



GENERAL MILLS
FISCAL 2019
SECOND-QUARTER EARNINGS
DECEMBER 19, 2018

A Reminder on Forward-looking Statements



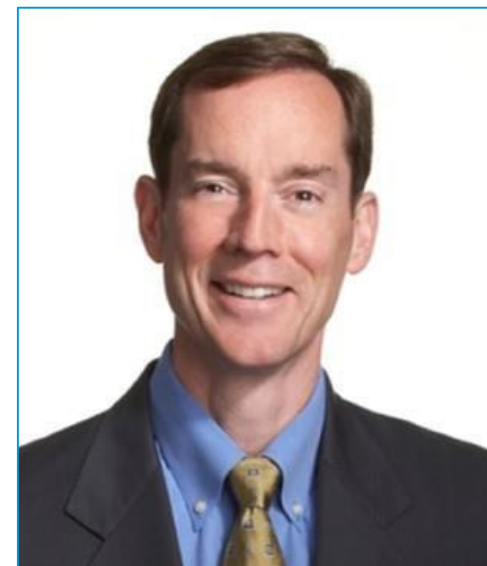
This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on management's current expectations and assumptions. These forward-looking statements are subject to certain risks and uncertainties that could cause actual 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.

Today's Key Messages



- **Remain On Track to Deliver Full-year Guidance**
- **Strong Cost Control Drove 1H Profit Ahead of Expectations**
- **2H Focus on Topline Acceleration in North America Retail and Pet, While Maintaining Cost Discipline**

GENERAL MILLS
FISCAL 2019
SECOND-QUARTER RESULTS
DECEMBER 19, 2018



Don Mulligan

Chief Financial Officer



Second Quarter Fiscal 2019 Financial Results



dollars in millions except per share data

TOTAL GENERAL MILLS	\$	VS LY ¹
Net Sales	\$4,411	+7%
Adjusted Operating Profit*	\$765	+8%
Adjusted Diluted EPS*	\$0.85	+2%

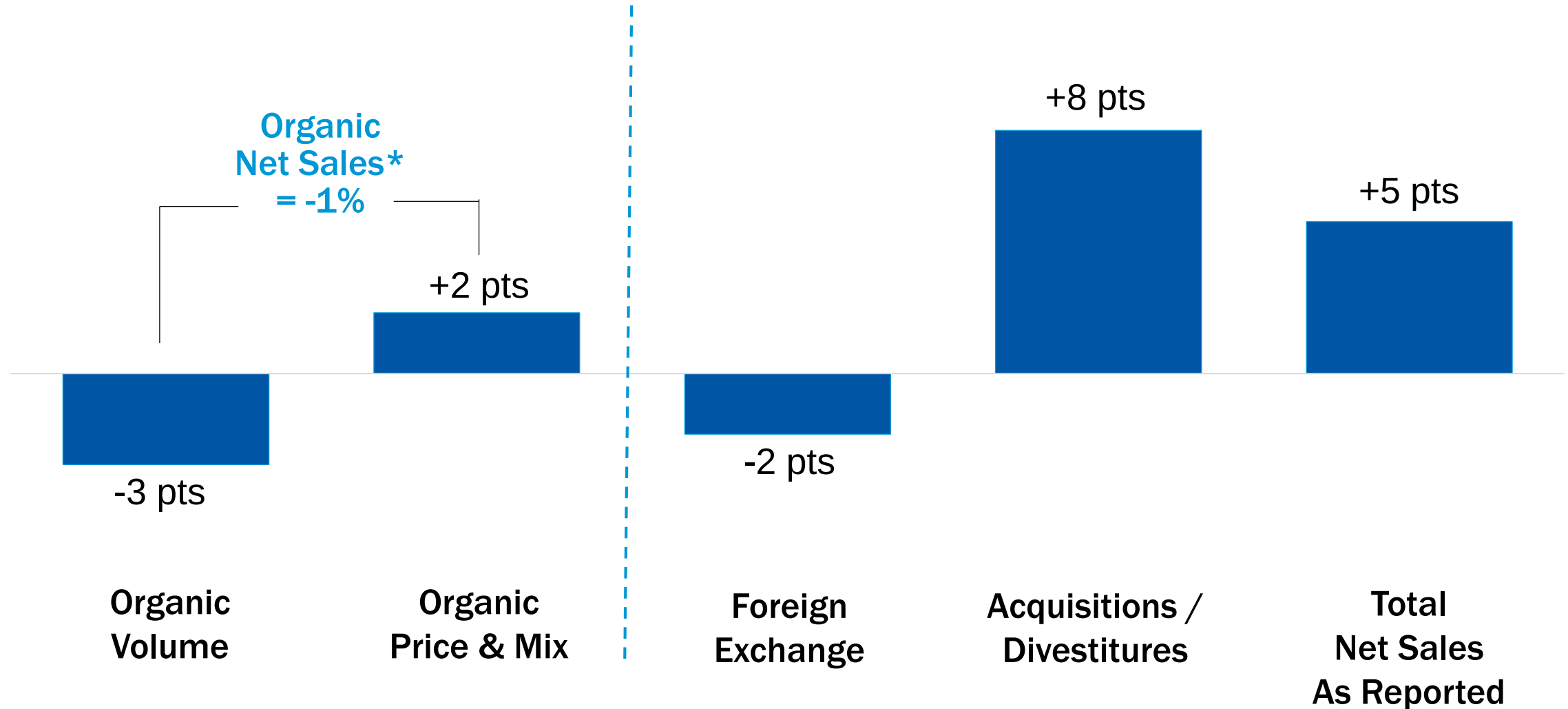
- Q2 Results Include Addition of Blue Buffalo
- Organic Net Sales* -1%
- Cost Discipline and Price/Mix Drove Q2 Margin Expansion

