APPENDIX

Excerpts from 2011 Annual Report of Campbell Soup Company

CONNECT WITH CONSUMERS
DRIVE INNOVATION
DELIVER LONG-TERM
PROFITABLE GROWTH

FOCUS
FORWARD

Campbell's

CAMPBELL SOUP COMPANY
2011 ANNUAL REPORT

CONNECT WITH CONSUMERS
DRIVE INNOVATION
DELIVER LONG-TERM PROFITABLE GROWTH

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CAMPBELL SOUP COMPANY
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CHART A NEW COURSE
EMBRACE CHANGE
EVOLVE
CREATE VALUE

Denise M. Morrison
President and Chief Executive Officer

Fellow Shareowners,

I am honored to begin my tenure as the twelfth Chief Executive Officer of Campbell Soup Company. In fiscal 2012, we are charting a new course for Campbell. Building on our distinguished history, we are pursuing new paths and new strategies to create a promising future.

In fiscal 2011, Campbell's new leadership team conducted a comprehensive strategic review of our business. We took a careful look at the competitive environment and the needs and preferences of today's consumers. We examined closely the forces that are driving growth in the global food industry and considered how our industry is likely to evolve in the next decade. We evaluated our opportunities with a fresh perspective, focusing on the choices that hold the greatest promise. Based on this important work, we have developed an exciting new strategic vision for our company.

The Foundation

Our overarching long-term goal is to deliver total shareowner returns that exceed the industry average on a sustainable basis. We know that the most important driver of above-average returns in the food industry is top-line growth. We also know that the key determinant of top-line performance is participation in high-growth spaces — in categories, consumer segments and geographies with strong growth momentum. This is good news for Campbell from a category perspective as we are in very good businesses.

In the United States and around the world, the three core categories in which we participate — Simple Meals, Baked Snacks and Healthy Beverages — are large and growing, and have strong prospects for continued growth. We are well positioned to seize the valuable opportunities that lie before us, but we have work to do to pursue them successfully.

Fiscal 2011 was an extremely challenging year for the economy and for Campbell. Sales increased 1 percent to $7.7 billion and adjusted net earnings per share rose 3 percent to $2.54.* Despite these challenges, there were notable bright spots in our performance. In our Global Baking and Snacking segment, which includes the Pepperidge Farm and Arnott's businesses, sales and operating earnings grew as we launched exciting new products and maintained the growth of core brands such as *Goldfish*, *Shapes* and *Tim Tam*. Our North America Foodservice segment also delivered sales and operating earnings gains. The company's fundamentals remained strong. We increased our cash flow from operations, announced a $1 billion share repurchase program and maintained a strong balance sheet.

But fiscal 2011 performance in our core Soup and Simple Meals business in North America was disappointing. Increased promotional spending in the first half of the year did not deliver expected volume lifts in U.S. Soup, and our U.S. Simple Meals segment saw sales, profit and share declines across our soup and sauce brands. These declines were not solely the result of the downturn in the economy. Today, consumer tastes and expectations are more diverse and variable than ever before. It is clear to us that in our Soup and Simple Meals business, we must respond more effectively to demographic changes and generational shifts in food preferences.

Campbell's FOCUS FORWARD

As we focus forward, we will have...

A More Innovative Company — We will be critically focused on consumer-driven innovation in products and packaging as the primary driver of organic growth.

A More Balanced Company — We will drive our company's growth by providing a wide array of delicious, nutritious and convenient products across a growing global consumer base.

A More Responsive Company — We will be far better positioned for engagement with new and growing consumer groups.

* This amount is adjusted for certain transactions not considered to be part of the ongoing business. For a reconciliation of non-GAAP financial measures, see page 706.

Growing Globally Campbell must also respond more effectively to the forces that are driving both the distribution of global economic growth and growth in the food industry. In the next 10 to 15 years, emerging markets will continue to transform the dynamics of the global economy, creating as many as a *billion* new consumers who will fuel as much as 75 percent of the growth in the food industry. The food preferences and choices of these consumers increasingly are driven by nutrition, taste, value and convenience. Campbell has many products well suited to meet their needs, and the capabilities to develop more. But to date, we have not seized the opportunities for our company in growing international markets.

Our new strategic plan seeks to correct our course in these critical respects.

A New Strategic Vision . . .

When you look at Campbell in a few years, you are likely to see a company that is focused in the same three core categories where we compete today. But we will have significantly broader category platforms, and our investments will be centered in segments and adjacencies with high-growth profiles and strong prospects for sustainable growth.

In North America, we will be better positioned for engagement with our loyal Baby Boomers and with growing consumer groups such as Millennials and Hispanics, whose needs and preferences our products currently do not adequately address. Elsewhere in the world, we will have a broader footprint, and a greater percentage of our total sales and earnings will come from markets outside the U.S. We will have expanded platforms and scale in our existing international markets, and we will have achieved a progressively increasing presence in fast-growing emerging markets.

From a strategic standpoint, we will be critically focused on consumer-driven innovation in products and packaging as the primary driver of organic growth. External development will be an integral component of our overall growth strategy, particularly in international markets. We believe

***Campbell's Slow Kettle* Style soups in contemporary clear packaging were created by Campbell chefs to meet the changing tastes of consumers and be "better than homemade." These new soups offer the perfect combination of authentic ingredients and unique recipes in five different varieties.**

that these new strategic priorities will position our company well to deliver consistent above-average returns to our shareowners over the long term, driven by sustainable profitable top-line growth.

...And a New Strategic Plan

Today we are powered by three core business strategies and unwavering attention to the ways that people around the world want to shop, cook, eat and live. We plan to drive our company's growth by providing a wide array of delicious, nutritious and convenient products across a growing global consumer base.

1

Stabilize and then profitably grow North America Soup and Simple Meals

First, we will stabilize and then profitably grow our core Soup and Simple Meals business in North America. We will do so by rebalancing our marketing investments decisively toward the consumer to expand the equities of our brands, and by taking a noticeably different approach to innovation. While we will continue to invest in innovation designed to maintain the vitality of existing product lines and to reinforce their appeal to our core consumers, we will devote significantly greater resources to disruptive innovation that will expand our product and packaging platforms to reach new consumers and new eating occasions.

Our emphasis will be on choice. We know that many consumers take great interest in the impact of the foods they eat on their health and well-being. Yet the nutritional attributes of foods mean different things to different people. For many, weight loss and weight maintenance are of primary importance. For others, dietary objectives center on vegetable nutrition, sodium reduction, energy and stamina, or digestive health. In the future, lower

Culinary Inspiration

Campbell's Senior Executive Chef Tom Griffiths is a master chef certified by the American Culinary Federation. Chef Tom and his team members, like Chef Amanda Zimlich, seek to satisfy consumer cravings for new and different flavors by developing products that have a "wow" factor, yet are popular with the mainstream.

"Innovation is just as much about 'how' we create as it is about 'what' we create. Culinary innovation often requires us to embrace the classic, fundamental flavor combinations of foods, and find new, bold and exciting ways to showcase them," says Chef Amanda.

New on the menu this year are *Swanson Flavor Boost* concentrated broth packets. They are the secret ingredient for delicious meals.

Amanda Zimlich
Senior Research Chef, North America Foodservice Innovation

Tom Griffiths
Senior Executive Chef & Director of Campbell's Culinary & Baking Institute

sodium levels in our products will be just one component of Campbell's wellness strategy. We will continue to offer a wide range of lower-sodium products. We will also offer products that address a broad array of consumer tastes and lifestyles. In fiscal 2012, we will introduce 35 new products in North America, significantly more than in each of the past three years. You'll see some of these new products throughout this report, including *Campbell's Slow Kettle* Style soups in indulgent flavors, *Campbell's Select Harvest* soups in regionally inspired varieties, and *Swanson Flavor Boost* concentrated broth packets for more sophisticated cooks.

2

Expand our international presence

Second, we will expand our international presence. We will broaden the range and availability of our products in the international markets in which we currently do business. To grow our international Simple Meals business, we intend to strengthen our current Meal Maker platforms in European markets, appealing to a broader set of consumer demands within larger adjacent categories. We plan to drive category and share growth in Australia, New Zealand and Canada. We also will enter new geographies, particularly developing markets.

In fiscal 2011, Campbell entered into a joint venture with Swire Pacific Limited, a company with long and successful experience in the People's Republic of China and capabilities that are complementary to our own. While our business in China is small and will take time to develop, we see great potential for broadening our category platforms and building scale in China, the world's largest soup market. We plan to expand our product platforms in Latin America as well. It is a growing market where we have an established presence in soup and beverages. To reach beyond our current geographies, we have developed rigorous criteria for evaluating growth opportunities and a short list of priority markets.

We have partnered with Swire Pacific Limited in China, the world's largest soup market, to produce and sell soup and broth products, including a line of condensed soups. These convenient soups help ease and quicken meal preparation in Chinese households.

3

Continue to drive growth in Healthy Beverages and Baked Snacks

Third, we will continue to drive growth in Healthy Beverages and Baked Snacks. Over the past five years, we have achieved impressive success in our Healthy Beverages business, leveraging the differentiating credentials of the *V8* brand and expanding the brand platform through a steady stream of successful innovation. In fiscal 2011, however, growth in the U.S. business slowed as competitors entered the market. Through continuous innovation, improved marketing and investment to restore our competitiveness, we can and will reignite the growth of our U.S. Beverages business. In fiscal 2012, we are launching exciting new offerings, such as *V8 V-Fusion* Smoothies, *V8 V-Fusion + Energy* beverages and *V8* Energy Shots, which appeal to a wide range of consumers, especially the active Millennial generation.

In global Baked Snacks, we have a consistent track record of innovation, as well as a platform for future growth in existing and new geographies. Both Pepperidge Farm and Arnott's have strong potential to continue to grow beyond their current product and geographic borders.

Expanding the *Goldfish* Brand Within our Pepperidge Farm portfolio, the steady expansion of the *Goldfish* product range into adjacent segments exemplifies how smart and focused innovation can broaden brand scale and reach. In recent years, this brand has been extended from savory children's crackers to sweet products such as *Goldfish* Grahams, and from flavors centered on young children to those that appeal to tweens and beyond. In fiscal 2012, the franchise will expand from crackers to bakery, with new *Goldfish* sandwich breads that aim to delight kids and lunch-making parents.

The *Pepperidge Farm* brand has traced a similar course. Through continuous innovation, we've sustained the core equities of the brand in cookies and bakery, while extending them into the adult savory cracker segment with our

***Pepperidge Farm Goldfish Flavor Blasted* Grahams, made with whole grain and no artificial preservatives, give parents a smart way to satisfy their kid's sweet tooth.**

The *V8* brand continues to satisfy consumers' thirst for new beverages. *V8 V-Fusion* Smoothies blend 100% fruit and vegetable juices and purees into a thick and creamy texture, providing a good-for-you and delicious snack.

successful *Baked Naturals* product line and capitalizing on the booming interest in wholesome alternatives to fried snacks with new products such as *Baked Naturals* cracker chips. Last year, we also enhanced our signature *Milano* cookie line with the introduction of delectable *Milano Melts*, which will be followed in fiscal 2012 by *Milano Slices*.

In Asia Pacific, our Arnott's biscuit business has posted impressive growth. In fiscal 2012, we will seek to continue its growth in the savory biscuit segment with the launch of *Arnott's Shapes Roadies*, a product with crispy textures and bigger flavors for young-adult-male consumers, and *Vita-Weat Lunch Slices* for health-conscious consumers. We are also creating new varieties of our signature *Arnott's Tim Tam* biscuit line.

A Year of Strategic Transition

Fiscal 2012 will be a year of transition and investment for Campbell. We will invest to ensure the competitiveness of our brands and fund enhanced brand-building activities across our portfolio. We will invest in external development as strategic opportunities arise. Most important, we will make a significant investment in innovation, as we develop new products and packaging formats to meet consumers where they are now and where we believe they will be in the future.

Successful execution of our new strategic imperatives will require strong and capable leadership. I am delighted with our new Campbell leadership team, and privileged to lead such a talented, accomplished and dedicated group of executives. We are committed to leveraging the exceptionally high engagement of Campbell employees to improve business performance, and to maintaining the powerful culture of our organization, which is rooted in Campbell's core values of Character, Competence and Teamwork. "The Way We Work" inspires us to continue to build a safe, diverse, inclusive, engaged and responsible company that conducts business and delivers strong results with the highest standards of integrity.

Baker's Bliss

Whenever employees would show a new product to Pepperidge Farm founder Margaret Rudkin, she would reply, "That's excellent, but what's next?"

Pepperidge Farm Master Baker and Chef Mark Fitch continues the quest to discover what's next. "That's the goal we work on every day," says Chef Mark.

Pepperidge Farm has a unique way of combining fun with wholesomeness, as shown by *Goldfish* sandwich breads. These unique breads mark the first time that a fresh-bakery product has adopted the iconic trademark shape or tapped into the massive brand equity of *Goldfish*.

To build on the hugely popular *Milano* cookies, we created *Milano Melts* — the first new style of cookie marketed under the *Milano* name since its inception in the 1950s.

Mark Fitch
Pepperidge Farm
Certified Master Baker

LEADERSHIP PERFORMANCE

OUR TEAM

1. **B. Craig Owens**
Senior Vice President — Chief Financial Officer and Chief Administrative Officer

2. **Nancy A. Reardon**
Senior Vice President — Chief Human Resources and Communications Officer

3. **David R. White**
Senior Vice President — Global Supply Chain

4. **Irene Chang Britt**
Senior Vice President — Chief Strategy Officer

5. **George Dowdie**
Senior Vice President — Global Research & Development and Quality

6. **Denise M. Morrison**
President and Chief Executive Officer

7. **Mark Alexander**
Senior Vice President and President — Campbell International

8. **Sean Connolly**
Senior Vice President and President — Campbell North America

9. **Ellen Oran Kaden**
Senior Vice President — Law and Government Affairs

10. **Joseph C. Spagnoletti**
Senior Vice President and Chief Information Officer

11. **Patrick J. Callaghan**
Vice President and President — Pepperidge Farm

Our Corporate Citizenship

We believe corporate social responsibility and sustainability are integrated business platforms that build long-term shareowner value. These platforms foster innovation, drive operational efficiency, improve environmental performance, reduce costs, and strengthen our employees' relationships with our customers, suppliers, communities and each other.

Campbell's "Nourishing" Corporate Social Responsibility program continues to deliver measurable benefits to our communities, planet and consumers. In fiscal 2011, we launched a comprehensive, one-of-a-kind initiative to combat childhood hunger and obesity by joining Campbell's resources and expertise with powerful partners to improve the health of young people in Camden, N.J., and eventually, in all of our communities. Investments in improvements in environmental performance at our manufacturing plants and in product packaging significantly reduced our use of resources and delivered healthy returns on invested capital. Last year, construction was initiated on a 10-megawatt, 60-acre solar farm — the largest of its kind in the U.S. — at our plant in Napoleon, Ohio.

A New Campbell

Our employees around the world are working to build a Campbell of the future that will be meaningfully different from the company you know today. As we focus forward, you will see us create a company with a broader and stronger agenda for growth. We will be better balanced across our product portfolios and in our international presence, better positioned to compete based on our brand strengths and better equipped to respond to the evolving needs of both our loyal consumer base and other important consumer groups.

In fiscal 2012, these changes will require a reduction in earnings as we reinvest to rebuild important brands and jump-start a new innovation process, philosophy and pipeline. But we are confident that this course will enhance our ability to create shareowner value over the long term. Beyond fiscal 2012, our long-term targets are 3 to 4 percent net sales growth, 4 to 6 percent adjusted EBIT growth and 5 to 7 percent adjusted net earnings per share growth.

I am inspired by the opportunity to lead an exciting new era of growth at Campbell. In the years to come, I look forward to celebrating with you the ongoing success of our great company.

Best,

Denise M. Morrison
President and Chief Executive Officer

Campbell's

THE WAY WE WORK

We will positively contribute to building and sustaining a safe, diverse, inclusive, engaged and socially responsible workplace focused on delivering business results with integrity.

OUR VALUES

We will create a high-performance culture that lives our values.

Character
> Inspiring trust
> Acting with integrity
> Taking personal responsibility and driving our future with optimism

Competence
> Building a learning organization with diverse perspectives
> Developing new capabilities to drive growth and innovation
> Executing our plan with agility to deliver our business results

Teamwork
> Working together and operating as "One Team Plus" with an enterprise-wide mindset

Chairman's Message

During fiscal 2011, management and the Board undertook an important process to forge a new path for our company while retaining its outstanding culture and strong traditions. Following a comprehensive review of Campbell's recent business performance and global trends in the food industry, we agreed on a new strategic framework and core strategic imperatives to build long-term shareowner value. The new strategy calls upon us to drive profitable growth through a carefully calibrated program of global expansion and a sharpened focus on innovation to meet the needs of today's consumers and expand Campbell's iconic brands and product offerings across our core categories of Simple Meals, Healthy Beverages and Baked Snacks. It is described in greater detail elsewhere in this report.

