

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

	Three Months Ended	
	May 1, 2016	May 3, 2015
Net sales	\$ 1,870	\$ 1,900
Costs and expenses		
Cost of products sold	1,210	1,218
Marketing and selling expenses	228	213
Administrative expenses	154	142
Research and development expenses	31	30
Other expenses / (income)	(23)	3
Restructuring charges	2	9
Total costs and expenses	1,602	1,615
Earnings before interest and taxes	268	285
Interest, net	28	28
Earnings before taxes	240	257
Taxes on earnings	55	78
Net earnings	185	179
Net loss attributable to noncontrolling interests	—	—
Net earnings attributable to Campbell Soup Company	\$ 185	\$ 179
Per share - basic		
Net earnings attributable to Campbell Soup Company	\$.60	\$.58
Dividends	\$.312	\$.312
Weighted average shares outstanding - basic	309	311
Per share - assuming dilution		
Net earnings attributable to Campbell Soup Company	\$.59	\$.57
Weighted average shares outstanding - assuming dilution	311	312

In fiscal 2016, the company changed the method of accounting for the recognition of actuarial gains and losses for defined benefit pension and postretirement plans and the calculation of expected return on pension plan assets. These changes in accounting policy have been retrospectively applied to all periods presented. The company excludes the impact of the mark-to-market adjustments resulting from these accounting changes in evaluating performance. In the third quarter of fiscal 2016, the company incurred losses of \$54 in Costs and expenses (\$34 after tax, or \$.11 per share) due to mark-to-market adjustments. In the third quarter of fiscal 2015, the company incurred losses of \$26 in Costs and expenses (\$16 after tax, or \$.05 per share) due to mark-to-market adjustments.

In fiscal 2015, the company implemented a new enterprise design and initiatives to reduce costs and to streamline its organizational structure. In the third quarter of fiscal 2016, the company recorded Restructuring charges of \$2 and implementation costs and other related costs of \$13 in Administrative expenses related to these initiatives (aggregate impact of \$9 after tax, or \$.03 per share). In the third quarter of fiscal 2015, the company recorded Restructuring charges of \$9 and implementation costs of \$9 in Administrative expenses related to these initiatives (aggregate impact of \$11 after tax, or \$.04 per share).

In the third quarter of fiscal 2016, the company recorded a gain of \$25 in Other expenses/(income) (\$.08 per share) from a settlement of a claim related to the Kelsen acquisition.

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

	Nine Months Ended	
	May 1, 2016	May 3, 2015
Net sales	\$ 6,274	\$ 6,389
Costs and expenses		
Cost of products sold	4,040	4,169
Marketing and selling expenses	677	695
Administrative expenses	456	408
Research and development expenses	86	83
Other expenses / (income)	(14)	14
Restructuring charges	32	9
Total costs and expenses	5,277	5,378
Earnings before interest and taxes	997	1,011
Interest, net	83	78
Earnings before taxes	914	933
Taxes on earnings	270	284
Net earnings	644	649
Net loss attributable to noncontrolling interests	—	—
Net earnings attributable to Campbell Soup Company	\$ 644	\$ 649
Per share - basic		
Net earnings attributable to Campbell Soup Company	\$ 2.08	\$ 2.07
Dividends	\$.936	\$.936
Weighted average shares outstanding - basic	309	313
Per share - assuming dilution		
Net earnings attributable to Campbell Soup Company	\$ 2.07	\$ 2.07
Weighted average shares outstanding - assuming dilution	311	314

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In fiscal 2015, the company implemented a new enterprise design and initiatives to reduce costs and to streamline its organizational structure. In fiscal 2016, the company recorded Restructuring charges of \$35 and implementation costs and other related costs of \$35 in Administrative expenses related to these initiatives. In the second quarter of fiscal 2016, the company also recorded a reduction to Restructuring charges of \$3 related to the fiscal 2014 initiative to improve supply chain efficiency in Australia. The aggregate after-tax impact of Restructuring charges, implementation costs and other related costs was \$42, or \$.14 per share. In fiscal 2015, the company recorded Restructuring charges of \$9 and implementation costs of \$9 in Administrative expenses related to the fiscal 2015 initiatives (aggregate impact of \$11 after tax, or \$.04 per share).