*Non-GAAP measure. See appendix for reconciliation.

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

Second Quarter Fiscal 2019

Components of Net Sales Growth



*Non-GAAP measure.

Second Quarter Fiscal 2019

North America Retail



SEGMENT RESULTS

\$MM

VS. LY

Net Sales	\$2,677	-3% ¹
Segment Operating Profit	\$620	Flat ²

NET SALES GROWTH BY OPERATING UNIT

U.S. Meals & Baking	-2%
Canada	-7
Constant-currency ²	-3
U.S. Yogurt	-4
U.S. Snacks	-4
U.S. Cereal	-5
Total NAR	-3%

Highlights:

- Nielsen-measured U.S. retail sales -1% vs. LY;
Share gains in majority of top U.S. categories
- Net sales impacted by lower merchandising levels
in U.S. Cereal and Snacks
- SOP driven by HMM savings, price/mix benefits and
lower SG&A expenses, offset by higher input costs

(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 11/24/18



Second Quarter Fiscal 2019 Convenience Stores & Foodservice



SEGMENT RESULTS

\$MM

VS. LY

Net Sales	\$514	Flat ¹
Segment Operating Profit	\$110	+3%

NET SALES GROWTH BY PLATFORM

Focus 6 Platforms +2%

Other -2%

Total CS&F Flat

Highlights:

- Frozen Baked Goods, Cereal, and Snacks drove Focus 6 growth, offset by declines on Bakery Flour
- Strong performance in K-12 schools and C-Store channels
- SOP growth due to positive price/mix and HMM savings, partially offset by higher input costs



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

Second Quarter Fiscal 2019 Europe & Australia



SEGMENT RESULTS

\$MM

VS. LY

Net Sales	\$454	Flat ¹
Segment Operating Profit	\$22	-12% ²



Highlights:

- Net sales growth on Snack Bars, Ice Cream, and Mexican, offset by declines on Yogurt
- Double-digit retail sales growth on Nature Valley, Fibre One, and Häagen-Dazs
- Significant input cost inflation pressuring 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
 Source: Nielsen/IRI. Retail sales growth, latest 12 weeks through October 2018.

Second Quarter Fiscal 2019 Asia & Latin America



SEGMENT RESULTS

\$MM

VS. LY

Net Sales	\$431	+5% ¹
Segment Operating Profit	\$18	-6% ²

Highlights:

- Strong double-digit growth on Snacks in India and Latin America
- Häagen-Dazs and Wanchai Ferry drove growth in Asia
- SOP decline driven by higher input costs and SG&A expenses, partially offset by price/mix benefits



(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.

Second Quarter Fiscal 2019 Pet Segment



SEGMENT RESULTS	\$MM	PRO FORMA GROWTH
Net Sales	\$335	-7%
Segment Operating Profit	\$71	-21%

**CONSUMER PULL REMAINS STRONG
FYTD RETAIL SALES +9% VS. LY**

Highlights:

- Net sales reflects comparison against initial FDM launch last year (pro forma F18-Q2 net sales grew +25%)
- SOP declines due to lower volume, input cost inflation, and plant start-up costs
- 2H FDM expansion plans will contribute to +DD top-and bottom-line growth in F19*



