
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 24, 2006**

KRAFT FOODS INC.

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

001-16483
(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**

(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:

- 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 2.02. Results of Operations and Financial Conditions; Item 7.01. Regulation FD Disclosure; and Item 8.01. Other Events.

As disclosed in Kraft Foods Inc.'s (the "Company") Annual Report on Form 10-K, filed with the SEC on March 10, 2006, the Company has announced certain organizational changes and realignments that result in changes to its business segment reporting structure, beginning in the first quarter of 2006.

These changes are:

- To better integrate the Canadian business into the Company's North American Business by product category, the operating results of the Company's Canadian business will be reported throughout the North American food segments.
- Reflecting a reorganization within Europe, the operating results of the Company's international businesses will be reported in two revised segments—European Union; and Developing Markets, Oceania and North Asia, the latter including the former Eastern Europe, Middle East and Africa, Latin America and Asia Pacific regions.

Attached as Exhibit 99.1 to this Current Report on Form 8-K are the Company's unaudited financial schedules which provide information regarding volume, net revenues and operating companies income for 2003, 2004 and 2005, reconciling the prior reporting segments structure with the new reporting segments structure. All amounts are reported figures in accordance with U.S. GAAP, including all restructuring and impairment charges.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is being filed with this Current Report on Form 8-K:

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.

/s/ James P. Dollive

Name: James P. Dollive

Title: Executive Vice President and
Chief Financial Officer

Date: March 24, 2006

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EXHIBIT INDEX

**Exhibit
Number**

Description

99.1 Financial Schedules

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KRAFT FOODS INC.
and Subsidiaries
Segment Realignment - Volume
Full Year 2003 and Quarterly 2004
(lbs in millions)
(Unaudited)

	2003	2004				Year
	Year	Q1	Q2	Q3	Q4	
Volume (lbs)- As Reported						
U.S. Beverages	2,634	666	907	738	657	2,968
U.S. Cheese, Canada & North America Foodservice	4,373	1,079	1,147	1,069	1,232	4,527
U.S. Convenient Meals	2,171	555	562	558	530	2,205
U.S. Grocery	1,678	404	510	364	412	1,690
U.S. Snacks & Cereals	2,389	582	597	613	632	2,424
Europe, Middle East & Africa	2,953	654	729	695	837	2,915
Latin America & Asia Pacific	2,295	501	589	542	641	2,273
Volume (lbs)- As Reported	18,493	4,441	5,041	4,579	4,941	19,002
<i>Segment Realignment</i>						
U.S. Cheese, Canada & North America Foodservice	(1,300)	(316)	(331)	(293)	(356)	(1,296)
Beverages	220	62	61	47	53	223
Convenient Meals	131	28	32	31	35	126
Grocery	725	176	180	162	205	723
Snacks & Cereals	224	50	58	53	63	224
European Union (from EMEA)	(553)	(118)	(151)	(150)	(163)	(582)
Developing Markets, Oceania & North Asia (from LAAP)	553	118	151	150	163	582
Volume (lbs)- Restated						
Beverages	2,854	728	968	785	710	3,191
Cheese & Foodservice	3,073	763	816	776	876	3,231
Convenient Meals	2,302	583	594	589	565	2,331
Grocery	2,403	580	690	526	617	2,413
Snacks & Cereals	2,613	632	655	666	695	2,648
European Union	2,400	536	578	545	674	2,333
Developing Markets, Oceania & North Asia	2,848	619	740	692	804	2,855
Volume (lbs)- Restated	18,493	4,441	5,041	4,579	4,941	19,002

KRAFT FOODS INC.
and Subsidiaries
Segment Realignment - Net Revenues
Full Year 2003 and Quarterly 2004
(\$ in millions)
(Unaudited)

	2003	2004				Year
	Year	Q1	Q2	Q3	Q4	
Net Revenues - As Reported						
U.S. Beverages	\$ 2,433	\$ 671	\$ 683	\$ 607	\$ 594	\$ 2,555
U.S. Cheese, Canada & North America Foodservice	6,716	1,708	1,838	1,788	2,086	7,420
U.S. Convenient Meals	4,058	1,048	1,053	1,088	1,061	4,250
U.S. Grocery	2,388	591	689	520	625	2,425
U.S. Snacks & Cereals	5,342	1,274	1,333	1,368	1,435	5,410
Europe, Middle East & Africa	7,014	1,713	1,812	1,736	2,261	7,522
Latin America & Asia Pacific	2,547	570	683	611	722	2,586
Net Revenues - As Reported	\$ 30,498	\$ 7,575	\$ 8,091	\$ 7,718	\$ 8,784	\$ 32,168
<i>Segment Realignment</i>						
U.S. Cheese, Canada & North America Foodservice	\$ (1,317)	\$ (317)	\$ (362)	\$ (320)	\$ (400)	\$ (1,399)
Beverages	172	47	51	39	50	187
Convenient Meals	186	43	47	47	58	195
Grocery	554	130	157	131	166	584
Snacks & Cereals	405	97	107	103	126	433
European Union (from EMEA)	(892)	(196)	(249)	(259)	(314)	(1,018)
Developing Markets, Oceania & North Asia (from LAAP)	892	196	249	259	314	1,018
Net Revenues - Restated						
Beverages	\$ 2,605	\$ 718	\$ 734	\$ 646	\$ 644	\$ 2,742
Cheese & Foodservice	5,399	1,391	1,476	1,468	1,686	6,021
Convenient Meals	4,244	1,091	1,100	1,135	1,119	4,445
Grocery	2,942	721	846	651	791	3,009
Snacks & Cereals	5,747	1,371	1,440	1,471	1,561	5,843
European Union	6,122	1,517	1,563	1,477	1,947	6,504
Developing Markets, Oceania & North Asia	3,439	766	932	870	1,036	3,604
Net Revenues - Restated	\$ 30,498	\$ 7,575	\$ 8,091	\$ 7,718	\$ 8,784	\$ 32,168

KRAFT FOODS INC.
and Subsidiaries
Segment Realignment - Operating Companies Income
Full Year 2003 and Quarterly 2004
(\$ in millions)
(Unaudited)

