SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the Fiscal Year Ended July 28, 2002	Commission File Number 1-3822

Campbell Soup Company

New Jersey	21-0419870
State of Incorporation	I.R.S. Employer Identification No.

Campbell Place
Camden, New Jersey 08103-1799
Principal Executive Offices

Telephone Number: (856) 342-4800

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Capital Stock, par value $.0375	New York Stock Exchange Philadelphia Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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 ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

As of September 24, 2002, the aggregate market value of capital stock held by non-affiliates of the Registrant was $4,846,726,255. There were 409,847,375 shares of capital stock outstanding as of September 24, 2002.

Portions of the Annual Report to Shareowners for the fiscal year ended July 28, 2002 are incorporated by reference into Parts I and II. Portions of the Notice of Annual Meeting and Proxy Statement dated October 10, 2002, for the Annual Meeting of Shareowners to be held on November 22, 2002, are incorporated by reference into Part III.

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PART I

Item 1. Business

The Company

Campbell Soup Company ("Campbell" or the "company"), together with its consolidated subsidiaries, is the world's largest manufacturer and marketer of soups and a leading manufacturer of juice beverages, sauces, biscuits and confectionery products. Campbell was incorporated as a business corporation under the laws of New Jersey on November 23, 1922; however, through predecessor organizations, it traces its heritage in the food business back to 1869. The company's principal executive offices are in Camden, New Jersey 08103-1799.

Through fiscal 2001, the company operated in three business segments: Soup and Sauces, Biscuits and Confectionery, and Away From Home. Beginning in fiscal 2002, the company changed its organizational structure such that operations are managed and reported in four segments: North America Soup and Away From Home, North America Sauces and Beverages, Biscuits and Confectionery, and International Soup and Sauces. The segments are discussed in greater detail below.

As previously reported, on July 27, 2001, the company announced a series of multi-year investment initiatives designated as the "transformation plan" aimed at strengthening the company's position in the soup, sauces, beverages and indulgent snack categories, both in the United States and internationally. These initiatives continue, with a majority of the investment focused on the company's U.S. soup business. The initiatives are designed to improve product quality, increase marketing and accelerate innovation. They have resulted in, among other things, increased spending on total marketing, capital improvements, systems infrastructure and research and development. The company expects to continue implementing these initiatives through fiscal year 2003 and beyond. For more information on the impact of these initiatives on the company's financial condition and results of operations, see "Management's Discussion and Analysis of Results of Operations and Financial Condition" and the company's Consolidated Financial Statements (and the Notes thereto) at pages 23 through 49 of the company's 2002 Annual Report to Shareowners for the fiscal year ended July 28, 2002 ("2002 Annual Report"), which is incorporated herein by reference.

On October 1, 2001, Pepperidge Farm, Incorporated, a leading provider of premium quality baked goods, cookies and crackers and one of the company's wholly-owned subsidiaries, announced plans to build a new bakery in the greater Hartford area of Connecticut. The new facility will produce breads, rolls and stuffing to meet the demand for baked goods in the Northeastern United States. Construction of the new facility is progressing, and it is expected to start operations in 2003. The new facility will replace Pepperidge Farm's existing Norwalk, Connecticut bakery.

On June 4, 2002, the company announced that its Australian subsidiary, Arnotts Biscuits Holdings Pty Ltd, had agreed to acquire by way of a cash tender offer all of the shares of Snack Foods Limited, a leader in the Australian salty snack category, for approximately $145 million. On July 30, 2002, the company announced that Arnotts Holding had received acceptances for more than 90 percent of the shares of Snack Foods. The tendered shares were purchased in August of 2002. Under Australian corporate law, once Arnott's Holding acquired 90 percent of Snack Foods, it was entitled to acquire the remaining outstanding shares regardless of whether they were tendered into the offer. Arnotts

Holdings acquired the remaining outstanding shares on September 20, 2002 and now owns 100% of the outstanding shares of Snack Foods.

On June 28, 2002, the company announced that it has agreed to purchase Ireland's second largest dry soup business, Erin Foods, from Greencore Group plc for approximately $26 million. The Erin Foods purchase agreement also includes William Rodgers Foods, a private label supplier in the United Kingdom. The acquisition closed on September 20, 2002.

See also "Management's Discussion and Analysis of Results of Operations and Financial Condition" and the company's Consolidated Financial Statements (and the Notes thereto) at pages 23 through 49 of the company's 2002 Annual Report, which is incorporated herein by reference.

North America Soup and Away From Home

The North America Soup and Away From Home segment comprises the retail soup and Away From Home business in the U.S. and Canada. The U.S. retail business includes the *Campbell's* brand condensed and ready-to-serve soups and *Swanson* broths. The segment includes the company's total business in Canada, which comprises *Habitant* and *Campbell's* soups, *Prego* pasta sauce and *V8* juices. The Away From Home operations represent the distribution of products such as *Campbell's* soups, *Campbell's* specialty entrees, beverage products, other prepared foods and *Pepperidge Farm* through various food service channels.

North America Sauces and Beverages

The North America Sauces and Beverages segment includes *Prego* pasta sauces, *Pace* Mexican sauces, *Franco-American* canned pastas and gravies, *V8* vegetable juices, *V8 Splash* juice beverages, *Campbell's* tomato juice and the total of all businesses in Mexico and other Latin American countries. As a means to leverage its resources, the company operates this segment and the North America Soup and Away From Home operations under an integrated supply chain organization, sharing substantially all manufacturing, warehouse, distribution and sales activities.

Biscuits and Confectionery

The Biscuits and Confectionery segment includes *Pepperidge Farm* cookies, crackers, breads and frozen products in North America, *Arnott's* biscuits and crackers in Australia and Asia/Pacific and *Godiva* chocolates worldwide. In addition, following the acquisition of Snack Foods in early fiscal 2003, the segment includes Snack Foods' salty snack food products.

International Soup and Sauces

The International Soup and Sauces segment comprises operations outside of North America, including *Erasco* and *Heisse Tasse* soups in Germany, *Liebig* and *Royco* soups and *Lesieur* sauces in France, *Campbell's* and *Batchelors* soups, *Oxo* stock cubes and *Homepride* sauces in the United Kingdom, *Devos Lemmens* mayonnaise and cold sauces, and *Campbell's* and *Royco* soups in Belgium, and *Blå Band* and *McDonnells* soups in Sweden and Ireland, respectively. In Asia/Pacific, operations include *Campbell's* soup and stock and *Swanson* broths across the region.

Ingredients

The ingredients required for the manufacture of the company's food products are purchased from various suppliers. While all such ingredients are available from numerous independent suppliers, raw materials are subject to fluctuations in price attributable to a number of factors, including changes in crop size, cattle cycles, government-sponsored agricultural programs and weather conditions during the growing and harvesting seasons. Ingredient inventories are at a peak during the late fall and decline during the winter and spring. Since many ingredients of suitable quality are available in sufficient quantities only at certain seasons, the company makes commitments for the purchase of such ingredients during their respective seasons. In spite of the foregoing, the company does not anticipate any material restrictions on availability or shortages of ingredients that would have a significant impact on the company's businesses.

Customers

In the United States, sales solicitation activities are conducted by the company's own sales force and through broker and distributor arrangements. The company's products are generally resold to consumers in retail food chains, mass discounters, club stores and other retail establishments. Shipments are made promptly by the company after receipt and acceptance of orders.

The company's largest customer, Wal-Mart Stores, Inc. and its affiliates, accounted for approximately 12% of the company's consolidated net sales during fiscal 2002. All of the company's segments sold products to Wal-Mart Stores, Inc. and its affiliates.

Trademarks And Technology

Trademarks are considered to be of material importance to the company's business. Principal trademarks include *Campbell's*, *Erasco*, *Liebig*, *Pepperidge Farm*, *V8*, *V8 Splash*, *Pace*, *Prego*, *Swanson*, *Franco-American*, *Homepride*, *Arnott's*, *Godiva*, *Batchelors*, *Devos Lemmens, Oxo*, *Lesieur*, *Royco*, *Heisse Tasse*, *Lacroix*, *Fray Bentos*, *Blå Band*, and *McDonnells*. The company's rights in these trademarks endure for as long as they are used or registered, except with respect to *Lesieur*, which the company has licensed through 2014 with options at the company's discretion to extend beyond that date.

Although the company owns a number of valuable patents, it does not regard any segment of its business as being dependent upon any single patent or any group of related patents.

Competition

The company experiences intense worldwide competition in all of its principal products. This competition arises from numerous competitors of varying sizes, including producers of generic and private label products, as well as from manufacturers of other food products, which compete for trade merchandising support and consumer dollars. As such, the number of competitors cannot be reliably estimated. The principal areas of competition are brand recognition, quality, price, advertising, promotion and service.

Working Capital

For information relating to the company's cash and other working capital items, see pages 23 through 31 of the company's 2002 Annual Report in the section entitled "Management's Discussion and Analysis of

Results of Operations and Financial Condition", which are incorporated herein by reference.

Research And Development

During the last three fiscal years, the company's expenditures on research activities relating to new products and the improvement of existing products were approximately $77 million in 2002, $63 million in 2001 and $64 million in 2000. The increase in research and development spending in 2002 is consistent with the previously announced investment initiatives. The company conducts this research primarily at its headquarters in Camden, New Jersey, although important research is also undertaken in various other locations inside and outside of the United States.

Environmental Matters

The company has programs for the operation and design of its facilities that meet or exceed applicable environmental rules and regulations. The company's expenditures for capital improvements during fiscal 2002 were approximately $269 million, of which approximately $7 million was for compliance with environmental laws and regulations in the United States. The company further estimates that approximately $9 million of the capital expenditures anticipated during fiscal 2003 will be for compliance with such environmental laws and regulations. The company believes that continued compliance with existing environmental laws and regulations will not have a material effect on capital expenditures, earnings, or the competitive position of the company. Additional information regarding the company's environmental matters is set forth in Part I, Item 3 of this report on pages 7 and 8 under the heading "Legal Proceedings."

Employees

At July 28, 2002, there were approximately 25,000 persons employed by the company.

Financial Information

For information with respect to revenue, operating profitability and identifiable assets attributable to the company's business segments and geographic areas, see pages 38 through 39 of the 2002 Annual Report in the section of the Notes to Consolidated Financial Statements entitled "Business and Geographic Segment Information," which are incorporated herein by reference.

Cautionary Factors that May Affect Future Results

From time to time, the company makes oral and written statements that reflect the company's current expectations regarding future results of operations, economic performance, financial condition and achievements of the company. The company tries, wherever possible, to identify these forward looking statements by using words such as "anticipate," "believe," "estimate," "expect," "will" and similar expressions in conjunction with, among other things, discussions of the company's "transformation plan." One can also identify them by the fact that they do not relate strictly to historical or current facts. These statements reflect the company's current plans and expectations and are based on information currently available to it. They rely on a number of assumptions regarding future events and estimates which could be inaccurate and which are inherently subject to risks and uncertainties.

Campbell wishes to caution the reader that the following important factors and those important factors described in other Securities and Exchange Commission filings of the company, or in the company's 2002 Annual Report, could affect the company's actual results and could cause such results to vary materially from the stated goals expressed in any forward-looking statements made by, or on behalf of, the company:

- the company's ability to achieve the goals of its "transformation plan";
- the impact of strong competitive response to the company's efforts to leverage its brand power with product innovation, promotional programs and new advertising, and of changes in consumer demand for the company's products;
- the risks in the marketplace associated with trade and consumer acceptance of product improvements and new product introductions;
- the company's ability to achieve sales and earnings forecasts, which are based on assumptions about sales volume and product mix and the impact of increased marketing investments;
- the company's ability to realize forecasted cost savings, including the projected outcome of global supply chain management programs;
- the difficulty of predicting the pattern of inventory movements by the company's trade customers;
- the impact of unforeseen economic changes in currency exchange rates, interest rates, equity markets, inflation rates, recession and other external factors over which the company has no control, including the possibility of increased pension expense and contributions resulting from continued decline in stock market returns; and
- the impact of unforeseen business disruptions in one or more of the company's markets due to political instability, civil disobedience, armed hostilities or other calamities.

This discussion of uncertainties is by no means exhaustive, but is designed to highlight important factors that may impact the company's outlook. The company disclaims any obligation or intent to update any forward-looking statements made by the company in order to reflect new information, events or circumstances after the date they are made.

Item 2. Properties

The company's principal executive offices and main research facilities are company-owned and located in Camden, New Jersey. The following table sets forth the company's principal manufacturing facilities:

Principal Manufacturing Facilities

Inside the U.S		Outside the U.S	
California	***Ohio***	***Australia***	***Germany***
• Dixon	• Napoleon	• Huntingwood	• Luebeck
• Sacramento	• Wauseon	• Marleston	• Gerwisch
• Stockton	• Willard	• Shepparton	***Indonesia***
Connecticut	***Pennsylvania***	• Virginia	• Jawa Barat
• Norwalk	• Denver	***Belgium***	***Ireland***
Florida	• Downingtown	• Puurs	• Drogheda
• Lakeland	• Reading	• Brussels	***Malaysia***
Illinois	***South Carolina***	***Canada***	• Selangor Darul Ehsan
• Downers Grove	• Aiken	• Listowel	***Mexico***
Michigan	***Texas***	• Toronto	• Villagran
• Marshall	• Paris	***United Kingdom***	• Guasave
New Jersey	***Utah***	• Ashford	***Netherlands***
• South Plainfield	• Richmond	• King's Lynn	• Utrecht
North Carolina	***Washington***	• Worksop	***Papua New Guinea***
• Maxton	• Woodinville	***France***	• Gordons
	Wisconsin	• LePontet	• Malahang Lae
	• Milwaukee	• Dunkirk	***Sweden***
			• Kristianstadt

Each of the foregoing manufacturing facilities is company-owned, except that the Utrecht, Netherlands facility, the Woodinville, Washington facility and portions of the Ashford, United Kingdom facility are subject to long-term leases. The company also operates retail confectionery shops in the United States, Canada, Europe and Asia; retail bakery thrift stores in the United States; and other plants, facilities and offices at various locations in the United States and abroad.

Management believes that the company's manufacturing and processing plants are well maintained and are generally adequate to support the current operations of the businesses.

Item 3. Legal Proceedings

As previously reported, ten purported class action lawsuits were commenced against the company and certain of its officers in the United States District Court for the District of New Jersey. The lawsuits were subsequently consolidated, and an amended consolidated complaint was filed alleging, among other things, that the company and certain of its officers misrepresented the company's financial condition between September 8, 1997 and January 8, 1999, by failing to disclose alleged shipping and revenue recognition practices in connection with the sale of certain company products at the end of the company's fiscal quarters in violation of Section 10 (b) and 20 (a) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5 promulgated thereunder. The actions seek compensation and other damages, and costs and expenses associated with the litigation. The company believes the action is without merit and intends to defend the case vigorously.

As also previously reported, the United States Environmental Protection Agency (the "EPA") sent the company a special notice letter dated September 28, 2000 relating to the Puente Valley Operable Unit of the San Gabriel Valley Superfund Sites, Los Angeles County, California (the "Site") for property located at 125 N. Orange Avenue, Industry, California, advising that the EPA considers the company to be a potentially responsible party due to the alleged release or threatened release of hazardous substances, and therefore, potentially responsible for the costs incurred in connection with contamination at the Site. In July 2002, the company entered into a settlement agreement with another potentially responsible party regarding implementation of an EPA required interim remedy for the Site. Under the agreement, the company paid under $2,000,000 to the other party, in return for which, among other things, the other party agreed to implement the interim remedy and to negotiate a consent decree with the EPA that would provide certain legal protections to the company from non-settling third parties. While it is possible that additional remedies may be required in the future, such possible future requirements are not expected to have a material effect on the consolidated results of operations, financial position, or cash flows of the company.

As also previously reported, on March 30, 1998, the company effected a spinoff of several of its non-core businesses to Vlasic Foods International Inc. ("VFI"). VFI and several of its affiliates (collectively, "Vlasic") commenced cases under Chapter 11 of the Bankruptcy Code on January 29, 2001 in the United States Bankruptcy Court for the District of Delaware. Vlasic's Second Amended Joint Plan of Distribution under Chapter 11 (the "Plan") was confirmed by an order of the Bankruptcy Court dated November 16, 2001, and became effective on or about November 29, 2001. The Plan provides for the assignment of various causes of action allegedly belonging to the Vlasic estates, including claims against the company allegedly arising from the spinoff, to VFB LLC, a limited liability company ("VFB") whose membership interests are to be distributed under the Plan to Vlasic's general unsecured creditors.

On February 19, 2002, VFB commenced a lawsuit against the company and several of its subsidiaries in the United States District Court for the District of Delaware alleging, among other things, fraudulent conveyance, illegal dividends and breaches of fiduciary duty by Vlasic directors alleged to be under the company's control. The lawsuit seeks to hold the company liable in an amount necessary to satisfy all unpaid claims against Vlasic (which VFB estimates in the complaint to be $250,000,000), plus unspecified exemplary and punitive damages. While this case is still in its early stages and the ultimate disposition of complex litigation is inherently difficult to assess, the company believes the action is without merit and intends to defend the case vigorously.

Item 4. Submission Of Matters To A Vote Of Security Holders

None.

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Executive Officers Of The Company

The following list of executive officers as of October 1, 2002, is included as an item in Part III of this Form 10-K:

Name	*Present Title*	*Age*	*Date First Elected Officer*
Douglas R. Conant	President and Chief Executive Officer	51	2001
Jerry S. Buckley	Senior Vice President – Public Affairs	47	1997
John Doumani	Vice President President – Campbell International	45	2002
James A. Goldman	Vice President President – North American Sauces and Beverages	44	2001
M. Carl Johnson, III	Senior Vice President and Chief Strategy Officer– Strategic Planning	54	2001
Ellen Oran Kaden	Senior Vice President – Law and Government Affairs	51	1998
Gerald S. Lord	Vice President – Controller	56	1993
Larry S. McWilliams	Senior Vice President Chief Customer Officer Interim President – North American Soup	46	2001
Patrick O'Malley	Senior Vice President – Global Operations Interim Senior Vice President – Global Supply Chain	53	2001
Mark A. Sarvary	Vice President President – Pepperidge Farm	43	2002

Robert A. Schiffner	Senior Vice President and Chief Financial Officer	52	2001
Doreen A. Wright	Senior Vice President and Chief Information Officer Interim Senior Vice President – Human Resources	45	2001

Douglas R. Conant served as President of Nabisco Foods Company (1995 – 2001) prior to joining Campbell in 2001. John Doumani served as a Managing Director of Goodman Fielder Limited (1997 – 1999) and as a Managing Director of Johnson and Johnson Australia Pty Ltd (1994 – 1997) prior to joining Campbell in 1999. James A. Goldman served as President – Lifesavers Candy Company (1998 – 2001) and President – Nabisco Margarine Company (1996 – 1998) of Nabisco, Inc. prior to joining Campbell in 2001. M. Carl Johnson, III served as Executive Vice President and President, New Meals Division, Kraft Foods, N.A. (1997 – 2001), Executive Vice President and General Manager, Meals Division, Kraft Foods, N.A. (1995 – 1997) and Member of Kraft Foods Operating Committee (1995 – 2001) prior to joining Campbell in 2001. Ellen Oran Kaden served as Executive Vice President, General Counsel and Secretary (1994 – 1998) of CBS Inc. prior to joining Campbell in 1998. Larry S. McWilliams served as Senior Vice President and General Manager, U.S. Business (1998 – 2001) and Senior Vice President, Sales (1995 – 1998) of The Minute Maid Company prior to joining Campbell in 2001. Patrick O'Malley served as Senior Vice President, Operations (1998 – 2001), Vice President, Procurement USFG (1997 – 1998), and Senior Director, Operations, Planters (1996 – 1998) of Nabisco, Inc. prior to joining Campbell in 2001. Mark A. Sarvary served as Chief Executive Officer, J. Crew Group (1999 – 2002), and President/General Manager, Frozen Foods (1997 — 1999) of Nestle USA, prior to joining Campbell in 2002. Robert A. Schiffner served as Senior Vice President and Treasurer, Nabisco Holdings Corp. (1998 – 2001) and Senior Vice President and Controller, Nabisco Holdings Corp. (1995 – 1997) of Nabisco, Inc. prior to joining Campbell in 2001. Doreen A. Wright served as Executive Vice President and Chief Information Officer of Nabisco, Inc. (1999 – 2001) and Senior Vice President – Operations and Systems, Prudential Investments (1995 – 1998) prior to joining Campbell in 2001. Jerry S. Buckley and Gerald S. Lord have been employed by the company in an executive or managerial capacity for at least five years.

