



FOCUS FORWARD



Investor Update – Fourth Quarter of Fiscal 2011

September 2, 2011



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Important Reminders

Fourth Quarter of Fiscal Year 2011

Jennifer Driscoll
Vice President, Investor Relations



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 2012 and long-term profitable net sales growth, on our ability to execute our new business strategies successfully, 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.



Reportable Segments

From	To
U.S. Soup, Sauces and Beverages	U.S. Simple Meals
	U.S. Beverages
Baking and Snacking	Global Baking and Snacking
International Soup, Sauces, and Beverages	International Simple Meals and Beverages
North America Foodservice	North America Foodservice



Note: Segment results of prior periods have been modified to conform to the current presentation





Investor Update

Denise Morrison
President and CEO





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**



Renewed Focus on Consumers



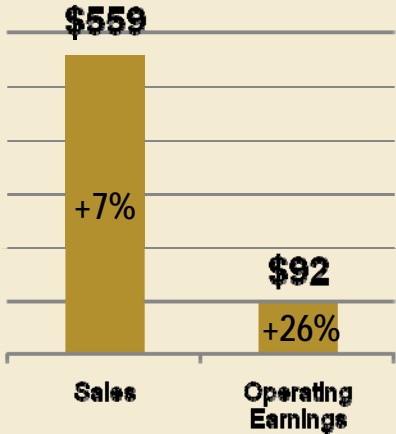
Fourth Quarter Results

-  **Net sales increased 6 percent to \$1.607 billion**
-  **Adjusted EBIT increased 24 percent to \$232 million**
-  **Adjusted net earnings per share grew 30 percent to \$0.43 cents**

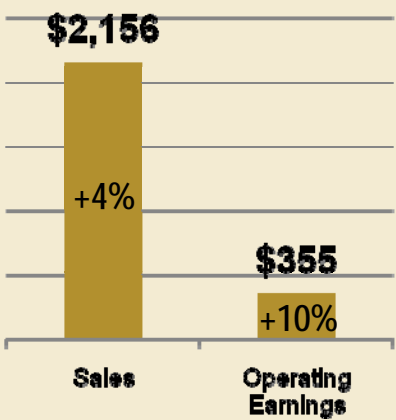


Global Baking and Snacking

Q4 (\$ Millions)



Full Year (\$ Millions)



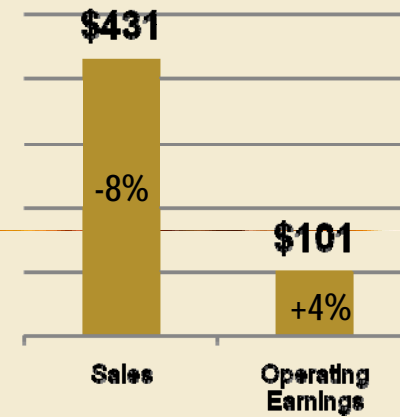
Note: Sales percent change represents organic growth
See Non-GAAP reconciliation



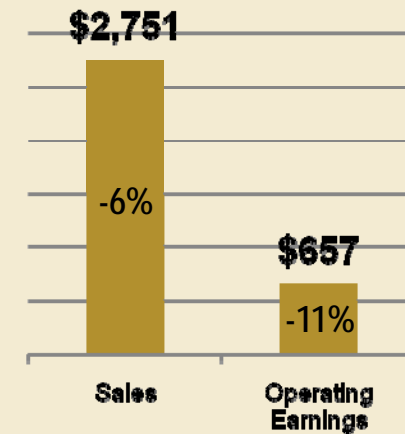
U.S. Simple Meals



Q4 (\$ Millions)



Full Year (\$ Millions)



U.S. Simple Meals

Short Term

Changed our
Marketing Strategy

Began to Improve
the Profitability
of Simple Meals

Long Term

Emphasize Brand
Building

More Consistent
Innovation

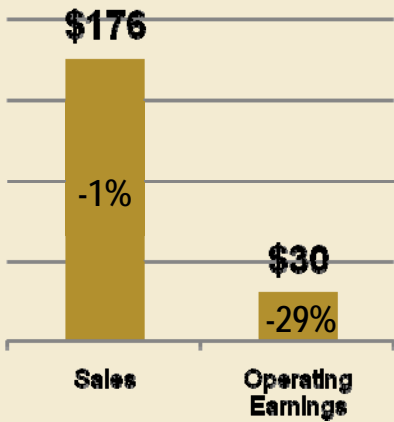


Emphasis on Brand Building

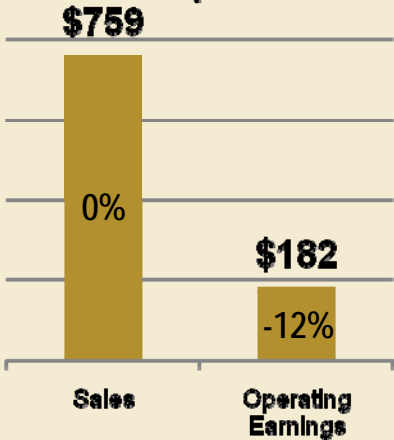


U.S. Beverages

Q4 (\$ Millions)



Full Year (\$ Millions)



Full-Year Results

- Net sales increased 1 percent to \$7.719 billion
- Adjusted EBIT declined 1 percent to \$1.342 billion
- Adjusted net earnings per share grew 3 percent to \$2.54



See Non-GAAP reconciliation

CFO Perspective



B. Craig Owens

Agenda:

- Fourth quarter results and segment highlights
- Fiscal year results and segment highlights
- F'12 earnings guidance



Fourth Quarter Financial Summary

(\$ millions, except per share)

