Kraft Foods

CAGNY Conference

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Chairman and
Chief Executive Officer,
Kraft Foods

Forward-looking statements

This slide presentation contains a number of forward-looking statements. Words such as "expects," "goals," "plans," "believes," "continues," "may," "will," and variations of such words, and similar expressions, are intended to identify forward-looking statements. In addition, this presentation contains forward-looking statements, including but not limited to statements regarding our beliefs that we are returning to long-term, sustainable growth; our targets for organic revenue growth, manufacturing, overhead leverage, cash flow leverage and tax rate, and long-term EPS growth of 7%-9%; we are exiting our turnaround with strong operating momentum; improved brand equity enabled management of input cost was the necessary step to restoring our profit margins; more of our productivity can now drop to the bottom line; we are improving volume/mix despite significant headwinds; weakening consumption trends around the world; discontinuing less profitable product lines; we are walking away from unprofitable volume; we are growing margins while reinvesting in future growth; we are driving progress in every geographic region: North America, Europe and developing markets; the U.S. share trends are improving and we expect further progress in 2010; our 5-10-10 focus continues to pay off; we are delivering high quality earnings growth; operating gains are fueling EPS growth; we are generating strong free cash flow; our turnaround strategies of rewiring for growth, reframing categories, exploiting sales capabilities and balancing cost and quality are now delivering sustainable, profitable growth; the flywheel is now turning: we are setting growth objectives off a solid base, managing input costs by maintaining strong brand equities, focusing and prioritizing investments to drive volume/mix gains, leveraging scale while driving down overhead costs, and reinvesting a portion of the upside to drive future growth; our belief that base business has not reached its full potential; we are focused on driving further improvement in volume/mix; we are executing significant productivity and overhead programs; the time is right to further accelerate our transformation; we have prepared our organization to execute with excellence; we are pursuing growth from a position of strength; we are leveraging strong financial momentum; Kraft Foods and Cadbury are a global powerhouse; the new Kraft Foods will drive strong organic growth and margins; confectionery and snacks will now make up the majority of our portfolio; we go to market with billion-dollar brands in every consumer segment in which we compete; 80% of our revenues are from number 1 share positions; combined with Cadbury more than half our business is now outside North America; Kraft Foods' and Cadbury's highly complementary footprint will grow our brands in key developing markets; our estimated combined net revenues; we will benefit from complementary strengths in sales and distribution; we will leverage our position as the global sweet snacks leader; we can drive top-tier organic revenue growth going forward; our long-term revenue growth targets; on the cost side, we will access the benefits of our significant global scale; greater scale should lead to meaningful cost savings; we have a strong start from completing existing Kraft Foods and Cadbury programs; we are targeting at least $675 million of additional, annual pre-tax cost savings; we expect to achieve run-rate savings by the end of 2012; the total one-off implementation costs are estimated at $1.3 billion; a strong pipeline of cost savings initiatives target accelerated margin expansion; we are driving productivity savings through greater scale; we are leveraging overhead costs of further expand margins; we are funding higher A&C as a percent of net revenue, increased investments in Sales and R&D; our long-term target of operating income margin; we are well positioned for sustainable, profitable, top-tier growth; we are driving high quality organic revenue growth, we are executing strong pipeline of cost-savings initiatives; we are increasing investment in Sales, R&D and A&C; our targets for organic revenue growth, profit margins, and EPS growth; our tender offer update; our existing capital structure including targeting ongoing debt-to-EBITA ratio of ~3 times within 18-24 months ; our bridge facility to be refinanced through cash generation, and sale of pizza business; the final terms demonstrated financial discipline well within the stated criteria of cash EPS accretion by the second year, IRR well in excess of cost of capital, maintaining our investment grade and our dividend per share; we will adopt the Kraft Foods platform for back room systems and processes, best practice from either company for front room activities, and we will choose the best person for the right role; in the integration, we will be guided by six practical principles of maintaining business momentum, following the money, capturing "best of both," treating people fairly and with respect, moving quickly and communicating; our timeline for senior management recommendations; we are still limited in our ability to issue earnings guidance; it is still early in the integration process; we are verifying our initial assumptions regarding synergies and evaluating Cadbury's existing operating plans and financial statements; we expect to issue 2010 earnings guidance, 2011 outlook at the time of Q1 2010 results in May; our summary of the financial highlights of the presentation; the combination of Kraft Foods and Cadbury promises to deliver substantial value for Kraft Foods shareholders and creates a top-tier performer in the global food industry, with long-term targets of organic revenue growth of 5%+ and long-term EPS growth of 9%-11%; and near-term targets of approximately $0.05 accretive to EPS in 2011 and mid-term IRR. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from those indicated in any such forward-looking statements. Such factors, include, but are not limited to, continued volatility of input costs, pricing actions, increased competition, our ability to differentiate our products from retailer brands, unanticipated expenses in connection with litigation, settlement of legal disputes, regulatory investigations or enforcement actions, our indebtedness and ability to pay our indebtedness, the shift in consumer preference to lower priced products, risks from operating outside the U.S., tax law changes, failure to realize the expected benefits of the combination, significant transaction costs and/or unknown liabilities and general economic and business conditions that affect the combined companies following the combination. For additional information on these and other factors that could affect our forward-looking statements, see the risk factors, as they may be amended from time to time, set forth in our filings with the U.S. Securities and Exchange Commission (the "SEC"), including our registration statement on Form S-4, as amended from time to time, filed in connection with the offer, our most recently filed Annual Report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this slide presentation, except as required by applicable law or regulation.

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Additional information

Additional U.S.–Related Information

This slide presentation is provided for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell shares of Cadbury or Kraft Foods. We have filed a registration statement and tender offer documents, including subsequent amendments, and Cadbury has filed a solicitation/recommendation statement on Schedule 14D-9, including subsequent amendments, with the SEC in connection with the recommended offer. **Cadbury shareholders who are U.S. or Canadian residents and holders of Cadbury American Depositary Shares (ADSs), wherever located, should read those filings, and any other filings made by us and Cadbury with the SEC in connection with the recommended offer, as they contain important information.** Those documents, as well as our other public filings with the SEC, may be obtained without charge at the SEC's website at www.sec.gov and at our website at www.kraftfoodscompany.com.

Additional EU-Related Information

This slide presentation is not a prospectus for the purposes of the EU Prospectus Directive. Cadbury shareholders or Cadbury ADS holders in the EU should not tender their Cadbury shares to any offer by Kraft Foods for Cadbury except on the basis of information in the prospectus published pursuant to the EU Prospectus Directive on Kraft Foods' website (as supplemented from time to time).

No Profit Forecast

Nothing in this slide presentation is intended to be a profit forecast and the statements in this presentation should not be interpreted to mean that the earnings per Kraft Foods share for the current or any future financial period will necessarily be greater than those for any relevant preceding financial period.

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Agenda

- Completing Our Turnaround
- Kraft Foods + Cadbury: A Global Powerhouse
- Transaction Update

Three years ago, we laid out our plan to return to long-term, sustainable growth

- 2007: Rejuvenate top-line growth
- 2008: Grow both top and bottom lines
- 2009: Build profit margins and market share

Organic Revenue Growth Target	4%+
Manufacturing, Overhead Leverage	2-3pp
Cash Flow Leverage & Tax Rate	1-2pp
Long-Term EPS Growth Target	**7-9%**

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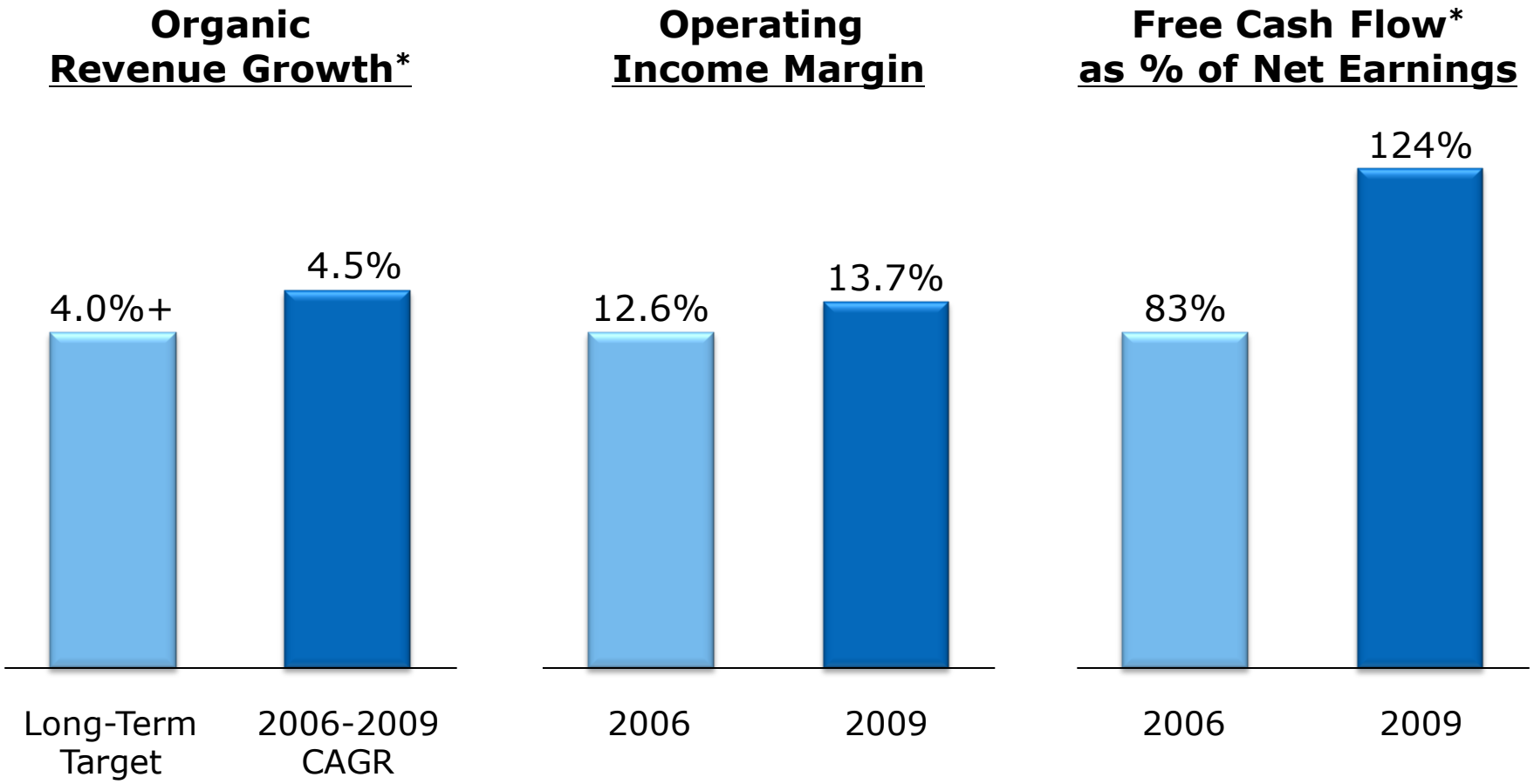
Focusing on three simple metrics has driven our turnaround



