

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 2, 2021

MONDELÉZ INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

1-16483
(Commission
File Number)

52-2284372
(I.R.S. Employer
Identification No.)

905 West Fulton Market, Suite 200, Chicago, Illinois 60607
(Address of principal executive offices, including zip code)

(847) 943-4000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol (s)	Name of each exchange on which registered
Class A Common Stock, no par value	MDLZ	The Nasdaq Global Select Market
1.625% Notes due 2027	MDLZ27	The Nasdaq Stock Market LLC
0.250% Notes due 2028	MDLZ28	The Nasdaq Stock Market LLC
0.750% Notes due 2033	MDLZ33	The Nasdaq Stock Market LLC
2.375% Notes due 2035	MDLZ35	The Nasdaq Stock Market LLC
4.500% Notes due 2035	MDLZ35A	The Nasdaq Stock Market LLC
1.375% Notes due 2041	MDLZ41	The Nasdaq Stock Market LLC
3.875% Notes due 2045	MDLZ45	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On November 2, 2021, we issued a press release announcing earnings for the third quarter ended September 30, 2021. A copy of the earnings press release is furnished as Exhibit 99.1 to this current report.

This information, including Exhibit 99.1, will not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that section and it will not be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Mondelēz International, Inc. Press Release, dated November 2, 2021.
104	The cover page from Mondelēz International, Inc.’s Current Report on Form 8-K, formatted in Inline XBRL (included as Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MONDELÉZ INTERNATIONAL, INC.

By: /s/ Luca Zaramella

Name: Luca Zaramella

Title: Executive Vice President and
Chief Financial Officer

Date: November 2, 2021



Contacts: Jess Vogl (Media)
1-847-943-5678
news@mdlz.com

Shep Dunlap (Investors)
1-847-943-5454
ir@mdlz.com

Mondelēz International Reports Q3 2021 Results

Third Quarter Highlights

- Net revenues increased +7.8% driven by Organic Net Revenue¹ growth of +5.5%, favorable currency and acquisitions
- Diluted EPS was \$0.89, up 14.1%; Adjusted EPS¹ was \$0.71, up +9.4% on a constant-currency basis
- Year-to-date cash provided by operating activities was \$2.7 billion, an increase of +\$0.4 billion versus prior year; year-to-date Free Cash Flow¹ was \$2.1 billion, an increase of +\$0.4 billion
- Returned \$3.2 billion of capital to shareholders year-to-date
- Raising full-year 2021 Organic Net Revenue growth outlook to approximately 4.5%, reaffirming Adjusted EPS and Free Cash Flow outlook
- Announced target of net zero greenhouse gas emissions by 2050

CHICAGO, Ill. – November 2, 2021 – Mondelēz International, Inc. (Nasdaq: MDLZ) today reported its third quarter 2021 results.

“We delivered strong revenue and earnings growth in the third quarter with broad strength across both developed and emerging markets. Demand for our categories and brands remains vibrant and volume growth is solid as we implement pricing to reflect higher inflation,” said Dirk Van de Put, Chairman and Chief Executive Officer. “We expect elevated inflation and logistics volatility to persist, but remain confident in our plans to deliver on our financial algorithm, supported by compounding brand investments, pricing as necessary, distribution expansion and our robust ESG agenda, including our recently announced target of net zero emissions by 2050.”

Net Revenue

\$ in millions

	Reported Net Revenues		Organic Net Revenue Growth		
	Q3 2021	% Chg vs PY	Q3 2021	Vol/ Mix	Pricing
Quarter 3					
Latin America	\$ 751	23.1%	25.9%	10.8 pp	15.1 pp
Asia, Middle East & Africa	1,629	10.8%	5.7%	3.9 pp	1.8
Europe	2,714	7.4%	4.6%	3.1 pp	1.5
North America	2,088	1.4%	0.3%	(2.1) pp	2.4
Mondelēz International	\$ 7,182	7.8%	5.5%	2.4 pp	3.1 pp
Emerging Markets	\$ 2,584	12.9%	12.2%	6.1 pp	6.1 pp
Developed Markets	\$ 4,598	5.1%	2.0%	0.5 pp	1.5 pp
September Year-to-Date	YTD 2021		YTD 2021		
Latin America	\$ 2,089	13.1%	20.7%	7.6 pp	13.1 pp
Asia, Middle East & Africa	4,826	14.7%	7.9%	5.7 pp	2.2
Europe	8,035	10.9%	4.4%	3.2 pp	1.2
North America	6,112	2.2%	(0.7)%	(1.8) pp	1.1
Mondelēz International	\$ 21,062	9.2%	5.1%	2.6 pp	2.5 pp
Emerging Markets	\$ 7,440	12.3%	12.6%	6.9 pp	5.7 pp
Developed Markets	\$ 13,622	7.6%	1.2%	0.3 pp	0.9 pp

Operating Income and Diluted EPS

\$ in millions, except per share data

	Reported		Adjusted		
	Q3 2021	vs PY (Rpt Fx)	Q3 2021	vs PY (Rpt Fx)	vs PY (Cst Fx)
Quarter 3					
Gross Profit	\$ 2,824	1.1%	\$ 2,750	3.4%	2.1%
Gross Profit Margin	39.3%	(2.6) pp	38.3%	(1.6) pp	
Operating Income	\$ 1,294	14.0%	\$ 1,236	6.1%	4.5%
Operating Income Margin	18.0%	1.0 pp	17.2%	(0.3) pp	
Net Earnings ²	\$ 1,258	12.4%	\$ 1,006	8.9%	6.5%
Diluted EPS	\$ 0.89	14.1%	\$ 0.71	10.9%	9.4%
September Year-to-Date	YTD 2021		YTD 2021		
Gross Profit	\$ 8,421	11.2%	\$ 8,265	7.9%	4.7%
Gross Profit Margin	40.0%	0.7 pp	39.2%	(0.5) pp	
Operating Income	\$ 3,449	27.6%	\$ 3,605	12.2%	8.2%
Operating Income Margin	16.4%	2.4 pp	17.1%	0.4 pp	
Net Earnings	\$ 3,297	37.4%	\$ 3,069	11.6%	6.8%
Diluted EPS	\$ 2.33	40.4%	\$ 2.17	13.6%	8.9%

Third Quarter Commentary

- **Net revenues** increased 7.8 percent driven by Organic Net Revenue growth of 5.5 percent, favorable currency, and incremental sales from the company's acquisitions of Hu, Grenade and Gourmet Food. Pricing and volume drove Organic Net Revenue growth.
- **Gross profit** increased \$32 million, while gross profit margin decreased 260 basis points to 39.3 percent driven by the decrease in Adjusted Gross Profit¹ margin, higher restructuring costs and lower mark-to-market gains from derivatives. Adjusted Gross Profit increased \$57 million at constant currency, while Adjusted Gross Profit margin decreased 160 basis points to 38.3 percent due to higher raw material and transportation costs and unfavorable mix, partially offset by pricing and manufacturing productivity.
- **Operating income** increased \$159 million and operating income margin was 18.0 percent, up 100 basis points primarily due to lapping intangible asset impairment charges and reductions to contingent consideration liabilities related to acquisitions, partially offset by lower mark-to-market gains from derivatives and lower Adjusted Operating Income¹ margin. Adjusted Operating Income increased \$52 million at constant currency, and Adjusted Operating Income margin decreased 30 basis points to 17.2 percent due to higher raw material and transportation costs, unfavorable mix and higher advertising and consumer costs, partially offset by pricing, manufacturing productivity, lower overheads and lower amortization of intangible assets.
- **Diluted EPS** was \$0.89, up 14.1 percent, primarily due to an increase in Adjusted EPS, lapping prior year intangible asset impairment charges, reductions to contingent consideration liabilities related to acquisitions, lower equity method investee items and lapping prior-year initial impacts from enacted tax law changes, partially offset by lower gains on equity method investment transactions.
- **Adjusted EPS** was \$0.71, up 9.4 percent on a constant-currency basis driven by operating gains, fewer shares outstanding, and lower income taxes in the quarter.
- **Capital Return:** The company returned \$767 million to shareholders in cash dividends and share repurchases in the quarter.

2021 Outlook

Mondelēz International provides its outlook on a non-GAAP basis, as the company cannot predict some elements that are included in reported GAAP results, including the impact of foreign exchange. Refer to the Outlook section in the discussion of non-GAAP financial measures below for more details.

Metric	FY 2021 Outlook
Organic Net Revenue Growth	~+4.5%
Adjusted EPS Growth (at cst FX)	High single-digit
Free Cash Flow	\$3B+

The company estimates currency translation would increase 2021 net revenue growth by approximately 2 percent³ with a positive \$0.09 impact to Adjusted EPS³. Outlook is provided in the context of greater than usual volatility as a result of COVID-19. The company strategy and long-term algorithm remain unchanged.

Conference Call

Mondelēz International will host a conference call for investors with accompanying slides to review its results at 5 p.m. ET today. A listen-only webcast will be provided at www.mondelezinternational.com. An archive of the webcast will be available on the company's web site.

About Mondelēz International

Mondelēz International, Inc. (Nasdaq: MDLZ) empowers people to snack right in over 150 countries around the world. With 2020 net revenues of approximately \$27 billion, MDLZ is leading the future of snacking with iconic global and local brands such as *Oreo*, *belVita* and *LU* biscuits; *Cadbury Dairy Milk*, *Milka* and *Toblerone* chocolate; *Sour Patch Kids* candy and *Trident* gum. Mondelēz International is a proud member of the Standard and Poor's 500, Nasdaq 100 and Dow Jones Sustainability Index. Visit www.mondelezinternational.com or follow the company on Twitter at www.twitter.com/MDLZ.

