

Bethany Quam

SVP; Group President, Europe & Australia





Europe & Australia Segment



Yogurt



Ice Cream



Mexican



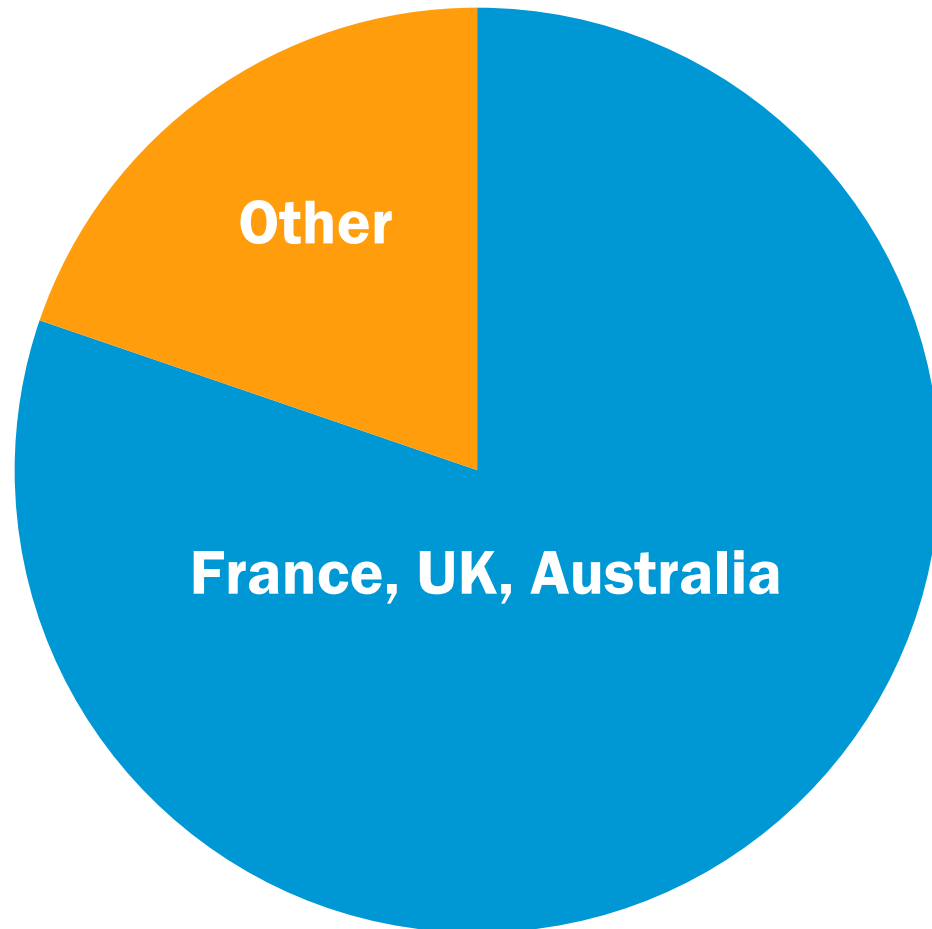
Snacks

- F17 Net Sales: \$1.8 Billion
- F17 Segment Operating Profit: \$164 Million
- Focused on 4 of 5 Global Platforms

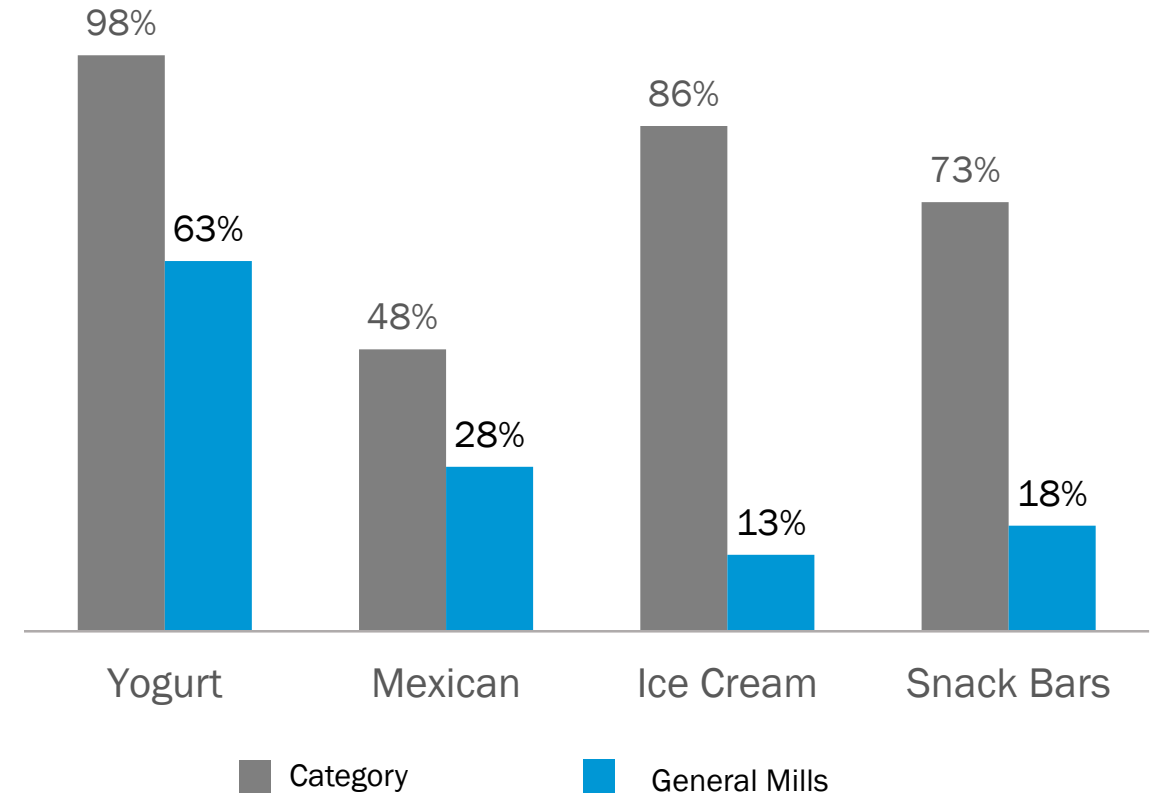


Emerging Company in a Developed Market

F17 EUROPE & AUSTRALIA NET SALES



HOUSEHOLD PENETRATION





Europe & Australia Fiscal 2018 Priorities

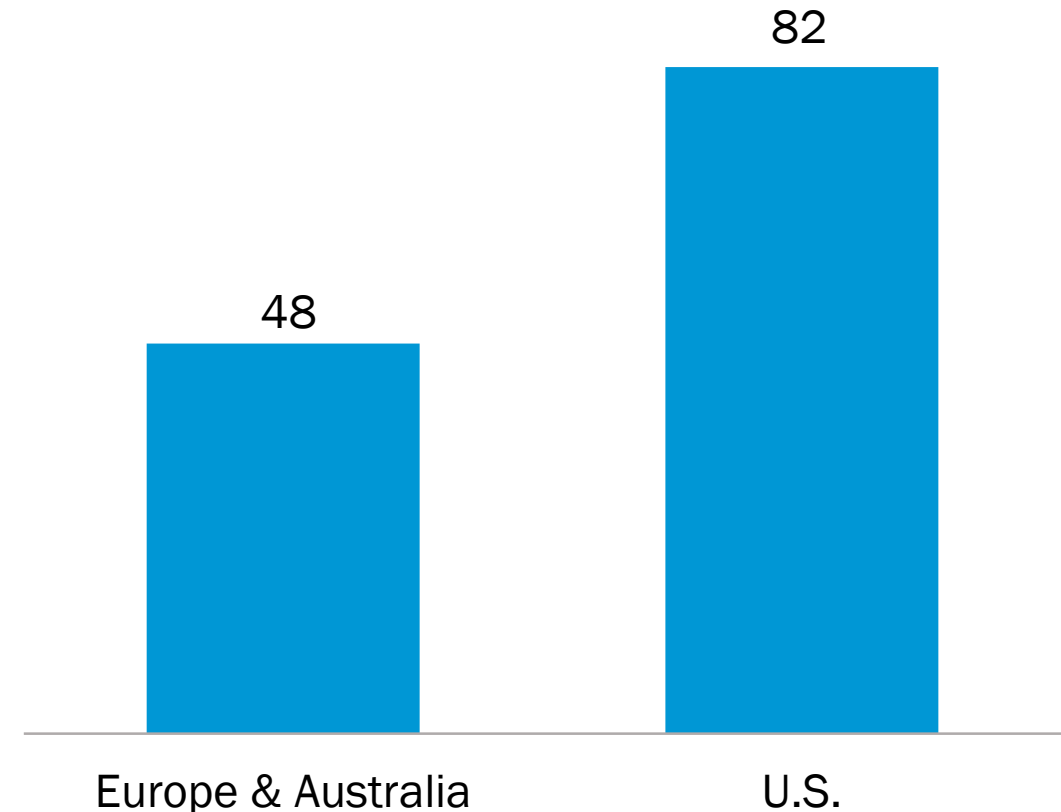
- **Invest to Drive Differential Growth:**
 - Old El Paso
 - Häagen-Dazs
 - Snack Bars
- **Return Yogurt to Share Growth**



