

General Mills

Barclays Global Consumer Staples Conference 2015

A Reminder on Forward-looking Statements

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 the legal and regulatory environment, including 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 and energy; disruptions or inefficiencies in the supply chain; effectiveness of restructuring and cost savings 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. Forward-looking statements regarding the sale of our Green Giant business are subject to obtaining necessary approvals and consents for the transaction, fulfillment of other transaction conditions, economic conditions, and overall business and capital allocation strategy. The company undertakes no obligation to publicly revise any forward-looking statements to reflect any future events or circumstances.

Since Investor Day in July…

- Increased Portfolio Focus With Announced Sale of Green Giant
- Progress Against Key F16 Growth Initiatives
- Enhanced Future Cost Structure by Announcing Two Additional Plant Closures

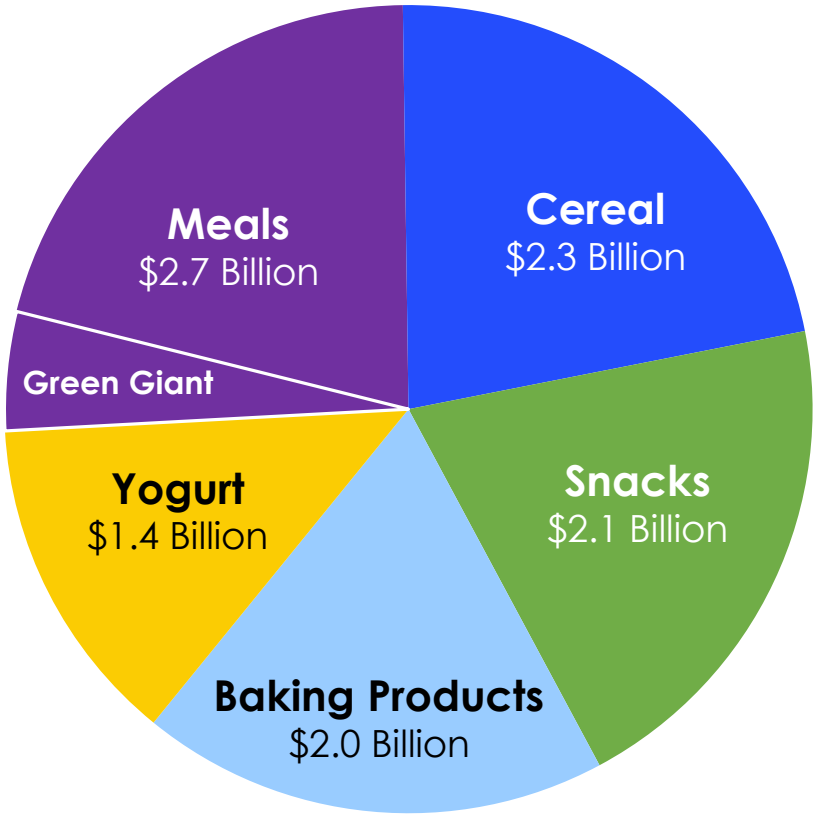
Green Giant Divestiture Summary

- Selling Green Giant Brand to B&G Foods; General Mills Will Continue to Operate in Europe and Select Other Markets Via Royalty-free License
- Gross Sale Proceeds of Approximately $765MM
- Net Cash Proceeds to be Used for Share Repurchases and Debt Reduction
- Estimated F16 EPS Dilution of Approximately $0.05-$0.07
- Transaction Expected to Close by End of CY 2015

Reporting F16 Q1 Results September 22

- Expect Strong Growth in First-quarter U.S. Retail Net Sales and Segment Operating Profit
  - Comparing Against Net Sales and Profit Declines in Fiscal 2015 First Quarter
  - Benefits from Renovation, Innovation, and Cost Savings Initiatives
- Expect Strong Growth in First-quarter Adjusted Diluted EPS

