Healthy Growth



General Mills

Fiscal 2014 1st Quarter Results

September 18, 2013

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on management's 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: 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 laws and regulations, including labeling and advertising regulations; 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 and energy; disruptions or inefficiencies in the supply chain; 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 statements to reflect any future events or circumstances.

Q1 Financial Review



Don Mulligan

Executive Vice President;

Chief Financial Officer

First Quarter Fiscal 2014 Financial Summary

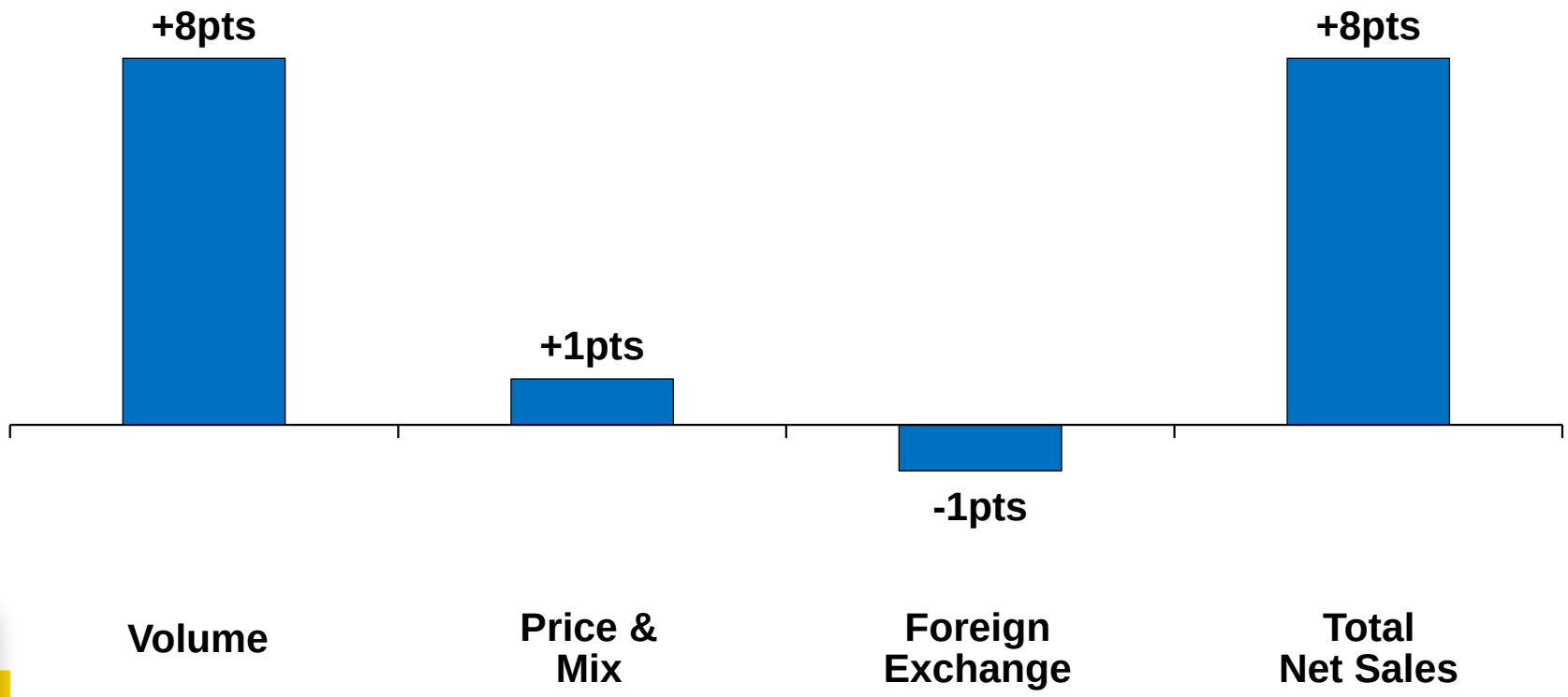
($ in Millions, Except per Share)

	$	% Change
Net Sales	$4,373	+8%
Segment Operating Profit*	812	+6
Net Earnings Attributable to General Mills	459	-16
Diluted EPS	.70	-15
Certain Items Affecting Comparability	---	
EPS Excluding Certain Items Affecting Comparability*	.70	+6%

* Non-GAAP Measure. See Appendix for Reconciliation.

First Quarter Fiscal 2014
Components of Net Sales Growth

As Reported



First Quarter 2014
U.S. Retail Net Sales

First Quarter Net Sales
(Change vs. LY)

Total U.S. Retail Segment	**+4%**
Snacks	+10
Small Planet Foods	+9
Baking Products	+5
Big G Cereals	+4
Yoplait	Flat
Frozen Foods	Flat
Meals	-1













First Quarter 2014
Convenience Stores & Foodservice Net Sales

Total Segment -1% vs. LY











Q1 Highlights

- Product Mix Focus on Higher Margin Products
- Sales Growth in Cereal, Frozen Breakfast, and Yogurt

First Quarter 2014 International Net Sales Growth at Constant-currency*

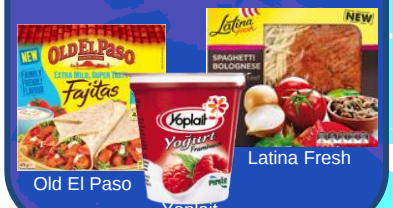
Total Segment: +25% vs. LY

Canada +21%



Cereal Yogurt Nature Valley

Europe -3%



Old El Paso Yoplait Latina Fresh

Asia Pacific +13%



Häagen-Dazs Shops Wanchai Ferry

Latin America +196%



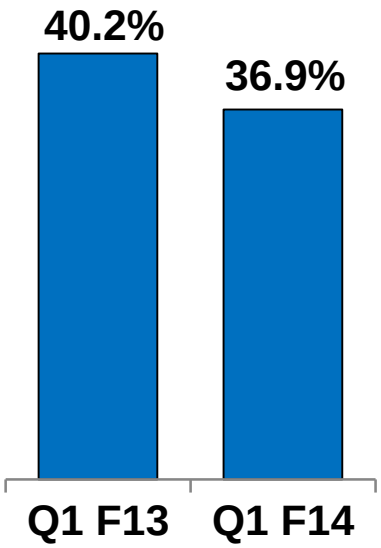


Diablitos La Salteña

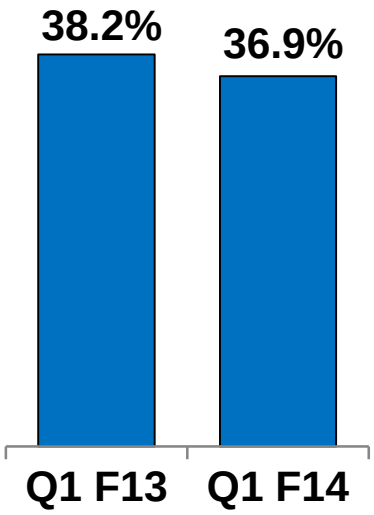
*Non-GAAP Measure. See Appendix for Reconciliation

First Quarter 2014
Gross Margin Performance

As Reported



Underlying*



2014 Input Costs

- 60% Covered
- Inflation Weighted Towards 1st Half
- 3% Inflation for Year in Total

* Non-GAAP Measure. See Appendix for Reconciliation.