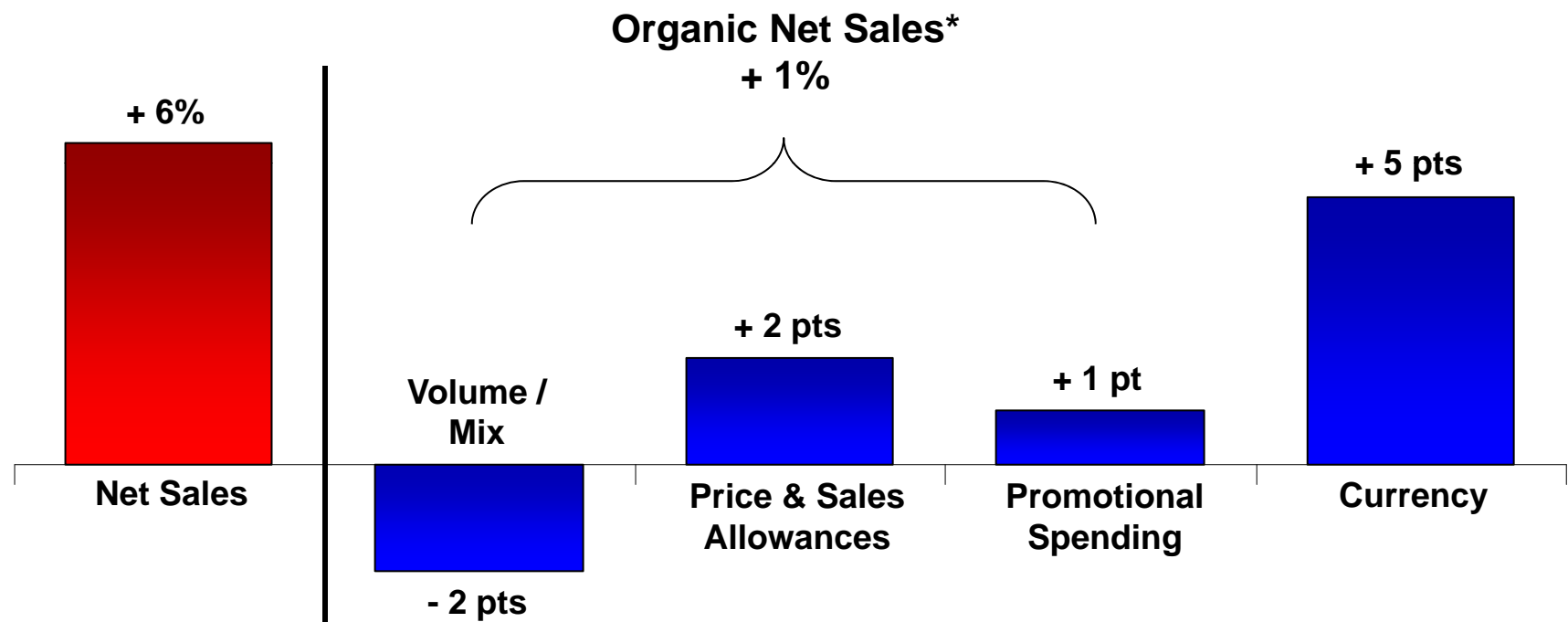
	<u>Fourth Quarter</u>	<u>% Change</u>
Net Sales	\$ 1,607	6%
<i>Organic Net Sales*</i>		1%
EBIT*	\$ 232	24%
EPS - Diluted*	\$ 0.43	30%



*See Non-GAAP reconciliation



Fourth Quarter – Components of Net Sales Change



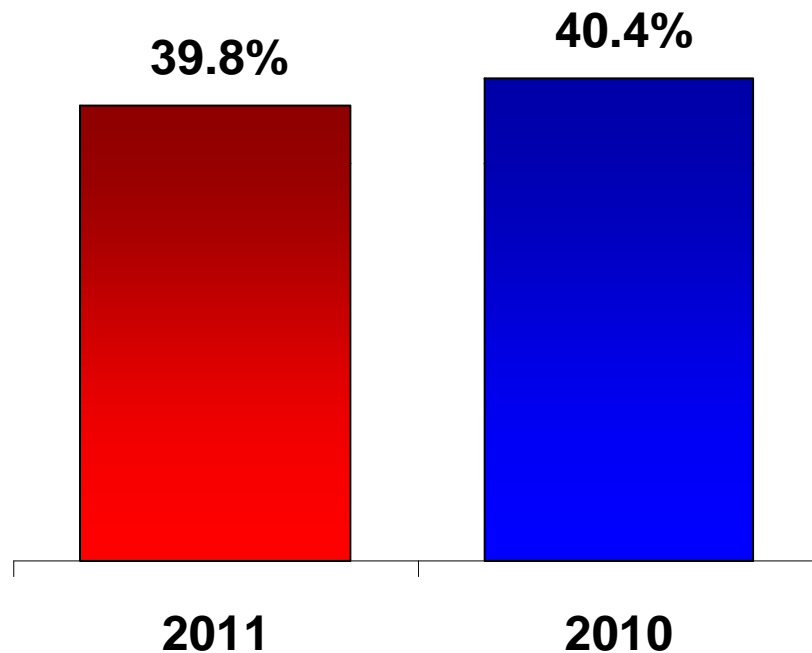
*See Non-GAAP reconciliation



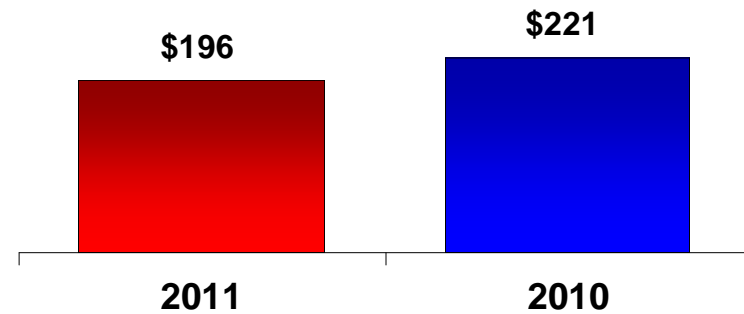
Fourth Quarter – Gross Margin and Other Operating Items

(\$ millions)

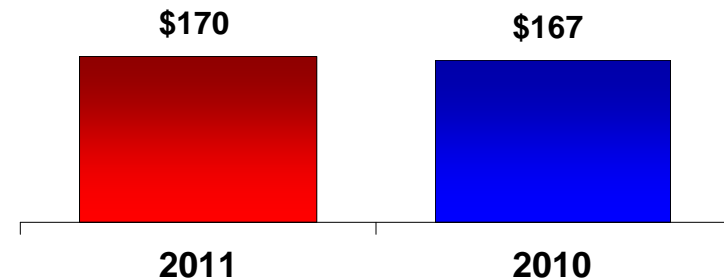
Gross Margin Percentage



Marketing and Selling Expenses



Administrative Expenses



Fourth Quarter Financial Summary

(\$ millions, except per share)

	<u>Fourth Quarter</u>	<u>% Change</u>
EBIT*	\$ 232	24%
Interest, Net	\$ 26	0%
Tax Rate*	32.5 %	2.7 pts
Net Earnings*	\$ 141	25%
EPS - Diluted*	\$ 0.43	30%
Diluted Shares	323	-5%

