



General Mills

**In A New
Phase of Growth**

This presentation contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 that are based on management's current expectations and assumptions. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the potential results discussed in the forward-looking statements. In particular, our predictions about future net sales and earnings could be affected by a variety of factors, including: competitive dynamics in the consumer foods industry and the markets for our products, including new product introductions, advertising activities, pricing actions and promotional activities of our competitors; economic conditions, including changes in inflation rates, interest rates or tax rates; product development and innovation; consumer acceptance of new products and product improvements; consumer reaction to pricing actions and changes in promotion levels; acquisitions or dispositions of businesses or assets; changes in capital structure; changes in laws and regulations, including changes in labeling and advertising regulations; changes in accounting standards and the impact of significant accounting estimates; product quality and safety issues, including recalls and product liability; changes in customer demand for our products; effectiveness of advertising, marketing and promotional programs; changes in consumer behavior, trends and preferences, including weight loss trends; consumer perception of health-related issues, including obesity; consolidation in the retail environment; changes in purchasing and inventory levels of significant customers; fluctuations in the cost and availability of supply chain resources, including raw materials, packaging and energy; disruptions or inefficiencies in the supply chain; benefit plan expenses due to changes in plan asset values and discount rates used to determine plan liabilities; resolution of uncertain income tax matters; foreign economic conditions, including currency rate fluctuations; and political unrest in foreign markets and economic uncertainty due to terrorism or war. The company undertakes no obligations to publicly revise any forward-looking statements to reflect future events or circumstances.



GENERAL MILLS STRATEGIC GROWTH PHASES

- 1928 Flour, Feed, Wheaties
- 1956 Food, Flour, Electronics, Specialty Chemicals
- 1966 Consumer Foods, Specialty Chemicals
- 1976 Consumer Foods, Restaurants, Toys, Fashion, Specialty Retailing, Furniture, Luggage, Collectible Coins & Stamps, Travel, Specialty Chemicals
- 1985 Consumer Foods, Restaurants, Specialty Retailing
- 1995 Consumer Foods
- 2001 Added Worldwide Pillsbury Businesses



GENERAL MILLS LONG-TERM GROWTH MODEL

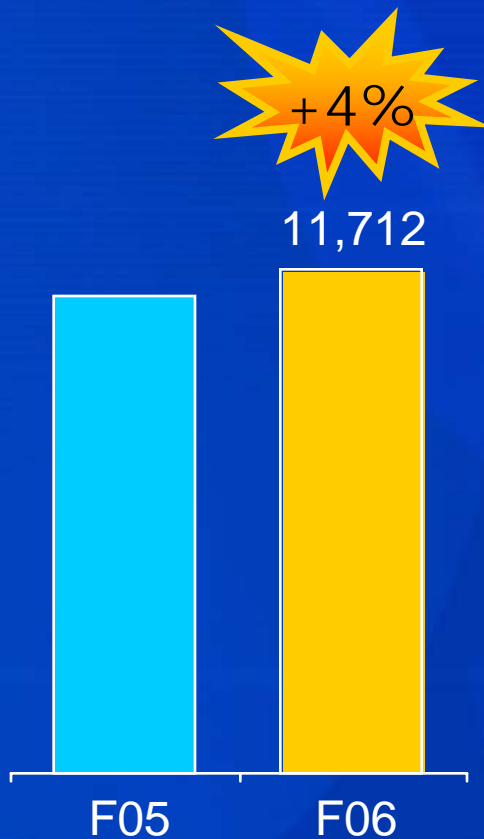
	<u>Compound Growth Rate</u>
Net Sales	Low Single Digit
Segment Operating Profit	Mid Single Digit
Diluted EPS	High Single Digit
+ Dividend Yield	
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Total Shareholder Return	Double Digit



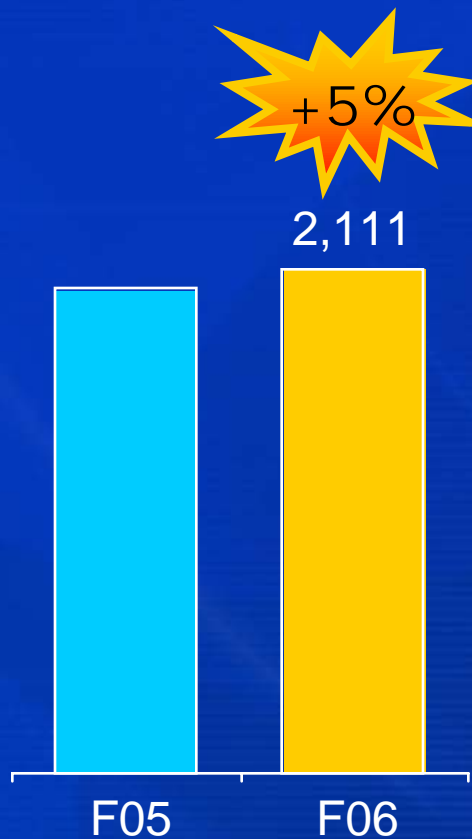
FISCAL 2006 RESULTS

(\$ in Millions, Except Per Share Data)

