Kellogg Company Turns 114

February 19, 1906
Agenda

On Strategy, On Plan
Steve Cahillane
Chairman & CEO

Balanced Growth in North America
Chris Hood
President, North America

Balanced Financial Delivery
Amit Banati
Chief Financial Officer

Forward-Looking Statements

This presentation contains, or incorporates by reference, “forward-looking statements” with projections concerning, among other things, the Company’s restructuring programs, the integration of acquired businesses, our strategy, financial principles, and plans; initiatives, improvements and growth; sales, margins, advertising, promotion, merchandising, brand building, operating profit, and earnings per share; innovation; investments; capital expenditures; asset write-offs and expenditures and costs related to productivity or efficiency initiatives; the impact of accounting changes and significant accounting estimates; our ability to meet interest and debt principal repayment obligations; minimum contractual obligations; future common stock repurchases or debt reduction; effective income tax rate; cash flow and core working capital improvements; interest expense; commodity and energy prices; and employee benefit plan costs and funding. Forward-looking statements include predictions of future results or activities and may contain the words “expect,” “believe,” “will,” “can,” “anticipate,” “estimate,” “project,” “should,” or words or phrases of similar meaning.

The Company’s actual results or activities may differ materially from these predictions. The Company’s future results could be affected by a variety of factors, including the ability to implement Project K, including exiting our Direct-Store-Door distribution system, whether the expected amount of costs associated with Project K will exceed forecasts, whether the Company will be able to realize the anticipated benefits from Project K in the amounts and times expected, the ability to realize the benefits we expect from the adoption of zero-based budgeting in the amounts and at the times expected, the ability to realize anticipated benefits from revenue growth management, the ability to realize the anticipated benefits and synergies from acquired businesses in the amounts and at the times expected, the impact of competitive conditions; the effectiveness of pricing, advertising, and promotional programs; the success of innovation, renovation and new product introductions; the recoverability of the carrying value of goodwill and other intangibles; the success of productivity improvements and business transitions; commodity and energy prices; labor costs; disruptions or inefficiencies in supply chain; the availability of and interest rates on short-term and long-term financing; actual market performance of benefit plan trust investments; the levels of spending on systems initiatives, properties, business opportunities, integration of acquired businesses, and other general and administrative costs; changes in consumer behavior and preferences; the effect of U.S. and foreign economic conditions on items such as interest rates, statutory tax rates, currency conversion and availability; legal and regulatory factors including changes in food safety, advertising and labeling laws and regulations; the ultimate impact of product recalls; adverse changes in global climate or extreme weather conditions; business disruption or other losses from natural disasters, war, terrorist acts, or political unrest; and other items.

Forward-looking statements speak only as of the date they were made, and the Company undertakes no obligation to update them publicly.

This presentation includes non-GAAP financial measures. Please refer to the earnings press release, which is available on the Investor Relations page on the Company's website, www.Kelloggcompany.com, for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures. Management believes that the use of such non-GAAP measures assists investors in understanding the underlying operating performance of the company and its segments.
On Strategy, On Plan
Steve Cahillane, Chairman & Chief Executive Officer

We Enter 2020 With...

- Clear progress on Deploy For Growth strategy
- A stronger portfolio
- Restored top-line growth
- Sequential improvement in profitability
- A stronger balance sheet
Execution – Driving Actions & Results

Win Through Occasions
- More and better innovation
- On-the-go and affordable pack formats
- Revenue Growth Management capabilities

Shape a Growth Portfolio
- Divestiture of non-core businesses
- Local production in emerging markets
- Noodles in Africa

Build World Class Brands
- Momentum and share gains in key brands
- Revitalized additional brands

Deliver Perfect Service & Store
- Reorganized into single U.S. salesforce
- Improved service levels
- Strong retailer survey scores

Portfolio – Focused & Strengthened

% of Total Net Sales, 2019

- Sustained momentum
- Broadened portfolio and enhanced route-to-market
- Increased local production

- Rapid growth in plant-based meat alternatives
- Steady growth in “From the Griddle”

- Harmonized pack-sizes in U.S.
- Categories stabilized in U.K. and Australia

- Grew advantaged brands in advantaged categories
- Growth on growth in 2019
Results – Broad-Based and Led by Biggest Brands

Net Sales Growth, Organic Basis

<table>
<thead>
<tr>
<th>Region</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latin America</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AMEA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Kellogg</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Organic net sales growth excludes the impact of foreign currency translation, acquisitions, divestitures, and changes in shipping days.

