



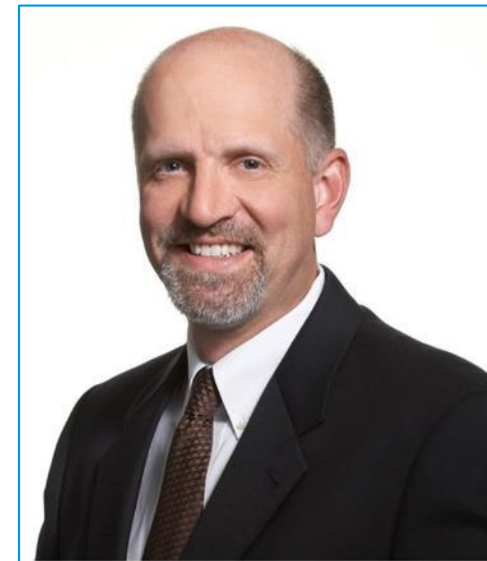
GENERAL MILLS
FISCAL 2019
FIRST-QUARTER EARNINGS
SEPTEMBER 18, 2018

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, including our acquisition of Blue Buffalo and issues in the integration of Blue Buffalo and retention of key management and employees; unfavorable reaction to our acquisition of Blue Buffalo by customers, competitors, suppliers, and employees; changes in capital structure; changes in the legal and regulatory environment, including tax legislation, 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 saving 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. The company undertakes no obligation to publicly revise any forward-looking statements to reflect any future events or circumstances.

GENERAL MILLS FISCAL 2019 FIRST-QUARTER EARNINGS



Jeff Harmening

Chairman and Chief Executive Officer



Today's Key Messages



- **Off to a Good Start in Fiscal 2019**
 - Organic Net Sales Growth in Q1
 - Blue Buffalo Transition Progressing Well
 - First-quarter Profit and EPS Ahead of Our Expectations
- **Remain on Track to Deliver Full-year Targets**

Fiscal 2019 Q1 Financial Performance



dollars in millions except per share data

Total General Mills	\$	% vs LY
Net Sales	\$4,094	Flat Organic*
Adjusted Operating Profit*	\$641	+3% ¹
Adjusted Diluted EPS*	\$0.71	Flat ¹

- Organic Net Sales Slightly Ahead of LY
 - 4th Consecutive Quarter of Organic Growth
- One-time Purchase Accounting Charge a Headwind to Operating Profit (8pts) and EPS (6 cents)
- Bottom Line Results Ahead of Plan

*Non-GAAP measures. See appendix for reconciliation.

(1) Constant-currency growth rate. See appendix for reconciliation.

Our Fiscal 2019 Priorities



Grow The Core

Compete Effectively and
Accelerate Growth Platforms



Transition Blue Buffalo

Successfully Transition Blue Buffalo
and Maintain Momentum



Deliver Financial Commitments

Achieve Profit and
Cash Flow Goals



Keys to Growing the Core in F19



F19 Q1 vs. F18

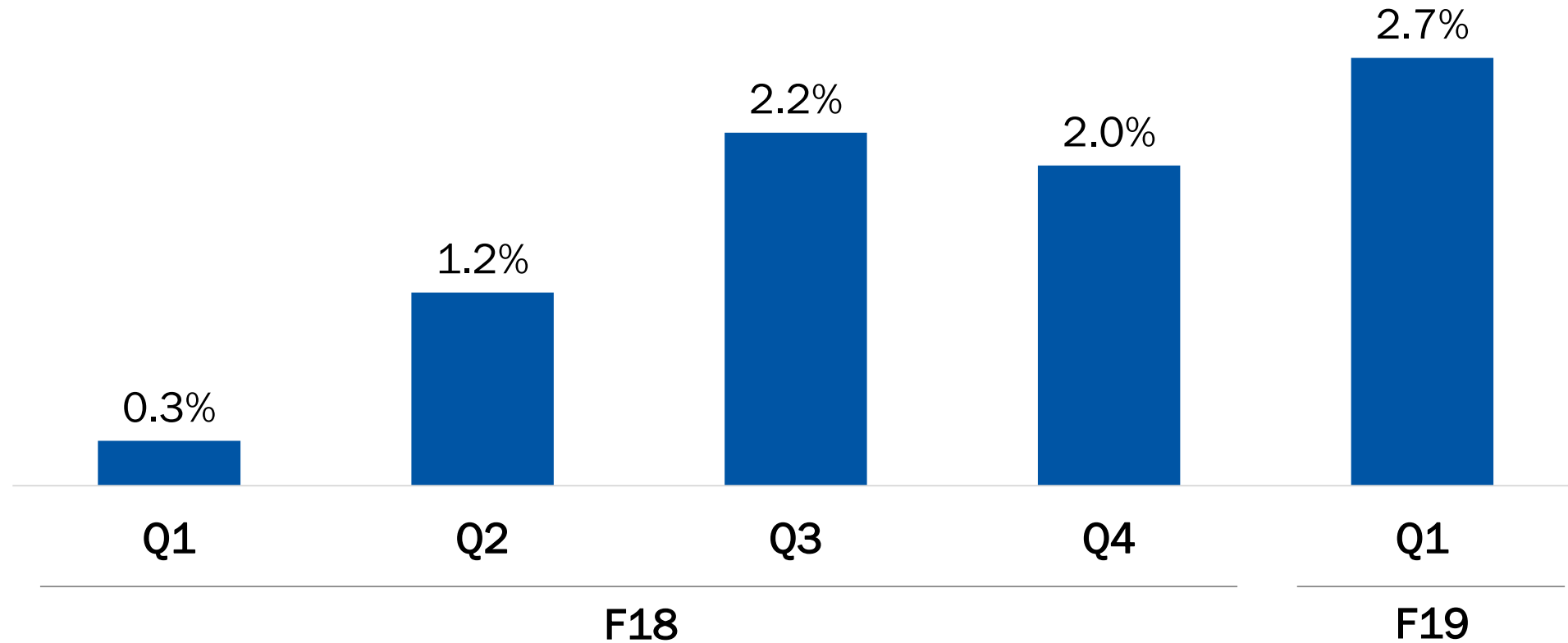
- | | |
|-------------------------------------|---|
| 1) Improve U.S. Yogurt | ✓ |
| 2) Improve Emerging Markets | ✓ |
| 3) Strengthen Innovation | ✓ |
| 4) Stabilize U.S. Distribution | ✓ |
| 5) Increase Benefits from Price/Mix | = |



