



Real food
that matters
for life's moments



Fiscal 2018
Q2 Investor Update

Ken Gosnell

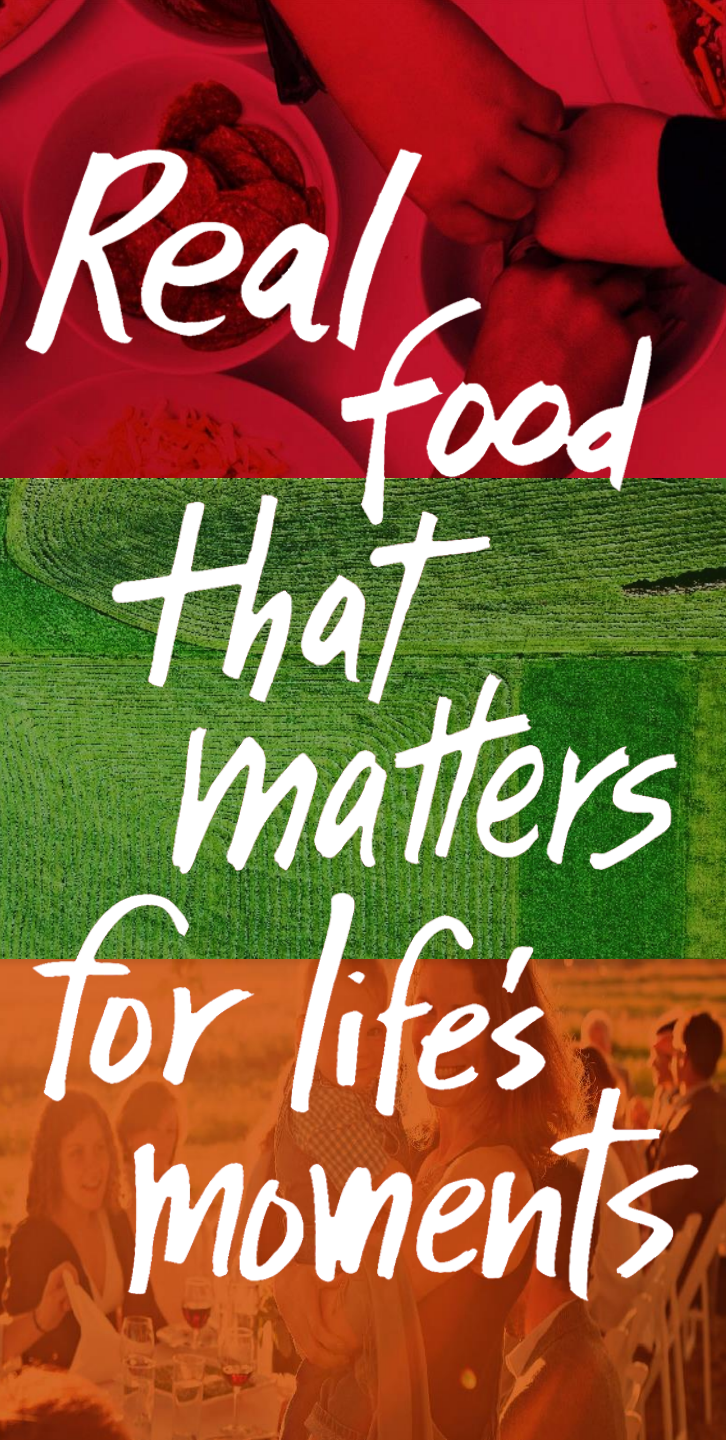
*Vice President – Finance Strategy
and Investor Relations*

Forward-Looking Statements

The factors that could cause actual results to vary materially from those anticipated or expressed in any forward-looking statement include: changes in consumer demand for our products and favorable perception of our brands; the risks associated with trade and consumer acceptance of product improvements, shelving initiatives, new products and pricing and promotional strategies; the impact of strong competitive responses to our efforts to leverage brand power with product innovation, promotional programs and new advertising; changing inventory management practices by certain of our key customers; a changing customer landscape, with value and e-commerce retailers expanding their market presence, while certain of our key customers continue to increase their significance to our business; our ability to realize projected cost savings and benefits from efficiency and/or restructuring initiatives; our ability to manage changes to our organizational structure and/or business processes; product quality and safety issues, including recalls and product liabilities; the ability to complete and to realize the projected benefits of acquisitions, divestitures and other business portfolio changes; the conditions to the completion of the Snyder's-Lance acquisition, including obtaining Snyder's-Lance shareholder approval, may not be satisfied; long-term financing for the Snyder's-Lance acquisition may not be available on favorable terms, or at all; closing of the Snyder's-Lance acquisition may not occur or may be delayed, either as a result of litigation related to the acquisition or otherwise; we may be unable to achieve the anticipated benefits of the Snyder's-Lance acquisition; completing the Snyder's-Lance acquisition may distract our management from other important matters; disruptions to our supply chain, including fluctuations in the supply of and inflation in energy and raw and packaging materials cost; the uncertainties of litigation and regulatory actions against us; the possible disruption to the independent contractor distribution models used by certain of our businesses, including as a result of litigation or regulatory actions affecting their independent contractor classification; the impact of non-U.S. operations, including trade restrictions, public corruption and compliance with foreign laws and regulations; impairment to goodwill or other intangible assets; our ability to protect our intellectual property rights; increased liabilities and costs related to our defined benefit pension plans; a material failure in or a breach of our information technology systems; our ability to attract and retain key talent; changes in currency exchange rates, tax rates, interest rates, debt and equity markets, inflation rates, economic conditions, law, regulation and other external factors; unforeseen business disruptions in one or more of our markets due to political instability, civil disobedience, terrorism, armed hostilities, extreme weather conditions, natural disasters or other calamities; and other factors described in our most recent Form 10-K and subsequent Securities and Exchange Commission filings. We disclaim any obligation or intent to update these statements to reflect new information or future events.

Non-GAAP Measures

This presentation includes certain “non-GAAP” measures as defined by SEC rules. We have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is shown as an appendix to this presentation and accessible online at investor.campbellsoupcompany.com.



