



**FOCUS
FORWARD**



**MAKING
PROGRESS**
ANALYST DAY 2012

July 24, 2012

CFO Perspective



B. Craig Owens

*Senior Vice President-Finance,
Chief Financial Officer and
Chief Administrative Officer*



**FOCUS
FORWARD**

**MAKING
PROGRESS**
ANALYST DAY 2012

Agenda

- **Campbell's recent performance**
- **Fiscal 2012 YTD results**
- **Fiscal 2013 perspective**



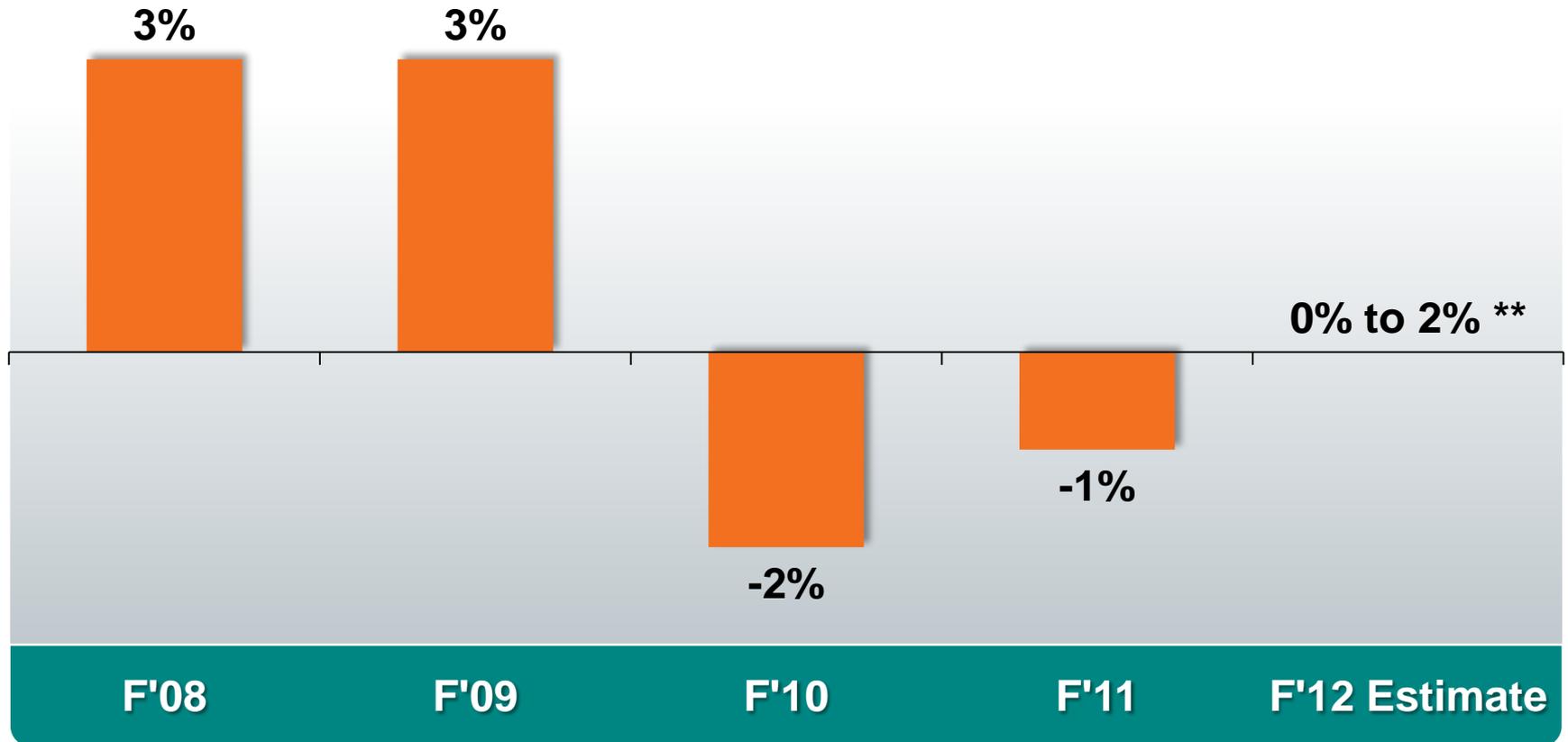
Our Financial Story

- **Weak top-line growth**
- **Strong margins**
- **Continued strong cash flow**
- **Reset earnings in F'12 to invest in innovation and brand building**

