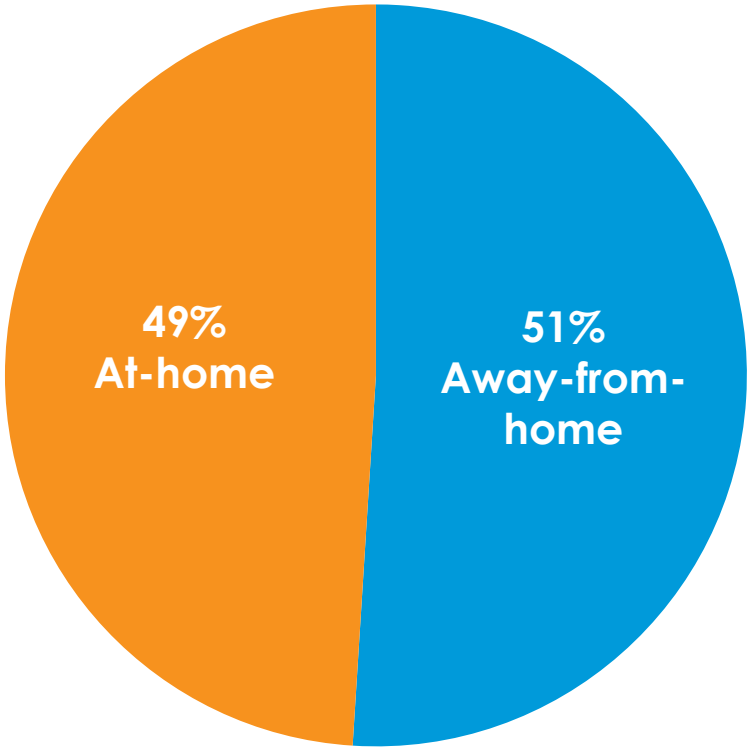


Bethany Quam

VP, President – Convenience Stores & Foodservice

Convenience Stores & Foodservice A Large Market Opportunity

U.S. Food and Beverage Expenditures



2016 Estimate: $1.4 Trillion

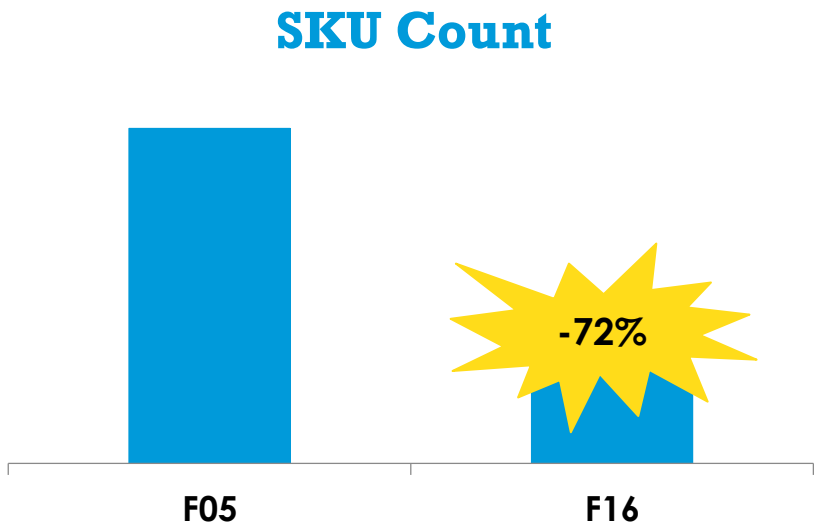
Channel Growth

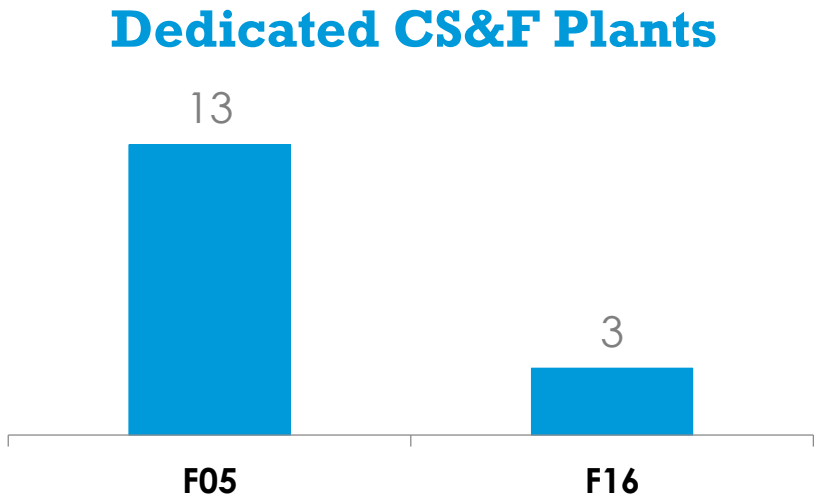
	2015 Est. Sales ($ in Billions)	2016 Est. Nominal Growth
Total Foodservice	**$707**	**5%**
Healthcare	$26	5%
K-12 Schools	$21	2%
Colleges & Universities	$16	3%
Convenience Stores	**$54**	**4%**

