SEC Form 4	
------------	--

 $\square$ 

## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer subject to
Section 16. Form 4 or Form 5
obligations may continue. See
Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPR	OVAL
OMB Number:	3235-0287
Estimated average bur	den
hours per response.	0.5

1. Name and Addre	1 0	Person*	2. Issuer Name <b>and</b> Ticker or Trading Symbol <u>KRAFT FOODS INC</u> [ KFT ]		tionship of Reporting all applicable) Director	Perso X	on(s) to Issuer 10% Owner
(Last) 120 PARK AVE	(First) (Middle)		3. Date of Earliest Transaction (Month/Day/Year) 01/22/2007		Officer (give title below)		Other (specify below)
(Street) NEW YORK	pet)		4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Indiv Line) X	idual or Joint/Group Form filed by One Form filed by More Person	Repor	ting Person
	(State)	(Zip) Table I - Non-Deriva	ative Securities Acquired, Disposed of, or Benef	 icially (	Owned		

## Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transa Code ( 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		(11501.4)
Common Stock	01/22/2007		X		520 <sup>(1)</sup>	D	\$31	276,466,830	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transa Code ( 8)		of Deriv	r osed ) r. 3, 4	6. Date Exerc Expiration Da (Month/Day/N	ate	7. Title an Amount o Securities Underlyin Derivative (Instr. 3 ar	f g Security	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock option (right to buy)	\$31	01/22/2007		x			520	01/31/2003	06/12/2011	Common Stock	520	\$0	0	D	

Explanation of Responses:

1. Shares acquired by employee from Altria Group, Inc. pursuant to employee option exercise.

G. Penn Holsenbeck, Vice President, Associate General Counsel and Corporate <u>Secretary</u>

01/2<u>3/2007</u>

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.