First Quarter 2014
Global Media Spending

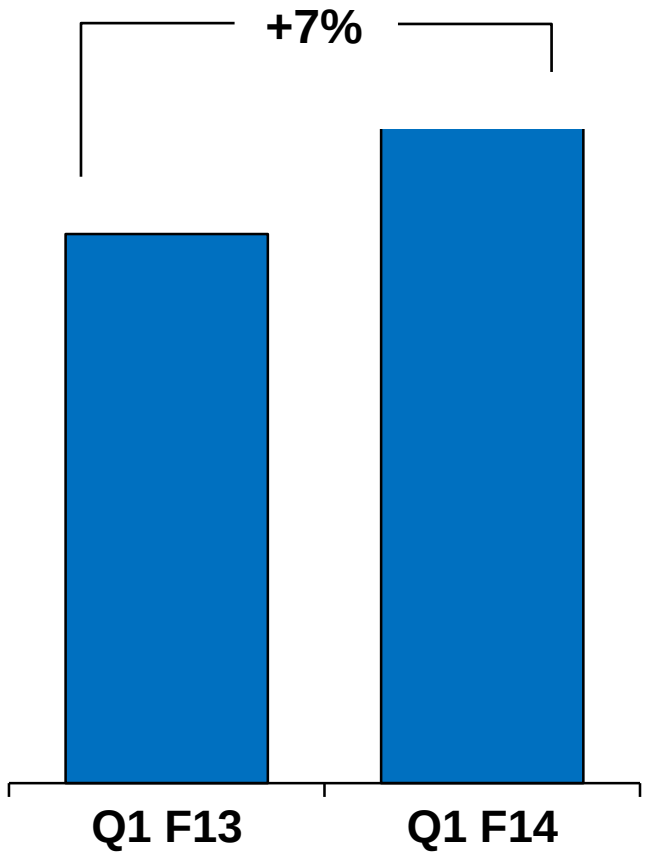








General Mills Media Spending
($ in Millions)



First Quarter 2014
Segment Operating Profit

($ in Millions)

	$	% Change
Total Segment Operating Profit*	**$812**	**+6%**
U.S. Retail	612	+6
International	126	Flat
Convenience Stores & Foodservice	74	+10

* Non-GAAP Measure. See Appendix for Reconciliation.

First Quarter 2014
Joint Ventures

After-tax Earnings: $24MM; +4% vs. LY



Cereal Partners Worldwide

- Net Sales +1%*



Häagen-Dazs Japan

- Net Sales Flat*

*Constant-currency Basis.

First Quarter 2014
Other Income Statement Items

- Unallocated Corporate Expense Increased Excluding Mark-to-market Effects
- Tax Rate 32.2% Excluding Items Affecting Comparability Versus 31.4% a Year Ago*
- Average Diluted Shares Outstanding Lower

* Non-GAAP Measure. See Appendix for Reconciliation.

2014 Core Working Capital

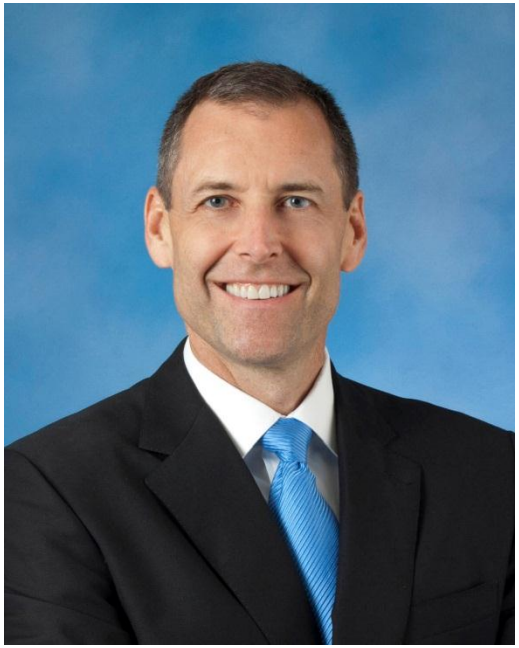
($ in Millions)

	1st Quarter	
	F14	F13
Accounts Receivable	$1,638	$1,474
Inventories	1,774	1,808
Accounts Payable	1,426	1,265

Fiscal 2014 Financial Outlook

- Targeting Low Single-digit Net Sales Growth
- Targeting Mid Single-digit Segment Operating Profit Growth
- Expected Diluted EPS of $2.87 - $2.90 Before Items Affecting Comparability

U.S. Cereal Business Update



Jim Murphy

Senior Vice President;

President – Big G Cereals

The Benefits of Cereal



- Great Taste and Variety
- Convenient
- $0.50 a Bowl – Including Milk
- High in Nutrition
- Low in Calories

