

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

	THREE MONTHS ENDED	
	November 2, 2014	October 27, 2013
Net sales	\$ 2,255	\$ 2,165
Costs and expenses		
Cost of products sold	1,472	1,388
Marketing and selling expenses	247	261
Administrative expenses	135	148
Research and development expenses	29	31
Other expenses	4	11
Restructuring charges	—	21
Total costs and expenses	<u>1,887</u>	<u>1,860</u>
Earnings before interest and taxes	368	305
Interest, net	25	30
Earnings before taxes	343	275
Taxes on earnings	109	95
Earnings from continuing operations	234	180
Loss from discontinued operations	—	(9)
Net earnings	234	171
Net loss attributable to noncontrolling interests	—	1
Net earnings attributable to Campbell Soup Company	<u>\$ 234</u>	<u>\$ 172</u>
Per share - basic		
Earnings from continuing operations attributable to Campbell Soup Company	\$.75	\$.58
Loss from discontinued operations	—	(.03)
Net earnings attributable to Campbell Soup Company	<u>\$.75</u>	<u>\$.55</u>
Dividends	<u>\$.312</u>	<u>\$.312</u>
Weighted average shares outstanding - basic	<u>314</u>	<u>314</u>
Per share - assuming dilution		
Earnings from continuing operations attributable to Campbell Soup Company	\$.74	\$.57
Loss from discontinued operations	—	(.03)
Net earnings attributable to Campbell Soup Company	<u>\$.74</u>	<u>\$.54</u>
Weighted average shares outstanding - assuming dilution	<u>316</u>	<u>317</u>

In fiscal 2014, the company implemented initiatives to streamline its salaried workforce in North America and its workforce in the Asia Pacific region; restructure manufacturing and streamline operations for its soup and broth business in China; improve supply chain efficiency in Australia; and reduce overhead across the organization. In the first quarter of fiscal 2014, the company recorded pre-tax restructuring charges of \$20 (\$13 after tax or \$.04 per share in earnings from continuing operations) related to the initiatives.

In fiscal 2013, the company implemented initiatives to improve its U.S. supply chain cost structure and increase asset utilization across its U.S. thermal plant network; expand access to manufacturing and distribution capabilities in Mexico; improve its Pepperidge Farm bakery supply chain cost structure; and reduce overhead in North America. In the first quarter of fiscal 2014, the company recorded pre-tax restructuring charges of \$1 and restructuring-related costs of \$2 in Cost of products sold (aggregate impact of \$2 after tax or \$.01 per share on earnings from continuing operations) related to the initiatives.

On October 28, 2013, the company completed the sale of its simple meals business in Europe. The results of the business were reported as discontinued operations. In the first quarter of fiscal 2014, the company recorded a loss of \$9 (\$6 after tax or \$.02 per share) on foreign exchange forward contracts used to hedge the proceeds from the sale of the European simple meals

business. The loss was included in Other expenses in earnings from continuing operations. In addition, the company recorded tax expense of \$7 (\$.02 per share) in earnings from continuing operations associated with the sale of the business.

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

	THREE MONTHS ENDED		Percent Change
	November 2, 2014	October 27, 2013	
Sales			
Contributions:			
U.S. Simple Meals	\$ 928	\$ 860	8%
Global Baking and Snacking	627	609	3%
International Simple Meals and Beverages	189	193	(2)%
U.S. Beverages	168	173	(3)%
Bolthouse and Foodservice	343	330	4%
Total sales	<u>\$ 2,255</u>	<u>\$ 2,165</u>	4%
Earnings			
Contributions:			
U.S. Simple Meals	\$ 242	\$ 211	15%
Global Baking and Snacking	90	78	15%
International Simple Meals and Beverages	16	20	(20)%
U.S. Beverages	26	24	8%
Bolthouse and Foodservice	22	29	(24)%
Total operating earnings	<u>396</u>	<u>362</u>	9%
Unallocated corporate expenses	28	36	
Restructuring charges	—	21	
Earnings before interest and taxes	<u>368</u>	<u>305</u>	21%
Interest, net	25	30	
Taxes on earnings	<u>109</u>	<u>95</u>	
Earnings from continuing operations	234	180	
Loss from discontinued operations	—	(9)	
Net earnings	<u>234</u>	<u>171</u>	37%
Net loss attributable to noncontrolling interests	—	1	
Net earnings attributable to Campbell Soup Company	<u>\$ 234</u>	<u>\$ 172</u>	36%
Per share - assuming dilution			
Earnings from continuing operations attributable to Campbell Soup Company	\$.74	\$.57	
Loss from discontinued operations	—	(.03)	
Net earnings attributable to Campbell Soup Company	<u>\$.74</u>	<u>\$.54</u>	37%

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

	November 2, 2014	October 27, 2013
Current assets	\$ 2,358	\$ 2,394
Current assets of discontinued operations held for sale	—	193
Plant assets, net	2,286	2,283
Intangible assets, net	3,539	3,655
Other assets	114	123
Non-current assets of discontinued operations held for sale	—	407
Total assets	<u>\$ 8,297</u>	<u>\$ 9,055</u>
Current liabilities	\$ 3,168	\$ 3,952
Current liabilities of discontinued operations held for sale	—	152
Long-term debt	2,244	2,247
Other liabilities	1,279	1,336
Non-current liabilities of discontinued operations held for sale	—	23
Total equity	1,606	1,345
Total liabilities and equity	<u>\$ 8,297</u>	<u>\$ 9,055</u>
Total debt	<u>\$ 4,072</u>	<u>\$ 4,832</u>
Cash and cash equivalents	<u>\$ 239</u>	<u>\$ 305</u>

On October 28, 2013, the company completed the sale of its simple meals business in Europe. The assets and liabilities of the business were reported as assets and liabilities held for sale as of October 27, 2013.

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

	THREE MONTHS ENDED	
	November 2, 2014	October 27, 2013
Cash flows from operating activities:		
Net earnings	\$ 234	\$ 171
Adjustments to reconcile net earnings to operating cash flow		
Restructuring charges	—	21
Stock-based compensation	13	21
Depreciation and amortization	75	74
Deferred income taxes	2	43
Other, net	19	27
Changes in working capital		
Accounts receivable	(175)	(186)
Inventories	(98)	(110)
Prepaid assets	(5)	(25)
Accounts payable and accrued liabilities	132	77
Pension fund contributions	(1)	(40)
Receipts from (payments of) hedging activities	1	(23)
Other	(9)	(12)
Net cash provided by operating activities	<u>188</u>	<u>38</u>
Cash flows from investing activities:		
Purchases of plant assets	(62)	(52)
Sales of plant assets	6	—
Business acquired, net of cash acquired	—	(329)
Other, net	(8)	—
Net cash used in investing activities	<u>(64)</u>	<u>(381)</u>
Cash flows from financing activities:		
Net short-term borrowings	352	641
Repayments of notes payable	(300)	(300)
Dividends paid	(101)	(97)
Treasury stock purchases	(73)	(2)
Treasury stock issuances	6	4
Excess tax benefits on stock-based compensation	5	10
Contributions from noncontrolling interest	—	5
Net cash provided by (used in) financing activities	<u>(111)</u>	<u>261</u>
Effect of exchange rate changes on cash	(6)	—
Net change in cash and cash equivalents	7	(82)
Cash and cash equivalents continuing operations — beginning of period	232	333
Cash and cash equivalents discontinued operations — beginning of period	—	68
Cash and cash equivalents discontinued operations — end of period	—	(14)
Cash and cash equivalents continuing operations — end of period	<u>\$ 239</u>	<u>\$ 305</u>