

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**

**Consolidated Financial Statements and
Supplemental Schedule
For the Years Ended August 31, 2015 and 2014
With Report of Independent Auditors**



MITCHELL TITUS
ACHIEVING EXCELLENCE TOGETHER

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Consolidated Financial Statements and Supplemental Schedule
August 31, 2015 and 2014

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REPORT OF INDEPENDENT AUDITORS

The Board of Trustees and Senior Management of
W. K. Kellogg Foundation and
W. K. Kellogg Foundation Trust

We have audited the accompanying consolidated financial statements of W. K. Kellogg Foundation (the Foundation) and W. K. Kellogg Foundation Trust (the Trust), which comprise the consolidated statements of financial position as of August 31, 2015 and 2014, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Foundation and the Trust at August 31, 2015 and 2014, and the consolidated changes in their net assets and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of gifts and receipts is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Mitchell Titus, LLP

December 8, 2015

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Consolidated Statements of Financial Position
As of August 31

	2015			2014		
	Consolidated	W. K. Kellogg Foundation	W. K. Kellogg Foundation Trust	Consolidated	W. K. Kellogg Foundation	W. K. Kellogg Foundation Trust
ASSETS						
Cash and cash equivalents	\$ 189,199,632	\$ 27,730,084	\$ 161,469,548	\$ 209,194,531	\$ 49,207,178	\$ 159,987,353
Kellogg Company common stock	4,664,401,313	-	4,664,401,313	4,669,064,372	-	4,669,064,372
Diversified investments	3,222,148,261	249,939,764	2,972,208,497	3,388,482,779	248,051,546	3,140,431,233
Mission-driven investments	67,504,576	67,504,576	-	71,775,509	71,775,509	-
Program-related investment loans receivable	9,319,654	9,319,654	-	9,500,000	9,500,000	-
Collateral under securities lending and derivative agreements	192,508,024	-	192,508,024	153,765,268	-	153,765,268
Accrued interest and dividends	36,399,919	271,158	36,128,761	36,656,756	395,841	36,260,915
Net receivable on unsettled trades	28,545	-	28,545	11,149,560	821,267	10,328,293
Property and equipment	46,482,920	46,482,920	-	48,336,500	48,336,500	-
Other assets	1,584,544	164,332	1,420,212	4,368,007	1,452,479	2,915,528
Interest in irrevocable trusts	17,578,219	17,578,219	-	18,890,244	18,890,244	-
Total assets	\$ 8,447,155,607	\$ 418,990,707	\$ 8,028,164,900	\$ 8,621,183,526	\$ 448,430,564	\$ 8,172,752,962
LIABILITIES AND NET ASSETS						
<i>Liabilities</i>						
Accounts payable	\$ 6,515,698	\$ 6,515,698	\$ -	\$ 5,979,469	\$ 5,979,469	\$ -
Accrued liabilities	3,918,774	3,918,774	-	2,961,586	2,961,586	-
Payable under securities lending and derivative agreements	192,508,024	-	192,508,024	153,765,268	-	153,765,268
Net trade settlement payables	548,183	548,183	-	-	-	-
Grant commitments payable	195,488,029	195,488,029	-	228,811,585	228,811,585	-
Deferred federal excise tax liability	99,100,193	238,356	98,861,837	103,240,307	853,443	102,386,864
Postretirement liability	88,329,842	88,329,842	-	80,003,079	80,003,079	-
Total liabilities	586,408,743	295,038,882	291,369,861	574,761,294	318,609,162	256,152,132
<i>Net assets</i>						
Unrestricted	106,373,606	106,373,606	-	110,931,158	110,931,158	-
Temporarily restricted	7,754,373,258	17,578,219	7,736,795,039	7,935,491,074	18,890,244	7,916,600,830
Total net assets	7,860,746,864	123,951,825	7,736,795,039	8,046,422,232	129,821,402	7,916,600,830
Total liabilities and net assets	\$ 8,447,155,607	\$ 418,990,707	\$ 8,028,164,900	\$ 8,621,183,526	\$ 448,430,564	\$ 8,172,752,962

The accompanying notes are an integral part of these consolidated financial statements.

