

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, 1996

Commission File Number
1-3822

[LOGO]

NEW JERSEY
State of Incorporation

21-0419870
I.R.S. Employer Identification No.

CAMPBELL PLACE
CAMDEN, NEW JERSEY 08103-1799
Principal Executive Offices

TELEPHONE NUMBER: (609) 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 \$.075	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 X 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. [X]

As of September 23, 1996, the aggregate market value of Capital Stock held by non-affiliates of the Registrant was \$11,352,992,949. There were 247,134,517 shares of Capital Stock outstanding as of September 23, 1996.

Portions of the Notice of Annual Meeting and Proxy Statement dated October 11, 1996, for the Annual Meeting of Shareowners to be held on November 21, 1996, are incorporated by reference into Part III. Portions of the Annual Report to Shareowners for the fiscal year ended July 28, 1996 are incorporated by reference into Parts I and II.

PART I

ITEM 1. BUSINESS

THE COMPANY

Campbell Soup Company, together with its consolidated subsidiaries, is a global manufacturer and marketer of high quality, branded convenience food 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.

During 1996, the company acquired the "Homepride" cooking sauce business, the United Kingdom's leading cooking sauce brand, and a controlling interest in the "Cheong Chan" sauce business in Asia. The company also completed the purchase of a 50% interest in the Indonesian biscuit and snack manufacturer, PT Helios Arnotts Indonesia, and increased its shares in Arnotts Limited, Australia's leading biscuit manufacturer, to 70%.

The company divested its Mrs. Paul's frozen seafood business, ripe and Spanish olive businesses and Campbell's Groko B.V., a Dutch frozen vegetable processing business.

PRODUCTS

The company considers itself to be engaged in a single industry segment, the manufacture of prepared convenience foods. The principal products of the company are soups marketed under the "Campbell's" name, bakery, biscuit and confectionery products, juices, frozen foods, sauces, condiments and other convenience food products.

INGREDIENTS

Most ingredients required for the manufacture of the company's food products are purchased from others, except for mushrooms, poultry and beef. Swift-Armour Sociedad Anonima Argentina, an Argentine corporation and a wholly-owned subsidiary, has been the principal supplier of cooked beef to the company.

In general, satisfactory sources of supply of ingredients are available. 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 heavy purchases of such ingredients during their respective seasons. As a result of factors not within the company's control, the prices of ingredients fluctuate significantly from time to time.

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 stores, restaurants and other food service establishments. No material part of the

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business is dependent upon a single customer. Shipments are made promptly by the company after receipt and acceptance of orders.

TRADEMARKS AND TECHNOLOGY

The company markets its food products globally under a number of significant trademarks. The company considers such trademarks, taken as a whole, to be of material importance to its business and, consequently, aggressively seeks to protect its rights in them.

Although the company owns a number of valuable patents, its business is not dependent upon any single patent or any group of related patents.

COMPETITION

The company experiences vigorous competition for sales of its principal products in its major markets, both within the United States and abroad, from numerous competitors of varying sizes. The principal areas of competition are quality, price, advertising, promotion and service.

WORKING CAPITAL

For information relating to the company's cash and other working capital items see pages 18 through 20 of the company's Annual Report to Shareowners for the fiscal year ended July 28, 1996 ("1996 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 \$84 million in 1996, \$88 million in 1995, and \$78 million in 1994. The company conducts this research at the Campbell Institute for Research and Technology at the company's headquarters in Camden, New Jersey, and in other locations in the United States and foreign countries.

ENVIRONMENTAL MATTERS

The company has programs for the operation and design of its facilities which meet or exceed applicable environmental rules and regulations. The company's expenditures for capital improvements during fiscal 1996 were approximately \$416 million, of which, according to company estimates, approximately \$3 million was for compliance with environmental laws and regulations in the United States. 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.

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EMPLOYEES

At July 28, 1996, there were approximately 40,650 persons employed by the company.

FOREIGN OPERATIONS

For information with respect to the revenue, operating profitability and identifiable assets attributable to the company's foreign operations, see page 25 of the 1996 Annual Report in the section of the Notes to Consolidated Financial Statements entitled "Geographic Area Information", which is incorporated herein by reference.

FINANCIAL INFORMATION

For information with respect to the revenue, operating profit and identifiable assets for the company's only industry segment, see page 25 of the 1996 Annual Report in the section of the Notes to Consolidated Financial Statements entitled "Geographic Area Information", which is incorporated herein by reference.

RECENT DEVELOPMENTS

On September 4, 1996, the company's Board of Directors authorized a capital stock repurchase program of up to \$2.5 billion for repurchases through the end of fiscal 1999. As part of the repurchase program, the company announced the commencement on September 12, 1996, of a "Dutch auction" tender offer for up to 18,000,000 shares of its capital stock. Final results of the tender offer will be filed with the Securities and Exchange Commission no later than ten business days after the expiration date of the offer.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

From time to time, the company makes oral and written statements that may constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 (the "Act") or by the SEC in its rules, regulations and releases. The company desires to take advantage of the "safe harbor" provisions in the Act for forward-looking statements made from time to time, including, but not limited to, the forward-looking statements relating to the strategic growth plan contained in the Chairman's Letter to Shareowners (pages 1 to 3 of the 1996 Annual Report), the Strategies review (pages 4 to 16 of the 1996 Annual Report), Management's Discussion and Analysis (pages 18 to 20 of the 1996 Annual Report) and other statements made in this Form 10-K and in other filings with the SEC.

The company cautions readers that any such forward-looking statements made by or on behalf of the company are based on management's current expectations and beliefs but are not guarantees of future performance. Actual results could differ materially from those expressed or implied in the forward-looking statements. Among the factors that could impact on the company's ability to achieve its strategic growth plan goals are:

- * the impact of strong competitive response to the company's efforts to leverage its brand power with product innovation and new advertising;

- * the inherent risks in the marketplace associated with new product introductions, including uncertainties about trade and consumer acceptance;

- * the continuation of the company's successful record of integrating acquisitions into its existing operations and the availability of new acquisition and alliance opportunities that build shareowner wealth;

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- * the company's ability to achieve the gains in productivity and improvements in capacity utilization that it anticipates from its cost productivity, consolidation and restructuring program; and

- * the impact of unforeseen economic and political changes in the international markets where the company competes such as currency exchange rates, inflation rates, recession, foreign ownership restrictions and other external factors over which the Company has no control.

ITEM 2. PROPERTIES

Manufacturing facilities of the company in the United States include seven thermal processing plants located in California, Georgia, Michigan, Minnesota, North Carolina, Ohio and Texas. Other of the company's convenience foods are also manufactured in the United States at various plant locations.

Outside the U.S., the company has manufacturing and distribution facilities in Argentina, Australia, Belgium, Brazil, Canada, Chile, England, France, Germany, Hong Kong, Indonesia, Japan, Malaysia, Mexico, the Netherlands, New Zealand, Papua New Guinea and Scotland.

The company's operations also include can-making facilities, mushroom farms and tomato, poultry, beef, pasta and spice processing facilities.

The company also operates retail confectionery shops in the United States, Canada and Europe; retail bakery thrift stores in the United States; a mail order facility; and other plants and facilities 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 business.

ITEM 3. LEGAL PROCEEDINGS

There have been no material developments in the legal proceedings as reported in Campbell's Form 10-Q for the quarter ended October 29, 1995. The company is not a party to any pending legal proceeding which, if decided adversely, would have a material effect on the financial condition of the company and its subsidiaries taken as a whole.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

EXECUTIVE OFFICERS OF CAMPBELL

The following list of executive officers as of October 2, 1996, is included herein as an item in Part I of this Form 10-K:

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EXECUTIVE OFFICERS OF CAMPBELL

Name	Present Title	Age	Date First Elected Officer
David W. Johnson	Chairman, President and Chief Executive Officer.	64	1990
Basil L. Anderson	Senior Vice President - Finance. Chief Financial Officer and Treasurer.	51	1996
Robert F. Bernstock	Senior Vice President. President - U.S. Grocery.	45	1990
John M. Coleman	Senior Vice President - Law and Public Affairs.	46	1989
James R. Kirk	Senior Vice President - Research & Development and Quality Assurance. President - Campbell Institute for Research and Technology.	54	1983
Robert Subin	Senior Vice President - Global Sourcing and Engineering.	58	1988
Frank E. Weise, III	Senior Vice President. President - Bakery & Confectionery.	52	1992
David L. Albright	Vice President - Global Brand Development.	49	1992
Brenda E. Edgerton	Vice President - Business Development.	47	1989
Ronald E. Elmquist	Vice President. President - Global Food Service.	50	1994
John L. Forbis	Vice President - Strategic Planning and Corporate Development.	54	1994
Leo J. Greaney	Vice President - Controller.	62	1989
Ralph A. Harris	Vice President - Corporate Development.	50	1990

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EXECUTIVE OFFICERS OF CAMPBELL

Name	Present Title	Age	Date First Elected Officer
Gerald S. Lord	Vice President. Vice President - Finance and Controller - U.S. Grocery.	50	1993
Kathleen MacDonnell	Vice President. President - Frozen and Specialty Foods.	48	1990
Dale F. Morrison	Vice President. President - Pepperidge Farm.	47	1995
Daniel J. O'Neill	Vice President.	44	1995

	President - U.S. Soup.		
J. Neil Stalter	Vice President - Public Affairs.	58	1991
F. Martin Thrasher	Vice President. President - International Grocery.	45	1992
Edward F. Walsh	Vice President - Human Resources.	55	1993

Each of the above-named officers has been employed by the company in an executive or managerial capacity for at least five years, except Basil L. Anderson, Frank E. Weise, III, Ronald E. Elmquist, John L. Forbis, Dale F. Morrison, Daniel J. O'Neill, J. Neil Stalter and Edward F. Walsh. Basil L. Anderson served as Chief Financial Officer (1992-1996), Worldwide Treasurer (1987-1991) and U.S. Treasurer (1985-1987) of Scott Paper Company prior to joining Campbell in 1996. Frank E. Weise, III served as Comptroller (chief financial officer), Food and Beverage Sector, of The Procter & Gamble Company prior to joining Campbell in 1992. Ronald E. Elmquist served as Chairman and Chief Executive Officer of White Swan, Inc. prior to joining Campbell in 1994. John L. Forbis was a partner at Arthur D. Little prior to joining Campbell in 1994. Dale F. Morrison served as President, Frito Lay North America (1993-1995), and headed PepsiCo, Inc. businesses in the United Kingdom (1990-1993) prior to joining Campbell in 1995. Daniel J. O'Neill served as Vice President - Group Managing Director, Europe (1993-1994), Vice President - Group Business Manager, North America (1992-1993) and Vice President U.S. Consumer Products, Homecare (1990-1992) of S.C. Johnson prior to joining Campbell in 1994. J. Neil Stalter served as Vice President - Corporate Communications of Eastman Kodak Company prior to joining Campbell in 1991. Prior to joining Campbell in 1993, Edward F. Walsh served as Senior Vice President - Administration of Nutri-System, Inc. (1990-1993).

There is no family relationship among any of the company's executive officers or between any such

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officer and any director of Campbell. Executive officers of Campbell are elected at the November, 1996 meeting of the Board of Directors.

PART II

ITEM 5. MARKET FOR THE 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 23, 1996, there were 31,808 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 32 of the 1996 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 called for by this Item is set forth on pages 34 and 35 of the 1996 Annual Report in the section entitled "Eleven-Year Review - Consolidated" which 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 18 through 20 of the 1996 Annual Report in the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Condition" is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS

The information presented on pages 21 through 33 of the 1996 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 and 7, the 1996 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.

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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 24 of Campbell's Notice of Annual Meeting and Proxy Statement dated October 11, 1996 (the "1996 Proxy Statement") are incorporated herein by reference.

The information required by this Item relating to the executive officers of Campbell is set forth in Part I of this Report on pages 5 through 8 under the heading "Executive Officers of Campbell".

ITEM 11. EXECUTIVE COMPENSATION

The information set forth on pages 11 through 16 of the 1996 Proxy Statement in the section entitled "Compensation of Executive Officers" is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this Item is set forth at pages 5 through 7 and pages 23 and 24 of the 1996 Proxy Statement in the sections entitled "Security Ownership of Directors and Executive Officers" and "Security Ownership of Certain Beneficial Owners" and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

- (a) 1. Financial Statements
- Consolidated Statements of Earnings for 1996, 1995 and 1994
 - Consolidated Balance Sheets as of July 28, 1996 and July 30, 1995
 - Consolidated Statements of Cash Flows for 1996, 1995 and 1994
 - Consolidated Statements of Shareowners' Equity for 1996, 1995 and 1994
 - Changes in Number of Shares
 - Summary of Significant Accounting Policies
 - Notes to Consolidated Financial Statements

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Report of Independent Accountants

The foregoing Financial Statements are incorporated into Part II, Item 8 of this Report by reference to pages 21 through 33 of the 1996 Annual Report.

2. Financial Statement Schedules

None.

3. Exhibits

NO.	DESCRIPTION
3(a)	Campbell's Restated Certificate of Incorporation as amended through November 21, 1991, was filed with the Securities and Exchange Commission ("SEC") with Campbell's Form 10-K for the fiscal year ended August 2, 1992, and is incorporated herein by reference.
3(b)	Campbell's By-Laws, effective as of August 1, 1996.
4	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 the Trustees of the Major Stockholders' Voting Trust as Exhibit A to Schedule 13D dated June 5, 1990, and is incorporated herein by reference.
10(a)	Campbell Soup Company 1984 Long-Term Incentive Plan, as amended on February 22, 1996.*
10(b)	Campbell Soup Company 1994 Long-Term Incentive Plan as amended on February 22, 1996.*
10(c)	Campbell Soup Company Management Worldwide Incentive Plan, as amended on November 17, 1994, was filed with the SEC with Campbell's 1994 Proxy Statement and is incorporated herein by reference.*
10(d)	Mid-Career Hire Pension Program, as amended on February 22, 1996.*
10(e)	Personal Choice, A Flexible Reimbursement Program for Campbell Soup Company Executives, effective August 1, 1994, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended July 30, 1995, and is incorporated herein by reference.*

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3. Exhibits (Cont'd.)

NO.	DESCRIPTION
10(f)	Supplemental Savings Plan, as amended on May 25, 1995, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended July 30, 1995, and is incorporated herein by reference.*
10(g)	Salary Deferral Plan, effective January 1, 1996, was filed with the SEC with Campbell's Form S-8 on February 6, 1996, and is incorporated herein by reference.*

- 10(h) Employment Agreement dated January 2, 1990, with David W. Johnson, President and Chief Executive Officer, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended July 29, 1990, and is incorporated herein by reference.*
- 10(i) Severance Protection Agreement dated May 18, 1990, with John M. Coleman, Senior Vice President - Law and Public Affairs, was filed with the SEC with Campbell's Form 10-K for the fiscal year ended August 2, 1992, and is incorporated herein by reference. Agreements with sixteen (16) other Executive Officers are in all material respects the same as that with Mr. John M. Coleman.*
- 10(j) Special incentive arrangement for the Chairman, President and Chief Executive Officer, approved by the Board in fiscal 1994, under which he can earn from \$0 to \$5 million in addition to his other compensation if specified aggressive sales goals are achieved for certain businesses in fiscal 1996.*
- 10(k) Supplemental pension arrangement for David W. Johnson, Chairman, President and Chief Executive Officer, was filed with the SEC in Campbell's 1996 Proxy Statement, on page 18 under the heading "Pension Plans", and is incorporated herein by reference.*
- 13 Pages 17 through 35 of Campbell's 1996 Annual Report to Shareowners for the fiscal year ended July 28, 1996.
- 21 Subsidiaries of Campbell.
- 23 Consent of Independent Accountants.
- 24(a) Power of Attorney.
- 24(b) Certified copy of the resolution of Campbell's Board of Directors authorizing signatures pursuant to a power of attorney.
- 27 Financial Data Schedule

* A management contract, compensatory plan or arrangement required to be filed by Item 14(c) of this Report.

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- (b) Reports on Form 8-K

There were no reports on Form 8-K filed by Campbell during the fourth quarter of fiscal 1996.

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 15, 1996

CAMPBELL SOUP COMPANY

By: /s/ BASIL L. ANDERSON

Basil L. Anderson
Senior Vice President - Finance,
Chief Financial Officer and Treasurer

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 15, 1996

/s/ BASIL L. ANDERSON

/s/ LEO J. GREANEY

Basil L. Anderson
Senior Vice President - Finance,
Chief Financial Officer and Treasurer

Leo J. Greaney
Vice President - Controller

David W. Johnson	Chairman, President, Chief } Executive Officer and } Director }	
Alva A. App	Director }	
Edmund M. Carpenter	Director }	
Bennett Dorrance	Vice Chairman and Director }	
Thomas W. Field, Jr.	Director }	
Kent B. Foster	Director }	
Harvey Golub	Director }	By:/s/ JOHN M. COLEMAN
David K. P. Li	Director }	
Philip E. Lippincott	Director }	----- John M. Coleman
Mary Alice Malone	Director }	Senior Vice President -
Charles H. Mott	Director }	Law & Public Affairs
George M. Sherman	Director }	
Donald M. Stewart	Director }	
George Strawbridge, Jr.	Director }	
Robert J. Vlasic	Director }	
Charlotte C. Weber	Director }	

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INDEX OF EXHIBITS

Document
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- 3(a) Campbell's Restated Certificate of Incorporation as amended through November 21, 1991, was filed with the Securities and Exchange Commission ("SEC") with Campbell's Form 10-K for the fiscal year ended August 2, 1992, and is incorporated herein by reference.
- 3(b) Campbell's By-Laws, effective as of August 1, 1996.
- 4 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 the Trustees of the Major Stockholders' Voting Trust as Exhibit A to Schedule 13D dated June 5, 1990, and is incorporated herein by reference.
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INDEX OF EXHIBITS (cont'd.)

Document
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- 10(f) Supplemental Savings Plan, as amended on May 25, 1995 was filed with the SEC with Campbell's Form 10-K for the fiscal year ended July 30, 1995 and is incorporated herein by reference.
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- 10(k) Supplemental pension arrangement for David W. Johnson, Chairman, President and Chief Executive Officer, was filed with the SEC in Campbell's 1996 Proxy Statement, on page 18 under the heading "Pension Plan", and is incorporated herein by reference.
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- 24(a) Power of Attorney.
- 24(b) Certified copy of the resolution of Campbell's Board of Directors authorizing signatures pursuant to a power of attorney.

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CAMPBELL SOUP COMPANY

BY-LAWS

EFFECTIVE AUGUST 1, 1996

CAMPBELL SOUP COMPANY

BY-LAWS

ARTICLE I.

Stockholders

Section 1. The annual meeting of the stockholders of the Corporation shall be held at the principal office of the Corporation in New Jersey, or at such other place, within or without New Jersey, as may from time to time be designated by the Board of Directors and stated in the notice of the meeting, on the third Thursday in November in each year (or if said day be a legal holiday, then on the next succeeding day, not earlier than the following Tuesday, not a legal holiday), at such time as may be fixed by the Board of Directors, for the purpose of electing directors of the Corporation, and for the transaction of such other business as may properly be brought before the meeting.

Section 2. Special meetings of the stockholders shall be held at the principal office of the Corporation in New Jersey, or at such other place, within or without New Jersey, as may from time to time be designated by the Board of Directors and stated in the notice of the meeting, upon the call of the Chairman of the Board or of the President, or upon the call of a majority of the members of the Board of Directors, and shall be called upon the written request of stockholders of record holding a majority of the capital stock of the Corporation issued and outstanding and entitled to vote at such meeting.

Section 3. Notice of the time and place of every meeting of stockholders shall be delivered personally or mailed at least ten but not more than sixty calendar days before the meeting to each stockholder of record entitled to vote at the meeting.

Section 4. The holders of record of a majority of the shares of the capital stock of the Corporation issued and outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders. If there be no such quorum present, the holders of a majority of such shares so present or represented may adjourn the meeting from time to time, without notice other than announcement at the meeting, until such quorum shall have been obtained, when any business may be transacted which might have been transacted at the meeting as first convened, had there been a quorum. Once a quorum is established, the stockholders present in person or by proxy may continue to do business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

Section 5. The Board of Directors shall in advance of each meeting of

stockholders appoint one or more inspectors of election, to act unless the performance of the inspector's function shall be unanimously waived by the stockholders present in person or represented by proxy at such meeting. Each inspector, before entering upon the discharge of his duties, shall first take and subscribe an oath or affirmation to execute the duties of inspector as prescribed by law at such meeting with strict impartiality and according to the best of his ability. The inspector or inspectors shall take charge of the polls and shall make a certificate of the results of the vote taken. No director or candidate for the office of director shall be appointed as such inspector.

Section 6. All meetings of the stockholders shall be presided over by the Chairman of the Board, or if he shall not be present, by the Vice Chairman of the Board. If neither the Chairman of the Board nor the Vice Chairman of the Board shall be present, such meeting shall be presided over by the President. If none of the Chairman of the Board, the Vice Chairman of the Board and the President shall be present, such meeting shall be presided over by a Vice President, or if none shall be present, then by a Chairman to be elected by the holders of a majority of the shares present or represented at the meeting.

The Secretary of the Corporation, or if he is not present, an Assistant Secretary of the Corporation, if present, shall act as secretary of the meeting. If neither the Secretary nor an Assistant Secretary is present, then the Chairman shall appoint a Secretary of the meeting.

Section 7. The Board of Directors shall fix in advance a date, not exceeding sixty nor less than ten calendar days preceding the date of any meeting of the stockholders or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of stock shall go into effect, as a record date for the determination of the stockholders entitled to notice of and to vote at any such meeting, or entitled to receive payment of any such dividend, or any such allotment of rights, or to exercise the rights in respect of any such change, conversion or exchange of stock, and in such case only stockholders of record on the date so fixed shall be entitled to such notice of and to vote at such meeting, or to receive payment of such dividend, or allotment of rights, or exercise such rights, as the case may be, notwithstanding any transfer of any stock on the books of the Corporation after any such record date fixed as aforesaid.

ARTICLE II.

Directors

Section 1. The business and property of the Corporation shall be managed and controlled by a board of sixteen directors. This number may be changed from time to time by amendment of these

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By-Laws, but the term of office of no director shall be shortened after his or her election by reduction in the number of directors.

Upon election each director shall be the holder of at least one hundred shares of the Corporation's capital stock having voting power and within one year of election shall be the holder of at least one thousand shares of capital stock. In the event the number of shares of capital stock is increased at any time after January 28, 1993, by a stock split, stock dividend, or by any other extraordinary distribution of shares, the above share ownership requirements shall be proportionately adjusted. The director, upon ceasing to hold the required number of shares, shall cease to be a director.

The directors shall hold office until the next annual meeting of the stockholders and until their successors are elected and shall have qualified.

Section 2. Regular meetings of the Board of Directors shall be held at such times and at such places as may from time to time be fixed by resolution of the Board of Directors. Special meetings of the Board of Directors may be held at any time upon call of the Chairman of the Board or of the Vice Chairman of the Board or of the President or of three directors.

Oral, telegraphic or written notice of the time and place of a special meeting shall be duly served on, or given or sent or mailed to, each director not less than two calendar days before the meeting. An organizational meeting of the Board of Directors shall be held, of which no notice shall be necessary, as soon as convenient after the annual meeting of the stockholders. Notice need not be given of regular meetings of the Board of Directors held at the times fixed by resolution of the Board of Directors. Meetings may be held at any time without notice if all of the directors are present or if those not present waive notice of the meeting in writing.

Section 3. Six members of the Board of Directors shall constitute a quorum for the transaction of business. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall have been obtained, when any business may be transacted which might have been transacted at the meeting as first convened, had there been a quorum.

Section 4. Any vacancy occurring among the directors may be filled by the affirmative vote of a majority of the remaining members of the Board of Directors at the time in office; provided that in case of an increase in the number of directors pursuant to an amendment to these By-Laws made by the stockholders, the stockholders may fill the vacancy or vacancies so created at the meeting at which such amendment is effected or may authorize the Board of Directors to fill such vacancy or vacancies.

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Section 5. The Board of Directors, by an affirmative vote of a majority of the members of the Board of Directors at the time in office, may appoint an Executive Committee to consist of such directors as the Board of Directors may from time to time determine. The Executive Committee shall have and may exercise, when the Board of Directors is not in session, all of the powers vested in the Board of Directors, except as otherwise provided by law. The Board of Directors shall have the power at any time to fill vacancies in, to change the membership of, or to dissolve, the Executive Committee. The Executive Committee may make rules for the conduct of its business and may appoint such committees and assistants as it shall from time to time deem necessary, unless the Board of Directors shall otherwise provide. A majority of the members of the Executive Committee at the time in office shall constitute a quorum for the transaction of business. A record shall be kept of all proceedings of the Executive Committee which shall be submitted to the Board of Directors at or before the next succeeding meeting of the Board of Directors.

