Q3 2018 Performance Review

TASTE

OF HORMEL FOODS

> "We reported **record sales and earnings** for the quarter and remain **on track to deliver** our full year earnings guidance range amid volatility due to tariffs and broader industry dynamics."
>
> Jim Snee, chairman of the board, president, and chief executive officer

Hormel Foods. Inspired People. Inspired Food.

Q3 18 PERFORMANCE SUMMARY

TOTAL SALES	EARNINGS PER SHARE	YEAR-TO-DATE CASH FLOW FROM OPERATIONS
$2.4B	$0.39	$743M
+7%	+15%	+40%

RECORD SALES AND EARNINGS

Q3 PERFORMANCE BY BUSINESS UNIT

	Refrigerated Foods	Grocery Products	Jennie-O Turkey Store	International & Other
Volume	+5%	-1%	+14%	+9%
Net Sales	+10%	Flat	+8%	+11%
Segment Profit	Flat	+4%	-23%	+9%

BRANDS DRIVING RECORD SALES GROWTH

Natural Choice, Herdez, Jennie-O, Ceratti, Fire Braised Meats, Wholly Guacamole, Columbus Craft Meats, Café H, Applegate Natural & Organic Meats, Skippy, Fontanini Una Bella Differenza, Austin Blues Barbeque

Q3 18 KEY BUSINESS DRIVERS

- Refrigerated Foods value-added portfolio offsets declines in commodity profits
- Continued growth in Mexican foods business
- Fundamentals slowly improving in turkey industry
- Increased freight costs, tariffs negatively impact results

OUR FY18 OUTLOOK

SALES	EARNINGS PER SHARE
$9.4- $9.6B	$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 Statements and Risk Factors on pages 34 - 40 in the company's 2018 Q2 Form 10-Q.

FOR MORE INFORMATION

IR: Nathan Annis ir@hormel.com
Media: Wendy Watkins media@hormel.com