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Kraft Foods Opens Doors To New Biscuit R&D Center In Europe

Culmination of Two-year Project with €15 Million Investment

ZURICH, Switzerland – Oct. 21, 2011 – Kraft Foods yesterday officially opened its new European Biscuit Research and Development Centre in Saclay, France, a suburb of Paris. This new facility will support product development for many of Europe's most beloved biscuit brands, including *LU*, *belVita*, *Oreo*, *Mikado*, *Prince*, *Saiwa* and *TUC*. Kraft Foods Chairman and CEO Irene Rosenfeld was on hand for yesterday's ribbon cutting, which represents the culmination of a two-year-project, with a total investment of €15 million (approximately \$20 million).

"France is an important market for biscuits in Europe and for Kraft Foods' snacking business globally. This investment makes good business sense, supporting us in our efforts to drive future biscuit innovation and growth," said Timothy P. Cofer, President, Kraft Foods Europe. "Consumers in Europe and around the world have long enjoyed our exceptional biscuit brands and, with the support of this new Center, we will be able to create many more delicious snacking moments for our consumers for years to come."

Kraft Foods is the biscuit market leader in Europe with more than 15 percent market share, driven by beloved heritage brands and a strong focus on innovation. In 2011, Kraft Foods' European Biscuit business has been growing more than two times faster than the European biscuits market overall. This growth is fueled by the company's investment in consumers' favorites such as *LU*, Oreo and *belVita*, driven by the recent relaunch of the iconic *LU* brand, the successful introduction of the innovative *belVita* breakfast biscuit, and the expansion of the "world's favorite cookie," *Oreo*, into major markets across Europe.

The investment by Kraft Foods in this new Biscuit R&D Center in Saclay further demonstrates the company's commitment to snacking, and to snacking-related innovations in the areas of nutrition & wellness and indulgence. In addition, the Center will support the company's focus on sustainability, building upon the success of the "LU Harmony" program in France. The Center in Saclay will be home to a team of 120 talented people, including researchers, engineers, nutritionists, baker-pastry cooks, and product and packaging developers dedicated to supporting the European biscuit business. The center joins 11 other Kraft Foods R&D centers that support Kraft Foods' businesses around the globe.

ABOUT KRAFT FOODS

Kraft Foods Inc. (NYSE: KFT) is a global snacks powerhouse with an unrivaled portfolio of brands people love. Proudly marketing delicious biscuits, confectionery, beverages, cheese, grocery products and convenient meals in approximately 170 countries, Kraft Foods had 2010 revenue of \$49.2 billion. Twelve of the company's iconic brands – *Cadbury, Jacobs, Kraft, LU, Maxwell House, Milka, Nabisco, Oreo, Oscar Mayer, Philadelphia, Tang* and *Trident* – generate revenue of more than \$1 billion annually. On Aug. 4, 2011, Kraft Foods announced plans to divide and create two independent public companies: a high-growth global snacks business with estimated revenue of \$32 billion and a high-margin North American grocery business with estimated revenue of \$16 billion, based on 2010 financial results, adjusted for divestitures. The transaction will take at least 12 months to complete, during which time plans regarding the structure, management, governance and other matters will be announced. A leader in innovation, marketing, health & wellness and sustainability, Kraft Foods is a member of the Dow Jones Industrial Average, Standard & Poor's 500, Dow Jones Sustainability Index and Ethibel Sustainability Index. For further information, visit www.kraftfoodseurope.com.

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