BUILDING ON TRADITION

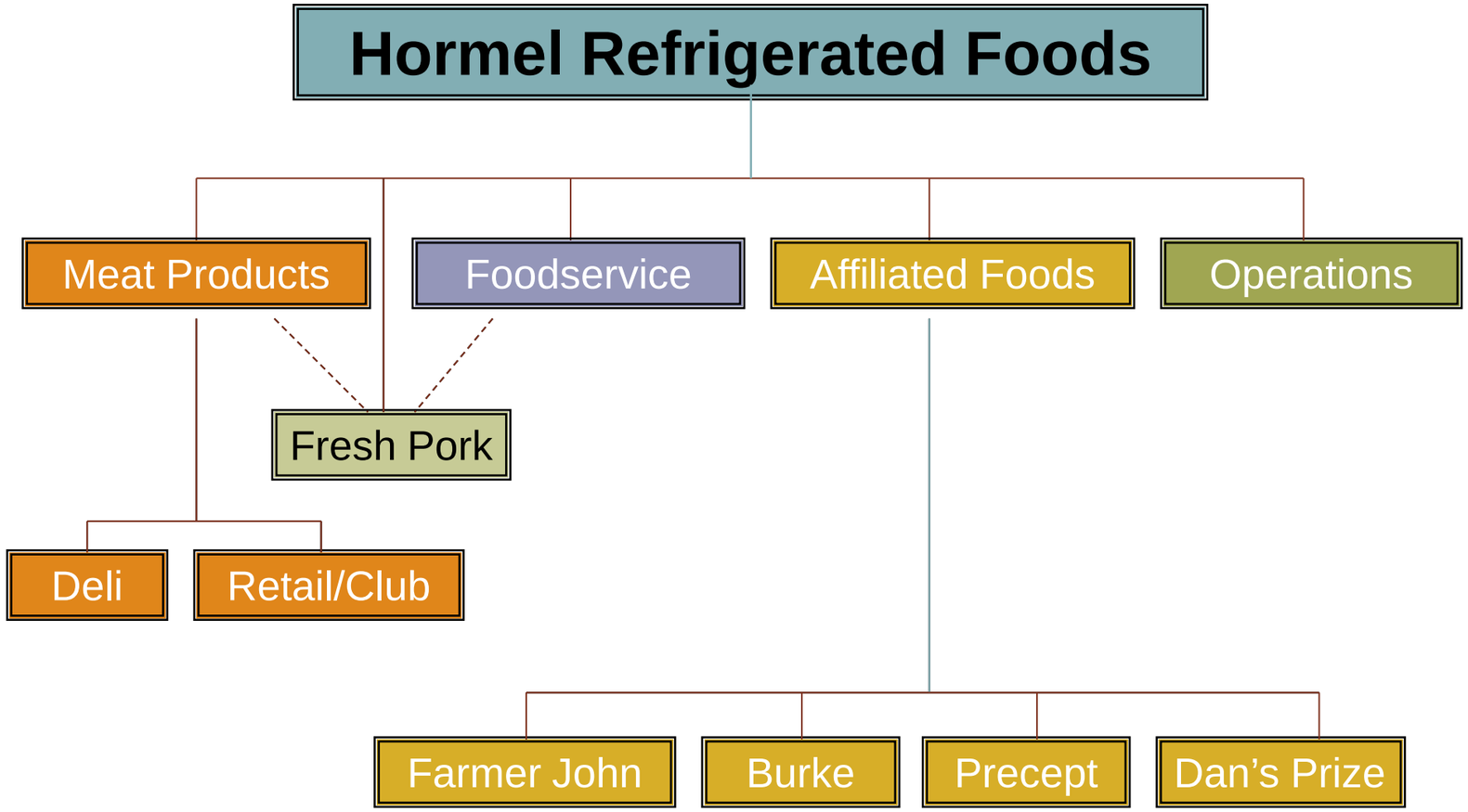


Steve Binder

Executive Vice President and President, Hormel Business Units

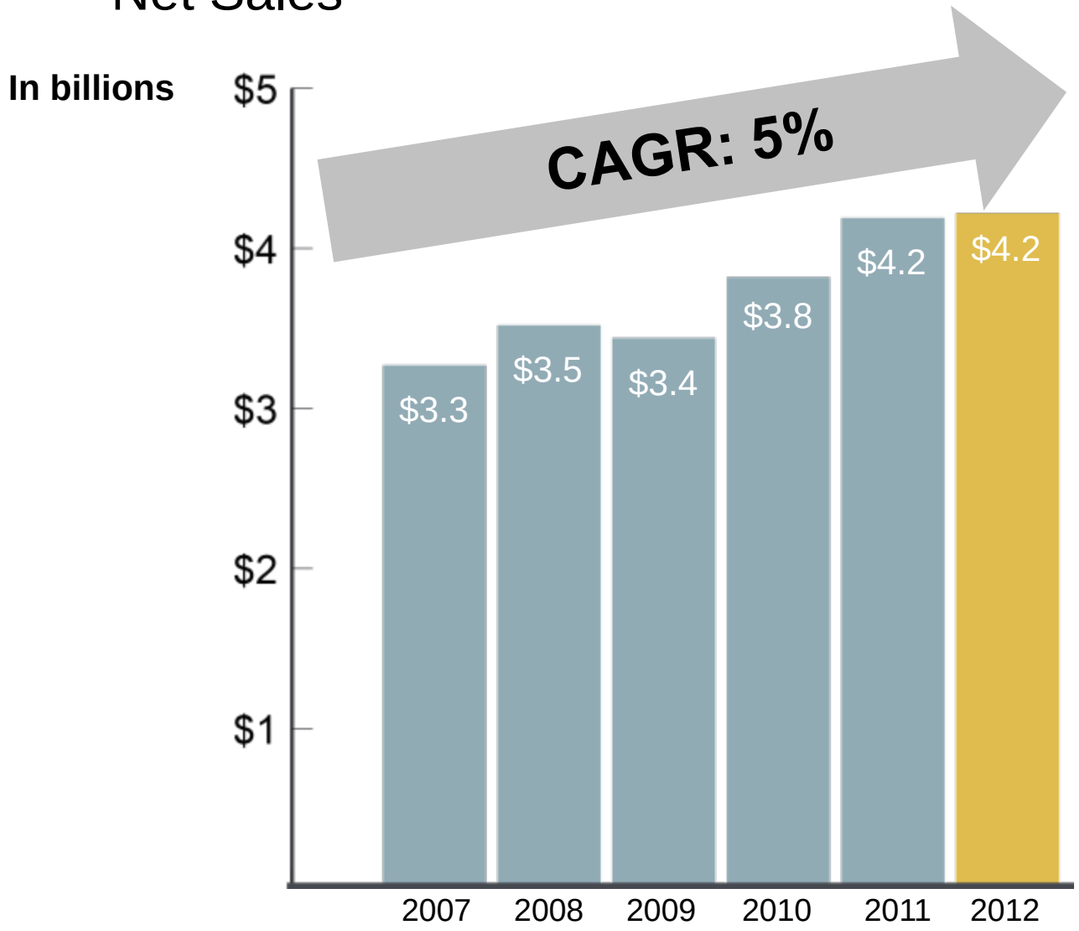
