



General Mills Earnings

Second Quarter Fiscal 2021

December 17, 2020

Making Food The World Loves



Cheerios



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: the impact of the COVID-19 pandemic on our business, suppliers, consumers, customers, and employees; disruptions or inefficiencies in the supply chain, including any impact of the COVID-19 pandemic; 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 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; 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.



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Jeff Harmening

*Chairman and
Chief Executive Officer*

Making Food The World Loves

Today's Key Messages

- Excellent Execution Drove Strong Performance in Q2
- Delivering on Fiscal 2021 Priorities
- Expect Continued Strong Top and Bottom-line Growth in Q3
- Full-year Adjusted Operating Profit Margin* Now Expected to Be In Line or Better than LY

Continued Strong Performance in Q2



+7%¹

Organic Net Sales



+6%²

Adjusted Operating Profit



+9%²

Adjusted Diluted EPS

¹ Non-GAAP measure. See appendix for reconciliation

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

Our Fiscal 2021 Priorities

1

Compete



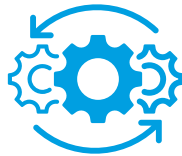
Compete Effectively,
Everywhere We Play

Status



2

Fuel Investments



Drive Efficiency
to Fuel Investments in
Brands and Capabilities



3

Reduce



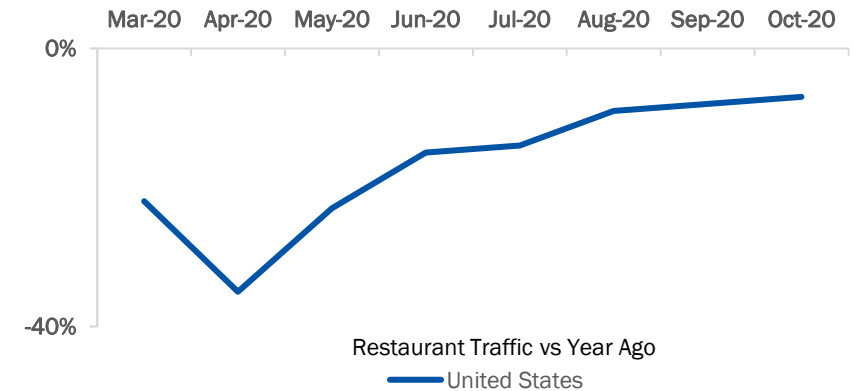
Reduce Debt Leverage to
Increase Financial Flexibility



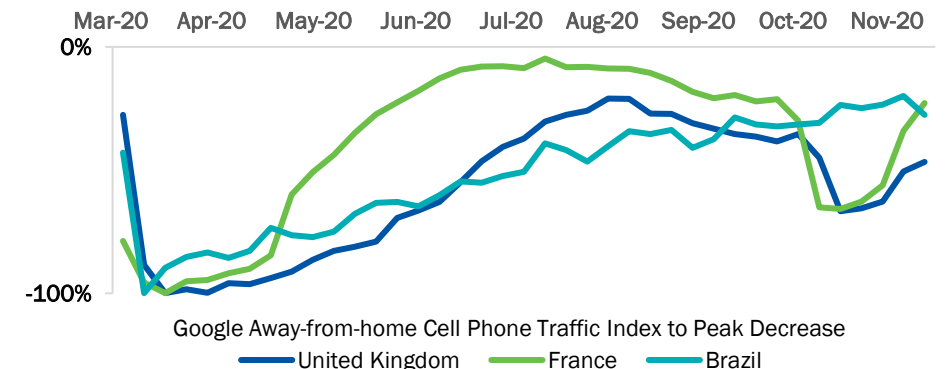
Pandemic Still Affecting Consumer Behavior Globally

- **Developed Markets (US, UK, FR):**
 - Sustained elevated at-home demand & suppressed away-from-home demand
- **Emerging Markets (BR, CH):**
 - Brazil at-home demand elevated but moderating
 - China consumer traffic normalizing, at-home demand still above LY
- Positive vaccine news, but widespread impact will take time

US Away from Home Trends¹



UK, France, Brazil Away from Home Trends²



¹Source: The NPD Group/CREST® Restaurants excluding Retail, March through October 2020

