

APPENDICES: Kellogg Company Q4 2017 Financial Results Presentation

February 8, 2018

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Kellogg Company and Subsidiaries
Adjustments to Reconcile Reported Results to Currency-Neutral Comparable Results
(millions, except per share data)

Exhibit 1

| | Quarter ended December 30, 2017 | | | | Year ended December 30, 2017 | | | |
|--|---------------------------------|--------------------|---|------------------|------------------------------|--------------------|---|------------------|
| (Results are unaudited) | Net sales | Cost of goods sold | Selling, general and administrative expense | Operating profit | Net sales | Cost of goods sold | Selling, general and administrative expense | Operating profit |
| Mark-to-market | \$ — | \$ (98) | \$ (65) | \$ 163 | \$ — | \$ (8) | \$ (37) | \$ 45 |
| Project K and cost reduction activities | — | 20 | 4 | (24) | — | 46 | 217 | (263) |
| Integration and transaction costs | — | 1 | 2 | (3) | — | 1 | 4 | (5) |
| Acquisitions/divestitures | 89 | 48 | 28 | 13 | 242 | 136 | 81 | 25 |
| Shipping day differences | 14 | 8 | 6 | — | 14 | 8 | 6 | — |
| Foreign currency impact | 62 | 38 | 15 | 9 | 28 | 14 | 16 | (2) |
| Comparable adjustments | \$ 165 | \$ 17 | \$ (10) | \$ 158 | \$ 284 | \$ 197 | \$ 287 | \$ (200) |

| | Quarter ended December 31, 2016 | | | | Year ended December 31, 2016 | | | |
|--|---------------------------------|--------------------|---|------------------|------------------------------|--------------------|---|------------------|
| (Results are unaudited) | Net sales | Cost of goods sold | Selling, general and administrative expense | Operating profit | Net sales | Cost of goods sold | Selling, general and administrative expense | Operating profit |
| Mark-to-market | \$ — | \$ 147 | \$ 79 | \$ (226) | \$ — | \$ 159 | \$ 102 | \$ (261) |
| Project K and cost reduction activities | — | 107 | 54 | (161) | — | 173 | 152 | (325) |
| Integration and transaction costs | — | 1 | 6 | (7) | — | 2 | 8 | (10) |
| Venezuela operations impact | 8 | 6 | 1 | 1 | 31 | 20 | 2 | 9 |
| Venezuela remeasurement | — | — | — | — | — | 12 | 1 | (13) |
| Comparable adjustments | \$ 8 | \$ 261 | \$ 140 | \$ (393) | \$ 31 | \$ 366 | \$ 265 | \$ (600) |

Kellogg Company and Subsidiaries
Adjustments to Reconcile Reported Results to Currency-Neutral Comparable Results
(millions, except per share data)

Exhibit 2

| | Quarter ended December 30, 2017 | | | | Year ended December 30, 2017 | | | |
|--|---------------------------------|--------------|-------------------|---------------------------|------------------------------|--------------|-------------------|---------------------------|
| (Results are unaudited) | Interest expense | Income taxes | Net income (loss) | Per share amount: Diluted | Interest expense | Income taxes | Net income (loss) | Per share amount: Diluted |
| Mark-to-market (pre-tax) | \$ — | \$ — | \$ 163 | \$ 0.47 | \$ — | \$ — | \$ 45 | \$ 0.13 |
| Project K and cost reduction activities (pre-tax) | — | — | (24) | (0.07) | — | — | (263) | (0.75) |
| Integration and transaction costs (pre-tax) | — | — | (3) | (0.01) | — | — | (5) | (0.01) |
| Shipping day differences (pre-tax) | — | — | (1) | — | — | — | (1) | — |
| Income tax impact applicable to adjustments, net* | — | 35 | (35) | (0.11) | — | (82) | 82 | 0.22 |
| U.S. Tax Reform adoption impact | — | 4 | (4) | (0.01) | — | 4 | (4) | (0.01) |
| Foreign currency impact | — | 2 | 4 | 0.02 | (1) | 2 | (6) | (0.02) |
| Comparable adjustments | \$ — | \$ 41 | \$ 100 | \$ 0.29 | \$ (1) | \$ (76) | \$ (152) | \$ (0.44) |

| | Quarter ended December 31, 2016 | | | | Year ended December 31, 2016 | | | |
|--|---------------------------------|--------------|-------------------|---------------------------|------------------------------|--------------|-------------------|---------------------------|
| (Results are unaudited) | Interest expense | Income taxes | Net income (loss) | Per share amount: Diluted | Interest expense | Income taxes | Net income (loss) | Per share amount: Diluted |
| Mark-to-market (pre-tax) | \$ — | \$ — | \$ (226) | \$ (0.64) | \$ — | \$ — | \$ (261) | \$ (0.74) |
| Project K and cost reduction activities (pre-tax) | — | — | (161) | (0.46) | — | — | (325) | (0.92) |
| Debt redemption (pre-tax) | — | — | — | — | 153 | — | (153) | (0.43) |
| Integration and transaction costs (pre-tax) | — | — | (9) | (0.02) | — | — | (12) | (0.03) |
| Venezuela operations impact (pre-tax) | — | — | 1 | 0.01 | — | — | 9 | 0.02 |
| Venezuela deconsolidation (pre-tax) | — | — | (72) | (0.20) | — | — | (72) | (0.20) |
| Venezuela remeasurement (pre-tax) | — | — | — | — | — | — | (11) | (0.03) |
| Income tax impact applicable to adjustments, net* | — | (94) | 94 | 0.25 | — | (200) | 200 | 0.57 |
| Comparable adjustments | \$ — | \$ (94) | \$ (373) | \$ (1.06) | \$ 153 | \$ (200) | \$ (625) | \$ (1.76) |

Kellogg Company and Subsidiaries

Reconciliation of Non-GAAP Amounts - First Quarter 2017 Reported Net Sales to Currency-Neutral Comparable Net Sales