In June, the Board elected Denise Morrison as President and Chief Executive Officer, effective August 1, 2011. Denise is an exceptional leader with a comprehensive knowledge of Campbell's business and the food industry, and keen insights into the opportunities for driving profitable growth across Campbell's portfolio. We are confident that the company will flourish under her direction. The Board again thanks Doug Conant for a decade of superb leadership and for his assistance with a smooth and successful leadership transition. We are very pleased to have Denise at the helm, and look forward to the next exciting chapter at Campbell Soup Company.

After 15 years of distinguished service, including five years as Chairman, Harvey Golub will retire from the Board of Directors on November 17. Throughout his tenure, Harvey provided outstanding thought leadership and counsel to management and the Board. We are deeply grateful to him for his invaluable contributions. All other incumbent directors are standing for reelection at the Annual Meeting in November. The Board has nominated Tracey T. Travis, Senior Vice President of Finance and Chief Financial Officer of Ralph Lauren Corporation, to succeed Harvey. We believe that Tracey's business experience and financial expertise will be important assets to our company.

Paul R. Charron

Paul R. Charron
Chairman of the Board

FINANCIAL HIGHLIGHTS

(dollars in millions, except per share amounts)	**2011**	2010
Results of Operations		
Net sales	**$ 7,719**	$ 7,676
Gross profit	**$ 3,103**	$ 3,150
Percent of sales	**40.2%**	41.0%
Earnings before interest and taxes	**$ 1,279**	$ 1,348
Net earnings attributable to Campbell Soup Company	**$ 805**	$ 844
Per share — diluted	**$ 2.42**	$ 2.42
Other Information		
Net cash provided by operating activities	**$ 1,142**	$ 1,057
Capital expenditures	**$ 272**	$ 315
Dividends per share	**$ 1.145**	$ 1.075

The 2011 Net earnings attributable to Campbell Soup Company were impacted by a $41 ($.12 per share) restructuring charge associated with initiatives announced in June 2011 to improve supply chain efficiency, reduce overhead costs across the organization and exit the Russian market.

The 2010 Net earnings attributable to Campbell Soup Company were impacted by the following: an $8 ($.02 per share) restructuring charge associated with the 2008 initiatives to improve operational efficiency and long-term profitability and $10 ($.03 per share) of deferred tax expense due to the enactment of U.S. health care legislation.

See below for a reconciliation of the impact of these items on reported results.

RECONCILIATION OF GAAP AND NON-GAAP FINANCIAL MEASURES

The following information is provided to reconcile certain non-GAAP financial measures disclosed in the Letter to Shareowners to reported earnings results. The company believes that financial information excluding certain transactions not considered to be part of the ongoing business improves the comparability of year-to-year earnings results. Consequently, the company believes that investors may be able to better understand its earnings results if these transactions are excluded from the results. These non-GAAP financial measures are measures of performance not defined by accounting principles generally accepted in the United States and should be considered in addition to, not in lieu of, GAAP reported measures.

	2011		2010		Earnings % Change	EPS % Change
(dollars in millions, except per share amounts)	**Earnings Impact**	**Diluted EPS Impact**	Earnings Impact	Diluted EPS Impact	2011/2010	2011/2010
Net earnings attributable to Campbell Soup Company, as reported	**$ 805**	**$ 2.42**	$ 844	$ 2.42		
Restructuring charges	**41**	**0.12**	8	0.02		
Tax expense from health care legislation	**—**	**—**	10	0.03		
Adjusted Net earnings attributable to Campbell Soup Company	**$ 846**	**$ 2.54**	$ 862	$ 2.47	(2)%	3%

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended	Commission File Number
July 31, 2011	1-3822

CAMPBELL SOUP COMPANY

New Jersey	21-0419870
State of Incorporation	*I.R.S. Employer Identification No.*

1 Campbell Place
Camden, New Jersey 08103-1799
Principal Executive Offices
Telephone Number: (856) 342-4800

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Capital Stock, par value $.0375	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☑ Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. ☐ Yes ☑ No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Date File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☑ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☑ No

As of January 28, 2011 (the last business day of the registrant's most recently completed second fiscal quarter), the aggregate market value of capital stock held by non-affiliates of the registrant was approximately $6,343,490,643. There were 320,209,348 shares of capital stock outstanding as of September 15, 2011.

Portions of the Registrant's Proxy Statement for the Annual Meeting of Shareowners to be held on November 17, 2011, are incorporated by reference into Part III.

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Item 6. ***Selected Financial Data***

FIVE-YEAR REVIEW — CONSOLIDATED

Fiscal Year	2011(1)	2010(2)	2009(3)	2008(4)	2007(5)
	(Millions, except per share amounts)				
Summary of Operations					
Net sales	**$7,719**	$7,676	$7,586	$7,998	$7,385
Earnings before interest and taxes	**1,279**	1,348	1,185	1,098	1,243
Earnings before taxes	**1,168**	1,242	1,079	939	1,099
Earnings from continuing operations	**802**	844	732	671	792
Earnings from discontinued operations	**—**	—	4	494	62
Net earnings	**802**	844	736	1,165	854
Net earnings attributable to Campbell Soup Company	**805**	844	736	1,165	854
Financial Position					
Plant assets — net	**$2,103**	$2,051	$1,977	$1,939	$2,042
Total assets	**6,862**	6,276	6,056	6,474	6,445
Total debt	**3,084**	2,780	2,624	2,615	2,669
Total equity	**1,096**	929	731	1,321	1,298
Per Share Data					
Earnings from continuing operations attributable to Campbell Soup Company — basic	**$ 2.44**	$ 2.44	$ 2.05	$ 1.77	$ 2.02
Earnings from continuing operations attributable to Campbell Soup Company — assuming dilution	**2.42**	2.42	2.03	1.75	1.99
Net earnings attributable to Campbell Soup Company — basic	**2.44**	2.44	2.06	3.06	2.18
Net earnings attributable to Campbell Soup Company — assuming dilution	**2.42**	2.42	2.05	3.03	2.14
Dividends declared	**1.145**	1.075	1.00	0.88	0.80
Other Statistics					
Capital expenditures	**$ 272**	$ 315	$ 345	$ 298	$ 334
Weighted average shares outstanding — basic	**326**	340	352	373	386
Weighted average shares outstanding — assuming dilution	**329**	343	354	377	392

In the first quarter of fiscal 2010, the company adopted and retrospectively applied new accounting guidance related to a noncontrolling interest in a subsidiary. The guidance requires a noncontrolling interest in a subsidiary to be classified as a separate component of total equity.

In the first quarter of fiscal 2010, the company adopted and retrospectively applied new accounting guidance related to the calculation of earnings per share. The retrospective application of the provision resulted in the following reductions to basic and diluted earnings per share:

	2009		2008		2007	
	Basic	Diluted	Basic	Diluted	Basic	Diluted
Earnings from continuing operations attributable to Campbell Soup Company	$(.03)	$(.01)	$(.03)	$(.01)	$(.03)	$(.01)
Net earnings attributable to Campbell Soup Company	$(.03)	$(.01)	$(.06)	$(.03)	$(.03)	$(.02)

(All per share amounts below are on a diluted basis)

The 2008 fiscal year consisted of fifty-three weeks. All other periods had fifty-two weeks.

(1) The 2011 earnings from continuing operations were impacted by a restructuring charge of $41 million ($.12 per share) associated with initiatives announced in June 2011 to improve supply chain efficiency, reduce overhead costs across the organization and exit the Russian market.

(2) The 2010 earnings from continuing operations were impacted by the following: a restructuring charge of $8 million ($.02 per share) for pension benefit costs associated with the 2008 initiatives to improve operational efficiency and long-term profitability and $10 million ($.03 per share) to reduce deferred tax assets as a result of the U.S. health care legislation enacted in March 2010.

(3) The 2009 earnings from continuing operations were impacted by the following: an impairment charge of $47 million ($.13 per share) related to certain European trademarks and $15 million ($.04 per share) of restructuring-related costs associated with the 2008 initiatives to improve operational efficiency and long-term profitability. The 2009 results of discontinued operations represented a $4 million ($.01 per share) tax benefit related to the sale of the Godiva Chocolatier business.

(4) The 2008 earnings from continuing operations were impacted by the following: a $107 million ($.28 per share) restructuring charge and related costs associated with initiatives to improve operational efficiency and long-term profitability and a $13 million ($.03 per share) benefit from the favorable resolution of a tax contingency. The 2008 results of discontinued operations included a $462 million ($1.20 per share) gain from the sale of the Godiva Chocolatier business.

(5) The 2007 earnings from continuing operations were impacted by the following: a $13 million ($.03 per share) benefit from the reversal of legal reserves due to favorable results in litigation; a $25 million ($.06 per share) benefit from a tax settlement of bilateral advance pricing agreements; and a $14 million ($.04 per share) gain from the sale of an idle manufacturing facility. The 2007 results of discontinued operations included a $24 million ($.06 per share) gain from the sale of the businesses in the United Kingdom and Ireland and a $7 million ($.02 per share) tax benefit from the resolution of audits in the United Kingdom.

Five-Year Review should be read in conjunction with the Notes to Consolidated Financial Statements.

Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

Overview

Description of the Company

Campbell Soup Company is a global manufacturer and marketer of high-quality, branded convenience food products. Commencing with the fourth quarter of fiscal 2011, the company reports the results of operations in the following reportable segments: U.S. Simple Meals; U.S. Beverages; Global Baking and Snacking; International Simple Meals and Beverages; and North America Foodservice. Segment results of prior periods were modified to conform to the current presentation. See Note 6 to the Consolidated Financial Statements for additional information on segments.

Key Strategies

In fiscal 2011, management and the Board of Directors conducted a comprehensive review of the company's recent performance and business strategies. In July 2011, the company announced a new strategic framework focused on expansion of its brand and product platforms in its three core categories of simple meals, healthy beverages and baked snacks. The new framework is centered on three growth strategies:

- Stabilize and then profitably grow the company's North America soup and simple meals business.
- Expand the company's international presence.
- Continue to drive growth in the company's healthy beverages and baked snacks businesses.

The new growth strategies are intended to accelerate profitable net sales growth and build the foundation for delivery of sustainable above-average total shareholder returns.

Implementation of the company's new strategic framework will require substantial investment in 2012 to extend product platforms, re-invigorate consumer-focused marketing to expand the equities of its core brands, and drive global expansion. The company expects that these investments will negatively affect financial performance in 2012, but set the stage for profitable growth in 2013 and beyond.

Item 8. ***Financial Statements and Supplementary Data***

CAMPBELL SOUP COMPANY

Consolidated Statements of Earnings

	2011	2010	2009
	(Millions, except per share amounts)		
Net sales	**$7,719**	$7,676	$7,586
Costs and expenses			
Cost of products sold	**4,616**	4,526	4,558
Marketing and selling expenses	**1,007**	1,058	1,077
Administrative expenses	**612**	605	591
Research and development expenses	**129**	123	114
Other expenses / (income)	**13**	4	61
Restructuring charges	**63**	12	—
Total costs and expenses	**6,440**	6,328	6,401
Earnings before interest and taxes	**1,279**	1,348	1,185
Interest expense	**122**	112	110
Interest income	**11**	6	4
Earnings before taxes	**1,168**	1,242	1,079
Taxes on earnings	**366**	398	347
Earnings from continuing operations	**802**	844	732
Earnings from discontinued operations	**—**	—	4
Net earnings	**802**	844	736
Less: Net earnings (loss) attributable to noncontrolling interests	**(3)**	—	—
Net earnings attributable to Campbell Soup Company	**$ 805**	$ 844	$ 736
Per Share — Basic			
Earnings from continuing operations attributable to Campbell Soup Company	**$ 2.44**	$ 2.44	$ 2.05
Earnings from discontinued operations attributable to Campbell Soup Company	**—**	—	0.01
Net earnings attributable to Campbell Soup Company	**$ 2.44**	$ 2.44	$ 2.06
Weighted average shares outstanding — basic	**326**	340	352
Per Share — Assuming Dilution			
Earnings from continuing operations attributable to Campbell Soup Company	**$ 2.42**	$ 2.42	$ 2.03
Earnings from discontinued operations attributable to Campbell Soup Company	**—**	—	0.01
Net earnings attributable to Campbell Soup Company	**$ 2.42**	$ 2.42	$ 2.05
Weighted average shares outstanding — assuming dilution	**329**	343	354

The sum of individual per share amounts does not equal due to rounding.

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY

Consolidated Balance Sheets

	July 31, 2011	August 1, 2010
	(Millions, except per share amounts)	
Current assets		
Cash and cash equivalents	**$ 484**	$ 254
Accounts receivable	**560**	512
Inventories	**767**	724
Other current assets	**152**	197
Total current assets	**1,963**	1,687
Plant assets, net of depreciation	**2,103**	2,051
Goodwill	**2,133**	1,919
Other intangible assets, net of amortization	**527**	509
Other assets	**136**	110
Total assets	**$ 6,862**	$ 6,276
Current liabilities		
Short-term borrowings	**$ 657**	$ 835
Payable to suppliers and others	**585**	545
Accrued liabilities	**619**	560
Dividend payable	**95**	95
Accrued income taxes	**33**	30
Total current liabilities	**1,989**	2,065
Long-term debt	**2,427**	1,945
Deferred taxes	**367**	258
Other liabilities	**983**	1,079
Total liabilities	**5,766**	5,347
Campbell Soup Company shareowners' equity		
Preferred stock; authorized 40 shares; none issued	**—**	—
Capital stock, $.0375 par value; authorized 560 shares; issued 542 shares	**20**	20
Additional paid-in capital	**331**	341
Earnings retained in the business	**9,185**	8,760
Capital stock in treasury, at cost	**(8,021)**	(7,459)
Accumulated other comprehensive loss	**(427)**	(736)
Total Campbell Soup Company shareowners' equity	**1,088**	926
Noncontrolling interests	**8**	3
Total equity	**1,096**	929
Total liabilities and equity	**$ 6,862**	$ 6,276

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY

Consolidated Statements of Cash Flows

	2011	2010	2009
		(Millions)	
Cash flows from operating activities:			
Net earnings	**$ 802**	$ 844	$ 736
Adjustments to reconcile net earnings to operating cash flow			
Impairment charge	**—**	—	67
Restructuring charges	**63**	12	—
Stock-based compensation	**87**	88	84
Depreciation and amortization	**268**	251	264
Deferred income taxes	**46**	54	144
Other, net	**108**	99	57
Changes in working capital			
Accounts receivable	**(15)**	21	27
Inventories	**(14)**	105	(14)
Prepaid assets	**19**	(9)	28
Accounts payable and accrued liabilities	**(26)**	(34)	(125)
Pension fund contributions	**(144)**	(284)	(13)
Receipts from/(payments of) hedging activities	**3**	(20)	(44)
Other	**(55)**	(70)	(45)
Net cash provided by operating activities	**1,142**	1,057	1,166
Cash flows from investing activities:			
Purchases of plant assets	**(272)**	(315)	(345)
Sales of plant assets	**9**	13	1
Business acquired	**—**	—	(66)
Sale of business, net of cash divested	**—**	—	38
Other, net	**2**	2	(6)
Net cash used in investing activities	**(261)**	(300)	(378)
Cash flows from financing activities:			
Net short-term borrowings (repayments)	**495**	(265)	(320)
Long-term borrowings	**500**	400	600
Repayments of notes payable	**(700)**	—	(300)
Dividends paid	**(378)**	(365)	(350)
Treasury stock purchases	**(728)**	(472)	(527)
Treasury stock issuances	**96**	139	72
Excess tax benefits on stock-based compensation	**11**	11	18
Contribution from noncontrolling interest	**10**	—	—
Other, net	**(6)**	(4)	(7)
Net cash used in financing activities	**(700)**	(556)	(814)
Effect of exchange rate changes on cash	**49**	2	(4)
Net change in cash and cash equivalents	**230**	203	(30)
Cash and cash equivalents — beginning of period	**254**	51	81
Cash and cash equivalents — end of period	**$ 484**	$ 254	$ 51

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY

Consolidated Statements of Equity

	Campbell Soup Company Shareowners' Equity								
	Capital Stock								
	Issued		In Treasury						
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Earnings Retained in the Business	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total Equity
	(Millions, except per share amounts)								
Balance at August 3, 2008	542	$20	(186)	$(6,812)	$337	$7,909	$(136)	$ 3	$1,321
Comprehensive income (loss)									
Net earnings (loss)						736		—	736
Foreign currency translation adjustments, net of tax							(148)	—	(148)
Cash-flow hedges, net of tax							(25)		(25)
Pension and postretirement benefits, net of tax							(409)	—	(409)
Other comprehensive income (loss)							(582)	—	(582)
Total comprehensive income (loss)									154
Dividends ($1.00 per share)						(357)			(357)
Treasury stock purchased			(17)	(527)					(527)
Treasury stock issued under management incentive and stock option plans			4	145	(5)				140
Balance at August 2, 2009	542	20	(199)	(7,194)	332	8,288	(718)	3	731
Comprehensive income (loss)									
Net earnings (loss)						844		—	844
Foreign currency translation adjustments, net of tax							39	—	39
Cash-flow hedges, net of tax							2		2
Pension and postretirement benefits, net of tax							(59)	—	(59)
Other comprehensive income (loss)							(18)	—	(18)
Total comprehensive income (loss)									826
Dividends ($1.075 per share)						(372)			(372)
Treasury stock purchased			(14)	(472)					(472)
Treasury stock issued under management incentive and stock option plans			7	207	9				216
Balance at August 1, 2010	542	20	(206)	(7,459)	341	8,760	(736)	3	929
Contribution from noncontrolling interest								**8**	**8**
Comprehensive income (loss)									
Net earnings (loss)						**805**		**(3)**	**802**
Foreign currency translation adjustments, net of tax							**264**	**—**	**264**
Cash-flow hedges, net of tax							**(2)**		**(2)**
Pension and postretirement benefits, net of tax							**47**	**—**	**47**
Other comprehensive income (loss)							**309**	**—**	**309**
Total comprehensive income (loss)									**1,111**
Dividends ($1.145 per share)						**(380)**			**(380)**
Treasury stock purchased			**(21)**	**(728)**					**(728)**
Treasury stock issued under management incentive and stock option plans			**5**	**166**	**(10)**				**156**
Balance at July 31, 2011	**542**	**$20**	**(222)**	**$(8,021)**	**$331**	**$9,185**	**$(427)**	**$ 8**	**$1,096**

See accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(currency in millions, except per share amounts)

1. Summary of Significant Accounting Policies

Campbell Soup Company, together with its subsidiaries (the company), is a global manufacturer and marketer of high-quality, branded convenience food products.

