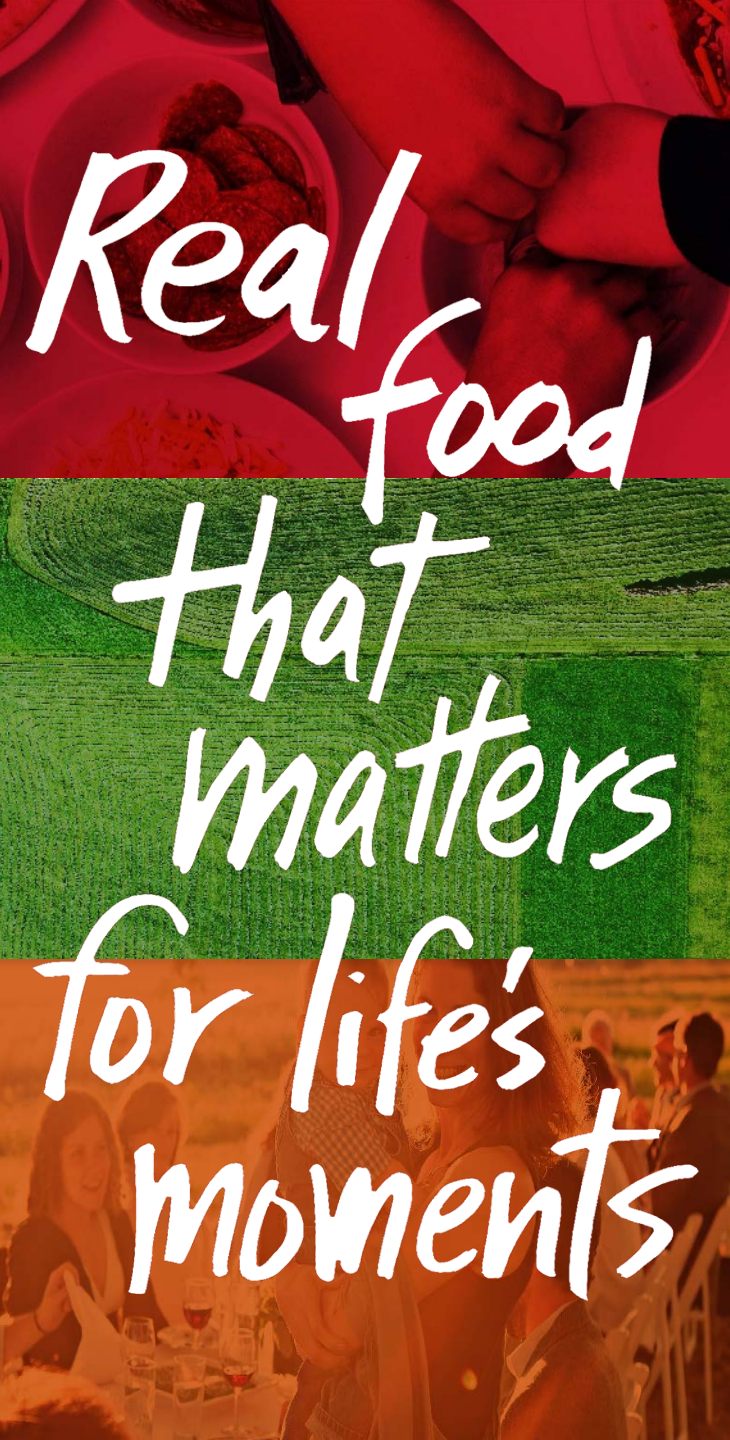


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Fourth Quarter of  
Fiscal Year 2014  
Earnings Call & Webcast

September 8, 2014



## Important Reminders

Jennifer Driscoll  
*Vice President - Investor Relations*  
Campbell Soup Company

# Forward-Looking Statements

This presentation contains “forward-looking statements.” Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “believes,” “estimates,” “expects” and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements we make on guidance for fiscal periods, on our business strategies and our ability to execute those strategies successfully, on our expectations related to portfolio changes, and the success of our innovation and marketing initiatives. Forward-looking statements are based on our current expectations and assumptions regarding our business, our industry and other future conditions. Forward-looking statements are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements due to factors such as the impact of strong competitive response to our marketing strategies; risks associated with trade and consumer acceptance of initiatives; the effectiveness of our promotional programs; the impact of portfolio changes; our ability to realize projected cost savings and the other factors described in the company’s most recent Form 10-K and subsequent SEC filings. We undertake no obligation to update these statements to reflect new information or future events.



# Items Impacting Comparability Continuing Operations

## Items Impacting Fiscal 2014

- **Restructuring Initiatives**
  - Australia supply chain and global overhead reductions (Q4)
  - China (Q2)
  - North America and Asia Pacific (Q1)
- **Sale of the European Business**
  - Foreign exchange contracts (Q1)
  - Tax expense (Q1)
- **Pension Settlement Charge**
  - Settlements resulting from the level of lump sum distribution (Q3 & Q4)

## Items Impacting Fiscal 2013

- **Restructuring Initiatives**
  - Closure of Sacramento and S. Plainfield manufacturing facilities (Q1 & Q2)
  - Expand access to manufacturing and distribution capabilities in Mexico (Q2)
  - Closure of Pepperidge Farm Aiken facility and overhead reductions in North America (Q4)
- **Bolthouse Acquisition Transaction Costs (Q1)**

See non-GAAP reconciliations



# Non-GAAP Measures

This presentation includes certain “non-GAAP” measures as defined by Securities and Exchange Commission rules. We have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is shown as an appendix to this presentation and accessible online at [investor.campbellsoupcompany.com](http://investor.campbellsoupcompany.com).



# Mark Your Calendar

<b>Fiscal 2015 Period</b>	<b>Earnings Date</b>
<b>First Quarter</b>	<b>Tuesday, Nov. 25, 2014</b>
<b>Second Quarter</b>	<b>Wednesday, Feb. 25, 2015</b>
<b>Third Quarter</b>	<b>Friday, May 22, 2015</b>
<b>Fourth Quarter</b>	<b>Thursday, Sept. 3, 2015</b>





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# Investor Update

*Fourth Quarter of  
Fiscal Year 2014*



Denise Morrison  
*President & CEO*

# Challenging Consumer Environment



ollar exchange rate eas  
MARKET JITTERS spending po  
mutual fund  
endorses stim,ulus package  
CREDIT C  
CAPITA  
slow revival  
**Financial**  
dollar weakens  
Infla  
analysts **Downturn**  
slump confidence wobble  
Economic disaster  
SHARES WORTHLES  
Stocks tumble a  
anxiety deepens  
survival in doubt  
Int  
risk **RECESSION**  
mortgage  
MONETARY POLICY OF  
Global tre



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# Fourth-Quarter Financial Summary

(\$ millions, except per share)

Continuing Operations	Fourth Quarter	% Change
<b>Net Sales</b>	\$1,852	7%
<i>Organic Net Sales*</i>		-2%
<b>EBIT*</b>	\$259	25%
<b>Diluted EPS – Continuing Operations*</b>	\$0.49	14%