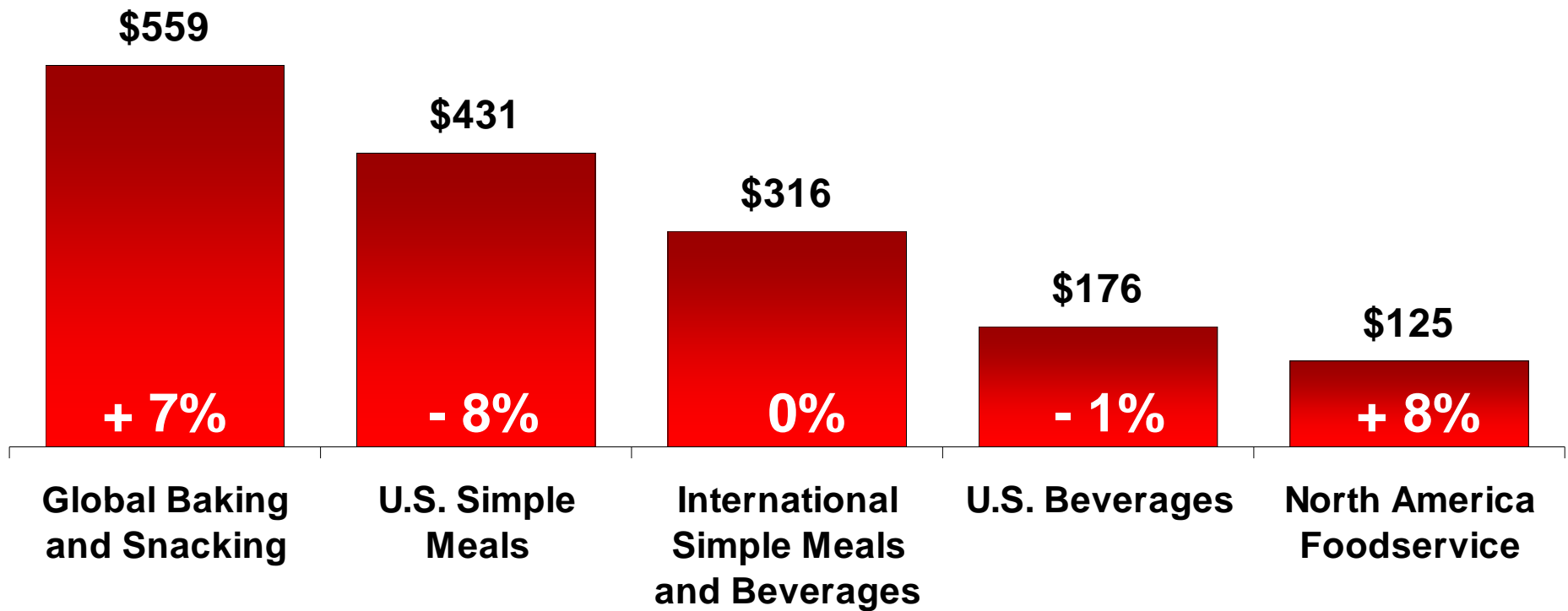


*See Non-GAAP reconciliation



Fourth Quarter Net Sales by Segment

(\$ millions)

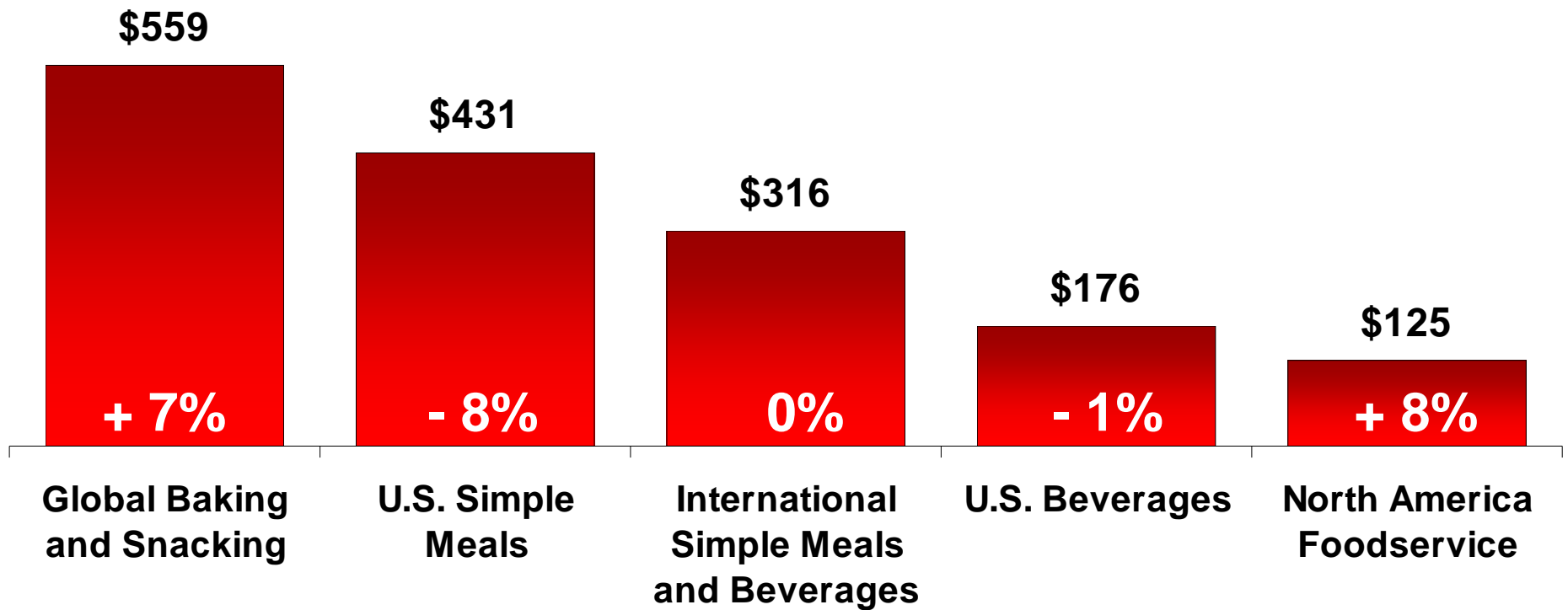


Note: Percent change represents organic growth. See Non-GAAP reconciliation



Fourth Quarter Net Sales by Segment

(\$ millions)