CAGNY
CONSUMER ANALYST GROUP OF NEW YORK

Campbell Presentation

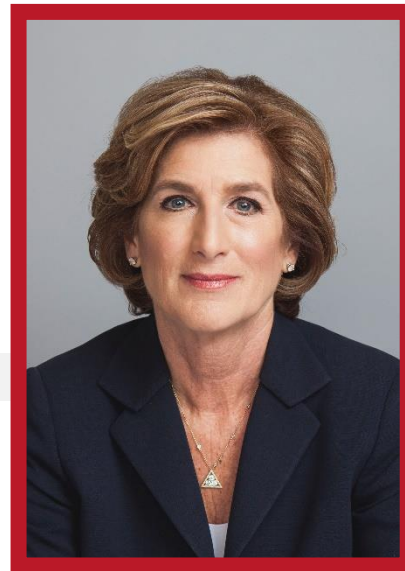
**Wednesday
February 21, 2018
at 11:00am Eastern**



Real food
that matters
for life's moments

CEO Perspective

*Second Quarter
Fiscal Year 2018*



Denise Morrison
President & CEO
Campbell Soup Company

Second Quarter Financial Summary

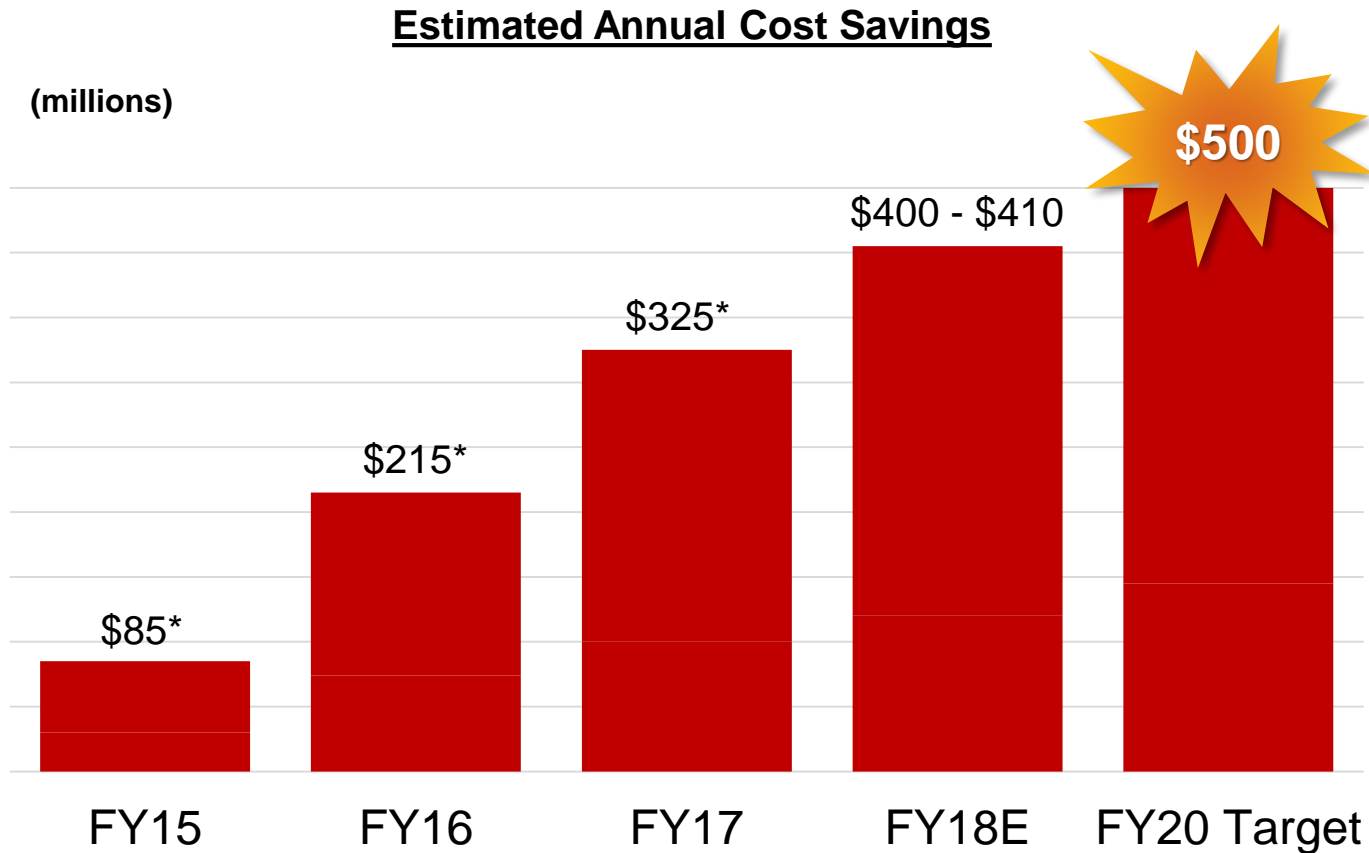
(\$ millions, except per share)

	Second Quarter	% Change
Net Sales	\$2,180	-%
Organic Net Sales*		(2)%
Adjusted EBIT*	\$402	(4)%
Adjusted EPS*	\$1.00	10%

* See Non-GAAP reconciliation

Real food that matters for life's moments

Increased Cost Savings Target to \$500 Million *(Pre- Snyder's-Lance Savings)*



* Actual cost savings

Segment Update

Americas Simple Meals and Beverages



Second Quarter	\$ Millions	% Change
Net Sales & Organic Growth Rate*	\$1,196	(4)%*
Operating Earnings	\$282	(9)%

- Soup sales declined 7%
- Completed acquisition of *Pacific Foods*
- V8 portfolio remained challenged

* See Non-GAAP reconciliation

Real food that matters for life's moments

Segment Update

Campbell Fresh



Second Quarter	\$ Millions	% Change
Net Sales & Organic Growth Rate*	\$257	(1)%*
Operating Earnings	(\$11)	n/m

- Performance below expectations
- Progress overcoming several operational challenges
- Experienced headwinds in super premium segment
- Higher carrot costs due to extremely low yields

