Reconciliation of Total International Segment Net Sales, Including Proportionate Share of JV Net Sales

(Fiscal Years, $ in Billions)

	2015	2005
JV Net Sales	$1.1	$0.9
International Segment Net Sales	$5.1	$1.7
Total International Net Sales, Including Proportionate Share of JV net sales	$6.2	$2.6

Fiscal 2005 figures not restated for current classification.

Reconciliation of Adjusted Gross Margin

(Fiscal Years, $ in Millions)

	2015	2014	2013	2012	2011	2010	2009	2008
Net Sales	$17,630	$17,910	$17,774	$16,658	$14,880	$14,636	$14,556	$13,548
Gross Margin as Reported	$5,949	$6,370	$6,424	$6,045	$5,954	$5,800	$5,175	$4,816
Mark-to-market Effects	90	(49)	(4)	104	(95)	7	119	(57)
Restructuring Charges	60							18
Project-related Costs	13							
Venezuela Currency Devaluation	3	23	16	-	-	-	-	-
Adjusted Gross Margin	$6,115	$6,344	$6,436	$6,149	$5,858	$5,807	$5,294	$4,777
Gross Margin % of Sales								
As Reported	33.7%	35.6%	36.1%	36.3%	40.0%	39.6%	35.6%	35.5%
As Adjusted	34.7%	35.4%	36.2%	36.9%	39.4%	39.7%	36.4%	35.3%

Table does not foot due to rounding.

Reconciliation of Free Cash Flow

(Fiscal Years, $ in Millions)

	2015	2014	2013	2012	2011
Net Earnings, Including Earnings Attributable to Redeemable and Noncontrolling Interests	$1,259	$1,861	$1,893	$1,589	$1,804
Net Cash Provided by Operating Activities, As Reported	$2,543	$2,541	$2,926	$2,407	$1,527
Purchases of Land, Buildings, and Equipment	(712)	(664)	(614)	(676)	(649)
Free Cash Flow	$1,830	$1,878	$2,312	$1,731	$878
Free Cash Flow Conversion	145.4%	100.9%	122.1%	108.9%	48.7%

Table does not foot due to rounding.

Reconciliation of Return on Average Total Capital

($ in Millions)

	Fiscal Year				
	2015	2014	2013	2012	2011
Net Earnings, Including Earnings Attributable to Redeemable and Noncontrolling Interests	$1,259	$1,861	$1,892	$1,589	
Interest, Net, After-tax	200	191	201	239	
Earnings Before Interest, After-tax	1,459	2,052	2,094	1,828	
Mark-to-market Effects	57	(30)	(3)	66	
Tax Items	79	--	(85)	--	
Restructuring Costs	218	4	16	64	
Acquisition Integration Costs	10	--	9	10	
Divestiture Gain, Net	--	(36)	--	--	
Venezuela Currency Devaluation	8	58	21	--	
Earnings Before Interest, After-tax for Return on Capital Calculation	$2,016	$2,047	$2,051	$1,968	
Current Portion of Long-term Debt	$1,000	$1,251	$1,443	$741	$1,031
Notes Payable	616	1,112	600	526	311
Long-term Debt	7,608	6,424	5,926	6,162	5,542
Total Debt	9,224	8,786	7,969	7,430	6,885
Redeemable Interest	779	984	968	848	--
Noncontrolling Interests	396	471	456	461	247
Stockholders' Equity	4,997	6,535	6,672	6,422	6,366
Total Capital	15,396	16,775	16,065	15,160	13,497
Accumulated Other Comprehensive Loss	2,311	1,340	1,585	1,744	1,011
After-tax Earnings Adjustments (a)	347	(209)	(204)	(162)	(301)
Adjusted Total Capital	$18,053	$17,906	$17,446	$16,742	$14,207
Adjusted Average Total Capital	$17,980	$17,676	$17,094	$15,475	
Return on Average Total Capital	11.2%	11.6%	12.0%	12.7%	

(a) Sum of current year and previous year after-tax adjustments

Table does not foot due to rounding.

Reconciliation of Full Year Constant-currency International Segment Operating Profit Growth

	Fiscal 2015		
	% Change as Reported	Impact of Foreign Currency Exchange	% Change on a Constant-currency Basis
International Segment Operating Profit	-2%	-11 pts	+9%

Reconciliation of Cereal Business Net Sales

(Fiscal Year)

	2015
Consolidated Cereal Net Sales	$2,770
Share of CPW Net Sales	$950
Total Cereal Net Sales	$3,720

Reconciliation of Tax Rate Excluding Items

(Fiscal Year, $ in Millions)

	2015	
	Pre-tax Earnings*	**Income Taxes**
As Reported	$1,762	$587
Mark-to-market effects	90	33
Restructuring Charges	344	126
Project-related Costs	13	5
Venezuela Currency Devaluation	8	--
Acquisition Integration Costs	16	6
Tax Item	--	(79)
Intangible Asset Impairment	260	83
As Adjusted	$2,492	$761
Effective Tax Rate:		
As Reported		33.3%
As Adjusted		30.5%

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

Reconciliation of Full Year Total Segment Operating Profit Dollars and Margin

(Fiscal Year, $ in Millions)

	2015	% of Net Sales
U.S. Retail	$2,159	
International	523	
Convenience Stores & Foodservice	353	
Total Segment Operating Profit	$3,035	17.2%
Unallocated Corporate Items	414	2.3%
Restructuring, Impairment, and Other Exit Costs	544	3.1%
Operating Profit	$2,077	11.8%

Reconciliation of Full Year Constant-currency International Net Sales Growth

(Fiscal Year)

	2015		
	% Change in Net Sales as Reported	Impact of Foreign Currency Exchange	% Change in Net Sales on a Constant-currency Basis
Europe	-3%	-8 pts	5%
Canada	-8	-8	Flat
Asia/Pacific	4	-1	5
Latin America	-14	-31	17
Total International	-5%	-11 pts	6%

Reconciliation of Full Year Adjusted Diluted EPS

(Fiscal Year)

	2015
Diluted EPS	$1.97
Mark-to-market Effects	.09
Intangible Asset Impairment	.28
Tax Item	.13
Restructuring Costs	.35
Project-related Costs	.01
Venezuela Currency Devaluation	.01
Acquisition Integration Costs	.02
Adjusted Diluted EPS	$2.86