

General Mills

Annual Shareholders Meeting

September 29, 2015



General Mills

Putting the Consumer First

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.

General Mills Long-term Growth Model

	Compound Growth Rate in Constant Currency*
Net Sales	Low Single Digit
Segment Operating Profit	Mid Single Digit
Adjusted Diluted EPS	High Single Digit
+ Dividend Yield	2-3%
Total Return to Shareholders	Double Digit

*All measures are Non-GAAP.

Fiscal 2015 Summary

- Mixed Performance Across Segments
  - Convenience Stores and Foodservice: Record Profit
  - International: Margin Expansion and Profit Growth in Constant Currency
  - U.S. Retail: Sales and Profit Results Below Last Year
- Consumer-first Efforts Strengthened Performance in Second Half
- Important Strategic Actions for Future Growth
  - Annie's Acquisition
  - Incremental Cost Savings Projects

Putting the Consumer First



Consumer First Growth Drivers in Fiscal 2015











Consumer First Growth Drivers in Fiscal 2016



✓NO HIGH FRUCTOSE CORN SYRUP ✓NO COLORS FROM ARTIFICIAL SOURCES ✓NO ARTIFICIAL FLAVORS









Three Key Growth Priorities for Fiscal 2016

- Drive Core Business Growth
- Continue Shaping Portfolio for Growth
- Execute HMM and Restructuring Programs to Increase Efficiency and Fund Growth

First Quarter Fiscal 2016 Financial Summary

($ in Millions, Except per Share)

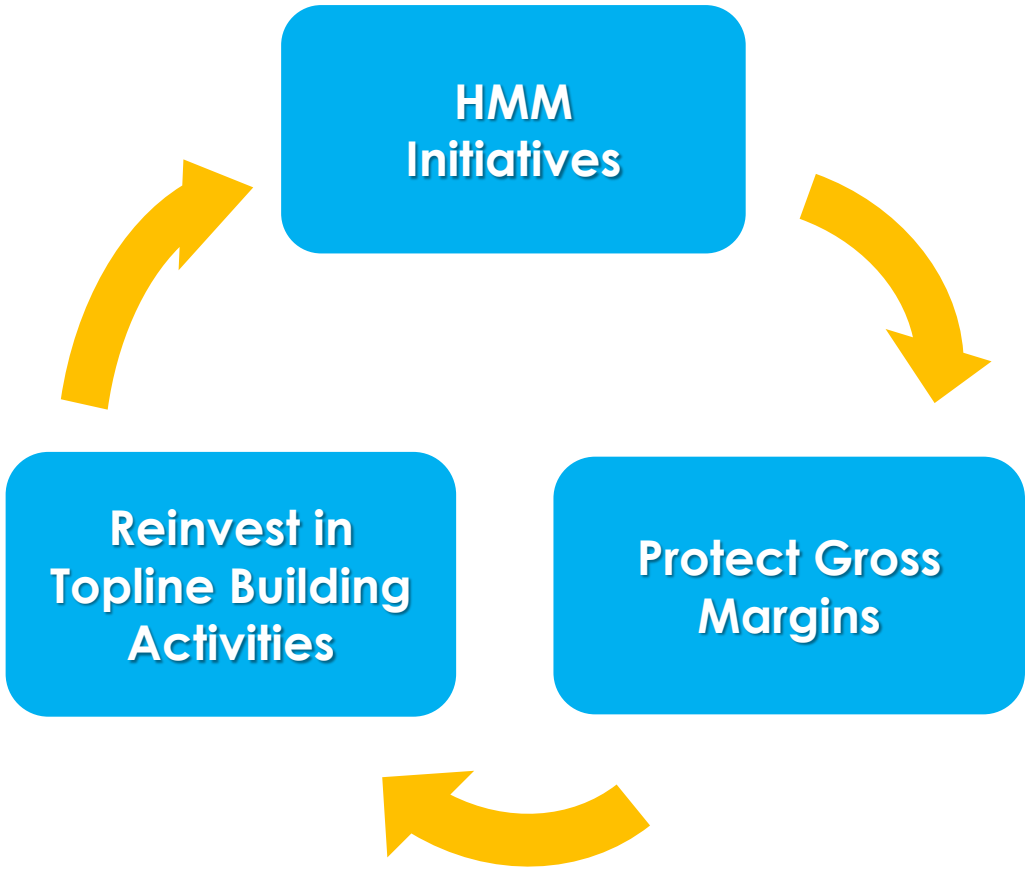
	$	% Change	Constant-currency % Change*
Net Sales	$4,208	-1%	+4%
Segment Operating Profit*	826	+20%	+23%
Net Earnings Attributable to General Mills	427	+24	
Diluted EPS	$0.69	+25	
Certain Items Affecting Comparability	0.10		
Adjusted Diluted EPS*	$0.79	+30%	+36%