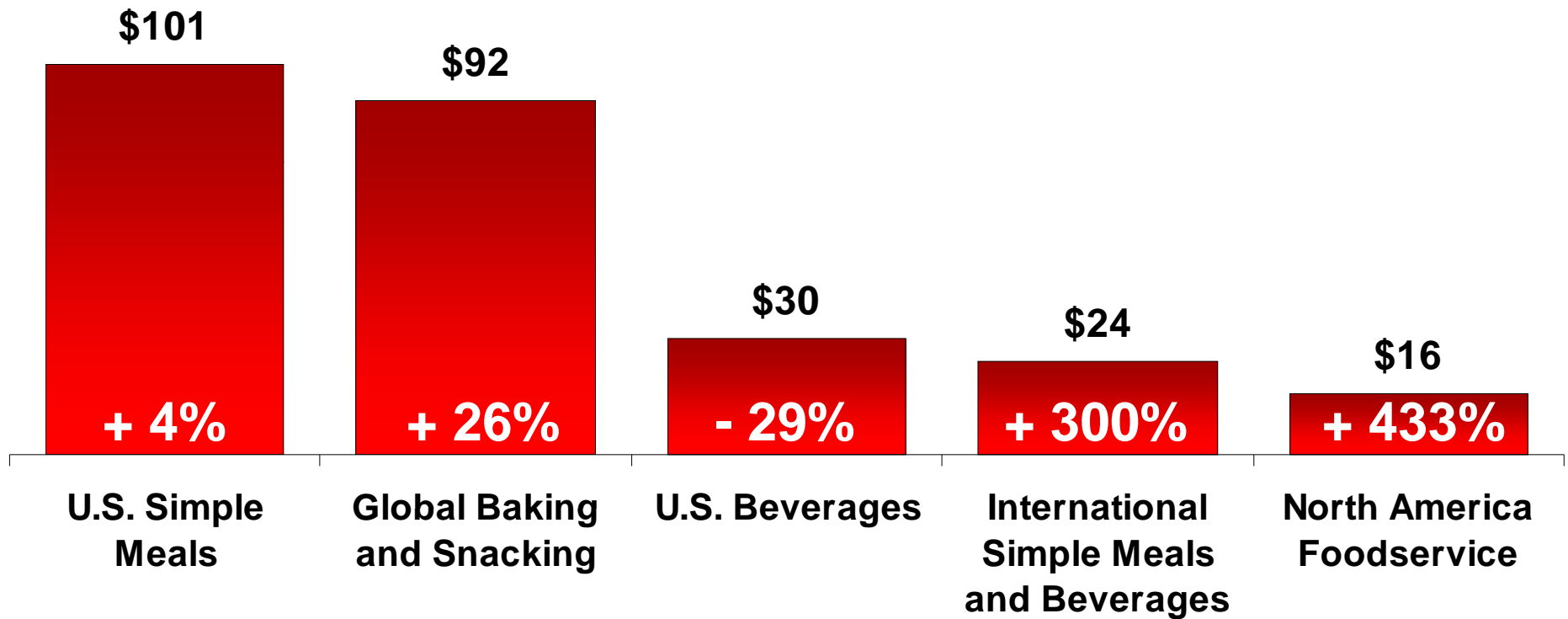


Note: Percent change represents organic growth. See Non-GAAP reconciliation



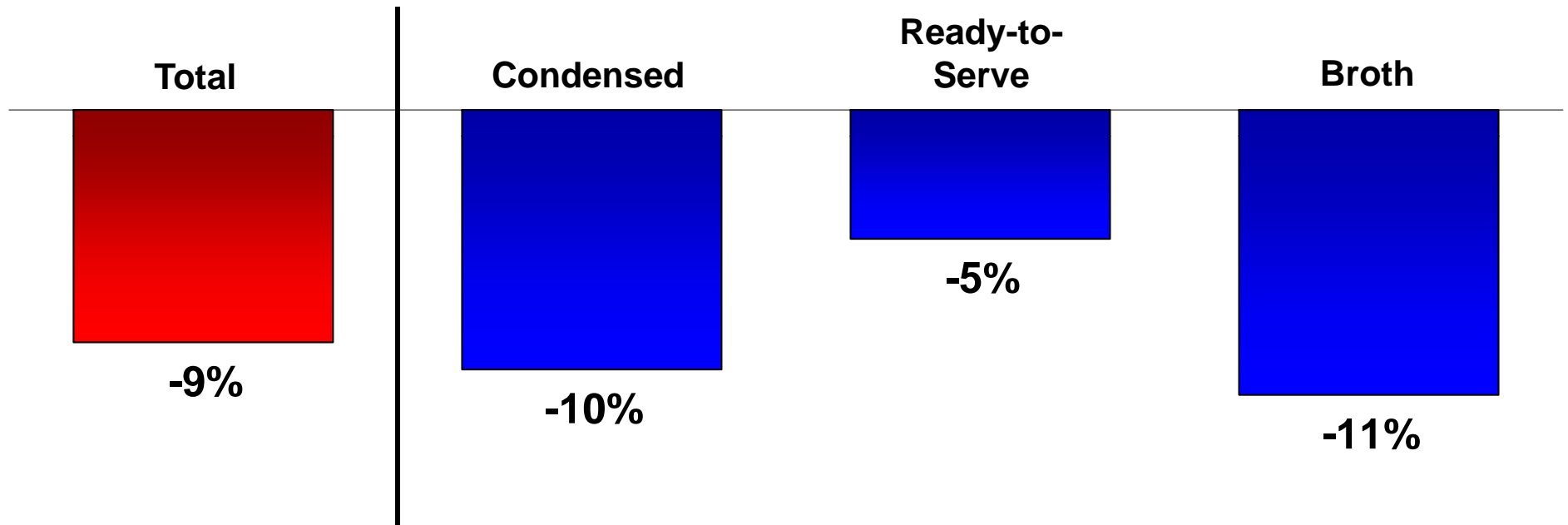
Fourth Quarter Operating Earnings by Segment

(\$ millions)



Fourth Quarter – U.S. Soup Net Sales

% Change vs. prior year



Fiscal Year 2011 Financial Summary

(\$ millions, except per share)

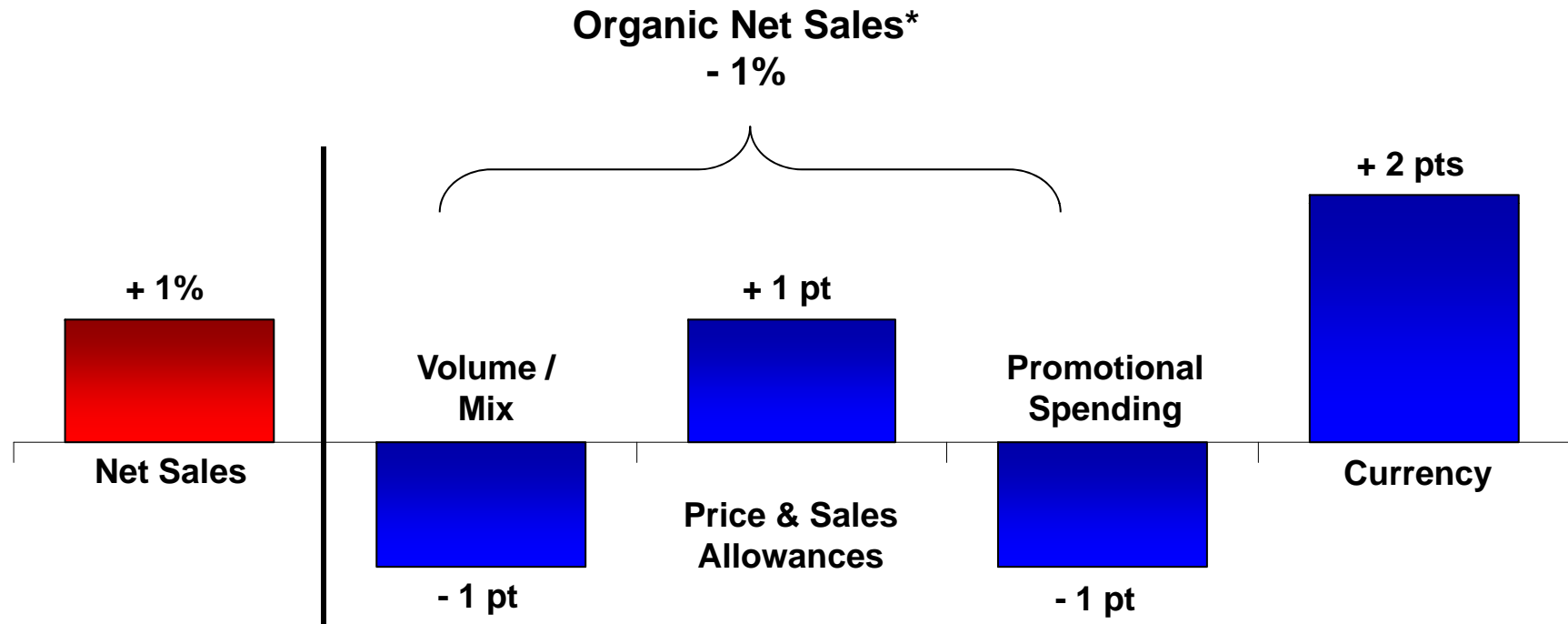
	<u>Fiscal Year</u>	<u>% Change</u>
Net Sales	\$ 7,719	1%
<i>Organic Net Sales*</i>		-1%
EBIT*	\$ 1,342	-1%
EPS - Diluted*	\$ 2.54	3%