Basis of Presentation — The consolidated financial statements include the accounts of the company and entities in which the company maintains a controlling financial interest. Intercompany transactions are eliminated in consolidation. Certain amounts in prior-year financial statements were reclassified to conform to the current-year presentation. The company's fiscal year ends on the Sunday nearest July 31. There were 52 weeks in 2011, 2010 and 2009.

Use of Estimates — Generally accepted accounting principles require management to make estimates and assumptions that affect assets and liabilities, contingent assets and liabilities, and revenues and expenses. Actual results could differ from those estimates.

Revenue Recognition — Revenues are recognized when the earnings process is complete. This occurs when products are shipped in accordance with terms of agreements, title and risk of loss transfer to customers, collection is probable and pricing is fixed or determinable. Revenues are recognized net of provisions for returns, discounts and allowances. Certain sales promotion expenses, such as feature price discounts, in-store display incentives, cooperative advertising programs, new product introduction fees and coupon redemption costs, are classified as a reduction of sales. The recognition of costs for promotion programs involves the use of judgment related to performance and redemption estimates. Estimates are made based on historical experience and other factors. Costs are recognized either upon sale or when the incentive is offered, based on the program.

Cash and Cash Equivalents — All highly liquid debt instruments purchased with a maturity of three months or less are classified as cash equivalents.

Inventories — All inventories are valued at the lower of average cost or market.

Property, Plant and Equipment — Property, plant and equipment are recorded at historical cost and are depreciated over estimated useful lives using the straight-line method. Buildings and machinery and equipment are depreciated over periods not exceeding 45 years and 20 years, respectively. Assets are evaluated for impairment when conditions indicate that the carrying value may not be recoverable. Such conditions include significant adverse changes in business climate or a plan of disposal. Repairs and maintenance are charged to expense.

Goodwill and Intangible Assets — Goodwill and indefinite-lived intangible assets are not amortized but rather are tested at least annually for impairment. Goodwill and indefinite-lived intangible assets are also tested for impairment as events or changes in circumstances occur indicating that the carrying value may not be recoverable. Intangible assets with finite lives are amortized over the estimated useful life and are also reviewed when appropriate for possible impairment. Goodwill impairment testing first requires a comparison of the fair value of each reporting unit to the carrying value. A reporting unit is an operating segment or a component of an operating segment. If the carrying value of the reporting unit exceeds fair value, goodwill is considered impaired. The amount of the impairment is the difference between the carrying value of goodwill and the "implied" fair value, which is calculated as if the reporting unit had just been acquired and accounted for as a business combination. Impairment testing for indefinite-lived intangible assets requires a comparison between the fair value and carrying value of the asset. If carrying value exceeds the fair value, the asset is reduced to fair value. Fair values are primarily determined using discounted cash flow analyses. See Note 5 for information on goodwill and other intangible assets.

Derivative Financial Instruments — The company uses derivative financial instruments primarily for purposes of hedging exposures to fluctuations in foreign currency exchange rates, interest rates, commodities and equity-linked employee benefit obligations. These derivative contracts are entered into for periods consistent with the related underlying exposures and do not constitute positions independent of those exposures. The company does not enter into derivative contracts for speculative purposes and does not use leveraged instruments. The company's derivative programs include strategies that both qualify and do not qualify for hedge accounting treatment. To

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

qualify for hedge accounting, the hedging relationship, both at inception of the hedge and on an ongoing basis, shall be expected to be highly effective in achieving offsetting changes in the fair value of the hedged risk during the period that the hedge is designated.

All derivatives are recognized on the balance sheet at fair value. For derivatives that qualify for hedge accounting, on the date the derivative contract is entered into, the company designates the derivative as a hedge of the fair value of a recognized asset or liability or a firm commitment (fair-value hedge), a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability (cash-flow hedge), or a hedge of a net investment in a foreign operation. Some derivatives may also be considered natural hedging instruments (changes in fair value act as economic offsets to changes in fair value of the underlying hedged item) and are not designated for hedge accounting.

Changes in the fair value of a fair-value hedge, along with the gain or loss on the underlying hedged asset or liability (including losses or gains on firm commitments), are recorded in current-period earnings. The effective portion of gains and losses on cash-flow hedges are recorded in other comprehensive income (loss), until earnings are affected by the variability of cash flows. If the underlying hedged item ceases to exist, all changes in the fair value of the derivative are included in earnings each period until the instrument matures. If a derivative is used as a hedge of a net investment in a foreign operation, its changes in fair value, to the extent effective as a hedge, are recorded in other comprehensive income (loss). Any ineffective portion of designated hedges is recognized in current-period earnings. Changes in the fair value of derivatives that are not designated for hedge accounting are recognized in current-period earnings.

Cash flows from derivative contracts are included in Net cash provided by operating activities.

Advertising Production Costs — Advertising production costs are expensed in the period that the advertisement first takes place.

Research and Development Costs — The costs of research and development are expensed as incurred. Costs include expenditures for new product and manufacturing process innovation, and improvements to existing products and processes. Costs primarily consist of salaries, wages, consulting, and depreciation and maintenance of research facilities and equipment.

Income Taxes — Deferred tax assets and liabilities are recognized for the future impact of differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases, as well as for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized.

2. Recent Accounting Pronouncements

In December 2007, the Financial Accounting Standards Board (FASB) issued authoritative guidance which establishes accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It requires a noncontrolling interest in a subsidiary, which was formerly known as minority interest, to be classified as a separate component of total equity in the consolidated financial statements. The company retrospectively adopted the new noncontrolling interest guidance in the first quarter of fiscal 2010. The adoption did not have a material impact on the financial statements. See Note 10 for additional information.

In December 2007, the FASB issued authoritative guidance for business combinations, which establishes the principles and requirements for how an acquirer recognizes the assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, measured at their fair values as of that date with limited exceptions. The guidance requires acquisition-related transaction costs to be expensed as incurred rather than capitalized as a component of the business combination. The provisions as revised were effective as of the first quarter of fiscal 2010 and will be applied to any business combinations entered into thereafter.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In September 2006, the FASB issued authoritative guidance for fair value measurements, which establishes a definition of fair value, provides a framework for measuring fair value and expands the disclosure requirements about fair value measurements. This guidance does not require any new fair value measurements but rather applies to all other accounting pronouncements that require or permit fair value measurements. In February 2008, the FASB issued authoritative guidance which delayed by a year the effective date for certain nonfinancial assets and liabilities. The company adopted the provisions of the guidance for financial assets and liabilities in the first quarter of fiscal 2009. The adoption did not have a material impact on the consolidated financial statements. The company adopted the remaining provisions in the first quarter of fiscal 2010 for nonfinancial assets and liabilities, including goodwill and intangible assets. The adoption likewise did not have a material impact on the consolidated financial statements. See Note 15 for additional information.

In June 2008, the FASB issued authoritative guidance related to the calculation of earnings per share. The guidance provides that unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of earnings per share pursuant to the two-class method. Upon adoption, a company is required to retrospectively adjust its earnings per share data (including any amounts related to interim periods, summaries of earnings and selected financial data) to conform with the new provisions. The company adopted the guidance in the first quarter of fiscal 2010. Prior periods have been restated. See Note 9 for additional information.

In December 2008, the FASB issued additional authoritative guidance related to employers' disclosures about the plan assets of defined benefit pension or other postretirement plans. The required disclosures include a description of how investment allocation decisions are made, major categories of plan assets, valuation techniques used to measure the fair value of plan assets, the impact of measurements using significant unobservable inputs and concentrations of risk within plan assets. The disclosures about plan assets required by this additional guidance must be provided for fiscal years ending after December 15, 2009. The company adopted the provisions in fiscal 2010. See Note 11 for additional information.

In January 2010, the FASB issued additional authoritative guidance related to fair value measurements and disclosures. The guidance requires disclosure of details of significant transfers in and out of Level 1 and Level 2 fair value measurements. Level 1 fair value measurements are based on unadjusted quoted market prices. Level 2 fair value measurements are based on significant inputs, other than Level 1, that are observable for the asset/liability through corroboration with observable market data. The guidance also clarifies the existing disclosure requirements for the level of disaggregation of fair value measurements and the disclosures on inputs and valuation techniques. The company adopted these provisions in the third quarter of fiscal 2010. The adoption did not have a material impact on the consolidated financial statements. In addition, the guidance requires a gross presentation of the activity within the Level 3 roll forward, separately presenting information about purchases, sales, issuances and settlements. The roll forward information must be provided by the company for the first quarter of fiscal 2012, as the provision is effective for annual reporting periods beginning after December 15, 2010 and for interim reporting periods within those years.

In June 2009, the FASB issued authoritative guidance that changed the consolidation model for variable interest entities. The provisions were effective for the first quarter of fiscal 2011. The adoption did not have a material impact on the company's consolidated financial statements.

In November 2010, the FASB issued additional authoritative guidance clarifying the required disclosures of supplementary pro forma information for business combinations. The guidance is effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010.

In December 2010, the FASB issued additional authoritative guidance on accounting for goodwill. The guidance clarifies the impairment test for reporting units with zero or negative carrying amounts. The guidance is effective for fiscal years and interim periods within those years beginning after December 15, 2011. The company does not expect the adoption to have a material impact on the company's consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In May 2011, the FASB issued further additional authoritative guidance related to fair value measurements and disclosures. The new guidance results in a consistent definition of fair value and common requirements for measurement of and disclosure about fair value between accounting principles generally accepted in the United States (U.S. GAAP) and International Financial Reporting Standards (IFRS). The guidance is effective for fiscal years and interim reporting periods within those years beginning after December 15, 2011. The company is assessing the impact of the guidance.

In June 2011, the FASB issued authoritative guidance requiring entities to present net income and other comprehensive income (OCI) in one continuous statement or two separate, but consecutive, statements of net income and comprehensive income. The option to present items of OCI in the statement of changes in equity has been eliminated. The new requirements are effective for annual reporting periods beginning after December 15, 2011 and for interim reporting periods within those years.

3. Divestitures

Discontinued Operations

On March 18, 2008, the company completed the sale of its Godiva Chocolatier business for $850. The purchase price was subject to certain post-closing adjustments, which resulted in an additional $20 of proceeds. The company has reflected the results of this business as discontinued operations in the consolidated statements of earnings. The company used approximately $600 of the net proceeds to purchase company stock. The company recognized a $4 benefit in 2009 as a result of an adjustment to the tax liability associated with the sale.

Other Divestitures

In July 2008, the company entered into an agreement to sell its sauce and mayonnaise business comprised of products sold under the *Lesieur* brand in France. The company recorded a pre-tax impairment charge of $2 to adjust the net assets to estimated realizable value in 2008. The sale was completed on September 29, 2008 and resulted in $36 of proceeds. The purchase price was subject to working capital and other post-closing adjustments, which resulted in an additional $6 of proceeds. The business was historically included in the International Simple Meals and Beverages segment.

The company has provided certain indemnifications in connection with the divestitures. Known exposures related to such matters are not material.

4. Comprehensive Income

Total comprehensive income is comprised of net earnings, net foreign currency translation adjustments, pension and postretirement benefit adjustments (see Note 11), and net unrealized gains and losses on cash-flow hedges (see Note 14). Total comprehensive income for the twelve months ended July 31, 2011, August 1, 2010, and August 2, 2009 was $1,111, $826, and $154, respectively.

The components of Accumulated other comprehensive income (loss), as reflected in the Statements of Equity, consisted of the following:

	2011	2010
Foreign currency translation adjustments, net of tax(1)	**$ 396**	$ 132
Cash-flow hedges, net of tax(2)	**(20)**	(18)
Unamortized pension and postretirement benefits, net of tax(3):		
Net actuarial loss	**(809)**	(856)
Prior service credit	**6**	6
Total Accumulated other comprehensive loss	**$(427)**	$(736)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(1) Includes a tax expense of $4 in 2011 and a tax benefit of $1 in 2010. The amount related to noncontrolling interests was not material.

(2) Includes a tax benefit of $11 in 2011 and $10 in 2010.

(3) Includes a tax benefit of $459 in 2011 and $489 in 2010.

5. Goodwill and Intangible Assets

The following table shows the changes in the carrying amount of goodwill by business segment:

	U.S. Simple Meals	U.S. Beverages	Global Baking and Snacking	International Simple Meals and Beverages	North America Foodservice	Total
Balance at August 2, 2009	$322	$112	$700	$621	$146	$1,901
Foreign currency translation adjustment	—	—	54	(36)	—	18
Balance at August 1, 2010	$322	$112	$754	$585	$146	$1,919
Foreign currency translation adjustment	**—**	**—**	**160**	**54**	**—**	**214**
Balance at July 31, 2011	**$322**	**$112**	**$914**	**$639**	**$146**	**$2,133**

The following table sets forth balance sheet information for intangible assets, excluding goodwill, subject to amortization and intangible assets not subject to amortization:

	2011	2010
Intangible Assets:		
Non-amortizable intangible assets	**$515**	$496
Amortizable intangible assets	**21**	21
	536	517
Accumulated amortization	**(9)**	(8)
Total net intangible assets	**$527**	$509

Non-amortizable intangible assets consist of trademarks, which mainly include *Pace, Royco, Liebig, Blå Band* and *Touch of Taste*. Amortizable intangible assets consist substantially of process technology and customer intangibles.

Amortization was less than $1 in 2011, 2010, and 2009. The estimated aggregated amortization expense for each of the five succeeding fiscal years is less than $1 per year. Asset useful lives range from ten to twenty years.

In 2011, as part of the company's annual review of intangible assets, an impairment charge of $3 was recognized related to the *Heisse Tasse* trademark used in the International Simple Meals and Beverages segment. The trademark was determined to be impaired as a result of a decrease in the fair value of the brand, resulting from reduced expectations for future sales and discounted cash flows. The impairment charge was recorded in Other expenses/(income) in the Consolidated Statements of Earnings. As of July 2011, certain European trademarks have a carrying value of approximately $100, which approximates fair value. Fair value is determined based on discounted cash flow analyses that include significant management assumptions such as revenue growth rates, weighted average cost of capital, and assumed royalty rates. Actual cash flows could differ from management's estimates due to changes in business performance, operating performance, and economic conditions. Holding all other assumptions constant, a 100-basis-point increase in the weighted average cost of capital would reduce fair value of all trademarks and result in impairment charges of approximately $21.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In 2009, as part of the company's annual review of intangible assets, an impairment charge of $67 was recognized related to certain European trademarks used in the International Simple Meals and Beverages segment, including *Heisse Tasse*, *Blå Band* and *Royco*. The trademarks were determined to be impaired as a result of a decrease in the fair value of the brands, resulting from reduced expectations for discounted cash flows. The reduction was due in part to a deterioration in market conditions and an increase in the weighted average cost of capital. The impairment charge was recorded in Other expenses/(income) in the Consolidated Statements of Earnings.

In May 2009, the company acquired Ecce Panis, Inc. Intangible assets from the acquisition totaled $16. See Note 8 for additional information.