Exhibit 3

Quarter ended April 1, 2017

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|--|--------------------|-------------|----------------|---------------------|---------------------|--------|---------------|--------------|-----------|----------------------|
| Reported net sales | \$ 719 | \$ 781 | \$ 395 | \$ 393 | \$ 2,288 | \$ 512 | \$ 222 | \$ 232 | \$ — | \$ 3,254 |
| Acquisitions | — | — | — | 1 | 1 | 3 | 47 | — | — | 51 |
| Comparable net sales | \$ 719 | \$ 781 | \$ 395 | \$ 392 | \$ 2,287 | \$ 509 | \$ 175 | \$ 232 | \$ — | \$ 3,203 |
| Foreign currency impact | — | — | — | 4 | 4 | (39) | (6) | 9 | — | (32) |
| Currency-neutral comparable net sales | \$ 719 | \$ 781 | \$ 395 | \$ 388 | \$ 2,283 | \$ 548 | \$ 181 | \$ 223 | \$ — | \$ 3,235 |

Quarter ended April 2, 2016

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|-----------------------------|--------------------|-------------|----------------|---------------------|---------------------|--------|---------------|--------------|-----------|----------------------|
| Reported net sales | \$ 767 | \$ 832 | \$ 376 | \$ 414 | \$ 2,389 | \$ 598 | \$ 192 | \$ 216 | \$ — | \$ 3,395 |
| Venezuela operations impact | — | — | — | — | — | — | 9 | — | — | 9 |
| Comparable net sales | \$ 767 | \$ 832 | \$ 376 | \$ 414 | \$ 2,389 | \$ 598 | \$ 183 | \$ 216 | \$ — | \$ 3,386 |

% change - 2017 vs. 2016:

| | | | | | | | | | | |
|---|--------|--------|------|--------|--------|---------|--------|------|----|--------|
| Reported growth | (6.3)% | (6.1)% | 5.1% | (5.1)% | (4.2)% | (14.3)% | 15.8% | 7.3% | —% | (4.1)% |
| Acquisitions | —% | —% | —% | 0.4% | 0.1% | 0.5% | 24.4% | —% | —% | 1.6% |
| Venezuela operations impact | —% | —% | —% | —% | —% | —% | (4.8)% | —% | —% | (0.3)% |
| Comparable growth | (6.3)% | (6.1)% | 5.1% | (5.5)% | (4.3)% | (14.8)% | (3.8)% | 7.3% | —% | (5.4)% |
| Foreign currency impact | —% | —% | —% | 0.7% | 0.1% | (6.5)% | (2.9)% | 4.4% | —% | (1.0)% |
| Currency-neutral comparable growth | (6.3)% | (6.1)% | 5.1% | (6.2)% | (4.4)% | (8.3)% | (0.9)% | 2.9% | —% | (4.4)% |
| Volume (tonnage) | | | | | (4.9)% | (10.9)% | (6.0)% | 2.2% | —% | (5.7)% |
| Pricing/mix | | | | | 0.5% | 2.6% | 5.1% | 0.7% | —% | 1.3% |

Kellogg Company and Subsidiaries
Reconciliation of Non-GAAP Amounts - Second Quarter 2017 Reported Net Sales to Currency-Neutral Comparable Net Sales

Exhibit 4

Quarter ended July 1, 2017

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|--|--------------------|-------------|----------------|---------------------|---------------------|--------|---------------|--------------|-----------|----------------------|
| Reported net sales | \$ 679 | \$ 803 | \$ 276 | \$ 391 | \$ 2,149 | \$ 566 | \$ 234 | \$ 238 | \$ — | \$ 3,187 |
| Acquisitions | — | — | — | — | — | 4 | 46 | — | — | 50 |
| Comparable net sales | \$ 679 | \$ 803 | \$ 276 | \$ 391 | \$ 2,149 | \$ 562 | \$ 188 | \$ 238 | \$ — | \$ 3,137 |
| Foreign currency impact | — | — | — | (5) | (5) | (23) | (1) | 6 | — | (23) |
| Currency-neutral comparable net sales | \$ 679 | \$ 803 | \$ 276 | \$ 396 | \$ 2,154 | \$ 585 | \$ 189 | \$ 232 | \$ — | \$ 3,160 |

Quarter ended July 2, 2016

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|-----------------------------|--------------------|-------------|----------------|---------------------|---------------------|--------|---------------|--------------|-----------|----------------------|
| Reported net sales | \$ 727 | \$ 803 | \$ 271 | \$ 406 | \$ 2,207 | \$ 629 | \$ 204 | \$ 228 | \$ — | \$ 3,268 |
| Venezuela operations impact | — | — | — | — | — | — | 7 | — | — | 7 |
| Comparable net sales | \$ 727 | \$ 803 | \$ 271 | \$ 406 | \$ 2,207 | \$ 629 | \$ 197 | \$ 228 | \$ — | \$ 3,261 |

% change - 2017 vs. 2016:

| | | | | | | | | | | |
|---|--------|----|------|--------|--------|---------|--------|--------|----|--------|
| Reported growth | (6.6)% | —% | 1.8% | (3.6)% | (2.6)% | (10.0)% | 14.8 % | 4.3 % | —% | (2.5)% |
| Acquisitions | — % | —% | —% | — % | — % | 0.6 % | 22.4 % | — % | —% | 1.5 % |
| Venezuela operations impact | — % | —% | —% | — % | — % | — % | (2.7)% | — % | —% | (0.2)% |
| Comparable growth | (6.6)% | —% | 1.8% | (3.6)% | (2.6)% | (10.6)% | (4.9)% | 4.3 % | —% | (3.8)% |
| Foreign currency impact | — % | —% | —% | (1.0)% | (0.2)% | (3.6)% | (0.9)% | 2.2 % | —% | (0.7)% |
| Currency-neutral comparable growth | (6.6)% | —% | 1.8% | (2.6)% | (2.4)% | (7.0)% | (4.0)% | 2.1 % | —% | (3.1)% |
| Volume (tonnage) | | | | | (3.7)% | (8.6)% | (7.4)% | (1.9)% | —% | (4.9)% |
| Pricing/mix | | | | | 1.3 % | 1.6 % | 3.4 % | 4.0 % | —% | 1.8 % |

Kellogg Company and Subsidiaries

Reconciliation of Non-GAAP Amounts - Third Quarter 2017 Reported Net Sales to Currency-Neutral Comparable Net Sales