End Notes

1. Organic Net Revenue, Adjusted Gross Profit (and Adjusted Gross Profit margin), Adjusted Operating Income (and Adjusted Operating Income margin), Adjusted EPS, Free Cash Flow and presentation of amounts in constant currency are non-GAAP financial measures. Please see discussion of non-GAAP financial measures at the end of this press release for more information.
2. Earnings attributable to Mondelēz International.
3. Currency estimate is based on published rates from XE.com on October 25, 2021.

Additional Definitions

Emerging markets consist of the Latin America region in its entirety; the Asia, Middle East and Africa region excluding Australia, New Zealand and Japan; and the following countries from the Europe region: Russia, Ukraine, Turkey, Kazakhstan, Georgia, Poland, Czech Republic, Slovak Republic, Hungary, Bulgaria, Romania, the Baltics and the East Adriatic countries.

Developed markets include the entire North America region, the Europe region excluding the countries included in the emerging markets definition, and Australia, New Zealand and Japan from the Asia, Middle East and Africa region.

Forward-Looking Statements

This press release contains a number of forward-looking statements. Words, and variations of words, such as “will,” “expect,” “may,” “would,” “could,” “estimate,” “target,” “outlook” and similar expressions are intended to identify the company’s forward-looking statements, including, but not limited to, statements about: the impact of and volatility resulting from the COVID-19 pandemic; the company’s future performance, including its future revenue growth, earnings per share and cash flow; currency and the effect of currency translation on the company’s results of operations; confidence in the company’s plans to deliver on its financial algorithm; inflation and logistics volatility; the company’s target of net zero greenhouse gas emissions; strategic transactions, including the Chipita acquisition; and the company’s outlook, including 2021 Organic Net Revenue growth, Adjusted EPS growth and Free Cash Flow. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the company’s control, and many of these risks and uncertainties are currently amplified by and may continue to be amplified by the COVID-19 pandemic, including the spread of new variants of COVID-19. Important factors that could cause the company’s actual results to differ materially from those indicated in the company’s forward-looking statements include, but are not limited to, uncertainty about the effectiveness of efforts by health officials and governments to control the spread of COVID-19 and inoculate and treat populations impacted by COVID-19; uncertainty about the reimposition or lessening of restrictions imposed by governments intended to mitigate the spread of COVID-19 and the magnitude, duration, geographic reach and impact on the global economy of COVID-19; the ongoing, and uncertain future, impact of the COVID-19 pandemic on the company’s business, growth, reputation, prospects, financial condition, operating results (including components of the company’s financial results), cash flows and liquidity; risks from operating globally including in emerging markets; changes in currency exchange rates, controls and restrictions; volatility of commodity and other input costs; weakness in economic conditions; weakness in consumer spending; pricing actions; tax matters including changes in tax laws and rates, disagreements with taxing authorities and imposition of new taxes; use of information technology and third party service providers; unanticipated disruptions to the company’s business, such as the malware incident, cyberattacks or other security breaches; global or regional health pandemics or epidemics, including COVID-19; competition; protection of the company’s reputation and brand image;

changes in consumer preferences and demand and the company's ability to innovate and differentiate its products; the restructuring program and the company's other transformation initiatives not yielding the anticipated benefits; changes in the assumptions on which the restructuring program is based; management of the company's workforce; consolidation of retail customers and competition with retailer and other economy brands; changes in the company's relationships with customers, suppliers or distributors; legal, regulatory, tax or benefit law changes, claims or actions; the impact of climate change on the company's supply chain and operations; strategic transactions; significant changes in valuation factors that may adversely affect the company's impairment testing of goodwill and intangible assets; perceived or actual product quality issues or product recalls; failure to maintain effective internal control over financial reporting; volatility of and access to capital or other markets and the company's liquidity; pension costs; the expected discontinuance of London Interbank Offered Rates and transition to any other interest rate benchmark; and the company's ability to protect its intellectual property and intangible assets. Please also see the company's risk factors, as they may be amended from time to time, set forth in its filings with the U.S. Securities and Exchange Commission ("SEC"), including the company's most recently filed Annual Report on Form 10-K. Mondelez International disclaims and does not undertake any obligation to update or revise any forward-looking statement in this press release, except as required by applicable law or regulation. In addition, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. The information included in, and any issues identified as material for purposes of, this document may not be considered material for SEC reporting purposes. In the context of this disclosure, the term "material" is distinct from, and should not be confused with, such term as defined for SEC reporting purposes.

Mondelēz International, Inc. and Subsidiaries
Condensed Consolidated Statements of Earnings
(in millions of U.S. dollars and shares, except per share data)
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
Net revenues	\$ 7,182	\$ 6,665	\$ 21,062	\$ 19,283
Cost of sales	4,358	3,873	12,641	11,709
Gross profit	2,824	2,792	8,421	7,574
Gross profit margin	39.3%	41.9%	40.0%	39.3%
Selling, general and administrative expenses	1,436	1,484	4,593	4,474
Asset impairment and exit costs	62	123	286	253
Gain on acquisition	—	—	(9)	—
Amortization of intangible assets	32	50	102	143
Operating income	1,294	1,135	3,449	2,704
Operating income margin	18.0%	17.0%	16.4%	14.0%
Benefit plan non-service income	(37)	(38)	(135)	(102)
Interest and other expense, net	82	89	358	364
Earnings before income taxes	1,249	1,084	3,226	2,442
Income tax provision	(342)	(391)	(952)	(880)
Effective tax rate	27.4%	36.1%	29.5%	36.0%
Gain on equity method investment transactions	250	345	745	537
Equity method investment net earnings	105	84	290	311
Net earnings	1,262	1,122	3,309	2,410
Noncontrolling interest earnings	(4)	(3)	(12)	(11)
Net earnings attributable to Mondelēz International	<u>\$ 1,258</u>	<u>\$ 1,119</u>	<u>\$ 3,297</u>	<u>\$ 2,399</u>
Per share data:				
Basic earnings per share attributable to Mondelēz International	<u>\$ 0.90</u>	<u>\$ 0.78</u>	<u>\$ 2.34</u>	<u>\$ 1.68</u>
Diluted earnings per share attributable to Mondelēz International	<u>\$ 0.89</u>	<u>\$ 0.78</u>	<u>\$ 2.33</u>	<u>\$ 1.66</u>
Average shares outstanding:				
Basic	1,399	1,432	1,406	1,432
Diluted	1,408	1,442	1,415	1,442

Mondelēz International, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(in millions of U.S. dollars)
(Unaudited)

	September 30, 2021	December 31, 2020	
ASSETS			
Cash and cash equivalents	\$ 3,401	\$ 3,619	
Trade receivables	2,673	2,297	
Other receivables	656	657	
Inventories, net	2,922	2,647	
Other current assets	803	759	
Total current assets	10,455	9,979	
Property, plant and equipment, net	8,668	9,026	
Operating lease right of use assets	636	638	
Goodwill	22,029	21,895	
Intangible assets, net	18,413	18,482	
Prepaid pension assets	838	672	
Deferred income taxes	633	790	
Equity method investments	5,269	6,036	
Other assets	376	292	
TOTAL ASSETS	\$ 67,317	\$ 67,810	
LIABILITIES			
Short-term borrowings	\$ 234	\$ 29	
Current portion of long-term debt	2,061	2,741	
Accounts payable	6,484	6,209	
Accrued marketing	2,012	2,130	
Accrued employment costs	788	834	
Other current liabilities	2,680	3,216	
Total current liabilities	14,259	15,159	
Long-term debt	17,692	17,276	
Long-term operating lease liabilities	476	470	
Deferred income taxes	3,388	3,346	
Accrued pension costs	1,059	1,257	
Accrued postretirement health care costs	341	346	
Other liabilities	2,348	2,302	
TOTAL LIABILITIES	39,563	40,156	
EQUITY			
Common Stock	—	—	
Additional paid-in capital	32,066	32,070	
Retained earnings	30,305	28,402	
Accumulated other comprehensive losses	(10,904)	(10,690)	
Treasury stock	(23,769)	(22,204)	
Total Mondelēz International Shareholders' Equity	27,698	27,578	
Noncontrolling interest	56	76	
TOTAL EQUITY	27,754	27,654	
TOTAL LIABILITIES AND EQUITY	\$ 67,317	\$ 67,810	
	September 30, 2021	December 31, 2020	Incr/ (Decr)
Short-term borrowings	\$ 234	\$ 29	\$ 205
Current portion of long-term debt	2,061	2,741	(680)
Long-term debt	17,692	17,276	416
Total Debt	19,987	20,046	(59)
Cash and cash equivalents	3,401	3,619	(218)
Net Debt (1)	\$ 16,586	\$ 16,427	\$ 159

(1) Net debt is defined as total debt, which includes short-term borrowings, current portion of long-term debt and long-term debt, less cash and cash equivalents.