There is no family relationship among any of the company's executive officers or between any such officer and any director of Campbell. All of the executive officers were elected at the November 2001 meeting of the Board of Directors, except that John Doumani and Mark Sarvary were elected at the September 2002 meeting. The election of executive officers will take place again at the November 2002 meeting of the Board of Directors.

PART II

Item 5. Market For Registrant's Common Stock And Related Shareowner Matters

Campbell's capital stock is listed and principally traded on the New York Stock Exchange. Campbell's capital stock is also listed and traded on the Philadelphia Stock Exchange, the International Stock Exchange of the United Kingdom and the Republic of Ireland Limited and the Swiss Exchange. On

September 24, 2002, there were 34,531 holders of record of Campbell's capital stock. The market price and dividend information with respect to Campbell's capital stock are set forth on page 47 of the 2002 Annual Report in the section of the Notes to Consolidated Financial Statements entitled "Quarterly Data (unaudited)", which is incorporated herein by reference. Future dividends will be dependent upon future earnings, financial requirements and other factors.

Item 6. Selected Financial Data

The information presented on page 50 of the 2002 Annual Report in the section entitled "Five-Year Review — Consolidated" is incorporated herein by reference. Such information should be read in conjunction with the Consolidated Financial Statements and Notes thereto of the company included in Item 8 of this Report.

Item 7. Management's Discussion And Analysis Of Results Of Operations And Financial Condition

The information presented on pages 23 through 31 of the 2002 Annual Report in the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Condition" is incorporated herein by reference.

Item 7A. Quantitative And Qualitative Disclosures About Market Risk

The information presented on pages 28 through 29 of the 2002 Annual Report in the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Condition – Market Risk Sensitivity" is incorporated herein by reference.

Item 8. Financial Statements

The information presented on pages 32 through 49 of the 2002 Annual Report is incorporated herein by reference. With the exception of the aforementioned information and the information incorporated by reference in Items 1, 5, 6, 7, and 7A, the 2002 Annual Report is not deemed to be filed as part of this Form 10-K.

Item 9. Changes In And Disagreements With Accountants On Accounting And Financial Disclosure

None.

PART III

Item 10. Directors And Executive Officers Of The Registrant

The sections entitled "Election of Directors" and "Directors and Executive Officers Stock Ownership Reports" set forth on pages 1 through 4 and page 26 of Campbell's Notice of Annual Meeting and Proxy Statement dated October 10, 2002 (the "2002 Proxy Statement") are incorporated herein by reference.

Certain of the information required by this Item relating to the executive officers of Campbell is set forth in Part I of this Report on pages 9 through 10 under the heading “Executive Officers of the Company.”

Item 11. Executive Compensation

The information presented on pages 15 through 25 of the 2002 Proxy Statement in the section entitled “Compensation of Executive Officers” and on page 8 of the 2002 Proxy Statement in the section entitled “Director Compensation” is incorporated herein by reference.

Item 12. Security Ownership Of Certain Beneficial Owners And Management

(a) The information presented on pages 5 through 7 of the 2002 Proxy Statement in the sections entitled “Security Ownership of Directors and Executive Officers” and “Security Ownership of Certain Beneficial Owners” is incorporated herein by reference.

(b) The following table provides information about the company’s capital stock that may be issued under equity compensation plans as of July 28, 2002:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column) (c)
Equity Compensation Plans Approved by Security Holders (1)	30,005,994	$ 28.21	14,587,162
Equity Compensation Plans Not Approved by Security Holders (2)	783,106	N/A	N/A
Total	30,789,100	N/A	14,587,162

(1) Column (a) represents stock options granted under the 1994 Long-Term Incentive Plan and the 1984 Long-Term Incentive Plan. No additional awards can be made under the 1984 Long-Term

Incentive Plan. Column (c) represents the maximum amount of future equity awards that can be made under the 1994 Long-Term Incentive Plan, which may take the form of stock options, stock appreciation rights, performance unit awards, restricted stock or stock awards.

(2) The company's Deferred Compensation Plan (the "Plan") allows participants the opportunity to invest in various book accounts, including a book account that tracks the performance of the company's stock (the "Stock Account"). Upon distribution, participants may receive the amounts invested in the Stock Account in the form of shares. Column (a) represents the maximum number of shares that could be issued upon a complete distribution of all amounts in the Stock Account. This calculation is based upon the amount of funds in the Stock Account as of July 28, 2002 and a $22.50 share price, which was the closing price of a share of company stock on July 26, 2002 (the last business day before July 28, 2002).

Deferred Compensation Plan

The Plan was approved by the Compensation and Organization Committee of the Board of Directors. The Plan is an unfunded plan maintained for the purpose of providing the company's directors and certain of its executives the opportunity to defer a portion of their compensation. Plan participants may defer a portion of their base salaries and all or a portion of their annual incentive compensation, long-term incentive awards, certain stock option gains and director retainers and fees.

Each participant's contributions to the Plan are credited to an investment account in the participant's name. Gains and losses in the participant's account are based on the performance of the investment choices the participant has selected. Four investment choices are available, including the Stock Account.

A participant may reallocate his or her investment account daily among the four investment choices, except that (i) stock option gains must be invested in the Stock Account, (ii) restricted stock awards must be invested in the Stock Account during the restriction period and (iii) reallocations of the Stock Account must be made in compliance with the company's policies on trading company stock. Dividends on amounts invested in the Stock Account may be reallocated among the four investment accounts.

The company credits a participant's account with an amount equal to the matching contribution that the company would have made to the participant's 401(k) Plan account if the participant had not deferred compensation under the Plan. In addition, for those individuals whose base salary and annual incentive compensation exceed the Internal Revenue Service indexed compensation limit for the 401(k) Plan, the company credits such individual's account with an amount equal to the contribution the company would have made to the 401(k) Plan but for the compensation limit. These company contributions vest in 20% increments over the next five (5) years.

The Plan administrator has established procedures covering the payment of a participant's account upon the participant's termination, retirement or death. The Plan administrator has also established procedures for hardship withdrawals and unplanned withdrawals (with a penalty). In the event of a change in control of the company, the Stock Account is automatically converted into cash based upon a formula provided in the Plan.

Item 13. Certain Relationships And Related Transactions

The information presented on page 11 of the 2002 Proxy Statement in the section entitled "Certain Relationships and Related Transactions" is incorporated herein by reference.

Item 14. Controls and Procedures

Not applicable.

PART IV

Item 15. Exhibits, Financial Statement Schedules And Reports On Form 8-K

(a) The following documents are filed as part of this report:

1. Financial Statements

- Consolidated Statements of Earnings for 2002, 2001 and 2000
- Consolidated Balance Sheets as of July 28, 2002 and July 29, 2001
- Consolidated Statements of Cash Flows for 2002, 2001 and 2000
- Consolidated Statements of Shareowners' Equity (Deficit) for 2002, 2001 and 2000
- Notes to Consolidated Financial Statements
- Report of Independent Accountants
- The foregoing Financial Statements are incorporated into Part II, Item 8 of this Report by reference to pages 32 through 49 of the 2002 Annual Report.

2. Financial Statement Schedules

None.

3. Exhibits

3(i) Campbell's Restated Certificate of Incorporation as amended through February 24, 1997.

3(ii) Campbell's By-Laws, effective as of March 23, 2000, were filed with the Securities and Exchange Commission ("SEC") with Campbell's Form 10-Q for the quarterly period ended April 30, 2000, and are incorporated herein by reference.

4(i) With respect to Campbell's 6.75% notes due 2011, the form of Indenture between Campbell and Bankers Trust Company, as Trustee, and the associated form of security were filed with Campbell's Registration Statement No. 333-11497, and are incorporated herein by reference.

4(ii) Except as described in 4(i) above, 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 SEC.

9 Major Stockholders' Voting Trust Agreement dated June 2, 1990, as amended, was filed with the SEC by (i) Campbell as Exhibit 99.C to Campbell's Schedule 13E-4 filed on September 12, 1996, and (ii) with respect to certain subsequent amendments, the Trustees of the Major Stockholders' Voting Trust as Exhibit 99.G to Amendment No. 7 to their Schedule 13D dated March 3, 2000, and as Exhibit 99.M to Amendment No. 8 to their Schedule 13D dated January 26, 2001, and as Exhibit 99.P to Amendment No. 9 to their Schedule 13D dated September 30, 2002, and is incorporated herein by reference.

10(a) Campbell Soup Company 1984 Long-Term Incentive Plan, as amended on March 30, 1998, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended August 2, 1998, and is incorporated herein by reference.

10(b) Campbell Soup Company 1994 Long-Term Incentive Plan as amended on November 17, 2000, was filed with the SEC with Campbell's 2000 Proxy Statement, and is incorporated herein by reference.

10(c) Campbell Soup Company Management Worldwide Incentive Plan, as amended on November 17, 2000, was filed with the SEC with Campbell's 2000 Proxy Statement, and is incorporated herein by reference.

10(d) Campbell Soup Company Mid-Career Hire Pension Program, amended effective as of January 25, 2001, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended July 29, 2001, and is incorporated herein by reference.

10(e) Deferred Compensation Plan, effective November 18, 1999, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended July 30, 2000, and is incorporated herein by reference.

10(f) Severance Protection Agreement dated January 8, 2001, with Douglas R. Conant, President and Chief Executive Officer, was filed with the SEC with Campbell's Form 10-Q for the fiscal quarter ended January 28, 2001, and is incorporated herein by reference. Agreements with the other executive officers listed in Part I of this Report on pages 9 through 10 under the heading "Executive Officers of the Company" are in all material respects the same as Mr. Conant's agreement.

10(g) Employment agreement between the company and Douglas R. Conant dated January 8, 2001, was filed with the SEC with Campbell's Form 10-Q for the quarterly period ended January 28, 2001, and is incorporated herein by reference.

10(h) Agreement between the company and Andrew K. Hughson dated September 30, 2002.

13 Pages 23 through 50 of Campbell's 2002 Annual Report to Shareowners for the fiscal year ended July 28, 2002.

21 Subsidiaries (Direct and Indirect) of the company.

23 Consent of Independent Accountants.

24 Power of Attorney.

(b) Reports on Form 8-K

None

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Campbell has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: October 11, 2002

CAMPBELL SOUP COMPANY

By: /s/ Robert A. Schiffner

Robert A. Schiffner
Senior Vice President
and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Campbell and in the capacity and on the date indicated.

Date: October 11, 2002

/s/ Robert A. Schiffner	/s/ Gerald S. Lord
Robert A. Schiffner Senior Vice President and Chief Financial Officer	Gerald S. Lord Vice President — Controller

George M. Sherman	Chairman and Director	}	
Douglas R. Conant	President, Chief Executive Officer and Director	}	
Alva A. App	Director	}	
Edmund M. Carpenter	Director	}	
Bennett Dorrance	Director	}	
Thomas W. Field, Jr.	Director	}	
Kent B. Foster	Director	}	
Harvey Golub	Director	}	
David K. P. Li	Director	}	By: /s/ Ellen Oran Kaden
Philip E. Lippincott	Director	}	Ellen Oran Kaden
Mary Alice D. Malone	Director	}	Senior Vice President -
Charles H. Mott	Director	}	Law and Government Affairs
Charles R. Perrin	Director	}	
Donald M. Stewart	Director	}	
George Strawbridge, Jr.	Director	}	
Charlotte C. Weber	Director	}	

CERTIFICATIONS

I, Douglas R. Conant, certify that:

1. I have reviewed this annual report on Form 10-K of Campbell Soup Company;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report; and

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report.

Date: October 11, 2002

By: /s/ Douglas R. Conant

Douglas R. Conant
President and Chief Executive Officer

I, Robert A. Schiffner, certify that:

1. I have reviewed this annual report on Form 10-K of Campbell Soup Company;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report; and

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report.

Date: October 11, 2002

By: /s/ Robert A. Schiffner

Robert A. Schiffner
Senior Vice President and
Chief Financial Officer

EXPLANATORY NOTE REGARDING CERTIFICATIONS: Representations 4, 5 and 6 of the Certifications as set forth in Form 10-K have been omitted, consistent with the Transition Provisions of SEC Exchange Act Release No. 34-46427, because this Annual Report on Form 10-K covers a period ending before the effective date of Rules 13a-14 and 15d-14.

INDEX OF EXHIBITS

Document

3(i)	Campbell's Restated Certificate of Incorporation as amended through February 24, 1997.
3(ii)	Campbell's By-Laws, effective as of March 23, 2000, were filed with the SEC with Campbell's Form 10-Q for the quarterly period ended April 30, 2000, and are incorporated herein by reference.
4(i)	With respect to Campbell's 6.75% notes due 2011, the form of Indenture between Campbell and Bankers Trust Company, as Trustee, and the associated form of security were filed with Campbell's Registration Statement No. 333-11497, and are incorporated herein by reference.
4(ii)	Except as described in 4(i) above, 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 SEC.
9	Major Stockholders' Voting Trust Agreement dated June 2, 1990, as amended, was filed with the SEC by (i) Campbell as Exhibit 99.C to Campbell's Schedule 13E-4 filed on September 12, 1996, and (ii) with respect to certain subsequent amendments, the Trustees of the Major Stockholders' Voting Trust as Exhibit 99.G to Amendment No. 7 to their Schedule 13D dated March 3, 2000, and as Exhibit 99.M to Amendment No. 8 to their Schedule 13D dated January 26, 2001, and as Exhibit 99.P to Amendment No. 9 to their Schedule 13D dated September 30, 2002, and is incorporated herein by reference.
10(a)	Campbell Soup Company 1984 Long-Term Incentive Plan, as amended on March 30, 1998, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended August 2, 1998, and is incorporated herein by reference.
10(b)	Campbell Soup Company 1994 Long-Term Incentive Plan as amended on November 17, 2000, was filed with the SEC with Campbell's 2000 Proxy Statement, and is incorporated herein by reference.
10(c)	Campbell Soup Company Management Worldwide Incentive Plan, as amended on November 17, 2000, was filed with the SEC with Campbell's 2000 Proxy Statement, and is incorporated herein by reference.
10(d)	Campbell Soup Company Mid-Career Hire Pension Program, as amended effective as of January 25, 2001, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended July 29, 2001, and is incorporated herein by reference.

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10(f)	Severance Protection Agreement dated January 8, 2001, with Douglas R. Conant, President and Chief Executive Officer, was filed with the SEC with Campbell’s Form 10-Q for the fiscal quarter ended January 28, 2001, and is incorporated herein by reference. Agreements with the other executive officers listed in Part I of this Report on pages 9 through 10 under the heading “Executive Officers of the Company” are in all material respects the same as Mr. Conant’s agreement.
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21	Subsidiaries (Direct and Indirect) of Campbell.
23	Consent of Independent Accountants.
24	Power of Attorney.

EXHIBIT 3(i)

INCORPORATED IN NEW JERSEY

RESTATED CERTIFICATE OF INCORPORATION

As Restated December 1, 1980, and as amended through February 24, 1997

RESTATED CERTIFICATE OF INCORPORATION
OF
CAMPBELL SOUP COMPANY

FIRST. The name of the corporation is:

CAMPBELL SOUP COMPANY

SECOND. The address of the corporation's registered office is Campbell Place, Camden, New Jersey 08101. The name of the corporation's registered agent at such address, upon whom process against the corporation may be served, is John J. Furey.

THIRD. The purposes for which the corporation is organized are to engage in any or all activities within the purposes for which corporations now or at any time hereafter may be organized under the New Jersey Business Corporation Act and under all amendments and supplements thereto, or any revision thereof or any statute enacted to take the place thereof, including but not limited to the following:

(1) To do all kinds of agricultural, communications, construction, farming, food, mining, manufacturing, marketing, publishing, sales, service,

trading, transportation and warehousing business; and to acquire, use, sell and grant licenses with respect to copyrights, trademarks, patents and other intellectual property.

(2) To engage in any activities encompassed within this Article Third directly or through or with one or more subsidiaries, general or limited partnerships, joint ventures, other incorporated or unincorporated associations or entities, or individuals and to take any and all acts deemed appropriate to promote the interests thereof; and

(3) To exercise as a purpose or purposes each power granted to corporations by the New Jersey Business Corporation Act or by any amendment or supplement thereto or by any statute enacted to take the place thereof, insofar as such powers authorize or may hereafter authorize corporations to engage in activities.

FOURTH. The aggregate number of shares which the corporation has authority to issue is 600,000,000, consisting of 560,000,000 shares of Capital Stock, $0.0375 par value, and 40,000,000 shares of Preferred Stock issuable in one or more classes and series of any class. The shares of Preferred Stock of each class shall be without par value unless the amendment creating the class provides for a par value.

The designations, relative voting, dividend, liquidation and other rights, preferences and limitations of the Preferred Stock and Capital Stock of the corporation, and the authority of the

board of directors to divide the shares of the Preferred Stock in to classes or series and to determine and change the relative rights, preferences and limitations of any such class or series are as follows:

A. PREFERRED STOCK

(1) The board of directors is expressly authorized to adopt and to cause to be executed and filed, without further approval of the stockholders, an amendment or amendments to this Restated Certificate of Incorporation to divide any unissued shares of Preferred Stock into one or more classes and into series within any class or classes of Preferred Stock, to authorize the issuance of such shares for such consideration (not less than par value in the case of shares having a par value) as the board of directors may determine, and to determine in any one or more respects from time to time before issuance of such unissued shares;

(a) the distinctive designation of such class or series and the number of shares to constitute such class or series and whether shares of such class are to have a par value and the par value of any shares which are to have a par value, provided that, unless otherwise stated in any such resolution or resolutions, such number of shares may be increased or decreased by the board of directors;

(b) the annual dividend rate on the shares of such class or series and the date or dates from which dividends shall accumulate thereon as herein provided;

(c) the times of redemption of the shares of such class or series and the prices which the holders of shares of such class or series shall be entitled to receive upon the redemption thereof, which prices may vary at different redemption dates and may also be different with respect to shares redeemed through the operation of any retirement or sinking fund than with respect to shares otherwise redeemed;

(d) the amount which the holders of shares of such class or series shall be entitled to receive upon the voluntary or involuntary liquidation, dissolution, or winding up of the corporation;

(e) whether or not the shares of such class or series shall be subject to the operation of a purchase or sinking fund, and, if so, the extent to and manner in which the fund shall be applied to the purchase or redemption of the shares of such class or series for retirement or for other corporate purposes and the terms and provisions relative to the operation thereof;

(f) whether or not the shares of such class or series shall, at the option of the holder or the corporation or both, be convertible into, or exchangeable for shares of stock of any other class or series, and if so convertible or exchangeable, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same; and

(g) such other preferences, rights, restrictions and qualifications as shall not be inconsistent herewith and as are permitted by the New Jersey Business Corporation Act.

(2) The board of directors is expressly authorized to determine voting rights for the holders of the shares of any class or series of Preferred Stock, provided that the voting rights shall be limited to any or all of the following:

(a) the right to elect, voting as a class, a maximum of two directors upon default of the equivalent of six quarterly dividends, whether or not the defaulted dividends occurred in consecutive periods, and such right will remain in effect until cumulative dividends have been paid in full or until non-cumulative dividends have been paid regularly for at least one year;

(b) the right to approve, by at least a majority of the outstanding shares of the class or classes of Preferred Stock affected, any increase in the authorized number of shares of such class or classes or the creation of a class of equal rank;

(c) the right to approve, by at least two-thirds of the outstanding shares of Preferred Stock, the creation of a senior equity security, provided that the board of directors may create a senior equity security without such stockholder vote if (i) stockholders authorized such action by the board of directors at the time the existing class of Preferred Stock was created or (ii) the holders of shares of the existing class of Preferred Stock previously received adequate notice of the redemption thereof, which redemption must occur within 90 days, unless all or part of the existing issue is being retired with proceeds from the sale of the new senior equity security; and

(d) the right to approve, by at least two-thirds of the outstanding shares of the class of Preferred Stock affected, the adoption of any amendment to the Restated Certificate of Incorporation or the by-laws that would materially change existing terms of such class of Preferred Stock, provided that if all series of a class of Preferred Stock are not equally affected by such amendment, then such amendment shall receive the approval of two-thirds of the outstanding shares of the class and, in addition, two-thirds of the outstanding shares of the series that will have a diminished status.

(3) The board of directors may also change the designation or number of shares or the relative rights, preferences and limitations of any of the shares of any theretofore established class or series of the Preferred Stock no shares of which class or series have been issued.

