

Kraft Foods

CAGE Conference

March 9, 2010



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; 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; Kraft Foods' and Cadbury's highly complementary footprint will grow our brands in key developing markets; 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; the potential sources of savings identified thus far; 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 to 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 and we are increasing investment in Sales, R&D and A&C; our targets for organic revenue growth, profit margins, and EPS growth; we are targeting ongoing debt-to-EBITDA ratio of ~3 times within 18-24 months; our bridge facility to be refinanced through cash generation, and sale of pizza business; our early thoughts on integration; it is still early in the integration process, so 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 and our 2011 outlook at the time of Q1 2010 results in May; our summary of the financial highlights of the presentation for modeling considerations; 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 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.



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.

Tim McLevish

Executive Vice President and
Chief Financial Officer,
Kraft Foods



Agenda

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

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%+
-------------------------------	-----

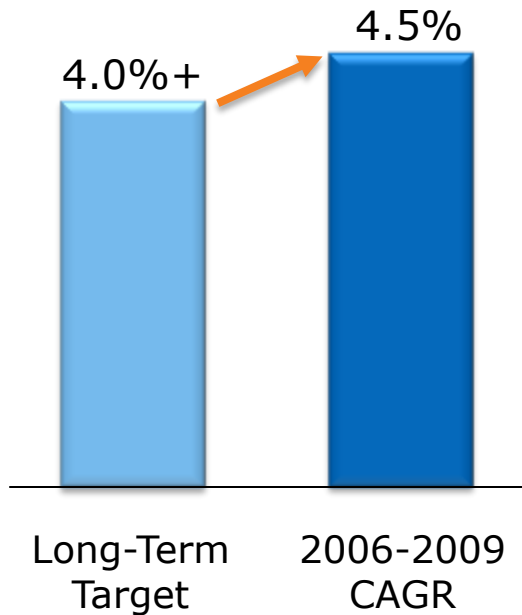
Manufacturing, Overhead Leverage	2-3pp
----------------------------------	-------

Cash Flow Leverage & Tax Rate	1-2pp
-------------------------------	-------

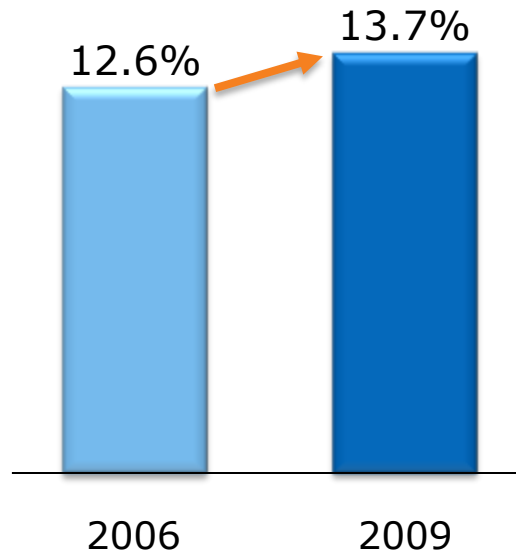
Long-Term EPS Growth Target	7-9%
------------------------------------	-------------

Focusing on three simple metrics

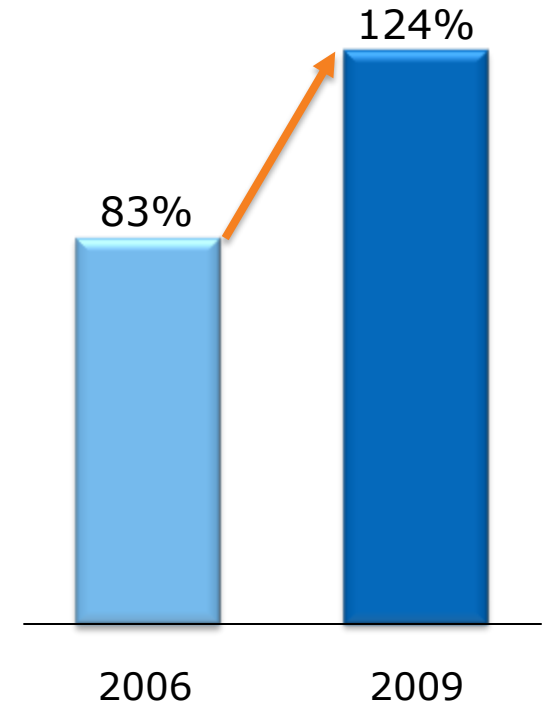
Organic Revenue Growth*



Operating Income Margin



Free Cash Flow* as % of Net Earnings



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

Exited 2009 with strong operating momentum

- Managing input costs through improved brand equity
 - \$500 million invested to improve product quality
 - Two-thirds of products now preferred to competition
 - Improved alignment of price and costs