Exhibit 5

Quarter ended September 30, 2017

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|--|--------------------------|----------------|-------------------|---------------------------|---------------------------|--------|------------------|-----------------|-----------|-------------------------|
| Reported net sales | \$ 710 | \$ 760 | \$ 290 | \$ 420 | \$ 2,180 | \$ 599 | \$ 240 | \$ 254 | \$ — | \$ 3,273 |
| Acquisitions | — | — | — | — | — | 4 | 48 | — | — | 52 |
| Comparable net sales | \$ 710 | \$ 760 | \$ 290 | \$ 420 | \$ 2,180 | \$ 595 | \$ 192 | \$ 254 | \$ — | \$ 3,221 |
| Foreign currency impact | — | — | — | 7 | 7 | 7 | 6 | 1 | — | 21 |
| Currency-neutral comparable net sales | \$ 710 | \$ 760 | \$ 290 | \$ 413 | \$ 2,173 | \$ 588 | \$ 186 | \$ 253 | \$ — | \$ 3,200 |

Quarter ended October 1, 2016

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|-----------------------------|--------------------------|----------------|-------------------|---------------------------|---------------------------|--------|------------------|-----------------|-----------|-------------------------|
| Reported net sales | \$ 733 | \$ 796 | \$ 284 | \$ 402 | \$ 2,215 | \$ 594 | \$ 197 | \$ 248 | \$ — | \$ 3,254 |
| Venezuela operations impact | — | — | — | — | — | — | 7 | — | — | 7 |
| Comparable net sales | \$ 733 | \$ 796 | \$ 284 | \$ 402 | \$ 2,215 | \$ 594 | \$ 190 | \$ 248 | \$ — | \$ 3,247 |

% change - 2017 vs. 2016:

| | | | | | | | | | | |
|---|--------|--------|------|------|--------|--------|--------|--------|----|--------|
| Reported growth | (3.0)% | (4.5)% | 1.9% | 4.4% | (1.6)% | 0.8 % | 21.5 % | 2.9 % | —% | 0.6 % |
| Acquisitions | — % | — % | —% | —% | — % | 0.7 % | 24.4 % | — % | —% | 1.6 % |
| Venezuela operations impact | — % | — % | —% | —% | — % | — % | (4.0)% | — % | —% | (0.2)% |
| Comparable growth | (3.0)% | (4.5)% | 1.9% | 4.4% | (1.6)% | 0.1 % | 1.1 % | 2.9 % | —% | (0.8)% |
| Foreign currency impact | — % | — % | —% | 1.5% | 0.3 % | 1.2 % | 3.2 % | 0.9 % | —% | 0.6 % |
| Currency-neutral comparable growth | (3.0)% | (4.5)% | 1.9% | 2.9% | (1.9)% | (1.1)% | (2.1)% | 2.0 % | —% | (1.4)% |
| Volume (tonnage) | | | | | (1.0)% | (2.5)% | (8.2)% | 2.7 % | —% | (1.6)% |
| Pricing/mix | | | | | (0.9)% | 1.4 % | 6.1 % | (0.7)% | —% | 0.2 % |

Kellogg Company and Subsidiaries
Reconciliation of Non-GAAP Amounts - Reported Net Sales to Currency-Neutral Comparable Net Sales

Exhibit 6

Quarter ended December 30, 2017

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|--|--------------------------|----------------|-------------------|---------------------------|---------------------------|--------|------------------|-----------------|-----------|-------------------------|
| Reported net sales | \$ 670 | \$ 723 | \$ 288 | \$ 412 | \$ 2,093 | \$ 614 | \$ 259 | \$ 243 | \$ — | \$ 3,209 |
| Acquisitions/divestitures | — | — | — | 27 | 27 | — | 62 | — | — | 89 |
| Shipping day differences | — | — | — | — | — | — | 14 | — | — | 14 |
| Comparable net sales | \$ 670 | \$ 723 | \$ 288 | \$ 385 | \$ 2,066 | \$ 614 | \$ 183 | \$ 243 | \$ — | \$ 3,106 |
| Foreign currency impact | — | — | — | 6 | 6 | 41 | 5 | 10 | — | 62 |
| Currency-neutral comparable net sales | \$ 670 | \$ 723 | \$ 288 | \$ 379 | \$ 2,060 | \$ 573 | \$ 178 | \$ 233 | \$ — | \$ 3,044 |

Quarter ended December 31, 2016

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|-----------------------------|--------------------------|----------------|-------------------|---------------------------|---------------------------|--------|------------------|-----------------|-----------|-------------------------|
| Reported net sales | \$ 704 | \$ 767 | \$ 283 | \$ 376 | \$ 2,130 | \$ 556 | \$ 187 | \$ 224 | \$ — | \$ 3,097 |
| Shipping day differences | — | — | — | — | — | — | — | — | — | — |
| Venezuela operations impact | — | — | — | — | — | — | 8 | — | — | 8 |
| Comparable net sales | \$ 704 | \$ 767 | \$ 283 | \$ 376 | \$ 2,130 | \$ 556 | \$ 179 | \$ 224 | \$ — | \$ 3,089 |

% change - 2017 vs. 2016:

| | | | | | | | | | | |
|---|---------------|---------------|-------------|-------------|---------------|--------------|---------------|--------------|-----------|---------------|
| Reported growth | (4.9)% | (5.8)% | 2.1% | 9.6% | (1.7)% | 10.4% | 38.1 % | 8.1 % | —% | 3.6 % |
| Acquisitions/divestitures | — % | — % | —% | 7.1% | 1.3 % | —% | 32.9 % | — % | —% | 2.9 % |
| Shipping day differences | — % | — % | —% | —% | — % | —% | 7.9 % | — % | —% | 0.5 % |
| Venezuela operations impact | — % | — % | —% | —% | — % | —% | (4.6)% | — % | —% | (0.3)% |
| Comparable growth | (4.9)% | (5.8)% | 2.1% | 2.5% | (3.0)% | 10.4% | 1.9 % | 8.1 % | —% | 0.5 % |
| Foreign currency impact | — % | — % | —% | 1.9% | 0.3 % | 7.4% | 2.4 % | 3.8 % | —% | 2.0 % |
| Currency-neutral comparable growth | (4.9)% | (5.8)% | 2.1% | 0.6% | (3.3)% | 3.0% | (0.5)% | 4.3 % | —% | (1.5)% |
| Volume (tonnage) | | | | | (0.7)% | 0.5% | (0.4)% | 4.4 % | —% | — % |
| Pricing/mix | | | | | (2.6)% | 2.5% | (0.1)% | (0.1)% | —% | (1.5)% |