*Non-GAAP measures. See appendix for reconciliation.

Green Giant Divestiture

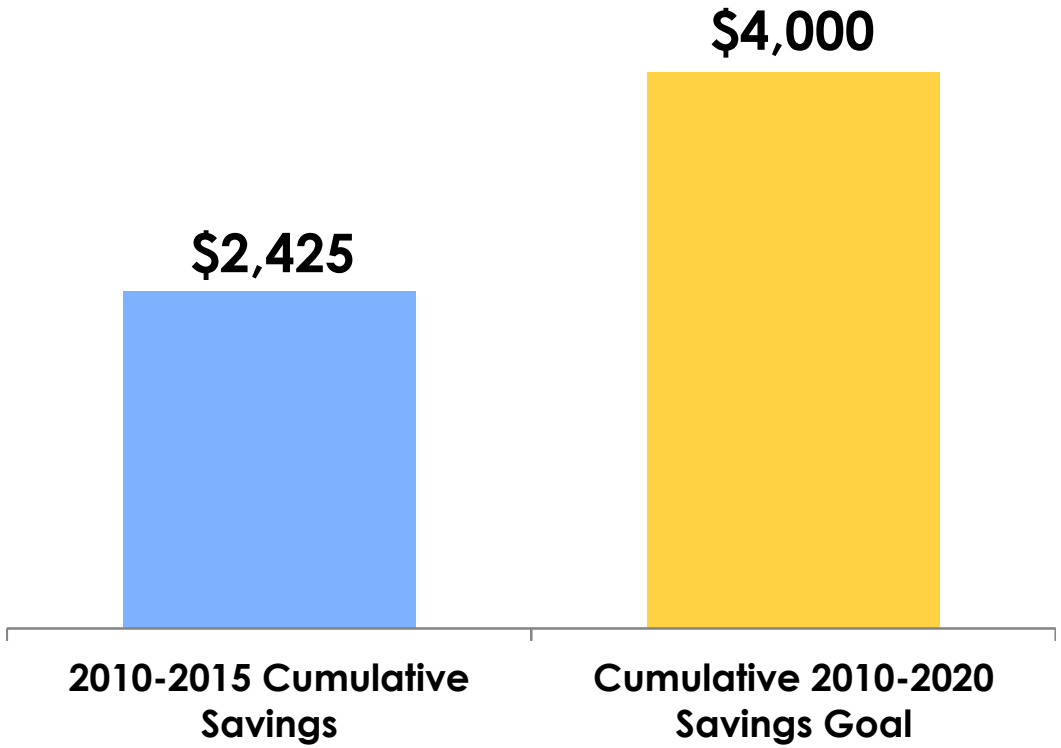
- Selling Green Giant Brand to B&G Foods
- Gross Sale Proceeds of Approximately $765MM
- General Mills Will Continue to Operate in Europe and Select Other Markets Via Royalty-free License
- Transaction Expected to Close by End of Calendar 2015

Holistic Margin Management (HMM)



COGs HMM

(Fiscal Years, $ in Millions)



