New Growth

General Mills

Fiscal 2015 Third Quarter Results



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; 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.





Don Mulligan

Executive Vice President;
Chief Financial Officer

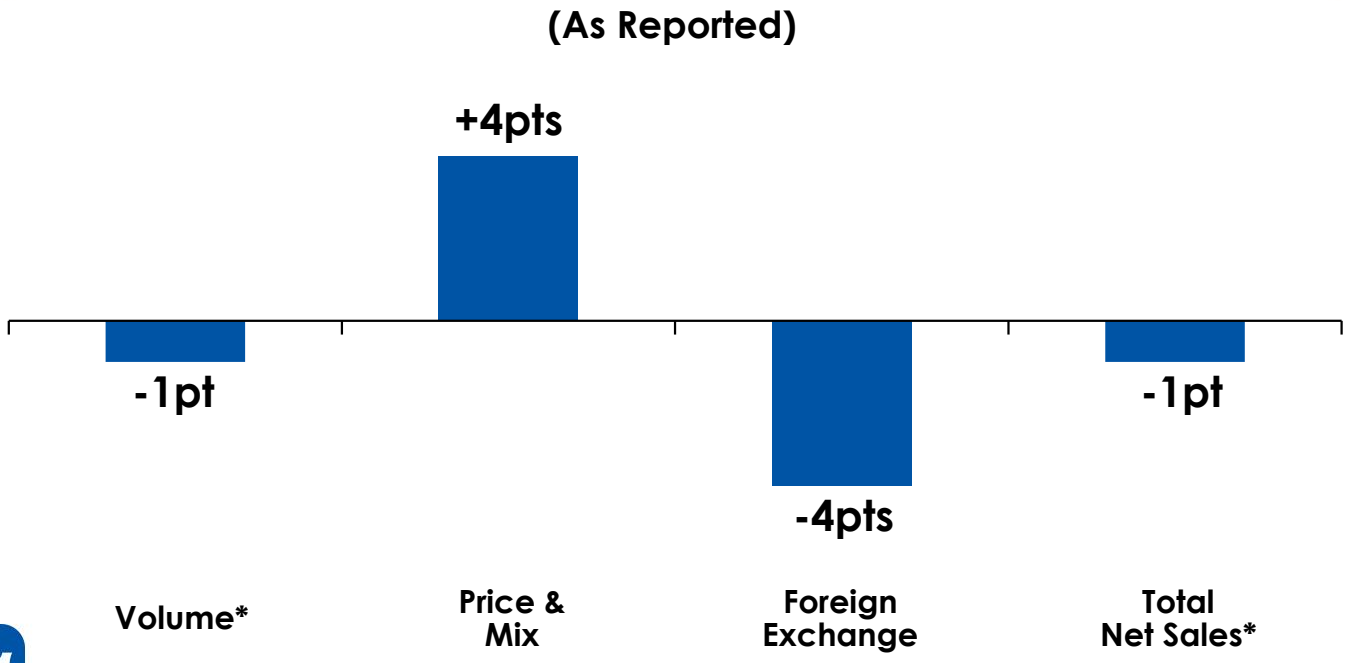
Third Quarter Fiscal 2015 Financial Summary

($ in Millions, Except per Share)

	$	% Change	Constant-currency % Change*
Net Sales	$4,351	-1%	+3%
Segment Operating Profit*	698	+1	+3
Net Earnings Attributable to General Mills	343	-16	
Diluted EPS	.56	-12	
Certain Items Affecting Comparability	.14		
Adjusted Diluted EPS*	.70	+13%	+15%

*Non-GAAP measures. See appendix for reconciliation.

Third Quarter Fiscal 2015
Components of Net Sales Growth



* Annie's Contributed 1 Point of Volume Growth and 1 Point of Net Sales Growth

Third Quarter Fiscal 2015
U.S. Retail Segment

Segment Net Sales +1% vs. LY
Segment Operating Profit +1% vs. LY



Q3 Net Sales
(Change vs. LY)

Total U.S. Retail Segment	**+1%**
Snacks	+14
Yogurt	+10
Cereal	Flat
Meals	-2
Baking Products	-9

Third Quarter Fiscal 2015
Convenience Stores & Foodservice Segment

Segment Net Sales +6% vs. LY
Segment Operating Profit +11% vs. LY



Q3 Net Sales
(Change vs. LY)

Frozen Breakfast	+49%
Yogurt	+27
Cereal	+12
Snacks	+7
Biscuits	+5
Mixes	+2
Total Focus Platforms	**+12%**

Third Quarter Fiscal 2015 International Segment

Constant-currency Segment Net Sales* +6% vs. LY
Constant-currency Segment Operating Profit* +10% vs. LY