Hormel Foods

Refrigerated Foods Org Chart

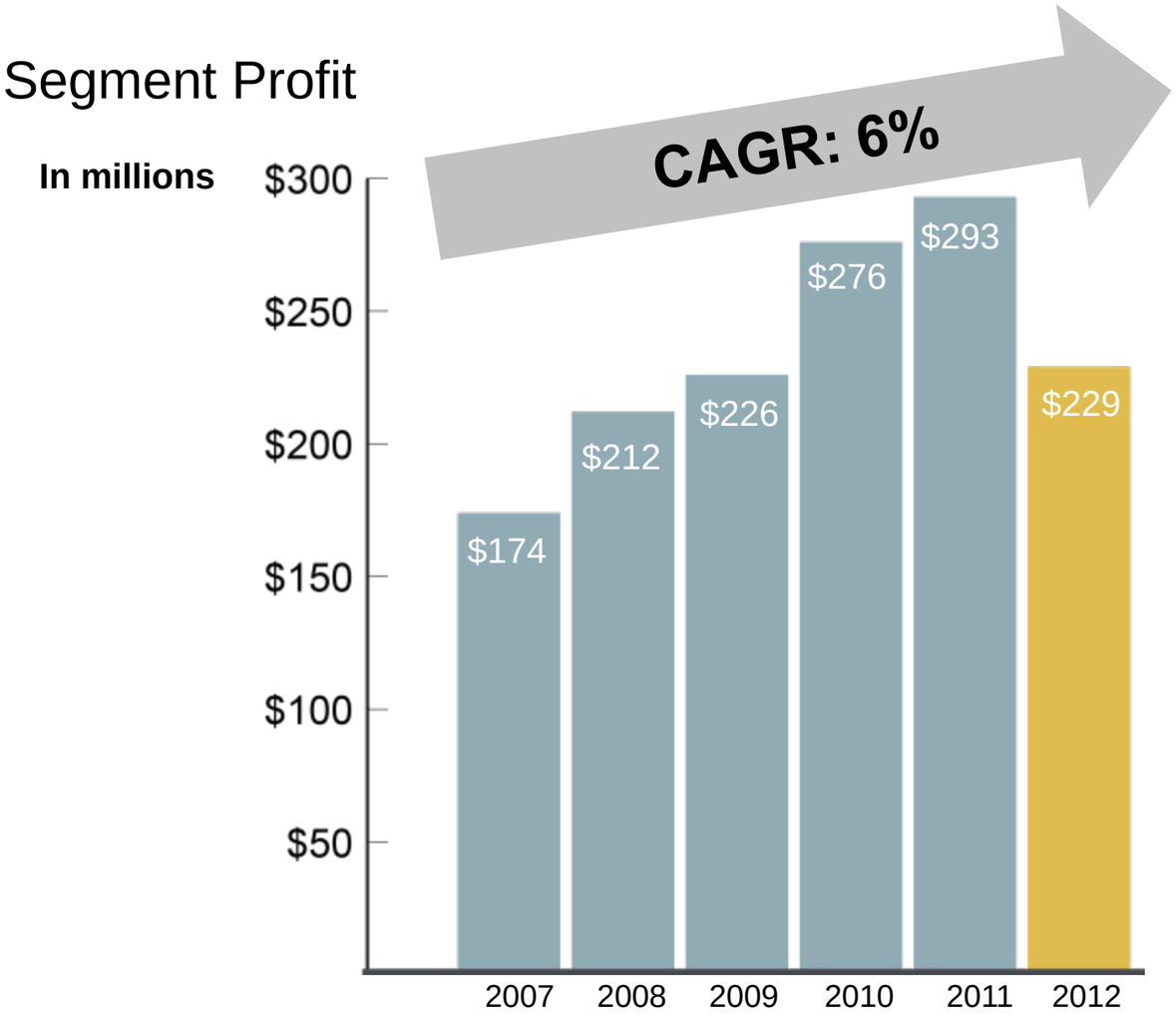


Refrigerated Foods Historical Results

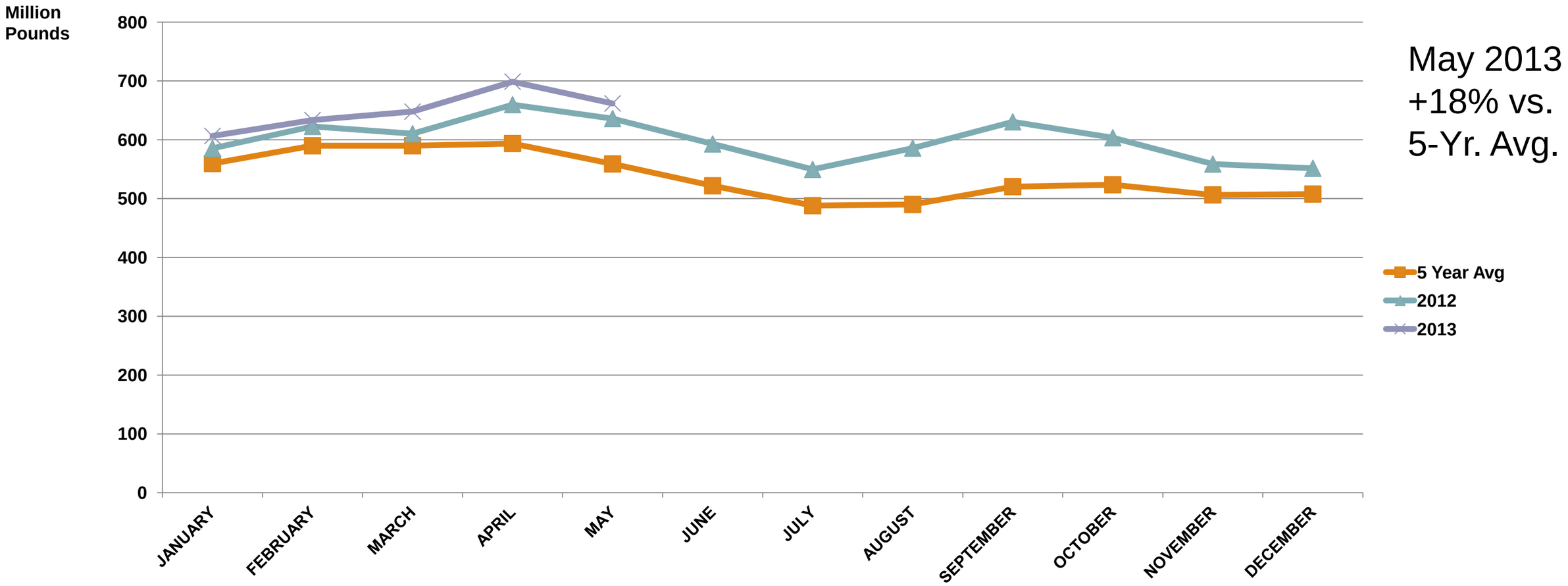
