



THE KRAFT HEINZ COMPANY

Q4 2015 Update

February 25, 2016

This webcast presentation contains a number of forward-looking statements. Words such as “innovate,” “maintain,” “grow,” “drive,” “invest,” “begin,” “drive,” “anticipate,” “realize,” “remain,” “target,” “manage,” “build,” “improve,” “explore,” “develop,” “continue,” “build,” “execute,” “expect,” “will,” and variations of such words and similar expressions are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements regarding Kraft Heinz’s plans, execution, integration and growth. These forward-looking statements are not guarantees of future performance and are subject to a number of risks and uncertainties, many of which are difficult to predict and beyond Kraft Heinz’s control. Important factors that affect Kraft Heinz’s business and operations and that may cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, increased competition; Kraft Heinz’s ability to maintain, extend and expand its reputation and brand image; Kraft Heinz’s ability to differentiate its products from other brands; the consolidation of retail customers; Kraft Heinz’s ability to predict, identify and interpret changes in consumer preferences and demand; Kraft Heinz’s ability to drive revenue growth in its key product categories, increase its market share, or add products; an impairment of the carrying value of goodwill or other indefinite-lived intangible assets; volatility in commodity, energy and other input costs; changes in Kraft Heinz’s management team or other key personnel; Kraft Heinz’s inability to realize the anticipated benefits from its cost savings initiatives changes in relationships with significant customers and suppliers; execution of Kraft Heinz’s international expansion strategy; changes in laws and regulations; legal claims or other regulatory enforcement actions; product recalls or product liability claims; unanticipated business disruptions; failure to successfully integrate Kraft Heinz; Kraft Heinz’s ability to complete or realize the benefits from potential and completed acquisitions, alliances, divestitures or joint ventures; economic and political conditions in the nations in which Kraft Heinz operates; the volatility of capital markets; increased pension, labor and people-related expenses; volatility in the market value of all or a portion of the derivatives Kraft Heinz uses; exchange rate fluctuations; disruptions in information technology networks and systems; Kraft Heinz’s inability to protect intellectual property rights; impacts of natural events in the locations in which Kraft Heinz or its customers, suppliers or regulators operate; Kraft Heinz’s indebtedness and ability to pay such indebtedness; Kraft Heinz’s dividend payments on its Series A Preferred Stock; tax law changes or interpretations; and other factors. For additional information on these and other factors that could affect Kraft Heinz’s forward-looking statements, see Kraft Heinz’s risk factors, as they may be amended from time to time, set forth in its filings with the Securities and Exchange Commission. Kraft Heinz disclaims and does not undertake any obligation to update or revise any forward-looking statement in this presentation, except as required by applicable law or regulation.

Non-GAAP Measures

This webcast presentation also includes non-GAAP financial measures, including Pro Forma Organic Net Sales, Adjusted Pro Forma EBITDA and Adjusted Pro Forma EPS. These non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix to this presentation.

Profitable Sales Growth

- Big Bet innovation
- Aggressive go-to-market
- International expansion
- Revenue management

Best in Class Margins

- Zero Based Budgeting (ZBB)
- Management by Objectives (MBOs)
- Footprint optimization
- Centralized procurement

Superior Return of Capital with Strong Balance Sheet

- Investment Grade debt rating
- Maintain dividend policy

- **Joined together two powerhouse food & beverage companies**
 - Integration team implemented extensive action plan
 - Began necessary restructuring phase
- **Made significant investments in people and brands**
 - Promoted 2,400+ team members
 - Invested in growth through Big Bets, innovation, expanded sales team
- **Set solid operating, financial base from which to grow**

**2015 Pro Forma
Net Sales:**
\$27.4bn
*(incl. ~\$0.3bn from
extra week)*

**2015 Adjusted
Pro Forma EBITDA*:**
\$6.7bn
*(incl. ~\$0.1bn from
extra week)*

**2015 Adjusted
Pro Forma EPS*:**
\$2.19
*(incl. ~\$0.03 from
extra week)*

* Non-GAAP financial measure, see GAAP to Non-GAAP reconciliations at the end of this presentation.

- **Driving profitable net sales**

- Lower promotional activity versus Q4 2014
- Solid non-promoted consumption driven by ketchup, pasta sauce, Lunchables/P3, cold cuts, single-serve coffee, cream cheese

- **Q4 shipments below consumption**

- Driven by shipment timing versus Q4 2014

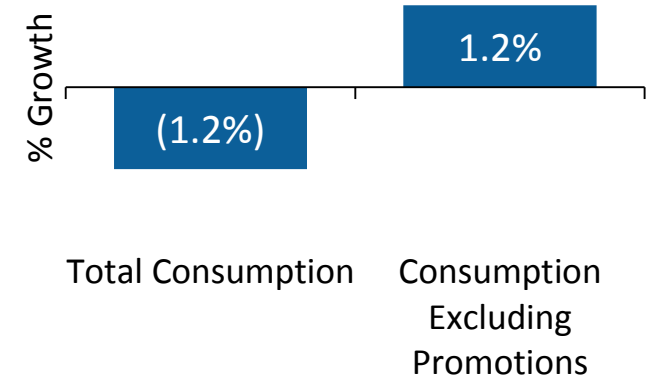
- **Cost savings initiatives ramping up**

- Integration savings beginning to contribute

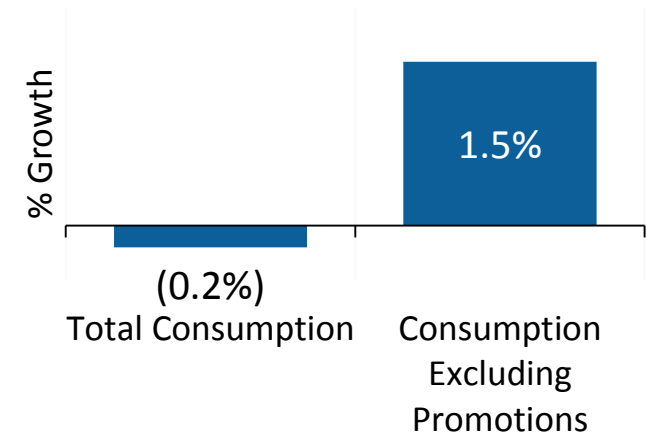
- **Focused on turnaround opportunities**

- Rolling out Big Bets in RTD beverages, boxed dinners, frozen meals
- Increasing investment in working media