U.S. Retail Segment Overview



Cheerios

yoplait

Pillsbury

Totino's

NATURE VALLEY

Annie's

F15 Net Sales = $10.5 Billion

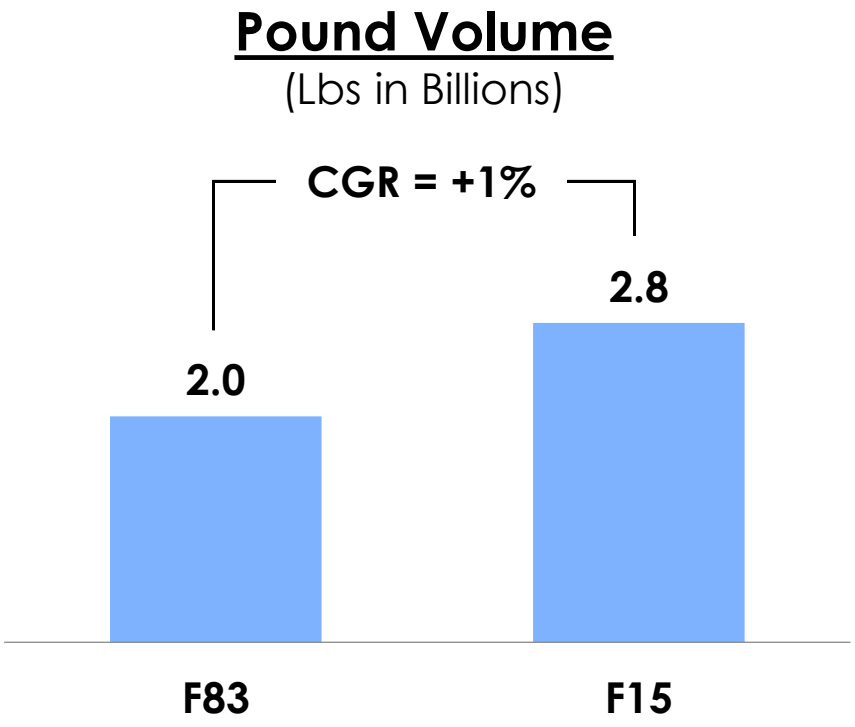
Changing How We Operate

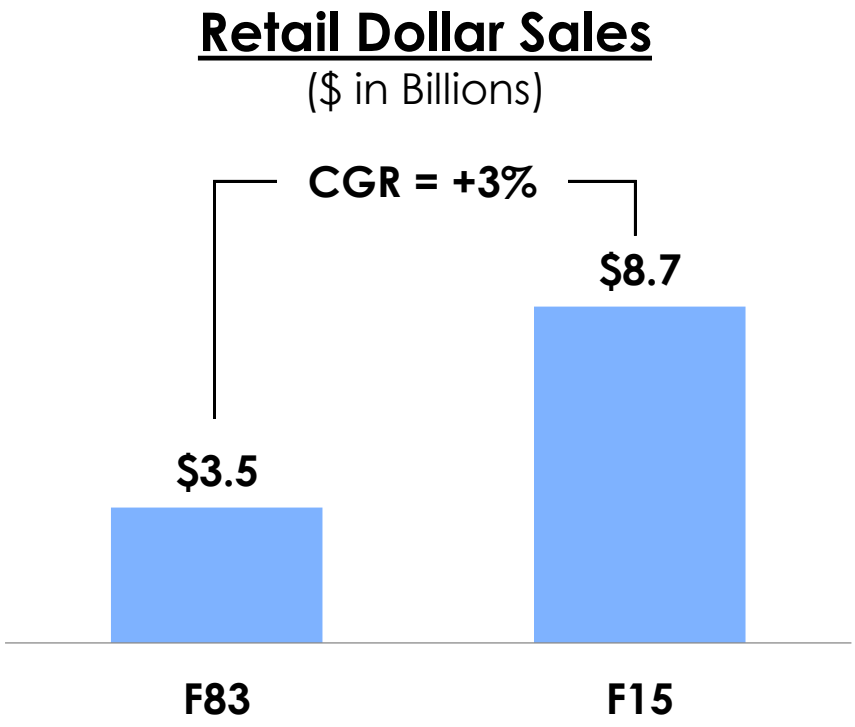
- Changing Consumer Interests Require Heightened Emphasis on Consumer First
- Faster, More Agile Organization Enabled by Project Catalyst
- Resources Focused Against Best Future Growth Opportunities

U.S. Retail Fiscal 2016 Priorities

- Grow Cereal
- Accelerate Yogurt and Snacks
- Drive Double-digit Growth on Natural & Organic Portfolio
- Deliver Consumer-first Value on Key Brands

U.S. Cereal Category Has a Long History of Growth

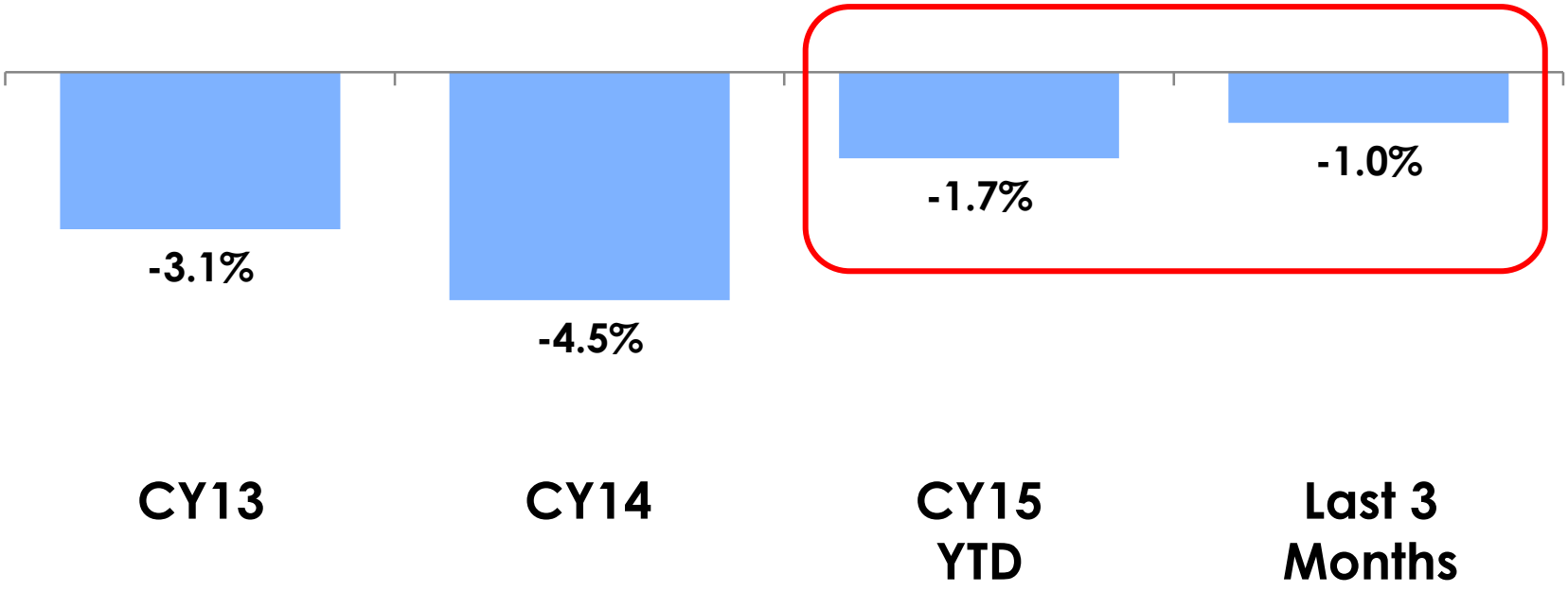




Source: SAMI, Nielsen XAOC

Category Declines in 2013-14 Have Moderated in 2015

(RTE Cereal Category Dollar Volume % vs. LY)



Source: Nielsen XAOC; YTD and L3 months ended 8.1.15

Cereal is Growing in Foodservice Outlets



- Cereal Category Growth in Fiscal 2015
- General Mills Leads in K-12 Schools and Colleges & Universities
- Expanding presence in Healthcare