U.S. Industry Trends Improving

U.S. FOOD AND BEVERAGE RETAIL SALES

(% VS. LY)



Units:	-1.1%	-0.5%	Flat	-0.3%	0.3%
Price/Mix:	1.4%	1.8%	2.2%	2.3%	2.4%

General Mills U.S. Market Share Evolution



	F17	F18 H1	F18 H2	F19 Q1
Cereal	—	+	+	+
Bars	—	+	—	—
Yogurt	—	—	—	+
Refrigerated Dough	—	—	+	+
Soup	—	+	+	+
Hot Snacks	+	—	+	+
Desserts	—	—	+	+
Mexican	+	+	+	+
Fruit Snacks	—	+	+	+
Top 9 Categories Share Gains	2 of 9	5 of 9	7 of 9	8 of 9

Grow the Core: Cereal



NORTH AMERICA RETAIL



CONVENIENCE STORES & FOODSERVICE



F19 Q1 U.S. Cereal Market Share +0.1 pts

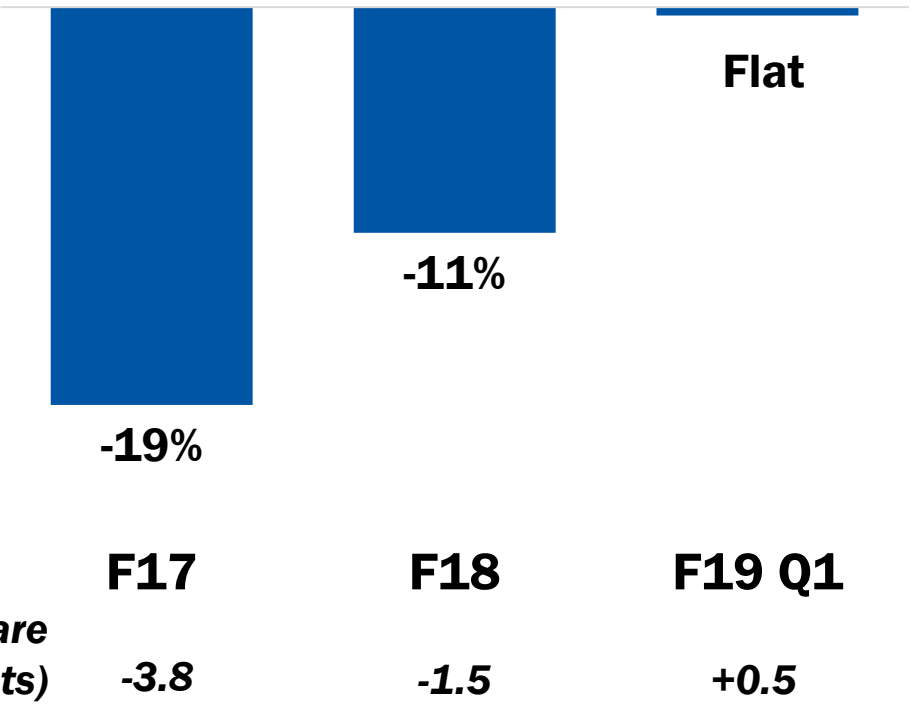
F19 Q1 Net Sales +LSD

Grow the Core: Yogurt



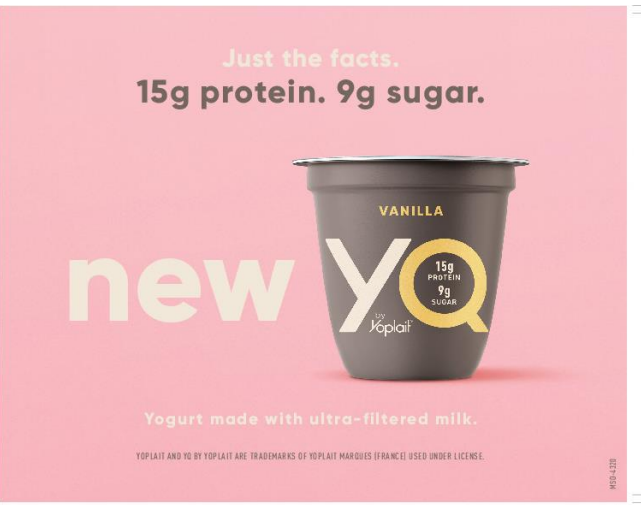
IMPROVING YOGURT BY EXPANDING IN FASTER-GROWING SEGMENTS

General Mills U.S. Yogurt Retail Sales
(% vs. LY)



Dollar Share
vs. LY (pts)

F17	F18	F19 Q1
-3.8	-1.5	+0.5



Grow the Core: Regional Business Highlights



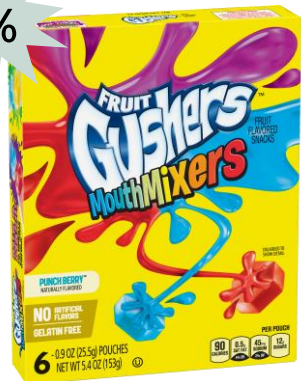
U.S. HOT SNACKS, SOUP, AND FRUIT SNACKS

(F19 Q1 Retail Sales, % vs. LY)

+7%



+6%



+2%

WANCHAI FERRY IN CHINA



