

## Kellogg Company Expects to Create 300 New Jobs in West Central Indiana

**SEELYVILLE, Ind.** (Sept. 3, 2008) – Global cereal and snack maker Kellogg Company (NYSE:K) announced today its plans to boost its Midwest production operations following its acquisition of the assets of IndyBake Products LLC here and Brownie Products Co. in Gardner, Ill.

The Battle Creek, Mich.-headquartered company, which produces cereals, snacks and meal alternatives under the brands of Kellogg's®, Keebler®, Pop-Tarts®, Nutri-Grain® Kashi® and others, expects to add approximately 300 new full time and contract positions at the Seelyville facility over the next several years as part of its expansion of the former IndyBake cracker and cookie contract production facility.

"Just in the last month, world-renowned companies like Kellogg, Amazon, Nestle and Charles Schwab have decided to bring new jobs to Indiana. Even in a weak national economy, our new job momentum has not slowed down. But we can never take a rest before we move on to the next success and the next," said Governor Mitch Daniels.

Kellogg expects to hire most of IndyBake's current employees in Seelyville, a town of nearly 1,200 located approximately 75 miles west of Indianapolis. The company plans to hire additional production and operations associates and managers as production demands.

"Expanding our snacks business is a key element of Kellogg's business strategy and commitment to driving sustainable growth," said David Mackay, President and Chief Executive Officer, Kellogg Company. "This acquisition will help us expand our capacity to manufacture existing and proprietary snacks products as well as enable new product innovations."

The Indiana Economic Development Corporation offered Kellogg up to \$740,000 in performance-based tax credits and up to \$120,000 in training grants based on the company's job creation plans. The state of Indiana will also provide the local community with up to \$500,000 in grants to offset the cost of infrastructure improvements needed to serve the expanded operation. The town of Seelyville will provide the company with property tax abatement, and Vigo County has offered \$100,000 in infrastructure assistance.

"Business students in need of an example of how a 102-year-old company can thrive in today's world need not look any farther than the Kellogg Company to see how it is done," said Steve Witt, president of the Terre Haute Economic Development Corporation. "We are ecstatic that Kellogg will be joining our local manufacturing community."

IndyBake Products and Brownie Products have been partners to Kellogg for many years as a snacks contract manufacturer. Terms of the acquisition were not disclosed. Combined revenues for IndyBake Products and Brownie Products were approximately \$50 million in 2007.

### About Kellogg

*With 2007 sales of nearly \$12 billion, Kellogg Company (NYSE: K) is the world's leading producer of cereal and a leading producer of convenience foods, including cookies, crackers, toaster pastries, cereal bars, frozen waffles and meat alternatives. The company's brands include Kellogg's®, Keebler®, Pop-Tarts®, Eggo®, Cheez-It®, Club®, Nutri-Grain®, Rice Krispies®, Special K®, All-Bran®, Mini-Wheats®, Morningstar Farms®, Famous Amos®, Ready Crust® and Kashi®. Kellogg products are manufactured in 19 countries and marketed in more than 180 countries around the world. For more information, visit the Kellogg Company website at [www.kelloggcompany.com](http://www.kelloggcompany.com).*

### About IEDC

*Created by Governor Mitch Daniels in 2005 to replace the former Department of Commerce, the Indiana Economic Development Corporation is governed by a 12-member board chaired by Governor Daniels. Indiana Secretary of Commerce Nathan Feltman serves as the chief executive officer of the IEDC. Since Daniels*

*created the IEDC, the state has posted three consecutive years of record-breaking commitments for new jobs. For more information about IEDC, visit [www.iedc.in.gov](http://www.iedc.in.gov).*

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