KRAFT FOODS INC

Form 4

December 20, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB

Expires:

Check this box if no longer subject to

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

3235-0287 Number: January 31,

2005

OMB APPROVAL

Section 16. Form 4 or Form 5

SECURITIES

Estimated average burden hours per 0.5

obligations may continue. See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

response...

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

(Street)

(State)

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

ALTRIA GROUP, INC.

Symbol KRAFT FOODS INC [KFT]

(Check all applicable)

(Last)

(City)

(First) (Middle) 3. Date of Earliest Transaction

Director 10% Owner Other (specify Officer (give title

120 PARK AVENUE

12/19/2006

6. Individual or Joint/Group Filing(Check

4. If Amendment, Date Original

(Month/Day/Year)

Applicable Line)

Filed(Month/Day/Year)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

below)

NEW YORK, NY 10017

1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3) anv

(Zip)

4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Indirect (I) Ownership (Instr. 4) (Instr. 4)

(Month/Day/Year)

(Instr. 3, 4 and 5)

Reported (A) Transaction(s) (Instr. 3 and 4)

or Code V Amount (D) Price

Common 12/19/2006 Stock

X

960 (1) D

\$ 31 276,481,490 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of SEC 1474 information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

(9-02)

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D

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transacti Code (Instr. 8)	Derivative	6. Date Exercise Expiration Date (Month/Day/Y	e	7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee stock option (right to buy)	\$ 31	12/19/2006		X	960	01/31/2003	06/12/2011	Common Stock	960

Reporting Owners

Reporting Owner Name / Address	Relationships					
F-	Director	10% Owner	Officer	Other		
ALTRIA GROUP, INC.						
120 PARK AVENUE		X				
NEW YORK, NY 10017						

Signatures

G. Penn Holsenbeck, Vice President, Associate General Counsel and Corporate
Secretary

12/20/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares acquired by employee from Altria Group, Inc. pursuant to employee option exercise.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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