Q4 2015 Kraft Heinz U.S. Retail Growth¹



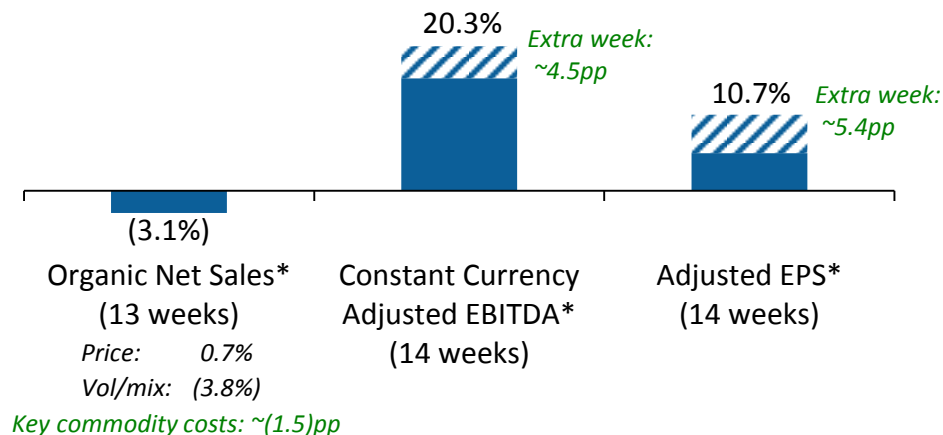
FY 2015 Kraft Heinz U.S. Retail Growth¹



(1) Source: Q4 2015 and FY 2015 data reflects A.C. Nielsen US xAOC data for the 13 weeks and 52 weeks ended December 26, 2015, respectively.

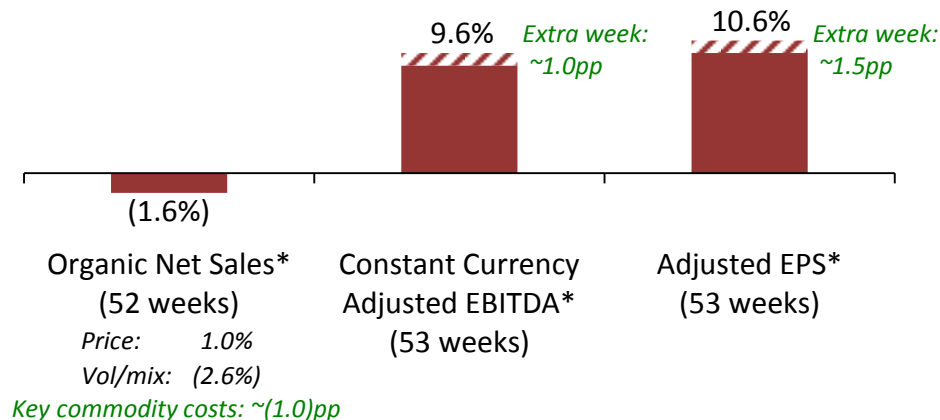
Q4 and Full Year Financial Summary

Q4 2015 vs. Q4 2014 Growth



- Strong, persistent currency headwinds
- Solid net pricing in all segments held back by lower pricing related to key commodities¹ in U.S., Canada
- Strong vol/mix growth in Rest of World offset by declines in U.S., Canada, Europe
- Constant Currency Adjusted EBITDA growth driven by cost savings initiatives²
- Adjusted Pro Forma EPS growth held back by taxes versus prior year

FY 2015 vs. FY 2014 Growth



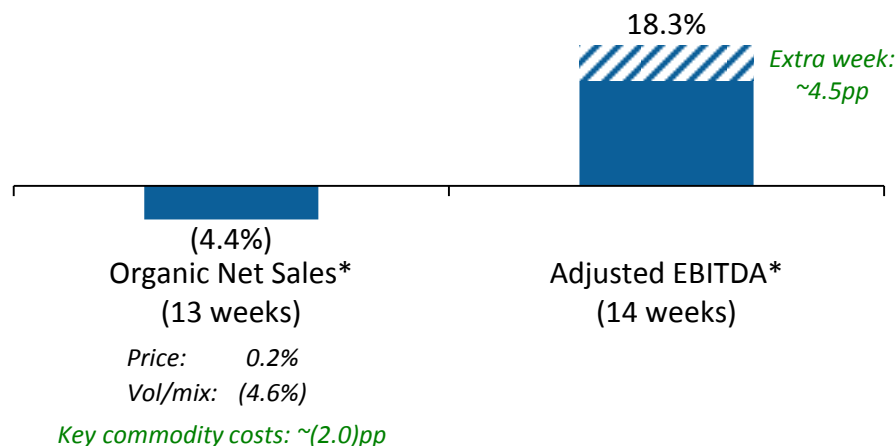
* Non-GAAP pro forma financial measure that reflects the results of operations of Kraft and Heinz as if they had been combined in all periods presented.

(1) The Company's key commodities in the United States and Canada are dairy, meat, coffee and nuts.

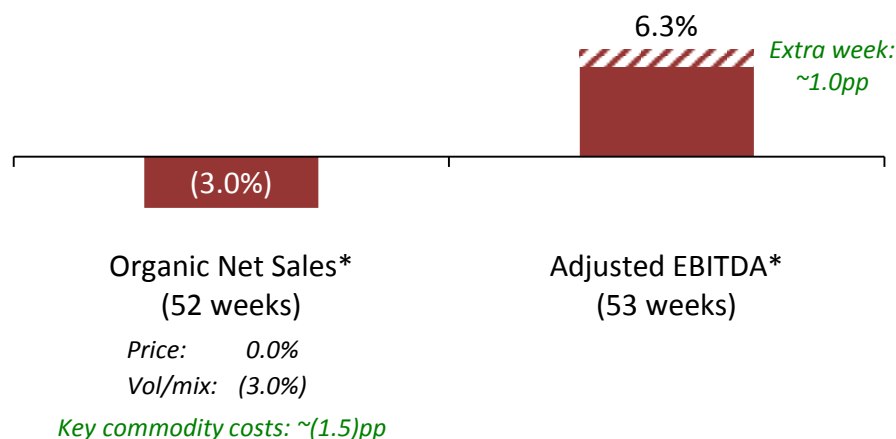
(2) Cost savings initiatives include the Company's integration, restructuring and ongoing productivity efforts.

