

CAMPBELL SOUP COMPANY  
CONSOLIDATED STATEMENTS OF EARNINGS (unaudited)  
(millions, except per share amounts)

	<b>Three Months Ended</b>	
	<b>January 31, 2016</b>	February 1, 2015
Net sales	\$ 2,201	\$ 2,234
Costs and expenses		
Cost of products sold	1,382	1,491
Marketing and selling expenses	223	239
Administrative expenses	146	135
Research and development expenses	23	25
Other expenses	4	7
Restructuring charges	9	—
Total costs and expenses	<u>1,787</u>	<u>1,897</u>
Earnings before interest and taxes	414	337
Interest, net	27	25
Earnings before taxes	<u>387</u>	312
Taxes on earnings	122	90
Net earnings	<u>265</u>	222
Net loss attributable to noncontrolling interests	—	—
Net earnings attributable to Campbell Soup Company	<u>\$ 265</u>	<u>\$ 222</u>
Per share - basic		
Net earnings attributable to Campbell Soup Company	<u>\$ .85</u>	<u>\$ .71</u>
Dividends	<u>\$ .312</u>	<u>\$ .312</u>
Weighted average shares outstanding - basic	<u>310</u>	<u>313</u>
Per share - assuming dilution		
Net earnings attributable to Campbell Soup Company	<u>\$ .85</u>	<u>\$ .71</u>
Weighted average shares outstanding - assuming dilution	<u>312</u>	<u>314</u>

In fiscal 2016, the company changed the method of accounting for the recognition of actuarial gains and losses for defined benefit pension and postretirement plans and the calculation of expected return on pension plan assets. These changes in accounting policy have been retrospectively applied to all periods presented. The company excludes the impact of the mark-to-market adjustments resulting from these accounting changes in evaluating performance. In the second quarter of fiscal 2016, the company incurred a pre-tax gain of \$7 in Costs and expenses (\$4 after tax, or \$.01 per share) due to mark-to-market adjustments.

In fiscal 2015, the company implemented a new enterprise design and initiatives to reduce costs and to streamline its organizational structure. In the second quarter of fiscal 2016, the company recorded pre-tax restructuring charges of \$12 related to these initiatives. The company also incurred pre-tax charges of \$7 recorded in Administrative expenses related to these initiatives. In the second quarter of fiscal 2016, the company also recorded a reduction to pre-tax restructuring charges of \$3 related to the fiscal 2014 initiative to improve supply chain efficiency in Australia. The aggregate after-tax impact of restructuring charges, implementation costs and other related costs was \$10, or \$.03 per share.

CAMPBELL SOUP COMPANY  
CONSOLIDATED STATEMENTS OF EARNINGS (unaudited)  
(millions, except per share amounts)

	<b>Six Months Ended</b>	
	<b>January 31, 2016</b>	February 1, 2015
Net sales	<b>\$ 4,404</b>	\$ 4,489
Costs and expenses		
Cost of products sold	<b>2,830</b>	2,951
Marketing and selling expenses	<b>449</b>	482
Administrative expenses	<b>302</b>	266
Research and development expenses	<b>55</b>	53
Other expenses	<b>9</b>	11
Restructuring charges	<b>30</b>	—
Total costs and expenses	<b>3,675</b>	3,763
Earnings before interest and taxes	<b>729</b>	726
Interest, net	<b>55</b>	50
Earnings before taxes	<b>674</b>	676
Taxes on earnings	<b>215</b>	206
Net earnings	<b>459</b>	470
Net loss attributable to noncontrolling interests	—	—
Net earnings attributable to Campbell Soup Company	<b>\$ 459</b>	\$ 470
Per share - basic		
Net earnings attributable to Campbell Soup Company	<b>\$ 1.48</b>	\$ 1.50
Dividends	<b>\$ .624</b>	\$ .624
Weighted average shares outstanding - basic	<b>310</b>	313
Per share - assuming dilution		
Net earnings attributable to Campbell Soup Company	<b>\$ 1.47</b>	\$ 1.50
Weighted average shares outstanding - assuming dilution	<b>312</b>	314

In fiscal 2016, the company changed the method of accounting for the recognition of actuarial gains and losses for defined benefit pension and postretirement plans and the calculation of expected return on pension plan assets. These changes in accounting policy have been retrospectively applied to all periods presented. The company excludes the impact of the mark-to-market adjustments resulting from these accounting changes in evaluating performance. In fiscal 2016, the company incurred pre-tax charges of \$121 in Costs and expenses (\$76 after tax, or \$.24 per share) due to mark-to-market adjustments.