	2003	2004				Year
	Year	Q1	Q2	Q3	Q4	
Operating Companies Income - As Reported						
U.S. Beverages	\$ 630	\$ 169	\$ 139	\$ 118	\$ 53	\$ 479
U.S. Cheese, Canada & North America Foodservice	1,271	203	215	279	292	989
U.S. Convenient Meals	817	197	187	209	178	771
U.S. Grocery	894	212	268	196	218	894
U.S. Snacks & Cereals	1,046	52	225	254	206	737
Europe, Middle East & Africa	1,002	155	140	167	221	683
Latin America & Asia Pacific	391	33	81	57	79	250
Operating Companies Income - As Reported	\$ 6,051	\$ 1,021	\$ 1,255	\$ 1,280	\$ 1,247	\$ 4,803
<i>Segment Realignment</i>						
U.S. Cheese, Canada & North America Foodservice	\$ (257)	\$ (34)	\$ (39)	\$ (63)	\$ (60)	\$ (196)
Beverages	24	5	(18)	2	1	(10)
Convenient Meals	46	6	5	9	9	29
Grocery	122	18	44	42	25	129
Snacks & Cereals	65	5	8	10	25	48
European Union (from EMEA)	(61)	5	(13)	(15)	30	7
Developing Markets, Oceania & North Asia (from LAAP)	61	(5)	13	15	(30)	(7)
Operating Companies Income - Restated						
Beverages	\$ 654	\$ 174	\$ 121	\$ 120	\$ 54	\$ 469
Cheese & Foodservice	1,014	169	176	216	232	793
Convenient Meals	863	203	192	218	187	800
Grocery	1,016	230	312	238	243	1,023
Snacks & Cereals	1,111	57	233	264	231	785
European Union	941	160	127	152	251	690
Developing Markets, Oceania & North Asia	452	28	94	72	49	243
Operating Companies Income - Restated	\$ 6,051	\$ 1,021	\$ 1,255	\$ 1,280	\$ 1,247	\$ 4,803

KRAFT FOODS INC.
and Subsidiaries
Segment Realignment - Volume
Quarterly 2005
(lbs in millions)
(Unaudited)

	Q1	Q2	Q3	Q4	Year
2005 Volume (lbs)- As Reported					
U.S. Beverages	749	876	784	700	3,109
U.S. Cheese, Canada & North America Foodservice	1,082	1,101	1,037	1,273	4,493
U.S. Convenient Meals	555	571	559	582	2,267
U.S. Grocery	411	495	364	439	1,709
U.S. Snacks & Cereals	591	612	622	684	2,509
Europe, Middle East & Africa	662	700	663	837	2,862
Latin America & Asia Pacific	496	566	564	637	2,263
2005 Volume (lbs)- As Reported	4,546	4,921	4,593	5,152	19,212
<i>Segment Realignment</i>					
U.S. Cheese, Canada & North America Foodservice	(294)	(324)	(290)	(358)	(1,266)
Beverages	48	59	56	56	219
Convenient Meals	30	31	32	38	131
Grocery	167	177	147	198	689
Snacks & Cereals	49	57	55	66	227
European Union (from EMEA)	(132)	(162)	(149)	(173)	(616)
Developing Markets, Oceania & North Asia (from LAAP)	132	162	149	173	616
2005 Volume (lbs)- Restated					
Beverages	797	935	840	756	3,328
Cheese & Foodservice	788	777	747	915	3,227
Convenient Meals	585	602	591	620	2,398
Grocery	578	672	511	637	2,398
Snacks & Cereals	640	669	677	750	2,736
European Union	530	538	514	664	2,246
Developing Markets, Oceania & North Asia	628	728	713	810	2,879
2005 Volume (lbs)- Restated	4,546	4,921	4,593	5,152	19,212

KRAFT FOODS INC.
and Subsidiaries
Segment Realignment - Net Revenues
Quarterly 2005
(\$ in millions)
(Unaudited)

Q1 Q2 Q3 Q4 Year

2005 Net Revenues - As Reported										
U.S. Beverages	\$	732	\$	713	\$	671	\$	736	\$	2,852
U.S. Cheese, Canada & North America Foodservice		1,816		1,875		1,819		2,264		7,774
U.S. Convenient Meals		1,090		1,096		1,118		1,193		4,497
U.S. Grocery		582		667		512		660		2,421
U.S. Snacks & Cereals		1,333		1,400		1,431		1,585		5,749
Europe, Middle East & Africa		1,888		1,907		1,798		2,406		7,999
Latin America & Asia Pacific		618		676		708		819		2,821
2005 Net Revenues - As Reported										
	\$	8,059	\$	8,334	\$	8,057	\$	9,663	\$	34,113
<i>Segment Realignment</i>										
U.S. Cheese, Canada & North America Foodservice	\$	(326)	\$	(388)	\$	(360)	\$	(456)	\$	(1,530)
Beverages		40		58		46		60		204
Convenient Meals		50		50		54		68		222
Grocery		137		163		134		169		603
Snacks & Cereals		99		117		126		159		501
European Union (from EMEA)		(274)		(318)		(299)		(394)		(1,285)
Developing Markets, Oceania & North Asia (from LAAP)		274		318		299		394		1,285
2005 Net Revenues - Restated										
Beverages	\$	772	\$	771	\$	717	\$	796	\$	3,056
Cheese & Foodservice		1,490		1,487		1,459		1,808		6,244
Convenient Meals		1,140		1,146		1,172		1,261		4,719
Grocery		719		830		646		829		3,024
Snacks & Cereals		1,432		1,517		1,557		1,744		6,250
European Union		1,614		1,589		1,499		2,012		6,714
Developing Markets, Oceania & North Asia		892		994		1,007		1,213		4,106
2005 Net Revenues - Restated										
	\$	8,059	\$	8,334	\$	8,057	\$	9,663	\$	34,113

KRAFT FOODS INC.
and Subsidiaries
Segment Realignment - Operating Companies Income
Quarterly 2005
(\$ in millions)
(Unaudited)