United States: Q4 and Full Year Results

Q4 2015 vs. Q4 2014 Growth



FY 2015 vs. FY 2014 Growth

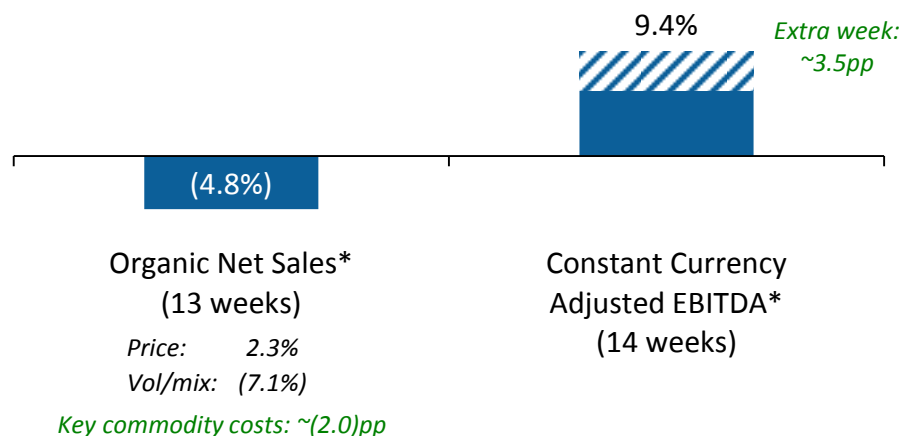


- Pricing neutral in both Q4, full year
 - Solid gains from better price realization, lower promotional activity offset by lower net pricing related to key commodities
- Vol/mix decline driven by weakness in RTD beverages, frozen meals, boxed dinners, powdered beverages
 - Q4 2015 vol/mix weakness impacted by shipment timing, comparisons with Q4 2014 promotional activity
- Adjusted EBITDA growth acceleration driven by cost savings initiatives, favorable pricing net of input costs

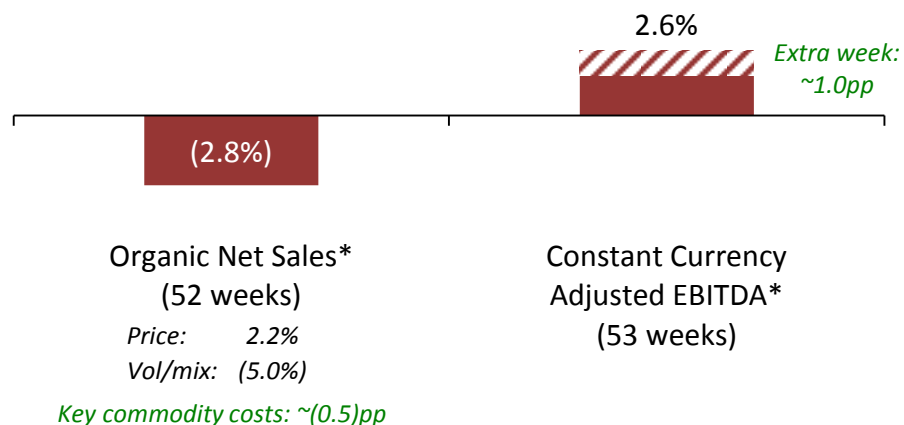
* Non-GAAP pro forma financial measure that reflects the results of operations of Kraft and Heinz as if they had been combined in all periods presented.

Canada: Q4 and Full Year Results

Q4 2015 vs. Q4 2014 Growth



FY 2015 vs. FY 2014 Growth

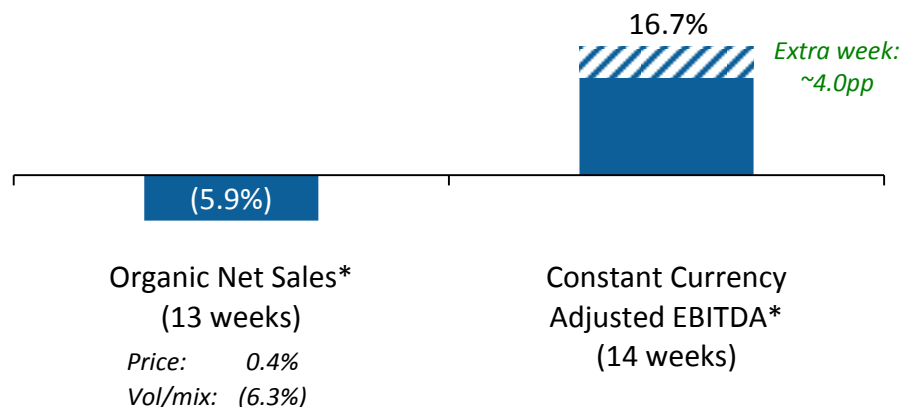


- Currency headwinds strengthened as year progressed
- Favorable net pricing driven by higher input costs in local currencies, partially offset by falling dairy costs
- Vol/mix declines due to foodservice, coffee, refreshment beverages, condiments & sauces
- Constant Currency Adjusted EBITDA growth from cost savings initiatives, lower marketing spending, partially offset by unfavorable vol/mix
 - Pricing net of local input costs favorable in Q4 2015, unfavorable for full year

* Non-GAAP pro forma financial measure that reflects the results of operations of Kraft and Heinz as if they had been combined in all periods presented.

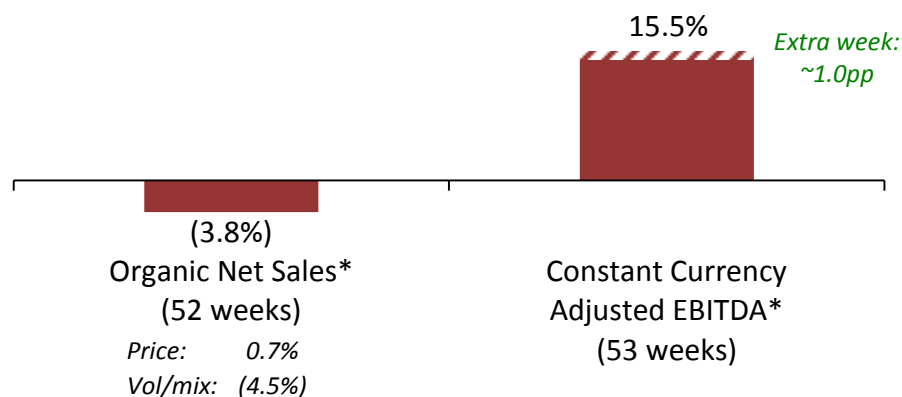
Europe: Q4 and Full Year Results

Q4 2015 vs. Q4 2014 Growth



- Strong, unfavorable currency translation diminished slightly in Q4
- Favorable net pricing driven by lower promotional spending in UK beans and price increases in ketchup and mayo
- Vol/mix decline driven by UK beans, Italy infant nutrition, ketchup, UK foodservice
 - Lower UK soup volumes added to rate of Q4 volume/mix decline

FY 2015 vs. FY 2014 Growth

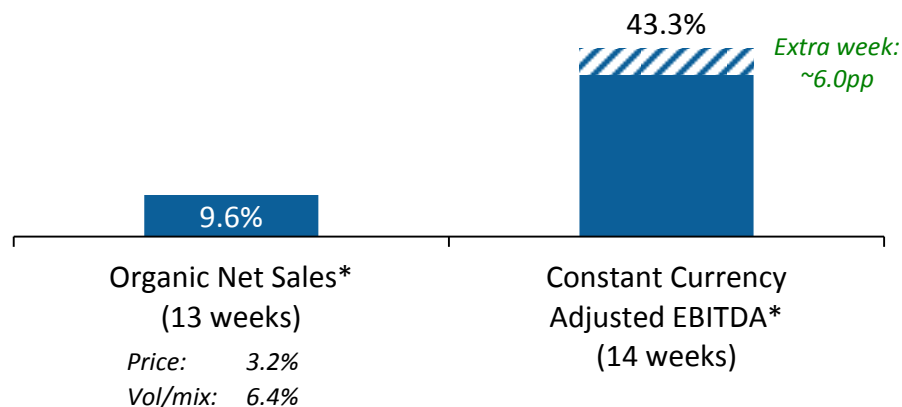


- Constant Currency Adjusted EBITDA growth driven by gains from cost savings initiatives, improved product mix