* See GAAP to Non-GAAP reconciliation at the end of this presentation.

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In 2009, we exited our turnaround with strong operating momentum

- Managing input costs through improved brand equity
  - Invested more than $500 million from 2007 to improve product quality
  - Two-thirds of our products now preferred to competition versus 44% in 2006
  - Improved alignment of price levels and input costs

Necessary step to restoring profit margins

More productivity can now drop to the bottom line

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In 2009, we exited our turnaround with strong operating momentum

- Managing input costs through improved brand equity
- Improving volume/mix despite significant headwinds
  - Weakening consumption trends around the world
    - High unemployment, fear of unemployment in North America
    - Rising unemployment in Western, Eastern Europe
    - Below trend consumption in Asia, Latin America
  - Discontinuing less profitable product lines
  - Walking away from unprofitable volume

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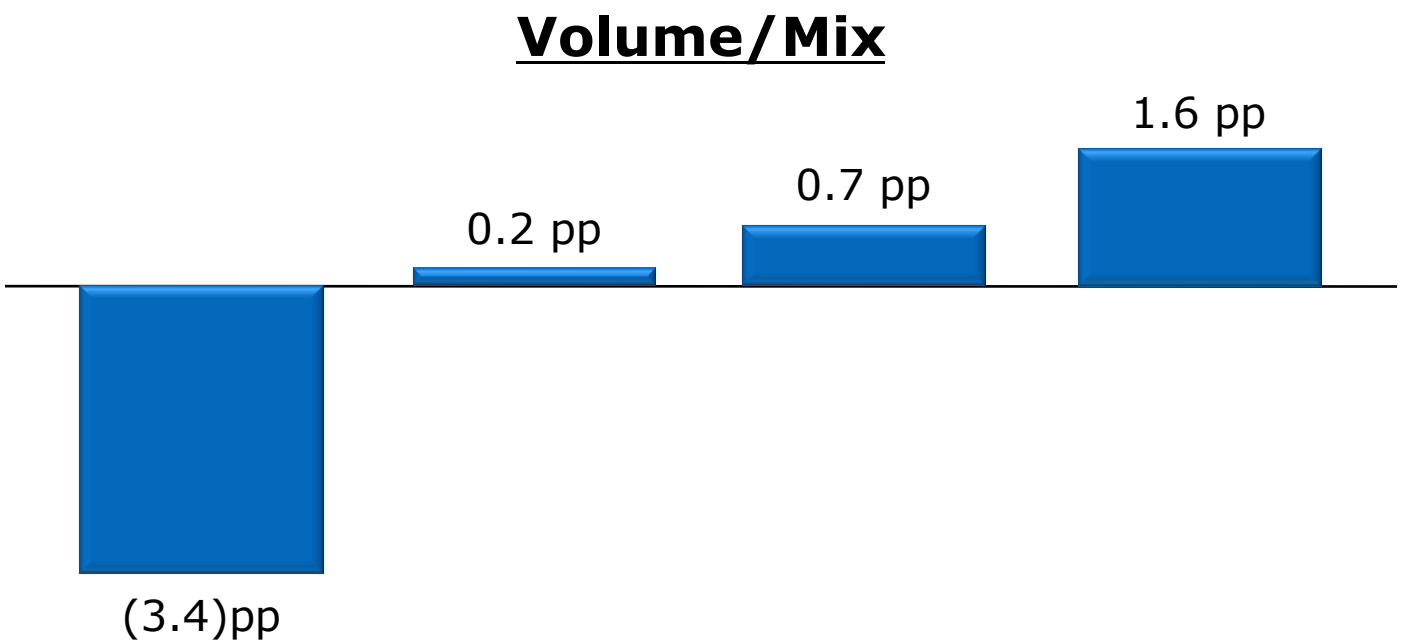
Sequential improvement in volume/mix every quarter, despite headwinds



	Q1'09	Q2'09	Q3'09	Q4'09
Including				
Product line discontinuations	~(0.8)pp	~(1.0)pp	~(0.8)pp	~(0.4)pp
Easter Shift	~(0.8)pp	~0.8 pp		

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In 2009, we exited our turnaround with strong operating momentum

- Managing input costs through improved brand equity
- Improving volume/mix despite significant headwinds
- Growing margins while reinvesting in future growth
  - Increased A&C to 7.2% of Net Revenue in 2009, up from 6.7% in 2008
  - Accelerated cost savings initiatives to more than $300 million in 2009

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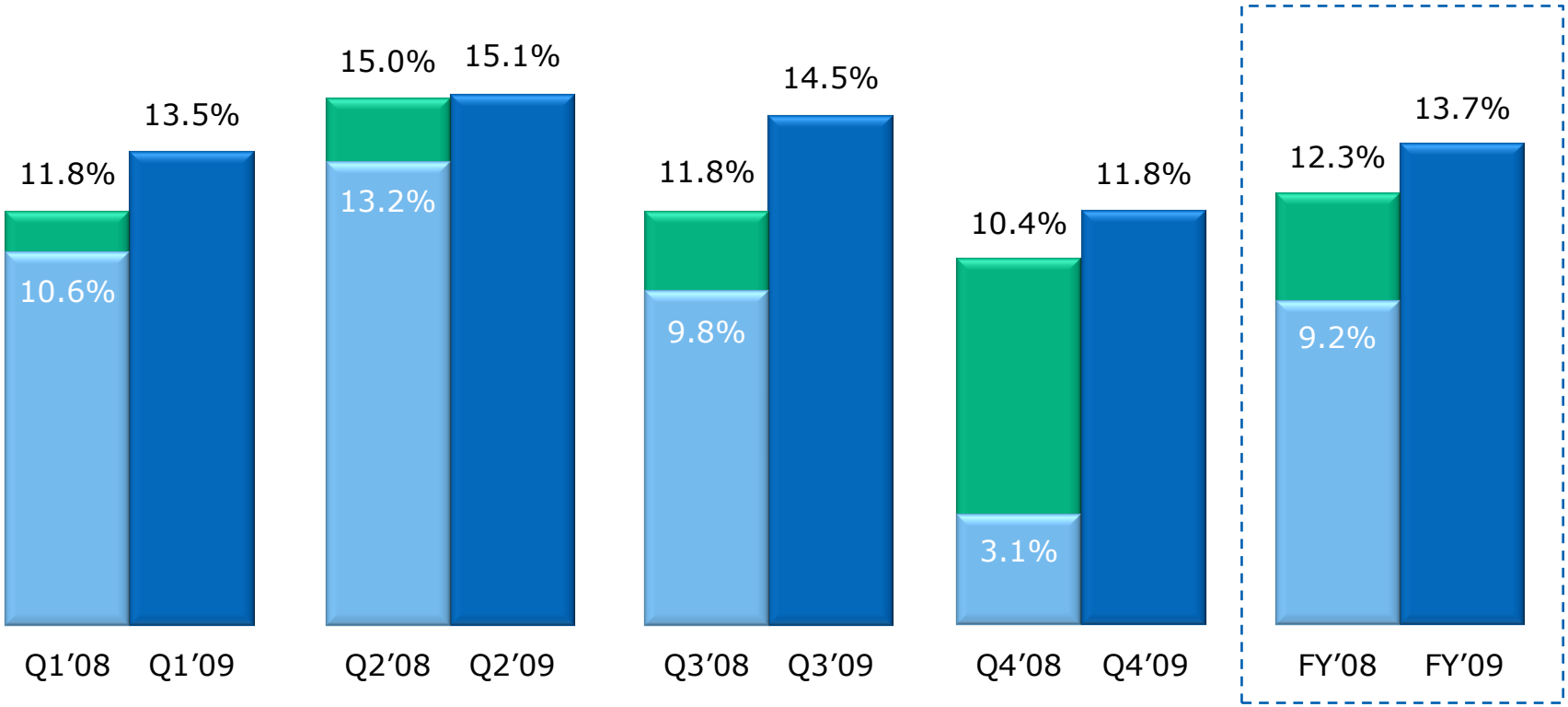
Operating margin improvement in every quarter of 2009

Operating Income Margin



Reflects operating income margins excluding items in Q1, Q2, Q3, Q4 and FY 2008. See GAAP to Non-GAAP Reconciliation at the end of this presentation.