F19 YTD Retail Sales +4%

BRAZIL



F19 YTD Brazil Retail Sales +10%

Grow the Core: Accelerate Platforms

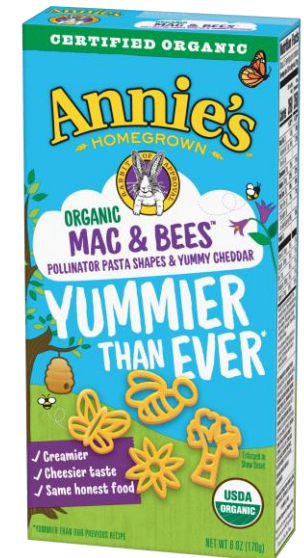


INNOVATION AND BRAND SUPPORT ON OLD EL PASO



F19 YTD Global Retail Sales +3%

FOCUSED ON DRIVING CORE NATURAL & ORGANIC PRODUCTS



F19 YTD U.S. Retail Sales +3%

Grow the Core: Accelerate Platforms



FUELING GLOBAL BARS GROWTH WORK TO DO ON FIBER ONE IN U.S.



F19 YTD Global Retail Sales Flat

Source: Nielsen/IRI through July 2018

INNOVATION AND ACTIVATION ON HÄAGEN-DAZS



F19 YTD Global Retail Sales +8%

Source: Nielsen/IRI through July 2018

Blue Buffalo Transition on Track



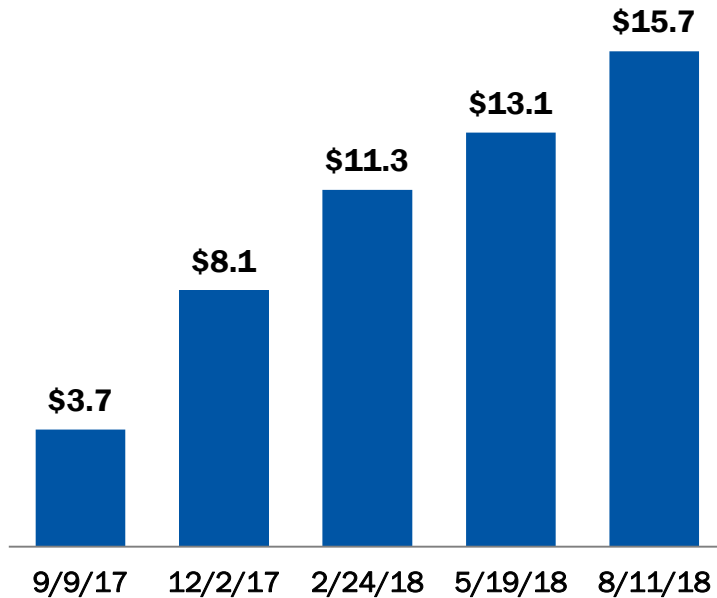
- **F19 Q1 Retail Sales +9%**
- **Leveraging General Mills Capabilities in Supply Chain, Sales, Innovation, and SRM**
- **Anticipate Quarterly Net Sales Variability Due to Channel Expansion Timing**
- **Maintaining Full-year F19 Outlook: Double-digit Top and Bottom Line Growth***

Transition Blue Buffalo: F19 Q1 All Channel Retail Sales +9% vs. LY



FDM

(U.S. RETAIL SALES, 4 WEEK DATA, \$ IN MILLIONS)