B. CAPITAL STOCK

(1) Each holder of Capital Stock of the corporation from time to time issued and outstanding shall be entitled to vote and shall have one vote for each share of Capital Stock standing in the holder's name on the books of the corporation, except with respect to matters as to which the holders of the Preferred Stock or any class or series thereof shall be entitled to vote separately as a single class as authorized in Section A of this Article FOURTH or as may be required by law.

(2) Subject to the provisions of Section A of this Article FOURTH, the board of directors in its discretion may, from the assets of the corporation legally available for the payment

of dividends and at such times and in such manner as determined by the board of directors, declare and pay, whether in cash, property, stock or otherwise, dividends on the Capital Stock of the corporation.

(3) In the event of any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, subject to the preferential or other rights of the holders of the Preferred Stock pursuant to Section A of this Article FOURTH, the holders of the Capital Stock shall be entitled to receive ratably any and all assets remaining to be paid or distributed.

C. ALL SHARES

No holder of shares of any class or series of stock of the corporation shall be entitled as such, as a matter of right, to subscribe for or purchase any unissued or treasury shares of any class or series of stock, or any option rights, or securities convertible into, exchangeable for or warrants to subscribe to, stock, of any class or series whatsoever, whether now or hereafter authorized and whether issued for cash or other consideration or by way of dividend.

A stockholder may not cumulate his or her votes in an election for directors.

FIFTH. The number of directors of the corporation as of November 21, 1980, is sixteen and their names and business office addresses are:

Robert A. Beck	The Prudential Insurance Company of America Prudential Plaza Newark, New Jersey 07101
James H. Binns	Armstrong World Industries, Inc. Liberty and Charlotte Streets Lancaster, Pennsylvania 17604
William S. Cashel, Jr.	American Telephone and Telegraph Company 195 Broadway New York, New York 10007
John T. Dorrance, Jr.	Campbell Place Camden, New Jersey 08101
Henry W. Gadsden	30 Lake Road Short Hills, New Jersey 07078
Belton K. Johnson	300 Main Plaza Bldg. 114 West Commerce

San Antonio, Texas 78205

J. M. Lindley	Campbell Place Camden, New Jersey 08101
Claudine B. Malone	Harvard University Graduate School of Business Administration Soldiers Field Boston, Massachusetts 02163
R. G. McGovern	Campbell Place Camden, New Jersey 08101
William Piel, Jr.	Sullivan & Cromwell 125 Broad Street New York, New York 10004
Harold A. Shaub	Campbell Place Camden, New Jersey 08101
Lewis H. Van Dusen, Jr.	Drinker Biddle & Reath 1100 Philadelphia National Bank Building Broad and Chestnut Streets Philadelphia, Pennsylvania 19107
Robert J. Vlasic	Vlasic Foods, Inc. 710 North Woodward Bloomfield Hills, Michigan 48013
J. Page R. Wadsworth	P.O. Box 211 Commerce Court Postal Station Toronto, Canada M5L 1E8
A. M. Williams	Campbell Place Camden, New Jersey 08101
Sterling Wortman	The Rockefeller Foundation 1133 Avenue of the Americas New York, New York 10036

SIXTH. The number of directors at any time may be increased or decreased by vote of the board of directors, and in case of any such increase the board of directors shall have power to elect

each such additional director to hold office until the next succeeding annual meeting of stockholders and until his or her successor shall have been elected and qualified.

The board of directors, by the affirmative vote of two-thirds of the directors in office, may remove a director or directors for cause where, in the judgment of such majority, the continuation of the director or directors in office would be harmful to the interests of the corporation and may suspend the director or directors for a reasonable period pending final determination of whether cause exists for such removal.

SEVENTH. The following action may be taken by the affirmative vote of two-thirds of the votes cast by the holders of all of the corporation's outstanding shares of stock entitled to vote thereon, and, in addition, if any class or series is entitled to vote thereon as a class, the affirmative vote of two-thirds of all of the votes which the holders of each such class or series are entitled to cast thereon:

(1) the adoption by the stockholders of a proposed amendment of this

Restated Certificate of Incorporation of the corporation;

(2) the adoption by the stockholders of a proposed plan of merger or consolidation involving the corporation;

(3) the approval by the stockholders of a sale, lease, exchange, or other disposition of all, or substantially all, the assets of the corporation otherwise than in the usual and regular course of business as conducted by the corporation; and

(4) dissolution.

EIGHTH. Except as otherwise provided by statute or by this Restated Certificate of Incorporation or the by-laws of the corporation as in each case the same may be amended from time to time, all corporate powers may be exercised by the board of directors. Without limiting the foregoing, the board of directors shall have the power, without stockholder action except where required by New Jersey law:

(1) to amend the by-laws of the corporation;

(2) to authorize the corporation to issue for cash or property shares of any class or series of its stock, now or hereafter authorized but unissued or held in the treasury; and

(3) to authorize the borrowing of money, the issuance of bonds, debentures, notes and other obligations or evidences of indebtedness of the corporation, secured or unsecured, and the inclusion of provisions as to redeemability and convertibility into shares of any class or series of stock of the corporation or otherwise, and, as security for money borrowed or bonds, debentures, notes and other obligations or evidences of indebtedness issued by the corporation, the

mortgaging or pledging of any property, real, personal, or mixed, then owned or thereafter acquired by the corporation.

NINTH. The duration of the corporation is perpetual.

TENTH. The effective date of this Restated Certificate of Incorporation shall be December 1, 1980.

ELEVENTH. To the full extent from time to time permitted by law, no director or officer of the corporation shall be personally liable to the corporation or its stockholders for damages for breach of any duty owed to the corporation or its stockholders. Neither the amendment or repeal of this Article ELEVENTH, nor the adoption of any provision of this Restated Certificate of Incorporation inconsistent with this Article ELEVENTH, shall eliminate, reduce or have any effect on the protection afforded by this Article ELEVENTH to a director or an officer of the corporation in respect of any matter occurring, or any cause of action, suit or claim that but for this Article ELEVENTH would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

EXHIBIT 10(h)

SEVERANCE AGREEMENT AND GENERAL RELEASE

This Severance Agreement and General Release ("Agreement"), between Andrew K. Hughson ("Employee") and Campbell Soup Company ("Company"), is made with respect to the following facts:

A. Company has decided to sever its employment relationship with Employee effective September 30, 2002 ("Termination Date"). In consideration of Employee's signing this Agreement and releasing Company from any and all claims which he might have against it, Company will, upon the termination of Employee's employment, provide Employee with the severance pay and benefits set forth below.

B. In exchange for the promises, payments and benefits described in this Agreement, the parties execute this Agreement in favor of and for the benefit of the other as follows:

1. Severance.

a. 58 Week Period.

(i) Company agrees to continue Employee's current base salary (less required payroll taxes and other withholdings) for a period of fifty-eight (58) weeks ("58 Week Period") beginning subsequent to Employee's Termination Date and following payment for Employee's vacation time of four (4) weeks, as more fully set forth in paragraph B.1.b. (titled Periodic Payments), provided that Employee does not in the 58 Week Period accept employment or a consulting assignment, directly or indirectly, with or for a Competitor of the Company, as that term is defined in this paragraph. If Employee accepts employment or a consulting assignment with or for a Competitor, directly or indirectly, or otherwise engages in competition with the Company, in any manner during the 58 Week Period, all payments and benefits otherwise provided under the terms of this Agreement to the extent yet unpaid will cease and Company shall be entitled to exercise all rights and remedies available to the Company under this Agreement, under the Non-Competition Agreement identified in paragraph 7, and otherwise available to the Company at law or in equity. For the purpose of this Agreement, a Competitor of the Company is defined to mean any person, business, firm, corporation or other enterprise engaged in, or about to become engaged in, the production, marketing or selling of any product or service which resembles or competes with a product or service produced, marketed or sold by the Company (or to Employee's knowledge was under development by the Company), or any of the Company's corporate affiliates or subsidiaries.

(ii) During the 58 Week Period Employee's coverage will be continued under the Company's group life and group medical insurance plans (provided Employee makes required contributions); all other benefits coverage shall cease. If Employee obtains employment at any time during the 58 Week Period Company benefits coverage will cease at the time that Employee becomes eligible for benefits coverage from the new employer. If the Employee loses such benefits coverage from the new employer during the 58 Week Period, Employee shall not be entitled to coverage under the Company's group life and group medical insurance plans. During the 58 Week Period, Employee agrees to notify Company's Senior Vice President - Law and Government Affairs in writing within ten (10) business days of commencing alternate employment

and to set forth in such notice (i) the full name of Employee's new employer; (ii) Employee's title and a description of the areas of responsibility in his position with the new employer; and (iii) Employee's commencement date and the date when Employee will become eligible for benefits coverage from his new employer.

b. Periodic Payments. Periodic Payments of Employee's current base salary (less required payroll taxes and other withholdings) shall be made at such times as Employee would have received salary payments had Employee continued to be employed by the Company ("Periodic Payments"). Periodic Payments will begin after the Effective Date of this Agreement, but in no event before September 30, 2002.

c. The amount of Periodic Payments will count toward accrual of benefits and vesting under Campbell Soup Company's Retirement and Pension Plan for Salaried Employees and vesting under Campbell Soup Company's Savings and 401(k) Plan for Salaried Employees.

d. Company agrees that, in the event of Employee's death, all remaining severance pay due under this Agreement will be paid to Employee's estate in a cash lump sum payment.

2. Release.

a. Employee hereby forever releases Company and its officers, directors, shareholders, agents, employees, affiliates, subsidiaries, parent company, predecessors, successors and assigns ("Releasees"), from any and all complaints, charges, claims, liabilities, demands, debts, accounts, obligations, promises, suits, actions, causes of action, demands in law or equity, including claims for damages, attorney fees or costs, whether known or unknown, which Employee now has, or claims to have, or which Employee at any time may have had, or claimed to have, or which Employee at any time hereafter may have, or claim to have, arising at any time in the past up to and including the date of this Agreement, including, but without limiting the generality of the foregoing, any matters relating in any way to Employee's employment relationship or the termination of that employment relationship with the Company, with the exception of any rights or claims arising out of this Agreement.

b. The claims, rights and obligations that Employee is releasing herein include, but are not limited to: (i) those for wrongful discharge, breach of contract, breach of implied contract, breach of implied covenant of good faith and fair dealing, and any other common law or statutory claims now or hereafter recognized; and (ii) those for discrimination (including but not limited to claims for discrimination, harassment or retaliation on account of sex, age, handicap, medical condition or disability, national origin, race, color, religion, sexual preference, or veteran status) which Employee might have or might have had under the federal Age Discrimination in Employment Act, Title VII of the Civil Rights Act, the New Jersey Law Against Discrimination, the New Jersey Conscientious Employee Protection Act, The Pennsylvania Human Relations Act and any other federal, state or local laws prohibiting discrimination, harassment or retaliation in employment. BY SIGNING THIS AGREEMENT, EMPLOYEE AGREES TO GIVE UP, OR WAIVE, ANY RIGHTS OR CLAIMS WHICH HE MAY HAVE HAD UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, 29 U.S.C. SECTION 621 et. seq., OR ANY OTHER STATUTES OR OTHER LAWS, WHICH ARE BASED ON ACTIONS OF CAMPBELL SOUP COMPANY OR ITS SUBSIDIARIES OR AFFILIATES OR ANY OF THEIR EMPLOYEES OR AGENTS, WHICH OCCURRED UP THROUGH THE DATE THAT EMPLOYEE SIGNS THIS AGREEMENT.

c. Employee further acknowledges and agrees that this Agreement shall operate as a complete bar to recovery in any and all litigation, charges, complaints, grievances or demands of any kind whatsoever now pending or now contemplated by Employee, or which might at any time be filed by Employee, including, but without limiting the generality of the foregoing, any and all matters arising out of or in any manner whatsoever connected with the matters set forth in Paragraph 2a. above. Each and all of the said claims are hereby fully and finally settled, compromised and released.

d. Employee further acknowledges and agrees that neither Employee, nor any person, organization, or other entity on Employee's behalf, will file, claim, sue or cause or permit to be filed or claimed, or join in any claims, as an individual or as a class member, any action for legal or equitable relief (including damages and injunctive, declaratory, monetary or other relief), involving any matter or related in any way to Employee's employment relationship or the termination of Employee's employment relationship with the Company, or involving any continuing effects of any acts or practices that may have arisen or occurred during Employee's employment relationship with the Company.

e. Nothing in this paragraph 2 is intended to operate as a release, waiver, or forfeiture of Employee's rights, and Company's obligations, under

(i) any of the Company's employee benefit plans in which the Employee has been a participant, including, but not limited to, Campbell Soup Company's Retirement and Pension Plan for Salaried Employees, and Campbell Soup Company's Savings and 401(k) Plan for Salaried Employees,

(ii) any health and welfare benefits to which Employee may in the future be entitled under "COBRA" or comparable federal or state law or regulation, or

(iii) any state worker's compensation act or statute.

Subject to the terms of paragraph B.1.a. of this Agreement, upon the termination of Employee's employment with the Company, Employee's rights under the applicable employee benefit plans of the Company will be determined in accordance with the terms of those plans.

3. Inquiries.

a. In the event that inquiries are made by prospective employers concerning Employee's employment with the Company, the Company will use its best efforts to refer those inquiries to the Company's Senior Vice President - Law and Government Affairs, or her designate.

b. Employee will not take any action, or make any statement, whether orally or in writing, which, in any manner, disparages or impugns the reputation or goodwill of the Company, its Directors or officers, or other Releasees.

4. Successors and Assigns. This Agreement shall bind Company and Employee, and also all of their respective family members, heirs, administrators, representatives, successors, assigns, officers, directors, agents, employees, shareholders, affiliates, predecessors, and

also all other persons, firms, corporations, associations, partnerships and entities in privity with or related to or affiliated with any such person, firm, corporation, association, partnership or entity.

5. Effect of Agreement. Employee acknowledges and agrees that this Agreement is not and shall not be construed as an admission of any violation of any federal, state, or local statute, ordinance or regulation, or of any duty or obligation the Company owes or owed to Employee, and that Employee's execution of this Agreement is a voluntary act to provide an amicable conclusion to Employee's employment relationship with the Company.

6. Cooperation. Employee agrees to fully cooperate, in a timely and good faith manner, subsequent to the Termination Date, with all reasonable requests for assistance made by the Company, relating, directly or indirectly, to any and all matters which occurred during the course of Employee's Company employment, or with which Employee was involved prior to the termination of his employment, or with which Employee became aware of during the course of his employment. Employee agrees that, should he be contacted by any third party regarding such matters, he will politely refuse to engage in any substantive communication, discontinue such contact as soon as practicable, and immediately advise the Company's Senior Vice President-Law and Government Affairs of that contact. Employee agrees not to initiate any contact with any

third party regarding the aforementioned matters, unless specifically requested to do so by the Company. Upon the submission of proper documentation, Company will reimburse Employee for all reasonable expenses incurred by him as a result of such requests for assistance.

7. Confidentiality of Proprietary Information. Employee acknowledges and agrees that in the course of his employment with the Company Employee has acquired confidential or proprietary information relating to the business of the Company and/or its affiliates. Employee expressly agrees that he will keep secret and safeguard all such information, and will not, at any time, in any form or manner, directly or indirectly, divulge, disclose or communicate to any person, firm, corporation, or other entity any such information without the direct written authority of the Company. This Agreement incorporates by reference all of the provisions of the Campbell Soup Company Non-Competition Agreement between the Company and Employee executed as of June 27, 1997 ("Non-Competition Agreement"). Employee agrees that Employee's obligations relating to Non-Competition, No Business Diversion and No Employee Solicitation under the provisions of the Non-Competition Agreement shall remain in effect through December 8, 2003. The parties hereby stipulate that, as between them, the matters addressed in this paragraph and in the Non-Competition Agreement are material and gravely affect the effective and successful conduct of the business of the Company, and its goodwill, and that notwithstanding anything to the contrary set forth herein, the Company is entitled to an injunction by any competent court to enjoin and restrain the unauthorized disclosure of such confidential information or the breach or threatened breach of the Non-Competition Agreement.

8. Return of Company Property.

a. Upon signing this Agreement, Employee agrees to return to the Company any office, desk and file keys, Company identification pass cards, Company-provided credit cards issued to Employee, and any other Company property in the possession of Employee or his agents on or before September 30, 2002. Employee acknowledges and represents that he has surrendered and delivered to the Company all files, papers, data, documents, lists, charts, photographs, computer records, discs or any other records, relating in any manner to the business activities of the Company or its affiliates, which were created, produced, reproduced or utilized by

the Company, or any of the Releasees, or by Employee during the term of Employee's employment relationship with the Company.

b. Employee also agrees to repay any monies owed to the Company, including loans, advances, charges or debts incurred by the Employee, or any other amounts owed to the Company, on or before the Effective Date of the Agreement.

9. Competency of Employee. Employee acknowledges, warrants, represents and agrees that in executing and delivering this Agreement, he does so freely, knowingly and voluntarily and that he is fully aware of the contents and effect thereof and that such execution and delivery is not the result of any fraud, duress, mistake or undue influence whatsoever.

10. Unknown or Mistake in Facts. It is acknowledged and understood by the parties that the facts with respect to this Agreement as given may hereafter turn out to be other than or different from the facts in that connection now known to them or believed by them to be true, and the parties therefore expressly assume the risk of the facts being different and agree that this Agreement shall be in all respects effective and not subject to termination or rescission by any such difference in facts. In addition, it is acknowledged, understood and agreed by Employee that should the Company discover that Employee has breached his fiduciary obligations to the Company (or any affiliated corporate entity), engaged in any unethical, dishonest or fraudulent act which affects, or has affected the Company (or any affiliated corporate entity), or committed any act previously unknown to the Company which would constitute grounds for discharge for cause, that Company reserves the right, in its sole

discretion, to terminate or suspend all payments or benefits remaining to be paid by the Company under this Agreement. In addition, the Company may seek all other remedies and relief allowed by law.

11. Savings Clause. It is acknowledged and agreed by the parties that should any provision of this Agreement be declared or be determined to be illegal or invalid by final determination of any court of competent jurisdiction, the validity of the remaining parts, terms or provisions of this Agreement shall not be affected thereby, and the illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement.

12. Enforcement. The parties expressly agree that this Agreement constitutes a binding contract. If Employee breaches any term of this Agreement, or violates any of his obligations under this Agreement or the Non-Competition Agreement, the Company may, at its option, terminate or suspend all payments or benefits remaining to be paid by the Company under this Agreement. In addition, the Company may seek all other remedies and relief allowed by law.

13. Addendum. The Addendum attached to this Agreement, and signed by the parties, is incorporated within and made a part of this Agreement.

14. Effective Date. It is acknowledged and agreed by the parties that Employee has had twenty-one (21) days to consider this Agreement before signing it. Further, Employee has the right to revoke this Agreement within eight (8) days after signing and returning this Agreement to the Company. This Agreement will not become effective or enforceable, and employee will not receive any of the severance pay and benefits described in this Agreement, until the eight (8) day revocation period has run, and Employee notifies the Company, in writing, that he has elected not to revoke this Agreement (the "Effective Date").

15. Employee Rights. Employee acknowledges, represents and agrees to the following:

a. HE HAS BEEN ADVISED, IN WRITING, TO READ THIS ENTIRE AGREEMENT CAREFULLY, AND TO CONSULT WITH AN ATTORNEY OF HIS CHOICE PRIOR TO SIGNING THIS AGREEMENT;

b. He was given at least twenty-one (21) days to consider this Agreement before signing it;

c. He was advised, in writing, that he had a full eight (8) days after he signed this Agreement to revoke it, and that this Agreement would not become effective until that eight (8) day revocation period had run and he had notified Company, in writing, that he has elected not to revoke this Agreement;

d. He carefully read this Agreement prior to signing it, and that he fully understands this Agreement;

e. He understands and agrees that he will receive severance pay and benefits in exchange for signing this Agreement, and that he would not have received severance pay and benefits if he had not signed this Agreement;

f. EMPLOYEE UNDERSTANDS THAT, BY SIGNING THIS AGREEMENT, HE WILL LOSE HIS RIGHT TO SUE CAMPBELL SOUP COMPANY AND ITS SUBSIDIARIES AND AFFILIATES AND ANY OF THEIR EMPLOYEES OR AGENTS, FOR ANY VIOLATION OF THE AGE DISCRIMINATION IN EMPLOYMENT ACT (THE FEDERAL LAW WHICH PROHIBITS DISCRIMINATION ON THE BASIS OF AGE), OR ANY OTHER STATUTES OR OTHER LAWS; and

g. He has signed this Agreement voluntarily.