6. Business and Geographic Segment Information

Commencing with the fourth quarter of fiscal 2011, the company reports the results of operations in the following reportable segments: U.S. Simple Meals; U.S. Beverages; Global Baking and Snacking; International Simple Meals and Beverages; and North America Foodservice. Segment results of prior periods were modified to conform to the current presentation. The company has ten operating segments based on product type and geographic location and has aggregated the operating segments into the appropriate reportable segment based on similar economic characteristics; products; production processes; types or classes of customers; distribution methods; and regulatory environment. The segments are discussed in greater detail below.

The U.S. Simple Meals segment aggregates the following operating segments: U.S. Soup and U.S. Sauces. The U.S. Soup retail business includes the following products: *Campbell's* condensed and ready-to-serve soups; and *Swanson* broth and stocks. The U.S. Sauces retail business includes the following products: *Prego* pasta sauce; *Pace* Mexican sauce; *Swanson* canned poultry; and *Campbell's* canned gravies, pasta and beans.

The U.S. Beverages segment represents the U.S. retail beverages business, including the following products: *V8* juices and beverages; and *Campbell's* tomato juice.

The Global Baking and Snacking segment aggregates the following operating segments: *Pepperidge Farm* cookies, crackers, bakery and frozen products in U.S. retail; and *Arnott's* biscuits in Australia and Asia Pacific.

The International Simple Meals and Beverages segment aggregates the simple meals and beverages operating segments outside of the United States, including Europe, Latin America, the Asia Pacific region and the retail business in Canada. See Note 3 for information on the sale of the sauce and mayonnaise business comprised of products sold under the *Lesieur* brand in France. This business was historically included in this segment.

The North America Foodservice segment represents the distribution of products such as soup, specialty entrees, beverage products, other prepared foods and Pepperidge Farm products through various food service channels in the United States and Canada.

The company's accounting policies for measuring segment assets and earnings before interest and taxes are substantially consistent with those described in Note 1. The company evaluates segment performance before interest, taxes, and beginning in fiscal 2011, costs associated with restructuring activities. Segment operating earnings of prior periods were modified to conform to the current presentation. The manufacturing, warehousing, distribution and selling activities of the company's U.S. retail business are operated as an integrated platform in order to maximize efficiency and productivity. As a result, assets and capital expenditures of the U.S. Simple Meals and U.S. Beverages are not discretely maintained. Depreciation expense associated with the integrated operations, however, is allocated to the U.S. Simple Meals and U.S. Beverages segments based on production hours. North America Foodservice products are principally produced by the tangible assets of the company's other segments, except for refrigerated soups, which are produced in a separate facility, and certain other products, which are produced under contract manufacturing agreements. Tangible assets of the company's other segments are not allocated to the North America Foodservice operations. Depreciation, however, is allocated to North America Foodservice based on production hours.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The company's largest customer, Wal-Mart Stores, Inc. and its affiliates, accounted for approximately 17% of consolidated net sales in 2011 and 18% in 2010 and 2009. All of the company's segments sold products to Wal-Mart Stores, Inc. or its affiliates.

Business Segments

	2011	2010	2009
Net sales			
U.S. Simple Meals	**$2,751**	$2,938	$3,049
U.S. Beverages	**759**	762	735
Global Baking and Snacking	**2,156**	1,975	1,846
International Simple Meals and Beverages	**1,463**	1,423	1,357
North America Foodservice	**590**	578	599
Total	**$7,719**	$7,676	$7,586

	2011	2010	2009(3)
Earnings before interest and taxes			
U.S. Simple Meals	**$ 657**	$ 737	$ 749
U.S. Beverages	**182**	206	178
Global Baking and Snacking	**355**	322	265
International Simple Meals and Beverages	**185**	161	69
North America Foodservice	**82**	55	53
Corporate(1)	**(119)**	(121)	(107)
Restructuring charges and related costs(2)	**(63)**	(12)	(22)
Total	**$1,279**	$1,348	$1,185

	2011	2010	2009
Depreciation and Amortization			
U.S. Simple Meals	**$ 87**	$ 86	$ 86
U.S. Beverages	**20**	21	15
Global Baking and Snacking	**82**	75	71
International Simple Meals and Beverages	**42**	35	41
North America Foodservice	**13**	13	28
Corporate(1)	**24**	21	23
Total	**$ 268**	$ 251	$ 264

	2011	2010	2009
Capital Expenditures			
U.S. Simple Meals and U.S. Beverages	**$ 126**	$ 139	$ 177
Global Baking and Snacking	**73**	81	58
International Simple Meals and Beverages	**36**	26	34
North America Foodservice	**3**	3	17
Corporate(1)	**34**	66	59
Total	**$ 272**	$ 315	$ 345

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	2011	2010	2009
Segment Assets			
U.S. Simple Meals and U.S. Beverages	**$2,129**	$2,146	$2,168
Global Baking and Snacking	**1,982**	1,710	1,628
International Simple Meals and Beverages	**1,539**	1,396	1,474
North America Foodservice	**350**	360	377
Corporate(1)	**862**	664	409
Total	**$6,862**	$6,276	$6,056

(1) Represents unallocated corporate expenses and unallocated assets.

(2) See Note 7 for additional information.

(3) Earnings before interest and taxes of the International Simple Meals and Beverages segment included a $67 impairment charge on certain European trademarks. See Note 5 for additional information.

The company's global net sales based on product categories are as follows:

	2011	2010	2009
Net sales			
Simple Meals	**$4,437**	$4,594	$4,674
Baked Snacks	**2,321**	2,129	1,995
Beverages	**961**	953	917
Total	**$7,719**	$7,676	$7,586

Simple meals include condensed and ready-to-serve soups, broths and sauces. Baked snacks include cookies, crackers, biscuits and other baked products.

Geographic Area Information

Information about operations in different geographic areas is as follows:

	2011	2010	2009
Net sales			
United States	**$5,309**	$5,436	$5,548
Europe	**596**	601	608
Australia/Asia Pacific	**1,138**	978	816
Other countries	**676**	661	614
Total	**$7,719**	$7,676	$7,586

	2011	2010	2009
Long-lived assets			
United States	**$1,281**	$1,279	$1,388
Europe	**102**	104	119
Australia/Asia Pacific	**384**	326	283
Other countries	**109**	105	108
Corporate(1)	**227**	237	79
Total	**$2,103**	$2,051	$1,977

(1) Represents primarily corporate offices.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

7. Restructuring Charges

2011 Initiatives

On June 28, 2011, the company announced a series of initiatives to improve supply chain efficiency and reduce overhead costs across the organization to help fund plans to drive the growth of the business. The company also announced its intent to exit the Russian market. The company expects to eliminate approximately 750 positions in connection with these initiatives. Details of the plans include:

- In Australia, the company will invest in a new system to automate packing operations at its biscuit plant in Virginia. This investment will occur over an 18-month period and will result in the elimination of approximately 190 positions, subject to union and employee consultations. Further, the company will improve asset utilization in the U.S. by shifting production of ready-to-serve soups from Paris, Texas, to other facilities in 2012. In addition, the manufacturing facility in Marshall, Michigan, was closed in 2011, and manufacturing of *Campbell's Soup at Hand* microwavable products will be consolidated at the Maxton, North Carolina, plant in 2012.

- The company streamlined its salaried workforce by approximately 510 positions around the world, including approximately 130 positions at its world headquarters in Camden, New Jersey. These actions were substantially completed in 2011. As part of this initiative, the company outsourced a larger portion of its U.S. retail merchandising activities to its current retail sales agent, Acosta Sales and Marketing, and eliminated approximately 190 positions. The company expects that this action will enhance merchandising effectiveness and coverage for its U.S. customers.

- In connection with exiting the Russian market, the company will eliminate approximately 50 positions. The exit process commenced in 2011 and is expected to be completed in fiscal 2012.

In 2011, the company recorded a restructuring charge of $63 ($41 after tax or $.12 per share) related to these initiatives. A summary of the pre-tax charge and remaining costs associated with the initiatives is as follows:

	Total Program	Recognized as of July 31, 2011	Remaining Costs to be Recognized
Severance pay and benefits	$40	$(37)	$ 3
Asset impairment/accelerated depreciation	25	(22)	3
Other exit costs	10	(4)	6
Total	$75	$(63)	$12

Of the aggregate $75 of pre-tax costs, the company expects approximately $50 will be cash expenditures, the majority of which will be spent in 2012. In addition, the company expects to invest approximately $40 in capital expenditures in connection with the actions. The initiatives are expected to be completed by the end of fiscal 2013.

A summary of restructuring activity and related reserves associated with these initiatives at July 31, 2011 is as follows:

	Accrued Balance at August 1, 2010	2011 Charges	2011 Cash Payments	Accrued Balance at July 31, 2011
Severance pay and benefits	$—	$37	$ (2)	$35
Asset impairment/accelerated depreciation	—	22		
Other exit costs	—	4	—	4
Total	$—	$63	$ (2)	$39

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

A summary of restructuring charges associated with each segment is as follows:

	U.S. Simple Meals	U.S. Beverages	Global Baking and Snacking	International Simple Meals and Beverages	North America Foodservice	Corporate	Total
Severance pay and benefits	$10	$ 3	$12	$10	$ 1	$ 1	$37
Asset impairment/accelerated depreciation	20	—	—	2	—	—	22
Other exit costs	1	—	—	—	—	3	4
	$31	$ 3	$12	$12	$ 1	$ 4	$63

The company expects to incur additional pre-tax costs of approximately $12 by segment as follows: U.S. Simple Meals — $2, Global Baking and Snacking — $3, International Simple Meals and Beverages — $6 and Corporate — $1. Segment operating results do not include restructuring charges as segment performance is evaluated excluding such charges.

2008 Initiatives

On April 28, 2008, the company announced a series of initiatives to improve operational efficiency and long-term profitability, including selling certain salty snack food brands and assets in Australia, closing certain production facilities in Australia and Canada, and streamlining the company's management structure.

As a result of these initiatives, in 2009, the company recorded approximately $22 ($15 after tax or $.04 per share) of costs in Cost of products sold. Approximately $17 ($12 after tax) of the costs represented accelerated depreciation on property, plant and equipment; approximately $4 ($2 after tax) related to other exit costs; and approximately $1 related to employee severance and benefit costs, including other pension charges.

As a result of these initiatives, in 2010, the company recorded a restructuring charge of $12 ($8 after tax or $.02 per share) for pension benefit costs, which represented the final costs associated with the 2008 initiatives.

In the aggregate, the company incurred $216 of pre-tax costs for the total program in 2008 through 2010. Approximately $40 of the costs were cash expenditures, the majority of which was spent in 2009.

A summary of the pre-tax costs is as follows:

	Total Program	Change in Estimate(1)	Recognized 2008-2010
Severance pay and benefits	$ 62	$ (4)	$ 58
Asset impairment/accelerated depreciation	158	(4)	154
Other exit costs	10	(6)	4
Total	$230	$(14)	$216

(1) Primarily due to foreign currency translation.

Details of the impact of the initiatives on fiscal 2010 and 2009 results are as follows:

- In April 2008, as part of the initiatives, the company announced plans to close the Listowel, Ontario, Canada food plant. The Listowel facility produced primarily frozen products, including soup, entrees, and Pepperidge Farm products, as well as ramen noodles for North America Foodservice. The facility employed approximately 500 people. The company closed the facility in April 2009. Production was transitioned to its network of North American contract manufacturers and to its Downingtown, Pennsylvania, plant. In connection with this action, in 2009, the company recorded $1 of employee severance and benefit costs, including other pension charges; $16 ($11 after tax) in accelerated depreciation of property, plant and

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

equipment; and $2 ($1 after tax) of other exit costs. In 2010, the company recorded a restructuring charge of $12 ($8 after tax) for pension benefit costs, which represented the final costs associated with the initiatives.

- In April 2008, as part of the initiatives, the company also announced plans to discontinue the private label biscuit and industrial chocolate production at its Miranda, Australia, facility, which was part of Global Baking and Snacking. The company closed the Miranda facility, which employed approximately 150 people, in the second quarter of 2009. In connection with this action, in 2009, the company recorded $1 in accelerated depreciation of property, plant, and equipment, and $2 ($1 after tax) in other exit costs.

A summary of restructuring activity and related reserves of the 2008 initiatives is as follows:

	Severance Pay and Benefits	Asset Impairment/ Accelerated Depreciation	Other Exit Costs	Total
Accrued balance at July 29, 2007	$ —			
2008 charge(1)	45	137	—	$182
Cash payments	(4)			
Pension termination benefits(2)	(4)			
Accrued balance at August 3, 2008	37			
2009 charge	1	17	4	$ 22
Cash payments	(26)			
Pension termination benefits(2)	(2)			
Foreign currency translation adjustment	(6)			
Accrued balance at August 2, 2009	4			
2010 charge	12	—	—	$ 12
Cash payments	(3)			
Pension termination benefits(2)	(12)			
Accrued balance at August 1, 2010	1			
Cash payments	**(1)**			
Accrued balance at July 31, 2011	**$ —**			

(1) In 2008, as part of the initiatives, the company sold certain Australian salty snack food brands and assets, which were part of Global Baking and Snacking, and recorded a pre-tax net loss of $120 on the sale. The company streamlined its management structure and eliminated certain overhead costs. These actions began in the fourth quarter of 2008 and were substantially completed in 2009. In connection with this action, the company recorded $17 in employee severance and benefit costs in 2008. The company also recognized $45 in costs associated with the closures of the Listowel, Canada, and Miranda, Australia, facilities.

(2) Pension termination benefits are recognized in Other Liabilities and Accumulated Other Compensation Income/(Loss). See Note 11.

A summary of restructuring charges incurred in 2008 through 2010 by segment follows:

	Global Baking and Snacking	International Simple Meals and Beverages	North America Foodservice	Total
Severance pay and benefits	$ 14	$ 9	$35	$ 58
Asset impairment/accelerated depreciation	131	—	23	154
Other exit costs	2	—	2	4
	$147	$ 9	$60	$216

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

8. Acquisitions

On May 4, 2009, the company acquired Ecce Panis, Inc., an artisan bread maker, for $66. The results of operations of Ecce Panis, Inc. are included in the Global Baking and Snacking segment and were not material to 2009 results. The pro forma impact on sales, net earnings or earnings per share for the prior periods would not have been material. As part of the purchase price allocation, $46 was allocated to intangible assets, primarily consisting of goodwill, trade secret process technology, trademarks and customer relationships.

The following table presents the purchase price allocation of Ecce Panis, Inc.:

	May 4, 2009
Accounts receivable	$ 2
Inventories	1
Other current assets	1
Total current assets	$ 4
Plant assets	$12
Goodwill	30
Other intangible assets	16
Other assets	14
Total assets acquired	$76
Current liabilities	$ 3
Non-current liabilities	7
Total liabilities assumed	$10
Net assets acquired	$66

9. Earnings per Share

In June 2008, the FASB issued accounting guidance related to the calculation of earnings per share. The guidance provides that unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of earnings per share pursuant to the two-class method. Share-based payment awards granted prior to fiscal 2011 contained non-forfeitable rights to dividends or dividend equivalents. The two-class method is an earnings allocation formula that determines earnings per share for each class of common stock and participating security according to dividends declared and participation rights in undistributed earnings. The company adopted and retrospectively applied the new guidance in the first quarter of fiscal 2010. The retrospective application of the provisions resulted in a reduction of basic and diluted earnings per share:

	2009	
	Basic	Diluted
Earnings from continuing operations attributable to Campbell Soup Company	$(.03)	$(.01)
Net earnings attributable to Campbell Soup Company	$(.03)	$(.01)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The computation of basic and diluted earnings per share attributable to common shareowners is as follows:

	2011	2010	2009
Earnings from continuing operations attributable to Campbell Soup Company	**$ 805**	$ 844	$ 732
Less: Allocation of earnings to participating securities	**(9)**	(14)	(12)
Available to Campbell Soup Company common shareowners	**$ 796**	$ 830	$ 720
Earnings from discontinued operations attributable to Campbell Soup Company	**$ —**	$ —	$ 4
Less: Allocation of earnings to participating securities	**—**	—	—
Available to Campbell Soup Company common shareowners	**$ —**	$ —	$ 4
Net earnings attributable to Campbell Soup Company	**$ 805**	$ 844	$ 736
Less: Allocation of earnings to participating securities	**(9)**	(14)	(12)
Available to Campbell Soup Company common shareowners	**$ 796**	$ 830	$ 724
Weighted average shares outstanding — basic	**326**	340	352
Effect of dilutive securities: stock options and other share-based payment awards	**3**	3	2
Weighted average shares outstanding — diluted	**329**	343	354
Earnings from continuing operations attributable to Campbell Soup Company per common share:			
Basic	**$2.44**	$2.44	$2.05
Diluted	**$2.42**	$2.42	$2.03
Earnings from discontinued operations attributable to Campbell Soup Company per common share:			
Basic	**$ —**	$ —	$ .01
Diluted	**$ —**	$ —	$ .01
Net earnings attributable to Campbell Soup Company per common share(1):			
Basic	**$2.44**	$2.44	$2.06
Diluted	**$2.42**	$2.42	$2.05

(1) The sum of the individual per share amounts does not equal due to rounding.

