

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended
January 29, 1995

Commission File Number
1-3822

[CAMPBELL SOUP COMPANY LOGO]

NEW JERSEY
State of Incorporation

21-0419870
I.R.S. Employer Identification No.

CAMPBELL PLACE
CAMDEN, NEW JERSEY 08103-1799
Principal Executive Offices

TELEPHONE NUMBER: (609) 342-4800

INDICATE BY CHECK MARK WHETHER THE REGISTRANT: (1) HAS FILED ALL REPORTS
REQUIRED TO BE FILED BY SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934 DURING THE PRECEDING 12 MONTHS (OR FOR SUCH SHORTER PERIOD THAT THE
REGISTRANT WAS REQUIRED TO FILE SUCH REPORTS), AND (2) HAS BEEN SUBJECT TO SUCH
FILING REQUIREMENTS FOR THE PAST 90 DAYS.

YES X NO .
----- -----

THERE WERE 249,146,271 SHARES OF CAPITAL STOCK OUTSTANDING AS OF MARCH 1,
1995.

THIS FORM 10-Q CONSISTS OF A TOTAL OF 15 PAGES, INCLUDING EXHIBITS. AN
INDEX TO EXHIBITS IS ON PAGE 14.

PART I. FINANCIAL INFORMATION
CAMPBELL SOUP COMPANY CONSOLIDATED
STATEMENTS OF EARNINGS

(unaudited)
(million dollars except per share amounts)

	Three Months Ended		Six Months Ended	
	JANUARY 29, 1995	January 30, 1994	JANUARY 29, 1995	January 30, 1994
Net sales	\$2,040	\$1,894	\$3,904	\$3,657
Costs and expenses				
Cost of products sold	1,176	1,104	2,264	2,162
Marketing and selling expenses	387	350	724	670
Administrative expenses	83	79	160	152
Research and development expenses	22	18	42	36
Other expense	10	13	28	27
Total costs and expenses	1,678	1,564	3,218	3,047
Earnings before interest and taxes	362	330	686	610
Interest, net	14	14	40	32
Earnings before taxes	348	316	646	578
Taxes on earnings	117	113	218	209
Net earnings	\$ 231	\$ 203	\$ 428	\$ 369
Per share				
Net earning	\$.93	\$.81	\$ 1.72	\$ 1.47
Dividends	\$.31	\$.28	\$.59	\$.53
Weighted average shares outstanding	249	251	249	251

See Notes To Financial Statements

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CAMPBELL SOUP COMPANY CONSOLIDATED

BALANCE SHEETS
(unaudited)
(million dollars)

	JANUARY 29, 1995	July 31, 1994
Current assets		
Cash and cash equivalents	\$ 89	\$ 94
Other temporary investments, at cost which approximates market	25	2
Accounts receivable	788	578
Inventories	751	786
Prepaid expenses	157	141
Total current assets	1,810	1,601
Plant assets, net of depreciation	2,479	2,401
Intangible assets, net of amortization	721	582
Other assets	399	408
Total assets	\$5,409	\$4,992
Current liabilities		
Notes payable	\$ 432	\$ 434
Payable to suppliers and others	441	473
Accrued liabilities	607	570
Dividend payable	78	71
Accrued income taxes	152	117

Total current liabilities	1,710	1,665
Long-term debt	563	560
Nonpension postretirement benefits	421	402
Other liabilities, including deferred income taxes of \$225 and \$211	399	376
Total liabilities	3,093	3,003
Shareowners' equity		
Preferred stock; authorized 40 shares; none issued	-	-
Capital stock, \$.075 par value; authorized 280 shares; issued 271 shares	20	20
Capital surplus	161	155
Earnings retained in the business	2,640	2,359
Capital stock in treasury, at cost	(544)	(559)
Cumulative translation adjustments	39	14
Total shareowners' equity	2,316	1,989
Total liabilities and shareowners' equity	\$5,409	\$4,992

See Notes to Financial Statements

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CAMPBELL SOUP COMPANY CONSOLIDATED

STATEMENTS OF CASH FLOWS

(unaudited)
(million dollars)

