

ALTRIA GROUP, INC.
 Form 424B2
 August 04, 2010
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Filed Pursuant to Rule 424(b)(2)
 Registration No. 333-155009

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Amount of Registration Fee (1) (2)
4.125% Notes due 2015	\$200,000,000	104.868%	\$209,736,000	\$14,954.18

- (1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended. The total registration fee due for this offering is \$14,954.18.
 (2) Paid herewith.

Prospectus Supplement to Prospectus dated November 4, 2008

Altria Group, Inc.

\$200,000,000 4.125% Notes due 2015

Guaranteed by

Philip Morris USA Inc.

We will pay interest on the notes semiannually on March 11 and September 11 of each year, beginning March 11, 2011. We may not redeem the notes prior to maturity unless specified events occur involving United States federal income taxation. See Description of Notes Redemption for Tax Reasons. If we experience a change of control triggering event with respect to the notes, we will be required to offer to repurchase the notes from holders at 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase. See Description of Notes Repurchase Upon Change of Control Triggering Event. The notes will mature on September 11, 2015.

The notes will be a further issuance of, be fully fungible with, rank equally in right of payment with and form a single series with the \$800,000,000 principal amount of 4.125% Notes due 2015 initially issued by us on June 11, 2010. The notes offered hereby will have the same CUSIP number assigned to such previously issued notes.

The notes will be senior unsecured obligations of Altria Group, Inc. and will rank equally with all of its other existing and future senior unsecured indebtedness. The notes will be guaranteed by our wholly-owned subsidiary, Philip Morris USA Inc. The guarantee will rank equally with all of Philip Morris USA Inc.'s existing and future senior unsecured indebtedness and guarantees from time to time outstanding. The notes will be denominated in U.S. dollars and issued only in denominations of \$2,000 and integral multiples of \$1,000.

Investing in the notes involves risks. See Risk Factors beginning on page S-7 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the attached prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Public Offering Price (1)		Underwriting Discount		Proceeds to Us (before expenses) (1)	
	Per Note	Total	Per Note	Total	Per Note	Total
4.125% Notes due 2015	104.868%	\$ 209,736,000	0.600%	\$ 1,200,000	104.268%	\$ 208,536,000

(1) Plus accrued interest from June 11, 2010, the date of original issuance of the \$800,000,000 aggregate principal amount of our 4.125% Notes due 2015, to the date of issuance of the notes offered hereby, which is expected to be August 5, 2010.

The underwriters expect to deliver the notes through the facilities of The Depository Trust Company, including its participants Clearstream Banking, *société anonyme*, or Euroclear Bank S.A./N.V., as operator of the Euroclear System, against payment in New York, New York on or about August 5, 2010.

Joint Book-Running Managers

Barclays Capital

Credit Suisse

Deutsche Bank Securities

Co-Managers

CastleOak Securities, L.P.

Citi

Goldman, Sachs & Co.

HSBC

J.P. Morgan

Morgan Stanley

RBS

Santander

Scotia Capital

The Williams Capital Group, L.P.

Prospectus Supplement dated August 2, 2010

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We have not, and the underwriters have not, authorized anyone to provide you with any information other than that contained or incorporated by reference in this prospectus supplement, any related free writing prospectus and the attached prospectus. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. If the information varies between this prospectus supplement and the attached prospectus, the information in this prospectus supplement supersedes the information in the attached prospectus. We are not making an offer of these securities in any jurisdiction where the offer or sale is not permitted. Neither the delivery of this prospectus supplement, any related free writing prospectus or the attached prospectus, nor any sale made hereunder and thereunder, shall under any circumstances create any implication that there has been no change in our affairs since the date of this prospectus supplement, any related free writing prospectus or the attached prospectus, regardless of the time of delivery of such document or any sale of securities offered hereby or thereby, or that the information contained or incorporated by reference herein or therein is correct as of any time subsequent to the date of such information.

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The distribution of this prospectus supplement and the attached prospectus and the offering or sale of the notes in some jurisdictions may be restricted by law. The notes are offered globally for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers. Persons into whose possession this prospectus supplement and the attached prospectus come are required by us and the underwriters to inform themselves about, and to observe, any applicable restrictions. This prospectus supplement and the attached prospectus may not be used for or in connection with an offer or solicitation by any person in any jurisdiction in which that offer or solicitation is not authorized or to any person to whom it is unlawful to make that offer or solicitation. See *Offering Restrictions* in this prospectus supplement.