Old El Paso in Europe & Australia



MEXICAN FOODS CATEGORY HOUSEHOLD PENETRATION (% Households that Purchase Mexican Foods)



Source: Europe Nielsen/IRI/Kantar, 52 weeks ended May 17, 2017, current General Mills markets; US Nielsen, 52 weeks ended November 26, 2016



Old El Paso Growth Driver: Stand 'N Stuff Innovation

F15



Stand 'N Stuff

F16



Stand 'N Stuff Kits

F17



Stand 'N Stuff Mini

F18



Stand 'N Stuff Mini Kits



Old El Paso Messaging to Drive Penetration



CONVENIENT

FRESH

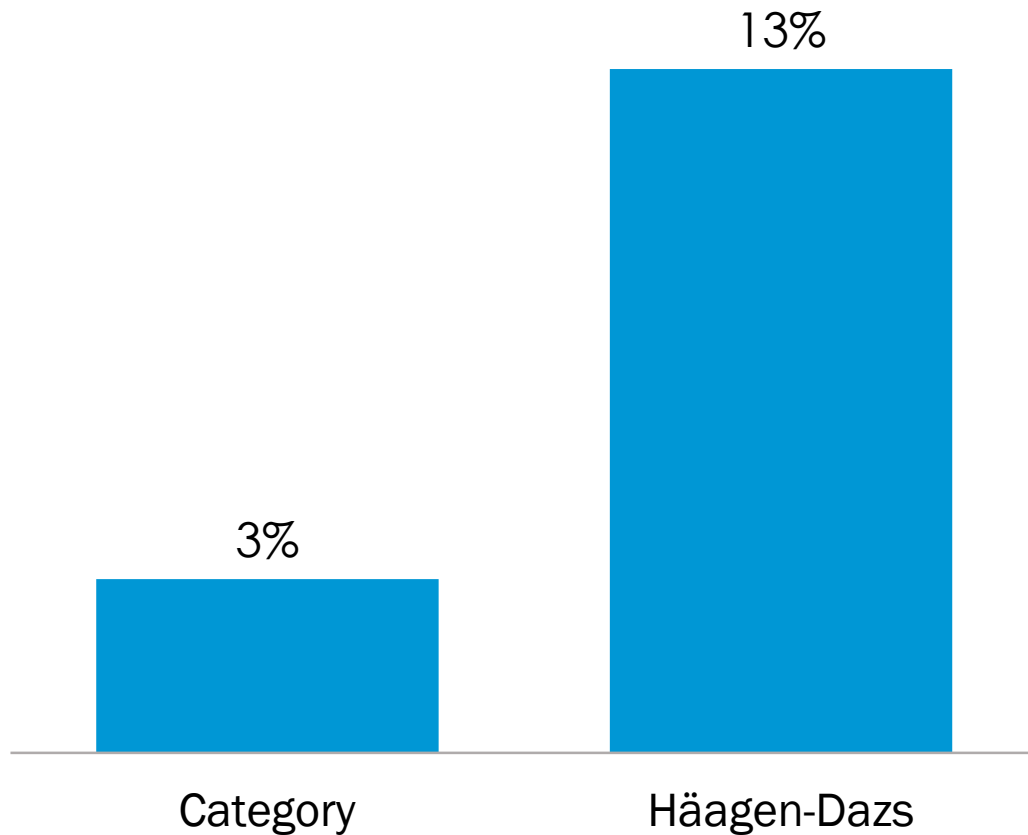
VARIETY



Häagen-Dazs in Europe & Australia

F17 ICE CREAM RETAIL SALES IN EUROPE & AUSTRALIA

(% vs. LY)





Häagen-Dazs Growth Driver: Cup and Stick Bar Innovation



New Pint Flavors



Mini Cups in U.K.



*Mini Stick Bars in France,
Spain, and Belgium*



Häagen-Dazs Growth Driver: Geographic Expansion and Market Activation





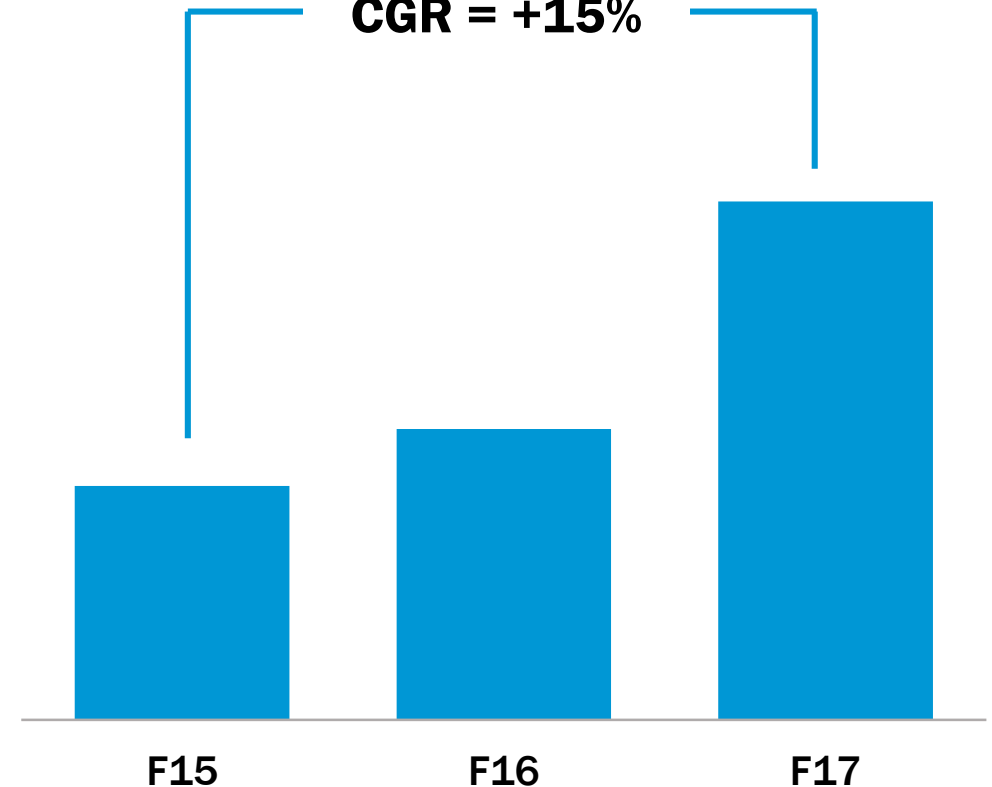
Snack Bars in Europe & Australia



GENERAL MILLS EUROPE & AUSTRALIA SNACK BARS RETAIL SALES

(\$ in Millions)

CGR = +15%





Leveraging U.S. Innovation Platform

F18 1H INNOVATION



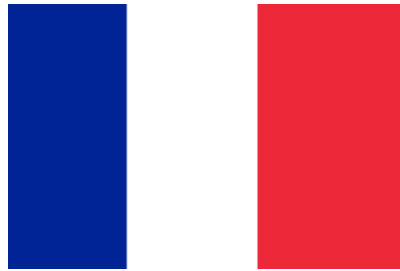
EXPAND DISTRIBUTION





Yoplait in Europe

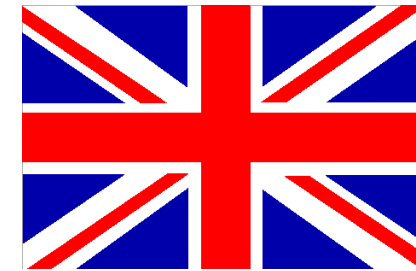
FRANCE



- Home of Yoplait
- Broad Portfolio
- 13% Market Share



UNITED KINGDOM



- Leading Player in Kid Segment
- Focused Portfolio
- 8% Market Share





Europe Yogurt Growth Driver: Innovation

FRANCE



- Targeting Indulgence Segment
- Fruit is Point of Difference

UNITED KINGDOM



- Expanding Presence in Adult Segment
- Leveraging Successful Liberté Canada Positioning



Europe Yogurt Growth Driver: Core Renovation

BRAND RENOVATION



SUGAR REDUCTION



Renovating >40% of European Yogurt Portfolio in Fiscal 2018



Fiscal 2018 Europe & Australia Margin Drivers

- **Significant Dairy and Vanilla Inflation**
- **GBP-EUR Transaction Foreign Exchange Headwind**
- **Continued Strong HMM Savings**
- **SRM to Drive Net Price Realization**



Europe & Australia Summary

- Emerging Company in Developed Market
- Priorities:
 - Drive Differential Growth on Old El Paso, Häagen-Dazs, and Snack Bars
 - Return Yogurt to Share Growth
- F18 Goals:
 - Organic Net Sales*: +1 to +2%
 - Segment Operating Profit Margin: Lower



Christina Law

SVP; Group President, Asia & Latin America





Asia & Latin America Segment



Ice Cream



Yogurt

- F17 Net Sales: \$1.7 Billion
- F17 Segment Operating Profit: \$84 Million
- Focused on 4 of 5 Global Platforms