In the third quarter of fiscal 2016, the company recorded a gain of \$25 in Other expenses/(income) (\$.08 per share) from a settlement of a claim related to the Kelsen acquisition.

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

	<u>Three Months Ended</u>		Percent Change
	<u>May 1, 2016</u>	<u>May 3, 2015</u>	
<u>Sales</u>			
Contributions:			
Americas Simple Meals and Beverages	\$ 999	\$ 1,030	(3)%
Global Biscuits and Snacks	608	623	(2)%
Campbell Fresh	263	247	6%
Total sales	<u>\$ 1,870</u>	<u>\$ 1,900</u>	(2)%
<u>Earnings</u>			
Contributions:			
Americas Simple Meals and Beverages	\$ 225	\$ 223	1%
Global Biscuits and Snacks	86	93	(8)%
Campbell Fresh	13	18	(28)%
Total operating earnings	324	334	(3)%
Unallocated corporate expenses	54	40	
Restructuring charges	2	9	
Earnings before interest and taxes	268	285	(6)%
Interest, net	28	28	
Taxes on earnings	55	78	
Net earnings	185	179	3%
Net loss attributable to noncontrolling interests	—	—	
Net earnings attributable to Campbell Soup Company	<u>\$ 185</u>	<u>\$ 179</u>	3%
Per share - assuming dilution			
Net earnings attributable to Campbell Soup Company	<u>\$.59</u>	<u>\$.57</u>	4%

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

In the third quarter of fiscal 2016, the company incurred losses of \$54 in Unallocated corporate expenses (\$34 after tax, or \$.11 per share) due to mark-to-market adjustments. In the third quarter of fiscal 2015, the company incurred losses of \$26 in Unallocated corporate expenses (\$16 after tax, or \$.05 per share) due to mark-to-market adjustments.

In fiscal 2015, the company implemented a new enterprise design and initiatives to reduce costs and to streamline its organizational structure. In the third quarter of fiscal 2016, the company recorded Restructuring charges of \$2 and implementation costs and other related costs of \$13 in Unallocated corporate expenses related to these initiatives (aggregate impact of \$9 after tax, or \$.03 per share). In the third quarter of fiscal 2015, the company recorded Restructuring charges of \$9 and implementation costs of \$9 in Unallocated corporate expenses related to these initiatives (aggregate impact of \$11 after tax, or \$.04 per share).

In the third quarter of fiscal 2016, the company recorded a gain of \$25 in Unallocated corporate expenses (\$.08 per share) from a settlement of a claim related to the Kelsen acquisition.

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

	<u>Nine Months Ended</u>		Percent Change
	<u>May 1, 2016</u>	<u>May 3, 2015</u>	
<u>Sales</u>			
Contributions:			
Americas Simple Meals and Beverages	\$ 3,538	\$ 3,641	(3)%
Global Biscuits and Snacks	1,942	2,014	(4)%
Campbell Fresh	794	734	8%
Total sales	<u>\$ 6,274</u>	<u>\$ 6,389</u>	(2)%
<u>Earnings</u>			
Contributions:			
Americas Simple Meals and Beverages	\$ 878	\$ 765	15%
Global Biscuits and Snacks	341	306	11%
Campbell Fresh	52	40	30%
Total operating earnings	<u>1,271</u>	<u>1,111</u>	14%
Unallocated corporate expenses	242	91	
Restructuring charges	32	9	
Earnings before interest and taxes	<u>997</u>	<u>1,011</u>	(1)%
Interest, net	83	78	
Taxes on earnings	270	284	
Net earnings	<u>644</u>	<u>649</u>	(1)%
Net loss attributable to noncontrolling interests	—	—	
Net earnings attributable to Campbell Soup Company	<u>\$ 644</u>	<u>\$ 649</u>	(1)%
<u>Per share - assuming dilution</u>			
Net earnings attributable to Campbell Soup Company	<u>\$ 2.07</u>	<u>\$ 2.07</u>	—%