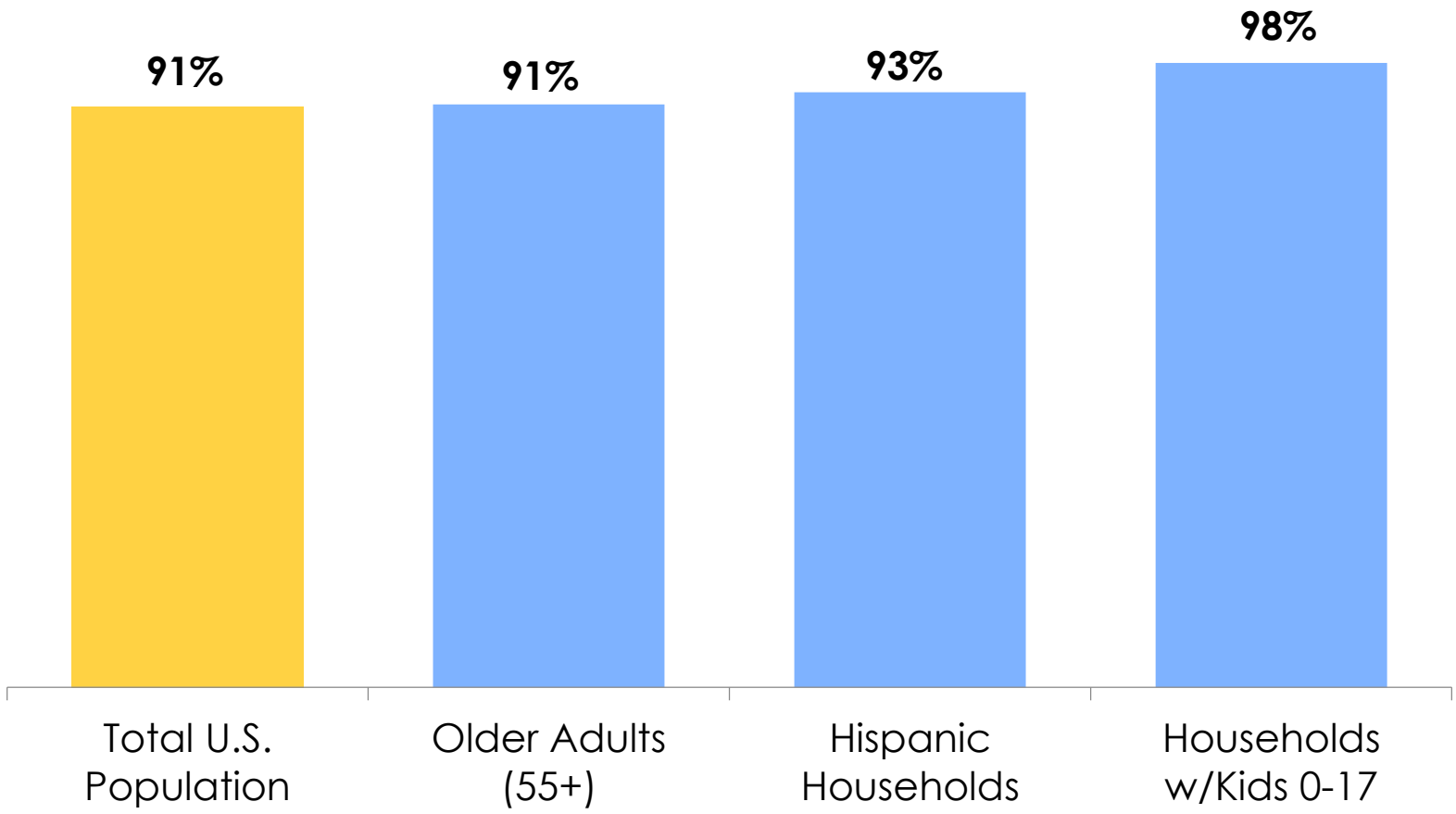
Source: NPD Supply Track, 12 months ended April 2015.

Keys to Restoring Retail Cereal Growth

- Renovation of Established Brands to Remain Relevant with Today's Consumers
- Stronger Innovation Aligned with Growing Consumer Food Interests
- Increased Investment to Grow RTE Cereal Share of Voice

Cereal is Relevant to Growing Consumer Groups

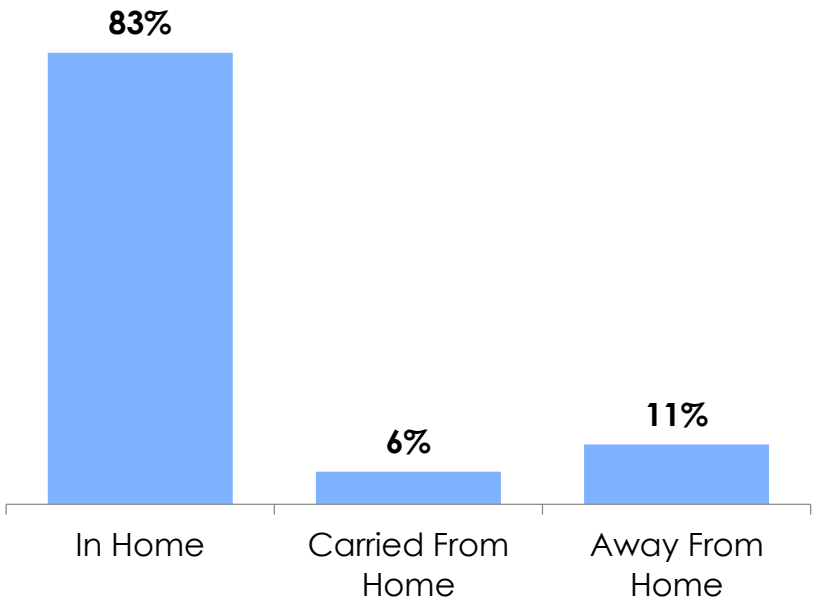
(Fiscal 2015 Household Penetration)