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**

Consolidated Statements of Activities

For the Years Ended August 31

	2015			2014		
	Consolidated	W. K. Kellogg Foundation	W. K. Kellogg Foundation Trust	Consolidated	W. K. Kellogg Foundation	W. K. Kellogg Foundation Trust
REVENUES AND GAINS (LOSSES)						
Contributions from W. K. Kellogg Foundation Trust*	\$ -	\$ 367,000,000	\$ -	\$ -	\$ 365,000,000	\$ -
Contributions from irrevocable trusts	297,236	297,236	-	945,240	945,240	-
Total contributions	297,236	367,297,236	-	945,240	365,945,240	-
Interest income	5,515,880	1,681,936	3,833,944	7,084,426	3,053,082	4,031,344
Dividend income	155,116,241	2,328,808	152,787,433	154,238,754	1,789,126	152,449,628
Net realized gains on sales of investments	252,158,485	14,003,098	238,155,387	324,851,273	11,145,836	313,705,437
Change in unrealized gains on investments	(206,675,485)	(30,750,627)	(175,924,858)	397,729,709	16,061,991	381,667,718
Less: Costs of earning income	(34,161,707)	(4,088,973)	(30,072,734)	(28,372,940)	(3,221,398)	(25,151,542)
Change in value in interest in irrevocable trusts	(1,312,025)	(1,312,025)	-	9,499,607	2,984,242	6,515,365
Net investment income	170,641,389	(18,137,783)	188,779,172	865,030,829	31,812,879	833,217,950
Refunds of prior-year program payments	1,761,947	1,761,947	-	1,147,364	1,147,364	-
Gain on sale of equipment	-	-	-	42,002	42,002	-
Total revenue and gains	172,700,572	350,921,400	188,779,172	867,165,435	398,947,485	833,217,950
EXPENSES						
Distributions to the W. K. Kellogg Foundation*	-	-	367,000,000	-	-	365,000,000
Grants	268,064,563	268,064,563	-	310,613,568	310,613,568	-
Program activities	24,781,242	24,781,242	-	26,904,190	26,904,190	-
General operations	55,981,439	55,981,439	-	56,285,110	56,285,110	-
Depreciation	3,692,953	3,692,953	-	3,964,880	3,964,880	-
<i>Federal excise tax provision and other</i>						
Current	5,258,188	148,198	5,109,990	2,277,541	61,601	2,215,940
Deferred	(4,140,114)	(615,087)	(3,525,027)	7,953,414	320,066	7,633,348
Total expenses	353,638,271	352,053,308	368,584,963	407,998,703	398,149,415	374,849,288
Accumulated postretirement benefit loss not yet reflected in net benefit costs	(4,737,669)	(4,737,669)	-	(2,273,938)	(2,273,938)	-
Total (decrease) increase in net assets	(185,675,368)	(5,869,577)	(179,805,791)	456,892,794	(1,475,868)	458,368,662
Net assets, at beginning of year	8,046,422,232	129,821,402	7,916,600,830	7,589,529,438	131,297,270	7,458,232,168
Net assets, at end of year	\$ 7,860,746,864	\$ 123,951,825	\$ 7,736,795,039	\$ 8,046,422,232	\$ 129,821,402	\$ 7,916,600,830
CHANGES IN NET ASSETS BY CATEGORY						
Decrease in unrestricted net assets	\$ (4,557,552)	\$ (4,557,552)	\$ -	\$ (4,460,110)	\$ (4,460,110)	\$ -
(Decrease) increase in temporarily restricted net assets	(181,117,816)	(1,312,025)	(179,805,791)	461,352,904	2,984,242	458,368,662
Total (decrease) increase in net assets	\$ (185,675,368)	\$ (5,869,577)	\$ (179,805,791)	\$ 456,892,794	\$ (1,475,868)	\$ 458,368,662

*Intercompany contributions and distributions of \$367,000,000 and \$365,000,000 for the years ended August 31, 2015 and 2014, respectively, have been eliminated in the consolidated totals.

The accompanying notes are an integral part of these consolidated financial statements.

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**

Consolidated Statements of Cash Flows
For the Years Ended August 31

	2015			2014		
	Consolidated	W. K. Kellogg Foundation	W. K. Kellogg Foundation Trust	Consolidated	W. K. Kellogg Foundation	W. K. Kellogg Foundation Trust
CASH FLOWS FROM OPERATING ACTIVITIES						
(Decrease) increase in net assets	\$ (185,675,368)	\$ (5,869,577)	\$ (179,805,791)	\$ 456,892,794	\$ (1,475,868)	\$ 458,368,662
<i>Adjustments to reconcile changes in net assets to cash flows used in operating activities</i>						
Depreciation	3,692,953	3,692,953	-	3,964,880	3,964,880	-
Net realized gains on long-term investments	(252,158,485)	(14,003,098)	(238,155,387)	(284,613,131)	(9,596,091)	(275,017,040)
Change in net unrealized gains on investments	206,675,485	30,750,627	175,924,858	(397,729,709)	(16,061,991)	(381,667,718)
Gain on sale of equipment	-	-	-	(42,002)	(42,002)	-
Change in value in interest in irrevocable trusts	1,312,025	1,312,025	-	(9,499,607)	(2,984,242)	(6,515,365)
Adjustment for inherent contribution - program-related investment loans receivable	3,676,525	3,676,525	-	-	-	-
Provision for deferred excise tax	(4,140,114)	(615,087)	(3,525,027)	7,953,414	320,066	7,633,348
<i>Change in operating assets and liabilities</i>						
Accrued interest and dividends	256,837	124,683	132,154	(969,477)	73,113	(1,042,590)
Other assets	2,783,463	1,288,147	1,495,316	(1,875,396)	(619,720)	(1,255,676)
Interest in irrevocable trusts	-	-	-	52,463,328	-	52,463,328
Accounts payable	536,229	536,229	-	(698,907)	(698,907)	-
Accrued liabilities	957,188	957,188	-	(1,460,459)	(1,460,459)	-
Grant commitments payable	(33,323,556)	(33,323,556)	-	15,721,696	15,721,696	-
Postretirement liability	8,326,763	8,326,763	-	7,509,483	7,509,483	-
Net cash used in operating activities	<u>(247,080,055)</u>	<u>(3,146,178)</u>	<u>(243,933,877)</u>	<u>(152,383,093)</u>	<u>(5,350,042)</u>	<u>(147,033,051)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds on sale of equipment	-	-	-	42,002	42,002	-
Purchase of investments	(2,308,925,498)	(230,524,816)	(2,078,400,682)	(1,175,093,811)	(242,684,743)	(932,409,068)
Proceeds from sale of investments	2,541,346,206	217,529,452	2,323,816,754	1,249,047,534	260,814,784	988,232,750
(Increase) decrease in collateral held under securities lending arrangement, net	(38,742,756)	-	(38,742,756)	20,023,709	-	20,023,709
Proceeds from payments on loan receivables	503,821	503,821	-	1,000,000	1,000,000	-
Disbursements for program-related investments	(4,000,000)	(4,000,000)	-	(1,000,000)	(1,000,000)	-
Acquisition of fixed assets	(1,839,373)	(1,839,373)	-	(832,047)	(832,047)	-
Net cash provided by (used in) investing activities	<u>188,342,400</u>	<u>(18,330,916)</u>	<u>206,673,316</u>	<u>93,187,387</u>	<u>17,339,996</u>	<u>75,847,391</u>
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts (disbursement) of cash collateral under securities lending arrangement, net	38,742,756	-	38,742,756	(20,023,709)	-	(20,023,709)
Net cash provided by (used in) financing activities	<u>38,742,756</u>	<u>-</u>	<u>38,742,756</u>	<u>(20,023,709)</u>	<u>-</u>	<u>(20,023,709)</u>
Decrease (increase) in cash and cash equivalents	(19,994,899)	(21,477,094)	1,482,195	(79,219,415)	11,989,954	(91,209,369)
Cash and cash equivalents, beginning of year	209,194,531	49,207,178	159,987,353	288,413,946	37,217,224	251,196,722
Cash and cash equivalents, end of year	<u>\$ 189,199,632</u>	<u>\$ 27,730,084</u>	<u>\$ 161,469,548</u>	<u>\$ 209,194,531</u>	<u>\$ 49,207,178</u>	<u>\$ 159,987,353</u>