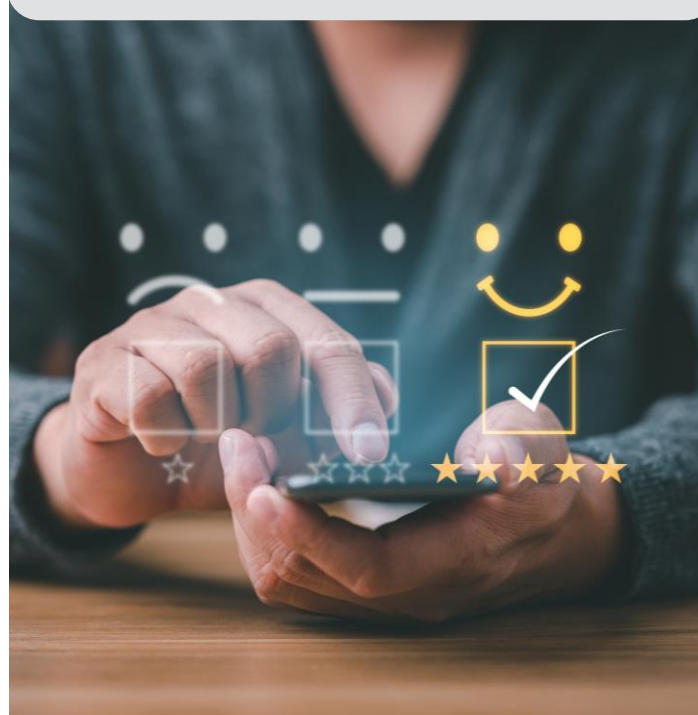
²Source: Google LLC "Google COVID-19 Community Mobility Reports" Cell phone traffic for restaurants, cafes, shopping centers, theme parks, museums, libraries, and movie theaters

Evolving Consumer Behaviors to Stick Beyond the Pandemic

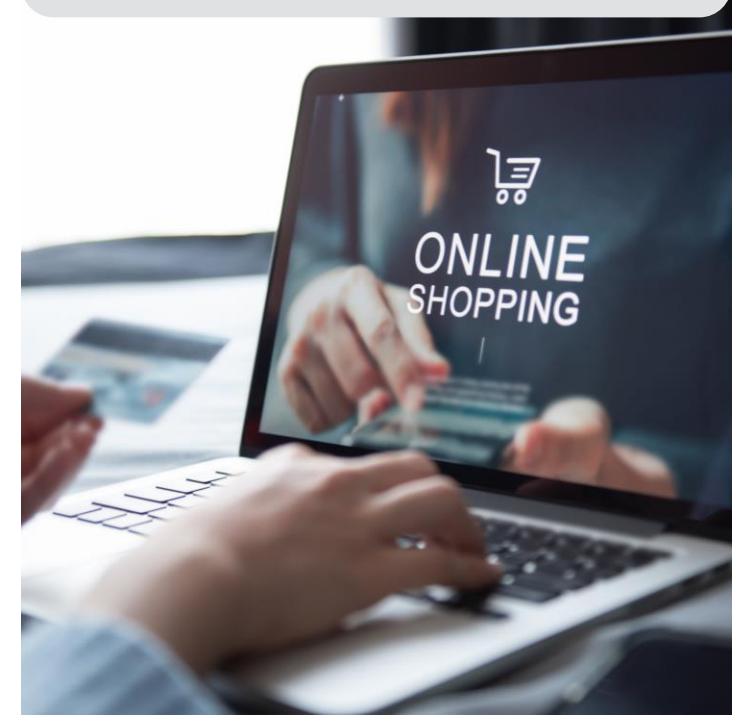
Elevated At Home Food Consumption



Satisfaction with Leading Brands



Shift to Digital and E-commerce





How We're Winning...Today and for the Long Term

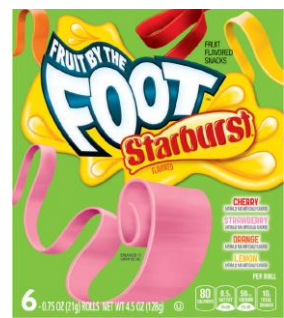
- **Boldly Building Our Brands**
- **Relentlessly Innovating**
- **Unleashing Our Scale with Advantaged Capabilities**

Boldly Building Our Brands



Relentlessly Innovating

First Half F21



Relentlessly Innovating in Pet



**Tasty.
Healthy.**

*Finally, One Cat Food
Has It All.*

Mouthwatering, meat-first
recipes in three tantalizing cuts.
Cats love the taste. You'll love
the healthy ingredients.

BLUE

Tasteful

ONE TASTE IS ALL IT TAKES!