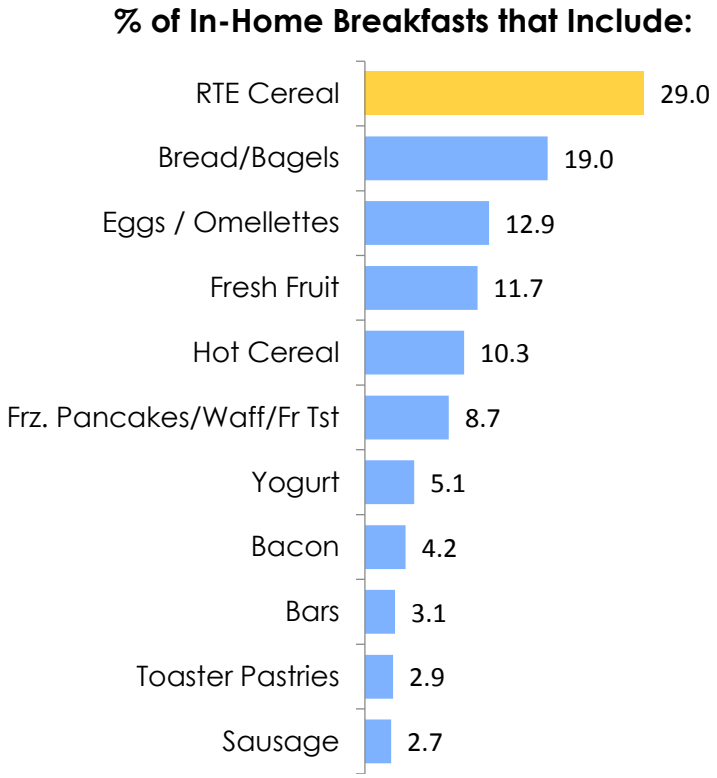
Source: Nielsen

Cereal Remains the Top Choice for Breakfast

Share of Breakfast Consumption



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



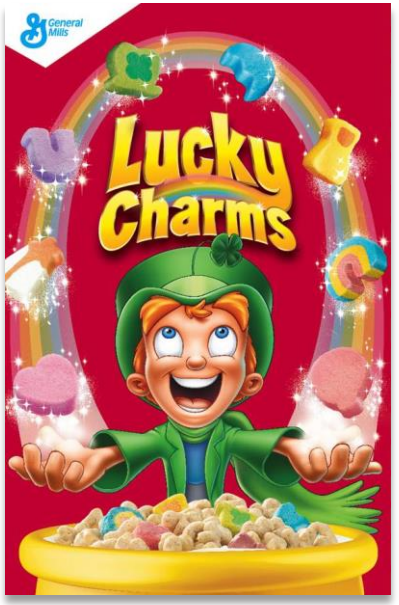
Source: The NPD Group's National Eating Trends®; 2 Year Period ending Feb 2015

F16 Growth Drivers
Gluten Free News

First Half



Second Half



- Same Oats as GF Cheerios
- No Reformulation Required

Marketing Gluten Free News

Social Media Influencers



"When I found [gluten free Honey Nut Cheerios] today I cried, right there in the cereal aisle!"

TV Advertising



F16 Growth Drivers
Color and Flavor Renovation

General Mills

NO HIGH FRUCTOSE CORN SYRUP

NO COLORS FROM ARTIFICIAL SOURCES

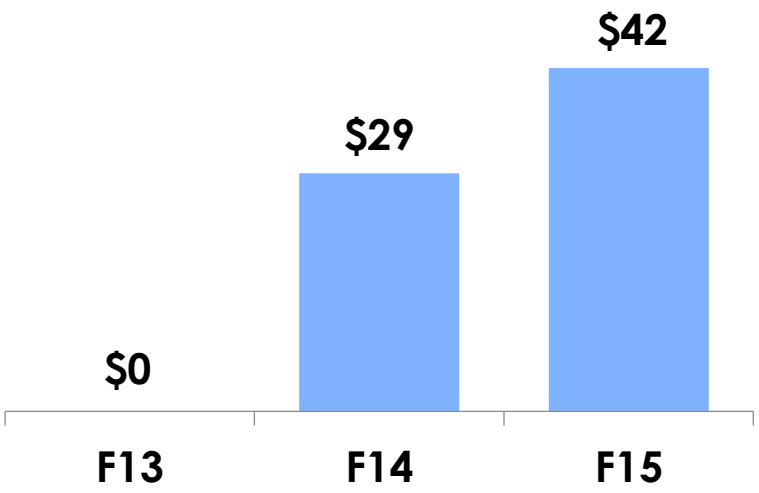
NO ARTIFICIAL FLAVORS



- 75% of Portfolio by January 2016
- All General Mills Cereals by Calendar 2017

F16 Growth Drivers
Nature Valley Cereal

Nature Valley Cereal
Retail Sales
($ in Millions)



First Half Innovation





Second Half Innovation

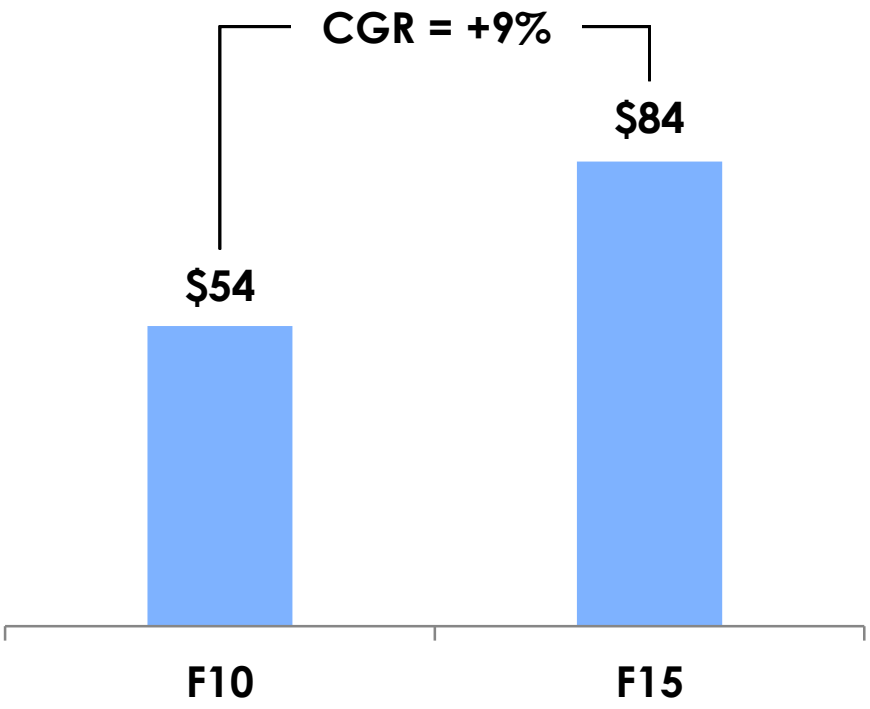




Source: Nielsen XAOC

F16 Growth Drivers
Cascadian Farm Organic Cereal

Cascadian Farm
Organic Cereal Retail Sales
($ in Millions)



Growth Drivers

- F15 Distribution +DD in Traditional Channels
- First Half F16 Innovation:



Source: Nielsen XAOC

F16 Growth Drivers
Strong Promotional Events

First Half

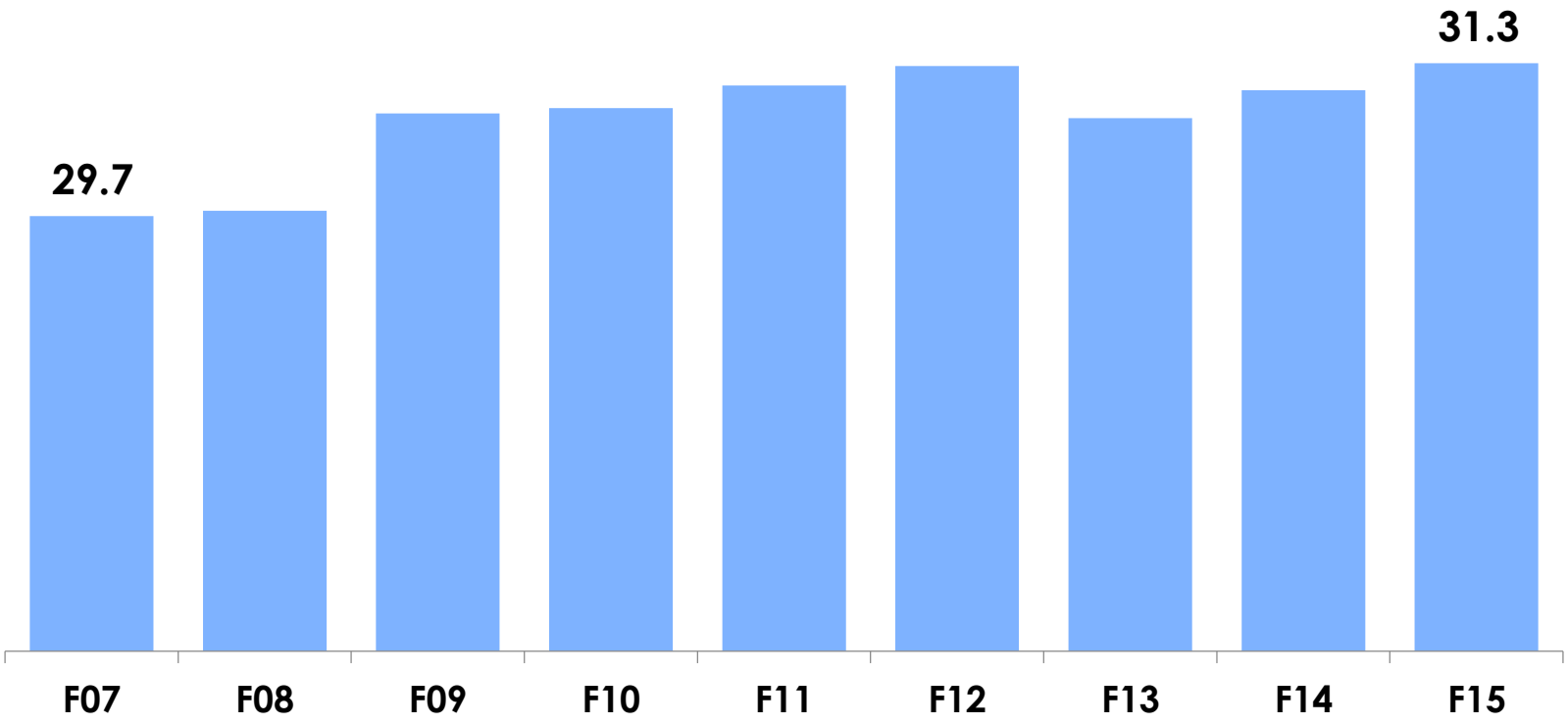


Second Half



Growing Cereal Share

General Mills U.S. RTE Cereal
Dollar Market Share



Sources: F07-F09 Nielsen All Outlet; F10-F15 Nielsen XAOC.

Better-for-you Snacks Portfolio



F16 Growth Drivers
Original Style Yoplait

Renovation



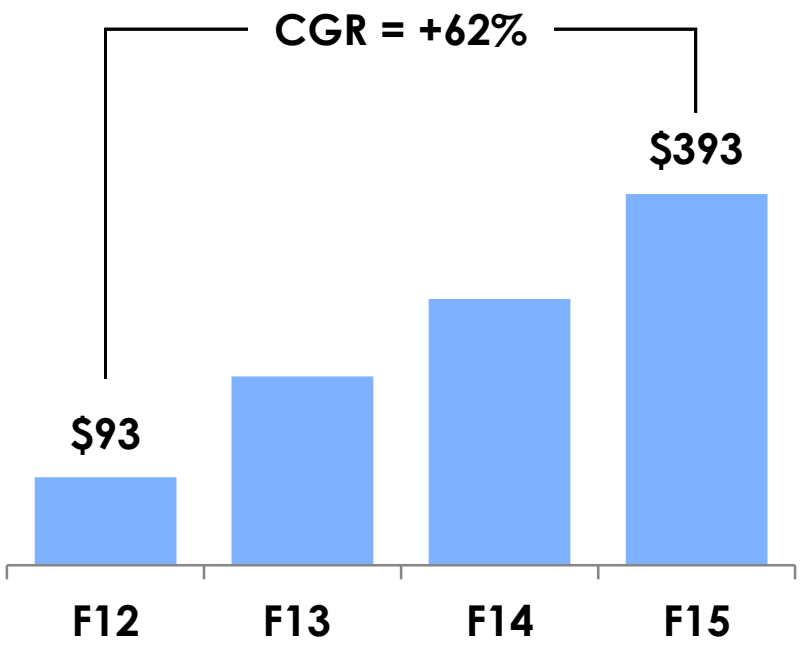
Media Investment



F16 Growth Drivers
Greek Yogurt

Yoplait Greek Retail Sales

($ in Millions)