Investment – 2018 Brand Revitalization

Brand Building Investment *

2018 incremental investment was focused on revitalizing our biggest snacks brands...

...and drove improved consumption even after lapping the incremental investment:

<table>
<thead>
<tr>
<th>Brand</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pringles</td>
<td>(5)%</td>
<td>+7%</td>
<td>+3%</td>
</tr>
<tr>
<td>Cheez-It</td>
<td>+1%</td>
<td>+5%</td>
<td>+14%</td>
</tr>
<tr>
<td>Pop-Tarts</td>
<td>(4)%</td>
<td>0%</td>
<td>+10%</td>
</tr>
<tr>
<td>Rice Krispies Treats</td>
<td>+4%</td>
<td>+15%</td>
<td>+16%</td>
</tr>
</tbody>
</table>

Source: Nielsen, xAOC

* Brand Building is defined as Advertising and Consumer Promotion
**Investment – 2020 Brand Revitalization**

*Brand Building Investment*

2020 incremental investment is a more modest increase than 2019’s...

...and is aimed at revitalizing different brands in our portfolio

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**Now Deploying For Balanced Growth**

*Top-Line Growth:*
Sustained Organic Growth in Net Sales

*Profitability:*
Continued Improvement in Gross Profit Margin

*Investment:*
Increase in Brand Building

*Financial Flexibility:*
Cash Flow Growth & Deleveraging
Building Toward Balanced Growth

Chris Hood, President, Kellogg North America

2019: A Year of Change for Kellogg North America

Restructured Our Organization
- One U.S. salesforce
- No business-unit silos
- Fewer layers

Revamped Our Portfolio
- Divested non-core businesses
- Phasing out non-core offerings

Enhanced Capabilities
- Accelerated innovation
- Harmonized cereal packs
- Shifted production
- Overhauled processes

Better resource allocation
Better execution
Better service

Better focus
Better growth
Better profitability

Better growth
Better profitability
Better service
What’s Different Going Into 2020

**Portfolio**
More focused on advantaged categories and brands

**Execution**
Leveraging new structure and enhanced capabilities

**Momentum**
Accelerated consumption growth, led by snacks and frozen

**Supply Chain**
Capacity for growing foods and pack formats

**Investment**
Incremental funding for revitalizing additional brands

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**Portfolio – More Focused on Advantaged Categories**

Total Category Growth, U.S. Retail Sales, % Change Versus Prior Year

- **Cereal Category**
  - 2018: -1.2%
  - 2019: -0.9%

- **Crackers Category**
  - 2018: 4.3%
  - 2019: 1.9%

- **Salty Snacks Category**
  - 2018: 4.2%
  - 2019: 4.1%

- **Portable Wholesome Snacks Category**
  - 2018: 2.9%
  - 2019: 3.3%

- **Frozen Griddle Category**
  - 2018: 2.2%
  - 2019: 4.2%

- **Frozen Veg/Vegan Category**
  - 2018: 11.3%
  - 2019: 4.2%

Source: Nielsen, xAOC
**Momentum – Accelerated Consumption Growth**

Kellogg U.S. Retail Sales, % Change Versus Prior Year, Top Categories *

- **Accelerated Collective Growth in Core Categories**
- **Divested Non-Core Categories**

*Top Categories in 2016-2018 included ready-to-eat cereal, crackers, salty snacks, portable wholesome snacks, frozen syrup carriers, frozen veg/vegan foods, cookies and fruit snacks. In 2019, Top Categories included all of the same, except for cookies and fruit snacks.*