* See Non-GAAP reconciliation

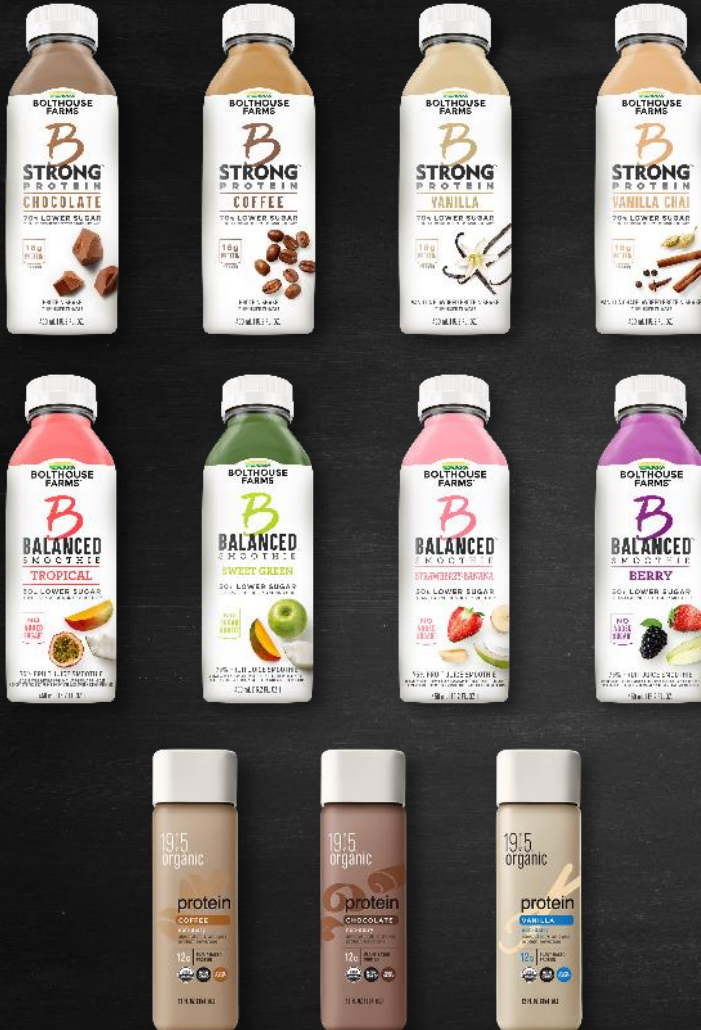
Real food that matters for life's moments

Multifaceted Headwinds in Super Premium Beverages



- Growing consumer concerns around sugar
- Increased consumer demand for functional benefits
- Several customers reset premium juice and reduced super-premium shelf space

Spring Innovation Designed to Address Sugar and Add Functional Benefits



- 19 new beverage items
- Bolthouse Farms B Line delivers functional benefits with lower sugar
 - 8 varieties
 - *B Strong* – Protein drink with 70% less sugar than other brands
 - *B Balanced* – Smoothies with 50% less sugar than other brands
- Bolthouse Farms 19:5 protein drinks expand our presence in ultra-premium segment

Real food that matters for life's moments

Farms

- Sale of carrots and carrot products increased
- Ongoing impact of extremely low carrot yields due to weather impacted profit



Real food that matters for life's moments

Segment Update

Global Biscuits and Snacks



Second Quarter	\$ Millions	% Change
Net Sales & Organic Growth Rate*	\$726	3%*
Operating Earnings	\$139	1%

- Continued consistent performance
- Sales gains driven by solid performance of *Pepperidge Farm*; *Goldfish* and cookies
- Strong sales of *Kelsen* in China

* See Non-GAAP reconciliation

Real food that matters for life's moments

Taking Actions to Improve Performance



- Progress with key customer on soup
 - Expect sales decline in soup to moderate in second half
- Robust beverage innovation in C-Fresh
- Continued momentum in Global Biscuits and Snacks
- Completed Pacific Foods acquisition
- Successfully executing cost savings program
- Investing to drive growth, including e-Commerce and long-term innovation