Kellogg Company and Subsidiaries
Reconciliation of Non-GAAP Amounts - Reported Net Sales to Currency-Neutral Comparable Net Sales

Exhibit 7

Year ended December 30, 2017

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|--|--------------------------|----------------|-------------------|---------------------------|---------------------------|----------|------------------|-----------------|-----------|-------------------------|
| Reported net sales | \$ 2,778 | \$ 3,067 | \$ 1,249 | \$ 1,616 | \$ 8,710 | \$ 2,291 | \$ 955 | \$ 967 | \$ — | \$ 12,923 |
| Acquisitions/divestitures | — | — | — | 28 | 28 | 11 | 203 | — | — | 242 |
| Shipping day differences | — | — | — | — | — | — | 14 | — | — | 14 |
| Comparable net sales | \$ 2,778 | \$ 3,067 | \$ 1,249 | \$ 1,588 | \$ 8,682 | \$ 2,280 | \$ 738 | \$ 967 | \$ — | \$ 12,667 |
| Foreign currency impact | — | — | — | 12 | 12 | (14) | 4 | 26 | — | 28 |
| Currency-neutral comparable net sales | \$ 2,778 | \$ 3,067 | \$ 1,249 | \$ 1,576 | \$ 8,670 | \$ 2,294 | \$ 734 | \$ 941 | \$ — | \$ 12,639 |

Year ended December 31, 2016

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|-----------------------------|--------------------------|----------------|-------------------|---------------------------|---------------------------|----------|------------------|-----------------|-----------|-------------------------|
| Reported net sales | \$ 2,931 | \$ 3,198 | \$ 1,214 | \$ 1,598 | \$ 8,941 | \$ 2,377 | \$ 780 | \$ 916 | \$ — | \$ 13,014 |
| Shipping day differences | — | — | — | — | — | — | — | — | — | — |
| Venezuela operations impact | — | — | — | — | — | — | 31 | — | — | 31 |
| Comparable net sales | \$ 2,931 | \$ 3,198 | \$ 1,214 | \$ 1,598 | \$ 8,941 | \$ 2,377 | \$ 749 | \$ 916 | \$ — | \$ 12,983 |

% change - 2017 vs. 2016:

| | | | | | | | | | | |
|---|--------|--------|------|--------|--------|--------|--------|------|----|--------|
| Reported growth | (5.2)% | (4.1)% | 2.9% | 1.1 % | (2.6)% | (3.6)% | 22.3 % | 5.6% | —% | (0.7)% |
| Acquisitions/divestitures | — % | — % | —% | 1.7 % | 0.3 % | 0.5 % | 25.9 % | —% | —% | 1.9 % |
| Shipping day differences | — % | — % | —% | — % | — % | — % | 1.9 % | —% | —% | 0.1 % |
| Venezuela operations impact | — % | — % | —% | — % | — % | — % | (4.0)% | —% | —% | (0.3)% |
| Comparable growth | (5.2)% | (4.1)% | 2.9% | (0.6)% | (2.9)% | (4.1)% | (1.5)% | 5.6% | —% | (2.4)% |
| Foreign currency impact | — % | — % | —% | 0.8 % | 0.1 % | (0.6)% | 0.4 % | 2.8% | —% | 0.2 % |
| Currency-neutral comparable growth | (5.2)% | (4.1)% | 2.9% | (1.4)% | (3.0)% | (3.5)% | (1.9)% | 2.8% | —% | (2.6)% |
| Volume (tonnage) | | | | | (2.7)% | (5.4)% | (5.6)% | 1.9% | —% | (3.1)% |
| Pricing/mix | | | | | (0.3)% | 1.9 % | 3.7 % | 0.9% | —% | 0.5 % |

Kellogg Company and Subsidiaries

Reconciliation of Non-GAAP Amounts - Reported Gross Profit to Currency-Neutral Comparable Gross Profit

Exhibit 8

| | Quarter ended | | Year ended | |
|---|----------------------|----------------------|----------------------|----------------------|
| | December 30, 2017 | December 31, 2016 | December 30, 2017 | December 31, 2016 |
| Reported Gross Profit | \$ 1,320 | \$ 976 | \$ 5,022 | \$ 4,755 |
| Mark-to-market | 98 | (147) | 8 | (159) |
| Project K and cost reduction activities | (20) | (107) | (46) | (173) |
| Integration and transaction costs | (1) | (1) | (1) | (2) |
| Acquisitions/divestitures | 41 | — | 106 | — |
| Shipping day differences | 6 | — | 6 | — |
| Venezuela operations impact | — | 2 | — | 11 |
| Venezuela remeasurement | — | — | — | (12) |
| Comparable Gross Profit | \$ 1,196 | \$ 1,229 | \$ 4,949 | \$ 5,090 |
| Foreign currency impact | 24 | | 14 | |
| Currency-Neutral Comparable Gross Profit | \$ 1,172 | | \$ 4,935 | |

Kellogg Company and Subsidiaries

Reconciliation of Non-GAAP Amounts - Reported Gross Margin to Currency-Neutral Comparable Gross Margin

Exhibit 9

| | Quarter ended | | Year ended | |
|---|----------------------|----------------------|----------------------|----------------------|
| | December 30, 2017 | December 31, 2016 | December 30, 2017 | December 31, 2016 |
| Reported Gross Margin | 41.2 % | 31.5 % | 38.9 % | 36.5 % |
| Mark-to-market | 3.1 % | (4.8)% | 0.1 % | (1.3)% |
| Project K and cost reduction activities | (0.6)% | (3.4)% | (0.4)% | (1.3)% |
| Integration and transaction costs | (0.1)% | — % | — % | — % |
| Acquisitions/divestitures | 0.3 % | — % | 0.1 % | — % |
| Shipping day differences | — % | — % | — % | — % |
| Venezuela operations impact | — % | (0.1)% | — % | — % |
| Venezuela remeasurement | — % | — % | — % | (0.1)% |
| Comparable Gross Margin | 38.5 % | 39.8 % | 39.1 % | 39.2 % |
| Foreign currency impact | — % | | 0.1 % | |
| Currency-Neutral Comparable Gross Margin | 38.5 % | | 39.0 % | |