Net Sales



Segment Operating Profits*



Diluted EPS*

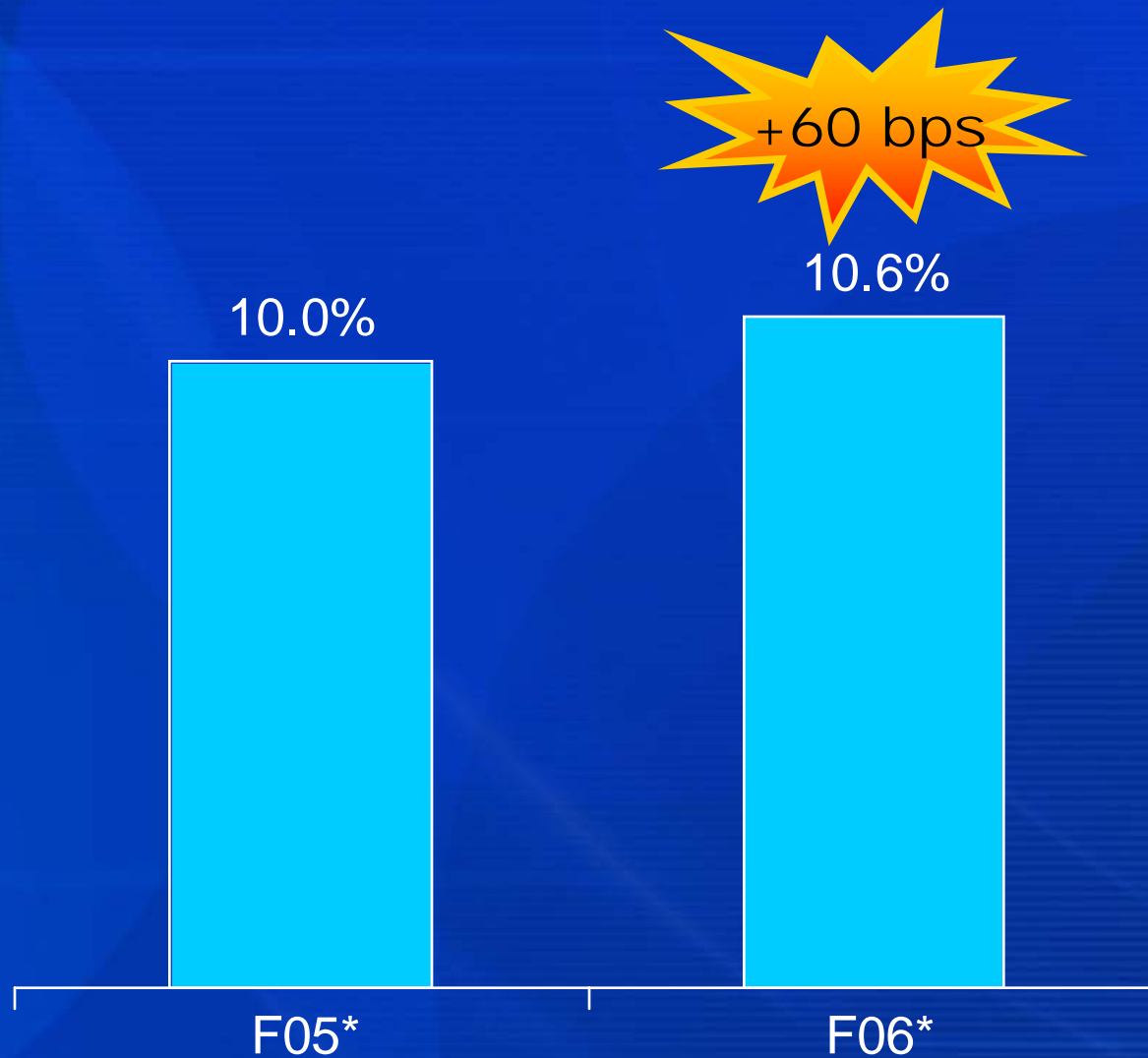


GENERAL MILLS

Excludes CoCo accounting impact, 2005 SVE/Lloyd's gain and bond buyback

* See slides 50 and 51 for reconciliation of these non GAAP measures

RETURN ON AVERAGE CAPITAL*



GENERAL MILLS

Excludes 2005 SVE/Lloyd's gain and bond buyback

* See slide 52 for reconciliation of this non GAAP measure

1Q 2007 FINANCIAL SUMMARY

(13 Wks. Ended Aug. 27, 2006;
\$ in Millions Except Per Share Data)

	<u>\$</u>	<u>% Change</u>
Net Sales	\$2,860	+7 %
Segment Operating Profit	532	+7
Earnings After Tax	267	+6
Diluted EPS	.74	+16
Diluted EPS, Excl. CoCos	.74	+9



GENERAL MILLS KEY GROWTH ATTRIBUTES

- An Advantaged Business Portfolio
- Health and Convenience Innovation Capabilities
- New Growth Opportunities in Retail, Foodservice and International
- Margin Strength and Expansion Potential



LEADING MARKET POSITIONS IN U.S. RETAIL CATEGORIES

(Fiscal 2006, \$ in Millions)

<u>Category</u>	<u>Category Sales</u>	<u>GMI Rank</u>
Ready-to-eat Cereal	\$7,750	2
Refrigerated Yogurt	3,690	1
Frozen Vegetables	2,320	1
Ready-to-serve Soup	1,800	2
Mexican Products	1,780	2
Granola Bars / Grain Snacks	1,760	2
Refrigerated Dough	1,670	1
Dessert Mixes	1,510	1
Frozen Hot Snacks	1,020	2
Frozen Baked Goods	940	1



