Q1 2019 Performance Review

TASTE OF HORMEL FOODS

> "We continue to execute on our well-defined strategy that focuses on **building world-class brands**, **leading with innovation and insights, making smart investment decisions** and **building intentional balance** into our business."
>
> Jim Snee, chairman of the board, president, and chief executive officer

Hormel Foods. Inspired People. Inspired Food.

Q1 PERFORMANCE SUMMARY

TOTAL VOLUME	NET SALES	PRE-TAX EARNINGS
$1.2B	$2.4B	$307M
+1%	+1%	+1%

FULL-YEAR OUTLOOK REAFFIRMED

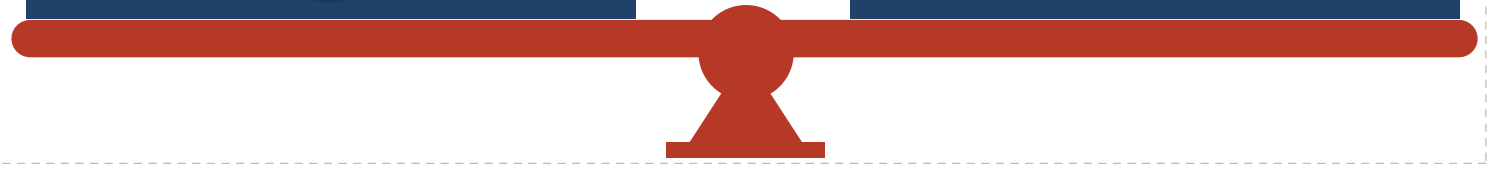
SALES	EPS
$9.7- $10.2B	$1.77 - $1.91

FY19 OUTLOOK

- Strong performances by our foodservice and deli divisions
- Growth in China led by the *SPAM*® and *Skippy*® brands
- Lower outlook for Jennie-O Turkey Store
- Global trade uncertainty

FIRST QUARTER SALES AND PRE-TAX EARNINGS GROWTH DEMONSTRATES OUR BALANCED BUSINESS MODEL

Strong sales and profits from branded, value-added products (COLUMBUS CRAFT MEATS, Hormel PEPPERONI, APPLEGATE)	REFRIGERATED FOODS	A 70% decline in commodity profits
Robust results from China business (SPAM, SKIPPY)	INTERNATIONAL & OTHER	Significant declines in fresh pork exports
Sales increases from center store brands (HERDEZ, Dinty Moore, Mary Kitchen)	GROCERY PRODUCTS	Lower sales from contract manufacturing
Growth from foodservice items (Jennie-O)	JENNIE-O TURKEY STORE	Lean ground turkey impacted by two recalls



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 that appears on pages 7-9 and 28-30 in the company's Form 10-K for the year ended October 28, 2018.

FOR MORE INFORMATION

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