	F12	F13	F14	F15
Greek Dollar Share:	5	8	9	12

First Half Innovation

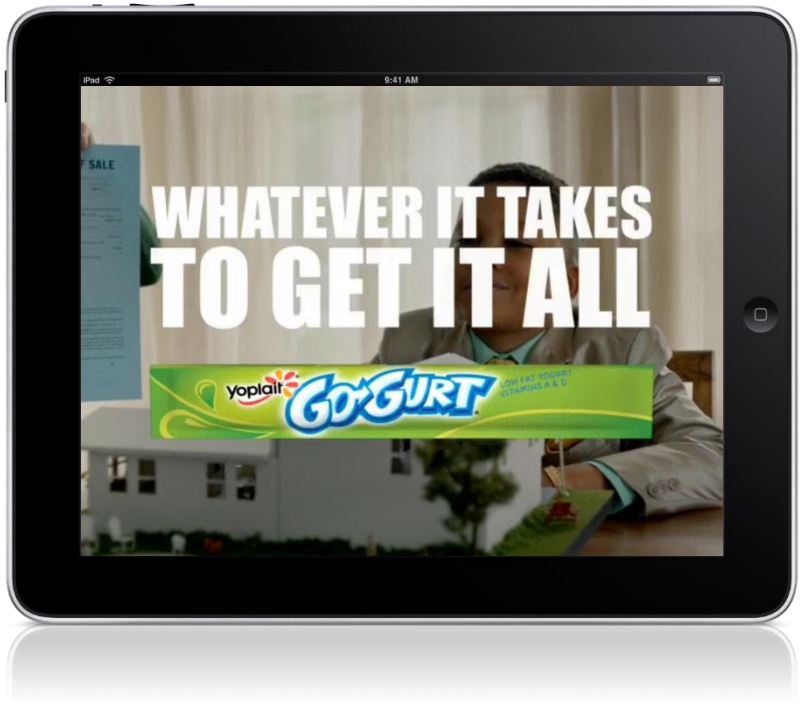


Source: Nielsen XAOC

F16 Growth Drivers
Kid Yogurt



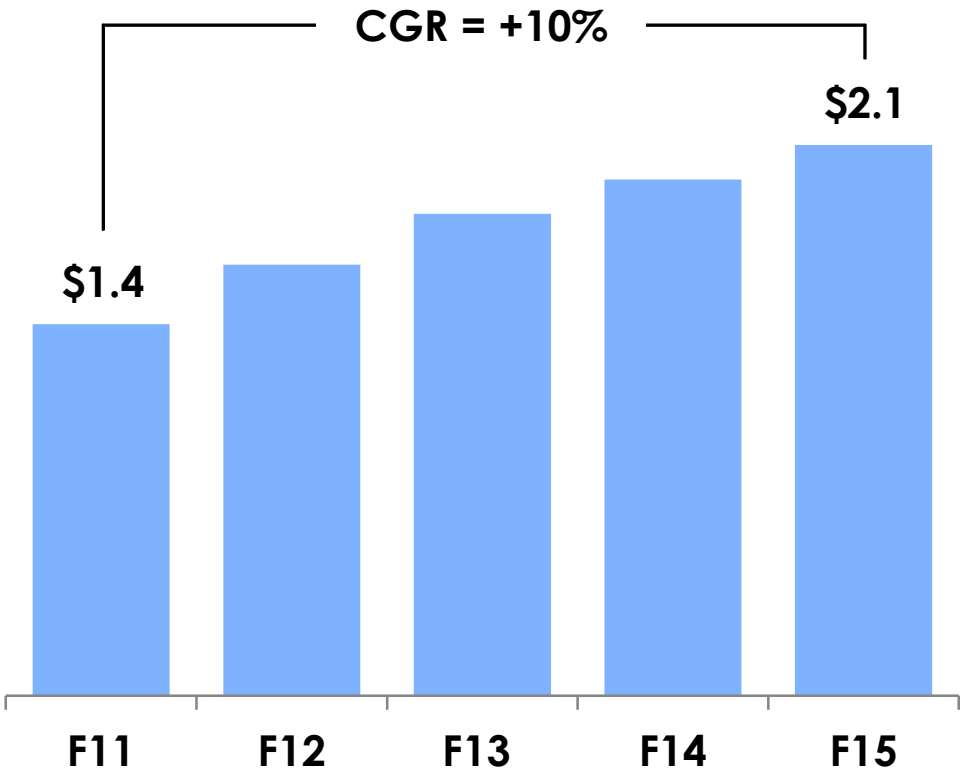




Strong Snacks Growth

Snacks Operating Unit Net Sales

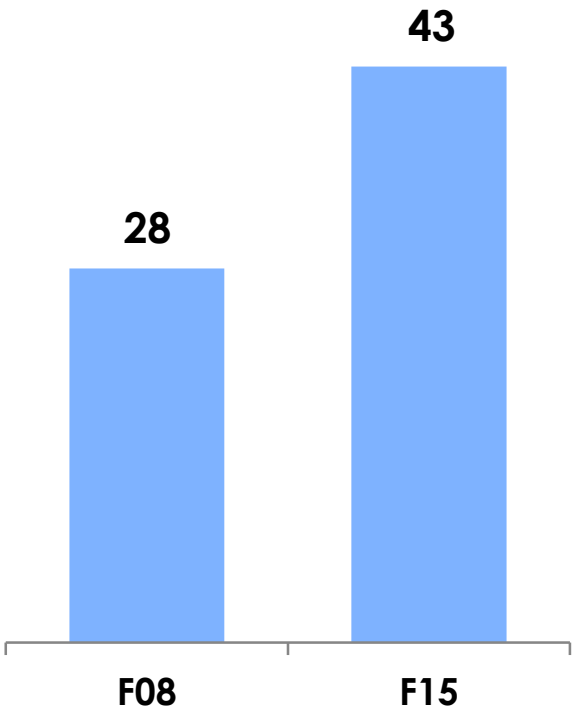
($ in Billions)