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GENERAL MILLS

Source: ACNielsen Plus Wal ★ Mart

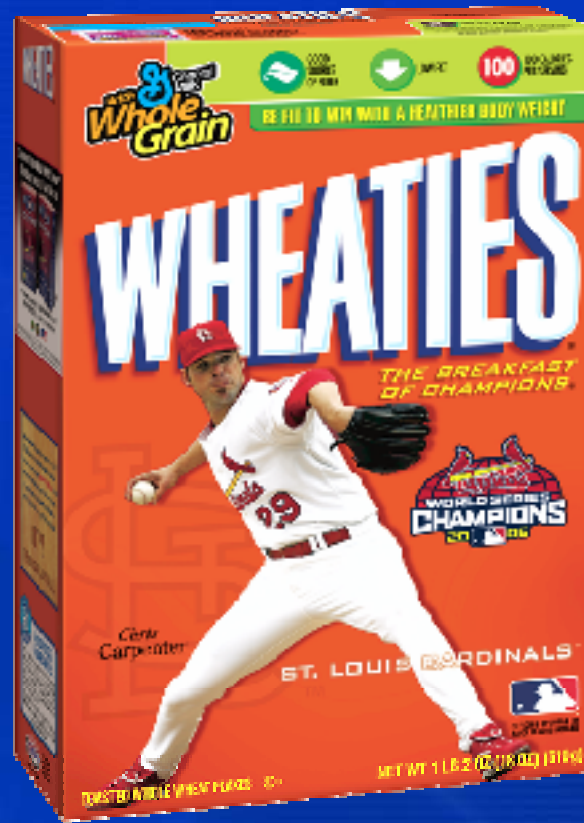
A GLOBAL PORTFOLIO WITH A HEALTHY ADVANTAGE



GENERAL MILLS

* Includes proportionate share of joint venture sales

READY-TO-EAT CEREALS

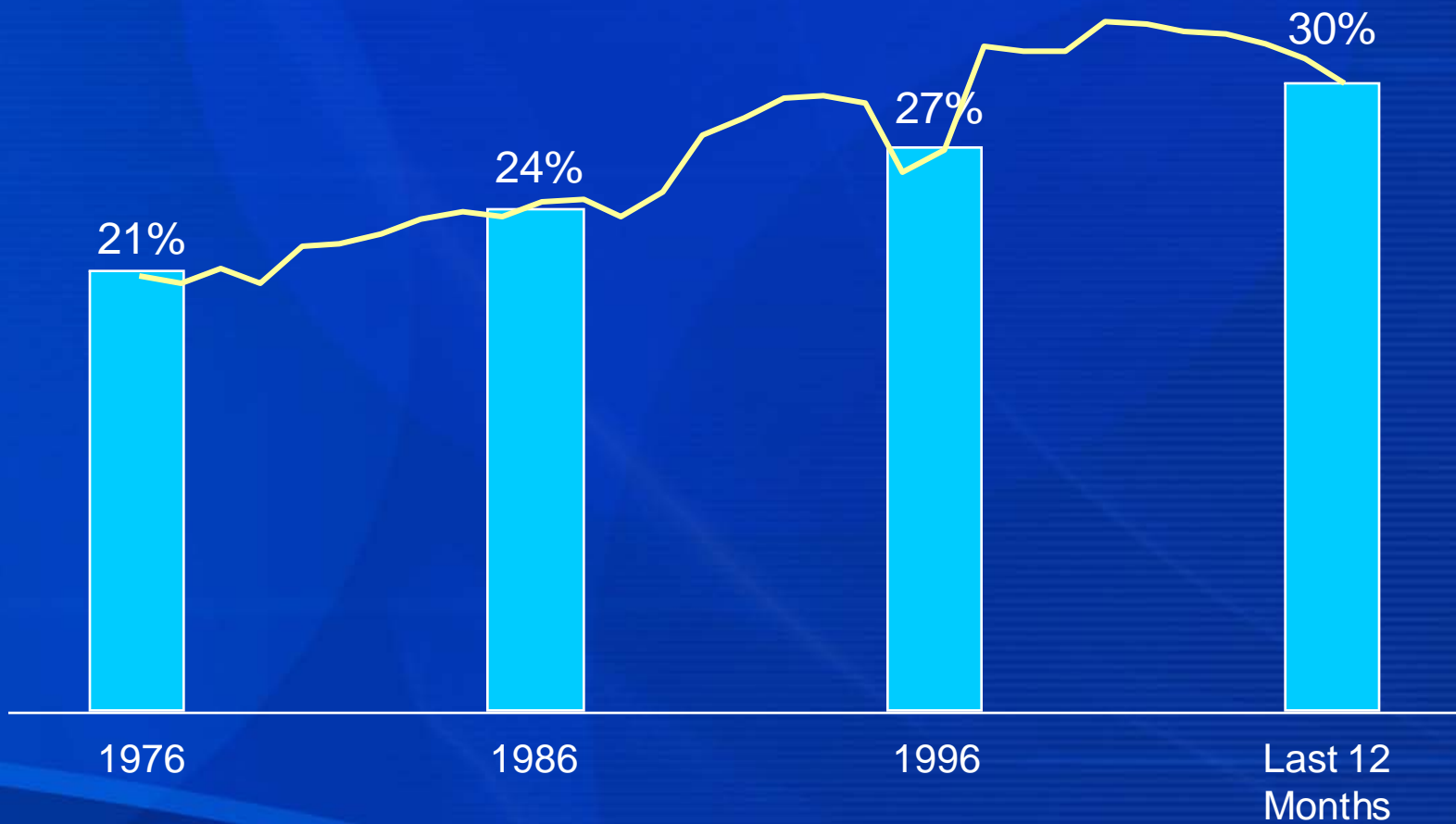


Entered U.S. Market in 1926



GENERAL MILLS

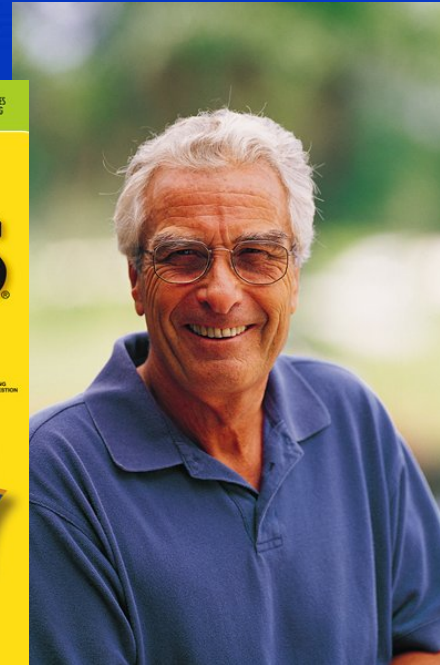
GENERAL MILLS U.S. CEREAL MARKET SHARE (Percent of Category \$ Sales)



GENERAL MILLS

Source: ACNielsen

THE CHEERIOS GROWTH STORY



Introduced in 1941

Dollar Sales Rank

#1 in U.S. Cereal Category

#1 with Adults 45+



GENERAL MILLS

Source: ACNielsen, NPD

THE CHEERIOS GROWTH STORY



Introduced in 1979

Dollar Sales Rank

#2 in U.S. Cereal Category

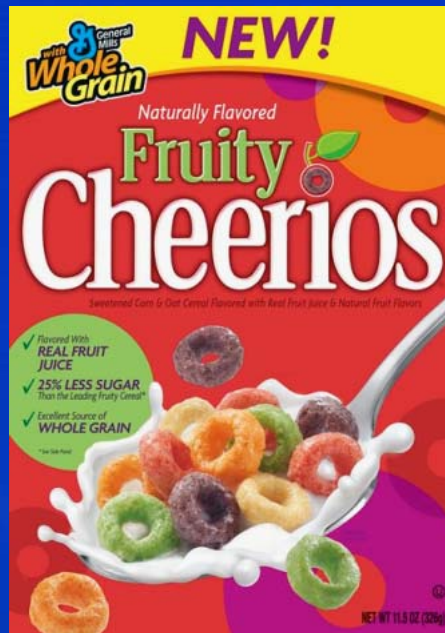
#3 with Adults 45+



GENERAL MILLS

Source: ACNielsen, NPD

CHEERIOS NEWS FOR KIDS



25% Less Sugar than Competitive Offerings
2 Grams of Fiber per Serving
16 Grams of Whole Grain per Serving