Our focus is on driving sustainable, profitable top-line growth



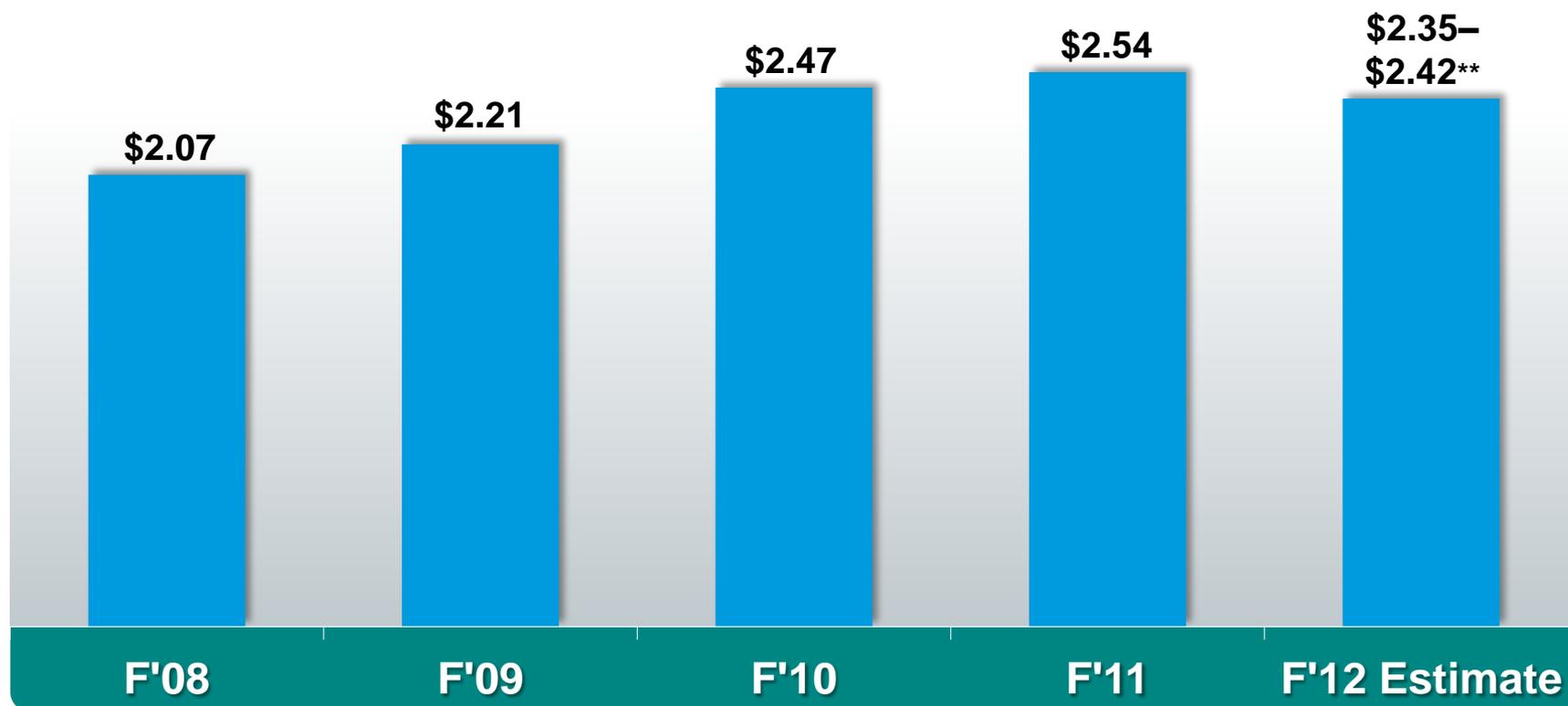
