

GENERAL MILLS NYSE-GIS										RECENT PRICE	P/E RATIO		Trailing: 18.1 Median: 16.0		RELATIVE P/E RATIO	DIV'D YLD	3.4%	VALUE LINE						
TIMELINESS 4 Lowered 9/26/14	High: 24.8	25.0	26.9	29.6	30.8	36.0	36.0	39.0	40.8	41.9	53.1	55.6	Target Price Range 2017 2018 2019		128									
SAFETY 1 Raised 11/5/04	Low: 20.7	21.5	22.3	23.5	27.1	25.5	23.2	33.1	34.5	36.8	40.4	46.7			80									
TECHNICAL 3 Lowered 9/5/14	LEGENDS — 12.0 x "Cash Flow" p sh Relative Price Strength 2-for-1 split 6/10 Options: Yes Shaded area indicates recession														96									
BETA .60 (1.00 = Market)	2017-19 PROJECTIONS Price Gain Ann'l Total High 65 (+30%) 10% Low 55 (+10%) 6%														64									
Insider Decisions	N D J F M A M J J to Buy 0 0 0 0 0 0 0 0 0 0 Options 0 0 0 0 1 3 4 1 1 to Sell 0 0 0 0 1 3 4 1 1														48									
Institutional Decisions	4Q2013 1Q2014 2Q2014 to Buy 443 406 441 to Sell 426 469 430 Hd's(000) 433761 427333 419503														32									
Percent shares traded 15 10 5														24										
% TOT. RETURN 9/14 THIS STOCK VL ARITH. INDEX 1 yr. 8.6 9.5 3 yr. 42.9 84.2 5 yr. 81.4 104.4														16										
© VALUE LINE PUB. LLC 17-19														12										
1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Sales per sh ^A		35.55				
9.74	10.27	11.75	12.41	10.83	14.20	14.60	15.24	16.35	18.30	20.23	22.40	22.54	23.08	25.69	27.74	29.25	31.10	"Cash Flow" per sh		5.05				
1.16	1.25	1.44	1.52	1.19	1.85	1.97	2.09	2.13	2.30	2.50	2.78	3.09	3.30	3.47	3.71	3.94	4.15	Earnings per sh ^{A B}		3.75				
.81	.90	1.00	1.10	.85	1.33	1.43	1.37	1.45	1.59	1.76	1.99	2.30	2.48	2.56	2.69	2.83	3.00	Div'ds Decl'd per sh ^C		1.88				
.53	.54	.55	.55	.55	.55	.55	.62	.67	.72	.79	.86	.96	1.12	1.22	1.32	1.55	1.64	Cap'l Spending per sh ^D		1.10				
.31	.46	.47	.54	.69	.96	.83	.56	.51	.68	.77	.86	.99	1.01	1.04	.96	1.08	1.10	Book Value per sh ^E		14.10				
.31	.27	.451	.09	4.87	5.64	6.92	7.69	8.11	7.82	9.21	7.89	8.23	9.87	9.90	10.41	10.67	10.50	Common Shs Outst'g ^F		570.00				
619.20	608.00	570.00	570.40	734.00	740.00	758.00	738.00	712.00	680.00	675.00	656.00	656.50	644.80	648.50	640.80	612.30	595.00	Avg Ann'l P/E Ratio		16.0				
21.8	20.4	19.0	17.9	27.2	16.6	16.2	17.5	16.8	17.6	16.5	15.2	14.3	14.7	15.1	15.7	17.8		Relative P/E Ratio		1.00				
1.13	1.16	1.24	.92	1.49	.95	.86	.93	.91	.93	.99	1.01	.91	.92	.96	.88	.92		Avg Ann'l Div'd Yield		3.1%				
3.0%	2.9%	2.9%	2.8%	2.4%	2.5%	2.4%	2.6%	2.8%	2.6%	2.7%	2.9%	2.9%	3.1%	3.2%	3.1%	3.1%								
CAPITAL STRUCTURE as of 8/24/14 Total Debt \$9319.9 mill. Due in 5 Yrs \$5612.9 mill. LT Debt \$6669.1 mill. LT Interest \$320.0 mill. (Long-term interest coverage: 9.3x) (52% of Cap'l)										11070	11244	11640	12442	13652	14691	14797	14880	16658	17774	17910	18500	Sales (\$mill) ^A		20250
Leases, Uncapitalized Annual rentals \$93.9 mill. Plan Assets-5/14 \$5.6 bill. Oblig. \$5.6 bill.										22.4%	21.7%	20.8%	19.9%	19.3%	18.9%	21.0%	20.8%	19.5%	19.5%	19.4%	19.4%	Operating Margin		20.5%
Pfd Stock None										399.0	443.0	424.0	418.0	459.2	453.6	457.1	472.6	541.5	588.0	585.4	600	Depreciation (\$mill)		650
Common Stock 603,747,687 shs. as of 6/13/14 (Options exercisable: 5.6%)										1094.0	1100.0	1090.0	1144.0	1228.7	1366.9	1571.5	1652.0	1707.3	1788.7	1824.4	1855	Net Profit (\$mill)		2225