Net Sales



Segment Profit

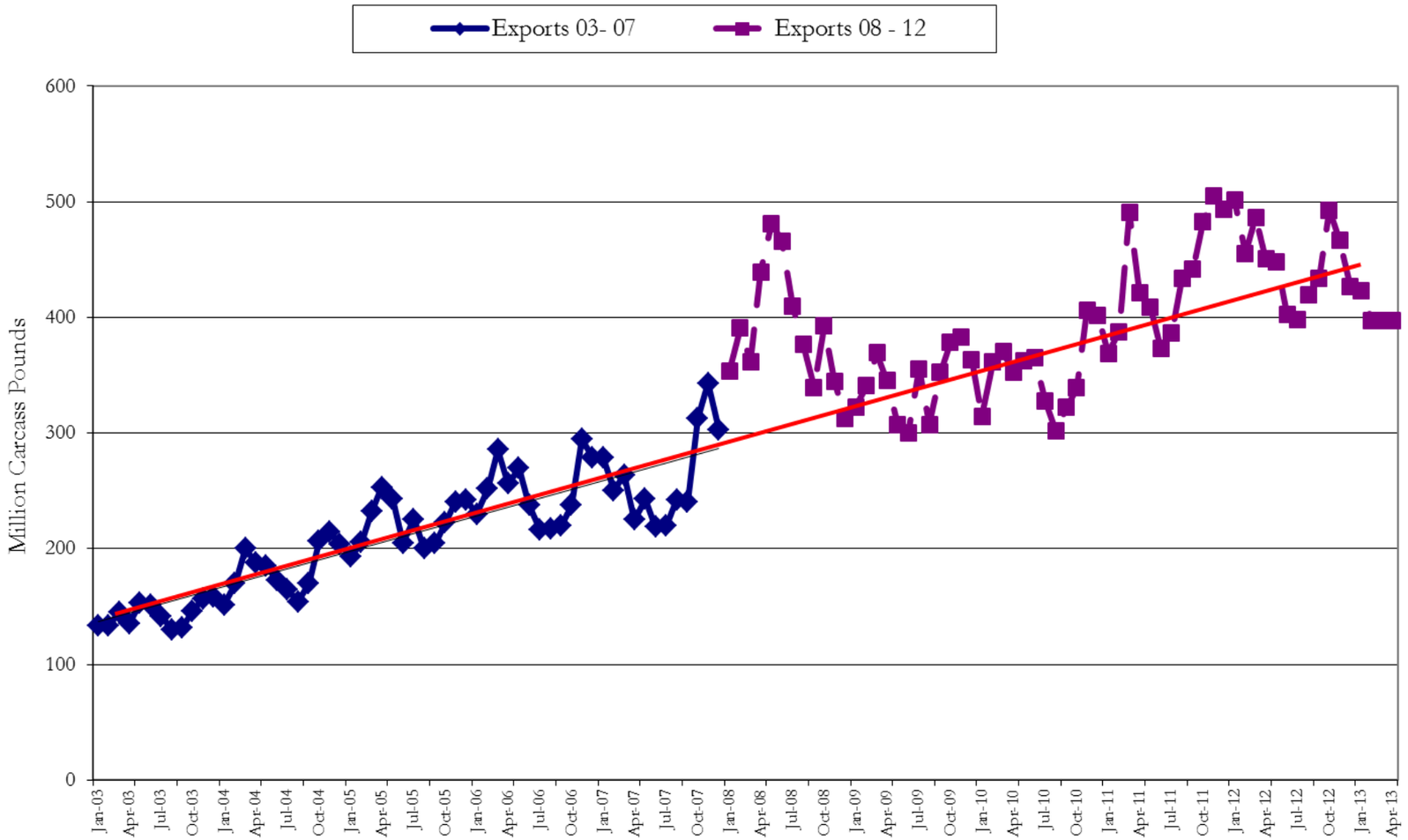


Pork Cold Storage



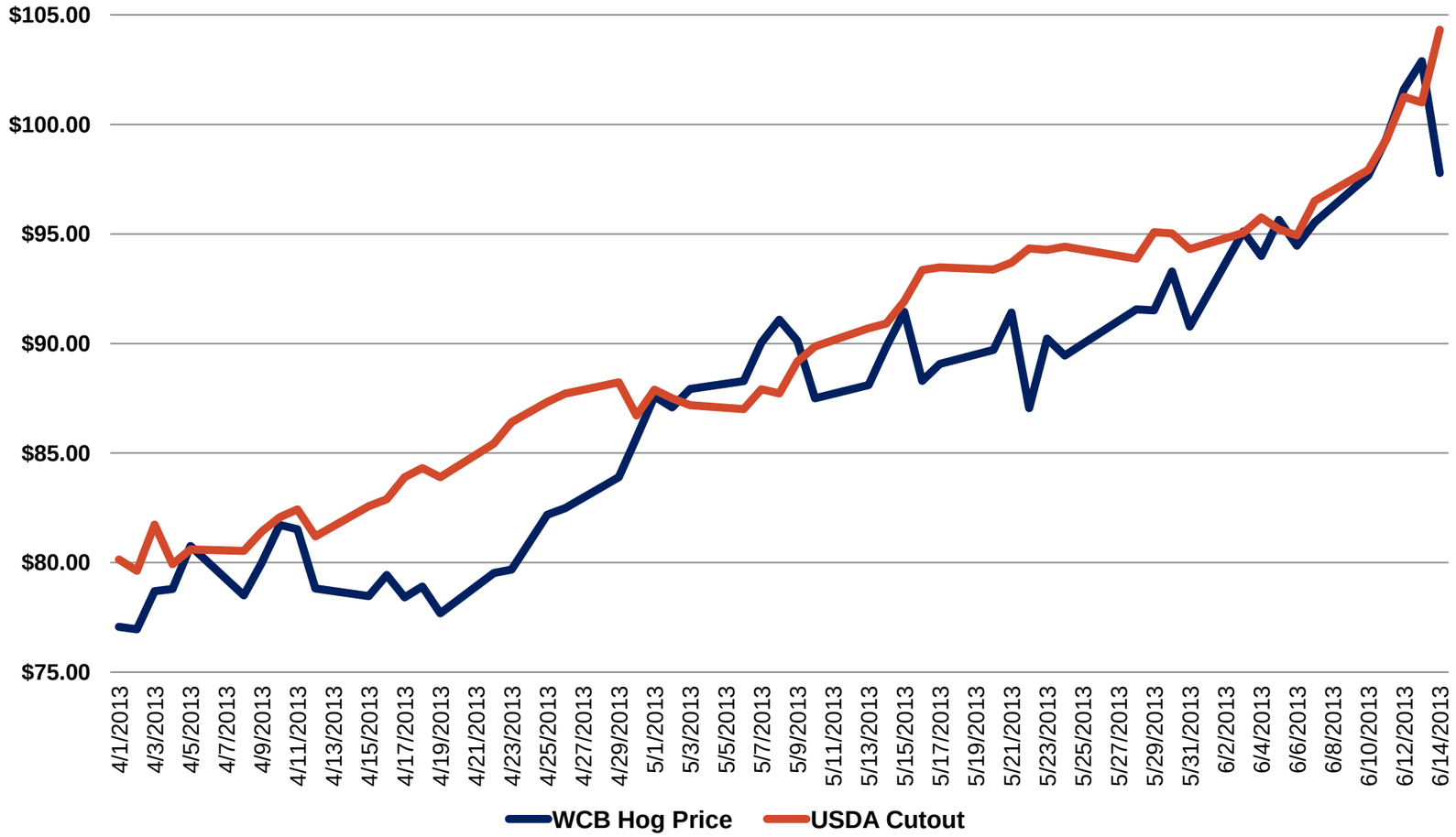
May 2013
+18% vs.
5-Yr. Avg.