*See Non-GAAP reconciliation



Fiscal Year 2011 – Components of Net Sales Change



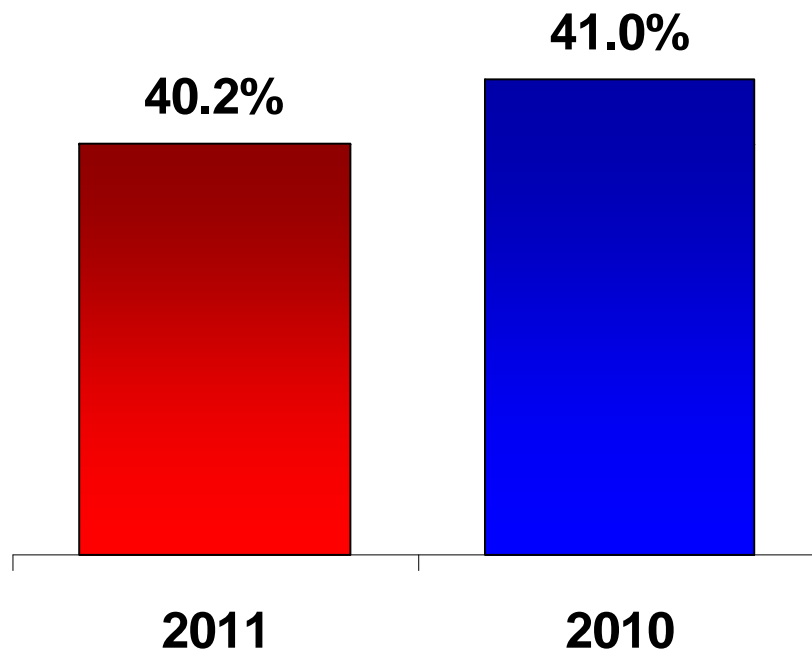
*See Non-GAAP reconciliation



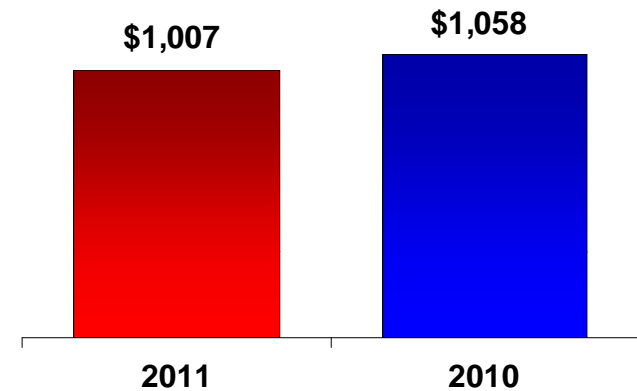
Fiscal Year 2011 – Gross Margin and Other Operating Items

(\$ millions)

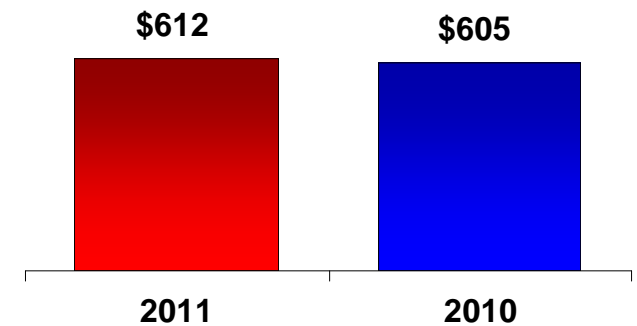
Gross Margin Percentage



Marketing and Selling Expenses



Administrative Expenses



Fiscal Year 2011 Financial Summary

(\$ millions, except per share)

	<u>Fiscal Year</u>	<u>% Change</u>
EBIT*	\$ 1,342	-1%
Interest, Net	\$ 111	5%
Tax Rate*	31.5 %	0.2 pts
Net Earnings*	\$ 846	-2%
EPS - Diluted*	\$ 2.54	3%
Diluted Shares	329	-4%

