

Making food
the world loves

Fiscal
2023

Q2
Earnings

December 20, 2022



Cheerios



NATURE VALLEY



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 coronavirus pandemic on our business, suppliers, consumers, customers, and employees; disruptions or inefficiencies in the supply chain, including any impact of the coronavirus 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 critical 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, energy, and transportation; 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



Betty
Crocker



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Totino's



General Mills Second Quarter Fiscal 2023

Today's Key Messages

- Delivered Strong Results in Q2, Including Second Consecutive Quarter of Gross Margin Expansion
- Some Signs of Improvement in Operating Environment, but it Remains Volatile
- Executing Well Against our Accelerate Strategy and F23 Priorities
- Raising Full-year Guidance on Net Sales, Operating Profit, and EPS

Delivered Strong Performance in Q2

	<u>Q2</u>	<u>YTD</u>
Organic Net Sales¹	+ 11%	+ 11%
Adj. Operating Profit²	+ 7%	+ 8%
Adj. Diluted EPS²	+ 12%	+ 13%

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

(2) Growth rates in constant currency. Non-GAAP measures. See appendix for reconciliation

Environment Remains Dynamic in F23

Continued High Inflation



Economic Volatility



Continued Supply Chain Disruptions



Ongoing Pandemic Impact



Delivering on Our Fiscal 2023 Priorities

Continue to Drive our Accelerate Strategy in F23

1

Continue to Compete Effectively

2

Continue to Invest for the Future

3

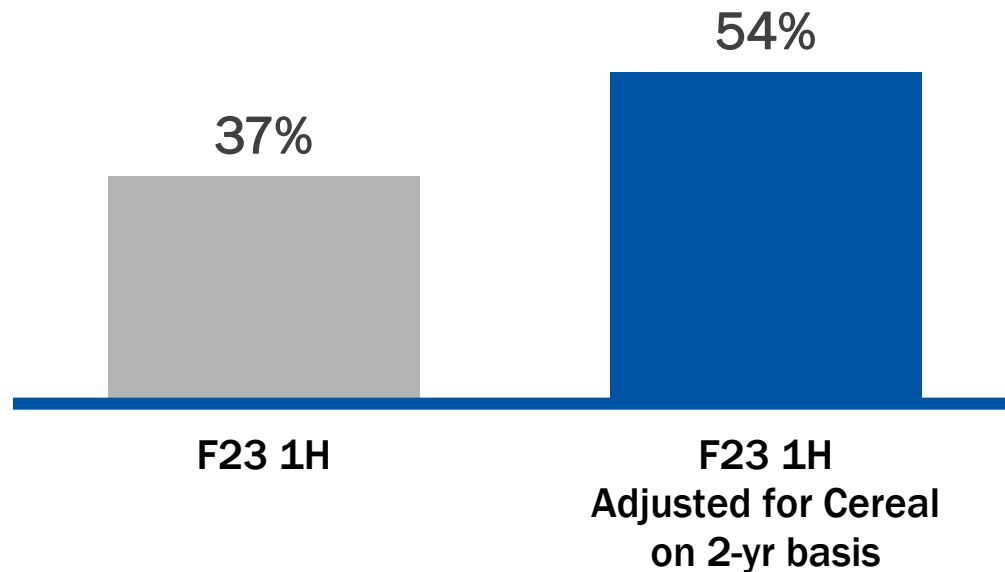
Continue to Reshape our Portfolio

Continuing to Compete Effectively in Q2

Growing or Holding Share in Majority of our Priority Businesses*

Sustained Strength Across Many Categories

General Mills % Priority Business Holding/Growing Share



Cheerios

Cereal*
(Global)



Ref. Dough
(U.S.)



Fruit Snacks
(U.S.)



Hot Snacks
(U.S.)



Soup
(U.S.)



Seasonings
(Brazil)

Continuing to Invest for the Future

Investing in Brand Building



**Media \$\$
+DD in F23**

Investing in Capabilities



**Digital & Technology
Investment
+DD% in F23**

Investing in Growth Capacity



**Growth Capital
+DD% in F23**

Standing for Good by Alleviating Hunger



General Mills has Long History of Acting to Reduce Hunger and Food Insecurity in our Communities