Available wherever you buy cat food



Unleashing Our Scale with Advantaged Capabilities

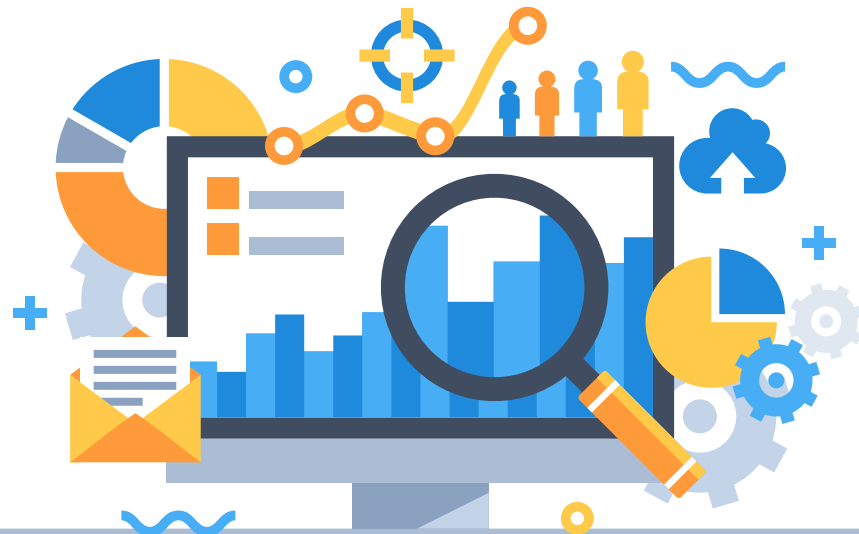
Strategic
Revenue
Management

E-commerce

Digital
Marketing

Integrated
Planning

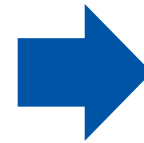
Holistic
Margin
Management



Data & Analytics

Data and Analytics Drives Growth with Digital Marketing

Digital **Enables** Agile & Personalized Marketing

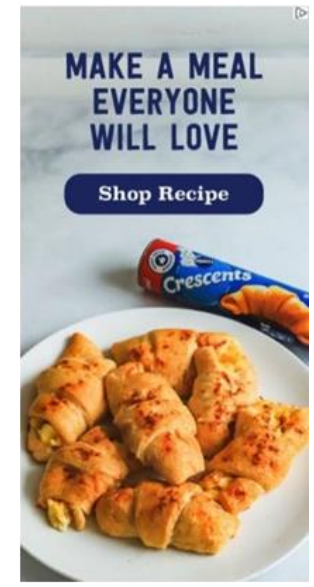


Delivering Faster Learning and Double-digit Growth

Keto Messaging on :Ratio



Value Messaging on Pillsbury





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Kofi Bruce

Chief Financial Officer

Making Food The World Loves



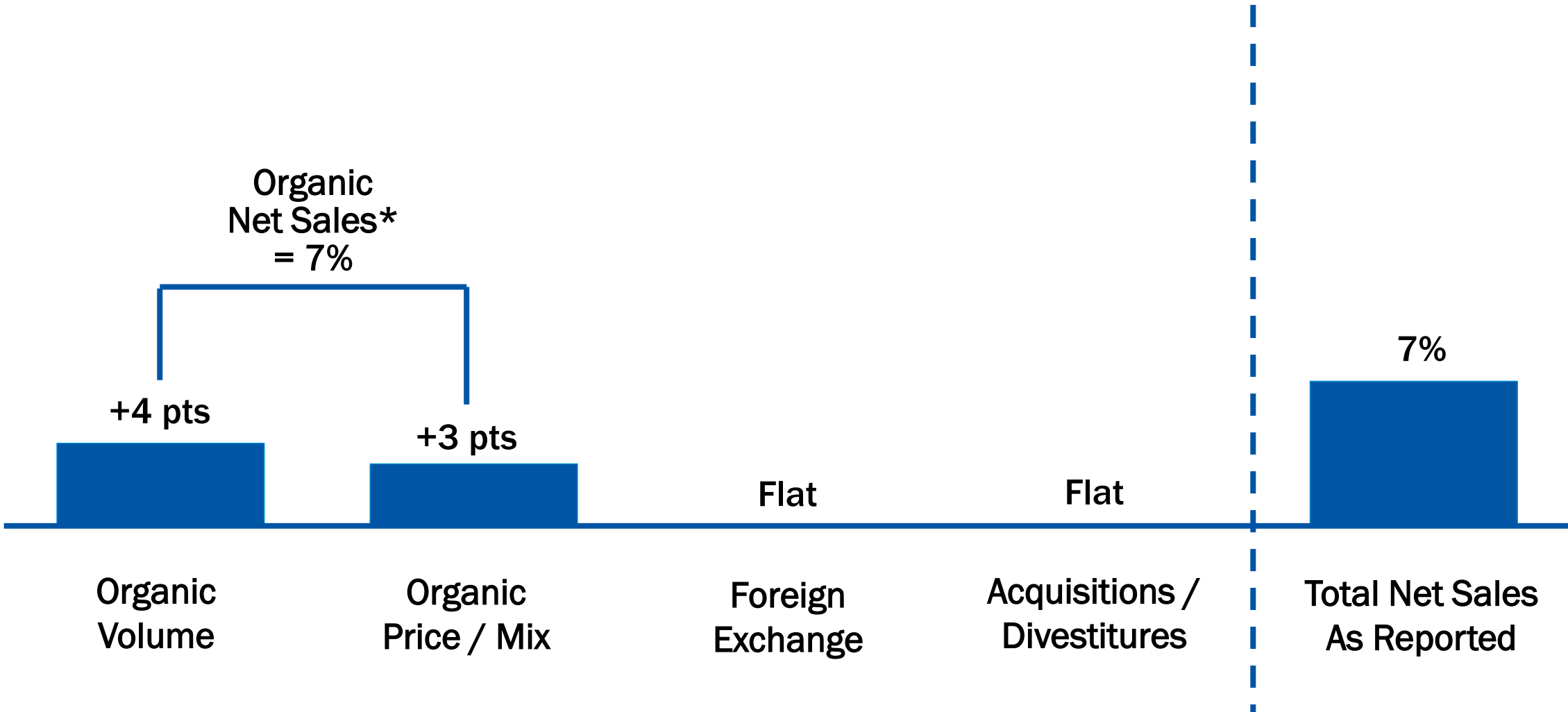
Second Quarter Fiscal 2021 Financial Results