MARKET CAP: \$29.9 billion (Large Cap)										35.0%	34.2%	34.5%	34.3%	36.1%	33.8%	34.3%	31.6%	30.2%	31.9%	33.3%	32.4%	Income Tax Rate		32.5%
CURRENT POSITION 2013 2014 8/24/14 (\$MILL.)										9.9%	9.8%	9.4%	9.2%	9.0%	9.3%	10.6%	11.1%	10.2%	10.1%	10.2%	10.0%	Net Profit Margin		11.0%
Business Breakdown										458.0	d1129	d2962	d2791	d1236	d71.1	d289.1	242.8	d151.8	d995.0	d1030	d750	Working Cap'l (\$mill)		425
Acq'd. controlling interest in Yoplait, 7/11; Pillsbury, 11/01. Owns 50% of Cereal Partners Worldwide with Nestle. Has 43,000 empys. Officers/directors own 1.7% of common stock; BlackRock, 7.2% (8/14 Proxy). Chairman & CEO: Kendall J. Powell, Inc.: DE. Address: Number One General Mills Blvd., Minneapolis, MN 55426. Tel.: 763-764-7600. Internet: www.generalmills.com.										7410.0	4255.0	2415.0	3218.0	4348.7	5754.8	5268.5	5542.5	6161.9	5926.1	6223.5	6675	Long-Term Debt (\$mill)		6000
General Mills is off to a rocky start in fiscal 2015 (ends May 31, 2015). To wit, the company reported adjusted earnings of \$0.61 a share in the August period, which was below our estimate and the prior-year tally. The main culprit was the U.S. Retail segment, which was plagued by unfavorable price realizations, sales mix, and lower volumes. Sales fell 13%, 11%, and 9% in the meals, baking products, and Big G cereal categories, respectively. The ready-to-eat (RTE) cereal business remains a big problem, given the fierce competition for market share and the changing consumer dynamics. Indeed, more consumers, particularly the health-conscious, are now opting for alternative breakfasts, including Greek yogurts and sandwiches. Speaking of yogurt, that division was a silver lining in an otherwise difficult quarter. After a few years of heavy promotions and innovations, the company's Yoplait Greek yogurts have been gaining market share.										5248.0	5676.0	5772.0	5319.0	6215.8	5174.7	5402.9	6365.5	6421.7	6672.2	6534.8	6260	Shr. Equity (\$mill)		8035
We are keeping our fiscal 2015 share-net estimate at \$3.00, as an aggressive share-repurchase program provides some support. Still, even with the aforementioned strides in the yogurt category,										10.7%	13.0%	14.8%	14.7%	13.3%	13.8%	16.2%	15.3%	14.9%	15.5%	15.3%	15.5%	Return on Total Cap'l		17.0%
soft fundamentals in the cereal and meals categories (i.e., Big G cereals and Progresso soups) will be a near-term drag on earnings. Too, global sales, which were up in the first quarter, may be hurt by strength of the U.S. dollar and the economic weakness on the Continent. So . . .										20.8%	19.4%	18.9%	21.5%	19.8%	26.4%	29.1%	26.0%	26.6%	26.8%	27.9%	29.5%	Return on Shr. Equity		27.5%
General Mills continues to focus on cost cutting. However, such initiatives have not come at the expense of product innovation, which is expected to yield several new offerings in fiscal 2015. The company recently announced the "Project Century" North American manufacturing/distribution review, which is expected to yield \$100 million in annual savings by 2017. The project is in addition to the ongoing "Holistic Margin Management" program, which is designed to save roughly \$400 million through supply chain improvements.										13.0%	11.3%	10.5%	12.0%	11.2%	15.2%	17.2%	14.5%	14.1%	13.8%	12.9%	13.5%	Retained to Com Eq		14.0%