Guilt-free Taste and Nutrition

¾ Cup Cocoa Puffs w/ ½ Cup Skim Milk

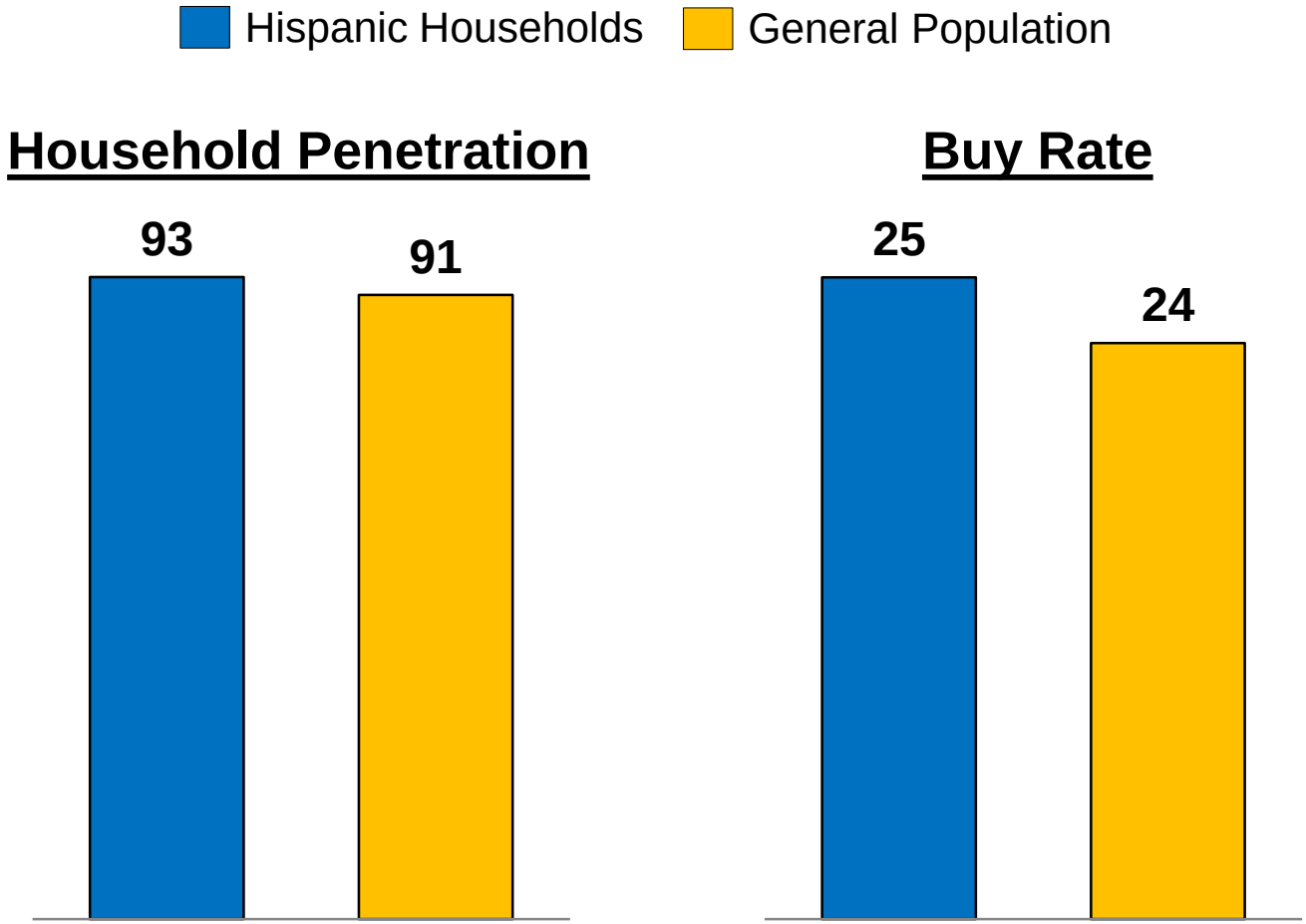
Nutrition Facts

Serving Size ¾ cup (27g)
Servings Per Container about 22

Amount Per Serving	with ½ cup skim milk
Calories	150
Calories from Fat	15
	% Daily Value**
Total Fat 1.5g*	2%
Saturated Fat 0g	0%
Trans Fat 0g	
Polyunsaturated Fat 0.5g	
Monounsaturated Fat 0.5g	
Cholesterol 0mg	1%
Sodium 150mg	9%
Potassium 70mg	8%
Total Carbohydrate 23g	10%
Dietary Fiber 2g	7%
Sugars 10g	
Other Carbohydrate 11g	
Protein 1g	
Vitamin A	15%
Vitamin C	10%
Calcium	25%
Iron	25%
Vitamin D	25%
Thiamin	30%
Riboflavin	35%
Niacin	25%
Vitamin B_6	25%
Folic Acid	25%
Vitamin B_{12}	35%
Phosphorus	20%
Magnesium	6%
Zinc	30%
Copper	2%



U.S. Consumers Love Cereal

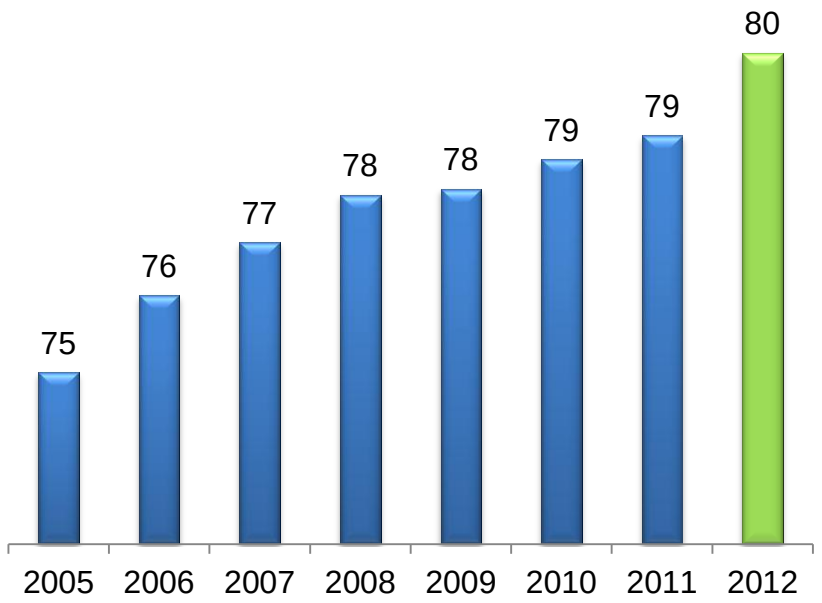


Annual Retail Category Sales: $9.4 Billion

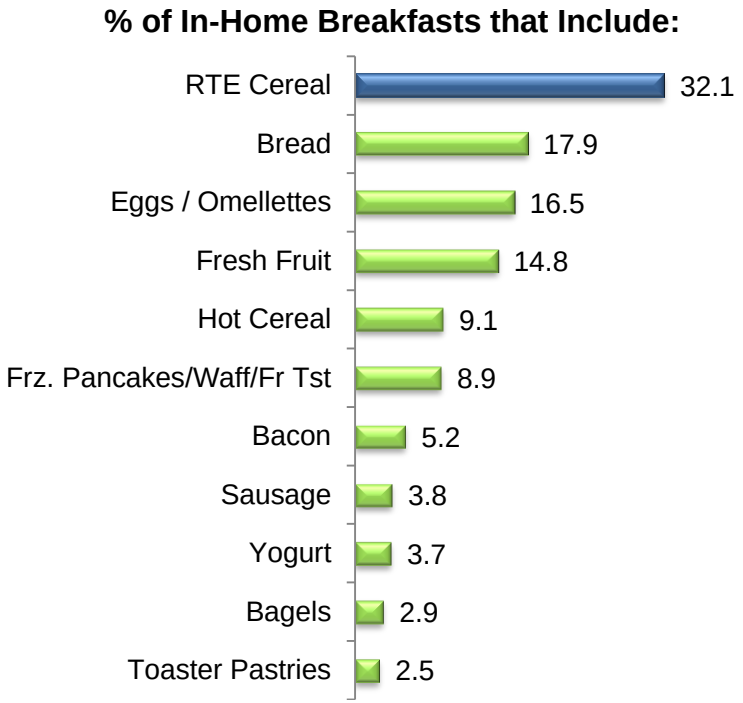
Sources: Household Penetration and Buy Rate: Nielsen Panel Data Fiscal 2012; Retail Sales: Nielsen XAOC 12 Month Period Ended 5.25.13

Cereal is the Top Choice for Breakfast

% of Breakfast Meals Consumed In-home



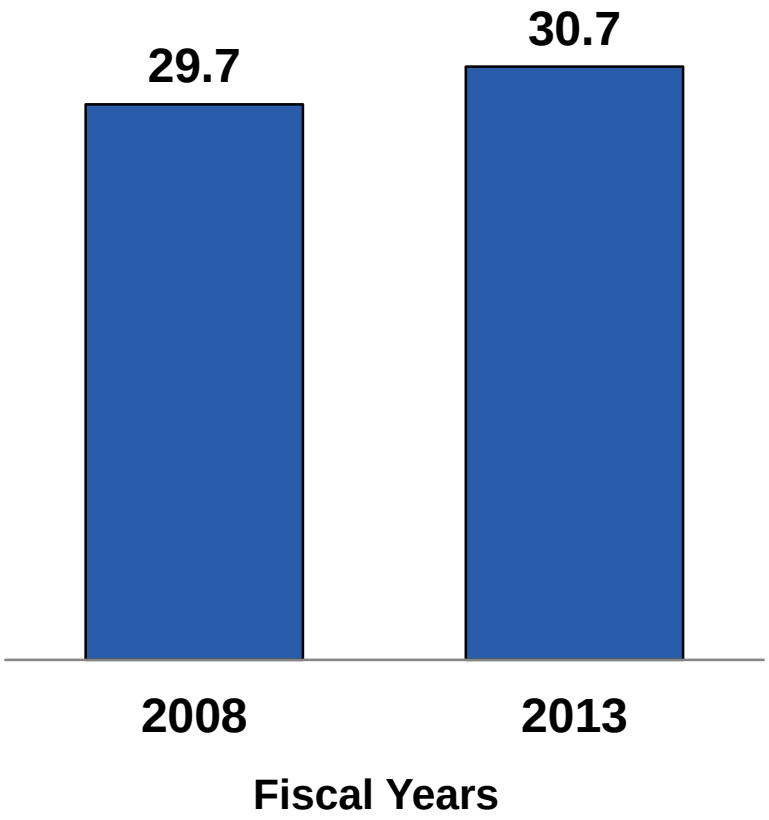
RTE Cereal is the #1 Food Consumed for Breakfast In-home



Source: The NPD Group's National Eating Trends® and CREST® ServicesTime Period: Years ending Feb 2012