Section 6. The Board of Directors may appoint one or more other committees, to consist of such number of the directors and to have such powers as the Board of Directors may from time to time determine. The Board of Directors shall have power at any time to fill vacancies in, to change the membership of, or to dissolve, any such committee. A majority of any such committee may determine its action and fix the time and place of its meetings, unless the Board of Directors shall otherwise provide.

Section 7. In addition to reimbursement of reasonable expenses incurred in attending meetings or otherwise in connection with his or her attention to the affairs of the Corporation, each director as such, as Chairman or Vice Chairman of the Board and as a member of the Executive Committee or of any other committee of the Board of Directors, shall be entitled to receive such remuneration as may be fixed from time to time by the Board of Directors, in the form either of fees for attendance at meetings of the Board of Directors and committees thereof or annual retainers, or both; but no director who receives a salary or other remuneration as an employee of the Corporation or any subsidiary thereof shall receive any additional remuneration as a director or member of any committee of the Board of Directors.

ARTICLE III.

Officers

Section 1. The Board of Directors, at its organizational meeting or

as soon as may be after the election of directors held in each year, shall elect one of its number Chairman of the Board and one of its number President, and shall also elect a Secretary and a Treasurer, and from time to time may elect or appoint one of its number Vice Chairman of the Board, one or more Vice Presidents, a Controller, and such Assistant Secretaries, Assistant Treasurers

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and other officers, agents and employees as it may deem proper. More than one office may be held by the same person.

Section 2. The term of office of all officers shall be until the next organizational meeting of the Board of Directors or until their respective successors are elected and have qualified, but any officer may be removed from office at any time by the affirmative vote of a majority of the members of the Board of Directors at the time in office.

Any other employee of the Corporation, whether appointed by the Board of Directors or otherwise, may be removed at any time by the Board of Directors or by any committee or officer or employee upon whom such power of removal may be conferred by the By-Laws or by the Board of Directors.

The Board of Directors shall have power to fill for the unexpired term any vacancy which shall occur in any office by reason of death, resignation, removal or otherwise.

Section 3. The Chairman of the Board shall preside at all meetings of the stockholders and of the Board of Directors and shall perform such other duties as shall from time to time be prescribed by the Board of Directors.

The Vice Chairman of the Board shall in the absence of the Chairman of the Board preside at all meetings of the stockholders and of the Board of Directors and shall perform such other duties as shall from time to time be prescribed by the Board of Directors or the Chairman of the Board.

The President shall be the Chief Executive Officer of the Corporation and shall perform such duties as are usually performed by that officer; he shall, in the absence of the Chairman and Vice Chairman of the Board, preside at all meetings of the stockholders and of the Board of Directors; and shall perform such other duties as shall from time to time be prescribed by the Board of Directors.

The other officers of the Corporation shall have such powers and shall perform such duties as generally pertain to their offices respectively, as well as such powers and duties as shall from time to time be conferred by the Board of Directors.

Article IV.

Indemnification of Directors and Others

Section 1. The Corporation shall indemnify to the full extent from time to time permitted by law any present, former or future director, officer, or employee ("Corporate Agent") made, or threatened to be made, a party to, or a witness or other participant in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative, legislative, investigative, or of any other kind,

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including by or in the right of the Corporation ("Proceeding"), by reason of the fact that such person is or was a Corporate Agent of the Corporation or any subsidiary of the Corporation or, while serving as a Corporate Agent of the Corporation or any subsidiary of the Corporation, serves or served another enterprise (including, without limitation, any sole proprietorship,

association, corporation, partnership, joint venture or trust), whether or not for profit, at the request of the Corporation as a director, officer, employee or agent thereof (including service with respect to any employee benefit plan of the Corporation or any subsidiary of the Corporation), against expenses (including attorneys' fees), judgments, fines, penalties, excise taxes and amounts paid in settlement, actually and reasonably incurred by such person in connection with such Proceeding or any appeal therein. No indemnification pursuant to this Article IV shall be required with respect to any settlement or other nonadjudicated disposition of any threatened or pending Proceeding unless the Corporation has given its prior consent to such settlement or other disposition.

Section 2. Expenses incurred in connection with a Proceeding shall be paid by the Corporation for any Corporate Agent of the Corporation in advance of the final disposition of such Proceeding promptly upon receipt of an undertaking by or on behalf of such person to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the Corporation. Such an undertaking shall not, however, be required of a nonparty witness.

Section 3. The foregoing indemnification and advancement of expenses shall not be deemed exclusive of any other rights to which any person indemnified may be entitled.

Section 4. The rights provided to any person by this Article IV shall be enforceable against the Corporation by such person, who shall be presumed to have relied upon it in serving or continuing to serve as a Corporate Agent. No elimination of or amendment to this Article IV shall deprive any person of rights hereunder arising out of alleged or actual occurrences, acts or failures to act occurring prior to such elimination or amendment. The rights provided to any person by this Article IV shall inure to the benefit of such person's legal representative and shall be applicable to Proceedings commenced or continuing after the adoption of this Article IV, whether arising from acts or omissions occurring before or after such adoption.

Section 5. The Corporation's Board of Directors may from time to time delegate

(i) to a Committee of the Board of Directors of the Corporation or to independent legal counsel the authority to determine whether a Director or officer of the Corporation, and

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(ii) to one or more officers of the Corporation the authority to determine whether an employee of the Corporation or any subsidiary, other than a Director or officer of the Corporation,

is entitled to indemnification or advancement of expenses pursuant to, and in accordance with, applicable law and this Article IV, subject to such conditions and limitations as the Board of Directors may prescribe.

ARTICLE V.

Fiscal Year

The fiscal year shall begin in each calendar year on the Monday following the Sunday which is nearest to July 31, and shall end on the Sunday which is nearest to July 31 of the following year.

ARTICLE VI.

Corporate Seal

The Board of Directors shall provide a suitable seal, bearing the name of the Corporation, which seal shall be in the charge of the Secretary; provided that the use of a facsimile of such seal is hereby authorized.

ARTICLE VII.

Amendment

The Board of Directors shall have the power to make, amend and repeal the By-Laws of the Corporation by a vote of a majority of the members of the Board of Directors at the time in office at any regular or special meeting of the Board of Directors. The stockholders, by a majority of the votes cast at a meeting of the stockholders, may adopt, alter, amend or repeal the By-Laws, whether made by the Board of Directors or otherwise.

[CAMPBELL SOUP COMPANY LOGO]

Campbell Soup Company 1984 Long-Term
Incentive Plan

As amended on February 22, 1996

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CAMPBELL SOUP COMPANY 1984 LONG-TERM INCENTIVE PLAN
ARTICLE I
PURPOSE AND EFFECTIVE DATE

Section 1.1 Purpose. The purpose of the Plan is to provide financial incentives for selected Key Employees of the Campbell Group and for the non-employee directors of the Company, thereby promoting the long-term growth and financial success of the Campbell Group by (i) attracting and retaining employees and directors of outstanding ability, (ii) strengthening the Campbell Group's capability to develop, maintain, and direct a competent management team, (iii) providing an effective means for selected Key Employees and non-employee directors to acquire and maintain ownership of Campbell Stock, (iv) motivating Key Employees to achieve long-range performance goals and objectives, and (v) providing incentive compensation opportunities competitive with those of other major corporations.

Section 1.2 Effective Date and Expiration of Plan. The Plan is subject to approval by a majority of the votes cast at the annual meeting of stockholders of the Company to be held on November 16, 1984, or at any adjournment thereof, by the holders of shares of Campbell Stock entitled to vote thereon, and, if so approved, shall be effective as of such date. Unless earlier terminated by the Board pursuant to Section 9.3, the Plan shall terminate on the tenth anniversary of its Effective Date. No Award shall be made pursuant to the Plan after its termination date, but Awards made prior to the termination date may extend beyond that date.

ARTICLE II
DEFINITIONS

The following words and phrases, as used in the Plan, shall have these meanings:

Section 2.1 "Award" means, individually or collectively, any Option, SAR, Restricted Stock Award, current Campbell Stock or Performance Unit Award.

Section 2.2 "Board" means the Board of Directors of the Company.

Section 2.3 "Campbell Group" means the Company and all of its Subsidiaries on and after the Effective Date.

Section 2.4 "Campbell Stock" means Capital Stock of the Company.

Section 2.5 "Capital and Income Retained in the Business" means capital and income, retained in the business of the Campbell Group as reported to the Company on a consolidated basis by its independent public accountants.

Section 2.6 "Code" means the Internal Revenue Code of 1986, as amended.

Section 2.7 "Committee" means those members, not to be less than three, of the Compensation Committee of the Board who, at the time of service on the Committee hereunder, are, and at all times within one year prior thereto shall have been, not eligible for selection as persons to whom Awards may be made or to whom Options may be granted pursuant to the Plan or any other plan of the Campbell Group, except for non-discretionary Awards pursuant to Article XI.

Section 2.8 "Company" means Campbell Soup Company and its successors and assigns.

Section 2.9 "Deferred Award Account" means an account established for a Participant under Section 8.1(a).

Section 2.10 "Effective Date" means the date on which the Plan is approved by the stockholders of the Company, as provided in Section 1.2.

Section 2.11 "Fair Market Value" means, as of any specified date, an

amount equal to the highest of the following:

(i) the mean between the reported high and low prices of Campbell Stock on the New York Stock Exchange composite tape on the specified date;

(ii) the mean between the reported high and low prices of Campbell Stock on the New York Stock Exchange composite tape on the market day preceding the specified date;

(iii) the five-day average mean between the reported high and low prices of Campbell Stock on the New York Stock Exchange composite tape during the five market days immediately preceding the specified date.

Section 2.12 "Fiscal Year" means the fiscal year of the Company, which is the 52- or 53-week period ending on the Sunday closest to July 31.

Section 2.13 "Incentive Stock Option" means an option within the meaning of Section 422A of the Code.

Section 2.14 "Income before Taxes on Income" means income before taxes on income of the Campbell Group as reported to the Company on a consolidated basis by its independent public accountants.

Section 2.15 "Key Employee" means an employee of the Campbell Group who occupies a responsible executive, professional, or administrative position and who has the capacity to contribute to the success of the Campbell Group.

Section 2.16 "Market Price" means the price of the closing sale (or last bid on a day when no sale occurs) of Campbell Stock on the New York Stock Exchange composite tape.

Section 2.17 "Nonqualified Stock Option" means an Option granted under the Plan other than an Incentive Stock Option.

Section 2.18 "Option" means both a Nonqualified Stock Option and an Incentive Stock option to purchase Campbell Stock.

Section 2.19 "Option Price" means the price at which Campbell Stock may be purchased under an Option as provided in Section 5.4.

Section 2.20 "Participant" means a Key Employee or a non-employee director to whom an Award has been made under the Plan.

Section 2.21 "Performance Period" means a period of time over which a Participant's performance is measured under Section 7.2.

Section 2.22 "Performance Unit" means the unit of measure determined under Article VII by which is expressed the value of a Performance Unit Award.

Section 2.23 "Performance Unit Award" means an Award granted under Article VII.

Section 2.24 "Performance Unit Agreement" means an agreement entered into between a Participant and the Company under Section 7.8.

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Section 2.25 "Personal Representative" means the person or persons who, upon the death, disability, or incompetency of a Participant, shall have acquired, by will or by the laws of descent and distribution or by other legal proceedings, the right to exercise an Option or the right to any Restricted Stock Award or Performance Unit Award theretofore granted or made to such Participant.

Section 2.26 "Plan" means Campbell Soup Company 1984 Long-Term Incentive Plan.

Section 2.27 "Restricted Stock" means Campbell Stock subject to the

terms and conditions provided in Article VI.

Section 2.28 "Restricted Stock Award" means an Award granted under Article VI.

Section 2.29 "Restriction Period" means a period of time determined under Section 6.2 during which Restricted Stock is subject to the terms and conditions provided in Section 6.3.

Section 2.30 "S & P Index" means the daily stock price index for industrial companies as published by Standard & Poor's Corporation.

Section 2.31 "S & P Units" means cash measured by the S & P Index.

Section 2.32 "SAR" means a stock appreciation right granted under Section 5.8.

Section 2.33 "Stock Option Agreement" means an agreement entered into between a Participant and the Company under Section 5.3.

Section 2.34 "Subsidiary" means a corporation, domestic or foreign, the majority of the voting stock of which is owned directly or indirectly by the Company.

ARTICLE III ADMINISTRATION

Section 3.1 Committee to Administer. The Plan shall be administered by the Committee. The Committee shall have full power and authority to interpret and administer the Plan and to establish and amend rules and regulations for its administration. The Committee's decisions shall be final and conclusive with respect to the interpretation of the Plan and any Award made under it.

A majority of the members of the Committee shall constitute a quorum for the conduct of business at any meeting. The Committee shall act by majority vote of the members present at a duly convened meeting, which may include a meeting by conference telephone call held in accordance with applicable law. Action may be taken without a meeting if written consent thereto is given in accordance with applicable law.

Section 3.2 Powers of Committee. (a) Subject to the provisions of the Plan, the Committee shall have authority, in its discretion, to determine those Key Employees who shall receive an Award, the time or times when such Award shall be made, and the type of Award to be granted, whether an Incentive Stock Option or a Nonqualified Stock Option shall be granted, the number of shares to be subject to each Option and Restricted Stock Award, and the value of each Performance Unit.

(b) An Option, an SAR, a Restricted Stock Award, an unrestricted Campbell Stock Award, or a Performance Unit Award may be granted by the

Committee to a Key Employee who is a Director of the Company only if approved by the Board. A Director shall not participate in a vote approving a grant to himself or herself of an Option, an SAR, a Restricted Stock Award, an unrestricted Campbell Stock Award, or a Performance Unit Award.

(c) The Committee shall determine the terms, restrictions, and provisions of the agreement relating to each Award, including such terms, restrictions, and provisions as shall be necessary to cause certain options to qualify as Incentive Stock Options. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any agreement relating to an Award, in such manner and to the extent the Committee shall determine in order to carry out the purposes of the Plan. The Committee may, in its discretion, accelerate (i) the date on which any Option or SAR may be exercised, (ii) the date of termination of the restrictions applicable to a Restricted Stock Award, or (iii) the end of a Performance Period under a

Performance Unit Award, if the Committee determines that to do so will be in the best interests of the Company and the Participants in the Plan.

ARTICLE IV AWARDS

Section 4.1 Awards. Awards under the Plan shall consist of Incentive Stock Options, Nonqualified Stock Options, SARs, Restricted Stock, unrestricted Campbell Stock and Performance Units. All Awards shall be subject to the terms and conditions of the Plan and to such other terms and conditions consistent with the Plan as the Committee deems appropriate. Awards under a particular section of the Plan need not be uniform and Awards under two or more sections may be combined in one agreement. Any combination of Awards may be granted at one time and on more than one occasion to the same Key Employee.

Section 4.2 Eligibility For Awards. An Award may be made to any Key Employee selected by the Committee. In making this selection and in determining the form and amount of the Award, the Committee may give consideration to the functions and responsibilities of the respective Key Employee, his or her present and potential contributions to the success of the Campbell Group, the value of his or her services to the Campbell Group, and such other factors deemed relevant by the Committee. Non-employee directors are eligible to receive non-discretionary Awards of current Campbell Stock pursuant to Article XI.

Section 4.3 Shares Available Under the Plan. The Campbell Stock to be offered under the Plan pursuant to Options, SARs, Performance Unit Awards, and Restricted Stock and unrestricted Campbell Stock Awards must be Campbell Stock previously issued and outstanding and reacquired by the Company. Subject to adjustment under Section 9.2, no more than 12,000,000 shares of Campbell Stock shall be issuable upon exercise of Options, SARs, or pursuant to Performance Unit Awards, Restricted Stock or unrestricted Campbell Stock Awards granted under the Plan. Any shares of Campbell Stock subject to an Option which for any reason is cancelled (excluding shares subject to an Option cancelled upon the exercise of a related SAR) or terminated without having been exercised, or any shares of Restricted Stock which are forfeited, shall again be available for Awards under the Plan. Shares subject to an Option cancelled upon the exercise of an SAR shall not again be available for Awards under the Plan.

Section 4.4 Limitation on Performance Unit Awards. For each fiscal year included in a Performance Period, the maximum aggregate dollar value of the Performance Units awarded to any Key Employee with respect to such Performance Period may not exceed 75% of his or her annual salary at the time such Performance Units are awarded.

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ARTICLE V STOCK OPTIONS AND STOCK APPRECIATION RIGHTS

Section 5.1 Award of Stock Options. The Committee may, from time to time, subject to Section 3.2(b) and other provisions of the Plan and such terms and conditions as the Committee may prescribe, award Incentive Stock Options and Nonqualified Stock Options to any Key Employee. Awards of Incentive Stock Options and Nonqualified Stock Options may be separate and not in tandem.

Section 5.2 Period of Option. (a) Unless otherwise provided in the related Stock Option Agreement, an Option granted under the Plan shall be exercisable only after twelve months have elapsed from the date of grant. After the twelve-month waiting period, the Option may be exercised at any time during the term of the Option, in whole or in installments, as specified in the related Stock Option Agreement. Subject to Section 5.6, the duration of each Option shall not be more than ten years from the date of grant.

(b) Except as provided in Section 5.6, an Option may not be exercised by a Participant unless such Participant is then, and continually (except for sick leave, military service, or other approved leave of absence) after the grant of the Option has been, an employee of the Campbell Group.

Section 5.3 Stock Option Agreement. Each Option shall be evidenced by a Stock Option Agreement, in such form and containing such provisions not inconsistent with the provisions of the Plan as the Committee from time to time shall approve.

Section 5.4 Option Price, Exercise and Payment. The Option Price of Campbell Stock under each Option shall be determined by the Committee but shall be a price not less than 100 percent of the Fair Market Value of Campbell Stock at the date such Option is granted, as determined by the Committee.

Options may be exercised from time to time by giving written notice to the Treasurer of the Company, specifying the number of shares to be purchased. No Option may be exercised for less than 40 shares unless the issue of a lesser number is enough to exhaust the Option. The notice of exercise shall be accompanied by payment in full of the Option Price in cash or its equivalent, provided, however, that if the Committee, in its discretion, so provides in the related Stock Option Agreement, the Option Price may be paid in whole or in part through the transfer to the Company of shares of Campbell Stock previously acquired by the Participant, provided the shares so transferred have been held by the Participant for a period of more than one year and, further provided, that no Restricted Stock may be transferred as payment of the Option Price. In the event such Option Price is paid in whole or in part, with shares of Campbell Stock, the portion of the Option Price so paid shall be equal to the value, as of the date of exercise of the Option, of such shares. The value of such shares shall be equal to the number of such shares multiplied by the average of the high and low sales prices of Campbell Stock quoted on the New York Stock Exchange composite tape on the trading day coincident with the date of exercise of such Option (or the immediately preceding trading day if the date of exercise is not a trading day). Such shares must be delivered (along with the portion to be paid in cash) within five days after the date of exercise. If the Participant fails to pay the Option Price within such five-day period, the Committee shall have the right to take whatever action it deems appropriate, including voiding the exercise of the Option. The Company shall not issue or transfer Campbell Stock upon exercise of an Option until the Option Price is fully paid. If the related Stock Option Agreement so provides, the Participant may satisfy any amounts required to be withheld by the Company under applicable federal, state and local tax laws in effect from time to time, by electing to have the Company withhold a portion of the shares of Campbell Stock to be delivered for

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the payment of such taxes on such terms and conditions as the Stock Option Agreement specifies.

Section 5.5 Limitations on Incentive Stock Options. (a)(1) For Incentive Stock Options granted prior to January 1, 1987, the aggregate Fair Market Value (determined as of the time such Option is granted) of Campbell Stock for which a Key Employee may be granted Incentive Stock Options in any calendar year (under all plans of the Company, its parent, and Subsidiaries which provide for the granting of Incentive Stock Options) shall not exceed \$100,000, plus any unused limit carryover (as provided by Section 422A(c)(4) of the Code, prior to its amendment by Pub. L. No. 99-514) to such year. If \$100,000 exceeds the aggregate Fair Market Value (determined as of the time the Option is granted) of the Campbell Stock for which a Key Employee is granted Incentive Stock Options in any calendar year (under all plans of the Company, its parent, and Subsidiaries which provide for the granting of Incentive Stock Options) one-half of such excess shall be an unused limit carryover to each of the three succeeding calendar years.

(a)(2) For Incentive Stock Options granted after December 31, 1986, there is no annual dollar limit on the amount of Incentive Stock Options which may be granted to a Key Employee, but there is a \$100,000 per Key Employee limit on the Fair Market Value of stock covered by such Options (determined at the time the Option is granted) that are exercisable by a Key Employee in any one calendar year.

(b)(1) Each Incentive Stock Option granted prior to January 1, 1987, shall not be exercisable while there is outstanding any Incentive Stock Option

that was previously granted to the Participant by the Company, its parent, or a Subsidiary (determined as of the time such Option was granted) or a predecessor of any of such corporations. An Incentive Stock Option shall be treated as outstanding for this purpose until it is deemed exercised in full or expires by reason of lapse of time.

(b) (2) For Incentive Stock Options granted after December 31, 1986, the rules set forth in Section 5.5(b)(1) above, (pertaining to the requirement that Incentive Stock Options granted prior to January 1, 1987, be exercised in the order granted), are not applicable.

(c) An Incentive Stock Option shall not be awarded to any Key Employee who, at the time of award, owns stock possessing more than ten percent of the total combined voting power of all classes of stock of the Company or of any Subsidiary or parent of the Company.

Section 5.6 TERMINATION OF EMPLOYMENT. (a) If the employment of a Participant with the Campbell Group is terminated for reasons other than (i) death, (ii) discharge for cause, (iii) retirement, or (iv) resignation, the Participant may exercise an Option, except an Incentive Stock Option, at any time within three years after such termination, to the extent of the number of shares covered by such Option which were exercisable at the date of such termination; except that an option shall not be exercisable on any date beyond the expiration of such three-year period or the expiration date of such Option, whichever occurs first.

(b) If the employment of a Participant with the Campbell Group is terminated for cause, any Options of such Participant shall expire and any rights thereunder shall terminate immediately. Any Option of a Participant whose service is terminated by resignation may be exercised at any time within three months of such resignation to the extent that the number of shares covered by such Option were exercisable at the date of such resignation,

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except that an Option shall not be exercisable on any date beyond the expiration date of such Option.

(c) Should a Participant, who is not eligible to retire under the Company's pension plan or a pension plan of any affiliated Company, die either while in the employ of the Campbell Group or after termination of such employment (other than discharge for cause), the Option rights, except Incentive Stock Option Rights, of such deceased Participant may be exercised by his or her Personal Representative at any time within three years after the Participant's death to the extent of the number of shares covered by such Option which were exercisable at the date of such death, except that an Option shall not be so exercisable on any date beyond the expiration date of such Option.

(d) After February 29, 1996, should a Participant who is eligible to retire under the Company's pension plan or a pension plan of any affiliated company die prior to the vesting of all Options, any installment or installments not then exercisable shall become fully exercisable as of the date of Participant's death and the Option rights, except Incentive Stock Option Rights, may be exercised by the Participant's Personal Representative at any time prior the expiration date of any Option.

(e) Should a Participant, who retires after February 29, 1996, die prior to exercising all Options, then his or her Option rights, except Incentive Stock Option Rights, may be exercised by the Participant's Personal Representative at any time prior to the expiration date of any Options.

(f) If a Participant who was granted a Stock Option dies within 180 days of the expiration date of such Option, and if on the date of death the Participant was then entitled to exercise such Option, including options vested pursuant to section 5.6 (d), and if the Option expires without being exercised, the Personal Representative of the Participant shall receive in settlement a cash payment from the Company of a sum equal to the amount, if any, by which the Fair Market Value (determined on the expiration date of the Option) of Campbell Stock subject to the Option exceeds the Option Price.

(g) Any Option, except an Incentive Stock Option, of a Participant who retires after February 29, 1996, may be exercised at any time prior to the expiration date of such Option. In the event the Participant's employment with the Campbell Group terminates prior to the vesting of all Options, and if the Participant is eligible to retire under the Company's pension plan or a pension plan of any affiliated company at the date of such termination, any installment or installments not then exercisable shall become fully exercisable as of the effective date of such termination. If the Participant receives severance payments from the Company or any affiliated company and becomes eligible to retire during the severance payment period, all of the Participant's options shall become fully exercisable as of the date of such Participant's retirement eligibility date and may be exercised at any time prior to the expiration date of such Option.

(h) Incentive Stock Options, that have not previously expired, must be exercised within three months following Participant's termination of employment, unless employment is terminated because of disability in which event the exercise period is extended to one year following termination.