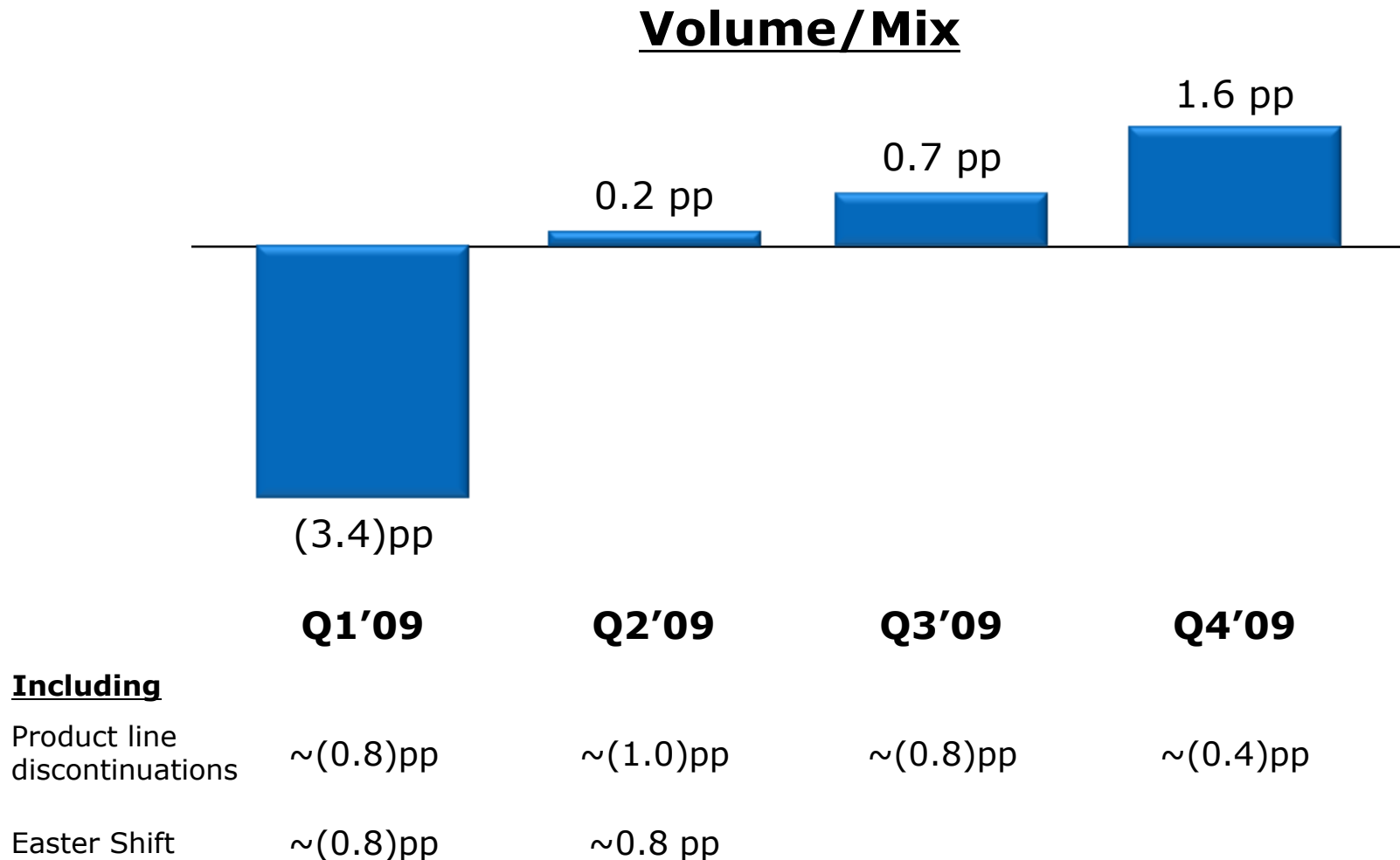
Necessary to restoring profit margins

More productivity can now drop to bottom line

Exited 2009 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 in North America
 - Rising unemployment in Europe
 - Below trend consumption in Asia, Latin America
 - Discontinuing less profitable product lines
 - Walking away from unprofitable volume

Sequential improvement in volume/mix every quarter, despite headwinds



Exited 2009 with strong operating momentum

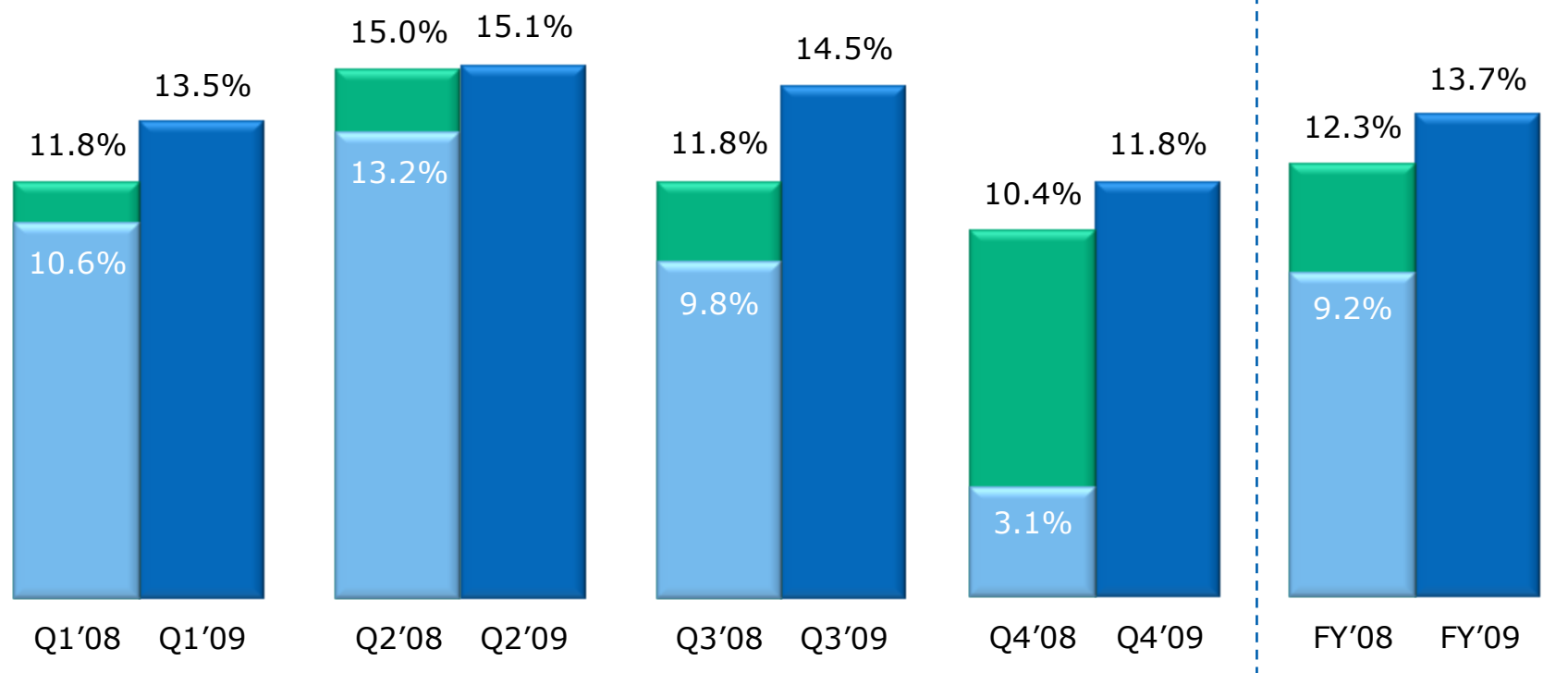
- Managing input costs through improved brand equity
- Improving volume/mix despite significant headwinds
- Growing margins while reinvesting in future growth
 - Increased A&C to 7.2% of Net Revenue