Notice to Prospective Investors in the European Economic Area

This prospectus supplement and the attached prospectus have been prepared on the basis that any offer of notes in any Member State of the European Economic Area (the "EEA") that has implemented the Prospectus Directive (2003/71/EC) (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to produce a prospectus for offers of notes. Accordingly, any person making or intending to make any offer of notes within the EEA may only do so in circumstances in which no obligation arises for us or any of the underwriters to produce a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the underwriters have authorized, nor do we or they authorize, the making of any offer of notes in circumstances in which an obligation arises for us or the underwriters to publish a prospectus for such offer.

Notice to Prospective Investors in the United Kingdom

This prospectus supplement and attached prospectus are only being distributed to, and are only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive and that are also (1) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (2) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (each such person being referred to as a "Relevant Person"). This prospectus supplement and attached prospectus and their contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this prospectus supplement and/or attached prospectus or any of their contents.

This prospectus supplement and attached prospectus have not been approved for the purposes of Section 21 of the UK Financial Services and Markets Act 2000 ("FSMA") by a person authorized under FSMA. This prospectus supplement and the attached prospectus are being distributed and communicated to persons in the United Kingdom only in circumstances in which Section 21(1) of FSMA does not apply.

The notes are not being offered or sold to any person in the United Kingdom except in circumstances which will not result in an offer of securities to the public in the United Kingdom within the meaning of Part VI of FSMA.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement contains the terms of this offering of notes. This prospectus supplement, or the information incorporated by reference, may add, update or change information in the attached prospectus. If information in this prospectus supplement, or the information incorporated by reference in this prospectus supplement, is inconsistent with the attached prospectus, this prospectus supplement, or the information incorporated by reference in this prospectus supplement, will apply and will supersede that information in the attached prospectus.

It is important for you to read and consider all information contained in this prospectus supplement, the attached prospectus and any related free writing prospectus in making your investment decision. You should also read and consider the information in the documents we have referred you to under **Documents Incorporated by Reference** in this prospectus supplement and under **Where You Can Find More Information** in the attached prospectus.

Trademarks and servicemarks in this prospectus supplement and the attached prospectus appear in bold italic type and are the property of or licensed by our subsidiaries.

References in this prospectus to **Altria**, the company, **we**, **us** and **our** refer to Altria Group, Inc. and its subsidiaries, unless otherwise specified unless otherwise required. References to **PM USA** refer to Philip Morris USA Inc., a wholly-owned subsidiary of Altria.

References in this prospectus supplement to **\$**, **dollars** and **U.S. dollars** are to United States dollars, and all financial data included or incorporated by reference in this prospectus supplement have been presented in accordance with accounting principles generally accepted in the United States of America.

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FORWARD-LOOKING AND CAUTIONARY STATEMENTS

Some of the information included or incorporated by reference in this prospectus supplement and the attached prospectus contains forward-looking statements. You can identify these forward-looking statements by the use of words such as strategy, expects, continues, plans, anticipates, believes, will, estimates, intends, projects, goals, targets and other words of similar meaning. You can also identify them that they do not relate strictly to historical or current facts.

We cannot guarantee that any forward-looking statement will be realized, although we believe we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements and whether to invest in the notes. In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, we have identified important factors in this prospectus supplement and in the documents incorporated by reference that, individually or in the aggregate, could cause actual results and outcomes to differ materially from those contained in any forward-looking statements made by us; any such statement is qualified by reference to these cautionary statements. We elaborate on these and other risks in this prospectus supplement and the documents incorporated by reference. You should understand that it is not possible to predict or identify all risk factors. Consequently, you should not consider the risks discussed in the prospectus supplement and the documents incorporated by reference to be a complete discussion of all potential risks or uncertainties. We do not undertake to update any forward-looking statement that we may make from time to time, except in the normal course of our public disclosure obligations.