		<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Year</u>				
2005 Operating Companies Income - As Reported										
U.S. Beverages	\$	163	\$	126	\$	105	\$	64	\$	458
U.S. Cheese, Canada & North America Foodservice		251		287		252		228		1,018
U.S. Convenient Meals		191		176		186		188		741
U.S. Grocery		108		241		165		229		743
U.S. Snacks & Cereals		197		228		240		206		871
Europe, Middle East & Africa		253		160		163		222		798
Latin America & Asia Pacific		40		87		89		108		324
2005 Operating Companies Income - As Reported										
	\$	1,203	\$	1,305	\$	1,200	\$	1,245	\$	4,953
<i>Segment Realignment</i>										
U.S. Cheese, Canada & North America Foodservice	\$	(32)	\$	(56)	\$	(58)	\$	49	\$	(97)
Beverages		(1)		0		1		5		5
Convenient Meals		7		8		12		25		52
Grocery		24		38		32		(113)		(19)
Snacks & Cereals		2		10		13		34		59
European Union (from EMEA)		(8)		(18)		(20)		(30)		(76)
Developing Markets, Oceania & North Asia (from LAAP)		8		18		20		30		76
2005 Operating Companies Income - Restated										
Beverages	\$	162	\$	126	\$	106	\$	69	\$	463
Cheese & Foodservice		219		231		194		277		921
Convenient Meals		198		184		198		213		793
Grocery		132		279		197		116		724
Snacks & Cereals		199		238		253		240		930
European Union		245		142		143		192		722
Developing Markets, Oceania & North Asia		48		105		109		138		400
2005 Operating Companies Income - Restated										
	\$	1,203	\$	1,305	\$	1,200	\$	1,245	\$	4,953

KRAFT FOODS INC.
and Subsidiaries
Volume by Business Segment
For the Years Ended December 31,
(pounds in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
Volume										
2004 Volume	3,191	3,231	2,331	2,413	2,648	13,814	2,333	2,855	5,188	19,002
2003 Volume	2,854	3,073	2,302	2,403	2,613	13,245	2,400	2,848	5,248	18,493
% Change	11.8%	5.1%	1.3%	0.4%	1.3%	4.3%	(2.8)%	0.2%	(1.1)%	2.8%
Divested Businesses:										
- Divested Businesses - 2004	—	(123)	—	(37)	—	(160)	(38)	(1)	(39)	(199)
- Divested Businesses - 2003	—	(144)	—	(43)	—	(187)	(85)	(2)	(87)	(274)
Ongoing Volume - Including Acquisitions										
2004 Volume	3,191	3,108	2,331	2,376	2,648	13,654	2,295	2,854	5,149	18,803
2003 Volume	2,854	2,929	2,302	2,360	2,613	13,058	2,315	2,846	5,161	18,219
% Change	11.8%	6.1%	1.3%	0.7%	1.3%	4.6%	(0.9)%	0.3%	(0.2)%	3.2%

KRAFT FOODS INC.
and Subsidiaries
Net Revenues by Business Segment
For the Years Ended December 31,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2004 Net Revenues	\$ 2,742	\$ 6,021	\$ 4,445	\$ 3,009	\$ 5,843	\$ 22,060	\$ 6,504	\$ 3,604	\$ 10,108	\$ 32,168
2003 Net Revenues	2,605	5,399	4,244	2,942	5,747	20,937	6,122	3,439	9,561	30,498
% Change	5.3%	11.5%	4.7%	2.3%	1.7%	5.4%	6.2%	4.8%	5.7%	5.5%
Reconciliation:										
2003 Net Revenues	\$ 2,605	\$ 5,399	\$ 4,244	\$ 2,942	\$ 5,747	\$ 20,937	\$ 6,122	\$ 3,439	\$ 9,561	\$ 30,498
- Divested Businesses - 2003	—	(109)	—	(96)	—	(205)	(180)	(49)	(229)	(434)
- Divested Businesses - 2004	—	91	—	75	—	166	72	36	108	274
- Implementation Costs - 2004	(1)	—	—	(1)	(5)	(7)	—	—	—	(7)
- Currency	16	56	15	44	33	164	605	60	665	829
- Operations	122	584	186	45	68	1,005	(115)	118	3	1,008
2004 Net Revenues	\$ 2,742	\$ 6,021	\$ 4,445	\$ 3,009	\$ 5,843	\$ 22,060	\$ 6,504	\$ 3,604	\$ 10,108	\$ 32,168
Memo: Ongoing, Constant Currency Revenues (1)										
% Change	4.7%	11.0%	4.4%	1.6%	1.2%	4.8%	(1.9)%	3.5%	0.0%	3.4%

(1) The company's top-line guidance measure is ongoing, constant currency revenue growth, which includes acquisitions and excludes divestitures and implementation costs associated with the company's restructuring program. The company believes this measure better represents the revenue growth prospects of the business on a go-forward basis, and provides improved comparability of results.

KRAFT FOODS INC.
and Subsidiaries
Operating Companies Income by Business Segment
For the Years Ended December 31,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2004 Operating Companies Income	\$ 469	\$ 793	\$ 800	\$ 1,023	\$ 785	\$ 3,870	\$ 690	\$ 243	\$ 933	\$ 4,803
2003 Operating Companies Income	654	1,014	863	1,016	1,111	4,658	941	452	1,393	6,051
% Change	(28.3)%	(21.8)%	(7.3)%	0.7%	(29.3)%	(16.9)%	(26.7)%	(46.2)%	(33.0)%	(20.6)%
Reconciliation:										