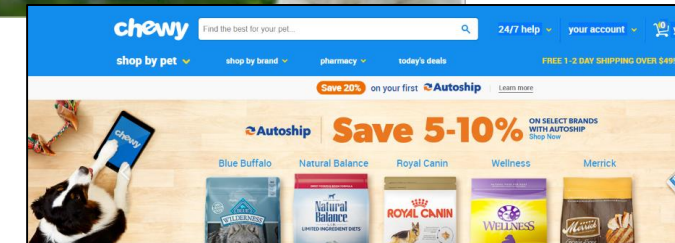
- Retail Sales +20% Since May '18
- Market Share Gains

PET SPECIALTY



- F19 Q1 Retail Sales –DD
- Market Share Declines

E-COMMERCE



- F19 Q1 Retail Sales +36%
- Market Share Gains

Transition Blue Buffalo: F19 Year-to-Go Channel Plans



- Continued Expansion in FDM
- Improve in Pet Specialty
- Continue Robust E-commerce Growth

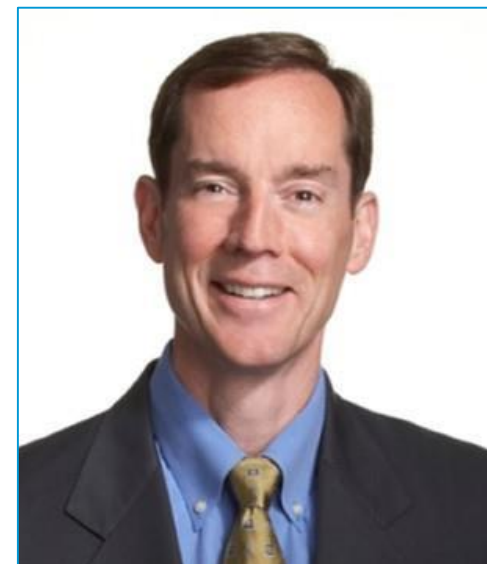


Deliver Financial Commitments



- **\$450MM COGS HMM Savings Driven by Global Sourcing Initiative**
- **Benefits from Targeted SRM Actions Increasing Through F19**
- **Reduced Core Working Capital in Q1**
- **F19 Q1 Profit Ahead of Our Expectations**

