

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

	December 29, 2018	As Restated & Recast	
		December 30, 2017	December 31, 2016
Net sales	\$ 26,268	\$ 26,076	\$ 26,300
Cost of products sold	17,347	17,043	17,154
Gross profit	8,921	9,033	9,146
Selling, general and administrative expenses, excluding impairment losses	3,205	2,927	3,527
Goodwill impairment losses	7,008	—	—
Intangible asset impairment losses	8,928	49	18
Selling, general and administrative expenses	19,141	2,976	3,545
Operating income/(loss)	(10,220)	6,057	5,601
Interest expense	1,284	1,234	1,134
Other expense/(income), net	(183)	(627)	(472)
Income/(loss) before income taxes	(11,321)	5,450	4,939
Provision for/(benefit from) income taxes	(1,067)	(5,482)	1,333
Net income/(loss)	(10,254)	10,932	3,606
Net income/(loss) attributable to noncontrolling interest	(62)	(9)	10
Net income/(loss) attributable to Kraft Heinz	(10,192)	10,941	3,596
Preferred dividends	—	—	180
Net income/(loss) attributable to common shareholders	\$ (10,192)	\$ 10,941	\$ 3,416
Per share data applicable to common shareholders:			
Basic earnings/(loss)	\$ (8.36)	\$ 8.98	\$ 2.81
Diluted earnings/(loss)	(8.36)	8.91	2.78

See accompanying notes to the consolidated financial statements.

The Kraft Heinz Company  
Consolidated Balance Sheets  
(in millions, except per share data)

	December 29, 2018	As Restated December 30, 2017
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,130	\$ 1,629
Trade receivables (net of allowances of \$24 at December 29, 2018 and \$23 at December 30, 2017)	2,129	921
Sold receivables	—	353
Income taxes receivable	152	538
Inventories	2,667	2,760
Prepaid expenses	400	345
Other current assets	1,221	655
Assets held for sale	1,376	—
Total current assets	9,075	7,201
Property, plant and equipment, net	7,078	7,061
Goodwill	36,503	44,825
Intangible assets, net	49,468	59,432
Other non-current assets	1,337	1,573
<b>TOTAL ASSETS</b>	<b>\$ 103,461</b>	<b>\$ 120,092</b>
<b>LIABILITIES AND EQUITY</b>		
Commercial paper and other short-term debt	\$ 21	\$ 462
Current portion of long-term debt	377	2,733
Trade payables	4,153	4,362
Accrued marketing	722	689
Interest payable	408	419
Other current liabilities	1,767	1,489
Liabilities held for sale	55	—
Total current liabilities	7,503	10,154
Long-term debt	30,770	28,308
Deferred income taxes	12,202	14,039
Accrued postemployment costs	306	427
Other non-current liabilities	902	1,088
<b>TOTAL LIABILITIES</b>	<b>51,683</b>	<b>54,016</b>
Commitments and Contingencies (Note 18)		
Redeemable noncontrolling interest	3	6
Equity:		
Common stock, \$0.01 par value (5,000 shares authorized; 1,224 shares issued and 1,220 shares outstanding at December 29, 2018; 1,221 shares issued and 1,219 shares outstanding at December 30, 2017)	12	12
Additional paid-in capital	58,723	58,634
Retained earnings/(deficit)	(4,853)	8,495
Accumulated other comprehensive income/(losses)	(1,943)	(1,054)
Treasury stock, at cost (4 shares at December 29, 2018 and 2 shares at December 30, 2017)	(282)	(224)
Total shareholders' equity	51,657	65,863
Noncontrolling interest	118	207
<b>TOTAL EQUITY</b>	<b>51,775</b>	<b>66,070</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 103,461</b>	<b>\$ 120,092</b>

See accompanying notes to the consolidated financial statements.

The Kraft Heinz Company  
Consolidated Statements of Cash Flows  
(in millions)

		As Restated	
	December 29, 2018	December 30, 2017	December 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income/(loss)	\$ (10,254)	\$ 10,932	\$ 3,606
Adjustments to reconcile net income/(loss) to operating cash flows:			
Depreciation and amortization	983	1,031	1,337
Amortization of postretirement benefit plans prior service costs/(credits)	(339)	(328)	(347)
Equity award compensation expense	33	46	46
Deferred income tax provision/(benefit)	(1,967)	(6,495)	(72)
Postemployment benefit plan contributions	(76)	(1,659)	(494)
Goodwill and intangible asset impairment losses	15,936	49	18
Nonmonetary currency devaluation	146	36	24
Other items, net	175	253	25
Changes in current assets and liabilities:			
Trade receivables	(2,280)	(2,629)	(2,055)
Inventories	(251)	(236)	(130)
Accounts payable	(23)	441	879
Other current assets	(146)	(64)	(41)
Other current liabilities	637	(876)	(148)
Net cash provided by/(used for) operating activities	2,574	501	2,648
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash receipts on sold receivables	1,296	2,286	2,589
Capital expenditures	(826)	(1,194)	(1,247)
Payments to acquire business, net of cash acquired	(248)	—	—
Other investing activities, net	66	85	110
Net cash provided by/(used for) investing activities	288	1,177	1,452
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayments of long-term debt	(2,713)	(2,641)	(85)
Proceeds from issuance of long-term debt	2,990	1,496	6,981
Proceeds from issuance of commercial paper	2,784	6,043	6,680
Repayments of commercial paper	(3,213)	(6,249)	(6,043)
Dividends paid - Series A Preferred Stock	—	—	(180)
Dividends paid - common stock	(3,183)	(2,888)	(3,584)
Redemption of Series A Preferred Stock	—	—	(8,320)
Other financing activities, net	(28)	18	(69)
Net cash provided by/(used for) financing activities	(3,363)	(4,221)	(4,620)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(132)	57	(137)
Cash, cash equivalents, and restricted cash			
Net increase/(decrease)	(633)	(2,486)	(657)
Balance at beginning of period	1,769	4,255	4,912
Balance at end of period	\$ 1,136	\$ 1,769	\$ 4,255

See accompanying notes to the consolidated financial statements.

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Consolidated Statements of Cash Flows  
(in millions)

		As Restated	
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NON-CASH INVESTING ACTIVITIES:			
Beneficial interest obtained in exchange for securitized trade receivables	\$ 938	\$ 2,519	\$ 2,213
CASH PAID DURING THE PERIOD FOR:			
Interest	\$ 1,322	\$ 1,269	\$ 1,176
Income taxes	543	1,206	1,619

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