**U.S. Snacks – Sustaining Growth Across Categories**

Kellogg Retail Sales, Year-On-Year Percent Change

Source: Nielsen, xAOC
**U.S. Snacks – Growing Our Biggest Brands**

*Kellogg U.S. Snacks, Retail Sales Growth *

<table>
<thead>
<tr>
<th>Brand</th>
<th>2018 Sales</th>
<th>2019 Sales</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pringles</td>
<td>7.0%</td>
<td>2.9%</td>
<td>-5.0%</td>
</tr>
<tr>
<td>Cheez-It</td>
<td>5%</td>
<td>+14%</td>
<td></td>
</tr>
<tr>
<td>Rice Krispies TREATS</td>
<td>+10%</td>
<td>+16%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Nielsen, x-AOC

* Total Kellogg Snacks figures for 2019 includes the categories of Portable Wholesome Snacks, Crackers, and Salty Snacks; the 2018 data additionally includes the categories of Cookies and Fruit Snacks.

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**Growth on Growth in 2020**

**Recent Trends**

U.S. Retail Sales Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>+5.0%</td>
</tr>
<tr>
<td>2018</td>
<td>7.0%</td>
</tr>
<tr>
<td>2019</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

Source: Nielsen, x-AOC
**CHEEZ-IT** – Sustain Momentum in 2020

![Recent Trends Chart](chart)

- **U.S. Retail Sales Growth**
  - 2017: 0.7%
  - 2018: 4.6%
  - 2019: 14.2%

Source: Nielsen, xAOC

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**RICE KRISPIES TREATS** – Sustain Momentum in 2020

![Recent Trends Chart](chart)

- **U.S. Retail Sales Growth**
  - 2017: 4.1%
  - 2018: 14.7%
  - 2019: 16.2%

Source: Nielsen, xAOC
Sustain Momentum in 2020

Recent Trends
U.S. Retail Sales Growth

Source: Nielsen, xAOC

Resume Strong Growth in 2020

Source: Nielsen, xAOC
U.S. Cereal – Back to Investment
Change in Share Versus Year Ago

Source: Nielsen, xAOC

U.S. Cereal – More Taste & Fun
U.S. Cereal – Bigger, Bolder Programs

BUY A BOX
SUPPORT THE MISSION

HELPED OVER
290,000 KIDS
AS OF NOVEMBER 20th

U.S. Cereal – Wellness Awareness & Sharper Claims

Did you Know?

Kellogg’s has 11g OF PROTEIN
with 5g from milk
5g from cereal

Kellogg’s has HIGH FIBER

Kellogg’s has 5g OF SUGAR
or less
U.S. Cereal – Refreshed Brand Positionings

TASTY WAY
To get your fiber EVERYDAY

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U.S. Cereal – More Natural & Organic, More Simple Ingredients

KELLOGG COMPANY | CAGNY 2020
U.S. Cereal – New Occasions

- Wellness awareness
- New pack harmonized brands
- Big sporting events
- Big Movie Releases

U.S. Cereal – More & Better Merchandising

- Wellness awareness
- Big sporting events
- Cross-promotion of pack-harmonized brands
- Big Movie Releases
Growth on Growth in U.S.

Recent Trends
U.S. Retail Sales Growth

Source: Nielsen, xAOC

On Trend, On Strategy

Recent Trends
U.S. Retail Sales Growth

Source: Nielsen, xAOC
– Launching Incogmeato

Premium MorningStar Farms endorsed brand crafted to deliver a ‘Just Like Meat’ Experience

Driving Household Penetration with the Flexitarian by addressing core trial barrier: TASTE

Shelved right next to its meat counterpart

Away From Home

| #1 | Treat Bar Brand in Foodservice |
| #1 | Whole Grain Treat Bar in K-12 |
| #2 | Portable Wholesome Snack Item in C-Store (1.3 oz.) |

| #1 | Cracker Brand in C-Store |
| #1 | Specialty Cracker Brand in Foodservice |

| #1 | Cereal Bar Brand in Foodservice |
| #1 | Cereal Bar Brand in Healthcare & Lodging |
| #1 | Whole Grain Cereal Bar Brand in K-12 |

| #1 | Toaster Pastry Brand in K-12 |
| #1 | Whole Grain Toaster Pastry Brand in K-12 |
| #1 | Toaster Pastry Brand in C-Store |

| #2 | Waffle/Pancake Brand in K-12 |

Sources: Foodservice – NPD, 12 Months Ended December 2019; C-Store – Nielsen AOD, Total U.S. Convenience, 26 Weeks Ended 1/11/20
North America – Improving Performance in 2020

