

foods for the way we live

2015 Investor Day

Hormel Foods

International

Jim Snee
Group Vice President, Hormel Foods Corporation
President, Hormel Foods International Corporation

Growing Global Presence



Global

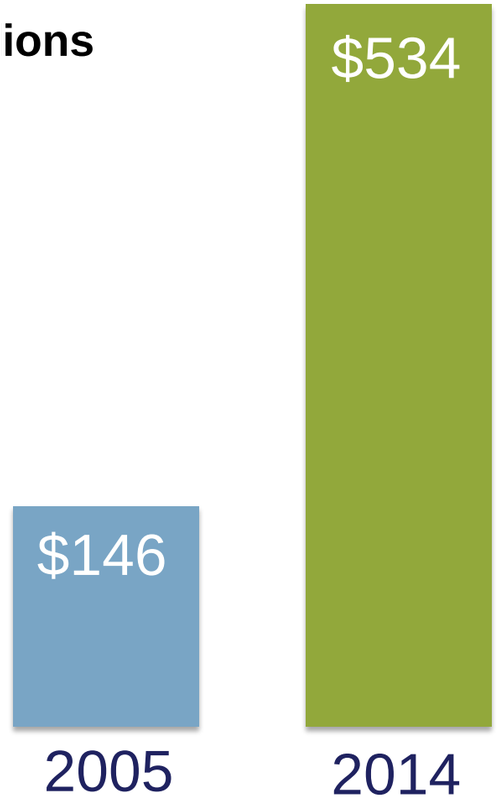
Multicultural

Healthy / Holistic

On-the-Go

International & Other Segment Sales

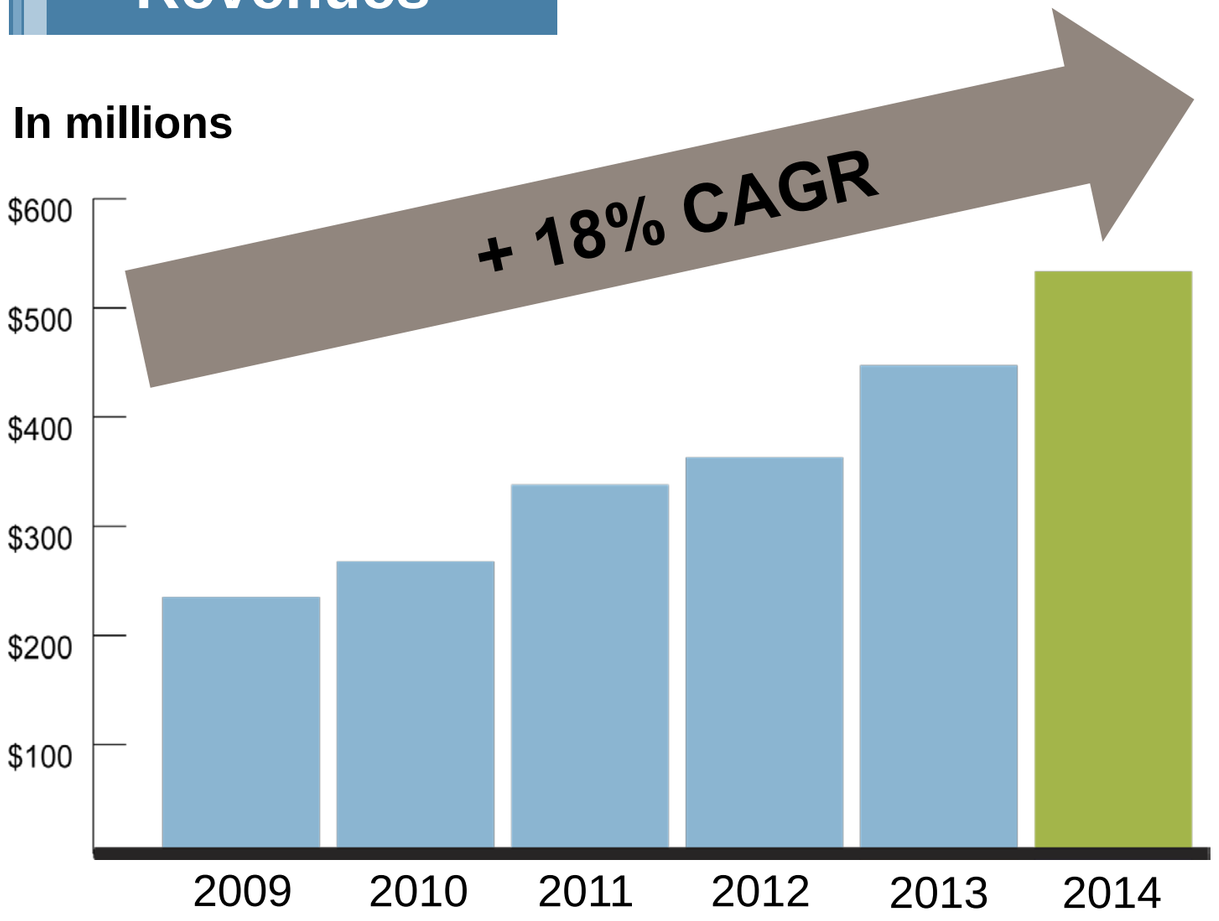