16. Entirety of Agreement; Modifications. Employee

acknowledges and agrees that this Agreement, and the attached Addendum, contain the entire agreement and understanding concerning the subject matter between Employee and the Company, and that they supersede and replace all prior agreements concerning the subject matter of this Agreement, whether written or oral, except for the Non-Competition Agreement referred to in paragraph 7 of this Agreement, which is incorporated by reference. Employee also represents that he has not executed this instrument in reliance on any promise, representation or statement not contained herein. This Agreement may not be modified except by a writing signed by Employee and an authorized representative of the Company.

17. Governing Law. The parties agree that this Agreement shall be governed and construed in accordance with the laws of the State of New Jersey without giving effect to the conflict of law principles. The parties further irrevocably agree that any disputes or issues arising from or related to this Agreement shall be brought only in the federal or state court in Camden, New Jersey, and both parties irrevocably agree to personal jurisdiction and venue in such New Jersey courts.

18. Attorney's Fees. Employee agrees that if the Company prevails in any suit or proceeding under this Agreement, Employee will pay Company all of the Company's attorney's fees, costs and expenses incurred in connection with such suit or proceeding or the enforcement of the Company's rights under this Agreement.

This Agreement was entered into in the State of New Jersey.

Employee	Company
/s/ Andrew K. Hughson	
Date: 9/17/02	By: /s/ D. R. Conant
	Title: President & CEO
	Date: September 30, 2002

EMPLOYEE: PLEASE SELECT AND COMPLETE ONE OF THE PARAGRAPHS BELOW.

I, Andrew K. Hughson , have read all of the terms of this Agreement. I have been informed by the Company that I have the right to consult with an attorney who is not associated with the Company. I have been given sufficient time and opportunity to consult with an attorney, and I have voluntarily chosen not to do so. I understand the terms of this Agreement, including the fact that my employment relationship with the Company is permanently ended, and that the Agreement releases the Company forever from any legal action arising from my employment relationship with or my separation from the Company.

Employee /s/ Andrew K. Hughson

Date: 9/17/02

Prior to signing this Agreement I, _________________, consulted ____________________, at the law firm of ___________________ located at _________________________, who reviewed the Severance Agreement and General Release and provided advice to me. I understand the terms of this Agreement, including the fact that my employment relationship with the Company is permanently ended, and that the Agreement releases the Company forever from any legal action arising from my employment relationship with or my separation from the Company.

Employee ______________________________

Date: ______________________________

ADDENDUM
SEVERANCE AGREEMENT AND GENERAL RELEASE
BETWEEN
CAMPBELL SOUP COMPANY
AND
ANDREW K. HUGHSON

1. Employee will be eligible for Annual Incentive Plan (AIP) participation for all of fiscal 2002, as determined in accordance with the terms of Campbell Soup Company's Management Worldwide Incentive Plan. Employee understands and agrees that any award of compensation which is payable under this Plan will be at the sole discretion of the Compensation and Organization Committee of the Company's Board of Directors ("Compensation Committee") which is permitted to make performance related reductions in bonus payments. Decisions regarding bonus awards are normally made at the end of September.

2. Pursuant to the Agreement to Irrevocably Exchange Stock Options for Time-Lapse Restricted Stock dated as of January 12, 2001, after the Employee's Termination Date (SEPTEMBER 30, 2002) the Employee shall immediately be entitled to the elimination of the restrictions on 3,362 time-lapse restricted shares and the remaining 2,105 time-lapse restricted shares shall be immediately forfeited.

3. Company will permit Employee to exercise, in accordance with the relevant plan and related agreements, any previously-granted unexercised stock options on or before the earlier of the expiration date of the options or three years from Employee's Termination Date (SEPTEMBER 30, 2005), provided that such options are, by their terms, exercisable on Employee's Termination Date. Options not exercisable as of the Termination Date will be forfeited. In the event of Employee's death, the special rules set forth in the relevant plan shall govern. In the event of any conflict between this Addendum and the relevant plan and related agreements, the relevant plan and related agreements will govern.

4. Employee was granted a Special FY'02 Long-Term Incentive Award of $245,438 in cash and 27,000 stock options. Rights to the cash were to vest without restriction, and the stock options were to vest, on September 28, 2003. In accordance with the terms of this Award, Employee will forfeit the 27,000 stock options as of the Termination Date. Also in accordance with the terms of this Award, $122,719 in cash shall vest and be payable to Employee on September 28, 2003, provided Employee does not violate the terms of this Agreement. The other 50% of the cash portion of the Award will be forfeited as of the Termination Date.

5. Employee will not be eligible for any additional awards under the 1994 Long-Term Incentive Plan.

6. All fully vested investment account balances held for the account of Employee in Campbell Soup Company's Deferred Compensation Program ("Program") will be distributed in accordance with Employee's applicable Distribution Election form or, if Employee has not made a valid election, in accordance with the default distribution provisions in the Program.

Applicable federal, state and local taxes will be withheld from the payment of any installment amounts from Employee's deferral account.

7. Employee will be entitled to allowable benefits under the Company's Personal Choice Program through SEPTEMBER 30, 2002.

8. Employee will be provided with outplacement assistance, at a level and manner as determined by the Company.

Employee	Company
/s/ Andrew K. Hughson	
Date: 9/17/02	By: /s/ D. R. Conant
	Title: President & CEO
	Date: September 30, 2002

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

OVERVIEW Net earnings for 2002 were $525 million ($1.28 per share). (All earnings per share amounts included in Management's Discussion and Analysis are presented on a diluted basis.) In 2002, net earnings declined 19% and earnings per share declined 17%. The 2002 results included costs of $20 million pre-tax ($.03 per share) associated with the Australian manufacturing reconfiguration which commenced in 2001. Pre-tax costs of $19 million were classified as Cost of products sold and $1 million as a Restructuring charge. The 2001 results included a restructuring charge and related costs of approximately $15 million pre-tax ($.03 per share) associated with the manufacturing reconfiguration. Pre-tax charges of $10 million were classified as a Restructuring charge and $5 million were classified as Cost of products sold. Net earnings in 2001 also include an approximate $.03 per share dilutive impact from the European soup and sauce brands acquisition. Excluding the impact of the costs associated with the manufacturing reconfiguration, net earnings in 2002 declined 18% and earnings per share declined 17%. The earnings decline was primarily related to planned increases in marketing and infrastructure investments across major businesses, partially offset by lower interest expense.

Certain reclassifications were made to the financial statements to comply with new accounting standards. In the first quarter of 2002, the company adopted EITF Issue No. 00-14 "Accounting for Certain Sales Incentives" and Issue No. 00-25 "Vendor Income Statement Characterization of Consideration Paid to a Reseller of the Vendor's Products," as codified by Issue No. 01-9 "Accounting for Consideration Given by a Vendor to a Customer or Reseller of the Vendor's Products." Under these Issues, the EITF concluded that certain consumer and trade promotion expenses, such as coupon redemption costs, cooperative advertising programs, new product introduction fees, feature price discounts and in-store display incentives, should be classified as a reduction of sales rather than as marketing expenses. The adoption of these new accounting standards in 2002 resulted in the following reclassifications to the annual results for 2001 and 2000: Net sales were reduced by $893 million and $840 million, respectively; Cost of products sold was reduced by $14 million and $19 million, respectively; and Marketing and selling expenses were reduced by $879 million and $821 million, respectively. These reclassifications had no impact on net earnings.

SALES Sales increased 6% in 2002 to $6.1 billion from $5.8 billion. The increase in sales was due to a 4% increase from the European acquisition which was completed in May 2001, a 2% increase due to volume and mix, a 1% increase due to higher selling prices, offset by a 1% decline due to increased trade promotion and consumer coupon redemption expenses. Worldwide wet soup volume increased 1% from 2001.

Sales in 2001 increased 3% to $5.8 billion from $5.6 billion. The increase was attributed to a 4% increase due to volume and mix, a 1% increase from higher selling prices, a 1% increase from the acquisition, offset by a 1% decrease due to increased trade promotion and consumer coupon redemption expenses and a 2% decrease due to currency. Worldwide wet soup volume increased 5% from 2000.

An analysis of net sales by segment follows:

				% Change	
				2002/	2001/
(millions)	2002	2001	2000	2001	2000
North America Soup					

and Away From Home	$2,524	$2,532	$2,434	--	4
North America Sauces and Beverages	1,182	1,161	1,156	2	--
Biscuits and Confectionery	1,507	1,446	1,391	4	4
International Soup and Sauces	920	632	622	46	2
Other	--	--	23	--	--
	$6,133	$5,771	$5,626	6	3

Sales in 2002 from North America Soup and Away From Home were flat with 2001. Volume and mix increased 1% from the prior year, offset by an increase in trade promotion and consumer coupon redemption expenses. U.S. wet soup volume increased 1%. Ready-to-serve volume increased 9% behind the double-digit volume gains in Campbell's Chunky and Campbell's Select soups. This sales growth was driven by new varieties, quality improvements, and increased advertising. Swanson broth volume increased 4%. Condensed soup volume declined 5%. Canada reported sales growth in all businesses, particularly soup, in response to increased marketing. Away From Home sales slightly increased over the prior year led by solid soup sales performance, which offset a decline in lower margin bakery and frozen entree sales.

The 4% increase in sales from North America Soup and Away From Home in 2001 versus 2000 was due to the following: 6% increase from volume and mix, offset by a 1% increase in trade promotion and consumer coupon redemption expenses, and a 1% decline due to currency. Soup volume in the U.S. increased 6% over the prior year based on the performance of condensed Chicken Noodle, Tomato and Cream of Mushroom, ready-to-serve varieties such as Campbell's Chunky and Campbell's Select and the introduction of Campbell's ready-to-serve classics. Canada and Away From Home also contributed to volume growth.

The 2% increase in sales from North America Sauces and Beverages in 2002 versus 2001 was due to a 3% increase in volume and mix, offset by a 1% reduction due to higher trade promotion and consumer coupon redemption expenses. The volume growth resulted from the performance of Prego pasta bake sauces, which were introduced in the fourth quarter of 2001, Pace Mexican sauces, V8 vegetable juices and the Mexican business. These volume gains were partially offset by continued declines in Franco-American canned pasta and V8 Splash.

Sales from North America Sauces and Beverages were relatively flat in 2001 compared to 2000. Franco-American products and V8 Splash experienced sales declines in highly competitive categories. Sales of Prego sauce and Pace salsa increased modestly.

Sales from Biscuits and Confectionery increased 4% in 2002 due to a 4% increase in volume and mix, a 1% increase from higher selling prices, offset by a 1% decline from currency, primarily the Australian dollar. Pepperidge Farm contributed to the sales growth with new products, including the introduction of Dessert Bliss cookies and Goldfish Sandwich crackers, and increased distribution. Arnotts in Australia reported volume gains due to increases in value-added products in the snack foods category, such as Rix Rice chips and Kettle chips. Tim Tams biscuit sales also increased significantly. Godiva sales rose slightly, as new store openings worldwide offset lower same store sales in North America in the aftermath of September 11th.

Sales from Biscuits and Confectionery increased 4% in 2001 versus 2000 due to a 9% increase from volume and mix, a 1% increase from higher selling prices, offset by a 5% decline from currency, primarily the Australian dollar, and a 1% decrease due to increased trade promotion and consumer coupon redemption expenses. The entire portfolio contributed to the volume gains. Pepperidge Farm cookies, crackers, fresh bread and frozen products all demonstrated improvements in sales volume. Arnott's Tim Tams, Shapes and Kettle chips contributed to the growth in sales. Godiva reported a double-digit increase in sales due to new store openings and increased comparable store sales.

International Soup and Sauces reported a 46% increase in sales in 2002 due primarily to a 44% increase from the European acquisition, which was completed in the fourth quarter of 2001, and a 2% increase from currency. The base business in Europe declined slightly as weakness in United Kingdom soup and sauces was partially offset by gains in soup sales in Belgium and France. Asia Pacific sales grew robustly due to continued growth in Australian soup and broth.

International Soup and Sauces reported a 2% increase in sales in 2001 versus 2000 due primarily to the European acquisition, which was completed in the fourth quarter 2001.

The decline in sales from Other in 2001 versus 2000 was due to the divestiture of MacFarms in April 2000.

GROSS MARGIN Gross margin, defined as Net sales less Cost of products sold, increased by $51 million in 2002 due to the increase in sales. As a percent of sales, gross margin was 43.9% in 2002, 45.7% in 2001, and 45.1% in 2000. The percentage decline in 2002 was due mainly to the continuing mix shift in U.S. soup towards ready-to-serve products, the cost of quality improvements across a number of products, and costs associated with the Australian manufacturing reconfiguration. The improvement in gross margin percentage in 2001 from 2000 was due to cost productivity programs and favorable sales mix.

MARKETING AND SELLING EXPENSES Marketing and selling expenses as a percent of sales were 17.4% in 2002, 15.4% in 2001, and 14.2% in 2000. In 2002, Marketing and selling expenses increased approximately 21% from 2001, 16% excluding the impact of the European acquisition. The increase in 2002 was due primarily to the planned increases in advertising investments across the portfolio, particularly in U.S. soup and sauces, and selling infrastructure investments. The increase in 2001 was due to an increase in advertising behind core U.S. brands, principally U.S. soup, and incremental selling costs associated with new store openings in the Godiva Chocolatier business.

GENERAL AND ADMINISTRATIVE EXPENSES Administrative expenses as a percent of sales increased to 6.9% in 2002 from 6.4% in 2001 due to costs associated with infrastructure investments and higher compensation costs. In 2001, Administrative expenses increased to 6.4% of Net sales from 5.7% in 2000 due to higher compensation costs and costs associated with infrastructure enhancements.

Research and development expenses increased $14 million or 22% in 2002 from 2001 due to costs associated with quality improvement initiatives and new product development.

Other expenses increased 21% in 2002 due primarily to increased amortization expense associated with the European acquisition. Other expenses increased in 2001 as compared to 2000 primarily due to higher stock-based incentive compensation costs and slightly higher amortization expense.

OPERATING EARNINGS Segment operating earnings, both as reported and excluding the costs associated with the Australian manufacturing strategy, declined 14% in 2002 from 2001.

Segment operating earnings in 2001 were relatively flat as compared with 2000, excluding the costs associated with the Australian manufacturing strategy and before the impact of currency. Operating earnings as reported declined 2% in 2001 compared to 2000.

An analysis of operating earnings by segment follows:

(millions)	2002(1)	2001(1)	2000	% Change 2002/ 2001	% Change 2001/ 2000
North America Soup and Away From Home	$ 624	$ 774	$ 768	(19)	1
North America Sauces and Beverages	236	295	309	(20)	(5)
Biscuits and Confectionery	175	197	206	(11)	(4)
International Soup and Sauces	92	51	64	80	(20)
	1,127	1,317	1,347	(14)	(2)
Corporate	(143)	(123)	(82)		
	$ 984	$ 1,194	$1,265		

(1) Contributions to earnings by the Biscuits and Confectionery segment include the effect of pre-tax costs of $20 million in 2002 and $15 million in 2001 associated with the Australian manufacturing reconfiguration strategy.

Earnings from North America Soup and Away From Home decreased 19% in 2002 from 2001 due to planned increases in trade and consumer promotion expenses, advertising expenses, infrastructure investments and costs of quality improvements. The promotion and advertising investments were focused on ready-to-serve products, including Campbell's Chunky and Campbell's Select, and the new Campbell's Supper Bakes.

Earnings from North America Soup and Away From Home increased 1% in 2001 from 2000 due to sales volume growth partially offset by increased marketing investments.

Earnings from North America Sauces and Beverages declined 20% in 2002 from 2001 primarily due to a significant increase in marketing investments, principally on Prego pasta bake sauces, Pace and V8 vegetable juices.

Earnings from North America Sauces and Beverages declined 5% in 2001 from 2000 primarily due to increased marketing investments.

In 2002, earnings from Biscuits and Confectionery decreased 11% as reported, 8% excluding the impact of the Australian manufacturing reconfiguration costs. The decline was due to increased marketing investments across the portfolio and a decline in earnings from Godiva, partially offset by increased sales in Pepperidge Farm and Arnotts.

In 2001, earnings from Biscuits and Confectionery increased 8% before the impact of currency and excluding the impact of the Australian manufacturing reconfiguration costs. Reported earnings increased 3% before the impact of Australian manufacturing reconfiguration costs. The increase was due to higher sales volume across the portfolio.

The 80% increase in 2002 earnings from International Soup and Sauces was due to the European acquisition. Excluding the acquisition, earnings declined significantly due to lower sales in the United Kingdom soup and sauces business and planned increases in marketing across the portfolio.

The 20% decline in 2001 earnings from International Soup and Sauces was primarily due to costs associated with the integration of the European acquisition.

Corporate expenses increased in 2002 due principally to planned infrastructure investments and higher compensation costs.

Corporate expenses increased in 2001 primarily due to an increase in incentive compensation costs and costs associated with infrastructure enhancements.

NONOPERATING ITEMS Interest expense decreased 13% in 2002 from 2001. Higher interest expense due to increased average debt levels following the fourth quarter 2001 European acquisition was more than offset by a steep decline in short-term rates.

Interest expense increased 11% in 2001 from 2000 due to higher debt balances resulting from the financing of the acquisition of European soup and sauce brands and capital share repurchases, partially offset by lower average interest rates.

The effective tax rate was 34.2% in both 2002 and 2001. The 2000 effective tax rate was 33.7%. The 2000 rate was favorably impacted by a lower effective rate on foreign earnings, primarily driven by a reduction in the Australian statutory rate.

RESTRUCTURING PROGRAM A restructuring charge of $10 million ($7 million after tax) was recorded in the fourth quarter 2001 for severance costs associated with the reconfiguration of the manufacturing network of Arnotts in Australia. In the second quarter of 2002, the company recorded an additional $1 million restructuring charge related to planned severance actions. Related costs of approximately $19 million ($13 million

after tax) and $5 million ($4 million after tax) were recorded in 2002 and 2001, respectively, as Cost of products sold, primarily representing accelerated depreciation on assets to be taken out of service. This program was designed to drive greater manufacturing efficiency resulting from the closure of the Melbourne plant. Approximately 550 jobs were eliminated due to the plant closure. Remaining spending under this program primarily relates to severance payments. As a result of this reconfiguration, the company expects annual pre-tax cost savings of approximately $10 million, a portion of which will be realized in 2003.

See Note 4 to the Consolidated Financial Statements for further discussion of this program.

LIQUIDITY AND CAPITAL RESOURCES

Net cash flows from operating activities provided $1 billion in 2002, compared to $1.1 billion in 2001. The decrease was primarily due to lower net earnings resulting from planned increases in marketing and infrastructure investments. Net cash flows from operations in 2001 decreased to $1.1 billion from $1.2 billion in 2000 due primarily to lower net earnings. Over the last three years, operating cash flows totaled over $3 billion. This cash generating capability provides the company with substantial financial flexibility in meeting its operating and investing needs.

Capital expenditures were $269 million in 2002, $200 million in 2001 and 2000. Capital expenditures are projected to be approximately $285 million in 2003. The increase in 2002 was due to planned process improvements, product quality enhancements, the Australian plant reconfiguration, and the construction of the new Pepperidge Farm bakery in Connecticut.

Businesses acquired in 2001 represented the purchase of the European soup and sauce brands in May 2001. The acquisition spending in 2002 represented a purchase price adjustment related to the European acquisition.

In 2000, sale of businesses represented the divestiture of MacFarms.

Long-term borrowings in 2002 were the result of a series of debt issuances throughout the year. In September 2001, the company issued $300 million seven-year 5.875% fixed-rate notes. The proceeds were used to repay short-term borrowings. While planning for the issuance of these notes, the company entered into interest rate swaps with a notional value of approximately $138 million that effectively fixed a portion of the interest rate on the debt prior to issuance. These contracts were settled at a loss of approximately $4 million upon issuance of the notes. This loss is being amortized over the life of the notes. In conjunction with the issuance of these notes, the company also entered into a $75 million seven-year interest rate swap that converts fixed-rate debt to variable.

In October 2001, the company issued $300 million two-year variable-rate notes. The proceeds were also used to repay short-term borrowings. In connection with this issuance, the company entered into a $300 million two-year interest rate swap that converts the variable-rate debt to fixed.

On November 23, 2001, the company redeemed $100 million 5.625% fixed-rate notes due in September 2003. The notes were callable at par. This redemption was financed with lower rate commercial paper.