	Six Months Ended	
	JANUARY 29, 1995	January 30, 1994
Cash flows from operating activities:		
Net earnings	\$428	\$369
Non-cash charges:		
Depreciation and amortization	143	125
Deferred taxes	4	4
Other	41	29
Net change in accounts receivable	(194)	(114)
Net change in inventories	58	15
Net change in other current assets and liabilities	(5)	(93)
Net cash provided by operating activities	475	335
Cash flows from investing activities:		
Purchases of plant assets	(137)	(176)
Sales of plant assets	16	15
Businesses acquired	(194)	(8)
Sales of businesses	5	15
Net change in other assets	5	14
Net change in other temporary investments	(23)	(8)
Net cash used in investing activities	(328)	(148)
Cash flows from financing activities:		
Issuance of long-term debt	3	100
Reductions in long-term debt	(17)	(101)
Net change in borrowings with less than three-month maturities	(70)	(4)

Other short-term borrowings	63	(25)
Dividends paid	(140)	(126)
Treasury stock purchased	-	(41)
Treasury stock issued	15	8
Net cash used in financing activities	(146)	(189)
Effect of exchange rate changes on cash	(6)	-
Net change in cash and cash equivalents	(5)	(2)
Cash and cash equivalents - beginning of period	94	63
Cash and cash equivalents - end of period	\$ 89	\$ 61

See Notes to Financial Statements

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CAMPBELL SOUP COMPANY CONSOLIDATED
STATEMENTS OF CHANGES IN SHAREOWNERS' EQUITY
(unaudited)
(million dollars)

	Preferred Stock	Capital Stock	Capital Surplus	Earnings Retained in the Business	Capital Stock in Treasury	Cumulative Translation Adjustments	Total Shareowners' Equity
Balance at August 1, 1993	\$ -	\$20	\$149	\$2,002	\$(428)	\$(39)	\$1,704
Net earnings				369			369
Cash dividends (\$.53 per share)				(133)			(133)
Treasury stock purchased					(41)		(41)
Treasury stock issued under Management incentive and Stock option plans			6		6		12
Translation adjustments						15	15
Balance at January 30, 1994	\$ -	\$20	\$155	\$2,238	\$(463)	\$(24)	\$1,926
BALANCE AT JULY 31, 1994	\$ -	\$20	\$155	\$2,359	\$(559)	\$ 14	\$1,989
NET EARNINGS				428			428
CASH DIVIDENDS (\$.59 PER SHARE)				(147)			(147)
TREASURY STOCK PURCHASED					(1)		(1)
TREASURY STOCK ISSUED UNDER MANAGEMENT INCENTIVE AND STOCK OPTION PLANS			6		16		22
TRANSLATION ADJUSTMENTS						25	25
BALANCE AT JANUARY 29, 1995	\$ -	\$20	\$161	\$2,640	\$(544)	\$ 39	\$2,316

Changes in Number of Shares (unaudited)
(thousands of shares)

	Issued	Outstanding	In Treasury
Balance at August 1, 1993	271,245	251,706	19,539
Treasury stock purchased		(1,139)	1,139
Treasury stock issued under Management incentive and Stock option plans		284	(284)
Balance at January 30, 1994	271,245	250,851	20,394
BALANCE AT JULY 31, 1994	271,245	248,319	22,926
TREASURY STOCK PURCHASED		(12)	12
TREASURY STOCK ISSUED UNDER SANAGEMENT INCENTIVE AND STOCK OPTION PLANS		596	(596)
BALANCE AT JANUARY 29, 1995	271,245	248,903	22,342

See Notes to Financial Statements

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CAMPBELL SOUP COMPANY CONSOLIDATED

NOTES TO FINANCIAL STATEMENTS

(unaudited)
(millions)

- (a) The financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair presentation of the results for the indicated periods. All such adjustments are of a normal recurring nature.
- (b) Net earnings per share are based on the weighted average shares outstanding during the applicable periods. The potential dilution from the exercise of stock options is not material.
- (c) Inventories

	JANUARY 29, 1995	July 31, 1994
	-----	-----
Raw materials, containers and supplies	\$326	\$368
Finished products	496	483
	-----	-----
	822	851
Less - Adjustment of certain inventories to LIFO basis	71	65
	-----	-----
	\$751	\$786
	=====	=====