In millions



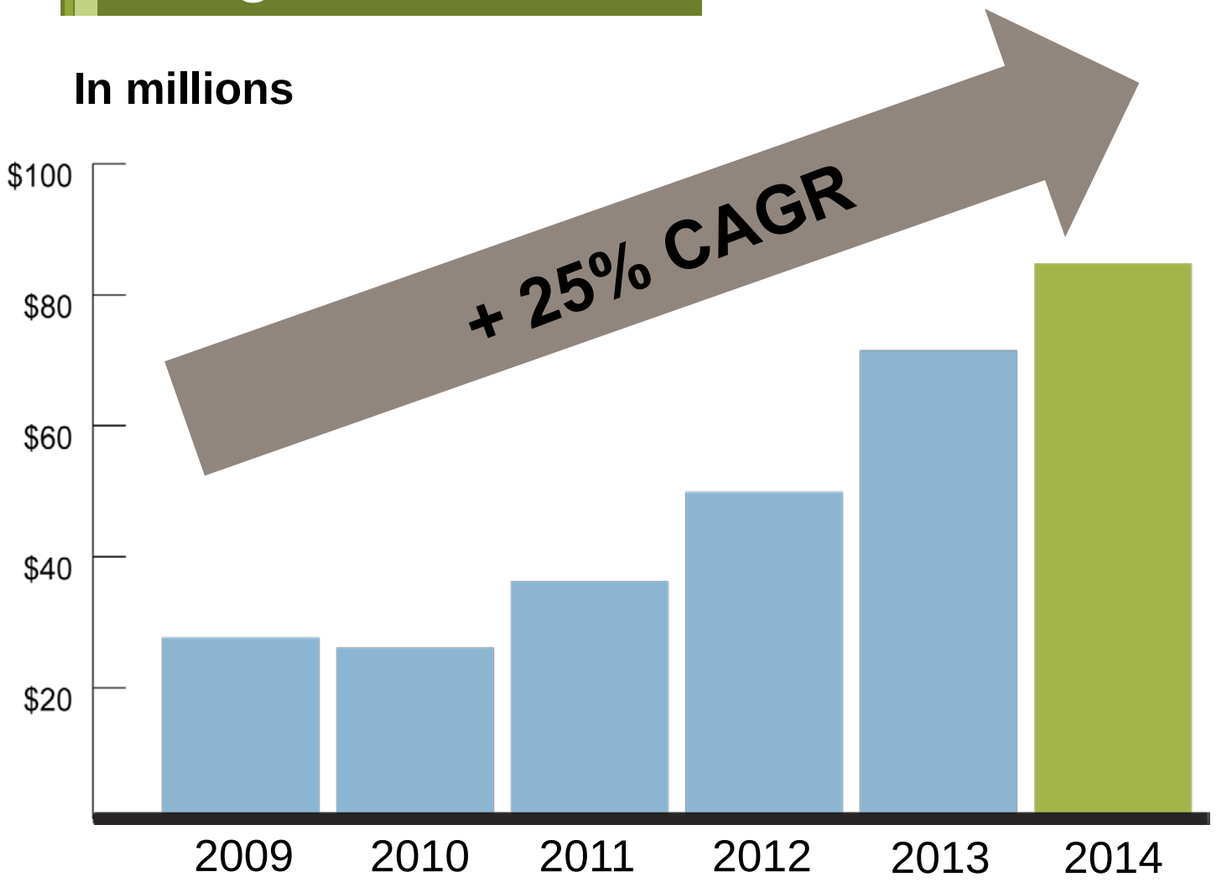


Delivering Accelerated Growth

Revenues



Segment Profit











1st Half 2015 Results

- Revenues and segment profits +4% vs. year ago*
- Lower pork markets impacted revenues
- Port slow down
- Exchange rates



*Excludes nonrecurring charges related to the exit of international joint venture businesses ($9.5 million).