In fiscal 2015, the company implemented a new enterprise design and initiatives to reduce costs and to streamline its organizational structure. In fiscal 2016, the company recorded pre-tax restructuring charges of \$33 related to these initiatives. The company also incurred pre-tax charges of \$22 recorded in Administrative expenses related to these initiatives. In the second quarter of fiscal 2016, the company also recorded a reduction to pre-tax restructuring charges of \$3 related to the fiscal 2014 initiative to improve supply chain efficiency in Australia. The aggregate after-tax impact of restructuring charges, implementation costs and other related costs was \$33, or \$.11 per share.

CAMPBELL SOUP COMPANY  
CONSOLIDATED SUPPLEMENTAL SCHEDULE OF SALES AND EARNINGS (unaudited)  
(millions, except per share amounts)

	<u>Three Months Ended</u>		Percent Change
	<u>January 31, 2016</u>	<u>February 1, 2015</u>	
<u>Sales</u>			
Contributions:			
Americas Simple Meals and Beverages	\$ 1,237	\$ 1,278	(3)%
Global Biscuits and Snacks	682	700	(3)%
Campbell Fresh	282	256	10%
Total sales	<u>\$ 2,201</u>	<u>\$ 2,234</u>	(1)%
<u>Earnings</u>			
Contributions:			
Americas Simple Meals and Beverages	\$ 290	\$ 237	22%
Global Biscuits and Snacks	141	115	23%
Campbell Fresh	21	13	62%
Total operating earnings	<u>452</u>	<u>365</u>	24%
Unallocated corporate expenses	29	28	
Restructuring charges	9	—	
Earnings before interest and taxes	<u>414</u>	<u>337</u>	23%
Interest, net	27	25	
Taxes on earnings	122	90	
Net earnings	<u>265</u>	<u>222</u>	19%
Net loss attributable to noncontrolling interests	—	—	
Net earnings attributable to Campbell Soup Company	<u>\$ 265</u>	<u>\$ 222</u>	19%
Per share - assuming dilution			
Net earnings attributable to Campbell Soup Company	<u>\$ .85</u>	<u>\$ .71</u>	20%

In fiscal 2016, the company modified its segment reporting as a result of changes in the management of the business. In addition, the company changed the method of accounting for the recognition of actuarial gains and losses for defined benefit pension and postretirement plans and the calculation of expected return on pension plan assets. In fiscal 2016, the company also modified its method of allocating pension and postretirement benefit costs to reportable segments. Through fiscal 2015, the company included all components of benefit expense in measuring segment performance. In fiscal 2016, service cost is allocated to segments. All other components of expense, including interest cost, expected return on assets, and recognized actuarial gains and losses, are reflected in Unallocated corporate expenses and not included in segment operating results. The changes in segment reporting and accounting policies have been retrospectively applied to all periods presented.

In the second quarter of fiscal 2016, the company incurred a pre-tax gain of \$7 in Unallocated corporate expenses (\$4 after tax, or \$.01 per share) due to mark-to-market adjustments.

In fiscal 2015, the company implemented a new enterprise design and initiatives to reduce costs and to streamline its organizational structure. In the second quarter of fiscal 2016, the company recorded pre-tax restructuring charges of \$12 related to these initiatives. The company also incurred pre-tax charges of \$7 recorded in Unallocated corporate expenses related to these initiatives. In the second quarter of fiscal 2016, the company also recorded a reduction to pre-tax restructuring charges of \$3 related to the fiscal 2014 initiative to improve supply chain efficiency in Australia. The aggregate after-tax impact of restructuring charges, implementation costs and other related costs was \$10, or \$.03 per share.

CAMPBELL SOUP COMPANY  
CONSOLIDATED SUPPLEMENTAL SCHEDULE OF SALES AND EARNINGS (unaudited)  
(millions, except per share amounts)

	<u>Six Months Ended</u>		Percent Change
	<u>January 31, 2016</u>	<u>February 1, 2015</u>	
<u>Sales</u>			
Contributions:			
Americas Simple Meals and Beverages	\$ 2,539	\$ 2,611	(3)%
Global Biscuits and Snacks	1,334	1,391	(4)%
Campbell Fresh	531	487	9%
Total sales	<u>\$ 4,404</u>	<u>\$ 4,489</u>	(2)%
<u>Earnings</u>			
Contributions:			
Americas Simple Meals and Beverages	\$ 653	\$ 542	20%
Global Biscuits and Snacks	255	213	20%
Campbell Fresh	39	22	77%
Total operating earnings	<u>947</u>	<u>777</u>	22%
Unallocated corporate expenses	188	51	
Restructuring charges	30	—	
Earnings before interest and taxes	<u>729</u>	<u>726</u>	—%
Interest, net	55	50	
Taxes on earnings	215	206	
Net earnings	<u>459</u>	<u>470</u>	(2)%
Net loss attributable to noncontrolling interests	—	—	
Net earnings attributable to Campbell Soup Company	<u>\$ 459</u>	<u>\$ 470</u>	(2)%
<u>Per share - assuming dilution</u>			
Net earnings attributable to Campbell Soup Company	<u>\$ 1.47</u>	<u>\$ 1.50</u>	(2)%