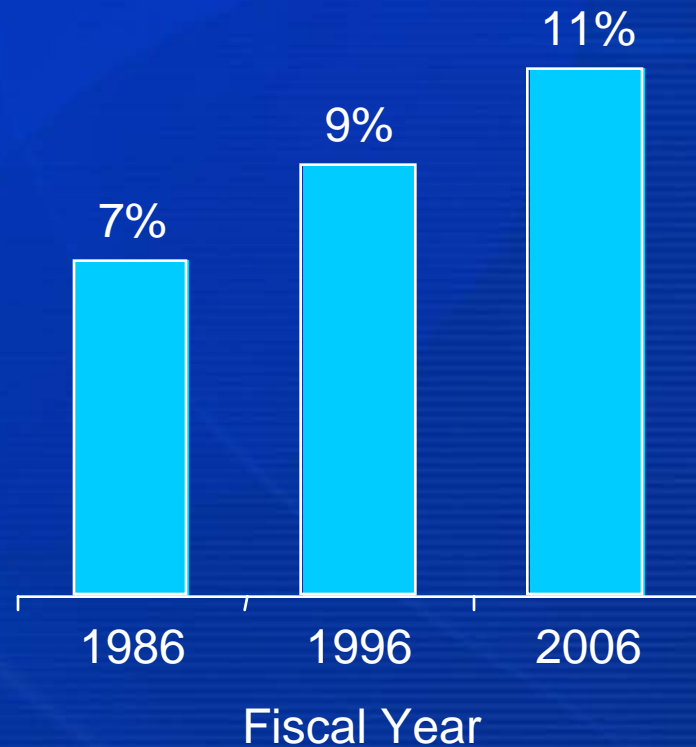


GENERAL MILLS

THE CHEERIOS GROWTH STORY



Franchise Dollar Share



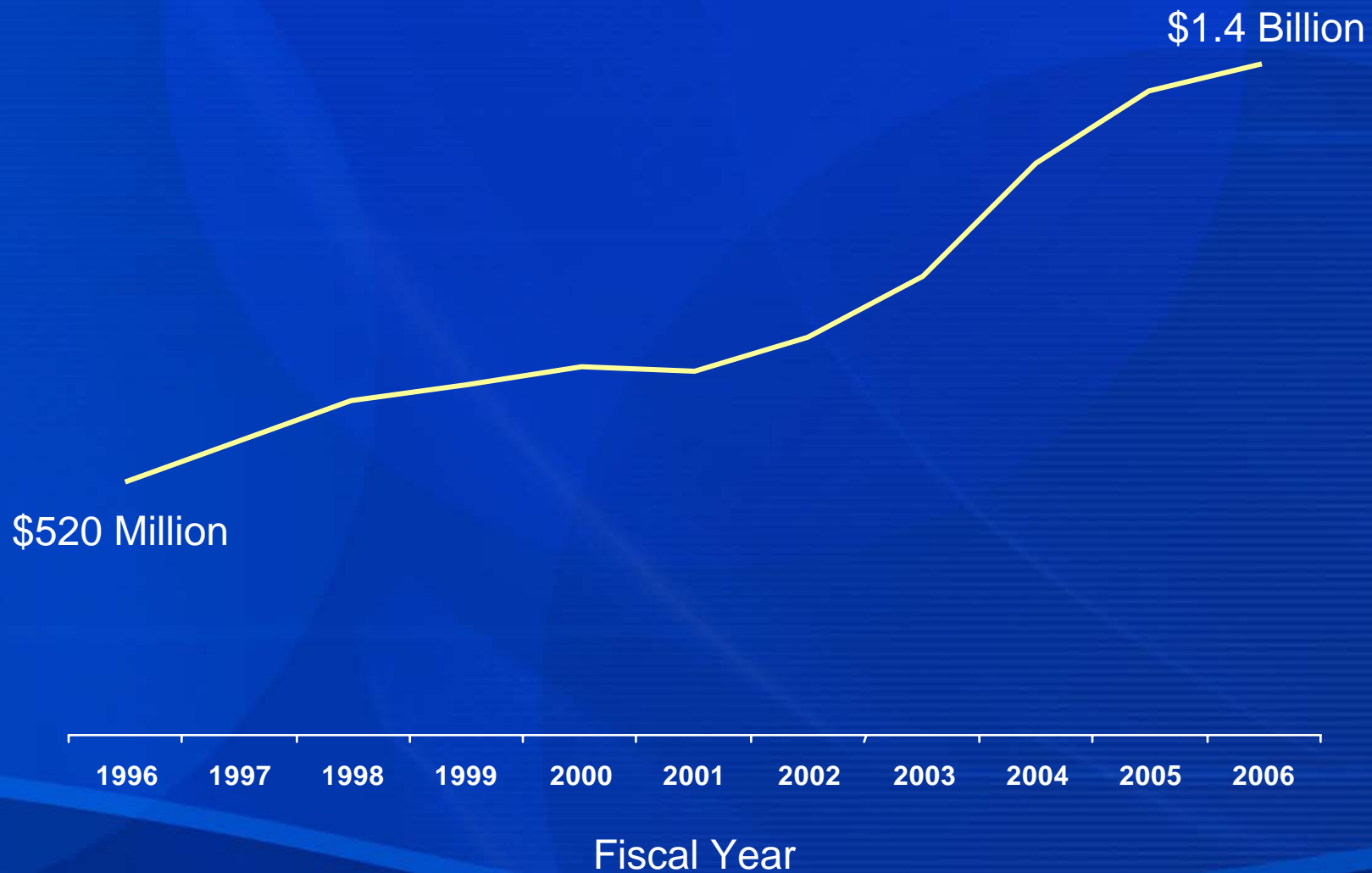
RECENT BIG G PROGRESS

- Merchandised Volume Back to Competitive Levels
- Baseline Volumes Growing
- Renewed Net Sales Growth
- New Product Pipeline Strong



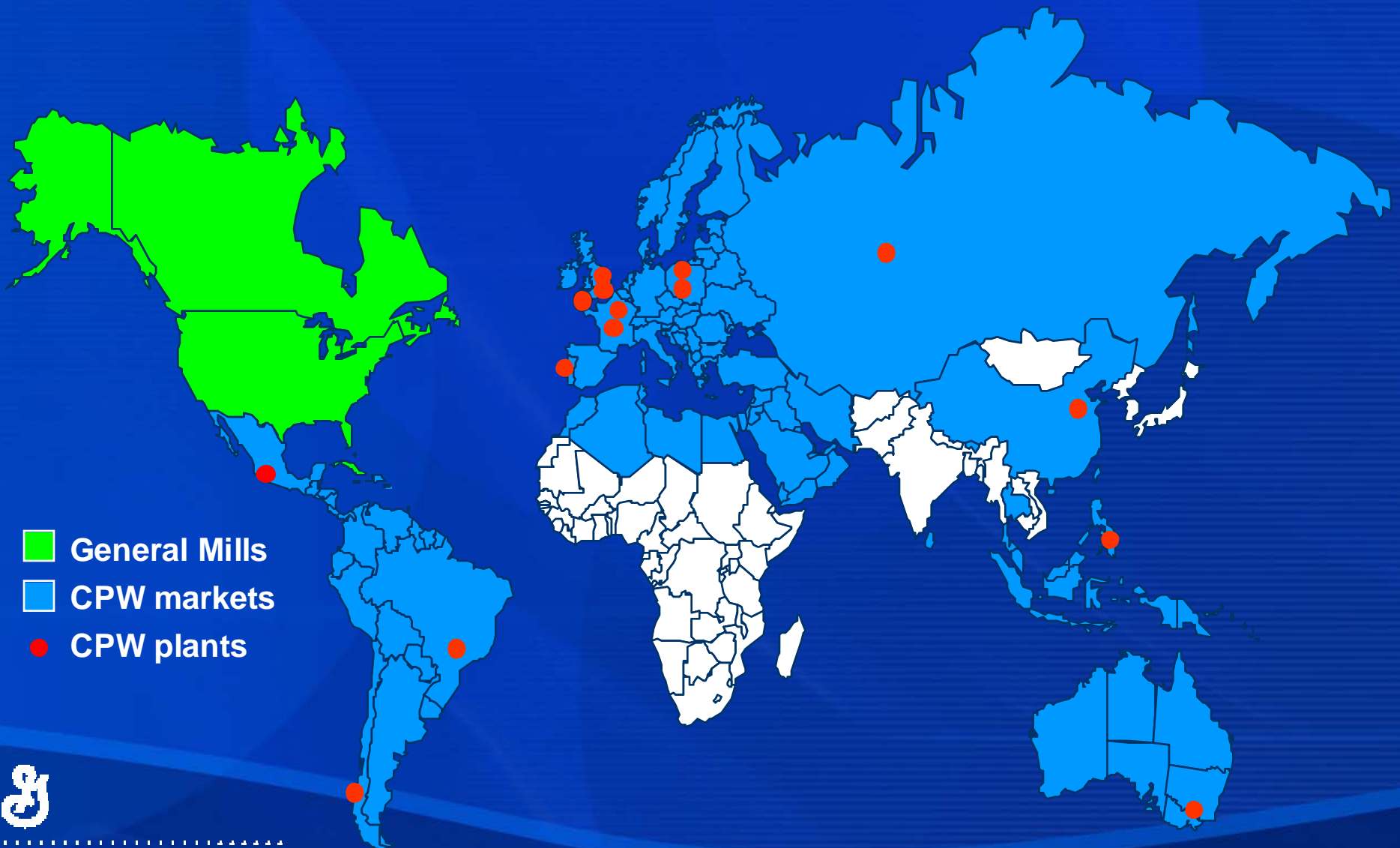
OUR INTERNATIONAL CEREAL BUSINESS CEREAL PARTNERS WORLDWIDE

(Net Sales , 100% Basis)