The accompanying notes are an integral part of these consolidated financial statements.

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Notes to Consolidated Financial Statements
August 31, 2015 and 2014

NOTE 1 NATURE OF BUSINESS

W. K. Kellogg Foundation (the Foundation) was established in 1930 as a Michigan nonprofit corporation functioning as a private grant-making foundation. The W. K. Kellogg Foundation Trust (the Trust) was established in 1931 as a charitable trust under Michigan law and subsequently restated in 1934. Both entities were established by breakfast pioneer Will Keith Kellogg. The Foundation is guided by the belief that all children should have an equal opportunity to thrive. To achieve this goal, it works with communities to create conditions for vulnerable children to realize their full potential in school, work and life.

The Foundation is based in Battle Creek, Michigan, and works throughout the United States and internationally, as well as with sovereign tribes. Special emphasis is paid to priority places where there are high concentrations of poverty and where children face significant barriers to success. The Foundation's priority places in the United States are in Michigan, Mississippi, New Mexico and New Orleans; and internationally, in Mexico and Haiti.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements and accompanying notes have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

The Foundation and the Trust recognize contributions as revenue and expense, respectively, in the period received/made. Contributions, net assets, and changes therein are classified and reported based on the existence or absence of donor-imposed restrictions. (Please refer to Note 8—Temporarily Restricted Net Assets for additional information.)

Principles of Consolidation

The consolidated financial statements include the accounts of the Foundation and the Trust, of which the Foundation is the sole beneficiary. The Foundation and the Trust have separate boards, with the majority of the Trust board members in common with the Foundation, and are under common management. All material intercompany transactions and account balances were eliminated in the consolidation of accounts.

Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities with original maturities of 90 days or less at the date of acquisition.

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Notes to Consolidated Financial Statements
August 31, 2015 and 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Program-Related Investments

The Foundation makes program-related investments (PRIs) that support its grant-making programs in the U.S. and Latin America. Interest rates generally are 1% and principal is scheduled to be paid in full to the Foundation by the maturity dates, ranging from August 2019 to August 2025.

	<u>August 31, 2015</u>	<u>August 31, 2014</u>
Loans outstanding, beginning of year	\$ 9,500,000	\$ 9,500,000
New loans	4,000,000	1,000,000
Repayments of loans	<u>(503,821)</u>	<u>(1,000,000)</u>
Loans outstanding	12,996,179	9,500,000
Adjustment for inherent contribution	<u>(3,676,525)</u>	-
Loans outstanding, end of year	<u>\$ 9,319,654</u>	<u>\$ 9,500,000</u>

In the year ended August 31, 2015, the Foundation assessed the amount of the loan to be considered an inherent contribution due to the below-market rate of interest. Management has recorded an adjustment of \$3,676,525 during the year ended August 31, 2015 to recognize the contribution element of these loans.

The Foundation records a reserve for potentially uncollectible loans based on a quarterly analysis of historical experience and annual financial reports received from investees and the investees' ability to meet financial covenants. Management has reviewed all PRIs for the years ended August 31, 2015 and 2014, and no loss reserve has been recorded. Any costs of making loans are expensed as incurred.

Investments

The Foundation and the Trust report investments at fair value. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in values could affect the amounts reported in the accompanying consolidated financial statements.

Three major categories of investments are presented in the consolidated statement of financial position: Kellogg Company common stock, diversified investments, and mission-driven investments (MDIs).

Diversified investments represent investments in public equity securities, fixed-income debt securities, mutual funds, commingled funds, hedge funds, real estate funds, and private equity funds.

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Notes to Consolidated Financial Statements
August 31, 2015 and 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments *(continued)*

MDIs consist of temporary investments (see Note 3—Investments for description), fixed-income securities, and private equity investments. MDIs focus on providing both social and financial returns closely aligned with the Foundation’s program elements, approaches, and geographic areas of focus as described in Note 1—Nature of Business.

Property and Equipment

Property and equipment are recorded at cost. Depreciation of property and equipment is generally computed on the straight-line basis over the estimated useful lives of the assets that range from 3-40 years.

Interest in Irrevocable Trusts

The Foundation has irrevocable rights as the beneficiary to two remaining trusts and reports the fair value of its interest in irrevocable trusts on the statement of financial position. The change in value in interest in irrevocable trusts is the gains or losses of the investments held in these trusts reported on the statement of activities. During the year ended August 31, 2014, the last survivor of the Trust’s sole irrevocable trust passed away. The irrevocable trust corpus was liquidated, distributed to the Trust and then terminated.

