

February 1, 2007

Louis Camilleri
Chairman and CEO
Altria Group, Inc.
120 Park Avenue
New York, NY 10017

Dear Mr. Camilleri:

Yesterday, your company announced that it will spin off Kraft Foods Inc on March 30, 2007. Many analysts are predicting that Philip Morris International and Philip Morris USA will separate soon after, possibly later this year.

A related article reports your view that “[Philip Morris’s] numerous and greatest opportunities [are] in developing economies such as China and India, where western cigarette makers have yet to make significant inroads.”

"Less than 5 per cent of Philip Morris International's income today comes from markets that represent more than 60 per cent of world consumption of cigarettes," you are quoted as saying. "Last year our share of the world market was only 15.5 per cent so that gives you a sense of what we believe is our growth potential across the world."

Such statements imply that Philip Morris International plans to more aggressively target these international markets, something that groups around the world fear will exacerbate the already devastating global epidemic of death and disease caused by tobacco products.

In light of these concerns, last year, over 100 groups in 50 countries urged Philip Morris International to make commitments – in advance of a breakup – to ensure that the separation of Philip Morris International and Philip Morris USA does not worsen the tobacco epidemic. Specifically, they called on Philip Morris to refrain from: tobacco advertising and misleading descriptors like "light and mild"; lobbying on the Framework Convention on Tobacco Control and against 100% smokefree places; invoking trade agreements to challenge tobacco control legislation; policies that encourage, facilitate, or enable tobacco smuggling; secrecy about advertising expenditures, political contributions, and lobbying costs; sponsoring youth prevention programs; and smoking and product placement in movies and other media. Please find attached the full text of the demands and a list of groups that have endorsed them.

At the 2006 Altria shareholders meeting on April 27, 2006, a youth advocate from Wisconsin addressed you on behalf of these 100 groups, listed the demands, and asked if you would agree to them. You responded by saying you “won’t agree to all of these demands.”

With the Kraft spin off imminent and the separation of Philip Morris International in the foreseeable future, we would like to give you an opportunity to reconsider your answer and provide a more formal response to the nine demands that over 100 groups worldwide have endorsed. We would appreciate your response by February 23, 2007.

Sincerely,

Anna White
Coordinator, Global Partnerships for Tobacco Control

GLOBAL DEMANDS TO ADDRESS THE GLOBAL PUBLIC HEALTH IMPACT OF ALTRIA'S FUTURE BREAKUP

The prospect of a breakup of Altria that would split Philip Morris USA and Philip Morris International into separate companies raises significant concerns about how an independent Philip Morris International will operate. Decisions that Philip Morris International makes will have major public health ramifications:

- Tobacco is a uniquely harmful product, which kills consumers when used as intended;
- The World Health Organization estimates that 10 million people will die annually from tobacco-related disease by 2030, 70 percent in developing countries;
- The combined Philip Morris is the world's largest tobacco multinational;
- Measured by units, 80 percent of Philip Morris' sales are outside of the United States.

Philip Morris International must make commitments -- in advance of a breakup -- to ensure that the separation of Philip Morris International and Philip Morris USA does not worsen the tobacco epidemic.

We call on Philip Morris International and its subsidiaries to commit to:

- 1) Adhere to the provisions of the Framework Convention on Tobacco Control, including by ending all advertising and marketing of tobacco products, and ending the use of misleading and deceptive terms such as "mild," "light" and "low."
- 2) Not lobby or work -- directly or indirectly through sponsored organizations or otherwise -- on any national or subnational legislative or regulatory proposals to ratify the FCTC and/or implement the terms of the FCTC.
- 3) Not lobby or work -- directly or indirectly through sponsored organizations or otherwise -- against legislation or regulation requiring 100 percent smokefree places.
- 4) Not invoke provisions of any trade or investment agreement, or urge any government to invoke such provisions, to challenge any tobacco control-related law or regulation.
- 5) Extend the European tobacco smuggling agreement to include every country in which they operate. **
- 6) Fully disclose all political contributions, lobbying costs, and charitable/educational donations in every country in which they operate.

- 7) Fully disclose all advertising and marketing expenditures -- as the company now is required to do in the United States -- in every country in which they operate.
- 8) End all sponsorship of "youth smoking prevention programs."
- 9) Refrain from directly or indirectly placing tobacco products or promoting depictions of smoking in movies or other media produced anywhere in the world. ***

*** This should be achieved by enacting tracking, tracing, labeling and record-keeping requirements to help law enforcement determine the source and track the path of contraband cigarettes; implementing better monitoring of its sales and distribution practices, including by tightly controlling and regulating the contractors it supplies with cigarettes, and to stop supplying them if they are found to be complicit in smuggling and vendors to ensure they are in compliance with legal requirements; and pledging not to oppose legislation establishing monetary penalties against tobacco companies if their cigarettes continue to be smuggled in large quantities.*

**** Philip Morris USA is prohibited from paying for product placements in movies and other media by the U.S. Master Settlement Agreement, but this does not apply to Philip Morris International. Philip Morris International states in its marketing code that it will not pay for product placement, but it does not address: indirect efforts to facilitate product placement; direct or indirect placement of unbranded tobacco products; or direct or indirect efforts to promote smoking in movies or other media.*

ORGANIZATIONS SIGNED ON TO THESE DEMANDS:

International

- Coalition Panafricaine d'Études et d'Actions de Contrôle de Tabac (CPEACT)
- International Union Against Cancer (UICC)
- South East Asia Tobacco Control Alliance