Organic Net Sales* Have Been Weak



Earnings Have Been More Consistent

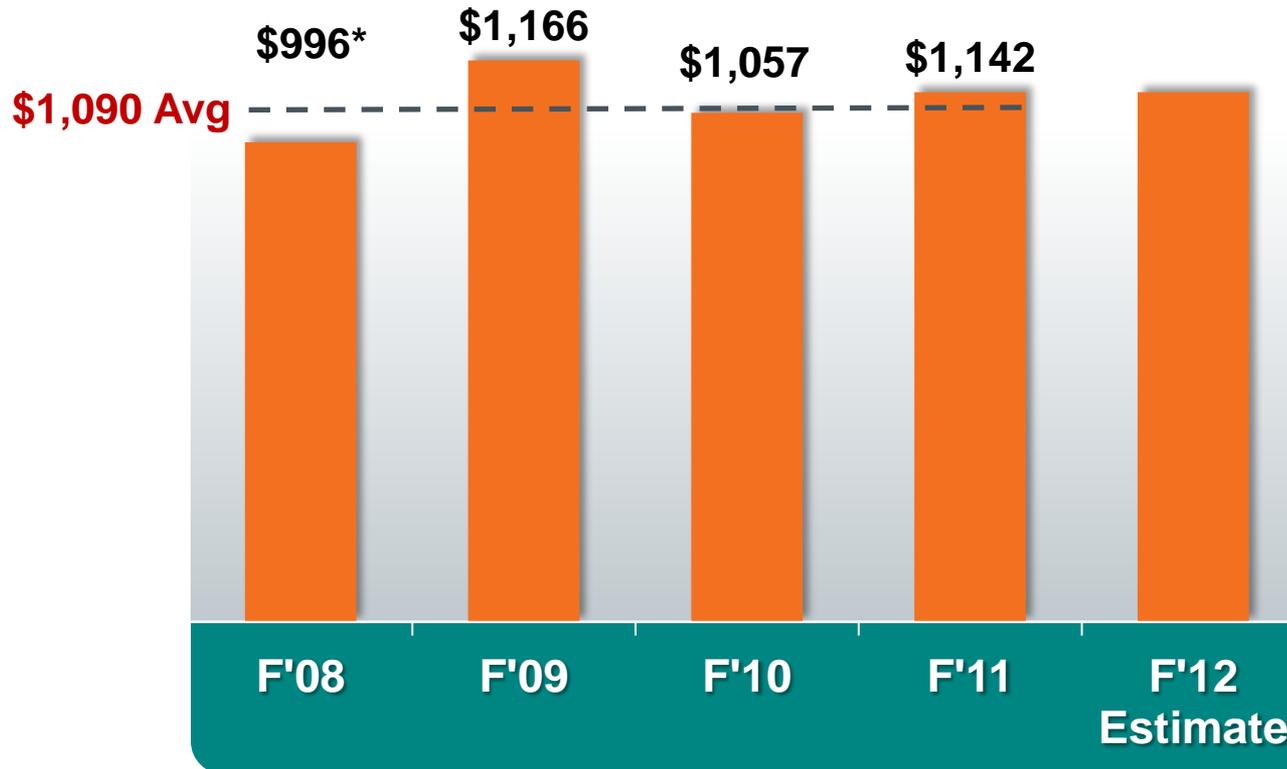
Adjusted EPS*

(U.S. \$)



