

We have designed this website to share information about the Altria family of companies, our growth and development, and issues of interest to our stakeholders. Therefore, although we are very proud of our tobacco companies, we have not included any cigarette brand advertising in this online version of the 2006 Annual Report, because it is not our intention to market, advertise or promote their cigarette brands on this site.

Altria

Altria Group, Inc. 2006 Annual Report

On January 31, 2007, the Board of Directors of Altria Group, Inc. voted to authorize the spin-off of the approximately 89% of Kraft's outstanding shares owned by Altria to Altria shareholders. The spin-off is a major step in the company's commitment to deliver superior shareholder value.

Business Purpose

The separation of Kraft and Altria will benefit both companies and will:

- Enhance Kraft's ability to make acquisitions, including by using Kraft stock as acquisition currency, to compete more effectively in the food industry;
- Allow management of Altria and Kraft to focus more effectively on their respective businesses and improve Kraft's ability to recruit and retain management and independent directors;
- Provide greater aggregate debt capacity to both Altria and Kraft; and
- Permit Altria and Kraft to target their respective shareholder bases more effectively and improve capital allocation within each company.

Key Dates

- Altria shareholders of record as of 5:00 p.m. Eastern Time on March 16, 2007 (the "record date"), will be entitled to receive the stock dividend. If you sell your shares of Altria common stock prior to or on the distribution date, you may also be selling your shares of Kraft.
- On or about March 20, 2007, Altria will mail an Information Statement to all holders of Altria common stock as of the record date. The Information Statement will include a description of procedures for the distribution, information about the impact of trading between the record and distribution dates and other details of the transaction.
- On March 30, 2007, Altria Group, Inc. will distribute all of the shares of Kraft Class A common stock that it owns to Altria shareholders.

Share Distribution

- For each share of Altria common stock you hold on the record date, you will receive that number of shares equal to the total number of shares of Kraft Class A common stock to be distributed, divided by the total number of shares of Altria common stock outstanding on the record date. Altria estimates that the distribution ratio obtained using this formula will be approximately 0.7 of a Kraft share for each Altria share. The exact distribution ratio will be determined on the record date.
- Altria will not distribute any fractional shares of Kraft Class A common stock. Instead, the distribution agent will aggregate fractional shares into whole shares, sell the whole shares in the open market at prevailing market prices and distribute the aggregate cash proceeds of the sales pro rata to each holder.

Additional Information

- Altria has received an opinion from outside legal counsel that the spin-off will be tax-free to Altria and its shareholders for U.S. federal income tax purposes, except for any cash received in lieu of a fractional share. Shareholders are urged to consult their own tax advisors to determine the particular tax consequences of the distribution in their circumstance.
- Registered shareholders in the U.S. or Canada who would like more information should contact Computershare Trust Company by e-mail at altria@computershare.com, or by phone at 1-866-538-5172. Registered shareholders outside the U.S. and Canada should call 1-781-575-3572. If you hold Altria shares through a broker, bank or other nominee, please contact your financial institution directly or call D.F. King & Co. at 1-800-290-6431.
- Additional information is available at www.altria.com/kraftspinoff.

Consolidated Results

(in millions of dollars, except per share data)

	2006	2005	% Change
Net revenues	\$101,407	\$97,854	3.6%
Operating income	17,413	16,592	4.9%
Earnings from continuing operations	12,022	10,668	12.7%
Net earnings	12,022	10,435	15.2%
Basic earnings per share:			
Continuing operations	5.76	5.15	11.8%
Net earnings	5.76	5.04	14.3%
Diluted earnings per share:			
Continuing operations	5.71	5.10	12.0%
Net earnings	5.71	4.99	14.4%
Dividends declared per share	3.32	3.06	8.5%

Results by Business Segment

		2006	2005	% Change
<i>Tobacco</i>	<i>Domestic</i>			
	Net revenues	\$ 18,474	\$18,134	1.9%
	Operating companies income*	4,812	4,581	5.0%
	<i>International</i>			
	Net revenues	48,260	45,288	6.6%
	Operating companies income*	8,458	7,825	8.1%
<i>Food</i>	<i>North American</i>			
	Net revenues	\$ 23,118	\$23,293	(0.8%)
	Operating companies income*	3,753	3,831	(2.0%)
	<i>International</i>			
	Net revenues	11,238	10,820	3.9%
	Operating companies income*	964	1,122	(14.1%)
<i>Financial Services</i>	Net revenues	\$ 317	\$ 319	(0.6%)
	Operating companies income*	176	31	100+%

Table of Contents

4	Letter to Shareholders
8	2006 Business Review
16	Responsibility
17	Financial Review/ Guide to Select Disclosures
90	Board of Directors & Officers
91	Shareholder Information

*Altria Group, Inc.'s management reviews operating companies income, which is defined as operating income before corporate expenses and amortization of intangibles, to evaluate segment performance and allocate resources. For a reconciliation of operating companies income to operating income, see Note 15. *Segment Reporting*.