\* See Non-GAAP reconciliation



# Fiscal Year 2014 Financial Summary

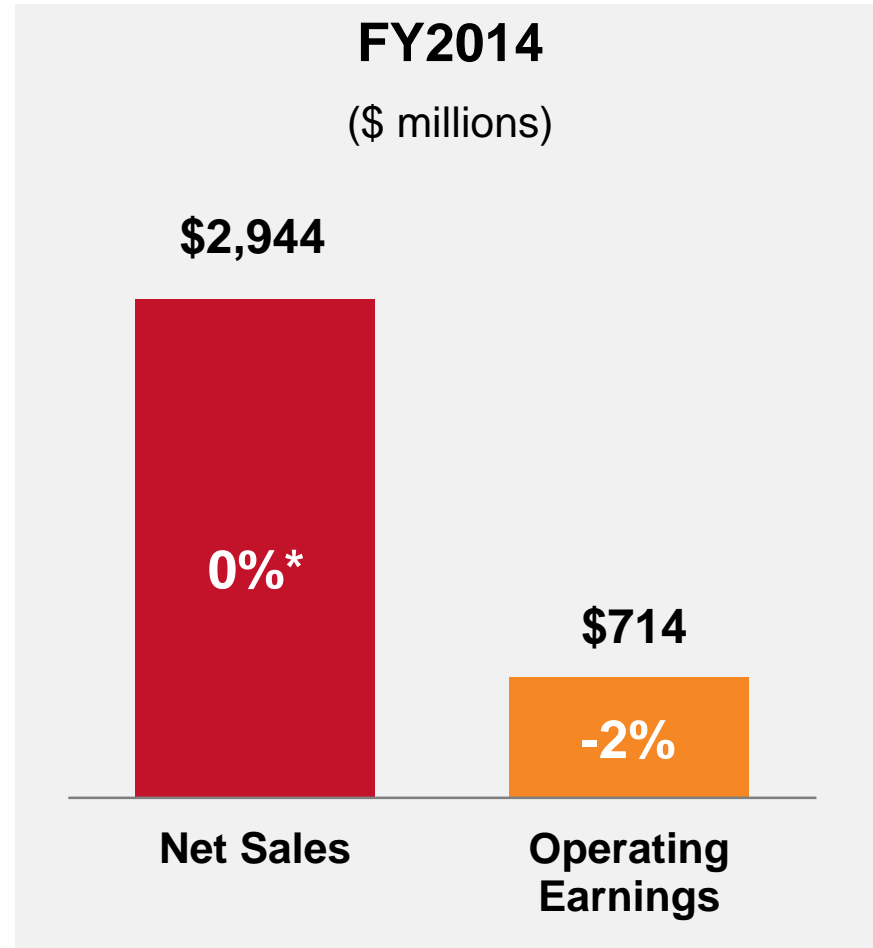
(\$ millions, except per share)

Continuing Operations	Fiscal Year	% Change
<b>Net Sales</b>	\$8,268	3%
<i>Organic Net Sales*</i>		-1%
<b>EBIT*</b>	\$1,281	4%
<b>Diluted EPS – Continuing Operations*</b>	\$2.53	2%

\* See Non-GAAP reconciliation



# U.S. Simple Meals Full-Year Results

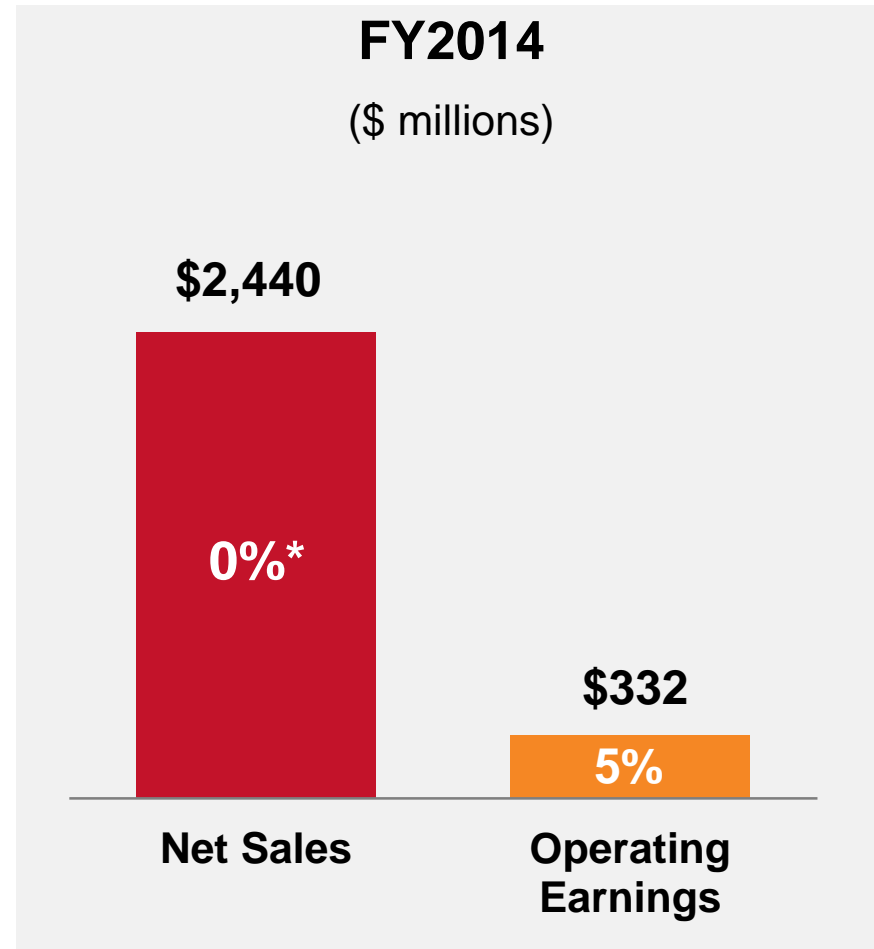


Note: Percent change represents organic growth.

\* See Non-GAAP reconciliation



# Global Baking & Snacking Full-Year Results



Note: Percent change represents organic growth.

\* See Non-GAAP reconciliation



# Diversifying Our Portfolio - 2014 Milestones

- Kelsen acquisition completed
- Drove growth and expanded distribution in Bolthouse Farms
- Divested European simple meals business
- Formed U.S. network of distributors for single-serve beverages in immediate consumption channel
- Built digital and e-commerce capabilities
- Drove consumer-focused innovation
- Managed costs



A hand holding a paintbrush with a black and white striped sleeve is positioned over a table of various food items, including bowls of nuts and dips. The background is a solid red color.

Real food

A vibrant green field, possibly a cornfield, with a textured, painterly appearance. The colors range from light to dark green, suggesting different stages of growth or a specific artistic style.

that matters

A group of people are sitting at an outdoor table, enjoying a meal. The scene is bathed in the warm, golden light of a sunset or sunrise, creating a relaxed and social atmosphere.

for life's moments

# Fiscal Year 2015 Plans

- Strengthen U.S. Soup and improve category performance
- Drive growth in Pepperidge Farm
- Revitalize U.S. Beverages
- Stabilize our Australian business
- Expect continued growth in Bolthouse Farms, Plum Organics and Kelsen



# Four Key Platforms To Drive Expansion into Faster-Growing Spaces

- Accelerate breakthrough innovation
- Become a branded leader in packaged fresh foods
- Expand in developing markets
- Increase availability in all channels



# Campbell Fiscal Year 2015 Guidance

Continuing Operations

(\$ millions, except per share)

	2014 Results (53 weeks)	2014 Estimated Impact of 53 <sup>rd</sup> Week	2014 Base* (52 weeks)	2015 Guidance (vs. 52-week base)
Net Sales	\$8,268	2%	\$8,139	1% to 2%
Adjusted EBIT*	\$1,281	3%	\$1,244	0% to 2%
Adjusted EPS*	\$2.53	\$0.08	\$2.45	0% to 2% \$2.45-\$2.50