General Mills U.S. Cereal Performance

General Mills
Cereal Dollar Share



2014 Q1 Highlights

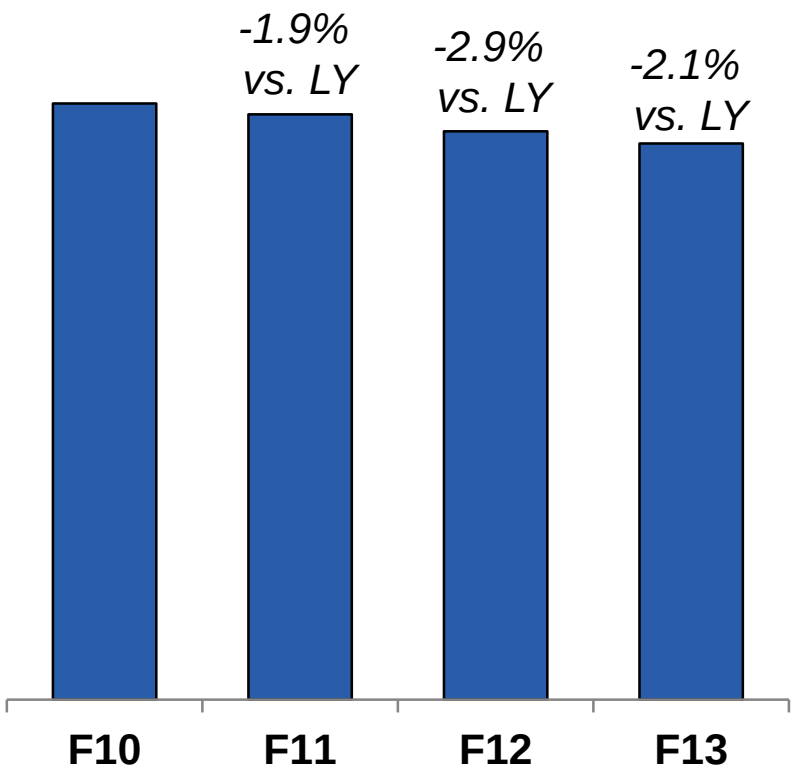
- Net Sales +4%
- Dollar Share +0.2 Points
- Media Spending +LSD

Sources: 2008 Nielsen All Outlet; 2013 Nielsen XAOC; 2014 Q1 Nielsen XAOC, Period Ended 8.24.13

Recent Cereal Category Unit Volume Trends

Cereal Category

(millions of units)



Factors

- Subpar Branded Innovation
- Insufficient Product News on Established Brands
- Declining Levels of Media Investment

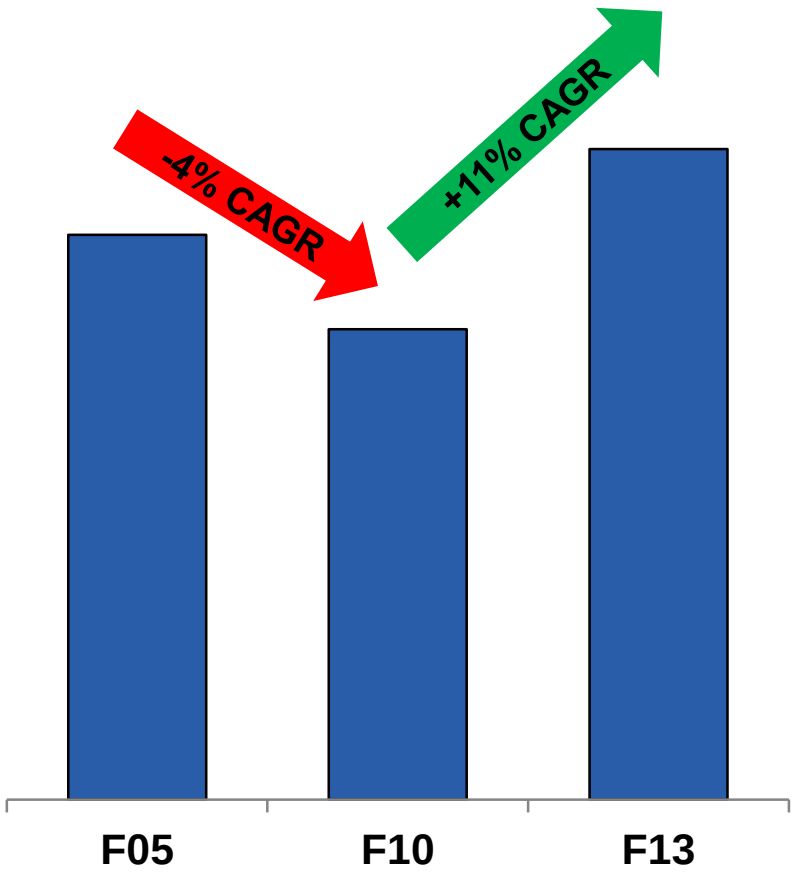
Source: Nielsen XAOC

General Mills Plans for Cereal Growth in 2014

- Renovate Core Brands to Increase Relevance
- Innovate With New Brands and Product News
- Invest to Drive Distribution Gains and Consumer Awareness

Chex Product News

Chex Retail Sales





Source: Nielsen Total U.S. Food

Honey Nut Cheerios is America's Favorite Cereal

#MustBeTheHoney





F14 Q1 Retail Sales +4%

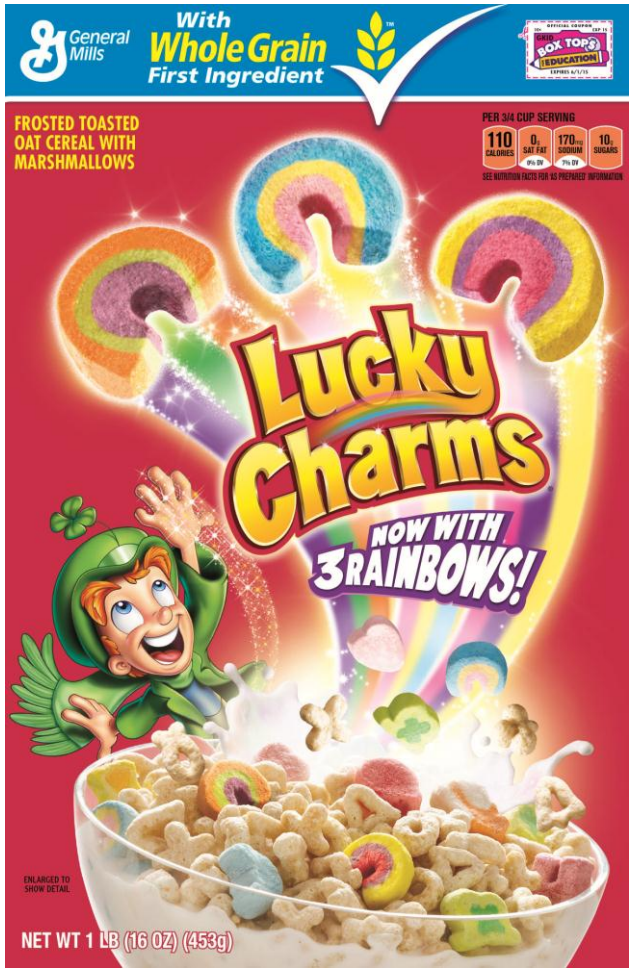
Source: Nielsen XAOC, Period Ended 8.24.13

The One and Only Cheerios

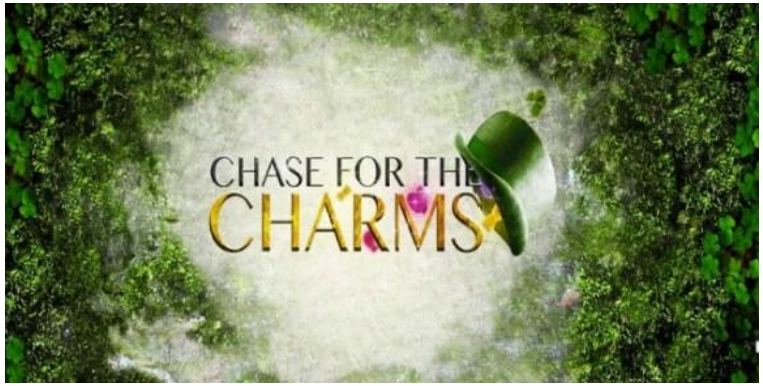




Happy 50th Birthday Lucky!



