

F'13 First-Quarter Earnings Call & Webcast

November 20, 2012

Campbell's
**FOCUS
FORWARD**





Important Reminders: First Quarter of Fiscal Year 2013

Jennifer Driscoll

Vice President, Investor Relations


**FOCUS
FORWARD**



Forward-Looking Statements

This presentation contains “forward-looking statements.” Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “believes,” “estimates,” “expects” and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements we make on guidance for fiscal 2013, on our ability to execute our new business strategies successfully, on our expectations for acquired businesses, and on our expectations that we can accelerate innovation across our portfolio and expand our international footprint. Forward-looking statements are based on our current expectations and assumptions regarding our business, our industry and other future conditions. Forward-looking statements are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include the impact of strong competitive response to our marketing strategies; risks associated with trade and consumer acceptance of the company’s initiatives, including innovation, renovation and new products; our ability to realize projected cost savings; and the other factors described in “Risk Factors” in the company’s most recent Form 10-K and subsequent SEC filings. We undertake no obligation 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.



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Investor Update

Denise Morrison

President & CEO





STRATEGIC **VISION**

**TO DRIVE
SUSTAINABLE
PROFITABLE
NET SALES
GROWTH**

**MORE AGILE
INNOVATIVE
RESOLUTELY
FOCUSED**

**on the
CONSUMER**



New Talent Added to Our Leadership Team



Mike Senackerib
Chief Marketing Officer



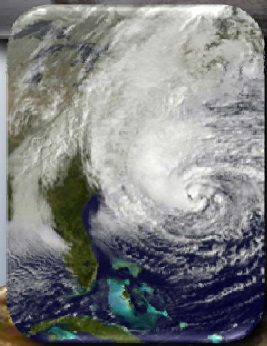
Luca Mignini
*President – Campbell
International*

THINKING DIFFERENTLY ABOUT CAMPBELL'S FUTURE

WE ARE ACUTELY AWARE OF THE
WORK WE MUST DO TO DELIVER



Hurricane Sandy





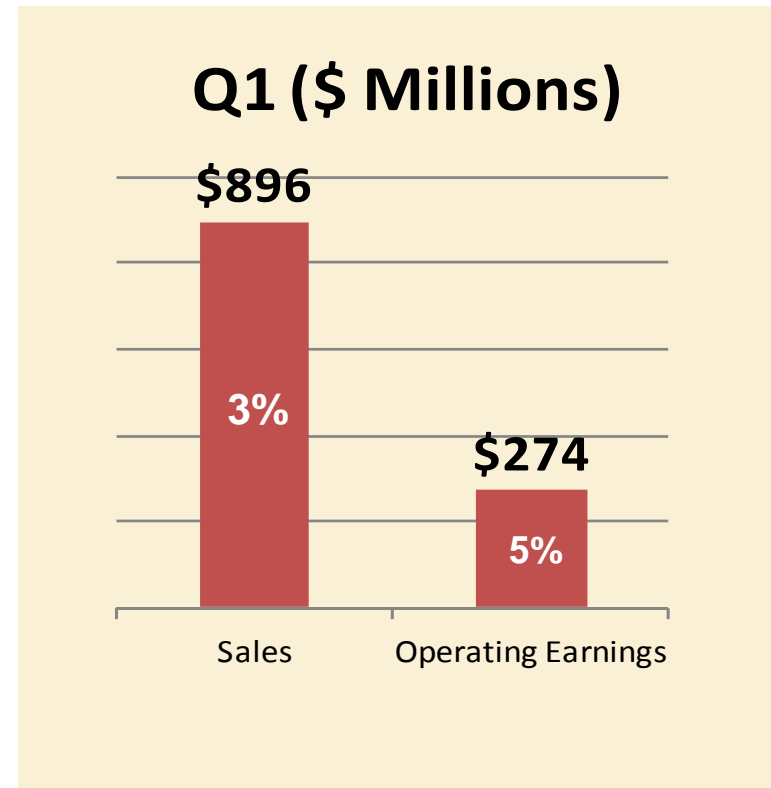
STRATEGIC FRAMEWORK



GROWTH STRATEGIES

- > **Stabilize and then profitably grow North America Soup and Simple Meals**
- > **Expand our International presence**
- > **Continue to drive growth in Healthy Beverages and Baked Snacks**