Partnership with Food Banks

Supported Creation of Nationwide Food Recovery Technology

Founding
member
of
**FEEDING
AMERICA**
in 1979



MealConnect[®] **FEEDING
AMERICA**

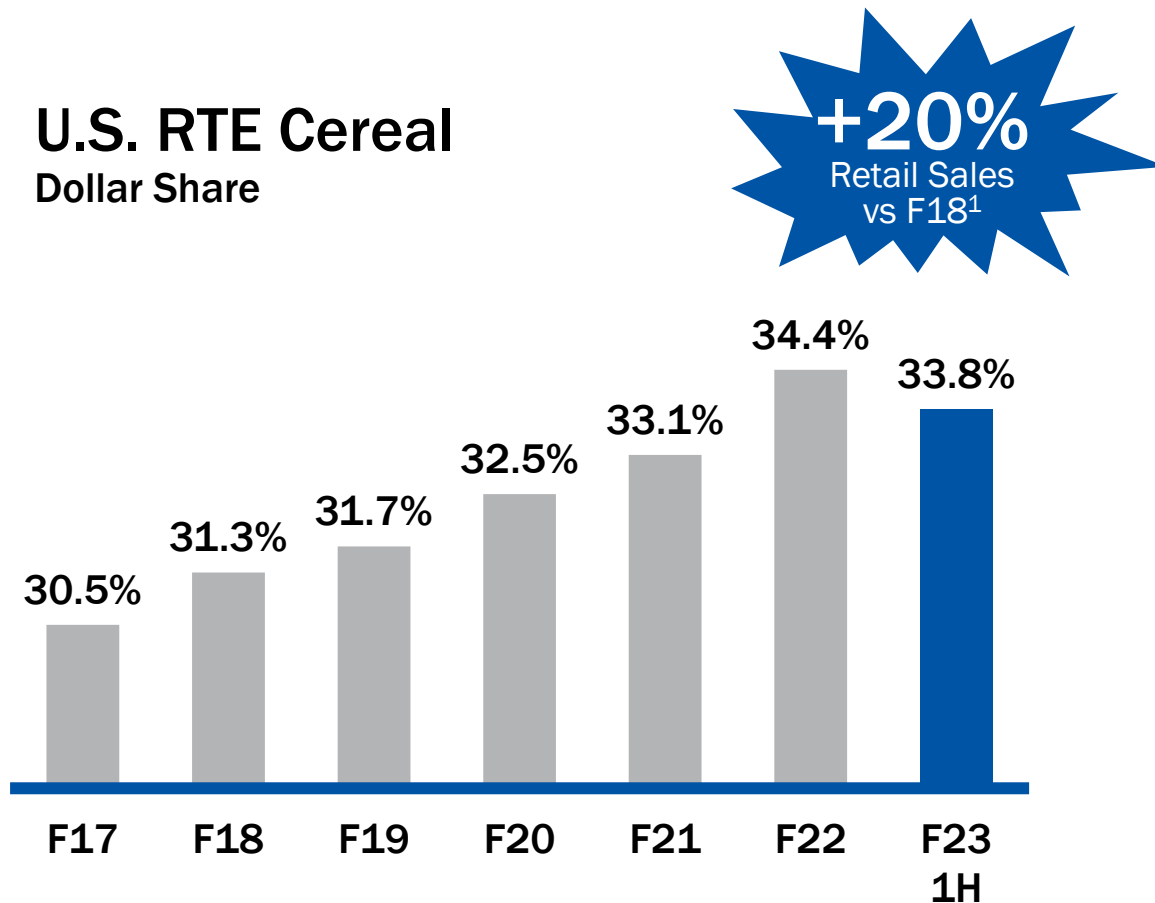
Enabled
3.5+ billion meals since 2014

12,000 nonprofits served

Competing Effectively and Investing in Cereal

Continued Share Growth

U.S. RTE Cereal Dollar Share



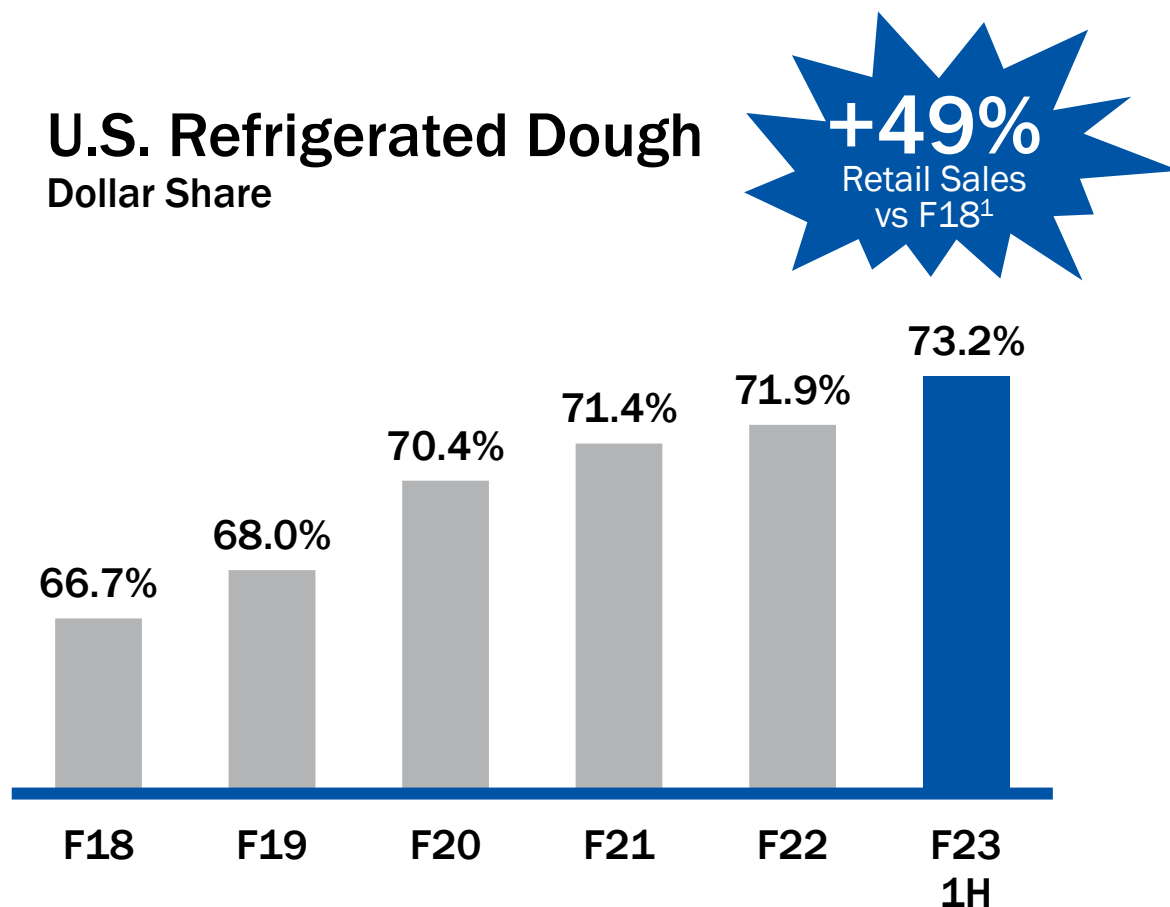
Winning Brand Building and Innovation



Competing Effectively and Investing in Refrigerated Dough

Continued Share Growth

U.S. Refrigerated Dough Dollar Share



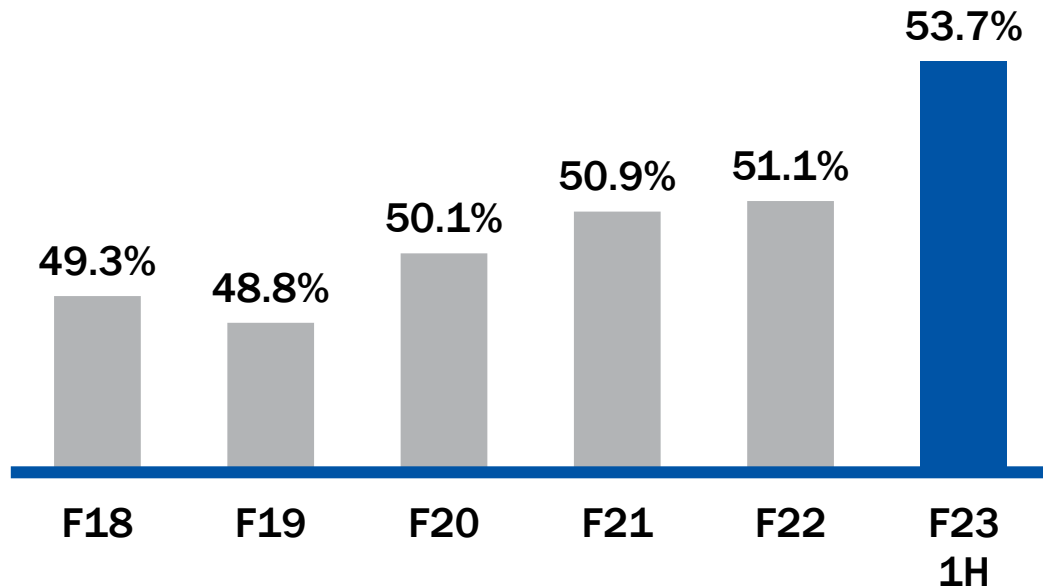
Expanding Usage Occasions with Personalized Consumer Messaging