GENERAL MILLS

CPW IS IN 6 CONTINENTS, BUT WHITE SPACE REMAINS



- General Mills
- CPW markets
- CPW plants



GENERAL MILLS

CPW LEADS IN SOME MARKETS, SOLID #2 IN OTHERS

<u>Market Leader</u>	<u>2005 Value Share</u>	<u>Solid #2</u>	<u>2005 Value Share</u>
China	82	France	26
Turkey	76	Italy	26
Poland	74	United Kingdom	25
Southeast Asia	68	Australia*	18
Russia	56	Mexico	16
Chile	56		
Portugal	53		
Greece	41		



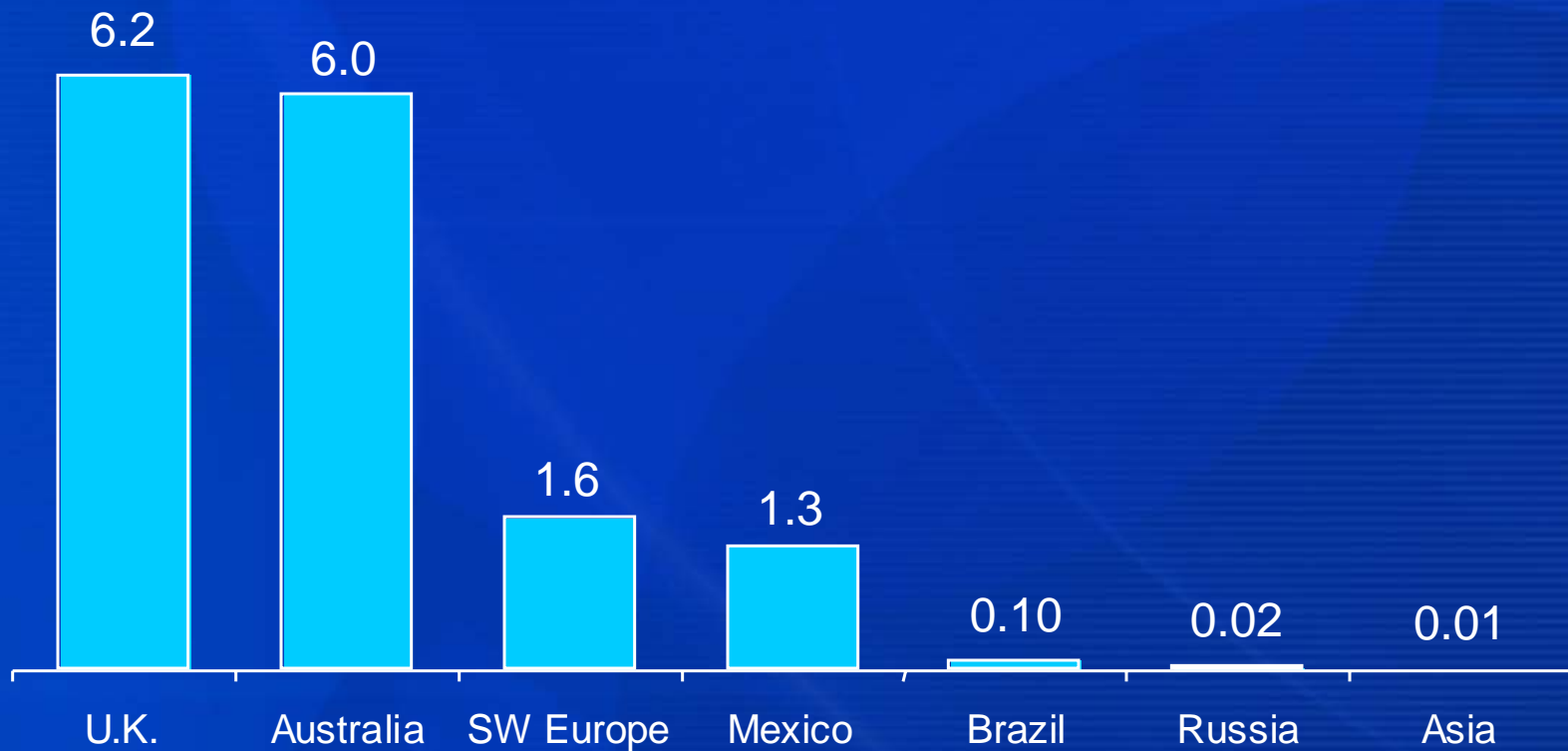
GENERAL MILLS

* Pro Foma for Unde Tobys Acquisition

Source: ACNielsen, IRI

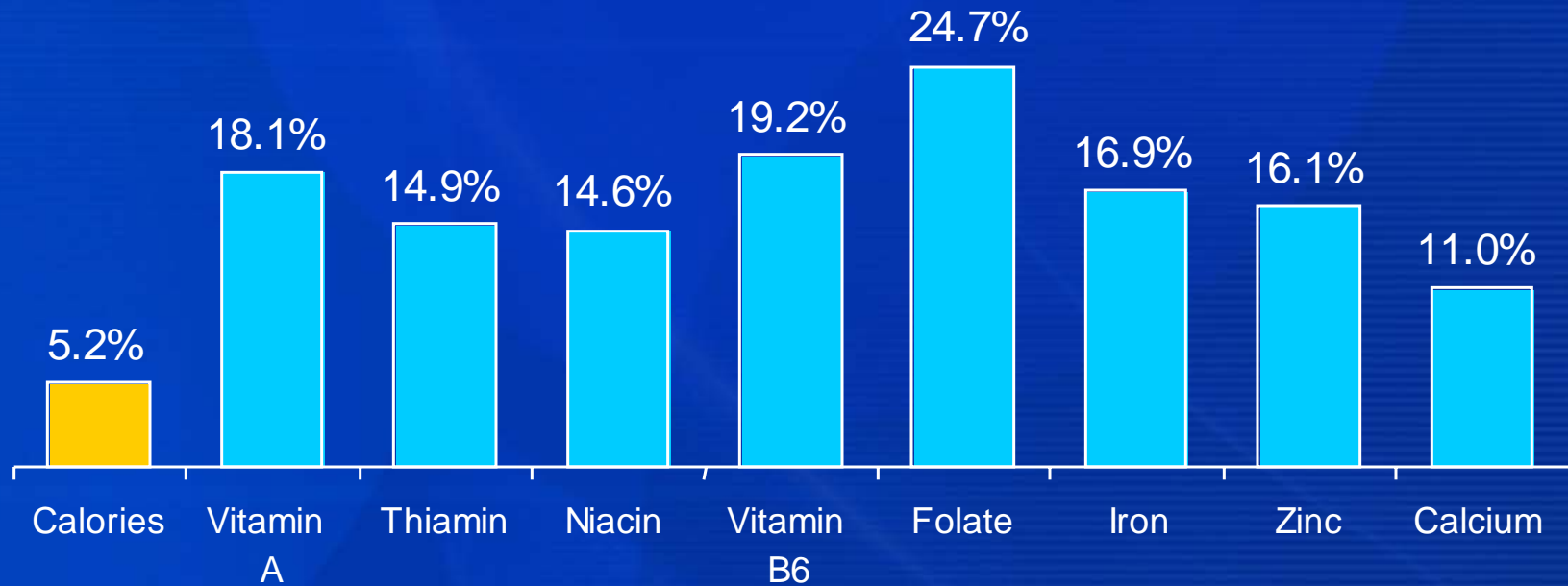
RTE CEREAL PER CAPITA CONSUMPTION IS STILL LOW IN MOST MARKETS

(KG per person)