Q3 Constant-currency Net Sales*

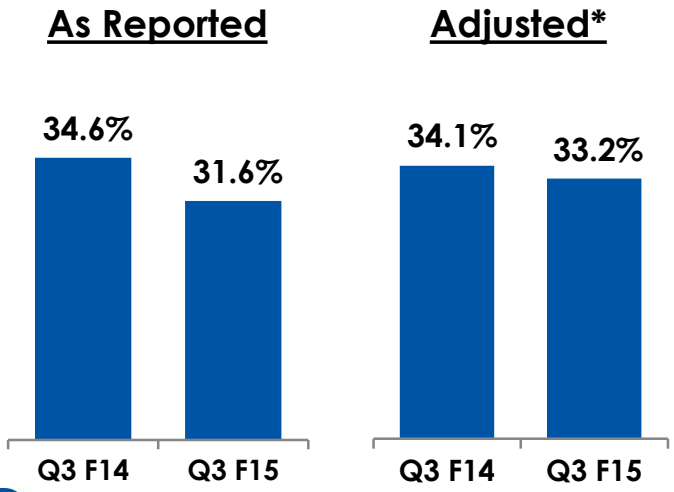
(Change vs. LY)

Latin America	+20%
Asia / Pacific	+4
Canada	+4
Europe	+3



*Non-GAAP measures. See appendix for reconciliation.

Third Quarter Fiscal 2015
Gross Margin Performance



- Raw Materials 95% Covered
- Expect Q4 Adjusted Gross Margin Will Match Last Year

*Non-GAAP measure. See appendix for reconciliation.

Third Quarter Fiscal 2015
Improving SG&A Efficiency

- SG&A as Percent of Sales Down 110 Basis Points
  - R&D, Advertising & Media Expense Lower
  - Savings from Project Catalyst and Policy & Practice Update
- Expect Full Year SG&A as Percent of Sales Excluding Media and R&D* to Be Below Last Year

*Non-GAAP measure. 7797-10

Third Quarter Fiscal 2015
Joint Venture Results





CPW
Net Sales -3%*



HDJ
Net Sales +7%*

- Q3 After-tax JV Earnings $13MM vs $23MM Last Year
  - CPW Asset Impairment
  - Foreign Exchange
- Expect Full Year After-tax JV Earnings Below Last Year

*Growth rates in constant currency.

Third Quarter Fiscal 2015
Other Income Statement Items

- Restructuring & Project-related Costs of $74MM Pretax (Includes $25MM in Cost of Sales)
- $7MM Charge for Venezuela Balance Sheet Remeasurement
- Unallocated Corporate Expense Decreased Excluding Certain Items
- Interest Expense $4MM Above Last Year
- Q3 Adjusted Effective Tax Rate 27.5% vs. 33.6% LY*
  - Estimated Full Year Adjusted Effective Tax Rate 100 Basis Points Below Last Year

*Non-GAAP measure. See appendix for reconciliation. 7797-12

Third Quarter Fiscal 2015
Core Working Capital

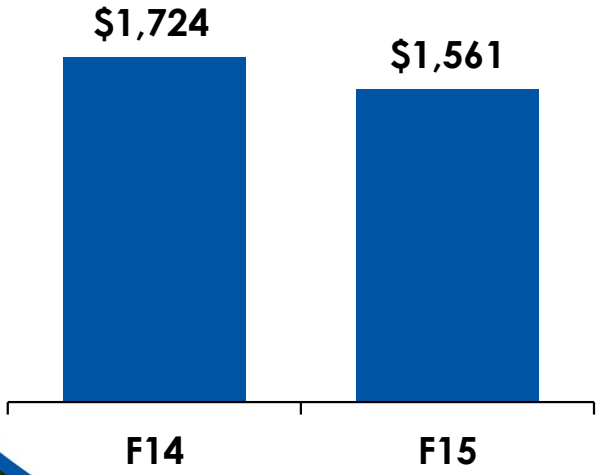
($ in Millions)

	Q3		
	F15	**F14**	**% Change**
Accounts Receivable	$1,585	$1,648	
Inventories	+ 1,585	1,560	
Accounts Payable	- 1,481	1,360	
Total Core Working Capital:	$1,689	$1,848	-9%

Nine Months Fiscal 2015 Cash Flow Highlights

YTD Q3 Operating Cash Flow

($ in Millions)

