

September 27, 1989

To Our Clients:

We are very pleased that John Richman is joining us as Counsel. Attached is the press release that was issued today.

M. Lipton

Attachment

Contact: Nicholas M. Rolli
(212) 880-3460
or
Reese J. Stone
(212) 880-3732

FOR IMMEDIATE RELEASE
September 27, 1989

JOHN M. RICHMAN, CHAIRMAN AND CHIEF EXECUTIVE OFFICER
OF KRAFT GENERAL FOODS TO RETIRE AT YEAR-END

New York, New York, September 27, 1989 -- Philip Morris Companies Inc. announced today that John M. Richman, Vice Chairman of Philip Morris Companies Inc. and Chairman and Chief Executive Officer of Kraft General Foods, plans to retire at the end of this year.

Mr. Richman will then become Counsel to the New York City law firm of Wachtell, Lipton, Rosen & Katz. He will be located in Chicago and will be involved in the handling of a variety of significant corporate legal matters.

In making the announcement, Hamish Maxwell, Philip Morris Chairman and Chief Executive Officer, praised Mr. Richman's

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outstanding career, commenting, "John Richman's leadership as Chief Executive of Kraft made a lasting impact on the company and the entire food industry. In the past year he has developed and led the successful consolidation of Kraft and General Foods, and he has also made many valuable contributions to all of Philip Morris Companies."

Mr. Maxwell also announced that Michael A. Miles, President and Chief Operating Officer of Kraft General Foods, will succeed Mr. Richman as Chief Executive Officer effective immediately, while Mr. Richman remains as Vice Chairman of Philip Morris Companies Inc. and Chairman of Kraft General Foods until his retirement. It is contemplated that Mr. Miles will be proposed for election as a Vice Chairman of the Philip Morris Board of Directors, succeeding Mr. Richman.

Mr. Richman joined the Kraft Law Department in 1954 and advanced through various legal positions. He became Vice President and General Counsel in 1970 and Senior Vice President in 1973. Two years later, he was appointed Senior Vice President, Administration. In February, 1979, he was elected Deputy Chairman and a member of the Board of Directors of Kraft, Inc. and four months later was named Chairman and Chief Executive Officer of Kraft. He was named Vice Chairman of Philip Morris Companies in December, 1988, and Chairman and Chief Executive Officer of Kraft General Foods in February, 1989.

Michael A. Miles joined Kraft, Inc. as President and Chief Operating Officer in 1982. Mr. Miles has served as President and Chief Operating Officer of Kraft General Foods since February, 1989. He came to Kraft from Heublein, Inc., where he was Senior Vice President of Foods and Chairman of Kentucky Fried Chicken Corporation Worldwide. Mr. Miles joined Heublein in 1971 as Senior Vice President of Marketing.

Philip Morris Companies Inc. has five principal operating companies: Philip Morris Incorporated (Philip Morris U.S.A.), Philip Morris International Inc., Kraft General Foods, Miller Brewing Company, and Philip Morris Credit Corporation.

Kraft General Foods has seven operating units: General Foods USA, Kraft USA, Kraft General Foods International, Kraft General Foods Canada, Oscar Mayer Foods, Kraft General Foods Frozen Products, and Kraft General Foods Commercial Products.

Philip Morris Credit corporation is engaged in financial service activities. Its subsidiary, Mission Viejo Realty Group Inc. is a land development company in Southern California and Colorado.

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For Immediate Release
September 27, 1989

New York, New York - John M. Richman will join the New York City law firm of Wachtell, Lipton, Rosen & Katz as Counsel upon his retirement from his position as Vice Chairman of Philip Morris Companies Inc. and Chairman and Chief Executive Officer of Kraft General Foods.

Mr. Richman will retire from Philip Morris at the end of this year.

In making the announcement, Martin Lipton, Senior Partner of Wachtell, Lipton, Rosen & Katz, said, "We are very pleased that John Richman is joining us as Counsel to the firm. John has had an outstanding career as Kraft General Counsel and as Chairman and Chief Executive Officer of Kraft and its successor, Kraft General Foods. We have worked closely with him for the past dozen years on a number of major acquisition and divestiture transactions, and on significant corporate governance and employee benefit matters. John's extensive experience in these

areas, as a director of several major corporations and with the Business Roundtable and other business and professional organizations, will greatly enhance the firm's expertise and assist us in meeting more of our clients' requests for advice in these areas of our practice."

Noting that Mr. Richman will be located in Chicago, Mr. Lipton also said, "Our firm has long had a close identification with Chicago. A number of Chicago companies are clients of the firm and our firm has long-standing relationships with several of the leading law firms in Chicago. John's joining us will enable us to better meet the needs of our Chicago clients and continue our relationships with the Chicago law firms. John will continue his residence in the Chicago area and divide his time between our office in New York and a new office we will open for him in Chicago."

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