Reflects reported operating income margins in Q1, Q2, Q3, Q4 and FY 2008.

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In 2009, we exited our turnaround with strong operating momentum

- Managing input costs through improved brand equity
- Improving volume/mix despite significant headwinds
- Growing margins while reinvesting in future growth
- Driving progress in every geographic region

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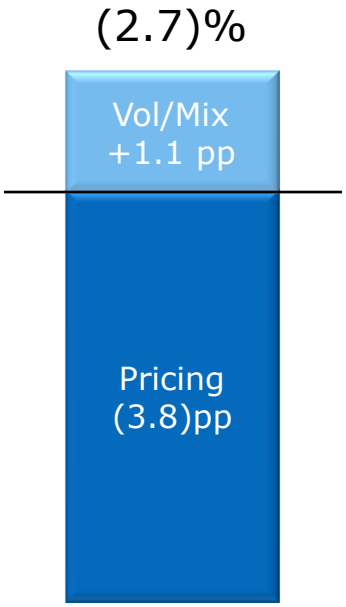
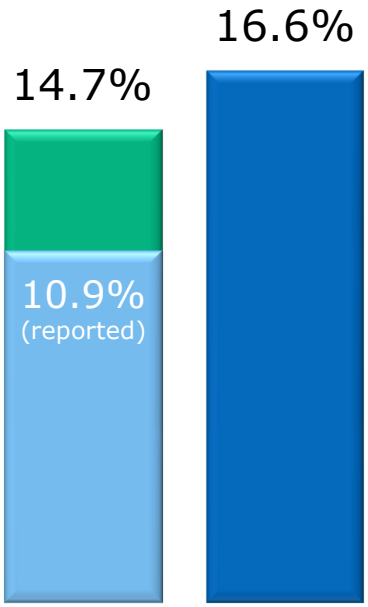
Kraft Foods North America: Q4

Organic Net Revenue Growth*



Segment Operating Income Margin



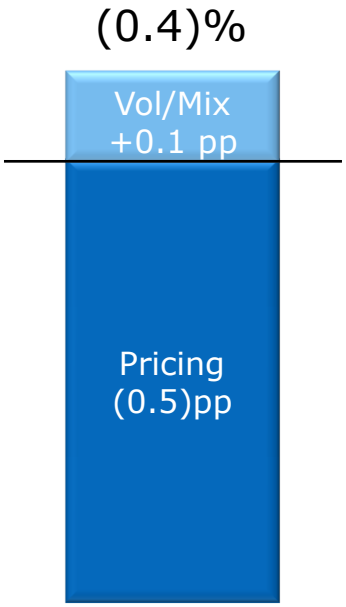
- Pricing reflects lower input costs
  - ~(2.6)pp impact from dairy
- Priority categories drove vol/mix
- Vol/mix growth tempered by…
  - Optimizing natural cheese
  - Decision to not chase promotional activity in coffee, nuts
  - Lower merchandising levels for non-core biscuit brands
- Margin gains driven by improved alignment of costs and pricing
  - Investments in cost savings initiatives
  - A&C up double digits vs Q4'08

Reflects segment operating income margin excluding items. See GAAP to Non-GAAP reconciliation at the end of this presentation.

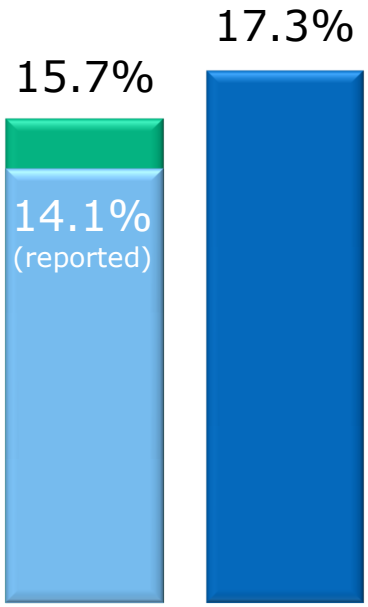
* Reported Net Revenue declined (1.5)%. See GAAP to Non-GAAP reconciliation at the end of this presentation.

Kraft Foods North America: 2009

Organic Net Revenue Growth*



Segment Operating Income Margin



- Effectively managed transition to vol/mix driven growth from price based growth
  - ~(1.6)pp impact from dairy pricing
- Priority categories fueled vol/mix gains
  - Fully lapped product line discontinuations in Q4
- Margin gains driven by improved alignment of costs and pricing
  - Gains partially offset by investments in cost savings initiatives and marketing

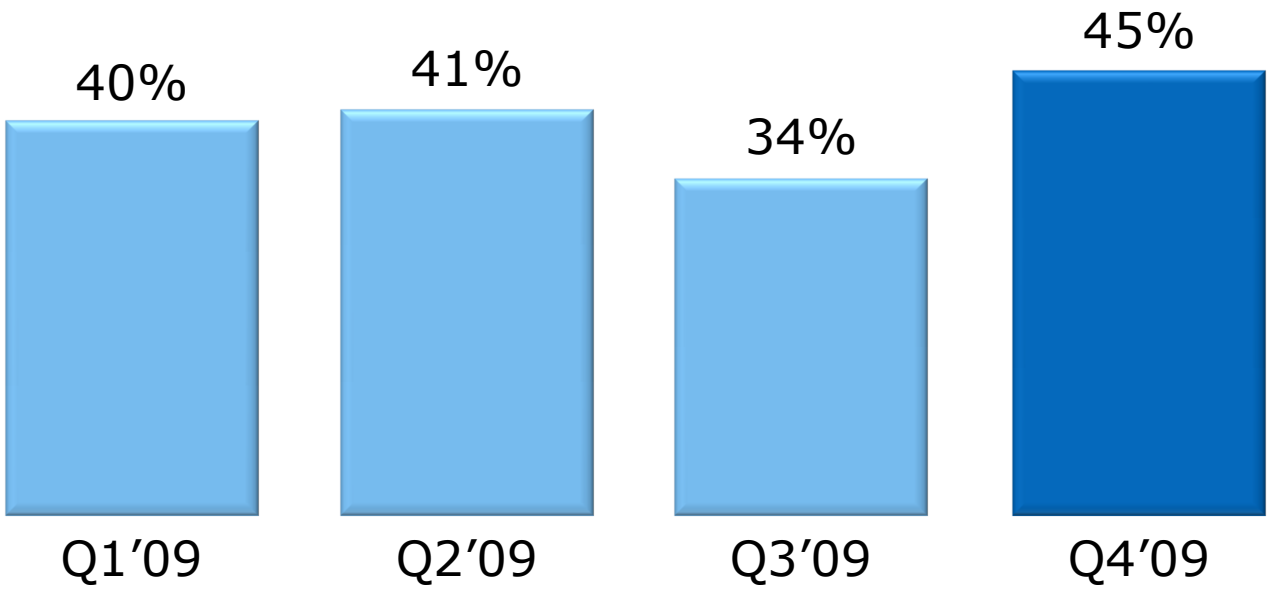
Reflects segment operating income margin excluding items. See GAAP to Non-GAAP reconciliation at the end of this presentation.

* Reported Net Revenue declined (1.2)%. See GAAP to Non-GAAP reconciliation at the end of this presentation.

U.S. share trends improving

- Expect further progress in 2010

Percent of U.S. retail revenue gaining/holding share



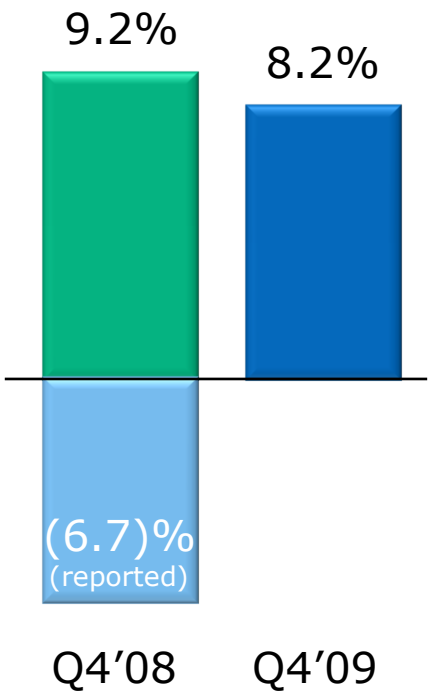
Latest 52 Weeks

Source: 4-Outlet data; The Nielsen Company

Kraft Foods Europe: Q4

Organic Net Revenue Growth*

Segment Operating Income Margin



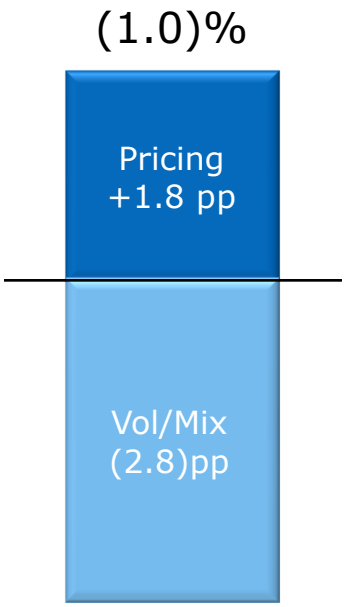
- Vol/mix negatively impacted by ~(2.0)pp due to decision to forego unprofitable volume as well as the discontinuation of product lines
- Economic slowdown continued to negatively impact consumption
- Solid market share performance behind investments in focus brands
- Margin performance reflected investments in cost savings and increased marketing
  - 90 bps benefit from improved vol/mix

Reflects segment operating income margin excluding items. See GAAP to Non-GAAP reconciliation at the end of this presentation.