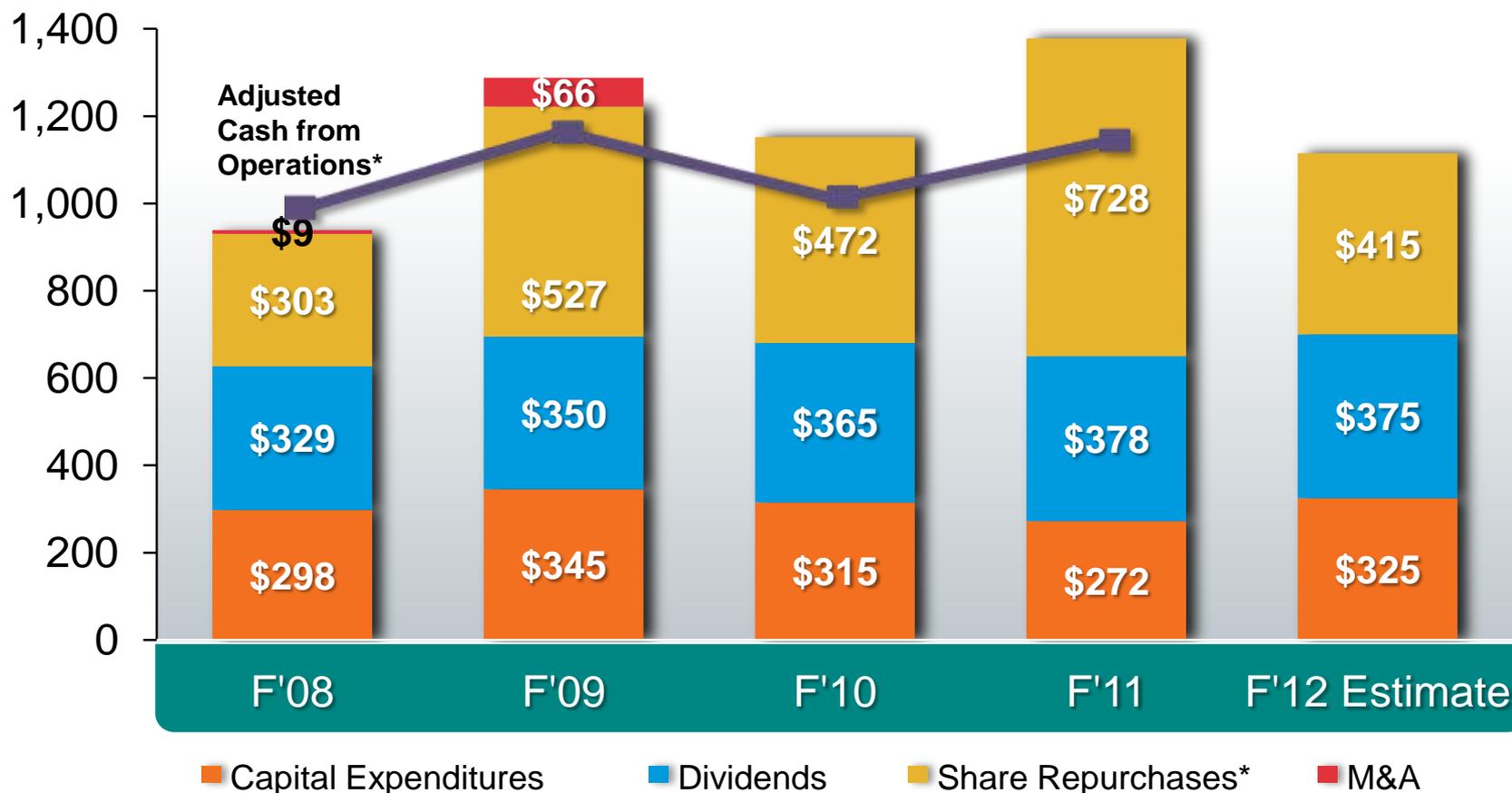
Strong Record of Cash Flows

Adjusted Cash Flow From Operations (U.S. \$ millions)



Cash Allocation Prioritized to Capital, M&A, Dividends and Share Repurchase

(U.S. \$ millions)



Campbell Reiterates FY'2012 Guidance

(U.S. \$ millions, except per share)