CEREAL PROVIDES KEY NUTRIENTS

RTE Cereal's Contribution of Child's Daily Intake



GENERAL MILLS

Note: Pre-Sweetened Ready-to-eat Cereal plus Milk for Children Ages 4-12
Source: National Health and Nutrition Examination Survey (NHANES), 2001-02

GENERAL MILLS KEY GROWTH ATTRIBUTES

- An Advantaged Business Portfolio
- **Health and Convenience Innovation Capabilities**
- New Growth Opportunities in Retail, Foodservice and International
- Margin Strength and Expansion Potential



PRODUCTS WITH HEALTH BENEFITS

Health-related Improvements

Fiscal 2005 – 2007

20% of Product Line

Fiscal 2010 Goal

40% of Product Line



GENERAL MILLS

YOPLAIT YOGURT



- Retail Sales 2-year CGR
 - Total Yoplait +13%
 - Yoplait Light +31%



GENERAL MILLS

Source: ACNielsen Plus Wal ★ Mart

YOPLAIT KIDS YOGURT



- 25% Less Sugar Than Leading Kid Yogurts
- No Artificial Sweeteners

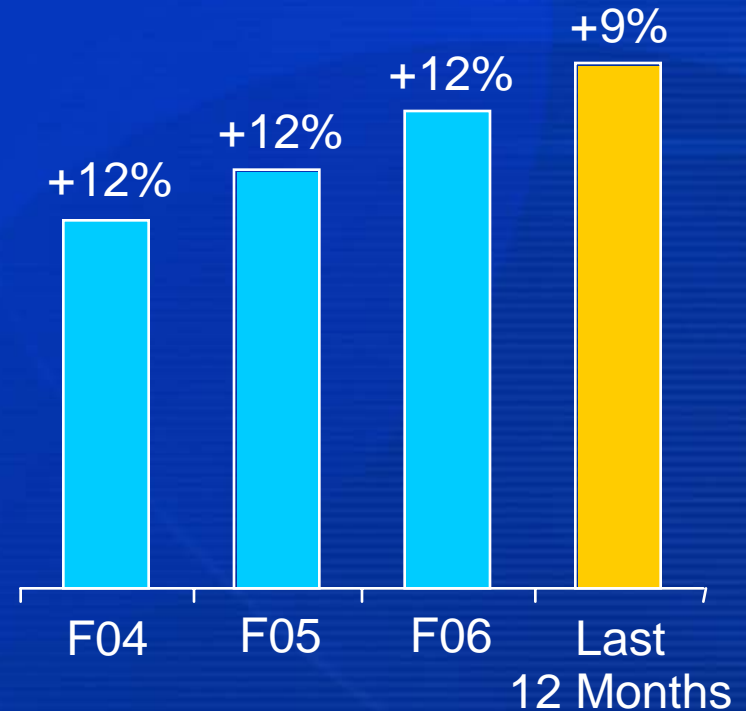


GENERAL MILLS

PROGRESSO SOUP



Retail Dollar Sales Growth



- 32 Varieties with 100 Calories or Less per Serving
- Low Sodium Varieties Exceeding Expectations

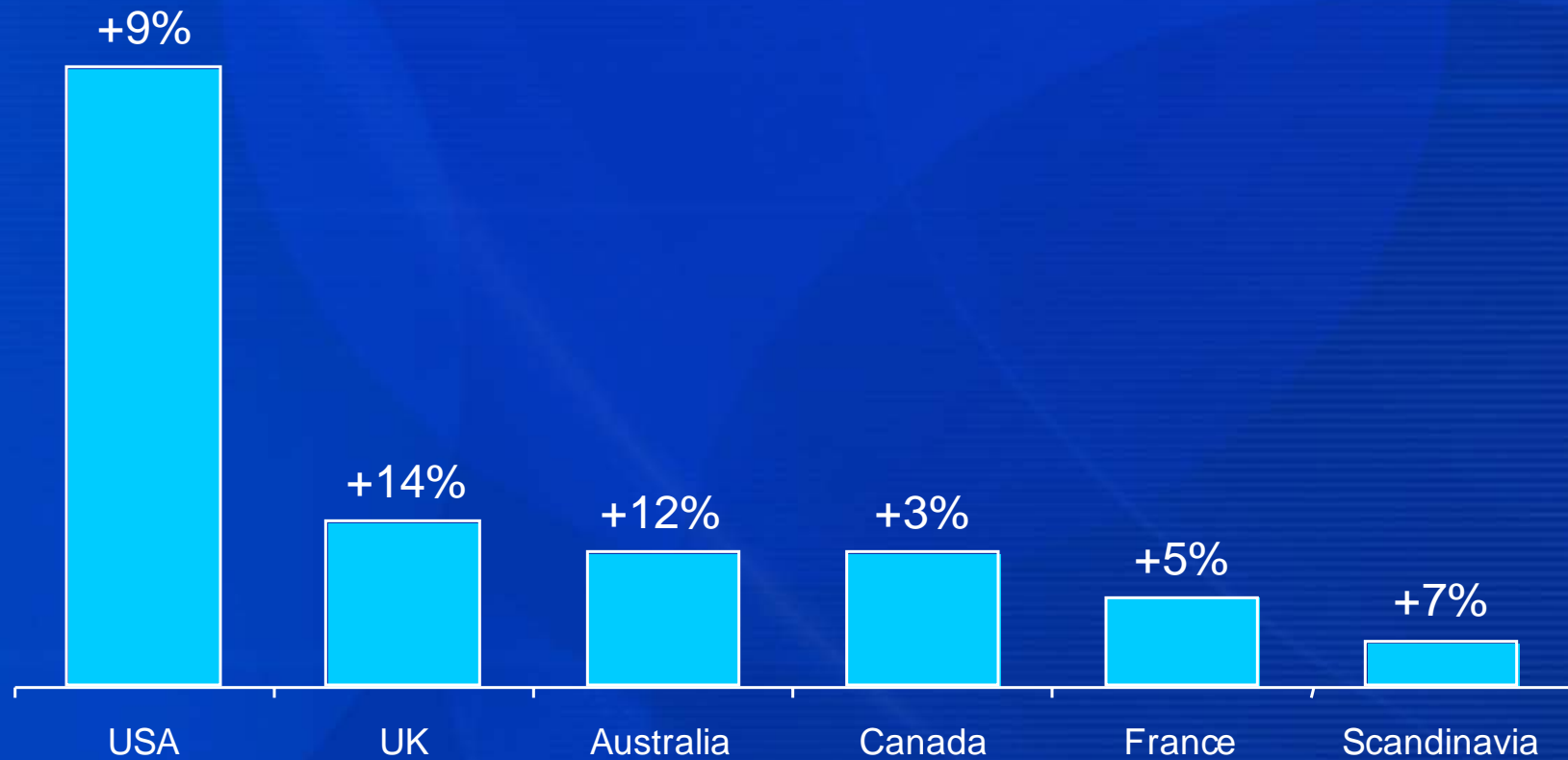


GENERAL MILLS

Source: ACNielsen Plus Wal★Mart

CONVENIENCE OLD EL PASO

(Net Sales Growth in Fiscal 2006)