On December 11, 2001, the company issued an additional $200 million of its existing 6.75% fixed-rate notes due February 2011, originally issued in February 2001. These additional notes were priced at a premium to reflect market conditions. The proceeds were used to repay short-term borrowings.

In January 2002, the company repaid $300 million of variable-rate notes due December 2003. The notes were repaid with lower cost short-term borrowings.

On March 19, 2002, the company issued $300 million five-year 5.50% fixed-rate notes. The proceeds were used to repay $228 million variable-rate notes due in December 2003 and short-term borrowings. In connection with this issuance, the company entered into a five-year interest rate swap that converts $100 million of the fixed-rate debt to variable.

In June 2002, the company filed a $1 billion shelf registration statement with the Securities and Exchange Commission to use for future offerings of debt securities. Under the registration statement, the company may issue debt securities from time to time, depending on market conditions. The company intends to use the proceeds to repay short-term debt, to reduce or retire other indebtedness or for other general corporate purposes. In 2001, the company filed a shelf registration statement with the Securities and Exchange Commission for $1 billion of debt, bringing total capacity available under registration statements to $1.1 billion. This shelf registration was depleted in 2002.

Long-term borrowings completed in 2001 included both a three-year floating rate loan, which funded the purchase of 11 million shares under forward stock purchase contracts for approximately $521 million in December 2000, and the issuance of $500 million 6.75% fixed-rate notes due February 2011. The company also entered into ten-year

interest rate swap contracts with a notional value of $250 million in connection with the issuance of the 6.75% fixed-rate notes. The proceeds of the 6.75% notes were used primarily to repay short-term borrowings. There were no new long-term borrowings in 2000.

Dividend payments decreased to $286 million in 2002, compared to $374 million in 2001, due to the reduction of the dividend per share. Dividends declared in 2002 totaled $0.63 per share and in 2001 and 2000 totaled $0.90 per share. The 2002 fourth quarter rate was $0.1575 per share. The expected annual dividend rate for 2003 is $0.63.

Capital stock repurchases totaled two hundred thousand shares at a cost of $5 million during 2002, compared to 14.3 million shares at a cost of $618 million during 2001 and repurchases of 10.7 million shares at a cost of $394 million in 2000. In 2001, the strategic share repurchase plan was suspended. The company expects to continue to repurchase shares to offset the impact of dilution from shares issued under incentive stock compensation plans.

Total shareowners' equity (deficit) on a book basis increased in 2002 to $(114) million from $(247) million in 2001. In 2002, shareowners' equity (deficit) includes a minimum liability of $208 million, net of tax, related to the company's principal U.S. pension plan. Following the stock market declines in June and July 2002, the fair value of the assets included in the pension fund fell below the accumulated benefit obligation. As required under accounting principles generally accepted in the United States, the company recognized the additional minimum liability and reclassified an existing pension asset to equity. Although this non-cash adjustment did not impact the 2002 operating results, pension expense is expected to increase in 2003 primarily due to the lower fair value of pension assets and a reduction in the estimated return on plan assets. See also Note 8 to the Consolidated Financial Statements.

The company believes that foreseeable liquidity and capital resource requirements are expected to be met through anticipated cash flows from operations, management of working capital, long-term borrowings under its shelf registration, and short-term borrowings, including commercial paper. The company believes that its sources of financing are adequate to meet its liquidity and capital resource requirements. The cost and terms of any future financing arrangements depend on the market conditions and the company's financial position at that time.

The following table represents significant long-term cash obligations:

Contractual Payments Due by Fiscal Year

(US$ equivalents in millions)	Total	2003	2004-2006	2007-2008	Thereafter
Debt Obligations*	$3,645	$1,196	$ 602	$ 605	$1,242
Purchase Commitments**	2,781	540	1,333	788	120
Operating Leases	251	54	109	53	35
Total Long-term Cash Obligations	$6,677	$1,790	$2,044	$1,446	$1,397

* Includes capital lease obligations totaling $9 million

** Represents certain long-term supply and service agreements

At July 28, 2002, the company had $1,196 million of notes payable due within one year and $45 million of standby letters of credit issued on behalf of the company. The company maintains $1.8 billion of committed revolving credit facilities, which remain unused at July 28, 2002, except for the $45 million of standby letters of credit. The company is in compliance with the covenants contained in its revolving credit facilities and debt securities.

The company enters into other commitments, such as operating lease commitments, surety bonds, and long-term purchase arrangements, in the ordinary course of business. Operating leases are primarily entered into for warehouse and office facilities, retail store space, and certain equipment. Purchase commitments relate to the procurement of ingredients, supplies, machinery and equipment and services. These commitments are not expected to have a material impact on liquidity.

The company guarantees approximately $74 million of bank loans to Pepperidge Farm independent sales distributors, which are secured by their distribution routes that are purchased from the company.

In September 2002, the company entered into a $900 million committed 364-day revolving credit facility, which replaced an existing facility that matured in September 2002. The company also has a $900 million revolving credit facility that matures in September 2006. These agreements support the company's commercial paper program.

The company has financial resources available, including lines of credit totaling approximately $2 billion, and has ready access to financial markets around the world. The pre-tax interest coverage ratio was 5.2 for 2002 compared to 5.4 for 2001 and 6.2 for 2000.

INFLATION

Inflation during recent years has not had a significant effect on the company. The company mitigates the effects of inflation by aggressively pursuing cost productivity initiatives, including global procurement strategies and making capital investments that improve the efficiency of operations.

MARKET RISK SENSITIVITY

The principal market risks to which the company is exposed are changes in interest rates and foreign currency exchange rates. In addition, the company is exposed to equity price changes related to certain employee compensation obligations. The company manages its exposure to changes in interest rates by optimizing the use of variable-rate and fixed-rate debt and by utilizing interest rate swaps in order to maintain its variable-to-total debt ratio within targeted guidelines. International operations, which accounted for approximately 29% of 2002 net sales, are concentrated principally in Australia, Canada, France, Germany and the United Kingdom. The company manages its foreign currency exposures by borrowing in various foreign currencies and utilizing cross-currency swaps, forward contracts, and options. Swaps and forward contracts are entered into for periods consistent with related underlying exposures and do not constitute positions independent of those exposures. The company does not enter into contracts for speculative purposes and does not use leveraged instruments.

The company principally uses a combination of purchase orders and various short- and long-term supply arrangements in connection with the purchase of raw materials, including certain commodities and agricultural products. On occasion, the company may also enter into commodity futures contracts, as considered appropriate, to reduce the volatility of price fluctuations for commodities such as corn, soybean meal and cocoa. At July 28, 2002 and July 29, 2001, the notional values and unrealized gains or losses on commodity futures contracts held by the company were not material.

The information below summarizes the company's market risks associated with debt obligations and other significant financial instruments as of July 28, 2002. Fair values included herein have been determined based on quoted market prices. The information presented below should be read in conjunction with Notes 16 and 18 to the Consolidated Financial Statements.

The table below presents principal cash flows and related interest rates by fiscal year of maturity for debt obligations. Variable interest rates disclosed represent the weighted-average rates of the portfolio at the period end. Notional amounts and related interest rates of interest rate swaps are presented by fiscal year of maturity. For the swaps, variable rates are the average forward rates for the term of each contract.

EXPECTED FISCAL YEAR OF MATURITY

(US$ equivalents in millions)	2003	2004	2005	2006	2007	Thereafter	Total	Fair Value

DEBT								
Fixed rate	$ 301	$ 300	$ 1	$ 1	$ 605	$ 1,242	$ 2,450	$ 2,652
Weighted average interest rate	6.16%	4.76%	9.00%	9.00%	6.20%	6.90%	6.37%	
Variable rate	$ 895	$ 300					$ 1,195	$ 1,195
Weighted average interest rate	2.52%	2.29%					2.46%	
INTEREST RATE SWAPS								
Fixed to variable					$ 100(2)	$ 325(3)	$ 425	$ 31
Average pay rate					4.12%	5.39%	5.09%	
Average receive rate					5.50%	6.55%	6.30%	
Variable to fixed		$ 300(1)					$ 300	$ (4)
Average pay rate		3.74%					3.74%	
Average receive rate		2.63%					2.63%	

(1) Hedges variable-rate notes due in 2004.

(2) Hedges 5.50% notes due in 2007.

(3) Hedges $75 million of 5.875% notes and $250 million of 6.75% notes, respectively, due in 2009 and 2011.

As of July 29, 2001, fixed-rate debt of approximately $1.7 billion with an average interest rate of 6.51% and variable-rate debt of approximately $2.3 billion with an average interest rate of 4.43% were outstanding. At July 29, 2001, the company had swapped $250 million of fixed-rate debt to variable. The average rate received on these swaps was 6.75% and the average rate paid was 6.47%.

The company is exposed to foreign exchange risk related to its international operations, including non-functional currency intercompany debt and net investments in subsidiaries.

The table below summarizes the cross-currency swaps outstanding as of July 28, 2002, which hedge such exposures. The notional amount of each currency and the related weighted-average forward interest rate are presented in the Cross-Currency Swaps table.

CROSS-CURRENCY SWAPS

(US$ equivalents in millions)	Expiration	Interest Rate	Notional Value	Fair Value
Pay fixed SEK	2003	5.72%	$29	$ (2)
Receive fixed USD		4.03%		
Pay fixed SEK	2005	5.78%	$47	$ (2)
Receive fixed USD		5.25%		
Pay fixed EUR	2007	5.46%	$200	$ (19)
Receive fixed USD		5.75%		
Pay fixed GBP	2011	5.97%	$200	$ (14)
Receive fixed USD		6.08%		

The cross-currency contract outstanding at July 29, 2001 represented a pay variable FrF/receive variable US$ contract with a notional value of $110 million. This contract was canceled in 2002. The aggregate fair value of the contract was $25 million as of July 29, 2001.

The company is also exposed to foreign exchange risk as a result of transactions in currencies other than the functional currency of certain subsidiaries, including subsidiary debt. The company utilizes foreign currency forward purchase and sale contracts to hedge these exposures. The table below summarizes the foreign currency forward contracts outstanding and the related weighted-average contract exchange rates as of July 28, 2002.

FORWARD EXCHANGE CONTRACTS

(US$ equivalents in millions)	Contract Amount	Average Contractual Exchange Rate
Receive USD / Pay GBP	$229	0.67
Receive USD / Pay EUR	$207	1.03
Receive CAD / Pay USD	$ 74	0.63
Receive GBP / Pay USD	$ 28	1.57
Receive USD / Pay SEK	$ 20	9.24
Receive AUD / Pay NZD	$ 18	1.20
Receive USD / Pay CAD	$ 18	1.56
Receive JPY / Pay USD	$ 9	0.01
Receive EUR / Pay GBP	$ 9	0.62
Receive EUR / Pay USD	$ 9	0.90
Receive USD / Pay JPY	$ 6	124.67
Receive EUR / Pay SEK	$ 5	9.44

The company had an additional $5 million in a number of smaller contracts to purchase or sell various other currencies, such as the Australian dollar, British pound, Canadian dollar, euro and New Zealand dollar, as of July 28, 2002. The aggregate fair value of all contracts was $(7) million as of July 28, 2002. Total forward exchange contracts outstanding as of July 29, 2001 were $880 million with a fair value of $(7) million.

The company had swap contracts outstanding as of July 28, 2002, which hedge a portion of exposures relating to certain employee compensation liabilities linked to the total return of the Standard & Poor's 500 Index or to the total return of the company's capital stock. Under these contracts, the company pays variable interest rates and receives from the counterparty either the Standard & Poor's 500 Index total return or the total return on company capital stock. The notional value of the contracts that are linked to the return on the Standard & Poor's 500 Index was $21 million at July 28, 2002 and $28 million at July 29, 2001. The average forward interest rate applicable to the contract, which expires in 2003, was 2.22% at July 28, 2002. The notional value of the contract that is linked to the total return on company capital stock was $32 million at both July 28, 2002 and July 29, 2001. The average forward interest rate applicable to this contract, which expires in 2003, was 2.07% at July 28, 2002. The net cost to settle these contracts was $22 million at July 28, 2002 and $17 million at July 29, 2001. Gains and losses on the contracts, which offset gains and losses on the underlying employee compensation obligations, are recorded in Other expenses.

The company's utilization of financial instruments in managing market risk exposures described above is consistent with the prior year. Changes in the portfolio of financial instruments are a function of the results of operations, market effects on debt and foreign currency, and the company's acquisition and divestiture activities.

SIGNIFICANT ACCOUNTING ESTIMATES

The consolidated financial statements of the company are prepared in conformity with accounting principles generally accepted in the United States. The preparation of these financial statements requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from those estimates and assumptions. See Note 1 to Consolidated Financial Statements for a discussion of significant accounting policies. The following areas all require the use of subjective or complex judgments, estimates and assumptions:

Trade and consumer promotion expenses - The company offers various sales incentive programs to customers and consumers, such as cooperative advertising programs, feature price discounts, in-store display incentives and coupons. The recognition of expense for these programs involves use

of judgment related to performance and redemption estimates. Estimates are made based on historical experience and other factors. Actual expenses may differ if the level of redemption rates and performance vary from estimates.

Valuation of long-lived assets - Long-lived assets, including fixed assets and intangibles, are reviewed for impairment as events or changes in circumstances occur indicating that the carrying amount of the asset may not be recoverable. An estimate of undiscounted cash flows produced by the asset, or the appropriate group of assets, is compared to the carrying value to determine whether impairment exists. The estimates of future cash flows involve considerable management judgment and are based upon assumptions about expected future operating performance. Assumptions used in these forecasts are consistent with internal planning. The actual cash flows could differ from management's estimates due to changes in business conditions, operating performance, and economic conditions.

Pension and postretirement medical benefits - The company provides certain pension and postretirement benefits to employees and retirees. Determining the cost associated with such benefits is dependent on various actuarial assumptions, including discount rates, expected return on plan assets, compensation increases, turnover rates and health care trend rates. Independent actuaries, in accordance with accounting principles generally accepted in the United States, perform the required calculations to determine expense. Actual results that differ from the actuarial assumptions are generally accumulated and amortized over future periods.

Income taxes - The effective tax rate and the tax bases of assets and liabilities reflect management's estimate of the ultimate outcome of various tax audits and issues. In addition, valuation allowances are established for deferred tax assets where the amount of expected future taxable income from operations does not support the realization of the asset.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In July 2001, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 141 "Business Combinations" and SFAS No. 142 "Goodwill and Other Intangible Assets." In addition to requiring that all business combinations be accounted for under the purchase method, SFAS No. 141 requires intangible assets that meet certain criteria to be recognized as assets apart from goodwill. The provisions of SFAS No. 142 indicate that goodwill and indefinite life intangible assets should no longer be amortized, but rather be tested for impairment annually. Intangible assets with a finite life shall continue to be amortized over the estimated useful life. SFAS No. 141 was effective for business combinations initiated after June 30, 2001. The company will adopt SFAS No. 142 in 2003. The elimination of amortization is to be applied on a prospective basis and prior periods are not to be restated. However, the impact of amortization of goodwill and indefinite life intangible assets is to be disclosed for prior periods.

The company is currently evaluating the impact of SFAS No. 142. With the adoption of SFAS No. 142, the company will use the new criteria to assess whether goodwill and certain other intangible assets are impaired. Any impairment charge resulting from the initial impairment assessment will be recorded as a cumulative effect of an accounting change. The company estimates that the cumulative effect of adopting this standard will result in a non-cash charge of approximately $45 million on a pre-tax basis in 2003. In addition, the adoption of this standard is expected to benefit net earnings by approximately $55 million in reduced amortization of goodwill and indefinite-lived intangible assets.

In June 2001, the FASB issued SFAS No. 143 "Accounting for Asset Retirement Obligations." This Statement addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. This Statement is effective for fiscal years beginning after June 15, 2002. The company is currently evaluating the impact of this Statement, but does not expect the adoption to have a material impact on the financial statements.

In August 2001, the FASB issued SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets." This Statement addresses financial accounting and reporting for the impairment or disposal of long-lived assets. This Statement supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of," and the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions," for the disposal of a segment of a business. The provisions of this Statement are effective for fiscal years beginning after December 15, 2001. The company is currently evaluating the impact of this Statement, but does not expect the adoption to have a material impact on the financial statements.

In July 2002, the FASB issued SFAS No. 146 "Accounting for Exit or Disposal Activities." The provisions of this

Statement are effective for disposal activities initiated after December 31, 2002, with early application encouraged. The company is currently evaluating the impact of this Statement.

RECENT DEVELOPMENTS

On June 4, 2002, the company announced that its Australian subsidiary, Arnott's Biscuits Holdings Pty Ltd ("Arnott's Holdings"), had agreed to acquire all of the shares of Snack Foods Limited, a leader in the Australian salty snack category ("Snack Foods"), for approximately $145 million. In August 2002, Arnott's Holdings completed the acquisition of approximately 98% of the outstanding shares of Snack Foods. Arnott's Holdings completed the acquisition of the remaining approximate 2% of Snack Foods shares on September 20, 2002.

On September 20, 2002, the company also completed the purchase of Erin Foods, the number two dry soup manufacturer in Ireland.

EARNINGS OUTLOOK

On September 5, 2002, the company issued a press release announcing results for 2002 and commented on the outlook for earnings per share for the first quarter and full year for 2003.

CAUTIONARY FACTORS THAT MAY AFFECT
FUTURE RESULTS

This 2002 Annual Report contains "forward-looking" statements that reflect the company's current expectations regarding future results of operations, economic performance, financial condition and achievements of the company. The company tries, wherever possible, to identify these forward-looking statements by using words such as "anticipate," "believe," "estimate," "expect," "will" and similar expressions in conjunction with, among other things, discussions of the company's "Transformation Plan." One can also identify them by the fact that they do not relate strictly to historical or current facts. These statements reflect the company's current plans and expectations and are based on information currently available to it. They rely on a number of assumptions regarding future events and estimates which could be inaccurate and which are inherently subject to risks and uncertainties.

The company wishes to caution the reader that the following important factors and those important factors described elsewhere in the commentary, or in the

Securities and Exchange Commission filings of the company, could affect the company's actual results and could cause such results to vary materially from those expressed in any forward-looking statements made by, or on behalf of, the company:

- the company's ability to achieve the goals of its "Transformation Plan";

- the impact of strong competitive response to the company's efforts to leverage its brand power with product innovation, promotional programs and new advertising, and of changes in consumer demand for the company's products;

- the risks in the marketplace associated with trade and consumer acceptance of product improvements and new product introductions;

- the company's ability to achieve sales and earnings forecasts, which are based on assumptions about sales volume and product mix and the impact of increased marketing investments;

- the company's ability to realize forecasted cost savings, including the projected outcome of global supply chain management programs;

- the difficulty of predicting the pattern of inventory movements by the company's trade customers;

- the impact of unforeseen economic changes in currency exchange rates, interest rates, equity markets, inflation rates, recession and other external factors over which the company has no control, including the possibility of increased pension expense and contributions resulting from continued decline in stock market returns; and

- the impact of unforeseen business disruptions in one or more of the company's markets due to political instability, civil disobedience, armed hostilities or other calamities.

This discussion of uncertainties is by no means exhaustive but is designed to highlight important factors that may impact the company's outlook. The company disclaims any obligation or intent to update forward-looking statements made by the company in order to reflect new information, events or circumstances after the date they are made.