TOTAL GENERAL MILLS	Q2	
	\$MM	VS LY
Net Sales	\$4,719	+7%
Organic Net Sales*		+7%
Adjusted Operating Profit*	\$866	+6% ¹
Adjusted Diluted EPS*	\$1.06	+9% ¹

*Non-GAAP measure. See appendix for reconciliation

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

Components of Second Quarter Net Sales Growth



*Non-GAAP measure
Table may not foot due to rounding

Second Quarter Fiscal 2021

North America Retail

Segment Results

North America Retail	Q2
Organic Net Sales	+9% ¹
Segment Op Profit	+9% ²

Segment Highlights

- Q2 net sales growth primarily driven by U.S. Meals & Baking, Canada, and U.S. Cereal, reflecting continued elevated at-home food demand amid the pandemic
- Held or grew share in 8 of top 10 U.S. categories in 1H
- Q2 profit growth driven primarily by volume growth and leverage in the supply chain, partially offset by higher operational costs to service demand, comparison to a prior-year manufacturing timing benefit, and higher media and other SG&A expenses



(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 11/28/2020
 See slide 31 for net sales results by Operating Unit

Second Quarter Fiscal 2021 Pet

Segment Results

Pet	Q2
Organic Net Sales	+18% ¹
Segment Op Profit	+48% ²



Segment Highlights

- Q2 net sales growth across product segments
 - +DD growth in Dog Food and Cat Food
 - ~25% growth in Wet Food and ~40% growth in Treats
- Continued market share and household penetration growth in 1H
- Q2 profit growth primarily driven by volume growth, positive price/mix, and HMM cost savings, partially offset by higher media investment

(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 + Pet Retail 13 weeks ending 11/28/2020

Second Quarter Fiscal 2021 Convenience Stores & Foodservice

Segment Results

CS&F	Q2
Organic Net Sales	-14% ¹
Segment Op Profit	-32%



Segment Highlights

- Q2 net sales decline due to continued reduction in away-from-home food demand amid the pandemic
 - Reduced consumer traffic continued to impact Restaurants, Schools, Lodging, and Convenience Stores
- Strong execution year-to-date, with share growth in measured channels in 1H
- Q2 profit decline driven by lower net sales and deleverage in the supply chain

(1) Organic net sales growth rate. Non-GAAP measure. See appendix for reconciliation
Source: Nielsen/NPD ending October 2020

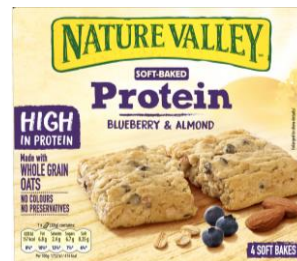
Second Quarter Fiscal 2021 Europe & Australia

