

Bon Appétit!

Consumers in France and other European markets enjoy CPW cereals such as Fitness and Chocapic, [Green Giant](#) vegetables, and *Old El Paso* Mexican foods. We see excellent opportunities to expand household penetration for these brands in international markets.



We're building brands around the world.

Over the past five years, International has been our fastest-growing business segment. If you include our proportionate share of joint-venture sales, we have nearly \$4 billion in sales outside the U.S. today. We're focused on building our four global product platforms: ready-to-eat cereal, super-premium ice cream, convenient meals, and wholesome snacks.

Cereal is our biggest global business. In [Canada](#), our category dollar share increased to 27 percent in 2010. Outside North America, our cereal business is Cereal Partners Worldwide (CPW), a joint venture with Nestlé. With distribution

in more than 130 countries, CPW now accounts for nearly a quarter of total cereal sales outside of the U.S. and Canada. Per capita consumption of cereal is low in many international markets, so we expect continued good growth for CPW in the years ahead.

We're growing in developed markets, and expanding our presence in emerging markets, too. In Western Europe, we're increasing household penetration for *Old El Paso* Mexican foods, *Häagen-Dazs* ice cream and *Nature Valley* snack bars with increased media investment, in-store merchandising and new products. In Australia, innovative marketing programs are driving good growth for our *Old El Paso* *Healthy Fiesta* line of better-for-you products, and we recently introduced *Nature Valley* snack bars in this market.

Ready-to-eat Cereal Annual per Capita Consumption (kilograms per person)

United Kingdom	6.6
Canada	4.8
Australia	4.3
United States	4.3
Mexico	2.6
Germany	2.6
France	1.9
Russia	0.3
Brazil	0.1
Southeast Asia	0.05

Source: 2009 Euromonitor International

We see excellent opportunities to drive growth across the global cereal category, as per capita cereal consumption is still quite low in many countries.