U.S. Simple Meals



U.S. Soup Sales Increased 2%

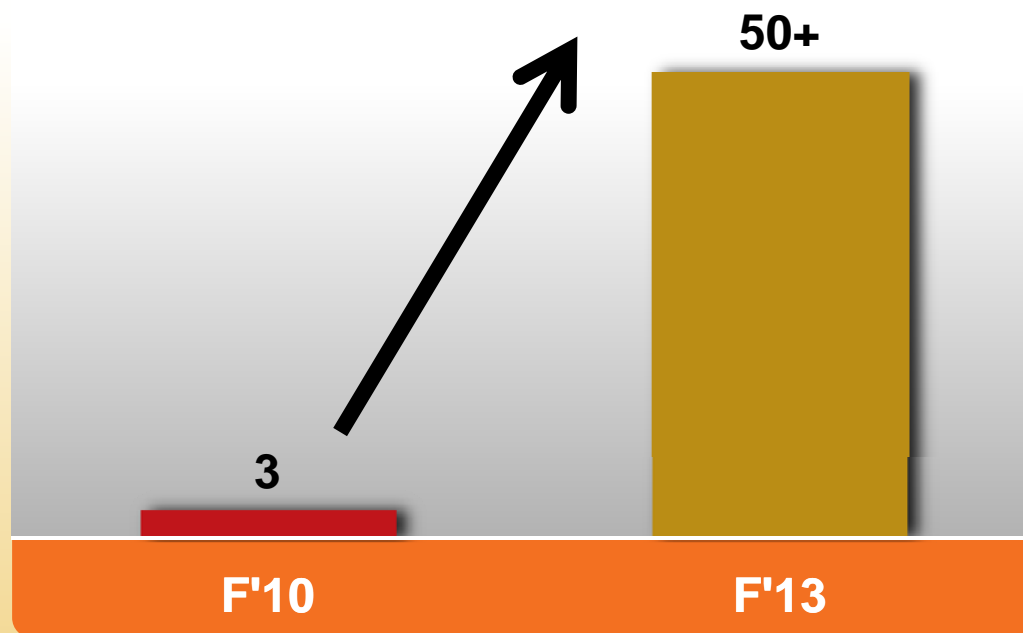


Maintained Competitive Levels of Advertising in U.S. Simple Meals



BREAKTHROUGH INNOVATION SHOWING PROMISE

NUMBER OF NEW ITEMS





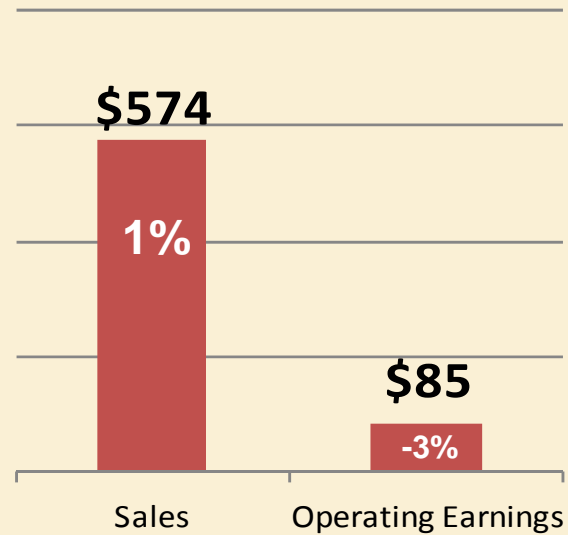
**Q1 SALES
\$171
MILLION**



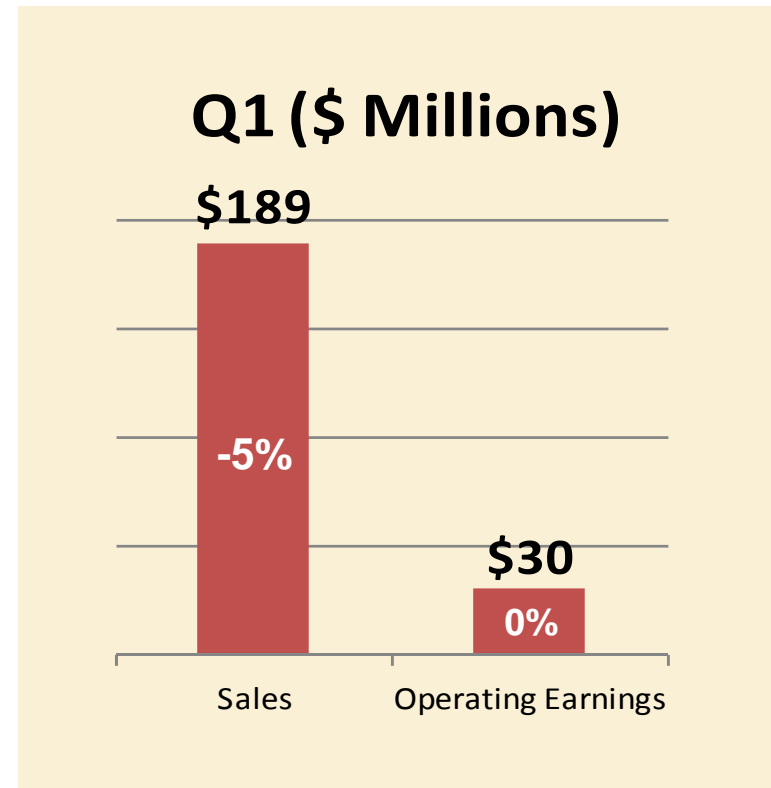
Global Baking and Snacking



Q1 (\$ Millions)



U.S. Beverages



Campbell Fiscal Year 2013 Guidance

(\$ millions, except per share)