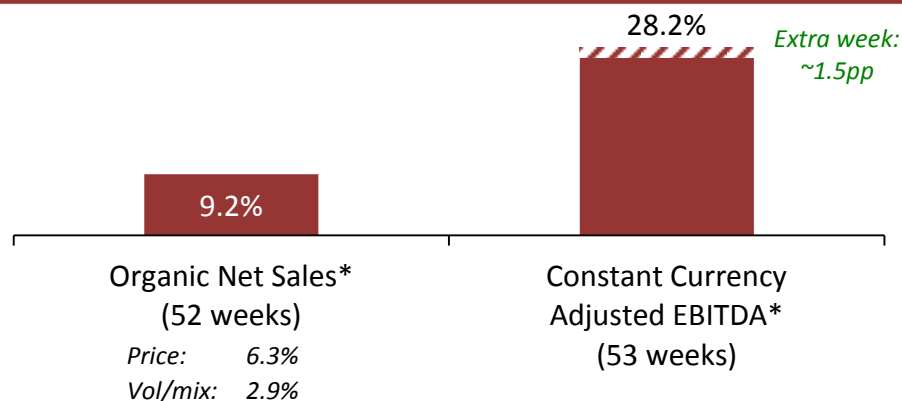
* Non-GAAP pro forma financial measure that reflects the results of operations of Kraft and Heinz as if they had been combined in all periods presented.

Rest of World: Q4 and Full Year Results

Q4 2015 vs. Q4 2014 Growth



FY 2015 vs. FY 2014 Growth

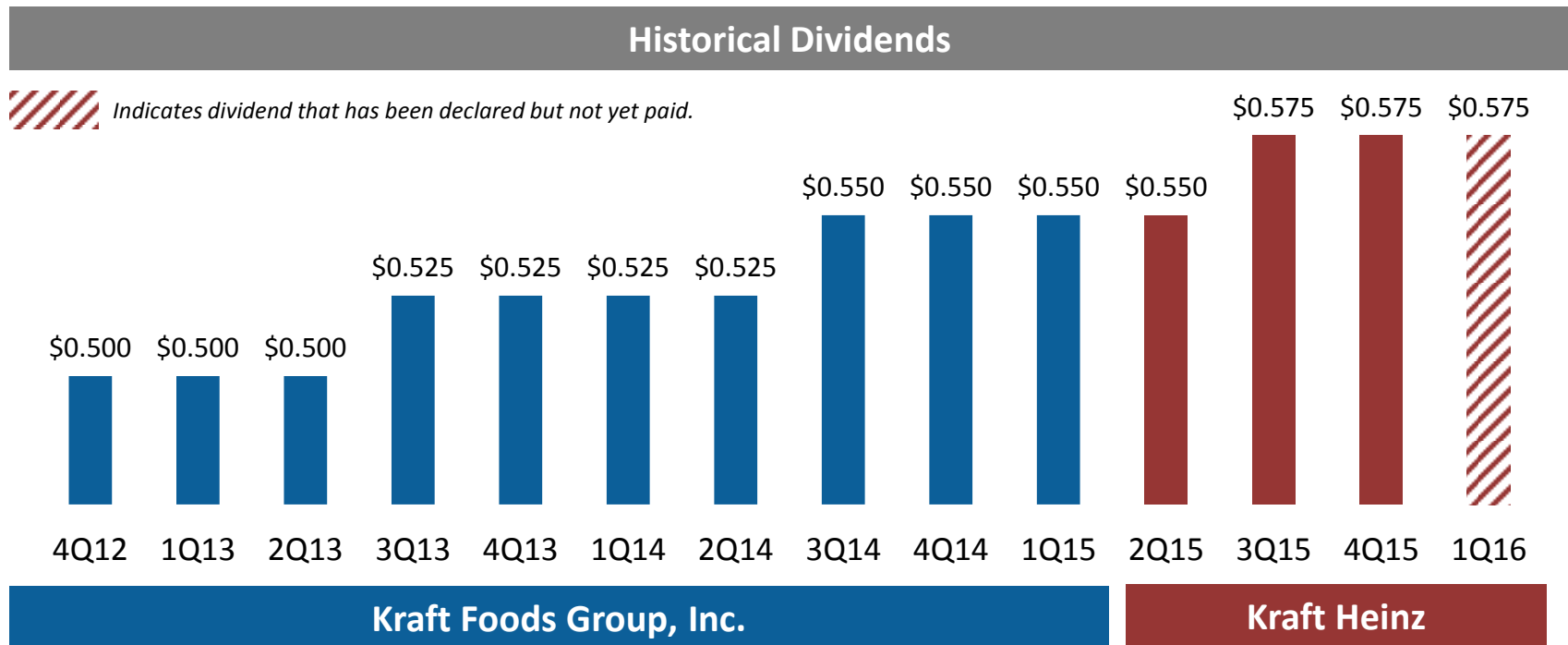


- Strong organic growth
 - Negative currency translation stepped up in 2H 2015 due to Venezuelan bolivar devaluation
- Favorable net pricing driven by input cost-related price increases in RIMEA, higher net pricing in Asian sauces
- Vol/mix growth driven by sauces across Asia, ketchup & condiments in all geographies, partially offset by decline in India nutritional beverages
- Constant Currency Adjusted EBITDA growth driven by vol/mix growth, gains from cost savings initiatives

* Non-GAAP pro forma financial measure that reflects the results of operations of Kraft and Heinz as if they had been combined in all periods presented.

- **Program on track**
 - Organizational structure synergies
 - Rightsizing through Zero Based Budgeting benchmarks
 - Supply chain footprint efficiencies
- **Costs to date consistent with expectations**
 - Incurred \$829mm costs, ~\$225mm in capital expenditures in 2015
 - Continue to expect \$1.9bn pre-tax costs, including ~\$1.1bn cash
 - Still anticipating \$1.1bn of capital expenditures
- **Continue to target cost savings of \$1.5bn by 2017**
 - Realized ~\$125mm savings in 2015

- **Committed to strong dividend payout**
 - \$0.575 dividend per common share to be paid on April 8, 2016 to shareholders of record at the close of business on March 18, 2016
- **Remain confident in reducing leverage¹ to < 3x over medium term**
 - Targeting June 2016 refinancing of Preferred Stock



(1) Leverage defined as Net Debt (including Preferred Equity) divided by Adjusted Pro Forma EBITDA.