2003 Operating Companies Income	\$ 654	\$ 1,014	\$ 863	\$ 1,016	\$ 1,111	\$ 4,658	\$ 941	\$ 452	\$ 1,393	\$ 6,051
- Divested Businesses - 2003	—	(16)	—	(19)	—	(35)	(42)	(3)	(45)	(80)
-(Gains)/Losses on Sales of Businesses - 2003	—	—	—	—	—	—	(31)	—	(31)	(31)
- Asset Impairment and Exit Costs - 2003	—	—	—	—	—	—	6	—	6	6
- Integration Costs - 2003	(3)	(1)	(2)	(7)	—	(13)	—	—	—	(13)
	<u>(3)</u>	<u>(17)</u>	<u>(2)</u>	<u>(26)</u>	<u>—</u>	<u>(48)</u>	<u>(67)</u>	<u>(3)</u>	<u>(70)</u>	<u>(118)</u>
- Divested Businesses - 2004	—	8	—	3	—	11	28	—	28	39
- Gains/(Losses) on Sales of Businesses - 2004	—	—	—	—	—	—	5	(8)	(3)	(3)
- Asset Impairment and Exit Costs - 2004	(36)	(76)	(41)	(16)	(222)	(391)	(180)	(32)	(212)	(603)
- Implementation Costs - 2004	(5)	(6)	(4)	(7)	(18)	(40)	(8)	(2)	(10)	(50)
- Investment Impairment - 2004	—	—	—	—	—	—	—	(47)	(47)	(47)
	<u>(41)</u>	<u>(74)</u>	<u>(45)</u>	<u>(20)</u>	<u>(240)</u>	<u>(420)</u>	<u>(155)</u>	<u>(89)</u>	<u>(244)</u>	<u>(664)</u>
- Currency	2	9	3	10	5	29	78	(11)	67	96
- Operations	(143)	(139)	(19)	43	(91)	(349)	(107)	(106)	(213)	(562)
2004 Operating Companies Income	\$ 469	\$ 793	\$ 800	\$ 1,023	\$ 785	\$ 3,870	\$ 690	\$ 243	\$ 933	\$ 4,803

KRAFT FOODS INC.
and Subsidiaries
Volume By Business Segment
For the Quarters Ended March 31,
(pounds in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
Volume										
2005 Volume	797	788	585	578	640	3,388	530	628	1,158	4,546
2004 Volume	728	763	583	580	632	3,286	536	619	1,155	4,441
% Change	9.5%	3.3%	0.3%	(0.3)%	1.3%	3.1%	(1.1)%	1.5%	0.3%	2.4%
Divested Businesses:										
- Divested Businesses - 2005	—	(31)	—	(12)	—	(43)	(7)	—	(7)	(50)
- Divested Businesses - 2004	—	(35)	—	(10)	—	(45)	(9)	—	(9)	(54)
Ongoing Volume - Including Acquisitions										
2005 Volume	797	757	585	566	640	3,345	523	628	1,151	4,496
2004 Volume	728	728	583	570	632	3,241	527	619	1,146	4,387
% Change	9.5%	4.0%	0.3%	(0.7)%	1.3%	3.2%	(0.8)%	1.5%	0.4%	2.5%
Memo: Acquired Businesses										
Volume	103	16	—	—	—	119	—	3	3	122

KRAFT FOODS INC.
and Subsidiaries
Net Revenues by Business Segment
For the Quarters Ended March 31,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft	
2005 Net Revenues	\$ 772	\$ 1,490	\$ 1,140	\$ 719	\$ 1,432	\$ 5,553	\$ 1,614	\$ 892	\$ 2,506	\$ 8,059	
2004 Net Revenues	718	1,391	1,091	721	1,371	5,292	1,517	766	2,283	7,575	
% Change	7.5%	7.1%	4.5%	(0.3)%	4.4%	4.9%	6.4%	16.4%	9.8%	6.4%	
Reconciliation:											
2004 Net Revenues	\$ 718	\$ 1,391	\$ 1,091	\$ 721	\$ 1,371	\$ 5,292	\$ 1,517	\$ 766	\$ 2,283	\$ 7,575	
- Divested Businesses - 2004	—	(26)	—	(20)	—	(46)	(17)	(11)	(28)	(74)	
- Divested Businesses - 2005	—	24	—	25	—	49	12	5	17	66	
- Acquired Businesses	34	7	—	—	—	41	—	1	1	42	
- Currency	2	11	3	13	5	34	111	18	129	163	
- Operations	18	83	46	(20)	56	183	(9)	113	104	287	
2005 Net Revenues	\$ 772	\$ 1,490	\$ 1,140	\$ 719	\$ 1,432	\$ 5,553	\$ 1,614	\$ 892	\$ 2,506	\$ 8,059	
Memo: Ongoing, Constant Currency Revenues (1)											
% Change		7.2%	6.6%	4.2%	(2.9)%	4.1%	4.3%	(0.6)%	15.1%	4.7%	4.4%

(1) The company's top-line guidance measure is ongoing, constant currency revenue growth, which includes acquisitions and excludes divestitures and implementation costs associated with the company's restructuring program. The company believes this measure better represents the revenue growth prospects of the business on a go-forward basis, and provides improved comparability of results.

KRAFT FOODS INC.
and Subsidiaries
Operating Companies Income by Business Segment
For the Quarters Ended March 31,
(\$ in millions)
(Unaudited)

	<u>Beverages</u>	<u>Cheese & Foodservice</u>	<u>Convenient Meals</u>	<u>Grocery</u>	<u>Snacks & Cereals</u>	<u>Kraft North America Commercial</u>	<u>European Union</u>	<u>Developing Markets, Oceania & North Asia</u>	<u>Kraft Int'l Commercial</u>	<u>Total Kraft</u>
2005 Operating Companies Income	\$ 162	\$ 219	\$ 198	\$ 132	\$ 199	\$ 910	\$ 245	\$ 48	\$ 293	\$ 1,203
2004 Operating Companies Income	174	169	203	230	57	833	160	28	188	1,021
% Change	(6.9)%	29.6%	(2.5)%	(42.6)%	100+%	9.2%	53.1%	71.4%	55.9%	17.8%
Reconciliation:										
2004 Operating Companies Income	\$ 174	\$ 169	\$ 203	\$ 230	\$ 57	\$ 833	\$ 160	\$ 28	\$ 188	\$ 1,021
- Divested Businesses - 2004	—	(3)	—	2	—	(1)	(6)	—	(6)	(7)
- Asset Impairment and Exit Costs - 2004	6	53	9	18	159	245	32	14	46	291
- Implementation Costs - 2004	—	—	—	—	—	—	1	—	1	1
	<u>6</u>	<u>50</u>	<u>9</u>	<u>20</u>	<u>159</u>	<u>244</u>	<u>27</u>	<u>14</u>	<u>41</u>	<u>285</u>
- Divested Businesses - 2005	—	2	—	2	—	4	3	—	3	7
- Gains/Losses on Sales of Businesses - 2005	—	—	—	—	—	—	115	1	116	116
- Asset Impairment and Exit Costs - 2005	(3)	(7)	(2)	(101)	(4)	(117)	(30)	(3)	(33)	(150)
- Implementation Costs - 2005	(1)	(3)	(1)	—	(9)	(14)	(4)	(1)	(5)	(19)
	<u>(4)</u>	<u>(8)</u>	<u>(3)</u>	<u>(99)</u>	<u>(13)</u>	<u>(127)</u>	<u>84</u>	<u>(3)</u>	<u>81</u>	<u>(46)</u>
- Currency	—	1	—	3	1	5	13	4	17	22
- Operations	(14)	7	(11)	(22)	(5)	(45)	(39)	5	(34)	(79)
2005 Operating Companies Income	\$ 162	\$ 219	\$ 198	\$ 132	\$ 199	\$ 910	\$ 245	\$ 48	\$ 293	\$ 1,203

