

Philip Morris International

09:34 20 Apr 2017

Philip Morris battles as volumes turn down, vape business going well

Philip Morris International Inc (NYSE:PM) was hit by profit taking as first quarter numbers undershot forecasts.

The tobacco to cigarette group has been one of Wall Street's best blue chip performers this year so far, but slipped back as revenues in particular came in below estimates.

André Calantzopoulos, chief executive, blamed lower volumes of low-price brands and timing issues for the miss but said he still expected the tobacco giant to hit its full-year EPS guidance.

"We anticipate a combined cigarette and heated tobacco unit volume decline of 3% to 4% for the full year," he added, but said price rises would help make up this shortfall.

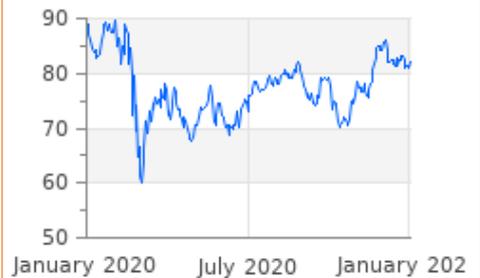
He also pointed to strong growth by its vape/e-cigarette brand IQOS.

Some 1.8mln consumers have effectively stopped smoking and have switched to our heat-not-burn alternative despite persistent capacity constraints, said Calantzopoulos.

Net income edged up to US\$1.59bn, or \$1.02 per share from \$1.53bn, or US\$0.98. Consensus forecasts has been for a cent more on eps. Adjusted earnings for the full year will be around \$4.48, Morris said.

Revenue excluding tax was \$6.06bn, down from \$6.08bn, compared to forecasts of US\$6.48bn.

1 Year Share Price Graph



Share Information

Code: PM
Listing: NYSE
Sector: Manufacturing & engineering
Website: www.pmi.com

Company Synopsis:

Philip Morris International Inc. (PMI) is a holding company. PMI, through its subsidiaries and affiliates and their licensees, is engaged in the manufacture and sale of cigarettes and other tobacco products in markets outside of the United States of America.

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