F16 Growth Drivers
Grain Snacks

General Mills
Grain Snacks Dollar Share



First Half News



Product Improvement





New Platforms

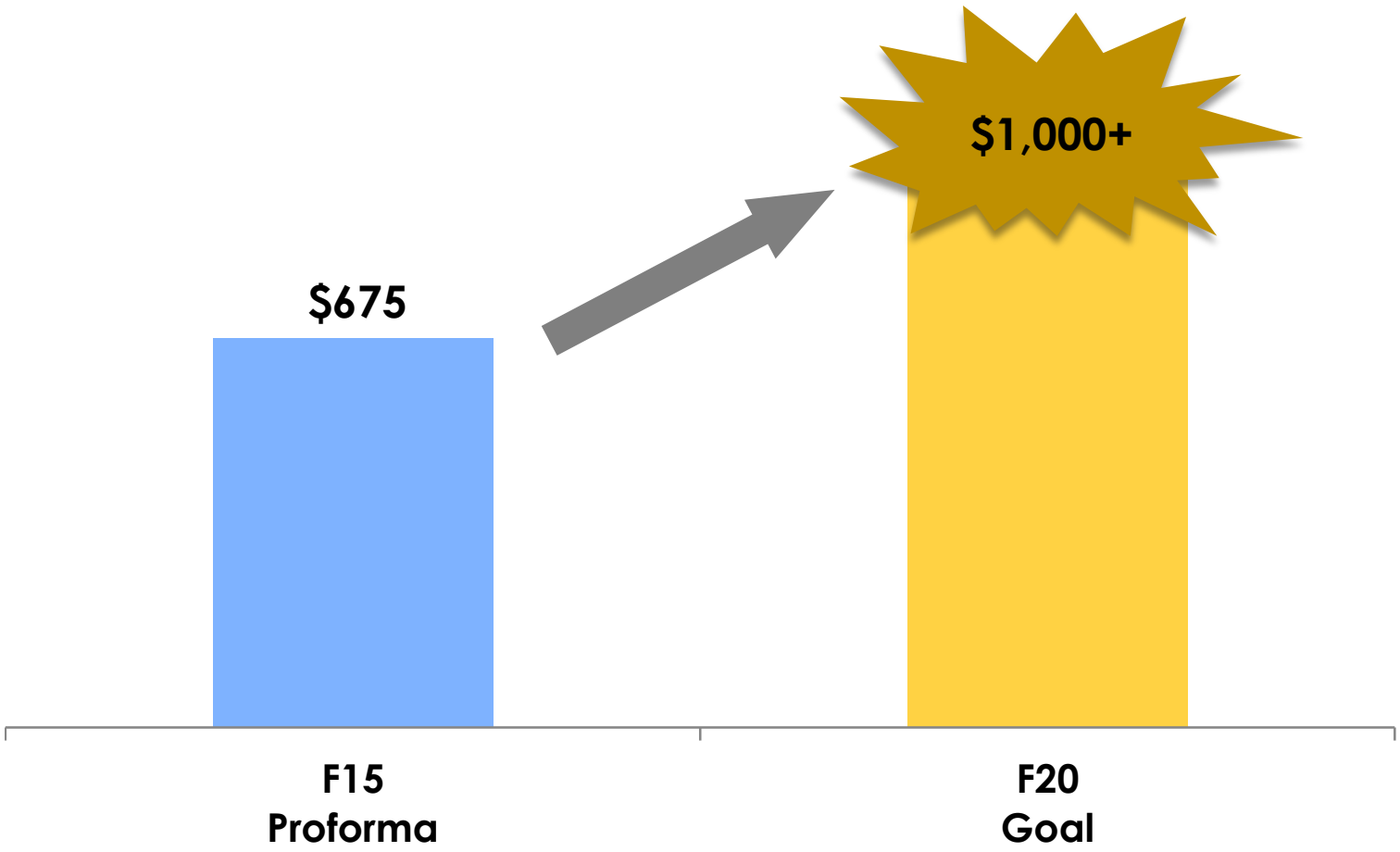
Source: Nielsen XAOC

15 Years Building Our Natural & Organic Portfolio



Targeting More Than $1 Billion in U.S. Natural & Organic Net Sales

(U.S. Natural & Organic Net Sales, $ in Millions)



F15 Proforma includes 12 months of Annie's.
Includes Net Sales in U.S. Retail and CS&F segments.

F16 Growth Drivers
Annie's Distribution

	Mac & Cheese	Crackers	Fruit Snacks	Cookies	Frozen Snacks	Total "Key 33"
Avg. ACV*	59%	21%	20%	27%	New	**30%**
ACV Goal						**80%**











Source: SPINSscan, 52 weeks ended 5.17.15
*Average ACV of top 8 Annie's SKUs (where available) in each category.

F16 Growth Drivers
Annie's Innovation







F16 Growth Drivers
Other Natural & Organic News













F16 Growth Drivers
Improving Value on Key Brands

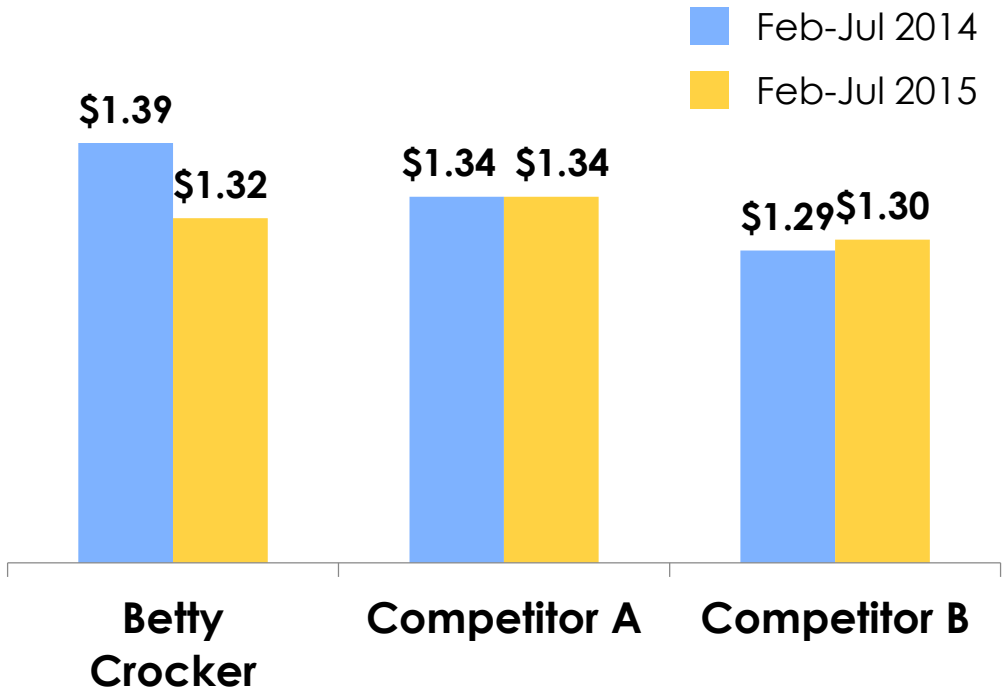




Improving Betty Crocker Performance



Cake Mix
Average Unit Price

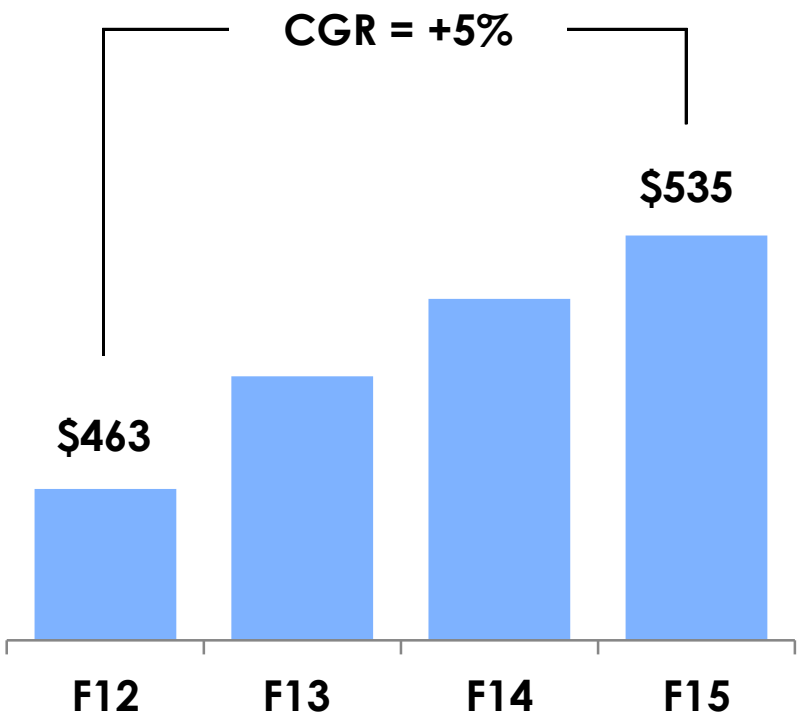


	Betty Crocker	Competitor A	Competitor B
Dollar Share +/- LY:	+0.1	-0.1	-0.5

Source: Nielsen XAOC

F16 Growth Drivers
Totino's Pizza Rolls

Totino's Pizza Rolls
Retail Sales
($ in Millions)