(d) Divestiture and Restructuring Program

On January 28, 1993, the company's Board of Directors approved a divestiture and restructuring program which specifically identified six manufacturing plants to be closed and fourteen businesses to be sold. At the time of the Board's approval, charges of \$353 (\$300 after tax or \$1.19 per share) were recorded for the estimated loss on disposition of plant assets, cost of closing each plant and loss on each business divestiture. During the first half of 1995, two businesses were sold. During the second quarter, the Board of Directors approved the sale of two additional businesses not included in the original Board authorization. Based on current estimates, existing reserves are adequate to cover the cost of disposing of these businesses because one business included in the original program will not be sold. A summary of the original reserves and charges through January 29, 1995 follows:

	Original Reserves	Charges	Balance 7/31/94	Charges	BALANCE 1/29/95
	-----	-----	-----	-----	-----
Loss on disposal of assets	\$275	\$(145)	\$130	\$(6)	\$124
Severance and benefits	52	(28)	24	(16)	8
Other	26	(10)	16	(1)	15
	-----	-----	-----	-----	-----
Total	\$353	\$(183)	\$170	\$(23)	\$147
	=====	=====	=====	=====	=====
Current	\$153		\$170		\$147
Non-current	200		-		-
	-----		-----		-----
Total	\$353		\$170		\$147
	=====		=====		=====

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION
CAMPBELL SOUP COMPANY

RESULTS OF OPERATIONS

OVERVIEW

Campbell achieved record sales and earnings for the second quarter and first six months ended January 29. Quarterly sales surpassed \$2.0 billion for the first time in the company's history resulting in record setting sales and earnings.

Net sales for the quarter were \$2.04 billion, up 8% from the comparable period last year. Earnings per share increased 15% to a quarterly record of 93 cents, up from 81 cents in the second quarter last year. Net earnings rose 14% to \$231 million from \$203 million a year ago. All divisions worldwide turned in record sales and earnings.

Sales for the six months increased 7% to \$3.90 billion, versus \$3.66 billion for the comparable period last year. Earnings per share for the six months increased 17% to \$1.72, and net earnings increased 16% to \$428 million.

RESULTS BY DIVISION

SECOND QUARTER

U.S.A. - U.S. sales for the quarter were \$1.22 billion versus \$1.16 billion last year. Operating earnings climbed 9% to \$272 million.

Soup volume was down one-half of one percent due to unseasonably warm weather and expansion of the program of "Continuous Product Replenishment" which smooths the flow of our products to customers. The "Healthy Request" line continued strong growth and the new condensed Chicken with White and Wild Rice and new varieties of "Home Cookin' " soups received good consumer acceptance.

Strong volume gains were recorded by a number of products including "Swanson" traditional frozen dinners, canned poultry and broth; "Great Starts" breakfasts; "Prego" spaghetti sauce; and "V8" juice. "Vlasic" pickles have been rejuvenated by the new "Stackers" line that has driven outstanding volume growth. Food Service products also achieved substantial volume gains, enhanced by the acquisition of Fresh Start Bakeries, a manufacturer of rolls and muffins for the fast food trade.

BAKERY & CONFECTIONERY - This division consists of "Pepperidge Farm" in the U.S., "Delacre" in Europe, "Arnott's" in Australasia, "Godiva" worldwide and the "Lamy Lutti" confectionery business in Europe.

Bakery and Confectionery sales increased 9% to \$448 million from \$410 million in the second quarter of last year. Operating earnings increased 10% to \$63 million.

Pepperidge Farm distinctive cookie volume rose due to new varieties. Pepperidge Farm's "Goldfish" crackers surged, as did its frozen cakes and garlic bread. At Delacre, new varieties of "Biscuits Maison" also enjoyed strong consumer acceptance.

Godiva Chocolatier had an excellent holiday season with double digit sales growth in the U.S., Europe and Japan.

INTERNATIONAL GROCERY - International Grocery consists of soup, grocery and frozen businesses in Canada, Mexico, Europe and Australasia. This division reported sales of \$386 million in the second quarter, a 14% increase over last year. Operating earnings rose 13% to \$40 million. The devaluation of the Mexican peso reduced earnings by one million dollars.