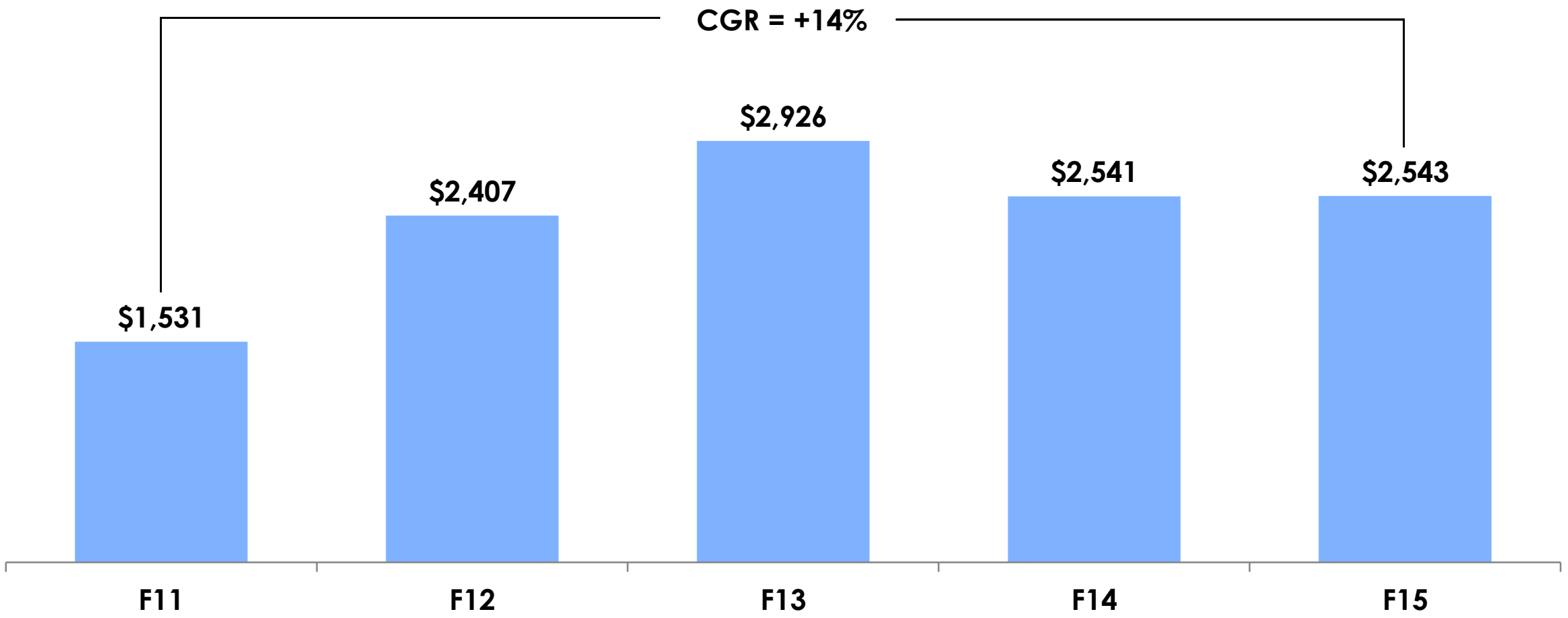
Cost Savings Summary

- HMM Generates Ongoing Savings

- Incremental Initiatives Provide Additional Fuel for Reinvestment and Return
  - **Project Century**: Streamline N. American Supply Chain
  - **Project Catalyst**: Increase U.S. Organization Effectiveness, Eliminate 800 Positions
  - **Project Compass**: Increase International Organization Effectiveness, Eliminate 675-725 Positions
  - **Policies & Practices Update**: Further Administrative Expense Reductions
  - **Cumulative Annual Savings**
    - **F15**: $75MM
    - **F16 Goal**: $285 - $310MM
    - **F17 Goal**: $400MM+