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ARTICLE VI
RESTRICTED STOCK

Section 6.1 Award of Restricted Stock. (a) The Committee may make a Restricted Stock Award to any Participant, subject to this Article VI and to such other terms and conditions as the Committee may prescribe.

(b) Each certificate for Restricted Stock shall be registered in the name of the Participant and deposited by him or her, together with a stock power endorsed in blank, with the Company, unless the Participant has elected to defer pursuant to Section 8.1.

Section 6.2 Restriction Period. At the time of making a Restricted Stock Award, the Committee shall establish the Restriction Period applicable to such Award. The Committee may establish different Restriction Periods from time to time and each Restricted Stock Award may have a different Restriction Period, in the discretion of the Committee. Restriction Periods, when established for each Restricted Stock Award, shall not be changed except as permitted by Section 6.3.

Section 6.3 Other Terms and Conditions. Campbell Stock, when awarded pursuant to a Restricted Stock Award, will be represented by a stock certificate registered in the name of the Participant who receives the Restricted Stock Award, unless the Participant has elected to defer pursuant to Section 8.1. Such certificate shall be deposited with the Company as provided in Section 6.1(b). The Participant shall be entitled to receive dividends during the Restriction Period and shall have the right to vote such Campbell Stock and all other shareholder's rights, with the exception that (i) the Participant will not be entitled to delivery of the stock certificate during the Restriction Period, (ii) the Company will retain custody of the Campbell Stock during the Restriction Period, (iii) a breach of a restriction or a breach of the terms and conditions established by the Committee pursuant to the Restricted Stock Award will cause a forfeiture of the Restricted Stock Award. The Committee may, in addition, prescribe additional restrictions, terms, or conditions upon or to the Restricted Stock Award.

Section 6.4 Restricted Stock Award Agreement. Each Restricted Stock Award shall be evidenced by a Restricted Stock Award Agreement in such form and containing such terms and conditions not inconsistent with the provisions of the Plan as the Committee from time to time shall approve. If the Restricted Stock Award Agreement so provides, the Participant may satisfy any amounts required to be withheld by the Company under applicable federal, state and local tax laws in effect from time to time, by electing to have the Company withhold a portion of the Restricted Stock Award to be delivered for the payment of such taxes on such terms and conditions as the Restricted Stock Award Agreement specifies.

Section 6.5 Termination of Employment. The Committee may, in its

sole discretion, establish rules pertaining to the Restricted Stock Award in the event of termination of employment (by retirement, disability, death, or otherwise) of a Participant prior to the expiration of the Restriction Period.

Section 6.6 Payment for Restricted Stock. Restricted Stock Awards may be made by the Committee under which the Participant shall not be required to make any payment for the Campbell Stock or, in the alternative, under which the Participant, as a condition to the Restricted Stock Award, shall pay all (or any lesser amount than all) of the Fair Market Value of the Campbell Stock, determined as of the date the Restricted Stock Award is made. If the latter, such purchase price shall be paid in cash as provided in the Restricted Stock Award Agreement.

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ARTICLE VII
AWARD OF PERFORMANCE UNITS

Section 7.1 Award of Performance Units. The Committee may award Performance Units to any Participant. Each Performance Unit shall represent the right of a Participant to receive an amount equal to the value of the Performance Unit, determined in the manner established by the Committee at the time of Award.

Section 7.2 Performance Period. At the time of each Performance Unit Award, the Committee shall establish, with respect to each such Award, a Performance Period over which the performance of the Participant shall be measured. There may be more than one Award in existence at any one time, and Performance Periods may differ.

Section 7.3 Performance Measures. (a) Performance Units shall be awarded to a Participant contingent upon the future performance of the Company and/or of the Subsidiary, division, or department for which he or she is employed over the Performance Period, or contingent upon such other performance measures as the Committee may deem appropriate. The Committee shall establish the performance measures applicable to the Participant prior to the beginning of each Performance Period, but such performance measures may be subject to such later revisions to reflect significant unforeseen events or changes as the Committee shall deem appropriate.

(b) At the time of each Performance Unit Award, the Committee shall establish target performance goals to be achieved with the Performance Period.

Section 7.4 Performance Unit Value. Each Performance Unit shall have a maximum dollar value established by the Committee at the time of the Award. The earned value of a Performance Unit will be determined by the Committee in respect of a Performance Period in relation to the degree of attainment of target performance. The value of a Performance Unit may, in the discretion of the Committee, be equal to the Fair Market Value of one share of Campbell Stock.

Section 7.5 Award Criteria. In determining the number of Performance Units to be granted to any Participant, the Committee shall take into account the Participant's responsibility level, performance, potential, cash compensation level, other incentive awards, and such other considerations as it deems appropriate.

Section 7.6 Payment. (a) Following the end of Performance Period, a Participant holding Performance Units will be entitled to receive payment of an amount, not exceeding the maximum value of the Performance Units, based on the achievement of the performance measures for such Performance Period, as determined by the Committee.

(b) Payment of Performance Units shall be made in cash, whether payment is made at the end of the Performance Period or is deferred pursuant to Section 8.1, except that Performance Units which are valued using Campbell Stock shall be paid in Campbell Stock. Payment shall be made in a lump sum or in installments and shall be subject to such other terms and conditions as shall be determined by the Committee.

Section 7.7 Termination of Employment. (a) A Performance Unit Award shall terminate for all purposes if the Participant does not remain continuously in the employ of the Campbell Group at all times during the applicable Performance Period, except as may otherwise be determined by the Committee.

(b) In the event that a Participant holding a Performance Unit ceases to be an employee of the Campbell Group following the end of the

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12 applicable Performance Period but prior to full payment according to the terms of the Performance Unit Award, payment shall be made in accordance with terms established by the Committee for the payment of such Performance Unit.

Section 7.8 Performance Unit Agreements. Performance Unit Awards shall be evidenced by Performance Unit Agreements in such form and containing such provisions not inconsistent with the provisions of the Plan as the Committee shall determine.

ARTICLE VIII DEFERRAL OF PAYMENTS

Section 8.1 Election to Defer. (a) Except with respect to Restricted Stock which is restricted only by a length of service condition, a Participant may elect, no later than June 30 of the Fiscal Year preceding the last Fiscal Year of any Performance Period, to defer until the termination of his or her employment with the Campbell Group by retirement or otherwise, all or a portion of any related earned Performance Units or Restricted Stock. With respect to Restricted Stock which is restricted only by a length of service condition, a participant may elect, no later than 180 days before the expiration of the length of service condition (or within such other time period as may be provided in a Restricted Stock Award Agreement), to defer for a set number of years (not less than two) or until the termination of his or her employment with the Campbell Group by retirement or otherwise, all or a portion of his or her related award. The value of the Performance Units or Restricted Stock so deferred shall be allocated to a Deferred Award Account established for the Participant. Participants who are subject to tax in a foreign country are not eligible to defer payment of Performance Units unless a deferral election has been approved for the Participant by the Treasurer of the Company.

(b) A Participant's Deferred Award Account for the deferral of Performance Units shall be credited at the end of the Performance Period with Campbell Stock, cash, or S & P Units as the Participant shall have elected in writing at the time of his or her election under Section 8.1(a) above. A Participant who elects to defer Restricted Stock shall be credited at the time of election with Campbell Stock in the Participant's Deferred Award Account. The Participant's Deferred Award Account shall be an unfunded bookkeeping account only.

Section 8.2 Deferral Procedures and Measurement of Deferred Account. The Committee, or the Treasurer of the Company, if designated by the Committee, shall establish procedures and rules regarding the timing of deferred elections, the time period for deferral, the maximum number of annual installment payments, the measurement units for valuing Deferred Accounts, transfer of the balances in Deferred Accounts among measurement units, statements of Deferred Accounts, the time and manner of payment of Deferred Accounts, and other administrative items for Deferred Accounts.

Section 8.3 Payment in the Event of Death. If the Participant dies (before or after his or her retirement), any portion of his or her Deferred Award Account then unpaid shall be paid to the beneficiaries named in the most recent beneficiary designation filed with the Treasurer of the Company or, in the absence of such designation, paid to, or as directed by, his or her Personal Representative, in such one or more installments as the Participant may have elected, in writing, coincident with the election made pursuant to Section 8.1.

Section 8.4 Financial Hardship. (a) In the event a Participant,

before termination of his or her employment, experiences financial hardship, the Participant may request, and the Committee in its sole discretion may grant, a

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distribution in one lump sum of such portion of the amount credited to the Participant's Deferred Award Account as is required to relieve such financial hardship and is not reasonably available from the Participant's other resources. Such request shall be irrevocable and shall be made at least six months in advance of the distribution.

(b) In the event a Participant, after termination of his or her employment, experiences financial hardship, the Participant may request, and the Committee in its sole discretion may grant, an acceleration of the Participant's elected number of installments under Section 8.3, to the extent necessary to relieve such financial hardship.

(c) For purposes of this Section 8.4, a distribution will be on account of "financial hardship" if the distribution is necessary due to severe and unanticipated financial hardship caused by an event beyond the control of the Participant. The Committee, in its sole discretion, shall determine whether or not a Participant has experienced "financial hardship" within the meaning of this Section 8.4.

Section 8.5 Conditions of Payment of Deferred Award Accounts. Prior to a Change in Control (as hereinafter defined), a Participant who is discharged for willful, deliberate or gross misconduct as determined by the Company shall, unless otherwise determined by the Committee in connection with the termination of his or her employment, lose any right to receive payment of his or her Deferred Award Account.

No installment of a Deferred Award Account of a Participant whose service with the Campbell Group shall have terminated by retirement or otherwise shall be paid unless, from the time of termination until the time for such payment or until his or her death, whichever happens first, the Participant shall have continuously refrained from engaging in any business directly or indirectly competitive with the Campbell Group. If the Participant violates this condition, all rights in the unpaid portion of his or her Deferred Award Account shall be forfeited to the Company. The Committee may waive this condition, upon the written request of a Participant, if in its sole judgment the nonfulfillment of the condition will have no substantial adverse effect upon the Campbell Group. The request shall fully describe the proposed competitive activity, and the waiver shall be limited to the specific competitive activity so described.

ARTICLE IX MISCELLANEOUS PROVISIONS

Section 9.1 Nontransferability. Unless otherwise provided by the Committee, no option, SAR, share of Restricted Stock, or Performance Unit under the Plan shall be transferable by the Participant otherwise than by will or, if the Participant dies intestate, by the laws of descent and distribution. All Awards shall be exercisable or received during the Participant's lifetime only by such Participant or his Personal Representative. Any transfer contrary to this Section 9.1 will nullify the Option, SAR, Performance Unit, or share of Restricted Stock.

Section 9.2 Adjustments Upon Changes in Stock. In case of any reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering, or any other changes in the corporate structure or shares of the Company, appropriate adjustments may be made by the Committee (or if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) in the aggregate number and kind of shares subject to the Plan, and the number and kind of shares and the price per share subject to outstanding Options or which may be issued under outstanding Restricted Stock Awards or pursuant to

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unrestricted Campbell Stock Awards. Appropriate adjustments may also be made by the Committee in the terms of any Awards under the Plan, subject to Article XI, to reflect such changes and to modify any other terms of outstanding Awards on an equitable basis, including modifications of performance goals and changes in the length of Performance Periods.

Section 9.3 Amendment, Suspension, and Termination of Plan. (a) The Board may suspend or terminate the Plan or any portion thereof at any time, and may amend, subject to Section 11.6, the Plan from time to time in such respects as the Board may deem advisable in order that any Awards thereunder shall conform to any change in applicable laws or regulations or in any other respect the Board may deem to be in the best interests of the Company; provided, however, that no such amendment shall, without stockholder approval, (i) except as provided in Section 9.2, increase the number of shares of Campbell Stock which may be issued under the Plan, (ii) modify the requirements as to eligibility for participation in the Plan, (iii) materially increase the benefits accruing to Participants under the Plan, (iv) make any other change that would disqualify the Plan for purposes of the exemption provided by Rule 16b-3(c)(2) of the Securities and Exchange Commission, (v) reduce the Option Price below the Fair Market Value of Campbell Stock on the day the Option is awarded, (vi) permit the award of SARs other than in tandem with an Option, (vii) permit the exercise of an SAR during the first six months of its term except as otherwise provided herein, (viii) permit the exercise of an Option or SAR without surrender of the related SAR or Option, or (ix) extend the termination date of the Plan. No such amendment, suspension, or termination shall alter or impair any outstanding Options, SARs, shares of Restricted Stock, or Performance Units without the consent of the Participant affected thereby.

(b) With the consent of the Participant affected thereby, the Committee may amend or modify any outstanding Options. Restricted Stock Awards, or Performance Unit Awards in any manner to the extent that the Committee would have had the authority under the Plan initially to award such Options, SARs, Restricted Stock Awards, or Performance Unit Awards as so modified or amended, including without limitation, to change the date or dates as of which such Options or SARs may be exercised, to remove the restrictions on shares of Restricted Stock, or to modify the manner in which Performance Units are determined and paid.

Section 9.4 Nonuniform Determinations. The Committee's determinations under the Plan, including without limitation, (i) the determination of the Key Employees to receive Awards, (ii) the form, amount, and timing of such Awards, (iii) the terms and provisions of such Awards and (iv) the agreements evidencing the same, need not be uniform and may be made by it selectively among Key Employees who receive, or who are eligible to receive, Awards under the Plan, whether or not such Key Employees are similarly situated. This Section 9.4 shall not apply to current Campbell Stock Awards to non-employee directors which shall be uniform and non-discretionary in accordance with Article XI.

Section 9.5 General Restriction. Each Award under the Plan shall be subject to the condition that, if at any time the Committee shall determine that (i) the listing, registration, or qualification of the shares of Campbell Stock subject or related thereto upon any securities exchange or under any state or federal law (ii) the consent or approval of any government or regulatory body, or (iii) an agreement by the Participant with respect thereto, is necessary or desirable, then such Award shall not become exercisable in whole or in part unless such listing, registration, qualification, consent, approval, or agreement shall have been effected or obtained free of any conditions not acceptable to the Committee.

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Section 9.6 No Right To Employment. Neither the action of the Company in establishing the Plan, nor any action taken by it or by the Board or

the Committee under the Plan, nor any provision of the Plan, shall be construed as giving to any person the right to be retained in the employ of the Company or any Subsidiary.

ARTICLE X
CHANGE IN CONTROL OF THE COMPANY

Section 10.1 Contrary Provisions. Notwithstanding anything contained in the Plan to the contrary, the provisions of this Article X shall govern and supersede any inconsistent terms or provisions of the Plan.

Section 10.2 Definitions.

Change in Control. For purposes of the Plan "Change in Control" shall mean any of the following events: (a) The acquisition in one or more transactions by any "Person" (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "1934 Act")) of "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of twenty-five percent (25%) or more of the combined voting power of the Company's then outstanding voting securities (the "Voting Securities"), provided, however, that for purposes of this Section 10.2(a), the Voting Securities acquired directly from the Company by any Person shall be excluded from the determination of such Person's Beneficial Ownership of Voting Securities (but such Voting Securities shall be included in the calculation of the total number of Voting Securities then outstanding); or

(b) The individuals who, as of January 25, 1990, are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least two-thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of the Plan, be considered as a member of the Incumbent Board; or

(c) Approval by stockholders of the Company of (1) a merger or consolidation involving the Company if the stockholders of the Company, immediately before such merger or consolidation, do not own, directly or indirectly immediately following such merger or consolidation, more than eighty percent (80%) of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation in substantially the same proportion as their ownership of the Voting Securities immediately before such merger or consolidation or (2) a complete liquidation or dissolution of the Company or an agreement for the sale or other disposition of all or substantially all of the assets of the Company; or

(d) Acceptance of stockholders of the Company of shares in a share exchange if the stockholders of the Company, immediately before such share exchange, do not own, directly or indirectly immediately following such share exchange, more than eighty percent (80%) of the combined voting power of the outstanding voting securities of the corporation resulting from such share exchange in substantially the same proportion as their ownership of the Voting Securities outstanding immediately before such share exchange.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because twenty-five percent (25%) or more of the then outstanding Voting Securities is acquired by (i) a trustee or other fiduciary holding securities under one or more employee benefit plans maintained by the Company or any of its subsidiaries, (ii) any corporation which, immediately

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prior to such acquisition, is owned directly or indirectly by the stockholders of the Company in the same proportion as their ownership of stock in the Company immediately prior to such acquisition, (iii) any "Grandfathered Dorrance Family Stockholder" (as hereinafter defined) or (iv) any Person who has acquired such Voting Securities directly from any Grandfathered Dorrance Family Stockholder but only if such Person has executed an agreement which is approved by two-thirds of the Board and pursuant to which such Person has agreed that he (or they) will not increase his (or their) Beneficial Ownership (directly or indirectly) to 30% or more of the outstanding Voting Securities

(the "Standstill Agreement") and only for the period during which the Standstill Agreement is effective and fully honored by such Person. For purposes of this Section, "Grandfathered Dorrance Family Stockholder" shall mean at any time a "Dorrance Family Stockholder" (as hereinafter defined) who or which is at the time in question the Beneficial Owner solely of (v) Voting Securities Beneficially Owned by such individual on January 25, 1990, (w) Voting Securities acquired directly from the Company, (x) Voting Securities acquired directly from another Grandfathered Dorrance Family Stockholder, (y) Voting Securities which are also Beneficially Owned by other Grandfathered Dorrance Family Stockholders at the time in question, and (z) Voting Securities acquired after January 25, 1990 other than directly from the Company or from another Grandfathered Dorrance Family Stockholder by any "Dorrance Grandchild" (as hereinafter defined) provided that the aggregate amount of Voting Securities so acquired by each such Dorrance Grandchild shall not exceed five percent (5%) of the Voting Securities outstanding at the time of such acquisition. A "Dorrance Family Stockholder" who or which is at the time in question the Beneficial Owner of Voting Securities which are not specified in clauses (v), (w), (x), (y) and (z) of the immediately preceding sentence shall not be a Grandfathered Dorrance Family Stockholder at the time in question. For purposes of this Section, "Dorrance Family Stockholders" shall mean individuals who are descendants of the late Dr. John T. Dorrance, Sr. and/or the spouses, fiduciaries and foundations of such descendants. A "Dorrance Grandchild" means as to each particular grandchild of the late Dr. John T. Dorrance, Sr., all of the following taken collectively: such grandchild, such grandchild's descendants and/or the spouses, fiduciaries and foundations of such grandchild and such grandchild's descendants.

Moreover, notwithstanding the foregoing, (i) a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur and (ii) a Change in Control described in Section 10.2(a) with respect to any Participant shall not be deemed to occur by reason of the Participant's acquisition of Beneficial Ownership (including the acquisition of Beneficial Ownership by a group of which the Participant is a member) with respect to any transaction on which the Participant would rely on Rule 16b-3(e) promulgated under the Exchange Act.

Cause. For purposes of the Plan the term, "Cause" shall mean the termination of a Participant's employment by reason of his or her (a) conviction of a felony or (b) engaging in conduct which constitutes willful gross misconduct which is demonstrably and materially injurious to the Company, monetarily or otherwise. No act, nor failure to act, on the Employee's part, shall be considered "willful" unless he or she has acted, or failed to act, with an absence of good faith and without a reasonable belief

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that his or her action or failure to act was in the best interest of the Company.

Section 10.3 "Adjusted Fair Market Value" means, in the event of a Change in Control, the greater of (a) the highest price per share of Campbell Stock paid to holders of the shares of Campbell Stock in any transaction (or series of transactions) constituting or resulting in a Change in Control or (b) the highest Fair Market Value of a share of Campbell Stock during the ninety (90) day period ending on the date of a Change in Control.

Section 10.4 Upon a Change in Control, (a) all Options and SARs outstanding on the date of such Change in Control (other than any Options or SARs granted to David W. Johnson) shall become immediately and fully exercisable and (b) any Participant who may be subject to liability under

Section 16(b) of Securities Exchange Act of 1934, as amended, (other than any Options or SARs granted to David W. Johnson) will be permitted to surrender for cancellation for a period of sixty (60) days commencing after the later of such Change in Control or the expiration of six months from the date of grant, any Option or SAR (or portion of an Option or SAR), other than an Incentive Stock Option granted prior to January 25, 1990, to the extent not yet exercised and the Participant will be entitled to receive a cash payment in an amount equal to the excess, if any, in respect of each Option or SAR surrendered, (1) (i) except as described in clause (ii) below, the greater of (x) the Fair Market Value, on the date preceding the date of surrender of the shares subject to the Option or SAR (or portion thereof) surrendered or (y) the Adjusted Fair Market Value of the Shares subject to the Option or SAR (or portion thereof) surrendered or (ii) in the case of an Incentive Stock Option or an SAR issued in connection with an Incentive Stock Option, the Fair Market Value, on the date preceding the date of surrender, of the Shares subject to the Option or SAR (or portion thereof) surrendered, over (2) the aggregate purchase price for such Shares under the Option or SAR.

Section 10.5 Upon a Change in Control, all restrictions upon any shares of Restricted Stock (other than Restricted Stock which is subject to performance related restrictions ("Performance Restricted Stock") and Restricted Stock granted to David W. Johnson) shall lapse immediately and all such shares shall become fully vested in the Participant and shall promptly be delivered to the Participant.

Section 10.6 (a) Upon a Change in Control, the Participant (other than David W. Johnson) shall (1) become vested in, and restrictions shall lapse on, the greater of (i) fifty percent (50%) of the Performance Restricted Stock or Performance Units or (ii) a pro rata portion of such Performance Restricted Campbell Stock based on the portion of the Performance Period that has elapsed to the date of the Change in Control and the aggregate vesting percentage determined pursuant to this clause (ii) shall be applied to vesting first such awards granted the farthest in time preceding the Change in Control (the "Vested Performance Awards") and (2) be entitled to receive (A) in respect of all Performance Units which become vested as a result of a Change in Control, a cash payment within thirty (30) days after such Change in Control equal to the product of the then current value of a Performance Unit multiplied by the number of Performance Units which become vested in accordance with this Section 10.6 and (B) in respect of all shares of Performance Restricted Stock which become vested as a result of a Change in Control, the prompt delivery of such shares.

(b) With respect to any shares of Performance Restricted Stock or Performance Units which do not become vested pursuant to Section 10.6(a) (the "Continuing Awards"), such shares or units (or the proceeds thereof) shall continue to be outstanding for the remainder of the applicable Performance Period (as if such shares or units were the only shares or units granted in respect of each such Performance Period) and subject to the applicable Award Criteria as modified below.

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Section 10.7 Deferred Awards Accounts. (a) Upon a Change in Control, each share of Campbell Stock credited to a Participant's Deferred Award Account shall be converted into cash in an amount equal to the greater of (a) the Fair Market Value per share of the Campbell Stock or (b) Adjusted Fair Market Value and shall thereafter be credited with interest as provided in Section 8.2(b) of Article VIII.

(b) Upon a Participant's termination of employment by the Participant or by his or her employer for any reason (other than for Cause) within two years following a Change in Control, the Company shall pay in a lump sum cash payment the value of his or her Deferred Award Account (together with any interest accrued thereon to the date of payment).

Section 10.8 Amendment or Termination. (a) This Article X shall not be amended or terminated at any time if any such amendment or termination would adversely affect the rights of any Participant under the Plan.

(b) For a period of twenty-four (24) months following a Change in

Control, the Plan shall not be terminated (unless replaced by a comparable long-term incentive plan) and during such period the Plan (or such replacement plan) shall be administered in a manner such that Participants will be provided with long-term incentive awards producing reward opportunities generally comparable to those provided prior to the Change in Control. Any amendment or termination of the Plan prior to a Change in Control which (1) was at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a Change in Control or (2) otherwise arose in connection with or in anticipation of a Change in Control, shall be null and void and shall have no effect whatsoever.

(c) Following a Change in Control, the Plan shall be amended as necessary to make appropriate adjustments to the Award Criteria for the Continuing Awards for (a) any negative effect that the costs and expenses incurred by the Company and its Subsidiaries in connection with the Change in Control may have on the achievement of performance goals under the Plan and (b) any changes to the Company and/or its Subsidiaries (including, but not limited to, changes in corporate structure, capitalization and increased interest expense as a result of the incurrence or assumption by the Company of acquisition indebtedness) following the Change in Control so as to preserve the reward opportunities and Award Criteria for comparable performance under the Plan as in effect on the date immediately prior to the Change in Control.