Mondelēz International, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(in millions of U.S. dollars)
(Unaudited)

	For the Nine Months Ended September 30,	
	2021	2020
CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES		
Net earnings	\$ 3,309	\$ 2,410
Adjustments to reconcile net earnings to operating cash flows:		
Depreciation and amortization	837	813
Stock-based compensation expense	88	97
Deferred income tax provision/(benefit)	159	(103)
Asset impairments and accelerated depreciation	203	141
Loss on early extinguishment of debt	110	—
Gain on acquisition	(9)	—
Gain on equity method investment transactions	(745)	(537)
Equity method investment net earnings	(290)	(311)
Distributions from equity method investments	158	220
Other non-cash items, net	(52)	225
Change in assets and liabilities, net of acquisitions:		
Receivables, net	(417)	(259)
Inventories, net	(342)	(314)
Accounts payable	420	129
Other current assets	(259)	(64)
Other current liabilities	(231)	44
Change in pension and postretirement assets and liabilities, net	(219)	(176)
Net cash provided by/(used in) operating activities	<u>2,720</u>	<u>2,315</u>
CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		
Capital expenditures	(639)	(630)
Acquisitions, net of cash received	(833)	(1,142)
Proceeds from divestitures including equity method investments	1,498	1,357
Other	80	58
Net cash provided by/(used in) investing activities	<u>106</u>	<u>(357)</u>
CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		
Issuances of commercial paper, maturities greater than 90 days	—	677
Repayments of commercial paper, maturities greater than 90 days	—	(1,119)
Net issuances of other short-term borrowings	207	(2,001)
Long-term debt proceeds	5,921	5,987
Long-term debt repaid	(5,898)	(2,196)
Repurchase of Common Stock	(1,824)	(720)
Dividends paid	(1,337)	(1,227)
Other	(40)	104
Net cash provided by/(used in) financing activities	<u>(2,971)</u>	<u>(495)</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(97)	(1)
Cash, Cash Equivalents and Restricted Cash		
(Decrease) / increase	(242)	1,462
Balance at beginning of period	<u>3,650</u>	<u>1,328</u>
Balance at end of period	<u>\$ 3,408</u>	<u>\$ 2,790</u>

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Financial Measures
(Unaudited)

The company reports its financial results in accordance with accounting principles generally accepted in the United States (“GAAP”). However, management believes that also presenting certain non-GAAP financial measures provides additional information to facilitate the comparison of the company’s historical operating results and trends in its underlying operating results, and provides additional transparency on how the company evaluates its business. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the company’s performance. The company also believes that presenting these measures allows investors to view its performance using the same measures that the company uses in evaluating its financial and business performance and trends.

The company considers quantitative and qualitative factors in assessing whether to adjust for the impact of items that may be significant or that could affect an understanding of its ongoing financial and business performance and trends. The adjustments generally fall within the following categories: acquisition & divestiture activities, gains and losses on intangible asset sales and non-cash impairments, major program restructuring activities, constant currency and related adjustments, major program financing and hedging activities and other major items affecting comparability of operating results. See below for a description of adjustments to the company’s U.S. GAAP financial measures included herein.

Non-GAAP information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with U.S. GAAP. In addition, the company’s non-GAAP financial measures may not be the same as or comparable to similar non-GAAP measures presented by other companies.

DEFINITIONS OF THE COMPANY’S NON-GAAP FINANCIAL MEASURES

The company’s non-GAAP financial measures and corresponding metrics reflect how the company evaluates its operating results currently and provide improved comparability of operating results. As new events or circumstances arise, these definitions could change. When these definitions change, the company provides the updated definitions and presents the related non-GAAP historical results on a comparable basis. When items no longer impact the company’s current or future presentation of non-GAAP operating results, the company removes these items from its non-GAAP definitions. In the second quarter of 2021, the company added to the non-GAAP definitions the exclusion of initial impacts from enacted tax law changes. In the third quarter of 2021, the company also added the exclusion of contingent consideration adjustments and the mark-to-market impacts from equity method investment derivative contracts.

- **“Organic Net Revenue”** is defined as net revenues excluding the impacts of acquisitions, divestitures and currency rate fluctuations. The company also evaluates Organic Net Revenue growth from emerging markets and developed markets.
- **“Adjusted Gross Profit”** is defined as gross profit excluding the impacts of the Simplify to Grow Program; acquisition integration costs; the operating results of divestitures; and mark-to-market impacts from commodity, forecasted currency and equity method investment transaction derivative contracts. The company also presents “Adjusted Gross Profit margin,” which is subject to the same adjustments as Adjusted Gross Profit. The company also evaluates growth in the company’s Adjusted Gross Profit on a constant currency basis.
- **“Adjusted Operating Income”** and **“Adjusted Segment Operating Income”** are defined as operating income (or segment operating income) excluding the impacts of the items listed in the Adjusted Gross Profit definition as well as gains or losses (including non-cash impairment charges) on goodwill and intangible assets; divestiture or acquisition gains or losses, divestiture-related costs, acquisition-related costs, and acquisition integration costs and contingent consideration adjustments; remeasurement of net monetary position; impacts from resolution of tax matters; CEO transition remuneration; impact from pension participation changes; initial impacts from enacted tax law changes; and costs associated with the JDE Peet’s transaction. The company also presents “Adjusted Operating Income margin” and “Adjusted Segment Operating Income margin,” which are subject to the same adjustments as Adjusted Operating Income and Adjusted Segment Operating Income. The company also evaluates growth in the company’s Adjusted Operating Income and Adjusted Segment Operating Income on a constant currency basis.
- **“Adjusted EPS”** is defined as diluted EPS attributable to Mondelēz International from continuing operations excluding the impacts of the items listed in the Adjusted Operating Income definition, as well as losses on debt extinguishment and related expenses; gains or losses on equity method investment transactions; net earnings from divestitures; and gains or losses on interest rate swaps no longer designated as accounting cash flow hedges due to changed financing and hedging plans. Similarly, within Adjusted EPS, the company’s equity method investment net earnings exclude its proportionate share of its investees’ significant operating and non-operating items. The tax impact of each of the items excluded from the company’s GAAP results was computed based on the facts and tax assumptions associated with each item, and such impacts have also been excluded from Adjusted EPS. The company also evaluates growth in the company’s Adjusted EPS on a constant currency basis.

- **“Free Cash Flow”** is defined as net cash provided by operating activities less capital expenditures. Free Cash Flow is the company’s primary measure used to monitor its cash flow performance.

See the attached schedules for supplemental financial data and corresponding reconciliations of the non-GAAP financial measures referred to above to the most comparable GAAP financial measures for the three months and nine months ended September 30, 2021 and September 30, 2020. See Items Impacting Comparability of Operating Results below for more information about the items referenced in these definitions that specifically impacted the company’s results.

SEGMENT OPERATING INCOME

The company uses segment operating income to evaluate segment performance and allocate resources. The company believes it is appropriate to disclose this measure to help investors analyze segment performance and trends. Segment operating income excludes unrealized gains and losses on hedging activities (which are a component of cost of sales), general corporate expenses (which are a component of selling, general and administrative expenses), amortization of intangibles, gains and losses on divestitures and acquisition-related costs (which are a component of selling, general and administrative expenses) in all periods presented. The company excludes these items from segment operating income in order to provide better transparency of its segment operating results. Furthermore, the company centrally manages benefit plan non-service income and interest and other expense, net. Accordingly, the company does not present these items by segment because they are excluded from the segment profitability measure that management reviews.

ITEMS IMPACTING COMPARABILITY OF OPERATING RESULTS

The following information is provided to give qualitative and quantitative information related to items impacting comparability of operating results. The company identifies these based on how management views the company’s business; makes financial, operating and planning decisions; and evaluates the company’s ongoing performance. In addition, the company discloses the impact of changes in currency exchange rates on the company’s financial results in order to reflect results on a constant currency basis.

Divestitures, Divestiture-related costs and Gains/(losses) on divestitures

Divestitures include completed sales of businesses (including the partial or full sale of an equity method investment—discussed separately below under the gains and losses on equity method investment transactions section) and exits of major product lines upon completion of a sale or licensing agreement. As the company records its share of KDP and JDE Peet’s ongoing earnings on a one-quarter lag basis, any KDP or JDE Peet’s ownership reductions are reflected as divestitures within the company’s non-GAAP results the following quarter.

- The company’s non-GAAP results include the impacts from the 2020 partial sales of its equity method investments in KDP and JDE Peet’s and the second quarter 2021 sale of KDP shares as if the sales occurred at the beginning of all periods presented. See the section on gains/losses on equity method transactions below for more information.

Acquisitions, Acquisition-related costs and Acquisition integration costs

During the third quarter of 2021, the company began to exclude the impact of certain adjustments made to its acquisition contingent consideration liabilities that were recorded at the date of acquisition. The company made this adjustment to better facilitate comparisons of its underlying operating performance across periods.

On May 26, 2021, the company announced an agreement to acquire Chipita S.A., a leading croissants and baked snacks company in the Central and Eastern European markets. The company expects the acquisition to close in the first half of 2022 after all regulatory and acquisition-related reviews are completed. The company incurred acquisition-related costs of \$6 million in the nine months ended September 30, 2021. The company also incurred acquisition integration costs of \$6 million in the three and nine months ended September 30, 2021, as these expenses were incurred in preparation of the acquisition closing in the first half of 2022.

On April 1, 2021, the company acquired Gourmet Food Holdings Pty Ltd, a leading Australian food company in the premium biscuit and cracker category. The acquisition added incremental net revenues of \$32 million in the three months and \$59 million in the nine months ended September 30, 2021, and operating income of \$4 million in the three months and \$7 million in the nine months ended September 30, 2021. The company also incurred acquisition-related costs of \$7 million in the nine months ended September 30, 2021.

On March 25, 2021, the company acquired a majority interest in Lion/Gemstone Topco Ltd (“Grenade”), a performance nutrition leader in the United Kingdom. The acquisition of Grenade expands the company’s position into the premium nutrition market. The acquisition added incremental net revenues of \$22 million in the three months and \$45 million in the nine months ended September 30, 2021, and operating income of \$2 million in the three months and \$4 million in the nine months ended September 30, 2021. The company also incurred acquisition-related costs of \$2 million in the nine months ended September 30, 2021.