Snacks



Convenient Meals



Asia & Latin America: Fiscal 2018 Priorities

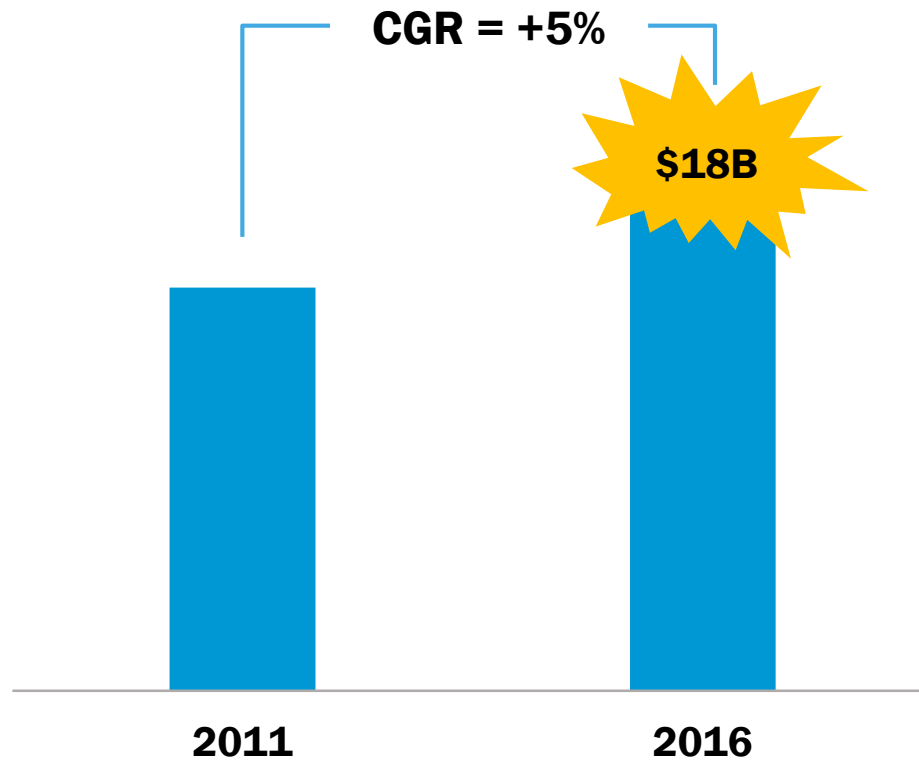
- Accelerate Häagen-Dazs in Asia
- Continue Aggressive Yoplait Expansion
- Expand Snacking Platform
- Drive On-trend Convenient Meals Businesses



Häagen-Dazs in Asia

ICE CREAM CATEGORY RETAIL SALES IN ASIA

(\$ in Billions)





Häagen-Dazs Growth Driver: Innovation

FRUIT & FLOWERS



ASIAN FLAVORS



Mochi



Yuzu



Häagen-Dazs Growth Driver: Brand Refresh

SHOP RENOVATION



NEW PACKAGING



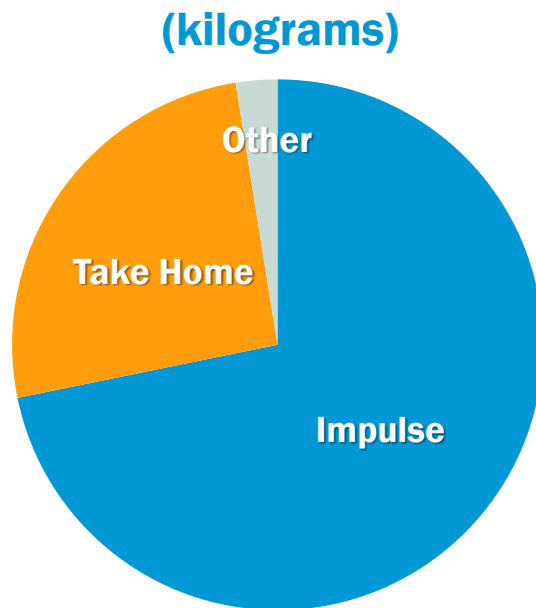
NEW GLOBAL AD CAMPAIGN





Häagen-Dazs Growth Driver: Expansion in Handheld

ICE CREAM CONSUMPTION IN ASIA & LATIN AMERICA



EXPAND DISTRIBUTION



NEW FLAVORS AND FORMATS

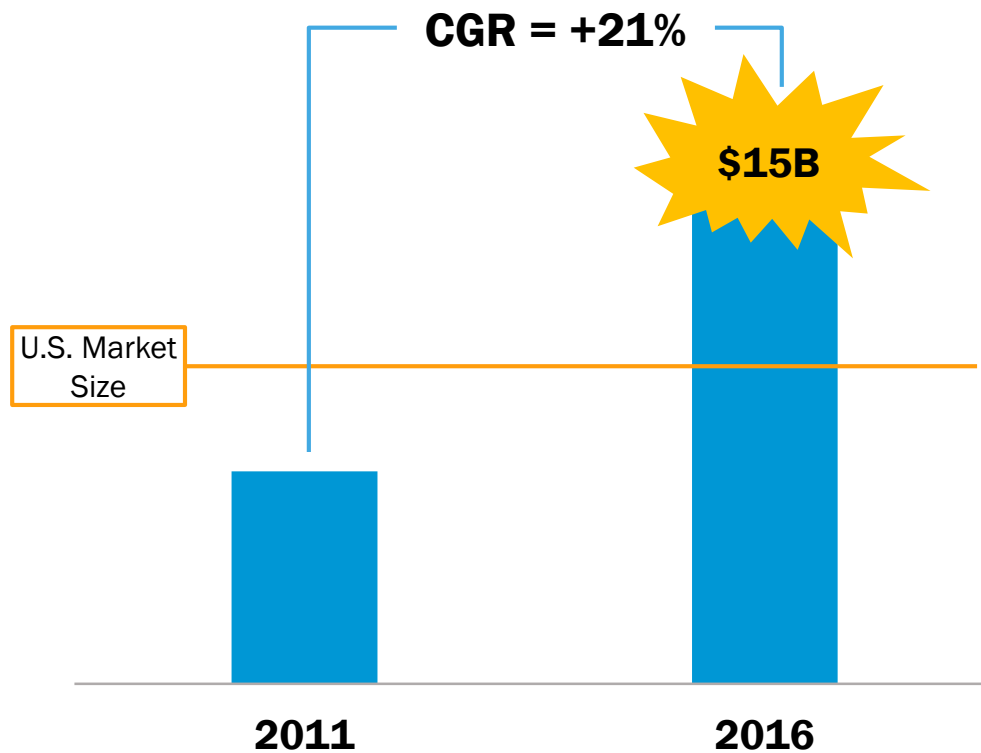




Yogurt Category in China

YOGURT CATEGORY RETAIL SALES IN CHINA

(\$ in Billions)



- World's Largest Yogurt Market
- Premium Driving Growth
- China Yogurt Will Be Larger than U.S. + Western Europe by 2021



Yoplait in China



- Differentiated Texture and Taste
- Premium Positioning
- European Quality Certification
- Shanghai in F16, Beijing in F17



Yoplait China Growth Driver: Aggressive City Expansion





Yoplait China Growth Driver: Innovation and Brand Investment

Innovation



Perle de Lait
Beverage



Perle de Lait
Protein

Media



100% Fresh Milk Messaging



Expand Snacking Platform

NATURE VALLEY IN LATIN AMERICA



Leveraging U.S. Innovation

YOKI POPCORN IN BRAZIL



Driving Value on Stovetop and
“For One” Popcorns

COOKIE CAKES IN INDIA



More Than Doubling Distribution



Drive On-trend Convenient Meals Businesses

WANCHAI FERRY



Building Strong Kid Platform

KITANO



Seasonings and Meal Solutions



Asia & Latin America Summary

- Accelerate Häagen-Dazs in Asia
- Continue Aggressive Yoplait Expansion
- Expand Snacking Platform
- Drive On-trend Convenient Meals Businesses
- F18 Goals:
 - Organic Net Sales*: +1 to +3%^
 - Segment Operating Profit Margin: Higher



*Non-GAAP measure

^Includes -LSD impact of Brazil reporting period difference

Don Mulligan

EVP, Chief Financial Officer





Joint Ventures

CEREAL PARTNERS WORLDWIDE

- F17 Net Sales: \$1.6 Billion*
- 130 Markets



HÄAGEN-DAZS JAPAN

- F17 Net Sales: \$0.4 Billion*



*Joint Venture net sales on a 100 percent basis



Joint Ventures Fiscal 2018 Plans

CEREAL PARTNERS WORLDWIDE

- F17 Net Sales: +3%*
- Core Renovation
- Extend Recent Innovation to New Markets