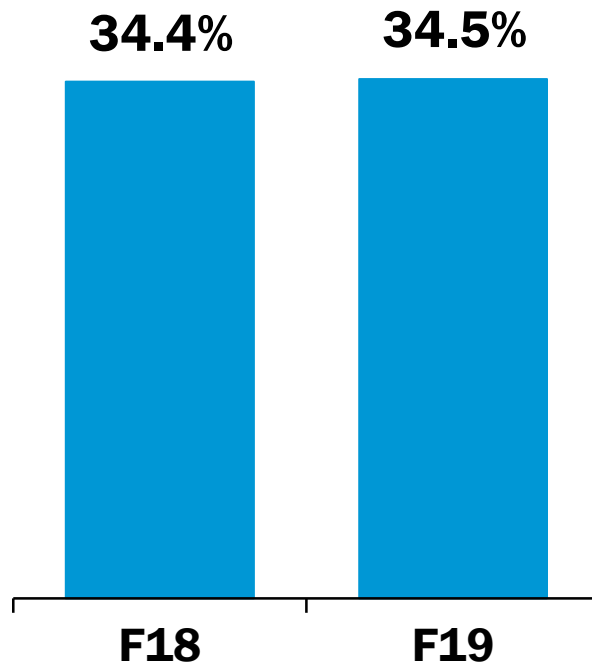
*Excluding purchasing accounting charges.
Source: Nielsen, Proffitero, Company Estimates.

Second Quarter Fiscal 2019 Margin Results¹



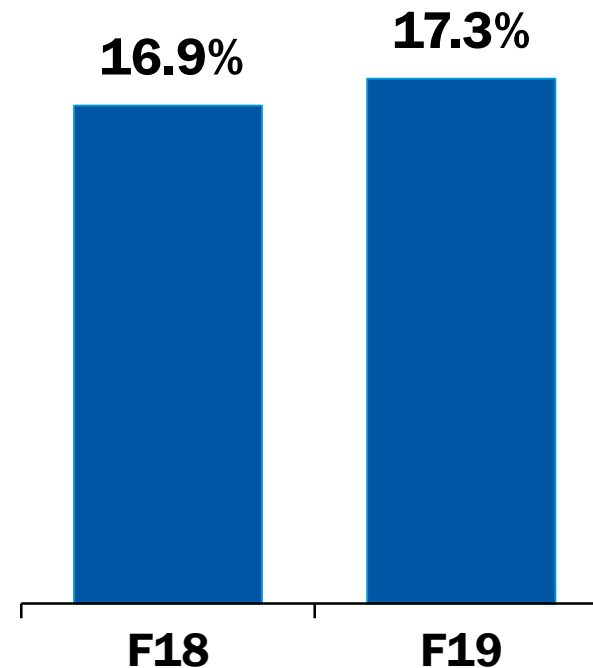
ADJUSTED GROSS MARGIN*

(% of Net Sales)



ADJUSTED OPERATING PROFIT MARGIN*

(% of Net Sales)



Q2 Margin Drivers:

- + COGS HMM Savings
- + Positive Price/Mix
- + Addition of Blue Buffalo
- + Tight Cost Control
- Input Cost Inflation

(1) Reflects new Retirement and Postemployment Benefit reporting requirement.

*Non-GAAP measure. See appendix for reconciliation.

Second Quarter Fiscal 2019 Joint Venture Results



AFTER-TAX EARNINGS: \$22MM VS. \$24MM LY

JV GROWTH	CPW	HDJ
Net Sales*	+2%	+1%

Highlights:

- CPW net sales growth driven by Asia, Middle East, and Africa and Europe regions, partially offset by LATAM
- HDJ net sales growth driven by core mini cups and multi-pack offerings
- After-tax earnings decline due to higher input costs at CPW and HDJ



