Tony Vernon
Chief Executive Officer
Forward-Looking Statements

This presentation contains a number of forward-looking statements. The words “plan,” “drive,” “make,” “develop,” “change,” “opportunity,” “evolve,” “invent,” “deliver,” “extend,” “invest,” “become,” “improve,” “grow,” “target” and similar expressions are intended to identify the forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements regarding Kraft’s growth, progress, investments, innovation, marketing and advertising, share of voice, cost management and cost savings plans, long-term targets and outlook for the North American Food and Beverage market, customers and consumers and dividends. These forward-looking statements are not guarantees of future performance and are subject to a number of risks and uncertainties, many of which are beyond Kraft’s control. Important factors that could cause actual results to differ materially from those indicated in the forward-looking statements include, but are not limited to, increased competition; Kraft’s ability to maintain, extend and expand its reputation and brand image; Kraft’s ability to differentiate its products from other brands; increasing consolidation of retail customers; changes in relationships with significant customers and suppliers; Kraft’s ability to predict, identify and interpret changes in consumer preferences and demand; Kraft’s ability to drive revenue growth in its key product categories, increase its market share, or add products; volatility in commodity, energy and other input costs; changes in Kraft’s management team or other key personnel; Kraft’s geographic focus in North America; changes in regulations; legal claims or other regulatory enforcement actions; product recalls or product liability claims; unanticipated business disruptions; Kraft’s ability to complete or realize the benefits from potential acquisitions, alliances, divestitures or joint ventures; Kraft’s indebtedness and ability to pay such indebtedness; disruptions in information technology networks and systems; Kraft’s inability to protect intellectual property rights; weak economic conditions; tax law changes; volatility of market-based impacts of post-employment benefit plans; pricing actions; and other factors. For additional information on these and other factors that could affect Kraft’s forward-looking statements, see Kraft’s risk factors, as they may be amended from time to time, set forth in its filings with the Securities and Exchange Commission, including its most recently filed Annual Report on Form 10-K and subsequent reports on Form 10-Q and Form 8-K. Kraft 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.
We Have the Best Sandbox in Our Industry
WHAT’S BEEN OUR BIGGEST SURPRISE?
Our Market is Changing... Fast

• Kraft products are in 98% of North American households

• We have an obligation to our consumers and customers to innovate and contemporize our portfolio

• We’re facing an unprecedented confluence of factors
Opportunity Resides in Some Key Key Areas

• Hispanics
• Millennials
• Economically-strapped consumers
• Tech savvy consumers
• Nutrition & Well-Being
• Alternative channels
Capture Profitable Growth by Evolving Our Playbook

<table>
<thead>
<tr>
<th>Kraft Playbook 1.0</th>
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### Kraft Playbook 1.0

- Great marketing
- Best-in-industry innovation
- Good-Better-Best price/value ladders
- Lowest delivered cost
- Reinvest 50¢ of every $ of cost savings back into brands and people

### Kraft Playbook 2.0

- Reinvent marketing
- Extend innovation to renovation
- Brand ubiquity across retail channels
- Total cost management
- Reinvest 50¢ of every $ of cost savings back into brands and people
Deanie Elsner
Chief Marketing Officer
Heritage Brands with Consumer Affinity
Operating Landscape... A Confluence of Challenges

Grocery Center of the Store = ~75%+ of Sales & Profit
Kraft in Categories that Still Can Drive Trips

Grocery Growing

19% 18%
6% 6% 5% 5% 5% 5% 5% 4% 4% 1%
YOGURT COFFEE SALTY SNACKS LUNCHMEAT NUTS BREAKFAST MEAT WATER COOKIES WHOLESALE SNACKS CRACKERS

Grocery Lagging

-1% -2% -4% -4% -5% -7%
CHEESE CANDY SALAD DRESSING DRY PASTA EGGS FLOUR AND MEAL SUGAR

Grocery Losing

-7% -8% -9% -9% -10% -10% -12% -15% -16% -20%
FRZN VEGETABLES BOXED PREP DINNERS REF JUICE DRINKS SS VEG HOT CEREAL BAKED BREAD SS JUICES & DRINKS ICE CREAM MILK RTE CEREAL SOFT DRINKS

Kraft Presence

Source: Nielsen Homescan Data; 52 WE July 2014 vs. 2008; Percent Change Grocery Channel Trips
C’s of Change - Transformational Shift in Landscape

CONSUMER

CUSTOMER

COMMUNICATION
Fewer Trips Impacting CPG Promotion Lifts

**Shopper Trips – % Chg. Vs. PY**
52 weeks ending June 28, 2014

**Promotional Lift %**

- **Mass**: 38%
- **Drug**: 40%
- **Dollar**: 38%
- **Grocery**: 35%
- **Conv/ Gas**: 34%
- **Super Center**: 38%
- **Club**: 40%
- **Military**: 34%

Source: Nielsen, Food & Beverages, x AOC
Traditional Advertising Diluting Marketing Effectiveness

TV Ratings Plummeting on Broadcast

Viewing Fragmentation & Shorter Attention Spans

Consumer Path To Purchase Has Been Redefined

Source: Nielsen Rating Adults 18-49

Source: KPCB Internet Trends 2014 (Mary Meeker)

Source: McKinsey & Company
Forcing a Reassessment of Marketing Go-To Market

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Marketing/Brand Fundamentals DO NOT Change