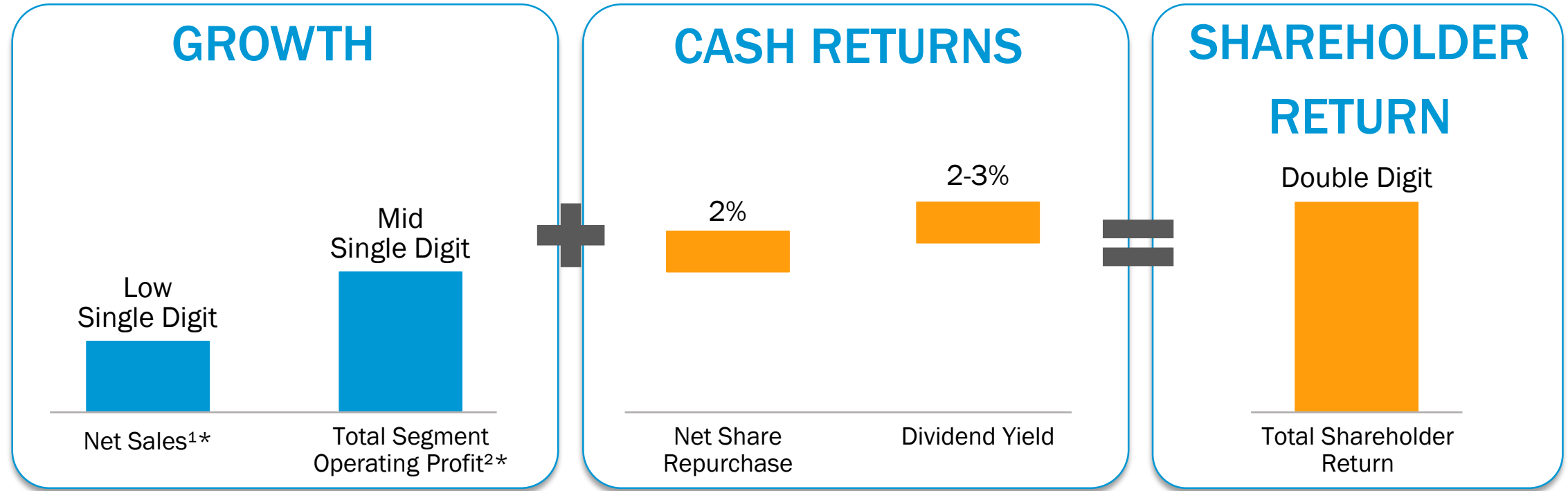
HÄAGEN-DAZS JAPAN

- F17 Net Sales: +8%*
- Momentum Behind Recent Innovation
- Continued Strong Growth from the Core





Our Shareholder Return Model



Target: Cash Conversion $\geq 95\%$

Target: Cash Return to Shareholders
 $\geq 90\%$ of Free Cash Flow*

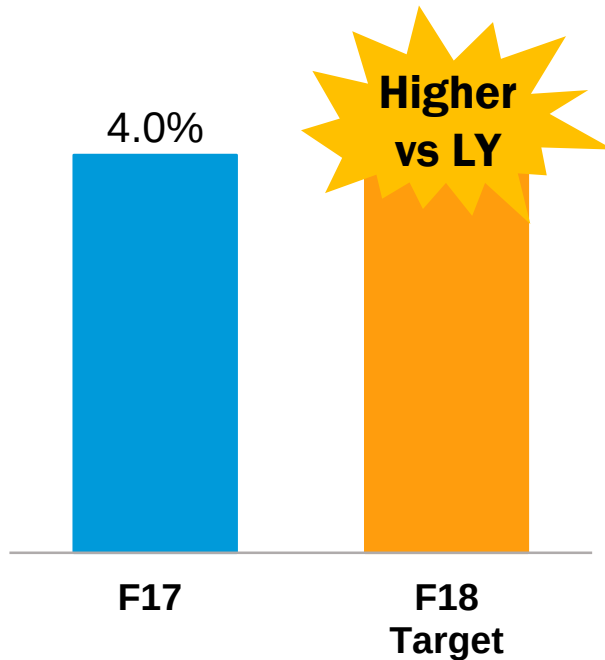
(1) Organic growth rate
(2) Constant currency growth rate
*Non-GAAP measures



Investing to Drive Growth in Fiscal 2018

MARKETING

Media
(% of Net Sales)



CHANNEL & GEOGRAPHIC EXPANSION



PROCESS TRANSFORMATION

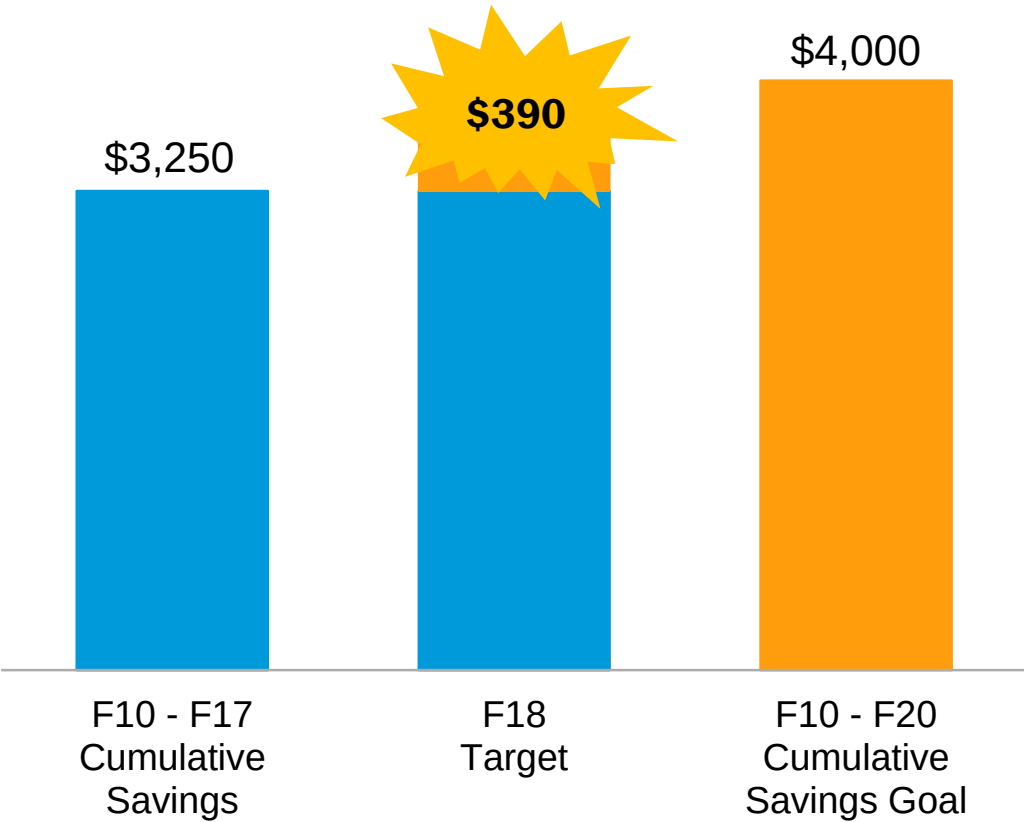




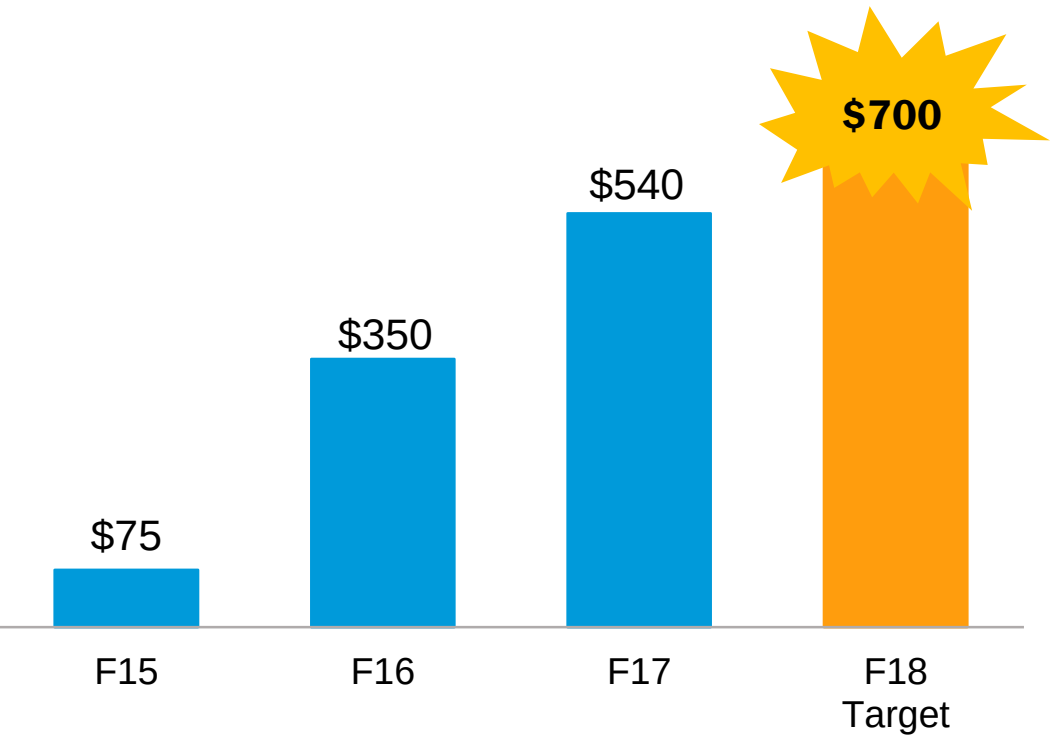
Continuing to Drive Significant Cost Savings

(\$ in Millions)

