

Reconciliation of GAAP to Non-GAAP Financial Measures
Fiscal Year Ended August 3, 2014

Campbell Soup Company uses certain non-GAAP financial measures as defined by the Securities and Exchange Commission in certain communications. These non-GAAP financial measures are measures of performance not defined by accounting principles generally accepted in the United States and should be considered in addition to, not in lieu of, GAAP reported measures.

Organic Net Sales

Organic net sales exclude the impact of acquisitions, currency, presenting revenue on a net basis in connection with a new business model in Mexico in fiscal 2014, and the additional week in fiscal 2014. The company believes that organic net sales improves the comparability of year-to-year results. A reconciliation of net sales as reported to organic net sales follows.

Three Months Ended											
(millions)	August 3, 2014							July 28, 2013	% Change		
	Net Sales, as reported	Impact of Currency	Impact of Acquisitions	Impact of Net Accounting	Estimated Impact of 53rd Week	Organic Net Sales	Net Sales, as Reported	Net Sales, as Reported	Organic Net Sales		
U.S. Simple Meals	\$ 518	\$ —	\$ (15)	\$ —	\$ (36)	\$ 467	\$ 493	5%	(5)%		
Global Baking and Snacking	628	4	(32)	—	(42)	558	570	10%	(2)%		
International Simple Meals and Beverages	188	6	—	8	(15)	187	187	1%	—%		
U.S. Beverages	184	—	—	—	(12)	172	173	6%	(1)%		
Bolthouse and Foodservice	334	2	—	—	(24)	312	300	11%	4%		
Total Net Sales	\$ 1,852	\$ 12	\$ (47)	\$ 8	\$ (129)	\$ 1,696	\$ 1,723	7%	(2)%		

Year Ended											
(millions)	August 3, 2014							July 28, 2013	% Change		
	Net Sales, as reported	Impact of Currency	Impact of Acquisitions	Impact of Net Accounting	Estimated Impact of 53rd Week	Organic Net Sales	Net Sales, as Reported	Net Sales, as Reported	Organic Net Sales		
U.S. Simple Meals	\$ 2,944	\$ —	\$ (71)	\$ —	\$ (36)	\$ 2,837	\$ 2,849	3%	—%		
Global Baking and Snacking	2,440	65	(193)	—	(42)	2,270	2,273	7%	—%		
International Simple Meals and Beverages	780	51	—	25	(15)	841	869	(10)%	(3)%		
U.S. Beverages	723	—	—	—	(12)	711	742	(3)%	(4)%		
Bolthouse and Foodservice	1,381	4	(14)	—	(24)	1,347	1,319	5%	2%		
Total Net Sales	\$ 8,268	\$ 120	\$ (278)	\$ 25	\$ (129)	\$ 8,006	\$ 8,052	3%	(1)%		

Items Impacting Gross Margin and Earnings

The company believes that financial information excluding certain transactions that are not considered to be part of the ongoing business improves the comparability of year-to-year results. Consequently, the company believes that investors may be able to better understand its gross margin and earnings results excluding these transactions.

The following items impacted gross margin and/or earnings:

- (1) 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 fourth quarter of fiscal 2014, the company recorded pre-tax restructuring charges of \$20 million (\$14 million after tax or \$.04 per share in earnings from continuing operations). In fiscal 2014, the company recorded pre-tax restructuring charges of \$54 million (\$33 million after tax or \$.10 per share in earnings from continuing operations attributable to Campbell Soup Company).

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 fourth quarter of fiscal 2014, the company recorded restructuring-related costs of \$1 million in Cost of products sold (\$1 million after tax in earnings from continuing operations). In fiscal 2014, the company recorded pre-tax restructuring charges of \$1 million and restructuring-related costs of \$3 million in Cost of products sold (aggregate impact of \$3 million after tax or \$.01 per share on earnings from continuing operations). In the fourth quarter of fiscal 2013, the company recorded pre-tax restructuring charges of \$20 million and restructuring-related costs of \$10 million in Cost of products sold (aggregate impact of \$19 million after tax or \$.06 per share on earnings from continuing operations). In fiscal 2013, the company recorded pre-tax restructuring charges of \$51 million and restructuring-related costs of \$91 million in Cost of products sold (aggregate impact of \$90 million after tax or \$.28 per share on earnings from continuing operations).

