

Campbell's

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FOCUS FORWARD

CREATE OUR

FUTURE

2013 ANALYST DAY

CFO Perspective

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CFO and Chief Administrative Officer



Dual Mandate



**MAINTAIN
STRENGTH OF
CORE BUSINESS**



**EXPAND
INTO HIGHER
GROWTH SPACES**

Agenda: Executing the Dual Mandate

- **Fiscal 2013 nine-month results**
- **Full-year expectations**
- **Perspective on fiscal 2014 and beyond**
- **Recent acquisitions**
- **Uses of cash**
- **Wrap-up**

Fiscal 2013 Nine-Month Financial Summary

(\$ millions, except per share)

	April YTD	% Change
Net Sales	\$6,763	11%
<i>Organic Net Sales*</i>		2%
EBIT*	\$1,080	6%
<i>EBIT excluding Bolthouse*</i>	\$1,034	2%
EPS – Diluted*	\$2.19	8%

FY13 Nine-Month Progress Against The Dual Mandate

MAINTAIN STRENGTH OF CORE BUSINESS



- Nine-month U.S. Soup sales rose 5% with strong consumption trends
- U.S. Simple Meals profits increased double digits
- Strong new line extensions across the portfolio
- Addressing softness in U.S. Beverages and North America Foodservice

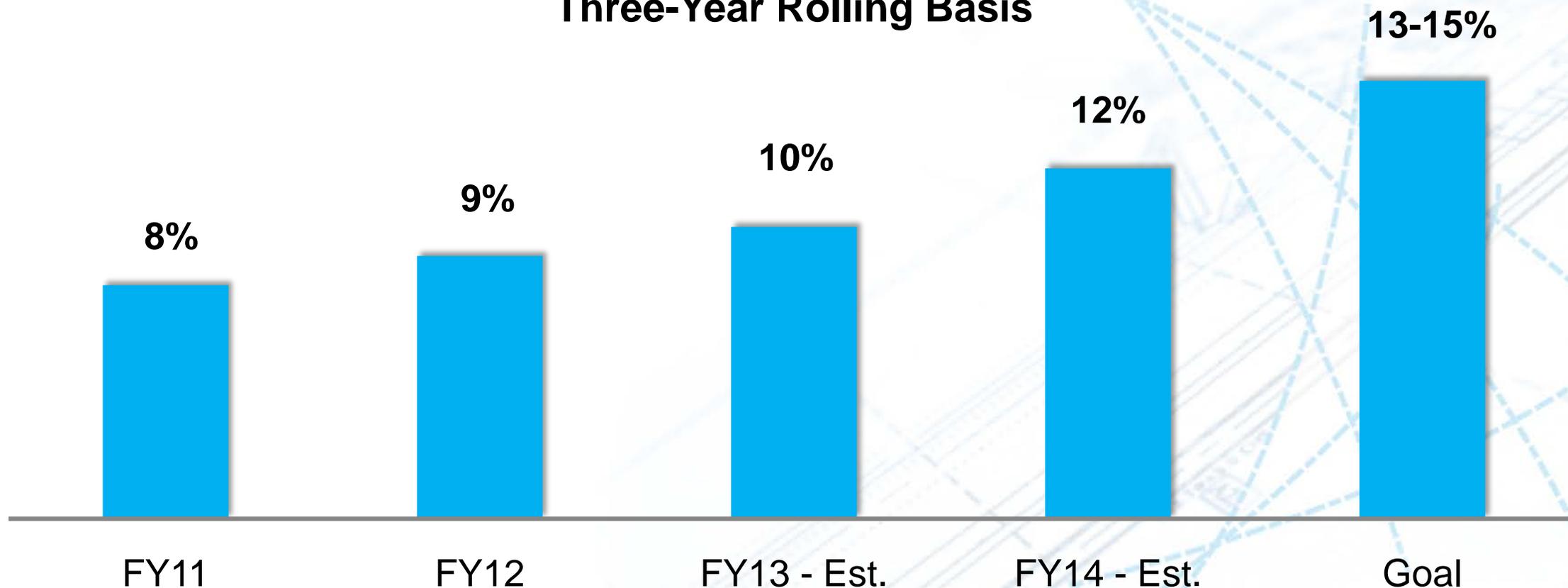
EXPAND INTO HIGHER GROWTH SPACES



- Bolthouse acquisition drove gains in sales and EBIT
- *Campbell's Go Soups* and *Campbell's Skillet Sauces* added 1 point to sales growth in U.S. Simple Meals
- Sales contribution from new products rose

Percent of List Sales from New Products*

Three-Year Rolling Basis



* Excludes acquisitions.