	2012 Base	2013 Growth Rate
Net Sales	\$7,707	10% to 12%
Adjusted EBIT*	\$1,227	4% to 6%
Adjusted Net Earnings per Share*	\$2.44	3% to 5% \$2.51 to \$2.57

*See Non-GAAP reconciliation





CFO Perspective

B. Craig Owens

*SVP-Finance, CFO and
Chief Administrative Officer*



Agenda

- First-quarter results
- First-quarter segment highlights
- Full-year sales and earnings guidance

First Quarter Financial Summary

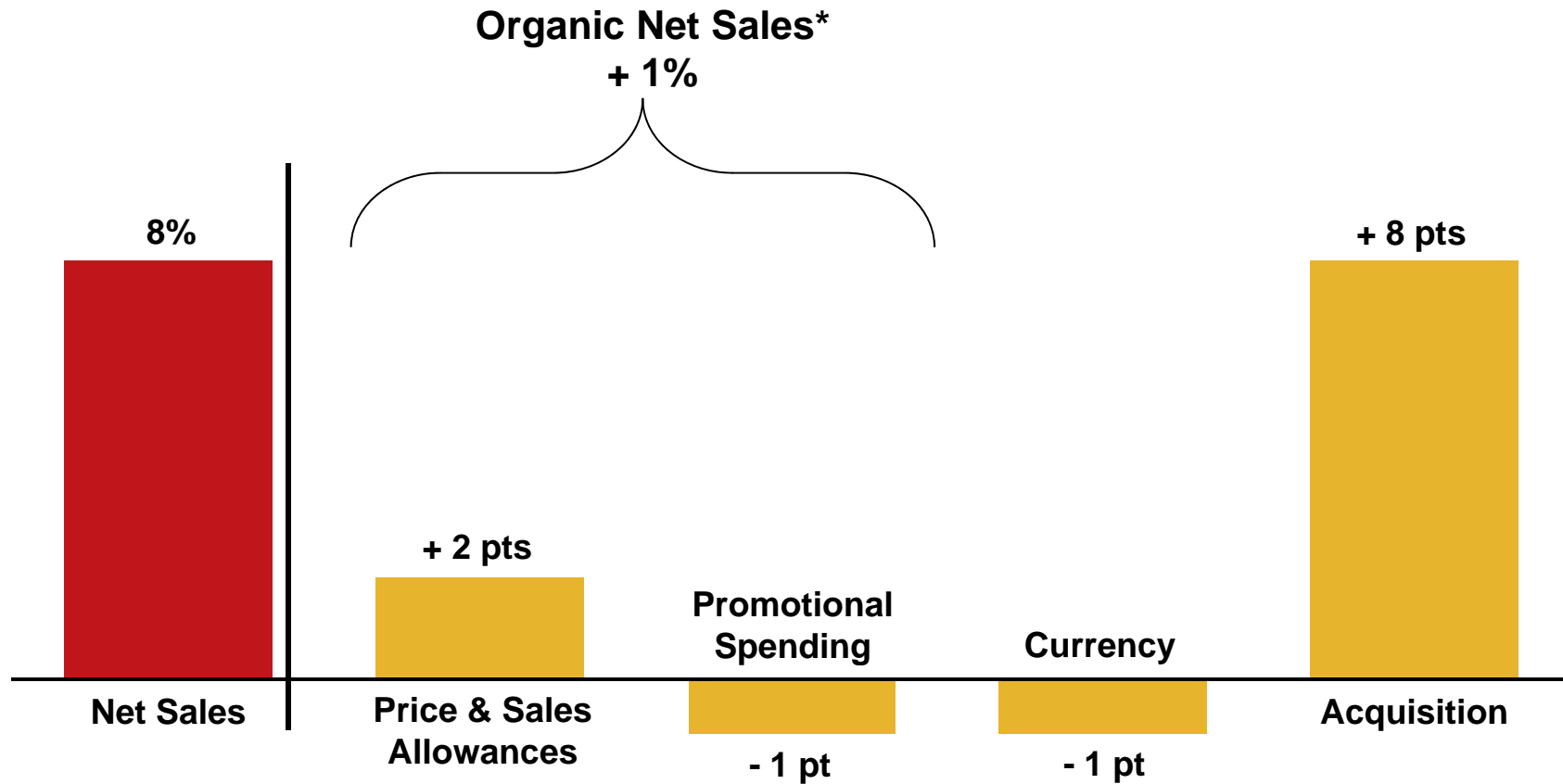
(\$ millions, except per share)

	First Quarter	% Change
Net Sales	\$2,336	8%
<i>Organic Net Sales*</i>		1%
EBIT*	\$438	5%
<i>EBIT excluding Bolthouse*</i>	\$424	2%
EPS – Diluted*	\$0.88	7%