Section 10.9 Trust Arrangement. All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Company resulting in the Participants having no greater rights than the Company's general creditors; provided, however, nothing herein shall prevent or prohibit the Company from establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

ARTICLE XI
UNRESTRICTED CAMPBELL STOCK AWARDS FOR NON-EMPLOYEE DIRECTORS

Section 11.1 Award of Current Campbell Stock to Non-Employee Directors. An award of 200 shares of Campbell Stock (based on Company capitalization on September 23, 1991, and adjusted for any change in such capital structure pursuant to Section 11.2) shall be made on December 1, 1991, to each non-employee director who is elected at the Annual Meeting of Shareowners on November 21, 1991. Thereafter, awards of 200 shares of Campbell Stock shall be made on December 1 of succeeding years to each non-employee director who is elected at subsequent Annual Meetings of Shareowners.
Non-employee directors

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who are not initially elected at an Annual Meeting of Shareowners shall receive a pro rata portion of 200 shares of Campbell Stock within 10 business days of his or her election based on the number of months remaining from date of election until the next Annual Meeting of Shareowners divided by twelve. Any fractional shares resulting from such calculation shall be rounded up to the nearest whole number.

Section 11.2 Stock Split, Stock Dividend, or Extraordinary Distribution. In the event the number of shares of Campbell Stock is increased at any time after September 23, 1991, by a stock split, by declaration by the Board of a dividend payable only in shares of such stock, or by any other extraordinary distribution of shares, the number of shares granted pursuant to Section 11.1 shall be proportionately adjusted.

Section 11.3 Organizational Changes. In the event a merger, consolidation, reorganization, or other change in corporate structure which materially changes the terms or value of the Campbell Stock, the number of shares granted pursuant to Section 11.1 shall be adjusted in such manner as the Board in its sole discretion shall determine to be equitable and consistent with the purposes of this Article XI. Such determination shall be conclusive for all purposes with respect to the grant made in Section 11.1 Such adjustment shall comply with the restriction on amendments set forth in Section 11.6

Section 11.4 Election by Non-employee Directors to Receive Campbell Stock. Each non-employee director may elect to receive all or a portion (in 10% increments) of the annual cash retainer for Board service and other cash compensation in shares of Campbell Stock, which will be issued quarterly. Such election shall be irrevocable and shall be made at least six months in advance of the date the non-employee director receives the quarterly payment. Only whole numbers of shares will be issued and any fractional shares shall be paid in cash. For purposes of computing the number of shares earned and their taxable value each quarter, the value of each share shall be equal to the mean between the reported high and low prices of Campbell Stock on the New York Stock Exchange composite tape on the last business day of the quarter. If a Participant dies prior to payment of all shares earned, the balance due shall be payable in full to the Participant's designated beneficiary under the Director's Retirement Program, or, if none, to the Participant's estate, in cash.

Section 11.5 No right to Continuance as a director. Neither the action of the Company in establishing the Plan, nor the awarding of current Campbell Stock shall be deemed (i) to create any obligation on the part of the Board to nominate any director for reelection by the Company's shareowners or (ii) to be evidence of any agreement or understanding, express or implied, that the director has a right to continue as a director for any period of time or at any particular rate of compensation.

Section 11.6 Amendment. The amount, pricing and timing of unrestricted Campbell Stock Awards set forth in Section 11.1 shall not be amended (including amendments to reflect adjustments pursuant to Section 11.3) more than once every six months, other than to comport with changes in the Code, the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder.

ARTICLE XII UNRESTRICTED CAMPBELL STOCK AWARDS FOR KEY EMPLOYEES

Section 12.1 The Committee may make awards of unrestricted Campbell Stock to Key Employees in recognition of outstanding achievements or as a

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supplemental award for Key Employees who receive Restricted Stock Awards when Company performance exceeds the established financial goals.

Section 12.2 Each certificate for unrestricted Campbell Stock shall be registered in the name of the Participant and immediately be delivered to him or her.

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CAMPBELL SOUP COMPANY

1994 Long-Term Incentive Plan

As Amended February 22, 1996

CAMPBELL SOUP COMPANY

1994 LONG-TERM INCENTIVE PLAN

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ARTICLE I

PURPOSE AND EFFECTIVE DATE

Section 1.1 PURPOSE. The purpose of the Plan is to provide financial incentives for selected Key Employees of the Campbell Group and for the non-employee Directors of the Company, thereby promoting the long-term growth and financial success of the Campbell Group by (i) attracting and retaining employees and Directors of outstanding ability, (ii) strengthening the Campbell Group's capability to develop, maintain, and direct a competent management team, (iii) providing an effective means for selected Key Employees and non-employee Directors to acquire and maintain ownership of Campbell Stock, (iv) motivating Key Employees to achieve long-range Performance Goals and objectives, and (v) providing incentive compensation opportunities competitive with those of other major corporations.

Section 1.2 EFFECTIVE DATE AND EXPIRATION OF PLAN. The Plan is subject to approval by a majority of the votes cast at the annual meeting of shareowners of the Company to be held on November 17, 1994, or at any adjournment thereof, by the holders of shares of Campbell Stock entitled to vote thereon, and, if so approved, shall be effective as of such date. Unless earlier terminated by the Board pursuant to Section 11.3, the Plan shall terminate on the tenth anniversary of its Effective Date. No Award shall be made pursuant to the Plan after its termination date, but Awards made prior to the termination date may extend beyond that date.

ARTICLE II

DEFINITIONS

The following words and phrases, as used in the Plan, shall have these meanings:

Section 2.1 "AWARD" means, individually or collectively, any Option, SAR, Restricted Stock, unrestricted Campbell stock or Performance Unit Award.

Section 2.2 "BOARD" means the Board of Directors of the Company.

Section 2.3 "CAMPBELL GROUP" means the Company and all of its Subsidiaries on and after the Effective Date.

Section 2.4 "CAMPBELL STOCK" means Capital Stock of the Company.

Section 2.5 "CAPITAL AND INCOME RETAINED IN THE BUSINESS" means capital and income, retained in the business of the Campbell Group as reported to the Company on a consolidated basis by its independent public accountants.

Section 2.6 "CODE" means the Internal Revenue Code of 1986, as amended.

Section 2.7 "COMMITTEE" means those members, not to be less than three, of the Compensation Committee of the Board who, at the time

of service on the Committee hereunder, are, and at all times within one year prior thereto shall have been, not eligible for selection as persons to whom Awards may be made or to whom Options may be granted pursuant to the Plan or any other plan of the Campbell Group, except for non-discretionary Awards

pursuant to Article VII. All members of the Committee shall be "Outside Directors" as defined or interpreted for purposes of Section 162(m) of the Code.

Section 2.8 "COMPANY" means Campbell Soup Company and its successors and assigns.

Section 2.9 "DEFERRED ACCOUNT" means an account established for a Participant under Section 10.1(a).

Section 2.10 "DIRECTOR" means a member of the Board of Directors of the Company.

Section 2.11 "EFFECTIVE DATE" means the date on which the Plan is approved by the shareowners of the Company, as provided in Section 1.2.

Section 2.12 "FAIR MARKET VALUE" means, as of any specified date, an amount equal to the mean between the reported high and low prices of Campbell Stock on the New York Stock Exchange composite tape on the specified date.

Section 2.13 "FISCAL YEAR" means the fiscal year of the Company, which is the 52- or 53-week period ending on the Sunday closest to July 31.

Section 2.14 "INCENTIVE STOCK OPTION" means an option within the meaning of Section 422 of the Code.

Section 2.15 "INCOME BEFORE TAXES ON INCOME" means income before taxes on income of the Campbell Group as reported to the Company on a consolidated basis by its independent public accountants.

Section 2.16 "KEY EMPLOYEE" means a salaried employee of the Campbell Group who is in a management position.

Section 2.17 "MARKET PRICE" means the price of the closing sale (or last bid on a day when no sale occurs) of Campbell Stock on the New York Stock Exchange composite tape.

Section 2.18 "NONQUALIFIED STOCK OPTION" means an Option granted under the Plan other than an Incentive Stock Option.

Section 2.19 "OPTION" means either a Nonqualified Stock Option or an Incentive Stock option to purchase Campbell Stock.

Section 2.20 "OPTION PRICE" means the price at which Campbell Stock may be purchased under an Option as provided in Section 5.4 or in the case of an SAR granted under Section 5.8, the Fair Market Value of Campbell Stock on the date the SAR is awarded.

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Section 2.21 "PARTICIPANT" means a Key Employee or a non-employee Director to whom an Award has been made under the Plan.

Section 2.22 "PERFORMANCE GOALS" means goals established by the Committee pursuant to Section 4.5.

Section 2.23 "PERFORMANCE PERIOD" means a period of time over which performance is measured.

Section 2.24 "PERFORMANCE UNIT" means the unit of measure determined under Article IX by which is expressed the value of a Performance Unit Award.

Section 2.25 "PERFORMANCE UNIT AWARD" means an Award granted under Article IX.

Section 2.26 "PERSONAL REPRESENTATIVE" means the person or persons who, upon the death, disability, or incompetency of a Participant, shall have acquired, by will or by the laws of descent and distribution or by other legal proceedings, the right to exercise an Option or the right to any Restricted Stock Award or Performance Unit Award theretofore granted or made to such

Participant.

Section 2.27 "PLAN" means Campbell Soup Company 1994 Long-Term Incentive Plan.

Section 2.28 "RESTRICTED PERFORMANCE STOCK" means Campbell Stock subject to Performance Goals provided in Section 4.5.

Section 2.29 "RESTRICTED STOCK" means Campbell Stock subject to the terms and conditions provided in Article VI and includes Restricted Performance Stock.

Section 2.30 "RESTRICTED STOCK AWARD" means an Award granted under Article VI.

Section 2.31 "RESTRICTION PERIOD" means a period of time determined under Section 6.2 during which Restricted Stock is subject to the terms and conditions provided in Section 6.3.

Section 2.32 "SAR" means a stock appreciation right granted under Section 5.8.

Section 2.33 "STATEMENT" means a written confirmation of an Award under the Plan furnished to the Participant.

Section 2.34 "SUBSIDIARY" means a corporation, domestic or foreign, the majority of the voting stock of which is owned directly or indirectly by the Company.

ARTICLE III

ADMINISTRATION

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Section 3.1 COMMITTEE TO ADMINISTER. The Plan shall be administered by the Committee. The Committee shall have full power and authority to interpret and administer the Plan and to establish and amend rules and regulations for its administration. The Committee's decisions shall be final and conclusive with respect to the interpretation of the Plan and any Award made under it.

A majority of the members of the Committee shall constitute a quorum for the conduct of business at any meeting. The Committee shall act by majority vote of the members present at a duly convened meeting, which may include a meeting by conference telephone call held in accordance with applicable law. Action may be taken without a meeting if written consent thereto is given in accordance with applicable law.

Section 3.2 POWERS OF COMMITTEE. (a) Subject to the provisions of the Plan, the Committee shall have authority, in its discretion, to determine those Key Employees who shall receive an Award, the time or times when such Award shall be made, the vesting schedule, if any, for the Award and the type of Award to be granted, whether an Incentive Stock Option or a Nonqualified Stock Option shall be granted, the number of shares to be subject to each Option and Restricted Stock Award, and the value of each Performance Unit.

(b) An Option, an SAR, a Restricted Stock Award, an unrestricted Campbell Stock Award, or a Performance Unit Award may be granted by the Committee to a Key Employee who is a Director of the Company only if approved by the Board. A Director shall not participate in a vote approving a grant to himself or herself of an Option, an SAR, a Restricted Stock Award, an unrestricted Campbell Stock Award, or a Performance Unit Award.

(c) The Committee shall determine and set forth in an Award Statement the terms of each Award, including such terms, restrictions, and provisions as shall be necessary to cause certain options to qualify as Incentive Stock Options. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Statement relating to an Award, in such manner and to the extent the Committee shall determine in order to carry out the purposes of the Plan. The Committee may, in its discretion,

accelerate (i) the date on which any Option or SAR may be exercised, (ii) the date of termination of the restrictions applicable to a Restricted Stock Award, or (iii) the end of a Performance Period under a Performance Unit Award, if the Committee determines that to do so will be in the best interests of the Company and the Participants in the Plan.

ARTICLE IV

AWARDS

Section 4.1 AWARDS. Awards under the Plan shall consist of Incentive Stock Options, Nonqualified Stock Options, SARs, Restricted Stock, unrestricted Campbell Stock and Performance Units. All Awards shall be subject to the terms and conditions of the Plan and to

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such other terms and conditions consistent with the Plan as the Committee deems appropriate. Awards under a particular section of the Plan need not be uniform and Awards under two or more sections may be combined in one Statement. Any combination of Awards may be granted at one time and on more than one occasion to the same Key Employee. Awards of Performance Units and Restricted Performance Stock shall be earned solely upon attainment of Performance Goals and the Committee shall have no discretion to increase such Awards.

Section 4.2 ELIGIBILITY FOR AWARDS. An Award may be made to any Key Employee selected by the Committee. In making this selection and in determining the form and amount of the Award, the Committee may give consideration to the functions and responsibilities of the respective Key Employee, his or her present and potential contributions to the success of the Campbell Group, the value of his or her services to the Campbell Group, and such other factors deemed relevant by the Committee. Non-employee Directors are eligible to receive non-discretionary Awards of unrestricted Campbell Stock pursuant to Article VII.

Section 4.3 SHARES AVAILABLE UNDER THE PLAN. The Campbell Stock to be offered under the Plan pursuant to Options, SARs, Performance Unit Awards, and Restricted Stock and unrestricted Campbell Stock Awards must be Campbell Stock previously issued and outstanding and reacquired by the Company. Subject to adjustment under Section 11.2, no more than 12,500,000 shares of Campbell Stock shall be issuable upon exercise of Options, SARs, or pursuant to Performance Unit Awards, Restricted Stock or unrestricted Campbell Stock Awards granted under the Plan. Any shares of Campbell Stock subject to an Option which for any reason is cancelled (excluding shares subject to an Option cancelled upon the exercise of a related SAR) or terminated without having been exercised, or any shares of Restricted Stock which are forfeited, shall again be available for Awards under the Plan. Shares subject to an Option cancelled upon the exercise of an SAR shall not again be available for Awards under the Plan.

Section 4.4 LIMITATION ON AWARDS. The maximum aggregate dollar value of Restricted Stock and Performance Units awarded to any Key Employee with respect to a Performance Period or Restriction Period may not exceed \$5 million for each fiscal year included in such Performance Period or Restriction Period. The maximum number of shares for which Options may be granted to any participant in any one fiscal year shall not exceed one million.

Section 4.5 GENERAL PERFORMANCE GOALS. Prior to the beginning of a Performance Period the Committee will establish in writing, Performance Goals for the Company and its various operating units. The goals will be comprised of specified annual levels of one or more performance criteria as the Committee may deem appropriate such as: earnings per share, net earnings, operating earnings, unit volume, net sales, market share, balance sheet measurements, cash return on assets, shareowner return, or return on capital. The Committee may disregard or offset the effect of any special charges or gains or cumulative effect of a change in accounting in

determining the attainment of Performance Goals. Awards may also be payable when Company performance, as measured by one or more of the above criteria, as compared to peer companies meets or exceeds an objective target established by the Committee.

ARTICLE V

STOCK OPTIONS AND STOCK APPRECIATION RIGHTS

Section 5.1 AWARD OF STOCK OPTIONS. The Committee may, from time to time, subject to Section 3.2(b) and other provisions of the Plan and such terms and conditions as the Committee may prescribe, award Incentive Stock Options and Nonqualified Stock Options to any Key Employee. Awards of Incentive Stock Options and Nonqualified Stock Options must be separate and not in tandem.

Section 5.2 PERIOD OF OPTION. An Option granted under the Plan shall be exercisable only in accordance with the vesting schedule approved by the Committee. After the waiting period, the Option may be exercised at any time during the term of the Option, in whole or in installments, as specified in the related Stock Option Statement. Subject to Section 5.6, the duration of each Option shall not be more than ten years from the date of grant.

(b) Except as provided in Section 5.6, an Option may not be exercised by a Participant unless such Participant is then, and continually (except for sick leave, military service, or other approved leave of absence) after the grant of the Option has been, an employee of the Campbell Group.

Section 5.3 STOCK OPTION STATEMENT. Each Option shall be evidenced by a Stock Option Statement.

Section 5.4 OPTION PRICE, EXERCISE AND PAYMENT. The Option Price of Campbell Stock under each Option shall be determined by the Committee but shall be a price not less than 100 percent of the Fair Market Value of Campbell Stock at the date such Option is granted, as determined by the Committee. Stock Options shall not be repriced.

Options may be exercised from time to time by giving written notice to the Treasurer of the Company, specifying the number of shares to be purchased. The notice of exercise shall be accompanied by payment in full of the Option Price in cash or the Option Price may be paid in whole or in part through the transfer to the Company of shares of Campbell Stock.

In the event such Option Price is paid in whole or in part, with shares of Campbell Stock, the portion of the Option Price so paid shall be equal to the value, as of the date of exercise of the Option, of such shares. The value of such shares shall be equal to the number of such shares multiplied by the average of the high and low sales prices of Campbell Stock quoted on the New York Stock Exchange composite tape on the trading day coincident with the date of exercise of such Option (or the immediately preceding trading

day if the date of exercise is not a trading day). The Company shall not issue or transfer Campbell Stock upon exercise of an Option until the Option Price is fully paid. The Participant may satisfy any amounts required to be withheld by the Company under applicable federal, state and local tax laws in effect from time to time, by electing to have the Company withhold a portion of the shares of Campbell Stock to be delivered for the payment of such taxes.

Section 5.5 LIMITATIONS ON INCENTIVE STOCK OPTIONS. Each provision of the Plan and each Option Statement relating to an Incentive Stock Option shall be construed so that each Incentive Stock Option shall be an incentive stock option as defined in Section 422 of the Code, and any provisions of the Option Statement thereof that cannot be so construed shall be disregarded.

Section 5.6 TERMINATION OF EMPLOYMENT. (a) If the employment of a Participant with the Campbell Group is terminated for reasons other than (i)

death, (ii) discharge for cause, (iii) retirement, or (iv) resignation, the Participant may exercise an Option, except an Incentive Stock Option, at any time within three years after such termination, to the extent of the number of shares covered by such Option which were exercisable at the date of such termination; except that an option shall not be exercisable on any date beyond the expiration of such three-year period or the expiration date of such Option, whichever occurs first.

(b) If the employment of a Participant with the Campbell Group is terminated for cause, any Options of such Participant shall expire and any rights thereunder shall terminate immediately. Any Option of a Participant whose service is terminated by resignation may be exercised at any time within three months of such resignation to the extent that the number of shares covered by such Option were exercisable at the date of such resignation, except that an Option shall not be exercisable on any date beyond the expiration date of such Option.

(c) Should a Participant, who is not eligible to retire under the Company's pension plan or a pension plan of any affiliated Company, die either while in the employ of the Campbell Group or after termination of such employment (other than discharge for cause), the Option rights, except Incentive Stock Option Rights, of such deceased Participant may be exercised by his or her Personal Representative at any time within three years after the Participant's death to the extent of the number of shares covered by such Option which were exercisable at the date of such death, except that an Option shall not be so exercisable on any date beyond the expiration date of such Option.

(d) After February 29, 1996, should a Participant who is eligible to retire under the Company's pension plan or a pension plan of any affiliated company die prior to the vesting of all Options, any installment or installments not then exercisable shall become fully exercisable as of the date of Participant's death and the Option rights, except Incentive Stock Option Rights, may be

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exercised by the Participant's Personal Representative at any time prior the expiration date of any Option.

(e) Should a Participant, who retires after February 29, 1996, die prior to exercising all Options, then his or her Option rights, except Incentive Stock Option Rights, may be exercised by the Participant's Personal Representative at any time prior to the expiration date of any Options.

(f) If a Participant who was granted a Stock Option dies within 180 days of the expiration date of such Option, and if on the date of death the Participant was then entitled to exercise such Option, including options vested pursuant to section 5.6 (d), and if the Option expires without being exercised, the Personal Representative of the Participant shall receive in settlement a cash payment from the Company of a sum equal to the amount, if any, by which the Fair Market Value (determined on the expiration date of the Option) of Campbell Stock subject to the Option exceeds the Option Price.

(g) Any Option, except an Incentive Stock Option, of a Participant who retires after February 29, 1996, may be exercised at any time prior to the expiration date of such Option. In the event the Participant's employment with the Campbell Group terminates prior to the vesting of all Options, and if the Participant is eligible to retire under the Company's pension plan or a pension plan of any affiliated company at the date of such termination, any installment or installments not then exercisable shall become fully exercisable as of the effective date of such termination. If the Participant receives severance payments from the Company or any affiliated company and becomes eligible to retire during the severance payment period, all of the Participant's options shall become fully exercisable as of the date of such Participant's retirement eligibility date and may be exercised at any time prior to the expiration date of such Option.

(h) Incentive Stock Options, that have not previously expired, must be exercised within three months following Participant's termination of

employment, unless employment is terminated because of disability in which event the exercise period is extended to one year following termination.

Section 5.7 SHAREOWNER RIGHTS AND PRIVILEGES. A Participant shall have no rights as a shareowner with respect to any shares of Campbell Stock covered by an Option until the issuance of a stock certificate to the Participant representing such shares.

Section 5.8 AWARD OF SARs. (a) At any time prior to six months before an Option's expiration date, the Committee may award to the Participant an SAR related to the Option. The Committee may also award SARs that are unrelated to any option.

(b) The SAR shall represent the right to receive payment of an amount not greater than the spread, if any, by which the Fair Market Value of the Campbell Stock on the trading day immediately preceding the date of exercise of the SAR exceeds the Option Price.

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(c) SARs awarded under the Plan shall be evidenced by a Statement between the Company and the Participant.

(d) The Committee may prescribe conditions and limitations on the exercise or transferability of any SAR. SARs may be exercised only when the value of a share of Campbell Stock exceeds the Option Price. Such value shall be determined in the manner specified in Section 5.8(b).

(e) An SAR shall be exercisable only by written notice to the Treasurer of the Company. However, an SAR shall in no event be exercisable during the first six months of its term, except in the event of death or disability of the Participant prior to the expiration of such six-month period.

(f) All SARs shall automatically be exercised on the last trading day prior to their expiration, so long as the value of a share of Campbell Stock exceeds the Option Price, unless prior to such day the holder instructs the Treasurer otherwise in writing. Such value shall be determined in the manner specified in Section 5.8(b).

(g) Payment of the amount to which a Participant is entitled upon the exercise of an SAR shall be made in cash, Campbell Stock, or partly in cash and partly in Campbell Stock at the discretion of the Committee. The shares shall be valued in the manner specified in Section 5.8(b).

(h) At any time when a Participant is, in the judgment of the Treasurer of the Company, subject with respect to Campbell Stock to Section 16 of the Securities Exchange Act of 1934:

(i) any election by such Participant to receive cash in whole or in part upon the exercise of such SAR, shall be made only during the period beginning on the third business day following the date of release by the Company for publication of any quarterly or annual summary statement of its sales and earnings and ending on the twelfth business day following such date of release, and

(ii) in the event the Committee has not determined the form in which such SAR will be paid (i.e., cash, shares of Campbell Stock, or any combination thereof), any election to exercise such right in whole or in part for cash shall be subject to the subsequent consent thereto, or disapproval thereof, by the Committee in its sole discretion.

(i) Each SAR shall expire on a date determined by the Committee at the time of Award.

ARTICLE VI

RESTRICTED STOCK

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Section 6.1 AWARD OF RESTRICTED STOCK. (a) The Committee may make a Restricted Stock Award to any Participant, subject to this Article VI and to such other terms and conditions as the Committee may prescribe.

(b) Each certificate for Restricted Stock shall be registered in the name of the Participant and deposited by him or her, together with a stock power endorsed in blank, with the Company, unless the Participant has elected to defer pursuant to Section 10.1.

Section 6.2 RESTRICTION PERIOD. At the time of making a Restricted Stock Award, the Committee shall establish the Restriction Period applicable to such Award. The Committee may establish different Restriction Periods from time to time and each Restricted Stock Award may have a different Restriction Period, in the discretion of the Committee. Restriction Periods, when established for each Restricted Stock Award, shall not be changed except as permitted by Section 6.3.

Section 6.3 OTHER TERMS AND CONDITIONS. Campbell Stock, when awarded pursuant to a Restricted Stock Award, will be represented by a stock certificate registered in the name of the Participant who receives the Restricted Stock Award, unless the Participant has elected to defer pursuant to Section 10.1. Such certificate shall be deposited with the Company as provided in Section 6.1(b). The Participant shall be entitled to receive dividends during the Restriction Period and shall have the right to vote such Campbell Stock and all other shareowner's rights, with the exception that (i) the Participant will not be entitled to delivery of the stock certificate during the Restriction Period, (ii) the Company will retain custody of the Campbell Stock during the Restriction Period, (iii) a breach of a restriction or a breach of the terms and conditions established by the Committee pursuant to the Restricted Stock Award will cause a forfeiture of the Restricted Stock Award. The Participant may satisfy any amounts required to be withheld by the Company under applicable federal, state and local tax laws in effect from time to time, by electing to have the Company withhold a portion of the Restricted Stock Award to be delivered for the payment of such taxes. The Committee may, in addition, prescribe additional restrictions, terms, or conditions upon or to the Restricted Stock Award including performance restrictions in accordance with Section 4.5.