Grants

Unconditional grants are recorded as an expense in the year they are committed. Conditional grants are recorded as an expense when the conditions have been met. As of August 31, 2015 and 2014, the Foundation had conditional grants outstanding of \$38,133,712 and \$39,946,319, respectively. At August 31, 2015, conditional grants included \$36,000,000 to the Foundation for Detroit’s Future (FDF), payable in equal installments over an 18 year-period, subject to any terms and conditions of the grant agreement.

Line of Credit

The Trust has entered into an unsecured, committed credit facility agreement that totaled \$200 million, with interest on outstanding borrowings charged at the 30-day LIBOR rate plus an additional stated number of basis points. There were no outstanding borrowings as of August 31, 2015 and 2014.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, and expenses. Actual results could differ from those estimates.

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Notes to Consolidated Financial Statements
August 31, 2015 and 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Distribution of Trust Receipts

Under the Trust agreement, the Trust is required to distribute to the Foundation, at a minimum, its net interest income and dividends at least quarterly. As funds are distributed from the Trust to the Foundation, net assets are released from restriction.

Tax Status

The Foundation and the Trust are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC), but are subject to a 2% (1% if certain criteria are met) federal excise tax on net investment income, including net realized gains, as defined by the IRC. The Foundation and Trust may generate income through certain alternative investments and, therefore, may be subject to unrelated business income tax.

Pension and Other Postretirement Benefits Plan

The Foundation recognizes the funded status of the pension and other postretirement benefit plans on the consolidated statement of financial position, measures the fair value of plan assets and benefit obligations as of the date of the fiscal year-end consolidated statement of financial position, and provides additional disclosures in Note 7—Postretirement Benefits.

Adoption of Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) No. 2015-07, *Fair Value Measurement: Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share*. The new guidance removes, from the fair value hierarchy, investments for which the practical expedient is used to measure fair value at net asset value (NAV). Instead, an entity is required to include those investments as a reconciling line item so that the total fair value amount of investments in the disclosure is consistent with the amount on the balance sheet. The guidance is effective for the Foundation and the Trust beginning after December 15, 2016, with retrospective application required for all comparative periods presented. At this time, the Foundation and the Trust are evaluating the implications of ASU No. 2015-07 and its effects on the disclosures in the consolidated financial statements.

Reclassification

Certain prior-year amounts reported in the accompanying consolidated statements of activities were reclassified to conform to the current year presentation.

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Notes to Consolidated Financial Statements
August 31, 2015 and 2014

NOTE 3 INVESTMENTS

The investment goal of the Foundation and the Trust is to maintain or grow its spending power in real (inflation-adjusted) terms with risk at a level appropriate to the Foundation's programmatic spending and objectives. The Foundation and the Trust diversify investments among various financial instruments and asset categories by using multiple investment strategies. The financial assets of the Foundation and the Trust are managed by a select group of investment managers and held in custody by a major commercial bank, except for assets invested with private equities, hedge funds, and commingled funds that have separate arrangements appropriate to their legal structure.

Temporary investments consist of cash and equivalents, demand deposits, and short-term investment funds maintained at commercial banks. These investments are held as part of the Foundation's and the Trust's long-term investment strategy. Temporary investments are considered highly liquid instruments with maturities of 90 days or less at the time of purchase. The Foundation and the Trust maintain their cash and cash equivalents with high-quality financial institutions and such amounts may exceed Federal Deposit Insurance Corporation limits.

Public equity securities and fixed-income securities, which include stocks and bonds that are listed on national securities exchanges, quoted on the NASDAQ or on the over-the-counter market, are valued at the last reported sale price, or in the absence of a recorded sale, at the most recent bid price at the reporting date. These securities include U.S. and foreign government debt and corporate bonds. The Foundation's and the Trust's investments in corporate and government bonds are exposed to issuer credit risk until these bonds are sold or mature. Futures, forwards, and options, which are traded on exchanges, are valued at the last reported sale price or at the most recent bid price if they are traded over-the-counter.

The Trust is invested in Kellogg Company common stock. The number of shares held by the Trust was 70,374,190 and 71,864,928 as of August 31, 2015 and 2014, respectively. The Foundation and the Trust are potentially subject to market risk, resulting from its concentration in Kellogg Company common stock.

Commingled, hedge, real estate, and private equity funds are valued based on NAV reported by the investment manager, which are generally calculated based on the last reported sale price of the underlying assets held by such funds. These funds are typically structured as limited partnerships and limited liability companies.

Since there is no readily available market for investments in limited partnerships and limited liability companies, such investments are stated at fair value as estimated in an inactive market. These investments include securities of companies that may not be immediately liquid, such as private debt and private equity securities and real estate or other assets. The valuations of these investments are based upon values provided by the investment managers, based on guidelines established with those investment managers and in consideration of other factors related to the Foundation's and the Trust's interests in these investments.

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Notes to Consolidated Financial Statements
August 31, 2015 and 2014

NOTE 3 INVESTMENTS *(continued)*

The Foundation and the Trust obtain and consider the audited financial statements of such investees when evaluating the overall reasonableness of carrying value. The financial statements of the investees are audited annually by independent auditors, although the fiscal year end for the investees does not coincide with the Foundation's and the Trust's fiscal year end. The Foundation and the Trust utilize practical expedient methodology in compliance with U.S. GAAP and use NAVs reported in the manager statements to estimate fair value. The Foundation and the Trust believe this method provides a reasonable estimate of fair value. However, the recorded value may differ from fair value had a readily available market existed for such investments.