*See Non-GAAP reconciliation



First Quarter – Components of Net Sales Change



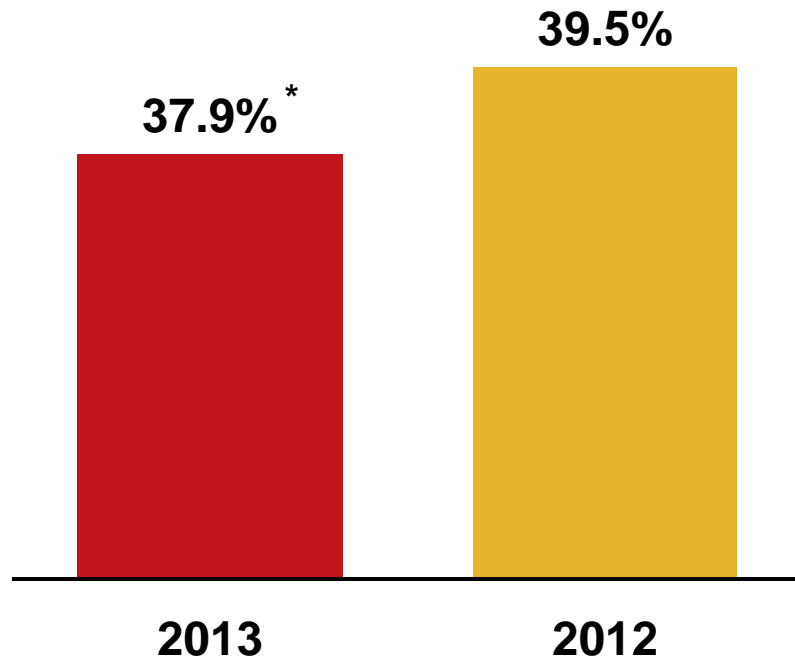
* See Non-GAAP reconciliation



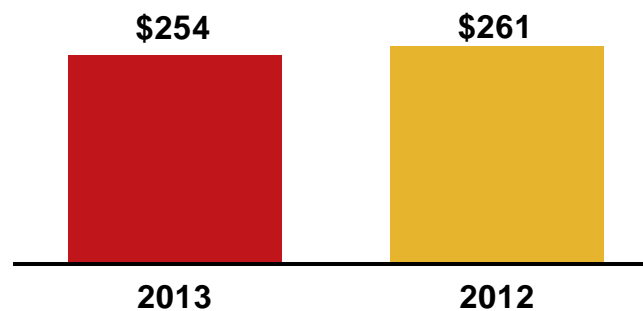
First Quarter – Gross Margin and Other Operating Items

(\$ millions)

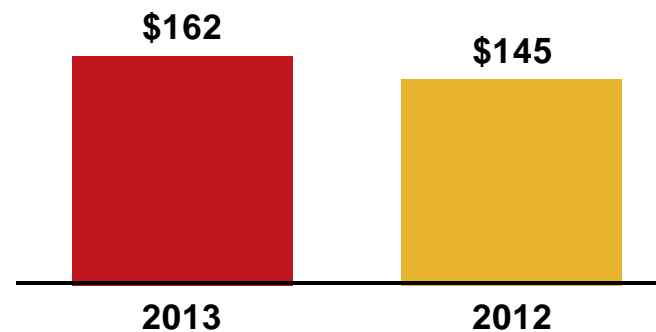
Gross Margin Percentage



Marketing & Selling Expenses



Administrative Expenses



* See Non-GAAP reconciliation



First-Quarter Financial Summary

(\$ millions, except per share)