COST OF GOODS HMM SAVINGS



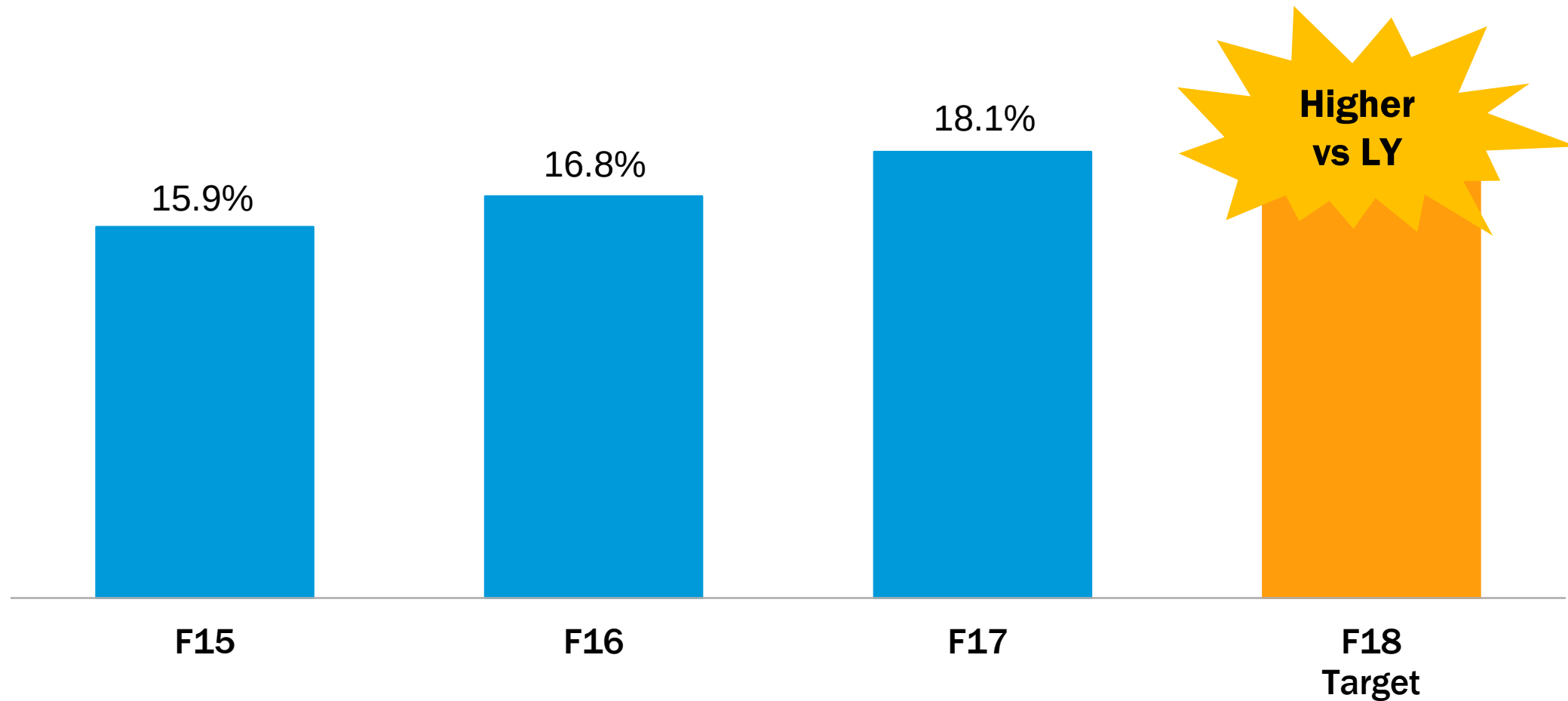
ANNOUNCED PROJECTS SAVINGS





Moderating Pace of Margin Expansion in Fiscal 2018

ADJUSTED OPERATING PROFIT MARGIN* (% of Net Sales)

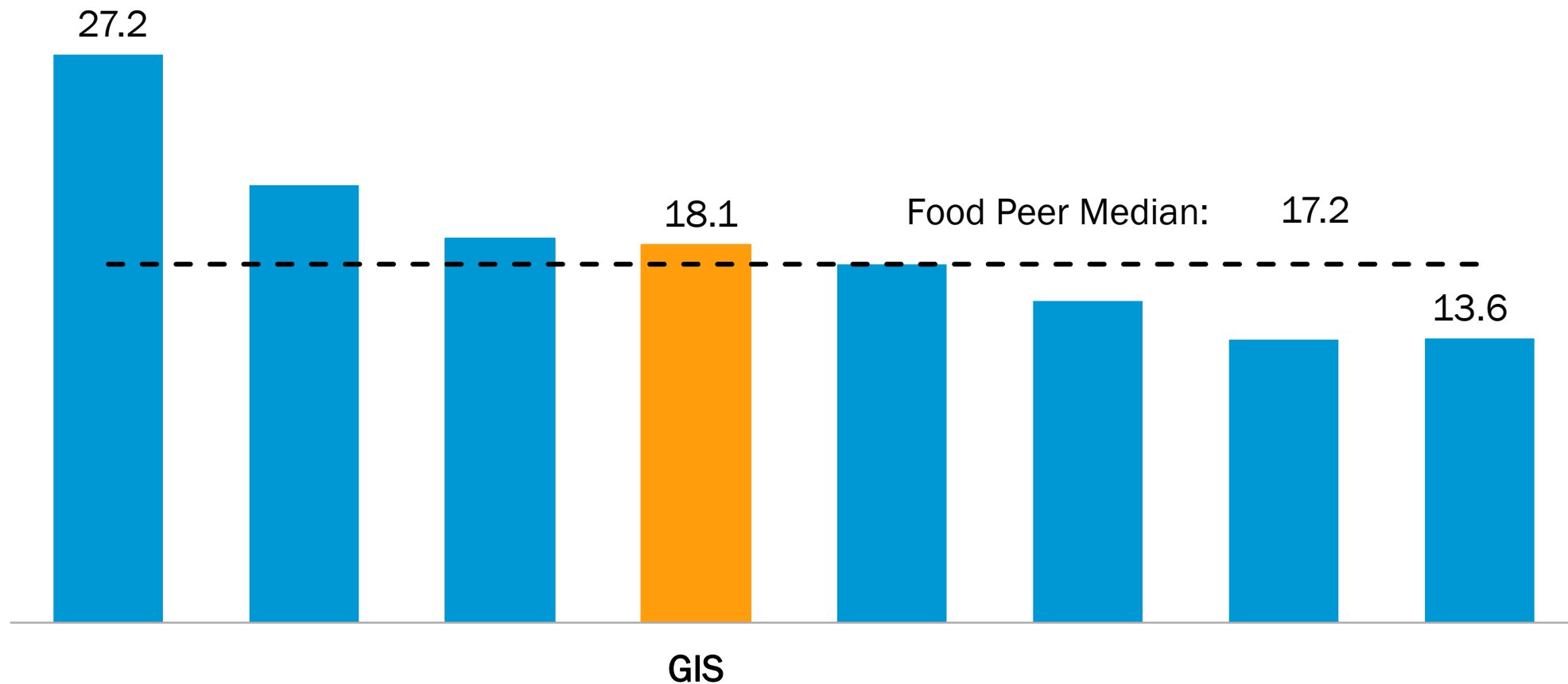


*Non-GAAP measure. See appendix for reconciliation.



Profit Margins Ahead of U.S. Food Peer Median

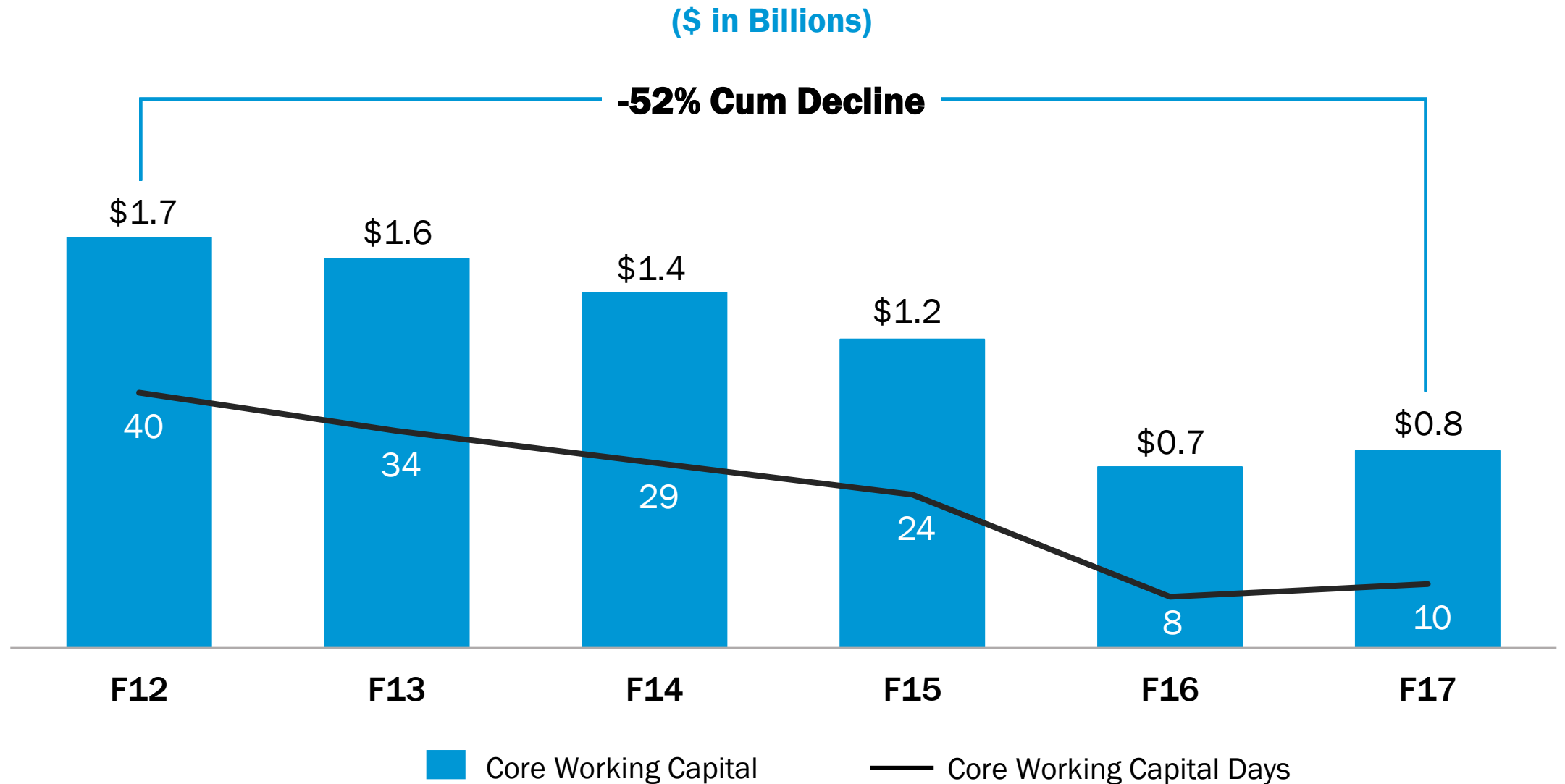
ADJUSTED OPERATING PROFIT MARGIN*
(% of Net Sales)