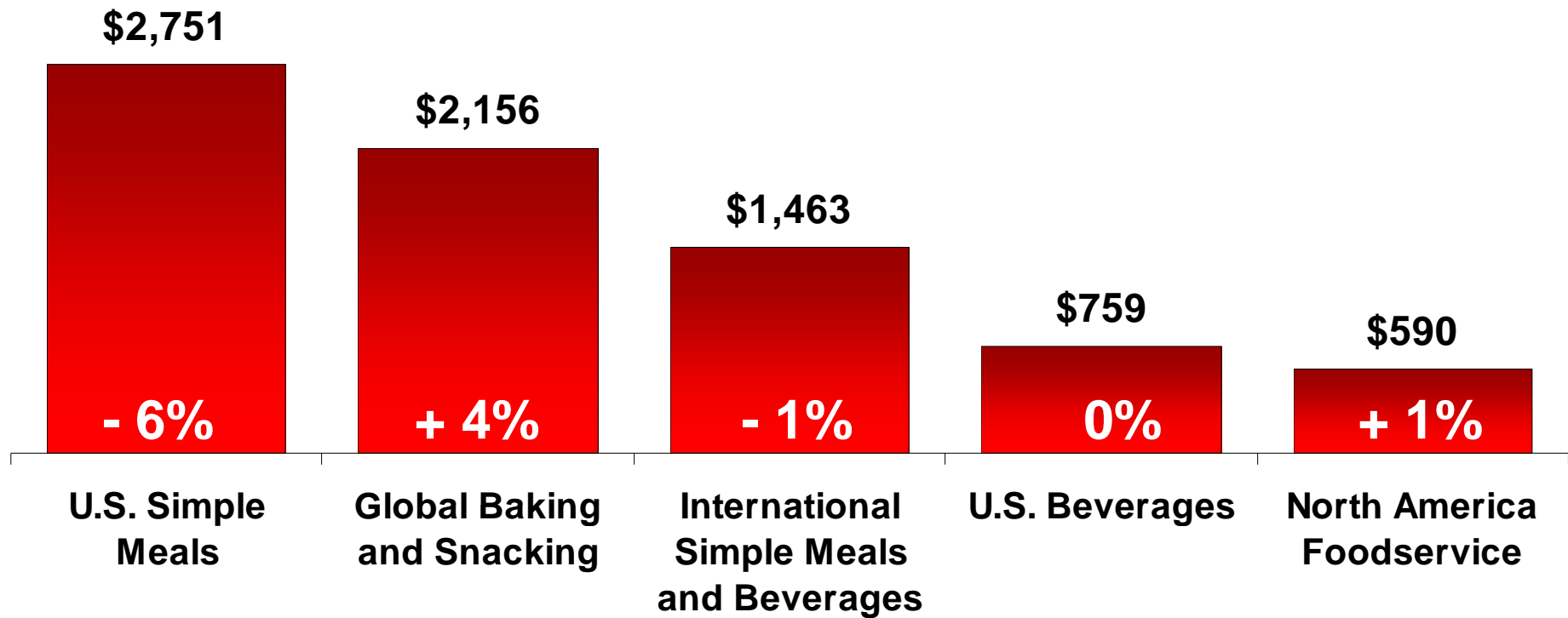


*See Non-GAAP reconciliation



Fiscal Year 2011 Net Sales by Segment

(\$ millions)

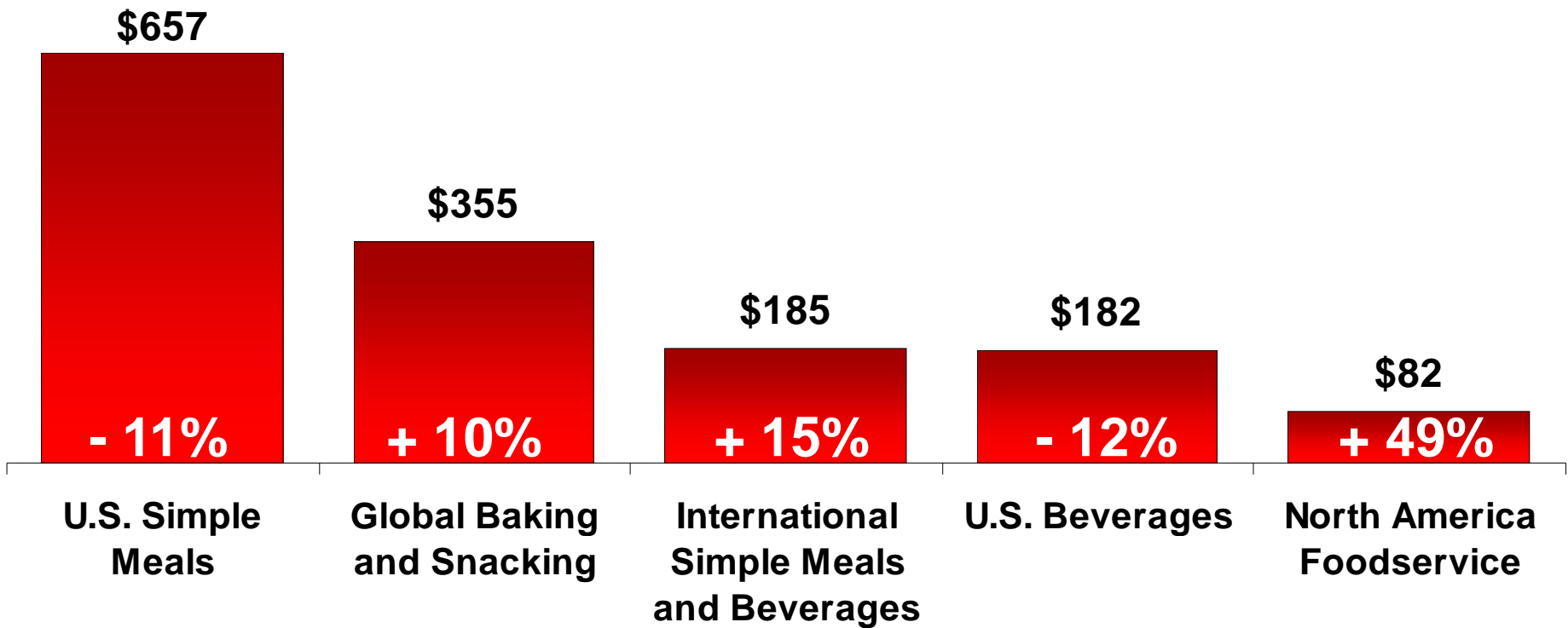


Note: Percent change represents organic growth. See Non-GAAP reconciliation



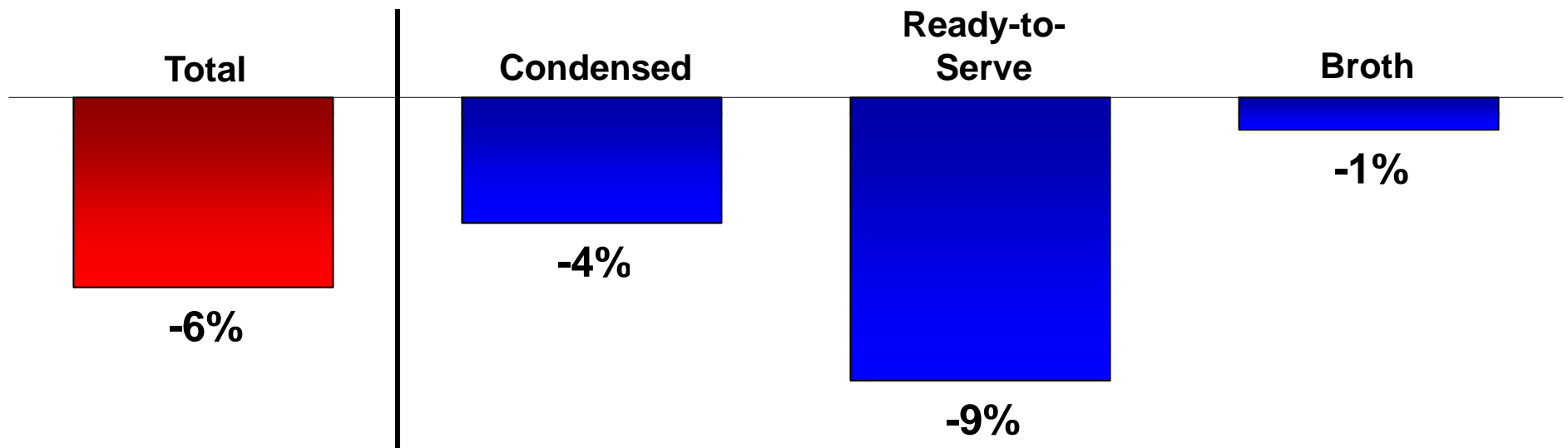
Fiscal Year 2011 Operating Earnings by Segment

