Q4 2018 Performance Review and 2019 Outlook

TASTE

OF HORMEL FOODS

"We are confident in our plan to **deliver growth in each business segment** in 2019. I know our **team is up to the challenge.**"

Jim Snee, chairman of the board, president, and chief executive officer

Hormel Foods Inspired People. Inspired Food.

PERFORMANCE SUMMARY Q4

SALES	ADJUSTED EPS[1]
$2.5B	$0.51
+1%	+24%

FY 2018, ANOTHER YEAR OF RECORDS

SALES	ADJUSTED EPS[1]
$9.5B	$1.89
+4%	+20%

NET EARNINGS	OPERATING CASH FLOW
$1.0B	$1.2B
+20%	+20%

RETURNING CASH TO SHAREHOLDERS AS A DIVIDEND ARISTOCRAT

ANNOUNCED FOR 2019

53rd	10th
CONSECUTIVE YEAR OF DIVIDEND INCREASES	CONSECUTIVE YEAR OF DOUBLE-DIGIT INCREASES
$0.84 ANNUAL RATE	+12% OVER PRIOR YEAR

FY 2019 FULL-YEAR OUTLOOK

SALES	EPS
$9.7- $10.2B	$1.77 - $1.91

FY19 KEY BUSINESS DRIVERS

- Continued growth from branded value-added products in all four segments
- Meaningful contribution from new Hormel Deli Solutions business
- Recovery in the Jennie-O Turkey Store business
- $75M in cost reductions from new supply chain team

HORMEL FOODS A GLOBAL BRANDED FOOD COMPANY

BUILDING BRANDS

SPAM, Hormel Pepperoni, Jennie-O

ACQUISITIONS

Fontanini Una Bella Differenza, Ceratti, Columbus Craft Meats

INNOVATION

Skippy, Hormel Natural Choice, Hormel Bacon 1

BALANCED PORTFOLIO

Retail, Foodservice, Deli, International

[1]Adjusted earnings per share exclude the impact of a non-cash impairment charge. See the Q4 Press Release dated 11/20/2018 for the non-GAAP reconciliation.

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 35 - 41 in the company's 2018 Q3 Form 10-Q.

FOR MORE INFORMATION

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