Competing Effectively and Investing in Fruit Snacks

Continued Share Growth

U.S. Fruit Snacks Dollar Share



Capacity Expansion

\$100MM
Capacity Expansion
Online Q1 F23

Expanding in Digital & Physical Channels

**E-commerce
Retail Sales
+44% FYTD**



**C-store
\$ Share
+12pts FYTD**

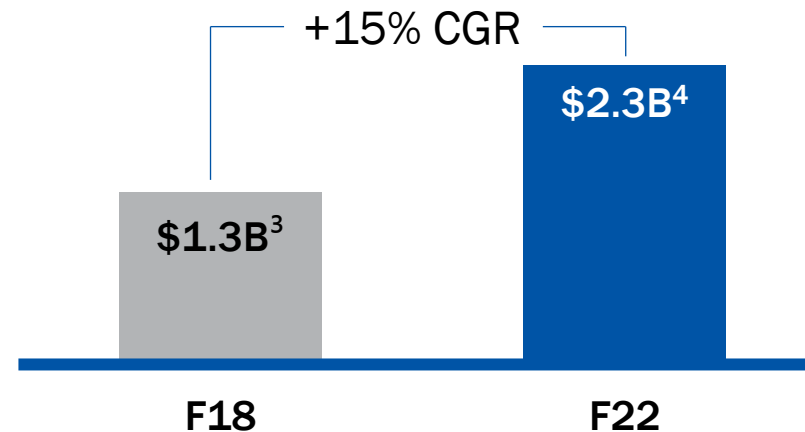


Blue Buffalo is Well Positioned for Long-term Growth



**Love them like family.
Feed them like family.®**

- Humanization and Premiumization Continue to Drive U.S. Pet Food Category
- **Blue Buffalo #1 Natural Pet Food Brand¹**
 - ✓ #1 Brand Most Likely to Recommend²
 - ✓ #1 Brand Pet Parents Willing to Pay More For²
 - ✓ #1 Most Loved & Trusted Natural Brand²
- **Strong Growth Since Acquisition**