In fiscal 2016, the company modified its segment reporting as a result of changes in the management of the business. In addition, the company changed the method of accounting for the recognition of actuarial gains and losses for defined benefit pension and postretirement plans and the calculation of expected return on pension plan assets. In fiscal 2016, the company also modified its method of allocating pension and postretirement benefit costs to reportable segments. Through fiscal 2015, the company included all components of benefit expense in measuring segment performance. In fiscal 2016, service cost is allocated to segments. All other components of expense, including interest cost, expected return on assets, and recognized actuarial gains and losses, are reflected in Unallocated corporate expenses and not included in segment operating results. The changes in segment reporting and accounting policies have been retrospectively applied to all periods presented.

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CAMPBELL SOUP COMPANY  
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)  
(millions)

	<b>January 31, 2016</b>	February 1, 2015
Current assets	<b>\$ 2,132</b>	\$ 2,087
Plant assets, net	<b>2,340</b>	2,257
Intangible assets, net	<b>3,511</b>	3,410
Other assets	<b>96</b>	146
<b>Total assets</b>	<b>\$ 8,079</b>	<b>\$ 7,900</b>
Current liabilities	<b>\$ 2,566</b>	\$ 2,850
Long-term debt	<b>2,551</b>	2,253
Other liabilities	<b>1,438</b>	1,286
<b>Total equity</b>	<b>1,524</b>	1,511
<b>Total liabilities and equity</b>	<b>\$ 8,079</b>	<b>\$ 7,900</b>
<b>Total debt</b>	<b>\$ 3,844</b>	<b>\$ 3,893</b>
Cash and cash equivalents	<b>\$ 306</b>	\$ 201

In fiscal 2016, the company changed the method of accounting for the recognition of actuarial gains and losses for defined benefit pension and postretirement plans and the calculation of expected return on pension plan assets. These changes in accounting policy have been retrospectively applied to all periods presented.

CAMPBELL SOUP COMPANY  
CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)  
(millions)

	<b>Six Months Ended</b>	
	<b>January 31, 2016</b>	February 1, 2015
<b>Cash flows from operating activities:</b>		
Net earnings	\$ 459	\$ 470
<b>Adjustments to reconcile net earnings to operating cash flow</b>		
Restructuring charges	30	—
Stock-based compensation	34	31
Pension and postretirement benefit expense (income)	109	(12)
Depreciation and amortization	152	149
Deferred income taxes	(14)	18
Other, net	4	10
<b>Changes in working capital</b>		
Accounts receivable	(130)	(125)
Inventories	133	73
Prepaid assets	(2)	(3)
Accounts payable and accrued liabilities	(30)	(16)
Receipts from hedging activities	—	9
Other	(18)	(20)
Net cash provided by operating activities	<u>727</u>	<u>584</u>
<b>Cash flows from investing activities:</b>		
Purchases of plant assets	(153)	(143)
Sales of plant assets	4	8
Other, net	10	(8)
Net cash used in investing activities	<u>(139)</u>	<u>(143)</u>
<b>Cash flows from financing activities:</b>		
Net short-term borrowings (repayments)	(252)	171
Repayments of notes payable	—	(300)
Dividends paid	(197)	(199)
Treasury stock purchases	(86)	(133)
Treasury stock issuances	2	8
Excess tax benefits on stock-based compensation	7	5
Net cash used in financing activities	<u>(526)</u>	<u>(448)</u>
Effect of exchange rate changes on cash	(9)	(24)
Net change in cash and cash equivalents	53	(31)
Cash and cash equivalents — beginning of period	253	232
Cash and cash equivalents — end of period	<u>\$ 306</u>	<u>\$ 201</u>

In fiscal 2016, the company changed the method of accounting for the recognition of actuarial gains and losses for defined benefit pension and postretirement plans and the calculation of expected return on pension plan assets. These changes in accounting policy have been retrospectively applied to all periods presented.