- **Manage ongoing currency, consumption trend headwinds**
- **Focus on profitable sales growth**
 - Build on innovation success through Big Bets in each segment
 - Increase working media investments behind brands
 - Improve sales execution in a challenging retail environment
- **Make progress towards achieving best-in-class margins**
 - Deliver ZBB savings, ramp up manufacturing footprint, procurement scale
- **Lay groundwork for future growth**
 - Build out revenue management capabilities in North America
 - Explore whitespace opportunities ... foodservice, international markets
 - Develop performance-driven culture inside Kraft Heinz

Kraft *Heinz*

Schedule 1

The Kraft Heinz Company Consolidated Statements of Income (in millions, except per share data) (Unaudited)

	For the Quarter Ended		For the Year Ended	
	January 3, 2016 (14 weeks)	December 28, 2014 (13 weeks)	January 3, 2016 (53 weeks)	December 28, 2014 (52 weeks)
Net sales	\$ 7,124	\$ 2,799	\$ 18,338	\$ 10,922
Cost of products sold	4,720	1,904	12,577	7,645
Gross profit	2,404	895	5,761	3,277
Selling, general and administrative expenses	1,117	543	3,122	1,709
Operating income	1,287	352	2,639	1,568
Interest expense	266	182	1,321	686
Other (income)/expense, net	(9)	(1)	305	79
Income from continuing operations before income taxes	1,030	171	1,013	803
Provision for income taxes	382	6	366	131
Net income	648	165	647	672
Net income attributable to noncontrolling interest	3	2	13	15
Net income attributable to Kraft Heinz	645	163	634	657
Preferred dividends ⁽¹⁾	360	180	900	720
Net income/(loss) attributable to common shareholders	\$ 285	\$ (17)	\$ (266)	\$ (63)
Basic shares outstanding	1,214	377	786	377
Diluted shares outstanding	1,225	377	786	377
Per share data applicable to common shareholders:				
Basic earnings/(loss) per share	\$ 0.23	\$ (0.04)	\$ (0.34)	\$ (0.17)
Diluted earnings/(loss) per share	\$ 0.23	\$ (0.04)	\$ (0.34)	\$ (0.17)

Note: The consolidated statements of income for the years ended January 3, 2016 and December 28, 2014 reflect the results for Heinz for both periods and the results of Kraft Heinz for the period after the 2015 Merger occurred on July 2, 2015.

(1) Cash distributions for Series A Preferred Stock totaled \$360 million and \$900 million for the quarter and year ended January 3, 2016, respectively. This reflected one additional dividend payment versus the prior year made during the fourth quarter due to the fact that, in connection with the December 8, 2015 Common Stock dividend declaration, the Company was required to accelerate payment of the Series A Preferred Stock dividend from March 7, 2016 to December 8, 2015.

Schedule 2

The Kraft Heinz Company
Pro Forma Condensed Combined Statements of Income
(in millions, except per share data)
(Unaudited)

	For the Quarter Ended		For the Year Ended	
	January 3, 2016 (14 weeks)	December 28, 2014 (13 weeks)	January 3, 2016 (53 weeks)	December 28, 2014 (52 weeks)
Net sales	\$ 7,124	\$ 7,496	\$ 27,447	\$ 29,122
Cost of products sold ⁽¹⁾	4,720	5,284	18,299	20,146
Gross profit	2,404	2,212	9,148	8,976
Selling, general and administrative expenses ⁽²⁾	1,117	1,291	4,613	4,593
Operating income	1,287	921	4,535	4,383
Interest expense	266	288	1,528	1,113
Other (income)/expense, net	(9)	(9)	289	57
Income before income taxes	1,030	642	2,718	3,213
Provision for income taxes	382	137	944	880
Net income	648	505	1,774	2,333
Net income attributable to noncontrolling interest	3	2	13	15
Net income attributable to Kraft Heinz	\$ 645	\$ 503	\$ 1,761	\$ 2,318
Preferred dividends ⁽³⁾	360	180	900	720
Net income attributable to common shareholders	\$ 285	\$ 323	\$ 861	\$ 1,598
Basic common shares outstanding	1,214	1,192	1,202	1,192
Diluted common shares outstanding	1,225	1,222	1,222	1,222
Per share data applicable to common shareholders:				
Basic earnings per share	\$ 0.23	\$ 0.27	\$ 0.72	\$ 1.34
Diluted earnings per share	\$ 0.23	\$ 0.26	\$ 0.70	\$ 1.31

Note: The pro forma condensed combined statements of income for the quarters and years ended January 3, 2016 and December 28, 2014 reflect the results of operations of Kraft and Heinz as if they had been combined in all periods presented. Refer to Schedules 10, 11 and 12 for additional information.

(1) Integration & restructuring expenses in cost of products sold were as follows: \$178 million in the fourth quarter of 2015 (\$119 million after-tax), \$118 million in the fourth quarter of 2014 (\$87 million after-tax), \$479 million in the full year 2015 (\$322 million after-tax), and \$535 million in the full year 2014 (\$409 million after-tax).

(2) Integration & restructuring expenses in selling, general and administrative expenses were as follows: \$258 million in the fourth quarter of 2015 (\$172 million after-tax), \$123 million in the fourth quarter of 2014 (\$91 million after-tax), \$638 million in the full year 2015 (\$428 million after-tax), and \$208 million in the full year 2014 (\$160 million after-tax).

(3) Cash distributions for Series A Preferred Stock totaled \$360 million and \$900 million for the quarter and year ended January 3, 2016, respectively. This reflected one additional dividend payment versus the prior year made during the fourth quarter due to the fact that, in connection with the December 8, 2015 Common Stock dividend declaration, the Company was required to accelerate payment of the Series A Preferred Stock dividend from March 7, 2016 to December 8, 2015.