Kellogg Company and Subsidiaries
Reconciliation of Non-GAAP Amounts - Reported Operating Profit to Currency-Neutral Comparable Operating Profit

Exhibit 10

Quarter ended December 30, 2017

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|---|--------------------|-------------|----------------|---------------------|---------------------|--------|---------------|--------------|-----------|----------------------|
| Reported operating profit | \$ 124 | \$ 123 | \$ 70 | \$ 57 | \$ 374 | \$ 65 | \$ 26 | \$ 20 | \$ 184 | \$ 669 |
| Mark-to-market | — | — | — | — | — | — | — | — | 163 | 163 |
| Project K and cost reduction activities | (2) | (4) | (1) | (3) | (10) | (19) | (2) | (6) | 13 | (24) |
| Integration and transaction costs | — | — | — | (2) | (2) | — | (1) | — | — | (3) |
| Acquisitions/divestitures | — | — | — | 3 | 3 | — | 10 | — | — | 13 |
| Shipping day differences | — | — | — | — | — | — | — | — | — | — |
| Comparable operating profit | \$ 126 | \$ 127 | \$ 71 | \$ 59 | \$ 383 | \$ 84 | \$ 19 | \$ 26 | \$ 8 | \$ 520 |
| Foreign currency impact | — | — | — | (1) | (1) | 4 | 2 | — | 4 | 9 |
| Currency-neutral comparable | \$ 126 | \$ 127 | \$ 71 | \$ 60 | \$ 384 | \$ 80 | \$ 17 | \$ 26 | \$ 4 | \$ 511 |

Quarter ended December 31, 2016

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|---|--------------------|-------------|----------------|---------------------|---------------------|---------|---------------|--------------|-----------|----------------------|
| Reported operating profit | \$ 136 | \$ 94 | \$ 65 | \$ 46 | \$ 341 | \$ (11) | \$ 14 | \$ 20 | \$ (266) | \$ 98 |
| Mark-to-market | — | — | — | — | — | — | — | — | (226) | (226) |
| Project K and cost reduction activities | (10) | (14) | (4) | (18) | (46) | (92) | (2) | (1) | (20) | (161) |
| Integration and transaction costs | — | — | — | — | — | (1) | (3) | (3) | — | (7) |
| Shipping day differences | — | — | — | — | — | — | — | — | — | — |
| Venezuela operations impact | — | — | — | — | — | — | 1 | — | — | 1 |
| Comparable operating profit | \$ 146 | \$ 108 | \$ 69 | \$ 64 | \$ 387 | \$ 82 | \$ 18 | \$ 24 | \$ (20) | \$ 491 |

% change - 2017 vs. 2016:

| | | | | | | | | | | |
|---|---------|-------|------|--------|--------|---------|--------|---------|---------|---------|
| Reported growth | (8.8)% | 30.7% | 7.9% | 22.8 % | 9.6 % | 690.0 % | 79.8 % | (0.4)% | 169.1 % | 585.9 % |
| Mark-to-market | — % | —% | —% | — % | — % | — % | — % | — % | 15.8 % | 529.6 % |
| Project K and cost reduction activities | 4.9 % | 12.7% | 5.2% | 28.7 % | 10.2 % | 686.9 % | 13.8 % | (25.7)% | 19.4 % | 47.0 % |
| Integration and transaction costs | — % | —% | —% | (2.9)% | (0.5)% | 2.3 % | 14.6 % | 15.4 % | — % | 1.0 % |
| Acquisitions/divestitures | — % | —% | —% | 4.1 % | 0.7 % | — % | 57.2 % | — % | — % | 2.7 % |
| Shipping day differences | — % | —% | —% | — % | — % | — % | (0.8)% | — % | — % | — % |
| Venezuela operations impact | — % | —% | —% | — % | — % | — % | (5.9)% | — % | (0.1)% | (0.2)% |
| Comparable growth | (13.7)% | 18.0% | 2.7% | (7.1)% | (0.8)% | 0.8 % | 0.9 % | 9.9 % | 134.0 % | 5.8 % |
| Foreign currency impact | — % | —% | —% | 1.8 % | 0.3 % | 4.5 % | 2.0 % | 4.1 % | 10.6 % | 1.7 % |
| Currency-Neutral Comparable growth | (13.7)% | 18.0% | 2.7% | (8.9)% | (1.1)% | (3.7)% | (1.1)% | 5.8 % | 123.4 % | 4.1 % |

Kellogg Company and Subsidiaries

Reconciliation of Non-GAAP Amounts - Reported Operating Margin to Currency-Neutral Comparable Operating Margin Exhibit 11

Quarter ended December 30, 2017

| | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated | |
|---|----------------------------|----------------|-------------------|---------------------------|---------------------------|--------|------------------|-----------------|-----------|-------------------------|--------|
| | <i>Basis points change</i> | | | | | | | | | | % |
| Reported | (0.8) | 4.8 | 1.3 | 1.5 | 1.9 | 12.6 | 2.3 | (0.7) | — | 17.7 | 20.9 % |
| Mark-to-market | — | — | — | — | — | — | — | — | — | 12.4 | 5.1 % |
| Project K and cost reduction activities | 1.1 | 1.2 | 1.1 | 3.9 | 1.7 | 13.6 | 0.6 | (2.2) | — | 4.5 | (0.7)% |
| Integration and transaction costs | — | — | — | (0.4) | (0.1) | 0.3 | 0.7 | 1.4 | — | 0.1 | (0.1)% |
| Acquisitions/divestitures | — | — | — | (0.4) | (0.1) | — | 2.1 | — | — | (0.1) | (0.1)% |
| Shipping day differences | — | — | — | — | — | — | (0.8) | — | — | — | — % |
| Venezuela operations impact | — | — | — | — | — | — | (0.2) | — | — | — | — % |
| Comparable | (1.9) | 3.6 | 0.2 | (1.6) | 0.4 | (1.3) | (0.1) | 0.1 | — | 0.8 | 16.7 % |
| Foreign currency impact | — | — | — | — | — | (0.3) | — | — | — | (0.1) | (0.1)% |
| Currency-neutral comparable | (1.9) | 3.6 | 0.2 | (1.6) | 0.4 | (1.0) | (0.1) | 0.1 | — | 0.9 | 16.8 % |