GENERAL MILLS
FISCAL 2019
FIRST-QUARTER RESULTS
SEPTEMBER 18, 2018



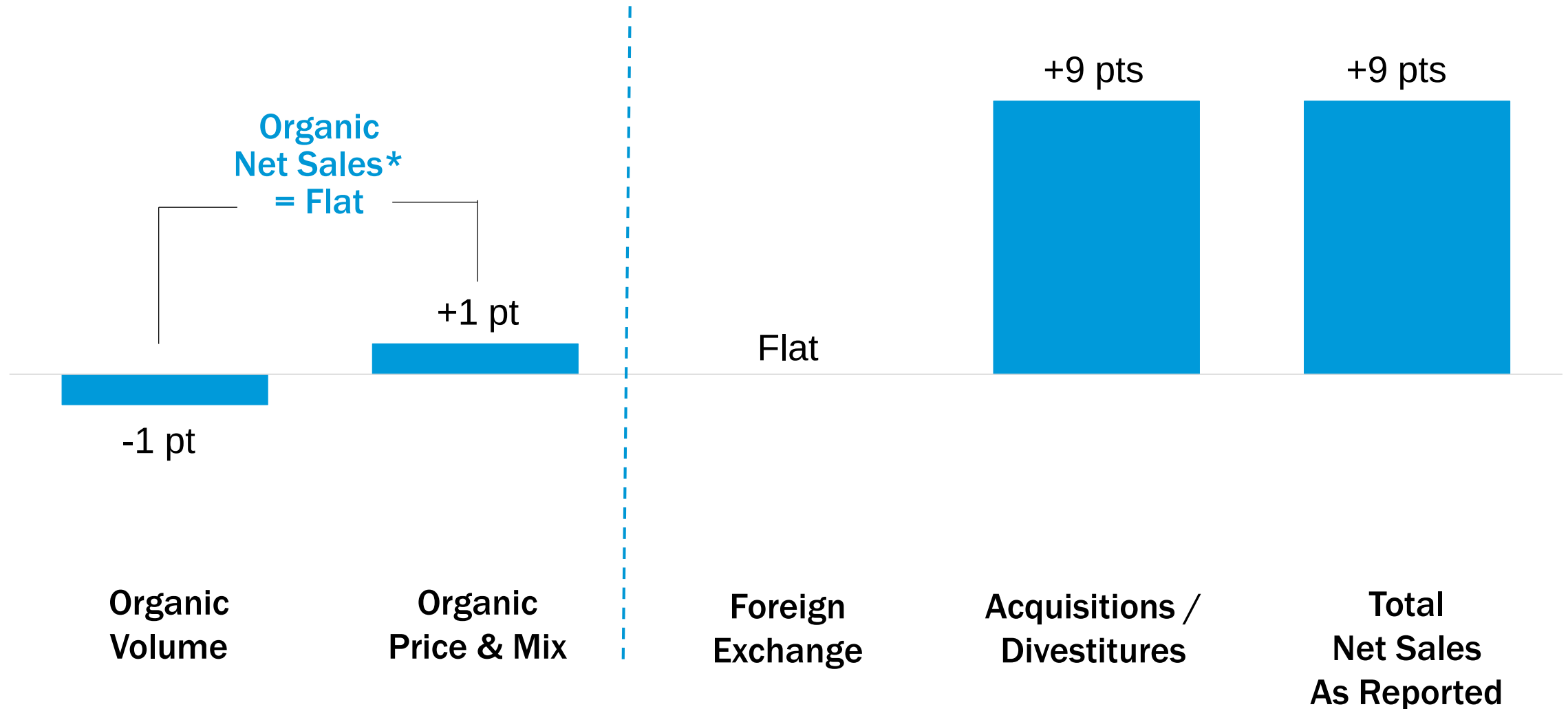
Don Mulligan

Chief Financial Officer



First Quarter Fiscal 2019

Components of Net Sales Growth



*Non-GAAP measure.

First Quarter Fiscal 2019 North America Retail



SEGMENT RESULTS

\$MM

VS. LY

Net Sales	\$2,388	-1% ¹
Segment Operating Profit	\$548	+3% ²

Highlights:

- Nielsen-measured U.S. retail sales flat vs. LY
- U.S. Snacks declines driven by Fiber One, partially offset by Lärabar and EPIC growth
- U.S. Yogurt retail sales flat vs. LY; Grew share in Q1
- SOP growth driven by price/mix benefits, lower SG&A expenses, and productivity initiatives

NET SALES GROWTH BY OPERATING UNIT

U.S. Cereal	+1%
U.S. Yogurt	-2
U.S. Meals & Baking	-2
Canada	-4
Constant-currency ²	-2
U.S. Snacks	-4
Total NAR	-2%



(1) Organic net sales growth rate. Non-GAAP measure. See appendix for reconciliation
 (2) Constant currency growth rate. Non-GAAP measure. See appendix for reconciliation.
 Source: Nielsen xAOC, 13 weeks ending 8/25/18

First Quarter Fiscal 2019 Convenience Stores & Foodservice



SEGMENT RESULTS

\$MM

VS. LY

Net Sales	\$463	+4% ¹
Segment Operating Profit	\$97	+14%

NET SALES GROWTH BY PLATFORM

Focus 6 Platforms	+4%
Other	+3%
Total CS&F	+4%

Highlights:

- Snacks, Frozen Meals, and Cereal drove Focus 6 growth
- C-Stores and K-12 led channel growth
- SOP increase driven by Focus 6 growth and increased cost savings



(1) Organic net sales growth rate. Non-GAAP measure. See appendix for reconciliation

First Quarter Fiscal 2019 Europe & Australia



SEGMENT RESULTS

\$MM

VS. LY

Net Sales	\$501	+1% ¹
Segment Operating Profit	\$34	+12% ²

Highlights:

- Häagen-Dazs net sales +DD driven by innovation and consumer activations
- Snack bars net sales +DD behind effective messaging on Nature Valley and Fibre One
- SOP driven by mix benefits and lower SG&A, partially offset by significant input cost inflation



(1) Organic net sales growth rate. Non-GAAP measure. See appendix for reconciliation
(2) Constant currency growth rate. Non-GAAP measure. See appendix for reconciliation.

First Quarter Fiscal 2019 Asia & Latin America



SEGMENT RESULTS

\$MM

VS. LY

Net Sales	\$399	+8% ¹
Segment Operating Profit	\$12	-38% ²

Highlights:

- Latin America growth driven by convenient meals and snack bars
- Häagen-Dazs and Wanchai Ferry drove growth in Asia
- Snack bars continued strong performance in India
- Input cost inflation and higher SG&A expenses impacted Q1 SOP



(1) Organic net sales growth rate. Non-GAAP measure. See appendix for reconciliation

(2) Constant currency growth rate. Non-GAAP measure. See appendix for reconciliation.

First Quarter Fiscal 2019 Pet Segment



SEGMENT RESULTS	\$MM	PRO FORMA GROWTH
Net Sales	\$343	+14% ¹
Segment Operating Profit	\$14	-81%

Highlights:

- Growth in FDM and E-commerce partially offset by Pet Specialty declines
- Q1 profit down due to purchasing accounting charges (\$56MM), input cost inflation, and plant start-up costs
- On track to deliver +DD top- and bottom-line growth in F19, excluding purchasing accounting changes