First Half News

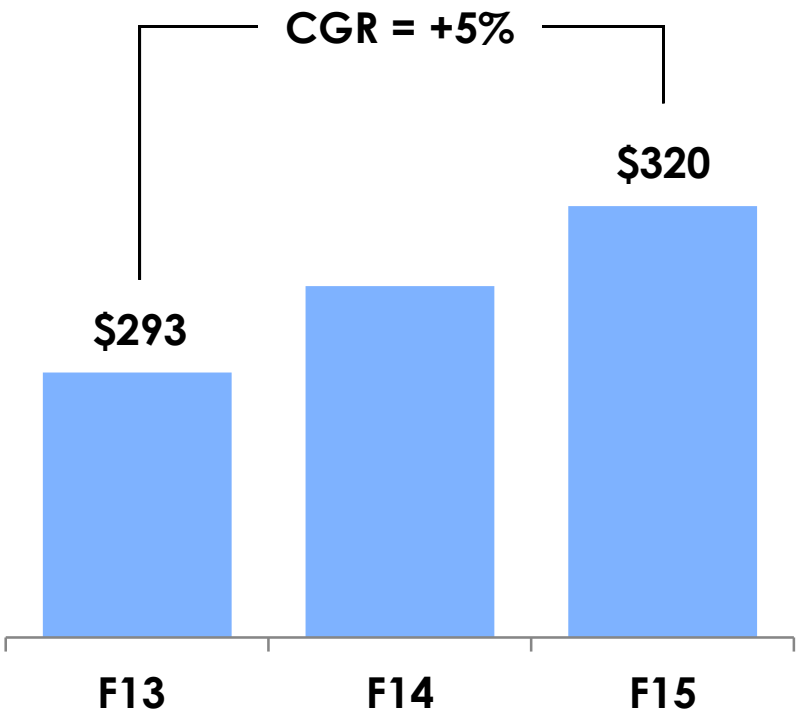




Source: Nielsen XAOC

F16 Growth Drivers
Old El Paso

Old El Paso Shells, Kits, and Seasonings Retail Sales
($ in Millions)



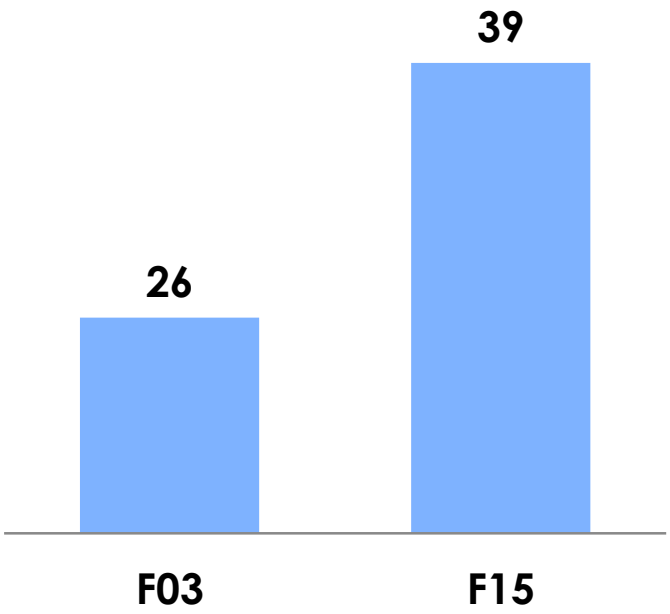
First Half Innovation



Source: Nielsen XAOC

F16 Growth Drivers
Progresso

Ready-to-serve Soup
Progresso Dollar Share



First Half News



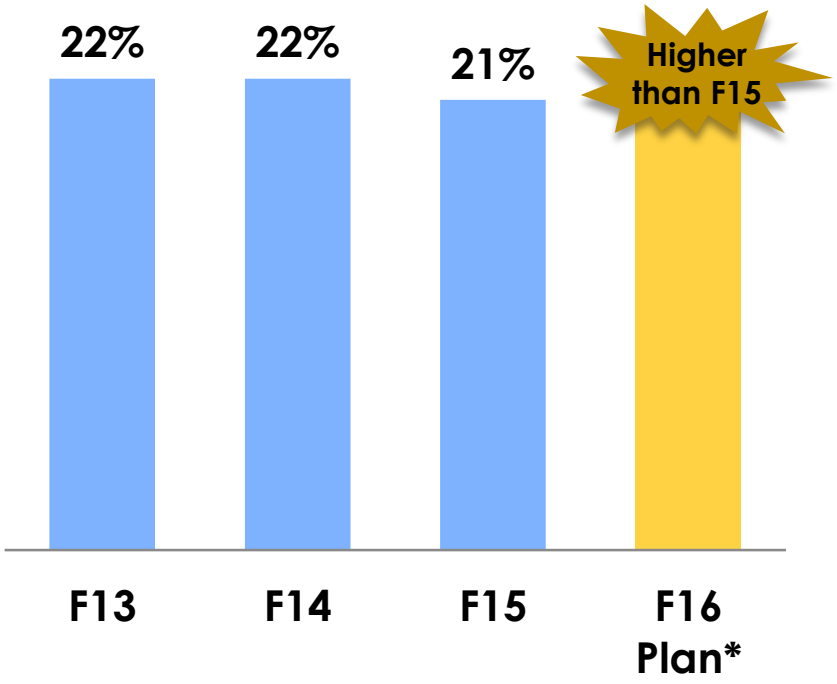




Source: Nielsen XAOC

Growing Margins in Fiscal 2016

U.S. Retail
Segment Operating Profit Margin
(Percent of Net Sales)



F16 U.S. Retail
Margin Drivers

- Another Strong Year of HMM Savings
- Increased Savings from Project Century & Catalyst
- Reinvestment in Growth-driving Initiatives

*Excludes impact of Green Giant divestiture.

U.S. Retail Summary

- Expanding the Impact of Consumer First to Accelerate Growth
- Significant Core Brand Renovation and Innovation in Fiscal 2016
- Cereal, Yogurt, Snacks, and Natural & Organic are Top Priorities
- Expect Flat Net Sales and Margin Expansion in Fiscal 2016*

*Excludes impact of Green Giant divestiture.



General Mills

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