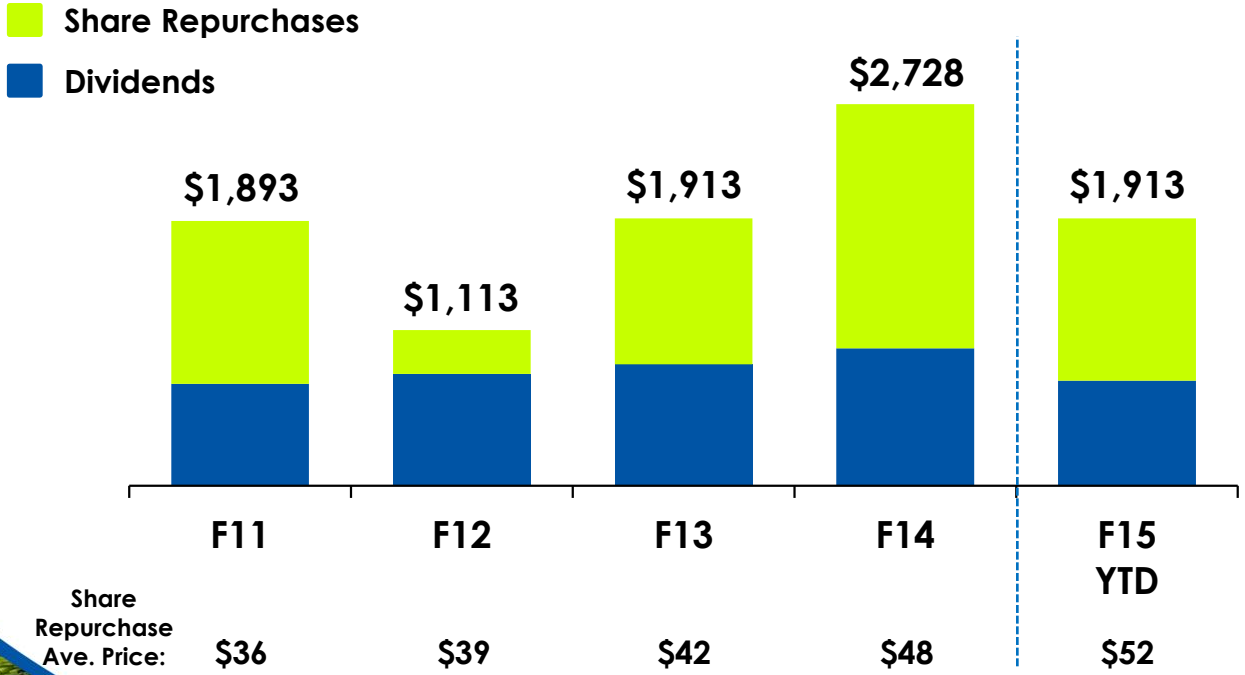


YTD Uses of Cash

- Fixed Asset Investment = $491MM
- Dividends Paid = $751MM
- Share Repurchases = $1,162MM

Strong Cash Returns to Shareholders

($ in Millions)



Update on Productivity and Cost Savings Initiatives

- Ongoing HMM Efforts
  - $400+ Million Savings in F15
  - $4 Billion Cumulative Savings between F10-F20
- Incremental Cost Savings Projects
  - Project Century: Negotiations Completed on Announced Plant Closures
  - Project Catalyst: Actions Largely Completed
  - Policy & Practice Update: In Progress and On Target
  - Cumulative Savings:
    - F15: $40 Million
    - F16: $260-280 Million
    - F17: More than $350 Million

Fiscal 2015 Outlook

Q4 Expectations in Constant Currency*

- HSD Net Sales Growth, Including 53rd Week and Annie's
- DD Adjusted Diluted EPS* Growth

Annual Expectations in Constant Currency*

- LSD Growth in Net Sales*
- LSD Decline in Segment Operating Profit*
- LSD Growth in Adjusted Diluted EPS*

*Non-GAAP measures



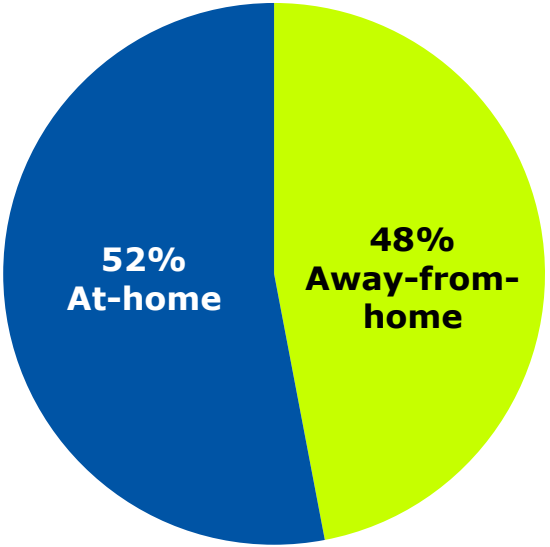
Bethany Quam

Vice President; President,
Convenience Stores & Foodservice

A Large Market Opportunity

U.S. Food and Beverage Expenditures

(Calendar 2014)



$1.3 Trillion

Source: U.S. Bureau of the Census, Technomic

We're Focused on Growing Channels



Channel Growth

	2014 Est. Sales ($ in Billions)	2015 Est. Nominal Growth
Total Foodservice	**$640**	**4%**
K-12 Schools	$19	2%
Colleges & Universities	$16	4%
Convenience Stores	**$51**	**3%**

Source: Technomic 2015, Nielsen Answers, Kantar 7797-20

Convenience Stores & Foodservice Portfolio Transformation

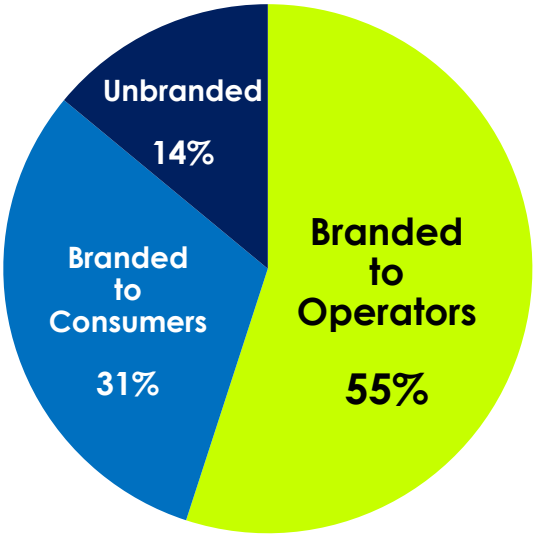
Fiscal Years

	2005	2015 YTD
SKU Count	5,500	1,900
Manufacturing Locations	33	8
Salesforce	Broker	Direct