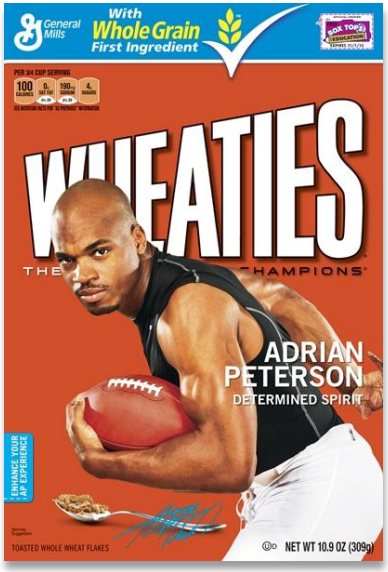


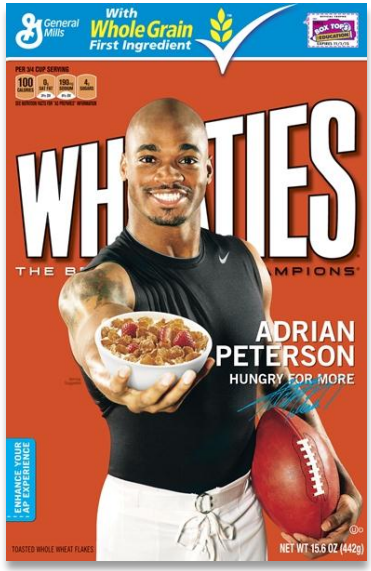


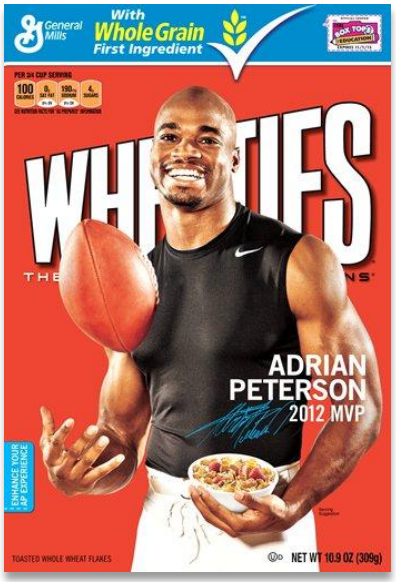
F14 Q1 Retail Sales +11%

Source: Nielsen XAOC Period Ended 8.24.13

Wheaties – Breakfast of Champions









Monsters Cereals – Back for Halloween



F10-F13 Retail Sales +12% CAGR

Source: Nielsen XAOC

New Product Innovation – Great Taste



Top-selling New Item in Calendar 2013

Source: Nielsen XAOC, Period Ended 8.24.13



Top-turning New Cereal in Chocolate Segment

Source: Nielsen XAOC, 13 Week Period Ended 8.24.13

New Product Innovation

Protein



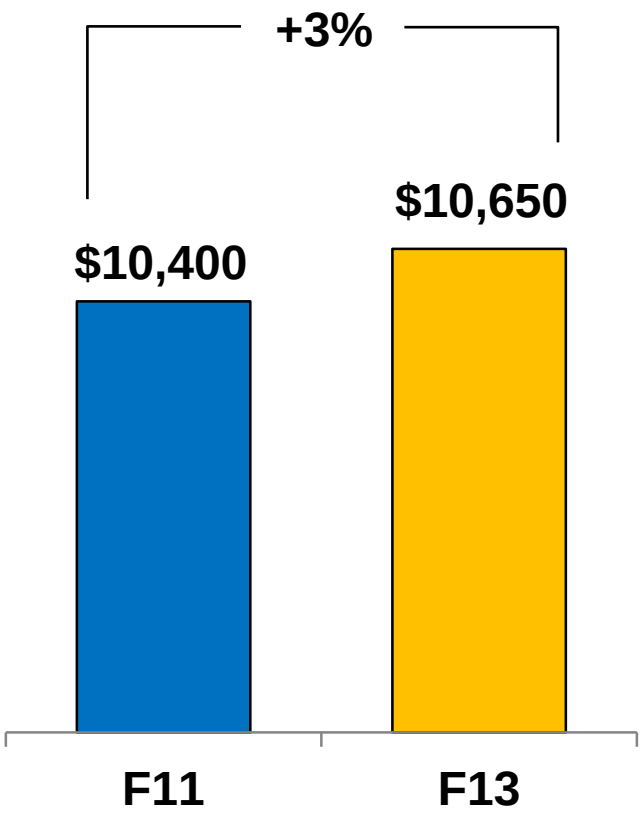
Convenience



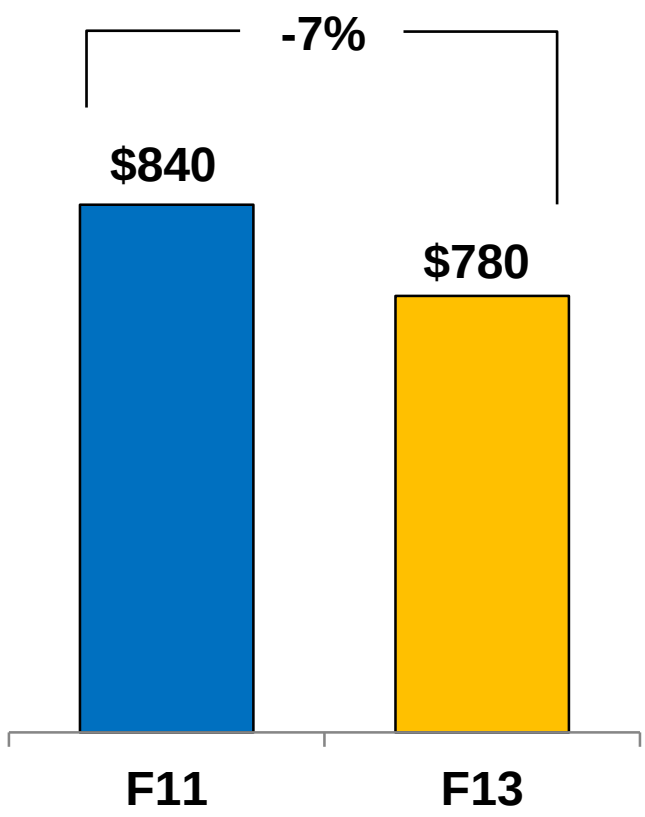
Cereal Category Advertising Trends

(Measured Media $)

Total U.S. Food/Bev
Media Spending
($ in Millions)



Cereal Category
Media Spending
($ in Millions)