Segment Results

EUAU	Q2
Organic Net Sales	+3% ¹
Segment Op Profit	+7% ²

Segment Highlights

- Q2 net sales growth primarily driven by Mexican Food and Retail Ice Cream
- Held or grew share in France and the UK in 1H
- Q2 profit growth driven by positive price/mix, partially offset by higher media investment and 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/IRI FYTD through November 2020

Second Quarter Fiscal 2021 Asia & Latin America

Segment Results

ASLA	Q2
Organic Net Sales	+10% ¹
Segment Op Profit	+8% ²



Segment Highlights

- Q2 LATAM net sales growth +DD driven by continued strong Yoki and Kitano growth in Brazil
- Q2 Asia net sales growth +HSD driven primarily by Wanchai Ferry in China and Häagen-Dazs Retail, partially offset by continued away-from-home declines
- Q2 profit growth driven by higher net sales, partially offset by higher media and other SG&A expenses and 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

Second Quarter Fiscal 2021 Joint Ventures

Q2 AFTER-TAX EARNINGS: \$36MM VS. \$25MM LY

JV Results

NET SALES	Q2
CPW	+7% ¹
HDJ	+12% ¹

JV Highlights

- Q2 CPW net sales growth broad-based, led by Latin America, Russia, Turkey, and Australia
- Q2 HDJ net sales driven by innovation-driven volume growth and positive price/mix
- Q2 JV after-tax earnings growth driven primarily by net sales growth at CPW and HDJ

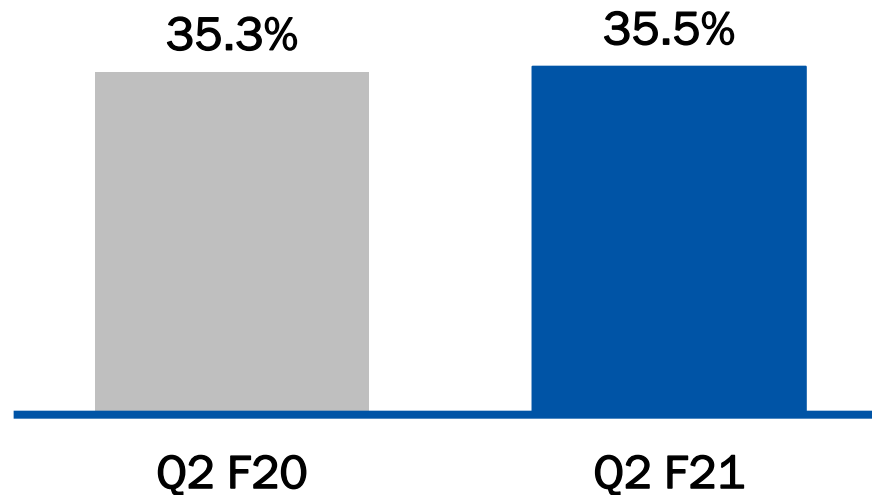


(1) Net sales growth in constant currency

Second Quarter Fiscal 2021 Margin Results

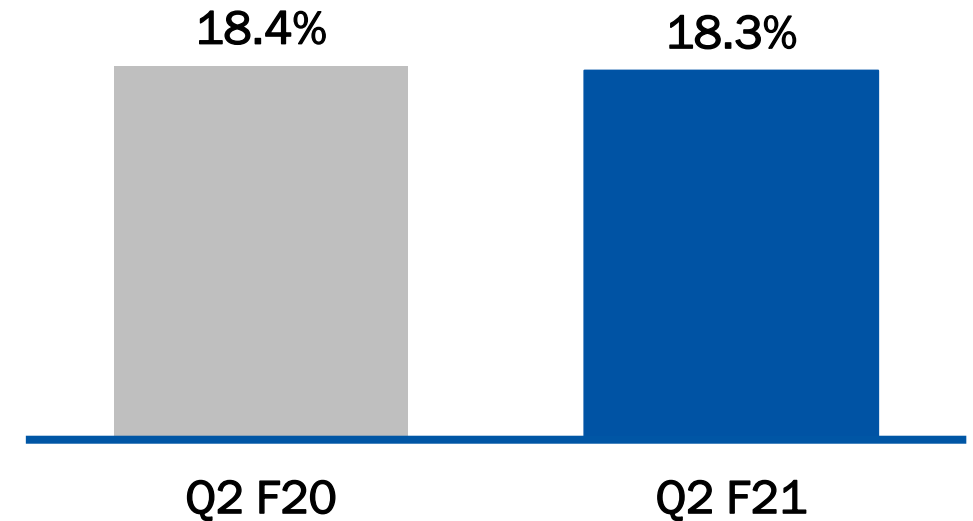
Adjusted Gross Margin*

(% OF NET SALES)