On January 4, 2021, the company acquired the remaining 93% of equity of Hu Master Holdings, a category leader in premium chocolate in the United States, which provides a strategic complement to the company’s snacking portfolio in North America through growth opportunities in chocolate and other categories in the well-being segment. The initial cash consideration paid was \$229 million, net of cash received, and the company may be required to pay additional contingent consideration. The estimated fair value of the contingent consideration obligation at the acquisition date was \$132 million and was determined using a Monte Carlo simulation based on forecasted future results. During the third quarter, based on latest estimates, the company recorded a \$70 million reduction to the liability as recent economic and market conditions related to COVID and supply chain challenges in the U.S. have impacted the pace of growth. This reduction was recorded in selling, general and administrative expenses. As a result of acquiring the remaining equity interest, the company consolidated the operation and recorded a pre-tax gain of \$9 million (\$7 million after-tax) related to stepping up the company’s previously-held \$8 million (7%) investment to fair value. The acquisition added incremental net revenues of \$11 million in the three months and \$27 million in the nine months ended September 30, 2021, and operating income (inclusive of the adjustment to the contingent consideration liability) of \$63 million in the three months and \$50 million in the nine months ended September 30, 2021. The company also incurred acquisition-related costs of \$9 million in the nine months ended September 30, 2021.

On April 1, 2020, the company acquired a majority interest in Give & Go, a North American leader in fully-finished sweet baked goods and owner of the famous *two-bite*® brand of brownies and the *Create-A-Treat*® brand, known for cookie and gingerbread house decorating kits. The acquisition of Give & Go provides access to the in-store bakery channel and expands the company’s position in broader snacking. The acquisition added incremental net revenues of \$106 million and operating income of \$6 million in 2021. The company incurred acquisition-integrations costs of \$3 million in the nine months ended September 30, 2021. The company also incurred acquisition-related costs of \$15 million in the nine months ended September 30, 2020.

Simplify to Grow Program

The primary objective of the Simplify to Grow Program is to reduce the company’s operating cost structure in both its supply chain and overhead costs. The program covers severance as well as asset disposals and other manufacturing and procurement-related one-time costs.

Restructuring costs

The company recorded restructuring charges of \$62 million in the three months and \$250 million in the nine months ended September 30, 2021 and \$68 million in the three months and \$111 million in the nine months ended September 30, 2020 within asset impairment and exit costs and benefit plan non-service income. These charges were for severance and related costs, non-cash asset write-downs (including accelerated depreciation and asset impairments) and other adjustments, including any gains on sale of restructuring program assets.

Implementation costs

Implementation costs primarily relate to reorganizing the company’s operations and facilities in connection with its supply chain reinvention program and other identified productivity and cost saving initiatives. The costs include incremental expenses related to the closure of facilities, costs to terminate certain contracts and the simplification of the company’s information systems. The company recorded implementation costs of \$65 million in the three months and \$132 million in the nine months ended September 30, 2021 and \$46 million in the three months and \$141 million in the nine months ended September 30, 2020.

Intangible asset impairment charges

The company evaluates its goodwill and intangible asset impairment risk quarterly using qualitative analysis. In light of the ongoing COVID-19 global pandemic, the company performed further quantitative analysis over indefinite-life intangible assets and recorded approximately \$32 million of intangible asset charges in the second quarter of 2021 and \$90 million in the second quarter of 2020. The impairment charges were recorded within asset impairment and exit costs.

During the company’s 2021 annual testing of indefinite-life intangible assets, there were no impairments noted. During the company’s 2020 annual testing of non-amortizable intangible assets, the company recorded approximately \$54 million of impairment charges in the third quarter of 2020 related to three gum and chocolate brands. In 2020, the ongoing impact of the pandemic resulted in greater declines in the sales and earnings for certain brands, particularly the company’s gum brands. The impairment charges were recorded within asset impairment and exit costs.

Mark-to-market impacts from commodity and currency derivative contracts

The company excludes unrealized gains and losses (mark-to-market impacts) from outstanding commodity, forecasted currency and equity method investment transaction derivative contracts from its non-GAAP earnings measures. The mark-to-market impacts of commodity and forecasted currency transaction derivatives are excluded until such time that the related exposures impact the company's operating results. Since the company purchases commodity and forecasted currency transaction contracts to mitigate price volatility primarily for inventory requirements in future periods, the company makes this adjustment to remove the volatility of these future inventory purchases on current operating results to facilitate comparisons of its underlying operating performance across periods. The company excludes equity method investment derivative contract settlements as they represent protection of value for future divestitures. The company recorded net unrealized gains on commodity, forecasted currency and equity method transaction derivatives of \$134 million in the three months and \$268 million in the nine months ended September 30, 2021, and recorded net unrealized gains of \$148 million in the three months and net unrealized losses of \$38 million in the nine months ended September 30, 2020.

Remeasurement of net monetary position

During the second quarter of 2018, primarily based on published estimates which indicated that Argentina's three-year cumulative inflation rate exceeded 100%, the company concluded that Argentina became a highly inflationary economy for accounting purposes. As of July 1, 2018, the company began to apply highly inflationary accounting for its Argentinean subsidiaries and changed their functional currency from the Argentinean peso to the U.S. dollar. On July 1, 2018, both monetary and non-monetary assets and liabilities denominated in Argentinian pesos were remeasured into U.S. dollars. As of each subsequent balance sheet date, Argentinean peso denominated monetary assets and liabilities were remeasured into U.S. dollars using the exchange rate as of the balance sheet date, with remeasurement and other transaction gains and losses recorded in net earnings. Within selling, general and administrative expenses, the company recorded remeasurement losses of \$2 million in the three months and \$10 million in the nine months ended September 30, 2021, and \$2 million in the three months and \$7 million in the nine months ended September 30, 2020 related to the revaluation of the Argentinean peso denominated net monetary position over these periods.

Impact from pension participation changes

The impact from pension participation changes represent the charges incurred when employee groups are withdrawn from multiemployer pension plans and other changes in employee group pension plan participation. The company excludes these charges from its non-GAAP results because those amounts do not reflect the company's ongoing pension obligations.

During the third quarter of 2021, the company terminated its Defined Benefit Pension Scheme in Nigeria. During the second quarter of 2021, the company made a decision to freeze its Defined Benefit Pension Scheme in the United Kingdom. As a result of these actions, the company recognized a curtailment credit of \$3 million for the three months and \$17 million for the nine months ended September 30, 2021 recorded within benefit plan non-service income. In connection with the United Kingdom plan freeze, the company also incurred incentive payment charges and other expenses related to this decision of \$2 million in the three months and \$47 million in the nine months ended September 30, 2021 included in operating income.

On July 11, 2019, the company received an undiscounted withdrawal liability assessment related to the company's complete withdrawal from the Bakery and Confectionery Union and Industry International Pension Fund totaling \$526 million and requiring pro-rata monthly payments over 20 years. The company began making monthly payments during the third quarter of 2019. The company recorded \$2 million of accreted interest in the three months and \$8 million in the nine months ended September 30, 2021 and \$3 million in the three months and \$9 million in the nine months ended September 30, 2020 on the long-term liability within interest and other expense, net. As of September 30, 2021, the remaining discounted withdrawal liability was \$364 million, with \$14 million recorded in other current liabilities and \$350 million recorded in long-term other liabilities.

Loss on debt extinguishment and related expenses

On March 31, 2021, the company completed an early redemption of euro (€1,200 million) and U.S. dollar (\$992 million) denominated notes. The company recorded \$137 million of extinguishment loss and debt-related expenses within interest and other expense, net related to \$110 million paid in excess of carrying value of the debt and recognizing unamortized discounts and deferred financing in earnings and \$27 million foreign currency derivative loss related to the redemption payment at the time of the debt extinguishment.

Loss related to interest rate swaps

Within interest and other expense, net, the company recognized a pre-tax loss related to forward-starting interest rate swaps of \$103 million (\$79 million after-tax) in the first quarter of 2020 due to the changes in related forecasted debt.

Initial impacts from enacted tax law changes

The company excludes initial impacts from enacted tax law changes from its non-GAAP financial measures as they do not reflect its ongoing tax obligations under the enacted tax law changes. Initial impacts include items such as the remeasurement of deferred tax balances and the transition tax from the 2017 U.S. tax reform. Previously, the company only excluded the initial impacts from more material tax reforms, specifically the impacts of the 2019 Swiss tax reform and 2017 U.S. tax reform. To facilitate comparisons of its underlying operating results, the company has recast all historical non-GAAP earnings measures to exclude the initial impacts from enacted tax law changes.

The company recorded a net tax benefit of \$4 million from a decrease of its deferred tax liabilities resulting from enacted tax legislation in the three months and a net tax expense from the increase of its deferred tax liabilities resulting from enacted tax legislation (mainly in the United Kingdom) of \$95 million in the nine months ended September 30, 2021. The company recorded a net tax expense from the increase of its deferred tax liabilities resulting from enacted tax legislation (mainly in the United Kingdom) of \$30 million in the three months and nine months ended September 30, 2020.

