
**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): December 16, 2008

KRAFT FOODS 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.)

Three Lakes Drive, Northfield, Illinois
(Address of Principal executive offices)

60093-2753
(Zip Code)

Registrant's Telephone number, including area code: (847) 646-2000

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))
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Item 8.01. Other Events.

On August 4, 2008, we completed the split-off of the *Post* cereals business, which was in connection with our November 15, 2007 agreement to distribute and merge the *Post* cereals business into Ralcorp Holdings, Inc. after a tax-free exchange with our shareholders. Please refer to our press releases on August 1, 4 and 6, 2008, which were filed as Exhibits 99.1 to our Current Reports on Form 8-K on August 1, 4 and 7, 2008, respectively, for additional information regarding this split-off transaction.

Beginning in the third quarter of 2008, the results of the *Post* cereals business were reflected as discontinued operations on our condensed consolidated statement of earnings, and prior period third quarter results were restated in a consistent manner. Please refer to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 for further details. Attached as Exhibit 99.1 to this Current Report on Form 8-K, are unaudited financial schedules for the years ended December 31, 2007 and 2006 presenting our consolidated statement of earnings reported in our Annual Report on Form 10-K/A for the year ended December 31, 2007 to reflect the *Post* cereals business as discontinued operations.

Item 9.01. Financial Statements and Exhibits.

(d) The following exhibit is being filed with this Current Report on Form 8-K.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Financial Schedules

SIGNATURE

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.

KRAFT FOODS INC.

Date: December 16, 2008

/s/ Carol J. Ward

Name: Carol J. Ward

Title: Vice President and Corporate Secretary

Kraft Foods Inc. and Subsidiaries
Consolidated Statements of Earnings, as Restated
For the Years Ended December 31,
(in millions of dollars, except per share data)
(Unaudited)

	<u>2007</u>	<u>2006</u>
Net revenues	\$36,134	\$33,256
Cost of sales	<u>24,057</u>	<u>21,344</u>
Gross profit	12,077	11,912
Marketing, administration and research costs	7,672	7,120
Asset impairment and exit costs	441	999
Gain on redemption of United Biscuits investment	–	(251)
Gains on divestitures, net	(15)	(117)
Amortization of intangibles	<u>13</u>	<u>7</u>
Operating income	3,966	4,154
Interest and other debt expense, net	<u>604</u>	<u>510</u>
Earnings from continuing operations before income taxes	3,362	3,644
Provision for income taxes	<u>1,002</u>	<u>816</u>
Earnings from continuing operations	2,360	2,828
Earnings from discontinued operations, net of income taxes	<u>230</u>	<u>232</u>
Net earnings	<u>\$ 2,590</u>	<u>\$ 3,060</u>
Per share data:		
Basic earnings per share:		
Continuing operations	\$ 1.50	\$ 1.72
Discontinued operations	0.14	0.14
Net earnings	<u>\$ 1.64</u>	<u>\$ 1.86</u>
Diluted earnings per share:		
Continuing operations	\$ 1.48	\$ 1.71
Discontinued operations	0.14	0.14
Net earnings	<u>\$ 1.62</u>	<u>\$ 1.85</u>

Kraft Foods Inc. and Subsidiaries
Restatement for Discontinued Operations - Consolidated Statements of Earnings
For the Year Ended December 31, 2007
(in millions of dollars, except per share data)
(Unaudited)

	<u>As Reported 2007</u>	<u>Impact of Post Divestiture</u>	<u>As Restated 2007</u>
Net revenues	\$ 37,241	\$ (1,107)	\$ 36,134
Cost of sales	24,651	(594)	24,057
Gross profit	12,590	(513)	12,077
Marketing, administration and research costs	7,809	(137)	7,672
Asset impairment and exit costs	452	(11)	441
Gains on divestitures, net	(15)	-	(15)
Amortization of intangibles	13	-	13
Operating income	4,331	(365)	3,966
Interest and other debt expense, net	604	-	604
Earnings from continuing operations before income taxes	3,727	(365)	3,362
Provision for income taxes	1,137	(135)	1,002
Earnings from continuing operations	2,590	(230)	2,360
Earnings from discontinued operations, net of income taxes	-	230	230
Net earnings	<u>\$ 2,590</u>	<u>\$ -</u>	<u>\$ 2,590</u>
Per share data:			
Basic earnings per share:			
Continuing operations	\$ 1.64	\$ (0.14)	\$ 1.50
Discontinued operations	-	0.14	0.14
Net earnings	<u>\$ 1.64</u>	<u>\$ -</u>	<u>\$ 1.64</u>
Diluted earnings per share:			
Continuing operations	\$ 1.62	\$ (0.14)	\$ 1.48
Discontinued operations	-	0.14	0.14
Net earnings	<u>\$ 1.62</u>	<u>\$ -</u>	<u>\$ 1.62</u>

Kraft Foods Inc. and Subsidiaries
Restatement for Discontinued Operations - Consolidated Statements of Earnings
For the Year Ended December 31, 2006
(in millions of dollars, except per share data)
(Unaudited)

	<u>As Reported 2006</u>	<u>Impact of Post Divestiture</u>	<u>As Restated 2006</u>
Net revenues	\$ 34,356	\$ (1,100)	\$ 33,256
Cost of sales	21,940	(596)	21,344
Gross profit	12,416	(504)	11,912
Marketing, administration and research costs	7,254	(134)	7,120
Asset impairment and exit costs	1,002	(3)	999
Gain on redemption of United Biscuits investment	(251)	-	(251)
Gains on divestitures, net	(117)	-	(117)
Amortization of intangibles	7	-	7
Operating income	4,521	(367)	4,154
Interest and other debt expense, net	510	-	510
Earnings from continuing operations before income taxes	4,011	(367)	3,644
Provision for income taxes	951	(135)	816
Earnings from continuing operations	3,060	(232)	2,828
Earnings from discontinued operations, net of income taxes	-	232	232
Net earnings	<u>\$ 3,060</u>	<u>\$ -</u>	<u>\$ 3,060</u>
Per share data:			
Basic earnings per share:			
Continuing operations	\$ 1.86	\$ (0.14)	\$ 1.72
Discontinued operations	-	0.14	0.14
Net earnings	<u>\$ 1.86</u>	<u>\$ -</u>	<u>\$ 1.86</u>
Diluted earnings per share:			
Continuing operations	\$ 1.85	\$ (0.14)	\$ 1.71
Discontinued operations	-	0.14	0.14
Net earnings	<u>\$ 1.85</u>	<u>\$ -</u>	<u>\$ 1.85</u>