Second Quarter Fiscal 2019 Other Income Statement Items



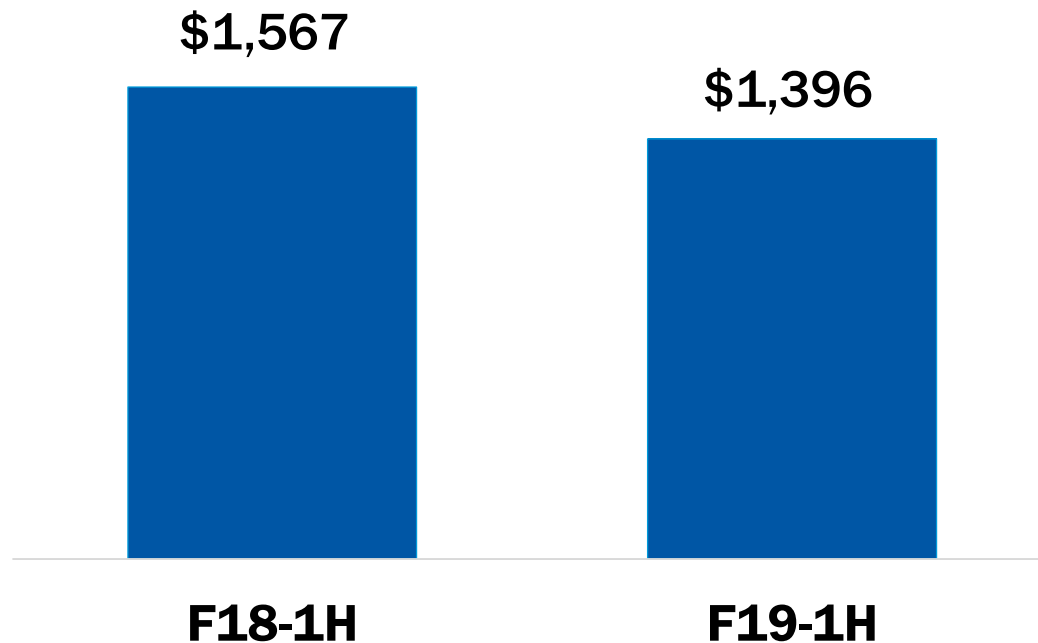
- **Restructuring, Impairment, and Other Exit Costs Totaled \$209MM**
- **Unallocated Corporate Expense Increased Excluding Certain Items**
- **Net Interest Expense Increased \$58MM**
- **Adjusted Effective Tax Rate 23.8% vs. 29.3% LY***
- **Average Diluted Shares Outstanding Up 4%**

First Half Fiscal 2019 Balance Sheet and Cash Flow



OPERATING CASH FLOW

(\$ IN MILLIONS)



- Core Working Capital = \$532MM; -5% vs. LY
- Capital Investments = \$254MM; Expect F19 CapEx ~3.5% of Net Sales
- FCF Conversion* = 120%
- Dividends Paid = \$589MM

First Half Fiscal 2019 Results and Full-year Targets



KEY FINANCIAL METRICS	F19-1H RESULTS	FISCAL 2019 OUTLOOK
Net Sales Growth	+8% ¹	+9 to +10% ²
Organic Net Sales Growth*	Flat	Flat to +1%
Adjusted Operating Profit Growth*	+5% ¹	+6 to +9% ²
Adjusted Diluted EPS Growth*	+1% ¹	Flat to -3% ²
Free Cash Flow Conversion*	120%	>95%

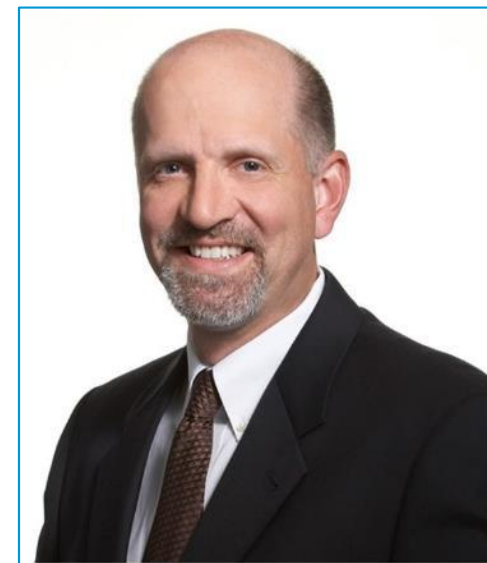
One-time purchase accounting adjustment a headwind to Op Profit (4 pts) and EPS (5 pts) in F19-1H

*Non-GAAP measure. See appendix for reconciliation.

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

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

GENERAL MILLS FISCAL 2019 SECOND-QUARTER EARNINGS



Jeff Harmening

Chairman and Chief Executive Officer



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 1H 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 | ✓ |

General Mills U.S. Market Share Performance



	F17	F18 H1	F18 H2	F19 H1
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	6 of 9

