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CADBURY PUBLIC LTD CO  
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Subject Company: Cadbury plc

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**Forward-looking statements**

These communications contain forward-looking statements regarding Kraft Foods' combination with Cadbury. Such statements include, but are not limited to, statements about the benefits of the combination and other such statements that are not historical facts, which are or may be based on Kraft Foods' plans, estimates and projections. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Kraft Foods' control, that could cause Kraft Foods' actual results to differ materially from those indicated in any such forward-looking statements. Such factors include, but are not limited to, the risk factors, as they may be amended from time to time, set forth in Kraft Foods' filings with the US Securities and Exchange Commission (SEC), including the registration statement on Form S-4, as amended from time to time, filed by Kraft Foods in connection with the offer, Kraft Foods' most recently filed Annual Report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Kraft Foods disclaims and does not undertake any obligation to update or revise any forward-looking statement in these communications, except as required by applicable law or regulation.

**Additional US-related information**

Each of these communications is provided for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell shares of Cadbury or Kraft Foods. Kraft Foods has filed a registration statement and tender offer documents, including subsequent amendments, and Cadbury has filed a solicitation/recommendation statement on Schedule 14D-9, including subsequent amendments, with the SEC in connection with the recommended offer. **Cadbury ordinary shareholders who are US or Canadian residents and holders of Cadbury American Depositary Shares, wherever located, should read those filings, and any other filings made by Kraft Foods and Cadbury with the SEC in connection with the recommended offer, as they contain important information.** Those documents, as well as Kraft Foods' other public filings with the SEC, may be obtained without charge at the SEC's website at [www.sec.gov](http://www.sec.gov) and at Kraft Foods' website at [www.kraftfoodscompany.com](http://www.kraftfoodscompany.com).

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For Immediate Release

2 February 2010

**OFFER**

**by**

**KRAFT FOODS INC.**

**for**

**CADBURY PLC**

**Offer Update Offer Wholly Unconditional**

Kraft Foods announces that all of the Conditions to its recommended Final Offer have been satisfied or waived and, accordingly, the Offer is wholly unconditional.

The Final Offer will remain open until further notice and at least 14 days notice will be given if Kraft Foods decides to close the Final Offer. Cadbury Securityholders who have not yet accepted the Offer are encouraged to do so without delay.

Commenting on the Offer, Irene Rosenfeld, Chairman and CEO of Kraft Foods said,

The combination of Kraft Foods and Cadbury creates a global powerhouse in snacks, confectionery and quick meals. Together we have impressive global reach and an unrivalled portfolio of iconic brands, with tremendous growth potential. I warmly welcome Cadbury employees into the Kraft Foods family and look forward to meeting many of them in the days and weeks ahead. This combined company has a phenomenal future, and I firmly believe it will deliver outstanding returns to our shareholders.

**Level of acceptances**

As at 1.00 p.m. (London time) on 2 February 2010, Kraft Foods had received valid acceptances of the Offer in respect of a total of 987,684,041 Cadbury Shares (including those represented by Cadbury ADSs), representing approximately 71.73 per cent. of the existing issued share capital of Cadbury.

### **Delisting and re-registration**

Following receipt of sufficient acceptances (i.e. 75 per cent.), Kraft Foods intends to procure that Cadbury will apply for the cancellation of the listing of Cadbury Shares on the Official List and the trading on the London Stock Exchange for listed securities. Kraft Foods also intends to procure that, as soon as practicable, Cadbury will apply for the delisting of Cadbury ADSs from the NYSE and that Cadbury terminates its ADS program and the Deposit Agreement.

A notice period of not less than 20 Business Days prior to delisting from the London Stock Exchange will commence as soon as Kraft Foods has received sufficient acceptances to procure the delisting of the Cadbury Shares. Delisting is likely to reduce significantly the liquidity and marketability of any Cadbury Shares (including those represented by Cadbury ADSs) in respect of which the Offer has not been accepted.

It is also proposed that, after Cadbury Shares are delisted, Cadbury will be re-registered as a private company.