Schedule 3

The Kraft Heinz Company
Reconciliation of Pro Forma Net Sales to Pro Forma Organic Net Sales
For the Quarter Ended
(dollars in millions)
(Unaudited)

	Pro Forma Net Sales	Impact of Currency	Impact of Divestitures	Impact of 53 rd Week	Pro Forma Organic Net Sales	Price	Volume/ Mix
January 3, 2016 (14 weeks)							
United States	\$ 5,082	\$ —	\$ —	\$ 233	\$ 4,849		
Canada	632	(116)	—	31	717		
Europe	640	(59)	—	25	674		
Rest of World	770	(139)	—	51	858		
	<u>\$ 7,124</u>	<u>\$ (314)</u>	<u>\$ —</u>	<u>\$ 340</u>	<u>\$ 7,098</u>		
December 28, 2014 (13 weeks)							
United States	\$ 5,072	\$ —	\$ —	\$ —	\$ 5,072		
Canada	753	—	—	—	753		
Europe ⁽¹⁾	748	—	32	—	716		
Rest of World	923	140	—	—	783		
	<u>\$ 7,496</u>	<u>\$ 140</u>	<u>\$ 32</u>	<u>\$ —</u>	<u>\$ 7,324</u>		
Year-over-year growth rates							
United States	0.2 %	0.0 pp	0.0 pp	4.6 pp	(4.4)%	0.2 pp	(4.6) pp
Canada	(16.1)%	(15.4) pp	0.0 pp	4.1 pp	(4.8)%	2.3 pp	(7.1) pp
Europe ⁽¹⁾	(14.4)%	(7.8) pp	(4.2) pp	3.5 pp	(5.9)%	0.4 pp	(6.3) pp
Rest of World	(16.6)%	(32.7) pp	0.0 pp	6.5 pp	9.6 %	3.2 pp	6.4 pp
	<u>(5.0)%</u>	<u>(6.1) pp</u>	<u>(0.5) pp</u>	<u>4.7 pp</u>	<u>(3.1)%</u>	<u>0.7 pp</u>	<u>(3.8) pp</u>

Note: The reconciliation of pro forma net sales to Pro Forma Organic Net Sales reflects the results of Kraft and Heinz as if they had been combined in all periods presented.

(1) The Company increased Europe Pro Forma Organic Net Sales by \$7 million from the amount previously published for the quarter ended December 28, 2014 to reflect a correction to the Impact of Divestitures.

Schedule 4

The Kraft Heinz Company
Reconciliation of Pro Forma Net Sales to Pro Forma Organic Net Sales
For the Year Ended
(dollars in millions)
(Unaudited)

	Pro Forma Net Sales	Impact of Currency	Impact of Divestitures	Impact of 53 rd week	Pro Forma Organic Net Sales	Price	Volume/ Mix
January 3, 2016 (53 weeks)							
United States	\$ 19,284	\$ —	\$ —	\$ 233	\$ 19,051		
Canada	2,386	(378)	—	31	2,733		
Europe	2,485	(340)	42	25	2,758		
Rest of World	3,292	(503)	—	51	3,744		
	<u>\$ 27,447</u>	<u>\$ (1,221)</u>	<u>\$ 42</u>	<u>\$ 340</u>	<u>\$ 28,286</u>		
December 28, 2014 (52 weeks)							
United States	\$ 19,635	\$ —	\$ —	\$ —	\$ 19,635		
Canada	2,811	—	—	—	2,811		
Europe ⁽¹⁾	2,973	—	107	—	2,866		
Rest of World	3,703	274	—	—	3,429		
	<u>\$ 29,122</u>	<u>\$ 274</u>	<u>\$ 107</u>	<u>\$ —</u>	<u>\$ 28,741</u>		
Year-over-year growth rates							
United States	(1.8)%	0.0 pp	0.0 pp	1.2 pp	(3.0)%	0.0 pp	(3.0) pp
Canada	(15.1)%	(13.4) pp	0.0 pp	1.1 pp	(2.8)%	2.2 pp	(5.0) pp
Europe ⁽¹⁾	(16.4)%	(11.4) pp	(2.1) pp	0.9 pp	(3.8)%	0.7 pp	(4.5) pp
Rest of World	(11.1)%	(21.8) pp	0.0 pp	1.5 pp	9.2 %	6.3 pp	2.9 pp
	<u>(5.8)%</u>	<u>(5.2) pp</u>	<u>(0.2) pp</u>	<u>1.2 pp</u>	<u>(1.6)%</u>	<u>1.0 pp</u>	<u>(2.6) pp</u>

Note: The reconciliation of pro forma net sales to Pro Forma Organic Net Sales reflects the results of Kraft and Heinz as if they had been combined in all periods presented.

(1) The Company increased Europe Pro Forma Organic Net Sales by \$16 million from the amount previously published for the year ended December 28, 2014 to reflect a correction to the Impact of Divestitures.

Schedule 5

The Kraft Heinz Company
Reconciliation of Pro Forma Operating Income to Adjusted Pro Forma EBITDA
(in millions)
(Unaudited)

	For the Quarter Ended		For the Year Ended	
	January 3, 2016 (14 weeks)	December 28, 2014 (13 weeks)	January 3, 2016 (53 weeks)	December 28, 2014 (52 weeks)
Pro forma operating income	\$ 1,287	\$ 921	\$ 4,535	\$ 4,383
Depreciation and amortization (excluding integration and restructuring expenses)	160	230	779	924
Integration and restructuring expenses	436	241	1,117	743
Merger costs	1	19	194	68
Unrealized (gains)/losses on commodity hedges	(18)	92	(41)	79
Impairment losses	—	159	58	221
Gain on sale of business	—	—	(21)	—
Nonmonetary currency devaluation	8	—	57	—
Equity award compensation expense (excluding integration and restructuring expenses)	1	28	61	108
Adjusted Pro Forma EBITDA	<u>\$ 1,875</u>	<u>\$ 1,690</u>	<u>\$ 6,739</u>	<u>\$ 6,526</u>
Segment Adjusted EBITDA:				
United States	\$ 1,346	\$ 1,138	\$ 4,783	\$ 4,499
Canada	167	180	541	615
Europe	248	240	909	898
Rest of World	172	196	670	689
General corporate expenses	(58)	(64)	(164)	(175)
Adjusted Pro Forma EBITDA	<u>\$ 1,875</u>	<u>\$ 1,690</u>	<u>\$ 6,739</u>	<u>\$ 6,526</u>

Note: The reconciliation of pro forma operating income to Adjusted Pro Forma EBITDA reflects the results of Kraft and Heinz as if they had been combined in all periods presented.

Schedule 6

The Kraft Heinz Company
Reconciliation of Adjusted Pro Forma EBITDA to Constant Currency Adjusted Pro Forma EBITDA
For the Quarter Ended
(dollars in millions)
(Unaudited)

	Adjusted Pro Forma EBITDA	Impact of Currency	Constant Currency Adjusted Pro Forma EBITDA
<u>January 3, 2016 (14 weeks)</u>			
United States	\$ 1,346	\$ —	\$ 1,346
Canada	167	(30)	197
Europe	248	(32)	280
Rest of World	172	(30)	202
General corporate expenses	(58)	—	(58)
	<u>\$ 1,875</u>	<u>\$ (92)</u>	<u>\$ 1,967</u>
<u>December 28, 2014 (13 weeks)</u>			
United States	\$ 1,138	\$ —	\$ 1,138
Canada	180	—	180
Europe	240	—	240
Rest of World	196	55	141
General corporate expenses	(64)	—	(64)
	<u>\$ 1,690</u>	<u>\$ 55</u>	<u>\$ 1,635</u>
<u>Year-over-year growth rates</u>			
United States	18.3 %	0.0 pp	18.3 %
Canada	(7.2)%	(16.6) pp	9.4 %
Europe	3.3 %	(13.4) pp	16.7 %
Rest of World	(12.2)%	(55.5) pp	43.3 %
General corporate expenses	(9.4)%	0.0 pp	(9.4)%
	<u>10.9 %</u>	<u>(9.4) pp</u>	<u>20.3 %</u>

Note: The reconciliation of Adjusted Pro Forma EBITDA to Constant Currency Adjusted Pro Forma EBITDA reflects the results of Kraft and Heinz as if they had been combined in all periods presented.