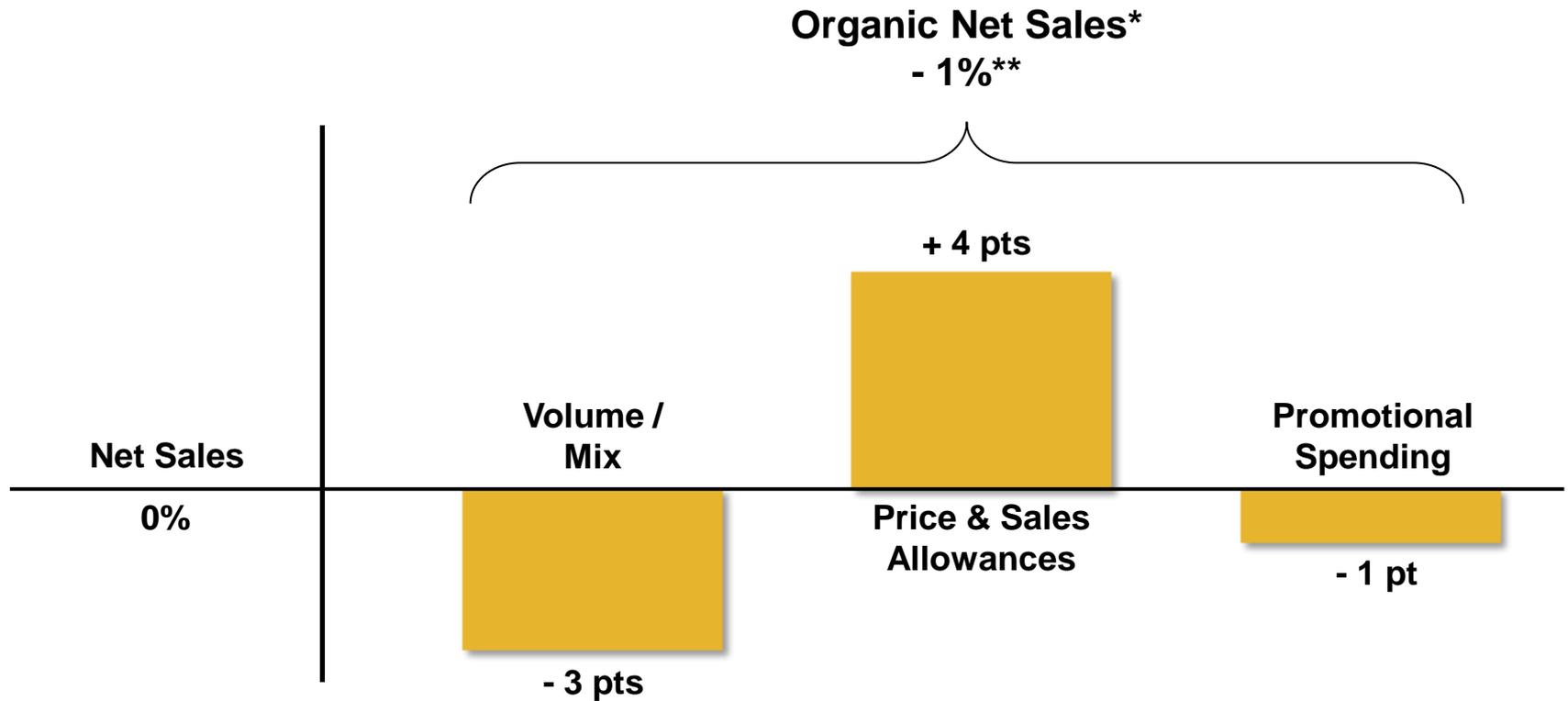
	Growth Rates	
	9 months	Fiscal 2012 Guidance
Net Sales	—	0% to 2%
Adjusted EBIT*	- 8%	(9%) to (7%)
Adjusted EPS*	- 4%	(7%) to (5%) \$2.35 to \$2.42

Campbell expects net sales and adjusted EBIT near the lower end of the range and adjusted EPS near the upper end of the range; excludes \$6MM in one-time costs associated with the anticipated Bolthouse Farms acquisition