Soup volume outside the United States grew 6% during the quarter, and 12% for the first half of fiscal 1995 with strong gains in Canada, Mexico, Asia and exports from the United Kingdom.

Sales also benefited from the recent acquisition of Stratford-Upon-Avon, a food service business in the United Kingdom, and from the booming beef business in Argentina.

SIX MONTHS

U.S.A. - U.S. sales for the six months were \$2.34 billion versus \$2.23 billion last year. Operating earnings increased 13% to \$531 million.

U.S. soup shipments were down 1% due to unseasonably warm weather and expansion of "Continuous Product Replenishment". The "Healthy Request" line continued strong growth.

Other strong sales performances came from "Vlasic" pickles; "Swanson" traditional frozen dinners, canned poultry and broth; "Great Starts" breakfasts; "Prego" spaghetti sauce; "V8" juice and U.S. Food Service.

BAKERY AND CONFECTIONERY - Bakery and Confectionery sales grew 8% to \$865 million from \$802 million in the first six months of last year. Operating earnings improved 12% to \$109 million.

Sales improvement was driven by new varieties of Pepperidge Farm distinctive cookies and strength in "Goldfish" crackers, frozen cakes and garlic bread. Arnotts experienced growth in the chocolate biscuit category and benefited from growing consumer awareness and expanded distribution of its "Away from Home" products. Godiva Chocolatier enjoyed an excellent holiday season.

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INTERNATIONAL GROCERY - International Grocery reported sales of \$727 million in the first six months, an 11% increase over last year. Operating earnings rose 15% to \$72 million.

Soup volume outside the U.S. was up 12% for the first half of fiscal 1995 with strong gains in Canada, Mexico, Asia and exports from the United Kingdom. Argentina had an excellent first half driven by both the export and domestic beef businesses.

STATEMENTS OF EARNINGS

Net sales increased 8% for the second quarter and 7% for the six months, compared to the same periods in the prior year. Sales gains were strong across all divisions. Worldwide soup sales for the six months grew 4% with net sales outside the U.S. contributing a robust 12% growth.

Gross margins improved .7 percentage points to 42.4% in the second quarter and 1.1 percentage points to 42.0% for the six-month period. These improvements resulted principally from higher selling prices.

Marketing and selling expenses as a percent of sales rose to 19.0% and 18.5% for the second quarter and the six months, respectively, principally as a result of increased advertising. Advertising jumped 24% in the second quarter and 11% for the six months, compared to the prior year, led by spending on ready-to-serve soups and on "Vlasic" pickles in support of the launch of Vlasic's new "Stackers" line.

Interest expense for the six months increased due principally to financing costs associated with the acquisition of Fresh Start Bakeries and Stratford-Upon-Avon Foods. Interest expense for the second quarter of fiscal 1995 reflects a reduction in the accrual for the net interest cost of a securities lending arrangement involving U.S. Treasury notes maturing in fiscal 1995. Because of movements in interest rates, the net cost of this arrangement declined by \$6 million in the second quarter to a net cost of \$1 million.

The effective tax rate of 33.7% reflects the benefit of tax planning strategies, including utilization of tax loss carryforwards.

LIQUIDITY AND CAPITAL RESOURCES

Campbell's cash flows from operating activities are highly seasonal. As a result of earnings improvements and increased attention to working capital management, the company generated cash from operations of \$475 million in the first six months of 1995, up \$140 million from 1994. The seasonal increase in accounts receivable was \$194 million in 1995, compared to an increase of \$114 million in 1994, primarily a result of stronger sales. Continued focus on inventory control provided \$58 million of cash.

Capital expenditures were \$137 million in 1995, down \$39 million from the prior year, as the company completed major cost saving and restructuring programs in the prior year. Capital expenditures are not expected to exceed \$400 million in 1995. Construction of a new \$150 million world-class factory at Arnotts is expected to commence in the third quarter with completion planned for 1997.

During the first half of fiscal 1995, the company acquired Fresh Start Bakeries, a food service baking concern with operations in the U.S., Europe and South America; Stratford-Upon-Avon Foods, a canned fruit and vegetable company in England; Kohi biscuits in New Zealand; Diet Care Puree, a Canadian food service company targeting institutional food for the elderly; and Greenfield Foods, a U.S. based baking concern specializing in low-fat cakes and cookies. The company also acquired an additional 3% interest in Arnotts Limited, boosting its share ownership in the Australian biscuit company to 61%.