Grow the Core: Cereal

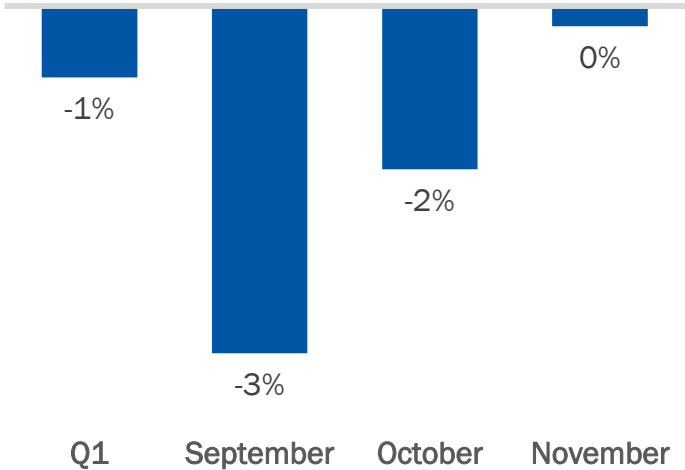


NORTH AMERICA RETAIL



Successful 1H Innovation

F19 U.S. Cereal Sales
% vs. LY



Slow Start to Q2, Exited with Improved Momentum

CONVENIENCE STORES & FOODSERVICE



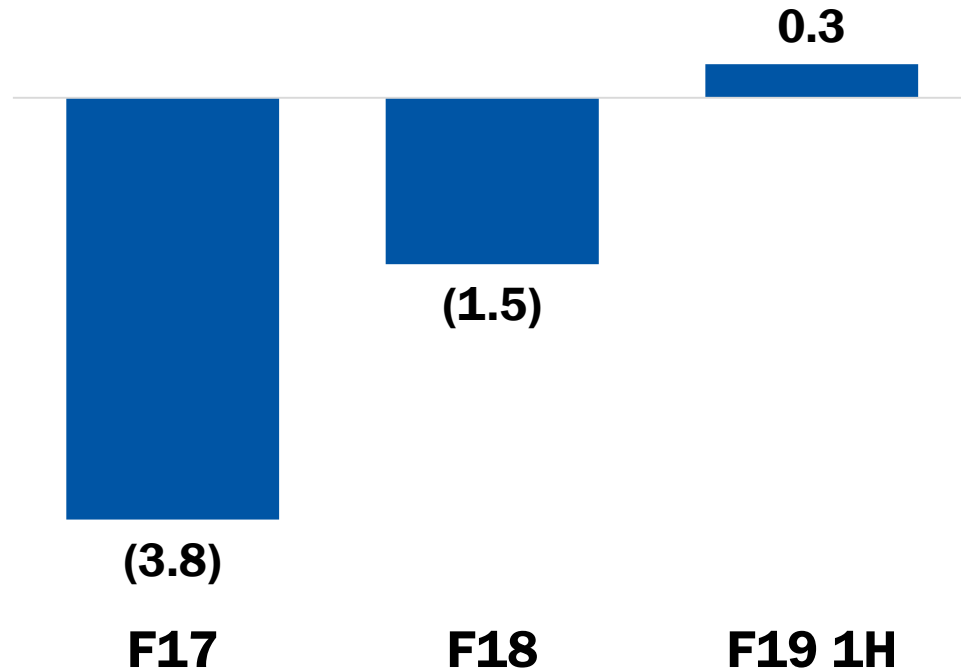
F19 1H Net Sales +LSD

Grow the Core: Improve U.S. Yogurt



SECOND CONSECUTIVE QUARTER OF SHARE GROWTH IN U.S.

General Mills U.S. Yogurt Dollar Share
(pts vs. LY)



Grow the Core: Regional Business Highlights



U.S. REFRIGERATED BAKED GOODS



F19 YTD Retail Sales +2%

U.S. HOT SNACKS



F19 YTD Retail Sales +6%

WANCHAI FERRY IN CHINA



F19 YTD Retail Sales +8%

Grow the Core: Accelerate Platforms



BRAND SUPPORT FUELING MEXICAN GROWTH



F19 YTD Retail Sales +2%

FOCUSED ON DRIVING CORE NATURAL & ORGANIC PRODUCTS



F19 YTD Retail Sales +2%

Grow the Core: Accelerate Platforms



STRONG BARS GROWTH OUTSIDE NORTH AMERICA



F19 YTD Retail Sales +39%

CHALLENGING BARS RESULTS IN U.S. RETAIL



F19 YTD Retail Sales -5%

INNOVATION DRIVING HÄAGEN-DAZS GROWTH



F19 YTD Retail Sales +13%

F19 Second-half U.S. Cereal and Snacks Plans



- Stronger Merchandising Plan
- Compelling Events and Equity Partnerships
- Solid Innovation Lineup
- Increased Capacity on Key Platforms



Blue Buffalo Continues to Win with Pet Parents



- F19 1H Retail Sales +9%, Market Share +0.4pts vs LY
- Household Penetration +26% vs. 2017
- Fastest Growing Pet Brand in FDM
- #1 Brand in Pet Specialty
- #1 Pet Food Brand Online

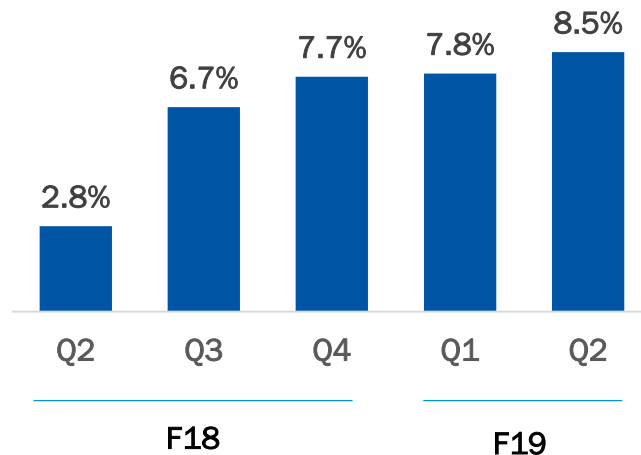


Blue Buffalo F19 First-half Growth by Channel



FDM

BLUE U.S. DOLLAR SHARE
(CUSTOMERS ONE YEAR+ IN MARKET)