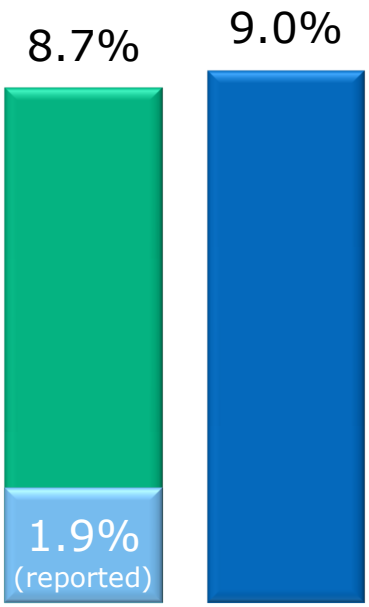
* Reported Net Revenue growth was 8.0%. See GAAP to Non-GAAP reconciliation at the end of this presentation.

Kraft Foods Europe: 2009

Organic Net Revenue Growth*



Segment Operating Income Margin

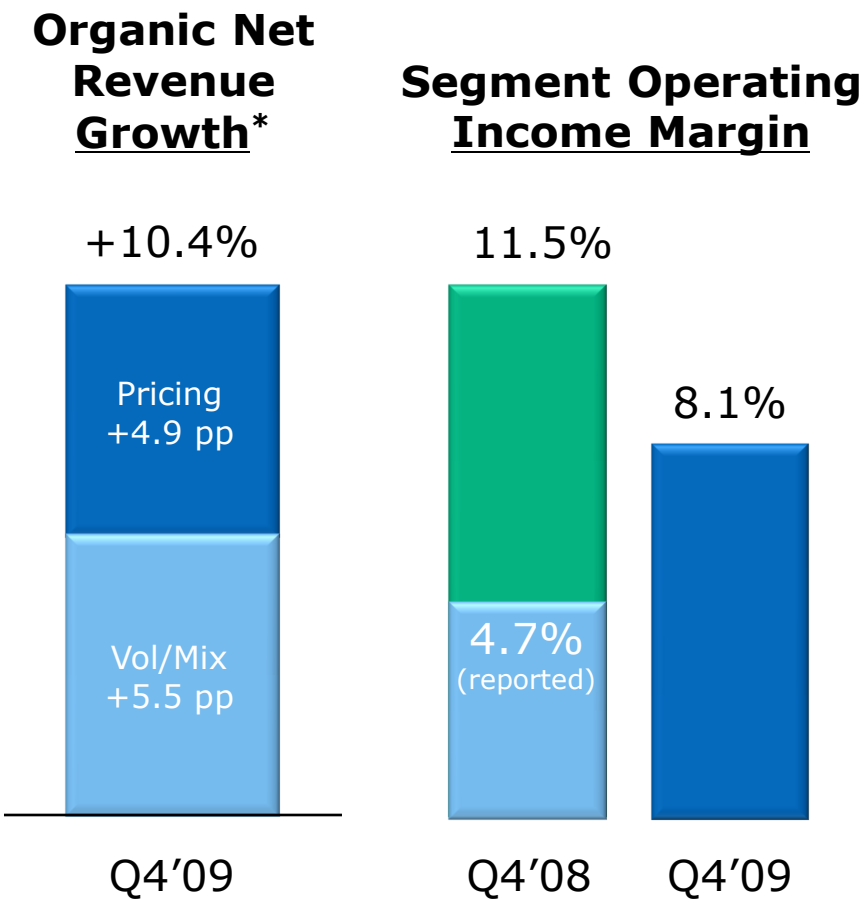


- Solid results in an eventful year
  - Shift to category-led structure
  - Integration of LU biscuits
  - Managing through recession
- Vol/mix negatively impacted by ~(1.8)pp due to decision to forego unprofitable volume as well as the discontinuation of product lines
- Solid market share performances in chocolate, coffee and cheese
- Margin expansion from better alignment of costs and prices, improved product mix

Reflects segment operating income margin excluding items. See GAAP to Non-GAAP reconciliation at the end of this presentation.

* Reported Net Revenue declined (9.9)%. See GAAP to Non-GAAP reconciliation at the end of this presentation.

Kraft Foods Developing Markets: Q4



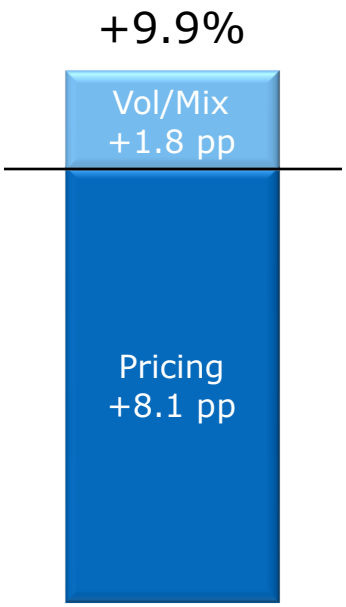
- Strong revenue from priority brands despite soft category consumption
  - Asia priority brands up ~30%
  - Latin America priority brands +25%
  - CEEMA priority brands up double-digit
- Market share gains in nearly all key country categories
- Q4 margin reflects improved vol/mix, better alignment of prices with input costs, and double digit increase in A&C spending

Reflects segment operating income margin excluding items. See GAAP to Non-GAAP reconciliation at the end of this presentation.

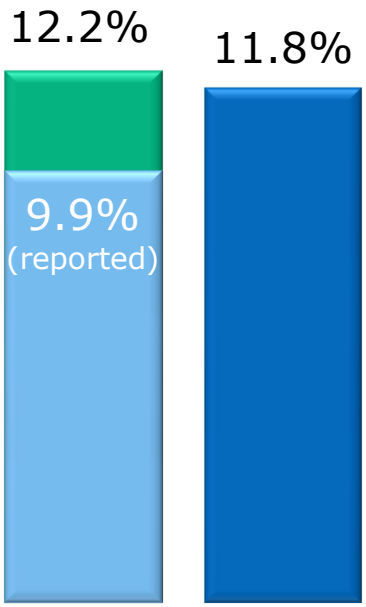
* Reported Net Revenue growth was 11.2%. See GAAP to Non-GAAP reconciliation at the end of this presentation.

Kraft Foods Developing Markets: 2009

Organic Net Revenue Growth*



Segment Operating Income Margin



- 5-10-10 focus continues to pay off
- Strong revenue and share growth despite softening category trends
  - Priority brands increased +18%
  - ~(1)pp impact due to the absence of a Brazilian value added tax credit in 2008
- Solid market share gains by priority brands in key markets
- Margin performance reflects improved vol/mix offset by investment in cost savings initiatives and incremental A&C to fuel future growth

Reflects segment operating income margin excluding items. See GAAP to Non-GAAP reconciliation at the end of this presentation.

* Reported Net Revenue declined (3.5)%. See GAAP to Non-GAAP reconciliation at the end of this presentation.

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In 2009, we exited our turnaround with strong operating momentum

- Managing input costs through improved brand equity
- Improving volume/mix despite significant headwinds
- Growing margins while reinvesting in future growth
- Driving progress in every geographic region
- Delivering high quality earnings growth
  - $2.03 earnings per diluted share or 7% EPS growth in 2009
    - 14% earnings growth on a constant currency basis*
  - Includes $(0.04) impact from expenses related to Cadbury acquisition

* See GAAP to Non-GAAP reconciliation at the end of this presentation.