General Mills Second Quarter Fiscal 2023

¹ NielsenIQ xAOC + Pet Retail F23 1H

² General Mills Brand Equity Study, January - November 2022 n=18k

³ Blue Buffalo Net Sales as disclosed at acquisition,

⁴ Pet Segment Net Sales



Pet Retail Sales Significantly Ahead of Net Sales in Q2; Expect Double-digit Net Sales Growth in 2H

Pet Net Sales Drivers in Q2

- Inventory Reduction at Key Retailers (Retail Sales +HSD*; Net Sales Flat)
- Ongoing Capacity & Service Challenges
- Impact Largely in Dry Dog Food and Treats

Keys to 2H Acceleration

- Added External Manufacturing Capacity on Dry Food & Treats
- Added Logistics Capacity
- Improved Customer Service Enabling Step-up in 2H Media (Strong +DD% Increase vs LY) and In-store Support
- Strong Innovation & Renovation News

Exciting Innovation, Renovation, and Brand Building

Wilderness Dry Dog Food Innovation & Renovation

Tastefuls Cat Food Portfolio Renovation

Treats Masterbrand Advertising





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Kofi Bruce

Chief Financial Officer



General Mills Second Quarter Fiscal 2023

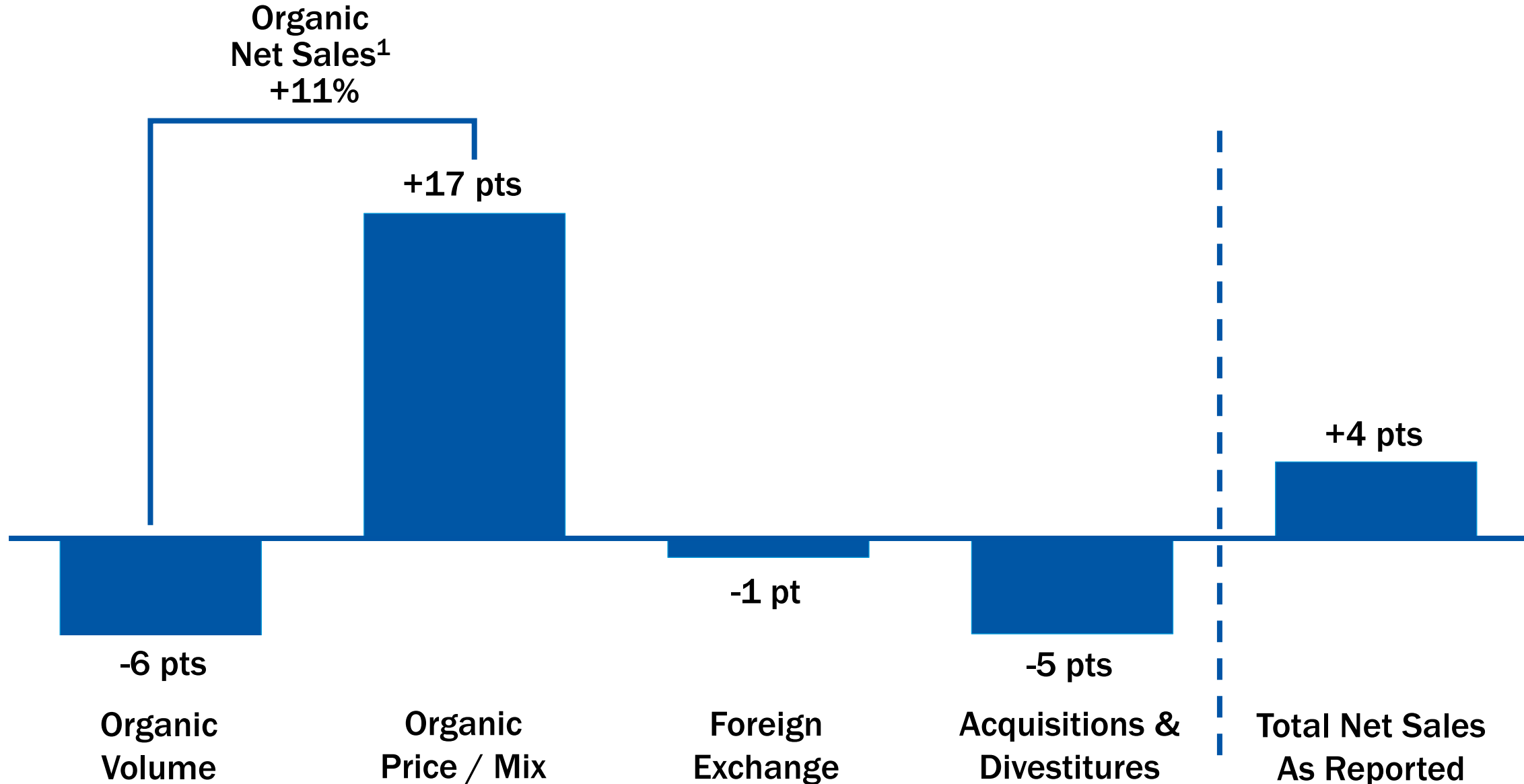
Second Quarter Fiscal 2023 Financial Results

TOTAL GENERAL MILLS	Q2	
	\$MM	VS. LY
Net Sales	\$5,221	+4%
Organic Net Sales ¹		+11%
Adjusted Operating Profit ¹	\$880	+7% ²
Adjusted Diluted EPS ¹	\$1.10	+12% ²

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

(2) Constant currency growth rates. Non-GAAP measures. See appendix for reconciliation