CONSOLIDATED STATEMENTS OF EARNINGS
(millions, except per share amounts)

	2002	2001	2000
NET SALES	$ 6,133	$5,771	$5,626
Costs and expenses			
Cost of products sold	3,443	3,132	3,088
Marketing and selling expenses	1,069	886	801
Administrative expenses	421	372	319
Research and development expenses	77	63	64
Other expenses (Note 5)	138	114	89
Restructuring charges (Note 4)	1	10	--
Total costs and expenses	5,149	4,577	4,361
EARNINGS BEFORE INTEREST AND TAXES	984	1,194	1,265
Interest expense (Note 6)	190	219	198
Interest income	4	12	10
Earnings before taxes	798	987	1,077
Taxes on earnings (Note 9)	273	338	363
NET EARNINGS	$ 525	$ 649	$ 714
PER SHARE - BASIC			
NET EARNINGS	$ 1.28	$ 1.57	$ 1.68
Weighted average shares outstanding - basic	410	414	425
PER SHARE - ASSUMING DILUTION			
NET EARNINGS	$ 1.28	$ 1.55	$ 1.65
Weighted average shares outstanding - assuming dilution	411	418	432

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS
(millions, except per share amounts)

	JULY 28, 2002	July 29, 2001
CURRENT ASSETS		
Cash and cash equivalents	$ 21	$ 24
Accounts receivable (Note 10)	417	442
Inventories (Note 11)	638	597
Other current assets (Note 12)	123	140
Total current assets	1,199	1,203
PLANT ASSETS, NET OF DEPRECIATION (Note 13)	1,684	1,637
INTANGIBLE ASSETS, NET OF AMORTIZATION (Note 14)	2,503	2,451
OTHER ASSETS (Note 15)	335	636
Total assets	$5,721	$5,927
CURRENT LIABILITIES		
Notes payable (Note 16)	$1,196	$1,806
Payable to suppliers and others	681	582
Accrued liabilities	503	450
Dividend payable	65	92
Accrued income taxes	233	190
Total current liabilities	2,678	3,120
LONG-TERM DEBT (Note 16)	2,449	2,243
NONPENSION POSTRETIREMENT BENEFITS (Note 8)	319	336
OTHER LIABILITIES (Note 17)	389	475
Total liabilities	5,835	6,174
SHAREOWNERS' EQUITY (DEFICIT) (Note 19)		
Preferred stock; authorized 40 shares; none issued	--	--
Capital stock, $.0375 par value; authorized 560 shares; issued 542 shares	20	20
Capital surplus	320	314
Earnings retained in the business	4,918	4,651
Capital stock in treasury, 132 shares in 2002 and 133 shares in 2001, at cost	(4,891)	(4,908)
Accumulated other comprehensive loss	(481)	(324)
Total shareowners' equity (deficit)	(114)	(247)
Total liabilities and shareowners' equity (deficit)	$5,721	$5,927

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)

	2002	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net earnings	$ 525	$ 649	$ 714
Non-cash charges to net earnings			
Restructuring charges	--	10	--
Depreciation and amortization	319	266	251
Deferred taxes	5	4	17
Other, net	53	38	20
Changes in working capital			
Accounts receivable	40	(11)	90
Inventories	(30)	(1)	23
Other current assets and liabilities	105	151	50
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,017	1,106	1,165

CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of plant assets	(269)	(200)	(200)
Sales of plant assets	5	8	7
Businesses acquired	(15)	(911)	--
Sales of businesses	3	--	11
Other, net	(12)	(19)	(22)
NET CASH USED IN INVESTING ACTIVITIES	(288)	(1,122)	(204)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Long-term borrowings	1,100	1,028	--
Repayments of long-term borrowings	(628)	--	(7)
Short-term borrowings	776	1,962	1,028
Repayments of short-term borrowings	(1,691)	(2,007)	(1,206)
Dividends paid	(286)	(374)	(384)
Treasury stock purchases	(5)	(618)	(394)
Treasury stock issuances	14	24	20
Other, net	(6)	--	--
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(726)	15	(943)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(6)	(2)	3
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3)	(3)	21
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	24	27	6
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 21	$ 24	$ 27

See accompanying Notes to Consolidated Financial Statements.

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CONSOLIDATED STATEMENTS OF SHAREOWNERS' EQUITY (DEFICIT)
(millions, except per share amounts)

	Capital Stock							
	Issued		In Treasury			Earnings Retained in the Business	Accumulated Other Comprehensive Income (Loss)	Total Shareowners' Equity (Deficit)
	Shares	Amount	Shares	Amount	Capital Surplus			
Balance at August 1, 1999	542	$ 20	(113)	$ (4,058)	$ 382	$ 4,041	$ (150)	$ 235
Comprehensive income (loss)								
Net earnings						714		714
Foreign currency translation adjustments							(77)	(77)
Other comprehensive loss							(77)	(77)
Total Comprehensive income								637
Dividends ($.90 per share)						(382)		(382)
Treasury stock purchased			(11)	(394)				(394)
Treasury stock issued under management incentive and stock option plans			3	79	(38)			41
Balance at July 30, 2000	542	20	(121)	(4,373)	344	4,373	(227)	137
Comprehensive income (loss)								
Net earnings						649		649
Foreign currency translation adjustments							(97)	(97)
Other comprehensive loss							(97)	(97)
Total Comprehensive income								552
Dividends ($.90 per share)						(371)		(371)
Repurchase of shares under forward stock purchase contracts			(11)	(521)				(521)
Treasury stock purchased			(3)	(97)				(97)
Treasury stock issued under management incentive and stock option plans			2	83	(30)			53
Balance at July 29, 2001	542	20	(133)	(4,908)	314	4,651	(324)	(247)
COMPREHENSIVE INCOME (LOSS)								
NET EARNINGS						525		525
FOREIGN CURRENCY								

TRANSLATION ADJUSTMENTS							49	49
CASH-FLOW HEDGES, NET OF TAX							2	2
MINIMUM PENSION LIABILITY, NET OF TAX							(208)	(208)
OTHER COMPREHENSIVE LOSS							(157)	(157)
TOTAL COMPREHENSIVE INCOME								368
DIVIDENDS ($.63 PER SHARE)						(258)		(258)
TREASURY STOCK PURCHASED			--	(5)				(5)
TREASURY STOCK ISSUED UNDER MANAGEMENT INCENTIVE AND STOCK OPTION PLANS			1	22	6			28
BALANCE AT JULY 28, 2002	542	$ 20	(132)	$ (4,891)	$ 320	$ 4,918	$ (481)	$ (114)

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements
(dollars in millions, except per share amounts)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CONSOLIDATION The consolidated financial statements include the accounts of the company and its majority-owned subsidiaries. Significant intercompany transactions are eliminated in consolidation. Investments of 20% or more in affiliates are accounted for by the equity method.

FISCAL YEAR The company's fiscal year ends on the Sunday nearest July 31. There were 52 weeks in 2002, 2001 and 2000. There will be 53 weeks in 2003.

REVENUE RECOGNITION Revenues are recognized when the earnings process is complete. This occurs when products are shipped in accordance with terms of agreements, title and risk of loss transfer to customers, collection is probable and pricing is fixed or determinable.

CASH AND CASH EQUIVALENTS All highly liquid debt instruments purchased with a maturity of three months or less are classified as cash equivalents.

INVENTORIES Substantially all U.S. inventories are priced at the lower of cost or market, with cost determined by the last in, first out (LIFO) method. Other inventories are priced at the lower of average cost or market.

PLANT ASSETS Plant assets are stated at historical cost. Alterations and major overhauls, which extend the lives or increase the capacity of plant assets, are capitalized. The amounts for property disposals are removed from plant asset and accumulated depreciation accounts and any resultant gain or loss is included in earnings. Ordinary repairs and maintenance are charged to operating costs.

DEPRECIATION Depreciation provided in Costs and expenses is calculated using the straight-line method over the estimated useful lives of the assets. Buildings and machinery and equipment are depreciated over periods not exceeding 45 years and 15 years, respectively.

LONG-LIVED ASSETS Long-lived assets are comprised of intangible assets and property, plant and equipment. Intangible assets consist principally of the excess purchase price over net assets of businesses acquired and trademarks. Intangibles are amortized on a straight-line basis over periods not exceeding 40 years. Long-lived assets are reviewed for impairment as events or changes in circumstances occur indicating that the carrying amount of the asset may not be recoverable. An estimate of undiscounted future cash flows produced by the asset, or the appropriate grouping of assets, is compared to the carrying value to determine whether an impairment exists. See Recently Issued Accounting Pronouncements for the accounting for intangible assets in 2003.

DERIVATIVE FINANCIAL INSTRUMENTS The company uses derivative financial instruments primarily for purposes of hedging exposures to fluctuations in interest rates, foreign currency exchange rates and equity-linked employee benefit obligations. Beginning in 2001, all derivatives are accounted for in accordance with Statement of Financial Accounting Standards (SFAS) No. 133 "Accounting for Derivatives and Hedging Activities," as amended by SFAS No. 137 and No. 138. All derivatives are recognized on the balance sheet at fair value. Changes in the fair value of derivatives are recorded in earnings or other comprehensive income, based on whether the instrument is designated as part of a hedge transaction and, if so, the type of hedge transaction. Gains or losses on derivative instruments reported in other comprehensive income are reclassified to earnings in the period in which earnings are affected by the underlying hedged item. The ineffective portion of all hedges is recognized in earnings in the current period. The cumulative effect of adopting SFAS No. 133 was not material to the company's consolidated financial statements.

USE OF ESTIMATES Generally accepted accounting principles require management to make estimates and assumptions that affect assets and liabilities, contingent assets and liabilities, and revenues and expenses. Actual results could differ from those estimates.

INCOME TAXES Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized.

RECLASSIFICATIONS Prior year financial statements and footnotes have been reclassified to conform to the current year presentation.

In September 2000, the Financial Accounting Standards Board's Emerging Issues Task Force (EITF) reached a final consensus on Issue No. 00-10 "Accounting for Shipping and

Handling Fees and Costs" that such costs cannot be reported as a reduction of revenue. The consensus was effective in the fourth quarter 2001. Shipping and handling costs of approximately $207 in 2001 and $199 in 2000 were reclassified from Net sales to Cost of products sold. The reclassifications had no impact on net earnings or earnings per share.

In the first quarter 2002, the company adopted EITF Issue No. 00-14 "Accounting for Certain Sales Incentives" and Issue No. 00-25 "Vendor Income Statement Characterization of Consideration Paid to a Reseller of the Vendor's Products," as codified by Issue No. 01-9 "Accounting for Consideration Given by a Vendor to a Customer or Reseller of the Vendor's Products." Under these Issues, the EITF concluded that certain consumer and trade sales promotion expenses, such as coupon redemption costs, cooperative advertising programs, new product introduction fees, feature price discounts and in-store display incentives, should be classified as a reduction of sales rather than as marketing expenses. The adoption of these new accounting standards in 2002 resulted in the following reclassifications to the annual results for 2001 and 2000: Net sales were reduced by $893 and $840, respectively; Cost of products sold was reduced by $14 and $19, respectively; and Marketing and selling expenses were reduced by $879 and $821, respectively. These reclassifications had no impact on net earnings.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS In July 2001, the Financial Accounting Standards Board (FASB) issued SFAS No. 141 "Business Combinations" and SFAS No. 142 "Goodwill and Other Intangible Assets." In addition to requiring that all business combinations be accounted for under the purchase method, SFAS No. 141 requires intangible assets that meet certain criteria to be recognized as assets apart from goodwill. The provisions of SFAS No. 142 indicate that goodwill and indefinite life intangible assets should no longer be amortized, but rather be tested for impairment annually. Intangible assets with a finite life shall continue to be amortized over the estimated useful life. SFAS No. 141 was effective for business combinations initiated after June 30, 2001. The company will adopt SFAS No. 142 in 2003. The elimination of amortization is to be applied on a prospective basis and prior periods are not to be restated. However, the impact of amortization of goodwill and indefinite life intangible assets is to be disclosed for prior periods.

(dollars in millions, except per share amounts)

The company is currently evaluating the impact of SFAS No. 142. With the adoption of SFAS No. 142, the company will use the new criteria to assess whether goodwill and certain other intangible assets are impaired. Any impairment charge resulting from the initial impairment assessment will be recorded as a cumulative effect of an accounting change. The company estimates that the cumulative effect of adopting this standard will result in a non-cash charge of approximately $45 on a pre-tax basis in 2003. In addition, the adoption of this standard is expected to benefit net earnings by approximately $55 in reduced amortization of goodwill and indefinite-lived intangible assets.

In June 2001, the FASB issued SFAS No. 143 "Accounting for Asset Retirement Obligations." This Statement addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. This Statement is effective for fiscal years beginning after June 15, 2002. The company is currently evaluating the impact of this Statement, but does not expect the adoption to have a material impact on the financial statements.

In August 2001, the FASB issued SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets." This Statement addresses financial accounting and reporting for the impairment or disposal of long-lived assets. This Statement supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of," and the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions," for the disposal of a segment of a business. The provisions of this Statement are effective for fiscal years beginning after December 15, 2001. The company is currently evaluating the impact of this Statement, but does not expect the adoption to have a material impact on the financial statements.

In July 2002, the FASB issued SFAS No. 146 "Accounting for Exit or Disposal Activities." The provisions of this Statement are effective for disposal activities initiated after December 31, 2002, with early application encouraged. The company is currently evaluating the impact of this Statement.

2. COMPREHENSIVE INCOME

Total comprehensive income is comprised of net earnings, net foreign currency translation adjustments, minimum pension liability adjustments (see Note 8), and net unrealized gains and losses on cash-flow hedges. Total comprehensive income for the twelve months ended July 28, 2002, July 29, 2001 and July 30, 2000 was $368, $552, and $637, respectively.

The components of Accumulated other comprehensive loss, as reflected in the Statements of Shareowners' Equity (Deficit), consisted of the following:

	2002	2001
Foreign currency translation adjustments	$(275)	$(324)
Cash-flow hedges, net of tax	2	--
Minimum pension liability, net of tax*	(208)	--
Total Accumulated other comprehensive loss	$(481)	$(324)

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* Includes a tax benefit of $119.

The net gain on cash-flow hedges was not material at July 29, 2001.

3. BUSINESS AND GEOGRAPHIC SEGMENT INFORMATION

Campbell Soup Company, together with its consolidated subsidiaries, is a global manufacturer and marketer of high quality, branded convenience food products. Through 2001, the company was organized and reported the results of operations in three business segments: Soup and Sauces, Biscuits and Confectionery, and Away From Home.

Beginning in 2002, the company changed its organizational structure such that operations are managed and reported in four segments: North America Soup and Away From Home, North America Sauces and Beverages, Biscuits and Confectionery, and International Soup and Sauces. Segment financial information has been modified for all periods in order to conform to the new structure. In addition, Net sales reflect the reclassifications related to the adoption of new accounting standards as discussed in Note 1.

The North America Soup and Away From Home segment comprises the retail soup and Away From Home business in the U.S. and Canada. The U.S. retail business includes the Campbell's brand condensed and ready-to-serve soups and Swanson broths. The segment includes the company's total business in Canada, which comprises the Habitant and Campbell's soups, Prego pasta sauce and V8 juices. The Away From Home operations represent the distribution of products such as Campbell's soups, Campbell's specialty entrees, beverage products, other prepared foods and Pepperidge Farm products through various food service channels. The North America Sauces and Beverages segment includes Prego pasta sauces, Pace Mexican sauces, Franco-American canned pastas and gravies, V8 vegetable juices, V8 Splash juice beverages, Campbell's tomato juice and the total of all businesses in Mexico and other Latin American countries. The Biscuits and Confectionery segment includes Pepperidge Farm cookies, crackers, breads and frozen products in North America, Arnott's biscuits and crackers in Australia and Asia Pacific and Godiva chocolates worldwide. The International Soup and Sauces segment comprises operations outside of North America, including Erasco and Heisse Tasse soups in Germany, Liebig and Royco soups and Lesieur sauces in France, Campbell's and Batchelors soups, Oxo stock cubes and Homepride sauces in the United Kingdom, Devos Lemmens mayonnaise and cold sauces, and Campbell's and Royco soups in Belgium, and Bla Band and McDonnells soups in Sweden and Ireland, respectively. In Asia Pacific, operations include Campbell's soups and stock and Swanson broths across the region.

Accounting policies for measuring segment assets and earnings before interest and taxes are substantially consistent with those described in Note 1. The company evaluates segment performance before interest and taxes, excluding certain non-recurring charges. The North America Soup and Away From Home and North America Sauces and Beverages segments operate under an integrated supply chain organization, sharing substantially all manufacturing, warehouse, distribution and sales activities. Accordingly, assets have been allocated between the two segments based on various measures, for example, budgeted production hours for fixed assets and depreciation.

The company's largest customer, Wal-Mart Stores, Inc. and its affiliates, accounted for approximately 12% of consolidated net sales during 2002. All of the company's segments sold products to Wal-Mart Stores, Inc. and its affiliates.

Information about operations by business segment, reflecting the reclassifications described in Note 1, is as follows:

BUSINESS SEGMENTS

2002	NET SALES	EARNINGS BEFORE INTEREST AND TAXES(3)	DEPRECIATION AND AMORTIZATION	CAPITAL EXPEN- DITURES	SEGMENT ASSETS
NORTH AMERICA SOUP AND AWAY FROM HOME	$2,524	$ 624	$ 71	$ 75	$1,263
NORTH AMERICA SAUCES AND BEVERAGES	1,182	236	60	47	1,228
BISCUITS AND CONFECTIONERY	1,507	175	101	100	1,276
INTERNATIONAL SOUP AND SAUCES	920	92	55	28	1,632
CORPORATE AND ELIMINATIONS(1)	--	(143)	32	19	322
TOTAL	$6,133	$ 984	$319	$269	$5,721

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2001	Net Sales(2)	Earnings Before Interest and Taxes(3)	Depreciation and Amortization	Capital Expen- ditures	Segment Assets
North America Soup and Away From Home	$ 2,532	$ 774	$ 67	$ 59	$ 1,248
North America Sauces and Beverages	1,161	295	53	33	1,243
Biscuits and Confectionery	1,446	197	87	77	1,249
International Soup and Sauces	632	51	32	21	1,519
Corporate and Eliminations(1)	--	(123)	27	10	668
Total	$ 5,771	$ 1,194	$ 266	$ 200	$ 5,927

2000	Net Sales(2)	Earnings Before Interest and Taxes	Depreciation and Amortization	Capital Expen- ditures	Segment Assets
North America Soup and Away From Home	$ 2,434	$ 768	$ 67	$ 63	$ 1,302
North America Sauces and Beverages	1,156	309	52	34	1,281
Biscuits and Confectionery	1,391	206	83	63	1,366
International Soup and Sauces	622	64	24	26	593

Other	23	--	--	--	--
Corporate and Eliminations(1)	--	(82)	25	14	654
Total	$ 5,626	$ 1,265	$ 251	$ 200	$ 5,196

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(1) Represents elimination of intersegment sales, unallocated corporate expenses and unallocated assets, including corporate offices, deferred income taxes and prepaid pension assets.

(2) In the fourth quarter of 2001, the company adopted new guidance on the classification of shipping and handling costs. Shipping and handling costs of $207 and $199 for 2001 and 2000, respectively, were reclassified from Net sales to Cost of products sold. In the first quarter of 2002, the company adopted new accounting standards related to the income statement classification of certain consumer and trade sales promotion expenses, such as coupon redemption costs, cooperative advertising programs and in-store display incentives. As a result, the reclassifications, recorded in 2002, reduced Net sales by $893 and $840 for 2001 and 2000, respectively. See Note 1 for further discussion.

(3) Contributions to earnings before interest and taxes by the Biscuits and Confectionery segment include the effect of costs of $20 in 2002, and $15 in 2001 associated with the Australian manufacturing reconfiguration.

GEOGRAPHIC AREA INFORMATION

Information about operations in different geographic areas is as follows:

NET SALES(1)	2002	2001	2000
United States	$ 4,339	$ 4,313	$ 4,179
Europe	843	558	526
Australia/Asia Pacific	554	517	561
Other countries	502	455	426
Adjustments and eliminations	(105)	(72)	(66)
Consolidated	$ 6,133	$ 5,771	$ 5,626

EARNINGS BEFORE INTEREST AND TAXES	2002	2001	2000
United States	$ 913	$ 1,137	$ 1,135
Europe	92	53	55
Australia/Asia Pacific	41	46	72
Other countries	81	81	85
Segment earnings before interest and taxes	1,127	1,317	1,347
Unallocated corporate expenses	(143)	(123)	(82)
Consolidated	$ 984	$ 1,194	$ 1,265

IDENTIFIABLE ASSETS	2002	2001	2000

(dollars in millions, except per share amounts)

United States	$ 2,797	$ 2,737	$ 2,792
Europe	1,586	1,472	533
Australia/Asia Pacific	725	717	852
Other countries	288	293	315
Corporate	325	708	704
Consolidated	$ 5,721	$ 5,927	$ 5,196

(1) In the fourth quarter of 2001, the company adopted new guidance on the classification of shipping and handling costs. Shipping and handling costs of $207 and $199 for 2001 and 2000, respectively, were reclassified from Net sales to Cost of products sold. In the first quarter of 2002, the company adopted new accounting standards related to the income statement classification of certain consumer and trade sales promotion expenses, such as coupon redemption costs, cooperative advertising programs and in-store display incentives. As a result, the reclassifications, recorded in 2002, reduced Net sales by $893 and $840 for 2001 and 2000, respectively. See Note 1 for further discussion.