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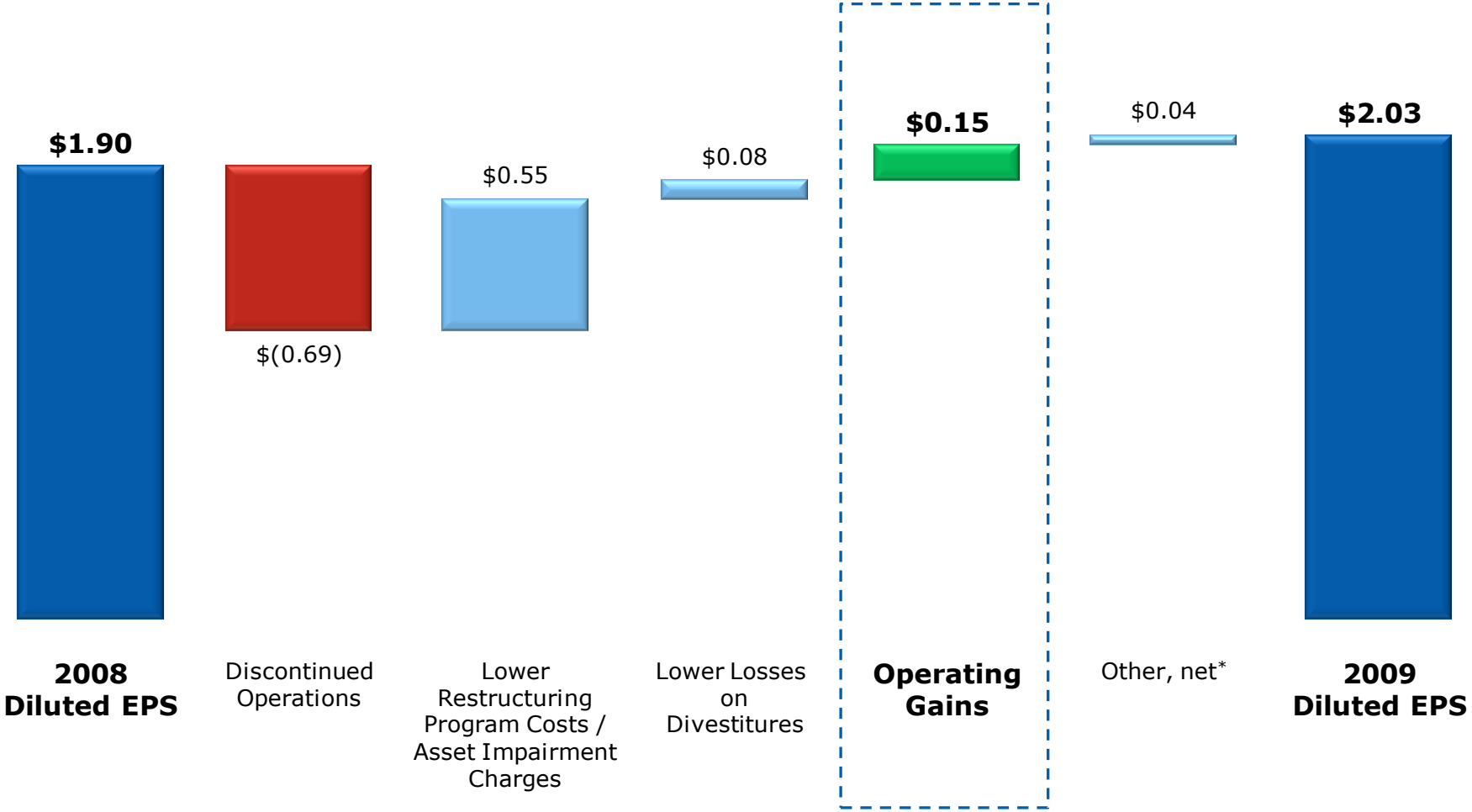
Operating gains fueling EPS growth



* "Other, net" includes the impact of: the change in unrealized gains/losses from hedging activities; the absence of Brazilian VAT credit; unfavorable foreign currency; changes in taxes; and fewer shares outstanding.

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In 2009, we exited our turnaround with strong operating momentum

- Managing input costs through improved brand equity
- Improving volume/mix despite significant headwinds
- Growing margins while reinvesting in future growth
- Driving progress in every geographic region
- Delivering high quality earnings growth
- Generating strong free cash flow*
  - Gains from working capital efficiency programs
  - Improved earnings
  - Supporting growth through sufficient capex

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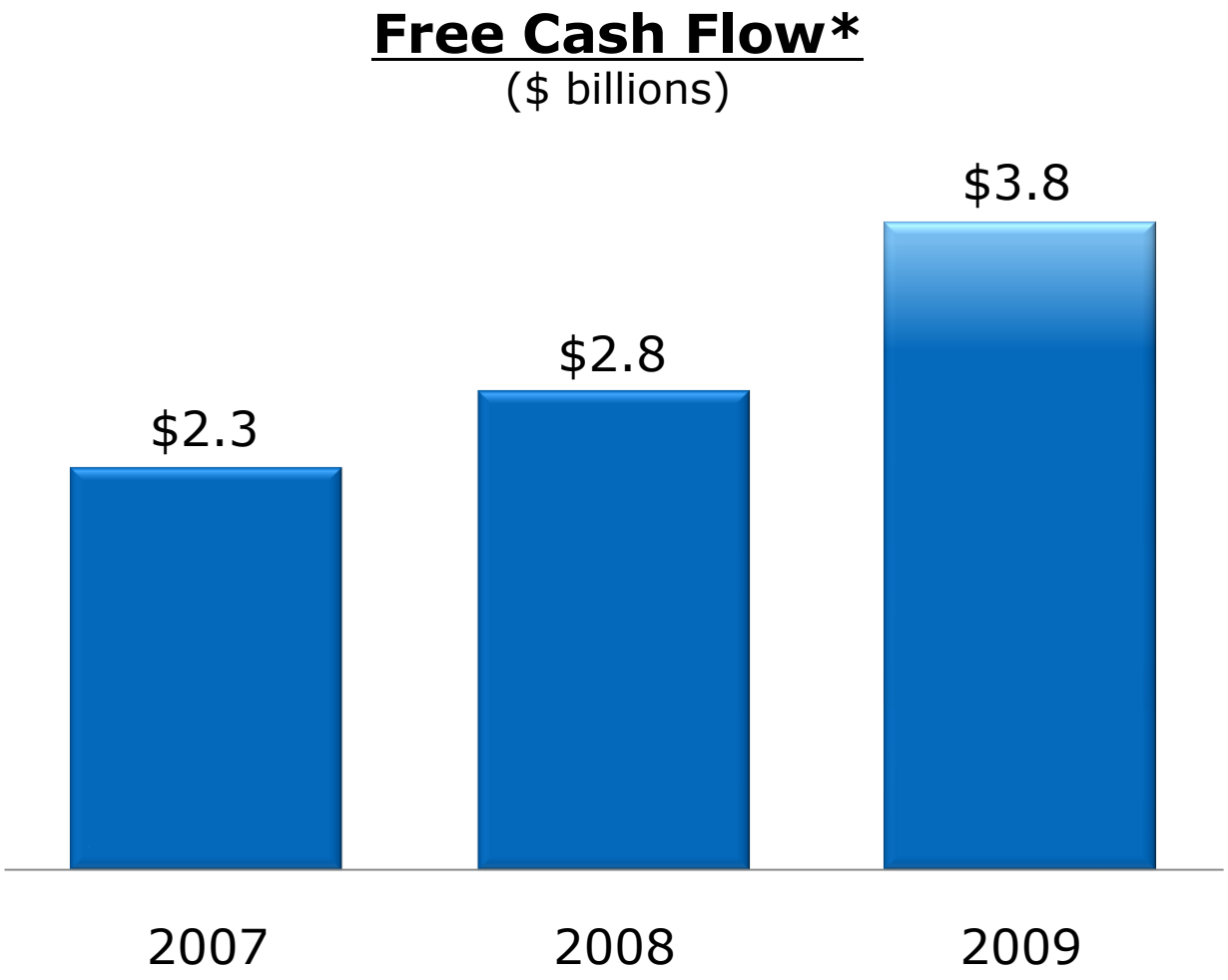
* Defined as cash flow from operations less capital expenditures

Generating strong free cash flow



* Defined as cash flow from operations less capital expenditures. See GAAP to Non-GAAP reconciliation a the end of this presentation.

In 2009, we exited our turnaround with strong operating momentum

- Managing input costs through improved brand equity
- Improving volume/mix despite significant headwinds
- Growing margins while reinvesting in future growth
- Driving progress in every geographic region
- Delivering high quality earnings growth
- Generating strong free cash flow

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Our turnaround strategies are now delivering sustainable, profitable growth

- Rewire for Growth
- Reframe Categories
- Exploit Sales Capabilities
- Balance Cost & Quality