Components of Second Quarter Net Sales Growth



(1) Non-GAAP measure
May not foot due to rounding

Second Quarter Fiscal 2023

North America Retail

Segment Results

North America Retail	Q2
Organic Net Sales ¹	+13%
Segment Op Profit ²	+24%



Segment Highlights

- Q2 organic net sales growth driven by positive price/mix in response to significant cost inflation
- Broad-based growth across U.S. Snacks, U.S. Meals & Baking Solutions, U.S. Morning Foods, and Canada in constant currency²
- Grew or held market share in 67% of NAR priority businesses, adjusted for Cereal on a 2-year basis
- Q2 profit increase driven by positive price/mix and HMM cost savings, partially offset by input cost inflation, lower volume, and higher SG&A expenses

Source: NielsenIQ xAOC, F23 1H

*Adjusted for Cereal on a 2-year basis

See slide 32 for net sales results by Operating Unit

General Mills Second Quarter Fiscal 2023

Betty Crocker



Cheerios



Nature Valley



Totino's



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

(2) Growth rate in constant currency. Non-GAAP measure. See appendix for reconciliation

Second Quarter Fiscal 2023

Pet

Segment Results

Pet	Q2
Organic Net Sales ¹	Flat
Segment Op Profit ²	-34%



Segment Highlights

- Q2 net sales negatively impacted by a reduction in retailer inventory; all-channel retail sales +HSD*
- Expect acceleration in 2H net sales growth behind improved service, product news, increased brand building investment, and stable retailer inventory
- Q2 profit decline driven by high-teens input cost inflation, significant increase in costs related to capacity expansion and supply chain disruptions, and lower volume, partially offset by positive price/mix

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

(2) Growth rate in constant currency. Non-GAAP measure. See appendix for reconciliation

* Estimated all-channel retail sales growth (NielsenIQ xAOC + Pet Retail and company estimates)

Second Quarter Fiscal 2023

North America Foodservice

Segment Results

North America Foodservice	Q2
Organic Net Sales ¹	+17%
Segment Op Profit ²	+20%



Segment Highlights

- Q2 organic net sales growth driven by positive price/mix, including a 5-point benefit from index pricing on bakery flour
- Q2 profit increase driven by positive price/mix, partially offset by higher input costs and higher SG&A expenses

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

(2) Growth rate in constant currency. Non-GAAP measure. See appendix for reconciliation

Second Quarter Fiscal 2023 International

Segment Results

International	Q2
Organic Net Sales ¹	+5%
Segment Op Profit ²	-68%



Segment Highlights

- Q2 organic net sales growth driven by Brazil, Distributor markets, and Europe/Australia, partially offset by a decline in China due to consumer mobility restrictions as well as the Ice Cream recall
- Q2 profit decline driven by higher input costs and lower volume, including the impacts of the Yogurt and Dough divestitures and the Ice Cream recall, partially offset by positive price/mix and lower SG&A expenses

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

(2) Growth rate in constant currency. Non-GAAP measure. See appendix for reconciliation

Second Quarter Fiscal 2023 Joint Ventures

Q2 AFTER-TAX JV EARNINGS: \$25MM, -23% VS. LY

Joint Venture Results

NET SALES ¹	Q2
CPW	+2%
HDJ	-10%



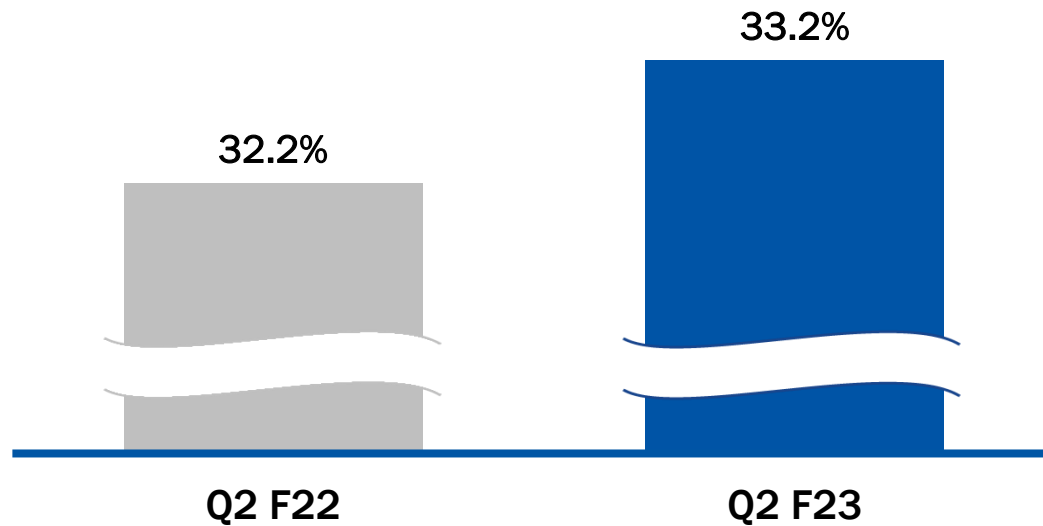
Q2 Joint Venture Highlights

- CPW net sales growth driven by positive price/mix, partially offset by lower volume
- HDJ net sales decline due to lapping strong innovation performance last year
- After-tax earnings decline driven unfavorable F/X as well as lower constant-currency profit at HDJ, partially offset by favorable CPW price/mix