### **Compulsory acquisition**

Kraft Foods intends, assuming it becomes so entitled (by receiving 90 per cent. acceptances), to acquire compulsorily any outstanding Cadbury Shares (including any Cadbury Shares represented by Cadbury ADSs) pursuant to the provisions of the 2006 Act.

### **Settlement**

The consideration to which any Cadbury Securityholder is entitled under the Offer will be settled (i) in the case of complete acceptances received on or before 1 p.m. (London time) on the date of this announcement, on or before 16 February 2010; and (ii) in the case of complete acceptances received after the date of this announcement but while the Offer remains open for acceptance, within 14 days of such receipt, in each case in the manner described in the Final Offer Documents.

### **Acceptance of the Offer**

**Cadbury Securityholders who have not yet accepted, and wish to accept, the Offer should take action to accept the Offer as soon as possible.** Details of the procedure for doing so are set out in the Final Offer Documents (including, in the case of certificated Cadbury Shares and Cadbury ADSs, the Final Acceptance Forms) sent to Cadbury Securityholders on 20 January 2010. The Final Offer Documents are also available on Kraft Foods' website ([www.transactioninfo.com/kraftfoods](http://www.transactioninfo.com/kraftfoods)).

Other than as expressly set out in this announcement, capitalised terms used in this announcement shall have the meaning given to them in the Final Offer Document published by Kraft Foods on 19 January 2010.

### **Enquiries**

**Kraft Foods**

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**Further information**

This announcement will be available on Kraft Foods website ([www.transactioninfo.com/kraftfoods](http://www.transactioninfo.com/kraftfoods)) by no later than 12 noon (London time) / 7.00 a.m. (New York City time) on 3 February 2010.

This announcement does not constitute, and must not be construed as, an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of an offer to purchase or subscribe for any securities, pursuant to the Offer or otherwise. The Offer is being made by the Original Offer Documents, the Final Offer Documents and accompanying documentation (the **Offer Documentation**). Cadbury Securityholders who accept the Offer may rely only on the Offer Documentation for all the terms and conditions of the Offer.

This announcement is not a prospectus for the purposes of the EU Prospectus Directive. Cadbury Securityholders in the EU should not tender their shares except on the basis of information in the prospectus published pursuant to the EU Prospectus Directive on Kraft Foods website (as supplemented from time to time). In making their decision whether or not to accept the Offer, Cadbury Securityholders who are South African residents will need to take into account the Excon Regulations, and consider whether or not their acceptance of the Offer and their subsequent receipt of consideration for their Cadbury Shares from Kraft Foods, whether in the form of cash and/or New Kraft Foods Shares, will be in compliance with the Excon Regulations.

The release, publication or distribution of this announcement and any other Offer-related documentation in jurisdictions other than the UK, the US, Canada, France, Ireland or Spain, and the availability of the Offer to Cadbury Securityholders who are not resident in such jurisdictions may be affected by the laws or regulations of relevant jurisdictions. Therefore any persons who are subject to the laws and regulations of any jurisdiction other than the UK, the US, Canada, France, Ireland or Spain, and Cadbury Securityholders who are not resident in such jurisdictions should inform themselves of and observe any applicable requirements.

**Forward-looking statements**

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and other such statements that are not historical facts, which are or may be based on Kraft Foods' plans, estimates and projections. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Kraft Foods' control, that could cause Kraft Foods' actual results to differ materially from those indicated in any such forward-looking statements. Such factors include, but are not limited to, the risk factors, as they may be amended from time to time, set forth in Kraft Foods' filings with the US Securities and Exchange Commission (SEC), including the registration statement on Form S-4, as amended from time to time, filed by Kraft Foods in connection with the Final Offer, Kraft Foods' most recently filed Annual Report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Kraft Foods disclaims and does not undertake any obligation to update or revise any forward-looking statement in this announcement, except as required by applicable law or regulation.

**Additional US-related information**

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## **KRAFT FOODS SUCCEEDS IN OFFER FOR CADBURY PLC**

NORTHFIELD, Ill. Feb. 2, 2010 Kraft Foods is pleased to announce that it has acquired control of Cadbury plc. The combination creates a global powerhouse in snacks, confectionery and quick meals with annual revenues of approximately \$50 billion and sales in approximately 160 countries. Holders of 71.73 percent of Cadbury's outstanding shares have already accepted Kraft Foods' Final Offer as recommended by the Cadbury board. As such, all of the conditions of the recommended Final Offer for Cadbury have been satisfied or waived, allowing Cadbury to become part of Kraft Foods.