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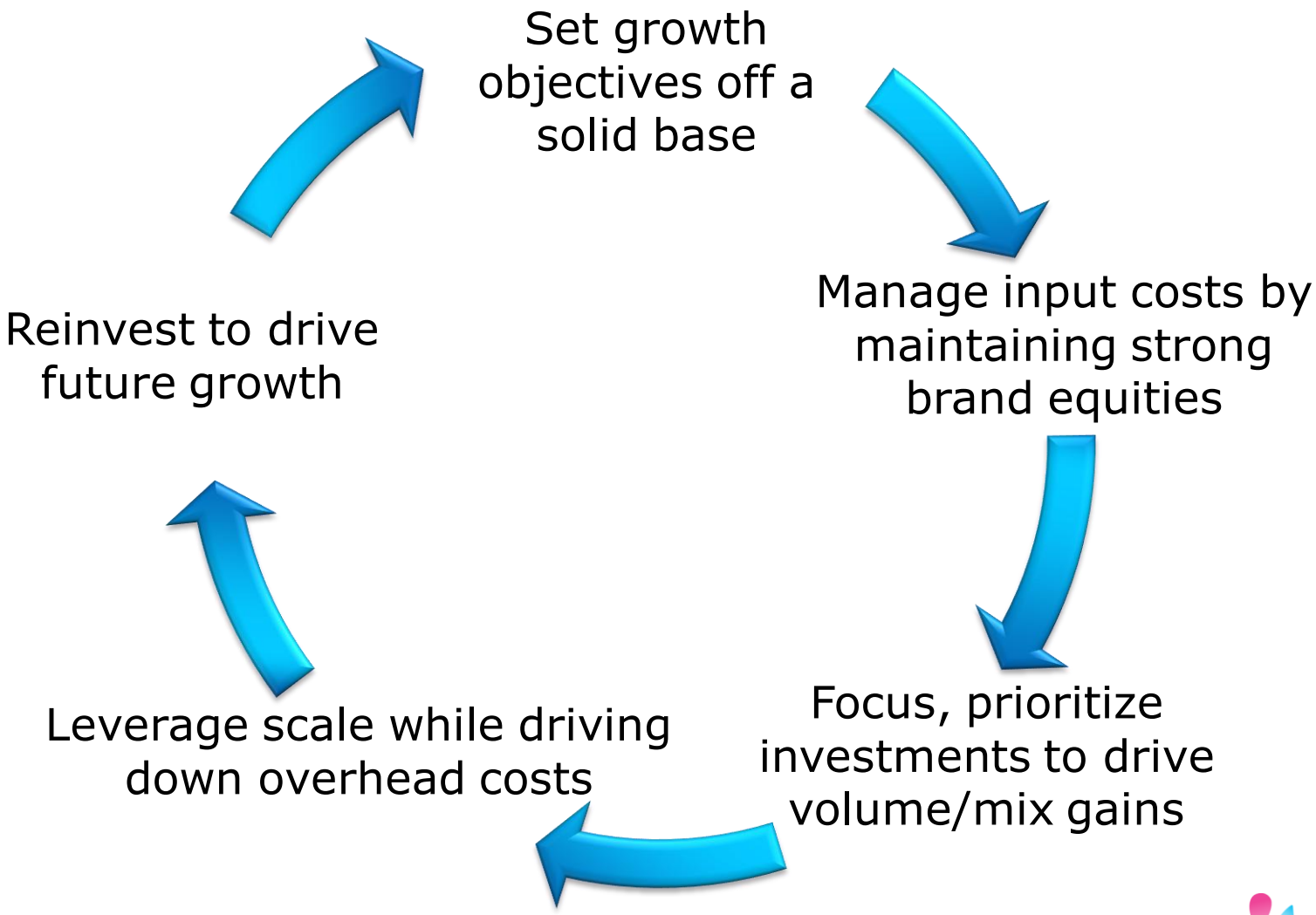
The flywheel is now turning …



But base business has not reached its full potential

- Focused on driving further improvement in vol/mix
  - Completed major product line discontinuations
  - Shifting balance of efforts back towards new product development from value-based marketing
  - Optimizing trade spending while further increasing A&C
- Executing significant productivity, overhead programs
  - End-to-End Productivity will better leverage scale
  - Overhead Cost Reset will further expand margins

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Time is right to accelerate our transformation

- Pursuing growth from a position of strength
  - Rejuvenated base business despite input cost escalation and global recession
- Leveraging strong financial momentum
- Prepared our organization to execute with excellence
  - Strengthened management team
  - Streamlined organizational structure
  - Global organization with skills and appetite to integrate a combination of this scale

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A Global Powerhouse

A Global Powerhouse

The new Kraft Foods will drive strong organic growth and margins

Organic Revenue Growth

- Focus on growth categories
- Expand footprint in Developing Markets
- Expand presence in growing trade channels

Profit Margins

- Improve portfolio mix
- Leverage scale

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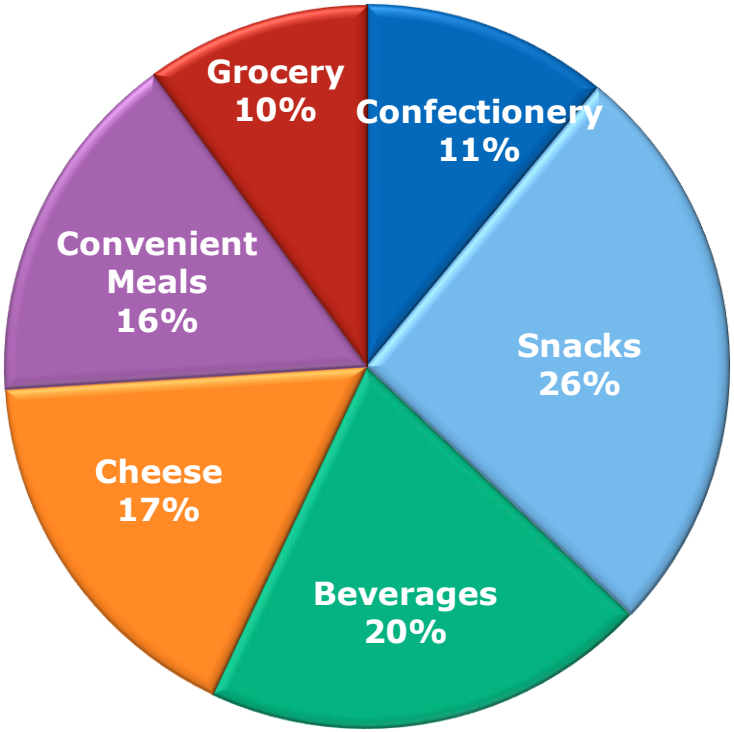
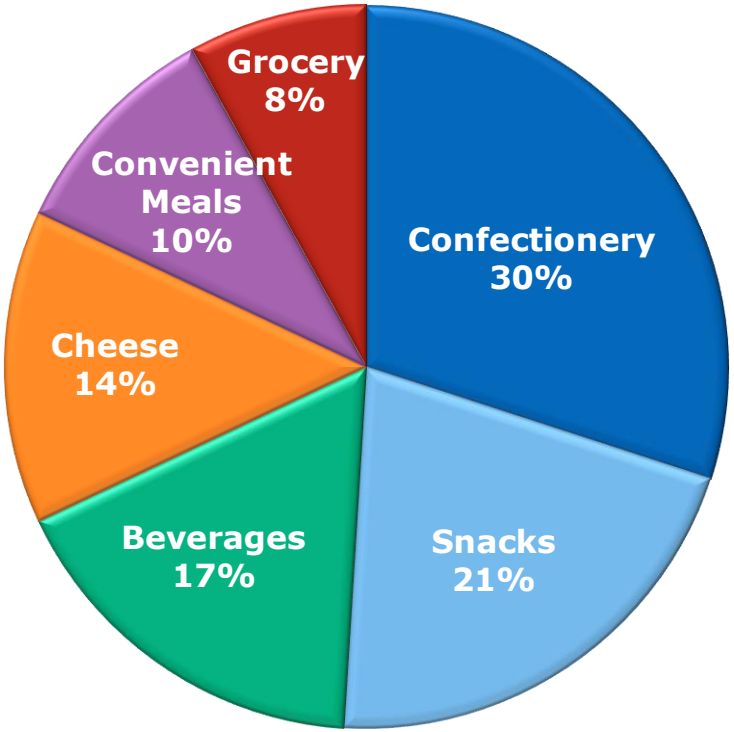
Confectionery and Snacks will now make up the majority of our portfolio

Kraft Foods Pre-Cadbury



2009 Net Revenues
$40 billion

New Kraft Foods*



2009 Pro Forma Net Revenues
$48 billion

* Pro Forma amounts are based on the acquisition of Cadbury and the divestiture of the Pizza business.

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We go to market with billion-dollar brands in every consumer segment in which we compete

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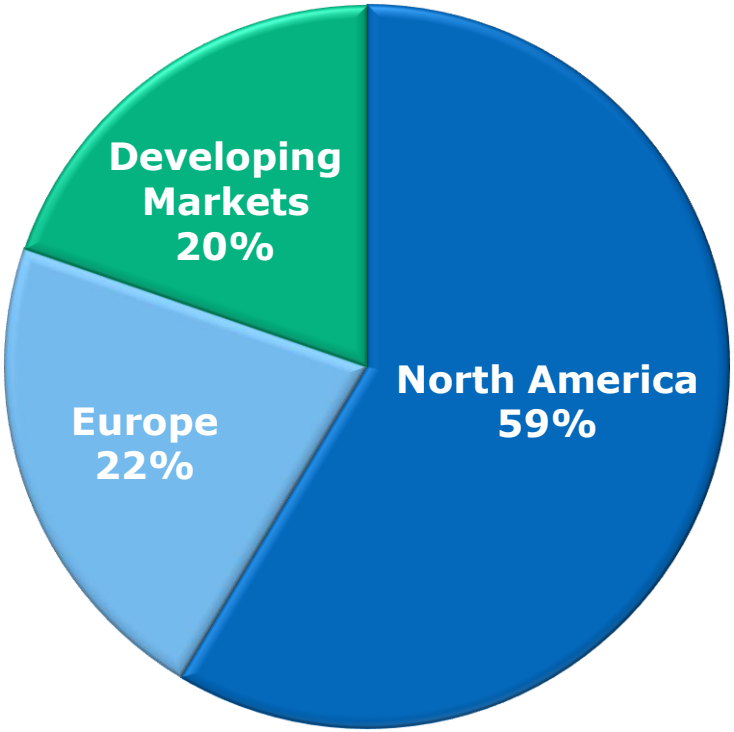
80% of our revenues are from #1 share positions