Second Quarter Fiscal 2023 Margin Results

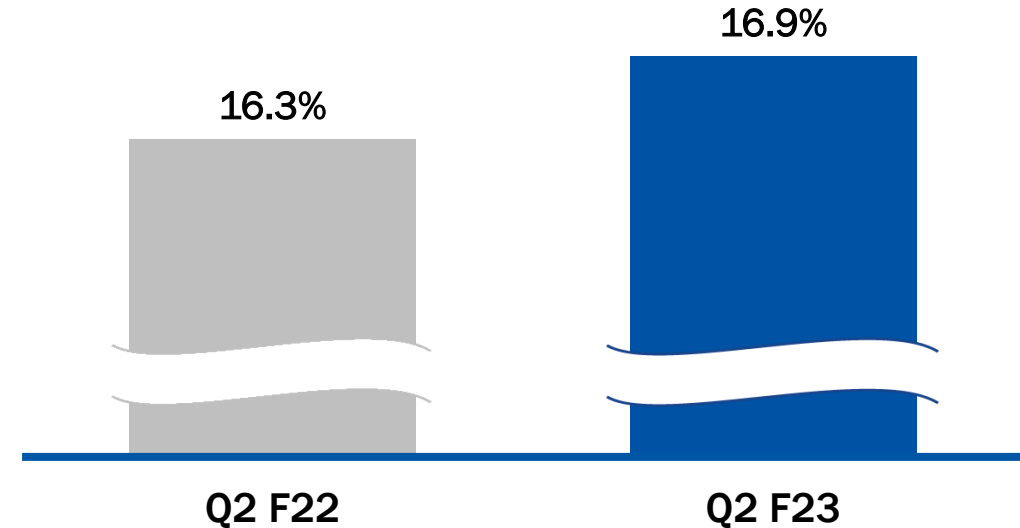
Adjusted Gross Margin¹

(% OF NET SALES)



Adjusted Operating Profit Margin¹

(% OF NET SALES)



- Q2 Adj. Gross Margin increase driven by positive price/mix and HMM cost savings, partially offset by input cost inflation, higher other COGS, and supply chain deleverage
- Q2 Adj. Operating Profit Margin increase driven by higher Adjusted Gross Margin, partially offset by higher SG&A expenses

Second Quarter Fiscal 2023

Other Income Statement Items

- Adjusted Unallocated Corporate Expenses Increased \$30MM
- Net Interest Expense Decreased \$1MM
- Adjusted Effective Tax Rate 21.1% vs. 22.3% LY¹
- Average Diluted Shares Outstanding -2% vs. LY

First Half Fiscal 2023 Financial Results

TOTAL GENERAL MILLS	1H	
	\$MM	VS. LY
Net Sales	\$9,938	+4%
Organic Net Sales ¹		+11%
Adjusted Operating Profit ¹	\$1,761	+8% ²
Adjusted Diluted EPS ¹	\$2.21	+13% ²

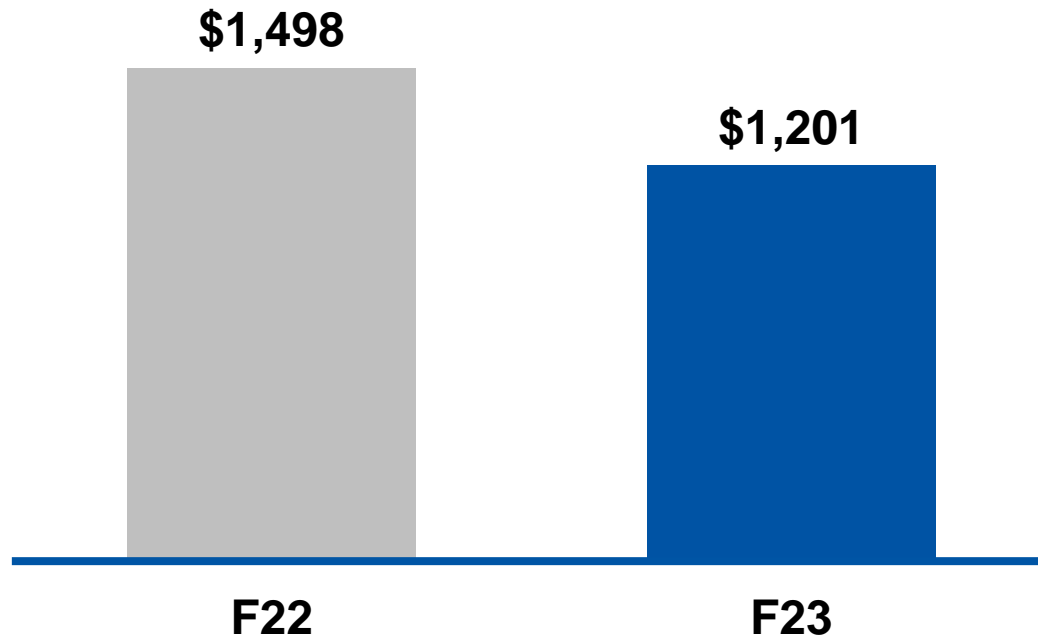
(1) Non-GAAP measure. See appendix for reconciliation

(2) Constant currency growth rates. Non-GAAP measures. See appendix for reconciliation