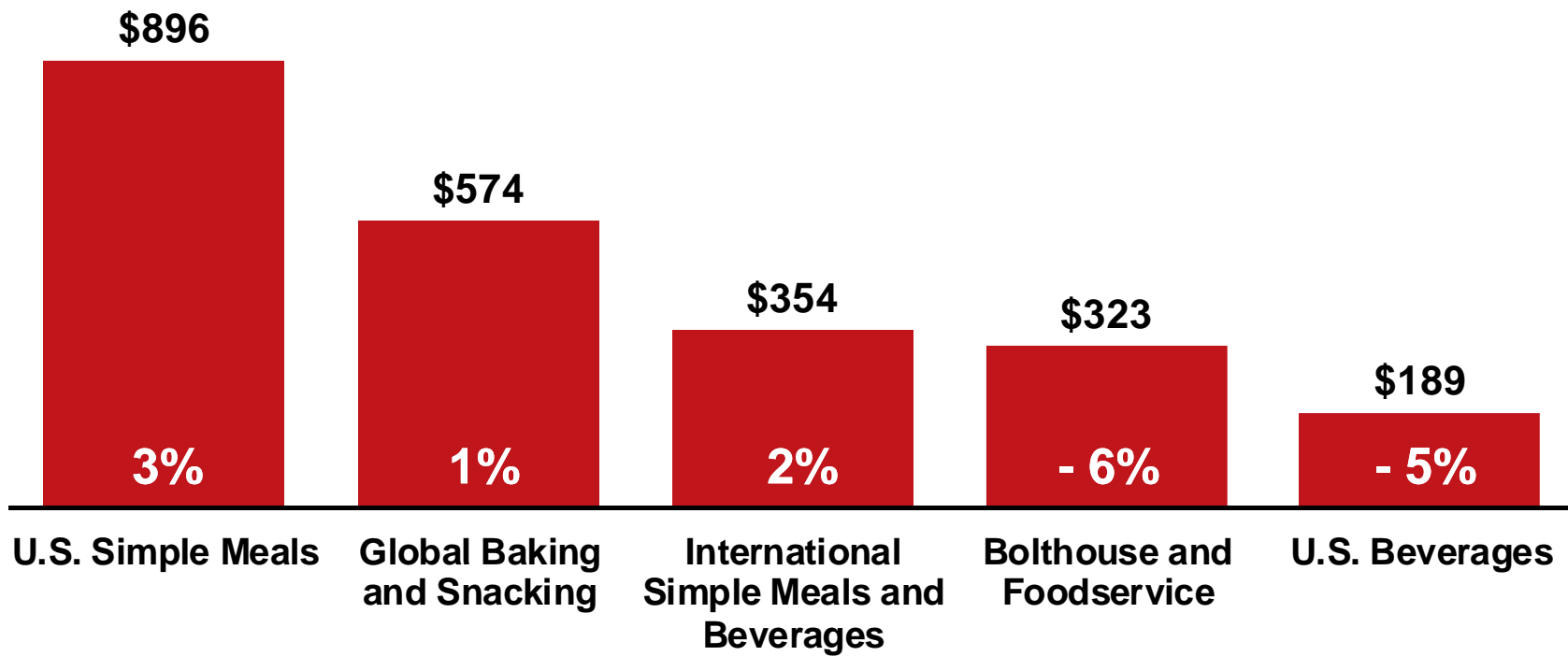
	First Quarter	% Change
EBIT*	\$438	5%
Interest, Net	\$33	18%
Tax Rate*	31.6%	-0.6pts
Net Earnings*	\$279	5%
EPS – Diluted*	\$0.88	7%
Diluted Shares	316	-2%

*See Non-GAAP reconciliation



First Quarter – Net Sales by Segment

(\$ millions)



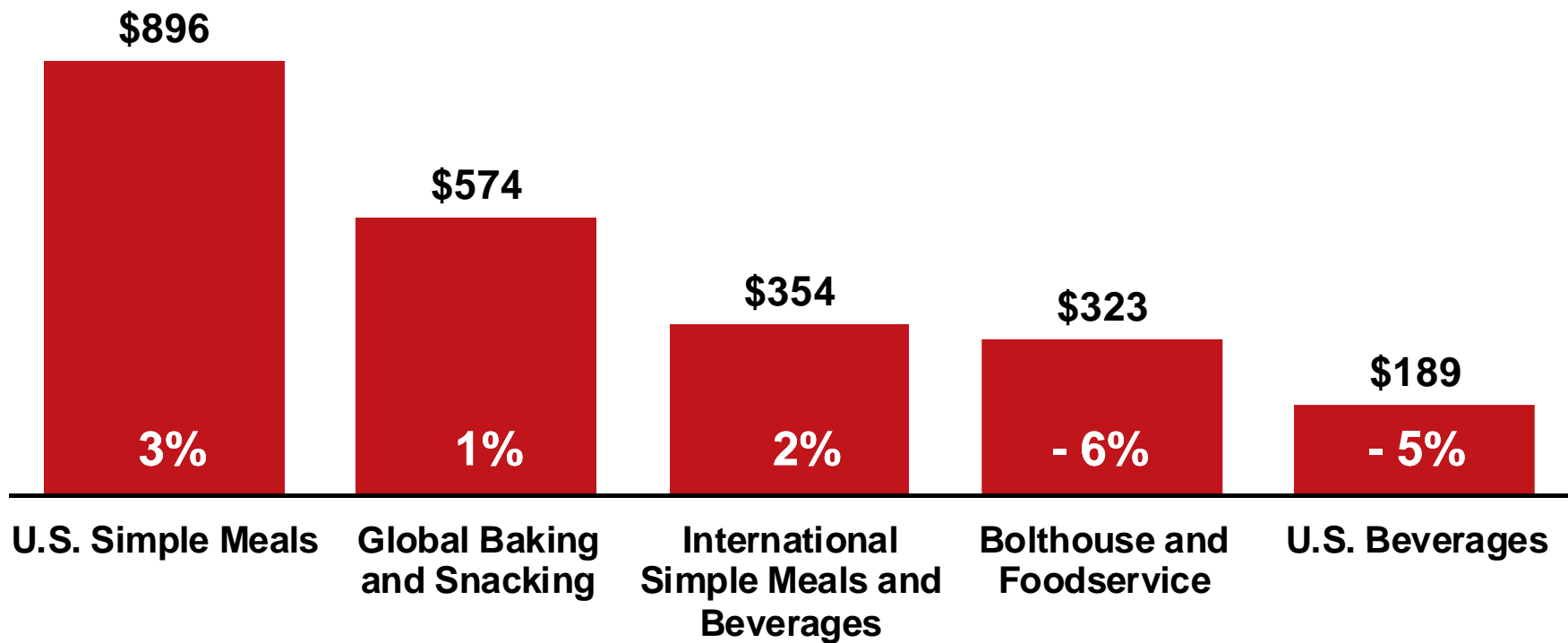
Note: Percent change represents organic growth.