Section 6.4 RESTRICTED STOCK AWARD STATEMENT. Each Restricted Stock Award shall be evidenced by a Restricted Stock Award Statement.

Section 6.5 TERMINATION OF EMPLOYMENT. The Committee may, in its sole discretion, establish rules pertaining to the Restricted Stock Award in the event of termination of employment (by retirement, disability, death, or otherwise) of a Participant prior to the expiration of the Restriction Period.

Section 6.6 PAYMENT FOR RESTRICTED STOCK. Restricted Stock Awards may be made by the Committee under which the Participant shall not be

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required to make any payment for the Campbell Stock or, in the alternative, under which the Participant, as a condition to the Restricted Stock Award, shall pay all (or any lesser amount than all) of the Fair Market Value of the Campbell Stock, determined as of the date the Restricted Stock Award is made. If the latter, such purchase price shall be paid in cash as provided in the Restricted Stock Award Statement.

ARTICLE VII

UNRESTRICTED CAMPBELL STOCK AWARDS FOR NON-EMPLOYEE DIRECTORS

Section 7.1 AWARD OF CURRENT CAMPBELL STOCK AND STOCK OPTIONS TO NON-EMPLOYEE DIRECTORS. An award of 1,200 shares of Campbell Stock and 1,000

Options (based on Company capitalization on November 16, 1995, and adjusted for any change in such capital structure pursuant to Section 7.2) shall be made on January 1, 1996, to each non-employee Director who is elected at the Annual Meeting of Shareowners on November 16, 1995. Thereafter, awards of 1,200 shares of Campbell Stock and 1,000 Options shall be made on January 1 of succeeding years to each non-employee Director who is elected at subsequent Annual Meetings of Shareowners. A Non-employee Director who is not initially elected at an Annual Meeting of Shareowners shall receive a pro rata portion of 1,200 shares of Campbell Stock and 1,000 Options within 10 business days of his or her election based on the number of months remaining from date of election until the end of the calendar year divided by twelve. Any fractional shares or Options resulting from such calculation shall be rounded up to the nearest whole number. Options will vest cumulatively over three years at the rate of 30%, 60% and 100%, respectively on the first three anniversaries of the grant date. The Option Price for the Options granted each January 1, shall be the Fair Market Value of Campbell Stock on the first business day after January 1 of each year. The Option Price for the Options granted to a non-employee Director who is not initially elected at an Annual Meeting of Shareowners shall be the Fair Market Value of Campbell Stock on the effective date of his or her initial election. If such date is not a business day, then the Fair Market Value on the first business day following the effective date shall be used.

Section 7.2 STOCK SPLIT, STOCK DIVIDEND, OR EXTRAORDINARY DISTRIBUTION. In the event the number of shares of Campbell Stock is increased at any time after November 17, 1994, by a stock split, by declaration by the Board of a dividend payable only in shares of such stock, or by any other extraordinary distribution of shares, the number of shares and Options granted pursuant to Section 7.1 shall be proportionately adjusted.

Section 7.3 ORGANIZATIONAL CHANGES. In the event of a merger, consolidation, reorganization, or other change in corporate structure which materially changes the terms or value of the Campbell Stock, the number of shares granted pursuant to Section 7.1 shall be adjusted in such manner as the Board in its sole discretion shall determine to be equitable and consistent with

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the purposes of this Article VII. Such determination shall be conclusive for all purposes with respect to the grant made in Section 7.1. Such adjustment shall comply with the restriction on amendments set forth in Section 7.6

Section 7.4 ELECTION BY NON-EMPLOYEE DIRECTORS TO RECEIVE CAMPBELL STOCK. Each non-employee Director may elect to receive all or a portion (in 10% increments) of the annual cash retainer for Board service and other cash compensation in shares of Campbell Stock, which will be issued quarterly. Such election shall be irrevocable and shall be made at least six months in advance of the date the non-employee Director receives the quarterly payment. Only whole numbers of shares will be issued and any fractional shares shall be paid in cash. For purposes of computing the number of shares earned and their taxable value each quarter, the value of each share shall be equal to the mean between the reported high and low prices of Campbell Stock on the New York Stock Exchange composite tape on the last business day of the quarter. If a Participant dies prior to payment of all shares earned, the balance due shall be payable in full to the Participant's designated beneficiary under the Director's Retirement Program, or, if none, to the Participant's estate, in cash.

Section 7.5 NO RIGHT TO CONTINUANCE AS A DIRECTOR. Neither the action of the Company in establishing the Plan, nor the awarding of current Campbell Stock shall be deemed (i) to create any obligation on the part of the Board to nominate any Director for reelection by the Company's shareowners or (ii) to be evidence of any agreement or understanding, express or implied, that the Director has a right to continue as a Director for any period of time or at any particular rate of compensation.

Section 7.6 AMENDMENT. The amount, pricing and timing of unrestricted Campbell Stock Awards set forth in Section 7.1 shall not be amended (including amendments to reflect adjustments pursuant to Section 7.3) more than once every six months, other than to comport with changes in the Code, the Employee

Retirement Income Security Act of 1974, as amended, or the rules thereunder.

ARTICLE VIII

UNRESTRICTED CAMPBELL STOCK AWARDS FOR KEY EMPLOYEES

Section 8.1 The Committee may make awards of unrestricted Campbell Stock to Key Employees in recognition of outstanding achievements or as an award for Key Employees who receive Restricted Stock Awards when Performance Goals are exceeded.

Section 8.2 Each certificate for unrestricted Campbell Stock shall be registered in the name of the Participant and immediately be delivered to him or her.

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ARTICLE IX

AWARD OF PERFORMANCE UNITS

Section 9.1 AWARD OF PERFORMANCE UNITS. The Committee may award Performance Units to any Participant. Each Performance Unit shall represent the right of a Participant to receive an amount equal to the value of the Performance Unit, determined in the manner established by the Committee at the time of Award.

Section 9.2 PERFORMANCE PERIOD. At the time of each Performance Unit Award, the Committee shall establish, with respect to each such Award, a Performance Period during which performance shall be measured. There may be more than one Award in existence at any one time, and Performance Periods may differ.

Section 9.3 PERFORMANCE MEASURES. (a) Performance Units shall be awarded to a Participant contingent upon the attainment of Performance Goals in accordance with Section 4.5.

Section 9.4 PERFORMANCE UNIT VALUE. Each Performance Unit shall have a maximum dollar value established by the Committee at the time of the Award. Performance Units earned will be determined by the Committee in respect of a Performance Period in relation to the degree of attainment of Performance Goals. The measure of a Performance Unit may, in the discretion of the Committee, be equal to the Fair Market Value of one share of Campbell Stock.

Section 9.5 AWARD CRITERIA. In determining the number of Performance Units to be granted to any Participant, the Committee shall take into account the Participant's responsibility level, performance, potential, cash compensation level, other incentive awards, and such other considerations as it deems appropriate.

Section 9.6 PAYMENT. (a) Following the end of Performance Period, a Participant holding Performance Units will be entitled to receive payment of an amount, not exceeding the maximum value of the Performance Units, based on the achievement of the performance measures for such Performance Period, as determined by the Committee.

(b) Payment of Performance Units shall be made in cash, whether payment is made at the end of the Performance Period or is deferred pursuant to Section 10.1, except that Performance Units which are measured using Campbell Stock shall be paid in Campbell Stock. Payment shall be made in a lump sum or in installments and shall be subject to such other terms and conditions as shall be determined by the Committee.

Section 9.7 TERMINATION OF EMPLOYMENT. (a) A Performance Unit Award shall terminate for all purposes if the Participant does not remain continuously in the employ of the Campbell Group at all times during the applicable Performance Period, except as may otherwise be determined by the Committee.

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(b) In the event that a Participant holding a Performance Unit ceases to be an employee of the Campbell Group following the end of the applicable Performance Period but prior to full payment according to the terms of the Performance Unit Award, payment shall be made in accordance with terms established by the Committee for the payment of such Performance Unit.

Section 9.8 PERFORMANCE UNIT STATEMENTS. Performance Unit Awards shall be evidenced by Performance Unit Statements.

ARTICLE X

DEFERRAL OF PAYMENTS

Section 10.1 ELECTION TO DEFER PERFORMANCE UNITS OR RESTRICTED STOCK.

(a) A Participant may elect to defer all or a portion of any related earned Performance Units or Restricted Stock. The value of the Performance Units or Restricted Stock so deferred shall be allocated to a Deferred Account established for the Participant. Participants who are subject to tax in a foreign country are not eligible to defer payment of Performance Units or Restricted Stock unless a deferral election has been approved for the Participant by the Treasurer of the Company.

(b) A Participant's Deferred Account for the deferral of Performance Units shall be credited at the end of the Performance Period with the measurement units as the Participant shall have elected in writing at the time of his or her election under Section 10.1(a) above. A Participant who elects to defer Restricted Stock shall be credited at the time of election with phantom Campbell Stock in the Participant's Deferred Account.

Section 10.2 ELECTION TO DEFER DIRECTOR COMPENSATION. (a) Any non-employee Director may, by delivering a written election to the Treasurer of the Company on or before December 31 of any calendar year, elect to defer receipt of all or a specified part (10% increments) of his or her cash or Campbell Stock compensation during the calendar year following such election and succeeding calendar years.

(b) Any person who shall become a non-employee Director during any calendar year, and who was not a non-employee Director on the preceding December 31, may, before his or her term begins, elect to defer receipt of all or a specified part of his or her cash compensation during the balance of such calendar year and for succeeding calendar years.

(c) Any such election shall be in writing and shall be delivered to the Treasurer of the Company. Campbell Stock compensation can only be deferred into phantom Campbell Stock. Cash compensation may be deferred into any of the measurement units established under Section 10.3.

(d) A non-employee Director's election to defer receipt of compensation shall continue until the date on which such director

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ceases to be a director of the Company or until he or she terminates such election by written notice delivered to the Treasurer of the company. Any such notice terminating an election to defer compensation shall be effective as of the end of the calendar year in which such notice of termination is delivered. Any amounts credited to the Deferred Accounts of an Eligible Director prior to the effectiveness of any such notice of termination shall not be affected thereby.

Section 10.3 DEFERRAL PROCEDURES AND MEASUREMENT OF DEFERRED ACCOUNT. The Committee, or the Treasurer of the Company, if designated by the Committee, shall establish procedures and rules regarding the timing of deferred

elections, the time period for deferral, the maximum number of annual installment payments, the measurement units for valuing Deferred Accounts, transfer of the balances in Deferred Accounts among measurement units, statements of Deferred Accounts, the time and manner of payment of Deferred Accounts, and other administrative items for Deferred Accounts.

Section 10.4 PAYMENT IN EVENT OF DEATH. If the Participant dies (before or after his or her retirement), any portion of his or her Deferred Account then unpaid shall be paid to the beneficiaries named in the most recent beneficiary designation filed with the Treasurer of the Company or, in the absence of such designation, paid to, or as directed by, his or her Personal Representative, in such one or more installments as the Participant may have elected, in writing, coincident with the election made pursuant to Section 10.1.

Section 10.5 FINANCIAL HARDSHIP. (a) In the event a Participant, before termination of his or her employment, experiences financial hardship, the Participant may request, and the Committee, or the Treasurer of the Company if designated by the Committee, may grant, a distribution in one lump sum of such portion of the amount credited to the Participant's Deferred Account as is required to relieve such financial hardship and is not reasonably available from the Participant's other resources. Such request shall be irrevocable and shall be made at least two months in advance of the distribution.

(b) In the event a Participant, after termination of his or her employment, experiences financial hardship, the Participant may request, and the Committee in its sole discretion may grant, an acceleration of the Participant's elected number of installments under Section 10.4, to the extent necessary to relieve such financial hardship.

(c) For purposes of this Section 10.5, a distribution will be on account of "financial hardship" if the distribution is necessary due to severe and unanticipated financial hardship caused by an event beyond the control of the Participant. The Committee, in its sole discretion, shall determine whether or not a Participant has experienced "financial hardship" within the meaning of this Section 10.5.

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Section 10.6 CONDITIONS OF PAYMENT OF DEFERRED ACCOUNTS. Prior to a Change in Control (as hereinafter defined), a Participant who is discharged for willful, deliberate or gross misconduct as determined by the Company shall, unless otherwise determined by the Committee in connection with the termination of his or her employment, lose any right to receive payment of his or her Deferred Account.

No installment of a Deferred Account of a Participant whose service with the Campbell Group shall have terminated by retirement or otherwise shall be paid unless, from the time of termination until the time for such payment or until his or her death, whichever happens first, the Participant shall have continuously refrained from engaging in any business directly or indirectly competitive with the Campbell Group. If the Participant violates this condition, all rights in the unpaid portion of his or her Deferred Account shall be forfeited to the Company. The Committee may waive this condition, upon the written request of a Participant, if in its sole judgment the nonfulfillment of the condition will have no substantial adverse effect upon the Campbell Group. The request shall fully describe the proposed competitive activity, and the waiver shall be limited to the specific competitive activity so described.

Section 10.7 RIGHTS UNSECURED. The right of a Participant to receive any unpaid portion of his or her Deferred Accounts shall be an unsecured claim against the general assets of the Company.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.1 NONTRANSFERABILITY. Unless otherwise provided by the Committee, no option, SAR, share of Restricted Stock, or Performance Unit under

the Plan shall be transferable by the Participant otherwise than by will or, if the Participant dies intestate, by the laws of descent and distribution. All Awards shall be exercisable or received during the Participant's lifetime only by such Participant or his Personal Representative. Any transfer contrary to this Section 11.1 will nullify the Option, SAR, Performance Unit, or share of Restricted Stock.

Section 11.2 ADJUSTMENTS UPON CHANGES IN STOCK. In case of any reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering, or any other changes in the corporate structure or shares of the Company, appropriate adjustments may be made by the Committee (or if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) in Deferred Accounts and in the aggregate number and kind of shares subject to the Plan, and the number and kind of shares and the price per share subject to outstanding Options or which may be issued under outstanding Restricted Stock Awards or pursuant to unrestricted Campbell Stock Awards. Appropriate adjustments may also be made by the Committee in the terms of any Awards under the

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Plan, subject to Article VII, to reflect such changes and to modify any other terms of outstanding Awards on an equitable basis, including modifications of Performance Goals and changes in the length of Performance Periods.

Section 11.3 AMENDMENT, SUSPENSION, AND TERMINATION OF PLAN. (a) The Board may suspend or terminate the Plan or any portion thereof at any time, and may amend, subject to Section 7.6, the Plan from time to time in such respects as the Board may deem advisable in order that any Awards thereunder shall conform to any change in applicable laws or regulations or in any other respect the Board may deem to be in the best interests of the Company; provided, however, that no such amendment shall, without shareowner approval, (i) except as provided in Sections 7.2 and 11.2, increase the number of shares of Campbell Stock which may be issued under the Plan, (ii) materially increase the benefits accruing to Participants under the Plan, or (iii) materially modify the requirements as to eligibility for participating in the Plan, or (iv) extend the termination date of the Plan. No such amendment, suspension, or termination shall alter or impair any outstanding Options, SARs, shares of Restricted Stock, or Performance Units without the consent of the Participant affected thereby.

(b) With the consent of the Participant affected thereby, the Committee may amend or modify any outstanding Options, Restricted Stock Awards, or Performance Unit Awards in any manner to the extent that the Committee would have had the authority under the Plan initially to award such Options, SARs, Restricted Stock Awards, or Performance Unit Awards as so modified or amended, including without limitation, to change the date or dates as of which such Options or SARs may be exercised, to remove the restrictions on shares of Restricted Stock, or to modify the manner in which Performance Units are determined and paid.

Section 11.4 NONUNIFORM DETERMINATIONS. The Committee's determinations under the Plan, including without limitation, (i) the determination of the Key Employees to receive Awards, (ii) the form, amount, and timing of such Awards, (iii) the terms and provisions of such Awards and (iv) the Statements evidencing the same, need not be uniform and may be made by it selectively among Key Employees who receive, or who are eligible to receive, Awards under the Plan, whether or not such Key Employees are similarly situated. This Section 11.4 shall not apply to current Campbell Stock Awards to non-employee Directors which shall be uniform and non-discretionary in accordance with Article VII.

Section 11.5 GENERAL RESTRICTION. Each Award under the Plan shall be subject to the condition that, if at any time the Committee shall determine that (i) the listing, registration, or qualification of the shares of Campbell Stock subject or related thereto upon any securities exchange or under any state or federal law (ii) the consent or approval of any government or regulatory body, or (iii) an agreement by the Participant with respect thereto, is necessary or desirable, then such Award shall not become exercisable in

whole or in part unless such listing, registration,

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qualification, consent, approval, or agreement shall have been effected or obtained free of any conditions not acceptable to the Committee.

Section 11.6 NO RIGHT TO EMPLOYMENT. Neither the action of the Company in establishing the Plan, nor any action taken by it or by the Board or the Committee under the Plan, nor any provision of the Plan, shall be construed as giving to any person the right to be retained in the employ of the Company or any Subsidiary.

ARTICLE XII

CHANGE IN CONTROL OF THE COMPANY

Section 12.1 CONTRARY PROVISIONS. Notwithstanding anything contained in the Plan to the contrary, the provisions of this Article XII shall govern and supersede any inconsistent terms or provisions of the Plan.

Section 12.2 DEFINITIONS.

CHANGE IN CONTROL. (a) For purposes of the Plan "Change in Control" shall mean any of the following events: (a) The acquisition in one or more transactions by any "Person" (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "1934 Act")) of "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of twenty-five percent (25%) or more of the combined voting power of the Company's then outstanding voting securities (the "Voting Securities"), provided, however, that for purposes of this Section 12.2(a), the Voting Securities acquired directly from the Company by any Person shall be excluded from the determination of such Person's Beneficial Ownership of Voting Securities (but such Voting Securities shall be included in the calculation of the total number of Voting Securities then outstanding); or

(b) The individuals who, as of January 25, 1990, are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least two-thirds of the Board; provided, however, that if the election, or nomination for election by the Company's shareowners, of any new Director was approved by a vote of at least two-thirds of the Incumbent Board, such new Director shall, for purposes of the Plan, be considered as a member of the Incumbent Board; or

(c) Approval by shareowners of the Company of (1) a merger or consolidation involving the Company if the shareowners of the Company, immediately before such merger or consolidation, do not own, directly or indirectly immediately following such merger or consolidation, more than eighty percent (80%) of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation in substantially the same proportion as their ownership of the Voting Securities immediately before such merger or consolidation or (2) a

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complete liquidation or dissolution of the Company or an agreement for the sale or other disposition of all or substantially all of the assets of the Company; or

(d) Acceptance of shareowners of the Company of shares in a share exchange if the shareowners of the Company, immediately before such share exchange, do not own, directly or indirectly immediately following such share exchange, more than eighty percent (80%) of the combined voting power of the outstanding voting securities of the corporation resulting from such share exchange in substantially the same proportion as their ownership of the Voting Securities outstanding immediately before such share exchange.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because twenty-five percent (25%) or more of the then outstanding Voting Securities is acquired by (i) a trustee or other fiduciary holding securities under one or more employee benefit plans maintained by the Company or any of its subsidiaries, (ii) any corporation which, immediately prior to such acquisition, is owned directly or indirectly by the shareowners of the Company in the same proportion as their ownership of stock in the Company immediately prior to such acquisition, (iii) any "Grandfathered Dorrance Family Shareowner" (as hereinafter defined) or (iv) any Person who has acquired such Voting Securities directly from any Grandfathered Dorrance Family Shareowner but only if such Person has executed an agreement which is approved by two-thirds of the Board and pursuant to which such Person has agreed that he (or they) will not increase his (or their) Beneficial Ownership (directly or indirectly) to 30% or more of the outstanding Voting Securities (the "Standstill Agreement") and only for the period during which the Standstill Agreement is effective and fully honored by such Person. For purposes of this Section, "Grandfathered Dorrance Family Shareowner" shall mean at any time a "Dorrance Family Shareowner" (as hereinafter defined) who or which is at the time in question the Beneficial Owner solely of (v) Voting Securities Beneficially Owned by such individual on January 25, 1990, (w) Voting Securities acquired directly from the Company, (x) Voting Securities acquired directly from another Grandfathered Dorrance Family Shareowner, (y) Voting Securities which are also Beneficially Owned by other Grandfathered Dorrance Family Shareowners at the time in question, and (z) Voting Securities acquired after January 25, 1990 other than directly from the Company or from another Grandfathered Dorrance Family Shareowner by any "Dorrance Grandchild" (as hereinafter defined) provided that the aggregate amount of Voting Securities so acquired by each such Dorrance Grandchild shall not exceed five percent (5%) of the Voting Securities outstanding at the time of such acquisition. A "Dorrance Family Shareowner" who or which is at the time in question the Beneficial Owner of Voting Securities which are not specified in clauses (v), (w), (x), (y) and (z) of the immediately preceding sentence shall not be a Grandfathered Dorrance Family Shareowner at the time in question. For purposes of this Section, "Dorrance Family Shareowners" shall mean individuals who are descendants of the late Dr. John T. Dorrance, Sr. and/or the spouses, fiduciaries and foundations of such

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descendants. A "Dorrance Grandchild" means as to each particular grandchild of the late Dr. John T. Dorrance, Sr., all of the following taken collectively: such grandchild, such grandchild's descendants and/or the spouses, fiduciaries and foundations of such grandchild and such grandchild's descendants.

Moreover, notwithstanding the foregoing, (i) a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur and (ii) a Change in Control described in Section 12.2(a) with respect to any Participant shall not be deemed to occur by reason of the Participant's acquisition of Beneficial Ownership (including the acquisition of Beneficial Ownership by a group of which the Participant is a member) with respect to any transaction on which the Participant would rely on Rule 16b-3(e) promulgated under the Exchange Act.

CAUSE. For purposes of the Plan the term, "Cause" shall mean the termination of a Participant's employment by reason of his or her (a) conviction of a felony or (b) engaging in conduct which constitutes willful gross misconduct which is demonstrably and materially injurious to the Company, monetarily or otherwise. No act, nor failure to act, on the Employee's part,

shall be considered "willful" unless he or she has acted, or failed to act, with an absence of good faith and without a reasonable belief that his or her action or failure to act was in the best interest of the Company.

Section 12.3 "ADJUSTED FAIR MARKET VALUE" means, in the event of a Change in Control, the greater of (a) the highest price per share of Campbell Stock paid to holders of the shares of Campbell Stock in any transaction (or series of transactions) constituting or resulting in a Change in Control or (b) the highest Fair Market Value of a share of Campbell Stock during the ninety (90) day period ending on the date of a Change in Control.

Section 12.4 Upon a Change in Control, (a) all Options and SARs outstanding on the date of such Change in Control shall become immediately and fully exercisable and (b) any Participant who may be subject to liability under Section 16(b) of Securities Exchange Act of 1934, as amended, will be permitted to surrender for cancellation for a period of sixty (60) days commencing after the later of such Change in Control or the expiration of six months from the date of grant, any Option or SAR (or portion of an Option

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or SAR), to the extent not yet exercised and the Participant will be entitled to receive a cash payment in an amount equal to the excess, if any, in respect of each Option or SAR surrendered, (1) (i) except as described in clause (ii) below, the greater of (x) the Fair Market Value, on the date preceding the date of surrender of the shares subject to the Option or SAR (or portion thereof) surrendered or (y) the Adjusted Fair Market Value of the Shares subject to the Option or SAR (or portion thereof) surrendered or (ii) in the case of an Incentive Stock Option or an SAR issued in connection with an Incentive Stock Option, the Fair Market Value, on the date preceding the date of surrender, of the Shares subject to the Option or SAR (or portion thereof) surrendered, over (2) the aggregate purchase price for such Shares under the Option or SAR.

Section 12.5 Upon a Change in Control, all restrictions upon any shares of Restricted Stock other than Restricted Stock which is subject to performance related restrictions ("Performance Restricted Stock") shall lapse immediately and all such shares shall become fully vested in the Participant and shall promptly be delivered to the Participant.

Section 12.6 (a) Upon a Change in Control, the Participant shall (1) become vested in, and restrictions shall lapse on, the greater of (i) fifty percent (50%) of the Performance Restricted Stock or Performance Units or (ii) a pro rata portion of such Performance Restricted Campbell Stock based on the portion of the Performance Period that has elapsed to the date of the Change in Control and the aggregate vesting percentage determined pursuant to this clause (ii) shall be applied to vesting first such awards granted the farthest in time preceding the Change in Control (the "Vested Performance Awards") and (2) be entitled to receive (A) in respect of all Performance Units which become vested as a result of a Change in Control, a cash payment within thirty (30) days after such Change in Control equal to the product of the then current value of a Performance Unit multiplied by the number of Performance Units which become vested in accordance with this Section 12.6 and (B) in respect of all shares of Performance Restricted Stock which become vested as a result of a Change in Control, the prompt delivery of such shares.