U.S. Pork Exports



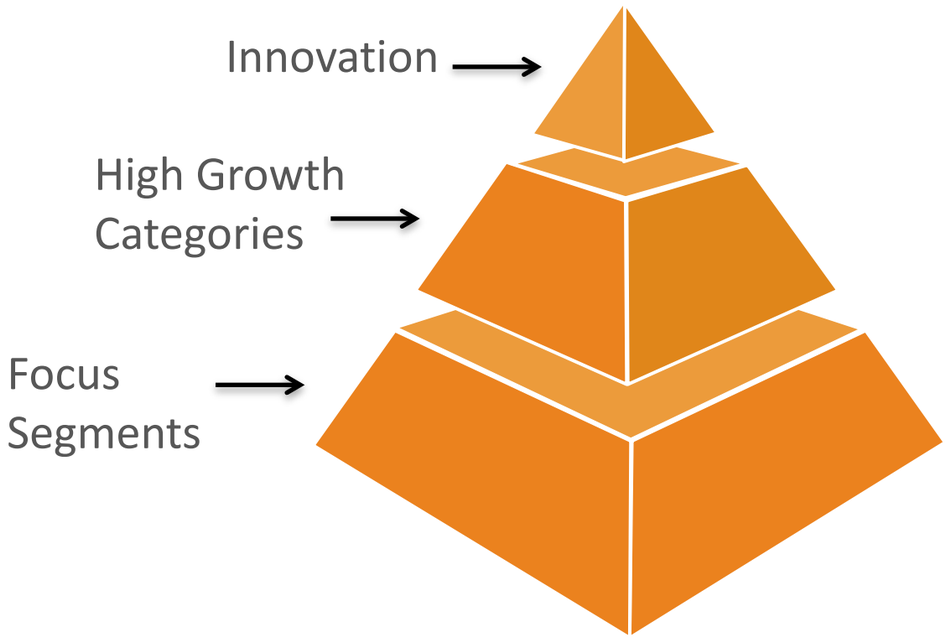
Jan.-Apr. 2013
Exports -15% YOY

Hog Price/Cutout



	since 4/1	since 5/15
WCB Hogs	+34%	+13%
USDA Cutout	+26%	+10%

Foodservice Growth Pyramid



Foodservice Industry Update

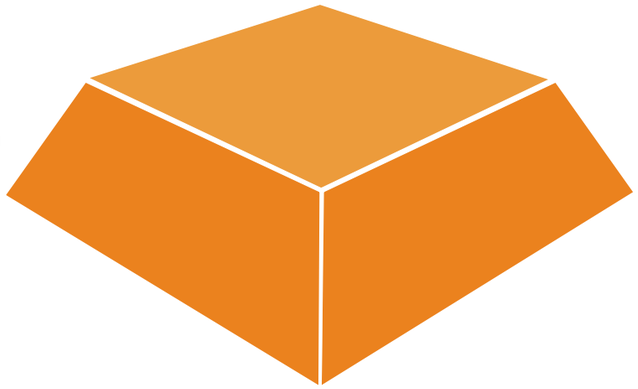
Revised 2013 Outlook and 2014 Projected

	Nominal		Real	
Segment	**2013 (P)**	**2014 (F)**	**2013 (P)**	**2014 (F)**
Restaurants/Bars	3.8%	4.1%	0.8%	1.0%
Hotel/Lodging	4.0	4.0	1.0	1.0
College/University	**5.0**	**5.5**	**1.9**	**2.4**
Business & Industry	4.0	4.0	1.0	1.0
Hospitals	**5.5**	**5.5**	**2.4**	**2.4**
Senior Living	**5.5**	**6.5**	**2.4**	**3.4**
Retail Foodservice	4.8	5.5	1.7	2.4
All other segments*	3.0	3.0	0.4	0.4

2013, 2014 Inflation: 3.0%
(P) = Preliminary; (F)= Forecast
** Inflation rate for "government" segments is 1%. Includes schools, corrections and military.*

Foodservice Focus Segments

Focus Segments →





College & University



Healthcare



Convenience



National Accounts

Foodservice Focus Segments

NACUFS®
THE NATIONAL ASSOCIATION OF COLLEGE & UNIVERSITY FOOD SERVICES
The Resource for Campus Dining Professionals

> In front of the future

2013 RESTAURANT LEADERSHIP CONFERENCE

COE

AHF
ASSOCIATION FOR HEALTHCARE FOODSERVICE

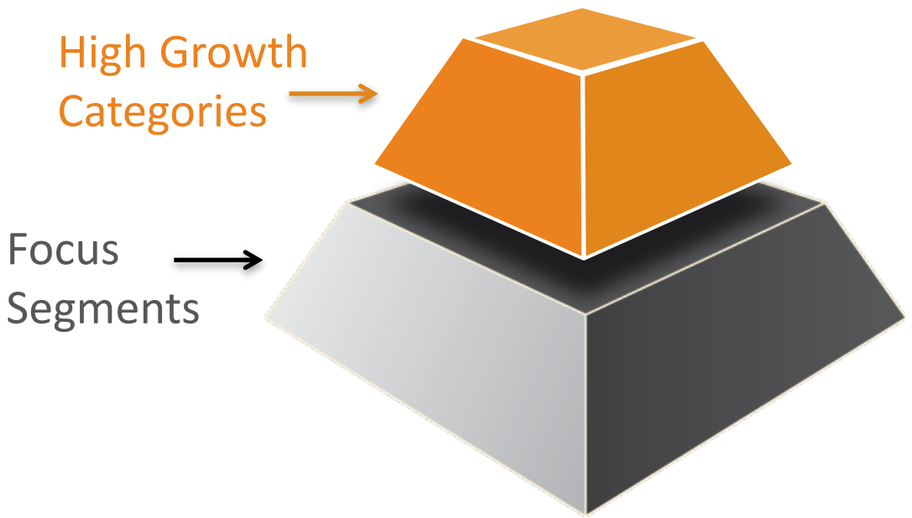
NACS®

> In front of the future
Healthcare Summit
Presented By FoodService Director

CULINARY ENRICHMENT AND INNOVATION PROGRAM
CEIP

Foodservice High Growth Categories

We expect double digit revenue growth



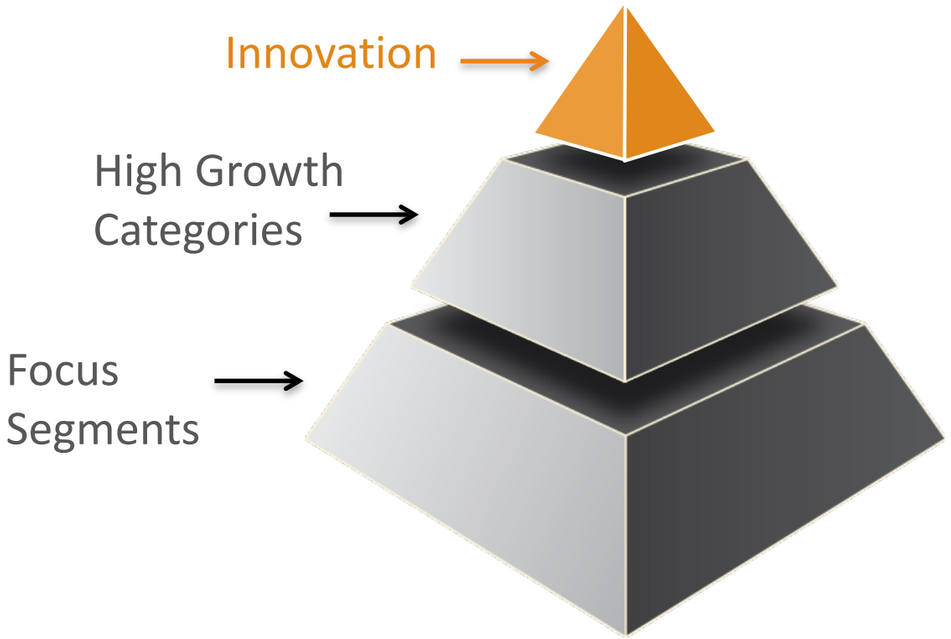
***Hormel*® *Always Tender*® Oven Roasted Pork**