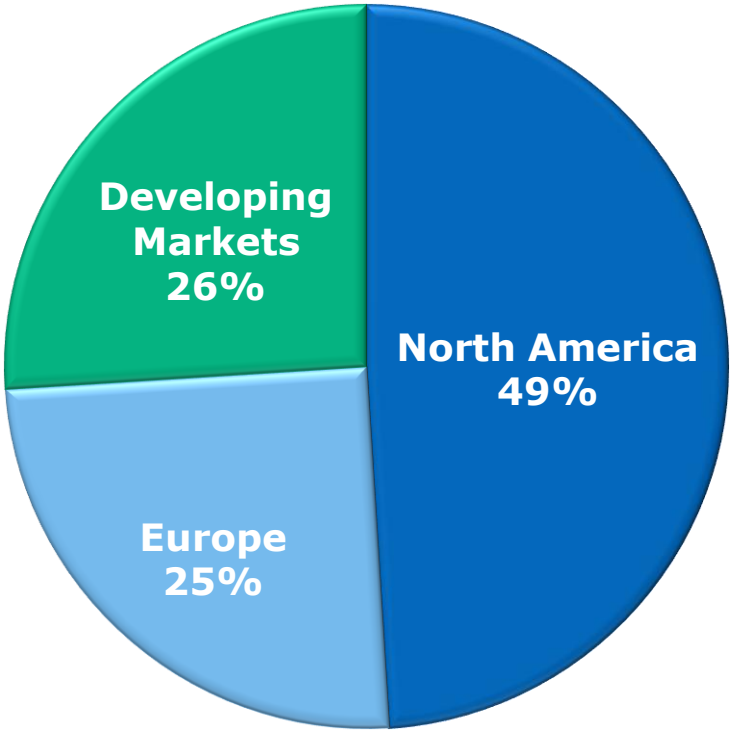
More than half of our business is now outside North America

Kraft Foods Pre-Cadbury*



2009 Net Revenues
$40 billion

New Kraft Foods*



2009 Pro Forma Net Revenues
$48 billion

* May not add to 100% due to rounding. Pro Forma amounts are based on the acquisition of Cadbury and the divestiture of the Pizza business.

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A highly complementary footprint will grow our brands in key developing markets

2009 Net Revenues*
(in millions, rounded)

	Kraft Foods	Cadbury	Combined
Brazil	$1,100	$400	$1,500
Russia	$800	$200	$1,000
India	NM	$400	$400
China	$450	$50	$500
Mexico	$325	$500	$825
Argentina	$400	$100	$500
Turkey	$150	$300	$450
South Africa	$75	$300	$375

* Source: Estimates based upon Euromonitor , Cadbury and Kraft Foods Inc.

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We will benefit from complementary strengths in sales and distribution

Modern Trade Channels

Instant Consumption Channels

We will leverage our position as the global sweet snacks leader

			Developing Markets				
	North America	Europe	Latin America	Asia Pacific	Eastern Europe	Middle East & Africa	**Global**
Biscuits	#1	#1	#2	#1	#1	#1	**#1**
Chocolate	NM	#1	#2	#1	#1	#1	**#1**
Gum	#2	#2	#1	#3	#2	#1	**#2**
Sugar Confectionery	#3	#1	#2	#2	NM	#2	**#1**

Source: Euromonitor Value Shares 2008

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We can drive top-tier organic revenue growth going forward

- Improved category and geographic mix
- Meaningful revenue synergies
- Sustainable growth objectives for every geography

Long-Term Organic Revenue Growth Targets

	Old	New
North America	3-5%	3-5%
Europe	1-3%	2-3%
Developing Markets	8-10%	10%+
Total Kraft Foods	**4%+**	**5%+**

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On the cost side, we will access the benefits of our significant global scale

Approximately $50 billion in revenue

World's #2 food company

#1 in North America

Sales in 160+ countries

Operations in 70+ countries

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Greater scale should lead to meaningful cost savings

- Strong start from completing existing Kraft Foods and Cadbury programs

- Targeting at least $675 million of additional, annual pre-tax cost savings
  - Potential sources of savings identified thus far:
    - $300 million of operational synergies
    - $250 million of general and administrative synergies
    - $125 million of marketing and selling synergies
  - Expect to achieve run-rate savings by the end of 2012
  - Total one-off implementation cash costs of $1.3 billion

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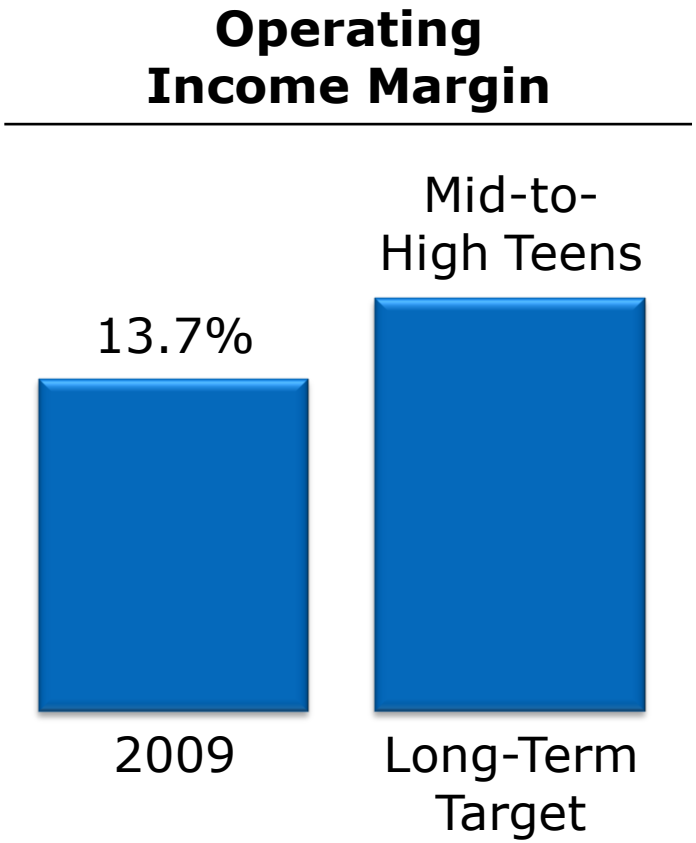
A strong pipeline of cost-savings initiatives target accelerated margin expansion

- Driving productivity savings through greater scale
- Leveraging overhead costs to further expand margins
- Funding higher A&C as a percent of net revenue, increased investments in Sales and R&D



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We are well positioned for sustainable, profitable, top-tier growth

- Driving high quality organic revenue growth
- Executing strong pipeline of cost-savings initiatives
- Increasing investment in Sales, R&D, A&C

Targets

Organic revenue growth of 5%+

Profit margins to the mid-to-high teens

EPS growth of 9%-11%

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Tim McLevish

Executive Vice President and
Chief Financial Officer,
Kraft Foods

Tender offer update

- As of February 4, 75% of Cadbury shares tendered
  - Cadbury shares to be delisted no earlier than March 8
- Over 90% of Cadbury shares now tendered
  - Notified remaining shareholders of compulsory acquisition on Monday, February 15
  - Should own 100% of Cadbury within 6 to 7 weeks
- Settlement process well underway
  - Completed settlement of all shares accepted through February 2, or approximately 72% of Cadbury shares

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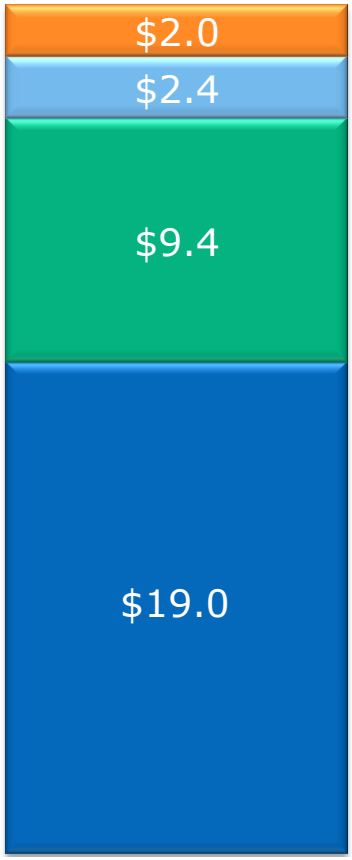
Kraft Foods' existing capital structure

Total = ~$33B*



Bridge facility

Cadbury net debt

New bonds

Existing Kraft Foods debt

- Raised $9.5 billion in the U.S.
- Maintained investment grade debt ratings**
  - Long-term: BBB- / Baa2 / BBB-
  - Short-Term: A2 / P2 / F3
- Targeting ongoing debt-to-EBITDA ratio of ~3 times within 18-24 mos
  - Deleveraging through a combination of debt reduction and EBITDA growth
  - $2.5 billion from sale of pizza business
  - Mandated divestitures of operations in Poland and Romania
  - No plans for dividend increases, share repurchases until targets achieved
- Bridge facility to be refinanced through cash generation, sale of pizza business

* Pro forma as of December 31, 2009

** A rating is not a recommendation to buy, sell or hold securities, and may be subject to revision, suspension or withdrawal at any time by the assigning rating agencies.