Real food that matters for life's moments

Transforming Campbell's Portfolio

Campbell's



**Snyder's
Lance**
Snacking is our passion

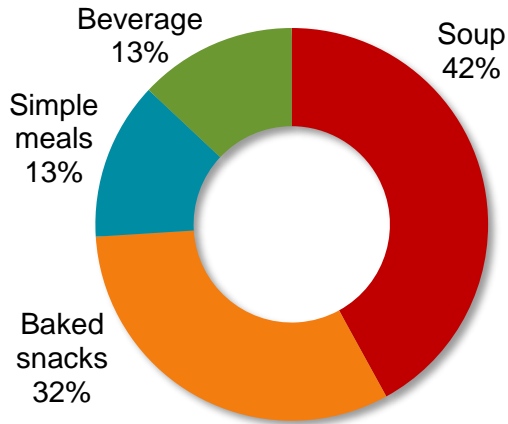


Real food that matters for life's moments

Transforming Campbell Toward Faster-Growing Snacking Category

Campbell's

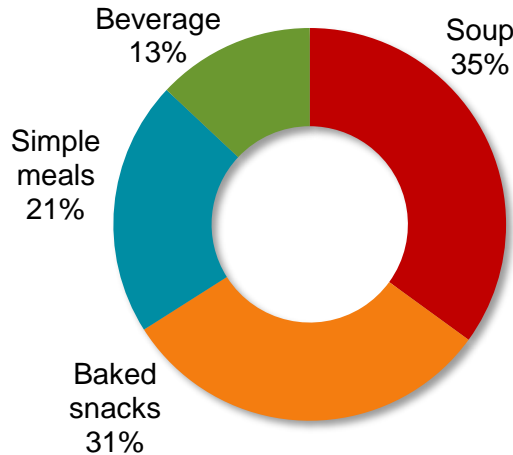
FY2011 Reported



Total FY2011 net sales:
\$7.1bn

Campbell's

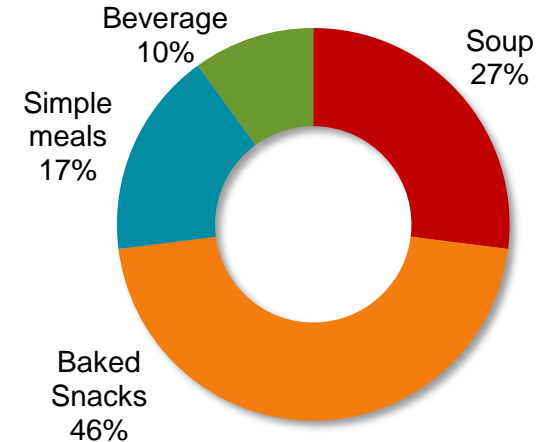
Pro Forma¹ FY2017



Pro Forma FY2017 net sales:
\$8.1bn

Campbell's + *Snyder's Lance*
Snacking is our passion

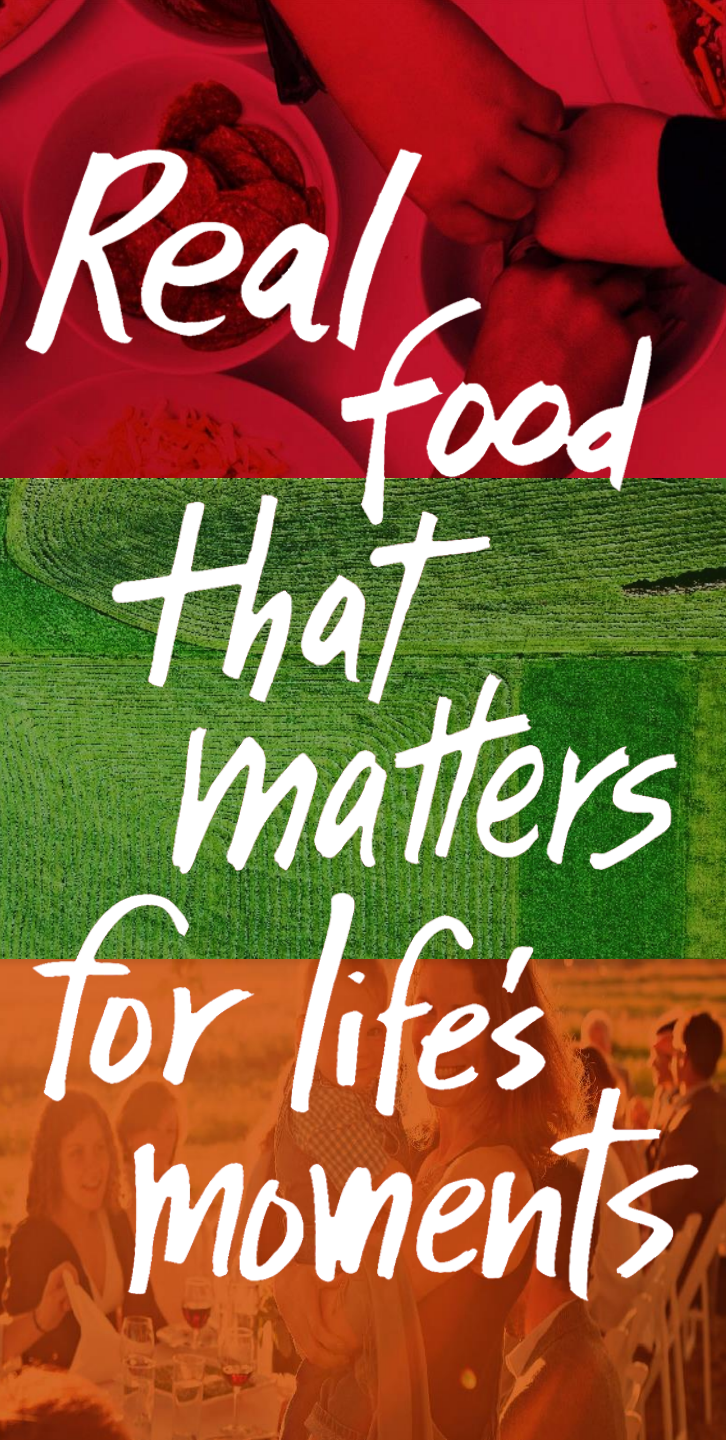
Pro Forma^{1,2} FY2017



Pro Forma net sales:
\$10.3bn

1 Pro Forma FY2017 data based on FY2017 CPB net sales including fiscal year estimate of Pacific Foods

2 Snyder's-Lance net sales for the trailing 12 months ended July 1, 2017



CFO Perspective

Anthony DiSilvestro

*Senior Vice President & Chief Financial Officer
Campbell Soup Company*

Second-Quarter Fiscal 2018 Summary

- **Gross Margin Performance Below Expectations**
- **Increasing Cost Savings Target to \$500 Million**
- **Revising 2018 Earnings Outlook**