The combination of Kraft Foods and Cadbury creates a global powerhouse in snacks, confectionery and quick meals, said Irene Rosenfeld, Chairman and CEO. Together we have impressive global reach and an unrivalled portfolio of iconic brands, with tremendous growth potential. I warmly welcome Cadbury employees into the Kraft Foods family and look forward to meeting many of them in the days and weeks ahead. This combined company has a phenomenal future, and I firmly believe it will deliver outstanding returns to our shareholders.

The Final Offer remains open. Cadbury Securityholders who have not yet accepted the Offer are encouraged to do so without delay. Further information, including the Final Offer Documents, is available at [www.transactioninfo.com/kraftfoods](http://www.transactioninfo.com/kraftfoods).

### **About Kraft Foods**

The combination of Kraft Foods and Cadbury creates a global powerhouse in snacks, confectionery and quick meals. With annual revenues of approximately \$50 billion, the combined company is the world's second largest food company, making delicious products for billions of consumers in more than 160 countries. The combined company's portfolio includes 11 iconic brands with revenues exceeding \$1 billion: *Oreo*, *Nabisco* and *LU* biscuits; *Milka* and *Cadbury* chocolates; *Trident* gums; *Jacobs* and *Maxwell House* coffees; *Philadelphia* cream cheeses; *Kraft* cheeses, dinners and dressings; and *Oscar Mayer* meats. Another 70+ brands generate annual revenues of more than \$100 million. Kraft Foods ([www.kraftfoodscompany.com](http://www.kraftfoodscompany.com); NYSE: KFT) is a member of the Dow Jones Industrial

Average, Standard & Poor's 500, Dow Jones Sustainability Index and Ethibel Sustainability Index.

**Further information**

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**- make today delicious -**



## Building a Global Powerhouse Best of Both

**February 2, 2010** Almost six months ago, with a sound strategy and a healthy dose of optimism, we said we wanted to combine with Cadbury. Today, I'm excited to say that has become a reality.

And now the most important work lies before us: Bringing our two great companies together to create a global powerhouse in snacks, confectionery and quick meals.

Despite this tremendous potential, I know this is a time of mixed emotions for many of you. I speak for Kraft Foods employees around the world when I say to Cadbury employees: We're delighted you're joining us. You've accomplished a great deal over the past few years and we have tremendous respect for your brands and your success.

However, I also recognize that some Cadbury employees were hoping for another outcome. As someone who has been on both sides of an acquisition, I have a sense of how you may be feeling. My experiences have taught me first-hand the do's and don'ts of an effective combination. And the most important thing I've learned is that how we treat people, how we communicate and how we combine our two teams will largely determine our success. Beginning today, we need to move forward and grow our business together.

Combined, we have an impressive global reach. We are the second-largest food company in the world. We're the global leader in confectionery and biscuits. We have 11 billion-dollar brands. And consumers in more than 160 countries love our delicious products. Making all that possible is the power of approximately 140,000 passionate employees. Yet, we still have plenty of room to grow.

Whether you come from Kraft Foods or Cadbury, I know you're probably wondering what the future holds for you. Rest assured, we'll do our best to address those concerns quickly and thoughtfully. You'll be hearing much more about this in the weeks ahead.

As we do this work, six practical principles will guide us:

- Maintain business momentum,
- Follow the money (that means spending time on those things that will bring the biggest benefit to the organization),
- Capture best of both,
- Treat people fairly and with respect,
- Move quickly,
- And, communicate, communicate, communicate.

In particular, best of both must be our constant refrain. We both are fiercely proud organizations. But we must now be willing to share, listen and learn from one another. That's the best way to find our way forward. And there will be lots of opportunities to participate. For example, beginning today, you can visit [www.moredelectioussthanever.com](http://www.moredelectioussthanever.com) to learn more and connect with your colleagues.

To Cadbury employees a sincere welcome.