**Improving Top-Line**
- Continued growth in snacks
- Better year for cereal
- Continued growth in frozen

**Improving Profitability**
- Productivity
- RGM
- Gradual improvement in gross margin

**Increasing Investment**
- Revitalize cereal brands
- Restore RX advertising
- Launch Incogmeato
- Capacity for growth

Deploying For *Balanced* Growth

Amit Banati, Chief Financial Officer
**Entering 2020 in Better Financial Condition**

**In 2019, we...**

- Returned to organic net sales growth
- Sequentially improved gross profit margin
- Invested for future
- Delivered on all financial guidance
- Strengthened balance sheet

* Organic net sales growth excludes the impact of foreign currency translation, acquisitions, divestitures, and changes in shipping days.

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**Pivoting to Balanced Financial Delivery**

- **2014-2017**: Project K & ZBB, Reduced Cost Structure
- **2018-2019**: Deploy For Growth, Restored Top-Line Growth
- **2020-Ongoing**: Deploy For Growth, Balance Top-Line Growth with Profitability & Cash Flow
Stronger Portfolio

Pie Chart is % of Total Net Sales in 2019; Bar Charts Represent Organic Net Sales Growth*

Developed Markets Frozen: On Track

Developed Markets Snacks: On Track

Developed Markets Cereal: Investing to Improve

Emerging Markets: Ahead of Pace

* Organic net sales growth excludes the impact of foreign currency translation, acquisitions, divestitures, and changes in shipping days.

Margin Expansion

Pie Chart is % of 2019 Company Net Sales; Boxes Indicate Drivers of Expansion in Operating Profit Margin Over Time

- Scale
- RGM/Mix
- Ongoing Productivity
- Operating leverage
- RGM/Mix
- Ongoing Productivity
- RGM/Mix
- Asset Utilization
- Return on Investment
- Ongoing Productivity

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Updated Operating Model

Cash Flow – Getting Back to Pre-Divestiture Levels

Drivers of Cash Flow Improvement:
- Fewer restructuring charges
- Continued core working capital management
- Flat to lower capital expenditure

Primary Uses of Cash Flow:
- Dividend
- Debt reduction

* Please refer to Q4 2019 earnings press release tables for reconciliation of non-GAAP measures to the most directly comparable GAAP measure.
2020: Building For Dependable Growth

- **Sustain organic net sales growth**
  - Sustain momentum in snacks, plant-based foods, emerging markets
  - Improve developed-markets cereal
  - Improve balance between volume and price

- **Sequentially improve gross profit margin**
  - Ramp up production in new facilities
  - Productivity
  - Revenue Growth Management

- **Invest for future**
  - Invest to win in developed-markets cereal
  - Launch *Incogmeato* meat alternatives sub-line
  - Increase support for key brands

- **Deliver on all financial guidance**
  - Net sales, operating profit, EPS, cash flow

- **Strengthen balance sheet**
  - Pay down debt

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**Balance & Dependability**

Steve Cahillane, Chairman & Chief Executive Officer
Balance & Dependability

**Balanced Financial Delivery**

A Dependable Investment in Your Portfolio

**Company with Heart & Soul**

A Company You’re Proud to Be Part Of

Socially & Environmentally Responsible

Kellogg Company is driving growth through purpose, addressing the interconnected issues of wellbeing, food security and climate to help end hunger and create Better Days for 3 billion people by the end of 2030.
In Summary...

- We’re doing what we said we’d do
- Our portfolio has been reshaped for growth
- Deploy For Growth has us winning again
- We are pivoting to balanced financial delivery
- We’re committed to our Heart & Soul legacy