Premium Bacon

***Hormel*® Natural Choice® brand**

***Café H*® brand**

Foodservice Innovation



Foodservice Innovation Platforms

2008



2010



2012



2013



FIRE BRAISED MEATS



Chicken Thigh Meat



Pork Shoulder



St. Louis Ribs

2013 Platform Launch

Our People
A Key Point of Difference

ALL IN.
Hormel Foods 2013



BUILDING ON TRADITION

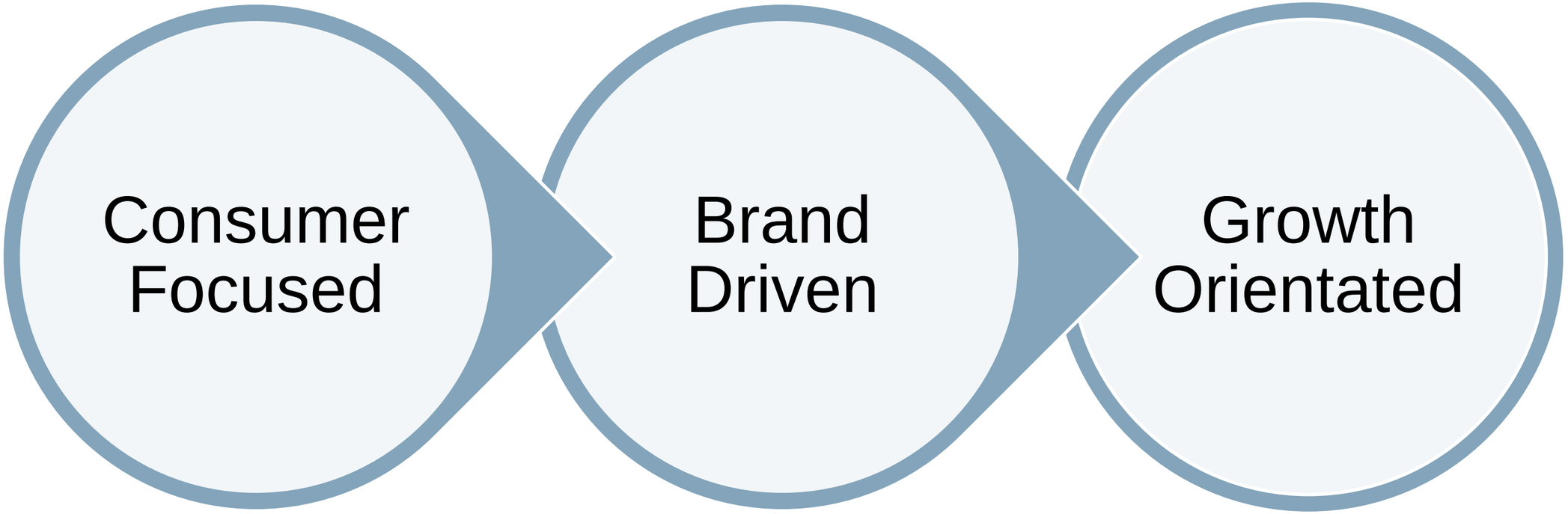


Steve Venenga

Vice President, Meat Products Marketing

Hormel Foods

Our High Level Strategy



A Portfolio of Leading Brands

Refrigerated Entrees

Hormel COUNTRY CROCK

Hormel Party Tray

Hormel PEPPERONI

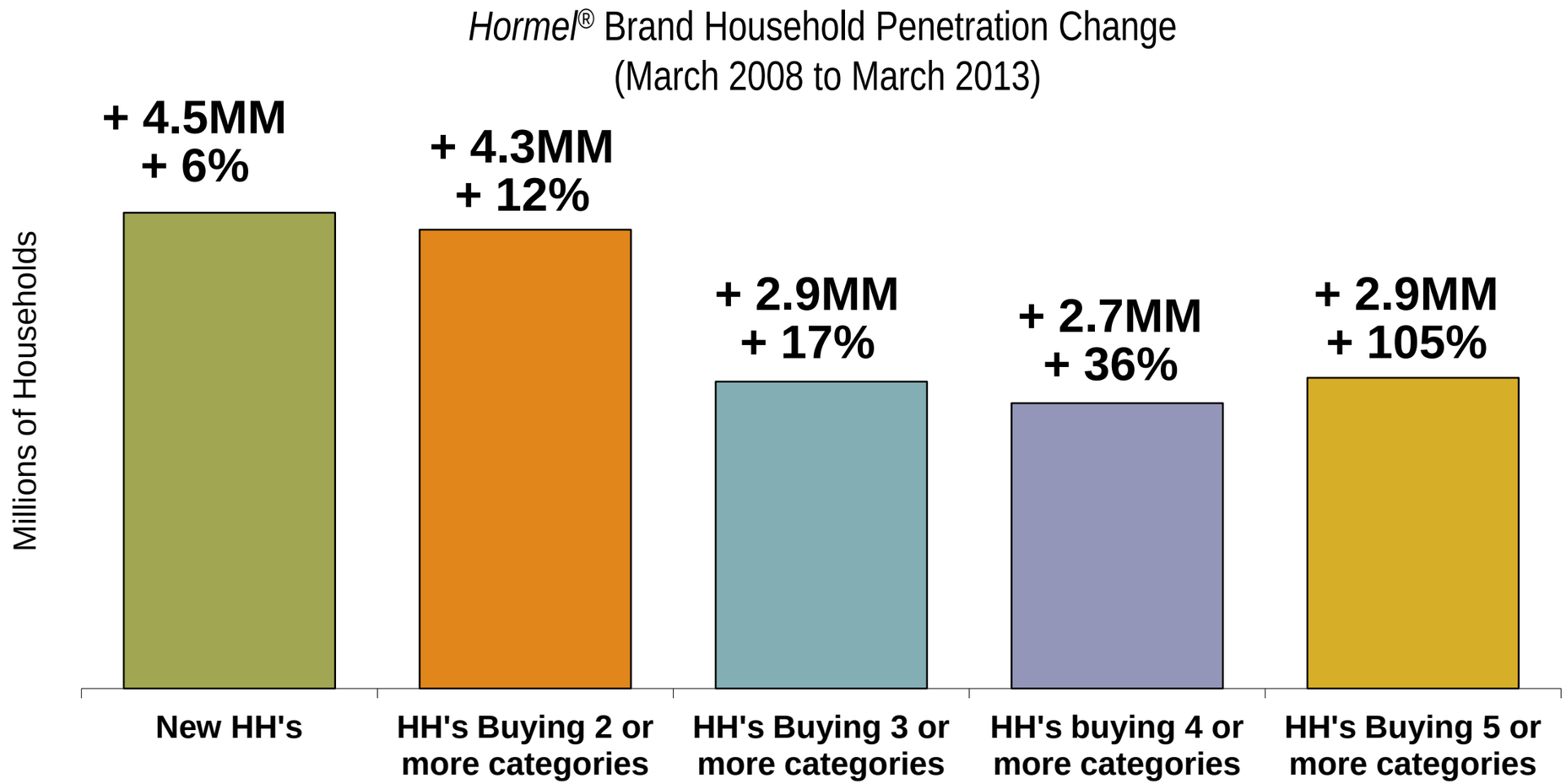
Hormel NATURAL CHOICE® NO PRESERVATIVES 100% NATURAL™ BRAND

