

General Mills Provides Business Review and Updates Fiscal 2022 Financial Outlook

MINNEAPOLIS, Minn., September 8, 2021 – In conjunction with its participation at the 2021 Barclays Global Consumer Staples Conference, General Mills (NYSE: GIS) provided a review of its North America Retail and Pet business segments, highlighted its enterprise priorities, and updated its full-year financial outlook for fiscal 2022.

The company reiterated the three key priorities that will be critical to its success this year:

- 1) Continuing to compete effectively by executing its *Accelerate* strategy to deliver competitive performance in an evolving operating environment.
- 2) Successfully navigating the dynamic cost environment, leveraging the company's Holistic Margin Management productivity program, Strategic Revenue Management pricing actions, and other efficiency efforts to address input cost inflation and other cost headwinds.
- 3) Executing its portfolio and organization reshaping actions without disrupting the base business. The company completed the acquisition of Tyson Foods' pet treats portfolio on July 6, 2021, and expects to complete the divestiture of its European Yoplait operations by the end of the calendar year.

General Mills updated its full-year fiscal 2022 targets, taking into consideration the evolving operating environment as well as the recent completion of its pet treats acquisition:

- **Organic net sales** are now expected to be toward the higher end of the prior range of down 1 to 3 percent, primarily reflecting stronger-than-expected sales performance in the first quarter.
- Constant-currency **adjusted operating profit** and constant-currency **adjusted diluted EPS** are each now expected to be toward the higher end of the prior ranges of down 2 to 4 percent and flat to down 2 percent, respectively, largely due to the impact of the recent pet treats acquisition, which is estimated to add approximately 2 cents to fiscal 2022 adjusted diluted EPS. The company is addressing the increasing cost environment with incremental SRM and cost efficiency actions.
- **Free cash flow conversion** is still expected to be approximately 95 percent of adjusted after-tax earnings.
- The above targets exclude the impact of the European Yoplait divestiture, which is scheduled to close by the end of the calendar year.

As part of the company's attendance at the 2021 Barclays Global Consumer Staples Conference, Jon Nudi, Group President - North America Retail, Bethany Quam, Group President - Pet segment, and Jeff Siemon, Vice President -



Investor Relations, will participate in a webcasted presentation and fireside chat today, September 8, 2021, at 7:00 a.m. Central time. In addition, General Mills plans to report results for its fiscal 2022 first quarter on Wednesday, September 22, 2021, and will webcast a question-and-answer session on those results at 8:00 a.m. Central time on that day. Interested parties can access the webcasts of the Barclays conference and the company's discussion of its first-quarter results at www.generalmills.com/investors.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on our current expectations and assumptions. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the potential results discussed in the forward-looking statements. In particular, our predictions about future net sales and earnings could be affected by a variety of factors, including: the impact of the coronavirus (COVID-19) pandemic on our business, suppliers, consumers, customers, and employees; disruptions or inefficiencies in the supply chain, including any impact of the coronavirus (COVID-19) pandemic; competitive dynamics in the consumer foods industry and the markets for our products, including new product introductions, advertising activities, pricing actions, and promotional activities of our competitors; economic conditions, including changes in inflation rates, interest rates, tax rates, or the availability of capital; product development and innovation; consumer acceptance of new products and product improvements; consumer reaction to pricing actions and changes in promotion levels; acquisitions or dispositions of businesses or assets; changes in capital structure; changes in the legal and regulatory environment, including tax legislation, labeling and advertising regulations, and litigation; impairments in the carrying value of goodwill, other intangible assets, or other long-lived assets, or changes in the useful lives of other intangible assets; changes in accounting standards and the impact of significant accounting estimates; product quality and safety issues, including recalls and product liability; changes in consumer demand for our products; effectiveness of advertising, marketing, and promotional programs; changes in consumer behavior, trends, and preferences, including weight loss trends; consumer perception of health-related issues, including obesity; consolidation in the retail environment; changes in purchasing and inventory levels of significant customers; fluctuations in the cost and availability of supply chain resources, including raw materials, packaging, energy, and transportation; effectiveness of restructuring and cost saving initiatives; volatility in the market value of derivatives used to manage price risk for certain commodities; benefit plan expenses due to changes in plan asset values and discount rates used to determine plan liabilities; failure or breach of our information technology systems; foreign economic conditions, including currency rate fluctuations; and political unrest in foreign markets and economic uncertainty due to terrorism or war. The company undertakes no obligation to publicly revise any forward-looking statement to reflect any future events or circumstances.

Our fiscal 2022 outlook for organic net sales growth, constant-currency adjusted operating profit, adjusted diluted EPS, and free cash flow are non-GAAP financial measures that exclude, or have otherwise been adjusted for, items impacting comparability, including the effect of foreign currency exchange rate fluctuations, restructuring charges and project-related costs, acquisition transaction and integration costs, acquisitions, divestitures, and mark-to-market effects. We are not able to reconcile these forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures without unreasonable efforts because we are unable to predict with a reasonable degree of certainty the actual impact of changes in foreign currency exchange rates and commodity prices or the timing or impact of acquisitions, divestitures, and restructuring actions throughout fiscal 2022. The unavailable information could have a significant impact on our fiscal 2022 GAAP financial results.

About General Mills

General Mills makes food the world loves. The company is guided by its Accelerate strategy to drive shareholder value by boldly building its brands, relentlessly innovating, unleashing its scale and being a force for good. Its portfolio of beloved brands includes household names such as Cheerios, Nature Valley, Blue Buffalo, Häagen-Dazs, Old El Paso, Pillsbury, Betty Crocker, Yoplait, Annie's, Wanchai Ferry, Yoki and more. Headquartered in Minneapolis, Minnesota, USA, General Mills generated fiscal 2021 net sales of U.S. \$18.1 billion. In addition, the company's share of non-consolidated joint venture net sales totaled U.S. \$1.1 billion.

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Contacts

(Investors) Jeff Siemon: +1-763-764-2301

(Media) Kelsey Roemhildt: +1-763-764-6364