(\$ millions)



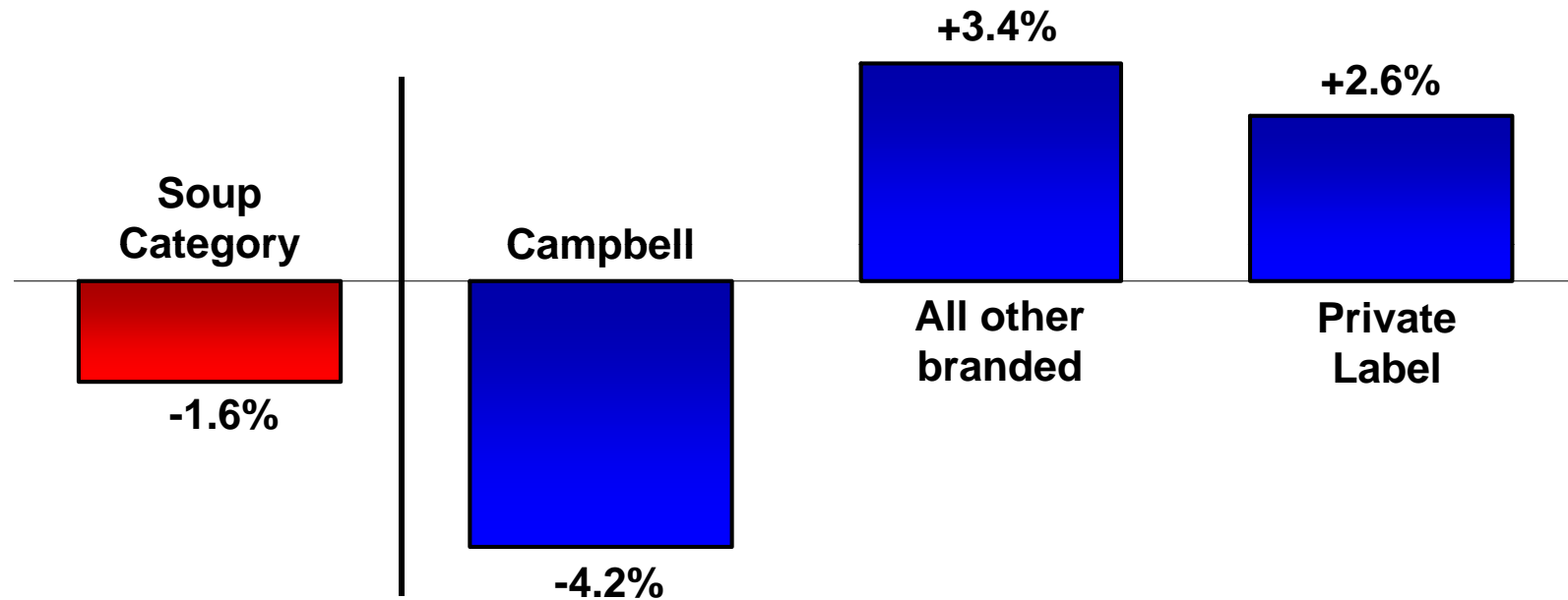
Fiscal Year 2011 – U.S. Soup Net Sales

% Change vs. prior year



Retail Sales – U.S. Wet Soup Category Performance

% Change in \$



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

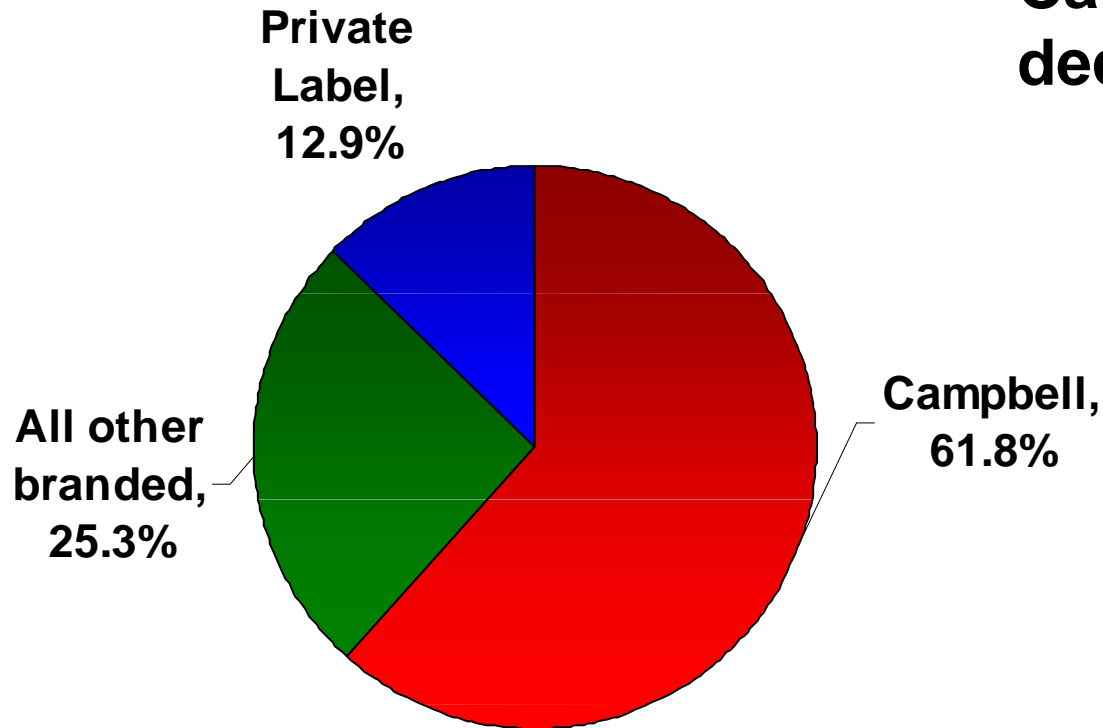
Source: IRI panel data and internal company estimates