Source: CapIQ, fiscal 2017/2016/calendar year 2016
Food Peers: CAG, CPB, HSY, K, KHC, MDLZ, SJM
*Non-GAAP measure. See appendix for reconciliation.

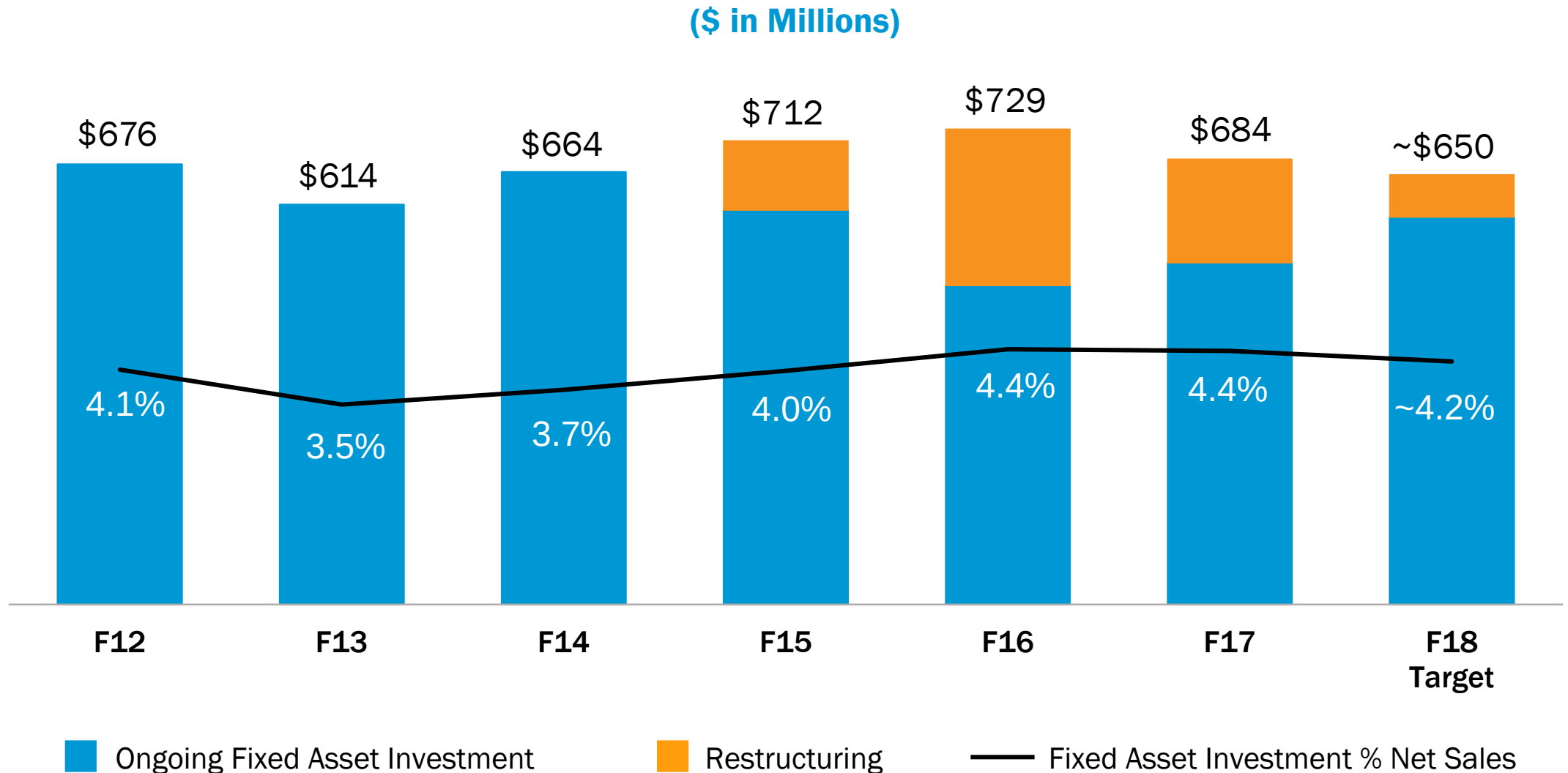


Reducing Core Working Capital





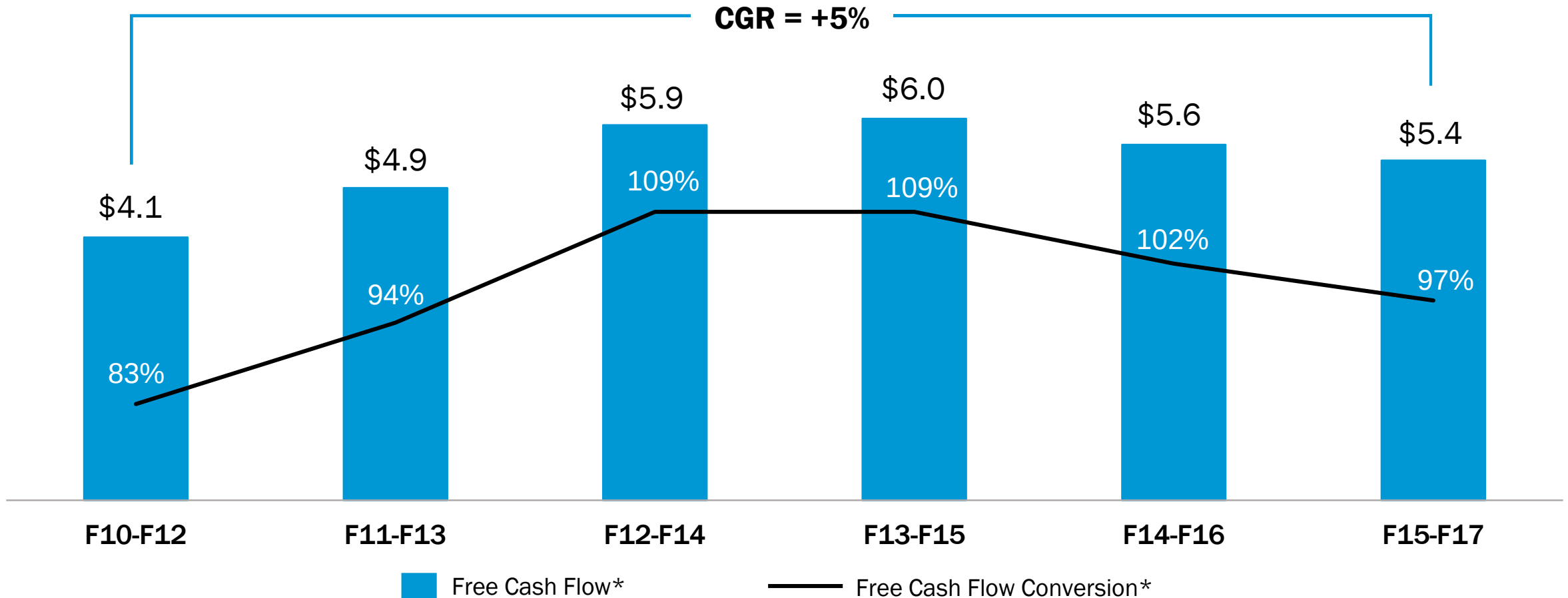
Fixed Asset Investment





Free Cash Flow Performance

F18 TARGET: CASH CONVERSION $\geq 95\%$
(3-Year Rolling, \$ in Billions)