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

In fiscal 2016, the company incurred losses of \$175 in Unallocated corporate expenses (\$110 after tax, or \$.35 per share) due to mark-to-market adjustments. In fiscal 2015, the company incurred losses of \$26 in Unallocated corporate expenses (\$16 after tax, or \$.05 per share) due to mark-to-market adjustments.

In fiscal 2015, the company implemented a new enterprise design and initiatives to reduce costs and to streamline its organizational structure. In fiscal 2016, the company recorded Restructuring charges of \$35 and implementation costs and other related costs of \$35 in Unallocated corporate expenses related to these initiatives. In the second quarter of fiscal 2016, the company also recorded a reduction to Restructuring charges of \$3 related to the fiscal 2014 initiative to improve supply chain efficiency in Australia. The aggregate after-tax impact of Restructuring charges, implementation costs and other related costs was \$42, or \$.14 per share. In fiscal 2015, the company recorded Restructuring charges of \$9 and implementation costs of \$9 in Unallocated corporate expenses related to the fiscal 2015 initiatives (aggregate impact of \$11 after tax, or \$.04 per share).

In the third quarter of fiscal 2016, the company recorded a gain of \$25 in Unallocated corporate expenses (\$.08 per share) from a settlement of a claim related to the Kelsen acquisition.

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

	May 1, 2016	May 3, 2015
Current assets	\$ 2,042	\$ 1,899
Plant assets, net	2,371	2,292
Intangible assets, net	3,574	3,414
Other assets	94	151
Total assets	\$ 8,081	\$ 7,756
Current liabilities	\$ 2,377	\$ 2,325
Long-term debt	2,552	2,553
Other liabilities	1,478	1,315
Total equity	1,674	1,563
Total liabilities and equity	\$ 8,081	\$ 7,756
Total debt	\$ 3,686	\$ 3,785
Cash and cash equivalents	\$ 383	\$ 230

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

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

	Nine Months Ended	
	May 1, 2016	May 3, 2015
Cash flows from operating activities:		
Net earnings	\$ 644	\$ 649
Adjustments to reconcile net earnings to operating cash flow		
Restructuring charges	32	9
Stock-based compensation	50	46
Pension and postretirement benefit expense	167	9
Depreciation and amortization	228	223
Deferred income taxes	4	28
Other, net	2	15
Changes in working capital		
Accounts receivable	5	19
Inventories	172	109
Prepaid assets	7	11
Accounts payable and accrued liabilities	(87)	(110)
Receipts from hedging activities	5	11
Other	(46)	(48)
Net cash provided by operating activities	<u>1,183</u>	<u>971</u>
Cash flows from investing activities:		
Purchases of plant assets	(225)	(242)
Sales of plant assets	5	9
Other, net	(14)	(7)
Net cash used in investing activities	<u>(234)</u>	<u>(240)</u>
Cash flows from financing activities:		
Net short-term repayments	(425)	(233)
Long-term borrowings	—	300
Repayments of notes payable	—	(300)
Dividends paid	(294)	(297)
Treasury stock purchases	(118)	(192)
Treasury stock issuances	2	9
Excess tax benefits on stock-based compensation	7	5
Other, net	—	(3)
Net cash used in financing activities	<u>(828)</u>	<u>(711)</u>
Effect of exchange rate changes on cash	9	(22)
Net change in cash and cash equivalents	<u>130</u>	<u>(2)</u>
Cash and cash equivalents — beginning of period	253	232
Cash and cash equivalents — end of period	<u>\$ 383</u>	<u>\$ 230</u>

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