

Kraft Foods Bulgaria

Business Overview

May 2011



Bulgaria: approx 7.5 MM people, mostly urban



- Population 7.5 MM, 70% urban
- 2.9 MM households, 2.6 persons per HH
- Sofia population 1.4MM
- 5 cities with 140k – 400k

Kraft Foods in Bulgaria: Almost 20 years of growth

- 1993 Acquired Svoge chocolate brands and assets
Plant located outside Sofia, employs approx 500 people and produces chocolate tablets, pralines and wafers for South East Europe and Turkey
- 2001 Acquired Nova Brasilia coffee brand and assets
Plant located just outside Sofia, employs approx 100 people and produces Roast and Ground Coffee for South and Eastern Europe
- 2009 Finalized a 30 MM\$ expansion program of the Svoge chocolate plant, more than doubling production capacity, consolidating production from Romania into Bulgaria
- 2010 Entered biscuits (cookies) category

Consistently building strong positions with both our local and international brands

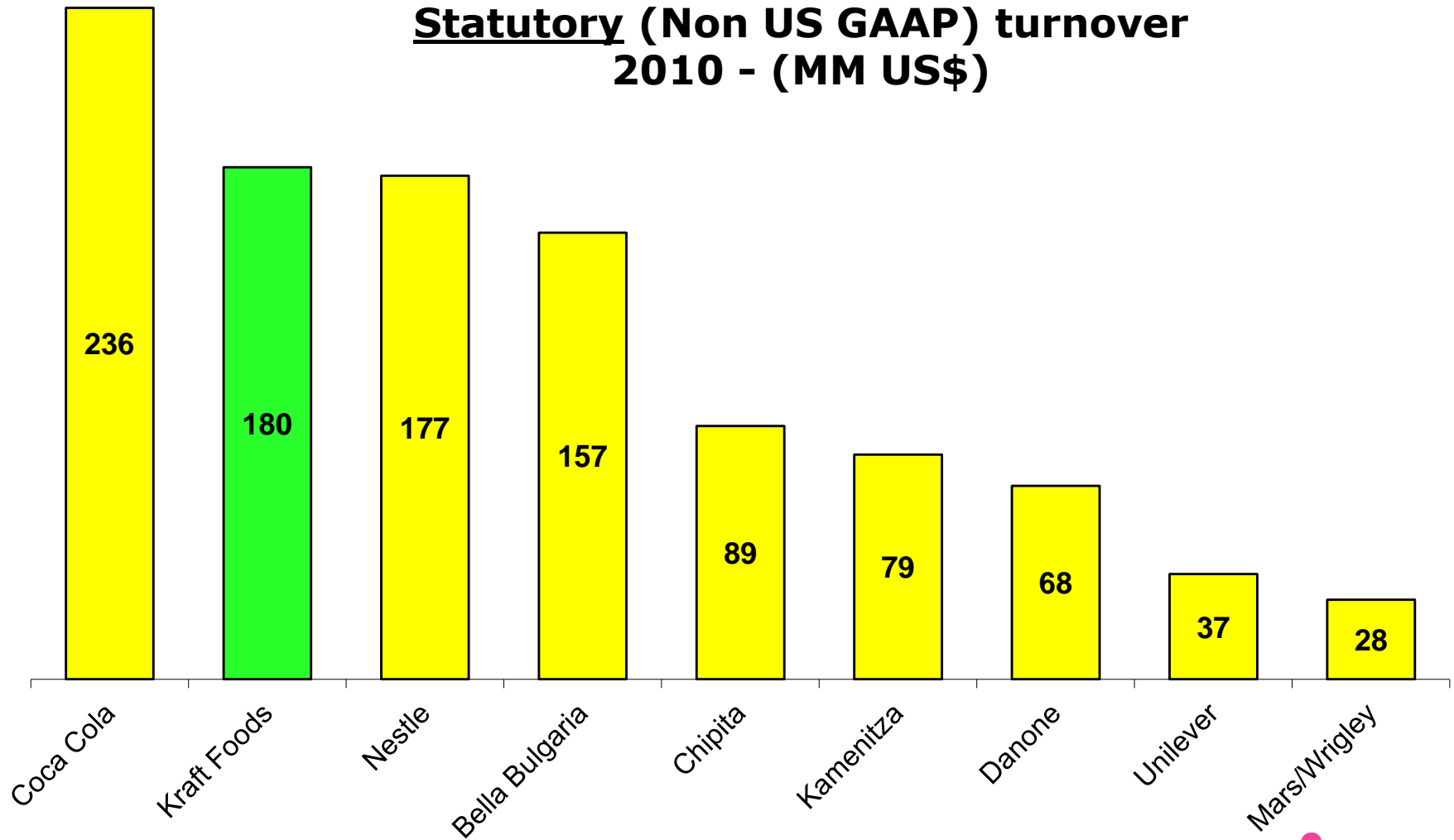
	Value share	Market Position
▪ CHOCOLATE	43	1
▪ COFFEE	36	2
▪ BISCUITS/CAKES	10	3

Source: AC Nielsen, Value share FM 2011



Kraft Foods – A Leading Player in Bulgaria

Statutory (Non US GAAP) turnover 2010 - (MM US\$)



Note: Kraft: 2010 statutory turnover; 2010 US GAAP turnover = 110 MM US\$
Other companies: internal estimates based on 2009 official statutory, non-US GAAP data

forex 1 US\$ = 1.4 BGN



Bulgaria offers a number of advantages

Strengths

- Full member of EU, on track to join Schengen treaty
- Low cost, skilled labor force
- Low taxation (10%)
- Key geographic location, close to Western Europe and Middle East
- And more...

A number of further opportunities are being pursued

- Streamlining of government processes/formalities
- Improved consistency in the application of the Rule of Law
- Major infrastructure projects underway (new motorways, etc)



For further information, please contact:

Franco Del Fabbro

Managing Director, Kraft Foods Bulgaria

fdelfabbro@krafteurope.com