Gains and losses on equity method investment transactions

Keurig Dr Pepper Transactions:

On March 4, 2020, the company participated in a secondary offering of KDP shares and sold approximately 6.8 million shares, which reduced its ownership interest by 0.5% of total outstanding shares. The company received \$185 million of proceeds and recorded a pre-tax gain of \$71 million (or \$54 million after-tax) during the three months ended March 31, 2020. On August 3, 2020, the company sold approximately 14.1 million shares of KDP, which reduced its ownership interest by 1.0% of the total outstanding shares. The company received \$414 million of proceeds and recorded a pre-tax gain of \$181 million (or \$139 million after-tax) during the third quarter of 2020. On September 9, 2020, the company sold approximately 12.5 million shares of KDP, which reduced its ownership interest by 0.9% of the total outstanding shares. The company received \$363 million of proceeds and recorded a pre-tax gain of \$154 million (or \$119 million after-tax) during the third quarter of 2020. On November 17, 2020, the company participated in a secondary offering of KDP shares and sold approximately 40.0 million shares, which reduced the company's ownership interest by 2.8% of the total outstanding shares. The company received \$1,132 million of proceeds and recorded a pre-tax gain of \$459 million (or \$350 million after-tax) during the fourth quarter of 2020. On June 7, 2021, the company participated in a secondary offering of KDP shares and sold approximately 28 million shares, which reduced its ownership interest by 2% to 6.4% of the total outstanding shares. The company received \$997 million of proceeds and recorded a pre-tax gain of \$520 million (or \$392 million after-tax) during the second quarter of 2021. The company considers these ownership reductions partial divestitures of its equity method investment in KDP. Therefore, the company has removed the equity method investment net earnings related to this divested portion from its non-GAAP financial results for Adjusted EPS for all historical periods presented to facilitate comparison of results. The company's U.S. GAAP results, which include its equity method investment net earnings from KDP, did not change from what was previously reported.

On August 2, 2021, the company participated in a secondary offering of KDP shares and sold approximately \$14.7 million shares of KDP, which reduced its ownership interest by 1% to 5.3% of the total outstanding shares. The company received \$500 million of proceeds and recorded a pre-tax gain of \$248 million (or \$189 million after-tax) during the third quarter of 2021. As the company records its share of KDP ongoing earnings on a one-quarter lag basis, any KDP ownership reductions are reflected as divestitures within non-GAAP results the following quarter. As such, the company will recast divestitures within its non-GAAP results to reflect the third quarter 2021 sales of KDP shares in the fourth quarter of 2021.

JDE Peet's Transaction:

In May 2020, JDE Peet's B.V. (renamed JDE Peet's N.V. immediately prior to Settlement (as defined below), "JDE Peet's") consummated the offering, listing and trading of its ordinary shares on Euronext Amsterdam, a regulated market operated by Euronext Amsterdam N.V. (the "admission"). In connection with this transaction, JDE Peet's and the selling shareholders, including the company, agreed to sell at a price of €31.50 per ordinary share a total of approximately 82.1 million ordinary shares, including ordinary shares subject to an over-allotment option. The ordinary shares were listed and first traded on May 29, 2020, and payment for, and delivery of, the ordinary shares sold in the offering (excluding ordinary shares subject to the over-allotment option) took place on June 2, 2020 ("Settlement").

Prior to Settlement, the company exchanged its 26.4% ownership interest in JDE for a 26.5% equity interest in JDE Peet's. The company did not invest new capital in connection with the transaction and the exchange was accounted for as a change in interest transaction. Upon Settlement, the company sold approximately 9.7 million of its ordinary shares in JDE Peet's in the offering for gross proceeds of €304 million (\$343 million). The company subsequently sold approximately 1.4 million additional shares and received gross proceeds of €46 million (\$51 million) upon exercise of the over-allotment option. Following Settlement and the exercise of the over-allotment option, the company held a 22.9% equity interest in JDE Peet's. During the second quarter of 2020, the company recorded a preliminary gain of \$121 million, net of \$33 million released from accumulated other comprehensive losses, and incurred \$48 million of transaction costs. The company also incurred a \$261

million tax expense. During the third quarter of 2020, the company increased its preliminary gain by \$10 million to \$131 million. During the fourth quarter of 2020, the company recorded a \$7 million loss related to a minor dilution of its ownership percentage and reduced its tax expense by \$11 million to \$250 million and the associated cash tax will be paid by the end of 2021. In addition, the company considers the 3.6% ownership reduction a partial divestiture of its equity method investment in JDE Peet's. Therefore, the company has removed the equity method investment net earnings related to this divested portion from its non-GAAP financial results for Adjusted EPS for all historical periods presented to facilitate comparison of results. The company's U.S. GAAP results, which include its equity method investment net earnings from JDE Peet's, did not change from what was previously reported.

Equity method investee items

Within Adjusted EPS, the company's equity method investment net earnings exclude its proportionate share of its equity method investees' significant operating and non-operating items, such as acquisition and divestiture-related costs and restructuring program costs.

Constant currency

Management evaluates the operating performance of the company and its international subsidiaries on a constant currency basis. The company determines its constant currency operating results by dividing or multiplying, as appropriate, the current period local currency operating results by the currency exchange rates used to translate the company's financial statements in the comparable prior-year period to determine what the current-period U.S. dollar operating results would have been if the currency exchange rate had not changed from the comparable prior-year period.

OUTLOOK

The company's outlook for 2021 Organic Net Revenue growth, Adjusted EPS growth on a constant currency basis and Free Cash Flow are non-GAAP financial measures that exclude or otherwise adjust for items impacting comparability of financial results such as the impact of changes in currency exchange rates, restructuring activities, acquisitions and divestitures. The company is not able to reconcile its projected Organic Net Revenue growth to its projected reported net revenue growth for the full-year 2021 because the company is unable to predict during this period the impact from potential acquisitions or divestitures, as well as the impact of currency translation due to the unpredictability of future changes in currency exchange rates, which could be material as a significant portion of the company's operations are outside the U.S. The company is not able to reconcile its projected Adjusted EPS growth on a constant currency basis to its projected reported diluted EPS growth for the full-year 2021 because the company is unable to predict during this period the timing of its restructuring program costs, mark-to-market impacts from commodity and forecasted currency transaction derivative contracts and impacts from potential acquisitions or divestitures as well as the impact of currency translation due to the unpredictability of future changes in currency exchange rates, which could be material as a significant portion of the company's operations are outside the U.S. The company is not able to reconcile its projected Free Cash Flow to its projected net cash from operating activities for the full-year 2021 because the company is unable to predict during this period the timing and amount of capital expenditures impacting cash flow. Therefore, because of the uncertainty and variability of the nature and amount of future adjustments, which could be significant, the company is unable to provide a reconciliation of these measures without unreasonable effort.

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Net Revenues
(in millions of U.S. dollars)
(Unaudited)

	<u>Latin America</u>	<u>AMEA</u>	<u>Europe</u>	<u>North America</u>	<u>Mondelēz International</u>
<u>For the Three Months Ended September 30, 2021</u>					
Reported (GAAP)	\$ 751	\$ 1,629	\$ 2,714	\$ 2,088	\$ 7,182
Acquisitions	—	(31)	(20)	(11)	(62)
Currency	17	(44)	(51)	(11)	(89)
Organic (Non-GAAP)	<u>\$ 768</u>	<u>\$ 1,554</u>	<u>\$ 2,643</u>	<u>\$ 2,066</u>	<u>\$ 7,031</u>
<u>For the Three Months Ended September 30, 2020</u>					
Reported (GAAP)	\$ 610	\$ 1,470	\$ 2,526	\$ 2,059	\$ 6,665
Divestitures	—	—	—	—	—
Organic (Non-GAAP)	<u>\$ 610</u>	<u>\$ 1,470</u>	<u>\$ 2,526</u>	<u>\$ 2,059</u>	<u>\$ 6,665</u>
<u>% Change</u>					
Reported (GAAP)	23.1%	10.8%	7.4%	1.4%	7.8%
Divestitures	— pp	— pp	— pp	— pp	— pp
Acquisitions	—	(2.1)	(0.8)	(0.6)	(0.9)
Currency	2.8	(3.0)	(2.0)	(0.5)	(1.4)
Organic (Non-GAAP)	<u>25.9%</u>	<u>5.7%</u>	<u>4.6%</u>	<u>0.3%</u>	<u>5.5%</u>
Vol/Mix	10.8 pp	3.9 pp	3.1 pp	(2.1)pp	2.4 pp
Pricing	15.1	1.8	1.5	2.4	3.1
<u>For the Nine Months Ended September 30, 2021</u>					
Reported (GAAP)	\$ 2,089	\$ 4,826	\$ 8,035	\$ 6,112	\$ 21,062
Acquisitions	—	(54)	(41)	(133)	(228)
Currency	140	(231)	(427)	(42)	(560)
Organic (Non-GAAP)	<u>\$ 2,229</u>	<u>\$ 4,541</u>	<u>\$ 7,567</u>	<u>\$ 5,937</u>	<u>\$ 20,274</u>
<u>For the Nine Months Ended September 30, 2020</u>					
Reported (GAAP)	\$ 1,847	\$ 4,209	\$ 7,248	\$ 5,979	\$ 19,283
Divestitures	—	—	—	—	—
Organic (Non-GAAP)	<u>\$ 1,847</u>	<u>\$ 4,209</u>	<u>\$ 7,248</u>	<u>\$ 5,979</u>	<u>\$ 19,283</u>
<u>% Change</u>					
Reported (GAAP)	13.1%	14.7%	10.9%	2.2%	9.2%
Divestitures	— pp	— pp	— pp	— pp	— pp
Acquisitions	—	(1.3)	(0.6)	(2.2)	(1.2)
Currency	7.6	(5.5)	(5.9)	(0.7)	(2.9)
Organic (Non-GAAP)	<u>20.7%</u>	<u>7.9%</u>	<u>4.4%</u>	<u>(0.7)%</u>	<u>5.1%</u>
Vol/Mix	7.6 pp	5.7 pp	3.2 pp	(1.8)pp	2.6 pp
Pricing	13.1	2.2	1.2	1.1	2.5

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Net Revenues - Markets
(in millions of U.S. dollars)
(Unaudited)