Financial Summary

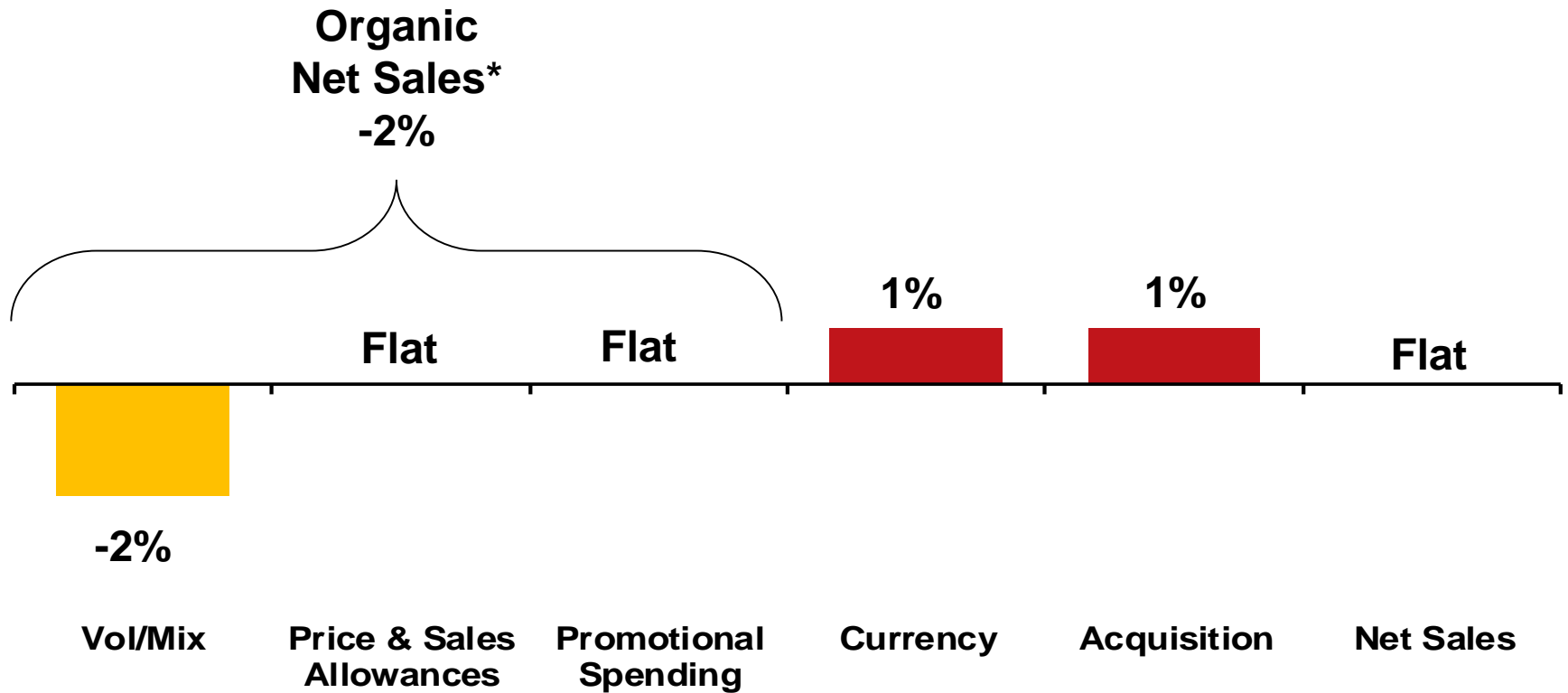
(\$ millions, except per share)

	Second Quarter	% Change	First Half	% Change
Net Sales	\$2,180	-%	\$4,341	(1)%
Organic Net Sales*		(2)%		(2)%
Adjusted EBIT*	\$402	(4)%	\$819	(10)%
Adjusted EPS*	\$1.00	10%	\$1.91	(1)%

* See Non-GAAP reconciliation

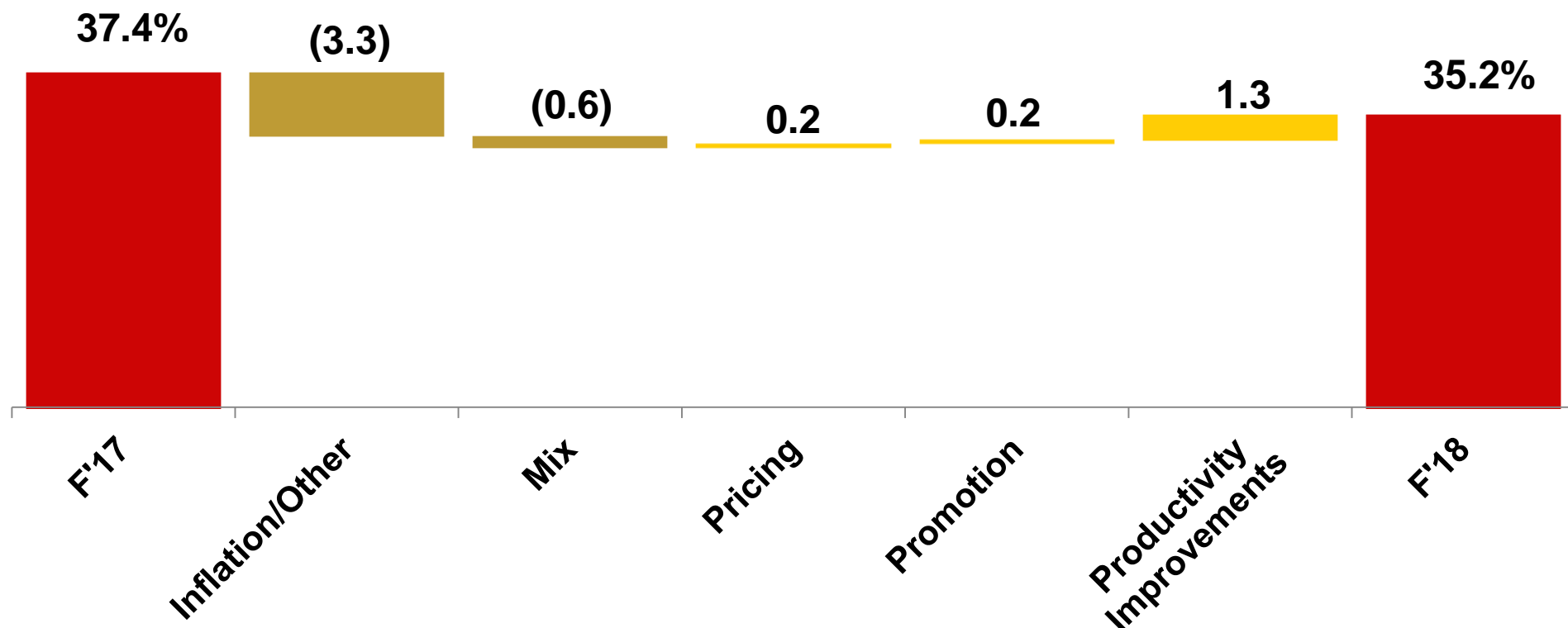
Real food that matters for life's moments