\* See Non-GAAP reconciliation

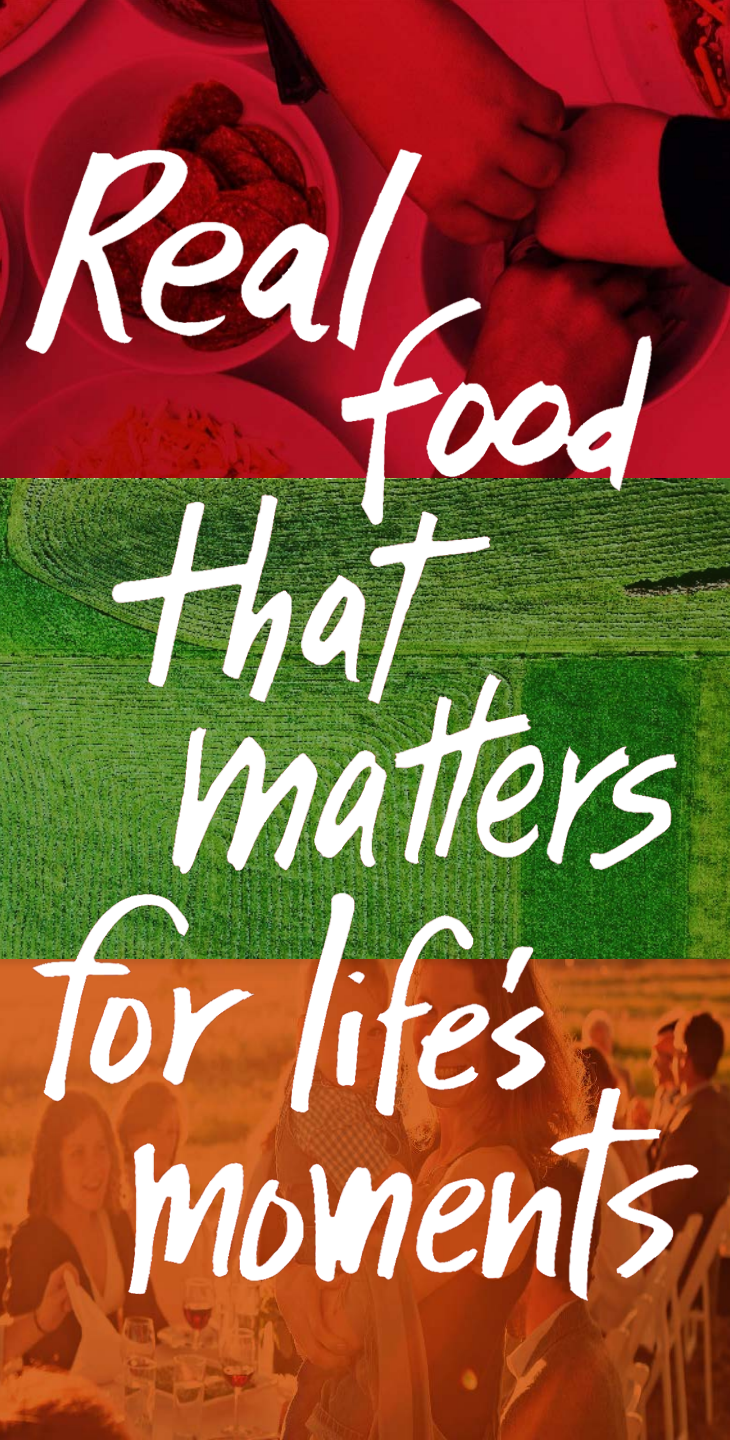


# Changed the Composition of Our Portfolio



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CFO Perspective

Anthony DiSilvestro  
*Senior Vice President and  
Chief Financial Officer*

# Agenda

- **Fourth-quarter results and segment highlights**
- **Fiscal 2014 results and segment highlights**
- **Fiscal 2015 sales and earnings guidance**

# Fourth-Quarter Financial Summary

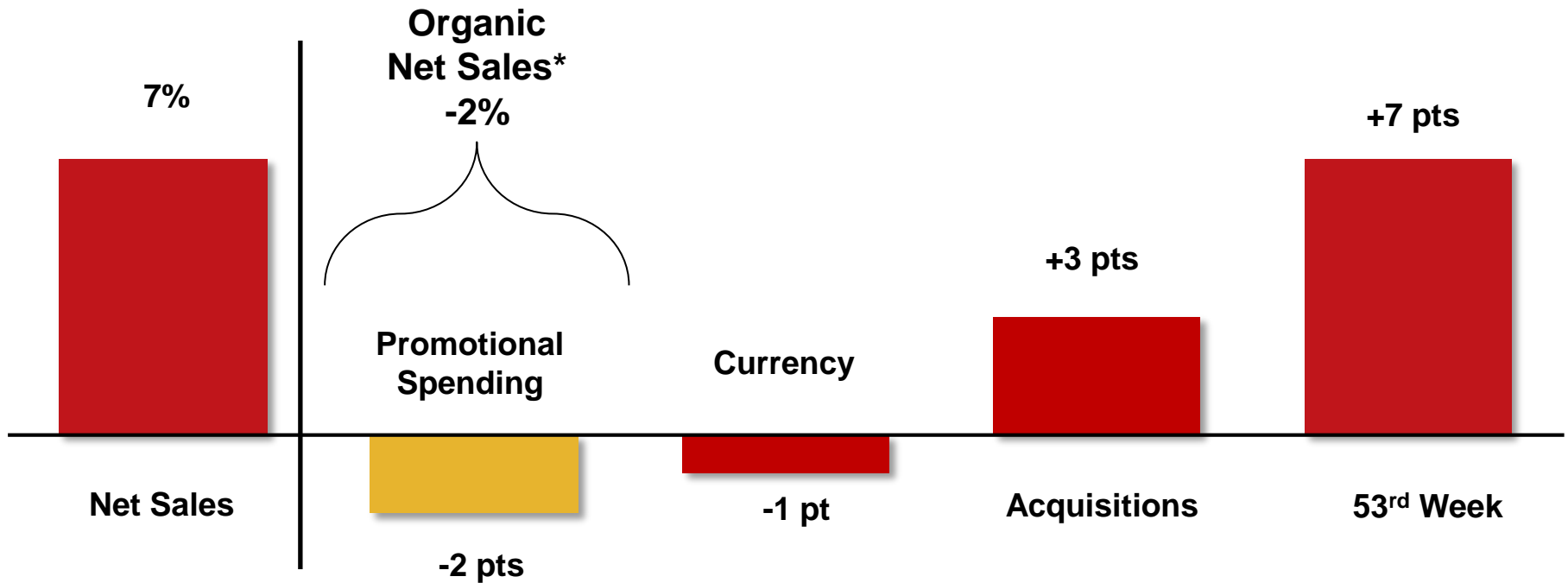
(\$ millions, except per share)

Continuing Operations	Fourth Quarter	% Change
<b>Net Sales</b>	\$1,852	7%
<i>Organic Net Sales*</i>		-2%
<b>EBIT*</b>	\$259	25%
<b>Diluted EPS – Continuing Operations*</b>	\$0.49	14%

\* See Non-GAAP reconciliation

# Fourth Quarter – Components of Net Sales Change

Continuing Operations



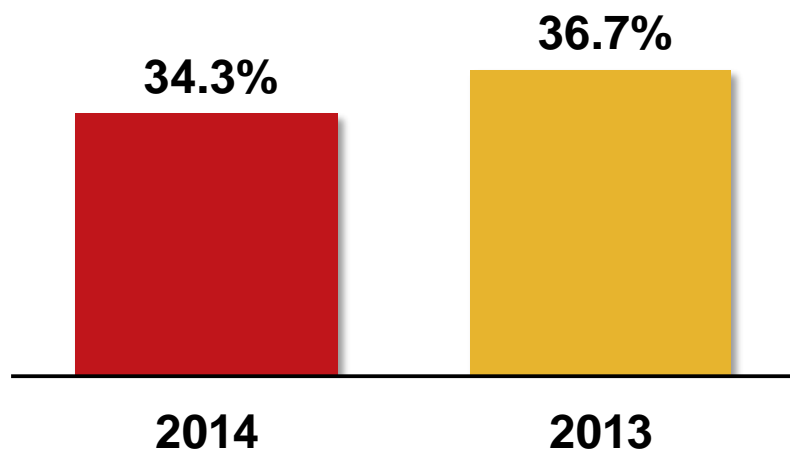
\* See Non-GAAP reconciliation

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# Fourth Quarter – Gross Margin and Other Operating Items