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SUMMARY

The Company

We are a Virginia holding company incorporated in 1985. Our wholly-owned subsidiaries include Philip Morris USA Inc., or PM USA, UST LLC, or UST, John Middleton Co., or Middleton, and Philip Morris Capital Corporation, or PMCC. PM USA, which is engaged in the manufacture and sale of cigarettes and certain smokeless products, is the largest cigarette company in the United States. *Marlboro*, the principal cigarette brand of PM USA, is the largest selling cigarette brand in the United States. U.S. Smokeless Tobacco Company LLC, or USSTC, a wholly-owned subsidiary of UST, is the leading producer and marketer of moist smokeless tobacco products, including the premium brands *Copenhagen* and *Skoal* and the value brands *Red Seal* and *Husky*. Middleton is a manufacturer of machine-made large cigars and pipe tobacco. *Black & Mild*, the principal cigar brand of Middleton, is the second largest selling machine-made large cigar in the United States. Ste. Michelle Wine Estates Ltd., or Ste. Michelle, a wholly-owned subsidiary of UST, is a leading producer of Washington State wines, primarily *Chateau Ste. Michelle* and *Columbia Crest*, and owns wineries in or distributes wine from several other wine regions. PMCC maintains a portfolio of leveraged and direct finance leases. In addition, we held a 27.2% economic and voting interest in SABMiller plc at June 30, 2010.

Our principal executive offices are located at 6601 West Broad Street, Richmond, Virginia 23230, our telephone number is (804) 274-2200 and our website is www.altria.com. The information contained in, or that can be accessed through, our website is not a part of this prospectus supplement.

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The Offering

*The following summary contains basic information about the notes and is not intended to be complete. It does not contain all the information that is important to you. For a more detailed description of the notes and the subsidiary guarantee, please refer to the section entitled *Description of Notes* in this prospectus supplement and the sections entitled *Description of Debt Securities* and *Description of Guarantees of Debt Securities* in the attached prospectus.*

Issuer	Altria Group, Inc.
Securities Offered	\$200,000,000 principal amount of 4.125% notes due 2015, maturing September 11, 2015. The notes will be a further issuance of, be fully fungible with, rank equally in right of payment with and form a single series with the \$800,000,000 principal amount of 4.125% Notes due 2015 initially issued by us on June 11, 2010.
Interest Rates	The notes will bear interest from June 11, 2010 at the rate of 4.125% per annum.
Interest Payment Dates	March 11 and September 11 of each year, beginning on March 11, 2011.
Ranking	<p>The notes will be our senior unsecured obligations. Accordingly, they will rank:</p> <p>equal in right of payment to all of our existing and future senior unsecured indebtedness;</p> <p>effectively subordinate to all of our future secured indebtedness, if any, to the extent of the value of the assets securing that indebtedness;</p> <p>effectively subordinate to all existing and future indebtedness and other liabilities of our non-guarantor subsidiaries, if any (other than indebtedness and liabilities owed to us); and</p> <p>senior in right of payment to all of our future subordinated indebtedness, if any.</p>
Subsidiary Guarantee	<p>The notes will be guaranteed on a senior unsecured basis by our wholly-owned subsidiary, PM USA. The guarantee will rank:</p> <p>equal in right of payment to all of PM USA's existing and future senior unsecured indebtedness and guarantees;</p> <p>effectively subordinate to all of PM USA's future secured indebtedness, if any, to the extent of the value of the assets securing such indebtedness; and</p>

senior in right of payment to all of PM USA's future subordinated indebtedness, if any.

Under certain circumstances, PM USA's guarantee of the notes will be released. See Risk Factors Risks Related to the Offering Under certain circumstances, PM USA's guarantee of the notes will be released.

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Repurchase at the Option of Holders Upon Change of Control Triggering Event If a change of control triggering event (as defined in Description of Notes Repurchase Upon Change of Control Triggering Event) occurs, we will be required to make an offer to purchase the notes at a purchase price of 101% of the aggregate principal amount of the notes, plus accrued and unpaid interest, if any, to the date of repurchase. See Description of Notes Repurchase Upon Change of Control Triggering Event.

Optional Tax Redemption We may redeem all, but not part, of the notes upon the occurrence of specified tax events described under Description of Notes Redemption for Tax Reasons.

Covenants We will issue the notes under an indenture containing covenants that restrict our ability, with significant exceptions, to:

incur debt secured by liens; and

engage in sale and leaseback transactions.

Use of Proceeds We will receive net proceeds (before expenses) from this offering of approximately \$208,536,000, plus accrued interest from June 11, 2010, the date of original issuance of the \$800,000,000 aggregate principal amount of our 4.125% Notes due 2015, to the date of issuance of the notes offered hereby, which is expected to be August 5, 2010. We intend to add the net proceeds to our general funds, which may be used:

to meet our working capital requirements;

to refinance debt; or

for general corporate purposes.

If we do not use the net proceeds immediately, we will temporarily invest them in short-term, interest-bearing investments.