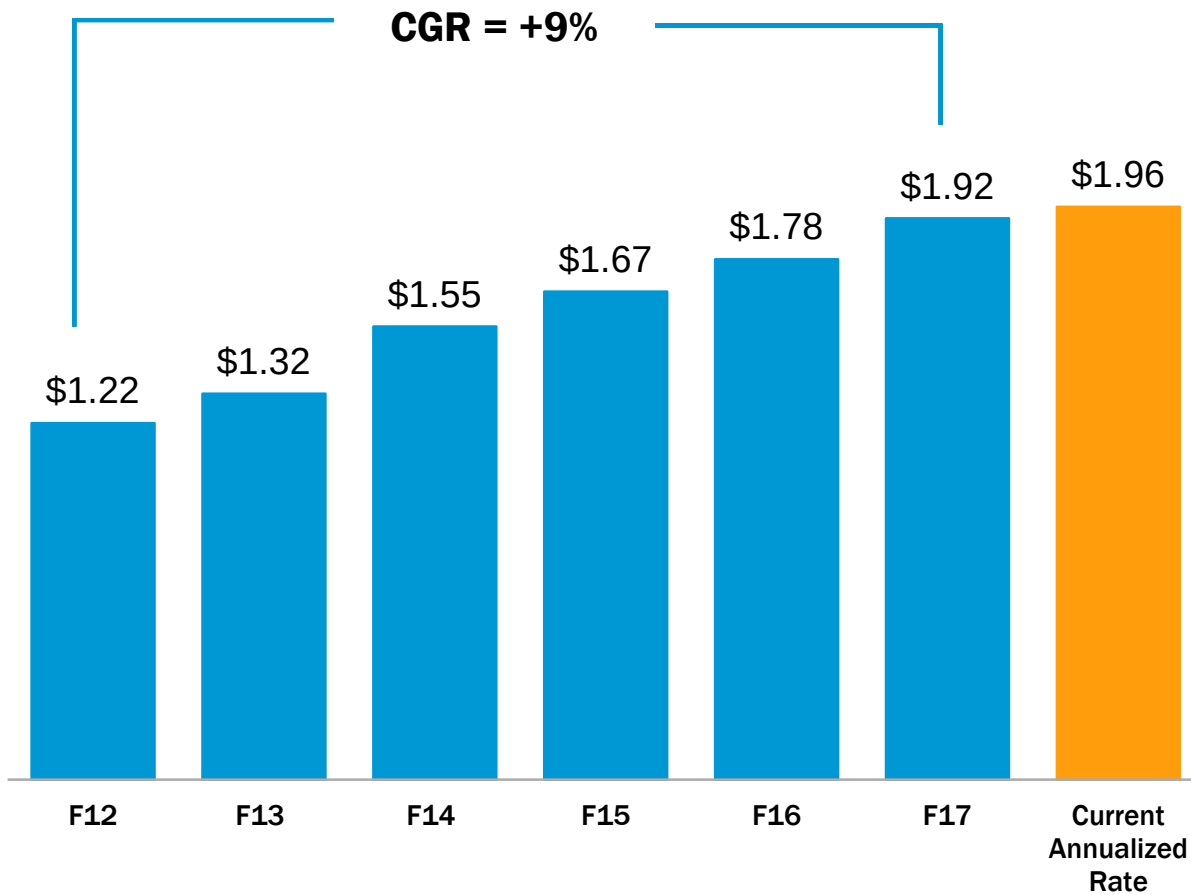


*Non-GAAP measure. See appendix for reconciliation.

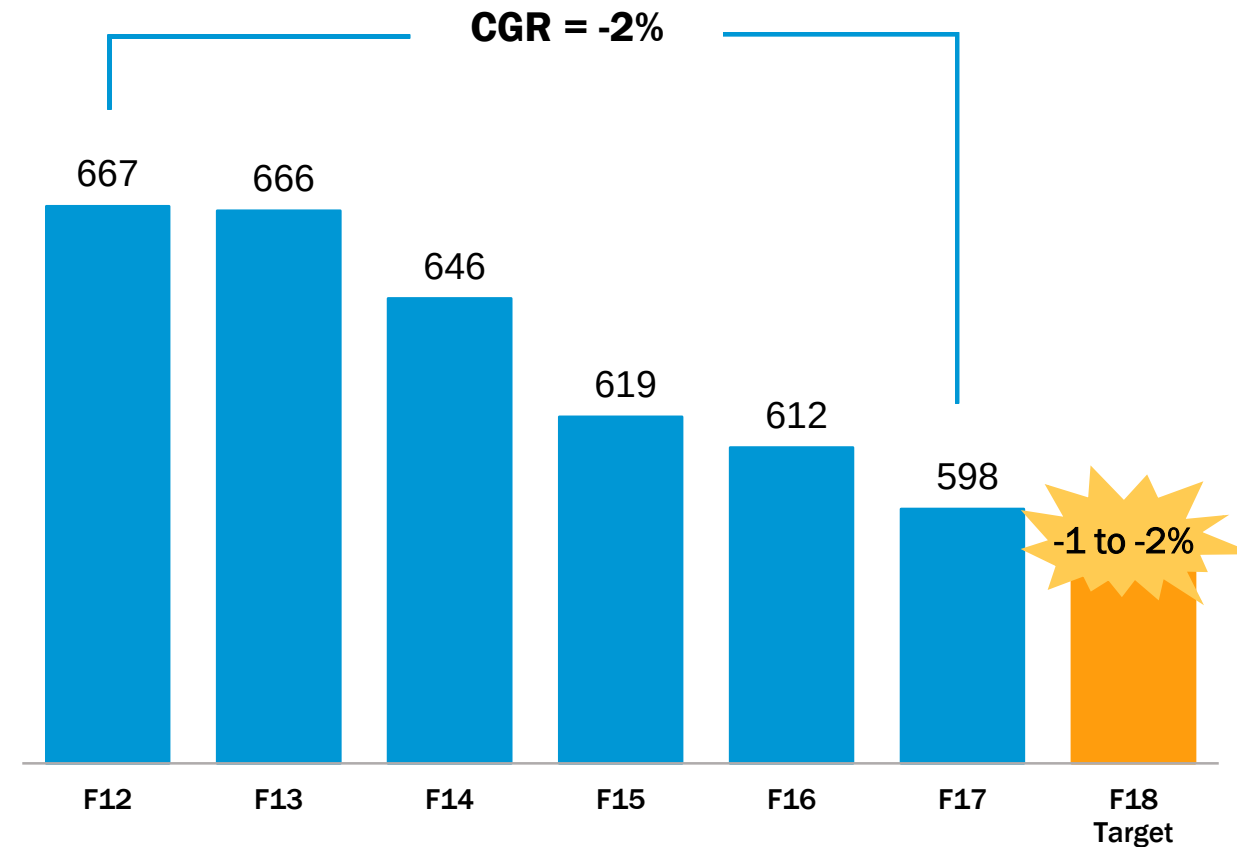


Dividends and Share Repurchases

DIVIDENDS PER SHARE



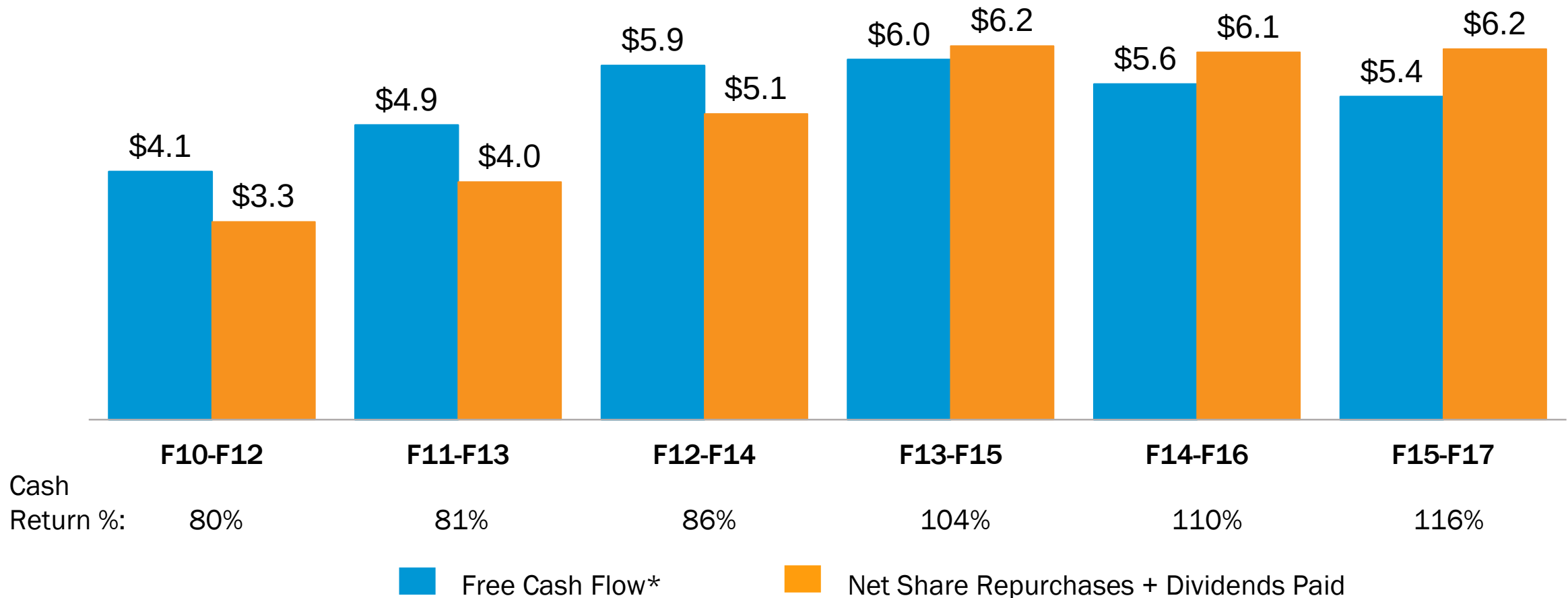
AVERAGE DILUTED SHARES OUTSTANDING





Strong Cash Returns to Shareholders

TARGET: CASH RETURN $\geq$ 90%
(3-Year Rolling, \$ in Billions)



*Non-GAAP measure. See appendix for reconciliation.