To Kraft Foods employees a sincere thank you for making our three-year turnaround a success.

And to all employees around the world I'm counting on each of you to help us make the most of this historic opportunity. I'm confident that in the years ahead we'll look back on 2010 as the beginning of a powerful new chapter in our growth story. The year we combined the best of both our organizations to become the clear global leader in snacks, confectionery and quick meals. The year we got back on top!

Irene Rosenfeld  
Chairman and Chief Executive Officer  
**Safe-harbor for Forward Looking Statements**

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## **Manager Communications Toolkit**

*Your Role in Helping Us Build a Global Powerhouse*

## Manager Communications Toolkit

### About the Managers Communications Toolkit

The materials in this toolkit are provided to help you as a manager communicate with employees during the integration of Kraft Foods and Cadbury. All of these tools are approved for use and should be helpful in clarifying questions employees might have.

### Table of Contents

- 1. Communication guidance for leaders:** This outlines your role in communicating important facts to various audiences, including employees, business partners, suppliers, etc.
- 2. Our story:** This will help shape your discussions with employees and other key audiences.
- 3. Key messages:** Outlines the main points Kraft Foods is communicating to all audiences.
- 4. Employee Q&A:** Review these Q&A s so that you will be prepared to answer employee questions.

#### Attachments:

**Welcome Presentation (PPT):** This presentation can be used to facilitate employee meetings at your location.

**Speaker notes:** Talking points for each slide are also included.

**Combined company fact sheet (PDF):** The new key figures and statistics now that Cadbury is a part of Kraft Foods.

**Video instructions:** One version of the Welcome Presentation includes the "Delicious Is Our Difference" video. These instructions will explain how to play the video on Microsoft Power Point.

**Manager Communications Toolkit**

**Forward Looking Statements**

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## Manager Communications Toolkit

### Your Role In Building A Global Powerhouse

#### *Communication Guidance for Our Leaders*

As we combine Kraft Foods and Cadbury, we're asking leaders to help employees learn about our new organization, navigate change and open their minds to the possibilities of this great global powerhouse.

Our journey begins with listening and learning. The better and faster we get to know one another, the better decisions we'll make about our future. As a leader, you'll play an important role. While our company will provide regular updates about the integration's progress, employees will look to you day in and day out as their primary source of information. And if you manage people, you'll need to help them do their jobs and understand their role in the new Kraft Foods.

For some, these will be exciting times. For others, a time of apprehension and uncertainty. Our Cadbury colleagues have shared that they're experiencing a sense of loss and understandably so. Respect and empathy will go a long way toward making them feel welcome.

We're just beginning to understand the opportunity before us. So, there will be many unanswered questions for some time. Here's some advice on how to help employees during this period of change.

#### Reaching Out to Employees

**Get smart, get informed.** Review the attached toolkit, which includes tools for talking with employees about the integration.

**Have a conversation.** Use the toolkit to frame up your discussions at team meetings and in the hallways. Encourage open discussion about both the issues and opportunities before us.

**Encourage employees to stay informed.** Remind employees to stay on top of the latest news at [moredeliciousthanever.com](http://moredeliciousthanever.com). You'll also find answers to many employee questions and have the opportunity to ask some of your own.

**Tell it like it is.** You'll want to have all the answers, but don't feel pressured to give a response if you don't have one. Simply say what you know and can be communicated, say what you don't know and commit to a time to get back to employees with more information.

## Manager Communications Toolkit

**Communicate face-to-face.** Help employees stay focused on the business by sharing news as soon as it becomes available.

Face-to-face is best. Don't use email for communicating sensitive decisions or information that requires context. And be sure to connect first with employees who are most affected by a decision before sharing news more broadly.

**Use multiple channels.** With communications, the third time is the charm. It often takes at least three times for messages to be absorbed. So, get the word out in many ways (e-mail, presentations, one-on-one meetings, etc.).

**Encourage questions.** Everyone will have them during this time of change. It's important to listen to employee concerns, even if you don't have all the answers.

**Be a role model.** Be a positive, flexible role model for your teams, and demonstrate that you're open to the opportunities offered by combining our companies. Continue to express appreciation to employees for their hard work and continued focus on the business.