Pricing Offset by Volume Impact

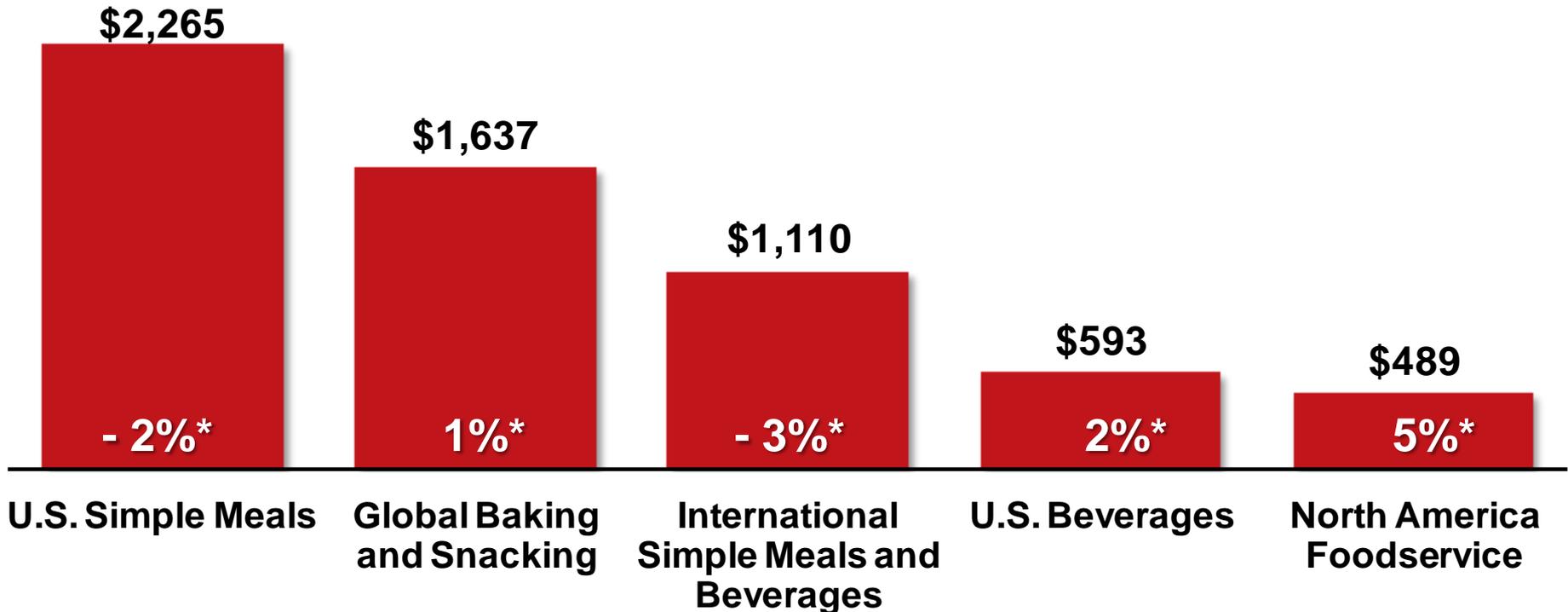
Components of Net Sales Change – 9 Mos. YTD