Investment transactions are recorded on the trade date. Realized gains or losses recognized upon sales and withdrawals and unrealized appreciation (depreciation) resulting from market fluctuations are recognized when they occur and are computed using the specific identification method. Dividend and interest income are accrued when earned. Gains on distributions from private equity funds, which may be received in cash or securities, are reflected in investment income as realized gains and losses.

Assets and liabilities denominated in foreign currencies at year end are translated into U.S. dollars based upon exchange rates as of August 31, with any resulting adjustment included in net unrealized gains and losses on investments. Transactions in foreign currencies during the year are translated into U.S. dollars at the exchange rate prevailing on the transaction date and recorded as realized gain or losses.

Derivatives

The Foundation and the Trust recognize all derivatives as either assets or liabilities measured at fair value. For accounting purposes, the derivatives do not have hedge designation and all gains and losses are reported in the net realized and unrealized gain (loss) on investments on the consolidated statement of activities. The Trust enters into derivative arrangements to manage a variety of market risks as it relates to the Trust's equity exposure. As of August 31, 2015 and 2014, the derivative contract assets at fair value are as follows:

	<u>2015</u>	<u>2014</u>
Derivative contracts assets	\$ 5,653,990	\$ 4,968,971

The derivatives contracts are considered Level 2 assets in accordance with Accounting Standards Codification (ASC) 820, as described in Note 4—Fair Value of Financial Instruments.

**W. K. KELLOGG FOUNDATION AND
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Notes to Consolidated Financial Statements
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NOTE 3 INVESTMENTS *(continued)*

Securities Lending

The Trust entered into a securities lending arrangement with its custodian, whereby securities are loaned to various parties who pay interest to the Trust for the periods the securities are borrowed. The custodian holds required collateral (typically valued at approximately 102% to 105% of the fair value of the loaned securities), and the Trust has a written guaranty from the custodian covering all uncollected securities loaned. As of August 31, 2015 and 2014, investments in securities with fair values of \$186,854,035 and \$148,796,328, respectively, were loaned. The value of the collateral of investments loaned was \$192,508,024 and \$153,765,268 at August 31, 2015 and 2014, respectively. The collateral amount has been reflected as an asset and a liability in the accompanying consolidated statements of financial position at August 31, 2015 and 2014.

The Trust maintains full ownership of these securities and no restrictions limit their use by the Trust because the borrower is required to return the same securities to the custodian.

NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS

ASC 820, *Fair Value Measurements and Disclosures*, establishes a fair value disclosure framework that prioritizes and ranks the level of observable inputs used in measuring investments at fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs based on quoted prices for identical assets or liabilities in an active market that the Foundation and the Trust can access. An active market for the asset or liability is one in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market usually provides the most reliable evidence of fair value and is generally used without adjustment if available. This classification includes public equities and other fixed income securities with observable market prices.

Level 2: Inputs that are observable either directly or indirectly but are not Level 1 inputs. Level 2 inputs include quoted prices for similar instruments, broker quotes, or observable inputs that directly impact value such as interest rates, prepayment speeds, and credit risk. Pricing inputs, including broker quotes, are generally those other than exchange-quoted prices in active markets, and fair values are determined through the use of models or other valuation methodologies. For investments in funds where there is an ability to redeem such investments at the NAV per share (or its equivalent) at the measurement date or in the near term, the fair value of the investment is generally categorized as Level 2.

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NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

Level 3: Inputs that are unobservable. Level 3 inputs are generally used in situations where there is little, if any, market activity for the investment. These inputs into the determination of fair value require significant management judgment or estimation. Due to the inherent uncertainty of these estimates, these values may differ significantly from the values that would have been used had a ready market for these investments existed. Investments that are included in this category generally include private fund investment structures and limited partnership interests where there is an inability to redeem such investments at the NAV per share (or its equivalent) at the measurement date or in the near term.

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Notes to Consolidated Financial Statements
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NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The following tables present the fair value of investments carried on the consolidated statements of financial position, by level within the valuation hierarchy, as of August 31, 2015 and 2014, respectively.

	2015			
Assets	Total	Level 1	Level 2	Level 3
Temporary investments	\$ 77,549,764	\$ 46,131,088	\$ 31,418,676	\$ -
Kellogg Company common stock	4,664,401,313	4,664,401,313	-	-
Public equities, including mutual funds	661,646,893	660,571,443	1,075,450	-
Fixed-income securities	300,163,722	155,996,399	143,295,223	872,100
Commingled funds	951,418,228	-	921,298,776	30,119,452
Hedge funds	678,396,051	-	120,128,327	558,267,724
Private equity funds	606,555,924	-	-	606,555,924
Real estate funds	180,821,010	-	-	180,821,010
Total investments	<u>\$8,120,952,905</u>	<u>\$5,527,100,243</u>	<u>\$1,217,216,452</u>	<u>\$1,376,636,210</u>
Interests in irrevocable trusts	<u>\$ 17,578,219</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,578,219</u>
	2014			
Assets	Total	Level 1	Level 2	Level 3
Temporary investments	\$ 138,589,376	\$ 101,633,350	\$ 36,956,026	\$ -
Kellogg Company common stock	4,669,064,372	4,669,064,372	-	-
Public equities, including mutual funds	760,893,404	760,843,964	49,440	-
Fixed-income securities	190,096,182	69,158,599	119,164,423	1,773,160
Commingled funds	1,035,892,478	-	1,035,892,478	-
Hedge funds	727,123,182	-	207,101,009	520,022,173
Private equity funds	601,286,445	-	-	601,286,445
Real estate funds	185,497,754	-	-	185,497,754
Total investments	<u>\$8,308,443,193</u>	<u>\$5,600,700,285</u>	<u>\$1,399,163,376</u>	<u>\$1,308,579,532</u>
Interests in irrevocable trusts	<u>\$ 18,890,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,890,244</u>
	2015			
Foreign holdings (included in investments)	Total	Level 1	Level 2	Level 3
Public equities, including mutual funds	\$ 153,626,905	\$ 153,626,905	\$ -	\$ -
Fixed-income securities	17,546,313	-	17,546,313	-
Hedge funds	28,491,321	-	-	28,491,321
Private equity funds	76,303,324	-	-	76,303,324
Real estate funds	20,921,238	-	-	20,921,238
Total investments	<u>\$ 296,889,101</u>	<u>\$ 153,626,905</u>	<u>\$ 17,546,313</u>	<u>\$ 125,715,883</u>
	2014			
Foreign holdings (included in investments)	Total	Level 1	Level 2	Level 3
Temporary investments	\$ 802,517	\$ -	\$ 802,517	\$ -
Public equities, including mutual funds	343,704,785	343,704,785	-	-
Fixed-income securities	14,376,107	141,463	14,234,644	-
Hedge funds	24,868,200	-	-	24,868,200
Private equity funds	76,702,315	-	-	76,702,315
Real estate funds	23,483,216	-	-	23,483,216
Total investments	<u>\$ 483,937,140</u>	<u>\$ 343,846,248</u>	<u>\$ 15,037,161</u>	<u>\$ 125,053,731</u>