(b) With respect to any shares of Performance Restricted Stock or Performance Units which do not become vested pursuant to Section 12.6(a) (the "Continuing Awards"), such shares or units (or the proceeds thereof) shall continue to be outstanding for the remainder of the applicable Performance Period (as if such shares or units were the only shares or units granted in respect of each such Performance Period) and subject to the applicable Award Criteria as modified below.

Section 12.7 DEFERRED ACCOUNTS. (a) Upon a Change in Control, each share of phantom Campbell Stock credited to a Participant's Deferred Account shall be converted into cash in an amount equal to the greater of (a) the Fair Market Value per share of the Campbell Stock or (b) Adjusted Fair Market Value and shall thereafter be

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transferred to measurement units in accordance with the Participant's instructions pursuant to Section 10.3.

(b) Upon a Participant's termination of employment by the Participant or by his or her employer for any reason (other than for Cause) within two years following a Change in Control, the Company shall pay in a lump sum cash payment the value of his or her Deferred Account (together with any interest accrued thereon to the date of payment).

(c) Immediately upon a Change in Control, regardless of whether a non-employee Director's services as a member of the Board cease, he or she shall receive any amounts credited to his or her Deferred Accounts to the date of the Change in Control in one lump-sum payment.

Section 12.8 AMENDMENT OR TERMINATION. (a) This Article XII shall not be amended or terminated at any time if any such amendment or termination would adversely affect the rights of any Participant under the Plan.

(b) For a period of twenty-four (24) months following a Change in Control, the Plan shall not be terminated (unless replaced by a comparable long-term incentive plan) and during such period the Plan (or such replacement plan) shall be administered in a manner such that Participants will be provided with long-term incentive awards producing reward opportunities generally comparable to those provided prior to the Change in Control. Any amendment or termination of the Plan prior to a Change in Control which (1) was at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a Change in Control or (2) otherwise arose in connection with or in anticipation of a Change in Control, shall be null and void and shall have no effect whatsoever.

(c) Following a Change in Control, the Plan shall be amended as necessary to make appropriate adjustments to the Award Criteria for the Continuing Awards for (a) any negative effect that the costs and expenses incurred by the Company and its Subsidiaries in connection with the Change in Control may have on the achievement of Performance Goals under the Plan and (b) any changes to the Company and/or its Subsidiaries (including, but not limited to, changes in corporate structure, capitalization and increased interest expense as a result of the incurrence or assumption by the Company of acquisition indebtedness) following the Change in Control so as to preserve the reward opportunities and Award Criteria for comparable performance under the Plan as in effect on the date immediately prior to the Change in Control.

Section 12.9 TRUST ARRANGEMENT. All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Company resulting in the Participants having no greater rights than the Company's general creditors; provided, however, nothing herein shall prevent or prohibit the Company from

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establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

CAMPBELL SOUP COMPANY
 MID-CAREER HIRE PENSION PLAN
 (AS AMENDED FEBRUARY 22, 1996)

CAMPBELL SOUP COMPANY
 MID-CAREER HIRE PENSION PLAN

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 CAMPBELL SOUP COMPANY
 MID-CAREER HIRE PENSION PLAN
 (As Amended February 22, 1996)

The purpose of the Plan is to provide selected management or highly compensated employees of the Company and its Subsidiaries, who are or were hired as executives in key management positions in the midst of their business careers, with retirement benefits that may supplement the retirement income that they receive from designated Company sources, including the Qualified Plan and the Nonqualified Plans.

SECTION 2. DEFINITIONS

The following words and phrases, as used in the Plan, shall have these meanings:

(a) "Adjusted Final Pay" means the Participant's Final Pay as that term is defined in the Qualified Plan, but for this Plan including in "Annualized Earnings", as that term is defined in the Qualified Plan, any contingent awards of incentive compensation awarded under the Campbell Soup Company Management Worldwide Incentive Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Campbell Group" means Campbell Soup Company and all of its Subsidiaries.

(d) "Committee" means the Compensation and Organization Committee of the Board.

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(e) "Company" means Campbell Soup Company its successors and assigns.

(f) "Effective Date" means March 27, 1986, when the Board approved the Plan.

(g) "Effective Retirement Date" means the Participant's Effective Retirement Date as that term is defined in the Qualified Plan.

(h) "Normal Retirement Date" means the Participant's Normal Retirement Date as that term is defined in the Qualified Plan.

(i) "Nonqualified Plans" means the Company's excess benefit pension arrangements as in effect from time to time on and after the Effective Date, but not including this Plan or any other supplemental pension arrangement adopted on or after the Effective Date.

(j) "Participant" means an employee who is eligible for the Plan in accordance with Section 3.

(k) "Plan" means the Company's Mid-Career Hire Pension Plan set forth herein and as amended from time to time.

(l) "Qualified Plan" means the Campbell Soup Company Retirement and Pension Plan for Salaried Employees as in effect from time to time on and after the Effective Date.

(m) "Social Security Covered Compensation" means the average annual amount of compensation on which the old age benefits for an individual age 65 would be computed under the Federal Social Security Act in effect at the time of termination of his employment, assuming such individual had always earned compensation

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at least equal to the wage base subject to tax under the Federal Insurance Contributions Act.

(n) "Subsidiary" means a corporation, the majority of the voting stock of which is owned directly or indirectly by the Company.

(o) "Years of Service" means all the Participant's Years of Service, as that term is defined in the Qualified Plan, in the employ of the Company and any Subsidiary.

SECTION 3. ELIGIBILITY

Individuals who may be eligible for the Plan are executives of the Company or a Subsidiary in key management positions. All Participants in salary grade level 46 or higher who are covered by the Qualified Plan are automatically eligible for this Plan. Other Participants shall be selected from among those eligible at any time and from time to time by the Committee in its sole discretion on recommendation of the Chief Executive Officer of the Company. The Committee may delegate its authority to select executives who are eligible for the Plan.

SECTION 4. VESTING AND BENEFITS

(a) Voluntary Resignation before Age 55. Any Participant who voluntarily resigns without the consent of the Company before attaining age 55, automatically forfeits all benefits under the Plan regardless of the number of years of Participant's employment.

(b) Termination Before Five Years of Employment. Any Participant whose employment terminates for any reason, other than death or Total Disability, prior to the Participant's

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completing five years of employment with the Campbell Group shall automatically forfeit all benefits under the Plan.

(c) Termination by the Company after Five Years of Employment and Before Age 55. Any Participant who is terminated by the Company after five years of employment and prior to attaining age 55, for other than cause, shall be vested in the Accelerated Benefit only (see Section 7).

(d) Retirement On or After Age 55 with Five Years of Employment. Any Participant who retires on or after age 55 with five years of employment shall be vested in the Income Replacement Benefit only (see Section 7).

SECTION 5. DEATH AND DISABILITY BENEFITS.

(a) If Participant's employment terminates, prior to Participant attaining age 55 and five years of employment, due to death or Total Disability, as defined in the Qualified Plan, Participant or Participant's beneficiary shall be immediately vested in and entitled to the Accelerated Benefit (see Section 7) based upon his Years of Service to the date of his death or Total Disability.

(b) If a Participant's employment terminates due to death or Total Disability after age 55 but prior to Participant attaining five years of employment, Participant or Participant's beneficiary shall be entitled to the Accelerated Benefit (see Section 7) based on Years of Service to the date of his Death or Total Disability.

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(c) If a Participant's employment terminates due to death or Total Disability after he has attained age 55 and five years of employment, Participant or Participant's beneficiary shall be entitled to the Income Replacement Benefit (see Section 7) based on Years of service to the date of

the death or Total Disability.

SECTION 6. CONDITIONS TO BENEFIT ENTITLEMENT

Subject to the provisions of Section 10(d), each payment of benefits under this Plan shall be subject to the conditions that:

(a) the Participant's employment with the Campbell Group shall not have been terminated for willful, deliberate or gross misconduct; and

(b) prior to such payment, the Participant shall not have engaged in conduct materially detrimental to the interests of the Company or any Subsidiary, including, without limitation, engaging in any business competitive with a business in which the Company or a Subsidiary(i) was engaged at any time during the Participant's employment with the Campbell Group and (ii) is engaged at the time the Participant is engaged in the competitive business.

SECTION 7. BENEFIT FORMULAS

A. Accelerated Benefit Formula

A straight life annuity, payable in monthly installments commencing on the Participant's Normal Retirement Date and with 60 monthly installments guaranteed, equal to the excess, if any, of (a) over (b) where

(a) is the sum of:

(i) two and four-tenths (2.4%) of his Adjusted Final Pay up to the Social Security Covered Compensation multiplied by his

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Years of Service not in excess of five (5), plus one and two tenths percent (1.2%) of his Adjusted Final Pay up to the Social Security Covered Compensation multiplied by his Years of Service, if any, in excess of five (5) but not in excess of twenty (20), plus

(ii) three and six tenths percent (3.6%) of his Adjusted Final Pay in excess of the Social Security Covered Compensation multiplied by his Years of Service not in excess of five (5) plus one and eight tenths (1.8%) of his Adjusted Final Pay in excess of the Social Security Covered Compensation multiplied by his Years of Service, if any, in excess of five (5) but not in excess of twenty (20); and

(b) is the sum of:

(i) the straight life annuity payable to the Participant in monthly installments, commencing on his Normal Retirement Date and with 60 monthly installments guaranteed, under the Qualified Plan;

(ii) the annual retirement benefit payable to the Participant on a five-year certain and life annuity basis commencing on his Normal Retirement Date under the Nonqualified Plans; and

(iii) an imputed benefit calculated using a straight life annuity as if payable in monthly installments, commencing on Participant's Normal Retirement Date and with 60 monthly installments guaranteed, under the Qualified Plan based upon the following assumptions:

(A) Final Average Pay equals the annual salary of the Participant on the date he was employed by the Campbell Group, and

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(B) Years of Service equal the number of whole years between

Participant's age at date of hire by the Campbell Group and 32, but such imputed Years of Service shall be limited to the lesser of (1) actual Years of Service under the Qualified Plan or (2) 10 years.

B Income Replacement Benefit Formula

A straight life annuity, payable in monthly installments commencing on the Participant's Normal Retirement Date and with 60 monthly installments guaranteed, equal to the excess, if any, of (a) and (b) where:

(a) equals 45% of Adjusted Final Pay reduced by 1.8 percentage points for each year the Participant's age is below age 62 at date of retirement; and

(b) is the sum of:

(i) the straight life annuity payable to the Participant in monthly installments, commencing on his Normal Retirement Date and with 60 monthly installments guaranteed, under the Qualified Plan;

(ii) the annual retirement benefit payable to the Participant on a five-year certain and life annuity basis commencing on his Normal Retirement Date under the Nonqualified Plans; and

(iii) an imputed benefit calculated using a straight life annuity as if payable in monthly installments, commencing on Participant's Normal Retirement Date and with 60 monthly installments guaranteed, under the Qualified Plan based upon the following assumptions:

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(A) Final Average Pay equals the annual salary of the Participant on the date he was employed by the Campbell Group, and

(B) Years of Service equal the number of whole years between Participant's age at date of hire by the Campbell Group and 32, but such imputed Years of Service shall be limited to the lesser of (1) actual Years of Service under the Qualified Plan or (2) 10 years.

SECTION 8 TIME AND FORM OF PAYMENT; BENEFICIARY.

(a) The annual retirement benefit payable under the Plan shall be paid commencing at the same time and with the same reductions, if any, for commencement of benefits before Normal Retirement Date, and in the same optional form, and shall be provided with the same death benefits after retirement, if any, as the Participant's retirement benefits under the Qualified Plan. Any adjustments and reductions shall be made using the same actuarial factors as apply under the Qualified Plan.

(b) If no retirement benefits are payable to the Participant under the Qualified Plan, then the Participant

(i) may elect a joint and survivor or any other optional form of payment provided under the Qualified Plan for payment of his benefits under the Plan;

(ii) may elect to receive his benefits under the Plan commencing at the same time as he would be permitted to receive retirement benefits under the Qualified Plan if he were fully vested thereunder; and

(iii) shall be provided the same death benefits after retirement and optional forms of payment with respect to his

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benefits under this Plan as would be provided under the Qualified Plan if

the Participant were fully vested thereunder.

In clauses (i), (ii) and (iii) above, the same terms and conditions (including without limitation actuarial adjustments, early retirement reduction factors, coverage charges, and election requirements) shall apply as would apply under the Qualified Plan.

(c) The beneficiary of the Participant under the Qualified Plan shall automatically be deemed to be designated as the recipient of the retirement benefits, if any, payable under this Plan in the event of the Participant's death. If no benefits are payable to the Participant under the Qualified Plan, the Participant may designate a beneficiary to receive the portion, if any, of the benefits payable under this Plan in the event of the Participant's death, on the same terms and conditions as apply to the designation of a beneficiary under the Qualified Plan.

SECTION 9. RETIREE MEDICAL BENEFITS

If the Participant is not eligible to participate in the Campbell Soup Company Retiree Medical Plan because the Participant does not have 10 Years of Service, then the Participant shall be eligible to receive under this Plan the same benefits as provided under the Campbell Soup Company Retiree Medical Plan, provided the Participant has completed five years of employment with the Campbell Group and retires from the Campbell Group or dies or is Totally Disabled. If a Participant who is receiving retiree medical benefits under the Plan because of Total Disability is no longer Totally Disabled and is under age 55, such benefits will cease.

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SECTION 10. GENERAL PROVISIONS

(a) Construction. This Plan (i) is not intended to be qualified under section 401(a) of the Internal Revenue Code of 1954, as amended, and (ii) is intended to meet the requirements of sections 201(2), 301(a)(3) and 401(a)(1) of the Employee Retirement Income Security Act of 1974. This Plan shall be administered, interpreted and construed to carry out such intentions, and any provision hereof that cannot be so administered, interpreted and construed shall to that extent be disregarded.

(b) Qualified and Nonqualified Plans not Affected. Any benefits payable pursuant to this Plan are intended to be in excess of those, if any, payable under the Qualified Plan and the Nonqualified Plans.

(c) Administration; Finality of Decisions. The Plan shall be administered by the Committee. The Committee shall have all necessary powers to administer and interpret the Plan. The Committee shall have full power and authority to adopt such rules, regulations and instruments for the administration of the Plan as it deems necessary or advisable. The Committee's interpretations of the Plan, as well as all actions taken and determinations made by the Committee pursuant to the powers vested in it hereunder, shall be conclusive and binding on all parties concerned.

(d) Failure to Satisfy Conditions. If the Participant shall fail to satisfy any of the conditions set forth in Section 6, the Company shall not be obligated after such failure to pay

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any benefits remaining to be paid to or on behalf of the Participant, provided that, in the case of any alleged failure to satisfy the conditions set forth in Sections 6(a) or 6(b), all of the following shall have taken place:

(i) the Secretary of the Company, at the direction of the Committee, shall have given written notice to the Participant

(hereafter referred to as the "Notice") setting forth with reasonable specificity (A) the alleged failure, and (B) the loss of rights to benefits that will occur unless the Participant rectifies such failure to the satisfaction of the Committee within 30 days after his receipt of the Notice;

(ii) the Participant shall not have rectified such failure to the satisfaction of the Committee within 30 days after his receipt of the Notice; and

(iii) the Secretary of the Company at the direction of the Committee and after the expiration of the 30-day period referred to in clause (ii) above, shall have given written notice to the Participant that, in the opinion of the Committee, he has not rectified the failure.

(e) Acceleration on Default. If the Company fails to pay in a timely manner the benefits due a Participant or his beneficiary under this Plan and if the Company neglects to remedy such failure within thirty days after having received written notice of it from the Participant or his beneficiary, then the Company shall thereupon pay to the Participant or his beneficiary as the case may be in full discharge of its obligations the

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lump-sum actuarial equivalent of all benefits remaining to be paid.

(f) Actuarial Calculations. Whenever it shall be necessary or appropriate to make an actuarial calculation under this Plan the same actuarial factors, assumptions and procedures shall be followed as are used under the Qualified Plan.

(g) Withholding. The Company may withhold from any benefits to be paid under this Plan such amounts as it determines are required to be withheld under the laws or regulations of any governmental authority.

(h) Claims Procedure. Any claim for benefits under this Plan shall be delivered in writing by the Participant or his representative to the Committee in accordance with such rules as the Committee may from time to time establish. Within a reasonable time after receiving any claim for benefits under the Plan, the Committee shall inform the claimant in writing whether such claim is allowed or denied. Any denial by the Committee of any claim for benefits under the Plan shall be stated in writing by the Committee and delivered or mailed to the claimant and such notice shall be written in a manner calculated to be understood by the claimant and shall include (i) the specific reasons for the denial, including where appropriate, references to the Plan, (ii) any additional information necessary to perfect the claim with an explanation of why the information is necessary and (iii) an explanation of the procedure for perfecting the claim. The claimant shall have 60 days after receipt of written notification of denial of his claim in which to file a written appeal with the

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Committee. As a part of any such appeal, the claimant may submit issues and comments in writing and shall, on request, be afforded an opportunity to review any documents pertinent to the perfection of his claim. The Committee shall render a written decision on the claimant's appeal ordinarily within 60 days of receipt thereof but, in no case, later than 120 days.

(i) No Employment Rights. Neither the action of the Company in establishing the Plan, nor any action taken by it or by the Board or the Committee under the Plan, nor any provision of the Plan, shall be construed as giving to any person the right to be retained in the employ of the Campbell Group.

(j) Unfunded Obligation. The Participant and his beneficiary shall not have any right, title or interest whatsoever in any investments which the Campbell Group may make to aid it in meeting its obligations under this Plan. All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Campbell Group resulting in the Participants having no greater rights than the Company's general creditors; provided, however, nothing herein shall prevent or prohibit the Company from establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

(k) Rights Non-Transferable. To the extent permitted by law, no benefit under this Plan shall be transferable, alienable or assignable by the Participant or any beneficiary, nor shall any such right, interest or benefit be subject to anticipation,

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encumbrance, garnishment, attachment, execution or levy of any kind, voluntary or involuntary. Any attempt, voluntary or otherwise, to effect any such action shall, to the full extent permitted by law, be null and void. If, by reason of any attempt of the Participant or any beneficiary to alienate, charge, encumber or otherwise dispose of any benefit under this Plan, or by reason of bankruptcy or insolvency, or because of any attachment, garnishment or other judicial or administrative proceedings, such benefit of the Participant or his beneficiary would (except for this paragraph) be payable to some person other than the Participant or his beneficiary, then the Committee may (in its sole discretion) terminate such benefit. Thereafter, the Committee may, in its sole discretion, apply all or any portion of the benefits that would otherwise have been payable, but for such termination, to the support and maintenance of the Participant or his beneficiary, as the case may be, or of a dependent family member.

(l) Facility of Payment. If the Committee finds that the Participant or any beneficiary to whom a benefit is payable hereunder is unable to care for his affairs because of physical, mental or legal incompetence, the Committee, in its sole discretion, may cause any payment due to him hereunder for which prior claim has not been made by a duly qualified guardian or other legal representative to be paid to the person deemed by the Committee to be maintaining or responsible for the maintenance of the Participant or his beneficiary; and any such payment shall be deemed a payment for the account of the Participant or his

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beneficiary and shall constitute a complete discharge of any liability therefor under this Plan. If an individual dies before receiving all the payments due him and without having a designated beneficiary, such payments may be made to his estate or to such relative or relatives of the deceased as the Committee deems advisable, preference being given to the following classes in the order named: (i) spouse, (ii) children, (iii) parents or (iv) other relatives by blood, marriage or adoption; and the receipt of such relative or relatives shall be a valid and complete discharge for the payment of such benefit.

(m) Severability. In the event that any provision of this Plan, shall be determined to be invalid or unenforceable for any reason, the remaining provisions shall be unaffected thereby and shall remain in full force and effect.

(n) Notices.

(i) Any instrument to be delivered under this Plan to the Committee shall be deemed to have been properly delivered if and when received by the Secretary of the Company at the Company's

Headquarters.

(ii) Any instrument to be delivered under this Plan to the Participant or his beneficiary shall be deemed to have been properly delivered in each case if and when received by the Participant or his beneficiary or upon deposit thereof, in a post office box regularly maintained by the United States Government, in an envelope, properly stamped, addressed to the Participant or his beneficiary at his

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address as it appears from time to time on the books of the Company.

(o) Miscellaneous. Use of the masculine gender in the Plan shall be deemed to include the feminine gender. Headings are given to sections and paragraphs solely as a convenience to facilitate reference; such headings shall not affect the construction of any provision of the Plan.

SECTION 11. AMENDMENT, SUSPENSION OR TERMINATION

The Board or its delegate may amend, suspend or terminate the Plan in whole or part; but no such amendment, suspension or termination may adversely affect benefits accrued by a Participant based upon his Years of Service to the date of such amendment, suspension or termination.

SECTION 12. GOVERNING LAW

The provisions of the Plan shall be construed, administered and enforced in accordance with the laws of the State of New Jersey.

SECTION 13. CHANGE IN CONTROL

(a) Contrary Provisions. Notwithstanding anything contained in the Plan to the contrary, the provisions of this Section 13 shall govern and supersede any inconsistent terms or provisions of the Plan.

(b) Definitions.

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Change in Control. For purposes of the Plan "Change in Control" shall mean any of the following events:

(A) The acquisition in one or more transactions by any "Person" (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "1934 Act")) of "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of twenty-five percent (25%) or more of the combined voting power of the Company's then outstanding voting securities (the "Voting Securities"), provided, however, that for purposes of this Section 13(b)(A), the Voting Securities acquired directly from the Company by any Person shall be excluded from the determination of such Person's Beneficial Ownership of Voting Securities (but such Voting Securities shall be included in the calculation of the total number of Voting Securities then outstanding); or

(B) The individuals who, as of January 25, 1990, are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least two-thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of the Plan, be considered as a member of the Incumbent Board; or

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(C) Approval by stockholders of the Company of (1) a merger or consolidation involving the Company if the stockholders of the Company, immediately before such merger or consolidation, do not own, directly or indirectly immediately following such merger or consolidation, more than eighty percent (80%) of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation in substantially the same proportion as their ownership of the Voting Securities immediately before such merger or consolidation or (2) a complete liquidation or dissolution of the Company or an agreement for the sale or other disposition of all or substantially all of the assets of the Company; or

(D) Acceptance of stockholders of the Company of shares in a share exchange if the stockholders of the Company, immediately before such share exchange, do not own, directly or indirectly immediately following such share exchange, more than eighty percent (80%) of the combined voting power of the outstanding voting securities of the corporation resulting from such share exchange in substantially the same proportion as their ownership of the Voting Securities outstanding immediately before such share exchange.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because twenty-five percent (25%)

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or more of the then outstanding Voting Securities is acquired by (i) a trustee or other fiduciary holding securities under one or more employee benefit plans maintained by the Company or any of its Subsidiaries, (ii) any corporation which, immediately prior to such acquisition, is owned directly or indirectly by the stockholders of the Company in the same proportion as their ownership of stock in the Company immediately prior to such acquisition, (iii) any "Grandfathered Dorrance Family Stockholder" (as hereinafter defined) or (iv) any Person who has acquired such Voting Securities directly from any Grandfathered Dorrance Family Stockholder but only if such Person has executed an agreement which is approved by two-thirds of the Board and pursuant to which such Person has agreed that he (or they) will not increase his (or their) Beneficial Ownership (directly or indirectly) to 30% or more of the outstanding Voting Securities (the "Standstill Agreement") and only for the period during which the Standstill Agreement is effective and fully honored by such Person. For purposes of this Section, "Grandfathered Dorrance Family Stockholder" shall mean at any time a "Dorrance Family Stockholder" (as hereinafter defined) who or which is at the time in question the Beneficial Owner solely of (v) Voting Securities Beneficially Owned by such individual on January 25, 1990, (w) Voting Securities acquired directly from the Company, (x) Voting Securities acquired directly from another Grandfathered Dorrance Family

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Stockholder, (y) Voting Securities which are also Beneficially Owned by other Grandfathered Dorrance Family Stockholders at the time in question, and (z) Voting Securities acquired after January 25, 1990 other than directly from the Company or from another Grandfathered Dorrance Family Stockholder by any "Dorrance Grandchild" (as hereinafter defined) provided that the aggregate amount of Voting Securities so acquired by each such Dorrance Grandchild shall not exceed five percent (5%) of the Voting Securities outstanding at the time of such acquisition. A "Dorrance Family Stockholder" who or which is at the

time in question the Beneficial Owner of Voting Securities which are not specified in clauses (v), (w), (x), (y) and (z) of the immediately preceding sentence shall not be a Grandfathered Dorrance Family Stockholder at the time in question. For purposes of this Section, "Dorrance Family Stockholders" shall mean individuals who are descendants of the late Dr. John T. Dorrance, Sr. and/or the spouses, fiduciaries and foundations of such descendants. A "Dorrance Grandchild" means as to each particular grandchild of the late Dr. John T. Dorrance, Sr., all of the following taken collectively: such grandchild, such grandchild's descendants and/or the spouses, fiduciaries and foundations of such grandchild and such grandchild's descendants.