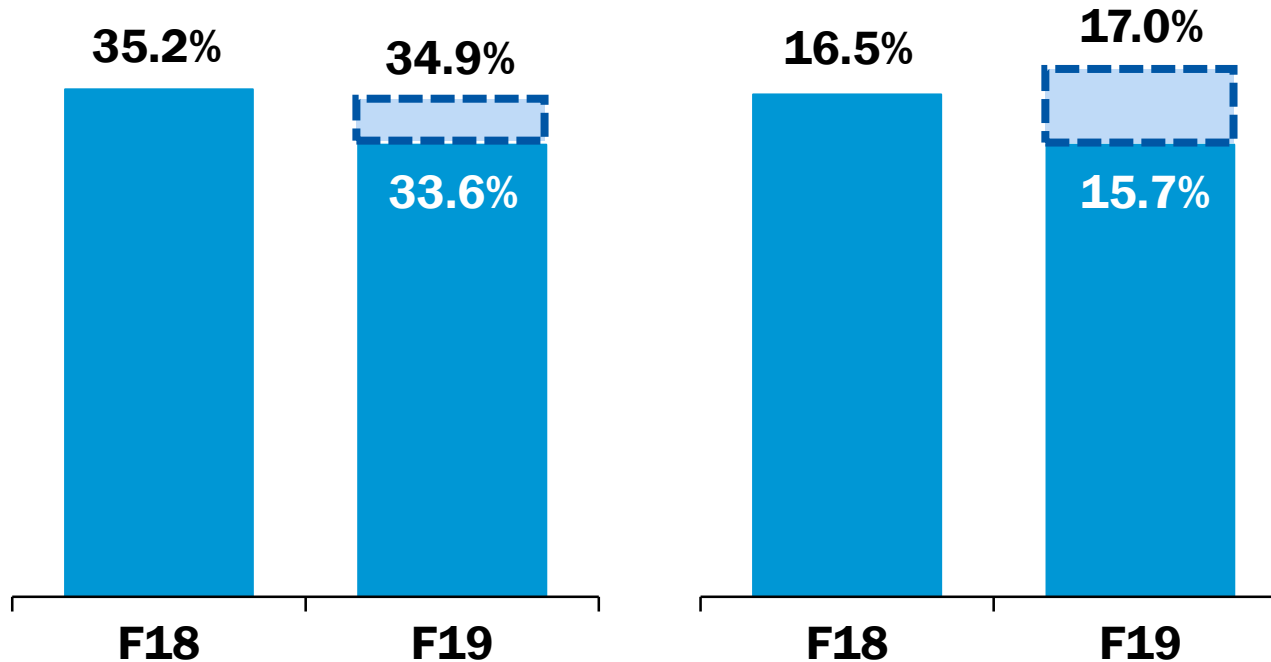
(1) Excluding impact of 7 days from the month of acquisition in F19 results: Pro forma net sales +MSD

First Quarter Fiscal 2019 Margin Results¹



ADJUSTED GROSS MARGIN* (% of Net Sales)

ADJUSTED OPERATING PROFIT MARGIN* (% of Net Sales)



• Q1 Margin Drivers:

- Input Cost Inflation
- One-time Inventory Adjustment due to Purchase Accounting
- + Positive Price/Mix
- + COGS HMM Savings
- + Lower SG&A Expense

• Excluding One-time Purchasing Accounting Charge:

- Adj. Gross Margin -30 bps vs. LY
- Adj. Op. Profit Margin +50 bps vs. LY

¹ Reflects new Retirement and Postemployment Benefit reporting requirement.
*Non-GAAP measure. See appendix for reconciliation.

Impact of one-time purchasing accounting charge.

First Quarter Fiscal 2019 Joint Venture Results



AFTER-TAX EARNINGS: \$18MM; -\$6MM VS. LY

JV GROWTH

CPW

HDJ

Net Sales*

-2%

-14%

Highlights:

- CPW net sales declines driven by Latin America, partially offset by strong performance in Asia, Middle East, and Africa
- HDJ declines driven by core mini cups and comparison to +DD net sales growth LY
- After-tax earnings decline due primarily to \$5MM share of CPW restructuring charge



First Quarter Fiscal 2019 Other Income Statement Items



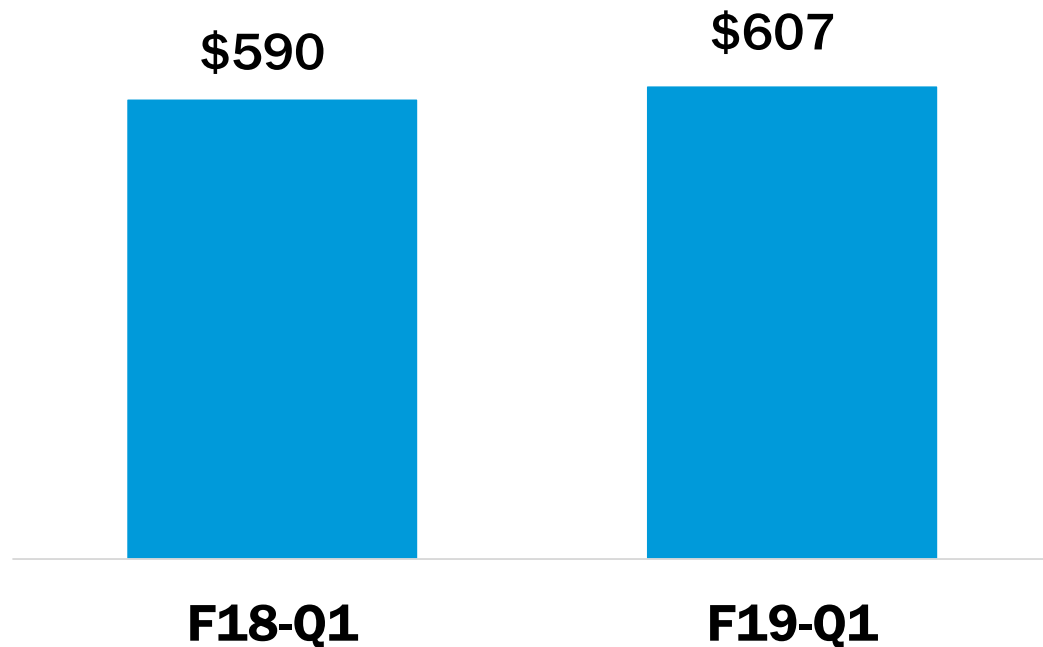
- **Unallocated Corporate Expense Increased Excluding Certain Items**
- **Benefit Plan Non-service Income of \$21MM vs. \$20MM LY**
- **Net Interest Expense Increased \$61MM**
- **Adjusted Effective Tax Rate 22.7% vs. 30.5% LY***
- **Average Diluted Shares Outstanding Up 3%**