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Notes to Consolidated Financial Statements
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NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

The table below includes a roll-forward of the amounts for the Foundation and the Trust for the years ended August 31, 2015 and 2014 of Level 3 investments:

	<u>2015</u>	<u>2014</u>
Beginning balance	\$ 1,308,579,532	\$ 1,081,093,875
Purchases	564,647,079	437,459,704
Sales	(559,503,396)	(337,820,149)
Net realized gain on investments	42,746,875	37,606,769
Net change in unrealized gain of investments sold	36,367,518	9,540,614
Net change in unrealized (loss) gain of investments held	(16,201,398)	80,698,719
Ending balance	<u>\$ 1,376,636,210</u>	<u>\$ 1,308,579,532</u>

The Foundation and the Trust invest in commingled funds and alternative investments, which are structured as partnerships, limited liability companies, and offshore investment funds. The following tables summarize the investment strategy types of the funds as of the years ended August 31, 2015 and 2014.

	<u>2015</u>		<u>2014</u>	
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>
Commingled funds ^(a)	\$ 951,418,228	\$ -	\$ 1,035,892,478	\$ -
Hedge funds ^(b)	678,396,051	-	727,123,182	-
Private equity funds ^(c)	606,555,924	351,414,739	601,286,445	345,160,615
Real estate funds ^(c)	180,821,010	108,810,013	185,497,754	111,455,036
Total	<u>\$ 2,417,191,213</u>	<u>\$ 460,224,752</u>	<u>\$ 2,549,799,859</u>	<u>\$ 456,615,651</u>

^(a)“Commingled funds” are highly liquid and can be redeemed within short-term periods of time.

^(b)The redemption frequency of “Hedge funds” can be quarterly, semi-annually, annually, or multi-year with a notice of redemption ranging from 30-180 days. This category includes hedge funds that invest using different strategies, such as long/short equity, credit focused, multi-strategy, arbitrage and other means.

^(c)“Private equity funds” and “Real estate funds” are liquidated through distributions generated upon the sale of the underlying investments. The liquidation period can range from 2-10 years. The private equity funds and real estate funds categories include private funds that invest globally in public and private companies across several industries.

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Notes to Consolidated Financial Statements
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NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

Grant Commitments Payable

The fair value of grant commitments payable is determined at the time of award. The fair values of grants payable in more than one year, which totaled approximately \$73,308,000 and \$74,111,000 at August 31, 2015 and 2014, respectively, were evaluated based on discounted cash flows analyses, utilizing an assumed risk-free rate of interest. It should be noted that no change in the present value discount was recognized during these years as the Foundation asserts the fair value approximates the recorded value and the adjustment was deemed not material. Total grants commitments payable in more than one year at August 31, 2015 are expected to be paid to grantees as follows: approximately \$66,670,000 in fiscal 2017, \$5,611,000 in fiscal 2018 and \$1,027,000 in fiscal 2019.

NOTE 5 INCOME TAXES AND SUPPLEMENTAL CASH FLOW INFORMATION

The current provision for the Foundation for federal excise tax is based on a 1% rate for the fiscal years ended August 31, 2015 and 2014, respectively. The current provision for the Trust for federal excise tax is based on a 1% rate for the fiscal years ended August 31, 2015 and 2014. The deferred provision is based on unrealized appreciation on investments at a 2% rate for both of the fiscal years ended August 31, 2015 and 2014. Certain income defined as unrelated business taxable income by the code may be subject to tax at ordinary rates and is included in the current tax provision.

The current and deferred tax portions of the excise tax (benefit) provisions for the years ended August 31, 2015 and 2014 are as follows:

	Foundation		Trust	
	2015	2014	2015	2014
Current tax provision	\$ 148,198	\$ 61,601	\$ 5,109,990	\$ 2,215,940
Deferred tax (benefit) provision	(615,087)	320,066	(3,525,027)	7,633,348
Total (benefit) provision for taxes	\$ (466,889)	\$ 381,667	\$ 1,584,963	\$ 9,849,288
Cash payments for federal excise taxes	\$ -	\$ 110,000	\$ 3,700,000	\$ 3,500,000

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NOTE 5 INCOME TAXES AND SUPPLEMENTAL CASH FLOW INFORMATION
(continued)

To ensure compliance with the Internal Revenue Service (IRS) guidelines, the Foundation continues to develop and manage internal budgets on the cash or modified-cash basis. Cash expenditures for the fiscal years were as follows:

	August 31	
	2015	2014
Grants	\$ 301,711,594	\$ 295,891,872
Program activities and general operations	77,289,299	80,683,435
Costs of earning income and excise tax	4,237,172	3,331,999
Total	\$ 383,238,065 *	\$ 379,907,306

*Amounts presented are based on preliminary tax preparation. As the return is finalized, the listed amounts may be subject to change.