Schedule 7

The Kraft Heinz Company
Reconciliation of Adjusted Pro Forma EBITDA to Constant Currency Adjusted Pro Forma EBITDA
For the Year Ended
(dollars in millions)
(Unaudited)

	Adjusted Pro Forma EBITDA	Impact of Currency	Constant Currency Adjusted Pro Forma EBITDA
<u>January 3, 2016 (53 weeks)</u>			
United States	\$ 4,783	\$ —	\$ 4,783
Canada	541	(90)	631
Europe	909	(128)	1,037
Rest of World	670	(84)	754
General corporate expenses	(164)	—	(164)
	<u>\$ 6,739</u>	<u>\$ (302)</u>	<u>\$ 7,041</u>
<u>December 28, 2014 (52 weeks)</u>			
United States	\$ 4,499	\$ —	\$ 4,499
Canada	615	—	615
Europe	898	—	898
Rest of World	689	101	588
General corporate expenses	(175)	—	(175)
	<u>\$ 6,526</u>	<u>\$ 101</u>	<u>\$ 6,425</u>
<u>Year-over-year growth rates</u>			
United States	6.3 %	0.0 pp	6.3 %
Canada	(12.0)%	(14.6) pp	2.6 %
Europe	1.2 %	(14.3) pp	15.5 %
Rest of World	(2.8)%	(31.0) pp	28.2 %
General corporate expenses	(6.3)%	0.0 pp	(6.3)%
	<u>3.3 %</u>	<u>(6.3) pp</u>	<u>9.6 %</u>

Note: The reconciliation of Adjusted Pro Forma EBITDA to Constant Currency Adjusted Pro Forma EBITDA reflects the results of Kraft and Heinz as if they had been combined in all periods presented.

Schedule 8

The Kraft Heinz Company Reconciliation of Pro Forma Diluted EPS to Adjusted Pro Forma EPS (Unaudited)

	For the Quarter Ended		For the Year Ended	
	January 3, 2016 (14 weeks)	December 28, 2014 (13 weeks)	January 3, 2016 (53 weeks)	December 28, 2014 (52 weeks)
Pro forma diluted EPS	\$ 0.23	\$ 0.26	\$ 0.70	\$ 1.31
Integration and restructuring expenses	0.24	0.15	0.61	0.47
Merger costs	—	0.02	0.49	0.04
Unrealized (gains)/losses on commodity hedges	(0.01)	0.05	(0.02)	0.05
Impairment losses	—	0.08	0.03	0.11
Gain on sale of business	—	—	(0.01)	—
Nonmonetary currency devaluation	0.01	—	0.24	—
Additional preferred dividends ⁽¹⁾	0.15	—	0.15	—
Adjusted Pro Forma EPS ⁽²⁾	\$ 0.62	\$ 0.56	\$ 2.19	\$ 1.98

Note: The reconciliation of pro forma diluted EPS to Adjusted Pro Forma EPS reflects the results of Kraft and Heinz as if they had been combined in all periods presented.

(1) Cash distributions for Series A Preferred Stock totaled \$360 million and \$900 million for the quarter and year ended January 3, 2016, respectively. This reflected one additional dividend payment versus the prior year made during the fourth quarter due to the fact that, in connection with the December 8, 2015 Common Stock dividend declaration, the Company was required to accelerate payment of the Series A Preferred Stock dividend from March 7, 2016 to December 8, 2015. For purposes of calculating Adjusted Pro Forma EPS, the Company excluded the additional preferred dividend payment paid in December 2015.

(2) The Company revised Adjusted Pro Forma EPS for the quarter and year ended December 28, 2014 to \$0.56 and \$1.98 from the previously published \$0.50 and \$1.94, respectively, to reflect a correction in tax rates applied to certain non-GAAP adjustments.

Schedule 9

The Kraft Heinz Company
Condensed Consolidated Balance Sheets
(in millions)
(Unaudited)

	January 3, 2016	December 28, 2014
ASSETS		
Cash and cash equivalents	\$ 4,837	\$ 2,298
Trade receivables	871	690
Sold receivables	583	161
Inventories	2,618	1,185
Other current assets	871	581
Total current assets	9,780	4,915
Property, plant and equipment, net	6,524	2,365
Goodwill	43,051	14,959
Intangible assets, net	62,120	13,188
Other assets	1,498	1,144
TOTAL ASSETS	\$ 122,973	\$ 36,571
LIABILITIES AND EQUITY		
Trade payables	\$ 2,844	\$ 1,651
Accrued marketing	856	297
Accrued postemployment costs	328	15
Income taxes payable	417	232
Interest payable	401	167
Dividends payable	762	—
Other current liabilities	1,324	730
Total current liabilities	6,932	3,092
Long-term debt	25,151	13,358
Deferred income taxes	21,497	3,867
Accrued postemployment costs	2,405	287
Other liabilities	752	282
TOTAL LIABILITIES	56,737	20,886
Redeemable noncontrolling interest	23	29
9.00% Series A cumulative redeemable preferred stock	8,320	8,320
Equity:		
Common stock, \$.01 par value	12	4
Warrants	—	367
Additional paid-in capital	58,375	7,320
Retained earnings/(deficit)	—	—
Accumulated other comprehensive income/(losses)	(671)	(574)
Treasury stock, at cost	(31)	—
Total shareholders' equity	57,685	7,117
Noncontrolling interest	208	219
TOTAL EQUITY	57,893	7,336
TOTAL LIABILITIES AND EQUITY	\$ 122,973	\$ 36,571

Note: The condensed consolidated balance sheet at January 3, 2016 reflects the financial position of Kraft Heinz. The condensed consolidated balance sheet at December 28, 2014 reflects only the financial position of Heinz, because the 2015 Merger occurred on July 2, 2015.