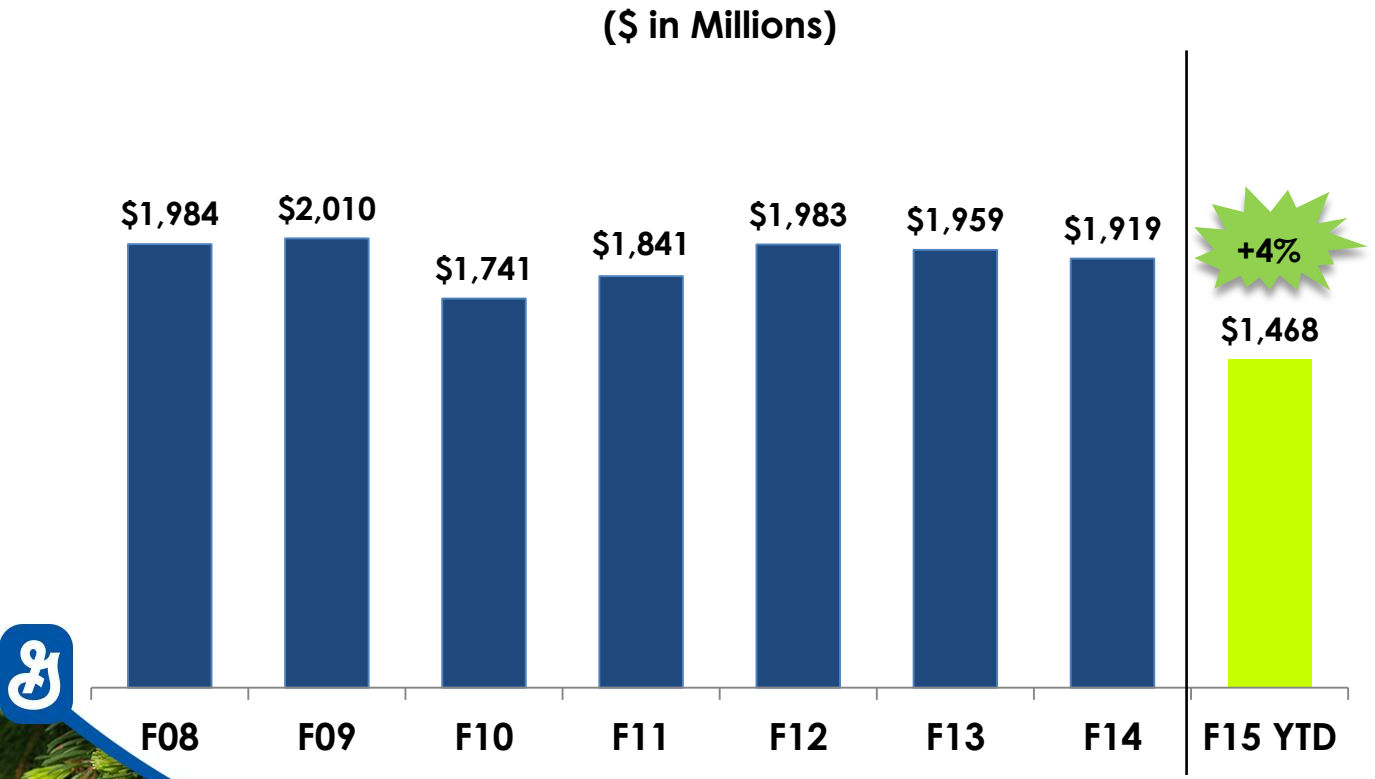
Divested Businesses

- Bread Concentrate
- Frozen Bread Dough
- Bread Crumbs
- Frozen Pie & Tart Shells