Kellogg Company and Subsidiaries
Reconciliation of Non-GAAP Amounts - Reported Operating Profit to Currency-Neutral Comparable Operating Profit

Exhibit 12

Year ended December 30, 2017

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|---|--------------------------|----------------|-------------------|---------------------------|------------------------|--------|------------------|-----------------|-----------|-------------------------|
| Reported operating profit | \$ 601 | \$ 115 | \$ 312 | \$ 230 | \$ 1,258 | \$ 279 | \$ 108 | \$ 86 | \$ 215 | \$ 1,946 |
| Mark-to-market | — | — | — | — | — | — | — | — | 45 | 45 |
| Project K and cost reduction activities | (18) | (309) | (2) | (16) | (345) | (40) | (8) | (11) | 141 | (263) |
| Integration and transaction costs | — | — | — | (2) | (2) | — | (3) | — | — | (5) |
| Acquisitions/divestitures | — | — | — | 1 | 1 | (1) | 25 | — | — | 25 |
| Shipping day differences | — | — | — | — | — | — | — | — | — | — |
| Comparable operating profit | \$ 619 | \$ 424 | \$ 314 | \$ 247 | \$ 1,604 | \$ 320 | \$ 94 | \$ 97 | \$ 29 | \$ 2,144 |
| Foreign currency impact | — | — | — | 1 | 1 | (4) | (1) | 2 | — | (2) |
| Currency-neutral comparable | \$ 619 | \$ 424 | \$ 314 | \$ 246 | \$ 1,603 | \$ 324 | \$ 95 | \$ 95 | \$ 29 | \$ 2,146 |

Year ended December 31, 2016

| (millions) | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated |
|---|--------------------------|----------------|-------------------|---------------------------|------------------------|--------|------------------|-----------------|-----------|-------------------------|
| Reported operating profit | \$ 593 | \$ 324 | \$ 279 | \$ 181 | \$ 1,377 | \$ 205 | \$ 84 | \$ 70 | \$ (341) | \$ 1,395 |
| Mark-to-market | — | — | — | — | — | — | — | — | (261) | (261) |
| Project K and cost reduction activities | (23) | (76) | (8) | (38) | (145) | (126) | (8) | (7) | (39) | (325) |
| Integration and transaction costs | — | — | — | — | — | (3) | (2) | (3) | (2) | (10) |
| Shipping day differences | — | — | — | — | — | — | — | — | — | — |
| Venezuela operations impact | — | — | — | — | — | — | 9 | — | — | 9 |
| Venezuela remeasurement | — | — | — | — | — | — | (13) | — | — | (13) |
| Comparable operating profit | \$ 616 | \$ 400 | \$ 287 | \$ 219 | \$ 1,522 | \$ 334 | \$ 98 | \$ 80 | \$ (39) | \$ 1,995 |

% change - 2017 vs. 2016:

| | | | | | | | | | | |
|---|------|---------|-------|--------|---------|--------|---------|--------|----------|--------|
| Reported growth | 1.3% | (64.5)% | 12.0% | 27.3 % | (8.6)% | 35.6 % | 28.2 % | 23.1 % | 163.0 % | 39.5 % |
| Mark-to-market | —% | — % | —% | — % | — % | — % | — % | — % | (149.5)% | 24.7 % |
| Project K and cost reduction activities | 0.8% | (70.5)% | 2.6% | 14.5 % | (14.0)% | 39.6 % | 2.5 % | (3.3)% | 143.8 % | 5.6 % |
| Integration and transaction costs | —% | — % | —% | (0.8)% | (0.1)% | 1.0 % | (0.5)% | 5.3 % | (2.5)% | 0.3 % |
| Acquisitions/divestitures | —% | — % | —% | 0.4 % | — % | (0.3)% | 26.9 % | — % | — % | 1.3 % |
| Shipping day differences | —% | — % | —% | — % | — % | — % | (0.2)% | — % | — % | — % |
| Venezuela operations impact | —% | — % | —% | — % | — % | — % | (11.5)% | — % | (0.6)% | (0.5)% |
| Venezuela remeasurement | —% | — % | —% | — % | — % | — % | 14.7 % | — % | — % | 0.6 % |
| Comparable growth | 0.5% | 6.0 % | 9.4% | 13.2 % | 5.5 % | (4.7)% | (3.7)% | 21.1 % | 171.8 % | 7.5 % |
| Foreign currency impact | —% | — % | —% | 0.8 % | 0.2 % | (1.3)% | (2.0)% | 3.6 % | (1.6)% | (0.1)% |
| Currency-neutral comparable growth | 0.5% | 6.0 % | 9.4% | 12.4 % | 5.3 % | (3.4)% | (1.7)% | 17.5 % | 173.4 % | 7.6 % |

Kellogg Company and Subsidiaries
Reconciliation of Non-GAAP Amounts - Reported Operating Margin to Currency-Neutral Comparable Operating Margin Exhibit 13