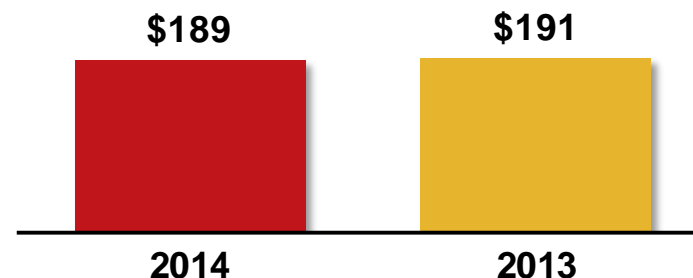
Continuing Operations  
(\$ millions)

## *Gross Margin Percentage\**

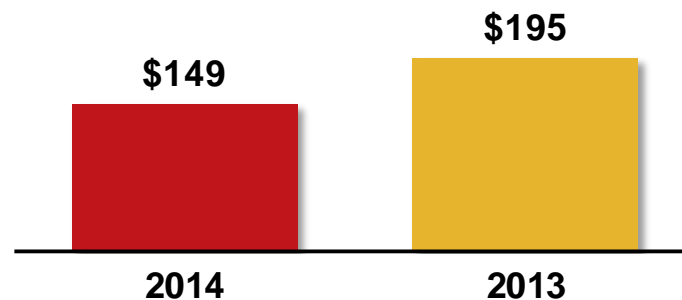


\* See Non-GAAP reconciliation

## *Marketing & Selling Expenses*



## *Administrative Expenses*



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# Fourth-Quarter Financial Summary

(\$ millions, except per share)

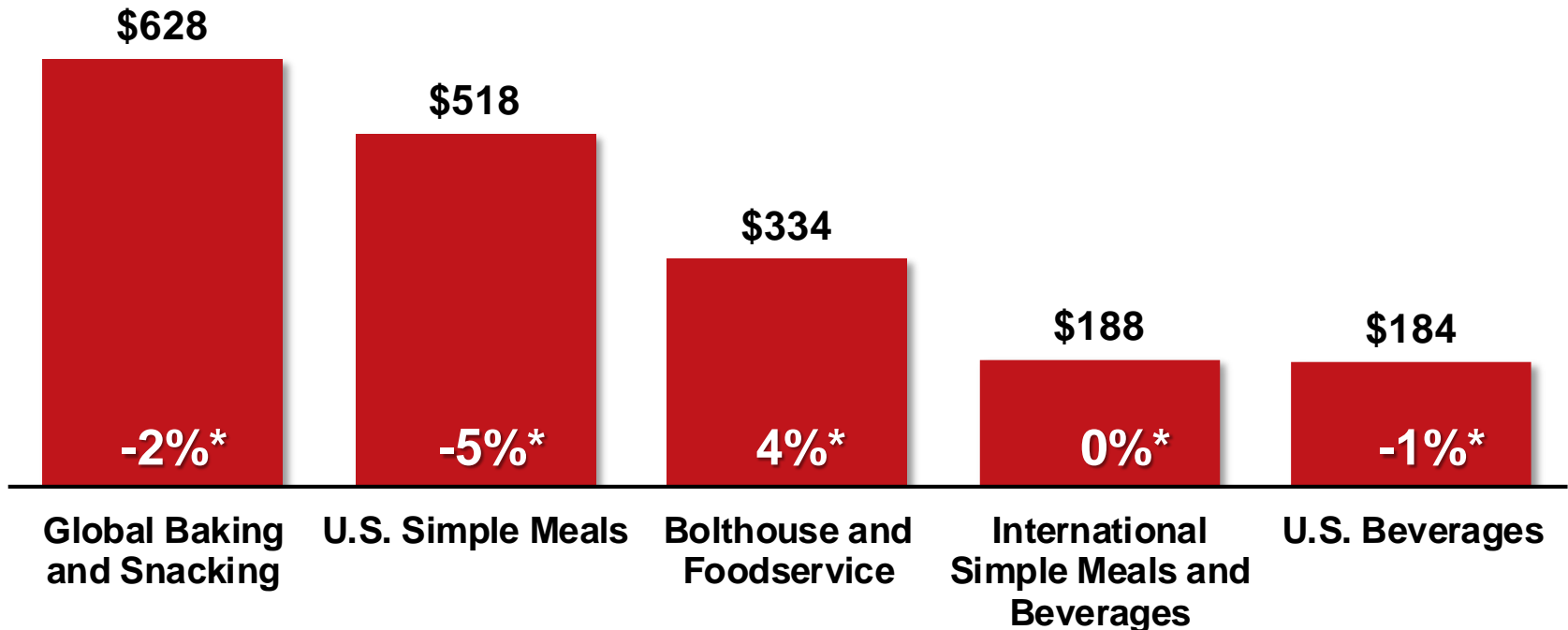
Continuing Operations	Fourth Quarter	YOY Change
EBIT*	\$259	25%
Interest, Net	\$30	-
Tax Rate*	33.2%	8.5 pts
Earnings – Continuing Operations*	\$155	14%
Diluted EPS – Continuing Operations*	\$0.49	14%
Diluted Shares	316	-1MM

\* See Non-GAAP reconciliation

# Fourth Quarter – Sales by Segment

(\$ millions)

## Net Sales by Segment and Organic Growth Rates



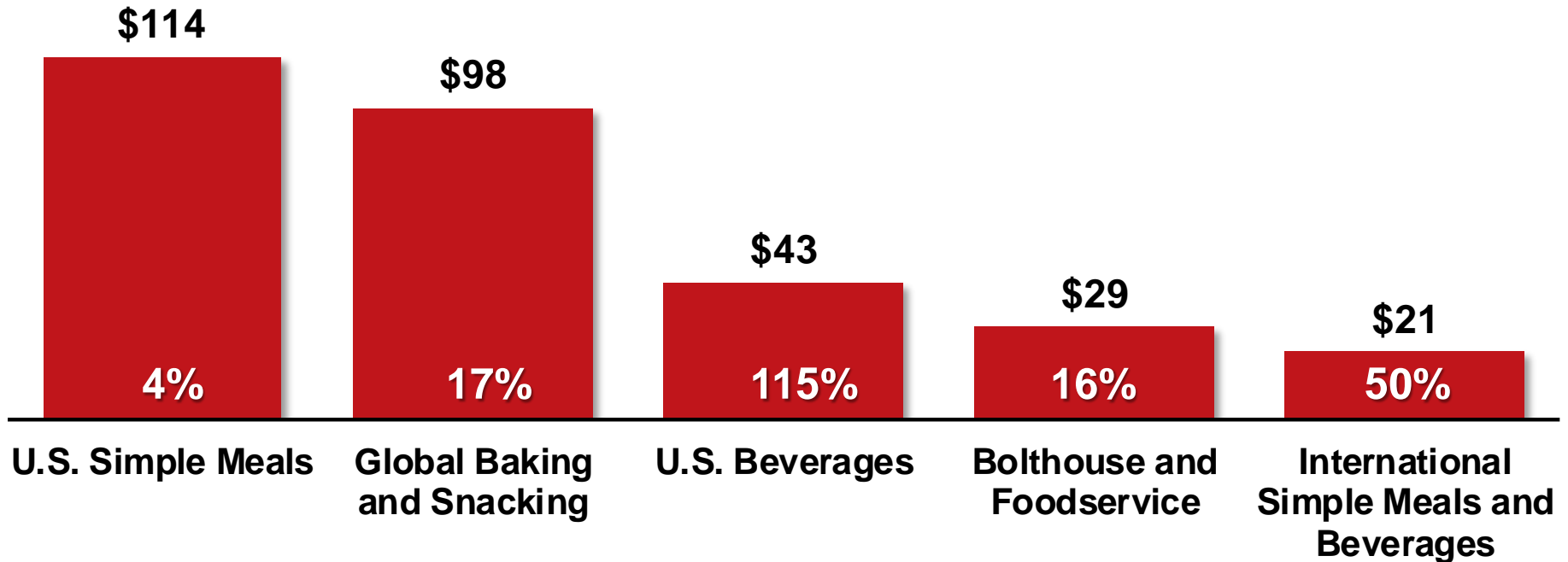
Note: Percent change represents organic growth.