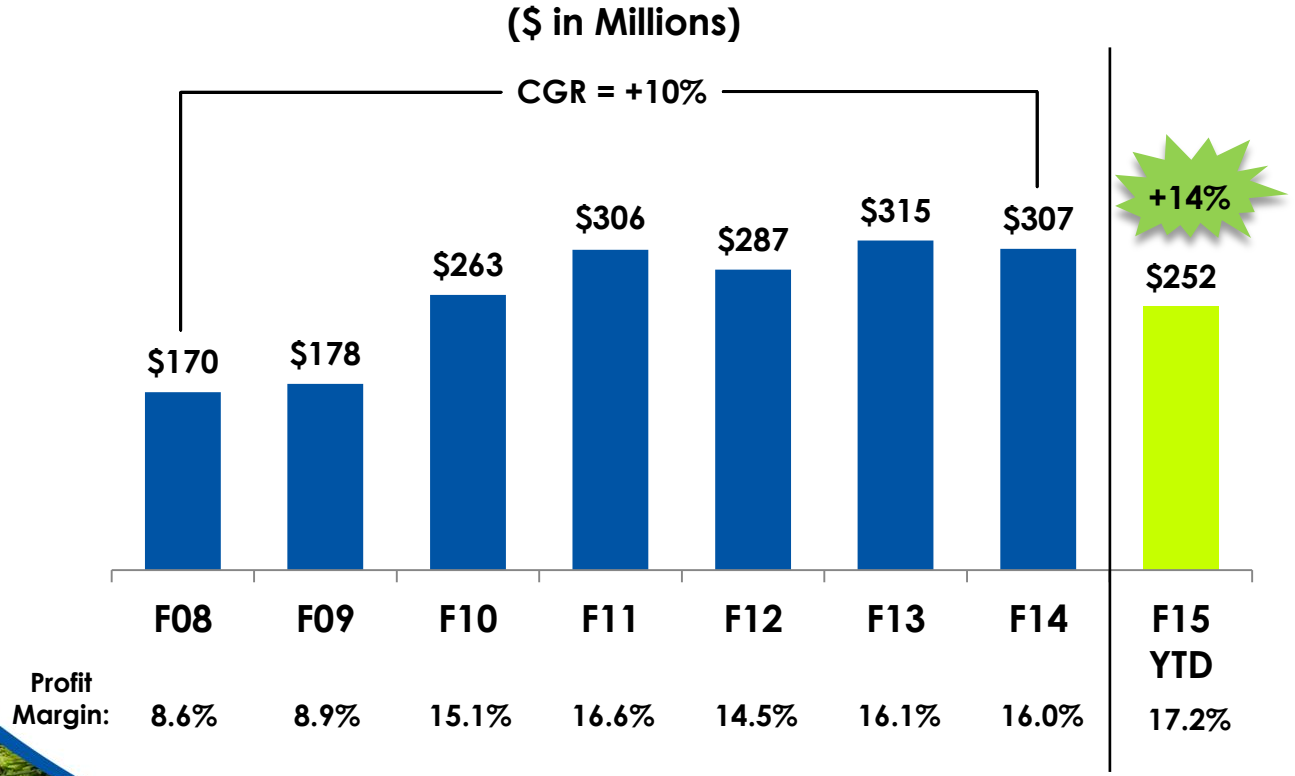
% of F14 Net Sales



Convenience Stores & Foodservice Net Sales Performance



Convenience Stores & Foodservice Segment Operating Profit



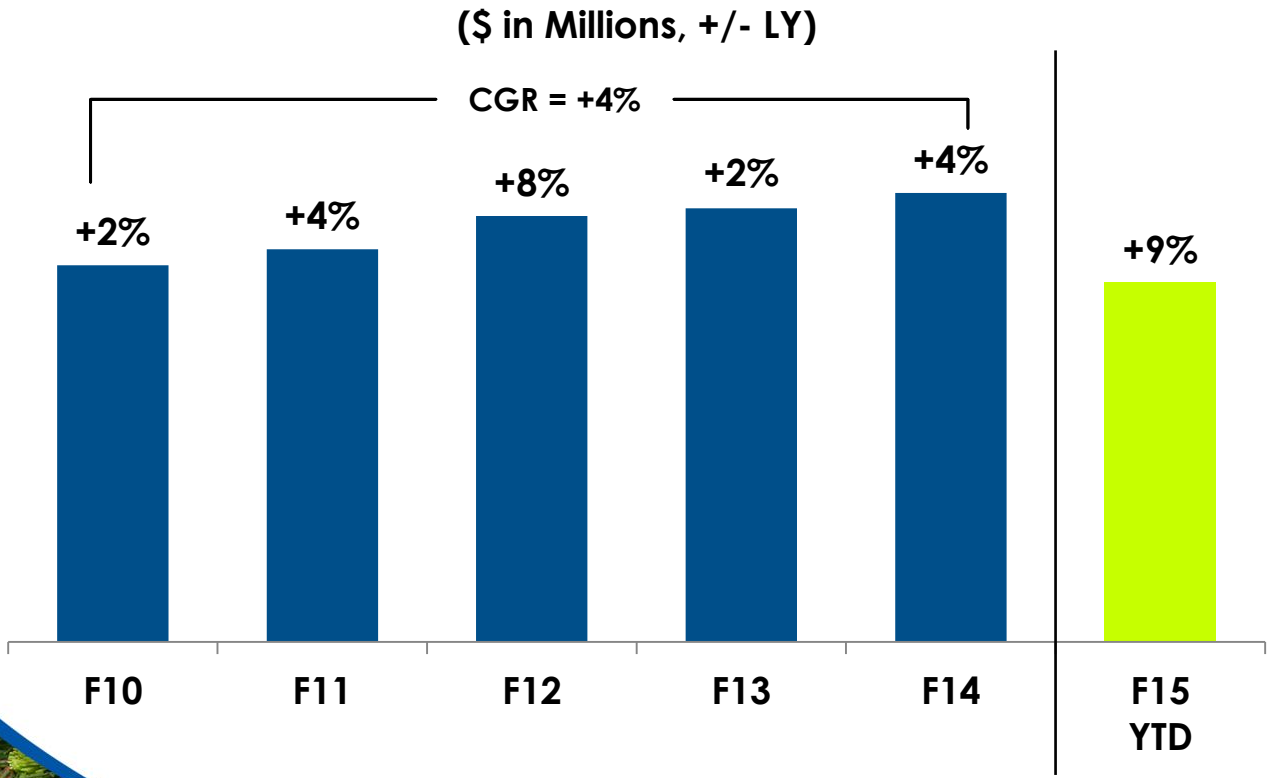
Our Six Focus Platforms

(% of F15 YTD Results)