Algeria

- Club Scientifique de la Faculté des Sciences Médicales, Sétif

Australia

- ASH (Action on Smoking and Health) Australia

Barbados

- Heart and Stroke Foundation of Barbados
- School of Clinical Medicine and Research, University of West Indies

Benin

- Organisation d'Aide pour la Santé Humaine

Burkina Faso

- Afrique contre le Tabac

Cambodia

- Adventist Development and Relief Agency (ADRA Cambodia)

Cameroon

- Association LIFE

Canada

- Physicians for a Smoke-Free Canada
- PATH Canada

Chad

- Association pour le Defense des Droits des Consommateurs (ADC)

Chile

- CIPRESS Foundation

China (Hong Kong)

- Asian Consultancy for Tobacco Control

Colombia

- La Liga Colombiana Contra el Cáncer

Congo

- Organisation Internationale de Développement et d'Action Humanitaire (OIDAH)

Cote d'Ivoire

- Club Unesco Universitaire pour la Lutte Contre la Drogue (CLUCOD)

France

- Comité National Contre le Tabagisme (CNCT) : French National Committee Against Smoking

Gabon

- La Source

Georgia

- A Call to Serve (ACTS) Georgia
- Georgian Medical Association

Ghana

- Action for Integrated Development (AID)
- Health Research Unit (Ghana Health Service)

Honduras

- Accion para la Promocion de Ambientes Libres de Tabaco, APALTA

India

- Abhinav Bharat Foundation
- Action Council Against Tobacco – India
- Asha Parivar
- Burning Brain Society
- Consumer Coordination Council, Delhi
- Daily South Asian
- Development Media Resource Centre

- Health Action by People
- Indian Society Against Smoking
- National Alliance of People's Movements (NAPM UP)
- Rajasthan Cancer Society
- Tambakoo Kills eForum
- Voluntary Organisation in Interest of Consumer Education (VOICE)

Indonesia

- Ikatan Senat Mahasiswa Kedokteran Indonesia (ISMKI) / Indonesian Medical Students' Council Association (IMSCA)
- Indonesian Smoking Control Foundation (LM 3)
- National Commission for Child Protection
- Smoking Control Task Force - Indonesian Public Health Association

Jordan

- Anti Smoking Society
- Ministry of Health, Jordan

Kenya

- Consumer Watch

Kyrgyzstan

- Public Centre for Tobacco Control

Malaysia

- Consumers Association of Penang
- Malaysian Pharmaceutical Society

Mauritius

- Association ViSa

Mexico

- Alianza contra el Tabaco (ACTA)
- Red Mexico sin Tabaco

Nepal

- Janak Memorial Services Center (JMSC)
- Non-Smokers' Rights Association of Nepal (NOSMORAN)
- Health Journalist Association of Nepal (HEJAN)
- Institute of Health Research and Development (IHDR)

New Zealand

- Smokefree Coalition in New Zealand
- Te Reo Marama - Maori Smokefree Coalition

Niger

- SOS Tabagisme – Niger

Nigeria

- Educare Trust
- Environmental Rights Action/Friends of the Earth – Nigeria

- Global Alert for Defence of Youth & the Less Privileged (GADYLP)
- Journalists Action on Tobacco & Health
- Nigerian Tobacco Control Alliance
- People Against Drug Dependence & Ignorance (PADDI)
- Tobacco Free Youth
- United Nations of Youth

Pakistan

- The Network for Consumer Protection

Romania

- Aer Pur Romania

Senegal

- Mouvement Anti-Tabac du Sénégal

Serbia

- Department for Prevention Smoking, Hospital Cacak

Sri Lanka

- Alcohol and Drug Information Centre (ADIC)
- Jeewaka Foundation

Switzerland

- OxyRomandie

Taiwan

- John Tung Foundation

Tanzania

- Tanzania Tobacco Control Forum

Togo

- L'Association Actions pour le développement durable (Le Rônier)
- Groupe Culturel Aledjo

Thailand

- Faculty of Public Health, Mahidol University
- Thailand Health Promotion Institute

Uganda

- The Environmental Action Network

Ukraine

- ADIC-Ukraine

United Kingdom

- Action on Smoking or Health – UK
- International Agency on Tobacco and Health

United States

- Americans for Nonsmokers' Rights
- Association for Nonsmokers Minnesota
- Asian American Youth Against Tobacco, OH
- Black Network In Children's Emotional Health (BNICEH) SmokeOut Campaign, IL
- Bushwick Beacon Lighthouse, NY
- Child Welfare and Juvenile Justice Consortium, IL
- The Chinese Progressive Association, CA
- Corporate Accountability International
- Essential Action
- FACT, WI
- Health and Social Policy Institute (HASPI)
- Healthcare Alternative Systems, Inc, IL
- Latino Council on Alcohol and Tobacco Prevention (LCAT)
- Nightingales Nurses
- Paramus Board of Health, NJ
- REAL: Hawaii Youth Movement Against the Tobacco Industry
- Roswell Park Cancer Institute, NY
- San Francisco Tobacco Free Coalition, CA
- The Task Force for Tobacco-Free Women and Girls, NY
- Youth Leadership Institute
- Virginia Group to Alleviate Smoking in Public, Inc

Uruguay

- Network for Smoke free Uruguay (RULTA)
- Tobacco Control Committee, Sindicato Médico del Uruguay

Vietnam

- Vietnam Standard and Consumers Association (VINASTAS)

Zimbabwe

- Afro Centre for Tobacco Control