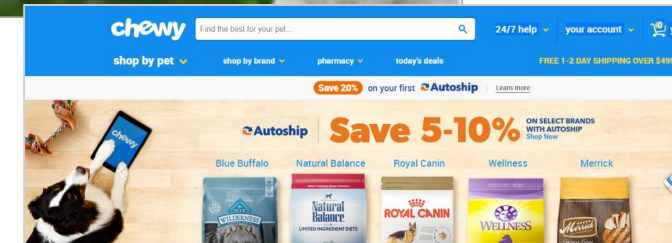
- Retail Sales +++
- Market Share Gains

PET SPECIALTY



- Retail Sales -DD
- Market Share Declines

E-COMMERCE



- Retail Sales +30%
- Market Share Gains

F19 Second-half Blue Buffalo Plans



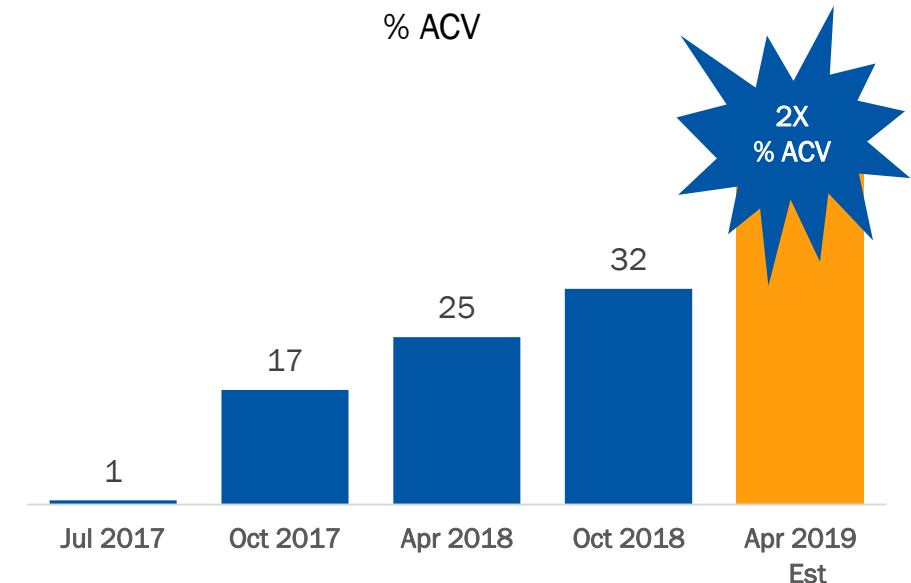
Significant FDM Expansion

- Double Distribution (% ACV)
- Expand Product Offerings

Margin Improvement

- Increased HMM and Synergies
- Benefits from Strategic Revenue Management Actions
- Improved Product Mix

BLUE BUFFALO U.S. DISTRIBUTION



Deliver Financial Commitments



- **Increased COGS HMM Savings, Driven by Global Sourcing**
- **SRM Driving Price/Mix Benefits Ahead of LY**
- **Strong Cost and CapEx Discipline**
- **Core Working Capital Reduction**

F19 Second-half Keys to Success



1. Improve Topline Trends in North America Retail

- Stronger Support for U.S. Cereal and Snacks
- Solid Innovation Lineup
- Full Benefits from First-half SRM Actions
- Continued Improvement in U.S. Distribution

2. Execute Blue Buffalo FDM Expansion

3. Continued Cost and Cash Discipline

Today's Key Messages



- **Remain On Track to Deliver Full-year Guidance**
- **Strong Cost Control Drove 1H Profit Ahead of Expectations**
- **2H Focus on Topline Acceleration in North America Retail and Pet, While Maintaining Cost Discipline**

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) to reduce net sales growth by 1-2 percent; 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 \$5 million.