KRAFT FOODS INC.
and Subsidiaries
Volume by Business Segment
For the Quarters Ended June 30,
(pounds in millions)
(Unaudited)

	<u>Beverages</u>	<u>Cheese & Foodservice</u>	<u>Convenient Meals</u>	<u>Grocery</u>	<u>Snacks & Cereals</u>	<u>Kraft North America Commercial</u>	<u>European Union</u>	<u>Developing Markets, Oceania & North Asia</u>	<u>Kraft Int'l Commercial</u>	<u>Total Kraft</u>
Volume										
2005 Volume	935	777	602	672	669	3,655	538	728	1,266	4,921
2004 Volume	968	816	594	690	655	3,723	578	740	1,318	5,041
% Change	(3.4)%	(4.8)%	1.3%	(2.6)%	2.1%	(1.8)%	(6.9)%	(1.6)%	(3.9)%	(2.4)%
Divested Businesses:										
- Divested Businesses - 2005	—	(1)	—	(12)	—	(13)	—	—	—	(13)
- Divested Businesses - 2004	—	(34)	—	(8)	—	(42)	(8)	(1)	(9)	(51)
Ongoing Volume - Including Acquisitions										
2005 Volume	935	776	602	660	669	3,642	538	728	1,266	4,908
2004 Volume	968	782	594	682	655	3,681	570	739	1,309	4,990
% Change	(3.4)%	(0.8)%	1.3%	(3.2)%	2.1%	(1.1)%	(5.6)%	(1.5)%	(3.3)%	(1.6)%

KRAFT FOODS INC.
and Subsidiaries
Net Revenues by Business Segment
For the Quarters Ended June 30,
(\$ in millions)
(Unaudited)

	<u>Beverages</u>	<u>Cheese & Foodservice</u>	<u>Convenient Meals</u>	<u>Grocery</u>	<u>Snacks & Cereals</u>	<u>Kraft North America Commercial</u>	<u>European Union</u>	<u>Developing Markets, Oceania & North Asia</u>	<u>Kraft Int'l Commercial</u>	<u>Total Kraft</u>
2005 Net Revenues	\$ 771	\$ 1,487	\$ 1,146	\$ 830	\$ 1,517	\$ 5,751	\$ 1,589	\$ 994	\$ 2,583	\$ 8,334
2004 Net Revenues	734	1,476	1,100	846	1,440	5,596	1,563	932	2,495	8,091
% Change	5.0%	0.7%	4.2%	(1.9)%	5.3%	2.8%	1.7%	6.7%	3.5%	3.0%
Reconciliation:										
2004 Net Revenues	\$ 734	\$ 1,476	\$ 1,100	\$ 846	\$ 1,440	\$ 5,596	\$ 1,563	\$ 932	\$ 2,495	\$ 8,091
- Divested Businesses - 2004	—	(24)	—	(19)	—	(43)	(14)	(13)	(27)	(70)
- Divested Businesses - 2005	—	1	—	19	—	20	—	5	5	25
- Implementation Costs - 2005	—	—	—	—	(1)	(1)	—	—	—	(1)

- Currency	5	17	5	10	12	49	109	27	136	185
- Operations	32	17	41	(26)	66	130	(69)	43	(26)	104
2005 Net Revenues	\$ 771	\$ 1,487	\$ 1,146	\$ 830	\$ 1,517	\$ 5,751	\$ 1,589	\$ 994	\$ 2,583	\$ 8,334

Memo: Ongoing, Constant Currency Revenues (1)

% Change	4.4%	1.2%	3.7%	(3.1)%	4.6%	2.3%	(4.5)%	4.7%	(1.1)%	1.3%
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(1) The company's top-line guidance measure is ongoing, constant currency revenue growth, which includes acquisitions and excludes divestitures and implementation costs associated with the company's restructuring program. The company believes this measure better represents the revenue growth prospects of the business on a go-forward basis, and provides improved comparability of results.

KRAFT FOODS INC.
and Subsidiaries
Operating Companies Income by Business Segment
For the Quarters Ended June 30,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2005 Operating Companies Income	\$ 126	\$ 231	\$ 184	\$ 279	\$ 238	\$ 1,058	\$ 142	\$ 105	\$ 247	\$ 1,305
2004 Operating Companies Income	121	176	192	312	233	1,034	127	94	221	1,255
% Change	4.1%	31.2%	(4.2)%	(10.6)%	2.1%	2.3%	11.8%	11.7%	11.8%	4.0%
Reconciliation:										
2004 Operating Companies Income	\$ 121	\$ 176	\$ 192	\$ 312	\$ 233	\$ 1,034	\$ 127	\$ 94	\$ 221	\$ 1,255
- Divested Businesses - 2004	—	1	—	(2)	—	(1)	(6)	(2)	(8)	(9)
- Asset Impairment and Exit Costs - 2004	31	—	(1)	—	9	39	81	9	90	129
- Implementation Costs - 2004	—	1	—	2	6	9	—	—	—	9
	31	2	(1)	—	15	47	75	7	82	129
- Divested Businesses - 2005	—	1	—	(3)	—	(2)	—	—	—	(2)
- Gains/(Losses) on Sales of Businesses - 2005	—	1	—	(2)	—	(1)	—	—	—	(1)
- Asset Impairment and Exit Costs - 2005	(1)	(1)	—	(3)	—	(5)	(17)	(7)	(24)	(29)
- Implementation Costs - 2005	(2)	(1)	(1)	—	(14)	(18)	(6)	(2)	(8)	(26)
	(3)	—	(1)	(8)	(14)	(26)	(23)	(9)	(32)	(58)
- Currency	—	3	2	3	1	9	10	5	15	24
- Operations	(23)	50	(8)	(28)	3	(6)	(47)	8	(39)	(45)
2005 Operating Companies Income	\$ 126	\$ 231	\$ 184	\$ 279	\$ 238	\$ 1,058	\$ 142	\$ 105	\$ 247	\$ 1,305