Hormel Always Tender® MEATS

Lloyd's BARBEQUE

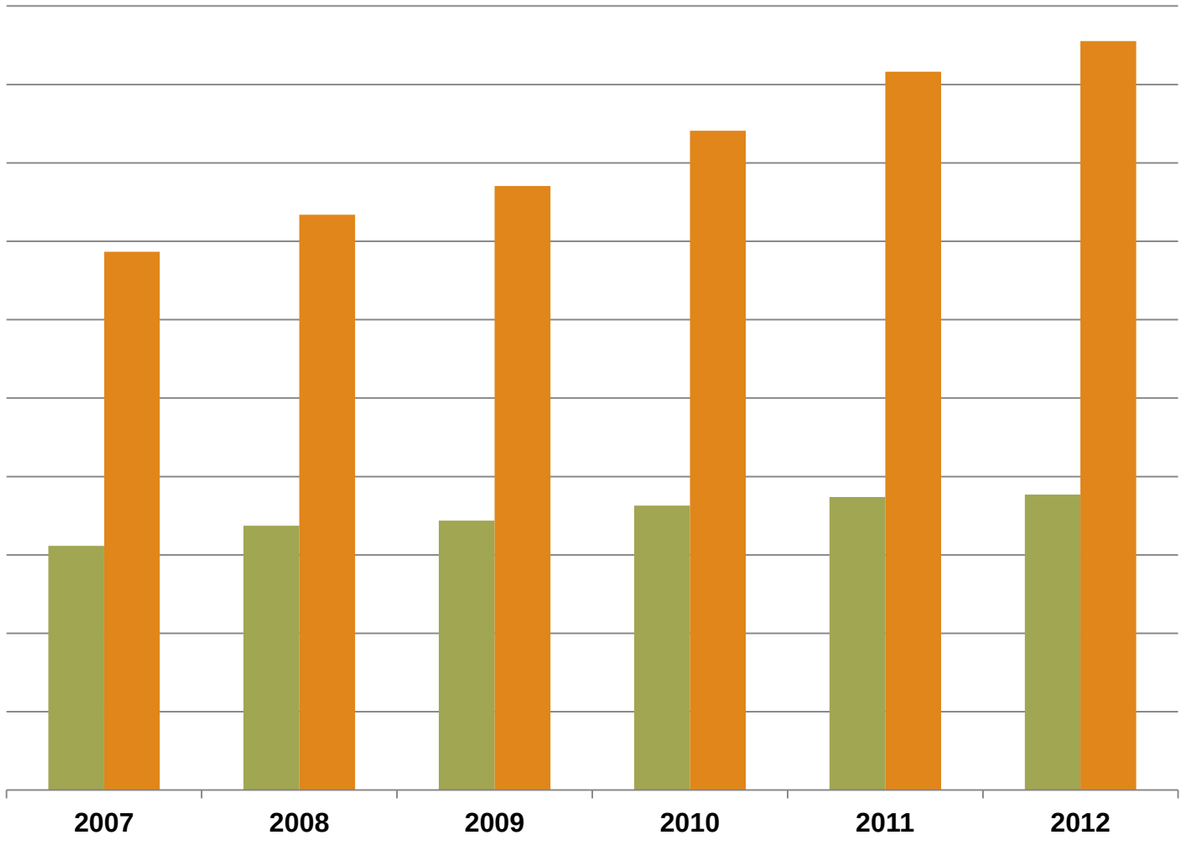
Hormel Black Label® BACON

Hormel® brand is growing and increasing number of multiple category HH's



**Nielsen Homescan Panel Data through 3/29/2008 and 3/30/2013*

Meat Products Sales
High Value vs. Supply Chain

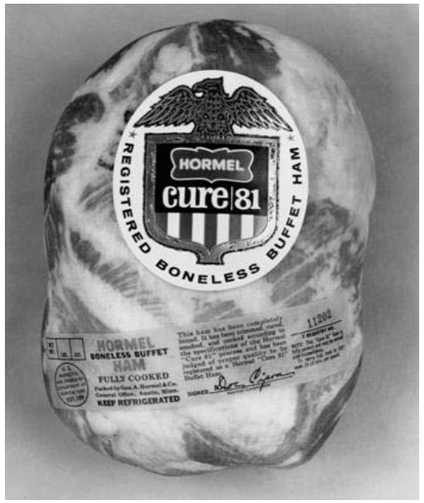


High Value
5-Yr. CAGR = 7%

Supply Chain
5-Yr. CAGR = 4%

Consumer Insights Drive Growth

- Desired a sweeter ham
- Wanted a smokier ham
- Looked for additional fat rind
- Preferred a knobby exterior
- Less Processed/Uniform Appearance





CURE|81® 50th Anniversary Celebration





Curemaster Reunion

- Brought all six living Curemasters together for a Reunion in Austin
- Dedicated two permanent plaques in their honor

CURE 81® Fisher House Partnership

- Donated $50,000 on behalf of the brand to the Fisher House organization
- Donated Easter meals for 32 houses across the country

Hams For Hunger Program

- Partner retailers to donate hams at Holidays
- Program ran previously for 6 years
- Hormel donated over $12 million worth of hams

Consumer Focused, Growth Oriented

Hormel® **pepperoni**



5 Yr. CAGR + 10%

Hormel ® **party trays**



5 Yr. CAGR + 16%

Natural Choice® **deli meats**



5 Yr. CAGR + 13%

CAGR calculated using Hormel Foods internal data for fiscal years 2007 and 2012.

We are meeting headwinds with a focused strategy

Hormel ® bacon



Convenient Meals



Deli



Growth Through Innovation



Consumer needs



Big ideas & extensions



Consumer trends



Occasions



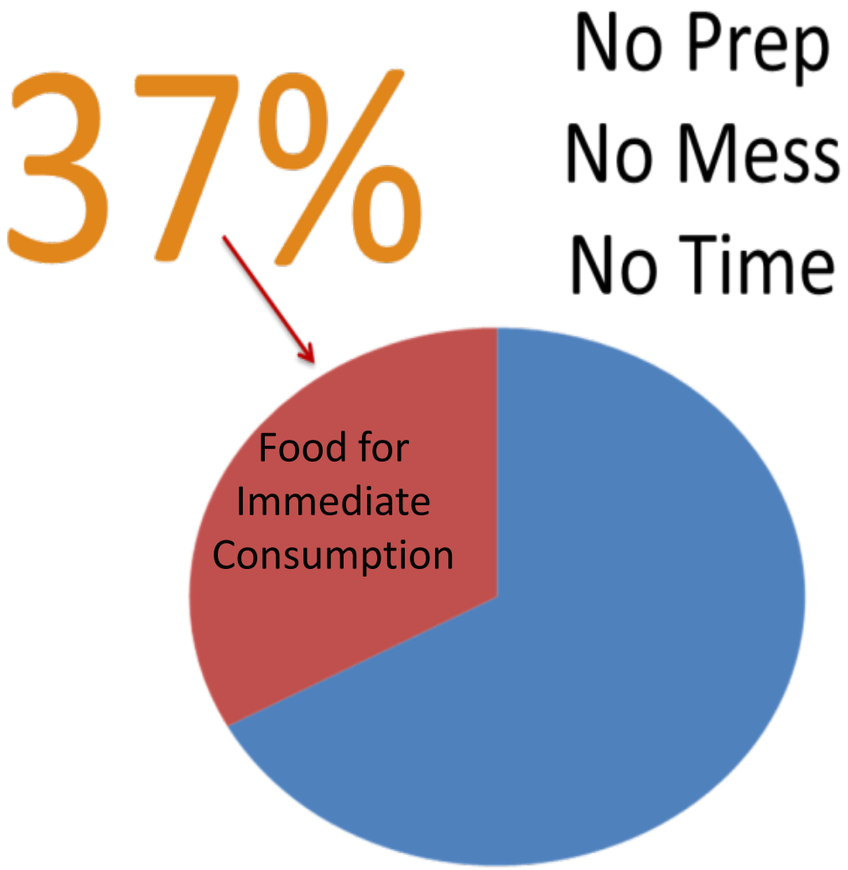
Retail categories

Introducing *Hormel® REV®*



Real meat and real cheese flatbread wraps, packed with 15 grams of protein or more, ready whenever, wherever