Adjusted Operating Profit Margin*

(% OF NET SALES)



- Q2 Adj. Gross Margin expansion driven by positive price/mix, partially offset by higher input costs and comparison to prior-year favorable manufacturing leverage
- Q2 Adj. Op Profit Margin contraction driven by higher SG&A expenses, including increased media investment, partially offset by Adj. Gross Margin expansion

Second Quarter Fiscal 2021

Other Income Statement Items

- Unallocated Corporate Expenses Increased \$19MM ex. Certain Items
- Net Interest Expense Decreased \$19MM
- Adjusted Effective Tax Rate 22.3% vs. 21.9% LY*
- Average Diluted Shares Outstanding Up 1%



First Half Fiscal 2021 Financial Results

TOTAL GENERAL MILLS	1H	
	\$MM	VS LY
Net Sales	\$9,083	+8%
Organic Net Sales*		+8%
Adjusted Operating Profit*	\$1,698	+13% ¹
Adjusted Diluted EPS*	\$2.06	+17% ¹

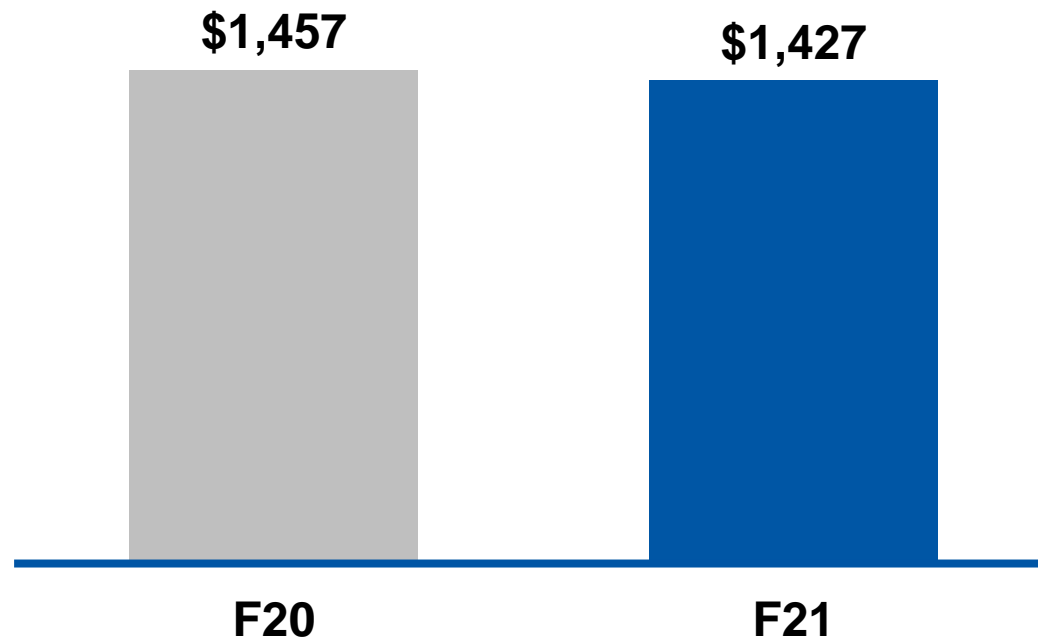
*Non-GAAP measure. See appendix for reconciliation

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

First Half Fiscal 2021 Balance Sheet and Cash Flow

Operating Cash Flow

(\$ IN MILLIONS)



- Core Working Capital -\$331MM vs. LY
- Capital Investments = \$226MM, +\$68MM vs. LY
- Dividends Paid = \$618MM

Second Half Fiscal 2021 Assumptions

- Expect Continued Elevated At-home Food Demand
- Q3 Guidance:
 - Organic Net Sales* Growth Roughly Similar to F21 Q2
 - Adj. Operating Profit Margin* In Line with LY
- Expect Q4 Net Sales to be Above Pre-pandemic Levels, though Below F20 Q4 Due to Difficult Comparison, Including Calendar Differences (F20 Q4 Net Sales +21%)
- Anticipate Full-year Adj. Op Profit Margin to be In Line or Better than F20

Today's Key Messages

- Excellent Execution Drove Strong Performance in Q2
- Delivering on Fiscal 2021 Priorities
- Expect Continued Strong Top and Bottom-line Growth in Q3
- Full-year Adjusted Operating Profit Margin* Now Expected to Be In Line or Better than LY

A Reminder on Non-GAAP Guidance

Our outlook for organic net sales growth and adjusted operating profit margin 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, acquisitions, divestitures, and a 53rd week, when applicable. We are not able to reconcile this forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measure 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 or the timing of acquisitions and divestitures throughout fiscal 2021. The unavailable information could have a significant impact on our fiscal 2021 GAAP financial results.