	Emerging Markets	Developed Markets	Mondelēz International
For the Three Months Ended September 30, 2021			
Reported (GAAP)	\$ 2,584	\$ 4,598	\$ 7,182
Acquisitions	—	(62)	(62)
Currency	(16)	(73)	(89)
Organic (Non-GAAP)	\$ 2,568	\$ 4,463	\$ 7,031
For the Three Months Ended September 30, 2020			
Reported (GAAP)	\$ 2,289	\$ 4,376	\$ 6,665
Divestitures	—	—	—
Organic (Non-GAAP)	\$ 2,289	\$ 4,376	\$ 6,665
% Change			
Reported (GAAP)	12.9%	5.1%	7.8%
Divestitures	— pp	— pp	— pp
Acquisitions	—	(1.4)	(0.9)
Currency	(0.7)	(1.7)	(1.4)
Organic (Non-GAAP)	12.2%	2.0%	5.5%
Vol/Mix	6.1 pp	0.5 pp	2.4 pp
Pricing	6.1	1.5	3.1
	Emerging Markets	Developed Markets	Mondelēz International
For the Nine Months Ended September 30, 2021			
Reported (GAAP)	\$ 7,440	\$ 13,622	\$ 21,062
Acquisitions	—	(228)	(228)
Currency	18	(578)	(560)
Organic (Non-GAAP)	\$ 7,458	\$ 12,816	\$ 20,274
For the Nine Months Ended September 30, 2020			
Reported (GAAP)	\$ 6,623	\$ 12,660	\$ 19,283
Divestitures	—	—	—
Organic (Non-GAAP)	\$ 6,623	\$ 12,660	\$ 19,283
% Change			
Reported (GAAP)	12.3%	7.6%	9.2%
Divestitures	— pp	— pp	— pp
Acquisitions	—	(1.8)	(1.2)
Currency	0.3	(4.6)	(2.9)
Organic (Non-GAAP)	12.6%	1.2%	5.1%
Vol/Mix	6.9 pp	0.3 pp	2.6 pp
Pricing	5.7	0.9	2.5

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Gross Profit / Operating Income
(in millions of U.S. dollars)
(Unaudited)

	For the Three Months Ended September 30, 2021				
	Net Revenues	Gross Profit	Gross Profit Margin	Operating Income	Operating Income Margin
Reported (GAAP)	\$ 7,182	\$ 2,824	39.3%	\$ 1,294	18.0%
Simplify to Grow Program	—	57		127	
Mark-to-market (gains)/losses from derivatives	—	(133)		(132)	
Acquisition integration costs and contingent consideration adjustments	—	1		(57)	
Remeasurement of net monetary position	—	—		2	
Impact from pension participation changes	—	1		2	
Adjusted (Non-GAAP)	\$ 7,182	\$ 2,750	38.3%	\$ 1,236	17.2%
Currency		(34)		(19)	
Adjusted @ Constant FX (Non-GAAP)		\$ 2,716		\$ 1,217	

	For the Three Months Ended September 30, 2020				
	Net Revenues	Gross Profit	Gross Profit Margin	Operating Income	Operating Income Margin
Reported (GAAP)	\$ 6,665	\$ 2,792	41.9%	\$ 1,135	17.0%
Simplify to Grow Program	—	14		114	
Intangible asset impairment charges	—	—		54	
Mark-to-market (gains)/losses from derivatives	—	(147)		(145)	
Divestiture-related costs	—	1		6	
Remeasurement of net monetary position	—	—		2	
Rounding	—	(1)		(1)	
Adjusted (Non-GAAP)	\$ 6,665	\$ 2,659	39.9%	\$ 1,165	17.5%

	Gross Profit	Operating Income
\$ Change - Reported (GAAP)	\$ 32	\$ 159
\$ Change - Adjusted (Non-GAAP)	91	71
\$ Change - Adjusted @ Constant FX (Non-GAAP)	57	52
% Change - Reported (GAAP)	1.1%	14.0%
% Change - Adjusted (Non-GAAP)	3.4%	6.1%
% Change - Adjusted @ Constant FX (Non-GAAP)	2.1%	4.5%

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Gross Profit / Operating Income
(in millions of U.S. dollars)
(Unaudited)

	For the Nine Months Ended September 30, 2021				
	Net Revenues	Gross Profit	Gross Profit Margin	Operating Income	Operating Income Margin
Reported (GAAP)	\$ 21,062	\$ 8,421	40.0%	\$ 3,449	16.4%
Simplify to Grow Program	—	92		381	
Intangible asset impairment charges	—	—		32	
Mark-to-market (gains)/losses from derivatives	—	(270)		(270)	
Acquisition integration costs and contingent consideration adjustments	—	2		(54)	
Acquisition-related costs	—	—		24	
Gain on acquisition	—	—		(9)	
Remeasurement of net monetary position	—	—		10	
Impact from pension participation changes	—	20		47	
Impact from resolution of tax matters	—	—		(5)	
Adjusted (Non-GAAP)	\$ 21,062	\$ 8,265	39.2%	\$ 3,605	17.1%
Currency		(244)		(130)	
Adjusted @ Constant FX (Non-GAAP)		\$ 8,021		\$ 3,475	

	For the Nine Months Ended September 30, 2020				
	Net Revenues	Gross Profit	Gross Profit Margin	Operating Income	Operating Income Margin
Reported (GAAP)	\$ 19,283	\$ 7,574	39.3%	\$ 2,704	14.0%
Simplify to Grow Program	—	48		248	
Intangible asset impairment charges	—	—		144	
Mark-to-market (gains)/losses from derivatives	—	40		42	
Acquisition integration costs	—	—		2	
Acquisition-related costs	—	—		15	
Divestiture-related costs	—	—		4	
Costs associated with JDE Peet's transaction	—	—		48	
Remeasurement of net monetary position	—	—		7	
Rounding	—	—		(1)	
Adjusted (Non-GAAP)	\$ 19,283	\$ 7,662	39.7%	\$ 3,213	16.7%

	Gross Profit	Operating Income
\$ Change - Reported (GAAP)	\$ 847	\$ 745
\$ Change - Adjusted (Non-GAAP)	603	392
\$ Change - Adjusted @ Constant FX (Non-GAAP)	359	262
% Change - Reported (GAAP)	11.2%	27.6%
% Change - Adjusted (Non-GAAP)	7.9%	12.2%
% Change - Adjusted @ Constant FX (Non-GAAP)	4.7%	8.2%

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Net Earnings and Tax Rate
(in millions of U.S. dollars and shares, except per share data)
(Unaudited)

	For the Three Months Ended September 30, 2021										
	Operating Income	Benefit plan non- service expense / (income)	Interest and other expense, net	Earnings before income taxes	Income taxes (1)	Effective tax rate	Gain on equity method investment transactions	Equity method investment net losses / (earnings)	Non- controlling interest earnings	Net Earnings attributable to Mondelēz International	Diluted EPS attributable to Mondelēz International
Reported (GAAP)	\$ 1,294	\$ (37)	\$ 82	\$ 1,249	\$ 342	27.4%	\$ (250)	\$ (105)	\$ 4	\$ 1,258	\$ 0.89
Simplify to Grow Program	127	—	—	127	32		—	—	—	95	0.06
Mark-to-market (gains)/losses from derivatives	(132)	—	—	(132)	(24)		2	—	—	(110)	(0.08)
Acquisition integration costs and contingent consideration adjustments	(57)	—	—	(57)	(15)		—	—	—	(42)	(0.03)
Remeasurement of net monetary position	2	—	—	2	—		—	—	—	2	—
Impact from pension participation changes	2	3	(2)	1	—		—	—	—	1	—
Initial impacts from enacted tax law changes	—	—	—	—	4		—	—	—	(4)	—
Gain on equity method investment transactions	—	—	—	—	(59)		248	—	—	(189)	(0.13)
Equity method investee items	—	—	—	—	1		—	4	—	(5)	—
Adjusted (Non-GAAP)	\$ 1,236	\$ (34)	\$ 80	\$ 1,190	\$ 281	23.6%	\$ —	\$ (101)	\$ 4	\$ 1,006	\$ 0.71
Currency										(22)	(0.01)
Adjusted @ Constant FX (Non-GAAP)										\$ 984	\$ 0.70
Diluted Average Shares Outstanding											1,408

For the Three Months Ended September 30, 2020

	Operating Income	Benefit plan non- service expense / (income)	Interest and other expense, net	Earnings before income taxes	Income taxes (1)	Effective tax rate	Gain on equity method investment transactions	Equity method investment net losses / (earnings)	Non- controlling interest earnings	Net Earnings attributable to Mondelēz International	Diluted EPS attributable to Mondelēz International
Reported (GAAP)	\$ 1,135	\$ (38)	\$ 89	\$ 1,084	\$ 391	36.1%	\$ (345)	\$ (84)	\$ 3	\$ 1,119	\$ 0.78
Simplify to Grow Program	114	—	—	114	22		—	—	—	92	0.06
Intangible asset impairment charges	54	—	—	54	12		—	—	—	42	0.03
Mark-to-market (gains)/losses from derivatives	(145)	—	3	(148)	(27)		—	—	—	(121)	(0.08)
Acquisition-related costs	—	—	—	—	(3)		—	—	—	3	—
Divestiture-related costs	6	—	—	6	—		—	—	—	6	—
Net earnings from divestitures	—	—	—	—	(8)		—	24	—	(16)	(0.01)
Remeasurement of net monetary position	2	—	—	2	—		—	—	—	2	—
Impact from pension participation changes	—	—	(3)	3	1		—	—	—	2	—
Initial impacts from enacted tax law changes	—	—	—	—	(30)		—	—	—	30	0.02
Gain on equity method investment transactions	—	—	—	—	(77)		345	—	—	(268)	(0.19)
Equity method investee items	—	—	—	—	1		—	(35)	—	34	0.03
Rounding	(1)	—	—	(1)	—		—	—	—	(1)	—
Adjusted (Non-GAAP)	\$ 1,165	\$ (38)	\$ 89	\$ 1,114	\$ 282	25.3%	\$ —	\$ (95)	\$ 3	\$ 924	\$ 0.64
Diluted Average Shares Outstanding											1,442

(1) Taxes were computed for each of the items excluded from the company's GAAP results based on the facts and tax assumptions associated with each item.