\* See Non-GAAP reconciliation

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# Fourth Quarter – Operating Earnings by Segment

(\$ millions)



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# Fiscal Year 2014 Financial Summary

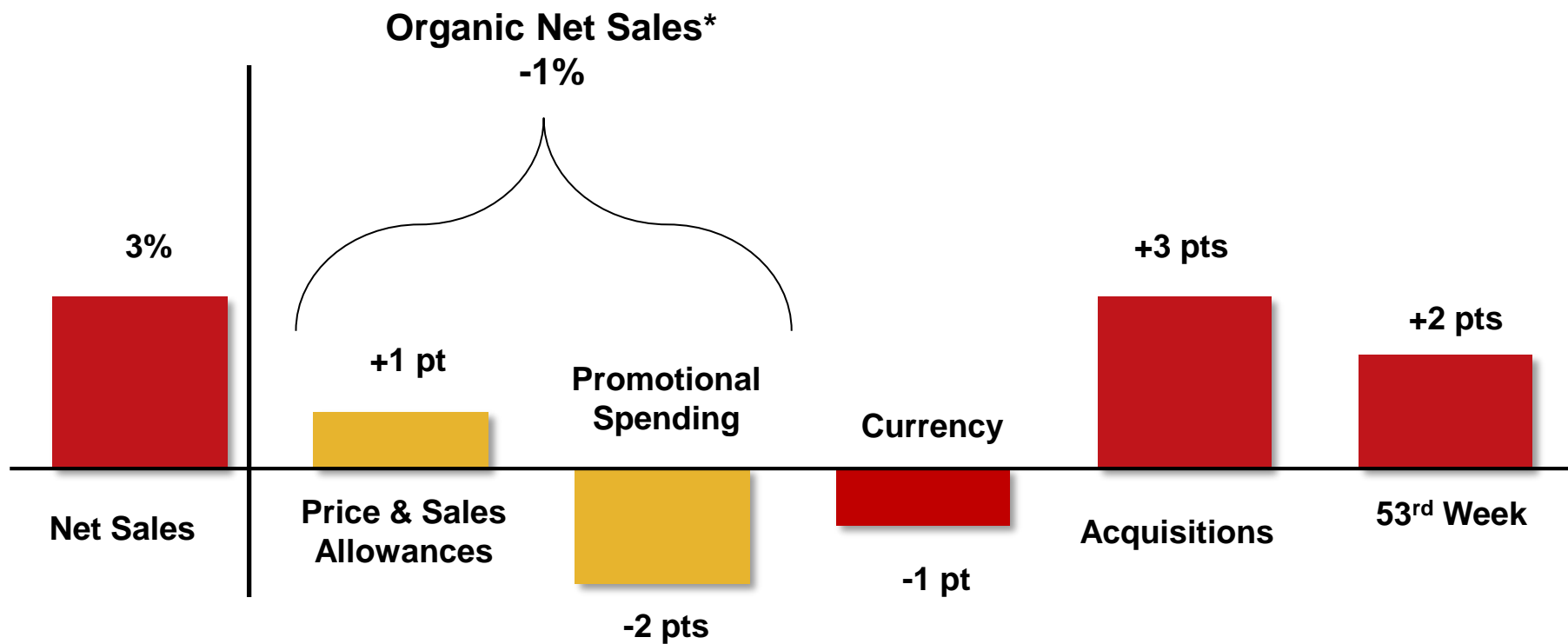
(\$ millions, except per share)

Continuing Operations	Fiscal Year	% Change
<b>Net Sales</b>	\$8,268	3%
<i>Organic Net Sales*</i>		-1%
<b>EBIT*</b>	\$1,281	4%
<b>Diluted EPS – Continuing Operations*</b>	\$2.53	2%

\* See Non-GAAP reconciliation

# Fiscal Year 2014 – Components of Net Sales Change

Continuing Operations



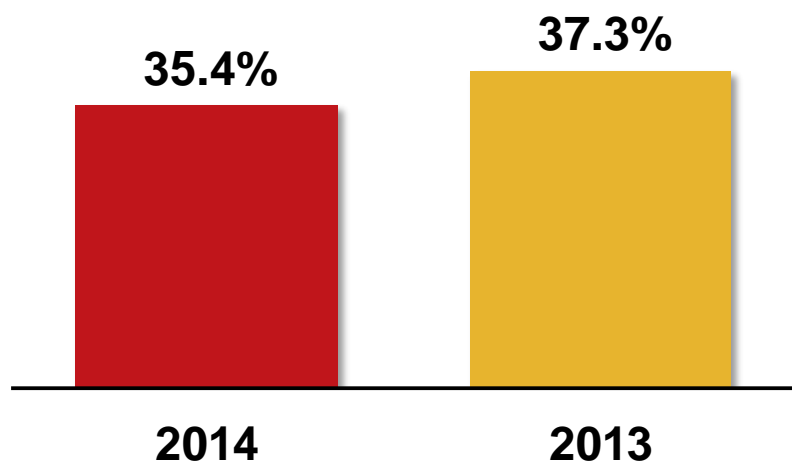
\* See Non-GAAP reconciliation

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# Fiscal Year 2014 – Gross Margin and Other Operating Items

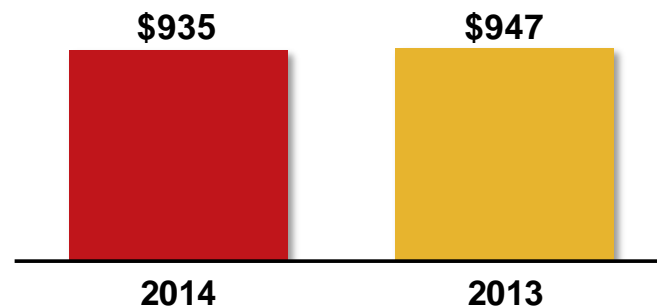
Continuing Operations  
(\$ millions)

## *Gross Margin Percentage\**

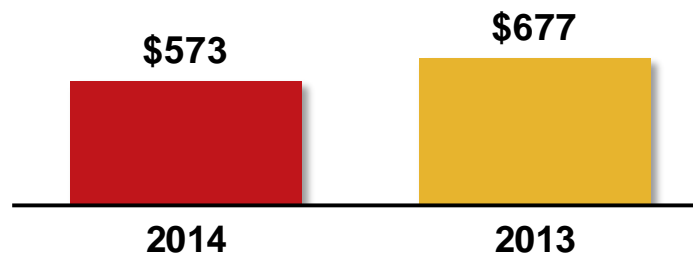


\* See Non-GAAP reconciliation

## *Marketing & Selling Expenses*



## *Administrative Expenses*



# Fiscal Year 2014 Financial Summary

(\$ millions, except per share)