Appendix: Second Quarter Fiscal 2021 North America Retail Operating Unit Results

NET SALES % VS. LY

Operating Unit	Q2
U.S. Meals & Baking	+18%
Canada	+7%
<i>Canada Constant-currency</i>	+6% ¹
U.S. Cereal	+4%
U.S. Yogurt	+3%
U.S. Snacks	-2%

(1) Net sales growth in constant currency. Non-GAAP measure. See appendix for reconciliation

Reconciliation of Second Quarter Fiscal 2021 Organic Net Sales Growth

(FISCAL YEAR)

	Q2					Reported Net Sales Growth
	Organic Volume	Organic Price/Mix	Organic Net Sales	Foreign Exchange	Acquisitions & Divestitures	
North America Retail	10 pts	(1) pt	9%	-	-	9%
Convenience Stores & Foodservice	(12) pts	(2) pts	(14)%	-	-	(14)%
Europe & Australia	Flat	3 pts	3%	6 pts	(1) pt	8%
Asia & Latin America	8 pts	1 pt	10%	(5) pts	-	5%
Pet	15 pts	4 pts	18%	-	-	18%
Total	4 pts	3 pts	7%	-	-	7%

*Table may not foot due to rounding

Reconciliation of Second Quarter Fiscal 2021 Adjusted Operating Profit Constant-currency Growth Rate

(FISCAL YEARS, \$ IN MILLIONS)

	Q2		
	2021	2020	Change
Operating profit as reported	\$ 916.6	\$ 811.2	13 %
Mark-to-market effects	(45.9)	(22.6)	
Investment activity, net	(6.0)	13.2	
Restructuring charges	0.9	10.5	
Project-related costs	-	0.7	
Adjusted operating profit	\$ 865.5	\$ 813.1	6 %
Foreign currency exchange impact			1 pt
Adjusted operating profit growth, on a constant-currency basis			6 %

Reconciliation of Second Quarter Fiscal 2021 Adjusted Diluted EPS and Related Constant-currency Growth Rates

(FISCAL YEARS)

Per Share Data	Q2		
	2021	2020	Change
Diluted earnings per share, as reported	\$ 1.11	\$ 0.95	17 %
Mark-to-market effects**	(0.06)	(0.03)	
Restructuring charges**	-	0.01	
Investment activity, net**	-	0.01	
Adjusted diluted earnings per share	\$ 1.06	\$ 0.95	12 %
Foreign currency exchange impact			2 pts
Adjusted diluted earnings per share growth, on a constant-currency basis			9 %

*Table may not foot due to rounding

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

Reconciliation of Second Quarter Fiscal 2021 Constant-currency Segment Operating Profit Growth

(FISCAL YEAR)

	Q2		
	Percentage Change in Operating Profit as Reported	Impact of Foreign Currency Exchange	Percentage Change in Operating Profit on Constant-Currency Basis
North America Retail	9 %	Flat	9 %
Europe & Australia	14 %	6 pts	7 %
Pet	48 %	Flat	48 %
Asia & Latin America	25 %	17 pts	8 %

*Table may not foot due to rounding



Reconciliation of Second Quarter Fiscal 2021 Adjusted Gross Margin

(FISCAL YEARS)

	Q2	
	2021	2020
	% of	% of
	Net Sales	Net Sales
Gross margin as reported	36.5 %	35.5 %
Mark-to-market effects	(1.0) %	(0.5) %
Restructuring charges	- %	0.3 %
Adjusted gross margin	35.5 %	35.3 %

*Table may not foot due to rounding



Reconciliation of Second Quarter Fiscal 2021 Adjusted Operating Profit Margin

(FISCAL YEARS)

	Q2	
	2021	2020
	Percent	Percent of
	Net Sales	Net Sales
Operating profit as reported	19.4 %	18.3 %
Mark-to-market effects	(1.0) %	(0.5) %
Investment activity, net	(0.1) %	0.3 %
Restructuring charges	- %	0.2 %
Adjusted operating profit	18.3 %	18.4 %

*Table may not foot due to rounding

Reconciliation of Second Quarter Fiscal 2021 Tax Rate Excluding Items

(FISCAL YEARS, \$ IN MILLIONS EXCEPT PER SHARE DATA)