Moreover, notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the

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"Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

Cause. For purposes of the Plan, a termination for "Cause" is a termination evidenced by a resolution adopted in good faith by two-thirds of the Board that the Participant (a) intentionally and continually failed to substantially perform his duties with the Company (other than a failure resulting from the Participant's incapacity due to physical or mental illness) which failure continued for a period of at least thirty (30) days after a written notice of demand for substantial performance has been delivered to the Participant specifying the manner in which the Participant has failed to substantially perform, or (b) intentionally engaged in conduct which is demonstrably and materially

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injurious to the Company, monetarily or otherwise; provided, however that no termination of the Participant's employment shall be for Cause as set forth in clause (b) above until (x) there shall have been delivered to the Participant a copy of a written notice setting forth that the Participant was guilty of the conduct set forth in clause (b) and specifying the particulars thereof in detail, and (y) the Participant shall have been provided an opportunity to be heard by the Board (with the assistance of the Participant's counsel if the Participant so desires). No act, nor failure to act, on the Participant's part, shall be considered "intentional" unless he has acted, or failed to act, with an absence of good faith and without a reasonable belief that his action or failure to act was in the best interest of the Company. Notwithstanding anything contained in the Plan to the contrary, in the case of any Participant who is a party to a severance protection agreement, no failure to perform by the Participant after a Notice of Termination (as defined in the Participant's severance protection agreement) is given by the Participant shall constitute Cause for purposes of the Plan.

(c) Termination of Employment. If an Participant's employment is terminated by the Company (other than for Cause) or by the Participant for any reason within two (2) years following a Change in Control, the Company shall, within thirty (30) days, pay to the Participant a lump sum

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cash payment equal to the lump sum Actuarial Equivalent of his accrued benefit as of the date of his termination of employment whether or not the Participant is otherwise vested in his accrued benefit; provided, however, that for this purpose, the term Actuarial Equivalent shall have the same meaning as such term is used in the Qualified Plan for Salaried Employees as in effect from time to time on or after the Effective Date.

(d) Amendment or Termination.

(i) This Section 13 shall not be amended or terminated at any time.

(ii) For a period of two (2) years following a Change in Control, the Plan shall not be terminated or amended in any way, nor shall the manner in which the Plan is administered be changed in a way that adversely affects the Participant's right to existing or future Company provided benefits or contributions provided hereunder, including, but not limited to, any change in, or to, the eligibility requirements, benefit formulae and manner and optional forms of payments.

(iii) Any amendment or termination of the Plan prior to a Change in Control which (A) was at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a Change in Control or (B) otherwise arose in connection with, or in anticipation of, a Change in Control, shall be null and void and shall have no effect whatsoever.

SUPPLEMENTAL SCHEDULE OF SALES AND EARNINGS

(millions, except per share amounts)	1996		1995		1994	
	Sales	Earnings	Sales	Earnings	Sales	Earnings
CONTRIBUTIONS BY DIVISION:						
U.S.A.	\$4,561	\$1,033	\$4,295	\$ 885	\$3,961	\$ 783
Bakery & Confectionery	1,722	197	1,600	182	1,484	169
International Grocery	1,476	136	1,412	135	1,279	120
Interdivision	(81)		(57)		(60)	
TOTAL SALES	\$7,678		\$7,250		\$6,664	
Total operating earnings		1,366		1,202		1,072
Unallocated corporate expenses		(49)		(55)		(45)
EARNINGS BEFORE INTEREST AND TAXES		1,317		1,147		1,027
Interest, net		(120)		(105)		(64)
Taxes on earnings		(395)		(344)		(333)
NET EARNINGS		\$ 802		\$ 698		\$ 630
EARNINGS PER SHARE		\$ 3.22		\$ 2.80		\$ 2.51

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

RESULTS OF OPERATIONS

OVERVIEW

Net sales rose 6% to \$7.68 billion up from \$7.25 billion last year. Net earnings rose 15% to \$802 million compared to \$698 million in the prior year. Earnings per share also rose 15% to \$3.22 versus \$2.80 a year ago.

All three operating divisions - U.S.A., Bakery & Confectionery and International Grocery posted record sales and earnings in 1996. Worldwide soup volume was up 2% led by a 7% increase outside the U.S.

1996 COMPARED TO 1995

RESULTS BY DIVISION

U.S.A. - Net sales increased 6% to \$4.56 billion in 1996 compared to \$4.30 billion last year. Acquisitions contributed over 50% of sales growth. Operating earnings rose 17% to \$1.03 billion. Canned soup volume increased 3% led by Chicken Noodle soup, which was reformulated with 33% more meat, and strong growth from "Chunky" ready-to-serve soups and "Swanson" broths.

Pace Mexican sauces, completing its first full fiscal year with the company, contributed dramatically to both sales and operating earnings growth in the year. Foodservice delivered solid volume gains led by chicken pot-pies for the away-from-home market. "Prego" spaghetti sauce and "Vlasic" pickles also reported strong volume gains.

BAKERY & CONFECTIONERY - This division consists of Pepperidge Farm in the U.S., Arnotts Limited in Australia, Delacre in Europe, Godiva Chocolatier worldwide and the confectionery business in Europe.

Net sales grew 8% in fiscal 1996 to \$1.72 billion, from \$1.60 billion last year. Operating earnings increased 8% to \$197 million, led by very strong performances from Pepperidge Farm and Godiva.

All Pepperidge Farm units recorded sales and earnings gains. "Goldfish" crackers and new fat-free cookies delivered double-digit volume growth due to new marketing campaigns aimed at consumer acceptance. Frozen garlic breads enjoyed another year of phenomenal growth with volume up nearly 30%.

Godiva Chocolatier also achieved double-digit sales growth and a leap in profitability from continued expansion in the U.S. and Japan and productivity improvements in Europe.

Delacre and Arnotts experienced earnings softness and both of these companies are focusing on revitalizing their core businesses.

INTERNATIONAL GROCERY - International Grocery consists of soup, grocery and frozen businesses outside the United States.

Net sales reached \$1.48 billion in fiscal 1996, up 5% from \$1.41 billion last year. Operating earnings, hurt by Europe-wide decline in beef sales, rose 1% to \$136 million. Recently acquired "Homepride" sauces in the U.K. contributed significantly to growth in sales and earnings. Operating earnings in Mexico fell by \$4 million due to persistent economic difficulties. Soup in the United Kingdom and Asia achieved double-digit volume gains.

STATEMENTS OF EARNINGS

Gross margins improved 1.9 percentage points to 43.2% as a result of higher selling prices and productivity programs.

Marketing and selling expenses increased slightly to 19.5% of sales from 18.9% a year ago. Advertising expense increased .3% of sales versus last year as a result of continued heavy advertising for Pace Foods and additional advertising for Pepperidge Farm "Goldfish" crackers and "Chunky" ready-to-serve soups. Consumer-oriented marketing programs aimed largely at soups and Pepperidge Farm "Goldfish" crackers and fat-free cookies, increased as a result of the company's continuing efforts to refocus marketing toward the consumer rather than trade promotional activities.

Administrative expenses as a percent of sales remained unchanged at 4.5% in 1996.

Research and development decreased 4.5% after a 13% increase last year due to new product development activities.

Other expense increased 14% due to higher amortization of intangibles associated with acquisitions and accruals for long-term incentive compensation plans reflecting increases in Campbell's stock price. The increase is net of a gain on the sale of

organization.

Interest expense increased 9.6% due principally to financing costs associated with acquisition of businesses and treasury stock purchases.

The effective tax rate remained unchanged at 33%.

Net margins rose to a record high of 10.4%, up from 9.6% in 1995.

DIVESTITURE AND RESTRUCTURING CHARGES

In the fourth quarter of fiscal 1996, the company sold its olive business which completed a divestiture and restructuring program approved by the company's Board of Directors on January 28, 1993. On September 4, 1996, the Board approved a new divestiture and restructuring program which will be recorded in the first quarter of fiscal 1997. See Note 21 in the Notes to Consolidated Financial Statements.

1995 COMPARED TO 1994

RESULTS BY DIVISION

U.S.A. - Net sales increased 8% to \$4.30 billion in 1995 compared to \$3.96 billion last year, with acquisitions contributing 50% of the sales growth. Operating earnings rose 13% to \$885 million.

Soup volume increased 1%, with continued improvement throughout the year, led by "Home Cookin'" and "Healthy Request" soups and "Swanson" broths. "Swanson" frozen dinners and canned poultry achieved double-digit growth, and the new "Swanson Mac & More" single-serving dishes won excellent consumer reception. New Vlasic "Sandwich Stackers" pickles and "Franco-American" pasta driven by new shapes also achieved double-digit volume growth. Pasta sauces, aided by the recently introduced "Barilla" brand, posted solid volume gains, as did "V8" vegetable juice and a wide range of foodservice products.

BAKERY & CONFECTIONERY - Net sales grew 8% in fiscal 1995 to \$1.60 billion, from \$1.48 billion last year. Operating earnings increased 8% to \$182 million, led by Pepperidge Farm and the confectionery businesses.

"PEPPERIDGE FARM" cookies, frozen garlic bread and "Goldfish" crackers all achieved solid volume growth. The acquisition of Greenfield Healthy Foods gave impetus to Pepperidge Farm's initiatives in the rapidly growing market for fat-free cookies. Godiva Chocolatier reported double-digit volume growth in the U.S., Europe and Japan, and the Lamy Lutti confectionery business reported good gains in France.

INTERNATIONAL GROCERY - Net sales were \$1.41 billion in fiscal 1995, up 10% from \$1.28 billion last year. The Stratford-upon-Avon Foods acquisition in the United Kingdom contributed 30% of the sales growth. Operating earnings were \$135 million, 12% over the prior year. The devaluation of the Mexican peso reduced earnings by \$4 million for the year.

Soup volume outside the U.S. rose 8%, paced by continuing gains in Canada and Asia. The company's businesses in Argentina also achieved exceptional sales and earnings gains.

STATEMENTS OF EARNINGS

Gross margins improved .9 percentage points to 41.3% as a result of higher selling prices and manufacturing efficiencies.

Marketing and selling expenses remained relatively flat at 18.9% of sales versus 18.8% in 1994. Advertising expense increased .2% of sales from last year due largely to the aggressive advertising strategy of Pace Foods and additional advertising support for Pepperidge Farm "Goldfish" crackers and Vlasic "Sandwich Stackers" pickles.

Administrative expenses increased .1% of sales from 1994 due mainly to higher management incentive plan costs.

Research and development increased 13% due to new product development

activities.

Other expense increased 54% due principally to amortization of intangibles associated with acquisitions.

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

Interest expense increased 55% as a result of financing costs associated with acquisitions.

The effective tax rate declined to 33% from 34.6% reflecting the benefit of tax planning strategies and utilization of tax loss carryforwards.

Net margins increased to 9.6%, the highest level achieved since the company went public in 1954.

LIQUIDITY AND CAPITAL RESOURCES

Increasingly strong cash flows, a strong balance sheet and interest coverage demonstrate the company's continued superior financial strength.

CASH FLOWS FROM OPERATING ACTIVITIES provided \$1,213 million in 1996, an increase of \$28 million over 1995. Over the last three years, operating cash flow totaled \$3.4 billion. This strong cash generating capability provides the company substantial financial flexibility in meeting operating and investing objectives.

CAPITAL EXPENDITURES were \$416 million in 1996, up \$25 million from the prior year. The increase is mainly attributed to the construction of a new \$150 million world-class manufacturing facility by Arnotts which is scheduled for completion in 1997. Capital expenditures are projected to be \$425 million in 1997.

ACQUISITIONS in 1996 totaled \$186 million and included the "Homepride" sauce business, United Kingdom's leading cooking sauce brand, and the "Cheong Chan" soup and sauce business in Asia. The company also increased its Arnotts share ownership to 70%.

These acquisitions were funded through cash generated from operations and short and long-term borrowings.

LONG-TERM DEBT decreased \$113 million due to the maturity of \$300 million of notes in fiscal 1997, offset in part by the issuance of \$200 million 5.5% fixed rate three-year notes due January 1999. The proceeds of these notes were used to repay short-term debt.

SHORT-TERM BORROWINGS remained even with last year.

The company has ample financial resources, including unused lines of credit totaling \$856 million and has ready access to financial markets around the world. The pre-tax interest coverage ratio was 9.7 for 1996 compared to 9.4 for 1995.

DIVIDEND payments increased \$43 million or 15% to \$338 million in 1996, compared to \$295 million in 1995. Dividends declared in 1996 totaled \$1.345 per share, up from \$1.21 per share in 1995. The 1996 fourth quarter rate was \$.345.

CAPITAL STOCK REPURCHASES for the treasury totaled 4 million shares at a cost of \$244 million during 1996, compared to repurchases of 500 thousand shares at a cost of \$24 million in the same period for 1995.

On September 4, 1996, the company's Board of Directors authorized a capital stock repurchase program of up to \$2.5 billion to be completed by the end of fiscal 1999. A "Dutch auction" tender offer for up to \$1.5 billion of capital

stock was initiated in September 1996. Stock purchased under this program will be financed through a combination of short and long-term debt. The company believes that these stock repurchases will not impact its ability to meet continuing operating and investing objectives.

TOTAL ASSETS increased 5% to a record \$6.6 billion during 1996. Intangible assets increased \$93 million due to acquisitions and plant assets increased \$97 million due to acquisitions and capital expenditures.

TOTAL LIABILITIES increased \$43 million or 1% with total current liabilities, nonpension postretirement benefits and other liabilities increasing by \$156 million offset by a reduction in total borrowings of \$113 million.

INFLATION

Inflation during recent years has not had a significant effect on the company. The company mitigates the effects of inflation by increasing selling prices where appropriate and aggressively pursuing an ongoing cost-improvement effort which includes capital investments in more efficient plant and equipment and low cost business systems.

CONSOLIDATED STATEMENTS OF EARNINGS

(millions, except per share amounts)	1996	1995	1994
NET SALES	\$7,678	\$7,250	\$6,664
Costs and expenses			
Cost of products sold	4,363	4,255	3,970
Marketing and selling expenses	1,499	1,371	1,251
Administrative expenses	343	326	297
Research and development expenses	84	88	78
Other expense (Note 3)	72	63	41
Total costs and expenses	6,361	6,103	5,637
EARNINGS BEFORE INTEREST AND TAXES	1,317	1,147	1,027
Interest expense (Note 4)	126	115	74
Interest income	6	10	10
Earnings before taxes	1,197	1,042	963
Taxes on earnings (Note 7)	395	344	333
NET EARNINGS	\$ 802	\$ 698	\$ 630
EARNINGS PER SHARE (NOTE 18)	\$ 3.22	\$ 2.80	\$ 2.51

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 Weighted average shares outstanding 249 249 251
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The accompanying Summary of Significant Accounting Policies and Notes on pages 25 to 32 are an integral part of the financial statements.

 CONSOLIDATED BALANCE SHEETS

(millions)	JULY 28, 1996	July 30, 1995

CURRENT ASSETS		
Cash and cash equivalents (Note 8)	\$ 34	\$ 53
Accounts receivable (Note 9)	618	631
Inventories (Note 10)	739	755
Other current assets (Note 11)	227	142

Total current assets	1,618	1,581

PLANT ASSETS, NET OF DEPRECIATION (NOTE 12)	2,681	2,584
INTANGIBLE ASSETS, NET OF AMORTIZATION (NOTE 13)	1,808	1,715
OTHER ASSETS (NOTE 14)	525	435

Total assets	\$6,632	\$6,315
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CURRENT LIABILITIES		
Notes payable (Note 15)	\$ 865	\$ 865
Payable to suppliers and others	568	556
Accrued liabilities	593	545
Dividend payable	86	78
Accrued income taxes	117	120

Total current liabilities	2,229	2,164

LONG-TERM DEBT (NOTE 15)	744	857
NONPENSION POSTRETIREMENT BENEFITS (NOTE 6)	452	434
OTHER LIABILITIES (NOTE 16)	465	392

Total liabilities	3,890	3,847

SHAREOWNERS' EQUITY (NOTE 18)		
Preferred stock; authorized 40 shares; none issued	-	-
Capital stock, \$.075 par value; authorized 280 shares; issued 271 shares	20	20
Capital surplus	228	165
Earnings retained in the business	3,211	2,755
Capital stock in treasury, 24 shares in 1996 and 22 shares in 1995, at cost	(779)	(550)
Cumulative translation adjustments	62	78

Total shareowners' equity	2,742	2,468

Total liabilities and shareowners' equity	\$6,632	\$6,315
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The accompanying Summary of Significant Accounting Policies and Notes on pages 25 to 32 are an integral part of the financial statements.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

(millions)	1996	1995	1994
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net earnings	\$ 802	\$ 698	\$ 630
Non-cash charges to net earnings			
Depreciation and amortization	326	294	255
Deferred income taxes	32	40	34
Other, net	58	48	46
Changes in working capital			
Accounts receivable	(1)	(18)	73
Inventories	(27)	63	18
Other current assets and liabilities	23	60	(88)
Net cash provided by operating activities	1,213	1,185	968
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of plant assets	(416)	(391)	(421)
Sales of plant assets	33	21	42
Businesses acquired	(186)	(1,255)	(14)
Sales of businesses	80	12	27
Net change in other assets and liabilities	(120)	(45)	(41)
Net cash used in investing activities	(609)	(1,658)	(407)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Long-term borrowings	230	312	115
Repayments of long-term borrowings	(43)	(29)	(117)
Short-term borrowings	268	1,087	(50)
Repayments of short-term borrowings	(568)	(662)	(87)
Dividends paid	(338)	(295)	(266)
Treasury stock purchases	(244)	(24)	(145)
Treasury stock issued	64	37	16
Net cash (used in) provided by financing activities	(631)	426	(534)
Effect of exchange rate changes on cash	8	4	6
NET CHANGE IN CASH AND CASH EQUIVALENTS	(19)	(43)	33
Cash and cash equivalents at beginning of year	53	96	63
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 34	\$ 53	\$ 96

The accompanying Summary of Significant Accounting Policies and Notes on pages 25 to 32 are an integral part of the financial statements.

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CONSOLIDATED STATEMENTS OF SHAREOWNERS' EQUITY

(millions)	PREFERRED STOCK	CAPITAL STOCK	CAPITAL SURPLUS	EARNINGS RETAINED IN THE BUSINESS	CAPITAL STOCK IN TREASURY	CUMULATIVE TRANSLATION ADJUSTMENTS	TOTAL SHAREOWNERS' EQUITY
Balance at August 1, 1993	-	\$ 20	\$ 149	\$ 2,002	\$ (428)	\$ (39)	\$ 1,704
Net earnings				630			630
Dividends (\$1.09 per share)				(273)			(273)
Treasury stock purchased					(145)		(145)
Treasury stock issued under Management incentive and Stock option plans			6		14		20
Translation adjustments						53	53
Balance at July 31, 1994	-	20	155	2,359	(559)	14	1,989
Net earnings				698			698
Dividends (\$1.21 per share)				(302)			(302)
Treasury stock purchased					(24)		(24)
Treasury stock issued under Management incentive and Stock option plans			10		33		43
Translation adjustments						64	64
Balance at July 30, 1995	-	20	165	2,755	(550)	78	2,468
NET EARNINGS				802			802
DIVIDENDS (\$1.345 PER SHARE)				(346)			(346)
TREASURY STOCK PURCHASED					(244)		(244)
TREASURY STOCK ISSUED UNDER MANAGEMENT INCENTIVE AND STOCK OPTION PLANS			63		15		78
TRANSLATION ADJUSTMENTS						(16)	(16)
BALANCE AT JULY 28, 1996	-	\$20	\$228	\$3,211	\$ (779)	\$62	\$2,742

CHANGES IN NUMBER OF SHARES

(thousands)	ISSUED	OUTSTANDING	IN TREASURY
Balance at August 1, 1993	271,245	251,706	19,539
Treasury stock purchased		(3,989)	3,989
Treasury stock issued under Management incentive and Stock option plans		602	(602)
Balance at July 31, 1994	271,245	248,319	22,926
Treasury stock purchased		(506)	506
Treasury stock issued under Management incentive and Stock option plans		1,418	(1,418)
Balance at July 30, 1995	271,245	249,231	22,014
TREASURY STOCK PURCHASED		(4,044)	4,044
TREASURY STOCK ISSUED UNDER MANAGEMENT INCENTIVE AND STOCK OPTION PLANS		2,041	(2,041)
BALANCE AT JULY 28, 1996	271,245	247,228	24,017

The accompanying Summary of Significant Accounting Policies and Notes on pages 25 to 32 are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(million dollars)

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.

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 domestic 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. Buildings and machinery and equipment are depreciated over periods not exceeding 45 years and 15 years, respectively. Accelerated methods of depreciation are used for income tax purposes in certain jurisdictions.

INTANGIBLES - Intangible assets consist principally of 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.

ASSET VALUATION - The company periodically reviews the recoverability of plant assets and intangibles based principally on an analysis of cash flows.

PENSION AND RETIREE BENEFIT PLANS - Costs are accrued over employees' careers based on plan benefit formulas.

INCOME TAXES - Deferred taxes are provided in accordance with Statement of Financial Accounting Standards (FAS) No. 109.

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.

RECLASSIFICATIONS - Certain amounts in the prior years' financial statements and footnotes have been reclassified to conform to the current year presentation.

2. GEOGRAPHIC AREA INFORMATION

The company is predominantly engaged in the manufacture and sale of prepared convenience foods. The following presents information about operations in different geographic areas:

Net sales	1996	1995	1994
United States	\$5,332	\$5,012	\$4,639
Europe	1,122	1,143	1,041
Australia	614	521	481
Other countries	733	658	604
Adjustments and eliminations	(123)	(84)	(101)
Consolidated	\$7,678	\$7,250	\$6,664

Earnings before taxes	1996	1995	1994
United States	\$1,123	\$ 957	\$ 854
Europe	71	74	64
Australia	76	81	81
Other countries	96	90	73
Unallocated corporate expenses	(49)	(55)	(45)
Earnings before interest and taxes	1,317	1,147	1,027
Interest, net	(120)	(105)	(64)
Consolidated	\$1,197	\$ 1,042	\$ 963

Identifiable assets	1996	1995	1994
United States	\$4,144	\$4,171	\$2,992
Europe	817	814	724
Australia	980	773	732
Other countries	691	557	544
Consolidated	\$6,632	\$6,315	\$4,992

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(million dollars)

Transfers between geographic areas are recorded at cost plus markup or at market.

3. OTHER EXPENSE

	1996	1995	1994
Stock price related incentive programs	\$31	\$20	\$12
Amortization of intangible and other assets	52	34	18
Minority interests	17	17	25
Other, net	(28)	(8)	(14)
	\$72	\$63	\$41

4. INTEREST EXPENSE

	1996	1995	1994
Interest expense	\$137	\$123	\$85
Less: Interest capitalized	11	8	11

	\$126	\$115	\$74
--	-------	-------	------

5. ACQUISITIONS

During 1996, 1995 and 1994, the company made several acquisitions. These acquisitions were accounted for as purchase transactions, and operations of the acquired companies are included in the financial statements from the dates the acquisitions were consummated. The allocation of the purchase price to assets acquired and liabilities assumed was based upon fair value estimates as follows:

	1996	1995	1994
Working capital	\$ 4	\$ 19	\$ 1
Fixed assets	16	93	7
Intangibles	152	1,150	6
Other assets	-	4	-
Other liabilities	-	(25)	-
Minority interest	14	14	-
	\$186	\$1,255	\$14

During 1996, the company acquired the "Homepride" sauce business, United Kingdom's leading cooking sauce brand, and the "Cheong Chan" soup and sauce business in Asia. The company also increased its share ownership in Arnotts Limited, Australia's leading biscuit manufacturer, to 70%.

During 1995, the company acquired Pace Foods, the world's leading producer and marketer of Mexican sauces; Fresh Start Bakeries, a food service baking concern with operations in the U.S., Europe and South America; Stratford-upon-Avon Foods, a canned fruit and vegetable company in England; and Greenfield Foods, a U.S. baking operation specializing in low-fat cakes and cookies. The company also acquired additional shares in Arnotts boosting its share ownership to 65%.

The Pace Foods acquisition was consummated on January 30, 1995 and based on unaudited data, net sales for 1995 and 1994 would have increased \$127 and \$225, respectively, and net earnings would have decreased \$16 and \$31, respectively, had the acquisition occurred at the beginning of fiscal 1995 and 1994. Proforma financial information for the other acquisitions would not have a material effect on the company's net sales and earnings in fiscal 1995 and 1994.

