Instruction 1(b)

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

	OMB APPROVAL									
	OMB Number:	3235-0287								
	Estimated average burden									
1	hours per response:	0.5								

					or Sec	tion 30(n) of th	e in	ivestmen	t Con	npany Act	01 19	940							
1. Name and Address of Reporting Person* <u>ALTRIA GROUP INC</u>						2. Issuer Name and Ticker or Trading Symbol KRAFT FOODS INC [KFT]								5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
					1									Directo	or	X	10% O	wner	
(Last)	Last) (First) (Middle) 20 PARK AVENUE					3. Date of Earliest Transaction (Month/Day/Year) 12/16/2004									(give title		Other (below)	r (specify v)	
					4. If An	4. If Amendment, Date of Original Filed (Month/Day/Year)								6. Individual or Joint/Group Filing (Check Applicable					
(Street) NEW YORK NY 10017					_									X Form filed by One Reporting Person Form filed by More than One Reporting Person					
(City)	(S	tate)	(Zip)																
		Tab	le I - Nor	า-Deriง	ative S	ecurities A	cq	uired,	Dis	posed o	of, c	r Ben	eficial	ly Owned	t				
1. Title of Security (Instr. 3) 2. Transa Date (Month/D				action 2A. Deemed Execution Date, if any (Month/Day/Year)			Code (Instr.		4. Securities Acquired (A) Disposed Of (D) (Instr. 3, 4 5)				4 and Securities Beneficially Owned Foll		Form (D) or	: Direct r Indirect str. 4)	7. Nature of Indirect Beneficial Ownership		
								Code	v	Amount		(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)				(Instr. 4)	
Common Stock 12/16								X 1,010		(1)	D	\$31	276,5	276,551,036		D			
		7				curities Acolls, warrant								Owned					
1. Title of Derivative Security (Instr. 3)	rative Conversion Date Execution or Exercise (Month/Day/Year) if any		Date,	4. Transactio Code (Inst 8)		6. Date Exercisa Expiration Date (Month/Day/Year			Amount of		ount of curities	_	8. Price of Derivative Security (Instr. 5)	9. Numbe derivative Securities Beneficia	e s	10. Ownership Form: Direct (D)	11. Nature of Indirect Beneficial Ownershi		

(right to buv) **Explanation of Responses:**

\$31

Employee stock

option

Price of Derivative

Security

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

12/16/2004

/s/ G Penn Holsenbeck Vice President, Associate General Counsel & Corp. Secretary

Title

Class A

Common

Expiration

06/12/2011

(Instr. 3 and 4)

Derivative Security

Amount or Number

of Shares

1,010

12/17/2004

** Signature of Reporting Person

Date

\$<mark>0</mark>

Beneficially Owned Following

Transaction(s) (Instr. 4)

0

Reported

or Indirect (I) (Instr. 4)

D

(Instr. 4)

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.

Acquired (A) or Disposed

of (D) (Instr. 3, 4 and 5)

1,010

(A) (D) Date

Exercisable

01/31/2003

Code

X