KRAFT FOODS INC.
and Subsidiaries
Volume by Business Segment
For the Quarters Ended September 30,
(pounds in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
Volume										
2005 Volume	840	747	591	511	677	3,366	514	713	1,227	4,593
2004 Volume	785	776	589	526	666	3,342	545	692	1,237	4,579
% Change	7.0%	(3.7)%	0.3%	(2.9)%	1.7%	0.7%	(5.7)%	3.0%	(0.8)%	0.3%
Divested Businesses:										
- Divested Businesses - 2004	—	(28)	—	(10)	—	(38)	(7)	—	(7)	(45)
Ongoing Volume - Including Acquisitions										
2005 Volume	840	747	591	511	677	3,366	514	713	1,227	4,593
2004 Volume	785	748	589	516	666	3,304	538	692	1,230	4,534
% Change	7.0%	(0.1)%	0.3%	(1.0)%	1.7%	1.9%	(4.5)%	3.0%	(0.2)%	1.3%

KRAFT FOODS INC.
and Subsidiaries
Net Revenues by Business Segment
For the Quarters Ended September 30,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2005 Net Revenues	\$ 717	\$ 1,459	\$ 1,172	\$ 646	\$ 1,557	\$ 5,551	\$ 1,499	\$ 1,007	\$ 2,506	\$ 8,057
2004 Net Revenues	646	1,468	1,135	651	1,471	5,371	1,477	870	2,347	7,718
% Change	11.0%	(0.6)%	3.3%	(0.8)%	5.8%	3.4%	1.5%	15.7%	6.8%	4.4%
Reconciliation:										
2004 Net Revenues	\$ 646	\$ 1,468	\$ 1,135	\$ 651	\$ 1,471	\$ 5,371	\$ 1,477	\$ 870	\$ 2,347	\$ 7,718
- Divested Businesses - 2004	—	(21)	—	(18)	—	(39)	(14)	(8)	(22)	(61)
- Divested Businesses - 2005	—	—	—	—	—	—	—	5	5	5
- Implementation Costs - 2004	—	—	—	—	5	5	—	—	—	5
- Currency	4	15	3	13	10	45	15	57	72	117
- Operations	67	(3)	34	—	71	169	21	83	104	273
2005 Net Revenues	\$ 717	\$ 1,459	\$ 1,172	\$ 646	\$ 1,557	\$ 5,551	\$ 1,499	\$ 1,007	\$ 2,506	\$ 8,057
Memo: Ongoing, Constant Currency Revenues (1)										
% Change	10.4%	(0.2)%	3.0%	(0.0)%	4.8%	3.2%	1.4%	9.6%	4.5%	3.6%

(1) The company's top-line guidance measure is ongoing, constant currency revenue growth, which includes acquisitions and excludes divestitures and implementation costs associated with the company's restructuring program. The company believes this measure better represents the revenue growth prospects of the business on a go-forward basis, and provides improved comparability of results.

KRAFT FOODS INC.
and Subsidiaries
Operating Companies Income by Business Segment
For the Quarters Ended September 30,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2005 Operating Companies Income	\$ 106	\$ 194	\$ 198	\$ 197	\$ 253	\$ 948	\$ 143	\$ 109	\$ 252	\$ 1,200
2004 Operating Companies Income	120	216	218	238	264	1,056	152	72	224	1,280
% Change	(11.7)%	(10.2)%	(9.2)%	(17.2)%	(4.2)%	(10.2)%	(5.9)%	51.4%	12.5%	(6.3)%
Reconciliation:										
2004 Operating Companies Income	\$ 120	\$ 216	\$ 218	\$ 238	\$ 264	\$ 1,056	\$ 152	\$ 72	\$ 224	\$ 1,280
- Divested Businesses - 2004	—	(2)	—	—	—	(2)	(6)	2	(4)	(6)
- (Gains)/Losses on Sales of Businesses - 2004	—	—	—	—	—	—	—	8	8	8
- Asset Impairment and Exit Costs - 2004	—	1	—	—	4	5	35	4	39	44
- Implementation Costs - 2004	—	1	—	—	3	4	2	1	3	7
	—	—	—	—	7	7	31	15	46	53
- Asset Impairment and Exit Costs - 2005	1	(1)	—	(1)	(1)	(2)	(20)	(4)	(24)	(26)
- Implementation Costs - 2005	(2)	(2)	—	(1)	(6)	(11)	(4)	(1)	(5)	(16)
	(1)	(3)	—	(2)	(7)	(13)	(24)	(5)	(29)	(42)
- Currency	1	1	—	4	2	8	4	15	19	27
- Operations	(14)	(20)	(20)	(43)	(13)	(110)	(20)	12	(8)	(118)
2005 Operating Companies Income	\$ 106	\$ 194	\$ 198	\$ 197	\$ 253	\$ 948	\$ 143	\$ 109	\$ 252	\$ 1,200

KRAFT FOODS INC.
and Subsidiaries
Volume by Business Segment*
For the Quarters Ended December 31,
(pounds in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
Volume										
2005 Volume	756	915	620	637	750	3,678	664	810	1,474	5,152
2004 Volume	710	876	565	617	695	3,463	674	804	1,478	4,941
% Change	6.5%	4.5%	9.7%	3.2%	7.9%	6.2%	(1.5)%	0.7%	(0.3)%	4.3%
Divested Businesses:										
- Divested Businesses - 2004	—	(26)	—	(9)	—	(35)	(14)	—	(14)	(49)
Ongoing Volume - Including Acquisitions										
2005 Volume	756	915	620	637	750	3,678	664	810	1,474	5,152
2004 Volume	710	850	565	608	695	3,428	660	804	1,464	4,892

(*) The company's fourth quarter 2005 results include an extra shipping week. The company estimates that this week represents 7 pp. of volume growth on the quarter.

