

## PHILIP MORRIS &amp; CO. LTD., INCORPORATED

100 Park Avenue  
New York 17, N. Y.

TO OUR STOCKHOLDERS:

On January 26, Philip Morris stockholders meet in a special meeting at Richmond, Virginia, to vote on the proposed acquisition of the stock of Benson and Hedges, whose principal product is the Parliament cigarette.

Although not required to do so either by law or by the charter of this corporation, your Board of Directors has decided to submit the proposal to the stockholders, as set forth in the enclosed proxy statement, because of the size and importance of the move—and because of our inherent faith in the responsible, collective judgment of our thousands of stockholders.

Your Board of Directors has unanimously concurred in their recommendation, which is submitted to you only after careful study.

As Philip Morris concludes its twentieth year of business since the introduction of its major brand—Philip Morris Special Blend—we appreciate that we are in a highly competitive industry where consumer tastes and merchandising methods are undergoing severe and constant changes. Your management believes that the remarkable growth in Philip Morris sales from approximately \$2,650,000 in 1933 to more than \$300,000,000 this past year has been accomplished through a flexible and aggressive approach to these problems.

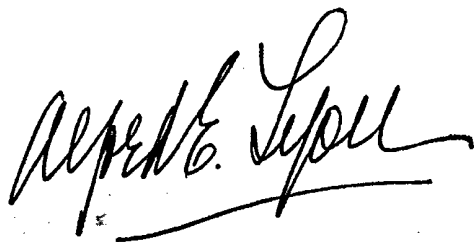
The filter cigarette field is the latest fast-growing trend in the industry. The proposed acquisition of the stock of Benson and Hedges would give Philip Morris the advantages of a recognized brand with an established position in this expanding market.

Believing this proposal is sound and potentially of benefit to the stockholders, we urge your concurrence.

May we extend our most cordial wishes for the coming year.



*President*



*Chairman of the Board*

December 30, 1953