Source: Technomic January 2016, Nielsen Answers, Kantar

Convenience Stores & Foodservice Business Transformation Journey

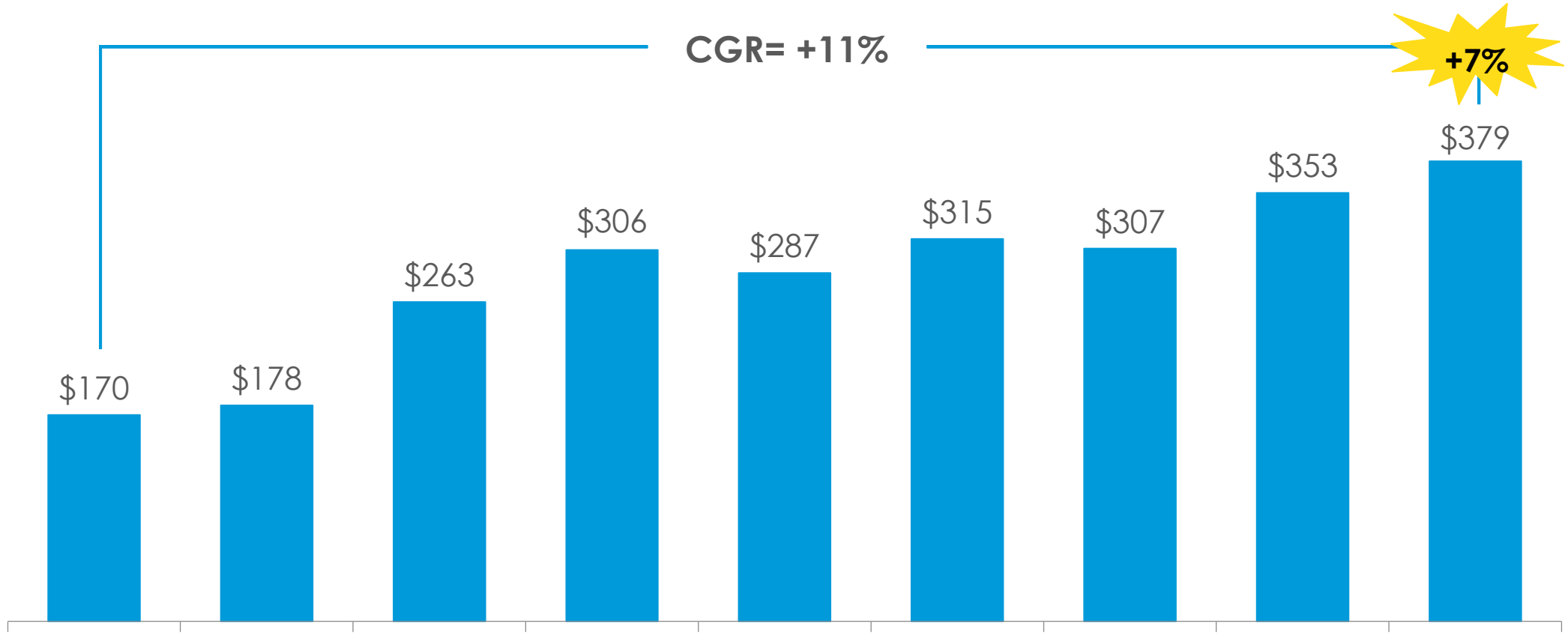
- Significant Restructuring
- Exited Custom Businesses
- Added Direct Sales Force
- Prioritized Focus 6 Platforms





Convenience Stores & Foodservice Segment Operating Profit Growth

($ in Millions)



	F08	F09	F10	F11	F12	F13	F14	F15	F16
Operating Profit Margin:	8.6%	8.9%	15.1%	16.6%	14.5%	16.1%	16.0%	17.7%	19.7%