Consumers Need Whenever, Wherever Food More Than Ever…



Yogurt and Bars are the Food of the Decade

8 of the 10 fastest growing foods are eaten cold

90% of all snacks are eaten while doing another activity

Snacking Has Become the 4th Meal Occasion

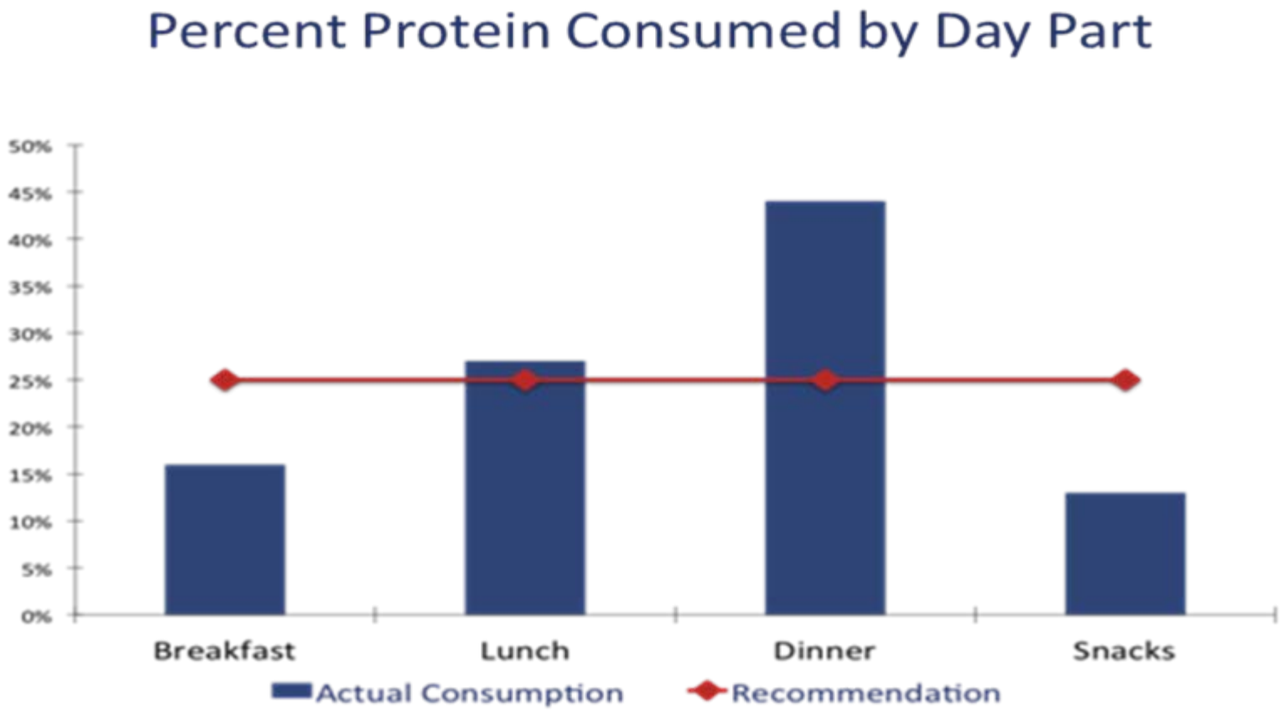
"If I don't snack I'd die! I mean I'm really active between school and sports and I have to snack or I run out of energy."

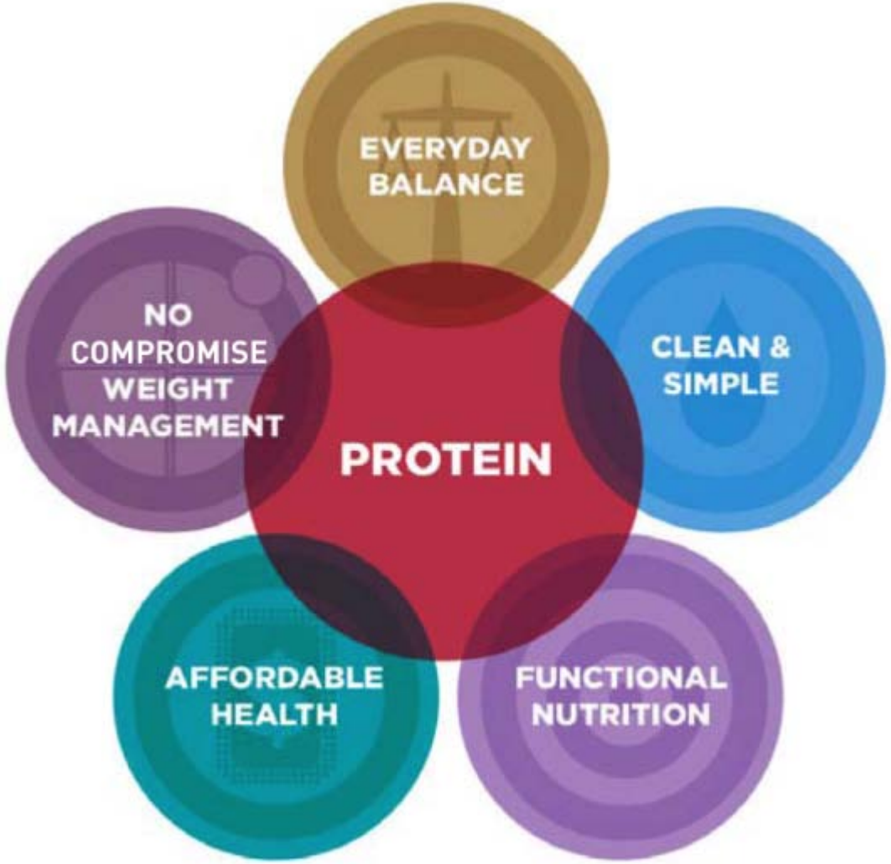


"Snacks are life and death for me."



Few good options exist in the market today…and consumers recognize the benefits of protein throughout the day





An opportunity to expand the consumer base for the lunchmeat category through teen snacks

Lunchmeat category is…

- On trend
- Highly penetrated
- Lacking in teen snacks

Hormel Foods can..

- Fill this gap
- Grow the category
- Relevant solutions
- Proprietary science

Real Ingredients

Real Protein

Sustaining Energy



Initial Feedback – *Hormel® REV®* has Broad Appeal

Eaten Cold

Immediate

Consumer


Guys


Gals


Kids


Teens

Occasion


After Workout


Studying


Relax

Portability


On the Go


At Work


In Class



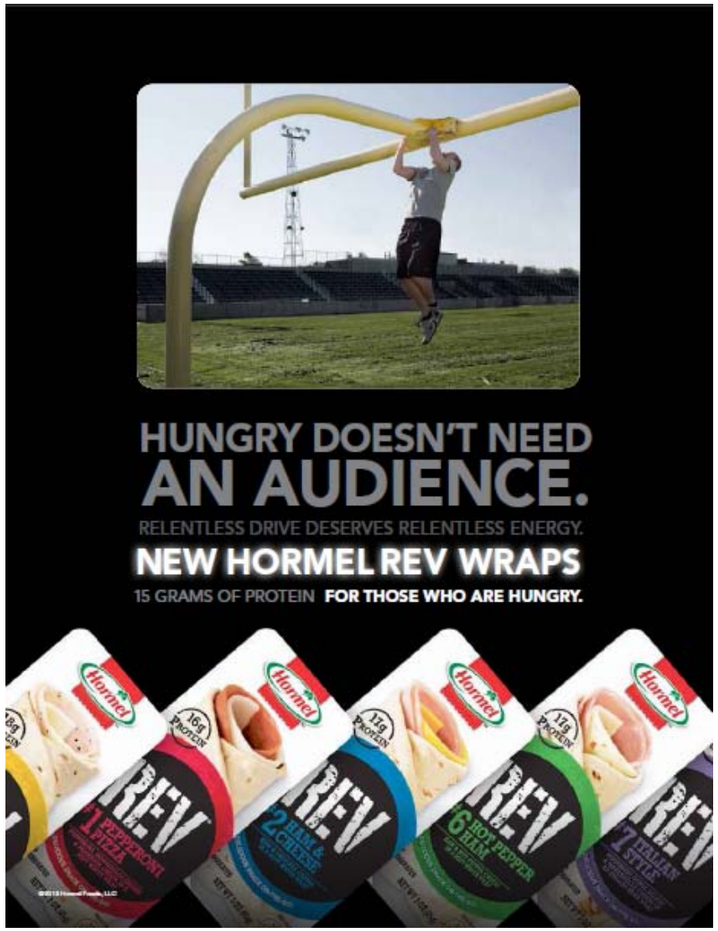
In the Car

Initial Results are Positive



- Sales rates are above category benchmarks
- Category expansion
- Trial and repeat numbers are in line with expectations
- National distribution in place