KRAFT FOODS INC.
and Subsidiaries
Net Revenues by Business Segment*
For the Quarters Ended December 31,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2005 Net Revenues	\$ 796	\$ 1,808	\$ 1,261	\$ 829	\$ 1,744	\$ 6,438	\$ 2,012	\$ 1,213	\$ 3,225	\$ 9,663
2004 Net Revenues	644	1,686	1,119	791	1,561	5,801	1,947	1,036	2,983	8,784
% Change	23.6%	7.2%	12.7%	4.8%	11.7%	11.0%	3.3%	17.1%	8.1%	10.0%

Reconciliation:

2004 Net Revenues	\$ 644	\$ 1,686	\$ 1,119	\$ 791	\$ 1,561	\$ 5,801	\$ 1,947	\$ 1,036	\$ 2,983	\$ 8,784
- Divested Businesses - 2004	—	(20)	—	(18)	—	(38)	(27)	(4)	(31)	(69)
- Divested Businesses - 2005	—	—	—	—	—	—	—	4	4	4
- Implementation Costs - 2004	1	—	—	1	—	2	—	—	—	2
- Implementation Costs - 2005	1	—	—	(2)	—	(1)	—	—	—	(1)
- Currency	3	15	5	12	9	44	(37)	61	24	68
- Operations	147	127	137	45	174	630	129	116	245	875
2005 Net Revenues	\$ 796	\$ 1,808	\$ 1,261	\$ 829	\$ 1,744	\$ 6,438	\$ 2,012	\$ 1,213	\$ 3,225	\$ 9,663

Memo: Ongoing, Constant Currency Revenues (1)

% Change	22.8%	7.6%	12.2%	5.8%	11.1%	10.9%	6.7%	11.2%	8.3%	10.0%
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(1) The company's top-line guidance measure is ongoing, constant currency revenue growth, which includes acquisitions and excludes divestitures and implementation costs associated with the company's restructuring program. The company believes this measure better represents the revenue growth prospects of the business on a go-forward basis, and provides improved comparability of results.

(*) The company's fourth quarter 2005 results include an extra shipping week. The company estimates that this week represents 7 pp. of revenue growth on the quarter.

KRAFT FOODS INC.
and Subsidiaries
Operating Companies Income by Business Segment
For the Quarters Ended December 31,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2005 Operating Companies Income	\$ 69	\$ 277	\$ 213	\$ 116	\$ 240	\$ 915	\$ 192	\$ 138	\$ 330	\$ 1,245
2004 Operating Companies Income	54	232	187	243	231	947	251	49	300	1,247
% Change	27.8%	19.4%	13.9%	(52.3)%	3.9%	(3.4)%	(23.5)%	100+%	10.0%	(0.2)%

Reconciliation:

2004 Operating Companies Income	\$ 54	\$ 232	\$ 187	\$ 243	\$ 231	\$ 947	\$ 251	\$ 49	\$ 300	\$ 1,247
- Divested Businesses - 2004	—	(4)	—	(3)	—	(7)	(10)	—	(10)	(17)
- (Gains)/Losses on Sales of Businesses - 2004	—	—	—	—	—	—	(5)	—	(5)	(5)
- Asset Impairment and Exit Costs - 2004	(1)	22	33	(2)	50	102	32	5	37	139
- Implementation Costs - 2004	5	4	4	5	9	27	5	1	6	33
- Investment Impairment - 2004	—	—	—	—	—	—	—	47	47	47
	<u>4</u>	<u>22</u>	<u>37</u>	<u>—</u>	<u>59</u>	<u>122</u>	<u>22</u>	<u>53</u>	<u>75</u>	<u>197</u>
- Divested Businesses - 2005	—	—	—	—	—	—	—	1	1	1
- Gains/(Losses) on Sales of Businesses - 2005	—	—	—	—	—	—	(1)	(6)	(7)	(7)
- Asset Impairment and Exit Costs - 2005	(8)	(6)	(11)	(122)	(64)	(211)	(60)	(3)	(63)	(274)
- Implementation Costs - 2005	(5)	2	(5)	(7)	3	(12)	(6)	(8)	(14)	(26)
	<u>(13)</u>	<u>(4)</u>	<u>(16)</u>	<u>(129)</u>	<u>(61)</u>	<u>(223)</u>	<u>(67)</u>	<u>(16)</u>	<u>(83)</u>	<u>(306)</u>
- Currency	1	3	2	1	2	9	—	8	8	17
- Operations	23	24	3	1	9	60	(14)	44	30	90
2005 Operating Companies Income	\$ 69	\$ 277	\$ 213	\$ 116	\$ 240	\$ 915	\$ 192	\$ 138	\$ 330	\$ 1,245

(*) The company's fourth quarter 2005 results include an extra shipping week. The company estimates that this week represents 7 pp. of operating companies income growth on the quarter.

