

Appendix



Real food that matters for life's moments

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations

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

	Net Sales, As Reported	Impact of Acquisitions	Impact of Currency	Impact of Net Accounting	Organic Net Sales	% Change	
						Net Sales, As Reported	Organic Net Sales
April 27, 2014							
U.S. Simple Meals	\$ 2,426	\$ (56)	\$ -	\$ -	\$ 2,370	3%	1%
Global Baking and Snacking	1,812	(161)	61	-	1,712	6%	1%
International Simple Meals and Beverages	592	-	45	17	654	-13%	-4%
U.S. Beverages	539	-	-	-	539	-5%	-5%
Bolthouse and Foodservice	1,047	(14)	2	-	1,035	3%	2%
Net Sales from continuing operations	\$ 6,416	\$ (231)	\$ 108	\$ 17	\$ 6,310	1%	0%
April 28, 2013							
U.S. Simple Meals	\$ 2,356	\$ -	\$ -	\$ -	\$ 2,356		
Global Baking and Snacking	1,703	-	-	-	1,703		
International Simple Meals and Beverages	682	-	-	-	682		
U.S. Beverages	569	-	-	-	569		
Bolthouse and Foodservice	1,019	-	-	-	1,019		
Net Sales from continuing operations	\$ 6,329	\$ -	\$ -	\$ -	\$ 6,329		



Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions)

Nine Months

	<u>Gross Margin</u>	<u>GM %</u>	<u>Tax</u>	<u>Tax Rate</u>
2014 - As Reported	\$ 2,267	35.3%	\$ 278	32.0%
Add: Restructuring charges and related costs	2		11	
Add: Pension settlement charge	18		7	
Add: Loss on foreign exchange forward contracts	-		3	
Deduct: Tax expense associated with sale of business	-		(7)	
2014 - Adjusted	\$ 2,287	35.6%	\$ 292	31.3%
2013 - As Reported	\$ 2,289	36.2%	\$ 242	30.0%
Add: Restructuring charges and related costs	81		41	
Add: Acquisition transaction costs	-		3	
2013 - Adjusted	\$ 2,370	37.4%	\$ 286	30.8%



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

Nine Months

	Continuing Operations	
	EBIT	Diluted EPS*
2014 - As Reported	\$ 958	\$ 1.90
Add: Restructuring charges and related costs	37	0.07
Add: Pension settlement charge	18	0.03
Add: Loss on foreign exchange forward contracts	9	0.02
Add: Tax expense associated with sale of business	-	0.02
2014 - Adjusted	\$ 1,022	\$ 2.04
2013 - As Reported	\$ 902	\$ 1.80
Add: Restructuring charges and related costs	112	0.22
Add: Acquisition transaction costs	10	0.02
2013 - Adjusted	\$ 1,024	\$ 2.05
% Change	0%	0%

*May not add due to rounding



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

Net Debt

	<u>April 27, 2014</u>
Short-Term Borrowings	\$ 1,662
Long-Term Debt	2,247
Total Debt	\$ 3,909
Less: Cash and Cash Equivalents	(222)
Net Debt	\$ 3,687



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions)

	Nine Months Ended April 27, 2014	Quarter Ended July 28, 2013	Trailing Twelve Months
As Reported EBIT	\$ 958	\$ 178	\$ 1,136
Add: Restructuring charges and related costs	37	30	67
Add: Pension settlement charge	18	-	18
Add: Loss on foreign exchange forward contracts	9	-	9
Adjusted EBIT	<u>\$ 1,022</u>	<u>\$ 208</u>	<u>\$ 1,230</u>
As Reported Depreciation and Amortization	\$ 222	\$ 89	\$ 311
Less: Discontinued Operations		(3)	(3)
Less: Restructuring related costs	-	(6)	(6)
Adjusted Depreciation and Amortization	<u>\$ 222</u>	<u>\$ 80</u>	<u>\$ 302</u>
Adjusted EBITDA	<u><u>\$ 1,244</u></u>	<u><u>\$ 288</u></u>	<u><u>\$ 1,532</u></u>
Interest, Net	\$ 89	\$ 30	\$ 119
Adjusted Interest coverage			12.9
Net Debt	\$ 3,687		
Net Debt to Adjusted EBITDA			2.4



Reconciliation of GAAP and Non-GAAP Financial Measures

(\$ millions, except per share)

Fiscal Year

	<u>Continuing Operations</u> <u>EBIT</u>	<u>Diluted</u> <u>EPS*</u>
2013 - As Reported	\$ 1,080	\$ 2.17
Add: Restructuring charges and related costs	142	0.28
Add: Acquisition transaction costs	10	0.02
2013 - Adjusted	<u>\$ 1,232</u>	<u>\$ 2.48</u>

*May not add due to rounding



Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions)

Fiscal Year

	<u>2013</u>
EBIT - As Reported	\$ 1,080
Add: Unallocated corporate expenses	260
Add: Restructuring Charges	51
Segment Operating Earnings	<u><u>\$ 1,391</u></u>



Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions)

<u>Fiscal Year</u>	<u>2013</u>	<u>2012</u>
Marketing and selling expenses - As Reported	\$ 947	\$ 941
Less: Advertising and Consumer Promotion - As Reported	(419)	(476)
Administrative expenses - As Reported	677	580
Research and development expenses - As Reported	128	116
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SG&A + Marketing Overhead	\$ 1,333	\$ 1,161
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Adjust Incentive Comp to Target	(26)	35
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Adjusted SG&A + Marketing Overhead	\$ 1,307	\$ 1,196
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Net Sales - As Reported	\$ 8,052	\$ 7,175
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Adjusted SG&A + Marketing Overhead as a % of Net Sales	16.2%	16.7%