Focus Six Platforms Driving Segment Performance



Share Rank

Total Foodservice

Cereal	#1
Yogurt	#1
Biscuits	#1
Mixes	#2-3
K-12 Frozen Meals	#1

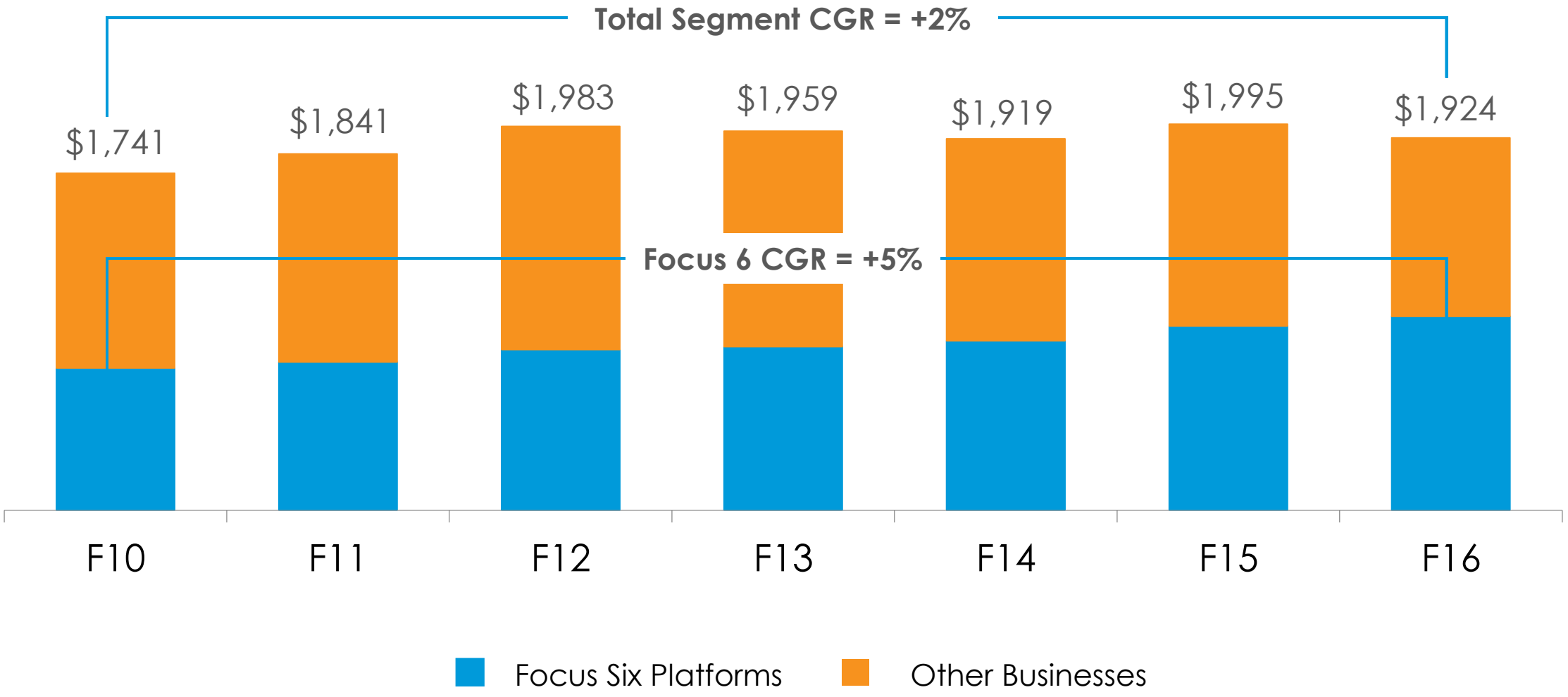
Convenience Stores

Snacks	#2

Sources: Total US NPD SupplyTrack®, Nielsen AOD
Foodservice pound share 12 months as of March 2016.
C-Store dollar share 12 months as of April 2016.

Convenience Stores & Foodservice Segment Net Sales Performance

($ in Millions)



Convenience Stores & Foodservice Advantaged Business Model

Leverage General Mills Investment

Pillsbury

One Global Baking

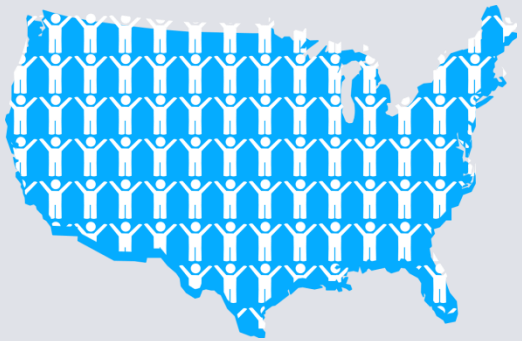
+ Innovate Operator First



NO SLICING.
NO SPREADING.
NO MESS.