- Half of Segment Net Sales
- 70% of Segment Operating Profit

Six Focus Platforms
Net Sales Performance



Yogurt Continues to Grow

F15 YTD Net Sales +27%



- #1 Yogurt Brand in Foodservice
- Good Performance on Go-Gurt
- Developing Innovative Solutions for Operators



Source: NPD Supply Track, Calendar 2014 7797-26

Frozen Breakfast in Schools

F15 YTD Net Sales +24%



- More Than13 Million Breakfasts Served in Schools Daily
- Innovative Hot Breakfasts with Great Brands Kids Love

Source: USDA FY2014

Cereal is Growing in Schools, Too

F15 YTD Net Sales +6%



K-12 Schools



Colleges & Universities

Snacks Growing in All Channels

F15 YTD Net Sales +9%









K-12 Schools



Convenience Stores



Natural/Organic Snacks

Strong Execution Capabilities

- National, Direct Salesforce
- Consumer and Operator Insights
- Innovative Solutions



Convenience Stores & Foodservice Summary

- Streamlined Portfolio for Future Growth
- Focused on Six Key Platforms in Growing Channels
- On Track for a Strong Year in F15:
  - MSD Net Sales Growth
  - DD Segment Operating Profit Growth



Ken Powell

Chairman and CEO

U.S. Retail Operating Unit Performance

(F15 Net Sales Growth)

	H1	Q3	YTD
Snacks	+3%	+14%	+7%
Yogurt	+1	+10	+4
Cereal	-7	Flat	-5
Meals	-8	-2	-6
Baking Products	-6	-9	-7
Total	**-4%**	**+1%**	**-3%**

U.S. Retail – Share Growth in Majority of Key Categories

	YTD Fiscal 2015 Dollar Share	YTD Fiscal 2015 Share Change vs. LY (bps)
Grain Snacks	42.9%	+187
Frozen Hot Snacks	25.9	+110
Yogurt	25.0	+75
Frozen Pizza	9.6	+51
RTE Cereal	31.6	+31
Refrig. Baked Goods	70.3	+13
Fruit Snacks	47.2	+13
RTS Soup	39.4	-10
Mexican Products*	16.7	-57
Dry Pkgd. Dinners	15.9	-68
Frozen Vegetables	15.8	-172
Dessert Mixes	38.2	-208

*Excludes Snack Aisle

Source: Nielsen XAOC, YTD ended 2.21.15

U.S. Retail Highlights
Yogurt

Greek



Q3 Retail Sales +43%

Original Style



Q3 Retail Sales +17%

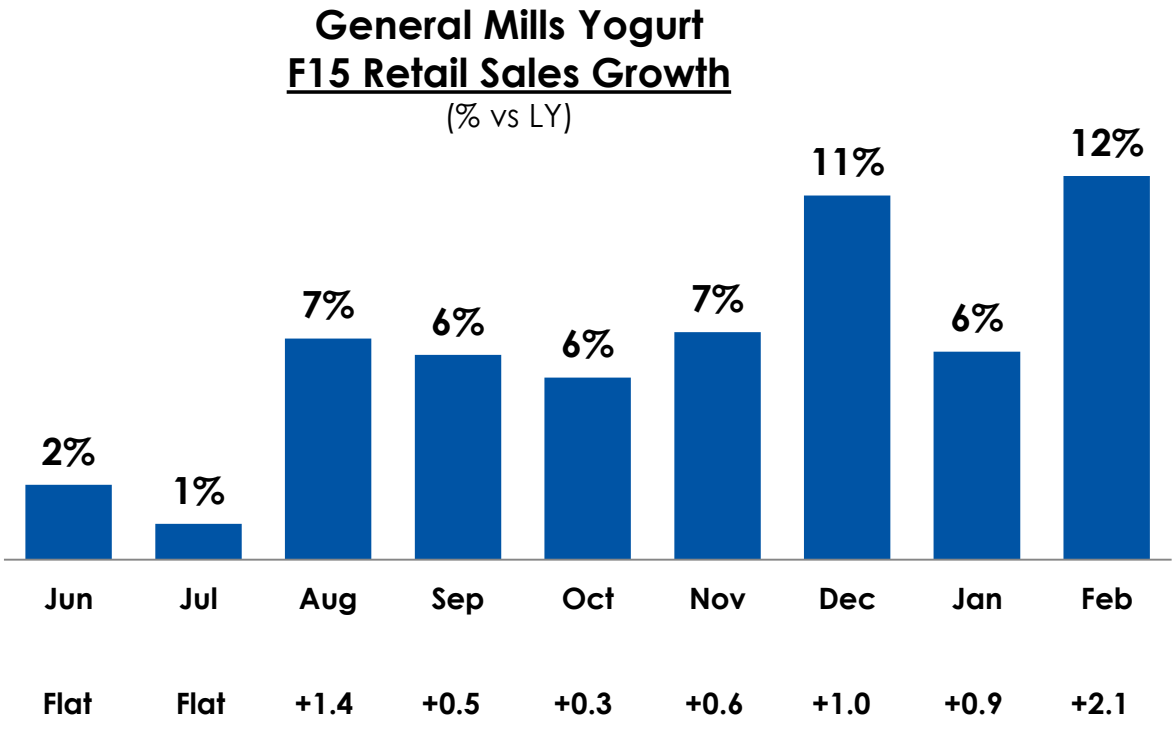
Kid



Q3 Retail Sales +7%

Source: Nielsen XAOC, period ended 2.21.15 7797-35

Return to Growth for U.S. Yogurt



Source: Nielsen XAOC

U.S. Retail Highlights
Cereal

(Q3 Retail Sales Growth)