First Quarter Fiscal 2019 Balance Sheet and Cash Flow



OPERATING CASH FLOW

(\$ IN MILLIONS)



- Core Working Capital = \$671MM; -31% vs. LY
- Capital Investments = \$113MM
- Dividends Paid = \$294MM

Reaffirming Fiscal 2019 Targets



F18 BASE

F19 TARGET

\$15.7 Billion

Net Sales

+9 to +10%³

Organic Net Sales²

Flat to +1%

\$2.6 Billion¹

Adjusted Operating Profit²

+6 to +9%³

\$3.11¹

Adjusted Diluted EPS²

-3% to Flat³

Free Cash Flow Conversion²

>95%

(1) Non-GAAP measure. See appendix for reconciliation.

(2) Non-GAAP measure.

(3) Constant-currency growth rate. Non-GAAP measure.

A Reminder on Non-GAAP Guidance



Our fiscal 2019 outlook for organic net sales growth, constant currency adjusted operating profit and adjusted diluted EPS, and free cash flow are non-GAAP financial measures that exclude, or have otherwise been adjusted for, items impacting comparability, including the effect of foreign currency exchange rate fluctuations, restructuring charges and project-related costs, acquisition transaction and integration costs, acquisitions, divestitures and mark-to-market effects. We are not able to reconcile these forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures without unreasonable efforts because we are unable to predict with a reasonable degree of certainty the actual impact of changes in foreign currency exchange rates and commodity prices or the timing or impact of acquisitions, divestitures and restructuring actions throughout fiscal 2019. The unavailable information could have a significant impact on our fiscal 2019 GAAP financial results.

For fiscal 2019, we currently expect: foreign currency exchange rates (based on blend of forward and forecasted rates and hedge positions), acquisitions, and divestitures to increase net sales growth by high single digits; foreign currency exchange rates to have an immaterial impact on adjusted operating profit and adjusted diluted EPS growth; and total restructuring charges and project-related costs related to actions previously announced to total approximately \$7 million.

Reconciliation of First Quarter Fiscal 2019 Organic Net Sales Growth



(FISCAL YEAR)

	Q1 2019					
	Organic Volume	Organic Price/Mix	Organic Net Sales	Foreign Exchange	Acquisitions & Divestitures	Reported Net Sales Growth
North America Retail	(2) pts	1 pt	(1) %	-	(1) pt	(2) %
Convenience Stores & Foodservice	(1) pt	5 pts	4 %	-	-	4 %
Europe & Australia	(1) pt	2 pts	1 %	1 pt	-	2 %
Asia & Latin America	(5) pts	3 pts	8 %	(6) pts	-	2 %
Pet	-	-	-	-	-	-
Total	(1) pt	1 pt	Flat	-	9 pts	9 %

Reconciliation of First Quarter Fiscal 2019 Adjusted Operating Profit Constant-currency Growth Rate



(FISCAL YEARS, \$ IN MILLIONS)

	Q1		
	2019	2018	Change
Operating profit as reported	\$ 601.5	\$ 605.3	(1) %
Mark-to-market effects	31.1	(1.8)	
Restructuring charges	(1.2)	17.5	
Project-related costs	1.2	1.2	
Acquisition integration costs	8.7	-	
Adjusted operating profit, excluding certain items affecting comparability	\$ 641.3	\$ 622.2	3 %
Foreign currency exchange impact			Flat
Adjusted operating profit growth, Excluding certain items affecting comparability, on a constant-currency basis			3 %

Reconciliation of First Quarter Fiscal 2019 Adjusted Diluted EPS and Related Constant-currency Growth Rate



(FISCAL YEARS)

Per Share Data	Q1		
	2019	2018	Change
Diluted earnings per share, as reported	\$ 0.65	\$ 0.69	(6) %
Mark-to-market effects*	0.04	-	
Acquisition integration costs*	0.01	-	
CPW restructuring costs	0.01	-	
Restructuring charges*	-	0.02	
Diluted earnings per share, excluding certain items affecting comparability	\$ 0.71	\$ 0.71	Flat
Foreign currency exchange impact			Flat
Diluted earnings per share growth, excluding certain items affecting comparability, on a constant-currency basis			Flat

*See reconciliation of tax rate excluding items for tax impact of individual items.