Year ended December 30, 2017

| | U.S. Morning Foods | U.S. Snacks | U.S. Specialty | North America Other | Total North America | Europe | Latin America | Asia Pacific | Corporate | Kellogg Consolidated | |
|---|----------------------------|----------------|-------------------|---------------------------|---------------------------|--------|------------------|-----------------|-----------|-------------------------|--------|
| | <i>Basis points change</i> | | | | | | | | | | % |
| Reported | 1.4 | (6.3) | 2.0 | 2.9 | (1.0) | 3.6 | 0.5 | 1.2 | — | 4.4 | 15.1 % |
| Mark-to-market | — | — | — | — | — | — | — | — | — | 2.4 | 0.4 % |
| Project K and cost reduction activities | 0.1 | (7.6) | 0.5 | 1.3 | (2.4) | 3.7 | 0.1 | (0.4) | — | 0.4 | (2.1)% |
| Integration and transaction costs | — | — | — | (0.1) | — | 0.1 | — | 0.3 | — | 0.1 | — % |
| Acquisitions/divestitures | — | — | — | (0.2) | (0.1) | (0.1) | — | — | — | (0.1) | (0.1)% |
| Shipping day differences | — | — | — | — | — | — | (0.3) | — | — | — | — % |
| Venezuela operations impact | — | — | — | — | — | — | (0.7) | — | — | — | — % |
| Venezuela remeasurement | — | — | — | — | — | — | 1.7 | — | — | 0.1 | — % |
| Comparable | 1.3 | 1.3 | 1.5 | 1.9 | 1.5 | (0.1) | (0.3) | 1.3 | — | 1.5 | 16.9 % |
| Foreign currency impact | — | — | — | — | — | (0.1) | (0.3) | — | — | (0.1) | (0.1)% |
| Currency-neutral comparable | 1.3 | 1.3 | 1.5 | 1.9 | 1.5 | — | — | 1.3 | — | 1.6 | 17.0 % |

Kellogg Company and Subsidiaries

Reconciliation of Non-GAAP Amounts - Reported Diluted EPS to Currency-Neutral Comparable Diluted EPS

Exhibit 14

| | Quarter ended | | | Year ended | | |
|---|----------------------|----------------------|----------------|----------------------|----------------------|----------------|
| | December 30, 2017 | December 31, 2016 | Growth rate | December 30, 2017 | December 31, 2016 | Growth rate |
| Reported EPS | \$ 1.23 | \$ (0.15) | 920.0% | \$ 3.62 | \$ 1.96 | 84.7% |
| Mark-to-market (pre-tax) | 0.47 | (0.64) | | 0.13 | (0.74) | |
| Project K and cost reduction activities (pre-tax) | (0.07) | (0.46) | | (0.75) | (0.92) | |
| Debt redemption (pre-tax) | — | — | | — | (0.43) | |
| Integration and transaction costs (pre-tax) | (0.01) | (0.02) | | (0.01) | (0.03) | |
| Venezuela operations impact (pre-tax) | — | 0.01 | | — | 0.02 | |
| Venezuela deconsolidation (pre-tax) | — | (0.20) | | — | (0.20) | |
| Venezuela remeasurement (pre-tax) | — | — | | — | (0.03) | |
| Income tax impact applicable to adjustments, net* | (0.11) | 0.25 | | 0.22 | 0.57 | |
| U.S. Tax Reform adoption impact | (0.01) | — | | (0.01) | — | |
| Comparable EPS | 0.96 | 0.91 | | 4.04 | 3.72 | |
| Foreign Exchange | 0.02 | — | | (0.02) | — | |
| Currency-Neutral Comparable EPS | \$ 0.94 | \$ 0.91 | 3.3% | \$ 4.06 | \$ 3.72 | 9.1% |

Kellogg Company and Subsidiaries

Reconciliation of Non-GAAP Amounts - Reported Cash Flow to Kellogg-Defined Cash Flow (a)

Exhibit 15

| (unaudited) | Year ended | | |
|--|----------------------|----------------------|--------------------|
| | December 30, 2017 | December 31, 2016 | January 2, 2016 |
| Operating Activities | | | |
| Net Income | \$ 1,269 | \$ 695 | \$ 614 |
| Adjustments to reconcile net income to operating cash flows: | | | |
| Depreciation and amortization | 481 | 517 | 534 |
| Postretirement benefit plan expense | (427) | 198 | 320 |
| Deferred income taxes | (56) | (26) | (169) |
| Stock compensation | 66 | 63 | 51 |
| Venezuela deconsolidation | — | 72 | — |
| Venezuela remeasurement | — | 11 | 169 |
| VIE deconsolidation | — | — | (49) |
| Non current income taxes payable | 144 | (12) | (21) |
| Other | 27 | (62) | 8 |
| Postretirement benefit plan contributions | (44) | (33) | (33) |
| Changes in operating assets and liabilities, net of acquisitions | 186 | 205 | 267 |
| Net cash provided by (used in) operating activities | 1,646 | 1,628 | 1,691 |
| Less: | | | |
| Additions to properties | (501) | (507) | (553) |
| Cash flow (operating cash flow less property additions) (a) | \$ 1,145 | \$ 1,121 | \$ 1,138 |

(a) Cash flow is defined as net cash provided by operating activities less capital expenditures. We use this non-GAAP financial measure to focus management and investors on the amount of cash available for debt repayment, dividend distributions, acquisition opportunities and share repurchase.

Kellogg Company and Subsidiaries
Reconciliation of Non-GAAP Amounts - 2018 Full Year Guidance*

Exhibit 16

| Impact of certain items excluded from non-GAAP guidance: | Net Sales | Operating Profit | Effective Tax Rate | Earnings Per Share |
|---|------------------|-------------------------|---------------------------|---------------------------|
| Project K and cost restructuring activities | | \$90-110M | | \$0.27-0.32 |
| Income Tax benefit applicable to adjustments, net** | | | | \$0.05-0.06 |
| Adjusted, currency-neutral guidance | Flat | 4-6% | 20-21% | 9-11% |

* 2018 full year guidance for net sales, operating profit, and earnings per share are provided on a non-GAAP basis only because certain information necessary to calculate such measures on a GAAP basis is unavailable, dependent on future events outside of our control and cannot be predicted without unreasonable efforts by the Company. The Company is providing quantification of known adjustment items where available.

** Represents the estimated income tax effect on the reconciling items, using weighted-average statutory tax rates, depending upon the applicable jurisdiction.