**Keep your finger on the pulse of your team.** Stay close to your team during this time, and address issues right away.

## Communicating Outside Kraft Foods

**Business partners:** If external business partners ask what's going on with the integration, reiterate that it's business as usual until they hear otherwise. We remain focused on delivering our commitments, and that's where we should put our efforts.

**Media:** If a reporter approaches you, send any inquiries to your local corporate affairs representatives.

**Cadbury outreach:** While we know everyone is eager to contact their new colleagues, please do not reach out to anyone at Cadbury until you have specific instructions about that process. More information on making connections will be provided to you in the days ahead.

## Manager Communications Toolkit

### Our Story

*Here is a way to shape your discussions with employees and other key audiences.*

### Building a global powerhouse

By welcoming Cadbury to the Kraft Foods family, we're building a global powerhouse with a phenomenal future. And we will draw on the best of both to grow faster together.

Our combined company has approximately \$50 billion in revenues. We are #1 in global confectionery and #1 in global biscuits. We have 11 \$1 billion dollar brands and consumers in more than 160 countries.

With an outstanding portfolio of some of the best-loved consumer brands — *Milka, Oreo, Cadbury* chocolate and *Trident* gum, to name a few — we create wholesome and delicious foods consumers can feel good about eating. In fact, at Kraft Foods, we believe delicious is our difference. Our higher purpose, Make Today Delicious, helps guide us in our journey toward top-tier performance. We know our Cadbury colleagues have the same passion for creating brands people love. And, we'll combine the best of both companies to continue delighting consumers around the world.

Quite simply, Kraft Foods and Cadbury are the perfect match. Combined, we have significantly increased presence in high-growth emerging markets. We're highly complementary in developed markets. And our existing strength in modern trade will be complemented by Cadbury's exceptional capabilities in impulse channels.

But what will truly define our future are the employees of the new Kraft Foods. As we listen and learn from one another, we will capture the best of both — the best talent, the best capabilities, and the best practices. Of course, there will be tough decisions along the way. But we'll make them quickly, and thoughtfully. Most importantly, we will treat people fairly and with respect.

In the coming months, you should continue with business as usual until you hear otherwise. Our most important job is to remain focused on growth and deliver on our commitments for 2010.

This is an exciting new beginning. It's up to us now to define our phenomenal future. Together we're more delicious than ever.



## Manager Communications Toolkit

### Key Messages

**BUILDING A GLOBAL POWERHOUSE IN SNACKS, CONFECTIONERY AND QUICK MEALS MORE DELICIOUS THAN EVER**

#### 1.) PHENOMENAL FUTURE

##### **Impressive global reach:**

World's second-largest food company  
Approximately \$50 billion in revenues  
Sales in more than 160 countries  
25%+ of global revenue from emerging markets  
#1 in global confectionery  
#1 in global biscuits  
More than 50% of global revenue from snacks and confectionery

##### **Portfolio of iconic brands:**

Eleven \$1 billion dollar brands: *Cadbury, Jacobs, Kraft, LU, Maxwell House, Milka, Nabisco, Oscar Mayer, Oreo, Philadelphia, Trident*  
70+ \$100 million+ brands  
80% revenue from #1 share positions

##### **Tremendous growth potential:**

Beloved brands that will thrive with focused, incremental investment  
Exceptional go-to-market capabilities in all classes of trade: modern, traditional, impulse  
Highly complementary footprint in all key markets around the world

##### **Performance driven:**

Committed to delivering top-tier financial performance  
Targeting 5+% organic net revenue growth  
Targeting 9-11% EPS growth

#### 2.) BEST OF BOTH COMPANIES

##### **Best people**

Combining the best global talent from across companies  
Building on the diverse workforce at Kraft Foods:  
- 34% women in middle/senior management  
- 10 nationalities represented within top 30 leaders  
- 64% of Kraft Foods Executive Team new to Kraft Foods in last 5 years  
And combining with the talented entrepreneurial, international mindset at Cadbury  
- 25% women in leadership teams  
- 8 nationalities are represented in the top 16 leaders  
- 19 nationalities are in the top 90 leaders