First Half Fiscal 2023 Balance Sheet and Cash Flow

Operating Cash Flow

(\$ IN MILLIONS)



- Capital Investments = \$227MM
- Dividends Paid = \$648MM
- Net Shares Repurchased = \$783MM

Raising Fiscal 2023 Financial Outlook

KEY FINANCIAL METRICS*	PREVIOUS F23 OUTLOOK	UPDATED F23 OUTLOOK
Organic Net Sales Growth	+6% to +7%	+8% to +9%
Adjusted Operating Profit Growth†	Flat to +3% ^{1,2}	+3% to +5% ^{1,2}
Adjusted Diluted EPS Growth†	+2% to +5% ^{1,2}	+4% to +6% ^{1,2}
Free Cash Flow Conversion	90%+	90%+

¹ Includes 3-pt Net Headwind from Divestitures and Acquisitions

² Includes 1-pt Headwind from Ice Cream Recall

Today's Key Messages

- Delivered Strong Results in Q2, Including Second Consecutive Quarter of Gross Margin Expansion
- Some Signs of Improvement in Operating Environment, but it Remains Volatile
- Executing Well Against our Accelerate Strategy and F23 Priorities
- Raising Full-year Guidance on Net Sales, Operating Profit, and EPS

A Reminder on Non-GAAP Guidance

Our fiscal 2023 outlook for organic net sales growth, adjusted operating profit growth, adjusted diluted EPS growth, and free cash flow conversion 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 these 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 2023. The unavailable information could have a significant impact on our fiscal 2023 GAAP financial results.

For fiscal 2023, we currently expect: foreign currency exchange rates (based on a blend of forward and forecasted rates and hedge positions) and completed acquisitions and divestitures to reduce net sales growth by approximately 4.5 percent; foreign currency exchange rates to reduce adjusted operating profit and adjusted diluted EPS growth by approximately 1 percent; and restructuring charges and project-related costs, transaction and acquisition integration costs related to actions previously announced, and product disposal charges related to the ice cream recall to total approximately \$55 million to \$60 million.

Appendix: Second Quarter Fiscal 2023 North America Retail Operating Results

NET SALES % VS. LY

Operating Unit	Q2
U.S. Snacks	+18%
U.S. Meals & Baking Solutions	+10%
U.S. Morning Foods	+10%
Canada	-3%
<i>Canada Constant-currency¹</i>	+4%

Reconciliation of Second Quarter Fiscal 2023 Canada Operating Unit Constant-Currency Net Sales Growth

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

Reconciliation of Second Quarter Fiscal 2023 Organic Net Sales Growth

Second Quarter	Organic Volume	Organic Price/Mix	Organic Net Sales	Foreign Exchange	Acquisitions & Divestitures	Reported Net Sales
North America Retail	(7) pts	20 pts	13%	(1) pt	(2) pts	11%
Pet	(11) pts	11 pts	Flat	--	--	Flat
North America Foodservice	(2) pts	19 pts	17%	--	6 pts	24%
International	(7) pts	12 pts	5%	(6) pts	(26) pts	(27)%
Total	(6) pts	17 pts	11%	(1) pt	(5) pts	4%

Reconciliation of Second Quarter Fiscal 2023 Adjusted Operating Profit Constant-currency Growth Rate

(FISCAL YEARS, \$ IN MILLIONS)

	Q2		
	2023	2022	Change
Operating profit as reported	\$ 799.8	\$ 800.1	Flat
Mark-to-market effects	25.1	(12.1)	
Investment activity, net	35.7	(10.5)	
Product recall	2.9	-	
Restructuring charges (recoveries)	11.6	2.7	
Acquisition integration costs	2.8	3.5	
Transaction costs	1.8	37.6	
Adjusted operating profit	\$ 879.7	\$ 821.3	7 %
Foreign currency exchange impact			Flat
Adjusted operating profit growth, on a constant-currency basis			7 %



Reconciliation of Second Quarter Fiscal 2023 Adjusted Diluted EPS and Related Constant-currency Growth Rates

(FISCAL YEARS)

Per Share Data	Q2		Change
	2023	2022	
Diluted earnings per share, as reported	\$ 1.01	\$ 0.97	4 %
Mark-to-market effects	0.03	(0.02)	
Investment activity, net	0.04	(0.02)	
Restructuring charges	0.02	-	
Acquisition integration costs	0.01	-	
Transaction costs	-	0.05	
Adjusted diluted earnings per share	\$ 1.10	\$ 0.99	11 %
Foreign currency exchange impact			(1) pt
Adjusted diluted earnings per share growth, on a constant-currency basis			12 %

*Table may not foot due to rounding

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

Reconciliation of First Half Fiscal 2023 Organic Net Sales Growth

(FISCAL YEAR)

1H

	Organic Volume	Organic Price/Mix	Organic Net Sales	Foreign Exchange	Acquisitions & Divestitures	Reported Net Sales
North America Retail	(6) pts	18 pts	13%	--	(2) pts	11%
Pet	(7) pts	13 pts	6%	--	2 pts	8%
North America Foodservice	(3) pts	20 pts	17%	--	5 pts	22%
International	(7) pts	8 pts	1%	(6) pts	(24) pts	(28)%
Total	(5) pts	16 pts	11%	(1) pt	(5) pts	4%

Reconciliation of First Half Fiscal 2023 Adjusted Operating Profit Constant-currency Growth Rate