Reconciliation of Non-GAAP amounts - Cash Flow Guidance
(billions)

| | Approximate Full Year 2018 |
|---|-----------------------------------|
| Net cash provided by (used in) operating activities | \$1.7 - \$1.8 |
| Additions to properties | ~(\$.5) |
| Cash Flow | \$1.2 - \$1.3 |

Pension and Post-Retirement Benefit Costs Accounting Change

| 2017 (\$ millions) increase/(decrease) | Cost of goods sold | Selling, general, & administrative expenses | Other income (expense) | Net Income |
|--|-----------------------|--|---------------------------|------------|
| Mark-to-market/Restructuring | 156 | 118 | 274 | — |
| All Other | 169 | 99 | 268 | — |
| Total | 325 | 217 | 542 | — |

Product Transfer Between Reporting Segments

| 2017 (\$ millions) increase/(decrease) | U.S. Morning Foods | U.S. Snacks | Total North America |
|--|-----------------------|-------------|------------------------|
| Net Sales | | (52) | 52 |
| Operating Profit | | (27) | 27 |

Exhibit 18 - Significant items impacting comparability (Page 1 of 2)

Mark-to-market accounting for pension plans, commodities and certain foreign currency contracts

For 2017 we recognized mark-to-market adjustments for pension plans, commodity contracts, and certain foreign currency contracts as incurred. Actuarial gains/losses for pension plans were recognized in the year they occur. Changes between contract and market prices for commodities contracts and certain foreign currency contracts result in gains/losses that were recognized in the quarter they occur. We recorded a pre-tax mark-to-market benefit of \$163 million and \$45 million for the quarter and year-to-date periods ended December 30, 2017, respectively, and a pre-tax mark-to-market charge of \$226 million and \$261 million for quarter and year-to-date periods ended December 31, 2016, respectively. Included within the aforementioned charges was a pre-tax mark-to-market benefit for pension plans of \$159 million and \$86 million for the quarter and year-to-date periods ended December 30, 2017, respectively, and a pre-tax mark-to-market charge of \$251 million and \$314 million for the quarter and year-to-date periods ended December 31, 2016, respectively.

Project K and cost reduction activities

In February 2017, the Company announced an expansion and an extension to its previously-announced global efficiency and effectiveness program ("Project K"). Project K continued generating a significant amount of savings used to invest in key strategic areas of focus for the business and drove growth in the business. We recorded pre-tax charges related to this program of \$22 million and \$260 million for the quarter and year-to-date periods ended December 30, 2017, respectively. We also recorded pre-tax charges of \$157 million and \$300 million for the quarter and year-to-date periods ended December 31, 2016, respectively.

In support of the ZBB initiative, we incurred pre-tax charges of \$2 million and \$3 million for the quarter and year-to-date periods ended December 30, 2017. We also incurred pre-tax charges of \$4 million and \$25 million for the quarter and year-to-date periods ended December 1, 2016, respectively.

Debt redemption

During the quarter ended April 2, 2016, we redeemed \$475 million of our 7.45% U.S. Dollar Debentures due 2031. In connection with the debt redemption, we incurred \$153 million of interest expense, consisting primarily of a premium on the tender offer and also including accelerated losses on pre-issuance interest rate hedges, acceleration of fees and debt discount on the redeemed debt and fees related to the tender offer.

Integration and transaction costs

For various acquisitions in the years presented, we recorded pre-tax integration costs of \$3 million and \$5 million for the quarter and year-to-date periods ended December 30, 2017, respectively, and \$9 million and \$12 million for the quarter and year-to-date periods ended December 31, 2016, respectively.

Acquisitions

In December 2016, the Company acquired Ritmo Investimentos, controlling shareholder of Parati S/A, Afical Ltda and Padua Ltda ("Parati Group"), a leading Brazilian food group. In our Latin America reportable segment, for the quarter ended December 30, 2017 the acquisition added \$62 million in net sales and \$10 million of operating profit (before integration costs) that impacted the comparability of our reported results. For the year-to-date period ended December 30, 2017 the acquisition added \$203 million in net sales and \$25 million of operating profit (before integration costs) that impacted the comparability of our reported results.

In October of 2017, the Company acquired Chicago Bar Company LLC manufacturer of RXBAR, a high protein snack bar made of simple ingredients. In our North America Other reportable segment, for the quarter and year-to-date periods ended December 30, 2017 the acquisition added \$27 million in net sales and \$3 million of operating profit (before integration costs) that impacted the comparability of our reported results.

Exhibit 18 - Significant items impacting comparability (Page 2 of 2)

Shipping day differences

In December 2017, we eliminated a one-month timing difference in reporting of financial results for the Parati Group. This update resulted in an additional month of financial results being reported in the quarter and year-to-date period ended December 30, 2017. which included \$14 million of net sales that impacted the comparability of our reported results.

Venezuela

There was a material change in the business environment, including a worsening of our access to key raw materials subject to restrictions, and a related significant drop in production volume in the fourth quarter of 2016. These supply chain disruptions, along with other factors such as the worsening economic environment in Venezuela and the limited access to dollars to import goods through the use of any of the available currency mechanisms, have impaired our ability to effectively operate and fully control our Venezuelan subsidiary.

As of December 31, 2016, we deconsolidated and changed to the cost method of accounting for our Venezuelan subsidiary. For the quarter ended December 31, 2016 the deconsolidation reduced net sales by \$8 million and operating profit by \$1 million which impacted the comparability of our reported results. For the year-to-date period ended December 1, 2016 the deconsolidation reduced net sales by \$31 million and operating profit by \$9 million which impacted the comparability of our reported results.

In 2016 certain non-monetary assets related to our Venezuelan subsidiary continued to be remeasured at historical exchange rates. As these assets were utilized by our Venezuelan subsidiary during 2016 they were recognized in the income statement at historical exchange rates resulting in an unfavorable impact. As a result of the utilization of the remaining non-monetary assets, we experienced an unfavorable pre-tax impact of approximately \$11 million for the year-to-date period ended December 31, 2016, primarily impacting COGS.

Foreign currency translation

We evaluate the operating results of our business on a currency-neutral basis. We determine currency-neutral operating results by dividing or multiplying, as appropriate, the current-period local currency operating results by the currency exchange rates used to translate our financial statements in the comparable prior-year period to determine what the current period U.S. dollar operating results would have been if the currency exchange rate had not changed from the comparable prior-year period.