

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

	Three Months Ended	
	October 29, 2017	October 30, 2016
Net sales	\$ 2,161	\$ 2,202
Costs and expenses		
Cost of products sold	1,378	1,351
Marketing and selling expenses	219	230
Administrative expenses	149	125
Research and development expenses	30	27
Other expenses / (income)	(29)	11
Restructuring charges	2	1
Total costs and expenses	1,749	1,745
Earnings before interest and taxes	412	457
Interest, net	30	28
Earnings before taxes	382	429
Taxes on earnings	107	137
Net earnings	275	292
Net loss attributable to noncontrolling interests	—	—
Net earnings attributable to Campbell Soup Company	\$ 275	\$ 292
Per share - basic		
Net earnings attributable to Campbell Soup Company	\$.91	\$.95
Dividends	\$.35	\$.35
Weighted average shares outstanding - basic	301	308
Per share - assuming dilution		
Net earnings attributable to Campbell Soup Company	\$.91	\$.94
Weighted average shares outstanding - assuming dilution	302	310

The company adopted new accounting guidance on the presentation of net periodic pension cost and net periodic postretirement benefit cost in the first quarter of fiscal 2018. Certain amounts in the prior year were reclassified to conform to the current-year presentation.

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

	Three Months Ended		Percent Change
	October 29, 2017	October 30, 2016	
Sales			
Contributions:			
Americas Simple Meals and Beverages	\$ 1,218	\$ 1,278	(5)%
Global Biscuits and Snacks	709	690	3%
Campbell Fresh	234	234	—%
Total sales	<u>\$ 2,161</u>	<u>\$ 2,202</u>	(2)%
Earnings			
Contributions:			
Americas Simple Meals and Beverages	\$ 328	\$ 380	(14)%
Global Biscuits and Snacks	120	115	4%
Campbell Fresh	(6)	1	n/m
Total operating earnings	<u>442</u>	<u>496</u>	(11)%
Corporate	(28)	(38)	
Restructuring charges	(2)	(1)	
Earnings before interest and taxes	<u>412</u>	<u>457</u>	(10)%
Interest, net	30	28	
Taxes on earnings	107	137	
Net earnings	<u>275</u>	<u>292</u>	(6)%
Net loss attributable to noncontrolling interests	—	—	
Net earnings attributable to Campbell Soup Company	<u>\$ 275</u>	<u>\$ 292</u>	(6)%
Per share - assuming dilution			
Net earnings attributable to Campbell Soup Company	<u>\$.91</u>	<u>\$.94</u>	(3)%

n/m - not meaningful

Beginning in fiscal 2018, the business in Latin America is managed as part of the Global Biscuits and Snacks segment. Prior to fiscal 2018, the business in Latin America was managed as part of the Americas Simple Meals and Beverages segment. Segment results have been adjusted retrospectively to reflect this change.

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

	October 29, 2017	October 30, 2016
Current assets	\$ 1,996	\$ 2,146
Plant assets, net	2,417	2,380
Intangible assets, net	3,198	3,404
Other assets	135	109
Total assets	\$ 7,746	\$ 8,039
Current liabilities	\$ 2,583	\$ 2,760
Long-term debt	2,269	2,298
Other liabilities	1,205	1,383
Total equity	1,689	1,598
Total liabilities and equity	\$ 7,746	\$ 8,039
Total debt	\$ 3,461	\$ 3,588
Cash and cash equivalents	\$ 163	\$ 290

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

	Three Months Ended	
	October 29, 2017	October 30, 2016
Cash flows from operating activities:		
Net earnings	\$ 275	\$ 292
Adjustments to reconcile net earnings to operating cash flow		
Restructuring charges	2	1
Stock-based compensation	14	14
Pension and postretirement benefit income	(16)	(11)
Depreciation and amortization	82	77
Deferred income taxes	41	19
Other, net	6	(2)
Changes in working capital		
Accounts receivable	(167)	(218)
Inventories	(105)	(27)
Prepaid assets	16	(6)
Accounts payable and accrued liabilities	84	96
Net payments from hedging activities	(33)	(2)
Other	(11)	(12)
Net cash provided by operating activities	<u>188</u>	<u>221</u>
Cash flows from investing activities:		
Purchases of plant assets	(58)	(48)
Other, net	(5)	(4)
Net cash used in investing activities	<u>(63)</u>	<u>(52)</u>
Cash flows from financing activities:		
Net short-term borrowings (repayments)	(60)	86
Long-term repayments	—	(27)
Dividends paid	(111)	(100)
Treasury stock purchases	(86)	(112)
Payments related to tax withholding for stock-based compensation	(22)	(20)
Net cash used in financing activities	<u>(279)</u>	<u>(173)</u>
Effect of exchange rate changes on cash	(2)	(2)
Net change in cash and cash equivalents	<u>(156)</u>	<u>(6)</u>
Cash and cash equivalents — beginning of period	319	296
Cash and cash equivalents — end of period	<u>\$ 163</u>	<u>\$ 290</u>