High-quality General Mills stock has recovered some in recent months. We think this is because investors view these shares as a safe option in a volatile market. Too, investors receive the added bonus of a more-than-3% annual dividend yield.										38%	42%	44%	44%	43%	42%	41%	44%	47%	49%	54%	55%	All Div'ds to Net Prof		50%
William G. Ferguson October 24, 2014										General Mills is off to a rocky start in fiscal 2015 (ends May 31, 2015). To wit, the company reported adjusted earnings of \$0.61 a share in the August period, which was below our estimate and the prior-year tally. The main culprit was the U.S. Retail segment, which was plagued by unfavorable price realizations, sales mix, and lower volumes. Sales fell 13%, 11%, and 9% in the meals, baking products, and Big G cereal categories, respectively. The ready-to-eat (RTE) cereal business remains a big problem, given the fierce competition for market share and the changing consumer dynamics. Indeed, more consumers, particularly the health-conscious, are now opting for alternative breakfasts, including Greek yogurts and sandwiches. Speaking of yogurt, that division was a silver lining in an otherwise difficult quarter. After a few years of heavy promotions and innovations, the company's Yoplait Greek yogurts have been gaining market share.														
Annual Rates										QUARTERLY SALES (\$ mill.) ^A														
Past 10 Yrs. Past 5 Yrs. Est'd '12-'14 of change (per sh)										Aug.Per Nov.Per Feb.Per May Per Full Fiscal Year														
Sales 7.5% 6.5% 5.0%										2011 3533 4066 3646 3635 14880														
"Cash Flow" 8.5% 8.0% 6.5%										2012 3848 4624 4120 4066 16658														
Earnings 8.5% 8.5% 7.0%										2013 4051 4881 4431 4411 17774														
Dividends 9.5% 11.5% 6.5%										2014 4373 4876 4377 4284 17910														
Book Value 6.0% 4.5% 6.5%										2015 4268 4965 4500 4767 18500														
Earnings Per Share ^{A B E}										QUARTERLY DIVIDENDS PAID ^C														
2011 .64 .76 .56 .52 2.48										Mar.31 Jun.30 Sep.30 Dec.31 Full Year														
2012 .64 .76 .55 .60 2.56										2010 .245 .245 .28 .28 1.05														
2013 .66 .86 .64 .53 2.69										2011 .28 .28 .305 .305 1.17														
2014 .70 .84 .64 .65 2.83										2012 .305 .305 .33 .33 1.27														
2015 .61 .87 .75 .77 3.00										2013 .33 .33 .38 .38 1.42														
2010 .245 .245 .28 .28 1.05										2014 .38 .41 .41 .41 1.42														

(A) Fiscal year ends last Sun. in May. (B) Diluted eps. Excl. nonrecurring: '98, 10e; '99, 5e; '00, 1c; '01, 4e; '02, (18e); '03, (11c); '04, (5c); '05, (17e); '08, 10c; '09, (9e); '10, (6c); '11, 22c; '12, (21c); '13, 10c; '14 Q1, (6c). Next eps. report due mid-Dec. (C) Div'ds. historically paid in Feb, May, Aug., and Nov. Div'd reinvest. plan available. (D) Incl. intang. (E) Qtrly. eps. may not sum to total due to change in shs. outstanding. (F) In mill., adj. for split.

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Company's Financial Strength	A+
Stock's Price Stability	100
Price Growth Persistence	60
Earnings Predictability	100

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