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Final terms demonstrate financial discipline well within stated criteria

	Stated Criteria	Final Offer	
Cash EPS Accretion	Accretive by Year 2	~$0.05 in 2011	✓
IRR	IRR well in excess of cost of capital	Mid-teens IRR	✓
Credit Rating	Maintain investment grade	Maintained	✓
Dividend	Maintain dividend per share	Maintained	✓

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Early thoughts on integration

- Back Room: Kraft Foods platform
- Front Room: Best practice from either company
- People: Best person for the right role

Six practical principles

- Maintain business momentum
- Follow the money (80/20)
- Capture “best of both”
- Treat people fairly and with respect
- Move quickly
- Communicate

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Senior management recommendations*

Within 45 days:

- Executive team
- Region, area & country leaders
- Direct reports to functional leaders

Within 90 days:

- Boards & leadership teams for regions, countries, categories
- Consolidation decisions

Within 6 months:

- Common manufacturing strategy

* Subject to local requirements

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We're still limited in our ability to issue earnings guidance

- UK Listing Authority rules require any earnings forecasts to be "reported upon" by an independent third party
- Still early in the integration process
  - Verifying our initial assumptions regarding synergies
  - Evaluating Cadbury's existing operating plans and financial statements
- Expect to issue 2010 earnings guidance, 2011 outlook at time of Q1 2010 results in May

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Modeling considerations

- Kraft Foods earned $2.03 per diluted share in 2009
- Targeting base business EPS growth at the high end of our 7%-9% long-term EPS growth objective in the near term
- Consolidating Cadbury results from February 2, 2010, onwards
- Targeting ~$0.05 accretion to 2011 base business EPS from Cadbury acquisition, on a cash basis
  - Excludes one-time implementation costs of ~$1.3 billion through 2012
  - Excludes expenses related to the transaction
  - Excludes incremental non-cash items, such as the amortization of intangible assets related to the acquisition
- Divestiture of the pizza business expected to lower earnings by ~$(0.05) per share on an annual basis in first full year
  - Expect to close transaction in mid 2010

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Combination to deliver substantial value for Kraft Foods shareholders

Long-Term Targets

- Organic Revenue Growth*: 5%+
- Long-Term EPS Growth: 9%-11%

+

Near-Term Targets

- ~$0.05 accretive to EPS in 2011
- Mid-teens IRR

Transformational combination creates top-tier performer in the global food industry

* See GAAP to Non-GAAP reconciliation a the end of this presentation.

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make today delicious

GAAP to Non-GAAP Reconciliation

Operating Income Margins

($ in millions, except percentages) (Unaudited)

	Kraft Foods Inc.				
For the Three Months Ended:	**As Revised (GAAP)**	Asset Impairment, Exit and Implementation Costs Restructuring	Asset Impairments / Other Expenses - Non-Restructuring	(Gains) / Losses on Divestitures, net	**Excluding Items (Non-GAAP)**
March 31, 2008					
Net Revenues	**$ 10,046**	-	-	-	**$ 10,046**
Operating Income	**$ 1,067**	98	3	18	**$ 1,186**
Operating Income Margin	**10.6%**				**11.8%**
June 30, 2008					
Net Revenues	**$ 10,804**	-	-	-	**$ 10,804**
Operating Income	**$ 1,423**	121	1	74	**$ 1,619**
Operating Income Margin	**13.2%**				**15.0%**
September 30, 2008					
Net Revenues	**$ 10,401**	-	-	-	**$ 10,401**
Operating Income	**$ 1,023**	90	112	1	**$ 1,226**
Operating Income Margin	**9.8%**				**11.8%**
December 31, 2008					
Net Revenues	**$ 10,681**	-	-	-	**$ 10,681**
Operating Income	**$ 330**	680	107	(1)	**$ 1,116**
Operating Income Margin	**3.1%**				**10.4%**
For the Twelve Months Ended:					
December 31, 2008					
Net Revenues	**$ 41,932**	-	-	-	**$ 41,932**
Operating Income	**$ 3,843**	989	223	92	**$ 5,147**
Operating Income Margin	**9.2%**				**12.3%**

GAAP to Non-GAAP Reconciliation

Operating Income Margins

($ in millions, except percentages) (Unaudited)

	As Restated (GAAP)	Asset Impairment, Exit and Implementation Costs Restructuring	Asset Impairments / Other Expenses - Non-Restructuring	(Gains) / Losses on Divestitures, net	Excluding Items (Non-GAAP)
For the Three Months Ended December 31, 2008					
Kraft Foods North America					
Net Revenues	**$ 6,081**	-	-	-	**$ 6,081**
Operating Income	**$ 663**	231	-	-	**$ 894**
Operating Income Margin	**10.9%**				**14.7%**
Kraft Foods Europe					
Net Revenues	**$ 2,489**	-	-	-	**$ 2,489**
Operating Income	**$ (166)**	358	39	(1)	**$ 230**
Operating Income Margin	**(6.7)%**				**9.2%**
Kraft Foods Developing Markets					
Net Revenues	**$ 2,111**	-	-	-	**$ 2,111**
Operating Income	**$ 100**	91	51	-	**$ 242**
Operating Income Margin	**4.7%**				**11.5%**
For the Twelve Months Ended December 31, 2008					
Kraft Foods North America					
Net Revenues	**$ 23,956**	-	-	-	**$ 23,956**
Operating Income	**$ 3,378**	375	-	1	**$ 3,754**
Operating Income Margin	**14.1%**				**15.7%**
Kraft Foods Europe					
Net Revenues	**$ 9,728**	-	-	-	**$ 9,728**
Operating Income	**$ 182**	474	100	91	**$ 847**
Operating Income Margin	**1.9%**				**8.7%**
Kraft Foods Developing Markets					
Net Revenues	**$ 8,248**	-	-	-	**$ 8,248**
Operating Income	**$ 815**	140	51	-	**$ 1,006**
Operating Income Margin	**9.9%**				**12.2%**

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GAAP to Non-GAAP Reconciliation

Cash Flows
For the Twelve Months Ending December 31,

($ in billions, Unaudited)

	Kraft Foods Inc.		
	2007	2008	2009
Net Cash Provided by Operating Activities (GAAP)	**$ 3.6**	**$ 4.1**	**$ 5.1**
Capital Expenditures	(1.2)	(1.4)	(1.3)
Free Cash Flow (Non-GAAP) [1]	**$ 2.3**	**$ 2.8**	**$ 3.8**

[1] May not add due to rounding

GAAP to Non-GAAP Reconciliation

Net Earnings Attributable to Kraft Foods
For the Twelve Months Ending December 31,

(Unaudited)

	2008	2009	% Change
Diluted EPS (GAAP)	**$ 1.90**	**$ 2.03**	**7%**
Impact of Unfavorable Foreign Currency	-	0.14	-
Constant Currency Diluted EPS (Non-GAAP)	**$ 1.90**	**$ 2.17**	**14%**

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GAAP to Non-GAAP Reconciliation

Net Revenues

($ in millions, except percentages) (Unaudited)

	As Reported (GAAP)	Impact of Divestitures	Impact of Currency	Organic (Non-GAAP)	% Change As Reported (GAAP)	% Change Organic (Non-GAAP)
For the Three Months Ended December 31,						
2009 Reconciliation						
Kraft Foods North America	$ 5,991	$ (6)	$ (82)	$ 5,903	(1.5)%	(2.7)%
Kraft Foods Europe	2,687	-	(225)	2,462	8.0%	(0.3)%
Kraft Foods Developing Markets	2,347	-	(31)	2,316	11.2%	10.4%
Kraft Foods	$ 11,025	$ (6)	$ (338)	$ 10,681	3.2%	0.4%
2008 Reconciliation						
Kraft Foods North America	$ 6,081	$ (12)	$ -	$ 6,069		
Kraft Foods Europe	2,489	(20)	-	2,469		
Kraft Foods Developing Markets	2,111	(13)	-	2,098		
Kraft Foods	$ 10,681	$ (45)	$ -	$ 10,636		
For the Twelve Months Ended December 31,						
2009 Reconciliation						
Kraft Foods North America	$ 23,662	$ (44)	$ 199	$ 23,817	(1.2)%	(0.4)%
Kraft Foods Europe	8,768	(15)	640	9,393	(9.9)%	(1.0)%
Kraft Foods Developing Markets	7,956	(14)	1,058	9,000	(3.5)%	9.9%
Kraft Foods	$ 40,386	$ (73)	$ 1,897	$ 42,210	(3.7)%	1.5%
2008 Reconciliation						
Kraft Foods North America	$ 23,956	$ (55)	$ -	$ 23,901		
Kraft Foods Europe	9,728	(243)	-	9,485		
Kraft Foods Developing Markets	8,248	(57)	-	8,191		
Kraft Foods	$ 41,932	$ (355)	$ -	$ 41,577		

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GAAP to Non-GAAP Reconciliation

Net Revenues Growth

(Unaudited)

	Kraft Foods Inc.				
	As Reported (GAAP)	Impact of Divestitures / Other	Impact of Acquisitions	Impact of Currency	**Organic (Non-GAAP)**
For the Twelve Months Ended:					
December 31, 2007	8.6%	(0.6)pp	0.8pp	3.1pp	5.3%
December 31, 2008	16.9%	(0.8)pp	8.9pp	2.0pp	6.8%
December 31, 2009	(3.7)%	(0.7)pp	0.0pp	(4.5)pp	1.5%
Compound Annual Growth Rate, 2006 - 2009:					**4.5%**

GAAP to Non-GAAP Reconciliation

Free Cash Flow as a Percentage of Net Earnings

(Unaudited)

	Kraft Foods Inc. For the Twelve Months Ended December 31,	
	2006	**2009**
Net Cash Provided by Operating Activities (GAAP)	$ 3,720	$ 5,084
Capital Expenditures	(1,169)	(1,330)
Free Cash Flow (Non-GAAP)	$ 2,551	$ 3,754
Net Earnings Attributable to Kraft	3,060	3,021
Free Cash Flow / Net Earnings (Non-GAAP)	**83.4%**	**124.3%**