

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 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

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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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