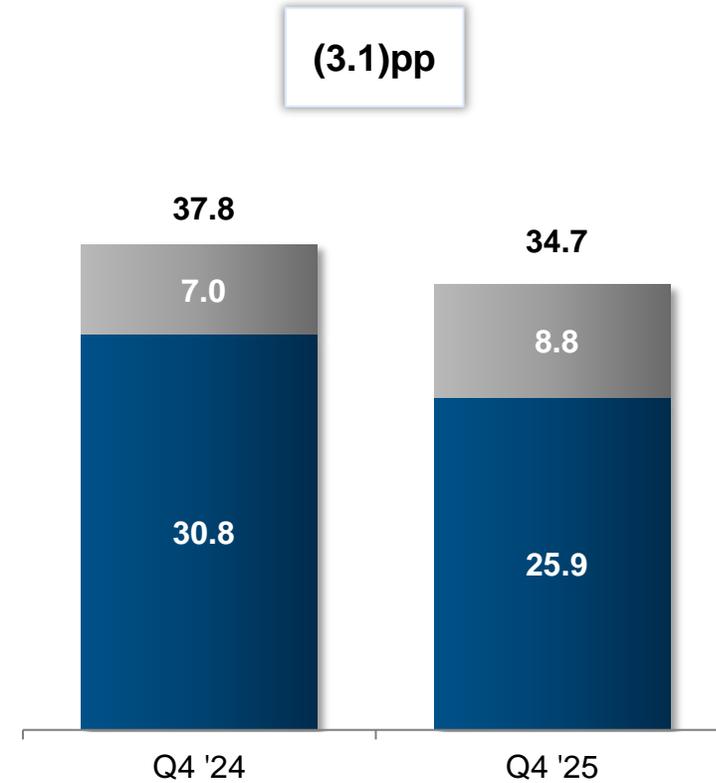


# Oral Tobacco Products Segment Retail Share



## Retail Share

■ MST    ■ on!



Source: Circana Complete Market Oral Tobacco - Total US-Multi Outlet+ Conv, week ending 3/30/2025

Note: Beginning in Q1 2025, our reported oral tobacco products segment retail share performance was updated to include MST and all nicotine pouch products (inclusive of tobacco derived and synthetic oral nicotine pouches).

# E-Vapor Reporting Unit Update



- As a result of the ITC orders related to *NJOY ACE*, we performed an interim impairment assessment and recorded a non-cash impairment charge of \$873 million.

# ABI Investment



*All third-party trademarks remain the property of their respective owners.*

# Committed to Long-Term Value for Our Shareholders

## Dividends

- Paid \$1.7 billion in dividends in the first-quarter.

## Share Repurchase

- Repurchased 5.7 million shares for \$326 million.
- \$674 million remaining under our currently authorized share repurchase program, which we expect to complete by the end of this year.

## Debt

- 2.1x total debt-to-EBITDA\* ratio as of March 31, 2025.

*\*For reconciliations of non-GAAP to GAAP measures visit [altria.com](http://altria.com).*

# 2025 Financial Outlook

We expect to deliver 2025 full-year adjusted diluted earnings per share (EPS)\* in a range of \$5.30 to \$5.45. This range represents an adjusted diluted EPS growth rate of 2% to 5% from a base of \$5.19<sup>1</sup> in 2024.



*\*For reconciliations of non-GAAP to GAAP measures visit [altria.com](http://altria.com).*

*<sup>1</sup> Prior period amounts have been recast to conform with current period presentation for amortization expense associated with definite-lived intangible assets, which we did not previously identify as a special item and we now exclude from our adjusted financial measures.*