Mixed Top-Line Results

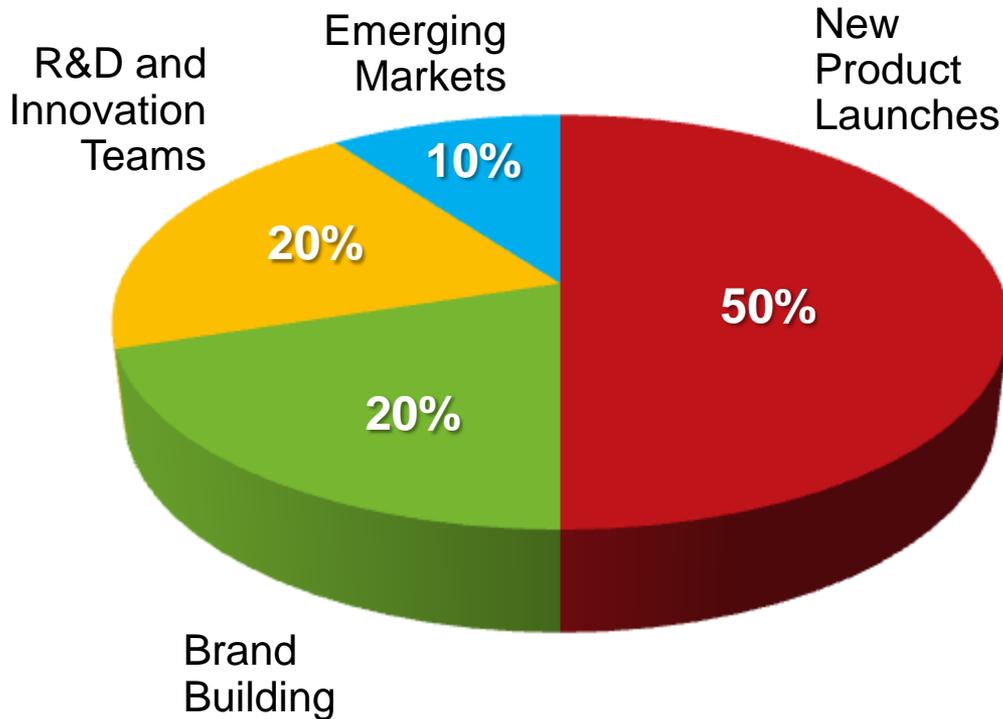
(\$ millions)