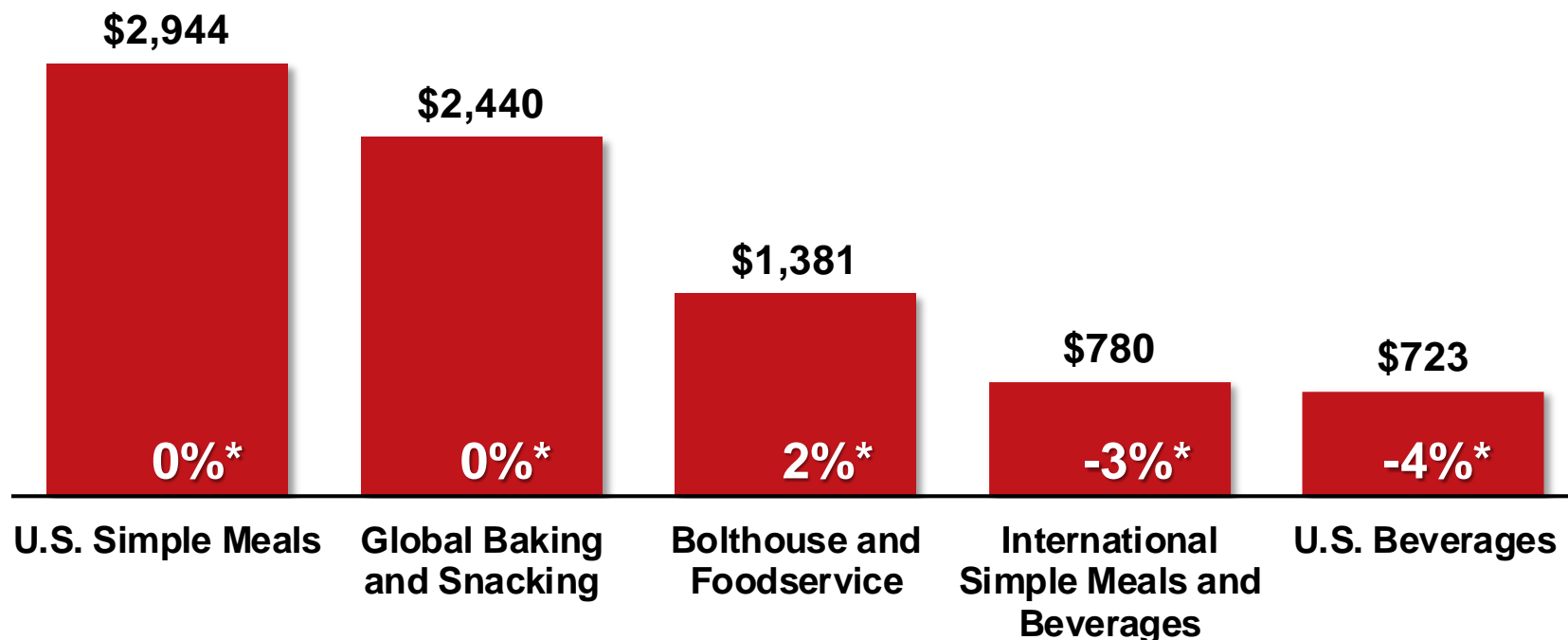
Continuing Operations	Fiscal Year	YOY Change
EBIT*	\$1,281	4%
Interest, Net	\$119	-5%
Tax Rate*	31.7%	1.9 pts
Earnings – Continuing Operations*	\$800	2%
Diluted EPS – Continuing Operations*	\$2.53	2%
Diluted Shares	316	-1MM

\* See Non-GAAP reconciliation

# Fiscal Year 2014 – Sales by Segment

(\$ millions)

## Net Sales by Segment and Organic Growth Rates



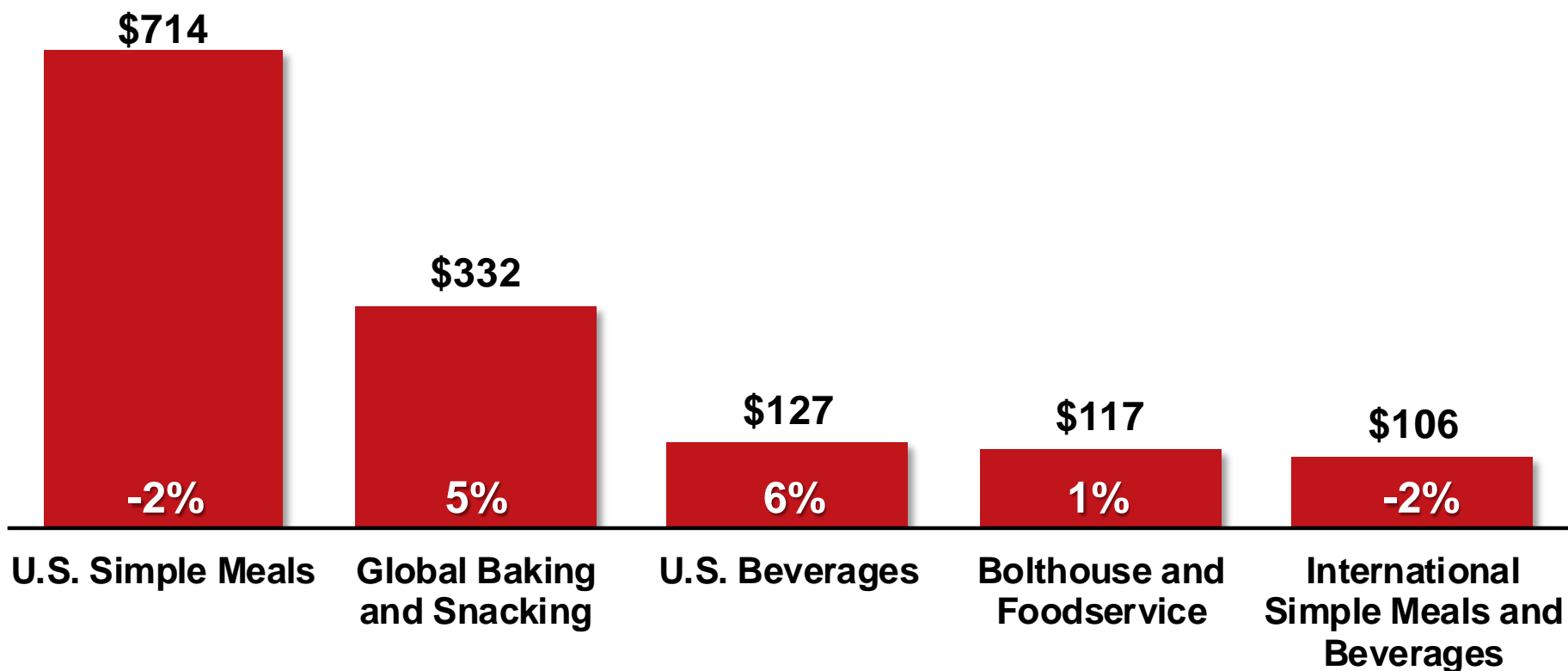
Note: Percent change represents organic growth.