Exited 2009 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
 - Accelerated cost savings to \$300 million+

Operating margin improvement

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.

Exited 2009 with strong operating momentum

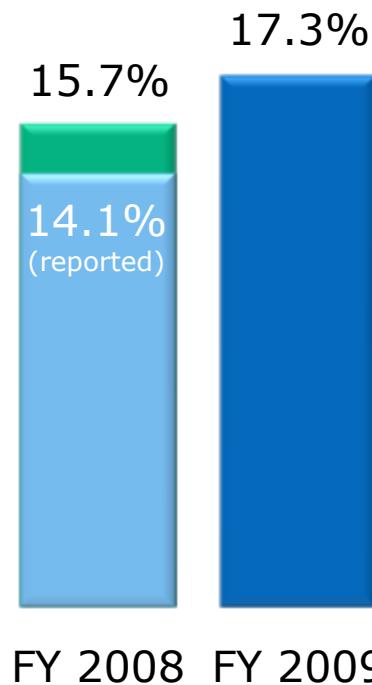
- Managing input costs through improved brand equity
- Improving volume/mix despite significant headwinds
- Growing margins while reinvesting in future growth
- Driving progress in every geographic region

Kraft Foods North America: 2009

Organic Net Revenue Growth*



Segment Operating Income Margin



- Effectively managed transition to vol/mix driven growth
- Priority categories fueled vol/mix gains
- Margin gains driven by improved alignment of costs and pricing

 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.

Kraft Foods Europe: 2009

Organic Net Revenue Growth*

(1.0)%

Pricing
+1.8 pp

Vol/Mix
(2.8)pp

FY 2009

Segment Operating Income Margin

8.7%

9.0%

1.9%
(reported)

FY 2008 FY 2009

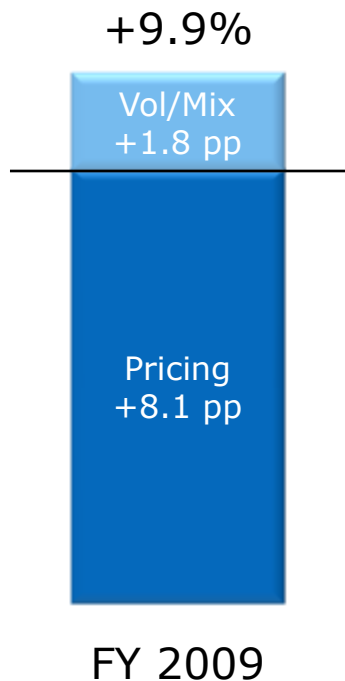
- Solid results in an eventful year
- Vol/mix negatively impacted by ~ (1.8)pp
- Solid market share in chocolate, coffee and cheese
- Margin expansion from better alignment of costs and prices, improved product mix

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

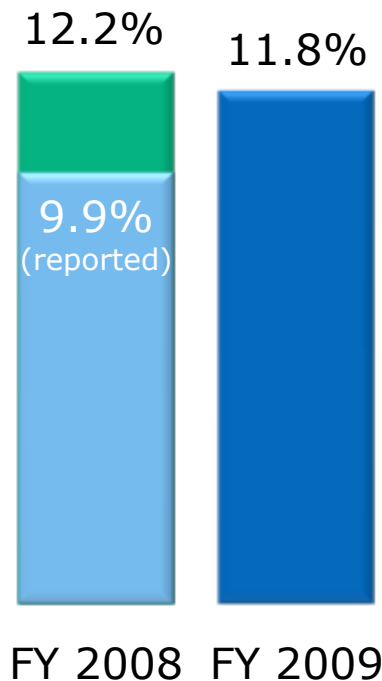
* Reported Net Revenue declined (9.9)%. See GAAP to Non-GAAP reconciliation at the end of this presentation.

Kraft Foods Developing Markets: 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
- 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