Fiscal 2018 Plan Assumptions

- **Category Trends Similar to F17**
- **Organic Net Sales* Trends to Improve from Q1 to Q2 and 1H to 2H**
- **Adjusted Operating Profit Margin* Down in 1H, Up in 2H**
- **Adjusted Diluted EPS* Down in 1H, Up in 2H**



Fiscal 2018 Guidance

(\$ in Millions, Except per Share)

	FISCAL 2017 RESULTS	FISCAL 2018 GROWTH
Net Sales	\$15,620	-1 to -2% ¹
Media Expense	\$624	Higher
Total Segment Operating Profit*	\$2,953	Flat to +1% ²
Adjusted Operating Profit Margin*	18.1%	Higher
Interest Expense	\$295	Flat
Tax Rate Excluding Items*	29.2%	Flat
Avg. Diluted Shares Outstanding	598	Down 1 to 2%
Adjusted Diluted EPS*	\$3.08	+1 to 2% ²
Free Cash Flow Conversion*	86%	> 95%

*Non-GAAP measures. See appendix for reconciliation.

(1) Organic growth rate

(2) Constant-currency growth rate



A Reminder on Non-GAAP Guidance

Our fiscal 2018 outlook for organic net sales growth, constant-currency total segment operating profit and adjusted diluted EPS, adjusted operating profit margin, effective tax rate excluding items, 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, restructuring charges and project-related costs, and commodity mark-to-market effects. Our fiscal 2018 outlook for organic net sales growth also excludes the effect of acquisitions and divestitures. 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 of acquisitions, divestitures and restructuring actions throughout fiscal 2018. The unavailable information could have a significant impact on our fiscal 2018 GAAP financial results.

For fiscal 2018, we currently expect: foreign currency exchange rates (based on blend of forward and forecasted rates and hedge positions), acquisitions, and divestitures to have an immaterial impact on net sales growth; foreign currency exchange rates to have an immaterial impact on total segment operating profit and adjusted diluted EPS growth; and total restructuring charges and project-related costs related to actions previously announced to total approximately \$45 million.



Reconciliation of Adjusted Operating Profit Margin

(Fiscal Years)

	Full Year		
	% of Net Sales		
	2017	2016	2015
Operating profit as reported	16.4 %	16.3 %	11.8 %
Mark-to-market effects	(0.1)	(0.4)	0.5
Divestitures (gain) loss, net	0.1	(0.9)	-
Restructuring costs	1.4	1.4	1.9
Project-related costs	0.3	0.4	0.1
Acquisition integration costs	-	-	0.1
Intangible asset impairment	-	-	1.5
Adjusted operating profit margin	18.1 %	16.8 %	15.9 %



Reconciliation of Free Cash Flow and Free Cash Flow Conversion

(Fiscal Years, \$ in Millions)

	2017	2016	2015	2014	2013	2012	2011	2010
Net earnings, including earnings attributable to redeemable and noncontrolling interests	\$1,701	\$1,737	\$1,259	\$1,861	\$1,893	\$1,589	\$1,804	\$1,535
Mark-to-market effects*	(9)	(40)	57	(31)	(3)	66	(60)	5
Divestitures (gain) loss*	9	(66)	-	(36)	-	-	-	-
Tax-related items*	-	-	79	-	(85)	-	(89)	35
Acquisition integration costs*	-	-	10	-	9	10	-	-
Venezuela currency devaluation*	-	-	8	58	21	-	-	-
Restructuring costs*	154	161	218	4	16	64	3	20
Project-related costs*	28	37	8	-	-	-	-	-
Intangible asset impairment*	-	-	177	-	-	-	-	-
Adjusted net earnings, including earnings attributable to redeemable and noncontrolling interests	\$1,884	\$1,829	\$1,816	\$1,856	\$1,850	\$1,729	\$1,657	\$1,594
Net cash provided by operating activities, as reported	\$2,313	\$2,630	\$2,543	\$2,541	\$2,926	\$2,407	\$1,531	\$2,185
Purchases of land, buildings, and equipment	(684)	(729)	(712)	(664)	(614)	(676)	(649)	(650)
Free cash flow	\$1,629	\$1,901	\$1,830	\$1,878	\$2,312	\$1,731	\$882	\$1,535
Free cash flow, rolling 3-year	\$5,360	\$5,608	\$6,020	\$5,921	\$4,926	\$4,149		
Free cash flow conversion, rolling 3-years	97%	102%	109%	109%	94%	83%		
Fiscal 2017 free cash flow conversion	86%							

*See reconciliation of tax rate excluding items.

Table does not foot due to rounding.



Cash Return to Shareholders

(Fiscal Years, \$ in Millions)

	2017	2016	2015	2014	2013	2012	2011	2010
Dividends paid	\$1,135	\$1,072	\$1,018	\$983	\$868	\$800	\$729	\$644
Purchases of common stock for treasury	1,652	607	1,162	1,745	1,045	313	1,164	692
Proceeds from common stock issued on exercised options	(113)	(172)	(164)	(108)	(301)	(234)	(410)	(389)
Total cash return to shareholders	\$2,674	\$1,507	\$2,016	\$2,621	\$1,612	\$880	\$1,483	\$947
Cash returns, rolling 3-year	\$6,197	\$6,143	\$6,248	\$5,112	\$3,974	\$3,309		
Cash returns %, rolling 3-year	116%	110%	104%	86%	81%	80%		



Reconciliation of Income Taxes on Adjusting Items

(Fiscal Years, \$ in Millions)

	2017		2016		2015		2014		2013		2012		2011		2010	
	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes	Pretax Earnings*	Income Taxes
As reported	\$2,271	\$655	\$2,404	\$755	\$1,762	\$587	\$2,655	\$883	\$2,535	\$741	\$2,211	\$710	\$2,428	\$721	\$2,205	\$771
Mark-to-market effects	(14)	(5)	(63)	(23)	90	33	(49)	(18)	(4)	(2)	104	39	(95)	(35)	7	3
Divestitures (gain) loss	14	4	(148)	(82)	-	-	(66)	(30)	-	-	-	-	-	-	-	-
Restructuring costs	224	70	230	69	344	126	4	-	19	3	101	36	4	2	31	12
Project-related costs	44	16	58	21	13	5	-	-	-	-	-	-	-	-	-	-
Tax items	-	-	-	-	-	(79)	-	-	-	85	-	-	-	89	-	(35)
Acquisition integration costs	-	-	-	-	16	6	-	-	12	4	11	2	-	-	-	-
Venezuela currency devaluation	-	-	-	-	8	-	62	4	25	4	-	-	-	-	-	-
Intangible asset impairment	-	-	-	-	260	83	-	-	-	-	-	-	-	-	-	-
As adjusted	\$2,539	\$740	\$2,480	\$740	\$2,492	\$761	\$2,607	\$840	\$2,587	\$836	\$2,427	\$786	\$2,337	\$776	\$2,243	\$750

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



Reconciliation of Fiscal 2017 Total Segment Operating Profit

(\$ in Millions)

	<u>Fiscal Year 2017</u>
North America Retail	\$2,303.6
Convenience Stores & Foodservice	401.2
Europe & Australia	164.2
Asia & Latin America	83.6
<u>Total Segment Operating Profit</u>	<u>\$2,952.6</u>
Unallocated Corporate Items	190.1
Divestitures loss (gain)	13.5
Restructuring, impairment, and other exit costs	182.6
<u>Operating Profit</u>	<u>\$2,566.4</u>



Reconciliation of Fiscal 2017 Tax Rate Excluding Items

(\$ in Millions)

	Fiscal Year 2017	
	Pretax Earnings*	Income Taxes
As reported	\$2,271.3	\$655.2
Mark-to-market effects	(13.9)	(5.1)
Divestitures (gain) loss	13.5	4.3
Restructuring costs	224.1	70.2
Project-related costs	43.9	15.7
Tax item	-	-
Acquisition integration costs	-	-
Venezuela currency devaluation	-	-
Intangible asset impairment	-	-
As adjusted	\$2,538.9	\$740.3
Effective tax rate:		
As reported		28.8%
As adjusted		29.2%
Sum of adjustments to income taxes		\$85.1
Average number of common shares - diluted EPS		598.0
Impact of income tax adjustments on diluted EPS excluding certain items affecting comparability		\$(0.14)

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



Reconciliation of Fiscal 2017 Adjusted Diluted EPS

Per Share Data	Fiscal Year 2017	
Diluted earnings per share, as reported	\$	2.77
Mark-to-market effects*		(0.01)
Divestitures (gain) loss, net*		0.01
Restructuring costs*		0.26
Project-related costs*		0.05
Diluted earnings per share, excluding certain items affecting comparability	\$	3.08