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Net Earnings and Tax Rate
(in millions of U.S. dollars and shares, except per share data)
(Unaudited)

	For the Nine Months Ended September 30, 2021										
	Operating Income	Benefit plan non- service expense / (income)	Interest and other expense, net	Earnings before income taxes	Income taxes (1)	Effective tax rate	Gain on equity method investment transactions	Equity method investment net losses / (earnings)	Non- controlling interest earnings	Net Earnings attributable to Mondelēz International	Diluted EPS attributable to Mondelēz International
Reported (GAAP)	\$ 3,449	\$ (135)	\$ 358	\$ 3,226	\$ 952	29.5%	\$ (745)	\$ (290)	\$ 12	\$ 3,297	\$ 2.33
Simplify to Grow Program	381	(1)	—	382	98		—	—	—	284	0.20
Intangible asset impairment charges	32	—	—	32	8		—	—	—	24	0.02
Mark-to-market (gains)/losses from derivatives	(270)	—	(4)	(266)	(42)		2	—	—	(226)	(0.16)
Acquisition integration costs and contingent consideration adjustments	(54)	—	—	(54)	(14)		—	—	—	(40)	(0.03)
Acquisition-related costs	24	—	—	24	4		—	—	—	20	0.01
Gain on acquisition	(9)	—	—	(9)	(2)		—	—	—	(7)	—
Net earnings from divestitures	—	—	—	—	(4)		—	16	—	(12)	(0.01)
Remeasurement of net monetary position	10	—	—	10	—		—	—	—	10	0.01
Impact from pension participation changes	47	17	(8)	38	8		—	—	—	30	0.02
Impact from resolution of tax matters	(5)	—	2	(7)	(1)		—	—	—	(6)	—
Loss on debt extinguishment and related expenses	—	—	(137)	137	34		—	—	—	103	0.07
Initial impacts from enacted tax law changes	—	—	—	—	(95)		—	—	—	95	0.07
Gain on equity method investment transactions	—	—	—	—	(184)		743	—	—	(559)	(0.40)
Equity method investee items	—	—	—	—	4		—	(60)	—	56	0.04
Adjusted (Non-GAAP)	\$ 3,605	\$ (119)	\$ 211	\$ 3,513	\$ 766	21.8%	\$ —	\$ (334)	\$ 12	\$ 3,069	\$ 2.17
Currency										(132)	(0.09)
Adjusted @ Constant FX (Non-GAAP)										\$ 2,937	\$ 2.08
Diluted Average Shares Outstanding											1,415

For the Nine Months Ended September 30, 2020

	Operating Income	Benefit plan non- service expense / (income)	Interest and other expense, net	Earnings before income taxes	Income taxes (1)	Effective tax rate	Gain on equity method investment transactions	Equity method investment net losses / (earnings)	Non- controlling interest earnings	Net Earnings attributable to Mondelez International	Diluted EPS attributable to Mondelez International
Reported (GAAP)	\$ 2,704	\$ (102)	\$ 364	\$ 2,442	\$ 880	36.0%	\$ (537)	\$ (311)	\$ 11	\$ 2,399	\$ 1.66
Simplify to Grow Program	248	(4)	—	252	55		—	—	—	197	0.14
Intangible asset impairment charges	144	—	—	144	33		—	—	—	111	0.08
Mark-to-market (gains)/losses from derivatives	42	—	4	38	5		—	—	—	33	0.03
Acquisition integration costs	2	—	—	2	—		—	—	—	2	—
Acquisition-related costs	15	—	—	15	—		—	—	—	15	0.01
Divestiture-related costs	4	—	—	4	—		—	—	—	4	—
Net earnings from divestitures	—	—	—	—	(17)		—	80	—	(63)	(0.04)
Costs associated with JDE Peet's transaction	48	—	—	48	(261)		—	—	—	309	0.21
Remeasurement of net monetary position	7	—	—	7	—		—	—	—	7	—
Impact from pension participation changes	—	—	(9)	9	2		—	—	—	7	0.01
Loss related to interest rate swaps	—	—	(103)	103	24		—	—	—	79	0.05
Initial impacts from enacted tax law changes	—	—	—	—	(30)		—	—	—	30	0.02
Gain on equity method investment transactions	—	—	—	—	(94)		537	—	—	(443)	(0.31)
Equity method investee items	—	—	—	—	5		—	(69)	—	64	0.05
Rounding	(1)	—	—	(1)	—		—	—	—	(1)	—
Adjusted (Non-GAAP)	\$ 3,213	\$ (106)	\$ 256	\$ 3,063	\$ 602	19.7%	\$ —	\$ (300)	\$ 11	\$ 2,750	\$ 1.91

**Diluted Average Shares
Outstanding**

1,442

(1) Taxes were computed for each of the items excluded from the company's GAAP results based on the facts and tax assumptions associated with each item.

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Diluted EPS
(Unaudited)

	For the Three Months Ended September 30,		\$ Change	% Change
	2021	2020		
Diluted EPS attributable to Mondelēz International (GAAP)	\$ 0.89	\$ 0.78	\$ 0.11	14.1%
Simplify to Grow Program	0.06	0.06	—	
Intangible asset impairment charges	—	0.03	(0.03)	
Mark-to-market (gains)/losses from derivatives	(0.08)	(0.08)	—	
Acquisition integration costs and contingent consideration adjustments	(0.03)	—	(0.03)	
Net earnings from divestitures	—	(0.01)	0.01	
Initial impacts from enacted tax law changes	—	0.02	(0.02)	
Gain on equity method investment transactions	(0.13)	(0.19)	0.06	
Equity method investee items	—	0.03	(0.03)	
Adjusted EPS (Non-GAAP)	\$ 0.71	\$ 0.64	\$ 0.07	10.9%
Impact of favorable currency	(0.01)	—	(0.01)	
Adjusted EPS @ Constant FX (Non-GAAP)	\$ 0.70	\$ 0.64	\$ 0.06	9.4%
Adjusted EPS @ Constant FX—Key Drivers				
Increase in operations			\$ 0.02	
Impact from acquisitions			0.01	
Change in benefit plan non-service income			—	
Change in interest and other expense, net			—	
Change in equity method investment net earnings			—	
Change in income taxes			0.01	
Change in shares outstanding			0.02	
			\$ 0.06	

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Diluted EPS
(Unaudited)

	For the Nine Months Ended September 30,		\$ Change	% Change
	2021	2020		
Diluted EPS attributable to Mondelēz International (GAAP)	\$ 2.33	\$ 1.66	\$ 0.67	40.4%
Simplify to Grow Program	0.20	0.14	0.06	
Intangible asset impairment charges	0.02	0.08	(0.06)	
Mark-to-market (gains)/losses from derivatives	(0.16)	0.03	(0.19)	
Acquisition integration costs and contingent consideration adjustments	(0.03)	—	(0.03)	
Acquisition-related costs	0.01	0.01	—	
Net earnings from divestitures	(0.01)	(0.04)	0.03	
Costs associated with JDE Peet's transaction	—	0.21	(0.21)	
Remeasurement of net monetary position	0.01	—	0.01	
Impact from pension participation changes	0.02	0.01	0.01	
Loss related to interest rate swaps	—	0.05	(0.05)	
Loss on debt extinguishment and related expenses	0.07	—	0.07	
Initial impacts from enacted tax law changes	0.07	0.02	0.05	
Gain on equity method investment transactions	(0.40)	(0.31)	(0.09)	
Equity method investee items	0.04	0.05	(0.01)	
Adjusted EPS (Non-GAAP)	\$ 2.17	\$ 1.91	\$ 0.26	13.6%
Impact of favorable currency	(0.09)	—	(0.09)	
Adjusted EPS @ Constant FX (Non-GAAP)	\$ 2.08	\$ 1.91	\$ 0.17	8.9%
<u>Adjusted EPS @ Constant FX—Key Drivers</u>				
Increase in operations			\$ 0.14	
Change in benefit plan non-service income			—	
Change in interest and other expense, net			0.02	
Change in equity method investment net earnings			0.02	
Change in income taxes			(0.05)	
Change in shares outstanding			0.04	
			\$ 0.17	

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Segment Data
(in millions of U.S. dollars)
(Unaudited)