KRAFT FOODS INC.
and Subsidiaries
Volume by Business Segment*
For the Years Ended December 31,
(pounds in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
Volume										
2005 Volume	3,328	3,227	2,398	2,398	2,736	14,087	2,246	2,879	5,125	19,212
2004 Volume	3,191	3,231	2,331	2,413	2,648	13,814	2,333	2,855	5,188	19,002
% Change	4.3%	(0.1)%	2.9%	(0.6)%	3.3%	2.0%	(3.7)%	0.8%	(1.2)%	1.1%
Divested Businesses:										
- Divested Businesses - 2005	—	(32)	—	(24)	—	(56)	(7)	—	(7)	(63)
- Divested Businesses - 2004	—	(123)	—	(37)	—	(160)	(38)	(1)	(39)	(199)
Ongoing Volume - Including Acquisitions										
2005 Volume	3,328	3,195	2,398	2,374	2,736	14,031	2,239	2,879	5,118	19,149
2004 Volume	3,191	3,108	2,331	2,376	2,648	13,654	2,295	2,854	5,149	18,803
% Change	4.3%	2.8%	2.9%	(0.1)%	3.3%	2.8%	(2.4)%	0.9%	(0.6)%	1.8%
Memo: Acquired Businesses										
Volume	103	16	—	—	—	119	—	3	3	122

(*) The company's full year 2005 results include an extra shipping week. The company estimates that this week represents 2 pp. of volume growth on the full year.

KRAFT FOODS INC.
and Subsidiaries
Net Revenues by Business Segment*
For the Years Ended December 31,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2005 Net Revenues	\$ 3,056	\$ 6,244	\$ 4,719	\$ 3,024	\$ 6,250	\$ 23,293	\$ 6,714	\$ 4,106	\$ 10,820	\$ 34,113
2004 Net Revenues	2,742	6,021	4,445	3,009	5,843	22,060	6,504	3,604	10,108	32,168
% Change	11.5%	3.7%	6.2%	0.5%	7.0%	5.6%	3.2%	13.9%	7.0%	6.0%
Reconciliation:										
2004 Net Revenues	\$ 2,742	\$ 6,021	\$ 4,445	\$ 3,009	\$ 5,843	\$ 22,060	\$ 6,504	\$ 3,604	\$ 10,108	\$ 32,168
- Divested Businesses - 2004	—	(91)	—	(75)	—	(166)	(72)	(36)	(108)	(274)
- Divested Businesses - 2005	—	25	—	44	—	69	12	19	31	100
- Acquired Businesses	34	7	—	—	—	41	—	1	1	42
- Implementation Costs - 2004	1	—	—	1	5	7	—	—	—	7
- Implementation Costs - 2005	1	—	—	(2)	(1)	(2)	—	—	—	(2)
- Currency	14	58	16	48	36	172	198	163	361	533
- Operations	264	224	258	(1)	367	1,112	72	355	427	1,539
2005 Net Revenues	\$ 3,056	\$ 6,244	\$ 4,719	\$ 3,024	\$ 6,250	\$ 23,293	\$ 6,714	\$ 4,106	\$ 10,820	\$ 34,113
Memo: Ongoing, Constant Currency Revenues (1)										
% Change	10.9%	3.9%	5.8%	(0.0)%	6.3%	5.3%	1.1%	10.0%	4.3%	5.0%

(1) The company's top-line guidance measure is ongoing, constant currency revenue growth, which includes acquisitions and excludes divestitures and implementation costs associated with the company's restructuring program. The company believes this measure better represents the revenue growth prospects of the business on a go-forward basis, and provides improved comparability of results.

(*) The company's full year 2005 results include an extra shipping week. The company estimates that this week represents 2 pp. of revenue growth on the full year.

KRAFT FOODS INC.
and Subsidiaries
Operating Companies Income by Business Segment*
For the Years Ended December 31,
(\$ in millions)
(Unaudited)

	Beverages	Cheese & Foodservice	Convenient Meals	Grocery	Snacks & Cereals	Kraft North America Commercial	European Union	Developing Markets, Oceania & North Asia	Kraft Int'l Commercial	Total Kraft
2005 Operating Companies Income	\$ 463	\$ 921	\$ 793	\$ 724	\$ 930	\$ 3,831	\$ 722	\$ 400	\$ 1,122	\$ 4,953
2004 Operating Companies Income	469	793	800	1,023	785	3,870	690	243	933	4,803
% Change	(1.3)%	16.1%	(0.9)%	(29.2)%	18.5%	(1.0)%	4.6%	64.6%	20.3%	3.1%
Reconciliation:										
2004 Operating Companies Income	\$ 469	\$ 793	\$ 800	\$ 1,023	\$ 785	\$ 3,870	\$ 690	\$ 243	\$ 933	\$ 4,803
- Divested Businesses - 2004	—	(8)	—	(3)	—	(11)	(28)	—	(28)	(39)
- (Gains)/Losses on Sales of Businesses - 2004	—	—	—	—	—	—	(5)	8	3	3
- Asset Impairment and Exit Costs - 2004	36	76	41	16	222	391	180	32	212	603
- Implementation Costs - 2004	5	6	4	7	18	40	8	2	10	50
- Investment Impairment - 2004	—	—	—	—	—	—	—	47	47	47
	<u>41</u>	<u>74</u>	<u>45</u>	<u>20</u>	<u>240</u>	<u>420</u>	<u>155</u>	<u>89</u>	<u>244</u>	<u>664</u>
- Divested Businesses - 2005	—	3	—	(1)	—	2	3	1	4	6
- Gains/(Losses) on Sales of Businesses - 2005	—	1	—	(2)	—	(1)	114	(5)	109	108
- Asset Impairment and Exit Costs - 2005	(11)	(15)	(13)	(227)	(69)	(335)	(127)	(17)	(144)	(479)
- Implementation Costs - 2005	(10)	(4)	(7)	(8)	(26)	(55)	(20)	(12)	(32)	(87)
	<u>(21)</u>	<u>(15)</u>	<u>(20)</u>	<u>(238)</u>	<u>(95)</u>	<u>(389)</u>	<u>(30)</u>	<u>(33)</u>	<u>(63)</u>	<u>(452)</u>
- Currency	2	8	4	11	6	31	27	32	59	90
- Operations	(28)	61	(36)	(92)	(6)	(101)	(120)	69	(51)	(152)
2005 Operating Companies Income	<u>\$ 463</u>	<u>\$ 921</u>	<u>\$ 793</u>	<u>\$ 724</u>	<u>\$ 930</u>	<u>\$ 3,831</u>	<u>\$ 722</u>	<u>\$ 400</u>	<u>\$ 1,122</u>	<u>\$ 4,953</u>

(*) The company's full year 2005 results include an extra shipping week. The company estimates that this week represents 2 pp. of operating companies income growth on the full year.