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

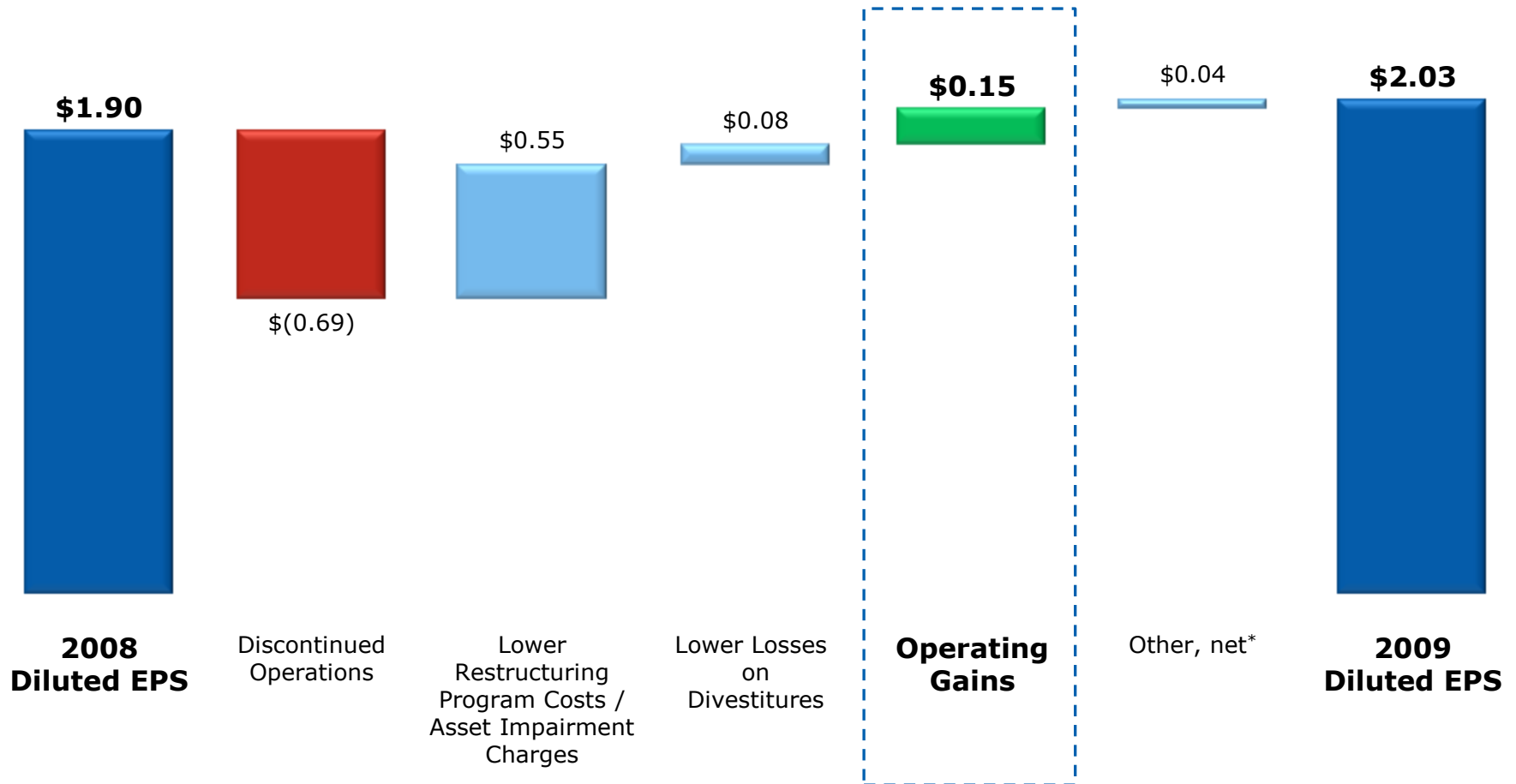
* Reported Net Revenue declined (3.5)%. See GAAP to Non-GAAP reconciliation at the end of this presentation.

Exited 2009 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 EPS, +7% growth
 - +14% in constant currency*
 - Includes \$(0.04) impact from expenses related to Cadbury acquisition

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

Operating gains fueling EPS growth



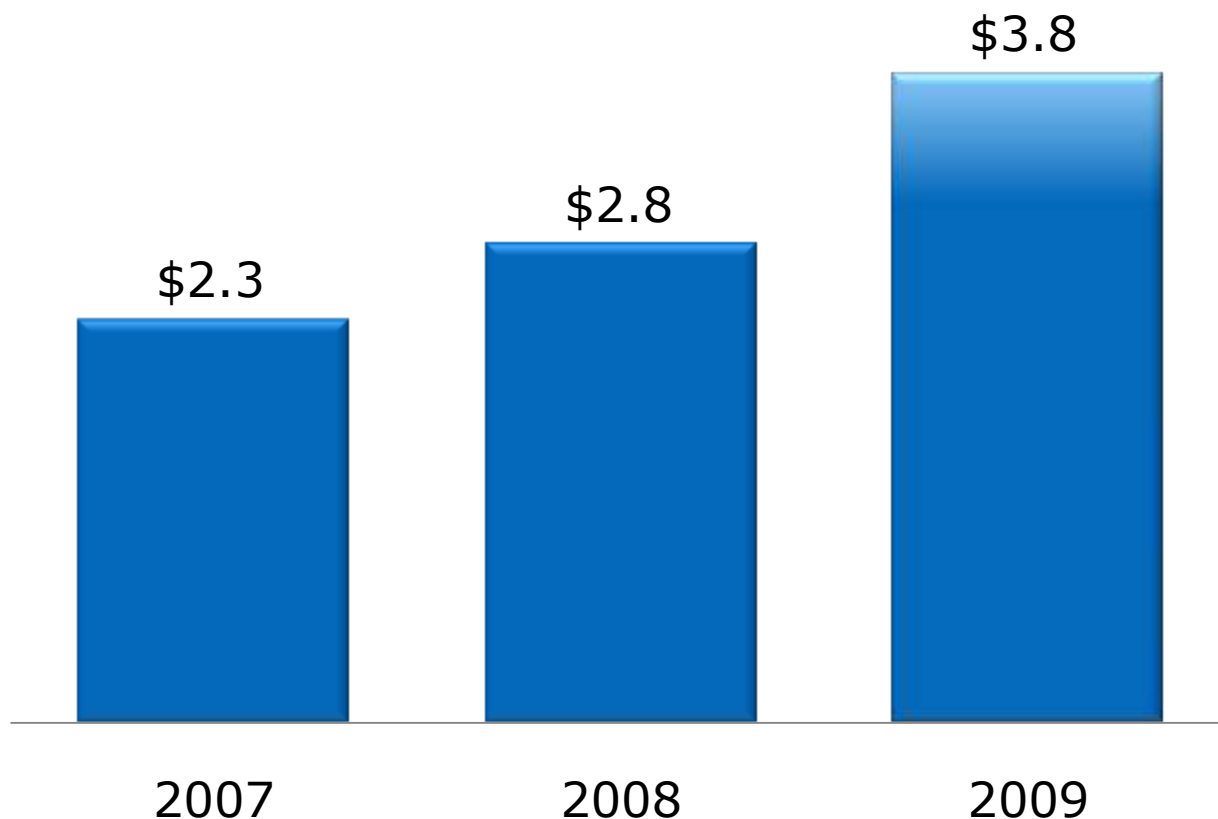
* "Other, net" includes the impact of: the change in unrealized gains/losses from hedging activities; the absence of Brazilian VAT credit; unfavorable foreign currency; changes in taxes; and fewer shares outstanding.

