Larry Vorpahl
Group Vice President, President, Hormel Foods International

Hormel Foods Career History
2015: Group Vice President; President, Hormel Foods International
2005: Group Vice President, Consumer Products Sales
2003: Vice President, General Manager, Grocery Products
1999: Vice President, Marketing
1996: Director of Marketing

31 Years with Hormel Foods

Favorite Hormel Foods Product
Hormel Chili
Hormel Foods International
Accelerating Our Growth Globally

Larry Vorpahl
Group Vice President;
President, Hormel Foods International Corporation
Agenda

• SEGMENT OVERVIEW

• Accelerated International Growth
A Long History Of International Trade

“Where inspired people lead global progress.”
Three Ways We Go To Market

Long-standing Partnerships

Strong Exports

Multinational Expansion
Growing Global Presence

REGIONAL OFFICES
ON THE GROUND WITH PHYSICAL LOCATIONS & PEOPLE
DISTRIBUTING TO OVER 70 COUNTRIES
Acceleration Sales & Profit Growth

**Volume**
- Million Pounds
- 2006: 120
- 2016: 306
- **10% CAGR**

**Sales**
- $ Millions
- 2006: $150
- 2016: $511
- **13% CAGR**

**Segment Profit**
- $ Millions
- 2006: $17
- 2016: $78
- **16% CAGR**

*Internal data*
Unique Global Position

Globally Recognized Portfolio of Brands

Strong Reputation for Food Safety

- KFC
- Papa John's
- Burger King
- McDonald's
- Pizza Hut
- Ajisen Ramen
- Dicos
Agenda

• Segment Overview

• ACCELERATED INTERNATIONAL GROWTH
GLOBAL GROWTH

Growth Strategies

Export Growth

Growth in China

Acquisitions
Exporting Hormel Foods
Brands Globally

$ Sales

12% CAGR

2006 2016

GLOBAL GROWTH

Internal data
Supporting Our Brands
SPAM® Family of Products Continues to Grow

- New markets
- Increased distribution
- New flavors
SKIPPY® Peanut Butter: A Growth Engine

- New markets
- Increased distribution
- New flavors
MUSCLE MILK® Protein Products
Leveraging the Brand Globally

- Australian production of Beverages and Powders in 2017
- Official Protein Partner of the Australian Football League
- In-country production of Beverages, Powders, and Bars in Europe
Alignment With Growing Global Foodservice Segment

Key Foodservice Customers

Key Products

KFC
Papa Johns
Burger King
McDonald's
i'm lovin’ it
Pizza Hut
Ajisen Ramen
Domino's
Dicos
Hormel
Skippy
Hormel
China - Investing In Growth

$162 Million

$42M
Skippy Foods
China

$120M
Jiaxing Plant

Internal data
China - Investing In Growth

Beijing
Weifang
Shanghai
Jiaxing

2X
PRODUCTION CAPACITY INCREASE
Replicating the China Model Globally

Areas of interest
Achieving Our Growth Goals

• Grow Net Sales +10%
• Grow Segment Profit +15%
• A More Balanced Model
  • Geography
  • Brand
  • Channel
• Multinational (Acquisition)

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