There were no antidilutive stock options in 2011. Stock options to purchase less than 1 million shares of capital stock in 2010, and 3 million shares of capital stock in 2009 were not included in the calculation of diluted earnings per share because the exercise price of the stock options exceeded the average market price of the capital stock and, therefore, would be antidilutive.

10. Noncontrolling Interests

The company owns a 60% controlling interest in a joint venture formed with Swire Pacific Limited to support the development of the company's business in China. The joint venture began operations on January 31, 2011, the beginning of the third fiscal quarter. At the inception of the joint venture, the joint venture partner contributed net assets of $7, including $9 of cash contributions, and the company made an $11 cash contribution. In July 2011, the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

company and joint venture partner contributed additional cash of $2 and $1, respectively. The noncontrolling interest's share in the net loss was included in Net earnings (loss) attributable to noncontrolling interests in the Consolidated Statements of Earnings.

The company owns a 70% controlling interest in a Malaysian manufacturing company. The earnings attributable to the noncontrolling interest have historically been less than $1 annually and were previously included in Other expense/(income) in the Consolidated Statements of Earnings. Beginning in the third quarter of fiscal 2011, the earnings attributable to the noncontrolling interest were included in Net earnings (loss) attributable to noncontrolling interests in the Consolidated Statements of Earnings. The earnings were not material in 2011.

The noncontrolling interests in these entities were included in Total equity in the Consolidated Balance Sheets and Consolidated Statements of Equity.

11. Pension and Postretirement Benefits

Pension Benefits — The company sponsors a number of noncontributory defined benefit pension plans to provide retirement benefits to all eligible U.S. and non-U.S. employees. The benefits provided under these plans are based primarily on years of service and compensation levels. In 1999, the company implemented significant amendments to certain U.S. pension plans. Under a new formula, retirement benefits are determined based on percentages of annual pay and age. To minimize the impact of converting to the new formula, service and earnings credit continues to accrue for active employees participating in the plans under the old formula prior to the amendments through the year 2014. Employees will receive the benefit from either the new or old formula, whichever is higher. Benefits become vested upon the completion of three years of service. Benefits are paid from funds previously provided to trustees and insurance companies or are paid directly by the company from general funds. Effective as of January 1, 2011, the company's U.S. pension plans were amended so that employees hired or rehired on or after that date and who are not covered by collective bargaining agreements will not be eligible to participate in the plans.

Postretirement Benefits — The company provides postretirement benefits including health care and life insurance to substantially all retired U.S. employees and their dependents. The company established retiree medical account benefits for eligible U.S. retirees. The accounts were intended to provide reimbursement for eligible health care expenses on a tax-favored basis. Effective as of January 1, 2011, the retirement medical program was amended to eliminate the retiree medical account benefit for employees not covered by collective bargaining agreements. To preserve the benefit for employees close to retirement age, the retiree medical account will be available to employees who were at least age 50 with at least 10 years of service as of December 31, 2010, and who satisfy the other eligibility requirements for the retiree medical program.

The company uses the fiscal year end as the measurement date for the benefit plans.

Components of net periodic benefit cost:

	Pension		
	2011	**2010**	**2009**
Service cost	**$ 58**	$ 55	$ 46
Interest cost	**121**	121	122
Expected return on plan assets	**(178)**	(170)	(163)
Amortization of prior service cost	**1**	1	1
Recognized net actuarial loss	**70**	49	19
Settlement (gains)/costs	**(1)**	12	—
Special termination benefits	**—**	—	2
Net periodic pension expense	**$ 71**	$ 68	$ 27

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The settlement costs in 2010 are related to the closure of a plant in Canada. The settlement costs are included in Restructuring charges in the Consolidated Statements of Earnings. See Note 7 for additional information.

The estimated net actuarial loss that will be amortized from Accumulated other comprehensive loss into net periodic pension cost during 2012 is $75.

	Postretirement		
	2011	**2010**	**2009**
Service cost	**$ 3**	$ 3	$ 3
Interest cost	**18**	19	22
Amortization of prior service cost/(credit)	**(1)**	1	1
Recognized net actuarial loss	**7**	1	—
Net periodic postretirement expense	**$27**	$24	$26

The estimated prior service credit and net actuarial loss that will be amortized from Accumulated other comprehensive loss into net periodic postretirement expense during 2012 are $1 and $9, respectively.

Change in benefit obligation:

	Pension		Postretirement	
	2011	**2010**	**2011**	**2010**
Obligation at beginning of year	**$2,275**	$2,077	**$362**	$340
Service cost	**58**	55	**3**	3
Interest cost	**121**	121	**18**	19
Actuarial loss	**61**	181	**15**	50
Participant contributions	**—**	—	**5**	4
Benefits paid	**(146)**	(148)	**(34)**	(39)
Medicare subsidies	**—**	—	**5**	3
Other	**(4)**	(2)	**—**	—
Plan amendments	**(1)**	—	**—**	(18)
Settlement	**(8)**	(21)	**—**	—
Foreign currency adjustment	**32**	12	**—**	—
Benefit obligation at end of year	**$2,388**	$2,275	**$374**	$362

Change in the fair value of pension plan assets:

	2011	**2010**
Fair value at beginning of year	**$1,767**	$1,415
Actual return on plan assets	**266**	222
Employer contributions	**144**	284
Benefits paid	**(139)**	(142)
Settlement	**(6)**	(21)
Foreign currency adjustment	**27**	9
Fair value at end of year	**$2,059**	$1,767

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Amounts recognized in the Consolidated Balance Sheets:

	Pension		Postretirement	
	2011	**2010**	**2011**	**2010**
Accrued liabilities	**$ (10)**	$ (8)	**$ (30)**	$ (30)
Other liabilities	**(319)**	(500)	**(344)**	(332)
Net amount recognized	**$ (329)**	$ (508)	**$(374)**	$(362)
Amounts recognized in accumulated other comprehensive loss consist of:				
Net actuarial loss	**$1,179**	$1,263	**$ 95**	$ 87
Prior service credit	**(3)**	(1)	**(9)**	(10)
Total	**$1,176**	$1,262	**$ 86**	$ 77

The changes in other comprehensive loss associated with pension benefits included the reclassification of actuarial losses into earnings of $70 and $49 in 2011 and 2010, respectively. The remaining changes in other comprehensive loss associated with pension benefits were primarily due to net actuarial losses arising during the period and the impact of foreign currency.

The change in other comprehensive loss associated with postretirement benefits in 2011 was primarily due to net actuarial losses arising during the period. The change in other comprehensive loss associated with postretirement benefits in 2010 included $50 of net actuarial losses arising during the period and $18 of prior service credit.

The following table provides information for pension plans with accumulated benefit obligations in excess of plan assets:

	2011	**2010**
Projected benefit obligation	**$2,194**	$2,261
Accumulated benefit obligation	**$2,131**	$2,140
Fair value of plan assets	**$1,891**	$1,757

The accumulated benefit obligation for all pension plans was $2,299 at July 31, 2011 and $2,148 at August 1, 2010.

Weighted-average assumptions used to determine benefit obligations at the end of the year:

	Pension		Postretirement	
	2011	**2010**	**2011**	**2010**
Discount rate	**5.41%**	5.46%	**5.00%**	5.25%
Rate of compensation increase	**3.31%**	3.29%	**3.25%**	3.25%

Weighted-average assumptions used to determine net periodic benefit cost for the years ended:

Pension	**2011**	**2010**	**2009**
Discount rate	**5.46%**	6.00%	6.87%
Expected return on plan assets	**8.15%**	8.13%	8.60%
Rate of compensation increase	**3.29%**	3.29%	3.97%

The discount rate is established as of the company's fiscal year-end measurement date. In establishing the discount rate, the company reviews published market indices of high-quality debt securities, adjusted as appropriate for duration. In addition, independent actuaries apply high-quality bond yield curves to the expected benefit payments of the plans. The expected return on plan assets is a long-term assumption based upon historical experience and expected future performance, considering the company's current and projected investment mix.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

This estimate is based on an estimate of future inflation, long-term projected real returns for each asset class, and a premium for active management.

The discount rate used to determine net periodic postretirement expense was 5.25% in 2011, 6.00% in 2010, and 7.00% in 2009.

Assumed health care cost trend rates at the end of the year:

	2011	2010
Health care cost trend rate assumed for next year	**8.25%**	8.25%
Rate to which the cost trend rate is assumed to decline (ultimate trend rate)	**4.50%**	4.50%
Year that the rate reaches the ultimate trend rate	**2019**	2018

A one-percentage-point change in assumed health care costs would have the following effects on 2011 reported amounts:

	Increase	Decrease
Effect on service and interest cost	$ 1	$ (1)
Effect on the 2011 accumulated benefit obligation	$20	$(18)

Pension Plan Assets

The fundamental goal underlying the investment policy is to ensure that the assets of the plans are invested in a prudent manner to meet the obligations of the plans as these obligations come due. The primary investment objectives include providing a total return which will promote the goal of benefit security by attaining an appropriate ratio of plan assets to plan obligations, to provide for real asset growth while also tracking plan obligations, to diversify investments across and within asset classes, to reduce the impact of losses in single investments, and to follow investment practices that comply with applicable laws and regulations.

The primary policy objectives will be met by investing assets to achieve a reasonable tradeoff between return and risk relative to the plans' obligations. This includes investing a portion of the assets in funds selected in part to hedge the interest rate sensitivity to plan obligations.

The portfolio includes investments in the following asset classes: fixed income, equity, real estate and alternatives. Fixed income will provide a moderate expected return and partially hedge the exposure to interest rate risk of the plans' obligations. Equities are used for their high expected return. Additional asset classes are used to provide diversification.

Asset allocation is monitored on an ongoing basis relative to the established asset class targets. The interaction between plan assets and benefit obligations is periodically studied to assist in the establishment of strategic asset allocation targets. The investment policy permits variances from the targets within certain parameters. Asset rebalancing occurs when the underlying asset class allocations move outside these parameters, at which time the asset allocation is rebalanced back to the policy target weight.

The company's year-end pension plan weighted-average asset allocations by category were:

	Strategic Target	2011	2010
Equity securities	51%	**50%**	49%
Debt securities	35%	**35%**	34%
Real estate and other	14%	**15%**	17%
Total	100%	**100%**	100%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The company is required to categorize pension plan assets based on the following fair value hierarchy:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets in active markets.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset through corroboration with observable market data.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

The following table presents the company's pension plan assets by asset category at July 31, 2011 and August 1, 2010:

	Fair Value as of July 31, 2011	Fair Value Measurements at July 31, 2011 Using Fair Value Hierarchy			Fair Value as of August 1, 2010	Fair Value Measurements at August 1, 2010 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Asset category								
Short-term investments	**$ 65**	**$ 5**	**$ 60**	**$ —**	$ 60	$ 5	$ 55	$ —
Equities:								
U.S.	**396**	**396**	**—**	**—**	308	308	—	—
Non-U.S.	**267**	**267**	**—**	**—**	245	245	—	—
Corporate bonds:								
U.S.	**414**	**—**	**414**	**—**	357	—	357	—
Non-U.S.	**88**	**—**	**88**	**—**	89	—	89	—
Government and agency bonds:								
U.S.	**9**	**—**	**9**	**—**	21	—	21	—
Non-U.S.	**31**	**—**	**31**	**—**	21	—	21	—
Municipal Bonds	**42**	**—**	**42**	**—**	17	—	17	—
Commingled funds:								
Equities	**366**	**—**	**366**	**—**	298	—	298	—
Fixed Income	**73**	**—**	**73**	**—**	46	—	46	—
Mortgage and asset backed securities	**27**	**—**	**27**	**—**	26	—	26	—
Real estate	**70**	**7**	**44**	**19**	60	4	38	18
Limited partnerships	**20**	**—**	**—**	**20**	24	—	—	24
Hedge funds	**196**	**—**	**196**	**—**	174	—	174	—
Guaranteed insurance contracts	**—**	**—**	**—**	**—**	8	—	—	8
Total	**$2,064**	**$675**	**$1,350**	**$ 39**	$1,754	$562	$1,142	$ 50
Other items to reconcile to fair value of plan assets	**(5)**				13			
Total pension assets at fair value	**$2,059**				$1,767			

Short-term investments — Investments include cash and cash equivalents, and various short-term debt instruments and short-term investment funds. Institutional short-term investment vehicles valued daily are classified as Level 1 at cost which approximates market value. Other investment vehicles are valued based upon a net asset value and are classified as Level 2.

Equities — Common stocks and preferred stocks are classified as Level 1 and are valued using quoted market prices in active markets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Corporate bonds — These investments are valued based on quoted market prices, yield curves and pricing models using current market rates.

Government and agency bonds — These investments are generally valued based on bid quotations and recent trade data for identical or similar obligations.

Municipal bonds — These investments are valued based on quoted market prices, yield curves and pricing models using current market rates.

Commingled funds — Investments in commingled funds are classified as Level 2 assets as the funds are not traded in active markets. Commingled funds are valued based on the unit values of such funds. Unit values are based on the fair value of the underlying assets of the funds derived from inputs principally based on quoted market prices in an active market or corroborated by observable market data by correlation or other means.

Mortgage and asset backed securities — Fair value is based on prices obtained from third party pricing sources. The prices from third party pricing sources may be based on bid quotes from dealers and recent trade data. Mortgage backed securities are traded in the over-the-counter market.

Real estate — Real estate investments consist of real estate investment trusts and property funds. Real estate investment trusts are classified as Level 1 and are valued based on quoted market prices. Property funds are classified as either Level 2 or Level 3 depending upon whether liquidity is limited or there are few observable market participant transactions. Fair value is based on third party appraisals.

Limited partnerships — Investments in limited partnerships are valued based upon valuations provided by the general partners of the funds. The values of limited partnerships are based upon an assessment of each underlying investment, incorporating valuations that consider the evaluation of financing and sales transactions with third parties, expected cash flows, and market-based information, including comparable transactions and performance multiples among other factors. The investments are classified as Level 3 since the valuation is determined using unobservable inputs.

Hedge funds — Hedge fund investments include hedge funds valued based upon a net asset value derived from the fair value of underlying securities and are therefore classified as Level 2 assets. Hedge fund investments may include long and short positions in equity and fixed income securities, derivative instruments such as futures and options, commodities, and other types of securities.

Guaranteed insurance contracts — These assets are classified as Level 3 assets as they are valued using unobservable inputs. Guaranteed insurance contracts are valued based on the discounted stream of guaranteed benefit payments at a market rate increased for expected future profit sharing. The expected excess return is equal to expected indexation granted to participants. The discounted stream of guaranteed benefit payments is calculated based on the expected mortality rates of plan participants.

Other items to reconcile to fair value of plan assets included net accrued interest and dividends receivable, amounts due for securities sold, amounts payable for securities purchased, and other payables.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the changes in fair value of Level 3 investments for the years ended July 31, 2011 and August 1, 2010:

	Real Estate	Limited Partnerships	Guaranteed Insurance Contracts	Total
Fair value at August 1, 2010	$18	$24	$ 8	$ 50
Actual return on plan assets	**4**	**4**	**(2)**	**6**
Purchases	**—**	**—**	**—**	**—**
Sales	**(3)**	**(8)**	**—**	**(11)**
Settlements	**—**	**—**	**(6)**	**(6)**
Transfers out of Level 3	**—**	**—**	**—**	**—**
Fair value at July 31, 2011	**$19**	**$20**	**$ —**	**$ 39**

	Real Estate	Limited Partnerships	Guaranteed Insurance Contracts	Total
Fair value at August 2, 2009	$ 32	$31	$ 5	$ 68
Actual return on plan assets	(2)	(4)	2	(4)
Purchases	—	—	1	1
Sales	(1)	(3)	—	(4)
Settlements	—	—	—	—
Transfers out of Level 3	(11)	—	—	(11)
Fair value at August 1, 2010	$ 18	$24	$ 8	$ 50

The company contributed $55 to U.S. plans in the first quarter of 2012. Additional contributions to U.S. plans are not expected in 2012. Contributions to non-U.S. plans are expected to be approximately $10 in 2012.

Estimated future benefit payments are as follows:

	Pension	Postretirement
2012	$147	$ 30
2013	$150	$ 31
2014	$150	$ 31
2015	$154	$ 32
2016	$158	$ 32
2017-2021	$856	$163

The benefit payments include payments from funded and unfunded plans.

Estimated future Medicare subsidy receipts are approximately $3 annually from 2012 through 2016, and $15 cumulatively for the period 2017 through 2021.