Exited 2009 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 programs
 - Improved earnings
 - Supporting growth through sufficient capex

Generating strong free cash flow

Free Cash Flow* (\$ billions)



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



Exited 2009 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

Our turnaround strategies are now delivering sustainable, profitable growth

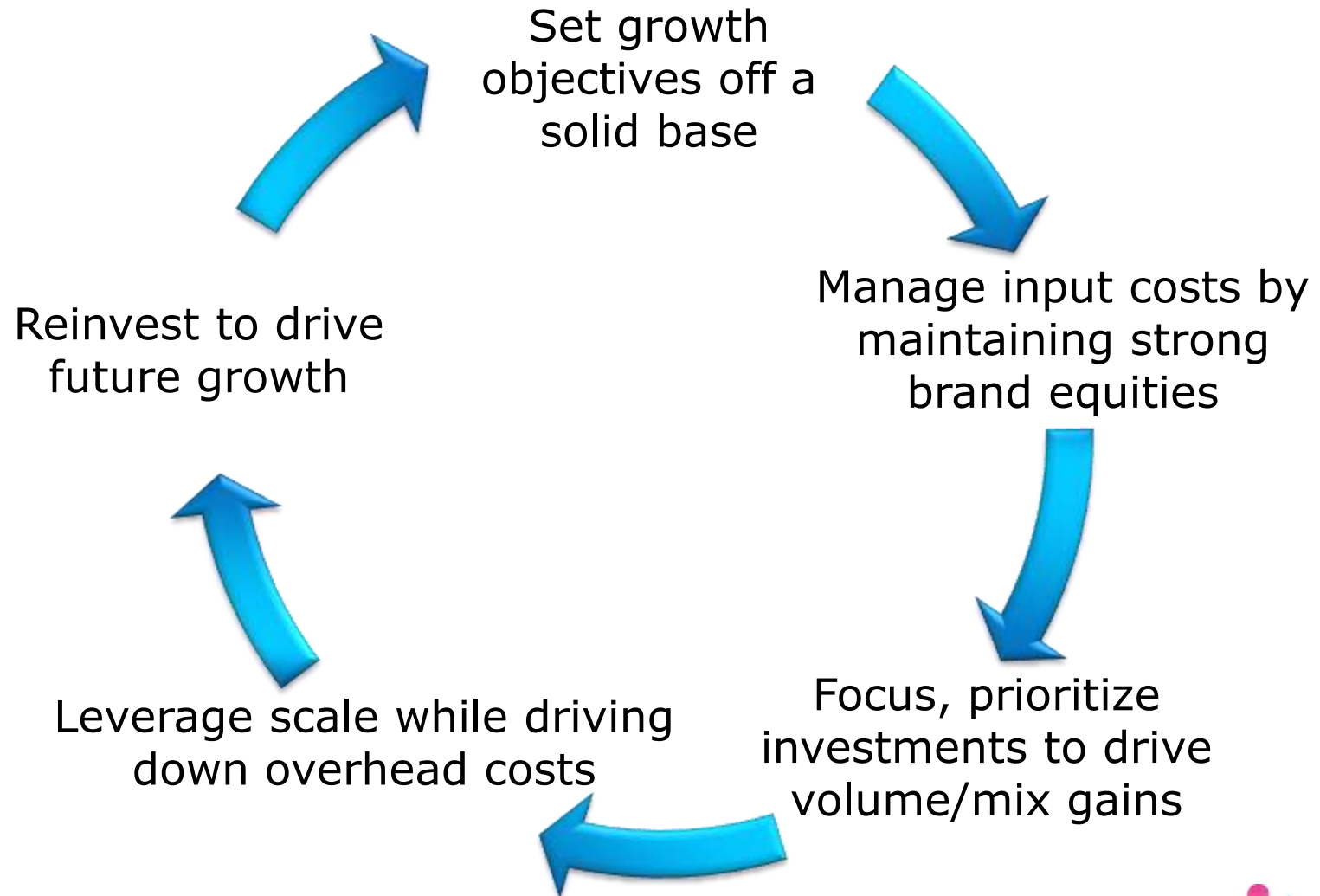
Rewire for
Growth

Reframe
Categories

Exploit
Sales
Capabilities

Balance
Cost &
Quality

The flywheel is now turning ...



Base business has not reached full potential

- Focused on driving further improvement in vol/mix
 - Completed major product line discontinuations
 - Shifting toward 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