\* See Non-GAAP reconciliation

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# Fiscal 2014 – Operating Earnings by Segment

(\$ millions)

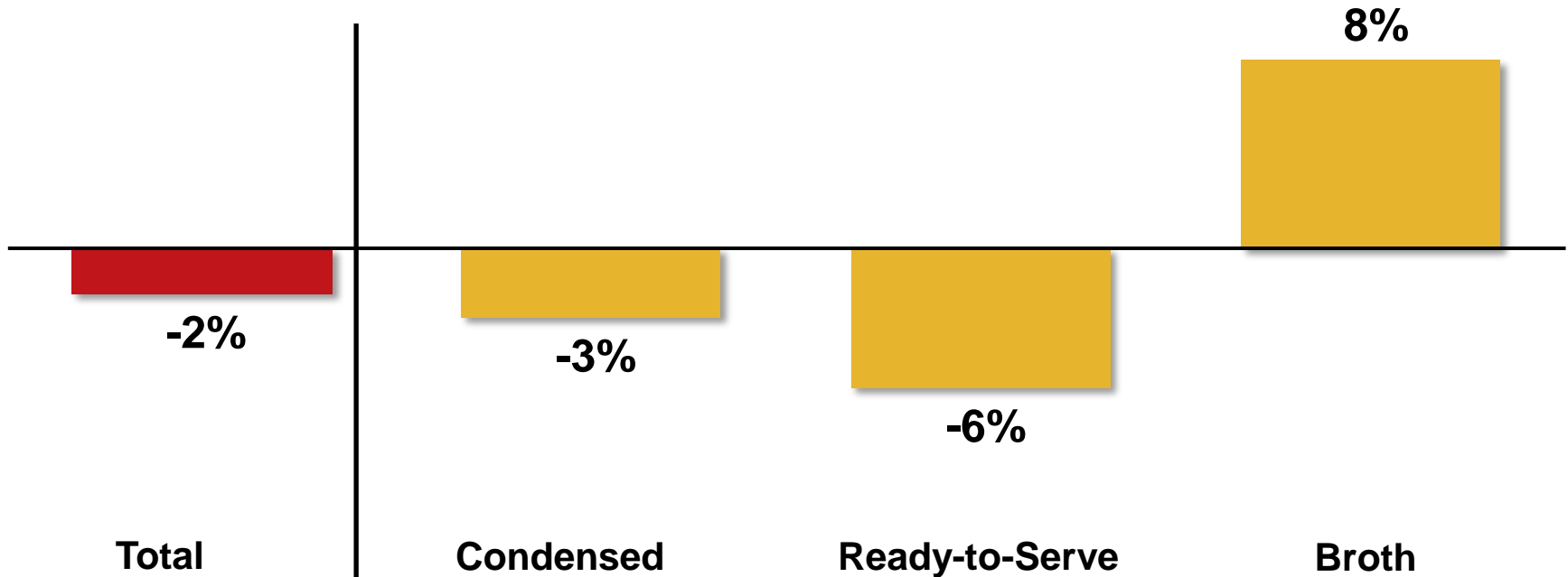


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# U.S. Soup - Net Sales (excluding 53<sup>rd</sup> week)

## Fiscal Year

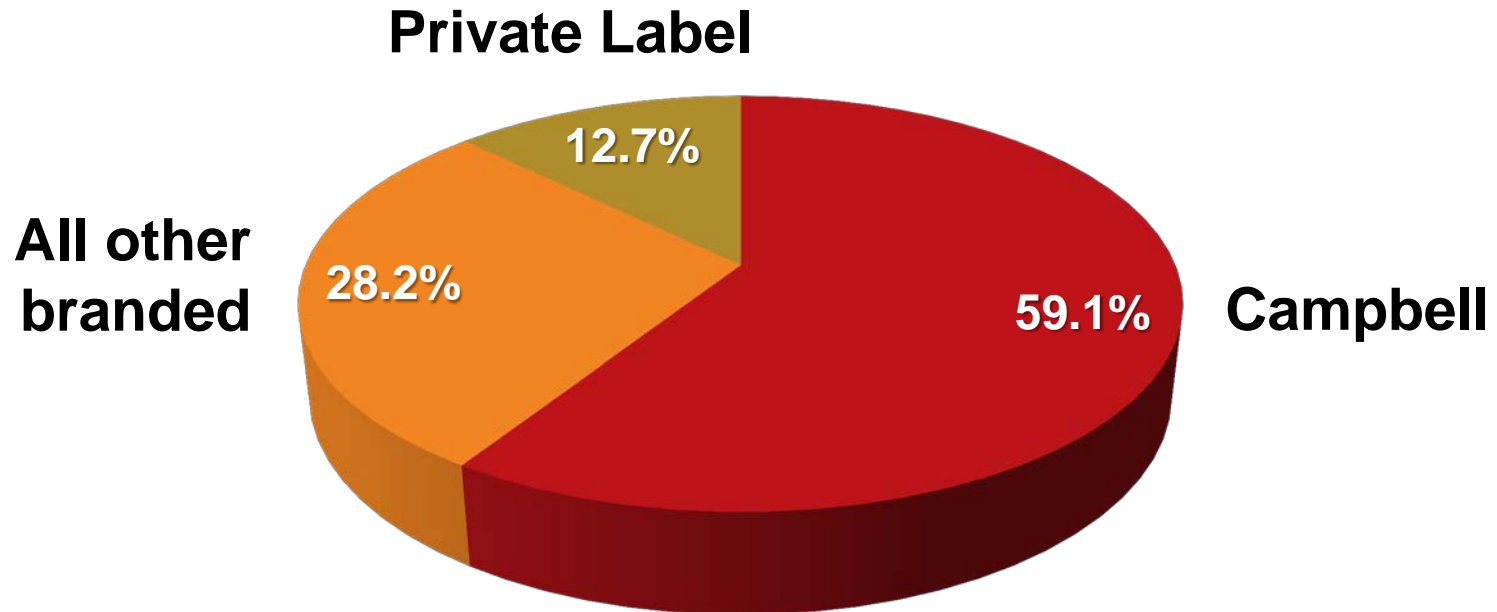
*% Change vs. prior year*



\*Excludes estimated impact of the 53<sup>rd</sup> week

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# Retail Sales – U.S. Wet Soup Latest 52-Week\* Market Share and Category Performance



	<u><i>Campbell</i></u>	<u><i>AO Branded</i></u>	<u><i>Private Label</i></u>
Dollar Share Change	-0.5 ppts	+0.4 ppts	+0.1 ppts
Dollar Sales Change	-2.0%	+0.4%	-0.1%

Campbell/PL figures include condensed and ready-to-serve soup and broth.  
Source: IRI Total U.S. Multi-Outlet for 52-week period ending August 3, 2014



# Cash Flow and Balance Sheet

(\$ millions)

## *Fiscal Year Cash Flow from Operations*



	<b>2014</b>	<b>2013</b>
Fiscal Year Capital Expenditures	\$347	\$336
Fiscal Year Share Repurchases	\$76	\$153
Net Debt*	\$3,783	\$4,120

\* See Non-GAAP reconciliation

# Campbell Fiscal Year 2015 Guidance

Continuing Operations  
(\$ millions, except per share)

	2014 Results (53 weeks)	2014 Estimated Impact of 53 <sup>rd</sup> Week	2014 Base* (52 weeks)	2015 Guidance (vs. 52-week base)
Net Sales	\$8,268	2%	\$8,139	1% to 2%
Adjusted EBIT*	\$1,281	3%	\$1,244	0% to 2%
Adjusted EPS*	\$2.53	\$0.08	\$2.45	0% to 2% \$2.45-\$2.50

\* See Non-GAAP reconciliation

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## Key Assumptions for Fiscal 2015

	Supporting Assumptions for 2015 Guidance
COPS Inflation	~ 3% to 4%
COPS Productivity	~ 3%
Gross Margin Percentage	Comparable
Incentive Compensation Headwinds	~ \$45 million (pre-tax) or \$0.09 per share
Tax Rate	31% to 32%
Share Repurchases	Modest
Capital Expenditures	\$400 million