Additional Notes Upon completion of this offering, \$1,000,000,000 aggregate principal amount of our 4.125% Notes due 2015 will be outstanding. We may, without notice to or consent of the holders or beneficial owners of our 4.125% Notes due 2015, issue in a separate offering additional notes, as we are doing in this offering, having the same ranking, interest rate, maturity and other terms as our 4.125% Notes due 2015. The notes offered hereby, the 4.125% Notes due 2015 issued on June 11, 2010 and any such additional notes will constitute a single series of notes under the indenture.

No Listing We do not intend to list the notes on any securities exchange or to include them in any automated quotation system.

Clearance and Settlement

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The notes will be cleared through The Depository Trust Company, or DTC, including its participants Clearstream Banking, *société anonyme*, or Clearstream, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, or Euroclear.

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Governing Law	State of New York.
Risk Factors	Investing in the notes involves risks. See Risk Factors beginning on page S-7 for a discussion of the factors you should consider carefully before deciding to invest in the notes.
Trustee	Deutsche Bank Trust Company Americas.

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RISK FACTORS

An investment in the notes involves risks, including risks inherent in our business. You should carefully consider the following factors as well as other information contained or incorporated by reference in this prospectus supplement before deciding to invest in the notes, including the factors listed under "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2009 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2010 and June 30, 2010, which Annual Report on Form 10-K and Quarterly Reports on Form 10-Q are incorporated by reference in this prospectus supplement.

Risks Related to the Offering

Under certain circumstances, PM USA's guarantee of the notes will be released.

PM USA's guarantee of the notes will be released upon the earliest to occur of:

the date, if any, on which PM USA consolidates with or merges into us or any successor of us;

the date, if any, on which we or any successor consolidates with or merges into PM USA;

payment in full of the notes; or

the rating of our long-term senior unsecured debt by S&P of A or higher.

If PM USA is released from its guarantee of the notes, it will have no obligation to pay any amounts due on the notes or to provide us with funds for the payment of our obligations. In addition, as described under "Description of Guarantees of Debt Securities Amendment" in the attached prospectus, the guarantee may be amended with the approval of the holders of more than 50% in aggregate principal amount of the notes.

In the event of the release of PM USA's guarantee, our right, as an equity holder of PM USA, to receive any assets of such subsidiary upon its liquidation or reorganization, and therefore the right of the holders of the notes to participate in those assets, will be effectively subordinated to the claims of PM USA's creditors, including trade creditors.

Federal and state statutes allow courts, under specific circumstances, to void guarantees and require noteholders to return payments received from PM USA.

Under applicable provisions of federal bankruptcy law or comparable provisions of state fraudulent transfer law, PM USA's guarantee could be voided, or claims in respect of PM USA's guarantee could be subordinated to the debts of PM USA, if, among other things, PM USA, at the time it incurred the obligation evidenced by its guarantee:

received less than reasonably equivalent value or fair consideration therefor; and

either:

was insolvent or rendered insolvent by reason of such occurrence;

was engaged in a business or transaction for which the assets of PM USA constituted unreasonably small capital; or

intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature. In addition, under such circumstances, the payment of amounts by PM USA pursuant to its guarantee could be voided and required to be returned to PM USA, or to a fund for the benefit of PM USA, as the case may be.

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The measures of insolvency for purposes of the foregoing considerations will vary depending upon the law applied in any proceeding with respect to the foregoing. Generally, however, PM USA would be considered insolvent if:

the sum of its debts, including contingent liabilities, was greater than the saleable value of its assets, all at a fair valuation;
the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

To the extent PM USA's guarantee is voided as a fraudulent conveyance or held unenforceable for any other reason, the holders of the notes would not have any claim against PM USA and would be creditors solely of us.

The notes and the guarantee will be effectively junior to secured indebtedness that we or PM USA may issue in the future.

The notes and the guarantee are unsecured. Holders of any secured debt that we or PM USA may issue in the future may foreclose on the assets securing such debt, reducing the cash flow from the foreclosed property available for payment of unsecured debt, including the notes. Holders of our or PM USA's secured debt also would have priority over unsecured creditors in the event of our bankruptcy, liquidation or similar proceeding. As a result, the notes will be effectively junior to any secured debt that we may issue in the future and the guarantee will be effectively junior to any secured debt that PM USA may issue in the future.

We may not be able to repurchase all of the notes upon a change of control repurchase event.