Reconciliation of First Quarter Fiscal 2019 Canada Operating Unit Constant-currency Net Sales Growth



(FISCAL YEAR)

2019

	Percentage Change in Canada Net Sales as Reported	Impact of Foreign Currency Exchange	Percentage Change in Canada Net Sales on a Constant-currency Basis
Q1	(4) %	(2) pts	(2) %

Reconciliation of First Quarter Fiscal 2019 Constant-currency Segment Operating Profit Growth



(FISCAL YEAR)

	Q1 2019		
	Percentage Change in Segment Operating Profit as Reported	Impact of Foreign Currency Exchange	Percentage Change in Segment Operating Profit on a Constant-currency Basis
North America Retail	3 %	Flat	3 %
Europe & Australia	13 %	1 pt	12 %
Asia & Latin America	(21) %	17 pts	(38) %

Reconciliation of First Quarter Fiscal 2019 Adjusted Gross Margin



(FISCAL YEARS)

	Q1	
	2019	2018
	% of Net Sales	% of Net Sales
Gross margin as reported	32.8 %	34.8 %
Mark-to-market effects	0.8	-
Restructuring charges	-	0.4
<u>Adjusted gross margin</u>	33.6 %	35.2 %
One-time purchase accounting charge	1.3	-
<u>Adjusted gross margin, excluding one-time purchasing accounting charge</u>	34.9 %	35.2 %

Reconciliation of First Quarter Fiscal 2019 Adjusted Operating Profit Margin



(FISCAL YEARS)

	Q1	
	2019	2018
	% of Net Sales	% of Net Sales
Operating profit margin as reported	14.7 %	16.0 %
Mark-to-market effects	0.8	-
Restructuring charges	-	0.5
Acquisition integration costs	0.2	-
Adjusted operating profit margin	15.7 %	16.5 %
One-time purchasing accounting charge	1.3	-
Adjusted operating profit margin, excluding one-time purchasing accounting charge	17.0 %	16.5 %

Reconciliation of First Quarter Fiscal 2019 Tax Rate Excluding Items



(FISCAL YEARS, \$ IN MILLIONS)

	Q1			
	2019		2018	
	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes
As reported	\$488.9	\$110.7	\$553.4	\$168.5
Mark-to-market effects	31.1	7.2	(1.8)	(0.7)
Restructuring charges	(1.2)	(0.3)	17.5	5.9
Project-related costs	1.2	0.3	1.2	0.3
Acquisition integration costs	8.7	2.0	-	-
As adjusted	\$528.7	\$119.9	\$570.3	\$174.0
Effective tax rate:				
As reported		22.6%		30.4 %
As adjusted		22.7%		30.5 %
Sum of adjustments to income taxes		\$9.2		\$5.5
Average number of common shares - diluted EPS		603.3		586.9
Impact of income tax adjustments on diluted EPS excluding certain items affecting comparability		\$0.02		\$0.01

*Earnings before income taxes and after-tax earnings from joint ventures.

Reconciliation of Fiscal 2018 Adjusted Operating Profit



(Fiscal Year)

	Full Year
	2018
Operating profit as reported*	\$2,419.9
Mark-to-market effects	(32.1)
Restructuring costs	82.7
Project-related costs	11.3
Acquisition transaction and integration costs	34.0
Intangible asset impairments	96.9
Adjusted operating profit*	\$2,612.7

*Reflects new Retirement and Postemployment Benefit reporting requirement. .

Reconciliation of Fiscal 2018 Adjusted Diluted EPS



(Fiscal Year)

Per Share Data	Full Year	
	2018	
Diluted earnings per share, as reported	\$	3.64
Provisional net tax benefit		(0.89)
Tax items		0.07
Mark-to-market effects*		(0.04)
Acquisition transaction and integration costs*		0.10
Restructuring charges*		0.11
Project-related costs*		0.01
Intangible asset impairments*		0.11
Diluted earnings per share, excluding certain items affecting comparability	\$	3.11

*See reconciliation of Income Taxes on Adjusting Items for tax impact of individual items.

Reconciliation of Fiscal 2018 Income Taxes on Adjusting Items



(Fiscal Year, \$ in Millions)

	2018 Full Year	
	Pretax Earnings*	Income Taxes
As reported	\$2,135.6	\$57.3
Provisional tax benefit	-	523.5
Mark-to-market effects	(32.1)	(10.0)
Acquisition transaction and integration costs	83.9	25.4
Restructuring costs	82.7	21.4
Project-related costs	11.3	3.3
Intangible asset impairments	96.9	32.0
Tax-related items	-	(40.9)
As adjusted	\$2,378	\$612

*Earnings before income taxes and after-tax earnings from joint ventures.