Fiscal 2013 Nine-Month Adjusted P&L – Key Drivers

	Q3 YTD	% Change
Net Sales	\$6,763	11%
Gross Margin %*	37.2%	-170bps
Marketing & Selling	\$ 813	-
Administrative Exp.	\$ 506	15%
EBIT*	\$1,080	6%
Interest, Net	\$ 95	17%
Tax Rate*	30.3%	-0.9pts
EPS – Diluted*	\$ 2.19	8%

- Top line growth of 11%, including Bolthouse
- Successful condensed soup pricing
- Moderating inflation
- Reduction in soup advertising expense offset Bolthouse addition and higher selling expense
- Headwinds from incentive pay and pension
- Favorable tax rate

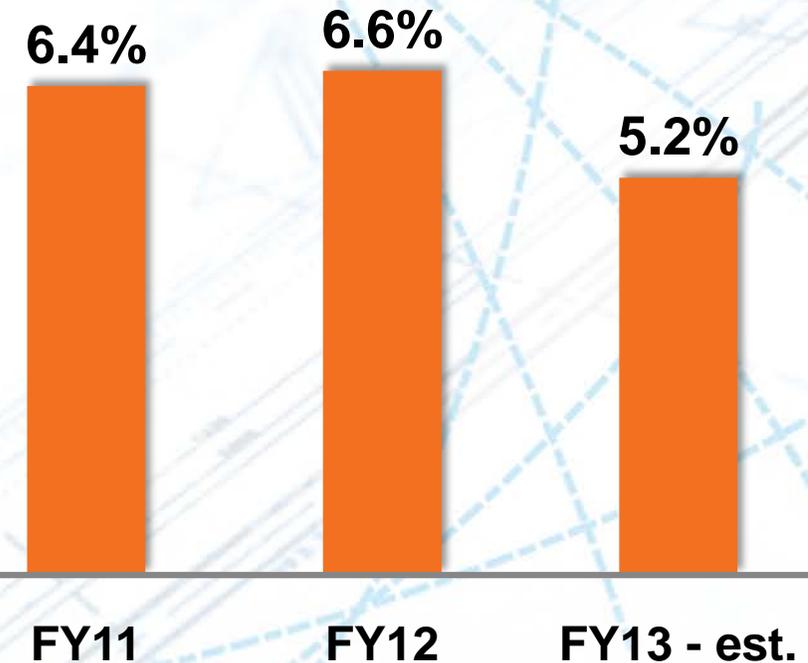
* See non-GAAP reconciliation

Advertising & Consumer Promotion Expense Trends

- We expect to reduce A&C promotion expense in F'13 by ~12%, including reductions in U.S. soup
- We plan to increase A&C support in FY14:
 - To support the growth of Bolthouse Farms
 - To increase support behind *Campbell's* dinner sauces
 - To encourage trial of other new products



A&C Promotion Expense As % of Net Sales



FY13 Impact of Bolthouse Farms

- Sales of approximately \$750MM
- Reduction in the company's gross margin rate of approximately 150 bps
- Operating margin of ~8% YTD
- Accretion of approximately \$.06 per share, including impact of suspension of strategic share repurchases



Campbell Fiscal Year 2013 Guidance

(\$ millions, except per share)

	2012 Base	Guidance
Net Sales	\$7,707	Upper end of range of +10-12%
Adjusted EBIT*	\$1,227	Upper end of range of +4-6%
Adjusted Net Earnings per Share*	\$2.44	Up 6-7% or \$2.58 - \$2.62

FY14 Key Drivers

- Full guidance to be provided on Aug. 29, when we report FY13 results
- Improvement in organic sales growth to reflect gains in volume and price
- Improved growth in adjusted, organic EBIT due to strengthening the core business
- *Factors:*
 - Moderating inflation
 - Strong productivity gains
 - Reduced pension expense
 - Continued expense controls
 - Increased A&C promotion expense
 - Unusually low tax rate in F'13
 - Currency movements
 - 53rd week in Q4 of FY14
 - Modest accretion from Kelsen Group

Campbell FY14 Inflation Assumptions

Input cost inflation	1-3%
Total COPS inflation (including input costs)	2-3%
Cost-reduction efforts	<u>(3%)</u>
Net COPS impact	~0%

Total COPS
~ \$5B

Long-Term, Organic Growth Targets

Metric	Target
Net Sales	3-4%
Adjusted EBIT	4-6%
Adjusted EPS	5-7%

Recent Merger & Acquisition Activity



Purchase price: \$250MM
Projected FY14 net sales: \$115MM
Closed: June 13, 2013



Purchase price: \$350MM
Projected FY14 net sales: \$200MM
Expected closing: Q1 of FY14