Innovation / Renovation & Quality

Equity & Communication

Distribution/ Channel/ Merchandising

Revenue Realization

Product  Place

Price

Promotion

PPP

PPP
New Inputs Demand New Marketing Capabilities

New INPUTS:
- DATA/TECHNOLOGY
- COHORTS
- MEDIA VEHICLES
- RETAIL CHANNELS

Marketing Fundamentals
- Product
- Place
- Promotion
- Price

New CAPABILITIES:
- INSIGHTS
- TARGETING
- ENGAGEMENT
- REAL-TIME DECISIONING

OPPORTUNITY → INCREASING ROI

New Inputs Demand New Marketing Capabilities
“Agile” Marketing Becomes the New Normal

Right Message
In the
Right Medium
at the
Right Moment
to drive
Purchase

From
Buying Broad Demographic Targets in the Medium

To
Buying *Individuals*
Agnostic to the Medium
Three Requirements To Win with Agile Marketing

Data

Infrastructure

Content
Data Becomes the New Currency

Kraft Advantaged with Unprecedented 1st Party Data!

**Depth**

- 100 MM Unique Visits
- 22K Attributes Captured

**Breadth**

- 6.6 Billion Ad Impressions Served
- ~500+ Custom Consumer Segments

+ Household Level Purchase Data
Activating DATA

**Precision Marketing**

- $200+MM Pod Business in 2 years
- Targeted only Keurig owners
- Levered Kraft Dairy and Coffee expertise - Specialty Beverages NPD
- First Coffee share growth since ‘09
INFRASTRUCTURE Developed to Harness Data

Kraft’s Social Listening Lab

Harnessing Data

Advanced Analytics

. . . at the Speed of Culture

PARALLUX

A proprietary view of the consumer, built on our own understanding of their lives.

Create a learning engine
INFRASTRUCTURE Utilization

From Consumer Observations to Opportunities

Green Velvet Cupcakes

- Levered social listening
- Recipe developed using 4 Kraft Brands
- Delivered content through own channels

- Super Bowl Shortage crisis!
- We heard from our biggest fans
- Identified them on shortage map
- Guided them through the crisis
Cheesepocalypse Hits America!
CONTENT Development that is “Share-Worthy”

The #1 CPG Platform – Unparalleled Content!

kraftrecipes.com

Content

• 27K culinary professional recipes
• 30K consumer submitted recipes
• 1 billion recipe views per year
• 68K food images

Publisher

• Ranked #7 among ALL recipe websites
• Paid subscription base > Food & Wine
• #1 Spanish language recipe source in print & web

Source: ComScore MyMetrix, June 2014
Share-worthy CONTENT Creation

- Grew Topline and Profit
- 3X Exposure Goal
- 2/3 Media Earned

Content Driving Earned Media
Efficiency vs Effectiveness

**Objective**

Communication that is **Precise**, **Accountable** and **Personalized** while increasing **ROI**
## Agile Marketing Case: Philadelphia Renovation

<table>
<thead>
<tr>
<th>INSIGHTS</th>
<th>TARGET</th>
<th>MESSAGE</th>
<th>MEDIUM/MOMENT</th>
</tr>
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<tbody>
<tr>
<td><img src="image1.png" alt="Insight Image" /></td>
<td><img src="image2.png" alt="Target Image" /></td>
<td><img src="image3.png" alt="Message Image" /></td>
<td><img src="image4.png" alt="Medium/Moment Image" /></td>
</tr>
<tr>
<td><strong>Sweet</strong></td>
<td><strong>Savory</strong></td>
<td><strong>Lapsed Loyals</strong></td>
<td><strong>Loyal Bagel Buyers</strong></td>
</tr>
<tr>
<td><strong>Valuable, Niche Audiences - SKU-level purchase data</strong></td>
<td></td>
<td><strong>Relevant Banners for Each User based on Time, Weather, and Location</strong></td>
<td></td>
</tr>
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Creating a Self Sufficient Ecosystem

Kraft Foods Group, Inc.

Green Velvet Cupcakes
happy st. patrick’s day
CHEESEPocalypse Watch
WAKE UP & SMELL THE BACON
SPICE things up
THAT’S HOW

DOES CONTENT.
Our Competitive Advantage

Our Brands

Our People

spirited people make spirited foods

makers gonna make
Teri List-Stoll
Chief Financial Officer
Our transformation is a marathon, not a sprint
## A Sustainable Long-term Growth Algorithm

<table>
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<tr>
<th>Metric</th>
<th>Long-Term Target</th>
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<tbody>
<tr>
<td>Organic Net Revenue</td>
<td>Profitable growth at or above market growth&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Operating Income</td>
<td>Consistent mid-single-digit growth&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>EPS</td>
<td>Consistent mid-to-high, single-digit growth&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>At least 90% of net income&lt;sup&gt;2,3&lt;/sup&gt;</td>
</tr>
<tr>
<td>ROIC</td>
<td>Consistent year-to-year improvement</td>
</tr>
<tr>
<td>Dividends</td>
<td>Consistent mid-single-digit growth</td>
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<sup>1</sup> Market defined as the North American Food & Beverage market.

<sup>2</sup> Operating Income, EPS and Free Cash Flow long-term targets exclude market-based impacts to post-employment benefit plans.

<sup>3</sup> Free Cash Flow defined as cash flow from operations less capital expenditures.
Make Kraft THE North American Food & Beverage Company

- Profitable Top-Line Growth
- Consistent Bottom-Line Growth
- Superior Dividend Payout

THE Best Investment in the Industry