In the third quarter, the company finalized the agreement to acquire Pace Foods, Ltd., the world's leading producer and marketer of Mexican sauces, for \$1.076 billion -- the largest acquisition in the company's 126-year history. The purchase price for the Pace business was funded by commercial paper borrowings of different maturities and interest rates. A portion of these borrowings were replaced with a \$300 million, 7.75% fixed rate two-year note in February 1995.

There were no significant repurchases of common stock for the treasury in fiscal 1995, compared to repurchases of 1.1 million shares at a cost of \$41 million in fiscal 1994.

PART II

ITEM 1. LEGAL PROCEEDINGS

As previously reported, in management's opinion, there are no pending claims or litigation, the outcome of which would have a material effect on the consolidated financial position of the company. Campbell has received a notice of violation from the United States Environmental Protection Agency relating to certain air emission permits at its Sacramento, CA facility. Campbell is disputing the alleged violations. The company has been named as a potentially responsible party in a number of proceedings brought under the Comprehensive Environmental Response, Compensation and Liability Act, commonly known as Superfund. The ultimate impact of these proceedings cannot be predicted at this time due to the large number of other potentially responsible parties, and the speculative nature of clean-up cost estimates, but it is not expected to be material either individually or in the aggregate.

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ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

- a. Campbell's Annual Meeting of Shareowners was held on November 17, 1994.
- c. The matters voted upon and the results of the vote are as follows:
Election of Directors

Name	Number of Shares	
	For	Withheld
Alva A. App	227,215,265	402,770
Robert A. Beck	227,209,930	408,105
Edmund M. Carpenter	227,218,439	399,596
Bennett Dorrance	227,228,488	389,547
John T. Dorrance, III	227,226,856	391,179
Thomas W. Field, Jr.	227,230,165	387,870
David W. Johnson	227,209,140	408,895
Philip E. Lippincott	227,215,331	402,704
Mary Alice Malone	227,227,220	390,815
Charles H. Mott	227,231,681	386,354
Ralph A. Pfeiffer, Jr.	227,215,793	402,242
Donald M. Stewart	227,203,810	414,225
George Strawbridge, Jr.	227,226,526	391,509
Robert J. Vlasic	221,406,438	6,211,597
Charlotte C. Weber	227,225,752	392,283

 For Against Abstentions Broker Non-Votes

Approval of Campbell Soup Company 1994 Long-Term Incentive Plan and conforming amendments to the Campbell Soup Company 1984 Long- Term Incentive Plan	202,098,187	13,198,066	892,441	11,429,341
Approval of the Campbell Soup Company Management Worldwide Incentive Plan	217,657,719	9,046,345	913,971	N/A
Ratification of Appointment of Auditors	226,804,020	307,202	506,813	N/A
Shareowner Proposal Concerning Political Contributions	5,166,368	208,514,747	2,507,579	11,429,341

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ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits

No.

- 3 Campbell Soup Company's Form 8-K, reporting the purchase on January 30, 1995, of the assets and business of Pace Foods Ltd., was filed with the Securities and Exchange Commission on February 9, 1995, and is incorporated herein by reference.
- 4 There is no instrument with respect to long-term debt of the company that involves indebtedness or securities authorized thereunder exceeding 10 percent of the total assets of the company and its subsidiaries on a consolidated basis. The company agrees to file a copy of any instrument or agreement defining the rights of holders of long-term debt of the company upon request of the Securities and Exchange Commission.
- 27 Financial Data Schedule

b. Reports on Form 8-K

There were no reports on Form 8-K filed by Campbell during the quarter for which this report is filed. The Form 8-K relating to the Pace acquisition was filed after the quarter and is described above.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CAMPBELL SOUP COMPANY

Date: March 13, 1995

By:/s/JOHN M. COLEMAN

John M. Coleman, Senior Vice President -
Law and Public Affairs

Date: March 13, 1995

By:/s/FRANK E. WEISE, III

Frank E. Weise, III
Senior Vice President - Finance
and Chief Financial Officer

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Exhibit Number

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Financial Data Schedule

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WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

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