Transfers between geographic areas are recorded at cost plus markup or at market. Identifiable assets are those assets, including goodwill, which are identified with the operations in each geographic region. The restructuring charges in 2002 and 2001 were allocated to Australia/Asia Pacific.

4. RESTRUCTURING PROGRAM

A restructuring charge of $10 ($7 after tax) was recorded in the fourth quarter 2001 for severance costs associated with the reconfiguration of the manufacturing network of Arnotts in Australia. In the second quarter 2002, the company recorded an additional $1 restructuring charge related to planned severance actions. Related costs of approximately $19 ($13 after tax) in 2002 and $5 ($4 after tax) in 2001 were recorded as Cost of products sold, primarily representing accelerated depreciation on assets to be taken out of service. This program was designed to drive greater manufacturing efficiency resulting from the closure of the Melbourne plant. Approximately 550 jobs were eliminated due to the plant closure.

A summary of restructuring reserves at July 28, 2002 and related activity is as follows:

	ACCRUED BALANCE AT JULY 29, 2001	2002 CHARGE	SPENDING	ACCRUED BALANCE AT JULY 28, 2002
Severance pay and benefits	$ 10	1	(7)	$ 4

5. OTHER EXPENSES

	2002	2001	2000
Stock price related incentive programs	$ 39	$ 36	$ 26
Amortization of intangible and other assets	78	57	55
Minority interest	--	3	1

Other, net	21	18	7
	$138	$114	$ 89

6. INTEREST EXPENSE

	2002	2001	2000
Interest expense	$191	$222	$204
Less: Interest capitalized	1	3	6
	$190	$219	$198

7. ACQUISITIONS

In May 2001, the company acquired the assets of the European culinary brands business, comprised of several soup and sauce businesses, from Unilever, PLC/Unilever N.V. for approximately $920. The acquisition was financed with available cash and commercial paper borrowings. This acquisition was accounted for as a purchase transaction, and operations of the acquired business are included in the financial statements from May 4, 2001, the date the acquisition was consummated. The purchase price was allocated as follows: approximately $100 to fixed assets and inventory; approximately $490 to trademarks and other identifiable intangible assets; and approximately $330 to the excess of the purchase price over net assets acquired (goodwill). Goodwill and trademarks were being amortized on a straight-line basis over 40 years. An additional purchase price adjustment of $15 was paid in 2002 related to inventory.

Had the acquisition occurred at the beginning of 2000, based on unaudited data, net sales for 2001 and 2000 would have increased approximately $300 and $400, respectively, and net earnings would have decreased $2 in 2001 and $7 in 2000. Basic and diluted earnings per share would have decreased $.01 and $.02 in 2001 and 2000, respectively. These pro forma estimates factor in certain adjustments, including amortization of goodwill, additional depreciation expense, increased interest expense on debt related to the acquisition, and related income tax effects. The pro forma results do not include any synergies expected to result from the acquisition.

8. PENSION AND POSTRETIREMENT BENEFITS

PENSION BENEFITS Substantially all of the company's U.S. and certain non-U.S. employees are covered by noncontributory defined benefit pension plans. In 1999, the company implemented significant amendments to certain U.S. plans. Under a new formula, retirement benefits are determined based on percentages of annual pay and age. To minimize the impact of converting to the new formula, service and earnings credit will continue to accrue for active employees participating in the plans under the formula prior to the amendments through the year 2014. Employees will receive the benefit from either the new or old formula, whichever is higher. Benefits become vested upon the completion of five years of service. Benefits are paid from funds previously provided to trustees and insurance companies or are paid directly by the company from general funds. Plan assets consist primarily of investments in equities, fixed income securities, and real estate.

Pension coverage for employees of certain non-U.S. subsidiaries are provided to the extent determined appropriate through their respective plans. Obligations under such plans are systematically provided for by depositing funds with trusts or under insurance contracts. The assets and obligations of these plans are not material.

POSTRETIREMENT BENEFITS The company provides postretirement benefits including healthcare and life insurance to substantially all retired U.S. employees and their dependents. In 1999, changes were made to the

postretirement benefits offered to certain U.S. employees. Participants who were not receiving postretirement benefits as of May 1, 1999 will no longer be eligible to receive such benefits in the future, but the company will provide access to healthcare coverage for non-eligible future retirees on a group basis. Costs will be paid by the participants. To preserve the economic benefits for employees near retirement, participants who were at least age 55 and had at least 10 years of continuous service remain eligible for postretirement benefits.

Components of net periodic benefit cost:

PENSION	2002	2001	2000
Service cost	$ 36	$ 35	$ 37
Interest cost	109	106	103
Expected return on plan assets	(159)	(158)	(150)
Amortization of net transition obligation	--	(1)	(3)
Amortization of prior service cost	6	5	5
Recognized net actuarial loss	4	1	6
Curtailment	--	--	1
Net periodic pension income	$ (4)	$ (12)	$ (1)

POSTRETIREMENT	2002	2001	2000
Service cost	$ 5	$ 3	$ 5
Interest cost	21	20	18
Amortization of prior service cost	(14)	(12)	(11)
Amortization of net gain	--	(7)	(12)
Settlement	--	--	(3)
Net periodic postretirement (income) expense	$ 12	$ 4	$ (3)

Change in benefit obligation:

	PENSION		POSTRETIREMENT	
	2002	2001	2002	2001
Obligation at				

beginning of year	$ 1,522	$ 1,428	$ 338	$ 260
Acquisition adjustment	--	23	--	--
Service cost	36	35	5	3
Interest cost	109	106	21	20
Plan amendments	6	--	(16)	--
Actuarial loss	117	60	21	86
Settlement	--	--	--	(1)
Benefits paid	(123)	(122)	(29)	(30)
Foreign currency adjustment	2	(8)	--	--
Benefit obligation at end of year	$ 1,669	$ 1,522	$ 340	$ 338

Change in the fair value of pension plan assets:

	2002	2001
Fair value at beginning of year	$ 1,644	$ 1,846
Acquisition adjustment	--	23
Actual return on plan assets	(159)	(97)
Employer contributions	8	--
Benefits paid	(118)	(118)
Foreign currency adjustment	2	(10)
Fair value at end of year	$ 1,377	$ 1,644

Funded status as recognized in the Consolidated Balance Sheet:

	PENSION		POSTRETIREMENT	
	2002	2001	2002	2001
Funded status at end of year	$(292)	$ 122	$(340)	$(338)
Unrecognized prior service cost	57	54	(33)	(32)
Unrecognized loss	644	220	36	15
Net amount recognized	$ 409	$ 396	$(337)	$(355)

Amounts recognized in the Consolidated Balance Sheet:

PENSION	2002	2001
Prepaid benefit cost	$ 51	$396
Intangible asset	31	--
Accumulated other comprehensive loss	327	--
Net amount recognized	$409	$396

(dollars in millions, except per share amounts)

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The projected benefit obligation, accumulated benefit obligation, and fair value of plan assets for the pension plans with accumulated benefit obligations in excess of plan assets were $1,144, $1,048 and $864, respectively, as of July 28, 2002.

The current portion of nonpension postretirement benefits included in Accrued liabilities was $19 at July 28, 2002 and July 29, 2001.

PENSION

Weighted-average assumptions at end of year:

	2002	2001	2000
Discount rate for benefit obligation	6.90%	7.25%	7.75%
Expected return on plan assets	9.30%	10.00%	10.50%
Rate of compensation increases	4.50%	4.50%	4.50%

POSTRETIREMENT

The discount rate used to determine the accumulated postretirement benefit obligation was 7.00% in 2002 and 7.25% in 2001. The assumed health care cost trend rate used to measure the accumulated postretirement benefit obligation was 8%, declining to 4.50% in 2007 and continuing at 4.50% thereafter.

A one percentage point change in assumed health care costs would have the following effects on 2002 reported amounts:

	INCREASE	DECREASE
Effect on service and interest cost	$ 2	$ (2)
Effect on the 2002 accumulated benefit obligation	$ 12	$(12)

Obligations related to non-U.S. postretirement benefit plans are not significant since these benefits are generally provided through government-sponsored plans.

SAVINGS PLAN The company sponsors employee savings plans which cover substantially all U.S. employees. After one year of continuous service, the company generally matches 50% of employee contributions up to 5% of compensation. Amounts charged to Costs and expenses were $13 in 2002, $11 in 2001, and $10 in 2000.

9. TAXES ON EARNINGS

The provision for income taxes on earnings consists of the following:

	2002	2001	2000
Income taxes:			
Currently payable			
Federal	$ 201	$ 254	$ 246
State	19	29	30
Non-U.S	48	51	70
	268	334	346
Deferred			
Federal	7	13	36
State	--	(1)	(4)
Non-U.S	(2)	(8)	(15)
	5	4	17
	$ 273	$ 338	$ 363
Earnings before income taxes:			
United States	$ 685	$ 835	$ 880
Non-U.S	113	152	197
	$ 798	$ 987	$ 1,077

The following is a reconciliation of the effective income tax rate on continuing operations with the U.S. federal statutory income tax rate:

	2002	2001	2000
Federal statutory income tax rate	35.0%	35.0%	35.0%
State income taxes (net of federal tax benefit)	1.6	1.5	1.5
Non-U.S. earnings taxed at other than federal statutory rate	(0.1)	(0.9)	(1.0)
Tax loss carryforwards	(0.4)	(0.3)	(0.3)
Other	(1.9)	(1.1)	(1.5)
Effective income tax rate	34.2%	34.2%	33.7%

Deferred tax liabilities and assets are comprised of the following:

	2002	2001
Depreciation	$ 154	$ 160
Pensions	10	125
Other	238	216

Deferred tax liabilities	402	501
Benefits and compensation	195	197
Tax loss carryforwards	12	12
Other	103	95
Gross deferred tax assets	310	304
Deferred tax asset valuation allowance	(10)	(12)
Net deferred tax assets	300	292
Net deferred tax liability	$ 102	$ 209

At July 28, 2002, non-U.S. subsidiaries of the company have tax loss carryforwards of approximately $34. Of these carryforwards, $2 expire through 2007 and $32 may be carried forward indefinitely. The current statutory tax rates in these countries range from 28% to 40%.

U.S. income taxes have not been provided on undistributed earnings of non-U.S. subsidiaries of approximately $578, which are deemed to be permanently invested. If remitted, tax credits or planning strategies should substantially offset any resulting tax liability.

10. ACCOUNTS RECEIVABLE

	2002	2001
Customers	$ 431	$ 441
Allowances for cash discounts and bad debts	(36)	(28)
	395	413
Other	22	29
	$ 417	$ 442

11. INVENTORIES

	2002	2001
Raw materials, containers and supplies	$231	$216
Finished products	407	381
	$638	$597

Approximately 60% of inventory in 2002 and 61% in 2001 is accounted for on the last in, first out method of determining cost. If the first in, first out inventory valuation method had been used exclusively, inventories would not differ materially from the amounts reported at July 28, 2002 and July 29, 2001.

12. OTHER CURRENT ASSETS

	2002	2001
Deferred taxes	$ 86	$ 94
Other	37	46
	$123	$140

13. PLANT ASSETS

	2002	2001
Land	$ 53	$ 50
Buildings	868	840
Machinery and equipment	2,482	2,354
Projects in progress	230	133
	3,633	3,377
Accumulated depreciation	(1,949)	(1,740)
	$ 1,684	$ 1,637

Depreciation expense provided in Costs and expenses was $241 in 2002, $209 in 2001, and $196 in 2000. Approximately $159 of capital expenditures are required to complete projects in progress at July 28, 2002.

14. INTANGIBLE ASSETS

	2002	2001
Purchase price in excess of net assets of businesses acquired (goodwill)	$ 1,881	$ 1,856
Trademarks	993	890
Other intangibles	16	11
	2,890	2,757
Accumulated amortization	(387)	(306)
	$ 2,503	$ 2,451

15. OTHER ASSETS

	2002	2001
Prepaid pension benefit cost	$ 51	$396
Intangible pension asset	31	--
Investments	203	215
Other	50	25

(dollars in millions, except per share amounts)

	$335	$636

16. NOTES PAYABLE AND LONG-TERM DEBT

Notes payable consists of the following:

	2002	2001
Commercial paper	$ 886	$1,789
Current portion of Long-term Debt	301	6
Variable-rate bank borrowings	9	11
	$1,196	$1,806

Commercial paper had a weighted average interest rate of 2.54% and 4.38% at July 28, 2002 and July 29, 2001, respectively.

The current portion of Long-term Debt had a weighted average interest rate of 6.16% and 5.79% at July 28, 2002 and July 29, 2001, respectively.

The company has short-term lines of credit of approximately $1,982 at July 28, 2002. These lines of credit include two committed lines of credit totaling $1,800 which support commercial paper borrowings and remain unused at July 28, 2002, except for $45 of standby letters of credit issued on behalf of the company.

Long-term Debt consists of the following:

Type	Fiscal Year of Maturity	Rate	2002	2001
Notes	2003	6.15%	$ --	$ 300
Notes	2004	4.75%	300	300
Notes	2004	5.63%	--	100
Notes	2004	2.29%	300	--
Notes	2004	5.72%	--	528
Notes	2007	6.90%	300	300
Notes	2007	5.50%	300	--
Notes	2009	5.88%	300	--
Notes	2011	6.75%	700	500
Debentures	2021	8.88%	200	200
Other	2004-2010	6.40%-9.00%	49	15
			$2,449	$2,243

The fair value of the company's long-term debt including the current portion of long-term debt in Notes payable was $2,952 at July 28, 2002, and $2,323 at July 29, 2001.

The company has $1,000 of long-term debt available to issue as of July 28, 2002 under a shelf registration statement filed with the Securities and Exchange Commission.

Principal amounts of long-term debt mature as follows: 2003 - $301 (in current liabilities); 2004 - $600; 2005 - $1; 2006 - $1; 2007 - $605 and beyond - $1,242.

17. OTHER LIABILITIES

	2002	2001
Deferred taxes	$188	$303
Deferred compensation	121	123
Postemployment benefits	15	13
Other	65	36
	$389	$475

18. FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents, accounts and notes receivable, accounts payable and short-term debt approximate fair value. The fair value of long-term debt, as indicated in Note 16, and derivative financial instruments is based on quoted market prices.

In 2001, the company adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS No. 138. The standard requires that all derivative instruments be recorded on the balance sheet at fair value and establishes criteria for designation and effectiveness of the hedging relationships.

The company utilizes certain derivative financial instruments to enhance its ability to manage risk, including interest rate, foreign currency, commodity and certain equity-linked employee compensation exposures which exist as part of ongoing business operations. Derivative instruments are entered into for periods consistent with related underlying exposures and do not constitute positions independent of those exposures. The company does not enter into contracts for speculative purposes, nor is it a party to any leveraged derivative instrument.

The company is exposed to credit loss in the event of nonperformance by the counterparties on derivative contracts. The company minimizes its credit risk on these transactions by dealing only with leading, credit-worthy financial institutions having long-term credit ratings of "A" or better and, therefore, does not anticipate non-performance. In addition, the contracts are distributed among several financial institutions, thus minimizing credit risk concentration.

All derivatives are recognized on the balance sheet at fair value. On the date the derivative contract is entered into, the company designates the derivative as (1) a hedge of the fair value of a recognized asset or liability or of an unrecognized firm commitment (fair-value hedge), (2) a hedge of a forecasted transaction or of the variability of cash-flows to be received or paid related to a recognized asset or liability (cash-flow hedge), (3) a foreign-currency fair-value or cash flow hedge (foreign-currency hedge), or (4) a hedge of a net investment in a foreign operation. Some derivatives may also be considered natural hedging instruments (changes in fair value are recognized to act as economic offsets to changes in fair value of the underlying hedged item and do not qualify for hedge accounting under SFAS No. 133).

Changes in the fair value of a fair-value hedge, along with the loss or gain on the hedged asset or liability that is attributable to the hedged risk (including losses or gains on firm commitments), are recorded in current period earnings. Changes in the fair value of a cash-flow hedge are recorded in other comprehensive income, until earnings are affected by the variability of cash flows. Changes in the fair value of a foreign-currency hedge are recorded in either current-period earnings or other comprehensive income, depending on whether the hedge transaction is a fair-value hedge (e.g., a hedge of a firm commitment that is to be settled in foreign currency) or a cash-flow hedge (e.g., a hedge of a foreign-currency-denominated forecasted transaction). If, however, a derivative is used as a hedge of a net investment in a foreign operation, its changes in fair value, to the extent effective as a hedge, are recorded in the cumulative translation adjustments account within Shareowners' equity (deficit).

The company finances a portion of its operations through debt instruments primarily consisting of commercial paper, notes, debentures and bank loans. The company utilizes interest rate swap agreements to minimize worldwide financing costs and to achieve a targeted ratio of variable versus fixed-rate debt. In 2002, the company entered into interest rate swaps that convert fixed-rate debt (5.50% notes due in 2007 and 5.875% notes due in 2009) to variable. These swaps mature in 2007 and 2009, respectively, and are accounted for as fair-value hedges. The amounts paid or received on these hedges and adjustments to fair value are recognized as adjustments to interest expense. In 2001, the company entered into interest rate swaps that convert

fixed-rate debt (6.75% notes due in 2011) to variable. The swaps mature in 2011 and are accounted for as fair-value hedges. The notional amount of fair-value interest rate swaps was $425 and $250, respectively, at July 28, 2002 and July 29, 2001. The swaps had a fair value of $31 and $5, respectively, at July 28, 2002 and July 29, 2001.

In 2002, the company entered into interest rate swaps with a notional value of $300 that convert variable-rate debt to fixed. The swaps mature in 2004 and are accounted for as cash-flow hedges. Consequently, the effective portion of unrealized gains (losses) is deferred as a component of Accumulated other comprehensive income/(loss) and is recognized in earnings at the time the hedged item affects earnings. The amounts paid or received on the hedge are recognized as adjustments to interest expense. The fair value of the swaps was $(4) as of July 28, 2002.

In anticipation of the $300 seven-year notes issued in September 2001, the company entered into forward-starting interest rate swap contracts with a notional value of $138. Upon issuance of the notes, the contracts were settled at a loss of approximately $4. This loss was recorded in other comprehensive income/(loss) and is being amortized to interest expense over the life of the notes.

The company is exposed to foreign currency exchange risk as a result of transactions in currencies other than the functional currency of certain subsidiaries. The company utilizes foreign currency forward purchase and sale contracts, options and cross-currency swaps in order to manage the volatility associated with foreign currency purchases and certain intercompany transactions in the normal course of business.

Qualifying forward exchange contracts and cross-currency swap contracts are accounted for as cash-flow hedges when the hedged item is a forecasted transaction, or when future cash flows related to a recognized asset or liability are expected to be received or paid. The effective portion of the changes in fair value on these instruments is recorded in Accumulated other comprehensive income/(loss) and is reclassified into the Statement of Earnings on the same line item and in the same period or periods in which the hedged transaction affects earnings. The fair value of these instruments was $(38) at July 28, 2002.

Qualifying forward exchange contracts are accounted for as fair-value hedges when the hedged item is a recognized asset, liability or firm commitment. The fair-value of such contracts was not material at July 28, 2002.

The company also enters into certain foreign currency derivative instruments that are not designated as accounting hedges. These instruments are primarily intended to reduce volatility of certain intercompany financing transactions. Gains and losses on derivatives not designated as accounting hedges are typically recorded in Other expenses, as an offset to gains/(losses) on the underlying transaction.

Foreign currency forward contracts typically have maturities of less than one year. Principal currencies include the Australian dollar, British pound, Canadian dollar, euro, Japanese yen and Swedish krona.

As of July 28, 2002, the accumulated derivative net gain in other comprehensive income for cash-flow hedges, including the cross-currency swaps, variable to fixed interest rate swaps and forward starting swap contracts was $2, net of tax. At July 29, 2001, the accumulated net gain in other comprehensive income was not material. Reclassifications from Accumulated other comprehensive income/(loss) into the Statement of Earnings during the period ended July 28, 2002 were not material. There were no discontinued cash-flow hedges during the year. At July 28, 2002, the maximum maturity date of any cash-flow hedge was approximately nine years.

Other disclosures related to hedge ineffectiveness, gains/(losses) excluded from the assessment of hedge effectiveness, gains/(losses) arising from effective hedges of net investments, gains/(losses) resulting from the discontinuance of hedge accounting and reclassifications from other comprehensive income to earnings have been omitted due to the insignificance of these amounts.