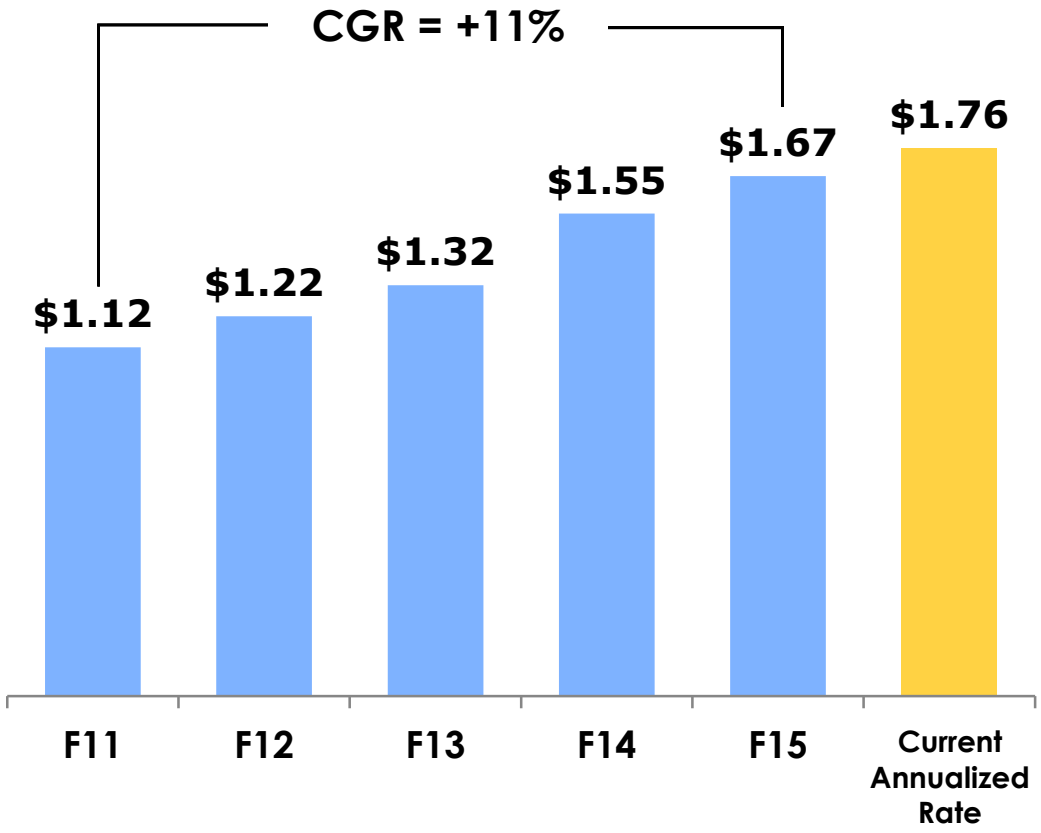
Operating Cash Flow

($ in Millions)