Net Sales by Segment – 9 Months YTD



Investing in Brand Building and Innovation

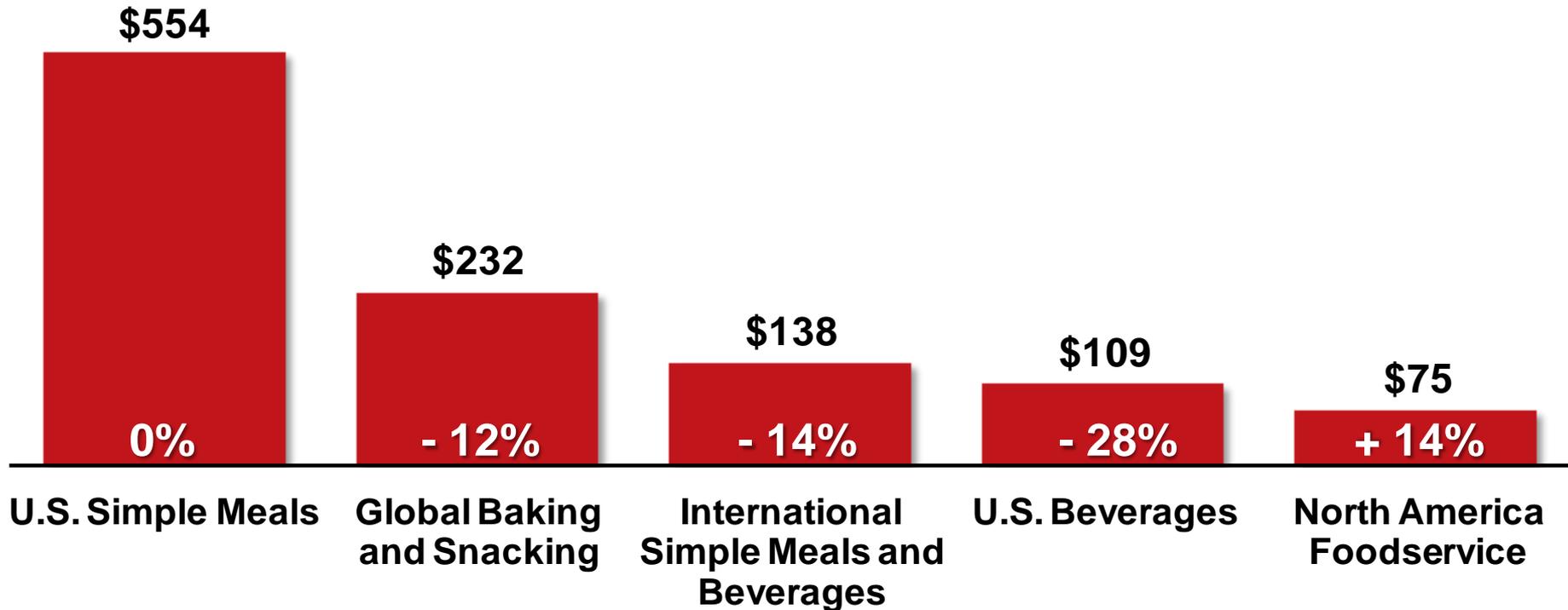
\$100 Million



U.S. Simple Meals Profit Stabilized

(\$ millions)

Operating Earnings by Segment – 9 Months YTD



Fiscal 2013 Perspective

- **We expect growth in sales, adjusted EBIT and adjusted EPS***
 - Benefits from innovation, price/mix
 - Marketing expense reductions
 - Inflation of 3-5%
 - Adjusted EBIT margin similar to F'12
- **However, these growth rates are not expected to meet our long-term targets***
 - External environment more difficult than was expected

	L-T Target*
Net Sales	3% to 4%
Adjusted EBIT	4% to 6%
Adjusted EPS	5% to 7%



Campbell F'13 Inflation Assumptions

Input cost inflation	2-4%
Total COPS inflation	3-5%
Cost-reduction efforts	<u>(3%)</u>
Net COPS impact	0-2%

**Total COPS
~ \$4.8B**

F'13 Marketing Assumptions

- **Marketing investment shifted to support innovation and reduced as we optimize base business support**
- **Base U.S. Soup advertising will be lower yet remain at competitive levels**
- **We intend to disclose advertising and consumer promotion expense beginning with year end**
 - Advertising and consumer promotion expense was \$492 million and \$515 million for 2011 and 2010, respectively.



Bolthouse Acquisition



- **\$1.55 billion cash transaction is 9.5 times adjusted EBITDA, after tax benefits**
- **Subject to customary regulatory approvals**
- **Closing expected in August/September 2012**
- **One-time costs of \$6MM in F'12 and \$10MM in F'13 not included in guidance**

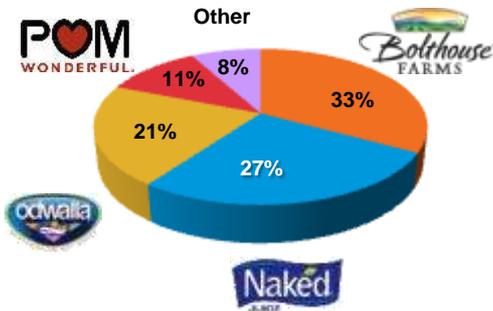


Solid Strategic Fit



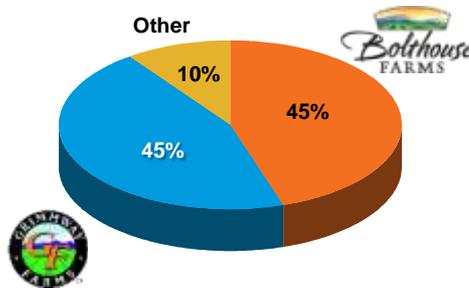
Super-Premium Beverages

#1 Share



Retail Carrots

#1 / #2 Share



Natural Ingredients & Fresh Logistics

- **Natural Ingredients:** carrot concentrate, frozen food, and fiber
- **Fresh Logistics:** rail, intermodal and truck service provider



Summary

- **Fiscal 2012 YTD results on track**
- **Fiscal 2013 to bring a return to growth**
- **Bolthouse acquisition a strategically good fit**