Second Quarter – Components of Net Sales Change



* See Non-GAAP reconciliation

Second Quarter – Adjusted Gross Margin Performance*

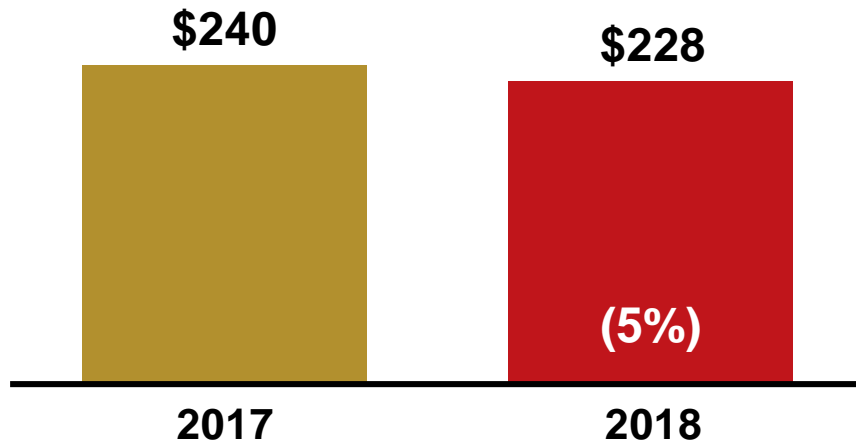


* See Non-GAAP reconciliation

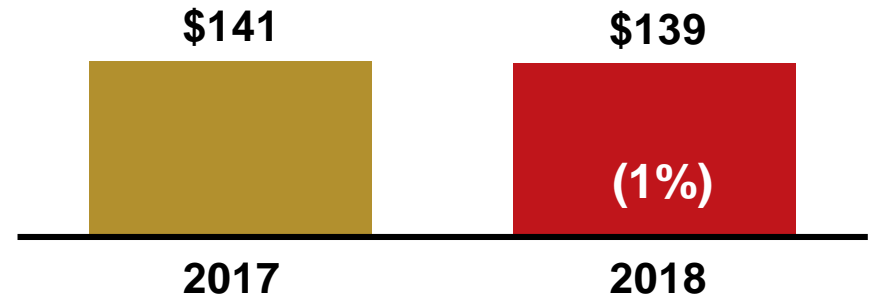
Second Quarter – Other Operating Items

(\$ millions)

Marketing & Selling Expenses

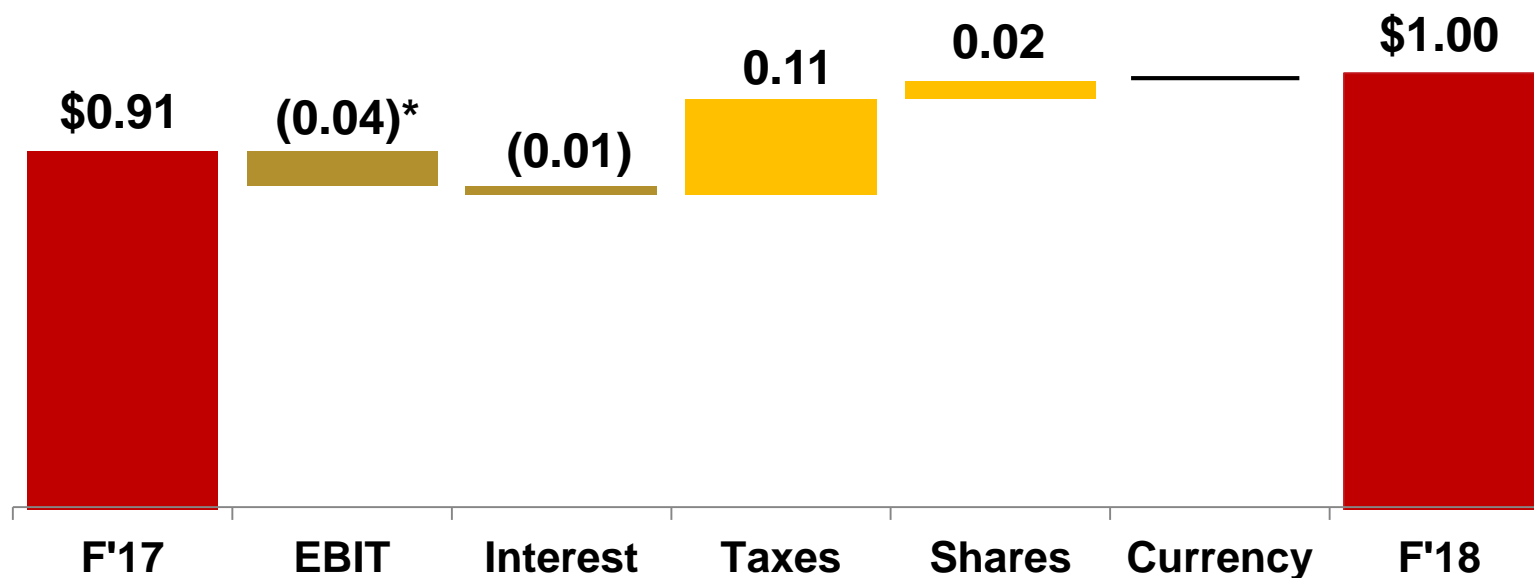


*Adjusted Administrative Expenses**



* See Non-GAAP reconciliation

Second Quarter – Adjusted EPS Performance*



Numbers do not add across due to rounding

* See Non-GAAP reconciliation

Real food that matters for life's moments

Second-Quarter Segment Results

(\$ millions)

Americas Simple Meals and Beverages



\$1,196

(4%)