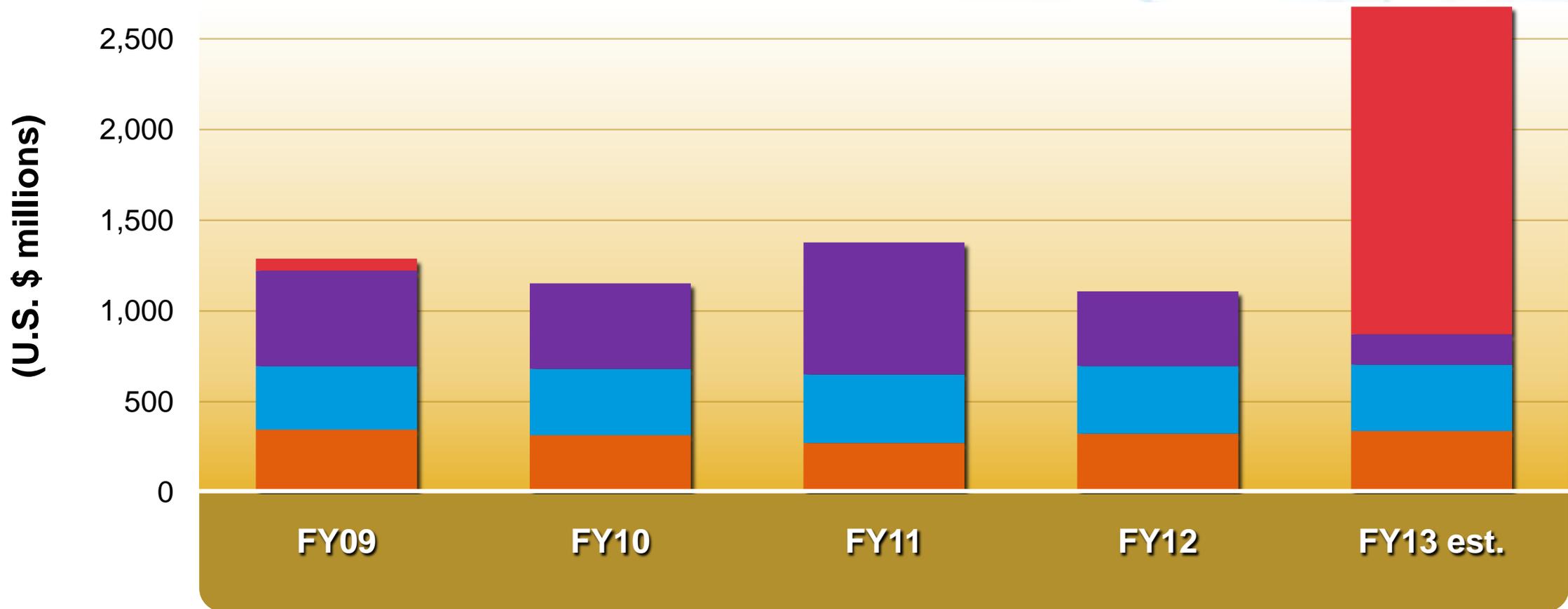


Strong Financial Position

Metric	Status
Q3 Trailing 12-Month Net Debt to Adjusted EBITDA*	2.4X
Q3 Trailing 12-Month Adjusted Interest Coverage*	12.4X

* See non-GAAP reconciliation

Cash Allocation Prioritized to M&A, Capital and Dividends



Capital Expenditures

Dividends

Share Repurchases

M&A

5-YR Totals:

\$1.6 billion

\$1.8 billion

\$2.3 billion

\$1.9 billion

Wrap Up

- **Significant progress with our dual mandate**
 - U.S. Simple Meals profits stabilized and soup top line growing
 - Continued strong contribution from Global Baking and Snacking
 - Strong innovation pipeline and increases in sales from new products
 - Acquisitions of Bolthouse Farms, Plum Organics and Kelsen Group
- **Opportunities to accelerate our performance**
 - Continue soup playbook with Homestyle launch, premium soups
 - Strengthen the core U.S. Beverages and North America foodservice performance
 - Continue to control expenses and deliver productivity gains
 - Broad opportunity in innovation, availability, packaged fresh & emerging markets

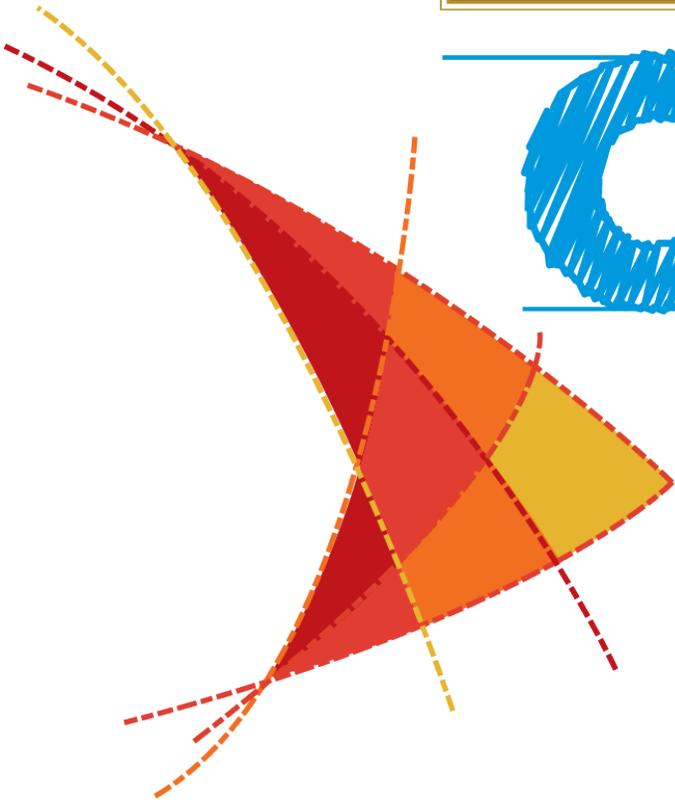


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Q & A