Reconciliation of Second Quarter Fiscal 2019 Constant-currency Net Sales Growth



(FISCAL YEAR)

2019

	Percentage Change in Net Sales as Reported	Impact of Foreign Currency Exchange	Percentage Change in Net Sales on a Constant- currency Basis
Q2	5 %	(2) pts	7 %

Reconciliation of Second Quarter Fiscal 2019 Organic Net Sales Growth



(FISCAL YEAR)

	Q2 2019					
	Organic Volume	Organic Price/Mix	Organic Net Sales	Foreign Exchange	Acquisitions & Divestitures	Reported Net Sales Growth
North America Retail	(4) pts	1 pt	(3) %	-	-	(3) %
Convenience Stores & Foodservice	(3) pts	3 pts	Flat	-	-	Flat
Europe & Australia	(3) pts	3 pts	Flat	(3) pts	-	(3) %
Asia & Latin America	2 pts	3 pts	5 %	(9) pts	-	(4) %
Pet	-	-	-	-	-	-
Total	(3) pts	2 pts	(1) %	(2) pts	8 pts	5 %

Reconciliation of First Half Fiscal 2019 Organic Net Sales Growth



(FISCAL YEAR)

	2H 2019					
	Organic Volume	Organic Price/Mix	Organic Net Sales	Foreign Exchange	Acquisitions & Divestitures	Reported Net Sales Growth
North America Retail	(4) pts	2 pts	(2) %	(1) pt	-	(3) %
Convenience Stores & Foodservice	(2) pts	4 pts	2 %	-	-	2 %
Europe & Australia	(2) pts	3 pts	1 %	(1) pt	-	Flat
Asia & Latin America	3 pts	4 pts	7 %	(8) pts	-	(1) %
Pet	-	-	-	-	-	-
Total	(2) pts	2 pts	Flat	(1) pt	8 pts	7 %

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



(FISCAL YEARS, \$ IN MILLIONS)

	Q2		
	2019	2018	Change
Operating profit as reported	\$ 547.0	\$ 709.0	(23) %
Mark-to-market effects	11.8	(4.5)	
Restructuring charges	3.6	2.2	
Project-related costs	-	4.2	
Acquisition integration costs	6.8	-	
Asset impairments	205.8	-	
Hyperinflationary accounting	3.2	-	
Investment valuation adjustments	(13.0)	-	
Adjusted operating profit, excluding certain items affecting comparability	\$ 765.2	\$ 710.9	8 %
Foreign currency exchange impact			Flat
Adjusted operating profit growth, Excluding certain items affecting comparability, on a constant-currency basis			8 %

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



(FISCAL YEARS)

Per Share Data	Q2		
	2019	2018	Change
Diluted earnings per share, as reported	\$ 0.57	\$ 0.74	(23) %
Tax adjustment*	-	0.07	
Mark-to-market effects*	0.02	-	
Acquisition integration costs*	0.01	-	
Project-related costs*	-	0.01	
Asset impairments*	0.26	-	
Investment valuation adjustments*	(0.01)	-	
Diluted earnings per share, excluding certain items affecting comparability	\$ 0.85	\$ 0.82	4 %
Foreign currency exchange impact			2 pts
Diluted earnings per share growth, excluding certain items affecting comparability, on a constant-currency basis			2 %

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

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



(FISCAL YEAR)

2019

	Percentage Change in Net Sales as Reported	Impact of Foreign Currency Exchange	Percentage Change in Net Sales on a Constant- currency Basis
Q2	(7)%	(4) pts	(3) %

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



(FISCAL YEAR)

	Q2 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	Flat	Flat	Flat
Europe & Australia	(16) %	(4) pts	(12) %
Asia & Latin America	7 %	13 pts	(6) %

Reconciliation of Second Quarter Fiscal 2019 Adjusted Gross Margin



(FISCAL YEARS)

	Q2	
	2019	2018
	% of Net Sales	% of Net Sales
Gross margin as reported	34.2 %	34.4 %
Mark-to-market effects	0.3	(0.1)
Project-related costs	-	0.1
Adjusted gross margin	34.5 %	34.4 %

Reconciliation of Second Quarter Fiscal 2019 Adjusted Operating Profit Margin



(FISCAL YEARS)

	Q2	
	2019	2018
	% of Net Sales	% of Net Sales
Operating profit margin as reported	12.4 %	16.9 %
Mark-to-market effects	0.3	(0.1)
Project-related costs	-	0.1
Acquisition integration costs	0.2	-
Asset impairments	4.7	-
Investment valuation adjustments	(0.3)	-
Adjusted operating profit margin	17.3 %	16.9 %

Reconciliation of Second Quarter Fiscal 2019 Tax Rate Excluding Items



(FISCAL YEARS, \$ IN MILLIONS)