The company principally uses a combination of purchase orders and various short- and long-term supply arrangements in connection with the purchase of raw materials, including certain commodities and agricultural products. On occasion, the company may also enter into commodity futures contracts, as considered appropriate, to reduce the volatility of price fluctuations for commodities such as corn, soybean meal and cocoa. These instruments are designated as cash-flow hedges. The fair value of the effective portion of the contracts is recorded in Accumulated other comprehensive income/(loss) and reclassified into Cost of products sold in the period in which the underlying transaction is recorded in earnings. Commodity hedging activity is not material to the company's financial statements.

The company is exposed to equity price changes related to certain employee compensation obligations. Swap contracts are utilized to hedge exposures relating to certain employee compensation obligations linked to the total return of the Standard & Poor's 500 Index and the total return of the

company's capital stock. The company pays a variable interest rate and receives the equity returns under these instruments. The notional value of the equity swap contracts, which mature in 2003, was $53 at July 28, 2002. These instruments are not designated as accounting hedges. Gains and losses are recorded in Other expenses. The net liability recorded under these contracts at July 28, 2002 was approximately $22.

19. SHAREOWNERS' EQUITY (DEFICIT)

The company has authorized 560 million shares of Capital stock with $.0375 par value and 40 million shares of Preferred stock, issuable in one or more classes, with or without par as may be authorized by the Board of Directors. No Preferred stock has been issued.

The company sponsors a long-term incentive compensation plan. Under the plan, restricted stock and options may be granted to certain officers and key employees of the company. The plan provides for awards up to an aggregate of 50 million shares of Capital stock. Options are granted at a price not less than the fair value of the shares on the date of grant and expire not later than ten years after the date of grant. Options vest over a three-year period.

The company accounts for the stock option grants and restricted stock awards in accordance with Accounting Principles Board Opinion No. 25 and related Interpretations. Accordingly, no compensation expense has been recognized in the Statements of Earnings for the options. In 1997, the company adopted the disclosure provisions of SFAS No. 123 "Accounting for Stock-Based Compensation." Had the company recorded compensation expense for the fair value of options granted consistent with SFAS No. 123, earnings from continuing operations would have been reduced by approximately $15, $14, and $13 in 2002, 2001 and 2000, respectively. Earnings per share from continuing operations, both basic and assuming dilution, would have been reduced by $.04 in 2002, and $.03 in both 2001 and 2000.

In 2001, the Board of Directors authorized the conversion of certain stock options to shares of restricted stock based on specified conversion ratios. The exchange, which was voluntary, replaced approximately 4.7 million options with approximately one million restricted shares. Depending on the original grant date of the options, the restricted shares vest in 2002, 2003 or 2004. The company recognizes compensation expense throughout the vesting period of the restricted stock. Compensation expense related to this award was $11 in 2002 and $8 in 2001.

The weighted average fair value of options granted in 2002, 2001 and 2000 was estimated as $8.09, $7.96 and $7.94, respectively. The fair value of each option grant at grant date is estimated using the Black-Scholes option pricing model. The following weighted average assumptions were used for grants in 2002, 2001 and 2000:

	2002	2001	2000
Risk-free interest rate	5.0%	5.1%	6.3%
Expected life (in years)	6	6	6
Expected volatility	31%	30%	29%
Expected dividend yield	2.2%	3.1%	3.0%

Restricted shares granted are as follows:

(shares in thousands)	2002	2001	2000
Restricted Shares Granted	94	184	573

Information about stock options and related activity is as follows:

(options in thousands)	2002	WEIGHTED AVERAGE EXERCISE PRICE	2001	Weighted Average Exercise Price	2000	Weighted Average Exercise Price
Beginning of year	17,370	$ 30.30	24,024	$ 32.16	19,880	$ 32.37

Granted	15,176	25.53	1,361	31.95	6,105	29.84
Exercised	(827)	17.52	(2,434)	16.82	(1,350)	17.81
Terminated	(1,713)	31.16	(929)	40.36	(611)	45.40
Converted to restricted stock	--	--	(4,652)	46.13	--	--
End of year	30,006	$ 28.21	17,370	$ 30.30	24,024	$ 32.16
Exercisable at end of year	12,595		12,160		14,850	

(options in thousands)	Stock Options Outstanding			Exercisable Options	
Range of Exercise Prices	Shares	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
\$16.81 - \$22.60	2,951	2.0	\$ 20.14	2,951	\$ 20.14
\$22.61 - \$31.91	23,745	8.3	\$ 27.38	7,163	\$ 30.76
\$31.92 - \$44.41	2,754	6.3	\$ 38.78	1,926	\$ 41.28
\$44.42 - \$56.50	556	3.8	\$ 53.97	555	\$ 53.99
	30,006			12,595	

In 1999, the company entered into forward stock purchase contracts to partially hedge the company's equity exposure from its stock option program. On December 12, 2000, the company purchased 11 million shares of common stock under the existing forward contracts for approximately $521.

For the periods presented in the Consolidated Statements of Earnings, the calculations of basic earnings per share and earnings per share assuming dilution vary in that the

weighted average shares outstanding assuming dilution includes the incremental effect of stock options, except when such effect would be antidilutive. In 2001 and 2000, the weighted average shares outstanding assuming dilution also includes the incremental effect of approximately three million and four million shares, respectively, under forward stock purchase contracts.

20. COMMITMENTS AND CONTINGENCIES

On March 30, 1998, the company effected a spinoff of several of its non-core businesses to Vlasic Foods International Inc. ("VFI"). VFI and several of its affiliates (collectively, "Vlasic") commenced cases under Chapter 11 of the Bankruptcy Code on January 29, 2001 in the United States Bankruptcy Court for the District of Delaware. Vlasic's Second Amended Joint Plan of Distribution under Chapter 11 (the "Plan") was confirmed by an order of the Bankruptcy Court dated November 16, 2001, and became effective on or about November 29, 2001. The Plan provides for the assignment of various causes of action allegedly belonging to the Vlasic estates, including claims against the company allegedly arising from the spinoff, to VFB LLC, a limited liability company ("VFB") whose membership interests are to be distributed under the Plan to Vlasic's general unsecured creditors.

On February 19, 2002, VFB commenced a lawsuit against the company and several of its subsidiaries in the United States District Court for the District of Delaware alleging, among other things, fraudulent conveyance, illegal dividends and breaches of fiduciary duty by Vlasic directors alleged to be under the company's control. The lawsuit seeks to hold the company liable in an amount necessary to satisfy all unpaid claims against Vlasic (which VFB estimates in the complaint to be $250), plus unspecified exemplary and punitive damages. While this case is still in its early stages and the ultimate disposition of complex litigation is inherently difficult to assess, the company believes the action is without merit and intends to defend the case vigorously.

The company is a party to other legal proceedings and claims, environmental matters and tax issues arising out of the normal course of business. Although the results of the pending claims and litigation cannot be predicted with certainty, in management's opinion, the final outcome of these other legal proceedings and claims, environmental matters and tax issues will not have a material effect on the consolidated results of operations, financial position or cash flows of the company.

The company has certain operating lease commitments, primarily related to warehouse and office facilities, retail store space, and certain equipment. Future minimum annual rental payments under these operating leases are as follows:

2003	2004	2005	2006	2007	Thereafter
$ 54	$ 45	$ 34	$ 30	$ 26	$ 62

The company guarantees approximately $74 of bank loans to Pepperidge Farm independent sales distributors, which are secured by their distribution routes that are purchased from the company.

21. STATEMENTS OF CASH FLOWS

	2002	2001	2000
Interest paid, net of amounts capitalized	$173	$208	$199
Interest received	$ 4	$ 12	$ 10
Income taxes paid	$222	$310	$253

22. QUARTERLY DATA (UNAUDITED)

2002	FIRST	SECOND	THIRD	FOURTH
NET SALES(1)	$ 1,729	$ 1,810	$ 1,371	$ 1,223
COST OF PRODUCTS SOLD(1)	971	1,004	782	686
NET EARNINGS	171	203	96	55
PER SHARE - BASIC				
NET EARNINGS	0.42	0.49	0.23	0.13
DIVIDENDS	0.1575	0.1575	0.1575	0.1575
PER SHARE - ASSUMING DILUTION				
NET EARNINGS	0.42	0.49	0.23	0.13
MARKET PRICE				
HIGH	$ 29.27	$ 31.44	$ 28.85	$ 28.40
LOW	$ 25.52	$ 27.81	$ 25.59	$ 21.00

2001	First	Second	Third	Fourth

Net sales(1)	$ 1,581	$ 1,755	$ 1,271	$ 1,164
Cost of products sold(1)	856	918	712	646
Net earnings	204	271	122	52
Per share - basic				
Net earnings	0.48	0.65	0.30	0.13
Dividends	0.225	0.225	0.225	0.225
Per share - assuming dilution				
Net earnings	0.47	0.65	0.30	0.13
Market price				
High	$ 28.81	$ 35.44	$ 33.05	$ 31.00
Low	$ 23.75	$ 28.19	$ 28.25	$ 25.75

(1) In the fourth quarter of 2001, the company adopted new guidance on the classification of shipping and handling costs. Shipping and handling costs of $207 in 2001 were reclassified from Net sales to Cost of products sold. In the first quarter of 2002, the company adopted new accounting standards related to the income statement classification of certain consumer and trade sales promotion expenses, such as coupon redemption costs, cooperative advertising programs and in-store display incentives. As a result, the reclassifications, recorded in 2002, reduced Net sales by $893 and reduced Cost of products sold by $14 for 2001. See Note 1 for further discussion.

Report of Management

The accompanying financial statements have been prepared by the management of the company in conformity with generally accepted accounting principles to reflect the financial position of the company and its operating results. Financial information appearing throughout this Annual Report is consistent with that in the financial statements. Management is responsible for the information and representations in such financial statements, including the estimates and judgments required for their preparation.

In order to meet its responsibility, management maintains a system of internal controls designed to assure that assets are safeguarded and that financial records properly reflect all transactions. The company also maintains a worldwide auditing function to periodically evaluate the adequacy and effectiveness of such internal controls, as well as the company's administrative procedures and reporting practices. The company believes that its long-standing emphasis on the highest standards of conduct and business ethics, set forth in extensive written policy statements, serves to reinforce its system of internal accounting controls.

The report of PricewaterhouseCoopers LLP, the company's independent accountants, covering their audit of the financial statements, is included in this Annual Report. Their independent audit of the company's financial statements includes a review of the system of internal accounting controls to the extent they consider necessary to evaluate the system as required by generally accepted auditing standards.

The company's internal auditors report directly to the Audit Committee of the Board of Directors, which is composed entirely of Directors who are not officers or employees of the company. The Audit Committee meets regularly with the internal auditors, other management personnel, and the independent accountants. The independent accountants and the internal auditors have had, and continue to have, direct access to the Audit Committee without the presence of other management personnel, and have been directed to discuss the results of their audit work and any matters they believe should be brought to the Committee's attention.

/s/ Douglas R. Conant

Douglas R. Conant
President and Chief Executive Officer

/s/ Robert A. Schiffner

Robert A. Schiffner
Senior Vice President and Chief Financial Officer

/s/ Gerald S. Lord

Gerald S. Lord
Vice President - Controller
September 5, 2002

Report of Independent Accountants

TO THE SHAREOWNERS AND DIRECTORS OF CAMPBELL SOUP COMPANY

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of earnings, shareowners' equity (deficit) and cash flows present fairly, in all material respects, the financial position of Campbell Soup Company and its subsidiaries at July 28, 2002, and July 29, 2001, and the results of their operations and their cash flows for each of the three years in the period ended July 28, 2002, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
September 5, 2002

Five-Year Review - Consolidated
(millions, except per share amounts)

Fiscal Year	2002(1)	2001(2)	2000	1999(3)	1998(4)
SUMMARY OF OPERATIONS					
Net sales	$ 6,133	$ 5,771	$ 5,626	$ 5,803	$ 6,220
Earnings before interest and taxes	984	1,194	1,265	1,270	1,248
Earnings before taxes	798	987	1,077	1,097	1,073
Earnings from continuing operations	525	649	714	724	689
Loss from discontinued operations	--	--	--	--	(18)
Net earnings	525	649	714	724	660
FINANCIAL POSITION					
Plant assets - net	$ 1,684	$ 1,637	$ 1,644	$ 1,726	$ 1,723
Total assets	5,721	5,927	5,196	5,522	5,633
Total debt	3,645	4,049	3,091	3,317	2,570
Shareowners' equity	(114)	(247)	137	235	874
PER SHARE DATA					
Earnings from continuing operations - basic	$ 1.28	$ 1.57	$ 1.68	$ 1.64	$ 1.52
Earnings from continuing operations - assuming dilution	1.28	1.55	1.65	1.63	1.50
Net earnings - basic	1.28	1.57	1.68	1.64	1.46
Net earnings - assuming dilution	1.28	1.55	1.65	1.63	1.44
Dividends declared	0.63	0.90	0.90	0.885	0.823

OTHER STATISTICS					
Cash margin(5)	21.2%	25.4%	27.0%	26.3%	24.4%
Capital expenditures	$ 269	$ 200	$ 200	$ 297	$ 256
Number of shareowners (in thousands)	47	48	51	51	51
Weighted average shares outstanding	410	414	425	441	454
Weighted average shares outstanding - assuming dilution	411	418	432	445	460

(1) 2002 results include pre-tax costs of $20 ($14 after tax or $.03 per share basic and assuming dilution) related to an Australian manufacturing reconfiguration. Of this amount, pre-tax costs of approximately $19 were recorded in Cost of products sold.

(2) 2001 results include pre-tax costs of $15 ($11 after tax or $.03 per share basic and assuming dilution) related to an Australian manufacturing reconfiguration. Of this amount, pre-tax costs of approximately $5 were recorded in Cost of products sold.

(3) 1999 earnings from continuing operations include a net pre-tax restructuring charge of $36 ($27 after tax or $.06 per share basic and assuming dilution). Earnings from continuing operations also include the effect of certain non-recurring costs of $22 ($15 after tax or $.03 per share basic and assuming dilution).

(4) 1998 earnings from continuing operations include a pre-tax restructuring charge of $262 ($193 after tax or $.42 per share basic and assuming dilution). Earnings from continuing operations also include a gain on divestiture of $14 ($9 after tax or $.02 per share basic and assuming dilution). Net earnings include the cumulative effect of a change in accounting for business process reengineering costs of $11 or $.02 per share (basic and assuming dilution).

(5) Cash margin equals earnings before interest and taxes plus depreciation, amortization and minority interest expense divided by net sales.

In 2002, financial results were restated to conform to the requirements of new accounting standards. Certain consumer and trade promotional expenses have been reclassified from Marketing and selling expenses and Cost of products sold to Net sales for 1998 to 2001.

The company spun off its Specialty Foods segment in 1998 and accounted for it as a discontinued operation.

EXHIBIT 21

SUBSIDIARIES OF CAMPBELL

NAME OF SUBSIDIARY AND NAME UNDER WHICH IT DOES BUSINESS	JURISDICTION OF INCORPORATION
AB Australasia Pty Limited	Australia
Arnott's Biscuit Company Singapore Pte Limited	Singapore
Arnotts Biscuits Holdings Pty Limited	Australia
Arnott's Biscuits Limited	Australia
Arnott's Biscuits Holding (PNG) Pty. Ltd.	New Guinea
Arnotts Limited	Australia
Arnott's New Zealand Limited	New Zealand
Arnott's Philippines, Inc.	Philippines
Arnott's Sales Pty Limited	Australia
Aulsebrooks Limited	New Zealand
Campbell Cheong Chan Malaysia Sdn. Bhd	Malaysia
Campbell Coordination Center	Belgium
Campbell EU Investment Company	Delaware
Campbell EU Investment 2 Company	Delaware
Campbell Finance Corp.	Delaware
Campbell Foods Belgium N.V. - S.A.	Belgium
Campbell Foodservice Company	Pennsylvania
Campbell France Holding SAS	France
Campbell France S.A.S.	France
Campbell Generale Condimentaire	France
Campbell Grocery Products Limited	United Kingdom
Campbell Investment (Australia) Pty. Limited	Australia
Campbell Investment Company	Delaware
Campbell Investment Company of Canada	Canada

NAME OF SUBSIDIARY AND NAME UNDER WHICH IT DOES BUSINESS	JURISDICTION OF INCORPORATION
Campbell Japan, Incorporated	Japan
Campbell MFG 1 Company	Delaware
Campbell MGF 2 Company	Delaware
Campbell Netherlands Holding B.V.	Netherlands
Campbell Sales Company	New Jersey

Campbell Soup Asia Limited	Hong Kong
Campbell Soup Company Ltd	Canada
Campbell Soup Ireland Limited	Ireland
Campbell Soup Sweden AB	Sweden
Campbell Soup Supply Company L.L.C.	Delaware
Campbell Soup UK Limited	United Kingdom
Campbell Southeast Asia Sdn Bhd	Malaysia
Campbell Australasia Pty. Limited	Australia
Campbell's de Mexico S.A. de C. V.	Mexico
Campbell's Germany GmbH	Germany
Campbell's Netherlands B.V.	Netherlands
Campbell's U.K. Limited	United Kingdom
CANEB LLC	Delaware
Continental Foods S.A. (France)	France
CSC Brands LP	Delaware
CSC Standards, Inc.	New Jersey
CSC UK Limited	United Kingdom
Eugen Lacroix Grundstuecksverwaltungsgesellschaft mbH	Germany
Eugen Lacroix GmbH	Germany
Godiva Brands, Inc.	Delaware
Godiva Belgium N.V. -- S.A.	Belgium
Godiva Chocolatier (Asia) Limited	Hong Kong
Godiva Chocolatier, Inc.	New Jersey

NAME OF SUBSIDIARY AND NAME UNDER WHICH IT DOES BUSINESS	JURISDICTION OF INCORPORATION
Godiva Chocolatier of Canada Ltd.	Canada
Godiva France S.A.	France
Godiva Japan, Incorporated (formerly Campbell Nakano, Inc.)	Japan
Godiva U.K. Limited	United Kingdom
Gourmand Japan, Inc.	Japan
Immobiliaria Campbell's de Mexico, S.A. de C.V.	Mexico
Joseph Campbell Company	New Jersey
Pepperidge Farm, Incorporated	Connecticut
PF Brands, Inc.	Delaware
PT Arnott's Indonesia	Indonesia
Royco Voedingsmiddelenfabrieken B.V.	Netherlands
Sinalopasta S.A. de C.V.	Mexico
Stockpot Inc.	Washington

The foregoing does not constitute a complete list of all subsidiaries of the registrant. The subsidiaries that have been omitted do not, if considered in the aggregate as a single subsidiary, constitute a "Significant Subsidiary" as defined by the SEC.

EXHIBIT 23

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No.333-90036) and Forms S-8 (Nos. 333-38520, 333-22803, 333-00729, 33-59797, 33-56899, 33-39032 and 33-14009) of Campbell Soup Company of our report dated September 5, 2002 relating to the financial statements, which appears in the Annual Report to Shareowners, which is incorporated in this Annual Report on Form 10-K.

PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania

October 11, 2002

EXHIBIT 24

POWER OF ATTORNEY

FORM 10-K ANNUAL REPORT FOR FISCAL 2002

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Ellen O. Kaden and John J. Furey, each of them, until December 31, 2002, their true and lawful attorneys-in-fact and agents, with full power of substitution and revocation, for them and in their name, place and stead, in any and all capacities, to sign Campbell Soup Company's Form 10-K Annual Report to the Securities and Exchange Commission for the fiscal year ended July 28, 2002, and any amendments thereto, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents may lawfully do or cause to be done by virtue hereof.

CAMPBELL SOUP COMPANY

Signature	Dated as of September 26, 2002
/s/Alva A. App Alva A. App	/s/Philip E. Lippincott Philip E. Lippincott
/s/Edmund M. Carpenter Edmund M. Carpenter	/s/Mary Alice D. Malone Mary Alice D. Malone
/s/Douglas R. Conant Douglas R. Conant	/s/Charles H. Mott Charles H. Mott
/s/Bennett Dorrance Bennett Dorrance	/s/Charles R. Perrin Charles R. Perrin
/s/Thomas W. Field, Jr. Thomas W. Field, Jr.	/s/George M. Sherman George M. Sherman
/s/Kent B. Foster Kent B. Foster	/s/Donald M. Stewart Donald M. Stewart
/s/Harvey Golub Harvey Golub	/s/George Strawbridge, Jr. George Strawbridge
/s/David K. P. Li	/s/Charlotte C. Weber

David K. P. Li

Charlotte C. Weber