See Non-GAAP reconciliation



First Quarter – Net Sales by Segment

(\$ millions)



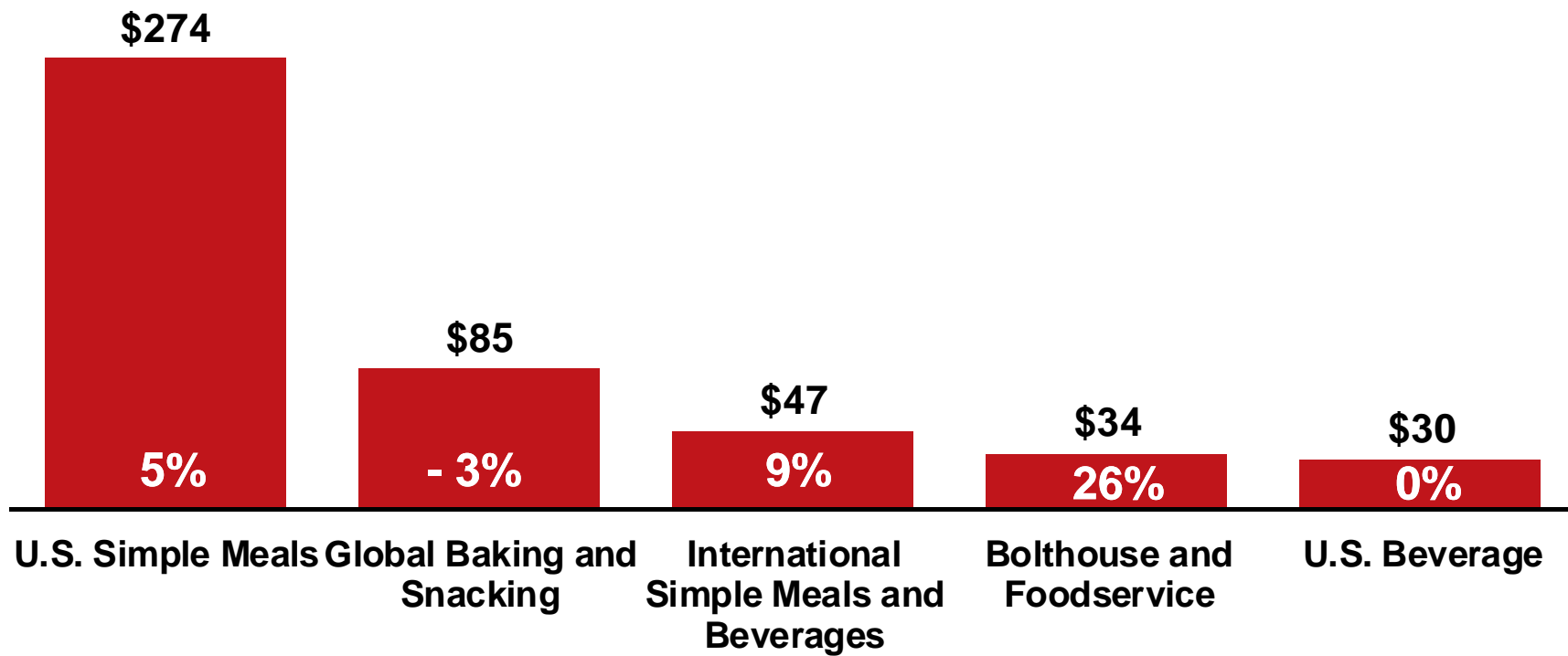
Note: Percent change represents organic growth.