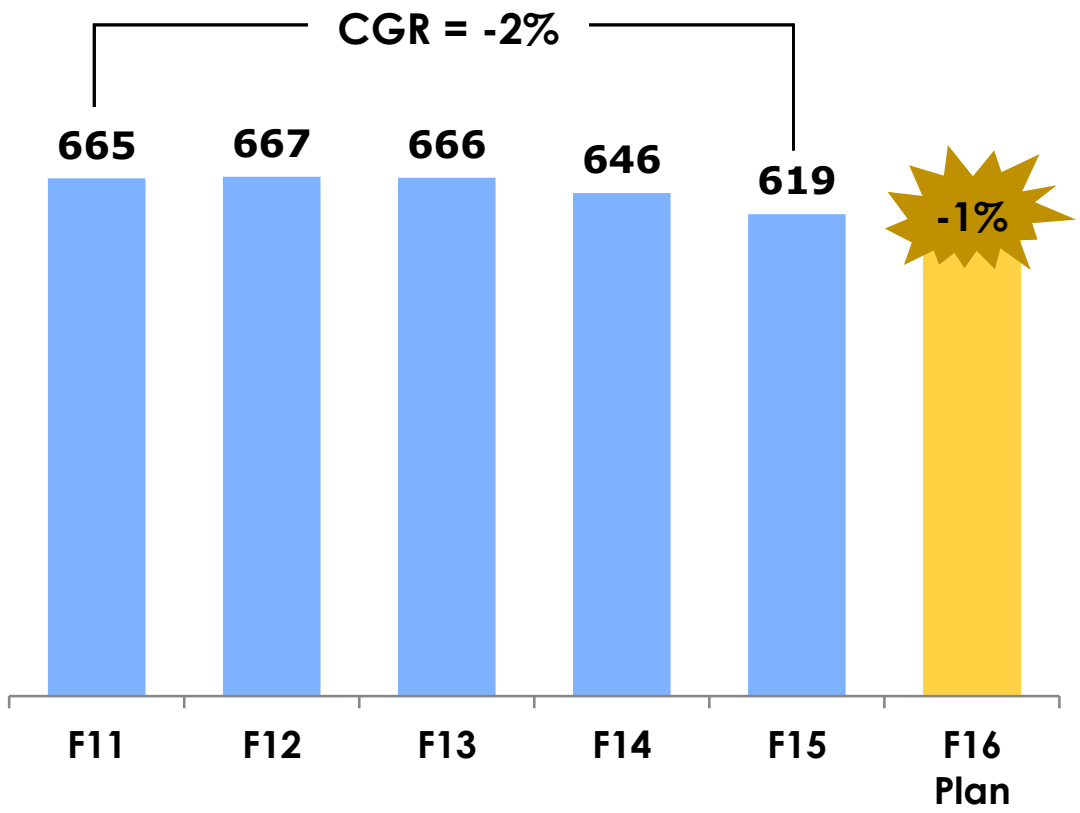
Dividends and Share Repurchases

Dividends per Share



Average Diluted Shares Outstanding

(Shares in Millions)



Consistent Double-digit Returns to General Mills Shareholders

Years	General Mills	S&P 500
F95 – F15	+11%	+9%
F00 – F15	+10%	+5%
F05 – F15	+12%	+8%
F10 – F15	+13%	+17%

Source: Bloomberg



General Mills

Putting the Consumer First

Reconciliation of First Quarter Total Segment Operating Profit

(Fiscal Years, $ in Millions)

	Q1	
	2016	**2015**
U.S. Retail	$630	$457
International	117	146
Convenience Stores & Foodservice	80	87
Total Segment Operating Profit	$826	$690
Unallocated Corporate Items	83	119
Restructuring, Impairment, and Other Exit Costs	60	14
Operating Profit	$683	$558

Table does not foot due to rounding.

Reconciliation of First Quarter Constant-currency Net Sales Growth

(Fiscal Years)

	Q1 2016		
	% Change in Net Sales as Reported	Impact of Foreign Currency Exchange	% Change in Net Sales on a Constant-currency Basis
Europe	-10%	-17 pts	7%
Canada	-11	-16	5
Asia/Pacific	Flat	-3	3
Latin America	-26	-29	3
Total International	-11%	-16 pts	5%
Total Net Sales	-1%	-5 pts	4%

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

(Fiscal Years)

	Q1		
	2016	**2015**	**Change**
Diluted EPS	$0.69	$0.55	+25%
Mark-to-market effects	--	.05	
Restructuring costs	.09	.01	
Project-related costs	.01	--	
Adjusted Diluted EPS	$0.79	$0.61	+30%
Impact of Foreign Currency Exchange			-6
Adjusted Diluted EPS on a constant-currency basis			+36%

First Quarter Fiscal 2016 Reconciliation of Constant-currency Segment Operating Profit Growth

(Fiscal Years)

	Q1 2016		
	% 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	-20%	-17 pts	-3%
Total Segment Operating Profit	20%	-3 pts	23%