## Manager Communications Toolkit

- 43% of the Cadbury Executive Team has significant emerging market experience

### **Best capabilities**

Enhanced route to market

- Cadbury: ubiquitous impulse channel penetration in developed and emerging markets
- Kraft Foods: scale in large grocery stores in developed markets and modern trade in emerging markets

Unparalleled category management

- Cadbury: gum and chocolate global category management
- Kraft: biscuit and chocolate scale and broad portfolio reach

Enriched consumer connections

- Deeper consumer understanding across snacking and confectionery
- Growing brands people love

### **Highly compatible purposes, values and approaches**

#### **to social responsibility**

#### **Kraft Foods values:**

Make Today Delicious

We inspire trust.  
We act like owners.  
We keep it simple.  
We are open and inclusive.  
We tell it like it is.  
We lead from the head and the heart.  
We discuss. We decide. We deliver.

#### **Kraft Foods responsibility examples:**

Dow Jones Sustainability Index  
Rainforest Alliance  
Gates Foundation PPP  
Delicious Difference Week

#### **Cadbury Values**

Performance Driven, Values Led

Performance.  
Quality.  
Integrity.  
Respect.  
Responsibility.

#### **Cadbury responsibility examples:**

Dow Jones Sustainability Index  
Fairtrade Foundation  
Cadbury Cocoa Partnership  
Cadbury Day

## Manager Communications Toolkit

### 3.) GROWING FASTER TOGETHER

This combination is all about growth

Follows six practical principles

- Maintain business momentum
- Follow the money (80/20)
- Capture best of both
- Treat people fairly and with respect
- Move quickly
- Communicate, communicate, communicate

Integration will be lead by a global team of executives from both companies

- Tim Cofer leading from Kraft Foods; Cadbury lead yet to be named

Timeline for senior manager recommendations (subject to local requirements)

- Within 45 days:
  - Anticipate recommending Region/Area/Country leadership and Executive Functional leadership
- Within 90 days:
  - Anticipate recommending Region/Area /Country BOM Leadership teams
  - Anticipate recommending consolidated Region/Area/Country HQ and RDQ facility locations
- Within 6 months:
  - Develop joint recommendation for a common manufacturing network strategy

People announcements made as decided

Eager to listen, learn and grow together

**Manager Communications Toolkit**

**Q&A**

**About Our New Company**

**1. Why are Kraft Foods and Cadbury a good fit?**

Together we are building a global powerhouse in snacks, confectionery and quick meals  
Together we have an impressive global scale:  
World's second-largest food company with approximately \$50 billion in revenues  
Sales in more than 160 countries  
11 \$1 billion+ brands

**2. How can a U.S.-based company and a UK-based company fit together?**

This is not just the combination of an American company and a British company – we are both global companies today  
We also have highly compatible purposes and values  
Both started out with visionary founders  
Both have grown into global leaders dedicated to doing business responsibly  
Both are recognized as great places to work where employees can learn, stretch and grow

**3. How will Kraft Foods ensure that Cadbury is as well-run as it has been in the past?**

This combination is about growth  
Our approach will be to take the best of both companies – people, capabilities and values

**4. Why pursue combining companies now?**

The time is right to accelerate both companies' progress  
For Kraft Foods, we are ready to build on the success of our 3.5-year turnaround having:  
Rebuilt our brand equities and pricing power  
Strengthened our innovation pipeline  
Stepped up our cost-saving initiatives  
Cadbury has made great strides through its Vision Into Action program  
More generally, there is now a much stronger competitive environment (Mars Wrigley, for example) and a consolidating customer base – it makes sense to capitalize on a powerful combination in such a market environment

**5. What other options were explored?**

Kraft Foods was on a path to achieve top-tier performance on a standalone basis  
This combination enables us to accelerate that progress and reach top-tier performance even faster



**Manager Communications Toolkit**

**6. Isn't Kraft Foods a slow-growth conglomerate?**

The depiction of Kraft Foods in some news outlets has been distorted.

We have completed our three-year journey to sustainable, profitable growth:

- High-quality top line

- Sequential improvements in volume/mix

- Driving both margins and earnings higher

- Market shares improving in our key markets and categories

- Terrific profit and cash flow performance