See Non-GAAP reconciliation



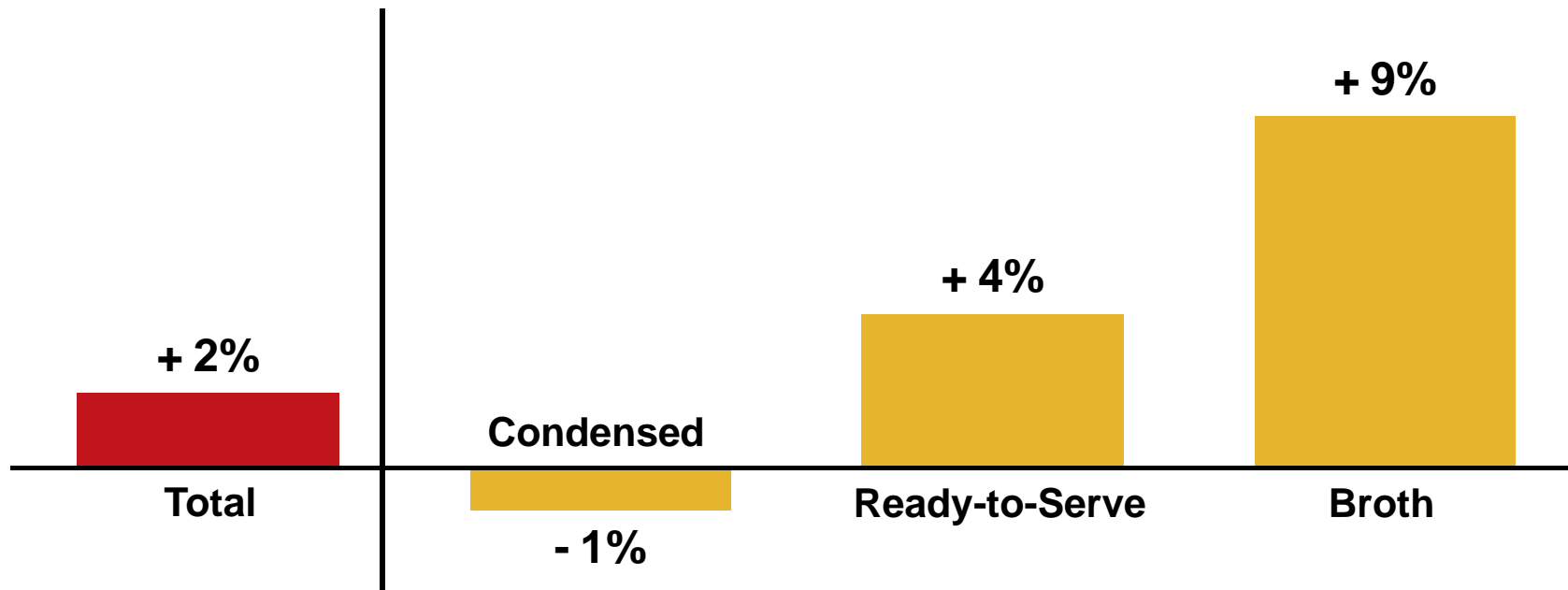
First Quarter – Operating Earnings by Segment

(\$ millions)

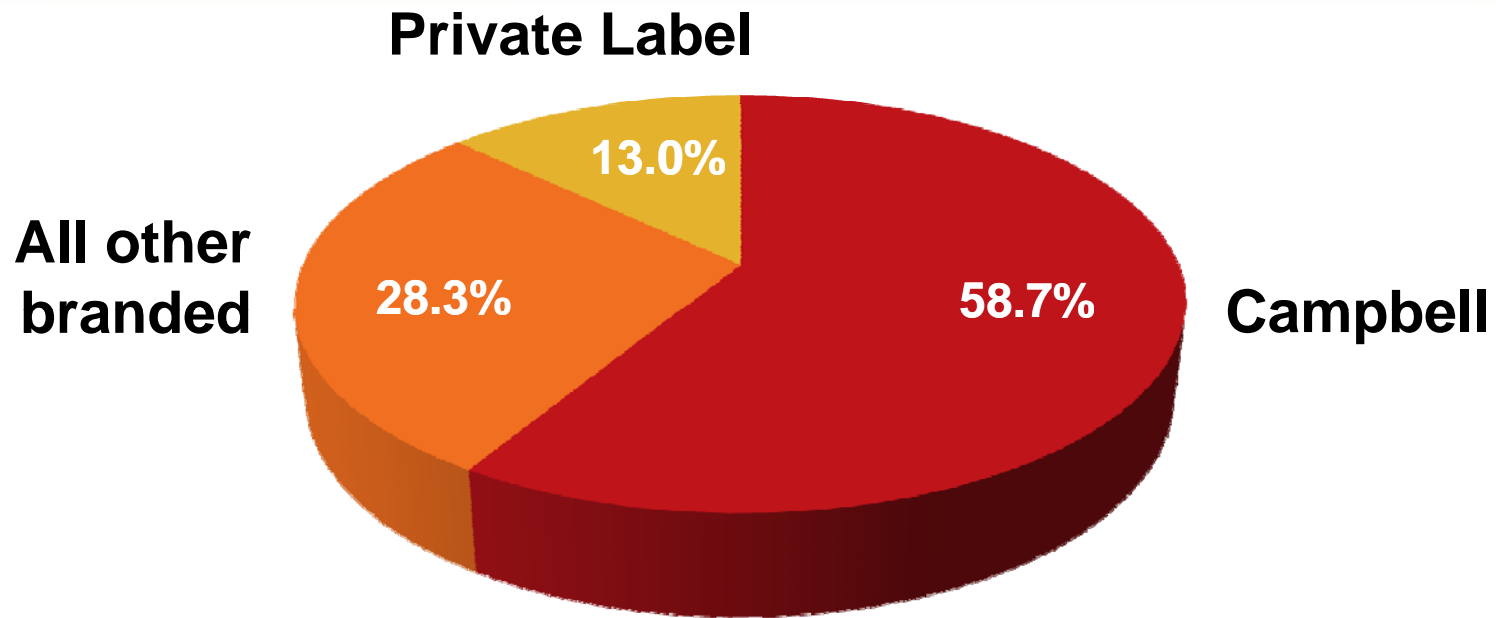


First Quarter – U.S. Soup Net Sales

% Change vs. prior year



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



	<u><i>Campbell</i></u>	<u><i>All Other Branded</i></u>	<u><i>Private Label</i></u>
Dollar Share Change:	-2.0 ppts	+2 ppts	-0.1 ppts
Dollar Sales Change:	-2.7%	+8.4%	+0.0%

Campbell figures include condensed and ready-to-serve soup and broth.