For 52-week period ending July 31, 2011



U.S. Wet Soup Dollar Share

- **Campbell's dollar share declined 1.7 pts**



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

Source: IRI panel data and internal company estimates

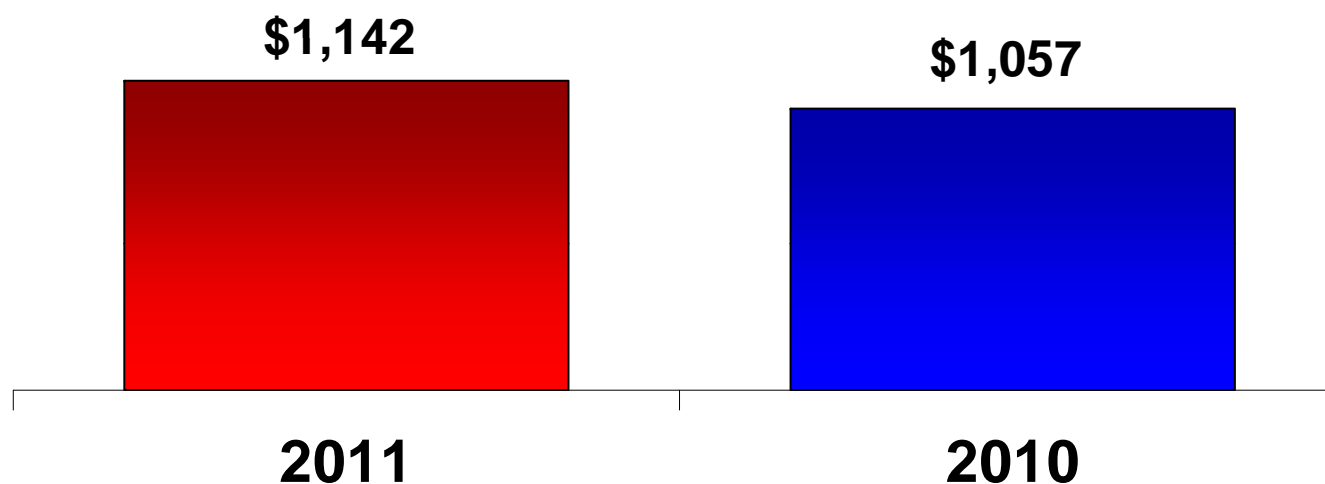
For 52-week period ending July 31, 2011



Cash Flow and Balance Sheet

(\$ millions)

Fiscal Year Cash Flow from Operations



	<u>2011</u>	<u>2010</u>
Fiscal Year Capital Expenditures	\$272	\$315
Fiscal Year Share Repurchases	\$728	\$472
Net Debt*	\$2,600	\$2,526



*See Non-GAAP reconciliation



Campbell Fiscal Year 2012 Guidance

(\$ millions)

	<u>2011 Base</u>	<u>2012 Growth Rate</u>
Net Sales	\$7,719	0% to 2%
Adjusted EBIT*	\$1,342	(9%) to (7%)
Adjusted Net Earnings per Share*	\$2.54	(7%) to (5%)



*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



Appendix



Reconciliation of GAAP and Non-GAAP Financial Measures

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

Fourth Quarter <u>July 31, 2011</u>	Net Sales, As Reported	Impact of Currency	Organic Net Sales	% Change	
				Net Sales, As Reported	Organic Net Sales
U.S. Simple Meals	\$ 431	\$ -	\$ 431	-8%	-8%
U.S. Beverages	176	-	176	-1%	-1%
Global Baking and Snacking	559	(46)	513	17%	7%
International Simple Meals and Beverages	316	(34)	282	12%	0%
North America Foodservice	125	(2)	123	10%	8%
Total Net Sales	\$ 1,607	\$ (82)	\$ 1,525	6%	1%*
<u>August 1, 2010</u>					
U.S. Simple Meals	\$ 467	\$ -	\$ 467		
U.S. Beverages	177	-	177		
Global Baking and Snacking	479	-	479		
International Simple Meals and Beverages	281	-	281		
North America Foodservice	114	-	114		
Total Net Sales	\$ 1,518	\$ -	\$ 1,518		



*Adjusted due to rounding



Reconciliation of GAAP and Non-GAAP Financial Measures

	Net Sales Fiscal Year (\$ millions)			% Change	
	Net Sales, As Reported	Impact of Currency	Organic Net Sales	Net Sales, As Reported	Organic Net Sales
<u>July 31, 2011</u>					
U.S. Simple Meals	\$ 2,751	\$ -	\$ 2,751	-6%	-6%
U.S. Beverages	759	-	759	0%	0%
Global Baking and Snacking	2,156	(98)	2,058	9%	4%
International Simple Meals and Beverages	1,463	(50)	1,413	3%	-1%
North America Foodservice	590	(5)	585	2%	1%
Total Net Sales	\$ 7,719	\$ (153)	\$ 7,566	1%	-1%
<u>August 1, 2010</u>					
U.S. Simple Meals	\$ 2,938	\$ -	\$ 2,938		
U.S. Beverages	762	-	762		
Global Baking and Snacking	1,975	-	1,975		
International Simple Meals and Beverages	1,423	-	1,423		
North America Foodservice	578	-	578		
Total Net Sales	\$ 7,676	\$ -	\$ 7,676		



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fourth Quarter

	Tax	Tax Rate
2011 - As Reported	\$ 45	31.5%
Add: Benefit from restructuring charges	22	
2011 - Adjusted	\$ 67	32.5%
2010 - As Reported	\$ 48	29.8%



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Fiscal Year

	<u>Tax</u>	<u>Tax Rate</u>
2011 - As Reported	\$ 366	31.3%
Add: Benefit from restructuring charges	22	
2011 - Adjusted	<u>\$ 388</u>	<u>31.5%</u>
2010 - As Reported	\$ 398	32.0%
Add: Benefit from restructuring charges	4	
Deduct: Expense from health care legislation	(10)	
2010 - Adjusted	<u>\$ 392</u>	<u>31.3%</u>



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

Fourth Quarter

	<u>EBIT</u>	<u>Net Earnings</u>	<u>Diluted EPS</u>
2011 - As Reported	\$ 169	\$ 100	\$ 0.31
Add: Benefit from restructuring charges	63	41	0.12
2011 - Adjusted	<u>\$ 232</u>	<u>\$ 141</u>	<u>\$ 0.43</u>
2010 - As Reported	\$ 187	\$ 113	\$ 0.33
% Change	24%	25%	30%



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>
2011 - As Reported	\$ 1,279	\$ 805	\$ 2.42
Add: Benefit from restructuring charges	63	41	0.12
2011 - Adjusted	<u>\$ 1,342</u>	<u>\$ 846</u>	<u>\$ 2.54</u>
2010 - As Reported	\$ 1,348	\$ 844	\$ 2.42
Add: Benefit from restructuring charges	12	8	0.02
Add: Tax expense from health care legislation	-	10	0.03
2010 - Adjusted	<u>\$ 1,360</u>	<u>\$ 862</u>	<u>\$ 2.47</u>
% Change	-1%	-2%	3%



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Net Debt

	<u>July 31, 2011</u>	<u>August 1, 2010</u>
Short-Term Borrowings	\$ 657	\$ 835
Long-Term Debt	2,427	1,945
Total Debt	<u>\$ 3,084</u>	<u>\$ 2,780</u>
Less: Cash and Cash Equivalents	(484)	(254)
Net Debt	<u><u>\$ 2,600</u></u>	<u><u>\$ 2,526</u></u>