(FISCAL YEARS, \$ IN MILLIONS)

	1H		
	2023	2022	Change
Operating profit as reported	\$ 1,885.4	\$ 1,644.4	15 %
Divestitures gain, net	(430.9)	-	
Mark-to-market effects	199.8	(36.2)	
Investment activity, net	62.0	(9.8)	
Product recall	24.4	-	
Restructuring charges (recoveries)	13.9	(1.4)	
Acquisition integration costs	4.3	15.9	
Transaction costs	2.0	48.2	
Non-income tax recovery	-	(20.6)	
Adjusted operating profit	\$ 1,760.9	\$ 1,640.5	7 %
Foreign currency exchange impact			(1) pt
Adjusted operating profit growth, on a constant-currency basis			8 %

Reconciliation of First Half Fiscal 2023 Adjusted Diluted EPS and Related Constant-currency Growth Rates

(FISCAL YEARS)

Per Share Data	1H		Change
	2023	2022	
Diluted earnings per share, as reported	\$ 2.36	\$ 1.99	19 %
Divestitures gain, net	(0.54)	-	
Mark-to-market effects	0.25	(0.05)	
Investment activity, net	0.08	(0.02)	
Product recall	0.03	-	
Restructuring charges (recoveries)	0.02	(0.01)	
Acquisition integration costs	0.01	0.02	
Transaction costs	-	0.06	
Non-income tax recovery	-	(0.02)	
Adjusted diluted earnings per share	\$ 2.21	\$ 1.98	12 %
Foreign currency exchange impact			(1) pt
Adjusted diluted earnings per share growth, on a constant-currency basis			13 %

*Table may not foot due to rounding

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

Reconciliation of Second Quarter Fiscal 2023 Constant-currency Segment Operating Profit Growth

	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	24 %	Flat	24 %
International	(70) %	(2) pts	(68) %
Pet	(34) %	Flat	(34) %
North America Foodservice	20 %	Flat	20 %
Total segment operating profit	10 %	Flat	10 %

Reconciliation of Second Quarter Fiscal 2023 Adjusted Gross Margin

(FISCAL YEARS)

	% of Net Sales	
	Q2	
	2023	2022
Gross margin as reported	32.7 %	32.5 %
Mark-to-market effects	0.5 %	(0.2) %
Product recall	0.1 %	- %
Adjusted gross margin	33.2 %	32.2 %

Reconciliation of Second Quarter Fiscal 2023 Adjusted Operating Profit Margin

(FISCAL YEARS)

	% of Net Sales	
	Q2	
	2023	2022
Operating profit as reported	15.3 %	15.9 %
Mark-to-market effects	0.5 %	(0.2) %
Investment activity, net	0.7 %	(0.2) %
Product recall	0.1 %	- %
Restructuring charges	0.2 %	0.1 %
Acquisition integration costs	0.1 %	0.1 %
Adjusted operating profit	16.9 %	16.3 %

Reconciliation of Second Quarter Fiscal 2023 Adjusted Tax Rates

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

	Q2			
	2023		2022	
In Millions (Except Per Share Data)	Pretax Earnings**	Income Taxes	Pretax Earnings**	Income Taxes
As reported	\$ 730.0	\$ 147.1	\$ 735.1	159.7
Mark-to-market effects	25.1	5.8	(12.1)	(2.8)
Investment activity, net	35.7	13.0	(10.5)	0.3
Product recall	2.9	0.7	-	-
Restructuring charges	11.6	3.2	2.7	2.8
Acquisition integration costs	2.8	0.7	3.5	0.8
Transaction costs	1.8	0.6	37.6	7.8
As adjusted	\$ 809.9	\$ 171.0	\$ 756.4	\$ 168.8
Effective tax rate:				
As reported		20.2%		21.7%
As adjusted		21.1%		22.3%
Sum of adjustment to income taxes		\$ 23.9		\$ 8.9
Average number of common shares - diluted EPS		602.0		613.0
Impact of income tax adjustments on adjusted diluted EPS		\$ (0.04)		\$ (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 2022 Adjusted Tax Rates

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

	1H			
	2023		2022	
In Millions (Except Per Share Data)	Pretax Earnings**	Income Taxes	Pretax Earnings**	Income Taxes
As reported	\$ 1,749.6	\$ 363.2	\$ 1,513.1	\$ 328.6
Divestitures gain, net	(430.9)	(101.9)	-	-
Mark-to-market effects	199.8	46.0	(36.2)	(8.3)
Investment activity, net	62.0	13.5	(9.8)	0.5
Product recall	24.4	5.6	-	-
Restructuring charges	13.9	3.8	(1.4)	1.9
Acquisition integration costs	4.3	1.0	15.9	3.6
Transaction costs	2.0	0.6	48.2	12.4
Non-income tax recovery	-	-	(20.6)	(7.0)
As adjusted	\$ 1,625.1	\$ 331.8	\$ 1,509.2	\$ 331.8
Effective tax rate:				
As reported		20.8%		21.7%
As adjusted		20.4%		22.0%
Sum of adjustment to income taxes		\$ (31.4)		\$ 3.1
Average number of common shares - diluted EPS		604.0		613.8
Impact of income tax adjustments on adjusted diluted EPS		\$ 0.05		\$ -

*Table may not foot due to rounding

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