GENERAL MILLS

CONVENIENCE WANCHAI FERRY



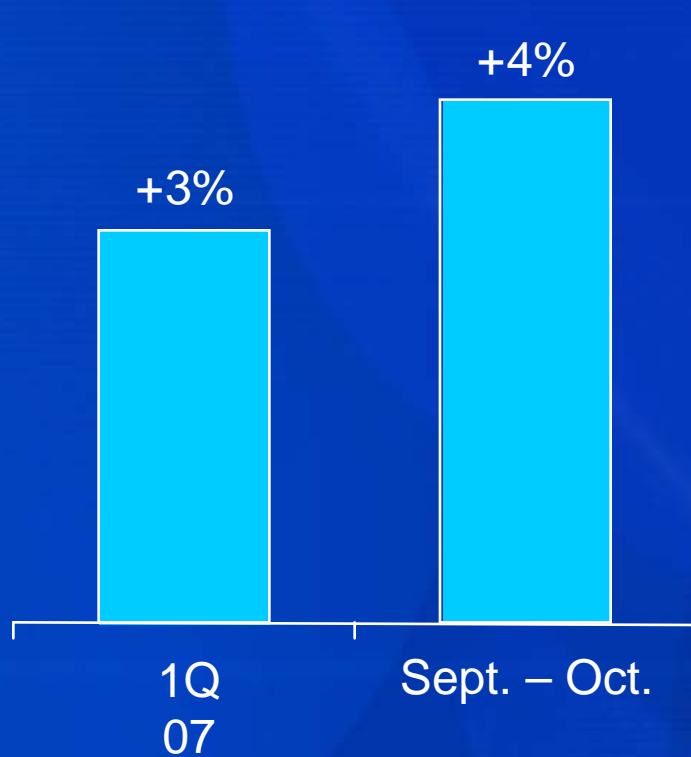
- Launched in China in 1998
- \$50 Million in Net Sales
- Entering Taiwan Market

- Shelf Stable Dinner Kits
- Launched in France



GENERAL MILLS

CONVENIENCE REFRIGERATED BAKED GOODS (Retail \$ Sales Growth)



GENERAL MILLS

Source: ACNielsen Plus Wal ★ Mart

HEALTH & CONVENIENCE COMBINED NATURE VALLEY

Launched

1975



2006 Retail Sales in Measured Channels

\$140 MM

2001



\$110 MM

2005



\$65 MM



GENERAL MILLS

Source: ACNielsen Plus Wal ★ Mart

NATURE VALLEY CHANNEL AND MARKET EXPANSION



Convenience Stores
and Vending



60 International Markets

2002	Mexico Venezuela
2005	Ireland United Kingdom India
2006	Spain Portugal Russia



GENERAL MILLS

NATURE VALLEY CEREAL



U.S. National Launch
January 2007



GENERAL MILLS

STRONG NEW PRODUCT LINEUP



GENERAL MILLS KEY GROWTH ATTRIBUTES

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FASTER-GROWING U.S. RETAIL CHANNELS

(3-year Dollar Sales CGR)



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GENERAL MILLS

Source: ACNielsen Household Panel Data ending Dec. 2005

U.S. AWAY-FROM-HOME FOOD SALES GROWING

(\$ in Billions)



GENERAL MILLS

Source: USDA, Economic Research Service

BAKERIES & FOODSERVICE SEGMENT 2007 GROWTH PLANS



Convenience Store
Product Expansion



New Products to
Foodservice Distributors



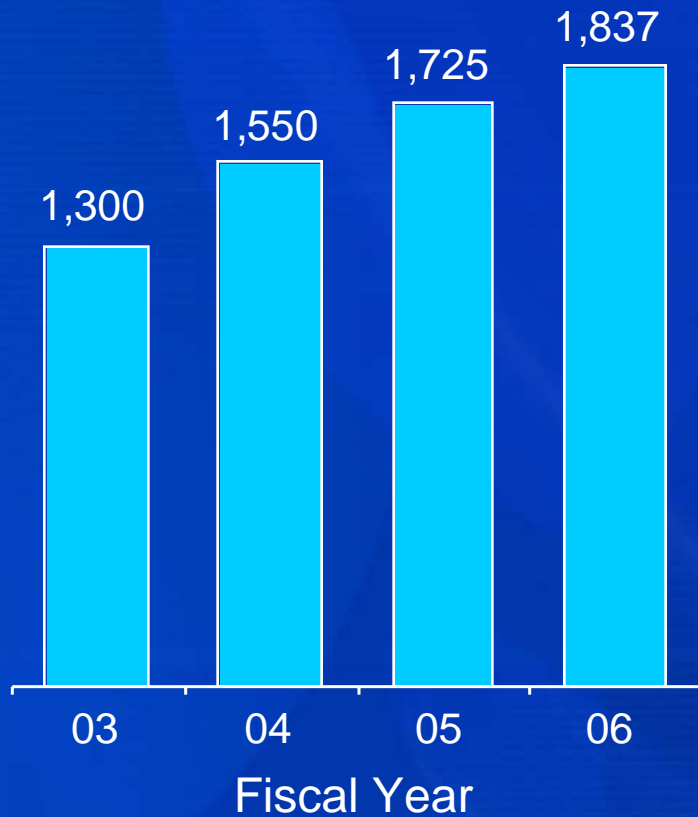
GENERAL MILLS

INTERNATIONAL GROWTH

(\$ in Millions)

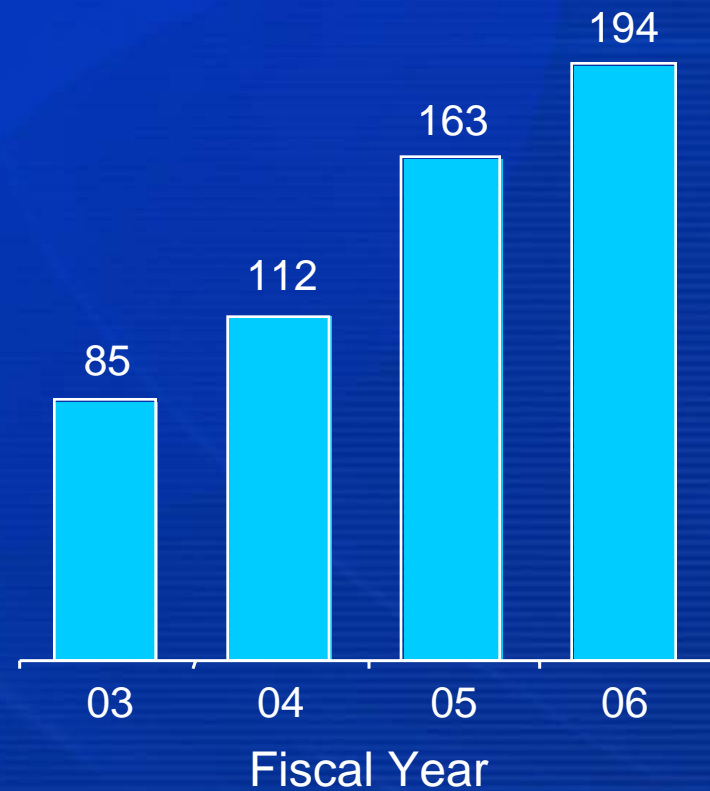
Net Sales

CGR = 12%



Operating Profits

CGR = 32%



GENERAL MILLS KEY GROWTH ATTRIBUTES

- An Advantaged Business Portfolio
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- New Growth Opportunities in Retail, Foodservice and International
- **Margin Strength and Expansion Potential**