For the Three Months Ended September 30, 2021									
	Latin America	AMEA	Europe	North America	Unrealized G/(L) on Hedging Activities	General Corporate Expenses	Amortization of Intangibles	Other Items	Mondelēz International
Net Revenue									
Reported (GAAP)	\$ 751	\$ 1,629	\$ 2,714	\$ 2,088	\$ —	\$ —	\$ —	\$—	\$ 7,182
Divestitures	—	—	—	—	—	—	—	—	—
Adjusted (Non-GAAP)	<u>\$ 751</u>	<u>\$ 1,629</u>	<u>\$ 2,714</u>	<u>\$ 2,088</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$—</u>	<u>\$ 7,182</u>
Operating Income									
Reported (GAAP)	\$ 91	\$ 267	\$ 508	\$ 363	\$ 132	\$ (35)	\$ (32)	\$—	\$ 1,294
Simplify to Grow Program	1	3	8	108	—	7	—	—	127
Mark-to-market (gains)/losses from derivatives	—	—	—	—	(132)	—	—	—	(132)
Acquisition integration costs and contingent consideration adjustments	—	—	6	(62)	—	(1)	—	—	(57)
Remeasurement of net monetary position	2	—	—	—	—	—	—	—	2
Impact from pension participation changes	—	—	2	—	—	—	—	—	2
Adjusted (Non-GAAP)	<u>\$ 94</u>	<u>\$ 270</u>	<u>\$ 524</u>	<u>\$ 409</u>	<u>\$ —</u>	<u>\$ (29)</u>	<u>\$ (32)</u>	<u>\$—</u>	<u>\$ 1,236</u>
Currency	5	(8)	(12)	(1)	—	(4)	1	—	(19)
Adjusted @ Constant FX (Non-GAAP)	<u>\$ 99</u>	<u>\$ 262</u>	<u>\$ 512</u>	<u>\$ 408</u>	<u>\$ —</u>	<u>\$ (33)</u>	<u>\$ (31)</u>	<u>\$—</u>	<u>\$ 1,217</u>
% Change - Reported (GAAP)	18.2%	27.1%	17.6%	(6.2)%	n/m	47.0%	36.0%	n/m	14.0%
% Change - Adjusted (Non-GAAP)	8.0%	11.1%	6.9%	(9.5)%	n/m	49.1%	36.0%	n/m	6.1%
% Change - Adjusted @ Constant FX (Non-GAAP)	13.8%	7.8%	4.5%	(9.7)%	n/m	42.1%	38.0%	n/m	4.5%
Operating Income Margin									
Reported %	12.1%	16.4%	18.7%	17.4%					18.0%
Reported pp change	(0.5)pp	2.1 pp	1.6 pp	(1.4)pp					1.0 pp
Adjusted %	12.5%	16.6%	19.3%	19.6%					17.2%
Adjusted pp change	(1.8)pp	0.1 pp	(0.1)pp	(2.4)pp					(0.3)pp
For the Three Months Ended September 30, 2020									
	Latin America	AMEA	Europe	North America	Unrealized G/(L) on Hedging Activities	General Corporate Expenses	Amortization of Intangibles	Other Items	Mondelēz International
Net Revenue									
Reported (GAAP)	\$ 610	\$ 1,470	\$ 2,526	\$ 2,059	\$ —	\$ —	\$ —	\$—	\$ 6,665
Divestitures	—	—	—	—	—	—	—	—	—
Adjusted (Non-GAAP)	<u>\$ 610</u>	<u>\$ 1,470</u>	<u>\$ 2,526</u>	<u>\$ 2,059</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$—</u>	<u>\$ 6,665</u>
Operating Income									
Reported (GAAP)	\$ 77	\$ 210	\$ 432	\$ 387	\$ 145	\$ (66)	\$ (50)	\$—	\$ 1,135
Simplify to Grow Program	5	27	55	18	—	9	—	—	114
Intangible asset impairment charges	3	—	3	47	—	1	—	—	54
Mark-to-market (gains)/losses from derivatives	—	—	—	—	(145)	—	—	—	(145)
Divestiture-related costs	—	6	—	—	—	—	—	—	6
Remeasurement of net monetary position	2	—	—	—	—	—	—	—	2
Rounding	—	—	—	—	—	(1)	—	—	(1)
Adjusted (Non-GAAP)	<u>\$ 87</u>	<u>\$ 243</u>	<u>\$ 490</u>	<u>\$ 452</u>	<u>\$ —</u>	<u>\$ (57)</u>	<u>\$ (50)</u>	<u>\$—</u>	<u>\$ 1,165</u>
Operating Income Margin									
Reported %	12.6%	14.3%	17.1%	18.8%					17.0%
Adjusted %	14.3%	16.5%	19.4%	22.0%					17.5%

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Segment Data
(in millions of U.S. dollars)
(Unaudited)

For the Nine Months Ended September 30, 2021									
	Latin America	AMEA	Europe	North America	Unrealized G/(L) on Hedging Activities	General Corporate Expenses	Amortization of Intangibles	Other Items	Mondelēz International
Net Revenue									
Reported (GAAP)	\$ 2,089	\$ 4,826	\$ 8,035	\$ 6,112	\$ —	\$ —	\$ —	\$ —	\$ 21,062
Divestitures	—	—	—	—	—	—	—	—	—
Adjusted (Non-GAAP)	<u>\$ 2,089</u>	<u>\$ 4,826</u>	<u>\$ 8,035</u>	<u>\$ 6,112</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 21,062</u>
Operating Income									
Reported (GAAP)	\$ 221	\$ 842	\$ 1,478	\$ 932	\$ 270	\$ (177)	\$ (102)	\$ (15)	\$ 3,449
Simplify to Grow Program	11	(11)	34	328	—	19	—	—	381
Intangible asset impairment charges	—	—	—	32	—	—	—	—	32
Mark-to-market (gains)/losses from derivatives	—	—	—	—	(270)	—	—	—	(270)
Acquisition integration costs and contingent consideration adjustments	—	—	6	(60)	—	—	—	—	(54)
Acquisition-related costs	—	—	—	—	—	—	—	24	24
Gain on acquisition	—	—	—	—	—	—	—	(9)	(9)
Remeasurement of net monetary position	10	—	—	—	—	—	—	—	10
Impact from pension participation changes	—	—	47	—	—	—	—	—	47
Impact from resolution of tax matters	(5)	—	—	—	—	—	—	—	(5)
Adjusted (Non-GAAP)	<u>\$ 237</u>	<u>\$ 831</u>	<u>\$ 1,565</u>	<u>\$ 1,232</u>	<u>\$ —</u>	<u>\$ (158)</u>	<u>\$ (102)</u>	<u>\$ —</u>	<u>\$ 3,605</u>
Currency	19	(51)	(100)	(8)	—	6	4	—	(130)
Adjusted @ Constant FX (Non-GAAP)	<u>\$ 256</u>	<u>\$ 780</u>	<u>\$ 1,465</u>	<u>\$ 1,224</u>	<u>\$ —</u>	<u>\$ (152)</u>	<u>\$ (98)</u>	<u>\$ —</u>	<u>\$ 3,475</u>
% Change - Reported (GAAP)	48.3%	36.9%	23.1%	(21.8)%	n/m	30.0%	28.7%	n/m	27.6%
% Change - Adjusted (Non-GAAP)	24.7%	25.7%	16.3%	(6.4)%	n/m	(0.6)%	28.7%	n/m	12.2%
% Change - Adjusted @ Constant FX (Non-GAAP)	34.7%	18.0%	8.8%	(7.0)%	n/m	3.2%	31.5%	n/m	8.2%
Operating Income Margin									
Reported %	10.6%	17.4%	18.4%	15.2%					16.4%
Reported pp change	2.5 pp	2.8 pp	1.8 pp	(4.7)pp					2.4 pp
Adjusted %	11.3%	17.2%	19.5%	20.2%					17.1%
Adjusted pp change	1.0 pp	1.5 pp	0.9 pp	(1.8)pp					0.4 pp

For the Nine Months Ended September 30, 2020									
	Latin America	AMEA	Europe	North America	Unrealized G/(L) on Hedging Activities	General Corporate Expenses	Amortization of Intangibles	Other Items	Mondelēz International
Net Revenue									
Reported (GAAP)	\$ 1,847	\$ 4,209	\$ 7,248	\$ 5,979	\$ —	\$ —	\$ —	\$ —	\$ 19,283
Divestitures	—	—	—	—	—	—	—	—	—
Adjusted (Non-GAAP)	<u>\$ 1,847</u>	<u>\$ 4,209</u>	<u>\$ 7,248</u>	<u>\$ 5,979</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 19,283</u>
Operating Income									
Reported (GAAP)	\$ 149	\$ 615	\$ 1,201	\$ 1,192	\$ (42)	\$ (253)	\$ (143)	\$ (15)	\$ 2,704
Simplify to Grow Program	31	37	92	39	—	49	—	—	248
Intangible asset impairment charges	3	5	53	83	—	—	—	—	144
Mark-to-market (gains)/losses from derivatives	—	—	—	—	42	—	—	—	42
Acquisition integration costs	—	—	—	2	—	—	—	—	2
Acquisition-related costs	—	—	—	—	—	—	—	15	15
Divestiture-related costs	—	4	—	—	—	—	—	—	4
Costs associated with JDE Peet's transaction	—	—	—	—	—	48	—	—	48
Remeasurement of net monetary position	7	—	—	—	—	—	—	—	7
Rounding	—	—	—	—	—	(1)	—	—	(1)
Adjusted (Non-GAAP)	<u>\$ 190</u>	<u>\$ 661</u>	<u>\$ 1,346</u>	<u>\$ 1,316</u>	<u>\$ —</u>	<u>\$ (157)</u>	<u>\$ (143)</u>	<u>\$ —</u>	<u>\$ 3,213</u>

Operating Income Margin

Reported %	8.1%	14.6%	16.6%	19.9%	14.0%
Adjusted %	10.3%	15.7%	18.6%	22.0%	16.7%

Mondelēz International, Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
Net Cash Provided by Operating Activities to Free Cash Flow
(in millions of U.S. dollars)
(Unaudited)

	For the Nine Months Ended September 30,		\$ Change
	2021	2020	
Net Cash Provided by Operating Activities (GAAP)	\$ 2,720	\$ 2,315	\$ 405
Capital Expenditures	(639)	(630)	(9)
Free Cash Flow (Non-GAAP)	\$ 2,081	\$ 1,685	\$ 396