Acquisitions in 1994 consisted of the Australian mushroom business, Dandy Mushrooms, and the Australian canned-meat business, "Fray Bentos".

6. PENSION PLANS AND RETIREMENT BENEFITS

PENSION PLANS - Substantially all of the company's U.S. and certain non-U.S. employees are covered by noncontributory defined benefit pension plans. Plan benefits are generally based on years of service and employees' compensation during the last years of employment. Benefits are paid from funds previously provided to trustees and insurance companies or are paid directly by the company from general funds. Actuarial assumptions and provisions for funded plans are reviewed regularly by the company and its independent actuaries to ensure that plan assets will be adequate to provide pension and survivor benefits. Plan assets consist primarily of investments in common stock, fixed income securities, real estate and money market funds.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(million dollars)

Pension expense included the following:

	1996	1995	1994
Benefits earned during the year	\$ 33	\$ 29	\$ 31
Interest cost	93	90	82
Net amortization and deferrals	44	59	(7)
Less: Return on plan assets	152	158	82
Other pension expense	18	20	24
	9	10	7
Consolidated pension expense	\$ 27	\$ 30	\$ 31
Weighted average rates for principal actuarial assumptions were:			
Discount rate	8.00%	7.75%	8.25%
Long-term rate of compensation increase	5.00%	5.00%	5.50%
Long-term rate of return on plan assets	9.50%	9.25%	9.25%

The funded status of the plans was as follows:

	JULY 28, 1996	July 30, 1995
Actuarial present value of benefit obligations:		
Vested	\$ (1,054)	\$ (1,023)
Non-vested	(43)	(42)
Accumulated benefit obligation	(1,097)	(1,065)
Effect of projected future salary increases	(132)	(127)
Projected benefit obligation	(1,229)	(1,192)
Plan assets at market value	1,353	1,269
Plan assets in excess of projected benefit obligation	124	77
Unrecognized net loss	180	216
Unrecognized prior service cost	76	81
Unrecognized net assets at transition	(48)	(53)
Prepaid pension expense	\$ 332	\$ 321

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.

SAVINGS PLANS - 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 five percent of compensation. In fiscal 1996, 1995 and 1994, the company increased its contribution to 60% because earnings goals were achieved. Amounts charged to costs and expenses were \$15 in 1996 and \$14 in 1995 and 1994.

RETIREE BENEFITS - The company provides postretirement benefits including health care and life insurance to substantially all retired U.S. employees and their dependents. Employees who have 10 years of service after the age of 45 and retire from the company are eligible to participate in the postretirement benefit plans. Healthcare claims and death benefits paid totaled \$20 in 1996 and 1995 and \$18 in 1994.

Postretirement benefit expense was comprised of the following:

	1996	1995	1994
Benefits earned during the year	\$17	\$18	\$19
Interest cost	21	34	31
Postretirement benefit expense	\$38	\$52	\$50

	JULY 28, 1996	July 30, 1995
Actuarial present value of benefit obligations:		
Retirees	\$204	\$241
Fully eligible active plan participants	48	61
Other active plan participants	62	81
Accumulated benefit obligation	314	383
Unrecognized net gain	157	70
Accrued postretirement benefit liability	\$471	\$453

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(million dollars)

The discount rate used to determine the accumulated postretirement benefit obligation was 8.00% in 1996 and 7.75% in 1995. The assumed initial healthcare cost trend rate used to measure the accumulated postretirement benefit obligation was 7%, declining to 4.5% over a period of 6 years and continuing at 4.5% thereafter. A one-percentage-point change in the assumed healthcare cost trend rate would have changed the 1996 accumulated postretirement benefit obligation by \$32 and postretirement benefit expense by \$7.

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

The current portion of nonpension postretirement benefits included in "Accrued liabilities" was \$19 at July 28, 1996 and July 30, 1995.

7. TAXES ON EARNINGS

The provision for income taxes consists of the following:

	1996	1995	1994
Income taxes:			
Currently payable			
Federal	\$ 275	\$ 208	\$216
State	36	28	24
Non-U.S.	52	68	59
	363	304	299
Deferred			
Federal	22	33	34
State	4	5	-
Non-U.S.	6	2	-
	32	40	34
	\$ 395	\$ 344	\$333
Earnings before income taxes:			
United States	\$ 986	\$ 840	\$622
Non-U.S.	211	202	341
	\$1,197	\$1,042	\$963

The following is a reconciliation of effective income tax rates with the U.S. Federal statutory income tax rate:

	1996	1995	1994
Federal statutory income tax rates	35.0%	35.0%	35.0%
State income taxes (net of Federal tax benefit)	2.2	2.1	2.4
Non-U.S. earnings taxed at other than Federal statutory rate	(.8)	(.2)	(.2)
Tax loss carryforwards	(1.9)	(3.0)	-
Other	(1.5)	(.9)	(2.6)
Effective income tax rate	33.0%	33.0%	34.6%

Deferred tax liabilities and assets are comprised of the following:

	JULY 28, 1996	July 30, 1995
Depreciation	\$ 198	\$178
Pensions	112	113
Other	148	123
Deferred tax liabilities	458	414
Benefits and compensation	196	189
Tax loss carryforwards	49	85
Other	64	58
Gross deferred tax assets	309	332
Deferred tax asset valuation allowance	(49)	(84)
Net deferred tax assets	260	248

Net deferred tax liability	\$ 198	\$166
----------------------------	--------	-------

=====

For income tax purposes, subsidiaries of the company have tax loss carryforwards of approximately \$80 of which \$4 relate to periods prior to acquisition of the subsidiaries by the company. Of these carryforwards, \$57 expire through 2009 and \$23 may be carried forward indefinitely. The current statutory tax rates in these countries range from 30% to 58%.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(million dollars)

Income taxes have not been accrued on undistributed earnings of non-U.S. subsidiaries of \$408 which are invested in operating assets and are not expected to be remitted. If remitted, tax credits are available to substantially reduce any additional taxes.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash equivalents of \$8 at July 28, 1996 and \$36 at July 30, 1995.

9. ACCOUNTS RECEIVABLE

	1996	1995

Customers	\$579	\$599
Allowances for cash discounts and bad debts	(24)	(30)

Other	555	569
	63	62

	\$618	\$631
=====		

10. INVENTORIES

	1996	1995

Raw materials, containers and supplies	\$323	\$317
Finished products	461	505

Less-Adjustment to LIFO basis	784	822
	45	67

	\$739	\$755
=====		

Inventories for which the LIFO method of determining cost is used represented approximately 63% of consolidated inventories in 1996 and 1995.

11. OTHER CURRENT ASSETS

	1996	1995
Prepaid pensions	\$ 23	\$ 21
Notes receivable	73	-
Deferred taxes	76	69
Other	55	52
	\$227	\$142

12. PLANT ASSETS

	1996	1995
Land	\$ 99	\$ 101
Buildings	1,180	1,182
Machinery and equipment	2,879	2,734
Projects in progress	332	237
	4,490	4,254
Accumulated depreciation	(1,809)	(1,670)
	\$ 2,681	\$2,584

Depreciation provided in costs and expenses was \$274 in 1996, \$261 in 1995 and \$237 in 1994. Approximately \$184 of capital expenditures are required to complete projects in progress at July 28, 1996.

13. INTANGIBLE ASSETS

	1996	1995
Purchase price in excess of net assets of businesses acquired (goodwill)	\$1,407	\$1,334
Trademarks	448	382
Other intangibles	84	100
	1,939	1,816
Accumulated amortization	(131)	(101)
	\$1,808	\$1,715

14. OTHER ASSETS

	1996	1995
Prepaid pensions	\$309	\$300
Investments	158	52
Other	58	83
	\$525	\$435

15. NOTES PAYABLE AND LONG-TERM DEBT

Notes payable consists of the following:

	1996	1995
Commercial paper	\$549	\$840
7.75% Notes	300	-
Other	16	25
	\$865	\$865

The amount of unused lines of credit at July 28, 1996 approximates \$856. The lines of credit are unconditional and generally cover loans for a period of one year at prime commercial interest rates.

Long-term debt consists of the following:

Type	Fiscal Year Maturity	Rate	1996	1995
Notes	1997	7.75%	-	\$300
Notes	1998	9.00%	\$100	100
Notes	1999	5.50%	200	-
Notes	2001*	8.58%-8.75%	100	100
Notes	2004**	5.63%	100	100
Debentures	2021	8.88%	200	200
Notes	1998-2012	6.40%-9.00%	16	26
Capital lease obligations	Varies	Varies	28	31
			\$744	\$857

* \$50 redeemable in 1998
** redeemable in 2001

The cost to retire the company's long-term debt and the 7.75% Notes included in notes payable was \$1,099 at July 28, 1996 and \$905 at July 30, 1995.

Principal amounts of long-term debt mature as follows: 1997 - \$307 (in current liabilities); 1998 - \$105; 1999 - \$205; 2000 - \$3; 2001 - \$102; and beyond - \$322.

Future minimum capital lease payments are \$49, including implicit interest of \$21.

16. OTHER LIABILITIES

	1996	1995
Deferred income taxes	\$274	\$235
Minority interests	90	106
Postemployment benefits	18	18
Other	83	33
	\$465	\$392

17. FINANCIAL INSTRUMENTS

The book values of cash and cash equivalents, accounts and notes receivable, accounts payable and short-term debt approximate fair value. The fair value of financial instruments, non-current investments and long-term debt is based on quoted market prices.

The company utilizes derivative financial instruments to enhance its ability to manage risk, including interest rate and foreign currency exposures which exist as part of its ongoing business operations.

The company utilizes interest rate swap agreements to minimize its worldwide financing costs and to achieve a desired proportion of variable versus fixed rate debt, based on current and projected market conditions. When interest rates change, the difference to be paid or received is recognized as an adjustment to interest expense over the lives of the agreements. At times, the company utilizes forward foreign exchange contracts to hedge foreign currency exposures. Gains and losses resulting from these instruments are recognized in the same period as the underlying hedged transaction.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(million dollars)

The notional amounts of interest rate swaps were \$100 at July 28, 1996 and \$337 at July 30, 1995. In addition, the company has swap agreements with financial institutions which cover both foreign currency and interest rates. The notional amounts of these swaps were \$125 at July 28, 1996 and \$32 at July 30, 1995. These agreements hedge currency exposures arising from strategies which replaced certain local currency debt with lower cost U.S. dollar financing. The cost to settle all swaps was \$2 at July 28, 1996, of which \$1 was accrued.

The company is exposed to credit loss in the event of nonperformance by the counterparties; however, the company does not anticipate any nonperformance. The company's credit risk on swap transactions is minimized by its policy of dealing only with leading, credit-worthy financial institutions having long-term credit ratings of "A" or better.

At July 28, 1996, the company also had contracts to purchase or sell approximately \$133 in foreign currency versus \$84 at July 30, 1995. The contracts are mostly for Canadian and European currencies and have maturities through 1997.

The company uses a mix of equity, intercompany debt and local currency borrowings to finance its foreign operations. Gains and losses, both realized and unrealized, on financial instruments that hedge the company's investments in foreign operations are recognized in the Cumulative translation adjustments account in Shareowners' Equity.

18. SHAREOWNERS' EQUITY

The company has authorized 280 million shares of Capital Stock of \$.075 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 following summarizes the activity in the company's long-term incentive plans:

	1996	1995	1994
----- (thousands of shares)			
RESTRICTED SHARES			
Granted	42	483	19
=====			
STOCK OPTION PLANS			
Beginning of year	9,656	9,915	9,261
Granted	3,167	1,376	1,377
Exercised	(1,714)	(1,498)	(604)
Terminated	(190)	(137)	(119)

End of year	10,919	9,656	9,915
=====			
Exercisable at end of year	6,391	6,861	7,185
=====			
(per share prices)			
Granted	\$69.26	\$49.19	\$36.63
Exercised	\$28.26	\$23.35	\$21.14
Not exercised: Low	\$15.19	\$15.38	\$ 9.58
High	\$69.44	\$49.19	\$43.81
Average	\$45.06	\$34.05	\$30.41

As of July 28, 1996, 7.9 million shares remain available for grant under the 1994 long-term incentive plan.

All net earnings per share data is based on the weighted average shares outstanding during the applicable periods. The potential dilution from the exercise of stock options is not material.

In fiscal 1996, the Financial Accounting Standards Board issued FAS 123 - "Accounting for Stock-Based Compensation". The standard allows the option of recording an expense for the fair market value of stock options issued to employees or disclosing the "proforma" impact on net earnings and earnings per share. The standard is effective in fiscal 1997 and the company will comply with the disclosure requirements. There will be no effect on reported net earnings and earnings per share.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(million dollars)

19. STATEMENTS OF CASH FLOWS

	1996	1995	1994

Interest paid, net of			

amounts capitalized	\$127	\$102	\$ 77
Interest received	\$ 6	\$ 10	\$ 13
Income taxes paid	\$353	\$290	\$271

20. QUARTERLY DATA (UNAUDITED)

	1996			
	FIRST	SECOND	THIRD	FOURTH
NET SALES	\$1,990	\$2,217	\$1,831	\$1,640
COST OF PRODUCTS SOLD	1,143	1,247	1,061	912
NET EARNINGS	219	258	145	180
PER SHARE				
NET EARNINGS	.88	1.03	.58	.73
DIVIDENDS	.310	.345	.345	.345
MARKET PRICE				
HIGH	53.88	62.50	67.38	70.75
LOW	44.25	50.88	56.00	59.50

	1995			
	First	Second	Third	Fourth
Net sales	\$1,856	\$2,031	\$1,737	\$1,626
Cost of products sold	1,085	1,174	1,042	954
Net earnings	197	231	127	143
Per share				
Net earnings	.79	.93	.51	.57
Dividends	.28	.31	.31	.31
Market price				
High	41.25	46.00	51.25	51.00
Low	37.00	40.63	42.38	45.63

21. SUBSEQUENT EVENTS

On September 4, 1996, the company's Board of Directors approved a divestiture and restructuring program which includes the divestiture of several non-strategic businesses and the sale of various plant operations. An after-tax charge of approximately \$160 is expected to be recorded in the first quarter of fiscal 1997 for this program.

In addition, the Board authorized a capital stock repurchase program of up to \$2,500 to be completed by the end of fiscal 1999. As part of the repurchase program, the company intends to complete in the first quarter of fiscal 1997 a "Dutch auction" tender offer for up to \$1,500 of capital stock. The repurchase program will be financed through a combination of short and long-term debt. The company believes that these stock repurchases will not impact its ability to meet continuing operating and investing objectives.

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 Price Waterhouse 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 periodically 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.

David W. Johnson
Chairman, President and
Chief Executive Officer

Basil L. Anderson
Senior Vice President - Finance,
Chief Financial Officer and Treasurer

Leo J. Greaney
Vice President - Controller

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 and cash flows present fairly, in all material respects, the financial position of Campbell Soup Company and its subsidiaries at July 28, 1996 and July 30, 1995, and the results of their operations and their cash flows for each of the three years in the period ended July 28, 1996, in conformity with generally accepted accounting principles. 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 generally accepted auditing standards 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 the opinion expressed above.

Thirty South Seventeenth Street
Philadelphia, Pennsylvania 19103
September 4, 1996

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ELEVEN-YEAR REVIEW -- CONSOLIDATED

(millions, except per share amounts)

Fiscal Year	1996	1995	1994	1993
(a)				
SUMMARY OF OPERATIONS				
Net sales	\$7,678	\$7,250	\$6,664	\$6,577
Earnings before interest and taxes	1,317	1,147	1,027	594
Earnings before taxes	1,197	1,042	963	520
Earnings before cumulative effect of accounting changes	802	698	630	257
Net earnings	802	698	630	8
Percent of sales	10.4%	9.6%	9.4%	.1%
Return on average shareowners' equity	30.8%	31.3%	34.1%	.4%
Cash margin (f)	21.6%	20.1%	19.6%	18.7%
FINANCIAL POSITION				
Operating working capital (g)	\$ 382	\$ 456	\$ 599	\$ 614
Plant assets - net	2,681	2,584	2,401	2,265
Total assets	6,632	6,315	4,992	4,89
Total debt	1,609	1,722	994	1,131
Shareowners' equity	2,742	2,468	1,989	1,704
PER SHARE DATA				
Earnings before cumulative effect of accounting changes	\$ 3.22	\$ 2.80	\$ 2.51	\$ 1.02
Net earnings	3.22	2.80	2.51	.03
Dividends declared	1.345	1.21	1.09	.915
Shareowners' equity	11.01	9.90	7.93	6.76
OTHER STATISTICS				
Salaries, wages, pensions, etc.	\$1,602	\$1,611	\$1,460	\$1,371
Capital expenditures	416	391	421	371
Number of shareowners (in thousands)	43	43	43	43
Weighted average shares outstanding	249	249	251	252

- (a) 1993 includes pre-tax divestiture and restructuring charges of \$353 million; \$300 million after taxes or \$1.19 per share. 1993 also includes the cumulative effect of changes in accounting of \$249 million or \$.99 per share.
- (b) 1990 includes pre-tax divestiture and restructuring charges of \$339 million; \$302 million after taxes or \$1.16 per share.
- (c) 1989 includes pre-tax restructuring charges of \$343 million; \$261 million after taxes or \$1.01 per share.
- (d) 1988 includes pre-tax restructuring charges of \$49 million; \$29 million

after taxes or \$.12 per share. 1988 also includes the cumulative effect of a change in accounting for income taxes of \$32 million or \$.13 per share.

- (e) Includes employees under the Employee Stock Ownership Plan terminated in 1987.
- (f) Cash margin equals earnings before interest and taxes plus translation, depreciation, amortization, minority interest expense and divestiture and restructuring charges divided by net sales.
- (g) Operating working capital equals current assets minus current liabilities (excluding notes receivable, notes payable, dividend payable and divestiture and restructuring reserves).

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1992	1991	1990	1989	1988	1987	1986
		(b)	(c)	(d)		
\$6,263	\$6,204	\$6,206	\$5,672	\$4,869	\$4,490	\$4,287
886	758	273	162	409	440	416
799	667	179	107	389	418	387
491	402	4	13	242	247	223
491	402	4	13	274	247	223
7.8%	6.5%	.1%	.2%	5.6%	5.5%	5.2%
25.7%	23.0%	.3%	.7%	15.1%	15.1%	15.3%
17.6%	15.6%	13.2%	12.8%	13.3%	13.2%	12.7%
\$ 586	\$ 660	\$ 819	\$ 799	\$ 660	\$ 838	\$ 798
1,966	1,790	1,718	1,541	1,509	1,349	1,168
4,354	4,149	4,116	3,932	3,610	3,097	2,763
987	1,055	1,008	901	540	474	451
2,028	1,793	1,692	1,778	1,895	1,736	1,539
\$ 1.95	\$ 1.58	\$.02	\$.05	\$.93	\$.95	\$.86
1.95	1.58	.02	.05	1.06	.95	.86
.71	.56	.49	.45	.41	.35	.33
8.06	7.06	6.53	6.88	7.32	6.68	5.94
\$1,400	\$1,401	\$1,423	\$1,334	\$1,223	\$1,137	\$1,061
362	371	397	302	262	328	251
41	38	43	44	43	41	51 (e)
252	254	259	259	259	260	259

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SUBSIDIARIES OF CAMPBELL

NAME OF SUBSIDIARY AND NAME UNDER WHICH IT DOES BUSINESS - - - - -	JURISDICTION OF INCORPORATION - - - - -
Arnotts Limited	Australia
Campbell Finance Corp.	Delaware
Campbell Investment Company	Delaware
Campbell Sales Company	New Jersey
Campbell Soup Company Ltd--Les Soupes Campbell Ltee	Canada
Campbell's Australasia Pty. Limited	Australia
Campbell's de Mexico, S.A. de C. V.	Mexico
Campbell's Fresh, Inc.	Ohio
Campbell's U.K. Limited	England
Fresh Start Bakeries, Inc.	Delaware
Godiva Chocolatier, Inc.	New Jersey
The Greenfield Healthy Foods Company	Connecticut
Herider Farms, Inc.	Texas
Joseph Campbell Company	New Jersey
N.V. Biscuits Delacre S.A.	Belgium
Campbell Foods Belgium N.V.	Belgium
N.V. Godiva Belgium S.A.	Belgium
Pepperidge Farm, Incorporated	Connecticut
Sanwa Foods, Inc.	California
Societe Francaise des Biscuits Delacre S.A.	France
Swift-Armour Sociedad Anonima Argentina	Argentina
Vlasic Foods, Inc.	Michigan

The foregoing does not constitute a complete list of all subsidiaries of the registrant. The subsidiaries which have been omitted do not, in the aggregate, (i) represent more than 10% of the assets of Campbell and its consolidated subsidiaries, (ii) contribute more than 10% of the total sales and revenues of Campbell and its consolidated subsidiaries or (iii) contribute more than 10% of the income before taxes and extraordinary items of Campbell and its consolidated subsidiaries. Campbell owns 70% of the outstanding shares of Arnotts Limited.

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-11497) and Form S-8 (Nos. 33-26444, 33-59797, 33-39032, 33-14009, 33-56899 and 333-00729) of Campbell Soup Company of our report dated September 4, 1996 appearing on page 33 of Campbell's 1996 Annual Report to Shareowners which is incorporated by reference in this Annual Report on Form 10-K.

PRICE WATERHOUSE LLP

Thirty South Seventeenth Street
Philadelphia, Pennsylvania 19103
October 10, 1996

POWER OF ATTORNEY

FORM 10-K ANNUAL REPORT FOR FISCAL 1996

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints John M. Coleman and John J. Furey, each of them, until December 31, 1996, 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, 1996, 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, 1996

- - - - -

- - - - -

/s/ Alva A. App

/s/Philip E. Lippincott

- - - - -

- - - - -

Alva A. App

Philip E. Lippincott

/s/Edmund M. Carpenter

/s/Mary Alice Malone

- - - - -

- - - - -

Edmund M. Carpenter

Mary Alice Malone

/s/Bennett Dorrance

/s/Charles H. Mott

- - - - -

- - - - -

Bennett Dorrance

Charles H. Mott

/s/Thomas W. Field, Jr.

/s/George M. Sherman

- - - - -

- - - - -

Thomas W. Field, Jr.

George M. Sherman

/s/Kent B. Foster

/s/Donald M. Stewart

- - - - -

- - - - -

Kent B. Foster

Donald M. Stewart

/s/Harvey Golub

/s/George Strawbridge, Jr.

- - - - -

- - - - -

Harvey Golub

George Strawbridge, Jr.

/s/David W. Johnson

/s/Robert J. Vlastic

- - - - -

- - - - -

David W. Johnson

Robert J. Vlastic

/s/David K. P. Li

/s/Charlotte C. Weber

- - - - -

- - - - -

David K. P. Li

Charlotte C. Weber

CAMPBELL SOUP COMPANY

CERTIFICATION

I, the undersigned Corporate Secretary of Campbell Soup Company, a New Jersey corporation, certify that the attached document, entitled

"FORM 10-K ANNUAL REPORT"

is a true copy of a resolution adopted by the Board of Directors of Campbell Soup Company on September 26, 1996, at a meeting throughout which a quorum was present, and that the same is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Campbell Soup Company this 15th day of October, 1996.

/s/ John J. Furey

Corporate Secretary

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CAMPBELL SOUP COMPANY

Board of Directors Resolution

September 26, 1996

* * *

FORM 10-K ANNUAL REPORT

RESOLVED, that the Form 10-K Annual Report for fiscal 1996 of Campbell Soup Company in the form presented to this meeting, is hereby approved.

FURTHER RESOLVED, that the Chairman, President and Chief Executive Officer, the Senior Vice President - Law and Public Affairs, the Senior Vice President- Finance, Chief Financial Officer and Treasurer and the Vice President - Controller of Campbell Soup Company are authorized to execute the Form 10-K Annual Report for fiscal 1996 approved by this resolution and to cause such Form 10-K to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, with such modifications as may be required by the Commission or as may be desirable in the opinion of such officers.

FURTHER RESOLVED, that each of the directors, the Chairman, President and Chief Executive Officer of Campbell Soup Company are each hereby authorized to execute in their respective capacities, a power of attorney in favor of John M. Coleman and John J. Furey designating each of them as the true and lawful attorneys-in-fact and agents of the signatory with full power and authority to execute and to cause to be filed with the Securities and Exchange Commission the Form 10-K Annual Report for fiscal 1996 with all exhibits and other documents in connection therewith as such attorneys-in-fact, or either one of them, may deem necessary or desirable; and to do and perform each and every act and thing necessary or desirable to be done in and about the premises as fully to all intents and purposes as such officers and directors could do themselves.

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July 1996
Exhibit 27

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