BROAD-BASED MARGIN STRENGTH

Segment Operating Profit Margin = 18%

Above Average Margins Today

Big G Cereals
Canada
Meals
Pillsbury USA
Yoplait

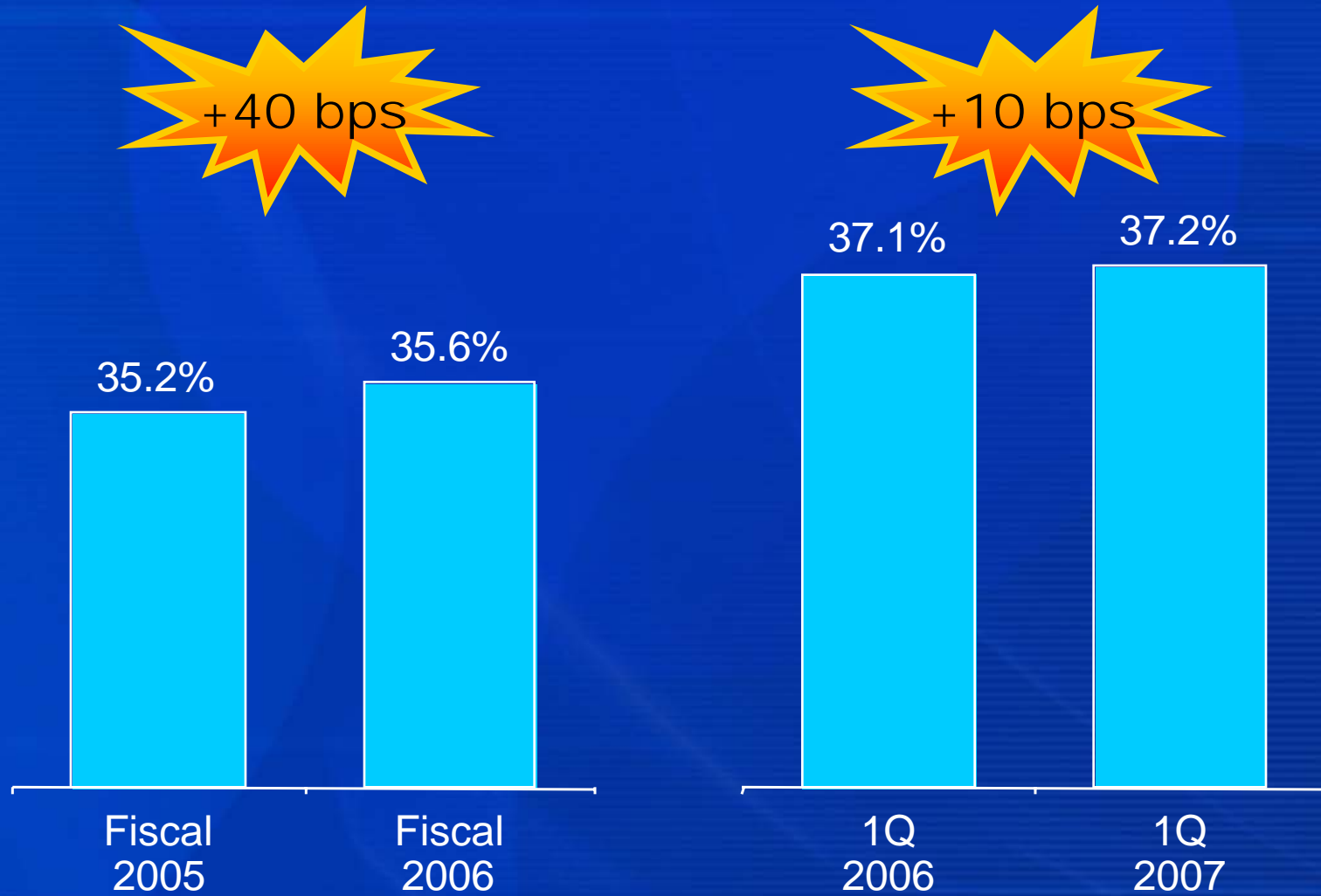
High Potential Margin Expansion

Bakeries &
Foodservice
International
Small Planet Foods
Snacks



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GENERAL MILLS

GROSS MARGIN PROGRESS



MARGIN EXPANSION LEVERS

- Pricing
- Mix Management
- Trade Spending Efficiency
- Plant Operating Performance
- Productivity Initiatives



GENERAL MILLS KEY GROWTH ATTRIBUTES

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HISTORICAL SHAREHOLDER RETURNS

(Compound Annual Growth)

<u>Years</u>	<u>General Mills</u>	<u>S&P 500</u>
1956 – 2006	13%	11%
1966 – 2006	13%	10%
1976 – 2006	14%	12%
1986 – 2006	13%	11%
1996 – Today*	10%	9%



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GENERAL MILLS

Source: Bloomberg

* Ending Oct. 31, 2006



General Mills

**In A New
Phase of Growth**

RECONCILIATION OF NON-GAAP EPS TO DILUTED EPS

	Annual	
	2006	2005
Diluted EPS	\$ 2.90	\$ 3.08
Effect of Accounting for Contingent Convertible Debt	(.08)	(.19)
EPS excluding CoCo Accounting	2.98	3.27
Divestitures – gain	–	.75
Debt repurchase costs	–	(.23)
Diluted EPS excluding CoCos, 2005 divestiture gain and bond buyback	\$ 2.98	\$ 2.75



RECONCILIATION OF SEGMENT OPERATING PROFIT

(\$ in Millions)

	1 st Quarter		Annual	
	2007	2006	2006	2005
Segment Operating Profit:				
U.S. Retail	\$ 447	\$ 412	\$ 1,801	\$ 1,745
International	56	59	194	163
Bakeries & Foodservice	29	27	116	108
Total Segment Operating Profit	532	498	2,111	2,016
Unallocated Corporate Items	(43)	(37)	(123)	(32)
Total Operating Profit	\$ 489	\$ 461	\$ 1,988	\$ 1,984



RETURN ON INVESTED CAPITAL

(\$ in Millions)

	2006	2005	2004
Net earnings	\$ 1,090	\$ 1,240	
Interest, net, after-tax	261	289	
Divestitures gain, after-tax	—	(284)	
Debt repurchase cost, after-tax	—	87	
Earnings before interest after tax (adjusted)	1,351	1,332	
Current portion of long-term debt	2,131	1,638	233
Notes payable	1,503	299	583
Long-term debt	2,415	4,255	7,410
Total debt	6,049	6,192	8,226
Minority interest	1,136	1,133	299
Stockholders' equity	5,772	5,676	5,248
Total capital	12,957	13,001	13,773
2005 divestiture gain, net of debt repurchase cost	(197)	(197)	—
Accumulated other comprehensive income	(125)	(8)	144
Adjusted total capital	12,635	12,796	13,917
Average adjusted total capital	12,716	13,356	
Return on capital	10.6%	10.0%	

