Q2 2018 Performance Review

TASTE OF HORMEL FOODS

> "We were particularly **pleased** with the **bottom-line performance** from Refrigerated Foods as our **experienced team grew** our **value-added profits** while navigating through volatile markets. **Our balanced business model** helped mitigate higher freight costs and a difficult commodity environment."
>
> Jim Snee, chairman of the board, president, and chief executive officer

Hormel Foods Inspired People. Inspired Food.™

Q2 18 PERFORMANCE SUMMARY

TOTAL SALES	EARNINGS PER SHARE	YEAR-TO-DATE CASH FLOW FROM OPERATIONS OF
$2.3B	$0.44	$433M
+7%	+13%	+58%

VALUE-ADDED BRANDS DRIVE RECORD Q2 SALES

Columbus Craft Meats · Wholly Guacamole · SPAM · Fire Braised Meats · Fontanini Una Bella Differenza · Herdez Con Toda Confianza...Es · Natural Choice · Dinty Moore · Ceratti · Bacon 1 · Hormel Pepperoni · Mary Kitchen

INVESTING IN OUR BUSINESSES

Q2 ADVERTISING SPEND	FY 2018 EXPECTED ADVERTISING SPEND
$37M up 23%	+20%

Q2 CAP EX SPEND	FY 2018 EXPECTED CAP EX SPEND
$87M up 123%	$425M

Q2 18 KEY BUSINESS DRIVERS

- Strong value-added growth in Refrigerated Foods
- Addition of three strategic acquisitions
- Double-digit increases in per-unit freight cost
- Continued oversupply in the turkey industry

REAFFIRMING OUR FY18 OUTLOOK

SALES	EARNINGS PER SHARE
$9.7- $10.1B	$1.81 - $1.95

OUR PATH FORWARD

- Evolving to a broader food company
- Expanding and accelerating foodservice
- Becoming a more global food company
- Reducing volatility and increasing balance
- Divesting non-strategic assets
- Modernizing our supply chain

This document contains forward-looking information based on management's current views and assumptions. Actual events may differ materially. Please refer to the cautionary statement regarding Forward-Looking Statement and Risk Factors on pages 31-38 in the Company's 2018 Q1 Form 10-Q.

FOR MORE INFORMATION

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