Granola Varieties
(+26%)



Protein Varieties
(+130%)



Toast Crunch Franchise
(+13%)



Q3 Dollar Share = 4.4, +0.6pts

Source: Nielsen XAOC, period ended 2.21.15 7797-37

Gluten Free Cheerios

- **88% of Cheerios Sales**
  (11% of Cereal Category Sales)
- **Start Ship Q1 F16**

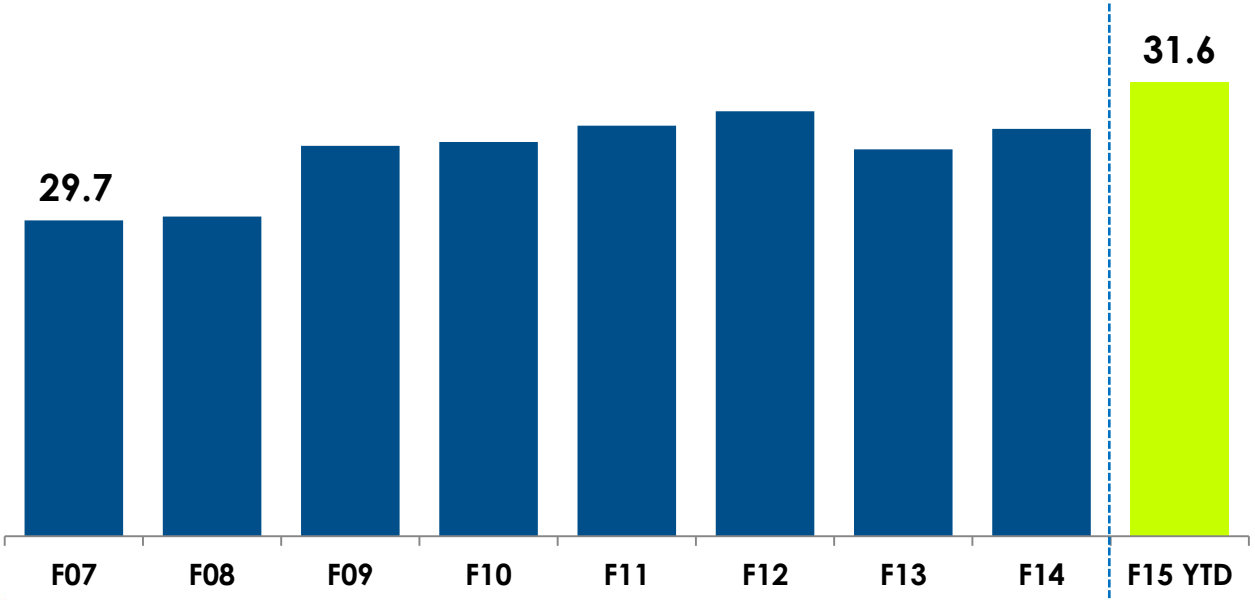


No Formula Change
Just Pure Oats

Wheat and Barley Changed to Sorghum and Millet

Gaining Share in Cereal

General Mills RTE Cereal
Dollar Market Share



Sources: F07-F09 Nielsen All Outlet; F10-F14 Nielsen XAOC; F15 Nielsen XAOC FYTD ended 2.21.15

U.S. Retail Highlights
Snacks

Grain Snacks



Q3 Retail Sales +4%

Nutrition Bars



Q3 Retail Sales +11%

Chex Mix & Gardetto's



Q3 Retail Sales +3%

Source: Nielsen XAOC, period ended 2.21.15 7797-40

U.S. Retail Highlights
Totino's Hot Snacks









Q3 Retail Sales +4%

Source: Nielsen XAOC, period ended 2.21.15 7797-41

Natural & Organic Portfolio Growth

(Net Sales, $ in Millions)

	Q3 F14	Q3 F15
Annie's		+++
Cascadian Farm		+
Lärabar		+
Food Should Taste Good		+
Muir Glen		+
Mountain High		-
Immaculate		+
Liberte		+
Ttl N/O Portfolio	$100	$161