+ Create Demand with Direct Sales

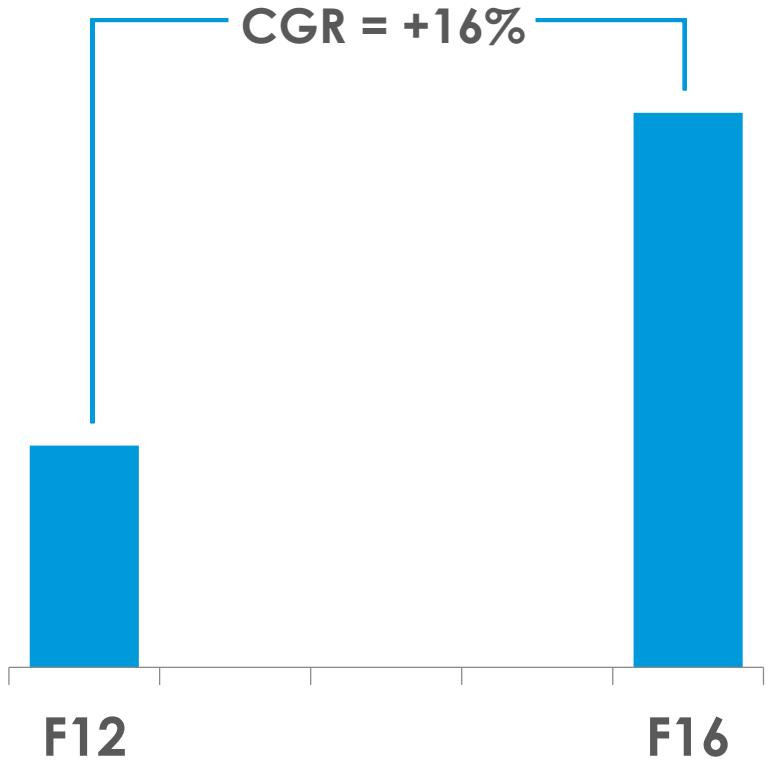
1,500 School Bids



14 MILLION BREAKFASTS

Fiscal 2017 News: Frozen Breakfast in K-12 Schools

Net Sales



Renovation & Innovation News



Fiscal 2017 News: Cereal

K-12 Schools







Colleges & Universities

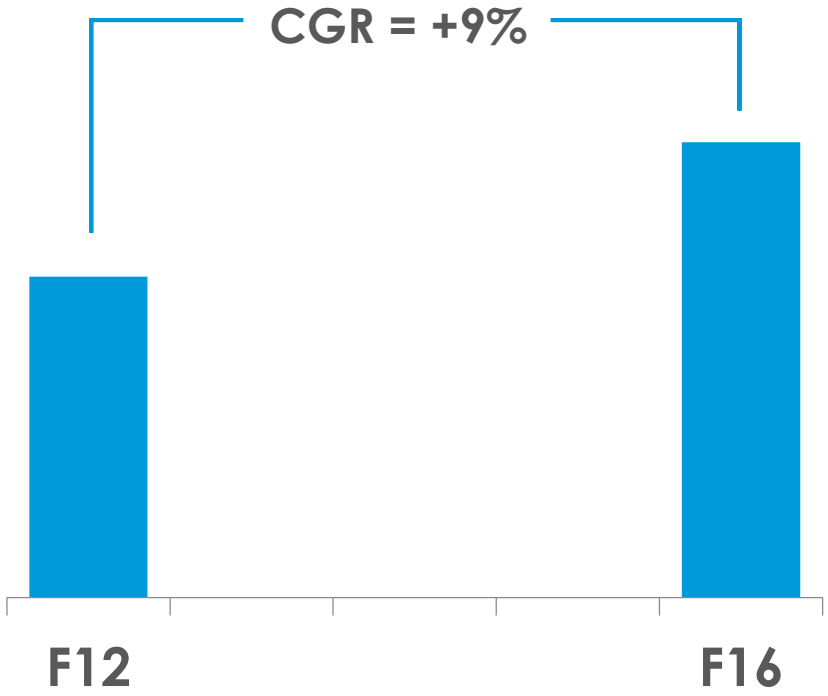




love cereal again

Fiscal 2017 News: Yogurt

Net Sales



Operator Innovation





Fiscal 2017 News: Snacks

Convenience Stores

Core Distribution & Renovation





K-12 Schools

Innovation





Strong Execution Capabilities

- National, Direct Sales Force
- Consumer and Operator Insights
- Innovative Solutions













Today's Convenience Stores & Foodservice Summary

- Portfolio Shaping Efforts Have Strengthened Business Model
- Strong Innovation and Renovation Planned in Fiscal 2017
- F17 Goals
  - Organic Net Sales: Flat vs LY
  - Segment Operating Profit Margin: +50bps vs LY