Margin Guidance

Hormel Foods International Corporation

Guidance: 14% to 17%

1st half of 2015 actual*: 16.7%

*Excludes nonrecurring charges related to the exit of international joint venture businesses ($9.5 million).



Hormel Foods International Sources of Accelerated Growth

China



***SKIPPY*® brand**



***SPAM*® brand**



Pork



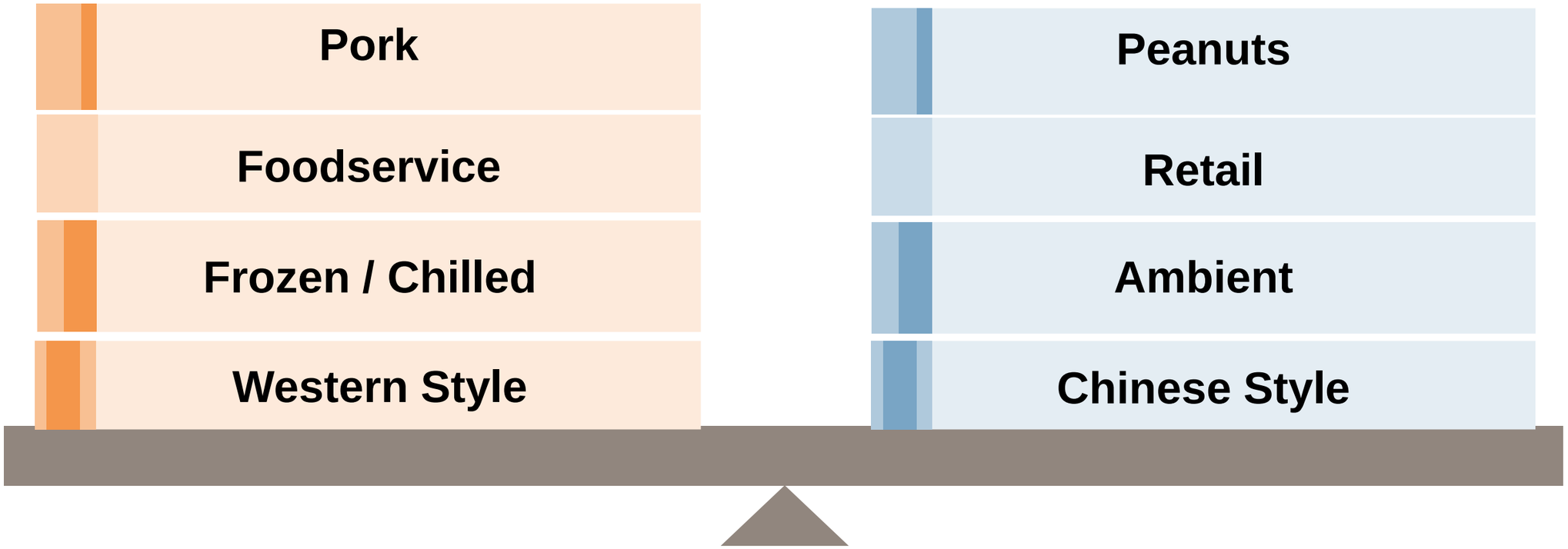


China



- Well developed business in both foodservice and retail
- Expanding capacity with new plant opening Fall 2016
- In-country *SPAM*® production

Chinese Balanced Model



Chinese Balanced Model

Pork

Foodservice

PIZZA PAPA JOHN'S
Better Ingredients. Better Pizza.