Savings Plan — The company sponsors employee savings plans which cover substantially all U.S. employees. Effective January 1, 2011, the company provides a matching contribution of 100% of employee contributions up to 4% of compensation for employees who are not covered by collective bargaining agreements. Employees hired or rehired on or after January 1, 2011 who will not be eligible to participate in the defined benefit plans and who are not covered by collective bargaining agreements receive a contribution equal to 3% of compensation regardless of their participation in the Savings Plan. Prior to January 1, 2011, the company provided a matching contribution of 60% (50% at certain locations) of the employee contributions up to 5% of compensation after one year of continued service. Amounts charged to Costs and expenses were $20 in 2011, $17 in 2010, and $18 in 2009.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

12. Taxes on Earnings

The provision for income taxes on earnings from continuing operations consists of the following:

	2011	2010	2009
Income taxes:			
Currently payable			
Federal	**$ 215**	$ 253	$ 145
State	**27**	46	12
Non-U.S.	**78**	45	46
	320	344	203
Deferred			
Federal	**47**	38	142
State	**(2)**	1	9
Non-U.S.	**1**	15	(7)
	46	54	144
	$ 366	$ 398	$ 347
Earnings from continuing operations before income taxes:			
United States	**$ 944**	$1,051	$ 976
Non-U.S.	**224**	191	103
	$1,168	$1,242	$1,079

The following is a reconciliation of the effective income tax rate on continuing operations with the U.S. federal statutory income tax rate:

	2011	2010	2009
Federal statutory income tax rate	**35.0%**	35.0%	35.0%
State income taxes (net of federal tax benefit)	**1.4**	2.5	1.7
Tax effect of international items	**(2.1)**	(2.5)	(0.8)
Settlement of tax contingencies	**(0.5)**	(0.7)	(1.0)
Federal manufacturing deduction	**(1.8)**	(1.3)	(1.0)
Other	**(0.7)**	(1.0)	(1.7)
Effective income tax rate	**31.3%**	32.0%	32.2%

During 2011, the company recorded a tax benefit of $8 following the finalization of tax audits.

In the third quarter of 2010, the company recorded deferred tax expense of $10 due to the enactment of U.S. health care legislation in March 2010. The law changed the tax treatment of subsidies to companies that provide prescription drug benefits to retirees. Accordingly, the company recorded the non-cash charge to reduce the value of the deferred tax asset associated with the subsidy.

In 2010, the company recorded a tax benefit of $9 following the finalization of tax audits. The company recorded an additional tax benefit of $2 during the year related to the resolution of other tax contingencies.

In 2009, the company recorded a tax benefit of $11 following the finalization of tax audits.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Deferred tax liabilities and assets are comprised of the following:

	2011	2010
Depreciation	**$ 253**	$ 221
Amortization	**474**	449
Other	**14**	13
Deferred tax liabilities	**741**	683
Benefits and compensation	**307**	319
Pension benefits	**93**	134
Tax loss carryforwards	**84**	67
Capital loss carryforwards	**122**	101
Other	**83**	76
Gross deferred tax assets	**689**	697
Deferred tax asset valuation allowance	**(156)**	(123)
Net deferred tax assets	**533**	574
Net deferred tax liability	**$ 208**	$ 109

At July 31, 2011, U.S. and non-U.S. subsidiaries of the company have tax loss carryforwards of approximately $395. Of these carryforwards, $163 expire between 2012 and 2028, and $232 may be carried forward indefinitely. The current statutory tax rates in these countries range from 20% to 35%. At July 31, 2011, deferred tax asset valuation allowances have been established to offset $132 of these tax loss carryforwards. Additionally, at July 31, 2011, non-U.S. subsidiaries of the company have capital loss carryforwards of approximately $406, which are fully offset by deferred tax asset valuation allowances.

The net change in the deferred tax asset valuation allowance in 2011 was an increase of $33. The increase was primarily due to the impact of currency and recognition of additional valuation allowances on foreign loss carryforwards. The net change in the valuation allowance in 2010 was an increase of $15. The increase was primarily due to the impact of currency and the recognition of additional valuation allowances on foreign loss carryforwards that are not expected to be utilized prior to the expiration date. The net change in the valuation allowance in 2009 was a decrease of $7, primarily due to currency.

As of July 31, 2011, U.S. income taxes have not been provided on approximately $420 of undistributed earnings of non-U.S. subsidiaries, which are deemed to be permanently reinvested. It is not practical to estimate the tax liability that might be incurred if such earnings were remitted to the U.S.

A reconciliation of the activity related to unrecognized tax benefits follows:

	2011	2010	2009
Balance at beginning of year	**$36**	$ 42	$ 54
Increases related to prior-year tax positions	**6**	14	—
Decreases related to prior-year tax positions	**(4)**	(11)	(11)
Increases related to current-year tax positions	**9**	4	4
Settlements	**—**	(11)	(2)
Lapse of statute	**(4)**	(2)	(3)
Balance at end of year	**$43**	$ 36	$ 42

As of July 31, 2011, August 1, 2010, and August 2, 2009, there were $17, $22, and $28, respectively, of unrecognized tax benefits that if recognized would affect the annual effective tax rate. The total amount of unrecognized tax benefits can change due to audit settlements, tax examination activities, statute expirations and the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

recognition and measurement criteria under accounting for uncertainty in income taxes. The company is unable to estimate what this change could be within the next twelve months, but does not believe it would be material to the financial statements.

The company's accounting policy with respect to interest and penalties attributable to income taxes is to reflect any expense or benefit as a component of its income tax provision. The total amount of interest and penalties recognized in the Consolidated Statements of Earnings was a benefit of $1 in 2011, an expense of $2 in 2010 and a benefit of $1 in 2009. The total amount of interest and penalties recognized in the Consolidated Balance Sheets as of July 31, 2011, and August 1, 2010, was $8 and $9, respectively.

None of the unrecognized tax benefit liabilities, including interest and penalties, are expected to be settled within the next twelve months. The $51 and $45 of unrecognized tax benefit liabilities, including interest and penalties, were reported as other non-current liabilities in the Consolidated Balance Sheets as of July 31, 2011, and August 1, 2010, respectively.

The company does business globally and, as a result, files income tax returns in the U.S. federal jurisdiction and various state and non-U.S. jurisdictions. In the normal course of business, the company is subject to examination by taxing authorities throughout the world, including such major jurisdictions as the United States, Australia, Canada, Belgium, France and Germany. The 2011 tax year is currently under audit by the IRS. In addition, several state income tax examinations are in progress for fiscal years 2001 to 2009.

With limited exceptions, the company has been audited for income tax purposes in Canada and France through fiscal year 2005, in Germany through fiscal year 2007, and in Belgium and Australia through fiscal year 2009.

13. Short-term Borrowings and Long-term Debt

Short-term borrowings consist of the following:

	2011	2010
Commercial paper	**$563**	$ 96
Current portion of long-term debt	**—**	700
Variable-rate bank borrowings	**92**	34
Fixed-rate borrowings	**1**	1
Capital leases	**1**	1
Other(1)	**—**	3
	$657	$835

(1) Other includes unamortized net premium/discount on debt issuances and unamortized gain on a terminated interest rate swap.

As of July 31, 2011, the weighted-average interest rate of commercial paper, which consisted of U.S. borrowings, was 0.33%. As of August 1, 2010, the weighted-average interest rate of commercial paper, which consisted of U.S. borrowings, was 0.24%.

At July 31, 2011, the company had $45 of standby letters of credit issued on behalf of the company. The company had a $975 committed 364-day revolving credit facility that matured in September 2011, and a $975 revolving credit facility that was due to mature in September 2013. In September 2011, the company entered into committed revolving credit facilities totaling $2,000. The facilities are comprised of a $1,500 facility that matures in September 2016, and a $500, 364-day facility that contains a one-year term-out feature. These facilities replaced the two $975 revolving credit facilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Long-term Debt consists of the following:

Type	Fiscal Year of Maturity	Rate	2011	2010
Notes	2011	6.75%	**$ —**	$ 700
Notes	2013	5.00%	**400**	400
Notes	2014	4.88%	**300**	300
Notes	2015	3.38%	**300**	300
Notes	2017	3.05%	**400**	400
Notes	2019	4.50%	**300**	300
Notes	2021	4.25%	**500**	—
Debentures	2021	8.88%	**200**	200
Fixed-rate borrowings			**—**	1
Capital leases			**—**	1
Other(1)			**27**	43
Total			**2,427**	2,645
Less current portion			**—**	700
Total long-term debt			**$2,427**	$1,945

(1) Other includes unamortized net premium/discount on debt issuances and amounts related to interest rate swaps designated as fair-value hedges. For additional information on fair-value interest rate swaps, see Note 14.

In April 2011, the company issued $500 of 4.25% notes which mature on April 15, 2021. Interest on the notes is due semi-annually on April 15 and October 15, commencing on October 15, 2011. The company may redeem the notes in whole or in part at any time at a redemption price of 100% of the principal amount plus accrued interest or an amount designed to ensure that the note holders are not penalized by the early redemption.

In July 2010, the company issued $400 of 3.05% notes which mature on July 15, 2017. Interest on the notes is due semi-annually on January 15 and July 15, commencing on January 15, 2011. The company may redeem the notes in whole or in part at any time at a redemption price of 100% of the principal amount plus accrued interest or an amount designed to ensure that the note holders are not penalized by the early redemption.

The fair value of the company's long-term debt, including the current portion of long-term debt in Short-term borrowings, was $2,603 at July 31, 2011 and $2,829 at August 1, 2010.

Principal amounts of debt mature as follows: none in 2012; $400 in 2013; $300 in 2014; $300 in 2015; none in 2016; and beyond a total of $1,400.

14. Financial Instruments

The carrying value of cash and cash equivalents, accounts receivable, accounts payable and short-term borrowings, excluding the current portion of long-term debt, approximate fair value. The fair value of long-term debt as indicated in Note 13 is based on quoted market prices or pricing models using current market rates.

The principal market risks to which the company is exposed are changes in foreign currency exchange rates, interest rates, and commodity prices. In addition, the company is exposed to equity price changes related to certain deferred compensation obligations. In order to manage these exposures, the company follows established risk management policies and procedures, including the use of derivative contracts such as swaps, forwards and commodity futures and option contracts. These derivative contracts are entered into for periods consistent with the related underlying exposures and do not constitute positions independent of those exposures. The company does not enter into derivative contracts for speculative purposes and does not use leveraged instruments. The company's derivative programs include strategies that both qualify and do not qualify for hedge accounting treatment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The company is exposed to the risk that counterparties to derivative contracts will fail to meet their contractual obligations. The company minimizes counterparty credit risk on these transactions by dealing only with leading, credit-worthy financial institutions having long-term credit ratings of "A" or better. In addition, the contracts are distributed among several financial institutions, thus minimizing credit-risk concentration. The company does not have credit-risk-related contingent features in its derivative instruments as of July 31, 2011.

Foreign Currency Exchange Risk

The company is exposed to foreign currency exchange risk related to its international operations, including non-functional currency intercompany debt and net investments in subsidiaries. The company is also exposed to foreign exchange risk as a result of transactions in currencies other than the functional currency of certain subsidiaries. Principal currencies hedged include the Australian dollar, Canadian dollar, euro, Swedish krona, New Zealand dollar, British pound and Japanese yen. The company utilizes foreign exchange forward purchase and sale contracts as well as cross-currency swaps to hedge these exposures. The contracts are either designated as cash-flow hedging instruments or are undesignated. The company typically hedges portions of its forecasted foreign currency transaction exposure with foreign exchange forward contracts for up to 18 months. To hedge currency exposures related to intercompany debt, the company enters into cross-currency swap contracts for periods consistent with the underlying debt. As of July 31, 2011, cross-currency swap contracts mature in fiscal 2012 through fiscal 2015. The notional amount of foreign exchange forward and cross-currency swap contracts accounted for as cash-flow hedges was $287 and $261 at July 31, 2011 and August 1, 2010, respectively. The effective portion of the changes in fair value on these instruments is recorded in other comprehensive income (loss) and is reclassified into the Consolidated Statements of Earnings on the same line item and same period in which the underlying hedge transaction affects earnings. The notional amount of foreign exchange forward and cross-currency swap contracts that are not designated as accounting hedges was $861 and $757 at July 31, 2011 and August 1, 2010, respectively.

Interest Rate Risk

The company manages its exposure to changes in interest rates by optimizing the use of variable-rate and fixed-rate debt and by utilizing interest rate swaps in order to maintain its variable-to-total debt ratio within targeted guidelines. Receive fixed rate/pay variable rate interest rate swaps are accounted for as fair-value hedges. The notional amount of outstanding fair-value interest rate swaps totaled $500 at July 31, 2011 and at August 1, 2010.

During fiscal 2010, the company entered into forward starting interest rate swap contracts accounted for as cash-flow hedges with a combined notional value of $200 to hedge a July 2010 anticipated debt offering. These swaps were settled concurrent with the July 2010 debt issuance of $400 seven-year 3.05% notes at a loss of $14, which was recorded in other comprehensive income (loss). The loss on the swap contracts will be amortized over the life of the debt as additional interest expense.

In June 2008, the company entered into two forward starting interest rate swap contracts accounted for as cash-flow hedges with a combined notional value of $200 to hedge an anticipated debt offering in fiscal 2009. These swaps were settled as of November 2, 2008, at a loss of $13, which was recorded in other comprehensive income (loss). In January 2009, the company issued $300 ten-year 4.50% notes. The loss on the swap contracts will be amortized over the life of the debt as additional interest expense.

Commodity Price Risk

The company principally uses a combination of purchase orders and various short- and long-term supply arrangements in connection with the purchase of raw materials, including certain commodities and agricultural products. The company also enters into commodity futures and options contracts to reduce the volatility of price fluctuations of diesel fuel, wheat, natural gas, soybean oil, aluminum, sugar, cocoa, and corn, which impact the cost of raw materials. Commodity futures and option contracts are typically accounted for as cash-flow hedges or are not designated as accounting hedges. The company enters into commodity futures and option contracts to hedge a portion of commodity requirements for periods typically up to 12 months. The notional amount of commodity contracts accounted for as cash-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

flow hedges was $6 at July 31, 2011 and $7 at August 1, 2010. The notional amount of commodity contracts that were not designated as accounting hedges was $81 at July 31, 2011 and $43 at August 1, 2010.

Equity Price Risk

The company hedges a portion of exposures relating to certain deferred compensation obligations linked to the total return of the Standard & Poor's 500 Index, the total return of the company's capital stock and the total return of the Puritan Fund, or beginning in January 2011, the total return of the Vanguard International Stock Index. Under these contracts, the company pays variable interest rates and receives from the counterparty either the total return of the Standard & Poor's 500 Index, the total return on company capital stock, the total return of the Puritan Fund, or the total return of the iShares MSCI EAFE Index, which is expected to approximate the total return of the Vanguard International Index. The contracts related to the Puritan Fund matured in January 2011. The contracts were not designated as hedges for accounting purposes and are typically entered into for periods not exceeding 12 months. The notional amounts of the contracts were $71 as of July 31, 2011 and $75 as of August 1, 2010.

The following table summarizes the fair value of derivative instruments recorded in the Consolidated Balance Sheets as of July 31, 2011 and August 1, 2010:

	Balance Sheet Classification	2011	2010
Asset Derivatives			
Derivatives designated as hedges:			
Foreign exchange forward contracts	Other current assets	**$ —**	$ 1
Commodity derivative contracts	Other current assets	**—**	1
Cross-currency swap contracts	Other assets	**—**	3
Interest rate swaps	Other assets	**33**	46
Total derivatives designated as hedges		**$ 33**	$51
Derivatives not designated as hedges:			
Foreign exchange forward contracts	Other current assets	**$ —**	$ 1
Commodity derivative contracts	Other current assets	**3**	3
Cross-currency swap contracts	Other current assets	**—**	13
Cross-currency swap contracts	Other assets	**1**	1
Total derivatives not designated as hedges		**$ 4**	$18
Total asset derivatives		**$ 37**	$69
Liability Derivatives			
Derivatives designated as hedges:			
Foreign exchange forward contracts	Accrued liabilities	**$ 7**	$ 1
Commodity derivative contracts	Accrued liabilities	**—**	1
Cross-currency swap contracts	Accrued liabilities	**8**	—
Cross-currency swap contracts	Other liabilities	**30**	24
Total derivatives designated as hedges		**$ 45**	$26
Derivatives not designated as hedges:			
Foreign exchange forward contracts	Accrued liabilities	**$ 2**	$ 1
Commodity derivative contracts	Accrued liabilities	**2**	—
Cross-currency swap contracts	Accrued liabilities	**17**	—
Deferred compensation derivative contracts	Accrued liabilities	**3**	2
Cross-currency swap contracts	Other liabilities	**74**	14
Total derivatives not designated as hedges		**$ 98**	$17
Total liability derivatives		**$143**	$43

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The derivative assets and liabilities are presented on a gross basis in the table. Certain derivative asset and liability balances, including cash collateral, are offset in the balance sheet when a legally enforceable right of offset exists.