Management evaluated all tax positions and concluded that the Foundation and the Trust have no uncertain tax positions that require recognition in the accompanying consolidated financial statements or further disclosure in the notes to the consolidated financial statements. The Foundation and the Trust file annual informational returns with the IRS and state and local tax authorities. The entities are subject to audits by taxing jurisdictions; however, no audits for any periods are currently in progress. Management believes that the entities are no longer subject to audits for years prior to 2011 under federal, state, and local tax jurisdictions.

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment at August 31, 2015 and 2014 are summarized as follows:

	2015	2014
Land and land improvements	\$ 18,798,206	\$ 18,768,346
Buildings and building improvements	56,882,782	56,744,884
Equipment	4,591,605	4,298,820
Furniture and fixtures	9,062,755	8,973,496
Capitalized software costs	18,175,638	17,532,394
Work in process	1,136,679	528,275
	<u>108,647,665</u>	<u>106,846,215</u>
Accumulated depreciation	(62,164,745)	(58,509,715)
Total	\$ 46,482,920	\$ 48,336,500

**W. K. KELLOGG FOUNDATION AND
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Notes to Consolidated Financial Statements
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NOTE 7 POSTRETIREMENT BENEFITS

The Foundation has defined contribution and defined benefit retirement plans covering full-time employees. The Foundation funded and charged to expense contributions of \$2,788,331 and \$2,629,297 in 2015 and 2014, respectively, related to the defined contribution plan.

The defined benefit retirement plan is funded in amounts sufficient to meet the minimum funding requirements of the Employee Retirement Income Security Act of 1974, as amended. No contributions were made to the defined benefit retirement plan during the year ended August 31, 2015. The Foundation contributed \$300,000 to the defined benefit retirement plan during the year ended August 31, 2014. The defined benefit retirement plan was closed to employees hired after June 1, 2012 and the plan formula was changed for prospective benefit accruals beginning September 1, 2012. The Foundation does not anticipate making a contribution during the plan year ending August 31, 2016. The pension plan's assets consist of mutual funds that are considered Level 1 assets in accordance with ASC 820.

The Foundation also provides postretirement medical and life insurance benefits (Other Benefits) to employees who meet eligibility requirements. The postretirement medical and life insurance plan was closed to employees hired after June 1, 2012 and the plan formula was changed for prospective benefit accruals beginning September 1, 2012. At August 31, 2015 and 2014, the benefit obligation for the postretirement medical and life insurance benefits plan reflects the projected cost of excise taxes to be imposed under the Affordable Care Act.

**W. K. KELLOGG FOUNDATION AND
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Notes to Consolidated Financial Statements
August 31, 2015 and 2014

NOTE 7 POSTRETIREMENT BENEFITS *(continued)*

	Pension Benefits		Other Benefits	
	2015	2014	2015	2014
Benefit obligation—August 31	\$ 9,403,875	\$ 8,727,112	\$ 88,329,842	\$ 80,003,079
Fair value of plan assets—August 31	7,821,778	8,126,667	-	-
Unfunded status	<u>\$ (1,582,097)</u>	<u>\$ (600,445)</u>	<u>\$ (88,329,842)</u>	<u>\$ (80,003,079)</u>
Accrued benefit cost recognized in the consolidated statement of financial position	<u>\$ (1,582,097)</u>	<u>\$ (600,445)</u>	<u>\$ (88,329,842)</u>	<u>\$ (80,003,079)</u>
Accumulated benefit obligation	<u>\$ 5,850,024</u>	<u>\$ 4,819,329</u>		
Amounts not yet reflected in net periodic benefit costs and changes in such amounts				
Prior service cost (credit)	\$ -	\$ (8,216)	\$ 1,239,531	\$ 1,580,062
Accumulated loss	(2,515,382)	(1,306,587)	(31,262,161)	(28,065,602)
Total	<u>\$ (2,515,382)</u>	<u>\$ (1,314,803)</u>	<u>(30,022,630)</u>	<u>\$ (26,485,540)</u>
Net actuarial gain (loss)	\$ (1,243,012)	\$ 881,242	\$ (4,476,666)	\$ (4,245,542)
Amortization of prior service cost (credit)	8,216	8,423	(340,531)	(340,531)
Amortization of actuarial gain	34,217	206,718	1,280,107	1,215,752
Total	<u>\$ (1,200,579)</u>	<u>\$ 1,096,383</u>	<u>(3,537,090)</u>	<u>\$ (3,370,321)</u>
Amortization amounts to be reflected in net periodic benefit costs for fiscal year 2016				
Prior service cost (credit)	\$ -		\$ (340,531)	
Accumulated loss	119,442		1,567,669	
Total	<u>\$ 119,442</u>		<u>\$ 1,227,138</u>	
Benefit costs, employer contribution and benefits paid				
Benefit cost	\$ (116,891)	\$ 235,828	\$ 7,148,668	\$ 6,489,972
Employer contribution	-	300,000	2,358,995	2,350,810
Benefits paid	355,907	637,663	2,358,995	2,350,810
Assumptions and dates used for disclosure				
Discount rate	4.46%	4.09%	4.46%	4.09%
Expected rate of return on plan assets	6.50%	7.50%	N/A	N/A
Rate of compensation increase	4.50%	4.50%	N/A	N/A
Measurement date	August 31	August 31	August 31	August 31
Assumptions used to determine expense				
Discount rate	4.09%	4.77%	4.09%	4.77%
Expected rate of return on plan assets	6.50%	7.50%	N/A	N/A
Rate of compensation increase	4.50%	4.50%	N/A	N/A
Health care cost trend rate assumptions				
Initial trend rate assumption pre-/post-Medicare	N/A	N/A	7.15%/7.14%	7.33%/7.31%
Ultimate trend rate	N/A	N/A	4.50%	4.50%