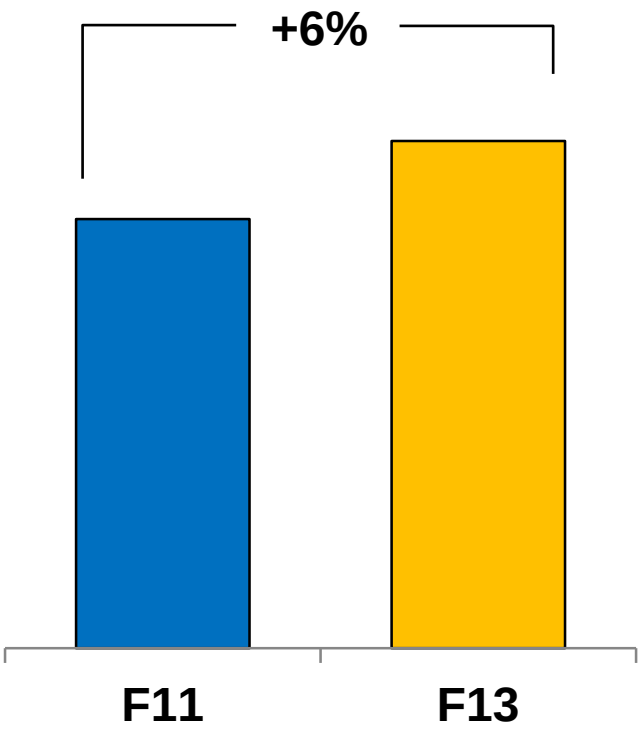


Sources: Media Spending: Kantar, Latest 12 Month Period Ended May 2013

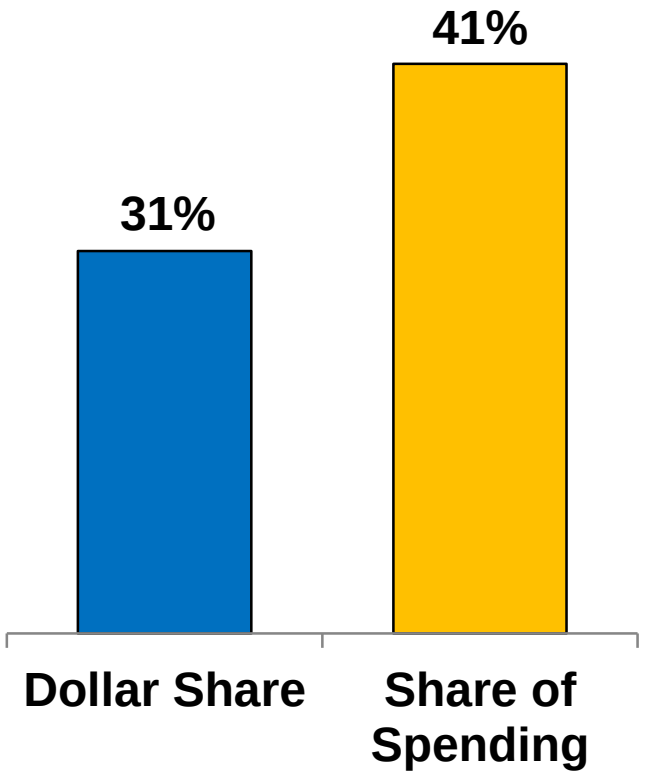
General Mills – Increasing Share of Voice

(Measured Media $)

General Mills Cereal Media Spending
($ in Millions)



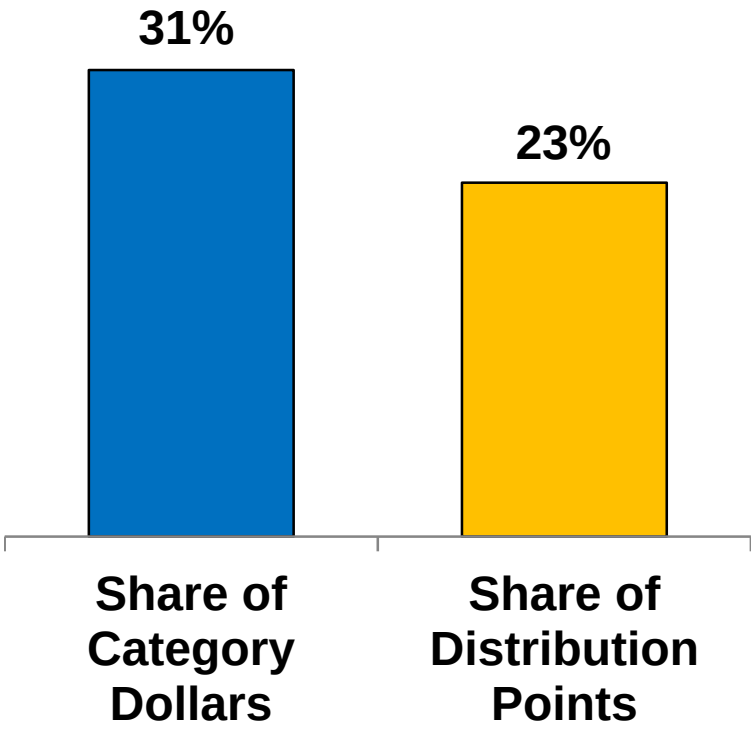
General Mills Share of Cereal Category Sales and Spending



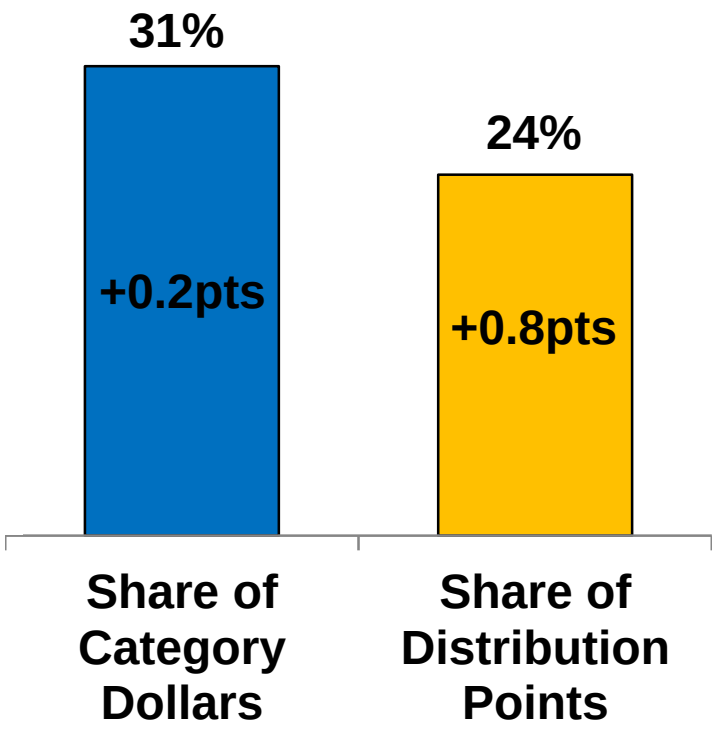
Sources: Media Spending: Kantar, Latest 12 Month Period Ended May 2013
Dollar Share: Nielsen XAOC, 12 Month Period Ended 7.27.13

General Mills
Expanding Cereal Distribution in 2014

Fiscal 2013



Fiscal 2014 Q1
(Absolute and Change vs. LY)