The following table shows the effect of the company's derivative instruments designated as cash-flow hedges for the years ended July 31, 2011 and August 1, 2010 on other comprehensive income (loss) (OCI) and the Consolidated Statements of Earnings:

Derivatives Designated as Cash-Flow Hedges

		Total Cash-Flow Hedge OCI Activity	
		2011	**2010**
OCI derivative gain/(loss) at beginning of year		**$(28)**	$(31)
Effective portion of changes in fair value recognized in OCI:			
Foreign exchange forward contracts		**(12)**	(5)
Cross-currency swap contracts		**—**	4
Forward starting interest rate swaps		**—**	(14)
Commodity derivative contracts		**—**	1
Amount of (gain) or loss reclassified from OCI to earnings:	**Location in Earnings**		
Foreign exchange forward contracts	Other expenses/income	**2**	(1)
Foreign exchange forward contracts	Cost of products sold	**4**	17
Forward starting interest rate swaps	Interest expense	**3**	1
OCI derivative gain/(loss) at end of year		**$(31)**	$(28)

The amount expected to be reclassified from other comprehensive income into earnings within the next 12 months is a loss of $11. The ineffective portion and amount excluded from effectiveness testing were not material.

The following table shows the effect of the company's derivative instruments designated as fair-value hedges on the Consolidated Statements of Earnings:

Derivatives Designated as Fair-Value Hedges	Location of Gain or (Loss) Recognized in Earnings	Amount of Gain or (Loss) Recognized in Earnings on Derivatives		Amount of Gain or (Loss) Recognized in Earnings on Hedged Item	
		2011	**2010**	**2011**	**2010**
Interest rate swaps	Interest expense	**$(13)**	$8	**$13**	$(8)

The following table shows the effects of the company's derivative instruments not designated as hedges in the Consolidated Statements of Earnings:

Derivatives not Designated as Hedges	Location of Gain or (Loss) Recognized in Earnings	Amount of Gain or (Loss) Recognized in Earnings on Derivatives	
		2011	**2010**
Foreign exchange forward contracts	Other expenses/income	**$ —**	$ (8)
Foreign exchange forward contracts	Cost of products sold	**(1)**	—
Cross-currency swap contracts	Other expenses/income	**(88)**	(12)
Commodity derivative contracts	Cost of products sold	**7**	—
Deferred compensation derivative contracts	Administrative expenses	**1**	9
Total		**$(81)**	$(11)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

15. Fair Value Measurements

The company is required to categorize financial assets and liabilities based on the following fair value hierarchy:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with observable market data.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. When available, the company uses unadjusted quoted market prices to measure the fair value and classifies such items as Level 1. If quoted market prices are not available, the company bases fair value upon internally developed models that use current market-based or independently sourced market parameters such as interest rates and currency rates.

Financial Assets and Financial Liabilities Measured at Fair Value on a Recurring Basis

The following table presents the company's financial assets and liabilities that are measured at fair value on a recurring basis at July 31, 2011 and August 1, 2010, consistent with the fair value hierarchy:

	Fair Value as of July 31, 2011	Fair Value Measurements at July 31, 2011 Using Fair Value Hierarchy			Fair Value as of August 1, 2010	Fair Value Measurements at August 1, 2010 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Assets								
Interest rate swaps(1)	**$ 33**	**$ —**	**$ 33**	**$ —**	$ 46	$ —	$46	$ —
Foreign exchange forward contracts(2)	**—**	**—**	**—**	**—**	2	—	2	—
Cross-currency swap contracts(3)	**1**	**—**	**1**	**—**	17	—	17	—
Commodity derivative contracts(5)	**3**	**3**	**—**	**—**	4	4	—	—
Total assets at fair value	**$ 37**	**$ 3**	**$ 34**	**$ —**	$ 69	$ 4	$65	$ —
Liabilities								
Foreign exchange forward contracts(2)	**$ 9**	**$ —**	**$ 9**	**$ —**	$ 2	$ —	$ 2	$ —
Cross-currency swap contracts(3)	**129**	**—**	**129**	**—**	38	—	38	—
Deferred compensation derivative contracts(4)	**3**	**—**	**3**	**—**	2	—	2	—
Commodity derivative contracts(5)	**2**	**2**	**—**	**—**	1	1	—	—
Deferred compensation obligation(6)	**144**	**97**	**47**	**—**	149	95	54	—
Total liabilities at fair value	**$287**	**$ 99**	**$188**	**$ —**	$192	$ 96	$96	$ —

(1) Based on LIBOR swap rates.

(2) Based on observable market transactions of spot currency rates and forward rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(3) Based on observable local benchmarks for currency and interest rates.

(4) Based on LIBOR and equity index swap rates.

(5) Based on quoted futures exchanges.

(6) Based on the fair value of the participants' investments.

Items Measured at Fair Value on a Nonrecurring Basis

In addition to assets and liabilities measured at fair value on a recurring basis, the company is required to measure certain assets at fair value on a nonrecurring basis, generally as a result of an impairment charge. In 2011, as part of the company's annual review of intangible assets, an impairment charge of $3 was recognized related to the *Heisse Tasse* trademark used in the International Simple Meals and Beverages segment. The fair value of the trademark was $11 at July 31, 2011 based on Level 3 inputs. Fair value was determined based on discounted cash flow analyses that include significant management assumptions such as revenue growth rates, weighted average cost of capital, and assumed royalty rates.

16. Shareowners' Equity

The company has authorized 560 million shares of Capital stock with $.0375 par value and 40 million shares of Preferred stock, issuable in one or more classes, with or without par as may be authorized by the Board of Directors. No Preferred stock has been issued.

Share Repurchase Programs

In June 2008, the company's Board of Directors authorized the purchase of up to $1,200 of company stock through fiscal 2011. This program began in fiscal 2009 and was completed in fiscal 2011. In June 2011, the Board authorized the purchase of up to $1,000 of company stock. This program has no expiration date. In addition to these publicly announced programs, the company repurchases shares to offset the impact of dilution from shares issued under the company's stock compensation plans.

In 2011, the company repurchased 21 million shares at a cost of $728. Of the 2011 repurchases, approximately 16 million shares at a cost of $550 were made pursuant to the company's June 2008 publicly announced share repurchase program, which was completed in the fourth quarter of fiscal 2011.

In 2010, the company repurchased 14 million shares at a cost of $472. Of the 2010 repurchases, approximately 7 million shares at a cost of $250 were made pursuant to the company's June 2008 publicly announced share repurchase program.

In 2009, the company repurchased 17 million shares at a cost of $527. Of the 2009 repurchases, approximately 13 million shares at a cost of $400 were made pursuant to the company's June 2008 publicly announced share repurchase program.

17. Stock-Based Compensation

In 2003, shareowners approved the 2003 Long-Term Incentive Plan, which authorized the issuance of 28 million shares to satisfy awards of stock options, stock appreciation rights, unrestricted stock, restricted stock/units (including performance restricted stock) and performance units. Approximately 3.2 million shares available under a previous long-term plan were rolled into the 2003 Long-Term Incentive Plan, making the total number of available shares approximately 31.2 million. In November 2005, shareowners approved the 2005 Long-Term Incentive Plan, which authorized the issuance of an additional 6 million shares to satisfy the same types of awards.

Awards under the 2003 and 2005 Long-Term Incentive Plans may be granted to employees and directors. The term of a stock option granted under these plans may not exceed ten years from the date of grant. Options granted

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

under these plans vest cumulatively over a three-year period at a rate of 30%, 60% and 100%, respectively. The option price may not be less than the fair market value of a share of common stock on the date of the grant.

Pursuant to the 2003 Long-Term Incentive Plan, in July 2005 the company adopted a long-term incentive compensation program which provides for grants of total shareowner return (TSR) performance restricted stock/units, EPS performance restricted stock/units, and time-lapse restricted stock/units. Initial grants made in accordance with this program were approved in September 2005. Under the program, awards of TSR performance restricted stock/units will be earned by comparing the company's total shareowner return during a three-year period to the respective total shareowner returns of companies in a performance peer group. Based upon the company's ranking in the performance peer group, a recipient of TSR performance restricted stock/units may earn a total award ranging from 0% to 225% of the initial grant. Awards of EPS performance restricted stock/units will be earned based upon the company's achievement of annual earnings per share goals. During the three-year vesting period, a recipient of EPS performance restricted stock/units may earn a total award ranging from 0% to 100% of the initial grant. Awards of time-lapse restricted stock/units will vest ratably over the three-year period. In addition, the company may issue special grants of time-lapse restricted stock/units to attract and retain executives which vest ratably over various periods. Awards are generally granted annually in October. Annual stock option grants are not part of the long-term incentive compensation program for 2009, 2010, and 2011. However, stock options may still be granted on a selective basis under the 2003 and 2005 Long-Term Incentive Plans.

Total pre-tax stock-based compensation expense recognized in Earnings from continuing operations was $87 for 2011, $88 for 2010, and $84 for 2009. Tax related benefits of $32 were recognized for 2011, $33 were recognized for 2010 and $31 were recognized for 2009.

Information about stock options and related activity is as follows:

	2011 (Options in thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (In years)	Aggregate Intrinsic Value
Beginning of year	12,473	$26.47		
Granted	—	$ —		
Exercised	(3,737)	$26.97		
Terminated	(30)	$33.82		
End of year	8,706	$26.23	2.2	$59
Exercisable at end of year	8,706	$26.23	2.2	$59

The total intrinsic value of options exercised during 2011, 2010, and 2009 was $29, $33, and $30, respectively. As of January 2009, compensation related to stock options was fully expensed. The company measured the fair value of stock options using the Black-Scholes option pricing model.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes time-lapse restricted stock/units and EPS performance restricted stock/units activity:

	Shares/Units (Restricted stock/units in thousands)	Weighted-Average Grant-Date Fair Value
Nonvested at August 1, 2010	2,395	$35.05
Granted	1,585	$35.64
Vested	(1,113)	$35.74
Forfeited	(157)	$35.11
Nonvested at July 31, 2011	2,710	$35.11

The fair value of time-lapse restricted stock/units and EPS performance restricted stock/units is determined based on the number of shares granted and the quoted price of the company's stock at the date of grant. Time-lapse restricted stock/units are expensed on a straight-line basis over the vesting period, except for awards issued to retirement-eligible participants, which are expensed on an accelerated basis. EPS performance restricted stock/units are expensed on a graded-vesting basis, except for awards issued to retirement-eligible participants, which are expensed on an accelerated basis.

On July 1, 2011, the company issued approximately 400,000 special retention time-lapse restricted stock units to certain executives to support the successful execution of the company's shift in strategic direction and leadership transition. The awards vest over a two-year period. The grant-date fair value was $34.65 and is included in the table above.

As of July 31, 2011, total remaining unearned compensation related to nonvested time-lapse restricted stock/units and EPS performance restricted stock/units was $46, which will be amortized over the weighted-average remaining service period of 1.7 years. The fair value of restricted stock/units vested during 2011, 2010, and 2009 was $40, $32, and $47, respectively. The weighted-average grant-date fair value of restricted stock/units granted during 2010 and 2009 was $32.25 and $39.50, respectively.

The following table summarizes TSR performance restricted stock/units activity:

	Shares/Units (Restricted stock/units in thousands)	Weighted-Average Grant-Date Fair Value
Nonvested at August 1, 2010	3,581	$38.02
Granted	1,255	$43.18
Vested	(1,062)	$34.65
Forfeited	(343)	$39.74
Nonvested at July 31, 2011	3,431	$40.78

The company estimates the fair value of TSR performance restricted stock/units at the grant date using a Monte Carlo simulation. Assumptions used in the Monte Carlo simulation were as follows:

	2011	2010	2009
Risk-free interest rate	**0.59%**	1.27%	2.06%
Expected dividend yield	**3.00%**	3.06%	2.46%
Expected volatility	**23.71%**	24.83%	18.57%
Expected term	**3 yrs.**	3 yrs.	3 yrs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Compensation expense is recognized on a straight-line basis over the service period. As of July 31, 2011, total remaining unearned compensation related to TSR performance restricted stock/units was $53, which will be amortized over the weighted-average remaining service period of 1.7 years. In the first quarter of fiscal 2011, recipients of TSR performance restricted stock/units earned 100% of their initial grants based upon the company's TSR ranking in a performance peer group during a three-year period ended July 30, 2010. The total fair value of TSR performance restricted stock/units vested during 2011, 2010 and 2009 was $38, $31 and $58, respectively. The grant-date fair value of TSR performance restricted stock/units granted during 2010 and 2009 was $33.84 and $47.20, respectively. In the first quarter of 2012, recipients of TSR performance restricted stock/units will receive 0% of the initial grant based upon the company's TSR ranking in a performance peer group during the three-year period ended July 31, 2011.

Prior to fiscal 2009, employees could elect to defer all types of restricted stock awards. These awards were classified as liabilities because of the possibility that they may be settled in cash. The fair value was adjusted quarterly. As of October 2010, these awards were fully vested. The total cash paid to settle the liabilities in 2011, 2010, and 2009 was not material.

The excess tax benefits on the exercise of stock options and vested restricted stock presented as cash flows from financing activities were $11 in 2011 and 2010 and $18 in 2009. Cash received from the exercise of stock options was $96, $139, and $72, for 2011, 2010, and 2009, respectively, and is reflected in cash flows from financing activities in the Consolidated Statements of Cash Flows.

18. Commitments and Contingencies

The company is a party to legal proceedings and claims arising out of the normal course of business.

Management assesses the probability of loss for all legal proceedings and claims and has recognized liabilities for such contingencies, as appropriate. Although the results of these matters cannot be predicted with certainty, in management's opinion, the final outcome of legal proceedings and claims will not have a material adverse effect on the consolidated results of operations or financial condition of the company.

The company has certain operating lease commitments, primarily related to warehouse and office facilities, retail store space and certain equipment. Rent expense under operating lease commitments was $50 in 2011, $48 in 2010, and $47 in 2009. Future minimum annual rental payments under these operating leases are as follows:

2012	2013	2014	2015	2016	Thereafter
$45	$34	$29	$24	$22	$52

The company guarantees approximately 2,000 bank loans made to Pepperidge Farm independent sales distributors by third party financial institutions for the purchase of distribution routes. The maximum potential amount of future payments the company could be required to make under the guarantees is $162. The company's guarantees are indirectly secured by the distribution routes. The company does not believe it is probable that it will be required to make guarantee payments as a result of defaults on the bank loans guaranteed. The amounts recognized as of July 31, 2011 and August 1, 2010 were not material.

In connection with the sale of certain Australian salty snack food brands and assets, the company agreed to provide a loan facility to the buyer of AUD $10, or approximately USD $10. The facility was drawn down in AUD $5 increments in 2009. Borrowings under the facility are to be repaid in 2013.

The company has provided certain standard indemnifications in connection with divestitures, contracts and other transactions. Certain indemnifications have finite expiration dates. Liabilities recognized based on known exposures related to such matters were not material at July 31, 2011.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

19. Supplemental Financial Statement Data

Balance Sheets

	2011	2010
Accounts receivable		
Customer accounts receivable	**$ 530**	$ 483
Allowances	**(11)**	(17)
Subtotal	**519**	466
Other	**41**	46
	$ 560	$ 512
Inventories		
Raw materials, containers, and supplies	**$ 261**	$ 261
Finished products	**506**	463
	$ 767	$ 724
Other current assets		
Deferred taxes	**$ 112**	$ 128
Fair value of derivatives	**1**	16
Other	**39**	53
	$ 152	$ 197
Plant assets		
Land	**$ 64**	$ 61
Buildings	**1,224**	1,182
Machinery and equipment	**3,896**	3,651
Projects in progress	**179**	149
Total cost	**5,363**	5,043
Accumulated depreciation(1)	**(3,260)**	(2,992)
	$ 2,103	$ 2,051
Other assets		
Fair value of derivatives	**$ 20**	$ 34
Deferred taxes	**47**	21
Other	**69**	55
	$ 136	$ 110
Accrued liabilities		
Accrued compensation and benefits	**$ 231**	$ 229
Fair value of derivatives	**37**	2
Accrued trade and consumer promotion programs	**132**	129
Accrued interest	**32**	47
Restructuring	**39**	1
Other	**148**	152
	$ 619	$ 560

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	2011	2010
Other liabilities		
Pension benefits	**$ 319**	$ 500
Deferred compensation(2)	**144**	149
Postretirement benefits	**344**	332
Fair value of derivatives	**90**	22
Unrecognized tax benefits	**51**	45
Other	**35**	31
	$ 983	$ 1,079

(1) Depreciation expense was $265 in 2011, $251 in 2010, and $264 in 2009. Buildings are depreciated over periods ranging from 7 to 45 years. Machinery and equipment are depreciated over periods generally ranging from 2 to 20 years.