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NOTE 7 POSTRETIREMENT BENEFITS *(continued)*

On October 8, 2015, the Society of Actuaries (SOA) released an updated mortality improvement scale, MP2015, to incorporate more recent historical mortality improvement data that had become available since the development of the previous scale. During 2015, the Foundation changed its mortality assumption from the RP2000 White Collar tables projected forward with scale AA with 21-year projection period to the sex distinct RP2014 Generational White Collar tables projected with MP2015 projection scale.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the defined benefit retirement plan and the postretirement medical plan based on the same assumptions used to measure the Foundation's benefit obligation at August 31, 2015:

<u>Years Ending August 31</u>	<u>Pension</u>	<u>Post Retirement</u>
2016	\$ 247,792	\$ 2,701,734
2017	186,730	2,825,375
2018	237,128	3,040,132
2019	744,877	3,224,978
2020	306,836	3,409,682
2021-2025	3,674,279	20,319,228

Investment Policy

The Vanguard Group manages and invests the funds for the pension plan in the Vanguard Balanced Index Fund Investor Shares. Its investment strategy for this fund is stated as follows:

The fund's assets are divided between indexed portfolios of stocks (60%) and bonds (40%). The fund's equity segment intends to match the performance of the MSCI U.S. Broad Index and Wilshire 5000 Equity Index. The fund's bond segment attempts to match the performance of the Barclays Capital U.S. Aggregate Bond Index. Since it is not practical or cost effective to own every stock and bond in both indices, the fund owns a large sample of securities in each index. The samples are chosen to match key characteristics of the indices (such as company size and dividend yield for stocks and credit quality, maturity, and yield for bonds).

Basis Used to Determine the Overall Expected Return on Plan Assets

To develop the expected long-term rate of return on plan assets assumption, the Foundation considered the historical returns and the future expectations for returns for each asset class in the fund, as well as its target asset allocation. This strategy resulted in the selection of the 6.5% and 7.5% long-term rate of return on plan assets assumption for 2015 and 2014, respectively.

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NOTE 7 POSTRETIREMENT BENEFITS *(continued)*

Risks and Uncertainties

Contributions are made to the employee benefit plans based on the present value of accumulated plan benefits, which are based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the consolidated financial statements.

NOTE 8 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets of the Trust include all net assets, which are restricted until released to the Foundation. Releases from restrictions of \$367,000,000 and \$365,000,000 were recorded for the years ended August 31, 2015 and 2014, respectively. Donor restrictions are deemed satisfied at the time the Trust makes a contribution to the Foundation.

Temporarily restricted net assets of the Foundation consist of contributions receivable from irrevocable trusts, which are restricted until such assets are received. The Foundation's temporarily restricted net assets decreased by \$1,312,025 and increased by \$2,984,242 for the years ended August 31, 2015 and 2014, respectively, which represented the change in the fair value of the trusts to which the Foundation has irrevocable rights as beneficiary.

NOTE 9 SUBSEQUENT EVENTS

The Foundation and the Trust evaluated events and transactions occurring between September 1, 2015 and December 8, 2015, which is the date that the consolidated financial statements were available to be issued, for disclosure and recognition purposes.

SUPPLEMENTAL SCHEDULE

**W. K. KELLOGG FOUNDATION AND
W. K. KELLOGG FOUNDATION TRUST**
Supplemental Schedule of Gifts and Receipts
From Inception through August 31, 2015

This schedule represents an analysis of W. K. Kellogg Foundation gifts and Trust receipts at historical value from inception through August 31, 2015. The Foundation and the Trust were established in 1930 and 1934, respectively.

Assets stated at estimated values at dates received

Gifts from founder and his estate	\$ 8,449,738
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Distribution from W. K. Kellogg Foundation Trust

Kellogg Company preferred stock	\$ 7,541,625	
Securities received under terms of founder's will and W. K. Kellogg Distribution Trust	4,109,252	
	<u>4,109,252</u>	11,650,877

Gifts from others

Pomona Ranch and Gull Lake Estate contributed by U.S. government	1,077,562	
Assets contributed by Fellowship Corporation	203,207	
Gift from Morris estate	3,231,208	
Gift from Tuttle estate	677,568	
Miscellaneous gifts	<u>208,108</u>	
		5,397,653

Assets acquired through dissolution of Trusts

W. K. Kellogg Foundation Trust at Old Merchants National Bank and Trust Company	514,861	
Boys' Club Trust	181,076	
Gull Lake Estate Trust	358,538	
Palm Springs Trust	60,910	
Karl H. Kellogg Trust	108,654	
Chapin-Rhodes-Beldon Trust	229,020	
Belden-Chapin Trust	143,138	
Bernhard Peterson Trust	33,029	
Clara Way Trusts	380,370	
Williamson Trusts	1,389,816	
W. K. Kellogg Northwestern Mutual Insurance Trust	523,413	
J.H. Williamson Trust	258,401	
Glenn A. Cross Trust	4,353,834	
Carrie Staines Trust	<u>52,463,328</u>	
		<u>60,998,388</u>
		<u>\$ 86,496,656</u>