**Net Sales &
Organic
Growth Rate***

\$282

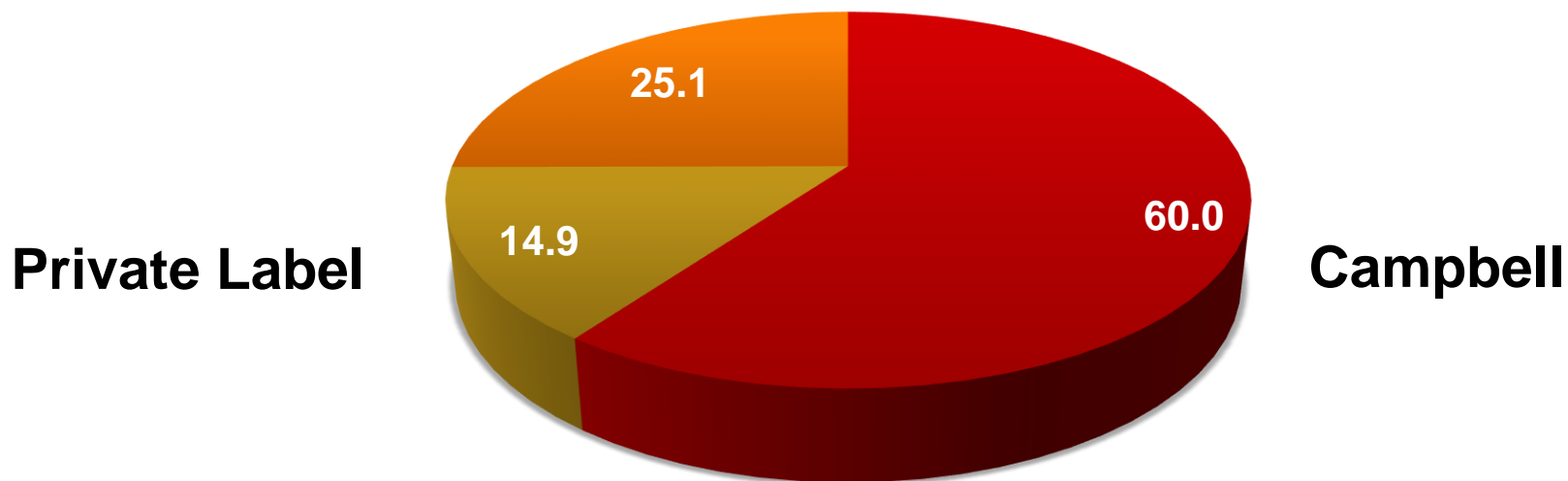
(9)%

**Operating
Earnings**

* See Non-GAAP reconciliation

Retail Sales – U.S. Wet Soup Latest 52 Week Market Share and Category Performance

All other branded



	<u>Category</u>	<u>Campbell</u>	<u>AO Branded</u>	<u>Private Label</u>
Dollar Share Change	N/A	-1.2 pts	-0.1 pts	+1.3 pts
Dollar Sales Change	+0.8%	-1.2%	+0.3%	+10.8%

Campbell/PL figures include condensed and ready-to-serve soup and broth.
 Campbell figures include *Pacific* soups and broth.
 Source: IRI Total U.S. Multi-Outlet
 For 52-week period ending Jan. 28, 2018

Real food that matters for life's moments

Second-Quarter Segment Results

(\$ millions)



\$726



**Net Sales &
Organic
Growth Rate***

\$139



**Operating
Earnings**

* See Non-GAAP reconciliation

Second-Quarter Segment Results

(\$ millions)

Campbell Fresh



\$257

(1%)

**Net Sales &
Organic
Growth Rate***

(\$11)

**Operating
Earnings**

* See Non-GAAP reconciliation

Cash Flow and Balance Sheet Items

(\$ millions)

Year-To-Date	2017	2018
Cash Flow from Operations	\$667	\$660
Capital Expenditures	\$119	\$132
Dividends Paid	\$207	\$216
Share Repurchases	\$234	\$86
Ending Net Debt as of Q2*	\$3,169	\$3,710

* See Non-GAAP reconciliation

Real food that matters for life's moments

Fiscal 2018 Guidance

(\$ millions, except per share)

	2017 Results	Revised 2018 Guidance before Pacific Foods and Tax Reform	Pacific Foods Acquisition	U.S. Tax Reform	Revised 2018 Guidance
Sales	\$7,890	-2% to 0%	+1 pt	-	-1% to 1%
Adjusted EBIT	\$1,492*	-6% to -4%** (prev. -4% to -2%)	-1 pt	-	-7% to -5%**
Adjusted EPS	\$3.04*	-5% to -3%** (prev. -3% to -1%)	-\$0.05	+0.25	+2% to +4%** \$3.10 to \$3.17

* See Non-GAAP reconciliation

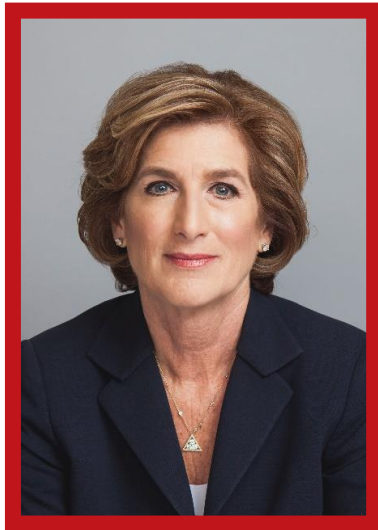
** A non-GAAP reconciliation is not provided for 2018 guidance since certain items are not estimable, such as pension and postretirement mark-to-market adjustments, and these items are not considered to reflect the company's ongoing business results.

Real food that matters for life's moments

Fiscal 2018 Guidance

	Supporting Assumptions for Revised 2018 Guidance
COPS Inflation	~3%
COPS Productivity	~3%
Cost Savings Program	\$75-85 million
Gross Margin Percentage	-1 pt
Interest Expense	\$135-140 million
Tax Rate	~26%
Share Repurchases	\$86 million, On Hold
Capital Expenditures	\$425 million

Q & A



Denise Morrison
President and CEO



Anthony DiSilvestro
SVP and CFO



Ken Gosnell
*VP-Finance
Strategy and IR*

Appendix

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Second Quarter

2018

	Net Sales, As Reported	Impact of Currency	Impact of Acquisition	Organic Net Sales	% Change	
					Net Sales, As Reported	Organic Net Sales
Americas Simple Meals and Beverages	\$ 1,196	\$ (6)	\$ (28)	\$ 1,162	(2) %	(4) %
Global Biscuits and Snacks	726	(10)	-	716	4 %	3 %
Campbell Fresh	257	-	-	257	(1) %	(1) %
Corporate	1	-	-	1	n/m	n/m
Total Net Sales	\$ 2,180	\$ (16)	\$ (28)	\$ 2,136	- %	(2) %