	Q2			
	2019		2018	
	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes
As reported	\$435.3	\$106.6	\$654.9	\$234.9
Mark-to-market effects	11.8	2.7	(4.5)	(1.6)
Restructuring charges	3.6	0.5	2.2	-
Project-related costs	-	-	4.2	1.5
Acquisition integration costs	6.8	1.6	-	-
Tax adjustment	-	-	-	(42.2)
Asset impairments	205.8	47.4	-	-
Hyperinflationary accounting	3.2	-	-	-
Investment valuation adjustments	(13.0)	(3.0)	-	-
As adjusted	\$653.5	\$155.8	\$656.8	\$192.6
Effective tax rate:				
As reported		24.5%		35.9 %
As adjusted		23.8%		29.3 %
Sum of adjustments to income taxes		\$49.2		\$(42.3)
Average number of common shares - diluted EPS		604.5		580.3
Impact of income tax adjustments on diluted EPS				
excluding certain items affecting comparability		\$0.08		\$(0.07)

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

Reconciliation of First Half Fiscal 2019 Free Cash Flow and Free Cash Flow Conversion



(FISCAL YEAR, \$ IN MILLIONS)

	2019-1H
Net earnings, including earnings attributable to redeemable and noncontrolling interests	\$747.1
Mark-to-market effects*	33.0
Restructuring charges*	2.2
Project-related costs*	0.9
Acquisition integration costs*	11.9
Asset impairments*	158.4
Hyperinflationary accounting*	3.2
Investment valuation adjustments*	(10.0)
CPW restructuring charges	4.7
Adjusted net earnings, including earnings attributable to redeemable and noncontrolling interests	\$951.4
Net cash provided by operating activities, as reported	\$1,396.5
Purchases of land, buildings, and equipment	(253.8)
Free cash flow	\$1,142.7
Free cash flow conversion rate	120%

*See reconciliation of Income Taxes on Adjusting Items. Adjusted for the adoption of new accounting requirements

Reconciliation of First Half Fiscal 2019 Constant-currency Net Sales Growth



(FISCAL YEAR)

2019

	Percentage Change in Net Sales as Reported	Impact of Foreign Currency Exchange	Percentage Change in Net Sales on a Constant- currency Basis
1H	7%	(1) pt	8 %

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



(FISCAL YEARS, \$ IN MILLIONS)

	1H		
	2019	2018	Change
Operating profit as reported	\$ 1,148.5	\$ 1,314.3	(13) %
Mark-to-market effects	42.9	(6.3)	
Restructuring charges	2.4	19.7	
Project-related costs	1.2	5.4	
Acquisition integration costs	15.5	-	
Asset impairments	205.8	-	
Hyperinflationary accounting	3.2	-	
Investment valuation adjustments	(13.0)	-	
Adjusted operating profit, excluding certain items affecting comparability	\$ 1,406.5	\$ 1,331.1	6 %
Foreign currency exchange impact			1 pt
Adjusted operating profit growth, excluding certain items affecting comparability, on a constant-currency basis			5 %

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



(FISCAL YEARS)

Per Share Data	1H		
	2019	2018	Change
Diluted earnings per share, as reported	\$ 1.22	\$ 1.43	(15) %
Tax adjustment*	-	0.07	
Mark-to-market effects*	0.06	-	
Acquisition integration costs*	0.02	-	
CPW restructuring charges	0.01	-	
Restructuring charges*	-	0.02	
Project-related costs*	-	0.01	
Asset impairments*	0.26	-	
Investment valuation adjustments*	(0.01)	-	
Diluted earnings per share, excluding certain items affecting comparability	\$ 1.56	\$ 1.53	2 %
Foreign currency exchange impact			1 pt
Diluted earnings per share growth, excluding certain items affecting comparability, on a constant-currency basis			1 %

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

Reconciliation of First Half Fiscal 2019 Tax Rate Excluding Items



(FISCAL YEARS, \$ IN MILLIONS)

	1H			
	2019		2018	
	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes
As reported	\$924.2	\$217.3	\$1,208.3	\$403.4
Mark-to-market effects	42.9	9.9	(6.3)	(2.3)
Restructuring charges	2.4	0.2	19.7	5.9
Project-related costs	1.2	0.3	5.4	1.8
Acquisition integration costs	15.5	3.6	-	-
Tax adjustment	-	-	-	(42.2)
Asset impairments	205.8	47.4	-	-
Hyperinflationary accounting	3.2	-	-	-
Investment valuation adjustments	(13.0)	(3.0)	-	-
As adjusted	\$1,182.2	\$275.7	\$1,227.1	\$366.6
Effective tax rate:				
As reported		23.5%		33.4 %
As adjusted		23.3%		29.9 %
Sum of adjustments to income taxes		\$58.4		\$(36.8)
Average number of common shares - diluted EPS		603.8		583.6
Impact of income tax adjustments on diluted EPS excluding certain items affecting comparability		\$0.10		\$(0.06)

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