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

A Global Powerhouse



Cadbury

A Global Powerhouse



Cadbury

The new Kraft Foods will drive strong organic growth and margins

Organic Revenue Growth

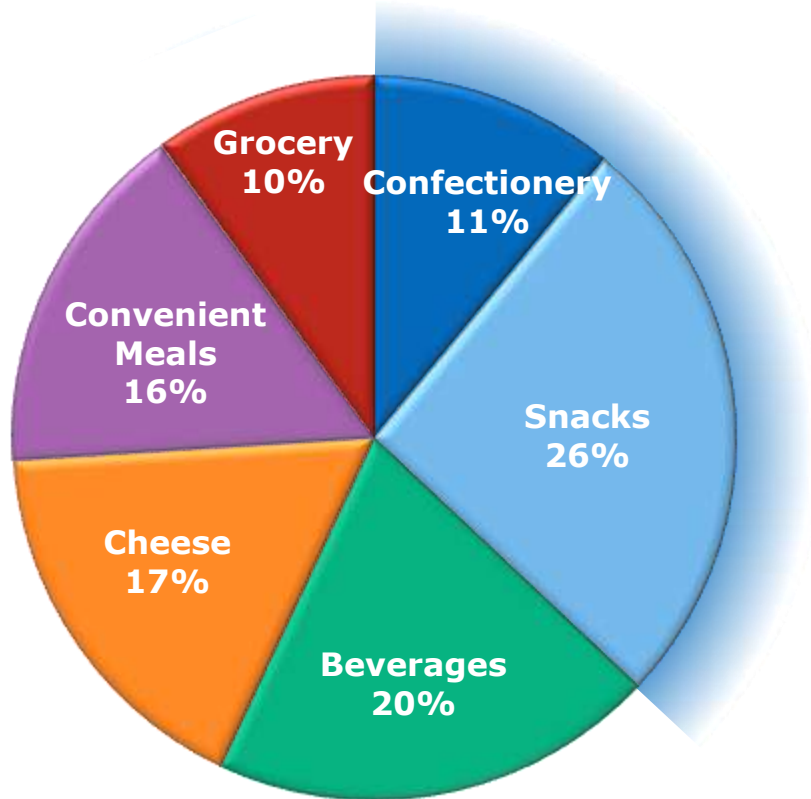
- Focus on growth categories
- Expand footprint in Developing Markets
- Expand presence in growing trade channels

Profit Margins

- Improve portfolio mix
- Leverage scale

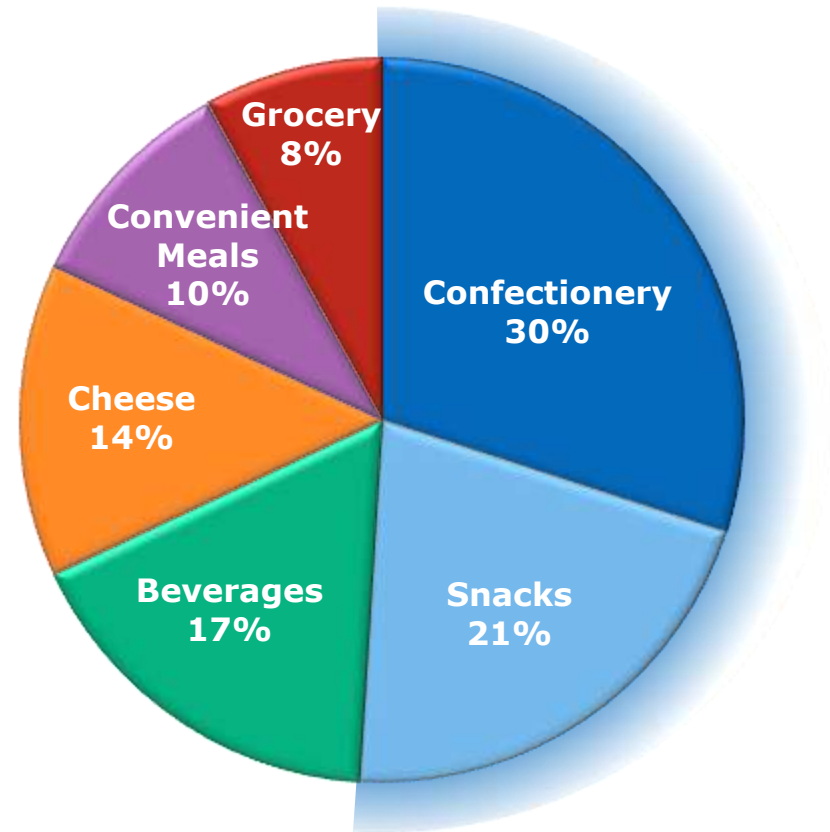
Confectionery and Snacks will now make up the majority of our portfolio

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.