As described under Description of Notes Repurchase Upon Change of Control Triggering Event, we will be required to make an offer to purchase the notes upon the occurrence of a change of control triggering event. We may not have sufficient funds to repurchase the notes in cash at that time or have the ability to arrange necessary financing on acceptable terms. In addition, the terms of our other debt agreements or applicable law may limit our ability to repurchase the notes for cash.

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USE OF PROCEEDS

We will receive net proceeds (before expenses) from this offering of approximately \$208,536,000, plus accrued interest from June 11, 2010, the date of original issuance of the \$800,000,000 aggregate principal amount of our 4.125% Notes due 2015, to the date of issuance of the notes offered hereby, which is expected to be August 5, 2010. We intend to add the net proceeds to our general funds, which may be used:

to meet our working capital requirements;

to refinance debt; or

for general corporate purposes.

If we do not use the net proceeds immediately, we will temporarily invest them in short-term, interest-bearing investments.

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The following table sets forth our historical ratios of earnings available for fixed charges to fixed charges for the periods indicated. Earnings available for fixed charges represent earnings from continuing operations before income taxes, including interest capitalized and distributed income of our less than 50% owned affiliates, but excluding fixed charges, amortization of capitalized interest and undistributed earnings of our less than 50% owned affiliates. Fixed charges represent interest expense, amortization of debt discount and expenses, and capitalized interest, plus that portion of rental expense estimated to be the equivalent of interest. This information should be read in conjunction with the consolidated financial statements and related notes incorporated by reference in this prospectus supplement.

	Six Months Ended		Year Ended December 31,			
	June 30, 2010	2009	2008	2007	2006	2005
Ratios of earnings to fixed charges(a)	5.1	4.6	9.6(b)	5.9(b)	3.8(b)	3.0(b)

- (a) We include interest relating to uncertain tax positions in our provision for income taxes. Therefore, such amounts are not included in fixed charges in the computation.
- (b) On March 28, 2008, we distributed all of our interest in Philip Morris International Inc., or PMI, to our stockholders. On March 30, 2007, we completed the spin-off of our remaining interests in Kraft Foods Inc., or Kraft, to our stockholders. Following the PMI spin-off and the Kraft spin-off, we do not own any shares of PMI stock or Kraft stock. Computation includes interest incurred and the portion of rent expense deemed to represent the interest factor from the discontinued operations of PMI and Kraft in fixed charges. Excluding these amounts from fixed charges, the ratio of earnings to fixed charges from continuing operations would have been 12.5, 9.5, 7.6 and 5.7 for the years ended December 31, 2008, 2007, 2006 and 2005, respectively.

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The following tables present our selected historical financial data that have been derived from, and are qualified in their entirety by reference to, our historical consolidated financial statements and related notes. You should read the following tables along with our historical consolidated financial statements and related notes, as well as the sections entitled Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2009 and in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2010 and June 30, 2010, which we have incorporated by reference in this prospectus supplement. The financial data as of June 30, 2010 and for the six months ended June 30, 2010 and 2009 include all adjustments, consisting of normal recurring accruals, that we consider necessary for a fair presentation of our results of operations for those periods. Interim results are not necessarily indicative of full-year results.

	Six Months Ended		Year Ended	
	June 30, 2010	2009(1)	2009(1)(2)	December 31, 2008(3)
	(in millions)			
Statement of Earnings Data:				
Net revenues	\$ 12,034	\$ 11,242	\$ 23,556	\$ 19,356
Cost of sales	3,834	3,908	7,990	8,270
Excise taxes on products	3,742	2,836	6,732	3,399
Gross profit	4,458	4,498	8,834	7,687
Marketing, administration and research costs	1,292	1,455	2,843	2,753
Reduction of Kraft Foods Inc. and Philip Morris International Inc. tax-related receivables	169		88	
Asset impairment and exit costs	28	166	421	449
Gain on sale of corporate headquarters building				(404)
Amortization of intangibles	10	9	20	7
Operating income	2,959	2,868	5,462	4,882
Interest and other debt expense, net	577	623	1,185	167
Loss on early extinguishment of debt				393
Earnings from equity investment in SABMiller	(251)	(323)	(600)	(467)
Earnings from continuing operations before income taxes	2,633	2,568	4,877	4,789
Provision for income taxes	777	968	1,669	1,699
Earnings from continuing operations	1,856	1,600	3,208	3,090
Earnings from discontinued operations, net of income taxes				1,901
Net earnings	1,856	1,600	3,208	4,991
Net earnings attributable to noncontrolling interests				