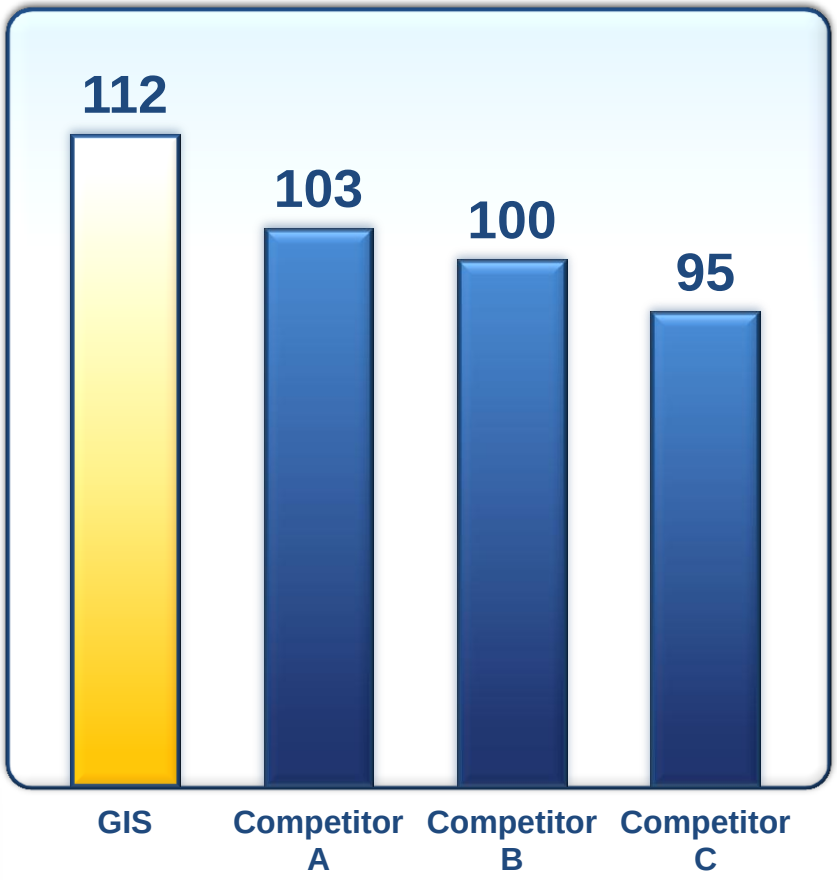
Source: Nielsen XAOC

Cereal Category - Leading Sales Velocity

$ Sales Velocity Index

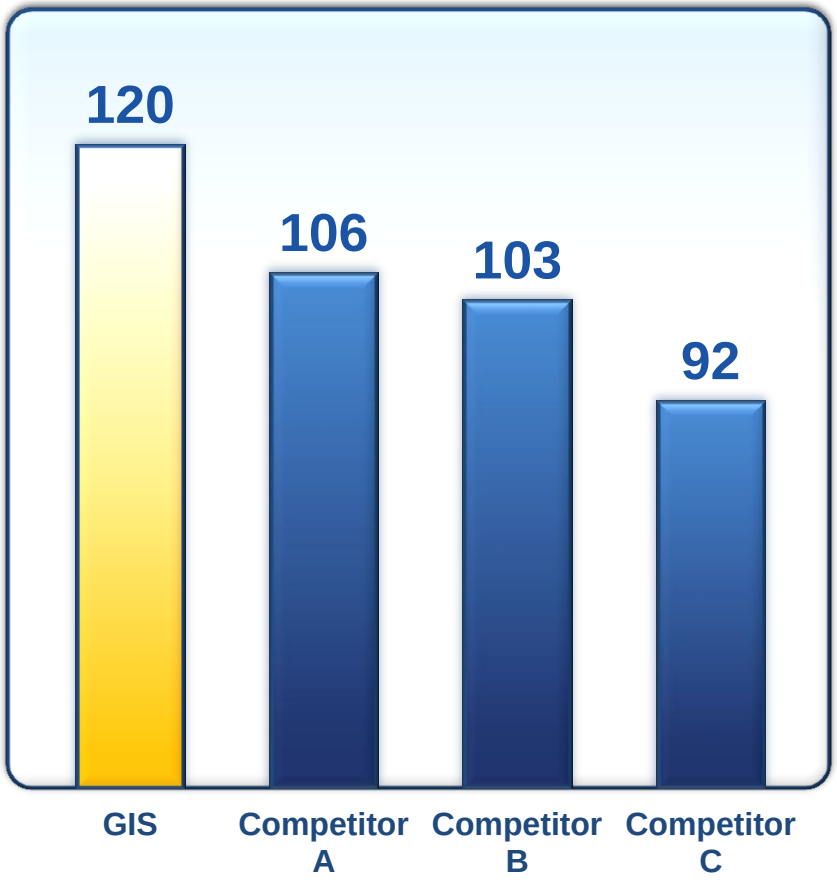
(Index: Category = 100)

Fiscal 2013



Source: Nielsen Scanner Data, Grocery + Supercenter; 52 weeks ended 05/25/13

Fiscal 2014 Q1



Source: Nielsen Scanner Data, Grocery + Supercenter; 13 weeks ended 8/24/13

2014 U.S. Cereal Summary

- U.S. Consumers Love Cereal – For Good Reasons
- Category Needs More Product News and Consumer Marketing Support
- Targeting Sales and Profit Growth for Our Cereal Business in F14

Operating Highlights and Outlook



Ken Powell

Chairman of the Board;

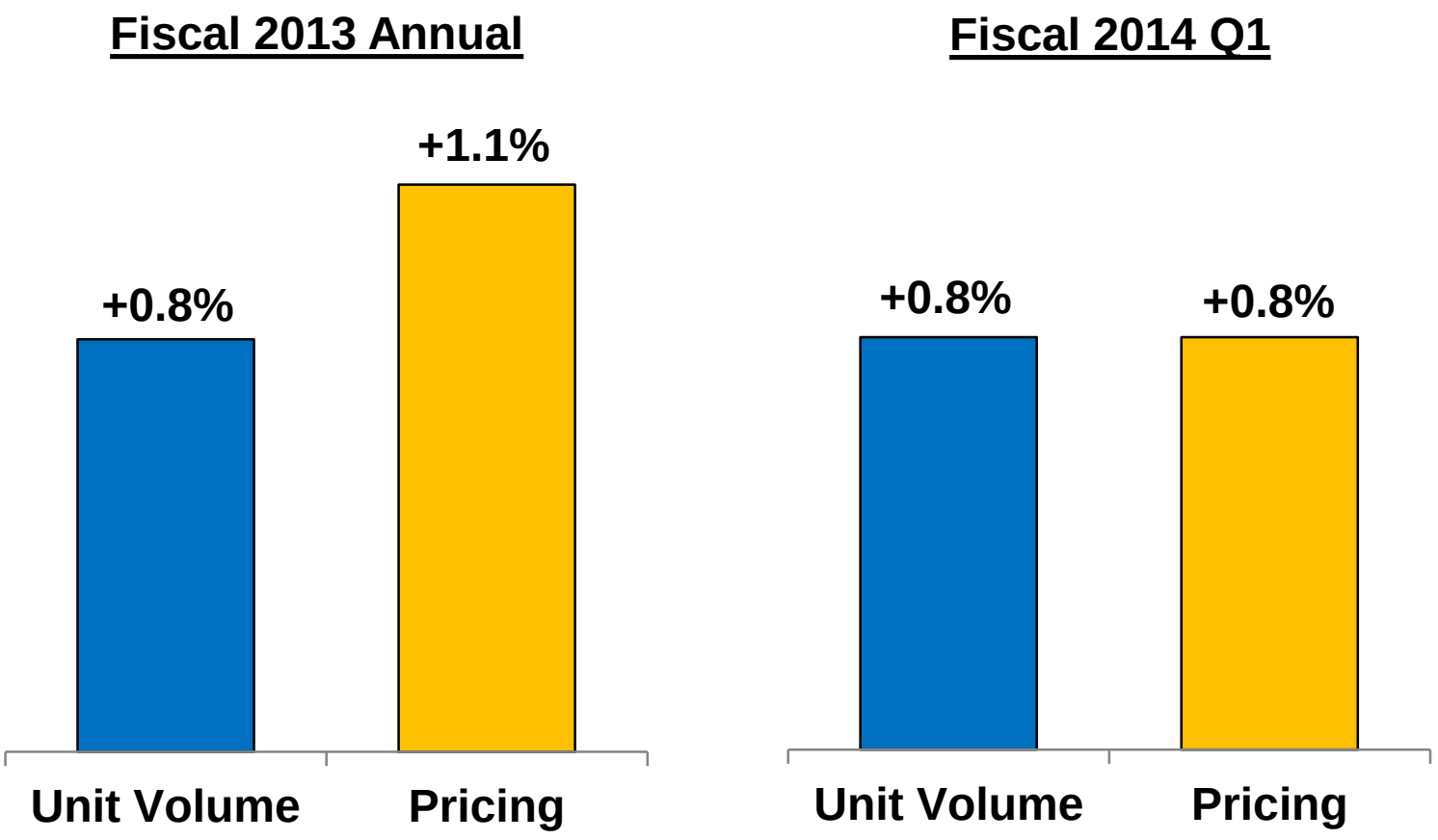
Chief Executive Officer

Food Industry Input Cost Trends

- Short-term Input Cost Trend is a Mixed Bag
- Our F14 Supply Chain Inflation Estimate is 3%
- Long-term Trend Will be Inflationary, Driven by Rising Global Demand for Food and Energy