KFC

BURGER KING

i'm lovin' it
我就喜歡

Pizza Hut

AJISEN RAMEN
味千拉麵

真功夫

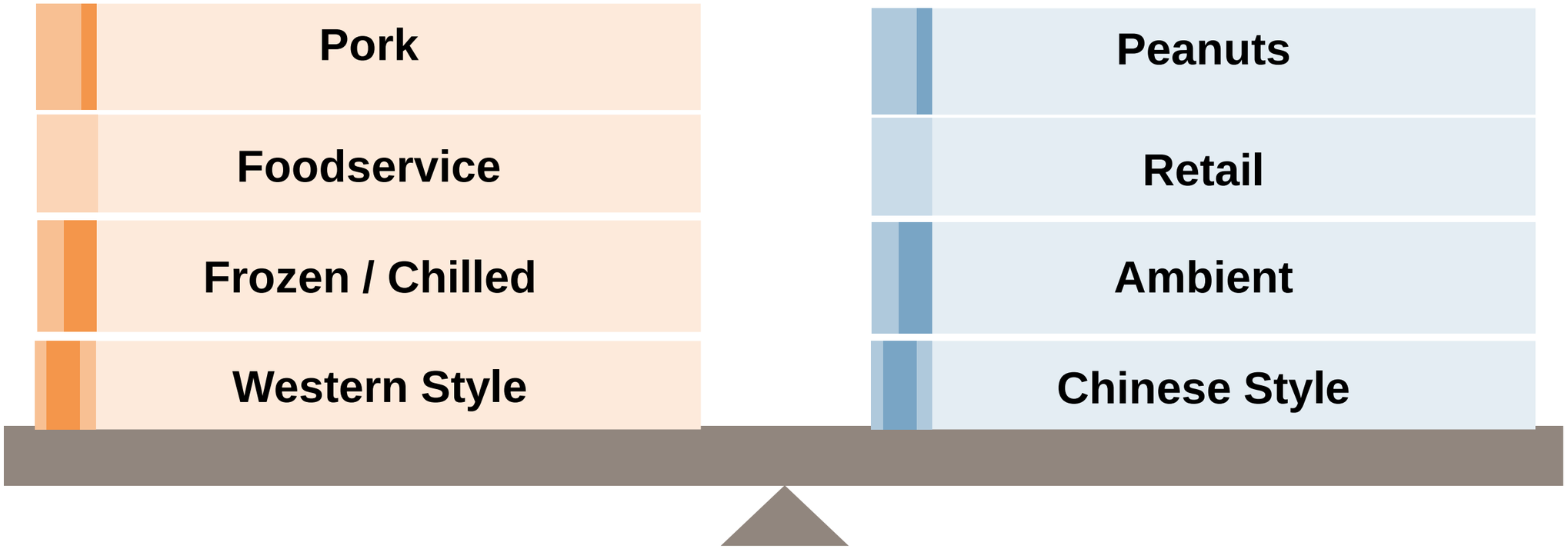
dicos

Peanuts

Retail



Chinese Balanced Model



Jiaxing Hormel Foods Co. Ltd.



Positioned for Future Growth



PAPA JOHN'S
Better Ingredients. Better Pizza.

KFC

i'm lovin' it
我就喜歡

BURGER KING

SKIPPY



SPAM



2002 — 2011 — 2012 — 2013/2014 — 2016

SKIPPY® Strategies

- Distribution
- New Markets
- Consumers



Distribution

Core Items



BASE

Line Extensions



FLAVORS



REDUCED FAT



Japan, Philippines, Indonesia & Thailand



Philippines, Singapore, Malaysia, South Korea, Micronesia

Innovate



NATURALS



Singapore, Panama, Asia, Japan, Philippines, Micronesia & Europe







Hormel Foods


SKIPPY
BRAND
SKIPPY®
Natural
Launch of SKIPPY
Natural Peanut Butter Spread in Singapore
11 September 2014

New Markets


SKIPPY
Natural
19.90
19,90
No Need to Stir!
FUEL the FUN!
CREAMY
PEANUT BUTTER
EXTRA CRUNCHY
SUPER CHUNK
ROASTED HONEY NUT
季宝


Colombia
Panama
Brazil
Spain

SKIPPY ..... YIPPEE



- *SKIPPY*® is the PEANUT BUTTER that SPREADS SIMPLE FUN!
- Global positioning
- Leverage assets
- Fully integrated marketing


SKIPPY
SKIPPY
不开心
的花生

SPAM® Brand

Local Flavors



SPAM® Tocino

- Created for the Philippines
- Launched in the U.S.A.
- Sweet BBQ flavor

SPAM® Portuguese Sausage

- Created for Hawaii
- Launching in Okinawa

SPAM® MaLa

- A global launch to appeal to Chinese consumers and *SPAM*® lovers around the world
- Bold & spicy flavor

REVENUES

5 year CAGR: 18%

SEGMENT PROFITS

5 year CAGR: 25%

GROWTH




Hormel
Foods
WORLD HEADQUARTERS