11 billion-dollar brands

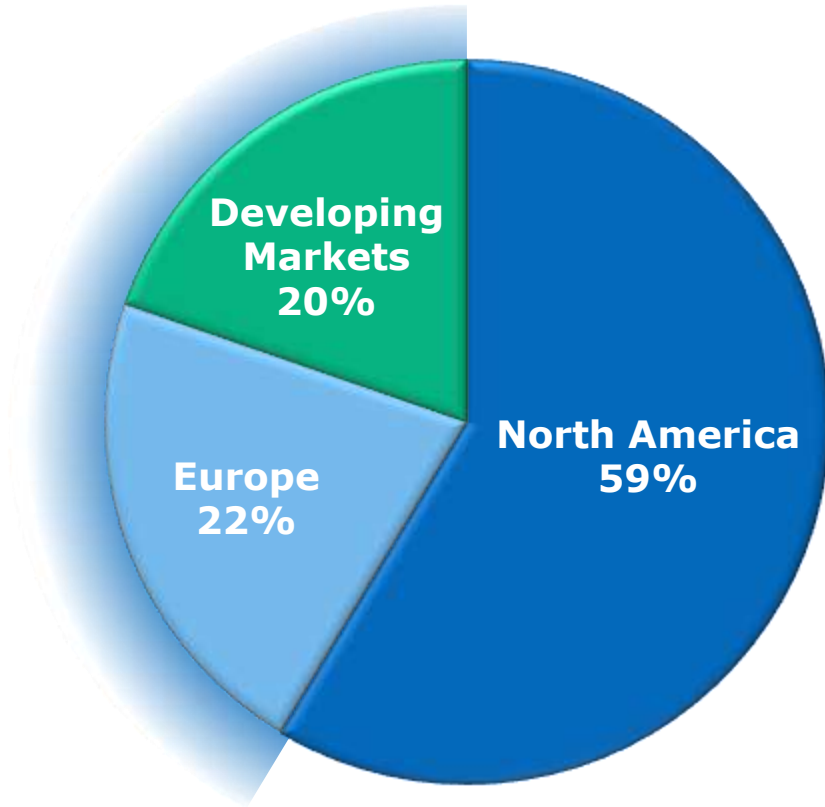


32



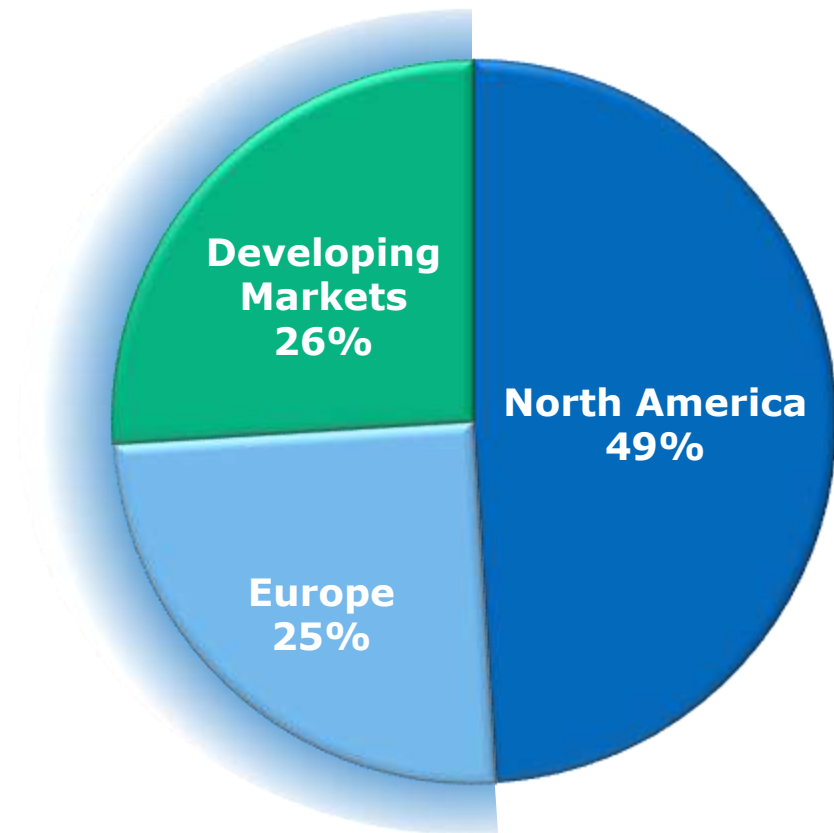
50%+ of business is outside North America

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.

A highly complementary footprint

2009 Net Revenues*

(in millions, rounded)

	<u>Kraft Foods</u>	<u>Cadbury</u>	<u>Combined</u>
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.

Complementary strengths in sales and distribution

Modern Trade Channels

Instant Consumption
Channels



Global sweet snacks leader

	Developing Markets						Global
	North America	Europe	Latin America	Asia Pacific	Eastern Europe	Middle East & Africa	
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

Drive top-tier organic revenue growth

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



Long-Term Organic Revenue Growth Targets

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

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

Meaningful cost savings

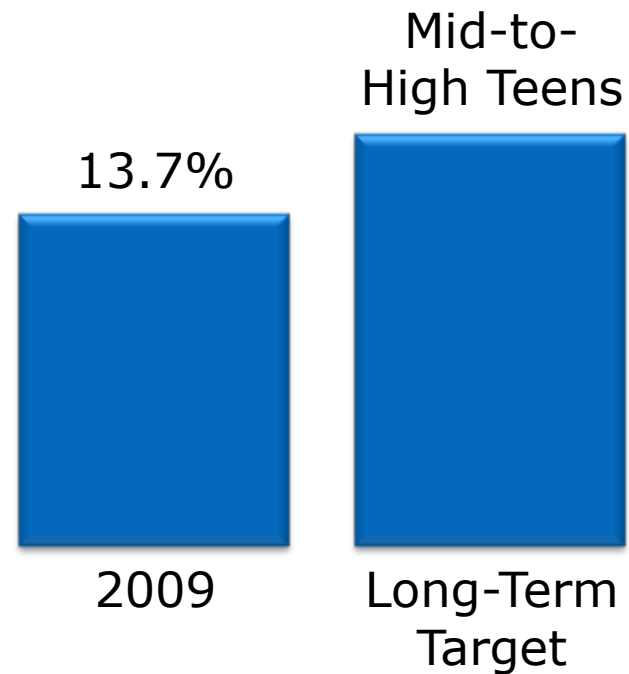
- Strong start from completing existing programs
- Targeting at least \$675 million of additional, annual pre-tax cost savings
 - Potential sources of savings:
 - \$300 million of operational synergies
 - \$250 million of general and administrative synergies
 - \$125 million of marketing and selling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

Accelerated margin expansion

- Driving productivity through greater scale
- Leveraging overhead costs to further expand margins
- Funding higher A&C, Sales and R&D