U.S. Categories - Balanced Growth

Aggregate General Mills Categories
(Change vs. LY)

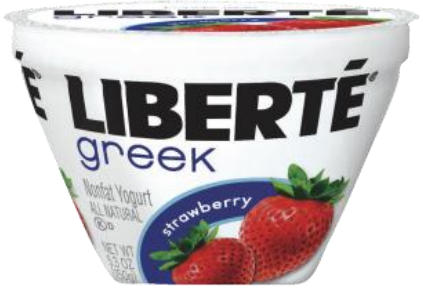


Source: Nielsen XAOC

U.S. Yogurt



$150MM in Year 1 Retail Sales



L12 Months Distribution +DD%





Source: Nielsen XAOC, Period Ended 8.24.13

U.S. Snacks

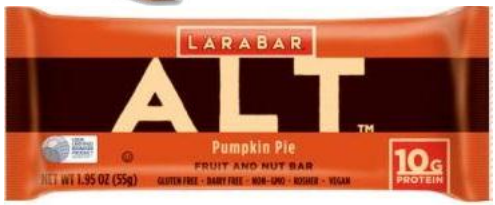
Grain





Natural & Organic





Hot Snacks





Other U.S. Retail Highlights

Dry Dinners





Soup





Refrigerated Dough





Strong Levels of U.S. Retail New Product Innovation



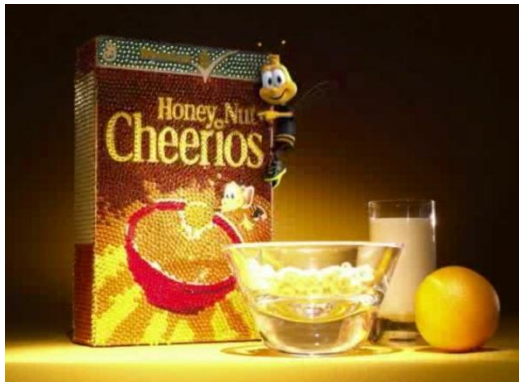
Second Quarter 2014
U.S. Media Investment













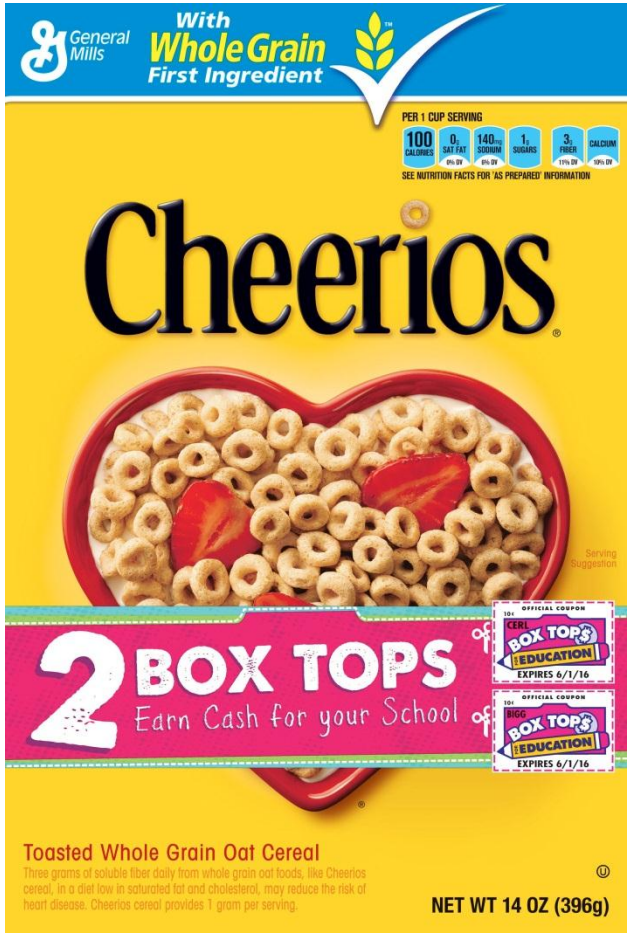


Second Quarter 2014
U.S. Retail Marketing / Merchandising Events

Breast Cancer



K-8 Fundraising



Convenience Stores & Foodservice
1st Quarter Net Sales Growth

Snacks







+LSD

Yogurt





+HSD

Cereal





+HSD

Frozen Breakfast





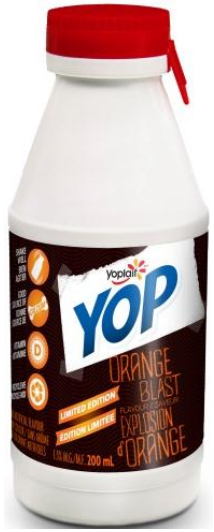


+DD

International Highlights - Canada











Dollar Share +1.7 Points Since Sept 2012 Acquisition of Yoplait License

Source: Nielsen, Period Ended 8.24.13

International Highlights - Europe





















New in Q2

International Highlights – Asia Pacific

Greater China









1st Quarter Highlights

- Häagen-Dazs Sales +DD
- Wanchai Ferry Sales +DD
- Geographic Expansion Efforts Underway
  - Häagen-Dazs Shops
  - Häagen-Dazs Retail

International Highlights – Latin America

Brazil











L12 Month Retail Sales +DD

Source: Nielsen Period Ended July 2013

Today's General Mills 2014 Update

- Solid Start in Q1, Reaffirming Annual Guidance
- Stronger Product Innovation, Stronger Advertising
- Inflation Manageable, Categories Growing
- Our Categories, and Our Brand Strength, are Competitive Advantages

Healthy Growth



General Mills

Fiscal 2014 1st Quarter Results

September 18, 2013

Reconciliation of Segment Operating Profit

($ in Millions)

	Q1	
	2014	**2013**
USRO	$612	$575
International	126	126
CS&F	74	68
Segment Operating Profit	$812	$769
Unallocated Corporate Items	74	(21)
Restructuring, Impairment and Other	3	9
Operating Profit	$735	$780

Table does not foot due to rounding

Reconciliation of Adjusted Diluted EPS

	Q1	
	2014	**2013**
Diluted EPS	$0.70	$0.82
Mark-to-market Effects	--	(.07)
Restructuring	--	.01
Tax Item	--	(.10)
Diluted EPS Excluding Certain Items Affecting Comparability	$0.70	$0.66

Reconciliation of Constant Currency Net Sales Growth

	Q1 2014		
	% Change in Net Sales as Reported	Impact of Foreign Currency Exchange	% Change in Net Sales on a Constant-Currency Basis
Europe	Flat	3	-3
Canada	18	-3	21
Asia/Pacific	15	2	13
Latin America	159	-37	196
Total International	22%	-3 pts	25%

Reconciliation of Gross Margin

($ in Millions)

	2014 Q1		2013 Q1	
	$	% of Net Sales	$	% of Net Sales
Net Sales	$4,373		$4,051	
Gross Margin as Reported	1,613	36.9%	1,628	40.2%
Mark-to-market Effects	1		(82)	
Gross Margin Excluding Mark-to-market Effects	$1,614	36.9%	$1,547	38.2%

Table does not foot due to rounding

Reconciliation of Effective Income Tax Rate

($ in Millions)

	Q1 2014		Q1 2013	
	Pre-tax Earnings*	Income Taxes	Pre-tax Earnings*	Income Taxes
As Reported	$656	$212	$697	$158
Mark-to-market effects	1	--	(82)	(30)
Restructuring Costs	3	--	9	1
Tax Item		--		67
As Adjusted	$660	$213	$624	$196
Effective Tax Rate				
As Reported		32.3%		22.7%
As Adjusted		32.2%		31.4%

*Earnings Before Income Taxes and After-tax Earnings from Joint Ventures.
Table Does Not Foot Due to Rounding.