Media is in Place to Drive Trial and Awareness



hun·gry

1. Feeling or displaying the need for food
2. Having a strong desire or craving

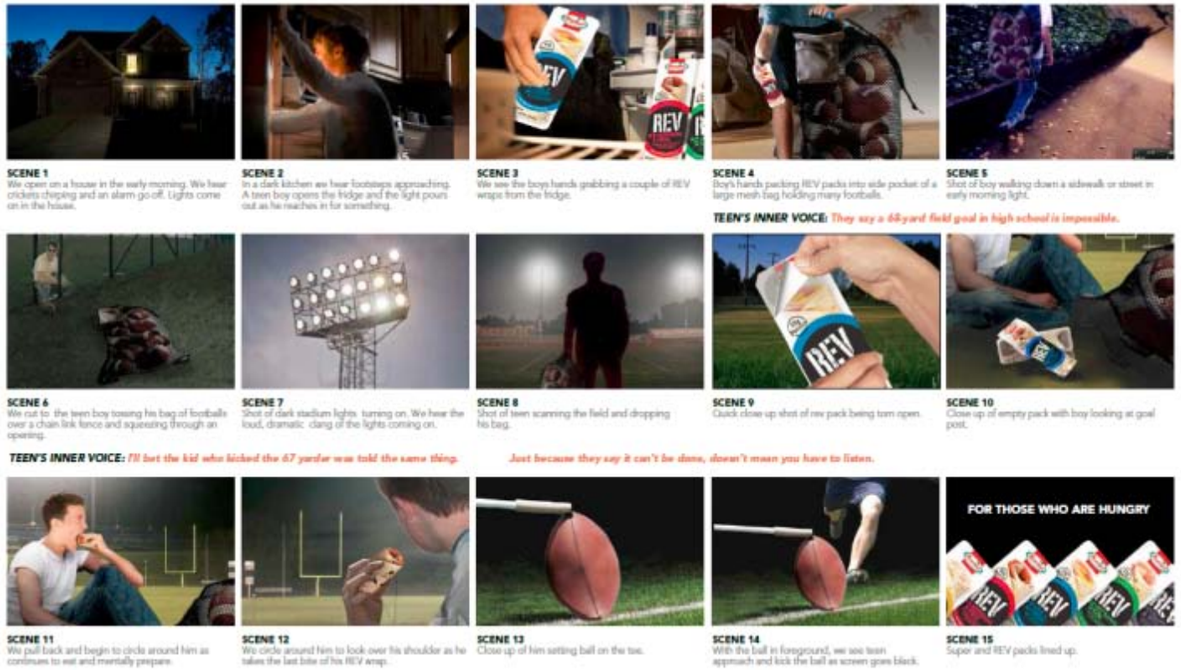




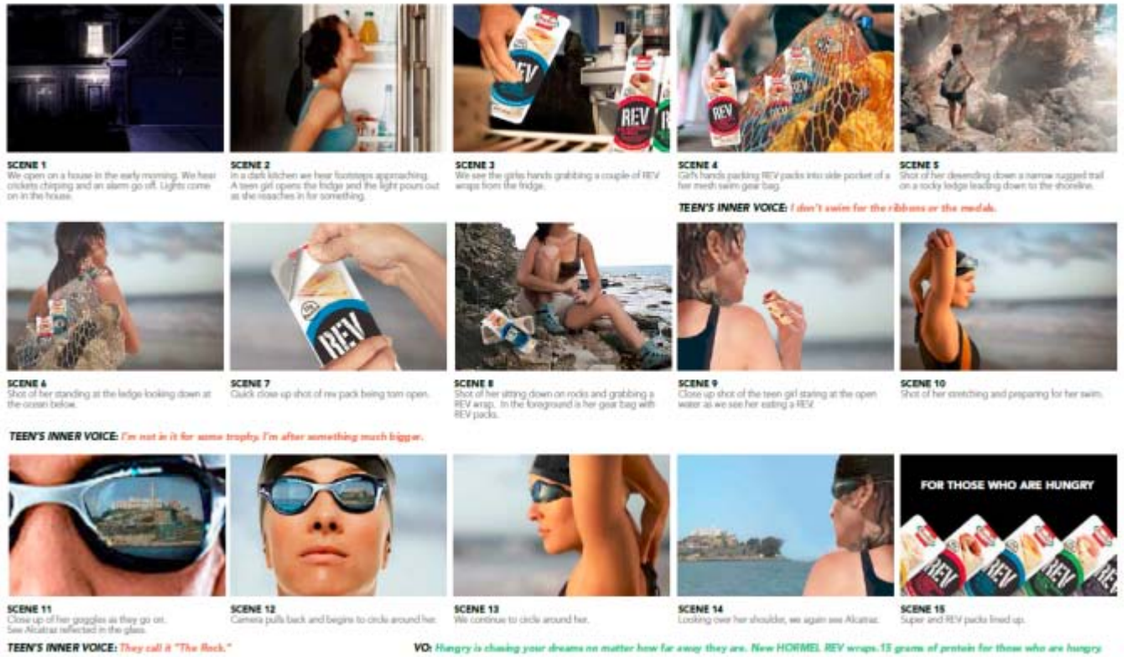
***Hormel® REV®*…For those who are Hungry™**

Two TV spots will be key drivers in the product launch

FOR THOSE WHO ARE HUNGRY "FIELD GOAL"



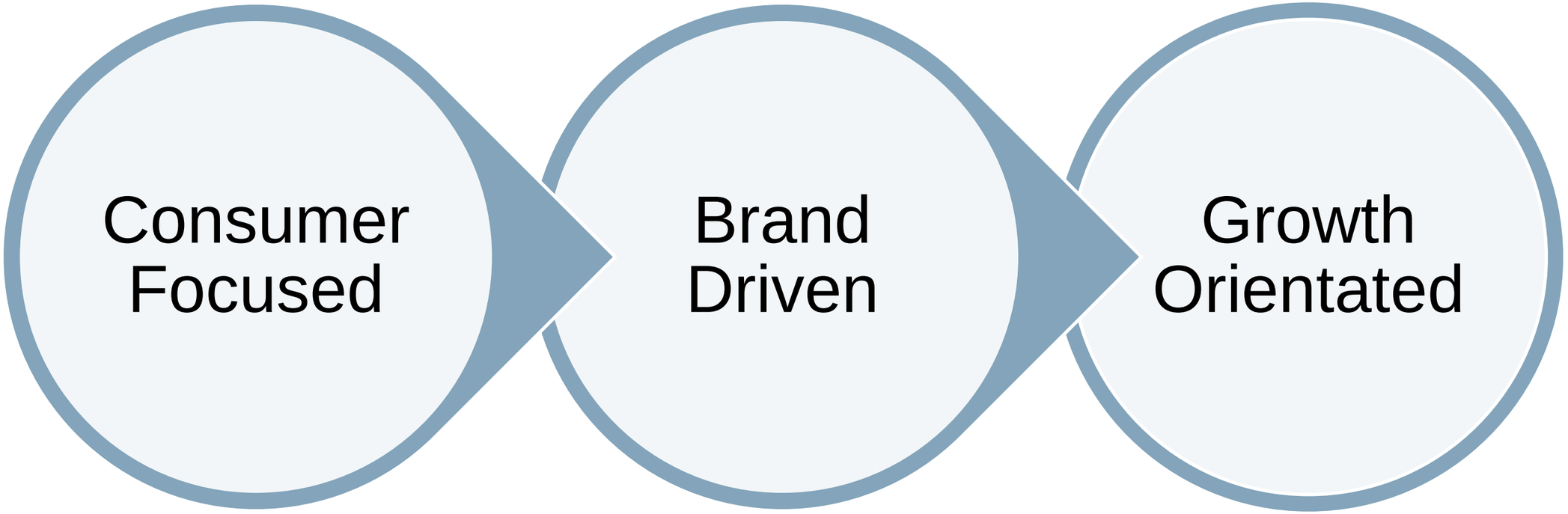
FOR THOSE WHO ARE HUNGRY "ALCATRAZ"



Hormel® REV® is a great opportunity for Hormel Foods to expand our presence in alternate channels

C-Stores	Campus	Drug Stores
• In test now	• Initial test results were positive	• Rolling out with National launch

Our High Level Strategy



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Thank You!

Hormel Foods