+61%



Includes Net Sales in U.S. Retail and Convenience Stores & Foodservice Segments

International Highlights
Europe Region

Q3 Constant Currency Net Sales: +3%*



Mexican Retail Sales +10%



Ice Cream Retail Sales -1%



Yogurt Retail Sales +1%

*Non-GAAP measure. See appendix for reconciliation

Source: Nielsen latest quarter ended January 2015

International Highlights
Canada

Q3 Constant Currency Net Sales: +4%*



Yogurt Retail Sales +1%



Cereal Retail Sales Flat



OEP Retail Sales +8%



Snacks Retail Sales +11%

*Non-GAAP measure. See appendix for reconciliation

Source: Nielsen latest 13 weeks ended 2.21.15

International Highlights
Latin America

Q3 Constant Currency Net Sales: +20%*









*Non-GAAP measure. See appendix for reconciliation

International Highlights
Asia/Pacific

Q3 Constant Currency Net Sales: +4%*

AMEA





Greater China





*Non-GAAP measure. See appendix for reconciliation

General Mills – New Growth

- Putting the Consumer First to Deliver New Growth
  - **Renovating** Core Brands to Meet Evolving Consumer Preferences
  - **Innovating** with Compelling New Products
  - **Investing** in Relevant Consumer Marketing

Reconciliation of Total Segment Operating Profit

(Fiscal Years, $ in Millions)

	Q3	
	2015	**2014**
U.S. Retail	$521	$517
International	108	110
Convenience Stores & Foodservice	69	62
Total Segment Operating Profit	$698	$690
Unallocated Corporate Items	112	19
Restructuring, Impairment, and Other Exit Costs	49	--
Operating Profit	$537	$671

*Table does not foot due to rounding

Reconciliation of Constant-currency Total Segment Operating Profit Growth

(Fiscal Years)

	Q3 2015		
	% Change in Total Segment Operating Profit as Reported	Impact of Foreign Currency Exchange	% Change in Total Segment Operating Profit on a Constant-currency Basis
Total Segment Operating Profit	1%	-2 pts	3%

Reconciliation of Adjusted Diluted EPS and Related Constant-currency Growth Rate

(Fiscal Years)

	Q3		
	2015	**2014**	**Change**
Diluted EPS	$0.56	$0.64	-12%
Mark-to-market Effects	.05	(.02)	
Restructuring Charges	.07	--	
Project-related Costs	--	--	
Venezuela Currency Devaluation	.01	--	
Acquisition Integration Costs	.01	--	
Adjusted Diluted EPS	$0.70	$0.62	13%
Impact of Foreign Currency Exchange			-2 pts
Adjusted Diluted EPS On a Constant-currency Basis			15%

Reconciliation of Constant-currency Net Sales Growth

(Fiscal Years)

	Q3 2015		
	% Change in Net Sales as Reported	Impact of Foreign Currency Exchange	% Change in Net Sales on a Constant-currency Basis
Europe	-8%	-11 pts	3%
Canada	-5	-9	4
Asia/Pacific	2	-2	4
Latin America	-14	-34	20
Total International	-7%	-13 pts	6%
Total Net Sales	-1%	-4 pts	3%

Reconciliation of Constant-currency International Segment Operating Profit Growth

(Fiscal Years)

	Q3 2015		
	% Change in Segment Operating Profit as Reported	Impact of Foreign Currency Exchange	% Change in Segment Operating Profit on a Constant-currency Basis
International Segment Operating Profit	-2%	-12 pts	10%

Reconciliation of Adjusted Gross Margin

(Fiscal Years, $ in Millions)

	Q3 2015		Q3 2014	
	$	% of Net Sales	$	% of Net Sales
Net Sales	$4,351		$4,377	
Gross Margin as Reported	1,376	31.6%	1,513	34.6%
Mark-to-market Effects	44		(23)	
Restructuring Charges	22		--	
Project-related Costs	3		--	
Venezuela Currency Devaluation	3		--	
Adjusted Gross Margin	$1,447	33.2%	$1,490	34.1%

*Table does not foot due to rounding

Reconciliation of Tax Rate Excluding Items

(Fiscal Years, $ in Millions)

	Q3 2015		Q3 2014	
	Pre-tax Earnings*	Income Taxes	Pre-tax Earnings*	Income Taxes
As Reported	$457	$116	$595	$201
Mark-to-market effects	44	16	(23)	(8)
Restructuring Charges	71	26	--	--
Project-related Costs	3	1	--	--
Venezuela Currency Devaluation	7	--	--	--
Acquisition Integration Costs	4	2	--	--
As Adjusted	$586	$161	$572	$192
Effective Tax Rate:				
As Reported		25.5%		33.8%
As Adjusted		27.5%		33.6%

*Earnings before income taxes and after-tax earnings from joint ventures.
Table does not foot due to rounding.

Summary of Restructuring and Project-related Costs and Savings

In Millions	Quarter Ended Feb. 22, 2015		Nine-Month Period Ended Feb. 22, 2015		Estimated Future		Estimated Total		Estimated Savings (a)
	Charge	Cash	Charge	Cash	Charge	Cash	Charge	Cash	
Century	$ 70	$ 2	$ 159	$ 8	$ 136	$ 111	$ 295	$ 120	
Catalyst	1	28	146	30	-	97	146	127	
International	-	3	14	5	1	9	15	14	
Other	-	-	(1)	0	-	-	-	-	
Total restructuring charges	71	33	318	43	137	217	456	261	
Project-related costs	3	3	4	4	62	62	66	66	
Restructuring charges and project-related costs	$ 74	$ 36	$ 322	$ 47	$ 199	$ 279	$ 522	$ 327	$ 350

(a) Cumulative savings targeted by fiscal 2017. Includes savings from SG&A cost reduction projects.