Operating Income Margin



Well positioned for sustainable, profitable, top-tier growth

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



Targets

Organic revenue growth 5%+

Profit margins to mid-to-high teens

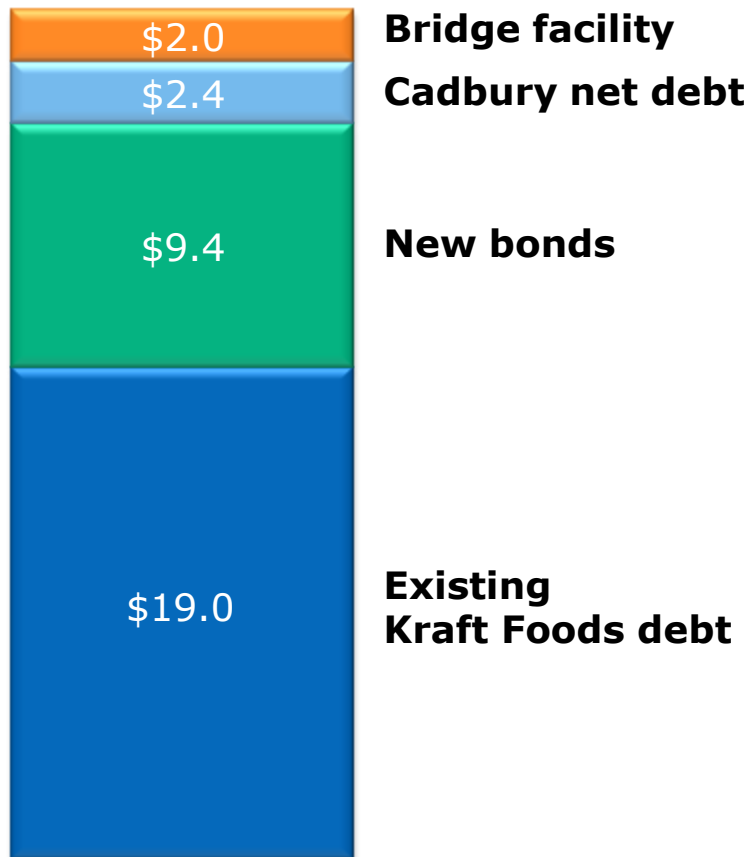
EPS growth 9%-11%

Agenda

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

Kraft Foods' existing capital structure

Total = ~\$33B*



- Raised \$9.5 billion in the U.S.
- Maintained investment grade debt ratings**
- Targeting ongoing debt-to-EBITDA ratio of ~3x within 18-24 mos
- 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.

Financial discipline well within stated criteria

	<u>Stated Criteria</u>	<u>Final Offer</u>	
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	☒

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

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

Still limited ability to issue guidance

- UKLA rules require earnings forecasts to be “reported upon” by independent third party
- Still early in integration process
 - Verifying initial assumptions regarding synergies
 - Evaluating existing operating plans and financial statements
- Expect to issue 2010 earnings guidance, 2011 outlook in May

Modeling considerations

- \$2.03 per diluted share in 2009
- Targeting base business EPS growth at high end of 7%-9% long-term growth objective
- Consolidating Cadbury results from February 2, 2010
- Targeting ~\$0.05 accretion to 2011 base business EPS on cash basis
 - Excludes one-time implementation costs of ~\$1.3 billion through 2012
 - Excludes expenses related to the transaction
 - Excludes incremental non-cash items
- Divestiture of pizza business expected to lower earnings by ~\$(0.05) per share on annual basis

Combination to deliver substantial value

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 at the end of this presentation.



GAAP to Non-GAAP Reconciliation

Operating Income Margins

(\$ in millions, except percentages) (Unaudited)

	Kraft Foods Inc.				
	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)
<u>For the Three Months Ended:</u>					
<u>March 31, 2008</u>					
Net Revenues	\$ 10,046	-	-	-	\$ 10,046
Operating Income	\$ 1,067	98	3	18	\$ 1,186
Operating Income Margin	10.6%				11.8%
<u>June 30, 2008</u>					
Net Revenues	\$ 10,804	-	-	-	\$ 10,804
Operating Income	\$ 1,423	121	1	74	\$ 1,619
Operating Income Margin	13.2%				15.0%
<u>September 30, 2008</u>					
Net Revenues	\$ 10,401	-	-	-	\$ 10,401
Operating Income	\$ 1,023	90	112	1	\$ 1,226
Operating Income Margin	9.8%				11.8%
<u>December 31, 2008</u>					
Net Revenues	\$ 10,681	-	-	-	\$ 10,681
Operating Income	\$ 330	680	107	(1)	\$ 1,116
Operating Income Margin	3.1%				10.4%
<u>For the Twelve Months Ended:</u>					
<u>December 31, 2008</u>					
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					
<u>Kraft Foods North America</u>					
Net Revenues	\$ 6,081	-	-	-	\$ 6,081
Operating Income	\$ 663	231	-	-	\$ 894
Operating Income Margin	10.9%				14.7%
<u>Kraft Foods Europe</u>					
Net Revenues	\$ 2,489	-	-	-	\$ 2,489
Operating Income	\$ (166)	358	39	(1)	\$ 230
Operating Income Margin	(6.7)%				9.2%
<u>Kraft Foods Developing Markets</u>					
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					
<u>Kraft Foods North America</u>					
Net Revenues	\$ 23,956	-	-	-	\$ 23,956
Operating Income	\$ 3,378	375	-	1	\$ 3,754
Operating Income Margin	14.1%				15.7%
<u>Kraft Foods Europe</u>					
Net Revenues	\$ 9,728	-	-	-	\$ 9,728
Operating Income	\$ 182	474	100	91	\$ 847
Operating Income Margin	1.9%				8.7%
<u>Kraft Foods Developing Markets</u>					
Net Revenues	\$ 8,248	-	-	-	\$ 8,248
Operating Income	\$ 815	140	51	-	\$ 1,006
Operating Income Margin	9.9%				12.2%



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)

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

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)	Organic (Non-GAAP)
For the Three Months Ended December 31,						
<u>2009 Reconciliation</u>						
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%
<u>2008 Reconciliation</u>						
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,						
<u>2009 Reconciliation</u>						
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%
<u>2008 Reconciliation</u>						
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		



GAAP to Non-GAAP Reconciliation

Net Revenues Growth

(Unaudited)

Kraft Foods Inc.

For the Twelve Months Ended:

	<u>As Reported (GAAP)</u>	<u>Impact of Divestitures / Other</u>	<u>Impact of Acquisitions</u>	<u>Impact of Currency</u>	<u>Organic (Non-GAAP)</u>
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)

	<u>Kraft Foods Inc.</u>	
	<u>For the Twelve Months Ended December 31,</u>	
	<u>2006</u>	<u>2009</u>
Net Cash Provided by Operating Activities (GAAP)	\$ 3,720	\$ 5,084
Capital Expenditures	<u>(1,169)</u>	<u>(1,330)</u>
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%