- (2) In fiscal 2014, the company recognized pension settlement charges associated with a U.S. pension plan. The settlements resulted from the level of lump sum distributions from the plan's assets in 2014, primarily due to the closure of the facility in Sacramento, California. In the fourth quarter of fiscal 2014, the company recognized a pre-tax pension settlement charge in Cost of products sold of \$4 million (\$3 million after tax or \$.01 per share in earnings from continuing operations). In fiscal 2014, the company recognized pre-tax pension settlement charges in Cost of products sold of \$22 million (\$14 million after tax or \$.04 per share in earnings from continuing operations).
- (3) On October 28, 2013, the company completed the sale of its simple meals business in Europe. The results of the business are reported as discontinued operations. In fiscal 2014, the company recorded a loss of \$9 million (\$6 million 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 earnings from continuing operations. In addition, the company recorded tax expense of \$7 million (\$.02 per share) in earnings from continuing operations associated with the sale. In fiscal 2014, the company recognized a pre-tax gain of \$141 million (\$72 million after tax or \$.23 per share) in earnings from discontinued operations. In the fourth quarter of fiscal 2013, the company recorded an impairment charge on the intangible assets of this business of \$396 million (\$263 million after tax or \$.83 per share) in earnings from discontinued operations. In addition, the company recorded \$18 million in tax charges (\$.06 per share) in earnings from discontinued operations representing taxes on the difference between the book value and tax basis of the business.
- (4) In the first quarter of fiscal 2013, the company incurred transaction costs of \$10 million (\$7 million after tax or \$.02 per share) associated with the acquisition of Bolthouse Farms, which closed on August 6, 2012. These costs were included in earnings from continuing operations.

The following tables reconcile financial information, presented in accordance with GAAP, to financial information excluding certain transactions:

(millions, except per share amounts)	Three Months Ended		Percent Change
	August 3, 2014	July 28, 2013	
Gross margin, as reported	\$ 631	\$ 623	
Add: Restructuring-related costs (1)	1	10	
Add: Pension settlement charge (2)	4	—	
Adjusted Gross margin	\$ 636	\$ 633	—%
Adjusted Gross margin percentage	34.3%	36.7%	
Earnings before interest and taxes, as reported	\$ 234	\$ 178	
Add: Restructuring charges and related costs (1)	21	30	
Add: Pension settlement charge (2)	4	—	
Adjusted Earnings before interest and taxes	\$ 259	\$ 208	25%
Interest, net, as reported	\$ 30	\$ 30	
Adjusted Earnings before taxes	\$ 229	\$ 178	
Taxes on earnings, as reported	\$ 69	\$ 33	
Add: Tax benefit from restructuring charges and related costs (1)	6	11	
Add: Tax benefit from pension settlement charge (2)	1	—	
Adjusted Taxes on earnings	\$ 76	\$ 44	
Adjusted effective income tax rate	33.2%	24.7%	
Earnings from continuing operations, as reported	\$ 135	\$ 115	
Deduct: Net loss from noncontrolling interests	(2)	(2)	
Earnings from continuing operations attributable to Campbell Soup Company, as reported	\$ 137	\$ 117	
Add: Net adjustment from restructuring charges and related costs (1)	15	19	
Add: Net adjustment from pension settlement charge (2)	3	—	
Adjusted Earnings from continuing operations attributable to Campbell Soup Company	\$ 155	\$ 136	14%
Earnings (loss) from discontinued operations, as reported	\$ —	\$ (275)	
Add: Net impairment on European business (3)	—	263	
Add: Tax expense on book and tax differences (3)	—	18	
Adjusted Earnings from discontinued operations	\$ —	\$ 6	
Adjusted Net earnings attributable to Campbell Soup Company	\$ 155	\$ 142	9%
Diluted earnings per share - continuing operations attributable to Campbell Soup Company, as reported	\$.43	\$.37	
Add: Net adjustment from restructuring charges and related costs (1)	.05	.06	
Add: Net adjustment from pension settlement charge (2)	.01	—	
Adjusted Diluted earnings per share - continuing operations attributable to Campbell Soup Company	\$.49	\$.43	14%
Diluted earnings (loss) per share - discontinued operations, as reported	\$ —	\$ (.87)	
Add: Net impairment on European business (3)	—	.83	
Add: Tax expense on book and tax differences (3)	—	.06	
Adjusted Diluted earnings per share - discontinued operations	\$ —	\$.02	
Diluted net earnings (loss) per share attributable to Campbell Soup Company, as reported	\$.43	\$ (.50)	
Add: Net adjustment from restructuring charges and related costs (1)	.05	.06	
Add: Net adjustment from pension settlement charge (2)	.01	—	
Add: Net impairment on European business (3)	—	.83	

Add: Tax expense on book and tax differences (3)	—	.06	
Adjusted Diluted net earnings per share attributable to Campbell Soup Company	\$.49	\$.45	9%