Source: Symphony IRI multi-outlet data.

For 52-week period ending Oct. 28, 2012



Cash Flow and Balance Sheet

(\$ millions)

Q1 Cash Flow from Operations

2013

2012

\$81

\$73

	2013	2012
Year-to-Date Capital Expenditures	\$41	\$35
Year-to-Date Share Repurchases	\$17	\$85
Net Debt*	\$4,086	\$2,704

*See Non-GAAP reconciliation



Campbell Fiscal Year 2013 Guidance

(\$ millions, except per share)

	2012 Base	2013 Growth Rate
Net Sales	\$7,707	10% to 12%
Adjusted EBIT*	\$1,227	4% to 6%
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*See Non-GAAP reconciliation



Q & A



Denise Morrison
President and CEO



B. Craig Owens
*SVP-Finance,
CFO and CAO*



Anthony DiSilvestro
SVP-Finance



Jennifer Driscoll
VP-IR



Key Takeaways

- Fiscal 2013 is off to a solid start
- Posted solid gains in U.S. Simple Meals
- Breakthrough innovation is showing promise
- First quarter with Bolthouse was strong; integration is on track
- Beverage business remains challenged
- We are encouraged by our performance but not satisfied





Appendix

Reconciliation of GAAP and Non-GAAP Financial Measures

Net Sales For the Three Months Ended (\$ millions)

First Quarter	Net Sales, As Reported	Impact of Acquisitions	Impact of Currency	Organic Net Sales	% Change	
					Net Sales, As Reported	Organic Net Sales
October 28, 2012						
U.S. Simple Meals	\$ 896	\$ -	\$ -	\$ 896	3%	3%
Global Baking and Snacking	574	-	-	574	1%	1%
International Simple Meals and Beverages	354	-	11	365	-1%	2%
U.S. Beverages	189	-	-	189	-5%	-5%
Bolthouse and Foodservice	323	(171)	-	152	99%	-6%
Total Net Sales	\$ 2,336	\$ (171)	\$ 11	\$ 2,176	8%	1%
October 30, 2011						
U.S. Simple Meals	\$ 874	\$ -	\$ -	\$ 874		
Global Baking and Snacking	568	-	-	568		
International Simple Meals and Beverages	359	-	-	359		
U.S. Beverages	198	-	-	198		
Bolthouse and Foodservice	162	-	-	162		
Total Net Sales	\$ 2,161	\$ -	\$ -	\$ 2,161		



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

First Quarter

	Gross Margin	GM %	Tax	Tax Rate
2013 - As Reported	\$ 865	37.0%	\$ 109	31.0%
Add: Restructuring-related costs	21		16	
Add: Acquisition transaction costs	-		3	
2013 - Adjusted	\$ 886	37.9%	\$ 128	31.6%



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

First Quarter

	<u>EBIT</u>	<u>Net Earnings</u>	<u>Diluted EPS*</u>
2013 - As Reported	\$ 385	\$ 245	\$ 0.78
Add: Restructuring charges and related costs	43	27	0.09
Add: Acquisition transaction costs	10	7	0.02
2013 - Adjusted	<u>\$ 438</u>	<u>\$ 279</u>	<u>\$ 0.88</u>
2012 - As Reported	\$ 416	\$ 265	\$ 0.82
% Change	5%	5%	7%



*Does not add due to rounding



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

First Quarter

	<u>EBIT</u>
2013 - Adjusted	\$ 438
Deduct: Bolthouse earnings	14
2013 - Adjusted, less acquisition	<u>\$ 424</u>
2012 - As Reported	\$ 416
% Change	2%



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Net Debt

	<u>October 28, 2012</u>	<u>October 30, 2011</u>
Short-Term Borrowings	\$ 1,507	\$ 567
Long-Term Debt	2,940	2,422
Total Debt	<u>\$ 4,447</u>	<u>\$ 2,989</u>
Less: Cash and Cash Equivalents	(361)	(285)
Net Debt	<u><u>\$ 4,086</u></u>	<u><u>\$ 2,704</u></u>



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

Fiscal Year

	<u>EBIT</u>	<u>Net Earnings</u>	<u>Diluted EPS</u>
2012 - As Reported	\$ 1,212	\$ 774	\$ 2.41
Add: Restructuring charges	10	6	0.02
Add: Acquisition transaction costs	5	3	0.01
2012 - Adjusted	<u><u>\$ 1,227</u></u>	<u><u>\$ 783</u></u>	<u><u>\$ 2.44</u></u>