Schedule 10

The Kraft Heinz Company
Pro Forma Condensed Combined Statement of Income
For the Quarter Ended December 28, 2014
(in millions, except per share data)
(Unaudited)

	Historical Heinz	Historical Kraft	Pro Forma Adjustments	Pro Forma
Net sales	\$ 2,799	\$ 4,697	\$ —	\$ 7,496
Cost of products sold	1,904	4,208	(828) ⁽¹⁾	5,284
Gross profit	895	489	828	2,212
Selling, general and administrative expenses	543	1,102	(354) ⁽²⁾	1,291
Operating income/(loss)	352	(613)	1,182	921
Interest expense	182	126	(20) ⁽³⁾	288
Other (income)	(1)	(8)	—	(9)
Income/(loss) before income taxes	171	(731)	1,202	642
Provision for/(benefit from) income taxes	6	(332)	463 ⁽⁴⁾	137
Net income/(loss)	165	(399)	739	505
Net income attributable to noncontrolling interest	2	—	—	2
Net income/(loss) attributable to Kraft Heinz	\$ 163	\$ (399)	\$ 739	\$ 503
Preferred dividend	180	—	—	180
Net (loss)/income attributable to common shareholders	\$ (17)	\$ (399)	\$ 739	\$ 323
Basic common shares outstanding				1,192
Diluted common shares outstanding				1,222
Per share data applicable to common shareholders:				
Basic earnings per share				\$ 0.27
Diluted earnings per share				\$ 0.26

(1) Represents the change to align Kraft to Kraft Heinz's accounting policy for postemployment benefit plans.

(2) Reflects 2015 Merger-related adjustments including the change to align Kraft to Kraft Heinz's accounting policy for postemployment benefit plans; incremental amortization resulting from the fair value adjustment of Kraft's definite-lived intangible assets; and, incremental compensation expense due to the fair value remeasurement of certain of Kraft's equity awards.

(3) Represents the incremental change in interest expense resulting from the fair value adjustment of Kraft's long-term debt in connection with the 2015 Merger, including the elimination of the historical amortization of deferred financing fees and amortization of original issuance discount.

(4) Represents the income tax effect of pro forma adjustments utilizing a 38.5% weighted average statutory tax rate.

Schedule 11

The Kraft Heinz Company
Pro Forma Condensed Combined Statement of Income
For the Year Ended December 28, 2014
(in millions, except per share data)
(Unaudited)

	Historical Heinz	Historical Kraft	Pro Forma Adjustments	Pro Forma
Net sales	\$ 10,922	\$ 18,200	\$ —	\$ 29,122
Cost of products sold	7,645	13,248	(747) ⁽¹⁾	20,146
Gross profit	3,277	4,952	747	8,976
Selling, general and administrative expenses	1,709	3,062	(178) ⁽²⁾	4,593
Operating income	1,568	1,890	925	4,383
Interest expense	686	507	(80) ⁽³⁾	1,113
Other expense/(income), net	79	(22)	—	57
Income before income taxes	803	1,405	1,005	3,213
Provision for income taxes	131	363	386 ⁽⁴⁾	880
Net income	672	1,042	619	2,333
Net income attributable to noncontrolling interest	15	—	—	15
Net income attributable to Kraft Heinz	\$ 657	\$ 1,042	\$ 619	\$ 2,318
Preferred dividends	720	—	—	720
Net (loss)/income attributable to common shareholders	\$ (63)	\$ 1,042	\$ 619	\$ 1,598
Basic common shares outstanding				1,192
Diluted common shares outstanding				1,222
Per share data applicable to common shareholders:				
Basic earnings per share				\$ 1.34
Diluted earnings per share				\$ 1.31

(1) Represents the change to align Kraft to Kraft Heinz's accounting policy for postemployment benefit plans.

(2) Reflects 2015 Merger-related adjustments including the change to align Kraft to Kraft Heinz's accounting policy for postemployment benefit plans; incremental amortization resulting from the fair value adjustment of Kraft's definite-lived intangible assets; and, incremental compensation expense due to the fair value remeasurement of certain of Kraft's equity awards.

(3) Represents the incremental change in interest expense resulting from the fair value adjustment of Kraft's long-term debt in connection with the 2015 Merger, including the elimination of the historical amortization of deferred financing fees and amortization of original issuance discount.

(4) Represents the income tax effect of pro forma adjustments utilizing a 38.5% weighted average statutory tax rate.

Schedule 12

The Kraft Heinz Company
Pro Forma Condensed Combined Statement of Income
For the Year Ended January 3, 2016
(in millions, except per share data)
(Unaudited)

	Kraft Heinz	Historical Kraft ⁽¹⁾	Pro Forma Adjustments	Pro Forma
Net sales	\$ 18,338	\$ 9,109	\$ —	\$ 27,447
Cost of products sold	12,577	6,103	(381) ⁽²⁾	18,299
Gross profit	5,761	3,006	381	9,148
Selling, general and administrative expenses	3,122	1,532	(41) ⁽³⁾	4,613
Operating income	2,639	1,474	422	4,535
Interest expense	1,321	247	(40) ⁽⁴⁾	1,528
Other expense/(income), net	305	(16)	—	289
Income before income taxes	1,013	1,243	462	2,718
Provision for income taxes	366	400	178 ⁽⁵⁾	944
Net income	647	843	284	1,774
Net income attributable to noncontrolling interest	13	—	—	13
Net income attributable to Kraft Heinz	\$ 634	\$ 843	\$ 284	\$ 1,761
Preferred dividend ⁽⁶⁾	900	—	—	900
Net (loss)/income attributable to common shareholders	\$ (266)	\$ 843	\$ 284	\$ 861
Basic common shares outstanding				1,202
Diluted common shares outstanding				1,222
Per share data applicable to common shareholders:				
Basic earnings per share				\$ 0.72
Diluted earnings per share				\$ 0.70

(1) Historical Kraft activity reflects activity for the period from December 29, 2014 to July 2, 2015, prior to the 2015 Merger.

(2) Represents the change to align Kraft to Kraft Heinz's accounting policy for postemployment benefit plans and the elimination of nonrecurring non-cash costs related to the fair value adjustment of Kraft's inventory in purchase accounting.

(3) Reflects 2015 Merger-related adjustments including the change to align Kraft to Kraft Heinz's accounting policy for postemployment benefit plans; incremental amortization resulting from the fair value adjustment of Kraft's definite-lived intangible assets; incremental compensation expense due to the fair value remeasurement of certain of Kraft's equity awards; and, nonrecurring deal costs incurred in connection with the 2015 Merger.

(4) Represents the incremental change in interest expense resulting from the fair value adjustment of Kraft's long-term debt in connection with the 2015 Merger, including the elimination of the historical amortization of deferred financing fees and amortization of original issuance discount.

(5) Represents the income tax effect of pro forma adjustments utilizing a 38.5% weighted average statutory tax rate.

(6) Cash distributions for Series A Preferred Stock totaled \$900 million for the year ended January 3, 2016. This reflected one additional dividend payment versus the prior year made during the fourth quarter due to the fact that, in connection with the December 8, 2015 Common Stock dividend declaration, the Company was required to accelerate payment of the Series A Preferred Stock dividend from March 7, 2016 to December 8, 2015.