(millions, except per share amounts)	Year Ended		Percent Change
	August 3, 2014	July 28, 2013	
Gross margin, as reported	\$ 2,898	\$ 2,912	
Add: Restructuring-related costs (1)	3	91	
Add: Pension settlement charges (2)	22	—	
Adjusted Gross margin	\$ 2,923	\$ 3,003	(3)%
Adjusted Gross margin percentage	35.4%	37.3%	
Earnings before interest and taxes, as reported	\$ 1,192	\$ 1,080	
Add: Restructuring charges and related costs (1)	58	142	
Add: Pension settlement charges (2)	22	—	
Add: Loss on foreign exchange forward contracts (3)	9	—	
Add: Acquisition transaction costs (4)	—	10	
Adjusted Earnings before interest and taxes	\$ 1,281	\$ 1,232	4%
Interest, net, as reported	\$ 119	\$ 125	
Adjusted Earnings before taxes	\$ 1,162	\$ 1,107	
Taxes on earnings, as reported	\$ 347	\$ 275	
Add: Tax benefit from restructuring charges and related costs (1)	17	52	
Add: Tax benefit from pension settlement charges (2)	8	—	
Add: Tax benefit from loss on foreign exchange forward contracts (3)	3	—	
Deduct: Tax expense associated with sale of European business (3)	(7)	—	
Add: Tax benefit from acquisition transaction costs (4)	—	3	
Adjusted Taxes on earnings	\$ 368	\$ 330	
Adjusted effective income tax rate	31.7%	29.8%	
Earnings from continuing operations, as reported	\$ 726	\$ 680	
Deduct: Net loss from noncontrolling interests	(11)	(9)	
Earnings from continuing operations attributable to Campbell Soup Company, as reported	\$ 737	\$ 689	
Add: Net adjustment from restructuring charges and related costs (1)	41	90	
Deduct: Restructuring charges attributable to noncontrolling interest (1)	(5)	—	
Add: Net adjustment from pension settlement charges (2)	14	—	
Add: Net adjustment from loss on foreign exchange forward contracts (3)	6	—	
Add: Tax expense associated with sale of European business (3)	7	—	
Add: Net adjustment from acquisition transaction costs (4)	—	7	
Adjusted Earnings from continuing operations attributable to Campbell Soup Company	\$ 800	\$ 786	2%
Earnings (loss) from discontinued operations, as reported	\$ 81	\$ (231)	
Deduct: Gain on sale of European business (3)	(72)	—	
Add: Net impairment on European business (3)	—	263	
Add: Tax expense on book and tax differences (3)	—	18	
Adjusted Earnings from discontinued operations	\$ 9	\$ 50	
Adjusted Net earnings attributable to Campbell Soup Company	\$ 809	\$ 836	(3)%
Diluted earnings per share - continuing operations attributable to Campbell Soup Company, as reported	\$ 2.33	\$ 2.17	

Add: Net adjustment from restructuring charges and related costs attributable to Campbell Soup Company (1)	.11	.28	
Add: Net adjustment from pension settlement charges (2)	.04	—	
Add: Net adjustment from loss on foreign exchange forward contracts (3)	.02	—	
Add: Tax expense associated with sale of European business (3)	.02	—	
Add: Net adjustment from acquisition transaction costs (4)	—	.02	
Adjusted Diluted earnings per share - continuing operations attributable to Campbell Soup Company*	\$ 2.53	\$ 2.48	2%
Diluted earnings (loss) per share - discontinued operations, as reported	\$.26	\$ (.73)	
Deduct: Gain on sale of European business (3)	(.23)	—	
Add: Net impairment on European business (3)	—	.83	
Add: Tax expense on book and tax differences (3)	—	.06	
Adjusted Diluted earnings per share - discontinued operations	\$.03	\$.16	
Diluted net earnings per share attributable to Campbell Soup Company, as reported	\$ 2.59	\$ 1.44	
Add: Net adjustment from restructuring charges and related costs attributable to Campbell Soup Company (1)	.11	.28	
Add: Net adjustment from pension settlement charges (2)	.04	—	
Add: Net adjustment from loss on foreign exchange forward contracts (3)	.02	—	
Add: Tax expense associated with sale of European business (3)	.02	—	
Deduct: Gain on sale of European business (3)	(.23)	—	
Add: Net impairment on European business (3)	—	.83	
Add: Tax expense on book and tax differences (3)	—	.06	
Add: Net adjustment from acquisition transaction costs (4)	—	.02	
Adjusted Diluted net earnings per share attributable to Campbell Soup Company*	\$ 2.56	\$ 2.64	(3)%

*The sum of the individual per share amounts may not add due to rounding.

Adjusted Base for Fiscal 2015 Guidance

The company believes that financial information excluding certain transactions that are not considered to be part of the ongoing business improves the comparability of year-to-year results. The previous tables reconcile financial information, presented in accordance with GAAP, to financial information excluding certain items. Fiscal 2014 includes 53 weeks. Consequently, the company believes that investors may be able to better understand its fiscal 2015 performance excluding certain transactions and the estimated impact of the 53rd week. In establishing guidance for fiscal 2015, the adjusted fiscal 2014 results are revised to exclude the estimated impact of the 53rd week below:

	Year Ended
(millions, except per share amounts)	August 3, 2014
Net sales, as reported	\$ 8,268
Deduct: Impact of 53rd week	(129)
Adjusted Net sales base	\$ 8,139
Adjusted Earnings before interest and taxes	\$ 1,281
Deduct: Impact of 53rd week	(37)
Adjusted Earnings before interest and taxes base	\$ 1,244
Adjusted Earnings from continuing operations attributable to Campbell Soup Company	\$ 800
Deduct: Impact of 53rd week	(25)
Adjusted Earnings from continuing operations attributable to Campbell Soup Company base	\$ 775
Adjusted Diluted earnings per share - continuing operations attributable to Campbell Soup Company	\$ 2.53
Deduct: Impact of 53rd week	(.08)
Adjusted Diluted earnings per share - continuing operations attributable to Campbell Soup Company base	\$ 2.45