(2) The deferred compensation obligation represents unfunded plans maintained for the purpose of providing the company's directors and certain of its executives the opportunity to defer a portion of their compensation. All forms of compensation contributed to the deferred compensation plans are accounted for in accordance with the underlying program. Deferrals and company contributions are credited to an investment account in the participant's name, although no funds are actually contributed to the investment account and no investments are actually purchased. Six investment choices are available, including: (1) a book account that tracks the total return on company stock; (2) a book account that tracks the performance of the Vanguard Institutional Index; (3) a book account that tracks the performance of the Vanguard Extended Market Index; (4) a book account that tracks the performance of the Vanguard Total International Stock Fund; (5) a book account that tracks the performance of the Vanguard Total Bond Market Index; and (6) a book account that tracks the performance of Charles Schwab Stable Value Fund. Participants can reallocate investments daily and are entitled to the gains and losses on investment funds. The company recognizes an amount in the Consolidated Statements of Earnings for the market appreciation/depreciation of each fund.

Statements of Earnings

	2011	2010	2009
Other Expenses/(Income)			
Foreign exchange (gains)/losses	**$ 5**	$ 1	$ (7)
Amortization/impairment of intangible and other assets(1)	**3**	—	67
Other	**5**	3	1
	$ 13	$ 4	$ 61
Interest expense			
Interest expense	**$123**	$116	$114
Less: Interest capitalized	**1**	4	4
	$122	$112	$110

(1) In 2011, a $3 impairment charge was recognized related to a trademark. In 2009, a $67 impairment charge was recognized on certain trademarks. See also Note 5.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Statements of Cash Flows

Cash Flows From Operating Activities	2011	2010	2009
Other non-cash charges to net earnings			
Non-cash compensation/benefit related expense	**$104**	$ 90	$ 59
Other	**4**	9	(2)
	$108	$ 99	$ 57
Other			
Benefit related payments	**$ (48)**	$ (58)	$ (52)
Other	**(7)**	(12)	7
	$ (55)	$ (70)	$ (45)
Other Cash Flow Information			
Interest paid	**$142**	$118	$120
Interest received	**$ 11**	$ 6	$ 4
Income taxes paid	**$304**	$333	$144

20. Quarterly Data (unaudited)

	2011			
	First	**Second**	**Third**	**Fourth**
Net sales	**$2,172**	**$2,127**	**$1,813**	**$1,607**
Gross profit	**894**	**838**	**732**	**639**
Net earnings attributable to Campbell Soup Company(1)	**279**	**239**	**187**	**100**
Per share — basic				
Net earnings attributable to Campbell Soup Company	**0.82**	**0.72**	**0.58**	**0.31**
Dividends	**0.275**	**0.29**	**0.29**	**0.29**
Per share — assuming dilution				
Net earnings attributable to Campbell Soup Company(1)	**0.82**	**0.71**	**0.57**	**0.31**
Market price				
High	**$37.59**	**$36.99**	**$35.00**	**$35.66**
Low	**$35.32**	**$33.44**	**$32.66**	**$32.80**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	2010			
	First	Second	Third	Fourth
Net sales	$2,203	$2,153	$1,802	$1,518
Gross profit	923	871	743	613
Net earnings attributable to Campbell Soup Company(2)	304	259	168	113
Per share — basic				
Net earnings attributable to Campbell Soup Company	0.87	0.74	0.49	0.33
Dividends	0.25	0.275	0.275	0.275
Per share — assuming dilution				
Net earnings attributable to Campbell Soup Company(2)	0.87	0.74	0.49	0.33
Market price				
High	$33.98	$35.80	$36.25	$37.50
Low	$29.81	$30.96	$32.18	$34.18

(1) Includes a $41 ($.12 per diluted share) restructuring charge in the fourth quarter related to the 2011 initiatives to improve supply chain efficiency, reduce overhead costs, and exit the Russian market. See also Note 7.

(2) Includes an $8 ($.02 per diluted share) restructuring charge in the third quarter for pension benefit costs related to the 2008 initiatives to improve operational efficiency and long-term profitability. See also Note 7.

A $10 ($.03 per diluted share) deferred tax expense to reduce deferred tax assets as a result of the U.S. health care legislation enacted in March 2010 was recorded in the third quarter. See also Note 12.

Reports of Management

Management's Report on Financial Statements

The accompanying financial statements have been prepared by the company's management in conformity with generally accepted accounting principles to reflect the financial position of the company and its operating results. The financial information appearing throughout this Annual Report is consistent with the financial statements. Management is responsible for the information and representations in such financial statements, including the estimates and judgments required for their preparation. The financial statements have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which appears herein.

The Audit Committee of the Board of Directors, which is composed entirely of Directors who are not officers or employees of the company, meets regularly with the company's worldwide internal auditing department, other management personnel, and the independent registered public accounting firm. The independent registered public accounting firm and the internal auditing department have had, and continue to have, direct access to the Audit Committee without the presence of other management personnel, and have been directed to discuss the results of their audit work and any matters they believe should be brought to the Committee's attention. The internal auditing department and the independent registered public accounting firm report directly to the Audit Committee.

Management's Report on Internal Control Over Financial Reporting

The company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America.

The company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The company's management assessed the effectiveness of the company's internal control over financial reporting as of July 31, 2011. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control — Integrated Framework*. Based on this assessment using those criteria, management concluded that the company's internal control over financial reporting was effective as of July 31, 2011.

The effectiveness of the company's internal control over financial reporting as of July 31, 2011 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which appears herein.

/s/ Denise M. Morrison

Denise M. Morrison
President and Chief Executive Officer

/s/ B. Craig Owens

B. Craig Owens
Senior Vice President — Chief Financial Officer
and Chief Administrative Officer

/s/ Anthony P. DiSilvestro

Anthony P. DiSilvestro
Senior Vice President — Finance
(Principal Accounting Officer)

September 28, 2011

Report of Independent Registered Public Accounting Firm

To the Shareowners and Directors of Campbell Soup Company

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of earnings, of equity, and of cash flows present fairly, in all material respects, the financial position of Campbell Soup Company and its subsidiaries at July 31, 2011 and August 1, 2010, and the results of their operations and their cash flows for each of the three fiscal years in the period ended July 31, 2011 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 15(a)(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of July 31, 2011, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As discussed in Note 9 to the consolidated financial statements, the Company changed the manner in which it accounts for unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents in the computation of earnings per share pursuant to the two-class method in 2010.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania

September 28, 2011

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

The company, under the supervision and with the participation of its management, including the President and Chief Executive Officer and Senior Vice President — Chief Financial Officer and Chief Administrative Officer, has evaluated the effectiveness of the company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)) as of July 31, 2011. Based on such evaluation, the President and Chief Executive Officer and the Senior Vice President — Chief Financial Officer and Chief Administrative Officer have concluded that, as of July 31, 2011, the company's disclosure controls and procedures are effective.

The annual report of management on the company's internal control over financial reporting is provided under "Financial Statements and Supplementary Data" on pages 751-2. The attestation report of PricewaterhouseCoopers LLP, the company's independent registered public accounting firm, regarding the company's internal control over financial reporting is provided under "Financial Statements and Supplementary Data" on page 753.

There were no changes in the company's internal control over financial reporting that materially affected, or were reasonably likely to materially affect, such internal control over financial reporting.

Item 9B. ***Other Information***

None.

PART III

Item 10. ***Directors, Executive Officers and Corporate Governance***

The sections entitled "Election of Directors," "Security Ownership of Directors and Executive Officers" and "Director and Executive Officer Stock Ownership Reports" in the company's Proxy Statement for the Annual Meeting of Shareowners to be held on November 17, 2011 (the 2011 Proxy) are incorporated herein by reference. The information presented in the section entitled "Corporate Governance — Board Committee Structure" in the 2011 Proxy relating to the members of the company's Audit Committee and the Audit Committee's financial expert is incorporated herein by reference.

Certain of the information required by this Item relating to the executive officers of the company is set forth under the heading "Executive Officers of the Company."

The company has adopted a Code of Ethics for the Chief Executive Officer and Senior Financial Officers that applies to the company's Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, Controller and members of the Chief Financial Officer's financial leadership team. The Code of Ethics for the Chief Executive Officer and Senior Financial Officers is posted on the company's website, www.campbellsoupcompany.com (under the "Governance" caption). The company intends to satisfy the disclosure requirement regarding any amendment to, or a waiver of, a provision of the Code of Ethics for the Chief Executive Officer and Senior Financial Officers by posting such information on its website.

The company has also adopted a separate Code of Business Conduct and Ethics applicable to the Board of Directors, the company's officers and all of the company's employees. The Code of Business Conduct and Ethics is posted on the company's website, www.campbellsoupcompany.com (under the "Governance" caption). The company's Corporate Governance Standards and the charters of the company's four standing committees of the Board of Directors can also be found at this website. Printed copies of the foregoing are available to any shareowner requesting a copy by:

- writing to Investor Relations, Campbell Soup Company, 1 Campbell Place, Camden, NJ 08103-1799;
- calling 1-800-840-2865; or
- e-mailing the company's Investor Relations Department at investorrelations@campbellsoup.com.

Item 11. ***Executive Compensation***

The information presented in the sections entitled "Compensation Discussion and Analysis," "Fiscal 2011 Summary Compensation Table," "Grants of Plan-Based Awards in Fiscal 2011," "Outstanding Equity Awards at 2011 Fiscal Year-End," "Option Exercises and Stock Vested in Fiscal 2011," "Pension Benefits — Fiscal 2011," "Nonqualified Deferred Compensation — Fiscal 2011," "Potential Payments Upon Termination or Change in Control," "Fiscal 2011 Director Compensation," "Corporate Governance — Compensation and Organization Committee Interlocks and Insider Participation" and "Compensation and Organization Committee Report" in the 2011 Proxy is incorporated herein by reference.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Shareowner Matters***

The information presented in the sections entitled "Security Ownership of Directors and Executive Officers" and "Security Ownership of Certain Beneficial Owners" in the 2011 Proxy is incorporated herein by reference.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information about the company's stock that could have been issued under the company's equity compensation plans as of July 31, 2011:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights(a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights(b)	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)(c)
Equity Compensation Plans Approved by Security Holders(1)	14,842,965	$26.23	12,099,132
Equity Compensation Plans Not Approved by Security Holders	N/A	N/A	N/A
Total	14,842,965	$26.23	12,099,132

(1) Column (a) represents stock options and restricted stock units outstanding under the 2005 Long-Term Plan, the 2003 Long-Term Plan and the 1994 Long-Term Plan. No additional awards can be made under the 1994 Long-Term Plan. Future equity awards under the 2005 Long-Term Plan and the 2003 Long-Term Plan may take the form of stock options, SARs, performance unit awards, restricted stock, restricted performance stock, restricted stock units or stock awards. Column (b) represents the weighted-average exercise price of the outstanding stock options only; the outstanding restricted stock and restricted stock units are not included in this calculation. Column (c) represents the maximum aggregate number of future equity awards that can be made under the 2005 Long-Term Plan and the 2003 Long-Term Plan as of July 31, 2011. The maximum number of future equity awards that can be made under the 2005 Long-Term Plan as of July 31, 2011 is 10,500,021. The maximum number of future equity awards that can be made under the 2003 Long-Term Plan as of July 31, 2011 is 1,599,111 (the 2003 Plan Limit). Each stock option or SAR awarded under the 2003 Long-Term Plan reduces the 2003 Plan Limit by one share. Each restricted stock unit, restricted stock, restricted performance stock unit, restricted performance stock or stock award under the 2003 Long-Term Plan reduces the 2003 Plan Limit by four shares. In the event any award (or portion thereof) under the 1994 Long-Term Plan lapses, expires or is otherwise terminated without the issuance of any company stock or is settled by delivery of consideration other than company stock, the maximum number of future equity awards that can be made under the 2003 Long-Term Plan automatically increases by the number of such shares.

Schedule II

CAMPBELL SOUP COMPANY
Valuation and Qualifying Accounts

For the Fiscal Years ended July 31, 2011, August 1, 2010, and August 2, 2009

	Balance at Beginning of Period	Charged to/ (Reduction in) Costs and Expenses	Deductions	Balance at End of Period
	(Dollars in millions)			
Fiscal year ended July 31, 2011				
Cash discount	**$ 5**	**$113**	**$(113)**	**$ 5**
Bad debt reserve	**4**	**2**	**(4)**	**2**
Returns reserve(1)	**8**	**(2)**	**(2)**	**4**
Total Accounts receivable allowances	**$17**	**$113**	**$(119)**	**$11**
Fiscal year ended August 1, 2010				
Cash discount	$ 5	$116	$(116)	$ 5
Bad debt reserve	3	2	(1)	4
Returns reserve(1)	11	(3)	—	8
Total Accounts receivable allowances	$19	$115	$(117)	$17
Fiscal year ended August 2, 2009				
Cash discount	$ 5	$116	$(116)	$ 5
Bad debt reserve	5	1	(3)	3
Returns reserve(1)	11	—	—	11
Total Accounts receivable allowances	$21	$117	$(119)	$19

(1) The returns reserve is evaluated quarterly and adjusted accordingly. During each period, returns are charged to net sales in the Consolidated Statements of Earnings as incurred. Actual returns were approximately $145 in 2011, $130 in 2010, and $140 in 2009, or less than 2% of net sales.

EXHIBIT 31(a)

**CERTIFICATION PURSUANT
TO RULE 13a-14(a)**

I, Denise M. Morrison, certify that:

1. I have reviewed this Annual Report on Form 10-K of Campbell Soup Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 28, 2011

By: /s/ Denise M. Morrison

Name: Denise M. Morrison
Title: President and Chief Executive Officer

EXHIBIT 31(b)

CERTIFICATION PURSUANT TO RULE 13a-14(a)

I, B. Craig Owens, certify that:

1. I have reviewed this Annual Report on Form 10-K of Campbell Soup Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 28, 2011

By: /s/ B. Craig Owens

Name: B. Craig Owens
Title: Senior Vice President — Chief Financial Officer and Chief Administrative Officer

EXHIBIT 32(a)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Annual Report of Campbell Soup Company (the "Company") on Form 10-K for the fiscal year ended July 31, 2011 (the "Report"), I, Denise M. Morrison, President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 28, 2011

By: /s/ Denise M. Morrison

Name: Denise M. Morrison
Title: President and Chief Executive Officer

EXHIBIT 32(b)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Annual Report of Campbell Soup Company (the "Company") on Form 10-K for the fiscal year ended July 31, 2011 (the "Report"), I, B. Craig Owens, Senior Vice President — Chief Financial Officer and Chief Administrative Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 28, 2011

By: /s/ B. Craig Owens

Name: B. Craig Owens
Title: Senior Vice President —
Chief Financial Officer and
Chief Administrative Officer

SHAREOWNER INFORMATION

World Headquarters
Campbell Soup Company
1 Campbell Place
Camden, NJ 08103
(856) 342-4800
(856) 342-3878 (Fax)

Stock Exchange Listings
New York
Ticker Symbol: CPB

Transfer Agent and Registrar
Computershare Trust Company, N.A.
P.O. Box 43078
Providence, RI 02940-3078
1-800-780-3203

Independent Accountants
PricewaterhouseCoopers LLP
Two Commerce Square
Suite 1700
2001 Market Street
Philadelphia, PA 19103-7042

Dividends
Campbell has paid dividends since the company became public in 1954. Dividends are normally paid quarterly, near the end of January, April, July and October.

A dividend reinvestment plan is available to shareowners. For information about dividends or the dividend reinvestment plan, write to Dividend Reinvestment Plan Agent, Campbell Soup Company, P.O. Box 43078, Providence, RI 02940-3078. Or call (781) 575-2723 or 1-800-780-3203.

Annual Meeting
The Annual Meeting of Shareowners will be held on November 17, 2011, at 2:00 p.m. Eastern Time at the Hilton Stamford Hotel and Executive Meeting Center, One First Stamford Place, Stamford, CT 06902.

Publications
For copies of the Annual Report or the SEC Form 10-K or other financial information, write to Investor Relations at the World Headquarters address, or call 1-800-840-2865 or visit our investor website at www.investor.campbellsoupcompany.com.

For copies of Campbell's Corporate Social Responsibility Report, write to Dave Stangis, Vice President – Corporate Social Responsibility, at csr_feedback@campbellsoup.com.

Information Sources
Inquiries regarding our products may be addressed to Campbell's Consumer Response Center at the World Headquarters address or by calling 1-800-257-8443.

Investors and financial analysts may contact Jennifer Driscoll, Vice President – Investor Relations, at the World Headquarters address or by calling (856) 342-6081.

Media and public relations inquiries should be directed to Anthony Sanzio, Vice President – External and Internal Communications, at the World Headquarters address or by calling (856) 968-4390.

Communications concerning share transfer, lost certificates, dividends and change of address should be directed to Computershare Trust Company, N.A., 1-800-780-3203.

Shareowner Information Service
For the latest quarterly business results, or other information requests such as dividend dates, shareowner programs or product news, call 1-800-840-2865. Shareowner information is also available on our worldwide website at www.campbellsoupcompany.com.

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