# Q & A



**Denise Morrison**  
*President and CEO*



**Anthony DiSilvestro**  
*SVP and CFO*



**Jennifer Driscoll**  
*VP-IR*



# Appendix



# Reconciliation of GAAP and Non-GAAP Financial Measures

## Continuing Operations

	Net Sales For the Three Months Ended (\$ millions)					% Change		
	Net Sales, As Reported	Impact of Acquisitions	Impact of 53rd Week	Impact of Currency	Impact of Net Accounting	Organic Net Sales	Net Sales, As Reported	Organic Net Sales
<b>August 3, 2014</b>								
U.S. Simple Meals	\$ 518	\$ (15)	\$ (36)	\$ -	\$ -	\$ 467	5%	-5%
Global Baking and Snacking	628	(32)	(42)	4	-	558	10%	-2%
International Simple Meals and Beverages	188	-	(15)	6	8	187	1%	0%
U.S. Beverages	184	-	(12)	-	-	172	6%	-1%
Bolthouse and Foodservice	334	-	(24)	2	-	312	11%	4%
<b>Net Sales from continuing operations</b>	<b>\$ 1,852</b>	<b>\$ (47)</b>	<b>\$ (129)</b>	<b>\$ 12</b>	<b>\$ 8</b>	<b>\$ 1,696</b>	<b>7%</b>	<b>-2%</b>
<b>July 28, 2013</b>								
U.S. Simple Meals	\$ 493	\$ -	\$ -	\$ -	\$ -	\$ 493		
Global Baking and Snacking	570	-	-	-	-	570		
International Simple Meals and Beverages	187	-	-	-	-	187		
U.S. Beverages	173	-	-	-	-	173		
Bolthouse and Foodservice	300	-	-	-	-	300		
<b>Net Sales from continuing operations</b>	<b>\$ 1,723</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,723</b>		

# Reconciliation of GAAP and Non-GAAP Financial Measures

## Continuing Operations

	Net Sales For the Fiscal Year Ended (\$ millions)						% Change	
	Net Sales, As Reported	Impact of Acquisitions	Impact of 53rd Week	Impact of Currency	Impact of Net Accounting	Organic Net Sales	Net Sales, As Reported	Organic Net Sales
<b>August 3, 2014</b>								
U.S. Simple Meals	\$ 2,944	\$ (71)	\$ (36)	\$ -	\$ -	\$ 2,837	3%	0%
Global Baking and Snacking	2,440	(193)	(42)	65	-	2,270	7%	0%
International Simple Meals and Beverages	780	-	(15)	51	25	841	-10%	-3%
U.S. Beverages	723	-	(12)	-	-	711	-3%	-4%
Bolthouse and Foodservice	1,381	(14)	(24)	4	-	1,347	5%	2%
<b>Net Sales from continuing operations</b>	<b>\$ 8,268</b>	<b>\$ (278)</b>	<b>\$ (129)</b>	<b>\$ 120</b>	<b>\$ 25</b>	<b>\$ 8,006</b>	<b>3%</b>	<b>-1%</b>
<b>July 28, 2013</b>								
U.S. Simple Meals	\$ 2,849	\$ -	\$ -	\$ -	\$ -	\$ 2,849		
Global Baking and Snacking	2,273	-	-	-	-	2,273		
International Simple Meals and Beverages	869	-	-	-	-	869		
U.S. Beverages	742	-	-	-	-	742		
Bolthouse and Foodservice	1,319	-	-	-	-	1,319		
<b>Net Sales from continuing operations</b>	<b>\$ 8,052</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,052</b>		

# Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations  
(\$ millions)

## Fourth Quarter

	Gross Margin	GM %	Tax	Tax Rate
2014 - As Reported	\$ 631	34.1%	\$ 69	33.8%
Add: Restructuring charges and related costs	1		6	
Add: Pension settlement charge	4		1	
2014 - Adjusted	\$ 636	34.3%	\$ 76	33.2%
2013 - As Reported	\$ 623	36.2%	\$ 33	22.3%
Add: Restructuring charges and related costs	10		11	
2013 - Adjusted	\$ 633	36.7%	\$ 44	24.7%

# Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations  
(\$ millions)

## Fiscal Year

	<u>Gross Margin</u>	<u>GM %</u>	<u>Tax</u>	<u>Tax Rate</u>
2014 - As Reported	\$ 2,898	35.1%	\$ 347	32.3%
Add: Restructuring charges and related costs	3		17	
Add: Pension settlement charge	22		8	
Add: Loss on foreign exchange forward contracts	-		3	
Deduct: Tax expense associated with sale of business	-		(7)	
2014 - Adjusted	<u>\$ 2,923</u>	<u>35.4%</u>	<u>\$ 368</u>	<u>31.7%</u>
2013 - As Reported	\$ 2,912	36.2%	\$ 275	28.8%
Add: Restructuring charges and related costs	91		52	
Add: Acquisition transaction costs	-		3	
2013 - Adjusted	<u>\$ 3,003</u>	<u>37.3%</u>	<u>\$ 330</u>	<u>29.8%</u>

# Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

## Fourth Quarter

	Continuing Operations		
	EBIT	Net Earnings	Diluted EPS
2014 - As Reported	\$ 234	\$ 137	\$ 0.43
Add: Restructuring charges and related costs	21	15	0.05
Add: Pension settlement charge	4	3	0.01
2014 - Adjusted	<u>\$ 259</u>	<u>\$ 155</u>	<u>\$ 0.49</u>
2013 - As Reported	\$ 178	\$ 117	\$ 0.37
Add: Restructuring charges and related costs	30	19	0.06
2013 - Adjusted	<u>\$ 208</u>	<u>\$ 136</u>	<u>\$ 0.43</u>
% Change	25%	14%	14%

# Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

## Fiscal Year

	Continuing Operations		
	EBIT	Net Earnings	Diluted EPS*
<b>2014 - As Reported</b>	<b>\$ 1,192</b>	<b>\$ 737</b>	<b>\$ 2.33</b>
Add: Restructuring charges and related costs	58	36	0.11
Add: Pension settlement charge	22	14	0.04
Add: Loss on foreign exchange forward contracts	9	6	0.02
Add: Tax expense associated with sale of business	-	7	0.02
<b>2014 - Adjusted</b>	<b>\$ 1,281</b>	<b>\$ 800</b>	<b>\$ 2.53</b>
<b>2013 - As Reported</b>	<b>\$ 1,080</b>	<b>\$ 689</b>	<b>\$ 2.17</b>
Add: Restructuring charges and related costs	142	90	0.28
Add: Acquisition transaction costs	10	7	0.02
<b>2013 - Adjusted</b>	<b>\$ 1,232</b>	<b>\$ 786</b>	<b>\$ 2.48</b>
<b>% Change</b>	<b>4%</b>	<b>2%</b>	<b>2%</b>

\*May not add due to rounding

# Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

## Net Debt

	<u>August 3, 2014</u>	<u>July 28, 2013</u>
Short-Term Borrowings	\$ 1,771	\$ 1,909
Long-Term Debt	2,244	2,544
Total Debt	<u>\$ 4,015</u>	<u>\$ 4,453</u>
Less: Cash and Cash Equivalents	(232)	(333)
Net Debt	<u><u>\$ 3,783</u></u>	<u><u>\$ 4,120</u></u>

# Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

## Fiscal Year

## Continuing Operations

	<u>As Reported Net Sales</u>	<u>Adjusted EBIT</u>	<u>Adjusted Net Earnings</u>	<u>Adjusted Diluted EPS</u>
2014	\$ 8,268	\$ 1,281	\$ 800	\$ 2.53
Deduct: Impact of 53rd week	(129)	(37)	(25)	(0.08)
Adjusted 2014 base	<u>\$ 8,139</u>	<u>\$ 1,244</u>	<u>\$ 775</u>	<u>\$ 2.45</u>