	Q2			
	2021		2020	
	Pretax Earnings**	Income Taxes	Pretax Earnings**	Income Taxes
As reported	\$ 848.9	\$ 189.4	\$ 722.0	\$ 155.5
Mark-to-market effects	(45.9)	(10.5)	(22.6)	(5.2)
Investment activity, net	(6.0)	(1.4)	13.2	6.6
Restructuring charges	0.9	0.3	10.5	1.7
Project-related costs	-	-	0.7	0.1
As adjusted	\$ 797.8	\$ 177.7	\$ 723.8	\$ 158.6
Effective tax rate:				
As reported		22.3%		21.5%
As adjusted		22.3%		21.9%
Sum of adjustment to income taxes		\$ (11.7)		\$ 3.2
Average number of common shares - diluted EPS		619.6		612.3
Impact of income tax adjustments on adjusted diluted EPS		\$ (0.02)		\$ 0.01

*Table may not foot due to rounding

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

Reconciliation of First Half Fiscal 2021 Organic Net Sales Growth

(FISCAL YEAR)

	1H					Reported Net Sales Growth
	Organic Volume	Organic Price/Mix	Organic Net Sales	Foreign Exchange	Acquisitions & Divestitures	
North America Retail	13 pts	(2) pts	12%	-	-	11%
Convenience Stores & Foodservice	(11) pts	(3) pts	(13)%	-	-	(13)%
Europe & Australia	Flat	5 pts	5%	4 pts	(1) pt	8%
Asia & Latin America	14 pts	(1) pt	13%	(7) pts	-	6%
Pet	13 pts	Flat	13%	-	-	13%
Total	6 pts	3 pts	8%	-	-	8%

*Table may not foot due to rounding

Reconciliation of First Half Fiscal 2021 Adjusted Operating Profit Constant-currency Growth Rate

(FISCAL YEARS, \$ IN MILLIONS)

	1H		
	2021	2020	Change
Operating profit as reported	\$ 1,770.3	\$ 1,473.6	20 %
Mark-to-market effects	(62.3)	(7.6)	
Investment activity, net	(19.0)	3.7	
Product recall	7.1	-	
Restructuring charges	1.9	24.8	
Project-related costs	-	0.7	
Adjusted operating profit	\$ 1,698.0	\$ 1,495.2	14 %
Foreign currency exchange impact			1 pt
Adjusted operating profit growth, on a constant-currency basis			13 %

Reconciliation of First Half Fiscal 2021 Adjusted Diluted EPS and Related Constant-currency Growth Rates

(FISCAL YEARS)

Per Share Data	1H		
	2021	2020	Change
Diluted earnings per share, as reported	\$ 2.14	\$ 1.80	19 %
Mark-to-market effects**	(0.08)	(0.01)	
Investment activity, net**	(0.02)	-	
Product recall**	0.01	-	
Restructuring charges**	-	0.03	
Tax item	-	(0.09)	
Adjusted diluted earnings per share	\$ 2.06	\$ 1.74	18 %
Foreign currency exchange impact			1 pt
Adjusted diluted earnings per share growth, on a constant-currency basis			17 %

*Table may not foot due to rounding

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

Reconciliation of First Half Fiscal 2021 Tax Rate Excluding Items

(FISCAL YEARS, \$ IN MILLIONS EXCEPT PER SHARE DATA)

	1H			
	2021		2020	
	Pretax Earnings**	Income Taxes	Pretax Earnings**	Income Taxes
As reported	\$ 1,624.8	\$ 360.2	\$ 1,295.9	\$ 222.7
Mark-to-market effects	(62.3)	(14.3)	(7.6)	(1.7)
Investment activity, net	(19.0)	(4.4)	3.7	4.4
Product recall	7.1	0.8	-	-
Restructuring charges	1.9	0.5	24.8	4.3
Project-related costs	-	-	0.7	0.1
Tax item	-	-	-	53.1
As adjusted	\$ 1,552.4	\$ 342.8	\$ 1,317.5	\$ 282.8
Effective tax rate:				
As reported		22.2%		17.2%
As adjusted		22.1%		21.5%
Sum of adjustment to income taxes		\$ (17.4)		\$ 60.2
Average number of common shares - diluted EPS		619.7		611.8
Impact of income tax adjustments on adjusted diluted EPS		\$ (0.03)		\$ 0.10

*Table may not foot due to rounding

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

Reconciliation of Second Quarter Fiscal 2021 Canada Operating Unit Constant-Currency Net Sales Growth

(FISCAL YEAR)

2021			
	Percentage Change in Net Sales as Reported	Impact of Currency Exchange	Percentage Change in Net Sales on Constant- Currency Basis
Q2	7 %	Flat	6 %