2017

Americas Simple Meals and Beverages	\$ 1,215
Global Biscuits and Snacks	696
Campbell Fresh	260
Corporate	-
Total Net Sales	\$ 2,171

n/m – not meaningful

Real food that matters for life's moments

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

First Half

2018

	Net Sales, As Reported	Impact of Currency	Impact of Acquisition	Organic Net Sales	% Change	
					Net Sales, As Reported	Organic Net Sales
Americas Simple Meals and Beverages	\$ 2,414	\$ (12)	\$ (28)	\$ 2,374	(3) %	(5) %
Global Biscuits and Snacks	1,435	(15)	-	1,420	4 %	2 %
Campbell Fresh	491	-	-	491	(1) %	(1) %
Corporate	1	-	-	1	n/m	n/m
Total Net Sales	\$ 4,341	\$ (27)	\$ (28)	\$ 4,286	(1) %	(2) %

2017

Americas Simple Meals and Beverages	\$ 2,493
Global Biscuits and Snacks	1,386
Campbell Fresh	494
Corporate	-
Total Net Sales	\$ 4,373

n/m – not meaningful

Real food that matters for life's moments

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

Second Quarter

	<u>EBIT</u>	<u>Net Earnings</u>	<u>Diluted EPS</u>
2018 – As Reported	\$ 243	\$ 285	\$ 0.95
Add: Restructuring charges, implementation costs and other related costs	60	46	0.15
Add: Acquisition transaction costs	24	19	0.06
Add: Impairment charges	75	74	0.25
Deduct: Tax reform	-	(124)	(0.41)
2018 – Adjusted	<u>\$ 402</u>	<u>\$ 300</u>	<u>\$ 1.00</u>
2017 – As Reported	\$ 205	\$ 101	\$ 0.33
Add: Impairment charges	212	180	0.58
2017 – Adjusted	<u>\$ 417</u>	<u>\$ 281</u>	<u>\$ 0.91</u>
% Change	(4) %	7 %	10 %

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

First Half

	EBIT	Net Earnings	Diluted EPS*
	<u>\$</u>	<u>\$</u>	<u>\$</u>
2018 – As Reported	655	560	1.85
Deduct: Pension and postretirement benefit mark-to-market adjustments	(14)	(10)	(0.03)
Add: Restructuring charges, implementation costs and other related costs	79	58	0.19
Add: Acquisition transaction costs	24	19	0.06
Add: Impairment charges	75	74	0.25
Deduct: Tax reform	-	(124)	(0.41)
2018 – Adjusted	<u>819</u>	<u>577</u>	<u>1.91</u>
2017 – As Reported	662	393	1.27
Add: Pension and postretirement benefit mark-to-market adjustments	20	13	0.04
Add: Restructuring charges, implementation costs and other related costs	11	7	0.02
Add: Impairment charges	212	180	0.58
2017 – Adjusted	<u>905</u>	<u>593</u>	<u>1.92</u>
% Change	(10) %	(3) %	(1) %

* The sum of the individual per share amounts may not add due to rounding.

Real food that matters for life's moments

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Second Quarter

	<u>Gross Margin</u>	<u>GM %</u>	<u>Tax</u>	<u>Tax Rate</u>
2018 – As Reported	\$ 766	35.1%	\$ (74)	(35.1) %
Add: Restructuring charges, implementation costs and other related costs	1		14	
Add: Acquisition transaction costs	-		5	
Add: Impairment charges	-		1	
Add: Tax reform	-		124	
2018 – Adjusted	<u>\$ 767</u>	<u>35.2%</u>	<u>\$ 70</u>	<u>18.9 %</u>
2017 – As Reported	\$ 811	37.4%	\$ 76	42.9%
Add: Impairment charges	-		32	
2017 – Adjusted	<u>\$ 811</u>	<u>37.4%</u>	<u>\$ 108</u>	<u>27.8%</u>

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Second Quarter

	<u>Administrative Expenses</u>
2018 – As Reported	\$ 165
Deduct: Restructuring charges, implementation costs and other related costs	(26)
2018 – Adjusted	<u>\$ 139</u>
2017 – As Reported	<u>\$ 141</u>
% Change	(1) %

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

EPS Impact from Adjusted EBIT Excluding Currency

	<u>Second Quarter</u>
2018 – Adjusted EBIT	\$ 402
Deduct: Impact of currency translation	(2)
2018 – Adjusted EBIT, Constant Currency	<u>\$ 400</u>
2017 – Adjusted EBIT	\$ 417
\$ Change in Adjusted EBIT, Constant Currency	\$ (17)
Add: Tax impact	5
Change in Net Earnings	<u>\$ (12)</u>
Diluted EPS Impact	\$ (0.04)

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Net Debt

	January 29, 2017	January 28, 2018
Short-Term Borrowings	\$ 1,185	\$ 1,659
Long-Term Debt	2,293	2,247
Total Debt	\$ 3,478	\$ 3,906
Less: Cash and Cash Equivalents	(309)	(196)
Net Debt	\$ 3,169	\$ 3,710

Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share amounts)

<u>Full Year</u>	<u>Gross Margin</u>	<u>GM %</u>	<u>EBIT</u>	<u>Net Earnings</u>	<u>Diluted EPS</u>
2017 – As Reported	\$ 2,925	37.1%	\$ 1,400	\$ 887	\$ 2.89
Deduct: Pension and postretirement benefit mark-to-market adjustments	-		(178)	(116)	(0.38)
Add: Restructuring charges, implementation costs and other related costs	4		58	37	0.12
Add: Impairment charges	-		212	180	0.59
Deduct: Sale of notes	-		-	(56)	(0.18)
2017 – Adjusted	<u>\$ 2,929</u>	<u>37.1%</u>	<u>\$ 1,492</u>	<u>\$ 932</u>	<u>\$ 3.04</u>

* Reflects the impact of the adoption of new accounting guidance on the presentation of net periodic pension cost and net periodic postretirement benefit cost in the first quarter of fiscal 2018.

Real food that matters for life's moments